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PROCEEDINGS AND DEBATES OF THE 95th CONGRESS, SECOND SESSION

SENATE—*Wednesday, August 16, 1978*

(Legislative day of Wednesday, May 17, 1978)

The Senate met at 9:30 a.m., on the expiration of the recess, and was called to order by Hon. HARRY F. BYRD, JR., a Senator from the State of Virginia.

PRAYER

The Chaplain, the Reverend Edward L. R. Elson, D.D., offered the following prayer:

And above all put on love, which binds everything together in perfect harmony.—Colossians 3: 14.

Eternal Father, the strength of our lives from generation to generation, our morning prayer ascends from grateful hearts and wistful spirits. Enter Thou our hearts and in this one fleeting moment make us deeply aware of Thy presence. Assure us that with Thy help we are ready for every responsibility this day brings.

Make our hearts Thy dwelling place. Cast out everything which obstructs Thy presence. Fill our hearts with love that there may be no room for hate or jealousy or resentment. Fill our minds with truth that there may be no room for falsehood. May Thy grace so abide in our souls that the time of prayer and the time of work may be indistinguishable.

When the shadows of evening fall upon us, give us a consciousness of work well done for our fellow man.

We pray in His name who went about doing good. Amen.

APPOINTMENT OF ACTING PRESIDENT PRO TEMPORE

The PRESIDING OFFICER. The clerk will please read a communication to the Senate from the President pro tempore (Mr. EASTLAND).

The assistant legislative clerk read the following letter:

U.S. SENATE,
PRESIDENT PRO TEMPORE,
Washington, D.C., August 16, 1978.

To the Senate:

Under the provisions of rule I, section 3 of the Standing Rules of the Senate, I hereby appoint the Honorable HARRY F. BYRD, JR., a Senator from the State of Virginia, to perform the duties of the Chair.

JAMES O. EASTLAND,
President pro tempore.

Mr. HARRY F. BYRD, JR., thereupon assumed the chair as Acting President pro tempore.

THE JOURNAL

Mr. MORGAN. Mr. President, I ask unanimous consent that the Journal of yesterday be approved.

The ACTING PRESIDENT pro tempore. Without objection, it is so ordered.

SPECIAL ORDER

The ACTING PRESIDENT pro tempore. Under the previous order, the Senator from North Carolina (Mr. MORGAN) is recognized for not to exceed 15 minutes.

Mr. ROBERT C. BYRD. Mr. President, will the Senator yield?

Mr. MORGAN. I yield.

Mr. ROBERT C. BYRD. Mr. President, I ask unanimous consent that I may proceed for 1 minute, the time not to be charged against the time of the Senator from North Carolina.

The ACTING PRESIDENT pro tempore. Without objection, it is so ordered.

ORDER TO CONVENE AT 9:30 A.M. TOMORROW

Mr. ROBERT C. BYRD. Mr. President, I ask unanimous consent that when the Senate convenes tomorrow, it convene at 9:30 a.m.

The ACTING PRESIDENT pro tempore. Without objection, it is so ordered.

CIVIL SERVICE COMPLIANCE WITH COURT ACTION IN CONNECTION WITH FEDERAL EMPLOYEES

Mr. ROBERT C. BYRD. Mr. President, I ask unanimous consent that the Senate proceed to the consideration of Calendar No. 1006.

The ACTING PRESIDENT pro tempore. The bill will be stated by title.

The assistant legislative clerk read as follows:

A bill (H.R. 8771) to amend title 5, United States Code, to authorize the Civil Service Commission to comply with the terms of a court decree, order, or property settlement in connection with the divorce, annulment, or legal separation of a Federal employee who is under the civil service retirement system, and for other purposes.

The ACTING PRESIDENT pro tempore. Is there objection to the present consideration of the bill?

There being no objection, the Senate proceeded to consider the bill.

Mr. STEVENS. Mr. President, marriage is a partnership in which each spouse makes a unique and vital contribution. Each spouse has a right in the earnings of the other, in the property acquired with those earnings and in the management of such property. This right should be recognized as surviving the marriage in event of its termination by divorce, annulment, or legal separation. Under existing law, payments under the civil service retirement system are not assignable or subject to execution, attachment, or garnishment, except as may be provided by Federal laws. Due to this provision, court orders, decrees or property settlements are not honored by the Civil Service Commission.

I thus support H.R. 8771. This bill will give the Civil Service Commission the authority to comply with the terms of a valid State court decree, order, or property settlement in connection with the divorce, annulment, or legal separation of a Federal employee who is entitled to payments under the civil service retirement system. This bill will not only eliminate the obstacles presented by existing law to the enforcement of State court decrees, but it will reinforce what is already the law in many jurisdictions of this country.

As a future note, I hope that in an upcoming session we will be able to expand on this initiative so that survivor benefits may also be made available to a spouse after a marriage has been dissolved.

H.R. 8771 is a definite beginning step in bringing justice and attention to a group that is often ignored. I commend the chairman of the Subcommittee on Civil Service and General Services, Senator SASSER, for his diligence in pursuing a solution to this problem.

The bill (H.R. 8771) was ordered to a third reading, read a third time, and passed.

Mr. ROBERT C. BYRD. Mr. President, I move to reconsider the vote by which the bill was passed.

Mr. STEVENS. I move to lay that motion on the table.

The motion to lay on the table was agreed to.

Mr. ROBERT C. BYRD. Mr. President, I ask unanimous consent to have printed in the RECORD an excerpt from the report (No. 95–1084), explaining the purposes of the measure.

There being no objection, the excerpt

was ordered to be printed in the RECORD, as follows:

PURPOSE

The purpose of H.R. 8771 is to authorize the Civil Service Commission to comply with the terms of a court decree or property settlement in connection with the divorce, annulment, or legal separation of an employee who is entitled to payments under the civil service retirement system.

BACKGROUND

H.R. 8771, authorizes the Civil Service Commission to comply with the terms of a valid State court decree, order, or property settlement in connection with the divorce, annulment, legal separation of a Federal employee who is entitled to payments under the civil service retirement system.

Under existing law (5 U.S.C. 8346(a)), payments under the civil service retirement system are not assignable or subject to execution, levy, attachment, garnishment, or other legal process, except as may be expressly provided by Federal laws. Public Law 93-647 permits the garnishment of civil service annuity payments but only when necessary to enforce court-ordered child-support or alimony payments.

Approximately 4 million individuals rely on the civil service retirement system for retirement benefits. However, the retirement system fails to provide economic protection to the former spouse of a Federal employee. Such a failure, in many cases, leaves the dependent spouse with no direct retirement benefits despite many years of working without compensation, managing a home, raising children, and contributing time and effort to the joint marital enterprise.

In 1965, Congress amended the Social Security Act to provide that a former spouse who had been married for a least 20 years is entitled to a pro rata share of the social security recipient's annuity. The 95th Congress Public Law 95-216 which amended this provision by lowering the 20 years to 10 years of marriage.

In recent years, many State courts have ruled that future retirement benefits earned during a marriage should be considered an asset of the marriage to be apportioned in the event of a legal separation, divorce, or annulment. H.R. 8771 will authorize the Civil Service Commission to recognize such court rulings and comply with court determinations.

In the committees' view, the enactment of legislation which permits Federal cooperation with State law and court orders is clearly needed. The committee shares the opinion of the Civil Service Commission that H.R. 8771 is the proper approach to the problem of benefits for former spouses.

FREEDOM AND SCIENTIFIC RESEARCH

Mr. MORGAN. Mr. President, freedom is the cornerstone on which this Nation is built. Anything that threatens that freedom challenges the welfare of us all.

The issue regarding the research undertaken by the Director of the smoking and health program at the National Cancer Institute is one of freedom—freedom to investigate, freedom to publish, and freedom to discuss the results.

Freedom should prevail regardless of the popularity or unpopularity of the scientific findings.

Freedom should not be denied because of the consequences of research may deviate from the official party line.

Freedom should not be suspended because the ego of a Secretary of Health, Education, and Welfare is wounded.

In the end, freedom must prevail or we all suffer.

In the present case, a director of a program at the National Cancer Institute has been suspended from his role of heading the Institute's smoking and health program. The timing of this decision strikes me as being rather unusual. I simply cannot believe that it is coincidental that the individual who headed the smoking and health program, Dr. Gio Batta Gori, is about to publish an article in the Journal of the American Medical Association that demonstrates that the American tobacco industry has made great strides in reducing the alleged risk of cigarette smoking. Also, I cannot believe that it is coincidental that the Secretary of Health, Education, and Welfare, Joe Califano, has launched a vigorous campaign directed at eliminating tobacco from American life.

Mr. President, it is important that we examine exactly who Dr. Gori is before we evaluate this particular situation. I believe that it is fair to say that Dr. Gori is a distinguished scientist, an assessment supported by the fact that he was honored with the Institute's Superior Service Award just 2 short years ago.

Dr. Gori's research is based on the assumption that individuals will smoke tobacco regardless of governmentally designed disincentives or prohibitions. What Dr. Gori's decade of research confirms is that the cigarettes that are on the market today are not the same as those cigarettes that existed just a few years ago.

Many representatives of tobacco producing States, including this Senator, have been assured by industry that there is a concerted effort to reduce tar and nicotine levels in smoking, an effort that has been confirmed by Dr. Gori's research.

It is my understanding that Dr. Gori has been replaced in his responsibilities because of a reorganization that is designed to give prominence to basic research over applied research.

Reorganization, we know too well, is a convenient device for getting rid of those we do not like. In thinking of this situation, I am reminded of the words of Adlai Stevenson:

A free society is one where it is safe to be unpopular.

I suppose this so-called reorganization would have merit if it could be demonstrated to me beyond a doubt that Dr. Gori would, in his new role, undertake equally important and time-consuming responsibilities. Unfortunately, such does not seem to be the case. On the contrary, Dr. Gori has been relieved of responsibilities that have over the years come to consume one-third of his time without any compensating new assignments.

When President Carter visited North Carolina recently, he called for research "to make the smoking of tobacco even more safe than it is today." His critics immediately jumped on this statement as scientifically unsubstantiated and simply "politically clever." But, for the past decade, such research has been underway, under the direction of Dr. Gori. Now it seems that the President's own Secretary of Health, Education, and Welfare is participating in undercutting the scientific basis of the President's statement in order to defend his own personal war against tobacco.

Mr. President, the removal of Dr. Gori from the smoking and health program threatens us all. It is a challenge to the scientific community, a community that can only thrive in an atmosphere free from tyranny. I would like to assure my colleagues that I will do everything in my power as a representative of the people of North Carolina and the Nation to assure that this important program continue under the leadership of Dr. Gori.

Mr. HELMS. Mr. President, will the Senator yield?

Mr. MORGAN. I am happy to yield.

Mr. HELMS. Mr. President, I commend my distinguished colleague from North Carolina, and I want him to know that this Senator from his State will join him in protecting Dr. Gori from what obviously is an arrogance of power.

We have had quite enough, Mr. President, of assaults on clear scientific evidence about tobacco and the total ignoring of facts on the other side. As the Senator knows, we have a splendid research facility at Oxford, N.C., which has made great strides in the exploration of the potential of tobacco as a source of protein to feed a hungry world, and yet in all of the assaults on tobacco one seldom sees, if ever, any reference to what is being done by the industry in terms of not only making tobacco safe but also making of it a potential source of food.

The attack on Dr. Gori is reprehensible and I say again to my colleague from North Carolina that I will join him in protecting this man's right to speak the truth, the scientific truth as he finds it.

I commend him on his comments.

Mr. MORGAN. I thank my distinguished colleague.

Mr. President, I should say that four of the five research programs at the Oxford Research Center that the Senator alluded to are primarily related to health research.

Mr. HELMS. That is correct.

Mr. MORGAN. Mr. President, I yield the floor and yield back the remaining portion of my time.

Mr. HELMS. Mr. President, I wonder if the Senator will yield me 2 minutes of his time?

Mr. MORGAN. I am happy to yield 2 minutes of my time to my colleague from North Carolina.

The ACTING PRESIDENT pro tempore. The Senator from North Carolina (Mr. HELMS).

Mr. HELMS. I thank my able colleague from North Carolina.

NATIONAL KNITWEAR MANUFACTURERS ASSOCIATION

Mr. HELMS. Mr. President, a good friend of mine. Mr. W. David Stedman, recently delivered a speech to a convention held by the National Knitwear Manufacturers Association of which he serves as vice chairman. Mr. Stedman is president of Stedman Corporation of Asheboro, N.C.

I am very proud of David Stedman for the work he has done and continues to do in behalf of the free enterprise system and the American businessman. David knows that competition and the freedom of the individual to achieve made America the greatest Nation on Earth, and he wants it to stay that way.

David Stedman understands the need for less Government control of private business and realizes that free enterprise is capable of solving problems that the Federal Government cannot solve.

Mr. Stedman, in his speech, charges that American businessmen have been sleeping while labor unions have gradually taken control of industry. He then makes suggestions to his colleagues for remedying this unfortunate situation, suggestions, Mr. President, that I hope everyone will take to heart so that the United States will not steer itself along England's sad course.

Mr. President, I commend Mr. Stedman's speech to my colleagues. It is the kind of message that America desperately needs to hear—and heed.

Mr. President, I ask unanimous consent that Mr. Stedman's address be printed in the RECORD.

There being no objection, the address was ordered to be printed in the RECORD, as follows:

ADDRESS BY W. DAVID STEDMAN

Several months ago, I received a letter from a friend of many years standing in Bolton, England. He and his brother were formerly in the knitwear manufacturing business . . . the same as we are. Our friendship grew through the years and there has been mutual visitation in our respective homes. He said in this letter to be sure and come to see them while they could still make us comfortable in their home and before they had to move into a wigwam or wherever it is that natives live. Later on, he repeated his invitation by saying, "Please come and bring Sarah before England sinks beneath the waves."

This was spoken by a man who has spent 13 years as a member of Parliament and who only a year or so before had finished a term as president of the Liberal Party of England, a party which holds the balance of power between the Conservatives and Labor, neither one of which has a majority of its own. Here is a message of utter despondency from a man who has lived through the rigors of a declining textile industry and who has been a vital political servant to his vanishing country. Can you imagine what state of mind you must be in to write a letter like that? It is really so very sad when you think of it. And England over whose empire the sun never set now reduced to a small island off the coast of the European continent. It has all happened in the space of perhaps 100 years.

Now let's look at America. In just 400 years we have built the greatest nation, the greatest technological society the world has ever known. We have done something in only 400 years that the Chinese have been unable to do in 10,000 years, the Egyptians in 7,000 years, and the Greeks in 5,000 years. We have built a far superior society in only 1/20 of the time. Now what has made this possible? Unquestionably, it is the free enterprise system which has made it possible for the free spirits of individuals to operate on their own and essentially without limits. But now this great system that made all this possible is being closed down. Not all of a sudden, but gradually. We are in the process of killing the goose that has been laying all those golden eggs.

How long will it take to change what once was the private free enterprise system in this country to a system of state control or national socialism? Well, that's a little difficult to answer. It is quite clear, however, that the direction in which we are traveling will eventually result in the death of the free enterprise system.

Let's take a look at a few developments:

(1) Our total government debt in this country at all levels already is 1½ times our total assets.

(2) Our federal debt now stands at $700 billion and is growing at the rate of $1 billion a week.

(3) Interest on the federal debt is now the third largest item in the budget.

(4) According to the Commission on Federal Paperwork, government agencies print about 10 billion sheets of forms per year to be filled out by business.

(5) In one year there were issued over 57,000 pages of new regulations on business.

(6) We think of America as the great innovator, the great producer, but since 1960, of 8 major industrialized nations, the U.S. has ranked last in growth of productivity measured in terms of output per man hour.

(7) Over 40% of the income of the American people is now spent by civil servants at all government levels. In that sense, we're already 40% socialized.

I could go on and on with such facts, but I hope these are enough to make my point. You may remember a few years ago when Mr. Khrushchev took off his shoe in the United Nations and pounded it on the table and said, "We will bury you." If the Russians will just leave us alone, we will bury ourselves. Based on current trends, it will require our country another 20 to 25 years to get in the condition of England. But who wants to be like England?

Now who is to blame for all of this? Many of us blame the Liberals who, no doubt, have instituted many of the governmental controls while working toward the equality, of shall I say, the mediocrity of everybody. They certainly are skilled in dividing up the pie; the only trouble is that they have no idea how to bake it. But don't blame the Liberals. They are doing their thing, and they're doing it exceptionally well. They believe in what they are doing, and they back up their beliefs with a lot of very aggressive action.

Other people blame Labor. But we can't really blame Labor, because Labor is doing its thing, and it, too, is doing it exceptionally well.

Still others blame the bureaucrats. But, don't blame the bureaucrats because, again, the bureaucrats are doing their thing exceptionally well.

Guess who's been asleep? You and I and our counterparts by the tens of thousands, all across this country—the business people—are the ones who have been asleep. We have sat by and allowed this thing to happen and as a group, we have been indifferent; we have been apathetic; yes, we have been asleep! Now, there are many notable exceptions to this—perhaps some of you here, certainly Heath Larry, head of NAM, which is doing a beautiful job—but what I have said is still true for the great mass of business people across this country.

To put it another way, we have been so busy tending to our own little business that we have not realized the void we have left on the other side. As a result of this vacuum we have created, others of different faith have rushed in to fill it. Our problem is that we don't want to get involved. We don't like politics. We don't want to take on extracurricular responsibility. We don't really want to carry the inherent responsibility of being a first-class citizen, if I may put it that way. No, we just want to tend to our own knitting and hope that everybody else will leave us alone.

But the shocking truth is that they are not going to let us alone! They have not let us alone for the past 45 years in this matter and that is why we find ourselves in this position today. It's the case of the tortoise and the hare all over again. We have been over in the bushes asleep while the tortoise went right on down the road, and if we're not careful, he's going to hit the finish line before we can.

We have been so involved in other things that we have allowed people who know nothing about our business create the environment in which we have to operate. Isn't it ridiculous, when you really think about it, to leave this creation of our business environment to the liberals, to the labor people, to the bureaucrats, and to the politicians?!! It is not only ridiculous, my friends, it is insanity. It is the case of the thermometer vs. the thermostat. The thermometer merely reacts to the environment; the thermostat controls it. We have got to stop reacting to the environment and begin to create it! It may not be so important this day or maybe even this year—business is good. But ultimately the control of the business climate in which we operate is as important to our bottom line as anything else we can possibly do, and yet as a group throughout this country we do not understand this. We seemingly do not agree with it and obviously we do not actively support that concept. Failure to recognize and support it may well be our ultimate undoing.

Now, what can you and I do about all of this? The list of things that we can do is very long, but let me name just a few:

(1) Become supportive and active in organizations which believe in and expound the basic principles and policies of a free enterprise system.

(a) Let's start with our own national industry organization. Here we have most of the leadership of the entire industry in this nation. We should, as a group, take a stand on basic policy issues. I am not talking about Democrat vs. Republican. I am talking about basic, fundamental free enterprise principles. We should take our stand and let it be known to the press and to key people in Congress and others just how our industry stands. Our Board and Executive Committee can formulate these positions in some appropriate manner and they can be communicated to the proper people by our professional staff.

(b) We have sitting right here on our platform this morning the distinguished President of the National Association of Manufacturers, Heath Larry. They are doing an outstanding job of fighting for the very thing I am talking about. If you do not now belong to that organization, I urge you to join. Support them not only with your financial resources but with your own personal time. I am not plugging NAM, I am plugging free enterprise and the saving of the system that has made us what we are today.

(c) The same goes for the U.S. Chamber—they're doing a great job. The National Right To Work Committee—I could name

many other fine organizations, but you can search out the ones that fit your requirements best.

(2) Your Chief Executive Officers must get personally involved. Now I know it's easy to say, "I don't have the time." My answer is, "We must get involved personally." Lobbyists are fine, vice presidents for public affairs or public relations are indispensable, but there comes the time when nobody, but nobody, can take the place of the chief executive officer talking to the Congressman, to the Senator, to the bureaucrat or to his peers about these matters. I challenge you to set aside a certain amount of your personal executive time for this purpose. Just think what would happen in this country if all business chief executives would give as much as 10 percent of their time on a regular basis to fighting for our cause. You would see absolutely unbelievable changes take place in our country.

(3) Consider setting up a Political Action Committee in your company. This is a nonpartisan group in your company who contributes to political figures who are fighting for the basic principles and laws that express the business point of view. This option was made into law in 1976. Since then, some 550–600 corporate PAC's have been set up. These are currently raising hundreds of thousands of dollars per year to be poured into electing politicians sympathetic to the business community. This is a development that worries the unions. For many years now the labor movement has been pouring millions of dollars into the political process. It is now clear that they have been imminently successful. Doesn't it strike you as real irony that while it was the business community which developed the modern, complex organization structures which in turn made possible the great American technological society of today, it is now Big Labor which has adopted these organizing techniques and has run rings around business in organizing their forces to fight on a national basis for the causes they believe in. The day comes when this has to stop. The day has come when this same kind of force must be generated in the business community with an impact that is just as great.

(4) We must educate our employees in the truths of basic economics and the free enterprise system. They simply don't understand it and it's very difficult to be aggressive in your support for something you really don't understand. For instance, polls tell us that the American public believes that companies make 33% profit after taxes. Can you imagine the kind of damage that can do you in a critical vote? There are programs already developed, for example, by the Free Enterprise Institute of Stanford University, that outline a whole procedure and a program of education for your employees. They are not getting the education in the schools that they need along these lines, and the least we can do is to make a sincere effort to correct this deficiency of the employees in our own organizations. Can you imagine the impact on this country if every company that employed as many as 250 people would undertake such a program? Millions of people could be educated through this process alone. Again, this program alone could go a long way to turn our country around.

(5) It is very important to get to know your Congressman and Senators personally and let them hear from you on all legislation important to you and your company. A little money at campaign time might help his hearing, also.

There are so many things that can be done. There is no way to discuss them all here. You can't do everything, but you can do something.

Can we turn it around? I'm not at all sure, but I can certainly say this much. The hour is late. We must ask some very penetrating questions. How much does it mean to you to preserve the system that made us great? Do you care enough to do what has to be done in terms of commitment of your corporate and personal funds and time? If you and I do not rise to the challenge of the day, if we don't speak out for the things we believe in, and if we don't stand up and fight for the basic principles of the free enterprise system that made us what we are today and are the only real hope for our children tomorrow—if we don't do these things, then you and I will deserve what will surely happen to us. But, will our children deserve it?—because we didn't have the interest and the courage to do what needed to be done? Think about it. It's terribly important.

Mr. HELMS. Mr. President, I assume the Senator wishes to yield back the remainder of his time.

Mr. MORGAN. Yes.

SPECIAL ORDER

The ACTING PRESIDENT pro tempore. Under the previous order, the Senator from Oklahoma (Mr. BELLMON) is recognized for not to exceed 15 minutes.

Mr. BELLMON. Mr. President, I ask unanimous consent to yield my time to the Senator from Missouri and then I will follow his comments.

The ACTING PRESIDENT pro tempore. Without objection, it is so ordered.

The Senator from Missouri (Mr. DANFORTH) is recognized.

S. 3416—EXCESS GOVERNMENT SPENDING SURTAX ACT OF 1978

Mr. DANFORTH. Mr. President, since coming to the Senate, I have consistently advocated a substantial tax reduction for the American people. More than a year ago, I offered, together with many of my colleagues, a permanent tax cut as an alternative to the President's proposal for $50 tax rebates. Before the present session ends, the Senate will again consider proposals to provide tax relief for individuals and business. I hope to take an active role in that debate.

However, I think that it is equally important to recognize that tax reduction must be accompanied by meaningful restraints on governmental spending. If Federal revenues are reduced and Federal spending is not restrained, the result will simply be a larger deficit and a higher rate of inflation.

It has been said that a substantial tax reduction in itself would act as a restraint on Federal spending. I do not accept that proposition. We in Congress have become accustomed to high deficits. We have tolerated the notion that Federal revenues need not match Federal spending. Therefore, in connection with a substantial tax reduction, which I believe to be essential for a prosperous economy, I am introducing today a proposal to put some order into our existing economic chaos.

The proposal is entitled the Excessive Federal Spending Control Act of 1978. Its sole purpose is to provide a tool which will help us to control the growth in Federal spending.

The bill would, for the next 5 years, limit to 2 percent the annual rate at which Federal spending from one year to the next would only be permitted to grow at the rate of inflation plus 2 percent.

If enacted into law, this provision would assure that by 1983, the percent of GNP that is spent annually by the Federal Government would be no higher than 20 percent.

To make this provision work, the bill would require that any excess spending above the 2 percent limit must be paid for through a surcharge on the income tax. The message is: if those of us in Washington cannot hold Federal spending below a specified target level, then we must find a way to pay for it.

Now, if there is one thing that all politicians hate to do, it is to increase people's taxes. The purpose of the surcharge provision is to make higher spending politically unacceptable by tying it to a tax increase.

Currently, Congress can increase Federal spending with relative impunity. The discipline of a balanced budget has all but disappeared.

Our current budget deficits are staggering. They are so large—$40 to $50 billion annually—that the historical political pressure against adding a billion dollars to the deficit is almost nonexistent. A billion dollars is only 2 percent of this year's estimated $50 billion deficit.

This turn of events is absolutely frightening and portends nothing short of disastrous future consequences for our economy.

Politicians in Washington seem incapable of saying "No." It is always easier to say "Yes" to those in need—no matter what that need is. It is always easier to keep a program alive and growing, even if the program has been a failure. We follow the path of least resistance, but down that path lie higher budget deficits and the hidden tax of inflation.

I do not know how to get out of this trap, but I believe that this bill would be a step in the right direction.

It is not a draconian measure. It does not say, "There will be no new growth in Federal spending." It does say, however, that if Government grows faster than 2 percent per year, then taxes must be increased.

The bill would permit at least $10 billion in real growth in Federal spending per year without requiring higher taxes. Hopefully, we can keep spending growth below that "permissible" level. But if we cannot, we must face the political reaction which is certain to accompany a tax increase.

The long run goal of this proposal is to help the Federal Government achieve a balanced budget in a step-by-step fashion. The intermediate target of the plan is to reduce to below 20 percent the share of GNP that is consumed by Government.

Government this year is expected to spend money at a rate that is the highest in history—an estimated 22.6 percent of GNP. If "off-budget" Federal outlays are added, this figure rises to 25.2 percent.

Mr. President, I ask unanimous con-

sent that a table be printed in the RECORD, which illustrates the pattern of Federal spending growth over the past 22 years. The table is reprinted from the President's "Budget in Brief" for fiscal year 1979.

There being no objection, the table was ordered to be printed in the RECORD, as follows:

FEDERAL FINANCES AND THE GROSS NATIONAL PRODUCT, 1956–79

[Dollar amounts in billions]

Year	Gross national product	Budget receipts [1]		Outlays [1 2]					
				Unified budget		Off-budget Federal entities		Total	
		Amount	Percent of GNP	Amount	Percent of GNP	Amount	Percent of GNP	Amount	Percent of GNP
1956	411.0	74.5	18.1	70.5	17.1			70.5	17.7
1957	432.7	80.0	18.5	76.7	17.7			76.7	17.7
1958	442.1	79.6	18.0	82.6	18.7			82.6	18.7
1959	473.3	79.2	16.7	92.1	19.5			92.1	19.5
1960	497.3	92.5	18.6	92.2	18.5			92.2	18.5
1961	508.3	94.4	18.6	97.8	19.2			97.8	19.2
1962	546.9	99.7	18.2	106.8	19.5			106.8	19.5
1963	576.3	106.6	18.5	111.3	19.3			111.3	19.3
1964	616.2	112.7	18.3	118.6	19.2			118.6	19.2
1965	657.1	116.8	17.8	118.4	18.0			118.4	18.0
1966	721.1	130.9	18.1	134.7	18.7			134.7	18.7
1967	774.4	149.6	19.3	158.3	20.4			158.3	20.4
1968	829.9	153.7	18.5	178.8	21.5			178.8	21.5
1969	903.7	187.8	20.8	184.5	20.4			184.5	20.4
1970	959.0	193.7	20.2	196.6	20.5			196.6	20.5
1971	1,019.3	188.4	18.5	211.4	20.7			211.4	20.7
1972	1,110.5	208.6	18.8	232.0	20.9			232.0	20.9
1973	1,237.5	232.2	18.8	247.1	20.0	0.1	(3)	247.1	20.0
1974	1,359.2	264.9	19.5	269.6	19.8	1.4	0.1	271.1	19.9
1975	1,454.6	281.0	19.3	326.1	22.4	8.0	.6	334.1	23.0
1976	1,625.4	299.2	18.4	365.6	22.5	7.2	.4	372.9	22.9
1977	1,838.0	356.9	19.4	401.9	21.9	8.7	.5	410.6	22.3
1978 estimate	2,043.2	400.4	19.6	462.2	22.6	11.5	.5	473.7	23.2
1979 estimate	2,274.6	439.6	19.3	500.2	22.0	12.5	.6	512.7	22.5

[1] The amounts of earned income credit in excess of tax liabilities are shown as negative budget receipts rather than as budget outlays. Accordingly, the budget totals have been adjusted retroactively.

[2] The 1975–77 data have been revised retroactively to include the housing for the elderly or handicapped fund in the unified budget instead of with the off-budget Federal entities.

[3] 0.05 percent or less.

Note: Exchange stabilization fund included from 1976.

Mr. DANFORTH. Historically, the Federal Government has consumed about 18.6 percent of GNP. During the decade ending in 1966, the rate was 18.7 percent. However, during the next 10 years ending in 1975, the rate had climbed to 20.5 percent. Since 1975, the rate has climbed to 22.8 percent. If this trend continues unchecked, the Federal Government would consume 27 percent of GNP by 1985. That is the path we are on.

If this bill is enacted into law, the trend toward ever-larger Government would be reversed.

I ask unanimous consent to insert in the Record at this point a brief table showing the expected impact of this bill on Federal spending as a percent of GNP.

There being no objection, the table was ordered to be printed in the RECORD, as follows:

IMPACT OF DANFORTH PROPOSAL

[Dollar amounts in billions]

Fiscal year	Estimated GNP	Federal spending under proposal [1]	Federal spending as a percent of GNP
1979	$2,263	$490	21.7
1980	2,496	533	21.4
1981	2,759	578	20.9
1982	3,045	625	20.5
1983	3,362	673	20.0
1984	3,702	726	19.6

[1] Federal spending assuming surtax is not imposed.

Mr. DANFORTH. One final thing, Mr. President. There is a provision in the bill which provides a safety valve in the case of a national recession. Since GNP declines and Federal spending increases during recessionary periods, it would be counterproductive to increase taxes at such times. Therefore, the bill provides that the surcharge will not be imposed in any year in which national unemployment exceeds 7.5 percent for 3 consecutive months.

That is the plan. It is not the answer to all our Nation's economic woes. But it is a step in the right direction in an environment of excessive Federal spending and budget deficits.

Mr. President, at this point I ask unanimous consent that the bill, which I will introduce, be printed in the RECORD.

There being no objection, the bill was ordered to be printed in the RECORD, as follows:

S. 3416

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,

SECTION 1. SHORT TITLE.

This Act may be cited as the "Excess Government Spending Surtax Act of 1978".

SEC. 2.

Add the following new part to subchapter A of chapter 1 of subtitle A of the Internal Revenue Code of 1954:

"PART V—SURTAX ON INDIVIDUALS AND CORPORATIONS

"SEC. 51. EXCESSIVE GOVERNMENT SPENDING SURTAX

"(a) There is hereby imposed on each person a surtax computed in a manner described in subsection (b).

"(b) The surtax described in subsection (a) shall be an amount determined by multiplying the surtax percentage determined in subsection (c), by the amount of tax computed under chapter 1 (but before application of the tax credits provided in part IV of subchapter A of such chapter). For purposes of this subsection, any tax imposed for the taxable year by section 56, 72(m)(5)(B), 508(f), 402(e), 531, 541, 1378, 1351(d)(1), shall not be considered tax imposed by this chapter for such year.

"(c)(1) The surtax percentage shall be a percentage rounded to the next highest whole number determined by the Secretary to be necessary to finance all federal outlays provided in the

(Amount of Federal outlays)

Taxable year of surtax beginning in:

1980, Federal outlays for the period October 1, 1979 through September 30, 1980 in excess of $500,000,000,000.

1981, Federal outlays for the period October 1, 1980 through September 30, 1981 in excess of $510,000,000,000.

1982, Federal outlays for the period October 1, 1981 through September 30, 1982 in excess of $520,000,000,000.

1983, Federal outlays for the period October 1, 1982 through September 30, 1983 in excess of $530,000,000,000.

"(2) The dollar amounts described in paragraph (1) for any fiscal year shall be increased by the percentage that the average consumer price index for the 12-month period ending on the September 30 preceding such fiscal year has increased from the average consumer price index for the 12-month period ending September 30, 1978.

"(3) The amount of Federal outlays for any fiscal year described in paragraph (1) shall be the amount of Federal outlays for such fiscal year agreed to by both Houses of Congress in the second budget resolution on or before the September 15 preceding the beginning of such fiscal year. Any changes in the Federal outlays for such fiscal year agreed to by Congress after the September 15 preceding the beginning of such fiscal year shall be considered as additional Federal outlays for the fiscal year next succeeding such fiscal year.

"(d)(1) The surtax imposed by subsection (a) shall be suspended for any calendar year in which the unemployment rate determined by the Bureau of Labor Statistics exceeds 7.5 percent for a third consecutive month.

"(2) Any tax year in which the surtax is suspended pursuant to paragraph (1), the

surtax will be reimposed in the subsequent year pursuant to subsection (a) unless paragraph (1) of this subsection would also suspend the surtax for such subsequent year.

"(e) Any surtax that is determined by the Secretary to be applicable as a result of this section shall be specifically identified on the tax forms issued by the Secretary as the 'Excessive Government Spending Surtax'.

"(f) For persons with taxable years other than a calendar year, the provisions of section 21 shall apply in the computation of the excessive Government spending surtax liability.".

The ACTING PRESIDENT pro tempore. The Senator from Oklahoma.

Mr. BELLMON. Mr. President, I am pleased to join as a co-author with the Senator from Missouri in the introduction of the Excess Federal Spending Control Act of 1978. I would like to congratulate the Senator from Missouri for the very careful thought that he has given to this important matter, and to say that I believe the consideration and, hopefully, ultimate passage of this act would be one of the most important actions Congress has ever taken to help bring a degree of discipline to Congress in the area of Federal spending.

I have been dismayed and even frightened by the inability of Congress to restrain spending. Here we feel enormous pressures to spend more and spend more, and do more and do more. Yet up to this time there has not been a countervailing pressure felt from those who must pay the bills.

The Danforth legislation, the Danforth Excessive Federal Spending Control Act, will put this kind of restraint on Congress which will be forced to recognize that any time we get above the limits set forth in the bill we will have to increase taxes and our taxpayers will have occasion to act on what we are doing and will be forced to make the choice of whether the programs put on the books are worth the costs we are paying.

I came to the Senate following service as Governor of the State of Oklahoma. In Oklahoma we have in our constitution a requirement that our State budget be balanced every year. There is no way for the State of Oklahoma to run a debt. Any time the legislature spends or appropriates more money than we collected in the previous fiscal year, then it is necessary for the legislature to pass and the Governor to sign a bill that will generate the revenues necessary to pay the bill.

After I came to the Senate, on different occasions I introduced legislation requiring that we have a balanced Federal budget. But for various reasons that approach has not been accepted, and probably would not be quite as successful here as it is at the State level because the Federal Government has responsibility for national defense and also for full employment. So there is a need for some flexibility.

The approach Senator DANFORTH has taken in drafting the Excess Federal Spending Control Act provides this flexibility, but, at the same time, it incorporates the discipline which we presently have been lacking.

Mr. President, as Members know, I serve as a member of the Senate Budget Committee, and I was supportive of the Budget Control Act which set up this process, and I believe it has had a significant impact on the spending practices of Congress. But still there is something missing. We are able, when we feel the pressure to do so, to run large deficits, and the result is that inflation grows, the size of the Federal debt grows, and the servicing of that Federal debt grows, and we are still not able to cope with the management of our Federal spending as effectively as we should.

I believe the Danforth approach will go a long way to strengthen the Budget Act and to make it possible for us to hold our deficit down except in times of dire circumstances.

I believe that the discipline which the surtax will bring is what has been missing. I congratulate the Senator from Missouri for having devised this bill, and I am very proud to join as a cosponsor. I would expect to work actively with the Senator from Missouri in seeing that this bill is considered by the appropriate committee and brought to the floor at the earliest possible date. I think this is a very significant new legislative initiative, and I believe the efforts of Congress to hold down the Federal excessive spending will be greatly enhanced by the passage of this measure.

Mr. DANFORTH. Mr. President, I very much appreciate the comments of the senior Senator from Oklahoma. I wanted to spell out in the simplest possible terms the concept of this bill.

It is very straightforward in its approach. It does not prohibit Congress from doing anything.

A lot of people have suggested the possibility of a constitutional amendment to somehow restrict Federal spending This would be not nearly so inflexible as a constitutional amendment.

Congress under this proposal could spend anything it wants to spend. It could open whole new vistas of Federal spending. But what this proposal says is that after a point there is no free lunch.

It seems to me that is the message we have just missed here in Washington. We have the notion we can spend absolutely anything we want to and that somehow money just grows on trees. It does not grow on trees. It comes either out of the pockets of the taxpayers or with the increasing deficits it comes out of the pockets of all the people in the form of the most regressive of all taxation; namely, inflation.

What this proposal says is if Congress increases Federal spending more than 2 percent of real growth per year then a surcharge on the income tax will be automatically imposed. The effect of this is that when the politician comes back home he is not only going to be able to point with pride to the wonderful things he has done for his constituents, but he is also going to have to answer to those constituents as to why they find on April 15 a separate line on their income tax which is a surcharge on the income tax, because what would happen is if the amount of Federal spending increase exceeds a real growth rate of more than 2 percent a year, on April 15 there would be a separate item on the income tax, a surcharge on the income tax, and the taxpayer would have to compute the amount of the surcharge based on his income tax. It would be called an excessive spending tax, and I think it would focus national attention on the other side of proposition 13.

So often when we talk about proposition 13 we are talking about people not willing to pay taxes. When I go home to Missouri the people are not only talking about the rate of taxation but they are talking about the size and the cost of Government. That is what we want to control, and I think this proposal provides some handle on it.

Mr. BELLMON. Mr. President, will the Senator yield?

Mr. DANFORTH. Certainly.

Mr. BELLMON. I would imagine that as the various spending bills moved through the Senate, or through Congress, at some point in time we would be able to raise the flag and say, "If we appropriate this money, we are also going to have to raise taxes."

To me, that would be one of the most stern and effective forms of discipline Members could have, because when we voted for the spending proposition, we would also be voting for the tax to pay the cost, and we would have to decide if the program was meritorious enough for us to incur the wrath of the taxpayers in order to pay the cost.

I think this is what we have been needing in Congress, and it would be a highly effective way of making us measure the worth of programs we fund against the actual cost. At the present time, we can spend and spend and borrow and borrow, weaken the value of our currency, and increase inflation, and at the same time not feel any direct political pressures.

The Senator's amendment, I think, would make us far more responsible, because we would have to vote the taxes to pay the bill, and thereby the voters would be able to know what we had done, and that they would have to pay the taxes.

Mr. HELMS. Mr. President, will the Senator yield?

Mr. BELLMON. I yield.

Mr. HELMS. The Senator from Missouri has proposed an intriguing discipline, and I think it would be the most direct and obvious discipline that could be imagined. The interest on the Federal debt this year——

Mr. BELLMON. Is between $45 billion and $50 billion.

Mr. HELMS. I believe the more accurate figure is close to $56 billion.

Mr. BELLMON. It may be. There are some reflows, I understand.

Mr. HELMS. The Senator is correct.

I proposed a measure 2 or 3 years ago in this body which was resoundingly defeated. I suggested at that time that the salaries of Senators and Representatives, Members of Congress, be reduced by the same per centum by which Congress failed to balance the Federal budget. I think I got seven votes on that proposition; but I think that would be an effective discipline; and I wish the Senator well in any effort he makes to achieve some sanity on the part of Congress in spending the people's money.

Mr. DANFORTH. I thank the Senator.

We are approaching the consideration of a major tax reduction bill. I think everyone is convinced that if we are going to have a prosperous economy, we are going to have to have a tax reduction. There has been some debate, and there will continue to be some debate, as to the amount and distribution of the reduction. My own feeling is that the President's proposal as it came out of the House of Representatives is too small a tax cut, but I do think it is important that, at the same time as we talk about cutting Federal taxes, we also talk about some measures to try to restrain Federal spending.

Therefore, in connection with the tax cut in the Senate Finance Committee I will be offering this proposal. It may be that I will get the same seven votes the Senator from North Carolina managed to muster a few years ago. But I really think it is a point worth making.

It is so easy and so popular to be talking about reductions in Federal taxes; but we also have to look at the other side of the coin, which is the side of the coin which I think most people in the country are most concerned about.

Mr. BELLMON. Mr. President, if the Senator will yield, I think what the Senator has said reflects an attitude that is growing across the country, which is that there has to be some restraint in Federal spending, that a lot of the programs we thought would solve problems have not worked too well, and that it is time we look more carefully at the way we use our tax dollars.

I also find, in Oklahoma, when meeting constituents, that the great majority, when given a chance to express their views, prefer to see us cut down on the deficit to having a tax reduction.

I think this is very significant. In other words, people are now saying they are willing to cut down the deficit and hold down inflation rather than have reduced taxes.

I believe if we had had in the past what the Senator from Missouri is proposing this morning, a Federal spending control act, we would not be facing the problems we face today.

Mr. DANFORTH. According to a Roper poll released about 2 weeks ago, when people were asked, "Do you want a one-shot major tax reduction, or would you rather have indexing of your tax bracket to hold you harmless from inflation putting you in higher and higher brackets," by a margin of about 2 to 1, as I remember, people were saying, "We would rather be held harmless against inflation putting us into higher brackets."

So it seems to me that what people are concerned about is not so much the rate of taxation today as the rate of taxation tomorrow, caused by inflation.

Again, it is the effect that inflation is having not only on the spending power of a person's earnings, but also on continuing to increase the total tax bite on that individual. If we could get some handle on inflation, which is the same as saying a handle on Federal spending, I think it would be a great step forward.

Mr. BELLMON. I believe that the Senator from Missouri has made a large step in that direction this morning, and I applaud him.

Mr. DANFORTH. Mr. President, I suggest the absence of a quorum.

Mr. PELL. Mr. President, will the Senator withhold that?

The PRESIDING OFFICER (Mr. McGOVERN). Will the Senator withhold until the Chair lays before the Senate the unfinished business?

Mr. DANFORTH. Certainly.

COLLEGE OPPORTUNITY ACT OF 1978

The PRESIDING OFFICER. Under the previous order, the Senate will now resume the consideration of the unfinished business, S. 2539, which the clerk will state.

The legislative clerk read as follows:

A bill (S. 2539) to amend the Higher Education Act of 1965 to improve the basic educational opportunity grants program and for other purposes.

The PRESIDING OFFICER. The time for debate on this bill is limited to 5 hours, to be divided with 1 hour to the Senator from Maine (Mr. MUSKIE) and with 4 hours to be equally divided between and controlled by the Senator from Rhode Island (Mr. PELL) and the Senator from New York (Mr. JAVITS), with 1 hour on any amendment and 20 minutes on any debatable motion, appeal, or point of order.

Mr. PELL. Mr. President, this bill was laid before the Senate last night and the Senator from New York (Mr. JAVITS) and I made our opening statements, so that our colleagues could be informed of what our basic positions were on this bill. This bill really gives us another, more practical, and more effective way of helping the youngsters of middle-income American families.

By going this route, we would not be starting any new program whatsoever. We would not be eroding the Internal Revenue Code in order to provide money to middle-income families. We would be leaving educational policy to be determined by those members of Congress who are mainly concerned with the policies of education, rather than the fiscal aspects of what we do, and we would be reducing the amount of paperwork.

It would also mean that you would not have to have any additions to our income tax form, which you would have to have if one were to benefit from the tax credit bill passed yesterday. Under the approach of S. 2539, we would simply take the present basic education opportunity grant program and increase the income allowable from about $12,500 or $13,000 under which a family is now eligible to $25,000. This would mean that increased help would then go to those middle-income families with incomes between $12,000 or $13,000 and $25,000 a year.

It would not, as in the case of the bill passed yesterday, provide more than half the help to families with more than $25,000, who do not need the help so much.

In addition, we would remove the establishment of income limitations for the guaranteed student loans, thus reducing the paperwork even further than would be the case otherwise. The principle here was that there was no use in having 98 percent of our people go through a tremendous amount of paperwork in order to exclude 2 percent. Under S. 2539, any American family is eligible for an interest-subsidized guaranteed student loan.

Under this bill, we have increased the work study and the supplemental education grant figures.

That is about the gist of the bill which is before us.

After reading the morning press, one realizes there is a very real likelihood that the President will veto the tax credit bill. This bill would then be the more practical route that we should take to help middle-income Americans.

Mr. President, I made my statement last night. I would welcome any amendment which might come forward.

Mr. President, I suggest the absence of a quorum with the time to be equally charged against both sides.

Mr. ROBERT C. BYRD. Mr. President, will the Senator withhold that?

Mr. PELL. I do, Mr. President.

Mr. ROBERT C. BYRD. Mr. President, efforts are being made at this point to determine whether or not there are any amendments. I prefer that we not ask for a quorum call at this moment.

RECESS SUBJECT TO CALL OF THE CHAIR

Mr. ROBERT C. BYRD. Mr. President, if the distinguished manager of the bill will agree, I ask unanimous consent that we stand in recess awaiting the call of the Chair, and the time charged equally against both sides. We should know if there are any amendments within a few minutes.

There being no objection, at 10:11 a.m., the Senate took a recess, subject to the call of the Chair.

The Senate reassembled at 10:12 a.m., when called to order by the Presiding Officer (Mr. McGOVERN).

Mr. PELL. Mr. President, I ask unanimous consent that the committee amendments be agreed to en bloc.

The PRESIDING OFFICER. Without objection, it is so ordered.

The committee amendments were agreed to.

Mr. ROBERT C. BYRD. Mr. President, I ask that the bill go to third reading.

The PRESIDING OFFICER. The question is on the engrossment and third reading of the bill.

The bill was ordered to be engrossed for a third reading and was read the third time.

Mr. ROBERT C. BYRD. Mr. President, I ask unanimous consent that the Senate vote on the bill at the hour of 11:45 a.m. today, with paragraph 1 of rule XII waived.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. ROBERT C. BYRD. Mr. President, this will be a rollcall vote. I believe there are enough Senators in the Chamber now to ask for the yeas and nays.

Mr. President, I ask for the yeas and nays on passage.

The PRESIDING OFFICER. Is there

a sufficient second? There is a sufficient second.

The yeas and nays were ordered.

Mr. ROBERT C. BYRD. Mr. President, I suggest the absence of a quorum, and I further suggest that Mr. SCOTT come to the Chamber.

The PRESIDING OFFICER. The clerk will call the roll.

The second assistant legislative clerk proceeded to call the roll.

Mr. ROBERT C. BYRD. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

THE SENATE WORKLOAD—LABOR DAY RECESS SCHEDULE

Mr. ROBERT C. BYRD. Mr. President, the Senate has a considerable amount of work ahead of it. I hope it will be possible to get a good amount of that work done before the Labor Day holiday recess. It is entirely possible that by working hard, long, and successfully, the 2 days that the Senate was to be in, the 28th and 29th, it is possible that we could scratch those 2 days and add them to the holiday. But I should want to be assured that we would have time agreements on measures ready to take up on the Wednesday when the Senate is supposed to come back; otherwise, there might be a tendency to fall victim to the syndrome that, well, we are not going to do anything that week, let us stay home and come in on the next Monday. So if we can get time agreements so that we know that we have work, know that we shall move forward on that Wednesday and have a good work week—Wednesday, Thursday, Friday, possibly even Saturday of that week; maybe not, but certainly Wednesday, Thursday, and Friday—so that we know we are going to be doing work, know we have time agreements, I am sure we will be willing to consider adding 2 days onto the holiday. But it just depends on how things go. I thought that might be nice to know.

Mr. President, Mr. SCOTT, the valiant, very able warrior from the State of Virginia, is present. He has tied his steed to the hitching post outside and left his lance there, but he carries with him his sword and it is polished and gleaming and he is ready to do battle.

Mr. HELMS. Will the Senator from West Virginia lay down his sword for just a moment?

Mr. ROBERT C. BYRD. I am outnumbered at this point.

Mr. HELMS. The Senator was referring to time agreements. I wonder if we could not get a time agreement on order No. 918, S. 3100. I am willing to accept 5 minutes on my side and give 5 hours to the other side to show what a sporting proposition I am willing to offer.

Mr. ROBERT C. BYRD. Let us talk about that later.

Mr. HELMS. The Senator was interested in getting a time agreement. I just wanted to show my willingness to cooperate with him.

Mr. ROBERT C. BYRD. The Senator is always willing to cooperate. I have never found him unwilling.

Mr. HELMS. I thank the distinguished majority leader. Now he can pick up his sword again.

COMMITTEE MEETINGS

Mr. KENNEDY. Mr. President, I ask unanimous consent that the Committee on Environment and Public Works be authorized to meet during the session of the Senate today to hold a markup session on two nominations; five public building proposals; S. 2900, oil spill liability legislation and S. 2995, the National Visitors' Center.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. KENNEDY. Mr. President, I ask unanimous consent that the Governmental Affairs Committee be authorized to meet during the session of the Senate today to mark up postal legislation.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. KENNEDY. Mr. President, I ask unanimous consent that the Subcommittee on Criminal Laws and Procedure of the Committee on the Judiciary be authorized to meet during the session of the Senate today to conduct an oversight hearing on LEAA.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. KENNEDY. Mr. President, I ask unanimous consent that the Health and Scientific Research Subcommittee of the Committee on Human Resources be authorized to meet during the session of the Senate today beginning at 2:30 p.m. to hold a markup session on S. 3115, the disease prevention bill.

The PRESIDING OFFICER. Without objection, it is so ordered.

ORDER TO RECOGNIZE SENATOR MORGAN AT 11:25 A.M. TODAY

Mr. ROBERT C. BYRD. Mr. President, I ask unanimous consent that Mr. MORGAN be recognized at 11:30 a.m. today to address some remarks to the subject of the higher education bill and that he be allotted 15 minutes just before the rollcall vote.

Mr. JAVITS. Mr. President. if the Senator will yield to me, is this on the education bill?

Mr. ROBERT C. BYRD. Yes, he just wants to speak on it.

Mr. JAVITS. That is fine, except I am sure he would agree that we ought to leave maybe 2 minutes—make it 13 and 2, because if there is anything he says we want to answer before the vote, we would want a chance to do that.

Mr. MORGAN. Mr. President, maybe we could make it a little more, because, to be perfectly candid, I thought we had four amendments and so much time on the bill that I would be able to get my amendments ready. When you do not have a prepared text, it takes a little longer.

Mr. JAVITS. Could the Senator make it 15 minutes and 5 to us and start a little earlier, just as a precaution? We may not want to say anything at all.

Mr. ROBERT C. BYRD. Is that agreeable to the Senator from North Carolina? I want him to have whatever time he needs.

Mr. MORGAN. I think that is best.

Mr. ROBERT C. BYRD. Mr. President, I ask unanimous consent that, at 11:25 a.m. today, the distinguished Senator from North Carolina be recognized to speak on the higher education bill; that he have 15 minutes and Mr. JAVITS have 5 minutes; that if Mr. JAVITS does not use his 5 minutes, Mr. MORGAN will have it.

The PRESIDING OFFICER. On whose time?

Mr. ROBERT C. BYRD. The time has been yielded back. I am just asking unanimous consent.

The PRESIDING OFFICER. Without objection, it is so ordered.

REPRESENTATION OF THE DISTRICT OF COLUMBIA IN CONGRESS

Mr. ROBERT C. BYRD. Mr. President, the Senator from Virginia has burnished his spurs and has his sword in his right hand and is ready to start.

Mr. SCOTT. Could the Senator change that to left hand? I happen to be left-handed.

Mr. ROBERT C. BYRD. The left hand is a little closer to me.

I ask unanimous consent that the Senate proceed to the consideration of House Joint Resolution 554.

Mr. SCOTT. Mr. President, reserving the right to object, I would want to pose some parliamentary inquiries.

Mr. ROBERT C. BYRD. The Senator cannot do that. He either has to object, or unanimous consent.

Mr. SCOTT. Reserving the right to object, I would ask the distinguished majority leader whether or not it appears to him to be proper to bring a bill up that has been passed by the House when a companion bill has been referred to the Senate Judiciary Committee, when the Subcommittee on the Constitution has had hearings on that measure, but had not taken any action on it, when the chairman of the full committee, the distinguished Senator from Mississippi, is out of the country.

Mr. ROBERT C. BYRD. Mr. President, I will not ask for regular order. I will answer the Senator's question.

I have established contact with the Senator from Mississippi and he says that it is perfectly agreeable with him for me to try to get the measure up while he is away, and under rule XIV, of course, the proper procedure is available to those who wish to avoid the committee consideration of the measure, and that was done in this instance under the rules. The measure has been on the calendar now since April 24. April, May, June, July, August—for almost 4 months it has been on the calendar.

So what is being done is perfectly proper.

Mr. SCOTT. Mr. President, I do not doubt the propriety of what the distinguished majority leader is attempting to do, but I do not believe any useful purpose would be served by a further reservation.

I do object.

ADJOURNMENT FOR 1 SECOND

Mr. ROBERT C. BYRD. Mr. President, I move that the Senate stand in adjournment for 1 second.

The motion was agreed to; and at 10:31 a.m. on Wednesday, August 16, 1978, the Senate adjourned for 1 second.

AFTER ADJOURNMENT

WEDNESDAY, AUGUST 16, 1978

The Senate met at 10:31 and 1 second, pursuant to adjournment, and was called to order by Hon. GEORGE McGOVERN, a Senator from the State of South Dakota.

THE JOURNAL

Mr. ROBERT C. BYRD. Mr. President, I ask unanimous consent that the reading of the Journal of Proceedings be dispensed with.

Mr. HELMS. I object.

The PRESIDING OFFICER. Objection is heard.

The clerk will read the Journal.

Mr. ROBERT C. BYRD. Read it fast.

The Journal Clerk (James E. Thorndike) proceeded to read the Journal of Wednesday, August 16, 1978.

During the reading, the following occurred.

Mr. ROBERT C. BYRD. Read faster.

The Journal Clerk resumed the reading of the Journal.

During the reading the following occurred:

Mr. ROBERT C. BYRD. Mr. President, I ask unanimous consent that further reading of the Journal be dispensed with.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. HELMS addressed the Chair.

The PRESIDING OFFICER. The Senator from North Carolina.

Mr. HELMS. Mr. President, I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The second assistant legislative clerk proceeded to call the roll.

Mr. HELMS. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

MORNING BUSINESS

The PRESIDING OFFICER. Are there petitions or memorials to be presented?

Are there reports of standing and select committees?

Are there bills and joint resolutions?

Are there other resolutions?

If not, morning business is closed.

REPRESENTATION OF THE DISTRICT OF COLUMBIA IN CONGRESS

Mr. ROBERT C. BYRD. Mr. President, I move to proceed to the consideration of the D.C. representation in Congress bill.

Mr. SCOTT. Mr. President, a parliamentary inquiry.

The PRESIDING OFFICER. The Senator will state it.

Mr. SCOTT. Is this motion debatable?

The PRESIDING OFFICER. The motion is not debatable.

Mr. SCOTT. Well, then, Mr. President, I would appeal from the ruling of the Chair.

Mr. ROBERT C. BYRD addressed the Chair.

The PRESIDING OFFICER. The Senator from West Virginia.

There is no appeal from a parliamentary inquiry.

The question is on agreeing to the motion.

Mr. SCOTT. Mr. President, I make a point of order that the motion is debatable.

Mr. ROBERT C. BYRD. Mr. President, I suggest the absence of a quorum.

The PRESIDING OFFICER. The point of order is not sustained.

Mr. ROBERT C. BYRD. Mr. President, I suggest the absence of a quorum.

Mr. SCOTT. Then I appeal from the ruling of the Chair.

The PRESIDING OFFICER. The clerk will call the roll.

The second assistant legislative clerk proceeded to call the roll.

Mr. ROBERT C. BYRD. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

Mr. McCLURE. I object.

The PRESIDING OFFICER. Objection is heard.

The second assistant legislative clerk resumed calling the roll.

Mr. ROBERT C. BYRD. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

RECESS UNTIL 11:25 A.M.

Mr. ROBERT C. BYRD. Mr. President, I ask unanimous consent that the Senate stand in recess until 11:25 a.m. today, at which time Mr. MORGAN is to be recognized to speak on the higher education bill.

There being no objection, the Senate, at 10:40 a.m., recessed until 11:25 a.m.; whereupon, the Senate reassembled when called to order by the Presiding Officer (Mr. HODGES).

COLLEGE OPPORTUNITY ACT OF 1978

The Senate continued with the consideration of the bill (S. 2539).

The PRESIDING OFFICER (Mr. HODGES). The Senator from North Carolina is recognized for 15 minutes.

Mr. MORGAN. Mr. President, I am sorry I have to address such a very important bill under such difficult circumstances. When I left the floor of the Senate this morning to go to the Judiciary Committee, it was my understanding that there were a number of amendments pending, and that there was no time limit on the bill. But be that as it may, I should have stayed here in the Chamber and been present so that I could have protected my interests. It is apparently too late to address any remarks on this subject now, but it is something, Mr. President, that I feel very strongly about.

There has come a time, I believe, in America when we simply have to say to ourselves that we cannot do everything that we would like to do. I think in the area of higher education the time has arrived. With about a $50 billion deficit staring us in the face, we now propose to increase aid to those attending college by some pretty astronomical amounts. As a matter of fact, if we pass the bill before us, and then fully fund the basic grants program to take care of the additional 1.5 million new students, it would take $3.3 billion, a 65-percent increase at a time when we are $50 billion in debt.

I am not sure what the tax credit bill finally carried last night, but I understand it carried a $1.5 billion increase in Federal spending. Add those together and, as the distinguished chairman of the Budget Committee pointed out, we will never balance the budget.

That may not be important to some Members, but it is important to my people who happen to believe that we ought to pay for what we do now and not leave the debt for our children to pay.

Dr. Arthur Burns tried to tell us, the first 2 years that I was in the Senate and on the Banking Committee, that we ought to be cautious in deficit spending. Here we just throw caution to the wind. It is not as if we were not doing anything for the young men and women who want to attend college in this country. I pointed out last night just how much we are doing.

Under the programs that are covered in this bill, and the others where we provide student assistance, we already provide about $7.25 billion. Then if we take into consideration the tax losses that come by excluding certain benefits for attending college from the tax laws, we add another $1.25 billion. So when we add it all up, and considering the fact that there are only about 9.2 million students in this country, we are already appropriating almost $1,000 per student.

Last night we adopted the tax credit bill with only 27 Members of the Senate objecting to it when just a week or two ago 59 Members of this Senate had already voted in favor of a balanced budget.

It seems that we are talking in Congress out of both sides of our mouths. Every State in the Union—certainly my State—makes provisions for grants, for scholarships, and for loan funds to students attending college. We appropriate somewhere between $2,000 and $3,000 for every student attending a State institution. We also make direct grants for those attending private institutions.

I am simply trying to say, Mr. President, that I do not believe that the Federal Government should do everything. I wish it were possible for us to provide free higher education for everybody, but all we seem to think we do here is spend and spend and find ourselves more and more and deeper in debt.

I do not know what it means to the rest of the Senate, but last Saturday, I went down for about an hour and bagged groceries in a local supermarket in my town just to see what the rank and file people were having to pay for their groceries. Three apples, 97 cents. I guessed at each basket that came

through, and I could not even come within half of the cost of it.

We are going to continue to have runaway inflation as long as we here in Congress continue to appropriate and authorize the expenditure of funds recklessly, just because they tend to serve a noble purpose.

I think the President's request earlier this year, when he recommended about a $200 million increase in the present student aid programs, was a reasonable request. I would vote for almost any increase in the work-study program. But let me tell you about one university that I happen to know about. It has 32,000 students, and out of those 32,000 students, 17,000 were receiving Federal grants, Federal aid, Federal loans, or Federal scholarships. Of those students, about 80 percent came from families with incomes over $15,000.

When someone complained about it, the dean said, "Why, you turned my son down." The remark was made, "You are making $42,000. Surely, you do not want your son to go to school on this Federal money that was designed to help the poor."

He said, "He is 18 years old now, he is independent."

So, if we keep this up, what we are going to do is carry the full burden of higher education in this country and we are going to find ourselves just like the city of New York that tried to furnish free tuition, free higher education for everybody, except there will be nobody else for us to turn to. It is no wonder the value of the dollar continues to slip abroad.

Mr. President, I had thought of working on some amendments that would have provided some safeguards from the provisions of this bill in the event that the Appropriations Committee does not appropriate all the funds necessary. As I understand the bill as it is now written, a new million and a half students added on would get their pro rata share and those poor and receiving help now would have their assistance reduced.

Mr. JAVITS. Will the Senator yield on that point?

Mr. MORGAN. Yes.

Mr. JAVITS. The Senator is always extremely thoughtful and extremely considerate. I appreciate the consideration he is showing Senator PELL and myself in respect of the amendment and the third reading proposition. I am very sympathetic to the direction of the Senator's thinking on this question, and I respectfully suggest the following:

We shall have the ESEA bill up, probably within a week or thereabouts. It is a "must" bill; there is no way of getting around that. We would be very happy to work creatively with the Senator, and I believe and hope my colleague would, too, to see what we work out in a well-articulated way to try to effectuate the justness of the result—to wit, that the new edition should not preempt the established program.

Mr. MORGAN. I thank my distinguished colleague. That, frankly, is about the only alternative left to me. But I do once again want to express my consternation at the continually increasing appropriations for expenditures of money that we do not have, and that my children and my grandchildren are going to have to pay for. We are not going to do anything about the business of inflation or balancing the budget or deficit spending until we do just as we have to do in our own families at times, say to ourselves, "There are some nice things we would like to have. We would like to have everything, to do everything for everybody, but we cannot afford to do it."

What we are doing now is spending money that none of us in this Senate will ever pay for. It will be these young people sitting over here on the side and their grandchildren and their grandchildren. We do not do it in North Carolina. I think it is a bad practice for the Federal Government, and I think the bill we passed last night and the increases in this bill are two good illustrations of what we are doing in Congress.

I yield back the remainder of my time.

Mr. PELL. Mr. President, I should like to respond briefly.

Mr. JAVITS. Mr. President, a parliamentary inquiry.

The PRESIDING OFFICER. The Senator will state it.

Mr. JAVITS. Who has the time to follow Senator MORGAN?

The PRESIDING OFFICER. The Senator from New York was to be recognized for 5 minutes immediately following Senator MORGAN.

Mr. JAVITS. I yield half the time to the Senator from Rhode Island.

Mr. ROBERT C. BYRD. Mr. President, I ask unanimous consent that Mr. MORGAN's 3 minutes which he yielded back may either be restored to him or, in the event he does not want it, be given to Mr. PELL.

The PRESIDING OFFICER. Without objection, is is so ordered. The Senator from Rhode Island will proceed for 3 minutes and the Senator from New York will follow for 5 minutes.

Mr. JAVITS. Mr. President, I yield 1 minute to the Senator from Rhode Island so he may have equal time.

Mr. PELL. Mr. President, I appreciate the quandary in which the Senator from North Carolina finds himself, but there was a time limitation on this bill of 4 hours, agreed to some time back. The points he made I sympathize with.

The only thing I can say is that, from the viewpoint of cost benefit to the Nation, I can think of no better expenditure than money spent on education. Because the Nation is exactly as rich and strong as the quality of the education of its people. I recognize the dire state of our budget and the need to cut back, but I guess this is where we have to agree to disagree. The last place I should want to see us cut back in is education. I would rather see us cut back in almost any other program than that.

I agree with the Senator that we want to be sure that those poor youngsters who can least afford a college education are not in any way jeopardized as we try to make more education available to our people.

Mr. JAVITS. Mr. President, I have already expressed myself on the proposition which Senator MORGAN put before us. Again, I shall undertake, and I hope the subcommittee itself will undertake some creative way of helping with the situation. The Appropriations Committee may not recommend that the Senate appropriate everything which is authorized. It generally does not recommend to fully fund education programs.

Second, I wish to address myself to the proposition of our grandchildren. Unfortunately, for all of us living in this very dangerous and tempestuous world, there is far more involved for our grandchildren than these higher education appropriations. Well over $115 billion is likely to be appropriated this year for defense; our grandchildren and their grandchildren will be paying that as well. In any kind of rational and intelligent world, a good would be considered real waste.

Mr. President. The real problem is that we have to address ourselves to the priorities of many, many other things. I am all for an intelligent marshaling of our resources. I believe that, in the present parliamentary impasse, this view has to be reflected in the second budget resolution. I understand it will be, and I shall lend myself to that question at that time. We have to take our choice of priorities. We cannot simply strike out in this direction or that direction because we are spending too much money, with which I thoroughly agree.

That is why I generally vote against so-called "meat-ax" cuts. They do not discriminate in terms of priorities and in terms of the different values of A, B, or C. They just cut things across the board. Cutting for the sake of cutting is not what I feel we were sent here for. But I agree with Senator MORGAN on running a tight ship. I am totally with him on that.

Finally, Mr. President, we have about 11 million college students in the United States, and it is a fact that we are spending far less than has been stated earlier. Still, substantial sums of money are being spent. We estimate it is somewhere in the area of upwards of $500 per student who gets the benefit of these particular student aid programs effected by this bill. Other aid, such as social security education benefits to survivors or veterans benefits are not available to the general population. The basic grants or guaranteed loans affected by this bill will be available to the general population of postsecondary students.

A problem in our country right now is that we need this highly educated population according to the demands of modern science and business, but we do not have adequate entry level employment for them. Too many Ph. D.'s are driving taxicabs.

Of course, we already are very much ahead in the world because we have such an educated population. So I certainly hope, and as the ranking member of this committee, I shall address myself to the question of opportunity and effective utilization that has been demonstrated. I hope that these expenditures will be found to be more than justified in terms of priorities.

Finally, I would like to again thank

Senator MORGAN for his interest in this important matter and his accommodation so we can get this bill passed. I hope that consistent with his expressed desire to assure that the poor are not to lose benefits, we may be able to fashion on the ESEA bill a feasible resolution.

Mr. BELLMON addressed the Chair.

The PRESIDING OFFICER. The Senator from Oklahoma.

Mr. JAVITS. I yield to the Senator. How much time does he want?

Mr. BELLMON. Five minutes.

The PRESIDING OFFICER. There is not 5 minutes between now and the vote scheduled for 11:45.

Mr. ROBERT C. BYRD. Mr. President, I ask unanimous consent the Senator may have whatever time remains between now and the vote.

Mr. JAVITS. I will yield all my remaining time to the Senator from Oklahoma.

Mr. BELLMON. Mr. President, I find it hard to believe that we are about to rush this bill through the Senate without even giving some of our colleagues the opportunity to offer their amendments.

Just last night, the Senate passed—by an overwhelming majority—a tuition tax credit. S. 2539 is the administration's and the Human Resources Committee's proposed alternative to that tax credit bill. I voted against the tax credit, Mr. President, but most of our colleagues voted for it.

I cannot imagine why we would pass two bills, on two successive days to accomplish the same objective. As may be known, I have consistently opposed both the tax credit and the bill before us. I have introduced S. 3403—the National Student Loan Bank Act—which I believe is a better solution than either tax credits or expanded grants to the problems confronting middle-income families whose children want to attend relative expensive institutions of higher learning. I hope—and expect—that the Senate will hold hearings on that bill next year, in conjunction with reauthorization of existing higher education legislation.

But we passed a tax credit bill last night, Mr. President; and it passed by a 65 to 27 vote. Why would we pass this bill today, unless we want two programs to do the same job?

During consideration of the first concurrent resolution on the budget, it was unclear which of the two middle-income tuition assistance proposals before us this year the Senate would prefer. It was generally agreed, however, that under no circumstances should we fund both bills. The first budget resolution, therefore, included assumptions which would have accommodated one-half on the projected cost of the tax credit, and one-half of the projected cost of the bill before us today. Our understanding at that time was that, once the Senate made a choice, we would adjust the assumptions for middle-income tuition assistance in the second resolution to reflect that choice. I repeat, Mr. President, the expectation was that the Senate would make a choice between the bills—not enact both.

Since the Senate has passed the tax credit, I believe the second resolution should reflect that. The tax credit will cost about $500 million in fiscal year 1979. Its cost, cumulative to 1983, is projected by CBO at $5.3 billion. If we were to add the cost of S. 2539 to the cost of the tax credit, Mr. President, CBO projects the total expenditure for these two bills—revenue loss and spending combined—would exceed $11 billion over the next 5 years. If we are to have any hope of a balanced budget, we cannot have both, Mr. President.

There are those who will argue that President Carter will veto the bill we passed last night. They will say, therefore, that we must pass S. 2539, if we are to enact middle-income tuition assistance this year. I cannot believe, Mr. President, that the U.S. Senate is prepared to legislate on this presumption. The only conceivable reason for voting in favor of the bill before us today—on the heels of our action last night—is if we favor enactment of both.

What if the President does veto the tax credit? Is there anyone here who can give me an absolute assurance that Congress will not override? If the Senate prefers a tax credit, is not the Senate ready to fight for the tax credit? If not, what were we doing for the last 3 days? Was that just an empty exercise in answer to political pressure, in this election year? And, Mr. President, if our constituents so prefer a tax credit to the bill before us, and if that is the reason we spent the last 3 days working on the tax credit bill, by what logic do we desert their desires at this point? Is it the agenda of the managers of this bill to make it easier for the President to veto the tax credit? If that is so, is that what we want?

I am going to vote against S. 2539, Mr. President; and I urge my colleagues to do likewise. It seems to me that those of you who voted for the tax credit can do no less for the proposal that you obviously support; and in the name of fiscal responsibility, I do not see how the Senate can do anything else.

● Mr. CULVER. Mr. President, I am pleased to support S. 2539, the College Opportunity Act of 1978. I am convinced this initiative will prove to be an effective means of providing aid to middle-income families working so hard to put their children through college.

We are all well aware of the ever-increasing costs of higher education. Over the past 10 years, the costs of sending a child to college have increased almost 100 percent. And, as always, the burden of these rising expenses falls most heavily on the midlevel taxpayer. Americans have always been willing to make sacrifices to obtain good education for their children. Nonetheless, in a country dedicated to equal educational opportunity, putting a child through college should not be the severe financial hardship it has become to so many parents.

The College Opportunity Act will provide financial assistance to students from middle-income families while increasing the funding now available to students from low and lower middle-income families. It expands and improves several current programs, including the basic educational opportunity grants, supplemental educational opportunity grants, college work study, and guaranteed student loans. These programs have aided many students in the past years, but they have not been as sensitive as they should to the needs of one of the largest segments of our population—the middle-income taxpayer. This proposal would help correct this shortfall.

The basic educational opportunity grant program was originally enacted in 1972 to provide direct cash grants to help defray high college costs. It has grown since then and now aids more than 2.1 million students a year. S. 2539 raises the current qualification limit of a $15,000 annual income to $25,000, which would make approximately 1.5 million new students eligible for such funds. Grants would be provided on a graduated scale based on a family's income and ability to afford the costs of higher education, taking into account such considerations as family size, unusual expenses such as high medical bills, or other circumstances which might affect the family's ability to pay during the year. Paperwork is to be kept at a minimum, and calculations for a family's possible eligibility will be provided free of charge.

In addition, the College Opportunity Act increases the authorization for supplemental educational opportunity grants, which provide assistance to qualified students of exceptional financial need, from the fiscal year 1978 authorization of $270 million to $370 million for fiscal year 1979. It is estimated that an additional 180,000 students from middle-income families would benefit by this increase.

The college work-study program permits higher education institutions and other nonprofit agencies to hire college students for part-time work and be reimbursed for 80 percent of the student's salary. Students thus have a chance to earn money while acquiring useful work experience. Increasing the authorization for this program to the level included in S. 2539 will create many more job opportunities for deserving students.

The guaranteed student loan program, which has been the primary aid available to middle-income families, is currently limited to families with less than a $25,000 gross yearly income. The College Opportunity Act lifts the income ceiling entirely for interest-subsidized loans, opening up eligibility to hundreds of thousands of additional students, and eliminates the burdensome paperwork formerly required for preparing a needs analysis.

Mr. President, the approach offered by this legislation is superior—both as fiscal policy and as education policy—to alternatives utilizing the Tax Code. I have heard from many Iowans about the pressing burden of rising education costs, and I believe we need an assistance plan which will address the widely varying financial needs and capabilities of recipients. Proposals for tuition tax credits would extend the same flat credit rate for college students in all families. The result on the one hand would be a windfall for wealthy families who require

neither the financial incentive nor assistance to send their children to college. For hard-pressed middle-income families, on the other hand, the amount would do little to relieve the college costs burden. The College Opportunity Act targets funds far more directly to the need and is provided at the time the student is faced with paying for tuition and fees, not months later. According to estimates by the Senate Human Resources Committee, S. 2539 provides an average grant of $700 for a student with a $19,000 family income, and a grant of more than $1,000 for a student in a $15,000 income family.

Mr. President, I believe that this legislation will enable us to move toward a goal of denying no qualified student a college education because of cost barriers. I hope the Senate will approve it.●

Mr. ROBERT C. BYRD. Mr. President, Federal education policy has benefited immeasurably from the sure and able leadership of the senior Senator from Rhode Island, CLAIBORNE PELL. Serving since 1969 as chairman of the Subcommittee on Education, Arts, and Humanities, he has had the responsibility of helping to guide and shape the Federal commitment to education.

Senator PELL's personal commitment to improving educational opportunity is perhaps best viewed in the legislative record. Indeed, the College Opportunity Act of 1978 which we have debated today is but the latest of a long series of education initiatives with which he has been associated.

Most well known, of course, is the student aid program which bears his name. The program, enacted in 1972, has insured that a college education will not be beyond the means of millions of young Americans. It is estimated that some 2.1 million needy students will receive grants under this program in 1978. It is no exaggeration to say that without the Pell grants program many would have been unable to attend the college of their choice.

Increased education assistance for disadvantaged children is another area in which Mr. PELL has successfully labored to focus the Federal commitment on education. During the time he has served as chairman of the Education, Arts, and Humanities Subcommittee, grants for disadvantaged children under title I of the Elementary and Secondary Education Act have more than doubled. Such a level of commitment made it possible for some 5.5 million children to receive education services last year.

Mr. President, I believe that the senior Senator from Rhode Island should be commended for the leadership which he has provided for so many years in the area of education. His most recent work on the Higher Education Act amendments—together with the work of the senior Senator from Vermont, Mr. STAFFORD, who is also deserving of the praise of this body—exemplifies his dedication to developing an appropriate Federal role in meeting the education needs of the Nation.

Mr. STEVENS. Mr. President, I truly regret that I must rise in opposition to S. 2539, the College Opportunity Act. Two years ago, however, I had an extended colloquy with both the floor managers of the higher education bill when we considered a similar program extension. At that time I stated:

I am going to oppose any further extension, ever, of this retreaded concept that continues to pile program on program and administrative cost on administrative cost, and refuse to simplify the process of providing assistance to the students who are in need.

In 1976 the able managers of the bill said that they would try hard to see what could be done to simplify the programs. Apparently, they have decided that this is not possible as what we have before us still contains four grant programs: Basic educational opportunity grants, supplemental educational opportunity grants, work-study, and State student incentive grants. Eligibility for BEOG's is determined at the national level; eligibility for SEOG's and work-study is determined by the financial aid officer of the college or university; and, eligibility for State student incentive grants is determined by the States.

I do not plan to reiterate all of the information I provided 2 years ago regarding the excessive administrative costs and expanding Federal bureaucracy associated with administering four different grant programs, but I do have copies of my earlier statements which I would be pleased to share. All of the arguments I made then remain valid except that I, thankfully, no longer have four children in college.

As a member of the Committee on Appropriations, however, I must state my strong objections to the mandatory funding provisions contained in this legislation for the supplemental educational opportunity grants and the work-study program. And, therefore, must regrettably vote against this bill.

Mr. JAVITS. Will the Senator yield to me?

Mr. BELLMON. I am glad to yield to the Senator.

Mr. JAVITS. I have conferred with Senator PELL. We will have hearings on higher education bills. If the Senator introduces it next year, I can assure him we will give him a hearing.

Second, the majority leader, Senator PELL and I made it clear to everybody what would be the progress of this legislation.

So, really, I think everybody who wanted to amend or do anything else about the bill had a chance, and there will be a rollcall vote.

The PRESIDING OFFICER. All time has expired. The hour of 11:45 having arrived, the question is, Shall the bill (S. 2539), as amended, pass? The yeas and nays have been ordered and the clerk will call the roll.

The assistant legislative clerk called the roll.

Mr. CRANSTON. I announce that the Senator from South Dakota (Mr. ABOUREZK), the Senator from Mississippi (Mr. EASTLAND), and the Senator from Louisiana (Mr. JOHNSTON) are necessarily absent.

Mr. STEVENS. I announce that the Senator from Connecticut (Mr. WEICKER) is necessarily absent.

The result was announced—yeas 68, nays 28, as follows:

[Rollcall Vote No. 324 Leg.]

YEAS—68

Allen	Gravel	Metzenbaum
Anderson	Griffin	Moynihan
Baker	Hart	Nelson
Bayh	Hatfield, Mark O.	Pearson
Bentsen	Hatfield, Paul G.	Pell
Biden	Hathaway	Percy
Brooke	Heinz	Randolph
Bumpers	Hodges	Ribicoff
Burdick	Hollings	Riegle
Byrd, Robert C.	Huddleston	Sarbanes
Cannon	Humphrey	Sasser
Case	Inouye	Schmitt
Chafee	Jackson	Schweiker
Church	Javits	Sparkman
Clark	Kennedy	Stafford
Cranston	Leahy	Stevenson
Culver	Long	Stone
Danforth	Magnuson	Talmadge
Dole	Mathias	Thurmond
Domenici	Matsunaga	Wallop
Durkin	McGovern	Williams
Eagleton	Melcher	Young
Ford		
Glenn		

NAYS—28

Bartlett	Haskell	Nunn
Bellmon	Hatch	Packwood
Byrd, Harry F., Jr.	Hayakawa	Proxmire
Chiles	Helms	Roth
Curtis	Laxalt	Scott
DeConcini	Lugar	Stennis
Garn	McClure	Stevens
Goldwater	McIntyre	Tower
Hansen	Morgan	Zorinsky
	Muskie	

NOT VOTING—4

Abourezk	Johnston
Eastland	Weicker

So the bill (S. 2539) was passed, as follows:

S. 2539

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That this Act may be cited as the "College Opportunity Act of 1978".

SEC. 2. (a) Section 411(a)(3)(B) of the Higher Education Act of 1965 is amended by adding at the end thereof the following new division;

"(iv) Beginning with the academic year 1979–1980 and thereafter, in determining the expected family contribution under this subparagraph no rate in excess of 10.5 per centum shall be applied to parental discretionary income.".

(b) Section 411(b)(5)(B) of that Act is amended by striking out "$237,400,000" and inserting in lieu thereof "$500,000,000".

(c)(1) Section 411(b)(5)(A) of that Act is amended by striking out "$130,093,000" and inserting in lieu thereof "$370,000,000 for the fiscal year 1979, and $450,000,000 for the fiscal year 1980, and thereafter".

(2) Section 413A(b)(1) of that Act is amended by striking out "and for each of the succeeding fiscal years ending prior to October 1, 1979" and inserting in lieu thereof the following: "and for each of the five succeeding fiscal years, and $250,000,000 for the fiscal year ending September 30, 1979".

(d) Section 415C(b)(4) is amended by inserting before the semicolon at the end thereof a comma and the following: "except in any State in which participation of nonprofit institutions of higher education is in violation of the Constitution of the State".

SEC. 3. (a) Section 428(a)(2)(A) of that Act is amended to read as follows:

"(2)(A) Each student qualifying for a portion of an interest payment under paragraph (1) shall have provided to the lender a statement from the eligible institution, at which the student has been accepted for enrollment, or at which he is in attendance in good standing (as determined by such institution), which—

"(i) sets forth such student's estimated cost of attendance, and

"(ii) set forth such student's estimated financial assistance.".

(b) Section 428(a)(2)(B) of that Act is repealed.

(c) Subparagraphs (C) and (D) of section 428(a)(2) of that Act, and all cross references thereto, are redesignated as subparagraphs (B) and (C), respectively.

(d) Section 428(a)(2)(B) of that Act (as redesignated by subsection (c) of this section) is amended by striking out the semicolon at the end of clause (iii) and inserting in lieu thereof a period, and by striking out clause (iv) of such section.

(e) Section 428(a)(9) of that Act is repealed.

(f)(1) Section 425(a)(1)(A) of that Act is amended by striking out "section 428(a)(2)(C)(i)" and inserting in lieu thereof "section 428(a)(2)(B)(i)".

(2) Section 428(b)(1)(A)(i) of that Act is amended by striking out "section 428(a)(2)(C)(i)" and inserting in lieu thereof "section 428(a)(2)(B)(i)".

MOTION TO TABLE MOTION TO RECONSIDER VOTE ON S. 2539

Mr. PELL. Mr. President, I move to reconsider the vote by which the bill was passed.

Mr. STAFFORD. I move to lay that motion on the table.

Mr. HELMS. Mr. President, I ask for the yeas and nays.

The PRESIDING OFFICER (Mr. ANDERSON). Is there a sufficient second?

There is a sufficient second.

The yeas and nays were ordered.

Mr. STEVENS. Is that debatable?

Several Senators addressed the Chair.

The PRESIDING OFFICER. The Senator from West Virginia.

Mr. ROBERT C. BYRD. Call the roll.

The PRESIDING OFFICER. The question is on agreeing to the motion to lay on the table the motion to reconsider the vote by which the bill was passed.

On this motion, the yeas and nays have been ordered, and the clerk will call the roll.

The legislative clerk called the roll.

Mr. CRANSTON. I announce that the Senator from South Dakota (Mr. ABOUREZK), the Senator from Alabama (Mrs. ALLEN), the Senator from Mississippi (Mr. EASTLAND), the Senator from Alaska (Mr. GRAVEL), the Senator from Colorado (Mr. HASKELL), the Senator from Louisiana (Mr. JOHNSTON), the Senator from West Virginia (Mr. RANDOLPH), and the Senator from Colorado (Mr. HART) are necessarily absent.

I further announce that, if present and voting, the Senator from West Virginia (Mr. RANDOLPH) would vote "yea."

The result was announced—yeas 75, nays 17, as follows:

[Rollcall Vote No. 325 Leg.]

YEAS—75

Anderson	Church	Griffin
Baker	Clark	Hatfield,
Bartlett	Cranston	Mark O.
Bayh	Culver	Hatfield,
Bentsen	Curtis	Paul G.
Biden	Danforth	Hathaway
Brooke	DeConcini	Heinz
Bumpers	Dole	Hodges
Burdick	Domenici	Hollings
Byrd, Robert C.	Durkin	Huddleston
Cannon	Eagleton	Humphrey
Case	Ford	Inouye
Chafee	Garn	Jackson
Chiles	Glenn	Javits
Kennedy	Nelson	Schweiker
Laxalt	Packwood	Sparkman
Leahy	Pearson	Stafford
Long	Pell	Stevenson
Magnuson	Percy	Stone
Mathias	Proxmire	Talmadge
Matsunaga	Ribicoff	Thurmond
McGovern	Riegle	Wallop
McIntyre	Roth	Weicker
Melcher	Sarbanes	Williams
Metzenbaum	Sasser	Young
Muskie	Schmitt	

NAYS—17

Bellmon	Hayakawa	Nunn
Byrd, Harry F., Jr.	Helms	Scott
Goldwater	Lugar	Stennis
Hansen	McClure	Stevens
Hatch	Morgan	Tower
	Moynihan	Zorinsky

NOT VOTING—8

Abourezk	Gravel	Johnston
Allen	Hart	Randolph
Eastland	Haskell	

So the motion to lay on the table was agreed to.

POINT OF ORDER

Mr. ROBERT C. BYRD. Mr. President, I ask unanimous consent that the Senator from North Carolina may make a point of order. I yield to him for—2 minutes? One minute?

Mr. HELMS. No longer than it takes to make a point of order.

Mr. ROBERT C. BYRD. Yes.

Mr. HELMS. I thank the distinguished majority leader.

Mr. President, with all due respect to the Chair——

The PRESIDING OFFICER. The Senate will be in order.

Mr. ROBERT C. BYRD. May we have order in the Senate? Mr. President, may we have order in the Senate? I hope we may get order.

The PRESIDING OFFICER. The Senate will be in order. The Senator from North Carolina may proceed.

Mr. HELMS. I thank the Chair, and I thank the able majority leader.

Mr. President, with all due respect for the Chair and the Parliamentarian, and we all make errors, I make the point of order that the Chair did erroneously close morning business before resolutions and motions coming over under the rule were laid before the Senate this morning. I ask the Chair to rule.

Mr. ROBERT C. BYRD. Mr. President, I ask unanimous consent to proceed for 1 minute.

The PRESIDING OFFICER. Is there objection?

Mr. ROBERT C. BYRD. Mr. President, there are three things I have to say about this.

First of all, rule VII makes no reference whatsoever to resolutions and motions coming over under the rule.

Second, the point of order comes too late.

Third, the motion before the Senate was legitimately offered because the Chair had announced the conclusion of morning business.

I am not going to say any more than that. I am ready to vote.

The PRESIDING OFFICER. The Chair did close morning business erroneously. Therefore, the point of order is sustained, the motion to proceed falls, and the Chair lays before the Senate the first resolution coming over under the rule.

Several Senators addressed the Chair.

The PRESIDING OFFICER. The clerk will please state the resolution by title.

The legislative clerk read as follows:

A resolution (S. Res. 39) disapproving pay recommendations of the President.

Several Senators addressed the Chair.

Mr. ROBERT C. BYRD. Mr. President, did the clerk finish the reading of the title of the first resolution?

The PRESIDING OFFICER. The Senator is correct.

Mr. ROBERT C. BYRD. Then, Mr. President, I move to proceed to the consideration of Calendar Order No. 686.

Mr. HELMS. Mr. President——

The PRESIDING OFFICER. The motion is not debatable.

Mr. McCLURE. Mr. President, a point of order.

The PRESIDING OFFICER. The Senator will state his point of order.

Mr. McCLURE. Mr. President, I make the point of order that it is not in order to consider this matter until resolutions and motions coming over under the rule have been considered and disposed of.

Mr. ROBERT C. BYRD. Mr. President, I call attention to Senate Procedure, page 574, wherein it is stated:

A resolution laid before the Senate as coming over from a previous legislative day and displaced by an affirmative vote to proceed to the consideration of a bill prior to the expiration of the Morning Hour, is placed on the Calendar and not again laid before the Senate.

The PRESIDING OFFICER. The point of order is not well taken, the first hour of the morning now having elapsed, the motion is in order.

Mr. McCLURE. Mr. President, I appeal from the ruling of the Chair, and ask for the yeas and nays.

The PRESIDING OFFICER. Is there a sufficient second? There is a sufficient second.

The yeas and nays were ordered.

Mr. ROBERT C. BYRD. Mr. President, I move to lay the appeal on the table.

Mr. McCLURE. I ask for the yeas and nays.

The PRESIDING OFFICER. Is there a sufficient second? There is a sufficient second.

The yeas and nays were ordered.

The PRESIDING OFFICER. The question is on agreeing to the motion to lay on the table the appeal from the ruling of the Chair. The yeas and nays have been ordered, and the clerk will call the roll.

The second assistant legislative clerk called the roll.

Mr. CRANSTON. I announced that the Senator from South Dakota (Mr. ABOUREZK), the Senator from Alabama (Mr. ALLEN), the Senator from Mississippi (Mr. EASTLAND), the Senator from Colorado (Mr. HART), the Senator from Louisiana (Mr. JOHNSTON), the Senator from Florida (Mr. STONE), and the Senator from New Jersey (Mr. WILLIAMS) are necessarily absent.

Mr. STEVENS. I announce that the Senator from New York (Mr. JAVITS) is necessarily absent.

The yeas and nays resulted—yeas 64, nays 28, as follows:

[Rollcall Vote No. 326 Leg.]

YEAS—64

Anderson	Gravel	Melcher
Bayh	Griffin	Metzenbaum
Bentsen	Haskell	Moynihan
Biden	Hatfield, Mark O.	Muskie
Brooke	Hatfield, Paul G.	Nelson
Bumpers	Hathaway	Nunn
Burdick	Heinz	Packwood
Byrd, Harry F., Jr.	Hodges	Pell
Byrd, Robert C.	Hollings	Percy
Case	Huddleston	Proxmire
Chafee	Humphrey	Randolph
Chiles	Inouye	Ribicoff
Church	Jackson	Riegle
Clark	Kennedy	Sarbanes
Cranston	Leahy	Sasser
Culver	Long	Sparkman
Danforth	Magnuson	Stennis
DeConcini	Mathias	Stevenson
Durkin	Matsunaga	Talmadge
Eagleton	McGovern	Thurmond
Ford	McIntyre	Zorinsky
Glenn		

NAYS—28

Baker	Hatch	Schweiker
Bartlett	Hayakawa	Scott
Bellmon	Helms	Stafford
Cannon	Laxalt	Stevens
Curtis	Lugar	Tower
Dole	McClure	Wallop
Domenici	Morgan	Weicker
Garn	Pearson	Young
Goldwater	Roth	
Hansen	Schmitt	

NOT VOTING—8

Abourezk	Hart	Stone
Allen	Javits	Williams
Eastland	Johnston	

The PRESIDING OFFICER. There being 64 yeas and 28 nays, the motion to table the appeal is agreed to and the decision of the Chair stands as the judgment of the Senate.

REPRESENTATION OF THE DISTRICT OF COLUMBIA IN CONGRESS

The PRESIDING OFFICER. The question is on agreeing to the motion to proceed to Calendar No. 686.

Mr. SCOTT. Mr. President, I ask for the yeas and nays.

The PRESIDING OFFICER. Is there a sufficient second? There is a sufficient second.

The yeas and nays were ordered.

The PRESIDING OFFICER. The clerk will call the roll.

The legislative clerk called the roll.

Mr. CRANSTON. I announce that the Senator from South Dakota (Mr. ABOUREZK), the Senator from Alabama (Mr. ALLEN), the Senator from Iowa (Mr. CLARK), the Senator from Mississippi (Mr. EASTLAND), the Senator from Colorado (Mr. HART) and the Senator from Louisiana (Mr. JOHNSTON) are necessarily absent.

I further announce that, if present and voting, the Senator from Iowa (Mr. CLARK) would vote "yea."

Mr. STEVENS. I announce that the Senator from Arizona (Mr. GOLDWATER) is necessarily absent.

The result was announced—yeas 71, nays 22, as follows:

[Rollcall Vote No. 327 Leg.]

YEAS—71

Anderson	Burdick	Cranston
Bayh	Byrd, Robert C.	Culver
Bentsen	Case	Danforth
Biden	Chafee	DeConcini
Brooke	Chiles	Dole
Bumpers	Church	Domenici
Durkin	Javits	Randolph
Eagleton	Kennedy	Ribicoff
Ford	Leahy	Riegle
Glenn	Magnuson	Roth
Gravel	Mathias	Sarbanes
Griffin	Matsunaga	Sasser
Haskell	McGovern	Schweiker
Hatfield, Mark O.	McIntyre	Sparkman
Hatfield, Paul G.	Melcher	Stafford
Hathaway	Metzenbaum	Stevenson
Heinz	Moynihan	Stone
Hodges	Muskie	Talmadge
Hollings	Nelson	Thurmond
Huddleston	Nunn	Wallop
Humphrey	Packwood	Weicker
Inouye	Pearson	Williams
Jackson	Pell	Zorinsky
	Percy	
	Proxmire	

NAYS—22

Baker	Hansen	Morgan
Bartlett	Hatch	Schmitt
Bellmon	Hayakawa	Scott
Byrd, Harry F., Jr.	Helms	Stennis
Cannon	Laxalt	Stevens
Curtis	Long	Tower
Garn	Lugar	Young
	McClure	

NOT VOTING—7

Abourezk	Eastland	Johnston
Allen	Goldwater	
Clark	Hart	

So the motion to proceed to consider Calendar No. 686 was agreed to.

The Senate proceeded to consider the joint resolution (H.J. Res. 554) proposing an amendment to the Constitution to provide for representation of the District of Columbia in Congress.

Mr. ROBERT C. BYRD addressed the Chair.

The PRESIDING OFFICER. The Senator from West Virginia.

CLOTURE MOTION

Mr. ROBERT C. BYRD. Mr. President, I offer a cloture motion.

The PRESIDING OFFICER. The cloture motion having been presented under rule XXII, the Chair, without objection, directs the clerk to read the motion.

The legislative clerk read as follows:

CLOTURE MOTION

We, the undersigned Senators, in accordance with the provisions of Rule XXII of the Standing Rules of the Senate, hereby move to bring to a close the debate on H.J. Res. 554, a joint resolution proposing an amendment to the Constitution to provide for representation of the District of Columbia in the Congress.

Robert C. Byrd, Birch Bayh, Charles McC. Mathias, Jr., Wendell R. Anderson, Edmund S. Muskie, Robert T. Stafford, Jennings Randolph, Mike Gravel, Adlai E. Stevenson, George McGovern, Edward M. Kennedy, Howard M. Metzenbaum, Donald W. Riegle, Jr., Daniel K. Inouye, John A. Durkin, Alan Cranston, William D. Hathaway, Paul S. Sarbanes, Patrick J. Leahy, Warren G. Magnuson, Gaylord Nelson.

Mr. ROBERT C. BYRD. Mr. President, I move to reconsider the vote by which the motion to proceed was agreed to.

Mr. KENNEDY. I move to lay that motion on the table.

The motion to lay on the table was agreed to.

Several Senators addressed the Chair.

The PRESIDING OFFICER. The Senator from Massachusetts.

Mr. MELCHER. I suggest the absence of a quorum.

The PRESIDING OFFICER. The Senator from Massachusetts.

Mr. KENNEDY. Mr. President, to begin historic debate in the Senate today, and significant——

Mr. MELCHER. I suggest the absence of a quorum, Mr. President.

The PRESIDING OFFICER. May we have order?

Mr. SCOTT. Will the Senator yield for a unanimous consent request?

Mr. KENNEDY. Without losing my right to the floor.

Mr. SCOTT. Mr. President, I ask unanimous consent that Ted Humes and Pete Velde of the Senate Judiciary Committee staff be granted privilege of the floor.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. KENNEDY. I yield to the Senator from Virginia for a similar request.

Mr. HARRY F. BYRD, JR. Mr. President, I ask unanimous consent that John I. Brooks and Roger Sindelar of my staff be granted privilege of the floor.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. KENNEDY. Mr. President, I make the same request for Ben Dixon and Fred Williams of Senator BAYH's staff; Ralph Neas from Senator BROOKE's staff; Mike Klipper from Senator MATHIAS' staff; Peter Parham, Tom Susman and Carey Parker of my staff; Tom Polgar of Senator MORGAN's staff; and Jim Davidson of Senator MUSKIE's staff be granted privilege of the floor during consideration of this legislation and any votes.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. KENNEDY. Mr. President, I yield for a similar request to the Senator from North Carolina.

Mr. HELMS. Mr. President, I make the same request for Dr. James Lucier, Sam Currin, John Carbough, and Mary Calhoun.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. DECONCINI. Mr. President, I make the same request for Romano Romani.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. CANNON. Mr. President, I make the same request for Bruce Eggers.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. KENNEDY. Mr. President, we begin an historic debate in the Senate today on a significant issue of civil rights and human rights—an amendment to the Constitution to provide representation in Congress for the people of Washington, D.C.

In matters of fundamental justice and human rights involving the citizens of our Nation, there is no left or right, liberal or conservative. Yet, under the Constitution and laws of the United States, there is an anachronism that defies justice and denies one of the basic and most cherished rights of representative government for the people of the Nation's capital—the right to have a voice in the decisions of the Senate and the House of Representatives.

The issue is one of simple justice for the 690,000 citizens of the Nation's capital. For decades, going back to the beginning of the 19th century, ordinary District citizens, concerned local leaders,

and many Members of Congress have sought this basic goal. Indeed, the goal is remarkable and unusual only in the sense that it has been so flagrantly denied for so long to so many citizens. In a nation that was founded on the principle of representative government and that has prided itself for two centuries on the strength and vitality of its democracy, it is a travesty of history that the District of Columbia has no voice in Congress.

The eyes of three constituencies are upon us—the hundreds of thousands of citizens of the District of Columbia who ask only the same basic political right that all other Americans enjoy; the Americans in States throughout the country, who have made this question a national issue of civil rights; and millions more throughout the world who will see in our action a sign of America's real commitment to human rights. No other action Congress takes can so clearly demonstrate that our Nation's worldwide concern and sensitivity for human rights begin at home, on the doorstep of the Capitol, in the Chambers of the House and Senate.

In recent weeks, the Senate has spoken out with a virtually unanimous voice in condemning the violations of human rights in the Soviet Union. Our noble words, however—important as they are in giving hope to so many in other lands who are denied their basic rights—would acquire a hollow ring if the Senate now turns its back on the rights of the people of the District of Columbia to share in our democracy.

In the view of legal scholars, there is no constitutional impediment to enactment of this measure. Enfranchisement of the District was not an issue the Founding Fathers faced. They could hardly foresee that the sparsely settled marshy area along the Potomac River—the "District (not exceeding 10 miles square)" about which they wrote in 1787—would one day be not only the seat of government of the United States, but the capital of the free world, a celebrated city of several hundred thousand residents.

The population of the District is now larger than seven States. Residents of the District pay large amounts of taxes to the Federal Government. District residents fought and died in Vietnam and in all the Nation's other wars. And yet they continue to endure both taxation without representation and conscription without representation.

Last March, by an impressive two-thirds vote, the House of Representatives approved the pending constitutional amendment (H.J. Res. 554) to provide full voting representation for the District of Columbia in both the House and the Senate—two Senators and two members of the House of Representatives on the basis of recent population estimates.

Now, the spotlight is on the Senate. We have a realistic opportunity to achieve the goal, and we should not let the opportunity slip away. One of the most honored principles of our democracy is the concept of "one person, one vote." In the District of Columbia, however, that principle has no application. Instead, for District citizens, the rule is "690,000 persons, no votes." Nowhere in America should the principles of democracy be more firmly established than in the Nation's capital. The time has come to remove the cloud of America's "Last Colony" from the District of Columbia.

The proposed amendment has strong bipartisan support. It has been endorsed by the chairmen of both the Democratic National Committee and the Republican National Committee. Both the Democratic and Republican party platforms in the 1976 election contained explicit planks supporting voting representation in the Senate and House for citizens of the District. In 1970, testifying before a Senate committee on behalf of the Nixon administration, Assistant Attorney General William H. Rehnquist, now a Supreme Court Justice, endorsed a constitutional amendment to achieve this goal. His words emphasized the long-standing injustice perpetrated on citizens of the District:

> The need for an amendment of that character at this late date in our history is too self-evident for further elaboration; continued denial of voting representation from the District of Columbia can no longer be justified.

But what was self-evident to Mr. Rehnquist and the platform committees has not been obvious to Congress. In recent years, the Senate has usually been regarded as the graveyard for aspirations of District residents to participate in their National Government. A breakthrough occurred in 1961, when the 23d amendment to the Constitution gave the District the vote in Presidential elections; that amendment was ratified by the States in 9 months—a record at the time.

But success has not come as easily for congressional representation. Opposition so far has seemed to arise from four "toos" on the part of some Members of the Senate—the fear that Senators elected from the District of Columbia may be too liberal, too urban, too black or too Democratic. There is also the mystique of the Senate club, the reluctance to expand the membership beyond the current 100 Senators. But such arguments cannot bear the light of day. They deny basic justice. They are unworthy of the Senate and the Nation, and provide no justification for denying representation in Congress to the people of the District of Columbia.

Here in the Senate, we often differ on the degree to which the Federal Government should be involved in the affairs of the citizens of this country. But we should all agree that in this age of big government, no Americans are truly free unless they have a voice in the election of those who write the Nation's laws. Two hundred years and 95 Congresses after the Nation was founded, it is time to welcome Senators and Representatives from the District of Columbia into our congressional deliberations and decisions—and our cloakrooms.

Wherever I travel, I find people surprised to learn that the citizens of Washington cannot vote for Members of Congress. This mood, and the precedent of swift approval for the 23d amendment, give confidence that the generous and decent instincts of the American people will produce prompt ratification of an amendment to give the District the vote in Congress, once we send the amendment to the States.

THE CASE BASED ON POPULATION

One of the strongest arguments in favor of House Joint Resolution 554 is the simple fact that the District of Columbia is not just a museum collection of Federal monuments and Government buildings. It is also the home of hundreds of thousands of men, women, and children—690,000 people in all.

Under one of the most basic principles of our democracy, the citizens of each of the States are represented in the Senate and the House. Yet, the 690,000 citizens of the District are denied this fundamental right.

As table 1 indicates, the District of Columbia has a population greater than, or equal to, that of seven States, based on the most recent data available from the Bureau of the Census—the population estimates for 1977:

District of Columbia	690,000
South Dakota	689,000
North Dakota	653,000
Nevada	633,000
Delaware	582,000
Vermont	483,000
Alaska	407,000
Wyoming	406,000

If, instead of the 1977 estimates, the official census figures for 1970 are used, the District has a population greater than the population of 10 States—including Idaho, Montana, and New Hampshire, in addition to the above seven States. Each of these States has its own representation in Congress—two Senators, and either one or two Members of the House of Representatives, depending on the population of the State. Yet, the people of the Nation's Capital have no such voice.

In this era of profound involvement by Congress in so many different aspects of American life, it is a denial of basic justice and human rights for the citizens of the District to have no voice in the decisions of Congress.

THE CASE BASED ON TAXES

Since the days of the Revolutionary War, a fundamental principle of our Nation has been the rejection of taxation without representation.

Yet, today, two centuries after America was founded, the citizens of the District of Columbia are forced to endure the unfair burden of such taxation. As citizens of the United States, the residents of Washington, D.C. are obliged to pay large amounts in taxes each year to the Federal Government. Yet these citizens are denied representation in Congress, which writes the Nation's tax laws.

The Library of Congress has prepared data summarizing Federal tax payments from each of the 50 States and the District of Columbia. The data, based on concepts developed by the Tax Foundation, shows dramatically the degree to which the District of Columbia bears the burden of taxation without representation.

As shown by table 1, residents of the

District paid out $1.4 billion in taxes to the Federal Government in fiscal year 1977. That amount is greater than the taxes paid by 11 States:

	Billions
District of Columbia	$1.470
Maine	1.400
New Hampshire	1.330
Alaska	1.225
Nevada	1.190
Idaho	1.155
Delaware	1.120
Montana	1.085
North Dakota	0.945
South Dakota	0.840
Wyoming	0.735
Vermont	0.630

Each of these States is represented in Congress by two Senators and by either one or two Members of the House of Representatives, depending on the population of the State. The citizens of these States, therefore, have a voice in the way they are taxed by the Federal Government. But the citizens of the District of Columbia have no such voice.

If the Federal tax burden is calculated on a per capita basis, the comparison becomes even more stark. For District of Columbia residents, the per capita tax burden is $2,116, or $491 above the national average of $1,625. Only one other State—Alaska—has a higher per capita tax burden; in 49 of the 50 States, the Federal tax burden is smaller than in the District of Columbia.

These figures provide a compelling argument for granting representation in Congress to the District of Columbia. House Joint Resolution 554 would enable the District to elect Members of both the Senate and the House of Representatives. It deserves to be enacted, so that at last we can end a serious blight on our contemporary democracy, the burden of taxation without representation that has existed so long and so unfairly for the citizens of the Nation's Capital.

THE CASE BASED ON CASUALTIES IN VIETNAM

One of the most important arguments in favor of House Joint Resolution 554 is contained in the statistics of the Department of Defense on casualties in the Vietnam war. The figures reveal that 237 citizens of the District lost their lives in Vietnam. As table 1 indicates, the casualty level for the District is higher than the levels for 10 States—Alaska, Delaware, Idaho, Nevada, New Hampshire, North Dakota, Rhode Island, South Dakota, Vermont and Wyoming.

The people of those 10 States, and of every other State, were represented in the House and Senate throughout the period of the Vietnam war. These people—and the people in every other State—had a voice in the decisions of Congress on the war, decisions that affected the lives of so many thousands of their citizens who were asked and compelled to serve their country in that war. But the citizens of the District of Columbia had no such representation and no such voice.

We cannot remedy that injustice for the past. But we can do so for the future. At a time when Congress exerts such a profound and growing influence over so many different aspects of American life, the people of the District of Columbia have a right to be heard in our deliberations. House Joint Resolution 554 would give them the voice they deserve.

A DISTRICT OF COLUMBIA GOLD STAR MOTHER'S CASE

At the Senate hearings in April on the pending amendment, one of the most dramatic and moving moments came in the testimony by our distinguished colleague from Missouri, Senator EAGLETON.

In that testimony, he told of a letter he had received from a District of Columbia Gold Star mother, whose son had been killed in the Vietnam war. Yet, as she told Senator EAGLETON, she had no one in Congress to represent her views in decisions on the war. As Senator EAGLETON testified:

This letter was from a mother who had two sons in the army. 1971, as the Chairman will recall, was still a very high point in the Vietnam War. Her elder son had been killed, and naturally that had had a traumatic impact on her, her thinking, et cetera, and she wrote me a very moving but simple letter saying, in essence, "I have lost one son. I may well lose another. Yet I have no voice in voting on how far this war should go, or how long it should go on, or how much expanded it should be—into the Parrot's Beak, or how many bombs we should drop on the Ho Chi Minh Trail. I am hopeless, and in that sense I am voiceless."

I think that one letter did more to shape my thinking than a million words or a 200-page memorandum. The appeal is not simplistic, it is just fair and equitable.

And that was the testimony of Senator EAGLETON.

That letter sums up very well what this issue is all about. On basic issues of vital importance to the lives of all Americans—issues like war and peace, inflation and unemployment, and the countless other areas in which actions by Congress affect the daily lives and hopes of every citizen of this land—the people of the District of Columbia are denied their rightful voice. That denial contradicts the most central principles on which our democracy rests. It is an anachronism of history that no American should tolerate.

THE NEXT GENERATION

Few things matter more to the long-run future of the United States than the values we hand on to the next generation of the Nation's leaders.

One of the most impressive witnesses at the Senate hearings last April was Natasha Pearl, a 17-year-old student who graduated this year from Woodrow Wilson High School in the District of Columbia.

Ms. Pearl's testimony goes indirectly to the heart of the issue—the fact that the 700,000 citizens of Washington, D.C., are denied one of the basic rights that other American citizens enjoy: the right to participate in our democracy by sending their own elected representatives to Congress.

Recalling her experience as a delegate to the Senate youth program, Ms. Pearl testified:

The lack of voting representation for the District was an issue I often discussed with my fellow delegates. Shock and disbelief were expressed upon learning of the grossly unfair and undemocratic situation existing in our nation's capital. Knowing that our forefathers fought and died so that taxation without representation would never again occur in this country, many delegates could not understand why my parents and other District residents pay federal taxes, bearing all the burdens of citizenship, like their parents—yet have no representation. To the Senate Youth delegates, it was incomprehensible that in 1978, in the United States of America, nearly three quarters of a million American citizens are without the privilege that all the other Senate Youth delegates took for granted—voting representation in the Senate and House of Representatives.

She also recalled her feelings on the day set aside for the delegates to visit the offices of their Senators:

You may recall the one day of the Senate Youth Program that was set aside for the delegates to visit their Senators. I have never before felt inferior to fellow Americans. That day I did. All I could do was listen at dinner that evening when my friends told of how they had discussed important national issues, such as the Panama Canal Treaties, energy policy, and health care with their Senators. I, too, have opinions on these and other vital issues. That day, I could share them with no one who had a voice or a vote in the United States Senate.

Finally, she spoke of an occasion last February when she represented the District of Columbia at "Convention II," a mock constitutional convention held in Washington:

It was a marvelous experience. Two hundred and seventy-five students from nine states and the District considered one hundred and fifty-five constitutional amendments. These amendments dealt with a wide variety of issues, many of which are currently being considered by Congress. Only two of the one hundred and fifty-five proposed amendments were passed. I sponsored one of them. It provided voting representation for the District of Columbia. The vote was 182 in favor and 16 opposed—an overwhelming statement of support by youth for this issue.

Ms. Pearl's testimony makes a compelling case for approval of House Joint Resolution 554. The question is really a very simple one—is it fair for Congress to continue to deny to Ms. Pearl and the other residents of the Nation's Capital the same full rights that 200 million other Americans enjoy? To a large extent, the way we answer questions like this one will be a signal to the next generation of the depth of our commitment to the democratic ideals on which the Nation was founded.

THE CASE BASED ON THE EXPERIENCE OF FOREIGN NATIONS

According to a study earlier this year by the Library of Congress, among 115 nations in the world with elected national legislatures, the United States and Brazil stand alone in denying representation in the legislature for citizens of their capital cities.

The analysis is an important study in comparative government and a significant source of additional support for House Joint Resolution 554, which offers Congress the chance to end the serious injustice perpetrated on the citizens of Washington, D.C. They deserve a voice in the Senate and the House like any other American citizen, and like citizens in other nations the world over.

The study provides dramatic documentation of the lonely and reactionary position of the United States in the in-

ternational community with respect to one of the fundamental and most widely recognized human rights in the world today—the right to vote for elected representatives. The study makes clear that in this important respect the United States, the emperor of human rights, has no clothes. Aside from the authoritarian and repressive regime of Brazil, America stands alone among the nations of the world in imposing this flagrant restriction on the civil and political rights of the citizens of its capital city.

As table 2 reveals, the virtually universal practice in nations with elected legislatures—whether democracies or totalitarian systems—is to accord representation to the capital city on a parity with other cities in the nation.

A key element of the study is its documentation that even in nations with federal systems of government like the United States, this principle of parity is followed.

The study included 16 federal nations, with the following findings:

Nine federal nations (Australia, Canada, West Germany, India, Nigeria, Pakistan, Switzerland, the Soviet Union, and Yugoslavia) have capital cities which are not special federal districts and which receive the same representation in the legislature afforded to other cities.

Seven federal nations (Argentina, Australia, Brazil, Malaysia, Mexico, Venezuela, and the United States) have capital cities which are federal districts with a special status similar to that of the District of Columbia. Only Brazil and the United States, however, deny voting representation in the legislature for residents of the capital cities.

It is clear from this study that opponents of representation in Congress for the District of Columbia cannot hide behind the Federal analogy. Theoretical arguments for denying representation, based on the view that the District of Columbia is not a State, are easily outweighed by the demand of the citizens of the Capital City to participate in the basic rights of democracy. With the exception of Brazil, other federal nations modeled on our own Federal Government have resolved this issue against discrimination and in favor of representation for the capital. In this respect, the onrushing tide of world democracy and human rights has left the United States sadly in its wake.

THE BLEMISHED RECORD OF ADMISSION OF STATES TO THE UNION

The effort to end discrimination against D.C. residents is hardly a novel chapter in American history. One of the continuing currents in the Nation's 200-year history has been the struggle of peoples in the various territories of the Union to achieve the full rights of citizenship. The pages of our history contain numerous examples of the frustrations, failures, and eventual successes of the citizen of various regions of the Nation in becoming full partners in the Union.

In these cases, of course, the goal was statehood. But statehood is a goal not readily available to the District of Columbia, because of the unique character of the District as the Nation's Capital within our federal system. In a larger sense, however, the aspiration is the same and is independent of the statehood issue. That aspiration is the desire of American citizens to enjoy as nearly as possible the full benefits of American democracy.

Analysis of the issues involved in the admission of States to the Union provides a number of illuminating examples. In many cases, States were admitted without any great difficulty. In other cases, however, there were long delays and serious controversies, involving complex political, economic and social issues. The best known of these controversies was the 19th century issue over whether new States should be admitted as slave States or free States. The Missouri Compromise and the compromise of 1850 were the landmark events of this period. Missouri, Maine, Arkansas, Florida, Texas, Michigan, Iowa, Wisconsin, and California were able to join the Union as a result of these famous but fragile compromises.

In other cases. other issues were involved. Often, admission to the Union was delayed by partisan or racial factors.

The admission of Oregon was hindered by Republican fears that it would be a Democratic State. But Oregon was admitted in 1859 and voted for Lincoln in 1860.

Kansas endured severe civil violence and divided the Democratic Party before it became a state in 1861.

The admission of Idaho was delayed in part by religious controversies over the Mormon minority.

The admission of Wyoming was resisted in part because of its progressive attitude toward the political equality of women.

The admission of Utah was delayed more than 40 years, in large part because of the controversy over the Mormon religion.

The admission of Oklahoma was resisted because of the controversy over the status of the Indian territory.

The admission of Montana was delayed for over 20 years by Republican opponents, who feared that the State would be a Democratic stronghold, and who refused to agree to statehood unless the Dakota Territory was divided into two States likely to be Republican. In 1889, an omnibus statehood bill admitted Montana, North Dakota, South Dakota, and Washington to the Union.

Blatant racial discrimination against the Spanish-speaking population was a key factor in the long delay before admission of New Mexico to the Union.

In more recent times, before they finally gained statehood in 1959, the admission of Alaska and Hawaii became a political football, with Democrats fearing a Republican Hawaii and Republicans fearing a Democratic Alaska.

The lessons of these numerous examples is that partisan and discriminatory factors have no place in the decision to admit citizens anywhere in the Nation to the blessings of full participation in our system of government. The people of the District of Columbia have already waited far longer than the citizens of any territory to obtain the basic right of representation in Conrgess. House Joint Resolution 554 would end this long injustice.

ORIGIN OF THE DISTRICT OF COLUMBIA

The concept of a separate Federal district under the exclusive control of Congress developed as the response of the Founding Fathers at the Constitutional Convention to the "Philadelphia Mutiny" of June 21, 1783. On that occasion, 80 to 250 disgruntled and angry Revolutionary Army soldiers demanding back pay disobeyed their officers and marched on Independence Hall in Philadelphia, where the Continental Congress was meeting. The Congress requested protection from the Pennsylvania militia, but the request was refused, and the Congress was forced to flee to Princeton, N.J., under cover of darkness.

The Philadelphia Mutiny was the central factor in the approval of article I, section 8, clause 17 of the Constitution by the convention in 1887, which gave Congress the power to protect itself at the site to be chosen for the Nation's Capital:

> The Congress shall have Power . . . To exercise exclusive Legislation in all Cases whatsoever, over such District (not exceeding ten Miles square) as may, by Cession of particular States, and the acceptance of Congress, become the Seat of the Government of the United States.

When the First Congress met in New York in 1789, a major question was the "residence" issue—the selection of a site for the capital city. The primary concern of the legislators was the issue of economic advantage. As the historian Constance Green has written, the assumption underlying the debate was that—

> Wherever Congress chose to locate the federal city, there a great commercial center would arise. That conviction explains more fully than any consideration of prestige or legislators' convenience why sectional controversy had run so strong during the congressional debates on the 'residence' bill.

The debates narrowed the issue to a choice between a southern site near the 'geographic center" of the Nation (site on the Potomac River) and a northern site near the 'population center" (a site on the Susquehanna River in Pennsylvania). In a compromise achieved by Secretary of State Thomas Jefferson and Secretary of the Treasury Alexander Hamilton, the southern site was accepted by the northern faction in Congress, in return for southern acceptance of a northern proposal by which the Federal Government would assume the debts of the States from the Revolutionary War.

In anticipation of the action by Congress, territory for the site had been ceded to the Federal Government by Maryland in 1788 and by Virginia in 1789. The Residence Act of 1790 enacted by the First Congress specified in general terms a broad area on the Potomac River from which the site could be chosen. But the act fixed the southern most possible portion of the site at the junction between the Potomac and the Anacostia River. Jn addition, the act authorized President Washington to appoint and supervise three commissioners to choose the actual site and survey and define the District. In effect, the selection of the

precise site was left to President Washington.

President Washington, however, because of his desire to include the city of Alexandria in the capital area, chose a southern corner for the site a few miles farther south than the 1790 Act of Congress permitted, with the result that approximately one-third of the actual area selected by the President lay outside the authorization by Congress. Subsequently, Congress enacted additional legislation approving the site.

On the first Monday in December 1800, in accord with the original legislation enacted by Congress in 1790, the national capital was officially transferred from its temporary location in Philadelphia to the new site.

The area originally included in the District of Columbia consisted of only two significant communities—Georgetown in the Maryland portion with a population of about 3,000 and Alexandria in the Virginia portion with a population of about 5,000. In addition, there were two tiny trading post settlements in the territory—Carollsburgh on the present Anacostia River, and Hamburg on the site of the present Foggy Bottom.

During the period 1790–1800, the city of Washington came into being, covering the area east of Georgetown and north of the Potomac to the present Florida Avenue. The region north of the city of Washington became Washington County. According to the census of 1800, the population of the entire District of Columbia was 14,000.

Until the official transfer of the Federal Government to the District of Columbia in 1800, Maryland and Virginia laws continued in operation in the territory and residents of the local communities voted in Federal elections as citizens of their respective States. This practice ended, however, in December 1800, when the exclusive jurisdiction of Congress over the District took effect, and the residents lost their status as citizens of a State.

THE FEDERAL PAYMENT FALLACY

So far, opposition to House Joint Resolution 554 has crystallized around a series of arguments that are easily rebutted.

Some opponents argue that if the District of Columbia is to receive the status of a State with respect to representation in Congress, then the District must give up the so-called "Federal payment" by which, it is claimed, the District receives special financial treatment from Congress not available to the States.

But the argument misconstrues the nature of the Federal payment, which is an annual appropriation intended to offset the overall negative fiscal impact of the Federal Government on the District. In effect, the appropriation—$276 million in fiscal year 1978—represents an effort by Congress to account for the difference between the special burdens imposed on the city (such as tax-exempt Federal land and buildings) and the special benefits (such as revenues from tourism and Federal construction projects) accruing to the city as a result of the Federal presence.

Obviously, there is occasional fiscal tension between Congress, in its role as legislator for the District, and the municipal government of the District, as shown by the continuing controversies over D.C. appropriations bills. But these controversies have little to do with the rights of the citizens of the District to be represented in Congress and to have a voice in the many actions of the House and Senate on issues of foreign and domestic policy. Whatever the view of individual Senators as to the excessive or inadequate nature of the Federal payment, I hope we can agree that the issue is separate from the question of representation in Congress and should be considered accordingly.

In fact, the Federal payment for fiscal year 1979 is likely to be significantly lower than the figure for 1978. Over the years, the amount of the Federal payment has ranged from a high of 43 percent of total congressional appropriations in 1921, to a low of 9 percent in 1953. In the 1970's, the figure has fluctuated between 27 percent in 1975 and 20 percent, where it is today.

In addition, there are a number of specific factors that help to explain the purpose and size of the current Federal payment:

The Federal Government owns 38 percent of the land area in the District, and this land is exempt from the local tax rolls. For many States, the figure is in the range of 4 percent. If this low figure applied to the District, it is estimated that local property tax revenues would be increased by $60 million, and that local sales and income taxes would go up by even larger amounts.

The District must provide extensive fire and police protection for the Federal facilities, as well as sidewalks, streets, and other services not required in States with a smaller Federal presence.

So far, Congress has forbidden the District to enact a commuter tax, which would spread the special costs imposed by the Federal presence more equitably among the Federal employees who work in the District but live in the suburbs. Other States make reasonable use of such taxes in such situations. But Congress denies this source of revenue to the District—estimated at $200 million a year in the typical versions used by various States.

Congress refuses to permit the District to issue tax-exempt bonds. States have this option, and use it extensively to borrow funds at interest rates significantly below the market rate for tax-free bonds. Currently, the Federal tax subsidy for tax-exempt bonds in the various States totals $6 billion, or an average of $120 million per State. Yet the District is denied access to this source of revenue.

Congress imposes a height limit on buildings in the District. These limits restrict business development, and reduce the access of the District to property and other taxes.

Finally, District residents pay 11.7 percent of their principal income in the form of local taxes to the District. That figure exceeds the percentage for 23 States. Clearly, the Federal payment is not a device that allows District residents to avoid their fair share of local taxes.

As the above examples indicate, there are substantial areas in which Congress restricts the revenue sources available to the District. In effect, the Federal payment is a lump sum appropriated by Congress in lieu of these alternative revenues. It is hardly a symbol of an undeserved financial windfall for the District that impairs the case for representation of District citizens in the Senate and House of Representatives.

THE FEDERAL EMPLOYEE FALLACY

A variation of this argument occasionally made by the opponents of representation in Congress for District residents is that representatives elected by the District would be special pleaders for Federal employees.

It is true that a significant number of District workers are Federal employees. As shown by table 1, there are 221,000 Federal jobs in the District, reflecting the following pattern according to residence:

D.C. residents	112,000
Maryland residents	63,000
Virginia residents	46,000
Total	221,000

If the number of Federal jobs in the Maryland and Virginia suburban counties is also taken in account, the result is that each of the two suburban areas has more Federal employees than the District of Columbia. In fact, the District accounts for less than one-third of all Federal employees in the Washington area.

District of Columbia	110,000
Maryland suburbs	140,000
Virginia suburbs	143,000
Total	393,000

In addition, as table 1 also shows, three other States—California, Texas, and Virginia—provide more Federal jobs than the District of Columbia.

The opponents' argument also ignores the many other economic and social facets of the District, apart from Federal employment. Members of the House and Senate elected from the District would also represent the interests of small business, the construction industry, banks, veterans, teachers, the elderly, the poor, and virtually all the other interest groups found in the various States. It would be as unreasonable to deny representation to the District because of its Federal employees' bloc, as to deny representation to a State because of its farm bloc.

The work of Congress impinges increasingly heavily on all Americans, whether they are residents of the District or the States, and the citizens of the District deserve to participate in the decisions of Congress on a parity with all other American citizens.

Equally important, in light of the mandate of article I of the Constitution giving Congress exclusive jurisdiction over the District of Columbia, elected representatives from the District would enable Congress to conduct its oversight responsibilities in a more informed and effective manner.

THE STATEHOOD FALLACY

Opposition to the proposed amendment has usually crystallized around a series of fallacious arguments that are easily rebutted.

Some opponents of full representation claim that the District is a city, not a State, and that only States are entitled to representation in the House and Senate. They argue that there is no greater reason for this city to be represented in Congress than there is for other large cities which are also denied this right.

But this argument ignores the obvious fact that other American cities are political subdivisions of States. They already have representation in both the Senate and the House, while the citizens of the District have no representation at all.

In other ways, Congress has been willing to treat the District of Columbia as a State. For example, the District has long been treated as a State in virtually every major Federal grant legislation. In program after program, in statute after statute, all of us in Congress are familiar with the well-known clause in legislation, "For the purpose of this legislation, the term 'State' shall include the District of Columbia."

The statehood argument is no more than a thinly veiled excuse to perpetuate the denial of congressional representation to the people of the District. The District is neither a city nor a State. In fact, statehood may well be an impossible alternative, given the practical and constitutional questions involved in changing the historical status of the Nation's Capital. But such debate should not be allowed to mask the basic fact that, 200 years after the Nation was founded, the people of Washington are second-class citizens, deprived of the right to participate in the making of the laws by which they are governed.

THE ARTICLE V CONSTITUTIONAL FALLACY

Another occasional objection to representation in Congress for the District of Columbia rests on the proviso in article V of the Constitution, which declares that "no State, without its Consent, shall be deprived of its equal Suffrage in the Senate."

To state the obvious, however, what House Joint Resolution 554 proposes is a constitutional amendment. Since, by definition, a constitutional amendment cannot be unconstitutional, the suggestion that House Joint Resolution 554 is unconstitutional is a contradiction in terms and a fatal flaw in the logic of those who raise their curious objection.

In any event, it is far too late in our history to argue that granting representation in Congress to the District of Columbia would deprive any State of its "equal suffrage in the Senate." Since the ratification of the Constitution by the Original Thirteen States, 37 additional States have been admitted to the Union. As a result, the suffrage of the original 13 States in the Senate has been "diluted" nearly fourfold, from 2 to 26 to 2 to 100. Yet, not one seriously argues that any of the older States has been deprived of its equal suffrage in the Senate by the admission of new States.

The principle is clear. So long as the District of Columbia is represented in the Senate equally with every other State, representation for the District of Columbia will not offend the provisions of article V. Each State will still have two votes in the Senate, and each State will still have the same proportionate vote as every other State.

During extensive hearings by both the Senate and House Judiciary Subcommittees on this issue, leading constitutional scholars strongly endorsed full voting representation for the District, including representation in the Senate as well as in the House. Among those testifying on House Joint Resolution 554, for example, was Prof. Charles Alan Wright of the University of Texas School of Law, who dealt bluntly with the article V objection:

> It seems to me that the clear purpose of (the "Equal Suffrage Clause") was to insure that the Great Compromise would not be undone and that the representation in the Senate would not be put on the basis of population. That purpose is not compromised by allowing the District to have two Senators any more than it is when a new state is admitted.

THE RETROCESSION FALLACY

It is sometimes argued that voting representation for the people of the District should not be achieved by independent representation in Congress, but by alternative methods linking the District in various ways to the State of Maryland. But there are serious objections to these alternatives, which go by the names of "full retrocession" (ceding the District's territory back to Maryland) or "partial retrocession" (allowing District citizens to vote in Maryland elections).

First, as a matter of principle, it would be unwise policy and unfair to the citizens of both Maryland and the District. The geographical area comprising the original District was formally ceded to the Federal Government in the 18th century, shortly after the ratification of the Constitution, and consisted of Maryland and Virginia portions. The Virginia portion of the District was retroceded to Virginia in 1846, but the Maryland portion has continued to the present time as the District of Columbia.

Thus, the District has not been a part of Maryland since 1788, when the territory that now comprises the District was ceded by Maryland to the Federal Government. Two centuries after the original act of cession by Maryland, there are simply no cultural, community, or similar ties that would warrant attempting to relink the District to Maryland, and the ancient historical tie is far too slender and obsolete to justify that step today. The District has developed its own community and its own interests, separate and apart from Maryland, and it deserves representation in Congress in its own right, and not merely as an artificial adjunct to a State with which it has no common history.

We might just as well try to link the District to Virginia—or even to Oklahoma or Idaho—as try to fit it back into Maryland.

Those who favor retrocession draw on the fact that under the different circumstances of an earlier era, the territory ceded by the State of Virginia to the Federal Government in 1789, which formed roughly one-third of the original District, was ceded back to Virginia by Congress in 1846.

But historical analysis indicates that the circumstances surrounding the Virginia retrocession are in no way comparable to the situation that exists today. In fact, at the time of the Virginia retrocession, there was nothing "Federal" to retrocede. To allay criticism of his role in selecting a site for the new Federal District so close to his Mount Vernon estate, President Washington had insisted that no Federal building should be constructed in the Virginia portion of the District.

The preamble to the Retrocession Act of 1846 recites the view that the Federal Government had not used the Virginia portion of the District and would probably never need it. The preamble also refers to the fact that a few months earlier, the Virginia legislature had enacted legislation accepting the retrocession.

The historical analysis also indicates that the Virginia retrocession was directly affected by the political, social, and economic factors of the time, particularly the resentment of the citizens of the town of Alexandria over their inclusion in the District. A major additional factor was the struggle between the slaveholding eastern regions of Virginia and the western portions of the State for control of the Virginia Legislature. Neither retrocession nor any other measure could resolve the enormous pressures that were building in this period. As the Civil War began, the State of West Virginia was created from the western counties of Virginia and was admitted to the Union in 1863.

Seen in historical perspective, the retrocession of the Virginia portion of the District in 1846 is not a precedent for action today on the issue of voting representation in Congress for the District of Columbia.

Second, there is a much more obvious and recent precedent which argues strongly in favor of independent representation in Congress for the District of Columbia, rather than in combination with Maryland or any other State. That precedent is the 23d amendment, which was ratified in 1961 and which gave citizens of the District an independent voice in Presidential elections through the electoral college. It does not, obviously, route District voters through Maryland elections to achieve its goal.

Recently, I asked the Library of Congress whether the concept of retrocession—allowing District residents to vote in Maryland Presidential elections, instead of giving the District independent representation in the electoral college—was considered as a possible alternative during the debates on the 23d amendment. The Library of Congress has informed me:

> To our knowledge, there was no mention of retrocession to Maryland or any related alternative arrangement during discussion of the 23rd amendment in Congress—either in the hearing records or during floor debate.

Thus, Congress overwhelmingly recognized in 1960 that there was no jus-

tification for tying the District to Maryland for purposes of voting in Presidential elections. There is no justification today for tying the District to Maryland for purposes of voting in Senate and House elections.

Our action on the 23d amendment is, therefore, a strong precedent against any current effort by Congress to tie the District to Maryland for voting purposes. The District now has its own voice in Presidential elections, and it is entitled to its own voice in congressional elections.

Third, as a practical matter, I know of nothing to indicate that Maryland would be at all receptive to the idea. Retrocession proposals surfaced briefly in the course of the House subcommittee's consideration of House Joint Resolution 554. But they were quickly discarded, in large part because of the obvious resistance of the Maryland congressional delegation. The proposals were not raised again, either in the full House Judiciary Committee proceedings or as a floor amendment in the House.

Fourth, there are a number of legal, even constitutional, questions that would have to be resolved to make retrocession a serious possibility. Full retrocession would subject the Federal Government to the powers of the State of Maryland and fly in the face of the settled constitutional provision creating the District as a Federal entity. Partial retrocession—simply turning District citizens into Maryland residents for the purpose of voting in Senate and House elections—would raise such questions as whether District residents should then be entitled to send representatives to Annapolis to participate in drawing new congressional district boundaries to vote for the Governor of Maryland who would have the power to fill vacancies in the congressional delegations, and other similar issues.

For these reasons, retrocession is a blind alley we ought not to go down in seeking congressional representation for the people of the District.

In sum, the arguments against full voting representation in Congress for the District of Columbia are shallow at best and pernicious at worst. It is a sad commentary on American democracy that such flimsy arguments have consistently been used to deny representation in Congress for the citizens of our Nation's Capital. At a time when the role of Congress has an increasingly profound influence on the lives of each American, it is also time to honor the promise of America for every citizen, without exception.

Mr. President, I ask unanimous consent that the material to which I made reference be printed in the RECORD.

There being no objection, the material was ordered to be printed in the RECORD, as follows:

QUOTATIONS ON REPRESENTATION IN CONGRESS FOR THE DISTRICT OF COLUMBIA

Republican Party Platform 1976:

We . . . support giving the District of Columbia voting representation in the United States Senate and House of Representatives.

Democratic Party Platform 1976:

We support . . . full voting representation in the Congress [for the District of Columbia.]

James Madison (The Federalist No. 43):

The extent of this federal district is sufficiently circumscribed to satisfy every jealousy of an opposite nature. And as it is to be appropriated to this use with the consent of the State ceding it; as the State will no doubt provide in the compact for the rights and the consent of the citizens inhabiting it; as the inhabitants will find sufficient inducements of interest to become willing parties to the cession; as they will have had their voice in the election of the government which is to exercise authority over them; as a municipal legislature for local purposes, derived from their own suffrage, will of course be allowed them; and as the authority of the legislature of the State, and of the inhabitants of the ceded part of it, to concur in the cession, will be derived from the whole people of the State, in their adoption of the Constitution, every imaginable objection seems to be obviated.

President Andrew Jackson 1831:

It was doubtless wise in the framers of our Constitution to place the people of this District under the jurisdiction of the General Government. But to accomplish the objects they had in view, it is not necessary that this people should be deprived of all the privileges of self-government . . . I earnestly recommend the extension to them of every political right which their interests require and which may be compatible with the Constitution.

President Richard Nixon; Message to Congress; April 28, 1969:

It should offend the democratic sense of this nation that the 850,000 citizens of its Capital, comprising a population larger than 11 of its States, have no voice in the Congress.

Assistant Attorney General William H. Rehnquist; Senate Hearings, 1970:

The need for an amendment of that character at this late date in our history is too self-evident for further elaboration; continued denial of voting representation from the District of Columbia can no longer be justified.

Vice President Walter F. Mondale, September 1977:

We believe there is no justification for denying citizens equal representation at the federal level because they happen to reside in the District of Columbia.

President Jimmy Carter, State of the Union Message 1978:

We proposed last year a series of reforms, including full voting representation in Congress, designed to give the residents of the District significantly greater control over their local affairs. My administration will continue to work for the passage of those reforms this year.

Professor Charles Alan Wright; University of Texas Law School; Senate Hearings 1978:

It seems to me that the clear purpose of [the Equal Suffrage Clause, Article V of the Constitution] was to ensure that the Great Compromise would not be undone and that representation in the Senate would not be put on the basis of population. That purpose is not compromised by allowing the District to have two Senators any more than it is when a new state is admitted.

Senator Thomas F. Eagleton; Senate Hearing 1978:

This letter was from a mother who had two sons in the army. 1971, as the Chairman will recall, was still a very high point in the Vietnam War. Her elder son had been killed, and naturally that had had a traumatic impact on her, her thinking, et cetera, and she wrote me a very moving but simple letter saying, in essence, "I have lost one son. I may well lose another. Yet I have no voice in voting on how far this war should go, or how long it should go on or how much expanded it should be—into the Parrot's Beak, or how many bombs we should drop on the Ho Chi Minh Trail, I am hopeless, and in that sense I am voiceless."

I think that one letter did more to shape my thinking than a million words or a 200-page memorandum. The appeal is not simplistic, it is just fair and equitable.

Natasha Pearl; Senior, Woodrow Wilson High School, D.C.; Senate Hearings 1978:

You may recall the one day of the Senate Youth Program that was set aside for the delegates to visit their Senators. I have never before felt inferior to fellow Americans. That day I did. All I could do was listen at dinner that evening when my friends told of how they had discussed important national issues, such as the Panama Canal Treaties, energy policy, and health care with their Senators. I, too, have opinions on these and other vital issues. That day, I could share them with no one who had a voice or a vote in the United States Senate.

TABLE 1.—STATISTICAL COMPARISONS BETWEEN THE DISTRICT OF COLUMBIA AND THE 50 STATES TAXATION (FY 1977)

State	Population		Total Federal taxes (billion)	Per capita Federal taxes	State and local taxes (percent personal income) [1]	killed in Vietnam war, 1961–77	Employment [2]		Percent land area held by Federa Government
	1970 census	1977 estimate					Number Federal jobs	Percent Federal jobs	
Alabama	3,444,000	3,690,000	$4.482	$1,221	9.9	1,187	79,173	1.9	3.4
Alaska	303,000	407,000	1.225	3,011	21.8	55	36,873	.9	96.4
Arizona	1,775,000	2,296,000	3.211	1,418	13.9	604	57,756	1.4	42.8
Arkansas	1,923,000	2,144,000	2.381	1,117	9.8	580	28,050	.7	9.7
California	19,971,000	21,896,000	39.186	1,805	14.9	5,472	497,438	12.1	45.1
Colorado	2,210,000	2,619,000	4.167	1,604	12.3	609	91,726	2.2	36.1
Connecticut	3,032,000	3,108,000	6.478	2,086	11.2	590	25,469	.6	.3
Delaware	548,000	582,000	1.120	1,925	11.4	120	10,380	.2	3.2
District of Columbia	757,000	690,000	1.470	2,116	11.7	237	221,156	5.4	25.6
Florida	6,791,000	8,452,000	12.957	1,542	10.1	1,905	146,615	3.6	10.1
Georgia	4,588,000	5,048,000	6.513	1,298	10.9	1,550	129,237	3.1	6.0
Hawaii	770,000	895,000	1.575	1,770	14.6	274	67,414	1.6	9.9
Idaho	713,000	857,000	1.155	1,367	11.6	210	15,598	.4	63.7
Illinois	11,113,000	11,245,000	21.536	1,919	11.4	2,883	150,511	3.7	1.5
Indiana	5,195,000	5,330,000	8.334	1,566	10.4	1,513	48,229	1.2	2.1
Iowa	2,825,000	2,879,000	4.517	1,570	11.5	820	19,396	.5	.6

TABLE 1.—STATISTICAL COMPARISONS BETWEEN THE DISTRICT OF COLUMBIA AND THE 50 STATES TAXATION (FY 1977)—Continued

State	Population		Total Federal taxes (billion)	Per capita Federal taxes	State and local taxes (percent personal income)[1]	Killed in Vietnam war, 1961–77	Employment [2]		Percent land area held by Federal Government
	1970 census	1977 estimate					Number Federal jobs	Percent Federal jobs	
Kansas	2,249,000	2,326,000	$3.922	$1,695	11.0	614	47,705	1.2	1.3
Kentucky	3,221,000	3,458,000	4.447	1,290	11.4	1,039	82,243	.2	5.3
Louisiana	3,645,000	3,921,000	5.217	1,338	12.6	872	50,323	1.2	3.7
Maine	994,000	1,085,000	1.400	1,299	14.2	332	17,491	.4	.7
Maryland	3,924,000	4,139,000	7.669	1,856	12.7	996	168,116	4.1	3.2
Massachusetts	5,689,000	5,782,000	9.875	1,706	14.7	1,303	67,590	1.6	1.7
Michigan	8,882,000	9,129,000	15.618	1,712	12.1	2,603	66,274	1.6	9.3
Minnesota	3,806,000	3,975,000	6.198	1,563	14.3	1,053	32,231	.8	6.6
Mississippi	2,217,000	2,369,000	2.416	1,016	12.0	630	40,870	1.0	5.4
Missouri	4,678,000	4,801,000	7.213	1,504	10.3	1,384	91,265	2.2	4.8
Montana	694,000	761,000	1.085	1,432	13.2	260	17,639	.4	29.7
Nebraska	1,485,000	1,561,000	2.416	1,552	10.9	386	28,148	.7	1.4
Nevada	489,000	633,000	1.190	1,911	12.7	144	17,850	.4	86.6
New Hampshire	738,000	849,000	1.330	1,587	10.8	218	14,030	.3	12.3
New Jersey	7,171,000	7,329,000	14.708	2,005	11.8	1,438	95,581	2.3	2.7
New Mexico	1,017,000	1,190,000	1.505	1,275	12.8	392	42,241	1.0	33.6
New York	18,241,000	17,924,000	32.497	1,806	17.3	4,043	196,017	4.8	.8
North Carolina	5,084,000	5,525,000	7.038	1,281	10.7	1,580	120,166	3.0	6.3
North Dakota	618,000	653,000	0.945	1,456	11.7	194	20,820	.5	5.2
Ohio	10,657,000	10,701,000	17.474	1,633	10.0	3,028	106,973	2.6	1.3
Oklahoma	2,559,000	2,811,000	3.852	1,380	10.2	975	81,819	2.0	3.5
Oregon	2,092,000	2,376,000	3.747	1,593	12.4	692	26,308	.6	52.6
Pennsylvania	11,801,000	11,785,000	19.400	1,644	11.5	3,073	142,354	3.5	2.3
Rhode Island	950,000	935,000	1.610	1,722	12.1	200	13,877	.3	1.1
South Carolina	2,519,000	2,876,000	3.396	1,187	10.7	883	80,441	2.0	5.9
South Dakota	666,000	689,000	0.840	1,221	12.2	187	16,756	.4	6.7
Tennessee	3,926,000	4,299,000	5.638	1,321	10.1	1,277	62,930	1.5	6.7
Texas	11,199,000	12,830,000	20.100	1,581	10.5	3,332	295,746	7.2	1.9
Utah	1,059,000	1,268,000	1.575	1,260	12.2	353	40,756	1.0	66.1
Vermont	445,000	483,000	0.630	1,313	15.1	100	4,161	.1	4.7
Virginia	4,651,000	5,135,000	7.984	1,567	10.7	1,273	226,864	6.0	9.4
Washington	3,413,000	3,658,000	6.723	1,849	11.9	1,019	98,386	2.4	29.5
West Virginia	1,744,000	1,859,000	2.451	1,328	12.0	715	15,410	.4	6.9
Wisconsin	4,418,000	4,651,000	7.003	1,512	14.0	1,133	27,950	.7	5.2
Wyoming	332,000	406,000	0.735	1,843	14.4	117	10,004	0.2	47.8
United States	203,305,000	216,332,000	350.191	1,625	11.8	56,447	4,092,386	100.0	5.4

[1] U.S. Bureau of the Census, "Governmental Finances in 1975–76."
[2] Source: Civilian employment (December 1973), U.S. Bureau of the Census, "Public Employment in 1975;" Military Employment (1976), Department of Defense, OASD Comptroller, Directorate for Management Information Operations.
[3] U.S. General Services Administration, inventory report on real property owned by the United States throughout the world (1975).

Employment by State (nongovernmental)

State	
California	$6,228,326
New York	5,867,953
Illinois	3,924,616
Pennsylvania	3,802,316
Texas	3,558,934
Ohio	3,474,234
Michigan	2,655,840
Florida	2,418,209
New Jersey	2,277,577
Massachusetts	2,024,626
North Carolina	1,760,933
Indiana	1,680,152
Georgia	1,477,795
Missouri	1,469,208
Wisconsin	1,380,439
Virginia	1,323,212
Tennessee	1,276,875
Minnesota	1,179,231
Maryland	1,112,373
Connecticut	1,111,444
Louisiana	934,628
Alabama	907,114
Washington	898,549
Kentucky	825,711
South Carolina	799,046
Iowa	773,837
Colorado	747,017
Oklahoma	681,064
Oregon	634,153
Kansas	597,871
Arizona	578,456
Mississippi	535,298
Arkansas	514,409
West Virginia	427,596
Nebraska	416,367
Utah	315,514
District of Columbia	309,798
Rhode Island	304,847
Maine	270,726
Hawaii	249,915
New Hampshire	242,136
New Mexico	241,334
Nevada	199,827
Delaware	192,223
Idaho	189,080
Montana	153,802
South Dakota	136,406
Vermont	131,760
North Dakota	124,613
Wyoming	85,686
Alaska	65,124

SOURCE: U.S. Department of Commerce/Bureau of the Census County Business Patterns 1974 (April 1977).

TABLE 2.—*Experience of foreign nations with elected national legislatures*

A. Nations that exclude their capital city from representation in the legislature:
1. United States (Washington, D.C.).
2. Brazil (Brasilia).

B. Nations that grant representation to their capital city in the legislature:
1. Albania (Tirana).
2. Algeria (Algiers).
3. Andorra (Andorra la vella).
4. Antigua (St. Johns).
5. Argentina (Buenos Aires).
6. Australia (Canberra).
7. Austria (Vienna).
8. The Bahamas (Nassau).
9. Barbados (Bridgetown).
10. Belgium, (Brussels).
11. Belize (Belmopan).
12. Botswana (Gaborone).
13. Buglaria (Sofia).
14. Burma (Rangoon).
15. Cambodia (Phnom-Penh).
16. Cameroon (Yaounde).
17. Canada (Ottawa).
18. Cape Verde Islands (Praia).
19. China, Republic of (Taipei).
20. Colombia (Bogota).
21. Cook Islands (Rarotonga).
22. Costa Rica (San Jose).
23. Cyprus (Nicosia).
24. Czechoslovakia (Prague).
25. Denmark (Copenhagen).
26. Djibouti (Djibouti).
27. Dominica (Roseau).
28. Dominican Republic (Santo Domingo).
29. Egypt (Cairo).
30. El Salvador (San Salvador).
31. Equatorial Guinea (Malabo).
32. Fiji (Suva).
33. Finland (Helsinki).
34. France (Paris).
35. Gabon (Libreville).
36. The Gambia (Banjul).
37. Germany, East (Berlin).
38. Germany, West (Bonn).
39. Greece (Athens).
40. Grenada (St. George's).
41. Guatemala (Guatemala City).
42. Guinea (Conakry).
43. Guyana (Georgetown).
44. Haiti (Port-au-Prince).
45. Hungary (Budapest).
46. Iceland (Reykjavik).
47. India (New Delhi).
48. Indonesia (Jakarta).
49. Iran (Teheran).
50. Ireland (Dublin).
51. Israel (Jerusalem).
52. Italy (Rome).
53. Ivory Coast (Abidjan).
54. Jamaica (Kingston).
55. Japan (Tokyo).
56. Kenya (Nairobi).
57. Korea, North (Pyongyang)
58. Korea, South (Seoul)
59. Liberia (Monrovia)
60. Liechtenstein (Vaduz)
61. Luxembourg (Luxembourg-ville)
62. Macao (Macao)
63. Madagascar (Antananarivo)
64. Malawi (Lilongwe)
65. Malaysia (Kuala Lumpur)
66. Maldives (Male)
67. Malta (Valletta)
68. Mauritania (Nouakchott)
69. Mauritius (Port Louis)
70. Mexico (Mexico City)
71. Monaco (Monaco-Ville)
72. Mongolia (Ulan Bator)
73. Morocco (Rabat)

74. Nauru (Yeran: Administrative District)
75. New Zealand (Amsterdam)
76. New Zealand (Wellington)
77. Nicaragua (Managua)
78. Nigeria (Lagos)
79. Norway (Oslo)
80. Pakistan (Islamabad)
81. Panama (Panama City)
82. Papua New Guinea (Port Moresby)
83. Paraguay (Asuncion)
84. Philippines (Manila)
85. Poland (Warsaw)
86. Portugal (Lisbon)
87. Rhodesia (Salisbury)
88. Romania (Bucharest)
89. San Marino (San Marino)
90. Senegal (Dakar)
91. Sierra Leone (Freetown)
92. Singapore (Singapore City)
93. South Africa (Pretoria)
94. Soviet Union (Moscow)
95. Spain (Madrid)
96. Sri Lanka (Colombo)
97. Sudan (Khartoum)
98. Surinam (Paramaribo)
99. Sweden (Stockholm)
100. Switzerland (Bern)
101. Syria (Damascus)
102. Tanzania (Dar es Salaam)
103. Tonga (Nukualofa)
104. Trinidad and Tobago (Port of Spain)
105. Tunisia (Tunis)
106. Turkey (Ankara)
107. United Kingdom (London)
108. Venezuela (Caracas)
109. Vietnam (Hanoi)
110. Western Samoa (Apia)
111. Yugoslavia (Belgrade)
112. Zaire (Kinshasa)
113. Zambia (Lusaka)

U.S. SENATE,
Washington, D.C., March 2, 1978.

DEAR COLLEAGUE:

This morning, by an impressive two-thirds vote, the House of Representatives approved a constitutional amendment (H.J. Res. 554) to provide full voting representation for the District of Columbia in both the House and the Senate. As supporters or cosponsors of the companion Senate measure, we are writing to urge your support for the amendment and for an end to the long-standing and unjust second class status of District citizens in our government.

One of the most honored principles of our democracy is the concept of "one person, one vote." In the District of Columbia, however, that principle has no application. Instead, for District citizens, the rule is "700,000 persons, no votes." For too long, the District of Columbia has been called "America's Last Colony."

Now, for the first time in many years, we have the chance to change all that. That House of Representatives has voted to end the injustice by which citizens of the District are denied their proper representation in Congress, and we believe the Senate should act as well.

During extensive hearings by the House Judiciary Subcommittee on Civil and Constitutional Rights, leading Constitutional scholars strongly endorsed full voting representation for the District, including representation in the Senate as well as in the House. Among those testifying in support of H.J. Res. 554, for example, was Professor Charles Alan Wright of the University of Texas School of law, who testified:

"It seems to me that the clear purpose of [the 'Equal Suffrage Clause' of the Constitution; Article V] was to insure that the Great Compromise would not be undone and that representation in the Senate would not be put on the basis of population. That purpose is not compromised by allowing the District to have two Senators any more than it is when a new state is admitted."

* ". . . no State, without its Consent, shall be deprived of its equal Suffrage in the Senate."

For your interest, we are attaching a staff briefing paper prepared in the House in support of H.J. Res. 554. It deals with all of the major issues and makes a solid case for approval of the Resolution.

We urge your support for this fundamental principle of justice for the citizens of the nation's capital, and we look forward to favorable Senate action on this Resolution.

Sincerely,

BIRCH BAYH.

And 19 others.

MAY 23, 1978.

DEAR SENATOR: Full voting representation in Congress for the District of Columbia as embodied in House Joint Resolution 554 is a legislative matter which is a top priority for all of us. We urge you to support the measure when it comes to a vote in the Senate.

As you know, the House of Representatives on March 2nd, passed H.J. Res. 554 by a two-thirds vote, 289–127. This historic vote marked the first truly significant step forward in an effort which began in December, 1808. Since that beginning there have been more than 150 joint resolutions introduced to provide some form of voting representation to the citizens of Washington, D.C. Hearings totaling about 25 years have been held in Senate and House Committees throughout the years. The Senate now, however, has a chance to bring this issue to final resolution.

A two-thirds vote in the Senate will send this measure on to the states for a final decision. We believe the state legislatures should have the opportunity to vote on H.J. Res. 554. The arguments in favor of this fundamental principle need not be repeated here. We ask only that you voice your support now and vote for H.J. Res. 554 when it comes to the Senate floor. Thank you.

Sincerely,

WALTER E. WASHINGTON,
Mayor.

And 17 others.

Mr. SCOTT. Mr. President, I ask unanimous consent on behalf of Senator BAKER that Everett Wallace, of his staff, be accorded the privilege of the floor during the pending business, and on behalf of the Senator from South Carolina (Mr. THURMOND) that Eric Hultman and Jim Lockemy of the Judiciary Committee staff, be accorded the privilege of the floor.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. KENNEDY. Mr. President, I ask unanimous consent that Mr. Alan Boyd, of Senator CASE's staff, be accorded the privilege of the floor.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. HATCH. Mr. President, I ask unanimous consent that Matthew Goldman, of my staff, have the privilege of the floor during this debate.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. SCOTT. Mr. President, the Subcommittee on the Constitution of the Committee on the Judiciary had 3 days of hearings on the Senate bill that would grant full congressional representation to the District of Columbia as if it were a State.

(Mr. DECONCINI assumed the chair.)

Mr. SCOTT. The committee, after the hearings, has not taken any further action. The full Senate Judiciary Committee has not taken any action, and the Senate bill is still pending before the committee.

The chairman of the full committee, the Judiciary Committee, of the Senate, Chairman EASTLAND, is out of the country. It seems inappropriate to bring up a bill affecting his committee while he is out of the country. It would have seemed reasonable to have awaited his return.

It also seems unreasonable to bypass our own committee, and to bring a measure passed by the House of Representatives directly to the floor for consideration. This is unusual procedure because we generally operate by and through the committee system.

I believe, Mr. President, that my views on this bill are well known, but I would like to share a newsletter in a moment or so which I sent to constituents throughout Virginia expressing these views.

We are not talking about human rights today. We are not talking about civil rights. We are discussing whether the capital city concept that was developed by the Founding Fathers should be retained or whether we should let some expediency of the day change this.

If we look at the Constitution, article I, section 8, paragraph 17—section 8, of course, speaks of the power of the Congress, it states:

The Congress shall have power to exercise exclusive Legislation in all Cases whatsoever, over such district (not exceeding 10 Miles square) as may, by Cession of particular States, and the acceptance of Congress, become the Seat of the Government of the United States,

The rest of that paragraph relates to other property that the Federal Government may obtain through purchase or condemnation or donation. This is the Federal City concept.

Mr. President, I ask unanimous consent to print in the RECORD a series of enabling acts passed by Congress pursuant to this constitutional provision with regard to the District of Columbia. The first one is the act of cession from the State of Virginia; the act authorizing cession from the State of Maryland; the act of Maryland ratifying the cession; the Maryland Act of 1792 supplementary to act of cession; Maryland Act of 1793 supplementary to act of cession; congressional acceptance of ceded territory; proclamation by the President respecting a survey, and defining the limits of, the District of Columbia; acts relative to boundaries of the District of Columbia; proclamation fixing boundaries of the District of Columbia; Organic Act of 1801; act of 1802 incorporating the city of Washington; act of 1812 amending the charter of Washington; act of 1820 reorganizing the government of the city of Washington; act of 1848 reorganizing the government of the city of Washington; act of retrocession of county of Alexandria; Virginia act accepting retrocession; and the proclamation relative to retrocession.

I ask unanimous consent that these be included as a part of the RECORD.

There being no objection, the material was ordered to be printed in the RECORD, as follows:

ACT OF CESSION FROM THE STATE OF VIRGINIA

An act For the cession of ten miles square, or any lesser quantity of territory within this State, to the United States, in Congress assembled, for the permanent seat of the General Government

[Passed December 3, 1789]

I. Whereas the equal and common benefits resulting from the administration of the General Government will be best diffused, and its operations become more prompt and certain, by establishing such a situation for the seat of the said Government as will be most central and convenient to the citizens of the United States at large; having regard as well to population, extent of territory, and a free navigation to the Atlantic Ocean, through the Chesapeake Bay, as to the most direct and ready communication with our fellow-citizens on the western frontier; and whereas it appears to this assembly that a situation combining all the considerations and advantages before recited may be had on the banks of the river Potomac, above tide-water, in a country rich and fertile in soil, healthy and salubrious in climate, and abounding in all the necessaries and conveniences of life, where, in a location of ten miles square, if the wisdom of Congress shall so direct, the States of Pennsylvania, Maryland, and Virginia, may participate in such location:

II. *Be it therefore enacted by the general assembly,* That a tract of country not exceeding ten miles square, or any lesser quantity, to be located within the limits of the State, and in any part thereof, as Congress may by law direct, shall be, and the same is hereby forever ceded and relinquished to the Congress and Government of the United States, in full and absolute right, and exclusive jurisdiction, as well of soil as of persons residing or to reside thereon, pursuant to the tenor and effect of the eighth section of the first article of the Constitution of the Government of the United States.

III. *Provided,* That nothing herein contained shall be construed to vest in the United States any right of property in the soil, or to affect the rights of individuals therein, otherwise than the same shall or may be transferred by such individuals to the United States.

IV. *And provided also,* That the jurisdiction of the laws of this commonwealth over the persons and property of individuals residing within the limits of the cession aforesaid, shall not cease or determine until Congress, having accepted the said cession, shall, by law, provide for the government thereof, under their jurisdiction, in manner provided by the articles of the Constitution before recited (Burch's Digest, p. 213.)

ACT AUTHORIZING CESSION FROM STATE OF MARYLAND

An act To cede to Congress a district of ten miles square in this State for the seat of the Government of the United States.

Be it enacted. by the General Assembly of Maryland, That the representatives of this state in the house of representatives in the congress of the United States, appointed to assemble at New York on the first Wednesday of March next, be and they are hereby authorized and required, on the behalf of this state, to cede to the congress of the United States, any district in this state, not exceeding ten miles square, which the congress may fix upon and accept for the seat of government of the United States. (Md. act, December 23, 1788, ch. 46.)

ACT OF MARYLAND RATIFYING THE CESSION

An act Concerning the Territory of Columbia and the city of Washington

[Passed December 19, 1791]

Whereas the President of the United States, by virtue of several acts of Congress, and acts of the assemblies of Maryland and Virginia, by his proclamation, dated at Georgetown on the thirtieth day of March, seventeen hundred and ninety-one, did declare and make known that the whole of the territory of ten miles square, for the permanent seat of government of the United States, shall be located and included within the four lines following, that is to say: Beginning at Jones Point, being the upper point of Hunting Creek, in Virginia, and at an angle at the outset forty-five degrees west of north, and running a direct line ten miles for the first line; then beginning again at the same Jones Point and running another direct line at a right angle with the first across the Potomac ten miles for the second line; then from the terminations of the said first and second lines running two other direct lines ten miles each, the one across the Eastern Branch and the other Potomac, and meeting each other in a point, which has since been called the Territory of Columbia; and,

Whereas Notley Young, Daniel Carroll, of Duddington, and many others, proprietors of the greater part of the land hereinafter mentioned to have been laid out in a city, came into an agreement, and have conveyed their lands in trust to Thomas Beall, son of George, and John Mackall Gantt, whereby they have subjected their lands to be laid out as a city, given up part to the United States, and subjected other parts to be sold to raise money as a donation to be employed according to the act of Congress for establishing the temporary and permanent seat of the Government of the United States, under and upon the terms and conditions contained in each of the said deeds; and many of the proprietors of lots in Carrollsburg and Hamburg have also come into an agreement, subjecting their lots to be laid out anew, giving up one-half of the quantity thereof to be sold, and the money thence arising to be applied as a donation as aforesaid, and they to be reinstated in one-half of the quantity of their lots in the new location, or otherwise compensated in land in a different situation within the city, by agreement between the Commissioners and them, and in case of disagreement, that then a just and full compensation shall be made in money; yet some of the proprietors in Carrollsburg and Hamburg, as well as some of the proprietors of other lands, have not, from imbecility and other causes, come into any agreement concerning their lands within the limits hereinafter mentioned, but a very great number of the landholders having agreed on the same terms, the President of the United States directed a city to be laid out comprehending all the lands beginning on the east side of Rock Creek, at a stone standing in the middle of the road leading from Georgetown to Bladensburgh; thence along the middle of side of the Reedy Branch of Goose Creek; southeasterly, making an angle of sixty-one degrees and twenty minutes with the meridian, to a stone standing in the road leading from Bladensburgh to the Eastern Branch ferry; then south to a stone eighty poles north of the east and west line already drawn from the mouth of Goose Creek to the Eastern Branch; then east, parallel to the said road to a stone standing on the east said east and west line, to the Eastern Branch; then with the waters of the Eastern Branch, Potomac River, and Rock Creek to the beginning, which has since been called the City of Washington; and

Whereas it appears to this general assembly highly just and expedient that all the lands within the said city should contribute, in due proportion, in the means which have already greatly enhanced the value of the whole; that an incontrovertible title ought to be made to the purchasers, under public sanction; that allowing foreigners to hold land within the said territory will greatly contribute to the improvement and population thereof; and that many temporary provisions will be necessary till Congress exercise the jurisdiction and government over the said territory; and

Whereas in the cesssion of this State, heretofore made, of territory for the Government of the United States, the lines of such cession could not be particularly designated; and it being expedient and proper that the same should be recognized in the acts of this State—

2. *Be it enacted by the General Assembly of Maryland,* That all that part of the said territory called Columbia which lies within the limits of this State shall be, and the same is hereby, acknowledged to be forever ceded and relinquished to the Congress and Government of the United States, and full and absolute right and exclusive jurisdiction, as well of soil as of persons residing or to reside thereon, pursuant to the tenor and effect of the eighth section of the first article of the Constitution of Government of the United States: *Provided,* That nothing herein contained shall be so construed to vest in the United States any right of property in the soil as to affect the rights of individuals therein, otherwise, than the same shall or may be transferred by such individuals to the United States: *And provided also,* That the jurisdiction of the laws of this State over the persons and property of individuals residing within the limits of the cession aforesaid shall not cease or determine until Congress shall, by law, provide for the government thereof, under their jurisdiction, in manner provided by the article of the Constitution before recited.

3. *And be it enacted,* That all the lands belonging to minors, persons absent out of the State, married women, or persons non compos mentis, or the lands the property of this State, within the limits of Carrollsburg and Hamburg, shall be and are hereby subjected to the terms and conditions hereinbefore recited, as to the lots where the proprietors thereof have agreed concerning the same; and all the other lands, belonging as aforesaid, within the limits of the said city of Washington, shall be, and are hereby, subjected to the same terms and conditions as the said Notley Young, Daniel Carroll, of Duddington, and others, have by their said agreements and deeds, subjected their lands to, and where no conveyances have been made, the legal estate and trust are hereby invested in the said Thomas Beall, son of George, and John Mackall Gantt, in the same manner as if each proprietor had been competent to make, and had made a legal conveyance of his or her land, according to the form of those already mentioned, with proper acknowledgements of the execution thereof, and where necessary, of release of dower, and in every case where the proprietor is an infant, a married woman, insane, absent out of the State, or shall not attend on three months' advertisement of notice in the Maryland Journal and Baltimore Advertiser, the Maryland Herald, and in the Georgetown and Alexandria papers, so that allotment can not take place by agreement, the commissioners, aforesaid, or any two of them, may allot or assign the portion or share of such proprietor as near the old situation as may be, in Carrollsburg and Hamburg, and to the full value of what the party might claim under the terms before recited; and as to the other lands within the said city, the commissioners aforesaid, or any two of them, shall make such allotment and assignment, within the land belonging to the same person, in alternate lots, determined by lot or ballot, whether the party shall begin with the lowest number: *Provided,* That in the cases of coverture and infancy, if the husband, guardian, or next friend will agree with the commissioners, or any two of them, then an effectual division may be made by consent; and in case of contrary claims, if the claimants will not jointly agree, the commissioners may proceed as if the proprietor was absent; and all persons to whom allotments and assignments of lands shall be made by the commissioners, or any two of them, on consent and agreement, or pursuant to this

act without consent, shall hold the same in their former estate and interest, and in lieu of their former quantity, and subject in every respect to all such limitations, conditions, and incumbrances as their former estate and interest, and in lieu of their former quantity, and subject in every respect to all such limitations, conditions, incumbrances as their former estates and interests were subject to, and as if the same had been actually reconveyed pursuant to the said deed in trust.

4. *And be it enacted,* That where the proprietor or proprietors, possessor or possessors, of any lands within the limits of the city of Washington, or within the limits of Carrollsburg or Hamburg, who have not already, or who shall not, within three months of this act, execute deeds in trust to the aforesaid Thomas Beall and John M. Gantt, of all their land within the limits of the said city of Washington, and on the terms and conditions mentioned in the deeds already executed by Notley Young and others, and execute deeds in trust to the said Thomas Beall and John M. Gantt of all their lots in the towns of Carrollsburg and Hamburg on the same terms and conditions contained in the deeds already executed by the greater part of the proprietors of lots in the said towns, the said commissioners, or any two of them, shall and may, at any time or times thereafter, issue a process, directed to the sheriff of Prince Georges County, commanding him, in the name of the State, to summon five good substantial freeholders, who are not of kin to any proprietor or proprietors of the lands aforesaid, and who are not proprietors themselves, to meet on a certain day, and at a certain place within the limits of the said city, to inquire of the value of the estate of such proprietor or proprietors, possessor or possessors, on which day and place the said sheriff shall attend, with the freeholders by him summoned, which freeholders shall take the following oath, or affirmation, on the land to be by them valued, to wit: "I, A. B., do solemnly swear (or affirm) that I will, to the best of my judgment, value the lands of C. D. now to be valued so as to do equal right and justice to the said C. D. and to the public, taking into consideration all circumstances," and shall then proceed to value the said lands; and such valuation, under their hands and seals and under the hand and seal of the said sheriff, shall be annexed to the said process and returned by the sheriff to the clerk appointed by virtue of this act, who shall make record of the same, and the said lands shall, on the payment of such valuation, be and is hereby vested in the said commissioners in trust, to be disposed of by them or otherwise employed to the use of the said city of Washington; and the sheriff aforesaid and freeholders aforesaid shall be allowed the same fees for their trouble as are allowed to a sheriff and juryman in executing a writ of inquiry; and in all cases where the proprietor or possessor is tenant in right of dower or by the courtesy the freeholders aforesaid shall ascertain the annual value of the lands and the gross value of such estate therein, and upon paying such gross value or securing to the possessor the payment of the annual valuation, at the option of the proprietor or possessor, the commissioners shall be and are hereby vested with the whole estate of such tenant, in manner and for the uses and purposes aforesaid.

5. *And be it enacted,* That all the squares, lots, and parcels of land within the said city which have been or shall be appropriated for the use of the United States, and all the lots and parcels which have been or shall be sold to raise money as a donation as aforesaid shall remain and be to the purchasers, according to the terms and conditions of their respective purchase; and purchases and leases from private persons claiming to be proprietors, and having, or those under whom they claim having, been in the possession of the lands purchased or leased, in their own right, five whole years next before the passing of this act, shall be good and effectual for the estate, and on the terms and conditions of such purchases and leases, respectively, without impeachment, and against any contrary title now existing; but if any person hath made a conveyance, or shall make a conveyance or lease, of any lands within the said city, not having right and title to do so, the person who might be entitled to recover the land under a contrary title now existing may, either by way of ejectment against the tenant or in an action for money had and received for his use against the bargainer or lessor, his heirs, executors, administrators, or devisees, as the case may require, recover all money received by him for the squares, pieces, or parcels appropriated for the use of the United States, as well as for lots or parcels sold and rents received by the person not having title as aforesaid, with interest from the time of receipt; and, on such recovery in ejectment, where the land is in lease, the tenant shall thereafter hold under, and pay the rent reserved to, the person making title to and recovering the land; but the possession bona fide acquired in none of the said cases shall be changed.

6. *And be it enacted,* That any foreigner may, by deed or will hereafter to be made, take and hold lands within that part of the said territory which lies within this State in the same manner as if he were a citizen of this State; and the same lands may be conveyed by him, and transmitted to, and inherited by his heirs or relations, as if he and they were citizens of this State; provided that no foreigner shall, in virtue hereof, be entitled to any further or other privilege of a citizen.

7. *And be it enacted,* That the said commissioners, or any two of them, may appoint a clerk for recording deeds of land within the said territory, who shall provide a proper book for the purpose, and therein record, in a strong, legible hand, all deeds duly acknowledged, of lands in the said territory, delivered to him to be recorded, and in the same book make due entries of all divisions and allotments of lands and lots made by the commissioners in pursuance of this act, and certificates granted by them of sales, and the purchase money having been paid, with a proper alphabet in the same book of the deeds and entries aforesaid; and the same book shall carefully preserve and deliver over to the commissioners aforesaid, or their successors, or such person or persons as Congress shall hereafter appoint, which clerk shall continue such during good behaviour, and shall be removable only on a conviction of misbehaviour in a court of law; but before he acts as such he shall take an oath or affirmation well and truly to execute his office, and he shall be entitled to the same fees as are or may be allowed to the clerks of the county courts for searches, copying, and recording.

8. *And be it enacted,* That acknowledgments of deeds made before a person in the manner and certified as the laws of this State direct or made before, and certified by, either of the commissioners shall be effectual; and that no deed hereafter to be made, of or for lands within that part have been acknowledged as aforesaid, and delivered to of the said territory which lies within this State, shall operate as a legal conveyance, nor shall any lease for more than seven years be effectual, unless the deed shall the said clerk to be recorded within six calendar months from the date thereof.

9. *And be it enacted,* That the commissioners aforesaid, or some two of them, shall direct an entry to be made in the said record book of every allotment and assignment to the respective proprietors in pursuance of this act.

10. And for the encouragement of master builders to undertake the building and finishing houses within the said city by securing to them a just and effectual remedy for their advances and earnings, *Be it enacted,* That for all sums due and owing on written contracts for the building any house in the said city, or the brickwork or carpenters' or joiners' work thereon, the undertaker or workmen employed by the person for whose use the house shall be built shall have a lien on the house and the ground on which the same is erected, as well as for the materials found by him: *Provided,* The said written contract shall have been acknowledged before one of the commissioners, a justice of the peace, or an alderman of the corporation of Georgetown and recorded in the office of the clerk for recording deeds, herein created, within six calendar months from the time of acknowledgment as aforesaid, and if within two years after the last of the work is done he proceeds in equity he shall have as upon a mortgage, or if he proceeds at law within the same time he may have execution against the house and land, in whose hands soever the same may be; but this remedy shall be considered as additional only, nor shall, as to the land, take place of any legal incumbrance made prior to the commencement of such claim.

11. *And be it enacted,* That the treasurer of the western shore be empowered and required to pay the seventy-two thousand dollars agreed to be advanced to the President by resolutions of the last sessions of assembly, in sums as the same may come to his hands on the appointed funds, without waiting for the day appointed for the payment thereof.

12. *And be it enacted,* That the Commissioners aforesaid for the time being, or any two of them, shall from time to time, until Congress shall exercise the jurisdiction and government within the said Territory, have power to license the building of wharves in the waters of the Potomac and the Eastern Branch, adjoining the said city, of the materials, in the manner and of the extent they may judge durable, convenient, and agreeing with the general order; but no license shall be granted to one to build a wharf before the land of another, nor shall any wharf be built in the waters without license as aforesaid; and if any wharf shall be built without such license, or different therefrom, the same is hereby declared a common nuisance. They may also, from time to time, make regulations for the discharge and laying of ballast from ships or vessels lying in the Potomac River above the lower line of the said Territory and Georgetown, and from ships and vessels lying in the Eastern Branch. They may also, from time to time, make regulations for landing and laying materials for building the said city, for disposing and laying earth which may be dug out of the wells, cellars, and foundations and for ascertaining the thickness of the walls of houses, and to enforce the observance of all such regulations by appointing penalties for the breach of any one of them not exceeding ten pounds current money, which may be recovered in the name of the said Commissioners, by warrant, before a justice of the peace, as in case of small debts, and disposed of as a donation for the purpose of the said act of Congress. And the said Commissioners, or any two of them, may grant licenses for retailing distilled spirits within the limits of the said city, and suspend or declare the same void. And if any person shall retail or sell any distilled spirits, mixed or unmixed, in less than ten gallons to the same person, or at the same time actually delivered, he or she shall forfeit for every such sale three pounds, to be recovered and applied as aforesaid.

13. *And be it enacted,* That an act of as-

sembly of this State to condemn lands, if necessary, for the public buildings of the United States be, and is hereby, repealed. (Md. act, 1791, ch. 45.)

MARYLAND ACT OF 1792 SUPPLEMENTARY TO ACT OF CESSION

A supplement to the act entitled "An Act concerning the Territory of Columbia and the city of Washington"

[Passed December 23, 1792]

Whereas, doubts have arisen upon the act to which this is a supplement, whether it be essential to the validity of deeds and other conveyances of land in that part of the Territory of Columbia which lies within this state, that the same be recorded in the manner prescribed by the laws of this state before the passage of the said act; to remove which doubts—

2. *Be it enacted, by the General Assembly of Maryland,* That all deeds and other conveyances of land lying within the said territory, and recorded agreeably to the directions and provisions of the said act by the clerk appointed in the manner therein provided for the recording of deeds within the said territory, shall be as good, valid, and sufficient, in law, for the purposes of passing the estates therein mentioned, and for all other purposes, as if the same were also recorded in the manner prescribed by the laws of this state, before the passage of the said act for the recording of deeds and other conveyances of land within this state. (Md. act, 1792, ch. 49.)

MARYLAND ACT OF 1793 SUPPLEMENTARY TO ACT OF CESSION

A further supplement to the act concerning the Territory of Columbia and the city of Washington

Be it enacted, by the General Assembly of Maryland, That the certificates granted, or which may be granted, by the said commissioners, or any two of them, to purchasers of lots in the said city, with acknowledgement of the payment of the whole purchase money, and interest, if any shall have arisen thereon, and recorded agreeably to the directions of the act concerning the territory of Columbia and city of Washington, shall be sufficient and effectual to vest the legal estate in the purchasers, their heirs and assigns, according to the import of such certificates, without any deed or formal conveyance.

II. *And be it enacted,* That on sales of lots in the said city by the said commissioners, or any two of them, under terms or conditions of payment being therefor at any day or days after such contract entered into, if any sum of the purchase money or interest shall not be paid for the space of thirty days after the same ought to be paid, the commissioners, or any two of them, may sell the same lots at public vendue, in the city of Washington, at any time after sixty days notice of such sale, in some of the public newspapers of Georgetown and Baltimore-town, and retain in their hands sufficient of the money produced by such new sale to satisfy all principal and interest due on the first contract, together with the expenses of advertisements and sale, and the original purchaser, or his assigns, shall be entitled to receive from the said commissioners, at their treasury, on demand, the balance of the money which may have been actually received by them, or under their order, on the said second sale; and all lots, so sold, shall be freed and acquitted of all claim, legal and equitable, of the first purchaser, his heirs and assigns.

III. *And be it enacted,* That the commissioners aforesaid, or any two of them, may appoint a certain day for the allotment and assignment of one half of the quantity of each lot of ground in Carrollsburgh and Hamburgh, not before that time divided or assigned, pursuant to the said act concerning the territory of Columbia and the city of Washington, and on notice thereof in the Annapolis, some one of the Baltimore, the Eastern and George-town news-papers, for at least three weeks, the same commissioners may proceed to the allotment and assignment of ground within the said city, on the day appointed for that purpose, and therein proceed at convenient times till the whole be finished, as if the proprietors of such lots actually resided out of this state; provided, that if the proprietor of any such lot shall object in person, or by writing delivered to the commissioners, against their so proceeding as to his lot, before they shall have made an assignment of ground for the same, then they shall forbear as to such lot, and may proceed according to the before-mentioned act.

IV. *And be it enacted,* That the said commissioners may make a seal of office of the clerk for recording deeds within the district of Columbia, which shall be kept by him; and that the like fees shall be paid for, and the like credit shall be given to, certificates under seal, as to the like acts under the seal of a county court, and the said clerk shall be entitled to demand and receive his fees when the services enjoined him by this act, and the act to which this is a further supplement, shall be performed. (Md. act, 1793, ch. 58.)

CONGRESSIONAL ACCEPTANCE OF CEDED TERRITORY

An act for establishing the temporary and permanent seat of the Government of the United States

SECTION 1. *Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,* That a district of territory, not exceeding ten miles square, to be located as hereafter directed on the river Potomac, at some place between the mouths of the Eastern Branch and Connogochegue, be, and the same is hereby accepted for the permanent seat of the government of the United States. *Provided nevertheless,* That the operation of the laws of the state within such district shall not be affected by this acceptance, until the time fixed for the removal of the government thereto, and until Congress shall otherwise by law provide.

SEC. 2. *And be it further enacted,* That the President of the United States be authorized to appoint, and by supplying vacancies happening from refusals to act or other causes, to keep in appointment as long as may be necessary, three commissioners, who, or any two of whom, shall, under the direction of the President, survey, and by proper metes and bounds define and limit a district of territory, under the limitations above mentioned; and the district so defined, limited and located, shall be deemed the district accepted by this act, for the permanent seat of the government of the United States.

SEC. 3. *And be it [further] enacted,* That the said commissioners, or any two of them, shall have power to purchase or accept such quantity of land on the eastern side of the said river, within the said district, as the President shall deem proper for the use of the United States, and according to such plans as the President shall approve, the said commissioners, or any two of them, shall, prior to the first Monday in December, in the year one thousand eight hundred, provide suitable buildings for the accommodation of Congress, and of the President, and for the public offices of the government of the United States.

SEC. 4. *And be it [further] enacted,* That for defraying the expense of such purchases and buildings, the President of the United States be authorized and requested to accept grants of money.

SEC. 5. *And be it [further] enacted,* That prior to the first Monday in December next, all offices attached to the seat of the government of the United States, shall be removed to, and until the said first Monday in December in the year one thousand eight hundred, shall remain at the city of Philadelphia, in the state of Pennsylvania, at which place the session of Congress next ensuing the present shall be held.

SEC. 6. *And be it [further] enacted,* That on the said first Monday in December, in the year one thousand eight hundred, the seat of the government of the United States shall, by virtue of this act, be transferred to the district and place aforesaid. And all offices attached to the said seat of government, shall accordingly be removed thereto by their respective holders, and shall, after the said day, cease to be exercised elsewhere; and that the necessary expense of such removal shall be defrayed out of the duties on imports and tonnage, of which a sufficient sum is hereby appropriated.

Approved, July 16, 1790 (1 Stat. 139, ch. 28).

PROCLAMATION BY THE PRESIDENT RESPECTING A SURVEY, AND DEFINING THE LIMITS OF, THE DISTRICT OF COLUMBIA

A PROCLAMATION

WHEREAS the General Assembly of the State of Maryland, by an act passed on the twenty-third day of December, in the year one thousand seven hundred and eighty-eight, entitled "An act to cede to Congress a District of ten miles square in the State, for the seat of the government of the United States," did enact, that the Representatives of the said State, in the House of Representatives of the Congress of the United States, appointed to assemble at New York, on the first Wednesday of March then next ensuing, should be and they were thereby authorized and required on the behalf of the said State, to cede to the Congress of the United States, any District in the said State, not exceeding ten miles square, which the Congress might fix upon and accept for the seat of Government of the United States.

And the General Assembly of the Commonwealth of Virginia, by an act passed on the third day of December, one thousand seven hundred and eighty-nine, and intituled "An act for the cession of ten miles square, or any lesser quantity of territory within this State, to the United States in Congress assembled, for the permanent seat of the General Government," did enact that a tract of country not exceeding ten miles square, or any lesser quantity to be located within the limits of the said State, and in any part thereof, as Congress might by law direct, should be and the same was thereby forever ceded and relinquished to the Congress and Government of the United States, in full and absolute right, and exclusive jurisdiction, as well of soil as of persons residing or to reside thereon, pursuant to the tenor and effect of the eighth section of the first article of the Constitution of Government of the United States.

And the Congress of the United States, by their act passed the sixteenth day of July, one thousand seven hundred and ninety, and intituled "An act for establishing the temporary and permanent seat of the Government of the United States," authorized the President of the United States to appoint three commissioners to survey under his direction, and by proper metes and bounds to limit a district of territory, not exceeding ten miles square, on the River Potomac, at some place between the mouths of the Eastern Branch and Connogocheque, which District, so to be located and limited, was accepted by the said act of Congress, as the District for the permanent seat of the Government of the United States.

Now, therefore, in pursuance of the powers

to me confided and after duly examining and weighing the advantages and disadvantages of the several situations within the limits aforesaid, I do hereby declare and make known, that the location of one part of the said District of ten miles square, shall be found by running four lines of experiment in the following manner, that is to say, running from the Court-house of Alexandria in Virginia, due southwest half a mile, and thence a due southeast course, till it shall strike Hunting Creek, to fix the beginning of the four lines of experiment:

Then beginning the first of the said four lines of experiment at the point on Hunting Creek, where the said southeast course shall have struck the same, and running the said first line due northwest ten miles; thence the second line into Maryland due northeast ten miles, thence the third line due southeast ten miles; and thence the fourth line due southwest ten miles, to the beginning on Hunting Creek.

And the said four lines of experiment being so run, I do hereby declare and make known, that all that part within the said four lines of experiment which shall be within the State of Maryland and above the Eastern Branch, and all that part within the same four lines of experiment which shall be within the Commonwealth of Virginia, and above a line to be run from the point of land forming the Upper Cape of the mouth of the Eastern Branch due southwest, and no more, is now fixed upon, and directed to be surveyed, defined, limited and located for a part of the said District accepted by the said act of Congress for the permanent seat of the Government of the United States; (hereby expressly reserving the direction of the survey and location of the remaining part of the said District, to be made hereafter contiguous to such part or parts of the present location as is or shall be agreeable to law.)

And I do accordingly direct the said commissioners, appointed agreeably to the tenor of the said act, to proceed forthwith to run the said lines of experiment, and the same being run, to survey, and by proper metes and bounds to define and limit the part within the same, which is hereinbefore directed for immediate location and acceptance; and thereof to make due report to me, under their hands and seals.

In testimony whereof, I have caused the seal of the United States to be affixed to these presents, and signed the same with my hand. Done at the city of Philadelphia, the twenty-fourth day of January, in the year of our Lord one thousand seven hundred and ninety-one, and of the independence of the United States the fifteenth.

GEO. WASHINGTON.

By the President: THOMAS JEFFERSON.

ACTS RELATIVE TO BOUNDARIES OF THE DISTRICT OF COLUMBIA

An act To amend "An act for establishing the temporary and permanent seat of the Government of the United States"

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That so much of the act, intitled "An act for establishing the temporary and permanent seat of the government of the United States," as requires that the whole of the district of territory, not exceeding ten miles square, to be located on the river Potomac, for the permanent seat of the government of the United States, shall be located above the mouth of the Eastern Branch, be and is hereby repealed, and that it shall be lawful for the President to make any part of the territory below the said limit, and above the mouth of Hunting Creek, a part of the said district, so as to include a convenient part of the Eastern Branch, and of the lands lying on the lower side thereof, and also the town of Alexandria, and the territory so to be included, shall form a part of the district not exceeding ten miles square, for the permanent seat of the government of the United States, in like manner and to all intents and purposes, as if the same had been within the purview of the above recited act: *Provided,* That nothing herein contained, shall authorize the erection of the public buildings otherwise than on the Maryland side of the river Potomac, as required by the aforesaid act.

Approved, March 3, 1791 (1 Stat. 214, ch. 17).

PROCLAMATION FIXING BOUNDARIES OF THE DISTRICT OF COLUMBIA

A proclamation by the President of the United States

Whereas, by a proclamation bearing date the twenty-fourth day of January of this present year, and in pursuance of certain acts of the States of Maryland and Virginia, and of the Congress of the United States therein mentioned, certain lines of experiment were directed to be run in the neighborhood of Georgetown, in Maryland, for the purpose of locating a part of the territory, of ten miles square, for the permanent seat of Government of the United States, and a certain part was directed to be located within the said lines of experiment on both sides of the Potomac, and above the limit of the Eastern Branch, prescribed by the said act of Congress;

And Congress, by an amendatory act, passed on the third day of this present month of March, have given further authority to the President of the United States "to make any part of the said territory below the said limit, and above the mouth of Hunting Creek, a part of the said district, so as to include a convenient part of the Eastern Branch and of the lands lying on the lower side thereof, and also the town of Alexandria:

Now, therefore, for the purpose of amending and completing the location of the whole of the said territory, of ten miles square, in conformity with the said amendatory act of Congress, I do hereby declare and make known, that the whole of the said territory shall be located and included within the four lines following; that is to say:

Beginning at Jones's Point, being the upper cape of Hunting Creek, in Virginia, and at an angle in the outset of forty-five degrees west of the north, and running in a direct line ten miles, for the first line; then beginning again at the same Jones's Point and running another direct line, at a right angle with the first, across the Potomac, ten miles, for the second line; thence from the termination of the said first and second lines, running two other direct lines of ten miles each, the one crossing the Eastern Branch aforesaid, and the other the Potomac, and meeting each other in a point.

And I do accordingly direct the commissioners named under the authority of the said first-mentioned act of Congress to proceed forthwith to have the said four lines run, and by proper metes and bounds defined and limited; and thereof to make due report, under their hands and seals; and the territory so to be located, defined, and limited shall be the whole territory accepted by the said act of Congress as the district for the permanent seat of the Government of the United States.

In testimony whereof, I have caused the seal of the United States to be affixed to these presents, and signed the same with my hand. Done at Georgetown aforesaid, the thirtieth day of March, in the year of our Lord seventeen hundred and ninety-one, and of the Independence of the United States the fifteenth.

[SEAL.] GEORGE WASHINGTON.

By the President:

THOMAS JEFFERSON.

ORGANIC ACT OF 1801

An act concerning the District of Columbia

SECTION 1. *Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,* That the laws of the state of Virginia, as they now exist, shall be and continue in force in that part of the District of Columbia, which was ceded by the said state to the United States, and by them accepted for the permanent seat of government; and that the laws of the state of Maryland, as they now exist, shall be and continue in force in that part of the said district, which was ceded by that state to the United States and by them accepted as aforesaid.

SEC. 2. *And be it further enacted,* That the said district of Columbia shall be formed into two counties; one county shall contain all that part of said district, which lies on the east side of the river Potomac, together with the islands therein, and shall be called the county of Washington; the other county shall contain all that part of said district which lies on the west side of said river, and shall be called the county of Alexandria; and the said river in its whole course through said district shall be taken and deemed to all intents and purposes to be within both of said counties.

SEC. 3. *Be it further enacted,* That there shall be a court in said district, which shall be called the circuit court of the district of Columbia; and the said court and the judges thereof shall have all the powers by law vested in the circuit courts and the judges of the circuit courts of the United States. Said court shall consist of one chief judge and two assistant judges resident within said district, to hold their respective offices during good behaviour; any two of whom shall constitute a quorum; and each of the said judges shall, before he enter on his office, take the oath or affirmation provided by law to be taken by the judges of the circuit courts of the United States; and said court shall have power to appoint a clerk of the court in each of said counties, who shall take the oath and give a bond with sureties, in the manner directed for clerks of the district courts in the act to establish the judiciary of the United States.

SEC. 4. *Be it further enacted,* That said court shall, annually, hold four sessions in each of said counties, to commence as follows, to wit: for the county of Washington, at the city of Washington, on the fourth Mondays of March, June, September and December; for the county of Alexandria, at Alexandria, on the second Mondays of January, April, July, and the first Monday of October.

SEC. 5. *Be it further enacted,* That said court shall have cognizance of all crimes and offences committed within said district, and of all cases in law and equity between parties, both or either of which shall be resident or be found within said district, and also of all actions or suits of a civil nature at common law or in equity, in which the United States shall be plaintiffs or complainants; and of all seizures on land or water, and all penalties and forfeitures made, arising or accruing under the laws of the United States.

SEC. 6. *Provided, and be it further enacted,* That all local actions shall be commenced in their proper counties, and that no action or suit shall be brought before said court, by any original process against any person, who shall not be an inhabitant of, or found within said district, at the time of serving the writ.

SEC. 7. *Be it further enacted,* That there shall be a marshal for the said district, who shall have the custody of the gaols of said counties, and be accountable for the safe keeping of all prisoners legally committed therein; and he shall be appointed for the same term, shall take the same oath, give a bond with sureties in the same manner, shall have generally, within said district, the same

powers, and perform the same duties, as is by law directed and provided in the case of marshals of the United States.

SEC. 8. *Be it further enacted*, That any final judgment, order or decree in said court, wherein the matter in dispute, exclusive of costs, shall exceed the value of one hundred dollars, may be re-examined and reversed or affirmed in the supreme court of the United States, by writ or error or appeal, which shall be prosecuted in the same manner, under the same regulations, and the same proceedings shall be had therein, as is or shall be provided in the case of writs of error on judgments, or appeals upon orders or decrees, rendered in the circuit court of the United States.

SEC. 9. *Be it further enacted*, That there shall be appointed an attorney of the United States for said district, who shall take the oath and perform all the duties required of the district attornies of the United States; and the said attorney, marshal and clerks, shall be entitled to receive for their respective services, the same fees, perquisites and emoluments, which are by law allowed respectively to the attorney, marshal and clerk of the United States, for the district of Maryland.

SEC. 10. *Be it further enacted*, That the chief judge, to be appointed by virtue of this act, shall receive an annual salary of two thousand dollars, and the two assistant judges, of sixteen hundred dollars each, to be paid quarterly, at the treasury of the United States.

SEC. 11. *Be it further enacted*, That there shall be appointed in and for each of the said counties, such number of discreet persons to be justices of the peace, as the President of the United States shall from time to time think expedient, to continue in office five years; and such justices, having taken an oath for the faithful and impartial discharge of the duties of the office, shall, in all matters, civil and criminal, and in whatever relates to the conservation of the peace, have all the powers vested in, and shall perform all the duties required of, justices of the peace, as individual magistrates, by the laws herein before continued in force in those parts of said district, for which they shall have been respectively appointed; and they shall have cognizance in personal demands to the value of twenty dollars, exclusive of costs; which sum they shall not exceed, any law to the contrary notwithstanding; and they shall be entitled to receive for their services the fees allowed for like services by the laws herein before adopted and continued, in the eastern part of said district.

SEC. 12. *And be it further enacted*, That there shall be appointed in and for each of the said counties a register of wills, and a judge to be called the judge of the orphans court, who shall each take an oath for the faithful and impartial discharge of the duties of his office; and shall have all the powers, perform all the duties, and receive the like fees, as are exercised, performed, and received, by the registers of wills and judges of the orphans' court, within the state of Maryland; and appeals from the said courts shall be to the circuit court of said district, who shall therein have all the powers of the chancellor of the said state.

SEC. 13. *And be it further enacted*, That in all cases where judgments or decrees have been obtained, or hereafter shall be obtained, on suits now depending in any of the courts of the Commonwealth of Virginia, or of the state of Maryland, where the defendant resides or has property within the District of Columbia, it shall be lawful for the plaintiff in such case upon filing an exemplification of the record and proceedings in such suits, with the clerk of the court of the county where the defendant resides, or his property may be found, to sue out writs of execution thereon, returnable to the said court, which shall be proceeded on, in the same manner as if the judgment or decree had originally been obtained in said court.

SEC. 14. *And be it further enacted*, That all actions, suits, process, pleadings, and other proceedings of what nature or kind soever, depending or existing in the courts of Hustings for the towns of Alexandria and Georgetown, shall be, and hereby are continued over to the circuit courts to be holden by virtue of this act, within the District of Columbia, in manner following; that is to say: all such as shall then be depending and undetermined, before the court of Hustings for the town of Alexandria, to the next circuit court hereby directed to be holden in the town of Alexandria; and all such as shall then be depending and undetermined, before the court of Hustings for Georgetown, to the next circuit court hereby directed to be holden in the city of Washington: *Provided nevertheless*, that where the personal demand in such cases, exclusive of costs, does not exceed the value of twenty dollars, the justices of the peace within their respective counties, shall have cognizance thereof.

SEC. 15. *And be it further enacted*, That all writs and processes whatsoever, which shall hereafter issue from the courts hereby established within the district, shall be tested in the name of the chief judge of the District of Columbia.

SEC. 16. *And be it further enacted*, That nothing in this act contained shall in any wise alter, impeach or impair the rights, granted by or derived from the acts of incorporation of Alexandria and Georgetown, or of any other body corporate or politic, within the said district, except so far as relates to the judicial powers of the corporations of Georgetown and Alexandria.

Approved, February 27, 1801 (2 Stat. 103, ch. 15).

ACT OF 1802 INCORPORATING THE CITY OF WASHINGTON

An act to incorporate the inhabitants of the city of Washington, in the District of Columbia

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That the inhabitants of the city of Washington be constituted a body politic and corporate, by the name of a mayor and council of the city of Washington, and by their corporate name, may sue and be sued, implead and be impleaded, grant, receive, and do all other acts as natural persons, and may purchase and hold real, personal and mixed property, or dispose of the same for the benefit of the said city; and may have and use a city seal, which may be broken or altered at pleasure; the city of Washington shall be divided into three divisions or wards, as now divided by the levy court for the county, for the purpose of assessment; but the number may be increased hereafter, as in the wisdom of the city council shall seem most conducive to the general interest and convenience.

SEC. 2. *And be it further enacted*, That the council of the city of Washington shall consist of twelve members, residents of the city, and upwards of twenty-five years of age, to be divided into two chambers, the first chamber to consist of seven members, and the second chamber of five members; the second chamber to be chosen from the whole number of councillors elected, by their joint ballot. The city council to be elected annually, by ballot, in a general ticket, by the free white male inhabitants of full age, who have resided twelve months in the city, and paid taxes therein the year preceding the election's being held: the justices of the county of Washington, resident in the city, or any three of them, to preside as judges of election, with such associates as the council may, from time to time, appoint.

SEC. 3. *And be it further enacted*, That the first election of members for the city council shall be held on the first Monday in June next, and in every year afterwards, at such place in each ward as the judges of the election may prescribe.

SEC. 4. *And be it further enacted*, That the polls shall be kept open from eight o'clock in the morning till seven o'clock in the evening, and no longer, for the reception of ballots. On the closing of the poll, the judges shall close and seal their ballot-boxes, and meet on the day following in the presence of the marshal of the district, on the first election, and the council afterwards, when the seals shall be broken, and the votes counted: within three days after such election, they shall give notice to the persons having the greatest number of legal votes that they are duly elected, and shall make their return to the mayor of the city.

SEC. 5. *And be it further enacted*, That the mayor of the city shall be appointed, annually, by the President of the United States. He must be a citizen of the United States, and a resident of the city, prior to his appointment.

SEC. 6. *And be it further enacted*, That the city council shall hold their sessions in the city hall, or, until such building is erected, in such place as the mayor may provide for that purpose, on the second Monday in June, in every year; but the mayor may convene them them oftener, if the public good require their deliberations. Three fourths of the members of each council may be a quorum to do business, but a smaller number may adjourn from day to day: they may compel the attendance of absent members, in such manner, and under such penalties, as they may, by ordinance, provide: they shall appoint their respective presidents, who shall preside during their sessions, and shall vote on all questions where there is an equal division; they shall settle their rules of proceedings, appoint their own officers, regulate their respective fees, and remove them at pleasure: they shall be judge of the elections, returns and qualifications of their own members, and may, with the concurrence of three fourths of the whole, expel and member for disorderly behaviour, or mal-conduct in office, but not a second time for the same offence: they shall keep a journal of their proceedings, and enter the yeas and nays on any question, resolve or ordinance, at the request of any member, and their deliberations shall be public. The mayor shall appoint to all offices under the corporation. All ordinances or acts passed by the city council shall be sent to the mayor, for his approbation, and when approved by him, shall then be obligatory as such. But if the said mayor shall not approve of such ordinance or act, he shall return the same within five days, with his reasons in writing therefor; and if three fourths of both branches of the city council, on reconsideration thereof, approve of the same, it shall be in force in like manner as if he had approved it, unless the city council, by their adjournment, prevent its return.

SEC. 7. *And be it further enacted*, That the corporation aforesaid shall have full power and authority to pass all by-laws and ordinances; to prevent and remove nuisances; to prevent the introduction of contagious diseases within the city; to establish night watches or patrols, and erect lamps; to regulate the stationing, anchorage, and mooring of vessels; to provide for licensing and regulating auctions, retailers of liquors, hackney carriages, wagons, carts and drays, and pawnbrokers within the city; to restrain or prohibit gambling, and to provide for licensing, regulating or restraining theatrical or other public amusements within the city; to regulate and establish markets; to erect and repair bridges; to keep in repair all necessary streets, avenues, drains and sewers, and to pass regulations necessary for the preservation of the same, agreeably to the plan of the

said city; to provide for the safe keeping of the standard of weights and measures fixed by Congress, and for the regulation of all weights and measures used in the city; to provide for the licensing and regulating the sweeping of chimneys and fixing the rates thereof; to establish and regulate fire wards and fire companies; to regulate and establish the size of bricks that are to be made and used in the city; to sink wells, and erect and repair pumps in the streets; to impose and appropriate fines, penalties and forfeitures for breach of their ordinances; to lay and collect taxes; to enact bylaws for the prevention and extinguishment of fire; and to pass all ordinances necessary to give effect and operation to all the powers vested in the corporation of the city of Washington: *Provided,* that the by-laws or ordinances of the said corporation, shall be, in no wise, obligatory upon the persons of non-residents of the said city, unless in cases of intentional violation of by-laws or ordinances previously promulgated. All the fines, penalties and forfeitures, imposed by the corporation of the city of Washington, if not exceeding twenty dollars, shall be recovered before a single magistrate, as small debts are, by law, recoverable; and if such fines, penalties and forfeitures exceed the sum of twenty dollars, the same shall be recovered by action of debt in the district court of Columbia, for the county of Washington, in the name of the corporation, and for the use of the city of Washington.

SEC. 8. And be it further enacted, That the person or persons appointed to collect any tax imposed in virtue of the powers granted by this act, shall have authority to collect the same by distress and sale of goods and chattels of the person chargeable therewith; no sale shall be made unless ten days previous notice thereof be given; no law shall be passed by the city council subjecting vacant or unimproved city lots, or parts of lots, to be sold for taxes.

SEC. 9. *And be it further enacted,* That the city council shall provide for the support of the poor, infirm and diseased of the city.

SEC. 10. *Provided always, and be it further enacted,* That no tax shall be imposed by the city council on real property in the said city, at any higher rate than three quarters of one per centum on the assessment valuation of such property.

SEC. 11. *And be it further enacted,* That this act shall be in force for two years, from the passing thereof, and from thence to the end of the next session of Congress thereafter, and no longer.

APPROVED, May 3, 1802 (2 Stat. 195, ch. 53).

ACT OF 1812 AMENDING THE CHARTER OF WASHINGTON

An act Further to amend the charter of the city of Washington

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That from and after the first Monday of June next, the corporation of the city of Washington shall be composed of a mayor, a board of aldermen and a board of common council, to be elected by ballot, as herein after directed. The board of aldermen shall consist of eight members, to be elected for two years, two to be residents of and chosen from each ward by the qualified voters resident therein; and the board of common council shall consist of twelve members, to be elected for one year, three to be residents of and chosen from each ward in manner aforesaid: and each board shall meet at the council chamber on the second Monday in June next (for the despatch of business) at ten o'clock in the morning, and on the same day and at the same hour annually thereafter. A majority of each board shall be necessary to form a quorum to do business, but a less number may adjourn from day to day. The board of aldermen, immediately after they shall have assembled in consequence of the first election shall divide themselves by lot into two classes; the seats of the first class shall be vacated at the expiration of one year, and the seats of the second class shall be vacated at the expiration of two years, so that one half may be chosen every year. Each board shall appoint its own president from among its own members, who shall preside during the sessions of the board, and shall have a casting vote on all questions where there is an equal division: *Provided,* such equality shall not have been occasioned by his previous vote.

SEC. 2. *And be it further enacted,* That no person shall be eligible to a seat in the board of aldermen or board of common council, unless he shall be more than twenty-five years of age, a free white male citizen of the United States and shall have been a resident of the city of Washington one whole year next preceding the day of election, and shall, at the time of his election, be a resident of the ward for which he shall be elected, and possessed of a free-hold estate in the said city of Washington, and shall have been assessed two months preceding the day of election. And every free white male citizen of lawful age, who shall have resided in the city of Washington for the space of one year next preceding the day of election, and shall be a resident of the ward in which he shall offer to vote, and who shall have been assessed on the books of the corporation not less than two months prior to the day of election, shall be qualified to vote for members to serve in the said board of aldermen and board of common council, and no other person whatever shall exercise the right of suffrage at such election.

SEC. 3. *And be it further enacted,* That the present mayor of the city of Washington shall be, and continue such until the second Monday in June next, on which day, and on the second Monday in June annually thereafter, the mayor of the said city shall be elected by ballot of the board of aldermen and board of common council in joint meeting, and a majority of the votes of all the members of both boards shall be necessary to a choice; and if there should be an equality of votes between two person, after the third ballot, the two boards shall determine the choice by lot. He shall, before he enters upon the duties of his office, take an oath or affirmation, in the presence of both boards, "lawfully to execute the duties of his office to the best of his skill and judgment, without favour or partiality." He shall, exofficio, have and exercise all the powers, authority and jurisdiction of a justice of the peace for the county of Washington, within the said county. He shall nominate, and, with the consent of a majority of the members of the board of aldermen, appoint to all offices under the corporation, (except the commissioners of election,) and any such officer shall be removed from office on the concurrent remonstrance of a majority of the two boards. He shall see that the laws of the corporation be duly executed, and shall report the negligence or misconduct of any officer to the two boards. He shall appoint proper persons to fill up all vacancies during the recess of the board of aldermen, to hold such appointment until the end of the then ensuing session. He shall have power to convene the two boards, when in his opinion the good of the community may require it; and he shall lay before them from time to time, in writing, such alterations in the laws of the corporation, as he shall deem necessary or proper, and shall receive for his services annually, a just and reasonable compensation, to be allowed and fixed by the two boards, which shall neither be increased nor diminished during the period for which he shall have been elected. Any person shall be eligible to the office of mayor, who is a free white male citizen of the United States, who shall have attained to the age of thirty years, and who shall be the bona fide owner of a freehold estate in the said city, and shall have been resident in the said city two years immediately preceding his election: and no other person shall be eligible to the said office. In case of the refusal of any person to accept the office of mayor upon his election thereto, or of his death, resignation, inability or removal from the city, the said two boards shall elect another in his place to serve the remainder of the year.

SEC. 4. *And be it further enacted,* That the first election for members of the board of aldermen and board of common council, shall be held on the first Monday in June next, and on the first Monday in June annually thereafter: The first election to be held by three commissioners, to be appointed in each ward by the mayor of the city, and at such place in each ward as he may direct; and all subsequent elections shall be held by a like number of commissioners, to be appointed in each ward by the two boards in joint meeting, which several appointments, except the first, shall be at least ten days previous to the day of each election. And it shall be the duty of the mayor, for the first election, and of the commissioners for all subsequent elections, to give at least five days' previous public notice of the place in each ward where such elections are to be held. The said commissioners shall, before they receive any ballot, severally take the following oath or affirmation, to be administered by the mayor of the city or any justice of the peace for the county of Washington: "I, A. B., do solemnly swear, or affirm (as the case may be); that I will truly and faithfully receive and return the votes of such persons as are by law entitled to vote for members of the board of aldermen and board of common council in ward, No. according to the best of my judgment and understanding; and that I will not, knowingly, receive or return the vote of any person who is not legally entitled to the same, so help me God." The polls shall be opened at ten o'clock in the morning, and be closed at seven o'clock in the evening of the same day. Immediately on closing the polls, the commissioners of each ward, or a majority of them, shall count the ballots and make out under their hands and seals a correct return of the two persons for the first election, and of the one person for all subsequent elections, having the greatest number of legal votes, together with the number of votes given to each, as members of the board of aldermen; and of the three persons having the greatest number of legal votes, together with the number of votes given to each, as members of the board of common council; and the two persons at the first election and the one person at all subsequent elections, having the greatest number of legal votes for the board of aldermen; and the three persons having the greatest number of legal votes for the board of common council, shall be duly elected; and in all cases of an equality of votes the commissioners shall decide by lot. The said returns shall be delivered to the mayor of the city on the succeeding day, we shall cause the same to be published in some newspaper printed in the city of Washington. A duplicate return, together with a list of the persons who voted at such election, shall also be made by the said commissioners to the register of the city, on the day succeeding the election, who shall preserve and record the same; and shall within two days thereafter notify the several persons so returned, of their election. And each board shall judge the legality of the elections, returns and qualifications of its own members; and shall supply vacancies in its own body, by causing elections to be made

to fill the same in the ward and for the board in which such vacancies shall happen, giving at least five days' notice previous thereto; and each board shall have full power to pass all rules necessary and requisite to enable itself to come to a just decision in cases of a contested election of its members; and the several members of each board shall, before entering upon the duties of their office, take the following oath or affirmation: "I do swear, (or solemnly, sincerely and truly affirm and declare, as the case may be) that I will faithfully execute the office of to the best of my knowledge and ability," which oath or affirmation shall be administered by the mayor or some justice of the peace for the county of Washington.

SEC. 5. *And be it further enacted,* That in addition to the powers heretofore granted to the corporation of the city of Washington, by an act, entitled "An act to incorporate the inhabitants of the city of Washington, in the District of Columbia," and an act, entitled "An act supplementary to an act entitled An act to incorporate the inhabitants of the city of Washington, in the District of Columbia," the said corporation shall have power to lay taxes on particular wards, parts or sections of the city, for their particular local improvements; that after providing for all objects of a general nature, the taxes raised on the assessable property in each ward shall be expended therein, and in no other, in regulating, filling up and repairing of streets and avenues, building of bridges, sinking of wells, erecting pumps and keeping them in repair; in conveying water in pipes, and in the preservation of springs; in erecting and repairing wharves; in providing fire engines and other apparatus for the extinction of fires; and for other local improvements and purposes, in such manner as the said board of aldermen and board of common council shall provide; but the sums raised for the support of the poor, aged and infirm, shall be a charge on each ward in proportion to its population or taxation, as the two boards shall decide. That whenever the proprietors of two thirds of the inhabited houses, fronting on both sides of a street or part of a street, shall, by petition to the two branches, express their desire of improving the same by laying the curbstone of the foot pavement, and paving the gutters or carriageway thereof, or otherwise improving said street agreeably to its graduation, the said corporation shall have power to cause to be done at any expense not exceeding two dollars and fifty cents per front foot, of the lots fronting on each improved street or part of a street, and charge the same to the owners of the lots fronting on said street or part of a street in due proportion; and also on a like petition, to provide for erecting lamps for lighting any street or part of a street, and to defray the expense thereof, by a tax on the proprietors or inhabitants of such houses, in proportion to their rental or valuation, as the two boards shall decide.

SEC. 6. *And be it further enacted,* That the said corporation shall have full power and authority to erect and establish hospitals or pest houses, workhouses, houses of correction, penitentiary and other public buildings, for the use of the city, and to lay and collect taxes for defraying the expenses thereof; to regulate party and other fences, and to determine by whom the same shall be made and kept in repair; to lay open streets, avenues, lanes and alleys, and to regulate or prohibit all enclosures thereof; and to occupy and improve for public purposes, by and with the consent of the President of the United States, any part of the public and open spaces or squares in said city not interfering with any private rights; to regulate the measurement of, and weight by which all articles brought into the city for sale shall be disposed of; to provide for the appointment of appraisers and measurers of builder's work and materials, and also of wood, coals, grain and lumber; to restrain and prohibit the nightly and other disorderly meetings of slaves, free negroes and mulattoes, and to punish such slaves by whipping, not exceeding forty stripes, or by imprisonment, not exceeding six calendar months, for any one offence; and to punish such free negroes and mulattoes for such offences, by fixed penalties, not exceeding twenty dollars for any one offence; and in case of the inability of any such free negroe or mulatto to pay and satisfy any such penalty and cost thereon, to cause such free negro or mulatto to be confined to labour for such reasonable time, not exceeding six calendar months for any one offence, as may be deemed equivalent to such penalty and costs; to cause all vagrants, idle or disorderly persons, all persons of evil life or ill fame, and all such as have no visible means of support, or are likely to become chargeable to the city as paupers, or are found begging or drunk in or about the streets, or loitering in or about tippling houses, or who can show no reasonable cause of business or employment in the city; and all suspicious persons; and all who have no fixed place of residence, or cannot give a good account of themselves; all evesdroppers and night walkers; all who are guilty of open profanity or grossly indecent language behaviour publicly in the streets; all public prostitutes and such as lead a notoriously lewd or lascivious course of life; and all such as keep public gaming tables or gaming houses, to give security for their good behaviour for a reasonable time. and to indemnify the city against any charge for their support; and in case of their refusal or inability to give such security, to cause them to be confined to labour for a limited time, not exceeding one year at a time, unless such security should be sooner given; but if they shall afterwards be found again offending, such security may be again required, and for want thereof, the like proceedings may be again had, from time to time, as often as may be necessary; to prescribe the terms and conditions upon which free negroes, mulattoes and others, who can show no visible means of support, may reside in the city; to cause the avenues, streets, lanes and alleys to be kept clean, and to appoint officers for that purpose; to authorize the drawing of lotteries for effecting any important improvement in the city which the ordinary funds or revenue thereof will not accomplish: (*a*) *Provided,* that the amount to be raised in each year, shall not exceed the sum of ten thousand dollars: *And provided also,* that the object for which the money is intended to be raised, shall be first submitted to the President of the United States, and shall be approved of by him; to take care of, preserve and regulate the several burying grounds within the city; to provide for registering of births, deaths, and marriages; to cause abstracts or minutes of all transfers of real property both freehold and leasehold, to be lodged in the registry of the city at stated periods; to authorize night watches and patrols, and the taking up, and confining by them in the night time of all suspected persons; to punish by law; corporeally, any servant or slave guilty of a breach of any of their by-laws or ordinances, unless the owner or holder of such servant or slave, shall pay the fine annexed to the offence; and to pass all laws which shall be deemed necessary and proper for carrying into execution the foregoing powers and all other powers vested in the corporation or any of its officers, either by this act or any former act.

SEC. 7. *And be it further enacted,* That the marshal of the district of Columbia shall receive and safely keep within the jail for Washington county, at the expense of the city, all persons committed thereto under the sixth section of this act, until other arrangements be made by the corporation, for the confinement of offenders within the provisions of the said section. And in all cases where suit shall be brought before a justice of the peace, for the recovery of any fine or penalty arising or incurred for a breach of any by-law or ordinance of the corporation, upon a return of nulla bona to any fieri facias issued against the property of the defendant or defendants, it shall be the duty of the clerk of the circuit court for the county of Washington, when required, to issue a writ of capias ad satisfaciendum against every such defendant, returnable to the next circuit court for the county of Washington, thereafter, and which shall be proceeded on as in other writs of the like kind.

SEC. 8. *And be it further enacted,* That unimproved lots in the city of Washington, on which two years' taxes remain due and unpaid, or so much thereof as may be necessary to pay such taxes, may be sold at public sale for such taxes due thereon: *Provided,* that public notice be given of the time and place of sale, by advertising in some newspaper printed in the city of Washington, at least six months, where the property belongs to persons residing out of the United States; three months, where the property belongs to persons residing in the United States, but without the limits of the district of Columbia; and six weeks, where the property belongs to persons residing within the district of Columbia or city of Washington; in which notice shall be stated, the number of the lot or lots, the number of the square or squares, the name of the person or persons to whom the same may have been assessed; and also the amount of taxes due thereon: *And provided also,* that the purchaser shall not be obliged to pay at the time of such sale, more than the taxes due, and the expenses of sale; and that if within two years from the day of such sale the proprietor or proprietors of such lot or lots, or his or their heirs, representatives or agents, shall repay to such purchaser the monies paid for the taxes and expenses as aforesaid, together with ten per centum per annum as interest thereon, or make a tender of the same, he shall be reinstated in his original right and title; but if no such payment or tender be made within two years next after the said sale, then the purchaser shall pay the balance of the purchase money of such lot or lots, into the city treasury, where it shall remain subject to the order of the original proprietor or proprietors, his or their heirs or legal representatives; and the purchaser shall receive a title in fee simple to the said lot or lots, under the hand of the mayor and seal of the corporation, which shall be deemed good and valid in law and equity.

SEC. 9. *And be it further enacted,* That the said corporation shall in future be named and styled "The Mayor, Aldermen and Common Council of the City of Washington;" and that if there shall have been a non-election or informality in the election of a city council on the first Monday in June last, it shall not be taken, construed or adjudged, in any manner, to have operated as a dissolution of the said corporation, or to affect any of its rights, privileges or laws, passed previous to the second Monday in June last, but the same are hereby declared to exist in full force.

SEC. 10. *And be it further enacted,* That the corporation shall, from time to time, cause the several wards of the city to be so located as to give, as nearly as may be, an equal number of voters to each ward: and it shall be the duty of the register of the city, or such officer as the corporation may hereafter appoint, to furnish the commissioners of election, for each ward, on the first Monday in June annually, previous to the opening of the polls, a list of the persons having a

right to vote, agreeably to the provisions of the second section of this act.

SEC. 11. *And be it further enacted,* That so much of any former act, as shall be repugnant to the provisions of this act, be, and the same is hereby repealed.

Approved, May 4, 1812 (2 Stat. 721, Ch. 75).

ACT OF 1820 REORGANIZING THE GOVERNMENT OF THE CITY OF WASHINGTON

An act To incorporate the inhabitants of the city of Washington, and to repeal all acts heretofore passed for that purpose.

Be it enacted by the Senate and House of Representatives of the United States of America, in Congress assembled, That the act, entitled "An act to incorporate the inhabitants of the city of Washington, in the District of Columbia," and the act of supplementary to the same, passed on the twenty-fourth of February, in the year one thousand eight hundred and four, and the act, entitled "An act further to amend the charter of the city of Washington," and all other acts, or parts of acts, inconsistent with the provisions of this act, be, and the same are hereby, repealed: *Provided, however,* That the mayor, the members of the board of aldermen, and the members of the board of common council, of the corporation of the said city, shall and may remain and continue as such, for and during the terms for which they have been respectively appointed, subject to the terms and conditions in such cases legally made and provided; and all acts or things done, or which may be done, by them in pursuance of the provisions, or by virtue of the authority, of the said acts, or either of them, and not inconsistent with the provisions of his act, shall be valid, and of as full force and effect as if the said acts had not been repealed.

SEC. 2. *And be it further enacted,* That the inhabitants of the city of Washington shall continue to be a body politic and corporate, by the name of the "Mayor, board of aldermen, and board of common council, of the city of Washington," to be elected by ballot, as hereinafter directed, and, by their corporate name, may sue and be sued, implead and be impleaded, grant, receive, and do all other acts, as natural persons; and may purchase and hold real, personal, and mixed, property, or dispose of the same, for the benefit of the city; and may have and use a city seal, and break and alter the same at pleasure.

SEC. 3. *And be it further enacted,* That the mayor of the said city shall be elected on the first Monday in June next, and on the same day in every second year thereafter, at the same time and place, in the same manner, and by the persons qualified to vote for members of the board of aldermen and the board of common council. That the commissioners hereinafter mentioned shall make out duplicate certificates of the result of the election of mayor; and shall return one to the board of aldermen and the other to the board of common council, on the Monday next ensuing the election; and the person having the greatest number of votes shall be the mayor: but in case two or more persons, highest in vote, shall have an equal number of votes, then it shall be lawful for the board of aldermen and the board of common council to proceed forthwith, by ballot, in joint meeting, to determine the choice between such persons. The mayor shall, on the Monday next ensuing his election, before he enters on the duties of his office, in the presence of the boards of aldermen and common council, in joint meeting, take an oath, to be administered by a justice of the peace, "lawfully to execute the duties of his office, to the best of his skill and judgment, without favour or partiality." He shall, ex officio, have an exercise all the powers, authority, and jurisdiction, of a justice of the peace for the county of Washington, within the said county. He shall nominate, and with the consent of the board of aldermen, appoint to all offices under the corporation, (except commissioners of election,) and may remove any such officer from office at his will and pleasure. He shall appoint persons to fill up all vacancies which may occur during the recess of the board of aldermen, to hold such appointments until the end of the then ensuing session. He may convene the two boards when, in his opinion, the public good may require it; and he shall lay before them, from time to time, in writing, such alterations in the laws of the corporation as he may deem necessary and proper; and he shall receive, for his services, annually a just and reasonable compensation, to be allowed and fixed by the two boards, which shall neither be increased nor diminished during his continuance in office. Any person shall be eligible to the office of mayor who is a free white male citizen of the United States, who shall have attained to the age of thirty years, who shall have resided in the said city for two years immediately preceding his election, and who shall be the bona fide owner of a freehold estate in the said city; and no other person shall be eligible to the said office. In case of the refusal of any person to accept the office of mayor, upon his election thereto, or of his death, resignation, inability, or removal from the city, the said boards shall assemble and elect another in his place, to serve for the remainder of the term, or during such inability.

SEC. 4. *And be it further enacted,* That the board of aldermen shall consist of two members to be residents in, and chosen from, each ward, by the qualified voters therein, and to be elected for two years, from the Monday next ensuing their election; and the board of common council shall consist of three members, to be residents in, and chosen from, each ward, by the qualified voters therein, and to be elected for one year, from the Monday next ensuing their election; and each board shall meet at the council chamber, on the second Monday in June next, for the despatch of business, at ten o'clock in the morning, and at the same hour on the second Monday in June, in every year thereafter; and at such other time as the two boards may, by law, direct. A majority of each board shall be necessary to form a quorum to do business, but a less number may adjourn from day to day; they may compel the attendance of absent members, in such manner, and under such penalties, and allow such compensation for the attendance of the members, as they may, by law, provide; each board shall appoint its own President, who shall preside during its sessions, and who shall be entitled to vote on all questions; they shall settle their rules of proceedings, appoint their own officers, regulate their respective compensations, and remove them at pleasure; and may, with the concurrence of three-fourths of the whole, expel any member for disorderly behaviour or malconduct in office, but not a second time for the same offence; each board shall keep a journal of its proceedings, and the yeas and nays shall be entered thereon, at the request of any member; and their deliberations shall be public. All ordinances or acts, passed by the two boards, shall be sent to the mayor for his approbation, and, when approved by him, shall be obligatory as such. But, if the mayor shall not approve of any ordinance or act, so sent to him, he shall return the same, within five days, with his reasons in writing therefor; and if two thirds of both boards, on reconsideration thereof, agree to pass the same, it shall be in force, in like manner as if he had approved it; but, if the two boards shall, by their adjournment, prevent its return, the same shall not be obligatory.

SEC. 5. *And be it further enacted,* That no person shall be eligible to a seat in the board of aldermen, or board of common council, unless he shall be more than twenty-five years of age, a free white male citizen of the United States, and shall have been a resident of the city of Washington for one year next preceding the day of election, and shall, at the time of his election, be a resident of the ward for which he shall be elected, and be then the bona fide owner of a freehold estate in the said city, and shall have been assessed on the books of the corporation, for the year ending on the thirty-first day of December next preceding the day of election. And every free white male citizen of the United States, of lawful age, who shall have resided in the city of Washington for one year next preceding the day of election, and shall be a resident of the ward in which he shall offer to vote, and who shall have been assessed on the books of the corporation, for the year ending on the thirty-first day of December next preceding the day of election, and who shall have paid all taxes legally assessed and due on personal property, when legally required to pay the same, and no other person shall be entitled to vote at any election for members of the two boards. And it shall be the duty of the register of the city, or such officer as the corporation may hereafter direct, to furnish the commissioners of election in each ward, previous to opening the polls at every election, a list of the persons having a right to vote, agreeably to the provisions of this section.

SEC. 6. *And be it further enacted,* That an election for members of the board of aldermen and board of common council shall be held on the first Monday of June next, and on the first Monday in June annually thereafter; and all elections shall be held by three commissioners to be appointed in each ward by the two boards in joint meeting, which appointment shall be at least ten days previous to the day of each election. And it shall be the duty of the commissioners so appointed to give at least five days' previous notice of the place in each ward where such elections are to be held. The said commissioners shall, before they receive any ballot, severally take an oath or affirmation, to be administered by some justice of the peace for the county of Washington, "truly and faithfully to receive and return the votes of such persons as are by law entitled to vote for members of the board of aldermen and board of common council, in their respective wards, according to the best of their judgment and understanding; and not knowingly to receive or return the vote of any person who is not legally entitled to the same." The polls shall be opened at ten o'clock in the morning, and be closed at seven o'clock in the evening of the same day. Immediately on closing the polls, the said commissioners for each ward, or a majority of them, shall count the ballots, and make out, under their hands and seals, a correct return of the persons having the greatest number of legal votes for members of the board of aldermen and for members of the board of common council, respectively, together with the number of votes given to each person voted for: and the persons having the greatest number of votes for the two boards, respectively, shall be duly elected; and, in all cases of an equality of votes, the commissioners shall decide the choice by lot. The said returns shall be delivered to the mayor, on the day succeeding the election, who shall cause the result of the election to be published in some newspaper printed in the city of Washington; a duplicate return shall, together with a list of the persons who voted at such election, also to be made, on the day succeeding the election, to the register of the city, who shall preserve and record the same; and shall, within two days thereafter, notify the several persons, so returned, of their election. And each board shall judge of the legality of the elections, returns, and qualifications of its own members, and shall supply vacancies in its own body, by causing elections to be held to fill the same, and appoint commissioners to hold the same, and

such commissioners shall give at least five days' public notice of the time and place of holding such elections; each of the members of either board, shall, before entering on the duties of his office, take an oath or affirmation, "faithfully to execute the duties of his office, to the best of his knowledge and ability;" which oath or affirmation shall be administered by the mayor or some justice of the peace for the county of Washington.

SEC. 7. *And be it further enacted*, That the corporation aforesaid shall have full power and authority to lay and collect taxes upon the real and personal property within the said city; provided that no tax shall be laid upon real property, at a higher rate than three quarters of one per centum on the assessment valuation thereof, except for the special purposes hereinafter provided; and that no tax shall be laid upon the wearing apparel, or necessary tools and implements used in carrying on the trade or occupation, of any person; nor shall the same be subject to distress and sale for any tax; and, after providing for all objects of a general nature, the taxes raised on the assessable property in each ward shall be expended therein, and in no other; to establish a board of health, with competent authority to enforce its regulations, and to establish such other regulations as may be necessary to prevent the introduction of contagious diseases, and for the preservation of the health of the city; to prevent and remove nuisances; to establish night watches or patrols, and erect lamps in the streets; to preserve the navigation of the Potomac and Anacostia rivers adjoining the city; to erect, repair, and regulate, public wharves, and to deepen creeks, docks, and basins; to regulate the manner of erecting, and the rates of wharfage, at private wharves; to regulate the stationing, anchorage, and mooring of vessels; to provide for licensing, taxing, and regulation, auctions, retailers, ordinaries, and taverns, hackney carriages, wagons, carts, and drays, pawn-brokers, venders of lottery tickets, money-changers, and hawkers and pedlars; to provide for licensing, taxing, regulating, or restraining, theatrical or public shows and amusements; to restrain or prohibit tippling houses, lotteries, and all kinds of gaming, to regulate and establish markets; to erect and repair bridges; to open and keep in repair streets, avenues, lanes, alleys, drains, and sewers, agreeably to the plan of the city, to supply the city with water; to provide for the safe-keeping of the standard weights and measures as fixed by Congress, and for the regulation of all weights and measures used in the city; to regulate the sweeping of chimneys, and fix the rates or fees therefor; to provide for the prevention and extinguishment of fires; to regulate the size of bricks to be made or used; and to provide for the inspection of lumber and other building materials to be sold in the city; to regulate, with the approbation of the President of the United States, the manner of erecting, and the materials to be used in the erection, of houses; to regulate the inspection of tobacco, flour, butter, and lard, in casks or boxes, and salted provisions; to regulate the gauging of casks and liquors; the storage of gunpower, and all naval and military stores, not the property of the United States; and the weight and quality of bread; to impose and appropriate fines, penalties, and forfeitures, for the breach of their laws or ordinances; and to provide for the appointment of inspectors, constables, and such other officers, as may be necessary to execute the laws of the corporation.

SEC. 8. *And be it further enacted*, That the said corporation shall have full power and authority to lay taxes on particular wards, parts, or sections, of the city, for their particular local improvements; and, upon application of the owners of more than one half of the property upon any portion of a street, to cause the curb-stones to be set, and the footways to be paved, on such portion of a street, and to lay a tax on such property, to the amount of the expense thereof: *Provided*, That such tax shall not exceed three dollars per front foot; and, upon a like application to cause the carriage-way of any portion of a street to be paved, or lamps to be erected therein, and light the same, and lay a tax, not exceeding the whole expense thereof, in due proportion, on the lots fronting on such portion of a street; and, also, to impose an addition or interest on the amounts of any such taxes, not exceeding ten per centum per annum, when the same shall not have been paid within thirty days after the same shall become due. The said corporation shall also have power and authority to provide for the establishment and superintendence of public schools, and to endow the same; to establish and erect hospitals or pest-houses, watch and workhouses, houses of correction, penitentiary, and other public buildings, and to lay and collect taxes for the expenses thereof; to regulate party or other walls and fences, and to determine by whom the same shall be kept in repair; to cause new alleys to be opened through the squares, and to extend those already laid out, upon the application of the owners of more than one half the property in such squares.

Provided, That the damages which may accrue thereby, to any individual or individuals, shall be first ascertained by a jury, to be summoned and impannelled by the marshal of the District of Columbia, (and it is hereby made his duty to summon and impannel the same, in all such cases, upon application to him in writing by the mayor of the city,) and such damages to be paid by the corporation; the amount thereof, and the expenses accruing, shall be levied, in due proportion, upon the individuals whose property on such squares shall be benefited thereby, and collected as other taxes are; to occupy and improve, for public purposes, by and with the consent of the President of the United States, any part of the public and open spaces and squares in said city, not interfering with any private rights; to regulate the admeasurement and weight by which all articles brought into the city for sale shall be disposed of; to provide for the appointment of appraisers and measurers of builders' work and materials, and also of wood, coal, grain, and lumber; to restrain and prohibit the nightly and other disorderly meetings of slaves, free negroes, and mulattoes, and to punish such slaves by whipping, not exceeding forty stripes, or by imprisonment, not exceeding six months, for any one offense; and to punish such free negroes and mulattoes, by penalties, not exceeding twenty dollars for any one offence; and in case of the inability of any such free negro or mulatto to pay any such penalty and cost thereon, to cause him or her to be confined to labour for any time not exceeding six calendar months; to cause all vagrants, idle or disorderly persons, all persons of evil life or ill-fame, and all such as have no visible means of support, or are likely to become chargeable to the corporations as paupers, or are found begging or drunk in or about the streets, or loitering in or about tippling houses, or who can show no reasonable cause of business or employment in the city, and all suspicious persons who have no fixed place of residence, or who cannot give a good account of themselves; all evesdroppers and nightwalkers; all who shall be guilty of open profanity, or grossly indecent language or behaviour publicly in the streets; all public prostitutes, and such as lead a notoriously lewd or lascivious course of life, and all such as keep public gaming tables, or gaming houses, to give security for their good behaviour for a reasonable time, and to indemnify the city against any charge for their support; and, in case of their refusal or inability to give such security, to cause them to be confined to labour until such security shall be given, not exceeding, however, one year at a time; but if they shall be found again offending, the like proceedings may be again had, and from time to time, as often as may be necessary to enforce the departure of such vagrants and paupers as may come into the city to reside, unless they shall give ample security that they will not become chargeable on the corporation for their support; to provide for the binding out as apprentices of poor orphan children, and the children of drunkards, vagrants, and paupers; to prescribe the terms and conditions upon which free negroes and mulattoes may reside in the city; to authorize, with the approbation of the President of the United States, the drawing of lotteries for the erection of bridges and effecting any important improvements in the city, which the ordinary revenue thereof will not accomplish, for the term of ten years:

Provided, that the amount so authorized to be raised in each year shall not exceed the sum of ten thousand dollars, clear of expenses; to take care of and regulate burial grounds; to provide for the registering of births, deaths, and marriages; to punish corporeally any coloured servant or slave for a breach of any of their laws or ordinances, unless the owner or holder of such servant or slave shall pay the fine in such cases provided; and to pass all laws which shall be deemed necessary and proper for carrying into execution the powers vested by this act in the said corporation or its officers.

SEC. 9. *And be it further enacted*, That the marshal of the District of Columbia shall receive and safely keep within the jail for the county of Washington, at the expense of the said corporation, all persons committed thereto under or by authority of the provisions of this act. And in all cases where suit shall be brought before a justice of the peace, for the recovery of any fine or penalty arising or incurred for a breach of any law or ordinance of the corporation, execution shall and may be issued, as in all other cases of small debts.

SEC. 10. *And be it further enacted*, That real property, whether improved or unimproved, in the city of Washington, on which two or more years' taxes shall have remained due and unpaid, or on which any special tax, imposed by virtue of authority of the provisions of this act, shall have remained unpaid for two or more years after the same shall have become due, or so much thereof, not less than a lot, (when the property upon which the tax has accrued is not less than that quantity,) as may be necessary to pay any such taxes, with all legal costs and charges arising thereon, may be sold at public sale to satisfy the corporation therefor: *Provided*, That public notice be given of the time and place of sale, by advertising once a week in some newspaper printed in the city of Washington, for at least six months, where the property is assessed to persons residing out of the United States; for three months, where the property is assessed to persons residing in the United States, but without the District of Columbia; and for six weeks, where the property is assessed to persons residing within the District of Columbia; in which advertisement shall be stated the number of the lot or lots, (if the square has been divided into lots,) the number of the square or squares, or other sufficient or definite description of the property selected for sale, the name of the person or persons to whom the same may have been assessed, for the respective years' taxes due thereon, as also the name of the person to whom the same is assessed, and the aggregate amount of taxes due.

The purchaser or purchasers of any such property shall pay, at the time of such sale, the amount of the taxes due on the property so purchased by him, her, or them, respectively, with the amount of the expenses of sale; and he, she, or they, shall pay the

residue of the purchase money within ten days after the expiration of two years from the day of sale, to the collector of taxes, or other officer of the corporation authorized to receive the same; and the amount of such where it shall remain, subject to the order of the original proprietor or proprietors, his, her, or their, legal representatives; and the residue shall be placed in the city treasury, purchaser or purchasers shall receive a title in fee simple, in and to the lot or lots so sold and purchased, under the hand of the mayor and seal of the corporation, which shall be deemed good and valid in law and equity: *Provided nevertheless,* That if, within two years from the day of any such sale, or before such purchaser or purchasers shall have paid the residue of the purchase money as aforesaid, the proprietor or proprietors of any property which shall have been sold as aforesaid, his, her, or their heirs, agents, or legal representatives, shall repay to such purchaser or purchasers the moneys paid for the taxes, and expenses as aforesaid, together with ten per centum per annum, as interest thereon, or make a tender thereof, or shall deposit the same in the hands of the mayor of the city, or other officer of the corporation appointed to receive the same, for the use of such purchaser or purchasers, and subject to his, her, or their heirs, or legal representatives' order, of which such purchaser, his heirs or legal representatives, shall be immediately informed, by notice in some newspaper printed in the city of Washington, or otherwise; he, she, or they, shall be reinstated in his, her, or their, original right and title, as if no such sale had been.

And if any such purchaser shall fail to pay the residue of the purchase money as aforesaid, within the time required by this section, for any property so purchased by him, he shall pay ten per annum, as interest thereon, and in addition to such residue, to be computed from the expiration of the two years as aforesaid, until the actual payment of such residue, and the receiving of a conveyance from the corporation; and the said interest shall alike be subject to the order of the original proprietor or proprietors, as the residue of the purchase money as aforesaid: *Provided, also,* That no sale shall be made, in pursuance of this section, of any improved property whereon there is personal property of sufficient value to pay the said taxes: and that minors, mortgages, or others having equitable interest in real property, which property shall be sold for taxes as aforesaid, shall be allowed one year after such minors' coming to, or being of full age, or after such mortgages, and others having equitable interests, obtaining possession of, or a decree for the sale of, such property, to redeem the property so sold from the purchaser or purchasers, his, her, or their, assigns, on paying the amount of purchase money so paid therefor, with ten per cent interest thereon as aforesaid, and all the taxes that have been paid thereon by the purchaser, or his assigns, between the day of sale and the period of such redemption, with ten per cent interest on the amount of such taxes, and also the full value of the improvements which may have been made or erected on such property, by the purchaser or his assigns, while the same was in his or their possession. *And provided, moreover,* That where the estate of the tenant in default, as for years, or for life or lives, shall be sufficient to defray the taxes chargeable thereupon, such estate only shall be liable to be sold under the provisions of this act.

SEC. 11. *And be it further enacted,* That it shall be lawful for the collector or other officer (duly authorized) to postpone, after such advertisement, the sale of any property advertised according to the provisions of the foregoing section, to any future day, for the want of bidders, he giving public notice of such postponement, and the sale made at such postponed time shall be equally valid as if made on the day stated in the advertisement.

SEC. 12. *And be it further enacted,* That the person or persons appointed to collect any tax imposed by virtue of the powers granted by this act, shall have authority to collect the same by distress and sale of the goods and chattels of the person chargeable therewith; but no such sale shall be made unless ten days' previous notice thereof be given in some newspaper printed in the city of Washington. And the provisions of the acts of Assembly of Maryland, now in force within the county of Washington, relating to the right of replevying personal property taken in execution for public taxes, shall apply to all cases of personal property taken by distress to satisfy taxes imposed by virtue of this act.

SEC. 13. *And be it further enacted,* That the levy court of the county of Washington, in the District of Columbia, shall not possess the power of assessing any tax on property in the city of Washington; nor shall the corporation of the said city be obliged to contribute, in any manner, towards the expenses or expenditures of said court, except for the one-half part of the expenses incurred on account of the orphans' court, the office of coroner, the jail of said county, and the opening and repairing of roads in the county of Washington, east Rock creek, leading directly to the city of Washington, but the said corporation shall have the sole control and management of the bridge across or over Rock Creek, at the termination of K street north; and shall be chargeable with the expense of keeping the same in repair, and rebuilding it when necessary.

SEC. 14. *And be it further enacted,* That the clerk of the circuit court, and the register of wills for the county of Washington, respectively, shall furnish the register of the city, or other officer of the corporation, appointed to receive the same, on or about the first Monday in January and July, in every year, correct lists of the transfers of real property in the city, during the next preceding half year, so far as can be ascertained by the records in their respective offices, and the said corporation shall make to the said clerk and register of wills such compensation therefor as shall be agreed on between the respective parties, not exceeding six cents for each transfer on such lists.

SEC. 15. *And be it further enacted,* That the commissioner of the public buildings, or other person appointed to superintend the United States' disbursements in the city of Washington, shall reimburse to the said corporation a just proportion of any expense which may hereafter be incurred, in laying open, paving, or otherwise improving any of the streets or avenues in front of, or adjoining to, or which may pass through or between any of the public squares or reservations, which proportion shall be determined by a comparison of the length of the front, or fronts, of the said squares or reservations of the United States, on any such street or avenue, with the whole extent of the two sides thereof; and he shall cause the curb stones to be set, and foot ways paved, on the side or sides of any such street or avenue, whenever the said corporation shall, by law, direct such improvements to be made by the proprietors of the lots on the opposite side of any such street or avenue, or adjacent to any such square or reservation; and he shall cause the footways to be paved, and the curb stones to be set, in front of any lot or lots belonging to the United States, when the like improvements shall be ordered by the corporation in front of the lots adjoining, or squares adjacent thereto; and he shall defray the expenses directed by this section, out of any moneys arising from the sale of lots in the city of Washington, belonging to the United States, and from no other fund.

SEC. 16. *And be it further enacted,* That the present boards of aldermen and common council shall, before the last Monday in May next, divide the said city into as many wards as in their opinion shall be most conducive to the interests of the city; and the boards of aldermen and common council, may, from time to time, as the interests of the city shall require, alter the number and boundaries of the said wards: *Provided,* That the said wards shall, at all times, be so laid off, altered, and bounded, that each ward shall comprise, as near as may be, an equal number of the inhabitants of the said city:

And provided, however, That if such division shall not be made prior to the said last Monday in May, then the said city shall be divided into six wards, in manner following, to wit: All that part of said city to the westward of Sixteenth street west, shall constitute the first: that part to the eastward of Sixteenth street west, and to the westward of Tenth street west, shall constitute the second; that part to the eastward of Tenth street west, to the westward of First street west, and to the northward of E street south, shall constitute the third; that part to the eastward of First street west, to the westward of Eighth street east, and to the northward of E street south, shall constitute the fourth; that part to the eastward of Tenth street west, to the westward of Fourth street east, and to the southward of E street south, shall constitute the fifth; and the residue of the city shall constitute the sixth ward. The expenses which may be incurred in improving and repairing the streets which form the boundaries of the several wards, shall be defrayed out of the taxes raised in the wards which adjoin the same, respectively, in equal proportions; and the present boards of aldermen and common council shall, before the first Monday in June next, apportion, by law, such portions of the debt of the city, as have been heretofore chargeable to the existing wards, amongst the wards established by this section, upon just and equitable principles. And the board of aldermen shall, so soon as the same shall have been organized, on the second Monday in June next, divide the members into two classes, in manner following, to wit: Those members who are now in office, and, by virtue of their election in June last, shall be entitled to take their seats in the new board, as members from the wards in which they shall, respectively, reside, shall be placed in the first class; and those members who shall be elected from the same wards in June next, shall be placed in the second class; and the other members shall be placed in their respective classes by lot; and the seats of the first class shall be vacated at the end of the first year, and the seats of the second class shall be vacated at the end of the second year; so that one member shall be elected in each ward every year thereafter. And the members of the board of aldermen shall be hereafter, ex officio, justices of the peace of the county of Washington, unless holding commissions in the army or navy of the United States.

SEC. 17. *And be it further enacted,* That this act shall continue in force for and during the term of twenty years, and until Congress shall, by law, determine otherwise.

Approved, May 15, 1820 (3 Stat. 583, ch. 104).

ACT OF 1848 REORGANIZING THE GOVERNMENT OF THE CITY OF WASHINGTON

An act to continue, alter and amend the charter of the city of Washington

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That the act of May fifteenth, eighteen hundred and twenty, entitled "An Act to incorporate the inhabitants of the city of Washington, and to repeal all acts heretofore passed for that purpose," and the act of May twenty-sixth,

eighteen hundred and twenty-four, entitled "An Act supplementary to 'An Act to incorporate the inhabitants of the city of Washington,' passed the fifteenth of May, one thousand eight hundred and twenty, and for other purposes," and the act or acts supplemental or additional to said acts which were in force on the fourteenth day of May, eighteen hundred and forty, or which may, at the passing of this act, be in force, be and the same are hereby continued in force for the term of twenty years from the date hereof, or until Congress shall by law determine otherwise, with the alterations, additions, explanations, and amendments following, that is to say:

SEC. 2. *And be it further enacted*, That the said corporation shall have full power and authority to lay and collect a tax of not exceeding three fourths of one per centum per annum upon the assessed value of all stocks which may be owned and possessed by any person whatever in any banking, insurance, or other incorporated or unincorporated company in the city of Washington; and to compel all such banking, insurance, or other incorporated or unincorporated company to furnish, when so required to do, within ten days thereafter, a full and complete list of the names of the stockholders in such company, and the amount of stock owned by each, under a penalty not exceeding fifty dollars for each and every week such company shall neglect or refuse or fail to furnish the same. And in default of payment of the tax due on said stock by the banking, insurance or other company, or by the holder or holders of the stock, the said corporation shall have full power and authority to sell the said stock, or so many shares thereof as shall be sufficient to pay the taxes due thereon, and costs of collection, as provided in the case of personal property.

The said corporation shall also have power to lay and collect a tax not exceeding three fourths of one per centum per annum on the assessed value of all bonds and mortgages, of stock of all kinds, and all public and private securities, and on every description of property with the said city, of which may be owned or held by the inhabitants thereof, except the wearing apparel and necessary tools and implements used in carrying on the trade or occupation of any person; and to compel persons to furnish, when required by the assessors, a full and correct list of all property by law taxable, held by them, and to punish with suitable fines and penalties persons refusing or omitting to furnish such lists. The said corporation shall have power to lay and collect a schooltax upon every free white male citizen of the age of twenty-one years and upwards, of one dollar per annum; to provide for licensing, taxing and regulating livery stables, and wholesale and retail dealers, in a ratio according to the annual average amount of the capital invested in the business of such wholesale and retail dealers; to license, tax and regulate agencies of all kinds of insurance companies; to tax private bankers, brokers and money lenders, not exceeding three fourths of one percentum per annum on the assessed amount of capital employed in the business of said private bankers, brokers and money lenders; to make all necessary regulations respecting hackney carriages and the rates of fare of the same, and the rates of hauling by cartmen, wagoners, carmen, and draymen, and the rates of commission of auctioneers; to regulate and graduate the licenses of nonresident merchants and traders, and the taxes on the same; to regulate and establish fish wharves and docks; to restrain and prohibit gaminghouses, and bawdy-houses; to punish those who may sell intoxicating liquors without having obtained license therefor, by fines not less than five dollars; and in default of the payment thereof, by imprisonment and labor in the workhouse for a term not exceeding ninety days; to provide for the punishing by fines and penalties, and by confinement to labor in the workhouse, any person and all persons who shall molest or disturb any church or other place of worship while the congregation are engaged in any religious exercises or proceedings; to provide for the weighing of all kinds of live stock brought into the city; to cause to be pulled down unsafe, dilapidated, or dangerous buildings; to take up and relay foot pavements and paved carriage-ways, and to keep them in repair, and to lay and collect taxes for paying the expenses thereof, on the property fronting on such foot-ways and carriage-ways; to lay and collect taxes for the support of public schools; to cause new alleys to be opened into the squares, and to open, change, or close those already laid out, upon the application of the owners of more than one half of the property in such squares, subject to the second proviso of the eighth section of the act of May the fifteenth, eighteen hundred and twenty, incorporating the inhabitants of the city of Washington.

And the said corporation shall have full power and authority to make all necessary laws for the protection of public and private property, the preservation of order, the safety of persons, and the observance of decency in the streets, avenues, alleys, public spaces, and other places in the said city, and for the punishment of all persons violating the same, as well as for the punishment of persons guilty of public profanity and prostitution.

SEC. 3. *And be it further enacted*, That at the first general election held after the passage of this act, a Board of Assessors, to consist of one member from each ward, shall be elected by the qualified voters therein, to serve for two years; and the returns of election for assessors shall be made in the same manner and form as the returns of the election for members of the Board of Aldermen and Board of Common Council; and the person having the greatest number of legal votes in each ward for assessor, shall be duly elected assessor; but in case two or more persons, highest in vote, shall have an equal number of votes, the commissioners of election for the ward in which such equality shall exist, shall decide the choice by lot. No person who is not eligible to a seat in the Board of Aldermen or Board of Common Council, shall be eligible to election as assessor. And on the first Monday of May next succeeding the first election of assessors under this act, the said board, or a majority of the members thereof, shall meet in the City Hall, and in the presence of the mayor and register, shall draw by lot the names of three members thereof, if the number of wards be seven, or if the number of wards exceed seven, the names of one half, as near as may be, of the members of said board; and the members whose names shall be thus drawn thereupon cease to be members of said board; and at the next general election a member shall be elected to serve for two years in each of the wards in which the members so drawn shall have been elected; and at every regular annual election thereafter in such wards as the time of the assessors is about to expire, an assessor shall be elected to serve for two years. No person holding any other office under the corporation, shall be elected to or hold the office of assessor. In the event of the death, resignation, inability, or refusal to serve of any person elected an assessor, the vacancy shall be filled immediately by the Board of Aldermen and Board of Common Council, in joint meeting, in which manner all vacancies in the board of assessors shall be filled:

Provided, That until the assessors authorized to be elected by this act, shall have been duly elected and qualified to enter upon their duties, full power and authority are hereby given to the said corporation to provide for the temporary appointment of assessors to perform the duties required of the assessors to be elected under this act. The board of assessors shall assess and value, and make return of all and every species of property by law taxable, at such times, and under such regulations, as the said corporation shall prescribe, and shall make return of all persons subject to a schooltax, in the said city, under such regulations as the said corporation shall prescribe; and if the said assessors, or either of them, shall refuse or wilfully neglect to assess and value, and make return of all and every species of property by law taxable, which may be known to them, or either of them, or come to their knowledge, or shall refuse or wilfully neglect to make return of any person subject to a schooltax, they, or the one so offending, shall be subject to a fine not exceeding one hundred dollars for each offence, at the discretion of the Circuit Court of the District of Columbia for the county of Washington, and shall thereafter be incapable of holding any office under the corporation; and the Board of Aldermen and Board of Common Council may, by joint resolution, remove any assessor from office for any misconduct in office.

SEC. 4. *And be it further enacted*, That the register, collector, and surveyor of the said city shall severally be elected on the first Monday in June next, and on the same day in every second year thereafter, at the same time and place, in the same manner, and by the persons qualified to vote for mayor and members of the Board of Aldermen and Board of Common Council:

Provided, That if the said first Monday in June next shall be the regular day for the election of mayor of the said city, then the next election thereafter, of register, collector, and surveyor, shall take place on the same day in the following year, and then on the same day in every second year thereafter, as above provided; and the commissioners of election shall make out duplicate certificates of the result of the election for register, collector, and surveyor, and shall return one to the Board of Alderman, and the other to the Board of Common Council on the Monday next ensuing the day of election; and the persons having the greatest number of votes for those offices respectively, shall be register, collector, or surveyor, as the case may be; but in case two or more persons highest in vote shall have an equal number of votes for either of said offices, then it shall be lawful for the Board of Aldermen and Board of Common Council to proceed forthwith by ballot, in joint meeting, to determine the choice between such persons; and the said register, collector and surveyor shall respectively hold their offices until their respective successors are duly elected and qualified, unless removed from office; and full power and authority are hereby granted to the Corporation of Washington to pass all such laws as may be necessary to define and regulate the respective duties, powers, and authority of the said register, collector, and surveyor; and also to prescribe the amount of bond and security to be given to the said corporation by each before entering upon the duties of their respective offices, and generally to pass all such laws as may be necessary to insure an efficient and faithful discharge of the duties of their respective offices, by the said register, collector, and surveyor; and in case the said officers, or either of them, shall fail or refuse to comply with any law, resolution, or order of the said corporation, or shall fail or refuse to obey any order of the mayor of the said city, or shall fail to discharge the duties of their respective offices with fidelity and a strict regard to the interests of the said corporation, or shall prove unable or incompetent, from any cause whatever, to discharge such duties, or shall be guilty of any malversation in office, or shall be convicted of any high crime or misdemeanor,

it shall be lawful for the majority of the Board of Aldermen and Board of Common Council, by joint resolution, to remove such officer, and to order an election to fill the vacancy; and in case of the refusal or failure of any person elected to either of said offices to accept of the same, or to give such bond and security as may be required by said corporation within twenty days after his election, or in case of the death, resignation, or removal from the said city of any person elected to or holding either of said offices, it shall be lawful for the Board of Aldermen and Board of Common Council to declare said office vacant, and to order an election to fill the vacancy. And in all cases where it shall become necessary to hold an election to fill a vacancy in either of said offices, the same regulations shall be observed as to the appointment of commissioners to hold said elections, and as to holding the elections and the returns of the same, as are observed at the regular elections: *Provided*, That authority is hereby given to the mayor of the said city to appoint temporarily, under such regulations as the said corporation may prescribe, some discreet person to discharge the duties of such vacant office until an election can be had and a successor duly elected and qualified to enter upon his duties.

SEC. 5. *And be it further enacted*, That every free white male citizen of the United States, who shall have attained the age of twenty-one years, and shall have resided in the city of Washington one year immediately preceding the day of election, and shall be a resident of the ward in which he shall offer to vote, and shall have been returned on the books of the corporation during the year ending the thirty-first of December next preceding the day of election as subject to a school-tax for that year, (except persons *non compos mentis*, vagrants, paupers, or persons who shall have been convicted of any infamous crime,) and who shall have paid the school-taxes, and all taxes on personal property due from him, shall be entitled to vote for mayor, members of the Board of Aldermen and Board of Common Council, and assessors, and for every officer authorized to be elected at any election under this act, or the act or acts to which this is amendatory or supplementary: *Provided*, That if, during the year ending on the thirty-first day of December next preceding the day of the first election after the passage of this act, no persons shall have been returned on the books of the said corporation as subject to a school-tax, then all persons who shall have been returned on the books of the said corporation as subject to a school-tax before the day of the said first election, and who shall in all other respects be qualified under this act to vote, and who shall have paid the said school-tax and all taxes due on personal property, shall be entitled to vote at the said first election after the passage of this act. And if any person shall buy or sell a vote, or shall vote more than once at any corporation election, held in pursuance of law, or shall give or receive any consideration therefor in money, goods, or any other thing of value, or shall promise any valuable consideration, or vote in consideration of such promise, he shall be disqualified forever thereafter from voting and holding any office under said corporation; and on complaint thereof to the attorney of the United States for the District of Columbia, it shall be the duty of said attorney to proceed against such offender or offenders by indictment and trial, as in other criminal cases; and if found guilty, it shall be the duty of the court to sentence him to pay a fine of not less than ten dollars, and to imprisonment not more than two months nor less than ten days.

SEC. 6. *And be it further enacted*, That in case of the refusal of any person to accept the office of mayor upon his election thereto, or of his death, resignation, inability, or removal from the city, the Board of Aldermen and Board of Common Council shall assemble in joint meeting and elect another in his place to serve for the remainder of the term or during such disability; but in case of temporary absence from the city, or sickness, the mayor may, in writing, depute the president of the Board of Aldermen to act as mayor during such temporary absence or sickness.

SEC. 7. *And be it further enacted*, That so much of the tenth section of the act incorporating the inhabitants of the city of Washington, approved May fifteenth, eighteen hundred and twenty, as is in the following words, viz.: "That real property, whether improved or unimproved, in the city of Washington, on which two or more years' taxes shall have remained due and unpaid, or on which any special tax, imposed by virtue of authority of the provisions of this act, shall have remained unpaid for two or more years after the same shall have become due, or so much thereof, not less than a lot, (when the property on which the tax has accrued is not less than that quantity,) as may be necessary to pay such taxes, with all legal costs and charges arising thereon, may be sold at public sale to satisfy the corporation therefor," be and the same is hereby amended, so as to read as follows, viz.: "That real property, whether improved or unimproved, in the city of Washington, on which one or more years' taxes shall have become due and remain unpaid, or on which any special tax imposed by virtue of authority of the provisions of this act, shall have become due and remain unpaid, or so much thereof, not less than a lot, (when the property on which the tax has accrued is not less than that quantity,) as may be necessary to pay any such taxes, with all interests, costs, and charges arising thereon, may be sold at public sale to satisfy the corporation therefor." And so much of the third proviso of the tenth section of the said act incorporating the inhabitants of the city of Washington, approved May the fifteenth, eighteen hundred and twenty, as is in the following words, viz.: "That no sale shall be made, in pursuance of this section, of any improved property whereon there is personal property of sufficient value to pay the said taxes," be and the same is hereby repealed.

And the authority given to the collector in the eleventh section of said act to postpone the sale of any property to a future day "for want of bidders," shall be so construed as to authorize the postponement for any other reasonable cause, if, in the opinion of the mayor, the collector, or other officer duly authorized, there shall be other reasonable cause for such postponement; but public notice shall in all cases be given of such postponement, and the sales made at such postponed time shall be equally valid as if made the day first designated for such sale; and no sale of any real property for taxes hereafter made shall be impaired or made void by reason of any error of the major, or other officer of the corporation, in making a calculation of computation of the amount of taxes due, the expenses attendant on the advertisement and sale, or of the purchase money and the interest thereon, notwithstanding the sum erroneously calculated or computed may have been paid by the purchaser, his heirs or assigns; but all such sales, and the deeds which may be granted on the certificates then issued, shall be valid and binding as if no such error had been made; and it shall be lawful for the heirs or assigns of any purchaser or purchasers of property sold for taxes in the said city, to receive, do, or perform any thing which by the said act of the fifteenth of May, eighteen hundred and twenty, incorporating the inhabitants of the city of Washington, or by any act or acts supplementary to or in execution of the same, it may be lawful for such purchaser or purchasers to receive, do, or perform.

SEC. 8. *And be it further enacted*, That the said corporation shall have power to cause to be made out plats of all the squares in the city of Washington, on which shall be shown the lines of all the subdivisions of said squares as the same shall actually exist at the date of the completion of the plat of each square, and to prescribe and regulate the manner in which description shall be made of all real estate sold or transferred in the said city: *Provided*, That the said plats shall be made out and drawn upon a uniform scale of not less than one inch to fifty feet; and that the method of description of real estate sold or transferred within the corporate limits which shall be prescribed by the said corporation shall be such that the plats shall at all times show the lines of property as actually existing in the squares; and the office of the surveyor of the city of Washington shall be the legal office of record of the plats of all property in the city of Washington.

SEC. 9. *And be it further enacted*, That the school-tax which may be levied and collected in pursuance of the powers in this act given, shall constitute a fund, or be added to any other fund now or hereafter to be constituted by any act of the corporation, for the establishment and support of common schools, and for no other purpose, under such regulations as may from time to time be established and provided by the corporation.

SEC. 10. *And be it further enacted*, That the corporation shall not have power to increase the present funded debt of the said corporation, either by borrowing money or otherwise, unless it shall be agreed to do so by two thirds of the legal voters in the said city at an annual election; and the said corporation shall annually apply a sum not less than ten thousand dollars of its revenues to the redemption of the present debt of the corporation.

SEC. 11. *And be it further enacted*, That all taxes, except taxes on real property, imposed by virtue of the powers granted by this act, or the acts to which this is amendatory or supplementary, in default of payment thereof within the time limited by act of the incorporation for payment, may be collected by distress and sale of the goods, and chattels, and personal effects of the person or persons chargeable therewith, under such regulations and limitations as the corporation may prescribe; but no such sale shall be made unless ten days' previous notice thereof be given in some newspaper printed and published in the city of Washington.

SEC. 12. *And be it further enacted*, That the commissioner of public buildings, or other officer having charge and authority over the lands and property of the United States lying within the city of Washington, shall from time to time cause to be opened and improved such avenues and streets, or parts or portions thereof, as the President of the United States, upon application of the corporation of the said city, shall deem necessary for the public convenience, and direct to be done; and he shall defray the expenses thereof out of any money arising, or which shall have arisen, from the sale of lots in the city of Washington, belonging, or which may have belonged, to the United States, and from no other fund. And it shall be the duty of the said commissioner, or other United States officer, as aforesaid, upon the application of the mayor, to repair and keep in repair the pavements, water-gutters, waterways, and flag footways which have been made or shall be made opposite or along the public squares, reservations, or other property belonging to the United States; as also, on like application, to repair and keep in repair such streets and avenues, or parts thereof, as may have been, or shall hereafter be, opened and improved by the United States; the expense of all such repairs to be paid out of the fund before mentioned.

SEC. 13. *And be it further enacted,* That the commissioner of public buildings be, and he is hereby, required to perform the duties required of the city commissioner by the fourteenth section of the act of the twenty-sixth of May, eighteen hundred and twenty-four, supplementary to the act of the fifteenth of May, eighteen hundred and twenty, incorporating the inhabitants of the city of Washington. And it shall be the duty of the commissioner of public buildings, within ninety days after the sale of any lots or squares belonging to the United States in the city of Washington, to report the fact to the corporation of Washington, giving the date of sale, the number of the lot and square, the name of the purchaser or purchasers, and the said lots or squares shall be liable to taxation by the said corporation from the date of such sale. And no open space, public reservation, or other public ground in the said city, shall be occupied by any private person, or for any private purposes whatever.

SEC. 14. *And be it further enacted,* That the justices of the peace, whether they be members of the Board of Aldermen or Board of Common Council or not, who may be selected from time to time by the said corporation, to enforce the police regulations and penal laws of the said city, as also to issue warrants and to hear and determine cases within the jurisdiction of justices of the peace, in which the mayor, Board of Aldermen and Board of Common Council of the said city shall be plaintiffs, shall have power to issue all such warrants, and all other warrants or processes deemed necessary and proper in cases of violations of the police regulations and penal laws of the corporation, and to hear and determine all such cases, and under the orders of the corporation to issue execution or other final process thereon; and the said justices shall also have power to compel the attendance of witnesses by attachment and to punish them by fine not exceeding ten dollars, or by imprisonment not exceeding ten days, for refusing obedience to a summons.

SEC. 15. *And be it further enacted,* That hereafter the justices of the peace for the county of Washington, in the District of Columbia, shall be appointed for three years; and upon indictment and conviction of any justice of the peace, before any court of competent jurisdiction, of incompetency, habitual drunkenness, corruption in office, or of any other wilful misconduct in the discharge of his duties as justice of the peace, his commission shall be void, and he shall cease to exercise the office and powers of justice of the peace; and for all criminal process or business issued or tried by or before any justice of the peace in the city and county of Washington, in the District of Columbia, the said justice and the constable who shall execute the process shall respectively be entitled to charge and receive the same fees as are authorized to be charged and received in the case of process issued and served by them respectively in cases of small debts; and the said costs shall be certified by the said justices to the District Attorney, for his revision and approval, and when approved shall be paid by the marshal of the District of Columbia.

SEC. 16. *And be it further enacted,* That in addition to the seven members now authorized to be appointed to the Levy Court of the county of Washington, from and after May, eighteen hundred and forty-eight, the President of the United States is hereby authorized and required annually to appoint four additional members from the city of Washington; and the said court shall thereafter consist of eleven members.

SEC. 17. *And be it further enacted,* That the corporation of the said city of Washington shall have full power and authority to pass all laws which may be needful and necessary to carry into full and complete effect the powers granted to the said corporation, or to any of its officers or servants, by this act, or by the act or acts to which this act is amendatory or supplementary. And all acts or parts of acts in conflict with the provisions of this act, be, and the same are hereby, repealed.

Approved, May 17, 1848 (9 Stat. 223, ch. 42).

ACT OF RETROCESSION OF COUNTY OF ALEXANDRIA

An act to retrocede the county of Alexandria, in the District of Columbia to the State of Virginia

Whereas no more territory ought to be held under the exclusive legislation given to Congress over the District which is the seat of the General Government than may be necessary and proper for the purposes of such a seat; and whereas experience hath shown that the portion of the District of Columbia ceded to the United States by the State of Virginia has not been, nor is ever likely to be, necessary for that purpose; and whereas the State of Virginia, by an act passed on the third day of February, eighteen hundred and forty-six, entitled "An act accepting by the State of Virginia the county of Alexandria, in the District of Columbia, when the same shall be receded by the Congress of the United States," has signified her willingness to take back the said territory ceded as aforesaid: Therefore,

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That with the assent of the people of the county and town of Alexandria, to be ascertained as hereinafter prescribed, all of that portion of the District of Columbia, ceded to the United States by the State of Virginia, and all the rights and jurisdiction therewith ceded over the same, be, and the same are hereby, ceded and forever relinquished to the State of Virginia, in full and absolute right and jurisdiction, as well of soil as of persons residing or to reside thereon.

SEC. 2. *And be it further enacted,* That nothing herein contained shall be construed to vest in the State of Virginia any right of property in the custom-house and postoffice of the United States within the town of Alexandria, or in the soil of the territory hereby re-ceded, so as to affect the rights of individuals or corporations therein otherwise than as the same shall or may be transferred by such individuals or corporations to the State of Virginia.

SEC. 3. *And be it further enacted,* That the jurisdiction and laws now existing in the said territory, ceded to the United States by the State of Virginia, as aforesaid, over the persons and property of individuals therein residing, shall not cease or determine until the State of Virginia shall hereafter provide, by make proclamation of the "result" of and judicial system over the said territory hereby re-ceded.

SEC. 4. *And be it further enacted,* That this act shall not be in force until after the assent of the people of the county and town of Alexandria shall be given to it, in the mode hereinafter provided. Immediately after the close of the present session of Congress, the President of the United States shall appoint five commissioners (any three of whom may act), citizens of the said town or county of Alexandria, and freeholders within the same, who shall be sworn, before some justice of the peace in and for the said town or county, to discharge the duties hereby imposed upon them faithfully, impartially, and to the best of their ability. These commissioners, or any of them, shall proceed, within ten days after they are notified of their appointment, to fix upon the time, place, and manner, of taking the vote within the town or county of Alexandria, and shall give notice of the same by advertisement in the newspapers of the said town. And on the day and at the place so appointed, every free white male citizen of the United States, who shall have resided in said county of Alexandria for six months preceding the time when he offers his vote, insane persons and paupers excepted, shall vote *viva voce* upon the question of accepting or rejecting the provisions of this act. The said commissioners shall preside when this vote is taken, and decide all questions arising in relation to the right of voting under this act. Within three days after this vote is taken as aforesaid, the said commissioners shall make out three statements of the result of this poll, upon oath, and under their seals. Of these, one shall be transmitted to the President of the United States, one to the governor of the Commonwealth of Virginia, and one shall be deposited in the clerk's office of the county court of Alexandria. If a majority of the votes so given shall be cast against accepting the provisions of this act, then it shall be void and of no effect; but if a majority of the said votes should be in favor of accepting the provisions of this act, then this act shall be in full force, and it shall be the duty of the President of the United States to inform the governor of Virginia that this act is in full force and effect, and to make proclamation of the fact.

SEC. 5. *And be it further enacted,* That, in such case, the right of property in the half square in Alexandria on which stands the courthouse, bounded by Columbus, Queen, and Princess streets, and the half square on which stands the jail, bounded by Princess, St. Asaph, and Pitt streets, shall be conveyed to the governor of Virginia, and his successors, for the use of the county and corporation of Alexandria forever; and the Solicitor of the Treasury of the United States is hereby authorized and required, in the name and on the behalf of the United States, to make all the proper and necessary conveyances for that purpose.

SEC. 6. *And be it further enacted,* That Congress will in no event assume and pay the debt, or any part thereof, now due by the corporation of the city of Alexandria. (July 9, 1846, 9 Stat. 35, ch. 35.)

VIRGINIA ACT ACCEPTING RETROCESSION

An act accepting by the State of Virginia the county of Alexandria, in the District of Columbia, when the same shall be re-ceded by the Congress of the United States

[Passed February 3, 1846]

Whereas the general assembly of this commonwealth, on the third day of December, in the year seventeen hundred and eighty-nine, passed an act, entitled "an act for the cession of ten miles square, or any lesser quantity of territory within this state, to the United States, in congress assembled, for the permanent seat of the general government;" and by the said act it was enacted, that "a tract of country not exceeding ten miles square, or any lesser quantity, to be located within the limits of this state, and in any part thereof as congress may by law direct, shall be and the same is hereby forever ceded and relinquished to the congress and government of the United States, in full and absolute right, and exclusive jurisdiction as well of soil as of persons residing or to reside thereon, pursuant to the tenor and effect of the eighth section of the first article of the constitution of the government of the United States." And whereas the congress of the United States did, under the provisions of the said act, locate that portion of the territory of Virginia now known as the county of Alexandria in the District of Columbia, lying south and west of the river Potomac, and bounded by said river and the lines which separate the District of Columbia from Virginia: And whereas the congress of the United States, on the twenty-seventh day of February, in the year eighteen hundred and one, passed an act, entitled "an act concerning the District of Columbia," by the provisions of which act the exclusive jurisdiction of the United States was extended over the

territory so located as aforesaid, which territory has since formed a part of the District of Columbia: And whereas a petition has been presented to the general assembly by the citizens residing in said county of Alexandria, representing that they now have pending before the congress of the United States an application for the re-cession of the said county of Alexandria to the commonwealth of Virginia, and praying the consent of the general assembly to such re-cession, and for the passage of a law to give effect thereto, if the same should be granted by congress; and as the prayer of the said petition is deemed reasonable.

1. *Be it therefore enacted by the general assembly,* That so soon as the congress of the United States shall by law re-cede to the commonwealth of Virginia the said county of Alexandria, and relinquish their exclusive jurisdiction, as well of territory as of persons residing or to reside thereon, the same shall be re-annexed to the said commonwealth, and constitute a portion thereof, subject to such reservation and provisions respecting the public property of the United States, as congress may enact in their act of re-cession.

2. *Be it further enacted,* That the general assembly hereby assents that the jurisdiction and laws of the United States, as well as the rights and privileges of the citizens of said county, and bodies politic and corporate thereof, shall continue in force and be exercised in like manner, and to the same extent, as they now exist, until the general assembly of Virginia shall by law provide for the government of said county under the constitution and laws of this commonwealth.

3. This act shall be in force from the passing thereof. (Virginia act, February 3, 1846, ch. 64.)

PROCLAMATION RELATIVE TO RETROCESSION

A proclamation by the President of the United States of America declaring Alexandria County to be retroceded to Virginia

Whereas, by the act of Congress, approved July 9, 1846, entitled "An Act to retrocede the County of Alexandria, in the District of Columbia, to the State of Virginia," it is enacted, That, with the assent of the people of the county and town of Alexandria, to be ascertained in the manner therein prescribed, all that portion of the District of Columbia ceded to the United States by the State of Virginia, and all the rights and jurisdiction therewith ceded over the same, shall be ceded and forever relinquished to the State of Virginia, in full and absolute right and jurisdiction, as well of soil as of persons residing or to reside thereon: And whereas, it is further provided, that the said act "shall not be in force until after the assent of the people of the county and town of Alexandria shall be given to it, in the mode therein provided;" and if a majority of the votes should be in favor of accepting the provisions of the said act, it shall be the duty of the President to make proclamation of the fact:

And whereas, on the 17th day of August, 1846, after the close of the late session of the Congress of the United States, I duly appointed five citizens of the county or town of Alexandria, being freeholders within the same, as commissioners, who, being duly sworn to perform the duties imposed on them, as prescribed in the said act, did proceed, within ten days after they were notified, to fix upon the first and second days of September, 1846, as the time, the court-house of the county of Alexandria, as the place, and *viva voce* as the manner of voting; and gave due notice of the same; and at the time, and at the place, in conformity with the said notice, the said commissioners presiding, and deciding all questions arising in relation to the right of voting under the said act, the votes of the citizens qualified to vote were taken *viva voce,* and recorded in poll-books, duly kept, and on the third day or [of] September instant, after the said polls were closed, the said commissioners did make out, and on the next day did transmit to me, a statement of the polls so held, upon oath, and under their seals; and of the votes so cast and polled, there were, in favor of accepting the provisions of the said act, seven hundred and sixty-three votes, and against accepting the same, two hundred and twenty-two—showing a majority of five hundred and forty-one votes for the acceptance of the same;

Now, therefore, be it known, that I, James K. Polk, President of the United States of America, in fulfillment of the duty imposed upon me by the said act of Congress, do hereby make proclamation of the "result" of said "poll," as above stated, and do call upon all and singular the persons whom it doth or may concern, to take notice, that the act aforesaid, "is in full force and effect."

In witness whereof, I have hereunto set my hand, and caused the seal of the United States to be affixed.

Done at the City of Washington, this seventh day of September, in the year of our Lord one thousand eight hundred and forty-six, and of the Independence of the United States, the seventy-first.

JAMES K. POLK.

By the President. N. P. TRIST, *Acting Secretary of State.*

Mr. SCOTT. Mr. President, in my newsletter sent to constituents throughout the State of Virginia I attempted to address myself in a concise way that newsletters, of course, must follow, with regard to this question, and I would like to share this with my colleagues here in the Senate:

A proposed constitutional amendment has passed the House of Representatives and is pending in the Senate to provide full Congressional representation for the District of Columbia. This would, of course, include two senators. The Founding Fathers' insistence on having as the seat of government a place over which the Congress would have exclusive jurisdiction and control was due at least in part to a soldiers' mutiny which threatened the Continental Congress, meeting in Philadelphia, and the failure of that city to protect the members. The District of Columbia was chosen as the permanent seat of government or Capitol of the United States so decisions affecting the entire Nation could be made free from undue influence of any state and immune from harassment or political entanglements.

While we hear phrases like "the last colony" or "taxation without representation," Washingtonians elect their own school board, their city council, mayor, participate in presidential elections, and have a nonvoting delegate in the House of Representatives. Moreover, citizens of the District of Columbia in Fiscal Year 1977

These are the latest figures that were available when we prepared the newsletter. Continuing:

Contributed $275.9 million toward Federal grants and received $942.1 million in return. The Federal treasury collected only 29¢ for every dollar it provided the city. Per capita income of the city is the second highest in the Nation, $8,067, compared with a national average of $6,399.

Today, the Federal Government employs approximately 40 percent of the work force of the City of Washington, and an additional 25 percent work in industries servicing the government. It could be called a "company town" with virtually everyone dependent upon the Federal Government for his or her livelihood. If full representation in the Congress were granted the city, it would insure the election of senators sympathetic to the needs and concerns of big government, who would promote the welfare of government agencies and employees. Senators from the District would be under no compulsion to consider the needs of any competing interest, such as farmers, miners, manufacturers, or many of the divisions of labor and management located within the fifty states.

Washington today is a city of approximately 700,000 people

I believe my distinguished colleague referred to it as 690,000 today. Continuing:

with news media espousing the viewpoint of city residents, upon which members of the Congress depend as a major source of knowledge of recent events and developments.

Now, Mr. President, any of us who have been reading the comments of the press realize the bias that exists in favor of the District of Columbia and in favor of this bill among the media in the District of Columbia. I continue:

Full representation in the Congress for the City of Washington would not be in the national interest and would inevitably lead to the kinds of pressures that the framers of the Constitution wanted to avoid when they provided for a Federal City. Washington is not a state but a city exceeded in population by ten other American cities. Under our Federal concept of government, there is no basis for electing two senators to represent it.

All members of Congress represent the District of Columbia because it is the national capital. Committees exist in both Houses of Congress to consider special needs of the city. In my opinion, we should be concerned about the welfare of the individual citizens of Washington, but this should not minimize our concern for and realization that the welfare of the people of the entire Nation is paramount, and it was concern for the general welfare of the country that caused the Constitutional Convention in 1787 to adopt the Federal City concept. It would appear that time has confirmed the good judgment of our Founding Fathers.

Then I asked constituents if they cared to share their views on this subject, and stated that I would certainly be glad to hear from them.

Mr. HATCH. Mr. President, will the Senator yield for a unanimous-consent request?

Mr. SCOTT. Of course.

Mr. HATCH. Mr. President, I ask unanimous consent that Tom Parry, Deirdre Houchins, and Dan Livingston of my staff be accorded the privilege of the floor throughout the consideration of this measure and any votes thereon.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. SCOTT. Mr. President, I think it might be pertinent to convey the thoughts, or constructive to think about the thoughts, of Madison in the Federalist Papers, No. 43, with regard to this matter. He refers to congressional authority over the District of Columbia as "to exercise exclusive legislation"—this is on page 272:

To exercise exclusive legislation, in all cases whatsoever, over such district (not exceeding ten miles square) as may, by cession of particular States and the acceptance of Congress, become the seat of the government of the United States; and to exercise like authority over all places purchased by the consent of the legislatures of the States in which the same shall be, for the erection

of forts, magazines, arsenals, dockyards, and other needful buildings.

This is Madison speaking:

The indispensable necessity of complete authority at the seat of government carries its own evidence with it. It is a power exercised by every legislature of the Union, I might say of the world, by virtue of its general supremacy. Without it not only the public authority might be insulted and its proceedings interrupted with impunity, but a dependence of the members of the general government on the State comprehending the seat of the government for protection in the exercise of their duty might bring on the national councils an imputation of awe or influence equally dishonorable to the government and dissatisfactory to the other members of the Confederacy. This consideration has the more weight as the gradual accumulation of public improvements at the stationary residence of the government would be both too great a public pledge to be left in the hands of a single State, and would create so many obstacles to a removal of the government, as still further to a bridge its necessary independence. The extent of this federal district is sufficiently circumscribed to satisfy every jealousy of an opposite nature. And as it is to be appropriated to this use with the consent of the State ceding it; as the State will no doubt provide in the compact for the rights and the consent of the citizens inhabiting it; as the inhabitants will find sufficient inducement of interest to become willing parties to the cession; as they will have had their voice in the election of the government which is to exercise authority over them; as a municipal legislature for local purposes, derived from their own suffrages, will of course be allowed them; and as the authority of the legislature of the State, and of the inhabitants of the ceded part of it, to concur in the cession will be derived from the whole people of the State in their adoption of the Constitution every imaginable objection seems to be obviated.

Then he speaks of "a like authority over forts, magazines," and so forth.

Mr. President, if we may look at "The Principles of Consitutional Law" by Professor Cooley—Thomas M. Cooley, professor of consitutional law at the University of Michigan; this is a book written around the turn of the century—Professor Cooley spoke of this same matter, and he said:

Congress is further empowered "to exercise exclusive legislation in all cases whatsoever over such district, not exceeding ten miles square, as may by cession of particular States and the acceptance of Congress become the seat of the government of the United States, and to exercise like authority over all places purchased by the consent of the legislature of the State in which the same shall be, for the erection of forts, magazines, arsenals, dock-yards, and other needful buildings." [4]

Then specifically with regard to the District of Columbia:

The cession contemplated by this clause was afterwards made by the legislatures of Maryland and Virginia, and Congress, as the legislature of the Union,[5] assumed the exercise of exclusive legislation over it, but creating municipal governments with limited powers. This exclusive legislation over people who have no voice in the selection of legislators is inconsistent with the right of self-government, on the recognition of which American institutions rest, and, like the control over territories, must be regarded as one of the necessary exceptions to which, in their application, such general principles are subject.[1] In respect to a portion of this territory Congress has relinquished its jurisdiction by retroceding it to Virginia, and for a time it gave to the remainder a territorial government. But the power in Congress thus to delegate its general legislative authority has been denied, with much apparent reason.[2]

The Constitution, as we have seen, provides for the exclusive jurisdiction in the United States, not only over the seat of government, but over other places purchased with the consent of the legislature of the State for the erection of needful buildings. This power of exclusive legislation carries with it exclusive jurisdiction; [3] the full sovereign authority over such places passes under such circumstances into the hands of the national government. The State, therefore, cannot take cognizance of acts committed there, and the inhabitants of those places cease to be inhabitants of the State, and can no longer exercise any civil or political rights under the laws of the State.[4] But land within the limits of a State can be acquired for governmental purposes in other ways than by purchase with the consent of the legislature; and if acquired in any other way, exclusive jurisdiction and legislative power do not pass to the United States. The property may be purchased without the consent of the legislature, may be taken under the power of eminent domain,[1] or may be part of territory originally belonging to the United States, and not exempted from the jurisdiction of the State at the time of the admission of the State wherein the property lies. In these cases the interest of the United States is that of an ordinary proprietor; [2] but doubtless under any circumstances the federal proprety, however acquired, would be free from any such interference and jurisdiction of the State as would destroy its effective use for federal purposes.[3] The State may also cede jurisdiction to the federal government over any such place, and in doing so may make such restrictions or conditions as it may see fit, provided they are inconsistent with the effective use of the property for the purposes for which it was acquired.[4]

Mr. President, I share these articles with the Senate because of the time in which we live, when suggestions are made that there are some other purposes for which we would deny the District of Columbia two Senators, two Members of the Senate.

Let me just review "The Constitution Annotated," because I believe this is something that is of importance to us, beginning on page 351 of "The Constitution Annotated." This is an edition which is prepared at the direction of the Congress by the Library of Congress, interpreting the constitutional provisions starting with—

Congress shall have power to exercise exclusive Legislation in all cases whatsoever, over such District (not exceeding 10 Miles square) as may, by Cession of particular States, and the Acceptance of Congress, become the Seat of Government of the United States.

Then it has this commentary supported by authorities. Under Seat of the Government, it is stated:

SEAT OF THE GOVERNMENT

The Convention was moved to provide for the creation of a site in which to locate the Capital of the Nation, completely removed from the control of any State, because of the humiliation suffered by the Continental Congress on June 21, 1783. Some eighty soldiers unpaid and weary marched on the Congress sitting in Philadelphia, physically threatened and verbally abused the members, and caused the Congress to flee the City when neither municipal nor state authorities would take action to protect the members.[1] Thus, Madison noted that "[t]he indispensable necessity of complete authority at the seat of government, carries its own evidence with it. . . . Without it, not only the public authority might be insulted and its proceedings interrupted with impunity, but a dependence of the members of the general government on the State comprehending the seat of government, for protection in the exercise of their duty, might bring on the national council an imputation of awe or influence, equally dishonorable to the government and dissatisfactory to the other members of the confederacy." [2]

The actual site was selected by compromise, Northerners accepting the Southern-favored site on the Potomac in return for Southern support for a Northern aspiration, assumption of Revolutionary War debts by the National Government.[3] Maryland and Virginia both authorized the cession of territory [4] and Congress accepted.[5] Congress divided the District into two counties, Washington and Alexandria, and provided that the local laws of the two States should continue in effect.[6] It also establisehd a circuit court and provided for the appointment of judicial and law enforcement officials.[7]

There seems to have been no consideration, at least none recorded, given at the Convention or in the ratifying conventions to the question of the governance of the citizens of the District.[8] Madison in *The Federalist* did assume that the inhabitants "will have had their voice in the election of the government which is to exercise authority over them, as a municipal legislature for all local purposes, derived from their own suffrages, will of course be allowed them. . . ." [9] Although there was some dispute about the constitutional propriety of permitting local residents a measure of "home rule," to use the recent term,[10] almost from the first there were local elections provided for. In 1802, the District was divided into five divisions, in some of which the governing officials were elected; an elected mayor was provided in 1820. District residents elected some of those who governed them until this form of government was swept away in the aftermath of financial scandals in 1874 [11] and replaced with presidentially appointed Commission in 1878.[12] The Commission lasted until 1967 when it was replaced by an appointed Mayor-Commissioner and an appointed city council.[13] In recent years, District residents have been afforded the opportunity to vote for President and Vice President,[14] to elect a nonvoting delegate to Congress,[15] and to elect a school board.[16]

Constitutionally, it appears that Congress is neither required to provide for a locally elected government [17] nor precluded from delegating its powers over the District to an elective local government.[18] The Court has indicated that the "exclusive" jurisdiction granted was meant to exclude any question of state power over the area and was not intended to require Congress to exercise all powers itself.[19]

Chief Justice Marshall for the Court held in *Hepburn* v. *Ellzey* [20] that the District of Columbia was not a State within the meaning of the diversity jurisdiction clause of Article III. This view, adhered to for nearly a century and a half,[21] was overturned by the Court in 1949 upholding the constitutionality of a 1940 statute authorizing federal courts to take jurisdiction of nonfederal controversies between residents of the Distirct of Columbia and citizens of a State.[22] The decision was by a five to four division but the five in the majority disagreed among themselves on the reasons. Three thought the statute to be an appropriate exercise of the power of Congress to legislate for the Dis-

Footnotes at end of article.

trict of Columbia pursuant to this clause without regard to Article III.[23] Two others thought that *Hepburn* v. *Ellzey* had been erroneously decided and would have overruled it.[24] But six Justices rejected the former rationale and seven Justices rejected the latter one; since five Justices agreed, however, that the statute was constitutional, it was sustained.

It is not disputed that the District is a part of the United States and that its residents are entitled to all the guarantees of the United States Constitution including the privilege of trial by jury[25] and of presentment by a grand jury.[26] Legislation which is restrictive of liberty and property in the District must find justification in facts adequate to support like legislation by a State in the exercise of its police power.[27]

Congress possesses over the District of Columbia the blended powers of a local and national legislature.[28]

FOOTNOTES

[1] J. Fiske, *The Critical Period of American History, 1783–1789* (Boston: 1888), 112–113; W. Tindall, *The Origin and Government of the District of Columbia* (Washington: 1903), 31–36.

[2] *The Federalist* No. 43 (Modern Library ed. 1937), 279. *See also* 3 J. Story, *Commentaries on the Constitution of the United States* (Boston: 1833), §§ 1213, 1214.

[3] W. Tindall, *The Origin and Government of the District of Columbia* (Washington: 1903), 5–30.

[4] Maryland Laws 1798, ch. 2, p. 46; 13 Laws of Virginia 43 (Hening 1789).

[5] Act of July 16, 1790, 1 Stat. 130. In 1846, Congress authorized a referendum in Alexandria County on the question of retroceding that portion to Virginia. The voters approved and the area again became part of Virginia. Laws of Virginia 1845–46, ch. 64, p. 50; Act of July 9, 1846, 9 Stat. 35; Proclamation of September 7, 1846; 9 Stat. 1000. Constitutional questions were raised about the retrocession but suit did not reach the Supreme Court until some 40 years later and the Court held that the passage of time precluded the raising of the question. *Phillips* v. *Payne*, 92 U.S. 130 (1875)

[6] Act of February 27, 1801, § 2, 2 Stat. 103. The declaration of the continuing effect of state law meant that law in the District was frozen as of the date of cession, unless Congress should change it, which it seldom did. For some of the problems, *see Tayloe* v. *Thompson*, 5 Pet. (30 U.S.) 358 (1831); *Ex parte Watkins*, 7 Pet. (32 U.S.) 568 (1833); *Stelle* v. *Carroll*, 12 Pet. (37 U.S.) 201 (1838); *Van Ness* v. *United States Bank*, 13 Pet. (38 U.S.) 17 (1839); *United States* v. *Eliason*, 16 Pet. (41 U.S.) 291 (1842).

[7] Act of March 3, 1801, § 1, 2 Stat. 115.

[8] The objections raised in the ratifying conventions and elsewhere seemed to have consisted of prediction of the perils to the Nation of setting up the National Government in such a place. 3 J. Story, *Commentaries on the Constitution of the United States* (Boston: 1833), §§ 1215, 1216.

[9] *The Federalist* No. 43 (Modern Library ed. 1937), 280.

[10] Such a contention was cited and rebutted in 3 J. Story, *Commentaries on the Constitution of the United States* (Boston: 1833), § 1218.

[11] Act of May 3, 1802, 2 Stat. 195; Act of May 15, 1820, 3 Stat. 583; Act of February 21, 1871, 16 Stat. 419; Act of June 20, 1874, 18 Stat. 116. The engrossing story of the postwar changes in the government is related in W. Whyte, *The Uncivil War: Washington During the Reconstruction* (Washington: 1958).

[12] Act of June 11, 1878, 20 Stat. 103.

[13] Reorganization Plan No. 3 of 1967, 32 Fed. Reg. 11699, reprinted as appendix to District of Columbia Code, Title I.

[14] Twenty-third Amendment. *See infra*, pp. 1584–1585.

[15] P.L. 91–405, 84 Stat. 848 (1970), D.C. Code § 1–291.

[16] P.L. 90–292, 82 Stat. 101 (1968), D.C. Code, § 31–101 *et seq.*

[17] *Loughborough* v. *Blake*, 5 Wheat. (18 U.S.) 317 (1820); *Heald* v. *District of Columbia*, 259 U.S. 114 (1922).

[18] *District of Columbia* v. *John R. Thompson Co.*, 346 U.S. 100 (1953). The case upheld the validity of ordinances enacted by the District governing bodies in 1872 and 1873 prohibiting racial discrimination in places of public accommodations.

[19] Id., 109–110. *See also Thompson* v. *Lessee of Carroll*, 22 How. (63 U.S.) 422 (1860); *Stoutenburgh* v. *Hennick*, 129 U.S. 141 (1889).

[20] 2 Cr. (6 U.S.) 445 (1805); *see also Sere* v. *Pitot*, 6 Cr. (10 U.S.) 332 (1810); *New Orleans* v. *Winter*, 1 Wheat (14 U.S.) 91 (1816). The District was held to be a State within the terms of a treaty. *Geofroy* v. *Riggs*, 133 U.S. 258 (1890).

[21] *Barney* v. *City of Baltimore*, 6 Wall. (73 U.S.) 280 (1868); *Hooe* v. *Jamieson*, 166 U.S. 395 (1897); *Hooe* v. *Werner*, 166 U.S. 399 (1897).

[22] *National Mutual Ins. Co.* v. *Tidewater Transfer Co.*, 337 U.S. 582 (1949).

[23] Id., 588–600 (Justices Jackson, Black and Burton).

[24] Id., 604 (Justices Rutledge and Murphy). The dissents were by Chief Justice Vinson, id., 626, joined by Justice Douglas, and by Justice Frankfurter, id., 646, joined by Justice Reed.

[25] *Callan* v. *Wilson*, 127 U.S. 540 (1888); *Capital Traction Co.* v. *Hof*, 174 U.S. 1 (1899).

[26] *United States* v. *Moreland*, 258 U.S. 433 (1922).

[27] *Wright* v. *Davidson*, 181 U.S. 371, 384 (1901); *cf. Adkins* v. *Children's Hospital*, 261 U.S. 525 (1923), overruled in *West Coast Hotel Co.* v. *Parrish*, 300 U.S. 379 (1937).

[28] *Kendall* v. *United States, ex rel. Stokes*, 12 Pet. (37 U.S.) 524, 619 (1838); *Shoemaker* v. *United States*, 147 U.S. 282, 300 (1893); *Atlantic Cleaners & Dyers* v. *United States*, 286 U.S. 427, 435 (1932); *O'Donoghue* v. *United States*, 289 U.S. 516, 518 (1933).

Mr. President, of course, this was later changed, but at the time of the writing of this article, that was true:

This fact means that in some respects ordinary constitutional restrictions do not operate; thus, for example, in creating local courts of local jurisdiction in the District Congress acts pursuant to its legislative powers under clause 17 and need not create courts which comply with Article III court requirements. And when legislating for the District Congress remains the legislature of the Union, so that it may give its enactments nationwide operation to the extent necessary to make them locally effective.

Then under the hearing of "Authority Over Places Purchased"—Mr. President, there is no useful purpose to be served in reading that. But I do read from the pocket part of the Constitution Annotated. It does have this additional provision:

In 1973, Congress provided for a limited form of self-government in the District with the major offices to the filled by election.

Of course, that is the District of Columbia Self-Government and Governmental Reorganization Act. That is Public Law 93–198, 87 Statutes at Large, 774.

Mr. President, I do have other material to go over. Senator HATCH and Senator THURMOND had each asked to be afforded the opportunity to speak. In the meantime, on behalf of Senator Bartlett, I ask unanimous consent that the privilege of the floor be accorded to Tom Wasinger of Senator BARTLETT'S staff.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. SCOTT. Mr. President, I have looked at a legal encyclopedia to get further information, because it is so easy for us to be talking about a matter without looking at the laws and the reasons for the type of government that we have in the District of Columbia, the Federal concept that our forefathers found. If we look in volume 27 of Corpus Juris Secundum—I believe this is the largest legal encyclopedia. It has 144 volumes. Under the portion related to the District of Columbia, it does review the law. Some of it is repetitions of the matters that I have discussed. I do want to share it at a later time, but I see my distinguished colleague from South Carolina is now on the floor. He did indicate that he wanted to speak on this matter at this time. So, Mr. President, I yield to the Senator from South Carolina.

Mr. MELCHER. Mr. President, I wonder if the Senator would yield to me first. I note that I shall be occupying the chair in 5 minutes and I have a few remarks.

Mr. SCOTT. The Senator from South Carolina is agreeable. Of course, I am glad to yield to the Senator from Montana.

Mr. MELCHER. I thank the Senator for the courtesy.

Mr. President, I want briefly to paraphrase parts of the opening remarks so eloquently made by the Senator from Massachusetts. In matters of fundamental justice and human rights, the issue is one of simple justice for 690,000 citizens who must have representation in Congress. In the view of legal scholars, there is no constitutional impediment to enactment of this measure.

Mr. President, it is my belief that, no, there is no constitutional impediment. It is also my belief and my best judgment that the drafters of the Constitution were wrong in denying permanently the right of vote to the residents of the District of Columbia. I believe that error should be corrected by an amendment to the Constitution—but not this amendment.

I have long supported election by District residents for representation in the House that they are entitled to on the basis of population. I now support the right of residents of the District to vote for Senators in Maryland. I do not say that lightly.

I am not aware that the people of Maryland, or the Senators representing the State of Maryland, would welcome it. But there is a basis for it. A portion of the original District of Columbia, on the Virginia side of the Potomac, was reabsorbed into the State of Virginia by Congress ceding it back to the State, and, of course, Virginia accepted it willingly. That procedure is not now advocated for the balance of the District of Columbia. Yet the right of representation is the fundamental right of a citizen in this country and it is a right that should not be denied. That right for citizens of the District of representation in the Senate, should be accomplished by amending the Constitution and amending this very res-

olution that is before us to permit these citizens in the District to vote in Maryland for representation to the Senate.

That is not what the residents of the District of Columbia are beating the drums for. That is not what is proposed by this House Joint Resolution No. 554, which passed the House. But that is a course that is available for the District residents and it is available for us here in Congress to provide them that opportunity by this constitutional amendment.

Why? The dilution of the value of a State's vote here in the Senate by enlarging the Senate, as proposed in House Joint Resolution 554, is precisely 2 percent. Many people would shrug, as that would be an insignificant amount. However, my State would view it as significant. During the course of the debate on the issue here before us, I shall attempt to add further meaning and further clarification as to why my State would view an enlargement of the Senate by two more Members as a significant dilution of the votes in the Senate and what they regard as a protection mechanism framed by the Constitution and provided for them, regardless of population, that the State would always have two Senators.

Mr. President, again, I thank the Senator from Virginia for yielding to me and the opportunity afforded me also by the Senator from South Carolina in graciously permitting me this short time.

Mr. HATCH. Mr. President, as I understand it, the distinguished Senator from North Carolina would like some time?

Mr. THURMOND. Mr. President, who is keeping time on our side?

The PRESIDING OFFICER. There is no time control on this measure.

Mr. SCOTT. Mr. President, I did agree to yield to the distinguished Senator from South Carolina. I am sure that the Senator will be agreeable to that.

Mr. HATCH. I am happy to yield to the distinguished Senator from South Carolina.

Mr. THURMOND. Mr. President, I am just wondering, has the Senator from Virginia given up the floor?

Mr. SCOTT. The Senator from Virginia has given up the floor for the time being, but I shall return.

Mr. THURMOND. I see.

How long will the Senator take?

Mr. HATCH. I was planning on speaking for quite a while, but I am happy to yield the floor to the Senator.

Mr. THURMOND. If the Senator wants to go ahead, if it is short, but if it is long, perhaps I should go.

Mr. HATCH. The Senator can go ahead first and I will follow up.

Mr. THURMOND. That is fine.

Mr. President, I rise today to voice my support for House Joint Resolution 554, a resolution to provide for the amending of the U.S. Constitution to allow full voting representation for the District of Columbia in the Congress.

I have come out in favor of this resolution for one simple reason. It is just not fair, that in the year 1978, more than 700,000 American citizens do not have the right to elect representatives to Congress. No one in 1790, when the District was created, could have imagined the rapid growth and changes that were to take place in the District of Columbia. Thus, I believe the time has now come for the Congress to debate this issue and then submit it to the States for their consideration.

Mr. President, we should not allow this transformation of the District to be ignored any longer. Because of the fact there were only 14,000 people in the District when it was created, it has now resulted in the denial to more than 700,000 citizens of the right that all Americans cherish—the right to vote for their Representatives to Congress.

UNFORESEEN GROWTH OF THE DISTRICT

History tells us that the failure to provide the District of Columbia with representation was an oversight and not because of any specific intent by the Founding Fathers. As early as 1783, the Continental Congress was meeting in various places throughout the East. This so-called gypsy Congress was outraged with its situation and thus, in 1787, resolved that:

> The Congress shall have power . . . to exercise exclusive legislation in all cases whatsoever over such District (not exceeding ten miles square as may by the cession of particular states, and the acceptance of Congress, become the seat of government of the United States) . . ." (Article I of the Constitutional Convention, the Seventeenth paragraph of Section Eight).

Finally, in 1790, the Congress approved legislation establishing a permanent seat of government.

Unfortunately, there were many problems that overshadowed the creation of the District of Columbia. There was an intense public debate over where exactly this seat of Government should be located. In addition, there were other pressing problems that needed attention by the youthful Government, and thus the matter of representation for a yet-to-be identified group of citizens fell by the way, even though there were occasional expressions of concern over who would look after the interests of the citizens of the District.

James Madison, in the Federalist No. 43, recognized the future needs of the inhabitants of the District and that they should have a voice in the election of the Government which was to exercise authority over them. Once again, however, the expressions of concern about the residents of the District never became reality. When the Congress accepted the cession of the District of Columbia by Maryland and Virginia in 1790, the voting rights of its residents were governed by the respective laws of Virginia and Maryland. Thus, until 1800, District residents voted in either Virginia or Maryland.

Soon after December, in 1800, Congress passed legislation to freeze the laws of the two States which effectively disenfranchised the residents of the District of Columbia.

Mr. President, when Congress finally moved to the District of Columbia, there were only 14,000 residents in the city. This was far less than the 50,000 residents required for statehood, and less than the 30,000 required for the establishment of a congressional district. Clearly, the small population of the District was instrumental in the lack of attention paid to it by the Congress. Moreover, the growth of the District was unforeseen by Congress. Certainly Congress did not envision the eventual disenfranchisement of nearly 750,000 persons—15 times the minimum number of persons originally required for statehood.

The provisional estimates of the U.S. Census Bureau, July 1, 1977, lists the population of the District of Columbia as greater than seven States: Wyoming, Nevada, Alaska, North Dakota, South Dakota, Delaware, and Vermont. Seven States, Mr. President, have populations less than the District of Columbia. Yet each of these States has two Senators and Congressional Representatives in the Congress.

D.C. REPRESENTATION AS MATTER OF FAIRNESS

Mr. President, the residents of the District of Columbia deserve the right to representation in Congress if for no other reason than simple fairness. According to a 1975 Congressional Research Service report, it was estimated that the citizens of the District of Columbia paid more than $1 billion in Federal income taxes. Yet they have no representation.

Taxation without representation. That was an axiom that was rejected early in American history. It was not fair in 1776 to tax and not allow representation, and it is not fair today.

District of Columbia residents pay their fair share of the support of the Federal Government. District residents paid $664 per capita in Federal taxes in 1976. This amount was $77 above the national average. There are only seven States with a higher per capita of Federal taxes paid. The residents of the District of Columbia are not getting a free ride. They are paying a substantial share of Federal taxes, but receive no opportunity to have a say in how those tax dollars should be spent. As a matter of fairness, they should.

Mr. President, not only do the residents of the District of Columbia pay Federal taxes with no voice in how those tax dollars are spent, they are subject to laws in which they have little or no opportunity for input. Congress often passes on legislation that affects the District as well as the States. In most cases, the issues that affect more than 220 million Americans also affect the residents of the District of Columbia. But those residents have no representatives to cast votes in the Congress on those issues. Fundamental fairness dictates they should have that opportunity.

LEADERSHIP IN HUMAN RIGHTS

Mr. President, recently much has been made of the issue of human rights. The President has predicated a portion of his foreign policy on this issue. So has the Congress on various occasions. I say we cannot talk about human rights to others in the world until we here at home can show we are recognizing basic human rights. One of America's fundamental rights is the right to participate in a democracy. Residents of the District are being denied that right.

Throughout the world community, only two other Federal districts deny

their residents full voting representation in their national legislatures—Brazil and Nigeria. Citizens of London, Paris, and Bonn are represented in their national legislatures. Are we to be considered less democratic than England, France, or West Germany? I would hope not.

Mr. President, human rights begin at home, here in the Nation's Capital. The fact that more than 700,000 people do not have a voice in the election of those who write the Nation's laws is not a very good position from which to preach human rights. We need to practice what we preach. That means, at the least, giving the residents of the District of Columbia the right to elect their own Representatives and Senators to Congress.

Finally, there are many arguments being made that the Constitution prohibits the District from having voting representation by adoption of House Joint Resolution 554. I have studied all of the arguments in this regard and have concluded that nothing in the Constitution prevents House Joint Resolution 554, or any similar measure, if adopted, from giving the District full voting representation. It can be done if Congress, by two-thirds vote of both bodies, votes for it, and if three-fourths of the States ratify it within 7 years. I believe this procedure is consistent with broad constitutional principles, and gives the District of Columbia the opportunity it so well deserves—to be treated as a State with respect to the right to have voting representation in Congress.

Mr. President, the District of Columbia is a unique place. It is probably the No. 1 tourist attraction in the Nation. Visitors from far and wide come to see our national monuments, parks, statutes, and other landmarks. They visit the White House, the Congress, and the Supreme Court.

But there is more to Washington, D.C., than just tourist attractions. Three-quarters of a million people live and work in the District. These are people who are affected by high taxes, inflation, foreign policy, farm prices, educational issues—issues that affect each and every American. Yet, no one represents their views with a vote in Congress. This is unfair, Mr. President, and I strongly urge my colleagues in the Senate to join me in taking steps to end this injustice by voting for House Joint Resolution 554.

By supporting this resolution the Senate is not taking final action to give the District voting representation in the Congress, because the States of the Nation will have to consider it and three-fourths of them will have to ratify before it becomes part of the Constitution. The people of each State will have the opportunity to express their views on this matter before any change is made to our Constitution.

The procedure to amend the Constitution is long and tedious to make sure that careful consideration is given by the Congress and the States to each proposed amendment thereto. This insures that whatever decision is reached will truly represent the wishes of the people of the Nation.

Mr. CURTIS. Mr. President I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The second assistant legislative clerk proceeded to call the roll.

Mr. HATCH. Mr. President I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection it is so ordered.

Mr. HATCH. Mr. President the privilege of participating in the electoral process is a basic principle of our system of government. Both the Republican and Democratic platforms of 1976 have endorsed the principle of representation of the District of Columbia in Congress, and I share the conviction of both parties that the District residents should enjoy all the privileges of American citizenship.

House Joint Resolution 554, however, seeks to invest citizens of the District with the powers to participate fully in the electoral process, but in doing so it ignores certain fundamental constitutional principles and raises more questions than it answers.

Because a large number of District residents are black, supporters of this measure have attempted to characterize the opposition as racist in nature. This simply is not true. This is not a racial question, and anybody who argues that way, I think, is stretching the point far beyond where it should be stretched.

The fact is—and I would like to make it very clear—that I support the intent of this amendment and would never seek to deny anyone, regardless of their race or religion, their rights as American citizens. My objections to House Joint Resolution 554 stem entirely from the fact that it was poorly drafted and completely ignores the basic constitutional principles which define popular participation in government. My objections are constitutional and deserve a great deal of consideration.

At the heart of the difficulty is section 1 of the proposed amendment, which treats three different kinds of voting procedures—electing Members of Congress, electing the President and the Vice President, and ratifying amendments—as one and the same, even though each requires a different means of election or popular participation. Only in congressional elections do the people participate directly. Yet, House Joint Resolution 554, the matter before us at this time, purports to grant to the citizens of the District of Columbia the right to participate directly in all elections and in the consideration of amendments to the Constitution.

The proposal seeks to grant the District the right to participate in the amendatory process, even though the District of Columbia has no State legislature. It fails to indicate which political body shall determine the acceptance or rejection of an amendment and avoids the question entirely, with the vague and meaningless phraseology of section 2, which states that:

The exercise of rights and powers shall be by the people of the District . . . and as shall be provided by the Congress.

If "the people" are to ratify proposed constitutional amendments, then District of Columbia residents would have rights that no other citizen in the country has. They would possess a privilege that no citizen of any other State has.

If ratification is determined "by the Congress," then Congress has the new power to ratify the amendments it proposes, in direct contradiction of article V of the Constitution.

These are pretty important constitutional issues. This is poorly drafted, the workmanship is shoddy, it is unconstitutional, it is unsound, and it conveys privileges to the citizens of the District which no other citizens in any other State have.

Section 3 of House Joint Resolution 554 repeals the 23d amendment to the Constitution, thereby abolishing the District of Columbia's electoral votes. Yet, only State legislatures can appoint electors, and the District of Columbia has no State legislature. Congress does not have the authority to appoint electors. So it would seem that the proposal gives District citizens the right to vote directly for the President, without providing electors to reflect the vote. That would be a privilege no other citizen in this country has.

So, in our zeal to try to provide a means whereby the residents of the District of Columbia can vote for national legislative representatives, we ignore the rights of citizens of other States throughout the country.

Finally, House Joint Resolution 554 gives District citizens the right to vote for two Senators who would represent a city, not a State.

No matter what the arguments are, no matter that they can show that some States may have smaller populations, may pay less revenues into the Federal Government, they nevertheless are States that were brought into the Union pursuant to constitutional mandates and pursuant to the system set up by the Founding Fathers. It is completely different from what we have here.

There is nothing in the Constitution that says that States have to have the same population or that they have to pay the same amount of revenues. There is no real valid argument that can be made there. So those are emotional arguments that are made as, it seems to me, a ploy to try to ignore the constitutional reality.

The fact is that if you review it, House Joint Resolution 554 gives the District citizens, members of the city, the right to vote as though they are citizens of a State. We know it is just a city. It contains no substantial interest group other than the Federal Government.

One reason why the Founding Fathers created it the way they did is that they wanted the States to have these rights. They did not want to give them indiscriminately. They wanted to create geographical entities with diversity of interests.

I submit that this is a Federal enclave. There is no real diversity of interests.

The District of Columbia does not meet the qualifications of a State, which has some people within the State who believe only the Federal Government can solve the problems and some people who

believe otherwise. In fact, I submit the vast majority would believe otherwise if they had watched this system of government the way it has been operating in the last 42 of the last 46 years.

In accordance with the fundamental nature of our federal system Senators from all other States must continually balance a variety of State interests against the national interests. D.C. Senators would be little more than spokesmen for a single interest group, the Federal Government, and none of the State restraints basic to our system of government would be applicable.

These are pretty important issues and pretty important questions, and they cannot be done away with through emotional arguments. I do not think the majority of the States are going to let them be done away with merely through emotional arguments.

These are some of the major problems I see raised by this carelessly drafted proposal. Its basic intent, voting representation for the citizens of the District, is commendable. But by failing to address itself to the special Federal nature of the present District of Columbia, by conveniently ignoring the fact that the District does not possess the attributes of statehood necessary to exercise the privileges that it would confer, this resolution's effect would be nothing less than a disfigurement of the constitutional principles which apply to every State in the Union.

Some mention should be made here of the tactics used to bring the proposal to the Senate floor for consideration. The Senate version, Senate Joint Resolution 65, was never reported out of the subcommittee and consequently never even considered by the full Judiciary Committee. The chairman of that committee, Senator EASTLAND, is out of town and in fact out of the country. And now we are asked to consider the flawed House version without having the opportunity to correct some of the provisions which make it unacceptable to a number of us.

I suggest, Mr. President, that these high-handed tactics fail to serve the Members of this body, and even more importantly, they fail to serve the citizens of the District whose full participation in our government we are seeking to effect.

If we add it up, what we are trying to do here emotionally and literally is ignore the basic mandates of our U.S. Constitution.

There are a number of arguments which have been given against full voting representation as evidenced by this House resolution.

No. 1, granting representation to the District would be contrary to the intent of the framers of the Constitution. It was the intent of the Framers that the seat of Federal Government would be set aside for that purpose only outside the jurisdiction of any State, secure from entangling interests. I think we could refer to the Federalist Papers No. 43. It was not intended to be a sovereign power in the same sense as the other States. I do not think any emotional stretch of logic can accomplish that.

No. 2, granting the District power as though it were a "State" would violate the Constitution and work a qualitative change upon our Federal system. The Constitution refers only to "States" as having representation in the Senate and the House of Representatives. There is no language to suggest that any other political entity could qualify for voting representation in either Chamber. The courts have held the District is a "State" only in limited cases. The District lacks a legislature or any of the necessary indicia of a sovereignty which would make it a "State" within the meaning of the Constitution. This resolution would create a "pseudo state" which would do violence to the Constitution and undermine the nature of the Federal system of our Republic.

No. 3, granting full representation would violate article V of the Constitution. The framers intended article V to protect the States from having their "equal suffrage" diminished in the Senate.

To grant the District voting representation in Congress would contravene this language and alter the Federalist nature of this Republic. To accord two Senators from an entity other than a State, a district, purposely set aside from the State, would diminish that "equal suffrage" in the Senate.

So article V of the Constitution would be violated by this emotional approach to solve what I agree is a serious problem and one that I would like to solve but in a way that would not only give everyone the right to vote, but also the commensurate responsibilities to go along with it and not give them special rights that other citizens in the country do not presently have.

No. 4, granting the District full representation is to award it all the benefits of statehood without the accompanying burdens. By virtue of its status as a Federal entity, the District is dependent upon Congress and it is not concerned with the responsibilities, problems, or revenue needs of the individual States. Such a proposal is unfair to the States and runs counter to the principle of equality inherent in our Constitution.

No. 5, the District of Columbia is a city, not a State, and if the District of Columbia can elect its own Senators, it is logical and equitable to give every other city of equivalent size the same rights of representation or, at least, that is going to be an argument we will hear from this day forward and I think a fallacious one at that. The fact that these cities already elect representatives in Congress is irrelevant. They must share their Senators with the rest of the States. If the District of Columbia had two Senators, they would speak only for a single urban area. It would grossly overrepresent the only city in the Nation which already has two congressional committees dedicated solely to its needs.

No. 6, Washington, D.C., is already a "company town." Thirty-nine percent of the population of the District is employed by the Federal Government and services make up 25 percent more of those jobs. To grant full representation would insure that the interests of the Federal bureaucracy would receive even greater attention in Congress than they already receive. A Senator would have the Federal Government itself as his chief interest in direct conflict with the intent of the framers of the Constitution.

In all honesty at least 60 percent of the people within the District have some relationship to the Federal Government, either directly as employees, directly as providing services to the Federal Government, or making money off the Federal Government representing various special interest groups.

It is a huge, huge Federal enclave that has no characteristic that anyone can compare with statehood. It is a "company town." And it certainly should not be treated as a State even though that would be the language of this amendment.

(Mr. McGOVERN assumed the chair.)

Mr. HATCH. I believe the language itself would be unconstitutional even though we may, in the course of proceeding, report this amendment out.

No. 7. The residents of the District already have representation in Congress. No other State or city in the country can claim its own special committee in the House and a committee in the Senate which handle their problems exclusively. The District is exclusively the concern of Congress and, in a larger sense, all Members of Congress represent all residents of the District.

In view of the fact that the taxpayers of the District receive far more in Federal benefits each year than they contribute to the Federal Treasury, it would appear that they are already well represented in Congress.

However, I have to concede that under present circumstances they may not vote for voting representatives. I would like to see that remedied, but this is not the way to remedy it. This flies in the face of every basic Federal belief we have had through the years, and certainly every constitutional principle and historical principle backing up the Constitution that we have had since the beginning of this great Nation.

The article granting representation would set a bad precedent for other non-States. You know, residents of the District are not the only ones who cannot vote for Senators and Congressmen, even though their privileges are in many ways better than any other citizen in any other State. There is no reason to assume that Puerto Rico, Guam, American Samoa, and the Canal Zone could not be granted Senate and House representation if the non-State of the District were granted such representation.

So it is not just the District that is suffering or having this difficulty. We have to solve this difficulty for others as well, and there will be a clamor to do so.

I can remember on another subject during the Panama Canal debate that even before it began I said if we ratify those treaties you are going to find that the next clamor will be for us to give up Guantanamo Naval Base, give up Puerto Rico, Guam, and so forth. Lo and behold just a month or so ago that clamor has already begun, and I can tell you this is

not going to end just because of an amendment granting this Federal enclave special privileges.

When I say special privileges, I mean special privileges in that they will have the privilege of direct election of the President, which no other citizen has, and they will lose certain privileges, as I have stated before in my remarks.

The residents of the District are not victims of "taxation without representation." In fiscal year 1977 the Federal payment to the District totaled $276 million. In addition, Federal grants amounted to $340 million. The District received $32 million in revenue-sharing funds. In Federal loans the District total was $101,292,000. In addition to these, the Metro system is heavily funded from Federal revenue; and over $300 million is contributed annually by the Federal Government to the city budget to reimburse the city for Federal property it cannot tax.

Obviously, the residents of the Nation's capital are not being shortchanged. The District is heavily favored in the Congress by virtue of its special committees on the District.

No. 10. Granting full representation poses insurmountable handicaps. State legislatures must realize that their own States power in Washington will be reduced with the addition of two Senators and Representatives for the District of Columbia. There is a genuine concern about the mandate of the Constitution in this area as well, as previously explained.

The granting of Senate and House representation opens the door to a whole myriad of jurisdiction.

The District would have all of the privileges of statehood without the concurrent responsibilities, and our system of dual federalism would be seriously damaged.

There are many other reasons, of which these are only a few.

On March 2 the House of Representatives, by a vote of 289 to 127 approved House Joint Resolution 554, a constitutional amendment that would give the District of Columbia voting representation in the House and Senate and, in addition, would allow the District to participate like the States in the ratification of constitutional amendments.

Since all legislation in the Senate has been delayed by the length of the Panama Canal debate, it was not known, frankly it had not been known up until now—when we would be taking up this measure. Labor reform also caused some delays in taking up this measure.

Frankly, it is here and we are going to have to face the responsibility of doing whatever is right under the circumstances.

The text of the House Joint Resolution 554 is as follows:

Joint resolution proposing an amendment to the Constitution to provide for representation of the District of Columbia in the Congress.

Section 1.

As I mentioned before, section 1 has some grave defects:

For the purpose of representation in the Congress, election of the President and Vice President, and article V of this Constitution, the District constituting the seat of government of the United States shall be treated as though it were a State.

No amount of reasoning is going to make the District of Columbia a State. As a matter of fact, it would be more aptly described as a Federal enclave and, as George Will described it, as a Federal enclave surrounded on all four sides by reality.

The fact is that under section 1 of this House joint resolution, the three different kinds of voting procedures—of electing Members of Congress, electing the President and Vice President, and ratifying amendments—are treated as one and the same though each requires a different means of election or popular participation, because only in congressional elections do the people participate directly. Yet this resolution, this proposed constitutional amendment, purports to grant to the citizens of the District of Columbia the right to participate directly in all elections and in the consideration of amendments to the Constitution. No other citizen has that right at the present time.

The proposal, as I stated before, seeks to grant the District the right to participate in the amendatory process, even though the District of Columbia has no State legislature. It fails to indicate which political body shall determine the acceptance or rejection of an amendment, and avoids the question entirely within the vague and meaningless phraseology of section 2, which is as follows:

Section 2. The exercise of the right and powers conferred under this article shall be by the people of the District constituting the seat of government, and as shall be provided by the Congress.

So, as you can see, section 2 states that the exercise of the rights and powers shall be by the people of the District and as shall be provided by the Congress.

If the people are to ratify proposed constitutional amendments, then again the District of Columbia residents will possess rights and privileges which no other citizen of any other State has, and that is to participate directly in the amendatory process, which can only be done for citizens in other States through their State legislatures.

There is a very good reason for that, and that reason is because in their infinite wisdom, which I believe was inspired, our Founding Fathers wanted this to be a Federal Republic with, in essence, two groups that would fight to effectuate better government for the whole, and that is the Federal group and the States groups.

We have had an erosion of State government for 42 of the last 46 years, as we basically had one philosophy rule in this society. Frankly, I, for one, believe we need that balance between the States and the Federal Government in order to not lose that which we have, and in order not to undermine the Constitution, the basic document of our society and of our Government, upon which our whole society depends.

If the people were to ratify this constitutional amendment, with this particular section 2, then District of Columbia citizens will be able to vote directly in the ratification process, something that no other citizen in the country can do.

And that is in direct contradiction of article V of the Constitution, which provides that only State legislatures can do this. So this is not some simple little amendment that gives voting rights to elect two Senators and a Representative to the District. This little "simple" amendment actually attacks the very basic fabric of our constitutional way of life. I think it has to be considered on that basis.

(Mr. MELCHER assumed the chair.)

Mr. HATCH. Section 3 reads as follows:

The twenty-third article of amendment to the Constitution of the United States is hereby repealed.

What that does, in repealing the 23d amendment to the Constitution—again, this is not just a simple little step, it is a radical step—pursuant to section 3, is abolish the District of Columbia's electoral votes. So, on the one hand, we are giving them the right to vote for the President and Vice President directly, and, on the other hand, we are taking away their electors. Congress does not have the authority to appoint electors, and so, as I have said before, it would seem that the proposal gives District citizens the right to vote directly for the President without providing electors to reflect that vote.

That is up in the air. It is literally up in the air whether they have the right to vote directly or not, but I think the argument has to be that they do, and if they do, no citizen of any other State has that right. Whether that is a good right or not is a debate for another time and another place, but nevertheless it shows we are undermining the basic tenets of the Constitution.

This little, simple amendment to the Constitution which is so emotionally well advanced has to be scrutinized if we believe in the Constitution and our system of government.

You know, when you start talking about the Constitution of the United States, you are not talking about something that can just be changed at will. As I have stated, in the history of this country there have been some 6,000 proposed amendments, but of the 6,000 amendments there have been only 32 which have come out of Congress, out of 6,000. It is not easy to amend the Constitution of the United States; it is tough, and there is a very good reason for that.

This is not supposed to be an easily amended document. This document has lasted because it is not easily amended, because no special interest power group can change it at will. That is something that is of great advantage to us.

Of the 6,000 proposed amendments, only 32 have come through. Of the 32, only 26 have amended the Constitution; and of the remaining 6, there is only 1 left, and that is the equal rights amendment. It has had almost 7 years for ratification, and I suppose we will be into that within the next few weeks. But it has had almost 7 years now.

That is an interesting point. On rati-

fication, the average time for ratification of amendments to the Constitution is 1 year and 4 months. The equal rights amendment has had almost 7 years, and because it does not look as though they can get 38 States to ratify it by March 21, 1979, they want an additional 7 years.

We have a lot of people who are attacking the basic fabric of our society. Of the basic document of our society they say, "No, it should be amendable at will."

As to the time for ratification of amendments, of these 26 which have been ratified, none have taken longer than 4 years. All have been less than 4 years. So you can see this is serious business; it is not just an emotional argument on either side, although I think the argument of the other side, the proponents of this particular resolution, is primarily an emotional one.

I sympathize with the emotional argument that every citizen of the United States should have the right to vote and have representation, but there are ways of doing that, short of dramatically changing the basic system of our Government, which have served us long and well. Cities vote within the States, and do not vote solely as cities, and consequently as one special interest group.

The fact of the matter is, if this does come out of the Senate and the House, as difficult as this proposed amendment is, I submit to you that there will not be much enthusiasm for it by the other sovereign States, which of course know that their rights are being reduced as a result of this type of an emotional approach to solving what is a very real problem.

Again, I must add that I sympathize sincerely with the very real problem, and will work to try to solve that problem in a constitutional way, whether it is by recession to Maryland, whether it is by granting the right to citizens of the District of Columbia to vote in any State of their choice, once they make the decision, whether it is by granting them the right to vote in States of their ancestors, or whether it is by a combination of some of those. I would support that, because it would alleviate this admitted problem which should not exist, without emasculating the basic federal republican nature of our Government—and, of course, when I talk about "Republican" in this context, it does not mean the Republican Party. The Republic of the United States of America; this is a Federal Republic made up of 50 States.

Section 4 of the resolution says this:

> This article shall be inoperative, unless it shall have been ratified as an amendment to the Constitution by the legislatures of three-fourths of the several States within seven years from the date of its submission.

What that means is that 38 States will have to ratify it. I submit that this is almost an exercise in futility, because I cannot imagine 38 States giving the powers of statehood to a Federal enclave known as a city, and which is in fact only a city—an important one, a beautiful one, a magnificent one, if you will, but only a city. I cannot imagine the States doing that.

As a matter of fact, I can imagine them doing anything but that. So, instead of solving these problems, all we have done is defer them for another 7 years.

But 38 States will have to ratify this proposal, and in 7 years, the same as the equal rights amendment, although the House, since the equal rights amendment cannot seem to make it, has given them another 39 months, plus, in order to have another crack at it.

Let me give you some background on the District of Columbia. The exceptional case of the area of land known as the District of Columbia is defined in article I, section 8, clause 17 of the Constitution.

The Congress shall have the power:

> To exercise exclusive legislation in all cases whatsoever, over such district (not exceeding ten miles square) as may, by cession of particular States, and the acceptance of Congress, become the seat of the government of the United States, and to exercise like authority over all places purchased by the consent of the legislature of the State in which the same shall be, for the erection of forts, magazines, arsenals, dockyards, and other needful buildings. . . .

In Federalist No. 43, James Madison explains the above-quoted clause in this way:

> The indispensable necessity of complete authority at the seat of government, carries its own evidence with it. It is a power exercised by every legislature of the Union, I might say of the world, by virtue of its general supremacy. Without it, not only the public authority might be insulted and its proceedings interrupted with impunity; but a dependence of the members of the general government on the State comprehending the seat of the government, for protection in the exercise of their duty, might bring on the national councils an imputation of awe or influence, equally dishonorable to the government and dissatisfactory to the other members of the Confederacy.

Congress assumed authority over the District of Columbia, an area of 100 square miles created from lands ceded by Virginia and Maryland, by an act of February 27, 1801, that provided merely that the laws of Virginia and Maryland should continue in force where they had previously applied. At first there were five units of local government in the District—the county of Washington, the city of Washington, and the city of Georgetown, all in the former Maryland territory; and the county and city of Alexandria in the former Virginia territory. The last two left the District with the retrocession of the lands of Virginia back to the State in 1846. Since that date, Washington has remained the same area: 62.7 square miles.

The dramatic rise in population spurred by the events of the Civil War led to the adoption of districtwide government in 1871. Controversy preceding the establishment of the new form of government centered on the issue of suffrage and secondarily on the division of authority between Congress and local officials. A territorial form of government was agreed on as a compromise. This form provided for a governor appointed by the President for a term of 4 years, an upper legislative chamber composed of 11 members appointed by the President for 2-year terms, and a house of delegates composed of 22 members elected annually from 22 districts. The District was entitled to elect a nonvoting territorial delegate to the House of Representatives. Broad powers to make regulations and disburse money on its own warrant were vested in a five-man board of public works, headed by Alexander R. Shepherd. The board energetically set about making public improvements, but spent $20 million in so doing—nearly three times what had been estimated by Congress. Having made Washington a city habitable but bankrupt, the territorial government died ignominiously. In 1874 Congress replaced the territorial form of government with a three-man board of commissioners appointed by the President. The office of nonvoting delegate to the House of Representatives was abolished.

With the ratification of the 23d amendment to the Constitution, which gave the city three electoral votes, in 1961, Washingtonians were given the right to vote in Presidential elections for the first time. The Reorganization Plan No. 3 of 1967 instituted a mayor-council form of government with appointed offices. In 1968 Congress passed an act allowing residents of the city to elect members of their school board. In 1968 President Nixon proposed that the Nation's Capital be granted both "meaningful self-government" and the right to elect representatives to Congress. In 1970, Congress granted the people of the District the right to elect a nonvoting delegate to Congress, a position that has been held by WALTER E. FAUNTROY ever since.

And I might add held very well. I think he has done a tremendous job for the District of Columbia. I think he has tremendous influence in the Congress. In my opinion, he is a wonderful guy, and he has acquitted himself well. He has done a great job in advocating this particular amendment. I think a great deal of him.

The delegate sits on House committees where he may vote, and participates in floor debates where he may not vote. In 1973, the Council received power to legislate in local matters. Congress retains power, under article I of the Constitution, to enact legislation and to veto or supersede the Council's acts.

Since assuming his delegate seat, FAUNTROY has been diligently championing full voter representation in Congress for the District. On February 18, 1976, the House Rules Committee agreed, for the first time in more than a century, to release a constitutional amendment proposing District voting representation in the Senate and House. The bill failed to receive the necessary two-thirds affirmative votes for passage.

SECTION 1—REPRESENTATION IN THE HOUSE

A constitutional amendment is required in order to give the District voting representation in Congress. The Constitution states (article I, section 2) that "the House of Representatives shall be composed of Members chosen every second year by the people of the several States," and (article I, section 3) "the Senate of the United States shall be composed of two Senators from each State." Because the District of Columbia is not a State, House Joint Resolution 554 provides that "for purposes of representation in the

Congress * * * the District * * * shall be treated as though it were a State." Since the ratification of the Constitution in 1789, no lands or territories have achieved voting representation in Congress without first becoming a State under article IV, section 3, clause 1 of the Constitution.

Because representation in the House of Representatives is based on the apportionment of population by State, it has become a firm tradition to regard the House as "the people's House." Proponents of House Joint Resolution 554 argue that it is unjust to deny representation to nearly 700,000 citizens. Thus, the favorable report of the House Committee on the Judiciary maintains that—

It seems indeed ironic that a nation which has, over the years, continued, through congressional and judicial action, to extend the franchise still denies representation in the National Legislature to American citizens residing in the Nation's Capital.

The regular membership of the House of Representatives has remained unchanged at 435 for 66 years. When Alaska and Hawaii became States, each was assigned one seat, temporarily increasing the size of the House to 437. However, the statehood enactments for both of these States provided that the total of 435 would be restored in the apportionment based on the 1960 census. If the proposed constitutional amendment, as defined in House Joint Resolution 554, were ratified, one of the several unanswered questions confronting Congress would be whether to increase the size of the House of Representatives.

That is another constitutional question that not too many people have thought about.

Article I, section 2, clause 3, of the Constitution provides that even though the number of representatives shall be apportioned according to the national population, "each State shall have at least one representative." After one representative has been assigned to each State as required by the Constitution, the apportionment by population takes place.

Proponents of the constitutional amendment contend that the District of Columbia has a larger population than seven of the States. And since the populations of these States are represented by at least one U.S. representative, the residents of the District should be at least equally represented. Further, they argue that land area is no qualification for voting representation in the House. (Rhode Island, the smallest State, has an area of 1,214 square miles, as compared to the 62.7 square miles of the District.)

I would argue again, that is a significant difference, and it shows the differences between a State and something which they want to call a State which could never be a State. Everybody agrees that the District could never become a State under the circumstances of its present existence, or under any circumstances. I think it is interesting to note that compared to the nine less populous States the population of the District of Columbia is decreasing while the others are increasing. In fact, the District's population has been decreasing steadily since 1950, when it reached a high of 800,000 people. Nevertheless, the city itself has more people than seven States.

On the other hand, it clearly has less land area and clearly is not a State and clearly cannot become a State. It would be really pushing it to try to argue that we should make the District a State, so rather than do that, they agree that it should become as though it were a State. Of course, calling something a State does not make it a State.

There are certain ways that geographical areas can become States and, of course, we have watched that process through the years as various States have come into the country.

If the District of Columbia had been granted congressional voter representation in 1970, it would have received two Members of the House. If House Joint Resolution 554 passes the Senate and is ratified by three-fourths of the States, the District will probably receive one Member of the House after the 1981 reapportionment based on the 1980 decennial census.

Although the population of the District is 690,000, its registered voter turnout for the 1976 Presidential elections was lower in percentage than any of the least populous States (59 percent, the same as Alaska). Its voter turnout of those eligible to vote, registered or nonregistered, (31 percent)* was substantially lower than the next lowest turnout (Alaska with 47 percent.) In addition, the percent of eligible voter turnout in the District for the 1976 elections was the lowest in the Nation, and the percent of the registered voters voting was the lowest in the Nation.

Since the District turned out 59 percent of the registered voters and 31 percent of the voting age population for the Presidential election of 1976, then the lack of voter representation in Congress can be calculated to affect 281,355 registered voters and 535,483 persons of voting age, who are not registered.

By way of comparison, the residents of the following territories of the United States are U.S. citizens but do not vote for President or have voting representation in Congress.

Puerto Rico, which may or may not desire statehood and may or may not get statehood, depending upon many factors, has a population of 3,210,000 people. The Virgin Islands, has a very small population of 100,000 people, American Samoa, has only 31,000 American citizens—I am talking about American citizens—and Guam, 100,000 American citizens. So, in Puerto Rico, 3,210,000; Virgin Islands, 100,000 American citizens; American Samoa, 31,000 American citizens; and Guam, 100,000 American citizens.

*The problems in determining how many citizens of the District are in fact affected by the lack of voting representation in Congress is complicated by the sizable number of citizens who reside in the District but maintain legal domiciles in other states. No records exist of the number of District residents casting absentee ballots in other states. In the court case of *Carliner* v. *Board Education*, it was estimated that 200,000 residents of the District were eligible to vote in other jurisdictions. Whether this number is accurate cannot be determined.

Most of the proponents of House Joint Resolution 554 have resurrected the great American battle cry: "No taxation without representation." They argue that since the residents of the District of Columbia have no immunity from Federal taxation, they should by right have voting representation in Congress. But, it must be remembered that during the first several decades of the Republic, the converse of the battle cry was also true, that is, most States allowed only taxpaying landowners to vote and thereby have a say in their representation. Yet, the notion of no taxation without representation (and its converse), while still very much a part of the American spirit, has been somewhat attenuated by modern American history. In the Federal and State legislatures, and in court rulings, the modern trend has been to separate the issue of taxation from the issue of representation. Numerous classes of citizens, fully subject to and protected by the laws, pay no Federal or State income tax whatever, even though they regularly vote in Federal elections in the State of their residence. These groups include, among others, retired persons living solely on social security, students attending colleges and universities, disabled Americans supported entirely by veteran's or other compensation, and individuals living entirely on welfare.

As stated before, if House Joint Resolution 554 passes the Senate and is ratified by the required three-fourths of the States, the Congress will have to decide whether to increase the membership of the House of Representatives or keep it at 435. The population of the District of Columbia is not presently figured into the national population for purposes of apportionment. The United States is facing a decennial census in 1980 which will be the basis of reapportionment of congressional districts in 1981. If the House decides to keep its membership at 435 and if the population trends, as estimated by the Bureau of the Census, continue until 1981, then adding the population of the District to the apportionment population would result in the loss of one seat from Illinois and the assigning of the seat to the District.* In other words, Illinois, a State whose population is increasing, will be deprived of representation in the House by a non-State whose population has been declining for 28 years. This reapportionment is in addition to the prognosticated reapportionment resulting from the 1980 census of national population migration.

SECTION 1—THE SENATE

The argument for representation in the Senate is conceded by both proponents and opponents to be more tenuous and difficult to make. Members of the House represent numbers of people, but Senators represent their States at large. The Senate is the body of equal representation of the States while the House is the body of proportional representation of the people. This distinction is a result of the "Great Compromise" of

*This was calculated using the Census Bureau's "method of equal proportions" which has been the official method since 1910.

the Constitutional Convention of 1787 which resolved the competing interests of the large versus the small States. It is the foundation of the uniquely American ideas of governmental federalism and State "sovereignty." Thus, in Federalist No. 62, the author (either Hamilton or Madison) remarks:

> In this spirit it may be remarked, that the equal vote allowed to each state is at once a constitutional recognition of the portion of sovereignty remaining in the individual states, and an instrument for preserving that residuary sovereignty.

STATE SOVEREIGNTY

House Joint Resolution 554 would give the District Federal representation "as though it were a State." But what is a "State" and what matter of sovereignty is there in the States? Chief Justice Marshall, in Cherokee Nation against Georgia (1831), defined a State as—

> A political community of free citizens, occupying a territory of defined boundaries, and organized under a government sanctioned and limited by a written Constitution, and established by the consent of the governed.

James Brown Scott in "Sovereign States" offered this definition:

> The State is an artificial person, representing and controlled by its members but not synonymous or identical with them. Created for a political purpose, it is a body politic. It is a distinct body, and artificial person; it has a will distinct from its members, although its exercise is controlled by them.

(Mr. GRAVEL assumed the chair.)

Mr. MATSUNAGA. Will the Senator from Utah yield?

Mr. HATCH. I am delighted to yield without losing the floor for a question.

Mr. MATSUNAGA. As I listened to the Senator talking about Americans elsewhere, I believe I heard the Senator say that in American Samoa, there are 31,000 American citizens.

Mr. HATCH. That is what I understand.

Mr. MATSUNAGA. It is my understanding that they are not American citizens, but American nationals, without even the right to vote.

Mr. HATCH. That is correct.

Mr. MATSUNAGA. Is that the Senator's understanding?

Mr. HATCH. I think the Senator has stated it correctly.

Mr. MATSUNAGA. Because we do have a number, as a matter of fact, a rather large population of American Samoans in Hawaii, but because they——

Mr. HATCH. I am talking about 31,000 actual citizens, but the other people in American Samoa are American nationals; that is correct.

Mr. MATSUNAGA. They are American nationals as opposed to American citizens.

Mr. HATCH. But the 31,000 I mentioned are American citizens who do not have the right to vote.

Mr. MATSUNAGA. The entire population of American Samoa is 31,000.

Mr. HATCH. The Senator may be right on that. I shall have to check that out to be certain.

Mr. MATSUNAGA. Take it from the Senator from Hawaii, who has been there.

Mr. HATCH. He may very well be right.

Mr. MATSUNAGA. We have many dealings with the people from Samoa.

Mr. HATCH. Will the Senator assist me in understanding the status of American Samoa? Will he explain what that is?

Mr. MATSUNAGA. I did not quite hear that.

Mr. HATCH. What is the political nature of American Samoa?

Mr. MATSUNAGA. American Samoa is a territory of the United States. But it is not an incorporated territory as Hawaii was prior to becoming a State, and because of the unique situation known as the Matai system in American Samoa and because of the desire on the part of the American Samoans to retain that system, they have chosen not to become full American citizens. They are American nationals.

So that even when they go to Hawaii, they do not have voting rights, although they may establish residence in Hawaii.

And they have to go through the naturalization process to have full American citizenship rights.

Mr. HATCH. What the Senator says is that those who are not citizens in American Samoa are nationals and the way he defines it is that they are residents within an American territory who will have to go through naturalization in order to be full-fledged citizens?

Mr. MATSUNAGA. A naturalization process to become full citizens. Yes, that is what I am saying.

Of course, if a Samoan national happened to go to Hawaii, which is a State, fully incorporated even when it was a territory, the children born on American soil are American citizens by birth.

Mr. HATCH. I understand.

Mr. MATSUNAGA. But we have a very unusual situation in the case of American Samoa. I thought perhaps, by the statement made earlier by the Senator from Utah, he was not cognizant of that fact. I thought in order to keep the record straight, I should bring up this matter.

Mr. HATCH. I am appreciative of the Senator's wisdom.

Is the Senator also arguing the same could exist in Puerto Rico, Guam, the Canal Zone, and others?

Mr. MATSUNAGA. No; we have a different situation in the case of Puerto Rico. They are American citizens.

Mr. HATCH. So the Senator from Hawaii would admit that the Senator from Utah's position as to the American citizens in Guam, Canal Zone, Puerto Rico, and even in American Samoa, is well taken; that they also do not have the rights that would be conferred here pursuant to this constitutional amendment, and would have every reason to complain themselves that their rights are not being taken care of. Is that not correct?

Mr. MATSUNAGA. Yes, but because one segment of Americans are denied certain rights does not necessarily mean we should treat other Americans in other areas by denying them the full rights of American citizens.

Mr. HATCH. That is precisely my point, because why is there not the zeal to get the rights for all these other citizens, and if this resolution comes through, would that not be the next series of steps so that we have Puerto Rico and the Canal Zone, as well as the last one in American Samoa?

Mr. MATSUNAGA. As the Senator well knows, and from listening to him on the floor on other occasions as well, he is an excellent student of history, we in Hawaii went through the same process.

Mr. HATCH. But you did become a State.

Mr. MATSUNAGA. Yes, we did. That is correct.

Mr. HATCH. And the rights of American citizens——

Mr. MATSUNAGA. We did become a State, but prior to becoming a State we were an incorporated territory denied full citizenship. We could not vote for our own Governor even at that time. We could not vote for the President and Vice President of the United States.

We suffered the same fate that the residents of the District of Columbia are now suffering.

Of course, when we knocked at the doors of Congress to be admitted as a State, we were told we could never become a State because of our noncontiguity.

Fortunately, we overcame that. One of the prime reasons why we overcame that was the great record which the members of the 100th Infantry Battalion and the 442d Regimental Combat Team performed, the great record they made in World War II, as the Senator well knows.

Here we have the similar situation where the District of Columbia in the Vietnam war, for example, sacrified more lives than any other State in the Union, if I am correct.

Mr. KENNEDY. More than 10 other States.

Mr. MATSUNAGA. I am sorry.

So, there, I think they have shown that they valued their citizenship to the extent that they were willing to give up their lives to protect their right.

Mr. KENNEDY. If I may say, in terms of per capita, they were fourth in terms of per capita loss per population for those that were killed. There were seven States that lost less, but in terms of per capita, they were the fourth highest.

Mr. MATSUNAGA. As compared to?

Mr. KENNEDY. The whole country.

Mr. MATSUNAGA. Other States and territories.

Mr. HATCH. Let me say to the distinguished Senator from Hawaii, I do not believe he was here when I began my remarks, I began by saying they should have voting rights in the District. I do not think there is any question. But I think citizens in these other places ought to have them as well.

The point I am making is that we do not do it through this defective amendment, in a way that gives them special rights and privileges other citizens do not have.

I was considerably younger when Hawaii became a State. I was very enthusiastic then, as I am now, that Hawaii became a State. Had I been sitting in the Senate at that time, I would have supported it, because Hawaii went through a process of becoming a State. It is not a Federal enclave. Hawaii is a geographical entity as described by, I think, Chief

Justice Marshall. His description fits Hawaii just as it would any other State. I think Brown's description fits Hawaii like any other State.

But I do not think any American citizen should be deprived of the right to vote.

Mr. MATSUNAGA. May I ask this question of the Senator from Utah?

Mr. HATCH. Surely.

Mr. MATSUNAGA. I was for making the District of Columbia a State. But, of course, that failed.

Does the Senator from Utah believe that the District of Columbia ought to be made a State.

Mr. HATCH. No.

Mr. MATSUNAGA. He does not.

Mr. HATCH. No. I believe we can solve the problem here by, one, retrocession to Maryland; or two, by providing a constitutional amendment which would provide the right of the residents of the District of Columbia to vote in any State of their choice, or the State from which their ancestors came, or from which they came, whichever the case may be, or, where they cannot determine the same, within some reasonable formula, or some other approach. But give the right to vote for Representatives and Senators within the framework of the States and not within a Federal enclave committed to the Federal Government.

There is a tremendous distinction between the sovereign State of Hawaii and all it went through to become a State, which I support, and supported as a young person, and the District of Columbia.

Mr. MATSUNAGA. I certainly appreciate that. I come from a State in whose development many Utahans played a major role, and I appreciate the contribution which the people from the State of Utah have made to the development of Hawaii and in making Hawaii a State.

As a matter of fact, a former resident of Utah, J. Ralph Brown, whom the Senator knows, was the chairman of my campaign committee from the time I first ran for Congress; and he had been chairman throughout, until his recent retirement only last year. He saw me through seven campaigns for the House of Representatives and one successfully for the U.S. Senate. So I have, as we say in Hawaii, much aloha for the people of Utah.

The Senator from Utah makes a very ingenious proposal. I understand that the people of Alexandria at one time belonged to the District, but they clamored for the right to vote for the President and to have representation, with votes in Congress, and they separated from the originally designated area of the District of Washington.

However, until such time as the proposal of the Senator from Utah can be adopted, I wish he would join us and give the people of the District of Columbia two voting Senators in this august body. If that happens, the world will little note nor long remember what we say here; but if the Senator from Utah would switch and support us in this effort, the world will never forget what he did here.

Mr. HATCH. I thank the distinguished Senator from Hawaii, whom I respect very much.

We in Utah do have a deep affinity for Hawaii. We think it is a great State. I have a great affection for the Senator from Hawaii and have listened very carefully to his suggestions, and I will continue to listen to the debate on both sides of this issue.

However, my problems with this resolution really are not the emotional ones. Emotionally, I would like every resident of the District to have a right to vote for his own Senator and Representative. On the other hand, I am concerned with some of the approaches to the Constitution that do arise here.

I think this approach not only is defective but also is unsound and is unjust to the rest of the citizens of this country, even though it would accomplish what the Senator from Hawaii and I would like to accomplish, to grant the right of franchise, to vote for Representatives and Senators, to the residents of the District. We do have different approaches.

Retrocession would be the simplest and best approach. It also may be a very difficult approach to accomplish, and I have to acknowledge that. Perhaps the other suggestion I have made would be best. I have not explored it thoroughly because of my short tenure in the Senate and the short consideration of this matter. I have been exploring this amendment, and we have done a great deal of work on this. But I believe that if retrocession is unacceptable to accomplish the end that both of us believe should occur, we should consider a constitutional amendment that allows the residents of the District to vote within either the last State from which they came or from which their ancestors came. Where we cannot ascertain that easily, we can formulate some other approach that would permit them to vote on some other basis.

Mr. MATSUNAGA. I thank the Senator for yielding. I have another appointment. I do hope the Senator will keep listening to what we have to say on this side and perhaps even support us in this matter.

Mr. HATCH. I thank the distinguished Senator from Hawaii, who is always sincere and cordial and courteous on the floor of the Senate and is my friend. I appreciate his comments here today.

As I said before, I do not think every American citizen is represented in Congress. I mention Guam, Samoa, the Canal Zone. They never have had Senators or Representatives. However, if full representation were granted by this joint resolution to a non-State, then the basis would be established for later providing representation in Congress to the U.S. Territories as well.

In fact, granting representation to District of Columbia residents would perpetuate an inequity, since many U.S. citizens who are not residents of any State or the District would still remain unrepresented in Congress. I would think that those who are so zealous of sponsoring this particular amendment to the Constitution knew that when they sponsored it. Yet, there has not been any effort put forth to take care of those in these other areas. I believe that my approach would take care of them a little better than this. It would take care of all the citizens, not just those within the District, who, in their eyes, are unrepresented at this time, and it would not give undue emphasis to a Federal enclave which we have here.

There is no use kidding about it. This is a Federal enclave that is dedicated to the Federal Government and literally unrepresentative of the principle of statehood. To call it a State does not make it a State. As a matter of fact, it is ridiculous to call it a State.

I do not think I have heard anybody except the distinguished Senator from Hawaii argue that we should make the District of Columbia a State. I do not believe there would be any real support for that contention or for that position.

The District of Columbia is no more than a city, and thus, in my opinion, it should not be granted representation in Congress, except through one of the methods I have outlined here, which I think good minds could formulate and make more precise.

Although it could not have been foreseen by the Founding Fathers, Washington, D.C., has developed into a large commercial city. Except for a small Federal enclave of the characteristic which typifies it, the District consists only of that urban center. The Framers did not intend that cities should be given representation in Congress. In fact, they specified in the Constitution that only States should have a voice in the Senate and in the House.

If one believes that the District should have representation in Congress, it does not follow that the city of Washington should be able to elect its own Senators and Representatives. To permit that would be to make a radical and qualitative change in our federal system.

If the Nation's Capital, with its roughly 700,000 inhabitants and 69.7 square miles, can elect its own Members of Congress, it is logical to give every other city in the United States of equivalent size and area the same rights of representation. I do not think that should be done, but I beileve there certainly could be a clamor to do that in the future.

I think that New York City, Chicago, and Los Angeles, all of which have more than 5 million citizens, probably would clamor for Senators of their own, and perhaps with some justification. So that is something to think about.

To permit that, as I said before, would make a radical and qualitative change in our federal system.

Back to what I was speaking about before we had the interesting colloquy with the Senator from Hawaii:

In the Constitution, all the powers and authorities enumerated in the articles are derived from the more perfect union of the States.

In Federalist Paper No. 39, Madison establishes his important idea that the proposed Constitution is neither a confederacy of sovereign States nor a consolidation of the States but a combination of both:

> It appears, on one hand, that the Constitution is to be founded on the assent and ratification of the people of America, given by deputies elected for the special purpose; but, on the other, that this assent and ratification is to be given by the people, not as individuals composing one entire nation, but

as composing the distinct and independent States to which they respectively belong.

Thus, Madison does not claim the type of State sovereignty enjoyed by the States under the Articles of Confederation but he does claim that the States are "distinct and independent."

State sovereignty, or the "portion" of State sovereignty envisaged by Madison, has been much reduced by events of American history. The Civil War destroyed the notion, as championed by John C. Calhoun, that the States were almost entirely sovereign. The 14th and 15th amendments to the Constitution were squarely aimed at limiting the independence of the States. The 16th amendment established a Federal tax on everyone's income. But, the 17th amendment, which changed the selection of U.S. Senators from appointment by the State legislatures to the direct election of the people, was the most crippling blow. Appointment of Senators by the States, through the State legislatures, was a continuing imposition of the reality of State sovereignty of the Federal Government. And the Supreme Court of the 20th century has consistently imposed Federal mandates on the States, especially through its interpretation of the 14th amendment.

Some of us may not like that very much, but it is a fact of life and it is a reality, not just an emotional argument.

So what is left of State sovereignty that by definition would preclude the awarding of two Senate seats to the District of Columbia? The States are sovereign or "distinct and independent," to use Madison's definition, in that they are political beings that can tax, spend, create, and execute law, punish crime, and administer justice. All of these authorities are carried out by the City Council of the District of Columbia but all are subject to congressional approval. So the District cannot be said to have "independence" in its City Council's deliberations as the States do in the deliberations of their legislatures. And the yearly budget, that exercise of the power of the purse, is not legislated at all by the District but is a duty of the appropriate committees of each House. And the police power in the District is not the exclusive jurisdiction of the city government since the city police exercises joint jurisdiction with several federally chartered police forces in some areas and has no jurisdiction over certain Federal properties at all.

In addition, the States may enter into interstate treaties and compacts, permissible under the Constitution subject to the approval of Congress, with other States. The States have used this right to a significant extent in the 20th century, especially concerning matters of commerce, large public works, and transportation. No other power of the States seems to be more definitive of the States' continuing distinctness and independence. The District of Columbia is currently party to several interstate compacts, but they have all been negotiated between the Congress and the interested States. Currently the procedures by which the District will become party to additional compacts are undergoing re-examination. Some interpret the home rule charter to mean that the District can enter into interstate compacts while others interpret it to mean the opposite. Legislation has been introduced into Congress to grant unequivocally the right for the District to enter into such compacts. But until such legislation passes, the District, unlike the States, has no such right.

THE TWO HOUSES

In his famous work, "Democracy in America," Alexis de Tocqueville, after scrutinizing the make-up of the national legislature, remarked:

> The principle of the independence of the States prevailed in the formation of the Senate, and that of the sovereignty of the nation predominated in the composition of the House of Representatives.

That the Senate balances the House in terms of the use of political power is argued by the Federalists as one of the most fundamental underpinnings of the Constitution. A representative, facing reelection every 2 years and representing only a locale of a State, not an entire State, can be subject to the demands of a narrow constituency. His constituency might be the political opposite of a bordering constituency of the same State. For instance, a Congressman representing a district heavily populated by members of labor unions would necessarily represent this interest in his voting record or face eviction from office at the next election. But the neighboring district of the same State might be rural and inclined to support the right-to-work laws, and such support would be reflected, in all likelihood, by its Congressman. In the words of the Federalists, the House is "the numerous body" and "the representative ought to be acquainted with the interests and circumstances of his constituents"—in Federalist Paper No. 56 goes on to state:

> Because ". . . it is particularly essential that the branch of it under consideration (i.e. the House) should have an immediate dependence on, and an intimate sympathy with, the people."

And in Federalist Paper No. 52:

> And because "the House of Representatives is so constituted as to support in the members an habitual recollection of their dependence on the people."

That is found in Federalist Paper No. 57.

Because of this constitutional mandate to keep close ties to the people, it has become customary for Congressmen to attend very closely to the needs and complaints of constituents. Thus, some Congressmen maintain as many as four constituent offices in their congressional districts while it is unusual for a Senator to maintain more than two offices in his entire State.

While competing interests may be few in a congressional district, a Senator, representing all the congressional districts in his State, must necessarily face a multitude of competing interests. As a result, he must have a more general view of all political issues. By way of example, the Senators from Illinois must represent a State whose House delegation is evenly split between the two parties—12 Republicans, 12 Democrats—and likewise the Senators from Arizona—2 Republicans, 2 Democrats. Today a Senator faces from within his State what Madison saw as a national characteristic in 1787, namely, a "dissimilarity in the ingredients," and a "diversity in the State of property, in the genius, manners, and habits of the people of the different parts of the union."

That is found in Federalist Paper No. 60.

In addition, the framers of the Constitution gave certain other powers to the Senate that they regarded as nonpolitical functions, namely the power to try impeachments, to ratify treaties, and to approve executive nominations. These tasks were assigned to the Senate because it is more likely to be free from the "demon of faction" than the House, that "numerous and changeable body." Thus, the Senate was contemplated by the Federalists to be "a select and stable body,"—as evidenced in Federalist Paper No. 63—an idea that Tocqueville later reemphasized by calling it "the great executive council of the nation," a body that will be "sufficiently independent"—in Federalist Paper No. 65—to wisely tend to "national concerns"—in Federalist Paper No. 64—and "the comprehensive interests of their country"—in Federalist Paper No. 62.

THE INDEPENDENCE OF THE STATES

The Constitution guarantees a "republican form of government" to each State—article IV, section 4. And all States have a republican constitution that closely mirrors the Federal Constitution—but not the District of Columbia whose city council takes the place of the State legislature, but every action of which is conditional on the approval of Congress and, therefore, not independent.

As Ignazio Silone said in his "School for Dictators":

> The first test to be applied in judging an alleged democracy is the degree of self-governing attained by its institutions.

The District has self-government at the pleasure of Congress, not independently of it. Indeed, Congress could abolish the City Council or the District of Columbia at will. It retains such constitutional prerogatives.

To give such a unique equal standing with the several States in the Senate would effect a basic fundamental change in the Senate. Indeed, one must wonder if certain other cities, for instance New York City, could make an equally justiciable claim to representation in the Senate.

Let us talk about the special case of the District of Columbia. Washington, D.C., is the "Federal enclave" and, as such, can be considered a "company town." It is not possible to separate the land area of the District of Columbia from its primary activity, the daily business of the Federal Government.

The Federal Government employs 38.3 percent or 223,900 employees of those working in the District, while the service industries, which are closely alined with the Federal Government, employ 25.5 percent or 149,200 employees.

Employment trends show an ever-in-

creasing domination by the Federal Government.

So it is a Federal enclave, and, as George Will said, surrounded on all four sides by reality which, I thought, was an excellent quote; that it really does not constitute a State, will not be a State, does not deserve to be a State, under the circumstances, and which should not be treated as a State when we have other means available which should be tried first, and which may be much simpler to enact and ratify. I suspect that everybody considering this problem has to acknowledge it is very unlikely that 38 States are going to ratify this defective amendment to the Constitution. I think most of them will not do so, so we may be putting not only the Senate and the Congress through an exercise in futility. We have some ability, at our disposal to accomplish justice and to provide those rights without emasculating our very important Constitution.

The District receives a direct grant from the Federal Government annually. This payment is provided in recognition of the District's role as the Nation's Capital, and helps compensate the city for tax losses due to the large amount of nontaxable Federal property in the city. It is based on Congress' jurisdiction over the city as provided in article I, section 8, clause 18 of the Constitution to which we have already referred.

Needless to say, none of the 50 States receives such an unrestricted annual grant from the Federal Government. Since 1950 when the population of the District began to decline, the amount of the Federal payment has steadily increased to the point where for 1978 the sum will be $300 million or 28.04 percent of the District's budget.

Total Federal aid to the District was $1,010 per capita in 1975, about four times more, on the average, in Federal aid than to any of the States, except Alaska, which received $739 per capita of Federal money.

Compared to the 48 largest cities in 1974, Washington, the 11th largest in the country, received more aid from the Federal Government than any city except New York City.

Washington would have a recession-proof economy as long as Federal spending stayed constant. Since Federal spending is ever increasing, the area of the District has an assured boom economy. In Washington, the Federal Government is omnipresent and nearly omnipotent. There are no competing factions or interests. Manufacturing employment in 1976 was only 16,100 people. So it is a Federal enclave and, as such, is hardly typical of the States.

On the basis of all this, it would seem that U.S. Senators from the District of Columbia would be in the seemingly paradoxical but unique position of representing the interests of the Federal Government to the Federal Government. In addition, it would seem that a Senator from the District would be under no compulsion to weigh the interests of any competing interests since there are no other interests that could have a significant influence on his election.

It is rather obvious to point out that the employees of the Federal bureaucracy, the overwhelmingly dominant class in the District, will elect representatives to the U.S. Congress who are sympathetic to the continued growth and prosperity of the Federal working class.

But bigger and more Federal agencies and programs, something which favors the economy of the District, have the effect on the people of the several States of greater Federal taxes and more Federal regulations.

While Senators from the several States must continually balance the claims of competing factions from within their own States, and also balance the federalist distinction of State versus Federal sovereignty, Senators from the District would have no immediately practical reason for doing so. Under the home rule charter, the City Council can be regarded as a kind of State legislature for the District of Columbia, but one of no sovereignty because of Congress' absolute veto over any of the actions of the Council and absolute legistive control over the city's budget.

Providing for election of Senators would give the District the status of a State since it would have equal representation in the Senate, almost a definition of a State. With the District regarded as a State in the Senate it would seem the Federal Government has become incarnated in a new way in that in addition to Federal law, regulation, and influence, there comes into existence a physical manifestation of the Federal Government, the land of the State of the District of Columbia, and a human manifestation in Senators of the District.

With this in mind, it would seem that for the Senators from the District none of these State restraints on the Federal Government that Madison speaks of would be any longer applicable:

> Thus each of the principal branches of the federal government will owe its existence more or less to the favour of the state governments, and must consequently feel a dependence, which is much more likely to beget a disposition too obsequious, than too overbearing towards them. On the other side the component parts of the state governments will in no instance be indebted for their appointment to the direct agency of the federal government, and very little, if at all, to the local members.

That is in Federalist Paper No. 45.

I think this amendment would grant special privileges to the District.

Another power granted to the District under section 1, which I have already mentioned but I am going to reiterate, of House Joint Resolution 554, is the participation of the District in the ratification of constitutional amendments under article V of the Constitution. But article V states that the proposed constitutional amendment shall be ratified by the legislatures of the several States. Since the District of Columbia is not a State, the District has no State legislature. Congress would have to decide whether the city council can function in this capacity, and if the city council does not function, then it means there has to be a direct election or a direct ratification of constitutional amendments, something which no citizen of any State now has.

Several other legislatures of the States have not yet ratified the controversial equal rights amendment; have considered putting the ratification to a referendum of the people. But the State attorneys general have already pointed out that such a referendum would be unconstitutional since the Constitution specifically provides that constitutional amendments shall be ratified by the State legislatures.

Since there are inherent contradictions in declaring that the city council of the District can function as a State legislature, Congress might decide that the people of the District may vote on the ratification of constitutional amendments, in which case the people of the District would enjoy, as I have mentioned before, a constitutional privilege not enjoyed by the people of the several States.

Another problem with section 1, as I have mentioned before, concerns the election of the President and Vice President. Since section 3 of House Joint Resolution 554 repeals the 23d amendment to the Constitution, which allows three electoral votes to the District, the District, under section 1, would be eligible to participate in the election of the President, but would have no electoral votes any longer assigned to it.

Thus it would seem that House Joint Resolution 554 grants direct election of the President by popular vote to the District, while the States, according to the Constitution, must elect the President through the Electoral College.

Both of these problems lead directly to a discussion of section 2 of the proposed constitutional amendment, namely "the exercise of the rights and powers considered under this article shall be by the people of the District constituting the seat of government, and as shall be provided by the Congress."

Neither a reading of the committee report of the House Committee on the Judiciary nor a reading of the record of the debate on the floor of the House on March 2 gives a satisfactory explanation of either the intent or the meaning of this section. In the dissenting committee views of Congressmen HENRY HYDE, CARLOS MOORHEAD, JACK BROOKS, CHARLES WIGGINS, and JOHN ASHBROOK:

> This section implies that the exercise of these foregoing rights and powers must be exercised jointly with the people of the District and the Congress, each holding veto power over the other. This might entail the Congress, for example, voting twice on the ratification of a constitutional amendment, first in discharging its constitutional role under Article V in proposing an amendment and a second time as a sort of legislative endorser for the "people of the District" under this proposed amendment.

What authority should Congress grant the City Council to determine the procedure to be employed concerning the three powers of section 1? And even if the City Council is granted substantial authority in these matters, it must be remembered that Congress always maintains absolute veto over all actions of the City Council. And since the Congress, not the City Council, has legislative authority over the city's budget, Congress would be appropriating the funds necessary to hold elections of its own Mem-

bers, in addition to issuing regulations on campaign contributions, expenditures, and campaign procedures.

In addition, if the District should ever have sufficient population to be allotted two representatives in the House, then Congress would have some authority in determining the lines of the two congressional districts. In the States, the drawing of district lines based on reapportionment is done by the State legislatures, another example of the continuing viability of State sovereignty. And, finally, it would seem that the Hatch Act, which prohibits Federal employees from participating in political campaigns, would necessarily have to be relaxed for the special case of the District of Columbia. Otherwise, a majority of the adult residents of the District would be unable to be active in campaign politics.

Not only because my name is HATCH, but because I support the principles of the Hatch Act, which is designed for the protection of the rights of Federal employees, I think that would be a drastic situation, totally unlike that of the States, and hardly good efficacy on the part of those who are proponents of this defective resolution.

Because of this unique relationship between the District's city council and the U.S. Congress, other questions arise when the three powers provided by Section 1 are contemplated in light of Section 2. In the event that H.J. Res. 554 passes the Senate, it appears likely that the states would be unable to determine the precise nature of what they are considering ratifying. In the event of the required three-fourths ratifications of the states, it could happen that the District of Columbia, with its new constitutional position "as though it were a state" might end up with substantial constitutional privileges not enjoyed by the several states.

I would suggest that it is not only possible, but that it really is going to happen.

These are all important points, and I think it shows that this is not a racial question. This is not a question that involves trying to deprive the people of the District of the right to vote. As I said at the beginning of my remarks, I think there are ways we can provide the right to vote not only for them, but for every citizen, including those of Guam, Puerto Rico, American Samoa, and even the Canal Zone in Panama—the right to vote for Senators and Representatives.

But let us do it within the framework of the Constitution, within the framework of that which was contemplated by the Founding Fathers and has worked so well for so many years. Let us not allow a radical departure from that framework which, in my opinion, will wind up costing us in the end, in an overzealous attempt to accomplish something which could otherwise be accomplished with a lot less effort, with a lot less chance of losing in the ultimate result, the opportunity for residents of the District to vote and be represented.

If they can get this resolution through and 38 of the States ratify it, the District will have their own Senators and Representatives right here in this little Federal enclave of 69.7 square miles. It does not seem to be a matter of having better representation; that can be given in a reasonable way. We might even be able to do it by statute rather than constitutional amendment. But that is not what this proposal grants. What it grants is two more Senators and another Representative, out of a constituency that represents one point of view.

It is something to think about. I think the arguments against it are somewhat overwhelming, but my colleagues here in the Senate may prove me wrong. We will have to wait and see.

As I have said before, I think every American citizen ought to have a right to vote for Senators and Representatives, but I do not think the District should be granted the rights this amendment would grant them, to have more rights than other citizens within the country. I do not think the Federal enclave should be given two Senators and a Representative, and I do not think we should abandon and radically depart from the Constitution, as this amendment would mandate. In the end, I think we would all be better off, and in the end can grant the District of Columbia voting representation, by proceeding in a constitutionally valid way.

Mr. President, I ask unanimous consent that Lisa Dowdy of Senator Stevens' staff be granted the privilege of the floor during the consideration of this measure and any votes thereon.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. HATCH. I notice that the distinguished Senator from Oklahoma is here. I am delighted to yield the floor to him at this time.

Mr. BARTLETT. Mr. President, I ask unanimous consent that Tom Wasinger of my staff be accorded the privilege of the floor during the consideration, debate and votes on this matter.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. BARTLETT. Mr. President, the matter of representation for the District of Columbia, I think, is very important, and I am very pleased that the chairman of the Subcommittee on Constitutional Amendments, who is present here now, saw fit to have extended hearings on this matter and accorded me the opportunity of presenting my views to the subcommittee during that time.

There are some people who say that the District presently is not represented. I daresay others will say and do say that it is over-represented. But certainly it is represented by the entire Congress.

The District has the distinction of having special committees in both the Senate and the House of Representatives, that is, the District Committees, to represent its interests and to bring those interests directly to the floor of the Senate and the floor of the House of Representatives for the enlightenment and the consideration of all Members.

In addition, the national media serve perhaps a more meaningful purpose as far as local issues are concerned with the District of Columbia than is the case with most States and with most communities within those States.

In the main, the members of the national media, the newspapers, TV and radio from around the country, live in or near the District, and most of them work here. So they are very familiar personally and intimately with what they feel to be the needs of the District.

It also gets its fair share, and I think rightfully so, of attention from the local media, newspapers, TV, and radio, and I believe that the media is as rightfully parochial in advancing the needs of the District, as the media sees it, as is the media of the States and of other communities and cities of a similar size to the District. But one of the differences is that the output of the media comes directly to the ears, eyes, and attention of the Representatives in Congress who have the responsibility of the District itself.

Mr. President, this proposal which would provide two Senators to represent the District is completely contrary to the intention of the framers of the Constitution, which was to have a neutral district in which the Capital City would be located.

I might go back to my first point and say I do not believe it can be very well demonstrated that the rights of the citizens who live in the District are not being protected and that their interests are not being considered or represented. Because of the special relationship to Congress as the seat of government and the Nation's Capital, the District of Columbia is of great concern and responsibility to both Houses of Congress.

Granting full representation to the District, as I said, would be contrary to the intent of the framers of the Constitution. They wanted to set aside, and did set aside, an area unique in character and free from any kind of entangling interests. They did not want to put the Federal Government in the position of being influenced by a State and become involved in that State's matters because of its location in that State.

The framers gave Congress exclusive control over the District, with full responsibility for local concerns. So failure to give the District two Senators was not an oversight, it was not an accident, it was a recognition that this District was different. It was given representation, but in a different way. We must remember that representation by two Senators was a privilege exclusively reserved to the States.

The District certainly has fared well with the present arrangement. I do not think it is possible to say that it has been mistreated by the Congress. The District ranks as one of the highest cities in terms of per capita income in the United States. It also has cultural and educational advantages that many parts of the country do not have, and much of this not provided at the expense of the taxpayers of the District.

It would be unfair to the States to provide two Senators to the District of Columbia because the States are sovereign and still have some of the sovereignty they had at the time they bestowed limited sovereignty on the U.S. Government. They did this to form a more perfect union. They provided sovereignty for the Federal Government, not the reverse. And they retain their individual sovereignty to a greater extent than the

Federal Government and the courts wish to recognize.

The point is that the States created the Federal Government and they also created the District. They did not confer sovereignty on the District. If this proposal is accepted we are saying that the Federal Government can bestow or confer sovereignty on an area.

If this proposal were submitted to the States and passed by the States, becoming part of our Constitution, we would be creating a new hybrid State, different from all the rest. Some might call it a superstate. It would have the benefits of statehood but not all of the responsibilities of statehood. It would have the appearance of sovereignty, yet would be totally dependent upon the Federal Government. It would still have, in addition to its representation of two Senators, representation by the entire Senate and from the Senate Committee on the District of Columbia.

(Mr. CULVER assumed the chair.)

Mr. BARTLETT. The States agreed to a more perfect union, and in the process created the District. They did so with the understanding that all of the States would be treated equally.

It is unlikely that they would have agreed to this union if they knew a nonsovereign entity would enjoy an equal or actually more than equal status than they were to enjoy.

Mr. President, granting the District representation as if it were a State would violate historical as well as constitutional mandates, and work a qualitative change upon our federal system of government.

Article I of the 17th amendment uses the word "state" with reference to membership in the Senate and the House.

For purposes of Federal representation, the District cannot be considered as a State since it lacks powers common to the States.

Congress possesses the power of exclusive legislation over the affairs of the District. Congress has all police and regulatory powers over the District. Congress has final authority over the District budget and appropriations. Congress can veto the decisions of the City Council of Washington, D.C. The defeat, recently, of the commuter tax is just such an example. And Congress could abolish the city government altogether if it wished.

Article 5 of the Constitution provides,

No States, without its consent, shall be deprived of its equal suffrage in the Senate.

This was a compromise to insure that large States would not, in the future, change the method of representation in the Senate. States have two Senators because they are sovereign. Federal representation is a measure of that sovereignty. To accord two Senators to an entity other than a State—a District purposely set apart from the States—would diminish and deprive States of their equal suffrage.

The District, as a hybrid State, would have its own special kind of representation through the entire Congress and the congressional committees and would have, as I shall mention later, special considerations that are not given to the other States. As long as every State is treated the same way as every other State, the equality of suffrage is not destroyed by admitting a new State to the Union. But this statement that the equality of suffrage would not be destroyed by admitting a new State to the Union would not hold true if a hybrid State, such as is proposed by this amendment, were created.

Inasmuch as the District enjoys particular advantages—that is, financial—that are not accorded to the other States, to extend Federal representation to the District would dilute and diminish sovereignty and would dilute the equal suffrage of the States. In my opinion, the States would never have agreed to such an agreement at the time they gathered to form this more perfect Union.

Some might say that if we did give the District full voting representation and include two Senators to represent them in addition to the present representation, we could no longer call ourselves the United States of America, but rather would be referred to as the "United States and Other Assorted Things of America."

The District is no more than a city. The framers did not intend that cities per se should be given representation directly in Congress. Again, States with sovereignty were to have the voice to represent the States in the Federal Government.

The fact that other cities already have elected Federal representation is irrelevant. They share their Senators with the entire State. But this would not be so if the District received two Senators. It would be patently unfair to enfranchise District residents to a greater extent than the people of other cities, cities much larger than Washington, D.C.—cities like New York, PhiladelPhia, and Chicago.

Mr. President, the District is not subject to taxation without representation. The Federal benefits exceed what the city contributes by way of Federal taxes. In 1976, the District paid into the Federal Treasury $645 million. It received however an annual direct payment, in 1977, of $276 million and Federal grants of $340 million. In Federal loans from the U.S. Treasury the District received $101 million in fiscal year 1979. This does not even include outlays for the hospitals, universities, the Smithsonian, the National Zoo, the Kennedy Center, police protection, upkeep of Federal monuments, the C. & O. Canal, and the national parks within the District. Also, the Federal Government, just recently, helped pay off the bonds for construction of RFK Stadium.

The District report on loss of revenue because of the Federal presence do not include revenues from the tourist business, convention business, construction of Federal buildings, and jobs created by such construction. Moreover the District Committee of the Senate recently saw fit to agree on a loan program for a convention center to be built in the District.

Granting the District Federal representation would create a situation in which the Federal interest would be promoted to the Federal Government for a Federal city. The District really is a company town and totally dependent, or nearly so, on the Federal Government for its livelihood, indeed, for its existence.

In 1976, the Federal Government directly employed almost 40 percent of those working in the District. Those businesses and industries servicing the Government employed another 25.5 precent.

There is hardly any manufacturing and no agriculture. Senators from the District thus would be under no compulsion to consider the needs of any competing interests other than the Federal Government because no other interests would rival that of the Federal Government. Such representation could inevitably lead to the kind of pressures that Madison spoke against and wanted to avoid when they created this unique Federal District.

I think we should, at the very least, if we saw fit to grant the District Federal representation, cut the District's umbilical cord to the Federal Treasury and to the entire Congress.

Mr. President, District representation is ultimately a constitutional issue. It is not, in my opinion, a race issue, as was alleged in the local press recently regarding the junior Senator from Oklahoma. I thought that was particularly interesting; the charge I am speaking of, in light of the fact that no arguments were made to support the charge. Certainly, when someone is supporting the position taken by the Founding Fathers to create a District as a separate entity, different from the States, this is a point of view that is reasonable and should be considered, even if it is not the point of view of the particular paper involved.

I do not think it necessarily bespeaks of racism to disagree with this particular legislation that would submit this important question to the people of this country. And it is interesting to note that as far as racism is concerned, the population trends suggest that by 1983 the whites will constitute a majority of the people in the District.

This is also not a liberal-conservative issue. No one knows what future course American politics will take.

Further, I do not think it is a matter of simple democracy, because we are a Republic, not a democracy. We have a unique setup as far as the District and as far as the country as a whole is concerned and I do not think it is in the best interests of this Nation to create a hybrid State that would have rights and privileges that the other 50 States would not have.

Mr. MATHIAS. Will the Senator yield to me briefly without losing his right to the floor?

Mr. BARTLETT. I am happy to yield to the distinguished Senator and my good friend from Maryland without losing my right to the floor.

Mr. MATHIAS. Mr. President, I thank the distinguished Senator from Oklahoma for his kindness in yielding a few seconds to me.

Mr. President, I am pleased to be here today as the Senate begins its consideration of a constitutional amendment

which has been high on my legislative agenda throughout my entire congressional career; an amendment to provide full voting representation for the District of Columbia in both Houses of Congress.

The subject matter of today's debate is not new. It has been around for a long time. In fact, a constitutional amendment to grant the District full voting representation was first considered almost immediately after residents in the District lost their voting rights in 1800 when Federal jurisdiction over the Capital took effect. Although the first constitutional amendment providing voting representation for the District was not offered in Congress until 1888, the prototype for that proposal and for all subsequent versions was drafted in 1801 by Augustus Brevoort Woodward, a close friend to President Jefferson.

Regrettably, despite early recognition of the need for such a constitutional amendment; despite the introduction of over 150 resolutions on the subject; despite the holding of more than 20 days of hearings, and above all, despite our Nation's efforts throughout its history to achieve universal suffrage, the citizens of the District of Columbia remain disenfranchised in the Congress of the United States. This can only be viewed as a travesty of justice. This intolerable situation has gone on far too long. It is a national disgrace. It must be finally corrected without further delay.

True, Congress has not totally ignored the imperative of removing the barriers which stand between democracy and the American citizens residing in the District of Columbia.

In 1961 the 23d amendment to the U.S. Constitution was adopted, allowing the residents of the District to vote in Presidential elections for the first time.

Then, 10 years later, in 1971, Congress created the position of non-voting delegate for the District of Columbia in the House of Representatives. And, in 1973, Congress provided significant self-government authority to the residents of the District of Columbia.

These steps are important. They are better than nothing. But they are not enough. Enactment and ratification of a constitutional amendment for full voting representation for the District of Columbia must be achieved expeditiously. It is the single most important piece of unfinished business on our national agenda.

We stand closer to reaching this goal today than at any other time in our history. On March 2, 1978, the House of Representatives, led by the District of Columbia's lone Representative, WALTER FAUNTROY, overwhelmingly passed House Joint Resolution 554, a constitutional amendment to provide full voting representation for the District in both Houses of Congress by a vote of 289 to 127. It is now up to the Senate to take the next historic step in the constitutional process by passing this resolution and speeding it on its way to the States for ratification.

As we review the case for a constitutional amendment granting full voting representation to the District of Columbia, one point will be crystal clear; there is no constitutional impediment to such an amendment. This message has been delivered to Congress many times in the past and was echoed in unambiguous terms earlier this Congress by several noted constitutional scholars.

Mr. President, the constitutional and legislative history supporting this amendment is in place. The only remaining issue to be resolved is a moral one. It relates to the basic rights of people in a free society. We must ask ourselves what it does to our democracy, to our professed ideals, if we permit this form of disenfranchisement of more than 700,000 Americans to continue. This is the real question facing the Senate and the American people.

I do not believe this should be a hard question to answer for a nation whose political system rests upon the principle that all citizens should be able to participate equally in our political process.

A citizen's right to be represented in the elected bodies of this Nation is no less precious than his right of free speech or his right to privacy or his right to due process under the law. The right to be represented is a fundamental freedom and is the bedrock of our constitutional government. All too often it is a right we take for granted. To be excluded from this process, to have no voice when the votes that determine peace or war are cast, is the worst of deprivations. It is, at this late date, "taxation without representation". Americans were not prepared to tolerate that injustice more than 200 years ago, and they should not tolerate it now.

Last year, in testimony before the House Judiciary Subcommittee on Civil and Constitutional Rights, I stated that the passage and ratification of the constitutional amendment now before us was necessary to provide full human rights in the District of Columbia. And, I called upon President Carter to bring his human rights campaign home to the Nation's Capital; to throw the full weight of his great office behind full voting representation for the District. To his credit, President Carter has done just that. We, in the Senate, must join with the President and reaffirm our support for human rights of the citizens of the District of Columbia. Simple justice demands it.

Mr. BARTLETT. Mr. President, I might say that the distinguished Senator from Maryland brings to mind one of the points I wanted to make at the very beginning. That is, that Senators from States such as Maryland have taken a particular interest in the District. Certainly, the distinguished Senator from Maryland has. With his position on the District Committee, he has, in my opinion, done a very fine job of representing the interests of the people in the District.

It was my pleasure and privilege to serve on this committee with the distinguished Senator from Maryland (Mr. MATHIAS). I would say I found it very rewarding.

Mr. MATHIAS. Will the Senator yield?

Mr. BARTLETT. I am glad to yield.

Mr. MATHIAS. I acknowledge the very valuable contributions the Senator has made as a member of the old Senate District Committee. Certainly he brought to that committee his experience as a Governor, his experience in the management of governmental affairs at the highest level, and he came with the kind of unique background which made it possible for him to look with an experienced eye and with a very sympathetic eye on the problems the committee had to face.

Mr. BARTLETT. I thank the distinguished Senator from Maryland.

I again commend the Senator for his great contributions to the District, for the many advances that have been made in the voting that now takes place, the elections that now take place, and the progress that has been made by the District.

Much of this can be directly traced to the distinguished Senator from Maryland.

Also, in carrying a little further the fact that the District representation is a constitutional issue; it should be noted that opposition to this proposal stems not from a callous disregard for human rights, but rather from genuine concerns about the mandates of the Constitution, about this union of States, indeed about the entire notion of federalism. Our scheme of Government would be altered dramatically and fundamentally if this particular proposal was passed by three-fourths of the States and became a part of our Constitution.

Mr. President, the proposal before us says that the District should be treated as if it were a State, but I do not believe it can, constitutionally. What we really do by this amendment is create a hybrid State, with rights that go beyond the other States.

I do not think this would be in the best interests of the entire country. Therefore, I am in opposition to submitting this question to the people of the various States for their consideration.

I believe that the Founding Fathers, when they created this more perfect Union and the opportunity for other areas to become States, created the District as a special entity with special representation. Mr. President, they knew what they were doing and reached a decision that was beneficial then to the welfare of this Nation and that is still beneficial today.

I ask unanimous consent that additional remarks on this subject be printed in the RECORD.

There being no objection, the remarks were ordered to be printed in the RECORD, as follows:

STATEMENT BY SENATOR DEWEY F. BARTLETT ON FULL VOTING REPRESENTATION FOR THE DISTRICT OF COLUMBIA

Mr. President, I appreciate the opportunity to speak on the subject of full voting representation for the District of Columbia.

Mr. President, because the District is neither sovereign nor a state those who now hope to give it full voting representation in Congress have had to sidestep the Constitution, which requires that both chambers of Congress be composed of individuals chosen by the various *states*. The pending resolution simply provides that for purposes of representation in the Congress, the District shall be treated as "if it were a state." But such a novel concept flies in the face of, and is

totally incompatible with, the role the District now plays in the overall structure and functioning of our federal system of government.

Our Constitution provides a framework in which the individual sovereign states would form a more perfect union. At the same time though, the Framers of the Constitution recognized "the indispensable necessity of complete authority at the seat of government," (Madison, Federalist No. 43). Without it they feared that the state encompassing the seat of government might unduly influence the national governing body. They wanted each state to be truly equal with the others, not one state more equal.

From this we clearly see the Founding Fathers' intention to carve out an area of land that was to be unique and special in every respect vis-a-vis any other state of the union. It was not to be a state. It was to be a solely federal district. It was to be responsible only for itself, the seat of the federal government. Unlike a state, the District was to have no legislature and no constitution. Most importantly, its peculiar character would deny it those qualities that make a state, any state, sovereign.

The special nature of the District is illustrated in another way. Every year it receives a direct grant from the federal government that supplements locally generated revenue; something the states do not get. For Fiscal Year 1977 this amounted to $279,357,000. In addition, it can borrow directly from the federal treasury to finance capital projects; something the states can not do. Loans for such outlays in 1977 came to $101,292,000. The District also participates in federal grant programs. In Fiscal Year 1978 it will receive roughly $300 million through such grants.

Appropriately enough, in Fiscal Year 1978, 47% of the total resource available to the District will come from federal sources. And these figures do not even include federal outlays for national parks, the Smithsonian Institution, the Kennedy Center, the National Zoo, St. Elizabeth's Hospital or the benefits the District receives from the large number of tourists brought to the area to see Washington's many federal attractions.

These financial privileges were granted to the District pursuant to the notion, first established by the Framers of the Constitution and later accepted by the several states, that it would be maintained by the Federal Government for the federal government's operations as compensation for its waiver of any claim to the incidents of sovereignty. It seems reasonable to me then that any attempt to remove the special political status of dependency of the District of Columbia must be accompanied by concomitant steps to remove its financial status of dependency. If the District now wishes to take its place among the several states, it should be willing to join a state such as Maryland and forego the federal largesse which has flowed as a result of its very special status.

Under our constitutional scheme of government the several states are to be treated with a modicum of equality. This scheme, in my opinion, cannot tolerate a situation in which one "hybrid state" is more equal than the others. There is, then, a serious question whether, by allowing federal representation of an entity which does not possess the attributes of statehood, we are not in fact treating the states less equally and depriving them of the exercise of their distinct measure of individual sovereignty, in violation of constitutional, as well as historical, mandates.

U.S. Senators and Congressmen from the District would be in the seemingly paradoxical, but at least unique, position of representing the interests of the federal district to the Congress which has the constitutional responsibility for the District, but not the states.

It is true that District residents pay federal taxes. But it is also true that because of the District's special status they enjoy distinct advantages not available to the residents of the sovereign states. Granting full voting representation to the District would in effect simply add another layer of cake to the one its residents already savor. In this instance the blessing of statehood would not be accompanied by the burdens generally associated with it.

In sum, the reasons for maintaining and insisting upon a unique federal district are no less compelling today than they were in 1789. But if we are going to legislate into existence this new "Hybrid state," then at the very least we should demand that its umbilical cord to the federal treasury be severed

Mr. BARTLETT. Mr. President, I yield the floor.

Several Senators addressed the Chair.

The PRESIDING OFFICER. The Senator from Indiana.

Mr. BAYH. I will be glad to yield to the Senator from Nebraska.

Mr. CURTIS. I wanted the floor in my own right.

Mr. BAYH. I rise to offer my support enthusiastically for House Joint Resolution 554, a constitutional amendment to establish full voting representation for the more than 750,000 citizens of the District of Columbia.

Before I present my substantive argument in support of this resolution, let ate Joint Resolution 65, a similar measme make it clear that despite the fact that hearings were held in my Subcommittee on the Constitution, on Senure which has been introduced and sponsored by several of us in the Senate, I, nevertheless, feel that the House version is a far better vehicle by which to bring political equity to the citizens of the District of Columbia.

For that reason, I decided not to try to report out Senate Joint Resolution 65, but instead to join my very distinguished colleague (Mr. KENNEDY) in getting House Joint Resolution 554 expeditiously passed by the necessary two-thirds vote.

If, indeed, the Members of this body feel there is a substantive and equitable reason behind this effort, it seems to me that we cannot be blind to the procedures of the Senate Judiciary Committee, which would make the movement of the Senate bill through the subcommittee and the Judiciary Committee, for all intents and purposes, impossible, given the time constraints on the Senate at this time in our session.

Mr. President, let me look at the basic reasoning, the substantive reasoning, and suggest that if anyone desires to debate the procedure, I am prepared to do that as well. The substance, it seems to me, is the most important matter to consider in any legislative effort, and we should not let procedural differences stand in our way of accomplishing substantive equity.

Mr. President, it may appear strange to some observers that the senior Senator from Indiana has chosen to champion the cause of citizens living approximately 600 miles from his home State. But I chose to champion this cause out of a grave concern for an injustice that transcends State boundaries. That injustice has to do with a living paradox in the American scheme of government. Right here in the Nation's Capital, which is the seat of the greatest representative democracy the world has ever known, the democratic values and principles that we all cherish and protect are abused. Right here in Washington, D.C., nearly three-quarters of a million citizens are denied the right to representation as it is commonly granted in the 50 States of the Union.

I listened with a degree of understanding and patiently as my colleagues on the other side of this argument expressed their opposition. One can look at all the reasons for not supporting this amendment, but in no way can one deny the fact—that in Washington, D.C., we have nearly three-quarters of a million citizens who are denied the right of full representation as it is commonly granted in the 50 States of the Union. Second-class citizenship exists for three-quarters of a million Americans who live in the District, and there is no way to explain that away.

Residents of the District, though citizens of the United States subject to all obligations of such citizenship, have not had voting representation in Congress since 1800; and only since 1964, and the ratification of the 23d amendment to the Constitution, have District residents been entitled to vote for electors for the offices of President and Vice President of the United States. It was not until April 1971 that they were given the right to elect a nonvoting delegate to the House of Representatives. And let me add that the citizens of the District have been extremely well represented in the person of Delegate Walter Fauntroy for the past 7 years.

I wondered, as I listened to the arguments against giving representation to the citizens of the District, if indeed one is to follow that rationale for denying full citizenship in the congressional branch, that, to be consistent, those same voices should have been raised in opposition to letting the citizens of the District vote for the President; because much of the rationale, to be consistent, would have to apply across the board.

I had the good fortune, as the minority floor leader of the Indiana House, to be the principal sponsor of the ratification petition in the Indiana General Assembly.

It seems to me that we are talking about the rights of citizenship, and they are not visible. They have the right to vote for President but not the right to be heard as to those issues decided in Congress.

But more must be done and it must be done now. No more delays. No more talk of retrocession, or of studies to determine the feasibility of retrocession.

I respect the position of those who might suggest this alternative, but the time has come to act. We must go forward in extending full representation to the citizens of the District. I say this because I firmly believe that the circumstances leading to the disenfranchisement of the District's citizens have drastically changed. Let us look at history and lay it on the facts of life as they exist today.

The Founding Fathers were intent on providing a site over which the Federal Government would exercise exclusive

control. That has been discussed at some length by the opponents to this amendment. The Founding Fathers wanted a separate capital which would not only protect the national image, but which would be immune from both jurisdictional disputes as well as potentially harassing incidents. For many of the Founding Fathers, national representation for the District would necessarily have precluded the establishment of exclusive Federal control over the capital site. As James Madison so eloquently stated in the Federalist Papers, "Complete Federal authority at the seat of government" was necessary to avoid the "dependence of the members of the general government on the State comprehending that seat for protection in the exercise of their duties." Clearly, the founders perceived the need for a strong Federal territory, free of State encroachment, and secure from domestic unrest.

However, it should be noted that while the framers fully intended to establish a separate capital city, they never fully decided to exclude the residents of that city from political representation. As a matter of record, it is important to note that between 1790 and December 1800, residents of the District participated in State and National elections, including the Presidential election of November 1800, by voting in either Maryland or Virginia. However, when Congress finally assumed control of the District late in 1800, the lame-duck administration of John Adams rushed to take over the administration of the District before President-elect Thomas Jefferson's administration came to power. As Pulitzer Prize-winning historian Constance Green points out, the Federalists neglected to give the franchise to District residents when legislating the takeover. After the Federalists left office, attempts were made immediately to rectify the problem. Unfortunately, as the fight to retrieve suffrage for the District residents began in February 1801, the measure was lost in the shuffle of the Jefferson-Burr electoral college deadlock controversy which plagued that particular Congress. Since that time, there have been more than 150 attempts to provide representation for the District. Most of these measures have also been victimized by what was then considered much more pressing business before Congress.

So, Mr. President, it seems to me that we must realize that circumstances have changed. There is no longer the question concerning the harassment by citizens of the Nation's Capital, as was the major reason for the creation and concern for independence of a Capital City, as expressed earlier in my remarks, by President Madison.

Also, I emphasize again that our Founding Fathers did not desire—it was not in their thoughts—that the residents of the Capital City would not have a chance to be heard and represented in the Congress of the United States.

We must not overlook a very basic reason why the District failed to receive representation in the early years of the Republic. Its population was simply too small. In 1801, the District had only 14,000 residents, far fewer than the 50,000 required of territories that wanted to enter the Union at that time. Quite naturally, such a small population could be easily overlooked. Yet, during the 1801 debates on District suffrage, many Members of Congress spoke of providing representation for the District when its population reached the appropriate size.

Today, the population of the District is entirely appropriate for representation. Given its size alone as criterion, representation is essential. The District's present population is larger than 7 of the 50 States in the Union—and larger than that of any of the original 13 States during the first years of the Republic.

Finally, I must state what to me is the most important consideration in this discussion. There is nothing more abhorrent to the American people than the idea of taxation without representation. One of the fundamental principles enunciated by our Founding Fathers was the firm belief that those citizens who contributed to the public coffer should and would have the right to elect their leaders. Over 200 years ago, the injustice of taxation without representation served as one of the major elements which drove our forefathers to revolution. We will fail to be consistent with the dictates of our forefathers if we do not provide representation to a portion of our citizens who are law-abiding taxpayers.

So let us put an end to this glaring contradiction in our philosophical principles. Let us not make a mockery of our democracy. We have the means by which to make the dreams that our forefathers fought and died for a reality. It is a basic premise of our system of government that each deserves a chance to be heard and to express his or her political views through a freely elected representative or representatives. That is all the citizens of the District are asking. The irony of these proceedings is that they have to take place at all. Therefore, it is our responsibility and duty as members of the most democratic governmental unit in the world to correct this wrong, through the immediate passage of House Joint Resolution 554.

Mr. PELL. Mr. President, will the Senator yield for a question?

Mr. BAYH. I yield.

Mr. PELL. I have long been interested in this subject. I notice that originally, a substantial part of what is now Virginia, on one side of the river, and the District of Columbia, on the other, were in a 10-mile square. Then, some years ago, the part that was residential, which was on the other side of the river, was ceded back to Virginia as Arlington County.

I often have had the thought that the Federal Triangle itself obviously should not be under any State's rule—the Federal Triangle being that section bounded by the State Department, the Lincoln Memorial, and the Capitol—but that the rest of the area is really a residential city. It is not much different than the situation between Chevy Chase, Md., and the suburb on this side of the border. If it were part of Maryland, for example, it would then be the largest city, I guess, in Maryland. It would be Washington, Md.

Why was the idea never taken seriously of having it become part of Maryland? With the huge affectionate regard for the proponent of the bill, I am sure he can satisfy my curiosity.

Mr. BAYH. It seems to me, that the most immediate response or direct response is to say that there is no way I think of that we can constitutionally do this without the concurrence of the State of Maryland, and from talking with Members of Congress as well as the State government in Maryland they like things as they are now. They view the District of Columbia as a city within its boundaries and see no reason why they should suddenly have to assume responsibility and consider this as a part of the State of Maryland.

Mr. PELL. Have they ever been directly asked if they are interested in doing this?

Mr. BAYH. They certainly have been indirectly asked, and the response has been as I suggested to my friend from Rhode Island.

Mr. PELL. Will there be an amendment offered to that effect mandating its return to Maryland as the largest city in Maryland in the course of this debate?

Mr. BAYH. There is nothing to prevent anyone from doing that. I understand that is one of the proposals before us and that such a proposal will be offered. I do not know whether it is possible really to cut the heart out of a body and have much left. It seems to me most of us who have come to this city and many of our constituents who find themselves coming for the first time have come to think of the District of Columbia as more than just a Federal triangle but indeed as a geographical area that incorporates the entire city of Washington, D.C.

Mr. PELL. But what is the difference, for instance, between Wesley Heights, to take a very high income area, and Chevy Chase next door; or on the other side of Maryland between southeast Washington and the line over into the Maryland frontier? Would that not be the same?

Mr. BAYH. I suppose that is the difference between East Chicago, Ind., and Chicago, Ill. There is a boundary line separating it, and that is the distinction that exists right here.

Mr. PELL. It would still leave the Federal triangle. And basically should not the Federal buildings be a separate Federal establishment? And it would give the other people the right of representation. This could be one way to give them representation.

Mr. BAYH. I point out to my friend from Rhode Island when our Founding Fathers established this as a capital city, if one is to look at what happened then, they did not just establish a place that should be the Federal city and say this is where the Federal buildings are. But they envisioned this as a viable city, a capital city with people who work, have businesses, and have transportation lines, and homes. The essential establishment of the Nation's Capital was not an establishment of the Nation's Federal buildings but the Nation's city.

Mr. PELL. Maybe the Senator is much more steeped in this subject than I am and knows much more about it. Can he enlighten me why it was the Virginia side was returned to Virginia as Arlington County?

Mr. BAYH. The basic Federal structure alluded to earlier by the Senator from Rhode Island existed on the other side of the river plus there was no disagreement on the part of the State of Maryland to that retrocession.

Mr. PELL. In other words, the real crux of the problem, I guess, is that there is disagreement now and Maryland does not want it back. Is that not the essence of the problem?

Mr. BAYH. That is right, plus the reason I get really enthused in my support of this, just as I got enthused in my support of——

Mr. PELL. Many good causes.

Mr. BAYH. I thank the Senator. One was the measure championed and voted on earlier by my friend from Rhode Island who has done such an exceptional job in the area of education.

But I do not know how we can say that the citizens of the District should have the right to vote for President but they should not also have a chance to vote for Members of Congress, who vote and work on those same issues that are legislative in nature and also part of the President's program. And the reason I did that, as a citizen from Indiana and a member of the State legislature when I was the principal sponsor for ratifying the 23d amendment, was that this is partially my city. This city belongs to Indiana, to Rhode Island, to Virginia; it belongs to the whole United States of America. Having said that that does not mean that the people who live here should be second-class citizens and should have to pay taxes and see their sons die on the battlefield and not have a chance to be heard in the debate that supports that kind of war.

Mr. PELL. That is a good point. For example, in the Vietnam war, black Americans unfortunately made up a disproportionately high percentage of draftees.

Mr. BAYH. If one is to be consistent here we are talking about the District of Columbia had more deaths in Vietnam than 10 States.

Mr. PELL. And more population than seven States.

Mr. BAYH. They pay more taxes than 11 States.

Mr. PELL. And more people than seven States.

Mr. BAYH. And more people than seven States.

I am not to sure there is a correlation there on the question of race at all. But that it seems to me, I say to my good friend from Rhode Island, is not really the argument here. Regardless of the color of the people who live here, regardless of the income bracket, indeed, regardless of the size of the population, all three of which are represented on that chart back there, the question before us is whether there should be citizens of any color or any ethnic group, any income bracket living in a State of any size or geographical entity of any size that just plain do not have the right to be represented when their tax dollars are being apportioned, when their educational programs are being decided, when their warmaking capacity is being decided. That, it seems to me, is the basic equity that we are trying to resolve here.

Mr. PELL. I could not agree with the Senator more that they should be represented, particularly as they have not gotten a square deal very often in the past and, for that reason, they have an extra right to be represented.

As the Senator pointed out, if Maryland does not want to do it, it would be a very hard row to hoe.

Mr. BAYH. To be brutally frank that is the question. You can argue the theory and, indeed, as I argued sometime ago, that was the kind of practice that was envisioned early on in the history of our Nation. But because the laws were changed in times past and efforts to restore the francise failed, we have now gotten to the place where the State of Maryland does not want to return to that.

I think we have a lot of history which has passed where we have a lot of people out in the hinterlands who say, "That is our capital and that belongs to us and our 5.5 million people, the District of Columbia, as much as it does to the State of Maryland. Why give that city away?"

From a practical standpoint, I say the fact that the State of Maryland would rather remain separate and apart in their own characteristics now is the answer to the question.

Mr. PELL. I thank my colleague.

Mr. SCOTT. Mr. President, will the Senator yield?

Mr. BAYH. Yes, I would be glad to yield.

Mr. SCOTT. Will the Senator yield for a question?

Mr. BAYH. I yield.

Mr. SCOTT. I was interested in the remarks the Senator made with regard to the number of soldiers who died on the battlefield. Certainly we would be in complete agreement that we hate for any American youth to die in combat. We would be sympathetic with the family of those people. But is that the basis for determining representation in the Senate? The distinguished Senator from Indiana is chairman of the Subcommittee on the Constitution, where I am privileged to serve as the ranking Republican. I believe we both know that we are here representing our respective States, and we know the history of the fact that people were killed on the battlefield does not bear a relationship to representation in the Senate.

Each State has two Senators. I do not follow the logic of people being killed on the battlefield—people from every part of the country, almost every family group, have had someone who was lost in one battle or another, and I just do not follow the logic. Maybe the distinguished Senator would enlighten me on that.

Mr. BAYH. I will be glad to try to do so for the Senator from Virginia. I think enlightenment is not necessary because I am sure he is enlightened on that subject. Persuasion is something I shall try.

Mr. SCOTT. We will agree that representation in the Senate is based upon representation from our State, two Senators from each State; is that not right?

Mr. BAYH. That is accurate.

Mr. SCOTT. I do not want to pursue the matter. The distinguished Senator and I had a private understanding that we would disagree when we felt it necessary but we would not be disagreeable in this debate. I do not think there is anything wrong with publicizing that phase or any phase. That is the only agreement I believe we have.

Mr. BAYH. I would be glad to pursue this as long as the distinguished Senator, my friend from Virginia, cares to pursue it.

I would just like to point out that there is no question about how representation in the U.S. Senate was originally established. He is accurate. It depends upon representation in a State in question.

But the argument and the philosophy supporting the Senator from Indiana and those trying to persuade our friend from Virginia about the wisdom of this case are based on how we look at rights of American citizenship. One of the basic rights of American citizenship since the days of the Stamp Act and the Boston Tea Party, and all those other horrendous abuses that were imposed upon our Founding Fathers, was that a citizen of this country had the right to have a voice in governmental policy that affected his or her life. We went through half of the history of the country before we gave more than half of the citizens the right to vote. Finally we decided that was not right; that although the women had helped win the Revolutionary War, it was not until the success of the suffrage movement that we finally gave women the right to vote.

So it was with young people, the teenagers, who were paying taxes and dying in battle. We suddenly realized this was not equitable. Those people were being affected by governmental policy, yet they did not have a vote, so we gave them that.

It seems this is a logical extension of that same rationale.

Now, my friend from Virginia and I disagreed rather vigorously on what should have happened in the Panama Canal debate. No matter how you felt about the Panama Canal, if you lived in the District of Columbia, whether you were for or against the treaty, you did not have a right to express yourself to anybody. There was not anybody who could have represented how you felt. No matter how you stood on the issue you did not have a voice in this policy.

The battle we fought yesterday on tuition tax credits, I do not know where my friend from Virginia was on this matter. He and I may have been on opposite sides or the same side. But the people who live in the District of Columbia had no way of expressing themselves. We voted for that. We rammed it down their throats, and they pay for the policy. That just is not equitable, it seems to me, and that is why I feel so strongly about it.

Mr. SCOTT. I can understand the distinguished Senator's point of view, but

we are in disagreement. I think the distinguished Senator from Indiana represents the people from the District of Columbia. I think 100 Senators represent the people of the District of Columbia. If we accept the concept of the Federal city that formed the basis for the formation of the District of Columbia, then all of us represent the Nation's capital. I believe that is what this debate is all about, whether or not we should have a neutral city where we can debate the issues concerning the entire country free of the control of any State, where the Congress has exclusive jurisdiction.

I do not see that circumstances have changed since the Federal city concept was arrived at. To me this was good when it was decided at the Constitutional Convention, as it was explained in the Federalist Papers, and this is the basis for having the capital city. They do have the right to vote at all levels of Government. They have an elected representative or delegate in the House of Representatives. They do not have representation in the U.S. Senate, but they are not a State, they are a city. The city of Indianapolis as a city does not have any representation. The distinguished Senator represents the entire State. But I am saying that he and I and the other 98 Senators all represent the District of Columbia and we are interested in the welfare of the District of Columbia.

I have lived here in this area since 1935, since I was a teenager, and I am familiar with many of the problems of the District of Columbia, and I am sure the distinguished Senator from Indiana is familiar with many of the problems. But that does not mean we should give them two Senators. Guam does not have two Senators, the Canal Zone, when it was part of the United States, did not have two Senators; Puerto Rico does not have two Senators. This is not a territory; it is a Federal district, and it was never contemplated in the formation of our Nation that it would have two Senators. To me that is the basic objection which is the representation in the Senate.

As I understand, under the concurrent resolution the people of the District of Columbia would have the same right as the people of a State in determining whether further amendments to the Constitution would be ratified or not.

We have some basic differences, but certainly I am glad to have and appreciate the point of view of the distinguished Senator from Indiana. I just feel that history and the Federal city concept are contrary to the views that are being expressed by the distinguished Senator.

Mr. BAYH. Mr. President, I appreciate hearing the thoughts of my friend and colleague from Virginia.

I think it is important for us to understand what we are talking about here.

We know that traditionally we have three levels of government in the United States of America. We have our national government, that has certain functions, certain obligations, and determines certain policies.

We also have the State level of government, which has different responsibilities and different functions, and establishes different policies.

And we have a third level of government, the local government, which has certain functions and certain responsibilities, and establishes certain policies.

Now, the District of Columbia has a district local government that fulfills certain responsibilities and establishes and carries out local authority, local government for the citizens who live here.

Citizens who live here now can vote for their mayor and their city council, so there is no taxation without representation. The citizens of the District now have the right to vote for President, so there is no taxation without representation there.

We are saying that at the national level, just as the citizens of the District have the opportunity to vote for President and to participate in that part of the national policymaking adventure, we now suggest that they should have a similar opportunity to vote for Representatives and Senators, so that they can have a voice in determining legislative policy and participate in that part of the national adventure of Government.

So I think it is very clear that those decisions that are made by this body affect the lives and affect the economic well-being of the citizens of the District of Columbia. They cannot vote for any of us here. If they do not like what we do, there is no way they can change that representation.

What we are saying is, give the citizens of the District of Columbia, not the right to set up a State capital, not to have State legislatures but at least to have two Senators and the appropriate number of representatives that the population would suggest, so that they can have a voice and a vote in determining legislative policy. Then, if they do not like the way those legislators vote, they can do the same thing to them that our constituents at home can do to us. That is what we are after.

I was involved in a discussion that is very close to one of the concerns expressed by my good friend and colleague from Virginia when he rose a moment ago, and that is to point out that there were two problems, two basic concerns that existed, that were primarily responsible for creating a separate entity. One was the security question.

I do not believe anybody really is very concerned that there are going to be any marches on the Capitol Building against which we are not going to be defended. We may disagree, depending on whether you are on the right side of the political spectrum or whether you are on the left side of the political spectrum, or whether we will march down the avenue supporting equal rights for women or whether we will march down the avenue protesting the war in Vietnam, or participate in some of the marching we have had here by farmers protesting what has happened to farm income. Those citizens have had the right to petition, and they have not become a mob; and those who did get out of line ended up in jail.

So that business of suggesting that we are going to have a repeat of the Philadelphia situation, where the early members of the legislative branch of this country were fearful for their lives, is not about to be repeated. And the suggestion that that reason, which was a very real reason in the 1700's, exists in the latter part of the 20th century, is to suggest facts that frankly are not apparent to the Senator from Indiana and I think are not apparent to anyone who might wish to examine the facts as they exist, whether you are for or against this amendment.

Now, there was another reason, of course, that was considered by the Founding Fathers, that I think made a lot of sense if you look back that long ago. And I think that same reason can be used to distinguish the way in which we address ourselves to Guam—the Senator from Virginia mentioned Guam—and that is the very size of the entity involved.

Back in those days, there were very few people living in the District of Columbia. Its population was simply too small. In 1801, the District had only 14,000 residents, far fewer than the 50,000 required of territories that wanted to enter the Union at that time. Quite naturally, such a small population could be easily overlooked. Yet, during the 1801 debates on District suffrage, many Members of Congress spoke of providing representation for the District when its population reached the appropriate size.

Many of us search in vain, or at least we search, for what our Founding Fathers really means when they established this Federal city. One of the things they were concerned about was that the District not receive representation until it got large enough to do so. At that time, it was too small relative to the population requirements necessary to come into the Union as a State. We certainly cannot say that now. There are more people in the District of Columbia than live in seven of the States. So the size question, it seems to me, has disappeared. The size of the District of Columbia is entirely appropriate for representation today. Given its size alone as criterion, representation is essential. We need to understand that the District's present population is larger than that of any of the original 13 States during the first years of the Republic.

Moreover, it is rather clear that our Founding Fathers, those people concerned when they set up the Constitution, with creating the Federal district for the Nation's Capital, intended that when the District became large enough, it should receive representation.

I would think that consideration would encourage those who are searching for the Founding Fathers' intent to support this resolution.

Finally, Mr. President, I must state what to me is the most important consideration in this discussion. There is nothing more abhorrent to the American people, as I said earlier, than the idea of taxation without representation. One of the fundamental principles enunciated by our Founding Fathers was the firm belief that those citizens who contributed to the public coffer should and

would have the right to elect their leaders. Over 200 years ago, the injustice of taxation without representation served as one of the major elements which drove our forefathers to revolution.

We have had over 200 years of injustice, and the time has come to put that injustice behind us. The best and quickest way to do that is to join in the immediate passage of House Joint Resolution 554.

Mr. McGOVERN. Mr. President, I commend Senator KENNEDY and others for their leadership in this effort. I think it rights a wrong that should have been righted years ago. It reflects the sense of justice of the American people and the Congress of the United States, and I hope the effort will succeed.

I join in the bipartisan effort to provide for representation of the District of Columbia in the Congress of the United States. Such a move in the form of a constitutional amendment reflects the sense of justice of the American people, a people whose very beginning was forged in the struggle for fair representation.

During this debate, a litany of facts will necessarily be reviewed: facts which reveal the extent to which Washingtonians pay taxes, fight in wars, and defend the Nation. The numbers will reveal the equity of this move and the inequity of enduring both conscription and taxation without representation. This amendment will help right a longstanding wrong. The denial of this basic right must not go unresolved.

But in addressing this flaw in our representative system, we are doing more than acknowledging the statistical truth of the District of Columbia's case.

We are also recognizing the historical and culture uniqueness of the District of Columbia as a community, and as a city filled with people who are as strong and patriotic as any Americans.

Furthermore, we are bearing witness to basic human rights and our devotion to participatory democracy. In our political system there is simply no matter more basic, no right more sacred, than the right to have one's voice heard and one's case made by someone of his or her choice.

Aristotle said:

> Democracy arose from men's thinking that if they are equal in any respect, they are equal absolutely.

It is not too late in our history to further extend this ideal. That is why I want to lend my voice to those supporting this joint resolution leading to full representation for the citizens of the District of Columbia.

Mr. BROOKE. Mr. President, I am deeply pleased to speak in behalf of House Joint Resolution 554 and to reaffirm my deep commitment to the achievement of full voting representation in the Congress for the citizens of our Nation's Capital, the District of Columbia.

My enthusiastic endorsement of House Joint Resolution 554 is based primarily on fundamental concepts of liberty and justice. But my support and interest are also intensely personal. For my roots are in Washington, D.C. I was born and raised here. I attended and graduated from Dunbar High School and Howard University. And for as long as I can remember I have fought, along with family, friends, and colleagues, to attain the goal of providing for the citizens of the District of Columbia the same rights and privileges that other citizens throughout the Nation have enjoyed.

Over the past decade I have worked closely with a number of congressional allies, including D.C. Delegate WALTER FAUNTROY, Senator CHARLES MCC. MATHIAS, Senator EDWARD KENNEDY, and Senator BIRCH BAYH, to make this goal of full representation a reality. And thus it is with great pleasure that I take this opportunity to commend the House of Representatives for passing on March 2, 1978, House Joint Resolution 554. The passage of House Joint Resolution 554 is a testament to the leadership and dedication of many individuals, in and out of the Congress. But, in particular, I want to single out for praise the work of WALTER FAUNTROY and the broad bipartisan coalition that supported the House measure.

The proposal before the Senate, House Joint Resolution 554, would enable D.C. voters to elect two Senators and the number of Representatives in the House (probably two), to which the District would be entitled on the basis of population. Each Senator or Representative would be an inhabitant of the District, and would possess the same qualifications as to age and citizenship and have the same rights, privileges, and obligations as other Members of Congress. The amendment would provide for the full participation of the District of Columbia in the constitutional amendment process and in the Electoral College. And finally, the Congress would have the power to implement this amendment by appropriate legislation.

Nearly 200 years after its adoption, the U.S. Constitution has been amended but 26 times. Clearly, any proposal for amending the Constitution deserves careful and serious study and debate. However, proposals for granting D.C. voting representation in the Congress have been very thoroughly discussed and researched over the years. It seems useful to review briefly at this point the long history of efforts to achieve full voting representation in the Congress for the District. Thus we can rebut the contention, all too frequently raised as an excuse for inaction by opponents, that somehow we need time "for further study of legal ramifications" or whatever, of granting D.C. voting representation in the Congress.

From the beginning of the 19th century there were advocates of national representation in Congress for D.C. residents. One of the first was Augustas B. Woodward, who wrote a series of articles, published in the National Intelligencer between 1801 and 1803, in which he decried the pitiable state of those citizens residing in the District of Columbia who were subject to taxation without representation. Another ardent supporter of D.C. representation over the years was Theodore W. Noyes, a native Washingtonian long associated with the Washington Star, serving as its editor from 1908 to 1946. In the fourth of a series of articles, appearing early in 1888 and focusing on "some of Washington's grievances," Noyes outlined the political plight of the citizens of the District and proposed that a constitutional amendment be adopted to grant them voting representation in the Congress. On May 15, 1888, Senator Henry W. Blair introduced a joint resolution incorporating Noyes' vision, and this has been generally designated as the first amendment proposal introduced to provide D.C. voting representation. Literally hundreds of joint resolutions have been introduced in the subsequent years since the 50th Congress back in 1888.

And there have been dozens of hearings on the issue of D.C. representation in Congress. The first such hearings date back to 1916. The prophetic testimony of Theodore Noyes at that time still rings true. At one point Noyes was arguing that election of local officials in Washington, or of a nonvoting delegate to Congress, would not be sufficient. Rather, according to Noyes, full representation in the National Government constituted the "genuine American political birthright." Noyes stated, in part, at those first hearings on D.C. voting representation back in 1916:

> If Washingtonians are political slaves now they will still be political slaves after they have the power to elect a voteless delegate, or even District commissioners or any other municipal officials, if the exclusive power of legislation under the constitutional provision still remains in a Congress not elected by them and in which they are not represented. Their chains may be made a little lighter and may not clank so loudly; they may be granted by kind masters a greater freedom of movement, but they are not free. The power to take away their property, their freedom and life itself is in others not chosen by them and to whose rule they have not assented. There is no self-government when the power to tax one, to imprison one, and to send one to war is not in one's self or in those to whom one has voluntarily confided it as one's representative.

And there have been many more hearings since 1916. The Senate held hearings in April, the sixth such endeavor just since 1970. The House Judiciary Committee of course held hearings this year and in 1975, the Senate Judiciary Subcommittee in 1974, the House again in 1971, and the Senate in 1970.

While we are all familiar with the successful effort in the House this year, we may be less familiar with the episode in the Senate during the 86th Congress when D.C. representation was debated and endorsed. During floor debate on another constitutional amendment proposal, Senator Kenneth Keating offered a floor amendment, establishing a framework for ultimate D.C. voting representation in the Congress and also providing for Presidential electors from District of Columbia; the Keating amendment was approved by vote of 63 to 25. The vote on the tripartite resolution (which included segments authorizing Governors to fill temporary vacancies in the House and another abolishing tax and property requirements for voting as well) was 70 to 18, more than the necessary two-thirds. However, the House Judiciary Commit-

tee reported a much amended version of the resolution, containing the language ultimately incorporated into the 23d amendment. The sections relating to abolition of the poll tax and the filling of House vacancies were entirely deleted, and the remaining section addressing D.C. suffrage was watered down by elimination of any provision regarding congressional representation.

Without a doubt, there has been a very lengthy history of efforts to grant D.C. voting representation in the Congress. Mr. President, I would submit that what we need is not more study and talk, but speedy congressional action.

A fundamental concept of democratic political thought is that of consent. Thus the obligations of citizenship can be imposed legitimately only via "the consent of the governed." In the American context this exercise of consent often occurs through elected representatives in the Congress. The American Revolution was fought so that basic rights would be accorded the citizens of the American colonies. "No taxation with representation" was the rallying call of those who struggled for a free Nation. Participation in and control of the political process of the country by its citizens is a fundamental precept of democracy.

It seems almost inconceivable that in 1978, with memories of our Nation's Bicentennial fresh in mind, we find democracy flaunted with respect to the citizens of Washington, D.C. The plight of the citizens in the District, sadly, is more akin to that of a subjugated, colonial people. The situation with respect to voting representation for the District, instead of serving as an example of democracy for the rest of the country and indeed of the world, provides an outrage of inequity.

Mr. President. the U.S. citizens residing in the District of Columbia have all the obligations of American citizenship. They must pay taxes, defend the country in time of war, and obey the law. However, this sizable group of citizens, exceeding the population of seven States, do not have representatives in the House or Senate who can meaningfully express the consent or dissent of the D.C. residents by vote on the floor of Congress. This condition has applied to residents of the District since 1800, when Federal jurisdiction over the seat of the National Government was officially effected. Prior to that time, the eligible male residents of the Virginia and Maryland portions of the District of Columbia voted for U.S. Senators and Representatives in their respective States. But in 1978, the District of Columbia has no one exclusively advocating its interest in the Senate. Although several of my colleagues and I are concerned with the District, our primary interests and responsibilities, necessarily, lie elsewhere. Likewise, despite the noble efforts of D.C. Delegate FAUNTROY in the House, in the final analysis, the District is relatively powerless there as well since its interests can not be directly defended in critical floor votes.

It is my conclusion that lack of provision in the Constitution for D.C. representation is something of an historical accident. In the larger context of setting up a whole new Government for the Union, the status of the District of Columbia was not one of the major problems facing the delegates to the Constitutional Convention. Hence it is not surprising that the issue of D.C. representation is nowhere mentioned in the records of those debates. Moreover, the area ceded by Maryland and Virginia to become the Nation's Capital had few residents, and from 1789 when the Constitution was adopted, to December of 1800, when the "exclusive legislation" authority of the Congress took effect, those who lived within the portions of Maryland and Virginia that were to become the District of Columbia retained their political rights as citizens of those two States. It was only after 1800 that the disenfranchisement of citizens living in the District became a reality, and the efforts to reverse the situation began.

In recent years we have made substantial progress in broadening the base of representative government and extending the franchise in the United States. But this glaring piece of unfinished business remains. Fundamental concerns of justice and equity demand that the residents of the District of Columbia at last be granted the right to elect their own voting representatives in the Congress.

Mr. President, in closing, I might note that it required but 286 days for the requisite 39 States to ratify the 23th amendment to the Constitution, providing for D.C. participation in the Electoral College. Equally prompt action at the State level might reasonably be anticipated with respect to D.C. voting representation in the Congress. But before the States can have the opportunity to ratify such an amendment, granting voting represenation to 700,000 citizens of the District of Columbia, a proposal must of course be approved by a two-thirds majority in the Congress. The first step has been taken. The House has already acted. Now it is our turn. Therefore, I urge my colleagues to expeditiously and favorably take the necessary second step in the amendment process.

AMENDMENT NO. 1756

Mr. CURTIS. Mr. President, I send amendment No. 1756 to the desk and ask for its immediate consideration.

The PRESIDING OFFICER (Mr. BAYH). The amendment will be stated.

The assistant legislative clerk read as follows:

The Senator from Nebraska (Mr. CURTIS) proposes amendment No. 1756:

Strike out all after the resolving clauses and insert the following:

That the following article is hereby proposed as an amendment to the Constitution of the United States, which shall be valid to all intents and purposes as part of the Constitution when ratified by the legislatures of three-fourths of the several States within seven years after its submission to the States for ratification:

"ARTICLE —

"SECTION 1. In exercising its powers under article I of the Constitution, and in particular its powers to lay and collect taxes, duties, imposts, and excises and to enact laws making appropriations, the Congress shall seek to assure that the total outlays of the Government during any fiscal year do not exceed the total receipts of the Government during such fiscal year.

"SEC. 2. No later than the twentieth day after the close of each fiscal year, the President shall—

"(1) ascertain the total receipts of the Government during such fiscal year, not including any receipts derived from the issuance of bonds. notes, or other obligations of the United States, and not including any receipts from any income tax surtax imposed under this article;

"(2) ascertain the total outlays of the Government during such fiscal year, not including any outlays for the redemption of bonds, notes, or other obligations of the United States; and

"(3) if the total receipts described in paragraph (1) are less than the total outlays described in paragraph (2), determine the percentage rate of income tax surtax, to be imposed as provided in section 3, which is necessary to provide an additional amount of revenue equal to the amount by which such total receipts are less than such total outlays, and transmit to the Congress, by special message, the rate of income tax surtax so determined.

"SEC. 3. Subject to the provisions of section 4, an income tax surtax, at the rate determined and transmitted by the President under section 2—

"(1) shall be effective for the calendar year following the close of the fiscal year with respect to which the determination was made, or for so much of such calendar year for which such surtax is not suspended under section 4, and

"(2) shall apply, as an additional income tax for the period for which it is in effect, with respect to the income tax liability of each taxpayer which is attributable to the portion or portions of such taxpayer's taxable year or years which fall within such period.

The income tax liability attributable to a portion of a taxable year falling within a period shall be based upon the ratio of the number of days in the taxable year within such a period to the total number of days in the taxable year.

"SEC. 4. In the case of a grave national emergency declared by Congress (including a state of war formally declared by Congress), the income tax surtax which would otherwise be in effect for a calendar year under section 3 may be suspended for such year, or a portion thereof, by a concurrent resolution, agreed to by a rollcall vote of three-fourths of all Members of each House of Congress, with such resolution providing the period of time, if less than the whole calendar year, during which such surtax is to be suspended.

"SEC. 5. This article shall apply with respect to the first fiscal year beginning after the ratification of this article and each succeeding fiscal year.

"SEC. 6. The Congress shall have power to enforce this article by appropriate legislation."

Mr. CURTIS was recognized.

Mr. ROBERT C. BYRD. Mr. President, will the Senator yield?

Mr. CURTIS. I am happy to yield.

Mr. ROBERT C. BYRD. Will he allow me to ask for the yeas and nays on his amendment?

Mr. CURTIS. I certainly will. As I stated before the Senator came in, this amendment is not offered as any delay of the D.C. representation bill. I am offering it because I think it is the most important constitutional amendment we might consider. Therefore, it is not to delay. I should be happy to have a time fixed for a vote tomorrow, early—say by noon. I mention that for the distingushed leader to consider, that he might know what we have in mind.

Mr. ROBERT C. BYRD. I appreciate that and I appreciate the willingness of the distinguished Senator to have a vote at a time certain.

If he is interested in having the yeas and nays on his amendment, perhaps we can get those yeas and nays now.

Mr. CURTIS. I have no objection.

Mr. ROBERT C. BYRD. It will not waive any rights of any Senator, and at least, Senators will know that a vote is going to occur, one way or the other, on the amendment.

Mr. CURTIS. I have no objection.

Mr. ROBERT C. BYRD. Mr. President, I ask for the yeas and nays.

The PRESIDING OFFICER. Is there a sufficient second? There is a sufficient second.

The yeas and nays were ordered.

Mr. ROBERT C. BYRD. Mr. President, will the Senator yield again?

Mr. CURTIS. I am happy to yield to the Senator.

Mr. ROBERT C. BYRD. I beg the Senator's pardon for asking him twice, but I thought in view of the fact Senators may stay around thinking a rollcall vote would occur tonight, if agreeable with all Senators present, we could alert the respective cloakrooms to notify Senators that no rollcall votes are anticipated tonight.

Mr. CURTIS. That is very agreeable to me.

Mr. ROBERT C. BYRD. I thank the Senator.

Mr. President, I make that statement, that there will be no rollcall votes tonight. I again thank the Senator.

Mr. CURTIS. Mr. President, I wish to state for the managers of the bill that this amendment is not offered for the purpose of delaying the proceedings. I offer it in the firm belief that it is the most important constitutional amendment which Congress could consider.

Rampant inflation is reaching dangerous proportions. One of the basic causes of inflation is the deficit spending. This proposal is a constitutional amendment which would compel the Congress to balance the budget each year. We would go on a pay-as-you-go basis.

In support of the statement that I have no desire to delay these proceedings, but I am only offering it on the basis that we should consider it as it will meet a very urgent need, I want to state that as far as this Senator is concerned I would be willing to agree to a reasonable time at which we might vote on this tomorrow, since it is now past 5 o'clock.

Mr. President, in support of my amendment in the nature of a substitute, I wish to speak about the finances of the U.S. Government.

Expenditures and taxes are astronomically high. In spite of the heavy burden that our taxpayers must bear, the U.S. Government runs a huge and inexcusable deficit of about $50 billion. This cannot go on.

Mr. President, if we look at the rising deficits of the past several years we can see the basic cause for the inflation. All prices go up and up, and many wages and salaries follow. The income of many people is more or less fixed, and they have no way to cope with the near uncontrollable inflation now rampant in this country. When we consider the effects of this inflation on life insurance programs, on pensions, and other values, it is no less than frightening.

Mr. President, while it is vitally necessary that we practice economy in every activity of the Government, it is equally important that we look at the basic cause of the great increase in the budget of the United States. The budget for the current fiscal year calls for spending in a total sum of $459 billion. Compare this with the amount of the budget for the last full fiscal year of the Eisenhower administration of $92 billion. We cannot blame this on defense costs, neither is this great increase caused by expenditures for the necessary functions of Government. It cannot be blamed upon the development of our natural resources. The cause of this huge budget is basically the welfare state. The cost of governing and regulating and policing is not what is bringing about the huge expenditures. It is that role of the Government which can best be described by the word "provide."

Much of the legislation involving the welfare state which is now so costly was enacted in the thirties and forties. Many additional programs were enacted in the period of 1961 to 1969. Here is what these programs are costing this year: Food, $8.955 billion; housing, $6.8 billion; education, $19.6 billion; assistance to local and State governments, $81.17 billion; medical and health programs, $56 billion; unemployment compensation, $10.6 billion; and retirement and disability, $122.44 billion.

Mr. President, bills are introduced in this body and speeches are made to add to the welfare state. For instance, let us look at the medical field. We have medicare for the aged, and we have medicaid for the poor. The drive for national health insurance results, then, in a drive to have the Government pay the medical and hospital bills of individuals who are neither aged nor poor. The Federal Government cannot take on such a burden. Furthermore, private insurance and labor contracts have taken care of a great portion of the problems and those programs are increasing day after day. If we were compelled to balance the budget each year, programs costing billions and billions of dollars would not be enacted. It would stop the expansion of Government.

Another example relates to the field of education. There are many proposals for new educational programs, including one that passed this body yesterday, but let us look at what has happened. In my State of Nebraska, the Federal Government pays estimated 10 percent of the total cost of all education in the State, yet the Federal Government comes near exercising 100 percent authority in running our schools. It has not been a good deal for the taxpayers or the students.

The welfare state has failed. It costs more than we can pay. It does not meet our problems. We have had public housing for decades; we have spent billions and billions of dollars on public housing. The need for housing is perhaps greater now than it ever was. Once the Federal Government subsidizes a housing project in a community, the community then becomes eligible for an additional grant in aid for schools because the public housing is not taxed. It results in a viscious cycle.

Mr. President, when are we going to return to the basic principle that the Government should not provide the things that individuals need when they are not victims of ill health, disaster, or advanced age, but rather, it is the responsibility of the Government to maintain an economic system that provides an opportunity for the ablebodied to produce, earn, and acquire the things they need. There are those who say it cannot be done. I refuse to accept the premise that self-government and individual freedom and private enterprise are so deficient.

Mr. President, we should, with great care, weigh every proposal that comes before us in this year and in all future years. The voices of error are rampant in the land. Some of these voices are found in government. The Director of the Congressional Budget Office, Ms. Alice Rivlin, has been quoted by the press as favoring increased expenditures and increased tax reduction, which would mean an increased deficit. The press states that her reason is to spur the economy. Mr. President, if increasing spending and enlarging the deficit would spur the economy in any true sense, we would not have an economic problem in the United States. We must realize that big government has failed.

Winston Churchill said you cannot unscramble eggs. This statement embodies a great truth. We cannot, and I do not advocate it, abolish all of these programs which I have labeled as the welfare state. We should stop enlarging the welfare state. There are some programs that ought to be ended, there are others that should be drastically changed, and we need to establish some priorities.

Among the social programs that, in my opinion, must have a high priority are those where we have a moral obligation to fulfill the Government's commitment. Social security was enacted to provide a retirement benefit for our people. We should confine it to such a program. Millions of individuals have paid and paid into the social security program; we cannot fail them. The social security tax is going to be difficult. It will take a courageous Congress to collect enough revenue to pay for it. The alternative is repudiation of the Government's commitment to our people, and this is unthinkable.

On the subject of social security, I do feel that we should take a look at medicare being paid through the social security tax. Individuals of modest means are being taxed to pay the hospital and medical costs of individuals regardless of wealth and income if they happen to be 65 years of age. We should also take a look at the disability program and the survivor program to see what gradual changes can be made in our social security system that will meet the intended goal for retirement with tax rates that our people can stand.

Reducing the size of the Government is an enormous task. It calls for intel-

ligence, hard work, establishment of priorities, and above all, men and women of courage who are deeply concerned about the future.

No one objects to balancing the budget of the U.S. Government. Most people say, "not now." In the meantime, the programs grow and the problem gets worse. We need fiscal discipline in our system of government. Most of our States have a constitutional provision which either prohibits deficits altogether or limits them. We must have the same idea incorporated into our Federal Constitution.

Mr. President, we need a constitutional amendment to require a balanced budget and bring an end to deficit spending. The constitutional amendment that I have pending in this Congress is Senate Joint Resolution 26, and it is now offered as a substitute for House Joint Resolution 554.

This constitutional amendment is clear and understandable. It requires Congress to balance the budget. If Congress fails to balance the budget, a procedure is set up for an automatic surtax to go into effect the following year to recoup the deficit. It has a provision whereby, in time of war or a declared national emergency by Congress, the requirements of the amendment can be set aside a year at a time.

This constitutional amendment is a stern procedure; it does have teeth in it. If Congress spends more than the Government takes in, the taxes automatically go up. If Congress is faced with the alternative of reducing spending or increasing taxes, I predict that they will reduce spending. If Congress fails to reduce spending and everyone's tax is increased with a surtax of 3 percent, or 10 percent, or 20 percent, whatever is needed, the taxpayers will know about it, and they have a remedy at the ballot box. A constitutional amendment which is a mere declaration of a requirement to balance the budget and which is not self-enforcing will not do the job.

Mr. President, the public polls indicate that a majority of the American people want a balanced budget. A sizable list of our State legislatures have acted to bring about a balanced budget on the part of the Federal Government. There are other constitutional proposals that are pending. All in all, more than 120 Congressmen and Senators in this Congress have either introduced such a constitutional amendment or have cosponsored an amendment of their colleagues.

Mr. President, the amendment that I have offered is in the nature of a substitute for the pending House joint resolution providing for representation in the Congress for the District of Columbia. This substitute of mine is the same proposal as I earlier introduced and it is numbered Senate Joint Resolution 26. My amendment, Senate Joint Resolution 26, has 21 cosponsors. We had 23, but we have lost two by death. They are Senators BARTLETT, BUMPERS, DOLE, EASTLAND, GARN, GOLDWATER, HANSEN, HATCH, HATFIELD, HELMS, LAXALT, MCCLURE, ROTH, SCOTT, STENNIS, TALMADGE, THURMOND, WALLOP, YOUNG, ZORINSKY, and DECONCINI. The late Senators James B. Allen and John L. McClellan were also cosponsors of my amendment.

This resolution, when adopted, would put an end to deficit financing on the part of the Federal Government, except in times of war or when a grave national emergency has been declared by Congress. The discipline of a constitutional amendment requiring fiscal responsibility is essential for the economic well-being of our country and the full employment of our citizens.

Failure on the part of the Federal Government to bring spending under control can lead to very serious consequences. Disaster is not too harsh a word to describe what could happen if we continue to follow the course that we have followed for the last quarter of a century. Mr. President, we have had only one balanced budget since the fiscal year 1960, and that was in fiscal 1969.

These continuous deficits are most disturbing. They were disturbing when they amounted to $4, $5, or $6 billion a year or less. Americans who are concerned about the future of our country rightly raise the question "where are we headed?" This question is especially pertinent when we find that the deficit for fiscal year 1975 exceeded $45 billion and the deficit for 1976 exceeded $66 billion. The deficit for fiscal year 1977 is estimated as $68½ billion and the deficit for fiscal year 1978, which we are now in, is being estimated at as much as $70 billion.

It will be less than that, but still very high. At one time certain members of the Carter transition team have been talking of a $75 billion deficit.

Seldom can you find a Member of Congress or a President who will express opposition to a balanced budget. Their answer is "not yet." There is always an impelling reason for the claim that we cannot balance the budget now. Advisors to Presidents often convince a President that the budget cannot be balanced in his term, but when they get through with their "fine tuning" it will be balanced at the end of 4 years. Then at the end of 4 years, we start all over again with a new takeoff of astronomical deficits. We should ask the question "where will it end?"

I believe that a great boon to our economy will come when we embark on a continuous course of balancing the budget. If everyone knew that the U.S. Government had its finances under control it would create confidence at home and abroad. The potential of this country is tremendous. The possibilities are unlimited. I do not believe that private enterprise and self-government are failing theories. I believe that the future can be bright if we reverse that trend toward totally uncontrollable deficit financing.

Is there anything more conducive to investment and the providing of more jobs than the sure knowledge that the Government in Washington was and would continue to follow a responsible course, pay bills and maintain the value of its money?

There can be little dispute that continued deficit financing leads to inflation. Inflation is a cause of unemployment. When inflation is rampant, it takes all of the income of most of our citizens to provide the bare necessities of life for themselves and for their families. In the absence of inflation, wage earners, farmers, businessmen, and professional men have sufficient income to buy much more than the bare necessities of life. These additional purchases, whether they be carpets, draperies, radios, TV's, furniture, new houses, additions, automobiles, boats, ski equipment, pianos, music lessons, or dental services, set in motion a wide range of activities that means jobs for more people. It does not take a sizable proportion of our workforce to produce the bare necessities of life. Full employment can only come when the people can buy additional items, including luxuries. Every time there is an article sold, it means that someone had to produce the raw material, someone had to manufacture, transport, advertise, sell, finance, and insure the article. All of which means economic activity and jobs for individuals of all ages.

Again, Mr. President, I point out that inflation creates unemployment because when prices are so high the purchases on the part of most of our citizens are limited to the bare necessities of life, because that is all they can afford. It is when they buy beyond the necessities of life that it takes jobs and more jobs to produce the things that they buy.

Washington is infested with too many self-proclaimed experts who hold to economic theories that are erroneous. These individuals assume the role of "fine tuners." They believe that if they can add to the Government spending, increase the deficits and dissipate revenues, somehow at some future date business will pick up, and an economic utopia will be reached, and the budget will balance itself. They overlook many factors, including the results of their own self-created inflation and the record of Congress in always voting more expenditures. The "fine tuners" have a very bad track record. Their theories have not worked and the record is clear. These would-be experts who are bent on fine tuning and managing our economy should immediately be replaced with intelligent, tough budget balancers.

Mr. President, we should start now to advance a pay-as-you-go constitutional amendment. At the best it takes several years to get the constitutionally required two-third vote in both the House and Senate and have an amendment ratified by three-fourths of the States. This means that if the Senate passes this resolution in this Congress, its effective date will be down the road several years, so that Congress will have time to comply and bring the budget into balance.

Mr. President, a great many of the States have constitutional provisions against deficit financing and the creation of Debt. They vary as to form. These provisions in our State constitutions have been responsible in maintaining the solvency of those States. We need a similar discipline at the Federal level.

The resolution being introduced today is a simple and workable plan. Yet it is firm and effective. It mandates the Congress to balance the budget every year.

But it goes further than merely declaring for a balancd budget. It has an enforcing provision. This amendment provides that within 20 days after the close of the fiscal year the President is required to ascertain if there is a deficit—if so, how much? The President is required to calculate the amount of surtax necessary to recoup the deficit in the next fiscal year. This surtax would be an added percentage tax on the income tax of all individuals and corporations. It might amount to a surtax of 3 percent, or 7 percent or 20 percent, whatever the case might be. The surtax would automatically go into effect for the coming year. The President would not be empowered to impose the surtax; the surtax would go in automatically under the authority of the constitution.

Under this plan, the people of the country would know what direction we are headed, and Congress would know it, also. Congressmen and Senators would not like an announcement made on or about the 20th day of October that a surtax would have to be imposed on individuals and corporations because Congress had spent too much money. The adoption of this resolution will bring about the necessary discipline which will lead to a balanced budget. Some programs can be eliminated; others can be postponed. New programs will be looked at more realistically. The question will be asked of all programs—are they necessary or merely desirable? If Congress is faced with the choice of reduced spending or increased taxes, expenditures will be reduced. If not, the voters have a remedy at the ballot box.

It would be foolish to amend our Constitution so that we could not use our credit in order to defend ourselves in time of war. It would be unwise to amend our Constitution so that our country could not meet a grave national emergency that pledged our entire Nation. Therefore, the resolution provides that upon three fourths vote of both Houses of Congress, the requirements of the amendment could be set aside for a year at a time, whenever there was a declaration of war or a finding by Congress of a grave national emergency. If the war or an emergency extended beyond a year, there would be another vote every year if the requirements of the amendment were to be waived.

Mr. President, we are faced with a grave situation. If the U.S. Government is to return to a course of fiscal responsibility, it will require courage and the making of some hard decisions. There is no easy answer. I believe in our country and in its future. I believe that the rewards that will come to our republic if we regularly balance the budget will be very great. I hope that the Senate can move on this resolution very soon.

Congress has a new budget act. It is required to pass the first budget resolution early in the year; then the budget is finalized in two subsequent resolutions. Many Americans had high hopes that the budget reform act would bring spending under control in our Federal Government. A balanced budget was the goal that Congress sought.

This new budget procedure has its good points. Primarily, it has been worthwhile because it directs the attention of Congress and the public to the budget as a whole. It calls attention and brings an awareness of the alarming situation in reference to our finances. All this is good.

The congressional budget act has its shortcomings. It does not produce a balanced budget. Congress uses the budget procedure as a means of approving deficits in advance. The passage of the budget resolution presupposes that the deficits are necessary, unavoidable, and to many desirable.

Another failing of the budget reform act that makes it ineffective in bringing a balanced budget is that it depends too much on the attitude of the chairman and the members of the Budget Committee. It has no self-disciplining features. It has no built-in procedures that will compel reduced spending and a balanced budget. If the chairman and the majority of the budget committee favor increased spending for social objectives it very likely will go in the budget. If the majority of the budget committee believe that some tax action in reference to business is tax reform and loophole closing, such action is very likely to be incorporated in the budget, even though the proposed tax action is not real loophole closing and might lead to less enterprise and fewer jobs and would be an insignificant amount in attaining a balanced budget.

In actual practice, a budget resolution that accepts the principle of a huge deficit is bound to fail. If a resolution is passed which in essence OK's a $57 billion deficit, how are you going to successfully argue that the country would be better served if the deficit were cut to $55 billion, or that our country would be in great jeopardy if it were increased to $59 billion? It becomes a battle of opinions. It is lacking in absolutes.

Our goal should be a balanced budget. The Budget Committee should be charged with bringing this about. If those Members of Congress who believe in bringing Federal expenditures under control can point out to their constituents that a proposed new program for spending would create a deficit and compel the Congress to increase taxes, it is a persuasive argument and it becomes much easier to vote against such "new proposal." On the other hand, an argument as to how large a figure is acceptable as a deficit is not effective in ending the trend of ever-increasing spending and debt.

Another feature lacking in the budget reform act is that its authority is purely statutory. It is a law, and a subsequent law can overrule it, including a law that calls for spending. The present budget procedure has no teeth in it.

What we need is an amendment to our Constitution, to be approved by Congress and ratified by the States, that compels the Federal Government to go on a pay-as-you-go basis, balance the budget, and have no increase of the national debt except in time of war or in times of a grave nationwide emergency.

I wish to speak about my proposed constitutional amendment which is offered as a substitute for House Joint Resolution 554. It has a built-in enforceable procedure which requires that if the budget is not balanced, an automatic surtax is added to the income tax of all persons and corporations in the following year to recoup the deficit. If our Congressmen and Senators and the President know that they must face the issue and spend less or increase taxes, they will spend less. If they fail to do so, the people have a remedy at the ballot box.

I am joining hands with every Senator who is sponsoring a pay-as-you-go constitutional amendment. We should stand united. Our first task is to build up sufficient support in the country and in Congress to advance such a constitutional amendment. I am convinced, however, that we must have some self-enforcing provision written into the pay-as-you-go amendment. A mere command to Congress or a declaration of principle will not be sufficient on the long, hard pull when massive persuasive arguments are presented for spending.

A majority of the States of our Union have a constitutional provision that puts a curb on spending and going into debt. These provisions have served the States well. It is the only plausible remedy in sight to deal with the problem of overspending in Washington and the chaos, hardship, and destruction that it will surely bring.

The adoption of a pay-as-you-go constitutional provision would bring great blessings. Government programs will be reviewed. Some things will be eliminated. Some proposals would be turned down. Some programs can be delayed, others can be reduced in cost. The Federal Government will be forced to face the question. Is a proposal necessary or is it just desirable? If a proposed Government program is worthwhile and in our best interests, why should we not pay for it as we go along,

It is my belief that such a constitutional amendment would serve notice at home and abroad that you can count on Uncle Sam, that once again the United States would become a pillar of financial strength and stability, and that this would result in a wave of prosperity at home and abroad, resulting in raising the standard of living and providing jobs for our people.

Mr. President, we cannot hope to get the two-thirds vote necessary to pass this without the cooperation of the majority leadership and those in charge of this bill. I earnestly hope that they will recognize that to do something specific, definite, and workable about inflation is the best thing for all Americans, including those who live in the District of Columbia.

The people of the country have put their finger on this as the No. 1 problem. Let us do something about it now and then at a later time we can consider a just way to give more self-government to the District of Columbia.

Mr. President, the question may be asked: Why do I offer this as a substitute for the proposal that would grant representation to the District of Columbia? I have done so for the very reason that we are proceeding on a bill that did not

come from a committee but was stopped at the desk. On the urgency of the situation we need to get it done. Inflation is America's No. 1 problem. It is causing uemployment. It is destroying values. And one of the major causes of inflation is the fact of deficit spending and the finances of this country are out of control.

So, Mr. President, it is my hope that when the roll is called this will be adopted, and later on receive the two-thirds vote, and then we can send it on the way and bring cheer and hope to all mankind.

Let us have a situation where the President of the United States does not need to go to an international meeting and beg and apologize for the condition of our economy, the loss of the value of our money, and the downward trend that we continue to stay on.

Mr. President, these deficits have been an accepted pattern of operation. There are too many people who believe a deficit is necessary. The opposite is true. We must end them as a necessary step to bring prosperity and full employment to this country, to restore the value of our money, to put confidence in people so they will enter into contract, build and expand, and provide jobs.

Mr. President, if deficit spending and inflation would solve our problems we would not have a problem in the whole land because we have had such a long, long period of such reactionary failing, worn out, economic activity.

Mr. President, I yield the floor.

Mr. KENNEDY. Mr. President, I listened with interest to my colleague from Nebraska making his presentation in support of his amendment. I will have additional remarks to make on the amendment at a later time. But I do want to point out several facts which, I think, are important for the Senate to consider on how to dispose of the amendment of the Senator from Nebraska.

Consideration of this amendment, or any modification to the Constitution of the United States, is a matter of great importance and should only be done as a result of very extensive examination. I think that is one of the points which commends this D.C. amendment so strongly. This issue has been before the Congress of the United States since the 1880's. It is an issue which has been studied from all sides throughout the history of this Nation. Most recently, it was studied by Senator BAYH and his Subcommittee on the Constitution in days of hearings last April. They listened to distinguished scholars, thoughtful men and women, and concerned citizens about the issue of D.C. representation.

The amendment which has been proposed by the Senator from Nebraska, although much more complex, has not been given that intensive review. Those who support D.C. representation have differing views about the balanced budget issue and how best to meet the challenge of a responsible fiscal policy for this Nation. Some who support a balanced budget would agree with the Senator from Nebraska that it would be wise to achieve the balance by increasing taxes; others might want to reduce spending; others might have a role for monetary policy. But, nonetheless, a wide variety of different economic recommendations have been made with respect to the problems of inflation and spending, the deficit, and the realization of a sound economy.

The Senator from Nebraska has proposed one approach. It is one on which serious issues and questions exist, even if we agreed on the objective of the Senator. It may not be the wisest way to proceed.

The amendment has simply not had the type of consideration that the Judiciary Committee of the Senate or of the House has given to the question of D.C. representation.

Over the history of this Nation we have not piggybacked different constitutional amendments, with the rare exception of the Bill of Rights, which was submitted to the States as a package under the very different set of circumstances that existed at the time of ratification of the Constitution. We have not, over the subsequent history of this Nation, been willing to piggyback different constitutional amendments one on top of another, to see if one can carry the other. It is a device which is used in varying degrees by the Senate, when we tag on riders to other bills. Sometimes, they become known as Christmas trees, decorated with numerous riders, on the theory that some feature of the measure is so compelling that the Senate or Congress or the President will swallow the other's features, too.

I know the Senator from Nebraska does not intend to do violence to the process of constitutional consideration. But, nonetheless, I think historical precedents would indicate quite clearly that any measure of the importance of the Senator's should be considered as an issue by itself that the Senate should consider and that the people of this Nation should consider. It should not be wrapped in a completely different question. The American people ought to deliberate about it and vote on it through the ordinary constitutional amendment process, completely separate from the matter we are considering today.

(Mr. MELCHER assumed the chair.)

Mr. KENNEDY. I have very serious reservations about the Senator's amendment because it would almost certainly kill the D.C. amendment and the limited but valued and worthwhile objective we are trying to achieve by providing for D.C. representation in Congress. It would necessitate returning any amendment we are considering here to the House of Representatives, requiring a new two-thirds vote there, and also requiring a new Senate vote after a conference between the two Houses.

We are reaching the final days of the session. All of us know that a measure of this complexity and of importance of the balanced budget issue will take the kind of time that this D.C. representation issue has been given in the House of Representatives under the very able leadership of Congressman FAUNTROY, and here in the Senate by the Judiciary Committee, the Subcommittee on the Constitution, under the chairmanship of Senator BAYH and other interested Members.

So, Mr. President, I think for these procedural reasons, it would be unwise for the Senate to adopt this amendment.

Moreover, Mr. President, not long ago—on July 31—the Senate went on record very clearly on this issue on the International Monetary Fund bill. By a vote of 58 to 28, we went on record to require a balanced budget for 1981 and the future. So the Senate is already clearly on record, if the Members want to be on record. They can make their positions clear again on the present resolution, while explaining that the present resolution is not a sutiable vehicle for action by the Senate.

On the merits, I also have serious questions about what would happen to the economy with the increased surtax that would be required by this amendment. I think it could virtually paralyze this Nation in circumstances.

If you look over the period of the recent past, you would be challenged to find a Republican economist or a Democratic economist or any responsible economist who would feel that on the basis of the performance of the American economy over the last 4 years that what we needed was a $50 billion tax increase annually to balance the budget and avoid the huge deficits we have had. We will have an opportunity to get into those issues on the merits tomorrow, and I would intend to get into the amendment at that time.

But I would certainly hope that the membership, when they review the record that we have made today, would understand a few key points. First, there is the procedural argument that this proposal would effectively kill the D.C. amendment. Second, the issue has not been given the kind of thorough consideration which a constitutional amendment needs. Third, with the historical precedents are that we do not piggyback various constitutional amendments on top of each other for submission to the States. Fourth, the Senate has already gone on record on the question of a balanced budget in the past couple of weeks. For these reasons and others it would be unwise to accept the Senator's amendment.

Finally, I would like to address a question to my friend and colleague from Indiana. I understand that the Senator, who is chairman of the Subcommittee on the Constitution, would be willing at least to consider, even though he is chairman of the Intelligence Committee and has many other responsibilities, this issue in his subcommittee. As I understand it, earlier this year he actually attempted to respond on that issue, to permit those who are offering this amendment to have hearings on the issue. But at that time there was very little interest in it. Am I correct? Would the Senator from Indiana care to respond to that question?

Mr. BAYH. Mr. President, I appreciate the Senator from Massachusetts addressing himself to that particular issue.

The matter has been before the committee. As the Senator knows, we all have a number of responsibilities that require us to search for time to fulfill them all. I had hoped we could find someone who was sufficiently interested in presiding over hearings on this matter that we could have some opportunity to explore what it really would do.

I still would like to have a chance to do that, because of the interest of the Senator from Nebraska. Frankly there has not been sufficient interest expressed by other members of the committee, so that I could find someone who was willing to spend some of his time to explore this particular issue.

I think it is important to note, if I might say so—and I guess I have to confess I think the Senator from Nebraska is correct in suggesting that perhaps there is a little inconsistency involved in some of our minds on this, when he says everyone is for balancing the budget, but not now. I think one could also say, in addressing ourselves to how we approach this issue, that we need to look long and hard at a constitutional amendment of this nature, because if one is looking at balancing the budget and dealing with all the ingredients of our economy, it takes fine tuning, and not a meat-ax approach.

To suggest, as this amendment does, that we are automatically going to turn over to the President of the United States the authority of raising taxes, when the Constitution very clearly says that is a prerogative of Congress, and to say that before any change can transpire we are going to have to get three-fourths of the House and three-fourths of the Senate to go along with it. I think anyone who has had a chance to serve in this body knows it is almost impossible to get three-fourths of the Members of the House and the Senate to concur on anything involving any significant controversy.

Even the ultimate in the legislative process, namely, the amending process which we are now involved in, requires only two-thirds. That is to suggest we are being somewhat hasty in connection with this kind of matter, which requires some very deft manipulation and handling of the various monetary and fiscal policies that ultimately affect the economy of this country.

Mr. KENNEDY. Would the Senator not agree with me that it is also interesting that we have this as a recommendation from a member of the Finance Committee? I would have thought the Finance Committee, which is so concerned for its jurisdiction, would have wanted to give some recommendation in terms of the fiscal and monetary implications of the procedure. But be that as it may, I think the Senator makes a worthwhile suggestion.

Is it, then, the Senator's response that the chairman of the committee was willing to hold hearings, or at least to permit others to chair hearings on this issue earlier this year, but there was no interest in doing so?

Mr. BAYH. That is a fair assessment. I would say to my distinguished friend and colleague from Nebraska that I would like to have had this matter heard, and frankly was not able to find someone sufficiently interested to be willing to preside over it. I have not found anyone in the committee who has the kind of interest in and support for the measure that they are willing to take some time.

I have said to the Senator from Nebraska that I am not for this amendment, for reasons that I will discuss tomorrow. Although I believe the objective he seeks is worthwhile; and I have not found anyone else who is sufficiently interested in this proposal to give some time to a hearing on the amendment.

Mr. SCOTT. Mr. President, will the Senator yield briefly?

Mr. BAYH. Yes.

Mr. SCOTT. Mr. President, I appreciate the distinguished Senator's yielding.

It is my recollection that during the 94th Congress the subcommittee did hold some hearings, and I would ask that the distinguished Senator from Indiana advise me whether or not there were some hearings on—I am not sure whether it was the identical measure, but on a constitutional amendment for a balanced budget. It is my recollection that there were some hearings sometime, not this year but within the past couple of years.

Mr. BAYH. The Senator is correct.

Mr. CURTIS. Mr. President, will the distinguished Senator yield?

Mr. SCOTT. The Senator from Massachusetts has the floor.

Mr. KENNEDY. Yes, I yield.

Mr. CURTIS. I think the distinguished Senator. We did have hearings in the last Congress. We had a number of witnesses, members of State legislatures, distinguished lawyers, some men from the academic world, and we had a number of our colleagues testify.

One of the discouraging things has been, just as the distinguished Senator from Indiana said, that he could not find anyone who wanted to give time to it. That discourages us in seeking committee review of the matter.

I call to the attention of the Senate that the matter before us is also here without the approval of a committee and without the approval of a subcommittee, though I am sure it has considerable support in the committee.

I have seven cosponsors who are members of the Judiciary Committee, including the chairman, Senator EASTLAND, Senator HATCH, Senator LAXALT, Senator SCOTT, Senator THURMOND, Senator ROTH, and Senator DECONCINI.

So if a bill without committee blessing is an orphan, there are two of us out here. The bill before us, technically, has not been to committee, and there is no committee report before us recommending this District of Columbia measure.

As I pointed out, there are 7 very distinguished members of the Judiciary Committee who are cosponsors of this amendment. I thank the Senator for yielding.

Mr. KENNEDY. Mr. President, I know of no effort that has been made within the Judiciary Committee to bring this issue to a vote. The only thing I would point out, and let the record show, is that next to me is a pile of books and documents that contains the record of the House and Senate hearings on this particular subject matter. I would daresay that the height of the stack measures at least 2 feet.

I think the contrast between the consideration which has been given to D.C. representation as compared to this item is striking. I yield to the Senator from Indiana.

Mr. BAYH. There is no question about the comparison of the time for study. The Senator from Massachusetts is correct.

Out of fairness to the Senator from Nebraska, he has diligently pursued this issue. He has introduced legislation on this matter and it has been before a Committee. But I must confess to him, and I am sure he could not refute this, that of the cosponsors he mentioned, members of the Judiciary Committee, there has not been a single one who has been willing to sit and preside over hearings. I think that is a good barometer of the kind of continuous interest which has existed on this matter.

It is a good matter to talk about and discuss. I think, as he said, everybody wants to balance the budget but not now, or perhaps not in this way. He has been persistent in the matter. He feels that it ought to be done now and in this way. Some of the rest of us feel that perhaps there is a different way of approaching this problem.

Mr. KENNEDY. Mr. President, I will have more to say as we continue with our discussion on this amendment in the morning.

I will suggest the absence of a quorum.

Mr. SCOTT. Will the Senator withhold?

Mr. KENNEDY. Yes.

Mr. ROBERT C. BYRD. Will the Senator yield to me?

Mr. SCOTT. Yes.

ORDER DESIGNATING PERIOD FOR TRANSACTION OF ROUTINE MORNING BUSINESS

Mr. ROBERT C. BYRD. I ask unanimous consent, Mr. President, that when Mr. SCOTT and Mr. KENNEDY have yielded the floor for today, there be a brief period for the transaction of routine morning business with Senators allowed to speak up to 5 minutes each, and the period not to extend beyond 30 minutes.

The PRESIDING OFFICER. Without objection, it is so ordered.

REPRESENTATION OF THE DISTRICT OF COLUMBIA IN CONGRESS

The Senate continued with the consideration of the bill.

Mr. SCOTT. If the Senator will yield, is it the intention of the distinguished majority leader that there would be no votes today?

Mr. ROBERT C. BYRD. Yes, no votes today.

Mr. CURTIS. May I inquire?

Mr. ROBERT C. BYRD. Yes.

Mr. CURTIS. I do not know whether the majority leader or those in charge of the bill are free to state whether or

not there will be a motion to table. But could we have an understanding that there will be no vote on this amendment prior to 12 o'clock noon tomorrow? A number of people want to speak, I am sure.

Mr. KENNEDY. I would certainly be glad to consider the request of the Senator in the morning and communicate with him. At the present time, I have no intention of voting prior to that time, and I would have every intention of notifying the Senator.

Mr. CURTIS. This Senator will not be here early. Others will be here to speak.

Mr. KENNEDY. Then I would certainly not offer that motion prior to 12 o'clock.

Mr. CURTIS. I thank the Senator.

Mr. ROBERT C. BYRD. Will the distinguished Senator from Virginia yield to the Distinguished Senator from Indiana so he can proceed to a matter which he is entitled to proceed with, and which he would do in any event?

Mr. SCOTT. Yes, I will be glad to yield.

EXTENSION OF THE EQUAL RIGHTS AMENDMENT

Mr. BAYH. Mr. President, I understand there is a message from the House on House Joint Resolution 638. I ask the Chair to lay that message before the Senate and that it be read twice—Mr. President, I ask unanimous consent that it be placed on the Calendar.

The PRESIDING OFFICER. Is there objection?

Mr. STEVENS. I reserve the right to object. Is this the ERA amendment?

Mr. SCOTT. I do object, Mr. President.

The PRESIDING OFFICER. Objection is heard.

Mr. BAYH. Mr. President, I ask the Chair to lay before the Senate a message from the House on House Joint Resolution 638 and ask that it be read twice.

The PRESIDING OFFICER. Is there objection?

Mr. STEVENS. Reserving the right to object.

Mr. ROBERT C. BYRD. He has a right to have it laid before the Senate, Mr. President.

Mr. STEVENS. He has a right to have it laid before the Senate. I do not object to that. I want to make the RECORD clear on that. But I want to protect those on this side of the aisle who might want to object.

The PRESIDING OFFICER. The clerk will report.

The legislative clerk read as follows:

A joint resolution (H.J. Res. 638) extending the deadline for the ratification of the equal rights amendment.

Mr. BAYH. Mr. President, I ask that the House joint resolution be read the second time.

The PRESIDING OFFICER. Is there objection?

Mr. SCOTT. Mr. President, I object, and I would like to say to my distinguished friend from Indiana that this is a matter before our committee. Apparently this is an effort to bypass the very subcommittee on which the distinguished Senator and I serve. I would hope that the Senator would not utilize this procedure at least until we have finished with the unusual procedure we have here for District of Columbia representation.

The PRESIDING OFFICER. Objection being heard, the resolution has been read the first time by title.

Mr. BAYH. Mr. President, the Senator has yielded to me. I do not want to persist over another minute or two and will not do so if he desires I not do so. I want to make sure that everything done here is on top of the table and he does not feel I am trying to put something over on him.

Mr. SCOTT. I have no objection to the distinguished Senator utilizing as much time as he desires to use, Mr. President, but I do have objection to bringing up the joint resolution on the ERA extension. I voted for the matter when it was before the House and we lived in a different climate than we do today. But I am concerned about the precedent that it would set to extend it after the States have had 7 years. For the purpose of debate, I do not have the slightest objection to the disinguished Senator talking to the extent he desires to talk. I will have to talk less if he will talk more.

Mr. STEVENS. Will the Senator yield for a parliamentary inquiry?

Mr. SCOTT. I yield.

The PRESIDING OFFICER. The Senator will state his inquiry.

Mr. STEVENS. The resolution has been read once, I understand, and there was an objection to it being read twice. According to the rules there has been no unanimous consent granted concerning this resolution so far. Is that correct?

The PRESIDING OFFICER. Objection was heard and it was only read once.

Mr. ROBERT C. BYRD. Will the Senator from Virginia yield to me?

Mr. SCOTT. Certainly.

Mr. ROBERT C. BYRD. Mr. President, when Senators complete their discussion of the pending business, we are ready to go into morning business. There will be no rollcall votes tonight.

Mr. SCOTT. If the Senator will yield, Mr. President, I have just conferred with the distinguished Senator from Massachusetts and neither he nor I, although prepared to talk further, see any need to do it tonight. We are willing to stop now.

Mr. BAYH. I would like to have about 2 or 3 minutes to at least find where we are on the joint resolution we just discussed so that the Senate would know what the future might hold.

Mr. SCOTT. Mr. President, for the purpose of the distinguished Senator discussing any matter that he wants, I am glad to yield the floor.

Mr. STEVENS. Mr. President, if I might respond to the Senator from Indiana, there is the statement the Senator from Utah made today. He is not here at this time. I want to make certain his rights are protected. He has indicated that he would oppose the joint resolution which was just presented. I will advise that perhaps the Senator would want to see about that being released.

Mr. BAYH. I appreciate the Senator from Alaska making that information available to me. I was fully aware of the opposition of the Senator from Virginia to this measure. I wanted to take advantage of the opportunity, which any Senator has, given certain circumstances which seem to make it unreasonable to follow the normal legislative process, but, nevertheless, to be able to see that an issue reaches the calendar.

For that reason, the policy I have undertaken is similar to the policy that we are pursuing on the matter of district representation for the same reason—because of the valiant efforts that the Senator from Virginia can make in opposition to legislation, which he has just mentioned. He has been very forthcoming along the way in letting me know of his intentions.

Mr. SCOTT. If the Senator will yield at that point, I believe the Senator and I both realize that of the six members of the subcommittee, three are opposed and three are in favor of the extension. The bill will not come out of the subcommittee under those circumstances. I think we are both aware of that.

The distinguished Senator said something about getting everything out in the open. I think that gets it out in the open.

Mr. BAYH. I think the Senator just described the circumstances and reasons for the procedure of the Senator from Indiana better than he could have done it himself. If we are concerned about the need to ratify the equal rights amendment and if we realize that the only way to get this done is to pass the extension, then we have to recognize that following the normal legislative process is important only because of the split which exists in the Committee on the Judiciary—not only because of the split which exists in the subcommittee, but the fact that, although a majority of the Judiciary Committee would support this resolution, there is no way it can ever be put to a vote.

Under the rules of the Judiciary Committee, one Senator has the complete right, as the distinguished Senator from Virginia knows, to take advantage of the provision which permits a discussion at length, shall I say, without any countervailing cloture provision which would permit the majority of the Senate Judiciary Committee to work its will.

The plan followed by the Senator from Indiana is to have the matter read today, to have it read a second time tomorrow and to object to its going to committee, and the third day, it will be on the calendar.

Hopefully, after that, the Senator will have the opportunity to discuss it and, hopefully, vote in favor of it, as we hope to be able to do on the District of Columbia measure.

That is where we are and I thank the Senator from Virginia for interrupting his discussion and yielding to me.

Mr. SCOTT. Mr. President, I shall not delay the adjournment but 1 minute to say that I do intend to object to anything that would tend to bring the matter before the Senate for consideration. I realize that can be motioned up after a period of time. To me, it is something that I hope the distinguished Senator from Indiana will not persist in.

This is a time when the chairman of

the full committee is not even in the country. As the distinguished Senator knows, the chairman of the full committee would oppose this bill and I think he ought at least to be present to speak for himself before this matter is brought up in this manner.

Mr. BAYH. Will the Senator yield?

Mr. SCOTT. I am glad to yield.

Mr. BAYH. I just want to assert that I did not misspeak myself when I said that the procedure that the Senator from Indiana has undertaken should not in any way be interpreted to suggest that he wants to interrupt the present legislative procedure. I think we should dispose of the District of Columbia representation issue, and perhaps certain other issues that the leader wants us to consider, in the next few days. But the procedure undertaken by the Senator from Indiana was to take the House bill which was just passed yesterday and been forwarded in the message of House Joint Resolution 638, and to keep it from being put into the Senate Judiciary Committee, which would kill it, in effect. The Senate would not have a chance to vote on it, and the Senate Judiciary Committee would not have a chance to vote on it, because any one Senator who wants to filibuster it can filibuster it.

The procedure followed by the Senator from Indiana would mean that in 3 days, it would be on the Calendar, like numerous other pieces of legislation, subject to the rights of any Senator to take it up or to object to its being taken up.

Mr. ROBERT C. BYRD. Will the Senator yield at that point?

Mr. BAYH. I yield the floor and I appreciate the courtesy of the leader.

Mr. ROBERT C. BYRD. I want to call to the attention of the Senator, as I am sure he wants the RECORD to say, that he is talking about legislative days, not calendar days. I point out that the last legislative day prior to today was May 17, 3 months ago tomorrow.

ORDER FOR SENATE TO RECESS AT 7 P.M. TODAY UNTIL 9:30 TOMORROW

Mr. STEVENS. Will the Senator yield?

Mr. ROBERT C. BYRD. I am prepared to yield.

I ask unanimous consent, Mr. President, that the Senate, at the hour of 7 o'clock p.m. today, stand in recess until 9:30 a.m. tomorrow.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. ROBERT C. BYRD. A parliamentary inquiry, Mr. President.

The PRESIDING OFFICER. The Senator will state it.

Mr. ROBERT C. BYRD. Under the order entered for the recess, if all Senators are disposed to walk off the floor at this minute, the Presiding Officer can also do so, can he not, and the Senate will stand in recess as of the hour of 7 p.m.

The PRESIDING OFFICER. The Senator is correct.

Mr. ROBERT C. BYRD. Mr. President, as far as I am concerned, I am ready to go.

Mr. President, I suggest the absence of a quorum. Mr. PROXMIRE is coming to the floor.

The PRESIDING OFFICER. The clerk will call the roll.

The second assistant legislative clerk proceeded to call the roll.

Mr. PROXMIRE. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

ROUTINE MORNING BUSINESS

Mr. ROBERT C. BYRD. Mr. President, may we go to morning business now?

The PRESIDING OFFICER. The Senate will now proceed to the consideration of morning business.

MESSAGES FROM THE PRESIDENT

Messages from the President of the United States were communicated to the Senate by Mr. Chirdon, one of his secretaries.

EXECUTIVE MESSAGES REFERRED

As in executive session, the Presiding Officer laid before the Senate messages from the President of the United States submitting sundry nominations, which were referred to the Committee on Foreign Relations.

(The nominations received today are printed at the end of the Senate proceedings.)

REPORTS OF THE U.S. NUCLEAR REGULATORY COMMISSION—MESSAGE FROM THE PRESIDENT—PM 208

The PRESIDING OFFICER laid before the Senate the following message from the President of the United States, together with accompanying reports, which was referred to the Committee on Energy and Natural Resources and the Committee on Environment and Public Works, jointly, by unanimous consent:

To the Congress of the United States:

Pursuant to the provisions of Section 307(c) of the Energy Reorganization Act of 1974, I transmit herewith the second and third Annual Reports of the United States Nuclear Regulatory Commission. Both reports cover events prior to my Administration.

JIMMY CARTER.

THE WHITE HOUSE, *August 16, 1978.*

Mr. ROBERT C. BYRD. Mr. President, I ask unanimous consent that a message from the President of the United States, transmitting the Second and Third Annual Reports of the Nuclear Regulatory Commission, be jointly referred to the Committee on Energy and Natural Resources and the Committee on Environment and Public Works.

The PRESIDING OFFICER. Without objection, it is so ordered.

REPORT ON NATIONAL URBAN POLICY—MESSAGE FROM THE PRESIDENT—PM 209

The PRESIDING OFFICER laid before the Senate the following message from the President of the United States, together with an accompanying report, which was referred to the Committee on Banking, Housing, and Urban Affairs:

To the Congress of the United States:

I am forwarding herewith the First Biennial Report on National Urban Policy in accordance with Sections 702 and 703(a) of the Housing and Urban Development Act of 1970, as amended in 1977.

JIMMY CARTER.

THE WHITE HOUSE, *August 16, 1978.*

MESSAGES FROM THE HOUSE

At 6:15 p.m., a message from the House of Representatives delivered by Mr. Berry, one of its reading clerks, announced that the House agrees to the amendments of the Senate to H.R. 11579, an act to designate the Veterans' Administration center located at 1901 South First Street, Temple, Tex., as the "Olin E. Teague Veterans' Center".

The message also announced that the House has passed the following bill and joint resolution in which it requests the concurrence of the Senate:

H.R. 12931. An act making appropriations for Foreign Assistance and related programs for the fiscal year ending September 30, 1979, and for other purposes; and

H.J. Res. 638. A joint resolution extending the deadline for the ratification of the equal rights amendment.

The message further announced that the House disagrees to the amendment of the Senate to H.R. 11209, an act to provide for the establishment, ownership, operation, and governmental oversight and regulation of international maritime satellite telecommunications services; requests a conference with the Senate on the disagreeing votes of the two Houses thereon; and that Mr. STAGGERS, Mr. MURPHY of New York, Mr. VAN DEERLIN, Mr. BIAGGI, Mr. CARNEY, Ms. MIKULSKI, Mr. WIRTH, Mr. RUPPE, Mr. BROYHILL, and Mr. FREY were appointed managers of the conference on the part of the House.

The message also announced that the House has agreed to the following concurrent resolution, in which it requests the concurrence of the Senate:

H. Con. Res. 696. A concurrent resolution providing for an adjournment of the House from August 17 to September 6, 1978.

HOUSE BILL REFERRED

The following bill was read twice by its title and referred as indicated:

H.R. 12931. An act making appropriations for Foreign Assistance and related programs for the fiscal year ending September 30, 1979, and for other purposes; to the Committee on Appropriations.

REPORTS OF COMMITTEES

The following reports of committees were submitted:

By Mr. MAGNUSON, from the Committee on Appropriations, with amendments:

H.R. 12929. An act making appropriations for the Department of Labor, and Health, Education, and Welfare, and related agencies, for the fiscal year ending September 30, 1979, and for other purposes (Rept. No. 95-1119).

By Mr. PROXMIRE, from the Committee

on Banking, Housing, and Urban Affairs, with amendments:

S. 3036. A bill to amend the Coinage Act of 1965 to change the size, weight, and design of the one-dollar coin, and for other purposes (Rept. No. 95–1120).

EXECUTIVE REPORTS OF COMMITTEES

The following executive reports of committees were submitted:

By Mr. RANDOLPH, from the Committee on Environment and Public Works:

Karl Smith Bowers, of South Carolina, to be Administrator of the Federal Highway Administration.

Jane Hurt Yarn, of Georgia, to be a member of the Council on Environmental Quality.

(The above nominations from the Committee on Environment and Public Works were reported with the recommendation that they be confirmed, subject to the nominees' commitment to respond to requests to appear and testify before any duly constituted committee of the Senate.)

INTRODUCTION OF BILLS AND JOINT RESOLUTIONS

The following bills and joint resolutions were introduced, read the first time and, by unanimous consent, the second time, and referred as indicated:

By Mr. DANFORTH (for himself, Mr. BELLMON, and Mr. PROXMIRE):

S. 3416. A bill to control excessive government spending; to the Committee on Finance.

By Mr. ANDERSON (for himself, Mr. BENTSEN, Mr. BURDICK, Mrs. HUMPHREY, Mr. MCGOVERN, Mr. MATSUNAGA, Mr. ZORINSKY, Mr. HODGES, and Mr. MORGAN):

S. 3417. A bill to increase the amount for which loans may be made by the Commodity Credit Corporation to farmers for the construction or remodeling of grain storage facilities on the farm; to the Committee on Agriculture, Nutrition, and Forestry.

By Mr. JACKSON (for himself, Mr. MAGNUSON, Mr. CHURCH, Mr. MARK O. HATFIELD, Mr. PACKWOOD, and Mr. MCCLURE):

S. 3418. A bill to assist the electrical consumers of the Pacific Northwest through use of the Federal Columbia River Power System to achieve cost-effective energy conservation, to encourage the development of renewable energy resources, to establish a representative regional power planning process, to assure the region of an efficient and adequate power supply, and for other purposes; to the Committee on Energy and Natural Resources.

By Mr. CULVER (for himself, Mr. CLARK, Mr. MCGOVERN, Mr. METZENBAUM, and Mrs. HUMPHREY):

S. 3419. A bill to amend the Internal Revenue Code of 1954 to exclude from gross income a portion of payments made under certain Federal and State cost-sharing programs the primary purpose of which is conservation of soil and water resources, environmental protection or restoration, forest enhancement, or the provision of wildlife habitat; to the Committee on Finance.

By Mr. HATHAWAY:

S. 3420. A bill to amend the Internal Revenue Code of 1954 to reduce individual and corporate income tax reductions, and for other purposes; to the Committee on Finance.

By Mr. DOLE (for himself and Mr. PEARSON):

S. 3421. A bill to authorize establishment of the Fort Scott National Historic Site, Kansas, and for other purposes; to the Committee on Energy and Natural Resources.

By Mr. WALLOP (for himself, Mr. BROOKE, Mr. BARTLETT, Mr. BELLMON, Mr. BENTSEN, Mr. CASE, Mr. DANFORTH, Mr. GARN, Mr. HATCH, Mr. PAUL G. HATFIELD, Mr. HAYAKAWA, Mr. HEINZ, Mr. INOUYE, Mr. JAVITS, Mr. LAXALT, Mr. LUGAR, Mr. MCCLURE, Mr. MCINTYRE, Mr. MATHIAS, Mr. PERCY, Mr. RIEGLE, Mr. SCHMITT, Mr. STAFFORD, and Mr. STEVENS):

S. 3422. A bill to establish a congressional award program for the purpose of recognizing excellence and leadership among young people; to the Committee on Governmental Affairs.

By Mr. BROOKE:

S. 3423. A bill to amend the Disaster Relief Act of 1974 and the Small Business Act to increase disaster relief assistance, and for other purposes; to the Committee on Environment and Public Works and the Select Committee on Small Business, jointly, by unanimous consent.

By Mr. CRANSTON:

S. 3424. A bill to amend section 8 of Public Law 93–223 to permit California to continue cash payments to SSI recipients in lieu of food stamps; to the Committee on Finance.

STATEMENTS ON INTRODUCED BILLS AND JOINT RESOLUTIONS

By Mr. DANFORTH (for himself, Mr. BELLMON, and Mr. PROXMIRE):

S. 3416. A bill to control excessive Government spending; to the Committee on Finance.

(The remarks of Mr. DANFORTH when he introduced the bill appear elsewhere in today's proceedings.)

By Mr. ANDERSON (for himself, Mr. BENTSEN, Mr. BURDICK, Mrs. HUMPHREY, Mr. MCGOVERN, Mr. MATSUNAGA, Mr. ZORINSKY, Mr. HODGES, and Mr. MORGAN):

S. 3417. A bill to increase the amount for which loans may be made by the Commodity Credit Corporation to farmers for the construction or remodeling of grain storage facilities on the farm; to the Committee on Agriculture, Nutrition, and Forestry.

CCC FARM STORAGE LOANS

● Mr. ANDERSON. Mr. President, today I am introducing a bill to amend the Commodity Credit Corporation (CCC) Charter Act to authorize an increase in the ceiling on CCC farm storage facility loans from the present $50,000 to $100,000.

The CCC storage facility loan program has been very successful, enjoying a high participation rate among our Nation's family farmers. Family farmers have shown that they like to have the ability to store their crops on their farms and to market their crops when it best suits their needs. Like other businessmen, the farmer who knows exactly the amount of his product he has on hand can better make decisions about future production and marketing of his crops. My bill is designed to assure that this program remains an effective aid for our family farmers.

Under present law, a farmer can receive low-interest loans from the CCC for the construction of on-the-farm storage facilities. These loans can be used for storage buildings and drying equipment for wheat, corn, oats, barley, grain, sorghum, rye, soybeans, flaxseed, rice, dry edible beans, peanuts, sunflower seeds, and high-moisture forage. Up to 85 percent of the eligible cost of structures and equipment can be financed with up to 8 years allowed the individual farmer to repay the loan. At this time the total outstanding balance of all storage loans to an individual cannot exceed $50,000.

The demand for and the cost of these on-the-farm storage facilities are up. Many commercial elevators remain full from last year's bumper crop, causing farmers to look for alternative storage space. Those farmers who have access to commercial space feel they cannot depend on the transportation network to move their crops when needed. These farmers fear the crops they have worked so very hard to produce will be left lying on the ground to spoil unless they have reliable storage space on their farms.

Like everything else, the cost of drying equipment and the construction of storage buildings has increased. Many farmers who have outstanding loans and feel they could use more space cannot build additional storage since another loan would push them over the present loan ceiling.

Mr. President, the current $50,000 ceiling on these loans is inadequate to meet the increased cost and demand. I urge my colleagues to recognize the need to increase this ceiling and to support this bill.

I ask unanimous consent that the bill be printed in the RECORD.

There being no objection, the bill was ordered to be printed in the RECORD, as follows:

S. 3417

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That the last proviso of the second sentence of section 4(h) of the Commodity Credt Corporation Charter Act (15 U.S.C. 714b(h)) is amended by striking out "$50,000" each time such figure appears and inserting in lieu thereof "$100,000".

SEC. 2. The amendment made by the first section shall be effective only with respect to the fiscal years beginning October 1, 1978, and ending September 30, 1981.●

By Mr. JACKSON (for himself, Mr. MAGNUSON, Mr. CHURCH, Mr. MARK O. HATFIELD, Mr. PACKWOOD, and Mr. MCCLURE):

S. 3418. A bill to assist the electrical consumers of the Pacific Northwest through use of the Federal Columbia River Power System to achieve cost-effective energy conservation, to encourage the development of renewable energy resources, to establish a representative regional power planning process, to assure the region of an efficient and adequate power supply, and for other purposes; to the Committee on Energy and Natural Resources.

PACIFIC NORTHWEST ELECTRIC POWER PLANNING AND CONSERVATION ACT

● Mr. JACKSON. Mr. President, today, on behalf of myself and Mr. MAGNUSON, Mr. CHURCH, Mr. MARK O. HATFIELD, Mr. PACKWOOD, and Mr. MCCLURE, I introduce a new proposal for a comprehensive

Pacific Northwest region electric power program.

As my colleagues will recall, on September 9, 1977, I introduced S. 2080, the Pacific Northwest Electric Power Supply and Conservation Act at the request of a consortium of Northwestern regional utilities. During the intervening year, field hearings have been held by the Senate Committee on Energy and Natural Resources in the State of Washington, Oregon, Idaho, and Montana, and the House Interior and Insular Affairs Committee has also held field hearings on a companion measure. An impressive record has been compiled containing the views and expressing the concerns of interested parties throughout the Pacific Northwest. There has been continued discussion of the legislation in the region and the debate was intense. Clearly, the energy future of the Pacific Northwest is of singular importance to the area and the concerns and suggestions expressed by citizens, business, and the utilities have been carefully reviewed and have been given consideration in the preparation of the new proposal which I introduce today.

This new bill, based upon the plan originally proposed, reflects the addition of constructive suggestions offered during the field hearings and the ongoing dialog taking place in the Pacific Northwest today. This substitute bill would implement the best thinking as to how to solve the power planning problems and needs in the Pacific Northwest and reflects the long experience and knowledge of many individuals and entities familiar with the unique energy resource base of the region.

As I have stated before, we in the Pacific Northwest are proud of the highly efficient utility system which we have developed with the cooperation of Federal, State, and local government, public and private utilities, and all of the citizens of the region. Working to solve our problems together has been the key to our success. I believe that the bill I introduce today exemplifies and perpetuates the spirit of cooperation which has so much distinguished our efforts in the past.

As is evidenced by the support shown by my distinguished colleagues from the Pacific Northwest who have joined in cosponsoring this measure; the spirit of cooperation in solving regional needs knows no state boundaries or political differences and is as strong now as ever.

I ask unanimous consent that the text of the bill be printed in full in the RECORD.

There being no objection, the bill was ordered to be printed in the RECORD, as follows:

S. 3418

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That this Act may be cited as the "Pacific Northwest Electric Power Planning and Conservation Act".

FINDINGS

SEC. 2. The Congress finds that—

(a) The Federal Columbia River Power System offers a unique opportunity to encourage policies of conservation and efficiency in the use of electric power within the Pacific Northwest region and to demonstrate the effectiveness of such policies to the Nation at large.

(b) The participation and consultation of the States, local communities, ratepayers, and the public at large are essential in development of regional plans and programs related to energy conservation, renewable resources, and other generating resources and orderly planning of the Federal Columbia River Power System.

(c) The ratepayers of the Pacific Northwest should continue to pay all costs necessary to produce, transmit, and conserve electric power to meet the region's electric power requirements, including the amortization of the Federal investment in the Federal Columbia River Power System.

DEFINITIONS

SEC. 3. As used in this Act—

(a) "Administrator" means the Administrator, Bonneville Power Administration.

(b) "Conservation" means any appropriate improvements in the power system or investment which increases the efficiency of energy production or use.

(c) A conservation measure or a renewable, waste heat or cogeneration resource application is "cost effective" if it results in costs to the Administrator no greater than the cost of the least cost feasible alternative resource, waste heat or cogeneration or resources that the Administrator determines is or can be available for acquisition, and if it provides comparable power benefits, giving full recognition to prospective cost escalations and future availability of fuels.

(d) "Electric power" means electric peaking capacity or electric energy or both.

(e) "Federal base system resources" means the Federal Columbia River Power System hydroelectric projects which on the effective date of this Act are in operation or are scheduled for operation on or before June 30, 1983, electric power resources acquired by the Administrator under long-term contracts which are in force on the effective date of this Act, and new resources acquired by the Administrator to replace reductions in capability of the foregoing resources.

(f) "New resources" means all electric power resources acquired by the Administrator, except resources which are Federal base system resources or resources acquired at average cost from the investor-owned utilities pursuant to section 5(b)(2) of this Act.

(g) "Pacific Northwest, region, or regional", means

(1) the region consisting of the States of Oregon, Washington, and Idaho, the State of Montana west of the Continental Divide, and such portions of the States of Nevada, Utah, and Wyoming as are within the Columbia River drainage basin; and

(2) any contiguous areas, not in excess of seventy-five airline miles from said region, which are a part of the service area of a distribution cooperative served by the Administrator on the effective date of this Act which has a distribution system from which it serves both within and without said region.

(h) "Renewable resources" means a renewable source of energy, including, but not limited to, solar, wind, hydro, geothermal, and biomass, which is used for electrical generation or which will reduce the electrical requirements of a consumer by direct application.

(i) "Residential use or load" means all usual residential, apartment, seasonal dwelling, and farm building, electrical loads or uses, and not to exceed a total of one hundred horsepower of farm irrigation and pumping loads for any farm.

(j) "Resources" means electric power, facilities that produce electric power, planned electric power capability of generating facilities whether operating or operable, electric power conserved, and measures to conserve electric power.

REGIONAL PARTICIPATION

SEC. 4. (a) The Administrator shall establish a Bonneville Consumers' Council and a Bonneville Utilities' Council.

(1) The Bonneville Consumers' Council shall be composed of two persons from each congressional district in the States of Washington, Oregon, and Idaho, and the State of Montana west of the Continental Divide, who shall be appointed by the Governors of the State in which each such congressional district is located within ninety days of notification by the Administrator of a vacancy on the Bonneville Consumers' Council. One such person appointed to the Bonneville Consumer's Council from each district shall be an elected official of a local government within such district, and the other person shall be appointed from the general public with a view to diversity of backgrounds and interests.

(2) The Bonneville Utilities' Council shall be comprised of eighteen representatives of Pacific Northwest electric utilities to be selected by these utilities and not more than three representatives of the direct service industrial customers to be selected by them, such selections to be under rules established by the Administrator.

(3) The Administrator shall establish terms and other conditions of service for members of both Councils, and shall fill vacancies on the Councils in the absence of appointments by a Governor or failure of utilities to select persons.

(b) In order to further insure widespread and representative public involvement in formulation of regional power programs and policies, the Administrator shall establish and maintain comprehensive programs designed to inform the Pacific Northwest public of major regional electric power issues and to obtain public views and reactions concerning those issues.

(c) The Administrator shall prepare a regional power planning and conservation program to carry out the purposes of this Act. Such program shall be developed in consultation with the Governors of the States of Idaho, Montana, Oregon, and Washington, the Bonneville Consumers' Council and the Bonneville Utilities' Council and with general public involvement programs. The regional power planning and conservation program shall include a twenty-year regional load/resource forecast, proposed conservation programs, proposed renewable, waste, cogeneration and other resources, acquisitions, proposed major transmission system additions and such other program proposals as the Administrator deems appropriate. Such program or any part thereof, may be revised from time to time as the Administrator deems appropriate after consultation with the Governors, the Councils and public involvement as provided in this section.

SALE OF POWER

SEC. 5. (a) The Administrator shall offer to sell electric power to each Pacific Northwest utility, at rates established pursuant to section 7, to meet its firm power load in the region which is in excess of such utility's resources committed to such load, subject to the provisions of subsection (b)(2) of this section: *Provided,* That the Administrator determines that he has or can acquire adequate resources to meet such requirements.

(b) Additionally, (1) the Administrator is authorized to sell electric power to regional Federal agencies, and (2) if the Administrator acquires electric power either from a Pacific Northwest utility at the average cost of resources then available to that utility, or from other resources at a cost equal to or less than the average cost of resources then available to that utility, then the Administrator shall offer to sell to such utility for resale to meet the load of its residential customers in the region an equivalent amount

of electric power: *Provided,* That such sale shall be limited to an amount not to exceed 50 per centum of each such utility's residential loads in the year beginning July 1, 1979, and increasing such percentage in equal annual increments to 100 per centum of such load in the year beginning July 1, 1984. Such electric power shall be sold at rates established pursuant to section 7.

(c) The Administrator is authorized to sell to direct-service industrial customers electric power to meet their load requirements so long as such sales provide a portion of the planning and operating reserves for the Federal Columbia River Power System. The Administrator shall offer to those direct-service industrial customers receiving electric power from the Federal Columbia River Power System on the effective date of this act new long-term power sales contracts effectuating the purposes of this section. Such offer shall expire one year from the date it is tendered by the Administrator. Such electric power shall be sold at rates established pursuant to section 7.

(d) The Administrator is further authorized to sell or otherwise dispose of electric power that is surplus to his obligations incurred pursuant to subsections (a), (b), and (c) of this section in accordance with other statutes related to disposition of power from the Federal Columbia River Power System. Such electric power shall be sold at rates established pursuant to section 7.

RESOURCE ACQUISITION

SEC. 6. (a) The Administrator shall conserve electric power through implementation of measures the Administrator determines are feasible and cost-effective including, but not limited to programs for financing residential insulation, increased system efficiency and waste energy recovery. The Administrator shall develop conservation proposals and programs which assist the region's electric power consumers to make efficient use of energy. In addition, he shall assist the promotion of conservation by and among regional consumers by providing technical or financial asssistance, and by cooperating with his customers and governmental authorities to encourage voluntary conservation and to devise effective mechanisms for establishing, enforcing, and achieving compliance with mandatory conservation standards.

(b) In the event that the Administrator determines conservation will be insufficient to meet the electric power obligations incurred under section 5, the Administrator shall acquire additional resources from Federal or non-Federal entities to meet the remainder of such obligations. Such acquisition shall be obtained from waste heat, cogeneration or renewable resources the Administrator determines are feasible and cost-effective.

(c) If resources in addition to such resources are needed, then the Administrator shall acquire additional electric power resources giving priority to high efficiency resources, such as combined cycle and magneto-hydrodynamic generation, which he determines to be feasible and cost-effective. All such resources acquired by the Administrator:

(1) shall be consistent with the provisions of the power program for the Pacific Northwest developed pursuant to section 4; and

(2) shall be constructed and operated in a manner to provide efficient, economic, and reliable service.

(d) The Administrator is hereby authorized to construct and operate generating facilities, with the exception of constructing hydroelectric resources, utilizing renewable resources; and to construct such other generating resources as he determines are necessary to assure transmission system reliability.

(e) To the extent conservation or acquisition of resources under this Act require direct arrangements with the ultimate consumers of electric power, the Administrator shall make maximum practicable use of existing institutions able to supply credit to such consumers.

(f) The Administrator is authorized to enter into agreements with sponsors of resources which may be proposed for acquisition by the Administrator to fund or secure debt incurred in the investigation and initial development of such resources.

(g) Prior to the execution of any contract for the acquisition of major resources pursuant to subsection (c) of this section, the Administrator shall have reviewed the proposed acquisitions with the Governors of Idaho, Montana, Oregon, and Washington, the Bonneville Consumers' Council and the Bonneville Utilities' Council pursuant to section 4; and he shall submit any comments or recommendations received from the Governors and the councils along with the proposed contracts and evidence of compliance with the National Environmental Policy Act of 1969, to the Senate Energy and Natural Resources Committee and to the House Interior Committee for review. Thereafter, the Administrator shall publish notice of his intention to acquire such resources in the Federal Register. No such contract shall be executed by the Administrator until ninety days after the date of submittal to the Congress pursuant to this subsection and no financial commitment shall be incurred under this authority until it has been noted in the Administrator's budget submittal made pursuant to section 11 of Public Law 93–454.

(h) The Administrator, at the request and expense of a Pacific Northwest customer, shall acquire, to the extent practicable, any electric power which is required by such customer to replace electric power curtailed or interrupted by the Administrator: *Provided,* That such customer may elect to acquire independently replacement power under terms and conditions as prescribed by the Administrator.

RATE DIRECTIVES

SEC. 7. (a) The Administrator shall establish and periodically modify rates for the sale and disposition of electric power to recover, in accordance with sound business principles. the costs associated with the acquisition, conservation, and transmission of electric power including the amortization of the Federal investment in the Federal Columbia River Power System over as reasonable period of years and the other costs and expenses incurred by the Administrator pursuant to law. In addition, prior to July 1, 1982, such rates shall recover revenues in amounts that the Administrator determines are necessary to provide all or a portion of the initial funding for conservation programs to be implemented pursuant to section 6(a). Such rates shall become effective upon confirmation and approval by the Federal Energy Regulatory Commission and shall be established in accordance with sections 9 and 10 of Public Law 93–454 and the provisions of this Act on the finding that such rates (1) are sufficient to assure repayment of the Federal investment after first meeting the Administrator's other costs; (2) are based upon the Administrator's total costs of service, including contingencies and initial conservation funding; and (3) insofar as transmission rates are concerned, equitably allocate the costs of the Federal transmission system between Federal and non-Federal uses.

(b) The Administrator shall establish a rate or rates applicable to the electric power sold for the general requirements of public body. cooperative and Federal agency customers, and to the electric power sold under section 5(b)(2) for the requirements of residential customers in the region. Such rate or rates shall recover the costs of that portion of the Federal base system resources needed until such requirements exceed the Federal base system resources. Thereafter, such rate or rates also shall recover the costs of additional electric power as needed, first from the electric power purchased by the Administrator under section 5(b)(2) and then from new resources.

General requirements as used in this section shall be that portion of a public body's, cooperative's, or Federal agency's directly served electric power load in excess of its own resources that are dedicated to meet such load and exclusive of any large new industrial load whose service is contracted for after October 1, 1978.

(c) The rate or rates applicable to direct-service industrial customers shall be established at a level which the Administrator determines is equitable in relation to the rates charged by the region's electric utilities to their major industrial customers, taking into account the value of power system reserves made available to the Administrator through his rights to curtail or interrupt service to such direct-service industrial customers; the comparative size and character of the loads served; the relative costs of electric capacity, energy, transmission, and related delivery facilities provided, and other service provisions, all as related to the delivery of power to such customers: *Provided,* That prior to July 1, 1984, the rate or rates applicable to direct-service industrial customers shall be established to recover the costs incurred by the Administrator pursuant to section 5(b)(2) and not recovered through rates applicable for other classes of power sold by the Administrator; and such rate or rates shall be established at a level no lower than the weighted average wholesale power costs to the investor owned utilities from their own resource costs and purchases from the Administrator pursuant to section 5(b)(2) for their residential loads in the region as determined by the Administrator: *Provided further,* That for the period prior to July 1, 1981, such rate or rates may be in the form of a surcharge on rates then applicable to direct-service industrial customers.

(d) In establishing rate schedules of general application, the Administrator may establish a uniform rate or rates for sale of capacity.

(e) Rates for all other firm power sold by the Administrator shall be based upon the cost of the portions of Federal base system resources and additional resources, including new resources, which the Administrator determines are required to support such sales.

(f) The Administrator shall allocate to power rates, as he may determine appropriate, all other costs and benefits including, but not limited to, conservation, uncontrollable events, reserves, operating services, and the sale of excess electric power.

AMENDMENTS TO EXISTING LEGISLATION

SEC. 8. (a) Section 11(b) of Public Law 93–454 is amended by adding a new subparagraph (12) as follows:

"(12) making such payments as shall be required to carry out the purposes of the Pacific Northwest Electric Power Planning, and Conservation Act.".

(b) Public Law 93–454 is amended by striking subsection 13 (a) and (b) and substituting the following new subsections:

"SEC. 13(a) The Administrator is authorized to issue and sell to the Secretary of the Treasury from time to time in the name of, and on behalf of the Bonneville Power Administration bonds, notes, and other evidences of indebtedness (in this Act collectively referred to as 'bonds') to assist in financing the constructing, acquisition, and replacement of the transmission system, to implement the Administrator's authority pursuant to the Pacific Northwest Electric Power and Planning Act, and to issue and sell bonds to refund such bonds. Such bonds

shall be in such forms and denominations, bear such maturities, and be subject to such terms and conditions as may be prescribed by the Secretary of the Treasury taking into account terms and conditions prevailing in the market for similar bonds, the useful life of the facilities for which the bonds are issued, and financing practices of the utility industry. Refunding provisions may be prescribed by the Administrator. Such bonds shall bear interest at a rate determined by the Secretary of the Treasury taking into consideration the current average market yield on outstanding marketable obligations of the United States of comparable maturities, plus an amount in the judgment of the Secretary of the Treasury to provide for a rate comparable to the rates prevailing in the market for similar bonds issued by Government corporations not to exceed the interest rate which would be applied to such bonds if they were purchased by the Federal Financing Bank. The aggregate principal amount of any such Bonds outstanding at any one time shall not exceed $1,250,000,000 plus the principal amount of any bonds outstanding which shall have been issued to finance or assist in financing the Administrator's implementation of the purposes set forth in the Pacific Northwest Electric Power Planning, and Conservation Act.

"(b) The principal of, premiums, if any, and on such bond shall be payable solely from the Administrator's net proceeds as hereinafter defined. 'Net proceeds' shall mean for the purposes of this section the remainder of the Administrator's gross receipts from all sources after first deducting trust funds and the costs listed in section 11(b)(2) through 11(b)(7), 11(b)(11), and 11(b)(12), and shall include reserve or other funds created from such receipts.".

(c) Public Law 88–552 is amended by striking subsection 1(b) and inserting a new subsection (b) as follows:

"(b) Pacific Northwest means (1) the region consisting of the States of Oregon, Washington, and Idaho, the State of Montana west of the Continental Divide, and such portions of the States of Nevada, Utah, and Wyoming as are within the Columbia River drainage basin and (2) any contiguous areas, not in excess of seventy-five airline miles from said region, which are a part of the service area of a distribution cooperative served by the Administrator on the effective date of this Act which has a distribution system from which it serves both within and without said region.".

(d) Public Law 88–552 is amended by adding a new section 10 as follows:

"SEC. 10. All references in sections 1, 2, 3, 5, and 7 of this Act to 'plants', 'energy', 'peaking capacity', and 'generating facilities' shall be applicable to all types of generation and not solely to hydroelectric generation.".

ADMINISTRATIVE SECTIONS

SEC. 9. (a) In carrying out the provisions of this Act, the Administrator is authorized to enter into such contracts, agreements, and arrangements, including the amendment, modification, adjustment, or cancellation thereof and the compromise or final settlement of any claim arising thereunder, and to make such expenditures, upon such terms and conditions and in such manner as he may deem necessary.

(b) Except as specifically provided herein, the authority and duties of the Secretary of Energy and the Administrator shall not be affected by this Act.

(c) The Bonneville Consumers' Council and the Bonneville Utilities' Council shall not be subject to the provisions of the Federal Advisory Committee Act, and any action of a member of such Council related to an action of such Council shall not be deemed to be a violation of Federal or State antitrust laws.

(d) No later than March 1, 1979, the Administrator shall offer to enter into power sales and purchase contracts to be effective July 1, 1979, with utilities pursuant to section 5(b)(2).

(e) For the purpose of enabling the Administrator to acquire resources from State and local governmental units at a cost no greater than the costs which would be applicable in the absence of such acquisition, the debt obligations described in section 103(a)(1) of title 26 of the United States Code shall not be affected by any contract or agreement regarding the Administrator's acquisition of resources constructed by a State or local governmental unit and for which the Administrator determines at the time the commitment for such acquisition is made will not be utilized over the life of the project in whole or in major part by a person who is not an exempt person, as defined in section 103(c)(3) of title 26 of the United States Code.

(f) No provision of chapter 2C of title 15 of the United States Code shall apply to or be deemed to include any "person" or "company" (as defined in 15 U.S.C. 79(a)(1) and (2)) organized and operated primarily for the purpose of financing, leasing, constructing, owning, managing, or operating part of an interest in, or all of, facilities used for the generation of electricity (together with associated transmission and other facilities), 75 per centum or more of the power from which, or from the part or interest so financed, leased, constructed, owned, managed, or operated, is or will be sold to the Administrator under section 6.●

● Mr. MARK O. HATFIELD. Mr. President, I am pleased to join with the Senator from Washington (Mr. JACKSON) as a cosponsor of the Pacific Northwest Electric Power Planning and Conservation Act. I believe this legislation will prove to be the most significant bill affecting the Northwest to be considered in the remaining years of this century.

In the past few years, we have had ample opportunity to view the important relationship between energy supply and our way of life in this country. The economic well-being of the Nation, our relationships with other countries, the lifestyles we as individuals live, are all related to the supply of energy resources. The oil embargo of 1973 and the drastic cost increases of foreign oil have indicated very clearly to us that we can no longer take energy for granted as a cheap resource which will always be available at a low social and economic cost. For well over a year, the Congress of the United States has been considering and debating the President's national energy plan.

The Pacific Northwest has been fortunate to have renewable hydroelectric resources at our disposal, but this picture is changing. The likelihood of significant new baseload generation from the construction of large dams is small. We must now reexamine our options for the future, which include more aggressive conservation programs, low-head hydroelectric generation, and development of alternative resources which have not received adequate attention in the past. Each of these options, which are not mutually exclusive, raises questions of financing, impact upon the environment, and cost to consumers. Allocation to and uses of the various types of power generated is one of the most controversial of the issues but one which must be resolved in a timely fashion.

In November of 1976, I called for a regional approach to these issues. As I indicated at that time, the Pacific Northwest is one region, tied together by one transmission system. The legislation being introduced today continues the regional approach to Northwest energy problems and treats the current issues in a fair and equitable manner. It recognizes the importance of conservation and development of alternative energy resources. It treats residential users of electricity fairly, no matter which utility serves them. It provides for improved planning so that the region can make rational choices to insure adequate supplies of electrical energy.

Mr. President, it is my belief that this legislation is another indication of the ability of the Pacific Northwest to work together as a region. I urge my colleagues in the Senate to join us in support of this legislation.●

By Mr. CULVER (for himself, Mr. CLARK, Mr. MCGOVERN, Mr. METZENBAUM, and Mrs. HUMPHREY):

S. 3419. A bill to amend the Internal Revenue Code of 1954 to exclude from gross income a portion of payments made under certain Federal and State cost-sharing programs the primary purpose of which is conservation of soil and water resources, environmental protection or restoration, forest enhancement, or the provision of wildlife habitat; to the Committee on Finance.

● Mr. CULVER. Mr. President, I am introducing today legislation to exempt from Federal income taxation Federal and State cost-sharing payments for soil and water conservation, environmental protection, and the provision of wildlife habitat.

The U.S. Department of Agriculture currently administers a variety of programs under which it pays part of the cost of implementing measures to enhance natural resource and wildlife protection. Several States, including my own State of Iowa, provide funds for similar purposes. The basis of public support for these programs is that they yield broad societal benefits beyond those which accrue to individual landowners.

For example, it is clearly in our economic and environmental interest that cropland be adequately protected from soil erosion. This soil is the foundation of our food production capacity. Without it, food costs would soar and our very ability to provide food for ourselves would be jeopardized. Yet, soil conserving measures are often too expensive for the individual landowner, and the return on investment is usually delayed for many years. In the high competitve world of food production, farmers rarely can make these investments in conservation with any hope of recovering their costs through the prices received for their products. Our cost-sharing programs are designed to overcome these financial barriers to good conservation and environmental protection by providing financial incentives to install effective soil conservation measures.

Under current tax law, however, Federal and State cost-sharing payments are considered gross income to the farmer or landowner and subsequently,

for tax purposes, are treated as earnings. Such a practice is a disincentive for sound soil conservation and environmental protection.

Mr. President, this is a clear case of diametrically opposed public policies. We attempt, on the one hand, to encourage a necessary public investment through financial assistance to private citizens. On the other hand, we discourage them from undertaking the conservation effort by imposing a tax penalty.

To make matters worse, this penalty falls unevenly on different kinds of conservation measures. The Internal Revenue Service (IRS) defines expenditures on certain measures as "deductible expenditures." Others are classified as expenditures on "depreciable assets." These distinctions are based largely on the type of material used to build a conservation structure and on the expected life of the measure, not on its purpose or function. For example, expenditures on a dam or water diversion structure built entirely with dirt are classified as deductible expenses. If a structure is built with concrete or wood, it would be classified as a depreciable asset. Investments in soil conservation projects classified as deductible expenditures do not result in a higher tax burden for a farmer. The increased gross income from the Government payment is offset by an equivalent deduction.

In the case of expenditures on measures classified as depreciable assets, however, only a portion of the increased gross income may be deducted that tax year. The farmer receiving assistance from the Government for building these structures must include in his gross income for that year the total amount of money received from the Government. If he can recover, in the first year, through annual allowances for depreciation, only 10 percent of that public assistance, he will have to pay taxes on the other 90 percent and wait until future years to recover those taxes.

These cost-sharing payments are not income supplements. Though the farmer will benefit from the financial assistance he receives for his conservation practices, the public will benefit, too, from the funds which the farmer spends himself on the project. The relative shares paid by the farmer and by the Government are based largely on the distribution of benefits from the work performed. This cannot be determined with total precision, of course, but reasonable estimates can be negotiated by local program representatives and the farmers themselves as is provided under these programs.

In selecting conservation measures, farmers are understandably influenced by tax considerations under the existing policies when they should be concentrating on the most cost-effective methods of conservation. The possibility of having to pay income taxes on the Government's share of the cost of certain conservation measures destroys the kind of balanced consideration of alternatives that is necessary if we are to get the most for our money.

This balance has been lacking since the inception of the agricultural conservation program (ACP) during the Dust Bowl days of the 1930's. Since then, over $15 billion has been invested in soil conservation under the ACP. One can drive almost anywhere in this country and see the results of this investment. Few public outlays have returned as great a dividend to the Nation. This return could have been substantially greater if we had not discouraged the use of these funds in perhaps more effective applications as a result of an irrational tax policy.

The legislation I am introducing today would simply exclude from the recipient's gross annual income the cost-sharing assistance he receives from the Government for measures whose primary purpose is soil and water conservation, environmental protection, forest enhancement, or the provision of wildlife habitat. The Federal programs affected by this exclusion are the water bank program, the emergency conservation measures program, the agricultural conservation program, the Great Plains conservation program, the resource conservation and development program, the rural clean water program, the forestry incentives program, and the rural abandoned mine program.

Payments made under these programs represent a national investment to enhance and secure a better future for the entire Nation, farmers and consumers alike. This bill would take us one step closer to even more effective soil conservation and environmental protection. At a time when we are losing annually over 2 billion tons of valuable topsoil to erosion, we should not have a tax policy which discourages sound conservation practices.

It is time to resolve this contradiction in policies by eliminating a tax which is both inequitable and self-defeating.

I ask unanimous consent the bill be printed in the RECORD.

There being no objection, the bill was ordered to be printed in the RECORD, as follows:

S. 3419

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,

SECTION 1. CERTAIN PAYMENTS NOT INCLUDED IN GROSS INCOME.

(a) In General.—Part III of subchapter B of chapter 1 of the Internal Revenue Code of 1954 (relating to items specifically excluded from gross income) is amended by redesignating section 124 as 125 and by inserting immediately after section 123 the following new section:

"SEC. 124. COST-SHARING PAYMENTS.

"(a) GENERAL RULE.—Gross income does not include the excludible portion of cost-sharing payments received under the following programs:

"(1) The Water Bank Program authorized by the Water Bank Act (16 U.S.C. 1301 et seq.).

"(2) The Emergency Conservation Measures Program authorized by title IV of the Agricultural Credit Act of 1978.

"(3) The Agricultural Conservation Program authorized by the Soil Conservation and Domestic Allotment Act (16 U.S.C. 590a).

"(4) The Great Plains Conservation Program authorized by section 16 of the Soil Conservation and Domestic Policy Act (16 U.S.C. 590p(b)).

"(5) The Resource Conservation and Development Program authorized by the Bankhead-Jones Farm Tenant Act and by the Soil Conservation and Domestic Allotment Act (7 U.S.C. 1010; 16 U.S.C. 590a et seq.).

"(6) The Rural Clean Water Program authorized by section 208(j) of the Federal Water Pollution Control Act (33 U.S.C. 1288 (j)).

"(7) The Forestry Incentives Program authorized by section 4 of the Cooperative Forestry Assistance Act of 1978 (16 U.S.C. 2103).

"(8) The Rural Abandoned Mine Program authorized by section 406 of the Surface Mining Control and Reclamation Act of 1977 (30 U.S.C. 1236).

"(9) Any State program under which payments are made to individuals primarily for the purpose of conserving soil, protecting or restoring the environment, improving forests, or providing a habitat for wildlife.

"(b) EXCLUDIBLE PORTION.—For purposes of this section, the term 'excludible portion' means that portion (or all) of a payment under any program described in subsection (a) which is determined by the Secretary of Agriculture to be made primarily for the purpose of conserving soil and water resources, protecting or restoring the environment, improving forests, or providing a habitat for wildlife.".

(b) Clerical Amendment.—The table of sections for such part is amended by striking out the last item and inserting in lieu thereof the following:

"Sec. 124. Certain cost-sharing payments.

"Sec. 125. Cross references to other acts.".

SEC. 2. EFFECTIVE DATE.

The amendments made by section 1 shall apply with respect to taxable years beginning after the date of enactment of this Act.●

By Mr. HATHAWAY:

S. 3420. A bill to amend the Internal Revenue Code of 1954 to reduce individual and corporate income tax reductions and for other purposes; to the Committee on Finance.

REVENUE ACT OF 1978

● Mr. HATHAWAY. Mr. President, today, I am pleased to introduce the Revenue Act of 1978. I intend that this legislation be carefully considered by the Finance Committee during markup of this year's tax bill.

On August 4, the Ways and Means Committee reported H.R. 13511. The bill contains a tax reduction of approximately $16.5 billion. The bill contains numerous provisions which are outlined in the Wall Street Journal of July 28. I ask unanimous consent that this article be included in the RECORD.

There being no objection, the article was ordered to be printed in the RECORD, as follows:

WAYS AND MEANS PANEL APPROVES $16 BILLION TAX CUT, INCLUDING CAPITAL-GAINS RELIEF CARTER VOWED TO VETO

(By John Pierson)

WASHINGTON.—The House Ways and Means Committee approved a $16 billion tax cut that includes $1.8 billion of relief for capital gains, which President Carter has threatened to veto.

The bill goes next to the House floor, where Republicans will try to make the tax cut larger and liberal Democrats will try to aim the reductions more at low- and middle-income taxpayers. After that, it goes to the Senate and then to a House-Senate conference.

Approved last night by a vote of 25 to 12 is a bill that stands most of Mr. Carter's tax

"reform" programs on its head. In drafting the measure over the past three months, the Ways and Means Committee rejected practically all the President's plans for closing tax "loopholes" and agreed instead to take capital gains out of the 15% minimum tax, which Congress enacted in 1969 to try to make sure that all high-income persons paid at least some tax.

In a last-minute switch, however, the committee voted to subject capital gains to a new 10% alternative minimum tax, which would have to be paid only if it exceeded a taxpayer's regular tax liability.

Thirteen Democrats joined 12 Republicans in voting for the bill, while 12 Democrats opposed it.

It's expected that the bill will go to the House floor before the House quits town Aug. 18 for its Labor Day recess.

The bill contains:

Individual tax cuts of $10.5 billion next year, achieved mainly through adjusted tax brackets, rate cuts, a higher exemption and a higher standard deduction.

Business cuts of $3.8 billion, mainly through lower corporate rates, higher exemption from the top rate and a more-generous investment credit.

Capital gains relief of $1.8 billion, chiefly by eliminating gains as an item of tax preference subject to the 15% minimum tax and the 50% maximum tax, "indexing" gains for inflation, and allowing homeowners to escape tax, once in a lifetime, on up to $100,000 of gain from sale of a home.

Homeowner tax relief was added yesterday in an effort to make the capital gains section less vulnerable to liberal complaints that the provision would benefit only the rich. Mr. Carter says that removing capital gains from the minimum tax would provide "huge tax windfalls for millionaires and only two bits for the average American." Fear of liberals' criticism was also behind the new alternative minimum tax on capital gains.

Here is a summary of the bill. Except where indicated, the changes would all take place starting next Jan. 1.

TAX CUTS

Individuals: The tax brackets would be raised about 6 percent. For example, under current law a married couple with taxable income, after deductions, of between $23,200 and $27,200 owes the federal government 32 cents of every dollar of income within that bracket. Under the committee bill, the couple would have to have between $24,600 and $28,840 of taxable income before being subect to the 32-percent rate. In addition, there would be actual rate cuts for certain brackets.

The zero bracket amount, which used to be called the standard deduction, would be increased to $2,300 from $2,200 for single persons and to $3,400 from $3,200 for married couples.

The personal exemption for each taxpayer and dependent would be raised to $1,000 from $750. Meanwhile, the general tax credit, which equals the greater of $35 for each exemption or 2 percent of the first $9,000 of taxable income, would expire at the end of this year under the bill.

Corporations: The corporate rates would be lowered and more income exempted from the top rate.

The rate on the first $25,000 of taxable corporate income would be cut to 17 percent from 20 percent and the rate on the second $25,000 to 20 percent from 22 percent. Two new brackets would be created, with the third $25,000 of corporate income taxed at 30 percent and the fourth $25,000 taxed at 49 percent.

Taxable corporate income exceeding $100,000 would be subject to a 46-percent rate. Currently the top rate is 48 percent.

Capital gains: Existing law imposes a 15-percent minimum tax on certain kinds of income or deductions to which Congress has given preferred tax treatment, including the half of capital gains that isn't subject to the regular income tax. What's more, the excluded half of capital gains, along with other preferences, reduces the amount of earned income eligible for the 50-percent maximum tax.

The committee agreed to delete capital gains from the list of preferences—for individuals, corporations, estates and trusts—under both the minimum and maximum taxes. This would have the effect of reducing the top rate on capital gains to 35 percent from 49 percent.

But the excluded half of capital gains, minus a $10,000 exemption, would become subject to a new 10-percent alternative minimum tax. The alternative minimum tax would be paid only if it exceeded the individuals regular tax liability. Gain from the sale of a principal residence wouldn't be subject to the alternative minimum tax, however.

The existing 15-percent minimum tax would continue to apply to all items of tax preference other than capital gains.

It also voted to eliminate any tax—either the regular or minimum tax—on the part of capital gains that's caused by inflation. This would be done by increasing the cost basis of three kinds of capital assets—corporate stock, real estate, and plant and equipment—with increases in the consumer price index. "Indexing" would start Jan. 1, 1980.

Thus, the basis of an asset sold in 1980 would be increased by the same percent as consumer prices rose between the third quarter of 1978 and the third quarter of 1979. For assets sold in 1981, the basis would be increased by the rise in the index between the third quarters of 1979 and 1980, and so on. There wouldn't be any adjustment for inflation that occurred prior to the third quarter of 1978.

For example, if consumer prices rose 24 percent, someone who bought stock in 1980 for $50,000 and sold it in 1985 for $100,000 would have a cost basis of $62,500—$50,000, plus 25 percent of $50,000—and would be taxed on a gain of $37,500, instead of $50,000.

But the Ways and Means panel also agreed to repeal the "alternative" capital-gains rate for individuals, a provision that allows them to have the first $50,000 of long-term gains taxed at 25 percent rather than at rates as high as 35 percent.

Homeowners: The bill provides some additional capital-gains relief for homeowners. Current law gives two tax breaks on the sale of personal residences.

A person of any age who buys a new home within 18 months of selling one doesn't pay tax on his gain, so long as the new home costs at least as much as the old one sells for. If the new one costs less than he gets for the old one, he pays tax on the difference. Further, someone over 65 years old who sells his home and doesn't "roll over" the proceeds into a new one can escape tax on some of his gain.

The bill would repeal the over-65 rule and retain the rollover rule. But anyone of any age could, once in his lifetime, escape tax completely on up to $100,000 of gain from a home sale. To qualify for this tax break, he would have to have lived in the house for at least two years. This change would be effective for homes sold starting today, July 28, 1978.

Investment credit: Currently at 10 percent, the investment credit for outlays on machinery and equipment is due to drop back to 7 percent in 1981. The Ways and Means bill would make it permanent at 10 percent and extend it to rehabilitation of structure, including industrial office buildings, retail buildings and warehouses. It also would make permanent the $100,000 credit limit on used property, due to drop to $50,000 in 1981.

Currently, investment credits are allowed to offset all tax liability up to $25,000 but only 50 percent of amounts of more than $25,000. The bill would raise that to 90 percent over four years, at the rate of 10 percentage points a year.

Pollution control: A taxpayer required to install pollution-control equipment in his plant currently is permitted to amortize the cost over five years rather than depreciating it over its useful life. But equipment amortized under this special rule is allowed only 5 percent investment credit. The committee agreed to provide the full 10 percent credit in such cases.

Jobs credit: The existing jobs tax credit for new hiring, up to $2,100 per worker, would be allowed to expire at the end of this year. In its place, the Ways and Means Committee voted a more generous credit, up to $3,000 the first year of employment and up to $1,000 the second year, but limited it to hard-to-employ persons. These would include welfare recipients, certain handicapped persons and Vietnam veterans eligible for food stamps.

Industrial bonds: Current law permits state or local governments to issue tax-exempt bonds, without any dollar limit, to finance construction of certain private business facilities. In addition, they can issue up to $5 million of industrial-development bonds to buy land or build a wide variety of facilities. Under the bill, this "small-issues" limit would be raised to $10 million.

Low-income housing: The committee agreed to extend through 1981 a provision, due to expire at the end of this year, that provides five-year amortization where someone rehabilitates housing to rent to low-income persons.

Working poor: The bill would make permanent the earned-income credit, which is due to expire at the end of this year. The credit equals 10 percent of the first $4,000 of income and a diminishing percentage of income between $4,000 and $8,000. Also, taxpayers would be allowed to figure their credit from tables without doing any arithmetic.

TAX REVISION

Gas taxes: As one of its few revenue raising tax "reforms," the committee voted to repeal the deduction for state and local taxes on gasoline, diesel and other motor fuels, except when they're used in business.

Political gifts: The bill would also repeal the existing deduction for political contributions of up to $100 a year, or $200 on a joint return. But the existing tax credit, which equals half of a taxpayer's political contributions up to a maximum credit of $25, or $50 on a joint return, would be retained.

Medical expenses: The deduction for medical and dental expenses would be simplified and tightened a bit. The committee agreed to repeal the separate deduction for half of insurance premiums up to $150, as well as the rule that limits deductions for drug costs to those that exceed 1 percent of income. Also, only insulin and prescription drugs would remain eligible for a deduction.

Thus, under the Ways and Means Committee's bill, the full amount of medical and hospital-insurance premiums, the costs of prescription drugs and nonprescription insulin and other qualifying expenses would be deductible to the extent they exceed 3 percent of income.

Unemployment benefits: Current law doesn't tax unemployment compensation. The bill would retain the exclusion for low-income persons but phase it out at middle and upper-income levels. A single person would have to include unemployment benefits in his income equal to half the amount of his income over $20,000. For married couples, the exclusion would start disappearing at $25,000 of adjusted gross income.

"At Risk" Rule: Under current law many

high-bracket taxpayers "shelter" their regular income by investing in activities that generate deductions. These deductions can be increased, without additional risk to the taxpayer, if his investment includes proceeds from a loan he isn't personally liable to repay. The 1976 Tax Reform Act tried to curb use of "nonrecourse" loans by limiting deductions to the investor's cash outlay plus repayable loans. But this "at risk" rule applies only to certain activities—movies, farming, equipment leasing or oil and gas drilling—unless they're carried out through a partnership.

The Ways and Means bill would extend the at-risk restrictions to all investments except real estate. It would extend it to closely held corporations, where five or fewer persons own more than 50 percent of the stock. In addition, the government could "recapture" previously taken deductions where the investor withdraws proceeds from a repayable loan.

Audits: To crack down further on tax shelters, the bill would impose a new civil penalty against a partnership that failed to file a tax return or filed one late. Also, the government would have four years, instead of three, to assess additional tax for items passed through from partnerships to partners. But this provision would apply only to large syndicated partnerships, those subject to the registration and reporting requirements of the Securities and Exchange Commission.

Farms: The bill would permanently broaden the family corporation exception in rules that require large farming corporations to use accrual accounting rather than cash accounting and to capitalize expenses incurred during the preproductive period instead of deducting them immediately. It would also ease the accrual-accounting rule relating to inventories of growing crops. It would give farmers, florists and nurseries that currently are using accrual accounting, even though they don't have to, until 1981 to change to cash accounting.

Deferred Pay: The Treasury has issued a controversial proposal to tax employe payments into certain deferred-compensation plans run by state and local governments and private employers. These plans are nonqualified, which means they don't meet rules of qualified plans and don't receive the same tax benefits.

The bill would permit a continuation of these nonqualified plans, with certain limits. Employes and independent contractors performing services for state or local governments could defer tax on an amount equal to the lesser of $7,500 a year, or 33⅓ percent of their compensation. Where lesser amounts were deferred, a limited catch-up would be available during the three years before retirement.

Private nonqualified plans would be made subject to the law as it existed on Feb. 1 this year, just before the Treasury issued its proposed regulations.

Finally, the bill would make it clear that employers would have to follow the same rule in taking deductions for the deferred compensation of independent contractors as for employes. The rule: Deductions can't be taken until the employer starts paying out the deferred compensation.

Small business: The bill would increase to 15 from 10 the maximum number of shareholders a corporation may have while still qualifying for special tax treatment under subchapter S of the tax code. It would treat a husband and wife who own subchapter S stock as one shareholder, regardless of how they hold the stock. It would allow shareholders to elect subchapter S status during the first 75 days of the current tax year, instead of 30 days, or at any time during the preceding tax year, instead of only the last 30 days.

Current law limits the amount of ordinary income that an individual taxpayer may offset with capital losses. An exception is provided for owners of small corporations. Thus, a capital loss on stock sustained by an individual is treated as an ordinary loss up to a maximum of $25,000 a year, or $50,000 on a joint return. But a corporation can't issue more than $500,000 of stock that is eligible for this special treatment.

The bill would raise the loss limitation to $50,000, or $100,000 on a joint return, and permit the issuance of up to $1 million of eligible stock.

Under current law, a taxpayer is allowed to increase an asset's first-year depreciation by an additional 20%. This "bonus" depreciation is limited to the first $10,000 of asset cost, $20,000 on a joint return. The bill would raise it to 25% of the first $20,000, or $40,000 on a joint return. But this special depreciation rule would be limited to taxpayers with $1 million or less of depreciable assets. Currently, there isn't any such limit.

Mr. HATHAWAY. Mr. President, the bill which I am introducing has similarities with H.R. 13511 and also some significant differences. The bill provides modifications to the tax system which will result in an estimated net revenue loss of $19 billion.

Present law (percent)	Single taxpayers	Proposed bill (percent)
19	$5,000	19
29	15,000	26
34	20,000	33
45	30,000	45

Present law (percent)	Married filing jointly	Proposed bill (percent)
15	$5,000	15
22	15,000	22
28	20,000	26
36	30,000	33

The current personal exemption of $750 is repealed. The general tax credit, which currently is the greater of $35 per exemption or 2 percent of the first $9,000 of annual earnings (maximum $180), is repealed. A tax credit of $275 is permitted for each personal exemption.

There is currently an exclusion from capital gains tax, a portion of gain on the sale of a primary residence for an individual over age 65. The exclusion currently applies in proportion to an adjusted sales price of $35,000. The qualifying age would be reduced to 55 and the adjusted sales price limit removed for sale of a taxpayer's primary residence. The residence must be occupied by the taxpayer for 3 of 5 years prior to the sale.

The list of items of tax preferences will be modified so that any capital gain on the sale of a principal residence will not be considered as a capital gain item of preference. This will eliminate the tax burden which could otherwise be imposed on inflation gains resulting from the sale of a residence if the proceeds are not reinvested in another home or excluded from income under the previously discussed provision.

The bill would also modify the interrelation of the minimum and maximum taxes. Under present law, personal service income subject to the maximum tax is reduced by items of tax preference, primarily capital gains. This is referred to as the "maxitax poison"; this offset would be repealed.

The bill provides a 50-percent tax credit for the first $1,000 of State or local real estate on the taxpayer's primary residence. The deduction for taxes paid would be reduced for taxes which are taken into account for the tax credit. This change will provide relief for hard-pressed low- and middle-income taxpayers while encouraging local governments to shift their tax bases away from property taxes toward progressive revenue measures, such as the income tax.

Current law provides for a refundable earned income credit for low-income taxpayers. The credit is 10 percent of the taxpayer's first $4,000 of annual earnings. The credit is refundable but it is phased out as income levels rise so that no credit is available at $8,000 of income. The bill would raise the earnings base to $6,000 and phase it out by $12,000. The credit would be taken into account using an advanced withholding approach.

Furthermore, the current law requires the taxpayer to maintain a household within the United States. This requirement has discriminated particularly against junior U.S. military personnel and their families serving overseas. The depreciation of the dollar has caused extraordinary hardship for those serving in Germany and Japan. The bill would repeal the U.S. household requirement.

In order to provide an incentive for individual investors in equity capital needs of small and medium businesses, a 10-percent credit would be allowed for the first $7,500 of cash purchase in new stock issues of a business with net equity less than $25 million. The credit is designed to infuse new funds and return investors to the capital market.

Current law provides that tax on the gain arising from the sale of a personal residence can be deferred if reinvested in a new residence within 18 months of the date of sale. The time period would be lengthened to 24 months by the bill.

To complement these tax measures for individuals, the bill contains several tax changes for corporations, particularly smaller businesses. One, previously discussed is the tax credit for investment in equity capital of small and medium-sized firms.

The bill modifies the corporate tax rates and surtax exemption. The changes are designed to provide tax relief for smaller firms and to adjust the surtax exemption for the effects of inflation. A comparison of existing and proposed law is as follows:

Tax Rates

[In percent]

Taxable income	Present	Proposed
$0–$25,000	20	20
$25–50,000	22	20
$50–150,000	48	20
Over 150,000	48	48

The 10-percent investment tax credit would be made permanent. In addition, the $100,000 limitation on used property

eligible for the credit would also be made permanent.

Under current law, the investment credit is limited to the first $25,000 of the tax liability plus 50 percent of the liability in excess of the $25,000. The credit is nonrefundable; however, any credit in excess of this limitation may be carried back 3 years to offset tax liability and then forward for 7 years. The bill would make the tax refundable for the first $25,000; it would raise the overall limitation to 90 percent of tax liability. The bill would repeal the carryback of excess credits but continue current law for carry forwards to future years.

The investment tax credit, which is presently available only for tangible personal property (and certain other tangible property) would be extended to buildings and structures if the buildings are rehabilitated. This is designed to encourage renovation of inner-city buildings. Furthermore, structures, buildings, and other tangible property qualifying for the credit would be expanded to include retailing and wholesaling activities as well as manufacturing activities.

The credit would also be expanded to permit 6⅔ percent tax credit rather than 5 percent for pollution control facilities. Qualified research and development expenditures will also qualify for the credit. Expenses which are currently deducted will qualify for 3⅓ percent credit; expenses which are amortized over 60 months will qualify for a 6⅔-percent credit. These changes in the investment tax credit should be most beneficial to new, small, highly innovative firms.

The bill also provides a number of technical modifications to assist small businesses.

First, the subchapter S, tax option corporation, rules would be expanded to allow 15 rather than 10 shareholders. In addition, stock owned by a husband and wife (or their estates) will be treated as one shareholder. Second, a grantor or current income trust would be an eligible shareholder.

The rules concerning election of subchapter S status are simplified. Further, a change is included to allow a subchapter S shareholder to carry over any net operating loss of the company which cannot be utilized in the current year.

Present law allows taxpayers to claim an additional depreciation allowance for up to $10,000 of euipment. The additional depreciation is 20 percent of the basis in the asset for the first year it is depreciated. The bill raises the percentage to 25 percent and the basis to $20,000. However, the additional depreciation can only be claimed if the aggregate adjusted basis of the depreciable property is less than $1,000,000. This restriction will target the benefits toward small businesses.

Losses on qualified small business stock may be deducted against ordinary income instead of as a capital loss. Under present law the loss deducted in any year cannot exceed $25,000 ($50,000 for joint returns). This is raised to $50,000 per individual or $100,000 for husband and wife. The definition of a small business corporation would be modified to allow capitalization of up to $5,000,000 instead of $1 million under current law.

Finally, the bill authorizes a tax impact to be made by the Department of the Treasury and Council of Economic Advisors. The study is to evaluate the incidence of taxation by income level and type of tax. It also authorizes an analysis of the shifting of various payroll and corporate taxes.

Mr. President, I believe that this tax package provides an important alternative to the various measures now being discussed in Congress.

It provides tax rate reductions across the board. Although these cuts are weighed toward the lower and middle-income taxpayers, all levels receive these benefits.

In addition, revisions are made to the earned income tax credit. Special consideration is given for the capital gains resulting from the sale of a personal residence where the proceeds are not reinvested.

Small and medium-sized businesses would benefit from the increase in the surtax exemption and corresponding rate reductions. The liberalization of the business depreciation partial refundability of the investment credit and the technical changes in subchapter S and small business stock rules will be of assistance to the development of small businesses.

Larger corporations should also benefit from the expansion of the investment credit to rehabilitation of buildings, the liberation for research, development and pollution control expenditures. In addition, the increased limitation for the amount of credit offsetting tax will be of a significant assist to capital formation and investment.

The incentive tax credit for investment in small business equity issues will assist individuals, businesses and the capital markets.

Mr. President. In order to evaluate this bill in comparison with the Ways and Means Committee, I ask that a comparative table of the two bills be printed in the RECORD.

There being no objection, the table was ordered to be printed in the RECORD, as follows:

Tax analysts—Major provisions of Hathaway bill compared with present law and H.R. 13511

Present law	H.R. 13511	H.R. ———
Tax rates: single 14–70%; married, joint 14–70%	Revised	Revised
Bracket widening: None	6%	None
Std. deduction: single $2,200	$2,300	No Change
married, joint $3,200	$3,400	No Change
Personal exemption: $750	$1,000	Repealed
General tax credit: $35 or 2%, $9,000	Repealed	$275
Exclusion of gain on sale of residence: Age 65	No age	Age 55
Exclusion based on $35,000 sales price	$100,000 gain maximum exclusion	No limit
Minimum tax: Capital gains: 50% included as preference item	Excluded as preference item	Gain on sale of residence excluded. Other capital gains included
Add-on tax of 15% on preference items in excess of $10,000 or 50% of regular taxes paid	10% alternative tax on excluded 50% of capital gains in excess of $10,000	No change
Maximum tax: Personal service income offset by all preference items	Personal service income offset by all preference items except capital gains	Personal service income not offset by preference items
Real estate taxes: Deductible in full	No change	50% credit on first $1,000 taxes on principal residence. Balance deductible.
Earned Income Credit: 10% on $4,000	No change	10% on $6,000
Phase-out $4,000–$8,000	No change	$6,000–$12,000

Present law	H.R. 13511	H.R. ———
Expires 1979	Made Permanent	Made Permanent
Incentive Stock Credit:		
No provision	No provision	10% on $7500 of stock issue
Reinvestment Period on Personal Residence:		
18 months	No change	24 months
Corporate Tax Rates:		
$0–25,000, 20%	$0–25,000, 17%	$0–$150,000, 20 %
$25–50,000, 22%	$25–50,000, 20%	
over $50,000, 48%	$50–75,000, 30%	
	$75–100,000, 39%	
	over $100,000, 46%	Over $150,000, 48%
Investment Tax Credit:		
10% through 1980	10% made permanent	10% made permanent
7% thereafter		$25,000 refundable
Nonrefundable	Nonrefundable	
Limitation $25,000 plus 50% thereafter	$25,000 plus 90% thereafter phased in over 4 years	90% one-step
Carryovers:		
3 back, 7 forward	No change	7 forward
Buildings not included	Buildings if rehabilitated	Buildings if rehabilitated
Pollution control facilities		
5% credit plus 60-month amortization	10% plus 60-month amortization	6⅔ credit plus 60-month amortization
Research and development		
No provision	No provision	3⅓% if expensed, 6⅔% with 60-month amortization
Jobs tax credit:		
50% first $4,200 wages, new employees on an incremental basis. Expires 1979	Original allowed to expire Targeted credit of 50% on $6,000 wages for hard to employ	Allowed to expire No provision
Subchapter S rules:		
Shareholders 10	15	15
NOL carryover	No provision	
No provision		Permitted
Additional Depreciation:		
20% rate	25% rate	25% rate
$10,000 assets	$20,000 assets	$20,000 assets
Company size		
No limitation	$1,000,000 of asset basis	$1,000,000 of asset basis
Small business stock limitations:		
$25,000 loss	$50,000 loss	$50,000 loss
$1,000,000 capitalization	$1,000,000 capitalization	$5,000,000 capitalization

Mr. HATHAWAY. Mr. President, I also ask unanimous consent that the text of my bill and a tax burden table be printed in the RECORD.

There being no objection, the bill and table were ordered to be printed in the RECORD, as follows:

S. 3420

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,

TITLE I—SHORT TITLES, ETC.

Sec. 101. Short title: Table of contents.
(a) SHORT TITLE.—This Act may be cited as the "Revenue Act of 1978".
(b) TABLE OF CONTENTS.—
TITLE I—SHORT TITLE, ETC.
Sec. 101. Short title; table of contents.
Sec. 102. Amendment of 1954 Code.
Sec. 103. Effective date.
TITLE II—TAX TREATMENT OF INDIVIDUALS
SUBTITLE A—RATES AND CREDITS
Sec. 201. Reduction of tax rates.
Sec. 202. Personal exemption tax credit.
Sec. 203. Technical, clerical and conforming amendments.
Sec. 204. Application of certain changes in the case of fiscal year taxpayers.
SUBTITLE B—TAXATION OF CAPITAL GAINS OF NONCORPORATE TAXPAYERS
Sec. 211. Revision of exclusion on gain from sale of personal residence.
Sec. 212. Structural amendments to the minimum and maximum taxes.
SUBTITLE C—MISCELLANEOUS PROVISIONS AFFECTING INDIVIDUAL INCOME TAX
Sec. 221. Real estate property tax credit on personal residence.
Sec. 222. Revision of earned income tax credit.
Sec. 223. Small business investment incentive credit.
Sec. 224. Period for reinvestment of gain on sale of personal residence.
TITLE III—TAX TREATMENT OF BUSINESS
SUBTITLE A—CORPORATE SURTAX EXEMPTION
Sec. 301. Increase corporate surtax exemption.
SUBTITLE B—INVESTMENT CREDIT
Sec. 311. Investment credit made permanent.
Sec. 312. Investment credit made partially refundable and tax liability limitation increased to 90 percent.
Sec. 313. Certain buildings and structural components.
Sec. 314. Certain pollution control facilities and research expenditures.
SUBTITLE C—MISCELLANEOUS PROVISIONS AFFECTING SMALL BUSINESS INCOME TAX
Sec. 321. Changes in subchapter S rules.
Sec. 322. Changes in additional first year depreciation allowance for small business.
Sec. 323. Losses on small business stock.
Sec. 324. Extension of amortization for rehabilitation of low-income rental housing.
TITLE IV—TAX STUDY
Sec. 401. Tax impact study authorized.

SEC. 102. AMENDMENT OF 1954 CODE.

Except as otherwise expressly provided, whenever in this Act an amendment or repeal is expressed in terms of an amendment to, or a repeal of, a section or other provision, the reference shall be considered to be made to a section or other provision of the Internal Revenue Code of 1954. In this Act, a reference to the "Code" is a reference to the Internal Revenue Code of 1954.

SEC. 103. EFFECTIVE DATE.

Except as otherwise provided by this Act, the amendments made by this Act apply with respect to taxable years beginning after December 31, 1978.

TITLE II—TAX TREATMENTS OF INDIVIDUALS

SUBTITLE A—TAX REDUCTION AND EXTENSIONS

SEC. 201. RATE CUTS IN CERTAIN BRACKETS.

(a) RATE REDUCTION.—Section 1 (relating to tax imposed) is amended to read as follows:

"SECTION 1. TAX IMPOSED.

"(a) MARRIED INDIVIDUALS FILING JOINT RETURNS AND SURVIVING SPOUSES.—There is hereby imposed on the taxable income of—

"(1) every married individual (as defined in section 143) who makes a single return jointly with his spouse under section 6013, and

"(2) every surviving spouse (as defined in section 2(a)),

a tax determined in accordance with the following table:

If the amount of taxable income is—		Then as tax before credit—	
Over—	But not over—	Enter—	Of excess over—
$3,200	$4,200	0 plus 14 percent	$3,200.
$4,200	$5,200	$140 plus 15 percent	$4,200.
$5,200	$6,200	$290 plus 16 percent	$5,200.
$6,200	$7,200	$450 plus 17 percent	$6,200.
$7,200	$11,200	$620 plus 19 percent	$7,200.
$11,200	$15,200	$1,380 plus 22 percent	$11,200.
$15,200	$19,200	$2,260 plus 24 percent	$15,200.
$19,200	$23,200	$3,220 plus 26 percent	$19,200.
$23,200	$27,200	$4,260 plus 29 percent	$23,200.
$27,200	$31,200	$5,420 plus 33 percent	$27,200.
$31,200	$35,200	$6,740 plus 37 percent	$31,200.
$35,200	$39,200	$8,220 plus 41 percent	$35,200.
$39,200	$43,200	$9,860 plus 45 percent	$39,200.
$43,200	$47,200	$11,660 plus 48 percent	$43,200.
$47,200	$55,200	$13,580 plus 50 percent	$47,200.
$55,200	$67,200	$17,580 plus 53 percent	$55,200.
$67,200	$79,200	$23,940 plus 55 percent	$67,200.
$79,200	$91,200	$30,540 plus 58 percent	$79,200.
$91,200	$103,200	$37,500 plus 60 percent	$91,200.
$103,200	$123,200	$44,700 plus 62 percent	$103,200.
$123,200	$143,200	$57,100 plus 64 percent	$123,200.
$143,200	$163,200	$69,900 plus 66 percent	$143,200.
$163,200	$183,200	$83,100 plus 68 percent	$163,200.
$183,200	$203,200	$96,700 plus 69 percent	$183,200.
$203,200		$110,500 plus 70 percent	$203,200.

"(b) HEADS OF HOUSEHOLDS.—There is hereby imposed on the taxable income of every individual who is the head of a household (as defined in section 2(b)) a tax determined in accordance with the following table:

If the amount of taxable income is—		Then as tax before credit—	
Over—	But not over—	Enter—	Of excess over—
$2,200	$3,200	0 plus 14 percent	$2,200.
$3,200	$4,200	$140 plus 15 percent	$3,200.
$4,200	$6,200	$300 plus 18 percent	$4,200.
$6,200	$8,200	$660 plus 19 percent	$6,200.
$8,200	$10,200	$1,040 plus 21 percent	$8,200.
$10,200	$12,200	$1,460 plus 22 percent	$10,200.
$12,200	$14,200	$1,900 plus 24 percent	$12,200.
$14,200	$16,200	$2,380 plus 25 percent	$14,200.
$16,200	$18,200	$2,880 plus 28 percent	$16,200.
$18,200	$20,200	$3,440 plus 30 percent	$18,200.
$20,200	$22,200	$4,040 plus 32 percent	$20,200.
$22,200	$24,200	$4,680 plus 35 percent	$22,200.
$24,200	$26,200	$5,380 plus 36 percent	$24,200.
$26,200	$28,200	$6,100 plus 38 percent	$26,200.
$28,200	$30,200	$6,860 plus 41 percent	$28,200.
$30,200	$34,200	$7,680 plus 42 percent	$30,200.
$34,200	$38,200	$9,360 plus 45 percent	$34,200.
$38,200	$40,200	$11,160 plus 48 percent	$38,200.
$40,200	$42,200	$12,120 plus 51 percent	$40,200.
$42,200	$46,200	$13,140 plus 52 percent	$42,200.
$46,200	$52,200	$15,227 plus 55 percent	$46,200.
$52,200	$54,200	$18,520 plus 56 percent	$52,200.
$54,200	$66,200	$19,640 plus 58 percent	$54,200.
$66,200	$72,200	$26,600 plus 59 percent	$66,200.
$72,200	$78,200	$30,140 plus 61 percent	$72,200.
$78,200	$82,200	$33,800 plus 62 percent	$78,200.
$82,200	$90,200	$36,280 plus 63 percent	$82,200.
$90,200	$102,200	$41,320 plus 64 percent	$90,200.
$102,200	$122,200	$49,000 plus 66 percent	$102,200.
$122,200	$142,200	$62,200 plus 67 percent	$122,200.
$142,200	$162,200	$75,600 plus 68 percent	$142,200.
$162,200	$182,200	$89,200 plus 69 percent	$162,200.
$182,200		$103,000 plus 70 percent	$182,200.

"(c) UNMARRIED INDIVIDUALS (OTHER THAN SURVIVING SPOUSES AND HEADS OF HOUSEHOLDS).—There is hereby imposed on the taxable income of every individual (other than a surviving spouse as defined in section 2(a) or the head of a household as defined in section 2(b)) who is not a married individual (as defined in section 143) a tax determined in accordance with the following table:

If the amount of taxable income is—		Then as tax before credit—	
Over—	But not over—	Enter—	Of excess over—
$2,200	$2,700	0 plus 14 percent	$2,200.
$2,700	$3,200	$70 plus 15 percent	$2,700.
$3,200	$3,700	$145 plus 16 percent	$3,200.
$3,700	$4,200	$225 plus 17 percent	$3,700.
$4,200	$6,200	$310 plus 19 percent	$4,200.
$6,200	$8,200	$690 plus 20 percent	$6,200.
$8,200	$10,200	$1,090 plus 22 percent	$8,200.
$10,200	$12,200	$1,530 plus 23 percent	$10,200.
$12,200	$14,200	$1,990 plus 25 percent	$12,200.
$14,200	$16,200	$2,490 plus 26 percent	$14,200.
$16,200	$18,200	$3,010 plus 29 percent	$16,200.
$18,200	$20,200	$3,590 plus 33 percent	$18,200.
$20,200	$22,200	$4,250 plus 36 percent	$20,200.
$22,200	$24,200	$4,970 plus 38 percent	$22,200.
$24,200	$28,200	$5,730 plus 40 percent	$24,200.
$28,200	$34,200	$7,330 plus 45 percent	$28,200.
$34,200	$40,200	$10,030 plus 50 percent	$34,200.
$40,200	$46,200	$13,030 plus 55 percent	$40,200.
$46,200	$52,200	$16,330 plus 60 percent	$46,200.
$52,200	$62,200	$19,930 plus 62 percent	$52,200.
$62,200	$72,200	$26,130 plus 64 percent	$62,200.
$72,200	$82,200	$32,530 plus 66 percent	$72,200.
$82,200	$92,200	$39,130 plus 68 percent	$82,200.
$92,200	$102,200	$45,930 plus 69 percent	$92,200.
$102,200		$52,830 plus 70 percent	$102,200.

"(d) MARRIED INDIVIDUALS FILING SEPARATE RETURNS.—There is hereby imposed on the taxable income of every married individual (as defined in section 143) who does not make a single return jointly with his spouse under section 6013 a tax determined in accordance with the following table:

If the amount of taxable income is—		Then as tax before credit—	
Over—	But not over—	Enter—	Of excess over—
$1,600	$2,100	$0 plus 14 percent	$1,600.
$2,100	$2,600	$70 plus 15 percent	$2,100.
$2,600	$3,100	$145 plus 16 percent	$2,600.
$3,100	$3,600	$225 plus 17 percent	$3,100.
$3,600	$5,600	$310 plus 19 percent	$3,600.
$5,600	$7,600	$690 plus 22 percent	$5,600.
$7,600	$9,600	$1,130 plus 24 percent	$7,600.
$9,600	$11,600	$1,610 plus 26 percent	$9,600.
$11,600	$13,600	$2,130 plus 29 percent	$11,600.
$13,600	$15,600	$2,710 plus 33 percent	$13,600.
$15,600	$17,600	$3,870 plus 37 percent	$15,600.
$17,600	$19,600	$4,110 plus 41 percent	$17,600.
$19,600	$21,600	$4,930 plus 45 percent	$19,600.
$21,600	$23,600	$5,830 plus 48 percent	$21,600.
$23,600	$27,600	$6,790 plus 50 percent	$23,600.
$27,600	$32,600	$8,790 plus 53 percent	$27,600.
$32,600	$39,600	$11,970 plus 55 percent	$32,600.
$39,600	$45,600	$15,270 plus 58 percent	$39,600.
$45,600	$51,600	$18,750 plus 60 percent	$45,600.
$51,600	$61,600	$22,350 plus 62 percent	$51,600.
$61,600	$71,600	$28,550 plus 64 percent	$61,600.
$71,600	$81,600	$34,950 plus 66 percent	$71,600.
$81,600	$91,600	$41,550 plus 68 percent	$81,600.
$91,600	$101,600	$48,350 plus 69 percent	$91,600.
$101,600		$55,250 plus 70 percent	$101,600.

"(e) ESTATES AND TRUSTS.—There is hereby imposed on the taxable income of every estate and trust taxable under this subsection a tax determined in accordance with the following table:

If the taxable income is—	The tax is—	
Less than $500	14 percent	
$500 to $1,000	$70 plus 15 percent	$500
$1,000 to $1,500	$145 plus 16 percent	1,000
$1,500 to $2,000	$225 plus 17 percent	1,500
$2,000 to $4,000	$310 plus 19 percent	2,000
$4,000 to $6,000	$690 plus 20 percent	4,000
$6,000 to $8,000	$1,090 plus 22 percent	6,000
$8,000 to $10,000	$1,530 plus 23 percent	8,000
$10,000 to $12,000	$1,990 plus 25 percent	10,000
$12,000 to $14,000	$2,490 plus 26 percent	12,000
$14,000 to $16,000	$3,010 plus 29 percent	14,000
$16,000 to $18,000	$3,590 plus 33 percent	16,000
$18,000 to $20,000	$4,250 plus 36 percent	18,000
$20,000 to $22,000	$4,970 plus 38 percent	20,000
$22,000 to $26,000	$5,730 plus 40 percent	22,000
$26,000 to $32,000	$7,330 plus 45 percent	26,000
$32,000 to $38,000	$10,030 plus 50 percent	32,000
$38,000 to $44,000	$13,030 plus 55 percent	38,000
$44,000 to $50,000	$16,330 plus 60 percent	44,000
$50,000 to $60,000	$19,930 plus 62 percent	50,000
$60,000 to $70,000	$26,130 plus 64 percent	60,000
$70,000 to $80,000	$32,530 plus 66 percent	70,000
$80,000 to $90,000	$39,130 plus 78 percent	80,000
$90,000 to $100,000	$45,930 plus 69 percent	90,000
$100,000	$52,830 plus 70 percent	100,000

(b) FILING REQUIREMENTS.—Paragraph (1) of section 6012(a) (relating to persons required to make returns of income) is amended—

(1) by striking out "$2,950" and inserting in lieu thereof "$3,900"

(2) by striking out "$3,950" and inserting in lieu thereof "$5,100"

(3) by striking out "$4,700" and inserting in lieu thereof "$6,700"

(c) COLLECTION OF INCOME TAX AT SOURCE ON WAGES.—

(1) Section 3402(a) (relating to requirement of withholding income tax at source) is amended to read as follows:

"(a) REQUIREMENT OF WITHHOLDING.—Except as otherwise provided in this section, every employer making payment of wages shall deduct and withhold upon such wages a tax determined (1) by ascertaining an amount in accordance with tables prescribed by the Secretary, and (2) by reducing such amounts by the employee's aggregate withholding allowance prorated to the payroll period. The tables so prescribed shall apply with respect to wages paid during the period prescribed for such tables and shall be in such form, and provide for such amounts to be deducted and withheld, as the Secretary determines to be most appropriate to carry out the purposes of this chapter and to reflect the provisions of chapter 1 applicable to the period. The aggregate withholding allowance shall be equal to an amount calculated in accordance with regulations prescribed by the Secretary under this section, taking into account the total number of withholding exemptions claimed and any other reduction in withholding to which an employee is entitled under this section or the regulations thereunder. The amount of each withholding exemption shall be equal to the amount of one personal credit provided in section 42."

(2) Section 3402(b) (relating to the percentage method of withholding) is amended—

(A) by striking out paragraph (1), and

(B) by revising paragraph (4) to read as follows:

"(4) In any case in which the period, or the time described in paragraph (3), in respect of any wages is less than one week, the Secretary, under regulations prescribed by him, may authorize an employer to compute the tax to be deducted and withheld as if the aggregate of the wages paid to the employee during the calendar week were paid for a weekly payroll period."

(3) Paragraph (1)(G) of section 3402(f) (relating to withholding exemptions) is amended by inserting "(or more than one exemption if so prescribed by the Secretary)" immediately after "one exemption".

(4) Section 3402(i) (relating to additional withholding) is amended by striking out "employer and employee agree (in such form as the Secretary may by regulations prescribe) to" and inserting in lieu thereof "employee requests (in such form as the Secretary may by regulations prescribe)".

(5) Section 3402(m) (relating to withholding allowances based on itemized deductions) is amended as follows:

(A) Paragraph (1) is amended to read as follows:

"(1) GENERAL RULE.—An employee shall be entitled to additional withholding allowances or additional reduction in withholding under this subsection with respect to a payment of wages in accordance with regulations prescribed by the Secretary. In determining the number of additional withholding allowances or the amount of additional reduction in withholding under this subsection, the employee may take into account—

"(A) the excess of his estimated itemized deductions over his zero bracket amount (as defined in section 63(d)),

"(B) such tax credits to which he is entitled as specified in the regulations prescribed by the Secretary, and

"(C) such additional items as specified in the regulations prescribed by the Secretary."

(B) Paragraph (4) is amended to read as follows:

"(4) AUTHORITY TO PRESCRIBE TABLES.—The Secretary may prescribe tables pursuant to which employees shall determine the number of withholding allowances or the amount of reduced withholding to which they are entitled under this subsection.".

(d) EFFECTIVE DATES.—

(1) IN GENERAL.—The amendments made by subsections (a) and (b) shall apply to taxable years beginning after December 31, 1978.

(2) WITHHOLDING AMENDMENTS.—The amendments made by subsection (c) shall apply to remuneration paid after December 31, 1978.

SEC. 202. PERSONAL CREDITS.

(a) GENERAL RULE.—Section 42 (relating to the general tax credit) is amended to read as follows:

"SEC. 42. PERSONAL CREDITS.

"(a) ALLOWANCE OF CREDITS.—In the case of an individual there shall be allowed as a credit against the tax imposed by section 1 or a tax imposed in lieu of the tax imposed by section 1 the sum of the credits provided in subsections (b), (c), (d), and (e).

"(b) TAXPAYER AND SPOUSE.—A credit of $275 for the taxpayer; and an additional credit of $275 for the spouse of the taxpayer if a joint return is not made by the taxpayer and his spouse, and if the spouse, for the calendar year in which the taxable year of the taxpayer begins, has no gross income and is not dependent of another taxpayer.

"(c) ADDITIONAL CREDIT FOR TAXPAYER OR SPOUSE AGED 65 OR MORE.—

(1) FOR TAXPAYER.—An additional credit of $275 for the taxpayer if he has attained the age of 65 before the close of his taxable year.

"(2) FOR SPOUSE.—An additional credit of $275 for the spouse of the taxpayer if a joint return is not made by the taxpayer and his spouse, and if the spouse has attained the age of 65 before the close of such taxable year of the taxpayer begins, has no gross income and is not the dependent of another taxpayer.

"(d) ADDITIONAL CREDIT FOR BLINDNESS OF TAXPAYER OR SPOUSE.—

"(1) FOR TAXPAYER.—An additional credit of $275 for the taxpayer if he is behind at the close of his taxable year.

"(2) FOR SPOUSE.—An additional credit of $275 for the spouse of the taxpayer if a separate return is made by the taxpayer, and if the spouse is blind and, for the calendar year in which the taxable year of the taxpayer begins, has no gross income and is not the dependent of another taxpayer. For purposes of this paragraph, the determination of whether the spouse is blind shall be made as of the close of the taxable year of the taxpayer; except that if the spouse dies during such taxable year such determination shall be made as of the time of such death.

"(3) BLINDNESS DEFINED.—For purposes of this subsection, an individual is blind only if his central visual acuity does not exceed 20/200 in the better eye with correcting lenses, or if his visual acuity is greater than 20/200 but is accompanied by a limitation in the fields of vision such that the widest diameter of the visual field subtends an angle no greater than 20 degrees.

"(e) ADDITIONAL CREDIT FOR DEPENDENTS.—

"(1) IN GENERAL.—A credit for $275 for each dependent (as defined in section 7702)—

"(A) whose gross income for the calendar year in which the taxable year of the taxpayer begins is less than $275, or

"(B) who is a child of the taxpayer and who (i) has not attained the age of 19 at the close of the calendar year in which the taxable year of the taxpayer begins, or (ii) is a student.

"(2) CREDIT DENIED IN CASE OF CERTAIN MARRIED DEPENDENTS.—No credit shall be allowed under this subsection for any dependent who has made a joint return with his spouse under section 6013 for the taxable year beginning in the calendar year in which the taxable year of the taxpayer begins.

"(3) CHILD DEFINED.—For purposes of paragraph (1)(B), the term 'child' means an individual who (within the meaning of section 7702) is a son, stepson, daughter, or stepdaughter of the taxpayer.

"(4) STUDENT DEFINED.—For purposes of paragraph (1)(B)(ii), the term 'student' means an individual who during each of 5 calendar months during the calendar year in which the taxable year of the taxpayer begins—

"(A) is a full-time student at an educational organization described in section 170(b)(1)(A)(ii); or

"(B) is pursuing a full-time course of institutional on-farm training under the supervision of an accredited agent of an educational organization described in section 170(b)(1)(A)(ii) or of a State or political subdivision of a State.

(b) TERMINATION OF DEDUCTIONS FOR PERSONAL EXEMPTIONS.—

(1) Part V (except section 152) of subchapter B of chapter 1 is repealed.

(2) Section 152 (dependent defined) is renumbered as section 7702 and (as renumbered) is transferred from chapter 1 and inserted in chapter 79 (definitions) after section 7701. Such section is further amended—

(A) by striking out "this subtitle," in subsection (a) and inserting in lieu thereof "subtitle A,"; and

(B) by adding at the end thereof the following: "(f) CROSS REFERENCES.—

"(1) For definitions of 'husband' and 'wife' as used in subsection (b)(4), see section 7701(a)(17).

"(2) For determination of material status, see section 7703."

(3) Section 143 (determination of marital status) is renumbered as section 7703 and (as renumbered) is transferred from chapter 1 and inserted in chapter 79 after 7702. Such section is further amended by striking out "part V" each place it appears and inserting in lieu thereof "any provision referring to this section".

SEC. 203. TECHNICAL, CLERICAL, AND CONFORMING AMENDMENTS

(a) TRANSFER OF DEFINITION OF DEPENDENT TO DEFINITION SECTION OF CODE.—Each

of the following is amended by striking out "section 152" each place it appears therein and inserting in lieu thereof "section 7702":

(1) Section 2(a)(1)(B).
(2) Section 2(b)(3)(B).
(3) Section 44A(f)(6)(A).
(4) Section 50B(c)(5).
(5) Section 105.
(6) Section 120(d)(4).
(7) Section 7703(b)(1).
(8) Section 170(g).
(9) Section 213(a)(1).
(10) Section 6334(d)(1)(B)(ii).
(11) Section 7701(a)(17).

(b) TRANSFER OF RULES REGARDING MARITAL STATUS.—Each of the following is amended by striking out "section 143" each place it appears therein and inserting in lieu thereof "section 7703":

(1) Section 2(c).
(2) Section 37(d)(2).
(3) Section 43(d).
(4) Section 63(h).
(5) Section 105(d)(4).
(6) Section 219(c)(2).
(7) Section 220(c)(3).
(8) Section 879(c)(3).
(9) Section 1304(c)(4).
(10) Section 3402(f)(1)(G).
(11) Section 6362(f)(5).
(12) Section 6428(g).

(c) PERSONAL CREDITS.—

(1) The table of sections for subpart A of part IV of subchapter A of chapter 1 is amended by striking out the item relating to section 42 and inserting in lieu thereof the following item:

"Sec. 42. Personal credits."

(2) Section 2 (relating to definitions and special rules) is amended as follows:

(A) Subsection (a)(1)(B) is amended by striking out "deduction for the taxable year under section 151" and inserting in lieu thereof "credit for the taxable year under section 42".

(B) Subsection (b)(1) is amended by striking out "deduction" each place it appears and inserting in lieu thereof "credit", and by striking out "section 151" each place it appears and inserting in lieu thereof "section 42".

(3) Section 3 (relating to tax tables for individuals) is amended—

(A) by striking out "tax table" in subsection (a)(1) each place it appears and inserting in lieu thereof "taxable";

(B) by revising subsection (a)(3) to read as follows:

"(3) CERTAIN TAXPAYERS WITH LARGE NUMBER OF PERSONAL CREDITS.—The Secretary may exclude from the application of this section taxpayers in any tax rate category having more than the number of personal credits for that category determined by the Secretary.";

(C) by striking out subsection (a)(4); and

(D) by revising subsection (d) to read as follows:

"(d) TAXABLE INCOME.—For purposes of this section, the taxable income shall be determined under section 63."

(4) Section 43 (relating to the earned income credit) is amended—

(A) by striking out "section 151(e)(1)(B) (relating to additional exemptions for dependents)" in subsection (c)(1)(A)(i) and inserting in lieu thereof section 42(e)(1)(B) (relating to additional credits for dependents)", and

(B) by striking out "deductions under section 151" in subsection (c)(1)(A)(ii) and inserting in lieu thereof "credit under section 42".

(5) Section 44A (relating to expenses for household and dependent care services necessary for gainful employment) is amended—

(A) by striking out "section 151(e)" in subsection (c)(1)(A) and inserting in lieu thereof "section 42(e)",

(B) by striking out "section 151(e)(3)" in subsection (f)(5)(A) and inserting in lieu thereof "section 42(e)(3)" and

(C) by striking out "deduction under section 151(e) (relating to deduction for personal exemptions for dependents)" in subsection (f)(6)(B) and inserting in lieu thereof "credit under section 42(e) (relating to personal credits for dependents)".

(6) Section 57(b)(1) (relating to the computation of adjusted itemized deductions for minimum tax) is amended by striking out subparagraph (B) and by redesignating subparagraphs (C) and (D) as subparagraphs (B) and (C), respectively.

(7) Section 63 (relating to the definition of taxable income) is amended—

(A) by amending subsection (b)(1) to read as follows:

"(1) reduced by the excess itemized deductions, and",

(B) by striking out "deduction under section 151(e) in subsections (e)(1)(D) and inserting in lieu thereof "credit under section 151(e)" in subsection (e)(1)(D) and inserting in lieu thereof "credit under section 42(e)",

(C) by amending subsection (f) to read as follows:

"(f) ITEMIZED DEDUCTIONS.—For purposes of this subtitle, the term 'itemized deductions' means the deductions allowable by this chapter other than the deductions allowable in arriving at adjusted gross income."

(8) Section 172(d)(3) (relating to modifications in the calculation of net operating loss) is repealed.

(9) Section 441(f)(2)(iii) (relating to period for computation of taxable income) is amended by striking out ", but only the adjusted amount of the deductions for personal exemptions as described in section 443(c)".

(10) Section 443 (relating to returns for a period of less than 12 months) is amended—

(A) by striking out ", but only the adjusted amount of the deductions for personal exemptions" in subsection (b)(1), and

(B) by striking out subsection (c) and inserting in lieu thereof the following:

"(c) ADJUSTMENT IN PERSONAL CREDITS.—In the case of a taxpayer other than a corporation, if a return is made for a short period by reason of subsection (a)(1) and if the tax is not computed under subsection (b)(2), then the credits allowed by section 42 shall be reduced to amounts which bear the same ratio to the full credits as the number of months in the short period bears to 12."

(11) Section 642(b) (relating to deduction for personal exemption for estates and trusts) is amended to read as follows:

"(b) DEDUCTION IN LIEU OF PERSONAL CREDITS.—An estate shall be allowed a deduction of $600. A trust which, under its governing instrument, is required to distribute all of its income currently shall be allowed a deduction of $300. All other trusts shall be allowed a deduction of $100. The deductions allowed by this subsection shall be in lieu of the credits allowed under section 42 (relating to personal credits)."

(12) Section 643(a)(2) (relating to deduction for personal exemption in computing distributable net income) is amended to read as follows:

"(2) DEDUCTION IN LIEU OF PERSONAL CREDIT.—No deduction shall be taken under section 642(b) (relating to deduction in lieu of personal credit)."

(13) Section 703(a)(2) (relating to the computation of taxable income of a partnership) is amended by striking out subparagraph (A) and redesignating subparagraphs (B), (C), (D), (E), and (F) as subparagraphs (A), (B), (C), (D), and (E), respectively.

(14) Section 873(b) (relating to deductions allowed to nonresident alien individuals) is amended by striking out paragraph (3).

(15) Section 874 (relating to allowance of deductions and credits for nonresident aliens) is amended—

(A) by inserting after the first sentence of subsection (a) the following new sentence: "However, only one personal credit under section 42 shall be allowed to a nonresident alien individual who is not a resident of a contiguous country or is not a national of the United States.", and

(B) by revising subsection (b) to read as follows:

"(b) TAX WITHHELD AT SOURCE.—The benefit of the personal credits under section 42 may, in the discretion of the Secretary, and under regulations prescribed by the Secretary, be received by a nonresident alien individual entitled thereto, by filing a claim therefor with the withholding agent."

(16) Section 891 (relating to doubling of rates of tax on citizens and corporations of certain foreign countries) is amended by striking out "under section 151 and".

(17) Section 904(b)(1) (relating to computation of taxable income for purposes of limitation on foreign tax credit) is amended to read as follows:

"(1) DEDUCTION IN LIEU OF PERSONAL CREDITS.—For purposes of subsection (a), the taxable income in the case of an estate or trust shall be computed without any deduction under section 642(b) (relating to deduction in lieu of personal credits)."

(18) Section 911(a) (relating to earned income from sources without the United States) is amended by striking out "(other than those allowed by section 151, relating to personal exemptions)".

(19) Section 931(e) (relating to income from sources within possessions of the United States) is amended to read as follows:

"(e) PERSONAL CREDIT.—A citizen of the United States entitled to the benefits of this section shall be allowed only one personal credit under section 42."

(20) Section 933 (relating to income from sources within Puerto Rico) is amended by striking out "(other than the deduction under section 151, relating to personal exemptions)" in paragraph (1) and by striking out "(other than the deduction for personal exemptions under section 151)" in paragraph (2).

(21) Section 1211(b)(3) (relating to computation of taxable income for purposes of the limitation on capital losses) is amended to read as follows:

"(3) COMPUTATION OF TAXABLE INCOME.—For purposes of paragraph (1), taxable income shall be computed without regard to gains or losses from sales or exchanges of capital assets and without regard to any deduction in lieu of the credits provided in section 42 (relating to personal credits)."

(22) Section 1302(b)(3) (relating to transitional rule for determining base period income) is amended to read as follows:

"(3) TRANSITIONAL RULES FOR DETERMINING BASE PERIOD INCOME.—The base period income (determined under paragraph (2))—

"(A) for any taxable year beginning before January 1, 1977, shall be increased by the amount of the taxpayer's zero bracket amount for the computation year, and

"(B) for any taxable year beginning before January 1, 1978, shall be increased by an amount equal to the number of the taxpayer's personal credits under section 42 for the computation year multiplied by $750."

(23) Section 1402(a) (relating to net earnings of self-employment) is amended by striking out paragraph (7).

(24) Section 1451(d) (relating to benefit of personal exemptions for purposes of withholding on tax-free covenant bonds) is amended by striking out "deduction for personal exemptions provided in section 151" and inserting in lieu thereof "personal credits provided in section 42".

(25) Section 3402(f)(1) (relating to withholding exemptions) is amended—

(A) by striking out "an exemption under section 151(c)(1)" in subparagraph (B) and inserting in lieu thereof "a credit under section 42(c)(1)",

(B) by striking out "an exemption under section 151(d)(1)" in subparagraph (C) and inserting in lieu thereof "a credit under section 42(d)(1)", and

(C) by striking out "an exemption under section 151(e)" in subparagraph (E) and inserting in lieu thereof "a credit under section 42(e)".

(26) Section 3402(m)(2)(A) (relating to withholding allowances based upon itemized deductions) is amended by striking out "other than the deductions referred to in section 151 and ".

(27) Section 6049(b)(2)(C) (relating to the definition of interest for purposes of the information reporting requirement) is amended by striking out "exemptions" and inserting in lieu thereof "credits".

(28) Section 6654(d)(4) (relating to the imposition of an addition to tax for underpayment of estimated tax by an individual) is amended by striking out "exemptions under section 151" and inserting in lieu thereof "credits under section 42".

SEC. 204. APPLICATION OF CERTAIN CHANGES IN THE CASE OF FISCAL YEAR TAXPAYERS.

Section 21 (relating to effects of changes in rate of tax) is amended by adding at the end thereof the following new subsection:

"(f) CHANGES MADE BY REVENUE ACT OF 1978.—In applying subsection (a) to a taxable year which is not a calendar year—

"(1) the amendments made by sections 101, 102, and 301 of the Revenue Act of 1978 (and no other amendments made by such Act), and

"(2) the expiration of section 42 (relating to general tax credit),

shall be treated as a change in a rate of tax."

Subtitle B—Taxation on Capital Gains of Noncorporate Taxpayers

SEC. 211. REVISION OF EXCLUSION ON GAIN FROM SALE OR EXCHANGE OF RESIDENCE OF INDIVIDUAL WHO HAS ATTAINED AGE 55.—The heading and Subsections (a) and (b) of Section 121 (relating to gain from the sale or exchange of residence) are amended to read as follows:

"SEC. 121. Gain from Sale or Exchange of Residence of Individual Who Has Attained Age 55.

"(a) GENERAL RULE.—At the election of the taxpayer, gross income does not include gain from the sale or exchange of property if—

"(1) the taxpayer has attained the age of 55 before the date of such sale or exchange, and

"(2) during the 5-year period ending on the date of the sale or exchange, such property has been owned and used by the taxpayer as his principal residence for periods aggregating 3 years or more.

"(b) APPLICATION TO ONLY ONE SALE OR EXCHANGE.—Subsection (a) shall not apply to any sale or exchange by the taxpayer if an election by the taxpayer or his spouse under subsection (a) with respect to any other sale or exchange is in effect."

SEC. 212. STRUCTURAL AMENDMENTS TO THE MINIMUM AND MAXIMUM TAXES.

(a) CAPITAL GAIN FROM SALE OF PRINCIPAL RESIDENCE NOT TO BE ITEM OF TAX PREFERENCE.—Section 57(a)(9) (relating to capital gains) is amended by adding at the end thereof the following new subparagraph—

"(D) PRINCIPAL RESIDENCE.—For purposes of subparagraph (A), in determining net capital gain, the gain (if any) from the sale or exchange of property used by the taxpayer as his principal residence (within meaning of section 1034) shall not be taken into account."

(b) TAX PREFERENCES NOT TO AFFECT MAXIMUM TAX.—Paragraph (2) of section 1348(b) is amended to read as follows:

"(2) Personal service taxable income.—The personal service taxable income of an individual is the amount which bears the same ratio (but not in excess of 100 percent) to his taxable income as his personal service net income bears to his adjusted gross income. For purposes of this paragraph the term "personal service net income" means personal service income reduced by any deductions allowable under section 62 which are properly allocable to or chargeable against such earned income.

Subtitle C—Miscellaneous Provisions Affecting Individual Income Tax

SEC. 221. CREDIT FOR REAL PROPERTY TAXES ON PERSONAL RESIDENCE.

(a) IN GENERAL.—Subpart A of part IV of subchapter A of chapter 1 (relating to credits allowable) is amended by inserting after section 44B the following new section:

"SEC. 44C. CREDIT FOR REAL PROPERTY TAXES ON PERSONAL RESIDENCE.

"(a) GENERAL RULE.—In the case of an individual, there shall be allowed, as a credit against the tax imposed by this chapter for the taxable year, an amount equal to 50 percent of the State and local real property taxes paid or accrued within such taxable year with respect to property used by such individual as his principal residence (within the meaning of section 1034) as does not exceed $1,000.

"(b) APPLICATION WITH OTHER CREDITS.—The credit allowed by subsection (a) shall not exceed the amount of the tax imposed by section 1, or the amount of the tax imposed in lieu of the tax imposed by section 1, for the taxable year. In determining the credits allowed under—

"(1) section 33 (relating to foreign tax credit),

"(2) section 37 (relating to credit for the elderly),

"(3) section 38 (relating to investment in certain depreciable property),

"(4) section 40 (relating to expenses of work incentive programs),

"(5) section 41 (relating to contributions to candidates to public office),

"(6) section 44A (relating to expenses for household and dependent care services necessary for gainful employment), and

"(7) section 44B (relating to employment of certain new employees)

the tax imposed by this chapter shall (before any other reductions) be reduced by the credit allowed by this section.

"(c) CREDIT DENIED IN CERTAIN CASES.—No credit shall be allowable under this section—

"(1) for taxes described in section 164(c), or

"(2) to any estate or trust or any nonresident alien individual.

"(d) TENANT-STOCKHOLDER IN A COOPERATIVE HOUSING CORPORATION.—For purposes of this section, references to property used by the taxpayer shall include stock held by a tenant-stockholder (as defined in section 216) in a cooperative housing corporation if the taxpayer used as his principal residence the house or apartment which he was entitled to occupy as such stockholder.

"(e) ACCRUAL OF REAL PROPERTY TAXES.—If the credit allowable under this section is computed for a taxpayer who computes taxable income under an accrual method of accounting, the amount allowable shall be determined in a manner consistent with subsection (c) and (d) of section 461 (relating to accrual of real property taxes).

(b) TECHNICAL AND CONFORMING AMENDMENTS.—

(1) CLERICAL AMENDMENTS.—The table of sections for subpart A of part IV of subchapter A of chapter 1 is amended by inserting after the item relating to section 44B the following new item:

"Sec. 44C. Credit for Real Property Taxes Taxes on Personal Residence."

(2) COORDINATION WITH OTHER CREDITS.—

(A) Section 904(g) (relating to foreign tax credit) is amended to read as follows:

"(g) COORDINATION WITH OTHER CREDITS.—In the case of an individual, for purposes of subsection (a), the tax against which the credit is taken is such tax reduced by the amount of the credit (if any) for the taxable year allowable under section 37 (relating to credit for the elderly) and section 44C (relating to credit for real property taxes on personal residence)."

(B) Section 37(c)(2) (relating to credit for elderly) is amended by striking out the period and inserting in lieu thereof "reduced by the credit allowable under section 44C (relating to credit for real property taxes on personal residence).".

(C) Section 46(a)(4) (relating to investment tax credit) is amended by—

(i) striking out "and" at the end of subparagraph (A),

(ii) striking out the period at the end of subparagraph (B) and inserting in lieu thereof ", and", and

(iii) adding immediately after subparagraph (B) the following new subparagraph:

"(C) section 44C (relating to credit for real property taxes on personal residence)."

(D) Section 41(b)(2) (relating to contributions to candidates for public office) is amended by striking out "and section 38 (relating to investment in certain depreciable property)." and inserting in lieu thereof "section 38 (relating to investment in certain depreciable property), and section 44C (relating to credit for real property taxes on personal residence).".

(E) Section 44A(b) (relating to expenses for household and dependent care services necessary for gainful employment) is amended by—

(i) striking out "and" at the end of paragraph (6),

(ii) striking out the period in paragraph (7) and inserting in lieu thereof ", and", and

(iii) adding at the end thereof the following new paragraph:

"(8) section 44C (relating to credit for real property taxes on personal residence.)"

(F) Section 50A(b)(3) (relating to credit for expenses of work incentive programs) is amended by—

(i) striking out the "and" at the end of subparagraph (c),

(ii) striking out the period at the end of subparagraph (D) and inserting in lieu thereof ", and", and

(iii) adding immediately after subparagraph (D) the following new subparagraph:

"(E) section 44C (relating to credit for real property taxes on personal residence)."

(G) Section 53(a) (relating to credit for employment of certain new employees) is amended by—

(i) striking out "and" at the end of paragraph (6),

(ii) striking out the period at the end of paragraph (7) and inserting in lieu thereof ", and", and

(iii) adding immediately after paragraph (7) the following new paragraph:

"(8) section 44C (relating to credit for real property taxes on personal residence)."

(3) MINIMUM TAX.—Section 56(c) (defining regular tax deduction) is amended by striking out "and" at the end of paragraph (8), by striking out the period at the end of paragraph (9) and inserting in lieu thereof ", and", and by adding at the end thereof the following new paragraph:

"(10) section 44C (relating to credit for real property taxes on personal residence.)"

(4) CONFORMING AMENDMENTS.—

(A) Section 164 (relating to deduction for taxes) is amended by redesignating subsection (f) as subsection (g) and inserting immediately after subsection (e) the following new subsection:

"(f) NO DEDUCTION FOR AMOUNT ALLOWABLE AS CREDIT.—No deduction shall be allowed under this section with respect to the amount of any State and local real property taxes allowable as a credit under section 44C (relating to credit for real property taxes on personal residence)."

(B) Section 216 (relating to deduction of taxes, interest, and business depreciation by cooperative housing corporation tenant-stockholder) is amended by adding at the end thereof the following new subsection:

"(d) NO DEDUCTION FOR AMOUNT ALLOWABLE AS CREDIT.—No deduction shall be allowed under this section with respect to the amount of any State and local real property taxes allowable as a credit under section 44C (relating to credit for real property taxes on personal residence)."

(C) Section 1016(a)(1) (relating to adjustments to basis) is amended by striking out "for which deductions" and inserting in lieu thereof "for which deductions or credits".

(D) Section 6096(b) (relating to designation of income tax payments to Presidential Election Campaign Fund) is amended by striking out "and 44B" and inserting in lieu thereof "44B, and 44C".

SEC. 22. EARNED INCOME TAX CREDIT.

(a) REVISION OF THE LIMITATION.—Subsection (b) of section 43 (relating to earned income credit) is amended to read as follows:

"(b) LIMITATION.—The amount of the credit allowable to a taxpayer under subsection (a) for any taxable year shall not exceed the excess (if any) of—

"(1) $600, over

"(2) 10 percent of so much of the adjusted gross income (or, if greater, the earned income) or the taxpayer for the taxable year as exceeds $6,000."

(b) AMOUNT OF CREDIT TO BE DETERMINED UNDER TABLE.—Section 43 is amended by adding at the end thereof the following new subsection:

"(f) AMOUNT OF CREDIT TO BE DETERMINED UNDER TABLES.—

"(1) IN GENERAL.—The amount of the credit allowed by this section shall be determined under tables prescribed by the Secretary.

"(2) REQUIREMENTS FOR TABLES.—The tables prescribed under paragraph (1) shall reflect the provision of subsections (a) and (b) and shall have income brackets of not greater than $50 each—

"(A) for earned income between 0 and $12,000, and

"(B) for adjusted gross income between $6,000 and $12,000."

(c) EXCLUDABLE EARNED INCOME TAKEN INTO ACCOUNT.—Subparagraph (B) of section 43(c)(2) (defining earned income) is amended by striking out clause (i) and by redesignating clauses (ii), (iii), and (iv) as clauses (i), (ii), and (iii), respectively.

(d) DEFINITION OF ELIGIBLE INDIVIDUAL.—Paragraph (1) of section 43(c) (defining eligible individual) is amended to read as follows:

"(1) ELIGIBLE INDIVIDUAL.—

"(A) IN GENERAL.—The term 'eligible individual' means an individual who, for the taxable year—

"(i) is married (within the meaning of section 143) and is entitled to a deduction under section 151 for a child (within the meaning of section 151(e)(3)),

"(ii) is a surviving spouse (as determined under section 2(a)), or

"(iii) is a head of a household (as determined under subsection (b) of section 2 without regard to subparagraphs (A)(ii) and (B) of paragraph (1) of such subsection).

"(B) CHILD MUST RESIDE WITH TAXPAYER IN THE UNITED STATES.—An individual shall be treated as satisfying clause (i) of subparagraph (A) only if the child has the same principal place of abode as the individual.

"(C) INDIVIDUAL ENTITLED TO EXCLUDE INCOME UNDER SECTION 911 NOT ELIGIBLE INDIVIDUAL.—The term 'eligible individual' does not include an individual who, for the taxable year, is entitled to exclude any amount from gross income under section 911 (relating to earned income from sources without the United States) or section 931 (relating to income from sources within the possessions of the United States)."

(d) ADVANCE PAYMENTS.—Section 43 (relating to earned income credit) is amended by adding at the end thereof, the following new section

"(f) COORDINATION WITH ADVANCE PAYMENTS OF EARNED INCOME CREDIT.—

(1) IN GENERAL.— If any payment is made to the individual by an employer under section 3507 during any calendar year, then the tax imposed by this chapter for the individual's last taxable year beginning in such calendar year shall be increased by the aggregate amount of such payments.

(2) SPECIAL RULE.—Any increase in tax under paragraph (1) shall not be treated as tax imposed by this chapter for purposes of determining the amount of any credit allowable under this subpart."

(e) ADVANCE PAYMENT OF EARNED INCOME CREDIT.—

(1) IN GENERAL.—Chapter 25 of such Code (general provisions relating to employment taxes) is amended by adding at the end thereof the following new section:

"§ 3507. Advance Payment of Earned Income Credit.

"(a) GENERAL RULE.—Except as otherwise provided in this section, every employer making payment of wages to an employee with respect to whom an earned income eligibility certificate is in effect shall, at the time of paying such wages, make an additional payment to such employee equal to such employee's earned income advance amount.

"(b) EARNED INCOME ELIGIBILITY CERTIFICATE.—For purposes of this title, an earned income eligibility certificate is a statement furnished by an employee to the employer which certifies—

"(1) that the employee will be eligible to receive the credit provided by section 43 for the taxable year,

"(2) that the employee does not have an earned income eligibility certificate in effect for the calendar year with respect to the payment of wages by another employer, and

"(3) whether or not the employee's spouse has an earned income eligibility certificate in effect.

For purposes of this section, a certificate shall be treated as being in effect with respect to a spouse if such a certificate will be in effect on the first status determination date following the date on which the employee furnishes the statement in question.

"(c) EARNED INCOME ADVANCE AMOUNT.—

"(1) In general.—For purposes of this title, the term 'earned income advance amount' means, with respect to any payroll period, the amount determined—

"(A) on the basis of the employee's wages from the employer for such period, and

"(B) in accordance with tables prescribed by the Secretary.

"(2) ADVANCE AMOUNT TABLES.—The tables referred to in paragraph (1)(B)—

"(A) shall be similar in form to the tables prescribed under section 3402 and, to the maximum extent feasible, shall be coordinated with such tables, and

"(B) if the employee is not married, or if no earned income eligibility certificate is in effect with respect to the spouse of the employee, shall treat the credit provided by section 43 as if it were a credit—

"(i) of 10 percent of the first $6,000 and earned income, which

"(ii) phases out between $6,000 and $11.000 of earned income, or

"(C) if an earned income eligibility certificate is in effect with respect to the spouse of the employee, shall treat the credit provided by section 43 as if it were a credit—

"(i) of 10 percent of the first $3,000 of earned income, which

"(ii) phases out between $3,000 and $6,000 of earned income.

"(d) PAYMENTS TO BE TREATED AS PAYMENTS OF WITHHOLDING AND FICA TAXES.—

"(1) IN GENERAL.—For purposes of this title, payments made by an employer under subsection (a) to his employees for any payroll period—

"(A) shall not be treated as the payment of compensation, and

"(B) shall be treated as made—

"(i) first out of amounts required to be deducted and withheld for the payroll period under section 3401 (relating to wage withholding), and

"(ii) next out of amounts required to be deducted for the payroll period under section 3102 (relating to FICA employee taxes), and

"(iii) then out of amounts of the taxes imposed for the payroll period under section 3111 (relating to FICA employer taxes),

as if the employer had paid to the Secretary, on the day on which the wages are paid to the employees, an amount equal to such payments.

"(2) ADVANCE PAYMENTS EXCEED TAXES DUE.—In the case of any employer, if for any payroll period the aggregate amount of earned income advance payments exceeds the sum of the amounts referred to in paragraph (1)(B), each such advance payment shall be reduced by an amount which bears the same ratio to such excess as such advance payment bears to the aggregate amount of all such advance payments.

"(3) EMPLOYER MAY MAKE FULL ADVANCE PAYMENTS.—The Secretary shall prescribe regulations under which an employer may elect (in lieu of any application of paragraph (2))—

"(A) to pay in full all earned income advance amounts, and

"(B) to have additional amounts paid by reason of this paragraph treated as the advance payment of taxes imposed by this title.

"(4) FAILURE TO MAKE ADVANCE PAYMENTS.—For purposes of this title (including penalties), failure to make any advance payment under this section at the time provided therefor shall be treated as the failure at such time to deduct and withhold under chapter 24 an amount equal to the amount of such advance payment.

"(e) FURNISHING AND TAKING EFFECT OF CERTIFICATES.—For purposes of this section.—

"(1) WHEN CERTIFICATE TAKES EFFECT.—

"(A) FIRST CERTIFICATE FURNISHED.—An earned income eligibility certificate furnished the employer in cases in which no previous such certificate had been in effect for the calendar year shall take effect as of the beginning of the first payroll period ending, or the first payment of wages made without regard to a payroll period, on or after the date on which such certificate is so furnished (or if later, the first day of the calendar year for which furnished).

"(B) LATER CERTIFICATE.—An earned income eligibility certificate furnished the employer in cases in which a previous such certificate had been in effect for the calendar year shall take effect with respect to the first payment of wages made on or after the first status determination date which occurs at least 30 days after the date on which such certificate is so furnished, except that at the election of the employer such certificate may be made effective with respect to any payment of wages made on or after the date on which such certificate is so furnished.

For purposes of this subparagraph, the term 'status determination date' means January 1, May 1, July 1, and October 1 of each year.

"(2) PERIOD DURING WHICH CERTIFICATE REMAINS IN EFFECT.—An earned income eligibility certificate which takes effect under this section for any calendar year shall continue in effect with respect to the employee during such calendar year until revoked by the employee or until another such certificate takes effect under this section.

"(3) CHANGE OF STATUS.—

"(A) REQUIREMENT TO REVOKE OR FURNISH NEW CERTIFICATE.—If, after an employee has furnished an earned income eligibility certificate under this section, there has been a change of circumstances which has the effect of—

"(i) making the employee ineligible for the credit provided by section 43 for the taxable year, or

"(ii) causing an earned income eligibility certificate to be in effect with respect to the spouse of the employee,

the employee shall, within 10 days after such change in circumstances, furnish the employer with a revocation of such certificate or with a new certificate (as the case may be). Such a revocation (or such a new certificate) shall take effect under the rules provided by paragraph (1)(B) for a later certificate and shall be made in such form as the Secretary shall by regulations prescribe.

"(B) CERTIFICATE NO LONGER IN EFFECT.—If, after an employee has furnished an earned income eligibility certificate under this section which certifies that such a certificate is in effect with respect to the spouse of the employee, such a certificate is no longer in effect with respect to such spouse, then the employee may furnish the employer with a new earned income eligibility certificate.

"(4) FORM AND CONTENTS OF CERTIFICATE.—Earned income eligibility certificates shall be in such form and contain such other information as the Secretary may by regulations prescribe.

"(5) TAXABLE YEAR DEFINED.—The term 'taxable year' means the last taxable year of the employee under subtitle A beginning in the calendar year in which the wages are paid."

(2) CLERICAL AMENDMENT.—The table of sections for chapter 25 of such Code is amended by adding at the end thereof the following new item:

"SEC. 3507. Advance payment of earned income credit."

(f) INFORMATION SHOWN ON W-2.—The first sentence of section 6051(a) of such Code (relating to receipts for employees) is amended—

(1) by striking out "and" at the end of paragraph (5),

(2) by striking out the period at the end of paragraph (6) and inserting in lieu thereof ", and", and

(3) by adding at the end thereof the following new paragraph:

"(7) the total amount paid to the employee under section 3507 (relating to advance payment of earned income credit)."

(g) ADJUSTMENT OF TRANSFERS TO SOCIAL SECURITY TRUST FUNDS.—There shall be transferred not less frequently than monthly from the general fund of the Treasury to the Federal Old-Age and Survivors Insurance Trust Fund, the Federal Disability Insurance Trust Fund, and the Federal Hospital Insurance Trust Fund such sums as may be necessary to insure that there will be no reduction in the balance in any such Trust Fund by reason of section 3507 of the Internal Revenue Code of 1954 (relating to advance payment of earned income credit). Transfers under the preceding sentence shall be based on estimates with appropriate reconciliations.

(h) REQUIREMENT OF RETURN.—Subsection (a) of section 6012 of such Code (relating to persons required to make returns of income) is amended by adding at the end thereof the following new paragraph:

"(8) Every individual who receives payments during the calendar year in which the taxable year begins under section 3507 (relating to advance payment of earned income credit)."

(i) CROSS REFERENCE.—Section 6302 (relating to mode or time of collection) is amended by adding at the end thereof the following new subsection:

"(d) CROSS REFERENCE.—

"For treatment of payment of earned income advance amounts as payment of withholding and FICA taxes, see section 3507(d)."

(j) EARNED INCOME CREDIT MADE PERMANENT.—Subsection (b) of section 209 of the Tax Reduction Act of 1975 is amended by striking out ", and before January 1, 1979".

(k) DISREGARD OF EARNED INCOME TAX CREDIT AND ADVANCE PAYMENTS THEREOF.—Any refund of Federal income taxes made to any individual by reason of section 43 of the Internal Revenue Code of 1954 (relating to earned income tax credit) and any advance payment of such credit made to such individual under section 3507 of such Code—

(1) shall not be treated as income for the purpose of any tax imposed by any State (or the District of Columbia), and

(2) shall not be taken into account as income or receipts for purposes of determining the eligibility of such individual or any other individual for benefits or assistance, or the amount or extent of benefits or assistance, under any Federal program or under any State or local program financed in whole or in part with Federal funds.

(l) EFFECTIVE DATE.—

(1) The amendments made by subsections (a), (c), (g) and (h) shall apply to taxable years beginning after December 31, 1978.

(2) The amendments made by subsections (b), (d), (e), (f) and (k) shall apply to remuneration paid after December 31, 1978.

(3) The amendment made by subsection (i) and (j) shall take effect on the date of the enactment of this Act.

SEC. 223. SMALL BUSINESS INVESTMENT INCENTIVE TAX CREDIT.

(a) IN GENERAL.—Subpart A of part IV of subchapter A of chapter 1 of the Internal Revenue Code of 1954 (relating to credits allowable) is amended by inserting after section 44B the following new section:

"SEC. 44C. INVESTMENT IN ORIGINAL ISSUE STOCK OF SMALL- OR MEDIUM-SIZED CORPORATIONS.

"(a) GENERAL RULE.—In the case of an individual who is a citizen or resident of the United States there is allowed, as a credit against the tax imposed by this chapter for the taxable year, an amount equal to 10 percent of the adjusted basis (within the meaning of section 1011) of the taxpayer for incentive stock (as defined in subsection (c)) acquired for money during the taxable year.

"(b) LIMITATIONS.—

"(1) CREDIT NOT ALLOWED TO CERTAIN DEPENDENTS.—No credit is allowable under subsection (a) to an individual with respect to whom a personal exemption deduction is allowable for the taxable year to another taxpayer under section 151(e).

(2) CREDIT NOT TO EXCEED $750.—The credit allowed by subsection (a) for any taxable year shall not exceed $750 ($1,500 in the case of a joint return).

"(3) APPLICATION WITH OTHER CREDITS.—The credit allowed by subsection (a) shall not exceed the tax imposed by this chapter for the taxable year, reduced by the sum of the credits allowable under a section of this part having a lower number or letter designation than this section, other than the credits allowable by sections 31 and 39.

"(4) CERTAIN TAXES NOT CONSIDERED TAXES IMPOSED BY THIS CHAPTER.—For purposes of this section, any tax imposed for the taxable year by section 56 (relating to minimum tax for tax preferences), section 72(m)(5)(B) (relating to 10 percent tax on premature distributions to owner-employees), section 402(e) (relating to tax on lump sum distributions), section 408(f) (relating to additional tax on income from certain retirement accounts), section 531 (relating to accumulated earnings tax), section 541 (relating to personal holding company tax), or section 1378 (relating to tax on certain capital gains of subchapter S corporations), and any additional tax imposed for the taxable year by section 1351(d)(1) (relating to recoveries of foreign expropriation losses), shall not be considered tax imposed by this chapter for such year.

"(c) DEFINITION OF INCENTIVE STOCK.—

"(1) IN GENERAL.—For purposes of this section, the term 'incentive stock' means original issue common or preferred stock registered under section 12 of the Securities Exchange Act of 1934 offered in an unrestricted offer to the public—

"(A) which is issued by a domestic corporation the equity capital (within the meaning of the last sentence of section 1244(c)(2)) of which does not exceed $25,000,000 immediately before such offering, and

"(B) which is part of an issue of stock the aggregate sale price of which does not exceed $25,000,000.

"(2) CONTROLLED CORPORATIONS.—In the case of a corporation which is a member of a controlled group of corporations (as defined in section 1563(a)(1)), the equity capital of all members of the controlled group shall be treated, for purposes of paragraph (1)(A) this subsection, as the equity capital of the issuing corporation.

"(3) STOCK ACQUIRED MORE THAN 180 DAYS AFTER ISSUANCE; STOCK ACQUIRED BY UNDERWRITER.—No stock shall be treated as incentive stock for purposes of this section if it is first purchased more than 180 days after the date on which it is issued. No acquisition of stock by an underwriter in the ordinary course of his trade or business as an underwriter, whether or not guaranteed, shall be treated as an acquisition for purposes of subsection (a).

"(4) CERTAIN REDEMPTIONS AND REFINANCING ISSUES NOT TREATED AS INCENTIVE STOCK.—An issue of stock which, but for this paragraph, would be treated as incentive stock under this section shall not be treated as incentive stock if, within 180 days before the date of issuance, the issuing corporation (or any other corporation which is a member of the same controlled group of corporations, within the meaning of section 1563, as the issuing corporation) has acquired stock (including acquisition by way of redemption) of the issuing corporation or of any other member of the controlled group with an aggregate purchase price in excess of 10 percent of the aggregate sale price of the issue of incentive stock.

"(5) INVESTMENT COMPANY STOCK NOT TREATED AS INCENTIVE STOCK.—Stock issued by an investment company shall not be treated as incentive stock. For purposes of this paragraph—

"(A) a corporation shall be treated as an investment company if the corporation has gross receipts for the taxable year in which the stock is issued more than 20 percent of which consist of passive investment income (as defined in section 1372(e)(5)(C)), and

"(B) in the case of a corporation which is a member of a controlled group of corporations within the meaning of section 1563(a), subparagraph (A) shall be applied—

"(i) first, to the issuing corporation by itself, and

"(ii) then, by treating the gross receipts and passive investment income of the con-

trolled group as the gross receipts and passive investment income of the issuing corporation.

"(d) DISPOSITION OF INCENTIVE STOCK BEFORE IT IS HELD FOR MORE THAN 12 MONTHS.—

"(1) DISPOSITION BEFORE FILING RETURN FOR TAXABLE YEAR OF ACQUISITION.—No credit is allowable under subsection (a) with respect to incentive stock acquired during a taxable year which is not held by the taxpayer on the date established by law for filing a return of tax for that taxable year, if, as of that date, the taxpayer has disposed of the stock after holding it for less than 12 months and 1 day.

"(2) OTHER PREMATURE DISPOSITIONS.—If during any taxable year incentive stock is disposed of by the taxpayer before the stock has been held by the taxpayer for more than 12 months, then the tax under this chapter for the taxable year shall be increased by the amount of the credit claimed by the taxpayer for any preceding taxable year with respect to the acquisition of such stock.

"(3) EXCEPTIONS.—Paragraphs (1) and (2) of this subsection shall not apply in the case of the disposition by bequest or gift unless—

"(A) the bequest or gift is deductible under section 170 (determined without regard to the limitations contained in subsection (b)), 2055, or 2522, or

"(B) the recipient disposes of the stock before the stock has been held for more than 12 months (including any periods of time during which the stock was held by the original purchasers).".

(b) CLERICAL AMENDMENT.—The table of sections for such subpart is amended by inserting immediately after the item relating to section 44B the following new item:

"Sec. 44C. Investment in original issue stock of small- or medium-sized corporations.".

(c) CONFORMING AMENDMENTS.—Subsection (b) of section 6069 of such Code (relating to designation of income tax payments to Presidential Election Campaign Fund) is amended by striking out "and 44B" and inserting in lieu thereof "44B, and 44C".

(d) CREDIT NOT ALLOWED TO ESTATES AND TRUSTS.—Subsection (a) of section 642 of such Code (relating to special rules for credits against tax for estates and trusts) is amended by adding at the end thereof the following new paragraph:

"(3) INVESTMENT IN INCENTIVE STOCK.—An estate or trust shall not be allowed the credit against tax for investment in incentive stock provided by section 44C.".

(e) EFFECTIVE DATE.—The amendments made by this Act shall apply with respect to taxable years beginning after December 31, 1978, and ending before January 1, 1984.

SEC. 224. PERIOD FOR REINVESTMENT OF GAIN ON SALE OF PERSONAL RESIDENCE.

(a) GENERAL RULE—Subsection (a) of section 1034 (relating to sale or exchange of residence) is amended by striking out "18 months" and inserting in lieu thereof "24 months."

(b) TECHNICAL AMENDMENT—Subsections (c), (d) and (h) of section 1034 are amended by striking out "18 months" each place it appears and inserting in lieu thereof "24 months."

TITLE III—TAX TREATMENT OF BUSINESS

SUBTITLE A—CORPORATE TAX RATE

SEC. 301. REDUCTIONS IN CORPORATE TAX RATES.

(a) NORMAL TAX.—Subsection (b) of section 11 of the Internal Revenue Code of 1954 (relating to normal tax on corporations) is amended to read as follows:

"(b) NORMAL TAX.—The normal tax for a taxable year is equal to 20 percent of so much of the taxable income as does not exceed $150,000.".

(b) Subsection (d) of section 11 of such Code (relating to surtax exemption) is amended by striking out all that precedes "except that" and inserting in lieu thereof the following:

"(d) SURTAX EXEMPTION.—For purposes of this subtitle, the surtax exemption for any taxable year is $150,000;".

(c) (1) Paragraph (7) of section 12 of such Code (relating to cross references relating to tax on corporations) is amended by striking out "$50,000" and inserting in lieu thereof "$150,000".

(2) Subsection (f) of section 21 of such Code (relating to effect of changes in rates during a taxable year) is amended to read as follows:

"(f) CHANGE IN SURTAX EXEMPTION.—In applying subsection (a) to a taxable year of a taxpayer which is not a calendar year, the change made by section 2 of the Corporate Tax Reduction Act of 1977 in the surtax exemption shall be treated as a change in a rate of tax.".

(3) Paragraph (1) of section 821(a) of such Code (relating to tax on mutual insurance companies to which part II applies) is amended to read as follows:

"(1) NORMAL TAX.—A normal tax for a taxable year equal to—

"(A) 20 percent of so much of the mutual insurance company taxable income as does not exceed $150,000,

or 44 percent of the amount by which such taxable income exceeds $6,000, whichever is lesser; plus".

(4) Subparagraph (A) of section 821(c)(1) of such Code (relating to alternative tax for certain small companies) is amended to read as follows:

"(A) NORMAL TAX.—A normal tax for a taxable year equal to—

"(i) 20 percent of so much of the taxable investment income as does not exceed $150,000,

or 44 percent of the amount by which such taxable income exceeds $3,000, whichever is lesser; plus".

SUBTITLE B—INVESTMENT CREDIT

SEC. 311. 10-PERCENT INVESTMENT TAX CREDIT AND $100,000 LIMITATION ON USED PROPERTY MADE PERMANENT.

(10) 10-PERCENT INVESTMENT TAX CREDIT.—Paragraph (2) of section 46(a) (relating to amount of credit for current taxable year) is amended—

(1) by striking out ", and before January 1, 1981" in clauses (i) and (iii) of subparagraph (D),

(2) by striking out ", and before January 1, 1981, and placed in service by the taxpayer before January 1, 1981" in clause (ii) of subparagraph (D), and

(3) by adding at the end thereof the following new subparagraph:

"(E) SPECIAL RULE FOR SUBPARAGRAPH (B).—For purposes of applying subparagraph (B), subparagraph (D) shall be applied—

"(i) by inserting 'and before January 1, 1981,' after '1975,' the second place it appears in clause (i) and where it appears in clause (iii), and

"(ii) by inserting 'and before January 1, 1981, and placed in service by the taxpayer before January 1, 1981,' after '1975,' in clause (ii)."

(b) $100,000 LIMITATION ON USED PROPERTY.—Paragraph (2) of section 301(c) of the Tax Reduction Act of 1975 (relating to effective date for increase of dollar limitation on used property) is amended by striking out ", and before January 1, 1981".

SEC. 312. INVESTMENT CREDIT MADE PARTIALLY REFUNDABLE AND TAX LIABILITY INCREASED TO 90 PERCENT.

(1) IN GENERAL.—Paragraph (3) of section 46(a) (limitation based on amount of tax) is amended to read as follows:

"(3) LIMITATION.—Notwithstanding paragraph (1), the credit allowed by section 38 for the taxable year shall not exceed the greater of—

"(A) $25,000, or

"(B) 90 percent of the liability for tax for the taxable year."

(2) CONFORMING AMENDMENTS.—

(A) Section 6401(b) (relating to credits treated as overpayments) is amended by striking out "and 43" each place it appears and inserting in lieu thereof "43 and 38 to the extent allowable under section 40(a)(3)(A)".

(B) Paragraphs (7), (8), and (9) of section 46(a) are hereby repealed.

(b) Elimination of Carryback of Unused Credits.—

(1) IN GENERAL.—Subsection (b) of section 46 (carryover of unused credits) is amended to read as follows:

"(b) CARRYOVER OF UNUSED CREDITS.—

"(1) IN GENERAL.—If the sum of the amount of the investment credit carryovers to the taxable year under subsection (a)(1)(A) plus the amount determined under subsection (a)(1)(B) for the taxable year exceeds the amount of the limitation imposed by subsection (a)(3) for such taxable year (hereinafter in this subsection referred to as the "unusued credit year"), such excess attributable to the amount determined under subsection (a)(1)(B) shall be an investment credit carryover to each of the 7 taxable years following the unused credit year, and, subject to the limitations imposed by paragraphs (2) and (3), shall be taken into account under the provisions of subsection (a)(1) in the manner provided in such subsection. The entire amount of the unused credit for an unused credit year shall be carried to the earliest of the 7 taxable years and then to each of the other 6 taxable years to the extent, because of the limitations imposed by paragraphs (2) and (3), such unused credit may not be taken into account under subsection (a)(1) for a prior taxable year.

"(2) LIMITATION ON CARRYOVERS.—The amount of the unused credit which may be taken into account under subsection (a)(1)(A) for any succeeding taxable year shall not exceed the amount by which the limitation imposed by subsection (a)(3) for such taxable year exceeds the sum of the amounts which, by reason of this subsection, are carried to such taxable year and are attributable to taxable years preceding the unused credit year."

(2) CONFORMING AMENDMENT.—Paragraph (1) of section 46(a) (relating to order of investment tax credit) is amended to read as follows:

"(a) GENERAL RULE.—

"(1) FIRST-IN-FIRST-OUT RULE.—The amount of the credit allowed by section 38 for the taxable year shall be an amount equal to the sum of—

"(A) the investment credit carryovers carried to such taxable year, plus

"(B) the amount of the credit determined under paragraph (2) for such taxable year."

(c) EFFECTIVE DATE.

The amendments made by this section apply to—

(A) property to which subsection (d) (qualified progress expenditures) of section 46 of the Internal Revenue Code of 1954 does not apply, but only if—

(i) acquired by the taxpayer after December 31, 1978, or

(ii) constructed, reconstructed, or erected after December 31, 1977, but only to the extent of the basis thereof attributable to the construction, reconstruction, or erection after December 31, 1978, and

(B) property to which such subsection (d) applies, but only to the extent of the qualified investment (as determined under subsections (c) and (d) of such section 46) with respect to qualified progress expenditures made after December 31, 1978.

SEC. 313. CERTAIN BUILDINGS AND STRUCTURAL COMPONENTS OF BUILDINGS.

(a) Allowance of Investment Credit for Rehabilitated Buildings and Structural Components.—Subsection (a) of section 48 (relating to definition of section 38 property) is amended by adding at the end thereof the following new paragraph:

"(10) Rehabilitated buildings and structural components.—Notwithstanding the words '(other than a building and its structural components)' in subparagraph (B) of paragraph (1), a building or its structural components shall be treated as section 38 property to the extent of so much of the qualified investment (as determined under subsections (c) and (d) of section 46) in the building or its structural components as is attributable to qualified rehabilitation expenditures paid or incurred with respect to such building or structural component. For purposes of this paragraph, the term 'qualified rehabilitation expenditures' means amounts—

"(A) chargeable to capital account,

"(B) paid or incurred for property or for additions or improvements to property (or related facilities) with a useful life of 5 years or more in connection with the rehabilitation of a building or structural component which is at least 10 years old, which, in the aggregate, exceed 25 percent of the adjusted basis of the property or structural component (determined without regard to such amounts).",

(b) Section 38 Property to Include Property Used in Retail and Wholesale Business.—Clause (i) of section 48(a)(1)(B) is amended by inserting "retailing, wholesaling," after "manufacturing,".

(c) Effective Date.—The amendments made by subsection (a) shall apply with respect to—

(1) property to which section 46(d) of the Internal Revenue Code of 1954 does not apply, the construction, reconstruction, or erection of which is completed by the taxpayer after December 31, 1978, but only to the extent of the basis thereof attributable to qualified rehabilitation expenditures (as defined in section 46(a)(10) of such Code) attributable to construction, reconstruction, or erection after such date,

(2) property to which section 46(d) of such Code does not apply, acquired by the taxpayer after such date, and

(3) property to which section 46(d) of such Code applies, but only to the extent of the qualified investment (as determined under subsections (c) and (d) of section 46 of such Code) attributable to qualified rehabilitation expenditures (as so defined) with respect to qualified progress expenditures made after such date.

SEC. 314. CERTAIN POLLUTION CONTROL FACILITIES AND RESEARCH EXPENDITURES.

(a) INCREASE IN QUALIFIED INVESTMENT FOR POLLUTION CONTROL FACILITIES.—Paragraph (5) of section 46(c) (relating to qualified investment) is amended by striking out "50 percent" and inserting in lieu thereof "66⅔ percent".

(b) QUALIFIED INVESTMENT FOR RESEARCH EXPENDITURES.—Section 46(c) (relating to qualified investment) is amended by inserting immediately after paragraph (5), the following new paragraph:

"(6) Applicable percentage in the case of research and development expenditures.—Notwithstanding paragraph (2), in the case of expenditures—

(A) with respect to which an election under section 174(b) applies, 66⅔ percent shall be the applicable percentage for purposes of applying paragraph (1).

(B) with respect to which section 174(a) applies, 33⅓ percent shall be the applicable percentage for purposes of applying paragraph (1)."

(c) EFFECTIVE DATE.—The amendments made by this section shall apply to expenditures made in taxable years beginning after December 31, 1978.

Subtitle C—Miscellaneous Provisions Affecting Small Business Income Tax.

SEC. 321. CHANGES IN SUBCHAPTER S RULES.

(a) NUMBER OF SHAREHOLDERS.

(1) In general. Subsection (a)(1) of section 1371 (relating to the definition of small business corporation) is amended to read as follows:

"(1) have more than 15 shareholders;".

(2) REPEAL OF SECTION 1371(e).—Section 1371

(e) (relating to special shareholder rules) is repealed.

(b) STOCK OWNED BY HUSBAND AND WIFE.—Section 1371(c) (relating to stock owned by husband and wife) is amended to read as follows:

"(c) STOCK OWNED BY HUSBAND AND WIFE.—For purposes of subsection (a)(1), all stock which is held by a husband (or his estate) and wife (or her estate) shall be treated as owned by one shareholder."

(c) CERTAIN TRUSTS PERMITTED AS SHAREHOLDERS.—

(1) Section 1371(f) (relating to certain trusts permitted as shareholders) is amended to read as follows:

(e) CERTAIN TRUSTS PERMITTED AS SHAREHOLDERS.—

For purposes of subsection (a), the following trusts may be shareholders:

"(1) A trust all of which is treated as owned by the grantor (who is an individual citizen or resident of the United States) under subpart E of part I of subchapter J,

"(2) A trust to which section 651(a) applies, In the case of a trust described in paragraph (2), each beneficiary of the trust (and not the trust) having a present interest in the trust income shall, for purposes of subsection (a)(1), be treated as a shareholder."

(2) Paragraph (2) of section 1371(a) is amended by striking out "subsection (f)" and inserting in lieu thereof "subsection (e)".

(3) Subsection (b) of section 643 (definitions that apply to certain estates and trusts) is amended to read as follows:

"(b) INCOME.—For purposes of this subpart and subparts B, C, and D, the term 'income', when not preceded by the words 'taxable', 'distributable net', 'undistributed net', or 'gross', means the sum of—

"(1) the amount of income of the estate or trust for the taxable year determined under the terms of the governing instrument and applicable local law without regard to amounts described in paragraph (2), and

"(2) any amounts distributed to the estate or trust as a dividend by an electing small business corporation (including any amounts treated as so distributed under section 1372(b)).

For purposes of paragraph (1), items of gross income constituting extraordinary dividends or taxable stock dividends which the fiduciary, acting in good faith, determines to be allocable to corpus under the terms of the governing instrument and applicable local law shall not be considered income."

(d) CONSENT TO ELECTION.—Section 1372(a) (relating to eligibility for election) is amended to read as follows:

"(a) ELIGIBILITY.—Except as provided in subsection (f) any small business corporation may elect, in accordance with the provisions of this section, not to be subject to the taxes imposed by this chapter. Such election shall be valid only if all persons who are shareholders in such corporation on the day on which the election is made, consent to the election."

(e) TIME FOR ELECTION.—Section 1372(c) (relating to where and how election is made) is amended to read as follows:

"(c) WHERE AND HOW MADE.—An election under subsection (a) may be made by a small business corporation for any taxable year at any time during the first two months of such taxable year, or at any time during the taxable year preceding the taxable year for which it is to be effective. Such election shall be made in such manner as the Secretary prescribes by regulations."

(f) TERMINATION OF ELECTION.—Subsection (e) of section 1372 is amended as follows:

(1) NEW SHAREHOLDER.—Subparagraph (C) is paragraph (1) is amended to read as follows:

"(C) Any termination of an election under subparagraph (A) by reason of the affirmative refusal of any person to consent to such election shall be effective as follows:

"(i) If the person became a shareholder before the close of the first taxable year of the corporation for which such election was made, the termination shall be effective for such taxable year and for all succeeding taxable years of the corporation.

"(ii) If the person became a shareholder after the close of such first taxable year, the termination shall be effective for the taxable year which (by reason of subsection (g)) begins on the date on which such person became a shareholder and for all succeeding taxable years of the corporation."

(2) REVOCATION.—Paragraph (2) is amended to read as follows:

"(2) REVOCATION.—

"(A) An election under subsection (a) made by a small business corporation may be revoked by it at any time after the close of the first taxable year for which the election is effective.

"(B) Such election may be revoked only if all persons who are shareholders in the corporation on the day on which the revocation is filed consent to the revocation.

"(C) A revocation takes effect on the date filed with the Secretary or on such later date within the taxable year (determined without regard to the revocation) as may be specified in the revocation and shall be effective for the taxable year which (by reason of subsection (g)) begins on its effective date and all succeeding taxable years of the corporation.

"(D) A revocation under this paragraph shall be made in such manner as the Secretary shall prescribe by regulations."

(3) CEASES TO BE SMALL BUSINESS CORPORATION.—Paragraph (3) is amended to read as follows:

"(3) CEASES TO BE SMALL BUSINESS CORPORATION.—An election under subsection (a) made by a small business corporation shall terminate if at any time—

"(A) after the first day of the first taxable year of the corporation for which the election is effective, if such election is made on or before such first day, or

"(B) after the day on which the election is made, if such election is made after such first day, the corporation ceases to be a small business corporation (as defined in section 1371(a)). Such termination shall be effective for the taxable year which (by reason of subsection (g)) begins on the date on which the corporation ceases to be a small business corporation and for all succeeding taxable years of the corporation."

(g) ELECTION FOLLOWING TERMINATION.—Section 1372(f) (relating to election after termination) is amended to read as follows:

"(f) ELECTION AFTER TERMINATION.—

"(1) IN GENERAL.—If—

"(A) a small business corporation has made an election under subsection (a), and

"(B) such election has been terminated or revoked under subsection (e) for the first taxable year for which the election was to have applied or for any succeeding taxable year,

then such corporation (and any successor corporation) shall not be eligible to make

an election under subsection (a) for any taxable year before its fifth taxable year which begins after the first taxable year for which such termination or revocation is effective, unless the Secretary consents to such election.

"(2) INADVERTENT TERMINATION.—If—

"(A) an election made by a corporation terminates under subsection (e) (3), (4), or (5),

"(B) the corporation files a timely return as an electing small business corporation for the first taxable year ending after the election terminates and for one or more succeeding taxable years, and

"(C) the Secretary consents,

then the return for each succeeding taxable year shall be treated as a timely election, until the corporation again becomes an electing small business corporation.

"(3) FAILURE TO TAKE EFFECT.—If—

"(A) an election made by a corporation fails to take effect for any reason,

"(B) the corporation files a timely return as an electing small business corporation for the taxable year in which the election was to take effect and for one or more succeeding taxable years, and

"(C) the Secretary consents,

then the return for each succeeding taxable year shall be treated as a timely election, until the corporation becomes an electing small business corporation.

"(4) TIME OF ELECTION.—In applying subsection (e)(1)(A), an election under paragraph (2) or (3) shall be treated as made on the first day of the taxable year."

(h) TERMINATION OF SUBCHAPTER S ELECTION DURING THE TAXABLE YEAR.—Section 1372 (relating to election by small business corporation) is amended by adding at the end thereof the following new subsection:

"(h) TERMINATION DURING THE TAXABLE YEAR.—A corporation's taxable year shall terminate on the day before the date on which a termination of an election under subsection (e) (1) or (2) becomes effective."

(i) NET OPERATING LOSS CARRYOVER.—Section 1374(c) (relating to determination of shareholder's portion) is amended by adding at the end thereof the following new paragraph:

"(3) CARRYOVER OF EXCESS.—If a shareholder's portion of the net operating loss of an electing small business corporation for any taxable year (determined by applying this paragraph for each preceding taxable year beginning after 1978) is limited by paragraph (2), the unused amount shall be added to (and be treated as a part of) the shareholder's portion of the net operating loss of the electing small business corporation for the succeeding taxable year (whether or not there is a net operating loss for such year). If the corporation ceases to be an electing small business corporation, then (under regulations prescribed by the Secretary) subsection (b) shall apply as if the corporation were an electing small business corporation for a taxable year consisting of the 12 months beginning on the day of such cessation; but only with respect to the unused amount carried to such year.

SEC. 322. CHANGES IN ADDITIONAL FIRST-YEAR DEPRECIATION ALLOWANCE FOR SMALL BUSINESS.

(a) SECTION 179 PERCENTAGE INCREASED TO 25 PERCENT.—Subsection (a) of section 179 (relating to additional first-year depreciation allowance for small business) is amended by striking out "20 percent" and inserting in lieu thereof "25 percent".

(b) INCREASE IN DOLLAR LIMITATION.—

(1) The first sentence of section 179(b) is amended by striking out "$10,000" each place it appears and inserting in lieu thereof "$20,000".

(2) The second sentence of section 179(b) is amended by striking out "$20,000 in lieu of $10,000" and inserting in lieu thereof "$40,000 in lieu of $20,000".

(c) BENEFITS LIMITED TO SMALL BUSINESS.—

(1) IN GENERAL.—Section 179 is amended by redesignating subsections (c), (d), and (e) as subsections (d), (e), and (f), respectively, and by inserting after subsection (b) the following new subsection:

"(c) BENEFITS LIMITED TO SMALL BUSINESS.—

"(1) IN GENERAL.—This section shall not apply for the taxable year if (as of the first day of such year) the aggregate adjusted basis of the depreciable property of the taxpayer is $1,000,000 or more.

"(2) DEPRECIABLE PROPERTY DEFINED.—For purposes of this subsection, the term 'depreciable property' means property which is of a character subject to the allowance for depreciation provided by section 167."

(2) CONTROLLED GROUPS.—Paragraph (6) of subsection (e) (as redesignated by paragraph (1) of this subsection) of section 179 is amended—

(A) by striking out the heading and inserting in lieu thereof "(6) APPLICATION OF SUBSECTIONS (b) AND (c) IN THE CASE OF CONTROLLED GROUP.—"; and

(B) by striking out "For purposes of subsection (b)" and inserting in lieu thereof "For purposes of subsections (b) and (c)".

(3) CONFORMING AMENDMENT.—Subparagraph (A) of section 48(c)(3) is amended by striking out "section 179(d)(2)" and inserting in lieu thereof "section 179(e)(2)".

SEC. 323.—LOSSES ON SMALL BUSINESS STOCK.

(a) GENERAL RULE.—Subsection (a), (b), and (c) of section 1244 (losses on small business stock) are amended to read as follows:

"(a) GENERAL RULE.—In the case of any taxpayer loss on section 1244 stock issued to such taxpayer or to a partnership which would (but for this section) be treated as a loss from the sale or exchange of a capital asset shall, to the extent provided in this section, be treated as an ordinary loss.

"(b) LIMITATIONS.—

"(1) MAXIMUM AMOUNT FOR ANY TAXABLE YEAR.—The aggregate amount treated by the taxpayer by reason of this section as an ordinary loss for any taxable year shall not exceed—

"(A) $50,000 or

"(B) $100,000 in the case of a husband and wife filing a joint return for such year under section 6013.

"(2) REQUIREMENT AS TO GROSS RECEIPTS OF CORPORATION.—

"(A) Subsection (a) shall not apply in respect of a loss on section 1244 stock if (during the test period determined under paragraph (3)) 50 percent or more of the aggregate gross receipts of the issuing corporation are royalties, rents, dividends, interest, annuities, and gains from the sale or exchange of stock or securities.

"(B) For purposes of subparagraph (A), losses from the sale or exchange of stock or securities shall be taken into account only to the extent of gains therefrom.

"(C) This paragraph shall not apply to a corporation if (for the test period determined under paragraph (3)) the amount of the deductions allowed by this chapter (other than by sections 172, 243, 244, and 254) exceeds the amount of gross income.

"(3) TEST PERIOD.—The test period determined under this paragraph shall be equal to—

"(A) If the corporation has been in existence for 5 taxable years ending before the date the loss is sustained, the 5 most recent taxable years of the corporation ending before that date,

"(B) if the corporation has been in existence for more than 1 and less than 5 taxable years ending before the date the loss is sustained, all taxable years of the corporation ending before that date, or

"(C) if the corporation has not been in existence for one taxable year ending before the date the loss is sustained, the entire period the corporation has been in existence before that date.

"(c) SECTION 1244 STOCK.—For purposes of this section—

"(1) IN GENERAL.—The term 'section 1244 stock' means common stock issued by a domestic corporation during a taxable year if—

"(A) the stock was issued for money or other property (other than stock or securities), and

"(B) the amount of stock issued by the corporation before the beginning of the taxable year was less than $5,000,000.

"(2) LIMITATION.—The amount of section 1244 stock issued by a corporation during a taxable year shall not exceed—

"(A) $5,000,000, minus

"(B) the amount of stock issued by the corporation before the beginning of the taxable year.

"(3) SPECIAL RULE.—If the amount of common stock issued by a corporation during a taxable year exceeds the limitation determined under paragraph (2), then—

"(A) The corporation may designate any shares of common stock issued during the taxable year as section 1244 stock; provided that the amount of section 1244 stock so designated does not exceed the limitation determined under paragraph (2). If any share are designated, then shares that are not designated shall not be treated as section 1244 stock.

"(B) If no shares are designated under subparagraph (A), then a fraction of the shares issued to each person during the taxable year shall be section 1244 stock. The numerator of the fraction shall be equal to the limitation determined under paragraph (2). The denominator of the fraction shall be equal to the amount of common stock issued by the corporation during the taxable year.

"(4) AMOUNT.—For purposes of this section, the amount of stock issued by a corporation shall be equal to the amount of money plus the fair market value of property received in exchange for the stock.

"(5) SALE OF PRORATED STOCK.—If a shareholder sells common stock in a corporation, and if a fraction of such stock was treated as section 1244 stock under paragraph (3)(B), then a corresponding fraction of the stock sold shall be treated as section 1244 stock.

"(6) FRACTIONAL SHARES.—A fractional share of stock shall in no event be treated as section 1244 stock."

(b) CONFORMING AMENDMENTS.—Paragraph (2) of subsection (d) of such section is amended—

(1) by striking out "(other than subparagraph (E) thereof)", and

(2) by striking out the last sentence and inserting in lieu thereof the following: "For purposes of subsections (b)(2) and (c)(2), a successor corporation in a reorganization described in section 368(a)(1)(F) shall be treated as the same corporation as its predecessor."

(c) EFFECTIVE DATE.—The amendments made by this section apply to stock issued in taxable years of the issuing corporation beginning after December 31, 1978.

SEC. 324. THREE-YEAR EXTENSION OF PROVISION FOR 60-MONTH DEPRECIATION OF EXPENDITURES TO REHABILITATE LOW-INCOME RENTAL HOUSING.

Subsection (k) of section 167 (relating to depreciation of expenditures to rehabilitate low-income rental housing) is amended by striking out "January 1, 1979" each place it appears and inserting in lieu thereof "January 1, 1982".

TITLE IV—TAX IMPACT STUDY

SEC. 401. A TAX IMPACT STUDY AUTHORIZED.

(a) The Secretary of the Treasury and the Council of Economic Advisers are authorized to study the impact of Federal, State, and local government taxation on the American economy, including, but not limited to, an analysis of—

(1) the distribution of the Federal, State and local government tax burden by income classes for income taxes imposed on or with respect to wages, salaries and other compensation, sales and excise taxes, property taxes, and other taxes, and

(2) the manner in which taxes imposed on income from, or with respect to the operations of, businesses affect the pricing of goods and services, the determination of wages, salaries, and other employee compensation, and the return on capital investment for holders of securities.

(b) The report required by the first section of this Act shall be submitted to the Congress by January 31, 1980. An interim report shall be submitted to the Congress by June 30, 1979.

(c) There are authorized to be appropriated, to the Secretary of the Treasury, and to the Council of Economic Advisers, such amounts as may be necessary to carry out the study required by the first section of this Act.

FEDERAL INDIVIDUAL INCOME TAX BURDEN [1]—SINGLE PERSON AND MARRIED COUPLE WITH NO, 1, 2, AND 4 DEPENDENTS (ASSUMING DEDUCTIBLE PERSONAL EXPENSES OF 23 PERCENT OF INCOME)

	Tax liability														
	Single person			Married couple with no dependents			Married couple with 1 dependent			Married couple with 2 dependents			Married couple with 4 dependents		
	Under present law	Under the proposal	Reduction	Under present law	Under the proposal	Reduction	Under present law	Under the proposal	Reduction	Under present law	Under the proposal	Reduction	Under present law	Under the proposal	Reduction
Adjusted gross income: [2]															
$3,000	0	0	0	0	0	0	−299	−299	0	−299	−299	0	−299	−299	0
$5,000	279	187	92	0	0	0	−300	−499	200	−300	−499	200	−300	−499	200
$6,000	449	377	72	115	0	115	−200	−599	400	−200	−599	400	−200	−599	400
$8,000	810	775	35	431	222	209	273	−400	673	120	−400	520	0	−400	400
$10,000	1,199	1,189	10	761	602	159	620	127	493	446	−148	594	128	−200	328
$12,500	1,631	1,629	3	1,186	1,116	70	1,059	841	218	917	566	351	562	16	546
$15,000	2,126	2,103	24	1,651	1,611	40	1,486	1,336	150	1,330	1,061	269	990	511	479
$17,500	2,660	2,599	62	2,075	2,064	11	1,910	1,789	121	1,745	1,514	231	1,385	964	421
$20,000	3,232	3,141	91	2,555	2,526	29	2,368	2,251	117	2,180	1,976	204	1,808	1,426	382
$25,000	4,510	4,425	85	3,570	3,515	55	3,360	3,240	120	3,150	2,965	185	2,738	2,615	323
$30,000	5,950	5,895	55	4,712	4,609	103	4,472	4,334	138	4,232	4,059	173	3,778	3,509	269
$35,000	7,500	7,483	18	6,002	5,844	159	5,732	5,569	164	5,464	5,294	171	4,954	4,744	211
$40,000	9,233	9,215	18	7,427	7,226	201	7,135	6,951	184	6,848	6,676	172	6,278	6,126	152

[1] Computed without reference to the tax tables.
[2] Wage or salary and/or self-employment income.

Note: Details may not add to totals because of rounding.

Source: Staff of the Joint Committee on Taxation. ●

By Mr. WALLOP (for himself, Mr. BROOKE, Mr. BARTLETT, Mr. BELLMON, Mr. BENTSEN, Mr. CASE, Mr. DANFORTH, Mr. GARN, Mr. HATCH, Mr. PAUL G. HATFIELD, Mr. HAYAKAWA, Mr. HEINZ, Mr. INOUYE, Mr. JAVITS, Mr. LAXALT, Mr. LUGAR, Mr. MCCLURE, Mr. MCINTYRE, Mr. MATHIAS, Mr. PERCY, Mr. RIEGLE, Mr. SCHMITT, Mr. STAFFORD, and Mr. STEVENS):

S. 3422. A bill to establish a congressional award program for the purpose of recognizing excellence and leadership among young people; to the Committee on Governmental Affairs.

CONGRESSIONAL AWARD PROGRAM ACT

● Mr. WALLOP. Mr. President, on behalf of Senator BROOKE and 22 of our colleagues, I am introducing a bill to establish a congressional award program. The congressional award is a program which seeks to give national recognition to the creativity, achievements, and leadership of young people of America and to create a real avenue of communication between the young and Members of the Congress and Government.

Mr. President, there is a certain disquiet in the country about the goals and direction of young people. At the moment there are few clear objectives into which they can channel their creative energies. President Lincoln noted—

A child is a person who is going to carry on what you have started. He is going to sit where you are sitting and when you are gone attend to those things which you think are important. You may adopt all the policies you please, but how they are carried out depends on him. He will assume control of your cities, states, and nations. He is going to move in and take over your churches, schools, universities, and corporations. The fate of the country is in his hands.

Congress should recognize a responsibility: We have an opportunity, through the establishment of a congressional award program, to elevate and encourage the pursuit of excellence and to focus the creative energies of America's young people on positive ends.

Mr. President, the congressional award program will offer the young people of America an opportunity and a challenge to new endeavors and achievement. It will provide a defined avenue of direct personal contact between Government and people, particularly young people. The award would accomplish these goals with the help and cooperation of the older generation through the step-by-step fulfillment of the requirements and thus achieve an interaction between the young and not so young that is all too uncommon in this country.

Young people would participate in the program voluntarily; they will not belong to it as members of an organization. They can earn their awards by themselves, through organizations, or within the setting of their lives, be it industry, school, or Armed Forces. An important feature of the award is the contribution made by adults who may or may not be connected with the organizations helping the program, and who as members of the community with particular talents are prepared to pass on their knowledge and creative spirit to the young. Understanding between generations is enhanced by a shared endeavor which provides a common ground.

A congressional award may be earned by anyone between the ages of 14 and 23 who successfully completes all three sections of any of the three award levels: Bronze, silver, and gold. The qualifying standards are defined in terms of proficiency, perseverance, or sustained effort. Participants are assessed on the use which they make of their individual creativity and aptitudes in the three defined areas: Public service, personal interests, and exploration, and not in competition with others. Successful completion in many cases may depend more on persistence than on "brains" or athletic prowess. A handicap should not deter anyone from taking part or prevent anyone from obtaining an award.

There are three awards which may be earned by participants of differing age and maturity. There is no necessity to progress from one to the other, and thus either the bronze, silver, or gold award program may be entered directly. The bronze award is for individuals in the 14 to 16 age range and is a time to discover what their capabilities in the three areas are and what new goals they can achieve. The silver award, for those above 16, has as its goal, achievement of a higher level of proficiency in public service, personal interests, and exploration, as well as increased time requirements. The gold award, for those above 19, requires one to take the major role in planning the goals of any area with less supervision and direction. The goals are in part perseverance and the pursuit of excellence, however that may be defined for the activity. Considerable is expected, both in the time demands and levels of endeavor. It is the culmination of the award program.

For each level of the congressional award, those taking part would have to meet requirements of three sections. In brief they are public service, personal interests, and exploration. Each of the three sections prescribes a different kind of activity. While the choice of activities within a section may vary, the names of the sections are the same for the bronze, silver, and gold.

The public service section involves practical community service after preliminary training or more specialized training in the more sophisticated fields. The aim is to encourage young people to develop compassion and a sense of responsibility in order to contribute in a creative manner to their community. As members of the community they have responsibilities and opportunities to offer help that is needed. Examples of public service could include such activities as lifesaving, youth service, disaster relief, or care of animals.

The aim of the exploration section is to foster the spirit of adventure and self-discovery that spans the history of our country. The cultivation of this aspect of everyone's life and its meaning in the American culture cannot be emphasized enough. After training, journeys are planned and undertaken by one of the many modes of travel.

The purpose of the personal interests section is to stimulate young people to discover and develop interests of a creative and rewarding nature. It is hoped that this experience, as well as those of the other two sections, will have a lifetime effect. For all awards special provisions will be made for handicapped young people.

Some comparable perspective may perhaps be of value. A number of ideas for this award program have been developed from observation of the Duke of Edinburgh's Award program in Great Britain. It was formulated by the individual who founded the Outward Bound schools. From its beginning 21 years ago, it has grown in 45 countries and has attracted over 1 million young people worldwide. There is no question that their particular program has been efficient and successful without depending on large government support. In England a high percentage of those achieving the Duke of Edinburgh's Award feel it had a substantial part in shaping their lives and helping them reach their life's objectives.

The congressional award is nonetheless wholly American. Dr. Frank Arlinghaus, Jr., the chairman of the committee for the establishment and promotion of the congressional award, has assembled a group of dedicated individuals as well as political, financial, and administrative support. Thirty-two Members of the House have cosponsored bills introduced by Representative JAMES HOWARD to establish the award program. Nationwide, some 32 Governors, 25 mayors, and 40 to 50 National, State, and local organizations have indicated their support or interest in the past year.

The award will require no Federal appropriation. A Congressional Award Foundation has been established as an IRS-approved public foundation in association with the National Heritage Foundation and the fundraising campaign to attract voluntary donations to support the program has already been successful. An 18-month pilot program has already been planned in rigorous detail by the Minnesota Outward Bound School and is ready to go. Congress will neither create nor be obligated to any bureaucracy, and need only appoint a board to oversee the program's operations.

Mr. President, the congressional award will recognize the creative endeavors and achievements of the young people of America, while at the same time bringing the younger and older generations together to achieve that very end. The award will enhance the following ideals with the dimension of national recognition: To value by appreciation, to cultivate by leadership, and to preserve by commitment. The program does not merely intend to pass out awards. The continuance of these ideals and endeavors in young people is valuable and essential to the future of our country. These goals and endeavors are significant, whether in a family, schools, youth organization, business, or government. They affect any community, large or small. An award is the result of involvement by both the young and not-so-young. It is this endeavor, this excellence, this creativity, which will be shared with the congressional and government leaders as they meet with the participants in the context of the award program. As Alfred Lord Tennyson noted, "What we are, we are, and if we shall ever be any better, the time to begin is now."

Mr. President, I hope that the Senate has the opportunity to consider this legislation before the end of the 95th Congress. I ask unanimous consent that the bill be printed in the RECORD.

There being no objection, the bill was ordered to be printed in the RECORD, as follows:

S. 3422

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That this Act may be cited as the "Congressional Award Program Act".

ESTABLISHMENT OF THE CONGRESSIONAL AWARD

SEC. 2. There is hereby established a program to be known as the Congressional Award. The Congressional Award shall be administered by a Congressional Award Board (hereinafter referred to as the "Board") and a Director (hereinafter referred to as the "Director").

CONGRESSIONAL AWARD MEDALS

SEC. 3. (a) There are established three Congressional Award Medals, to be designated gold, silver, and bronze awards. The medals shall be of such design and materials as the Board may prescribe.

(b) The Director shall arrange for the presentation of the awards, including participation by Members of Congress and opportunities for the exchange of information and views among award recipients and Members of Congress and the executive branch.

FUNCTIONS

SEC. 4. The Board is authorized to—

(1) initiate and administer in the Untied States and its territories a program open to young people aged fourteen through twenty-three (with exceptions to be made by the Board) designed to promote youthful initiative, achievement, and excellence in the areas of expedition fitness, personal creative development, and public service;

(2) set the standards of achievement required for young people to qualify as recipients of the gold, silver, and bronze Congressional Award Medals;

(3) establish procedures for the selection of individuals to be awarded the Congressional Award Medals, and designate the recipients of such medals;

(4) delineate the role, if any, of State directors in administering the Congressional Award;

(5) arrange appropriate ceremonies at the State and national levels for the presentation of the Congressional Award; and

(6) establish such policies and programs for the Congressional Award as may be appropriate to carry out the provisions of this Act.

(b) The Board shall prepare and submit an annual report to the Congress before January 31st of each year summarizing the activities of the Congressional Award and making appropriate recommendations. Minority views and recommendations, if any, of members of the Executive Committee of the Board shall be included in such reports.

MEMBERS OF THE BOARD

SEC. 5. (a) The Board shall consist of fifteen members, to be appointed by a Commission consisting of the majority and minority leaders of the Senate, and the Speaker and the minority leader of the House of Representatives.

(b) The Commission shall appoint individuals to the Board who are active in one of the fields of concern of the Congressional Award. The Commission shall, in making appointments to the Board, consider any recommendation submitted by the Committee for the Establishment and Promotion of the Congressional Award or by the members of the Board then in office.

(c) Members of the Board shall serve for a term of five years, except that seven of the members first appointed shall serve for a term of three years and eight of the Members first appointed shall serve for a term of five years, as designated by the Commission at the time of appointment. Members of the Board, except members whose terms are designated by the Commission at the time of appointment, may serve until their successors are appointed. Any individual chosen to fill a vacancy on the Board shall be appointed only for the unexpired term of such vacancy. A vacancy on the Board shall not impair its power to function.

(d) The Board shall establish an Executive Committee and may delegate to such Committee or the Director such powers and functions as the Board deems appropriate.

(e) The Board shall meet annually on June 15, unless, prior to May 1 of any year, the Chairman has set a date for the annual meeting for a day in June in that year other than the fifteenth. The Board shall meet at such other times as the Chairman may determine. The Chairman shall call a meeting whenever one-third of the Board requests a meeting in writing. Each member shall be given notice of the call of any meeting by registered mail or certified mail mailed to his last known address of record not less than fifteen days prior to such meeting.

(f) A majority of the members of the Board shall constitute a quorum.

(g) The Chairman and the Vice Chairman of the Board shall be elected at the annual meetings of the Board occurring in even-numbered years. The Vice Chairman shall perform the duties of the Chairman in his absence. In case a vacancy occurs in the Chairmanship or Vice Chairmanship, the Board shall elect a member to fill such vacancy at the next meeting of the Board following the date on which the vacancy occurred.

(h) The Board is authorized to appoint from among its members or otherwise such committees as may be necessary and to assign to such committees such functions as may be appropriate to assist the Board in carrying out the provisions of this Act.

DIRECTOR OF THE CONGRESSIONAL AWARD

SEC. 6. (a) The Director of the Congressional Award (referred to in this Act as the "Director") shall be appointed by a two-thirds vote of the Board. The Director shall serve for a term of five years unless removed by a two-thirds vote of the Board.

(b) The Director may from time to time authorize any State director appointed pursuant to section 7 or any other officer or em-

ployee of the Congressional Award to perform any of the functions of the Director, including functions delegated to him by the Board, except that the Director may not redelegate policymaking functions delegated to him by the Board.

(c) The Director shall, in consultation with the Board—

(1) formulate programs to carry out the policies of the Congressional Award; and

(2) establish such divisions within the Congressional Award as may be appropriate.

(d) The Director shall be an ex-officio member of the Board.

STATE AWARD DIRECTORS

SEC. 7. State award directors (referred to in this Act as a "State director") may be appointed for each State and territory or groups of States and territories of the United States by a two-thirds vote of the Board. The Board shall make such appointments from lists of candidates submitted to the Board by the Director. The Director shall compile such lists from recommendations solicited from a representative number of public and private youth organizations within such State or group of States. Members of the Board may make nominations for State award directors.

ADMINISTRATIVE PROVISIONS

SEC. 8. The Board shall have the authority, within the limits of available resources and donated funds, to take such action as may be necessary to carry out the provisions of this Act, including the authority—

(1) to prescribe such rules and regulations as may be necessary concerning the operations, organization, and personnel of the Congressional Award;

(2) to seek funds and resources only from institutions and sources other than the Government;

(3) to make such expenditures as may be necessary for administering the provisions of this Act;

(4) to enter into contracts or other arrangements, or modifications thereof, for the carrying out of such activities as may be necessary to carry out the purposes of this Act, except that no contract may be entered into for an amount in excess of the amounts available to the Board in any fiscal year;

(5) to acquire by purchase, lease, loan, or gift, and to hold and dispose of by grant, sale, lease, or loan property of all kinds necessary for, or resulting from, the exercise of authority granted by this Act;

(6) to receive and use funds donated from any source, if such funds are donated without restriction or without restriction other than that the funds donated be used in furtherance of one or more purposes among the purposes of the Congressional Award; and

(7) to accept and utilize the services of voluntary and uncompensated personnel.

EMPLOYMENT OF PERSONNEL

SEC. 9. (a) The Director shall, in accordance with such policies as the Board shall from time to time prescribe, appoint such other personnel as may be necessary to carry out the provisions of this Act, and may compensate such personnel from the donated funds of the Congressional Award.

(b) The Director shall not engage in any other business, vocation, or employment while serving as Director. Neither the Director nor any other personnel of the Congressional Award may hold any office in, or act in any capacity for, any organization, agency, or institution with which the Congressional Award enters into any contract or other arrangement under this Act, except with the approval of the Board.

(c) A person holding any other office in any branch of the Government may serve as a member of a committee created by the Board, but shall not receive remuneration for services as a member of such Committee during any period for which he receives compensation for such other office of the Government.●

By Mr. BROOKE:

S. 3423. A bill to amend the Disaster Relief Act of 1974 and the Small Business Act to increase disaster relief assistance, and for other purposes; to the Committee on Environment and Public Works and the Select Committee on Small Business, jointly, by unanimous consent.

DISASTER RELIEF AMENDMENTS OF 1978

● Mr. BROOKE. Mr. President, I am today introducing a measure to provide more and better Federal disaster relief assistance to Massachusetts residents who were adversely affected by last winter's severe snowstorm.

Few New Englanders will ever forget the Great Blizzard of February 6 and 7 of 1978 and the widespread destruction which it caused. From Salisbury to Marshfield, all along the coastline of Massachusetts, thousands of people suffered substantial financial losses to their homes, their businesses, and their personal possessions.

Beaches and seawalls in Manchester, Beverly, and Swampscott were battered beyond recognition. The famous Bearskin Neck and the landmark Motif No. 1 in Rockport were greatly disfigured. Over 2,000 individuals, many of them were from Revere, were forced to temporarily evacuate their homes because of the severe flooding caused by the storm. In Gloucester, the damage of the 2-day storm was estimated at nearly $28 million. And Federal troops and snow removal equipment were flown in from bases as far away as North Carolina and Georgia to Logan Airport to help in the recovery operations.

I flew to Massachusetts immediately after the storm to survey and assess the situation. Many homes were completely destroyed and others were severely damaged. It was obvious to anyone who personally witnessed the scene that the homes needed extensive repair work and that some degree of financial relief to their owners would be necessary.

Both the Small Business Administration (SBA) and the Federal Disaster Assistance Administration (FDAA) did provide assistance to many of the unfortunate victims of the Great Blizzard of 1978, but, as many of my constituents have indicated to me since that time, the Federal assistance has not been sufficient to meet the existing need. Indeed, on May 3, I received a petition with nearly 500 signatures requesting the reinstatement of the "forgiveness" clause for eliminating the first $5,000 on SBA disaster relief loans. And the Massachusetts House of Representatives has passed a resolution urging that the "forgiveness" clause be reinstated to further assist individuals who suffered home and property damage on February 6 and 7.

Consequently, late last month, during a visit to the town of Hull, one of the communities adversely affected by the storm, I announced that I was preparing comprehensive legislation to assure that adequate Federal disaster relief assistance would be given to my Massachusetts constituents. The legislation, which I am introducing today, includes provisions to reinstate the "forgiveness" clause for the first $5,000 on an SBA disaster relief loan, to improve the FDAA's existing $5,000 grant program, and to revise the Federal aid program for municipalities which need disaster relief.

The bill directs the Small Business Administration to cancel the first $5,000 on the principal amount of each disaster relief loan provided to the victims of the Great Blizzard of 1978 upon the presentation of proof of loss or damage or injury and upon the submission of a bona fide estimate of the cost for repairing, rehabilitating or replacing personal property. I am confident that these two qualifications will preclude any abuse of this provision and will direct assistance only to those individuals who truly deserve it.

My legislation also amends section 408 of the 1974 Disaster Relief Act by greatly broadening eligibility for direct grants to States for financial assistance not in excess of $5,000 to individuals adversely affected by a major disaster. Presently, section 408 restricts aid only to those individuals who "are unable to meet such expenses or needs through assistance under other provisions of the act, or from other means." This measure would eliminate the existing language and allow individuals to seek aid regardless of income level. However, an individual applying for both the grant and the "forgiveness" clause cannot receive Federal assistance in excess of $5,000.

My bill further amends section 408 by changing the Federal share in the grant program from 75 to 80 percent, thus increasing the likelihood that the States will provide grants to a greater number of individuals.

Third, this legislation would change section 414 of the 1974 act concerning aid to municipalities. At the present time, a town or city can receive Federal aid amounting to 25 percent of the municipality's annual operating budget for disaster relief. If, at the end of 3 fiscal years, the municipality if unable to raise revenues sufficient to meet its present operating budget, the disaster loan can be canceled by the Federal Government. Under my bill, the amount of Federal aid would be increased to 30 percent of the annual operating budget, and the period of time before the repayment of the loan can be canceled would be shortened to 2 fiscal years.

The provisions to amend section 404 and section 414 would be retroactive to January 1, 1978, thus assuring that Massachusetts residents and municipalities affected by the winter's storm could apply under the new programs.

In addition to these legislative initiatives, I have written to Commissioner James M. Stone of the insurance division of the Commonwealth of Massachusetts and recommended that public hearings be held to ascertain whether or not insurance settlement claims related to last winter's storms were undertaken and settled in an equitable manner.

I am confident that together these measures will provide a balanced program of comprehensive Federal assistance to Massachusetts residents pres-

ently faced with burdensome loans or presently unable to secure adequate financial aid. On past occasions, we have implemented the "forgiveness" clause to assist people in need. I strongly believe that the severity of the Great Blizzard of 1978 mandates that we reinstate the clause at this time.

Mr. President, it is my fervent hope that this bill will assure sufficient Federal relief to all of the victims of the Great Blizzard in Massachusetts. And, thus I urge my colleagues in the Senate to support and expeditiously pass this important and necessary legislation.

Mr. President, I ask unanimous consent that the bill and the letter to the Massachusetts Insurance Division be printed in the RECORD.

There being no objection, the bill and letter were ordered to be printed in the RECORD, as follows:

S. 3423

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That this Act may be cited as the "Disaster Relief Amendments of 1978".

SEC. 2. Section 7(b) of the Small Business Act is amended by adding at the end thereof the following:

"With respect to a loan made in connection with the snow storms in Massachusetts on February 6 or 7, 1978, the Administration shall, upon presentation of proof of loss or damage or injury and a bona fide estimate of the cost of repair, rehabilitation, or replacement, cancel $5,000 of the principal amount of the loan, except that the total amount so cancelled plus the amount of any grant under section 408 of the Disaster Relief Act may not exceed $5,000.".

SEC. 3. (a) Section 408 of the Disaster Relief Act of 1974 is amended—

(1) by striking out "necessary" in the first sentence of subsection (a);

(2) by striking out "in those cases where such individuals or families are unable to meet such expenses or needs through assistance under other provisions of this Act, or from other means" in the first sentence of subsection (a);

(3) by striking out "75" in the first sentence of subsection (b) and inserting in lieu thereof "80"; and

(4) by striking out "25" in the first and second sentences of subsection (b) and inserting in lieu thereof "20".

(b) Section 414 of the Disaster Relief Act of 1974 is amended by striking out "25" and inserting in lieu thereof "30" and by striking out "three" and inserting in lieu thereof "two".

(c) The amendments made by subsections (a) and (b) take effect on January 1, 1978.

U.S. SENATE,
Washington, D.C., August 15, 1978.

Mr. JAMES M. STONE
Commissioner, Insurance Division, The Commonwealth of Massachusetts, Boston, Mass.

DEAR COMMISSIONER STONE: During my recent visits to those shoreline communities in Massachusetts adversely affected by last February's severe snow storms, I have repeatedly heard allegations that insurance claim settlements were either inequitable or inadequate to meet the costs of repairing damages.

I know that you share my concern about this situation and that the Insurance Division has been doing everything possible to review documented complaints. However, the complaints persist and, since homeowner policies are regulated by the State, I feel the Commonwealth has a further responsibility toward reviewing this entire matter for the benefit of the people who have filed claims and for those insurance companies facing these allegations.

Therefore, I strongly recommend that you initiate public hearings to determine whether these allegations are valid. I believe that it is extremely important for us to insure that the homeowners receive just settlement for the claims they filed after the Great Blizzard of February 6 and 7. And, I look forward to providing you and your office with whatever assistance I can to make certain that individuals who have criticized the settlement procedure are heard by the Commonwealth.

With best wishes, I am

Sincerely,

EDWARD W. BROOKE.●

By Mr. CRANSTON:

S. 3424. A bill to amend section 8 of Public Law 93–223 to permit California to continue cash payments to SSI recipients in lieu of food stamps; to the Committee on Finance.

CALIFORNIA SSI/FOOD STAMP PROBLEM

● Mr. CRANSTON. Mr. President, I am introducing today a measure dealing with a problem which has recently developed in California regarding the supplemental security income—SSI—program in that State. This bill is identical to one introduced last Wednesday in the House by my good friend from California, Mr. CORMAN, H.R. 13814, which was today ordered favorably reported by the House Ways and Means Committee.

BACKGROUND

When the SSI program began in 1974, California included in its State supplementary cash payment an amount equal to the bonus value of food stamps that SSI recipients in the State generally would have been eligible to receive. In other words, the State provided SSI recipients with an additional amount of cash generally equivalent to the average value of, and in place of, food stamps, and in this sense "cashed-out" food stamps for SSI recipients. Pursuant to section 401 of the law establishing the SSI program, Public Law 92–603, California was able to maintain this "cash-out" status as long as the Federal Government was contributing to the cost of the State supplementary payment under the "hold-harmless" provision of section 401.

In 1976, as a result of increases in the Federal SSI benefit level, California would have lost the "cash-out" status allowed under the provisions of Federal law then in effect. At that time, at the request of the State of California, Congress enacted legislation—Public Law 94–379—that allowed California to continue its "cash-out" status as long as it met two conditions beginning June 1976, and for every month thereafter, the State had to first, pass through to SSI recipients any cost-of-living increases provided in the Federal SSI benefits and second, provide a yearly cost-of-living increase in the State supplementary payment. California has continued to meet these two conditions up to this time, and has, in effect, continued to "cash-out" food stamp benefits for SSI recipients.

Beginning in September 1978, however, Mr. President, California will cease to meet the second of these statutory conditions because the State suspended, as of September 1, 1978, the cost-of-living increase in its SSI supplementary payments. The State will thus lose its "cash-out" status and most noninstitutionalized, single, aged or disabled SSI recipients will be eligible for the minimum stamp allotment of $10 per month. Couples and most single, blind SSI recipients will not qualify for food stamps because the level of their SSI payments exceed the income limits under the food stamp program. Institutionalized SSI recipients will not qualify for food stamps because they do not constitute an eligible household under the provisions of the food stamp law.

TEMPORARY MEASURE

At this time, Mr. President, California has reached an oral agreement with the Department of Agriculture under which, at least until December 1978, food stamps will be distributed to eligible SSI recipients under a demonstration project system that will greatly simplify food stamp eligibility determination and distribution procedures. The State estimates that during these 4 months approximately 90 percent of the noninstitutionalized, single, aged, and disabled individuals who would be entitled to $10 a month in food stamps will participate in the program. According to the State, the estimated annual cost under the demonstration project system is $51 million for food stamp benefits and $6 million for administration.

CONVERSION TO REGULAR SYSTEM; ADMINISTRATIVE COSTS OUTWEIGH BENEFITS

The State advises that, as of January 1, 1979, it will have to begin converting from the demonstration project to the regular food stamp eligibility determination and distribution procedures. SSI recipients will then have to make application for food stamps at the local welfare offices and pick up the stamps at designated locations. After conversion to the regular food stamp system, the State estimates that participation in the program will drop to 42 percent and, on an annual basis, that $25 million will be paid in food stamps benefits with administrative costs increased to approximately $75 million. In other words, the taxpayers will be expending $3 in administrative costs for every dollar in benefits that go to recipients. Of the total costs, the Federal Government will pay all the costs of the benefits and one-half of the administrative costs, with the State paying the other half.

PURPOSE OF LEGISLATION

The object of the measure I am introducing today is to avoid this patently wasteful result by amending section 8(d) of Public Law 93–233 to provide that SSI recipients in California who would be eligible for food stamps will receive an amount in cash equivalent to the value of their food stamp entitlement. Under this legislation, if requested by the State of California, the Secretary of Health, Education, and Welfare, would, during fiscal year 1979, make an additional monthly cash payment of $10—the minimum food stamp allotment for an eligible one person household—to eligible recipients. This additional payment would be included in or with the indi-

vidual's SSI check. These SSI recipients would receive this cash payment during fiscal year 1979 in place of the food stamps they would otherwise be entitled to receive.

The amendment would allow California to resume "cash-out" status beginning with the first month in which the additional payments in lieu of food stamps provided under this bill are actually made by the Secretary of HEW. These additional payments would end at the end of fiscal year 1979 or sooner with the first month California comes back into compliance with the two conditions contained in Public Law 94–379. Thus, if California resumes including cost-of-living increases in its supplementary payments before the end of fiscal year 1979, including amounts necessary to reflect all increases in the cost of living which have occurred since June 1976, the special $10 payments would cease and the State could continue its "cash-out" status under the provisions of current law. The amendment also specifies that the requirements of paragraph (2) of section 8(d) will be considered to have been met when California does make the required cost-of-living increases. This provision makes clear that, when California does resume making annual cost-of-living increases in its State supplementary SSI payment, the State will be considered to have satisfied the requirement of paragraph (2) of section 8(d) of Public Law 94–379 that such increases have been paid for all months since June 1976.

COSTS OF PROPOSED LEGISLATION

It is estimated that the total annual costs under this proposed legislation—benefits plus administrative costs—will be approximately $60 million in fiscal year 1979, or about the same as the annualized cost of the food stamp demonstration project system scheduled to begin on September 1, 1978. The benefit costs under the proposed legislation will be somewhat higher, but the administrative costs should be less. This, however, will be $40 million less than the total estimated costs after conversion, as required by law, to the regular food stamp program after January 1, 1979.

Under the regular food stamp program, Mr. President, the State estimates that it will cost about $75 million to administer $25 million worth of food stamp benefits, and the total fiscal year 1979 cost to the Federal Government will exceed $60 million. Under this proposed legislation, approximately $60 million in benefits will be provided to eligible SSI recipients with negligible administrative costs since the additional payments will be made along with regular SSI checks. Twice as many individuals will receive benefits during fiscal year 1979 under this legislation at essentially the same cost to the Federal Government. Thus, this money will go into direct cash benefits, rather than administrative costs.

Mr. President, I have been informed that this legislation will affect only the State of California, but I think that everyone of us shares an interest in seeing that funds—Federal, State, or local—intended to help the needy are expended in the most cost-effective and efficient manner. This legislation is designed to serve that purpose.

Mr. President, I ask unanimous consent that the text of this bill be printed in the RECORD at this point.

There being no objection, the bill was ordered to be printed in the RECORD, as follows:

S. 3424

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That (a) section 8(d) of Public Law 93–233 is amended by adding at the end thereof the following new sentences: "For purposes of this subsection, if the State requests the Secretary to make the finding specified in the first sentence of this subsection and to make an additional cash payment under title XVI in lieu of food stamps, in the amount and the manner described below, to every individual in the State who does not have an eligible spouse and who receives a supplementary payment pursuant to an agreement under section 1616(a) of the Act (other than an individual who (i) receives such a supplementary payment at a level prescribed by the State by reason of his or her residence in an institution, or other living arrangement in which board and care are provided, or (ii) receives payments pursuant to section 212 of Public Law 93–66 at a level in excess of the level applicable to such individual as established by the State under such agreement), the Secretary shall make such payments if he finds that the conditions of paragraph (1) have been met (and for this purpose the conditions of paragraph (1) shall be considered to have been met to the extent that they involve amounts payable under the law referred to in paragraph (1)(B) notwithstanding the suspension in 1978 of the cost-of-living increase in State supplementary payments under such law) for months beginning with the first month in which, as determined by the Secretary, such additional cash payment can be made, and ending with the month before the first subsequent month for which the conditions of paragraph (1) are met without regard to this sentence (and the requirements of paragraph (2) shall also be considered to have been met, effective on the first day of such first subsequent month, for purposes of applying the first sentence of this subsection to that month and succeeding months). For purposes of the preceding sentence, the amount of an additional cash payment under title XVI in lieu of food stamps shall equal the cash value of the minimum allotment specified by section 8(a) of the Food Stamp Act of 1977 for one-person households, and such additional cash payment shall be appropriately included in or with the check issued to such individual in payment of his supplementary security income benefit (or supplementary payment under such section 1616(a))."

(b) The amendments made by subsection (a) of this section shall be effective only for the period beginning October 1, 1978, and ending September 30, 1979.●

ADDITIONAL COSPONSORS

S. 2856

At the request of Mr. MORGAN, the Senator from New Jersey (Mr. WILLIAMS) was added as a cosponsor of S. 2856, the Uniformed Services Survivor Benefit Plan Amendments Act of 1978.

S. 2867

At the request of Mr. GOLDWATER, the Senator from Alabama (Mrs. ALLEN) was added as a cosponsor of S. 2867, a bill to remove residency requirements and acreage limitations applicable to land subject to reclamation law.

S. 2920

At the request of Mr. HOLLINGS, the Senator from Arkansas (Mr. HODGES) was added as a cosponsor of S. 2920, a bill to amend the Trade Act of 1974.

S. 3289

At the request of Mr. ROTH, the Senator from Maryland (Mr. MATHIAS) was added as a cosponsor of S. 3289, a bill to amend the Internal Revenue Code of 1954 to clarify the application of the investment tax credit to certain enclosures or structures used for the housing, raising, or feeding of poultry or their produce.

S. 3373

At the request of Mr. MCINTYRE, the Senator from New Hampshire (Mr. DURKIN), the Senator from Indiana (Mr. BAYH), the Senator from New Jersey (Mr. WILLIAMS), the Senator from Idaho (Mr. MCCLURE), the Senator from California (Mr. CRANSTON), the Senator from Texas (Mr. BENTSEN), the Senator from North Dakota (Mr. BURDICK), the Senator from Nevada (Mr. CANNON), and the Senator from New York (Mr. MOYNIHAN) were added as cosponsors of S. 3373, a bill to authorize the Secretary of Defense to provide transportation to the Girl Scouts of the United States of America in connection with international world friendship events or troops on foreign soil meetings, on a reimbursable basis.

S. 3414

At the request of Mr. WALLOP, the Senator from California (Mr. CRANSTON) was added as a cosponsor of S. 3414, to amend the Internal Revenue Code of 1954 to provide that nonresident aliens are taxable on gain from the sale or exchange of farming property and undeveloped real property at capital gains rates.

AMENDMENTS SUBMITTED FOR PRINTING

TARIFF TREATMENT WITH RESPECT TO FILM, STRIPS, SHEETS, AND PLATES OF CERTAIN PLASTICS OR RUBBER—H.R. 5285

AMENDMENT NO. 3478

(Ordered to be printed and to lie on the table.)

Mr. NELSON (for himself, Mr. KENNEDY, Mr. JAVITS, Mr. ANDERSON, Mr. CRANSTON, Mr. EAGLETON, Mr. HASKELL, Mr. HATHAWAY, Mr. MOYNIHAN, Mr. PELL, Mr. RIBICOFF, Mr. RIEGLE, and Mr. WILLIAMS) submitted an amendment intended to be proposed by them, jointly, to H.R. 5285, an act to amend the tariff schedules of the United States with respect to the tariff treatment accorded to film, strips, sheets, and plates of certain plastics or rubber.

HOSPITAL COST CONTAINMENT

● Mr. NELSON. Mr. President, I am today submitting, on behalf of myself and Senators KENNEDY, JAVITS, ABOUREZK, ANDERSON, CRANSTON, EAGLETON, HASKELL, HATHAWAY, MOYNIHAN, PELL, RIBICOFF, RIEGLE, and WILLIAMS, a hospital cost containment amendment to H.R. 5285, a tariff measure that includes the Senate

Finance Committee-reported medicare and medicaid reimbursement amendments collectively referred to as the Talmadge bill (S. 1470).

Specifically, the amendment is to section 2 of the Talmadge bill, which sets up a new reimbursement mechanism to control certain limited routine hospital costs under medicare and medicaid. The amendment is a compromise between the limited approach of S. 1470 and the administration/Human Resources Committee cost containment bill, S. 1391, which would enact immediate mandatory controls on all hospital inpatient revenues.

In summary, the amendment would expand upon the Talmadge bill approach in a number of ways designed to improve cost savings and make sure that cost containment efforts will equitably affect all costs and all payors. However, it would not put into effect immediate controls, as the administration bill would. Instead, this amendment recognizes that the hospital industry currently is undertaking a voluntary effort to hold cost increases down. To the extent that the voluntary effort succeeds, there would be no imposition of controls broader than those on medicare and medicaid costs, currently contemplated under the Talmadge bill. Only if the voluntary effort fails on a nationwide basis, either in 1978 or in subsequent years, would the amendment put into effect standby controls to curb inflation in ancillary costs and in charges to other hospital payors. Individual States would be exempted from the controls if they met the voluntary national goal.

In other words, the amendment centers not so much around permanent immediate controls but around the industry's own voluntary effort, backed up by controls in the event voluntary efforts are not successful.

Here's how the amendment would work:

Total community hospital expenses nationwide increased by about 15.6 percent in 1977 to $53 billion. The voluntary goal is to lower that rate of increase by: 2 percent in 1978 (the goal would be to limit the increase to about 13.6 percent in 1978); 4 percent in 1979 through 1982 (the goal would be an increase of about 11.6 percent in those years). The goal could not be less than 1½ times the implicit price deflator of the GNP.

These goals refer to total nationwide expenses. For example, the 1978 goal would be determined as follows: 1977 expenditures equals $53 billion; 1978 maximum increase times 1.136; and 1978 goal, $60.2 billion.

Few major economic and social issues have been more widely discussed and debated by the 95th Congress than hospital cost containment.

At the very beginning of this session, the administration called our attention to the severe inflationary pressures generated by enormous annual increases in hospital costs—then rising at a national rate in excess of 16 percent annually.

President Carter sent up a major piece of legislation early in 1977. The legislation was referred to four different congressional committees: Finance and Human Resources in the Senate, and Commerce and Ways and Means in the House. The legislation also, at one time or another, has been the concern of a number of other committees, including the House and Senate Budget Committees, as well as a large number of public and private health care interest groups on both sides of this issue.

The administration bill has not passed the Congress because of heavy lobbying against it by the hospital industry. The total 5-year savings to the U.S. economy from the administration approach is estimated to be $55 to $60 billion. Despite this fact—or perhaps because of it—a tremendous lobbying effort has been mounted by the hospital industry against the legislation. Of the four committees to which it was referred, only one—the Senate Human Resources Committee—has reported legislation similar to the administration bill (S. 1391). Cost containment legislation has been bottled up in the House Ways and Means Committee, and was weakened by the House Commerce Committee.

The fourth committee to which cost containment legislation was referred—Senate Finance—approved only a limited approach, setting up a new mechanism to control only routine, per diem, hospital costs (the so-called hotel-type costs), about 50 percent of all costs, under only medicare and medicaid, about 40 percent of all payors for hospital care. The Finance Committee approach, while it contains certain desirable elements of reimbursement reform (such as basing reimbursement on a new system of classifying hospitals), would basically save only about $500 million over the next 5 years, or 100 times less than the Human Resources Committee-reported bill, and 60 times less than this compromise.

Moreover, because the Finance Committee bill controls only routine costs under only medicare and medicaid, the likely effect will be no net savings to the overall economy, since hospitals will still be able, one way or another, to redistribute costs to ancillary services, or to nongovernmental payors, such as Blue Cross, insurance companies, and private, self-paying patients.

The Talmadge bill contains a provision prohibiting hospitals from increasing charges to other third-party payors as a way of offsetting reductions from controls on medicare and medicaid reimbursement rates. This prohibition is designed to address the problem that other payors will bear the brunt of a medicare/medicaid-only restriction. However, the prohibition is likely to be largely ineffective because there is no reasonable way to test whether shifts in charges are due to limits in "routine" costs. For example, hospitals change their charges for a variety of reasons. A hospital may have charges in excess of costs by 5 percent one year, 15 percent the next, and 8 percent the next. If they raise charges up to an excess of 15 percent again in the year after application of the limit, how can we demonstrate that it is due to the limit? Although the changes can be measured, whether those changes were solely due to the limits on "routine" costs cannot easily be determined. Gross violations may be subject to detection, but that does not solve the problem of the subtle shifts in charges by each hospital.

This would not be a problem under this amendment, which covers all payors.

The Finance Committee rejected efforts to broaden the Talmadge bill to cover all costs and all payors. This middle-ground compromise—which would generate 100 times more savings than the Talmadge bill (S. 1470)—was rejected by a vote of 11 to 7.

Accordingly, as I indicated at the time of that vote, I am introducing an amendment today for consideration, and I intend to offer it at the appropriate time during the debate on H.R. 5285.

I should note that the Senate may also have an opportunity to vote on the Human Resources Committee bill. I voted for that legislation in committee, and I will continue to support it on the floor. But I want to be certain that the Senate also has before it a compromise approach, which will result in significant and meaningful savings.

I am convinced, Mr. President, that the economy needs—and that the health care consumer desires—these meaningful savings.

Consumers are concerned about hospital cost inflation, as evident in the mail we receive. Numerous editorials have appeared in newspapers throughout America concerned with the lack of Congressional activity to control hospital costs. The Milwaukee Journal, in an editorial July 20, 1978, noted Congress willingness "to give the green light to inflation" by "cravenly yielding to pressure from special interests and totally ignoring the public interest." Similar editorials have appeared in the Columbus (Ohio) Dispatch, the Atlanta Constitution, the Bennington (Vermont) Banner, the Arkansas Gazette, the Oklahoman, and others. I ask unanimous consent that a number of these editorials be printed in the RECORD at the conclusion of my remarks.

Supporters of the thrust of this amendment include: the health insurance industry, including Blue Cross, Blue Shield, Aetna, and Connecticut General; the National Governors' Association; the National Conference of State Legislatures; the National Association of Counties; and many professional and social organizations. I ask that letters from several of these organizations also be printed in the RECORD.

I also ask unanimous consent that a summary and section-by-section analysis of the amendment, tables showing the increase in hospital costs in recent years, the estimated future savings under various cost containment amendments, and the text of the amendment itself be printed in the RECORD.

There being no objection, the amendment and material were ordered to be printed in the RECORD, as follows:

AMENDMENT NO. 3478

Page 3, line 3 is amended by striking out "Section 2(a)(1)" and by inserting in lieu thereof "(a)(2)" and by inserting before such line the following:

"Section 2(a)(1) The amendments to the Social Security Act included in this section provide a more equitable basis for reimburs-

ing hospitals for routine operating costs under titles XVIII and XIX, establish a Health Facilities Cost Commission to develop a more equitable basis for reimbursing hospitals for all costs covered by titles XVIII and XIX, set voluntary goals for hospital cost containment and impose standby increase limits on total inpatient reimbursement in the event that the voluntary goals are not met. The amendments to the Internal Revenue Code included in this section extend the standby increase limits to all payers by imposing excise taxes on hospital charges and reimbursements in excess of such limits."

Page 3, line 6 is amended by striking out "(2)" and inserting in lieu thereof "(3)".

Page 3, line 5 is amended by striking out "subsection (bb)" and inserting in lieu thereof "subsection (bb), (cc), (dd), and (ee)".

Page 3, line 10 is amended by striking out "subsection (bb)" and inserting in lieu thereof "subsection (bb), (cc), (dd), and (ee)".

Page 6, line 6 is amended by striking out the words "only one-half of" and inserting after the word "shall" the word "not."

Page 9, line 22 is amended by striking out the word "and" and by inserting after such line the following:

"and, under either division I or division II, not exceeding (on a per diem basis) the hospital's actual routine operating costs in its immediately preceding accounting year (or, with respect to the first accounting starting on or after July 1, 1979, an amount that the Secretary estimates would equal the hospital's routine operating costs in such preceding accounting year had routine operating costs in such preceding year represented the same proportion of the hospital's total routine cost as the Secretary finds in the subject year) increased by a rate equal to 150 percent of the rate of increase in the index established pursuant to subparagraph (4)(A) in the same period, subject to modification for the rate of increase in the regular wages granted to nonsupervisory employees under paragraph (dd)(5) of this section, and"

Page 10, line 7 is amended by adding after the word "costs" the following:

"but not exceeding (on a per diem basis) the hospital's routine operating costs in its immediately preceding accounting year (or, with respect to the first accounting year starting on or after July 1, 1979, an amount that the Secretary estimates would equal the hospital's routine operating costs in such preceding accounting year had routine operating costs in such preceding year represented the same proportion of the hospital's total routine costs as the Secretary finds in the subject year) increased by a rate equal to 150 percent of the rate of increase in the index established pursuant to subparagraph (4)(A) in the same period, subject to modification for the rate of increase in the regular wages granted to nonsupervisory employees under paragraph (dd)(5) of this section,"

Page 10, line 4 is amended by striking out the word "or" and inserting after "(b)" the following:

"200 percent of the amount due in incentive payments to employees of the hospital under a plan established prior to the start of the hospital's accounting year and designed to encourage efficiency and economy, or (c)"

Page 18, line 10 is amended by redesignating subsection "(c)" as paragraph "(c)(1)".

Page 18, line 15 is amended by striking out the words "criteria established by section 1861(bb)" and inserting in lieu thereof the words "implementation of subsections 1861 (bb) through (ee)".

Page 18, line 20 is amended by striking out the words "and the Congress".

Page 19 is amended by inserting after line 4 the following new paragraph:

"(c)(2) The Secretary may adopt for purposes of reimbursement under titles XVIII and XIX of the Social Security Act measures recommended by the Commission and put such measures into effect in lieu of section 1861(v), (bb) or (dd) of title XVIII of the Social Security Act starting at least sixty days after the Secretary notifies the Congress of his intent to adopt such measures."

Page 20, line 18 is amended by striking out "(bb)" and inserting in lieu thereof "(bb), (cc), (dd) and (ee)".

Page 20 is amended by inserting after line 19 the following new sections (f) and (g):

"(f) Title XVIII of the Act as amended by subsection (b) of this section is further amended by adding after subsection (bb) as added to such title by such subsection (b) the following new subsections:

'VOLUNTARY GOALS FOR HOSPITAL COST CONTAINMENT

'(cc) (1) If the Secretary finds, after consultation with the Health Facilities Cost Commission, that hospitals in the United States have failed to voluntarily reduce the rate of increase in their total expenses (other than expenses arising from increases in the average hourly regular wage rate for nonsupervisory employees) consistent with the goals established in paragraph (2) of this subsection, the standby increase limits on total inpatient reimbursement per admission provided in subsection (dd) shall go into effect. However, the hospitals located in a State shall be exempt from such limits if the Secretary finds that the hospitals in that particular State have held the rate of increase in expenses (other than expenses arising from increases in the average hourly regular wage rate for nonsupervisory employees) to a level at or below the maximum allowable rate specified under paragraph (2) of this subsection for hospital expenses (other than expenses arising from increases in the average hourly wage rates for nonsupervisory employees) in the United States. For purposes of the preceding sentence the term "State" includes the District of Columbia and the Commonwealth of Puerto Rico and the term "United States" means all the States and all the possessions of the United States.

'(2) the maximum allowable rate of increase in total hospital expenses (other than expenses arising from increases in the average hourly wage rates for nonsupervisory employees) in the United States for calendar year—

'(A) 1978, is equal to 2 percentage points less than the rate of increase in such hospital expenses for 1977, and

'(B) 1979, 1980, 1981, and 1982 is equal to 4 percentage points less than the rate of increase in such hospital expenses for 1977, except that such maximum allowable rate of increase for a calendar year may not be less than one and one-half times the rate of increase in the implicit price deflator of the gross national product as calculated by the Bureau of Economic Analysis of the Department of Commerce and published in the Survey of Current Business for such calendar year.

'(3)(A) Each hospital shall provide the Secretary—

'(i) not later than December 31, 1978, with such data with respect to the hospital's expenses for each calendar quarter of 1976 and 1977 and for the first three calendar quarters of 1978 as the Secretary determines to be necessary to compute and monitor the maximum allowable rates of increases in hospital expenses for calendar years under paragraph (2), and

'(ii) not later than 60 days after the end of each calendar quarter which ends after September 30, 1978, with such data with respect to the hospital's expenses during the calendar quarter as the Secretary determines to be necessary to monitor hospitals' compliance with the maximum allowable rate of increase in hospital expenses under paragraph (2).

'The Secretary may prescribe the form and manner in which these data must be provided.

'(B) In determining reasonable costs for purposes of this Act—

'(i) data on hospital expenses reported under paragraph (1) for any period shall be used instead of the hospital cost data otherwise reported for purposes of this Act to the extent that this would result in lower reimbursement to the hospital, and

'(ii) in the case of a hospital failing to provide in full the information required under paragraph (A) for any period, the hospital's expenses (other than expenses arising from increases in average hourly wage rates for nonsupervisory employees) for any accounting year (ending after December 31, 1977) may not be taken into account to the extent such expenses exceed such expenses in the hosiptal's immediately preceding accounting year by a percentage greater than the maximum allowable rate of increase in total hospital expenses specified under paragraph (2) for the latest calendar year any part of which is included in the accounting year in question.

'(4)(A) The Secretary shall monitor the data received under subparagraph (3)(A) and shall report at least quarterly to the appropriate committees of Congress on progress in meeting the maximum allowable rate of increase in hospital expenses (other than expenses arising from increases in the average hourly wage rates for nonsupervisory employees) for each year.

'(B) Not later than 90 days after the first day of each calendar year after 1978, the Secretary shall determine (on the basis of data received from hospitals that have provided data under subparagraph (A) in a form and manner acceptable to the Secretary for all calendar quarters of 1976, 1977, 1978 and, in the specified time, for all subsequent calendar quarters) and announce whether or not the rate of increase in total hospital expenses (other than expenses arising from increases in the average hourly wage rates for nonsupervisory employees) for the preceding calendar year has exceeded the maximum allowable rate of increase in such hospital expenses for the year, as specified under paragraph (2).

'(5) For purposes of this subsection:

'(A) The term "rates of increase in total hospital expenses (other than expenses arising from increases in the average hourly wage rates for nonsupervisory employees)" means, for a calendar year, the percentage by which the total hospital expenses (other than expenses arising from increases in the average hourly wage rates for nonsupervisory employees) for the calendar year exceed such hospital expenses for the previous calendar year.

'(B) The term "total hospital expenses (other than expenses arising from increases in the average hourly wage rates for nonsupervisory employees)" means, for a calendar year, the total expenses, excluding expenses arising from increases in the average hourly wage rates for nonsupervisory employees (as defined in clause (dd)(5)(D)(iii) of this section), of hospitals (as defined in subparagraph (C)) in the calendar year, as such expenses are defined by the Secretary.

'(C) The term "hospital" means a hospital (other than a psychiatric hospital or tuberculosis hospital, as defined in subsections (f) and (g), respectively, of this section or a hospital that derived more than 75 percent of its inpatient care revenues on a capitation basis, disregarding revenues received under this title, from one or more health maintenance organizations as defined in section 1301(a) of the Public Health Services Act) which has an agreement in effect under section 1866 of title XVIII of the Social Security Act during all calendar quarters elapsing after calendar year 1975 and which has had 4,000 or more admissions during all full accounting years elapsing after calendar year 1977.

'STANDBY INCREASE LIMITS ON TOTAL INPATIENT REIMBURSEMENT'

'(dd)(1) If the Secretary finds, after consultation with the Health Facilities Cost Commission, that hospitals have failed in calendar year 1978 or any subsequent calendar year to voluntarily reduce the rate of increase in their expenses consistent with the goals established in paragraph (2) of subsection (cc), average inpatient costs otherwise reimbursable per inpatient admission shall, in the case of a hospital (other than a psychiatric hospital or a tuberculosis hospital, as defined in subsections (f) and (g) respectively of this section or a hospital that derived more than 75 percent of its inpatient care revenues on a capitation basis, disregarding revenues received under this title, from one or more health maintenance organizations, as defined in section 1301(a) of the Public Health Service Act) with 4,000 or more admissions in its last preceding full accounting year, be deemed unreasonable and shall not be reimbursable for purposes of this title or for purposes of title XIX of this Act in hospital accounting years any part of which occur after such calendar year and also after June 30, 1979, to the extent that such costs exceed average costs per inpatient admission reimbursable under such titles in the hospital's immediately preceding accounting year by the sum of the following percentages as adjusted by paragraphs (3), (4), and (5) of this subsection:

'(A) The highest rate by which routine operating costs could have increased in the subject accounting year without being subject to disallowance under subsection (bb) multiplied by the ratio of routine operating costs to total inpatient costs in such prior accounting year;

'(B) The rate by which general wage levels in the hospital's geographic area increased during the latest 2-year period for which data are available multiplied by the ratio of the labor costs not included in routine operating costs to total inpatient hospital costs in the prior accounting year; and

'(C) The rate of increase the Secretary finds appropriate (based on such index composed of weighted components of available national indicators of price changes in the general economy as the Secretary finds appropriate for the purpose) multiplied by the ratio of nonlabor inpatient costs not included in routine operating costs to total inpatient costs in the prior accounting year.

'(2)(A) For purposes of paragraph (1) of this subsection, the Secretary shall deem the proportions of total inpatient costs represented by routine operating costs and the labor and nonlabor components of all other costs in accounting years starting prior to July 1, 1979, to be equal to the proportions of total inpatient costs represented by such components of costs

'(i) as he finds in the succeeding accounting year of a hospital, where such succeeding accounting year starts on or after July 1, 1979 or

'(ii) as he estimates for all hospitals in the same category as a hospital for purposes of paragraph (3) of subsection (bb) of this section on the basis of available data, where the succeeding accounting year starts prior to July 1, 1979.

'(B) Where less than the full accounting year of a hospital occurs in a period subject to paragraph (1) of this subsection, the Secretary shall impose any disallowance of reimbursement otherwise required under such paragraph (1) only in the proportion that the number of days in such accounting year occurring in such period bears to the total number of days in that accounting year.

'(C) Where less than the full accounting year of a hospital occurs after July 1, 1979, the Secretary shall, for purposes of subparagraph (1)(A), deem the highest rate by which routine operating costs could have increased in such accounting year without being subject to disallowance under subsection (bb) to be such rate as it would be determined if such accounting year began on July 1, 1979, except that the Secretary shall determine the percentage increase in costs under subparagraph (bb)(4)(A) in a manner appropriate to the actual accounting year of the hospital.

'(3) The sum of the percentages determined under paragraph (1) of this subsection shall be reduced by the product of:

'(A) the number of percentage points (or fraction thereof) by which the increase in a particular hospital's total expenses (other than expenses arising from increases in the average hourly wage rates for nonsupervisory employees) in a calendar year specified in paragraph (1), as reported for purposes of subsection (cc), exceeded the maximum allowable rate of increase in total hospital expenses (other than expenses arising from increases in the average hourly wage rates for nonsupervisory employees) in the United States set forth in paragraph (2) of such subsection, and

'(B) the percentage of such hospital's total expenses that do not arise from the regular wages of nonsupervisory employees.

'(4) The sum of the percentages determined under paragraph (1) of this subsection and reduced where required under paragraph (3) of this subsection shall be adjusted in accordance with a formula established by the Secretary to take into account the estimated impact of changes in the total number of inpatient admissions experienced by a hospital in a subject accounting year, as compared to the total number of admissions such hospital experienced in its immediately preceding accounting year. Such formula shall be designed to adjust the percentage limitation on increases in average inpatient costs otherwise reimbursable per inpatient admission applicable to a hospital under this section for any substantial increase or decrease in total inpatient cost per admission that the Secretary estimates (based on data available to him) would generally result from increases or decreases in total admissions taking into account the size of the hospital, its occupancy rate, and such other factors as the Secretary deems appropriate.

'(5)(A) The Secretary shall modify, for each hospital, in accordance with subparagraph (2) of this paragraph, the increase limits otherwise established under this subsection and the limitation (to 150 percent of the rate of increase in the economic index established pursuant to subparagraph (4)(A) of subsection (bb) of this section), otherwise established under subparagraphs (4)(B)(i) and (4)(B)(ii) of subsection (bb) of this section to allow the hospital a pass-through of any increase in the rate of regular wages granted in the accounting year to its nonsupervisory employees.

'(B) The hospital shall promptly provide the data necessary for the required calculation, in accordance with regulations of the Secretary. A hospital that fails to supply the data required shall be presumed to have granted no increase in the rate of regular wages to its nonsupervisory employees in any accounting year for which it has failed to supply the required data.

'(C) Such modified limits for an accounting year shall be calculated as follows:

The modified limit applicable to a hospital's accounting year is equal to the sum of—

'(i) the product of—

'(I) The percentage by which the average hourly regular wage rate for nonsupervisory employees for the accounting year exceeds the average hourly regular wage rate for nonsupervisory employees for the preceding accounting year, and

'(II) the percentage of costs for inpatient hospital services attributable to regular wages paid to nonsupervisory employees in the preceding accounting year; and

'(ii) the increase limit, otherwise applicable to the hospital for that accounting year, multiplied by the percentage of costs attributable to all expenses other than regular wages paid to nonsupervisory employees in the preceding accounting year.

'(D) For purposes of this subsection:

'(i) The term "regular wages" means wages paid to an employee at the regular rate at which he is employed (within the meaning of section 7 of the Fair Labor Standards Act of 1938), but does not include overtime wages or shift differentials.

'(ii) The term "nonsupervisory employee" means an individual who is employed by a hospital and who is not a supervisor or a physician, as determined under regulations prescribed by the Secretary.

'(iii) The term "average hourly regular wage rate for nonsupervisory employees" means, with respect to a hospital for an accounting year—

'(I) The total amount of regular wages incurred by the hospital during the accounting year for work of the hospital's nonsupervisory employees, divided by—

'(II) the total number of nonsupervisory employee hours of work for which such regular wages were paid.

'(6) The Secretary shall issue such regulations as he deems necessary and appropriate in applying the provisions of this section including:

'(A) Such exceptions and exemptions as he determines are warranted,

'(B) Such definitions of the terms used in this subsection as he finds necessary to carry out its intent, and

'(C) Such safeguards against attempts to avoid the intent of these provisions as he finds appropriate.

'EXEMPTIONS

'(ee)(1) At the request of the Governor (or other chief executive) of any State, the Secretary may exclude from the application of subsection (dd) of this section hospitals physically located in such State, if—

'(A) The Secretary finds that such State has in operation as of the date of such a request a program capable to containing hospital costs for inpatient hospital services in the State which covers at least 90 percentum of the hospitals in the State, which would otherwise be covered under subsection (dd) of this section;

'(B) The Secretary finds that the State program applies at least to all revenues for inpatient hospital services of hospitals covered by the program, and has applied for at least one year prior to the date of such request to at least half of those revenues (excluding revenues received under this title;

'(C) The Governor (or chief executive) certifies, and the Secretary determines, that the aggregate rate of increase in revenues over the previous accounting year for inpatient hospital services for all hospitals in the State will not exceed (i) the increase that the Secretary estimates would be permitted if subsection 1861(dd) (including the pass-through of any increase in the rate of regular wages paid to nonsupervisory employees) applied to the hospitals in the State, nor (ii) be less than the increase in the GNP deflator applicable to that fiscal period; and

'(D) the Governor (or chief executive) has submitted, and had approved by the Secretary, a plan for recovering any excess of total revenue which (notwithstanding paragraph (C)) may occur.

'(2) A hospital or group of hospitals may be excluded from the application of subsection 1861(dd) if the Secretary determines that:

'(A) such exclusion is necessary to facilitate or continue an experiment or demon-

stration entered into under section 402 of the Social Security Amendments of 1967, section 222 of the Social Security Amendments of 1972, or section 1526 of the Public Health Service Act, and

'(B) such experiment or such demonstration is not inconsistent with the purposes of such subsection 1861(dd).

'(3)(A) Any State may submit to the Secretary a plan for a hospital cost containment program for approval. The Secretary shall approve such a program and exemption from the application of subsection 1861(dd) hositals physically located in such State if the Secretary determines that such program—

'(i) designates an identifiable unit of State government which has the authority to supervise the administration of the program;

'(ii) provides for a methodology to assure that the aggregate rate of increase in revenues for inpatient hospital services over the previous year for all hospitals in the State will not exceed the increase that the Secretary estimates would be permitted if subsection 1861(dd) (including the passthrough of any increase in the rate or regular wages paid to nonsupervisory employees) applied to hospitals in the State nor be less than the increase in the GNP deflator applicable to that fiscal period. Such methodology may include alternative methods for classifying hospitals, for establishing prospective rates of payment, and for implementing on a gradual, selective, or other basis the establishment of a prospective payment system, in order to stimulate hospitals through positive (or negative) financial incentives to use their facilities and personnel more efficiently without adversely affecting the quality of services;

'(iii) includes a methodology for the recovery of any excess of total revenues which (notwithstanding clause (ii)) may occur;

'(iv) provides for sanctions and enforcement procedures adequate to insure compliance with the program;

'(v) provides for uniform definition of all costs;

'(vi) provides for the evaluation of standards of institutional performance;

'(vii) provides protection against inhibition of increases in the rate of regular wages granted to nonsupervisory employees comparable in effect to the protection against such inhibition provided under paragraph (5) of subsection (dd) of this section;

'(viii) provides for compliance with such other criteria as the Secretary deems necessary to accomplish the purposes of subsection (dd).

'(B) The Secretary may make grants to any State which has an approved program pursuant to subparagraph (A) to assist such State in the implementation of its program. For the purposes of this subsection, there are authorized to be appropriated $10,000,000 for the fiscal year ending September 30, 1979, and such sums shall remain available until expended.

'(C) The Secretary shall promulgate regulations to implement this subsection prior to May 1, 1979.

'(4)(A) The Secretary shall review annually any program, experiment, or demonstration that has received an exemption pursuant to this subsection to determine whether such program, experiment, or demonstration is in compliance with such subsection and the regulations promulgated thereunder. The Secretary may revoke, after notice and an opportunity for a hearing on the record, any such exemption if he determines that such exemption is no longer justified because the conditions for such exemption are no longer being met.

'(B) Upon revocation of an exemption awarded under this subsection each hospital that would otherwise be subject to subsection (dd) will be subject to the limits established under such subsection.

'(5) Where the Secretary has granted an exemption under this subsection he shall reimburse the State, District, or Commonwealth operating the qualifying hospital cost or revenue containment program for the portion of the administrative expenses of such qualifying program that he deems equitable considering the proportions of hospital costs reimbursable under this title and shall treat as administrative expenses incurred in the operation of a plan established under title XIX of this Act the portion of the administrative expenses of such qualifying program that he deems equitable considering the proportion of hospital costs reimbursable under a plan established under title XIX of this Act.

'(g) Chapter 36 of the Internal Revenue Code of 1954 (relating to certain other excise taxes) is amended by adding at the end thereof the following new subchapter:

'Subchapter F—Taxes on Certain Excess Reimbursement and Charges for Inpatient Hospital Services'

'SEC. 4495. IMPOSITION OF TAXES

'(a) Taxes on Excess Reimbursement—

'(1) Tax on Hospital.—If a covered hospital has excess reimbursement with respect to a private cost payer for an accounting year, there is hereby imposed on the covered hospital a tax equal to 150 percent of the amount of excess reimbursement from the private cost payer to the covered hospital for the accounting year.

'(2) Tax on Private Cost Payer.—If a covered hospital has excess reimbursement with respect to a private cost payer for an accounting year, there is hereby imposed on the private cost payer a tax equal to 150 percent of the amount of excess reimbursement from the private cost payer to the covered hospital for the accounting year.

'(b) Tax on Excess Hospital Charges.—If a covered hospital has excess charges for an accounting year, there is hereby imposed on the covered hospital a tax equal to 150 percent of the amount of excess charges of the covered hospital for the accounting year.

'(c) Payment of Taxes.—

'(1) Tax on Excess Reimbursement.—Any tax imposed by paragraph (1) or (2) of subsection (a), with respect to excess reimbursement payable to a covered hospital by a private cost payer in an accounting year, shall be paid not later than 30 days after the date the Secretary of Health, Education, and Welfare notifies the Secretary—

'(A) of the excess reimbursement, and

'(B) of the amount of taxes which are due from the covered hospital and the private cost payer under paragraph (1) or (2) respectively, of subsection (a).

'(2) Tax on Excess Charges.—

'(A) In General.—Any tax imposed by subsection (b) with respect to any covered hospital for any accounting year shall be paid not later than 30 days after the date the Secretary of Health, Education, and Welfare notifies the Secretary—

'(i) of the excess charges, and

'(ii) of the amount of taxes that are due from the covered hospital under subsection (b).

'(B) Deferral.—If the Secretary of Health, Education, and Welfare certifies to the Secretary that a covered hospital has established an approved escrow account and certifies the amount deposited into the account, then an equal amount of any tax imposed on the covered hospital by subsection (b) shall be deferred. Such deferral shall continue so long as such amount remains in such account.

'(C) Abatement.—If the Secretary of Health, Education, and Welfare certifies to the Secretary that a covered hospital has withdrawn an amount from an approved escrow account of the hospital in accordance with the terms of the account, then an equal amount of any tax imposed on the covered hospital by subsection (b) shall be abated.

'(D) Withdrawals from Approved Escrow Account.—Amounts deposited into an approved escrow account shall be treated as withdrawn from the account in the order in which they were deposited into the account.

'(d) Definitions.—For purposes of this section—

'(1) Covered Hospital.—The term 'covered hospital' means, for an accounting year of a hospital, a hospital which is subject, under subsection 1861(dd) of the Social Security Act, to a limit on its increases in reimbursement for the accounting year.

'(2) Private Cost Payer.—The term 'private cost payer' means any organization which (A) meets the definition contained in section 1842(f)(1) of the Social Security Act, and (B) reimburses a covered hospital for inpatient hospital services on a basis related to the hospital's costs in furnishing those services or on any other basis other than charges imposed by such hospital. An organization shall not be considered to be a cost payer with respect to its payment to a hospital of another payer's coinsurance or deductible amounts.

'(3) Excess Reimbursement.—A covered hospital has excess reimbursement with respect to a private cost payer for an accounting year if the Secretary of Health, Education, and Welfare determines that reimbursement per inpatient admission to the covered hospital for inpatient hospital services covered by the private cost payer for the hospital's accounting year exceeds such reimbursement in the hospital's immediately preceding accounting year by a percentage greater than the increase in reimbursement per admission permitted for purposes of title XVIII of the Social Security Act under limitations imposed by subsection 1861(dd) of the Social Security Act.

'(4) Excess Charges.—A covered hospital has excess charges for an accounting year if the Secretary of Health, Education, and Welfare determines that average inpatient charges per admission made by the hospital in the hospital's accounting year, exceeds such charges in the hospital's immediately preceding accounting year by a percentage greater than the average in reimbursement per admission permitted for purposes of title XVIII of the Social Security Act under the limitations imposed by section 1861(dd) of the Social Security Act.

'(5) Amount of Excess Reimbursement.—The amount of excess reimbursement from a private cost payer to a covered hospital for an accounting year shall be determined by the Secretary of Health Education, and Welfare and shall be equal to the amount by which such reimbursement per admission to the covered hospital for inpatient hospital services covered by the private cost payer for the hospital's accounting year, exceeds such reimbursement in the hospital's immediately preceding accounting year by a percentage greater than the increase in reimbursement per admission permitted for title XVIII of the Social Security Act under limitations imposed by section 1861(dd) of the Social Security Act.

'(6) Amount of Excess Charges.—The amount of excess charges of a covered hospital for an accounting year shall be determined by the Secretary of Health, Education, and Welfare and shall be equal in amount to the product of—

"(A) the amount by which the amount of average inpatient charges per admission for inpatient services made by the hospital in

the hospital's accounting year, exceeds such charges in its immediately preceding accounting year by a percentage greater than the increase in average reimbursement per admission permitted for purposes of title XVIII of the Social Security Act under the limitations imposed by section 1861(dd) of the Social Security Act, and

'(B) the percentage of inpatient charges in the accounting year which are attributable to patients other than those for which the responsibility for payment has been assumed by a private cost payer (as defined in paragraph (2)) or a program established under title V, XVIII, or XIX of the Social Security Act.

'(7) Approved Escrow Account.—The term 'approved escrow account' means an escrow account—

'(A) which is established and maintained by a covered hospital in a manner approved by the Secretary of Health, Education, and Welfare, and

'(B) from which funds may be withdrawn by the hospital only in an amount which is not greater than an amount which, if added to inpatient charges in an accounting year, would not constitute excess charges.

SUMMARY OF NELSON AMENDMENT TO H.R. 5285

NELSON AMENDMENT

The proposed amendment is intended as a compromise between the mandatory, immediate Federal controls contained in the Human Resources Committee-reported bill, and the limited Medicare/Medicaid, routine cost, approach in H.R. 5285. Current estimates are that this amendment would save between $30 and $35 billion over the next five years, as opposed to $50 to $60 billion for the Administration/Human Resources bill and less than $500 million for the current Talmadge bill approach. Basically, the amendment expands upon rather than substitutes for the Talmadge bill cost controls and consists of three major parts:

1. The amendment would not alter the general approach of the Talmadge bill for revising reimbursement for routine costs under Medicare/Medicaid. Hospitals would be classified, average rates would be determined, and limits would be set for such costs under the amended program just as they would under Section 2, except that several minor modifications to Section 2 are included which would result in increased cost savings under the Talmadge approach (see items 5 through 8 in Section-by-Section Analysis).

2. In addition, the amendment would statutorily recognize that the hospital industry itself may be able to bring overall hospital cost increases under control through voluntary efforts. The amendment adds a new subsection to Title XVIII of the Social Security Act which sets out the voluntary goals, as proposed by the industry. Those goals apply to hospitals in the aggregate, rather than individually, and they call for cost increases (other than those arising from increases in the average hourly wage rates for nonsupervisory employees) to be held to 2 percent less in 1978 and 4 percent less in 1979 through 1982 than the rate by which such expenses increased in 1977. However, in order not to unfairly penalize hospitals for increases in inflation for which they aren't responsible, in no case would the goals need to be less than one and one-half times the increase in the GNP deflator.

The role of the new Health Facilities Cost Commission created by the Talmadge bill would be expanded, and it would be charged with oversight of the voluntary effort, and with determining whether it has succeeded.

3. If, in any year, the national voluntary effort fails to meet its announced goals, standby, mandatory controls would go into effect for the following year under the proposed amendment (except that if the voluntary effort fails for 1978, such controls would take effect July 1, 1979). Even if the national voluntary effort fails, however, hospitals would be exempt from controls in any State which meets the national goals, or which has in effect a State cost containment program at least as comprehensive and effective as the Federal program.

The standby controls would involve limitations applicable to all costs and all payors. They would limit the allowable rate of increase for all hospitals with more than 4,000 annual admissions to a percentage derived from the increase in routine costs allowable under the Talmadge bill, the increase in general wages in the hospital's area, and a "market basket" index of increases in a number of goods and services normally purchased by hospitals.

Increases beyond the limits would not be paid by medicare and Medicaid, for either ancillary or routine costs. With regard to private payors, any excess paid by such payors following the imposition of controls would be required to be held in escrow until returned to payors in the form of rate reductions.

The percentage limitation would be subject to adjustment to take into account excessive increases in the prior year, changes in the volume of admissions, and a mandatory "pass-through" of increases in the wage rates of nonsupervisory employees. The Secretary would be authorized to issue appropriate regulations to define terms, provide exceptions and guard against attempts to avoid the intent of the limits.

NELSON AMENDMENT TO H.R. 5285

SECTION-BY-SECTION ANALYSIS

Section 1. This section of the Nelson amendment adds a new preamble which sets forth the broadened purposes of the hospital cost containment provisions of H.R. 5285, as amended by this proposal. Those purposes include setting Medicare and Medicaid limits on routine operating costs, recognizing the hospital industry's voluntary goals for limiting the rate of increase in hospital expenses, and putting in place standby controls for all inpatient costs for all payors if the voluntary goals are not met.

Sections 2 through 4. These sections include clarifying and technical amendments to H.R. 5285.

Sections 5 through 8. These sections include several cost-effective modifications to the routine cost limitations proposed in H R. 5285, as follows:

Section 5 modifies the Talmadge bill provision which requires that only one-half of hospital costs in excess of the limits be disregarded in determining the average routine operating costs upon which future limits would be based. The proposed amendment would disregard the full amount of such excess current costs in determining future target limits. This would prevent hospital costs found to be unreasonable in the year in which they were incurred from increasing the level of costs found reasonable in future years.

Sections 6 and 7 amend the section which permits a hospital with routine operating costs below the 115 percent limit established by the section to increase such costs to the limit without penalty. The proposed amendment would restrict the increase allowed in any year to one and one-half times the rate of increase in the index of the cost of goods and services used in setting the limits, subject to "pass-through" of increases in the wage rates of nonsupervisory employees. This change would prevent reimbursement for increases at levels not justified by changes in the economy.

Section 8 modifies the provision permitting hospitals below their target rates to receive incentive payments. The proposed amendment would require that half of such incentive payments go to hospital employees. Such a change would give hospital employees a stake in containing costs that would be particularly meaningful in the large nonprofit segment of the hospital industry.

Sections 9 through 12. These sections would modify the provisions in H.R. 5285 establishing a Health Facilities Cost Commission, as follows:

Section 9 is a technical amendment.

Section 10 would require the Health Facilities Cost Commission established to direct particular attention to new subsection 1861 (cc), (dd), and (ee) added by this amendment.

Section 11 would modify the requirement that the Health Facilities Cost Commission report to the Congress, as well as to the Secretary of HEW. The proposed amendment would have the Commission report only to the Secretary of HEW.

Section 12 would alter the requirement in H.R. 5285 that the Health Facilities Cost Commission functions in a purely advisory capacity. The proposed amendment allows the Secretary to implement their recommendations for Medicare and Medicaid reimbursement after providing Congress with at least 60 days advance notification.

Section 13. This section would insure that the new cost containment provisions in this bill apply to Medicaid as well as Medicare.

Section 14. The proposed amendment adds new subsections "(cc)", "(dd)" and "(ee)" to section 1861 of the Social Security Act and a new subchapter "F" to Chapter 36 of the Internal Revenue Code. In general, the new subsection (cc) embodies voluntary goals for limiting the increases in hospital expenses (other than expenses arising from increases in the average hourly wage rate for nonsupervisory employees). The new subsection (dd) embodies standby limits on increases in total inpatient reimbursement per admission for Medicare and Medicaid. The new subsection (ee) provides exemption from these standby controls in consideration of State plans of comparable effect and to facilitate experiments. The new subchapter "(F)" of Chapter 36 of the Internal Revenue Code extends the standby limits on increases in total reimbursement per admission to non-Government payers by imposing excise taxes on hospitals and non-Government cost payers where the increase in their charges or reimbursements exceed the increase allowed by the limits.

The voluntary goals set forth in subsection (cc) are that expenses (other than expenses arising from increases in the average hourly wage rates for nonsupervisory employees) be held, in the case of hospitals with 4,000 or more admissions annually, to 2 percent less in 1978 and 4 percent less in 1979 through 1982 than the rate by which such expenses increased in 1977. However, in no case could the goal be less than 1½ times the increase in the GNP deflator. Hospitals in a State would be subject to the standby limits in subsection (dd) only if the goal was breached on a national basis and if the national goal was breached by hospitals in that State.

The subsection requires quarterly reports by hospitals of their expenses for purposes of monitoring the goals and reimbursement penalties for hospitals that fail to do so.

The new subsection (dd) embodies standby limits on increases in total inpatient reimbursement applicable to hospitals with 4,000 or more admissions annually. In the event that the standby limits go into effect, increases in reimbursement per inpatient admissions under Medicare and Medicaid would be limited to a percentage derived from the increase in routine operating costs allowable under the new subsection (bb), the increase in general wages in the hospital's area in the latest two year period for which data are available and a "market basket" index of other cost increases. The percentage limitation would be subject to adjustment to take into account excessive increases in the prior year, changes in the volume of admissions, and a "pass-through" of increases in the average wage rates of nonsupervisory employees up to the prevailing rates for comparable work in the hospital's area. The Secretary would be authorized to issue appropriate regulations to define terms, provide exceptions and guard against attempts to avoid the intent of the limits.

The new subsection (ee) provides for the exemption from the standby limits under subsection (dd) the hospitals in a State that, along with certain other requirements, can reasonably be expected to meet the objectives of that subsection (including protection for nonsupervisory workers) under a program established by that State. The subsection also provides an appropriate share of the support of such State programs from Medicare and Medicaid. The new subsection would authorize grants ($10 million would be appropriated in the first fiscal year) for start-up of State programs and would also allow exemptions to facilitate experiments.

The new subchapter "F" of Chapter 36 of the Internal Revenue Code would define costs reimburse to hospitals by non-Government payers or charges imposed by hospitals as excessive where they increase at rates beyond those allowed in the case of Medicare and Medicaid under the standby limits provided under subsection (dd) of the Social Security Act. Excessive reimbursements by a non-Government cost payer would be subject to an excise tax of 150 percent of the excess levied on both the hospital and the payer. Excessive charges would be subject to an excise tax of 150 percent of the excess levied on the hospital, unless the excess were held in escrow pending the occurrence of charges below the limits in the same amount.

COMPARISON OF ESTIMATED SAVINGS UNDER VARIOUS HOSPITAL COST CONTAINMENT PLANS

		Estimated savings				
				Senator Nelson's amendment		
	Hospital revenues under current law (billions)	Administration bill, if effective Jan. 1, 1979 (billions)	Senator Kennedy's bill, if effective Oct. 1, 1978 (billions)	Voluntary program (billions)	If voluntary program fails in 1979, standby program effective in 1980 (billions)	Sec. 2 of Senator Talmadge's bill (millions)
1978	$54.5	----------	----------	−$0.4	−$0.4	----------
1979	63.0	−$2.2	−$2.8	−2.0	−1.7	----------
1980	72.7	−5.2	−6.4	−4.0	−3.4	−$6
1981	83.5	−9.9	−10.7	−6.3	−6.7	−70
1982	95.2	−15.9	−16.5	−8.4	−9.5	−122
1983	107.6	−22.6	−23.2	−10.2	−12.3	−175
Total	476.5	−55.8	−59.6	−31.3	−34.0	−373
Total for medicare and Federal medicaid	178.9	−18.7	−29.0	−11.5	−11.6	−373

Note: Estimate of Senator Kennedy's bill done by the Congressional Budget Office; the estimate ndicates a relatively higher savings under medicare and medicaid because the CBO projected higher current law growth rates for the Federal programs, resulting in greater savings upon application of the limit.

ANNUAL PERCENTAGE INCREASE IN TOTAL COMMUNITY HOSPITAL EXPENDITURE, EXPENDITURES PER ADMISSION AND ALL ITEMS

[Consumer Price Index: Selected years]

	1946–50	1950–56	1956–61	1961–66	1966–71	1971–76	1976–77
Total hospital expenses	16.0	9.9	10.8	10.5	16.9	15.0	[1] 15.6
Expenses per admission	10.4	6.5	7.5	7.4	14.2	12.2	[1] 12.8
All items CPI	5.4	2.0	1.9	1.6	4.5	7.0	6.5

[1] Preliminary estimates.

Source: American Hospital Associa ion, "Hospital Statistics, 1977, 1968; Bureau of Labor Statistics, 1946–77.

Prepared by: Office of the Deputy Assistant Secretary for Planning and Evaluation/Health, Department of Health, Education, and Welfare, Aug. 11. 1978.

Hospital expenses per admission: Selected years

Year:	
1946	$85.61
1950	127.23
1956	186.15
1961	267.38
1966	382.05
1971	743.15
1972	831.75
1973	897.20
1974	994.17
1975	1,166.80
1976	1,324.29
1977*	1,493.65

*Preliminary estimate.

SOURCE: American Hospital Association, *Hospital Statistics*, 1977, 1968.

Prepared by: Office of the Deputy Assistant Secretary for Planning and Evaluation/ Health, Department of Health, Education, and Welfare, August 10, 1978.

Community hospital expenses as a percentage of the gross national product: Selected years

Year:	Percent
1946	0.54
1950	0.74
1956	0.89
1961	1.19
1966	1.36
1971	2.11
1972	2.18
1973	2.18
1974	2.32
1975	2.58
1976	2.67

Sources. American Hospital Association, *Hospital Statistics*, 1977, 1968. *Current Survey of Business*, 1977.

Prepared by: Office of the Deputy Assistant Secretary for Planning and Evaluation/ Health, Department of Health, Education, and Welfare, August 11, 1978.

NATIONAL GOVERNORS' ASSOCIATION,
Washington, D.C., August 9, 1978.

Hon. GAYLORD NELSON,
U.S. Senate,
Russell Senate Office Building,
Washington, D.C.

DEAR SENATOR NELSON: At our 1977 annual meeting the National Governor's Association adopted a policy position which "urges the enactment of a strong national statute that establishes a joint federal and state government cost containment program." The Governors continue to be concerned with the alarming increase in medical care costs.

I understand that you will propose an amendment to the Medicare-Medicaid Administrative and Reimbursement Reform Act (S 1470) which would improve the ability of the state and federal governments to contain the increase in hospital costs. I understand further that your amendment would exempt from federal controls those hospitals providing services in states which establish effective cost containment programs. This amendment is consistent with NGA policy, and I would encourage its adoption.

I thank you for your continuing attention to this issue, and I look forward to working with you to see it resolved in the most equitable and effective manner.

Sincerely,

GOV. J. JOSEPH GARRAHY,
Chairman,
Subcommittee on Health Policy.

NATIONAL CONFERENCE OF STATE LEGISLATURES,
Washington, D.C., August 10, 1978.

Hon. GAYLORD NELSON,
Russell Senate Office Building, U.S. Senate,
Washington, D.C.

DEAR SENATOR NELSON: While The National Conference of State Legislatures believes that administrative and reimbursement reform in Medicare and Medicaid, as suggested in S1470, are critical, we also believe that containing the rate of increase in hospital costs ought to be an immediate national priority. For this reason, our organization fully supports your amendment to S1470 to establish a national, voluntary hospital cost containment program to be followed by a mandatory control program in the event the voluntary effort fails. We would suggest that if mandatory controls are necessary, they should be implemented on a state-by-state basis according to each state's performance with respect to the voluntary goals.

We further support your amendment designed to extend the reimbursement methodology to be utilized under the mandatory program to all payors and not be limited to Medicare and Medicaid.

We believe that S1470 provides adequate assurances that states which are operating effective cost containment programs would be able to continue to administer their own

systems if the mandatory program takes effect. It is our conviction that state cost containment programs have been operating very effectively and should not be preempted by federal law.

Finally, we would suggest that an appropriate role of the federal government ought to be one of providing financial incentives to encourage many other states to experiment with alternative hospital cost containment programs.

As you know, the NCSL is the official representative of the Nation's 7,600 State legislators.

Thank you very much for your assistance.

Sincerely yours,

JASON BOE,
President, NCSL,
President, Oregon Senate.

NATIONAL ASSOCIATION OF COUNTIES,
Washington, D.C., August 9, 1978.

Hon. GAYLORD NELSON,
Subcommittee on Health and Scientific Research, Committee on Human Resources, Russell Senate Office Building, Washington, D.C.

DEAR SENATOR NELSON: The National Association of Counties strongly supports the approach to hospital cost containment proposed by Senator Talmadge (S. 1470). We support with equal vigor the amendments you have proposed to expand and strengthen the bill by recognizing the voluntary effort, but extending standby mandatory controls to all hospital costs.

NACo has supported effective cost containment legislation because counties bear a significant share of escalating health costs. Counties contribute 10 percent of the national Medicaid bill, and are themselves providers of last resort to unsponsored patients. Skyrocketting health costs have forced counties to increase the proportion of scarce property tax dollars they allocate to health care, thus reducing their ability to maintain or expand other esesntial services.

For these reasons, NACo commends and thanks you for your leadership in developing a realistic, viable proposal for hospital cost containment. We stand in firm support of S. 1470 and the strengthening amendments you propose.

Sincerely,

TERRANCE L. PITTS,
Chairman, NACo Health and Education Policy Steering Committee, and Supervisor, Milwaukee County, Wis.

[From the Milwaukee Journal]

KEEPING THE LID OFF HOSPITAL COSTS

If you worry about inflation, very likely you realize that hospital expenses are just about the most inflated thing in the entire American economy. Last year they rose 16 percent continuing a trend of more than two decades.

So the Carter administration had good reason to make hospital cost control the centerpiece of its campaign against inflation. And the House Commerce Committee had no valid reason for what it did to the cost control bill the other day.

Cravenly yielding to pressure from special interests, and totally ignoring the public interest, the committee made a wreckage of the measure. No longer is there any provision for clamping a lid on hospital expenses at any time, no matter how rapidly they may rise.

All that's left is a meaningless statement asking hospital officials and doctors voluntarily to hold back a bit on hospital costs. That is not a piece of legislation; it's merely a platitude.

Even before the Commerce Committee's devastating blow, the bill had been weakened. Compromisers had decided to give hospitals a two year trial period to see if they could shave two percentage points a year off the cost acceleration rate.

The compromise at least would have granted the President eventual standby power to impose a ceiling on cost increases if voluntary restraints failed. But that authority was distressingly ripped out by the Commerce Committee.

Why? Because that's the way the hospital industry, the American Medical Association and certain hospital employe unions wanted it. In order to placate those groups, committee members were willing to give the green light to inflation. (The AMA and labor are big donors to congressional campaigns.)

Unfortunately, the lawmakers may be able to get away with such action, because so many voters are insulated from the direct impact of rising hospital expenses. Third party payers—insurance, Medicare and Medicaid—pick up much of the tab.

Yet the financial burden weighs on the whole economy, affecting taxes and the price of virtually everything on the market. President Carter estimated that his bill would lop $30 billion from that burden in the next five years.

The sooner Americans fully realize that runaway hospital costs are taking money out of their pockets—third party payers notwithstanding—the less likely congressmen will be to keep taking their cue from lobbyists.

[From the Los Angeles Times, July 28, 1978]

CUTTING HOSPITAL COSTS

President Carter's proposal for mandatory cost controls on hospital charges has been rejected by the House Commerce Committee, the action apparently killed all chances this year to impose federal restraints in this major area of health care. The feeling in Congress, based on earlier experience with price controls, is that ceiling on charges wouldn't work. The trouble is that the voluntarism in curbing hospital fees that Congress is inclined to support isn't likely to work either.

The Administration's move to limit the rate of annual increase in hospital charges was a well-intentioned response to a severe inflationary problem. Hospital costs have been rising at more than double the general rate of inflation. An average hospital stay that in 1965 cost $350 today costs $1,300. By 1983 the cost is expected to hit $2,600.

There is no single cause for the inflation in hospital costs. The sources of the problem are manifold, which is one reason why putting an arbitrary ceiling on cost increases, without reference to other considerations, probably would not be too effective. Among the causes are these:

An excess of hospital beds. The Department of Health, Education and Welfare estimates that of the nation's 947,000 hospital beds, 200,000 are unfilled at any given time, of those, 100,000 are not needed at all.

An abundance of expensive equipment. Hospitals in the same area often acquire the same complex and costly diagnostic and therapeutic equipment, whether or not need justifies the investment. HEW Secretary Joseph A. Califano Jr. notes, for example, that in Southern California hospitals alone there are enough computerized brain and body scanners—at $500,000 a copy and up—to satisfy the health care needs of all the Western states. Where such equipment is available there is a tendency to use it, however marginal the benefit to the patient may be. Bills go up accordingly.

Defensive medicine. The rise in malpractice claims against doctors has prompted them to order more X rays, laboratory tests and other procedures than would normally be indicated, simply to protect themselves against possible liability. In an American Medical Assn. poll last year, 76% of physicians conceded that they practice such defensive medicine. The extra costs add significantly to hospital and general medical bills.

Lack of consumer choice. Doctors determine if patients should go to hospitals and doctors determine what happens to them once they are there. The patient has little if any say in the selection of hospitals, which in any case are not price-competitive, and little say—elective surgery is an exception—about what tests or treatment will be given. This lack of consumer say-so removes a major incentive for controlling costs.

Insurance. This is possibly the paramount cause for unnecessary utilization of hospital services and for the absence of incentives to hold down costs. About 90 percent of the typical hospital bill is paid for by third parties, whether by government or private insurers. The availability of insurance along with certain conditions of coverage are acknowledged by doctors and hospital administrators to encourage excessive demand. In some cases insurance, in effect, forces patients into hospitals for tests or treatment that could just as satisfactorily be performed on an out-patient basis. Similarly, services are demanded of hospital emergency rooms by patients who do not have medical emergencies at all, because of assured reimbursement. The prevalence of insurance is seen by many as a disincentive to resisting higher costs, by either patients or hospitals.

The threat of government intervention to limit hospital fee increases has been enough to prompt private hospitals to take voluntary action to hold down price increases, the goal being a 2 percent a year reduction for the next two years in the rate of increase. This modest effort does not really go to the roots of the problem, though, nor even if fully successful would it bring hospital price inflation under control.

Stronger approaches are going to be needed to deal with such inflationary considerations as hospital overcapacity, investment in duplicative equipment and services, and the absence of incentives in insurance programs to hold down costs. Hospital charges are the largest single component in the nation's health care bill, which this year is expected to total $200 billion, and the most inflationary item in that bill. Voluntary efforts to bring that inflation under control—by health-care providers, insurers and consumers—certainly must be encouraged. But if those efforts don't work, then the federal government may well have to take vigorous action on its own, out of budgetary need for itself and economic good sence for the country.

[From the Scranton (Pa.) Times, July 24, 1978]

CARTER HOSPITAL COST CONTAINMENT KILLED

A proposal of President Carter to put some sort of lid on rapidly rising hospital care costs has been gutted by the House Commerce Committee. Its 22–21 vote to eliminate even the threat of controls on the hospital industry makes a sham of the cost-containment effort. Earlier, the committee had approved standby instead of mandatory controls, but even this watered-down version fell by the wayside.

The measure was no socialistic scheme to have the federal government run the hospitals, as some critics had maintained. Two state governments—Maryland and Connecticut—have pioneered hospital review commissions with excellent results. Maryland achieved a savings for private hospital patients of some $55 million in the first two years of its state review program. Connecticut experienced savings of more than $30 million.

President Carter has estimated that if his proposal had gone into effect last October as planned, "our country would already have saved $2 billion in hospital costs by now."

What the Carter proposal was aimed at was containing costs by requiring hospitals to justify expenditures and planned improvements and higher rates with the goal of holding the rate of increase in hospital costs to 9 per cent. In contrast, the nation's hospital bill rose 15.6 per cent last year to $53 billion. In opposing the bill, representatives of the hospitals and the American Medical Association claimed that their voluntary efforts had held the rise in hospital costs to 12.7 per cent during the first four months of this year.

It is under the voluntary program that hospital costs have skyrocketed. The problem had grown beyond the capacity of the hospital industry to handle and it became clear that the public interest demanded a review and containment program be adopted. But for now, the House Commerce Committee has left the situation in the hands of those who let it get so badly out of kilter.

[From the Oklahoman, July 23, 1978]

HEALTH PLAN DEEPER INTO LIMBO

National health insurance was thrust deeper into the limbo it has long occupied when the House Commerce Committee wrecked President Carter's proposed lid on hospital costs.

Watered down to eliminate the threat of mandatory controls, the legislation which emerged from the committee would create a toothless national commission to monitor a hoped-for voluntary effort by hospitals and physicians to hold down cost increases.

The committee's action is described as a major setback for the administration. That is its ostensible effect, but it also enables Carter to blame Congress for a further indefinite delay in the implementation of what had been one of his foremost campaign promises.

For a decade or more, an assumption widely expressed in Congress and elsewhere was that some form of national health insurance was inevitable, and that it wouldn't be long coming. Congressional leaders presumably in a position to judge the prospects have long been saying that national health insurance was just around the corner.

Prospects for congressional action were thought to have improved materially in April 1974 when Wilbur Mills, then the powerful chairman of the House Ways and Means Committee, and Sen. Edward Kennedy, D-Mass., unveiled a proposal not radically different in concept from a plan the Nixon administration was supporting at that time.

The 93rd Congress closed with expressions of confidence that a prospective influx of newly elected House liberals would help break a stalemate on national health insurance which dated back to the Truman presidency.

The 94th Congress convened in January, 1975, with renewed calls for action on the subject. Oklahoma's Carl Albert, then speaker of the House, told the opening session of the new Congress he had "assured the chairmen of the appropriate committees" that national health insurance would be "one of the first bills—if not the first"—to come before the House. Rep. Al Ullman, D-Ore., who became chairman of the Ways and Means Committee after the spectacular fall from grace of Wilbur Mills, said he hoped his committee could draft a bill as early as the summer of 1975.

The summer of 1978 has arrived, and national health insurance remains as elusive as ever. President Carter said early in 1977 that his administration would complete that year its plan for phasing in a comprehensive health care system covering all Americans.

He said he had a "timetable and a phased approach" that would begin with an initiative toward the control of hopsital costs. A year ago last April, he proposed to Congress a "cap" of 9 percent on hospital cost increases in 1978, with smaller boosts to be permitted in subsequent years.

It has long been apparent that any federal effort to guarantee health services for the entire country would begin with an attempt to limit costs, since no insurance program—public or private—can function long without some inkling of the liabilities it is assuming.

The already troubled Social Security system is in no position to shoulder the mind-boggling costs, and the horrendous deficits in the general budget make it even less promising as a source of financing. Thus national health insurance is likely to remain a will-o-the-wisp until the government is able to get a handle on cost.

[From the Providence Journal, July 21, 1978]

TO THE HOSPITALS: PLEASE CUT YOUR COSTS . . . THANKS

While it may be premature to sound the death knell of the administration's hospital cost containment plan, the House Commerce Committee this week so weakened the measure that the chances of restoring it as a major anti-inflation weapon in the government's arsenal seem almost nil.

By a one-vote margin, the committee excised all references to mandatory limits on hospital cost increases, which last year reached an average 16 percent. Instead of setting a ceiling of from 9 to 11 percent on annual growth as proposed, the committee would merely encourage the nation's hospitals to curb their spending by two percent a year and offer the states a financial incentive to develop their own cost containment programs.

In effect, the powerful medical lobby which trained its biggest guns on Congress over the last year, has virtually won the day. It argued that a curb on spending would threaten the quality of health care, unfairly discriminate against some hospitals whose fiscal pressures are greater than others', and put the burden of wage controls on hospital workers alone.

The administration position has been that a forced cutback of hospital spending from the present rate, which is more than double the average national rate of inflation, to something in the area of half again as much as the inflation rate would save $56 billion over five years. A later plan would have allowed hospitals to adopt voluntary restraints but if that failed would have imposed mandatory controls.

Now it appears all thought of government sanctions has been abandoned in favor of voluntarism, a concept that is universally desirable but all too often totally ineffective. Inflation is widely deemed Public Enemy No. 1 in this country, yet when it comes to a modest clampdown on a highly inflationary service industry which operates for the most part on a non-profit basis, Congress beats a hasty retreat.

Clearly, the issue has created few sparks among the voters. Since most hospital bills are paid by health insurance carriers and government health programs, the average citizen is divorced from the crisis and if asked might well view economizing measures as inappropriate to the health field.

From the congressional point of view, hospital cost containment gives nothing tangible and takes something away, raising a political red flag particularly in an election year. Put another way, Congress appears ready to foresake a major effort to control inflation on the grounds that protecting one's political skin is the first order of business.

Asking hospitals to cut costs voluntarily—a nice idea—is like urging smokers to give up cigarettes because they cause cancer. One in a thousand times it might work but it can't be counted on.

[From the Arkansas Gazette, July 21, 1978]

FAILURE ON HOSPITAL COSTS

Americans have almost no weapon left to employ against soaring health care costs, specifically hospital costs, now that the House Commerce Committee has succumbed to the medical lobby and killed President Carter's plan to put a ceiling on hospital bills.

The fact, of course, is that the patient in this country stands at the mercy of an industry that has put a great deal more emphasis on resisting any kind of cost controls than on efforts to keep its cost even within shooting distance of the nation's general rate of inflation. Between 1976 and 1977, for the most recent example, hospital costs rose about 16 percent.

The hospitals have been pleading throughout their lobbying against the Carter proposal that they should be given a chance first to reduce costs on their own. This has been a fairly reasonable proposition. It makes little difference whether the reductions come through federal regulation or voluntary measures just as long as a swift result is forthcoming. Voluntary measures, for that matter, would be better.

But what the House Commerce Committee has done, by substituting a bill asking hospitals to reduce their cost increases, is remove Mr. Carter's threat of federal controls if the hospitals don't respond or if they fail in voluntary efforts.

Some hospitals will make a strong effort. There is evidence that a good many hospitals in Arkansas, for one state, are engaged in a good faith attempt in recent months, although there is no way to measure the degree of success at this point. Too many other hospitals care not one whit about holding down the cost to the patient, which they do not distinguish from the insurance company, for accounting purposes. Unfortunately, it is the patient and not an insuror who is held responsible by the same hospitals for the total cost, which is plenty. Patients pay insurance premiums, in any case. Certainly the fear of hospitalization these days is as much for personal financial reasons as any other.

HEW Secretary Joseph Califano calls the substitute bill, introduced by Representative James T. Broyhill of North Carolina, "a sham," as well as "an affront to the American people and the administration's attempt to combat inflation, our nation's No. 1 domestic problem."

There is a slim chance, we suppose that the House Ways and Means Committee will report out a bill with threat of mandatory control and thus save the day, but there is little realistic hope that such reason will prevail.

The Broyhill bill, besides asking hospitals to cut their cost increases by—percent in 1978 and 2 percent in 1979 makes a fumbling attempt to shunt responsibility to the states. It would provide for federal aid to states to establish their own hospital cost control plans. The health care lobby, by all odds, has far greater influence at the state level in most states than it does even at the national level. In other words, the United States will be a lot better off not having the substitute bill offered by Broyhill, if only because it won't be out the federal expense of maintaining a state-by-state facade on hospital cost controls.

Loss of the threat of mandatory controls represents not only a major failure of Congress to enact anti-inflationary measures offered by the President but also diminished hope that health care costs of any nature can be brought down to reasonable scale.

[From the Bennington Banner, July 21, 1978]

HOSPITALS OUT OF CONTROL

The first sign of seriousness in Jimmy Carter's campaign against inflation was his decision to try to throttle one of the real

engines of inflation in the economy, hospital costs that have been going up an average 16 percent a year. The president's effort was well-researched, pursued with political muscle, and doomed to failure, which came Tuesday morning in a meeting room of the House Commerce Committee.

Dwight Eisenhower left Washington warning the nation presciently about the military-industrial complex. When Jimmy Carter goes, his swan song should contain a Cassandra note about the equally monolithic medical-industrial complex. The white jackets have beaten him, and in doing so have placed in question not only his inflation-control program but all hopes for comprehensive national health insurance as well.

The goal of the Carter hospital-cost-control proposal was to bring the rate of cost increases in hospital care down to 9 percent a year through the use of mandatory controls. The proposal drew heavily on the experience of Massachusetts, Connecticut and a few other states that have been able to achieve this through review boards on equipment and facility investment and hospital utilization.

Nine percent would still have permitted hospitals to increase spending at a rate substantially above the prevailing inflation rate in the economy, but it would have been a start. Still, the American Hospital Association and the American Medical Association wouldn't hear of it. A compromise that would have given the hospitals a period of time to lower costs voluntarily before mandatory controls would be instituted was not even good enough for the medical lobby.

What they finally permitted was a toothless and gumless creature that merely encourages hospitals—with no threat of controls in the event of failure—to lower their costs by a less-than-whopping 2 percent. At that point, if it is reached, hospitals will still be raising their costs at a rate precisely double the overall inflation rate in the economy.

The medical-industrial complex can get away with this for three reasons: The AHA and the AMA are among the biggest spenders when it comes to campaign contributions, with the AMA the perennial leader; hospital boards are often manned by local leaders from other fields, who make effective lobbyists with congressmen, and—perhaps most important—the public by and large doesn't feel the bite of rising hospital rates directly because insurance companies and government cover so much of the cost.

Indirectly, of course, the public gets hit in myriad ways. Higher hospital rates are reflected in higher taxes and in higher prices for virtually everything that is sold—auto manufacturers, for example, spend more on medical insurance for their employees than they do for steel. But by the time the costs have been passed along to the consumer, the heavy hand of the hospitals is no longer visible—off in a congressman's pocket, most likely.

[From the Chicago Sun-Times, July 21, 1978]

A KNIFE JOB ON HEALTH-CARE COSTS

"Hmm," the chief physician mumbles, "something serious here. I'll write out a prescription, and you start taking the pills."

A second opinion: "Maybe we can be a little more cautious," another doctor says. "If it doesn't clear up in a while, we'll prescribe something then."

And then the third opinion, the blockbuster: "I'm going to put this medicine over there on the bedside table. Look at it briefly three times a day, Please?"

The players in this little farce are, respectively: President Carter, who wanted a 9 percent lid on hospital cost increases (growth hit 16 percent last year); Rep. Dan Rostenkowski (D-Ill.), who wanted to make the controls voluntary, but with some enforcement power if goals weren't met; and the House Commerce Committee, which absolutely gutted Carter's plan this week.

By bowing 22 to 21 to the hospital lobby and making cost-containment a request rather than a requirement, the committee imposed a $56-billion tax on Americans who get sick. That's the computation of Health, Education and Welfare Sec. Joseph T. Califano Jr. of the estimated savings in the Carter plan over the next five years.

One culprit in the defeat is Rep. Marty Russo (D-Ill.), who, incredibly, argued that implementation costs would have been greater than the savings the bill would bring.

Foes of the stricter measures pointed to slight taperings in soaring health-cost rates. Unfortunately, they fail to point out that many hospitals, scared stiff of mandatory controls, have deferred expensive capital improvement plans, making them look better on the balance sheets but leaving open the option for later building booms.

Hospital costs have risen 1,000 percent in a generation. They threaten further spurts. Yet hospital bigwigs rumble, and Congress quivers. Our diagnosis: lobbyitis.

[From the Atlanta Constitution, July 20, 1978]

HOSPITAL PRICES

The lobbyists have won again. And the people lose again.

So, if you're sick and going to the hospital, dig deep in your pockets, mortgage your house, cash in your life insurance policy, withdraw your life savings, ask the bank for a signature loan. Do that and perhaps you'll have enough money to pay your hospital expenses if your illness isn't too severe and you don't stay in the hospital for more than just a few days. Or at least you'll have enough to pay for what your health insurance doesn't cover.

The House Commerce Committee Tuesday voted against a Carter administration bill which would have eased sharply rising hospital prices by placing a lid of 9 percent on increases the first year. The bills rose about 16 percent between 1976 and 1977, continuing annual big jumps in hospital prices.

But the members of the committee voted 15–12 to support a substitute bill asking hospitals to cut their cost increases by only 2 percent in 1978 and 1979, and also removed Carters' threat of federal controls if the voluntary attempt fails.

Lobbyists for the American Hospital Association and the American Medical Association got to the committee members—and the committee voted for them, not the American people they're supposed to be representing.

But time is going to run out on the hospital and medical groups who won't agree to brake their price increases as strongly and quickly as possible. During the committee debate, for example, Rep. Paul Rogers, D-Fla., who had supported Carter's bill, displayed a hospital bill for more than $23,000 and said: "Ten days. Ten days in a hospital. The man died. And here's his bill for more than $2,300 a day! People out there are screaming for help. And we're not listening."

The committee members and the hospital and medical groups aren't listening this time—but the screaming isn't going to go away. It's going to get louder and louder and stronger and stronger. And the longer they resist reasonable price controls, the more they're going to lose in the end.

[From the Columbus Dispatch, July 20, 1978]

HOSPITAL CARE COSTS CONTINUING PROBLEM

Proponents of the Carter administration's hospital cost containment plan understandably feel dissatisfied with a U.S. House Commerce Committee decision to deny mandatory controls. Even so, the action should serve as additional warning to the health industry to remain alert to a stern economic reality.

Hospital costs account for 40 percent of the $140 billion spent each year for health care in the U.S. and are rising at double the national inflation rate. They jumped by 15.6 percent last year alone. The original Carter proposal called for a 9 percent annual increase ceiling to be followed by a decline of 2 percent a year. Proponents of the plan contend absence of mandatory controls amounts to a $56 billion "tax" on the American people over a five-year span.

The U.S. health industry, including hospitals, doctors and insurers, is well aware of the economics involved. They say their voluntary efforts to curb costs now are reducing the rate of increase by more than 2 percentage points. What is bothersome is that they are talking merely about reducing the rate of cost increases. Actually, reducing the cost is still another matter, one which may not be solved until the whole problem of inflation can be unraveled by all segments of the economy, the federal government included.

Health industry officials are aware of another reality. While the House Commerce Committee may have taken the teeth out of mandatory controls, the House Ways and Means Committee may restore that bite—or it can be put in place if the measure reaches the whole House.

More is involved in this debate than just the cost of hospitalization. If hospital administrators, doctors and insurers cannot contain the alarming explosion of health care costs, inevitably Congress will move in with mandatory regulations. That will mean but one thing—another giant step toward nationalization. The handwriting is blazing indelibly on the wall.●

DISTRICT OF COLUMBIA REPRESENTATION—HOUSE JOINT RESOLUTION 554

AMENDMENT NO. 3479

(Ordered to be printed and to lie on the table.)

Mr. MELCHER submitted an amendment intended to be proposed by him to House Joint Resolution 554, proposing an amendment to the Constitution to provide for representation of the District of Columbia in the Congress.

NOTICES OF HEARINGS

SUBCOMMITTEE ON EAST ASIAN AND PACIFIC AFFAIRS

● Mr. SPARKMAN. Mr. President, the Subcommittee on East Asian and Pacific Affairs of the Committee on Foreign Relations will hold a hearing on the "Current Situation in Indochina" with particular reference to regional political developments, the Cambodian-Vietnamese conflict, refugee problems, and the human rights violations in Cambodia (S. Res. 323 and S. Res. 469). The hearing is scheduled for 10 a.m. on Monday, August 21, in room 4221 of the Dirksen Senate Office Building.●

COMMITTEE ON ENERGY AND NATURAL RESOURCES

● Mr. JACKSON. Mr. President, I would like to announce for the information of the Senate and the public, the scheduling of public hearings before the Committee on Energy and Natural Resources.

The hearings are scheduled for August 24 and 25, beginning at 8 a.m. in room 3110 of the Dirksen Senate Office Building. Testimony is invited regarding

S. 3418, the Pacific Northwest Electric Power Planning Act.

For further information regarding the hearings, you may wish to contact Mr. Joel Merkel at 224–3234. Those wishing to testify or who wish to submit a written statement for the record should write to the Senate Committee on Energy and Natural Resources, room 3106 Dirksen Senate Office Building, Washington, D.C. 20510.●

SUBCOMMITTEE ON ENERGY, NUCLEAR PROLIFERATION AND FEDERAL SERVICES

● Mr. GLENN. Mr. President, I wish to announce that the Subcommittee on Energy, Nuclear Proliferation and Federal Services will conduct a hearing Monday morning, August 21, on S. 3411 and S. 3412.

S. 3411 would exempt General Accounting Office employees from laws administered by the Civil Service Commission regarding appointments, position classification, and certain other personnel actions. S. 3412 deals with the retirement and survivor benefits of Comptrollers General. My introductory comments on both bills appear on pages 26141–26142 of the August 15 CONGRESSIONAL RECORD.

The hearing will begin at 8:30 in room 3302, Dirksen Senate Office Building. The witnesses will be Comptroller General Elmer Staats and Civil Service Commission Vice Chairman Jule M. Sugarman. Persons desiring additional information or wishing to submit statements should call Vic Reinemer or Anne Boni of my subcommittee staff at 224–1474.●

COMMITTEE ON THE JUDICIARY

● Mr. ROBERT C. BYRD. Mr. President, for the Senator from Mississippi (Mr. EASTLAND) and on behalf of the Committee on the Judiciary, I wish to give notice that a public hearing has been scheduled for Friday, August 25, 1978, at 9:30 a.m., in room 2228 Dirksen Senate Office Building, on the following nominations.

Theodore McMillian, of Missouri, to be U.S. circuit judge for the eighth circuit vice William H. Webster, resigned.

Harold A. Baker, of Illinois, to be U.S. district judge for the eastern district of Illinois vice Henry S. Wise, retired.

Mariana R. Pfaelzer, of California, to be U.S. district judge for the central district of California vice Francis C. Whelan, retired.

Any persons desiring to offer testimony in regard to these nominations shall, not later than 24 hours prior to such hearing, file in writing with the committee a request to be heard and a statement of their proposed testimony.

This hearing will be before the full Judiciary Committee.●

SUBCOMMITTEE ON THE CONSTITUTION

● Mr. BAYH. Mr. President, I would like to announce that the Subcommittee on the Constitution will hold another day of hearings on the legislation concerning the implications of the Zurcher versus Stanford Daily decision on August 22, 1978, at 9 a.m., in room 5110, Dirksen Senate Office Building.

Anyone wishing to submit testimony for the hearing record should send his or her statement to, or contact Kevin O. Faley, Subcommittee on the Constitution, 102–B Russell Senate Office Building, Washington, D.C. 20510.●

ADDITIONAL STATEMENTS

A NEW ERA FOR THE NAVY

● Mr. HART. Mr. President, this year's defense debate focused heavily on the question of whether to build another large, nuclear-powered aircraft carrier. The expense of this ship—over $2 billion—and questions about its effectiveness and survivability have made it the center of congressional and press attention. Its proponents, concentrated in the uniformed Navy and the House of Representatives, seems to have won. (As a result, a Presidential veto is a real possibility.)

However, the approval of a large carrier by the Congress is the wrong issue to focus on the bill. It is certainly of small significance so far as the future of the Navy is concerned. The Senate and the House agree that this is the last such ship the United States is likely to build. Its significance is at best historical—like the last horse cavalry unit and the last steam locomotive, it is the last nuclear supercarrier. It marks the end of an era.

More important, however, is that this year's defense bill also marks the beginning of another era. Besides the last supercarrier, it also includes the first light carrier—a 19,000-ton ship, converted from an amphibious ship, designed for vertical take-off (V/STOL) aircraft. These smaller carriers can give us what the supercarriers cannot: enough ships. At about $700 million for a new (construction) light carrier, we can afford three for the cost of each supercarrier. If we abandon the costly and largely ineffective big carrier escort ships, that ratio doubles: We can send out six or seven small carriers for the cost of one supercarrier and its escorts.

In this bill, Congress has finally resolved the carrier dilemma—for this year and for years to come. Like too many of our defense decisions, the option before Congress has always been the big carrier—or nothing. The importance of this bill is that it provides us and the Navy with an alternative—the light carrier—while insuring the adequacy of our "traditional model" naval forces as we move toward the new concept.

This bill, then, contains the last of the old and the first of the new. We seem to have turned the corner away from dependence on a few vulnerable giants toward smaller aircraft carriers we can afford in the numbers we need.

There are four elements in the bill which move us strongly in the direction of the new concept, new technology Navy built around light carriers and vertical takeoff aircraft.

Conversion of one LPH amphibious ship to the first light carrier, putting it to sea in 1 or 2 years.

Long-lead funding for a sixth LHA to make up for the loss in amphibious life caused by the LPH conversion. When this LHA enters service, a second LPH can be converted to light carrier.

Initial R. & D. money to develop the Navy's first vertical takeoff aircraft. This naval version of the Marine's Advanced Harrier V/STOL will be in service by 1985, 12 years earlier than the Navy's original plans.

$25 million for continued design work on a new construction light carrier.

Resolving the carrier problem will also give Congress a chance to focus on other serious naval questions. The issue crying most loudly for attention is submarines. Many submariners say, and some surface sailors quietly agree, that there are today only two types of ships: submarines and targets. Even if this is a slight exaggeration, the submarine is clearly one of the most effective ships we can build. Unfortunately, as in the case of the supercarrier, the Navy has almost priced itself out of the market. The nuclear-powered attack submarines we now build cost over $400 million each.

As with the carriers, if we are to have enough ships, each must be cheaper. The Senate laid the basis for less expensive submarines in this year's report. It required from the Navy a study "of lower cost, lower capability nuclear propelled submarines and the use of nonnuclear submarines for some missions." A modern nonnuclear submarine, which may actually be more effective in some missions than a nuclear boat, costs only about one-third as much. The Congress may have to fund the construction of such submarines even without a Navy request for them, if we are to have a submarine force of adequate size.

Another problems area is surface ships: cruisers, destroyers, and frigates. Unlike submarines and carriers, we are building surface ships in ample numbers. But, unlike submarines, these ships do not appear very effective. They are slower than the Soviet submarines they are supposed to combat; the submarines almost always find them before they find the subs; and they carry few effective weapons. Yet even a frigate now costs more than a modern conventional sub and half as much as the latest model nuclear submarine.

The continued construction of these ships seems more a testimonial to the entrenched power of the surface ship "union" within the Navy than to logical analysis. If the Navy cannot overcome its internal lobbies, the Congress must. When funds for potentially effective new ships and aircraft are in short supply, it is hard to justify cruisers and destroyers which seem useful mainly as stage props for making movies of World War II.

Thus, the real significance of Congress action was not approving the last big carrier, but paving the way toward a new technology, new concept Navy. To a greater degree than any other recent budget, this year's is oriented toward the future, not the past.

To veto this bill, therefore, because it contains funds for a final nuclear-powered carrier is to ignore the other elements of the bill which will move us toward a new-concept, new-technology Navy. I strongly urge President Carter not to take this action, but rather to support the positive steps the bill takes.●

MIDDLE EAST POLICY

● Mr. BROOKE. Mr. President, on July 26, the Senate, in acting upon the security assistance bill, passed an

amendment stating in clear terms that a strong Israel is fundamental to any successful U.S. policy in the Middle East. I had the privilege of sponsoring that amendment, even though I, unfortunately, had to leave Washington before the vote was taken on it late in the evening.

As we look forward to the Camp David meeting between Prime Minister Begin and President Sadat, it is well to keep in mind the specific points of policy outlined in our amendment that passed by an 87-to-0 vote. First, we stipulated that a lasting, I repeat, lasting settlement of the Arab-Israeli conflict is vital to our interests. We do not want and will not be a party to an imposed settlement that would only be a counterfeit substitute for true peace.

Second, we stated that a strong and secure Israel, which means the maintenance of effective Israeli military capabilities, is fundamental to our goals regarding the Middle East. What this means to me is that we will not, we cannot, take any action that will lessen Israel's capacity either to deter aggression or effectively defend herself should another conflict break out despite all efforts to avoid such an event. Concretely, we state in the amendment that the United States should be responsive to Israeli requests for additional advanced aircraft needed to maintain her defense capacities.

Third, we called for the support by moderate Arab States of direct face-to-face negotiations between Israel and Egypt and, ultimately, between Israel and other Arab States. Hopefully, the Camp David meeting represents such negotiations and the indication that Jordan is supportive of the meeting is a sign that, perhaps, King Hussein and other Arab moderates may decide that the process initiated by President Sadat's trip to Jerusalem has merit.

Fourth, we stated in emphatic terms our commitment to the concept of secure, recognized and defensible borders between Israel and her neighbors, as being integral to any effort to discourage future hostilities. There must be no backing away from this commitment, for it is the essence of the future territorial viability of Israel in the Middle East.

Fifth, we stated our firm belief that fully normalized relations between Israel and its Arab neighbors, meaning trade, travel, tourism, communications and diplomatic relations, would be vital components of any bona fide peace settlement.

Finally, we clearly acknowledged that the correct limited role for the United States is to promote direct fact-to-face negotiations between Israel and the moderate Arab States. Too often in the recent past some in our country have evidenced a desire to impose a settlement. They failed to recognize a fundamental truth regarding the Middle East; namely, that only a settlement reached directly and freely between Israel and her Arab neighbors would have sufficient resiliency to withstand the pressures likely to be extant in the Middle East for many years to come.

Mr. President, the administration would be well advised to adhere closely to the policy recommendations contained in the Senate amendment as it prepares for the Camp David meeting. It should be particularly sensitive to the need for resistance on its part to the temptation to interject freely its views into the discussions. It must avoid encouraging the Arabs to negotiate with Israel only through the United States. Israel and Egypt must engage directly in meaningful bargaining if viable agreements are to evolve eventually from the negotiating process. If Camp David leads to such bargaining, it can be a success.●

"MEDI-GAP INSURANCE"

● Mr. CHURCH. Mr. President, private health insurance designed to supplement medicare—policies which typically fill in the deductible and coinsurance gaps in medicare's hospitalization and outpatient services benefits, as well as hospital indemnity, dread disease, and nursing home policies—is a large and growing insurance business. It will expand as long as this Nation's retired population continues to grow and as long as medicare's protection against high health care costs falls short of basic needs.

The Social Security Administration estimates that 63 percent of the population over the age of 65 had some private health insurance to cover hospital expenses in 1975. Additionally, 55 percent had some form of private health insurance for physician and surgical services.

But these policies, estimated to cost older Americans up to $1 billion a year in premiums, only pay for 5 percent of all health expenditures by the elderly. Medicare pays for only 35 percent of all health expenditures by the elderly when the cost-sharing amounts beneficiaries pay out of pocket for medicare protection are deducted.

Senator LAWTON CHILES, a member of the Special Committee on Aging, chaired excellent and productive hearings on May 16 and June 29 to explore reports that many older Americans are being taken advantage of by some unscrupulous and unethical private health insurance salesmen.

The hearings confirmed that medicare beneficiaries often do buy inappropriate or too much private health insurance.

First, there is wide misunderstanding of what benefits to expect from medicare. Not only is medicare information inadequate, but beneficiaries often have only inadequate information or exaggerated claims to go by when seeking additional protection through private health insurance.

Second, some individual insurance agents can and do take advantage of this confusion to sell unnecessary policies.

I shall submit for the RECORD an article which appeared in Idaho's Valley News on July 26 based on warnings issued by a number of Idaho's better business bureaus. Many better business bureaus play a very important role in consumer education.

I also shall submit for the RECORD an article which appeared in the August, 1978 edition of Senior Citizen News, a publication of the National Council of Senior Citizens, and a syndicated column by Jane Bryant Quinn which has appeared in a number of newspapers across the country. These articles, based on testimony taken during the committee's hearings, are among many which have alerted older Americans to things to look for when purchasing health insurance to supplement medicare.

Senator CHILES has performed an important service by reopening Senate scrutiny of Medi-Gap issues and by focusing on consumer confusion as a major element in the overall problem.

The material follows:

[From the Valley News, July 26, 1978]

ELDERLY WARNED OF INSURANCE CON

The Better Business Bureau in Boise has been forewarned by the Northwest Better Business Bureaus that an age old con game that makes its living off of the elderly has begun to blossom again.

The subject is supplemental old age insurance sold door-to-door to senior citizens. All of these types of salesmen peddle worthless or practically worthless insurance to the elderly, praising it as valuable supplemental programs to consumer's existing coverage or the Medicare benefits.

The truth is that it has very little coverage, as the extremely low premium prices would lead one to believe. Quite often, treatment in nursing homes, convalescent centers and veterans' hospitals are not covered. Yet, verbal communications by these salesmen tell people just the opposite.

Another trick is the waiting period involved before the insurance takes effect. For example, one may have to be in the hospital from one to two weeks before coverage applies.

Still another problem is strict and-or ridiculous pre-existing condition clauses that may go back two years. A joking conclusion may be a toothache of several years ago causing heart trouble today. Some strict clauses have been known to go almost that far.

One of the saddest results of this scheme, besides the loss of income for the buyer and poor coverage, is the false sense of security that it creates. Poorly covered individuals may not seek additional help, thinking that their future problems are over when they are not.

In order to prevent this problem from occuring, 1) know your needs; 2) go over your existing policies and coverage with your present insurance agent; 3) be sure the firm is licensed to sell in Idaho; 4) realize that the cost of insurance closely parallels the coverage you get; 5) be sure the company and-or agent's firm is established locally; and 6) contact the BBB if you are at all suspicious.

[From the Senior Citizens News, Aug. 1978]

SENATE INVESTIGATES "MEDI-GAP" POLICY SALES

Unscrupulous door-to-door salesmen who use scare tactics to sell "Medi-Gap" policies have come under Congressional scrutiny.

The Senate Special Committee on Aging has received examples of elderly persons who have purchased thousands of dollars in needless and often worthless policies.

Senator Lawton Chiles (D.-Fla.) is conducting the Committee hearings. He said at a recent session:

"What we're dealing with here is a national problem."

Federal Trade Commissioner Elizabeth Hanford Dole told the Committee on June 29 that the FTC is developing plans for a broad-based Federal-State examination of the supplemental Medicare insurance business.

The most detailed description of questionable or illegal sales tactics was provided by Texas District Attorney Wiley Cheatham and Postal Inspector C. L. Woodard at the recent hearing. They teamed up with a Postal Inspection investigation that revealed widespread defrauding of elderly persons in southern Texas. Usually such cases are referred to U.S. attorneys, but State investigations were under way and some indictments had been returned in State court.

Sixteen individuals were indicted in Mr. Cheatham's district, and all were ultimately convicted.

Woodard and Cheatham described the following examples of fraudulent and deceptive tactics used by salesmen in obtaining money from aged citizens:

Salesmen claiming to be there to collect on accident and health premiums due on existing policies, while actually soliciting new business.

Salesmen claiming to represent the victim's accident and health companies.

Unlicensed agents soliciting insurance sales to be "fronted" by licensed agents.

Licensed and unlicensed agents claiming to represent companies that were familiar to the aged victims, and tricking them into signing new applications for insurance with other companies.

Salesmen's representations such as "no waiting periods," "this policy will pay everything"—or—"Everything that Medicare does not pay," "this is a paid-up hospitalization policy," and "you will start getting $— per month back on this paid-up policy."

Salesmen claiming that they were there to help the aged victims with their social security while actually soliciting new insurance business.

The use of familiar sounding and appealing agency trade styles such as the American Agency, Senior Citizens Agency and First Continental Agency to induce aged people to listen to sales pitches.

Falsification of applications for new Accident & Health policies.

"Elderly people tend to be concerned with their health and their need for extra hospitalization, which is generally motivated by a desire to remain independent and be able to financially survive an expensive illness," Woodard said.

Chiles, in his opening statement, said that since the start of hearings in May:

"Sales agents have described company directives requiring them to sell new policies on every service visit, to write new policies rather than renew current ones, and to delete medical histories on new policy forms.

"We've also had reports of companies routinely denying claims when they first come in—taking the better than average chance that the elderly policy-holder will not challenge their judgment and resubmit a claim.

Relatives have written who were outraged when they discovered an elderly parent with many insurance policies and large accumulations of cancelled checks to insurance companies. One from Marathon, Florida said: 'Last spring, I learned that my 88-year-old aunt . . . whose income is less than $5,000 per year, had been sold more than $10,400 of health insurance in approximately a one-year period.' "

FTC Commissioner Doel said that more than half the people in this country aged 65 and over have private health insurance in addition to Medicare, and that Medicare paid only 38 percent of their health care costs.

Calling for Federal concern and action, Ms. Dole said:

"First, the Medicare supplement market is a byproduct of the Federal Medicare program. Supplemental insurance is confusing because Medicare's benefit structure is complicated.

"Second, there are arguments for a uniform approach to Medicare-supplement regulation, which Federal study could facilitate. Continuing variation in state standardization regulations carries the specter of insurers having to make different Medi-Gap policies in every state, with obvious increasing costs."

Ms. Dole said that an "impact evaluation" of existing state regulations of Medicare supplement insurance—possibly a cooperative federal/state effort with participation by the FTC, the National Association of Insurance Commissioners, and the Department of Health, Education, and Welfare—is under study at the FTC.

THE MEDICARE LEECHES

(By Jane Bryant Quinn)

NEW YORK.—Leeches have fattened on every government program ever invented, but it's hard to think of worse bloodsuckers than those that live on the Medicare program. In particular, I'm thinking of those insurance agents who sell the elderly all-but-worthless policies to fill the gaps in Medicare coverage.

There's nothing intrinsically wrong with certain forms of Medicare-gap insurance: Reasonable policies are sold by many well-known companies. But in the hands of unscrupulous salesmen, these policies turn to ashes. Among the abuses:

(1) Insurance agents tell the buyer that the policy "covers all the gaps in Medicare." In fact, no policy covers all the gaps. Most common among uncovered expenses are those for long-term nursing care, dental care and prescription drugs. Also there's no coverage for "excess" doctors' fees. (That's the difference between what a doctor actually charges and what Medicare deems a reasonable fee, and it can mount up).

(2) Medicare-gap policies are not all alike: They have different waiting periods, different benefits, and fill different gaps. A salesman may sell a vulnerable person one policy to cover one hole in Medicare, then come back next year with another policy for another gap. In most respects the two policies duplicate each other. Because the patient can't collect twice, he's paying good money for a very small additional benefit.

(3) The agent may revisit his victim once a year, each time with a "bigger and better" policy. This induces the trusting buyer to drop the old coverage and take on the new. The agent benefits, because he gets a big commission the first year a policy is in force, but the buyer is at risk. Medicare-gap policies have waiting periods, before the coverage goes into effect, either for general coverage or for specific illnesses. A person who switches policies may lose his coverage for certain serious illnesses, like cancer and heart disease, because of the need for a new waiting period.

(4) Selling coverage to a low-income person who qualifies for Medicaid. In this case, insurance coverage is worthless because Medicaid generally fills the Medicare gaps.

Examples of how these leeches make their living were heard in May and June in testimony before the Senate Special Committee on Aging. One man testified that his elderly mother had 17 Medicare-gap policies, on which she was spending 8 percent of her income.

A district attorney from Texas told how he, with the help of the U.S. Postal Inspector (acting under the mail-fraud law), got 16 indictments and some jail sentences for a team of agents who passed around a "goose list" of susceptible buyers.

Fraudulent activities might include lying about what the policy contains; pretending to "consolidate" a group of policies when, in fact, the agent is just selling the victim yet more duplicate coverage; and collecting a large lump-sum payment for "lifetime" coverage which doesn't, in fact, exist.

Insurance companies throw up their hands in horror when they hear these stories. But since the agents are independent contractors, the companies generally claim that there's nothing they can do. A good company, however, can and will police these thefts.

Companies that don't are, in my book, equally responsible for the fraud. Insurance commissioner Harold Wilde of Wisconsin testified that, in a state investigation, he found stacks of complaints about agents in the files of some insurance companies, with no action taken.

Seven states—Wisconsin, California, Illinois, Oregon, Washington, New Mexico and Colorado—have recently passed some form of legislation to try to control abuses in the sale of Medicare-gap insurance. But they're only as good as the enforcement, and this kind of fraud is hard to uncover.

The most vulnerable are people who live alone, with no friends nearby to advise them. If you or your parent has been taken, complain to your state insurance commissioner (get the phone number from the information operator in your state capital). Sometimes he can help you get restitution. Also, send your story to Sen. Lawton Chiles, Senate Special Committee on Aging, U.S. Senate, Washington, D.C. 20510. That Committee is investigating these abuses, and needs information on what's happening.●

THE LESSONS OF SHABA

● Mr. McGOVERN. Mr. President, a number of weeks have passed since the public debate over the administration's assertions about the Cuban role in last May's invasion of Zaire by Katangan rebels. Perhaps we can begin a somewhat more sober evaluation of that episode to see what lessons it might hold.

In some quarters my challenge to the administration on this issue was treated as an act of disloyalty—as an indication that I might find President Castro to be more trustworthy than our President. Of course, that totally missed the point—and I found the fact that the point was so widely missed to be distressing in itself. Certainly we should be able to recall, such a short time after Vietnam, that conjecture can easily be transformed into hard intelligence as it is filtered up through the bureaucracy. Whether deliberately or unwittingly, it is quite possible for a President to report "facts" that are not true.

The Gulf of Tonkin incident was, of course, a prominent example. In that case we granted what was taken to be sweeping authority for war in response to an incident which may never have happened. Anyone who questioned President Johnson at the time probably would have been tarred as an apologist for the Vietnamese Communists. I had hoped that we had become more mature since—that we had come to recognize not only a congressional right but a compulsory congressional obligation to question the President closely on such matters.

In any event, that was my purpose in the case of the Shaba invasion. The President was claiming a significantly heightened Cuban role in Africa—one that might have been cited to justify a more direct American role. Until this case, the only reports on Cuban activities in Africa involved cases where they either were present by government invitation or, in the case of Angola, had

gone to the aid of the MPLA after another outside power—South Africa in that case—had already intervened to support other parties in the civil war. But now the President was insisting that Cuba had actually supported an invasion of Zaire by Katangan rebels based in Angola, thereby adding an entirely new and bolder dimension to Cuba's Africa role. I do not contend that Cuba is incapable of such activity, or even that Mr. Castro is always reliable. But since it could have resulted in calls for a more aggressive American response—perhaps military action—I thought it was important that the President have a thoroughly documented case for his allegations about what the Cubans were doing.

Although the matter is no longer in the news, it has yet to be finally resolved. The Senate Intelligence Committee is following up on its own inquiry. It is noteworthy that the senior intelligence official of the Department of Defense, Adm. Daniel Murphy, has stated that the episode is an example of the "limitations of intelligence in making a political point," and that the administration still does not have "what the press would term hard, conclusive, publicly available proof of Cuban involvement."

We should also keep in mind that the evidentiary question is important at two levels. Certainly it is pertinent to examine all evidence that has since been mustered on what the Cubans might have done. And it should be weighed in light of other complicating factors. For example, it is undisputed that the Cubans and Katangans were, indeed, fighting on the same side in Angola in 1975, in support of the MPLA. Perhaps some of the evidence actually dates from that joint enterprise. To what extent are we relying on documentation amassed by President Mobotu, a far from disinterested party who had not been trustworthy on the same question in the past? What does it signify that in the weeks since the May invasion the Angolan Government which Cuba supports has moved to disarm Katangans and to establish normal relations with Zaire? That conduct seems to contradict the notion that Angola and Cuba support Katangan aspirations.

But as we examine these questions, it is also crucial to sort out the evidence according to the time it became available to the President. Specifically, setting aside subsequent gleanings, how well documented was President Carter's charge on May 25 that Cuba had trained and equipped the Katangans for the invasion of Zaire? Whether or not he was later proved right—and that is still an open question—was the President well advised to speak so confidently then, or would it have been more prudent to wait for better and more complete information?

I have a suspicion that dating from this controversy, President Carter is operating on a more rigorous standard of proof on matters of this kind. If so, the skepticism some of us expressed at the time, and the subsequent inquiries by the Senate Foreign Relations and Intelligence Committees and the House International Affairs Committee, will have served the major part of their purpose. The other part will be to reinforce again our determination in the Congress to assert a continuing, direct responsibility on crucial foreign policy issues, especially those that could involve us in war.

Mr. President, earlier in my statement I quoted Adm. Daniel J. Murphy's evaluation of this issue. His statement was excerpted in an excellent summation of the entire controversy which appeared July 11th in the New York Times under the byline of Richard Burt. That account—entitled "Lessons of Shaba: Carter Risked Serious Credibility Gap"—deserves the attention of every Member of the Congress, and I therefore ask that it be printed in the RECORD.

The article follows:

LESSON OF SHABA: CARTER RISKED SERIOUS "CREDIBILITY GAP"

(By Richard Burt)

WASHINGTON, July 10.—On May 25, when President Carter accused Cuba of having backed the attack by Kantangans on Zaire's southern province of Shaba, some intelligence officials doubted that the Administration had conclusive evidence to support the allegation.

Most of the officials, interviewed in recent weeks, agreed that subsequent information on the attack, which began May 11, tended to substantiate Mr. Carter's statement. But at least one high official continued to question the assertion, and others acknowledged that the initial intelligence on the nature and extent of Cuban involvement was inconclusive when the Government made the matter public.

Accordingly, while intelligence specialists are now satisfied that Mr. Carter was correct in asserting that Cuba was deeply involved in training and supplying the invaders, several say in private that the White House narrowly missed coming out of the affair with a serious credibility gap.

LIMITATIONS IN POLITICAL ARENA

The Defense Department's senior intelligence official, Adm. Daniel J. Murphy, hinted at this when he said in a speech that the incursion was "an example of the limitations of intelligence in making a political point." In little-noticed remarks to the National Military Intelligence Association, Admiral Murphy also said that the Administration still lacked "what the press would term hard, conclusive, publicly available evidence or proof of Cuban involvement."

Several experts see in the whole affair a series of troubling questions concerning the Administration's use, and possible abuse, of intelligence in conducting foreign policy. The questions include these:

Did the Director of Central Intelligence, Adm. Stansfield Turner, in an attempt to respond to the White House's policy needs, exercise proper caution in assessing early reports of Cuban involvement?

Were Mr. Carter's advisers, intent on drawing the line against Soviet and Cuban advances in the region, too eager to make political capital out of the Central Intelligence Agency's findings?

Why did the White House choose to engage in an open dispute with President Fidel Castro over the issue of Cuban involvement when it was unwilling or unable to make evidence public to support its case?

These questions have set off intense debate in intelligence circles, and Congressional aides report that Senator Birch Bayh, chairman of the Senate Intelligence Committee, has ordered an investigation of the Administration's performance in the affair.

WHITE HOUSE-C.I.A. STRAINS

At the same time the episode is said to have created deep strains between the White House and the C.I.A., with intelligence officials arguing that Presidential aides, in an effort to back up Mr. Carter's contentions, put pressure on the agency to divulge classified information that could have jeopardized sensitive sources. White House officials, for their part, complain that at the outset the agency exaggerated the Cuban role and was unable to provide the President with hard proof with which to back up his statement.

Intelligence information has often played a vital role in efforts by American administrators to build support for controversial foreign policy decisions. In 1962, for example, President John F. Kennedy used photographic evidence to justify his naval blockade of Cuba. Two years later President Lyndon B. Johnson, in an effort to gain Congressional support for escalating the war in Vietnam, said that an intercepted radio message proved that North Vietnamese gunboats had attacked two American warships in the Gulf of Tonkin.

RISK IN STRONG ALLEGATIONS

With regard to Shaba, the officials pointed to two factors that, they said, made it risky for the Administration to make strong allegations concerning Cuban involvement. The first is that Zaire and Angola, where the incursion originated, are classified as intelligence-deprived areas, meaning that before and during the incursion intelligence specialists never had a clear picture of what was going on. The officials said that in May few American reconnaissance satellites and listening devices were focused on the region and that intelligence reports were based almost exclusively on data gathered from African diplomats, agents from other nations and prisoners taken by French and Belgian paratroopers who moved into Shaba in response to the attack.

"What we had," an analyst recalled, "was just a steady accumulation of evidence, some of it contradictory, that built up through the first week of June. What we lacked was any single piece of intelligence to convince the skeptics."

The second factor posing problems for the Administration was the confusing and fast-shifting situation in southeastern Zaire, the scene of almost two decades of constant insurgency. The Katangans, exiled to Angola after the civil war in the former Belgian Congo in the early 1960's, were equipped and trained by Cuban advisers in late 1975 to take a part in the postindependence conflict in Angola that led to the formation of Agostinho Neto's Marxist Government. Although Dr. Neto's victory increased the difficulty of Western intelligence collection in Angola, American analysts believed they had evidence that Cuba continued to provide training and support for the Katangans and helped them carry out their first invasion of Shaba, in March 1977.

Despite this the Central Intelligence Agency is said to have been cautious in interagency discussions in specifying the extent of Cuban responsibility for the 1977 attack, and the White House did not make it an issue in relations with Havana.

SHABA NOT MENTIONED IN CRITICISM

When some 5,000 Katangans swept into Shaba early in May and quickly seized the mining center of Kolwezi, it appeared at first that the Administration had again decided to play down the possible Cuban role despite continuing reports that Cuban advisers had maintained their close links with the invading force. On May 14 Mr. Carter sharply criticized Cuba for obstructing the "peaceful settlement of disputes," but he did not refer to the Shaba attack.

On May 16, officials said, the State Department sent a message to President Castro asking support in ending the fighting and facilitating a Katangan withdrawal. At the same time the department spokesman, Hodding Carter 3d, told reporters that information concerning Cuban involvement was sketchy.

The following day Mr. Castro called in the chief American diplomat in Havana, Lyle F. Lane, and denied any role in the invasion, saying that he knew of plans for the attack a month or so in advance and tried unsuccessfully to stop it.

As the Administration moved to airlift French and Belgian forces into Zaire to repel the invaders, however, the issue of Cuban involvement suddenly loomed larger. According to officials, a decisive moment came during a meeting at the White House on May 19, when an interagency working group organizing the American airlift under the chairmanship of the deputy national security adviser, David L. Aaron, was told by C.I.A. officials that Cuba had played a vital role in facilitating the incursion.

C.I.A. CONFIDENCE A SURPRISE

"We all thought that Cuba was somehow involved in the affair," a participant related, "but some people seemed surprised that the C.I.A. seemed so sure of its information."

Immediately after the meeting Mr. Aaron upon discussing the issue with other White House officials, including the Presidential press secretary, Jody Powell, is said to have instructed the State Department to inform reporters of the C.I.A. finding. At the State Department's noon press briefing that day, Tom Reston, a spokesman, announced that "it is now our understanding that the insurgents in Shaba Province have been trained recently by Cubans." Later in the day Secretary of State Cyrus R. Vance, in a background briefing, said that he was not aware of Cuban involvement but that his press aide may have seen more recent information.

The State Department statement led to immediate denials by Cuban officials and expressions of skepticism by Senator George McGovern, Democrat of South Dakota. Administration spokesmen continued to contend that Cuba had played a direct role in supporting the attack, and on May 23 Mr. Reston told reporters that new information confirmed the Administration's case.

On May 24 Mr. Aaron, Mr. Powell, Hamilton Jordan, Mr. Carter's assistant, and the Deputy Secretary of State, Warren M. Christopher, drafted a statement on the Cuban role for Mr. Carter. At a news conference in Chicago the next day he reiterated the charge that Cuba had trained and equipped the Katangans and asserted that it had done nothing to restrain the attack

THE CASE COULD GO EITHER WAY

In retrospect, intelligence specialists acknowledge that they were troubled by those statements. One official with close access to information available to the White House at the time said: "After looking at it, I realized it was possible to make the case either way. The guy who was briefing the President had a big load on his shoulders." An official in another agency charged with evaluating the information commented, "The President was probably right, but the evidence just wasn't there to back him up."

Asked why the Administration went out on a limb late in May, some officials said it reflected the inevitable White House tendency to shape intelligence to fit policy. "The Cuban thing came along just at the right time," one explained. Referring to Mr. Carter's national security adviser, he went on, "The President was in trouble in the polls for not standing up to Moscow and Havana while Brzezinski and others were getting increasingly upset by events in Africa."

Others also argued that top intelligence aides, particularly Admiral Turner, were perhaps too eager to provide political ammunition for the White House. Admiral Turner is known in the Government as ambitious and keenly interested in policy matters. Earlier in May he had evidently cooperated with White House officials in pursuing the possibility of resuming American aid to covert anti-Marxist groups in Angola.

Still other officials suggested, however, that Admiral Turner, lacking great experience in intelligence questions, might not have recognized what one specialist called "the grayness of these types of cases." ●

S. 2388—SELF-IMPROVEMENT INCENTIVE LEGISLATION

● Mr. MATHIAS. Mr. President, America has always been the land of opportunity, and we have an underlying faith in the rewards of hard work. Given equal opportunity, men and women with initiative can rise through the ranks to head a union, run a company or lead the country. All it takes is skill and determination.

Throughout my career, I have supported measures that would both assure equality of opportunity and encourage people to improve themselves. By acquiring new skills, people improve the quality of their own and their children's lives and make the country a better place in the process.

For these reasons, Mr. President, I am pleased to join Senator PACKWOOD and Senator JAVITS as cosponsor of S. 2388, a bill that would exclude from the worker's taxable income the money their companies spend to educate and train them for new, more highly skilled jobs.

Currently, the value of the educational assistance workers receive from their companies for activities related to their present jobs is tax-free. This bill will help workers keep pace with the increasingly sophisticated technology of the American economy. As a concomitant to monetary incentives Congress is considering this year to spur investment and capital formation, I think we should also encourage the formation of a large pool of skilled workers. This is the other side of the coin that we must be aware of in our efforts to stimulate the economy.

With the passage of this bill, we will remove an anomaly from the law and will help less skilled workers move up the ladder of self-improvement.

The new opportunities presented by this bill greatly outweighs the slight revenue losses that we expect. In fact, the bill is a wonderful investment in productivity and worker job satisfaction. I urge all my colleagues to support it.●

BRAZIL'S USE OF ALCOHOL FUELS

● Mr. BAYH. Mr. President, as my colleagues know, I am a firm believer in the potential of alcohol fuels. I am confident that a relatively small investment now can have enormous payoffs—leading to increased energy savings, a reduction of our oil imports, and an improvement in the balance of trade.

Ours is not the only country desiring to reduce the amount of imported oil it consumes. Brazil, which has few oil reserves, has made a commitment to seek out new sources of energy which can be produced within her borders—including alcohol from sugar and manioc root. The Brazilian Government is investing millions of dollars in the use of alcohol as a motor fuel—both in blends and in pure form. It is estimated that Brazil's oil imports could be halved if gasoline were replaced with alcohol—which can be produced from domestic, renewable resources.

The United States, like Brazil, has a variety of domestic resources which can produce alcohol for use as a fuel. And, like Brazil, we also have a need to find alternative fuels which will improve our energy efficiency and reduce our imports. It is my fervent hope that we can learn something from the Brazilian Government's efforts in this area. There are some people, Mr. President, who claim that alcohol fuels cannot work. I dispute that claim. Alcohol fuels work in Brazil, and they will work in the United States, if given the chance. I intend to continue to work to see that they get that chance.

Mr. President, I ask that an article from the Wall Street Journal of July 12, 1978, on the Brazilians' use of alcohol fuels, be printed in the RECORD.

The article follows:

[From the Wall Street Journal, July 12, 1978]

BRAZIL SPENDS MILLIONS TO PUT ALCOHOL IN CARS TO SAVE ON OIL IMPORTS

(By Everett G. Martin)

SAO PAULO, BRAZIL.—There are 500 Volkswagen Beetles being driven by telephone repairmen around this city that are spreading the Brazilian government's energy message: Driving and alcohol can be mixed.

The alcohol, of course, isn't in the repairmen but in the tanks of their cars. It is 190-proof grain alcohol distilled from sugar cane. And the performance of the experimental cars is so encouraging that the government is plunging ahead with a multibillion-dollar program that it hopes will turn all the cars in the country into alcoholics by the end of the century.

Not only sugar cane but also a staple root crop called manioc (better known in the U.S. in a granular form called tapioca), as well as some more exotic plants, is being considered as raw material for the alcohol program. The distilleries that will be needed to turn these plants into alcohol could number as many as 320, which would involve an investment of as much as $1.6 billion by the early 1980s.

But Brazil apparently isn't disturbed by the size of this investment, any more than it is by the billions it is spending or planning to spend on developing hydroelectric power or a huge nuclear program. The reason is that Brazil is oil poor: Its reserves would be sufficient to supply the country for just two years at the present rate of consumption of 950,000 barrels a day.

A CRIPPLING PAYMENT

Brazil's oil-import bill now is running at over $4 billion a year, or 34.6 percent of the country's export income, an amount that is crippling the nation's growth rate. Thus, the prospect of being able to replace gasoline with a renewable fuel, alcohol, is spurring the Brazillians into some pioneering technology. "We'll be turning solar energy into liquid energy," one research scientist says.

The U.S., which is growing ever more dependent on imported oil (34 percent of U.S. export income now goes to pay for the oil bill), is closely watching Brazil's alcohol program. A number of Midwestern states are busily promoting the use of gasohol, a 10 percent mixture of alcohol with gasoline. The alcohol would be distilled from grain grown on idle farm land. A few gasoline stations in the Midwest will be pumping gasohol this summer. (See story on page 39.)

Here in Brazil, the oil bill has increased 11-fold in five years and has sharply deflated

the country's economic growth. Before the first oil-price increase by the Organization of Petroleum Exporting Countries, Brazil's economy was averaging an annual growth rate of 11 percent, and the country was able to use its foreign exchange to import machinery and technology. But last year's growth rate was barely more than the population increase of 3.8 percent a year. With half the population of 115 million under the age of 20, Brazil can't afford many more years like that before the job shortages bring social unrest.

There seems little hope of cutting down on oil imports through increased domestic production. In 1970, domestic output met 35 percent of Brazil's oil needs, but declining fields and rising needs reduced that figure to 18 percent last year. Petrobras, the national oil company, plans to drill 507 wells in the next five years at a cost of $1.3 billion. And the Brazilians have swallowed their national pride and have awarded offshore-exploration contracts to foreign oil companies. British Petroleum already has started drilling.

NUCLEAR CONTROVERSY

The oil is needed not only for gasoline but also for running electricity-generating plants. That is why the Brazilians have embarked on their controversial nuclear program, which involves buying eight large reactors from West Germany by 1990 and training thousands of technicians. Much to Washington's dismay, the Germans also will supply a reprocessing plant to extract plutonium—the stuff of weaponry—from the spent nuclear fuel, thus saving Brazil on its nuclear-fuel bill.

Hydroelectric power, which now provides 21 percent of the country's energy needs, will continue to play an important role. By 1985, installed capacity in the southeast region near the industrial centers will have reached 35,000 megawatts. There is considerable potential in the Amazon Basin, but this vast region is far from major cities.

If these ambitious plans are met, the nation's oil imports will be sharply reduced. But the imports could be halved just by replacing gasoline with alcohol. The Brazilians believe that if they can produce enough alcohol to meet expected gasoline consumption of 7.9 million gallons in the mid–1980's, nearly a million new jobs could be created on farms—to grow the sugar cane or manioc—and in the distilleries. They also say that they can produce all of the needed machinery themselves.

Ironically, it is the high cost of imported oil that has made the alcohol program possible. In order to discourage consumption, the Brazilian government has imposed taxes that bring the cost of a gallon of gasoline to $1.64. This high cost makes alcohol a competitive fuel, even though it costs twice as much to produce as Middle East oil. Researchers believe that alcohol could be retailed for about $1.30 a gallon.

Actually, some Brazilians are old hands at using alcohol distilled from sugar cane in their cars. In some parts of the country it has been mixed with gasoline since the 1930s, and it was widely used during World War II. Over the years the amount of sugar cane diverted to alcohol production has fluctuated with the international price of sugar. At present, about 208 million gallons of alcohol a year are being produced.

The alcohol that is produced from the sugar cane is technically known as ethanol. The sugar ferments, and this mixture then travels through three heating towers to remove excess water and to reduce it to 95% alcohol.

Manioc is another promising source of ethanol, although the distilling technology is still being developed. One problem is that the plant is as much as 40 percent starch and thus can't be fermented without the introduction of an enzyme to turn the starch into sugar.

Sugar cane has an advantage over manioc in that the stalks can be used as a fuel, called bagasse, to supply the heat in the distilleries; manioc would require an outside heat source. On the other hand, sugar cane is a seasonal crop that needs careful cultivation and the use of fertilizers; manioc is a hardy plant that will grow in the poorest ground. Indeed, scientists say it would be an ideal crop for the 250 million acres of dry, nutrient-poor land in an area of central Brazil known as the Cerrados.

There had been fears until fairly recently that manioc would require so much energy to turn it into ethanol that it would consume more energy in the distilling process than would be provided by the ethanol. But Prof. Jose Goldemberg, head of the Institute of Physics at the University of Sao Paulo, now believes that the energy return will be 1.4 times the energy input. Ethanol from sugar cane yields 2.5 times the energy input, he says.

The first manioc distillery will begin operating this year, and Prof. Goldemberg is hoping that it will indicate the possibility of cost reductions. "We really haven't started serious research on improving distilling methods. I'm certain that new developments will bring costs down," he says.

The building of 170 sugar-cane distilleries has been approved by the government. Each distillery will cost an average of $1.5 million. Private investors will put up the distilleries with 80 percent government loans at a 17 percent annual interest rate (that compares with the present Brazilian inflation rate of 40 percent). The government also will provide 100 percent financing at 7 percent interest to develop new sugar-cane farms.

Then there's the problem of getting the ethanol from the distillery and into the car. Recent experiments have shown that the average automobile engine can run on a mixture of up to 20 percent ethanol and 80 percent gasoline without any modification. Cars in Sao Paulo are running on a 15 percent ethanol mixture and in Rio de Janeiro on a 10 percent mixture. The only noticeable difference, according to cabdrivers, is that spark plugs have to be cleaned more often.

Says Antonio Licio, a technical adviser to the minister of agriculture: "We originally intended to produce enough alcohol to provide a 20 percent mixture for all cars. But now mixing is only the first stage. We are going to go all the way."

The man who will be largely responsible for this is Urbano Stumpf, a scientist at the Aerospace Research Center at San Jose dos Campos, an hour's drive from Sao Paulo. It was Mr. Stumpf who in 1975 first persuaded the president of Brazil, Ernesto Geisel, to drive a car that had been modified to burn pure alcohol. President Geisel, who once headed Petrobras, was immediately impressed and committed the government to the support of the alcohol program.

Mr. Stumpf says that it costs about $350 to convert the Volkswagen Beetle engine to burn pure alcohol. His research complex also is working on the conversion of other engines sent in by manufacturers that will ultimately want to produce ethanol-burning engines.

First, Mr. Stumpf says, the compression ratio has to be increased, then the ignition timing has to be changed, and the blend of air and fuel in the carburetor has to be made richer. The alcohol has to be preheated before it enters the combustion chamber because it vaporizes at a higher temperature than gasoline. Mr. Stumpf does this by enclosing the intake manifold in a metal jacket through which he feeds hot water or hot air from the engine cooling system.

Alcohol-burning engines are like diesel engines in that they are harder to start in cold weather. So Mr. Stumpf has borrowed from the diesel and has installed a small electric heater that vaporizes alcohol within seconds after the ignition has been switched on.

Mr. Stumpf is enthusiastic when laymen visit his project. To indicate the lower levels of pollutants emitted by his modified alcohol engine, he asks each visitor to breathe deeply from the exhaust pipe. "Smells sweet, doesn't it?" he asks. "We could drive this car in California without any (pollution-control) changes."

Certainly, the alcohol engine has a lot of pep: It can go from a standing start in fourth gear without any knocking and can accelerate up steep hills without so much as a cough. That's because the ethanol has an octane rating of about 120, compared with 73 for regular gasoline in Brazil and with about 90 for regular unleaded in the U.S.

Mr. Stumpf also is looking at the possibility of using alcohol for diesel engines. This is particularly vital for Brazil because nearly three-fourths of the country's goods are hauled by truck. But although alcohol has already proved successful when mixed with 50% diesel oil, Mr. Stumpf believes that peanut oil might make a better fuel.

Other scientists in Brazil are looking at even more exotic replacements for petroleum. One is the babasu palm that grows wild in the Amazon Basin and that produces a nut yielding vegetable oil, animal feed and alcohol. Another potential source is the marmeleiro, a plant that grows wild in northeast Brazil.●

WHITE HOUSE OFFICE AND EXECUTIVE PERSONNEL

Mr. ROBERT C. BYRD. Mr. President, I ask the Chair to lay before the Senate a message from the House of Representatives on H.R. 11003.

The PRESIDING OFFICER (Mr. MELCHER) laid before the Senate a message from the House of Representatives announcing its disagreement to the amendments of the Senate to the bill (H.R. 11003) to clarify the authority for employment of personnel in the White House Office and the Executive Residence at the White House, to clarify the authority for employment of personnel by the President to meet unanticipated needs, and for other purposes, and requesting a conference with the Senate on the disagreeing votes of the two Houses thereon.

Mr. ROBERT C. BYRD. I move that the Senate insist upon its amendment and agree to the request of the House for a conference on the disagreeing votes of the two Houses thereon, and that the Chair be authorized to appoint the conferees on the part of the Senate.

The motion was agreed to; and the Presiding Officer appointed Mr. RIBICOFF, Mr. CHILES, Mr. SASSER, Mr. PERCY, and Mr. STEVENS conferees on the part of the Senate.

BILL HELD AT DESK

Mr. ROBERT C. BYRD. Mr. President, I ask unanimous consent that H.R. 12772 be held at the desk pending further disposition.

The PRESIDING OFFICER. Without objection, it is so ordered.

ROOSEVELT'S FOUR FREEDOMS REMIND US OF THE NEED TO RATIFY THE GENOCIDE CONVENTION

Mr. PROXMIRE. Mr. President, often in the history of the Congress the President of the United States has addressed the Members. One of the most inspiring and most memorable speeches ever delivered to the Congress was on January 6, 1941, when Franklin Roosevelt delivered his state of the Union address. In the midst of the Second World War, Mr. Roosevelt spoke of the future and the preconditions for peace and security. It was to the Congress that Roosevelt first spoke of his famous "four freedoms." I quote:

> In the future, which we seek to make secure, we look forward to a world founded upon four essential human freedoms. The first is freedom of speech and expression—everywhere in the world. The second is freedom of every person to worship God in his own way—everywhere in the world. The third is freedom from want . . . everywhere in the world. The fourth is freedom from fear . . . anywhere in the world.

Has Roosevelt's future arrived? Has the United States worked to secure the four freedoms "everywhere in the world?"

What about freedom of speech? Can any citizen of the world speak openly without reprisal? The recent trial of Anatoly Scharansky sadly reveals that criticism is not tolerated by many of the world's governments.

And freedom of religion? Are the world's people free to worship God as they choose? The anti-Catholic campaigns in North Vietnam and Cambodia are poignant reminders that this important freedom is often thwarted.

The third of Mr. Roosevelt's freedoms was freedom from want. Does every person enjoy adequate food, housing, and shelter? Again we must answer no. Droughts in Africa have caused massive starvation in recent years. Even in our own country, we find children who are malnourished and desperately impoverished.

And what of the fourth freedom? Freedom from fear. Sadly, even this most fundamental of freedoms is not yet guaranteed. Far too many of the world's citizens fear for their lives. In Uganda, Cambodia, South Africa, and Nicaragua, we have seen the unconscionable murder of thousands of people simply because of their race, ethnicity, national origin, or religious beliefs. Are not their friends, neighbors, and compatriots afraid of a like fate?

Mr. President, Roosevelt's speech was a call to action. The United States must actively work to secure the four freedoms. They underlie our human rights policy, and they must be reflected in our actions.

This Senate can help to establish one of Mr. Roosevelt's freedoms—freedom from fear. Mr. President, I am speaking of the Genocide Convention. By defining and punishing the crime of genocide under international law, the treaty would let the world know that the heinous crime of genocide would no longer be tolerated. Everywhere in the world people would feel more safe and more secure.

Mr. President, the ratification of the Genocide Convention is a small but important step toward creating the world that Roosevelt envisioned, a world in which the four freedoms are secure.

TRANSCRIPT OF APPEARANCE BY SENATOR ROBERT C. BYRD ON "MEET THE PRESS"

Mr. ROBERT C. BYRD. Mr. President, on Sunday, August 13, 1978, I appeared on "Meet the Press."

The moderator was Mr. Bill Monroe and the panelists included Mr. Albert Hunt of the Wall Street Journal, Mr. Carl T. Rowan of the Chicago Sun-Times, and Mr. Robert Abernethy of NBC News.

Mr. President, I ask unanimous consent that the transcript of "Meet the Press" be printed in the RECORD.

There being no objection, the transcript was ordered to be printed in the RECORD, as follows:

MEET THE PRESS

Mr. MONROE. Our guest today on MEET THE PRESS is Senator Robert Byrd of West Virginia, Democratic leader of the Senate. Senator Byrd has been a member of the Senate for twenty years and Majority Leader since January of last year.

Senator Byrd, you have said that there is still a chance for passage of the bill to deregulate gas prices but some of the Senators who are members of the conference committee can't even agree on language to bring to the Senate floor and if the bill gets to the floor it may be filibustered. Would you not be willing to say that the odds at this time are against passage of that bill?

Senator BYRD. I don't think I would want to get into the making of odds. I think the important thing to remember is that this is an issue that has been around for thirty years. The Congress has spent the last 14 months in dealing with this complex, controversial, and perplexing issue and I believe that the Conferees are still meeting. As long as they are meeting there is still hope. It deals with a problem that will not go away, and I just think it would be ridiculous for the Senate and the House to have spent 14 months in the last two years in a futile effort to deal with a problem that will not go away, one that is of vital importance to the people of this country, vital importance to the economy, vital importance to the security of the nation, and one which is watched with great interest by world leaders who will feel if we are unable to deal with this problem that we are willing to stay with the status quo on energy.

Mr. MONROE. Senator, another important part, some people call it the most important part, of President Carter's energy program is the proposed equalization tax on crude oil. Most people in Washington are saying that that is dead. Is it not time now for you to concede that that is dead?

Senator BYRD. The conference has been meeting from time to time and talking. From the beginning, it was expected that that bill would be last and that settlement on the issue would not come until after the natural gas compromise was reached. There are other aspects to that bill which are important in dealing with the energy problem. For example, there are tax credits. So that particular issue, COET, is not the only part of the bill. There are other parts that could be beneficial in dealing with the energy problem.

I think the important thing is that we especially get the nautral gas compromise and then we will get the other two measures that have already been agreed upon, and, hopefully, at least part of the fifth bill to which you have alluded.

Mr. MONROE. Have you not just said in effect right now, Senator, that the crude oil equalization tax is dead?

Senator BYRD. I have not. I have said that action on that bill is being delayed until action can be completed on the natural gas bill.

Mr. MONROE. What are the prospects for the tuition tax credit which the Senate will be considering next week?

Senator BYRD. The vote will be very close. As of now I think it would be too close for me to call.

Mr. MONROE. What about its being a budget-busting factor, Senator, revving up inflation and the deficit?

Senator BYRD. Either proposal will have an impact on the budget—either the tuition tax credit or the grants approach, which the Administration supports. Either will have an impact on the budget.

Mr. HUNT. Senator, as you know, the House last week passed a $16.3 billion tax cut which the Carter Administration charges is tilted too much to upper income taxpayers and investors, but the Chairman of the Senate Finance Committee, Senator Russell Long, has indicated that he wants to liberalize capital gains taxes even further. Where do you stand in that dispute and specifically could you give us some idea as to the size and shape of the tax cut bill likely to emerge from the Senate?

Senator BYRD. I think that the bill that finally emerges will involve a moderate tax cut somewhere in the ballpark of that which was included in the first concurrent budget resolution; to-wit, 15–16 billion dollars, perhaps up to 18, possibly even 20, which the Finance Chairman is talking about.

I think there will be a capital gains reduction. I would hope that the Senate would orient the thrust of the cut a little more to the lower income stratum, but there is no question but that the middle income stratum is going to have a tax cut, so I should think that whatever emerges will be largely in the direction of the middle income group and in the ballpark of 15 to 20 billion dollars.

Mr. HUNT. On capital gains specifically, would you like the Senate to go even further than the House did in cutting capital gains taxes, or do you go along with the Carter Administration, and do you want to cut back on that liberalization?

Senator BYRD. I think somewhere in the 35 percent range is all right. I would particularly favor the one-time, one hundred thousand dollar exclusion, but I think that it is vitally important that the middle-class, which pays the bills of government, is given some relief. I think that the action by the House is a recognition of the fact that there is going to have to be some relief given to the middle-income people.

Mr. HUNT. Senator, one of the common refrains, both on Capitol Hill and in the White House, is that a number of congressmen don't take the President very seriously. Some of your colleagues, they say Mr. Carter is weak and indecisive. Having railed against this tax bill for months, do you think he could then sign it without losing further credibility?

Senator BYRD. Well, I don't think he has said he would not sign a bill with a capital gains cut. I haven't understood him to say that.

Mr. HUNT. But he opposed the type of bill the House passed this week.

Senator BYRD. Well, the bill has not passed yet. It hasn't even been reported to the Senate floor by the Senate Finance Committee, and it will be changed in the Senate and, as I say, I hope it will be oriented more to the lower income groups, but I also want to see it oriented toward the middle-income tax groups.

Mr. ROWAN. Senator, one of the things the President objects to strenuously is fiddling around with the minimum tax, which has

been the only tax to get some money out of a great many millionnaires and multimillionaires.

Are you in favor of reducing or wiping out the minimum tax?

Senator BYRD. No.

Mr. ROWAN. Do you think you can get out of the Congress a bill that does not reduce the minimum tax?

Senator BYRD. I think so.

Mr. ROWAN. Do you think that you will get out of the Senate a bill that Mr. Carter can accept, or when you get through will it be more obnoxious to him than what they are doing in the House?

Senator BYRD. Well, I don't know how obnoxious the bill is to Mr. Carter that has passed the House, but, as I say, it has only gone half way. It still has the other half of the ballpark to cover, and I have no doubt that the Senate will leave its imprint on the bill. I would hope, as I have said, that we direct it more to the lower income, but I think we have just got to take into consideration the fact that the middle-income groups are entitled to some consideration in the tax cuts and I would hope that whatever finally emerges is in the direction of that middle-class group, because if we don't give the middle-class group some cuts pretty soon, they are going to be poor too.

Mr. ROWAN. Now, a great many middle-class people are interested in where you stand on this tuition tax credit. Will you support or oppose the proposal to give tax credits to people for parochial and private schools and at the elementary and secondary level?

Senator BYRD. I have supported tuition tax credits for college—at the college level. I personally believe that we ought to get some experience in dealing with that before we proceed to deal with elementary and secondary tax credits. This is not to say I am against them. I have an open mind, but at least we ought to see what the experience is, in my judgment, in connection with college tuition tax credit, which I have supported in the past.

Mr. ABERNETHY. Senator, an NBC Associated Press poll this past week showed that although most people trust the President personally, only 26 percent think he is doing a good or excellent job. This is down from more than 60 percent in March of last year.

Two questions on that: What job rating would you give the President and why do you think the President's overall poll jo rating is so low?

Senator BYRD. I am not too concerned with polls. If it were the night before the election in 1980, I would be concerned, but polls shift and change, and I don't think that the polls reflect the record that the President, in cooperation with Congress, is making, and I think that once the President has an opponent—I have no doubt that the President will run again; I hope he will run again—and if he does, once he gets an opponent, then we will see what the opponent stands for; we can compare that with what the President's record is, and the President has come down hard on some very complex issues that have been around a long time. I think he must be given credit for that. Once we begin to compare records and positions between two actual candidates, then we will be able to perhaps put a little more confidence in what the polls say.

As for my own personal feeling about his job rating, I think it is good. I don't think that the polls focus on the record. In my judgment, the record is good. He has sent to the Congress a good many initiatives. Some of them have been sent too soon, perhaps not well thought out, but, nevertheless, he is to be given credit for trying. And he has been successful, with the support of the Congress, in getting an economic stimulus package through, which has improved the economic growth, and lowered the unemployment rate. We have gotten through a comprehensive farm program that has benefited the farmer. His international initiatives have been very good, and on all these the Congress has supported him, and when all of this record is laid out—and in a campaign the record is going to be viewed—the record is going to be brought out—it is not brought out in the polls—when the record is viewed, I think that the polls will be different.

Mr. ABERNETHY. Do I gather from what you just said that you think that poll rating is unfair, that the President deserves now a better judgment than he has been getting?

Senator BYRD. I am not saying the poll ratings are unfair. I think they are distortions. I don't think they take into account the record on which the President's accomplishments will be based, and on which the judgments of him as a candidate in 1980 will be based.

Mr. ABERNETHY. This past week, at the White House, you told the President and others you hoped there would not develop between the White House and Congress what you termed "us versus them ridiculocity," each side criticizing the other.

How serious do you feel the danger of that kind of split was and still is?

Senator BYRD. I don't think the danger is great at this point, but I think it is well for us to avoid getting into that kind of "them against us" mentality. I don't think the President can again run against Congress, and I think that the people expect a Democratic President and a Democratic Congress to work together to deal with the problems that confront the nation. If the people feel that a Democratic President and a Democratic Congress can't work together, then they are going to seek an alternative. I don't think this is the time for finger-pointing, and I don't think that such criticism of the Congress is justified. It just won't wash. Look at the record that the Congress has given to the President. It took guts for Senators to stand up and vote for the Panama Canal treaty. It took guts for the Senators to stand up and vote for the Middle East arms sales package. It took guts for the Senators to stand up and vote for the lifting of the embargo on arms to Turkey. So the Senate, and the House have given the President some very important victories—not only in the international field but also on domestic issues. And this, I think, is what we should be talking about: working together, cooperating. Of course, there will be a little criticism now and then. I expect the President to offer some criticism from time to time, the Vice President, and we may return it. But over all, such criticism is not justified.

Mr. MONROE. Senator Byrd, George Meany, of the AFL-CIO, has said several times that he will not restrain wages in order to help out on inflation. Considerable friction has developed between him and President Carter. Do you feel that Mr. Meany has been unnecessarily uncooperative about inflation?

Senator BYRD. Well, I think Mr. Meany has indicated, also, that he would appoint a committee to work with Secretary Marshall in dealing with various issues, including that of inflation, but I think if we are going to get a handle on inflation, I think that labor and industry, management, and government, are going to have to form a consensus and do what we can to restrain ourselves in connection with wage increases, price increases, and governmental spending.

Mr. MONROE. Do you feel Mr. Meany has been adequately cooperative?

Senator BYRD. I think he has.

Mr. MONROE. Let me ask you one other question about inflation, from a Senate point of view. You have called inflation the number one problem. Recently, the Senate passed a $10 billion public works bill, which, according to one estimate, would require the hiring of 2,300 more Federal employees. Many people, including President Carter—he characterized it yesterday—consider this bill a pork barrel bill. Isn't that an example of the Senate revying up inflation on spending that helps politics?

Senator BYRD. Let's look at it this way. That public works projects bill has in it a lot of projects that are calculated to prevent floods in various parts of the country. We have had more than our share of flooding in southern West Virginia. On the other hand, the bill has in it projects that will provide for irrigation in areas that are afflicted with drouth. And so what is called pork barrel to one person may be another person's livelihood, or even another person's life. I think it is wrong to look at that bill and say that the Congress is being irresponsible in dealing with inflation.

Don't forget that the Congress, in passing its first concurrent budget resolution, came up with a deficit figure that was $10 billion below the deficit figure supplied by the administration in its budget. Also, the Congress, in that resolution, came up with a figure of $600 million less than the figure that the administration contemplated in outlays for the next fiscal year. And, finally, when the Congress comes in with its second and final concurrent budget resolution on the budget, there is every indication that it is going to even bring that budget figure down to possibly $8 billion below the $50.9 billion that was in the first concurrent budget resolution. This all indicates that the Congress is exercising fiscal restraint. That is the mood of the country, and I think that Congress has, quite some time ago, caught that mood.

Mr. MONROE. Does the Senate need 16-foot-high ceilings in its new multimillion-dollar office building?

Senator BYRD. No, absolutely not, and when the Congress makes a mistake, everybody knows about it, as they should. And that was a mistake, but the Senate has moved to correct that mistake by instituting a ceiling, I think, of something like $130 million on the building. There were figures being tossed around, estimates of $200 million, and so on. No, that building should not have those frills. They should not have been in it in the beginning. The mistake should not have been made in the first place, but there is no question, as there is no question about its being a mistake to have such frills, there is no question but that the Senate has moved to rectify that, and there is no question but that the Senate needs additional space.

Mr. HUNT. Senator, returning to the matter of White House congressional relations, both you and House Speaker O'Neill have frequently talked about the good personal relationship you have with President Carter, but the Speaker has also been quite critical recently of some of the top Carter aides, specifically Hamilton Jordan, Jody Powell and Gerald Rafstoon, suggesting they are politically insensitive. This is, I think, your sixth administration in Washington. How do you rate the White House staff and the people around the President?

Senator BYRD. I have no contacts with a good many of the people around the President. I can only answer your question with reference to the people that I have contact with. I have contacts with the President; I have contacts with the Vice President; I have contacts with Frank Moore, with Dan Tate who represents the President, with Bill Smith, who represents the Vice President, and these contacts have been good; the relationships have been good. The other people, I have no contacts with.

Mr. HUNT. Don't you find it rather odd that you don't have contacts with someone like Mr. Jordan, who is often called the chief aide to the President?

Senator BYRD. No.

Mr. HUNT. In previous administrations you didn't have contact with top officials in those administrations either?

Senator BYRD. As a usual thing, I may have had, I can't remember.

Mr. HUNT. Let me just switch back to energy for a second. If you don't get a natural gas agreement in the next couple of weeks, would you anticipate Congress coming back after the election to try to settle this issue?

Senator BYRD. I think that the energy problem is the top problem confronting this country. It underlies our economic problems; it underlies the strength of the dollar; it underlies our national security; it underlies our inflation problem.

We said at the beginning that it was our number one priority. I hope, and I continue to be confident, that we will get a conference report. As long as those conferees are meeting, there is hope, and I think that reason and patience are needed here and if, as you say, we don't get one before the recess, I still think we ought to get one after the recess. If we don't get one after the recess, if we get up to the November election, if there is any reasonable hope at that time for final success on that bill, we ought to come back after the election.

Mr. MONROE. We have a bit less than three minutes.

Mr. ROWAN. Out in the country people are asking a very simple question: Is President Carter capable of handling the job?

Now, you have seen a few Presidents around here. Is he capable of doing this job?

Senator BYRD. Yes, he is.

Again, I don't think that the attention is being focused on the record. I think that the President has provided initiatives which the Congress has supported and I think the record will show this.

Unemployment is down. Housing starts are up. Real income is up. The number of people who are employed is the highest ever—94.5 million people. We have passed a minimum wage bill. We shored up the Social Security System, which was about to collapse. We passed a major farm bill, and look at the international initiatives: NATO has been strengthened, the Turkish embargo has been lifted; there has been a new momentum in our movement toward normalization with the People's Republic of China. The Panama Canal Treaty has been passed, which improves our relations in South America. The President is going for the summit on the Middle East at Camp David. There is much to his credit that is overlooked, and I think that when one focuses on the record, he will say "Yes, he is competent. He has made mistakes, but he is getting good support from the Congress."

This is good for the American people.

Mr. MONROE. We have a bit less than one minute.

Mr. ABERNETHY. Senator, there are proposals in the works for a constitutional amendment that would require the government in any year to spend no more than it takes in except in times of national emergency. Would you favor that, or oppose it?

Senator BYRD. I would oppose it because I think it is absolutely impossible, infeasible, and unworkable. Who can foresee when there will be a war or a depression? If such an amendment is ever adopted in the Federal Government, we will be put into a straitjacket, and many areas will suffer, such as the area of national defense.

Mr. ABERNETHY. Do you feel pressure building up for such an amendment?

Senator BYRD. There is pressure building up; there is no question about that, but I think we have to be realistic and remember that the Federal Government cannot operate as state governments do, many of which are required to balance their budgets.

Mr. ABERNETHY. Do you expect the bill to extend the deadline for the ERA to pass, Senator?

Senator BYRD. Well, I don't know whether it will pass. I hope we will be able to give it a shot in the Senate.

Mr. MONROE. Thank you, Senator, for being with us today on Meet the Press.

(Next week: Senator Howard Baker (R. Tenn.)

THE CRUCIAL MIDDLE EAST

Mr. HATCH. Mr. President, I have watched with growing concern the advancements by the Soviet Union in the oil-rich states of the world. At the present time the nations in the Middle East provide a tremendous amount of the world's oil. It is for this reason that the Soviets have concentrated such an effort to strengthen their influence in this crucial region.

Who among us had any in-depth knowledge of the conflict that was brewing between Somalia and Ethiopia? Who could foresee this crisis, prior to the outbreak of hostilities? To the overwhelming majority of the American public, and to the Members of Congress alike, the Horn of Africa was just another place on the "Dark" Continent. Today this area is still one of the focal points in the struggle for geopolitical position. Its location makes it strategically vital to the control of oil flowing from the Middle East bound for markets in the West.

The Soviets made a tacit gamble by supporting Ethiopia, risking the loss of their naval base at Berbera. When President Siad Barre tossed them out of Somalia, the Soviets scrambled around searching for a new base. They approached the Maldives, and offered to lease one of the islands for a "fishing base." Fortunately for the West, the Government of the Maldives knew all too well what the Soviets intended to use the base for and refused this offer. While the Soviets were looking elsewhere the Government of Somalia was attempting to find some alternative source of aid in the West. The conflict with Ethiopia was not going well and they desperately needed aid to assist them in the war. The United States refused, and likewise the rest of our allies turned a deaf ear to the pleas from Somalia. Without some measure of support, it now appears that Somalia will be forced to return to Soviet hegemony.

With control of both Ethiopia and Somalia, the Soviets will effectively have gained control of the Eastern access to the Mediterranean. In one move they will have bottled up the flow of oil, and at the same time controlled a strategically important chokepoint.

Mr. President, at the present time there appears to be an even stronger effort on the part of the Soviet Union to increase this widening influence in the Middle East, witness the situation in Iraq. At the same time they have watched with interest the activity in the northwestern corner of Africa. In Morocco there is a limited civil war going on for control of the Spanish Sahara. Those fighting against the government label their rebellion as one of "liberation." This is the terminology that attracts the Soviet Union. It is an area and situation that behooves the nations of the West to keep a watchful eye upon.

It should be clear to all that if the Soviets should intervene, directly or indirectly, and bring this area under their sphere of influence, they would have succeeded in gaining control of both the Eastern and Western access to the Mediterranean Sea. The strategic and economic results of this are self-evident.

In the August 14 edition of the Christian Science Monitor, Mr. Constantine Menges writes about the rising Soviet influence in the oil-producing areas of the world and the possible impact this may have upon the alliances between the United States and nations dependent upon oil from the Middle East. Mr. Menges points out some of the subtle methods that could be used to bring about a dissolution of NATO and other U.S. alliances. The points that are made should be well taken by the Members of this body and others who are involved in the policymaking process.

When all of this information is taken into account along with the recently approved sale of the oil-drilling equipment and technology, certain questions are raised about the future ability of the Soviets to control the vast majority of the world's oil resources, through their own domestic production, or foreign influence.

Mr. President, I ask unanimous consent that the article by Mr. Menges be printed in the RECORD for the benefit of my colleagues.

There being no objection, the article was ordered to be printed in the RECORD, as follows:

STOPPING A SOVIET OIL TAKEOVER

(By Constantine Menges)

The tide of history is moving against the survival of the democratic nations. Few Americans seem aware that several converging trends will pose a serious threat to their freedom in the early 1980s. Prudent action can still be taken.

Soviet military power has been growing for the last decade and has surpassed America's in both strategic and conventional forces. To accomplish Soviet objectives without risking open war, this military dominance will be used to intimidate the democracies. It may prevent us from acting effectively against communist support of violent insurrections aimed at gaining control of the Near Eastern oil countries by the early 1980s.

Once pro-Soviet governments were in control of the oil supplies, Europe and Japan could be pressured into a neutral accommodation with Moscow. That would leave the United States virtually alone by the late 1980s. These catastrophic events are possible but not inevitable. Prevention, however, requires that we give careful thought to how they might occur.

Communist success in Angola, Mozambique, and especially Ethiopia marks the beginning of this new stage of Soviet expansionism. As for Rhodesia, the democracies, especially the United States, have shown they lack the will and wisdom to provide effective support for the peaceful transition to majority rule.

It is highly probable that by sometime in 1979 the black-white moderate coalition will be defeated. That in turn could end any chance that the moderates in South Africa could unite to bring about majority rule with peace. As a result, Soviet guns and extremism among blacks and whites could lead to a bloody and brutal civil war in South Africa from 1979 to 1982. This would distract, divide, and demoralize the democratic nations where majority opinion will support neither white racism nor communist-organized black guerrillas.

During the next few years, Soviet-backed liberation movements could expand their net-

work and power in Saudi Arabia, Iran, and the other oil-rich mini-states of the Persian Gulf. Already Saudi Arabia is nearly encircled by countries that provide bases for this indirect warfare—Ethiopia, Marxist South Yemen, Iraq, and Oman where East Germans and Cubans are helping an active communist guerrilla force.

Iran is now surrounded on three sides by Russia and two pro-Soviet countries. Several large Islamic ethnic groups on both sides of these borders provide the ideal social environment for expanding the already important communist network in Iran. In the next few years terrorism and demonstrations could be used to isolate the Shah and wear down the present government. Lenin called this the phase of "prerevolutionary violence" when conservative religious groups, students, middle-class technocrats and others are stimulated into protest and therefore feel the lash of government repression. In 1981, Russia could start a full-scale guerrilla war. By 1983 this could result in victory for a communist movement that would proclaim itself "nationalist and neutral."

The new pro-Soviet oil governments would continue to sell oil to Europe and Japan—but with a catch. Prices would be cut for nations which get out of alliances with the U.S. And, there could be ruinous price increases for countries which stay with the United States. Economic forecasts show that this will be a period of world-wide oil shortages in any case, and American allies will be desperate for the Near East supplies.

The communist parties in France, Italy, Spain, Portugal, and perhaps Greece and Turkey will increase their domestic power because of their ability to negotiate "good deals" with the new pro-Soviet oil governments. After that there are any number of subtle and cunning diplomatic strategies that the Soviet Union could use to coax West Germany and Japan into a disarmed neutrality that would appear economically attractive in the short run.

This would finish NATO. The United States would be nearly alone, perhaps hoping that a tacit alliance with communist China would ward off more devastating setbacks. But, that is similar to the way the democracies hoped for an alliance with Stalin as Nazi power grew. We should recall that after decades of fierce combat, Stalin and Hitler signed a friendship treaty in 1939. The democratic countries should not repeat the same mistake. We should use the divisions and rivalries among the communist states but not depend on these disputes for our security.

All of this could happen by the mid-1980s without one Soviet soldier or tank officially crossing an international border. To forestall such an ominous scenario, the democratic countries must:

Face up to the unpleasant facts of contemporary history. This means accepting the continuing need to contain communist power and compete with communist ideology.

Cooperate to strengthen each other economically and politically. They must also help friendly governments and moderate reform groups resist the extremists of the right and left.

Remain true to their fundamental values in the face of increasing Soviet success. This means safeguarding civil liberties and the rule of law. It should be kept in mind that the current foreign policy mistakes are being made by well-intentioned individuals who are still too caught up in the traumas of recent American politics to focus wisely on the future.

Maintain strategic and conventional military power equivalent to that of the Soviet Union. A sensible SALT agreement with effective verification can help accomplish this. But Moscow should not be permitted to repeat Hitler's tactic of using years of arms controls promises and negotiations to continue moving ahead of the West in ultimate military power.

Recognize and affirm the strengths deriving from the accomplishments of the democracies. They contribute most of the economic, scientific, and cultural dynamism of this planet. Despite problems still to be overcome, the democracies combine more personal liberty, better living conditions, and greater genuine equality of opportunity than any other approach to government.

CRITICAL DAYS FOR LABOR

Mr. HATCH. Mr. President, during many of the days on this floor when we debated the labor reform bill, I tried to make the point that organized labor is indeed in trouble in this country, not because of any shortcomings of the National Labor Relations Act, which I believe has served labor and management well for the past 43 years, but because the Washingtonian labor leaders have lost touch with their membership in so many ways.

In the fact of these difficulties, big labor appears to be continuing to play by the old rules of "threats of class warfare" because they failed to get their way, as was evident by their reaction to the Senate's action on the labor reform bill, instead of by reason, conciliation, and example. That tired old strategy will not work in this modern age and if pursued, may well further alienate the public toward organized labor as a necessary and influential institution in our society.

One of the best analyses I have seen as to labor's adversities appeared in a Chicago Tribune editorial of June 23, 1978, entitled, "Critical days for labor * * *". I ask unanimous consent that it be printed in the RECORD in its entirely for the information of all who are concerned about improving the status of labor's position on our national scene.

There being no objection, the editorial is ordered to be printed in the RECORD, as follows:

CRITICAL DAYS FOR LABOR . . .

American labor is facing a critical period in its history, but many of its leaders don't seem to realize it. They act as if they were still living in the palmy days when labor could virtually do no wrong: when it was a growing movement with public sympathy, when Congress was full of friends, and when it was fashionable to refer to businessmen as "economic royalists" or worse.

Yet today the unions are fighting a decline in membership, largely because of mechanization in the unionized factories and a shift of jobs to less unionized service industries and to government. Scandals in some unions have tarnished the image of labor as a whole. Polls show labor at or near the bottom of the list when it comes to public confidence, even below used car salesmen.

In their effort to reverse the decline in membership and to move into new areas, notably public service, the aging moguls of labor are generally doing their cause more harm than good. They assume that they still have the same clout as ever. They demand that Congress reform the labor laws so as to make it easier for them to organize workers in industries where they may not be welcome, and to restore to them the power over federal employees denied by the Hatch Act. They resist Civil Service reform. And when they fail, they blame everybody but themselves.

Douglas Fraser of the United Auto Workers, makes a big show of quitting President Carter's Labor-Management Group and denouncing a "one-sided class war" against labor. In the old days, this might have sent shivers down the spine of the bureaucracy and brought panicky officials rusing to make amends. Today it goes almost unnoticed.

About the only bureaucrat to show any panic is the secretary of labor, Ray Marshall, who shudders at the blunt criticisms of labor being uttered by Robert Strauss, the orchestrator of President Carter's war on inflation, and Barry Bosworth, director of the Council on Wage and Price Stability. Mr. Marshall says this kind of talk will anger labor leaders and make them difficult to deal with. Nonsense. What George Meany of the AFL–CIO and his colleagues need is a little more of the bluntness that they are so accustomed to showering on others.

Unions are seeking to organize public service workers by the same rough and tumble methods they used in private industry including the strike. Never mind that in most states strikes of public employes—or at least policemen and firemen—are illegal. Never mind that there are no "economic royalists" to squeeze blood out of. The blood is squeezed out of the taxpayers, who happen also to be the voters, and it is they who suffer when public workers go on strike, or contract the "blue flu," or indulge in "job actions."

No wonder the image of labor is suffering. No wonder voters flocked to support Proposition 13 in California and are clamoring for similar action elsewhere. They are sick of being pushed around and sick of unreasonable demands, whether it is the police sergeant in Mineola, N.Y., who has just won a salary of $25,000, or the postal workers who threatened (successfully, alas) to tie up the U.S. mail in order to retain the rare right never to be laid off.

The message that must be got through, to the union leaders is that times have changed and that successes must be won through reason and example, not through clout and compulsion. And if the message doesn't get through, labor will be inviting a measure of antagonism that will end up hurting both the labor movement and the country.

In the past, unions have achieved a great deal for the workers and for the country. There is still much that they can do. There are still working conditions that need to be improved or at least monitored. There is still the need for a means of communication through which the average worker can be heard in the corporate offices and in Congress.

But too many labor leaders act as if their only function is to sign up more members and bring in more dues to pay the often generous salaries they have given themselves. They must be awakened, in broader needs, including the need to relax the rigidities and the restraints that have helped prevent American industry from competing abroad, driven costs up and held productivity down, increased the trade deficit and decreased the value of the dollar, and that can ultimately jeopardize the free economy which all of us, including the unions, want to preserve.

COMMITTEE MEETINGS DURING SESSION OF THE SENATE TOMORROW

Mr. ROBERT C. BYRD. Mr. President, I ask unanimous consent that the Governmental Affairs Committee be authorized to meet during the session of the Senate tomorrow, August 17, to consider S. 2971, the Lobbying Disclosure Act, and H.R. 3229, the postal reform bill.

The PRESIDING OFFICER. Without objection, it is so ordered.

ORDER FOR RECESS TO 9:30 A.M. TOMORROW

Mr. ROBERT C. BYRD. Mr. President. I ask unanimous consent that when the Senate completes its business today, it stand in recess until 9:30 a.m. tomorrow.

The PRESIDING OFFICER. Without objection, it is so ordered.

ORDER FOR RECOGNITION OF SENATOR SCHMITT AND SENATOR JAVITS TOMORROW

Mr. ROBERT C. BYRD. Mr. President, I ask unanimous consent that when the Senate convenes tomorrow morning Senator SCHMITT be recognized for 15 minutes and Senator JAVITS be recognized for 15 minutes.

The PESIDING OFFICER. Without objection, it is so ordered.

ORDER TO RESUME CONSIDERATION OF D.C. REPRESENTATION RESOLUTION TOMORROW

Mr. ROBERT C. BYRD. I ask unanimous consent that after the two orders for recognition of Senators on tomorrow, the Senate resume its consideration of the D.C. representation amendment.

Mr. STEVENS. Reserving the right to object, has the majority leader waived the leader's time tomorrow?

Mr. ROBERT C. BYRD. No, I did not waive it.

The PRESIDING OFFICER. Without objection, it is so ordered.

RECESS UNTIL 9:30 A.M. TOMORROW

Mr. ROBERT C. BYRD. Mr. President, if there be no further business to come before the Senate, I move, in accordance with the order previously entered, that the Senate stand in recess until the hour of 9:30 a.m. tomorrow.

The motion was agreed to; and at 6:45 p.m., the Senate recessed until tomorrow, Thursday, August 17, 1978, at 9:30 a.m.

NOMINATIONS

Executive nominations received by the Senate August 16, 1978:

INTERNATIONAL ATOMIC ENERGY AGENCY

The following-named persons to be the Representative and Alternative Representatives of the United States of America to the Twenty-second Session of the General Conference of the International Atomic Energy Agency:

Representative: Dale D. Myers, of Virginia.

Alternative Representatives:

Gerard C. Smith of the District of Columbia.

Roger Kirk, of the District of Columbia.

HOUSE OF REPRESENTATIVES—*Wednesday, August 16, 1978*

The House met at 10 a.m.

The Reverend Angelo Gavalas, pastor, Three Hierarchs Greek Orthodox Church, Brooklyn, N.Y., offered the following prayer:

Almighty Father, may we share in this prayer; for friends have all things in common.

We pray to be made beautiful in our souls. May we consider the wise man rich and the self-restrained man wealthy.

In grace, then, we invoke Your holy spirit upon our distinguished leaders that they may be reminded of the principles that make our country great—that their resolutions may assure all our people and the people of the world a nobler and better life.

We pray for the President of our country; for all civil authorities throughout the land; and for the faithful citizens who dwell in it.

An in one voice, we praise Your majestic name, our one God and Creator of all men, Father, Son, and Holy Spirit. Amen.

THE JOURNAL

The SPEAKER. The Chair has examined the Journal of the last day's proceedings and announces to the House his approval thereof.

Without objection, the Journal stands approved.

There was no objection.

MESSAGE FROM THE PRESIDENT

A message in writing from the President of the United States was communicated to the House by Mr. Chirdon, one of his secretaries, who also informed the House that on the following dates the President approved and signed bills of the House of the following titles.

On August 11, 1978:

H.R. 12138. An act to name a certain Federal building in Laguna Niguel, Calif., the "Chet Holifield Building."

On August 15, 1978:

H.R. 7581. An act to amend the Internal Revenue Code of 1954 with respect to the treatment of mutual or cooperative telephone company income from nonmember telephone companies, and for other purposes; and

H.R. 8336. An act to authorize the establishment of the Chattahoochee River National Recreation Area in the State or Georgia, and for other purposes.

FATHER ANGELO GAVALAS

(Ms. HOLTZMAN asked and was given permission to address the House for 1 minute and to revise and extend her remarks.)

Ms. HOLTZMAN. Mr. Speaker, I am deeply pleased and honored that today's invocation has been given by my constituent, Father Angelo Gavalas.

Father Angelo, who for the past 17 years has served as the pastor at Three Hierarchs Church in Brooklyn, has devoted his life to the Greek Orthodox religion and the Greek-American community. In addition to his long and distinguished service at Three Hierarchs and 8 years as pastor at the Holy Trinity Church in Portland, Oreg., Father Angelo is national chairman of the Youth Commission of the Greek Archdiocese of North and South America and has served in that capacity for the last 10 years.

I know and share personally the great respect and affection in which Father Angelo is held by Brooklyn's spirited and dynamic Greek community and by all his neighbors as well.

Dedication is a tradition in Father Angelo's family. His father has been a priest for 56 years, and at age 82 still serves as a missionary among the Greek people in Texas.

Father Angelo was born in Nashua, N.H., and attended Holy Cross Theological School in Brookline, Mass., Colgate Divinity School in Rochester, N.Y., and St. Vladimir's Russian Orthodox Theological School in Yonkers. He is married and the father of three children.

Today is another cause for rejoicing. It is Father Angelo's birthday. We wish him many happy returns of the day.

I am proud to welcome to Washington my friend and constituent, Father Angelo Gavalas.

ADJOURNMENT FROM THURSDAY, AUGUST 17, 1978, TO WEDNESDAY, SEPTEMBER 6, 1978

Mr. WRIGHT. Mr. Speaker, I offer a privileged concurrent resolution (H. Con. Res. 696) and ask for its immediate consideration; and pending that, Mr. Speaker, I ask unanimous consent that I may proceed for 1 minute.

The SPEAKER. Is there objection to the request of the gentleman from Texas?

There was no objection.

Mr. WRIGHT. Mr. Speaker, the purpose of this concurrent resolution is to permit adjournment for our August district work period. It is the adjournment recess of the House effective tomorrow. We shall adjourn to meet at noon on September 6, 1978.

The SPEAKER. The Clerk will report the concurrent resolution.

The Clerk read the concurrent resolution as follows:

H. CON. RES. 696

Resolved by the House of Representatives (the Senate concurring), That when the House adjourns on Thursday, August 17, 1978, it stands adjourned until 12 o'clock meridian on Wednesday, September 6, 1978.

The concurrent resolution was agreed to.

A motion to reconsider was laid on the table.

PERMISSION TO FILE CONFERENCE REPORT ON H.R. 13468, DISTRICT OF COLUMBIA APPROPRIATION BILL, 1979

Mr. NATCHER. Mr. Speaker, I ask unanimous consent that the managers may have until midnight tonight to file a conference report on the bill (H.R. 13468) making appropriations for the government of the District of Columbia and other activities chargeable in whole or in part against the revenues of said District for the fiscal year ending September 30, 1979, and for other purposes.

The SPEAKER. Is there objection to the request of the gentleman from Kentucky?

There was no objection.

MAKING IN ORDER TOMORROW CONSIDERATION OF CONFERENCE REPORT ON H.R. 13468, DISTRICT OF COLUMBIA APPROPRIATION BILL, 1979

Mr. NATCHER. Mr. Speaker, I further ask unanimous consent that it may be in order tomorrow to consider the conference report on the bill (H.R. 13468) making appropriations for the government of the District of Columbia and other activities chargeable in whole or in part against the revenues of said District for the fiscal year ending September 30, 1979, and for other purposes.

The SPEAKER. Is there objection to the request of the gentleman from Kentucky?

There was no objection.

HOME-CARE POLICY FOR THE ELDERLY

(Mr. RYAN asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. RYAN. Mr. Speaker, I want to commend Congressman CLAUDE PEPPER and the Select Committee on Aging for their recent hearings on the elderly. I am especially interested in the committee's concern for a detailed comprehensive effort to implement a home-care policy for the elderly.

We need to raise the level of awareness of the general population in respect to the state of the elderly in our country today. We as a nation are greatly concerned about "human rights" in other countries. How about the human rights of the elderly in our country? At least one-third of our elderly Americans are considered "very, very, poor." A large percentage of these people are in nursing homes. Perhaps even worse is the fact that half of the elderly in nursing homes receive treatment that is characterized as "substandard."

Many of our older Americans would be far better served in their own homes by people who care for them and love them. Unfortunately, 90 percent of our available public financing for long-term care is for institutionalized nursing care. Public support of long-term-care services in the home is minimal and fragmented among several programs. Studies and reports have shown that home care as an alternative to institutionalization would be more efficient and humane, and less costly.

The Select Committee on Aging is working hard to bring these facts to our attention. I applaud their efforts and take this time to urge my colleagues to think seriously about supporting home-care legislation for the elderly.

PROVIDING FOR ORDERLY SHIPMENT OF OFFICIAL RECORDS AND PAPERS OF MEMBERS

Mr. THOMPSON. Mr. Speaker, by direction of the Committee on House Administration, I call up a privileged resolution (H. Res. 1297) to provide for the orderly shipment of official records and papers of Members of the House of Representatives, and ask for its immediate consideration.

The Clerk read the resolution, as follows:

H. RES. 1297

Resolved, That (a) effective upon the date of adoption of this resolution, notwithstanding any provision of law and until otherwise provided by law, the contingent fund of the House shall be available to pay the reasonable expenses of sending or transporting the official records and papers of any Member of the House of Representatives from the District of Columbia to any location designated by such Member in the district represented by the Member.

The Clerk of the House of Representatives is authorized and directed to provide for the most economical means of sending or transporting such documents to insure the orderly and timely delivery to the specified location. The Committee on House Administration shall have the authority to issue rules and regulations to carry out the provisions of this resolution.

SEC. 2. As used in this resolution—

(1) the term "Member" means a Representative, a Resident Commissioner in the House, and a Delegate to the House; and

(2) the term "official records and papers" means books, records, papers, and official files which could be sent as franked mail.

Mr. THOMPSON (during the reading). Mr. Speaker, I ask unanimous consent that further reading of the resolution be dispensed with, and that it be printed in the RECORD.

The SPEAKER. Is there objection to the request of the gentleman from New Jersey?

There was no objection.

The SPEAKER. The Chair recognizes the gentleman from New Jersey (Mr. THOMPSON).

Mr. THOMPSON. Mr. Speaker, House Resolution 1297 authorizes the Clerk of the House to provide the most economical means of sending or transporting the official records of a Member of the House of Representatives to the district he or she represents. This resolution further provides that the contingent fund of the House shall be available to pay the reasonable expenses incurred for such transportation.

There are many economical means of transporting such material other than through the mail. Current law however allows each Member of the Congress to send his or her official records to the district only by franked mail. This situation would be remedied by the adoption of House Resolution 1297.

For example, one current Member of Congress informed the committee that the cost of sending his official records to his district under the frank would be $820; a trucking company would charge $470; and a shipping company would charge $330. If the House utilized the most economical means of transporting the records, it would save the Government $490.

House Resolution 1297 will also make it easier for Members to ship their records, because it will enable them to use shipping services which do not impose strict limitations on the size and weight of parcels, as does the Postal Service in conjunction with the use of the frank.

The committee considered and rejected the use of the Members' official expenses allowances to pay the cost of transporting official records for two reasons. First, Members might continue to use the frank—for which there is a separate appropriation in the legislative branch appropriations bill—rather than reduce their official expense allowance. And second, retiring Members, who have the most substantial need to transport official records, do not have access to their official expense allowances once the Congress is over, even though the frank is available for such use for three months after the Member leaves office

The committee feels that the savings and benefits that will accrue to the House clearly warrant the adoption of House Resolution 1297.

Mr. Speaker, I move the previous question on the resolution.

The previous question was ordered.

The resolution was agreed to.

A motion to reconsider was laid on the table.

GENERAL LEAVE

Mr. THOMPSON. Mr. Speaker, I ask unanimous consent that all Members may have 3 legislative days in which to revise and extend their remarks on the resolution just agreed to.

The SPEAKER. Is there objection to the request of the gentleman from New Jersey?

There was no objection.

CALL OF THE HOUSE

Mr. CHARLES H. WILSON of California. Mr. Speaker, I move a call of the House.

The SPEAKER. Without objection, a call of the House is ordered.

There was no objection.

The call was taken by electronic device, and the following Members failed to respond:

[Roll No. 706]

Ambro	Frey	Preyer
Archer	Fuqua	Quie
Armstrong	Garcia	Risenhoover
Breaux	Gibbons	Roe
Brown, Calif.	Hagedorn	Santini
Burke, Calif.	Harrington	Sarasin
Butler	Harsha	Sawyer
Cavanaugh	Heckler	Scheuer
Chappell	Huckaby	Seiberling
Chisholm	Ireland	Shipley
Cochran	Jenrette	Sisk
Conyers	Kasten	Spellman
Dellums	LaFalce	Staggers
Dent	Le Fante	Stokes
Devine	Lloyd, Tenn.	Teague
Dickinson	McDonald	Thone
Dingell	McKinney	Tucker
Drinan	Madigan	Udall
Edgar	Meeds	Van Deerlin
Edwards, Calif.	Metcalfe	Wilson, Tex.
Edwards, Okla.	Milford	Winn
Evans, Colo.	Miller, Calif.	Young, Alaska
Flowers	Moss	Young, Tex.
Ford, Mich.	O'Brien	
Fraser	Pepper	

The SPEAKER pro tempore (Mr. RICHMOND). On this rollcall 359 Members have recorded their presence by electronic device, a quorum.

By unanimous consent, further proceedings under the call were dispensed with.

MAKING IN ORDER ON TODAY OR ANY DAY THEREAFTER CONSIDERATION OF CONFERENCE REPORT ON H.R. 12927, MILITARY CONSTRUCTION APPROPRIATION ACT, 1979

Mr. McKAY. Mr. Speaker, I ask unanimous consent that it be in order today or any day thereafter to consider the conference report on bill (H.R. 12927) making appropriations for military construction for the Department of Defense for the fiscal year ending September 30, 1979, and for other purposes.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Utah?

There was no objection.

REQUEST FOR CONSIDERATION OF S. 2543, PROVIDING BETTER PROCEDURES TO PREVENT MAILING OF FRAUDULENT SOLICITATIONS

Mr. CHARLES H. WILSON of California. Mr. Speaker, I call up the Senate bill (S. 2543) to amend title 39 of the United States Code to provide better enforcement procedures for preventing fraudulent solicitations through the mails, and ask unanimous consent for its immediate consideration in the House.

The SPEAKER pro tempore. The Chair will inform the gentleman from California (Mr. CHARLES H. WILSON) that a message from the Senate on the Senate bill has not yet been received, so the gentleman's request will have to be deferred until we receive a message from the Senate.

SECOND AND THIRD ANNUAL REPORTS OF THE U.S. NUCLEAR REGULATORY COMMISSION—MESSAGE FROM THE PRESIDENT OF THE UNITED STATES

The SPEAKER pro tempore laid before the House the following message from the President of the United States; which was read and, together with the accompanying papers, without objection, referred to the Committee on Interior and Insular Affairs and the Committee on Interstate and Foreign Commerce:

To the Congress of the United States:

Pursuant to the provisions of Section 307(c) of the Energy Reorganization Act of 1974, I transmit herewith the second and third Annual Reports of the United States Nuclear Regulatory Commission. Both reports cover events prior to my Administration.

JIMMY CARTER.

THE WHITE HOUSE, *August 16, 1978.*

SECOND CONCURRENT RESOLUTION ON THE BUDGET—FISCAL YEAR 1979

Mr. GIAIMO. Mr. Speaker, I move that the House resolve itself into the Committee of the Whole House on the State of the Union for the further consideration of the concurrent resolution (H. Con. Res. 683) revising the congressional budget for the U.S. Government for the fiscal year 1979.

The SPEAKER pro tempore. The question is on the motion offered by the gentleman from Connecticut (Mr. GIAIMO).

The motion was agreed to.

IN THE COMMITTEE OF THE WHOLE

Accordingly the House resolved itself into the Committee of the Whole House on the State of the Union for the further consideration of the concurrent resolution (H. Con. Res. 683), with Mr. NATCHER in the chair.

The Clerk read the title of the concurrent resolution.

The CHAIRMAN. When the Committee of the Whole House rose on Tuesday, August 15, 1978, the concurrent resolution had been considered as having been read and open to amendment at any point, and pending was an amendment in the nature of a substitute offered by the gentleman from Connecticut (Mr. GIAIMO).

Mr. GIAIMO. Mr. Chairman, the amendment which I offered changes the second budget resolution, as reported, to conform with floor action completed by the House since August 8, which was the day that we filed the budget resolution.

The largest change is in revenue. The amendment calls for $450 billion receipts in revenues, which is $3.2 billion higher than in the reported resolution.

The tax reduction approved by the House last week is estimated to lose less revenues than we anticipated in the budget resolution. It is estimated to lose $3.2 billion less than the revenue which we had assumed in the resolution. One of the reasons that could be argued was because the House did not provide a social security rollback. There could be other reasons. The fact remains that the tax bill which we passed in the House last week, as proposed by the Committee on Ways and Means, provided for a smaller tax cut than we had anticipated in the budget resolution and, therefore, we will have $3.2 billion in additional revenue which will be entered into the budget resolution, and that is what the amendment I am offering does. The effect of it would be to cut back our deficit from somewhere in the vicinity of $43 billion to somewhere in the vicinity of $40 billion. In addition, the major defense appropriation passed by the House provides $5 million less in outlays and $89 million less in budget authority than was committed in the budget resolution as reported. Accordingly, this amendment would reduce function 050 in those amounts. Most recently, the House completed action on the foreign aid assistance appropriation. Floor action reduced outlays by $19 million and budget authority by $175 million below the amounts carried in the resolution. This amendment then reduces function 150 by these amounts. The aggregates reduced by this amendment are as follows:

New budget authority would be $561,242,000,000; outlays would be $490,463,000,000; revenues would be $450,000,000,000 instead of $446,800,000,000 as originally anticipated in the resolution. The deficit would be $40,463,000,000.

This is a conforming amendment designed to bring our resolution up to date with our House action as done recently.

Mr. COUGHLIN. Mr. Chairman, will the gentleman yield?

Mr. GIAIMO. I yield to the gentleman from Pennsylvania.

Mr. COUGHLIN. I thank the gentleman for yielding.

Mr. Chairman, on page 25 of the committee report it is indicated that there is $1.6 billion in the resolution to cover such items as tuition tax credits. I take it that the gentleman's amendment would in no way affect that.

Mr. GIAIMO. Mr. Chairman, I want to set the gentleman's mind at ease. Tuition tax credit is covered in the resolution.

Mr. COUGHLIN. The amendment does not affect that at all?

Mr. GIAIMO. No.

Mr. COUGHLIN. I thank the gentleman.

Mr. LATTA. Mr. Chairman, will the gentleman yield?

Mr. GIAIMO. I yield to the gentleman from Ohio.

Mr. LATTA. I thank the gentleman for yielding.

Mr. Chairman, let me ask the gentleman this question: What the gentleman is proposing to do here by this "conforming" amendment is to add $3.2 billion to revenues by reducing the tax cut we promised to the American people.

Let me ask the gentleman whether or not we could not accomplish the same deficit-reduction by reducing the Government spending by an equal amount of $3.2 billion, and let the people have the tax cut that was promised to them.

Mr. GIAIMO. Well, that is rather a convoluted, complex question the gentleman has asked me. Let me say that what we are doing here is to conform the revenue estimate in our budget with what the House voted last Thursday. The result of that will be that we pick up $3.2 billion in additional revenues. That is what we are suggesting, and that is what we are doing here. We do not affect the outlay side except in Defense and International Affairs functions, where there were some slight changes as a result of

the appropriations actions on two of those bills, defense and foreign aid.

Mr. LATTA. Well, I assume from what the gentleman has said, then, that we are in agreement as to what is being done and how the gentleman is attempting to do it. That is, that he is adding $3.2 billion in revenues because he proposes a reduction in the size of the tax cut. A lower deficit could be accomplished, however, by cutting back on Government spending.

Mr. GIAIMO. What could be accomplished?

Mr. LATTA. The reduction of $3.2 billion from the deficit.

Mr. GIAIMO. I think what the gentleman means is that we could reduce the deficit an equal amount by reducing expenditures.

The CHAIRMAN. The time of the gentleman from Connecticut has expired.

(By unanimous consent Mr. GIAIMO was allowed to proceed for 1 additional minute.)

Mr. LATTA. We could accomplish the same objective that the gentleman is attempting to accomplish here by reducing spending by an equal amount.

Mr. GIAIMO. If we reduce spending, this revenue figure would still be at the original figure we had. What we are doing here is revising the estimate of revenues for next year, based upon the action of the Ways and Means Committee and the House.

Mr. LATTA. All right. Had the Ways and Means Committee, though, given the American people this additional tax cut of $3.2 billion, we could have accomplished the same thing the gentleman is going to accomplish by his amendment, by reducing spending by this figure of $3.2 billion.

Mr. GIAIMO. I think the House and the Ways and Means Committee worked their wills on what the proper level of revenues should be last week. I think they took into consideration the need for a revenue reduction, and they made a substantial revenue reduction in the amount of $16.3 billion. I believe they took into consideration what the effect of a tax cut would be on inflation, what the effect would be on stimulus to the economy. I think they took all of these things into consideration, and I commend the House and the Ways and Means Committee for coming in with what I thought was a tax cut at the proper level.

AMENDMENT OFFERED BY MRS. HOLT TO THE AMENDMENT IN THE NATURE OF A SUBSTITUTE OFFERED BY MR. GIAIMO

Mrs. HOLT. Mr. Chairman, I offer an amendment to the amendment in the nature of a substitute.

The Clerk read as follows:

Amendment offered by Mrs. HOLT to the amendment in the nature of a substitute offered by Mr. GIAIMO: Strike all after the words "Budget Act of 1974," and insert the following:

That for the fiscal year beginning on October 1, 1978—

(1) the recommended level of Federal revenues is $445,000,000,000, and the amount by which the aggregate level of Federal revenues should be decreased is $28,300,000,000;

(2) the appropriate level of total new budget authority is $539,000,000,000;

(3) the appropriate level of total budget outlays is $480,000,000,000;

(4) the amount of the deficit in the budget which is appropriate in the light of economic conditions and all other relevant factors is $35,000,000,000; and

(5) the appropriate level of the public debt is $833,300,000,000, and the amount by which the statutory limit on such debt should accordingly be increased is $35,300,000,000.

SEC. 2. Pursuant to Section 310 of the Congressional Budget and Impoundment Control Act of 1974, the House Committee on Ways and Means and the Senate Committee on Finance shall promptly submit to the Committees on the Budget of their respective Houses reconciliation legislation to decrease Federal revenues by approximately $1.8 billion to a level consistent with the provisions of Section 1(1) of this resolution; and the Appropriations Committees of the House and the Senate shall promptly submit to the Committees on the Budget of their respective Houses reconciliation legislation to decrease budget authority by approximately $22.5 billion to a level consistent with Section 1(2) of this resolution; and the Committees on the Budget of both Houses shall report to its House a reconciliation bill or reconciliation resolution, or both, carrying out all such recommendations without substantive revision.

Mrs. HOLT (during the reading). Mr. Chairman, I ask unanimous consent that the amendment to the amendment in the nature of a substitute be considered as read and printed in the RECORD.

The CHAIRMAN. Is there objection to the request of the gentlewoman from Maryland?

There was no objection.

Mrs. HOLT. Mr. Chairman, my amendment to the substitute is a package that includes a real tax cut and a real reduction in the gross rate of spending. It does not cut; it slows down the growth rate of government, and it is a real reduction in the growth rate of the budget authority. It also produces a lower deficit.

The second concurrent resolution on the 1979 budget as reported by a small majority of the committee is a hoax. Its proponents say it allows for tax reduction when, in fact, it promises tax increases. My amendment reduces taxes more than the expected increases.

They say they have reduced spending when, in fact, they have merely reestimated outlays without making any policy changes. The policy of the committee is the same as it has been—more and bigger programs. I invite my colleagues to examine the new budget authority provided by the committee's recommendation.

The budget authority is what we should be looking at. It is $561 billion, which is a leap of $57 billion, or 11.3 percent, from the new budget authority provided for the current year. The estimate of outlays produces a growth rate of almost 10 percent. That is the growth rate. However, it is budget authority—actual spending authority—that drives the growth of government. The huge increase in budget authority recommended by the committee is a springboard for rapid budget growth in the years ahead. That is where we should be looking.

The committee has recommended a phony tax reduction. It is not going to offset the large increase in social security taxes and the inflation taxes imposed on workers pushed into higher income tax brackets. The net effect of the committee's recommendation is a tax increase.

In committee, I offered this amendment as a substitute budget which would allow a substantial tax reduction of $28 billion for a full year and reduce the growth rate of Federal spending to approximately 7 percent in fiscal year 1979. This amendment lost by a margin of only one vote, which encourages me to bring it before the House today. The comments of my colleagues during debate on tax reform last week indicated that the reason we could not vote for a real tax cut that the people want, which everybody who came before our committee said we needed, was that we did not have a reduction in growth of Government.

The new budget authority provided by my substitute would be $539 billion, which is $35.2 billion, or 7 percent, higher than the budget authority for the current year. There are no cuts in any program—I emphasize that. I want to emphasize it again. There are no cuts in any program—only reduced growth rate.

Is there a Member of this House who will say that we cannot live with a $35 billion increase in budget authority in 1 year? If there is, I challenge him or her to step forward and explain why this sum would not be enough, or explain it to his or her constituents back home. I will bet there are not 50 Members in this House who could say that their constituents want more Government.

The budget authority provided by my substitute would be sufficient to continue existing Federal programs adjusted for inflation. The budget authority recommended by the committee is $22.4 billion more, which demonstrates the dimensions of the new and expanded programs sought by the committee. All of us, regardless of party affiliation, are hearing one powerful message from the people of this country: The burden of Government has become too great. The double plague of high inflation and heavy taxation is eroding earnings and savings, destroying the aspirations of the people and crippling the ability of people to make productive job-creating investments.

In Columbia, Mo., tne day before yesterday, the President was reported to have called for the Congress to curb inflation. Chairman MILLER asked us to do it when he came before our committee. We are hearing it from all sides—from the experts—that we not just reestimate how fast we can spend money, which is what has been done in the outlays in the committee budget, but slow down the growth.

I hope these "Hold The Line" buttons we see here today do not mean that we are not to reduce the growth rate of government. I do not want to hold the line there.

The perfecting amendment I have offered will start us moving in the right direction toward a balanced budget. I urge that it be supported.

Mr. ROUSSELOT. Mr. Chairman, will the gentlewoman yield?

Mrs. HOLT. I yield to the gentleman from California.

Mr. ROUSSELOT. Mr. Chairman, the gentlewoman is telling us in her amendment to the committee amendment there are no actual cuts? There is nothing more than restraints in increases over fiscal year 1978.

The CHAIRMAN. The time of the gentlewoman from Maryland has expired.

(On request of Mr. ROUSSELOT, and by unanimous consent, Mrs. HOLT was allowed to proceed for 3 additional minutes.)

Mr. ROUSSELOT. Mr. Chairman, if the gentlewoman will yield further, she is telling us there are no cuts in the 1978 level of expenditures?

That they are just less than the increases in the budget resolution; is that correct?

Mrs. HOLT. That is correct. There is more than a 7-percent increase over all we spent last year.

Mr. ROUSSELOT. A 7-percent increase?

Mrs. HOLT. Yes. So this would take care of inflation. We could do all of our current services. I believe that we have ample programs to provide for the very real needs of the people of this country.

Mr. ROUSSELOT. So the basic authorizations made by this Congress will be accommodated in the gentlewoman's amendment?

Mrs. HOLT. Absolutely.

Mr. ROUSSELOT. I compliment the gentlewoman for the thought that she has given to this matter. I too am sorry that this amendment did not pass in the Committee on the Budget. It only failed by one vote. I think the gentlewoman is to be complimented for her persistence in trying to help the 95 million American taxpayers.

Mr. RHODES. Mr. Chairman, will the gentlewoman yield?

Mrs. HOLT. I yield to the minority leader, the gentleman from Arizona (Mr. RHODES).

Mr. RHODES. Mr. Chairman, I too want to congratulate the gentlewoman from Maryland (Mrs. HOLT) on the presentation she has made in presenting the Holt amendment. The Holt amendment, as I am sure the gentlewoman will agree, is part of the Republican 5-year plan for a balanced budget by the end of fiscal year 1983.

Mrs. HOLT. That is correct.

Mr. RHODES. This is really the budget for the first year of that 5-year plan.

I am sure, also, that the gentlewoman will agree that the Holt amendment is just as much a part of the Republican program for fiscal sanity and responsibility as would the other parts in the Republican plan, such as the Kemp-Roth bill and the Steiger amendment.

Mrs. HOLT. That is true. We have got to make this first step. That is why I emphasize budget authority, because that is when we get into the out years.

Mr. RHODES. I agree with the gentlewoman and again congratulate her on her presentation.

Mr. LAGOMARSINO. Mr. Chairman, will the gentlewoman yield?

Mrs. HOLT. I yield to the gentleman from California.

Mr. LAGOMARSINO. Mr. Chairman, I would like to compliment the gentlewoman from Maryland (Mrs. HOLT) on her amendment and I think it is a very good, comprehensive statement that says it all. I do not know how anybody who has listened to this debate or looked at the facts can disagree with it.

The amendment would limit growth in Federal spending for 1979 to 7.4 percent above 1978, compared to 9.7 percent by the Budget Committee.

The amendment cuts taxes by $20 billion; $5 billion more than the committee.

It reduces the deficit to $35 billion, $8.7 billion below the Budget Committee.

A very important provision requires the House to set a total limit to Federal spending before deciding how much to spend for each individual program.

I would hope the amendment will be passed by a large majority.

Mr. MITCHELL of Maryland. Mr. Chairman, I move to strike the last word, and I rise in opposition to the amendment.

Mr. Chairman and members of the committee, I rise in opposition to the amendment offered by the gentlewoman from Maryland (Mrs. HOLT). I would like to make my opposition in terms of three perspectives.

At least one would be the mechanical perspective. One would be the substantive perspective, and the third would be the political perspective.

First, in terms of the mechanical perspective, I don't know what the gentlewoman plans for the rest of the year, and I do not know what the Republican side plans for the rest of the year, but I do know that if this amendment is agreed to, it will mean we will be in session until at least I would assume, mid-December.

What the gentlewoman requires in her amendment is reconciliation between her proposal and what has already been authorized and acted on by the Committee on Appropriations. In actuality, it goes further back than that. If we follow through on her amendment, we have to go back beyond the Committee on Appropriations, in some instances, all the way back to the authorizing committees.

So, in terms of the mechanics, if you support the amendment, let us be prepared to eat Christmas dinner here.

Mr. GIAIMO. Mr. Chairman, will the gentleman from Maryland (Mr. MITCHELL) yield?

Mr. MITCHELL of Maryland. Of course I yield to the chairman of the Committee on the Budget, the gentleman from Connecticut (Mr. GIAIMO).

Mr. GIAIMO. Mr. Chairman, I thank the gentleman for yielding.

I wonder if the gentleman will agree with my understanding that what the gentlewoman is proposing is instructing the Committee on Ways and Means to go and find additional tax reductions?

Mr. MITCHELL of Maryland. Precisely.

Mr. GIAIMO. And instructing the Committee on Appropriations to go and make additional reductions of $22½ billion in appropriations; is that the gentleman's understanding?

Mr. MITCHELL of Maryland. That is precisely correct.

May I just interject here to say that I do not think the Committee on Appropriations would make that kind of slash without going back to the authorizing committees. Therefore, I still insist that if this amendment passes, we will have Christmas dinner somewhere on Capitol Hill.

Mr. GIAIMO. If the gentleman will yield further, the gentleman mentioned the fact that we might well be here beyond November 7. The gentleman is making reference, I am sure, to Public Law 93-344 of the Budget Act, which says the following very clearly:

> Congress may not adjourn until action is completed. It shall not be in order in either the House or the Senate to consider any resolution providing for the adjournment sine die of either House unless action has been completed on the concurrent resolution on the budget required under subsection (a).

In other words, we would have to wait, if this amendment were to pass, until the two committees, the Committee on Ways and Means and the Committee on Appropriations, did specifically what the gentlewoman mandated; is that correct?

Mr. MITCHELL of Maryland. That is the law, and I do not think that the Holt Hit at the Hopeless should change the law. That is the law, precisely.

Mr. Chairman, we talked about the mechanical part of this situation. Let us talk about the substantive part.

We are hearing that there is no cut in any program, no change in any program. Yet, for the life of me, based upon my sixth-grade arithmetic, how do we reduce outlays by $10 billion without affecting some programs? How do we reduce budget authority by $225 billion? Those are the gentlewoman's figures.

The cuts are going to have to be made somewhere, and here is what could happen. I am not saying it would, but I am using these as illustrations of what could happen.

If we cut outlays by $10 billion, there would be no increase in the title IX ceiling. There would be cuts in CETA, in vocational help for older Americans and so forth. There could be no future relief for the States if we just cut out $10 billion in outlays, so in terms of substance, the amendment is wrong.

Let us look at the political implications of it. We have looked at the mechanics; we have looked at the substance. Let us look at the political implications.

The CHAIRMAN. The time of the gentleman from Maryland (Mr. MITCHELL) has expired.

(By unanimous consent, Mr. MITCHELL of Maryland was allowed to proceed for 3 additional minutes.)

Mr. MITCHELL of Maryland. I thank the chairman.

Mr. Chairman, one of the saddest things any legislative body can do is to propose legislation in terms of an appeal to those whom they represent, knowing full well that the legislation as proposed does not have any chance of becoming a reality. I think that is a cruel thing to do. It is great to make a promise, promise everyone everything. That is great. It is great to promise by saying, "We are going to give you a great big, fat tax cut, reduce Government spending at the same time, and no one is going to be hurt."

It is impossible to approve the Holt amendment because of problems based upon the mechanics, based upon the substance, and based upon the political considerations.

Mr. Chairman, I just do not want anybody deluding the taxpayers any more, deluding the American citizens. I am not suggesting that is the gentlewoman's intent. I am not questioning what the gentlewoman's intent is. I am simply saying that it ends up really deceiving people because it is a nonaccomplishable thing as of this date.

Mr. Chairman, I would strongly recommend that this amendment be voted down, primarily in an effort to regain credibility for this House. To propose an amendment like this cuts at the credibility of the House.

Therefore, Mr. Chairman, just before I yield to the gentlewoman from Maryland (Mrs. HOLT), I would ask that we vote down the Holt Hit at the Hopeless because it is a bad amendment.

Mrs. HOLT. Mr. Chairman, will the gentleman yield?

Mr. MITCHELL of Maryland. I yield to the gentlewoman from Maryland.

Mrs. HOLT. Mr. Chairman, I really cannot believe I have heard what I have heard.

Is the gentleman saying that there is no way we are ever going to be able to stop this spiraling growth of government? Are we never going to be able to slow down the growth rate?

Mr. MITCHELL of Maryland. If the gentlewoman will let me reclaim my time, Mr. Chairman, I can answer the question.

I did not say any such thing, Mr. Chairman. The gentlewoman has apparently worked so hard on this amendment that she is hearing things which are not being said.

I did not say that we will never be able to reduce the deficit. In fact, indeed, this is what the Committee on the Budget has done. When this Committee on the Budget came into being some 4 years ago, we had a very, very high deficit of something like $66 billion. That was at a time when we had unemployment of 9 percent and unemployment of 7 percent. Despite that high unemployment, the Committee on the Budget, in a realistic, pragmatic fashion, has reduced the deficit.

Mrs. HOLT. Mr. Chairman, will the gentleman yield?

Mr. MITCHELL of Maryland. I will yield in just 1 second. I know the gentlewoman is anxious, but hold on now.

We are now down to a point in this fourth budget resolution where we are talking about a deficit of about, when it is all figured out, $40 billion. That is $26 billion less than the deficit we had to cope with when we first came into being. My argument is, yes, we can reduce the deficit. We can reduce it, and that will automatically mean a reduction of Federal spending.

The CHAIRMAN. The time of the gentleman has expired.

(At the request of Mrs. HOLT, and by unanimous consent, Mr. MITCHELL of Maryland was allowed to proceed for 1 additional minute.)

Mr. MITCHELL of Maryland. I thank the gentlewoman. I am going to yield to her right now after I say we have reduced the deficit, and I think we can reduce Government spending, but let us do it in a rational, reasonable, pragmatic manner rather than in a kind of magical game where we play with figures and delude people.

I yield to the gentlewoman from Maryland.

Mrs. HOLT. I would like to make two points, as the gentleman has so graciously yielded to me. The Committee on the Budget is supposed to be the discipline on the rest of the House. This is the only way that we are going to do it. When the gentleman says that we cannot do this mechanically, then he is saying that the Budget Act is not properly drawn. The Budget Act provides adequately for this eventuality.

Mr. MITCHELL of Maryland. Let me retrieve my time. May I retrieve my time to respond? Again, the gentlewoman is not hearing properly. I did not say it could not be done because of the mechanics. What I suggested was, because of the mechanical difficulties, if we attempt to do it we will be around here singing Christmas carols together. We have got to go all the way back to the Appropriation Committees, all the way back to the authorizing committees, and that is the mechanical difficulty. It can be done, and I would be happy to share a Yuletide meal with the gentlewoman from Maryland.

Mr. REGULA. Mr. Chairman, will the gentleman yield for a question?

Mr. MITCHELL of Maryland. I yield to the gentleman from Ohio.

Mr. REGULA. I thank the gentleman for yielding.

I am interested in his statement that he feels that we should look into the future and reduce budget costs and direct the Nation toward a balanced budget. Is that a correct interpretation of what the gentleman said.

Mr. MITCHELL of Maryland. That is correct.

Mr. REGULA. My question, then, is, Would the gentleman agree at least with a portion of that proposal that reduces budget authority from $561.5 billion to $539 billion, recognizing that that is the feature in the budget that triggers heavy outlays in future years? Does the gentleman not think this would be responsible from the standpoint of not committing ourselves to heavy expenditures in the future?

Mr. MITCHELL of Maryland. No, I could not agree to that kind of approach simply because that would include entitlement programs and other fixed obligations.

Please. please vote down the Holt amendment.

Mr. LATTA. Mr. Chairman. I move to strike the requisite number of words.

Mr. Chairman, I rise in support of the Republican amendment as presented by Mrs. HOLT of Maryland because I think what the big spenders in this Congress have been doing to our children and our grandchildren, and their children and their grandchildren is unconscionable. It is past time for this Congress to recognize this. I know that all of us have studied this budget from cover to cover, and we have picked out the pages dealing with outlays, revenues, and deficits, as I have, but just in case the Members missed pages 486 and 487, they might want to take a look at them. These pages graphically indicate what the big spenders have been doing to our children and our grandchildren while trying to take credit for every conceivable expenditure with their constituents. Yes, they have been getting reelected and reelected and reelected by telling them what they have been doing for them. I think it is high time to tell them what they have been doing to them in no uncertain terms.

Going back to 1958—and that is not very far back—we only had a national debt of $279.7 billion. We went along fairly well in compiling additional debt until we got to the 1970's. If the Members will just bear with me, here is how the national debt has grown since 1970:

Fiscal year:	National debt [In billions]
1970	$382.6
1971	409.5
1972	437.3
1973	468.4
1974	486.2
1975	544.1
1976	631.9
1977	709.1

You will note that the Budget Committee would have us go to $842 billion next year to pay for the excesses this Congress has authorized.

Every time we try to do something about it, they come down in the well and say, "You can't do this. You can't cut here and you can't cut there," and have no hesitancy in placing this added cost on the backs of our children.

Mr. Chairman, I think this practice is unconscionable. They ought to go home and beg their children's forgiveness for what they have been doing to them instead of patting themselves on the back.

Yes, I am supporting the Holt amendment. I supported and proposed an amendment in the committee which failed, naturally, because it made even greater reductions in spending. I think it is high time, if we want to dispense all these goodies all around this country and throughout the world, that we pay for them—pay for them by our earnings, not the earnings of our children and our grandchildren.

Mr. ROUSSELOT. Mr. Chairman, will the gentleman yield?

Mr. LATTA. I will be happy to yield.

Mr. ROUSSELOT. In committee the gentleman and myself both supported the Holt concept and the Fisher concept. Nobody was cutting any of the functional categories in expenditures over 1978.

Mr. LATTA. The gentleman is absolutely right.

Mr. ROUSSELOT. We were merely restraining increases, so they are not cuts or slashes.

Mr. LATTA. No; they just want to keep adding on at a rate much greater than the rate of inflation.

Yes. Mr. Chairman. I rise in support of this amendment. We have before us an opportunity to make some fundamental changes in the way the Congress goes about fixing the limits in the national budget and a chance to send a loud and clear message to the people that the

spending ways of the Federal Government are about to change. We are proposing to place spending limits in the resolution before we go to the functional categories. In other words, we are going to determine the spending limitations beyond which we cannot go before we start distributing the goodies. This will make certain that we do not dispense more goodies than we are willing to pay for.

Is this not fair and proper? I think that is both fair and equitable, especially for our children.

There are two principal reasons the amendment offered on this side of the aisle by the gentlewoman from Maryland (Mrs. HOLT) deserves the support of the House. First, the budget totals, while not appearing significantly different from those proposed by the committee are, in fact, considerably different.

The CHAIRMAN. The time of the gentleman from Ohio (Mr. LATTA) has expired.

(By unanimous consent, Mr. LATTA was allowed to proceed for 3 additional minutes.)

Mr. LATTA. Mr. Chairman, for example, outlays in the amendment before us are $10 billion below the committee mark, but still represent a growth of 7.4 percent over the current fiscal year.

As the gentleman from California (Mr. ROUSSELOT) just pointed out, no program is getting cut. What we are saying is that in these times of double digit inflation and concern over the growth of Government at all levels, Federal spending will grow no faster than the rate of inflation next year.

The committee's resolution on the other hand, allows spending to rise almost 10 percent on fiscal year 1978. The American people understand that Government spending must go up because of inflation, but in these times when the average family is losing purchasing power to inflation, they will find it hard to understand why Government outlays have to grow 30 percent faster than the Consumer Price Index. With the substitute amendment offered by the committee chairman, the real tax burden on the American worker will grow $10 billion plus next year, in spite of the tax bill we just passed. Yes. You heard correctly, a tax increase of $10 billion or more next year because of a combination of higher social security taxes and inflation, more than offsets the so-called tax cuts provided for in the resolution.

Contrast this with a $20 billion tax cut in the Republican amendment offered by the gentlewoman from Maryland (Mrs. HOLT), a $28 billion cut for the full calendar year 1979.

This substitute means that the people will receive a tax cut next year—a real one. So that is the second fundamental difference. The committee resolution allows taxes to rise by over $10 billion. The amendment on this side of the aisle will provide a net tax cut. For those of you who have heard the message from California and all the other States, this should be a very significant difference.

Finally, the Members will notice that our amendment has a deficit of $35 billion—and let me say that I do not want to support this particular part of the amendment. The deficit is far higher than it should be, in my humble judgment, but it is a vast improvement over the $61 billion deficit the President was proposing to us, and it is still $5 billion, or 14 percent, below the deficit recommended by the Committee on the Budget in its substitute amendment.

The second major reason I believe this amendment deserves your support is that it does budgeting in the right way. It sets revenue and spending policy first. That is the way every family, every business, every State, and every local government, with the possible exception of New York City, goes about it.

The CHAIRMAN. The time of the gentleman from Ohio (Mr. LATTA) has expired.

(By unanimous consent, Mr. LATTA was allowed to proceed for 2 additional minutes.)

Mr. LATTA. Mr. Chairman, they decide how much they ought to collect in taxes the next year, and then they set a spending cap based on revenue projections. Only then do they start discussing how much they should spend on any given program. The Committee on the Budget goes about this backward. They go through the spending functions first and add up all the spending and reach the budget totals. As long as we prepare the congressional budget in this manner, we can expect little improvement over the old system which the Congressional Budget Act was intended to correct.

Let me say one other thing, Mr. Chairman. It will be very easy for those who oppose this amendment to stand up and ask: "Where are you going to cut?" That, I submit, is not the primary function of the Committee on the Budget. First, with a spending growth of over 7 percent, we are not cutting at all. Programs may not be getting every single dollar their supporters may have wanted, but it is hardly the same thing as a real cut, as some Members might state here on this floor.

Second, so long as the debate on the budget degenerates into arguments over funding for one program or another, we will never end up with budget totals which are as low as a substantial majority of this House wants.

Mr. Chairman, I would ask that the Members look at this amendment in another way. If you believe that a 7-percent increase is big enough, and that a tax cut which only offsets the higher taxes scheduled to impact on the taxpayer next year is warranted then you should vote for the amendment offered by the gentlewoman from Maryland (Mrs. HOLT). On the other hand, if you do not believe that there is at least $10 billion in waste, inefficiency, and unnecessary spending in a budget totaling $490 million, then you should vote against the amendment. It is as simple as that.

Mr. SIMON. Mr. Chairman, I move to strike the last word, and I rise in opposition to the amendment.

Mr. Chairman, I would love to hear my two friends, the gentleman from Maryland, PARREN MITCHELL, and the gentlewoman from Maryland, MARJORIE HOLT, sing Christmas carols together, so it is with some reluctance that I rise in opposition to the gentlewoman's amendment.

We have to look at where we are. We are not starting the process. We are at the second budget resolution, and if we adopt this amendment, we will now go into the conference with the Senate not having any idea at all where we stand in any functional category.

Then what do we do? Where do we get this extra $10 billion in outlays?

If my memory is correct—and I would be pleased if the gentlewoman from Maryland (Mrs. HOLT) would correct me if I am wrong—the gentlewoman was not one of the 33 of us who tried to hold back on the increase for veterans. In that area we had a $1.4 billion increase. If my memory is correct, she was not one of those who tried to hold back on defense spending.

Mrs. HOLT. Mr. Chairman, will the gentleman yield?

Mr. SIMON. I yield to the gentlewoman from Maryland.

Mrs. HOLT. I thank the gentleman for yielding.

Mr. Chairman, the gentleman is absolutely correct. This is the point that I have tried to make. Each one of us has his own special interests. The Budget Committee, acting as a committee, should act on the aggregates. This is why I stressed the two steps. If we would deal with the amount of money that the American people want to hand over to the Federal Government to provide for the needs of the people, and then turn that back to the committees, and let them decide how much of this we are going to allocate to each function, this would relieve us all of the pressures that we have, to represent our special interests. That is precisely the point that I have tried to make. I think that that is what this Budget Act was set up for. I worked very hard to get is passed, because I thought it was going to be a discipline on all of us, to try to force us to live within our means. That is exactly what I am trying to do here. It distresses me to hear my colleagues say that, simply because we want to go home quickly, we cannot take the time to present a budget that is going to be satisfactory to the American people.

Mr. SIMON. My point is simply this—and the gentlewoman from Maryland has confirmed this—that we have problems with the $10 billion. I indicated earlier in the floor debate on the first budget resolution that I tend to agree with my colleague, the gentleman from California (Mr. BURGENER), that when we start off in committee we ought to be dealing with aggregates and then see where we go and see if we can fit these functions into the aggregates.

The fact is that if we accept the aggregates of the gentlewoman from Maryland the people who would get hurt would be those people who need the help the most. And let us not fool ourselves. There would be a scramble around this Capitol like we have never seen before. All of the special interests would be heard from except the people who need the help from the Federal Government the most.

Mr. GIAIMO. Mr. Chairman, will the gentleman yield?

Mr. SIMON. I yield to the gentleman from Connecticut.

Mr. GIAIMO. Mr. Chairman, the gentleman mentioned defense and some of the other areas where the gentlewoman from Maryland did not desire to see reductions. I wonder if the gentlewoman from Maryland would support a pay cap for Federal employees, and I wonder if the gentlewoman from Maryland would support reductions in impact aid to education.

Mr. Chairman, it is all well and good to talk about the priorities and making cuts. It is always easier to cut the other people's programs, as long as our own pet programs are left intact. And that is the difficulty of putting together a budget

Mrs. HOLT. Mr. Chairman, if the gentleman will yield further, this is exactly the point I am making. I am not saying that I am absolutely free of representing the Committee on Armed Services, on which I serve, that I am not absolutely guiltless in trying to represent the interests of my district. I am saying that this would give us an opportunity to say that we want to hold the line on increasing it, that we have a budget this year, we know OMB and CBO have all estimated how much we can spend. We have demonstrated we cannot spend that. The agencies are unable to spend all of the money that we shovel out to them. So this is the point I am making.

If we had to make a decision to go with what we are spending this year, plus an amount for inflation, what would be wrong with that? I think the American people would cheer. I think we would see our dollar rally, I think we would see the stock market rally, I think we would see business confidence improve, which is the weakest point of our economy. We have to do something dramatic here in this Congress to demonstrate that we are not going to go on with this kind of spending.

The CHAIRMAN. The time of the gentleman from Illinois (Mr. SIMON) has expired.

(By unanimous consent, Mr. SIMON was allowed to proceed for 5 additional minutes.)

Mr. GIAIMO. Mr. Chairman, will the gentleman yield further?

Mr. SIMON. I yield to the gentleman from Connecticut.

Mr. GIAIMO. Mr. Chairman, do I understand, then, the gentlewoman from Maryland (Mrs. HOLT) would support me in holding the pay cap on Federal employees and not to reduce the payments made to impact aid, school districts?

Mrs. HOLT. If the gentleman will yield, I am not committing myself to any spending, any action.

Mr. GIAIMO. Would the gentlewoman join with me?

Mrs. HOLT. I am offering this particular amendment to try to place a discipline on the gentleman and on me and on all of us, so that we will stop wasting the taxpayers' money.

Mr. GIAIMO. And the gentlewoman will join with me?

Mrs. HOLT. I will abide by the committee's decision.

Mr. SIMON. Mr. Chairman, if I may reclaim my time here, let me point out just one other problem. As we look at these figures, they look great. And it would be marvelous to get down to that deficit of $35 billion in this budget resolution, although, in fact, with the chairman's amendment we are down to $40 billion, and because of falloff I think we will be down to roughly $36 billion, in fact, in fiscal year 1979.

If the Members will check, they will notice in the Holt amendment that there is a tax cut of an additional $4.4 billion, and a dropoff of revenues of only $1.8 billion. It may be that you want to pretend that is going to happen. I do not think that too many people who look at a balance sheet and who look at the hard facts of life believe those kinds of things can happen.

We have to act with considerable caution before we accept those kinds of figures. Let me make one more point. I started to make a point before that I think is important. The gentlewoman from Maryland hit one extremely important point, and that is the condition of the economy of this Nation. In fact, if we try to make the appropriations fit into a cut-back of an additional $10 billion—and here is the No. 2 man on the Appropriations Committeee right here, and he knows what a problem that would be—in fact, all the powerful interests would start to work.

Where would we cut back? Would it be on defense? You know the answer on that. Would it be on veterans' programs? Well, we could not do that. Would it be on water projects? You know the answer on that. Where would we cut? Well, I know where we would cut and you know where. We would be cutting back on employment programs and other things that help to keep this economy going. I just do not believe that is in the best interests of this country.

If the gentlewoman were proposing functional cuts up and down the line, then we could make a guess at what we might do, but barring that, with simply these aggregates, we have to guess where we might cut those appropriations. I feel that pressures rather than the national interests would determine where we would make those cuts.

Mr. ROUSSELOT. Mr. Chairman, will the gentleman yield?

Mr. SIMON. I yield to the gentleman from California.

Mr. ROUSSELOT. First of all, the gentleman knows full well that included in the gentlewoman's amendment there are no cuts. It is a restraint on increases, so I think we should not talk about cuts, but how much do we restrain. The increase over last year——

Mr. SIMON. Since it is my time——

Mr. ROUSSELOT. Let me answer the question.

Mr. SIMON. It is my time, and I will yield to the gentleman again.

There are places where we can make cuts, and places where we cannot. We cannot cut back on interest payments; we cannot cut back on social security.

Mr. ROUSSELOT. But if we adopted the gentlewoman's amendment it would be a $10 billion lower deficit.

Mr. SIMON. Let us get to the places where we can cut back, and we have to recognize that reality.

Mr. ROUSSELOT. I was going to offer a solution for the gentleman on where would we find the allocation of the $10 billion.

The CHAIRMAN. The time of the gentleman from Illinois has again expired.

(At the request of Mr. ROUSSELOT and by unanimous consent, Mr. SIMON was allowed to proceed for 2 additional minutes.)

Mr. ROUSSELOT. No. 1, shortfalls. The Government itself says it cannot spend the appropriated dollars we give away. There will be a shortfall this year, as the gentleman well knows, since we have discussed that. They could even look for it in the executive branch, where they have not spent it. Those shortfalls have averaged anywhere from $12 billion to $17 billion a year. That is a lot of shortfall, or savings.

Second, there has been, according to the General Accounting Office, extensive surveys and investigations showing better than $25 billion worth of fraud and improperly expended expenditures—better than $25 billion. I can give the gentleman lots of places that this $10 billion could be found, and he and I have looked for those in the budget committee. I am saying to the gentleman that $10 billion can be easily allocated over all of the functional categories. There is plenty to go around.

Mr. GIAIMO. Mr. Chairman, will the gentleman yield?

Mr. SIMON. I yield to the gentleman from Connecticut.

Mr. GIAIMO. I think what the gentleman from California is talking about is the fact there is shortfall in the budget, and that could absorb some of the cuts which the gentlewoman from Maryland makes. We should remind him, first of all, that his figure on shortfall is quite high. My recollection is that the shortfall for 1978 will be in the area of about $8 billion.

Second, let me tell the gentleman that a great deal of that shortfall is in the area of defense outlays, and that does not mean the funds will not be spent. It merely means that the time for expenditure has been pushed forward a year or so.

I believe there is about $4.5 billion of that shortfall which is attributable to the defense function, and I very much doubt that the ladies and gentlemen on the minority side would want to cut the defense item. The same way this year, there has been a shortfall already from the first budget resolution of about $2.5 billion in the area of defense. Do the Members want to take that $2.5 billion out? I would doubt very much this House would say we should cut defense by $2.5 billion because there is a delay in the outlays for defense. That money will be spent.

The CHAIRMAN. The time of the gentleman from Illinois (Mr. SIMON) has expired.

(On request of Mr. ROUSSELOT, and by unanimous consent, Mr. SIMON was allowed to proceed for 2 additional minutes.)

Mr. ROUSSELOT. Mr. Chairman, will the gentleman yield?

Mr. SIMON. I yield to the gentleman from California.

Mr. ROUSSELOT. Mr. Chairman, my chairman knows the shortfalls this year will be anywhere up to $15 billion, so his comment about $8 billion is just not correct. We could find it right there. The fiscal year 1979 begins October 1, and the same thing could happen next year as this year. And we scratched hard in the Budget Committee to find out why those shortfalls occurred. Our committee is working and will continue to work on it.

I would try to answer the gentleman and help him understand where he could find the $10 billion less in expenditure that the gentlewoman from Maryland has offered. I know the gentleman agrees with me there are lots of places to find it.

Mr. SIMON. If I may respond to the gentleman, I happen to agree there are places to find substantial amounts of money. The difficulty is we cannot agree where we should cut and this amendment offers no directions. I fear the people who will get hurt are those who need the help the most.

Second, if I may respond briefly to the gentleman, what we do with these figures does not impact on the shortfall. There is a shortfall, and in fact we know as we talk about the $43 billion or $40 billion deficit it will be somewhat less than that, $36 billion probably, or less than that, but adopting this amendment or not adopting it has virtually no impact on that shortfall.

Mr. ROUSSELOT. If the gentleman will yield further, the gentleman also knows that Secretary Califano and others have told us and pleaded with us in the committee, with Califano requesting $7 billion less than Congress is talking about appropriating and he has pleaded for us not to give him that much money because he cannot spend it as fast as we are giving it to him. Many agencies have told us that. We have seen the GSA problem. There are many places.

Mr. CONABLE. Mr. Chairman, I move to strike the requisite number of words, and I rise in support of the Holt amendment.

Mr. Chairman, we have spent a great deal of time talking about the expenditure side, and that is a worthy consideration for a Budget Committee, but I would like to talk about the revenue side because I think there are some very interesting things happening there.

I noted the gentleman from Maryland (Mr. MITCHELL) saying the Holt amendment amounted to deceiving people. I noted also the button on the chairman saying: "Hold The Line." I would like to suggest that we do not help our credibility by cooking the revenue figures, and that is what we are doing specifically with the inflation assumptions on which this second budget resolution is based. If Members smell something cooking here, it is not the heat of the debate that is causing it but the underlying figures which I think can be more damaging to the credibility of this committee and this House than anything else.

I know why we do this—because it permits us leeway when we go to conference with the Senate and we can change our inflation assumptions to compromise with them on the assumptions that they have taken and thus to reach an accommodation without making substantive changes that could be matters of contention between our two bodies. But it certainly damages the credibility of the total budget system if we do not have our basic discussion here undergirded by sound economics.

Now, what am I talking about on the revenue side? Let me explain.

The assumption on which the revenue figures are based is that the inflation rate for calendar year 1978 will be 6.9 percent and for calendar year 1979 will be 6.4 percent.

For the first 6 months of this year the rate of inflation has been 10.3 percent and for the last 3 months it has been 11.4 percent. In other words, inflation is not getting any better in this country and yet here we face a committee inflation assumption for the entire year of 6.9 percent.

Mr. Chairman, that would require an inflation rate for the remaining months of this year of about 3.5 percent. Do you think that is going to be achieved? No, of course it is not.

Therefore, we should not base our figures on this and we are damaging the credibility of the process if we do.

What is the effect of that on the revenue side? It is pretty impressive. By assuming a lower rate of inflation you get considerably less revenue. You get considerably less revenue because for each 1-percent increase in the rate ot inflation you get 1.4 percent of increase in Government revenue. That is the impact of inflation on the graduated income tax, and the personal income tax alone goes up by 1.7 percent for each percentage point of inflation.

Now, in looking at this proposal reference was made to the fact that we cut revenues by $1.8 billion. We cut revenues by considerably more than that because our figures are based on an inflation rate that would be considerably more realistic. I still think it is pretty conservative, but this year we assume an inflation rate of 8 percent for 1978, and that becomes the base on which the rate of inflation for 1979 is figured. We figure a rate of 7 percent for 1979. That means we will get substantial additional revenue. It means we will get substantial additional revenue. It means also we can afford a greater tax cut.

Of course, there may be some assumption as result of what the chairman said in offering the amendment to which the Holt amendment is a substitute. there may be some assumption that somehow the Senate is going to go along with the tax cut only on the level that was adopted as the Jones package enacted in the House last week. Judging from what I read in the press, tax cuts will go still higher in the Senate. It is their leaders' expectation not that they will accommodate immediately the Jones package: it is their expectation they are going to cut to the full extent of the revenue figures permitted by the first resolution on the budget.

So if we start acommodating our figures to the Jones package here we will be in a direct confrontation with the Senate on that issue. They have not acted, I admit, but are they willing to give away in the budget process the leeway they want in direct consideration of the proposed tax cut? Obviously not.

The CHAIRMAN. The time of the gentleman has expired.

(On request of Mr. ROUSSELOT, and by unanimous consent, Mr. CONABLE was allowed to proceed for 2 additional minutes.)

Mr. ROUSSELOT. Mr. Chairman, will the gentleman yield?

Mr. CONABLE. I yield to the gentleman from California.

Mr. ROUSSELOT. Mr. Chairman, I appreciate the gentleman yielding and appreciate the point the gentleman has made to answer some of the comments made by our distinguished colleague, the gentleman from Maryland (Mr. MITCHELL). His concern is that this amendment offered by the gentlewoman from Maryland (Mrs. HOLT) will not accommodate what the House has already done. First of all, on the basis of what the gentleman has said, who is the ranking minority member of the Committee on Ways and Means, we do not have a final tax bill. That still has to go to the Senate, then to conference. It may be clearly substantially different than this.

Mr. CONABLE. I hope it will be.

Mr. ROUSSELOT. We all do.

Second, this resolution will have to go to a conference with the Senate and the figures will be different. So we will have more than an adequate opportunity to accommodate the $10 billion.

Mr. CONABLE. Let me say, Mr. Chairman, that we do not have to wait until December to arrive at that accommodation as a matter of fact, the law says we must have accommodated by September 25.

Mr. ROUSSELOT. That is a week ahead of our proposed adjournment, then.

Mr. CONABLE. That is correct.

Mr. SIMON. Mr. Chairman, if the gentleman will yield, when you talk about the Jones amendment and the tax level we are talking about two specific figures and the House and Senate negotiates between those two proposals. When you talk about the Holt amendment, when we get into the educational opportunity function or the defense function, or any of these, the Senate will have a specific figure.

The House will have no specific figure from which we will negotiate, and that puts us in a very difficult posture.

Mr. CONABLE. Mr. Chairman, the issue here is, is the Committee on the Budget going to be a fiscal policy committee, or is it going to be engaged in genial arithmetic exercises of some sort, without relation to fiscal policy?

Mr. Chairman, I support the Holt amendment. I urge the members of the committee to support it. I would like to point out also that the Holt amendment accommodates a substantially larger cut than might be apparent from these figures because of the much more correct assumptions on the part of the Republicans with respect to the year's inflation.

Mr. DERRICK. Mr. Chairman, I move to strike the requisite number of words, and I rise in opposition to the amendment.

Mr. Chairman, none of us really believe in pipe dreams. I have worked very closely with the gentlewoman from Maryland (Mrs. HOLT) for almost 4 years on the Committee on the Budget. I commend her for the tremendous contribution she has made, we have made significant progress.

When the budget process started, we were looking at a deficit of $73 billion, the highest in the history of this country. Today, as we debate the second budget resolution, we are looking at a deficit somewhere in the neighborhood of $40 billion. We are also looking at a budget which has the lowest real growth in Federal spending in a decade, and we are also looking at a budget which meets, in my opinion, the basic needs of this country.

Therefore, Mr. Chairman, we have a great deal to be proud of, and a great deal to look forward to.

I would suggest that the gentlewoman and most of us here in this House understand that for us to think that we are going to cut outlays by $10 billion and revenues by some $20 billion and not end up with a substantial deficit is a pipe dream.

The only person I really know of who understood that best, perhaps, is the economist from California, who doodled on a napkin in Washington some years ago and came up with what is known as the Laffer curve.

I will not say that none of his peers—I will not make that absolute statement—but certainly Milton Friedman, the leading economist or spokesman for the minority, does not believe it. Most people understand that there is no such thing as a free lunch, and to vote for this amendment, in my opinion, says that we do believe there is a free lunch.

Mr. Chairman, I have been on the Committee on the Budget for 3 years. Starting with Secretary Simon I have questioned many distinguished witnesses, who have come before our committee. They all agreed that it is desirable to cut back on Federal spending. However, when asked specifically on where we should cut it back, no one is willing to identify specific programs.

However, Mr. Chairman, we are making headway. William Miller, Chairman of the Federal Reserve Board, in testimony before this Congress several weeks ago, indicated that he felt the fact that we had the budget deficit down in the $40 billion range, an improvement in the oil-import situation, were significant facts and would have very positive effects on the inflation rate.

Why not look at what we have done positively? One of the problems with our country today is that we allow people to have false expectations. I rather think, with all deference to my dear friend from Maryland, that this amendment allows people to have false expectations.

Mr. MITCHELL of Maryland. Mr. Chairman, will the gentleman yield?

Mr. DERRICK. I yield to the gentleman from Maryland.

Mr. MITCHELL of Maryland. Mr. Chairman, I assume that I am the gentleman's "dear friend from Maryland"?

Mr. DERRICK. Yes; Maryland is a great State with many fine people.

Mr. MITCHELL of Maryland. I thank the gentleman.

Mr. Chairman, I would like to associate myself with the remarks of the gentleman from South Carolina (Mr. DERRICK) and to raise one question so as to help me to learn.

Does not a cut in taxes as proposed in the Holt amendment almost assume the passage of a tax bill comparable to Kemp-Roth?

The CHAIRMAN. The time of the gentleman from South Carolina (Mr. DERRICK) has expired.

(On request of Mr. MITCHELL of Maryland and by unanimous consent, Mr. DERRICK was allowed to proceed for 3 additional minutes.)

Mr. MITCHELL of Maryland. Mr. Chairman, will the gentleman yield further?

Mr. DERRICK. I yield to the gentleman from Maryland.

Mr. MITCHELL of Maryland. Does it not almost assume the passage of a tax bill comparable to Kemp-Roth to make that kind of substantial cut?

Mr. DERRICK. Yes, furthermore, the House addressed itself to this matter last week and by an overwhelming vote rejected Kemp-Roth.

Mr. MITCHELL of Maryland. That was the question I wanted to raise. I thought perhaps I had become confused. As I recall, we had voted on a kind of Kemp-Roth bill.

Mrs. HOLT. Will the gentleman yield?

Mr. MITCHELL of Maryland. I do not have the time. The gentleman from South Carolina has it.

We voted on a kind of Kemp-Roth bill, and as I recall it, it was overwhelmingly defeated. I do not see the rationale for reintroducing it in this amendment which is called a second budget resolution but really is a first budget resolution, because it goes back to aggregates.

Mr. DERRICK. That is my recollection.

Mrs. HOLT. Mr. Chairman, will the gentleman yield?

Mr. DERRICK. It is with pleasure that I yield to the gentlewoman from Maryland.

Mrs. HOLT. I thank the gentleman for yielding. That is precisely the point I want to make. When we debated the tax reform bill, Member after Member—I cited them all yesterday in general debate—on the gentleman's side of the aisle said the people want this kind of tax cut. We need this kind of tax cut. The Secretary of the Treasury, all of the executive branch are calling for this kind of tax cut, but we cannot do it without a comparable reduction in the rate of growth of Government. So here is the gentleman's package right here. It is all wrapped up for him. It will do exactly what he has asked for.

Mr. DERRICK. Let me say this to the gentlewoman. Let us do the hard part first. Let us cut the outlays, and then if the money is there, fine, we will cut back on the revenues. That is the way to do it. Unfortunately, that is the difficult way to do it, and the way no one wants to do it.

Mr. LATTA. Mr. Chairman, will the gentleman yield to me?

Mr. DERRICK. I will be delighted to yield to the gentleman from Ohio.

Mr. LATTA. I thank the gentleman for yielding.

I would just like to insert into the debate a couple of figures that might change the gentleman's mind slightly.

Mr. DERRICK. Do these figures come from Mr. Laffer or whom?

Mr. LATTA. These come from the Congressional Budget Office. The budget authority of the bills passed—and we have passed all the appropriation bills here in the House—to date total $519 billion in budget authority and only $469.8 billion in outlays. These figures also include permanent spending authority, such as social security and medicare. We are going to look kind of foolish if we pass a resolution having $561.5 billion in budget authority and outlays of $590.5 billion, since these figures far exceed what the House has enacted for fiscal year 1979. That would seem to indicate to me that the Appropriations Committee is doing a little better job than we are on the budget authority.

Mr. BURGENER. Mr. Chairman, I move to strike the requisite number of words, and I rise in support of the amendment.

Mr. Chairman, it has been sugggested that the adoption of the Holt amendment might keep us here until Christmas. I do not believe that, but even if true, I think there is no better way we could spend our time for the good of the country. The Senate has only passed a few appropriations bills. We have many conferences to go on this bill and on all appropriation matters. I think the Holt amendment is reasonable. I think it is responsible. I think it is long overdue, and particularly I believe it is what the people want us to do. It provides growth at a reasonable rate, cuts nothing—it cuts nothing but excessive promises. It does not cut any delivery of service. Seven-percent growth is reasonable under our ability to pay. That is the growth it provides so it accommodates inflation. I think most of us would agree that inflation is the greatest problem facing our Nation today.

Government lives by it. The taxpayers and wage earners die by it. We have an opportunity to do something about it, if we have the will. If we have the will, here is a way and, indeed, it does address itself to outlays, which it should.

Now, at the risk of sounding like a broken record, let me get back to the matter of aggregates. We will never restrain the growth of Government and the budget process will never become effective until and unless this Committee on the Budget, on which I am proud to serve, and then this Committee of the Whole, then the House itself will deal with aggregates first, not last. By dealing with them last, we merely become an adding machine committee.

We are unrestrained, each and every one of us. The chairman has asked us quite properly, would we be willing to

vote less for this favored program or that favored program? None of us is under any restraint to cut anything under present budget procedures. We are giving up the most valuable weapon we could ever have, a weapon against special interests.

Now, is there anything illegal or immoral about special interests? Certainly not. Each and every one of us belong to one of these groups or certainly support them; but, if we would set a ceiling before we go down the wish list, then we would have some real priority setting that would be meaningful. If we want to vote for more impact aid, which I probably would, or more defense, which I probably would, and if others want to vote for more public service jobs, they could. We would have a real battleground, but all of us would be under the restraint of knowing we had a ceiling under which to operate. Anything else does not work and we can demonstrate it does not work. In the 4 years this Budget Committee has been operating. the national debt has doubled.

As I said yesterday, as some members of our Budget Committee were busy congratulating the committee for providing budget restraint, I shudder to think what it might have been without the Budget Committee, because, with it, the national debt has doubled in the 4 years the Budget Committee has been in existence. This is restraint?

If we were dealing with aggregates first, then I would battle with my colleagues for my favorite program; but I would have to go back to my schools for example, and say, "You are not going to get 100 percent of your aid this year. You are only going to get 90 percent, because I earlier voted for a ceiling. I voted for that in the national economic interest.

We all talk about this. We all agree it is a great idea, but we never seem to get around to it.

Mr. MICHEL. Mr. Chairman, will the gentleman yield?

Mr. BURGENER. I yield to the gentleman from Illinois.

Mr. MICHEL. Mr. Chairman, I want to associate myself with the gentleman's remarks.

I believe that this House should first consider what is to be our fiscal policy, and to do so we should first make a determination as to the aggregate revenues and the aggregate outlays and the resultant deficit or surplus which is appropriate to suit the current fiscal situation. This is what we have called the two-step process. Under this procedure all of us could be statesmen. Once we have decided the overall totals for spending and income then we would consider the specific programs under those restraints. We would be forced to consider our priorities for spending within the overall framework we have previously established. Programs would not be agreed to because they sound good but rather would be weighed one against another. Under our current procedures there is no restraint to cut any program and the result has been that we keep adding on new ones. To correct this situation I joined with the gentleman from California (Mr. BURGENER) and the gentlewoman from Maryland (Mrs. HOLT) in introducing a bill (H.R. 12345) to bring about a change in the way the House considers its budget resolutions.

The CHAIRMAN. The time of the gentleman from California has expired.

(At the request of Mr. ROUSSELOT, and by unanimous consent, Mr. BURGENER was allowed to proceed for 2 additional minutes.)

Mr. BURGENER. Mr. Chairman, I might say with respect to each one of these special interests, each are laudable, and it depends your own point of view as to priority, but there is no coordination. How can you expect them to coordinate their activities, one against the other? That is our job, but it is a job we have failed to do, because we will not agree on the ceiling in advance. We merely say yes to everything.

Mr. ROUSSELOT. Mr. Chairman, will the gentleman yield?

Mr. BURGENER. I yield to the gentleman from California.

Mr. ROUSSELOT. Mr. Chairman, I think the gentleman from California (Mr. BURGENER) has made an excellent point. It is a function of the Committee on the Budget to coordinate these various elements that differ.

The gentleman is also a distinguished member of the Committee on Appropriations. We have heard that the Committee on Appropriations of this House has approved for fiscal year 1979 $469 billion in outlays. That is the total amount. Does the gentleman not agree with me that that is still roughly $10 billion below what the gentlewoman from Maryland (Mrs. HOLT) is recommending?

So there is more than enough slush to work with, should this extra money be provided on the basis of this amendment offered by the gentlewoman from Maryland (Mrs. HOLT). Assuming it is agreed to, is that not correct? The gentleman is a member of the Committee on Appropriations.

Mr. BURGENER. Yes. In conclusion, Mr. Chairman, the only thing the Holt amendment cuts is excessive promise. It cuts no program, it provides affordable growth, and I ask that the Members support the resolution. It is all the American taxpayers can afford.

Mr. MINETA. Mr. Chairman, I move to strike the requisite number of words.

Mr. Chairman, earlier our colleague, the gentleman from New York (Mr. CONABLE), raised some questions about the inflation rate that is used in the budget resolution. I believe this goes to the old adage about playing with numbers and statistics and making them come out to justify a specific point.

Our colleague has challenged the inflation rate assumed in the second concurrent resolution. Specifically, he regards the 6.9-percent year-over-year projection from calendar 1977 to calendar 1978 as too low. He is concerned because the increase in the Consumer Price Index from December to June annualized has averaged 10.5 percent, and this would imply very low rates of inflation during the second half of the year.

There are several ways to measure the rate of inflation. One method is not more correct than another. In fact, the budget for fiscal year 1979 presents the result of both the yearly change from December to December and the change in the average of 1 year compared to the average of the following year in its projected economic assumptions for inflation. The two methods can yield significant differences. From December 1973 to December 1974, the change in the CPI was 12.2 percent; from the 1973 yearly average to the 1974 yearly average, the change was 11 percent. The change measured on one basis cannot be compared with the change measured on another, but this is what Mr. CONABLE is doing. He is comparing a change from December to June to a yearly average change.

The 6.9-percent increase is based on a 7.8-percent increase—a 6-month average—during the first half of the year and a projected increase of 6.1 percent during the second half. The 7.8-percent increase is calculated from the average for the first 6 months of 1978 compared to the last 6 months of 1977. If, as Mr. CONABLE suggests, we assume an 8-percent increase in 1978 based on the annual average method, it would imply that prices during the second half of the year would have to rise by 10.5 percent.

Now, if Mr. CONABLE is implying that the Kemp-Roth proposal is more inflationary than the fiscal policy recommended by the Budget Committee in the second concurrent resolution, I will agree with him. To legislate a 33-percent reduction in taxes over the next 3 years with no regard for the level of expenditures in those years or for the state of the economy is bound to be inflationary. Even the projection that Mr. KEMP put in the RECORD last April 6 shows inflation accelerating and the budget deficit rising to $79 billion in 1979 and to $89 billion in 1980. I can sympathize with Mr. CONABLE's wish to project a higher rate of inflation, given the program he is proposing. A higher rate of inflation will increase revenues, but that, to me, is poor public policy.

Mr. DERRICK. Mr. Chairman, I make the point of order that a quorum is not present.

The CHAIRMAN. The Chair will count. Thirty-seven Members are present, not a quorum.

The Chair announces that pursuant to clause 2, rule XXIII, he will vacate proceedings under the call when a quorum of the Committee appears.

Members will record their presence by electronic device.

The call was taken by electronic device.

QUORUM CALL VACATED

The CHAIRMAN. One hundred Members have appeared. A quorum of the Committee of the Whole is present. Pursuant to clause 2, rule XXIII, further proceedings under the call shall be considered as vacated.

The Committee will resume its business.

Mr. REGULA. Mr. Chairman, I move to strike the requisite number of words, and I rise in support of the amendment.

Mr. Chairman, the history books tell us that Alexander Hamilton walked through the House Chamber with a guest one day and made the following statement:

Here, sir, the people govern.

Is there any question in anyone's mind today that if this issue were put to the vote of the people, as to what the outcome would be? I am confident that the vote would be to hold the line—perhaps not the interpretation of "hold the line" that some Members might have as evidenced by the buttons being worn today but rather to hold the line at current services or in other words to say in effect: "Let us not increase Federal expenditures or Federal programs any more than we the people are being increased in earnings and we have available to spend in our own budgets at home."

Taxpayers would say "Let us not increase our tax load any more than we are having an increase in the gross national product." In essence that is what the Holt amendment is all about. It simply says that the Federal Government should grow no faster than the economy, should grow no faster than the income of the people back home that we represent.

I would like to speak particularly to the budget authority feature in the Holt amendment. I think that is one of the most important aspects of this proposal. If you will note from the chart, the second budget resolution which is before us has a budget authority of $561.5 billion. The Holt amendment proposes to reduce this to $539 billion.

The gentleman from Maryland (Mr. MITCHELL) spoke earlier about the need to reduce spending as a percentage of the gross national product over the long haul ahead and yet the proposal in the second budget resolution flies in the face of that objective. I would point out to you that the budget authority provided in the second resolution assumes a future growth in Federal expenditures of 12.3 percent. It is made up of a number of different items. A growth in international affairs of 30 percent, agriculture 416 percent, education, training, employment and social services, 53 percent, general government 17 percent, all adding up to a average growth rate of 12.3 percent.

What we are proposing in the Holt amendment is to simply hold back the growth by reducing budget authority to 7.5 percent.

I think the gentleman from California (Mr. BURGENER) made an excellent point when he said the problem in the second budget resolution is because it is filled with "excessive promise." What we want to do is to bring it into reality with the same kind of fiscal restrictions that are on the State and local governments and that are imposed on the taxpayers in terms of growth of their own businesses and in their own financial lives.

As an illustration of what is happening, because we are allowing budget authority to run ahead at a rapid rate, is the fact that in 1970 the total accumulated budget authority was 431.7 billion, which was the equivalent of 45 percent of the gross national product this year. If the second budget resolution as before this House today is enacted the total budget authority, the total spending authority that will be available will be $1190.4 billion and the percentage of the gross national product will be 51 percent—up 6 percent from 1970.

This illustrates the tremendous growth that is taking place in budget authority. Although we have not discussed this at great length, I think it is one of the important features of the Holt amendment; that is, the reduction from $561.5 billion in the budget authority to $539.0 billion for fiscal 1979, putting a constriction on the ability of the Government to spend in future years that is commensurate with the normal growth in the economy and that will result in the expenditures of the Federal Government staying at a point of about 20 percent of the gross national product as opposed to a level where we are headed of about 23 percent.

For this reason I think the Holt amendment deserves your vote. It deserves your vote because it will say to the American people that we are going to put the same kind of restraints on Government spending that we are asking the people to put on their own spending.

The CHAIRMAN. The time of the gentleman has expired.

(On request of Mr. MITCHELL of Maryland, and by unanimous consent, Mr. REGULA was allowed to proceed for 1 additional minute.)

Mr. MITCHELL of Maryland. Mr. Chairman, will the gentleman yield?

Mr. REGULA. I will be pleased to yield to the gentleman from Maryland (Mr. MITCHELL).

Mr. MITCHELL of Maryland. Mr. Chairman, I thank the gentleman for yielding. I am doing so just to try to make sure that I am remembering what happened in the Committee on the Budget deliberations. It seems to me that when this approach was offered in the Budget Committee, it was pointed out that it might be more efficacious and effective to do this on the first budget resolution than the second budget resolution, is that correct?

Mr. REGULA. I do not recall the timing, however, I would always be in favor of getting the reductions at the earliest possible moment.

Mr. MITCHELL of Maryland. I have one further question. Why would it be more effective to do it on the first budget resolution than the second budget resolution?

Mr. REGULA. Because in starting out with the first budget resolution, we are setting targets; and we would be setting a target for the authorization and appropriation committees to use, and hopefully, restrain the spending levels. In spite of what we might have done, I think there has been some restraint, as evidenced by the fact that thus far the total budget authority legislated is $519 billion that has been authorized by committees and approved by the House.

The CHAIRMAN. The time of the gentleman from Ohio (Mr. REGULA) has expired.

(By unanimous consent, Mr. REGULA was allowed to proceed for 2 additional minutes.)

Mr. MITCHELL of Maryland. Mr. Chairman, will the gentleman yield further?

Mr. REGULA. I yield to the gentleman from Maryland.

Mr. MITCHELL of Maryland. Mr. Chairman, I thank the gentleman for yielding.

Then my interpretation of what the gentleman has said is that although this might be a good approach, it comes really at the wrong time because we set the targets initially on the first budget resolution.

Mr. REGULA. I would not disagree with the gentleman's interpretation, however, we did not have the facts at the time of the first budget resolution that we now have.

Mrs. HOLT. Mr. Chairman, will the gentleman yield?

Mr. REGULA. I yield to the gentlewoman from Maryland.

Mrs. HOLT. Is it not true that the effort was made to do this on the first budget resolution, and it camped here on the floor until the leadership of the House turned around several votes, and then it was defeated?

Mr. REGULA. That is correct.

Mr. SIMON. Mr. Chairman, will the gentleman yield?

Mr. REGULA. I yield to the gentleman from Illinois.

Mr. SIMON. Mr. Chairman, the gentleman has gone into more details on these figures than many others have.

Does the gentleman think it is realistic to have a $4.4 billion tax cut and expect only a $1.8 billion drop in revenue?

Mr. REGULA. I am not an economist, and I cannot predict that. However, I would say this, and it is only a general response, that a reduction in taxes will stimulate a great amount of economic activity and therefore generate additional revenues.

I get that feeling from talking to people who are no longer willing to work Thursday, Friday, and Saturday for the Government.

Mr. SIMON. There is some stimulus. In other words, if we have a $4.4 billion figure, we might have a drop in original sales of $4 billion, but a drop like that, I think, is unrealistic.

Mr. REGULA. I think the gentleman is correct.

Mr. STOCKMAN. Mr. Chairman, will the gentleman yield?

Mr. REGULA. I yield to the gentleman from Michigan.

Mr. STOCKMAN. Mr. Chairman, I think a very good question has been raised by the gentleman from Illinois. The revenue gain partially reflects a difference in the assumptions about inflation in the Holt amendment versus what the committee proposes. Our revenue is higher, but it is not entirely due to feedback. Part of this is assuming a higher level of dollar GNP in the economy, and that is why there is a difference.

Mr. REGULA. Mr. Chairman, I want to make one further point, and that is that many have asked, "Where are you going to cut?"

Very shortly, the gentleman from Texas (Mr. MATTOX) and I will be offering an amendment to cut a substantial amount out of the budget and provide at least a reduction of $673 million.

The CHAIRMAN. The time of the gentleman from Ohio (Mr. REGULA) has expired.

(On request of Mr. GIAIMO and by unanimous consent, Mr. REGULA was al-

lowed to proceed for 2 additional minutes.)

Mr. GIAIMO. Mr. Chairman, will the gentleman yield?

Mr. REGULA. I yield to the gentleman from Connecticut.

Mr. GIAIMO. Mr. Chairman. I think we should clear up something. The revenue figure which the gentlewoman from Maryland (Mrs. HOLT) has is $445 billion, as contrasted with $446.8 billion, which is a difference of $1.8 billion However, let us bear in mind that what the gentlewoman from Maryland is actually suggesting is an additional $10 billion reduction in taxes, a $28 billion tax cut in a calendar year, and a $20 billion cut in a fiscal year, which is basically the Kemp-Roth proposal, which this House strongly repudiated last Thursday.

What the Holt amendment suggests is that we cut $10 billion additional in taxes and then recoup $8.2 billion. This is similar to doing it with mirrors. One cuts $10 billion in taxes, but he only loses $1.8 billion in tax revenue. He recoups $8.2 billion, while he loses $1.8 billion. Therefore, he recoups $8.2 billion on a $10 billion tax cut.

We do this, the theory is, in two ways. One is that that type of tax cut would be inflationary—very inflationary, I will concede. As a result of inflationary pressures, it will mean additional revenues, albeit in inflated dollars worthless to the Treasury.

The other theory is that it will stimulate the economy to a greater rate of growth than 4 percent, and that will bring in more revenue. Therefore, our real loss in revenues, according to the Holt amendment, will only be $1.8 billion.

However, I submit, Mr. Chairman, that the real loss will be $1.8 billion plus the additional billions which the American people will be paying in inflated prices along the way. That is something we should resist.

The CHAIRMAN. The time of the gentleman from Ohio (Mr. REGULA) has expired.

(By unanimous consent, Mr. REGULA was allowed to proceed for 2 additional minutes.)

Mr. REGULA. I would only respond by saying that could be accommodated without any inflationary pressures simply by reducing the expenditures 2 percent. We have had this on a number of bills already, and a 2-percent cut on the outlays would accommodate without allowing anything for recouping. I am quite confident there would be a substantial amount of recouping.

Mr. GIAIMO. Will the gentleman yield further?

Mr. REGULA. I yield to the gentleman from Connecticut.

Mr. GIAIMO. There is no question that with a substantially larger tax cut we also have a commensurate reduction in expenditures. There is no question that it would compensate somewhat for the inflationary pressures of a Kemp-Roth-type tax cut, but the fact is that inflationary pressures reflect in greater revenues immediately. The same is not true of reduced expenditures, and we would have the situation where we would get high inflationary pressures in the fiscal year offset in later years, in the next year perhaps, by the reductions in expenditures. So we would still be hit with the inflationary pressures in 1979 and a greater cost to the American people.

Mr. REGULA. I have great respect for my distinguished chairman, but I do not think there is any different impact, whether the taxpayer keeps the money and spends it, as opposed to the Government spending the money. In either event, it comes into the economic stream and, therefore, any inflationary pressure resulting from increased private expenditures would be offset by a reduction of pressure from Federal expenditures. I would prefer to let the taxpayer who earns the money spend the money.

Mr. ROUSSELOT. Mr. Chairman, will the gentleman yield?

Mr. REGULA. I yield to the gentleman from California.

Mr. ROUSSELOT. I thank the gentleman for yielding.

The gentleman makes an excellent point. There is a much greater impact by the tremendous amount of money that the Federal Government dumps into the system than there is by the individual decisions to either consume, save, invest, or whatever. So the gentleman makes an excellent point. There is a major difference in the Holt amendment.

Mr. WHITTEN. Mr. Chairman, I move to strike the requisite number of words, and I rise in opposition to the amendment.

Mr. Chairman, the members of the Budget Committee have done a very excellent job, and perhaps I am presumptuous in attempting to speak on the efforts they have worked on so long and so tirelessly during the year. But I happen to have been on the first committee where the Congress tried to write the one-package bill. That bill was somewhat similar to what this amendment would require here. After we got through, the Committee on Ways and Means of the House, the Finance Committee of the Senate, and the two Appropriations Committees got together and attempted to take the bills that they had and to scale them back. It developed that they could not act on specific items and a blanket cut would leave the application up to the Bureau of the Budget. It failed.

Let us be realistic at the moment. In the first place, I was a senior member of the committee that made a study that led to the Committee on the Budget. My colleague from Oregon had more confidence in the approach being successful than I did, and most of the publicity was in that direction. I was hopeful, but I did realize some of the limitations, having had this prior experience. I do not believe there is a Member of this Congress who is more disturbed about the inflationary trend that we have, or who recognizes the dangers of inflation that we face than I. History shows, and I have some figures that I had gotten together earlier, that Nero back in A.D. 60 devalued the currency by minting 45 aurei (gold coins) to the pound instead of 42 and 96 denarii to the pound of silver, as opposed to 84, making money cheaper in value.

We look back to the American Revolution when debts were paid with paper called Continentals, where a barrel of flour was $1,200; a pound of butter $12; a pair of shoes, $120.

During the Civil War with Greenbacks a pair of shoes was $150; flour, $300 a barrel; and beef, $6 per pound.

Germany, World War I—paper marks increased from 2 billion in 1914 to 500 quintillion (500,000,000,000,000,000,000) 10 years later.

I was in China in World War II. We had loaned Nationalist China $300,000,000, much of which they spent having Chinese money printed in the United States. They had us quit printing $10 bills because it cost more to print them than they would buy.

We are on that road, and as a country when we start adding to appropriations bills so much money to offset inflation, that is inflation, additional inflation. It is like pouring kerosene or gasoline on a fire. If you just multiply, by simple arithmetic you can see we will go out the roof if we keep it up. I agree there is the problem, and am more disturbed than perhaps many Members are.

What we have in this budget act is a requirement that we set a target, which of necessity is high so the people's branch, the Congress, can work its will, and we hope to hold down appropriations and expenditures, but we set that at a time when we set out to work on it. So here, 7½ months later, as your Committee on Appropriations has met week after week, after the Committee on Ways and Means has finally passed a bill, which has not come up in the Senate with the new fiscal year coming up October 1. We are directed in a matter of weeks to do it all over again.

Of course, this is not to disparage the figures of my colleague, the gentlewoman from Maryland, or the figures of the committee. You have to get estimates from somewhere. Let us presume they are the best estimates you can get; but after we have reached this stage of the Congress, we attempt to say that instead of the amounts within the targets set by the Congress after we have been kept within that limit, you say do it all over again, that would cause a blanket cut; it would mean you are turning over to the Office Management and Budget the right to select that which they cut out and that which they leave. Judging by their recommendations water and sewer, reforestation, flood control, soil conservation Appalachia, with its access roads, water projects for our cities and similar investments would be cut out while services of doubtful value would be left.

Now, the other side, let me show the impossibility of the amendment. It says:

> The House Committee on Ways and Means and the Senate Committee on Finance shall promptly submit to the Committees on the Budget of their respective Houses reconciliation legislation to decrease Federal revenues by approximately $1.8 billion to a level consistent with the provisions of section 1 (1) of this resolution.

Now, the gentlewoman is directing the chairman of the Senate Finance Committee, the chairman of our Committee on Ways and Means, to take specific action, and the first of the year is October 1, this year.

Let us read a little further:

> And the Appropriation Committees of the

House and the Senate shall promptly submit to the Committees on the Budget of the their respective Houses reconciliation legislation to decrease budget authority by approximately $22.5 billion.

Why, we have been working 7½ months on the bills, hearing hundreds of witnesses, and we just got a conference on one of them. You can imagine what we have should we take this amendment to the Senate. We cannot even get them to conference, much less to do what you propose here.

The CHAIRMAN. The time of the gentleman from Mississippi (Mr. WHITTEN) has expired.

(By unanimous consent, Mr. WHITTEN was allowed to proceed for 5 additional minutes.)

Mr. WHITTEN. Mr. Chairman, let me finish my statement and then I will yield.

Now, further than that, it says:

And the Committees on the Budget of both Houses shall report to its House a reconciliation bill or reconciliation resolution, or both, carrying out all such recommendations without substantive revision.

You can see that the very words embodied there are impossible to attain except by turning the matter over to the Office of Management and Budget.

Mr. Chairman, I would like to point out here again that I hope that this Congress when it meets in January will tangle with the fact that you cannot meet inflation by providing for additional inflation. You are going to have to start taking steps down the line to scale back, to stabilize if you please.

I think we are going to have to once again tie our money to something of value. We took gold out of our currency. We took silver out of our coinage. We do not have anything behind it except the full faith and credit of our people. We are going to have to tie it to something to hold us back.

I will tell you further, we will have to distinguish between productive expenditures, where you have goods to offset expenditures, where you keep goods and expenditures in balance to restore some stabilizing influence in our economy.

Now, on the other side, I realize there is our national wealth, our land and development and other physical resources. Money, as important as it is, is a medium of exchange. That is why I have stood here and fought for public works, for reforestation, for the development of sewer and water projects, for the development of our rivers and harbors and for all these things where you get value received and end up a richer country.

Again, we need to recognize that we have to find some way to keep from providing an added percentage to meet inflation as a part of the annual appropriations so as to speed up the process and stabilize our currency. It is not going to be easy. We will have to do it in successive steps.

I repeat again that in 7½ months of day-to-day hearings, with my subcommittees going from 10 to 12 and 1 to 5, on two subcommittees we have not even yet had a conference with the other body, and I do not see how even if we tell them that in 6 to 8 weeks we have to bring these bills back here with those cuts made in them that they or we could possibly do it. The only way it could possibly be done would be to come back with a blanket cut.

That will not work. My colleague, the gentleman from Ohio (Mr. MILLER), had a 2-percent cut adopted to a number of bills. I analyzed the bill which I handle to see how it would work. The gentleman said it would be from 2 to 5 percent. A review showed that two-thirds of that bill is embodied in laws that make entitlements.

That means that one person can file a class action suit and make us pay. In most cases the programs were made entitlements because there seemed to be some reason to cut the amount.

It used to be that they went around the appropriation process by using contract authority. Now they write entitlements into the acts.

Should you tell the Committee on Appropriations that we have to do this on entitlements it would mean repealing a lot of laws, although some of them perhaps should be repealed, at least those with the entitlement figures in them.

I am just saying that this proposal has a lot of appeal at first blush, but it is impossible timewise, workwise, and in every other way, especially since we have two bodies of Congress, the House and the Senate. We know their rules. There is no chance in the world of this proposal being adopted on the other side of the Capitol.

But even if it were adopted, the circumstances are such that if we were to cut back to these figures after hearings, if it is possible at all, we would be turning over to the Office of Management and Budget the right to lift out that which they do not want and to leave in those things that they would like to leave in, and their judgment on the bills that come to my attention is not the best in the world, to say the least.

I am speaking, in other words, of those things that go to take care of our country. Such things as soil conservation, and reforestation, those things that go to development land, those things that go to provide water for our cities, and those things that go to protect us from floods. They would scale those way, way down as they propose this year.

Other programs, highly inflationary, would be increased, judging by the recommendations of the Office of Management and Budget for the coming fiscal year which begins October 1.

The CHAIRMAN. The time of the gentleman from Mississippi (Mr. WHITTEN) has expired.

(On request of Mr. ROUSSELOT, and by unanimous consent, Mr. WHITTEN was allowed to proceed for 2 additional minutes.)

Mr. ROUSSELOT. Mr. Chairman, will the gentleman yield?

Mr. WHITTEN. I yield to the gentleman from California.

Mr. ROUSSELOT. Mr. Chairman, the gentleman from Mississippi (Mr. WHITTEN) mentioned the cuts several times. The gentleman understands that his Committee on Appropriations, on which he has worked very hard and for many months, has come up with a total figure of $469 billion for all the appropriations that have passed.

The Holt amendment is $10 billion over that figure, so it provides more than enough adequate additional funding.

Mr. Chairman, the gentleman did not mean to imply, did he, that there was a cut in the appropriation process provided by this amendment?

Mr. WHITTEN. Mr. Chairman, may I say that we have not been in conference with the other body yet, and historically they have increased the House amount. Of course, we must contend with the cost of "entitlement" programs.

Mr. ROUSSELOT. The gentleman is anticipating they would still raise the figure?

Mr. WHITTEN. I am a little slow to anticipate what they would do, but that is the general record.

Mr. ROUSSELOT. But this amendment has accommodated the potential for a higher figure; it is $480 billion.

Mr. WHITTEN. I have been around here quite awhile, and I have never seen them scale things down on a general basis.

Mr. ROUSSELOT. But the gentleman recognizes these are not cuts, only restraints on increases?

Mr. WHITTEN. In the first place, I do not recognize the soundness of these figures or of the other figures. I have been dealing with estimates here for over 21 years, and I know when we send these annual budgets through, we can estimate them up or down, however we want to. But these are the best figures we can get.

Mr. GIAIMO. Mr. Chairman, will the gentleman yield?

Mr. WHITTEN. I yield to the chairman of the committee.

Mr. GIAIMO. Mr. Chairman, when they talk about how much money the Committees on Appropriations have appropriated so far, we have to take into consideration that they have not yet completed action. We still have several large appropriations to go, and we also have the supplemental next Spring. That has the pay amounts in it, and it includes a lot of other major items which will bring us up in total dollars.

Mr. WHITTEN. Those are facts we can foresee, but we cannot anticipate the dollars, nor do I have an estimate of the costs of "entitlement" laws.

Mr. LATTA. Mr. Chairman, will the gentleman yield?

Mr. WHITTEN. I yield to the gentleman from Ohio.

Mr. LATTA. Mr. Chairman, first, let me say in response to what the chairman of our committee has said, that we have passed all the appropriation bills. We have not had the supplemental, that is true, but we have passed all the appropriation bills in the House, and as I pointed out earlier, that figure is $10 billion less than the figure we have in the Holt amendment.

The CHAIRMAN. The time of the gentleman from Mississippi (Mr. WHITTEN) has again expired.

(On request of Mr. LATTA, and by unanimous consent, Mr. WHITTEN was allowed to proceed for 1 additional minute.)

Mr. LATTA. Mr. Chairman, will the gentleman yield?

Mr. WHITTEN. I yield to the gentleman from Ohio.

Mr. LATTA. Mr. Chairman, I am sure

the gentleman did not mean to leave the impression, since he was a member of the Budget Committee earlier, and did an outstanding job on that committee, that all we are supposed to do is to add up all of these figures that come out of the Committee on Appropriations, and then add something additional and come up with the figures for a budget resolution? Is that what the gentleman is telling us?

Mr. WHITTEN. I thank my friend. Let me express, without saying yes or no, to my colleague, for whom I have the highest regard, that I would say I contemplated we would set a budgetary ceiling that, when we got through, we would stay within that ceiling, but I never thought we would make the mistake, as we made in the other package bill, that when we got through we would direct them to scale it back in a blanket manner. It does not work. We do not have the time to do it. I have spent all year on the hearings. I do not consider the Budget Act a measure by which you can cut back, as a practical matter, that which you have approved item by item and package by package. That is not my understanding of how it is intended to work, and I do not believe it could work that way.

The CHAIRMAN. The time of the gentleman from Mississippi (Mr. WHITTEN) has again expired.

(On request of Mr. LATTA and by unanimous consent, Mr. WHITTEN was allowed to proceed for 1 additional minute.)

Mr. LATTA. Mr. Chairman, if the gentleman will yield further, let me just read, for the purpose of the record, one or two sentences from the Declaration of Purposes of the Budget Act. It says:

> The Congress declares that it is essential—
> (1) to assure effective congressional control over the budgetary process;
> (2) to provide for the congressional determination each year of the appropriate level of Federal revenues and expenditures . . ."

That is in the law, and that is the responsibility of this committee. That is what we are trying to do.

Mr. WHITTEN. That is the reason I am following the majority on the committee. The gentleman is trying to do that. I am saying the proposed amendment is unworkable because it directs us to do in 6 working weeks what we have not been able to do in 7½ to 10 months—certainly not without surrendering to the Office of Budget and Management the selection of projects and programs to be financed and those to be eliminated.

Mr. ANDERSON of Illinois. Mr. Chairman, I move to strike the requisite number of words.

Mr. Chairman, I have listened with interest to the argument that has just been made by my very good friend and distinguished colleague, the gentleman from Mississippi (Mr. WHITTEN). It reminds me of something a former distinguished Member of this body used to say, that on the street of by and by we come to the land of never never. And that, in effect, is what he recommends—that even though this is a very attractive proposal, that this is not now the time, that somehow we have the luxury of waiting.

Mr. Chairman, I rise in support of the amendment offered by the gentlewoman from Maryland (Mrs. HOLT). I think she and her other Republican colleagues on the Budget Committee have done this body—yea, the entire Nation—a very profound service by offering a clear alternative to the budget before us, a budget that promises only higher taxes, increasing inflation, lower growth and bigger government.

The other argument we have heard this morning is that we have made progress in the second budget resolution, therefore, let us not disturb what the committee has done. And that is essentially the argument a few minutes ago of the gentleman from South Carolina (Mr. DERRICK).

I would suggest that, yes, we have made progress; but it is simply not enough, and that is the real reason that necessitates the offering of the Holt substitute.

All we have to do is to step out into the Speaker's lobby, as I did a few minutes ago, and look on the UPI wire, and we will see the ticker grinding out today, as it does day after day after day, the grim news that the American dollar is continuing to decline day after day after day against key European currencies. And why is it declining? We do not have to be one of these occult breed of economists to know the answer is patently clear, palpably clear. The decline is because European central bankers, Europeans and Japanese, do not believe that it is within the power of this institution, within the power of the Congress, to assert the kind of inherent discipline and fiscal restraint that is going to be needed to halt the precipitous decline in the value of American dollar.

This morning the Washington Post carried a very interesting commentary on the current state of congressional Republicans. And thanks to the able leadership of the minority leader on this side of the aisle, the gentleman from Arizona (Mr. RHODES), and the distinguished senior Senator from Tennessee, the minority leader in the other body, one of our Nation's most eminent political columnists was moved to observe that the minority party in Congress has become "in many domestic and international areas, the effective arbiters of the direction of national policy."

And I am proud this morning that in this substitute budget resolution of the gentlewoman from Maryland (Mrs. HOLT), we have another clear, cogent illustration of the kind of innovative leadership that the minority party can provide. But it is more than a minority position. It is a clarion call for a responsible fiscal policy, and it is one that represents the mainstream of contemporary American thinking.

I am not just talking for the minority side of the aisle. I am talking for millions of Americans of both political faiths, who in ways like the vote in California on the 6th of June, in the letters coming in to our offices day after day, are demanding that we not wait until the next Congress; but that we take action now to demonstrate very clearly that we are capable of this kind of fiscal restraint.

The Holt amendment is not a draconian measure that is literally going to put the sword at the jugular vein of the Government. It is a measured response to the explosive growth of Government in the post-World War II era, simply an attempt to restrain the increase in the rate of that growth. The Holt substitute is based on what we have to do now before we come to the point of a balanced budget in 1983.

It calls for what? Approximately a 7-percent increase in spending, and I think that means we can move toward a proper goal without sacrificing the many worthwhile programs that Government operates on behalf of its citizens. And yet, it would send out an unmistakably clear signal across the country—and even more importantly I think this afternoon, to other nations around the world who are bidding against the dollar day after day—that something has happened in Washington. The message has gotten through, and this Congress is determined by the adoption of this substitute, and I hope on the broadest kind of bipartisan basis, to do something about the crisis that faces this Nation.

Unfortunately, the need in our economy is for something quite different, namely, for conditions that stimulate investment in the private sector—where the most productive and lasting jobs are created—and the capital formation that will produce the goods a surfeit of consumer demand is presently seeking. Excessive Government intervention in the marketplace has again succeeded in putting supply and demand out of balance. What with all the uncertainties businessmen already face, their investment is only inhibited the more by the one single certainty; near-confiscatory taxes.

Though for some reason our President was originally overcome with the good sense to propose a $25 billion net tax package some months back, he quickly overruled himself and permitted it to be scaled down, and its effective date postpone, so that allowance for it in the first budget resolution amounted only to $15 billion. Further shortsighted action by this body taken recently on the Ways and Means tax bill may create pressure to whittle down the allowance for tax relief in the budget resolution even more. This should be resisted, so that the door is left open to the greater tax reduction that the Senate may choose.

The premise of the Holt amendment is for a $28 billion tax cut on an annual basis—the one cut, compared to other alleged "cuts," that will actually make the taxpayer better off, given inflation and newly scheduled social security taxes. Combined with serious restraint in the growth of Federal spending, the increased revenue flowing from a more prosperous private sector should be enough to bring down the deficit much sooner than the President's shopworn strategies.

The fact that the Budget Committee has managed to report a reduction of the deficit in this second resolution should be taken as nothing but a happy accident. The real credit belongs not to tough decisions or fiscal discipline, but, rather, to things like technical reestimates, the historical phenomenon of budget authority being outlayed much slower than

projected, and the scaling down of the tax cut.

Moreover, the grand claim that the Budget Committee slashed by tens of billions the spending that authorizing committees had mentioned in their March 15 letters, is equally unimpressive. These March 15 letters are merely projections for the cost of just about anything the authorizing committees are thinking of considering, not what they actually contemplate passing.

In truth, the Budget Committee, rather than slashing spending, pretty much operates on the premise that "current policy"—present programs, adjusted upward for inflation—is the baseline from which to mark up the Federal budget. It is assumed there will be significant real growth in the budget—representing new programs, or expanded old programs; the only question is: How much growth? For all the rhetoric, the Budget Committee is simply not oriented to reductions.

Frankly, the procedure of our new—and, not surprisingly struggling—budget process is upside down. As it stands, the Budget Committee looks at the different spending functions one-by-one—something authorizing and appropriations committees are already supposed to do—and then adds up the totals. Since the committee is not working against any limits, this does not make for much real scrutiny. Instead, the purpose of the committee should be to start by setting totals—or "aggregates," in the jargon—and then work back. That is, it should be decided what price level, unemployment rate, growth rate, and tax burden are justified by economic circumstances and our philosophy on the role of Government. Decisions on revenues, outlays, and budget authority (commitments to future year spending, which drive outlays) should then be made accordingly. Otherwise, the Budget Committee, as well as the whole Congress, opens itself up to pressure for new spending from constituencies that exist for practically every item in the budget. It would be much easier to say no if a predetermined aggregate cap were available to point to. Every program has its merits and its advocates, but it is not the purpose of the Budget Committee just to ratify things blindly. It is its difficult and thankless burden to impose some discipline, in the name of fiscal responsibility. The burden could be shouldered easier if the procedures were more rational.

It should be decided what represents a reasonable level of Federal spending in relationship to our GNP, and what constitutes a reasonable level of taxation. Why not, as Mrs. HOLT suggests, look at the historical level for guidance?

Is it not reasonable to think that what has sufficed as the average between the time of the Korean war and 1976 would no longer be adequate? It is not as though we are standing pat: our spending will still grow as our GNP does, taking account of both inflation and real growth. If Democrats want a bigger Federal budget, what better way than to foster the growth of the GNP? And the way to do that, ironically, is to keep the Federal budget down so as not to crowd out private sector spending and initiative; as the economy expands, so do revenues. The pie is bigger for both the private and the public sectors. In the meantime, as unemployment is reduced, as well as idle productive capacity, a deficit becomes all the more dangerous.

Once again, the Republicans seem to be called on to rescue the President from himself. Of all the grand promises Mr. Carter made in his campaign—and there were more than a few—who will ever forget the ringing promise of a balanced budget? Somehow that wonderful idea seems to have been left by the wayside. Although I have the greatest confidence that such an idea will find itself resurrected by Mr. Carter before 1980 or so, the Congress should not be so patient. Certainly the voters are not.

I urge support for the amendment by Mrs. HOLT.

Mr. GIAIMO. Mr. Chairman, I move to strike the requisite number of words, and I rise in opposition to the amendment.

Mr. Chairman, I think it is time that we really look at this amendment, as to what it is going to do to programs and what it is going to do to things that the majority of us in this House believe are necessary and that we believe the American people want. I am talking about expenditures.

First, let me talk about the revenue situation. The amendment of the gentlewoman from Maryland would cut $10 billion additional over what this House and the Ways and Means Committee recommended, and what was enacted last week—an additional $10 billion cut. But, it is only going to result, we are told, in a net loss to the Treasury of $1.8 billion. It will result in a feedback to the Treasury of $8.2 billion.

There will be some feedback because there is no question that an additional $10 billion cut will be so inflationary that it will so fan the flames of inflation that it will quickly raise the amounts of taxes and revenues which will flow to the Government, both through increased taxes and through inflated prices that will be paid all along the line. So I say do not be deceived by that.

It is the Kemp-Roth tax bill, purely and simply, which this House repudiated as one of the most inflationary vehicles we could foist upon the American public, and so voted it down last week. But they say now that we are going to couple that tax cut with reductions in expenditures so that it will not be so inflationary. Are they, really? Let us look at these cuts, these reductions, if you will, of $10 billion in outlays.

In order to get that $10 billion in outlay, the gentlewoman from Maryland instructs the Appropriations Committee to go and find $22.5 billion in budget authority or appropriations, if you will; or entitlements, if you will. The point is that to get a reduction of $10 billion outlays, we have to cut down about $22.5 billion in budget authority.

That means a combination of appropriations and/or entitlement programs. When this body and the other body are mandated and compelled to find $22.5 billion, I submit we will have a very difficult job indeed.

Let us look at this $500 billion budget of the United States. What is it made up of? It is made up of $149 billion for health and $159 billion in income security—those are people programs—the social security and the welfare and the unemployment compensation and all of the other major programs that sustain millions of American people. Then it is made up of $21 billion for veterans. Those three programs add up to $229 billion of this $500 billion budget.

Add to that the education, which the American people want and demand, and we are talking about another $31 billion. That brings up to $261 billion. Add the interest on the national debt, which is $48 billion, and it bring us to $309 billion.

And then add in the $112 billion for defense, and it brings us to $421 billion—which leaves us a little less than $69 billion to pay for all kinds of programs: For the energy program and for general science and technology and natural resources and environment and agriculture and housing and transportation and community development, our city programs, and also the problems of general government.

I submit that we are not going to cut very much of the $22 billion out of defense, or out of health or out of income security or out of interest on the national debt or out of education.

We are going to take that $29 billion out of the $69 billion that is left. We are going to hurt the people in this country who can least afford to be hurt. We are going to hurt the cities and the farmers and all those people who insist upon being assisted by their Government.

The CHAIRMAN. The time of the gentleman from Connecticut has expired.

(By unanimous consent, Mr. GIAIMO was allowed to proceed for 3 additional minutes.)

Mrs. HOLT. Mr. Chairman, will the gentleman yield?

Mr. GIAIMO. I will not yield until I have completed my statement.

Mr. Chairman, let me say something else. The gentlewoman from Maryland (Mrs. HOLT) says this is not a cut. She says—and I am sure that is what she wanted to ask me—that it is just trying to hold the budget growth down. Do not let it grow as fast as we did from last year's figure, I am sure the gentlewoman would say.

Fine. Do not have any growth in the budget. What she is basically saying is: Continue the programs we enacted last year, the current services, if you will, and do not add any new starts.

Do Members know what that means? It means we will have to eliminate the $2 billion this House voted for veterans' benefits. I very much doubt that the Members of this House will join, as I did, when I tried to hold the line on the veterans' amendment. I had 33 Members with me out of 435 Members. I had only 33 Members voting with me on that.

I very much doubt that many of the new starts we enacted this year in urban initiatives and in the National Energy Act and in the public works—which will be coming along—and in increased moneys in the defense bill will be cut. I very

much doubt the Members of this body are going to want to hold the line on that.

So I say to the gentlewoman we will just not do it. What will happen is we will take the money out of those programs involving the cities and the rural areas and involving the poor and the people who can least help themselves and defend themselves. The fat cats in this budget will always get funding.

You will not take one dollar out of the $48 billion that we have to pay interest on the national debt. You will not take one dollar out of defense. You will not take one dollar out of health. You will not take one dollar out of Social Security. You will not take one dollar out of education. You are going to take it out of the hides of the people who can least defend themselves and least help themselves in this high inflationary process.

Mrs. HOLT. Mr. Chairman, if the gentleman will yield, is the gentleman saying we will never be able to slow down the Government because there will always be these special interests that are forcing us to continue this spending, and that we will have to add more Federal programs for what is worthwhile?

Mr. GIAIMO. Mr. Chairman, I am saying that we have been coming out of a recession. We have been getting this budget deficit down after 4 years of extremely high deficits, and extremely high unemployment. We have got economic growth going better than in the last year. We have cut unemployment down, we have put unemployed people to work, we have created a better climate for private investment. We hope to get greater productivity and a better rate of economic growth in the future.

The CHAIRMAN. The time of the gentleman has expired.

(By unanimous consent, Mr. GIAIMO was allowed to proceed for 1 additional minute.)

Mr. GIAIMO. We also hope to tighten our belts and not begin new programs as fast as we have in the past.

The gentlewoman from Maryland (Mrs. HOLT) knows that I have worked with her in this regard, but I submit to you that we cannot cut back on programs which are designed to help the American people. And when you take or when you attempt to take $22 billion of appropriations and entitlements out of this resolution I submit to you that you would be rendering a great disservice and injury to the American people.

I do not think this House or the other body would tolerate our doing it.

Mr. ROUSSELOT. Mr. Chairman, will the gentleman yiled?

Mr. GIAIMO. I yield to the gentleman from California.

Mr. ROUSSELOT. Mr. Chairman, even though I disagree with many things the gentleman has said, I must point out that the gentlewoman from Maryland (Mrs. HOLT) has not made the choices the gentleman has said she has made. But, on interest, the gentleman is definitely wrong because you are assuming other items in her amendment than I think a majority of the Members would be inclined to do. There would be a much lower interest rate. So I am sure the gentleman would want to revise and extend his remarks on that point.

Mr. GIAIMO. It would be lower because you would have a lower deficit.

Mr. ROUSSELOT. I thank the gentleman.

Mr. GIAIMO. But I suspect that the interest rates would go higher.

The CHAIRMAN. The time of the gentleman has again expired.

(On request of Mr. ROUSSELOT, and by unanimous consent, Mr. GIAIMO was allowed to proceed for 2 additional minutes.)

Mr. GIAIMO. You would have a lower deficit only if your estimate on taxes were correct. I do not happen to agree with that. I think that instead of having a feedback that the gentlewoman from Maryland (Mrs. HOLT) claims to get in her revenue figures of 8.2 percent, I think that is incorrect, I think you would have a lower feedback.

I also think that the deficit would be higher than the $40 billion. I believe under the Holt amendment the Federal deficit would go from $40 billion to perhaps $47 or $48 billion.

Mr. ROUSSELOT. Mr. Chairman, if the gentleman will yield on that point, you have already adjusted your revenue figures in the recent substitute. You have adjusted your revenue figures up to $450 billion and she has adjusted hers downward.

Mr. GIAIMO. The reason I think what we did was proper was we adjusted on the revenue side.

Mr. HILLIS. Mr. Chairman, I move to strike the requisite number of words, and I rise in support of the amendment offered by the gentlewoman from Maryland (Mrs. HOLT).

Mr. Chairman, I rise in strong support of the amendment offered by the gentlewoman from Maryland (Mrs. HOLT) because I think the amendment goes directly to the root of many of our fiscal and financial problems in this country which basically stem from excessive Government spending. It seems to me a lot of this debate breaks down on the two sides of the aisle with what I think is a constructive proposal offered by the gentlewoman from Maryland (Mrs. HOLT) and a whole bag of reasons why it will not work.

You know, from sitting listening to this debate you can almost get an idea of the old story of the person who is off on his way on a long trip, and he needs directions on how to arrive at his destination, so he stops and asks an old country gentleman for directions and the gentleman says go down this road for a couple of miles and then turn to the right. Then he backs off and says no, that is not right, go back down the road about 2 miles and turn to the left. Then he said "No that isn't right."

Finally, he scratches his head and says, "You just cannot get there from here."

I think that is partly what the majority side of the aisle is trying to tell the American people and to tell us in this Chamber concerning balancing the budget, "You just cannot get there from here." Somehow, however, we have lost our direction, and we are wandering around in the wilderness.

Mr. Chairman, I am going to submit my statement here for the record, but I do want to comment on this matter of interest because it concerns me greatly.

I can remember many, many years ago as a small child a very famous politician in this country saying, "Don't worry about national debt. We just owe it to ourselves."

That we "just owe it to ourselves" cost us $48 billion this year, which happens to be more than we are paying as the price of all this oil we have to import to keep our country going. In fact, this figure of $8 billion alone which is the additional debt if this amendment is not adopted will carry a finance cost at current interest rates of a half billion dollars.

Mr. Chairman, that is what we are talking about. We can talk about taking out of the hide of the poor people, taking it out of the hide of those who cannot respond and whose programs are not well represented and lobbied for in Washington. However, this inflation is taking it out of the hide of all Americans and more importantly out of the hide of our children and grandchildren. It is time that we faced up to it and recognized it for exactly what it is.

Mr. Chairman, we are spending in interest alone $150 million a day. We are spending for foreign oil approximately $120 million a day. Therefore, I think we should come to grips with the problem. It is finally time that we come to grips with the world of reality.

Mr. Chairman, something else which the gentleman from Illinois brought home to me is that the reason for the fall of the American dollar compared to the Japanese yen and to the German Deutschmark is because we cannot get a grip on this energy situation, and we cannot seem to get a grip on our own financial situation.

Therefore, I think that the course as charted by the gentlewoman from Maryland (Mrs. HOLT) is the right one to follow. It is not going to dismantle the establishment to throttle or slow down the rate of its growth.

Mr. Chairman, when we can get our house in order and our budget balanced, at that time I think we will see a strengthening in our dollar abroad. We will see more confidence in our money supply, not only here, but elsewhere as well.

That is why I rise in such strong support of this amendment at this time.

Mr. Chairman, the Holt amendment is badly needed.

By adopting the Holt amendment, Congress can begin the process of balancing the budget. Obviously, the first step in that process must be to limit our increases in spending from one fiscal year to another. Between fiscal year 1976 and fiscal year 1979, Federal spending increased 10.6 percent annually. The Holt amendment will provide for an increase in fiscal year 1979 of 7.4 percent over fiscal year 1978. The amendment

does not cut spending; it does not take one dollar out of any Federal program. It does, however, limit the growth of Federal spending in the future.

The resolution we are considering today is part of the new budget process established by the Congressional Budget Act of 1974. That act was a great improvement in the way we handle the budget. Nevertheless, Congress continues to make a fundamental mistake by examining the 19 separate budget categories and determining their spending levels individually. Adding all 19 categories together in order to get aggregate levels of outlays and budget authority does not place pressure on Congress to hold spending down.

We should reverse that process. The aggregate level of Federal outlays and budget authority should be determined first and should be based on the level of revenues raised by the Federal Government. The individual levels of the 19 budget items should then be adjusted to fit the projected aggregates. By establishing aggregate levels based on the level of revenue available, we can begin to reduce the deficit.

During fiscal year 1979, the interest on the national debt will cost the American taxpayer $48 billion. That is more than we pay for all our imported oil in 1 year. If we do not begin to reduce the ever-growing debt and interest thereon, our economy will continue to worsen until we face major economic difficulties. The writing is already on the wall. The dollar continues to fall in value overseas. For the first time in years, the British pound is gaining in value against the dollar, and the dollar is at an alltime low compared to the Japanese yen and the German mark.

With all the rhetoric we have heard this year about reducing Federal spending and with the tremendous public attention given proposition 13 in California, this Congress has done nothing to decrease Federal spending or lowering the tax burden on the average citizen. Yes, we passed a so-called tax cut just last week. However, as I stated during debate on that measure, the average citizen will pay more Federal taxes in 1979 than in 1978. In 1976, Federal income taxes took 11.3 cents of every taxable dollar; in 1979, income tax will take 13 cents out of every tax dollar. That equals a 15-percent increase even though we have had the Tax Reform Acts of 1975 and 1976, the Tax Reduction and Simplification Act of 1977, an most recently the Revenue Act of 1978.

The Holt amendment will allow for a larger tax cut than the Revenue Act of 1978. Hopefully the other body will pass a more significant tax measure so that Congress can truly give a tax cut to our constituents during 1979.

I am sure we all remember Member after Member coming to the well during debate on the motion to recommit the Revenue Act of 1978 with instructions to adopt Mr. KEMP'S amendment to personal income taxes and stating that they could only support a further tax cut if it were coupled with a reduction in spending. That is precisely what the Holt amendment does. It allows a reduction in taxes, and a reduction in spending increases.

The American people are facing an annual inflation rate for 1978 of somewhere around 8 percent. The administration can predict a 6-percent or 6.5-percent annual rate of inflation, but they cannot change the fact that come December 31 the actual rate of inflation will be near or at 8 percent. The administration can also artificially reduce the estimated deficit for fiscal year 1978 by reestimating levels of Federal spending in hopes of heading off any meaningful spending reductions, but the bottom line is that we face a deficit this year of just below $50 billion.

The gentlewoman from Maryland deserves the support of this body. She has, by offering this amendment, brought to focus the causes of an ever increasing deficit and has offered a responsible course of action to slow that growth. The gentlewoman has done this body and the Nation a great service. She has done her part, now we must do ours and adopt the Holt amendment.

Mr. LATTA. Mr. Chairman, will the gentleman yield?

Mr. HILLIS. I yield to the gentleman from Ohio.

Mr. LATTA. Mr. Chairman, I would like to commend the gentleman on a very good statement. The explanatioı that he heard when he was a young boy, that we do not have to worry about the national debt since we just owe it to ourselves, is no longer true because 16 percent of that debt is now owned by foreigners.

Mr. HILLIS. That is a very good point, and that national debt is bought by American dollars which are going overseas to pay the $120 million a day for oil.

Mr. LATTA. That is correct.

Mr. STOCKMAN. Mr. Chairman, will the gentleman yield?

Mr. HILLIS. I yield to the gentleman from Michigan.

Mr. STOCKMAN. Mr. Chairman, the gentleman mentioned the figure of 16 percent, but last year 50 percent of the net increase in lending by the Treasury was purchased by foreigners, so over half of the debt last year was purchased by foreign banks and other foreign interests. Therefore, it seems to me to be pretty obvious why we have the situation today that we do.

Mr. PIKE. Mr. Chairman, I move to strike the requisite number of words, and I rise in support of the amendment.

Mr. Chairman, I do not think that the numbers presented by the gentlewoman from Maryland (Mrs. HOLT) are all that different from the numbers presented by the committee. Further, I think that to say that we can get down to a $40 billion deficit, but we cannot get down to a $35 billion deficit does not make much sense.

We have gone from a $60 billion deficit down to a $40 billion deficit. To say that we cannot go another $5 billion does not make much sense. We have gone from the $60 billion down to the $40 billion largely by not doing anything. However, we were told when we had 9 percent unemployment that for every 1 percent that we reduced it, we were going to save $17 billion. We reduced it about 3 percent, and that ought to be 17 times 3, but we simply have not accomplished that reduction in our deficit.

Mr. Chairman, I happen to know that the chairman of the committee has stood up and fought the good fight on a lot of tough issues. He fought it on veterans' pensions. He fought it on tuition tax credits. There have been a lot of tough issues, and I think that when we say that because we do not win these tough issues we cannot do anything about it, we are misinterpreting the role of the Committee on the Budget. It seems to me that the Committee on the Budget ought to be saying, "This is our upper limit, these are our revenues, and we must fit things within these parameters."

This, to me, is what the budget process is all about. We are going to bring reason out of confusion. We are going to have a budget, not simply an adding and subtracting process. We were going to have an amount of revenue that we set, and we were going to have an amount of expenditures that we set, and we must fit everything else within those parameters.

I do not think we have done that. I think we have looked at individual programs. And, Lord knows, I voted to cut everything. I voted to cut the welfare programs and the defense programs. I voted to cut the outlays right across the line. I think the only way we are going to get there is by having real spending limitations overall and then making the programs fit inside of them. It is for that reason that I, too, support the amendment offered by the gentlewoman from Maryland (Mrs. HOLT).

I have a little bit of trouble, frankly, with the revenue side of her amendment. When you have a tax cut of $4.4 billion according to the chart, and only lose $1.8 billion in revenues, I find in the medicine a little bit of the taste of snake oil. But I think basically the amendment is on the right track, particularly in cutting the budget authority.

Why our budget authority year after year after year has to be so much higher than our outlays are year after year after year, I do not understand. We are mortgaging ourselves down into the future. We are making promises for the future that we are going to have to keep or look very bad to our constituents. We have got to start by cutting on our budget authority. I think it is the role and responsibility of the Committee on the Budget and the budget resolution—all of the Members of the House—to do these things, and I think we have to be tough enough on ourselves. I support the amendment of the gentlewoman from Maryland (Mrs. HOLT), and I hope that it passes.

Mr. BAUMAN. Mr. Chairman, I move to strike the requisite number of words.

Mr. Chairman, I believe what we are hearing here today from the gentleman from Connecticut (Mr. GIAIMO) and those who support his position is the death rattle of economic liberalism in this country. It is the same big spending philosophy that for 40 years has bankrupted

the United States and has caused the greatest suffering for the poor, the middle class, everyone who has had these policies inflicted upon them. We have heard that suffering cataloged in detail, dissected, and laid before us today in terms of deficit, inflation, the failing dollar, and all of the economic evils that follow with them.

I know it is difficult to accomplish a major change in the economic policies of any country, and certainly it is hard for us. I know that it is very difficult for the majority party and the Committee on the Budget to appreciate what the American people are feeling. But this amendment pending before us mirrors the feelings, the desires, the wishes of the majority of Americans today. They demand tax and inflation relief now.

We have been told by the gentleman from Connecticut (Mr. GIAIMO) and his predecessors, whenever an attempt to balance the budget has been made, whether now or in 4 years, "You just can't do it." The gentleman from Connecticut apparently feels that we can never balance the budget, even as he lauds that as a goal that everyone ought to support. I do not agree. We can do it. We must.

Tnis is a bipartisan amendment. When it was presented to the House in May by the gentlewoman from Maryland (Mrs. HOLT), it got the backing of a substantial number of Members from both sides. The Democrat Members voted for it; the Republicans voted for it, though it happened to be a minority initiative offered on this side. I suspect today they are going to support it again because they read last month's Gallup poll which showed 60 percent of the American people think inflation and high taxes are the most important issue in these congressional elections. They have read the Harris poll that said Federal taxes are said to be, by 70 percent of the people of the country, the greatest problem that they face on the Federal level. The American people are, indeed, concerned about this issue.

Now we come down to this critical juncture in this grand and glorious parliamentary parade called the budget process. This process was adopted by this Congress several years ago to control spending. But now we are told in a confession by the leaders of the Committee on the Budget. the gentleman from Connecticut included, that we cannot carry out the process that Congress enacted; that we cannot ever balance the budget; that the Holt amendment, which is the first step in a 4-year balanced budget, should be rejected. I could not be more in disagreement.

We are told that we are not to be allowed to force all of the various bits and pieces in the congressional spending puzzle into the aggregates that this resolution is supposed to adopt. We are told it is too much trouble, that we might be here until Christmas. Well, that is too bad. I used to feel we had a duty to stay here, until I saw this Congress in action. I am sympathetic to getting Congress adjourned tomorrow. I think that would be better for the American people; but the law says we have a duty to balance these budget figures and to tell this House that the committees do not have the capacity to make these cuts is a confession of the failure of Congress.

But here is what the gentleman from Connecticut told us on May 2:

> As you know, however, it is the responsibility of the authorizing committees and the Appropriation Committee to make specific recommendations on specific program levels. Alterations by these committees of the assumptions within the overall target ceilings in this resolution are entirely consistent with the Budget Act and the budget process.

Well, the committees have not cut enough, so we must do it with the Holt amendment. We must set those levels and force those committees to go back to the drawing board.

I suspect with the pressure of the election in early November that we will reach an accommodation. This is not business as usual, the same old bankrupt economic policy. We must start on a 3- or 4-year road to balancing the budget. Balance the budget, that is what the gentleman from Connecticut repeatedly prefaces his remarks over and over again. He is for a balanced budget but—well, the "but" is here. We are facing the "but" today. In the Holt amendment we will solve that problem of a balanced budget. Those who oppose this amendment obviously do not want to balance the budget and let them take the consequences they deserve.

Mr. Chairman, I yield to one of the foremost budget cutters in the House, the gentleman from California.

Mr. ROUSSELOT. Mr. Chairman, I thank the gentleman for yielding.

The gentleman has made an excellent statement about the importance of what this Congress led the country to believe when it wrote the budget legislation back in 1974.

The CHAIRMAN. The time of the gentleman from Maryland (Mr. BAUMAN) has expired.

(At the request of Mr. ROUSSELOT, and by unanimous consent, Mr. BAUMAN was allowed to proceed for 1 additional minute.)

Mr. ROUSSELOT. Mr. Chairman, if the gentleman will yield further, the same people today in this House who formerly said in 1974 that we look to 1978 or we look to 1979 to achieve a balanced budget are the same ones today that are arguing against the amendment of our colleague, the gentlewoman from Maryland, that goes a long way toward achieving that goal. So the gentleman was correct in reviewing that history of the Budget Committee. These very same voices were the ones that promised us when we passed the budget resolution that we should achieve that goal.

Mr. BAUMAN. Mr. Chairman, we should realize this is not just the Holt amendment. This is the Carter-Holt amendment. This is the 1981–1982 balanced budget that our President promised and said we can believe in.

Mr. ROUSSELOT. He said, "You can trust that we will adopt it."

Mr. BAUMAN. So I trust we will adopt the Carter - Holt - Rousselot - Bauman amendment.

The CHAIRMAN. The time of the gentleman from Maryland (Mr. BAUMAN) has again expired.

(At the request of Mr. SIMON, and by unanimous consent, Mr. BAUMAN was allowed to proceed for 2 additional minutes.)

Mr. SIMON. Mr. Chairman, will the gentleman yield?

Mr. BAUMAN. I yield to the gentleman from Illinois.

Mr. SIMON. Mr. Chairman, the gentleman goes into history in great detail. Does the gentleman recall what the deficit figure was for fiscal year 1978 in the second budget resolution?

Mr. ROUSSELOT. Mr. Chairman, if the gentleman will yield, it was too much.

Mr. BAUMAN. That is the first budget resolution.

Mr. SIMON. The second budget resolution was $61 billion last time. We are now down with the committee amendment to $40 billion for the second budget resolution for fiscal year 1979.

Mr. BAUMAN. Mr. Chairman, the reason the projected deficit has declined is because the Government could not spend all of it. This new figure results from reestimates and changed projects, not from any real cuts recommended by your committee.

Mr. SIMON. Mr. Chairman, let me point this out. The gentleman referred to the astute gentleman from New York (Mr. PIKE) and he pointed out one major flaw in this amendment: This $4.4 billion tax cut and only a reduction of $1.8 billion in revenue.

I have great respect for the mental ability of the gentleman from Maryland (Mr. BAUMAN).

Mr. BAUMAN. The gentleman is very kind.

Mr. SIMON. But does the gentleman really believe that is possible?

Mr. BAUMAN. Yes; I believe this is just as possible as the Budget Committee projections that the gentleman from Connecticut (Mr. GIAIMO) insists are written on tablets of stone. I think a balanced budget can be accomplished. There may be a few drops of snake oil in this, but it is nothing compared to the oceans of snake oil in the proposed figures of the gentleman from Connecticut (Mr. GIAIMO).

Mr. PIKE. Mr. Chairman, will the gentleman yield?

Mr. BAUMAN. I yield to the gentleman from New York.

Mr. PIKE. Mr. Chairman, I would simply say, since I have raised this issue, that people have pointed out to me that the difference is based on a different estimate of the rate of inflation and the fact that the estimate in the Budget Committee resolution assumes an inflation rate of 6.9 percent in 1978 and 6.7 percent in 1979.

The CHAIRMAN. The time of the gentleman from Maryland (Mr. BAUMAN) has expired.

(On request of Mr. PIKE and by unanimous consent, Mr. BAUMAN was allowed to proceed for 2 additional minutes.)

Mr. PIKE. Mr. Chairman, if the gentleman will yield further, the Holt amendment estimates or is based on inflation rates of 8 percent in 1978 and

7 percent in 1979. I am obliged to concede that the estimates of the Holt amendment are in my judgment far more realistic than the estimates of the Committee on the Budget.

We are operating at an inflation rate right now of 10 percent; the gentlewoman from Maryland (Mrs. HOLT) does not go to 10 percent, she goes to 8 percent. To me, that is a far more realistic estimate than the one the budget resolution is based on.

Mr. BAUMAN. Mr. Chairman, I certainly concur with what the gentleman from New York (Mr. PIKE) has said. We must take this chance to vote for the Holt amendment. It is the only step toward a balanced budget that we are likely to be able to take in this Congress.

Mr. SNYDER. Mr. Chairman, will the gentleman yield?

Mr. BAUMAN. I yield to the gentleman from Kentucky.

Mr. SNYDER. Mr. Chairman, it just strikes me that if the gentlewoman from Maryland (Mrs. HOLT) is wrong in her calculations and if we lose the whole $4.4 billion in revenue, we will still be about $7 billion better off in the deficit. Assuming the other side is correct and the gentlewoman's figures are wrong, we still pick up $7 billion, so this seems like a better deal than the committee proposal.

Mr. BAUMAN. Mr. Chairman, I think the gentleman is correct.

Mr. JOHN L. BURTON. Mr. Chairman, I move to strike the requisite number of words.

Mr. Chairman, I would like to ask a question or two of the gentlewoman from Maryland (Mrs. HOLT).

Mrs. HOLT. Mr. Chairman, if the gentleman will yield, I would be happy to respond.

Mr. JOHN L. BURTON. Mr. Chairman, I understand the gentlewoman's amendment would still leave us with a $35 billion deficit which, for one of those who has consistently voted to balance the budget immediately, as the gentlewoman has, I find troublesome.

But in what areas are we going to accomplish these savings or reductions in future expenditures?

Mrs. HOLT. Mr. Chairman, will the gentleman yield?

Mr. JOHN L. BURTON. I would be happy to yield to the gentlewoman from Maryland.

Mrs. HOLT. Mr. Chairman, first let me say that the $35 billion deficit goes against all my inclinations also. But this is only the beginning of a downward trend toward a balanced budget.

Chairman MILLER testified before our committee that it would be better for the economy to do it this way, to reduce gradually until we reach a balanced budget in the next 4 years, and that it is absolutely essential that we do it to improve the situation as far as our dollar is concerned, our economy, to reduce inflation.

Mr. JOHN L. BURTON. In other words, it is not proper to try to do it immediately, but we have to phase into it?

Mrs. HOLT. It is my contention that we should take this first step toward balancing the budget.

Mr. JOHN L. BURTON. The question is, where does the gentlewoman seek to make the reductions?

Mrs. HOLT. It is my view that the Committee on the Budget acts as a disciplinary action on the rest of us. The chairman of our committee pointed out that we all have special interests, that we have to deal with our own special interests and the greeds within ourselves, but that the budget preparation should be a disciplinary action to force us to go back to the committees and tell them that this is the amount of money that we can afford, this is what we want to spend, this is what we feel the American people want us to do, and the decision will be made there.

Mr. JOHN L. BURTON. In other words, what would happen then? Is that the authorizing committees and the Committee on Appropriations?

Mrs. HOLT. Let me point out just one thing, if I may, in answer to the gentleman.

Mr. JOHN L. BURTON. I am just trying to figure this out. I would hate to have these amounts all come out of necessary programs.

Mrs. HOLT. The Committee on Appropriations has acted on all the appropriation bills, and to date the House action brings us to $519 billion in budget authority. That, I think, is very, very important, because that is setting the spending rate in the years to come and in outlays at $469.8 billion, and I am $10 billion above that.

Mr. JOHN L. BURTON. The question I ask is: Are we going to leave the military budget sanguine under the gentlewoman's amendment and then have the cuts to be made under the programs for the elderly and social services?

Mrs. HOLT. That is up to the Committee on Appropriations. That is not the Budget Committee's decision to make. We set the fiscal policy.

Mr. JOHN L. BURTON. It is the position of the House. And I would point out that the only appropriations that did not get cut were in both military construction and in weapons. In other words, the gentlewoman does not target where these potential savings are going to be.

Mrs. HOLT. That is right. It is my position the Budget Committee should set the aggregate amounts and then let it go back to the committee to make the decision. But when the outlay figure is only $469.8 billion, we are still within that amount of money.

Mr. BAUMAN. Mr. Chairman, will the gentleman yield?

Mr. JOHN L. BURTON. I yield to the gentleman from Maryland.

Mr. BAUMAN. I thank the gentleman for yielding to me on this point.

Mr. Chairman, the answer to the question is that the budget law, Public Law 93-344, provides specifically in section 310 how this matter is to be handled. The House is empowered by the law to provide in the budget resolution directions to the Appropriations Committee—which of all of the committees is the one that could do this—to go over every appropriations bill and force cuts. The House would then reconcile these cuts as of September 25, which is the date provided in the law, and decide where they could be made. In my view we should look at all programs with an eye to reductions.

Mr. JOHN L. BURTON. We never seem to cut them.

Mr. BAUMAN. I suggest one cut that might be in order. On Monday afternoon the House failed, by about 6 votes, to cut $400 million out of the foreign aid bill by way of the Miller amendment.

The gentleman from Connecticut, who is great for cutting veterans, voted against cutting that unnecessary foreign aid out.

We can go back under the terms of the budget resolution and conform there by cutting foreign aid. Maybe that is a place where it could be done.

The CHAIRMAN. The time of the gentleman from California (Mr. JOHN L. BURTON) has expired.

(By unanimous consent, Mr. JOHN L. BURTON was allowed to proceed for 3 additional minutes.)

Mr. ROUSSELOT. Mr. Chairman, will the gentleman yield?

Mr. JOHN L. BURTON. I yield to the gentleman from California.

Mr. ROUSSELOT. I thank the gentleman for yielding.

Mr. Chairman, I want to respond to the question the gentleman has raised about how the outlay of $480 billion can basically be allocated in these various functional categories. It is already allocated. as the gentlewoman from Maryland pointed out, by the Appropriations Committee in its actions, which is far under the $480 billion in the actions taken so far.

The conference committees on the appropriations will also have to act.

The point is that the $480 billion becomes a ceiling.

So I believe that there is more than enough to accommodate whatever changes are made. We think that is a better ceiling for expenditure than the one presented by the committee.

Mr. JOHN L. BURTON. I thank the gentleman for his contribution.

Mr. Chairman, I have been informed that there is between $40 billion and $50 billion of unobligated funds that are in the various budgets. If that is a fact, would it not be better to deal with those where we could in fact balance the budget and not hurt any programs?

Mr. ROUSSELOT. If the gentleman will yield, I will be glad to respond.

I would say that that is one area which I understand the gentlewoman from New York is going to very properly raise, that many of these agencies already have balances of funds previously appropriated—not contracted for, in many cases, but in some cases it is—of anywhere from $42 billion to $48 billion. We cannot get the exact figure.

So the gentleman is correct, there is one area right there where they already have been given appropriated funds.

Mr. GIAIMO. Mr. Chairman, will the gentleman yield?

Mr. JOHN L. BURTON. I yield to the gentleman from Connecticut.

Mr. GIAIMO. Mr. Chairman, I would just like to comment on a statement made by the gentleman from Maryland about the gentleman from Connecticut being great on cutting veterans. I under-

stand what the gentleman from Maryland means by that, because I read some of the propaganda that gets peddled around 2 months before election. But I would like to correct the gentleman, because I have a record of voting for veterans' programs for 20 years, to the tune of $20 billion for veterans this year. What I did do was object to the add-on, which I thought was excessive. But not voting for an add-on to the veterans bill does not make me great for cutting veterans' programs, and I resent the allegation of the gentleman from Maryland.

Mr. JOHN L. BURTON. Mr. Chairman, first, I would like to point out, so far as Christmas is concerned, some of us are 3,000 miles away, and the gentleman is 30 miles away.

Mr. BAUMAN. Eighty-five miles, but haul out the holly anyway.

Mr. Chairman, if the gentleman will yield further, I apologize if I have wrongly offended the gentleman from Connecticut. The gentleman voted against the veterans program add-on, as he stated correctly. But I did say that he also voted against the Miller amendment that would substantially reduce the foreign aid bill by $400 million. When we are talking about add-ons, the gentleman from Maryland believes foreign aid can easily be cut, far more easily than veterans benefits.

The CHAIRMAN. The time of the gentleman from California (Mr. JOHN L. BURTON) has again expired.

(On request of Mr. BAUMAN and by unanimous consent, Mr. JOHN L. BURTON was allowed to proceed for 1 additional minute.)

Mr. BAUMAN. The only reason I raised the point was because the gentleman from Connecticut repeatedly raised the issue of whether the gentlewoman from Maryland (Mrs. HOLT) wanted to cut impacted aid, whether she wanted to put a 5.5-percent cap on Federal employees' raises. When we start raising the issues that apply in individual districts, I think anybody's voting record becomes fair game. The gentleman says he has voted for veterans over the years, but in this instance he did not vote for them. He did vote for foreign aid. Of course, choosing where to cut is the problem with this whole budget process, as we all agree.

Mr. GIAIMO. Mr. Chairman, will the gentleman yield?

Mr. JOHN L. BURTON. I will be happy to yield to the gentleman from Connecticut.

Mr. GIAIMO. I think everyone's voting record is fair game. I am just asking if the gentleman stated it correctly, and I am grateful that the gentleman corrected himself and did state it correctly.

Mr. JOHN L. BURTON. Mr. Chairman, the only thing I would quickly like to say, now that everybody has finished talking, I still kind of lean to that Rousselot plan of immediately balancing the budget. I do not want my Republican friends to go back and run on a $35 billion deficit.

Mr. STOCKMAN. Mr. Chairman, I move to strike the requisite number of words.

Mr. STOCKMAN. Mr. Chairman, I rise in strong support of the Holt amendment. I would suggest that we have spent an inordinate amount of time here nit-picking at the precise accuracy of the budget estimates, and that we have missed something in the process.

The fact is the $5 billion difference in the fiscal year 1979 deficit between these two measures is not the important thing. There is a far more fundamental and important difference, and I think this needs to be underscored before we vote. The Holt amendment represents a reasoned and cogent fiscal course, not just for next year, but for the next 5 years in which the budget numbers are disciplined and subordinated to basic policy objectives; and in which those basic policy objectives of a substantially reduced tax level relative to national income and sharply constrained rate of outlay growth are targeted on the real economic problems and weaknesses that we have in this economy today.

Those obviously are inadequate rates of capital formation, anemic productivity growth, and weakening incentives for production. I would suggest that our attention should be directed to just that kind of fiscal game plan. What we have in the committee resolution is nothing more than a fortuitous, ad hoc compilation of budget numbers. The fiscal policy rationale is totally an afterthought; it is merely a veneer of justification for a purely arithmatic exercise, as the gentleman from New York (Mr. CONABLE) said a while ago.

Of course, we can read the budget report, and it includes numerous non sequiturs about reading the very narrow line between too much stimulus and too little stimulus—whatever that might mean. We can read phrases about this resolution being a delicately-harmonized trade-off between our real economic growth goals and anti-inflation goals. But I must say that I hope one of these days at least some of the majority members of the Budget Committee will stop listening to all the Keyensian mumbo-jumbo they are getting from the Congressional Budget Office, because I would suggest to them, as this debate has made amply clear, that it is leading you down a primrose path of circular logic and fruitless preoccupation with miniscule differences in agregate demand one, two, or four quarters down the road which are totally irrelevant to our basic economic problems here at home, and also abroad.

I would suggest that the proof of the pudding for any policy lies in the outcome, and therefore it would be not unfair to ask, what has been the result over these past 4 years of all this expert advice on fine tuning aggregate demand which we have been getting from CBO.

The four things that come to mind immediately are that, first, we have a currency that has literally collapsed on international markets. Second, the world economy is beginning to drown under a flood of paper dollars; third, the domestic recovery is already faltering, and finally we have rip-roaring inflation that I do not think anybody believes shows any signs of abating at any time soon.

We heard a while ago about the snake oil that is supposedly lodged in this Holt resolution and about the difference between the tax cut and the revenue feedback that we predict. But I suggest if we want to talk about snake oil, we should look at the snake oil imbedded in the majority resolution. Because if we need an example of circular logic, it is the high-tax demand stimulus approach implicit in the majority resolution. It provides for a 10-percent increase in spending, or additional outlays of $45 billion for next year.

The committee report tells us this increase in spending stimulus is supposed to support aggregate demand sufficiently to insure a continuation of the expansion we have underway and ward off the threat of the recession that might be around the corner. But it is made possible entirely by another $45 billion of new net borrowing or financing on the part of the Treasury from the credit markets. If we simply make the assumption that the Federal Reserve is going to hold the line on money supply growth, it means that with this majority resolution we are shifting $45 billion out of the credit markets where it would function as demand for capital goods, housing, and production inventories, and shift it into the pockets of transfer recipients where it will function as demand for consumption goods, including imported consumption goods, thus deepening our trade deficit. You are, therefore, not increasing aggregate demand, you are simply rearranging it.

The CHAIRMAN. The time of the gentleman from Michigan (Mr. STOCKMAN) has expired.

(By unanimous consent, Mr. STOCKMAN was allowed to proceed for 1 additional minute.)

Mr. STOCKMAN. The point I am making is if we are talking about snake oil and sleight of hand, look at the majority resolution. It reallocates resources out of the credit markets, where it would go for capital spending, and into transfer recipient pockets for consumer spending.

I would suggest to the House that any short-term advantage, any slight up-tick in GNP that we might get next year will be more than offset in future years by a smaller or less productive capital stock and reduced income and ability to finance Government activities in the future. We are robbing future years in order to finance an inordinate or unsustainable level of consumption today.

Moreover, the evidence for that is already beginning to catch up with us, as I think is indicated by the fact that last year we had zero rate of productivity growth in this country.

In the light of the self-evident proposition that this economy needs incremental capital investment because we need more capital per barrel of energy we produce in light of the fact that the cheap stuff is gone, and that we need more capital per ton of steel because we have used up all our clean air and water, and we need more capital per dollar of output we produce in order to regain our competitive position in the world markets—under those conditions it makes no sense to continue to pilfer from the savings stream in order to finance current

consumption and then to pretend we are increasing aggregate demand, because we are doing nothing of the kind. And yet this is what we have in the majority resolution—one more year of counterproductive, make-believe demand manipulation.

The Holt resolution, by contrast, phases out the deficit in 4 years, which means we take the pressure out of the credit market and we can begin to crank down our excessive rate of money growth. That will slow down inflation and that will stabilize the dollar abroad. Second, it rolls back the Government claim on the national output back to the level we had in the sixties. We must realize that conditions for economic growth are far worse today because of the fourfold increase in energy cost, the high cost of environmental clean up, our loss of competitiveness in foreign markets, and many other supply side deteriorations which could be enunicated. Our economy cannot stand to have the Federal Government preempting so much of our national income. We have to go back to previous levels if we want to have increased economic growth and an improved standard of living that the American people are demanding all over the country today.

Mr. REGULA. Mr. Chairman, will the gentleman yield?

Mr. STOCKMAN. I yield to the gentleman from Ohio.

Mr. REGULA. Mr. Chairman, I want to commend the gentleman from Michigan (Mr. STOCKMAN) on the statement he has made because I think it is a very significant statement. I think what the gentleman is saying is vitally important to our future.

I wonder if the gentleman would yield for a question?

Mr. STOCKMAN. Certainly.

Mr. REGULA. In the judgment of the gentleman is not the most significant thing the fact that budget authority is reduced because this starts the down trend in terms of forcing, as part of the gross national product, a reduction in spending in future years?

The CHAIRMAN. The time of the gentleman has expired.

(On request of Mr. ROUSSELOT, and by unanimous consent, Mr. STOCKMAN was allowed to proceed for 2 additional minutes.)

Mr. STOCKMAN. I thank the gentleman for the additional time. The answer to the inquiry of the gentleman from Ohio (Mr. REGULA) is that he is correct.

Mr. ROUSSELOT. Mr. Chairman, will the gentleman yield?

Mr. STOCKMAN. I yield to the gentleman from California.

Mr. ROUSSELOT. Mr. Chairman, the point that the gentleman from Ohio has just made, in conjunction with the statement made by the gentleman from Michigan (Mr. STOCKMAN) is terribly important for the future of our country, and that is that the Holt amendment clearly puts a down trend on the accelerating authorizations. That has been one of the complaints in the past by some of our colleagues, that the House authorizing bills provide for to much over expectation, therefore we are forced to fund it with outlays.

Mr. STOCKMAN. Mr. Chairman, I would suggest to the gentleman from California (Mr. ROUSSELOT) that the majority was lucky this year in that the reestimates went down. But if we continue to pump all of this authority into the stream, next year that we might not be so lucky and we might have a far different situation.

Mr. ROUSSELOT. Mr. Chairman, I want to compliment the gentleman from Michigan (Mr. STOCKMAN) on the statement he has made about the impact of the deficit in the capital markets because the Treasury is out there borrowing so much money to fund our deficits. It just so happens that the present Treasurer has complained about the problem of having to borrow so much, and so has the President about being forced to borrow from the private market to such a high degree. It does damage the availability of funds for the private sector to properly finance its plant expansions for equipment and for new jobs. So that another major benefit of the Holt amendment is that the deficit suggested here is enough less than the one proposed by our chairman's resolution, that it creates less pressure on the marketplace.

Mr. STOCKMAN. In the current year, and also we have a 4 year phase-down, so it is a clear signal to the credit market that the Treasury is getting out. And I think that is what the Federal Reserve Board is trying to do now.

Mr. ROUSSELOT. The gentleman from Michigan (Mr. STOCKMAN) has done an excellent job in explaining this.

Mr. RHODES. Mr. Chairman, I move to strike the requisite number of words.

Mr. Chairman, this has been a stimulating and I think very informative debate. I congratulate all of the Members on the level at which it has been conducted. I think that the issues are pretty well outlined. I just desire to take a few minutes, if I may, to put them into what I hope will be some kind of order.

To begin with, I think the issue before the House today is the sense of priorities which the American people have now come to have.

I agree with the gentleman from Connecticut (Mr. GIAIMO) and I agree with the gentleman from Maryland (Mr. MITCHELL) that there are a lot of important programs in this Government and that some of them undoubtedly are going to receive less if either the Holt amendment or the committee bill is adopted. And I regret that because, as a matter of fact, the programs deserve to be continued. But the sense of priorities of the American people, if I understand it correctly, and I think I do, must be considered.

Whereas the people used to look at all of these programs it would be nice to have, they are now looking at the real situation we are in. They realize our first priority has to be defense, but the second priority must be to save the economy of this country. That is what this debate is all about.

The priority of the American people, unless I am badly mistaken, the thing that they expect the most from this body is to balance the budget just as soon as we can balance it. That is what the Holt amendment is all about.

Mr. Chairman, there is a program which was put together by the members of the Committee on the Budget on the Republican side to balance the budget within 5 years.

If it were possible I would like to balance the budget this year and I think most of the Members of the House would. However, we recognize that you cannot start from a $51 billion deficit and balance the budget in 1 year without doing violence to our economy.

Mr. Chairman, we try to lead the clay pigeon as one does in skeet shooting. We tried to arrange things so that the revenues and the outlays will meet at a certain point in the near future. The best point, is somewhere in fiscal year 1983.

That, again, is what the Holt amendment is all about.

Mr. Chairman, we attack the problem in two ways. In the first place, by cost containment. We do not believe that the people of the country's sense of priority requires at this time there be no brand-new programs. In fact, we believe that the people of the country do not even want the old programs to be increased as far as size is concerned until we balance the budget.

That is the No. 1 priority. But also, in order to keep the economy rolling along and humming at a good rate, we think a tax cut is absolutely necessary. The Holt amendment and the Republican plan to balance the budget in 1983 does include the Kemp-Roth tax cut. This tax cut will act as a stimulus to the economy, and I do not think there is any doubt but what that stimulus will result in more money going into the Treasury, more dollars, because of the added velocity to the economy. So we attack the economic problem from that angle, too.

We not only do not increase the amounts of money which will be spent by the Government insofar as percentage is concerned but we also increase the amount of revenue in dollars.

Mr. Chairman, there will be a very important document which will be unveiled tomorrow called the House Republican legislative agenda.

I am going to give the Members a preview of part of it. In that legislative agenda we say that the cost of Government can actually be reduced. We say it can be reduced if the Congress of the United States recognizes its duty for legislative oversight. The Congress has not done anything more than give a lick and a promise to legislative oversight. When a new problem came up, what did we do? We threw money at it, or we threw a new agency at it. It is time we look at all those new agencies and make sure they are needed. Many of them probably are not. Maybe some of them can be consolidated. In that way we can save not only money but save the American peo-

ple from some of the harassment they have been put to because of the requirements for reporting to so many of these agencies.

Mr. Chairman, this is part of a very well-thoughtout, very well planned program to bring the economy of this country onto the proper line of march, to do the things which are required for this country.

Mr. LATTA. Mr. Chairman, I move to strike the requisite number of words.

As we prepare to vote in this very important amendment, let me give the Members four sets of figures to ponder before they vote. The figures that have been proposed by the revision of the chairman of the committee would have our budget authority at $561.2 billion, outlays at $490.5 billion. The Senate committee budget resolution which has been recommended by the committee provides for $557.7 billion in budget authority and outlays of $489.5 billion.

The Holt amendment would provide budget authority of $539 billion, outlays of $480 billion, and the House-passed appropriation bills provide budget authority of $519 billion and outlays of $469.8 billion. So if the Members vote down the Holt amendment, they will be in effect voting for the highest of these four figures, and I do not believe that we want to do that.

[In billions of dollars]

	Holt amendment	Committee substitute amendment	Senate budget committee	House-passed appropriations and permanent spending authority
Budget authority	$539.0	$561.2	$557.7	$519.0
Outlays	480.0	490.5	489.5	469.8

The CHAIRMAN. The question is on the amendment offered by the gentlewoman from Maryland (Mrs. HOLT) to the amendment in the nature of a substitute offered by the gentleman from Connecticut (Mr. GIAIMO).

The question was taken; and the chairman announced that the noes appeared to have it.

RECORDED VOTE

Mrs. HOLT. Mr. Chairman, I demand a recorded vote.

A recorded vote was ordered.

The vote was taken by electronic device, and there were—ayes 201, noes 206, not voting 25, as follows:

[Roll No. 707]

AYES—201

Abdnor	Coleman	Grassley
Ambro	Collins, Tex.	Green
Anderson, Ill.	Conable	Gudger
Andrews, N.C.	Conte	Guyer
Andrews, N. Dak.	Corcoran	Hagedorn
Applegate	Cornwell	Hall
Archer	Coughlin	Hammer-schmidt
Armstrong	Cunningham	Hansen
Ashbrook	Daniel, Dan	Harsha
Badham	Daniel, R. W.	Heckler
Bafalis	Davis	Hefner
Barnard	de la Garza	Hightower
Bauman	Derwinski	Hillis
Beard, Tenn.	Devine	Hollenbeck
Bennett	Dickinson	Holt
Bowen	Dornan	Horton
Breaux	Duncan, Tenn.	Hyde
Breckinridge	Early	Ichord
Brinkley	Edwards, Ala.	Ireland
Broomfield	Edwards, Okla.	Jacobs
Brown, Mich.	Emery	Jeffords
Brown, Ohio	English	Jenkins
Broyhill	Erlenborn	Johnson, Colo.
Buchanan	Evans, Del.	Jones, N.C.
Burgener	Evans, Ga.	Jones, Tenn.
Burke, Fla.	Evans, Ind.	Kazen
Burleson, Tex.	Fenwick	Kelly
Butler	Findley	Kemp
Byron	Fish	Kindness
Caputo	Ford, Tenn.	Krebs
Carr	Forsythe	Lagomarsino
Carter	Fountain	Latta
Cavanaugh	Frenzel	Leach
Cederberg	Fuqua	Lent
Clausen, Don H.	Gammage	Levitas
Clawson, Del	Gibbons	Livingston
Cleveland	Gilman	Lott
Cochran	Glickman	Lujan
Cohen	Goldwater	Luken
	Goodling	McClory
	Gradison	McCloskey
	Pike	Stanton
	McDade	Pressler
	Steers	
	McEwen	Pritchard
	Steiger	
	McKinney	Pursell
	Stockman	
	Madigan	Quayle
	Stump	
	Marks	Quie
	Symms	
	Marlenee	Quillen
	Taylor	
	Marriott	Railsback
	Thone	
	Martin	Regula
	Traxler	
	Mathis	Rhodes
	Treen	
	Mazzoli	Rinaldo
	Trible	
	Michel	Roberts
	Vander Jagt	
	Milford	Robinson
	Waggonner	
	Miller, Ohio	Rousselot
	Walker	
	Mitchell, N.Y.	Rudd
	Walsh	
	Montgomery	Runnels
	Wampler	
	Moore	Ruppe
	White	
	Moorhead, Calif.	Santini
	Whitehurst	
	Sarasin	Whitley
	Mottl	Satterfield
	Wiggins	
	Murphy, Pa.	Sawyer
	Wilson, Bob	
	Myers, Gary	Schulze
	Winn	
	Myers, John	Sebelius
	Wydler	
	Neal	Shuster
	Wylie	
	Nichols	Smith, Nebr.
	Yatron	
	O'Brien	Snyder
	Young, Fla.	
	Panetta	Spence
	Pettis	Stangeland

NOES—206

Addabbo	Chisholm	Giaimo
Akaka	Clay	Ginn
Alexander	Collins, Ill.	Gonzalez
Ammerman	Corman	Gore
Anderson, Calif.	Cornell	Hamilton
Annunzio	Cotter	Hanley
Ashley	D'Amours	Hannaford
Aspin	Danielson	Harkin
AuCoin	Delaney	Harrington
Baldus	Derrick	Harris
Baucus	Dicks	Hawkins
Beard, R.I.	Diggs	Heftel
Bedell	Dingell	Holland
Bellenson	Dodd	Holtzman
Benjamin	Downey	Howard
Bevill	Drinan	Hubbard
Biaggi	Duncan, Oreg.	Hughes
Bingham	Eckhardt	Johnson, Calif.
Blanchard	Edgar	Jones, Okla.
Blouin	Edwards, Calif.	Jordan
Boggs	Eilberg	Kastenmeier
Boland	Ertel	Keys
Bolling	Evans, Colo.	Kildee
Bonior	Fary	Kostmayer
Bonker	Fascell	Krueger
Brademas	Fisher	LaFalce
Brodhead	Fithian	Lederer
Brooks	Flippo	Leggett
Brown, Calif.	Flood	Lehman
Burke, Mass.	Florio	Lloyd, Calif.
Burlison, Mo.	Foley	Long, La.
Burton, John	Ford, Mich.	Long, Md.
Burton, Phillip	Fowler	Lundine
Carney	Fraser	McCormack
Chappell	Gaydos	McFall
	Gephardt	McHugh
	McKay	Patterson
	Solarz	
	Maguire	Pattison
	Spellman	
	Mahon	Pease
	St Germain	
	Mann	Pepper
	Staggers	
	Markey	Perkins
	Stark	
	Mattox	Pickle
	Steed	
	Meeds	Poage
	Stratton	
	Metcalfe	Preyer
	Studds	
	Meyner	Price
	Thornton	
	Mikulski	Rahall
	Tsongas	
	Mikva	Rangel
	Tucker	
	Mineta	Reuss
	Udall	
	Minish	Richmond
	Ullman	
	Mitchell, Md.	Rodino
	Van Deerlin	
	Moakley	Roe
	Vanik	
	Moffett	Rogers
	Vento	
	Mollohan	Roncalio
	Volkmer	
	Moorhead, Pa.	Rooney
	Walgren	
	Moss	Rose
	Watkins	
	Murphy, Ill.	Rosenthal
	Waxman	
	Murphy, N.Y.	Rostenkowski
	Weaver	
	Murtha	Roybal
	Weiss	
	Myers, Michael	Russo
	Whalen	
	Natcher	Ryan
	Whitten	
	Nedzi	Scheuer
	Wilson, Tex.	
	Nix	Schroeder
	Wirth	
	Nolan	Seiberling
	Wolff	
	Nowak	Sharp
	Wright	
	Oakar	Sikes
	Yates	
	Oberstar	Simon
	Young, Mo.	
	Obey	Skelton
	Young, Tex.	
	Ottinger	Slack
	Zablocki	
	Patten	Smith, Iowa
	Zeferetti	

NOT VOTING—25

Burke, Calif.	Huckaby	Sisk
Conyers	Jenrette	Skubitz
Crane	Kasten	Stokes
Dellums	Le Fante	Teague
Dent	Lloyd, Tenn.	Thompson
Flowers	McDonald	Wilson, C. H.
Flynt	Miller, Calif.	Young, Alaska
Frey	Risenhoover	
Garcia	Shipley	

The Clerk announced the following pairs:

On this vote:

Mrs. Lloyd of Tennessee for, with Mr. Thompson against.

Mr. Huckaby for, with Mrs. Burke of California against.

Mr. McDonald for, with Mr. Le Fante against.

Mr. Kasten for, with Mr. Stokes against.

Mr. Frey for, with Mr. Dent against.

Mr. Crane for, with Mr. Garcia against.

Mr. Young of Alaska for, with Mr. Miller of California against.

Mr. Skubitz for, with Mr. Dellums against.

Mr. Flynt for, with Mr. Shipley against.

Mr. JOHN L. BURTON changed his vote from "aye" to "no."

So the amendment to the amendment in the nature of a substitute was rejected.

The result of the vote was announced as above recorded.

AMENDMENT OFFERED BY MR. MATTOX TO THE AMENDMENT IN THE NATURE OF A SUBSTITUTE OFFERED BY MR. GIAIMO

Mr. MATTOX. Mr. Chairman, I offer an amendment to the amendment in the nature of a substitute.

The Clerk read as follows:

Amendment offered by Mr. MATTOX to the amendment in the nature of a substitute offered by Mr. GIAIMO: In the matter relating to the appropriate level of total new budget authority reduce the amount by $223,000,000;

In the matter relating to the appropriate level of total budget outlays reduce the amount by $673,000,000;

In the matter relating to the amount of the deficit reduce the amount by $673,000,000;

In the matter relating to the appropriate level of the public debt reduce the amount by $673,000,000;

In the matter relating to the amount by which the statutory limit on the public debt should accordingly be increased, reduce the amount by $673,000,000.

In the matter relating to function 500: Education, Training, Employment and Social Services reduce the amount for budget authority by $135,000,000; and reduce the amount for outlays by $335,000,000.

In the matter relating to function 850: General Purpose Fiscal Assistance reduce the amount for budget authority by $88,000,000; and reduce the amount for outlays by $338,000,000.

Mr. MATTOX. Mr. Chairman, the amendment that I am offering along with Mr. REGULA is an amendment that we believe conforms to the actions that we expect the House and the Senate to follow in the future in the budgetary process. Basically, the amendment to the second budget resolution would reduce the aggregate budget authorities by $223 million, and aggregate outlay figures by $673 million.

The amendment goes to two budget functions. First, it reduces function 500, which is education, training, unemployment, and social services, by $135 million in budget authority and $335 million in outlays. This would reflect the House actions that were taken when we passed the Jeffords amendment to the comprehensive training bill, the CETA legislation. In effect, it would conform the House budget resolution to that action.

Now, let me repeat that again. That would be a reduction of $135 million in budgetary authority, and $335 million in outlays. That would conform the second budget resolution to the action we took on the Jeffords amendment on the CETA legislation.

The second part of the amendment would reduce function 850, General Purpose Fiscal Assistance, by $88 million in budgetary authority and $338 million in outlays. That will leave a total of $700 milion in budgetary authority and $700 million in outlays, of which we might reasonably expect to be spent on a countercyclical-type assistance program.

This is approximately the estimated amount carried by the Senate Finance Committee in a compromise program that they have announced they will be working out. They have not worked out the entire problem, but I visited with the Treasury Department, and they have been in constant contact with the Senate Finance Committee. Treasury indicates the approximate estimated amounts would be at the level in my amendment.

We are offering this amendment because both of these programs are overfunded in the resolution that came out of the Budget Committee. We feel they should be cut back actually to reflect the actions of both the House and the Senate to decrease. Our Government Operations Subcommittee has indicated they are not in favor of passing any legislation, but we are assuming some legislation might be passed, and we are funding at the maximum level we feel would be possible in the legislation. We are also setting a ceiling for the CETA public works programs in line with what we expect the anticipated House action will be.

In a moment I will yield to the gentleman from Ohio (Mr. REGULA), who will explain the countercyclical portion to a greater extent.

In asking the Members to support this amendment, I wish to point out that with its adoption we will, for the first time in 4 years reduce our budget deficit below $40 billion. The actual budget deficit should be $39.8 billion. We will have a lot of other opportunities, of course, but this will bring it below $40 billion.

Many of us have indicated this is the path we would like to get on in balancing the Federal budget. The adoption of this amendment combined with the floor and committee actions will reduce by 2.3 percent from what was targeted in the first resolution. Members have asked for this reduction, and the Budget Committee resolution and this amendment give reductions of $3.128 billion.

The CHAIRMAN. The time of the gentleman from Texas (Mr. MATTOX) has expired.

(By unanimous consent, Mr. MATTOX was allowed to proceed for 2 additional minutes.)

Mr. MATTOX. Mr. Chairman, let me explain a little more in detail about what I mean. The controllable discretionary programs, other entitlements, make up about 28 percent of our original targeted budget of $500 billion. This means about $140 billion is controllable.

We have proposed with the adoption of this amendment, counting other floor actions already taken, a cut in the controllable expenditures in this budget of 2.3 percent. I think this is the direction the American people have been asking us to go.

I am dedicated to that direction. I would like to see us take this action to reduce the deficits below $40 billion. I think this would have a great impact on the value of the dollar abroad and give great confidence to the business community in the States.

Mr. REGULA. Mr. Chairman, I rise in support of the amendment.

Mr. Chairman, I hope the Members will listen carefully. What we have here as proposed by the gentleman from Texas and myself is an amendment that will cut 30 percent in expenditures in two items in the budget. It will do it without affecting programs. The amendment we have reflects actions already taken by this body and also actions taken in the Senate thus far.

I would like to speak particularly to the subject of countercyclical funding. In the budget resolution, when the second budget resolution was adopted, I offered an amendment in committee that was supported by all of the Republicans and several of the Democrats to effect the reductions in countercyclical that are proposed in this amendment. Since that time the case is even better than it was at the time of the committee hearings in light of subsequent actions by this body and the other body. I am pleased that the majority is offering the Regula amendment from the committee as part of the overall reductions proposed in the amendment today.

I would like to address the section of our amendment dealing with countercyclical funding.

I believe the House is faced with a real quandry insofar as setting spending levels regarding this program. We still have no authorization on which to base any cost estimates. The unemployment rate has successfully remained at strong lows in the past 6 months, reducing the need for countercyclical aid and the program is producing substantial carryover balances, approximately $250 million for 1978.

In other words, I believe things have changed since the first budget resolution and this should be recognized in the second one. That is part of the reason for a second budget resolution. If we do not make countercyclical assistance funding compatible with what is actually happening, then our efforts are a mere mockery of our responsibilities.

Let us look first at the authorizing situation. The House has deferred any action on a new bill. Only last week the Senate Finance Committee approved its reauthorization on countercyclical which still does not have an official cost estimate. Unofficial estimates range from $600 to $700 million. That figure is what we recognize in the amendment that is before us. Certainly it is considerably less than the President's original request of $1.038 billion in outlays and $788 million in budget authority. We can refer to the Senate Finance Committee's action only very loosely at this point.

Another factor in support of this amendment at this point is that less funds are now needed. The original purpose of this assistance in this program was to aid cities temporarily—and I emphasize "temporarily"—in distress due to high unemployment.

Let us have a look at the change nationally that has occurred in the past year. The seasonally adjusted national unemployment rate for the months of January to July in 1977 were: January, 7.4 percent; February, 7.4 percent; and on down to July when it was 6.9 percent. For 1978 we find a real drop: From January of 1978, 6.3 percent and moving downward to 6.2 percent in July 1978.

For a program that is triggered by unemployment figures, these reductions have an impressive impact.

If we continue to overfund the countercyclical assistance funding regardless of fluctuating needs, we are encouraging States and cities to use it as nothing more than extended revenue sharing. This is not the intent of the program. This is especially disconcerting when the money is going to States with surpluses in their budgets.

In the committee testimony, Chairman Schultze, of the Council of Economic Advisers, indicated that the States have something like $31 million in surpluses.

If we do not pass this amendment, we will see more carryover in unobligated expenditures in countercyclical programs. The real estimate is that in fiscal 1978 there will be a $250 million carryover.

By not reducing the resolution we are condoning this problem.

Our reductions in countercyclical funding, as suggested by the gentleman from Texas, in countercyclical funding, conform the program to the levels ap-

proved by the Senate Budget Committee. By recommending this amount, we are simply bringing countercyclical funding to the realistic level of the proposals before us. If we do not remove the excess that is now in the resolution, you can be sure that it will float around in that budget until it is used for something else—something for which it was not intended.

There is another factor in support of our amendment.

The CHAIRMAN. The time of the gentleman from Ohio (Mr. REGULA) has expired.

(By unanimous consent, Mr. REGULA was allowed to proceed for 2 additional minutes.)

Mr. REGULA. Mr. Chairman, there is another factor in support of our amendment. It is designed to give spending directives to the authorizing and appropriating committees. This is needed in the case of countercyclical assistance. The funding levels established are no longer compatible with reality. We have a great opportunity today and also a great responsibility to remedy some of this problem with this amendment. In effect, by adopting these levels on countercyclical outlays and budget authority, we are saying to our committee what should be a reasonable amount to be spent for this function. I think that is the proper function of the Committee on the Budget.

Mr. Chairman, I urge all of my colleagues to support the amendment.

Mr. MITCHELL of Maryland. Mr. Chairman, I rise in opposition to the amendment.

Mr. Chairman, what we have before us is another regular ruthless run—that is with an "r"—against job-training programs and employing people.

Hold on, this is the precursor to another even more ruthless run that will be coming up in the form of another amendment at some time in the near future, I think.

The thing which I find so terribly wrong about this approach is that I believe most of the Members of the House who want to vote for this—and they are going to vote for it—will do so on the basis of all of the allegations about abuse and misuse of funds. I think that will be an emotional vote rather than a vote based on facts.

Mr. Chairman, as we look at the facts, is there any economist in America who can predict with any reliability that the unemployment rates are going to stay where they are or will go below that?

Mr. Chairman, there is no economist in this country who can predict that unemployment rates are going to remain where they are or will fall below the present rate. That cannot be done.

Above and beyond that, Mr. Chairman, does anyone mean to tell me that the Members of this House, the Members of the House and the Senate, are going to be satisfied that a 6.2-percent unemployment rate is acceptable in this Nation?

Whatever happened to the idea of the work ethic which I talked about earlier in another debate? How can we be complacent and satisfied with a 6.2-percent unemployment rate?

That is a fact, not the emotional matters associated with abuse and misuse.

Mr. Chairman, let us look at fact No. 3. I know I am fighting a losing battle. I know that this is going to be voted for; but when the Members vote for this regular ruthless run, I hope they will take these facts into consideration.

Mr. REGULA. Mr. Chairman, will the gentleman yield?

Mr. MITCHELL of Maryland. I yield to the gentleman from Ohio.

Mr. REGULA. Mr. Chairman, may I ask the gentleman whether he is referring to the CETA portion of this amendment or to the countercyclical portion.

Mr. MITCHELL of Maryland. I am going to address both of them.

Mr. REGULA. I recognize the alliteration the gentleman is using here, if that is the right word. I want to know which part of the amendment the gentleman is speaking to.

Mr. MITCHELL of Maryland. Actually, it is both parts, really both countercyclical and CETA.

I would appreciate it if the gentleman would let me finish my statement.

Mr. REGULA. I hope the gentleman will let me share some of the responsibility here.

Mr. MITCHELL of Maryland. All right, then, I will yield to the gentleman later, if he wishes.

Mr. Chairman, if anyone is proud of the fact that America is accepting a 6.2-percent unemployment rate and thinks it is a good thing, then let us look at the black unemployment rates. I have been reading about on this on the floor month after month, and year after year. The rate is 12.5 percent. The House is going to say, "That is all right. Leave it right there. That is good for America. It is 12.5 percent."

Mr. Chairman, if we reduce the CETA jobs and if we go blithely along with this reduction in countercyclical, what we are saying is that it is perfectly legitimate for this country, the greatest democracy in the world, to accept an unemployment rate of 12.5 percent for its largest minority or what is nearly its largest minority.

That is a fact. Above and beyond that, the gentleman talks about the action that the Senate Finance Committee has taken or will take. There has been no final authorization on CETA in this House. When did we become so clairvoyant that we could predict the ultimate resolution of this problem in the other body? Those are facts that we have to deal with, rather than the emotional pull of a regular run against training and employment programs.

Mr. WEISS. Mr. Chairman, will the gentleman yield?

Mr. MITCHELL of Maryland. I yield to the gentleman from New York.

Mr. WEISS. I appreciate the gentleman's yielding.

I want to associate myself fully with his comments. Although for most of the people of this country the recession may be over, in many of our older, larger cities the recession is still riding high. In New York the unemployment rate is still in excess of 8 percent, and that is across the board. As far as the minority areas are concerned, it is in excess of 15 percent. As far as youth in those minority areas are concerned, it is around 40 or 45 or 50 percent. It seems to me that when we take the position that simply because national figures look good that we can stop to look at what is happening in areas of greatest need, we as a nation are in very serious trouble.

I appreciate the gentleman's yielding and his comments.

Mr. MITCHELL of Maryland. I thank the gentleman for his comments. Let me come to the conclusion of my argument against this proposition.

The CHAIRMAN. The time of the gentleman has expired.

(By unanimous consent, Mr. MITCHELL of Maryland was allowed to proceed for 2 additional minutes.)

Mr. MITCHELL of Maryland. Is it not ironic—and, indeed, it is more than ironic; it is almost tragic—that at the very time when the authorizing committee for CETA has tightened up its program for the first time so that it specifically targets for the very poor, the very disadvantaged, at that very moment, is it not ironic that this House is going to blithely act to preclude reaching out to help the very groups that we talk so much about that need to help? Those are the minorities, the poor, the disadvantaged. It is kind of tragic and ironic that, at the moment a legislative committee has taken the action to undo all of the abuses that obscured the goodness of the program and denied access to that program of those who need it the most, at that very moment we are going to decide to go ahead and cut. I think it is sad. I think it is tragic.

My talk down here is not going to change a single vote, but maybe some day—some day when we reap the whirlwind for keeping blacks and poor and minorities unemployed year, after year, after year, maybe when we reap that whirlwind, we will understand the damage we will have done by voting for this amendment, which is a regular run against those who are unemployed.

Mr. REGULA. Mr. Chairman, will the gentleman yield?

Mr. MITCHELL of Maryland. I yield to the gentleman from Ohio.

Mr. REGULA. I thank the gentleman for yielding.

Is it not correct that the House subcommittee by a vote of 7 to 6 has rejected all countercyclicals at this point?

Mr. MITCHELL of Maryland. Yes.

Mr. REGULA. Would it not be proper to call this the Regula renaissance?

Mr. MITCHELL of Maryland. Let me qualify how I am using the term "regular." It is r-e-g-u-l-a-r. No, I was not using the gentleman's name, of course.

But how many times in the history of this body has the subcommittee taken an action which has been turned around by a full committee? My time is nearly gone, and the gentleman has many effective arguments on his side.

Mr. REGULA. If the gentleman will yield further, would the gentleman also agree that the unemployment rate is presently going down?

Mr. MITCHELL of Maryland. Of course, I would agree to that but—but with a caveat—it went down before, and it went back up. There is no one who can say with absolute surety or any minimal degree of surety that the trend is going to continue.

The CHAIRMAN. The time of the gentleman has expired.

(At the request of Mr. REGULA, and by unanimous consent, Mr. MITCHELL of Maryland was allowed to proceed for 3 additional minutes.)

Mr. REGULA. If the gentleman would yield further, would the gentleman agree that the funding level proposed in this amendment is about the same as the actual expenditures in fiscal 1978 have been—$700 million?

Mr. MITCHELL of Maryland. Yes, I would agree to that, however, again with a caveat. The gentleman has got to remember that the actual spending levels on many of these programs have been slowed down simply because we were taking the time to look at abuses and problems in the program.

Mr. REGULA. Would the gentleman agree that New York City, as mentioned by the gentleman from New York, would receive money under this proposal in view of the fact that the unemployment rate is 8 percent there and that New York City would in no way be affected?

Mr. MITCHELL of Maryland. Mr. Chairman, I cannot speak for New York City. I speak for my own city of Baltimore where we will not get countercyclical, because the rate of unemployment has gone down on the average, but not for black people.

I am not going to be parochial about this. I am concerned about people who are out of work and hurting wherever they are, whether it is in Ohio, New York, or anywhere in America.

Mr. REGULA. Mr. Chairman, if the gentleman will yield further, I am concerned about that, too. That is why I am putting it at this level.

Mr. ASPIN. Mr. Chairman, will the gentleman yield?

Mr. MITCHELL of Maryland. I yield to the gentleman from Wisconsin.

Mr. ASPIN. Mr. Chairman, I would like to address the concerns the gentleman from Ohio describes in the countercyclical funds. I do not know about the CETA part of the amendment; but I am on the subcommittee the gentleman referred to that dealt with the countercyclical program.

I think it is a very different program than the administration sent up this year from last year. It was not a countercyclical program in the sense that last year's program was a countercyclical program. I would like to tell the gentleman that the subcommittee dealt with that measure in a very, very shabby way. The program, a very important program for the cities, was voted down on a motion to table about 20 minutes into the markup meeting. I do not think there was ever any opportunity to deal with the issues or to amend it. That the subcommittee voted it down is totally irrelevant to what we shall be doing today because the subcommittee did not really consider it.

But I would like to address the substantive issue, which is essentially that what our cities face today is a combination of two things. One is inflation; second is a taxpayer's property tax revolt. It is less a concern about unemployment than it was a year or 2 years ago.

I would concede to the gentleman that countercyclical in its present sense is really not needed; but what is needed is supplemental fiscal assistance, which is what the program was and it was funded to the tune of $1 billion. We should have that program and we should have that full amount of $1 billion, because our communities are really caught in a squeeze between prices and property taxes.

The CHAIRMAN. The time of the gentleman from Maryland (Mr. MITCHELL) has again expired.

(By unanimous consent, Mr. MITCHELL of Maryland was allowed to proceed for 1 additional minute.)

Mr. MITCHELL of Maryland. Mr. Chairman, I cannot yield further.

Let me just say this. This is the amendment which will build the wooden part of the guillotine for those who are unemployed. Later we will get another amendment which will bring out the blade to be put on the guillotine to chop off our heads. Go ahead; if that is your preference, do it.

Mr. GREEN. Mr. Chairman, I move to strike the requisite number of words.

Mr. Chairman, I rise to oppose this measure, because I believe that the modified countercyclical program that has been referred to is one that is badly needed by those areas of the country where there are still very high rates of unemployment, such as my own.

I am one of those who is not prepared to give up on the pending legislation. I think it is very clear that if there is any significant increase whatsoever in the levels of unemployment, and we certainly had a very sharp upturn recently on a month-to-month basis, the funds provided by this amendment would be inadequate to meet that situation.

I, therefore, urge that the amendment be defeated.

Mr. REGULA. Mr. Chairman, will the gentleman yield?

Mr. GREEN. I would be delighted to yield to the gentleman from Ohio.

Mr. REGULA. Mr. Chairman, I just point out that what is in the Mattox-Regula amendment will continue the funding at the level of fiscal year 1978. Therefore, with the unemployment rates that have been alleged for New York City, it would have no impact on the funding for that city. I think this is an important feature here. We are simply saying that countercyclical should not be expanded and should be maintained for the areas of high unemployment, but should not be general revenue sharing.

Mr. GREEN. Mr. Chairman, if I may reclaim my time, I will yield to the gentleman from Wisconsin (Mr. ASPIN) later.

My understanding is that even with a 6.2-percent national rate of unemployment, New York City would not get all the funds that would be coming to it under the formula in the Senate committee bill, giving the amount to which this amendment would limit the program.

Mr. ASPIN. Mr. Chairman, if the gentleman will yield, let me just address the issue of New York, because that has come up a couple of times in this discussion.

I think it is important to understand that what the amendment the gentleman from Ohio (Mr. REGULA) has proposed and the gentleman from Texas (Mr. MATTOX) has offered would do is indeed to keep the funding next year at roughly the amount of money provided this year. So New York would not be hurt in that sense, as compared to last year. However, it would be hurt, compared to what the administration proposed and what the subcommittee so unceremoniously dumped.

That program would have helped New York a great deal. We have the funding in this budget resolution right now for the President's program, which was so unceremoniously dumped by that subcommittee, and that would be of a great deal more benefit to New York.

So I think what the gentleman in the well says is right. If he wants to help New York and if the gentleman from New York (Mr. WEISS) wants to help New York, the correct thing to do would be to vote for the budget resolution as it now stands and not for the amendment.

Mr. REGULA. Mr. Chairman, will the gentleman yield?

Mr. GREEN. I yield to the gentleman from Ohio.

Mr. REGULA. Mr. Chairman, I just want to point out to the gentleman from Wisconsin (Mr. ASPIN) that the amendment only reduces the President's proposed budget authority by $88 million.

Mr. GIAIMO. Mr. Chairman, I move to strike the requisite number of words.

Mr. Chairman, we have studied this amendment very carefully, and I would recommend to my colleagues that they support the amendment offered by the gentleman from Texas (Mr. MATTOX) and cosponsored by the gentleman from Ohio (Mr. REGULA).

What the amendment does is basically to conform the budget resolution to recent House action in one instance and to conform the budget resolution to reality as a result of some other actions which have taken place in recent days.

Let me explain that. The amendment offered by the two gentlemen would reduce budget authority in CETA funds by $135 million, and it would reduce outlays by $335 million, providing for 616,000 public service jobs and transferring some funds to the youth and private sector areas.

This is what the House voted on some days ago when it took up the CETA legislation.

So this would be conforming our resolution, which was put together prior to

that time. It would conform it to what actually happened in the House.

The other thing that this amendment does is it addresses the question of supplemental fiscal assistance and what we in the vernacular call countercyclical assistance. As the Members know, the House of Representatives has not acted on this item of legislation; the other body has. The budget request that we are carrying is the $1,038 million figure. Since the House of Representatives has not acted, since the committee has given every indication that it is not about to act in the remaining weeks, and since the other body, which is the only one that has acted in this regard, is somewhere in the neighborhood of between $500 million and $700 million, rather than the $1 billion, the $700 million figure which the other body uses is the Treasury's estimate of what it would cost to implement the supplemental fiscal assistance program.

That is what the amendment offered by the gentleman from Ohio (Mr. REGULA) and the gentleman from Texas (Mr. MATTOX) would suggest, that we provide budget authority in outlays for $700 million for supplemental fiscal assistance, with the hope that the other body and this body will get together and enact that type of program.

So, Mr. Chairman, I think it would be wise and proper to amend the budget resolution to make the changes provided for by this amendment.

Mr. OBEY. Mr. Chairman, will the gentleman yield?

Mr. GIAIMO. I yield to the gentleman from Wisconsin.

Mr. OBEY. Mr. Chairman, I would just like to state that I agree with the chairman of the committee and urge that the House support the Mattox-Regula amendment.

As everybody knows, I have stood on this floor four times and tried to increase funding for CETA. But this is a difficult situation. This amendment responsibly reflects what we think the House is going to do in the end. In fact, it reflects what the House has already done in one instance, and that is what the House budget resolution ought to do.

We should not play games, but we should accept what the realities are of the situation; and the realities would dictate, I believe, support of the amendment.

Mr. JOHN L. BURTON. Mr. Chairman, will the gentleman yield?

Mr. GIAIMO. I yield to the gentleman from California.

Mr. JOHN L. BURTON. I thank the gentleman for yielding.

Mr. Chairman, I would like to ask the gentleman this question: Does this amendment reflect what the Senate did?

Mr. GIAIMO. In the sense of CETA, it reflects what the House did. Insofar as it addresses itself to supplemental fiscal assistance, it addresses the realities of the House. The House has not acted and does not intend to act.

Mr. JOHN L. BURTON. What about the other body?

Mr. GIAIMO. The other body has acted in committee. I do not believe it has come up on the floor as yet. There is a difference of opinion as to whether the funding in the other body should be $500 million or $700 million. We think—our best estimate is—that they will be in the $700 million figure. And, therefore, we also make the estimate that perhaps, and most likely, this will be enacted into law and we should make provision for it, because it is essential. As the gentleman from Maryland, the gentleman from Wisconsin, and others, have indicated, this is an essential program. The cities are in need. We have to make provision for countercyclical or supplemental fiscal assistance. The only thing is that we think the correct figure will be $700 million rather than $1.038 billion.

The CHAIRMAN. The time of the gentleman from Connecticut (Mr. GIAIMO) has expired.

(On request of Mr. ASPIN and by unanimous consent, Mr. GIAIMO was allowed to proceed for 1 additional minute.)

Mr. ASPIN. Mr. Chairman, will the gentleman yield?

Mr. GIAIMO. I yield to the gentleman from Wisconsin.

Mr. ASPIN. I thank the gentleman for yielding.

Mr. Chairman, I think, basically, what the gentleman from Connecticut and what the gentleman from Wisconsin (Mr. OBEY) are saying about the realities is correct, and I think the gentleman is correct in saying that the Senate proposal is probably closer to $700 million than $500 million. So what it means is that the amount of money is only $300 million less than what we had in the bill which was dumped by the House committee. And as the gentleman from Ohio pointed out, that is not a great deal of money.

Mr. Chairman, I would like to point out to the members of the committee, however, that behind that reduction in money is a very great difference of distribution systems. The formula by which the $1 billion supplemental fiscal assistance would have been distributed is very different from the formula by which the $700 million under countercyclical will be distributed. So where it is only $300 million less, it is going to mean a great deal of difference when it comes down to what each community gets.

Mr. GIAIMO. The gentleman is correct. But I would not want the record to indicate that we think that $300 million is not a great deal of money. I know I think it is a great deal of money, and I am sure the gentleman from Wisconsin and the gentleman from Ohio think it is too. It is a huge amount of money. But we think it is the correct figure.

Mr. REGULA. Mr. Chairman, will the gentleman yield?

Mr. GIAIMO. I yield to the gentleman from Ohio.

Mr. REGULA. I thank the gentleman for yielding.

Mr. Chairman, it is a 30-percent reduction over the present resolution, which is substantial. I think the gentleman from Wisconsin is correct. It does reflect the fact that we feel countercyclical ought to do what it is designed to do, and that is to speak to areas of high unemployment and should not be converted to general revenue sharing. And that, in effect, is what the President's proposal does.

Ms. HOLTZMAN. Mr. Chairman, will the gentleman yield?

Mr. GIAIMO. I yield to the gentlewoman from New York.

Ms. HOLTZMAN. Mr. Chairman, I agree with the point that has been made, that the countercyclical is a crucial program for the survival of the cities, the urban areas, and other areas of this country that are especially hard hit by unemployment. I think it is essential that the program be funded fully.

Mr. Chairman, I am disappointed by the amendment offered by the gentleman from Texas and I oppose it. I can understand the motivation behind it, but it will have an adverse impact on many areas of the country including my city that need that assistance desperately.

Mr. CONABLE. Mr. Chairman, I move to strike the requisite number of words, and I rise in support of the amendment.

I would like to associate myself with the remarks of my chairman that were just made in the well. I also would like to come out in favor of something called truth in rhetoric or truth in legislation.

We are dealing here with two programs which were essentially stimulative programs originally.

I would like first to deal with the so-called countercyclical stimulus program, the grant program for cities. It has been pointed out that this program was originally designed for a few large cities. It was based on the assumption that if there is in the city a high unemployment rate, the tax base in that city has become eroded and city services are difficult to maintain. It is in no way tied to employment, except that the employment rate is the triggering device by which we determine what cities get this particular aid. There is not one new job tied to the countercyclical aid program.

Of course, the city, if it gets additional money, is going to spend it in services, because that is what cities provide. But because the rate of unemployment has dropped, a lot of cities that otherwise have qualified for countercyclical aid no longer qualify.

And so, a proposal was made to reduce the triggering point and to greatly increase the number of communities that would be able to participate in countercyclical aid. The result would be a much wider distribution, one converting it from a program which has only a remote connection to new employment, to a revenue-sharing program, in effect, that has no such connection.

I happen to be one of those people in this House who supports revenue sharing, but I am fed up with revenue-sharing programs that are being promulgated under the guise of some sort of hard-core unemployment program. We have got to bring our rhetoric into alinement with the realities of programs of this sort if we are to have any credibility in the way we legislate. So much for countercyclical aid.

As to CETA, CETA is itself becoming a revenue-sharing program, and we all

know that. The only way we can justify continuing CETA at the same level and extending countercyclical aid when we have some improvement in the economy is by saying, "But our community needs it," and that is another argument for revenue sharing. Let me tell my colleagues that if we continue to go this route, pretending that we are doing something that we are not doing at all, and mislabeling the legislation we are putting forth here on the floor of the House, we are going to get so locked into these things that people are not going to understand our budget process at all; they are not going to understand our legislative process at all; they are going to find very little correlation between the rhetoric and the reality of our national programs.

Mr. LEVITAS. Mr. Chairman, will the gentleman yield?

Mr. CONABLE. I yield to the gentleman from Georgia.

Mr. LEVITAS. Mr. Chairman, I appreciate the gentleman from New York yielding to me. I would like to associate myself with his very accurate and eloquent remarks in describing our present countercyclical program.

I would like to point out that in the last year the GAO has done four separate studies of the countercyclical program, and has concluded that for all practical purposes countercyclical has been a wasteful failure. The GAO said that it had three purposes to begin with: The first was to provide quickly an economic stimulus into the economy; second, to target selectively the assistance to areas of need; and third, that the program would phase itself out when it served its anti-inflationary purpose.

The GAO said that the program had failed in its first two purposes, and by extending the program we would be defeating the third purpose, which was to phase it out. It seems to me that what we should have been doing is to reduce this budget amount to zero, not just to $778 million, because as the gentleman has accurately stated, the fact of the matter is that the countercyclical program was targeted at 17,000 communities in America, which were to be included.

Under the new proposal that was sent over, which was supposed to be better targeted, instead of having 17,000 communities we have 28,000 targeted communities. That means that 70 percent of all of local government would be deemed to be in distress and in need of targeted fiscal assistance from Federal taxpayers.

Mr. Chairman, many of our local and State governments in the United States are operating with surpluses, while we are talking about trying to reduce the Federal deficit to under $40 billion this year.

Mr. CONABLE. I thank the gentleman.

The CHAIRMAN. The time of the gentleman from New York has expired.

(By unanimous consent Mr. CONABLE was allowed to proceed for 2 additional minutes.)

Mr. CONABLE. I do not have any doubt that this money will do some good. I do not have any doubt that it will be a benefit to communities that need money. I must point out, however, that nationally, in the aggregate, local government is in surplus, and certainly far better off than it was a year ago or 2 years ago when these programs were first promulgated. But let me say, Mr. Chairman, that there would also be some good derived by simply shoveling the money out of an airplane without any accountability of any sort, except for the fact that we have to take the money first in taxes or indirectly from the taxpayers by printing it and devaluing their savings.

And so I hope that a balance will be struck here and that we will find some way of either being more truthful about what we are trying to do, and approach the problems of our communities directly through the avenue of revenue sharing and abandon these so-called employment programs which if they are continued can only damage the credibility of our process.

Mr. ASPIN. Mr. Chairman, I move to strike the requisite number of words.

Mr. Chairman, I would like to address my comments to the gentleman from Georgia (Mr. LEVITAS) and the gentleman from New York (Mr. CONABLE), if I could get their attention, because I think it is important we look at this.

It is unfortunate that we are here discussing this program today, because if we had had a chance to debate it on the floor we could have settled a few of these issues, or even if we had had more than 15 minutes to debate it in the markup in the subcommittee we might have settled some of the issues.

I am rather troubled by the remarks of the gentleman from New York (Mr. CONABLE), who worries about the wording, because he keeps calling it the countercyclical program when the proper title is supplemental fiscal assistance.

Mr. CONABLE. Mr. Chairman, if the gentleman will yield, does the gentleman from Wisconsin believe there is a change in the basic concept?

Mr. ASPIN. Absolutely.

Mr. CONABLE. In other words, he now considers it a revenue-sharing program?

Mr. ASPIN. No, because it does not distribute the money in the way the revenue sharing does. It is a different formula. The countercyclical program distributed money on the basis of unemployment and unemployment only. Revenue sharing distributes it on the basis of tax effort among other factors. The supplementary fiscal assistance, which is the program we are supposedly talking about, distributes it on the basis of four factors: unemployment, growth in per capita income, growth in employment, and growth in population. It is those four factors on which the supplemental fiscal assistance distributes the money.

In talking about the countercyclical program, the gentleman from Georgia commented about how the General Accounting Office found the program lacking and I would agree with that. I was opposed to that formula of the distribution program last year. It is no good to distribute money on the basis of unemployment only. We have to broaden it.

Mr. LEVITAS. Mr. Chairman, will the gentleman yield?

Mr. ASPIN. Let me make my points first and I will yield.

What we have got is a supplemental fiscal assistance program, which is not a countercyclical program. The purpose of the supplemental fiscal assistance is to give some cities some help. Why? Because the cities need help. They need it for two reasons. No. 1, they are faced with inflation, as all of us are, but the costs of local government are going up due to inflation. And No. 2, with the property taxpayers' revolt, as in California, we can see what is happening. Any city is faced with that. Naturally when we broaden the scope of the program, more cities and towns get into the program because more cities and towns are affected.

It is not just unemployment. It is the total financial situation and the taxpayers' revolt, and the local government taxpayers require and ask that we do something about it. That is the situation then that we are trying to address. Do not claim this program is countercyclical.

Mr. LEVITAS. Mr. Chairman, will the gentleman yield?

Mr. ASPIN. I yield to the gentleman from Georgia.

Mr. LEVITAS. Mr. Chairman, I would absolutely agree that the supplemental fiscal assistance program is not countercyclical. Indeed it is a brand new permanent fiscal aid program to cities and counties around the country.

Mr. ASPIN. Exactly. That is why the General Accounting Office studies the gentleman cited earlier are not relevant.

Mr. LEVITAS. The President's urban program recommendations said this new program is to help the distressed cities and is targeted to them only. The fact is that the formula of this bill means we are talking about 70 percent of all cities in America now being distressed. That just is not true. There are distressed local governments and they need help but it is utterly wasteful to include 70 percent of all local governments in these programs.

Mr. CONABLE. Mr. Chairman, if the gentleman will yield, it is not cities, it is municipalities. Almost every community is included, as in revenue sharing.

Mr. LEVITAS. The gentleman from Connecticut says that the $700 million which is being kept in the bill is to carry out not the administration's proposal but the Senate's bill. The Senate bill has two titles. The first title is the old countercyclical program which the gentleman from Wisconsin (Mr. ASPIN) opposed last year and this year has restated his opposition to it. Even title II is not the administration's supplementary fiscal assistance program. It is another last minute jerry-built wedge. It just takes $650 million and shovels it out.

Mr. ASPIN. The gentleman from Georgia (Mr. LEVITAS) knows why we are facing that bill over here from the Senate, because the gentleman from Georgia moved to table our bill in the subcommittee. So we may end up with this other program as the best we can get. It is not very good. I wish we could adopt the position of the gentleman from Maryland (Mr. MITCHELL). We ought to go with the full funding in this resolution

and pass it and then later pass the President's supplemental fiscal assistance bill.

Mr. CONABLE. Mr. Chairman, will the gentleman yield?

Mr. ASPIN. I yield to the gentleman from New York.

Mr. CONABLE. Mr. Chairman, I thank the gentleman for yielding.

Mr. Chairman, I find a little irony in the justification for this bill in the property taxpayers' revolt in California under proposition 13 because I am sure that if the proponents of proposition 13 in California felt that they were voting for centralization of government, they would have had second thoughts about its passage. We should not be increasing taxes here to offset taxes rejected at the local level, or we are just making a mockery of the taxpayers' intentions. Besides that, the resulting centralization of government will vitiate our democracy.

The CHAIRMAN. The time of the gentleman has again expired.

(On request of Mr. LEVITAS, and by unanimous consent, Mr. ASPIN was allowed to proceed for 3 additional minutes.)

Mr. CONABLE. Mr. Chairman, if the gentleman will yield still further, it is just possible that they are rejecting taxation on the ground that they do not want to have the growth of government at all levels continue unchecked.

Mr. ASPIN. The gentleman is not correct to say there is an increase in centralization because centralization is not the issue. The issue is whether we will help communities in this short run, and I think that is a further argument, the fact that it is a short-run program. The issue is that these communities face very severe inflation right now and face a property taxpayers' revolt right now. Communities in the face of that could use some assistance. I hope that we will give them some assistance in view of that.

If I thought that cutting this $700 million or this $1 billion would stop the inflation or cut taxes or stop the growth of government then the gentleman from New York would have an argument. It is not going to do it. It is going to give some slight assistance to these communities in the face of their needs because of the current economic situation.

Mr. LEVITAS. Mr. Chairman, will the gentleman yield?

Mr. ASPIN. I yield to the gentleman from Georgia.

Mr. LEVITAS. Mr. Chairman, I thank the gentleman for yielding, and there are two points that the gentleman from Wisconsin (Mr. ASPIN) has just made that I really have a question about.

The first is that we have a property taxpayers' revolt in America. With reference to proposition 13, if you lived in California, going beyond what the gentleman said, would it not be nice to reduce property taxes under proposition 13 because you knew that Uncle Sam and the U.S. taxpayers' are going to come in and put more money in?

That does not make sense.

Mr. ASPIN. The gentleman from Georgia (Mr. LEVITAS) knows perfectly well that the supplementary fiscal assistance is not going to come anywhere near to the amount of money that will be lost to the State and local governments in California due to proposition 13.

Mr. LEVITAS. If the gentleman will yield still further, the other point is the gentleman says this is a short-term program. The fact of the matter is that countercyclical was supposed to be a short-term program but we have kept extending it and extending it. This new proposal is for new permanent programs.

Mr. ASPIN. It is not, it has a limited term. The reason we are going to be stuck with the countercyclical again is because the gentleman moved to table supplemental fiscal assistance in the committee, so we are ending up with the Senate cramming countercyclical back down our throats because of the action the gentleman took in the committee.

Ms. HOLTZMAN. Mr. Chairman, if the gentleman will yield, I think it is very important to point out that, although unemployment has been reduced on a nationwide basis, there are still pockets of high unemployment existing in the cities. These areas are going to need countercyclical aid, and we cannot ignore their problems.

Mr. JOHN L. BURTON. Mr. Chairman, if the gentleman will yield, I would just like to make the coment, first of all, with reference to the reduction after the State of California adopted proposition 13, that they are losing a lot of Federal funds through lack of maintenance, through lack of funding under revenue sharing, and I do not know how the gentleman from Georgia can say this will get them more money because it will get them less money, and I do not think my friend, the gentleman from California, JOHN ROUSSELOT, is going to bail them out.

Mrs. FENWICK. Mr. Chairman, I move to strike the requisite number of words.

Mr. Chairman, I am disturbed by what I hear in this House from time to time. An effort was made the other day to target moneys, $1 billion of the enormous $11 billion of the CETA program, into youth unemployment in our poor cities. It was resisted.

What we seem to be hearing today is that if the taxpayers do not want to pay taxes at the local level and they say so, we are going to fool them. We are going to raise them at the Federal level, and then we are going to send the money back to the cities so that they are right back where they started. We seem to think the people will not know it.

Mr. Chairman, there is a lot of duplicity here. We wonder sometimes why Congress is beginning to fall in the respect and esteem of the people of this country. This is why: because we keep trying to fool them. We never fool them. That is the extraordinary gift of the American people. They know exactly what we are doing. They do not know the names of the amendments, perhaps, but they know what we are up to.

We are saying, "If you do not want it, we will do it in another way. We will put it over down here, pull it out, give it to the localities, and you will get the taxes whether you like it or not."

Mr. Chairman, the deficit will go up and the service on the national debt. It has risen from $42 billion to $48 billion a year since I have been here.

What is the end going to be?

Mr. ASPIN. Mr. Chairman, will the gentlewoman yield?

Mrs. FENWICK. I yield to the gentleman from Wisconsin.

Mr. ASPIN. Mr. Chairman, the gentlewoman from New Jersey (Mrs. FENWICK) is not correct. The supplemental fiscal assistance was put together long before proposition 13 passed in California. It was in no way an answer to proposition 13.

Mrs. FENWICK. Mr. Chairman, if I may reclaim my time, we now have what has been described as a brand-new $9 billion program.

Mr. ASPIN. No, no, not $9 billion.

Mrs. FENWICK. That is what it says.

Mr. ASPIN. It is $1 billion.

Mrs. FENWICK. That section is $1 billion. The section is $750 million, but that does not sound like peanuts to the folks back home.

Mr. GARY A. MYERS. Mr. Chairman, will the gentlewoman yield?

Mrs. FENWICK. I yield to the gentleman from Pennsylvania.

Mr. GARY A. MYERS. Mr. Chairman, I may be confused, but I was listening to the debate on the floor. I thought the gentleman from Wisconsin (Mr. ASPIN) was just justifying the program on the basis of the reaction to proposition 13.

Mr. ASPIN. If the gentlewoman will yield further, Mr. Chairman, the reaction to proposition 13 is just the symptom. The decrease is that local governments are faced with increasing costs due to inflation, and they are faced with a very unfair and very unpopular property tax. That was true before proposition 13, and it is true after proposition 13.

Mr. GARY A. MYERS. If the gentlewoman will yield further, Mr. Chairman, I really do not know what the gentleman's support of the program is, then. He spent a considerable amount of time in the well in convincing us that the program ought to be brought out of committee and voted for as a part of this budget because of the proposition 13 situation. Now he is trying to convince us that proposition 13 has nothing to do with it because someone has taken him to task on that argument.

Mrs. FENWICK. We are going to have to speak clearly here, my colleagues. Are we going to increase the number of towns, cities, and municipalities dependent on the Federal Government and Federal revenues, or is this going to be a Federal system with the independent localities supplying their own funds? That is the question.

We have gone from 17,000 to 28,000 municipalities, according to the gentleman from Georgia (Mr. LEVITAS). Where is it going to end?

Every single town is going to ask for money in the long run. I know a town which is very much in trouble. The salaries of the councilmen have all been raised; they have been doubled. They have all been given a car and a chauffeur and an expense allowance. That is

going on in one of our most troubled cities.

Mr. Chairman, we cannot get a sense of reality in the operations of our town if we continue to fuel the feeling that money will come from the Federal Government regardless of the circumstances.

Mr. FOUNTAIN. Mr. Chairman, will the gentlewoman yield?

Mrs. FENWICK. I yield to the gentleman from North Carolina.

Mr. FOUNTAIN. Mr. Chairman, I would like to answer what the gentlewoman has said by pointing out that Federal assistance to State and local governments has grown from $2.3 billion in 1950 to $7 billion in 1960, and to a present level of $80.3 billion. It is estimated that it will be $85 billion for the next fiscal year.

And we already have on the statute books a general revenue sharing bill which provides $6.1 billion annually going to local and State units of government. And remember—this is just one of the many grant programs included in the $80.3 billion now going out from Uncle Sam to local and State levels—almost 30 percent of their total operating budgets.

Mrs. FENWICK. I thank the gentleman.

Mr. LEVITAS. Mr. Chairman, I move to strike the requisite number of words.

Mr. Chairman, first of all, I would like to deal with statements made by my dear friend and respected colleague, the gentleman from Wisconsin (Mr. ASPIN), concerning the action in the committee.

The gentleman would have conveyed the impression that in a 20-minute consideration that entire matter involving the expenditure of some $1 billion in 1 fiscal year and $1 billion in another fiscal year was disposed of.

The fact of the matter is that notwithstanding efforts made by our committee to get the administration to work cooperatively with us and develop a responsible program, we did not get any program or any cooperation until the 11th hour. Without prior consultation, the administration sent up the brandnew supplemental fiscal assistance proposal. The committee held 3 days of hearings on the bill, hearing from witnesses from the public sector, the administration and others. Very inadequate statistical data was presented by the administration.

There were 2 days of two executive sessions and caucuses, and then before a vote was taken on my motion in the committee, three invitations were made by the chairman for people to offer amendments. No member of the committee ever circulated or discussed any proposed amendments at any time prior to the meeting. It was pretty clear that there was no way to make a silk purse out of a sow's ear at that point, and in order to save the House the difficulty and chaos of dealing with this situation in trying to rewrite complex, major $2 billion legislation on the floor, the subcommittee put this very bad bill to a merciful death.

What was this bill? What is this supplementary fiscal assistance? I have already pointed out it does not target need. It actually increases the number of covered local governments from 17,000 to 28,000, but who is covered by it? Let us see how this wonderful formula works, which was called a "mindless formula" by one expert on urban affairs from the Urban Institute, Dr. Peterson. Under this formula, because of the way it works, creating a brandnew and permanent program for a new type of revenue sharing to add to our deficit, for example, the town of Greenwich, Conn., in the State of our distinguished chairman of this committee, one of the wealthiest communities in America, which builds its schools and public buildings for cash and which does not even issue bonds, would get three times per capita the amount from the Federal deficit under this program that Yonkers, N.Y., would receive, yet Yonkers, N.Y., was on the verge of bankruptcy just 2 years ago. That is among one of many examples of the working of this mindless formula.

The way this formula is structured, a mindless formula, we are not targeting it to the places where there is need. We are not using a proven formula of general revenue sharing, but we are starting and launching a brandnew program which would start at $1 billion this year, and if history serves as any test and criterion for the future, in 5 years time we are talking about a $5 billion program.

Where do we stop? Where do we stop creating new programs and putting more of the Federal deficit to State and local governments who have surpluses and who are cutting back on what they are spending today?

The CHAIRMAN. The time of the gentleman has expired.

(By unanimous consent, Mr. LEVITAS was allowed to proceed for 1 additional minute.)

Mr. LEVITAS. Just to conclude, Mr. Chairman, I would hope that we would have the opportunity not merely to adopt this amendment which is offered by the gentleman from Texas (Mr. MATTOX) and the gentleman from Ohio, but really do something about this proposed new program and eliminate it and save the taxpayers approximately $1 billion this year alone. I hope we will have the opportunity to take action to eliminate supplementary fiscal assistance this year and let the Congress next year develop a true and meaningful countercyclical program.

The CHAIRMAN. The question is on the amendment offered by the gentleman from Texas (Mr. MATTOX) to the amendment in the nature of a substitute offered by the gentleman from Connecticut (Mr. GIAIMO).

The question was taken; and the Chairman announced that the ayes appeared to have it.

RECORDED VOTE

Mr. GIAIMO. Mr. Chairman, I demand a recorded vote.

A recorded vote was ordered.

The vote was taken by electronic device, and there were—ayes 271, noes 134, not voting 27, as follows:

[Roll No. 708]

AYES—271

Abdnor	Forsythe	Murphy, Pa.
Akaka	Fountain	Myers, Gary
Ammerman	Fowler	Myers, John
Anderson, Ill.	Frenzel	Natcher
Andrews, N.C.	Fuqua	Neal
Andrews, N. Dak.	Gammage	Nedzi
	Gephardt	Nichols
Annunzio	Giaimo	O'Brien
Applegate	Gibbons	Oakar
Archer	Ginn	Obey
Armstrong	Glickman	Pattison
Ashbrook	Goldwater	Pease
Ashley	Goodling	Pepper
AuCoin	Gradison	Pettis
Badham	Grassley	Pickle
Bafalis	Gudger	Pike
Baldus	Guyer	Poage
Barnard	Hagedorn	Pressler
Baucus	Hall	Preyer
Bauman	Hamilton	Price
Beard, R.I.	Hammer-schmidt	Pritchard
Beard, Tenn.		Pursell
Bedell	Hanley	Quayle
Bennett	Hannaford	Quie
Bevill	Hansen	Quillen
Blouin	Harkin	Rahall
Bowen	Harsha	Railsback
Brademas	Hefner	Regula
Breaux	Heftel	Rhodes
Breckinridge	Hightower	Roberts
Brinkley	Hillis	Robinson
Brooks	Holland	Rogers
Broomfield	Holt	Rose
Brown, Mich.	Hubbard	Rousselot
Brown, Ohio	Hughes	Rudd
Broyhill	Hyde	Ruppe
Burgener	Ichord	Russo
Burke, Fla.	Ireland	Ryan
Burleson, Tex.	Jacobs	Santini
Burlison, Mo.	Jeffords	Sarasin
Butler	Jenkins	Satterfield
Byron	Johnson, Colo.	Sawyer
Caputo	Jones, N.C.	Schulze
Cavanaugh	Jones, Okla.	Sebelius
Chappell	Jones, Tenn.	Sharp
Clausen, Don H.	Kazen	Shuster
	Kelly	Sikes
Clawson, Del	Kemp	Skelton
Cleveland	Keys	Skubitz
Cochran	Kindness	Slack
Cohen	Kostmayer	Smith, Iowa
Coleman	Krebs	Smith, Nebr.
Collins, Tex.	Krueger	Snyder
Conable	Lagomarsino	Spence
Conte	Latta	Staggers
Corcoran	Leach	Stangeland
Coughlin	Leggett	Stanton
Crane	Lehman	Steiger
Cunningham	Levitas	Stockman
D'Amours	Livingston	Stump
Daniel, Dan	Long, La.	Symms
Daniel, R. W.	Long, Md.	Taylor
Danielson	Lott	Thone
de la Garza	Lujan	Treen
Derrick	Luken	Trible
Derwinski	McClory	Udall
Devine	McCormack	Ullman
Dickinson	McEwen	Vander Jagt
Dicks	McFall	Volkmer
Dodd	McHugh	Waggonner
Dornan	McKay	Walgren
Drinan	McKinney	Walker
Duncan, Oreg.	Madigan	Walsh
Duncan, Tenn.	Mahon	Wampler
Edwards, Ala.	Mann	Watkins
Edwards, Okla.	Marks	Weaver
Emery	Marlenee	White
English	Marriott	Whitehurst
Erlenborn	Martin	Whitley
Ertel	Mathis	Whitten
Evans, Colo.	Mattox	Wiggins
Evans, Del.	Mazzoli	Wilson, Bob
Evans, Ga.	Michel	Wilson, Tex.
Evans, Ind.	Milford	Winn
Fascell	Miller, Ohio	Wirth
Fenwick	Moffett	Wright
Findley	Mollohan	Wylie
Fisher	Montgomery	Yatron
Fithian	Moore	Young, Fla.
Flippo	Moorhead, Calif.	Young, Mo.
Flood		Zablocki
Foley	Mottl	

NOES—134

Addabbo	Aspin	Blanchard
Alexander	Bellenson	Boggs
Ambro	Benjamin	Boland
Anderson, Calif.	Biaggi	Bolling
	Bingham	Bonior

Brodhead	Heckler	Patten
Brown, Calif.	Hollenbeck	Patterson
Burke, Mass.	Holtzman	Perkins
Burton, John	Horton	Rangel
Burton, Phillip	Howard	Reuss
Carney	Johnson, Calif.	Richmond
Carr	Jordan	Rinaldo
Carter	Kastenmeier	Rodino
Cederberg	Kildee	Roe
Chisholm	LaFalce	Rooney
Clay	Lederer	Rosenthal
Collins, Ill.	Lent	Rostenkowski
Conyers	Lloyd, Calif.	Roybal
Corman	Lundine	Scheuer
Cornell	McCloskey	Schroeder
Cornwell	McDade	Seiberling
Cotter	Maguire	Simon
Davis	Markey	Solarz
Delaney	Meeds	Spellman
Diggs	Metcalfe	St Germain
Dingell	Meyner	Stark
Downey	Mikulski	Steed
Early	Mikva	Steers
Eckhardt	Mineta	Stokes
Edgar	Minish	Stratton
Eilberg	Mitchell, Md.	Studds
Fary	Mitchell, N.Y.	Thornton
Florio	Moakley	Traxler
Ford, Mich.	Moorhead, Pa.	Tsongas
Ford, Tenn.	Moss	Tucker
Fraser	Murphy, Ill.	Van Deerlin
Garcia	Murphy, N.Y.	Vanik
Gaydos	Murtha	Vento
Gilman	Myers, Michael	Waxman
Gonzalez	Nix	Weiss
Gore	Nolan	Whalen
Green	Nowak	Wolff
Harrington	Oberstar	Wydler
Harris	Ottinger	Yates
Hawkins	Panetta	Zeferetti

NOT VOTING—27

Bonker	Frey	Roncalio
Buchanan	Huckaby	Runnels
Burke, Calif.	Jenrette	Shipley
Dellums	Kasten	Sisk
Dent	Le Fante	Teague
Edwards, Calif.	Lloyd, Tenn.	Thompson
Fish	McDonald	Wilson, C. H.
Flowers	Miller, Calif.	Young, Alaska
Flynt	Risenhoover	Young, Tex.

The Clerk announced the following pairs:

On this vote:

Mr. Thompson for, with Mrs. Burke of California against.

Mrs. Lloyd of Tennessee for, with Mr. Dent against.

Mr. McDonald for, with Mr. Jenrette against.

Mr. Runnels for, with Mr. Le Fante against.

Mr. Teague for, with Mr. Risenhoover against.

Mr. Kasten for, with Mr. Dellums against.

Mrs. BOGGS, Messrs. BLANCHARD, TUCKER, and WYDLER, Mrs. HECKLER, and Mr. ROE changed their vote from "aye" to "no."

Messrs. CAPUTO, WALSH, McHUGH, and AuCOIN changed their vote from "no" to "aye."

So the amendment to the amendment in the nature of a substitute was agreed to.

The result of the vote was announced as above recorded.

AMENDMENT OFFERED BY MR. LATTA TO THE AMENDMENT IN THE NATURE OF A SUBSTITUTE OFFERED BY MR. GIAIMO

Mr. LATTA. Mr. Chairman, I offer an amendment to the amendment in the nature of a substitute.

The Clerk read as follows:

Amendment offered by Mr. LATTA to the amendment in the nature of a substitute offered by Mr. GIAIMO:

Strike all after the words "Budget Act of 1974," and insert the following:

That for the fiscal year beginning on October 1, 1976—

(1) the recommended level of Federal revenues is $450,000,000,000, and the amount by which the aggregate level of Federal revenues should be decreased is $19,900,000,000;

(2) the appropriate level of total new budget authority is $539,000,000,000;

(3) the appropriate level of total budget outlays is $480,000,000,000;

(4) the amount of the deficit in the budget which is appropriate in the light of economic conditions and all other relevant factors is $30,000,000,000; and

(5) the appropriate level of the public debt is $828,300,000,000, and the amount by which the statutory limit on such debt should accordingly be increased is $30,300,000,000.

SEC. 2. Pursuant to Section 310 of the Congressional Budget and Impoundment Control Act of 1974, the Appropriations Committees of the House and the Senate shall promptly report to their respective Houses reconciliation legislation to decrease budget authority by approximately $22.5 billion to a level consistent with section 1(2) of this resolution.

Mr. LATTA. Mr. Chairman, I proposed this amendment after discussing it with the gentleman from Ohio (Mr. VANIK) and other Members in the Chamber, in an attempt to come up with a compromise that can pass this House, a compromise that even I could vote for. and that is saying a lot considering I have not voted for a budget resolution yet.

I am interested in reducing the public debt. For that reason, I am interested in reducing the deficit in this resolution. What I am proposing is a combination which takes the revised revenue figure in committee substitute, which is $450 billion, and the Holt figure on the outlay, which is $480 billion. This gives us a deficit for fiscal year 1979 of $30 billion.

If you are interested in reducing the deficit, then the $30 billion deficit figure in my amendment may appeal to you. If I sense the mood of this House, this resolution, as it is before us now, is in real serious trouble and if you are to pass a resolution I think the majority side had better give a little bit. We are giving a lot. Especially I am giving a lot when I say that I am prepared to vote for a resolution with a $30 billion deficit in order to get a $10 billion reduction in spending.

So I would hope that my good friend, the gentleman from Connecticut, would think very seriously before he rejects this proposal.

Mr. GIAIMO. Mr. Chairman, will the gentleman yield?

Mr. LATTA. I will be happy to yield to the gentleman from Connecticut.

Mr. GIAIMO. Mr. Chairman, I think it would be helpful to all who are hearing this debate, since the gentleman is using that chart, that we have the correct figure. You have the Budget Committee, for revenue, at $446.8 billion, it should be $450 billion. If you assume the committee substitute amendment that we are offering, that has to be corrected to $450 billion.

Mr. ROUSSELOT. Mr. Chairman, if the gentleman will yield, the only problem I can say to my chairman is that he has a substitute which is before the House, the $446 billion was the original resolution passed out in the committee so that the gentleman has clearly accepted our chairman's new figure.

Mr. LATTA. This is a perfecting amendment.

Mr. GIAIMO. Mr. Chairman, I am not faulting either of the gentlemen, who know full well what the correct figures are, I am only saying it may be extremely misleading to some of the Members who come in here and do not know the correct figures and see $446 billion when the proper figure is $450 billion.

Mr. VANIK. Mr. Chairman, will the gentleman yield?

Mr. LATTA. I will be happy to yield to the gentleman from Ohio (Mr. VANIK).

Mr. VANIK. Mr. Chairman, I thank the gentleman for yielding.

Mr. Chairman, let me say that I came to this Congress with my distinguished colleague, the gentleman from Ohio (Mr. LATTA), and we have had voting records here over the years that have been just exactly the opposite.

Mr. LATTA. Amen.

Mr. VANIK. We are together now.

This amendment is a very important amendment. What it does in effect is to provide that we pay for the tax cut that was voted by this Congress just last week through a cutback of Federal expenditures.

As I explained in debate on the tax cut, this has a very serious effect on Government spending. It is going to be hurtful. It is going to hurt defense. It is going to hurt welfare, education, and health. But I think the most serious thing we have got to face in this country today is the solvency of our Government.

We must fight the inflationary multiplier that is operating in our society today. Every penny of the tax cut we voted for last week is going to come out of borrowed money. The amendment offered by my colleague, the gentleman from Ohio (Mr. LATTA) which I support, would pay for it by reducing Government expenditures.

The CHAIRMAN. The time of the gentleman has expired.

(On request of Mr. VANIK, and by unanimous consent, Mr. LATTA was allowed to proceed for 4 additional minutes.)

Mr. VANIK. Mr. Chairman, if the gentleman will continue to yield, I want to point out that the amendment pays for the tax cut by reducing Government expenditures.

I know this is going to hurt. It is going to hurt a lot of programs. It will affect all of our communities, but I think that this medicine is needed in order to restore the solvency and the integrity of this country. I urge the adoption of this amendment offered by my colleague, the gentleman from Ohio (Mr. LATTA).

The dollar is falling on the world markets. We can almost guarantee that because of the increase of the deficit by the tax cut the oil price is going to be increased by 8 or 10 percent because the dollar will probably be rejected as the oil-buying currency. When we have to pay for foreign oil in another currency, we are going to have an 8- or 10-percent increase in our cost.

Mr. Chairman, if this amendment has the effect of preserving enough integrity in the dollar to permit it to continue as the vehicle for the purchase of the energy which we continue to buy from abroad, it will pay for itself by slowing down the intolerable escalation of inflation. Otherwise we will face an increase in the cost-of-living, resulting from the increased cost of oil.

I think that our country needs this kind of fiscal responsibility.

Last week there were 57 Members of this House who felt that a tax cut should not be paid for out of borrowing, and we opposed it for that reason. Since we have decided on the cut, it seems to me that the only credible, responsible thing we should do is to reduce the cost of Government. We can do it. I think if we gird ourselves, we can work it out. We can change things. We can cut back. The budget process will have to adjust to this change, but I think it can be done. I think it must be done.

Mr. Chairman, if we are going to preserve the fiscal integrity which remains in our currency, the little bit of respect that the people of America and the rest of the world still has for the viability of our economy, we must do it.

Mr. Chairman, I urge my Democratic colleagues to support the amendment.

Mr. JOHN L. BURTON. Mr. Chairman, will the gentleman yield?

Mr. LATTA. I am happy to yield to the gentleman from California.

Mr. JOHN L. BURTON. Mr. Chairman, I just want to say that I supported the gentleman on his views on the tax cut. However, I just cannot bring myself to vote for a $30 billion deficit. I am waiting for a balanced budget to come up through the Rousselot amendment.

Mr. LATTA. Mr. Chairman, let me reclaim my time and say that I am also waiting for a balanced budget.

Mr. Chairman, let me say that this is not the end of the road. We have a long way to go. We have to go to conference with the Senate, and the Senate is below us in budget totals. I would like to go to conference with figures below those of the Senate. I want to go over there with lower figures. This will give us the opportunity to do it.

Mr. Chairman, I think the American people want to see a cutback in spending. This is an opportunity to do that and also to reduce the amount of the debt from $40 billion to $30 billion.

Mr. GIAIMO. Mr. Chairman, I rise in opposition to the amendment.

Mr. Chairman, this amendment, as I understand it, will maintain revenues at the figure which the committee and the House have recommended, $450 billion. It would cut spending by an additional $10 billion, and it would direct and mandate the Committee on Appropriations to find $22.5 billion in budget authority.

Let me explain that budget authority is appropriations, the authority to commit and authorize expenditures. It can be an appropriation or it could be entitlement. Outlays are driven by budget authority; and in order to get $10 billion in outlays, we have to get sufficient budget authority which will result in a $10 billion outlay reduction.

Therefore, the direction to the committee is, "Go and find $22.5 billion."

Let me say to those Members who are interested in national defense and who are interested in some of the other areas of defense and that kind of a priority, the Committee on Appropriations would find it very difficult to find reductions in our noncontrollable programs, in our mandatory programs, and 70-odd-percent of our budget is mandatory and noncontrollable. We are talking about the entitlement programs, unemployment compensation, social security, health programs, medicare, medicaid, and on and on. Where would they find this money, this $22.5 billion? They would find it in the controllable programs, in the discretionary programs. Let me just say the No. 1 discretionary program that sits out there in a large amount is defense and other programs of that type—highways and others. I say that this is not the way to legislate. This is a meat-ax approach, $10 billion in outlays which calls for $22.5 billion in budget authority reduction. It would destroy many of these very vital and worthwhile programs beginning with the defense program.

Mrs. FENWICK. Mr. Chairman, will the gentleman yield?

Mr. GIAIMO. I yield to the gentlewoman from New Jersey.

Mrs. FENWICK. I thank my colleague for yielding.

As I understand it, not one single program will be cut—not one. There is no program for defense, education, health, or welfare—no program that is going to be cut. The only thing that is going to be cut is the increase in the growth of spending. In other words, we are trying to say, "Look, do not balloon the increases quite so big."

Mr. GIAIMO. All right, I will recoup my time. That means that defense, which is at $127 billion in budget authority, would go back to last year's figure. How much was last year's figure in defense—somewhere around $118 billion. It means that the veterans add-ons which were made this year of several billion dollars would go back to what we had before that. The gentlewoman from New Jersey (Mrs. FENWICK) is wrong. This would mandate reductions in outlays. It would literally say, "You will reduce outlays by $10 billion."

Mr. ROUSSELOT. Mr. Chairman, will the gentleman yield?

Mr. GIAIMO. I yield to the gentleman from California.

Mr. ROUSSELOT. I appreciate my chairman's yielding.

First of all, as it relates to budget authority, my colleague, the gentleman from Ohio (Mr. LATTA), who is very familiar with the authority provisions that we all are faced with, provides for a budget authority of $539 billion. That is a substantial increase over last year. It is clearly higher. So he has not "terminated" or done great damage to the authority process. It is clearly less than what the original committee budget figure was of $561 billion, but it is over last year's authority figure.

Mr. GIAIMO. I am not going to yield to have you make a long speech.

Mr. ROUSSELOT. No, but I want to comment on the authority. There is adequate increase in the authority.

Mr. GIAIMO. All right, I will recoup my time. We have been in this debate 3 hours.

I will say to the gentlewoman from New Jersey we cannot do these things with mirrors. If she thinks that we can reduce $10 billion in outlays and it does not have an effect on the outlay expenditures of the Government, someone is deceiving her.

The CHAIRMAN. The time of the gentleman has expired.

(By unanimous consent, Mr. GIAIMO was allowed to proceed for 1 additional minute.)

Mr. GIAIMO. The fact of the matter is it will come about. And let me say this: I recognize what my friend, the gentleman from Ohio (Mr. LATTA) is trying to do here. I sympathize with his concern because I know that what the gentleman from Ohio (Mr. LATTA) really believes in is that we should not have had a tax cut this year. What he is trying to do is to recoup, with an outlay reduction of $10 billion to recoup $10 billion worth of that tax reduction, which I know the gentleman felt we should not have voted on last week. But I will say to the gentleman this is not the way to do it, because we have had this opportunity to have a smaller tax cut. The fact is that the will of the House was to have a larger tax cut than the gentleman would have wanted. We cannot recoup it through the outlay route by reducing outlays by $10 billion without seriously damaging very significant governmental programs, and I think it would create chaos if we were to compel the Committee on Appropriations at this time of the year, with the fiscal year just a month and a half off, telling that Committee on Appropriations, go back to work; undo all you have been doing all year; and find $22.5 billion to take out of next year's budget. I think it is a mischievous amendment and should be voted down.

Mr. SIMON. Mr. Chairman, I move to strike the requisite number of words. I rise in opposition to the amendment.

Mr. Chairman, I joined the distinguished Member from Ohio (Mr. VANIK) in supporting the gentleman's no-tax-cut proposal. I felt it was sound. I recognize it was not the most politically popular thing to do. I felt it would have moved us in the right direction; but I have to disagree and disagree strongly with the gentleman right now.

The one aspect of the Latta proposal that is better than the Holt proposal is in the tax cut area; but the point that the chairman of this committee (Mr. GIAIMO) made is an extremely important one.

I would point out to those of us who are interested in agriculture, in employment programs, educational programs, that the bulk of the budget is entitlements. We cannot do anything about school lunch programs or interest rates or a variety of other things. We have in this budget about $140 billion that is controllable.

What the gentleman is suggesting is

that we take $22.5 billion out of that controllable amount. That means a 16-percent cut on the average for programs that many of us have fought for.

The point that I made earlier on the Holt amendment has to be made again. We are talking about aggregates and aggregates only. We are on the second budget resolution. We are not on the first budget resolution. We are going to have to go over to a conference committee with the Senate, and I have been on every conference committee since I have been on the Budget Committee; we would have to go in there without any figures on any one of the functions. The Senate would have figures. We would have none. Then we start work. Where do we go from there? How can we function without a base?

Another point I made earlier, and that is even clearer now. I said, for those who may have been here or those few who may have been listening at that point. I said the easy thing is to cut from the people who need it the most. We have had amendments since that time. We had one that was adopted hitting the countercyclical program. Now, there are things that are wrong with the countercyclical program, I acknowledge that; but it goes to people in areas of high unemployment. We have had no amendments to cut defense. We have had no amendments to cut education, no amendments to cut veterans' programs. We have no amendments to cut the additional airline subsidy that went into this budget. We have a flock of things that we might cut into, but we did not.

If we adopt this, the people who will get hurt the most are the very people who need the help the most in your district and in mine.

Mr. MITCHELL of Maryland. Mr. Chairman, will the gentleman yield?

Mr. SIMON. I yield to the gentleman from Maryland.

Mr. MITCHELL of Maryland. Mr. Chairman, the gentleman has stated it so very well and I want to associate myself with the gentleman's remarks.

The medicine we need is the medicine associated with gradual weight reduction, not a purgative, not a strong laxative that we find in the Latta amendment.

I think the gentleman from Illinois has put the case so well and I hope the Members will listen to the gentleman and listen positively.

Mr. SIMON. Mr. Chairman, I thank my colleague, the gentleman from Maryland (Mr. MITCHELL) for his contribution.

Mr. CONABLE. Mr. Chairman, will the gentleman yield?

Mr. SIMON. I yield to the gentleman from New York.

Mr. CONABLE. Mr. Chairman, I thank the gentleman for yielding.

I do not wish to associate myself with the gentleman's remarks.

Mr. SIMON. I assumed the gentleman would not.

Mr. CONABLE. However, I do think I have to agree with the gentleman that we have an additional process to go through, and I would like to say to my friends on this side of the aisle that if we accept this amendment, we are also accepting the idea of a tax cut of only the dimensions of the Jones package. We are going to put considerable pressure on the Senate, if we adopt this amendment and go to conference, to reduce their expectancy in terms of the tax cut.

The CHAIRMAN. The time of the gentleman from Illinois (Mr. SIMON) has expired.

(On request of Mr. CONABLE, and by unanimous consent, Mr. SIMON was allower to proceed for 1 additional minute.)

Mr. CONABLE. Mr. Chairman, if the gentleman will yield further, as I said in my remarks in the well a few minutes ago, the Senate is expecting to increase the size of the tax cut involved in the Jones compromise. If we now accept the Jones compromise, then in the budget conference we are going to put pressure on the Senate to cut back on its tax cut expectancy. I am not sure that my friends on this side of the aisle want to do that, although perhaps the size of the tax cut on the Senate side could go considerably larger simply by their adopting more realistic inflation assumptions. A higher inflation rate assumption would make room for a larger tax cut within the parameters of this budget, since it would mean a higher revenue figure.

Mr. Chairman, I thank the gentleman for yielding.

Mr. WRIGHT. Mr. Chairman, I rise in opposition to the amendment.

It is just vitally important that every Member of this House understand what he would be doing before he votes for this amendment. Let there be no misunderstanding. We are not now establishing a target as we do in the spring. Today we establish a ceiling.

It is perfectly appropriate in the spring to come in with a general across-the-board cut and make each of the targets conform to the figures within that cut. At that point, we give timely guidance to the Appropriations Committee and to ourselves before those bills come before us. To our credit, we have kept the appropriations bills below those targets which we established last spring.

At this point we are establishing not targets but ceilings on expenditures. The House already has worked its will, quite laboriously, on all but one of the appropriations bills. To adopt this amendment would be to require by law that we go back and redo all the work we already have performed on each of the appropriations bills.

Are we prepared to do that? Well, let us see if we are. A cut of this magnitude would amount to a 2-percent reduction across the board of the entire budget. That may sound comparatively innocuous, if you assume that you can cut social security by 2 percent, if you assume you can cut interest payments by 2 percent, if you assume you can cut all the entitlement programs by 2 percent—but, of course, you cannot; they do not yield to the appropriations process. That portion of the budget which is controllable by the appropriations process amounts to slightly less than a third of the total expenditures. So, by adopting this amendment, we would be mandating that, after all the cuts we have already established in our appropriations bills, and after having reduced the deficit to a figure of about $20 billion below that originally forecast by the President, we would have to bring each of those bills back again and cut every one of them by about 9 percent at a minimum.

If you vote for this amendment, you will be voting to mandate a cut of about 9 percent in the military budget of this country as established in the defense appropriation bill which we passed last week.

How many of you who voted a few minutes ago—innocently, I am sure—for the Holt amendment realize that your vote would have mandated a 9 percent cut in what this House already voted for military? Would you do that if you had the choice to make again? The House only a week ago voted against a 1-percent cut in the military budget. Would the same Members now turn around and vote to mandate a 9-percent cut in the figure we endorsed only a week ago?

Let me ask the members of the Committee on Agriculture this: Do you consider the legislation you have brought to this House to be 9 percent too much? I am sure Members like the gentleman from Texas (Mr. DE LA GARZA), the gentleman from Oklahoma (Mr. ENGLISH), the gentleman from Texas (Mr. HIGHTOWER), and the gentleman from Tennessee (Mr. JONES)—and they are all my good friends—who have been in favor of a strong and effective agriculture program and who have been indeed the architects of that program, would not now want to mandate an across-the-board 9-percent cut in their handiwork. If they vote for this amendment, that is exactly what they will be doing.

Mr. Chairman, I am sure that my good and wise friends who serve on the Committee on Public Works and Transportation—the gentleman from Texas (Mr. ROBERTS), the gentleman from Louisiana (Mr. BREAUX), the gentleman from Georgia (Mr. LEVITAS)—who have been the architects of the Public Works and Water Resources programs, would not now want to mandate that we cut their handiwork by 9 percent. Yet that is precisely what they would do if they vote for this amendment.

I think we have established a very creditable record in this Congress for fiscal responsibility and prudent, individual expenditure cuts where they can be made. Just a few moments ago, the Members of this House voted for a selective and intelligently conceived reduction in this budget resolution. The majority voted for it. It at least had the merit of saying exactly what moneys would be deleted from precisely what items in this proposed budget. Specific reasons were given. This amendment, however, is not selective. It is based upon no particular knowledge of specific programs. It does not say which moneys. It says all moneys. It says we will have to go back and redo each of the appropriations bills we have so carefully constructed, and cut about 9 percent at a minimum from each of them.

Mr. Chairman, I know not when Congress could adjourn if we do that, but I do know that the responsible course is to follow the committee, the leadership of the House, and our own individual judgments expressed already on the appropriations bills. This process already has performed a good and creditable task of reducing the deficit by at least one-third below the administration's projections in this 1 year and not fall for a will-o'-the-wisp by this amendment.

Mr. LATTA. Mr. Chairman, I move to strike the requisite number of words.

The CHAIRMAN. Without objection, the gentleman from Ohio (Mr. LATTA) is recognized for 5 minutes.

There was no objection.

Mr. LATTA. Mr. Chairman, let me say to my good friend, the gentleman from Texas, that he makes a very good speech, but he makes a lot of assumptions which are not quite correct.

The gentleman assumes that everything that he has mentioned is going to be cut, as he calls it. The gentleman assumes that in this proposal there is not the 7-percent increase in spending in fiscal year 1978. The gentleman makes it very clear that he does not want to put any kind of restraints on this Congress, because when you have an increase as we have in this resolution proposed by the committee of about 10 percent, we are not cutting anything when we come down to a 7-percent increase.

So I think it is a misnomer when we say it is a cut rather than a restraint on spending.

Let me say that we have about a $10 billion shortfall in spending in 1978. That could not be spent fast enough, so there is $10 billion floating around. We had a finding on HEW that they had about $7 billion of waste in that one department. Well, now, why can't they cut out some of that $7 billion in waste to accommodate what we are proposing here?

They are mixing oranges and apples when they talk about $22 billion in one single year, because what we are talking about in fiscal year 1979 is a reduction of $10 billion in outlays.

When the gentleman talks about $22 billion, he is talking about authorization—things that are on the shelf that are constantly getting us in trouble from a budgetary standpoint. That is where we ought to start to cut. Cut those things that are on the shelf which are going to get us in more fiscal trouble down the road.

So let us not mix oranges and apples when we talk about this budget. Sure, we can cut the outlays for fiscal year 1979 by $10 billion, and what would be left would still be way and above what we need to run this Government. The taxpayers of this Nation are crying out for some real tax relief from this Congress, and yet Members come down in the well and they say we cannot reduce spending, as proposed by the Budget Committee, by a mere 2 percent.

Mr. ROUSSELOT. Mr. Chairman, will the gentleman yield?

Mr. LATTA. I yield to the gentleman from California.

Mr. ROUSSELOT. Mr. Chairman, I appreciate my colleague's yielding—a member of the Budget Committee who has worked long and hard and, frankly, has been able to be present for the budget hearings more than other distinguished colleagues who have other duties.

Mr. Chairman, the $480 billion expenditure level recommended by my colleague in the resolution is $30 billion more than we spent in 1978. That is not a cut. That is a substantial increase.

The gentleman was not talking about cutting the guts out of anything. The gentleman is merely suggesting that we restrain the massive increase that was originally suggested by some of the members of the Budget Committee. Is that not true?

Mr. LATTA. The gentleman is absolutely correct.

Mr. ROUSSELOT. In other words, after proposition 13 began to ripple across the country, as Members of this Congress began to find out what that meant, the gentleman from Ohio is merely asking that we restrain the massive increase in expenditure suggested by a few people on the Budget Committee, is that not true?

Mr. LATTA. That is absolutely true.

Mr. LUKEN. Mr. Chairman, will the gentleman yield?

Mr. LATTA. I yield to my colleague from Ohio.

Mr. LUKEN. Mr. Chairman, I would like to ask the gentleman from Ohio, as the author of the amendment, whether he would agree with the statement that was made earlier that on the revenue side, on the passage of this amendment, it would in fact restrict the Senate in considering a tax bill to the Jones tax cut, and if that is part of the aim of the gentleman from Ohio?

Mr. LATTA. Let me say, we are accepting the revenue figures of the committee. It does not provide for a greater tax cut than that which passed the House the other day. It takes into consideration the fact that we failed to pass the Kemp-Roth proposal. I assume that the gentleman opposed Kemp-Roth. It accepts the committee figures.

Mr. LUKEN. This gentleman did not oppose that proposal.

Mr. LATTA. I correct my statement. I am glad to have the gentleman aboard.

Mr. SIMON. Mr. Chairman, will the gentleman yield?

Mr. LATTA. I yield to the gentleman from Illinois.

Mr. SIMON. There is some confusion about how much, what percentage, we are taking out. So that there is absolutely no confusion, we should understand that when we talk about appropriations, we are talking about budget authority. Between one-fourth and one-third of that is controllable so that, in fact, of the controllable items the gentleman is asking for a reduction of 12 percent to 16 percent. Is that not correct?

The CHAIRMAN. The time of the gentleman from Ohio has expired.

(At the request of Mr. SIMON and by unanimous consent, Mr. LATTA was allowed to proceed for 2 additional minutes.)

Mr. LATTA. I am sorry, will the gentleman repeat his question?

Mr. SIMON. When we talk about appropriations we are talking about budget authority, and since one-fourth to one-third of the items are controllable we are in fact talking about a reduction in appropriations of between 12 percent and 16 percent. Is that not the case?

Mr. LATTA. No, I would not accept that.

Mr. SIMON. Can the gentleman give me some reason for not accepting it?

Mr. LATTA. I do not know where the gentleman gets this 16 percent. I have not heard that figure yet.

Mr. SIMON. If we take one-third or one-fourth—I do not know what figure the gentleman uses—as controllable, and we take that fraction from the total in budget authority. Then we take your $22.5 billion and compare it and determine a percentage of the controllable. It seems to me that the gentleman cannot get around those figures.

Mr. LATTA. Let me say that I am surprised that my friend from Illinois would be opposing my amendment, because it does reduce the deficit by some $10 billion. I noticed the other day—and I was glad to have him sign my discharge petition to provide a chance to vote for a constitutional amendment to provide for a balanced budget, we are getting closer. This is the only way we can get closer, and I am sure my friend wants to get closer.

Mr. SIMON. If the good gentleman from Ohio will yield further, I concur with the gentleman from Ohio on that.

Mr. LATTA. We have got to start now. We cannot wait.

Mr. SIMON. I simply point out—I do not mean any disrespect to the distinguished majority leader who earlier referred to a 6-percent cut—but in fact we are talking about reductions in appropriations of 12 percent to 16 percent, and we ought to be aware of that.

The CHAIRMAN. The time of the gentleman from Ohio has again expired.

(At the request of Mr. SNYDER and by unanimous consent, Mr. LATTA was allowed to proceed for 1 additional minute.)

Mr. SNYDER. Mr. Chairman, will the gentleman yield?

Mr. LATTA. I yield to the gentleman from Kentucky.

Mr. SNYDER. Mr. Chairman, I appreciate the gentleman yielding. Not being on the committee, I just want to see if I have got the facts on all this straight. The gentleman's proposal is for $539 billion in budget authority. Am I correct that the budget authority for fiscal year 1978 was $503.8, and the gentleman is suggesting a $36 billion increase in this fiscal year over last year?

Mr. LATTA. I am afraid those figures are correct figures.

Mr. SNYDER. Am I correct also in that the gentleman's proposal on outlays is $480 billion, as opposed to $447.5 billion in fiscal year 1978, and the gentleman is suggesting a $33 billion increase in outlays?

Mr. LATTA. That is correct.

Mr. SNYDER. I just have a little trouble seeing why that is a cut.

Mr. LATTA. That is not a cut. It is a restraint on spending, and it is a 7-percent increase, whereas the other side has a 10-percent increase.

Mr. SNYDER. I commend the gentleman on his amendment.

Mr. FISHER. Mr. Chairman, I move to strike the last word.

Mr. Chairman, we are dealing, of course, with the budget, the second resolution. This is for keeps this time. We are about to establish binding ceilings on spending and a floor under revenues. We are not in the guideline business any longer.

Now we argue excessively perhaps about a few billion dollars this way or that, and this is important not only in itself but because it sets a direction and gives a signal as to what the House of Representatives wants to do in fiscal policy for the next year.

It comes down to a matter of judgment. We can go through the econometric studies and models and projects and all that and absorb as much of it as we can, and then we have to make a judgment. I would like to share with the Members my judgment. I am a member of the Budget Committee. I am a professional economist. I have worked in the Executive Office of the President, seeing it from that end of the avenue, for quite a number of years. I want to share my judgment with my colleagues and my reasons for it.

Keep in mind that since I have been a member of the Budget Committee I have been for restraining expenditures. Members will recall I have put amendments here on this floor in the last couple of years to do this.

In the first resolution I proposed a reduction of 2 percent pretty much across the board from $500 billion of outlays to $490 billion. The Budget Committee in the second resolution came forward to this House with $490 billion, a 2-percent cut, which is what I thought was in order.

Time passes. The economic situation changes; revenue collections change; expenditures are different. My judgment now is that we should put additional pressure to cut outlays and cut budget authority by about $5 billion. The $10 billion already achieved in the last few months is in the right direction. Unfortunately too much of that results simply from reestimates, valid to be sure. But by judgment now is that we ought to cut into flesh, so to speak, by about $5 billion in addition to what we have done already today in the conforming amendments and in the amendment just passed, offered by the gentleman from Texas (Mr. MATTOX) and his colleague.

This is my judgment. There is no magic in it. I cannot prove it nor can anybody else. But we must recognize that it comes to sober judgment. I think a cut of about $5 billion in addition to the $3 billion or so that we have cut already today is about right, taking it all in all.

I want to remind the Members that I will be offering an amendment following this for that kind of cut. I think it is responsible, I think it is achievable. Those who want to put further pressure to reduce outlays and reduce authority might want to hold back and come with me for this kind of cut which I think is about the way it ought to be.

Mr. ROUSSELOT. Mr. Chairman, will the gentleman yield?

Mr. FISHER. I yield to the gentleman from California.

Mr. ROUSSELOT. I appreciate my colleague's yielding, and I know he is, as he has said, one who would like to limit the expenditure side further than we have done so in the resolution before us or in the substitute offered by the chairman—and he so offered it in the committee, a very close holding amendment. The gentleman's amendment, as I understand it will cut $5 billion from the outlay side, so instead of an outlay figure of $480 billion, it will be $485 billion. Is that correct?

Mr. FISHER. That is correct.

Mr. ROUSSELOT. And so the gentleman would agree with my colleague, the gentleman from Ohio, that there should be $5 billion less but not $10 billion?

Mr. FISHER. That is correct. It is a matter of judgment and feel, and this is where I come out.

Mr. ROUSSELOT. Has the gentleman allocated his reduction of $5 billion to functional categories?

Mr. FISHER. Yes; I have.

Mr. ROUSSELOT. What functional categories are affected by your reduction?

Mr. FISHER. I reallocate it on a pro rata basis to all functions with the exception of interest allowances and miscellaneous.

The CHAIRMAN. The time of the gentleman has expired.

(On request of Mr. ROUSSELOT and by unanimous consent, Mr. FISHER was allowed to proceed for 2 additional minutes.)

Mr. ROUSSELOT. Mr. Chairman, if the gentleman will yield still further, the gentleman does agree that in many categories we could clearly restrain the increases that the committee has made a judgment on?

Mr. FISHER. I agree with that.

Mr. ROUSSELOT. You think that should be $5 billion?

Mr. FISHER. I do.

Mr. ROUSSELOT. You do not reduce interest because obviously a $5 billion cut in outlays could not reduce interests by 5 percent.

Mr. FISHER. That category is really one of those fixed categories although it changes, too, with the ups and downs of the rate structure. But it would be, I think, quite a mistake and misleading to prorate a certain cut on that.

Mr. ROUSSELOT. So you do agree with the gentleman from Ohio (Mr. LATTA) that there is no great damage to the whole budget process by taking, as you say, $5 billion out of the outlays. You do not hurt or harm a lot of the programs, is that correct?

Mr. FISHER. I do not think we hurt too much. Of course, any cut hurts somewhere.

Mr. ROUSSELOT. But these are really restraints on increases, are they not?

Mr. FISHER. Exactly.

Mr. EVANS of Colorado. Mr. Chairman, if the gentleman will yield, it is my understanding that you are going to offer this amendment after disposing of the pending amendment?

Mr. FISHER. That is correct.

Mr. EVANS. of Colorado. Could the gentleman tell me what the parliamentary situation would be in the event the pending amendment were agreed to, as to what would be the effect?

Mr. FISHER. My understanding is, subject to a ruling by the Chairman, that my substitute would still be in order. It is an across-the-board, sweeping substitute that goes to all categories.

Mr. EVANS of Colorado. And the gentleman feels that even if this pending amendment does pass, you would still have an opportunity to offer your amendment?

Mr. FISHER. That is my understanding and I would hope a ruling would support that.

Mr. GIAIMO. Mr. Chairman, will the gentleman yield?

Mr. FISHER. I yield to the chairman, the gentleman from Connecticut (Mr. GIAIMO).

Mr. GIAIMO. Mr. Chairman, I understand that if the amendment offered by the gentleman from Virginia (Mr. FISHER) were to be agreed to, which is a $5-billion outlay cut, that you have allocated those cuts throughout the functions; is that correct?

Mr. FISHER. That is correct.

Mr. GIAIMO. And while the gentleman has small cuts in the 45- to 50-, to 60- to 80-million dollar categories in some programs—

The CHAIRMAN. The time of the gentleman has expired.

(On request of Mr. GIAIMO, and by unanimous consent, Mr. FISHER was allowed to proceed for 2 additional minutes.)

Mr. GIAIMO. Mr. Chairman, will the gentleman yield further?

Mr. FISHER. I yield to the gentleman from Connecticut.

Mr. GIAIMO. As I understand, while you have small cuts in some functions, you have rather substantial cuts in national defense of 1.2 billion in outlays, is that correct?

Mr. FISHER. That is correct, approximately 1 percent.

Mr. GIAIMO. And $1.7 billion in income security?

Mr. FISHER. That is correct.

Mr. GIAIMO. And $536 million in health?

Mr. FISHER. That is correct.

Mr. GIAIMO. And $338 million in education?

Mr. FISHER. May I interrupt?

Mr. GIAIMO. And $227 million in veterans' benefits, is that correct?

Mr. FISHER. If I may interrupt the litany, I would say that if you want to reduce the budget you have got to cut.

Mr. GIAIMO. That was all prefatory, and my question is, if you are going to cut $1.2 billion in defense, and $1.7 billion in income security, and a half billion in health and a quarter billion in veterans' benefits, and on and on, with a 1 percent cut, could we assume that the cut the gentleman from Ohio (Mr. LATTA) is proposing would double those amounts?

Mr. FISHER. If they are allocated in the same way, and properly, they would be, more or less.

Mr. GIAIMO. Probably more or less they would be?

Mr. FISHER. The chairman is quite

correct, it would be twice as much of a cut, too much, in my judgment.

Mr. GIAIMO. So you would be talking conceivably about a cut of $2.5 billion in defense, and over $3 billion in income security and $1 billion in health and half a billion in veterans' programs, and on and on? That is what we are talking about here when we talk about a reduction through cuts?

Mr. FISHER. That is correct. I believe, at least because of my experience, which I have been bold enough to recite earlier, that a 1-percent cut is a manageable cut out of more efficiency, better management in certain cases and reductions in fraud and abuse and in these other matters.

The CHAIRMAN. The time of the gentleman from Virginia (Mr. FISHER) has expired.

(On request of Mr. EVANS of Colorado and by unanimous consent, Mr. FISHER was allowed to proceed for 1 additional minute.)

Mr. EVANS of Colorado. Mr. Chairman, will the gentleman yield?

Mr. FISHER. I yield to the gentleman from Colorado.

PARLIAMENTARY INQUIRY

Mr. EVANS of Colorado. Mr. Chairman, I have a parliamentary inquiry.

The CHAIRMAN. The gentleman will state his parliamentary inquiry.

Mr. EVANS of Colorado. I would like to ask the Chair what the situation would be in the event the pending amendment passed, and thereafter the gentleman from Virginia (Mr. FISHER) were to offer his amendment. Would his amendment then be in order?

The CHAIRMAN. The Chair would like to advise the gentleman from Colorado (Mr. EVANS) that a substitute amendment to the amendment offered by the gentleman from Connecticut (Mr. GIAIMO) would be in order.

Mr. EVANS of Colorado. I thank the Chair.

Mr. MAHON. Mr. Chairman, I move to strike the requisite number of words, and I rise in opposition to the amendment.

The colloquy between the two gentlemen who have just spoken reveals the problem with which we are confronted. We have passed all 13 annual appropriation bills. We have debated them. We have made some increases, we have made some decreases; and those bills have gone to the other body.

We are approaching the new fiscal year. It is not long now, just a few weeks, until the first of October.

Mr. Chairman, for us to try to reduce the budget authority in those bills by $22 billion is totally impractical and illogical because there would be no way, in my opinion, to persuade the House that these reductions should be made specifically. It is very easy to be for reductions in general, but to be for reductions in specific areas, such as in veterans' benefits, in health, in farm benefits, in defense, and so forth, is a different matter.

Mr. Chairman, we have spent days and days and months working on the authorization bills and on the appropriation bills. We have done the best we knew how, and all the Members have had an opportunity to participate. We have made our decision. To come in now at this late date just prior to the beginning of the new fiscal year and say that we are going to cut the appropriations in new budget authority by about $22 billion, it seems to me is impractical; and it cannot be done successfully.

Mr. Chairman, if this amendment were passed, in my opinion—and I think most of the Members will agree with me—and if the recommendations were brought in and specific proposals to make reductions were made, they would not be adopted by the House or by the other body.

Therefore, Mr. Chairman, it just seems to me that while it is good to contemplate a balanced budget—and we are all for a balanced budget—we have to find a way to get a better handle on spending. We have to or else we are confronted ultimately with disaster. However, I do not see how this proposal could possibly succeed, so I rise in opposition to it and in support of the action of the Committee on the Budget.

I just think that there is no practical way, at this stage, to achieve the objective. If we had started earlier and if we had been able to cut those bills back when they were before us, the authorization and appropriation bills, that would have been a different matter; but it is late in the session. To reconvene our committees now and start additional hearings and try to find a way to implement the reductions that would be proposed and probably rejected is just impractical.

Mr. CONTE. Mr. Chairman, will the gentleman yield?

Mr. MAHON. I yield to the gentleman from Massachusetts.

Mr. CONTE. Mr. Chairman, I want to thank my chairman, the gentleman from Texas (Mr. MAHON), for yielding. The gentleman is absolutely right.

All of the appropriation bills have left the House. Most of them have gone through the Senate committee. Some of them have gone through the Senate and are in conference. As a result, it becomes almost an impossibility to unravel what has been done.

Mr. Chairman, I voted in favor of the Holt amendment, but I certainly could not go along with this amendment because I do not see that it is feasible to unravel what we have done.

Therefore, Mr. Chairman, I hope many of my colleagues on this side of the aisle will vote against the amendment.

Mr. MAHON. I thank the gentleman.

Mr. LATTA. Mr. Chairman, will the gentleman yield?

Mr. MAHON. I yield to the gentleman from Ohio.

Mr. LATTA. Mr. Chairman, let me give the gentleman from Texas (Mr. MAHON), the chairman of the Committee on Appropriations, some enlightening information while praising the gentleman's committee for the job it has done.

All of the appropriation bills out of the gentleman's committee which have passed this House, only total $519 billion in budget authority, which is $20 billion less than the figure in this amendment. In adding up all of the outlay figures from the bills from your committee, we come up with a figure of $469.8 billion. The outlay figure in this amendment is $480 billion.

So the gentleman's committee has done a much better job in holding down spending than has the Budget Committee. I am attempting to come closer to the chairman's figures. He has done a good job. I want to compliment him and congratulate him on the job he has done.

Mr. MAHON. I thank the gentleman very much.

It should be borne in mind that all of the approriation bills that will be required for fiscal year 1979 have not passed, although we have passed all the regular bills.

The CHAIRMAN. The time of the gentleman has expired.

(By unanimous consent, Mr. MAHON was allowed to proceed for 1 additional minute.)

Mr. MAHON. But there were some instances, especially in HEW and otherwise, where the authorizations had not come through, so those programs are not in the bills which had been passed and, of course, there will be the usual supplementals. All of this could amount to some $30 or $40 billion. So I renew my statement that this is not the way to achieve the objective, and I believe that it would be a mistake to approve this amendment.

Mr. STOCKMAN. Mr. Chairman, I move to strike the requisite number of words.

Mr. Chairman, I had not planned to speak on this amendment, and I do not want to delay the proceedings of the House, but I was sitting here a moment ago listening very carefully to the gentleman from Texas, and I thought for a moment that rather than the eloquent majority leader, I was hearing Dr. Pangloss come waltzing out of the pages of historical literature. I think some of the Members will remember Dr. Pangloss was the man who roamed around the ruins of a decaying fuedal order in Europe saying, "This is the best of all possible worlds. There is nothing that we can change, and there is nothing that we should change." It seems to me that this is the argument that we are getting time and time again from the chairman of the Committee on the Budget and from some of the others who spoke in opposition to this amendment.

Of course, we have gone through the entire appropriation cycle, but I would remind my colleagues that in the Budget Act that we adopted in 1974 we contemplated the situation in which the second budget resolution would lower the outlay level or would lower or increase the revenue level, and that we would have to have a reconciliation action. So the fact that the work of the Appropriation Committees is done and the fact that we have had all kinds of other legislative actions in the last 2 or 3 years that have built in a certain spending stream or outlay pattern for this year should not be any deterrent at all in light of the economic conditions that we face today. I

think that the argument that we have our hands tied, that this is all the entitlement money, that this is all advance appropriations, and that we can do nothing about it really is just wrong, and the members of this committee know it. The fact is that if we look inside that $500 billion budget, every one of us knows that in light of the economic contingencies that we face today, in light of the threats that we face today with inflation and the collapse of the dollar, that we can make $10 billion more in outlay cuts if we have to. I know our side said that we are just attempting to restrain the growth rate of outlays, and I agree with that, but the fact is, let us be honest and let us just look at some of the categories that are available for cutting.

We know that there is $600 million in this bill for the Amtrak system. Every one of us knows that there are literally scores of lines on that system that generate 10 cents worth of revenue for every dollar in cost that it incurs. That is not entitlement money. That can be scaled back this year. There is $700 million or $800 million in this for impact aid. I am opposed to that program, but I am not proposing that it be gutted. It can be scaled back, though. The payout rate can be reduced for this fiscal year.

I just want to lay out a couple of other areas so that the impression that our hands are tied and there is nothing to be cut or restrained can be clarified, because it is not true. We have a huge sewer grant program. I know that most of that is in the spending stream already, but the fact is that there is a multibillion-dollar obligation for this year, and that can be scaled back, and that will have some effect on outlays even during this year.

We have had a huge ballooning of the budget for the Department of Energy—everybody knows it—fourfold or fivefold in the last 2 years.

And what is some of that spending going for? It is going for building windmills, and it is going for building methane plants in barnyards. These may solve our energy problem someday in the future, but I would suggest that the timetable can be slipped just a little bit and that there is ample opportunity for savings in that area.

Some of this may come out of Defense, and I would not like to see that happen; but I can suggest if we do not get some economic leadership from this country, if we do not begin to restrain our rate of inflation and begin to reduce the enormous damage that we are doing to the world economy today with our huge balance-of-payments deficits that the defense we will be purchasing for 10 years in the future will not even matter, because we will have suffered serious economic collapse in the Western world long before that.

The point is that there is ample opportunity to cut $10 billion of outlays out of this budget. I think we are really undermining our own credibility and our own sense of self-esteem, and we are undermining the very purpose that we are sent down here for, if we say that 3 months in advance of a fiscal year that has not even started, we have gotten ourselves so hog-tied that we cannot deal with this excessive outlay level in this bill reported by the committee; so I hope the House will support this amendment.

Mr. CONABLE. Mr. Chairman, will the gentleman yield?

Mr. STOCKMAN. I yield to the gentleman from New York.

Mr. CONABLE. Mr. Chairman, would the gentleman agree, the argument seems to be against the budget process. We could have this type of adjustment at this time of the year, and the budget process spells it out specifically.

Mr. STOCKMAN. Right; that is incorporated in the budget process. We are engaging in a midcourse correction in that process.

Mr. OBEY. Mr. Chairman, I move to strike the requisite number of words. I rise to speak against the amendment.

I will only take a minute, Mr. Chairman, but I really do think it is something short of laughable to suggest to the House that these cuts, if they were, in fact, voted in this resolution, would come in an area such as energy and Amtrak and sewerage and impact aid. I know from personal experience what happens when you try cutting impact aid in this House, because I have had amendments on this floor to do it. I know how many votes I have gotten on that side of the aisle and I know how many votes I have gotten on this side of the aisle, and they were not very much on either side of the aisle. There is about as much chance of us cutting impact aid as there is the chance for the gentleman from Michigan becoming President tomorrow. Neither one is going to happen and I think all of us know it. There is about as much chance of us cutting sewer aid as my becoming President tomorrow. This House has added money consistently over the recommendations of the Appropriation Committees for sewer aid.

You cannot tell me you are going to have a resolution voted to cut Amtrak, and you cannot tell me you are going to have Members of Congress in other parts of the country who are getting a little bit fed up with subsidizing all the big city runs, you cannot tell me they are going to accept reducing Amtrak allocations which keep some of their runs running as well.

I would simply suggest that the gentleman from Texas has summed it up correctly. What is facing us is a question of how much pride we have. Do we really have pride in this House? Do we really have pride in the orderly processes of appropriations by which we approach the whole budget in question? If we do have that pride, we will stick with the committee and we will not support this most mischievous amendment.

The CHAIRMAN. The question is on the amendment offered by the gentleman from Ohio (Mr. LATTA) to the amendment in the nature of a substitute offered by the gentleman from Connecticut (Mr. GIAIMO).

The question was taken; and on a division (demanded by Mr. LATTA) there were—ayes 24, noes 36.

RECORDED VOTE

Mr. LATTA. Mr. Chairman, I demand a recorded vote.

A recorded vote was ordered.

The vote was taken by electronic device, and there were—ayes 198, noes 204, not voting 30, as follows:

[Roll No. 709]

AYES—198

Abdnor	Forsythe	Murphy, Pa.
Anderson, Ill.	Fountain	Myers, Gary
Andrews, N.C.	Fowler	Myers, John
Andrews, N. Dak.	Frenzel	Neal
Applegate	Fuqua	Nichols
Archer	Gammage	Nowak
Armstrong	Gibbons	O'Brien
Ashbrook	Gilman	Panetta
AuCoin	Glickman	Pettis
Badham	Goldwater	Pickle
Bafalis	Goodling	Pike
Baucus	Gradison	Poage
Bauman	Grassley	Pressler
Beard, Tenn.	Green	Pritchard
Bennett	Gudger	Pursell
Bowen	Guyer	Quayle
Breaux	Hammer-schmidt	Quie
Brinkley	Hansen	Quillen
Broomfield	Harris	Railsback
Brown, Mich.	Harsha	Regula
Brown, Ohio	Heckler	Rhodes
Broyhill	Hillis	Rinaldo
Buchanan	Hollenbeck	Robinson
Burgener	Holt	Rose
Burke, Fla.	Horton	Rousselot
Burleson, Tex.	Hughes	Rudd
Butler	Hyde	Runnels
Byron	Ichord	Ruppe
Caputo	Jacobs	Santini
Carr	Jeffords	Sarasin
Carter	Jenkins	Satterfield
Cavanaugh	Johnson, Colo.	Sawyer
Cederberg	Kelly	Schroeder
Clausen, Don H.	Kemp	Sebelius
Clawson, Del	Kindness	Sharp
Cleveland	Kostmayer	Shuster
Cochran	Krueger	Skelton
Cohen	LaFalce	Smith, Nebr.
Coleman	Lagomarsino	Snyder
Collins, Tex.	Latta	Spellman
Conable	Leach	Spence
Corcoran	Lent	Stangeland
Coughlin	Livingston	Stanton
Crane	Lott	Steers
Cunningham	Lujan	Steiger
D'Amours	Luken	Stockman
Daniel, Dan	McClory	Stump
Daniel, R. W.	McCloskey	Symms
de la Garza	McEwen	Taylor
Derwinski	McKinney	Thone
Devine	Madigan	Treen
Dickinson	Mann	Trible
Dornan	Marks	Vander Jagt
Duncan, Tenn.	Marlenee	Vanik
Early	Marriott	Walker
Edwards, Ala.	Martin	Wampler
Edwards, Okla.	Mathis	Weaver
Emery	Mattox	White
English	Michel	Whitehurst
Erlenborn	Milford	Wilson, Bob
Evans, Del.	Miller, Ohio	Winn
Evans, Ga.	Mitchell, N.Y.	Wirth
Evans, Ind.	Montgomery	Wydler
Fenwick	Moore	Wylie
Findley	Moorhead, Calif.	Yatron
Fish	Mottl	Young, Fla.

NOES—204

Addabbo	Bonker	Dicks
Akaka	Brademas	Diggs
Alexander	Breckinridge	Dingell
Ambro	Brodhead	Dodd
Ammerman	Brooks	Downey
Anderson, Calif.	Brown, Calif.	Drinan
Annunzio	Burke, Mass.	Duncan, Oreg.
Ashley	Burlison, Mo.	Eckhardt
Aspin	Burton, John	Edgar
Baldus	Burton, Phillip	Edwards, Calif.
Barnard	Carney	Eilberg
Beard, R.I.	Chappell	Ertel
Bedell	Chisholm	Evans, Colo.
Beilenson	Clay	Fary
Benjamin	Collins, Ill.	Fascell
Bevill	Conte	Fisher
Biaggi	Conyers	Fithian
Bingham	Corman	Flippo
Blanchard	Cornell	Flood
Blouin	Cornwell	Florio
Boggs	Cotter	Foley
Boland	Danielson	Ford, Mich.
Bolling	Davis	Ford, Tenn.
Bonior	Delaney	Fraser
	Derrick	Garcia

Gaydos	Maguire	Rooney
Gephardt	Mahon	Rosenthal
Giaimo	Markey	Rostenkowski
Ginn	Mazzoli	Roybal
Gonzalez	Meeds	Russo
Gore	Metcalfe	Ryan
Hall	Mikulski	Scheuer
Hamilton	Mikva	Seiberling
Hanley	Mineta	Simon
Hannaford	Minish	Skubitz
Harkin	Mitchell, Md.	Slack
Harrington	Moakley	Smith, Iowa
Hawkins	Moffett	Solarz
Hefner	Mollohan	St Germain
Heftel	Moorhead, Pa.	Staggers
Hightower	Moss	Stark
Holland	Murphy, Ill.	Steed
Holtzman	Murphy, N.Y.	Stratton
Howard	Murtha	Studds
Hubbard	Myers, Michael	Thornton
Ireland	Natcher	Tsongas
Johnson, Calif.	Nedzi	Tucker
Jones, N.C.	Nix	Udall
Jones, Okla.	Nolan	Ullman
Jones, Tenn.	Oakar	Van Deerlin
Jordan	Oberstar	Vento
Kastenmeier	Obey	Volkmer
Kazen	Ottinger	Walgren
Keys	Patten	Walsh
Kildee	Patterson	Watkins
Krebs	Pattison	Waxman
Lederer	Pease	Weiss
Leggett	Pepper	Whalen
Lehman	Perkins	Whitley
Levitas	Preyer	Whitten
Lloyd, Calif.	Price	Wilson, Tex.
Long, La.	Rahall	Wolff
Long, Md.	Rangel	Wright
Lundine	Reuss	Yates
McCormack	Richmond	Young, Mo.
McDade	Roberts	Zablocki
McFall	Roe	Zeferetti
McHugh	Rogers	
McKay	Roncalio	

NOT VOTING—30

Burke, Calif.	Le Fante	Sisk
Dellums	Lloyd, Tenn.	Stokes
Dent	McDonald	Teague
Flowers	Meyner	Thompson
Flynt	Miller, Calif.	Traxler
Frey	Risenhoover	Waggonner
Hagedorn	Rodino	Wiggins
Huckaby	Schulze	Wilson, C. H.
Jenrette	Shipley	Young, Alaska
Kasten	Sikes	Young, Tex.

Mr. POAGE and Mr. SPENCE changed their vote from "no" to "aye."

Mr. RUSSO changed his vote from "aye" to "no."

So the amendment to the amendment in the nature of a substitute was rejected.

The result of the vote was announced as above recorded.

AMENDMENT OFFERED BY MS. HOLTZMAN TO THE AMENDMENT IN THE NATURE OF A SUBSTITUTE OFFERED BY MR. GIAIMO

Ms. HOLTZMAN. Mr. Chairman, I offer an amendment to the amendment in the nature of a substitute.

The Clerk read as follows:

Amendment offered by Ms. HOLTZMAN to amendment in the nature of a substitute offered by Mr. GIAIMO: In the matter relating to the appropriate level of total new budget authority reduce the amount by $4.7 billion;

In the matter relating to the appropriate level of total budget outlays reduce the amount by $1.5 billion;

In the matter relating to the amount of the deficit reduce the amount by $1.5 billion;

In the matter relating to the appropriate level of the public debt reduce the amount by $1.5 billion;

In the matter relating to the amount by which the statutory limit on the public debt should accordingly be increased, reduce the amount by $1.5 billion.

In the matter relating to Allowances (function 920) reduce the amount for budget authority by $4.7 billion; and reduce the amount for outlays by $1.5 billion.

Ms. HOLTZMAN (during the reading). Mr. Chairman, I ask unanimous consent that the amendment be considered as read and printed in the RECORD.

The CHAIRMAN. Is there objection to the request of the gentlewoman from New York?

There was no objection.

Mr. LATTA. Mr. Chairman, will the gentlewoman yield?

Ms. HOLTZMAN. I yield to the gentleman from Ohio.

Mr. LATTA. Mr. Chairman, I thank the gentlewoman for yielding. Let me say that I have had an opportunity to study the amendment offered by the gentlewoman from New York (Ms. HOLTZMAN), and I want to concur in the amendment and to compliment the gentlewoman for offering it.

Ms. HOLTZMAN. Mr. Chairman, I thank the gentleman from Ohio (Mr. LATTA). It is indeed a high honor to be complimented by my colleague from Ohio and I appreciate that greatly.

Mr. LATTA. I thank the gentlewoman.

Ms. HOLTZMAN. Mr. Chairman, let me explain the amendment to my colleagues. My amendment deals with unobligated balances, which occur throughout our Federal Government.

Although we in the Congress are often accused of a great deal of overspending, in fact there is a great deal of money that the Federal agencies receive in appropriations that they do not spend. In fact, there is a great deal of money received in some of the appropriations. The agencies do not even earmark this money or contract for its expenditure. The amount of these unobligated balances, in toto, is $47 billion.

What my amendment does is simply to ask the Federal agencies to begin to spend some of the money that has been lying around unobligated, and it asks for a 10-percent cut in the unobligated balances. My amendment does not touch the balances that are obligated, it does not touch the trust funds, it does not touch the guarantee or insurance programs or loan programs. It seems to me, that if we are ever to try to get control of how our Government operates and over the kind of spending that takes place, we need to reduce the unobligated balances. The many agencies and departments ought to at least be efficient enough so that when they come to Congress for annual appropriations they ask only for the money that they can indeed spend.

Mr. Chairman, this is an effort to see that these agencies spend the money that they are given, and that they do not accumulate these large balances of unobligated funds, and that the funds that are appropriated are ultimately spent on programs for which the Congress intended them to be spent in the first place.

I think this is an important area in which we have to begin to take corrective steps.

Of the $47 billion in unobligated funds, roughly $20 billion is in the Department of Defense, roughly $13 billion in the Department of Energy, and the rest is in a variety of other agencies.

Mr. Chairman, we can begin to get a better hold on spending, spend more efficiently and more effectively, if we begin to ask Federal agencies to be more accurate in their estimates of what they need so that we do not appropriate money that is not going to be spent. I think this is an important time at which to begin to do that.

My amendment is only a modest step in that direction, but I would hope that it sets the stage for the important effort to improve Government fiscal habits which must be undertaken by Congress.

Mr. SIMON. Mr. Chairman, will the gentlewoman yield?

Ms. HOLTZMAN. I yield to the gentleman from Illinois.

Mr. SIMON. Mr. Chairman, I would be interested in the reaction of the chairman of the committee on this amendment.

My own instinct, offhand, is that this is a sound approach which does not cut at the meat of anything. It will not impair programs and it still keeps things a little taut financially, so that I think the approach is to be welcomed by our colleagues.

Again, I would be interested in the reaction of the chairman of the committee.

Ms. HOLTZMAN. Mr. Chairman, I thank the gentleman for his comments.

Mr. GIAIMO. Mr. Chairman, will the gentlewoman yield?

Ms. HOLTZMAN. I would be happy to yield to the gentleman from Connecticut, the distinguished chairman of the committee.

Mr. GIAIMO. Mr. Chairman, much as I appreciate the efforts to the gentlelady from New York, I rise to oppose this amendment. I do so with considerable reluctance.

This amendment recognizes one of the most difficult problems that Congress faces in the area of budgetary control. So long as large balances of prior appropriations remain available for spending in the executive branch, our actions in both the budget and appropriations processes can be thwarted by program administrators downtown.

To take a hypothetical example: Suppose we determine that the rate at which some given procurement program ought to move forward in a given year is at a level of $100 million. Suppose, further, that this hypothetical program has built up a balance of $50 million in unobligated funds from prior-year appropriations—money that had been made available for purposes of the program but had not been contracted for. Thus, the program could exceed the congressionally determined rate by 50 percent in the next year.

The amendment deals with $4.7 billion—a figure equal to only 10 percent of the $47 billion in unobligated balances for construction and procurement programs. It wisely leaves out of consideration those unobligated balances that have been built up in the trust funds—the social security, employee retirement, and Federal-aid highway funds, for example—and those balances that represent the actuarial reserves of Government insurance, guarantee, and loan programs.

Mr. Chairman, I agree with the gentlelady from New York that we need better

planning of their actual minimum requirements by executive officials, so that these balances do not build up in the first place. I agree that Congress has to continue to reinforce its control over Federal spending. I particularly appreciate the fact that this amendment does not cancel or otherwise impair legitimate outstanding balances. This amendment calls for a reduction in the new budget authority that might be added to already swollen balances, and thus does not impair scheduled program progress.

However, we are dealing here today with the second budget resolution. Almost all major spending bills for fiscal year 1979 have already been acted on by the House. I fear we would be deluding ourselves by making the cuts in budget authority and outlays that this amendment demands.

The practical effect of this amendment, made at this time, would be that a reconciliation directive would have to be considered and enacted, forcing the House to go back and reconsider spending actions it had already debated and disposed of.

The gentlelady is aware of the interest that many members of the Budget Committee have in this matter. The gentlelady from Maryland (Mrs. HOLT) has identified this problem in very forceful terms on many occasions. Both the task force on budget control and the task force on defense have studied the problem. Special analyses have been made for our committee by the General Accounting Office.

I suggest that the proper course for us today is for the sponsor to withdraw the amendment and for the Budget Committee to continue its study of the matter. Next year's first budget resolution is a more appropriate time and vehicle for taking action.

Mr. Chairman, I oppose the amendment and urge that it not pass.

Ms. HOLTZMAN. I would say to the chairman of the committee, the very distinguished gentleman from Connecticut (Mr. GIAIMO), that I appreciate his comments very much. I think it may in fact be unrealistic to ask for the Committee on Appropriations to redo its work now. But I also do believe that the only way the Committee on the Budget can take effective action next year with respect to this problem of unobligated balances is for the committees of the Congress, when they advise the Committee on the Budget of their estimates for spending, to advise the Committee on the Budget at the very same time what they plan to do to reduce these unobligated balances. If that procedure could be accepted, I would be more than happy to agree with the chairman's suggestion and withdraw the amendment.

Mr. JOHN L. BURTON. Mr. Chairman, will the gentlewoman yield?

Ms. HOLTZMAN. I yield to the gentleman from California.

Mr. JOHN L. BURTON. I thank the gentlewoman for yielding.

I intend to offer an amendment that is going to put us in a surplus situation by wiping out $47 billion worth of unobligated balances. If we cannot even accept an amendment like this, why do we even have a second budget resolution, because we cannot amend it? I do not think this process does too much anyway except to give everyone a chance to make a speech and offer an amendment. But if we are saying we cannot cut 10 percent of money that is sitting downtown that they are not going to spend that is counted against us in deficits in Federal spending because it is going to work a hardship on the procedures of the House, why not just bring the budget up under a closed rule in the second resolution and say, You cannot adopt any amendments because it is going to work a hardship? There is $47 billion worth of money that we gave them from our taxpayers that they are not even spending—$20 billion in defense. Jim Schlesinger—God bless him—has got $13 billion he has not even been able to figure out how to spend; and he can figure out better than anybody in Washington, D.C. But we are told by the distinguished chairman of the committee it is a terrific idea but it is too late. Therefore, I do not think we should ever have a second budget resolution come up except under a closed rule, because if this amendment will screw up the House procedures, every amendment will do it. Therefore, we should not have it open for amendment. It should be an up or down vote.

Mr. ROUSSELOT. Mr. Chairman, will the gentlewoman yield?

Ms. HOLTZMAN. If I have any time left, I will be happy to yield to the gentleman from California.

Mr. ROUSSELOT. I appreciate my colleague, the gentlewoman from New York, who is a sage member of this Budget Committee. Although we do not always agree, she is very much on target on this whole issue of unobligated balances.

Many Members of this House do not realize that these are appropriated balances of which the gentlewoman is speaking. They have been appropriated. They really are sitting there as kind of reserves. In many cases they have not even been contracted out for future expenses. It is clearly a kind of secret slush fund that many of these agencies have. I appreciate the gentlewoman's bringing this up.

The CHAIRMAN. The time of the gentlewoman has expired.

(At the request of Mr. REGULA, and by unanimous consent, Ms. HOLTZMAN was allowed to proceed for 3 additional minutes.)

Mr. ROUSSELOT. Will the gentlewoman yield further?

Ms. HOLTZMAN. I yield to the gentleman.

Mr. ROUSSELOT. My understanding is that right now as of 1978 there is $48.4 billion in unobligated balances previously appropriated that can be utilized above and beyond what we are talking about here in the budget. The gentlewoman makes an excellent point. I do hope we attack it sometime soon.

Ms. HOLTZMAN. I appreciate the gentleman's comments.

Mr. REGULA. Mr. Chairman, will the gentlewoman yield for a question?

Ms. HOLTZMAN. I will be happy to yield to the gentleman.

Mr. REGULA. I thank the gentlewoman for yielding.

Would there be any danger that if we would eliminate the unobligated balances by an amendment of this type, or one that went even deeper in cuts, that in the future we would in effect invite agencies to get rid of their money, spend it without regard to carefully managing it, or without carefully contracting to get the best possible services for the dollars spent? Is that a danger? I do not know. I am asking that as a question.

Ms. HOLTZMAN. I do not believe that is a danger. When the agencies come to Congress and say, "We need an appropriation," in essence they are saying, "This is money that we need this year as opposed to next year because we can spend it this year." If they cannot spend it this year, then they ought not to ask for it. We ought not to allow these agencies to build up these huge reserves which end up in some cases not even being used for the purpose for which they were originally appropriated. I think that the existence of these balances pose danger to the congressional appropriation and budgeting process. I think it is not a sign of good management. It is not a sign of good estimating. I think we can ask the agencies to manage their funds more carefully and to make their requests to Congress more accurately.

Mr. REGULA. Would not a diversion, though, require a reprograming request to this body?

Ms. HOLTZMAN. Not necessarily.

Mr. Chairman, I ask at this point unanimous consent to withdraw my amendment.

The CHAIRMAN. Is there objection to the request of the gentlewoman from New York (Ms. HOLTZMAN)?

There was no objection.

AMENDMENT OFFERED BY MR. FISHER TO THE AMENDMENT IN THE NATURE OF A SUBSTITUTE OFFERED BY MR. GIAIMO

Mr. FISHER. Mr. Chairman, I offer an amendment to the amendment in the nature of a substitute.

The Clerk read as follows:

Amendment offered by Mr. FISHER to the amendment in the nature of a substitute offered by Mr. GIAIMO:

In the matter relating to the appropriate level of total new budget authority strike out the amount and insert in lieu thereof 556,019,000,000;

In the matter relating to the appropriate level of total budget outlays strike out the amount and insert in lieu thereof 484,790,000,000;

In the matter relating to the amount of the deficit strike out the amount and insert in lieu thereof 34,790,000,000;

In the matter relating to the appropriate level of the public debt strike out the amount and insert in lieu thereof 833,100,000,000.

In the matter relating to the amount by which the statutory limit on the public debt should accordingly be increased, strike out the amount and insert in lieu thereof 25,100,000,000.

In the matter relating to function 050 strike out the amount in budget authority and insert in lieu thereof 125,817,000,000; and strike out the amount in outlays and insert in lieu thereof 111,179,000,000.

In the matter relating to function 150 strike out the amount in budget authority

and insert in lieu thereof 12,249,000,000; and strike out the amount in outlays and insert in lieu thereof 7,042,000,000.

In the matter relating to function 250 strike out the amount in budget authority and insert in lieu thereof 5,098,000,000; and strike out the amount in outlays and insert in lieu thereof 4,937,000,000.

In the matter relating to function 270 strike out the amount in budget authority and insert in lieu thereof 9,511,000,000; and strike out the amount in outlays and insert in lieu thereof 8,590,000,000.

In the matter relating to function 300 strike out the amount in budget authority and insert in lieu thereof 12,841,000,000; and strike out the amount in outlays and insert in lieu thereof 11,256,000,000.

In the matter relating to function 350 strike out the amount in budget authority and insert in lieu thereof 12,110,000,000; and strike out the amount in outlays and insert in lieu thereof 7,545,000,000.

In the matter relating to function 370 strike out the amount in budget authority and insert in lieu thereof 5,499,000,000; and strike out the amount in outlays and insert in lieu thereof 2,783,000,000.

In the matter relating to function 400 strike out the amount in budget authority and insert in lieu thereof 19,268,000,000; and strike out the amount in outlays and insert in lieu thereof 16,877,000,000.

In the matter relating to function 450, strike out the amount in budget authority and insert in lieu thereof 10,230,000,000; and strike out the amount in outlays and insert in lieu thereof 9,371,000,000.

In the matter relating to function 500 strike out the amount in budget authority and insert in lieu thereof 33,568,000,000; and strike out the amount in outlays and insert in lieu thereof 30,773,000,000.

In the matter relating to function 550 strike out the amount in budget authority and insert in lieu thereof 51,667,000,000; and strike out the amount in outlays and insert in lieu thereof 48,762,000,000.

In the matter relating to function 600 strike out the amount in budget authority and insert in lieu thereof 190,330,000,000; and strike out the amount in outlays and insert in lieu thereof 157,913,000,000.

In the matter relating to function 700 strike out the amount in budget authority and insert in lieu thereof 21,051,000,000; and strike out the amount in outlays and insert in lieu thereof 20,686,000,000.

In the matter relating to function 750 strike out the amount in budget authority and insert in lieu thereof 4,124,000,000; and strike out the amount in outlays and insert in lieu thereof 4,128,000,000.

In the matter relating to function 800 strike out the amount in budget authority and insert in lieu thereof 4,059,000,000; and strike out the amount in outlays and insert in lieu thereof 3,991,000,000.

In the matter relating to function 850 strike out the amount in budget authority and insert in lieu thereof 8,847,000,000; and strike out the amount in outlays and insert in lieu thereof 8,862,000,000.

Mr. FISHER (during the reading). Mr. Chairman, I ask unanimous consent that the amendment be considered as read and printed in the RECORD.

The CHAIRMAN. Is there objection to the request of the gentleman from Virginia?

There was no objection.

Mr. FISHER. Mr. Chairman, the Budget Committee has recommended a spending ceiling of $490 billion. This is close to the figure I had in mind when I offered my 2-percent amendment last spring during the debate on the first budget resolution. I am glad to see that progress has been made on the spending reduction front; but almost all of these reductions, these $10 billion in reductions, are due to reestimates of what will be spent, rather than real program cuts. In a time of large deficits and a growing economy, it makes sense to make additional efforts at keeping in check the growth in Government spending. I think that is what the country wants. The second resolution provides the means for doing this by setting tight ceilings on what can be spent in the next fiscal year.

In this amendment that I am offering, I am proposing an additional spending reduction of $5 billion, a modest amount in such a large budget, but nonetheless, a significant amount. This would bring us out with a deficit of about $35 billion, a considerable reduction this year over the last year and over what has been put forward in the first resolution.

I would distribute the cuts across most functions on a prorated basis on the premise that almost all programs can accommodate a 1-percent cut through better management, harder work and general belt tightening.

This principle applies to uncontrollable and controllable programs alike. Frequently there is a division between these two types of programs, a rather artificial division.

Adoption of my amendment will not necessitate a reconciliation process by which already approved bills must be cut back before the Congress can adjourn in October.

The budget resolution contains room for a number of items which will not have been considered before the Congress adjourns this year, including supplemental appropriation bills, new legislative initiatives, and revisions in existing law that will change spending needs within the same fiscal year.

All told, these items add up to $20 billion or more; so already approved spending commitments fall within the $485 billion or so spending ceiling that my amendment would impose.

My amendment might create a need for a third resolution when the Congress reconvenes next year. This would happen if no further spending cuts are achieved and if current estimates of spending hold up; but between now and next spring there are a number of possibilities that could lead to a third resolution, including the final size of the tax cut and many unforeseen changes that could occur in the economy. There is also a possibility that there will be additional shortfalls in actual expenditures over and above what has already been included in the committee's version of the resolution. This would, of course, relieve the pressure for a third resolution, and keep in mind, we had a third resolution last year and it did not break the process or upset the ongoing budgeting and managing of Government.

I expect we might see some rescission requests coming from the administration over the course of the fiscal year. My amendment is on the same wavelength with the administration, which has encouraged Congress to seek out another $5 billion in spending cuts. Now, a $5 billion cut at this time out of real spending is surely within our reach. This is not a cut below this year's 1978 budget expenditures.

It is a cut compared to a larger budget proposed for next year. More careful management surely can achieve a 1-percent cut in any program. The Congress should insist on this.

Furthermore, I believe the House should send this kind of signal to the Senate, to the executive branch, and to the whole country. The practical and responsible course is to adopt this amendment.

Let me say to my Republican colleagues that this may be their last chance this year to vote for an amendment that goes in their direction in a practical way. And to my Democratic colleagues, if they want to put a little more pressure to restrain Government spending, this will probably be their last practical chance to do it.

The CHAIRMAN. The time of the gentleman from Virginia (Mr. FISHER) has expired.

(By unanimous consent, Mr. FISHER was allowed to proceed for 3 additional minutes.)

Mr. FISHER. Again, Mr. Chairman, let me say that this spending reduction amendment I am offering is responsible. It is achievable, and it should be voted for.

My colleagues perhaps will remember that when we were debating the first budget resolution last spring, I offered an amendment to cut spending by 2 percent or by about $10 million. It was my judgment then that this was what was needed. That amendment was defeated, but the second budget resolution brought to us today has in it a $10 billion cut, and so I am actually the author of that.

My judgment now, several months later, is that a further reduction of $5 billion is about what is needed in order to accomplish a real, meaningful cut in the budget.

Mr. Chairman, I strongly urge that my colleagues consider at this time, almost the last moment in our consideration of this matter, voting for this $5 billion budget cut.

Mr. WIRTH. Mr. Chairman, will the gentleman yield for a question?

Mr. FISHER. I yield to the gentleman from Colorado.

Mr. WIRTH. Mr. Chairman, I thank the gentleman for yielding.

Mr. Chairman, I want to commend the gentleman from Virginia (Mr. FISHER) on the amendment he is offering. I will support it, as I supported his amendment last spring for a 2-percent cut.

Some question is going to be raised about specified cuts in the area of income security, and I was hoping the gentleman might be able to respond to that question and expand a little bit on the statement he made about better management in the executive agencies and their ability to absorb the 1-percent cut as recommended by the gentleman.

Mr. FISHER. Yes. Nearly everybody wants to restrain spending, cut it back,

and hold it down, and yet be reasonable about it. That is how I come out on this $5 billion amount, or roughly 1 percent, and I distribute it, as is required under our procedures, over the various programs, not counting interest and one or two programs in that category.

This will involve a cut in defense, in income maintenance measures, in agriculture, and in all the other areas.

I do believe that a 1-percent cut is manageable. For example, in the program the gentleman cites, we have already adopted an amendment to cut quite a bit out of what is called fraud and abuse. There is other slack in this. For example, if the economy does well, as it now appears it will, there will be less claim for welfare payments, and quite a few people will not retire as early as they usually would.

So, Mr. Chairman, there is more slack than one would imagine in what we generally call uncontrollables.

The CHAIRMAN. The time of the gentleman from Virgina (Mr. FISHER) has again expired.

(On request of Mr. WIRTH, and by unanimous consent, Mr. FISHER was allowed to proceed for 2 additional minutes.)

Mr. WIRTH. Mr. Chairman, will the gentleman yield further?

Mr. FISHER. I yield to the gentleman from Colorado.

Mr. WIRTH. Mr. Chairman, I think the point the gentleman makes about first-rate management in these programs will signal very clearly our intent that each one of these executive agencies look very, very carefully at its practices. I think the previous amendment offered by the gentlewoman from New York (Ms. HOLTZMAN) illustrates the fact that there is obviously a great deal of slack in the budget.

Mr. Chairman, I again want to commend the gentleman from Virginia (Mr. FISHER) on his amendment, and I urge my colleagues to support it.

Mr. ANDERSON of Illinois. Mr. Chairman, will the gentleman yield?

Mr. FISHER. I yield to the gentleman from Illinois.

Mr. ANDERSON of Illinois. Mr. Chairman, I thank the gentleman for yielding.

Mr. Chairman, the amendment was not read, and, therefore, I want to be sure that I understand what the scheme of the gentleman's amendment is.

As I understand it, the amendment does provide for a $5 billion reduction in outlays, as opposed to the $10 billion cut that was narrowly defeated when it was offered by the gentleman from Ohio (Mr. LATTA).

In addition to that, as I understand it, another major difference is that it actually goes into reductions of specific functional categories of the budget, providing for specific reductions in both budget authority and outlays.

What is the scheme, however, of the reduction? According to the chart I hold in my hand, there is a reduction of $1,195,000,000 in budget authority for national defense.

I drop down to income security and find a reduction of $1,809,000,000.

On what basis have those cuts been made?

Mr. FISHER. They have been made this way: The $5 billion has been prorated among all of the categories, save interest, allowance, and undistributed offsetting receipts. Each of them is a difficult one to deal with. But all of the others bear a pro rata share of the $5 billion cut.

The CHAIRMAN. The time of the gentleman from Virginia (Mr. FISHER) has again expired.

(By unanimous consent, Mr. FISHER was allowed to proceed for 2 additional minutes.)

Mr. FISHER. It comes down to this: If you want to reduce spending, you just have to cut somewhere.

Mr. ANDERSON of Illinois. I appreciate the truth of the statement that the gentleman has just made. But how does the gentleman proceed to cut income security programs, the budget authority for the programs, by $1,809,000,000? The gentleman is talking now about social security and programs of that kind.

Mr. FISHER. Yes.

Mr. ANDERSON of Illinois. Just how does the gentleman make that reduction?

Mr. FISHER. My response earlier to the gentleman from Colorado was to this point. You tighten up management. You cut back further on abuse and even fraud. This kind of cut is well within the range of what can result from the course of economy. If we do as well as present indicators seem to say, there will be less call for welfare payments, there will be fewer people retiring and going on social security. There are all of these possibilities.

Mr. ANDERSON of Illinois. As I recall it, if the gentleman will yield further, when we had the appropriation bill before us for the Department of Health, Education, and Welfare, there were reductions made then, I think, in the appropriations process because of alleged fraud and abuse in that Department and in the programs that it administers. So I am wondering just how much flexibility remains in that particular category to be reduced under the terms of the gentleman's amendment.

Mr. FISHER. Another source of slack in this whole business is reestimating. The experience of recent years has been that each stage along the way we overestimate the amount of spending that will occur, and that tends to save us some money. So these factors, taken together, and others that I have not mentioned, lead me to the conclusion that it is not unreasonable at all to find in a budget of this size some areas for reduction.

The CHAIRMAN. The time of the gentleman from Virginia (Mr. FISHER) has again expired.

(On request of Mr. SIMON and by unanimous consent, Mr. FISHER was allowed to proceed for 1 additional minute.)

Mr. SIMON. Mr. Chairman, will the gentleman yield?

Mr. FISHER. I yield to the gentleman from Illinois.

Mr. SIMON. I thank the gentleman for yielding.

I would like to follow through with some of the comments of my colleague, the gentleman from Illinois (Mr. ANDERSON). But first let me say that I commend the gentleman from Virginia (Mr. FISHER) for this detailed approach. This is the responsible way to have an amendment, so we know exactly what we are talking about and not simply deal in the aggregates. But when we get down to item 600, income security, the gentleman is talking about, roughly, $160 million in the second budget resolution. Of that amount, only 3 percent is controllable. So we have $4.8 billion that is controllable, and out of that the gentleman is suggesting that we delete $1.8 billion. That seems to me to be clearly excessive. In some of these areas I would, frankly, go along with the gentleman from Virginia, but there are some problem areas.

Mr. FISHER. If I may respond to that, again let me repeat that the differences between controllable and uncontrollable are not as rigid as most people think. In fact, I was in the White House under President Eisenhower when this provision was first performed. Ike was so distressed that he did not seem to have control over all of the budget. And it is very arbitrary. I will just give a few examples that I have alluded to previously. One example is that many of the so-called uncontrollable programs hinge upon what happens in the economy. If unemployment goes down, you save a lot of money. Or, take the agricultural program. If prices go up, you save a lot of money. And so it is. And so they are only uncontrollable in a certain frame of reference, regardless of what it is going to be. So there are various reasons why I think it is not too irresponsible to approach the problem in the way I have.

Mr. OBEY. Mr. Chairman, I move to strike the requisite number of words, and I rise to oppose the amendment.

Mr. Chairman, I really believe—and I started to say it on the first amendment, but I want to get into a little more detail on it on this one—I really believe that what we are talking about here is, how much faith we do have in the processes of this House, and how much pride we really do have in this House and in ourselves and in our ability to explain to the people who we represent what in fact the actual facts of life are in the Federal budget process.

Those Members who know me well in this House know that I place process above almost everything, because that is what democracy really is. It is a question of process. I voted against the equal rights amendment extension yesterday because while I support ERA very strongly I also believe so fundamentally in decent, orderly, fair process. I would urge Members to oppose this amendment today for the same reasons.

Now, we have had our go at appropriation bills, and we have cut some money from those bills through individual specified actions on specific programs, and then we have made other cuts across the board on those appropriation bills. In the main, those cuts have been in the nature of 2-percent across-the-board cuts. I opposed virtually all of them ex-

cept the foreign aid bill—for admittedly tactical reasons on the foreign aid bill.

I submit to the Members that sooner or later we as individual Members have to stand by what we have done. If Members wanted to vote for a 3-percent cut on the Labor-HEW bill and on the foreign aid bill and the other bills instead of a 2-percent cut, we should have done it at the time, on the proper vehicle, and not on the budget resolution.

I want to read to the Members what Senator HENRY BELLMON, the ranking Republican in the Senate on the Budget Committee, has to say about these mischievous across-the-board cuts, he called them—and I am quoting from a National Journal article analyzing the great destruction to the appropriations process occurring in this House. He described the across-the-board cuts as, "* * * dangerous, intellectually lazy, and an invitation to demagoguery."

Then, he went on to say—

> Continuation of the across-the-board budget cutting trend might well cause the appropriation committees to add cut insurance to their bills.

And that is exactly what is going to happen. I know this is 3 or 4 months before an election. I know it is convenient to run home and say, "Every day on the hour, every hour, I have voted for another cut," but sooner or later your own sense of self-respect is going to have to make you stand up and say, "That's enough."

I would urge Members not to go down this line, because they will cause the Appropriation Committees in the future, and this committee, to come out with what we know is fat, because we know that the House will want to have its day and make some cuts, no matter how highly the bills are drawn.

I would like to make a couple of other points. I voted against the carrier on the defense budget 2 weeks ago because I thought the carrier was stupid, but I lost, and when the amendment came up afterward to cut the defense budget across the board, I voted against it because I thought we have the obligation to spell out specifically what programs we are talking about if we make cuts. We have had 2-percent after 2-percent after 2-percent cuts, and as a result of the congressional action. I know this amendment sounds very easy to take, like "It ain't going to hurt nobody," but I want Members to put it in perspective.

The CHAIRMAN. The time of the gentleman from Wisconsin (Mr. OBEY) has expired.

(By unanimous consent, Mr. OBEY was allowed to proceed for 3 additional minutes.)

Mr. OBEY. Mr. Chairman, through every action the Congress has taken so far we have reduced appropriation bills by $4.7 billion on the 13 appropriation bills that we have run through this House. What we are being asked to do in this little old harmless amendment is to double that ante. You know, you know that almost all of you at one time or another have written every subcommittee on the Appropriations Committee and you have said: "Hey, boys, give us some additional money for this program and give us some additional money for that program," and then you have been able to send your letters to the appropriate interest groups bragging on the fact that you have been really looking out for their interest. And then what you do, if you vote for this amendment, is you walk down the other side of the street and you say: "OK, now that I have satisfied every interest group in the country that wants a nickel out of the Congress and taken credit for it all personally, I am going to walk the other side of the street and be able to tell my Rotary groups and be able to tell my Kiwanis groups that I am fiscally responsible because I have cut the budget." That is the most irresponsible way you can approach the budget. I ask you, for what it means to the House in future years, not to travel down that road.

You have literally dozens of rollcalls that you can take back to your people to show you have cut responsibly and specifically. But if you look down this list, how many of you come from an agricultural area as I do? You know how hard we had to fight for a decent agricultural bill. This cuts the agricultural budget by $115 million. It cuts defense—and I would love to do it and cut defense by $1.1 billion as this amendment does, but it does it in a very uncourageous way, and I would urge you not to do that.

If you are going to cut, cut when the authorization bill is here. If you are going to cut, cut when the appropriation bill is here.

In income security, how many times are we going to eliminate fraud and abuse in that category? The gentleman from Illinois (Mr. MICHEL) had put an amendment on the Labor-HEW, cutting that category by $1 billion in fraud and abuse. It was just an estimate how much we could save.

How many reflections are we going to put up? How many mirrors are we going to put up in each of those programs? We can put up five or six or seven mirrors and cut $1 billion each time because we have added another mirror, but we have not changed reality, we have only changed the number of mirrors. Please smash the mirrors and face reality and vote down this amendment.

The CHAIRMAN. The time of the gentleman from Wisconsin (Mr. OBEY) has again expired.

(On request of Mr. HUGHES, and by unanimous consent, Mr. OBEY was allowed to proceed for 1 additional minute.)

Mr. HUGHES. Mr. Chairman, will the gentleman yield?

Mr. OBEY. I yield to the gentleman from New Jersey.

Mr. HUGHES. Mr. Chairman, I think much of what the gentleman has said has a great deal of merit. But the gentleman has suggested that the proper way we cut is as we have each appropriation bill before the House. If we carry the gentleman's statement to its logical conclusion, we would just be having a pro forma session to approve the budget. Is that not so?

Mr. OBEY. No. I disagree with that. I have no objection to people coming in here and cutting specific programs, but this across-the-board, 1-percent business is I think undignified. I think it is unreflective of the courage and business sense I know is in this House, and I do not think we ought to do it.

Mr. HUGHES. If the gentleman will yield further, I do not know how any Member can express his own feeling that the budget is not fiscally sound, that the outlay item and the deficit is too high, unless we do it in the manner in which we are doing it.

Mr. OBEY. If I can claim back my time, the way to do it is to vote to cut specific programs, not doing it like this.

Mr. MITCHELL of Maryland. Mr. Chairman, I move to strike the requisite number of words, and I rise in opposition to the amendment.

Mr. Chairman, shortly after I first came to the Congress when I was originally elected, the Congress was being accused again and again of wrong doing, and I want to be honest with you, there were times when I hesitated to identify myself as a Member of the Congress because it was under such vigorous attack for so many reasons.

I am proud to identify myself as a Member of the Congress now because I think, in the ensuing years, the Congress has begun to act in a very responsible fashion. It has taken on some initiatives it should have taken on a long time ago. The one thing it has done in the last 4 years is, most of the time, to act in a consistent manner.

I am not even going to speak to the substance of the Fisher amendment. I am going to speak to its absolute inconsistency.

This is a 1-percent cut across the board. Less than 10 days ago, in the last week, I offered an amendment on the defense appropriation bill. It was a 1-percent cut. Actually it was less than a 1-percent cut, it was an eight-tenths of 1-percent cut and the House voted it down.

Of course, I was hurt about it. But, how in the world can this same House today vote for the Fisher amendment which is a 1-percent cut in defense which the House repudiated less than 2 weeks ago? I do not think that is at all sensible or responsible. I think that begins to undermine the kind of credibility that this House has slowly begun to establish. There is no logical way that you can explain to your constituents that 10 days ago you voted against a less than 1-percent cut in the defense budget and then, 10 days later, you voted for it.

Do you tell them, "I am a will-o-the-wisp"? Do you tell them, "I float and go with every current that invades the House"? Do you tell them, "I like JOE FISHER. That is why I voted for it"?

Are you going to tell them, "I had been pressured, additional pressure was put on me, therefore I had to succumb to the pressure and vote against my better judgment which I exhibited less than

10 days ago"? You cannot do it and still expect the respect of your constituents. It is inconsistent. It is illogical. It is nonsensical, after having voted down a 1-percent cut 10 days ago to vote for it today.

I urge defeat of the Fisher amendment, primarily in the interest of the respect of each and every Member of this House should earn.

Mr. ROBERTS. Mr. Chairman, I move to strike the requisite number of words.

Mr. Chairman and members of the committee, I defer to no one in attempting to have responsible spending. I voted for the Holt amendment. I have voted for a lot of other cuts. But, Mr. Chairman, 60 percent of the cut proposed by the gentleman from Virginia (Mr. FISHER) is in three items, national defense, income security—which you really cannot touch—and the Veterans' Administration.

The veterans' benefits basically are entitlements and there is no way you can reach them by law, no way. I think I could sit down and regardless of what the gentleman wrote in, it would not affect the veterans, not the veterans' pension fund, not the veterans' compensation fund. But, Mr. Chairman, I just do not like to be legislating in the way that this amendment does it. I think it is going to be very difficult to vote against this amendment.

I think it is going to be very difficult to vote against this amendment; but if we are going to be responsible, we ought to strike out those three items. If we do that, we ought to strike the whole thing out.

Mr. FISHER. Mr. Chairman, will the gentleman yield?

Mr. ROBERTS. I will be happy to yield to the gentleman from Virginia.

Mr. FISHER. Mr. Chairman, I simply want to point this out, that the only numbers in the resolution which are legally binding are four or five totals. The categories are shown, but those are not legally binding.

Therefore, if there is an entitlement in a veterans' program which, by law, has to be paid, then the administration would have to find slack elsewhere in the budget to meet that obligation.

Mr. ROBERTS. If I may reply to the gentleman, Mr. Chairman, what would happen is that it would close eight VA hospitals. That is about what it would cost to operate eight VA hospitals. The medical program is not under entitlements.

Mr. Chairman, the amendment is a bad one; and despite the fact that it is difficult to vote against it, I hope it will be defeated.

Mr. MAHON. Mr. Chairman, will the gentleman yield?

Mr. ROBERTS. I yield to the gentleman from Texas.

Mr. MAHON. Mr. Chairman, the gentleman from Texas (Mr. ROBERTS) has highlighted the problem with which we are confronted.

We cannot, and should not, in the budget resolution come to grips with every detail in the budget. I do not think the House ought to place itself in the position of attempting to make reductions in appropriation bills in this manner.

Mr. Chairman, I applaud the gentleman from Texas (Mr. ROBERTS) for his opposition to the amendment.

Mr. ROBERTS. The amendment would not achieve the purpose at all.

Mr. FISHER. Mr. Chairman, if the gentleman will yield further, I would like to respond to the point made by the most respected chairman of the Committee on Appropriations.

Mr. ROBERTS. If the gentleman would care to respond to me, fine. Otherwise the gentleman can get his own time.

Mr. Chairman, I yield back the balance of my time.

Mr. DERRICK. Mr. Chairman, I move to strike the requisite number of words, and I rise in opposition to the amendment.

Mr. Chairman, we have done a great deal in the budget process over the last 3 years. We finally end up here today where we have a deficit figure which is around $39 billion, and we have done that in a responsible manner.

Mr. Chairman, budgeting is not an easy task. This is a large Federal Government. It cannot be changed dramatically in 1 day. However, the important thing to this House, and the important thing to those who we represent, is that we are heading in the right direction.

We have a deficit which is some $25 or $26 billion less than we had 3 years ago. With all due respect to my dear friend, the gentleman from Virginia (Mr. FISHER), a very able member of the committee, I rather think a meat-axe approach is not too responsible.

I know that we are not willing to go back to our districts and tell those people who depend on us, the aged, the 33 million Americans who depend on social security, those who do not have enough to live on today and who are suffering from the ravages of inflation, that we are going to vote to cut their income security programs by $1.7 billion.

I know that we are not willing to go back to our districts and tell those people who are so concerned about our country's defense posture in the world today, and how we stand relative to the Soviet Union, that we voted to cut, in a meat-axe approach, $1.2 billion in defense outlays. We are not willing to reduce veterans' benefits by the sum of $227 million and also funds for the administration of justice. A burning issue, at least in many of the polls that I have seen, is crime in this country.

The Fisher amendment calls for us to cut back in these areas. Let us continue to be responsible with our budget process, as we have been over the last 3 years. Let us do what we are charged to do in a responsible manner. Let us not act in a harum-scarum manner here, so that we can go back to our constituents and tell them that as "great statesmen" we voted to cut those terrible Federal expenditures but not tell them that we cut those programs that they are so vitally interested in.

Mr. LEVITAS. Mr. Chairman, will the gentleman yield?

Mr. DERRICK. I am delighted to yield to the gentleman from Georgia.

Mr. LEVITAS. I thank the gentleman for yielding and would like to state that I intend to vote against the Fisher amendment.

Mr. DERRICK. I am delighted to hear that.

Mr. LEVITAS. I am pleased the gentleman from South Carolina is delighted, and I know one of the reasons the gentleman is delighted is that I have consistently voted for every single across-the-board cut on appropriations bills that have come up. Frankly, I think a 1-percent cut is too little. That is one of the reasons I voted for the Holt amendment which would have been a $10 billion reduction.

Mr. DERRICK. If I might interject right at this point, I think it was Shakespeare who said that consistency is the hobgoblin of little minds. I would not put the gentleman in that category.

Mr. LEVITAS. I recall hearing that on one of these occasions. Let me tell the gentleman one of the reasons—there are several reasons—I think the appropriations process is where we should cut across the board, and I am happy to say that we have exercised that power.

Also, each of the amendments offered to cut appropriations by the gentleman from Ohio (Mr. MILLER) or others, has always had a safeguard which says we will cut 2 percent across the board, but no program shall be cut more than 5 percent. In the Fisher amendment we do not have that important cap and as a result we will be cutting some programs more than others, where we take the entitlement programs into account, such as income security programs, which are entitlements; veterans' benefits, which are entitlements; food programs, which are entitlements; general revenue sharing, which is an entitlement. Therefore, what we are going to do is not cut national defense by only $1.1 billion since it is not an entitlement; we are going to be cutting it by $2 or $3 billion or more. We are going to be deeply cutting health programs and other programs by not just one or two percent but in many instances by much, much more because entitlements are protected and appropriations are not. I do not think that is a responsible way to cut in the budget resolution.

Mr. DERRICK. The gentleman's remarks are well taken, and I commend him on his vote he is about to make.

Mr. FISHER. Mr. Chairman, will the gentleman yield?

Mr. DERRICK. I yield to the gentleman from Virginia.

Mr. FISHER. I thank my colleague very much for yielding.

A few moments ago my colleague in his inimitable good-natured way castigated me for a meat-ax approach—it is a small meat ax, the gentleman will have to concede, 1 percent—and not being willing to face my constituents or anybody else and say where I would make

the cuts. I am the first one to come along today, I guess, with a reduction amendment in which the cuts are specified category by category. I am quite willing to face that music.

Mr. DERRICK. May I say this to the gentleman from Virginia that sitting there and reading his amendment, I was about to get up and compliment him on that fact until, if he will allow me to say so, he started equivocating with the gentleman from Texas (Mr. ROBERTS) on where it would lead.

Mr. FISHER. No, if I may respond.

Mr. DERRICK. I thought the gentleman started to equivocate. He was hedging there a little bit, I will say to my dear friend.

Mr. FISHER. No, I would not call that a hedge unless, indeed, truth is a hedge.

The CHAIRMAN. The time of the gentleman has expired.

(At the request of Mr. FISHER, and by unanimous consent, Mr. DERRICK was allowed to proceed for 4 additional minutes.)

Mr. DERRICK. "Quibbling," is any attempt to impart a false impression, or conceal a fact using a technicality which in itself may be a true statement.

Mr. FISHER. Of course, my colleague understands that if I wanted to conceal anything, I would not have responded to the gentleman from Texas (Mr. ROBERTS). Instead, I came right out with it and said, indeed, what is the law that only the totals are binding? And, of course, if some category has legal entitlements that carry it up so that it cannot accommodate the 1-percent cut, then something else has to give or we have to come back for a supplemental appropriation. This is well known, and I make no attempt to conceal it.

Mr. DERRICK. If the gentleman does not believe that the statute would support the specifics as outlined in the amendment, I know the gentleman might not well have included it.

Mrs. FENWICK. Mr. Chairman, I move to strike the requisite number of words. I rise in support of the amendment.

Mr. Chairman, I will not take the 5 minutes. You know, we listen and listen in this House. We have been asked if we would be willing to go back to those poor people who can hardly live on the money they get through welfare or social security. Of course, we would not be willing, because we are not thinking of doing that. We are not asking that those benefits be cut. We are asking that the benefits, indeed, be raised, but only that the raise be a little bit slowed down.

Passion is poured out on this floor in praise of our responsibility. We are not totally responsible, and we know it. We have a gallant chairman of our Budget Committee and a gallant ranking member and they try; but can they control this House? No, they cannot.

What did we fail to do right in the beginning? We failed, because we did not at the outset of the budget process, in the first resolution, set some kind of ceiling on what we were going to spend, a total into which all these programs could have been fitted. It was because we did not want to, because we have powerful people on this floor who will not give up an appropriation desired by some special interest group.

I yield to no one in this House in voting against spending. I have voted against appropriations one by one as they come up, at great cost from the standpoint of popularity; but we are fooling ourselves if we talk about fiscal responsibility here. If there are entitlements, who made those entitlements? We did. If they have built-in costs, who built them in? We did.

There is no use for all this grand talk. No one is proposing to keep these programs at the present level. Neither am I. But I am sure there is not a veteran or a person on social security or any of these unfortunate people referred to so movingly who would not be happy with a 7-percent rise, and that is all we are saying. In fact, it would be more.

We have heard much talk about the tremendous unemployment of our central cities and of our young blacks; is anybody in this House more concerned than I am? I do not think so. In every committee on which I sit, I concern myself with this problem. But try to take any money out of public service jobs and put it in that area and see what happens. We try to fool everybody. We are simply playing games. The citizens are going to understand perfectly well whether or not it makes sense to say that we have $480 billion or $490 billion to spend, and we cannot even cut $4 billion out of it. We know perfectly well we could. We have Amtrak trains running and we will not even cut the trains that cost $100 per passenger.

Mr. GIAIMO. Mr. Chairman, will the gentlewoman yield?

Mrs. FENWICK. I yield to the distinguished chairman.

Mr. GIAIMO. Mr. Chairman, you know part of the problem, and I think the gentlewoman points up the very real problem we face in this country. I know that both the gentlewoman and I have been trying our darnest to cut expenditures.

Mrs. FENWICK. We have.

Mr. GIAIMO. And I think we have to try even harder to do so. I think there are areas where we can make cuts. I think there are areas where we can have reductions. I think we have made a start this year.

Mrs. FENWICK. I do, too.

Mr. GIAIMO. But we are at the end of the year now.

If the gentlewoman will yield further, and I will get the gentlewoman some more time, let me say the appropriate committees have exercised their functions. We have cut their bills on the floor. I am sure both the gentlewoman and I tried to take the 2 percent out of a lot of those bills and in many instances we were successful, but it is finished. It is over now and those bills are going over to the other body. We will have conferences and we will come out with figures that might be even higher than they are now. What will be the result if we cut this resultion now? We will have a $5 billion reduction in budget authority and $5 billion in outlays.

What will happen? I doubt very much if the other committees will go back to their deliberations and look around to see where they can find their portion of that $5 billion. They will not do it, and we will then be faced with a budget resolution that will have $5 billion less. So at some point in the fiscal year we will hit up against the ceilings. When we do that, we are either going to have to stop programs or we are going to have to come back here with a third budget resolution and adjust the figures to what the authorizing committees and the appropriating committees have done. That is the problem.

Mrs. FENWICK. Maybe the gentleman and I ought to have a heart-to-heart talk.

Mr. GIAIMO. I would be delighted to have a heart-to-heart talk with the gentlewoman.

Mrs. FENWICK. But maybe we cannot do it on the floor of the House.

Mr. GIAIMO. That is what we are doing now, I am told.

Mrs. FENWICK. It never seems to be the right moment to cut spending. When we want to start right at the beginning of the process, we are told that is not the time to consider spending controls.

The CHAIRMAN. The time of the gentlewoman from New Jersey (Mrs. FENWICK) has expired.

(On request of Mr. ROUSSELOT, and by unanimous consent, Mrs. FENWICK was allowed to proceed for 2 additional minutes.)

Mr. ROUSSELOT. Mr. Chairman, will the gentlewoman yield?

Mrs. FENWICK. Yes, I yield to the gentleman from California.

Mr. ROUSSELOT. Mr. Chairman, I appreciate my colleague's yielding.

I think the gentlewoman from New Jersey (Mrs. FENWICK) has made an excellent point. Unfortunately, although I know the chairman of my committee has worked very hard in many areas to make substantial cuts when authorization and appropriation bills have been before us, the argument that he uses that our committees will not respond to what we do in this budget resolution is the same argument that was made against proposition 13, that the county and city governments would not be responsible in adjusting their expenditures downward. But they did. They have not all done it perfectly, but they did.

I believe that this House of Representatives, for this relatively small cut, would be just as responsible as the cities and counties of California were in responding to the passage of proposition 13.

Mr. Chairman, I think that is what the gentlewoman from New Jersey was trying to say.

Mrs. FENWICK. I was not really thinking of proposition 13.

Mr. GIAIMO. Mr. Chairman, will the gentlewoman yield further?

Mrs. FENWICK. I yield to the chairman of the committee.

Mr. GIAIMO. Mr. Chairman, the gentlewoman may well be right. All I am saying is that it is much more difficult to do this at the time of the second budget resolution, when the other com-

mittees have done all their work, than it is to do it at the beginning of the year when they begin to consider these bills.

Mrs. FENWICK. But, Mr. Chairman, let me say to the gentleman that we cannot get the votes to control it at the beginning. We just cannot get the votes. We have a two-thirds majority of one party in this House, but the House refuses to vote for a control like this. Oh, yes, there are fiscal heroes over here, and there are some over there, too, although I see some who are not.

We do not seem to be able to come to grips with this. Could we agree right now, those of us who may come back next year, that we could start to solve this problem by setting a ceiling and fitting the pieces under that ceiling?

Is there any Member here who would agree to that? I have heard the eloquent Members who have spoken, including the gentleman from Wisconsin (Mr. OBEY) and my colleague, the gentleman from South Carolina (Mr. DERRICK).

Would the Members be willing next year to start on some really rational program? I wonder.

Mr. HUGHES. Mr. Chairman, I move to strike the requisite number of words.

Mr. Chairman, I will try to be brief.

Mr. Chairman, I am a little troubled by some of the things I have heard today about the budget process. I want, first of all, to congratulate our colleague, the gentleman from Connecticut (Mr. GIAIMO), the chairman of the Committee on the Budget, because I think he does a good job considering all the problems that exist in trying to formulate a budget that will carry out all of our needs and aspirations and at the same time stay within fiscal bounds.

One of the reasons I voted for the first budget resolution was because the chairman of the committee convinced me that they were just temporary budget targets. I was unhappy, first of all, with the size of the outlays, and I was unhappy with the size of the deficit. But the committee chairman, along with our colleague, the gentleman from Wisconsin (Mr. OBEY), convinced me that I should vote for the first concurrent resolution because the job was to work on a piece-by-piece basis as the legislation came before us in trying to cut expenditures, which is what Americans want us to do.

I do not know of very many programs that we have underway in this Congress that are not needy and very worthwhile, and that is the difficulty when we come to the point of trying to cut specific projects and programs. All these programs are needed, but unfortunately we do not have enough dollars to fund them.

One of the reasons a so-called meat-ax approach is so attractive is because it does offer an opportunity to try to strike a balance as we cut outlays. That is what the taxpayers expect us to do. One of the arguments I have heard today is that we should now vote against the Fisher amendment because we have already sent the major appropriation bills across to the Senate.

Mr. Chairman, it seems to me that there is something wrong, then, with the process if we say that it is too late now because we have already done the damage and it was too early back in May because they were only temporary targets. That, to me, does not make sense. I frankly support the Fisher amendment because I think there is 1 percent fat in all of the functional categories we have talked about. We have enough fraud and abuse, we have enough duplication and overlapping, and we have enough waste in the Federal bureaucracy that we can surely find areas to cut 1 percent. I would urge my colleagues to support what I consider to be a responsible and a reasonable amendment. It is what the American public wants and expects of us as their national leaders.

Mr. ROUSSELOT. Mr. Chairman, will the gentleman yield?

Mr. HUGHES. I yield to the gentleman from California.

Mr. ROUSSELOT. I thank the gentleman for yielding, and I want to say that I think the gentleman is very wise to bring up the fact that the General Accounting Office has indicated in many, many reports that they have found fraud and abuse exceeding $25 billion in the expenditure of funds. So on that issue alone, this would force many of these agencies to really look at that issue and save.

Mr. HUGHES. I thank my colleague for his remarks.

The CHAIRMAN. The time of the gentleman from New Jersey (Mr. HUGHES) has expired.

(On request of Mr. MITCHELL of Maryland and by unanimous consent, Mr. HUGHES was allowed to proceed for 1 additional minute.)

Mr. MITCHELL of Maryland. Mr. Chairman, will the gentleman yield?

Mr. HUGHES. I yield to the gentleman from Maryland.

Mr. MITCHELL of Maryland. Mr. Chairman, I do not quarrel with what the gentleman is saying, but I think the record has to be made clear that in the second budget resolution that is before us, in almost every one of the functional categories we have reduced the targets, we have reduced the spending from what it was in the first budget resolution. So the process does work. There have been some intervening factors which have caused us to come in now with a deficit which will be below $40 billion, way below what was first envisioned in the first budget resolution.

Mr. HUGHES. If I may reclaim my time, I do not quarrel one bit with the statement the gentleman has made. I think the Budget Committee has done a credible job. I know somewhat about the pressures that the Budget Committee is subjected to. I know every chairman views his own particular committee's work as the most responsible and the most needy of programs.

The CHAIRMAN. The time of the gentleman from New Jersey (Mr. HUGHES) has again expired.

Mr. HUGHES. Mr. Chairman, I ask unanimous consent that I may be allowed to proceed for 1 additional minute.

The CHAIRMAN. Is there objection to the request of the gentleman from New Jersey?

Mr. BEARD of Tennessee. Mr. Chairman, reserving the right to object, I do not plan to object but I would like to say that we have gone through this procedure for the last several hours on the other amendments, and I plan to object to any requests for additional time because I think we have beaten this horse to death. I just want to say that after this I will object.

Mr. HUGHES. Mr. Chairman, I withdraw my unanimous-consent request.

Mr. CORMAN. Mr. Chairman, I move to strike the requisite number of words.

Mr. Chairman, I am concerned about the amendment as it relates to function 600, income security because almost all of the expenditures under that function are entitlement, and there is no possibility of there being any cuts. So instead of having a 1-percent or a 2-percent cut across the board, we would see an elimination of at least two programs that this House has considered fairly important. One is the money we intended to spend to assist severally disabled to move into the employment market. We did that just a week ago, with only five votes against it.

We sent over to the Senate a year ago last April a program for about $75 million to try to get little children out of orphan homes and into adoptive homes. That program would have to be eliminated because it is not entitled to the program.

Mr. Chairman, I would urge defeat of the amendment. I know we all like to think of ourselves as fiscal heroes. That is the way I felt when I voted against cutting the Federal income tax 33⅓ percent last week.

Mr. PERKINS. Mr. Chairman, I move to strike the requisite number of words, and I rise in opposition to the amendment.

Mr. Chairman, first, let me state that I will not take the 5 minutes. I personally wish to compliment the Budget Committee for doing what I think is a wonderful job.

I know that during the Budget Committee's process of scrutinizing all these appropriations and authorizations, we had much difficulty before the Budget Committee to get them to approve certain appropriations for our educational legislation. Now, this amendment will cut education and the training programs back by $338 million. I want to inform the gentleman that his amendment is just too drastic insofar as the welfare of education is concerned.

It would be my hope that such a meat ax approach as this, where it will apply to some of the most worthy programs after they have been so carefully scrutinized already by the Budget Committee should not be considered by the committee. I want to say that the gentleman's amendment should be voted down.

Mr. JOHNSON of California. Mr. Chairman, I move to strike the requisite number of words, and I rise in opposition to the amendment.

Mr. Chairman, speaking as chairman of the Committee on Public Works and Transportation, there are a number of items here that would be drastically cut back. We worked very closely with the Budget Committee on the first resolution to make sure that all of our matters of concern were worked out with them. Then, we worked very closely with the Appropriations Committee to make sure that those projects that were underway were financed properly by the appropriations allowed by the Appropriations Committee. We have worked very closely with the Budget Committee, and I want to commend the gentleman from Connecticut (Mr. GIAIMO) for the very fine work of his committee in receiving all of the matters of concern from the Committee on Public Works and Transportation.

Our budget experts have worked with him. We have tried to comply and cut back in every way we could, but there are a number of items here that will be touched by the Fisher amendment. Therefore, I stand in opposition to the amendment, and hope that the House will vote down the Fisher amendment.

Mr. PICKLE. Mr. Chairman, I move to strike the requisite number of words, and I rise in support of the Fisher amendment.

Mr. Chairman, on many of the amendments we have had today and in recent days, there is much speculation and many assumptions made that they might or might not reduce our deficit. This amendment is real; it is specific. It may be the very best way to show that we are trying to tighten our belts. I would hope that it passes.

I recognize fully that in every category, every chairman and every related group can feel that this might also cut into their programs. We will all accept that, but this is perhaps the best, if not the last, chance today for us to make a meaningful cut in the overall budget deficit. I would, therefore, recommend that the Fisher amendment be agreed to.

Mr. FISHER. Mr. Chairman, will the gentleman yield?

Mr. PICKLE. I yield to the gentleman from Virginia.

Mr. FISHER. Mr. Chairman, I thank the gentleman from Texas for his support. I would like to say just a couple of things. These same arguments that are being raised here this afternoon against this $5 billion cut, 1 percent, were raised against the 2-percent cut I offered 3 months ago. Now the Budget Committee, on which I am proud to serve, comes back with the 2-percent cut, and argues against any further cut with exactly the same points.

I claim that the situation has moved along. The economic outlook is good, unemployment is down, and now is the time to take another little bite out of the expenditures. This is my judgment.

People everywhere in the country are clamoring for budget restraint. You hear it everywhere you go. How can we tell these people that we cannot manage a 1-percent cut? How can we tell the housewife faced with a tight budget that we cannot do that? How can we tell the small businessman, or the big businessman either, that we cannot do it? The answer is that we can do it.

Sure, it will hurt here and there a little bit, and I recognize that different Members will of course step forward to defend this program or the other one, but I have been perfectly straightforward in this amendment and told all the Members what the cut would be for defense or income maintenance, for agriculture and everything else.

There is no use any longer trying to vote for cuts in the abstract without knowing what they mean to particular programs. I believe the people of the country will respond to this and give us some credit for trying to achieve a practical, manageable cut and being men and women enough to say what is going to have to be reduced. So I do urge, in the name of commonsense and in the name of what I believe the people of this country want, I do urge the Members to vote for this modest, achievable, practical reduction and restraint in expenditures.

Mr. BURKE of Massachusetts. Mr. Chairman, I move to strike the requisite number of words.

Mr. Chairman, I am not going to take much time here, but I do note that the gentleman from Virginia is offering an amendment that will cut close to $2 billion from social security benefits. In other words, every person in your district is going to feel this cut of $2 billion at a time when we are facing the highest inflation in our history.

I say it would be outrageous to adopt this amendment and I hope it is defeated.

The CHAIRMAN. The question is on the amendment offered by the gentleman from Virginia (Mr. FISHER) to the amendment in the nature of a substitute offered by the gentleman from Connecticut (Mr. GIAIMO).

The question was taken; and the Chairman announced that the noes appeared to have it.

RECORDED VOTE

Mr. HUGHES. Mr. Chairman, I demand a recorded vote.

A recorded vote was ordered.

The vote was taken by electronic device, and there were—ayes 155, noes 241, not voting 36, as follows:

[Roll No. 710]

AYES—155

Abdnor	Badham	Brown, Ohio
Ammerman	Bafalis	Broyhill
Anderson, Calif.	Baucus	Burgener
	Bauman	Butler
Andrews, N. Dak.	Beard, Tenn.	Caputo
	Blouin	Carr
Applegate	Bonker	Cavanaugh
Archer	Bowen	Cederberg
Armstrong	Breaux	Clausen, Don H.
Ashbrook	Broomfield	
AuCoin	Brown, Calif.	Clawson, Del
Cochran	Hillis	Preyer
Cohen	Hubbard	Pritchard
Collins, Tex.	Hughes	Pursell
Conable	Ireland	Quayle
Corcoran	Johnson, Colo.	Quie
Coughlin	Kemp	Regula
D'Amours	Keys	Roncalio
de la Garza	Kindness	Rousselot
Devine	Kostmayer	Ruppe
Dickinson	Krebs	Santini
Dornan	LaFalce	Sawyer
Edwards, Ala.	Latta	Schroeder
Edwards, Okla.	Leach	Sebelius
Emery	Leggett	Seiberling
English	Lent	Sharp
Erlenborn	Lott	Shuster
Ertel	Lujan	Skubitz
Evans, Del.	Luken	Smith, Nebr.
Evans, Ga.	Lundine	Snyder
Fenwick	McClory	Spellman
Findley	McCloskey	Stangeland
Fish	McCormack	Stanton
Fisher	Marks	Stark
Forsythe	Marriott	Steers
Frenzel	Martin	Steiger
Gammage	Mathis	Stockman
Gaydos	Mattox	Stump
Gephardt	Michel	Thone
Gibbons	Miller, Ohio	Traxler
Glickman	Minish	Treen
Goldwater	Moffett	Vanik
Goodling	Moore	Volkmer
Gradison	Moorhead, Calif.	Walgren
Grassley		Walker
Hall	Mottl	Weaver
Hamilton	Murphy, Pa.	Winn
Hammer-schmidt	Myers, Gary	Wirth
	Myers, John	Wolff
Hannaford	Nowak	Wydler
Hansen	Panetta	Wylie
Harkin	Pettis	Yatron
Harris	Pickle	
Heftel	Pike	

NOES—241

Addabbo	Delaney	Kastenmeier
Akaka	Derrick	Kazen
Alexander	Dicks	Kelly
Ambro	Dingell	Kildee
Anderson, Ill.	Dodd	Krueger
Andrews, N.C.	Downey	Lagomarsino
Annunzio	Drinan	Lederer
Ashley	Duncan, Oreg.	Lehman
Aspin	Duncan, Tenn.	Levitas
Baldus	Early	Livingston
Barnard	Eckhardt	Lloyd, Calif.
Beard, R.I.	Edgar	Long, La.
Bedell	Edwards, Calif.	Long, Md.
Bellenson	Eilberg	McDade
Benjamin	Evans, Colo.	McEwen
Bennett	Evans, Ind.	McFall
Bevill	Fary	McHugh
Biaggi	Fascell	McKay
Bingham	Fithian	McKinney
Blanchard	Flippo	Madigan
Boggs	Flood	Maguire
Boland	Florio	Mahon
Bolling	Foley	Mann
Bonior	Ford, Mich.	Markey
Brademas	Ford, Tenn.	Marlenee
Breckinridge	Fountain	Mazzoli
Brinkley	Fowler	Meeds
Brodhead	Fuqua	Metcalfe
Brooks	Garcia	Mikulski
Brown, Mich.	Giaimo	Mikva
Buchanan	Gilman	Milford
Burke, Fla.	Ginn	Mineta
Burke, Mass.	Gonzalez	Mitchell, Md.
Burleson, Tex.	Gore	Mitchell, N.Y.
Burlison, Mo.	Green	Moakley
Burton, John	Gudger	Mollohan
Burton, Phillip	Guyer	Montgomery
Byron	Hanley	Moorhead, Pa.
Carney	Harsha	Murphy, Ill.
Carter	Hawkins	Murphy, N.Y.
Chappell	Heckler	Murtha
Chisholm	Hefner	Myers, Michael
Clay	Hightower	Natcher
Cleveland	Holland	Neal
Coleman	Hollenbeck	Nedzi
Collins, Ill.	Holt	Nichols
Conte	Holtzman	Nix
Conyers	Horton	Nolan
Corman	Howard	Oakar
Cornell	Hyde	Oberstar
Cornwell	Ichord	Obey
Cotter	Jeffords	Ottinger
Crane	Jenkins	Patten
Cunningham	Johnson, Calif.	Patterson
Daniel, Dan	Jones, N.C.	Pattison
Daniel, R. W.	Jones, Okla.	Pease
Danielson	Jones, Tenn.	Pepper
Davis	Jordan	Perkins

Poage	Ryan	Vento
Pressler	Sarasin	Waggonner
Price	Satterfield	Walsh
Quillen	Scheuer	Wampler
Rahall	Simon	Watkins
Railsback	Skelton	Waxman
Rangel	Slack	Weiss
Reuss	Smith, Iowa	Whalen
Rhodes	Solarz	White
Richmond	Spence	Whitehurst
Rinaldo	St Germain	Whitley
Roberts	Staggers	Whitten
Robinson	Steed	Wiggins
Roe	Stratton	Wilson, Bob
Rogers	Studds	Wilson, Tex.
Rooney	Symms	Wright
Rose	Taylor	Yates
Rosenthal	Thornton	Young, Fla.
Rostenkowski	Trible	Young, Mo.
Roybal	Tucker	Zablocki
Rudd	Udall	Zeferetti
Runnels	Ullman	
Russo	Van Deerlin	

NOT VOTING—36

Burke, Calif.	Jacobs	Schulze
Dellums	Jenrette	Shipley
Dent	Kasten	Sikes
Derwinski	Le Fante	Sisk
Diggs	Lloyd, Tenn.	Stokes
Flowers	McDonald	Teague
Flynt	Meyner	Thompson
Fraser	Miller, Calif.	Tsongas
Frey	Moss	Vander Jagt
Hagedorn	O'Brien	Wilson, C. H.
Harrington	Risenhoover	Young, Alaska
Huckaby	Rodino	Young, Tex.

The Clerk announced the following pairs:

On this vote:

Mr. McDonald for, with Mr. Thompson against.

Messrs. SKELTON, MURPHY of Illinois, BYRON, WEISS, BUCHANAN, MARLENEE, KELLY, FITHIAN, and LIVINGSTON changed their vote from "aye" to "no."

Messrs. HEFTEL, ENGLISH, and PREYER changed their vote from "no" to "aye."

So the amendment to the amendment in the nature of a substitute was rejected.

The result of the vote was announced as above recorded.

AMENDMENT OFFERED BY MR. LEVITAS TO THE AMENDMENT IN THE NATURE OF A SUBSTITUTE OFFERED BY MR. GIAIMO

Mr. LEVITAS. Mr. Chairman, I offer an amendment to the amendment in the nature of a substitute.

The Clerk read as follows:

Amendment offered by Mr. LEVITAS to the amendment in the nature of a substitute offered by Mr. Giaimo:

In the matter relating to the appropriate level of total new budget authority reduce the amount by $753,000,000;

In the matter relating to the appropriate level of total budget outlays reduce the amount by $753,000,000;

In the matter relating to the amount of the deficit reduce the amount by $753,000,000;

In the matter relating to the appropriate level of the public debt reduce the amount by $753,000,000;

In the matter relating to the amount by which the statutory limit on the public debt should accordingly be increased, reduce the amount by $753,000,000.

In the matter relating to function 850: General Purpose Fiscal Assistance reduce the amount for budget authority by $700,000,000; and reduce the amount for outlays by $700,000,000.

In the matter relating to function 900: Interest on the national debt reduce the amount for budget authority by $53,000,000; and reduce the amount for outlays by $53,000,000.

Mr. LEVITAS (during the reading). Mr. Chairman, I ask unanimous consent that the amendment be considered as read and printed in the RECORD.

The CHAIRMAN. Is there objection to the request of the gentleman from Georgia?

Mr. WYDLER. Mr. Chairman, reserving the right to object, I wonder if the gentleman in the well can tell us if the effect of the gentleman's amendment would be to eliminate all funds from the budget for any type of countercyclical programs?

Mr. LEVITAS. Mr. Chairman, if the gentleman will yield, it would reduce by $700 million the amount of budget authority for countercyclical programs and would reduce by $53 million the interest on the national debt.

Mr. WYDLER. Mr. Chairman, what would be left if the amendment were to pass in the program?

Mr. LEVITAS. Just about $500 billion.

Mr. WYDLER. I said in the program, in the countercyclical program.

Mr. LEVITAS. In the countercyclical program, nothing.

Mr. WYDLER. Nothing?

Mr. LEVITAS. Nothing.

Mr. WYDLER. Mr. Chairman, I withdraw my reservation of objection.

The CHAIRMAN. Is there objection to the request of the gentleman from Georgia (Mr. LEVITAS) that the amendment be considered as read and printed in the RECORD?

There was no objection.

Mr. LEVITAS. Mr. Chairman, this amendment would have the effect of reducing the interest on the national debt by $53 million, it would bring the deficit under this bill to approximately $39.2 billion, and it would eliminate entirely the so-called supplemental fiscal assistance program.

Supplemental fiscal assistance was purported to be the son of countercyclical. Countercyclical was to phase out as unemployment reached 6 percent, and then it would no longer be in effect. Instead, the administration, at the last minute, sent over a new program called supplemental fiscal assistance. That program is a brandnew permanent program as sort of an add-on to revenue sharing. We already spend $6.1 billion a year in revenue sharing.

The proposed program was so poorly targeted that many very wealthy communities such as Greenwich, Conn., and the affluent district represented by my colleague, the gentleman from New York (Mr. WYDLER)—and these are very affluent communities, communities not in need—would continue to receive substantial funds because there was no targeting.

Instead of targeting on the communities in need, we would be spreading even more money out across the country to State and local governments in which we see budget surpluses at a time when the Federal Government is operating at an enormous deficit, as we all know today.

The present countercyclical program, as has been said by the GAO, is not working, but at least it had the merit of phasing out. Now, instead, we have a new program by which, in addition to the 17,000 communities and local governments covered by countercyclical, we would increase the number of communities covered to 28,000.

Mr. Chairman, we would, by this program which was supposed to have been targeted declare that 70 percent of all local governments in the United States ar suffering from fiscal distress. That is just not the case. What we do need is a targeted program but we do not have one.

As a result, the subcommittee of the Committee on Government Operations which considered this bill voted to postpone indefinitely further consideration of it so that next year a true, meaningful, and targeted countercyclical program can be developed. The House of Representatives has no pending legislation before it which would create this program. The Senate committee has reported out a substitute program. We should let them put it in their budget, but I think it would be wrong for us to add to our deficit by including it in our budget. I think we properly ought to relieve ourselves of that burden.

Mr. BROWN of Ohio. Mr. Chairman, will the gentleman yield?

Mr. LEVITAS. I yield to the gentleman from Ohio.

Mr. BROWN of Ohio. Mr. Chairman, is it not true that this is what happened with this particular program: When we got down below 6 percent in national unemployment, the program on countercyclical fiscal assistance was no longer operable. The way we originally wrote it was that if we had less than 6 percent unemployment at the national level for 3 months, there was no need for countercyclical aid and we did not need a countercyclical program. We are very close to reaching that cutoff point in the program in the current quarter.

So what happened was that many of the cities that had gotten used to spending the money came to Washington and said to the administration, "We have got to continue getting some money. You just can't end the money. The recession that this was designed to try to resolve or ameliorate is over, but you have still got to give us some money."

So the administration tried to craft a program that would get the maximum support in a political sense, and the result was a program that helped some of the major resort cities of the country where the superrich go to play. It helped some of the superrich communities of the country, too. But the people who pay the taxes under that fiscal assistance program are the middle-income taxpayers in the average cities where we find about the average per capita income around the country.

The CHAIRMAN. The time of the gentleman from Georgia (Mr. LEVITAS) has expired.

(On request of Mr. BROWN of Ohio, and by unanimous consent, Mr. LEVITAS was allowed to proceed for 3 additional minutes.)

Mr. BROWN of Ohio. Mr. Chairman, will the gentleman yield further?

Mr. LEVITAS. I yield to the gentleman from Ohio.

Mr. BROWN of Ohio. As a matter of fact, in a State like my own, the result of the administration's proposed program would have been that the major cities in my State would get back, on a per capita basis, something like $3 for every $4½ that they would pay in taxes. But areas like Greenwich and Bridgeport, Conn., which are among the highest per capita income areas in the country, would have gotten a very good deal from that arrangement, and also the Hamptons in Long Island.

Mr. LEVITAS. Mr. Chairman, the gentleman is absolutely correct. The one virtue countercyclical had was that it would cycle out when unemployment reached 6 percent. Instead, what we are talking about is a poorly targeted program, literally scattering money around the country, with a mindless formula, and this is not the way we should treat the tax dollars of the people across this land. If the people of California want to vote for proposition 13 and reduce local taxes, fine. But they should not then look to the Federal Government to make up the difference in whole or in part; and that is exactly what we are being asked to do in this program.

The House committee has eliminated this program. Why should we include in our program something the House committee has eliminated? Let the Senate deal with it in their own way.

Mr. BROWN of Ohio. I thank the gentleman for his comment. If there is any way we can cut and save in this budget without doing damage to the needs of our society, it is clearly in this one.

Mr. REGULA. Mr. Chairman, will the gentleman yield?

Mr. LEVITAS. I yield to the gentleman from Ohio.

Mr. REGULA. I thank the gentleman for yielding.

Mr. Chairman, the gentleman said in his statement that what we needed is a target program. Would the gentleman agree in fact that the Senate Finance Committee bill is a targeted program?

Mr. LEVITAS. I am glad the gentleman raised that question. I think the Senate finance bill, if anything, may be worse than the supplemental fiscal assistance. I will tell you why. It has two titles to it.

The CHAIRMAN. The time of the gentleman from Georgia (Mr. LEVITAS) has expired.

(On request by Mr. REGULA and by unanimous consent, Mr. LEVITAS was allowed to proceed for 1 additional minute.)

Mr. LEVITAS. Title I is an extension of the present countercyclical program, which GAO has said is bad. My dear friend, the gentleman from Wisconsin, has said repeatedly it is not a good program. That is title I. When title I triggers out at 6 percent, they have another program setting off in the wings, and that new program that is going to come in is a program that takes $650 million, as I recall it, and says you can either get it under general revenue sharing, or some other formula similar to fiscal assistance. So you take your choice wherever you get the most money. I agree that there are many cities and counties which do need additional aid. I think we need to target it. This legislation does not. I think we in the House ought to let it go, and if it gets to conference, let them work it out.

Mr. REGULA. This budget resolution does not propose to target anything. We simply put the cap on the amount to be expended and we leave it to the authorizing committee to do the targeting, the committee on which the gentleman is a member. Is the gentleman suggesting there would be no bill dealing with countercyclical coming out of this House in this session?

Mr. LEVITAS. I do not see legislation coming out unless the administration submits a piece of legislation that makes vastly more sense than anything we have seen so far.

Mr. BROWN of Ohio. Mr. Chairman, will the gentleman yield?

Mr. LEVITAS. I yield to the gentleman from Ohio.

Mr. BROWN of Ohio. The unemployment rate in this country is going down. It is one of the few economic successes we have. Since that is the case, that we are having the unemployment rate reduced, why do we need a countercyclical program at this time?

Mr. REGULA. Mr. Chairman, will the gentleman yield so that I may respond?

Mr. LEVITAS. I yield to the gentleman from Ohio.

Mr. REGULA. Mr. Chairman, the answer to the gentleman's question is that the unemployment rate nationally is going down, but that does not necessarily mean it is going down in the targeted areas.

Mr. MITCHELL of Maryland. Mr. Chairman, I move to strike the requisite number of words.

Mr. Chairman, I think that the House Budget Committee acted in a very responsible fashion by leaving some target money in here for countercyclical programs. It is quite clear to me that the gentleman from California is right, that while unemployment has gone down, it has not gone down across the board and remains high in our urban areas. Therefore, the urban areas continue to remain distressed.

I am not going to belabor the point. I think we ought to vote down the amendment, but I want to confess to all Members here tonight that if I ever leave the city of Baltimore and change my residence, I am going to beautiful Atlanta to live. It is a marvelous city, beginning to grow and become a mighty center. I do not want to leave that city in distress.

If for one reason or another Atlanta would not want me, then I would go to Savannah, Ga. Have Members been to Savannah recently? It is the garden spot of the east coast, a city in distress which I do not want to desert. I am in love with Georgia, I guess.

Therefore, if I am unable to go to Atlanta or Savannah, I would then go to Columbus, a beautiful little city in distress. Athens—have you been there recently? A gorgeous place, a place to go to if it comes out of its financial distress. Finally, my colleagues, the great city of Macon, Ga., a symbol of revitalization which, hopefully, one day will come out of its economic distress.

Mr. LEVITAS. Mr. Chairman, will the gentleman yield?

Mr. MITCHELL of Maryland. I yield to the gentleman from Georgia.

Mr. LEVITAS. Mr. Chairman, I would just simply say this: I cannot think of any city in America that would not be proud not only to have the gentleman as a citizen, but also, as a Congressman. The gentleman has articulated well the needs of our cities and their taxpayers.

Mr. MITCHELL of Maryland. Mr. Chairman, I love each one of those Georgia cities so much that I would ask for defeat of the gentleman's amendment.

Mr. WYDLER. Mr. Chairman, I move to strike the requisite number of words.

Mr. Chairman, I rise in opposition to the amendment, and I think everyone in the committee should be well aware of what this amendment means. The passage of this amendment kills any and all hope of any type of countercyclical program for our country. That is what Members are voting on. I think everybody should have that clearly in mind.

Much of what was said about the supplemental fiscal assistance program I can agree with. That is a very difficult program to justify in a great many ways, and gives money to communities that do not apparently deserve it. However, that is not what we are talking about here. We are talking about a countercyclical program.

As a practical matter, where we stand is as follows: The House Committee on Government Operations has killed the supplemental fiscal assistance program for this year. They did that in subcommittee. They did that with about 25 minutes consideration of the bill, and a vote to postpone consideration of it for a year. That was the total consideration by that subcommittee. There was none by the full committee.

I think we can do a little better than that in the Congress of the United States for those areas of our country that are struggling with unemployment and trying to do something about it. These areas need help, and are currently getting aid from this program. I think most Members have areas in their constituencies that are getting aid under the present countercyclical program.

What is going to happen? As a matter of reality here, we are going to get a bill sent over by the other body, since that is the only way this can now be done, since we had no consideration of this matter in the Government Operations Committee. A bill will be sent over by the Senate which, in effect, will continue the countercyclical program at a reduced rate. That is going to be the program. It is not the best program we could have, but it is at least some kind of program.

If we pass this particular amendment, we wipe out all chance of that happening. As a practical matter, the House will never have acted on this matter, and

have allowed it to go by default. I hope Members will not support this amendment. I think it is very destructive of the process we treasure here in the House and cherish, for deliberate consideration of very important programs. Countercyclical is based on unemployment. I hope the Members of the House will overwhelmingly defeat this amendment and allow a program to be considered in the House.

Mr. LEVITAS. Mr. Chairman, will the gentleman yield?

Mr. WYDLER. I yield to the gentleman from Georgia.

Mr. LEVITAS. The gentleman speaks about unemployment rates. I am glad we got into that. We talked about triggering this program in at 6 percent under the countercyclical program. I would like to ask the Members of the House: Do you know what supplemental assistance triggers payments in at? It is at 4.5-percent unemployment. That is less than the level of full employment. That is where your taxpayers' money would be going.

Mr. WYDLER. I have to reclaim my time, only to tell the members of the subcommittee, not the House, that we are not talking about the supplemental assistance program. The gentleman is raising a red herring and he knows it. This has nothing to do with the debate going on here today. That program was killed with the gentleman's help in the subcommittee and postponed for a year. So why does he talk about it here? We are not considering that. He made sure of that. What we are talking about is a program that will in some fashion continue the countercyclical program.

Mr. LEVITAS. Mr. Chairman, will the gentleman yield?

Mr. WYDLER. I yield to the gentleman from Georgia.

Mr. LEVITAS. Mr. Chairman, let me just respond to that. We are talking about three basic programs in the Senate bill. The Senate bill first continues the countercyclical which triggers out at 6 percent and which almost everybody agrees is a poorly targeted program—almost everybody.

Mr. WYDLER. I do not know that at all. As a matter of fact, I have never heard anybody agree to that except the gentleman himself. I have not heard a single person say that is a poorly targeted program. It is the program targeted right now. It is the one they are presently getting relief under in our communities.

Mr. LEVITAS. But the reason that program was substituted for is because it was a poorly targeted program.

The CHAIRMAN. The time of the gentleman from New York has expired.

(On request of Mr. BROWN of Ohio, and by unanimous consent, Mr. WYDLER was allowed to proceed for 2 additional minutes.)

Mr. BROWN of Ohio. Mr. Chairman, will the gentleman yield?

Mr. WYDLER. I yield to the gentleman from Ohio.

Mr. BROWN of Ohio. Mr. Chairman, I have a great affection for the gentleman from New York—as a matter of fact, so much affection that I was persuaded by the gentleman from New York and others from his area to vote for the loan guarantee programs that we provided to the city of New York.

Now my question is: When will we stop? We have jobs programs and all kinds of other programs designed to send Federal money into the cities of this country to try to assist them to the tune of—how much? It is $4 billion in the public works jobs program—going to $6 billion. We have revenue sharing to the tune of $6.1 billion. We have unemployment compensation for individuals in those areas economically distressed. We have loans and grants to the tune of billions of dollars for economic development and for water and sewers and all those things. Those are not being destroyed or reduced or abrogated by the amendment of the gentleman from Georgia. Those programs will still exist.

Mr. WYDLER. But I would say to the gentleman, if I follow his logic, he says because we made loan guarantee programs for the city of New York we should not let it be a part of this—and it is only a small part of this countercyclical program. We could make the same argument for revenue sharing and cut it off for the city of New York and they do not get any revenue sharing.

The point is, it is an ongoing program and based on unemployment rates, and the rates in New York are high.

It seems to be a serious problem the Congress has addressed in the past. We should address it. This is the only way we can pass it. It is the best way. But the Committee on Government Operations made an attempt to consider it but we are forced to do it in this way because of what the gentleman from Georgia and other members of the subcommittee did.

Mr. FUQUA. Mr. Chairman, I move to strike the last word.

Mr. Chairman, if there has ever been a temporary program that is being made into a permanent program, this is the start of one. The reason this program is here today is because the countercyclical program is beginning to phase out. We have had a general decline in unemployment and it is triggering out.

What do they do? They plan to open this program up to just about every community in the country that says it might be eligible. But there are some other factors that limit the eligibility.

Mr. WYDLER. Mr. Chairman, will the gentleman yield?

Mr. FUQUA. When I complete my statement I will yield to the gentleman from New York. The gentleman has had his time.

What we do is bring in over 70 percent of the communities, making them eligible, but there are other factors other than unemployment.

We had hearings on other programs in the Subcommittee on Intergovernmental Relations, and the head of the Bureau of Labor Statistics testified repeatedly that any time you have a community of the size of 50,000 there is absolutely no correct way you can determine the unemployment figure. The larger the base the more accurate they can determine, but the smaller the base there is no way they can determine it.

The President's Council on Economic Advisors has said that full employment should be considered at 4.9 percent. This bill reduces it to 4.5 percent.

Mr. WYDLER. Mr. Chairman, will the gentleman yield?

Mr. FUQUA. When I finish my statement I will be glad to yield to the gentleman from New York.

This is not a countercyclical program, this is the supplementary fiscal assistance act. If you have any growth in any area then, friend, you had better forget it because you are not going to get any funds under the proposed formula that the administration set up.

My friend, the gentleman from New York (Mr. WYDLER), and in some other communities, in some other areas that have stable growth, that have stable per capita income, they are the ones who will receive the funds under this program. But if you have an area that has any growth, or that has consolidated to modernize its government, they will not get any funds.

I would like to defend the chairman of the subcommittee here. He is not here because he had to leave because of a death in his family. I refer to the gentleman from North Carolina (Mr. FOUNTAIN).

We had 3 days of hearings. We heard witnesses from all over the country. We had formal meetings, we had caucuses of the Democratic Members and nobody came forth with any sort of formula. I am beginning to wonder tonight if we ever had a meeting because I keep hearing from 20 minutes to 5 minutes. But we had a meeting, and the chairman was anxious to try to dispose of the matter one way or another because the House was convening early and he did recognize the gentleman from Georgia to make his motion. But nobody else had made any motion to take any action on the bill that was before us with an improved formula.

I am saying to my friends, if we want to eliminate a temporary program before it gets started, this is the way to do it.

I hope we can come up with a sensible, sound approach that simply makes assistance to communities in distress, but not to reward those rich communities who do not need it.

We have some communities in Florida, Palm Beach is a good example, it comes out smelling like a rose on this. Bel Air Beach over at St. Petersburg can come out all right, too. Greenwich, Conn., and Nassau County, N.Y., any one in which you have a stable growth works out OK.

Mr. WYDLER. Mr. Chairman, will the gentleman yield?

Mr. FUQUA. Now I will be happy to yield to my good friend and colleague, the gentleman from New York (Mr. WYDLER).

Mr. WYDLER. Mr. Chairman, I am delighted and pleased at the gentleman yielding. All I wanted to point out to you, and apparently I did not make it clear, and I hope everybody else understood it, this program that the President has proposed would help Nassau County. I am

not for it. I am against countercyclical as we are going to get it from the Senate.

I do not know why you keep talking about the Supplementary Fiscal Assistance Act. You killed it. It is dead. So, why keep attacking it, why keep beating a dead horse? Let us talk about the reality of the situation as it is.

Mr. FUQUA. There is no bill in committee that I know of to remove countercyclical funds.

Mr. WYDLER. I just explained to you what was going to happen here and what causes the state that we find ourselves in, the other body is going to place this kind of a program in the bill.

The CHAIRMAN. The time of the gentleman has expired.

(By unanimous consent, Mr. FUQUA was allowed to proceed for 1 additional minute.)

Mr. FUQUA. I would just like to say to my good friend, the gentleman from New York (Mr. WYDLER), that I think he is probably one of the first who would say that the actions of this House do not necessarily have to depend on what the other body does. I think we have to act here as a responsible body, and not be concerned about what happens in the other end of the hall.

Mr. REGULA. Mr. Chairman, I rise in opposition to the amendment.

Mr. Chairman, I find myself in a rather strange position today, and that is one of supporting countercyclical aid. I might say that I was an opponent of it. I voted against countercyclical when it was put in place because what I feared would happen is, in fact, happening; and that is an attempt to convert it into revenue sharing.

Mr. Chairman, I am opposed to the supplemental fiscal assistance program of the President. However, having said that, I think we have lost sight of what the budget process is all about.

We are not talking about any particular program in terms of how it is structured. We are talking about the second budget resolution, and in the budget process we allow a fixed amount of money for budget authority and outlays. Then it is the responsibility of the authorizing and the appropriating committees to determine what, if anything, will be done by way of programs. But I think it would be irresponsible at this point to simply walk away from this matter and leave no room for the two committees, namely, the authorizing and appropriating committees, to deal with the problem of unemployment in targeted areas of the United States.

Mr. Chairman, what we are simply saying is that we are trying to comply with what the GAO recommended, and that is to phaseout countercyclical aid.

I would point out that earlier today this body, by a vote of 2 to 1, reduced the budget outlay figure by 30 percent. That is a one-third cut; and if that is not phasing out, I do not know what would be. I hope that next year we will reduce it another third and then another third, and get down to zero because I do not agree with countercyclical aid as a permanent program. However, having established a program and having given the targeted areas of high unemployment some hope that they would have assistance, I do not think that today we can just arbitrarily cut it off to zero.

Mr. ASPIN. Mr. Chairman, will the gentleman yield?

Mr. REGULA. I yield to the gentleman from Wisconsin.

Mr. ASPIN. Mr. Chairman, let me say that I agree with the gentleman from Ohio (Mr. REGULA) entirely in what he was saying.

There is something kind of ingenuous about the people who have moved to cut off all consideration of this bill in the subcommittee and prevented it from coming to the floor for debate or even to the full committee now arguing against it on the specifics. We do not know what the specifics are. We do not know what the specifics are going to be. We have not the chance to consider this thing in the subcommittee. It was cut off without much debate. It never reached the full committee. We never had a chance to consider it here in the House.

Now if we vote in favor of this amendment, we will never have a chance to look at it, to even consider it, to even look at what the Senate would like to present.

Mr. BROWN of Ohio. Mr. Chairman, will the gentleman yield?

Mr. REGULA. I yield to the gentleman from Ohio.

Mr. BROWN of Ohio. Mr. Chairman, I apparently did not successfully make my point to my colleague, the gentleman from New York, because the gentleman in the well is saying the same thing, that cities were promised countercyclical assistance; and if we do not have this program, they will not have such assistance.

I would have to say, on the contrary, there are many programs enacted by this Congress which figure directly in those areas of unemployment.

That is countercyclical assistance, is it not?

Mr. REGULA. Depending on semantics; one can call almost any program which is sending money back to the local communities almost anything; one can label it however he chooses.

Mr. BROWN of Ohio. But these programs such as the public works program were to go into areas where there was need because there was unemployment, as I understand it; so this is not going to deny cities with high unemployment rates assistance from the Federal Government. The very unemployment compensation program, as it is drawn, assists cities because it funnels money into the populations of those communities.

Mr. ASPIN. If the gentleman will yield further, Mr. Chairman. What we have is different programs which have different formulas, and they are designed to do different things. Revenue sharing gives out money essentially on the basis of tax effort. Countercyclical, the program we had last year, gave it out on the basis of unemployment rates. The bill which the Senate apparently has sent out of committee modifies that concept slightly.

The supplemental fiscal assistance program which the President sent over and which was so unceremoniously dumped by the gentleman from Georgia (Mr. LEVITAS) through his motion to table in our subcommittee would have distributed the money based on four factors, one of which was unemployment.

In any event, the point is that each of these things is targeted to do different things with different ideas in mind and different objectives in mind.

To say all of it is countercyclical or all of it is revenue sharing is completely false. What we are trying to do is to tailor each program to a specific need.

The CHAIRMAN. The time of the gentleman has expired.

Mr. REGULA. Mr. Chairman, I ask unanimous consent to proceed for 3 additional minutes.

The CHAIRMAN. Is there objection to the request of the gentleman from Ohio?

Mr. GIAIMO. Reserving the right to object, and I shall not object, but the hour is getting late, and we have had a very, very long debate on this, not only tonight but earlier this afternoon when we had the Mattox-Regula amendment. I do not think we should go on and on and on. I think the issue has been pretty well spelled out and clarified, and I would hope that Members would try to curtail debate so that we will not have to limit debate here.

Mr. Chairman, I withdraw my reservation of objection.

The CHAIRMAN. Is there objection to the request of the gentleman from Ohio?

There was no objection.

Mr. ASPIN. Mr. Chairman, will the gentleman yield?

Mr. REGULA. I yield to the gentleman from Wisconsin.

Mr. ASPIN. I thank the gentleman for yielding.

I think what the chairman of the committee has said is absolutely right. This is not the point to debate what each of these different formulas is designed to do. That should be done when the bill itself is before the Congress. All we are saying at this point is the point the gentleman from Ohio was making is let us leave some room in the bill so that when we do consider it, we at least do save money in the budget resolution.

Mr. BROWN of Ohio. Mr. Chairman, will the gentleman yield?

Mr. REGULA. I yield to the gentleman from Ohio.

Mr. BROWN of Ohio. I thank the gentleman for yielding, just for a final comment to the gentleman from Wisconsin. My point is merely this: There are loads and loads of programs which are fully budgeted in this budget resolution that are countercyclical in nature.

Mr. ASPIN. Absolutely.

Mr. BROWN of Ohio. The fact that this one program is being taken out because there is no backstop authorization legislation for it does not mean that we do not have countercyclical programs budgeted for.

Mr. ASPIN. If the gentleman from Ohio (Mr. REGULA) will yield. I have no time to go into why this is different, but just to lump all programs together which are countercyclical in nature is not right. They are all different.

Mr. HORTON. Mr. Chairman, will the gentleman yield?

Mr. REGULA. I yield to the gentleman from New York.

Mr. HORTON. I thank the gentleman for yielding.

I would just like to commend the gentleman for the statement he has made, because I think he has put the debate in proper perspective, and I certainly want to commend the gentleman for his logical approach to the matter. What we are dealing with here is a budget resolution, and what the gentleman is saying is that we ought not cut off consideration of this subject by the House at this point.

Mr. REGULA. That is exactly right.

Mr. HORTON. All we are doing here now is providing authority for these funds. It is up to the House to make a decision later.

Mr. REGULA. That is absolutely correct.

Mr. HORTON. I want to commend the gentleman for his objective approach to this matter.

Mr. LEVITAS. Mr. Chairman, will the gentleman yield?

Mr. REGULA. I yield to the gentleman from Georgia.

Mr. LEVITAS. I thank the gentleman for yielding.

I would like to ask the gentleman a question in line with the point made by the gentleman from New York (Mr. HORTON). Is there any other place in this budget resolution that the gentleman is aware of where we are requesting funds in the budget for a subject matter on which there is no bill pending in the House? Is there any other place in the budget?

Mr. WYDLER. Mr. Chairman, will the gentleman yield?

Mr. REGULA. I yield to the gentleman from New York.

Mr. WYDLER. I thank the gentleman for yielding. There is plenty of legislation pending. We just cannot get it considered—that is the problem.

Mr. GIAIMO. Mr. Chairman, will the gentleman yield?

Mr. REGULA. I will yield to the chairman of the committee.

Mr. GIAIMO. I thank the gentleman for yielding.

Some of the urban initiative programs may well still be pending in the committees, some of the transportation bills, and some of the public works bills, but it is contemplated that there will be legislation.

Mr. BROOKS. Mr. Chairman, I move to strike the requisite number of words, and I rise in support of the amendment.

Mr. Chairman, I rise in support of the amendment offered by the gentleman from Georgia.

This is a program, Mr. Chairman, whose time, if it ever was here, has long since gone. We are no longer, by any measure of economic activity, in a recession that calls for Federal assistance to cities to help them maintain basic operations. That was the purpose of this legislation, and one of the main points stressed by its sponsors was that when the economy recovered, the program would phase out. We have reached that point. Unemployment is expected to be well below 6 percent next year, which is the point at which the program is supposed to turn off.

But, even if the unemployment rate did not drop below 6 percent, there would be good reasons to stop this program. It simply has not met its objectives. This is not just speculation on my part. The General Accounting Office has made a detailed study of the program since its inception and concluded that: "It has not been an effective tool for stimulating the economy and has not effectively met its principal objective of selectively targeting aid to only those governments substantially affected by recession."

That is the conclusion of the agency that Congress has established to help it evaluate programs. The GAO has recommended that the antirecession assistance program as it now exists should not be extended, but that Congress find a better way to channel money to cities that actually need it.

Among the findings in the GAO report are that:

Forty-six of the fifty-two government recipients covered by the study had surpluses in their general funds at the end of last fiscal year.

Unemployment rates, the chief factor used to allocate funds, are not reliable indicators of a city's financial health.

More than half the funds received by the 52 governments studied went for salaries and wages, including across-the-board wage and benefit increases.

Mr. Chairman, the economic problem facing this country today is not recession, but inflation. We should examine carefully every program we enact to make sure it will not increase the inflationary burden that now weighs so heavily on our citizens. We should not enact programs that do not meet the objectives set for them. Examined in that light, countercyclical revenue sharing or supplemental fiscal assistance should not be extended.

This nation with approximately a $40 billion estimated deficit does not have any excess revenues to share with cities and areas which have surpluses.

I would like to see this program do what it is supposed to do, and that is fade away. I urge that the House approve this amendment.

Mr. CUNNINGHAM. Mr. Chairman, will the gentleman yield?

Mr. BROOKS. I yield to the gentleman from Washington.

Mr. CUNNINGHAM. Mr. Chairman, I wish to associate myself with the gentleman's remarks.

As a member of the subcommittee that did listen to this bill and finally did act on it, not to table, but to postpone, this is a logical approach and I simply urge my colleagues to support this amendment and come back at the next opportunity to target, and not take a shotgun to a national concern. We should fight inflation and then help the cities.

Mr. WYDLER. Mr. Chairman, will the gentleman yield?

Mr. BROOKS. I yield to the gentleman from New York.

Mr. WYDLER. Mr. Chairman, I respect the gentleman from Texas a lot. Of course, I read the GAO report, too. The GAO report is critical. It says improvements should be made in the program. The trouble is we were not ever allowed to improve the program.

The gentleman from Texas participated in the subcommittee meeting and arranged to postpone consideration of any improvements until next year; so we are left with the problem of trying to deal with the situation you created for us. The only way we can deal with it now is to bring a bill over from the Senate and have it passed in the House.

● Mr. FOUNTAIN. Mr. Chairman, I rise in support of the amendment offered by the gentleman from Georgia. I find it incongruous that anyone would propose to continue an antirecession program that pays out money at a time when the economy is not in recession. The concern today is not over slow growth, but rather the need for containing a high and growing rate of inflation—the Nation's No. 1 domestic concern. Make no mistake about it, the proposed antirecession/revenue sharing program would be inflationary and would add to the Federal deficit.

Extension of the countercyclical program or its replacement with the administration so-called supplemental fiscal assistance revenue sharing proposal is irresponsible. My Subcommittee on Intergovernmental Relations and Human Resources has made an extensive study of the administration's proposal and concluded that it would not target money to distress cities but would allocate $1 billion a year to 26,000 communities in the United States.

Neither the administration proposal nor the existing countercyclical proposal recently approved by the Senate Finance Committee will reach the objective of helping distressed cities. The use of local unemployment rates as the mechanism for targeting money to needy governments is a fatal flaw. Those rates are so unreliable that the Commissioner of Labor Statistics has described them as random numbers for communities under 50,000. No more than 5,000 of the 26,000 governments can be assigned actual unemployment rates.

All presently proposed countercyclical or antirecession revenue sharing programs distribute money indiscriminately to rich and poor cities alike. For example, Greenwich, Conn., a prosperous and fast growing community would receive $8.03 per capita while Yonkers, N.Y., which has experienced severe financial problems, would get $2.38 under the administration proposal.

Let me review briefly the history of this legislation. It originated in the Senate in 1976 at a time when the national economy had already completed a year of recovery from the recession. It was extended last year as a vehicle for stimulating the economy. This year, we have a third reason given for extending this program because we do not need stimulation for the economy. Our concern now is not slow growth, but a high and growing rate of inflation. This year, it

is proposed that a new program be enacted that will become a permanent supplemental revenue sharing program at the rate of $1 billion a year. It is time for this Congress to take a stand against these programs that would spend huge amounts of taxpayers funds with no clearly delineated objective and for which there is no proven need.

To cut the budget resolution at this time by approximately $300 million to reduce a $1 billion proposal to $700 million does not face the issue. The $700 million remaining amount is presumably justified on the basis of what the Senate Finance Committee has done, but, in fact, we do not know what the Senate has done. They do not yet have a document describing their program.

Furthermore, a local government becomes entitled to assistance, under both the President's and the Senate Finance Committee and is therefore considered "distressed" under their proposals, if its unemployment rate exceeds 4.5 percent. This rate, I would remind you, is lower than the 4.9 percent the President's Council of Economic Advisers defines as "full employment." Obviously, equating a 4½ percentage rate with "distress" is just plain silly.

I am convinced that federalism in this country is at a crossroads.

Federal assistance to State and local government has grown enormously from $2.3 billion in 1950 and $7 billion in 1960 to the present level of $80.3 billion. And, it is estimated at $85 billion for the next fiscal year. There is almost no State or local function today in which the Federal Government is not involved. We have grants for welfare, health and medical care, education, law enforcement, sewage treatment, highways and urban mass transportation, community development, job training and employment, local public works, libraries, and so on. To this growing list we have added the nearly $7 billion a year general revenue-sharing program. And, now the administration proposes to add still another general revenue-sharing program on top of that one.

Let the Senate do what they want, but the House should take action now to let this program terminate as it was intended to terminate when we extended it last year. We should take all the funds for this program out of the budget resolution and let the American people know that we mean business when we say we are tightening up the budget and reducing unnecessary and unwarranted expenditures and that we are doing it at a time when we have a national debt fact reaching the $900 billion figure, with annual interest at approximately $49 billion. We just must leave the road of fiscal irresponsibility and get on the high and desperately needed and taxpayers wanted road of fiscal responsibility.

The adoption of this amendment will be one step in that direction.●

● Mr. BIAGGI. Mr. Chairman, I rise to express my strong opposition to the effort by the gentleman from Georgia to prevent the House even an opportunity to provide funds for an urgently needed program for our Nation's cities.

My colleagues no doubt recall that the vote to postpone further consideration of the countercyclical program in subcommittee was 7 to 6. Is it upon this mandate that the House will now choose to act?

Consider the fact that major cities such as New York are literally budgeting in funds from this program as they prepare their own budgets. In New York City's case, $140 million was expected from this program—$140 million which if not provided could have dire consequences on the city's already precarious fiscal situation.

There are other cities where similar expectations have been made. The question before us—are we going to again engage in the politics of pitting cities against the rest of the Nation? Are we not going to concede the points that our cities continue to have higher than average unemployment rates—and are in need of this assistance.

Consider the fact that the Senate has passed legislation extending the countercyclical program. Are we going to defy their logic and bar ourselves an opportunity to even consider this program?

I believe the budget resolution offered and championed so well by the gentleman from Connecticut provides a sound and fiscally reasonable approach to this issue. I believe on the other hand that the amendment by the gentleman from Georgia is wrong—is antiurban but more importantly threatens to impede the economic progress we are making as a Nation. If we continue to permit rampant unemployment in our cities—then we will simply regress further. A vote for this amendment is a step in the wrong economic direction and I urge its defeat.●

The CHAIRMAN. The question is on the amendment offered by the gentleman from Georgia (Mr. LEVITAS) to the amendment in the nature of a substitute offered by the gentleman from Connecticut (Mr. GIAIMO).

The question was taken; and the chairman announced that the noes appeared to have it.

RECORDED VOTE

Mr. LEVITAS. Mr. Chairman, I demand a recorded vote.

A recorded vote was ordered.

The vote was taken by electronic device, and there were—ayes 187, noes 208, not voting 37, as follows:

[Rollcall Vote No. 711]

AYES—187

Abdnor	Burke, Fla.	Dicks
Ammerman	Burleson, Tex.	Dornan
Andrews, N.C.	Burlison, Mo.	Duncan, Oreg.
Archer	Butler	Duncan, Tenn.
Armstrong	Byron	Edwards, Ala.
Ashbrook	Cavanaugh	Edwards, Okla.
Badham	Chappell	English
Bafalis	Clawson, Del	Erlenborn
Barnard	Cleveland	Ertel
Bauman	Cochran	Evans, Colo.
Beard, Tenn.	Coleman	Evans, Ga.
Bennett	Collins, Tex.	Evans, Ind.
Bevill	Conable	Fascell
Bowen	Corcoran	Fenwick
Breaux	Cornwell	Findley
Breckinridge	Coughlin	Fithian
Brinkley	Crane	Flippo
Brooks	Cunningham	Foley
Broomfield	Daniel, Dan	Ford, Tenn.
Brown, Mich.	Daniel, R. W.	Forsythe
Brown, Ohio	Davis	Frenzel
Broyhill	Devine	Fuqua
Burgener	Dickinson	Gammage
Gibbons	Long, Md.	Rogers
Ginn	Lott	Rose
Glickman	Lujan	Rousselot
Goldwater	Luken	Rudd
Gonzalez	McClory	Runnels
Gradison	McCloskey	Satterfield
Grassley	McCormack	Sawyer
Gudger	McKay	Sebelius
Hall	Mahon	Sharp
Hamilton	Mann	Shuster
Hammer-schmidt	Marlenee	Skelton
	Marriott	Smith, Iowa
Hannaford	Martin	Smith, Nebr.
Hansen	Mathis	Snyder
Harkin	Mattox	Spence
Harsha	Michel	Steed
Hefner	Miller, Ohio	Steers
Hillis	Montgomery	Steiger
Holt	Moore	Stockman
Hubbard	Moorhead, Calif.	Stump
Ichord		Symms
Ireland	Mottl	Taylor
Jacobs	Myers, Gary	Thone
Jenkins	Myers, John	Treen
Johnson, Colo.	Neal	Trible
Jones, N.C.	Nichols	Volkmer
Jones, Okla.	O'Brien	Waggonner
Jones, Tenn.	Pease	Walker
Jordan	Pettis	Wampler
Kazen	Pickle	Watkins
Kelly	Pike	White
Kemp	Poage	Whitehurst
Kindness	Preyer	Whitley
Krueger	Pritchard	Wiggins
Lagomarsino	Quayle	Wilson, Bob
Latta	Quie	Wilson, Tex.
Leach	Quillen	Winn
Lehman	Rhodes	Wylie
Levitas	Roberts	Yatron
Lloyd, Calif.	Robinson	Young, Fla.

NOES—208

Addabbo	Drinan	Mikulski
Akaka	Early	Mikva
Ambro	Eckhardt	Mineta
Anderson, Calif.	Edgar	Minish
	Edwards, Calif.	Mitchell, Md.
Anderson, Ill.	Ellberg	Mitchell, N.Y.
Andrews, N. Dak.	Emery	Moakley
	Evans, Del.	Moffett
Annunzio	Fary	Mollohan
Applegate	Fish	Moorhead, Pa.
Ashley	Fisher	Murphy, Ill.
Aspin	Flood	Murphy, N.Y.
AuCoin	Florio	Murphy, Pa.
Baldus	Ford, Mich.	Murtha
Baucus	Fowler	Myers, Michael
Beard, R.I.	Garcia	Natcher
Bedell	Gaydos	Nedzi
Beilenson	Gephardt	Nix
Benjamin	Giaimo	Nolan
Biaggi	Gilman	Nowak
Bingham	Goodling	Oakar
Blanchard	Gore	Oberstar
Blouin	Green	Obey
Boggs	Hanley	Ottinger
Boland	Harris	Panetta
Bolling	Heckler	Patten
Bonior	Heftel	Patterson
Bonker	Hightower	Pattison
Brademas	Holland	Pepper
Brodhead	Hollenbeck	Perkins
Brown, Calif.	Holtzman	Pressler
Buchanan	Horton	Price
Burke, Mass.	Howard	Pursell
Burton, John	Hughes	Rahall
Burton, Phillip	Hyde	Railsback
Caputo	Jeffords	Rangel
Carney	Johnson, Calif.	Regula
Carr	Kastenmeier	Reuss
Carter	Keys	Richmond
Cederberg	Kildee	Rinaldo
Chisholm	Kostmayer	Roe
Clausen, Don H.	Krebs	Roncalio
	LaFalce	Rooney
Clay	Lederer	Rosenthal
Cohen	Leggett	Rostenkowski
Collins, Ill.	Lent	Roybal
Conte	Livingston	Ruppe
Conyers	Long, La.	Russo
Corman	Lundine	Ryan
Cornell	McDade	Santini
Cotter	McEwen	Sarasin
D'Amours	McFall	Scheuer
Danielson	McHugh	Schroeder
de la Garza	McKinney	Seiberling
Delaney	Madigan	Simon
Derrick	Maguire	Skubitz
Derwinski	Markey	Slack
Diggs	Marks	Solarz
Dingell	Mazzoli	Spellman
Dodd	Meeds	St Germain
Downey	Metcalfe	Staggers

Stanton	Van Deerlin	Wirth
Stark	Vander Jagt	Wolff
Stratton	Vanik	Wright
Studds	Walgren	Wydler
Thornton	Walsh	Yates
Traxler	Waxman	Young, Mo.
Tsongas	Weaver	Zablocki
Tucker	Weiss	Zeferetti
Udall	Whalen	
Ullman	Whitten	

NOT VOTING—37

Alexander	Huckaby	Shipley
Burke, Calif.	Jenrette	Sikes
Dellums	Kasten	Sisk
Dent	Le Fante	Stangeland
Flowers	Lloyd, Tenn.	Stokes
Flynt	McDonald	Teague
Fountain	Meyner	Thompson
Fraser	Milford	Vento
Frey	Miller, Calif.	Wilson, C. H.
Guyer	Moss	Young, Alaska
Hagedorn	Risenhoover	Young, Tex.
Harrington	Rodino	
Hawkins	Schulze	

The Clerk announced the following pairs:

On this vote:

Mrs. Lloyd of Tennessee for, with Mr. Thompson against.

Mr. Teague for, with Mr. Rodino against.

Mr. Fountain for, with Mr. Hawkins against.

Mr. Risenhoover for, with Mrs. Meyner against.

Mr. McDonald for, with Mrs. Burke of California against.

Mr. Sikes for, with Mr. Stokes against.

Messrs. CAPUTO, ECKHARDT, and SCHEUER changed their vote from "aye" to "no."

Messrs. VOLKMER, KAZEN, LEHMAN, and KRUEGER changed their vote from "no" to "aye."

So the amendment to the amendment in the nature of a substitute was rejected.

The result of the vote was announced as above recorded.

AMENDMENT OFFERED BY MR. JOHN L. BURTON TO THE AMENDMENT IN THE NATURE OF A SUBSTITUTE OFFERED BY MR. GIAIMO

Mr. JOHN L. BURTON. Mr. Chairman, I offer an amendment to the amendment in the nature of a substitute.

The Clerk read as follows:

Amendment offered by Mr. JOHN L. BURTON to the amendment in the nature of a substitute offered by Mr. GIAIMO: In the matter relating to the appropriate level of total new budget authority reduce the amount by $47 billion;

In the matter relating to the appropriate level of total budget outlays reduce the amount by $15 billion;

In the matter relating to the amount of the deficit reduce the amount by $15 billion;

In the matter relating to the appropriate level of the public debt reduce the amount by $15 billion;

In the matter relating to the amount by which the statutory limit on the public debt should accordingly be increased, reduce the amount by $15 billion.

In the matter relating to allowances (function 920) reduce the amount for budget authority by $47 billion; and reduce the amount for outlays by $15 billion.

Mr. JOHN L. BURTON. Mr. Chairman, this amendment would reduce the deficit by $15 billion. It would do it by reducing the unobligated balances. These are moneys that agencies of Government have that were given to them by the Congress after the money was paid by our constituents in taxes, but the agencies have not figured out how they are going to spend it yet. Now there are $47 billion-plus of these unobligated balances: $20 billion is in the Department of Defense; $7 billion is in the Department of Transportation; $13 billion is in energy—even Jim Schlesinger cannot spend it that fast; and $1.5 billion is in the Environmental Protection Agency; and so on down.

The amendment reduces outlays by $15 billion. This is one place we can reduce. They tell us first of all, do not make a meat-ax cut because that is very chicken and you are putting the heat on somebody else. So we vote against that one. So then when somebody like the gentleman from Virginia (Mr. FISHER) comes along with a specific cut, everybody says: "My God, that is my program."

This is a cut which is only going to be made out of money they have got, I think, in their petty cash program that they have not used and they have stored it up.

Earlier the gentleman from Ohio (Mr. REGULA) raised the question to the gentlewoman from New York (Ms. HOLTZMAN) and said would not this encourage the department to spend the money so that they could get a better appropriation next year? First of all, I think it would give the Committee on Appropriations the opportunity to put their feet to the fire and, secondly, in the Accounts Committee in the House, the Committee on House Administration, they used to have a procedure whereby committees could keep all unexpended balances. We changed that and after each session of the Congress, the committees return to the Treasury, to the contingency fund, their unexpended balances. We in no way hold that against them when they come in with their new budget request the next year if they can justify that amount.

So here is a chance to cut the deficit to $25 billion by reducing the outlays and also reducing the budget authority by this $47 billion.

Again this is money they have sitting in the pipeline and they do not know what to do with it.

The argument was made against the Holtzman amendment that it really made a lot of sense but, unfortunately, the committees would have to go back and do a lot of work. It really means we should not deal with the first budget resolution, as it has been pointed out, the first one is to target it, but it is too early, and the second one is too late because the work has been done, and it becomes a legislative nightmare.

This leads one to believe that maybe there ought to be some adjustment in the budget dates.

Mr. HARKIN. Mr. Chairman, if the gentleman will yield, this $47 billion in the unobligated balances, you say that is money we have paid in, and therefore, because of the huge budget deficit, I can only assume that we are paying interest on the money, is that right?

Mr. JOHN L. BURTON. That is correct. This would reduce the national debt by $15 billion, so it would reduce the interest on the $15 billion.

Mr. HARKIN. So it would save the interest payment we are paying on the debt and therefore would not be a drain on our economy?

Mr. JOHN L. BURTON. It would, and I believe it should make sense.

Mr. GARY A. MYERS. If the gentleman will yield, the gentleman from Iowa (Mr. HARKIN) asked, in essence, whether or not the Government borrows the money before the committee actually needs it. It is not my concept that they go out and borrow it and pay interest on it. It would be much like if you were going to buy a car next year, you would never borrow the money for it this year.

Mr. JOHN L. BURTON. Do not tell that to GENE TAYLOR.

Mr. ROUSSELOT. Mr. Chairman, if the gentleman will yield, the point the gentleman was making, so that our colleague, the gentleman from Pennsylvania (Mr. GARY A. MYERS) can understand, is that we have any number of bills that contain appropriations which do not involve long term borrowing. The gentleman is trying to attack the proposal that the gentlewoman from New York (Ms. HOLTZMAN) referred to, namely that there really is not a very good accounting of these unobligated balances. Consequently, what he is attempting to do is to say to the agency: Get rid of the unobligated balances and ask for the funds when you really need them. So it really does not involve the Treasury's need to borrow.

The CHAIRMAN. The time of the gentleman has expired.

(On request of Mr. GARY A. MYERS, and by unanimous consent, Mr. JOHN L. BURTON was allowed to proceed for 2 additional minutes.)

Mr. CONABLE. Mr. Chairman, will the gentleman yield?

Mr. JOHN L. BURTON. I yield to the gentleman from New York.

Mr. CONABLE. Mr. Chairman, I think it is perfectly obvious we do not have a very good accounting in such things but nobody is claiming that there is $47 billion in cash sitting in some office safe somewhere, because there is not.

Where did the gentleman get his figures?

Mr. JOHN L. BURTON. I got the figures from a member of the Committee on the Budget, and the figure referred to was $47.1 billion.

Mr. CONABLE. I do not believe that is the way it works.

Mr. JOHN L. BURTON. I do not know how it works. All I know is that it does not make sense to appropriate a lot of money and have $47 billion already appropriated.

Mr. GARY A. MYERS. If the gentleman will yield further, in response to the gentleman from California (Mr. ROUSSELOT), he has not convinced me that we have borrowed money and set it aside for these unobligated balances.

Mr. ROUSSELOT. Mr. Chairman, if the gentleman will yield. I did not say that. I said exactly the opposite.

I said the account contains appriated dollars given by the Congress of the United States to these various agencies. The account is called "Unobligated Balances." It actually contains $48 billion, so the gentleman has been con-

servative and allowed $1 billion to spread around.

Mr. GARY A. MYERS. I thought the gentleman was taking a view opposite to that which I expressed about the comments of the gentleman from Iowa (Mr. HARKIN). That gentleman distorted the picture. I thought the gentleman from California was referring to that.

Mr. JOHN L. BURTON. Mr. Chairman, if I may reclaim my time, the point being made is that this reduces the national debt by $15 billion. Thereby, it reduces interest on $15 billion of the national debt.

Mr. GIAIMO. Mr. Chairman, I rise in opposition to the amendment.

Mr. Chairman, I think we are getting to the tired stage here tonight because we are making some statements which are not quite accurate.

I think we ought to understand what we are doing. We are not talking about moneys that are sitting some place, as someone here stated. We are not talking about moneys which we have borrowed and upon which we are paying interest. This is not money; this is obligational authority which has not been obligated as yet and, obviously, therefore, has not been expended.

The Members know that in many programs we have the obligational authority for a given purpose and a good purpose. In the area of defense, for example, we do this all the time. We just voted the other day to appropriate $2 billion for an aircraft carrier. That money has not been expended, obviously, as yet. That money has not been obligated as yet. However, somewhere down the road the Defense Department will obligate that money and all of the other funds that we have appropriated.

Mr. Chairman, that goes not just for defense; it goes for energy, it goes for insurance programs, it goes for all kinds of contingent expenditures of the Government. It is not money. It is the obligational authority which Congress votes to the executive branch to do certain things, and in time they will do them. They will then get the money, and ultimately they will spend the money.

From time to time, these unobligated balances and these unexpended balances have grown to inordinate heights; and the Committee on Appropriations has traditionally put the pressure on the executive branch to hold down unexpended balances or unobligated balances. They have done a good job on it from time to time. Some of us think that we could do an even better job. Sime of us think we could take away some of these unobligated balances. I think that is what the gentlewoman from New York (Ms. HOLTZMAN) had in mind when she suggested earlier that we reduce them by a smaller percentage figure. I know that the gentlewoman from Maryland feels the same way, that throughout the Government we have a lot of these unobligated balances sitting there year after year.

Perhaps we ought to try to shrink them down or take them away. Perhaps we should, but certainly not by this kind of amendment, which would knock out $47 billion worth of them in one fell swoop.

Mr. Chairman, much of that money which is unobligated will be obligated and will be properly obligated, and eventually it will be expended.

I myself from time to time have tried to eliminate some of the unobligated, unexpended balances in the defense account. My colleague, the gentleman from New York (Mr. ADDABBO), on that committee has tried to do that in past years when we thought they were too high; but certainly, we are not accomplishing anything by meat axing $47 billion worth of unobligated funds, most of which will be obligated, will be properly obligated, and will be needed in order to carry out the mandates of various kinds of legislation we have enacted in the past.

Mr. Chairman, this amendment should be voted down.

The CHAIRMAN. The question is on the amendment offered by the gentleman from California (Mr. JOHN L. BURTON) to the amendment in the nature of a substitute offered by the gentleman from Connecticut (Mr. GIAIMO).

The question was taken; and on a division (demanded by Mr. JOHN L. BURTON) there were ayes 10, noes 66.

Mr. HARKIN. Mr. Chairman, I demand a recorded vote, and pending that I make the point of order that a quorum is not present.

The CHAIRMAN. The Chair will count. One hundred and forty-five Members are present, a quorum.

The pending business is the demand of the gentleman from Iowa (Mr. HARKIN) for a recorded vote.

A recorded vote was refused.

So the amendment to the amendment in the nature of a substitute was rejected.

AMENDMENT OFFERED BY MR. ROUSSELOT AS A SUBSTITUTE FOR THE AMENDMENT IN THE NATURE OF A SUBSTITUTE OFFERED BY MR. GIAIMO

Mr. ROUSSELOT. Mr. Chairman, I offer an amendment as a substitute for the amendment in the nature of a substitute.

The Clerk read as follows:

Amendment offered by Mr. ROUSSELOT as a substitute for the amendment in the nature of a substitute offered by Mr. GIAIMO:

Strike all after the resolving clause and insert in lieu thereof the following:

That the Congress hereby determines and declares, pursuant to section 301(a) of the Congressional Budget Act of 1974, that for the fiscal year beginning on October 1, 1978—

(1) the recommended level of Federal revenues is $464,148,000,000 and the amount by which the aggregate level of Federal revenues should be decreased is $29,500,000,000;

(2) the appropriate level of total new budget authority is $519,046,000;

(3) the appropriate level of total budget outlays is $464,148,000,000;

(4) the amount of the deficit in the budget which is appropriate in the light of economic conditions and all other relevant factors is $0; and

(5) the appropriate level of the public debt is $798,300,000,000 and the amount by which the statutory limit on such debt should accordingly be increased is $300,000,000 (this figure repesents off-budget agency outlays and trust fund surplus).

SEC. 2. Based on allocations of the appropriate level of total new budget authority and of total budget outlays as set forth in paragraphs (2) and (3) of the first section of this resolution, the Congress hereby determines and declares pursuant to section 301(a)(2) of the Congressional Budget Act of 1974 that, for the fiscal year beginning on October 1, 1978, the appropriate level of new budget authority and the estimated budget outlays for each major functional category are as follows:

(1) National Defense (050):
(A) New budget authority, $127,102,000,000,
(B) Outlays, $112,403,000,000;
(2) International Affairs (150):
(A) New budget authority, $8,754,000,000,
(B) Outlays, $6,200,000,000;
(3) General Science, Space, and Technology (250)
(A) New budget authority, $5,146,000,000,
(B) Outlays, $5,001,000,000;
(4) Energy (270):
(A) New budget authority, $9,200,000,000,
(B) Outlays, $7,100,000,000;
(5) Natural Resources and Environment (300):
(A) New budget authority, $12,900,000,000,
(B) Outlays, $11,001,000,000;
(6) Agriculture (350):
(A) New budget authority, $9,197,000,000,
(B) Outlays, $7,628,000,000;
(7) Commerce and Housing Credit (370):
(A) New budget authority, $5,386,000,000,
(B) Outlays, $2,814,000,000;
(8) Transportation (400):
(A) New budget authority, $16,200,000,000,
(B) Outlays, $16,500,000,000;
(9) Community and Regional Development (450):
(A) New budget authority, $8,500,000,000,
(B) Outlays, $20,913,000,000;
(10) Education, Training, Employment and Social Services (500):
(A) New budget authority, $22,100,000,000,
(B) Outlays, $26,600,000,000;
(11) Health (550):
(A) New budget authority, $48,600,000,000,
(B) Outlays, $46,102,000,000;
(12) Income Security (600):
(A) New budget authority, $182,394,000,000,
(B) Outlays, $150,100,000,000;
(13) Veterans Benefits and Service (700):
(A) New budget authority, $21,100,000,000,
(B) Outlays, 20,913,000,000;
(14) Administration of Justice (750):
(A) New budget authority, $4,100,000,000,
(B) Outlays, $4,051,000,000;
(15) General Government (800):
(A) New budget authority, $4,098,000,000,
(B) Outlays, $3,903,000,000;
(16) General Purpose Fiscal Assistance (850):
(A) New budget authority, $9,019,000,000,
(B) Outlays, $9,237,000,000;
(17) Interest (900):
(A) New budget authority, $43,500,000,000,
(B) Outlays, $43,500,000,000;
(18) Allowances (920):
(A) New budget authority, $1,087,000,000,
(B) Outlays, $743,000,000;
(19) Undistributed Offsetting Receipts (950):
(A) New budget authority, $17,163,000,000,
(B) Outlays, $17,163,000,000.

SEC. 3. Pursuant to Section 310 of the Congressional Budget and Impoundment Control Act of 1974, the Appropriations Committees of the House and the Senate shall promptly submit to their respective Houses reconciliation legislation to decrease budget authority by approximately $42.2 billion to a level consistent with Section 1(2) of this resolution.

Mr. ROUSSELOT (during the reading). Mr. Chairman, I ask unanimous consent that the substitute amendment be considered as read and printed in the RECORD.

The CHAIRMAN. Is there objection to the request of the gentleman from California?

Mr. BROWN of Michigan. Reserving the right to object, Mr. Chairman, I only reserve the right to object because I am sure the gentleman will explain his amendment.

Mr. ROUSSELOT. If the gentleman will yield, I will.

Mr. BROWN of Michigan. Mr. Chairman, I withdraw my reservation of objection.

The CHAIRMAN. Is there objection to the request of the gentleman from California?

There was no objection.

Mr. ROUSSELOT. Here we are again. This is the opportunity that many have sought when we discussed some of the other bills and amendments that have been presented to the House. This is an opportunity to show restraint on increases and expenditures. It does not cut any program that we voted on for fiscal year 1978. It merely restrains increases in all functional categories and places the level of expenditure at $464 billion.

Let me review for the Members of the House just how this balanced budget resolution compares to the committee amendment and other years' actuals:

SECOND BUDGET RESOLUTION/FISCAL YEAR 1979

[In millions of dollars]

	House Budget Committee	Actual 1978 CBO current estimate	Rousselot balanced budget amendment
Revenues	450,000	397,992	464,148
Budget authority	561,242	495,757	519,046
Outlays	490,463	447,922	464,148
Deficit	40,463	49,930	0
Debt subject to limit	838,800	768,730	798,300

RESULT OF HOUSE-PASSED APPROPRIATIONS FOR FISCAL YEAR 1979, ALONG WITH PERMANENT AUTHORITIES

[In millions of dollars]

	House status	Second budget resolution	Rousselot amendment
Budget authority	519,000	561,242	519,046
Outlays	469,800	490,463	464,148

The expenditure level in the resolution is roughly what gentlemen from the other body—two people on the Budget Committee said in their deliberations, and one was a Republican and one a Democrat; it was a very bipartisan statement; that $465 billion was a reasonable level of expenditure for 1979. Both Members of the Budget Committee felt that we did not need to accelerate our expenditure level more than this resolution calls for; $16 billion more than we will have spent by October 1 of this year. We still may spend less by substantial amounts than the dollar amounts we have spent in 1978, because the executive branch continues to be in the awkward position, and this has happened for the last 4 years. It is a bipartisan problem that the executive is not able to spend all the dollars that we appropriate. This has popularly become know as shortfall. I call it savings. In other words, they cannot spend as fast as we have been appropriating. This year, depending on what kind of estimate and where you begin, the shortfall or savings will be anywhere from $11 billion to $18 billion, depending whether you talk to the Congressional Budget Office, OMB, or whoever. These are dollars that this Congress appropriated last year that we will not spend.

So let me first comment on the expenditure side of this resolution and why I believe it is a reasonable and rational approach.

EXPENDITURES IN ROUSSELOT SUBSTITUTE

First. Expenditures are increased by $16 billion over fiscal year 1978 but there are no cuts in functional categories from 1978. There are restraints in increases, but no program is cut. Congress for the last 3 years has appropriated more money than the administration is able to spend—we have been seeing shortfalls in expenditures of $12 to $17 billion and we do not even know what the shortfalls will be for fiscal year 1978—they may be greater than even anticipated. These shortfalls can more than accommodate the lower increases in expenditures anticipated in the balanced budget resolution.

Second. The General Accounting Office has produced reports showing extensive waste and mismanagement of funds by Federal agencies. These are accounts of fraud, overdrafts, misallocations and misexpenditures of Federal moneys that add up to $25 billion a year. The restraints in the balanced budget resolution will force the Government agencies to control the handling of taxpayers' money and prevent this unconscionable fraud.

Third. In many cases, the Federal agencies have funds available in unobligated balances. If reallocated across-the-board, those unobligated balances would more than compensate for the spending restraints called for in the balanced budget resolution.

The CHAIRMAN. The time of the gentleman from California (Mr. ROUSSELOT) has expired.

(By unanimous consent, Mr. ROUSSELOT was allowed to proceed for 4 additional minutes.)

Mr. ROUSSELOT. Mr. Chairman, my belief is that a $25 billion difference between the amount of Committee on the Budget of $490 billion and the $464 billion—is a very moderate proposal, because I believe those agencies can accomplish that kind of change. But in addition to that, as has already been brought up by our colleague, the gentlewoman from New York (Ms. HOLTZMAN) and by my colleague, the gentleman from California (Mr. JOHN L. BURTON) who spoke just previously, we also have unexpended balances in many of the accounts that add up to $48 billion in 1978.

I am not asking that all of those unexpended balances be spent out, but I am saying that previously appropriated dollars are there. No agency will starve, no agency will be required or forced to drastically reduce.

I think this proposal is workable on the basis of these three points alone: The shortfall on the basis of past experience; the unexpended balances that are there and presently available for expenditure and that amount to roughly $48 billion; and/or the simple admission by the General Accounting Office that there are substantial amounts of waste that we can eliminate.

So on the expenditure side there are more than enough adequate dollar amounts available for reduction to meet the $464 billion expenditure level.

Mr. Chairman, let me briefly explain my calculations on the revenue side. I have tried to leave it flexible on the revenue side to accommodate what we will finally have as a result of what comes out of the conference on the revenue bill for 1978. Let me review those calculations:

REVENUES IN ROUSSELOT SUBSTITUTE

First, Justification of $14 billion increase in revenues. Calculation made by using GNP deflator at 7.5 percent—$2,390 trillion. Chairman's figures used lower GNP. GNP will be higher because tax cuts will improve employment and increase the tax base. Reduction of taxes provides individuals and business a chance to reinvest in the economy.

Second. Inflation rate estimated at the more realistic rate of 7.5 percent. Committee resolution calculated at annual inflation rate of 6.8 percent.

Third. Feed-back effects of tax cuts. On the basis of past experience, when there have been tax cuts in this country, the feed-back effects have been much greater than what has been anticipated in the Committee's resolution.

The difference in the calculations comes about because the Committee has guessed that the gross national product will be roughly $2.3 trillion. I say it will be $2.30 trillion, and the reason for that is because of the tax cuts that I believe will occur as a result of our final product on taxes, because the incentives for the private sector will be present. Further, I feel that this year's tax cut bill will generate revenues, as it has on the 10 previous times when this Congress has reduced taxes.

The CHAIRMAN. The time of the gentleman from California (Mr. ROUSSELOT) has again expired.

(By unanimous consent, Mr. ROUSSELOT was allowed to proceed for 2 additional minutes.)

Mr. ROUSSELOT. Therefore, Mr. Chairman, I believe that the normal growth rate will be 13.5 percent and that the real growth rate will be 5.5 percent. Those are improved estimates from the committee version. My belief also is that on the basis of those calculations and the other points I have mentioned, the revenues will be better than estimated by some of those who serve on our Committee on the Budget.

Second, as I have already partially mentioned, I believe the feedback effect, on the basis of history, is far better in the private sector than has been forecast by the chairman of my committee on the basis of economic studies of some of the members of our staff.

Mr. Chairman, let me quickly review the facts. The Rousselot amendment would provide $464 billion in revenues, $519 billion in budget authority, $464 billion in outlays, and no add-on deficit

for 1979. That alone would reduce the necessity for increasing the interest charge on the debt.

The debt limit would then be $798 billion, the same figure we just voted a few weeks ago.

How does that compare to 1978? In 1978, the revenues were roughly $400 billion, or $398 billion. The budget authority was $495 billion. The outlays were $447 billion. The deficit was $449 billion, or is projected to be by October 1. Therefore, in those areas of expenditures where there are no cuts there is an increase in expenditure level of $16 billion, so it will cover all of your pet projects. Now let me review the function categories as compared to fiscal year 1978:

SECOND BUDGET RESOLUTION/FISCAL YEAR 1979

[In millions of dollars]

	House Budget Committee	Actual 1978 CBO current estimate	Rousselot amendment
Revenues	450,000	397,992	464,148
Budget Authority	561,242	495,757	519,046
Outlays	490,463	447,922	464,148
Deficit	40,463	49,930	0
Debt subject to limit	838,800	768,730	798,300
CHAIRMAN'S RECOMMENDATION			
050—National defense:			
Budget authority	127,013	117,877	127,102
Outlays	112,403	103,980	112,403
150—International affairs:			
Budget authority	12,365	9,454	8,754
Outlays	7,119	5,905	6,200
250—General science, space and technology:			
Budget authority	5,146	4,848	5,146
Outlays	4,991	4,744	5,001
270—Energy:			
Budget authority	9,601	8,048	9,200
Outlays	8,684	5,580	7,100
300—Natural resources and environment:			
Budget authority	12,963	12,503	12,900
Outlays	11,380	10,916	11,001
350—Agriculture:			
Budget authority	12,225	3,182	9,197
Outlays	7,628	8,125	7,628
370—Commerce and housing credit:			
Budget authority	5,551	5,386	5,386
Outlays	2,814	3,115	2,814
400—Transportation:			
Budget authority	19,451	15,027	16,200
Outlays	17,063	15,497	16,500
450—Community and regional development:			
Budget authority	10,327	8,927	8,500
Outlays	9,474	10,433	9,001
500—Education, training, employment, and social services:			
Budget authority	34,022	21,842	22,100
Outlays	31,446	26,673	26,600
550—Health:			
Budget authority	52,158	46,416	48,600
Outlays	49,268	43,729	46,102
600—Income security:			
Budget authority	192,055	180,053	182,394
Outlays	156,566	145,800	150,100
700—Veterans benefits and services:			
Budget authority	21,251	18,805	21,100
Outlays	20,913	19,110	20,913
750—Administration of justice:			
Budget authority	4,163	3,741	4,100
Outlays	4,173	3,885	4,051
800—General government:			
Budget authority	4,098	3,510	4,098
Outlays	4,035	3,434	3,903
850—General purpose fiscal assistance:			
Budget authority	9,019	9,688	9,019
Outlays	9,297	9,590	9,237
900—Interest:			
Budget authority	48,000	42,480	43,500
Outlays	48,001	43,436	43,500
920—Allowances:			
Budget authority	−1,087	0	−1,087
Outlays	−743	0	−743
950—Undistributed offsetting receipts:			
Budget authority	−17,163	−16,030	−17,163
Outlays	−17,163	−16,030	−17,163
Total:			
Budget authority	561,242	497,757	519,046
Outlays	490,463	447,922	464,148

The CHAIRMAN. The time of the gentleman from California (Mr. ROUSSELOT) has again expired.

(By unanimous consent, Mr. ROUSSELOT was allowed to proceed for 2 additional minutes.)

Mr. GIAIMO. Mr. Chairman, will the gentleman yield?

Mr. ROUSSELOT. I yield to my distinguished colleague and chairman, the gentleman from Connecticut (Mr. GIAIMO), of the very fine, hard-working Budget Committee.

Mr. GIAIMO. I thank the gentleman for his kind words.

Mr. Chairman, I am intrigued by the gentleman's proposal.

Mr. ROUSSELOT. I knew the gentleman would be.

Mr. GIAIMO. It fascinates me, and I want to be sure I understand it.

Mr. ROUSSELOT. I want to have the gentleman understand it because I need his vote.

Mr. GIAIMO. As I understand it, the gentleman is proposing a $29 billion tax cut.

Mr. ROUSSELOT. No. I said $20 billion, roughly, is my anticipation. That is assuming what the final result of the conference will produce.

Mr. GIAIMO. A $20 billion tax cut, which is going to result in a revenue fiure of $464 billion.

Mr. ROUSSELOT. Yes.

Mr. GIAIMO. But what the gentleman is saying is that, by having a $20 billion tax cut, we are going to wind up with $14 billion more in revenues.

Mr. ROUSSELOT. That is correct.

Mr. GIAIMO. I would like to hire the gentleman from California to be my accountant the next time I am required to make a financial statement to get a loan from the bank.

Mr. ROUSSELOT. I would like to do that, because I think that the money released in the private sector, in both the corporate tax cut we have in our bill and all of the other cuts will be that much and will generate that many new jobs which enlarges the tax base.

Mr. GIAIMO. Why do we not cut more?

Mr. ROUSSELOT. By the way, even the econometric models we used will show that there will be an increase in jobs of 1,600,000 at the end of a year's time, that there will be an increase in GNP in many of those econometric models, the same ones our committee uses. My belief is that the generation in the private sector will produce that add-on revenue and, additionally, on the basis of the 10 last cuts we have had since 1946, the same thing has happened in the private sector.

I urge the support of my colleagues for the Rousselot balanced budget resolution.

Mr. MITCHELL of Maryland. Mr. Chairman, I move to strike the last word.

Mr. Chairman, I rise in "supposition" of the amendment, and I yield back the balance of my time.

Mr. WYLIE. Mr. Chairman, I move to strike the requisite number of words, and I rise in support of the amendment.

Mr. Chairman, I rise in support of the latest of the Rousselot balance the budget amendments. The distinguished gentleman from California is on the right track and is once again providing the House with an opportunity to go on record as favoring, if not a balanced budget, a reduction in the deficit.

I am persuaded by careful consideration that both in the short run—1978 and 1979—and in the long run—the rest of this century and beyond—that Congress must adopt a method to stop deficit spending except in case of national economic necessity, and I have introduced a bill to do just that.

The critical problem for our country both in the short run and the long run is to contain inflation which is so disruptive to all segments of our Nation. There is no doubt in my mind that deficit spending by the Federal Government is the major cause of inflation, and it is a source of inflation which we in the Congress can directly do something about.

For the short run through 1979 we in the Congress have a distinct problem to address and correct. Inflation has been accelerating in 1978 as the year has progressed, and interest rates have also climbed sharply higher. The gentleman mentioned the Congressional Budget Office. In support of his position I refer to the Congressional Budget Office report of July, 1978 entitled "Inflation and Growth: The Economic Policy Dilemma." On page 30 it says:

> No one knows precisely how much higher short-term interest rates can go before the economy is greatly weakened. Historical experience suggests not much further.

If we have another substantial deficit which keeps Treasury in the capital markets and interest rates continue to rise, then, in the short run through 1979, we will be responsible for setting the conditions specified in the recession scenario of the July report of our own Budget Committee. Their recession scenario says that if the 3-month treasury bill rate rises to 8.5 percent in a few months and then declines slowly thereafter, we will have a recession in 1979. Unemployment will rise to over 7 percent and total employment will be some 2 million persons less than otherwise.

The same report concludes:

> This projected recession, like its predecessors, would reduce business profits and investment in plant and equipment and postpone still further advances in labor productivity and improvements in employment opportunities for the most disadvantaged.

For the short run we have a responsibility to try to balance the budget, and the Rousselot substitute is the way to begin the process.

My good friend, Prof. Paul Craig at the Ohio State University, has brought his thoughts together on the longrun problem in a pamphlet entitled "A Layman's Guide to Inflation." He points out, and I agree with him, that, with productivity declining and expectations rising, the struggle over finite resources is intensifying.

Modern governments are attempting to placate the conflict by trying to fund more in government programs than political support in the form of a willingness to be taxed will support. The result has been deficits in Government budgets. The resulting excessive increase in the money supply has, in turn, been directly responsible for our high rates of inflation. Inflation, in turn, is basically unfair, "a creeping unvoted tax that falls on the unwary," and erodes the value of the savings of the average citizen. This destroys the incentive to work hard to be able to save which is so crucial to our work ethic and the maintenance of a middle class. Inflation is thus socially dysfunctional in the long run.

To address the problem of inflation in the longrun we must first recognize and accept our responsibility and obligation to do our part. Our part is to make the tough decisions on spending programs which cause deficits. The way to assure that we will act responsibly in making these decisions is to adopt a balanced budget. If we cannot run deficits, then we will be required to vote only for those programs our constituents will be willing to pay for in taxes. I might say this system has worked very well in Switzerland—and I recognize that running a government of only 6½ million people is not the same as running one for 213 million. With no deficits, the Federal Reserve could do a much more responsible job of restraining monetary expansion.

Inflation will then come under control. As inflation begins to decline, expectations of inflation will spiral down. Long-term interest rates will decline. Housing and capital investment will be more attractively priced, and savings will be available to finance them.

Inflation is our No. 1 problem. It is our duty to bring inflation under control, and we should address it by voting for the Rousselot substitute.

Mr. ROUSSELOT. Mr. Chairman, will the gentleman yield?

Mr. WYLIE. I yield to the gentleman from California.

Mr. ROUSSELOT. Mr. Chairman, the gentleman makes an important point. One of the major contributors to inflation that we have all talked about is, in fact, overspending by the Federal Government. When we constantly raise our expenditure levels so far beyond the normal increases, when this Congress so consistently increases the expenditures at such a high rate and does not intend to contain them the way this resolution does, the Federal Government does in fact, contribute to the inflation to which the gentleman refers.

The CHAIRMAN. The time of the gentleman from Ohio has expired.

(At the request of Mr. ROUSSELOT and by unanimous consent, Mr. WYLIE was allowed to proceed for 1 additional minute.)

Mr. ROUSSELOT. The gentleman's point is well taken. One way to stop that inflationary spiral is not only to have the Federal Government set the example, but actually restrain the increases in expenditures.

Mr. WYLIE. I thank the gentleman.

Mr. GIAIMO. Mr. Chairman, I move to strike the requisite number of words, and I rise in opposition to the amendment.

Mr. Chairman, everyone in this House would like to balance the budget. Everyone in this House is working diligently toward that end in the very near future when we will be able to balance the budget, but we do not think we will be able to do it merely by legislative fiat and by cutting the budget and cutting necessary expenses drastically and thus arriving at a zero deficit. We think that is unrealistic.

This amendment should be defeated.

Mr. DOWNEY. Mr. Chairman, will the gentleman yield?

Mr. GIAIMO. I yield to the very distinguished gentleman from New York, a very valuable Member of this body.

Mr. DOWNEY. Mr. Chairman, I thank the gentleman.

I have a number of questions because the gentleman from California has made some persuasive points.

Is it my understanding the Rousselot amendment will balance the Federal budget by 1979, create a $20 billion tax cut that will generate $14 billion in additional taxes, eliminate waste in Federal programs, solve our problem of inflation, and balance the budget, and it will not touch Defense or veterans? Can the gentleman tell me, if I vote for this amendment, our Middle East crisis and energy problems will also be solved?

Mr. GIAIMO. I do not think I could answer that question. I am sure the gentleman from California would have some responses. It seems to have accomplished everything else. But I really believe one would have to believe in the tooth fairy if we expect it to accomplish it all.

The CHAIRMAN. The question is on the amendment offered by the gentleman from California (Mr. ROUSSELOT) as a substitute for the amendment in the nature of a substitute offered by the gentleman from Connecticut (Mr. GIAIMO).

The question was taken; and the Chairman announced that the noes appeared to have it.

RECORDED VOTE

Mr. ROUSSELOT. Mr. Chairman, I demand a recorded vote.

A recorded vote was ordered.

The vote was taken by electronic device, and there were—ayes 153, noes 235, not voting 44, as follows:

[Rollcall Vote No. 712]

AYES—153

Abdnor	Emery	Miller, Ohio
Andrews, N.C.	English	Mitchell, N.Y.
Andrews, N. Dak.	Evans, Ga.	Montgomery
Archer	Evans, Ind.	Moore
Armstrong	Findley	Moorhead, Calif.
Ashbrook	Fithian	Mottl
Badham	Fowler	Murphy, Pa.
Bafalis	Gammage	Myers, John
Barnard	Ginn	Neal
Bauman	Goldwater	O'Brien
Beard, Tenn.	Goodling	Oakar
Bowen	Grassley	Panetta
Breaux	Gudger	Pettis
Brinkley	Hall	Quayle
Brodhead	Hammer-schmidt	Quillen
Broomfield	Hannaford	Robinson
Brown, Mich.	Hansen	Rose
Brown, Ohio	Harsha	Rousselot
Broyhill	Hefner	Rudd
Buchanan	Hillis	Runnels
Burgener	Holt	Satterfield
Burke, Fla.	Hubbard	Sawyer
Burleson, Tex.	Hyde	Schroeder
Burton, John	Ichord	Sebelius
Butler	Johnson, Colo.	Shuster
Byron	Jones, N.C.	Skelton
Caputo	Jones, Okla.	Smith, Nebr.
Carr	Jones, Tenn.	Snyder
Carter	Kelly	Spence
Cederberg	Kemp	Stockman
Chappell	Kindness	Stump
Clausen, Don H.	Kostmayer	Symms
Clawson, Del	Krueger	Taylor
Cleveland	Lagomarsino	Thone
Cochran	Latta	Traxler
Coleman	Leach	Treen
Collins, Tex.	Levitas	Trible
Corcoran	Livingston	Vander Jagt
Crane	Lloyd, Calif.	Walker
Cunningham	Lott	Walsh
Daniel, Dan	Lujan	Wampler
Daniel, R. W.	McClory	Watkins
Davis	McCloskey	White
de la Garza	McKinney	Whitehurst
Derwinski	Madigan	Whitley
Devine	Marks	Wiggins
Dickinson	Marlenee	Wilson, Bob
Dornan	Marriott	Winn
Duncan, Tenn.	Martin	Wylie
Edwards, Ala.	Mathis	Yatron
Edwards, Okla.	Mattox	Young, Fla.

NOES—235

Addabbo	Cotter	Hanley
Akaka	Coughlin	Harkin
Alexander	D'Amours	Harris
Ambro	Danielson	Hawkins
Ammerman	Delaney	Heckler
Anderson, Calif.	Derrick	Heftel
Anderson, Ill.	Dicks	Hightower
Annunzio	Diggs	Holland
Applegate	Dingell	Hollenbeck
Aspin	Dodd	Holtzman
AuCoin	Downey	Horton
Baldus	Drinan	Howard
Baucus	Duncan, Oreg.	Hughes
Beard, R.I.	Early	Jacobs
Bedell	Eckhardt	Jeffords
Beilenson	Edgar	Jenkins
Benjamin	Edwards, Calif.	Johnson, Calif.
Bennett	Eilberg	Jordan
Bevill	Erlenborn	Kastenmeier
Biaggi	Ertel	Kazen
Bingham	Evans, Del.	Keys
Blanchard	Fary	Kildee
Blouin	Fascell	Krebs
Boggs	Fenwick	LaFalce
Boland	Fish	Lederer
Bolling	Fisher	Leggett
Bonior	Flippo	Lehman
Brademas	Flood	Lent
Breckinridge	Florio	Long, La.
Brooks	Foley	Long, Md.
Brown, Calif.	Ford, Tenn.	Luken
Burke, Mass.	Forsythe	Lundine
Burlison, Mo.	Frenzel	McCormack
Burton, Phillip	Fuqua	McDade
Carney	Garcia	McEwen
Cavanaugh	Gaydos	McFall
Chisholm	Gephardt	McHugh
Cohen	Giaimo	McKay
Collins, Ill.	Gibbons	Maguire
Conable	Gilman	Mahon
Conte	Glickman	Mann
Conyers	Gonzalez	Markey
Corman	Gore	Mazzoli
Cornell	Gradison	Meeds
Cornwell	Green	Metcalfe
	Hamilton	Mikulski

Mikva	Price	Staggers
Mineta	Pritchard	Stanton
Minish	Pursell	Stark
Mitchell, Md.	Quie	Steed
Moakley	Rahall	Steers
Moffet	Railsback	Steiger
Mollohan	Rangel	Stratton
Moorhead, Pa.	Regula	Studds
Murphy, Ill.	Reuss	Thornton
Murphy, N.Y.	Rhodes	Tucker
Murtha	Richmond	Udall
Myers, Gary	Rinaldo	Ullman
Myers, Michael	Roberts	Van Deerlin
Natcher	Roe	Vanik
Nedzi	Roncalio	Vento
Nichols	Rooney	Volkmer
Nix	Rosenthal	Waggonner
Nolan	Rostenkowski	Walgren
Nowak	Roybal	Waxman
Oberstar	Ruppe	Weaver
Obey	Russo	Weiss
Ottinger	Ryan	Whalen
Patten	Santini	Whitten
Patterson	Scheuer	Wilson, Tex.
Pattison	Seiberling	Wirth
Pease	Sharp	Wolff
Pepper	Simon	Wright
Perkins	Skubitz	Wydler
Pickle	Slack	Yates
Pike	Smith, Iowa	Young, Mo.
Poage	Solarz	Zablocki
Pressler	Spellman	Zeferetti
Preyer	St Germain	

NOT VOTING—44

Ashley	Harrington	Rogers
Bonker	Huckaby	Sarasin
Burke, Calif.	Ireland	Schulze
Clay	Jenrette	Shipley
Dellums	Kasten	Sikes
Dent	Le Fante	Sisk
Evans, Colo.	Lloyd, Tenn.	Stangeland
Flowers	McDonald	Stokes
Flynt	Meyner	Teague
Ford, Mich.	Michel	Thompson
Fountain	Milford	Tsongas
Fraser	Miller, Calif.	Wilson, C. H.
Frey	Moss	Young, Alaska
Guyer	Risenhoover	Young, Tex.
Hagedorn	Rodino	

The Clerk announced the following pairs:

On this vote:

Mrs. Lloyd of Tennessee for, with Mr. Thompson against.

Mr. Risenhoover for, with Mr. Rodino against.

Mr. Sikes for, with Mr. Le Fante against.

Mr. McDonald for, with Mrs Burke of California against.

Mr. HILLIS changed his vote from "no" to "aye."

So the amendment offered as a substitute for the amendment in the nature of a substitute was rejected.

The result of the vote was announced as above recorded.

● Mr. HARRIS. Mr. Chairman, the Budget Committee has worked long and hard to produce for us this second concurrent resolution on the budget for fiscal year 1979. Again this year, Congress has acted to set a realistic budget for the United States and to live within it. While I believe that this final House version of the budget for the fiscal year results in a deficit which is entirely too high, I have to fault the entire Congress and numerous committees rather than the Budget Committee, which has worked hard to reconcile the many separate spending and revenue measures enacted by the 95th Congress. There are a lot of "bugs" left in the new congressional budget procedure, and they will remain there until Congress gets serious about waste.

ELIMINATING THREE KINDS OF WASTE

Every Member of this House is concerned about waste in Government, but most of us take a view of waste which is entirely too narrow. If we are serious about getting the economy going in the right direction again, we must pursue a policy of balanced economic growth that presents expanding opportunities for all Americans without having that progress taxed away through inflation. And it means we must work to eliminate all three kinds of waste in Government which influence budget outlays, revenues, and deficits. Despite progress, Congress has failed to construct an economic and budgetary policy which addresses the three kinds of government waste.

ELIMINATING WASTEFUL SPENDING: FAT PROGRAM OUTLAYS

A number of my colleagues joined with me earlier in this Congress to oppose $800,000,000 in funds for unnecessary water construction projects which are not only wasteful, but harmful to the environment. Some of us fought, too, against giveaway subsidies to the maritime industry, which the House saw fit to grant. We fought, also, against $4.7 billion in excessive subsidies in the farm program which are too skewed toward large corporate farmers. We missed the opportunity to increase Defense spending by $7 billion instead of $9.7 billion by simply eliminating purchases of obsolete hardware. And we have been, so far, unsuccessful in cutting some $2.4 billion in waste in the important medicare and medicaid programs by cracking down on fraud.

I don't believe that taxpayers should be asked to foot the bill for that kind of waste—I am disappointed that we have not made enough progress this year eliminating it. That is why the budget authority and outlay figures recommended by the Budget Committee are too high.

ELIMINATING WASTEFUL "SPENDING": UNCOLLECTED TAX REVENUES

The second kind of waste which Congress has failed to eliminate is the waste of resources which occurs when wealthy individuals and corporations are able to reduce or escape their fair taxes by utilizing tax loopholes. Not only did Congress drop the ball from President Carter in failing to take action on some tax reform this year, we opened the tax dollar goody bag once again and agreed to spend another $1.6 billion next year on new capital gains exemptions.

In the alternative budget that I proposed earlier this year, I identified four major tax loopholes that enable big corporations to avoid paying their fair share of taxes, at a cost to taxpayers of $7 billion per year. Our constituents remember, even when we "forget," that revenue lost by tax loopholes costs them in higher taxes.

I joined with the majority of my colleagues last week in passing the tax bill sent to us by the Ways and Means Committee, because I believed it was essential to give working families some protection against artificial elevation into higher tax brackets solely because of inflation, and because the bill offered some relief from the pinch of higher payroll taxes for social security. But the kind of tax cut written by that committee—the tax cut on which this budget resolution is partially based—totally failed to come to grips with this second important kind of waste in Government.

As he does each Congress, our distinguished colleague from Ohio brought to our attention earlier this year a list of 17 of the biggest corporations in the country which used tax loopholes to produce an effective U.S. tax rate of zero in 1976. Congress took no action to insure that these companies would pay their fair share next year, which means that the revenue projection on which this budget is based is inappropriate.

ELIMINATING WASTEFUL UNDEREMPLOYMENT

The greatest waste of all occurs, in my opinion, when the healthiest, best-trained work force in the world has to suffer from unemployment and underemployment. When most of the Members of this body were entering the job market after high school, college or the military, we faced an economy which was expanding. We had an opportunity to achieve.

Today we are wasting strength, vitality, imagination, and productive labor of our people—especially our young people, who are caught in the squeeze between inflation and recession. Although we have made progress this year against both unemployment and the rate of inflation, we will have to remain vigilant against their causes: First, worldwide manipulation of fuel prices by the OPEC nations and their American trading partners with a ripple effect on the whole economy; second, loss of our competitive edge against other nations in the advance of business creativity and technology; and third, our failure to eliminate the three kinds of waste I have outlined here today.

Mr. Speaker, when we are able to hold the line in this Congress against artificial price increases for energy, when we stop squandering our revenues on unnecessary tax loopholes and spend those tax dollars wisely, perhaps we will be presented a budget resolution which effectively addresses the kind of balanced economic growth America needs so badly to maintain.

Perhaps at that point, too, I will be able to support the budget resolution.●

Mr. GIAIMO. Mr. Chairman, I move to strike the requisite number of words.

Mr. Chairman, I believe we are now ready to vote on the Giaimo substitute amendment.

The CHAIRMAN. The gentleman is correct.

Mr. GIAIMO. Mr. Chairman, I just want to advise the Members that if we adopt the Giaimo substitute amendment in the budget resolution, we will have a budget deficit of less than $40 billion, and it will be $39.8 billion.

The CHAIRMAN. The question is on the amendment in the nature of a substitute offered by the gentleman from Connecticut (Mr. GIAIMO), as amended.

The amendment in the nature of a substitute, as amended, was agreed to.

Mr. GIAIMO. Mr. Chairman, I move that the Committee do now rise and report the concurrent resolution back to the House with an amendment, with the recommendation that the amendment, as amended, be agreed to, and that the concurrent resolution, as amended, be agreed to.

The motion was agreed to.

Accordingly the Committee rose; and the Speaker having resumed the chair, Mr. NATCHER, Chairman of the Committee of the Whole House on the State of

the Union, reported that that Committee, having had under consideration the concurrent resolution (H. Con. Res. 683) revising the congressional budget for the U.S. Government for the fiscal year 1979, had directed him to report the concurrent resolution back to the House with an amendment, with the recommendation that the amendment, as amended, be agreed to and that the concurrent resolution, as amended, be agreed to.

The SPEAKER. Pursuant to the statute, the previous question is ordered.

The question is on the amendment.

The amendment was agreed to.

The SPEAKER. The question is on the concurrent resolution.

Mr. LATTA. Mr. Speaker, on that I demand the yeas and nays.

The yeas and nays were ordered.

The vote was taken by electronic device, and there were—yeas 217, nays 178, not voting 37, as follows:

[Roll No. 713]

YEAS—217

Addabbo	Fowler	Oakar
Akaka	Fuqua	Oberstar
Alexander	Garcia	Obey
Ambro	Gaydos	Panetta
Ammerman	Gephardt	Patten
Anderson, Calif.	Giaimo	Patterson
Andrews, N.C.	Ginn	Pattison
Annunzio	Glickman	Pease
Applegate	Gonzalez	Pepper
Ashley	Gore	Perkins
Aspin	Hamilton	Pickle
Baldus	Hanley	Poage
Barnard	Hannaford	Preyer
Beard, R.I.	Hawkins	Price
Bedell	Hefner	Rahall
Beilenson	Heftel	Rangel
Benjamin	Hightower	Reuss
Bevill	Holland	Richmond
Biaggi	Holtzman	Roberts
Bingham	Howard	Roe
Blanchard	Hubbard	Rogers
Blouin	Jenkins	Roncalio
Boggs	Johnson, Calif.	Rooney
Boland	Jones, N.C.	Rose
Bolling	Jones, Okla.	Rosenthal
Bonior	Jordan	Rostenkowski
Bowen	Kastenmeier	Roybal
Brademas	Kazen	Russo
Breckinridge	Keys	Ryan
Brinkley	Kildee	Scheuer
Brodhead	Krebs	Schroeder
Brooks	LaFalce	Seiberling
Brown, Calif.	Lederer	Sharp
Burke, Mass.	Leggett	Simon
Burleson, Tex.	Lehman	Skelton
Burlison, Mo.	Levitas	Slack
Burton, Phillip	Lloyd, Calif.	Smith, Iowa
Carney	Long, La.	Solarz
Chisholm	Long, Md.	Spellman
Clay	Lundine	St Germain
Collins, Ill.	McCormack	Staggers
Corman	McFall	Stark
Cornell	McHugh	Steed
Cornwell	McKay	Steers
Cotter	Maguire	Stratton
D'Amours	Mahon	Studds
Danielson	Mann	Thornton
Davis	Markey	Traxler
de la Garza	Mattox	Tucker
Delaney	Mazzoli	Udall
Derrick	Meeds	Ullman
Dicks	Metcalfe	Van Deerlin
Diggs	Mikulski	Vanik
Dingell	Mikva	Vento
Dodd	Milford	Volkmer
Downey	Mineta	Waggonner
Drinan	Minish	Walgren
Duncan, Oreg.	Mitchell, Md.	Watkins
Eckhardt	Moakley	Waxman
Edgar	Moffett	Weiss
Edwards, Calif.	Mollohan	Whalen
Eilberg	Montgomery	Whitley
English	Moorhead, Pa.	Whitten
Fary	Murphy, Ill.	Wilson, Tex.
Fascell	Murphy, N.Y.	Wirth
Fisher	Murtha	Wolff
Flippo	Myers, Michael	Wright
Flood	Natcher	Yates
Florio	Nedzi	Yatron
Foley	Nichols	Young, Mo.
Ford, Mich.	Nix	Zablocki
Ford, Tenn.	Nolan	Zeferetti
	Nowak	

NAYS—178

Abdnor	Evans, Ind.	Miller, Ohio
Anderson, Ill.	Fenwick	Mitchell, N.Y.
Andrews, N. Dak.	Findley	Moore
Archer	Fish	Moorhead, Calif.
Armstrong	Fithian	Mottl
Ashbrook	Forsythe	Murphy, Pa.
AuCoin	Frenzel	Myers, Gary
Badham	Gammage	Myers, John
Bafalis	Gibbons	Neal
Baucus	Gilman	O'Brien
Bauman	Goldwater	Ottinger
Beard, Tenn.	Goodling	Pettis
Bennett	Gradison	Pike
Breaux	Grassley	Pressler
Broomfield	Green	Pritchard
Brown, Mich.	Gudger	Pursell
Brown, Ohio	Hall	Quayle
Broyhill	Hammer-schmidt	Quie
Buchanan	Hansen	Quillen
Burgener	Harkin	Railsback
Burke, Fla.	Harris	Regula
Burton, John	Harsha	Rhodes
Butler	Heckler	Rinaldo
Byron	Hillis	Robinson
Caputo	Hollenbeck	Rousselot
Carr	Holt	Rudd
Carter	Horton	Runnels
Cavanaugh	Hughes	Ruppe
Cederberg	Hyde	Santini
Chappell	Ichord	Satterfield
Clausen, Don H.	Ireland	Sawyer
Clawson, Del	Jacobs	Sebelius
Cleveland	Jeffords	Shuster
Cochran	Johnson, Colo.	Skubitz
Cohen	Jones, Tenn.	Smith, Nebr.
Coleman	Kelly	Snyder
Collins, Tex.	Kemp	Spence
Conable	Kindness	Stanton
Conte	Kostmayer	Steiger
Conyers	Krueger	Stockman
Corcoran	Lagomarsino	Stump
Coughlin	Latta	Symms
Crane	Leach	Taylor
Cunningham	Lent	Thone
Daniel, Dan	Livingston	Treen
Daniel, R. W.	Lott	Trible
Derwinski	Lujan	Vander Jagt
Devine	Luken	Walker
Dickinson	McClory	Walsh
Dornan	McCloskey	Wampler
Duncan, Tenn.	McDade	Weaver
Early	McEwen	White
Edwards, Ala.	McKinney	Whitehurst
Edwards, Okla.	Madigan	Wiggins
Emery	Marks	Wilson, Bob
Erlenborn	Marlenee	Winn
Ertel	Marriott	Wydler
Evans, Del.	Martin	Wylie
Evans, Ga.	Mathis	Young, Fla.
	Michel	

NOT VOTING—37

Bonker	Huckaby	Shipley
Burke, Calif.	Jenrette	Sikes
Dellums	Kasten	Sisk
Dent	Le Fante	Stangeland
Evans, Colo.	Lloyd, Tenn.	Stokes
Flowers	McDonald	Teague
Flynt	Meyner	Thompson
Fountain	Miller, Calif.	Tsongas
Fraser	Moss	Wilson, C. H.
Frey	Risenhoover	Young, Alaska
Guyer	Rodino	Young, Tex.
Hagedorn	Sarasin	
Harrington	Schulze	

The Clerk announced the following pairs:

On this vote:

Mr. Thompson for, with Mrs. Lloyd of Tennessee against.

Mr. Rodino for, with Mr. Huckaby against.

Mr. Le Fante for, with Mr. Frey against.

Mr. Burke of California for, with Mr. Stangeland against.

Mr. Dent for, with Mr. Kasten against.

Mrs. Meyner for, with Mr. McDonald against.

Mr. Stokes for, with Mr. Sikes against.

Until further notice:

Mr. Miller of California with Mr. Guyer.

Mr. Risenhoover with Mr. Hagedorn.

Mr. Charles H. Wilson of California with Mr. Schulze.

Mr. Evans of Colorado with Mr. Young of Alaska.

Mr. Jenrette with Mr. Sarasin.

Mr. Shipley with Mr. Dellums.

Mr. Harrington with Mr. Flowers.

Mr. Flynt with Mr. Fraser.

Mr. Moss with Mr. Teague.

Mr. Tsongas with Mr. Sisk.

Mr. Bonker with Mr. Fountain.

Mr. VENTO changed his vote from "nay" to "yea."

So the concurrent resolution was agreed to.

The result of the vote was announced as above recorded.

MESSAGE FROM THE SENATE

A message from the Senate by Mr. Sparrow, one of its clerks announced that the Senate had passed with an amendment in which the concurrence of the House is requested, a bill of the House of the following title:

H.R. 12050. An act to amend the Internal Revenue Code of 1954 to provide a Federal income tax credit for tuition.

The message also announced that the Senate insists upon its amendments to the bill (H.R. 12050) entitled "An act to amend the Internal Revenue Code of 1954 to provide a Federal income tax credit for tuition," requests a conference with the House on the disagreeing votes of the two Houses thereon, and appoints Mr. LONG, Mr. RIBICOFF, Mr. BENTSEN, Mr. MOYNIHAN, Mr. ROTH, and Mr. DOLE to be the conferees on the part of the Senate.

The message also announced that the Senate had passed bills and a joint resolution of the following titles, in which the concurrence of the House is requested:

S. 2543. An act to amend title 39 of the United States Code to provide better enforcement procedures for preventing fraudulent solicitations through the mails;

S. 3382. An act to waive the statute of limitations with regard to the tort claim of Eazor Express, Inc. of Pittsburgh, Pa., against the United States; and

S.J. Res. 148. Joint resolution authorizing and requesting the President of the United States to issue a proclamation designating the seven calendar days beginning September 17, 1978, as "National Port Week."

REPORT ON RESOLUTION PROVIDING FOR CONSIDERATION OF H.R. 10898, AUTHORIZING APPROPRIATIONS FOR UNITED STATES RAILWAY ASSOCIATION FOR FISCAL YEAR 1979

Mr. MURPHY of Illinois, from the Committee on Rules, submitted a privileged report (Rept. No. 95–1502), on the resolution (H. Res. 1321) providing for consideration of the bill (H.R. 10898) to amend the Regional Rail Reorganization Act of 1973 to authorize appropriations for the United States Railway Association for fiscal year 1979, which was referred to the House Calendar and ordered to be printed.

REPORT ON RESOLUTION PROVIDING FOR CONSIDERATION OF S. 1613, ENLARGING CIVIL AND CRIMINAL JURISDICTION OF U.S. MAGISTRATES

Mr. MURPHY of Illinois, from the Committee on Rules, submitted a privileged report (Rept. No. 95–1503), on the resolution (H. Res. 1322) providing for consideration of the Senate bill (S. 1613)

to improve access to the Federal courts by enlarging the civil and criminal jurisdiction of U.S. magistrates, and for other purposes, which was referred to the House Calendar and ordered to be printed.

PERSONAL EXPLANATION

Mr. RUSSO. Mr. Speaker, on yesterday on House Joint Resolution 638, the proposed equal rights amendment extension, I was paired against the previous question and against the motion to table. Had I been present I would have voted for the previous question and for the motion to table.

SUCCESSFUL BALLOON CROSSING OF ATLANTIC

(Mr. LUJAN asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. LUJAN. Mr. Speaker, I take this time to inform the House of an important event today. Three of my constituents, Maxie Anderson, Ben Abruzzo, and Larry Newman have successfully crossed the Atlantic in a balloon today. It is the first time it has ever been successfully done.

CONFERENCE REPORT ON H.R. 12602, MILITARY CONSTRUCTION AUTHORIZATIONS, FISCAL YEAR 1979

Mr. NEDZI. Mr. Speaker, I call up the conference report on the bill (H.R. 12602) to authorize certain construction at military installations for fiscal year 1979, and for other purposes, and ask unanimous consent that the statement of the managers be read in lieu of the report.

The Clerk read the title of the bill.

The SPEAKER. Is there objection to the request of the gentleman from Michigan?

There was no objection.

ANNOUNCEMENT BY THE SPEAKER

The SPEAKER. The Chair would like to make the following announcement, before the Clerk reads the statement: We will adjourn for the evening following the adoption of the conference report, and this will be the last vote of the evening.

The Clerk read the statement.

(For conference report and statement, see proceedings of the House of August 7, 1978.)

Mr. NEDZI (during the reading). Mr. Speaker, I ask unanimous consent to dispense with further reading of the statement, and I will give an explanatory statement.

The SPEAKER. Is there objection to the request of the gentleman from Michigan?

There was no objection.

The SPEAKER. The gentleman from Michigan (Mr. NEDZI) will be recognized for 30 minutes, and the gentleman from Virginia (Mr. WHITEHURST) will be rceognized for 30 minutes.

The Chair recognizes the gentleman from Michigan (Mr. NEDZI).

Mr. NEDZI. Mr. Speaker, I yield myself such time as I may consume.

Mr. Speaker, on May 22, 1978, the House passed H.R. 12602, the Military Construction Authorization Act for fiscal year 1979, which provided new construction authorization for the military departments and the Department of Defense in the total amount of $4,169,444,000.

On July 12, 1978, the Senate considered the legislation, amended it by striking all language after the enacting clause and wrote a new bill. As passed by the Senate, H.R. 12602 provided new construction authorization in the total amount of $3,998,432,000.

As a result of the 2 day conference, July 31 and August 1, between the House and the Senate on the differences in H.R. 12602, the conferees agreed to an adjusted authorization totaling $4,128,312,000.

This compromise is $119,497,000 below the amount requested by the Department of Defense. It is $41,132,000 below the House figure and $129,880,000 above the Senate figure.

There were 194 differences between the House bill and Senate amendment, many of which were concerned with the U.S. construction program in the North Atlantic Treaty area. The other differences primarily involved adjustments the House made in construction contingencies, respective House and Senate project and policy additions and deletions, and mutual reorganization of various authorities under which the military construction program operates. However, we were able to reach agreement on each of these differences. I will not go into detail because House report 95–1448, the conference report on H.R. 12602, explains the actions of the conferees.

The major item in conference involved authorization of construction in support of the U.S. forces committed to NATO. At issue was $288,270,000 authorized by the House for such construction but not contained in the Senate amendment. After extended discussion, the conferees agreed to a compromise figure of $144,475,000. This authorization covers the most critical and time-sensitive projects that support the alliance.

In reaching this compromise the conferees adopted the policy that to the extent possible construction requirements in support of NATO operational mission and readiness objectives should be common-funded by the alliance. However, the conferees also agreed that the strict application of this criteria to the bill H.R. 12602 could result in unacceptable delay to specific readiness-related projects. Therefore, to provide an orderly transition, the conferees agreed to authorize the high priority projects.

Consistent with this approach, the conferees increased the requested $90,000,000 for NATO infrastructure to $120,000,000. This adjusted figure is $50,000,000 above the House figure and $30,000,000 below the Senate figure. The conferees believe this new authorization represents on the part of the United States a commitment to the alliance to increase the U.S. contribution, on a cost-shared basis, to meet the large backlog in infrastructure requirements.

Once the NATO issue was settled the other items were resolved quickly. Time does not permit greater detailing but the conferees believe that the bill agreed to in conference is one that should meet the construction needs of the military establishment during fiscal year 1979. In closing I want to assure the House that all Senate provisions adopted by the conference are germane. Therefore, I urge adoption of the conference report on H.R. 12602.

Mr. WHITEHURST. Mr. Speaker, I yield myself such time as I may consume.

Mr. Speaker, I support the statement of the gentleman from Michigan, regarding the conference report on H.R. 12602.

The conference report on H.R. 12602 contains the initiatives of both the House and Senate. As such, the construction requirements of the three services and the defense agencies for fiscal year 1979 should be met adequately.

Of particular interest is the NATO construction program. While it may have been appropriate to include greater United States prefinancing at this time, I am convinced that increased common funding by the alliance is required. As the gentleman from Michigan indicated, the conferees believe that the United States is demonstrating its willingness to participate actively in this approach as a result of the conference action to increase the NATO infrastructure program.

The bill agreed to in conference is a good one which I urge the House to adopt.

Mr. GILMAN. Mr. Speaker, will the gentleman yield?

Mr. WHITEHURST. I yield to the gentleman from New York.

Mr. GILMAN. Mr. Speaker, I rise to support the Military Construction Authorization Act Conference Report, on which our distinguished colleagues on the Armed Services Committee and on the Conference Committee labored so long and so hard.

As a Member of the Board of Visitors of the U.S. Military Academy at West Point, I am especially cognizant of the construction needs at that fine institution. My concern is sharpened by the fact that Orange County, N.Y., in which West Point is located, and which is part of my 26th Congressional District is currently suffering an extremely high unemployment rate. This construction is vitally needed not only by the Academy, but will be welcomed by the construction trades throughout the surrounding area.

I call the attention of my colleagues to the total amount of $12,265,000 which is earmarked for this purpose.

This $12,265,000 in construction at the Academy will be utilized as follows:

For alteration of cadet support facilities, $5,153,000;

For alteration of Michie Stadium and Gymnasium, $3,634,000;

For outdoor athletic fields and facilities, $1,326,000; and

For separate power and utility facilities, $2,200,000.

These projects are needed at West

Point, and I am confident that the committee did its utmost to provide us with a fair and reasonable authorization.

Accordingly, Mr. Speaker, I urge my colleagues to join in support of this legislation.

Mr. NEDZI. Mr. Speaker, I move the previous question on the conference report.

The previous question was ordered.

The conference report was agreed to.

A motion to reconsider was laid on the table.

ANNOUNCEMENT BY THE SPEAKER

The SPEAKER. The Chair would like to announce that the gentleman from Arizona (Mr. UDALL) has asked to take up a conference report on which he has said there is no controversy.

CONFERENCE REPORT ON S. 1633, PROVIDING EXTENSION OF BENEFITS AND SERVICES TO THE PASCUA YAQUI INDIANS OF ARIZONA

Mr. UDALL. Mr. Speaker, I call up the conference report on the Senate bill (S. 1633) to provide for the extension of certain Federal benefits, services, and assistance to the Pascua Yaqui Indians of Arizona, and for other purposes, and ask unanimous consent that the statement of the managers be read in lieu of the report.

The Clerk read the title of the bill.

The SPEAKER. Is there objection to the request of the gentleman from Arizona?

Mr. CUNNINGHAM. Mr. Speaker, reserving the right to object, I do so for the purpose of asking the chairman, the gentleman from Arizona (Mr. UDALL) as to why this conference report has to be taken up tonight? I presume it is because the gentleman is anxious to get away.

As the gentleman knows, I have some problems with this matter.

Mr. UDALL. Mr. Speaker, if the gentleman will yield, let me say that this is a very minor Indian bill that affects only a very small number of Indians. It was passed almost unanimously in the committee. The conference committee took about 5 minutes to consider the legislation. I have cleared this with the gentleman from Kansas (Mr. SKUBITZ) and with the ranking minority member on the subcommittee, the gentleman from Colorado (Mr. JOHNSON) and I do not think it is the kind of a bill that the gentleman should be making an issue of.

Mr. CUNNINGHAM. Mr. Speaker, further reserving the right to object, I have got some differences against the bill, and maybe the gentleman does not believe I should be taking a position on this, but I am trying to be as reasonable as I can. The gentleman understands that I have some questions on this matter, so I will continue to reserve the right to object so as to have the chairman answer those questions, and if the gentleman can answer them, possibly he can resolve my concerns and then I will withdraw my reservation.

Mr. UDALL. I will try to answer the questions.

Mr. CUNNINGHAM. One of the questions that I have is: Why is this bill necessary?

Mr. UDALL. The Pascua Yaqui Indians are a dispossessed band of Indians who have no reservation, and therefore there have been no benefits for them through the Federal Government. They are entitled to them and have been over the years. It has been the hope of many of us that this small band of less than 400 Indians should be eligible for such benefits.

Mr. CUNNINGHAM. Further reserving the right to object, it is my understanding that these Indians are basically a Mexican tribe.

Mr. UDALL. These were fugitives from Mexico about 60 or 70 years ago, after the revolution they fled to the United States and have been living here ever since.

Mr. CUNNINGHAM. Could the gentleman assure me that they have ceased their revolutionary activities or efforts?

Mr. UDALL. The gentleman can be assured that they pose no threat to the people of Washington State.

Mr. CUNNINGHAM. I appreciate the gentleman's levity, but I am going to stay with the questioning, and that is, as I understand, these people are still taking up arms against the Province of Sonora.

Mr. UDALL. No, the gentleman is badly misinformed.

Mr. CUNNINGHAM. I am entitled to know the answer.

Mr. UDALL. I would repeat that this is just a very small band of Indians, some of them living in Tucson and some of them living around Phoenix. They are a very small group, and they have a great number of social problems.

Mr. CUNNINGHAM. Mr. Speaker, further reserving the right to object, I would state to the gentleman that the report states that in their enrollment they must prove that they are citizens of the United States.

Recently there have been several thousand Indians visiting here who have denied they are U.S. citizens. I wonder if this is consistent with that sort of action.

Mr. UDALL. I assure the gentleman that these people are very proud to be American citizens.

Mr. CUNNINGHAM. Then I am very pleased to withdraw my reservation of objection.

The SPEAKER. Is there objection to the request of the gentleman from Arizona?

There was no objection.

The Clerk read the statement.

(For conference report and statement, see proceedings of the House of July 11, 1978.)

Mr. UDALL (during the reading). Mr. Speaker, I ask unanimous consent that further reading of the statement be dispensed with.

The SPEAKER. Is there objection to the request of the gentleman from Arizona?

There was no objection.

Mr. UDALL. Mr. Speaker, I move the previous question on the conference report.

The previous question was ordered.

The conference report was agreed to.

A motion to reconsider was laid on the table.

ACTIONS OF CAROL FOREMAN DESERVE IMMEDIATE INVESTIGATION

(Mr. ASHBROOK asked and was given permission to address the House for 1 minute and to revise and extend his remarks and include extraneous matter.)

Mr. ASHBROOK. Mr. Speaker, a series of highly improper actions by Assistant Secretary of Agriculture Carol Foreman have recently come to light. An impartial review of the facts involved indicates that, unless the investigation I am requesting the Inspector General to conduct proves otherwise, Mrs. Foreman should resign her post immediately.

The first case raises an apparent conflict of interest. The Department of Agriculture's Food Safety and Quality Service, under the direction of Mrs. Foreman, awarded a $24,000 grant to the Consumer Federation of America. The purpose of the study was to analyze the economic impact of a proposed net weight regulation.

Foreman, of course, is the former executive director of the Consumer Federation of America. So we have Foreman moving from the CFA to the Department of Agriculture, where she then gives a $24,000 award of taxpayers money back to the CFA.

Can you imagine the outcry if someone moved from a private business to a position in the Government and then awarded a contract to his former company? The air would be filled with conflict of interest charges. I can see no reason why the same standards should not apply to someone coming into the Government from the so-called public interest area as well as that of private business.

Mrs. Foreman seems to think that having no direct financial links to CFA is sufficient. This overlooks the obvious emotional, philosophical, and friendship attachments she would have for CFA.

As a further element of bias the CFA testified on the net weight issue before the USDA and the Food and Drug Administration. This, of course, is the very issue it will "study" under the contract. The conflict of interest charge cannot be swept under the rug.

Mrs. Foreman also denied taking part in the contract award. She testified before the House Agriculture Committee's Subcommittee on Livestocks and Grains that,

> I was not involved in this contract except after the point after which Consumer Federation was the sole organization interested in performing the contract.

That is not the case, however. Internal USDA memos show Mrs. Foreman was involved before the contract was awarded. Two lines added to the contract justification are as follows:

> Consequently FSQS is seeking bids for a study of this proposal from recognized con-

sumer advocacy organizations. The bid should indicate the organization's demonstrated ability to provide or procure the services and expertise necessary to perform the analysis within the established time frame.

I have seen a copy of a memo signed by O. V. Cummings, Director of the USDA's Administrative Service Division. This memo, dated April 7—2 months before the contract was awarded—indicates that Mrs. Foreman was responsible for the addition of the previously mentioned two lines. It states: "We were told Mrs. Foreman wanted this added." Mr. Cummings argued against these lines because they were overly restrictive and probably illegal.

It seems that Mrs. Foreman was not telling the truth. Despite her denial of involvement in the contract award to CFA she apparently gave instructions to the staff on that very matter. What other misstatements did she make to the House Agriculture Subcommittee? And what other facts did she fail to mention?

Nor is this the only occasion when Mrs. Foreman has played fast and loose with the rules. Her handling of the nitrite controversy indicates a blatant abuse of authority.

The Department of Agriculture requires that before a rule is issued on other than routine business the Office of the General Counsel must first approve an accompanying memorandum as to the legality of the proposed rule. Mrs. Foreman, however, conveniently overlooked these regulations. She failed to get legal clearance before issuing the rule on nitrites on May 16, 1978.

Testifying before the Subcommittee on Livestocks and Grains, she admitted that she knew of the policy, that it was her responsibility to get clearance and that she failed to do so. In her own words:

It was a mistake and I overlooked it. It clearly should have been there.

And when did she finally seek a legal determination on the rule? Why, on July 10, the day before she was to testify before the House subcommittee. From May 16 until July 10 she did nothing to bring herself into compliance. Only with a House hearing looming 1 day ahead did she finally do what she was required to do months earlier.

Mrs. Foreman's treatment of formulated grain-fruit products is little better. In August 1977 she pushed through the USDA a proposed rule to withdraw such products from the school breakfast program.

Seven weeks later, the USDA awarded a $340,000 contract to study the value of using formulated grain-fruit products in the program. In other words, make up your mind on what to do and then commission a study on it later.

Carol Foreman's high-handed actions as Assistant Secretary of Agriculture do not serve the public interest. Unless the investigation by the Inspector General shows these allegations to be unfounded, she should resign or be fired. My letter to the Inspector General follows:

HOUSE OF REPRESENTATIVES,
Washington, D.C., August 16, 1978.

INSPECTOR GENERAL,
U.S. Department of Agriculture, Agriculture Administration Building, Washington, D.C.

DEAR MR. INSPECTOR GENERAL: It has come to my attention that the Food Safety and Quality Service of the Department of Agriculture has recently awarded a $24,000 contract to the Consumer Federation of America.

Mrs. Carol Foreman is now the Assistant Secretary of Agriculture for Food and Consumer Services. The FSQS is under her jurisdiction. Mrs. Foreman's immediate prior employer was the Consumer Federation of America.

This is an obvious apparent conflict of interest. I call upon your office to make a thorough and public investigation of this action.

Sincerely,

JOHN M. ASHBROOK,
Representative to Congress,
17th District.

A PROPOSED CONSTITUTIONAL AMENDMENT TO REQUIRE BALANCED FEDERAL BUDGET

(Mr. WHITE asked and was given permission to address the House for 1 minute and to revise and extend his remarks and include extraneous matter.)

Mr. WHITE. Mr. Speaker, a few days ago, on August 10, 1978, I introduced House Joint Resolution 1116 proposing an amendment to the Constitution of the United States to require a balanced Federal budget except in time of war declared by Congress or when two-thirds of the Members of the House of Representatives and the Senate authorize Federal budget deficits, to provide for the disposition of subsequent deficits, and to regularly reduce the public debt through timely open-market operations by the Federal Reserve Board.

Mr. Speaker, we know that inflation causes unemployment. We know that the Federal Government's deficits are a leading cause of inflation. We know that inflation erodes the workers pay check and reduces the real profits of business. We know that the aged and all people on fixed incomes are irreparably damaged by inflation. The time has come for us to use our best efforts to curtail one of the leading causes of inflation—deficit spending by the Federal Government.

Mr. Speaker, the time has come for we in the Congress to recognize what our constituents already know; namely, that while Government has grown, the Nation's problems have not been solved. We have seen private initiatives increasingly displaced by the virtually inexorable growth of the public sector. Legislators and bureaucrats increasingly determine what will be produced, how it will be produced, and for whom it will be produced. Rising tax liabilities and deficit-induced inflation have eroded real disposable incomes. Confidence has sagged to the point where investment spending has come to a virtual halt. In short, while some in Government have tried to foster the perception that there is a free lunch, that the "Government can do it," and that it can somehow be done at no cost, our constituents realize that Government cannot solve all of our problems, and that Government "solutions" are often very costly; and that Federal budget deficits are the single most important cause of the problems of rising unemployment, accelerating inflation and declining real incomes.

The proposed amendment, House Joint Resolution 1116, recognizes that legislating Federal budget deficits by a simple majority in Congress generally creates as many economic problems as it solves. Yet in times of recession or depression Federal deficit financing and economic pump priming may be necessary. House Joint Resolution 1116 establishes the principle that a balanced Federal budget is the norm and that if Federal deficit financing is necessary, it should be voted by a two-thirds majority of the Congress.

Mr. Speaker, the following is House Joint Resolution 1116:

H.J. RES. 1116

Joint resolution proposing an amendment to the Constitution of the United States to provide that the level of total expenditures of the United States for any fiscal year shall not exceed the level of total revenues of the United States for such fiscal year and for the disposition of subsequent deficits, and that the gross Federal debt be reduced by open-market operations.

Resolved by the Senate and House of Representatives of the United States of America in Congress assembled (two-thirds of each House concurring therein), That the following article is proposed as an amendment to the Constitution of the United States, to be valid if ratified by the legislatures of three-fourths of the several States within seven years of the date of the final passage of this joint resolution:

"ARTICLE —

"SECTION 1. Except as provided in section 2, the level of total expenditures of the United States for any fiscal year shall not exceed the level of total revenues of the United States for such year.

"SEC. 2. The provisions of sections 1 and 3 shall not apply to any fiscal year—

"(1) if, at any time during such fiscal year, the United States is in a state of war declared by the Congress, or

"(2) if, with respect to such fiscal year, the Senate and the House of Representatives determine, by an affirmative vote of two-thirds of the members present and voting of each House, to suspend the application of section 1 of this article.

"SEC. 3. Except as provided in section 4, the amount of any annual deficit in any fiscal year shall, upon its determination, be considered an expenditure of the United States for the first following fiscal year. If the amount of such deficit exceeds 2 per centum of the level of total expenditures of the United States for such first following fiscal year, the Congress shall provide for a corresponding increase in the level of total revenues of the United States for such first following fiscal year.

"SEC. 4. The Congress may, in any fiscal year, by an affirmative vote of a majority of the members present and voting of each House, apportion the amount of any annual deficit, upon its determination, or any part thereof for such fiscal year as an expenditure of the United States over one or more of the four following fiscal years, or by an affirma-

tive vote of three-fifths of the members and voting of each House, include such deficit or any part thereof in the gross Federal debt.

"SEC. 5. The public debt of the United States shall, consistent with the general welfare of the people, be regularly reduced by the Board of Governors of the Federal Reserve System through its open-market operations.

"SEC. 6. The Congress shall have the power to carry out the terms of this article by appropriate legislation.

"SEC. 7. This article shall take effect on the first fiscal year which begins more than three fiscal years after the date of ratification of this article.".

Mr. Speaker, the following is a section-by-section analysis of House Joint Resoltuion 1116:

Section 1: The purpose of section 1 is to make a balanced Federal budget the norm, thereby reversing the trend toward ever-larger government, burgeoning deficits, accelerating inflation and rising unemployment. Simply stated, section 1. establishes the deliberate, systematic balancing of expenditures with receipts as the norm in Federal fiscal management.

Section 2: While section 1. contemplates budgetary balance as the norm, section 2. recognizes that circumstances may require deliberate, discretionary departures from the norm. In time of war, balanced budgets are neither feasible nor desirable. Thus, during a time of war declared by Congress, the provisions of section 1, shall not be binding. Moreover, even in peacetime it is conceivable that circumstances may justify a deliberate departure from budgetary balance. Section 2. requires, in such instances, that a departure from the norm predicated upon an affirmative vote of two-thirds of the members present and voting in each House of the Congress.

Section 3: It is recognized that, on occasion, realized tax receipts may be less than expected. In these circumstances, passive deficits will emerge. Section 3. provides that such deficits, once determined, be considered an expenditure for the first following year after the tax revenues have been collected and the defict is determined. In the event the passive deficit exceeds two percent of total expenditures for the first following fiscal year after such deficit has been determined, section 3. requires that the Congress provide for a corresponding increase in revenues during that first following fiscal year.

Section 4: Because of prevailing economic or other conditions, provision of compensatory tax increases during the first fiscal year following determination of the magnitude of a deficit may be counter-productive. Section 4. provides, therefore, that the Congress may, upon an affirmative vote of the majority of the members present and voting in each House, apportion all or part of the deficit over one or more of the four following fiscal years. Alternatively, upon a three-fifths vote of the members present and voting in each House, the Congress may elect to include such deficit, or any portion thereof, in the gross Federal debt.

Section 5: Provides for the reduction of the public debt of the United States through the open-market operations of the Federal Reserve System. As economic growth proceeds, more currency will be needed. This currency can be provided by the purchase of outstanding Treasury debt by the Federal Reserve System. In this way the Federal Reserve can accommodate the currency needs of a growing economy, the public debt can be systematically reduced, and the taxpayer need not directly bear the burden of debt retirement.

Section 6: Empowers the Congress to implement the terms of this article by any legislation deemed appropriate.

Section 7: The purpose of section 7. is to provide for the orderly transition to a balanced budget. The transition period would cover three fiscal years after ratification of this article.

ANDREW YOUNG DOES LIE

The SPEAKER pro tempore (Mr. AMMERMAN). Under a previous order of the House, the gentleman from Ohio (Mr. ASHBROOK) is recognized for 30 minutes.

Mr. ASHBROOK. Mr. Speaker, "Honk if you think he's lying!" shouted bumper stickers from coast to coast in 1974, with Richard Nixon as their target. In every major newspaper, the chorus of "independent liberal thinkers" hammered on a single theme: "A lie is a lie, a liar is a liar," no matter how powerful the culprit or how exalted his position.

I agree with that fair principle and believe it should be applied to all. I said so then and agree with those sentiments today. But today the chorus of "independent liberal minds" is singing a new tune: Andrew Young, though his statements may be consistently false, is simply too exalted a person to lie.

Mr. Young has been trying to establish himself as America's Alexandr Solzhenitsyn, a martyr of a system of political prisons in America. There were, of course, some minor distinctions. Russia's Solzhenitsyn was sentenced to 10 years in a death camp for writing letters insulting to his country's head of state. Young spent some hours in jail for trying to halt the pickup of garbage in Atlanta, Ga., during a labor dispute. Young was arrested for interferring with the delivery of municipal services, an act for which any citizen of this or any other country is subject to arrest and, unless a fool, expects to get arrested and should be arrested.

Young's exact words were:

Ten years ago I was arrested in Atlanta for having organized a protest movement.

Young has been in the civil rights movement for about two decades. He knows very well that had he actually been "arrested for organizing a protest movement" he could have brought immediate State civil and Federal criminal action against the arresting officers, and had ample free legal help from liberal organizations to do so. He would not have hesitated to do so had his civil rights been unconstitutionally abridged. The facts are clear: Andrew Young was not arrested for "organizing a protest movement." Your charge is a flat out lie, Mr. Young.

Young's supporter's have repeated this false statement without even commenting on its duplicity. That is the way a big lie is accepted by the public as Joseph Goebbels demonstrated to the world. Even the President of the United States in a press conference on July 20 referred to the arrest by using the Young version, that Young had been arrested for civil rights activities.

To use Young's argument that he was arrested for civil rights work would be like a Mafia chieftain complaining that he was arrested for exercising his freedom of speech—when that speech was a command to implement a criminal act. Or the protester saying he was arrested for exercising his constitutional right which guarantees freedom of assembly—and not tell you that he had assembled his protesters on the street of the busiest intersection in downtown Cleveland at 4:30 p.m. We would laugh them out of serious consideration when the true facts were known and the same should be the case with Andrew Young. A lie is a lie is a lie. Even worse, he used his big lie to blacken the image of the United States in the eyes of the world.

Moreover, I do not just believe he uttered a falsehood, I believe it was a deliberate falsehood. Mr. Young's false comparison of himself to Russian political prisoners would not be a lie if he were too ignorant to know it to be false. Whatever else he is, he is not that ignorant. While many of his statements do border on the absurd or indicate he does not know what he is saying, his long record of anti-American statements can be recounted one by one, as the prosecutor would say, to build the case that in this instance he knew what he was doing and what he was saying. It totally fits his pattern so this excuse does not fit here.

Several disasters ago, Mr. Young referred to the presence of Communist Cuban troops in Africa as "a stabilizing influence." As we have seen, Andrew Young has real difficulty getting any sort of fit between the meaning of words in the English language, what he wants to express, and objective reality. This Cuban troops business is one of many cases in point.

It may be true that the Berlin Wall, concentration camps, police dogs in Siberia and Cuban troops in Africa are stabilizing influences, if your idea of stability is keeping slaves under control. From his muddled attempts to clarify the statement while denying it, Young got himself deeper and deeper in hot water.

Here again, whether Young was lying depends upon whether he really knows what he said and, assuming he did, whether he knew it was a falsehood that Cubans were good for—as opposed to being a useful set of slavedrivers in—Africa. Next January 1, we will have seen two full decades of Cuban-style stability, and of world Communist stability we have seen over seven decades, so that now something over a billion people are duly "stabilized". Judging from the record of his comments which show an anti-American bias and a clear admiration of communism and African dictators, it is clear that he believes Cuban Communists are a favorable and stabilizing influence in Africa.

Unlike Richard Nixon, the significance of Andrew Young is not the position he holds. The importance of which one of Carter's clowns should go to the U.N. circus is about on a par with the choice

of leadership of the Vegetarian Party of Monaco. What is made clear here is the fact that all the pious verbiage we heard four years ago was pure hypocrisy, and that the liberal chorus will only brand a liar if he is a Republican or conservative Democrat who has insulted the press corps or our elitist liberal leaders and their programs.

A second point made by the incident is that Jimmy Carter continues to be the weakest personality who has ever sat in the Presidential chair. As National Review put it with deadly accuracy:

Carter is the first president in this country's history to send diplomatic notes to his own ambassador.

In his statement on being arrested "for having organized a protest movement," Andrew Young was caught in a direct lie. His other babblings and observations range from lies to propaganda to stupidity. Each American can judge for himself as he studies the dismal record of this Carter misfit. As for Young himself, our choice is between perceiving this particular statement as a lie, as feeble mindedness or evidence of disloyalty. Give the man a break. Call him a liar.

THE YOUNG RECORD

Mr. Speaker, a further in-depth study of Andrew Young indicates his political prisoner quote was not isolated, that it was a logical part of his bias, built through the years of his involvement in radical, anti-American politics. Now I turn to some of those activities to shed further light on this man who speaks not for America and the majority of Americans but a narrow liberal-left clique and a narrow leftist political philosophy.

Probably the most controversial single appointment made to date in the Carter administration is that of Andrew Young, who was confirmed as U.S. Representative to the United Nations on January 26, 1977, by vote of the U.S. Senate. The vote was 89 to 3, with Senators CARL CURTIS, JESSE HELMS, and WILLIAM L. SCOTT, the only Senators to vote against confirmation despite the fact that serious objections to Young's appointment had been raised, most notably in the statement by Representative LARRY P. MCDONALD before the Senate Committee on Foreign Relations during Young's confirmation hearings. Young now holds the rank and status of Ambassador Extraordinary and Plenipotentiary, in addition to being U.S. Representative to both the United Nations and its Security Council.

Born in New Orleans, La., in 1932, Andrew Young holds degrees from Howard University and Hartford Theological Seminary and is an ordained clergyman in the United Church of Christ. An avowed liberal, he served as youth activities director for the National Council of Churches from 1957 through 1961 and was appointed to the position of executive director of the Southern Christian Leadership Conference by the late Rev. Martin Luther King, Jr., in 1964. His official biography reflects that he has also served as chairman of the Atlanta, Ga., Community Relations Commission—1970–72—and that he is a member of the World Council of Churches, Robert F. Kennedy Foundation, National Urban Coalition, Common Cause, Southern Christian Leadership Conference, and Martin Luther King, Jr., Center for Social Change. A Democrat, Young was elected to the 93d Congress in 1972 and reelected to the 94th and 95th Congresses in 1974 and 1976. The extent of his political liberalism is indicated by the fact that while in the House of Representatives from the Fifth Congressional District in Atlanta, Young served as regional vice president and as a member of the executive committee of the Democratic Study Group, as treasurer and member of the executive committee of the Congressional Black Caucus, and as a member of the Environmental Study Conference. During his career in the House, he was also supported by—and was an enthusiastic endorser of—the National Committee for an Effective Congress, probably the Nation's preeminent left-liberal political action organization—see Heritage Foundation Institution Analysis No. 5, "National Committee for an Effective Congress," April 1978.

Opposition to Carter's appointment of Young arose primarily because of what many knowledgeable observers saw as Young's dangerously weak stance on issues which vitally affect the national security. Much may perhaps be seen from a comparison of the way in which his performance in Congress was rated by a variety of groups. The American Conservative Union and the American Security Council, for example, both of which tends to emphasize national security issues in rating Senators and Representatives, each gave Young a "O" rating, while the conservative Committee for the Survival of a Free Congress, based on an unusually all-inclusive survey, gave him only a "9" rating. On the other side of the ideological spectrum, however, both the League of Women Voters and the National Education Association have given Young ratings of "100," while the Americans for Democratic Action and Common Cause have rated him as, respectively, "95" and "91."

Much is also indicated by an interview with Young conducted by Dan Rather of CBS News, as reported in the Washington Post for February 1, 1977. Young stated, among other things, that "communism has never been a threat to me." He stated, to be sure, that he has "no love for communism," but then reiterated that "it's never been a threat." To Andrew Young, racism is the threat:

Racism has always been a threat—and that has been the enemy of all of my life and, everything I know about life.

It was reported during this interview that Young made his well-known assertion:

There's a sense in which the Cubans bring a certain stability and order—to Angola, for instance, and that the enemy—all over the world, I think, is chaos.

He continued by saying that when a nation has a disciplined military force, "it can be ordered in, it can be ordered out. I have no question in my mind but that we could negotiate very successfully withdrawal of Cuban troops from southern Africa." According to Young, it was all right for Cuban troops to be in Angola because they "were in Angola at the invitation of" the MPLA, the Communist-oriented guerrilla group that ultimately conquered the country. Later, he stated that the "Cubans went to Angola because we were not there with a rational movement first," adding that another justification "for the Cuban presence was the South African presence." It was not mentioned by Young that Cuban Communist troops might be in Angola doing the work of the Soviet Union.

That such a view of both communism and the racial situation is not uncharacteristic of the man, or the result of his having been misquoted in this one instance, is indicated by Young's statements during an April 1970 television program on the Black Panther Party, described numerous times in official reports as a violence-oriented and militantly racist extremist group with significant domestic and foreign Communist ties. Young stated:

Western technology and western militarism has so interfered with the right of—the possibility of, say, democracy in Latin America, or real freedom in Africa and Asia, that it may take the destruction—and this of course is Black Panther ideology—that it may take the destruction of western civilization to allow the rest of the world to really emerge as a free and brotherly society, and if the white west is incapable of brotherhood with colored peoples, then this small body of colored peoples, black people within the white west, may be the revolutionary vanguard that God has ordained to destroy the whole thing.

Young was then queried as to whether he would "support the destruction of Western civilization if you were convinced that the rest of the world would thereby be liberated," to which he responded by saying, " I probably would."

More recently, Young was quoted as accusing the American people of being "paranoid about a few Communists" in Africa. According to an account in the Washington Star for April 13, 1977, Young's overview of the African situation—described by President Carter's Deputy Press Secretary as "not in disagreement with that of the President"—is as follows:

The only thing I'm thinking is, don't get paranoid about a few Communists—even a few thousand Communists. Americans shouldn't be afraid of Communists—they just shouldn't. It offends me, really.

The gravamen of the opposition to Young's becoming U.S. Representative to the United Nations can be seen in Congressman MCDONALD'S statement that, based upon these facts and many others of a similar character, Young would have to find himself in conflict with what should be basic United States policy when confronted with the machinations of the Communist powers and their allies in the so-called Third World. MCDONALD mentioned that Young is "a principled man" who will of necessity find his own views coming into conflict with the U.S. foreign policies. As he himself told "the New York Times" last month, December 19, 1976, "I'm going to be actively working within the State Department, the Congress, the Executive for my own concerns."

Andrew Young's past performance, as indicated by the examples already cited, as well as by a mass of other evidence, would seem to indicate that there is reason to be apprehensive as to precisely what these concerns may be.

RADICAL ACTIVITIES

Several examples from the public record should be noted. During the early 1960's, for example, when he was first involved with the Southern Christian Leadership Conference, Young studied at the Highlander Folk School, an avowedly radical facility in Tennessee. This school was mentioned during the sworn testimony of one of the Communist Party's principal organizers in the South before the Senate Internal Security Subcommittee in May 1954:

A school operated at Monteagle, Tennessee, ostensibly as an independent labor school, but actually working in close cooperation with the Communist Party.

A large percentage of those actively associated with Highlander over the years of its existence had significant records of affiliation with causes of the Communist Party and, in many cases, of actual Party membership.

Young was an active opponent of the war in Vietnam and was carried on official rosters as being among SCLC representatives invited to participate in top-level meetings of both the National Mobilization Committee to End the War in Vietnam and the New Mobilization Committee to End the War in Vietnam. The House Committee on Internal Security and its predecessor, the House Committee on Un-American Activities, held lengthy hearings on both these primary anti-Vietnam war coalitions and documented, with meticulous attention to detail, the Communist domination of both. National Mobe—as it was popularly known—was the direct lineal predecessor of New Mobe; and the Committee on Internal Security officially cited New Mobe as being under "Communist domination" in its annual report for 1970. In 1973, it was reported that Young was supporting activities of two New Mobe successor coalitions, the National Peace Action Coalition and Peoples Coalition for Peace and Justice. After detailed hearings, the Committee on Internal Security reached the formal conclusion, in its annual report for 1971, that—

The National Peace Action Coalition (NPAC) is tightly controlled by the Socialist Workers Party and that a generally predominant influence in the Peoples Coalition for Peace & Justice (PCPJ) has been exercised by the Communist Party, U.S.A.

The record of both the SWP and the CPUSA as subversive Communist organizations adhering ultimately to the doctrine of violent overthrow of the U.S. Government has been too thoroughly documented over the years to need specific citation here.

An organization which interlocked significantly with the Communist-dominated anti-Vietnam war coalitions of the late 1960's was the National Conference for New Politics, which held a so-called New Politics Convention in Chicago, Ill., over the Labor Day weekend in 1967. According to several issues of the official convention newspaper, New Politics News, the membership of the Convention Steering Committee included, among others, "Andrew J. Young, Southern Christian Leadership Conference." The complete infiltration of the NCNP by members of the Communist Party, U.S.A., and other Communist and Communist-front organizations has been remarked on several occasions. During hearings before the House Committee on Un-American Activities on October 1, 1968, when the committee was inquiring into subversive attempts to disrupt the 1968 Democratic National Convention in Chicago, Committee General Counsel Chester D. Smith stated that NCNP was "a New Left-oriented group which is heavily infiltrated by members of the Communist Party, U.S.A., and other subversive organizations."

Also, the sworn testimony of Gerald Wayne Kirk before the Senate Internal Security Subcommittee on March 10, 1970, includes much information gathered by Kirk as a result of his attendance at closed meetings of a Chicago CPUSA club to which he had belonged during his service as an informant for the Federal Bureau of Investigation. Kirk stated unequivocally that the CPUSA "was instrumental from the very beginning in developing the NCNP Convention" and that "this was considered to be one of the party's great successes in the past 10 years * * *." The following exchange between Kirk and Committee Research Director John Norpel is particularly explicit:

Mr. NORPEL. In other words, are you saying this was completely organized, controlled and dominated as a plan of the Communist Party, U.S.A.?

Mr. KIRK. I could say that, yes.

Mr. NORPEL. You would say that?

Mr. KIRK. I could. One thing you have to remember, though, is that the Communist Party, U.S.A., is also very good at public relations. And so for people who don't understand * * * how Communists work * * * it would seem as though the NCNP simply grew out of the suggestions of people in a lot of disjointed new left and old left organizations. But if you looked more closely, you realized that within many of those organizations, other than the CP, U.S.A., that suggested the formulation of the NCNP, you would find quite a few high-ranking party members who were instrumental in suggesting the formation of NCNP.

In February 1975, Young was reportedly among the sponsors for the Second National Conference in Solidarity with Chile, which, along with an earlier such project in 1974, has been thoroughly exposed, with specific documentation, as an operation of the Communist Party, USA. The Chile conference was merely one ingredient in an overall campaign waged by the CPUSA as part of a worldwide Moscow-directed propaganda and agitation effort designed to rewrite the history of the downfall of the pro-Communist Allende government in Chile and to discredit U.S. policy throughout Latin America in furtherance of the dictates of Soviet policy.

The April 30, 1976, edition of the Daily World, official newspaper of the CPUSA, reported that Andrew Young was among "184 nationally prominent Senators, Members of Congress, labor, civil rights and religious leaders" who were serving as cosponsors for a May 15, 1977, luncheon honoring a leading congressional sponsor of such activities as the founding of the National Alliance Against Racist and Political Repression, one of the CPUSA's principal front organization, and participant in a January 1978 meeting in Washington, D.C., under the auspices of the World Peace Council, long known to be the most important of the international Communist front organizations controlled by the Communist Party of the Soviet Union. According to the Daily World account, the luncheon was to be chaired by Mr. Anne Braden, identified in sworn testimony as a member of the Communist Party, and was to be held by the National Coalition to Fight Inflation and Unemployment. The NCFIU is a recently formed CPUSA auxiliary which was described in the December 1975 issue of Political Affairs, official CPUSA theoretical publication, as an organization in whose creation the CPUSA "has played an important part." It is noted that Young's reported sponsorship of this gathering occurred subsequent to his becoming Ambassador.

In November 1975, the Institute for Policy Studies—see Heritage Foundation Institution Analysis No. 2, "Institute for Policy Studies," May 1977—released a volume titled "The Problem of the Federal Budget," prepared by a special IPS/Transnational Institute "Study Group on the Federal Budget." As noted in the Heritage study of IPS, "the study was essentially radical in its approach, advocating a sharp increase in Government involvement in the economy coupled with a severe reduction in our national defense and national security postures." The volume had been commissioned by one of our colleagues by letter dated February 20, 1975, which letter was signed by him and 47 other Members of the House among them "Andrew Young (Ga.)." The Heritage study documented the extreme radical complexion of IPS and its leadership, a fact previously noted by the House Committee on Internal Security in its annual report for 1971, which referred unambiguously to the "Institute for Policy Studies, the far-left radical 'think tank' in Washington, D.C."

BRADY TYSON'S SORRY RECORD

It is perhaps noteworthy that one of Andrew Young's chief aides, Brady Tyson, who is on record at the United Nations as apologizing for alleged U.S. Central Intelligence Agency involvement in the overthrow of the pro-Communist government of Salvador Allende in Chile, has also been listed in an official IPS publication as being among those who have served as IPS "Lectures-on-Occasion." Tysons background, like Young's, is an interesting one. A founding member of the North American Congress on Latin America, described in the 1971 annual report of the House Internal Security Committee as "an offshoot of SDS (Students for a Democratic Society)," Tyson has also, according to public source records, participated in a pro-Castro Congressional Conference on U.S.-Cuba Relations, in addition to appearing at a public forum conducted under the auspices of the Trotskyite Communist Socialist Workers Party.

Available evidence indicates Young's collaboration with at least one other major operation of the Trotskyite Communist Socialist Workers Party, in addition to his reported support for activities of the SWP-controlled National Peace Action Coalition in 1973. A letterhead dated June 15, 1976, reflects that "Rep. Andrew Young (D-Ga.)" was a sponsor of the Political Rights Defense Fund (PRDF), an organization which operates as a front for the SWP. An official PRDF mailing issued in September 1973 stated that the PRDF had been formed "as an adjunct of the Committee for Democratic Election Laws," another organization well identified as an SWP front group. The primary focus of PRDF activity has been the SWP's continuing campaign of legal harassment directed at crippling all Government domestic security programs. The national secretary and all but one of the PRDF national staff listed on the same letterhead have been identified as functionaries of the SWP in primary documentary material, much of it from within the SWP itself, that is a matter of public record.

An example of Andrew Young's support of Third-World-oriented pro-Communist activities occurred in 1971 when Young spoke at an annual stockholders meeting of the Gulf Oil Corp. in support of a shareholders motion brought up by the Gulf Boycott Coalition. Public source data reflect that the purpose of the Gulf Boycott Coalition "was to aid the Marxist-led, Soviet-equipped guerrilla movements in Angola by putting severe economic pressure on Portugal through persuading Gulf to end all involvement in Angola and southern Africa." At the Gulf meeting, Young proposed the adoption of four people as members of an expanded Gulf board of directors. The list is a revealing one. It included himself; Amilcar Cabral, head of a Soviet-controlled terrorist movement which now rules Guinea-Bissau; Agostinho Neto, a Marxist-Leninist theoretician and leader of the Soviet-run MPLA in Angola who now serves as the head of that country since its takeover by the Soviet- and Cuban-supported terrorist movement; and Angela Davis, an avowed member of the Communist Party, USA, who serves as a member of the party's governing central committee.

Another cause for concern has been Young's well-known friendship with Robert Mangaliso Sobukwe, founder and leader of the Pan Africanist Congress of South Africa (PAC). The PAC is an outlawed terrorist organization which, as shown by a study of terrorism issued by the House Committee on Internal Security in 1974, is specifically Maoist Communist in orientation and which also, in 1963, "claimed sponsorship of the Poqo guerrilla terrorists in South Africa." Sobukwe's son and daughter have been living with Young's family since May 1975, and Sobukwe's wife has also been Young's house guest. This datum assumes added interest when viewed in conjunction with Young's having helped produce "The African-American Manifesto on Southern Africa" in September 1976. This document, to which Young gave his active support, states:

> We totally support the liberation of Southern Africa from white minority rule by means of armed struggle, where necessary, and affirm the right of the African liberation movements to seek necessary assistance from whatever sources available to achieve self-determination and majority rule.

At this point, it is instructive to recall Young's statement, in the television interview cited earlier, about troops from Communist Cuba bringing stability and order to Angola, as well as his other statement regarding communism's never having been a threat.

One final example of Young's apparent propensity toward affiliation with radical causes is perhaps of special interest. In 1968, Andrew Young was one of the two principal leaders of the Poor People's March on Washington, a project of the SCLC. Among those who served to help organize this effort was a woman named Grace Mora Newman from New York City. Sworn testimony before the House Committee on Internal Security by a former undercover informant within the Communist Party, USA, during hearings conducted by the committee in 1971 identified Grace Mora Newman as a member of the CPUSA, as a member of the Claremont Club of the CPUSA in the Bronx, and as a member of the Bronx County Committee of the CPUSA. More recently, she has emerged as the publicly avowed chairman of the CPUSA's Puerto Rican Commission. Later in 1968, Newman ran for Congress from the 22d Congressional District in New York under the auspices of the Freedom and Peace Party, which has been officially identified by the House Committee on Internal Security as "a CPUSA front organization." Among the sponsors of Newman's bid for a seat in Congress, as shown by a letterhead of the FPP dated July 1968, was "Andrew Young, SCLC."

HIS ETHNOCENTRISM

The background information cited above will help the reader place into perspective the most recent controversy surrounding Ambassador Young. As Congressman McDonald stated in the Congressional Record for July 14, 1978: "Mr. Young has demonstrated an extreme ethnocentrism in his concerns with southern Africa," although it can also be argued that such "ethnocentrism" has characterized his statements about a number of other regions and individuals, including several past Presidents of the United States and not a few of America's allies. Numerous accounts in the public press reflect that Young has branded Kennedy, Johnson, Nixon, and Ford as racists; that he has said the British "almost invented racism" and are "a little chicken" about admitting it; and that he has described the Swedish people as "terrible racists." He has even reportedly denounced the Russians as the "worst racists in the world."

Young's most recent difficulties have arisen, however, because of his somewhat bizarre views on human rights problems in the United States and the Soviet Union. The Washington Star for July 14, 1978, carried pertinent extracts from an interview given by Young to a French Socialist newspaper, Le Matin, as translated by the Associated Press. So that the sentiments which led to Young's being rebuked by officials of the Carter administration may be seen in their full context, these extracts are here reprinted in full:

> Q: Don't you then fear a third world war?
>
> A: Oh, not at all. Our rapport with the Soviet Union is too good.
>
> Q: At the level of the SALT negotiations, perhaps.
>
> A: At every level. After all, [Secretary of State Cyrus] Vance and [Soviet Foreign Minister Andrei] Gromyko meet almost every month.
>
> Q: How do you explain the opening of the trials of Scharansky and Ginzburg on the eve of a Vance-Gromyko meeting?
>
> A: Oh, it's certainly a challenge, a gesture of independence on their part. But that will not prevent them from pursuing the SALT negotiations. And then, one doesn't know what can happen to the dissidents. After all, in our prisons too there are hundreds, perhaps even thousands of people whom I would call political prisoners. Ten years ago I myself was tried in Atlanta for having organized a protest movement. And, three years later, I was a Georgia representative. It's true that things do not change that quickly in the Soviet Union, but they do change.
>
> Q: But one cannot compare the two systems . . .
>
> A: I do not agree that these systems should be considered as opposing each other. Take the United States for example: the society of today has nothing in common with the pre-Roosevelt one. In the years 1930–40 the trade union movement launched a radical revolution in American life, a revolution without which we certainly couldn't produce nine million automobiles a year today. In the 1950s there was a revolution of civil and racial rights, today it is women who are participating more and more in our economy. And this constant evolution is the rule everywhere. I think the current Soviet dissidents could well be the salvation of the Soviet Union. They are a natural development of Soviet society, but the leadership has not yet realized it.

Young's assessment of the relative significance of the Scharansky and Ginzburg trials as "a gesture of independence" by the Soviets is an interesting one, especially when read in conjunction with a statement made by Young in an earlier interview which was published in the June 1977 issue of Playboy magazine: "I don't think the Soviet government is, in fact, very concerned about its dissidents." According to Young, "Of far more importance are its satellite countries in eastern Europe" and, rather than the President's "statements on human rights * * * such things as increases in the budgets of Radio Free Europe and Radio Liberty. * * * "

The same edition of the Star further reported that "the French were offended by Young's criticism of their policy toward Africa" and that "conservative members of the British Parliament reacted angrily" when

> The American ambassador, in the same newspaper interview with Le Matin in which he made his remarks about U.S. political prisoners, said, "If this (the recent massacre of white missionaries in Rhodesia) was a planned operation of attacks against missions—and that seems to have been verified

in the last weeks—they can only have come from the Smith camp."

Reaction to the voicing of these sentiments was both strong and swift in coming. The reaction of Secretary Vance was reportedly unprintable, and several Members of the House and Senate expressed the belief that Young had gone so far as to make his resignation or dismissal imperative. President Carter is reported to have telephoned Young to voice his displeasure personally, and White House Press Secretary Powell made remarks which have been widely taken to mean that any future pronouncements by Ambassador Young on such sensitive topics may have to be cleared in advance by the White House. Young issued his own clarifying statement in which he averred that he is in "full accord" with official statements by President Carter and Secretary Vance condemning the Scharansky and Ginzburg trials and further saying that he had never meant to "equate the status of political freedom in the United States with that in the Soviet Union."

Nevertheless, many observers feel that the import of Young's words is clear. Whether or not Young intended to "equate the status of political freedom in the United States with that in the Soviet Union," he appeared to be drawing a clear parallel in terms of the basic concept of what constitutes a political prisoner. Also, to refer to the recent Scharansky and Ginzburg trials as being a "gesture of independence" by the Soviets must strike most people, especially those who are familiar with the true nature of the Soviet Communist system of repression, as somewhat piquant at best. I have mentioned earlier that Young, contrary to his statement in the Le Matin interview, was not "tried in Atlanta for having organized a protest movement." Rather, he was arrested specifically for obstructing garbage trucks in a labor dispute, which is obviously a matter of a somewhat different complexion from that of exercising one's right to protest in the abstract. Further Young's explicit statement that "I do not agree that these systems—that is, the U.S. and the Soviet—should be considered as opposing each other" would seem to speak for itself and should, like the other controversial statements attributed to him, be viewed in light of Young's statement to the Canadian Broadcasting Corp., as quoted in the July 19, 1978, edition of the Washington Post, that—

One of the interesting things about everything that's happened so far is that I get very little argument, or challenge, on the validity of what I really say. I get questions about whether a diplomat should say it, or I get questions about, you know, other people getting mad and the political impact of my making certain statements, but usually I have taken into consideration most of those things before I say something.

This interview reflects Young's unorthodox conception of himself as a diplomat. Young said:

I'm certainly not, you know, what people's traditional notion of a diplomat happens to be. But I don't represent a country like that. I became a diplomat and was appointed to this position because I was politically active in a human rights movement, and in an anti-war movement, and because I fought for the things that I believe in, and—did not fight to be a diplomat.

Whether I'm a diplomat or not, I am going to continue to fight in any way I know short of violence for the things that I believe in. And I really don't care what people think about it. The only thing that's important is that they think.

And if I am a wrong kind of diplomat, maybe diplomats for the last 50 years should have been making people think a little more and we might not have had some of the trouble that we've had for the last half century.

At a later point, Young indicated that his relationship with the President is a rather unusual one:

He said he tried "not to worry the President." Perhaps, he said, "I should talk to him more, but I think there's some advantage in my preserving my freedom. It gives him also the freedom to repudiate me, not to be responsible for what I say, or to agree with me. But it is, well, it is something I talked with him about before I accepted the job, and I hope it works."

The special nature of Young's relationship with President Carter had also been discussed by Young at an earlier point, during his June 1977 Playboy interview, when he stated that their relationship "has always been one of mutual trust" and added that "I didn't clear anything with him during the campaign and I've cleared almost nothing with him since then. I really get very few guidelines from Washington." During this interview, Young related an instructive anecdote:

PLAYBOY. So nothing you've said publicly thus far has embarrassed the President?

YOUNG. No. In fact, we drove up to the UN Building together on the evening he made his first big foreign-policy speech in the General Assembly hall. We were talking about how he and I have been criticized for discussing foreign policy in public, instead of observing all of the old diplomatic conventions of secrecy. It really shocked me the way he approached it. The President said: "I hope you're going to stick with me." I said, "What do you mean?" and he replied, "It seems like you and I are the only ones who want to talk foreign policy with the American people. And I think we just have to keep it up." That was right after he'd been to Clinton, Massachusetts, and he told me he'd been almost embarrassed by the thunderous applause he'd gotten when he said that the American people had a right to know in advance what kinds of commitments and decisions were being considered, since they would affect their lives and their children's lives. President Carter and I talk openly in public because that's what people have been looking for in Government: freshness and candor, even in foreign policy. The alternative is secrecy, which very easily leads to deceit and foreign policy conducted solely by experts, which closes out the American people.

Speaking in answer to a related question, Young reminded his interviewer that—

You have to remember that in the early months, there were still basically two administrations—the new people who came in with President Carter and the old people who'd been around for a while, the bureaucrats. They're the ones who haven't yet quite understood what we're doing, and that's where some of the criticism has come from. At first, they thought some of the things the President was saying were slip-ups. Now they know it was deliberate on his part and that this is a policy style he is encouraging as part of his Administration.

That Andrew Young's recent statements in the Le Matin interview may not be, despite Young's claims, uncharacteristic of his general outlook as ambassador is demonstrated by syndicated columnists Rowland Evans and Robert Novak in a copyrighted column carried in the July 19, 1978, edition of the Washington Post. As Evans and Novak observe, Young's comparison of Soviet dissidents with so-called political prisoners in the United States "was no aberration, but followed a pattern begun when he came to the United Nations." As an illustration of their contention that "it is fair to expect more of the same, although slightly softer," they refer to "the very day after the President's rebuke when Young reiterated to the International Herald Tribune the essence of his Le Matin interview." Because the Evans and Novak piece includes so much material which quite clearly indicates that Young's Le Matin interview was indeed "no aberration," the following key paragraphs merit quotation in full at this point:

"Outrage" was the most common word describing the reaction to Young's Le Matin interview among State Department officials, even McGovernite liberals. Yet what Young said was identical in substance to what he has been saying for 18 months, usually without anybody's taking notice.

"I see my country as vulnerable as anybody else's around the table," Young commented last year as he addressed the U.N. Human Rights Commission (representing the world's most barbarous despotisms). While the Kremlin persecutes dissenters, Young pointed out, "many of our own students were shot down on their campuses."

But in describing the communist world, he sometimes voices the axiom of Radio Moscow and Radio Havana that political freedom is subordinate to economic security. "For most of the world," he declared on Human Rights Sunday, last December 11, "civil and political rights come as luxuries . . . that are far away in the future." In the Soviet Union, he added, "human rights are essentially not civil and political, but economic."

While Young is unforgiving about right-wing dictatorships, he is lenient toward communist tyranny. This climaxed in May 1977 in Mozambique, a Marxist regime with 100,000 citizens in forced-labor camps. "East and West alike look to this nation with new hope and with new courage," Young said. While welcoming communist Vietnam into the United Nations by praising its "struggle for independence," he ignored repression and genocide in the new Indochina.

Those quotations and many more are recounted in a forthcoming Commentary article by Carl Gershman, executive director of the social Democrats. He comments on "Young's apparent lack of commitment to political freedom and his ability to turn a blind eye to oppression" by Third World "progressive" regimes. Gershman reaches this conclusion: "Young finds himself today for

the most part on the side not of the oppressed but of the oppressors."

In addition, it should be noted that, according to several press accounts, Young's statements have been characterized by Tass, the official Soviet news agency, as "noteworthy" because they "come from a member of the Cabinet and therefore signify an official admission that political persecution is widespread in the United States." Young's conception of "political prisoners" as "blacks in civil rights movements, antiwar people," and the like has also been echoed in a Tass statement from July 12, 1978, as carried by Radio Moscow: "The American authorities, using a wide choice of antidemocratic laws, put into prison fighters for civil rights, against racism, dissidents."

THE LEVISON CONNECTION

The precise motivation behind Andrew Young's public statements on such controversial issues as racism and Communist influence in Africa is, of course, difficult to assess. Congressman McDonald's reference to Young's "ethnocentrism" has already been noted, and it would certainly seem to provide at least one plausible explanation. However, it is also necessary to inquire as to whether Ambassador Young may be the victim of advice which leads him to make statements contrary to the best interests of the United States. In this connection, it is noted that syndicated columnist Paul Scott, in an article released on August 7, 1978, notes Young's "close relationship with Stanley Levison, a New York lawyer and long time adviser of both Young and the late Dr. Martin Luther King." The article includes the following paragraphs:

Levison, who took the 5th amendment when questioned in 1962 by the Senate Internal Security Subcommittee about his Communist connections, was the adviser to King that caused the late Attorney General Robert Kennedy to authorize the wiretapping of the civil rights leader during the 1960s. At the time, Levison was advising King on strategy, writing his speeches, and raising money for King's organization.

* * * Photographs of Levison with Young have been taken since the negro leader took over his U.S. position at the United Nations and became a member of the Carter inner circle. U.N. sources reveal that Levison advises Young on Africa and a number of controversial statements he has made on Soviet armed Cuban and East European troops in the region.

Information published in Book III of the final reports of the Senate Select Committee to Study Governmental Operations with Respect to Intelligence Activities in April 1976 confirms the significance of Levison's involvement in the civil rights movement. The report notes that an FBI memo dated January 3, 1962, labeled so-called "Adviser A" (known to be Levison) as a "member of the Communist Party, USA." Subsequent Bureau memoranda quoted in the report clearly show Levison's continuing influence on King with regard to matters of considerable substance. They further show that, in exercising this influence, Levison worked closely with a man referred to in the report as "Adviser B," known to be Hunter Pitts O'Dell, who was at one time a member of the National Committee of the Communist Party, USA. (O'Dell, also known as Jack H. O'Dell and J. H. O'Dell, is presently serving as a key figure in Jesse Jackson's Operation PUSH, in addition to his affiliation with Freedomways, official CPUSA Negro quarterly.) The Senate committee report also makes it clear that top officials in the Kennedy administration took the FBI allegations seriously. In view of the gravity of this information, one must ask just how much influence this identified Communist is currently exercising over our Ambassador to the United Nations.

All of the foregoing information on Andrew Young's background, activities, and apparent predilections is drawn from public source material, much of it available to the members of the Senate Committee on Foreign Relations during their examination of his qualifications for the post he now holds in the Carter administration. It is worth noting—and, indeed, somewhat perplexing—that the committee did not see fit to interrogate Young about these matters, despite the fact that certain questions would seem obvious on the face of it. Furthermore, these questions would seem to have become, if anything, even more obvious in view of Ambassador Young's more recent statements, especially when they are taken in conjunction with the current state of United States relations with the Soviet Union.

While it may be true that the administration has found Ambassador Young to be of value in cultivating relations with the so-called Third World, one may perhaps be forgiven for wondering whether Young has not demonstrated an essentially unhealthy imbalance in that area, the sort of imbalance that might well work to the detriment of America's largest foreign policy objectives. One may perhaps also be entitled to wonder whether President Carter continues to hold the opinion which he expressed when Young was sworn in as Ambassador by Supreme Court Justice Thurgood Marshall: that, of all the men he has known in public service, Andrew Young is "the best." The record of this Carter appointee certainly shows otherwise.

IF GUIDELINES ARE SET, CAN CONTROLS BE FAR BEHIND?

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from Connecticut (Mr. MCKINNEY) is recognized for 5 minutes.

● Mr. McKINNEY. Mr. Speaker, on Monday, two bills were introduced which would counter inflation, according to their sponsors. Unfortunately, those Members seem to have disregarded the psychological impact of these proposals. If anything, these bills will add to the rapid increase in prices and wages in the coming months.

The Anti-Inflation Amendments of 1978 (H.R. 13857) and the Comprehensive Anti-Inflation Act of 1978 (H.R. 13865) both call for the establishment of wage and price guidelines. Such guidelines are usually viewed as the precursor of strict controls if not as controls per se. The obvious impact of such thinly veiled threats is a rush of anticipatory increases from both sides. Already I have received a number of calls from people expressing that concern.

I realize that these bills call for more than guidelines to fight inflation, but the other elements are overshadowed by the fears of labor and business about controls, fears which are well-founded if our experiences of 7 years ago are any example.

The Economic Stabilization Subcommittee, on which I serve as ranking Republican, recently held hearings on the administration's anti-inflation policy. Both Presidential Assistant on Inflation Robert Strauss and Barry Bosworth, Director of the Council on Wage and Price Stability, specifically ruled out the use of controls. I understand that this subcommittee will be holding 1 day of hearings on H.R. 13865 in late September. I would hope that that forum would be used to discourage as strongly as possible the reliance on federally mandated wage and price levels. Not only is this abhorrent to anyone who believes in the free enterprise system, we have never seen involuntary controls effectively contain inflation once they have been removed.●

SIMPLIFICATION OF TRUTH IN LENDING MUST BE APPROACHED WITH GREAT CARE

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from Illinois (Mr. ANNUNZIO) is recognized for 5 minutes.

● Mr. ANNUNZIO. Mr. Speaker, 10 years ago the following scene was a common occurrence: A consumer goes to a finance company to inquire about obtaining a $1,000 loan. He is told that a loan can be arranged at an 8-percent rate of interest over a 36-month period. The consumer has talked to his bank earlier and was offered a similar loan at a 10-percent interest rate. It sounded like the finance company had the best deal, so the consumer signs for a loan.

Eventually, he comes to realize that even though his outstanding balance is decreasing, his interest payments remain high. Some pointed questions to the finance company reveal that he is indeed paying 8 percent interest on the $1,000 loan—but an 8-percent interest on the full $1,000 for the full 3 years. There was no reduction in the interest charge as the loan is being paid off.

In reality, this borrower was paying an interest rate of 14.55 percent.

Fortunately, this is a scene from the past and what was once a common occurrence is now a rarity. Consumers now understand the mechanics of credit at levels they never have before. And the overwhelming reason for this rise in consumer awareness of credit terms is the far-reaching Truth in Lending Act of 1968.

The act required financial institutions to spell out credit terms in full and established stiff civil liability to creditors not complying with the act. The act standardized the method by which banks, credit card companies, and other credit enterprises state interest charges. The law requires that interest data, along with other lending terms, be disclosed to potential borrowers before they sign loan agreements.

The Truth in Lending Act passed Congress 10 years ago, in 1968. It has proved one of the most effective pieces of consumer legislation on the books and has raised consumer awareness of credit terms a remarkable degree. The law has reached people at all levels of income and education with substantial impact.

Next month, the Subcommittee on Consumer Affairs will hold informational hearings on proposed simplification of the Truth in Lending Act. The hearings will be September 6, 7, and 8 and the subcommittee will hear testimony from representatives of labor, Government, consumer groups, and the banking industry.

As you know, the Senate passed a truth in lending simplification bill last May. Since that time, there has been great pressure generated from the banking industry for House action on this bill. However, I must preface my remarks by saying it is very unlikely that any simplification of truth in lending will pass through the Consumer Affairs Subcommittee this session. But, I would like to comment on the original act, the need for simplification and how I feel this issue must be approached.

As I said, this law is the most comprehensive consumer credit legislation to emerge from Congress. Seven long years went into the careful shaping of the original act. The result was a thorough and extremely successful bill.

Prior to the act, consumers had little awareness of credit terms. In 1969, only 26 percent of consumers studied by the Federal Reserve Board were aware of the annual interest rates they paid on credit cards. In 1977, that figure had risen to 71 percent. The Board also found that in 1969, only 15 percent of consumers studied were aware of the prevailing annual percentage rates for common loans. This figure rose to nearly 55 percent by 1977. According to this poll, only 14.5 percent were aware of the cost of their closed end credit accounts—those accounts used to purchase automobiles for example. That figure now reads 54.6 percent. In the original 1969 study, only 8.6 percent of those with less than a high school education understood the stipulations of this kind of credit arrangement. Again, this figure has soared to 41 percent. And among blacks, there was a fourfold improvement in understanding credit terms between 1969 and 1977.

If Truth in Lending is working so well, why the frantic pleas for simplification? Simplification of Truth in Lending means many different things to many different groups. To some people, it means a reduction in the number of credit disclosures, or the combining of many items into a few. To others, it means a reduction in the creditors' liabilities under the act. To others, it means curtailing the number of court decisions and administrative interpretations of the act. And to still others, it means an easier to understand credit form for consumers.

To me, any simplification of Truth in Lending must accomplish two objectives—First, it must offer obvious benefits to consumers and further enhance their understanding of credit terms, and second, it must retain all of the important consumer safeguards found in the original act, particularly a strong liability section.

Mr. Speaker, I am proud of the Truth in Lending Act as it stands. Granted, there were some problems in the original bill as there invariably are in any piece of legislation with such a tremendous impact. But, in the 10 years since enactment of this legislation, most of these problems have been worked out through court decisions and administrative enforcement proceedings. This is only one reason we must be careful in amending Truth in Lending, for it would be redundant to have to go through this clarification process with a new act.

It is not very often that we can look back on legislation that has passed through this Congress and see such positive results as we see with the Truth in Lending Act. Any simplification of this act must be handled with extreme care.

I will not stand by and watch this act be weakened. However, I am open to simplification that can better aid consumers in shopping around for the best credit terms, while retaining strong consumer safeguards. But, again, I cannot overemphasize the level of caution we must maintain in approaching simplification of Truth in Lending.●

THE ARREST AND DETENTION OF F. J. CRAWFORD IN MOSCOW

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from Illinois (Mr. ROSTENKOWSKI) is recognized for 10 minutes.

● Mr. ROSTENKOWSKI. Mr. Speaker, on several occasions in recent weeks, I have expressed my deep concern over the ongoing difficulties facing Mr. F. "Jay" Crawford, an American citizen presently restricted under "house arrest" in the Soviet Union pending a trial on charges of currency violations. As I am sure you know, Mr. Crawford is a representative of the International Harvester Co. in Moscow. The lawless manner of his arrest, his 2-week detention in a KGB prison, and the uncertainty of his present position should now be familiar facts to all of us.

This week I have been in direct contact with three of the seven American attorneys who were able to arrange a secret meeting with Crawford during their stay in Moscow. I learned from them that, despite the fact that Crawford had been jailed, and is still required to report back to the KGB prison for interrogation at any time, he has not been permitted to consult an attorney. His meeting with the American lawyers was the first he had had with any member of the legal profession since his detention and subsequent release on the cognizance of our Ambassador.

This group recently held a press conference in New York, where they released a report of their meeting with Crawford. More vivid and illuminating than the newspaper coverage that this case has received, the report is disquieting to those of us who are accustomed to a different form of judicial procedure. The following report, together with the lawyers' statement, should remind us that more can and should be done to bring this case to a speedy and successful resolution.

F. J. CRAWFORD'S ARREST AND DETENTION IN MOSCOW, JUNE 12–27, 1978

Our interview with Mr. Crawford and his fiancee took place Friday evening, July 28 from 7:30 to 10:45 at the apartment of Jerry Hamilton of the U.S. Embassy. An Embassy counselor was also present. The American lawyers present were Sidney P. Howell, Stephen M. Hudspeth, Kurt W. Melchior, Charles H. Miller, Barrett Prettyman, Jr., Alan C. Swan, and Vernon Vig.

F. J. "Jay" Crawford came to Moscow more than two years ago as a sales representative for International Harvester after several foreign field assignments with Caterpillar. He is a bachelor, probably in his late 30's.

In Moscow he has always lived at the Intourist Hotel, where several other American commercial agents reside. He is passingly (Berlitz) adept in conversational Russian.

On June 12, the day of his arrest, Crawford received a call from a Soviet Ministry of Foreign Trade official with whom he had dealt asking if he had yet received and filed certain accrediting documents for the inbound IH man who was to replace Crawford's boss who had left some weeks before. When in answer to a second call, Crawford reported that the documents had not yet arrived, he was asked his plans and expected movements for the day. He explained that he had to drive out of the city to a plant which was buying an IH truck but expected to be back by 5:00.

Crawford did go to the plant, accompanied by his Soviet secretary-interpreter, obtained his signed contract but returned too late to go to his office. After dropping his secretary, he drove to the U.S. Embassy to meet his fiancee, Virginia Elbrick, a U.S. national in Moscow for a year or more with the Embassy's Economic Section. He arrived about 6:15 p.m. and left with Ginny about 20 minutes later, headed for dinner. As they proceeded under an overpass, their Volvo was intercepted by a marked Militia car in view of many pedestrians. A uniformed officer demanded Crawford's papers. He surrendered his international driver's license and vehicle registration but did not have his passport. Nothing was asked of Ginny. The officer returned to his car with the papers without any explanation.

Crawford, still in the car and turned toward Ginny, was seized from behind by 3 plainclothesmen, one on each arm and one by his hair, pulled bodily from the car and manhandled roughly into the back of an unmarked Soviet auto which was quickly surrounded by several men from two other cars. Crawford recognized the unmarked cars as

KGB vehicles. Crawford's head was cut on the drainpipe of the Soviet automobile, as a result of his being pushed into the backseat. He did see that Ginny was being forcibly restrained in the Volvo and heard her scream.

Ginny was also handled roughly as the policeman literally lay upon her and scuffled for the ignition key. Later he returned the key and Jay's papers and left with no further explanation. She was retrieved by Embassy people after she asked passing Danish and Dutch motorists to call for aid.

The three cars proceeded in convoy to Lefortovo Prison. On the way, Crawford was told only that he "had a big problem." After several minutes outside the prison where he was surrounded by seven or eight of his captors (and last saw his briefcase), he was taken to a KGB colonel who asked if he would submit to interrogation in Russia. Crawford requested an interpreter; his further request to call the Embassy was denied; he was told, "No phone calls."

A half hour or so later, an interpreter was brought in who proved to be a badly frightened Soviet teacher of English commandeered from the streets. Questioning began and continued twice daily thereafter (with a regular interpreter) in roughly 3-hour sessions, alternately handled by hard- and soft-line professionals, all presumably KGB.

Crawford stressed that he was never physically maltreated other than in the fact of his incarceration under internal prison conditions less than model by any standards. (The Embassy people asked him not to detail those conditions further.)

From the outset, Crawford was told that everything was known about him, his activities, his "personal businesses" and the "things" he had brought into Russia from outside. The emphasis on "things" held for several sessions, each of which opened with a reference to, or reading of, Soviet smuggling (black market) law. They purported to know about his "Soviet girl friend" and his "dealings" with Moscovites. He was frequently read another law which commands cooperation with an official investigation.

Crawford elected to tell all about his only extensive contact with Soviet citizenry. During his first summer in Moscow (1976), a Notre Dame graduate (now at Wisconsin Law School) had worked in the IH office in Moscow on a fellowship, intern or trainee basis. When he left, he asked Crawford to retrieve a jacket and some money from a Soviet girl he had befriended whom Crawford knew only by sight.

Two or three weeks after the trainee left, the girl did call on Crawford at Intourist and asked for news of her friend. In the conversation Crawford reminded her of the jacket and money which she acknowledged having and promised to bring by.

A week or two later she called again from the lobby and asked to come up. While she did not have the jacket, she brought and introduced a married couple (the "V"s). The man, an engineer, obviously wanted to exercise his workable English; the wife spoke very little. In the course of the conversation, V told Crawford his wife was a seamstress. On parting, V gave Crawford his telephone number and address.

Crawford never saw or heard from the girl again. However, some time later, confronted with some mis-made drapes purchased from Helsinki for installation in the IH office in Moscow, in lieu of returning them to Helsinki, Crawford remembered the seamstress-wife, found the number and called V. He asked V if his wife might help by rehemming and lining the drapes. V came by, took some home, brought them back in a week or so (nicely fixed) and took the balance. V refused payment or reward of any kind.

By appointment, Crawford himself picked up this second batch at V's apartment. V was not there but was expected momentarily. Crawford did not wait and stresses that this was the only occasion he was alone with Mrs. V. After giving her some extra drapery material and a small bottle of cologne or some such cosmetic (V having said that they would not accept payment and Crawford well aware of the Soviet interdiction against taking payment for menial service and the concommitant crime of "profiteering"), Crawford left.

Over the next few months there was intermittent contact. The V's took Crawford to the theatre, their only purely social encounter. Crawford on four or five occasions asked Mrs. V to repair or alter garments—a torn ski jacket, a new suit, some trousers. In return, he gave Mrs. V various insignificant items—perfumed soap, Prell shampoo, a pair of slacks which could not be enlarged, etc. However, there had been no such contact since before last March.

Crawford was questioned intensely about all this over the first 5 days and each morning was read and asked to sign, on each page, a precis of the previous session.*

On June 19, matters took a different turn. Crawford was shown and read a statement by Mrs. V dated *that day*, relating that Crawford had given her $8,500 for 15,000 rubles. He was then read a Code Article on Currency Regulation to the effect that the penalty for illicit currency exchanges could be 8 years imprisonment plus 3 years "internal exile." Crawford denied the accusation, citing all or some of the following points:

(a) the fact that rubles were useless to him as he regularly receives rubles as change for travel check payments;

(b) the exchange rate was ridiculous in view of the 3-to-1, 4-to-1 available and offered casually on the street for illicit rubles any time, any day;

(c) his business and personal accounts are subject to frequent and complete audit by Haskin & Sells;

(d) his extremely profitable job (he banks $50,000 a year) was flatly on the line.

At a later session, he was shown a written statement by V that either Mrs. V's transaction or another one had occurred in March (well after the last meeting with the V's to which he admits) and claiming that $8,500 had been exchanged for 25,000 rubles.

After two or three days on the currency matter, the interrogation switched to Crawford's knowledge of Americans in Moscow, particularly at the Embassy. He responded to the extent he believed the facts to be generally known, readily available elsewhere or out-dated.

On the morning of June 27, Crawford was advised of his immediate release until September 12 in custody of U.S. Ambassador Malcolm Toon and told that he could not leave Moscow and that they (KGB) expected to see him frequently in the interim. (In fact, Crawford prior to our interview with him had been ordered to report back to Lefortovo for questioning on Monday, July 31; the Herald-Tribune reported on Tuesday, August 1, that Crawford had returned on the 31st and been released again after 5 hours.)

On returning to the Intourist Hotel, Crawford found that his room had been searched and all personal records and correspondence taken. None has been returned; nor has the brief case taken from the Volvo on June 12.

Crawford has remained at the Intourist and visits his office daily. A Soviet defense counsel (Popov) has been appointed but, under Soviet practice, cannot function actively or even interview his "client" until formal charges are filed and a trial date set.

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*On the second full day, June 14, Cliff Gross, chief Embassy counsellor, was permitted to see Crawford, there and always thereafter with at least two KGB agents present; in fact, Crawford was never out of some agent's sight. (By formal agreement, the Embassy is to be notified within 24 hours of the arrest of a U.S. national. Here, notice came in the 23rd hour.)

STATEMENT

The undersigned are five of the seven American business attorneys of diverse backgrounds who last month were chosen at random from a 32-lawyer working delegation, then visiting Moscow, to meet with International Harvester Corporation's Moscow representative, Francis "Jay" Crawford in a private apartment. This interview was arranged without advance knowledge of the Soviet authorities. We had the opportunity to hear the facts, as related by Mr. Crawford and his fiancee, Virginia Elbrick (an employee of the U.S. Embassy), concerning Mr. Crawford's arrest on June 12, and detention by KGB, the Soviet secret police, as well as the facts underlying the "case" against Mr. Crawford.

We examined Mr. Crawford and Ms. Elbrick closely as to all of the facts and circumstances of his arrest and interrogations. Mr. Crawford was originally detained for 15 days. Since our interview, he has been examined, and he fully expects further interrogation by the Soviet authorities. While no formal charges have been brought against him, clearly such charges may well be forthcoming; at any rate, he has been repeatedly told by KGB that his acts may result in up to eight years' imprisonment, plus three years' "exile". A Soviet lawyer was recently appointed for Mr. Crawford, though he had no access to counsel during his 15 days' detention, nor since. The Soviet lawyer is not allowed to assist Mr. Crawford until formal charges are filed.

We all believe that, on the facts we have discovered, Mr. Crawford is innocent of the customs or currency violations about which he was interrogated and which have been suggested to the press by the Soviet authorities. Our reasons follow. Here we wish to give this message to the American public, and particularly the American business community which we have all long represented: Although trade and business opportunities with the Soviet Union seem substantial and worth pursuing, such activities take place at present in a system which does not recognize the basic legal protections on which freedom of the individual person is founded. This necessarily means that the personal security and freedom of trade representatives in the Soviet Union, and ultimately freedom of trade in that country, are always subject to curtailment or abolition for political reasons.

One point deserves special emphasis: There is no known reason why either Mr. Crawford, or International Harvester, was singled out for this treatment. Any other of the American businesses or their representatives in the Soviet Union could, for all that appears, have served as well. The lesson can well be drawn that, within legal limits, a unified response is called for on the part of the American business community to arbitrary Soviet transgressions against any one of their trade representatives.

It should also be noted that the arrest of Mr. Crawford has occurred in a climate of growing repression within the Soviet Union.

The trial and imprisonment of dissidents and Jewish refusniks reflect a pattern of lawlessness which has now ensnared Mr. Crawford. It is a pattern that can, at any time, reach and catch any other member of the Western business community. There is, in short, no rule of law, no protection of individual rights, in the Soviet Union today.

A detailed statement of the facts of Mr. Crawford's case as we understand them is attached hereto.

AUGUST 9, 1978.

SIDNEY HOWELL,
KURT W. MELCHIOR,
CHARLES H. MILLER,
E. BARRETT PRETTYMAN, Jr.,
ALAN C. SWAN.●

THIS YEAR'S MAJOR ACCOMPLISHMENTS IN THE HOUSE OF REPRESENTATIVES

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from New York (Mr. ADDABBO) is recognized for 30 minutes.

● Mr. ADDABBO. Mr. Speaker, each session as the House concludes its work, I place in the RECORD a summary of what I consider to be the major accomplishments of the preceeding year, achieved by myself and by the Congress. I do this so that my constituents may judge for themselves the value of what we have done here in this Chamber.

This year, however, I must submit this summary before the end of the session, not because I wish to do so, but because in our desire to reform the political process, we have ruled that a Member may not post a mass mailing to his district any time within 60 days of an election. Accordingly, should I not send this pertinent information to my constituents now—a month before the session ends—I cannot do so until mid-November, a month after the House has adjourned. Without intending to criticize the need for meaningful reform where it is necessitated, it seems to me that we might strive for more sensibility when we reform ourselves.

All that aside, Mr. Speaker, in a year of taxpayer revolt, though we have approved some cuts in the biggest Federal budget in history, we have ironically retained the single largest Defense Department budget of all time. I think it is fair to say that when we return to our districts for the November elections, we will take back with us a mixed record as we conclude the second session of the 95th Congress.

I have varied feelings about the accomplishments I can return home with. Nothing has seemed to come easy this year, no matter which issue area we discuss. Nevertheless, some of the issues I am most proud of as we end this year are national in scope, others are of distinctly local benefit.

I am proud and pleased that Congress saw fit to enact the Addabbo amendment which provided $200 million in emergency assistance as part of the special crisis intervention program, to help the poor and elderly pay their fuel bills during an unusually harsh winter. This matter passed the House by a single vote, yet I am convinced in my own mind that the program has not only made life more comfortable for persons who could not otherwise cope with exceedingly high fuel bills, but believe that we no doubt actually saved lives as well.

Likewise, with the strong cooperation of the Secretary of Defense and the White House, we were finally able to bring production of the B–1 bomber to an actual end. This was a satisfactory demise for the most expensive weapons procurement program in Air Force history.

It is a pity we cannot say the same for the nuclear carrier. By voting to keep it in the defense bill, the Congress very likely is wasting an additional $3 billion that is not necessary for the maintenance of an adequate national defense. It may be that the final chapter on this issue is not yet written, but it is certainly true that in a period of peacetime, this Nation is spending an extraordinarily large percentage of its available funds to build more exotic and expensive weapons systems.

I am particularly proud as well that an issue which I first conceived in early 1977 finally received top level consideration this year by the White House. Hearings I held in April 1977 pointed out conclusively that Federal agencies and departments were ill-prepared to deal with the growing needs of providing assistance to women in developing and operating small businesses.

A study ordered by the President a year ago was finally presented to him this spring by an intergovernmental task force, and Mr. Carter has now signed an executive order requiring Federal agencies to upgrade their programs in this area. This is a long overdue action that will hopefully make it easier for women to gain Federal help and guidance in organizing a small business concern.

Additionally, I authored a bill which to date has passed the House and is pending in the Senate, which emphasizes the need for additional Small Business Administration assistance for all small business in general, and especially for those persons who are economically or socially deprived.

I was pleased to see that my colleagues shared my concern for other legislative issues as well. Legislation I sponsored which is now in conference between the House and Senate provides that recipients of veterans' pensions would not have the amount of that compensation reduced because of increases in social security benefits. In a period of fast rising inflation, we found the Government helping with one hand and holding back with the other. It is high time that practice was brought to a halt.

Other legislation I sponsored which is also in conference between the House and the Senate will provide for the tagging and identification of explosives. This measure is designed to facilitate the apprehension of persons who would terrorize by bombing innocent people. Thankfully, we are making major strides in this area and I hope for the day when the potential terrorist is stayed from his violence by the certain knowledge that his deeds can be quickly and undeniably traced back to himself.

I cannot help but express disappointment, however, over the Senate's failure to reject President Carter's arms sale package to Saudi Arabia, Egypt, and Israel. As a strong opponent of the provisions which tied these sales together I truly believe that this and other such policies will not lead us down the road to real peace. At this crucial point in time, our patience, and encouragement of joint talks between Israel and Egypt, will do much more to sustain the hope for a peaceful and lasting settlement.

Closer to home, I am delighted to say that I, with others, was able to play a substantial role in extending fiscal assistance to New York City and thus avert another monetary crisis. The city has worked hard for the last 3 years to get its fiscal house in order, and I believe the Congress was justified in extending additional aid to it. New York remains our Nation's showcase city and I know that by keeping our commitments to help New York save itself, the country has helped itself enormously in the eyes of the world at large.

Turning to other matters which directly affect those of us who live in Queens, there were a number of local issues I could claim for my own as a member of the House Appropriations Committee. I worked hard for these projects, and am grateful that the Congress saw fit to give us a hand with these local problems. Among them I include the $4.5 million we received for improvements to the New York City subway system. Also, 1978 saw the completion of work done to enhance the light pattern approaches to John F. Kennedy International Airport in Queens. At LaGuardia Airport, also in Queens, we were able to obtain $2.5 million for other improvements.

Similarly, the Veterans' Administration was good enough to accept our urging to provide $820,000 to modernize the outpatient clinic at St. Albans VA hospital, a facility that we were able to secure several years ago when the Navy decided to close the naval hospital there. The Navy too has seen the light of day and is now concluding a modernization program of its own; I am pleased to see that all progress is going well.

We have not succeeded with everything we have tried this year. We never do. But we have had partial successes in several critical areas, and we look forward to improving our situation with the Federal agencies involved during the course of the coming Congress. I am personally very disappointed with HUD's rather weak position on reforming inequities in rent preemption matters, although at the same time I am pleased with the Department for moving forward strongly to help rebuild devastated areas of New York City.

I have worked closely, alone, and with others here in Congress, trying to resolve problems in home health care programs, but except for the continuing enthusiasm to succeed shown by civic groups, and State and city agencies, there is little to show for the crusade. We will keep trying, however, as long as it takes, and hopefully will secure the necessary

changes in the near future, along with a national health program and national welfare reform.

I am greatly distressed at the inability or refusal of Federal cultural agencies to earmark funds for Queens cultural groups, especially those groups that are struggling mightily to stay alive. A much greater participation must be forthcoming if we are to provide meaningful programs and opportunities in these areas.

I am equally concerned about the future of York College. This struggling institution deserves all the support we can give it. Proposals to curtail its programs or remove it from the city university system will be met with strong opposition. York, as an educational opportunity for many and a symbol of economic revitalization in the Jamaica area. must, and will, survive.

The addition of a new Federal office building in this same Jamaica area, an actuality we have been hoping and striving for for over 15 years, remains as one of my local priorities. Renewed efforts to obtain a commitment from the Federal Government, and the continuing support of local groups and officials, will hopefully produce fruitful results in the future. The prospects of jobs, transportation improvements, and economic rejuvenation for southeast Queens that such a scheme entails, makes our efforts all the more essential.

And lastly, though the summer is nearly gone, many of us are once again reminded that the water quality of our beaches is not what it should be. In fact, many, such as Jamaica Bay, are restricted for bathing purposes due to pollution and sludge deposits. The Environmental Protection Agency has stated that we need new stormwater and sewer overflow control and treatment facilities to cleanup this literal mess, and I am actively involved in attempting to bring together Federal, State, and local authorities to work out a program which will help us correct the problems with the maximum of outside guidance and assistance.

There have been so many controversial issues before the Congress this year that it would take far too much space to list them all. Anyway, I have found that persons who are interested in specific issues have long since learned how this Member voted and are in no need of additional confirmation from me. Nevertheless, any constituent is always encouraged to write to my congressional office if there is concern about any specific issue or legislation. They know that I will answer their questions.

Mr. Speaker, this has been a year of tumult and unending activity. Up to today, the House has had 1,400 recorded votes thus far, and we face a great many more before we end this session. That is an enormous number of votes and the issues upon which we voted were staggering in their numbers, complexity and time required to learn the subject. As a body, we may be good or we may be not so good, but we certainly cannot be accused of being lazy.

But in conclusion, we must note that above all else, this has been a year of peace for our people, and for that we are grateful. I pray that can also be said two years from now when the 96th Congress concludes its work. Thank you.●

H.R. 7308, FOREIGN INTELLIGENCE SURVEILLANCE ACT

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from Illinois (Mr. MURPHY) is recognized for 5 minutes.

● Mr. MURPHY of Illinois. Mr. Speaker, H.R. 7308, the Foreign Intelligence Surveillance Act, is now scheduled for floor consideration the week of September 4.

During the past 3 weeks there have been distributed many "Dear Colleagues", fact sheets, and other information and materials on the bill.

Most of these materials contain a roster of those supporting the bill and those opposing the bill. For example, the American Bar Association, the Director of the Intelligence agencies and the FBI, the ACLU, the Attorney General, the New York Times, the Chicago Tribune, the Washington Post, and Common Cause support H.R. 7308; the Association of Former Intelligence Officials, Air Force Magazine, Robert Bork, and Laurence Silberman oppose it.

Unfortunately, there is also a whispering campaign being carried on by some of the bill's opponents, suggesting that certain intelligence officials whose names cannot be divulged oppose the bill. Hopefully, this tactic will be recognized for the discredited practice that it is. In any case, no such unnamed official has contacted me.

In the midst of all of this, not too much is being said about what the bill actually does, or, to put it more accurately, much is being said about the bill that bears no resemblance to what it really does.

The misinformation being spread around is particularly deep in connection with the warrant requirement for surveilling official foreign premises, such as embassies; the criminal standard for surveilling U.S. persons; and the extent to which foreign visitors can be electronically surveilled. Particularly disconcerting is the suggestion that passage of H.R. 7308 will reduce our intelligence collection capabilities. As members of the intelligence community have stated repeatedly, passage of the bill, by removing the existing doubts and uncertainties, will actually result in a more efficient intelligence collection operation.

The warrant requirement for electronic surveillance of embassies and other foreign premises is not intended to protect foreign spies or diplomats. It is intended to protect Americans. Wherever there is a possibility that the communication of an American will be intercepted, a warrant must first be obtained. When there is no such possibility, a warrant is not required.

That such protection is necessary is readily evident if one looks at the abuses of embassy surveillances revealed by congressional committees in the past few years. Such surveillances were used to collect political and social information on Americans for reasons having nothing to do with foreign intelligence.

The warrant requirement will prevent such abuses from recurring—without hindering intelligence collection. All the judge is allowed to decide is whether the target is in fact a foreign embassy and whether the minimization procedures meet the statutory standards. The judge has no say at all as to the need for a particular surveillance. Nor does any showing of criminal activity have to be made.

The criminal standard applies only to the surveillance of American citizens and permanent resident aliens. What it says is that when such a person is suspected of spying or espionage activity the Government must show that such activity may involve a criminal violation before he can be subjected to electronic surveillance. If the American citizen or permanent resident alien is suspected of covert activities on behalf of a foreign power—not spying or espionage—the Government must show that such activities involve or are about to involve a criminal violation before such a person can be subjected to electronic surveillance. To repeat, these standards apply only to American citizens or permanent resident aliens.

Where foreign visitors are concerned, the bill is explicit. The judge has to find probable cause to believe that such a person is an agent of a foreign power. The statute says such a person is an agent of a foreign power if he is an "officer, member, or employee" of a foreign power and if he acts in such a capacity in the United States. That is all that a judge has to find. The bill also says a nonresident foreigner is an agent of a foreign power if he "acts for or on behalf of a foreign power which engages in clandestine intelligence activities in the United States, contrary to the interests of the United States" and circumstantial evidence can show that such person "may engage" in such activities in the United States. Thus, nothing has to be shown concerning any actual activity of such person in the United States.

In summary, Mr. Speaker, H.R. 7308 is a bill that recognizes the vital role that electronic surveillance plays in our intelligence effort. It is not a bill that will prevent needed intelligence collection, allow judges to intrude into the day-to-day operation of intelligence agencies, or protect spies or foreign diplomats. I urge any of my colleagues who have any questions about it to contact the intelligence agencies, or the members or the staff of the Intelligence and Judiciary Committees. I am confident that when it is understood exactly what the bill does, it will be passed, and passed without weakening amendments.●

PRESIDENT'S PRIVACY ACT REPORT

The SPEAKER pro tempore. Under a previous order of the House, the gentle-

man from North Carolina (Mr. PREYER) is recognized for 5 minutes.

● Mr. PREYER. Mr. Speaker, I would like to call to the attention of my colleagues the just-released 1977 Annual Report of the President on agency activities under the Privacy Act of 1974. This report is especially important because 1977 is the first full year of regular operation under the act. Earlier reports covered periods that were heavily characterized by start-up efforts and initial implementation activities. Now, for the first time, we are able to get a fairly clear picture of the effects of the Privacy Act and, in general, those effects are quite positive.

In his transmittal letter to the President, James McIntyre, Director of OMB, states that the requirements of the act have been successfully integrated into the operations of most departments and agencies within the executive branch. He also indicates that a number of agencies have achieved significant reductions in the amount of personal data they collect and maintain. These are important accomplishments.

The report also shows that use of the Privacy Act by individuals to obtain records about themselves has grown. The President reports that agencies received over 1.4 million requests from individuals and that over 95 percent of these requests were granted in whole or in part. While reporting practices for Privacy Act statistics vary among agencies, this clearly reflects a tremendous interest on the part of citizens in the records maintained about them by the Government. I am convinced that the availability of these records helps to decrease feelings of mistrust of Government among the public.

This is also true for the provision that permits an individual to correct erroneous information that is maintained in agency files. It is significant that most requests for correction of mistaken personal data in Government records were granted by agencies. The Department of Defense, for example, made 14,939 corrections out of 15,048 requests. Agencies and individuals both benefit from the maintenance of accurate information.

Several agencies reported that adherence to Privacy Act standards for recordkeeping resulted in simplifying the design of forms they used and contributed to carrying out substantive tasks more effectively. Others reported that individuals seemed more willing to provide personal information as a result of being informed about agency information practices.

Another positive feature is the way in which agencies used the exemptions provided in the act. Rather than automatically invoking an exemption to deny access, which the Privacy Act permits, agencies tended to review records on a case-by-case basis to determine if there was a need to use an available exemption. This limited use of the exemptions is certainly consistent with the philosophy of the law.

A number of problem areas that have developed under the act are identified in the report, but none is major. It is not surprising that a new and major piece of legislation has some problems that only become clear after passage.

On the whole, I am pleased with the overall progress to date with the Privacy Act implementation process and with the smooth and effective way in which the act's requirements have been incorporated into agency operations. I am also pleased with the positive and constructive attitude toward the Privacy Act that is reflected in the President's report.

Noticeably absent from the President's report is a legislative program for implementing the recommendations of the Privacy Protection Study Commission. The commission's report is now over a year old. We have come a long way in the last few years to improve the protection of personal privacy, but we still have a long way to go.●

THE NATIONAL ECONOMY—WE'VE CUT TAXES, NOW LET'S CURB INFLATION

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from Montana (Mr. BAUCUS) is recognized for 5 minutes.

● Mr. BAUCUS. Mr. Speaker, a couple of days ago, as I was visiting a small town in Montana, I stopped at a store. I got into a conversation with the storekeeper during which he asked me, "Max, there's one thing I've been wondering about you; are you pro-industry or anti-industry?"

I said I was neither. There is a lot of interest groups in a State like Montana. All these interests need to be recognized in an evenhanded way.

We are all interdependent. Business needs labor, labor needs business, consumers need business, and so forth.

But I told that storekeeper that there is one thing each and every one of us in Washington can do for all people—help reduce the tax burden. That includes inflation, which is the cruelest tax of all.

We are facing some tough economic problems. The public demands that Congress rein in on Government spending and taxation.

At the same time, our economic expansion may be running out of steam. So, we also have a responsibility to keep the economy moving.

Last week we voted to cut taxes $16 billion. We are making a start toward our economic responsibilities.

I am glad that some of the refreshing breezes from California have finally reached Washington, D.C. And I hope that Congress will continue to heed the public demand for lower taxes and less government.

The Tax Reduction Act (H.R. 13511) provides significant cuts for middle-income taxpayers. Sixty-three percent of the bill's benefits go to individuals in the $15–$50,000 tax bracket.

The bill also reduces the maximum tax on capital gains from 49 percent to 35 percent. That should help increase national productivity.

I am concerned about the low rate of productivity growth in the country. During the prosperous years of the 60's, productivity increased an average of 3 percent a year. Lately, the average has dropped to 2 percent annually. Now Barry Bosworth of the Council on Wage and Price Stability predicts that there will be no productivity growth this year.

This is a serious problem. The only way to insure Americans a better standard of living is to increase productivity.

One way to encourage productivity is by cutting capital gains taxes. The cut we voted for should lead to increased capital formation—and that means new jobs and higher productivity.

I am pleased that the tax bill includes provisions I've been pushing for. I am especially happy about the new graduated income tax for small corporations.

Small businesses are the backbone of our economic system. Their toughest problem has been getting capital to expand.

They frequently depend on profits after taxes. But until now, a business making $50,000 a year paid the same tax rate as General Motors. The new legislation will graduate taxes up to $100,000 of annual income.

I am also pleased that tax brackets have been adjusted to account for inflation. Under the present system, many workers who get cost-of-living increases find themselves in higher tax brackets—even though their purchasing power stayed the same.

Businessmen are similarly affected. Even though a businessman sells the same amount of products, he may pay a higher percentage of his income in taxes.

This is taxflation. A 10-percent increase in inflation produces a 16-percent increase in Federal revenues. These automatic tax increases produce creeping increases in the size of the Federal Government.

Months ago I introduced legislation that would automatically adjust the tax brackets each year to end taxflation. The House tax cut package adjusts brackets upward 6 percent this year.

I intend to push for the same kind of adjustments in future years.

Speaking of inflation, it is important to keep in mind that inflation is a tax, too. It affects everybody—workers, businessmen, farmers. It is a cruel tax affecting the sick and elderly on fixed incomes who have the least ability to pay.

We in Congress have to commit ourselves to stopping inflation. We have got to vote for responsible spending and revenue measures. We have got to encourage growth of industrial productivity, and we have got to stop inflationary redtape.

Congress has run up some enormous budget deficits in the past several years. And the $60 billion deficit proposed by the President last January was just too much. Indeed, by congressional action today it looks as though we will get next year's deficit down more than $8 billion below that proposed by the President. That is a big improvement, but we have got to keep improving.

We cannot ignore the depressing effect that inflation has on business. It is a

vicious circle. Businessmen cannot figure their real return, so they postpone investments. Their costs rise, their real profits shrink, and stock values go down. Interest costs increase—and it costs more to borrow. And it goes on and on.

When businessmen postpone investments, productivity suffers. Prices have to rise to cover inefficient production.

In the end, if we cannot control inflation we will fall behind our trade competitors and lose international influence. That is exactly what happened to Great Britain when 200 years of monetary discipline collapsed after the First World War.

We have got to pay more attention to the inflationary impact of Government regulation. These costs can be staggering.

One example is housing. Many families cannot afford their own homes anymore. But recently a congressional panel found that Federal regulations added $5,000 to the average cost of an Oregon community.

The flood of Federal redtape has increased cost to the point where many businesses in my home State of Montana have had to close their doors. This has to be stopped.

I have cosponsored legislation to provide more opportunities for public participation in agency rulemaking. I also think we should require inflationary impact analysis on bills we pass.

Mr. Speaker and fellow colleagues, we have cut taxes. That is a step in the right direction. Now let us keep on reducing the size of Government. Let us stop inflation and let us restore the confidence of Americans in their Government.●

BALANCING THE FEDERAL BUDGET

(Mr. WHITE asked and was given permission to extend his remarks at this point in the RECORD and to include extraneous matter.)

● Mr. WHITE. Mr. Speaker, recently rampant inflation fueled primarily by deficit financing of the Federal Government has been headline news. Proposition 13 in California has brought the matter to the attention of the public and legislators alike. However, members of the Democratic Research Organization (DRO) have been aware of the adverse consequences of inflation for some time. It comes as no news to DRO Democrats that inflation causes high unemployment, erodes the purchasing power of consumers, reduces the real profits of business, and, in its harshest consequence, destroys the self-reliance of the aged and all who live on fixed incomes. Mr. Speaker, some time ago DRO initiated a comprehensive investigation of deficit financing, balancing the Federal budget and its effect on the economy. The record we amassed makes our conclusions with regard to these matters unassailable.

Mr. Speaker, specifically the Democratic Research Organization (DRO) authorized 18 of its Members of the House of Representatives to act as a committee to conduct hearings on balancing the Federal budget. It was established and during the last month of the 93d Congress and in the early months of the 94th Congress held a series of public hearings to conduct this investigation. The following 39 witnesses consisting of members of the President's Cabinet, Members of Congress, economists, academicians, businessmen, and Government officials testified on balancing the Federal budget before the committee: Honorable William E. Simon, Secretary of the Treasury; Dr. Arthur Burns, Chairman of the Board of Governors, Federal Reserve System; Henry Wallich, Member of the Board of Governors of the Federal Reserve System; Dr. Darryl R. Francis, President of the Federal Reserve Bank of St. Louis; Dr. Geoffrey H. Moore, National Bureau of Economic Research; Dr. Allan Meltzer, professor of economics, Carnegie Mellon University; Dr. James S. Duesenberry, chairman of the department of economics, Harvard University; Dr. Alan Greenspan, Chairman of President's Economic Advisers; Honorable Elliot Richardson, Secretary of Commerce; Congressman BROCK ADAMS, chairman, House Budget Committee; Congressman HENRY S. REUSS, chairman, House Banking, Currency and Housing Committee; Honorable Carla Hills, Secretary of Housing and Urban Development; Honorable Roderick M. Hills, Chairman of the Securities and Exchange Commission; James J. Needham, chairman, board of directors, New York Stock Exchange; Dimitri Balatsos, vice president of the Manufacturers Hanover Trust Co.; Dr. Henry Kaufman, senior financial analyst for Salomon Brothers; Elmer B. Staats, Comptroller General; Dr. Alice Rivlin, Director, Congressional Budget Office; Kenneth Thygerson, chief economist of the U.S. League of Savings & Loan Association; Dr. Leon W. Taub, vice president of Chase Econometric Associates, Inc.; Mitchell Robelinski, Administrator, Small Business Administration; Charles Bowsher, Arthur Andersen & Co.; Senator James Clark, Maryland General Assembly; William James, State Treasurer of Maryland; George Gross, executive director, House Budget Committee; Dr. Peter Clark, economist, Congressional Budget Office; Dr. Frank DeLeeuw, Assistant Director, Fiscal Analysis, Congressional Budget Office; Richard Maycock, General Accounting Office; Harry Havens, General Accounting Office; Phillip S. Hughes, Assistant Comptroller General; Robert Wilson, Arthur Andersen & Co.; James Pierce, chief economic consultant, House Banking, Currency and Housing Committee; Glenn Morrow, economist, Small Business Administration; George Grant, Jr., general counsel, Small Business Administration; Thomas Cole, Assistant Administrator of Congressional Relations, Small Business Administration; Sol Mosher, Assistant Secretary for Legislative Affairs, HUD; John Welcher, Deputy Assistant Secretary for Economic Affairs, HUD; Gene L. Finn, Directorate of Economic Policy, SEC; Maynard Comiez, Acting Chief Economist for the Department of Commerce.

The following other persons submitted statements on balancing the Federal budget in lieu of testifying before the committee: Senator HARRY F. BYRD, JR., U.S. Senator from Virginia, chairman, Taxation and Debt Management General Subcommittee of the Finance Committee; Paul W. McCracken, professor, University of Michigan, former chairman of Council of Economic Advisors; James T. Lynn, Director of the Office of Management and Budget; William A. Niskanen, Ford Motor Co.; James M. Buchanan, professor and general director, Center for Study of Public Choice, Virginia Polytechnic Institute and State University; James E. Smith, Comptroller of the Currency.

As chairman of the Democratic Research Organization (DRO), during the past month I returned the transcripts to each of the witnesses and other persons for their review, updating, and final concurrence. The replies have been received, the review and updating completed, and the report of the DRO Committee to Investigate a Balanced Federal Budget containing its findings, conclusions, and recommendations are as follows:

REPORT OF COMMITTEE TO INVESTIGATE A BALANCED FEDERAL BUDGET; DEMOCRATIC RESEARCH ORGANIZATION

AUGUST 1978

DEMOCRATIC RESEARCH ORGANIZATION (DRO)

Hon. RICHARD C. WHITE, Chairman

(Prepared under the direction of Paul Wohl, executive director, Democratic Research Organization (DRO), by Professor Timothy P. Roth, chairman, Department of Economics and Finance, University of Texas at El Paso.)

MEMBERS OF DRO COMMITTEE TO INVESTIGATE A BALANCED FEDERAL BUDGET

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Hon. DAVID E. SATTERFIELD, 3d, Virginia.
Hon. PAUL SIMON, 24th, Illinois.
Hon. RICHARD C. WHITE, 16th, Texas.

I. BACKGROUND, OBJECTIVES AND OVERALL POSITION

After careful consideration, the Democratic Research Organization (DRO) undertook to explore and to question the efficacy of balanced Federal budgets. DRO, acting through its Executive Committee, approved and established the Committee to Investigate a Balanced Federal Budget to secure the testimony and opinions of knowledgeable and interested parties and to report its findings, conclusions, and recommendations. The result of this effort was the emergence of some 1,593 pages of testimony. (All cited page numbers are keyed to this 1,593 page transcript of testimony and statements available for examination at the DRO office.)

The testimony was secured with a view to the development of a report that would address such questions as these: Are Federal deficits stabilizing or destabilizing, or what is effectively the same thing, are Federal deficits "good" or "bad"? If deficits are, in some sense, harmful, what might optimally be done about it? Should consideration be given, for example, to a constitutional

amendment which would prohibit Federal deficits?

The objective of this paper, simply stated, is to provide answers to these and other related questions; answers that are predicated upon a distillation of the views of many interested and knowledgeable witnesses. It is hoped that the report will be an effective catalyst to thought and to the ultimate emergency of a budget policy that will be beneficial to us all.

As will become clear, the position adopted herein is that Federal deficits are, in fact, "harmful", and that it is in the interest of the nation to eliminate discretionary deficits. Moreover, it is argued that the most efficient means by which a bias toward deficits can be eliminated is a constitutional amendment generally prohibiting them.

II. POINTS OF DEPARTURE

The case for a balanced Federal budget cannot be developed *in vacuo*; that is, without having taken account of the arguments that might plausibly be offered against such a fiscal strategy. With this in mind, explicit account will be taken of those arguments that have been tendered against a constitutionally mandated balanced Federal budget. The arguments, by and large, tend to center on the presumed efficacy of what might be termed "fiscal flexibility", and upon the presumed ability of the Congress to act "responsibly". While much can be said about both of these assumptions, the logical development of the argument for a constitutional restriction on budget deficits requires that we strike out in a somewhat different direction—at least momentarily. What is required is that the generative assumptions of the argument for constitutionally mandated balanced budgets be made explicit. To put the matter differently, the argument will proceed based upon two "points of departure". Simply stated, the argument is predicated upon the assumptions that: 1) Federal deficits are a major cause of inflation and that inflation, in turn, is a cause of unemployment, and 2) that the prevailing incentive structure is such that there exists in the Congress a bias towards deficits. Because neither proponents nor opponents of the proposed constitutional amendment are likely to be persuaded by this simple assertion, it is essential that the logic behind these statements be systematically developed. With this in mind, we proceed to item 1), the notion that Federal deficits are inflationary and that inflation is a cause—if not the major cause—of unemployment.

A. The relationship between deficits and inflation and between inflation and unemployment

1. Deficits and Inflation

Both in the interest of prudence and honesty, let us begin with recognition of one of those brute facts of life with which we all must live; namely, the fact that it is not possible unambiguously to determine cause and effect, either in the physical or in the social sciences. It follows that one should be circumspect in making statements about the relationship of anything to anything else. This much is clear, however: both *a priori* logic and a growing body of empirical evidence suggest that deficits are a cause of inflation. In the testimonial words of Dimitri Balatsos (p. 191):

"It is not coincidental that in the last ten years the budget was in deficit in all save one year and that the rate of inflation averaged twice the level of the previous ten years."

Ultimately, of course, the actual contribution of a given budget deficit to the future inflation rate depends upon the way in which the deficit is financed. Fortunately, the analysis is somewhat simplified by the fact that there are only two means by which a deficit can be financed:

"Whatever the deficit is, it has to be financed. We have two options. We can finance it by printing money. Sooner or later that addition to money is going to result in higher prices and more inflation than otherwise would have occurred. If we finance it with less money, we have less inflation. We run into the problem known as crowding out. We have to sell the securities to private individuals to finance the deficit . . . at the expense of some capital they could hold" (Meltzer, p. 977).

While the second portion of the statement relating to "crowding out" is somewhat cryptic, it is the first portion of the statement upon which our interest momentarily centers.[1]

The point to the emphasized is simply this (Francis, p. 619):

". . . it is quite evident that inflation is the result of excessive monetary growth . . . (and that) monetary growth in excess of resource growth has been the most dependable result of government deficits . . ."

Again and again, the theme that emerges is the notion that monetary growth is related to the size of Federal deficits and that, other things equal, the faster the rate of growth of the money supply via debt monetization, the faster the subsequent rate of increase of prices. In Professor Meltzer's testimonial words (p. 953):

"The greater the amount of money issued to finance the deficit, the higher the subsequent inflation. The principal reason deficits lead to inflation is that the deficits are often financed by printing money."

Former Treasury Secretary Simon's testimony is somewhat more expansive (p. 769):

"The deficits contribute to inflation: First, by being produced by too rapid a rise in spending which directly puts pressure on prices; and second, by bringing about a large increase in liquid asset holdings of the public; and third, by depriving the private sector of needed funds which lowers the economy's future growth potential and heightens inflationary pressures."[2]

The litany of those who accept the general proposition that deficits are, in general, inflationary runs the gamut of academics through those in government and in business. Moreover, the idea that deficits are inflationary is not the exclusive province of "conservatives". A sample of additional comments will serve to corroborate this statement: Professor James Duesenberry—"Deficits of the late '60s and the Korean War did contribute to inflation" (p. 333); Federal Reserve Governor Henry Wallich—"Federal deficits are an 'essential contributor' to inflation" (p. 410); Roderick Hills, Chairman of the Securities and Exchange Commission—"Federal deficits have contributed to inflation and therefore to higher interest rates" (p. 659), and "The extent to which deficits contribute to inflation depends on the extent to which the deficit is financed by the creation of new money" (p. 713); Henry Kaufman, Senior Financial Analyst for Salomon Brothers—"I believe that fiscal policy has contributed significantly to the inflation rate of the United States in the post-war period" (p. 1,290); James Pierce, Chief Economic Consultant, House Banking, Currency and Housing Committee—"The government deficits run during the late '60s caused what was going on in the '70s. Those are what caused the inflation" (p. 1,285).

An objective assessment of this testimony must, it would seem, conclude that, in fact, deficits cause inflation. Moreover, it is important to recognize that the notion that Federal deficits are the major cause of inflation seems broadly more defensible than any alternative "explanation" of inflation. In witness Geoffrey Moore's view (p. 281):

". . . you have got a clear trend in the rise of prices during recessions starting with the first recession in the (post-war) period, from 1948 to 1949. . . . To get a convincing explanation of that you have also got to find something that has a trend in the same way and I don't think the studies that I have seen of concentration in industry have shown that trend, and I don't think it has been shown with respect to labor unions either. The percentage of the working population that is unionized has not been increasing, and in that sense unions have not been getting any more powerful."

Given Moore's reluctance to ascribe the observed inflation to business or to unions, it is significant that he is unequivocal in saying that deficits are one of the "contributing factors" in inflation (p. 278).

In summary, based upon a priori logic, an emerging body of empirical evidence and the "weight of authority", we accept the following proposition: That Federal budget deficits are inflationary, and that the degree to which such deficits contribute to inflation is directly related to the extent to which the Treasury debt is monetized; that is, to the extent to which it is bought by the Federal Reserve with newly printed money. Granting this, the issue to which we now turn is the question of the relationship between inflation and unemployment.

2. Inflation and current unemployment

It has long been a part of the "received doctrine" in economics that the so-called Phillips curve has validity; that is, that there is a trade-off between inflation and unemployment. As the conventional wisdom would have it, a decrease in the unemployment rate will be accompanied by an increase in the inflation rate, an increase in the unemployment rate with a decrease in the inflation rate. The logic behind this general proposition is based upon the presumption that as the "capacity" of the economy to produce is approached—that is, as employment and the utilization rates of physical capital's services increase, "bottlenecks" will appear, costs of production will rise, and inflation will result. The chain of causation proceeds, in other words, from the surrogate for capacity utilization—namely, the amount of employment—to the inflation rate.

It is the purpose of this section to show that while this logic might at first appear compelling, it is fallacious. Indeed, appeal to and acceptance of this logic requires that the analyst ignore the effects of inflation on real disposable incomes, corporate profits and balance sheets and the composition of output. It is the purpose of this section to show, in other words, that the chain of causation is precisely opposite to that contemplated by the "conventional wisdom"; that, indeed, increases in the inflation rate cause unemployment.

Once again, this proposition should not be accepted on faith. With this in mind, let us proceed to a systematic exposition of the logic behind this assertion:

a. Inflation and profits

It is patently obvious that inflation affects the individual business enterprise. The effects are felt both on the revenue and the cost side. On the revenue side, the effect of inflation depends, in particular, on whether the firm produces goods whose demand is positively or inversely related to changes in real disposable income.[3] If the firm produces what economists call normal or superior goods, an increase (decrease) in real disposable income will cause an increase (decrease) in the demand for its product(s). If the firm produces so-called inferior goods, an increase (decrease) in real disposable income will cause a decrease (increase) in the demand for its product(s). Clearly, for those firms producing normal or superior goods, a decrease in real disposable income will, other things equal, mean that the demand for their product(s) will fall. In other words, the revenue gener-

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ated at any price decreases since less is sold at that price because of the decrease in real disposable income. And what causes a decrease in real disposable incomes? The answer is unambiguous: inflation. Moreover, inflation causes real disposable incomes to fall for two reasons: 1) The prices of goods and services generally rise during inflation at a faster rate than the rate of increase of nominal or money incomes: hence real incomes fall. 2) Because of inflation, nominal incomes do rise, but these higher money incomes are taxed at higher rates because of our progressive income tax system. The net result is obvious: inflation causes an erosion of real disposable incomes. This, in turn, causes the demand for normal and superior goods to fall, causing their producers revenues to fall.

The effects of inflation are not assymetric, however; inflation affects both revenues and costs. Let us focus for a moment on costs. Without question, one of the effects of inflation is an increase in the prices of the goods and services purchased or rented by producers. We have in mind here not only the wage rates paid to employees, but the purchase prices of ingredient inputs (the things that "go into" the final product), and of ancillary inputs like electricity. Given the firm's technology—that is, given the techniques by which it combines inputs to produce output—increases in these input prices have the effect of increasing the costs of production. This much, we should think, is so obvious as to appear platitudinous.

Yet it should be emphasized that inflation causes the costs of production to rise not only because of increases in input prices. Inflation also causes costs to rise because of its effect on the value of inventories and upon the replacement costs of capital equipment. In the case of inventories, phantom inventory "profits" appear as the nominal value of inventories bought in the past rises. The fact that these profits are not realizable since old inventory must be replaced at the prevailing higher prices is irrevelant from the point of view of the Treasury Department; inflation-induced inventory "profits" are taxed, and the increased taxes constitute an increase in the costs of production.[4]

In the case of the replacement costs of capital equipment, inflation has two effects. First, it pushes the prices of machinery and equipment up. Two, because it has the inevitable effect of pushing up interest rates—a matter that will be discussed below—it makes external financing of plant and equipment more expensive.[5] The net result is that even if new equipment is significantly more productive—in the sense of the output per man-hour that it is capable of producing—inflation-induced increases in the cost of acquisition may make the purchase or rental of the equipment prohibitively expensive.

Finally, it is clear that inflation causes the costs of production to rise for still another reason. Previously we suggested that increases in input prices (and, for that, increases in inventory "profit" taxes) will cause the costs of production to rise, given the firm's technology. The problem is that a business firm's technology—again, the means by which it combines inputs to produce output—is likely to be affected by inflation. One of the effects has already been discussed; namely, the possibility that more efficient equipment may not be brought on-line because of increases in the cost of acquisition. The corollary of this is that business firms tend, during an inflationary period, to rely more and more on incumbent equipment; equipment that is subject to the laws of friction—equipment that, in other words, deteriorates over time.[6] This, in turn, implies that the costs of production must rise over time. Yet this is not the end of the story because inflation has still another effect on the firm's technology: because inflation causes nominal incomes to rise, and because human income[7] is taxed so heavily in our society, employees have less incentive to be productive. The result is that as inflation proceeds, costs of production rise because employees become progressively less productive. Moreover, because of the prospect of increased tax liabilities, there is less incentive to acquire human capital. There is less incentive for the employee to acquire additional skills and knowledge because he knows that the acquisition of these skills will imply higher nominal incomes; incomes that will, in addition, be bloated by inflation and that will, as a result, be taxed more heavily. Granting this, he could conceivably be made worse off in terms of real disposable income because of an investment in human capital. To the extent that employees and/or their employers do not invest in human capital, future productivity will be lower and future costs of production will be higher than they otherwise would have been.

The message is clear: Inflation has a double-edged effect on business firms: 1) it causes revenues to fall—or, at minimum, to increase more slowly, at the same time that 2) it causes the costs of production to rise. The result is that cash-flows deteriorate, both in the present and in the future. *Insofar as cash flows deteriorate, business firms that seek to maximize profit*—and we know of no one that is prepared to accept an alternative desideratum—*will have no choice but to reduce both output and employment.*[8] It is worth re-emphasizing, however, that the effect of inflation on output and employment will not be confined to the present. To the extent that incentives to invest in human and non-human capital are eroded by inflation, future output and employment will also be affected. In any case, discussion of this aspect of the relationship of inflation to unemployment is momentarily deferred. Suffice it to say that we are led to conclude that present employment is affected by inflation. We conclude, based upon *a priori* logic, that increases in the inflation rate cause business firms' cash flows to deteriorate and that this, in turn, causes output and therefore employment to fall.

The question now would seem to be this: Can we secure any empirical or other support for the idea that rising inflation causes unemployment? The answer, of course, is yes. First, let us consider the matter of the relationship of inflation to profits.

Mr. Mitchell Kobelinski, former Administrator of the Small Business Administration, testified that (p. 1,207):

"Inflation erodes profits, which are a major source of equity financing; and requires injections of new capital merely to replace depleted inventories, depreciated properties and other forms of capital consumption."

Testimony by Mr. Roderick Hills, former Chairman of the Securities and Exchange Commission, echoes this view (pp. 698–699):

"The second reason for the tendency toward leveraged capital structures is the impact of inflation. As corporate operating costs rise more rapidly than prices, profits are squeezed. Even these reduced profits tend to be overstated in real terms since they must be reinvested in higher cost plant and inventory simply to maintain the real capital of the firm . . ."

Influential members of the business community agree. Mr. James Needham, Chairman, Board of Directors of the New York Stock Exchange, testifies simply that ". . . periods of escalating inflation are notoriously bad for corporate profits" (p. 465). And finally, to paraphrase witness Mr. Dimitri Balatsos, Vice President of Manufacturers Hanover, inflation causes decreases in retained earnings adjusted for inventory valuation and replacement cost depreciation. What this means, among other things, is that because of inflation, businesses cannot maintain earnings sufficient to meet both depreciation set-asides and other capital requirements (p. 203). It would appear, therefore, that there is a clear well-defined relationship between inflation and profits: increases in the former cause decreases in the latter; decreases in the former cause increases in the latter.

The next question is this: We have asserted not only that increases in the inflation rate cause cash-flow and therefore profits to erode. We have made the additional claim that this has the effect of reducing output and employment both in the present and in the future. Let us now focus on the question of the relationship of inflation to profits and to current unemployment. We shall, momentarily, address the question of inflation's impact on future unemployment.

b. Inflation, profits and current unemployment

The presumption that inflation-induced profit erosion is a cause of unemployment seems to be self-evident. But it is also obvious that this idea will gain wider acceptance and credibility according as it is espoused by knowledgeable parties from government, industry and acadamia.

As it happens, the notion that accelerating inflation causes an erosion of profits and, *pari passu*, an increase in unemployment is espoused by a widely disparate group of knowledgeable individuals. Consider, for example, the comments of witness Mr. James Smith, former Comptroller of the Currency (p. 1,579):

"Many knowledgeable observers have pointed out that inflation was itself a key factor in creating the set of conditions that led to this (1974–1975) recession. With double digit inflation, the confidence of consumers end, to a very considerable extent, the confidence of businesses was shaken. With inflation outpacing the growth in personal disposable income, real disposable income of many individuals actually fell. Coupled with the decline in real income was the adverse effect of the expectation that continuing inflation might lead to an even sharper decline. As a result, the effective demand for goods and services fell off. In this uncertain atmosphere, businesses were hesitant to carry out their plans for expansion of plant and equipment."

It would appear, therefore, that inflation-induced erosions in real incomes and in consumer and business confidence can have determinate effects. In the view of the former Comptroller of the Currency, these effects are summarized in terms of reductions in the effective demand for goods and services and the postponement of capital investment projects. All of this is, of course, consistent with our *a priori* assessment of the effects of inflation. The testimony of Mr. Elliot Richardson, former Secretary of Commerce, goes one step further, however; indeed, he affects the crucial link-up of inflation to unemployment (pp. 886–887):

"Now, perhaps as never before, we recognize the insidious nature of inflation. Basically, it undermines economic stability and curtails progress. . . . Confidence gives way to hesitation and uncertainty, causing consumers to become more cautious and to save a greater share of their incomes. As demand slackens, business inventories begin to build up rapidly. Eventually . . . workers are laid off in growing numbers and postponements and cancellations of long-range investment projects . . . occur with greater frequency."

Somewhat later in his testimony, Mr. Rich-

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ardson puts the matter even more straightforwardly (p. 907):

"I think we can see in all the industrial countries in the past recession . . . that inflation was the cause of unemployment."

Former Treasury Secretary Simon's testimony is sympathetic to this view. In his words (p. 838):

"Inflation actually causes recessions and related unemployment by eroding housing construction, personal consumption and business investment."

It is worth mentioning in passing a point that will be re-emphasized below; namely, that if one accepts the view that inflation causes unemployment certain corollaries follow. In response to a question put to him by a member of the Committee to Investigate a Balanced Federal Budget, Alan Greenspan, former Chairman of the President's Council of Economic Advisors, testified this way (p. 1054):

"I don't believe (there is a trade-off between inflation and unemployment). I think there is just no reason why we cannot have both a low level of unemployment and a low level of inflation. In fact, I'll go further. If we have an unstable and high rate of inflation, I don't see how we can keep the unemployment rate down. So, in that sense, I would say they are mutually reinforcing."

The point to be emphasized is therefore clear. There is no trade-off of inflation for unemployment.[9] The conventional wisdom is simply wrong. We have, in fact, a situation in which increases (decreases) in the inflation rate cause increases (decreases) in the unemployment rate. From the point of view of optimal public policy, it follows, therefore, that *anything that contributes to inflation contributes to unemployment. Insofar as Federal budget deficits contribute to inflation, they contribute not to "economic expansion" but to unemployment.* Professor Allan Meltzer puts it this way (p. 974):

". . . no reliable long-term tradeoff exists between inflation and unemployment. But I would make the same argument in the short-run. There is no reliable short-run tradeoff between inflation or unemployment, and we get ourselves into enormous difficulties by trying to run the economy on the basis of what used to be called 'fine tuning' . . . . For example, highly expansive policy will lead to inflation."

Finally, the testimony of Darryl Francis, President of the St. Louis Federal Reserve Bank provides a comprehensive, heuristic check list of the effects of inflation (p. 653):

"The long-run effects of inflation are primarily created by the inability to anticipate inflation correctly. All those that have contracts that are specified in a given number of dollars and cents are affected. Creditors lose and debtors gain. This leads to a redistribution of wealth which is not predicated on productivity. Incentives are undermined and productivity declines. The inability to anticipate the rate of inflation and thus the interest rate reduces the willingness to lend for a long term. As financial contracts become shorter, risks of financing long term investments increase and accumulation of capital declines. This also leads to a reduction in productivity. And, finally, inflation reduces the wealth of those who hold money. Since money is a productive resource, any decrease in its use decreases potential output of goods and services. The ultimate experience is hyperinflation where people resort to barter and where standard of living declines drastically."

It would appear, therefore, that the formulation of public policy must take account of the fact that any policy that has the effect of increasing the inflation rate will have the effect of increasing unemployment both in the present and in the future. We have addressed the question of the impact of inflation on current unemployment. It remains now to consider the question of the impact of inflation on future unemployment; a question to which Mr. Francis and others have alluded.

c. Inflation and future unemployment; Inflation's effect on investment

In Section III, below, we shall address the question of the efficacy of "flexibility" in fiscal policy; of the desirability, if you will, of having the option to run deliberate (or "active") Federal budget deficits. As it happens, the resolution of this question turns in part on matters to which we now turn; namely, the effect of inflation on investment.

We have already discussed the fact that as inflation proceeds it becomes increasingly difficult for business firms to finance the acquisition of new plant and equipment. That this is so follows from the fact that inflation causes an erosion of firms' cash flows making internal financing more difficult. Moreover, inflation causes interest rates to rise making external financing more expensive.[10] Add to this the fact that inflation makes future revenue and cost streams less secure and that capital equipment becomes more and more expensive and we have a recipe for declining investment. And, as has been emphasized, inflation-induced declines in investment will not be confined only to plant and equipment; to nonhuman capital, if you will. There is reason to believe that employers and employees alike will, because of inflation, have less incentive to invest in human capital.[11]

Now it is considerations such as these that have led Henry Wallich, among others, to suggest that inflation-induced reductions in capital investment may have dire consequences for future employment. To paraphrase Dr. Wallich, investment spending has been decreasing because of inflation, higher interest rates, and the "crowding out" phenomenon attributable to increased Federal government borrowing.[12] Yet this is happening at a time when the labor force is growing at an accelerating rate (pp. 387 and 395–396). Thus, in Dr. Wallich's words (p. 387): ". . . it would not surprise me if our total capital stock were insufficient to employ the labor force. . . ."

It should, of course, not be forgotten that the linchpin in the inflationary process is Federal budget deficits. It is precisely these deficits that contribute directly to inflation and, hence, to a reduction in the rate of capital accumulation; to a reduction, in other words, of the economy's future productive capacity.

It is clear, then, that deficits affect investment indirectly through the accelerated inflation they cause. But there is a more direct route by which Federal deficits act to the detriment of private investment.

The simple truth is that the composition of Federal spending is changing. There is, increasingly, less emphasis on investment related expenditures and more on consumption. The change in the composition of Federal spending is illustrated, at least in the view of another witness, Mr. Kenneth Thygerson, by the increased emphasis on income transfers. In his view, such income transfer (or security) programs:

"* * * stimulate the immediate consumption of basic commodities such as food, clothing and energy. This consumption-demand stimulus, although clearly beneficial to the economy in some periods, does not provide future benefits as in the case of investment oriented Federal expenditures.

"The increased tendency to finance this changing Federal outlay composition through the use of Federal deficits as opposed to taxes, has significant long-run impacts on the capital markets, inflation, interest rates, and capital formation. * * *" (pp. 155–58)

The corollary is that deficit financed consumption expenditures are going to mean a slower rate of capital formation (p. 170), a view that is shared by Professor Meltzer (p. 957):

"A third effect of large deficits is that the mix of goods and services produced by the society is altered. Many government programs encourage consumption and reduce investment. A shift in resources from investment to consumption lowers the capital stock and by lowering the capital stock lowers the growth rate."

So far as it goes, this view is in complete accord with Thygerson's position. Meltzer goes one step further, however. Indeed, his emphasis is on a qualitatively different, though related consideration; namely, that the dollars secured by the Federal government via the sale of Treasury debt are dollars that would have been used for investment purposes in the first place:

". . . the deficit is going to be financed out of private savings and people are going to be holding government bonds used to finance mainly consumption expenditures instead of holding some private securities used to finance the accumulation of capital" (p. 964).

The central idea is that deficits cause inflation. Insofar as they do, they tend indirectly to reduce the rate of capital accumulation. Unfortunately, however, this is not the end of the story because the deficits, by and large, are used to finance current consumption expenditures at the expense of investment. Yet, as Dr. Wallich has emphasized, the labor force is growing at an increasing rate. We have, therefore, the undesirable state of affairs that the labor force may very well grow at a faster rate than our capital stock. Granting this, it follows that deficits—indirectly as a cause of inflation and directly as a vehicle to finance current consumption—are a cause of future as well as present unemployment.

Based upon our understanding of the relationships among deficits, inflation and unemployment, we therefore conclude that: Federal budget deficits are to be avoided because they contribute not to economic expansion but to unemployment. This, then, is the first of this report's two points of departure.

Before proceeding to the development of the second point of departure, it would seem appropriate to take account of two other effects of deficit spending. We shall, in turn, consider the implications of Federal deficit spending for: 1) the role of the Federal government in the economy, and 2) economic concentration.

3. Some Additional Effects of Inflation

a. The increasing role of government in the economy

While the question of what is the "optimal" size of government is ultimately a matter of "taste" or philosophical predilection, one thing can be said without equivocation. Simply stated, it is that one of the effects of Federal deficits is a steady, irresistible encroachment of the public upon the private sector. In Dr. Arthur Burns' words (p. 50):

"This sorry record of deficit financing means, of course, that we as a people have been unwilling to tax ourselves sufficiently to finance the recent sharp increases of government spending. . . .

"One aspect of the sharply rising curve of expenditures is that the government has been assuming an ever larger role in the economic life of our people."

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The increased role of government is, in other words, partly tautological. That is, because the Federal government gets access through deficits to dollars that it would otherwise not have, it gets control of resources over which it would otherwise not have control. But the fact is that there is another dimension to the question at hand. This "dimension" has come, in recent years, to be referred to as the "crowding out" phenomenon. In Alan Greenspan's view, crowding out might appropriately be viewed in the following way (p. 1,048):

". . . as the government controls an ever increasing proportion of the national output, by definition, less is available in the private sector and one can use that term crowding out to refer to the process in which government increasingly squeezes out private activities and the like."

In effect, Greenspan adopts the tautological view of crowding out. But there is a sense in which the crowding out phenomenon is somewhat more than definitional. What we must not lose sight of is the fact that the Federal government has a comparative advantage over the private sector in securing funds:

"Anytime there are people competing in a market for scarce resources, there will be crowding out. The government, however, has an advantage in competing for scarce funds in that it can pay virtually any price to attract funds. Unlike private borrowers, the government has not been concerned either with the cost of funds or the expected rate of return on use of the funds." (Francis, p. 643)

Mr. Mitchell Kobelinski, former Administrator of the Small Business Administration, puts the comparative advantage of government in relatively stark terms (p. 1,162):

"As we well know, we have a lot of competition for capital in the market and we start, first of all, with the United States Government. With deficit spending, you have the U.S. Treasury having an enormous need for capital. Well, that is the first block and rates top priority. And then comes big business . . . Then comes of course, the state and municipal, the other public bodies which make demands on the financial markets. And then, last of all, comes the small business."

The implication is, of course, that by the time the Federal government and other lenders have gotten their share of the available loanable funds—with the Federal government receiving top priority—there may be nothing left for small businesses. That this is true is patently obvious. The corollary is, however, equally clear: Insofar as the Federal government's borrowing needs displace some small businesses, it has, by definition, increased its role in the economic life of the nation. But the fact is that it is not only small businesses that are effectively displaced by Federal borrowing; big business is affected as well, though in a somewhat different way:

". . . in the last several years, there has been kind of a two-tier lending market, prime lenders that get the dough and there is everybody else. And what has tended to happen is that one of the everybody else that hasn't been able to get the money . . . has looked for another way to get it. And so Congress has stood ready and said, 'All you mortgage people that get priced out . . . What do we do about it?' We create an agency that has a preferred borrowing position that can compete . . . such as the Government National Mortgage Association . . . And, of course, the consequence is that you have got more and more groups that say we need that preferred borrowing position." (Thygerson, pp. 233–234)

It would appear, therefore, that the Federal deficits have the effect of increasing the role of government in the economy for at least two reasons: 1) Federal debt displaces some private debt, and 2) those enterprises that are unable to compete successfully in the market for loanable funds sometimes ask for and get preferred borrowing status. In the first instance, some private investment that would otherwise have been undertaken is not undertaken; private investment is, in this event, frequently displaced by government debt floated for the purpose of financing current consumption expenditures. In the second case, the government's role is enhanced at the invitation of private enterprise; at the invitation of businesses unable to compete with the Federal government in the money and capital markets. In any case, the point is that the Federal government deficits, in addition to being inflationary, have ancillary effects. Notable among these is a tendency to increase the role of government in society. Whether this is "good" or "bad" is not at issue here. What is significant and relevant, at least for present purposes, is the purely objective fact that deficits tend to increase the government's share in national output at the expense of the private sector.

The increased role of government attributable to deficit spending is evident in still another way. Simply stated, deficit spending accelerates the growth of public relative to private employment. And, to paraphrase Professor Meltzer, public employment is less productive than private employment. It follows that deficits reduce productivity in the economy as a whole since society uses its resources less efficiently and output grows more slowly (p. 957). Thus, while spending is rising because of the Federal deficit, the rate of growth of output is reduced. The corollary of this is likely to be an acceleration of the inflation rate.

In a sense, then, we have come full circle. The purpose of this section was to show that deficit-induced inflation has an ancillary effect; namely, that of expanding the role of government at the expense of the private sector. We have, however, concluded the section by showing that deficits, in the process of enhancing the government's share in national output and employment, cause still more inflation.

b. Deficits, inflation, and economic concentration

We have already emphasized the "crowding out" effect of Federal deficits. What has not been emphasized is the effect on the "survivors"; that is, the effect on these firms that manage somehow to cope with the effects of deficit-induced inflation. Henry Kaufman puts it this way (p. 1,284):

". . . no matter how you 'crowd out', crowding out means that you hurt the marginal and you strengthen the powerful . . ."

The process by which marginal firms are hurt and powerful firms strengthened is outlined by Mr. James Pierce, Chief Economic Consultant to the House Banking, Currency and Housing Committee (p. 1,295):

"In 1974 (because of inflation), the less than prime firms ran into a great deal of difficulty. With large nominal financing needs, they had to borrow, extremely high interest rates or not . . . I think the key (to this problem) . . . is a decline in the inflation rate."

Implicit in all of this is the point at issue; namely, that deficit-induced inflation causes a deterioration of financial positions. In particular, inflation has the effect of increasing debt-equity ratios to a point at which mergers become increasingly attractive. As Henry Kaufman puts it, ". . . another high wave of inflation would, I think, produce another high wave of economic concentration" (p. 1,295).

Once again, a value judgement is not implicit. Presumably, some may regard increased economic concentration as "good", others may regard it as "bad". Whatever one's point of view, however, the fact remains that deficit-induced inflation tends to produce waves of economic concentration.

We conclude this section with an amended statement of the first general proposition—or point of departure—to emerge from this paper. The original statement was as follows: Federal budget deficits are to be avoided because they contribute not to economic expansion but to unemployment. We now know, however, that deficits have additional ancillary effects; namely, that of increasing the role of the Federal government in economic life, and of increasing economic concentration. The first general proposition or point of departure is therefore amended to read: Insofar as one regards unemployment, an increased role of government in economic life, and increased economic concentration as "bad", deficits cannot be justified.

B. Political incentives and the bias towards deficits

The case for a prohibition against Federal deficits can be developed further. All that is required is that explicit account be taken of what some might characterize as "political realities." We would prefer to say that account must be taken of the incentive structure that prevails within Congress; an incentive structure that, in effect, results in a bias towards deficits. It is this idea, an idea that will be developed below, that forms the core of the second point of departure upon which this paper is based. The proposition can be stated as follows: The incentive structure that prevails in the Congress provides a bias towards deficits, a bias to provide short-term benefits without regard to the long-term costs.

Congressman Ichord puts the central issue squarely in focus (p. 15): "We (the Congress) just can't resist the spending demands of our constituents." It is a rudimentary fact of life that Congress is under pressure to provide benefits regardless of their long-term costs. It follows that:

". . . to leave complete flexibility (in the matter of Federal budgets) opens up strong biases . . . toward very large deficits and adds to the tendency to create short-term benefits which eventually lead to very major problems down the road" (Greenspan, p. 1,036).

Even those outside government perceive the pressures. The following question was put to Geoffrey Moore of the National Bureau of Economic Research: "Are you saying that as soon as the move toward a surplus appears, the public requests more governmental services generally, and therefore more spending so that we never catch up?" His answer: "I guess that has been the trend, yes sir" (p. 299).

The net result of all of this is that there is an evident, growing need for a change either in the incentive structure and/or in the system of constraints that impinge on the behavior of Congress. Insofar as a modification of the incentive structure may carry with it a deterioration of the relationship of the Congress with its constituents, a change in the incentive structure may be both impractical and undesirable. On the other hand, a change in the system of constraints is relatively straightforward, manageable, and we submit, desirable.

William Niskanen, chief economist at Ford Motor Company, and no stranger to Washington, gives us an additional perspective (p. 1,573):

"Any effective change in the Federal budget process must involve a change in the incentives and constraints of Federal officials. As a rule, Congress receives much more data than it can use. Additional data will increase the quality of budget decisions only if it reduces the costs or increases the rewards to individual members of Congress. At present, unfortunately, the costs of effective budget review are borne by individual members of Congress but the rewards are shared by all members and, as a consequence, 'fiscal stewardship' is undersupplied."

The message is clear: not only does the incentive structure provide a bias toward ever larger spending, the benefits and costs associated with systematic, careful review of individual budget items are such that there is little incentive for individual members of the Congress to bear the cost of policing the budget. In such an environment, it would appear that a change in the system of constraints is not only efficacious, it is long overdue. It is this idea that leads James Buchanan to say that (p. 1,512):

"My thesis can be simply stated: The acceptance of Keynesian economics, with its policy thrust in support of budgetary management to control the national economy, necessarily introduces a deficit-creation bias in democratic fiscal choice. To offset this bias, it is necessary to introduce an explicit constitutional constraint on departures from budget balance."

Based upon our understanding of the effects of deficits upon inflation, unemployment, the role of government and economic concentration, and given the prevailing incentive structure in the Congress, we conclude that a constitutional amendment prohibiting such deficits is in the interest of all parties concerned. Such a prohibition will contribute to price stability, to increased consumption and investment spending by the private sector, to increased employment—again by the private sector—and hence to higher tax revenues in the future. These higher tax revenues will come about not because tax rates will have been increased. Rather, they will come about because the economy will grow more rapidly. At the same time that revenues are rising, expenditures on income transfers for unemployment compensation and so forth will be falling. This, in turn, will mean that balancing the budget will become relatively easier. A happier confluence of events is difficult to imagine.

III. ON THE NEED FOR FISCAL "FLEXIBILITY"

A. Fiscal flexibility and the proposed constitutional amendment

It is perhaps a curious anomaly that while no one of the witnesses suggested that a move toward the elimination of Federal deficits is undesirable, many are reluctant to endorse the idea of a constitutionally mandated balanced budget. It is fair to say, however, that the opposition to the proposed constitutional amendment springs, in each instance, from a desire to maintain what might be broadly characterized as "fiscal flexibility"; from a desire, in other words, to retain the option to run both passive and active budget deficits.[13]

Consider, for example, the view expressed by Henry Wallich. He is broadly in favor:

". . . of a technically viable way of limiting deficits that would not create such a degree of inflexibility as to tie our hands in a situation where they should not be tied. . . . " (p. 411)

The implication, in other words, is that some sort of restriction is appropriate, but that the restriction should not be "too rigid". Mr. Charles Bowsher is broadly in agreement with the spirit of Wallich's comment. While he supports the idea of a balanced budget "over the long-run", he does not believe that:

". . . we should establish too rigid a structure by law or constitutional amendment which would not allow the President and the Congress to successfully cope with the economy in difficult times such as major recessions, war, and so forth." (p. 1,323)

A careful examination of the testimony reveals that there is general agreement that there is a pressing need for some sort of imposed budgetary discipline, but that the discipline should not be so rigid as to "tie the hands" of the fiscal authorities.[14]

In view of the evident reluctance of many interested parties to impose "too much" fiscal discipline, it would seem appropriate to examine the question of the efficacy of a "flexible" fiscal policy. With this in mind, careful examination of the evidence will show that, in fact, fiscal flexibility is a "straw man" and that the current and potential costs of a "flexible" fiscal policy far exceed any potential benefits.

Before proceeding any further, it is worth recalling what has already been established; namely that: (1) Federal deficits are not, in fact, stimulative; that they result in more rather than less unemployment, and (2) that the prevailing incentive structure is such that there exists a virtually inexorable tendency toward ever larger budgetary deficits.

With all of this as background, let us proceed to an examination of the question at hand; namely, the efficacy of fiscal "flexibility".

B. Why fiscal flexibility is a "Straw Man"

It is safe to say that those who are in favor of the retention of the maximum feasible amout of fiscal flexibility base their argument upon the presumption that budget deficits are, in some sense, "stimulative". Of course, it has already been shown that this is fallacious; that, in other words, the real effect of deficits is to generate accelerating inflation and that this, in turn, results in more rather than less unemployment. Presumably, however, there are those who, for whatever reason, will be reluctant to accept this general proposition. For this reason, it would seem appropriate to consider some additional problems associated with "fiscal flexibility" that we have heretofore not made explicit:

1. Fiscal Policy as a Tool of Economic Stabilization

There is a growing perception that fiscal policy is not "what it's cracked up to be". Characteristically, Arthur Burns says it best (p. 89):

"We can adjust monetary policy not only by the month but, quite literally, by the hour. But fiscal policy is a clumsy, awkward instrument." [15]

Indeed, Dr. Burns' view is that the net effect of fiscal policy has, in recent years, been negative. In response to the question, "Might it be fair to say that in your opinion over the last sixteen years, at least, we would have been better off to have balanced budgets consecutively rather than what we have been doing?", his answer was, "It would seem to follow logically, yes. * * *" (p. 135) Darryl Francis of the St Louis Federal Reserve Bank puts it slightly differently (p. 635):

"I think the history of our recent past proves that these tools we call fiscal policy and monetary policy are not geared to fine tuning. I think, on the contrary, they have proven themselves beautifully geared to adding to the magnitude of the business cycle."

It would be misleading, however, to impute the growing perception of the inadequacy of discretionary fiscal policy only to professional economists. Indeed, members of Congress have reservations about the ability of fiscal policy and those that "manage" it to "fine tune" the economy. In the words of Congressman Brock Adams, as Chairman of the House Budget Committee, "Economics cannot define the precise amount of deficit spending which will produce a credit crunch or inflation."

At one level, therefore, it is clear that the perception is growing that we simply do not possess the requisite knowledge to administer discretionary fiscal policy in a manner consistent with the presumed objectives of what has come to be called "stabilization policy". The problem is more pronounced than this, however. The fact is that "passive" fiscal policy has asymmetric effects. In Geoffrey Moore's view (p. 269):

". . . relative to the changes in real GNP there are substantial increases in the deficit during recessions and the increases have been very much larger than the declines in the deficit during expansion "

The corollary is that (p. 269):

". . . the deficit has not acted as a stabilizer during expansions in the business cycle with nearly the same power that it has acted as a stabilizer during recessions, and this may have had its effect on the general price level in inducing increases in the price level during these expansion periods. . . ."

It follows, *pari passu*, that (p. 272):

". . . we really can't depend on automatic stabilizers in the deficit during expansion to have any appreciable effect in stabilizing prices. They simply have not in the past operated in a powerful enough way to do that."

The conclusions to be drawn from all of this are: 1) We do not know enough to conduct active or discretionary fiscal policy in anything like an "optimal" manner; given the intrinsic "awkwardness" of the fiscal instruments, and given the state of the economists' art, fine tuning is a panacea. 2) The so-called automatic stabilizers of "passive" fiscal policy have asymmetric effects. They simply cannot be relied upon to bring about the one thing that we have shown to be a *sine qua non* for full employment; namely, price stability.

On these grounds alone, it would appear that the case for flexible fiscal policy is not very compelling. There are, however, other considerations that have basic relevance to the question of the efficacy of budgetary flexibility. One of the most important of these is the relationship of fiscal policy to monetary expansion.

2. Fiscal policy and monetary expansion

It is well known that the intellectual fountain head of fiscal activism was John Maynard Keynes. It is, generally speaking, his disciples that have been most vocal in support of the notion that an activist fiscal policy is a *sine qua non* for economic stability. More particularly, it is part of the Keynesian or, more properly, the neo-Keynesian tradition that Federal deficits are, in some sense, stimulative. The presumption is, therefore, that deficit spending can and does have some impact on the level of real economic activity; on, in other words, output and employment.

It is the purpose of this section to look critically at this idea; to determine, if you will, whether this is, in fact, the case.

The question at issue is simply this: Does a deficit have the capability, in and of itself, to expand output and employment, or does it impact solely upon the price level?

It is hard to conceive of a better place to begin our inquiry than with the work of Keynes himself. On page 119 of his General Theory of Employment, Interest and Money, Keynes proffers this insight into the workings of deficit spending:

"The method of financing the (deficit) . . .

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may have the effect of increasing the rate of interest and so retarding investment in other directions, unless the monetary authority takes steps to the contrary. . . ."

What we have here is an admonition from the father of fiscal activism that deficits will not always have a stimulative effect; that, inded, unless monetary policy is accommodative, deficits may, among other things, so increase the rate of interest that investment spending may decline. Were this to happen, a deficit would not be automatically stimulative with respect to output and employment. Indeed, it is entirely conceivable that any increment to consumption spending caused by the deficit may be more than counterbalanced by a decrease in investment spending, so that the net effect of the deficit would be to decrease rather than increase output and employment.

Of course, this point has not been lost on the economics profession. Consider for example, the views of Professor Paul McCracken, former Chairman of the President's Council of Economic Advisors (pp. 1,565–1,566):

"There is growing skepticism regarding the conventional wisdom about fiscal policy, the deliberate use of the budget to stabilize the economy. For one thing an increment of spending or of tax reduction does not automatically have a net expansive effect on the economy. The added deficit has to be financed, and this added Treasury borrowing will simply leave less financing available for private borrowers unless monetary policy is thereby altered. Moreover, there is a growing feeling that the conventional wisdom of fiscal policy has had a bias toward more rapidly rising outlays."

In effect, McCracken has gone two steps further than Keynes: He has recognized the possibility already discussed; namely, that Federal deficits may effectively crowd out private borrowers. He has, moreover, corroborated another position adopted above; namely, that there is within the Congress a bias toward deficits, a bias toward ever-increasing Federal expenditures.

Once again, it is important to recognize that Keynes and McCracken are not alone in their reservations about the stimulative effects of Federal deficits. Professor Meltzer has this to say (p. 978):

"The reason the problem (of evaluating the effects of deficits) is complicated is that . . . we have two opposing forces. One raising saving, and one reducing investment at the level of income we reach. My evaluation of the combined effect is that there is a small negative effect per dollar of debt on investment as a result of crowding out. Therefore, we grow more slowly in the future than we would have grown if we didn't have that large deficit."

The implication is clear: Unless the monetary authorities accommodate the deficit by accelerating the rate of growth of the money supply—a policy that has historically been inflationary—the net effect of a budget deficit will be negative; it will not, in fact, "stimulate" the economy, it will reduce the rate of growth of the economy and will, *pari passu*, cause more rather than less unemployment.

Arthur Burns and Darryl Francis have similar circumspect views relative to the stimulative effects of deficits. In Francis' view (p. 609):

"Historically, government deficit spending has had no stimulative effects except insofar as it was accommodated by monetary expansion. Thus the stimulation desired could have been accomplished directly through monetary expansion without the government encroachment into the private sector that is inherent in fiscal policy."

Arthur Burns puts it slightly differently (p. 49):

"Recent experience in both our own and other industrial countries suggests that once inflation has become ingrained in the thinking of a nation's businessmen and consumers, highly expansionist monetary and fiscal policies do not have their intended effect. In particular, instead of fostering larger consumer spending, they may intensify inflationary expectations and lead to larger precautionary savings and sluggish consumer buying."

Two points of basic relevance have been raised. First, Darryl Francis alludes to an idea already emphasized; namely, that deficits have the ancillary effect of increasing the role of government in the economy. Two, Dr. Burns corroborates what we have suggested above; in particular, that deficits may cause consumption spending to decrease. In other words, to the point made by Keynes, McCracken and others—that deficits may cause investment spending to decrease—we must now add another consideration. We must recognize that deficit may cause consumer spending to decrease as well.

Having said all of this, one must conclude that deficits are not likely to be stimulative. We have already shown that deficits are inflationary, and that inflation causes unemployment. To this we must now add that deficits are likely to reduce not only investment spending, but consumption spending as well. On this basis, we conclude that the argument for "flexible fiscal policy" in the interest of conducting "stabilization policy" is a straw man. In point of fact, retention of the option to run discretionary deficits is simply retention of the option to systematically cause the unemployment rate to rise.

Finally, it is essential to end this section by taking note of an effect of Federal deficits which has heretofore been ignored. It is a fact that the composition of the Federa debt is changing. The Treasury, for a variety of reasons, is relying more heavily on short-term financing. It is also a fact that the shorter the term to maturity of a debt instrument, the higher its "liquidity"; in effect, the closer it is to money. It is this combination of facts that, presumably, led Dr. Burns to observe that (p. 96):

"If you have a 90-day Treasury bill, the face value will change, but it will change very little. Therefore, it is the virtual equivalent of currency. So our effective money supply really is a great deal larger than we realize, and we have here a source of potential spending power that could prove to be very disturbing to the economy."

There is no ambiguity here. Implicit in Dr. Burns' statement is the admonition that a Federal deficit, insofar as it is financed with relatively short-term securities, is potentially vastly more inflationary than has generally been realized.[16] Once again, we seem to have come full circle. Federal deficits are intrinsically inflationary. It is in this sense that they are intrinsically bad for the economy. There can be no doubt that deficits cause more rather than less unemployment.

Based upon what has been said, there is no compelling logic for the retention of "flexible fiscal policy". As it happens, however, a great deal more can be said about the difficulties associated with discretionary fiscal policy. Among these is the problem of "lags"; lags both in implementation and in effect.

3. Some thoughts on fiscal lags

It is tautological that if discretionary fiscal policy is to be an effective tool of stabilization policy, it must have the characteristics of relative ease and rapidity in implementation, and its effects must be felt at the appropriate time. Unfortunately, fiscal policy fails on both counts. In the words of former Treasury Secretary Simon (p. 854):

" . . . the fine-tuning efforts (associated with the Federal budget) of the past have proven to be generally counter-productive. In specific terms, the lagged impact of such anti-cyclical initiatives has resulted in unfortunate distortions which have contributed to exaggerated economic booms and recessions."

It is clear, in other words, that the *effects* of fiscal "initiatives" have not always been felt at the appropriate time. Carla Hills, former Secretary of Housing and Urban Development, has a different perspective; she focuses on the lags in the implementation of discretionary fiscal policy (pp. 593–594):

"The case for 'activist' policies—that is, new legislative tax and expenditure initiatives—is less clear. In the past, the time lag between political initiatives and implementation has raised serious questions about the timing and effectiveness of such programs on aggregate income . . ."

It would seem, then, that an objective assessment of the "flexibility" of discretionary fiscal policy would read something like this:

". . . it has not been a flexible tool of stabilization policy. It has lagged very often on the restraining side and even occasionally when stimulation was required. Very rarely have Treasury revenues been adjusted quickly enough and most Federal expenditures are often heavily embedded." (Kaufman, p. 1,225)

The following conclusions emerge from all of this: 1) Retention of the option to conduct discretionary fiscal policy in the interest of "flexibility" is equivalent to retention of the option to create unemployment. 2) Fiscal policy is not, in fact, flexible; it is inflexible both in implementation and in effect.

We conclude, therefore, that there is a sense in which the proponents of fiscal flexibility have raised a straw man issue; they want flexibility when they do not and cannot have it. And, finally, there is a sense in which the proponents of fiscal flexibility are simply misleading themselves: they retain a belief in the stabilizing potential of fiscal policy when both *a priori* logic and the empirical record simply do not support their faith.

Once again, we must conclude that there is no compelling logic in favor of the retention of fiscal "flexibility". Insofar as we do not have flexibility in the first place, and given that deficits have been shown to be destabilizing rather than stabilizing, we have nothing to lose and everything to gain by mandating budgetary balance.

IV. THE TRANSITION TO A BALANCED BUDGET AND THE STATUS OF THE NATIONAL DEBT

A. The transition period

Once it has been demonstrated that constitutionally mandated balanced budgets "make sense", the next question emerges: just how long should the transition period be? That is, how much time should elapse from the time at which the mandate becomes effective and the first balanced budget?

On balance, this is clearly a less important question than is the substantive issue of whether or not budgets should be balanced. Nevertheless, it is an eminently practical question. It is, moreover, a question for which we have some answers. In response to the question, ". . . if it were decided to end the Federal deficits, what would be a responsible transition period for returning to balanced budgets?" Dr. Burns answered: "I would hate to see us take more than two years to get there" (p. 116). In response to the same question, Geoffrey Moore of the National Bureau of Economic Research said this (p. 299): "I don't have any very firm

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conviction about that. I would imagine the period should be measured in years, two or three years, rather than anything very much shorter than that."

It would appear, then, that a two to three year passage to a balanced budget may be feasible. On the other hand, there is something to be said for prudence in all things. We therefore recommend that the passage to a balanced budget be effected in no more than three years after ratification of such constitutional amendment.

B. The status of the national debt

Consideration of the efficacy of a constitutional mandate to balance the Federal budget cannot be considered *in vacuo*. That is to say that some attention must focus on the question of the management of the outstanding public debt. It is to this question that we now turn.

It is safe to say that there is considerable support for the idea of "paying off" the national debt. Mr. James Needham's comments are perhaps illustrative of this feeling (p. 501): "What concerns me . . . is the amount of the outstanding Federal debt. I think it should be subjected to some type of retirement program."

It is possible, of course, to have considerable sympathy for the spirit in which such comments are made. It should be recognized, however, that certain very practical constraints are operative. In the first place, it is clear that "tailoring" a retirement program is, in the abstract, a very complicated problem. Beyond this, there is a real question as to whether it would be desirable to set out deliberately and systematically to "pay off" the Federal debt. To see this, consider the following:

It has been emphasized above that whereas fiscal policy is a cumbersome tool of stabilization policy—indeed, we have shown that it is not only cumbersome, it is destabilizing—monetary policy is, at minimum, very flexible. Yet one of the keys to its flexibility is open market operations. These open market operations involve the purchase and sale of Treasury debt by the Federal Reserve. In particular, open market operations provide a critical interface between the Federal Reserve and the nation's commercial banks. In conducting open market operations, the Federal Reserve either sells Treasury debt to its member banks or it buys debt from them. In the first instance, the result is a reduction in member banks' excess reserves. This reduction in reserves means that member banks have less Federal Reserve money with which to make loans. This, in turn, means that fewer demand deposits can be created and this, in turn, means that the rate of growth of the money supply may fall or, indeed, the money supply may actually decrease. On the other hand, Federal Reserve purchases of Treasury debt from its member banks have the opposite effect: Member banks find themselves in possession of fewer secondary reserves (that is, they hold less Treasury debt), but that their primary reserves (Federal Reserve money) have increased. The banks therefore have the wherewithal to make additional loans. Insofar as they do make additional loans, demand deposits grow and this, in turn, means that the money supply will increase.

With all of this as background, it is clear that open market operations are a critical tool of monetary policy; they are, in fact, the chief means by which the Federal Reserve affects changes in the money supply. Yet it is also clear that open market operations are conducted via the purchase and sale of Treasury debt—the purchase and sale of some portion of the national debt. And, finally, it is clear that with population, employment and incomes growing in the future, the money supply must also grow.

All of these considerations lead us to suggest the following: Rather than setting out deliberately and systematically to "pay off" the national debt with, for example, tax receipts, simply allow the Federal Reserve to monetize the outstanding debt. Debt monetization—that is, the purchase of outstanding debt by the Federal Reserve—will occur automatically as the Federal Reserve conducts open market purchases. These open market purchases, in turn, would be predicated on the need to increase the money supply so as to accommodate economic growth.

The singular advantage of this approach is that it is a simple, direct route to the ultimate "retirement" of the debt at some time in the future, without imposing the burden of debt retirement on the taxpayer. It is, moreover, a means by which the growth of currency demand predicated on stable economic growth can be accommodated.

We conclude that, insofar as some opposition to the idea of a constitutionally mandated Federal budget is predicated on the notion that the status of the national debt presents an insoluble problem, opposition is ill-founded. We can, in fact, have the best of both worlds: a responsible fiscal policy, and a debt monetization policy that will have the effect of "retiring" the national debt without directly burdening the taxpayer while at the same time accommodating economic growth.

V. FINDINGS, CONCLUSIONS, AND RECOMMENDATIONS

A. Findings

1. Deficits cause inflation; the severity of the inflation varies directly with the degree to which the Treasury's debt is monetized by the Federal Reserve's open market operations.

2. There is no trade-off—either in the short-run or in the long-run—between inflation and unemployment. In point of fact, inflation causes unemployment. Inflation causes unemployment because it erodes real profits and, by increasing unrealizable inventory "profits", increasing tax liabilities. Profits are eroded because as real incomes decrease, product demand decreases. This occurs at the same time as costs of production increase. Costs of production increase because labor and materials and other input prices rise, and because employees have less incentive to be productive. Moreover, because of inflation's effect on risk evaluations, debt-equity ratios, anticipated tax liabilities, and incentives generally, both employers and employees have less incentive to invest. Add to this the fact that internal financing of investment is more difficult because of inflation-induced erosion of cash-flows, and that external financing is more expensive and harder to secure and we see that, because of inflation, investment in both human and non-human capital decreases. Given that the labor force is growing at an accelerating rate this raises the prospect that the capital stock will, in the future, be unable to accommodate all those seeking employment. In summary, we find that inflation causes both present and future unemployment to increase.

3. From 1., we know that deficits cause inflation. From 2., we know that inflation causes unemployment. We therefore conclude that deficits cause unemployment.

4. We find, in addition, that deficits have other, ancillary effects:

a. Deficits increase the role of government in the private sector via a displacement of private investment, and an increased tendency to rationalize government intervention in the money and capital markets; intervention that frequently involves granting preferential borrowing status to special interests.

b. Deficits, via their effect on profits and on debt-equity ratios, make internal financing more difficult. Moreover, external financing is made more difficult via the crowding out phenomenon; a phenomenon that means that credit is available only to the "best" credit risks. All of this increases the tendency toward economic concentration; toward, among other things, waves of corporate mergers.

5. The prevailing incentive structure is such that Congress is inclined to provide short-term benefits without taking explicit account of the long-term costs. There exists, in other words, a bias toward ever-larger deficits. Moreover, while the costs of effective budget review are borne by individual members of Congress, the rewards are shared. We therefore find that there is an historical and continuing shortage of "fiscal stewardship" in the Congress.

6. We find that while it would be difficult and even undesirable to attempt to modify the prevailing Congressional incentive structure it would be relatively easy to modify the system of constraints. We find, in other words, that the effects of the bias toward deficits can be minimized if deficits are in general constitutionally prohibited.

7. We find that there is no compelling case for so-called "fiscal flexibility". We find, in particular, that: 1) Discretionary fiscal policy is not flexible; that it is subject to lags both in implementation and in effect; 2) We find that the effects of discretionary fiscal policy are, in fact, destabilizing; that expansionary fiscal policies have the effect of increasing rather than reducing the unemployment rate.

We find, in summary, that the retention of "fiscal flexibility"—of the existing option to run discretionary Federal deficits—is really retention of the option to cause more unemployment than would otherwise have obtained.

8. We find that the transition to a constitutionally mandated balanced budget could be affected in three years, after ratification of such constitutional amendment.

9. We find that the outstanding national debt performs an important role in monetary policy. We find, moreover, that taxpayers need not be burdened by a systematic, deliberate effort to "pay off" the national debt. Rather, the national debt may be reduced over time by the Federal Reserve in the course of its normal operations. Purchase of outstanding Treasury debt by the Federal Reserve would, in this event, have the effect both of reducing the debt and of accommodating the increasing demand for currency as economic growth proceeds.

B. Conclusions

1. Discretionary deficits should be generally eliminated.

2. The most efficient way to accomplish this is to provide for a constitutional prohibition against discretionary deficits. Exceptions to this rule would be when war is declared by Congress, or when two thirds of those voting in both Houses of Congress specifically enact into law such deficits.

C. Recommendations

1. A constitutional amendment should be proffered which contemplates the following provisions:

a. That the Federal budget be balanced except under conditions deemed by two-thirds of those voting in both Houses of the Congress to justify expenditures in excess of tax receipts, and that an exception to the requirement for a balanced budget be made in time of war (declared by Congress).

b. That, in the event that passive or involuntary deficits develop, Congress must, con-

sistent with the general welfare of the people, incorporate such deficits into the next fiscal year's budget as an expenditure, and that if the carryover deficit exceeds two percent of the budget, Congress should be prohibited from voting on the next fiscal year's budget until it has provided for taxes to finance the carryover deficit.

c. That the outstanding debt, including any debt incurred as deficits resulting from wars declared by Congress, be reduced via the conduct of Federal Reserve monetary policy. While Federal Reserve purchases and sales of Treasury debt are contemplated, it is presumed that net additions to the supply of Federal Reserve currency will have to occur if economic growth is to be accommodated. These net additions to the supply of Federal Reserve currency could be used to purchase outstanding Treasury debt. The debt will, in this way, provide a vehicle for the accommodation of economic growth by the Federal Reserve, and the taxpayer will not bear the direct burden of "paying off" the debt.

FOOTNOTES

[1] Crowding out will be further discussed below.

[2] Once again, the last portion of the statement refers to the "crowding out" issue; a matter whose discussion is momentarily deferred.

[3] Real income, of course, is nominal or money income adjusted for changes in the prices of goods and services. Real disposable income is after tax nominal income adjusted for price changes.

[4] Of course, some business firms seek ways to reduce their tax liabilities in the face of inflation, but these efforts are not conducted without cost. Accountants and other tax advisors cost money, and these costs, by definition constitute increases in the costs of production.

[5] And, it should be noted that this occurs at the same time as internal financing becomes more difficult because of the erosion of revenues and the increases in costs caused by inflation. To put the matter differently, internal financing out of retained earnings becomes increasingly difficult during inflation because of inflation's effect on cashflow. We shall return to this point below.

[6] Actually, there is an additional reason why, during inflation, business firms are reluctant to replace their incumbent equipment. In other words, to the fact that the acquisition price of new equipment goes up during inflation must be added the fact that future revenues are less secure. In the view of many firms, therefore, investment in more productive capital equipment—and, for that matter, investment in human capital—becomes riskier during inflation. And the increased risk, more often than not, is sufficient to cause a business firm to defer investment in new equipment or in human capital. Inflation has the effect in these instances of providing business firms with an incentive to rely on increasingly less productive incumbent equipment. (Note: "Human capital" is nothing more or less than the stock of knowledge and skills possessed by a given individual or group of individuals. To the extent that business firms train employees or send them to school, they are investing in human capital.)

[7] Human income is the income generated by the rental of human services. It is to be distinguished from non-human income, or income generated by stocks, bonds, and the like. The simple truth is that the former is taxed relatively more heavily in our society than is the latter. Owners of human capital simply do not have access to the tax shelters available to owners of non-human capital.

[8] This proposition can be rigorously demonstrated, both for those firms that seek to maximize profits at a moment in time, and for those firms that seek to maximize profits over time. In any case, this is hardly the place for rigorous demonstrations. *A priori* logic and a little "horse sense" should, we think, serve to demonstrate the plausibility of the idea that an erosion of cash flows will have the effect of increasing unemployment.

[9] Dr. Arthur Burns, former Chairman of the Board of Governors of the Federal Reserve System, stated this position in unambiguous terms (p. 66):

"For a time our economy and those of other industrial countries seemed to work in a fashion to suggest that there was (a tradeoff between inflation and unemployment). But to whatever extent that may have been true in the past, it is no longer true in our own time. The tradeoff has vanished."

[10] It is generally agreed that inflation must ultimately push interest rates up. Professor James Duesenberry testified that (p. 333):

"Inflation has certainly led to interest rate problems. . . . I think that the very marked rise in interest rates which we began in the middle '60s has ultimately to be attributed to the inflation."

[11] Once again, there is general agreement that inflation is bad for investment. Indeed, Professor Duesenberry testified that inflation has disrupted investment patterns. Inflation has, in his view (p. 332) ". . . some very complicated, but on the whole, not very healthy effects on the structure of corporate balance sheets. It has caused some very severe problems in the relation of taxable profits and the whole reporting of profits. . . . All of this contributes to the present low level of capital formation. . . ."

[12] Simply stated, crowding out refers to the fact that at any cross-section of time there is only a finite supply of loanable funds. To the extent that the Federal government taps this pool of savings, someone else—notably, private enterprise—will not be able to secure some financing that otherwise would have been available.

[13] It should be pointed out that nothing in the proposed amendment contemplates a prohibition against "passive" Federal deficits. It is recognized that under certain conditions, tax revenues may not increase as fast as expenditures and that, therefore, an involuntary deficit will emerge. What the amendment does contemplate is a constitutional mandate to "pay off" such passive or involuntary deficits within a fixed time period.

As for "active" budget deficits—that is, deficits deliberately contrived to achieve some well-defined employment or other objective—the proposed amendment would require simply that the Congress state its purposes explicitly, and that two-thirds of its membership agree that prevailing conditions justify the implementation of a deliberate budgetary deficit. Once again, however, such "active" deficits would have to be "paid off" within a fixed time period.

[14] See, for example, Lyn (p. 1,547); Rivlin (p. 1,417); Adams (p. 1,497); Pierce and Kaufman (p. 1,303); Reuss (pp. 1,083 and 1,136); Richardson (p. 939); Simon (p. 774); Francis (p. 624); Taub (p. 523); and Carla Hills (pp. 544 and 593).

[15] Darryl Francis of the St. Louis Federal Reserve Bank agrees that monetary policy is, in fact, both flexible and manageable. In his view (p. 607):

"Despite many arguments to the contrary, it is clear that central banks can control the money supply within a very narrow range over a time period of a quarter or more."

[16] Actually, Dr. Burns is not alone in recognizing the inflationary potential of an increasingly liquid stock of Treasury debt. Former Secretary Simon observes that (p. 769):

"The deficits contribute to inflation . . . by bringing about a large increase in liquid asset holdings of the public. . . ."●

GENERAL LEAVE

Mr. RAHALL. Mr. Speaker, I ask unanimous consent that all Members may be permitted to extend their remarks and include extraneous matter on the subject of the Levitas amendment to House Concurrent Resolution 683, the second concurrent resolution on the budget, considered earlier today.

The SPEAKER. Is there objection to the request of the gentleman from West Virginia?

There was no objection.

CONFERENCE REPORT ON H.R. 13468

Mr. NATCHER submitted the following conference report and statement on the bill (H.R. 13468) making appropriations for the government of the District of Columbia and other activities chargeable in whole or in part against the revenues of said District for the fiscal year ending September 30, 1979, and for other purposes.

CONFERENCE REPORT (H. REPT. NO. 95-1500)

The committee of Conference on the disagreeing votes of the two Houses on the amendments of the Senate to the bill (H.R. 13468) "making appropriations for the government of the District of Columbia and other activities chargeable in whole or in part against the revenues of said District for the fiscal year ending September 30, 1979, and for other purposes," having met, after full and free conference, have agreed to recommend and do recommend to their respective Houses as follows:

That the Senate recede from its amendments numbered 10, 26, and 27.

That the House recede from its disagreement to the amendments of the Senate numbered 7, 8, 9, 12, 14, 15, 16, 17, 22, 23, and 24, and agree to the same.

Amendment numbered 3: That the House recede from its disagreement to the amendment of the Senate numbered 3, and agree to the same with an amendment, as follows: In lieu of the sum proposed by said amendment insert "$93,765,300"; and the Senate agree to the same.

Amendment numbered 28: That the House recede from its disagreement to the amendment of the Senate numbered 28, and agree to the same with an amendment, as follows: In lieu of the matter proposed by said amendment insert: "37,161"; and the Senate agree to the same.

The committee of conference report in disagreement amendments numbered 1, 2, 4, 5, 6, 11, 13, 18, 19, 20, 21, 25, 29, 30, 31, 32, and 33.

WILLIAM H. NATCHER,
R. N. GIAIMO,
GUNN MCKAY,
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Managers on the Part of the House.

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DALE BUMPERS,

WARREN G. MAGNUSON,
CH. MCC. MATHIAS, JR.,
L. P. WEICKER, JR.,
MILTON R. YOUNG,
Managers on the Part of the Senate.

JOINT EXPLANATORY STATEMENT OF THE COMMITTEE OF CONFERENCE

The managers on the part of the House and the Senate at the conference on the disagreeing votes of the two Houses on the amendments of the Senate to the bill (H.R. 13468) making appropriations for the government of the District of Columbia and other activities chargeable in whole or in part against the revenues of said District for the fiscal year ending September 30, 1979, and for other purposes, submit the following joint statement to the House and the Senate in explanation of the effect of the action agreed upon by the managers and recommended in the accompanying conference report:

TITLE II—DISTRICT OF COLUMBIA

Federal payment to the District of Columbia

Amendment No. 1: Reported in technical disagreement. The managers on the part of the House will offer a motion to recede and concur in the amendment of the Senate with an amendment appropriating $235,000,000 instead of $264,000,000 as proposed by the House and $238,000,000 as proposed by the Senate. The managers on the part of the Senate will move to concur in the amendment of the House to the amendment of the Senate.

Amendment No. 2: Reported in technical disagreement. The managers on the part of the House will offer a motion to recede and concur in the amendment of the Senate appropriating $9,900,000 for the Federal share of the RFK Stadium bonds due on December 1, 1979.

General operating expenses

Amendment No. 3: Appropriates $93,765,300 instead of $93,718,500 as proposed by the House and $95,133,100 as proposed by the Senate.

Office of the Mayor.—The conference action provides $1,035,700 as proposed by the Senate instead of $1,040,700 as proposed by the House, reflecting a decrease of $5,000 for special police and chauffeur services as proposed by the Senate.

Council of the District of Columbia.—The conference action provides $2,578,300 as proposed by the Senate instead of $2,733,100 as proposed by the House, reflecting a decrease of $109,400 requested to supplement the salary of CETA personnel and a decrease of $45,400 and three positions associated with publication of the D.C. Code.

Office of Budget and Management Systems.—The conference action provides $9,991,900 instead of $9,707,200 as proposed by the House and $10,200,600 as proposed by the Senate, and includes $284,700 for 10 positions in the Resource Management Improvement Division as proposed by the Senate. The conference action deletes $208,700 and 10 positions proposed by the Senate for the Office of Municipal Audits and Inspections.

Municipal Planning Office.—The conference action provides $1,833,300 as proposed by the Senate instead of $1,727,500 as proposed by the House, and retains the Office of Criminal Justice Plans and Analysis Unit as proposed by the Senate.

Unemployment Compensation.—The conference action provides $5,637,600 as proposed by the Senate instead of $5,934,300 as proposed by the House.

Office of Consumer Protection.—The conference action provides $494,800 and 18 positions instead of $462,800 and 16 positions as proposed by the House and $566,600 and 21 positions as proposed by the Senate.

Department of Finance and Revenue.—The conference action provides $11,523,400 instead of $11,471,200 as proposed by the House and $11,778,300 as proposed by the Senate, reflecting denial of the 20 additional positions and related costs proposed by the Senate. The conference action approves the increase of $52,200 proposed by the Senate for within-grade pay increases.

In denying the city's request for 20 additional positions and related expenses for an increased effort in the area of tax administration, the conferees are aware of the city's concern that without these additional positions, $3,000,000 in local revenues could be lost and the financial plan for the city would need to be adjusted. The conferees, however, also note that the Department of Finance and Revenue already has 559 positions, of which 277 are in the area of tax administration. The conferees, therefore, direct the city to obtain greater productivity from the already existing large staff in order that all the anticipated revenues will be collected.

Office of the Corporation Counsel.—The conference action provides $4,026,300 as proposed by the Senate instead of $3,896,300 as proposed by the House, reflecting approval of the Senate's proposal to provide for the city's assumption of an expiring Federal grant for the child abuse prevention and enforcement program.

Department of Licenses, Inspections, and Investigations.—The conference action provides $3,173,200 as proposed by the Senate instead of $2,918,600 as proposed by the House, reflecting the transfer of three independent agencies into the Department as proposed by the Senate instead of creating new agencies as proposed by the House. The agencies transferred into the Department are the Boxing and Wrestling Commission, the Commission on Healing Arts Licensure, and the Educational Institution Licensure Commission.

Public Library.—The conference action provides $8,842,900 as proposed by the House instead of $9,550,300 as proposed by the Senate, reflecting denial of the funds added by the Senate for a computerized book circulation and inventory system.

Office of Youth Advocacy.—The conference action provides $61,000 as proposed by the Senate instead of $243,900 as proposed by the House, abolishing the Office after the first quarter of fiscal year 1979 as proposed by the Senate.

Minimum Wage and Industrial Safety Board.—The conference action provides $760,600 as proposed by the Senate instead of $798,300 as proposed by the House, reflecting the deletion of $37,700 for personal services as proposed by the Senate.

Advisory Neighborhood Commissions.—The conference action provides $625,000 instead of $500,000 as proposed by the House and $750,000 as proposed by the Senate. The conferees are agreed that total obligations for the Advisory Neighborhood Commissions for the fiscal year 1979 shall not exceed $625,000 from all sources of funds, including unobligated balances carried over from previous fiscal years.

Commission on the Arts and Humanities.—The conference action provides $159,100 as proposed by the Senate instead of $59,100 as proposed by the House and includes $100,000 in program grants as proposed by the Senate.

Board of Appeals and Review.—The conference action provides $207,500 as proposed by the Senate instead of $93,200 as proposed by the House, and reflects the transfer in of the Board of Equalization and Review as proposed by the Senate instead of creating a new agency as proposed by the House.

Amendment No. 4: Reported in technical disagreement. The managers on the part of the House will offer a motion to recede and concur in the amendment of the Senate appropriating $2,719,400 for fiscal year 1978 and providing language authorizing payments pursuant to the Water and Sewer Repair Compensation Act of 1976 (D.C. Law 1-98).

The conference action provides (1) $175,000 for cleanup of the Municipal Center as a result of the tear gas explosion, (2) $727,900 for additional leasing costs, (3) $424,100 for increased costs of steam and electricity due to rate increases, (4) $1,129,400 for operation of the new court building which was opened earlier than expected, (5) $150,000 for reimbursement to property owners, as required by D.C. Law 1-98, for expenses incurred at the direction of the District of Columbia government for the repair of water and sewer pipes, and (6) $113,000 for the increased cost of steam at the Public Library.

Public safety

Amendment No. 5: Reported in technical disagreement. The managers on the part of the House will offer a motion to recede and concur in the amendment of the Senate with an amendment appropriating $265,190,200 instead of $266,473,800 as proposed by the House and $265,961,200 as proposed by the Senate. The managers on the part of the Senate will move to concur in the amendment of the House to the amendment of the Senate.

The conference action reflects (1) an increase of two positions and $35,000 for the Superior Court for the legal assistance project to prosecute child abuse cases as proposed by the Senate, (2) the transfer of 77 positions and $1,140,000 from the Superior Court to the Department of Transportation to implement the new parking enforcement and traffic adjudication program instead of 35 positions and $439,000 as proposed by the Senate, (3) denial of three positions and $70,000 for the Bail Agency proposed by the Senate, and (4) a reduction in food costs of $178,600 under the Department of Corrections as proposed by the Senate. The conference action denies the requested redirection of 42 positions and $701,000 in the Superior Court's traffic program to other programs within the Superior Court and instead has transferred those positions and funds to the Department of Transportation which will have the responsibility for the city's new parking enforcement and traffic adjudication program.

Amendment No. 6: Reported in technical disagreement. The managers on the part of the House will offer a motion to recede and concur in the amendment of the Senate appropriating $889,700 for fiscal year 1978. The conference action provides (1) an additional $66,300 for annuities of retired Superior Court judges as proposed by the Senate, and (2) an increase of $823,400 for the Department of Corrections as proposed by the Senate, including $278,400 for seven-day, 24-hour security coverage at the Ugast Psychiatric Center, $95,000 for phase-out costs at the Women's Detention Center, and $450,000 to cover the reduction in anticipated reimbursements from the Federal Bureau of Prisons.

Education

Amendments Nos. 7 and 8: Appropriate $283,605,400 of which $218,242,800 is for the District of Columbia Public Schools as proposed by the Senate instead of $282,201,200 of which $216,838,600 is for the District of Columbia Public Schools as proposed by the House.

The conference action reflects (1) a decrease of nine positions and $275,000 due to the delay in the scheduled opening date of the new addition to the Roosevelt Senior High School as proposed by the Senate, (2) a total of $7,257,800 for maintenance of school facilities as proposed by the Senate instead of $5,392,000 as proposed by the House, and (3) reductions of three posi-

tions and $71,700 under research staff improvements and six positions and $114,900 under planning staff improvements as proposed by the Senate.

Amendment No. 9: Provides that $7,257,800 shall be used exclusively for maintenance of the public schools as proposed by the Senate instead of $5,392,000 as proposed by the House.

Amendment No. 10: Deletes appropriation of $68,600 for fiscal year 1978 proposed by the Senate for relocation expenses to consolidate the academic program of the University of the District of Columbia.

Recreation

Amendment No. 11: Reported in technical disagreement. The managers on the part of the House will offer a motion to recede and concur in the amendment of the Senate appropriating $58,000 for fiscal year 1978 for maintenance of swimming pools.

Human resources

Amendment No. 12: Appropriates $283,321,300 as proposed by the Senate instead of $284,767,700 as proposed by the House.

The conference action provides (1) a total of $18,718,600 for Executive Direction and Support, reflecting a reduction of $985,200 in overhead costs as proposed by the Senate, instead of $19,703,800 as proposed by the House; (2) the sum of $107,017,300 for the Payments Assistance Administration as proposed by the Senate, reflecting denial of the amount requested to annualize an increase in the public assistance payment level, instead of $107,924,000 as proposed by the House; and (3) a total of $9,396,900 for D.C. Village as proposed by the Senate, reflecting an increase of $445,500 over the House allowance, to provide an additional 35,000 hours of contractual nursing services for geriatric care.

Amendment No. 13: Reported in technical disagreement. The managers on the part of the House will offer a motion to recede and concur in the amendment of the Senate appropriating $8,086,000 for fiscal year 1978 for public assistance payments.

Transportation

Amendments Nos. 14, 15, 16 and 17: Appropriate $78,735,200 and authorize the purchase of 44 passenger-carrying vehicles of which two shall be for replacement only as proposed by the Senate instead of $71,380,900 and the authorization to purchase two passenger-carrying vehicles for replacement only as proposed by the House.

The conference action provides 125 positions and $7,794,800 for the new parking enforcement and traffic adjudication program. The conferees are agreed that 77 positions and $1,140,000 shall be transferred from the Superior Court's traffic program instead of 35 positions and $439,000 as proposed by the Senate. The conferees concur in the general base reduction of $440,500 as proposed by the Senate.

Amendment No. 18: Reported in technical disagreement. The managers on the part of the House will offer a motion to recede and concur in the amendment of the Senate appropriating $1,082,200 for fiscal year 1978 and providing language which authorizes funding of the additional cost of snow and ice removal out of funds previously appropriated for the Washington Metropolitan Area Transit Authority.

Environmental services

Amendment No. 19: Reported in technical disagreement. The managers on the part of the House will offer a motion to recede and concur in the amendment of the Senate with an amendment appropriating $72,069,800 instead of $72,962,500 as proposed by the House and $72,119,800 as proposed by the Senate. The managers on the part of the Senate will move to concur in the amendment of the House to the amendment of the Senate. The conference action deletes $50,000 proposed by the Senate for a study to develop a proposal to retrofit Solid Waste Reduction Center No. 1 so that steam can be produced for sale. The conferees concur in the reduction of $892,700 in staffing and maintenance proposed by the Senate due to the delay in completion of new sewage treatment facilities.

Amendment No. 20: Reported in technical disagreement. The managers on the part of the House will offer a motion to recede and concur in the amendment of the Senate with an amendment appropriating $1,030,400 for fiscal year 1978 instead of $1,550,400 as proposed by the Senate. The managers on the part of the Senate will move to concur in the amendment of the House to the amendment of the Senate.

Department of Environmental Services.—The conference action provides $1,030,400 proposed by the Senate for additional costs of electrical energy due to rate increases and additional demands from new facilities. The conference action deletes $70,000 proposed by the Senate for rental of two landfill compactors.

Washington Aqueduct.—The conference action deletes $450,000 proposed by the Senate for increased costs of electricity for pumping and treatment of water.

Personal services

Amendment No. 21: Reported in technical disagreement. The managers on the part of the House will offer a motion to recede and concur in the amendment of the Senate appropriating $7,000,000 for 1978.

Settlement of claims and suits

Amendments Nos. 22 and 23: Appropriate $322,800 and provide language for payment of a claim pursuant to District of Columbia law as proposed by the Senate.

Repayment of loans and interest

Amendment No. 24: Appropriates $120,400,000 as proposed by the Senate, instead of $111,700,000 as proposed by the House.

The conference action reflects the deletion of $1,200,000 proposed by the House and stricken by the Senate for interest payments on short-term borrowings from the commercial market. The District of Columbia continues to have authority under Public Law 95–314 to borrow from the United States Treasury for short-term cash-flow needs. It is therefore unnecessary in the opinion of the conferees, for the city to incur the added interest expense required when it borrows from the private market. The conferees are agreed that the United States Treasury shall continue to loan funds to the city to help meet the city's short-term cash needs, and accordingly direct the United States Treasury to continue this activity.

The conference action includes $9,900,000 to cover the Federal share of the amount of principal due on December 1, 1979, for the repayment of RFK Stadium bonds as proposed by the Senate.

Amendment No. 25: Reported in technical disagreement. The managers on the part of the House will offer a motion to recede and concur in the amendment of the Senate appropriating $475,800 for fiscal year 1978 for interest due the United States Treasury for the transition quarter (July 1–September 30, 1976). Notice of the additional interest due was received too late for inclusion in the regular budget.

Capital outlay

Amendments Nos. 26 and 27: Appropriate $77,215,000 of which $2,855,400 shall be available for construction services as proposed by the House instead of $77,490,000 of which $2,880,400 shall be available for construction services as proposed by the Senate.

The conference action deletes $275,000, including $25,000 for construction services, proposed by the Senate for renovations and an addition to the dog pound.

General provisions—District of Columbia

Amendment No. 28: Provides an employment ceiling of 37,161 filled positions instead of 37,126 as proposed by the House and 37,239 as proposed by the Senate.

In the 1974–75 period the District of Columbia city government had an average of 730.4 employees to serve each 10,000 unit of population. The national average for the same period of time for all levels of State and local governments was 470.9 employees to serve each 10,000 unit of population. In other words, in the 1974–75 period the city had 45 percent more employees to serve each of its 10,000 citizens as compared to the national average.

The conferees are concerned that the city government has an unnecessarily large number of people on its payroll and direct the city to more carefully analyze the need to fill positions that become vacant and to redouble its efforts to scrutinize the need for additional positions. The conferees are agreed that an important focus for future Congressional reviews of the city budget requests will be the issue of the city's large payroll.

Amendment No. 29: Reported in technical disagreement. The managers on the part of the House will offer a motion to recede and concur in the amendment of the Senate which (1) prohibits the use of funds in the bill to supplement the salary of employees hired by the District of Columbia under the Comprehensive Employment and Training Act (CETA) if the effect is to provide a salary in excess of the GS–9, step 1 level, and (2) provides a 90-day delay in the effective date.

Amendment No. 30: Reported in technical disagreement. The managers on the part of the House will offer a motion to recede and concur in the amendment of the Senate which (1) prohibits the use of funds in the bill to supplement the salary of a CETA employee for more than 24 months, and (2) provides a 90-day delay in the effective date.

Amendment No. 31: Reported in technical disagreement. The managers on the part of the House will offer a motion to recede and concur in the amendment of the Senate which (1) prohibits the use of funds in the bill to supplement the salary of a CETA employee who works for an elected official of the District of Columbia government or on a committee of the Council of the District of Columbia, and (2) provides a 90-day delay in the effective date.

Amendment No. 32: Reported in technical disagreement. The managers on the part of the House will offer a motion to recede and concur in the amendment of the Senate which (1) prohibits the use of funds in the bill to supplement the salary of a CETA employee if the employee is to be assigned to an agency that already has CETA employees in number in excess of ten percent of its appropriated employment base, with the exception of agencies with 10 or fewer employees, and (2) provides a 90-day delay in the effective date.

Amendment No. 33: Reported in technical disagreement. The managers on the part of the House will offer a motion to recede and concur in the amendment of the Senate with an amendment as follows:

Sec. 224. Notwithstanding any other provision of this Act, the provisions of sections 220, 221, 222, and 223 of this Act shall be deemed repealed upon the date of the enactment of the Act entitled "An Act to amend the Comprehensive Employment and Training Act of 1973, to provide improved employment and training services, to extend the

authorization, and for other purposes", or similar legislation.

The managers on the part of the Senate will move to concur in the amendment of the House to the amendment of the Senate.

The effect of this amendment is to repeal the provisions included in amendments numbers 29, 30, 31, and 32 on the date of enactment of the Comprehensive Employment and Training Act Amendments of 1978 or similar legislation.

Conference total—With comparisons

The total new budget (obligational) authority for the fiscal years 1978 and 1979 recommended by the Committee of Conference, with comparisons to the fiscal year 1978 amount, the 1979 budget estimates, the 1978 supplemental requests, and the House and Senate bills follow:

Federal funds

New budget (obligational) authority, fiscal year 1978	$399,116,000
Budget estimates of new (obligational) authority, fiscal year 1979	460,090,000
House bill, fiscal year 1979	277,300,000
Senate bill, fiscal year 1979	261,200,000
Conference agreement	258,200,000
Conference agreement compared with:	
New budget (obligational) authority, fiscal year 1978	−140,916,000
Budget estimates of new (obligational) authority, fiscal year 1979	−201,890,000
House bill, fiscal year 1979	−19,100,000
Senate bill, fiscal year 1979	−3,000,000

District of Columbia funds

New budget (obligational) authority, fiscal year 1978	$1,368,623,200
Budget estimates of new (obligational) authority, fiscal year 1979	1,428,442,000
1978 supplemental	[1] 27,406,100
House bill, fiscal year 1979	1,348,185,100
1978 supplemental	----------
Senate bill, fiscal year 1979	1,364,781,500
1978 supplemental	21,930,100
Conference agreement	1,362,317,700
1978 supplemental	21,341,500
Conference agreement compared with:	
New budget (obligational) authority, fiscal year 1978	−6,305,500
Budget estimates of new (obligational) authority, fiscal year 1979	−66,124,300
1978 supplemental	−6,064,600
House bill, fiscal year 1979	+14,132,600
1978 supplemental	+21,341,500
Senate bill, fiscal year 1979	−2,463,800
1978 supplemental	−588,600

[1] 1978 budget estimates as contained in Senate Document 95–113 were not considered by the House.

WILLIAM H. NATCHER,
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GUNN MCKAY,
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CH. MCC. MATHIAS, Jr.,
L. P. WEICKER, Jr.,
MILTON R. YOUNG,
Managers on the Part of the Senate.

LEAVE OF ABSENCE

By unanimous consent, leave of absence was granted to:

Mr. FOUNTAIN (at the request of Mr. WRIGHT), after 6 p.m. today, on account of a death in the family.

Mr. HAGEDORN (at the request of Mr. RHODES), for today after 3:30 p.m. and for tomorrow, August 17, 1978, on account of official committee business.

Mr. PEPPER (at the request of Mr. WRIGHT), until 1 p.m. today, on account of official business.

Mr. SCHULZE (at the request of Mr. RHODES), for today after 3:30 p.m. and for tomorrow, August 17, 1978, on account of official committee business.

Mr. STANGELAND (at the request of Mr. RHODES), for August 17, 1978, on account of official business.

Mr. THOMPSON, for the period beginning at noon August 16, through the close of business August 17, 1978, on account of official business.

SPECIAL ORDERS GRANTED

By unanimous consent, permission to address the House, following the legislative program and any special orders heretofore entered, was granted to:

Mr. ASHBROOK, for 30 minutes, today, to revise and extend his remarks and include extraneous matter.

(The following Members (at the request of Mr. CUNNINGHAM) and to revise and extend their remarks and include extraneous matter:)

Mr. SARASIN, for 5 minutes, today.

Mr. MCKINNEY, for 5 minutes, today.

(The following Members (at the request of Mr. RAHALL) to revise and extend their remarks and include extraneous material:)

Mr. DINGELL, for 5 minutes, today.

Mr. ANNUNZIO, for 5 minutes, today.

Mr. GONZALEZ, for 5 minutes, today.

Mr. PEPPER, for 5 minutes today.

Mr. ROSTENKOWSKI, for 10 minutes, today.

Mr. ADDABBO, for 30 minutes, today.

Mr. MURPHY of Illinois, for 5 minutes, today.

Mr. PREYER, for 5 minutes, today.

Mr. BAUCUS, for 5 minutes, today.

Mr. DANIELSON, for 15 minutes, today.

EXTENSION OF REMARKS

By unanimous consent, permission to revise and extend remarks was granted to:

Mr. WHITE, and to include extraneous matter notwithstanding the fact that it exceeds two pages of the RECORD and is estimated by the Public Printer to cost $2,874.38.

Mr. BIAGGI, to revise and extend his remarks and include extraneous matter immediately following remarks of Mr. LEVITAS.

(The following Members (at the request of Mr. CUNNINGHAM) and to include extraneous matter:)

Mr. DERWINSKI in two instances.

Mr. PURSELL.

Mr. ANDERSON of Illinois.

Mr. MOORE.

Mr. TREEN.

Mr. FORSYTHE.

Mr. GARY A. MYERS.

Mr. EVANS of Delaware.

Mr. DORNAN.

Mr. LAGOMARSINO.

Mr. MCCLORY.

Mr. GILMAN.

(The following Members (at the request of Mr. RAHALL) and to include extraneous matter:)

Mr. GONZALEZ in three instances.

Mr. ANDERSON of California in three instances.

Mr. CARNEY.

Mr. SIKES.

Mr. RUSSO in two instances.

Mr. WAXMAN.

Mr. LEHMAN in two instances.

Mr. UDALL.

Mr. FITHIAN.

Mr. HAMILTON.

Mr. ROSE.

Mr. LAFALCE.

Mr. RODINO.

Mr. BRADEMAS in six instances.

Mr. EDGAR.

Mr. BONIOR.

Mr. MURPHY of Illinois.

Mr. BRECKINRIDGE.

Mr. MOORHEAD of Pennsylvania.

Mr. BAUCUS in two instances.

Mr. HARKIN.

Mr. ROGERS in five instances.

Mr. EARLY.

Mr. EVANS of Indiana.

Mr. WRIGHT.

Mr. MIKVA in two instances.

Mr. ZABLOCKI in five instances.

SENATE BILL AND JOINT RESOLUTION REFERRED

A bill and a joint resolution of the Senate of the following titles were taken from the Speaker's table and, under the rule, referred as follows:

S. 3382. An act to waive the statute of limitations with regard to the tort claim of Eazor Express, Inc. of Pittsburgh, Pa., against the United States; to the Committee on the Judiciary; and

S.J. Res. 148. Joint resolution authorizing and requesting the President of the United States to issue a proclamation designating the seven calendar days beginning September 17, 1978, as "National Port Week"; to the Committee on Post Office and Civil Service.

SENATE ENROLLED BILLS SIGNED

The SPEAKER announced his signature to enrolled bills of the Senate of the following titles:

S. 405. An act for the relief of Chong Cha Williams; and

S. 1335. An act for the relief of Shin Myong Yo Purdom, also known as Myong Yo Sin.

ENROLLED BILL SIGNED

Mr. THOMPSON, from the Committee on House Administration, reported that that committee had examined and found truly enrolled a bill of the House of the following title, which were thereupon signed by the Speaker:

H.R. 11579. An act to designate the Veterans' Administration center located at 1901 South First Street, Temple, Tex., as the

"Olin E. Teague Veterans' Center"; and for other purposes.

BILL AND JOINT RESOLUTIONS PRESENTED TO THE PRESIDENT

Mr. THOMPSON, from the Committee on House Administration, reported that that committee did on the following dates present to the President, for his approval, a bill and joint resolutions of the House of the following title:

On August 15, 1978:

H.J. Res. 682. To provide for the designation of a week as "National Lupus Week";

H.J. Res. 946. To designate October 7, 1978, as "National Guard Day"; and

H.J. Res. 963 Designating July 18, 1979, as "National P.O.W.-M.I.A. Recognition Day."

On August 16, 1978:

H.R. 10732. To authorize appropriations to carry out the Fishery Conservation and Management Act of 1976 during fiscal year 1979, to provide for the regulation of foreign fish processing vessels in the fishery conservation zone, and for other purposes.

ADJOURNMENT

Mr. RAHALL. Mr. Speaker, I move that the House do now adjourn.

The motion was agreed to; accordingly (at 9 o'clock and 6 minutes p.m.), the House adjourned until Thursday, August 17, 1978, at 10 o'clock a.m.

EXECUTIVE COMMUNICATIONS, ETC.

Under clause 2 of rule XXIV, executive communications were taken from the Speaker's table and referred as follows:

4825. A letter from the Assistant Secretary of the Army (Manpower and Reserve Affairs), transmitting a draft of proposed legislation to amend sections 3031(d) and 8031(d) of title 10, United States Code, to limit their application to general officers assigned or detailed to duty in the executive part of the Department of the Army and the Department of the Air Force, and for other purposes; to the Committee on Armed Services.

4826. A letter from the president and chairman, Export-Import Bank of the United States, transmitting a statement describing a proposed transaction exceeding $60 million with Fertilizers of Trinidad and Tobago Limited, pursuant to section 2(b)(3)(i) of the Export-Import Bank Act of 1945, as amended; to the Committee on Banking, Finance and Urban Affairs.

4827. A letter from the president and chairman, Export-Import Bank of the United States, transmitting a statement describing a proposed transaction involving nuclear facilities with Iberduero, S.A., of Spain, pursuant to section 2(b)(3)(iii) of the Export-Import Bank Act of 1945, as amended; to the Committee on Banking, Finance and Urban Affairs.

4828. A letter from the Chairman, Council of the District of Columbia, transmitting a copy of Council Act No. 2-254, "To provide for priorities of distribution of general assets and to provide for early access to the assets of an insolvent insurer for the benefit of the guaranty associations," pursuant to section 602(c) of Public Law 93-198; to the Committee on the District of Columbia.

4829. A letter from the Secretary of Health, Education, and Welfare and the Secretary of Commerce, transmitting, a report on the study of the feasibility of updating the number of children counted as living below the poverty line in school districts of local educational agencies in order to make adjustments in the amounts of grants for which the local educational agencies within a State are eligible under title I, pursuant to section 822(b) of Public Law 93-380; to the Committee on Education and Labor.

4830. A letter from the Acting Executive Secretary to the Department of Health, Education, and Welfare, transmitting proposed interim final regulations governing the supplemental educational opportunity grant program and the national direct student loan program, pursuant to section 431(d)(1) of the General Education Provisions Act, as amended; to the Committee on Education and Labor.

4831. A letter from the Assistant Secretary of State for Congressional Relations, transmitting notice of the State Department's intention to consent to a request by the Government of the Federal Republic of Germany for permission to transfer certain U.S.-origin military equipment to the Governments of the United Kingdom, Norway, and Italy, pursuant to section 3(a) of the Arms Export Control Act; to the Committee on International Relations.

4832. A letter from the Assistant Secretary of State for Congressional Relations, transmitting notice of the State Department's intention to consent to a request by the Government of Saudi Arabia for permission to transfer certain U.S.-origin military equipment and services to the Yemen Arab Republic, pursuant to section 3(a) of the Arms Export Control Act; to the Committee on International Relations.

4833. A letter from the vice president for Government affairs, National Railroad Passenger Corp., transmitting a report covering the month of May 1978, on the average number of passengers per day on board each train operated, and the on-time performance at the final destination of each train operated, by route and by railroad, pursuant to section 308(a)(2) of the Rail Passenger Service Act of 1970, as amended; to the Committee on Interstate and Foreign Commerce.

4834. A letter from the Secretary of the Army, transmitting a special Corps of Engineers report on the Theodore Ship Channel, Mobile Harbor, Ala. (H. Doc. No. 95-376); to the Committee on Public Works and Transportation and ordered to be printed.

4835. A letter from the Administrator, U.S. Environmental Protection Agency, transmitting notice of several proposed transfers of funds between categories of agency appropriations for fiscal year 1978, pursuant to section 2(d) of Public Law 95-155; to the Committee on Science and Technology.

REPORTS OF COMMITTEES ON PUBLIC BILLS AND RESOLUTIONS

Under clause 2 of rule XIII, reports of committees were delivered to the Clerk for printing and reference to the proper calendar, as follows:

Mrs. SPELLMAN: Committee on Post Office and Civil Service. S. 1626. An act to clarify the status of the Librarian of Congress under subchapter I of chapter 63 of title 5, United States Code, relating to annual and sick leave; with amendment (Rept. No. 95-1496). Referred to the House Calendar.

Mr. UDALL: Committee on Interior and Insular Affairs. H.R. 11168. A bill to provide that the sales of public lands in the town of Red Mountain, San Bernadino County, Calif., be conducted under the Townsite Act; with amendment (Rept. No. 95-1497). Referred to the Committee of the Whole House on the State of the Union.

Mr. UDALL: Committee on Interior and Insular Affairs. H.R. 12344. A bill to modify a portion of the south boundary of the Salt River Pima-Maricopa Indian Reservation in Arizona, and for other purposes; with amendment (Rept. No. 95-1498). Referred to the Committee of the Whole House on the State of the Union.

Mr. TEAGUE: Committee on Science and Technology. H.R. 13715. A bill to improve the operational weather programs of the National Oceanic and Atmospheric Administration. to affirm the Federal responsibility for the provision of effective weather and related services, to assure to the maximum extent that all available Federal resources possible extent that all available Federal resources are utilized in a coordinated manner for weather-related research, development, and technology, and for other purposes; (Rept. No. 95-1499). Referred to the Committee of the Whole House on the State of the Union.

Mr. NATCHER. Committee of conference. Conference report on H.R. 13468 (Rept. No. 95-1500). Ordered to be printed.

Mr. ZABLOCKI. Committee on International Relations. House Joint Resolution 923. Joint resolution authorizing the President to invite the States of the Union and foreign nations to participate in the International Petroleum Exposition to be held at Tulsa, Okla., from September 10, 1979, through September 13, 1979 (Rept. No. 95-1501). Referred to the House Calendar.

Mr. MOAKLEY: Committee on Rules. House Resolution 1321. Resolution providing for the consideration of H.R. 10898. A bill to amend the Regional Rail Reorganization Act of 1973 to authorize appropriations for the U.S. Railway Association for fiscal year 1979 (Rept. No. 95-1502). Referred to the House Calendar.

Mr. DODD: Committee on Rules. House Resolution 1322. Resolution providing for the consideration of S. 1613. An act to improve access to the Federal courts by enlarging the civil and criminal jurisdiction of U.S. magistrates, and for other purposes (Rept. No. 95-1503). Referred to the House Calendar.

PUBLIC BILLS AND RESOLUTIONS

Under clause 5 of rule X and clause 4 of rule XXII, public bills and resolutions were introduced and severally referred as follows:

By Mr. BEARD of Tennessee (for himself, Mr. APPLEGATE, and Mr. HEFTEL):

H.R. 13887. A bill to amend the Endangered Species Act of 1973 to establish an Endangered Species Interagency Committee to review certain actions to determine whether exemptions from certain requirements of that act should be granted for such actions; to the Committee on Merchant Marine and Fisheries.

By Mr. FLORIO:

H.R. 13888. A bill to amend the Omnibus Crime Control and Safe Streets Act of 1968 to increase financial assistance to units of general local government for the development and implementation of programs relating to the prosecution of repeat criminal offenders, and for other purposes; to the Committee on the Judiciary.

By Mr. GOLDWATER:

H.R. 13889. A bill to amend the Farm Labor Contractor Registration Act of 1963 to provide that labor organizations which provide employment referral services and other similar services to assist migrant workers in obtaining agricultural employment shall be considered to be farm labor contractors for purposes of such act; to the Committee on Education and Labor.

By Mr. HARRINGTON (for himself, Mr. BEDELL, Mr. D'AMOURS, Mr. EILBERG, Mr. FORD of Tennessee, Mr. GREEN, Mr. JEFFORDS, Mr. LAFALCE, Mr. MOAKLEY, Mr. MURPHY of Pennsylvania, Mr. NEDZI, Mr. OTTINGER, Mr. PATTERSON of California, Mr. PATTISON of New York, Mr. PRESSLER, Mr. SIMON, Mr. STARK, Mr. STUDDS, Mr. TSONGAS, Mr. WHITLEY, and Mr. CHARLES WILSON of Texas):

H.R. 13890. A bill to amend title IV of the Higher Education Act of 1965 to establish a system of student tuition advances to be repaid as an income tax imposed by the Internal Revenue Code of 1954, and for other purposes; jointly, to the Committees on Education and Labor, and Ways and Means.

By Mrs. HECKLER:

H.R. 13891. A bill relating to the independent contractor status of individuals for employment tax purposes; to the Committee on Ways and Means.

By Mr. KASTENMEIER:

H.R. 13892. A bill to amend title 28 of the United States Code to provide that the requirements that each U.S. attorney and U.S. marshal reside in the district for which he is appointed shall not apply to an individual appointed to such position for the Northern Mariana Islands if such individual is at the same time serving in the same capacity in another district; to the Committee on the Judiciary.

By Mr. MIKVA (for himself, Mr. BOWEN, Mr. BUCHANAN, Mr. CONTE, Mr. EILBERG, Mr. HYDE, Mr. JACOBS, Mr. LLOYD of California, Mr. LONG of Maryland, Mr. MCCLOSKEY, Mr. MITCHELL of New York, Mr. ROSE, Mr. WYDLER, and Mr. YOUNG of Missouri):

H.R. 13893. A bill to correct inequities in certain sales representatives practices, to provide protection for certain sales representatives terminated from their accounts without justification, and for other purposes; to the Committee on Interstate and Foreign Commerce.

By Mr. PRITCHARD (for himself and Mr. BLANCHARD):

H.R. 13894. A bill to authorize the Secretary of Housing and Urban Development to undertake, on an experimental basis, programs providing neighborhood self-help development funds; to the Committee on Banking, Finance and Urban Affairs.

By Mr. RICHMOND (for himself, Mrs. COLLINS of Illinois, Mr. MAGUIRE, Mr. MILLER of California, Mr. SEIBERLING, and Mrs. SPELLMAN):

H.R. 13895. A bill to provide Federal assistance to screen those workers (and members of their families) exposed to asbestos who cannot otherwise receive the screening under a workman's compensation, health insurance, or other program; to the Committee on Education and Labor.

By Mr. SOLARZ:

H.R. 13896. A bill to amend the Internal Revenue Code of 1954 to provide individuals a credit against income tax for amounts paid or incurred for certain State and local individual income taxes and to repeal the deduction for such taxes, State and local general sales taxes, and State and local taxes on gasoline and other motor fuels; to the Committee on Ways and Means.

By Mr. STEIGER:

H.R. 13897. A bill to amend the Internal Revenue Code of 1954 to provide an excise tax exemption for experimental aircraft; to the Committee on Ways and Means.

By Mr. SYMMS (for himself, Mr. COLLINS of Texas, Mr. HAGEDORN, and Mr. HYDE):

H.R. 13898. A bill to eliminate any practice by the Federal Government which grants preferential treatment to, or discriminates against, any individual on the basis of the race, color, religion, sex, or national origin of such individual in comparison with the total number of individuals of such race, color, religion, sex, or national origin; to the Committee on Education and Labor.

By Mr. WAMPLER (for himself and Mr. MARTIN):

H.R. 13899. A bill to delay any action which may be taken by the Secretary of Agriculture respecting nitrites used as a food preservative on the basis of any carcinogenic effect nitrites may be represented to have; to the Committee on Agriculture.

By Mr. COLLINS of Texas:

H.R. 13900. A bill to reduce the number of individuals employed by the Federal Government in executive agencies in or near the District of Columbia; to the Committee on Post Office and Civil Service.

By Mr. MCCLORY (for himself, Mr. BOB WILSON, Mr. ASHBROOK, and Mr. ROBINSON):

H.R. 13901. A bill to protect the confidentiality of the identities of certain individuals engaged in foreign intelligence activities for the United States; jointly, to the Committees on the Judiciary, and the Select Committee on Intelligence.

By Mr. RAILSBACK:

H.R. 13902. A bill to amend the Internal Revenue Code of 1954 to provide that certain farm buildings shall be eligible for the investment tax credit; to the Committee on Ways and Means.

By Mr. STRATTON:

H.R. 13903. A bill to amend title 10, United States Code, to provide that a member of the Board of Regents of the Uniformed Services University of the Health Sciences whose term of office has expired shall continue to serve until a successor is appointed; to the Committee on Armed Services.

By Mr. WALGREN (for himself and Mr. MARKS):

H.R. 13904. A bill to establish a comprehensive disease prevention and health promotion program in the United States; to the Committee on Interstate and Foreign Commerce.

By Mr. WEISS (for himself, Mr. RICHMOND, Mr. CONYERS, Mr. PATTISON of New York, Mr. EDWARDS of California, Mr. WEAVER, Mr. FISH, Mr. DELLUMS, Mr. JEFFORDS, Mrs. SCHROEDER, Mr. MIKVA, Mr. SEIBERLING, Mr. MAGUIRE, Ms. HOLTZMAN, Mr. BEDELL, and Ms. OAKAR):

H.R. 13905. A bill to amend the Atomic Energy Act of 1954 to modify certain statutory limitations on the amount of financial protection required with respect to nuclear incidents, to remove the statutory limitations on the aggregate liability for a single nuclear incident, to limit the financial obligations of the United States with respect to such incidents, and for other purposes; to the Committee on Interior and Insular Affairs.

By Mr. CARR:

H.R. 13906. A bill to amend the Employee Retirement Income Security Act of 1974 to provide that benefits paid by the Pension Benefit Guaranty Corporation under terminated emeployee benefit plan be adjusted annually by the percentage change in the Consumer Price Index; to the Committee on Education and Labor.

By Mr. FASCELL:

H.J. Res. 1117. Joint resolution to authorize and request the President to proclaim January 28, 1979, as Day of Marti, Apostle of Liberty; to the Committee on Post Office and Civil Service.

By Mr. GARCIA:

H.J. Res. 1118. Resolution authorizing the President to annually proclaim the week of Thanksgiving Day as National Farmworkers Week; to the Committee on Post Office and Civil Service.

By Mr. NOLAN (for himself, Mr. CEDERBERG, Mr. TRAXLER, Mr. HIGHTOWER, Mr. CARR, Mr. FRASER, Mr. PRESSLER, Mr. GLICKMAN, Mr. EVANS of Georgia, Mr. BROWN of Michigan, Mr. ABDNOR, Mr. BALDUS, Mr. PURSELL, Mr. KILDEE, Mr. JENRETTE, Mr. THONE, Mrs. SMITH of Nebraska, Mr. SEBELIUS, Mr. KASTENMEIER, Mr. STANGELAND, Mr. ROBINSON, Mr. FOUNTAIN, Mr. MARLENEE, and Mr. OBERSTAR):

H.J. Res. 1119. Joint resolution raising the price support levels for milk, wheat, corn, soybeans, and cotton to 90 percent of the respective parity prices therefor, and for other purposes; to the Committee on Agriculture.

By Mr. VENTO (for himself, Mr. FRASER, Mr. BAUCUS, Mr. MARLENEE, Mr. DICKS, Mr. BRODHEAD, Mr. MIKVA, Mr. REUSS, Mr. LEHMAN, Mr. PATTERSON of California, Mr. RICHMOND, Mr. HARRINGTON, Mr. LAFALCE, Mr. EILBERG, Mr. MCCORMACK, Mr. EDGAR, Mr. STOKES, Mr. CHARLES WILSON of Texas, Mr. MITCHELL of Maryland, Mr. PHILLIP BURTON, Mr. ANNUNZIO, Mr. FORD of Michigan, Mr. RAHALL, and Mr. RYAN):

H.J. Res. 1120. Joint resolution to direct the Civil Aeronautics Board to disapprove any renewal and terminate any effect of the Airlines Mutual Aid Pact and to provide for a study and report on alleviating airline strikes; to the Committee on Public Works and Transportation.

By Mr. VENTO (for himself, Mr. FLORIO, Mr. AUCOIN, Mr. FOLEY, Mr. NOLAN, Ms. OAKAR, Mr. MINETA, Mr. STEED, Mr. WEISS, Mr. LLOYD of California, Mr. CONYERS, Mr. EDWARDS of California, Mr. PATTISON of New York, Mr. BEILENSON, Mr. BALDUS, Mr. YOUNG of Texas, Mr. OBERSTAR, Mr. BONIOR, Mr. THOMPSON, Mr. HANNAFORD, Mr. MEEDS, Mr. SIMON, Mr. BLANCHARD, and Mr. HOWARD):

H.J. Res. 1121. Joint resolution to direct the Civil Aeronautics Board to disapprove any renewal and terminate any effect of the Airlines Mutual Aid Pact and to provide for a study and report on alleviating airline strikes; to the Committee on Public Works and Transportation.

By Mr. VENTO (for himself, Ms. HOLTZMAN, Mr. CUNNINGHAM, Mr. DELLUMS, Mr. HOLLENBECK, Mr. FASCELL, Mrs. SCHROEDER, Mr. MILLER of California, Mr. PERKINS, and Mr. ASPIN):

H.J. Res. 1122. Joint resolution to direct the Civil Aeronautics Board to disapprove any renewal and terminate any effect of the Airlines Mutual Aid Pact and to provide for a study and report on alleviating airline strikes; to the Committee on Public Works and Transportation.

By Mr. CLEVELAND (for himself, Mr. D'AMOURS, Mr. ANNUNZIO, Mr. APPLEGATE, Mr. BARNARD, Mr. BAUCUS, Mr. BEARD of Rhode Island, Mr. BIAGGI, Mr. BURKE of Massachusetts, Mr. DICKS, Mr. FOLEY, Mr. GORE, Mr. HOLLAND, Mr. JENRETTE, Mr. MCFALL, Mr. MEEDS, Mr. MCKAY, Mr. MOTTL, Mr. MURPHY of Illinois, Mr. NEDZI, Mr. NOWAK, Mr. RUNNELS, Mr. SHARP, Mr. SHUSTER, and Mr. THONE):

H. Con. Res. 697. Concurrent resolution expressing the sense of Congress that all remaining proceedings with respect to the Seabrook Nuclear Station project should be expedited and that all licensing and permitting procedures for the construction and opera-

tion of nuclear generating stations should be reviewed and modified to improve the efficiency of such procedures; to the Committee on Interior and Insular Affairs.

By Mr. BEARD of Tennessee (for himself, Mr. EILBERG, Mr. CORNWELL, and Mr. ABDNOR):

H. Res. 1316. Resolution relative to absentia discharges for military deserters; to the Committee on Armed Services.

By Mr. BRECKINRIDGE:

H. Res. 1317. Resolution providing for the printing as a House document of a compilation of a series of articles appearing in the Congressional Record; to the Committee on House Administration.

By Mr. GONZALEZ (for himself, Mr. WON PAT, Mr. DELLUMS, Mrs. FENWICK, Mr. DERWINSKI, Mr. STEED, Mr. LAGOMARSINO, Mr. PANETTA, Mr. MITCHELL of Maryland, Mr. HALL, Mr. RICHMOND, Mr. HYDE, Mr. CHARLES WILSON of Texas, Mr. FARY, Mr. COLLINS of Texas, Mr. LLOYD of California, Mr. BURLESON of Texas, Mr. WAXMAN, Mr. BROOKS, Mr. MAHON, EILBERG, Mrs. BOGGS, Mr. RANGEL, Mr. PRICE, and Mr. NIX):

H. Res. 1318. Resolution to recognize the contribution of Bernardo de Galvez to the independence of the United States; to the Committee on Post Office and Civil Service.

By Mr. GONZALEZ (for himself, Mr. BAUCUS, Mr. MOORE, Mr. BENJAMIN, Mr. VAN DEERLIN, Mr. HUGHES, Mr. ROE, Mr. SIMON, and Mr. ROUSSELOT):

H. Res. 1319. Resolution to recognize the contribution of Bernardo de Galvez to the independence of the United States; to the Committee on Post Office and Civil Service.

By Mr. MARTIN (for himself and Mr. WAMPLER):

H. Res. 1320. Resolutior expressing the sense of the House of Representatives that any action respecting nitrites by the Secretary of Agriculture or the Secretary of Health, Education, and Welfare because of any carcinogenic effect that nitrites may be represented to have should be delayed until after the completion of the study required by the Saccharin Study and Labeling Act; jointly to the Committees on Agriculture, and Interstate and Foreign Commerce.

PRIVATE BILLS AND RESOLUTIONS

Under clause 1 of rule XXII,

Mr. SOLARZ introduced a bill (H.R. 13907) for the relief of Laszlo Revesz, which was referred to the Committee on the Judiciary.

AMENDMENTS

Under clause 6 of rule XXIII, proposed amendments were submitted as follows:

H.R. 11280

By Mr. SOLARZ:

—Page 209, insert after line 12 the following new section:

COMPENSATORY TIME OFF FOR RELIGIOUS OBSERVANCES

SEC. 313. (a) Subchapter V of Chapter 55 of title 5, United States Code, is amended by adding at the end thereof the following new section:

"5550a. Compensatory time off for religious observances.

"(a) Not later than 30 days after the date of the enactment of this section, the Office of Personnel Management shall prescribe regulations providing for work schedules under which an employee whose personal religious beliefs require the abstention from work during certain periods of time, may elect to engage in overtime work for time lost for meeting those religious requirements. Any employee who so elects such overtime work shall be granted equal compensatory time off from his scheduled tour of duty (in lieu of overtime pay) for such religious reasons, notwithstanding any other provision of law.

"(b) In the case of any agency described in subparagraphs (C) through (G) of section 5541(1) of this title, the head of such agency (in lieu of the Office) shall prescribe the regulations referred to in subsection (a) of this section.

"(c) Regulations under this section may provide for such exceptions as may be necessary to efficiently carry out the mission of the agency or agencies involved.".

(b) The analysis for chapter 55 of title 5, United States Code, is amended by adding after the item relating to section 5550 the following:

"5550a. Compensatory time off for religious observances.".

Page 209, line 14, strike out "313." and insert in lieu thereof "314.".

Page 129, in the table of contents, strike out the item relating to section 313 and insert in lieu thereof the following:

Sec. 313. Compensatory time off for religious observances.

Sec. 314. Effective date.

—Page 223, line 23, strike the words "before appointment to such positions".

S.J. RES. 4

By Mr. DUNCAN of Oregon:

—On page 5, line 12, delete section (b)(1) and insert in lieu thereof the following:

"SEC. (b)(1) The Commission shall be composed of fifteen members appointed by the President, of whom five shall be from a list of twenty persons submitted to the President by the Governor of Hawaii. The list submitted by the Governor shall consist of no fewer than fifteen persons who are of the blood of Aboriginal Hawaiians who inhabited the Hawaiian Islands prior to 1778 (hereinafter "Aboriginal blood"), of whom no fewer than five shall be of one-half degree or more Aboriginal blood and no fewer than five shall be of one-quarter degree or more Aboriginal blood. Further, each of the four counties in the State of Hawaii shall be represented on the Governor's list by at least four persons who are inhabitants thereof.

(b)(2) No less than five of the members of the Commission shall be of Aboriginal blood, including no fewer than two who are of one-half degree or more Aboriginal blood, nor fewer than two who are one-quarter degree or more Aboriginal blood, and one who shall be of any degree of Aboriginal blood. Each of the four counties in the State of Hawaii shall be represented on the Commission by at least one member of Aboriginal blood who is an inhabitant thereof, and all persons of any degree of Aboriginal blood who are not residents of the State of Hawaii shall be represented by a member of any degree of Aboriginal blood who is not a resident of the State of Hawaii. The President, prior to appointing the members of the Commission, and the Governor prior to submitting recommendations for members, shall consult with Aboriginal Hawaiian organizations and with the Aboriginal Hawaiian community on each of the Islands in the State of Hawaii."

Renumber the succeeding subsections of section 2 of the bill accordingly.

EXTENSIONS OF REMARKS

BRONX—LANDSCAPE OF URBAN CANCER

HON. HENRY A. WAXMAN

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Tuesday, August 15, 1978

● Mr. WAXMAN. Mr. Speaker, it can be fairly said that all discussions about our cities and urban policy can begin and end with the South Bronx. It was the pride of generations of Americans, known for its fine communities and diverse neighborhoods. But in recent years, its heart has been ravaged and abandoned. Its citizens are overwhelmed with crises in housing, unemployment, education, crime, and addiction. In the South Bronx our greatest urban tragedy has emerged. It must be understood and confronted if we are ever to manage the rehabilitation and revitalization of our cities.

Robert Scheer of the Los Angeles Times has written a comprehensive and searching article on the South Bronx. In its troubles are lessons for every American city. I am pleased to insert this excellent article in the RECORD for the benefit of my colleagues:

[From the Los Angeles Times, August 6, 1978]

BRONX—LANDSCAPE OF URBAN CANCER

(By Robert Scheer)

The Good Humor truck circles aimlessly through silent blocks of burned-out buildings hunting the occasional waif still playing in the rubble who might yet desire a Popsicle. This time, there is no sign of life and the ice-cream truck departs with a last ring of its merry chimes, leaving a still life of the South Bronx warscape dotted by garbage lakes, dunes of litter and beached hulks of abandoned cars.

The streets are dead, as if locusts had descended and slurped up the ringoleavio and stickball games, the philosophers of the benches, the checker kings and loud music boys, the girls with fishnet stockings and stiletto heels and the young studs with bodies some said were good for nothing but dancing.

Gone the wild, chaotic, noisy cosmopolitan life of a borough that for decades belched up life continuously as its very mission. The bedroom borough where young hardworking couples returned in crammed cars of the D or the Lex from dark garment shops in Manhattan, exhausted but suddenly come to life as they emerged from their subway station to the babble of child play noises which was the incessant hum of The Bronx.

These were couples who had left Manhattan to spend an hour each way in the subway crunch, marking the first grand suburban exodus to make and raise babies. The Bronx had space—farms, even parks and plentiful empty lots on which to grow vegetables or build a hut.

But it also had the civilization of apartment-dwelling and universities, of botanical gardens, libraries and sufficient numbers of people so that one was not sentenced to the forced company of boring neighbors, as was assumed to be the case in the suburban

housing tracts of Long Islands, which was generally regarded as a cultural wasteland.

The Bronx—birthplace of Lauren Bacall, Herman Wouk, George Meany, Anne Bancroft, Jules Feiffer, Paddy Chayefsky, Burt Lancaster, Jonas Salk, Diahann Carroll and Carroll O'Connor. Where Edgar Allan Poe lived and worked in a little cottage on the Grand Concourse off Fordham Rd. And where Leon Trotsky, in exile, lived on the fifth floor of a tenement and composed tracts in Yiddish and Russian that helped inspire the Russian Revolution.

Because of its history, and despite the signs of rot that now appear as far north as the Yonkers line, it is still possible to love The Bronx and remain loyal to its heritage.

The endless benches that surround each park and playground are shorn of their wooden slats. And as one passes the concrete bench arms, there remain only memories of past endless arguments about revolution and God and Bertrand Russell and who is the most offensive yenta on the block.

To those who remember, the Bronx bench once represented a high point of American civilization. Now there are fat, loud transistor radios, blasting out music that numbs one's sensibilities, a fit accompaniment only for the daydreams of junkies and thieves. Or so it seems until a lone Anglo reporter squeezes into People's Park near St. Ann's Episcopal Church to hear Tito Puente play for thousands of kids, mothers, fathers—people—and suddenly the music, like the people, is mysterious, complex, poetic and, in all other ways, alive.

This is, of course, one of the better moments, but that's what we focus on in recalling the history of any ethnic group. Why not the same for the Puerto Ricans of the South Bronx?

When in this century did The Bronx not have poverty, uncollected garbage, street gangs and crime? Remember when the Irish gang, the Fordham Baldies and the Italian Guinea Dukes—1,000 strong—battled each other for borough supremacy? Yet it was never quite the way it is today, not even close. But what about the Lower East Side, Hell's Kitchen and East Harlem? The slums have moved north, the problems are the same.

That is why those who strive to save The Bronx are filled with a righteous indignation, for the problems of The Bronx did not germinate there.

The Bronx was forced to import the problems of the rural American South, Puerto Rico and East Harlem. The poor came to New York from all over, and The Bronx paid the price for the efforts to "save" Manhattan as the nation's commercial capital and playground for the rich.

The poor are being pushed out of the entire East Side of Manhattan from the East Village up through Yorkville, freeing the professional elite—the Bloomingdales/New York magazine crowd—from having to associate with the poverty class.

On the West Side, the Lincoln Center complex created another sanctuary for the upper classes. The poor, almost all black and Puerto Rican, were to be contained throughout The Bronx in the massive low-rent housing projects built for that purpose and in the tenements that remained.

The insertion of those high-rise housing projects has ripped apart the fabric of the tenement neighborhood life in The Bronx. The projects in the short run have turned out to be viable holding cells for the minority poor who barely are noticed by commuters on fast-track expressways from Westchester to Wall Street. But the high-rise tenements also have proved to be festering sores—centers of alienation, crime, joblessness.

We think now of these problems of The Bronx because President Carter stood in the midst of the desolation on Charlotte St. one day last October to underscore his commitment to solving America's urban problems.

No one seems to know for certain why he bothered to make this gesture of concern. Some say it was to get back at New York City's Democratic mayoral candidate, Edward Koch, who was giving Carter a hard time on his Mideast policy. Carter wanted to show Koch, according to one White House staffer, that he had "best tend to the problems in his own backyard."

Carter had been at the United Nations that day, and another account has it that he went to The Bronx in a whim inspired by Patricia Roberts Harris, secretary of housing and urban development, to demonstrate that the President is as much concerned with domestic problems as with international ones.

Well, he isn't—at least not as illustrated by the South Bronx case. Insiders agree that the President now regrets having gotten involved. The momentary exhilaration of live TV coverage has given way to the hard fact that at this moment, neither the Administration nor Congress seems willing to make the serious commitment needed to save The Bronx or any other blighted central city area.

When Carter got back to Washington, he ordered White House assistant Jack Watson to "do something" about the South Bronx. That ended in a limited commitment to a South Bronx revitalization plan hastily concocted by New York City authorities.

To date there is a federal commitment to spend $55 million this year, basically as loan money to encourage investment as well as to build 750 additional units of housing. In the nine months since Carter visited the South Bronx, the only concrete achievement has been the creation of one multiservice office for small business.

Meanwhile, the dry rot of the Bronx has continued to accelerate up the Grand Concourse, the once-proud central artery of the borough. It would now be most accurate to think of the entire borough of 1.5 million people as being part of the "South Bronx problem."

The Bronx is now a poisoned flower.

The parks—Van Courtland on the northern boundary, Crotona in the center, and of course Bronx Park with its fabled zoo—are now seedy affairs neglected by the city, stained indelibly by perverse graffiti artists and incessant violence.

They were once the perfect, green, refreshing counterpoint to urban life, a vacationland for hundreds of thousands of picknickers with their blankets, Sunday newspapers, mandolins, chess and kids.

Now they are empty, scary places. So, too, the miniparks and benches around the playgrounds that formerly functioned as neighborhood plazas—the heart of a free-wheeling childcare, communications, dating network.

There was a balance to the life of The Bronx. Now there is madness and the time of the bully.

As S. Robert Wilner, 72, a retired engineer who now teaches meditation techniques to seniors at the Young Men's Hebrew Assn., describes his tormentor:

"I walk on the Grand Concourse and this regal person—must be 7 feet tall—strides up. I didn't get out of his way fast enough and his elbow strikes me on the head."

Wilner's encounter with the giant of the Grand Concourse resulted in his hospitalization, as had two previous incidents, once when he and an 80-year-old companion were brutally beaten by teen-agers at a bus stop.

As Wilner attempts to complete his accounting, scores of elderly people crowd in to relate the details of multiple muggings that have marked the twilight of their lives.

Their complaints mostly are against the violent young, who make street corners near schools so inhospitable that bus drivers will not stop to pick up the seniors.

They live in apartments with two and three locks on the door, but burglaries occur regularly. Not one in the crowd would dare venture out at night.

These are sweet people who say they love The Bronx and don't want to leave it. Some can't and are there because rent control provides them with the only place they can afford. These are people who worked all of their lives and now must subsist on $300 or $400 a month.

Here with the Jewish senior citizens it is the same as it is elsewhere with the blacks, Puerto Ricans, Irish, Italians, in the tenants' meetings or on the street corners—a sense of being cut off from power.

Anyone who bears the marks of the outside—a camera, tape recorder, necktie—is seized upon as an antenna for messages of desperation. And the desperation cuts across all racial and ethnic lines.

The sense of abandonment is pervasive. These people feel cut off and isolated in a world that no longer abides by any recognizable rules. They are too weak to play by the new rules of the jungle yet feel that that is what the city has left them with.

There were harsh words for President Carter, who came around that once and who was the recipient of most of their votes.

"Carter hasn't helped at all," said Ruth Ballan, whose house has been burgled five times. "Have you driven around here and seen all of those burned-out buildings? It's *schrechlich*—you know what schrechlich means? It's terrible, it's horrible.

"People used to be able to sit in this park; it was a haven for the elderly. It was just magnificent. The plants are gone, the benches all broken up. There were statues. The kids cut off the heads. The filth is terrible."

Rep. Robert Garcia, a Democrat of Puerto Rican descent, has his arm wrapped around Mrs. Ballan, who owned the Snow White food store around the corner on Brook Ave. when "little Bobby (Garcia) used to come in."

Garcia, who represents the South Bronx, shared Mrs. Ballan's despair. He recalled campaigning in the park. "In the old days it was bumper to bumper on those benches. You could not get a spot there. Now the park is empty."

The kids in the area, mostly black and Puerto Rican, are not the way Mrs. Ballan recalls Bobby Garcia's group in the old days. The new breed, in her view, is wild beyond belief.

"These kids that pull old ladies' pocketbooks—some of those they see are infirm and can't fend for themselves, they go after them. Sometimes just for sheer nastiness. Even the buses are a danger to travel on. There are regular pickpockets there."

Two floors below the senior center at the YMHA, hundreds of kids, almost all black and brown, are lined up to apply for federally funded summer jobs. They don't look like muggers or rowdies and indeed must suffer considerable bureaucratic discipline to land these jobs.

The director of the program, a 27-year-old Puerto Rican, Miguel Montez, who grew up in the South Bronx, feels the lack of jobs is at the root of the problem.

In Montez's view, "We don't have enough jobs for the kids in the summer. It gets hot. And you're 17 or 18 and you don't have any money in your pocket, so you go out looking for some money. I'm not saying it is correct. We've got to get jobs for the kids, keep them occupied."

Welfare has been the alternative to jobs, and as Montez notes the shift, "I was born in the South Bronx, but it's changed. When I was a kid, I don't remember too many people being on welfare. We were poor, but I don't remember any of my friends being on welfare.

"When you don't have to go out and work and they just give it to you, it has to affect your attitude. You might try and go out to

two or three places to get a job and then you give up. First, strike one because you're black. In my desk I have resumes of 250 (minority) people with bachelor's (degrees), a couple of people with master's (degrees). And I can't get them jobs. Nobody wants them."

The South Bronx is a maintenance culture hooked on welfare and government-subsidized housing. It exists as apart from the mainstream economy as does the life of a methadone addict from straight society.

The maintenance economy of the South Bronx is obviously made necessary by the fact that it has been easier for the government to house and feed people minimally than to provide them with jobs.

It may be that when people are maintained too long, they are no longer fit for, or desirous of, gainful employment. But there is ample evidence of a large army of involuntarily unemployed people in The Bronx—and an overwhelming lack of jobs.

The unskilled jobs that were the entry point into the economy for past generations of immigrants were replaced by mechanization or are now located in the nonunionized American South and abroad.

Community organizers say the Puerto Ricans and blacks of the South Bronx are no less willing to work than were their predecessors, but the jobs are not there.

A recent notice of work to restore the Woolworth Building produced 5,000 applicants on short and limited notice. Thousands of young people went begging for the jobs provided this summer under the federal Comprehensive Employment and Training Act. The demand from the minority poor was so high that Koch, now the mayor, instituted a lottery.

The announcement of a few security jobs paying $3 to $4 an hour at a newly opened housing project attracted hundreds of serious and enthusiastic applicants from the immediate neighborhood.

But it is also true that it is less horrifying to be jobless in the welfare age than previously. With a bit of hustling, one need not go hungry often nor sleep on park benches. With a bit more hustling it is possible to score drugs or alcohol and forget temporarily that one is not doing anything with one's life except spacing out.

In the South Bronx, life is sustained by welfare—but just barely.

At one tenants' meeting, a couple of middle-aged women encircled by children burst in to drag Garcia across the street to witness the squalor in which they are forced to live.

These women, who live in a dilapidated five-story tenement, dream of being admitted to a municipal housing project which, despite its flaws, is blessed with concrete walls that neither burn nor leak. Their names are on a long waiting list.

Most of the apartments in their tenement have burned out, and the "lucky" tenants who had occupied them were permitted to move into the projects ahead of the others. At least in the projects, there is some semblance of police security and landlord services.

Here there is excrement, piles of it left by junkies who have turned the hallways of The Bronx tenements into public latrines. Here there are rats as big as cats that move boldly through the mounds of rubbish in the hallway in the daylight, even when a U.S. congressman is present.

Here, in the midst of broken glass, rotting fruit and the acrid and ever present stench of urine, little children play jacks in their hallway playground of filth that is yet cleaner and safer than the dreaded streets.

Garcia grew up in this neighborhood. His father headed a small evangelical church for 37 years around the corner from the once prestigious St. Ann's. And he remembers this as a stable and safe mixed neighborhood—Puerto Rican, Italian, Jewish, Irish—going back to the 1930's.

At times, Garcia seems like a Puerto Rican "Marty," who would rather attend a Yankee baseball game than lead a social crusade. But he moves easily on the streets of the South Bronx, and he obviously enjoys the close company of its people.

The playful Garcia becomes deadly serious and near tears as the middle-aged women take him on a tour of the "apartment," which has been turned into a rain forest due to the broken pipes in the abandoned apartments above. It is necessary to use umbrellas to pass through the hallway.

The congressman spies a school workbook in the midst of a clutter of fallen plaster and asks a 10-year-old girl if she has been doing her homework. Amazingly enough, she has. The congressman points out that he went to the same school. But things were better then.

Back on the streets, Garcia encounters teen-age pigeon fanciers guarding the front of a boarded-up, burned-out tenement. They are concerned that the congressman will tear down this building, thereby depriving them and their pigeons of a home.

These kids dropped out of school in the seventh grade and have tried to get into the Army since, but they have failed the test three times.

One of them, a genial, bright kid whose father died of a drug overdose on a nearby roof, has old hypodermic needle marks all over his arms. He tells the congressman he is now off the stuff, thanks to Dr. Mike Smith.

Garcia knows that means the acupuncture doctor at Lincoln Hospital detox, who uses pressure points and tiny needles as an alternative to methadone and big needles.

Smith, who does tenant organizing when he's not saving heroin addicts, insists that it's the landlords who hire the addicts to burn down the buildings in order to collect the insurance. There are few landlords left on the scene to dispute this. According to Smith:

"Cultural institutions don't burn down, libraries haven't burned down, the churches haven't burned down, the private little houses—have they burned down? No.—You know why all the other stuff burned down? For the profit motive. Let's face it, if you had that kind of investment and you saw that you couldn't come out of it any other way, you would buy the torch."

There is a consensus among community organizers like Smith that people of the South Bronx are not inclined to burn down their own homes, possessions and endanger their children.

Whether they are Maoists or Episcopalians, there is an apparent unity among those who would save the Bronx from the bottom up, as opposed to the outside missionaries from Washington, think tanks and developers. The people who work the streets love the life and the potential they find there in abundance, while the outside saviors feel it barely exists.

The Bronx is not dead. The situation is tragic precisely because there is so much potential, so much life despite the harsh realities. Buildings burn, track marks appear on 10-year-old arms, a 4-year-old kid falls out of a tenement window because the landlord neglected to put up a window grid.

But life goes on. The shopping hubs at 149th St. and Fordham Rd. are busier than ever. The Venice restaurant at 149th St. is still one of the best Italian restaurants in New York and Jahn's on Kingsbridge Rd., serves the finest homemade ice cream.

Pioneers are restoring row houses on Alexander St., and small and successful "sweat equity" ventures, in which tenants rebuild their houses, abound.

Senior citizens in the Mitchel Houses housing project staff their own 24-hour security patrol that has eliminated crime in their racially integrated and cheerful building plunked down in the roughest neighborhood in the South Bronx.

At the YMHA on the Concourse, 72-year-old cartoonist Sam Goldin, who has been mugged four times, says that people are basically good and that all groups have a few bad apples.

Up near 182nd St. in the Central Bronx where the Puerto Ricans have encroached on the outer limits of Little Italy, there have been the annual gang killing and threatened retaliations.

But a tenants' group—led by two products of local Catholic education, Fran Fucelli, who is half-Puerto Rican and half-Italian, and Josephine Perrella, along with the Rev. Edmund Parrakow, a Catholic priest—has organized the neighborhood against the landlords and banks whom they judge to be the central problem.

Fifty blocks south at St. Ann's Episcopal Church, where Gouverneur Morris, a signer of the Constitution, lies buried, the Rev. James Snodgrass, of proper WASP bearing, acts in concert with Milton (Karate) Morales, a tough but cheerful Puerto Rican off the streets, and Roy Howard, who speaks in the cadences of a black minister, organizing tenants.

These community organizers are particularly critical of the banks, which they charge with abandoning the economy of The Bronx. In their view, disinvestment by the banks has contributed to the creation of an economy based on welfare rather than jobs.

The big bank in The Bronx is the Dollar Savings Bank. For decades, Bronx children learned about saving, banking community ethics and responsibility from a savings program sponsored by the Dollar and The Bronx public schools. Children saved their dimes, and when $5 was accumulated, the teacher would assist in depositing the funds with the bank.

Officers from the bank would regularly visit the schools to provide homilies on the role of banking and saving in building for a better tomorrow by investing in the community.

Yet a report issued by The Bronx borough president's office last year found the Dollar Savings and the other four largest banks in The Bronx "unquestionally guilty of redlining the borough."

This report defined red-lining as "a policy under which lenders decide to refuse mortgage loan requests in certain communities regardless of the qualifications of individual mortgage applicants and the inherent value of the property in question."

In a study of the 1975 data, the latest available, the borough president's office reported that of each dollar deposited by Bronxites in their local banks, "only 12.6 cents was ploughed back into the borough in the form of residential mortgages."

In that year, Dollar Savings made nearly $60 million in mortgage loans, but only $4 million were in The Bronx. In general, the report found that while 80% of the deposits in the five largest Bronx banks came from Bronxites, only 10% of these banks' assets were invested in the borough.

The report concluded that one large bank, Eastern Savings, granted only 10 mortgages that year in The Bronx, for a total of $260,000, while it invested more than $3 million out of the state, "mostly in the Deep South."

Dollar Savings Board Chairman Henry Waltemade denied that his bank practices red-lining, and he cited his obligation to depositors to make sound investments.

But the borough president's office insisted that investment in The Bronx can be profitable, pointing to the example of a smaller bank, Yorkville Savings and Loan, with only 3% of the assets of the six largest Bronx banks, which invested more in The Bronx than the six largest banks combined.

The report noted. "Dollar Savings has over 25 times as much in assets as Yorkville, and yet Yorkville made 197 Bronx loans in 1975, while Dollar made only 32."

Community organizer Fran Fucelli, who refers to a file of hundreds of rejected mortgage and home improvement loan applications, charged that Dollar "has been the leader in red-lining this community out of existence. They won't even give mortgages in Central Bronx neighborhoods that are still considered good. It's become the self-fulfilling prophecy, with the bank saying the neighborhood is going downhill and therefore not worthy of investment, and that in fact becomes a reality."

Community organizers are critical of the President's plans to save The Bronx because, in their eyes, it does not come to grips with the issue of red-lining.

This was confirmed by one close adviser to the President who, when asked if Carter really is going to be able to save The Bronx, said, "Of course not. How's his plan going to save The Bronx when the insurance companies and the banks are red-lining the hell out of it?"

The community organizers were also critical of sensationalist reporting on The Bronx which fails to discuss such mundane matters as red-lining, insurance payments for burned-out buildings, lapses in landlord services, etc.

Members of one group, the Morris Heights Neighborhood Improvement Assn., claim that they spent dozens of hours with representatives of CBS Reports for its feature, "The Fire Next Door," which termed The Bronx the arson capital of the world.

They insist that they took crews from the network to tenants' meetings, outlined the economic problems and showed positive alternatives of tenants organizing to retain and maintain their own buildings.

They are disappointed that none of this material was used in the program. Tenants' organizer Debby Smith, mother of two, said she was told by one CBS vice president that "positive stuff doesn't sell" and that red-lining was too complicated to go into.

There is no doubt that a great deal of "positive stuff" does go on in The Bronx. But compared to the dimensions of the problems, it often seems forlorn.

The thousands of tenant organizations, neighborhood councils, dedicated church people, shopkeeper associations, community-run medical programs are real enough.

But they are, in the main, efforts to spit against the wind. Big power in The Bronx—the banks, developers, government programmers—has proved indifferent to such activities.

Those people, when interviewed, tended to look upon community organizers as rip-off artists who must have some sort of scam going, or else why would they do it?

While there are, no doubt, poverty pimps—hustlers making a fast buck off programs to aid the poor—it is absurd to deny the obvious depth of idealism that persists, perhaps undeservedly, in The Bronx.

There are endless tenants' meetings and subsequent agitation over such seemingly minor matters as obtaining a promised buzzer system, a locked front door and locks on all doors, mailboxes that close and lights in the hallway.

But for many of these tenants, such small improvements are perceived as representing the margin between life and death. And unhappily, the crime statistics back up those perceptions.

The community organizers hurl the rip-off artist charge right back at the developers and banks who they claim are acting in concert with government agencies to make profit off the poverty that abounds.

In a recent article in the New York Daily News, one such activist, the Rev. John J. Jenik of the Bronx Church Coalition, charged that the announcement of Carter's South Bronx plan had unleashed a modern day "gold rush" to mine the poverty of The Bronx.

Organizer Debby Smith said, "The only thing that will come out of this is another housing project that doesn't work and a campaign poster for Carter." Gilberto Gerena-Valentin, a New York City councilman who represents the South Bronx area, strongly denounced what he considers Carter's hypocrisy:

"The South Bronx plan is part of the whole situation where people are being used and misused and promises are made which are not fulfilled. . . . The plan doesn't mean anything. The plan is just a gimmick to get people riled up . . .

"The plan is one that is going to take seven years, and the first three years all they are going to do is build a little 100 units of housing over here and 200 over there. Imagine, you have almost 65% unemployed and you need at least 30,000 new apartments.

"So I guess poverty is the haven for those who are making the money.

. . . Those developers and the contractors and the banks—they're laughing."

But Carter did go to Charlotte St. He was there, for however brief a time, when most of us would rather not have known about the problems of the South Bronx. Carter is the first President to formulate an explicit urban program.

He cares, but at the same time, he is a consummate politician who believes he cannot afford to care too much. Because of that contradiction, it seems sadly ordained that he will once again raise expectations only to ultimately betray them.

Congressman Garcia has a wait-and-see attitude toward Carter's South Bronx plan. But time is running out. He points out that there are 1.5 million U.S. citizens living in the Bronx and they are entitled to the same rights to life, liberty and the pursuit of happiness as anyone.

But in The Bronx, civil rights are seriously in question.

There has been a breakdown of those ordinary social services that one would have thought were the birthright of any American citizen.

The right to have one's mail delivered, for instance. It is commonplace for tenants who expect a Social Security check to line up at the mailbox on the appropriate day to abort a highly likely theft.

Many mailboxes are inoperative, punched out by thieves and vandals and left unrepaired by landlords. It is assumed in many neighborhoods that the police will not enter, even if called. So people stop calling.

Normal housing code inspections have been suspended or half-heartedly enforced because the relevant bureaucracy is undermanned and totally cynical about the prospects for improvement.

Perhaps the most serious deprivation derives from the fact that many people in The Bronx no longer believe in the possibility of public education. Josephine Perrella, a welfare specialist in the central Bronx, reports that even non-Catholic welfare recipients manage to scrounge up the $300 a year necessary to send their children to parochial schools.

It is difficult to find a schoolteacher who believes that The Bronx public school system can accomplish much. Discipline is lax, academic standards are virtually nonexistent and teachers are cynical. One well-intentioned Puerto Rican teacher in the South Bronx referred to some classes at her school as being "headed straight for Sing Sing"—which is "tracking" with a vengeance.

The blame is cast everywhere—on unruly students, parents who don't care, teachers who live in the suburbs and flee at 3 o'clock, unions concerned only about higher wages, administrators who are incompetent and without hope.

The blame is so widespread and the cynicism so pervasive that it is easy to lose sight of the fact that a child in The Bronx, particularly south of Fordham Rd., no longer has the full right to a public education.

So what?

"They're defined by the elite as an underclass—more up-front racists would say spics, niggers, welfare cheats—any subhuman category will do that makes this desperate poverty seem naturally ordained," says Mike Smith, the physician.

He explains how the elite of Manhattan manages to drive from Westchester past this cross between Calcutta and bombed-out Dresden and yet live with it.

"They don't see it. That's why they built the freeways cutting through here, so you can go fast enough not to have to see the people stuck here. Minutes from here, they sit in posh offices and dine at elegant restaurants as if none of this has anything to do with the decisions they have made for this city.

"It's troublesome to notice it; it's best ignored."

Smith spends his days finding pressure points in the ears of heroin addicts, an acupuncture technique, to calm them down. Perhaps he sees too much at Lincoln Hospital. Perhaps he should be more reasonable, more circumspect in his indictment, put things in perspective.

But the perspective of the South Bronx obliterates any such sensibility. As Father Snodgrass of the Episcopal church put it, "These kids are sentenced before they are grown."

Around the corner from his St. Ann's Church, Snodgrass and Garcia wander through what was to have been a showcase housing project for the poor—the Jose de Diego-Beekman housing project. Next door stands the half-vacated, burned-out Mott Haven housing project that rivals Diego-Beekman as a disaster area.

There on 139th St., 12-year-old Alfred Dennis is talking about the knifing on that very spot the day before.

Young Dennis has been accepted at the elite Brooklyn Tech High School for the fall. He beat out thousands of other applicants from far more privileged backgrounds.

No street bum, Dennis is a sound and sensible kid who wants to get ahead. But the daily world that he must deal with is grotesque beyond description, and the chances are great it will drag him under before he graduates from Brooklyn Tech.

The knifing the day before was a routine affair as Dennis and his friends tell it. There was an older guy who had recently moved into one of the projects—despite managements' boast of tenant screening—who had a history of raping little girls.

He continued this practice once in the neighborhood, and a father of one of his victims took matters into his own hands, confornted the rapist and ordered him to get out. The rapist pulled a knife and slit the throat of the father.

This was too much—even for this neighborhood—and the other residents pummeled the rapist near to death. The blood from all

this stains the sidewalk, but it is only one stain.

Soon the rapist is forgotten, and dozens of sadder, more miserable escapades are related as if the murders, rapes, knifings have become a village rite for marking the passage of calendar time.

Life is cheap. Perhaps not. Dennis'—anyone who met him would want to hug him and save him. But life is cheap because we have never been properly introduced to the victims.●

WRITER POINTS TO HELSINKI ADVANTAGES

HON. PAUL SIMON

OF ILLINOIS

IN THE HOUSE OF REPRESENTATIVES

Tuesday, August 15, 1978

Mr. SIMON. Mr. Speaker, Ray Moseley, a Chicago Tribune reporter who covered the 1975 Helsinki Conference as a European news editor out of United Press International, had some observations which I think are sound.

Unquestionably, the Helsinki accord opened the door of freedom slightly in the Warsaw pact countries, including the Soviet Union. There are a great many things that are still wrong, and they have a long way to go before they achieve anywhere near the freedoms that we have in our country; but Helsinki was a great victory for the forces of freedom, and I am pleased to insert this article from the Chicago Tribune.

The article follows:

THAT HELSINKI "SELLOUT" EMERGES AS REDS' BIGGEST BLUNDER

(By Ray Moseley)

Four years ago this month, then-President Gerald R. Ford and Secretary of State Henry Kissinger were under heavy attack in this country, accused by their critics of selling out to the Soviet Union.

The occasion was the European Conference on Security and Cooperation in Helsinki, Finland.

The years since then have demonstrated how wide of the mark the critics were. In retrospect, Helsinki stands as a victory for the West and a colossal blunder by the Kremlin.

For years the European Security Conference was a major foreign policy goal of Soviet President Leonid Brezhnev. He wanted it to ratify the postwar frontiers of Europe—particularly the alterations in the German, Polish, and Russian borders effected by the Red Army—and to set the seal on his detente policy with the West, allowing Russia to give more attention to its problems with China.

The critics of Ford and Kissinger seized on this aspect of the Helsinki agreements and contended that the West was supinely acquiescing in territorial changes brought about not by international agreement but by force of Soviet arms.

In fact, the West merely accepted what it had no power or intention of trying to change in any event.

But the critics ignored, or dismissed, the fact that Western negotiators made the Russians pay a heavy price for this agreement. The price was a whole series of agreements that pledged the Russians and other East European states to open their borders to free emigration; to allow separated families to be reunited; to permit Western newspapers and magazines to be sold on their newsstands; to encourage a freer exchange of ideas, and to ease the working restrictions on Western reporters based in their countries.

In retrospect, this was such an unfortunate quid pro quo for the Russians that it is astonishing the Kremlin agreed to it. Yet the failure of many in the West to perceive the significance of the human rights provisions of Helsinki may help explain this failure of perception on the part of the Soviet leadership.

The Russian paid some lip service to these agreements; for example, they eased travel restrictions on Western correspondents. But they evidently calculated that any clamor stirred up by their failure to observe the other articles of the agreement would be short-lived.

In this, they underestimated the ability of the small group of dissident intellectuals in the Soviet Union to use the Helsinki accords for their own benefit. The dissidents set up unofficial watchdog committees to monitor Soviet compliance, or noncompliance, with the agreements, and were spurred on by Jimmy Carter's accession to the Presidency.

The Russians then were faced with three choices: Honor the Helsinki agreement. Continue to ignore them and let the dissidents have their say, hoping they would run out of steam. Crack down hard on the dissident movement.

The first was not a choice the Kremlin would even consider; honoring the Helsinki agreements would mean dismantling the whole authoritarian structure of Soviet power and turning the country into a kind of Yugoslavia.

Condoning the dissidents would be a dangerous course. Even though the movement is small, its influenece far exceeds its numbers, and the germ of contagion could spread through Soviet society.

Cracking down on the dissidents, the course that was chosen, further exposes the hollowness of the Soviet action in signing the Helsinki accords and carries grave risks for Soviet relations with the West.

Thus, Helsinki presented the Soviets with a no-win situation. Or at least that will be true if the West does not simply forget about the dissidents once the current clamor dies down and does not go on doing business with the Russians as usual.

If the West continues to make the Soviets pay a price for their unwillingness to adopt the rules of civilized conduct, then the Helsinski accords may be viewed in the Kremlin leadership for years to come as one of Leonid Brezhnev's greatest blunders.●

SPENDING CEILINGS AND REVENUE FLOOR

HON. JIM MATTOX

OF TEXAS

IN THE HOUSE OF REPRESENTATIVES

Tuesday, August 15, 1978

● Mr. MATTOX. Mr. Speaker, Mr. REGULA and I intend to introduce an amendment to the second budget resolution for fiscal year 1979 establishing spending ceilings and a revenue floor that would reduce budget authority by $423 million and outlays by $873 million.

The first part of the amendment reduces budget authority by $288 million and outlays by $538 million, leaving a total of $500 million in budget authority and $500 million in outlays for resumption of the countercyclical program.

The second part of our amendment reduces budget authority by $135 million and outlays by $335 million to reflect the House-passed amendment to the comprehensive employment and training bill.

We offer this amendment because both the countercyclical and the public service employment programs are overfunded in this resolution as reported and our intention is to bring the level of funding for these programs down to what we might realistically expect to be enacted.●

LOGGERS NEED FAIRER TREATMENT BY THE IRS

HON. JAMES M. JEFFORDS

OF VERMONT

IN THE HOUSE OF REPRESENTATIVES

Tuesday, August 15, 1978

● Mr. JEFFORDS. Mr. Speaker, today I am introducing legislation to resolve a problem that is particularly vexing to workers in the wood harvesting industry. This bill amends the Internal Revenue Code of 1954 to clarify the treatment of certain individuals who are independent contractors in the wood harvesting industry for the purposes of employment taxes.

The conferees on the Tax Reform Act of 1976 were particularly concerned with the problem of clearly defining who constitutes an "employee" as opposed to an "independent contractor." They directed that a study be conducted by the staff of the Joint Committee on Taxation and urged the Internal Revenue Service not to apply any changed position or any newly stated position which would be inconsistent with a prior general audit position in this subject area until the study had been completed.

In November, 1977, the General Accounting Office submitted a report entitled "Tax Treatment of Employees and Self-Employed Persons by the Internal Revenue Service: Problems and Solutions." As evidenced in that report, the Service has continued to conduct retroactive employment tax audits and has shifted its positions in interpreting the so-called twenty common law test questions utilized to determine whether a person is an employer or an independent contractor. The Service has continued to use conflicting and inconsistent standards, variously interpreted by Service employees, and have applied these standards inequitably to loggers and associated workers in the wood harvesting industry. Indeed, Commissioner Kurtz, in a speech 1 year ago to the tax section of the American Bar Association, stated: "Applying the 20 common law factors does not produce consistent results or easy administration. No single fact is conclusive. The degree of importance of each factor varies."

In January, 1978, my Vermont colleagues, Senator Stafford and Senator Leahy, and I jointly wrote to Commissioner Kurtz requesting that, in the spirit of the informal agreement between the Internal Rvenue Service and the Joint Committee on Taxation, and in light of the November, 1977, GAO report, he consider placing an indefinite moratorium on field audits in the logging industry until appropriate legislation could be developed to clarify the definition of independent contractor. Four months later, in a letter dated May 10,

1978, Mr. Kurtz replied and declined to intervene in the employment tax examinations of the loggers in the Northeast, Mr. Kurtz stated: "However, especially in a context where the Service's position has been clear since 1940, I believe we have an obligation to make current audit determinations consistent with long-standing revenue rulings subject to taxpayers' rights to disagree on the merits, unless and until there is a change in the law." It is clear, however, that in specific instances loggers in Vermont had their individual returns audited in 1972 and 1973 for the tax years 1968 through 1971, and received written determinations from the Service that they were independent contractors for the purposes of taxation and withholding. However, these very same individuals, not having changed their practices, were again examined by the Internal Revenue Service field auditors in 1976 and 1977 for the tax years 1972 through 1975, and are now found to have been employers who improperly failed to withhold income and social security taxes. These loggers are now saddled with judgments by the Internal Revenue Service that approximate or exceed their net worth.

The measure which I am introducing today is being introduced in the Senate by my distinguished colleagues from Vermont, Robert T. Stafford and Patrick J. Leahy. This bipartisan effort demonstrates our mutual concern that individuals engaged in wood harvesting industry not be unfairly and differentially treated by the Internal Revenue Service This proposal will institute two changes.

First, there are established three simple tests to determine whether an individual in the wood harvesting industry is an independent contractor.

Second, a new reporting requirement, similar to an Internal Revenue Service 1099 form, is established to ensure that independent contractors annually report to the Internal Rvenue Service all cash and other contractual transactions, including the names of sub-contractors and the remuneration paid each in a year.

For the further information of my colleagues, I am pending hereto a transcript of a report recently written by Mary Beausoleil from Lyndonville, Vermont. Mary is the spouse of one of Vermont's beleaguered loggers, Robert Beausoleil. This report details how a logging operation works and why the contracting system is key to the success of logging.

The report follows:

WOODSMEN VS. THE IRS: OUR SIDE

(By Mary Beausoleil)

From colonial days lumbering has been an important industry in New England. Though many of our forests have given way to farms, factories, houses and highways, there are still areas in which lumbering continues to be an important part of the economy. The Northeast Kingdom of Vermont, that poor and proudly beautiful corner in which we live, is one of these areas. The woodsman, less visible than the farmer, has nevertheless been recognized for his own distinctive contributions to our region from early days, as E. A. Kendall, a visiting Englishman, wrote of him in 1809:

"The strength and execution of his arm almost exceeded belief; and he fells the forest with at least as much activity as others plough the soil. Meanwhile, it is often amid cold and wet that all his labour is performed. It is often in marshes that he employes his axe whole days together . . ."[1]

The modern woodsman travels a sometimes dangerous, often exhilarating, and always independent road from the depths of our forests to the limber yards of neighboring paper mills, furniture factories, and sawmills. Now he is being ambushed on that journey by the Internal Revenue Service and the attack finds him poorly supplied and trained, with his forces scattered, and on an unfamiliar battlefield. The purpose of this paper is to help those who will, and others in similar situations, understand his plight.

HOW A LOGGING OPERATION WORKS

The journey from the woods to the mill begins when a tree is cut down by the feller, sometimes also called a chopper, whose job it is to cut down, limb, and remove the top from the tree. There are numerous skills required for this job: the feller must be able to cut down a tree without splitting it, he must be able to place a tree for the most accessible skidding, and he must know how to operate, sharpen and repair a chainsaw. In order to do his job, a feller needs equipment: two or more chainsaws and tools, a pickup truck to carry his equipment and fuel, and safety equipment—steel toed boots, hard hats, ear protection, and safety glasses. His investment may be anywhere from about $800 to $10,000.

In addition to his skills and equipment, a feller must have judgment. He decides where to begin cutting on a woodlot. He uses judgment as well as skill in deciding where to place a tree as he fells it, where to limb it and where to cut the top off. The feller's job is finished when the tree has hit the ground and has been made ready for skidding, the next step. The feller is paid a fee based upon the number of cords or thousands of board feet that he fells.

The skidding (moving a tree from the woods to a landing where it is cut up) is done by a man called a skidder, who works with a machine also called a skidder (in the man's honor) or, less frequently, with a bulldozer or a horse. The skidder must know how to operate his machine (including how to start its diesel engine in the winter); how to maintain and do repairs on it; how to hook a skid chain to hold a "hitch", the trees chained together for the trip to the landing. The skidder also must know how to operate a chainsaw, because there wil be times when he will need one. The skidder plans the skid trails and must know how to build a log or culvert bridge.

The skidder must use his judgment to plan his trails and load size to harmonize with the terrain and soil conditions. And he must always be trying to get the most work out of the machine without going past the point of diminishing returns, after which the machine's repairs will cost more than it earns.

A skidder will need, besides his machine or horse, one or two chainsaws, tools, and a pickup truck to carry tools and fuel to his job. His investment could vary from about $1000 (with a horse) to $80,000 or more. A skidder, too, is paid by the cord and by the thousand, and his job is finished when he has delivered the trees to the landing where they are cut up by a cutter or bucker.

The cutter is the person who turns a tree into marketable wood; to do this he must know the wood and the markets. He must know the market conditions—what is selling now—and the mill specifications for grade, dimensions, and permissible defects. Cutting the tree to those specifications, called "fitting the timber", requires a good deal of experience and judgment. The cutter makes the cuts that determine whether a tree becomes a valuable log or less valuable pulpwood.

A cutter must know how to operate, file, maintain and repair a chainsaw. He cannot leave the woods for a garage—much less call a mechanic—whenever he has trouble with his saw. And a cutter must file his saw several times a day, not every few weeks. Filing, so mysterious to the hobbyist woodsman, must be second nature to a cutter. Like a doctor studying his patient's urine sample, a cutter can tell from his saw's chips what is wrong with the chain: fine dust indicates dullness; long skinny chips indicate improper angles on the teeth.

The cutter's equipment consists of two or more saws, tools, peavies, axes, wedges, safety equipment, and a pickup to carry all this and his fuel. His investment may vary from about $800 to $10,000. The cutter's fee is determined by the number of cords and thousands he cuts up, and for an additional fee he may also pile the wood—some do, some do not. If the cutter chooses not to pile the wood, the trucker will get this fee and use it either to compensate himself for extra time spent picking up loose wood or to pay an assistant to help him load.

The trucker, the last link between the woods and the mill, picks up wood at the landing and delivers it to the mill yard. He is a skilled driver and loader operator. In addition, he maintains his truck and does at least some of the repairs on it and on the hydraulic loader. He must be familiar with mill specifications and market conditions. He must be a skillful buyer of parts and equipment, because parts and repairs is the part of his business in which he will be most able to save money by finding the best quality at the lowest price.

A trucker plans his work week, trying to balance the needs of his customers (for, example, more space on the landing) with the market and road conditions. He must know the conditions of town and state roads and bridges in order to plan his route. The trucker must also plan his load size to satisfy the state, which sets a legal load limit; his customers, who want to send as much wood as they can; and the trucker himself, who must keep in mind that at some point a large load may cost him more in truck repairs than it brings him in income. The trucker also has considerable bookkeeping responsibilities in securing permits and licenses and paying road use taxes.

A trucker's equipment will consist of a truck and loader, a pickup truck for looking at jobs and carrying parts and fuel, and usually a garage in which to do maintenance and repairs. The trucks used to haul wood are among the heaviest on the road because they require so much heavy-duty safety equipment (rear ends, brakes, transmissions, frames, e.g.), and they are expensive. A trucker's investment will run between $50,000 and $150,000. The trucker, too, is paid a fee based upon the number of cords and thousands of feet handled.

HOW THE CONTRACT SYSTEM WORKS

The contract system is the glue that holds the woods industry together. With one exception, all the mills buying pulpwood from our area let out contracts to wood producers. (Log buyers, however, with their much smaller volume and more valuable wood, usually do not use contracts.) A wood producer with a contract from a paper company can get that wood in two ways: he can buy it "roadside" from farmers and other stumpage owners who either get it out themselves or contract with someone to get it out for them, or he can contract himself with people to cut it from land on which he owns the stumpage rights.

This contractor, if he does not work in the woods himself, will find contractors to fell, skid, cut and truck. If he does work in the woods, he will perform one of these functions

[1] E. A. Kendall, *Travels through the Northern Parts of the United States in the Years 1801 and 1808*, 1809, as quoted by Robert E. Pike, *Tall Trees, Tough Men* (New York: W. W. Norton & Co., 1967) p. 52.

himself and find people to contract for the others.

This system of contracting is not new in the logging industry. In northern Vermont this is the way wood has been harvested for as long as the oldest woodsmen and farmers can remember. It is not a system invented to evade taxes, but one which goes back at least to 1761 when, according to Robert E. Pike, "an enterprising Yankee named Jared Ingersoll, of Connecticut, persuaded the Navy Board to give him a contract to procure eighty 'Mast Pines' (that is, two ship-loads) on the Connecticut River . . ."[2] Working with contractors is a usual and customary way of doing business in the lumber industry.

There are several advantages to this system, but the chief one is that people are generally more productive when they are working for themselves than when they are working for someone else. This greater productivity benefits choppers, skidders, cutters, truckers, and the mills in the form of higher earnings; and it benefits consumers of paper and wood products through lower prices.

The woods is one place where, by dint of hard work, good judgment and luck a person can raise himself from the lowest class of society, if that be where he began, to the middle class or higher, and he can be independent while doing it. Most skidders, truckers, and wood dealers began their careers as choppers or cutters. Horatio Alger stories are still commonplace in the woods business.

Some woodsmen prize their independence and their free time more than they do the money they could make. Contracting enables them to work whenever they want to and to have as much free time as they want. No employer would tolerate as much independence in his employees as woodsmen have.

Now, after doing business this way for as long as we have done business at all, we find the IRS trying to call some contractors "employees" and attach them to some other contractor, whom the IRS designates "employer". Then the IRS imposes all of the duties of employer on the contractor and assesses him for the back taxes, penalties and interest on his newly-designated employee's newly-designated wages. The result is an assessment that often may exceed the net worth of the assessee. Many of these same woodsmen now being audited and assessed have had their tax returns audited in the past without any IRS comment on the contractor issue.

IRS Commissioner Jerome Kurtz, in a speech to the tax section of the American Bar Association on August 6, 1977, makes extravagant estimates of the rate of tax avoidance among self-employed people. This estimate is disputed by the findings of the General Accounting Office in a report to the Joint Committee on Taxation of November 21, 1977. The GAO report also shows that these IRS assessments often have the effect of collecting taxes twice, which Congress has not authorized the IRS to do. In short, it appears that the IRS is destroying the incentive and independence of this and other industries because the IRS finds it more convenient to collect taxes by withholding, and withholding is impossible without a withholder. Do the people serve the IRS, or does the IRS serve the people?●

AUGUST 15 PROCLAIMED "RESCUE SYRIAN JEWRY DAY"

HON. HENRY A. WAXMAN

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Tuesday, August 15, 1978

● Mr. WAXMAN. Mr. Speaker, Governor Hugh Carey of New York has officially proclaimed today, August 15, 1978, as "Rescue Syrian Jewry Day." In light of the emphasis that both the administration and Members of Congress have rightly placed on the issue of human rights, I would like to take this opportunity to share with my colleagues the text of the Governor's proclamation.

PROCLAMATION

The serious plight of the Jewish community in Syria has been tragically highlighted by the recent reports of three Syrian Jews who were shot to death while attempting to escape the country which has denied them their basic human rights.

The Committee for Rescue of Syrian Jewry asserts that members of the Jewish community have not been permitted to emigrate from Syria since August, 1977, when a small number of young women emigrated to the United States. The Syrian government has rejected many applications from parents wishing to attend their daughters' weddings in the United States.

It is fitting that all New Yorkers recognize the plight of Syrian Jews who are denied the right of free emigration and are subjected to religious persecution, harassment and discrimination.

Now, therefore, I, Hugh L. Carey, Governor of the State of New York, do hereby proclaim August 15, 1978, as Rescue Syrian Jewry Day in New York State.

Given under my hand and the Privy Seal of the State at the Capitol in the City of Albany this thirteenth day of July in the year of our Lord one thousand nine hundred and seventy-eight.●

VICTIMS OF HEW IMMUNIZATION PROGRAMS

HON. JOHN D. DINGELL

OF MICHIGAN

IN THE HOUSE OF REPRESENTATIVES

Tuesday, August 15, 1978

Mr. DINGELL. Mr. Speaker, on behalf of my colleagues, Hon. JOHN E. MOSS and Hon. HENRY A. WAXMAN, we wish to notify our colleagues that they can expect to vote on the conference report on H.R. 13467, the 1978 supplemental appropriations bill, sometime on Wednesday, August 16. Amendment 18 of that report concerns the vaccination program for the Russian flu.

On July 20, 1978, the Members voted overwhelmingly (268 to 127) to amend H.R. 13467 by deleting all moneys to be expended for the purchase of vaccine for the Russian flu or the actual innoculation. The amount of $3 million allowed to remain for the program was directed to the National Institute of Allergy and Infectious Diseases for research only. If you accept the motion by the House managers to recede and concur in the Senate amendment of $8.2 million, you will not only be allowing this program to proceed with unresolved issues of liability and informed consent but will also be authorizing the expenditure of funds "to remain available until expended." The House has not yet approved the fiscal year 1979 appropriation for the flu program. We should not then allocate funds which may be used for that period and indeed beyond it.

We believe that this program should not be allowed to go forward with these unresolved questions and ask for your support in defeating amendment 18's motion to recede and concur.

In addition, we would repeat our arguments against implementing this immunization program. Inadequate hearings were held due to the fact that the Department of Health, Education, and Welfare came to Congress late with its request when vaccine testing was still not completed. HEW can provide only bland assurances as to the safety and effectiveness of the vaccine. HEW cannot pinpoint the risks to participants who may become involved and cannot cite possible side effects on health. HEW cannot estimate the financial burden that may be placed on the States, or the Federal Government, regarding possible liability suits.

We cannot condone the expenditure of $8.2 million of the proposed conference report when so many questions remain unanswered. Our questions are shared by other concerned citizens whose letters follow as addressed to Dr. J. Anthony Morris, Ph. D., Department of Microbiology, University of Maryland. Their letters relate to the questions surrounding the HEW's infamous swine flu immunization program, its resultant side effects such as Guillain Barre Syndrome, impact on public health uncertainties as to immunization programs, the liability question, and their own personal experiences that they or their family had following a swine flu shot.

We urge you to vote to support our effort to defeat Amendment 18's motion to recede and concur and hope you review this correspondence.

LONG ISLAND, N.Y., *August 5, 1978.*

Dr. ANTHONY MORRIS, Ph. D.,
Department of Microbiology,
University of Maryland,
College Park, Md.

DEAR SIR: I saw you one the Donahue Show and I listened to you with great interest. I am presently suffering from the Barre syndrome. I received the Swine flu shot around the end of October '76, but I really didn't become fully aware of the disease till the end of January '77. My Barre syndrome began slowly with numbness of extremities and is leaving slowly. I was on 100 milligrams of prednizone, but now I am on 17 milligrams every other day.

When I was in the hospital my doctors gave my illness all sorts of names such as inflammatory poly neuropathy and idiopathic polynuerities or simply chronic nuerities. After investigating the matter further I found out that these were euphemisms for the famous Guillain Barre Syndrome.

I understand you are a busy man and your time is precious. If I don't hear from you this time I do hope I hear from you sometime in the future.

In regards to my personal data; I am 30 years old, married with one child and I work as a supervisor of bail recommendation interviewers in a N.Y.C. criminal court.

I noticed on the T.V. guide that you'll be appearing on the Tomorrow show on Wed. Aug. 9, I look forward to seeing you there.

Thank you,

CARLOS SIMONETTI.

MERIDIAN, MISS., *Aug. 8, 1978.*

Dear Dr. Morris: After feeling frustrated for answers for over 18 months, I felt compelled to write to you after seeing you on the Donahue program in the hopes that you can clarify a few facts for me.

My sister-in-law, who is 29 years old, developed loss of coordination, numbness,

[2] Robert E. Pike, "Tall Trees, Tough Men" (New York: W. W. Norton & Co., 1967) p. 46.

trembling and slurred speech three weeks after receiving the swine flu shot. The symptoms came and went until January 1977, when she was hospitalized and diagnosed as having M.S. By late January '77 or Feb. '77 the symptoms disappeared. She has led a normal life, has had a baby, and has felt fine until 4 weeks ago when she was hit with a severe attack. She is mostly paralyzed, has numbness and pain, slurred speech and difficulty swallowing.

From what I have read about M.S. it isn't known what caused the disease but it is believed that it could be caused by a virus or toxins. Is it possible, then, that the swine flu shot triggered the M.S.? Have you heard about any other cases of M.S. developing several weeks after the shot was given? Since the swine flu symptoms and M.S. symptoms are so similiar is there no link between the two that you have found? Or was all this just pure coincidence?

I know that you are a very busy man, but you are my last resort in obtaining some frank, honest opinions. Please respond!

Sincerely,

DAWNELL D. SANDS.

DALY CITY, CALIF.

DR. J. ANTHONY MORRIS: Since December of 1976, I have been trying to find some help. I had the Swine Flu shot November 12, 1976 and shortly after suffered from numbness and weakness of the left side and arm, and had to give up my business.

I am unable to do a day's work and feel that I have been given the runaround in trying to get information from the hospital, where I got the shot.

Wednesday July 26, 1978 I watched the Donahue Show on T.V. and copied the information given. Your address was given.

I have been to three doctors and have received various opinions and was advised by one to take Vitamin C. None could give me a definite answer as to the cause of my problem.

I feel that my weakness is the result of the Flu shot. I would appreciate any help you can give me.

Sincerely yours,

STELLA RESH.

ROCHESTER, N.Y., *August 9, 1978.*

J. ANTHONY MORRIS, M.D.
Dept. of Microbiology,
University of Maryland,
College Park, Md.

DR. MORRIS: I am writing to you pertaining to your guest appearance on the Donahue Show August 2, 1978.

I received a Swine Flu Shot in December 1976. 1977 became the worst year of flu-like illness I have ever had.

I have had a strange sensitive feeling on one side of my body for almost 8 months. It makes me feel weak & sick at times. It is not a paralysis, tho.

Is there any possibility that I could be having a side effect that relates somewhat to the Guillain-Barre Syndrome?

I have enclosed a 15c stamp and would appreciate a reply from you regarding the aftereffects of the shot.

Sincerely,

JEANNE HERDEMAN.●

VARIETY CLUBS TO HOLD FASHION SHOW AND LUNCHEON

HON. CLARENCE D. LONG

OF MARYLAND

IN THE HOUSE OF REPRESENTATIVES

Tuesday, August 15, 1978

● Mr. LONG of Maryland. Mr. Speaker, on September 11, the Ladies' Auxiliary of Tent 19 (Baltimore) of Variety Clubs International will host a noteworthy fashion show and luncheon:

Fall designs by the award-winning couturier Oscar de la Renta will be shown, with Mr. de la Renta himself in attendance; Eric Morley, distinguished international president of Variety Clubs will fly in from England especially to be present at this event; and all proceeds from the luncheon and fashion show will be donated to the Pediatric Oncology Isolation Unit at Johns Hopkins Hospital.

The outstanding charity work of Variety Clubs International, focused on assistance to needy children, has yielded millions of dollars to benefit birth defects research, pediatric cancer care and research, physicaly and mentally handicapped children, and malnourished youngsters. Baltimore's Tent 19 has "adopted" the pediatric cancer isolation unit, used in the treatment of young children with leukemia and similar diseases, as its fundraising effort.

My best wishes go to the Ladies' Auxiliary of Tent 19 for a successful fundraiser for this most worthy cause, and my congratulations to Mr. de la Renta and Mr. Morley for their willingness to aid in this endeavor.●

MIT PROFESSOR POINTS TO NUCLEAR DANGERS

HON. PAUL SIMON

OF ILLINOIS

IN THE HOUSE OF REPRESENTATIVES

Tuesday, August 15, 1978

● Mr. SIMON. Mr. Speaker, a member of my staff called my attention to an article by Prof. Victor F. Weisskopf of Massachusetts Institute of Technology, that appeared in Physics Today. Professor Weisskopf is also president of the American Academy of Arts and Sciences.

His remarks are a frank discussion of where we stand in the nuclear area and suggest clear reasons for international restraint.

Two sentences in his article I especially call to the attention of my colleagues in the House and the Senate because they bear upon the decision by the administration and by Congress on whether we should promote the neutron bomb. In his article, Professor Weisskopf says:

As time passes the weapons multiply and become more efficient; they are adapted to all kinds of purposes, such as the neutron bomb. They are therefore more likely to be used.

In addition to its military liabilities, the neutron weapon increases the probability of the use of nuclear weapons and diminishes presidential control of nuclear weapons.

The neutron bomb is only referred to in the article and is not the primary thrust of the article, but I thought I would call that particular section to the attention of my colleagues.

What he does say clearly is that there has to be much more public attention to the issue. He says with accuracy:

In nuclear matters, the public is now interested only in the relatively unimportant issue of nuclear power. This must change. The issue of getting rid of nuclear armaments must receive more public attention, support and pressure than it receives today.

I urge my colleagues to read the article.

A PERIL AND A HOPE

WITH THE DISCOVERY OF FISSION MANKIND ENTRAINED COSMIC FORCES WITH HUMAN IRRATIONALITY; WE MUST FACE THE PROBLEM OF REDUCING THE TENS OF THOUSANDS OF NUCLEAR BOMBS READY TO BE RELEASED IN SECONDS

(Victor F. Weisskopf)

Forty years ago Otto Hahn and Fritz Strassmann discovered fission. The existence of this phenomenon could have been predicted before it was found if the theoretical physicists at that time had shown a little more inventiveness: It is a simple consequence of the facts that the Coulomb repulsion increases with the square of the number of protons and the nuclear attraction only with the first power. In 1938 enough was known about the nuclear force that it would not have been too hard to conclude that the nucleus must become unstable against a split in two parts around atomic number $Z = 90$.

Although the fission process itself was not foreseen, the possibility of a nuclear chain reaction was indeed thought of in the early 1930's by Leo Szilard. The implementation of such a recation with fission would depend upon the number of neutrons released in the process. This number was not easily predictable; even today it would be hard to determine it theoretically from our knowledge of the nuclear forces. That this number is considerably larger than unity does not appear to be based upon any fundamental property of the nuclear forces. There are no very deep reasons; it might have been less than one, but it was not.

COSMIC FIRE

The fact that the number of neutrons emitted per fission is around two seems to be very minor importance to Mother Nature. Apparently the only major roles of the fission process are to provide an upper limit to Z and to influence to some extent the abundance of fission products. Apart from this, we may forget about fission if we are interested only in the major features of our world. This is even more true about the chain reaction itself. Nature has not made must use of it; recently evidence was found that a natural chain reaction happened a billion years ago below the soil of Africa; but, to our knowledge, nuclear chain reactions have never played any role in the development of our Universe.

Do, we humans count in this Universe? If we do, my previous statement is totally wrong. For humankind the existence of this chain reaction is of decisive importance, probably greater than we can fathom today. We know that fission can be used destructively as an explosive and constructively as a source of useful energy. It is therefore a very effective instrument of power, both political power and physical power.

This, in itself, is nothing new in the history of the natural sciences. New discoveries have led to new weapons, to new energy sources, and to countless applications from which a lot of good has emerged—as well as some results that have not been so good. (In the last 20 years it has been fashionable to emphasize the "not so good," but let us be objective and fair.)

There is indeed something different in the latest developments of physics, which I will call "the leap into the cosmos." Previously we were dealing mostly with processes similar to those occurring in our terrestrial environment. In the last few decades, however, we have taken a decisive step: We now deal

with extraterrestrial phenomena. Nuclear physics and subnuclear physics deal with the excitation of quantum states that are beyond the reach of ordinary terrestrial energy exchanges: In general, nuclear reactions do not take place on Earth. Nuclear dynamics is dormant in our environment. It is of course true that natural radioactivity occurs on Earth, producing the heat in the depths of our planet, but these radioactive elements are the remnants of a very different age and of a different environment: They are the last embers of the cosmic explosion that produced terrestrial matter.

Today we physicists deal with cosmic processes in which many millions of electron volts per atom are exchanged rather than the few electron volts that are customary here on Earth. Of these cosmic processes, the fission chain reaction was one of the first to lead to major technological applications. Two hundred million electron volts per atom, twenty million times more than the most powerful chemical reaction. This is cosmic and not ordinary fire.

The first major application was a destructive one, which ended World War II by killing a quarter of a million people with two bombs. It is not surprising, therefore, that people are fearful and bewildered, and that they have misgivings even in regard to the more benign applications. The arm of technology grew by a factor of a million within the lifetime of one generation.

In 1940, however, we took little time to speculate on these questions. The discovery of fission came at a dark time in the history of mankind. Germany was in the grip of a collective mental disease of unparalleled virulence. The whole world was threatened by the expanding cancer of Nazism; the Germans discovered fission, and they might have used it if it had been usable at that time. Many of us physicists—those who were not yet too deeply involved in the development of radar, which saved England from being destroyed—worked hard to improve our understanding of fission. Many of us hoped that the number of neutrons per fission would be low enough to prevent the making of a bomb. But it was not.

HISTORY TAKES A TURN

A tremendous collective effort began. Within two years, the first nuclear chain reaction was produced under the leadership of Enrico Fermi, and within another three years, with the collaboration of many European physicists—in a truly international effort—a nuclear bomb was developed. On 16 July 1945 the first nuclear explosion was set off in a desert of southern New Mexico, at a place called Jornada del Muerte (a Spanish army perished there two hundred years ago). Human ingenuity had succeeded in the release of cosmic forces that were hidden and unknown 13 years earlier, when James Chadwick discovered the neutron.

Some of us saw this event, which, at our observation post, had the intensity of twenty midday suns: an expanding fire ball, white, and then yellow and orange, rising majestically into the sky, surrounded by a halo of blue light. The air was fluorescent with radioactive radiation.

Here it was: The laws of Nature did admit an explosive nuclear chain reaction. Because of some little detail in the equations of nuclear matter, the number of neutrons per fission was large enough. The history of mankind took a turn.

From then on, political developments, and no longer scientific ones, determined the course of events. Two bombs were exploded over Japanese cities; over 200,000 people lost their lives. Why two bombs? Why over populated areas? I am not sure I can answer these fateful questions. The bombs ended the war; they made an armed invasion unnecessary and thus perhaps saved more people than they killed. But Japan may have given up anyway under the pressure of a near defeat and a Soviet declaration of war. Whatever the answer, the stigma has remained upon the United States, as the first and only country to have used nuclear bombs. I can not tell you whether the decisions were right or wrong—I don't know.

The war ended, and it was physics that had helped to win it with radar and the atom bomb, as well as many other new gadgets. Physics and the physicists moved onto center stage in public life; the significance of basic physical science became generally recognized. New means of research, technical and financial, suddenly were available to physicists. The radar technology created sophisticated new methods for producing electromagnetic waves of all kinds. Maser and laser physics emerged from it, and with it a deeper understanding of the fundamental interactions of light and matter, leading to quantum electrodynamics, as well as of the structure of solids under various extreme conditions.

Nuclear and subnuclear research experienced an almost explosive development, with an ever growing array of cyclotrons, synchrotrons and linear accelerators. The cosmic scope of physical research widened and penetrated into new realms of phenomena:

On the microscopic side, into the GeV region—with its mesons, hyperons, antiparticles, heavy electrons and quarks, entering the innermost structure of matter;

On the macroscopic side, into plasma physics, space physics, a new cosmology and astrophysics—with its quasars and pulsars, and the observation of the optical reverberation of the birth of the Universe, the famous three-degree radiation in space.

The physicists experienced a tremendous surge of support for their activities. This in turn led to an unparalleled expansion of their fields of endeavor and to a large range of new technical applications, both destructive and constructive, such as fusion bombs, rocketry, transistors, space travel, computers and many more. The physicists now moved to the center of public attention. It was their enthusiasm and self-confidence, spurred by their successes during and after the war, that brought them into contact with the great social and political problems of the times.

Many tried, and some succeeded, to bridge the "communication gap" between politicians and scientists. Attracted by great, optimistic ideas of how to establish a new order in the world they had helped to engender, they embraced the idea of international control of nuclear explosives. They hoped this would stop all future wars, and direct the applications of fission and fusion away from destructive bombs and towards an unlimited benign source of energy for all mankind. Some of them, perhaps, also experienced a reaction against their feeling of guilt for having been involved in the creation of a device that could annihilate all mankind.

POWER—AND ANXIETY

The political realities, however, were not conducive to the ideals of those who tried to unite the nations. Stalinism in the Soviet Union, and nationalism all over the world, including our own country, led to a breakdown of attempts to lift nuclear matters beyond national sovereignty. Of course, neither the physicists nor the politicians had much experience in dealing with such complicated technical matters on an international scale. With the development of fusion bombs, the nuclear arms race began in earnest.

Among the benign implications of nuclear physics, there still remained the great promise of unlimited energy through the use of fission reactors and, perhaps later, through controlled fusion. But over the decades following World War II, doubts were raised even on that account. Because the yield per atom is so many million times higher than in any conventional way of producing power, the consequences of accidents caused by human error are much worse. A nuclear power station certainly can not explode like a bomb, but the possibility of accidents that could spread large amounts of radioactivity can not be completely excluded. Even if human ingenuity and care can keep the accident rate at an acceptable level, the public and some of the experts look with some anxiety at this "extraterrestrial way of producing energy in our terrestrial abode. The fact that the public is acquainted with this cosmic force only through the experience of nuclear bombs strengthens this anxiety. Furthermore, the use of fission for power constantly creates new raw material for bombs, which, in a nationally and politically divided world, adds to the danger of further spread of nuclear weapons.

The dangers and the promise of nuclear-power generators are today in the center of discussion; many studies have been undertaken and more are underway. Emotion and vested interest unfortunately have led to a sharp division of opinions, and the arguments used on both sides are too often beyond the limit of dignified scientific discourse.

APOTHEOSIS OF IRRATIONALITY

At the same time the nuclear arms race between the superpowers continues in an almost uncontrolled way. The Soviet Union and the United States assemble increasing numbers of bombs, and perfect their efficiency and their mode of delivery. More than 50,000 nuclear bombs are deployed and ready for use. Each country now has the capability of destroying the other many times over. Current science is totally unprepared to discuss intelligently, let alone to predict, the totality of horrors that would result from an all-out nuclear war. Consider only the effects of the vast amounts of radioactivity released upon our environment; these would be so devastating that the condition of life would be permanently and dangerously altered, without much hope of recovery. Even the detonation of a single weapon of modern design over a city would be a catastrophe unprecedented in human history. Yet two large countries keep building more and more of these horrendous means of annihilation, knowing well that any actual use of these devilish gadgets would mean certain destruction of a large part of the world—making it unfit for habitation, with little chance of a recovery of civilization. Why? Why? Why? Only because neither side knows where to stop, and both go on producing nuclear weapons intended for all sorts of imagined missions. Only because each party is under the grip of an unrealistic measure-countermeasure syndrome. It is the apotheosis of irrationality and antilogic; it is the triumph of craziness.

In comparison to this overwhelming threat the nuclear power controversy dwindles to picayune dimensions. What are the dangers of nuclear-power stations compared with the dangers of tens of thousands of bombs that can be released within seconds by a small group of human beings? What is the so-called "worst reactor accident" compared to nuclear war? The damages done by the former, which would come mainly from effects of radiation—serious as they are—are far less than the effects of a single bomb. Now think of the number of victims of a nuclear war and its irreparable effects on our environment, on our souls, alive or dead, and on our planet as a whole.

And the probabilities? Nobody really can estimate the probability of an all-out nuclear war, but one fact is clear: With all those bombs around, it is not zero. Nuclear power may be too risky, or it may not; I do not pretend to know the answer. But I know that tens of thousands of stored bombs are too risky.

Undoubtedly, it is extremely improbable that the US or the Soviet government will decide outright to set off a nuclear war, thereby annihilating both countries simultaneously. However, a nuclear clash may develop from local wars between smaller countries that have acquired, or will soon acquire, a few nuclear weapons, and may make use of them in desperation. Or it may develop from an escalation of the use of so-called "tactical" nuclear weapons, which are meant to be applied in defense against aggression by conventional weapons. The tens of thousands of nuclear bombs are a mighty tinderbox; they may explode whether it was directly intended or not.

IS THERE A WAY OUT?

I am only too well aware of the difficulties in the way of reducing that danger. I know also that the presence of these weapons is given credit for having prevented a world war for a longer period than ever before. But, as time passes, the weapons multiply and become more efficient; they are adapted to all kinds of purposes, such as the neutron bomb. They are therefore more likely to be used. The outbreak of a volcano becomes more violent after long pauses. Here we have a man-made volcano: It could be removed.

I used the phrase "almost uncontrolled" in referring to the nuclear arms race. There have indeed been a few hopeful attempts, albeit small and tentative, that slowed it down a bit. One was the cessation of bomb tests above ground; the other was the first SALT agreement six years ago, which will, I hope, be expanded in the near future. They are not much, but they are two small steps in the right direction, and we can be proud that some of our colleagues were active in bringing them about.

The difficulties of going further are enormous. Some raise the fear that the other side will gain more, or might even dare to take the tremendous risk of a first strike regardless of the consequences. There are those who say that a free society can not compete in terms of nuclear armaments with an authoritarian system in any other way but through an all-out technological arms race. Voices are heard that we should not be too confident of negotiated contracts with our opponents; that we should rather assure a reasonable survival rate by a large effort of organized civil defense in order to make the population as ready as one can be for the great holocaust. I honor the intentions of those who advocate such measures but, to make them effective, if this is at all possible, would thoroughly change our way of life. I can not help sympathizing with the majority of our population, who do not want to live under a constant awareness of mankind's ultimate self-destruction.

We can not go on forever living under a continuous threat of annihilation. There must be ways and means to decrease the number of nuclear bombs. Certainly this task can not be accomplished from today to tomorrow; it is bound to be an extremely difficult process.

THE FOREMOST PROBLEM

There is a hope and not only a peril in the nuclear development. The growing recognition of this awful threat may still change the attitudes of the sovereign states, to lead slowly to the recognition that ultimate military preparedness is much less safe than a reduction and eventual abolition of nuclear weapons. J. Robert Oppenheimer said in 1945, shortly after the end of the war:

"The point is that atomic weapons constitute a new field and new opportunities . . . when people talk of the fact that this is not only a great peril, but a great hope, this is what they should mean. I do not think they should mean the unknown, though sure, value, of industrial and scientific virtues of atomic energy, but rather the simple fact that, because it is a threat, because it is a peril and because it has special characteristics, there exists a possibility of realizing, or beginning to realize, those changes which are needed if there is to be any peace."

The task must be faced; it is the first and foremost problem of our time. Any one of us can and should play a role in this task, as a scientist and as a human being. The most important step is now setting of priorities. The reduction and eventual abolition of nuclear weapons must have absolute priority; everything else must be subordinated to this goal. The consequences of nuclear war are irreparable, whereas the consequences of other setbacks in world politics can be corrected.

This change of priority is essential and can be achieved only by constant pressure of public opinion. Remember how effective public opinion was during the Vietnam War. In nuclear matters, the public is now interested only in the relatively unimportant issue of nuclear power. This must change. The issue of getting rid of nuclear armaments must receive much more public attention, support and pressure than it receives today. There is much too little discussion of these essential questions: Do we not already have enough bombs for deterrence? How would the Soviet Union react to a restraint in development or to a cutback? We must find that right balance of risks most conducive to lowering the levels of nuclear armaments. What is needed is a combination of new technical ideas and common sense, based upon humane considerations.

Only when we see a chance of success in the abolition of nuclear armaments can we scientists be proud of the achievements we gained during the last decades: our leaps into the cosmos; our penetration into the intermost structure of matter; our achievements in getting at the basic processes of life, the workings of DNA and RNA, and the tremendous developments in our knowledge of organized matter.

It is not the first time in history that human greatness and human folly grew side by side in the same period. Think of the Gothic cathedrals, together with the senseless and murderous crusades 700 years ago. Think of the blossoming of art and philosophy during the Renaissance, along with the decimation of Europe's population during the religious wars, 500 years ago. Think of the music of Mozart and Beethoven, and of the slave ships plying the oceans, 150 years ago. Think of the greatest achievements of scientific thought, quantum mechanics and relativity theory, and the ascendancy of the murdeous periods of Nazism, Fascism and other authoritarian regimes, 50 years ago. Finally, think of the great achievements of science today, together with the folly of the nuclear arms race.

The last folly is more serious than all the previous ones. We are dealing with cosmic forces. Our epoch may be the end of what has been a great age of mankind, great in spite of all the strife and wanton destruction. Our age has been great in its achievements in art, architecture, literature, music; great in its numerous social innovations, in spite of the fact that in most parts of the world social organization and the quality of human life leaves much to be desired; great in its medical successes, which have resulted in the doubling of the average age of man; great in its means of food production, communication and transportation—which makes a united world without hunger and want a possibility, if not a reality. And, last but not least, ours has been a great civilization because of the constant growth of our insights into the mysteries of Nature, the continuous opening up, leaf by leaf, of the blossoms of truth and wonder.

THE AGE OF INSIGHT

If we do not succeed in abolishing the nuclear arms race and a nuclear war results, all these great steps will be brought to naught. The twentieth century will then be remembered as the time of preparation for the great catastrophe, and science would be seen as the main culprit and the main instrument of destruction. The twentieth century ought to be remembered as the age in which mankind acquired its widest and deepest insights into the Universe, and learned to control its martial impulses.

Let us hope, strive and act so that it will.

(This article is an adaptation of a talk given 24 April 1978 at the Washington, D.C. meeting of The American Physical Society, as part of a commemorative session marking the fortieth anniversary of the discovery of nuclear fission.) ●

INCOME DISREGARD ONE STEP IN THE DIRECTION OF WELFARE REFORM

HON. ROBERT W. KASTEN, JR.

OF WISCONSIN

IN THE HOUSE OF REPRESENTATIVES

Tuesday, August 15, 1978

Mr. KASTEN. Mr. Speaker, reforming our Nation's welfare system continues to escape the grasp of Congress. Yet, there are few Government programs which frustrate the American people more than a welfare system that consumes more and more of their tax dollars with little regard for how the money is being spent or whether it is accomplishing its desired objective.

The main goal of welfare in the United States, as perceived by most Americans, is to provide a decent, adequate level of support for those who truly cannot care for themselves. Over the years we have built an array of programs and services to aid these individuals.

The American taxpayers' support of this system has indeed been generous. By the end of 1977, the total amount of money spent cumulatively on public welfare by Federal, State, and local governments since the war on poverty began in 1964 was roughly $300 billion.

Yet, the American people's generosity has been stretched to the limit. They see a welfare system that is inefficient and ineffective. The rate of fraud is often high. Programs overlap and inequities abound throughout the system. The goal of moving people off welfare rolls and into the work force is elusive.

They look to their elected officials for solutions. And, it is we who must respond.

GAO LOOKS AT WISCONSIN

In late 1976 the Milwaukee Sentinel, one of the major newspapers in my State, began a series of articles on welfare abuse in Wisconsin. The newspaper quoted a case worker in the county welfare department: "There's no need to get into welfare fraud. You can rip off the system legally." That frank observation was followed by a strong journalistic effort to document incidents of welfare recipients who have learned to take advantage of the system and indeed "rip off" the taxpayers of Wisconsin.

Because of the concern generated in my State, I asked the General Accounting Office to conduct a major investigation of Wisconsin's aid to families with

dependent children (AFDC) program to pinpoint where abuses were occurring and to suggest possible areas of reform. The results of that 18-month investigation were recently released and confirm that Wisconsin has a costly, and in some cases, very inefficient welfare system that provides payments to a great number of people, some of whom earn higher incomes than families not on welfare.

GAO made these general observations about Wisconsin's welfare system:

Between 1966 and 1976, the State's AFDC caseload growth rate more than doubled the Nation's, jumping 473 percent, compared with the national average of 228 percent.

The caseload increase—from about 11,000 to 64,000 families per month—is fifth highest in the Nation.

The average monthly number of AFDC families jumped another 5,000 to 69,000 in the first 6 months of 1977.

The AFDC case error rate was cut in half from 1973 to 1977, and ranks 20th lowest in the Nation.

The AFDC program in many areas lacks efficient, effective and businesslike management.

The GAO report should serve as a catalyst for discussion to enable us to design a welfare system in Wisconsin that shows compassion for the poor who are most in need of concern for the taxpayers who are understandably upset over the waste, fraud, and inefficiency they see in the current system.

To accomplish that task will take the cooperation of Federal, State and local officials. Clearly, changes must be made at all levels of government. Just as it is easy to spread the blame for our problems with the current welfare system, so it is also necessary to accept the responsibility and challenge to bring about those changes.

FEDERAL INCENTIVES FAIL TO MOVE PEOPLE OFF WELFARE

One of the greatest inequities in our welfare system is that it allows people with high incomes to receive welfare while others who earn less are struggling on their own to make ends meet.

The Federal work incentive rule, or so-called "income disregard" provision, was designed to allow welfare recipients to work themselves off welfare by allowing them to disregard, for eligibility purposes, a certain portion of their earned income.

Under present law, States are required, when determining need for the AFDC program, to disregard the first $30 earned monthly by an adult plus one-third of additional earnings. Costs related to work are also deducted from earnings in calculating the amount of the welfare grant.

The basic intent of this rule is to provide a work incentive so that a person's welfare grant is not reduced $1 for every $1 earned on the theory that a recipient would be less likely to accept employment if that occurred.

GAO reviewed the results of five separate studies that have been made of the effects of the income disregard provisions. Their conclusion:

Despite some increases in employment, all the studies basically came to the same general conclusion that the income disregard provisions did not succeed in causing welfare recipients to become so self-sufficient and self-supporting that they were able to terminate from welfare. That is, the provisions did not result in reducing AFDC caseloads and costs, the major intent as envisioned by the Congress. There was an increase in the level of income which a recipient could earn and still maintain eligibility for AFDC. Therefore, it was more difficult and unlikely for an AFDC recipient to work his or her way off welfare.

The conclusions from these studies apply to Wisconsin as well. At my request, GAO further examined the effect of the income disregard provision on Wisconsin's AFDC program and the results were disturbing:

Based on a statewide projection of data from several counties, over 200 AFDC families in Wisconsin have incomes of over $12,000 a year and are still collecting welfare.

Of 16 specific cases studied, it was apparent that recipients were not working themselves off welfare. In half of the cases studied, recipients earned more than $835 a month or more than $10,000 a year.

In one case, a Wisconsin family had monthly earnings of $1,029. By using Federal work incentives rules, the family was able to disregard 87 percent of that income and receive a welfare grant of $379, for a potential yearly income of $16,890.

Through application of the work incentive rules, a family with monthly child care expenses of $400 can earn up to $21,253 a year and still receive welfare benefits.

CONGRESS SHOULD LIMIT AMOUNT OF INCOME ONE CAN EARN AND STILL COLLECT WELFARE

Few Americans begrudge a truly needy person the money and services that our welfare programs provide. Most, however, are enraged at the thought of someone who is able to care for himself continuing to be subsidized by the taxpayers.

Our welfare system should provide help only to those in need and once that need has ended, welfare payments should stop when a family is able to support itself.

Clearly the present system of income disregards and deductions for work-related expenses has not had the desired intent of moving people off welfare rolls. In the past we have been reluctant to set arbitrary income limits, but it has to be done. We just can't go on allowing families with high incomes to qualify for welfare. The payments must end when a family can reasonably support itself.

Whatever income limit we establish must occur at a wage level reasonably above a family's basic needs, so that there remains an incentive for a welfare recipient to work. However, that recipient should know in advance that at some point—when his earnings reach a certain level—his welfare benefits will end.

Therefore, I propose that the Department of Health, Education, and Welfare add to its regulations governing the administration of the AFDC program a requirement that each of the States establish a ceiling on the amount of earnings one can receive and still collect welfare.

The States—not the Federal Government—should make that decision.

Federal regulations now require that State AFDC plans specify in dollars the statewide standards to be used for determining the needs of applicants and recipients and the amount of the assistance payment. The need standard is the monthly amount, based on family size, which States consider necessary to cover the cost of essential items such as food, clothing, shelter, and utilities. An applicant's income is compared against this standard to determine financial eligibility for welfare.

These decisions are made by the States. I propose that the States also be required to determine when a recipient's income has reached a level where he no longer should be eligible for welfare. That determination should be linked to the standard of need, as defined by each of the States.

CONCLUSION

Mr. Speaker, the bill I am introducing today will hopefully spur congressional debate on the issue of establishing a limit on the amount one can earn and still collect welfare.

There no longer is a question that the current system of income disregards has failed its task of moving people off welfare. Various new formulas have been proposed to alter the "30 plus /3" rule, but none has received approval by Congress.

My approach will not penalize those families who must depend on their monthly welfare checks to meet their basic needs. Rather, it prevents those who can reasonably support themselves from taking advantage of a program designed to help the poor.●

FEDERAL HOUSING POLICY AND THE SOUTH BRONX

HON. HENRY A. WAXMAN

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Tuesday, August 15, 1978

● Mr. WAXMAN. Mr. Speaker, it is the awesome devastation of the housing in the south Bronx which overwhelms all who live there and walk its streets. Block after block of once proud structures have decayed into unspeakable shells hardly fit for anyone. But thousands are forced to endure these conditions.

The idea of rehabilitating dilapidated housing has grown enormously in recent years. Urban homesteading is one offshoot. Federal encouragement of private investment in public housing complexes is another. The Department of Housing and Urban Development sponsors these endeavors. But a recurring problem is that although sufficient incentives for private investment in public housing projects—as opposed to public ownership—has been provided, no guarantees have been secured that the housing will be properly maintained. More often than not, a new cycle of decay follows rehabilitation.

Robert Scheer of the Los Angeles Times has examined the implications of Federal housing policy in the south Bronx. His article is not only an indictment of current practices, but the point of departure for the critical reexamination of urban policy which is so desperately needed.

I commend Mr. Scheer's article to the attention of my colleagues:

REHABILITATED HOUSING A COSTLY FAILURE

(By Robert Scheer)

Four-year-old Carmen had fallen from the fifth-floor tenement window and the congressman walked up the stairs to pay his respects. He could have used the elevator, but its floor was covered with urine.

The light fixtures on each landing were ripped out, there were huge gaping holes in the sheet-rocked hallways, the walls were covered with the foulest graffiti, and it was necessary for Rep. Robert Garcia, who represents this South Bronx district, to sidestep the feces in the hallway.

The mother was not at home; she was with her child, who was in critical condition at the hospital. But kids "from somewhere" had already burglarized the apartment.

Welcome to Jose de Diego-Beekman housing project, where upwards of 6,000 people live in the largest government-subsidized effort at rehabilitated housing in the country.

The federal government has allocated $234 million this year for similar efforts at rehabilitating older buildings around the country. The case of Diego-Beekman illustrates some inherent weaknesses in this federal program to aid the poor and the cities.

Five short years ago, Diego-Beekman was billed as a showcase project, with fancy graphic numerals outside each of the renovated five- and six-story tenements. It was nationally celebrated as a model for urban renewal.

There is not much disagreement that the showcase has become a jungle. The hallways are dark, muggings and burglaries frequent. Small children found playing in the rubble of burned-out buildings that surrounds the project and provides its playing area tick off accounts of the latest rape, child molestation or knifing.

The promised recreational area—a community center—is shut down, a security problem, management says. The washers and dryers tenants say were promised for each unit never materialized. Instead, there is a private laundry owned by a management official who is in charge of tenant selection.

No great claims are made for tenant selection, which is said by management officials to have broken down after the city forced them to take in what they termed "300 hardcore welfare cases."

There seems to be a liberal sprinkling of hardened criminals among the families trying to raise children in Diego-Beekman. Heroin needle marks are a common sight on teenage arms, and one could find no trace of social services in the projects to deal with this or any of the other festering, noisy problems in this garbage-strewn Calcutta of The Bronx, which certainly looked different in the original proposal.

But it is shattering in the midst of this waste to discover that most of the apartments visited at random are spotlessly clean, despite pipes that leak water and ovens that leak gas. This contradiction occurs often in the South Bronx.

Management says that the problems in the halls have occurred because the tenants are Puerto Ricans and blacks from a rural environment who do not understand the etiquette of apartment house dwelling with its common hallways.

The tenants say it's because management does nothing to keep the halls clean, to keep junkies from sleeping and defecating there and to provide recreational space for the kids, who use the halls as their playground.

Most of the people in Diego-Beekman originally came with hope. The first 600 families were screened, prepped and enthusiastic. Tenant patrols were established and order maintained.

It went downhill rapidly after that, and the causes for that are open to debate. It was, management claims, rising operating costs and those 300 unscreened welfare cases foisted on them by the city. The tenants blame management for not providing effective security, janitorial supplies or the staff necessary to maintain the building.

Wherever the fault lies, the Department of Housing and Urban Development (HUD), which is forking over the taxpayers' dollars that make all this possible, apparently has neither the personnel nor the mechanism to assess culpability in the dispute or to improve conditions.

The top officials at the New York office of HUD conceded that until The Times requested the annual HUD inspection reports, they had not read them. For good reason. It is not possible from this cursory annual effort to know if the many serious failings cited in the inspectors' reports have been tended to.

People in HUD understandably are reluctant to undermine the concept of rehab housing. In theory, it is a great idea: You get to refurbish old, but architecturally interesting buildings, which should be less expensive than all-new construction, and there is the hope of neighborhood preservation.

But rehab housing, as is the case with all government-subsidized housing for the poor, almost seems designed to fail.

This system began in response to the riots of the '60s when it was felt that the government had to do something, however limited, about urban housing. The federal government hit upon the idea of using accelerated tax-depreciation allowances to encourage the rehabilitation of inner-city housing.

By making rehab housing attractive as a tax shelter, it was hoped that substantial private investment capital would be turned toward providing housing for the poor.

But while this shelter has turned out to be very useful to those in the 50% tax bracket and is at this point the last of the great tax shelters, most of the money in rehab housing has come from the taxpayers, who have assumed virtually all of the financial risks.

The problem is that the rewards are almost all gained in reconstructing the old tenements but not in operating them.

The system works like this: A developer buys up options on some old tenement buildings and hires architects to draw up plans to remodel them. These plans and their costs are presented to HUD for approval.

If HUD gives the magic sign, then the developer must come up with 10% of the mortgage and a bank with 90%. This commitment of private capital is somewhat fictional, however. The bank puts up its 90% at the prevailing market rate of interest. The developer gets the loan at a 1% interest rate and HUD makes up the difference. If payments are missed—default—then HUD must pay the full amount of the loan plus full interest due.

The bank carries no risk, but it earns a good return. The developer does not actually put up his appointed 10% because he is granted an allowance for his organizational efforts in the project. He can declare this with the stroke of a pen and reduce his financial involvement to 5% to 7% of the mortgage.

He raises this money and much more by selling the tax shelter rights to investors, most of whom will never see the housing in question. The actual money ponied up by investors is relatively small compared to the mortgage insured and actually paid off by HUD. It's a good deal for the investors.

In the case of Diego-Beekman, private investors put in approximately $6 million and received tax write-offs totaling around $24 million.

Under this system, there is no risk for the banks or developers and virtually none for the investors. The investors would have to pay back some of their tax write-off if HUD foreclosed the mortgage.

Since January, 1975, HUD has operated a rent subsidy program called the Section 8 Housing Assistance Payments Program, which effectively removes the risk for private investors in the projects covered by the program. HUD has been paying out $1 billion a year since that time in rent subsidies to the project managers.

As a result of that subsidy there have been no foreclosures of Section 8-subsidized housing and, therefore, no losses by investors.

Even if the owners of the buildings default on their monthly mortgage payments, they get to keep their rights of possession as well as the tax write-offs. Seventeen percent of such rehab housing has resulted in mortgage default (but not foreclosure) in which the federal government contnues to pick up the tab.

At Diego-Beekman, five of the eight sections of housing are in default, according to HUD. And while most of the units were rehabilitated less than five years ago, many are already in need of another round of rehabilitation.

One building, seven years old, is vacant and burned out. The project has experienced 29 major fires with total damage of more than $1 million.

Diego-Beekman has cost the taxpayers $20 million already and is now costing an additional $8,000 a day in rent subsidies alone.

It is heardly the showcase project of a showcase builder, Continental Wingate of Boston and New York, whose vice president, Carleton Dukess, heads the National Rehabilitated Housing Assn. He is Continental Wingate's top officer in New York.

He has an excellent reputation in federal housing circles, has good rapport with the Carter Administration and reports cheerfully that this Administration has made a major "tilt" toward rehab housing.

Dukess stated that he is aware that what happens to Diego-Beekman, the nation's largest effort at rehabilitated housing, could seriously affect the future of the program. He was aware that visits to the project by Rep. Garcia and a Times reporter have caused HUD to begin an inquiry into Diego-Beekman.

Alan Wiener, director of the New York HUD office, said that he had written to Dukess to say that the property was in an unsatisfactory state. Wiener stated that he would require bi-weekly progress reports from the HUD staff on improving conditions there.

Tenants organizers Milton (Karate) Morales, Roy Howard and Father James Snodgrass insist that there has been no improvement. Dukess responds by saying that he is working on it.

He said he has a direct line on his desk to the management office and "we talk every day, sometimes 10 times a day."

Unidos Management, the company that manages Diego-Beekman, is a subsidiary of Continental Wingate. With HUD's approval, Unidos recently imposed a fat increase in rent—with rentals now ranging from $273 to $454 a month—to cover rising operating costs. The same holds true for the suppliers of fuel and services. When they raise their rates, HUD pays the bill by increasing the rent subsidy.

The insurance companies likewise. With Diego-Beekman, according to Dukess, they raised the annual charge for fire and liability insurance from $84,000 in 1976 to $550,000 today, with a $125,000 deductible clause.

HUD, using taxpayers' dollars, paid this

amount through increased rent subsidies, without protest. Everyone makes out handsomely in taxpayer-subsidized housing for the poor—except the taxpayers and the poor.

Management has claimed that the cost of providing private security also has risen. Security at Diego-Beekman means guards who are paid close to the minimum wage of $2.75 an hour, and their morale is obviously low.

The head of security, a dedicated ex-New York cop, confesses that it is a hopeless situation. His boss, John C. Mandel, head of Mandel Security Bureau Inc., which supplies the guards, said that about 15 of the 36 guards quit each month.

Training barely leaves time for acquainting new guards with the addresses of the buildings. The project's head of security says he was promised a squad car more than a year ago, but he is still waiting.

Security, or rather the lack of it, is the main preoccupation of the tenants beyond that of leaking pipes, rodents and the vast accumulations of garbage.

There is immense fear in Diego-Beekman—fear of rapes, burglary and knifings or "cuttings," as the tenants call them, that seems bizarre in a federally funded housing development.

Think of the feds and one conjures up images of G-men, revenuers, postal inspectors—law and order. It used to be a given of tenement life that if you so much as pulled the letter to your parents from the school principal out through the slit of the mailbox, the postal inspectors would descend. Not now.

There are buildings in the Diego-Beekman project in which every single postal box has been punched out by vandals, leaving a box of pigeon holes as in some friendly old hotel. But Diego-Beekman is not a friendly old hotel any more than it is an efficient federal lock-up.

It is instead anarchy with a vengeance. It is a woman on welfare, whose husband has disappeared, standing in the doorway as a barrier to her three preschool children lest they enter into the dangers of the hall.

In the hall, one floor below, a hopelessly tough teen-ager boasts of his recent stint in the reformatory to the delight of two young girls half his age.

Does he live in the building? "Shove off." Is he worried about the project's police? "You kidding?" About the city police? "They never dare come in here." The congressman who had just passed by was judged "crazy man" in suggesting a return to school. Someone observes that the youth is "on something."

The question is not really one of the kid's right to be there in the project, but rather of his right to be setting the prevailing mood. And the mood of crime is omnipresent.

Soon after, one is handed a list of apartments where drug pushers have been known to operate. Asked about drugs, the security man says the addicts come to this neighborhood from all over New York.

"It's everywhere, every street corner. How are we gonna keep them out? The elevators don't work because the junkies rob the copper from the motors to sell for a fix. They steal anything. They live anywhere. The hallway is their living room and bathroom. We try, but it's a bigger job than I have men to deal with."

Mandel, in a telephone interview, elaborated on the problem:

"The security guard doesn't have a gun, he is not getting paid $20,000 a year. He is not a policeman, he is not there to risk his life and he's not going to."

"The insurance companies require guards, otherwise they probably wouldn't be there. We know that some of our men are sleeping on the job. But we have a standby reserve."

Wiener, the HUD official, concedes that security is inadequate and reports that HUD now has a man who travels about consulting on security. He is expected momentarily in The Bronx.

On a trip to the project Wiener hears the tenants complain of mundane matters of survival—doors that do not lock, buzzer systems that are inoperative, unlit hallways that provide perfect cover for assailants.

Wiener listens but does not listen. He looks at his watch. He has heard it all before in other projects. He says that it basically is not HUD's responsibility—HUD is not the manager of the buildings.

The building management reports to Continental-Wingate in Boston. Vice President Dukess, who heads the N.Y. office, said that he didn't know until informed by The Times that the guards were paid barely the minimum wage and that there was such a high turnover. He said that although he is not in the management chain of command, he and HUD security would begin an investigation into the matter.

Wiener said he had heard that there was good security in the form of a mobile patrol but, as he discovered upon visiting the project, it did not exist. He said he had relied on Continental-Wingate for his information.

Wiener is not responsible for this mess, having been on the job at HUD in New York since mid-June. But he confesses that even if he had been there for two years, his agency does not have the manpower to monitor the goings-on at the thousands of units built and subsidized in New York City with HUD money.

No one at HUD had heard of the child's five-story fall from Diego-Beekman or of any of the number of rapes, deaths and robberies said to have occurred at the project. It's just one project.

Tenants at the housing project claim that the child would not have fallen out of the windows if window grates—called child protectors—had been provided.

A recent New York City Health Department law—which is being challenged by landlords—provides that landlords must notify tenants with children by mail that the grates are available. But then it is up to the tenant to ask the landlord to install them. The tenants point out, however, that many of the mailboxes are ruined and that much mail never arrives.

HUD officials insist that they are not responsible for enforcing or even for being knowledgeable about New York law. One day recently, three department officials, visiting the project at Rep. Garcia's insistence, assembled in front of Diego-Beekman. They conceded that they did not know the specifics of the new window grate law, whether it applied to these buildings or its effective date.

The HUD officials took refuge in the fact that these were only HUD-subsidized projects, not HUD-owned ones. Although HUD had insured the mortgage, although the federal government provided very generous tax shelters for the original investors and despite the fact that HUD now was paying most of the rent tab, this was still considered private property.

Therefore the responsibility lies with the owners. Go talk to the owners.

Who are the owners? A month-long investigation by The Times as yet has failed to answer that question fully. HUD will provide information only on the general partners, and claims that it does not know who the limited partners are. Yet, it is they who often own most of the equity.

The on-site managers of Diego-Beekman, officials of the Unidos company, say they are charged only with maintaining the property for a fee. They were given the contract by Continental Wingate which owns Unidos. But Continental Wingate holds only a small fraction of the equity in the buildings.

Continental's Dukess conceded that his company would not be hurt much by foreclosure but he claimed an interest in the survival of the project for purposes of maintaining a good reputation.

He observed that there are some developers who would simply walk away from their project once the building is completed and the tax shelter sold.

If the building is foreclosed, the developer's reputation may suffer, but he is not hurt materially. Financial responsibility would fall on the investors who are not in any sense actively involved in maintaining the building and who most often are informed of a foreclosure after it has occurred.

In the case of Diego-Beekman, three of the eight units are owned by Laurence and Preston Tisch, who run the Loews hotel chain and other businesses. The rest are owned by dozens of doctors and lawyers and pilots and others from Santa Monica to Atlanta to Scarsdale.

They're in it for the tax shelter, and as A. Bruce Rozet of Santa Monica, who headed one of the investor groups, said, "It is one of the few tax shelters left, and it is one of the better ones."

Rozel's company, Income Equities Corp., formed an investors group for three of the eight Beekman units during the 1970s. Rozet conceded recently that if the project were foreclosed, his company already had earned its profit off the sale of the tax shelters to the limited partners and would not be affected adversely.

The disparate investors who had bought the tax shelters could be hurt in the event of foreclosure. But foreclosure is highly unlikely.

According to Wiener of HUD, two of the three units owned by the Tisches are in default and that the third soon will be. One insider estimates that the tax write-off on three units of Diego-Beekman buildings is in the range of $9 million for the first five years on an investment of around $2,250,000.

Whether the Tisches will realize the full tax write-off is determined by their particular income category.

The tax write-off would be in jeopardy only if HUD forecloses the Tisch-owned buildings. Even if there is a foreclosure, the Tisches would have had the use of that money, tax-free, for the past six years.

The Tisch brothers were not available for comment on the default of the mortgages. Dukess, the developer who sold the tax shelter to the Tisches, blamed the default on the deterioration of the neighborhood rather than on the practices of his management company.

But the failures of the Beekman redevelopment project are underscored by the occasional housing developments that work. Not far from the Beekman houses in a neighborhood every bit as deprived, there are rehabilitated houses which are in excellent condition.

Those buildings, developed and run by Herman Krause, have buzzers that work, the front door is locked and there is no graffiti on the wallpapered walls.

Krause, a smaller developer eager to establish a track record so that he may obtain other contracts, has a mobile service crew for his buildings on call for repairs. His buildings function—from the lights and the plumbing to cleanups.

Aureo Cardona, who is the head of the local planning council, and the developer of some of the most successful subsidized housing, claims that such housing will not succeed without community involvement in the ownership and management.

Cardona helps run the South Bronx Community Housing Corp., which built the Plaza Borinquen houses. These two-story townhouses, scattered throughout the South Bronx, are cited by most local observers as

the best way to do public-supported housing. They are neat and well maintained.

The Plaza Borinquen units are new, well-built houses with gardens in front, and—perhaps because of their small size and careful tenant screening process—are likely to survive.

Clearly, some housing programs succeed where others fail, and HUD does not seem to have the operative ability to sort out one from the other. Success is treated as an accident, and failure as the norm.

HUD's Wiener conceded that he was unaware of any major problems at Diego-Beekman until Rep. Garcia notified him of the inspection he had made with the Times reporter.

Wiener went to the project at Garcia's request and later said, "I was not satisfied with what I saw . . . the broken mailboxes, the front doors open . . . I mean I should be in a position—if this office was running properly and we had enough staff—to say go find out when they replaced the mailboxes at 582 East 140th St. Go find out how much they spent on the bells and buzzers and how many times they had to replace them. . .

"I was at Diego-Beekman about four months ago, but looking at it from a totally different perspective. I was just touring the South Bronx, you know, and walked in."

Asked if he had then been aware of the broken-down conditions, he replied, "No, I didn't see a lot of those things, no."

Wiener offers a solution which is that the banks which hold the mortgage should make sure that the building is properly maintained. But Henry Waltemade, president of Dollar Savings Bank, the largest bank in The Bronx, bluntly asserted that the banks have no incentive to do that.

There is no risk for the banks in this business, no matter how crummy the buildings, because HUD provides the subsidies to make the monthly mortgage payments and the banks are assured their interest. Waltemade says that HUD makes the banks an offer they can't refuse—profit without any responsibility.

Another solution might be a rewrite of the tax laws or the manner in which the government provides subsidized housing. But a HUD official who has been around for almost two decades said that the various building and banking lobbyists concerned would never permit either change.

"It would be cheaper in the long run for HUD to just go in and build housing for the poor and run it the way the New York Housing Authority does," he said. "But Congress wanted private industry to do it, and the only way private industry will build in the slums is as a tax shelter."

Dukess, the developer, can live with the tax laws just as they are written. As president of the National Housing Rehabilitation Assn., he seems effective in having his views known.

He recalls that when he noticed that President Carter's tax reform package had gone to Capitol Hill without renewing the 167K provision of the tax law—the one that provides tax shelter for rehab—he sent a note to Treasury Secretary W. Michael Blumbenthal and to the White House to make certain that it was just an oversight that could be corrected easily enough.

Dukess says it was corrected "immediately."

Dukess, who expects that an increasing percentage of money for federally subsidized housing will go for rehab construction, is not alone in influencing the Administration.

He observed that Charles Edson of Lane and Edson, a major housing-oriented law firm in Washington, headed the Carter transition team on housing. That group formulated housing policy alternatives for Carter before his inauguration. Edson's law firm represents the rehab association headed by Dukess.

There admittedly are many good reasons for the Administration's tilt towards rehab housing. It may be cheaper to rebuild existing stock than start anew, although the experience of Diego-Beekman does not necessarily confirm that.

It may be better to shore up existing neighborhoods in this way rather than level and start new ones. But again, the experience of Diego-Beekman provides troublesome counterevidence.

It may be that, in the long run, this provides, in the words of the HUD manual, ". . . adequate housing, a suitable living environment, and expanded economic opportunities."

Perhaps. Although many people would feel more assured on this if the President and HUD Secretary Patricia Roberts Harris would visit Diego-Beekman before tilting in the direction of rehab housing.

Today's high costs of new building make rehabilitated housing a necessity for saving the cities. The problem is not with the goal of rehabilitating housing, but rather that it must be done within the constraints of housing and tax laws written by Congress which virtually doom this and other ventures in subsidized public housing before they are much along the way.

Congress has been unwilling simply to have the government build and operate public housing for the poor on a mass scale. This would be the direct approach favored by some HUD officials.

They argue that costs to the taxpayers would be lower because of the elimination of tax shelters and the more efficient use of rent subsidies.

Congress disagrees and requires some sort of appearance of private ownership. But it is unwilling to go all the way and simply let private landlords come in without an accelerated tax depreciation shelter and make their profit, instead, through the ordinary operation of a building year in and out by collecting high, HUD-subsidized rent

The current practice is to allow the appearance of private investment through the tax shelter gimmick without any of the real risks and responsibilities of a normal business investment.

It is a shell game in which the taxpayer is left with the worst of both worlds, bearing virtually all of the risks and all of the costs.

Then as the buildings move into default and require yet another rehabilitation, the taxpayers turn in anger upon the tenants who finally are held responsible for this decay and waste.

In most instances, the taxpayer would have a hard time coming up with the names of the investors, developers, builders, lawyers, architects who really profited from all this. The welfare tenants are a more visible and vulnerable target.

There is another side. Dukess, reached at his Cape Cod vacation home, stated that the problem is that the tenants lack initiative and proper sanitary habits. The developer of Diego-Beekman suggested that better tenant organization might solve these problems in the future.

Rozet, who sold some of the tax shelters, suggested the same in a telephone call from his Hawaiian vacation retreat. He said he thought the government should hire people like himself and his new company—National Development—to teach tenants how to organize.

Meanwhile, back on 149th and Beekman, a bright, pudgy but sad-eyed 11-year-old boy plaintively asked Rep. Garcia if the Diego-Beekman community center would ever be opened before the buildings were burned down.

The day before, a kid had been seriously injured by a speeding car on the spot where the boy and his friends now were playing. The week before, two children had fallen to their deaths from the roof of an abandoned building 50 feet away.

As the boy talked, a river of garbage rushed by, powered by an open hydrant that the kids called "our beach." It was terribly hot, noisy, smelly. The long Bronx summer was settling in.

Garcia broke. He had grown up just a few blocks away, when this was a good neighborhood. He had told the child that he should stay in school and that if he worked hard, he could do anything in life, even be a congressman and help his people. Now he paused.

And then, his voice cracking, he said: "If I can't do a lot better than get the community center opened, then this system of ours makes no sense at all—and you'd better hold us to it."

As to the four-year-old girl who fell from the widow at Diego-Beekman. Father James Snodgrass of the local Episcopal church reports a month after the accident that she will be all right.

Little Carmen suffered a skull fracture and broken bones in her foot. She was unconscious for three weeks after her fall but did not sustain permanent damage.

Her mother told the priest that she had repeatedly asked for child protector grates on the windows before the accident occurred, and since. Still, she said, she has not received them.

(Carol Blue assisted with the research for this article.)

ERA—A THREATENED WARP OF THE CONSTITUTION

HON. GEORGE HANSEN

OF IDAHO

IN THE HOUSE OF REPRESENTATIVES

Tuesday, August 15, 1978

● Mr. HANSEN. Mr. Speaker, "This is * * * a Republic if we can keep it." These are the most fitting and profound closing words of an article in the August 18, 1978, National Review by New Orleans attorney, Grover Rees, III, former editor-in-chief of the Louisiana Law Review, entitled "When the Voting Should Have Stopped", concerning the proposed extension of time for consideration of ERA and the right to rescind.

The article is herewith included to provide new light on an already well-worn argument.

WHEN THE VOTING SHOULD HAVE STOPPED

When Congress proposed the Equal Rights Amendment in 1972, the proposing resolution stated the amendment would become part of the Constitution "when ratified by the legislatures of three-fourths of the several states within seven years from the date of its submission . . ." Those seven years will be over next March. However, Congress and several state legislatures are now considering actions that would create serious doubt, among legal scholars as well as the general public, about what is part of the Constitution and what is not.

Ratifications by 38 state legislatures are necessary for final passage. To date, 35 legislatures have ratified; of these, four have passed resolutions purporting to rescind their ratifications. Congress, meanwhile, is considering a resolution (already passed by the House Judiciary Committee) to extend for another 39 months the period in which states may ratify. In March, we will all—those of us who wish to know for sure what the Constitution says—find ourselves in one of the following situations:

1. Assuming that Congress does not attempt to extend the deadline, and that fewer than three additional states ratify the ERA, the legal situation will be clear. The ERA will be "dead," in the limited sense that the 1972 resolution with its 35 ratifications will be null. ERA supporters say they'll get Congress to re-propose the amendment; opponents say they're not worried.

2. If Congress declares the deadline extended, and if by March fewer than three more states have ratified, the effect of the congressional extension will be unclear. Some ERA supporters argue that all prior ratifications—even by states that later rescinded—will remain valid. Another view is that Congress cannot "carry forward" the prior ratifications, and that 38 *new* ratifications would be needed. Finally, a few legal scholars take the view that extension is valid, but only if states are permitted to rescind their ratifications. Under this view, the ERA would need six or seven more states. Prognosis: at least 39 more months of uncertainty.

3. If Congress passes no extension resolution, but at least four (but fewer than seven) more states ratify by the March deadline, then the ERA will become law only if the four rescissions are ineffective.

4. If exactly three additional states ratify (assuming, again, no congressional extension), then whether the ERA is part of the Constitution will depend on the rescission issue *and* on the delightfully arcane question whether Kentucky's lieutenant governor could legally veto a rescission resolution passed by the legislature (the governor was out of the state). Governors have never never exercised a role in the ratifying process, since the Constitution provides that state legislatures or conventions—not "states"—ratify amendments, and the Supreme Court has held that a state may not restrict its legislature's ratifying function.

There are other permutations, partaking of the juridical elements of one or more of the above. Don't worry about them. Instead, join me in a brief review of a few legal principles, gleaned from the debate over the adoption of the federal Constitution and from the few occasions on which the Supreme Court has construed the formula for constitutional amendment.

A caveat: Do not think in terms of the ERA. Instead, think of your very favorite proposed constitutional amendment. Then imagine the constitutional change you fear the most. Examine the several alternative constructions of the technical rules on the amendment process provided in the Constitution itself, keeping in mind that the same rules will apply to the good and the bad proposals. That's what the Framers did when they designed the process.

Speaking logically, not historically, the rescission controversy seems artificial. Article V of the Constitution, which provides for amendments, is silent on rescission. The general rule is that states are sovereign: a legislature can do anything not prohibited by the federal or state constitution. In particular, legislatures can undo what they have done. They regularly reconsider and repeal their own prior enactments.

If there is a genuine question about the validity of state rescissions, it is created by a sordid and better-forgotten bit of American history. In 1868, three-fourths of the legislatures had ratified the Fourteenth Amendment; Ohio and New Jersey, however, had rescinded before the last state had ratified. Nevertheless, both houses of Congress passed a resolution declaring the amendment to be part of the Constitution.

The Senate passed the resolution without debate and without a roll-call vote. The House debated only for a minute or two, rejecting a request that the Judiciary Committee consider the resolution. (It was almost referred to the Joint Committee on Reconstruction, but the House opted instead to pass it without any committee consideration whatever.) This was the Reconstruction Congress, and the members who voted—in a near-perfect party-line vote—that Ohio and New Jersey could not rescind were, virtually man for man, those who five months earlier had voted to impeach Andrew Johnson for refusing to obey unconstitutional orders.

A few thoughts on the 1868 resolution. First, it was not framed as a general statement on the right to rescind. Indeed, debate revealed more support for the proposition that these particular rescissions were invalid because the Democratic legislatures of Ohio and New Jersey did not truly represent the citizens of those states. Moreover, up to that moment in history nobody had suggested that Congress had any power over the amending process except to *propose* amendments and to designate the mode of ratification. The only prior controversy over the validity of an amendment—the Eleventh, in 1798—had been settled by the Supreme Court. The attempt by the Reconstruction Congress to *judge* whether its own proposal had been duly ratified can best be explained in light of the felt necessities of the time: this Congress not only impeached Johnson, it also proudly regarded several states as "conquered territory" and ruled them accordingly.

Most important, the Reconstruction resolution was never tested in court, not even implicitly. On the very day of its passage, Georgia ratified the Fourteenth Amendment, bringing the total to three-fourths *without* Ohio and New Jersey, and rendering the rescission issue irrelevant. In 1939, three members of the Supreme Court referred to the congressional action, with apparent approval; but the reference was unnecessary to the Court's decision, and was therefore a mere expression of personal opinion.

It should be stressed that the Reconstruction resolution is moot: if the Supreme Court should recognize the validity of the ERA rescissions, it will not be compelled, either logically or practically, to raise questions about the validity of the Fourteenth or any other existing amendment.

Except for the 1868 resolution, with its endorsement by three Justices in 1939, the history of the amending process tends to support the right to rescind. The Constitutional Convention debates reveal the attitude that amendment should be possible only when a broad consensus exists: that a substantial minority of states should be able to block changes favored by a majority, and that frequent amendment would be undesirable. In *The Federalist* #85, Hamilton argued that the amending process would ensure that "the will of the requisite number" should prevail; amendment would be possible only when three-fourths of the states "were united in the desire of a particular amendment." Obviously, no state that has rescinded is "united in the desire" with a state that later ratifies. No consensus is achieved.

The Supreme Court has recognized contemporaneous consensus, and not just the formality of a certain number of isolated legislative acts, as necessary for ratification. Consensus was the basis for the Court's holding that an amendment must be ratified within a "reasonable time" to become part of the Constitution: state ratifications must be "sufficiently contemporaneous . . . to reflect the will of the people in all sections at relatively the same period." The "reasonable time" doctrine is based on the mere possibility that a ratifying state would lose its enthusiasm for an amendment after a few years. With even more reason, a state that has positively indicated its lack of support for an amendment cannot be counted as part of a consensus.

Not only logic and history, but also fairness, requires a state's right to rescind. It is universally recognized that a state legislature, having rejected an amendment, can later ratify it. To allow such reconsideration of a negative judgment, but not of a positive one, would give those who want to change the Constitution an unlimited opportunity to bounce back from defeat, while denying the same right to those who prefer to keep the Constitution as it is. Does anybody think the Framers intended such a result?

Opponents of the right to rescind—aside from invoking with reverence the two shaky precedents mentioned above—advance two principal arguments:

First, we desperately need the ERA. The women of America have worked so hard and so long that a defeat on this issue would prove that The System Does Not Work.

Second, it is the *act* of ratification that counts. Once a state has ratified, it has no more power over an amendment. Under this view, if 37 states had ratified in a flurry of enthusiasm for a new proposal, and *every* ratifying state had later rescinded, any one state could still bind the nation by ratifying, consensus or no consensus. There are, then, two views of the amending process: the consensus theory and the sacramental act theory.

The mind's eye pictures Bella Abzug standing astride the nation with a great sack. Now she plucks up Connecticut, now Indiana, now little Delaware. Each time she bags a new state, a frisky Tennessee or Idaho scrambles out of the sack, only to be jammed back inside. Two views of the amending process: the consensus theory and the "Gotcha!" theory.

Since Congress can propose a new ERA whenever it chooses, identical to the old but with a new time limit, it could presumably achieve the same result by extending the 1972 resolution for 39 more months. But what effect will this have on states that have already ratified?

Advocates of extension insist that the time limit is a mere procedural matter, and that Congress has the implied power to change it at will, holding onto the prior ratifications. Opponents point to the fact that each ratifying state voted on a specific resolution, which contained the seven-year time limit. Approval of the ERA thus limited—in effect, a statement that "We're for it *if* 37 other states will ratify within seven years"—cannot be equated with unconditional approval.

Extension supporters place great weight on the *location* of the seven-year language in the ERA resolution. They generally admit that if the time limitation were in the text of the amendment itself, Congress could not extend without releasing the previously ratifying states. The seven-year limit on the ERA, however, is not in the body of the amendment, but in the preamble. Therefore, the argument goes, in changing the time limit Congress is not tampering with the amendment itself, which is all the states ever voted on.

This technical contention elevates form over substance, ignoring what really happened in the ratifying process. Each state received from Congress a copy of the entire resolution, including the preamble with the seven-year time limit. The whole package was on the bargaining table when the states agreed to ratify.

At a House subcommittee hearing on extension, ERA advocates ridiculed the notion that legislatures actually relied on the time limit and would have opposed the amendment had they thought the limit might be extended. Any doubt about legislative intent, however, has been resolved by the careful research of Professor Jules Gerard of Washington University Law School, who has examined the actual resolutions by which the states ratified the ERA. Professor Gerard reveals that of 35 such resolutions, 26 expressly mention the time limit.

To circumvent this argument, extension proponents invoke the sacramental act

theory, arguing that no matter what a legislature *thought* it was ratifying, it actually *did* ratify whatever it was that Congress proposed. Like Isaac, a legislature may have been tricked into giving its blessing to a resolution it never loved; but a blessing is a blessing. Gotcha.

Assuming for the sake of argument that state legislative intent is irrelevant, the key inquiry becomes whether the Congress that proposed the ERA intended for the time limit to be subject to change. It did not. The Senate hotly debated the question of a time limit, with several members indicating they could not support an amendment that might be "lingering in limbo for an indefinite number of years." The time limit was inserted on a roll-call vote, with the principal ERA sponsors on the losing side. But why was the limitation put into the preamble, rather than the text?

Several prior amendments did include the time limitation in the body of the amendment itself. Every amendment since the Twenty-Third, however, has had a time limit in the preamble, like the ERA. Extension supporters argue that the switch was intended to make the time limit a procedural detail, not a substantive part of the amendment immune to extension. But there is proof positive to the contrary.

Early proposed drafts of the Twenty-Third Amendment included the time limit in the text. At the request of its author, however, the amendment was rewritten by Professor Noel Dowling, perhaps the most respected constitutional scholar of his time. He had this to say:

"The seven-year limitation is put in the resolution rather than in the text of the amendment. There is no doubt about the power of Congress to put it there; and it will be *equally effective*. The usual way, to be sure, has been to write the limitation into the amendment; but we hope such an *unnecessary cluttering up of the Constitution* can be ended." [Emphasis added.]

In other words, the change was purely stylistic. A time limit has no business actually becoming part of the Constitution, since it has outlived its usefulness at the moment the last state ratifies. It was placed in the preamble as a step toward a more elegant Constitution, not a more powerful Congress. A time limit in the preamble was intended to have the same legal effect as a time limit in the text: to be reliable, predictable, tamper-proof.

Extension and rescission are technically unrelated issues. Several scholars have suggested, however, that if Congress extends the deadline, it will be necessary to allow states to rescind. This is more a fairness argument than a legal theory, but as a fairness argument it is compelling. A ten-year deadline would give amendment supporters at least ten chances in most states. Nine rejections followed by one acceptance would put the state squarely in the pro-ERA column. Meanwhile, state legislatures that ratified back in 1972 might be hating themselves for it, and passing annual resolutions rescinding and deploring the ERA, to no avail. Professor Charles Black of Yale Law School, a strong ERA supporter, calls it a "silly lobster-trap." But the House Judiciary Committee is not impressed: in considering the extension resolution, it rejected an amendment acknowledging the states' right to rescind.

The case for congressional power to extend the deadline and bind previously ratifying states, like the case against a state's right to rescind, is so weak that supporters seldom argue the merits. Rather, they assert that matters of constitutional amending procedure are "political questions," in which the Supreme Court will allow judgments of Congress to stand, right or wrong. By the same token, a few zealous ERA supporters are frankly urging Congress to forget the legal niceties and to treat votes on extension and rescission as votes for or against the ERA.

The "political-questions doctrine" originated as a view that the text of the Constitution forbade the courts to review certain actions of the Legislative and Executive branches. The best example is the provision that each house of Congress shall be "the sole judge" of its members' qualifications. In this matter, Congress is said to act as a *court*, and no other court can review its decisions. The political-questions doctrine gradually expanded to include a few areas (notably foreign policy) where there was no clear constitutional mandate for the courts to keep out, but where judicial intervention was regarded as impractical or dangerous.

In 1939 the Supreme Court held in *Coleman* v. *Miller* that some, but not all, matters of amendment procedure are political questions. Four judges stated flatly that the text of Article V commits adjudication of amendment questions to Congress; but they quoted no such language, and in fact there is none. Three others argued that, as a practical matter, Congress is the best judge of certain facts, and so the courts will not interfere. These three judges were the ones who approved the Reconstruction resolution. They did not indicate how courts should decide which congressional judgments to let stand and which to review; indeed, the decision was widely criticized as internally inconsistent.

Coleman would probably be decided differently by the Supreme Court today. The scope of the political-questions doctrine has narrowed considerably. In 1969, Representative Adam Clayton Powell sued the Speaker of the House, asserting that he had been illegally expelled from Congress. The Supreme Court took the case and declared Powell entitled to his seat, despite the explicit provision in the Constitution that Congress is "the sole judge." Since *Powell* v. *McCormack*, scholars have been asking whether there is really anything left of the political-questions doctrine.

Even those who disapprove of *Powell* should welcome its effect on those areas where there is *no* textual commitment of a judicial matter to Congress. Just as the courts ought to leave legislating up to the legislature, it is proper for Congress to leave adjudication to the courts.

John Marshall pointed out that the Supreme Court's first duty is "to say what the law is." The first step in observing that duty is to say what the Constitution contains.

It has been suggested that the Supreme Court has an institutional conflict of interest in matters of amending procedure, because some amendments might limit the Court's power. Congress, however, has a twofold conflict: first, amendments frequently limit or expand congressional power; second, Congress already has a role in the amending process, that of proponent. The ERA spectacle now unfolding is an illustration: Congress proposes the ERA, then votes to extend the time limit on its proposal, then passes a resolution "judging" ratifying states to be bound by the extension, and also "judges" the constitutionality of state rescissions. It's 1978: do you know where your Constitution is?

The impact of declaring amendment procedure to be a political question would extend far beyond the ERA controversy. A model in which the limited role of Congress is bootstrapped into that of general overseer of the amending process—sitting as a "court" in judgment of the success or failure of its own proposals, and free to disregard the clear intentions of the other protagonists—would do unique violence to federalism and to the separation of powers.

A political question, by definition, is one on which Congress can do anything it wishes, no matter how extreme, and be immune from judicial review. Congress could, for instance, propose an amendment on Monday, then pass a resolution on Tuesday "judging" its proposal to have been ratified by 38 states. Everyone could see the congressional resolution was a lie; but the Supreme Court, if it accepted this as a "political question" on which it was powerless to rule, would have to apply the Constitution thus rewritten.

Of course its unlikely that Congress would pursue the political questions doctrine to its logical extreme. Nevertheless, at every turn there will be voices urging Congress to disregard legal niceties, to regard procedural votes as expressions of support or opposition to the amendment of the hour. At its best, the Constitution protects the rights of racial religious, sectional, and other minorities. To entrust the ultimate power over its amendment to a single institution—a highly political, majoritarian, federal-level institution—would be to trust that institution with those rights.

Greasing the skids for the ERA will set a precedent for future amendments which, Professor Black reminds us, could "change the Presidency to a committee of three, hobble the treaty power, make the federal judiciary elective, repeal the Fourth Amendment, make Catholics ineligible for office, and move the national capital to Topeka."

No, thoughtful person, liberal or conservative, ERA supporter or opponent, will let his feelings about a particular amendment color his judgment about who shall wield, for all time, the power to rewrite the Constitution.

In response to ERA opponents' entreaties not to "change the rules in the middle of the game," Congressman Barbara Jordan recently replied, with righteous indignation, "This is no game!" She's right. It's a Republic, if we can keep it. ●

BALANCE(S) OF POWER SERIES BOOK IV(B)—MEANING OF SOVIET MILITARY DOCTRINE

HON. JOHN B. BRECKINRIDGE

OF KENTUCKY

IN THE HOUSE OF REPRESENTATIVES

Tuesday, August 15, 1978

● Mr. BRECKINRIDGE. Mr. Speaker, today's article in the continuing Book IV of the Balance(s) of Power Series which sets forth Soviet intentions and doctrine is concerned with the rudimentary meaning of military doctrine as understood and defined by Soviet leaders. Entitled "Soviet Military Thought," and written by Joseph Douglass under Air Force auspices, this brief article summarizes brilliantly the basic meaning of military doctrine inside the Kremlin.

Introductory in nature, especially compared to later insertions that will be made in Book IV, Soviet Military Thought, nevertheless, illustrates—via reference to Soviet writings—how the Russians view this subject and, implicitly, how their interpretation differs from Western sources, including American.

The article follows:

SOVIET MILITARY THOUGHT

In ways that are particularly important to this analysis, the Soviets have certain concepts and words that are very different from their U.S. counterparts and that need to be recognized in reading the Soviet literature. Although largely taken for granted in the United States, the organization of military

thought into specific categories, such as military doctrine, science, art, and strategy, and the Marxist-Leninist interpretation of certain words and concepts, such as war, one-man control, and independence are very important to the Soviets and an appreciation of this and the definitions is essential and requisite to understand what the Soviets are saying. This is especially so for "doctrine," "strategy," and "war." This chapter will review how these very basic terms are used in the Soviet Union. Other definitional problems and idiosyncrasies will be discussed in the following chapters as the need arises.

A. SOVIET MILITARY DOCTRINE

In the United States, military doctrine is a very flexible word that means very different things to different people. In effect, everyone has his own meaning. There is national doctrine, allied doctrine, Army doctrine, Air Force doctrine, and tactical nuclear doctrine, to mention but a few. In contrast, in the Soviet Union, there is only one, and that is official Soviet military doctrine.

In the Soviet Union, military doctrine is very carefully defined and promulgated. It is worked out in conjunction with the political leadership, and it represents their guidance to the military in preparing for war. As stated in *Military Strategy*, military doctrine is

. . . the expression of the accepted views of a state regarding the problems of political evaluation of future war, the state attitude toward war, a determination of the nature of future war, preparation of the country for war in the economic and moral sense, and regarding the problems of organization and preparation of the armed forces, as well as of the methods of waging war. Consequently, by military doctrine one should understand the system of officially approved, scientifically based views on the basic fundamental problems of war.

As stated in *The Officer's Handbook* in 1971:

"Military doctrine is worked out and determined by the political leadership of the state.

"The Central Committee of the Party . . . works out Soviet military doctrine.

"*Military doctrine* is a system of guiding views and principles of a state on the character of war under given specific historical conditions, the determination of the military tasks of a state, the armed forces, and the principles of their construction, and also the methods and forms for the solution of all these tasks, including armed conflict, which issue from the goals of the war and the socio-economic and military-technical capabilities of a country."

In the Soviet Union, military doctrine is drawn up under the guidance of the Central Committee of the Party. In contrast, U.S. doctrine is developed by the military to guide their action and tends to equate more evenly with Soviet principles of operational art or tactics, which are more at the base of the hierarchal structure of Soviet military thought. In the Soviet Union, doctrine is at the apex, developed at the Kremlin; while in the U.S., doctrine is something developed at lower command levels in the Services. Thus, "doctrine" in the Soviet system is not even similar to "doctrine" in the U.S. system. Military doctrine in the Soviet Union is official and is to be used in preparing the country for war. It identifies the nature of the war, the preparations to be undertaken, and the priority tasks and problems.

The doctrine is promulgated in books such as *Marxism-Leninism on War and the Army* and publications such as *Communist of the Armed Forces*. The basic characteristics and some of its content are set forth in *Methodological Problems of Military Theory and Practice* and *The Officer's Handbook*. As an example of Soviet doctrine, consider the following excerpts from *The Officer's Handbook:*

"Soviet military doctrine has an offensive character. . . . The Soviet Union . . . will conduct the war which the enemies impose on them in the most offensive manner in order to attain the smashing of the enemy in short times.

Soviet military doctrine allocates the decisive role in contemporary war to nuclear missile weapons. At the same time it considers that along with the nuclear missile strikes of a strategic and operational-tactical character, the armed forces will employ conventional armament."

The basic ingredients that have consistently made up Soviet doctrine since at least the late fifties are its offensive character, the importance of nuclear weapons, and the belief that the war will be decisive in its early phase and, therefore, short. Soviet military doctrine has consistently held that surprise attack is the most probable method whereby "the imperialists will unleash war":

"As for the means the imperialists have of unleashing [sic] war, Soviet military doctrine considers most probable a surprise attack of the aggressor without a declaration of war. This precisely is the main thing the imperialists are counting on. They have repeatedly resorted to such means of unleashing war in the past. The aggressors resort to it under modern conditions, too, as was shown, for example, by the attack of Israel on the Arab countries."

Finally, should world war come about, the basic tenets of Soviet military doctrine are that it will be the conflict of two diametrically opposed social systems, a coalition war that is definitely nuclear, will result in destruction of the capitalist system, and the world-wide triumph of the socialist system.

The major change, introduced in the sixties, allows for the possibility of an opening conventional phase (phase, not war) that subsequently escalates to all-out intercontinental war.

"It is possible that war can begin by gradual escalation of a limited conflict into a world conflict. Imperialists can begin it and wage it for any time without using nuclear weapons with only conventional means."

More recently, the possibility of limited nuclear war is being investigated and may well emerge as doctrine in the near future.

B. MILITARY SCIENCE AND STRATEGY

Soviet military thought is divided into two major compartments; military doctrine and military science. Within military science, strategy is the most important element. Soviet military science is defined in *The Officers Handbook* as follows:

"Soviet military science is a united system of knowledge on the preparation and conduct of armed conflict in the interests of the defense of the Soviet Union and other socialist countries against imperialist aggression. In its functions include:

"—the discovery and investigation of the objective laws of armed conflict;

"—the development, on the basis of the knowledge of these laws, of the means and forms of armed conflict for the achievement of victory over the enemy;

"—the investigation of the problems and determination of the methods for the preparation of the territory of the country and the Armed Forces for war, and the comprehensive support of the armed struggle economically, politically, morally, materially and technically, scientifically, and in other ways;

"—the development of the bases for the organization and training and education of the troops in accordance with the requirements of contemporary war;

"—the development of the method of military science as a whole, its general theory, theory of military art, the military-technological sciences, and its other parts and branches."

The interaction and difference between military doctrine and military science are important. While military doctrine guides military science, military doctrine also is developed using the conclusions of military science. Military doctrine exploits the conclusions of various sciences. The doctrine rests upon the conclusions of military science particularly as regards determining the nature of a future war and the methods for conducting it, and for determining the structure and preparation of the armed forces.

As described in *Methodological Problems of Military Theory and Practice,*

"Military science studies a much wider circle of problems than necessary for realization of the practical problems of construction of the armed forces of the state during the given period. It considers all the probable means and conditions of waging armed struggle, including those which are not typical for the given country and do not entirely coincide with its means. But the conclusions of military science use doctrine, proceeding from the real conditions and means of the country. No contemporary military science can disregard the appearance of nuclear missiles and their determining effect on the means and form of armed struggle. However, for states without nuclear missiles military doctrine had to show ways of military construction different from those which countries having very modern means of armed struggle can go. And these ways are developed by military science.

"Military science studies the development of military affairs in many countries and evaluates the state of the armed forces and military means of states and coalitions and condition of waging armed struggle in various theaters of military actions. The doctrine considers only those factors which affect the construction of the armed forces in its country. In other words, of the entire variety of phenomena and trends studied by military science, of all its generalizations and recommendations, military doctrine takes only those which correspond to the political course of the state and to its strategic means."

Although military doctrine and military science have much in common, it should be clear that there are important differences. In addition to the above example, military science focuses on the past, present, and future, while doctrine is pointed to the present and immediate future; that is, to foresee the nature of war and probable enemy in order to provide guidance to military science regarding the course to follow. A further difference is that

". . . doctrine, being developed and accepted by the state, is a single system of views and a guide to action free from any particular subjective views and evaluations. Inherent to science, in its development, is the struggle of opinions. In the system of military theories which comprise military science there may be several different points of view, different scientific ideas, and original hypotheses which are not selected by doctrine for practical application and they thereby do not acquire the character of official state views on military questions."

Military science includes a number of different fields, such as history, administration and organization, training, and the military art. The most important of these components is military art, which is made up of strategy, operational art, and tactics. The most important of these, which is also critical to this study, is strategy.

"*Strategy* is the part of military art which studies the foundations of the preparation and conduct of war as a whole and its campaigns. In practice it is policy's direct weapon. With respect to strategy, policy plays the leading and directing role.

"Strategy is general and single for all the types of the armed forces of the country because war is conducted, not by some one type of armed forces or combat arm, but by their

combined efforts. The coordination of the actions of all the types of armed forces in war is possible only within the framework of a single military strategy.

"The most important problem of strategy is the determination of the character of modern war, and the possible means of its emergence and conduct, its stages (periods) and targets (problems), which are landmarks for its planning."

Strategy and doctrine are the areas of greatest interest in this study—with operational art and tactics examined to obtain greater detail, where important, regarding the organization and employment of various force elements. Probably the single study most representative of strategy is Sokolovskiy's *Military Strategy*, third edition. The Soviet officer is still referred to this important book for basic strategy.

Military strategy and doctrine, although very similar in coverage, are different in principle. For example,

"Military strategy occupies a subordinate position with regard to military doctrine. Military doctrine determines over-all policy in principle, while military strategy, starting from this over-all policy develops and investigates concrete problems touching upon the nature of future war, the preparation of a country for war, the organization of the armed forces, and the methods of warfare."

What is most important is the relationship between doctrine and strategy in time of war.

"During war, military doctrine withdraws somewhat into the background because in armed conflict they are guided primarily by military-political and military-strategic considerations and by the conclusions and generalizations which follow from the conditions of a specific situation. Consequently, war and armed conflict are guided not by doctrine, but by strategy."

In evaluating the Soviet threat to NATO and the prospects for controlling and terminating a NATO/Warsaw Pact war in Europe, the Soviet doctrine and strategy are coequal in importance and preeminent in the whole field of military thought.

C. WAR

A word that can introduce considerable definitional problems is the very simple word "war." In the Soviet doctrine, war is not just one word. There are two types of war—just war and unjust war—and which war is being discussed often has to be inferred from the context of the sentence. The distinction between just and unjust war is not trivial. It is particularly important because the interpretation can cast considerable influence on the meanings attached to various discussions in the Soviet literature and, in particular, to those discussions that are associated with limited nuclear war. It is esssential to understand *whose* war is being discussed in interpreting Soviet statements.

A war is just or unjust depending on the social content and goals of the war—not by who attacks first, where the war is fought, or whether the troops are attacking or defending themselves.

"Just wars are those which are liberating, directed at class or national liberation. Also wars defending the people from outside attack and attempts to enslave them, to free colonies and dependent countries from imperialist oppression, and civil wars. A special place is occupied by wars in defense of the socialist fatherland. These are the most just of all wars since they defend the system under which they live as well as their native land and national independence.

"Unjust wars are predatory wars organized by exploiting classes. Their goal is to seize the territory of others, defeat and enslave other peoples and working classes.

"Dividing wars into just and unjust is very important. It helps orient communists to each war. At the same time communists have never been pacifists, that is, against any war."

When one reads a statement regarding wars, he must ask whether the statement applies to just wars or to unjust wars—the context is most important. In brief, anyone challenging the Soviets is fighting an unjust war; and, any war in which the Soviets are involved is, from their position, a just war.

As stated in a 1975 *Communist of the Armed Forces* editorial:

"War still is explained by the Leninist principle of just and unjust wars. A war which might be unleashed by imperialism against the Soviet Union would be unjust and reactionary and a continuation of their predatory policies. From the socialist countries' side, it would be the most just and progressive war. It would be defending the most advanced social structure—socialism, for the benefit of all progressive mankind. Such wars might be those of the working classes against the bourgeoisie and wars of national liberation. Only wars in the interests of socialism can be just from the point of view of the working masses."

When the Soviets denounce warfare, call for declarations against weapons of mass destruction, and emphasize the need to work to make nuclear war impossible, the war they are talking about is the unjust war. Such statements do not mean that they are at all interested in having curtailed *their* capability to conduct just wars of similar scale and using similar weapons.

As stated most clearly by Colonel V. V. Larionov, a prominent Soviet authority on military affairs and composing editor of all three editions of Marshal Sokolovskiy's classic *Military Strategy:*

"As for the Soviet Union it has always resolutely opposed international agreements legalizing *unjust* wars. Our country is consistently struggling for general and complete disarmament. *That is, for the destruction of all material means for waging such wars.* [Emphasis added]"●

BOSWORTH MUZZLING FAULTED

HON. JOHN B. ANDERSON

OF ILLINOIS

IN THE HOUSE OF REPRESENTATIVES

Tuesday, August 15, 1978

● Mr. ANDERSON of Illinois. Mr. Speaker I have previously commented on the Carter administration's improper if not illegal effort to prevent the Director of the Council on Wage and Price Stability, Mr. Barry Bosworth, from speaking out on pending wage contracts without clearance from a new wage inflation censorship committee to be headed by Labor Secretary Marshall. All this was done in an attempt to win favor with organized labor and stifle its criticism of the Administration. As I announced yesterday, the chairman of the House Banking Subcommittee on Economic Stabilization has agreed to my request to investigate the muzzling of Bosworth, and for this I am grateful.

Washington Post economic columnist Hobart Rowen commented at some length to his column last Sunday on this "clumsy effort to muzzle Barry Bosworth" and moreover on Marshall's stated views that wage restraints won't curb inflation. Bosworth, on the other hand, has warned that if strong unions don't moderate demands, higher unemployment, falling largely on minorities, will result.

The Sunday Washington Post also carried a news article to the effect that the Bosworth muzzling ploy has not succeeded in muzzling Meany, and that Labor Secretary Marshall has consequently unleased a harsh blast at Meany for his harsh criticism of the administration.

As the Washington Star editorial suggested last night, it's probably time for Meany "to go over to the White House and deliver another little lecture to the President. Who does Mr. Carter think is running the country, anyway?"

At this point in the RECORD, Mr. Speaker, I insert the articles I have referred to in my remarks:

[From the Washington Post, April 13, 1978]

ANTI-INFLATION PLAN CHANCES ARE ABOUT NIL

(By Hobart Rowen)

At a time when public concern with inflation is mounting, President Carter's latest contribution to dealing with the problem has been a clumsy effort to muzzle Barry Bosworth, his outspoken director of the Council on Wage and Price Stability.

It already has backfired, bringing in its wake a break between George Meany and Carter, and between Meany and Labor Secretary Ray Marshall, who used to be considered labor's best friend in Washington. And it is doubtful in any event that either Bosworth or anti-inflation chief Robert Strauss will be silenced.

Bosworth has been saying frankly that the administration has gotten little cooperation so far from labor, and that if the nation is required by organized unions next year to go through another round of 10 percent wage increases, "Forget about moderating inflation in the near future."

The wage-cost push generated by the big unions must be faced squarely by inflation fighters. Union labor has been getting for its workers at least one percent more per year in wages than unorganized workers.

Now Bosworth, who is 35, has run afoul of AFL-CIO President George Meany, who at 84 is just as feisty as he was 20 or 30 years ago. Meany told Carter about a month ago at the White House that Bosworth had been too one-sided in his criticism of the unions, and Carter agreed to do something to rein him in.

He sent Secretary of Labor Ray Marshall out to last week's AFL-CIO executive meeting in Chicago. And to Meany's delight, Marshall served up Bosworth's head.

"It will no longer be Mr. Bosworth acting by himself" on collective bargaining matters, Marshall said, explaining that he would be only one of five on a committee headed by himself "to coordinate our statements."

The other committee members include the powerful Robert Strauss, who supposedly is in charge of Carter's anti-inflation program; Economic Council Chairman Charles Schultze; and a relative unknown, Landon Butler, an assistant to Hamilton Jordan, who as far as anybody knows never has said anything publicly on these issues. And, oh yes, Bosworth. Marshall at first forgot to list him.

If Marshall's view prevails, as he emphasized in Chicago, the one voice coming through would be his own. Given Marshall's well-known distaste for government efforts to curb wage-price excesses, Bosworth's ability to speak out boldly, as he has on a number of occasions, would be ended.

In June, for example, he pointed out that if the strong unions don't moderate demands, their refusal will translate "into higher unemployment, and that will fall largely on minorities."

That's plain language, pretty accurate and pretty blunt, enough to have brought Bosworth earlier private warnings from Strauss that he may have been a bit indiscreet. Bos-

worth had shown with simple numbers how well Meany & Co. have been doing their job, getting bigger wage increases than unorganized labor.

"The value of a union card is higher than at any time in the post-war era," says a private economist. "The unions have found a way of protecting their members against inflation. They're saying, 'I'm all right, Jack—so leave me alone.' "

But in his remarks at Chicago, Marshall lined up with labor's classic position, asserting that, "As a general proposition, you're more likely to be able to restrain wages by restraining prices than the reverse."

There are very few economists—outside of the unions—who would agree with that, any more than they would with Marshall's incredible Chicago claim that, by keeping out low-cost steel imports, the administration is helping to contain inflation in steel prices. What it is doing is protecting American jobs at the cost of higher steel prices for consumers.

Already there are whispers around the White House that Marshall went too far in cozying up to Meany and laying a heavy hand on Bosworth. "Marshall screwed it up," says an authoritative voice.

Despite the effort to accommodate Meany, the labor leader turned on Carter and Marshall, slamming the administration's tentative settlement in the postal dispute. When Carter was reported to be "absolutely livid," Marshall held a press conference to deliver a first-ever statement criticizing Meany.

So everyone is mad at everyone else, and in this unstable situation I doubt that Marshall's "speak with one voice" committee, intended to force a lower profile on Bosworth, has any meaning. I can't visualize, in any event, that Bob Strauss would, let Marshall or anyone else be his spokesman. Taken as a whole, these events cast further doubt on the ability of the administration to cope with complex economic events. Chances that it can come up with a strong anti-inflation program seem about nil.

[From the Washington Post, Aug. 13, 1978]

LABOR SECRETARY REBUKES MEANY FOR CRITICISMS

(By Helen Dewar)

AFL-CIO President George Meany got a public rebuke from his closest ally in the Carter administration yesterday as relations between the White House and the veteran labor chief continued to deteriorate.

Meany's chilly response, tempered only slightly by a conciliatory gesture toward cooperating with the administration on economic problems, vowed: "I don't intend to change."

The rebuke came from Labor Secretary Ray Marshall, who confirmed that President Carter is angry at Meany's continual criticism of the administration and went on to say that he too considers the criticism "unacceptable."

Marshall's stand was significant. He has never before publicly criticized the 83-year-old labor leader, and has been designated by Meany as the only administration official he wants to deal with.

Meany did not back off his criticism. But he did announce formation of a top-level AFL-CIO committee to work with Marshall "from time to time" on economic problems, including inflation—one of the flashpoints in the long-smoldering hostility between Meany and the Democratic administration he helped elect.

Meany made clear that this did not signal any change in AFL-CIO opposition to wage restraints as an inflation remedy. "The AFL-CIO is not an agency of government," he said, "It cannot be used to hold down wages or control workers."

The administration should be trying to "solve the nation's economic problems," rather than "issuing statements and press releases or leaking views from anonymous sources," Meany asserted.

This was a reference to a high-level White House official quoted in yesterday's Washington Post as saying Carter was "absolutely livid" at Meany's repeated criticisms in the face of White House fence-mending efforts.

Marshall said both he and Carter were "personally disturbed" by Meany's criticism this week of a postal workers contract that includes only modest wage increases. Also, he said, it was "simply unacceptable" to say, as Meany did, that administration ineffectiveness contributed to defeat of the labor law revision bill.

"I don't want to have a public quarrel with George Meany," Marshall told reporters. "He is a good friend and a man with whom I usually find myself in agreement. But on this occasion I feel that his remarks were very unfortunate."

Marshall said it was a "mistake" for Meany to intervene in the postal contract ratification process, an act for which Meany has also been denounced by leaders of the AFL-CIO postal unions. The intervention, said Marshall, "could lead to a rejection of the contracts, more inflationary demands and increased labor tensions."

At the same time, however, Marshall tried to play down the seriousness of the rift, saying the administration and organized labor share common objectives in most areas.

There is no "break" between the administration and the AFL-CIO, said Marshall. An AFL-CIO official agreed, but other sources said the "chemistry" between Carter and Meany is so bad that poor relations are likely to continue—"probably to the mutual detriment," said one labor leader.

Administration aides said Marshall acted independently of the White House in calling yesterday's press conference but cleared his opening statement with presidential assistants, including media adviser Gerald Rafshoon, who reportedly urged Marshall to avoid any temptation to tone down the language. The words were uncharacteristically strong for the usually genial Marshall.

While Marshall often downplays the contribution of wages to inflation, he emphasized it yesterday, saying it would be a "serious misconception for anyone to believe that the administration can ignore the inflationary aspects of collective bargaining agreements." He said the government will stay out of the bargaining but will continue to push for constraints before the negotiations start.

[From the Washington Star, August 14, 1978]

MR. MEANY AND THE PRESIDENT

If there's a way to get on the good side of George Meany—and there may not be—the White House hasn't found it. Its latest conciliation of the labor chief probably invited the latest kick in the teeth administered by Mr. Meany.

Mr. Meany, who seems to think that organized labor bears little if any responsibility in the fight against inflation, persuaded President Carter the other day to muzzle Barry Bosworth, head of the Council on Wage and Price Stability, and give Labor Secretary Ray Marshall a larger role in White House anti-inflation policy.

Mr. Meany is down on Mr. Bosworth for having the temerity to suggest that unions ought to hold down wage demands. Mr. Meany's notion of inflation fighting is to keep the screws on business to hold down prices but to lay off unions and wage demands.

The AFL-CIO president visited the White House the other day and made his distaste for Mr. Bosworth known to President Carter—you may recall that a few weeks earlier Mr. Meany lectured the president on the advisability of the White House staying out of wage negotiations—and suggested that any further comments from Mr. Bosworth be funneled through a five-member committee headed by Labor Secretary Marshall. Mr. Meany likes Mr. Marshall because the labor secretary rarely, if ever, takes a position that union leaders could take issue with.

Having recently been subjected to a public tongue-lashing from United Auto Workers president Douglas Fraser, President Carter apparently didn't want more of the same from Mr. Meany and acceded to Mr. Meany's wish.

The pair had barely finished shaking hands on the agreement to create the new committee and muzzle Mr. Bosworth when Mr. Meany showed up at a union meeting in Chicago and began sniping at President Carter for alleged weakness and ineffectiveness in dealing with Congress.

Not only that, Mr. Meany denounced the new postal contract and suggested that postal workers ought to reject it. That set off sparks among several postal union chiefs who said that Mr. Meany didn't know what he was talking about and suggested that he butt out of their affairs.

Sources at the White House, where the postal contract was being held up as a model of union moderation and responsibility, reported that President Carter was "absolutely livid" over Mr. Meany's comments on the postal contract and his rebuke of the president, especially since the president had just caved in to Mr. Meany on the Bosworth-Marshall matter.

It's probably time for Mr. Meany to go over to the White House and deliver another little lecture to the president. Who does Mr. Carter think is running the country, anyway?

HUMAN RIGHTS

HON. WILLIAM S. MOORHEAD

OF PENNSYLVANIA

IN THE HOUSE OF REPRESENTATIVES

Wednesday, August 16, 1978

● Mr. MOORHEAD of Pennsylvania. Mr. Speaker, I wish to comment on human rights. More than two centuries ago this country was founded on the proposition that all persons are equal before the law. While theory and practice may not have always converged in the implementation of this ideal, I believe that it is more than fair to say that the United States has made steady progress through the years in seeing this ideal turned into reality.

The Soviet Union does not have a similar tradition. The rights of Soviet citizens seem significantly more a function of who is in power and what they want than a function of objective, just laws. Theirs seems to be a government of men, not laws.

This disregard for the rule of law inherent in the Soviet system has been recently and dramatically demonstrated in the treatment given Anatoly Shcharansky, Viktoras Petkus, Aleksandr Ginzberg, Vladimir Slepak, Ida Nudel, Josef Begun, Craig Whitney of the New York Times, Harold Piper of the Baltimore Sun, and U.S. second secretary to the Soviet Embassy Raymond Smith. Be it on questions of emigration, of actively monitoring whether the Helsinki Agree-

ment is being enforced, of free speech, and/or of whether American diplomats are safe on American Embassy grounds, the Soviets have a means-ends mentality. The law presents no obstacles to desired goals as the law can be skewed to meet whatever demands the situation requires. Their law is not law, really—its a rubberband to be stretched or broken when the Soviet hierarchy wills.

The recent acts by the Soviets are particularly disturbing. These acts not only reemphasize the Soviets negative attitudes toward basic human rights but also seriously jeopardize what has popularly come to be known as "détente." To my mind, détente has never been and will never be a magic solution to the manifest problems separating the Soviets and ourselves. However, it does strike me that détente does mean the existence of a political atmosphere conducive to discussing and possibly resolving subjects of mutual interest.

Mr. Speaker, in the name of fundamental human rights, in the name of the rule of law, and in the name of mutual nuclear disarmament, I call upon the Soviets to rethink and revise their policies which led to their recent actions. It would be best for them, their citizens, and the world.●

RHODESIA'S PERIL

HON. HARRY F. BYRD, JR.

OF VIRGINIA

IN THE SENATE OF THE UNITED STATES

Wednesday, August 16, 1978

● Mr. HARRY F. BYRD, JR. Mr. President, for an excellent analysis of the Rhodesian problem as it concerns the Congress, I commend to my colleagues an editorial from the Norfolk, Va., Ledger-Star written by its editor, George J. Hebert.

I ask that Mr. Hebert's editorial, "Rhodesia's Peril," be printed in Extensions of Remarks.

The article follows:

[From the Ledger-Star, August 11, 1978]

RHODESIA'S PERIL

(By George Hebert)

The House of Representatives appears to be the only Western body, possessing any real power in the situation, with a grasp of what's at stake in Rhodesia.

In contrast with the Senate and the version agreed upon yesterday by Senate-House conferees, the House proposal for eventual lifting of sanctions against Rhodesia omitted any requirement that the interim bi-racial government negotiate with "all parties" for a peace settlement and for agreement on Rhodesia's future.

The House simply called for removal of the sanctions by the end of the year if a freely elected government is installed by then, as prescribed in Salisbury's plan. This makes sense, though it would be better of course to end the sanctions now, as a gesture of encouragement to the orderly process of change which responsible Rhodesians have already set in motion. The black-white council now ruling the country, though suffering from internal strain and external siege, clearly holds the best hope of achieving a durable government under black-majority control.

To play the Senate game, the Carter game, the British game, the Third World game, is to insist on deals containing the seeds of Rhodesia's destruction as a democracy. For the faction Salisbury doesn't want to bring into negotiations consists of terrorist guerrillas, conducting their grisly operations under Soviet auspices. Their leaders are aiming for nothing short of total power in the turmoil created by the impending end of white rule.

It is bad enough that a supposedly humane group like the World Council of Churches should ally itself with these cutthroats, as the council did this week with an $85,000 grant. But for the American government to abet any such bloody-handed force as this, helping to erase all hopes of a free, viable Rhodesia, stuns the civilized mind.

Yet this is Washington's posture. And this is the policy which will remain the shame of the U.S. government, unless the breakthrough achieved in the House somehow becomes part of a larger return to sanity.●

STATEMENT OF PERSONAL EXPLANATION

HON. JOHN B. BRECKINRIDGE

OF KENTUCKY

IN THE HOUSE OF REPRESENTATIVES

Wednesday, August 16, 1978

● Mr. BRECKINRIDGE. Mr. Speaker, I regret that I was not able to attend the House votes of Friday, August 11, 1978. I missed roll call No. 686, roll call No. 687, roll call No. 688, roll call No. 689, and roll call No. 690. Last Friday I was in Lexington, Ky., attending a Consortium Preliminary Planning Conference with the Congressional Rural Caucus and the American Association of Small Cities.

On rollcall No. 686, I would have voted "aye" on the motion to accept the Journal of Thursday, August 10. On rollcall No. 687, House Resolution 1307, the rule under which the civil service reform bill was considered, I would have voted "aye."

On rollcall No. 688, I would have voted "aye" on the move to resolve the House into the Committee on the Whole. Following this, I would have voted "aye" on the motion to table a motion to reconsider the previous vote—roll call No. 689.

On rollcall No. 690, I would have voted "aye" on H.R. 13007, an amendment to the Consumer Credit Protection Act, which would establish rights, remedies, and responsibilties for all participants in the utilization of electronic fund transfer services.●

A PRIEST FOREVER

HON. ROBERT K. DORNAN

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Wednesday, August 16, 1978

● Mr. DORNAN. Mr. Speaker, at age 83, Maryknoll Father Francis J. Caffrey could be enjoying a life of leisure. However, being of the old school, he believes literally in the biblical exhortation, "Thou art a priest forever."

After ordination in 1924, Father Caffrey was assigned to missionary duties for many years. He later served as pastor of a large parish in northern California and was always involved in various civic activities. At the time of World War II, Father Caffrey represented the Maryknoll fathers as intermediary between the Army and the Department of Justice, during the internment of Japanese after Pearl Harbor.

Father Caffrey became known nationally when he hosted a radio program, "Sunday in Hollywood," on which he interviewed many of the most famous names in Hollywood—including Bing Crosby, Loretta Young, Perry Como, Danny Thomas, and countless other stars. Each celebrity related personal experiences of how a priest or other religious person had influenced his or her life. To this day Father Caffrey maintains many friendships in the motion picture industry.

In 1969 Father Caffrey met Jill Jackson Miller, wife of the late songwriter, Sy Miller. Jill and her husband had collaborated on many hit songs—including the beautiful, "Let There Be Peace On Earth—And Let It Begin With Me." In the 1960's Jill Jackson authored the beautiful and poignant poem, "Open Letter To Man", which Father Caffrey fell in love with. This dedicated priest began to distribute the Jill Miller poem and to date has spread 300 million—million—copies around the globe.

Father Francis J. Caffrey was recently recognized by the California State Assembly, for his many years of service to his church and to his community. May I second the accolades of the California legislators and top them off by having reprinted in our CONGRESSIONAL RECORD—where I am sure it will inspire additional millions of Americans—the beloved "Open Letter to Man":

I am woman.
I am your wife, your sweetheart, your mother, your daughter, your sister . . . your friend.
I need your help.
I was created to give to the world—gentleness, understanding, serenity, beauty and love.
I am finding it increasingly difficult to fulfill my purpose.
Many people in advertising, motion pictures, television and radio have ignored my inner qualities and have repeatedly used me only as a symbol of sex.
This humiliates me; it destroys my dignity; it prevents me from being what you want me to be . . . an example of beauty, inspiration and love . . . love for my children, love for my husband, love for my God and my country.
I need your help to restore me to my true position . . . to allow me to fulfill the purpose for which I was created.
I know you will find a way.

Thank Jill for writing this little treasure and thank you Father Caffrey for taking it to the world. God bless you both.●

TIME FOR REALISM ON CLEAN AIR ACT AMENDMENTS

HON. ROBERT L. F. SIKES
OF FLORIDA
IN THE HOUSE OF REPRESENTATIVES

Wednesday, August 16, 1978

● Mr. SIKES. Mr. Speaker, a year ago, on August 4, 1977, both Houses of Congress passed the Clean Air Act Amendments of 1977, and they were signed 3 days later by President Carter to become Public Law 95–95. Without doubt, this was complex and controversial legislation. It had been several years in the making, and there were many stormy sessions in subcommittees, committees, and on the floor of this House as well as the other body.

Many people with diverse interests feared that the Clean Air Act amendments, having the single purpose of promoting clean air, might lead to sacrifice or frustration of other equally important national objectives, such as reducing inflation, unemployment and energy imports. Indeed, if such fears had not been expressed, Congress well might have written a law with the goal of clean air as the overriding imperative to the deterioment of our national welfare and our citizen's standard of living.

There is no denying that, if improperly interpreted, the Clean Air Act amendments could have such a drastic consequence. But, clearly, such was not the intent of Congress. Great pains were taken to assure that environmental, energy, economic, and other important aspects will be considered and balanced by the Administrator of the Environmental Protection Agency when implementing the act.

For example, in revising standards of performance for new or modified fossil-fuel-fired stationary sources, the Administrator is specifically directed to determine the best technology that has been adequately demonstrated—and cost, energy requirements, and environmental impacts on media other than air expressly must be considered in making that determination. In other words, despite expressed fears while the amendments were being debated, the Administrator's decision may not be made in a "clean-air vacuum"; it must reflect balanced consideration of the other important national objectives delineated in the law.

Such careful statutory wording gave me assurance, and I am sure it did most of my colleagues who, as I, voted for the House bill and agreed to the conference report. We were satisfied that jobs, consumer costs, our balance of payments and standard of living would not be sacrificed on the altar of unnecessarily ultraclean air.

It appears, however, that we may have been too sanguine in our belief that EPA would follow the congressional intent and clear mandate. The Agency's draft proposal of revised new source performance standards for coal-burning electric utility boilers does not reflect consideration of the relevant facts nor take advantage of the statutory flexibility that was provided in the legislative history so that careful balance among the competing national objectives can be struck.

The Department of Energy commented extensively on the EPA proposal, made a counterproposal that more nearly follows Congressional intent, and carefully documented the different impacts of each proposal. DOE makes a compelling case that available data on currently operating flue-gas desulfurization systems do not show that the EPA proposal can be complied with in practice. Hence, despite the most determined operation and maintenance efforts, utility managements would be subject to drastic sanctions.

The EPA proposal would result in 0.3 to 1 million tons per year less sulfur dioxide emission than DOE's proposal—but at an increase cost of $13 to $24 billion through 1990. The cost to consumers under either proposal will be considerable, but it appears that EPA gave little, if any, consideration to cost-effectiveness.

EPA's proposal would increase utility oil consumption 300,000 to 600,000 barrels per day more than DOE's, while coal consumption under EPA's proposal would be 44 to 83 million tons per year less than under DOE's. It is difficult for me to reconcile EPA's proposal with the national effort to reduce oil consumption and increase coal use, or to comprehend how they resolved the legal mandate to consider energy requirements.

I have written President Carter to express my concerns about the EPA proposal, and to urge that all competing important national objectives be weighed and balanced, as Congress intended, before final rules are promulgated.

For my colleagues who may want to read a carefully written, objective presentation of the several viewpoints on this matter, I commend the article, "Billions at Stake as U.S. Weighs Clean-Air Rules," by Charles Mohr in the August 2, 1978, New York Times, in the RECORD:

BILLIONS AT STAKE AS U.S. WEIGHS CLEAN-AIR RULES

(By Charles Mohr)

WASHINGTON, August 1.—The question of how much cleansing to require of the sulfurous smoke that will be emitted by a new generation of electric power plants has become a subject of intense debate among Government agencies and special interest groups. Billions of dollars, as well as considerations of clean air, are at stake.

Douglas M. Costle, the administrator of the Environmental Protection Agency, must issue by Sept. 12 proposed "new source performance standards" for new or modified coal-fired power plants. One environmentalist calls it "perhaps the most significant rule-making action" ever taken to enforce the law restricting air pollution.

Industrial and utility spokesmen see the decision as a critical test of whether the Carter Administration is "serious" about controlling inflation through Government actions.

The E.P.A. is leaning toward stringent standards that would require the installation of highly efficient and highly expensive gas "scrubbers" even if a power plant uses relatively clean, low-sulfur Western coal.

The Department of Energy is vigorously arguing for lower standards, saying that its proposal would save as much as $24 billion for utilities from 1983 to 1990, would reduce oil imports and would ease the national transition from oil to coal.

The economic advisers who constitute President Carter's anti-inflation team are certain to subject the regulation to the detailed economic review that they are empowered to make, and business leaders have already gone to the White House to urge relaxation of standards.

WARNING ON LAWSUITS

On the other hand, the National Resources Defense Council, an environmental organization, has warned Mr. Costle that he may face "endless litigation" if standards are not stringent.

The decision will also affect the share of the market that Western coal mines will be able to capture from Eastern and Middle Western fields that produce dirtier, high sulfur fuel.

In the 1977 amendments to the Clean Air Act, Congress required that the new source performance standards be based on "the best technological system of continuous emission reduction" of pollution.

The amendments also required Mr. Costle to set standards for the percentage of sulfur oxides that must be removed from the smoke of the new plants and an "emissions standard" or limit on the amount of pollutants for each unit of heat generated.

An E.P.A. staff draft proposal, which has aroused the ire of critics, suggested; that single and fixed standards be set no matter what kind of coal is burned. The draft also called for reducing the sulfur dioxide pollution from plants by 85 percent average daily. This would, experts believe, result in an average annual reduction of 90 percent.

It would also require that a utility would have to remove the same percentage of pollutant from low-sulfur coal, by installing the same kind of gas scrubbers required for high sulfur coal, even though the Western fuel contains significantly less sulfur.

CONCESSION ON SCRUBBING

The Department of Energy and other critics concede that the language of the 1977 Clean Air Act amendments requires that some degree of scrubbing be done in new plants, even those using Western coal. But they are recommendations that a "sliding scale" be adopted that would permit as little as 40 percent of the sulfur dioxide from cleaner coal to be removed.

In its "alternative proposal," the Energy Department is also recommending that utilities be required only to achieve an 85 percent reduction for high-sulphur coal averaged on a monthly basis.

This is easier, and thus cheaper, to achieve than the daily average suggested by E.P.A. and would reduce utility company fears about "reliability" of the highly efficient scrubbers that the environmental agency draft would require.

In a letter to Mr. Costle on July 6, John F. O'Leary, the Deputy Secretary of Energy, said that his department was concerned about "the potentially inflationary impact" of the E.P.A. draft, the potential for increasing oil consumption and "the risk of widespread noncompliance" by the utilities.

MOVES FOR "BEST BALANCE"

"We recognize that competing objectives are at stake, and that a proper balancing of environmental, economic and energy objectives is a challenging task," Mr. O'Leary wrote. "Our concern," he said, is that the E.P.A. staff's proposed revision in new source performance standards, "does not strike the best balance."

The "proposed" rule, which Mr. Costle must issue next month under a court-imposed deadline, will be open to an extended period of public comment, and the "final" rule may not be published until next year.

Because of the long construction times for new power plants, the new units affected

by the performance-standards will not begin to go into production until 1983 or 1984. As many as 250 large generating units of about 600 megawatts each may be activated from 1983 to 1990.

The Department of Energy contended in its letter to Mr. Costle that the department alternatives to the E.P.A. plan would save from $11 billion to $24 billion in that period, with further savings after 1990.

The environmental agency economic analysis, however, is that the more stringent standards would raise the cost of pollution control by an average of $700 million a year.

THE MERITS OF THE COST

There is also argument about how much cleaner the air would be in either case and whether the more stringent controls are worth the cost. One estimate is that by 1990 the total national emissions of sulfur dioxide would be 20 million tons under the Energy Department plan, and 19 million tons under the environmental agency draft.

David G. Hawkins, the E.P.A. assistant administrator for air programs, said that the reduction in pollution was "masked" by the continuing pollution of existing power plants operating under the lower present standards.

Another major item of contention is the effect of varying proposals on oil consumption. Partly because utilities tend intensely to dislike scrubbers and to distrust their operational reliability they may go slowly in shutting down existing oil-fired plants, some experts believe.

The Energy Department analysts contended that the E.P.A. staff proposal "could increase utility oil consumption in 1990 by 400,000 to 700,000 barrels per day whereas our proposals would lead to an increase of only 100,000 barrels per day."

SIGNAL FROM ADMINISTRATION

In a July 28 letter to Stuart E. Eizenstat, President Carter's chief domestic policy assistant, George C. Freeman, attorney for the utility industry's Air Regulatory Group, said that the forthcoming decision on performance standards would be the first "signal to the American people, business and Congress, as well as to our allies, of the Administration's willingness to accept the hard tradeoffs necessary" to honor Mr. Carter's pledges made at the recent economic summit conference in Bonn.

In a telephone interview, Mr. Freeman, said, "This is the central issue that will show whether the Administration is serious about controlling inflation and oil imports."

Mr. Freeman said that spokesmen for the powerful Business Roundtable had also told Mr. Eizenstat that it was a test of whether Government would make the difficult "tradeoffs" being asked of business.

In a letter to Mr. Costle, however, Richard E. Ayres, the senior staff attorney of the Natural Resources Defense Council, strenuously urged that the strict standards be adopted, saying that the Energy Department proposals "are contrary to the language and intent" of Congress and would "degrade the nation's air quality," limit economic growth by using up air pollution "increments" and threaten public support for coal conversion, a key part of Mr. Carter's national energy plan.

Mr. Ayres also argued that the weaker standard would "restore once again a strong incentive" for Middle Western, Eastern and Southeastern utilities to buy Western coal rather than locally available high sulfur coal. This, he argued, would frustrate one intention of the 1977 Clean Air Act amendments.

Mr. Costle last Friday inspected some highly reliable and successfully operated scrubbers at the Cane River plant of the Louisville Gas and Electric Company. During his visit he said that the forthcoming decision would be "the most significant environmental judgment that I'll make this year."

It is a debate, he suggested, as to "what degree environmental costs add to utility costs," but he added that "I think environmental costs are acceptable." As for fighting inflation and cleansing the air, Mr. Costle said, "you can do both."

But his final decision—which he is careful to conceal—will come only after continued and strong pressure from within and without the Government.●

THE UDALL RECORD—1978

HON. MORRIS K. UDALL

OF ARIZONA

IN THE HOUSE OF REPRESENTATIVES

Wednesday, August 16, 1978

● Mr. UDALL. Mr. Speaker, I am once again printing here in the CONGRESSIONAL RECORD a list of my votes in the House of Representatives. The votes listed here cover the 95th Congress, 2d session, up to and including August 15, 1978.

The list is arranged as follows:

Official roll-call number;
Number of the bill or resolution;
Short description of the measure under consideration;
Date of the described action;
My vote on the motion (Y—Yes; N—No; NV—Not voting);
The overall vote of the Arizona delegation (in the order: Yeas-Nays-Not voting);
An indication whether the measure passed or failed; and
The total vote.

This is not an all-inclusive list. In the interests of time and space, I have left out purely procedural questions such as votes to approve the Journal of the House, adoption of noncontroversial rules, and motions to resolve into the Committee of the Whole House.

The descriptions of the measures being voted on are necessarily somewhat short, and I am quite sure that many of my constituents will have additional questions about the details of some of these measures. I invite them to either visit my district office, at 301 West Congress in Tucson, where I have more information, or to write me with specifics.

The list follows:

(2) H.R. 2329. Fish and Wildlife amendment to delete language allowing warrantless searches and to substitute language permitting such activities if the offense is committed in the officer's presence or view. January 19, 1978. Y(2–1–1–) Passed 215–131.

(3) H.R. 2329. Fish and Wildlife bills to improve the enforcement of fish and wildlife laws. January 19, 1978. Y(2–1–1) Passed 292–59.

(5) H.R. 9165. Motion to pass a bill authorizing $10,000 for a bust of George C. Marshall. January 23, 1978 Y(2–1–1) Passed 351–22.

(6) H.R. 8771. Bill to grant divorced or separated Civil Service spouses rights in Civil Service pensions. January 23, 1978. Y(3–0–1) Passed 369–7.

(7) H.R. 9471. Provides Civil Service retirement credit for certain federal employees that were interned in relocation camps during WWII. January 23, 1978. Y(3–0–1) Passed 366–12.

(8) H.R. 9169. Increase permissible federal loan guarantees in connection with fishing vessels. January 23, 1978. Y(2–1–1) Passed 309–68.

(10) H.R. 8811. Enables Tax Court judges to revoke their participation in the Tax Court retirement system. January 24, 1978. Y(3–0–1) Passed 399–1.

(11) H.R. 7662. Authorizes $6 million to study administrative practices and make recommendations to improve efficiency. January 24, 1978. Y(2–1–1) Passed 292–103.

(12) S. 1585. Prohibits use of children under 16 in explicit sexual conduct for use in material for interstate commerce, and prohibits the interstate transportation of children under 18 for use in live sex shows or prostitution. January 24, 1978. Y(3–0–1) Passed 401–0.

(13) H.R. 1614. Amends the Outer Continental Shelf Act of 1953 to provide alternative bidding systems, grants to coastal states and environmental controls. January 25, 1978. Y(2–2–0) Passed 247–158.

(15) H.R. 1614. Retains the existing bidding system for Outer Continental Shelf lands at least 50% of the time. Provides for sharing of offshore revenues with coastal states. January 26, 1978. N(3–1–0) Rejected 187–211.

(16) H.R. 1614. Limits use of alternative bidding system for offshore territories. January 26, 1978. N(3–1–0) Rejected 143–229.

(18) H.R. 5798. Authorizes $1 million for the office of Rail Public Counsel in the Interstate Commerce Commission. January 30, 1978. Y(2–2–0) Passed 318–44.

(19) H.R. 5646. Enables the U.S. Railway Association to loan funds to Consolidated Rail Corporation. January 30, 1978. Y(2–1) Passed 314–50.

(20) H.R. 9851. Permits charter airlines to provide all-cargo air service under the provisions of 1977 air-cargo deregulation law. January 31, 1978. Y(4–0–0) Passed 403–0.

(21) H.R. 1614. No federal agency may do exploratory drilling. January 31, 1978. Y(2–1–1) Passed 328–77.

(22) H.R. 1614. Amendment stating that cancellation of lease should not foreclose any claim for compensation as required by the Constitution or any law. January 31, 1978. N(3–1–0) Passed 208–194.

(23) H.R. 1614. Requires alternative bidding system at least 10 percent and not more than 30 percent of lease sales. January 31, 1978. N(3–1–0) Rejected 196–207.

(24) H.R. 1614. Requires alternatives bidding system at least 20 percent and not more than 50 percent of lease sales. January 31, 1978 N(3–1–0) Passed 219–188.

(26) H.R. 8200. Substitute amendment to H.R. 8200 to retain the existing court structure for dealing with bankruptcies and other measures. February 2, 1978. Y(1–3–0) Rejected 146–262.

(27) H.R. 1614. Authorizes Attorney General and the Federal Trade Commission to conduct antitrust investigations of offshore lease proposals. February 1, 1978. Y(1–3–0) Passed 241–162.

(28) H.R. 1614. Provides that tracts sold by the alternative bidding systems be randomly selected. February 1, 1978. Y(1–3–0) Passed 225–174.

(30) H.R. 1614. Deletes section requiring that U.S. nationals be hired for offshore oil jobs. February 2, 1978. N(0–3–1) Rejected 118–280.

(31) H.R. 1614. Requires that U.S.-built equipment and nationals be used in OCS jobs. February 2, 1978. N(0–4–0) Rejected 201–208.

(33) H.R. 1614. Provides that 20 percent of OCS Federal revenues, up to $200 million annually, be shared with the coastal States. February 2, 1978. N(1–2–1) Passed 279–120.

(34) H.R. 1614. Deletes requirement that coastal States must have a federally approved coastal zone management plan. February 2, 1978. N(1–1–2) Rejected 159–230.

(35) H.R. 1614. Bill to amend the 1953 law governing oil and gas exploration on the Outer Continental Shelf. February 2, 1978. Y(1–2–1) Passed 291–91.

(36) H.R. 9434. Bill to raise ceiling of 1978 Medicaid payments to Puerto Rico, the Vir-

gin Island, and Guam. February 6, 1978. Y(1–3–0) Passed 253–106.

(37) H.R. 8336. To establish a Chatahoochee River National Park. February 6, 1978. Y(3–1–0) Passed 323–41.

(39) H.R. 6362. Requires sealed bidding for timber sales. February 6, 1978. N(0–4–0) Rejected 136–239.

(40) H.R. 6362. Allows Agriculture Secretary to determine the method for sale of timber. February 6, 1978. Y(4–0–0) Passed 295–78.

(42) H.R. 7843. Creates 110 federal district court judgeships and 35 new appeals court judgeships. February 7, 1978. NV(3–0–1) Passed 319–80.

(43) H.R. 6805. Provides for the consideration of a bill to establish an Agency for Consumer Protection. February 7, 1978. Y(1–3–0) Passed 271–138.

(44) H.R. 6805. Creates office of Consumer Counsel within each of 23 major federal departments. February 7, 1978. N(1–3–0) Rejected 93–313.

(47) H.R. 6805. Requires the proposed Office of Consumer Representation to give the President 30 days' advance notice of its intent to seek judicial review. February 8, 1978. N(3–1–0) Rejected 195–219.

(48) H.R. 6805. Deletes from the bill (H.R. 6805) the exemption covering certain labor proceedings before the National Labor Relations Board. February 8, 1978. N(3–1–0) Rejected 138–274.

(49) H.R. 6805. Deletes from the bill (H.R. 6805) the exemption covering DOA proceedings concerning loans and other matters. February 8, 1978. N(0–4–0) Rejected 105–309.

(50) H.R. 6805. Bill to establish an independent office of Consumer Representation. Febraury 8, 1978. Y(1–30) Rejected 189–227.

(52) H.R. 3813. Motion to send H.R. 3813, the Redwood National Park bill back to the Committee on Interior and Insular Affairs with instructions. February 9, 1978. N(3–1–0) Rejected 116–247.

(53) H.R. 3813. Passage of the bill to establish a Redwood National Park. February 9, 1978. Y(1–3–0) Passed 328–60.

(54) H.R. 3454. Enlarges the National Wilderness Preservation System. February 9, 1978. Y(2–2–0) Passed 333–44.

(55) H.R. 2554. Enables the U.S. Court of Claims to reconsider Sioux claims against the U.S. February 9, 1978. Y(4–0–0) Passed 337–17.

(56) H.R. 7843. Provides for merit selection of federal court judgeships. February 9, 1978. Y(4–0–0) Passed 321–19.

(58) H.R. 8336. Requires the state take over of the Park in two years. February 14, 1978. N(2–1–1) Rejected 119–230.

(59) H.R. 8336. Establishes Chattahoochee River National Park. February 14, 1978. Y(1–2–1) Passed 273–79.

(60) H.R. 5503. Reduces the number of high-grade military officers. February 14, 1978. Y(3–0–1) Passed 351–7.

(62) H.R. 4544. Adoption of conference report to liberalize black lung benefits. February 15, 1978. NV(0–2–2) Passed 264–113.

(63) H.R. 9370. Authorizes $72 million for aquaculture development. February 15, 1978. NV(0–2–2) Passed 234–130.

(65) H.R. 10970. Emergency motion under suspension of the rules to pass the bill authorizing funds for the repair of weather damaged roadways and rails. February 21, 1978. N(3–1–0) Passed 274–137.

(66) H.J. Res. 649. Authorizes White House conferences on the Arts and Humanities. February 21, 1978. Y(2–2–0) Passed 341–65.

(67) H.R. 10569. Motion to amend the 1970 Alcohol & Drug Abuse Act. February 21, 1978. Y(4–0–0) Passed 409–0.

(68) H.R. 10606. Motion to suspend the rules and authorize funds for the Hubert Humphrey Institute of Public Affairs. February 21, 1978. Y(2–2–0) Passed 356–53.

(71) H.R. 9375. Motion to table the bill providing for rescinding funds for the production of the B–1 bomber. February 22, 1978. N(3–1–0) Rejected 172–244.

(72) H.R. 9375. Bill to rescind $462 million appropriated in 1977 for the production of the B–1 bomber. February 22, 1978. Y(1–3–0) Passed 234–182.

(76) H.R. 9214. Limits salary of director of IMF to $50,000. February 23, 1978. Y(1–2–1) Passed 253–141.

(77) H.R. 9214. Allows the U.S. to participate in a new $10 billion IMF. February 23, 1978 Y(1–2–1) Passed 267–125.

(78) H.R. 9179. Prohibits the Oversees Private Investment Corporation from making any loans to the National Finance Corporation of Panama. February 23, 1978. N(2–1–1) Rejected 166–199.

(79) H.R. 9179. Prohibits OPIC from providing loans to expand exportation of palm oil, sugar and citrus crops. February 23, 1978. N(2–1–1) Passed 191–167.

(80) H.R. 9179. Extends the operating authority of OPIC. February 23, 1978. Y(2–1–1) Passed 191–165.

(83) H.R. 9757. Bill to delay the increase of grazing fees. February 24, 1978. Y(3–0–1) Passed 257–47.

(84) H.R. 3377. Enables the Wichitas to file land claims. February 24, 1978. Y(2–0–2) Passed 293–1.

(85) H.R. 3377. Bill to enable the Wichita Tribe to file land claims. February 24, 1978. Y(1–2–1) Passed 226–68.

(87) H. Con. Res. 464. Allows D.C. voters to initiate laws. February 27, 1978. Y(3–0–1) Passed 321–24.

(88) H. Con. Res. 471 Allows D.C. voters to recall elected officials. February 27, 1978. Y(3–0–1) Passed 350–4.

(90) H.R. 9622. Abolishes "diversity of citizenship" as grounds for requesting federal jurisdiction. February 28, 1978. Y(3–0–1) Passed 266–133.

(91) H.R. 3816. Strengthens FTC's powers. February 28, 1978. Y(1–2–1) Rejected 146–255.

(92) H.R. 5981. Grants $3.1 million to the American Folklife Center. February 28, 1978. Y(2–1–1) Passed 306–80.

(97) H.J. Res. 554. Proposes an amendment to the Constitution that D.C. be given full voting rights in Congress. March 2, 1978. Y(1–3–0) Passed 289–127.

(100) H. Res. 957. Authorizes $400,000 for House Committee on Veterans Affairs. March 3, 1978. Y(1–0–3) Passed 336–1.

(101) H. Res. 953. Authorizes $275,000 for calendar year 1978 for the House Committee on the District of Columbia. March 3, 1978. Y(1–0–3) Passed 318–15.

(102) H. Res. 1012. Authorizes $49,500 for expenses of investigation and studies of the House Committee on Rules. March 3, 1978. Y(1–0–3) Passed 321–13.

(105) H.J. Res. 715. To designate May 3, 1978 as "Sun Day" to promote and call attention to solar energy. March 6, 1978. Y(3–0–1) Passed 348–7.

(107) H.R. 10551. Bill to continue fiscal 1978 funding and waive certain requirements of Title I of the 1974 Elementary and Secondary Education Act for some schools that participated in demonstration programs. March 7, 1978. NV(1–0–3) Passed 404–0.

(110) H.R. 11180. Amendment to delete title II, which would establish the debt limit through concurrent budget resolution in the future. March 7, 1978. NV (0–1–3). Passed 277–132.

(111) H.R. 11180. Passage of the bill to increase the debt limit to $824 billion through March 1, 1979. March 7, 1978. NV(0–1–3). Rejected 165–248.

(112) H.J. Res. 746. Appropriate $13.1 million for the operation of the Southwestern Power Administration for fiscal 1978. March 7, 1978. NV(0–2–2) Passed 353–50.

(113) H. Res. Authorizes $2 million for calendar year 1978 for the House Committee on Public Works and Transportation. March 7, 1978. NV(0–1–3) Passed 399–1.

(118) H.R. 50. Demand for yeas and nays on the motion to order the previous question on the adoption of the rule providing for House floor consideration of the Full Employment Act. March 8, 1978. Y(3–0–1) Passed 371–36.

(125) H.R. 50. Amendment to require the president to include in his economic report goals for reasonable price stability and to formulate policies to reduce inflation. March 9, 1978. NV(1–2–1) Passed 277–143.

(126) H.R. 50. Substitute amendment to require the President beginning with the third year after passage of the bill to include in his economic report goals for reasonable prices and to define that goal as reduction of inflation to 3 percent within five years of enactment. March 9, 1978. N(3–1–0) Rejected 198–223.

(127) H.R. 50. Amendment to require President's economic report to distinguish permanent and temporary employment. March 9, 1978. N(3–1–0) Passed 239–177.

(128) H.R. 50. Amendment to include maintenance of farm income at 100 percent of parity at market price among the goals of the President's economic report. March 9, 1978. Y(3–1–0) Passed 264–150.

(129) H.R. 10982. Bill to rescind $55,255,000 in fiscal 1978 appropriations. March 10, 1978. Y(3–1–0) Passed 318–0.

(131) H.R. 6635. Demand for a second on the motion to suspend the rules and pass the bill to allow the interest rates paid on U.S. retirement plan and individual retirement bonds to be increased to the rate paid on U.S. series E savings bonds. March 13, 1978. Y(4–0–0) Second ordered 372–1.

(132) H.R. 7814. Motion to suspend rules and pass the bill to allow federal agencies to experiment with flexible work schedules. March 13, 1978. Y(1–3–0) Rejected 242–141.

(133) H.R. 10126. Motion to suspend the rules and pass the bill to establish a program to increase part time career employment within the Civil Service. March 13, 1978. Y(1–3–0) Passed 294–84.

(134) H.R. 9146. Motion to suspend the rules and pass the bill to provide for a one-house veto within 60 days of proposed postal service changes. March 13, 1978 Y(4–0–0) Passed 371–6.

(135) H. Res. 1010. Motion to recommit the resolution to the House Administration Committee with instructions to require $300,000 of the $1,482,805 be earmarked for the committee's internal security functions. March 13, 1978. N(3–1–0) Rejected 161–216.

(136) H. Res. 956. Motion to recommit the resolution to the House Administration Committee with instructions to cut funding for the committee from $2.5 million to $600,000. March 13, 1978. N(3–1–0) Rejected 182–198.

(137) H. Res. 956. Resolution providing $2.5 million for activities of the House Select Committee on Assassinations for the remainder of the 96th Congress. March 13, 1978. Y(1–3–0) Passed 204–175.

(143) S. 1671. Demand for a second on the motion to suspend the rules and pass the bill to designate the Custer and Gallatin National Forests in Montana as the Absaroka-Beartooth Wilderness. March 14, 1978. Y(4–0–0) Passed 380–20.

(144) H.R. 810. Demand for a second on the motion to suspend the rules and pass the bill to permit private foundations to pay foreign travel expenses of government officials. March 14, 1978. Y(4–0–0) Passed 387–2.

(145) H.R. 2028. Demand for a second on the motion to suspend the rules and pass the bill to permit individuals aged 18 and older to produce beer and wine for personal use. March 14, 1978. Y(4–0–0) Passed 388–3.

(146) S. 1671. Motion to suspend the rules and pass the bill to include 904,500 acres of national forest lands in the National Wilderness System and call it the Absaroka-Beartooth Wilderness. March 14, 1978. Y(3–1–0) Passed 405–7.

(147) H.R. 810. Motion to suspend the

rules and pass the bill to permit private foundations to pay foreign travel expenses of government officials. March 14, 1978. Y(2–2–0) Passed 372–38.

(148) H.R. 3813. Adoption of the conference report on the bill to provide for immediate expansion of the Redwood National Park. March 14, 1978. Y(2–2–0) Passed 317–60.

(152) H.R. 50. An amendment substitute to provide alternative language for an amendment aimed at achieving a balanced federal budget within five years. March 15, 1978. N(3–1–0) Rejected 205–215.

(153) H.R. 50. Amendment substitute to declare that one of the purposes of the act is achievement of a balanced budget in addition to full employment. March 15, 1978. Y(4–0–0) Passed 411–3.

(155) H.R. 50. Amendment to make reductions on individual and corporate taxes a medium goal to be included in the first economic report submitted to the President following the enactment of this bill. March 15, 1978. N(0–3–0) Rejected 194–216.

(157) H.R. 50. Amendment to make the removal of architectural barriers to the handicapped one of the national priorities under the bill. March 16, 1978. Y(3–0–1) Passed 398–0.

(158) H.R. 50. Amendment to exclude people unemployed because of strikes, who voluntarily left their last job, or who have been unemployed less than four weeks from measure of unemployment. March 16, 1978. N(3–1–0) Rejected 199–204.

(159) H.R. 50. Motion to strike the enacting clause and thus kill the bill. March 16, 1978. N(3–1–0) Rejected 106–310.

(160) H.R. 50. Amendment to require the President to consider the impact of the U.S. Code and Code of Federal Regulations on the national economy. March 16, 1978. N(3–1–0) Rejected 114–296.

(161) H.R. 50. Amendment to permit the Joint Economic Committee to submit an amendment recommending economic goals to the first annual concurrent resolution on the budget, eliminating the provisions that would permit the joint committee to report its own concurrent resolution each year. March 16, 1978. N(3–1–0) Passed 259–153.

(162) H.R. 50. Amendment to terminate the provisions of the act Sept. 30, 1983, unless extended by an act of Congress. March 16, 1978. N(3–1–0) Reject 196–216.

(163) H.R. 50. Substitute for the bill to set as national goals 4 percent unemployment and 3 percent inflation rates, 100 percent parity of farm prices, a reduction in tax levels and balanced federal budget; to prohibit the use of public service jobs to meet the unemployment goal; and to establish a presidential task force on youth unemployment. March 16, 1978. N(3–1–0) Rejected 137–276.

(164) H.R. 50. Passage of the bill to promote full employment. March 16, 1978. Y(1–3–0) Passed 257–152.

(166) H.R. 11274. Demand for a second on the motion to suspend the rules and pass the bill to expand educational grant and loan programs for middle-income students. March 20, 1978. Y(1–2–1) Rejected 156–218.

(167) H. Res. 966. Adoption of the resolution to provide $375,000 for the expenses of the International Relations Subcommittee on International Organizations through Oct. 31, 1978. March 20, 1978. Y(2–1–1) Passed 367–13.

(170) H. Res. 1082. Adoption of the resolution to condemn the terrorist kidnapping of former Italian Premier Aldo Moro on March 16, 1978, and to ask the President to press for consideration of antiterrorism measures by the U.N. March 21, 1978. Y(4–0–0) Passed 398–0.

(172) H.R. 11518. Passage of the bill to extend the public debt limit at its existing level through July 31, 1978. March 21, 1978. Y(1–3–0) Passed 233–172.

(174) H.R. 11315. Adoption of the rule providing for House floor consideration of the bill to amend the Federal Election Campaign Act, last amended in 1976. March 21, 1978. Y(1–3–0) Rejected 198–209.

(175) H.R. 5333. Adoption of the conference report on the bill to amend the Age Discrimination in Employment Act; raising age from 65 to 70. March 21, 1978. NV(3–0–1) Passed 381–6.

(177) H.Res. 796. Passage of the joint resolution to appropriate $300 million for disaster relief programs caused by the severe winter conditions throughout the country. March 22, 1978. Y(4–0–0) Passed 393–4.

(180) H.R. 9518. Passage of the Shipping Act Amendments. March 22, 1978. NV(2–0–2) Passed 390–1.

(181) H.R. 6782. Motion to disagree with Senate amendments attaching emergency farm aid provisions to the House raisin promotion bill, and to request a conference. March 22, 1978. Y(3–0–1) Passed 332–63.

(182) H.R. 6782. Motion to table the motion to instruct House conferees to support an amendment providing a flexible parity program of graduated target prices for wheat, corn and cotton for 1978. March 22, 1978. Y(2–1–1) Passed 224–167.

(184) H.R. 10984. Motion to suspend the rules and pass the bill to authorize the Albert Gallatin Historic Site. April 3, 1978. Y(3–0–1) Passed 351–6.

(185) H. Con. Res. 359. Motion to suspend the rules and pass the bill to set up markers at various National Park location to recognize the contribution of Gen. Thaddeus Kosciuszko of Poland in the battle of Saratoga. April 3, 1978. Y(3–0–1) Passed 358–0.

(186) H.R. 6900. Motion to suspend the rules and pass the bill to amend the 1968 National Trails Systems Act to appropriate $5 million for the Oregon Trail from Independence, Mo., to Portland, Ore., the first trail in the new historic category. April 13, 1978. Y(3–0–1) Passed 353–4.

(187) H.R. 11662. Authorizes $18.5 million for establishment of an historic park administered by NPS at Lowell, Mass. April 3, 1978. Y(1–2–1) Rejected 228–132.

(189) H.R. 11003. Demand for a second on the motion to suspend the rules and pass the bill to authorize an increase in White House personnel and to provide for congressional oversight of White House staffing. April 4, 1978. NV(1–2–1) Passed 239–147.

(190) H.R. 1103. Amends the U.S. Code to authorize White House personnel to provide for congressional oversight of White House staffing. April 4, 1978. NV(0–3–1) Rejected 207–188.

(192) H.R. 7700. Substitute amendment to prohibit the U.S. Postal Service from undercutting the rates of private parcel delivery services. April 5, 1978. Y(1–3–0) Rejected 147–257.

(193) H.R. 7700. Amendment to prohibit the U.S. Postal Service from subsidizing the rates of its parcel delivery service. April 5, 1978. N(3–1–0) Passed 292–112.

(195) H.R. 7700. Amendment to permit Congress to veto postal rate increases recommended by the Postal Rate Commission and to authorize additional sums of money to offset financial losses incurred as a result of a congressional veto of a rate increase. April 5, 1978. NV(0–1–3) Rejected 180–218.

(197) H.R. 7700. Amendment to require the Postal Service to detail how it would spend its annual public service subsidy. April 6, 1978. N(2–2–0) Passed 203–189.

(198) H.R. 7700. Passage of the Postal Service Act. April 6, 1978. NV(3–0–1) Passed 384–11.

(199) H.R. 10899. Passage of the bill to provide federal regulation of the operations of foreign banks in the U.S. April 6, 1978. NV(2–0–2) Passed 367–2.

(201) H.R. 10730. A bill to authorize appropriations to carry out the Marine Mammal Protection Act of 1972 during fiscal years 1979, 1980, and 1981. April 10, 1978. NV(1–1–2) Passed 380–5.

(202) H.R. 10878. A bill to extend until Oct. 1, 1981, the voluntary insurance program provided by sec. 7 of the Fishermen's Protective Act of 1967. April 10, 1978. NV (1–1–2) Passed 365–14.

(203) H.R. 10882. A bill to authorize appropriations to carry out conservation programs on military reservations and public lands during fiscal years 1979, 1980, and 1981. April 10, 1978. NV(0–2–2) Passed 377–8.

(204) H.R. 10732. A bill to authorize appropriations to carry out the Fishery Conservation and Management Act of 1976 during the fiscal years of 1980 and 1981. April 10, 1978. NV(1–1–2) Passed 329–55.

(205) H.R. 10884. Motion to suspend the rules and pass the bill to authorize $9 million for fiscal 1979–80 to carry out the programs of the Council on Environmental Quality. April 10, 1978. NV(0–2–2) Passed 307–76.

(206) H.R. 1145. A bill to authorize appropriations for programs of the Small Business Administration. April 10, 1978. NV(2–0–2) Passed 310–72.

(208) H.R. 7101. A bill to amend certain provisions of law relating to land claims by the U.S. in Riverside County, Calif., based upon the accretion or avulsion, and for other purposes. April 11, 1978. Y(3–1–0) Passed 390–14.

(209) H.R. 2497. A bill to reinstate the Modoc, Wyandotte, Peoria, and Ottawa Indian Tribes of Oklahoma as federally supervised and recognized Indian Tribes. April 11, 1978. NV(0–2–2) Passed 255–11.

(212) H.R. 1092. A bill to increase authorization for the Navajo-Hopi Relocation Commission to $1 million from $500,000. April 11, 1978. NV(1–1–2) Passed 256–20.

(214) H.R. 11662. Passage of the bill to authorize $18.5 million for the establishment of a historical park in Lowell, Mass. April 11, 1978. NV(0–2–2) Passed 326–76.

(215) H.R. 9179. Adoption of the conference report on the bill to extend the operating authority and programs of the Overseas Private Investment Corporation. April 11, 1978. NV(0–2–2) Adopted 216–185.

(216) H.R. 6782. Adoption of the conference report on the bill to provide a one-year flexible parity program for wheat, corn, and cotton and to raise the loan rates for these commodities. April 12, 1978. Y(3–1–0) Rejected 150–268.

(218 H.R. 3161. Passage of the bill to reduce the basic work week of firefighting personnel of federal government agencies from 72 to 56 hours. April 12, 1978. NV(1–2–1) Passed 241–129.

(219) H.R. 11003. Amendment to limit the number of Executive Office employees to be paid above GS–16 to 75. April 13, 1978. NV(3–0–1) Rejected 180–215.

(220) H.R. 11003. Amendment to limit the authorization to four years. April 13, 1978. NV(3–0–1) Rejected 171–232.

(221) H.R. 11003. Amendment to prohibit use of any funds to lobby state legislatures with regard to pending constitutional amendments. April 13, 1978. NV(3–0–1) Rejected 85–320.

(222) H.R. 11003. Passage of the bill to clarify the authority of the president to employ personnel in the White House office and executive residence. April 13, 1978. NV(1–2–1) Passed 265–134.

(223) H.R. 5289. Motion to require meetings between House and Senate conferees on the natural gas pricing portion of President Carter's national energy bill. April 13, 1978. NV(1–2–1) Rejected 6–371.

Votes No. 198–223 were missed due to emergency surgery. Official leave was granted by the Speaker of the House for period April 6, 1978 to April 14, 1978.

(224) H.R. 3489, A bill to allow U.S. delegates from Guam, the Virgin Islands and the

District of Columbia to nominate candidates for admission to the U.S. Merchant Marine Academy. April 17, 1978. Y(4–0–0) Passed 357–1.

(225) H.R. 10822. Bill to authorize money for the national sea grant program. April 17, 1978. Y(3–1–0) Passed 341–23.

(227) H.R. 10823. Bill to authorize $572,000 for fiscal 1979 for the National Advisory Committee on Oceans and Atmosphere. April 17, 1978. NV(2–1–1) Passed 317–47.

(228) H.R. 11465. Bill to authorize $1.4 billion for fiscal 1979 operations of the U.S. Coast Guard. April 17, 1978. Y(4–0–0) Passed 357–13.

(229) H.R. 8588. Bill to establish offices of inspector general to conduct audits and investigations of the programs of the Departments of the executive branch. April 18, 1978 Y(4–0–0) Passed 388–6.

(230) H.R. 2452. Bill to authorize $7.5 million for the H. H. Humphrey Institute of Public Affairs at the Univ. of Minn. and the Everett Dirksen Congressional Leadership Research Center at Pekin, Ill. April 18, 1978. Y(2–2–0) Passed 267–127.

(231) H.R. 3787. Passage of the bill to allow the Sec. of the Interior to acquire from New Mexico the sacred Zuni Salt Lake and allow the Zuni tribe to file claims with the Indian Claims Comm. April 18, 1978. Y(2–2–0) Passed 347–48.

(232) H.R. 11400. Amendment to add $3.2 million to the fiscal 1979 National Science Foundation authorization to be used for the study of deep sea drilling projects. April 18, 1978. NV(0–3–1) Rejected 111–291.

(233) H.R. 11400. Amendment to reduce by $6 million, to $152 million the fiscal 1979 authorization for biological, behavioral and social sciences programs. April 18, 1978. N(2–2–0) Rejected 174–229.

(234) H.R. 11400. Passage of the bill to authorize $934.4 million in fiscal 1979 for operations and programs of the National Science Foundation. April 18, 1978. Y(2–2–0) Passed 364–37.

(236) H.R. 8494. Amendment to expand the geographical exemption that applied to communications made by an organization with its principal place of business in a district or county represented by a Representative or Senator. April 19, 1978. N(3–1–0) Rejected 195–212.

(237) H.R. 8494. Amendment to require that registered lobbying organizations disclose mass mailings, etc. designed to bring constituent pressure on a Representative or Senator. April 19, 1978. N(0–4–0) Passed 245–161.

(241) H.R. 8494. Amendment to include department or agencies of the executive branch of the federal government and various White House offices under the provisions of the lobbying disclosure bill. April 20, 1978 (N(0-4-0) Rejected 44–350.

(242) H.R. 8494. Requires registered lobbying organizations to report the name and address of persons contributing $3,000 or more to the organization. April 20, 1978. N(0-3-1) Passed 251-135.

(243) H.R. 8494 Motion to end all debates on the bill and amendments to the bill at 5 p.m. April 20, 1978. Y(1-2-1) Rejected 158–215.

(245) H.R. 11504. Amendment providing farmers with loans for installment payments on existing debts and for farmer and rancher operating expenses. April 24, 1978. N(1-3-0) Rejected 151–215.

(246) H.R. 11504. Creates a $4 billion loan program, raises individual loan levels and most interest rates for farm loan programs, requires two year reauthorization of loan programs, extends emergency livestock credit program. April 24, 1978. Y(4–0–0) Passed 347–23.

(248) H.R. 11401. Passage of the bill to authorize $4,415,300,000 in fiscal 1979 for operations and programs of the National Aeronautics and Space Program. April 25, 1978. NV (3–0–1) Passed 345–54.

(249) H.R. 11877. Amendment to prohibit funds authorized by the bill to be used for programs in the Central African Empire. April 25, 1978. N(3–1–0) Rejected 169–228.

(250) H.R. 11877. Passage of the bill to authorize appropriations for fiscal 1978 and 1979 programs of the Peace Corps, and to amend the Peace Corps Act. April 25, 1978. Y(2–2–0) Passed 297–102.

(251) H. Res. 1049. Disapproves Reorganization Plan No. 1 to consolidate various equal employment programs into the Equal Employment Opportunity Commission. April 25, 1978. N(1–3–0) Rejected 39–356.

(252) H.C. Res. 573. Adoption of the concurrent resolution denouncing murders and atrocities committed by the Cambodian government. April 25, 1978. Y(4–0–0) Passed 388–0.

(254) H.R. 11832. Authorizes $18.4 million for the activities of the Arms Control and Disarmament Agency in fiscal 1979. April 26, 1978. Y(2–2–0) Passed 332–74. 1978.

(255) H.R. 8494. Amendment directing General Accounting Office to study lobbying activities of organizations of state and local elected officials. Delays coverage of these organizations until Jan. 1, 1980. April 26, 1978. Y(3–1–0) Rejected 197–211.

(256) H.R. 8494. Exempts from coverage under the bill communications dealing with the status, existence or subject of a legislative issue. April 26, 1978. N(3–1–0) Passed 207–188.

(257) H.R. 8494. Requires annual registration and quarterly reporting by lobbying organizations and disclosure of indirect lobbying activities by reporting organizations. April 26, 1978. N(0–4–0) Passed 259–140.

(259) H.R. 11302. Passage of the bill authorizing $432.9 million in appropriations for EPA. April 27, 1978. Y(2–2–0) Passed 367–33.

(260) H.J. Res. 859. Provides $13 million for fiscal 1978 operations of the U.S. Railway Association. April 27, 1978. Y(1–3–0) Passed 202–196.

(262) H.R. 11657. Motion to pass bill authorizing an additional $3 million for fiscal 1979 and $6 million for fiscal 1980–83 for fishing industry of Samoa, Guam and the Northern Marianas. May 1, 1978. Y(1–2–1) Passed 326–23.

(263) H.R. 10392. Motion to suspend rules and pass bill authorizing $1 million for Hubert H. Humphrey fellowship. May 1, 1978. Y(1–2–1) Rejected 219–137.

(264) H.J. Res. 816. Motion to pass joint resolution extending authority of Federal Reserve Banks to purchase up to $5 billion in U.S. public debt obligations directly from treasury. May 1, 1978. Y(1–1–2) Passed 278–77.

(266) H.R. 9400. Amendment preventing attorney general from filing "pattern or practice" suits where violations of constitutional rights. May 1, 1978. Y(2–0–2) Passed 227–132.

(267) H.R. 11713. Motion to pass bill creating a $75 million solar renewable energy sources and energy conservation loan program within the Small Business Administration. May 1, 1978. Y(2–0–2) Passed 227–132.

(268) H.R. 8099. Motion to authorize appropriations providing Ak-Chin Indian community with 85,000 acre/feet of water annually within 25 years of enactment. Also attempts to provide community with water in the interim. May 2, 1978. Y(3–1–0) Rejected 256–138.

(272) H.R. 8331. Motion to pass Securities Investor Protection Act. May 2, 1978. Y (4–0–0) Passed 384–10.

(273) H. Res. 1159. Adoption of resolution requesting U.S. attorney for District of Columbia to prosecute Claude Powell, Jr. for contempt of Congress. May 2, 1978. Y(4–0–0) Passed 367–16.

(275) H. Con. Res. 559. Amendment to set aggregate budget targets at $440.1 billion revenues, $546.8 billion budget authority, $488.3 billion in outlays and a $48.2 billion deficit. May 3, 1978. Y(3–1–0) Rejected 197–203.

(276) H. Con. Res. 559. Amendment increasing budget authority target for national defense programs by $2.4 billion, to $129.8 billion. May 3, 1978. N(2–2–0) Rejected 142–262.

(277) H. Con. Res. 559. Amendment reducing budget targets for national defense program and to make matching increases in targets for commerce and housing credit; transportation, community and regional development; education, training, employment and social services and health. May 3, 1978. N(1–3–0) Rejected 98–313.

(278) H. Con. Res. 559. Amendment to reduce target by $3.2 billion $440.1 billion. May 3, 1978. Y(2–1–1) Rejected 163–239.

(279) H. Con. Res. 559. Amendment increasing veterans targets by $1.1 billion to $21.7 billion, and by $844 million in outlays to $21.3 billion. May 3, 1978. Y(4–0–0) Passed 362–33.

(279) H. Con. Res. 559. Amendment increasing target for budget authority by $435 million and outlays by $390 million for job training programs for youths and older Americans. May 3, 1978. N(0–4–0) Rejected 123–265.

(280) H. Con. Res. 559. Amendment reducing budget authority and outlay targets by $255 million. May 3, 1978. N(3–1–0) Rejected 172–210.

(283) H.R. 6782. Adoption of the conference report on the Emergency Farm Aid Bill. May 4, 1978. N(0–4–0) Passed 212–182.

(284) H. Con. Res. 559. Amendment reducing revenue target by $635 million to accommodate a tuition tax credit for college, elementary and secondary school costs. May 4, 1978. N(1–1–2) Passed 199–173.

(285) H. Con. Res. 559. Amendment as amended by the Luken, D-Ohio, substitute amendment. May 4, 1978. N(0–0–3) Passed 227–136.

(287) H.R. 12481. Motion to pass bill authorizing $73 million for programs in Guam, the Virgin Islands, the Northern Mariana Islands and the Trust Territory of the Pacific Islands. May 8, 1978 Y(2–1–1) Rejected 203–170.

(288) H. Con. Res. 583. Motion to adopt resolution asking the President to request the United Nations secretary general to obtain a full accounting of American MIA's in Vietnam. May 8, 1978. Y(3–0–1) Passed 369–0.

(289) H.J. Res. 873. Passage of joint resolution appropriating $758 million for the disaster loan fund of the Small Business Administration for fiscal 1978. May 9, 1978. Y(3–0–1) Passed 346–23.

(291) H. Con. Res. 559. Vote on amendment reducing budget authority and outlays by $3.15 billion for programs of the Department of Health, Education and Welfare. May 9, 1978. N(2–1–1) Passed 198–189.

(292) H. Con. Res. 559. Amendment to adjust revenue and spending targets to reflect that Panama Canal tolls be funneled through the U.S. Treasury. May 9, 1978. N(2–1–1) Passed 231–170.

(293) H. Con. Res. 559. Amendment to reduce budget authority by $8 billion and outlays by $7 billion. May 9, 1978. N(2–1–1) Rejected 195–203.

(294) H. Con. Res. 559. Amendment reducing outlays by $195.4 million and budget authority by $178.2 million for various regulatory agencies. May 9, 1978. N(2–1–1) Rejected 196–196.

(296) H. Con. Res. 559. Amendment to reduce budget authority and outlays by $56 million representing cuts in aid to South Korea. May 10, 1978. Y(2–2–0) Rejected 146–254.

(297) H. Con. Res. 559. Amendment to Rousselot amendment, substitute amendment to the bill, to provide for a balanced

budget and no new tax cut. May 10, 1978. N(0–4–0) Rejected 45–352.

(298) H. Con. Res. 559. Rousselot substitute amendment to the bill providing for a balanced budget with revenues of $464.6 billion, budget authority of $520.4 billion and outlays of $464.6 billion, with no deficit. May 10, 1978. N(3–1–0) Rejected 170–226.

(299) H. Con. Res. 559. Second vote on Ashbrook amendment to reduce budget authority and outlays by $3.15 billion for programs of the Department of Health, Education and Welfare. May 10, 1978. N(3–1–0) Rejected 192–205.

(300) H. Con. Res. 559. Adoption of concurrent resolution setting fiscal 1979 budget. May 10, 1978. (Y(1–3–0) Passed 201–197.

(302) H. Con. Res. 617. Adoption of concurrent resolution denouncing Aldo Moro assassination and stating sense of Congress that the United States supports the Italian government in apprehending the terrorists and should redouble efforts in gaining international cooperation in controlling such acts. May 11, 1978. Y(3–0–1) Passed 398–0.

(303) H.R. 12222. Amendment cutting population planning from $225.4 million to $205.4 million; American schools and hospitals abroad from $25 million to $8 million; international organizations and programs from $283.5 million to $282.2 million. May 11, 1978. N(2–1–1) Rejected 183–212.

(304) H.R. 12222. Amendment prohibiting assistance to nations that do not make "reasonable progress" toward eliminating domestic impediments to agriculture production. May 11, 1978. N(2–1–1) Rejected 141–236.

(305) H.R. 12222. Amendment limiting U.S. economic aid to Panama to 25 percent of the total of Panama Canal revenues provided under the 1977 canal transfer treaty that Panama used for Panamanian development programs. May 11, 1978. N(2–1–1) Rejected 187–197.

(308) H.R. 12222. Amendment making tobacco and tobacco products ineligible for the Food for Peace (P.L. 480) program. May 11, 1978. Y(1–2–1) Rejected 126–189.

(309) H.R. 12222. Amendment prohibiting only direct U.S. aid to Vietnam, Cambodia, Uganda or Cuba. May 12, 1978. Y(1–2–1) Rejected 148–155.

(311) H.R. 11209. Motion to suspend rules and pass bill authorizing the United States to join the United Nations International Maritime Satellite Organization, designating the Communications Satellite Corp. (COMSAT) as the U.S. participant in the program and making COMSAT subject to federal supervision. May 15, 1978. Y(4–0–0) Passed 350–0.

(312) H.R. 12222. Amendment reducing the $3,747,850,000 authorization in the bill by 5 percent, except for food aid and certain other programs. May 15, 1978. N(3–1–0) Passed 200–172.

(313) H.R. 12222. Passage of above amendment. May 15, 1978 Y(1–3–0) Passed 255–148.

(314) H.R. 10392. Passage of the bill to authorize $1 million for a Hubert H. Humphrey fellowship at the Woodrow Wilson International Center for Scholars of the Smithsonian Institution. May 15, 1978. Y(1–3–0) Passed 222–152.

(315) H.R. 11291. Passage of the bill to authorize $25,567,000 for fiscal 1979 for the programs of the Federal Fire Prevention and Control Administration, the Fire Research Center and for the renovation of the Federal Fire Acadamy. May 15, 1978. Y(4–0–0) Passed 360–11.

(316) H.R. 4030. Demand for a second on the Waggonner, D–La., motion to suspend rules and pass private Foundations stock holdings bill. May 15, 1978. Y(4–0–0) Passed 334–16.

(317) H.R. 12255. Motion to suspend rules and pass bill extending 1965 Older Americans Act for three years and Title II of the 1973 Domestic Volunteer Service Act until fiscal 1980. May 15, 1978. Y(4–0–0) Passed 361–6.

(318) H.R. 4030. Motion to suspend rules and pass Private Foundations Stock Holdings Bill. May 15, 1978. N(1–3–0) Rejected 218–145.

(320) H.R. 12467. Motion to suspend the rules and pass bill authorizing $6.9 billion through fiscal 1983 to extend certain rehabilitation programs and establishing rehabilitation services for the elderly. May 16, 1978. Y(4–0–0) Passed 382–12.

(321) H.R. 9005. Motion to table Natcher, D-Ky., motion to concur in Senate Amendment to the conference report with an amendment adding $27 million to District of Columbia appropriations. May 16, 1978. N(2–2–0) Rejected 190–199.

(322) H.R. 9005. Motion to concur in Senate amendment to conference report with an amendment adding $27 million to District of Columbia appropriations for fiscal 1978. May 16, 1978. Y(2–2–0) Passed 199–183.

(323) H.R. 11686. Adoption of H. Res. 1174 providing for House floor consideration of bill authorizing $2.9 billion for Energy Department-Military programs. May 16, 1978. Y(3–0–1) Passed 378–0.

(325) H.R. 11686. Amendment removing discretionary authorization for production of enhanced radiation weapons (neutron bombs) if the President met certain conditions. May 17, 1978. Y(1–3–0) Rejected 90–306.

(326) H.R. 11686. Passage of the bill to authorize $2,897,090,000 for the national security programs of the Energy Department for fiscal 1979. May 17, 1978. Y(4–0–0) Passed 348–46.

(327) S. Con. Res. 80. Motion to approve the conference version of the resolution setting fiscal 1979 budget targets. May 17, 1978 Y(1–3–0) Passed 201–198.

(329) H.R. 12641. Passage of the bill to raise the public debt limit to $849.1 billion through Sept. 30, 1979, making statutory limit conform to fiscal 1979 budget target set in S. Con. Res. 80. May 17, 1978. Y(1–3–0) Rejected 167–228.

(334) H. Con. Res. 624. Adoption of concurrent resolution protesting the harassment and imprisonment of 22 Soviet citizens, including Dr. Yuri Orlov; stating the sense of Congress that those citizens should be released. May 18, 1978. Y(4–0–0) Passed 399–0.

(335) H.R. 39. Amendment to the Udall D-Ariz., substitute amendment to the Meeds, D-Wash. substitute for the bill, reducing from 66 million acres to 33 million acres the land in proposed and existing parks, refuges and forests that would be classified as wilderness. May 18, 1978. N(3–1–0) Rejected 141–251.

(336) H.R. 39. Amendment to Udall, D-Ariz., substitute amendment to the Meeds, D-Wash., substitute for the bill, to reduce from 66 million acres to 33 million acres the lands in proposed and existing parks, refuges and forests that would be classified as wilderness. May 18, 1978. N(1–3–0) Rejected 119–240.

(338) H.R. 39. Amendment directing Secretary of the Interior to continue mineral assessment programs in Alaska and directing President to propose to Congress a procedure for evaluating applications from persons wishing to explore for or extract minerals from federal land in Alaska. May 19, 1978. N(3–1–0) Passed 157–150.

(339) H.R. 39. Motion that bill be recommitted to the Committee on Interior and Insular Affairs and Merchant Marine and Fisheries with instructions to report it back to the House containing the text of the Meeds, D-Wash., substitute. May 19, 1978. N(3–1–0) Rejected 67–242.

(340) H.R. 39. Passage of the bill to designate 102 million acres of federal land in Alaska as national park, forest, wildlife refuge and wild and scenic rivers. May 19, 1978. Y(2–2–0) Passed 277–31.

(342) H. Res. 1072. Motion to suspend the rules and adopt the resolution to express the disapproval of the House to the proposal by the commissioner of education to consolidate certain education advisory councils. May 22, 1978. Y(2–0–2) Passed 269–109.

(343) H.R. 11777. Motion to suspend the rules and pass the bill to consolidate several Agriculture Department cooperative forestry assistance programs. May 22, 1978. Y(2–0–2) Passed 373–2.

(344) H.R. 11778. Motion to suspend the rules and pass the bill to authorize such sums as necessary for forest and rangeland renewable resource research in the Agriculture Department. May 22, 1978. Y(2–0–2) Passed 373–3.

(345) H.R. 11779. Motion to suspend the rules and pass the bill authorizing $150 million in fiscal 1979–88 for expansion of the Agriculture Department forest and rangeland renewable resources. May 22, 1978. Y (2–0–2) Passed 337–7.

(346) S. 2370. Motion to suspend the rules and pass the bill eliminating the $100,000 limitation to the 1972 Volunteers in National Forest Act. May 22, 1978. Y(2–0–2) Passed 378–5.

(347) H.R. 12353. Motion to suspend the rules and pass the Vietnam Veterans Readjustment bill. May 22, 1978. Y(2–0–2) Passed 388–0.

(348) H. Con. Res. 555. Adoption of concurrent resolution approving extension of nondiscriminatory treatment to the Hungarian People's Republic in accordance with U.S./Hungarian trade agreements of 17 March 1978. May 22, 1978. Y(1–1–2) Passed 209–173.

(350) H.R. 12602. Passage of the bill authorizing funds for military construction programs of the Department of Defense. May 22, 1978. Y(2–0–2) Passed 383–18.

(351) H.R. 10729. Amendment to preserve the debt ceiling of $7 billion on the government's ship construction loan guarantee program. May 22, 1978. Y(2–0–2) Rejected 126–241.

(353) S.J. Res. 4. Motion to suspend the rules and pass the joint resolution to establish a 15-member commission to study the claims of aboriginal Hawaiians resulting from the 1893 conspiracy to overthrow the Hawaiian government. May 23, 1978. Y(1–3–0) Rejected 210–194.

(354) H.R. 12299. Motion to suspend the rules and pass the bill to establish a domestic violence (spouse abuse) program and to authorize $125 million for fiscal 1979–83. May 23, 1978. Y(1–3–0) Rejected 201–205.

(355) H.R. 3050. Motion to suspend the rules and pass the bill to amend the Internal Revenue Code to provide a new accounting method applicable to returns of unsold magazines, paperbacks and records. May 23, 1978. Y(4–0–0) Passed 358–50.

(356) H.R. 8535. Motion to suspend the rules and pass the bill to revise eligibility requirements for a tax credit for expenses of certain dependent care services performed by relatives. May 23, 1978. Y(3–1–0) Passed 363–44.

(357) H. Res. 238. Motion to suspend the rules and adopt the resolution expressing the sense of the House that the President should take action to eliminate restrictions imposed by the European Economic Community on imports of U.S. processed fruits, juices, vegetables, including dried prunes. May 23, 1978. Y(4–0–0) Passed 407–0.

(358) H.R. 11370. Motion to suspend the rules and pass the bill to authorize $543 million for fiscal 1979 for the final settlement of a dispute between the Department of HEW and 28 states over social services provided by the states before Oct. 1, 1975. May 23, 1978. Y(4–0–0) Passed 377–25.

(359) H.R. 10729. Prohibits the use of federal ship construction subsidy funds to any organization that engages in lobbying activities. May 23, 1978. Y(4–0–0) Rejected 168–227.

(360) H.R. 10729. Amendment prohibits the use of federal ship construction sub-

sidy funds for the training of new entrants into the maritime industry. May 23, 1978. N(1–2–1) Rejected 111–289.

(361) H.R. 10729. Amendment to prohibit the use of federal ship construction subsidy funds to subsidize the shipment of grain to Russia. May 23, 1978. Y(4–0–0) Rejected 180–218.

(362) H.R. 10729. Passage of the bill to authorize $496,792,000 for fiscal 1979 programs of the Commerce Department Maritime Administration. May 23, 1978. Y(2–2–0) Passed 326–82.

(365) H.R. 10929. Substitute amendment to the bill to reinstate the Armed Services Committee recommended authorization levels for weapons research and development. May 24, 1978. Y(1–3–0) Rejected 107–297.

(366) H.R. 10929. Substitute amendment to replace the Armed Services Committee recommended authorization levels with those originally requested by the Carter Administration. May 24, 1978. Y(1–3–0) Rejected 115–287.

(367) H.R. 10929. Amendment to delete $8.1 billion for one Gulfstream executive jet for the Marine Corps. May 24, 1978. Y(1–2–1) Passed 266–136.

(368) H.R. 10929. Amendment to delete $2.1 billion for a nuclear-powered aircraft carrier and add $1.5 billion for a conventionally powered carrier. May 24, 1978. Y(1–3–0) Rejected 139–264.

(369) H.R. 10929. Amendment to delete $2.1 billion for a nuclear-powered aircraft carrier. May 24, 1978. N(0–4–0) Rejected 106–293.

(370) H.R. 10929. Amendment to add $29.2 million for development of a wide-body cruise missile carrying aircraft. May 24, 1978. Y(1–3–0) Rejected 145–246.

(371) H.R. 10929. Amendment to prohibit the use of any funds in the bill to reduce U.S. troop strength in South Korea below 26,000. May 24, 1978. N(3–1–0) Rejected 142–247.

(372) H.R. 10929. Passage of the bill to authorize $37,899,020,000 for Defense Department weapons procurement and military research programs in fiscal 1979. May 24, 1978. Y(4–0–0) Passed 319–67.

(374) S.J. Res. 137. Passage of the joint resolution to reaffirm the United States' commitment and the unity of the North Atlantic Alliance on the occasion of the summit meeting in Washington, D.C., May 30–31. May 25, 1978. Y(3–0–1) Passed 360–0.

(377) H.R. 7814. Passage of the bill to authorize federal agencies to conduct a three-year experiment in flexible and compressed work schedules for federal employees and to suspend certain overtime and holiday pay provisions for purposes of the experiment. May 25, 1978. Y(1–0–3) Passed 288–57.

(379) H.R. 9400. Amendment to reinstate coverage under the bill for persons confined to jails, prisons or correctional institutions, thereby allowing the attorney general to initiate lawsuits against a state correctional facility if there was a pattern or practice of abuse of constitutional rights and if a federal judge has asked for review by the attorney general. May 25, 1978. Y(1–0–3) Passed 178–109.

(382) H. Res. 1194. Motion to suspend the rules and adopt the resolution that the House feels that the government of South Korea should cooperate in the House investigation of alleged bribery attempts by former Korean Ambassador to the U.S. Kim Dong Jo and stating that the House is prepared to deny or reduce economic aid to South Korea. May 31, 1978. Y(1–0–3) Passed 321–46.

(383) H.R. 7041. Motion to suspend the rules and pass the bill to rename two lakes in the Papillion Creek project in Nebraska: Irvington Lake to Glenn Cunningham Lake, and Military Lake to Standing Bear Lake. May 31, 1978. Y(1–0–3). Passed 369–0.

(384) H.R. 212. Motion to suspend the rules and pass the bill to rename the East Lake Park located in the West Point Lake Project in Georgia the R. Shaefer Heard Park May 31, 1978. Y(1–0–3) Passed 359–4.

(387) H.R. 12598. Amendment to delete language authorizing the establishment of an Institute for International Human Rights. May 31, 1978. Y(3–0–1) Passed 237–135.

(388) H.R. 12598. Amendment to delete language authorizing the establishment of an Institute for International Human Rights. May 31, 1978. N(2–1–0) Passed 202–164.

(389) H.R. 12598. Amendment to prohibit use of any funds in the bill to implement the Panama Canal treaties without specific congressional approval. May 31, 1978. N(2–1–0) Passed 203–163.

(390) H.R. 12598. Passage of the bill to authorize $1.9 billion for State Department operations and related activities in fiscal 1979 and a supplemental authorization for fiscal 1978 of $47 million. May 31, 1978. Y(1–2–1) Passed 240–124.

(393) H.R. 12050. Amendment to provide a tax credit for private elementary and secondary school tuitions, up to a maximum of $50 in calendar year 1978 and $100 in each of 1979 and 1980. June 1, 1978. N(0–3–1) Passed 209–194.

(395) H.R. 12050. Substitute amendment to the bill, to provide for deferral of income taxes equal to college tuition expenses, up to $2,000, to be repaid by the taxpayer within 10 years. June 1, 1978. Y(3–0–1) Rejected 155–239.

(396) H.R. 12050. Passage of the bill to provide an income tax credit for a three-year period (1978–80) equal to 25 percent of tuitions for private elementary and secondary schools and public and private colleges and universities, up to a limit by 1980 of $100 for elementary and secondary tuitions and $250 for college tuitions. June 1, 1978. N(0–3–1) Passed 237–158.

(401) H.R. 12157. Amendment to permit the Export-Import Bank to guarantee, insure or extend credit to South Africa as long as it also extended credit or was authorized to extend credit to Communist countries. June 1, 1978. N(2–1–1) Rejected 157–190.

(403) H.R. 12157. Amendment to eliminate language prohibiting the Export-Import Bank's participation in loan transactions with South Africa. June 2, 1978. N(1–1–2) Rejected 116–219.

(404) H.R. 12157. Amendment to exempt the People's Republic of China from the provision requiring a presidential determination before the Export-Import Bank could do business in a Communist country. June 2, 1978. N(1–1–2) Passed 179–138.

(405) H.R. 185. Motion to suspend the rules and pass the bill to authorize the Secretary of Transportation to provide transportation from their homes for Coast Guard employees to remote Loran-C sites. June 5, 1978. Y(3–0–1) Passed 336–0.

(406) H.R. 188. Motion to suspend the rules and pass the bill to amend the 1969 international convention dealing with oil pollution on the high seas by implementing the 1973 protocol to authorize the U.S. Coast Guard to take any necessary action, including destruction of ships, to prevent or remove damage to the U.S. coastline by spill of hazardous cargoes in addition to oil. June 5, 1978. Y(3–0–1) Passed 344–1.

(407) H.R. 12140. Motion to suspend the rules and pass the bill to extend for fiscal 1979 and 1980 authorizations in the 1977 Federal Water Pollution Control Act for water quality monitoring, Great Lakes water quality monitoring and manpower planning and training. June 5, 1978. Y(3–0–1) Passed 338–9.

(409) H.R. 12250. Substitute amendment, to the Oberstar substitution, to ban logging and mining in the wilderness and to end motorized use except on six peripheral lakes where boats up to 25 horsepower could be used and except on certain large lakes where motorized use would be phased out through 2010. June 5, 1978. Y(1–2–1) Passed 213–141.

(410) H.R. 12250. Passage of the bill to prohibit mining, logging, snowmobiling and most use of motor boats in the Boundary Waters Canoe Area Wilderness of the Superior National Forest in Minnesota. June 5, 1978. Y(2–1–1) Passed 324–29.

(412) H.R. 12481. Passage of the bill to authorize $162.5 million for programs in Guam, the Virgin Islands, the Trust Territory of the Pacific Islands and the Northern Mariana Islands. June 5, 1978. Y(3–0–1) Passed 292–54.

(414) H.R. 8394. Motion to suspend the rules and pass the bill to amend the 1935 Refuge Revenue Sharing Act to update and expand the payments compensating local governments for loss of tax revenue for lands included in the National Wildlife Refuge System. June 6, 1978. Y(2–1–1) Passed 340–28.

(415) H.R. 12367. Motion to suspend the rules and pass the bill to authorize $3 million for fiscal 1979–81 to implement the protocol to the 1952 International Convention for High Seas Fisheries of the North Pacific to limit Japanese fishing to 175° E. Longitude to conserve 265,000 salmon annually and to organize joint Japanese-U.S.-Canadian research on Pacific salmon and mammals. June 6, 1978. Y(3–0–1) Passed 368–0.

(416) H.R. 12668. Motion to suspend the rules and pass the bill to authorize $44 million for fiscal 1979–82 for Commerce Department research on the living marine resources in both the north and south polar regions. June 6, 1978. Y(2–1–1) Passed 268–103.

(418) H.R. 12240. Amendment to delete the requirement in the bill specifying that the Attorney General notify the House and Senate Intelligence Committees when an alien was admitted to the country who he believed could be excluded by law. June 6, 1978. N(0–3–1) Rejected 60–312.

(419) H.R. 12240. Passage of the bill to authorize appropriations of an undisclosed amount for federal government intelligence operations and activities, including the Central Intelligence Agency and various Defense Department agencies, for fiscal 1979. June 6, 1978. Y(3–0–1) Passed 323–43.

(425) H.R. 12930. Amendment to restore $4.2 million requested for the operation of the Bureau of Alcohol, Tobacco and Firearms and to delete language barring use of funds in the bill to carry out proposed firearms regulations. June 7, 1978. N(0–3–1) Rejected 80–314.

(426) H.R. 12930. Passage of the bill to appropriate $8,634,300,000 for fiscal 1979 operations of the Treasury Department, Postal Service, Executive Office of the President and certain independent agencies. June 7, 1978. Y(2–2–0) Passed 297–98.

(428) H.R. 12989. Amendment to reduce the fiscal 1979 funding for the Occupational Safety and Health Administration by $28.4 million, from $167,474,000 to $139,070,000 for the fiscal year 1978 spending level. June 7, 1978. N(2–1–1) Passed 201–179.

(431) H.R. 12426. Motion to recommit the New York City aid bill to the Banking Committee with instructions to report it back with amendments extending seasonal loans rather than loan guarantees for New York City, and instructing that the loans be phased out in 3 years. June 8, 1978. N(3–1–0) Rejected 109–291.

(432) H.R. 12426. Passage of the bill to authorize the Secretary of the Treasury to issue federal loan guarantees totaling $2 billion for up to 15 years for New York City bonds. June 8, 1978. Y(1–3–0) Passed 247–155.

(433) H.R. 12929. Amendment to reduce the appropriations for the Department of HEW by $1 billion, to $57 billion, to be accomplished by a reduction in waste, fraud, and abuse. June 8, 1978. NV(2–0–2) Passed 290–87.

(434) H. J. Res. 945. Passage of the joint resolution to appropriate $181,689,000 from the Black Lung Disability Trust Fund for benefit payments and administration costs resulting from the 1978 legislation (PL–95–239) liberalizing miner eligibility for black lung claims. June 9, 1978. NV(0–2–2) Passed 237–72.

(437) H. Con. Res. 612. Motion to suspend the rules and pass the resolution condemning Idi Amin and the government of Uganda for gross violations of human rights. It also urged President Carter to discourage U.S. trade with the country, June 12, 1978. P(2–0–2) Passed 377–0.

(438) H.R. 12441. Motion to suspend the rules and pass the bill to increase to $50 million, from $16 million, the fiscal 1979 authorization for the implementation of the 1976 Toxic Substances Control Act to regulate marketing of hazardous chemicals. June 12, 1978. Y(1–1–2) Rejected 190–188.

(439) H.R. 12933. Amendment to prevent the National Highway Traffic Safety Administration from using any funds appropriated by the bill to implement or enforce any regulation requiring motor vehicles to be equipped with a system of passive restraints other than seat belts. June 12, 1978. N(1–1–2) Passed 237–143.

(441) H.R. 12933. Passage of the bill to appropriate $8,847,296,096 in new budget authority for the Transportation Department and related agencies for fiscal year 1979. Y(2–0–2) Passed 347–25.

(443) H.R. 12929. Amendment to delete from the bill language prohibiting use of funds for abortions unless the life of the mother was in danger. June 13, 1978. N(0–4–0) Rejected 122–287.

(444) H.R. 12929. Amendment to substitute the provisions relating to abortion contained in the fiscal 1978 Labor-HEW appropriation bill for the language in H.R. 12929 as reported by committee. June 13, 1978. Y(1–3–0) Rejected 198–212.

(445) H.R. 12929. Amendment to prohibit the use of appropriated funds to implement quotas or other numerical requirements relating to race, creed, or sex with respect to hiring, promotion or admissions policies. June 13, 1978. Y(4–0–0) Passed 232–177.

(446) H.R. 12929. Amendment to reduce controllable spending in the bill by 2 percent. June 13, 1978. N(3–1–0) Passed 220–181.

(447) H.R. 12929. Amendment to reduce the appropriation for the Occupational Safety and Health Administration by $28.4 million. June 13, 1978. N(3–1–0) Rejected 184–216.

(448) H.R. 12929. Passage of the bill to appropriate $56.6 billion for the Departments of Labor and HEW and related agencies for fiscal 1979. June 13, 1978. Y(2–2–0) Passed 338–61.

(451) H.R. 12934. Amendment to prohibit the use of Commerce Department funds for conducting trade with Cuba. June 14, 1978. N(2–1–1) Passed 241–158.

452) H.R. 12394. Amendment to reduce the appropriation for the Legal Services Corporation by $30 million. June 14, 1978. N(2–1–1) Rejected 200–203.

(453) H.R. 12934. Amendment to prohibit the use of appropriated funds for the Legal Services Corporation for publicity or propaganda purposes designed to support or defeat legislation pending before Congress or any state legislature, June 14, 1978. N(2–1–1) Passed 264–131.

(454) H.R. 12934. Passage of the bill to appropriate $4.6 billion for the Departments of State, Justice and Commerce, the Judiciary and 18 independent agencies. June 14. 1978. Y(2–1–1) Passed 359–34.

(455) H.R. 12935. Amendment to reduce fiscal 1979 appropriations, for payments not required by law, for Congress and related agencies by 5 percent. June 14, 1978. N(2–1–1) Passed 220–168.

(456) H.R. 12935. Amendment to prohibit use of funds in the bill to purchase new color television cameras and related equipment to broadcast House floor proceedings without prior approval of the House. June 14, 1978. N(2–1–1) Rejected 133–249.

(457) H.R. 12935. Amendment to require that any system set up to televise House proceedings be operated by House employees. June 14, 1978. P(2–1–1) Passed 235–150.

(458) H.R. 12935. Amendment to require members to pay for calendars, Agriculture Yearbooks, Botanic Garden plants and shipment of trunks out of their official office allowances. June 14, 1978. NV(1–0–3) Passed 214–159.

(459) H.R. 12935. Passage of the bill to appropriate $922.5 million (less a 5-percent) reduction in payments not required by law) for House and related congressional agencies in fiscal 1979. June 14, 1978. NV(2–0–2) Passed 279–90.

(461) H.R. 12928. Adoption of the rule (H. Res. 1236) providing for House floor consideration of the bill to appropriate $10,315,-174,900 for fiscal 1979 energy research and water development. June 15, 1978. Y(3–0–1) Passed 317–82.

(462) H.R. 12928. Amendments to the Bevill, D-Ala., amendment to delete $90.8 million earmarked for three water projects. June 15, 1978. N(0–3–1) Rejected 108–284.

(463) H.R. 12928. Amendments to prohibit use of fiscal 1979 appropriated funds for eight projects deleted from the fiscal 1978 appropriations bill at President Carter's request. June 15, 1978. (N(0–3–1) Rejected 142–234.

(465) H.R. 12928. Amendment to prohibit the use of fiscal 1979 appropriations in the bill for production of enhanced radiation weapons (neutral bombs). June 16, 1978. NV(0–2–2) Rejected 67–259).

(467) H.R.12928. Passage of the bill to appropriate $10,341,633,900 (less a 2 percent reduction in payments not required by law) for fiscal 1979 energy research and water development. June 16, 1978. NV(2–0–2) Passed 263–59.

(468) H.R. 12927. Passage of the bill to appropriate $3,844,887,000 for military construction programs of the Defense Department for fiscal 1979. June 16, 1978. NV(2–0–2) Passed 278–13.

(471) H.R. 12936. Amendment to reduce the fiscal 1979 appropriation recommended in the bill for Environmental Protection Agency by $133 million. June 19, 1978. Y(4–0–0) Rejected 173–211.

(473) H.R. 12936. Passage of bill to appropriate $68,208,848,000 for the Department of Housing and Urban Development and 17 other agencies, including the Environmental Protection Agency, National Aeronautics and Space Administration and the Veterans Administration, for fiscal 1979. June 19, 1978. Y(2–2–0) Passed 332–47.

(475) H.R. 12932. Amendment to limit to $100,000 the use of appropriated funds to pay for expenses of citizens intervening in regulatory proceedings before the Economic Regulatory Administration (See 476, below). June 21, 1978. Y(1–3–0)

(476) H.R. 12932. Amendment to delete language from the bill prohibiting use of appropriated funds to pay for expenses of citizens intervening in regulatory proceedings before the Economic Regulatory Administration. June 21, 1978. Y(1–3–0) Rejected 126–282.

(477) H.R. 12932. Amendment to reduce fiscal 1979 appropriations for payments not required by law for the Interior Department, the Energy Department and other agencies in the bill by 2 percent. June 21, 1978. N(2–2–0) Rejected 198–211.

(478) H.R. 12932. Passage of the bill to appropriate $12,690,544,000 for fiscal 1979 for the Interior Department, the Energy Department, the Forest Service, and other agencies. June 21, 1978. Y(3–1–0) Passed 356–50.

(482) H.R. 13125. Amendment to reduce by $290,200,000 the appropriation for the food stamp program. June 22, 1978. N(3–1–0) Rejected 194–201.

(483) H.R. 13125. Amendment to prohibit the use of appropriated funds to finance economic assistance to South Korea under the Food for Peace program. June 22, 1978. Y(2–2–0) Passed 273–125.

(484) H.R. 13125. Amendment to reduce by 2 percent appropriated funds for all operations and programs of the Agriculture Department and related agencies, except the Agriculture Research Service, the Cooperative State Research Service, and the Extension Service. June 22, 1978. N(3–1–0) Rejected 189–201.

(485) H.R. 13125. Passage of the bill to appropriate $18,014,000,000 for fiscal 1979 operations and programs of the Department of Agriculture and related agencies. June 22, 1978. Y(2–2–0) Passed 326–59.

(486) H.R. 12505. Passage of the bill to authorize $25 million for a feasibility study by the Energy Department and NASA of a research, development and demonstration program for collecting solar energy by satellite and transmitting the energy to earth to generate electricity. June 22, 1978. N(2–1–0) Passed 267–96.

(488) H.R. 11493. Amendment to delete from the bill a provision requiring the National Railroad Passenger Corp. (Amtrak) to buy American goods and materials for purchases of more than $100,000 unless waived by the transportation secretary. June 23, 1978. Y(3–0–0) Rejected 93–207.

(489) H.R. 11493. Amendment to require Amtrak to drop service on a rail passenger route if the federal subsidy for that route rose above $100 per passenger per ride. June 23, 1978. N(2–1–1) Rejected 119–186.

(490) H.R. 11493. Amendment to give the president's special trade representative, rather than the transportation secretary, the authority to waive the requirement that Amtrak buy American goods and materials for purchases of more than $100,000. June 23, 1978. Y(2–1–1) Rejected 121–178.

(491) H.R. 11493. Passage of the bill to authorize a federal subsidy of $755,250,000 for the National Railroad Passenger Corp. (Amtrak) for fiscal 1979, to require approval by both houses of Congress of a new basic route system to be recommended by the transportation secretary, and to prohibit changes in the existing route structure before Oct. 1, 1979. June 23, 1978. Y(2–1–1) Passed 204–89.

(493) H.R. 10341. Motion to suspend the rules and pass the bill to allow reserve enlisted members of the Army and Air Force to retire after 20 years of active duty. June 26, 1978. NV(2–0–2) Passed 292–30.

(494) H.R. 10342. Motion to suspend the rules and pass the bill to revise the rules for calculating the pay of military retirees who were recalled to active duty between 1963 and 1973. June 26, 1978. NV(2–0–2) Passed 292–30.

(495) S. 666. Motion to suspend the rules and pass the bill to provide special retirement preference to non-Indian employees of the Bureau of Indian Affairs and Indian Health Service who had been adversely affected by BIA policies that gave preference to Indians for BIA positions and promotions. June 26, 1978. NV (2–0–0) Rejected 118–204.

(505) H.R. 11886. Motion to suspend the rules and pass the bill to increase by 6.5 percent the compensation paid to veterans disabled in the course of their military service. June 28, 1978. Y(4–0–0) Passed 400–1.

(506) H.R. 11888. Motion to suspend the rules and pass the bill to lower to 40 percent, from 50 percent, the level of disability at which veterans become eligible for additional payments for each dependent. June 28, 1978. Y(4–0–0) Passed 385–16.

(507) H.R. 10173. Motion to suspend the rules and pass the bill to pay non-disabled

war veterans a pension sufficient to bring their total income to a specified minimum level. June 28, 1978. Y(4–0–0) Passed 398–5.

(508) H.R. 12841. Motion to suspend the rules and pass the bill to prohibit the issuance of regulations on the taxation of fringe benefits between May 1, 1978 and Dec. 31, 1979. June 28, 1978. Y(4–0–0) Passed 386–12.

(509) H.R. 12841. Motion to suspend the rules and pass the bill to authorize $4 million for fiscal 1979 for the collection of regular and periodic information on foreign investment in the United States and U.S. investments abroad. June 28, 1978. Y(2–2–0). Passed 344–54.

(510) H.R. 12874. Motion to suspend the rules and pass the bill to provide accelerated federal research on developing energy cells to convert sunlight to electricity. June 28, 1978. Y(3–1–0) Passed 385–14.

(512) H.R. 12433. Amendment to waive Davis-Bacon Act prevailing wage requirements for housing rehabilitation projects performed by neighborhood-based, non-profit organizations. June 28, 1978. N(3–1–0) Rejected 173–218.

(515) H.R. 12433. Amendment to permit either the House or Senate to veto rules or regulations prescribed by the Department of Housing and Urban Development. June 29, 1978. N(2–1–1) Passed 244–140.

(516) H.R. 12433. Amendment to require the Department of Housing and Urban Development to provide pre-purchase counseling to first-time purchasers of single family dwellings who apply for Federal Housing Administration mortgages. June 29, 1978. N(0–3–1) Rejected 93–285.

(517) H.R. 8099. Passage of the bill to authorize $43 million for fiscal 1979–83 for the construction of water wells and pumping and delivery facilities for the Ak-Chin Indian Community in Arizona to fulfill a 1912 federal trust responsibility. June 29, 1978. Y(3–0–1) Passed 292–80.

(519) H.J. Res. 13. Motion to suspend the rules and pass the joint resolution to request the president to designate the first Sunday in September after Labor Day in 1978 as National Grandparents Day. July 10, 1978. Y(4–0–0) Passed 362–8.

(520) H.J. Res. 1007. Motion to suspend the rules and pass the joint resolution to request the president to designate a week in the first 10 days of May 1979 to be designated Asian/Pacific American Heritage Week to commemorate the contributions and accomplishments of the two million Americans of Asian and Pacific descent. July 10, 1978. Y(4–0–0) Passed 360–6.

(521) H.J. Res. 773. Motion to suspend the rules and pass the joint resolution to request the president to designate the week of Sept. 17, 1978 as National Port Week to recognize the economic and national security importance of the nation's ports. July 11, 1978 Y(4–0–0) Passed 363–11.

(522) H.R. 13087. Motion to suspend the rules and pass the bill to authorize the Treasury secretary, at his discretion, to issue substitute checks for stolen or lost Social Security checks without identification by the recipient. July 10, 1978. Y(4–0–0) Passed 375–0.

(523) H.R. 12106. Motion to suspend the rules and pass the bill to extend the National Transportation Safety Board for one year with an authorization of $16.4 million for the board's operations in fiscal 1979. July 10, 1978. Y(2–2–0) Passed 340–32.

(524) H.R. 12536. Amendments, en bloc, to delete a provision in the bill to authorize the Interior Department secretary to acquire all lands within the present boundary of the Delaware Water Gap National Recreation Area in Pennsylvania and New York for the wild and scenic rivers system and for recreational purposes (thus giving the Interior Department priority over U.S. Corps of Engineers projects). July 10, 1978. Y(4–0–0) Rejected 110–275.

(525) H.J. Res. 1024. Passage of the joint resolution to appropriate $57,145,000 for staff salaries for the Agricultural Stabilization and Conservation Service (ACSC) and to increase transfer authority from the Commodity Credit Corporation fund ot ASSC by $23,391,000 for fiscal 1978. July 11, 1978. NV(3–0–1) Passed 340–48.

(526) H.R. 11827. Motion to suspend the rules and pass the bill to amend the 1977 Surface Mining Control and Reclamation Act (PL 95–87) to authorize an additional $25 million each in fiscal 1978–80 for Interior Department inspections of mines and assistance to small operators. July 11, 1978. Y(2–2–0) Passed 323–74.

(527) H.R. 12536. Amendment to delete a provision in the bill to designate 927,550 acres in Glacier National Park in Montana as wilderness. July 11, 1978. N(2–2–0) Passed 216–181.

(528) H.R. 12536. Amendment to provide for the exclusion of 4,400 acres of the Blue Jacket Mine area in Idaho from the Hells Canyon Recreation Area. July 11, 1978. N(3–1–0) Rejected 147–249.

(529) H.R. 12536. Amendment to provide for a master development plan, to be submitted to Congress one year after enactment of the bill, for inclusion of segments of the Upper Mississippi River in Minnesota in the Wild and Scenic Rivers system. July 11, 1978. N(3–1–0) Passed 205–192.

(530) H.R. 12536. Amendment to delete the provision in the bill to amend the Wild and Scenic Rivers Act deleting the limitation on acquisition authority of the St. Croix River in Minnesota and Wisconsin. July 11, 1978. N(3–1–0) Rejected 175–218.

(532) H.R. 12536. Passage of the bill to authorize $1.25 billion in fiscal 1979–83 for establishment of new areas and additions in in the national park, national trails, wild and scenic rivers and wilderness systems. July 12, 1978. Y(2–2–0) Passed 341–61.

(533) S.Con.Res. 95. Motion to table (kill) the motion to appeal the ruling of the chair sustaining a point of order against a motion to commit the resolution to the International Relations Committee with instructions to report it back with an amendment stating that it was the sense of Congress that U.S. representatives to the strategic arm limitation talks with the Soviet Union be recalled to show U.S. commitment to human rights principles. July 12, 1978. Y(2–2–0) Passed 277–120.

(534) S.Con.Res. 95. Adoption of the concurrent resolution urging the Soviet Union and its leadership "to seek a humanitarian resolution" to the "deplorable" trials of Anatoly Shcharansky, Viktoras Petkus and Aleksandr Ilyich Ginsburg, who defended the principles of the Helsinki agreement in the Soviet Union. July 12, 1978. Y(4–0–0) Passed 380–10.

(535) H. Con. Res 599. Adoption of the resolution to disapprove the president's approval of the export of low-enriched uranium to India. July 12, 1978. N(2–2–0) Rejected 181–227.

(537) H.R. 15. Amendment to allow local education agencies, as well as states, to qualify for special matching federal grants if they had their own compensatory education programs. July 12, 1978. Y(4–0–0) Rejected 150–240.

(538) H.R. 15. Amendment to count two-thirds instead of 100 percent of the children in each state from families receiving Aid to Families with Dependent Children payments in excess of the poverty level, for the purposes of determining state compensatory education allocations. July 12, 1978. Y(4–0–0) Rejected 175–212.

(539) H. Res. 1267. Motion to table (kill) the McDonald, D.-Ga., resolution to impeach U.S. Ambassador to the United Nations Andrew Young. July 13, 1978. Y(1–3–0) Passed 293–82.

(540) H.R. 15. Substitute amendment, to the Holt, R.-Md., amendment, to prohibit duplication by community education programs of services offered by other government agencies, unless the commissioner of education determined that collaboration existed between the education agency and the other government agencies. July 13, 1978. Y(1–3–0) Passed 197–195.

(541) H.R. 15. Substitute for the bill to distribute funds authorized by the bill in block grants to states. July 13, 1978. N(1–3–0) Rejected 79–290.

(542) H.R. 15. Passage of the bill to extend the Elementary and Secondary Education Act of 1965 for five years, through fiscal 1983. July 13, 1978. Y(3–1–0) Passed 350–20.

(543) H.R. 10929. Motion to close to the public the conference committee meetings on the bill to authorize fiscal 1979 funds for Defense Department weapons procurement and military research and development when classified national security items were being discussed, as authorized under House rules, but to allow the attendance of members of Congress at all meetings. July 14, 1978. Y(3–0–1) Passed 312–5.

(544) H.R. 12163. Amendment to reduce funding for the Clinch River nuclear breeder reactor project by $159 million, to limit work on that project to completion of studies and tests and to require a study of advanced breeder reactor technologies to be prepared by March 1, 1981. July 13, 1978. Y(1–2–0) Rejected 142–187.

(545) H.R. 12163. Amendment to add $75 million for initial construction costs for a facility to demonstrate the SRC–II (solvent refined coal) process of producing liquid boiler fuels from coal. July 14, 1978. NV (0–2–2) Passed 165–132.

(547) H.R. 12028. Motion to suspend the rules and pass the bill to increase to $30,000 grants for specially adapted housing for certain disabled veterans, to $25,000 for VA loan guarantees, and to permit Vietnam-era veterans with 90 days of service to qualify for VA home loan programs. July 17, 1978. Y(4–0–0) Passed 373–0.

(548) H.R. 12232. Motion to suspend the rules and pass the bill to amend the 1976 Unemployment Compensation Amendments to (1) pay members of the National commission on Unemployment Compensation who were not full-time federal employees; (2) extend for one year, to May 31, 1981, the effective date of the provision that unemployment compensation benefits be reduced by the amount of retirement benefits received; and (3) extend for two years the exemption for farm employers of the payment of employment taxes for seasonal alien agricultural workers. July 17, 1978. Y(4–0–0) Passed 300–81.

(549) H.R. 12380. Motion to suspend the rules and pass the bill to limit to two years beyond the regular unemployment period the time within which an individual may receive extended unemployment benefits under the 1970 Federal-State Extended Unemployment Compensation Act. July 17, 1978. Y(4–0–0) Passed 398–4.

(550) H.R. 10848. Motion to suspend the rules and pass the bill to allow persons whose SSI payments were discontinued because they became employed to be considered disabled and immediately receive SSI benefits for three months, pending a review by the Social Security Administration, if they had received SSI benefits within the previous five years. July 17, 1978. Y(2–2–0) Passed 351–32.

(552) H.R. 12163. Motion to recommit the bill to the Science and Technology Committee with instructions to report the bill back to the House with an amendment containing language called for in the rejected Flowers, D-Ala., amendment (See H.R. 12163). July 17, 1978. Y(1–3–0).

(553) H.R. 12163. Passage of the bill to authorize $4.5 billion in fiscal 1979 for research and development programs and activities of the Energy Department. July 17, 1978. Y(4–0–0) Passed 325–67.

(558) H.R. 12443. Motion to suspend the rules and pass the bill to amend the Immi-

gration and Nationality Act to provide a single worldwide ceiling on immigration into the United States and to establish a Select Commission on Immigration and Refugee Policy to study U.S. immigration policies. July 18, 1978. Y(2–2–0) Passed 396–20.

(559) H.R. 12508. Motion to suspend the rules and pass the bill to amend the Immigration and Nationality Act to raise the limit for immigration preference on the number of children that could be adopted by a single family, and to liberalize immigration and naturalization requirements for children of parents applying for U.S. citizenship. July 18, 1978. Y(2–2–0) Passed 413–0.

(560) H.R. 12252. Motion to suspend the rules and pass the bill to pay state and local governments $150 to cover the expenses of burying any veteran in a veterans' cemetery operated by a state or local government. July 18, 1978. Y(4–0–0) Passed 407–9.

(561) H.R. 12011. Motion to suspend the rules and pass the bill to extend indefinitely the authority of the Veterans Administration to contract with private hospitals for medical care of veterans in Alaska, Hawaii and U.S. controlled territories. July 18, 1978. Y(4–0–0) Passed 415–0.

(562) H.R. 11891. Motion to suspend the rules and pass the bill to establish higher benefits payments for home health care for disabled veterans requiring constant medical attention. July 18, 1978. Y(4–0–0) Passed 418–0.

(563) H.R. 6075. Motion to suspend the rules and pass the bill to prohibit employment discrimination based on pregnancy. July 18, 1978. Y(2–2–0) Passed 376–43.

(564) H.J. Res. 738. Motion to suspend the rules and pass the joint resolution to express the sense of Congress that the president direct the federal agencies concerned to re-evaluate existing laws and regulations that prevented native Americans from practicing their traditional religions by denying them access to sacred lands, instruments or ceremonial practices. July 18, 1978. Y(3–1–0) Passed 337–81.

(566) H.R. 1609. Passage of the bill to promote development of coal slurry pipelines. July 19, 1978. Y(2–2–0) Rejected 161–246.

(568) H.R. 11983. Passage of the bill to authorize $8.6 million for the Federal Election Commission for fiscal year 1979, with the stipulation that none of the money could be used to fund random audits of candidates for the House and Senate. July 19, 1978. Y(3–1–0) Passed 366–37.

(570) H.R. 13385. Amendment to reduce the temporary increase in the public debt ceiling by $16 billion, to $798 billion from $814 billion. July 19, 1978. Y(4–0–0) Passed 363–37.

(571) H.R. 13385. Passage of the bill to increase the temporary public debt limit to $798 billion through March 31, 1979. July 19, 1978. Y(1–3–0) Passed 295–202.

(573) H.R. 11504. Adoption of the conference report on the bill to revise existing farm credit programs, to create an economic emergency loan program for farmers and ranchers and to extend the Emergency Livestock Credit Act through Sept. 30, 1979. July 19, 1978. Y(4–0–0) Passed 362–28.

(575) H.R. 13467. Amendment to delete $15 million in the bill for a Center for Disease Control influenza immunization program and add $3 million for influenza vaccine research programs of the National Institute for Allergy and Infectious Diseases. July 20, 1978. Y(4–0–0) Passed 268–127.

(576) H.R. 13467. Amendment to add $26 million to the $5 million in the bill for "pinpoint" assistance to schools in federally declared disaster areas. July 20, 1978. N(4–0–0) Rejected 166–233.

(577) H.R. 13467. Amendment to add $9.9 million to the $5 million in the bill for "pinpoint" assistance to schools in federally declared disaster areas. July 20, 1978. N(0–4–0) Rejected 156–237.

(578) H.R. 13467. Amendment to delete the $275,000 appropriation for the U.S. Metric Board. July 20, 1978. N(2–2–0) Rejected 75–302.

(579) H.R. 13467. Amendment to reduce all spending in the bill, except for payments required by law, by 2 percent, provided that no program be cut by more than 5 percent. July 20, 1978. Y(2–1–1) Passed 256–114.

(580) H.R. 13467. Passage of the bill to appropriate $6.3 billion in supplemental funds for fiscal 1978 operations of the government, including $3.2 billion for federal employee pay raises. July 20, 1978. Y(2–1–1) Passed 311–60.

(581) H.R. 12433. Amendment to prohibit the Department of Housing and Urban Development from carrying out a reorganization of its field offices. July 21, 1978. N(1–1–2) Rejected 133–160.

(582) H.R. 12433. Amendment to delete a provision in the bill to limit property insurance rates under state-operated FAIR (Fair Access to Insurance Requirements) plans. July 21, 1978. N(1–1–2) Rejected 119–185.

(583) H.R. 12433. Amendment to prohibit Social Security cost-of-living increases from being counted as income when calculating rents in assisted housing. July 21, 1978. Y(2–0–2) Passed 256–38.

(584) H.R. 12433. Passage of the bill to revise, extend and authorize $29.3 billion for various housing and community development programs. July 21, 1978. Y(1–1–2) Passed 270–26.

(585) H.R. 13468. Passage of the bill to appropriate $1,612,185,100 for fiscal 1979 (the appropriation was composed of $264 million in federal funds and $1,348,185,100 in revenues raised by the city). July 21, 1978. Y(1–1–2) Passed 215–32.

(586) H.J. Res. 946. Motion to suspend the rules and pass the joint resolution to designate Oct. 7, 1978, as National Guard Day to commemorate the contributions to the national defense of the national guard since 1636. July 24, 1978. NV(1–0–3) Passed 264–10.

(590) H.R. 11823. Motion to suspend the rules and pass the bill to liberalize eligibility for retired pay of members of reserve branches of the military. July 25, 1978. NV (2–1–1) Passed 390–8.

(591) H.R. 12349. Motion to suspend the rules and pass the bill to add a 34,500 acre area known as Dunoir Basin to the Washakie Wilderness in Wyoming. July 25, 1978. NV (1–2–0) Passed 372–22.

(592) H.R. 12973. Motion to suspend the rules and pass the bill to increase spending ceilings to $2.7 billion for fiscal 1979, $3.15 billion for 1980 and $3.45 billion for 1981 child day care, home assistance for aged and disabled, employment training and other social services programs under Title XX of the Social Security Act. July 25, 1978. NV(0–3–1) Passed 346–54.

(593) H.R. 11889. Motion to suspend the rules and pass the bill to increase to $200 the additional monthly pension paid by the Veterans Administration to eligible persons who held the Congressional Medal of Honor. July 25, 1978. NV(3–0–1) Passed 394–4.

(594) H.R. 11890. Motion to suspend the rules and pass the bill to liberalize eligibility for the benefits paid to survivors of permanently disabled veterans. July 25, 1978. NV (3–0–1) Passed 393–9.

(595) H.R. 12426. Adoption of the conference report on the bill to provide up to $1.65 billion in long-term federal loan guarantees to New York City. Juldy 25, 1978. NV (1–2–1) Passed 244–157.

(596) H.R. 11877. Adoption of the conference report on the bill to authorize $112,424,000 for fiscal 1978 programs of the Peace Corps, and to amend the Peace Corps Act to emphasize assistance to the poorest countries, the need to integrate women into the economies of third world nations and to make various administrative changes. July 25, 1978. NV(1–2–1) Passed 276–120.

(598) H.R. 10285. Amendment to permit states to enact and enforce their own commodity futures trading laws that were identical to certain sections of the Commodity Exchange Act. July 26, 1978. Y(2–2–0) Rejected 141–260.

(599) H.R. 10285. Amendment to require reporting within 48 hours of export commodity sales and certain related information to the Commodity Futures Trading Commission, and to require the commission to publish this information. July 26, 1978. Y(1–3–0) Passed 273–125.

(600) H.R. 10285. Passage of the bill to extend the Commodity Exchange Act and to authorize appropriations as needed for the operations of the Commodity Futures Trading Commission through fiscal year 1981. July 26, 1978. Y(4–0–0) Passed 401–6.

(601) H.R. 3350. Substitute amendment, to the Udall amendment, to place responsibility for the Deep Seabed Mineral Resources program in the Department of Commerce. July 26, 1978. Y(3–1–0) Passed 214–184.

(602) H.R. 3350. Amendment to reword language in the bill to state more clearly that in granting mining permits the United States was not claiming jurisdiction over any areas beyond the 200-mile limit. July 26, 1978. Y (2–20) Rejected 199–202.

(603) H.R. 3350. Passage of the bill to provide for interim federal regulation and taxation of ocean mining of hard minerals by U.S. citizens until an international agreement was reached by the Law of the Sea Conference. July 26, 1978. Y(4–0–0) Passed 312–80.

(604) H.R. 7577. Amendment to alter the proposed funding formula for community action agencies to require 60-percent Federal contributions and 40-percent local contributions. July 26, 1978. N(1–3–0) Rejected 158–224.

(605) H.R. 7577. Passage of the bill to extend the Economic Opportunity Act of 1964 for 3 years, through fiscal 1981, and to make changes in various antipoverty programs covered under the act. July 26, 1978. Y(2–2–0). Passed 346–38.

(608) H.R. 12157. Amendment to prohibit the Export-Import Bank from providing loans to produce any commodity unless the President certified that the commodity was not in surplus in the United States and its importation would not injure U.S. firms and employees producing the same or competing commodity. July 27, 1978. N(1–3–0). Rejected 197–199.

(609) H.R. 12157. Amendment to prohibit the Export-Import Bank from participating in transactions with countries that the Secretary of State has determined grossly violate internationally recognized human rights. July 27, 1978. N(4–0–0). Rejected 103–286.

(610) H.R. 12157. Amendment to prohibit the Export-Import Bank from extending credit to purchasers of exports whom the Secretary of State certifies do not endorse fair and equal employment principles. July 27, 1978. N(2–0–0). Rejected 90–288.

(611) H.R. 12157. Amendment to require the Export-Import Bank to submit to Congress an evaluation, based on analyses by the Nuclear Regulatory Commission, of the nuclear safety standards in effect in nations with which the bank conducts a transaction for the sale of nuclear reactors. July 27, 1978. Y(1–3–0). Rejected 106–266.

(612) H.R. 12157. Passage of the bill to extend the authority of the Export-Import Bank through September 1983 and increase its loan ceiling to $40 million from $25 million. July 27, 1978. Y(4–0–0). Passed 314–47.

(614) H.R. 9400. Passage of the bill to allow the Attorney General to sue or intervene in

suits to protect the constitutional rights of persons living in State-run nursing homes, prisons, juvenile facilities, and institutions for the chronically ill. July 28, 1978. Y(2–2–0). Passed 254–69.

(616). H.R. 12432. Amendments, en bloc, to delete provisions to give the commission authority to study discrimination based on age or handicap, including $2 million allocated for such studies. July 28, 1978. NV(2–1–1). Rejected 87–244.

(617) H.R. 12432. Amendment to prohibit the commission from engaging in lobbying on legislation before Congress or State legislatures. July 28, 1978. Y(4–0–0). Passed 159–125.

(619) H.R. 9998. Motion to suspend the rules and pass the bill to authorize the Federal Maritime Commission to prevent ocean shipping fleets controlled by certain foreign governments from setting predatory prices for transporting goods between the United States and other nations, subject to Presidential disapproval for national defense. July 31, 1978. Y(4–0–0). Passed 329–6.

(624) H.R. 12972. Motion to suspend the rules and pass the bill to remove certain work disincentives for the disabled under the supplemental security income benefits program. August 1, 1978. Y(4–0–0). Passed 399–4.

(625) H.J. Res. 963. National POW–MIA Recognition Day. Motion to suspend the rules and pass the joint resolution to declare July 18, 1979, to be National POW–MIA Recognition Day. August 1, 1978. Y(4–0–0). Passed 401–2.

(626) H.R. 4030. Passage of the bill to amend the Internal Revenue Code to allow certain private foundations to retain for 10 years the excess over the legal existing amount of the stock of certain public utilities without being subject to the excise tax on excess business holdings. August 1, 1978. Y(4–0–0) Passed 317–86.

(627) H.R. 12514. Amendment to lift the U.S. arms embargo against Turkey when the president certified to Congress that the action was in the national interest of the United States and NATO and that Turkey was acting in good faith to achieve a settlement of the Cyprus problem. August 1, 1978. Y(4–0–0) Passed 208–205.

(628) H.R. 12514. Substitute amendment to express the sense of Congress that further withdrawal of U.S. ground forces from South Korea "may risk upsetting" the military balance in that region, and to require "full advance consultation with Congress" before any withdrawal occurs. August 1, 1978. Y(2–2–0) Passed 212–189.

(631) H.R. 12514. Amendment to prohibit delivery of weapons to Chile sold before enactment of the bill. August 2, 1979. Y(1–3–0) Rejected 146–260.

(632) H.R. 12514. Amendment to prohibit delivery of weapons sold to Chile before enactment of the bill until the Chilean government turned over to the United States those Chileans indicted for the murders of Orlando Letelier and Ronni Moffitt. August 2, 1978. NV(3–0–1) Rejected 171–228.

(633) H.R. 12154. Amendment to prohibit the use of funds in the bill for South Korea until former Korean Ambassador to the United States Kim Dong Jo had given testimony to the Standards of Official Conduct Committee on congressional influence-buying by the Korean government. August 2, 1978. Y(2–2–0) Rejected 147–257.

(634) H.R. 12514. Substitute amendment to prohibit the enforcement of economic sanctions against Rhodesia before Oct. 1, 1978, but to allow the president to reimpose sanctions if he determined the government of Rhodesia had "refused to participate in good faith" in all all-parties conference and had failed "to schedule for an early date free elections." August 2, 1978. Y(3–1–0) Rejected 176–229.

(635) H.R. 12514. Substitute amendment to prohibit the enforcement of sanctions against Rhodesia after Dec. 31, 1978, unless the president determined that a government had not been installed, which was chosen by free elections in which all political groups were allowed to participate freely. August 2, 1978. Y(1–3–0) Passed 229–180.

(636) H.R. 12154. Amendment to prohibit delivery of weapons sold to Chile before enactment of the bill until the Chilean government turned over to the United States those Chileans indicted on August 1, 1978, in Washington, D.C. for the murders of Orlando Letelier and Ronni Moffitt in September 1976. August 2, 1978. Y(1–3–0) Rejected 166–243.

(637) H.R. 12514. Passage of the bill to authorize $999.3 million for foreign military assistance programs of the State Department in fiscal 1979. August 2, 1978. Y(2–2–0) Passed 255–156.

(638) H.R. 12931. Amendment to delete $49 million from the bill for the purchase of rupees from India. August 2, 1978. N(3–1–0) Rejected 194–200.

(639) H.R. 12931. Amendment to reduce the appropriations for the United Nations Development Program by $6.8 million. August 2, 1978. N(3–1–0) Rejected 189–202.

(640) H.R. 12931. Amendment to delete $90 million from the bill that was earmarked for Syria. August 2, 1978. N(3–1–0) Passed 280–103.

(642) H.R. 12931. Amendment to reduce the $13.1 million appropriation for the Philippines by $5 million. August 3, 1978. Y(1–3–0) Rejected 142–264.

(643) H.R. 12931. Amendment to delete the $600,000 appropriation for military education and training assistance to Afghanistan. August 3, 1978. N(3–1–0) Rejected 152–236.

(644) H.R. 12931. Amendment to prohibit indirect U.S. aid to Chile, Argentina, Uruguay, South Korea, Nicaragua, Indonesia and the Philippines. August 3, 1978. N(4–0–0) Rejected 41–360.

(645) H.R. 12931. Amendment to prohibit indirect aid to Uganda, Cambodia, Laos and Vietnam. August 3, 1978 N(2–2–0) Rejected 198–203.

(646) H.R. 12931. Amendment to reduce spending for Title I programs by 2 percent, or $44 million, except for the $1.628 billion of the Economic Support Fund allocated to Israel, Egypt and Jordan. August 3, 1978. Y(4–0–0) Passed 293–52.

(648) H.R. 12931. Amendment to reduce the appropriation for foreign military credit sales by $12,960,000 and to specify that of the total appropriation for this category, $2.5 million would be available for Lebanon and $8.5 million would be available for Jordan. August 4, 1978. Y(3–0–1) Passed 300–29.

(651) H.R. 13635. Amendment to add $15.4 million for reserve recruiting incentives. August 7, 1978. NV(2–0–2) Passed 257–121.

(652) H.R. 13635. Amendment to reduce by 2 percent appropriations for Title I of the bill. August 7, 1978. N(0–3–1) Rejected 53–327.

(653) H.R. 13635. Amendment to consolidate helicopter basic training by transferring Navy helicopter pilot training to Army control. August 7, 1978. Y(1–2–1) Passed 252–128.

(654) H.R. 13635. Amendment to delete $2.1 billion for a nuclear-powered aircraft carrier. August 7, 1978. Y(1–2–1) Rejected 156–218.

(656) H.R. 13635. Amendment to delete $3 million for development of a diesel engine for future combat vehicles. August 8, 1978. Y(1–2–1) Rejected 107–269.

(657) H.R. 13635. Amendment to all $1 million for Army food research. August 8, 1978. N(0–3–1) Rejected 103–277.

(658) H R. 13635. Amendment to allow up to 10 percent of the Defense Department procurement contracts to be targeted to areas of high employment. August 8, 1978. N(0–3–1) Rejected 165–213.

(659) H.R. 13635. Amendment to prohibit purchase of foreign manufactured trucks to haul cargo in combat areas. August 8, 1978 N(0–3–1) Rejected 72–302.

(660) H.R. 13635. Amendment to delete limitations on the use of competitive bidding in award contracts for moving household goods. August 8, 1978. Y(3–0–1) Passed 269–96.

(661) H.R. 13635. Substitute amendment to reduce by 1 percent the funds appropriated by the bill. August 8, 1978. NV(0–2–2) Rejected 136–222.

(662) H.R. 13635. Amendment to reduce by 2 percent the funds appropriated by the bill. August 8, 1978. NV(0–2–2) Rejected 102–252.

(664) H.R. 13635. Amendment to prohibit use of funds appropriated in the bill for any abortion not required to save the life of the mother. August 9, 1978. N(2–1–1) Passed 226–163.

(665) H.R. 13635. Passage of the bill to appropriate $119,017,218,000 for programs of the Defense Department in fiscal 1979. August 9, 1978. Y(3–0–1) Passed 339–60.

(666) H.R. 2777. Adoption of the conference report on the bill to establish a national consumer cooperative bank; to establish within the bank an office to provide technical assistance to cooperatives; and to authorize a total of $300 million over fiscal 1979–83 for the bank's initial capitalization, $75 million for fiscal 1979–81 for technical assistance and $4 million for fiscal 1979 and additional sums as necessary for fiscal 1980–91 for the administrative costs of the bank and technical assistance programs. August 9, 1978. Y(1–2–1) Passed 236–164.

(667) H.Res. 11280. Adoption of the resolution to disapprove President Carter's Reorganization Plan No. 2 to reorganize the Civil Service System. August 9, 1978. N(1–2–1) Rejected 19–381.

(670) H.R. 12452. Amendment to require the secretary of Labor to withhold funds, or to seek repayment of funds already distributed, from local government prime sponsors found to have used federal funds to substitute CETA workers for regular employees. August 9, 1978. Y(3–0–1) Passed 407–1.

(671) H.R. 12452. Amendment to allow local governments the option of not paying unemployment insurance for CETA workers. August 9, 1978. N(2–1–1) Rejected 197–211.

(672) H.R. 12452. Amendments to delete the provision allowing use of CETA funds to make contributions to retirement plans if the CETA worker had a reasonable chance of benefiting in the future from the plan. August 9, 1978. N(2–1–1) Passed 209–194.

(673) H.R. 12452. Amendment to prohibit use of CETA funds for retirement plan payments after Jan. 1, 1980. August 9, 1978. Y(3–0–1) Passed 254–148.

(674) H.R. 12452. Amendments, considered en bloc, to limit maximum CETA wages to $10,000 annually ($12,000 in high-wage areas) and to set the average CETA's wage at $7,000, to be adjusted according to the consumer price index. August 9, 1978. Y(3–0–1) Passed 230–175.

(675) H.R. 12452. Amendment to set a $3.2 billion ceiling on spending for Title VI public service employment, and to increase by $500 million the authorizations for youth employment and private sector jobs programs, August 9, 1978, N(2–1–1) Passed 221–181.

(676) H.R. 12452. Amendment to permit use of CETA funds to pay outside legal consultants, provided neither the local government nor the Labor Department could perform the task and the consultant charged reasonable fees. August 9, 1978. Y(1–2–1) Passed 200–198.

(679) H.R. 13511. Adoption of the Ways and Means Committee amendments to modi-

fy the earned income tax credit, extend investment tax credits to rehabilitation of structures, revise the jobs credit, establish an alternative minimum tax on capital gains, exempt up to $100,000 in profits from the sale of residences from capital gains taxes once in a taxpayer's lifetime and other measures. August 10, 1978. Y(4–0–0) Passed 409–1.

(680) H.R. 13511. Adoption of Ways and Means Committee amendment to provide for indexation of capital gains taxes for inflation beginning in 1980. August 10, 1978. N(3–1–0) Passed 249–167.

(681) H.R. 13511. Substitute Amendment for the bill to extend tax cuts due to expire at the end of 1978 and enact no new tax cut. August 10, 1978. N(0–3–1) Rejected 57–356.

(683) H.R. 13511. Amendment to provide an $18.1 billion tax cut including more benefits to taxpayers earning less than $50,000 and less to those earning more. August 10, 1978 (Y(0–2–1) Rejected 193–225.

(684) H.R. 13511. Motion to recommit the bill to the Ways and Means Committee with instructions to report it back with an amendment to reduce individual income tax rates by one-third over the next three years. August 10, 1978. N(2–1–1) Passed 362–49.

(685) H.R. 13511. Passage of the bill to provide $16.3 billion in individual, corporate, and capital gains tax cuts. August 10, 1978. Y(3–0–1) Passed 362–49.

(690) H.R. 13007. Passage of the bill to amend the Consumer Credit Protection Act to establish rights, remedies, and responsibilities for all participants in the utilization of electronic fund transfer services. August 11, 1978. Y(3–1–0) Passed 314–114.

(693) H.R. 12931. Amendment to reduce the Inter-American Development Bank and the International Development Association appropriations by 2%. August 14, 1978. Y(4–0–0) Passed 359–27.

(694) H.R. 12931. Amendment to prohibit the use of any U.S. funds appropriated to the International Development Association to finance any assistance or reparations to Vietnam. August 14, 1978. NV(3–0–1) Passed 234–142.

(695) H.R. 12931. Amendment to prohibit the use of funds appropriated to international financial institutions for establishing or expanding the production for export of steel, grains, sugar, palm oil, citrus crops, tobacco, or tires. August 14, 1978. N(2–2–0) Rejected 143–239.

(696) H.R. 12931. Amendment to prohibit the use of funds appropriated to provide, review, or administer any assistance, credits, guarantees, or insurance in or for Panama. August 14, 1978. NV(2–1–1) Rejected 172–302.

(697) H.R. 12931. Amendment to reduce appropriations not required by law by 8%. August 14, 1978. NV(2–1–1) Rejected 184–199.

(699) H.R. 12931. Amendment to reduce total appropriations by 2%, except for those areas or programs already reduced in the Committee of the Whole (which included the Inter-American Development Bank and the International Development Association). August 14, 1978. Y(4–0–0) Passed, 341–44.

(700) H.R. 12931. Passage of the bill to make appropriations of $7.2 billion for Foreign Assistance and related agencies. August 14, 1978. Y(2–2–0) Passed 223–167.

(702) H.Res. 1295. Adoption of the rule providing for floor consideration of H.J.Res. 638, the Equal Rights Amendment extension. August 15, 1978. Y(1–3–0) Passed 243–171.

(703) H.Res. 1315. Motion to table the resolution providing that a two-thirds vote of Members present and voting shall be necessary for passage of H.J.Res. 638. August 15, 1978. Y(1–3–0) Passed 230–183.

(704) H.J.Res. 638. Amendment to allow States which have ratified the Equal Rights Amendment during the first seven-year period to rescind that motion during the extension period; and to require the G.S.A. to submit notices of all ratifications and rescissions to the Congress for final determination as to whether the amendment shall have been adopted. August 15, 1978. N(3–1–0) Rejected 196–227.

(705) H.J.Res. 638. Passage of the resolution allowing the extension of the ratification period for the Equal Rights Amendment until June 30, 1982. Y(1–3–0) Passed 233–189.●

OUR FAILURE TO DISCUSS VIETNAM

HON. DAVID E. BONIOR

OF MICHIGAN

IN THE HOUSE OF REPRESENTATIVES

Wednesday, August 16, 1978

● Mr. BONIOR. Mr. Speaker, I would like to submit an article for my colleagues which appeared in the Washington Post a few days ago. Its author, Stuart Feldman, is counsel to the Council of Viet Nam Veterans, a group which I personally feel is one of the most effective advocates of the Vietnam veteran.

The article appears at a time when the Vietnam veterans in Congress is attempting to obtain more equitable and substantial benefits for the Vietnam veteran. The message, which I concur in, is that unless we, as a country, come to terms with the reality of Vietnam and its lessons for us, we will never be able to fully accord the Vietnam veterans the respect they deserve in being asked to fight a war of attrition until we decided what it was we truly wanted in Vietnam, until we decided whether or not their deaths would mean anything to the country. Unless we come to terms with Vietnam, its veterans may very well be the ultimate victims of that war.

The article follows:

[From the Washington Post, July 27, 1978]

OUR FAILURE TO DISCUSS VIETNAM

(By Stuart F. Feldman)

There was probably as much heroism by American servicemen in Vietnam as in any previous war. Yet the Vietnam veteran doesn't know whether he is a hero, an honorable man for serving his country, or a fool for not evading the draft. Partly this is because of the unpopularity of the war at the time it was being waged. But a large part of the reason for the confusion in the minds of Vietnam veterans has to do with our failure to discuss Vietnam and what it meant, now that it is behind us.

Both a recent book—"Chance and Circumstance" by Lawrence M. Baskir and William A. Strauss—on the unfortunate and unfair workings of the draft and reports of candidate Jimmy Carter's speeches illustrate the problem. Both seem to take the position that people served in Vietnam because they weren't bright enough to know where Canada was or to take advantage of the multitude of ways to escape their citizen's responsibility. Neither fully acknowledged the fact that many people served in the military because they saw it as their citizen's duty.

Robert Morris, an eloquent Vietnam veteran, wrote in a letter to The Washington Post on Oct. 11, 1977: "In candor, I never knew what to think of the war either; never knew, even while I was there, whether committing U.S. forces in Vietnam was the right decision. I believed explicitly only in this: The government should be able to raise and deploy troops in accordance with decisions properly made in the national interest."

That is a view I share.

Payment of the nation's just debts to Vietnam veterans might start to strip away the barriers to a consensus on America's future role in the world—barriers that now seem to hamper our ability to act. The disillusionment from Vietnam seems to convince many that we should never commit our troops or resources overseas again, except perhaps in Europe.

A president's Week for Vietnam Veterans, climaxed by a nationwide presidential fireside address on the honorable service of those citizens and the responsibilities of citizenship, could be a major first step in a needed nonpartisan discussion of Vietnam.

Some special presidential recognition of Vietnam veterans would, I believe, help many of them feel more at ease with their government. It might also provide them with some sense of absolution for their part in a war that so many of their fellow citizens have denounced as "immoral" or "needless" or just plain wrong. A large number of Vietnam veterans and their families are now bitterly opposed to military service. They convey that attitude to their younger brothers, relatives and friends. It may be one reason the volunteer army is having such a hard time obtaining high-caliber recruits.

A poll made in conjunction with one of the Hollywood movies made about the war showed that 61 percent of those surveyed thought that the nation needed to discuss the events of the war. Other recent signs, including the release of at least eight war-related movies, hour-long television specials on Vietnam veterans by ABC and CBS and a cover story by the Atlantic, suggest that there is, indeed, some public readiness to face up to the meaning—and the lessons—of Vietnam.

In a Memorial Day address at Loyola College in Baltimore, Clark Clifford, a secretary of defense under President Johnson, said his generation, by wrongly comparing Hitler's Germany and post-World War II Soviet expansionism to Vietnam, conducted a war that was "a disaster". The National Review of June 23 carried an analysis of the war by Norman Hannah, a retired Foreign Service officer, who also called for a dispassionate nonpartisan review. In the July Harper's, psychologist Jeffrey Jay, a fellow at George Washington University's Center for Family Research, called the Vietnam veteran a scapegoat and a victim of silence surrounding the war. He, too, urged a national debate on Vietnam for the sake of the veterans' mental health. In reviewing a book in The Washington Post, one of West Point's brightest young products, Josiah Bunting, who left the Army over the war, made a negative analysis of the officer corps' performance. All of these are recent harbingers of a willingness to examine the past for whatever it might tell us of how to proceed in the future.

Although presidential recognition of Vietnam veterans is crucial, any response requires a substantive effort to reshape and improve a number of government programs related directly to the problems of Vietnam veterans and involving education, medical care, various forms of "amnesty" for "bad paper" (less than honorable) discharges comparable to the blanket forgiveness bestowed upon draft evaders. This may require the expenditure of significant amounts of money as well as symbolic gestures by the president. But the sums involved are trifling when you consider the national obligation to those who served in Vietnam and to the importance of straight-thinking about the war and its relevance to the future conduct of American foreign policy, in honoring that obligation.●

ADDRESS ON PARENT EFFECTIVENESS

HON. MARGARET M. HECKLER

OF MASSACHUSETTS

IN THE HOUSE OF REPRESENTATIVES

Wednesday, August 16, 1978

● Mrs. HECKLER. Mr. Speaker, earlier this year I had the honor to present the keynote address at an early childhood education and parenting conference entitled "Parents Make an Impact."

The conference was sponsored by project IMPACT, a program funded under provisions of the Elementary and Secondary Education Act, title IV–C. The program is an early childhood-parent-education project serving the Massachusetts communities of Easton, Foxborough, Mansfield, and Norton.

This conference, held over a weekend, was the first of its kind in the New England area. It was designed specifically for parents of children from birth to 8 years of age. The 800 parents and educators who participated in the conference had the opportunity to select from 40 workshop sessions as well as two general meetings.

One of the most memorable presentations was by Mr. Steve Emmons, one of the five national "Parent Effectiveness Training (PET)" instructor-trainers of the Effectiveness Training Institute, Solana Beach, Calif., who works directly with Dr. Thomas Gordon, author of the book, Parent Effectiveness Training.

Mr. Emmons opened the conference speaking on the subject, "Is Love Enough?" which won overwhelming applause from the audience. He emphasized that being a parent is fun and rewarding but also hard work and that parents need training and support through endeavors like project IMPACT.

Mr. Speaker, I wish to share the following excerpts from Mr. Emmons' challenging presentation with my colleagues.

ADDRESS ON PARENT EFFECTIVENESS

(By Mr. Steve Emmons)

"Communication" is my reference for tonight. I know that I cannot teach everything there is to know about Parent Effectiveness Training in one short evening.

But I can share some thoughts and ideas about communication between parents and children from ideas that I've come up with in working in the field of parenting.

I will focus on three words that I was taught at home and at school as a kickoff because in a little different context they have a lot to say about being a parent.

Stop, look, and listen. These guides for crossing the street ring some other bells for me in terms of the role of being parent. Parenting is hard work; it isn't easy.

And there have been a lot of "experts" in the field that have pointed fingers at parents and said: "It's your fault when kids don't turn out right, and the schools' problems are your fault, and society's problems are your fault." Precious few people have tried to understand parents.

The whole Parent Effectiveness Training movement was started about sixteen years ago based on the whole premise that we train people to do everything. We train them how to be doctors and lawyers and drive trucks and climb trees, and whatever. But we don't teach people how to be parents.

Parenting is hard work but it can be fun and exciting. How can we make it more fun and more rewarding and less hard work?

Let me first talk about the word "stop." Take time. Take time to consider and be with the family, be with youngsters, show interest in family and concerns of the family.

This doesn't always mean big amounts of time. It means quality of time. One of the best examples I can think of is a salesman who wasn't home much except week ends. And he was really concerned about that fact. So every Sunday morning was scheduled a time for Dad to be with one of his three youngsters for breakfast. And it turned out to be very, very special. The kids would look forward to it, put it on their schedules, plan for it. So quality is important. It doesn't mean huge amounts of time.

The second word is to "look." Look at children's worlds, and what goes on there, and how it is different from ours. One of the issues of a child's world has to do with size and the effects on size. The world of youngsters, for example, is often stomachs and belt buckles and knee caps. We should come down to kids' levels sometimes. Sit on the floor when we're playing and talking with them.

"Listen." What's that mean? I think listening falls into a big, broad category called communications. One researcher has said that only 7 percent of all communication was verbal; 23 percent, tone of voice—how it's said. And we're finding out more and more that how things are said is more important than what is said. That only 70 percent of communication was all nonverbal. Half of that was facial expressions, twitches in the mouth, and the eyes, and the other half was body posture, body language, how it was said. So that I think that if you take that into consideration that talking and listening really maybe don't go far enough.

I think there are some misconceptions about listening. I used to think listening was easy, but no more. It is important to really hear youngsters. I think one of the biggest temptations is wanting to get my message across and my information across real quick. And I tend to want to listen to answer, and to think about what am I going to say, and what's my message going to be, and what's my information going to be. I think it's important that we give our kids time, and other people as well, time to listen to be heard.

There's another half to that. We need to be listened to sometimes too. It isn't just listening to our kids. People want to know, How do I get behavior to change? And how do I get my message across? And so just as being a good "receiver" is important, being a good "sender" is important too.

Kids are important, but parents are, too. I think one of the burdens of parenthood is we're told that your needs aren't important. If you have anything left over at the end of the day you can give it to yourself only if you have taken care of everybody else. I think that's kind of a fallacy—we've got to take care of us, too.

I'd like to talk to you a little bit about time pressures and how it affects us. It turns out that all of us need three kinds of time. One is called "diffuse" time. That's when there's a lot of energy and stimuli. That's a group like this. That's a family eating dinner together. That's listening to the evening news and somebody goes by on their skateboard, and they're cutting the lawn outside, and you're trying to cook dinner, and the phone rings, and somebody is walking in and out. "Diffuse" time. A lot of our lives are spent in diffuse time at home and at work. We all need it.

But we also have needs for two other kinds of time. One of those is "one-to-one" time. Each of us has need to spend time with one other person in their lives. When you talk about a problem, maybe just have a cup of coffee just to talk and share back and forth. Each of us has need of some one-to-one time.

The last kind of time we all have need for is called "alone" time. There's usually precious little of that one. Time to kind of get our heads screwed on straight, get away from home or work, and just relax and unwind after a long, hard day to be by ourselves.

What happens is at home and at work we usually get too much of one and not enough of the other. It varies depending on where you spend your time with your work or your home or whatever.

One person that works in the family; one that doesn't. One has too much alone time; one has too much diffuse time. They come together at the front door and bam! All kinds of problems.

It's one thing to know that it's O.K. to want to get alone time to yourself and one-to-one time, but the question is how the heck do you do that? Because that's easier said than done with our busy days at home and at work. That takes planning, but it can be done.

It's amazing how many little hassles and problems and concerns can get really toned down and even eliminated just by making room for, and appreciating the fact that parents, kids, everybody in the family needs alone time, one-to-one time, and diffuse time. And if we can plan for that, at home and at work, then it will make a lot richer, hassle-free communication.

If I take just a little bit of alone time before I interact at home with family. Maybe the family can agree to have time and to get their private space, and when they come together at dinner or whatever, a lot fewer hassles and a lot better interactions. Managing our time is how it's done.

Usually we do a poll with parents and we find out that all of the things kids believe and think and do—even though they don't screw the top back on the toothpaste—there's a high percentage of behavior that is the same or similar to parents. Maybe as high as 80 percent.

So it's pretty potent, being a model and sharing and teaching with our kids. But I think also that they're separate, and we're separate, and we should appreciate that and take heart in that, instead of feeling like we failed if they didn't turn out exactly like we expected.

I'd like to share with you as a close a quote from Gabran's The Prophet. Its called: "It's About Children."

"And a woman who held a babe against her bosom said, 'Speak to us of children. And he said, 'Your children are not your children. They're the sons and daughters of life's longing for itself. They come through you but not from you. And though they are with you they belong not to you. You may give them your love, but not your thoughts. For they have their own thoughts. You may house their bodies but not their souls. For their souls dwell in the house of tomorrow which you cannot visit, even in your dreams.

"'You may strive to be like them, but seek not to make them like you. For life goes not backwards nor tarries with yesterday. You are the bows from which your children as living arrows are sent forth. The archer sees the mark on the patch of the infinite, and he bends you with his might that his arrows may go swift and firm. What you're bending in the archer's hand be for gladness. For even as he loves the arrow that flies so he loves also the bow that is stable.' "●

TIMBER SALVAGE ON THE NATIONAL FORESTS

HON. MAX BAUCUS

OF MONTANA

IN THE HOUSE OF REPRESENTATIVES

Wednesday, August 16, 1978

● Mr. BAUCUS. Mr. Speaker, during the consideration of the Timber Management Act of 1976, I expressed my concern about the administration of timber salvage sales on the national forests.

In Montana there are vast amounts of wastewood which have been damaged by fire, windthrow, insect and disease attack, or other natural catastrophe. Salvaging these damaged timber stands serves as an effective management tool.

In a discussion of this issue with Chairman FOLEY when the Timber Management Act was considered, I expressed my hope that more salvage timber sales would result with the passage of the act.

The volume of wastewood appears to be growing each year. It has recently come to my attention that the Small Business Administration and the Forest Service conducted rule change hearings last week concerning special salvage timber sales for small business concerns. This new program would be in excess of present salvage timber sales now offered by the Forest Service.

The purpose of this program is to assist small business logging and forest industry concerns through the generation of additional Federal timber. This program would be separate from the existing small business set-aside program involving U.S. Forest Service timber and would be initially tested in a limited number of forests in the Western United States.

I commend the SBA and the Forest Service for proposing this small business set-aside program. This program will benefit small timber operations of 25 persons or less and will reduce the back log of salvage timber on the national forests.

I insert in the RECORD a letter which I have sent to the Small Business Administration concerning the proposed program for the benefit of my colleagues:

JULY 25, 1978.

Re 13 CFR Part 121

A. VERNON WEAVER,

Administrator, Small Business Administration, Washington, D.C.

DEAR MR. WEAVER: In the July 19, 1978 Federal Register the SBA announced public meetings for the purpose of a rule change dealing with special salvage timber sales.

Nearly 50 percent of the economy of my Congressional District is directly or indirectly dependent upon forest products. I commend the SBA for proposing this salvage timber rule change. Many small independent loggers in western Montana could potentially benefit from the establishment of a Special Salvage Timber Sales Set-Aside program.

The Federal Register announcement concerning the rule change stated the program will be tested in a limited number of forests in order to allow flexibility and alterations which may be necessary in the development of specific limits and controls applicable to the new program.

Because of the importance of the timber industry to the economy of Montana, and the unique characteristics of the National Forests in Montana, I urge the SBA and the Forest Service to select as many National Forests as possible in Montana for the purposes of the program test.

If I can be of any further assistance in this regard please feel free to call or write. I appreciate your consideration of this request.

With best personal regards, I am

Sincerely,

MAX BAUCUS.●

THE ECONOMY: QUESTIONS AND ANSWERS

HON. LEE H. HAMILTON

OF INDIANA

IN THE HOUSE OF REPRESENTATIVES

Wednesday, August 16, 1978

● Mr. HAMILTON. Mr. Speaker, I would like to insert my Washington report for August 16, 1978 into the CONGRESSIONAL RECORD:

THE ECONOMY: QUESTIONS AND ANSWERS

These are some questions that Ninth District residents are asking about the economy:

Why are the economic policy choices so difficult today? Inflation is accelerating and the economic recovery is showing signs of weakness. Consequently, we are faced with a dilemma: steps to reduce inflation may curb economic growth while steps to keep the recovery going may boost inflation. The challenge is how to deal with inflation in a way that does not undo the progress we have made in promoting growth and creating jobs.

Why did inflation move up so quickly during the first half of 1978? There were three reasons for the recent surge in inflation. Food prices jumped because of bad weather and depleted cattle herds, the payroll tax and the minimum wage were increased, and the value of the dollar declined due principally to massive imports of oil. Shortages of labor or capital were not causes of the sharp upswing in prices.

Will inflation continue into 1979? The rate of increase in inflation is likely to remain very high next year even though it will be somewhat below the double digit rate of the first half of 1978. The principal cause of continued inflation may be rising labor costs. Workers wil be trying to compensate for the increases in consumer prices that took place earlier this year.

What is the outlook for economic growth and employment next year? The economy will continue to expand at a moderate but satisfactory pace, probably in the range of 3 percent to 4 percent a year. Such an expansion is about what will be needed to keep growth in jobs in line with growth in the labor force. Employment cannot be expected to advance much beyond today's levels Between 5 percent and 6 percent of the labor force will still be jobless by the end of 1979.

Will there be an economic slowdown in 1979? The forecast of an economic slowdown is based on the anticipated behavior of three important sectors of the economy. Spending for housing is expected to drop because of tighter credit markets, consumer outlays may decline on account of higher consumer debt and overspending to avoid future price increases, and capital investment in plant and equipment will probably diminish as businessmen become less willing to take chances in the shaky economic environment. Other factors as well may contribute to a lag.

Will there be a recession? Some economists are predicting a recession and many observers acknowledge that a recession could occur in certain circumstances. On balance, however, most of the experts believe we will be able to avoid a recession. To support their claim these experts point to several mitigating influences. The proposed tax cut of $15 billion should stimulate consumer spending and the prolonged slide of the dollar will eventually spur exports. Also, there is little evidence of the imbalances in production and sales that often precede a recession. Finally, new laws and regulations may soften the impact of higher interest rates on the construction industry. The view that a recession will not overtake us assumes that there will be no further rise in interest rates.

What are the economic policy options available to Congress? Basically, Congress has two options in formulating its economic strategy. The first is to take restrictive steps by slashing expenditures and foregoing all or part of a tax cut. While this approach would lessen the possibility of runaway inflation, it would heighten the risk of recession. The second is to take expansive steps by cutting taxes. This approach would not do as much to dampen inflation, but it would make recession far less likely. The debate in Congress now centers on the second option. The size of the tax cut is the main point of controversy.

Are these the only things that Congress could do to strengthen the economy? Of course, Congress could take other steps. It could reduce the payroll tax instead of the income tax. The effect of such an action on prices would probably be favorable, but the long-term solvency of the social security system would be endangered. Another step would be better coordination of fiscal and monetary policies to permit smaller federal deficits and lower interest rates. Since the benefits of such coordination—especially in terms of economic growth and price stability—could be substantial, now is the time to consider it carefully. There are problems in achieving this coordination, including the difficulty of knowing the size and the timing of the appropriate fiscal and monetary steps and the inadequate arrangements for setting goals and implementing a coordinated policy. Congress might also take steps to break the link between inflation and employment by providing additional training for skilled jobs, reforming government regulations, improving exports and reducing the minimum wage for younger workers.

(Much of the information in this newsletter comes from a current report of the Congressional Budget Office.)●

CONGRESSMAN GEORGE MAHON

HON. MARTY RUSSO

OF ILLINOIS

IN THE HOUSE OF REPRESENTATIVES

Wednesday, August 9, 1978

● Mr. RUSSO. Mr. Speaker, with the retirement of Congressman GEORGE MAHON, the Congress is losing a leader. This gentleman, who has served with distinction in Congress for over 40 years, has won the respect of his colleagues and the affection of his constituents.

He has brought honor and dignity to this body and in 14 years as the able chairman of the Appropriations Committee he has demonstrated his thoroughness, his dedication, and his skill with his work.

As a newer Member of Congress, I remember clearly meeting with the chairman, and I was duly impressed. He was a

man who knew his job and knew the Congress. It was a pleasure to watch him on the floor for he was unmatched in his ability to present and defend legislation.

I have learned from Congressman MAHON and I am grateful that I had the opportunity to work with him here. He will be missed, but I want to join with my colleagues in wishing him a retirement filled with happy experiences.●

TESTIMONIAL TO DR. ROMAN GALASINSKI

HON. CLEMENT J. ZABLOCKI

OF WISCONSIN

IN THE HOUSE OF REPRESENTATIVES

Wednesday, August 16, 1978

● Mr. ZABLOCKI. Mr. Speaker, recently I had the honor and privilege of attending a testimonial dinner to honor Dr. Roman Galasinski of Milwaukee, Wis. Dr. Galasinski has contributed to the community of Milwaukee and to his fellow man in the political, religious, and civic realms, as well as in his chosen field of medicine, in countless ways.

So often the achievements of individuals like Dr. Galasinski go unnoticed during their lifetime. It is fitting that as peers, we openly offer appreciation and gratitude to outstanding citizens. Listening to the remarks at the August 6 testimonial dinner in Milwaukee, one came to the realization that Dr. Galasinski has won the admiration of his colleagues near and far, and that his goodness and his service touched individuals in many different ways.

Mr. Speaker, the remarks of Father John P. Raynor, president of Marquette University, Milwaukee, Wis., aptly describe Dr. Roman Galasinski as a man—as an American—and as a servant of others. I would like to share his remarks with my colleagues:

REMARKS BY REVEREND JOHN P. RAYNOR, S.J.

It was with some trepidation that I approached the task of preparing a tribute to Dr. Galasinski before a large group of his closest friends, associates and admirers. Each of you knows this outstanding man in a very special way and in a framework or context that is quite personal to you. Each of you undoubtedly in your innermost thoughts has a special situation or circumstance in which Dr. Galasinski was responsible for something from which you personally benefited or which you hold dear as remarkably evident of his selflessness.

Each of you know him in a different way, and therefore each of you admires him for your own reasons. The danger is that in attempting to pay tribute to him, I may omit something of importance to you. To describe Dr. Galasinski to those of you who are close to him is like trying to describe a symphony without omitting any of the subtleties of tone or expression, or a passage with superb orchestration; or describing a beautiful work of art without omitting mention of some of the fine and gentle yet powerful hues and textures; or like trying to summarize a complex piece of great literature in a few paragraphs without overlooking a very important minor theme or symbolism.

So, at the expense of omitting something, I say that we pay tribute to Dr. Galasinski because, simply and essentially put, he is an outstanding person. He is a highly respected professional, admired by his colleagues who work with him day to day as well as by professional associates for whom contact is less frequent but is as impressive. Certainly his thousands of patients, too, have admired him and are grateful to him. Others hold him in esteem as an outstanding citizen and community leader, a fine Catholic gentleman, a devoted and exemplary husband and father, and as a good friend.

There are undoubtedly other descriptions which would be equally apt. But if there is one common thread or theme in all of these attributes of Dr. Galasinski, it is that he is always doing things for others, devoting himself to the task at hand, whatever it might be, not for personal gain, but rather, and often at his own sacrifice and personal expense, giving of himself for the benefit of others, working for them and often placing their needs, individual and collective, above his own comfort and above his own needs.

It is this personal generosity of Dr. Galasinski from which all of us have benefited and as a result of which thousands and thousands in our community and elsewhere have better lives.

Such personal generosity in every phase of one's life is no accident. It is a virtue which an individual must choose, must cultivate and must constantly nurture. Personal generosity of the type we honor tonight is also a very special characteristic of American life, one which makes our country strong, and one for which we are very deeply grateful to men like Dr. Galasinski.

It is this special characteristic that Arnaud Marts described in his interesting book, *The Generosity of Americans,* in which he observed that the United States had many formidable assets, but none greater or more valued than the unlimited personal generosity of its leading citizens. He said "There is no other nation in our modern world which matches the United States in our private generosity for public purposes; or in the initiative which our private citizens take in solving community problems." Marts points out that this is what creates a better America and creates a better life for individuals, neighborhoods and communities. He points out that wherever there is suffering and injustice, or wherever a social problem is exposed to public knowledge, or wherever better educational or health facilities are needed, respected and generous citizens respond and help. They make private generosity for the public good and for the betterment of man one of the most durable factors of our national life.

Now I am sure that social scientists may have their own explanations for this outstanding phenomenon—private generosity for the public good. Marts relates the interesting account of the visit of the young Frenchman, Alexis de Tocqueville to the United States when it was a fledgling democracy in the 1830s. De Tocqueville was astonished at the willingness of Americans to give generously. He exclaimed that when Americans see the need for a school or a hospital or a church or some other cultural service, a few local citizens would take steps to meet the need, provide the leadership, and then support the project.

He was astonished at this because, in America, it is the individual or several individuals joined together who bring about social improvements, whereas, he noted, in France, the government initiated programs of civic betterment, and in England, gentlemen of rank assumed that responsibility. In his own mind, he inquired "If this practice of the plain citizens of America was just a matter of impulse or chance—or if it revealed some inherent relationship between 'democratic equality' and the 'voluntary association of citizens for the public welfare.'"

After careful observation about freedom in America, he concluded that "American personal generosity for the public good is not a matter of impulse or chance: it is just the opposite! It is the inevitable flowering of the very best moral, spiritual, and cultural aspirations, insights, experiences and inspiration—of over 19 centuries—of all the various racial strains that merged in the creation of Western man."

Such is a characteristic of our national life, indeed, and it is to men like Dr. Galasinski that we owe our gratitude for it.

And we can carry the analysis further. Not only does the strength and vitality of our society depend upon the individual's ability, choice and willingness to be of assistance to their fellow man—some of our very basic freedoms are deeply rooted in this selflessness on the part of individuals. There is a close and vital relationship between personal generosity for the public good and what de Tocqueville called "democratic equality." Where, but in our open society of free, self-governing people could a group of citizens decide to build a school, a hospital, a college or a university? Where else could a Chamber of Commerce or a labor union manage its own programs and set its own goals?

We have such freedoms in America, and we use them daily to advance social and cultural improvements of an almost endless variety. We can thank our founding fathers for having given us full confidence and full freedom to use our enthusiasm, our initiative and our private means and abilities to create a better nation, and American generosity is a flowering of that freedom!

Yes, in a democratic society, strength and vitality depend on the individual's ability and his willingness to be of assistance to his fellow man. Indeed, such a quality of American life is gravely important to the preservation of our liberty and our way of life. And all of us can and should cherish the opportunity to express our gratitude to men like Dr. Galasinski for acting in such a way that such liberty is preserved.

Sometimes we take our freedoms for granted and think of them as self-perpetuating. But anyone who is at all a student of the history of our country, or who was exposed to it during our Bicentennial celebration just two years ago, knows that this is not the case, but rather, that our freedoms are the result of a delicate and complicated balancing of laws, rights and privileges. Freedom depends upon the preservation of choice in American society, and the preservation of choice depends upon men like Dr. Galasinski who give of themselves so that our country will have private centers of initiative, so that we may be able to choose between, for example, this system of health care and another, or between this type of education, or another. It is selflessness such as this that maintains freedom of choice for all of us and makes the resultant free enterprise society a reality and an option in 1978.

Too often we tend to think of free enterprise as only an economic system and as relating only to business, seeking to utilize the earth's resources in order to satisfy human material needs, seeking to increase productivity and to tap human resources, and seeking to develop a greater number and variety of systems to distribute the goods of the earth and the fruits of human productivity to a wider number of people, and in a way that respects equity and justice and love.

Economic and business free enterprise is only one manifestation of free enterprise. Free enterprise is considerably more than that and it permeates the *entire* fabric of our life. It does so because it maintains a wider field of choice for individuals, and greatly enhances human worth and personal human liberty, and especially a capacity to choose, not merely for one's self, but for the service of others as well.

How rightly do we Americans pride ourselves on the rights enumerated and identified in the Declaration of Independence as rights endowed upon us by our Creator:

The right to life, to liberty, to the pursuit of happiness;

To just and fair treatment;

To marriage, to property;

To the earning of a decent livelihood;

To a good name and the respect of our fellow men;

To freedom of conscience, to the free exercise of religion, in fact, to all that is necessary for our development and perfection as an individual.

Beyond and behind the concern each of us has for the free enterprise system in business—with all of its ramifications for productivity, equitable distribution, just prices and wages, morality of profit making and the like—beyond and behind all of this, I emphasize, there is a commitment to freedom which exalts personal worth, human liberty, free choice, and self-perfection. And it is such a personalistic philosophy, in the final analysis, that distinguishes and justifies any free enterprise method or system—whether in politics, or religion, or as an economic system.

I submit that Dr. Galasinski, in the type of life that he has lived, in his personal generosity, in his leadership, in his professional life, has helped to insure, for each and everyone of us, that freedom of choice will maintain and prevail, and he has thereby strengthened the basic freedoms on which our society was founded.

This is very important to me as an educator and particularly as President of a large independent Jesuit University. It is to this very same end to which Marquette University is dedicated, and for which our work as a University is being done. We are precisely dedicated to the acknowledgment, growth and development of human personal worth, liberty, and freedom for self-perfection. [We offer a choice to the consumer. In education, we are free enterprise. Without Marquette, and without institutions like it, there is no free choice and no free market in higher education.]

We as a Jesuit institution are committed to a personalism in education that is absolutely essential to any free enterprise activity or system.

As a particular institution, we are committed to a Christian humanism which is based on the knowledge that God himself has valued humankind sufficiently to speak to us; to come among us; to have sent His Son to show us how to live the complete human life and become united with Himself. It also focuses not on human nature in general, but on the personal, individual worth of each student, reflecting that each person makes a difference, and similarly that each and every individual has a great responsibility for his choice, his conduct, his very life. This means, that as members of the human family, they are burdened with an obligation to have an impact on others; self-growth is wonderful, but our students are reminded that, in and through such growth, they must impact, with justice and charity, on the human family, its persons, its institutions, its traditions, its culture.

In his scope of influence and throughout his life, Dr. Galasinski has given of himself in ways of immediate benefit to each of us, but also in ways that strengthen the very foundation of our society. He is what Father Pedro Arrupe, S.J., Superior General of the Society of Jesus, would have described as a "man for others"—a man who cannot conceive of love of God which does not include love for the least of his neighbors; a man completely convinced that love of God which does not issue in justice and charity for men is a farce. As Father Arrupe sees it, men for others will become "contagious" as they work to overcome evil with good, as they seek fulfillment in working for the welfare and justice for others, as they displace hate with love and substitute love for neighbor in place of self interest as the driving force in society, as they bring Christ to the very heart of realities.

Dr. Galasinski's Alma Mater, Marquette University, is proud of him because he epitomizes the best of Jesuit education. We endeavor to help young men and women live the type of life he has lived and is living.

That they, too, will be as generous as he has been in improving the quality of life of others,

That their lives will personally embody the principles and values we espouse as an institution, and reflect them in their dealings with themselves and others, pointing the way mankind should go in order to regain its hope and to find its salvation.

I am especially pleased to note that your tribute to Dr. Galasinski will be in the form of scholarships named in his honor. What greater tribute could there be to this wonderful man than that many, many fine young men and women would be so impressed by what he has done that they would choose to emulate in their own lives those qualities which we honor in him tonight.

Dr. Galasinski, we are grateful to you for all you have done for us and all you have taught us. You are a good American. What you have done to strengthen the foundation on which our country is built is patriotism in practice; you are no less the patriot than those who built that foundation more than 200 years ago.

In 1965, your Church issued its decree on the apostolate of lay people as an outgrowth of Vatican II. It asked that members of the Church "hold in high esteem a professional competence, family and civic sense, and the virtues related to social behavior such as honesty, sense of justice, sincerity, courtesy, moral courage; without which there is no true Christian life." How beautifully and how effectively have you matched those words and fulfilled that challenge in your own life!

In the field of medicine, you have won wide and deep respect as a capable, effective and dedicated professional as you worked in concern and in love for the sick. Your good efforts have won the admiration of your colleagues near and far, who have often called upon you for leadership.

You have been an outstanding leader in your local community, and its citizens respect and admire you for your accomplishments.

Most important of all, you have been a good friend to each and every one of us, and each of us lives a better life; directly or indirectly as a result of what you have done.

We are grateful to you for all of these things, but our deepest gratitude is not for that which has been accomplished, but for that which is yet to come. Yours is a type of influence which lives on as others, enriched by your unselfish service, are in turn inspired by the principles you live and seek to share them in their own way with thousands of others. Yes, you have accomplished much, but undoubtedly we have only begun to see the fruits of your labor. We are grateful, and we ask God to bless you, now and always.●

JAMES GRANT BOLLING

HON. GLENN M. ANDERSON

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Monday, August 14, 1978

● Mr. ANDERSON of California. Mr. Speaker, it was with a profound sadness that I learned of Jim Bolling's passing on Sunday. Her presence will be missed.

First, she was a gracious, giving human being. But she was much more. She was an effective executive assistant to one of our most effective colleagues, DICK BOLLING. And before that, she was active in the Young Democrats for Harry Truman, and then in the successful 1960 campaign of President Kennedy. Obviously, her abilities were recognized and appreciated. She became a congressional liaison officer with the Department of Health, Education, and Welfare. I might add that she was the only woman appointed to a liaison position at that time.

More recently, Jim helped run DICK BOLLING'S office. Those who knew her best know that Jim was a full member of the Bolling team. She served as a sounding board for his ideas, and contributed many of her own. Jim helped DICK, Missouri, and the Nation by helping DICK take the office home with him, when it was needed. And she helped those who knew her in the office by bringing a bit of "home" into work each day.

Jim was extraordinary. Lee and I extend our condolences and our prayers to her family and loved ones. They were many.●

CHARLOTTE HAMMELL, DIRECTOR OF CHILD CARE SERVICE IN MEDIA, PA., RETIRES

HON. ROBERT W. EDGAR

OF PENNSYLVANIA

IN THE HOUSE OF REPRESENTATIVES

Wednesday, August 16, 1978

● Mr. EDGAR. Mr. Speaker, on September 1, 1978, Miss Charlotte L. Hammell will retire as director of the Child Care Service in Media, Pa., after having given 38 years of outstanding service to the child care service and the community.

Since 1950 when child care service was established, Miss Hammell has exemplified a standard by which professionals across the Commonwealth of Pennsylvania and the Nation have judged their child welfare practice. From a beginning as a protective service agency in 1950, services were expanded through the years to include foster care, group care, adoption, homemaker, day care centers and family day care.

In 1968 in an address to the Child Welfare League of America, Miss Hammell outlined a direction for the field, noting that "In the fifties, the emphasis was on substitute parental care. In the sixties, it has been on supplementing parental care. In the seventies, our direction should be toward a comprehensive program geared to preventing breakdown and to preserving family life."

Under her directorship, child care service has been in the vanguard of child welfare practice. As we approach the eighties, with its emphasis on maintaining children in their own homes, there is a continuation of a direction consistent with Miss Hammell's efforts of the previous decades.

Beyond her roles of administrator and

teacher, Miss Hammell's caring and concern has earned her the personal affection and admiration of many in the field for her commitment to the goals of quality service and advocacy for the rights of children and their families.●

THE PETER W. RODINO, JR. FEDERAL BUILDING BECOMES OFFICIAL

HON. MARIO BIAGGI

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Wednesday, August 16, 1978

● Mr. BIAGGI. Mr. Speaker, our beloved colleague Mr. RODINO was recently bestowed with another high honor. On August 7 the General Services Administration officially renamed the Federal Building in Newark, the Peter W. Rodino, Jr. Federal Building.

No honor seems adequate enough to equal PETER RODINO's contribution to this Congress and to this Nation in his 30 years in Congress. PETER RODINO is considered by many to be a legendary figure, one whose leadership as chairman of the House Judiciary Committee is unparalleled.

PETER RODINO's legislative accomplishments are both numerous and tremendously significant. He was a prime sponsor of the Civil Rights Acts of 1957, 1960, 1964 and 1968. He was also the floor manager of the Omnibus Crime Control and Safe Streets Act which established the Law Enforcement Assistance Administration. He helped lead the effort which resulted in the Public Safety Officers Death Benefits Acts. The legislative genius of PETER RODINO touches the lives of millions of Americans in a way that only makes them better.

When the history books of the 1970's are written, PETER RODINO will merit a considerable chapter. In 1973 the United States faced the biggest challenge to its democratic system. The impeachment of a President was put before the Judiciary Committee for the first time in more than 100 years. The awesome responsibility of officiating over the proceedings fell squarely on the shoulders of Chairman PETER RODINO. He executed his responsibilities in a most judicious and statesmanlike fashion. In the end, he saved our Constitution, our freedoms, our Nation.

PETER RODINO's Judiciary Committee continues to lead the way in progressive legislation to advance civil rights for Americans. His committee bears his trademark of concern, commitment, and compassion for his fellow man and woman.

PETER RODINO in addition to his many time consuming duties as chairman of the Judiciary Committee is a ranking Member of the House leadership. He serves as the dean of the New Jersey congressional delegation. He is actively involved in the Italian American congressional delegation and was one of the founding forces behind the creation of the National Italian American Foundation.

PETER RODINO is certainly a nationally known figure. In addition to directing the first impeachment hearing of a sitting President in more than a century, he also presided over the nomination processes of two Vice Presidents, Gerald Ford and Nelson Rockefeller. The high esteem he is regarded in by the Democratic Party was best manifested when he was among those given final consideration in the nomination for Vice President in 1976. He later gave the principal nominating speech for candidate and now President Jimmy Carter.

I have been honored to be a friend of PETER RODINO. We share our heritage as Italian Americans. I came to this Congress as a man of law enforcement. PETER RODINO has become known as a leading friend of law enforcement in Congress. We have both fought hard to eliminate discrimination against Italian Americans and we are proud to say that we have made considerable progress. Yet throughout my years in Congress I have sought and benefitted from his counsel. He has made my career in Congress that much more rewarding.

Honors are nothing new for PETER RODINO. He has received the highest award from the Italian Government, the "Cavaliere di Gran Croce." He is the recipient of the International B'nai Brith Humanitarian Award. He has also won the Hubert H. Humphrey Civil Rights Award. He has been awarded 10 honorary doctorate awards from colleges and universities. The list is simply tremendous.

Yet as PETER would tell you, those awards which are from the home district mean that much more. PETER RODINO was instrumental in getting the Federal Building constructed in Newark some 11 years ago and now it bears his name.

The statement made by GSA Administrator Jay Solomon upon the designation really expresses what so many Americans feel about PETER RODINO. Mr. Solomon said:

> The White House wanted to redesignate this building for Chairman Rodino because of his special position as a distinguished American. As Chairman of the House Judiciary Committee, Congressman Rodino has exemplified the qualities of fairness, justice and leadership that are so important to American democracy.

I join with these sentiments and extend my warmest congratulations to PETER for this most outstanding honor for which he is so worthy.●

HONESTY IS ALIVE

HON. WILLIAM LEHMAN

OF FLORIDA

IN THE HOUSE OF REPRESENTATIVES

Wednesday, August 16, 1978

● Mr. LEHMAN. Mr. Speaker, honesty is alive and well and thriving in the 13th District. I was very touched by the honest action of one of my constituents, and for the benefit of my colleagues and CONGRESSIONAL RECORD holders, I would like to have the following letter inserted:

Mr. LEHMAN: I don't feel you will recall the incident, but years ago at the Orange Bowl, while at the game, you purchased cokes from me. I received payment twice but got mixed up and after the whole incident, you insisted I keep the money and send you the balance if I was in error.

I was, but never got around to returning your dollars. This situation I had to clear up.

Enclosed find two dollars (inflation). I am sorry I was so tardy.

BILL THEODORIDES.●

THE WAY I WOULD HAVE VOTED

HON. TOM HARKIN

OF IOWA

IN THE HOUSE OF REPRESENTATIVES

Wednesday, August 16, 1978

● Mr. HARKIN. Mr. Speaker, due to my attendance at a hearing conducted by the Subcommittee on Family Farms and Rural Development in Iowa on Friday, July 28, I was not present during consideration of House business on that day. Had I been present, I would have voted as follows:

Rollcall No. 613. Motion for the House to resolve itself into the Committee of the Whole for consideration of the bill H.R. 9400, "yes";

Rollcall No. 614. Passage of the bill H.R. 9400, to authorize action for redress in cases involving deprivations of rights of institutionalized persons, secured or protected by the Constitution or the laws of the United States, "yes";

Rollcall No. 615. Motion for the House to resolve itself into the Committee of the Whole for consideration of the bill H.R. 12432, to extend the Commission on Civil Rights for 5 years, "yes";

Rollcall No. 616. Amendment that sought to delete provisions giving the Civil Rights Commission authority to study discrimination based on age or handicapped, "no"; and

Rollcall No. 617. An amendment that prohibits the use of funds by the Commission to influence the passage or defeat of legislation before Congress or State legislatures, except when the Commission is requested to give an opinion, "no."

Mr. Speaker, due to my later arrival on Monday, July 31, because of official business in my congressional district, I was not in attendance during consideration by the House of the following measures on that day. Had I been present, I would have voted as follows:

Rollcall No. 619. Passage of the bill H.R. 9998, to provide for the regulation of rates of charges by certain State-owned carriers in the foreign commerce of the United States, "yes";

Rollcall No. 620. Adoption of the rule under which the bill H.R. 12514, to amend the Foreign Assistance Act of 1961 and the Arms Export Control Act to authorize international security assistance programs for fiscal year 1979, was being considered, "yes";

Rollcall No. 621. Adoption of the rule waiving certain points of order and providing certain procedures during consideration of the bill H.R. 12931, making appropriations for foreign assistance and related programs for the fiscal year 1979, "yes"; and

Rollcall No. 622. Motion for the House to resolve itself into the Committee of the Whole for the consideration of the bill H.R. 12514, "yes." ●

CWPS FREE FROM POLITICAL PRESSURE

HON. WILLIAM S. MOORHEAD

OF PENNSYLVANIA

IN THE HOUSE OF REPRESENTATIVES

Wednesday, August 16, 1978

● Mr. MOORHEAD of Pennsylvania. Mr. Speaker, the recent decision of President Carter to establish a committee, composed of Labor Secretary Marshall, Charles L. Schultze, Robert Strauss, Landon Butler, and Barry Bosworth to coordinate the administration's policy with regard to wage negotiations has been criticized as an attempt to undermine the statutory role established by the Congress regarding the functions of the Council on Wage and Price Stability (CWPS). This is a matter of keen concern to me and to the Subcommittee on Economic Stabilization, of which I am chairman, inasmuch as we have jurisdictional oversight over CWPS and its actions.

I have today received a letter from Charles L. Schultze, speaking for President Carter, in which he assures me that these steps in no way will hinder the ability of the CWPS to perform its job and duty given it by the Congress.

Mr. Speaker, I wish to allow the Members of this body to read this letter as well so that they might also understand that the action taken by President Carter clearly frees the CWPS from all political and bureaucratic pressures and is consistent with the intention of the Congress when we voted a 2-year extension of the Council last year.

The letter follows:

THE CHAIRMAN OF THE
COUNCIL OF ECONOMIC ADVISERS,
Washington, D.C., August 15, 1978.

Hon. WILLIAM S. MOORHEAD,
Congress of the United States, House of Representatives, Washington, D.C.

DEAR BILL: The Congressional Record for Tuesday, August 8, reports a statement delivered to the House by Representative John Anderson on what he called the "muzzling" of the Director of the Council on Wage and Price Stability, Barry Bosworth. Mr. Anderson expressed concern that the intent of the Congress in establishing the CWPS had in some manner been undermined by the establishment by the President of a committee to coordinate Administration actions in response to specific wage negotiations. Mr. Anderson indicated to the House on August 9 that he had asked your Subcommittee on Economic Stabilization to look into this matter. The President has asked me, as Chairman of the CWPS, to bring the facts of the situation to your attention.

The President on August 16 asked that Labor Secretary Ray Marshall chair a committee to coordinate the Administration's policy with regard to particular wage negotiations. The members of this committee, in addition to Secretary Marshall, will be Mr. Bosworth, Robert Strauss, the President's Special Counselor on Inflation, Landon Butler, Deputy Assistant to the President, and me.

I would like to emphasize that the mandate of this committee extends only to the development of Administration policies with regard to specific wage negotiations. The usefulness of such a group has become apparent recently through our experience with the coal strike early this year and again in recent railroad and postal negotiations. Each new contract negotiation presents unique and very complex problems that require a carefully thought-out approach by the Administration. The purpose of this committee is to ensure that such an approach is developed in a manner that enables those in the Administration who will be called upon to speak out on each settlement to assist in the development of an Administration-wide approach, and to become fully apprised of policy decisions as they are made.

In no sense should the formation of this committee be construed to downplay the importance of wage as well as price moderation for the success of our anti-inflation policies. I believe strongly that both business and labor must join with the Government in a simultaneous effort to ease inflationary pressures if the President's deceleration program is to be effective.

The formation of this committee also in no way impinges on the ability of the Council on Wage and Price Stability to perform the tasks assigned to it by the Congress with the full support of the President. CWPS has acted and will continue to act free from political and bureaucratic pressures.

It is clearly desirable that the Administration's response to major price or wage developments be coordinated. In recent months, for example, Administration officials have met with representatives of the auto, steel, and aluminum industries concerning their projected 1978 price increases.

In each case, the CWPS staff provided advice to Ambassador Strauss and to me as we worked together with Mr. Bosworth to develop closely coordinated approaches to these industries. Far from diluting the work of CWPS, such coordination of efforts enables the Administration officials to draw upon the unique expertise of the CWPS staff and its Director in formulating official responses to major inflation developments.

Secretary Marshall at a recent press conference stated well this Administration's approach to involvement in wage negotiations. He said:

With inflation at its current levels it is also a serious misconception for anyone to believe that the Administration can ignore the inflationary aspects of collective bargaining agreements. That is why members of the Carter Administration have and will continue to meet with labor and management prior to important contract negotiations, when such meetings would contribute to securing settlements that help unwind inflation."

"The government and the public interest have an important stake in these negotiations. While far from the only cause of inflation, costly wage settlements do, indeed, contribute to the inflationary pressures in our economy."

"This is why the Federal government does have an obligation to speak out about wage and price developments."

I believe that this is a responsible position that is fully consistent with the objective of the Congress in establishing the Council on Wage and Price Stability, and with the desire shared by all of us to address effectively the urgent problem of inflation. In light of Congressman Anderson's request to your Subcommittee, I feel that it is important that these facts be brought to your attention.

Cordially,

CHARLES L. SCHULTZE.●

AVIATION GAS DEREGULATION PLAN NEEDS FURTHER STUDY

HON. MAX BAUCUS

OF MONTANA

IN THE HOUSE OF REPRESENTATIVES

Wednesday, August 16, 1978

● Mr. BAUCUS. Mr. Speaker, the Department of Energy (DOE) is considering the deregulation of aviation gasoline. In developing this proposal, DOE has determined that the fuel is not in short supply.

While this conclusion may be true for the country as a whole, I am concerned that specific areas still have shortages, which the DOE study was not sufficiently detailed to identify. The following article from the July 22 edition of the Helena, Mont., Independent Record illustrates the type of problem that some fixed-base operators in my own State face:

LAWMAKERS GET FUEL FOR CAPITAL AERO

(By Bill Skidmore)

Pressure from two members of Montana's congressional delegation on behalf of Capital Aero of Helena apparently has siphoned an allocation of aviation fuel from a reluctant dealer.

But, according to John Patten, president of the air service, the temporary cut-off of his fuel underscores the need for continued federal regulation of aviation-fuel allocations.

Patten, whose company has been flying four daily routes between Helena and Billings for about 20 to 30 passengers daily, said on Thursday that his firm was about to be grounded by lack of fuel.

He said his supplier, Phillips Petroleum, told him he could not buy any fuel until the end of the month, despite the fact that Capital Aero had additional federal allocations for July. Aviation fuel has been under federal control since 1973.

Phillips told Patten Thursday that the firm was sorry, but there just wasn't any aviation fuel available for him.

Patten said he telephoned Rep. Max Baucus, D-Mont., and the office of Rep. Ron Marlenee, R-Mont., Thursday to tell them about his plight.

By Friday afternoon, Patten said, the calls had paid off.

He said he received word from Phillips that the oil firm had been contacted by the congressmen and that he will receive a delivery of aviation fuel.

Patten is glad to get the fuel, he said Friday, but it isn't going to stop him from filing a formal complaint against Phillips "to see that it doesn't happen to me or anybody else again."

He said that "there's not a doubt in my mind" that without the congressmen's assistance, Capital Aero wouldn't have received its fuel.

"Yesterday morning Phillips said there was nothing they could do," Patten said. "Today, all of a sudden they can do something."

Patten believes a current attempt to deregulate allocation of aviation fuel spells trouble for Montana.

He said he has talked with many oil companies, including Phillips, and none is interested in supplying Montana. "It's not a matter of price," Patten said, explaining that the companies simply don't want to bother with the state's small market.

"If and when deregulation takes place," he said, "we in Montana are in big trouble."

The Federal Energy Regulatory Commission has scheduled public hearings on the Secretary of Energy's proposals to decontrol the price and allocation of aviation gasoline and kerosene-base jet fuel.

The hearings are scheduled for Aug. 1 and 3 in Washington, D.C., and Patten plans to write letters protesting the proposals. He may even go to the hearings, he said.

He noted that one of the reasons the administration is proposing deregulation is that "aviation fuel is not in short supply."

Patten is not impressed with that argument.

Mr. Speaker, Mr. Patten's problem is not an isolated instance. Montana energy officials have informed me that other fixed-base operators, particularly small ones, have had problems securing allocated aviation gasoline. In addition, the State is concerned about the availability of this fuel for emergency purposes such as fighting forest fires.

My State is in a precarious situation. Only one Montana refinery currently makes aviation gasoline. Other supplies must be shipped in from distant places like Denver and Salt Lake City. In addition, even the limited amounts of aviation fuel that my State refines are in jeopardy. Having become reliant on Canadian sweet crude oil, which Canada was once eager to export, Montana refineries now find themselves facing elimination of these exports by the end of 1980.

I share Mr. Patten's fear that many oil company's may simply not be interested in supplying aviation gasoline to Montana, which represents such a small share of the national market. But while Montana's aviation fuel needs may not be of much importance to major oil suppliers, they are vital to the State. Because of the vast distances they must travel, many Montanans depend on small, private planes for business and emergency services.

DOE's Economic Regulatory Administration, which developed the deregulation proposal, has submitted it to the Federal Energy Regulatory Commission (FERC) for review. If FERC approves, DOE may then submit it to Congress for the required 15-day review period.

Mr. Speaker, because of the uncertainties surrounding aviation gasoline supplies in my State, I have sent a letter to FERC Chairman Charles Curtis, asking the Commission to recommend that DOE take a closer look at the availability of this fuel in places such as Montana, where present shortages might have been overlooked.

I hope FERC will make this recommendation so that if DOE decides to deregulate aviation gasoline for the first time since 1973, the decision will be based on the best possible information. If the problems reported in Montana are confirmed, then DOE should seriously consider steps that will protect my State against the effects of any nationwide deregulation scheme.●

FUSION IS AMERICA'S FUTURE ENERGY SUPPLY

HON. CARL D. PURSELL

OF MICHIGAN

IN THE HOUSE OF REPRESENTATIVES

Wednesday, August 16, 1978

● Mr. PURSELL. Mr. Speaker, recent developments in our national fusion research program have given this potentially vast new source of energy the widespread public attention it deserves.

Fusion can be a base for America's future energy supply, providing both electrical power and synthetic fuels in a way that is clean, safe, and virtually limitless.

We should be careful not to overplay the importance of the advances in the Princeton University experiments. There is still a tremendous amount of work to do before we can translate this potential into real benefits for the American people, and before we know which method of magnetic or inertial confinement fusion can best fulfill our needs.

But neither should we allow the significance of this important evolutionary advance toward civil energy fusion to escape us.

The Princeton experiments lend great credence to what I, and other Members of Congress, have long maintained: That fusion energy can be achieved. And the real question is not so much if we can do it, but when and how.

I suggest to my colleagues that the time is right for us to push ahead with an intensive national commitment to develop fusion and other alternative energy sources. America has the knowledge and ability to achieve this goal.

Our energy problems, and the lack of a coherent national drive to solve them, are undermining the strength of the dollar, distorting our foreign trade, influencing our foreign policy, threatening both our economy and our national security.

Fusion power can lead the way to a secure, inexhaustible energy supply, not only for America, but for all the world's people.

This is the great opportunity and the great challenge of our time. We should pursue it with all the vigor of our successful space program. And I would ask the membership to look carefully at H.R. 12922, which I have introduced as a blueprint for a "space program" type effort to accelerate the development of fusion and other alternative energy sources.

One of the best summaries of the status of our fusion energy program, its significance, and the issues involved, appeared in today's Washington Post. Their editorial evaluation is as follows:

[From the Washington Post, August 16, 1978]

THE FUSION EXPERIMENTS

The strides made recently at Princeton University in the effort to harness nuclear fusion are more of a milestone than a breakthrough in the search for a new way to meet the world's energy needs. The results of the experiments mean that the physicists have been right in their theories and calculations about how a fusion reaction could be created in a laboratory. That is a scientific achievement of major proportions. It is concrete evidence that mankind may be able to control and use the reaction that lights the sun and powers the hydrogen bomb.

Nevertheless, the operative word is still "may." These experiments do not mean the day is near when this source of unlimited energy can be counted upon to replace the fossil and nuclear fuels now in use. Nor do they mean that the time has come to focus on the particular process used at Princeton as the ultimate solution to the energy problem. There are too many problems remaining to be solved to permit such optimism.

The system worked on in Princeton, and in several other places around the world, involves the creation of a magnetic "bottle" in which gaseous fuel can be contained at extremely high temperatures and densities while fusion occurs. If that bottle can be created and the fusion reaction inside it sustained, the output of energy as hydrogen atoms are forced together will be enormous. The experiments convince the experts that reaction will occur for the first time soon after they begin (in 1981) to use a device now under construction. Until two weeks ago, they said they "thought" this might happen then; now they are saying they are "confident" it will.

What they are confident of, however, is their ability to produce the fusion reaction in a laboratory. The steps from there to operating a fusion power station on an economic basis are huge. Even if all goes as well in the future as it has with the experiments, it is unlikely that the first power plant using a magnetic bottle as its key element will produce commercial power before the 21st century.

It is even possible that fusion power plants—if they come into being at all—will not use the principle that involves the magnetic bottle. There are alternative devices also under development that may produce the same result.

Although work on the bottle system is more advanced and, right now, more promising than work on the alternatives, it poses more difficult technological and engineering problems at later stages. Thus the success at Princeton provides no reason to slacken research on those alternatives. One of them—and a possible candidate is a system using laser beams and pellets of fuel instead of magnetic fields and a gaseous fuel—may turn out to be more efficient or cheaper in the long run.

What the recent successes do mean, however is that the scuffling for the federal research grants on which most basic energy research depends is likely to become more intense. The claim of Princeton and the other "bottle" groups on those grants has been strengthened. But the temptation must be resisted to divert funds from other fusion programs or even from research into solar and other nuclear energy programs. Some of those other systems will be needed to supply energy before a fusion system can come into operation even under the most optimistic timetable. And if the fusion systems never come to fruition—a possibility that still exists—solar or fission systems will have to meet the world's future needs.

One thing the government must now reconsider is whether the secrecy wrapped around the laser approach to fusion can be reduced. Because lasers have a use in weapons systems which magnetic bottles do not, almost all the research on the laser systems is being conducted in government laboratories. Yet it is the lack of secrecy and the large amount of international cooperation on the bottle approach that have brought success to the work at Princeton. The configuration of the machines in use there is Russian in origin. It seems possible that a broadening of the scientific base on which laser research is conducted might have a similar, stimulating effect.

Somewhere in this maze of science—lasers, bottles, solar satellites and so on—is a solu-

tion to the energy problem. The recent experiments do not pinpoint what it is. They underline the fact that it exists. That should encourage the government to be generous in support of a variety of research programs aimed at the development of a source of clean and unlimited energy.●

LIFE IN SOUTHERN CAMBODIA

HON. JOHN B. ANDERSON

OF ILLINOIS

IN THE HOUSE OF REPRESENTATIVES

Wednesday, August 16, 1978

● Mr. ANDERSON of Illinois. Mr. Speaker, I place in the RECORD an American Embassy report dated January 25, 1977, providing additional background on the history of Cambodia since the takeover by the Khmer Rouge in April 1975:

LIFE IN SOUTHERN CAMBODIA

(Extracts from an Airgram Report by an Officer of the American Embassy at Bangkok)

SUMMARY

The reports of refugees arriving in Thailand who are originally from southern Cambodia are in most cases similar to refugee reports from the northwest of the country. In the south, 1976 saw fewer executions and more deaths from disease and malnutrition. The amount of land cultivated for rice production seemed to be at least equal to the area tilled the previous year, unlike some areas of the northwest, where it was considerably less.

INTRODUCTION

Laem Sing boat camp in Chanthaburi province has some 625 refugees, virtually all of whom arrived in Thailand from Vietnam by boat. Of this number, over 100 are Cambodians, all of whom have arrived during the past two months or so. Although usually having lived in Viet-Nam for varying periods of time since the fall of Cambodia, they are from the southern provinces of that country, of which—except for Koh Kong—we rarely hear. Their information, while not especially different from that reported in other parts of the country, helps to round out our picture of the situation.

GENERAL

Everyone is out in the fields in southern Cambodia, as everywhere. According to the refugees, such cities as Kampot and Kompong Som remain empty except for soldiers and, possibly, some laborers. One refugee, who was moved from Kampot after the communist takeover to a location next to the railroad track close to Kompong Trach, fifty kilometers to the east, said that at the time he fled in August 1976, one train was operating in each direction daily on the railroad connecting Phnom Penh with Kompong Som.

LIVING CONDITIONS

Throughout the southern part of Cambodia, assuming that the sampling of refugees at Laem Sing was fairly representative, people appear to be grouped in settlements of approximately 1,000 persons. These settlements can probably be termed village cooperatives, since the entire community comprises one cooperative, in the nonvoluntary Khmer communist (KC) sense of the word. The life is correctly described as a communal life. The only individuality seems to exist within a family's living area. Otherwise, all meals are prepared and taken in common and all work is, of course, in common. Marriages are performed in large groups, rather than by individual couples. No one was aware of any re-education or prison camps in the south, nor did they know of any vestiges of open religious practice remaining.

Food and disease remain major problems. Although Acting Prime Minister Nuon Chea announced January 16 that "Each Cambodian has 312 kilograms of rice to eat per year", there was no one with whom we spoke at Laem Sing among those who had been in Cambodia in 1976 who remembered eating a plateful of rice during that year more than a few times, if at all. The usual meal, taken twice a day, consisted of a thin rice gruel. Mostly water, it would have mixed in it leaves and pieces of banana to give it some substance. Even during the late 1975-early 1976 harvest season, when rice was relatively plentiful, one almost never received plain rice. Most of the harvest was taken away to unknown destinations, as was the case in the northwest, as well. The norm is for three people to share a milk tin of the broth-like gruel, if there was not enough, six people would share it. Many people died in the south during 1976 from lack of food, particularly as it was coupled with constant work and disease.

Disease has continued to be very widespread during the past year in the south. An ex-soldier who left Koh Kong province in November said that malaria and dysentery were major killers. There were also a number of deaths from excessive swelling of the legs, which is most likely a result of severe malnutrition, perhaps especially of a lack of protein (beriberi). It is rare, too, he said, that women succeeded in conceiving children. He and his wife tried but without result. Of his own four children, two had died since the takeover.

WORK, WORK, WORK

In the south, as elsewhere in the country, life is a continuous process of working in the rice fields during part of the year and in digging or building irrigation canals or dams during the remainder of it, with no respite in between the two periods. With respect to the latter activity, people pointed out that they were not necessarily digging or building them well, in any sort of serious fashion, for the KC have no more engineering skills than the simplest farmer, concerning the proper way to construct these works. The KC emphasis is entirely on speed: dig one canal quickly and go on to another. The result was considerable wasted labor.

The man from the Kompong Trach area described the organization of his village/cooperative, which others agreed was relatively similar to their own. The population of 1,000 persons was divided by families into units or krom of 15 to 20 families for purposes of working and living. One farmer among them, a non-KC, would be chosen to be in charge of the unit. Three or four krom would form a kong, over which a KC soldier would be placed in charge. He had, of course, the real authority, although he was relatively uneducated and devoid of any technical knowledge. Each morning, soldiers told the people where to go to work; they were under guard while working.

Interestingly, it seems to be the rule that families work together in the fields in the south, whereas in the northwest work teams seem often to be divided by sex. Although young children remain with their parents in the fields and in the settlement, teenagers—both male and female—are separated from the others and taken to a distant location, primarily to work, the KC telling their families that the youths are being taken to the organization or Angka. In Kampot, this affects young people between the ages of 12 and 30; in Koh Kong, it is for youths 12 years of age and above. Sometimes, they are permitted to visit their parents. However, the son of the Koh Kong man, two of whose children had already died, was taken from him nine months before our source fled and never returned to the settlement. While the youths work, they apparently study basic rules of communism, and there is speculation that they may be undergoing training to become soldiers, also.

The basic working day begins with wake-up at 4:30 A.M., proceeding to the field at 5:00 A.M., stopping to eat from 11:00 A.M. to 12:30 P.M., then working again until 5:00 P.M. When there is moonlight, work continues from 6:00 to 9:00 P.M. When there is no light by which to work, people are not permitted out of their houses, unless the KC call a meeting. The working hours vary somewhat from place to place, leading to arguments among refugees when one is trying to describe them to an interviewer, until the refugees agree among themselves that KC administration is far from uniform throughout the country.

While some reports from the northwest during 1976 described the amount of land tilled as only 50 percent of that of the previous year, due to the general weakness of the people, reports from the south were very different. In Koh Kong, more land was reportedly tilled in 1976 than in 1975, and in Kampot province the amount of land cultivated was about the same. When he left in November, our main Koh Kong source said the rains in 1976 had been good, and the rice harvest should be quite abundant, although he predicted that if the KC adhere to past practice, they will haul away most of it.

GOVERNMENT AND GOVERNMENT SERVICES

None of the refugees from southern Cambodia knew any KC officials who were not military. Their knowledge was limited to the sector level, at the highest. The Kampot sector, which includes Kompong Trach, is headed by Ta Chap, a soldier slightly over 40 years of age, who wears black pajamas. He has a military assistant for security affairs. The head of the village committee is a KC soldier, as well.

Two men from Koh Kong claimed that much of the province has been kept purposely empty, the only sectors being the districts of Thmar Sar (which, they insisted, is called Sector 101) and Thmar Bang. The Thmar Sar sector committee is reportedly headed by Mit Niw, whom they have never seen.

Among government services, the rudimentary health service which exists has only "natural medicines", whose effectiveness refugees scorn universally with derisive laughter. In the field of education, the Embassy has previously reported that in at least some parts of the northwest, some relatively pathetic efforts are made at teaching children to read and write. With no one from the south could the reporting officer find anything comparable; there is simply no formal educational effort going on. Similarly, the adult illiteracy campaigns lauded on Radio Phnom Penh awakened no sign of recognition among these refugees.

The information service is slightly better developed. Meetings were reported held three times a week. One refugee from the central area of southern Cambodia reported that the lecturer at his village/cooperative's meetings was an illiterate KC stationed in the village. Themes would always be the same: work, hatred of the Americans, self-reliance, independence, and people's democracy. No mention was made either of communism or of China. The lecturer would say that U.S.-manufactured goods were poorly made, yet the refugee remarked that KC were using American weapons or driving American trucks with AID handclasp symbol still visible on them.

There was also knowledge of a mimeographed magazine of twenty pages distributed to the KC once a month. Its contents were said to be the same as those of Radio Phnom Penh. In Koh Kong, one could ask permission of the soldiers to read the magazine, which is possibly another indication of the slightly more carefree attitude which seems to have long characterized that province, as opposed to parts of the northwest where, if one indicates that he is literate, his life is in danger.

The supply of goods would seem to be

virtually non-existent. Interestingly, people living next to the Vietnamese border are able to purchase goods secretly from the Vietnamese, reminiscent of more open trade at that border for many years in the past. The details of such trade are unknown. A Cambodian who lived in Viet-Nam's Chau Doc province until recently noted that the only boats passing through that province and across the border were very occasional Vietnamese government craft which went to Phnom Penh and unloaded cargoes of salt. The only other sources of salt that the country has is that which is purchased from Thailand and that produced in Kampot.

According to one source, distribution of the Kampot salt through much of the south is done very primatively, by means of bicycles. A villager on a bicycle will be instructed to take a load of salt to cooperative X, which may be very far away. When he finally arrives at his destination, he will give the cooperative only three-fourths of the salt, it being a generally accepted practice for the cyclist to keep one-fourth for himself.

MILITARY PRESENCE

As elsewhere, the KC military appear to be spread relatively thinly in the interior of the south. The men from Koh Kong, who lived seventy kilometers east of the Thai frontier, said they understood that soldiers were based mostly along the border. They claimed that there were generally between 14 to 20 KC who remained in their village, which is a fairly large number by contemporary KC standards to guard 1,000 people. The man living near Kompong Trach alleged that there were almost 100 soldiers in his area, most of whom were very young, ranging upwards from ten years of age. Despite Radio Phnom Penh claims that the soldiers work alongside the people there was no evidence of this among the Laem Sing interviewees.

DISCIPLINE

Executions continue to some extent in Cambodia, judging from the comments of the southerners. The categories of people reportedly executed, particularly former soldiers and civil servants, are also reported in the south. The key question is whether the identity of that kind of person becomes known (and the Cambodians are very good at hiding their previous identity). However, the person who is lazy or too bright, is more likely to be executed than any other. In mediocrity there is safety; it seems. In June, 1976, near Kompong Trach, a Cambodian watched seven ordinary people killed before everyone's eyes by being beaten on the backs of their necks in the rice field. Their "mistake" had been to complain about the food ration. The same source claimed that, in his village, if one did anything considered to be illegal, he was killed. Neither there nor elsewhere in the south were there reports that the KC were keeping a "little list" of those who committed errors, as has been mentioned in at least a few parts of the northwest. An "error" if discovered, means death in the south, refugees claimed.

In the Svay Rieng area and in other parts of the south, people to be eliminated are normally simply taken away, usually at night. Although their bodies are not often seen, the clothing they were wearing is invariably redistributed to the other villagers two to three days later, which can only mean that the owner is dead.

Repeatedly, refugees noted that the families of persons who fled to Thailand or Vietnam had no problem in southern Cambodia. This is often, but not always, the case in the northwest, also. One of the Koh Kong refugees recalled that a woman and her children were all killed not long ago after they were caught trying to escape to Thailand.

CONCLUSION

There were two points on which all the southern refugees were in agreement. First, the KC executed more people in 1975 than in 1976. One man observed that people were more scared in 1976 because they realized more fully the unchanging, long-lasting nature of the horror in which they were caught and the notion of how cheap life is to the KC. The other point of agreement was that death from disease and malnutrition—most likely in combination—was greater in 1976 than in 1975. Refugees told stories of people simply collapsing and dying while working in a field or on an irrigation canal.●

RESCUING A CITY FROM THE BRINK OF BANKRUPTCY

HON. JOHN J. LaFALCE

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Wednesday, August 16, 1978

● Mr. LaFALCE. Mr. Speaker, during the depths of the now-waning recession, in 1976, the city of Niagara Falls faced a fiscal crisis at least as severe as that faced by any American city since the Great Depression. The budget was unbalanced severely, the city's access to credit markets was cut off, and the specter of bankruptcy loomed on the horizon.

Yet, through the diligent efforts to public officials and concerned citizens, the city pulled through without the need for extraordinary assistance from other levels of government. It is a story worth telling, for it makes a point from which we all can learn—that dedication, perseverance, and commitment of public officials, when combined with expertise from the private sector, can do wonders. The unique partnership formed during this city's crisis should be emulated throughout the land and used, not only during a crisis, but all the time.

One of the central figures in this story was Edward H. Belanger, an executive at the Carborundum Co. who was then based in its Niagara Falls headquarters. Mr. Belanger took on a major leadership role within the city management advisory board, that group of private sector representatives formed by Carborundum's President, William Wendel, to assist the city. Mr. Belanger's efforts were untiring, and he demonstrated far beyond the call of duty what community spirit really means. His efforts and those of the rest of the advisory board contributed significantly to the eventual success of the city's financial plan, and this group is owed a deep debt of gratitude.

It was with great pleasure, then, when I learned that my colleague, the gentleman from Wisconsin (Mr. REUSS), in his capacity as chairman of the Subcommittee on the City of the Banking, Finance, and Urban Affairs Committee, invited Mr. Belanger to testify at hearings that subcommittee recently held on the question of local government efficiency and productivity.

A last minute schedule conflict prevented Mr. Belanger from presenting his testimony in person. However, he did submit it for the record and I am hopeful that the subcommittee gave it careful attention. In fact, because I think the story Mr. Belanger had to tell is so important, particularly in light of legitimate demands of taxpayers at all levels that governments spend wisely and prudently, that I would like to share his statement with you and all our colleagues.

Edward Belanger's statement follows:

TESTIMONY OF EDWARD H. BELANGER

In 1976 the problems of American cities generally were all present in Niagara Falls, New York, specifically: too much outgo, too little income; too many people on the payroll; poor organization; no fail-safe lid on spending; no accurate way to predict receipts and expenditures; no warning system to prevent a cash crisis; no planning. Niagara Falls had a seven year history of increasing budget deficits; the $1.6 million accumulated surplus of 1968 had become a $5.8 million accumulated deficit at the end of 1975.

When local industries proposed that the public sector accept help from the private sector, the consultants assigned by their firms to investigate city government found a very bleak situation. City personnel did not forecast short or long term cash needs, or control or invest the cash they had when they had any. Financial statements were usually months late and seldom accurate. Organization was unstructured and unwieldy. There were no job descriptions and no attempts to measure performance. Decentralized purchasing left to chance the ability to pool purchases and buy at lowest cost. Non-essential services consumed too much police and fire department time. None of the computer systems were documented. No one was concerned with energy use, energy costs or energy conservation. On-going urban renewal activities were not examined for their future impact on the budget.

In the remaining months of 1976 the consultants of the City Management Advisory Board, first proposed by William H. Wendel, then President of the Carborundum Company, the only Fortune 500 firm headquartered in Niagara Falls, and their counterparts in city hall, examined, probed, analyzed and dissected every area of city operation. For example, they installed a cash forecasting system, reduced head count by nearly twenty percent, reduced insurance costs by thirty percent, created a manageable organization, wrote job descriptions, examined budgets, centralized purchasing, leased instead of bought, increased police street patrol time, cracked down on overdue parking tickets, reduced one hundred ninety computer reports to forty, lowered the heat in municipal buildings, and reduced street lighting. The consultants even cost their firms money by suggesting that the city replace an antiquated system with new utility meters for industry.

Such efforts will work only if the public sector recognizes the need for and welcomes help so that cooperation is total, the city's chief executive is competent, the commitment to assist is made by the top level of the private sector, and qualified executives are assigned to help All of these factors were true in Niagara Falls.

Niagara Falls could not have paid for the expertise of industry. It was given over three quarters of a million dollars in man hours alone. It could not pay for CMAB's on-going help in installing sophisticated management techniques in city hall. But then, industry in Niagara Falls could not afford to have the city go bankrupt.

There is a great deal of comment today regarding "Corporate Social Responsibility." By participating in the City Management Advisory Board, industries and businesses in the Niagara Falls area are responding to that aspect of social responsibility which deals with maintaining the financial integrity of the community. There is a desperate need for effective management in the business of running a government. Public officials are apt to be chosen because of their expertise in specific areas such as mental health, education, personnel, etc., rather than for their expertise in management. The main objectives of business and industry are not as easily applied in government. It is advantageous for businesses to have an effective local government and businessmen have a unique capability of contributing the major ingredient which government lacks—managerial experience and expertise.

The City Management Advisory Board is a voluntary organization made up of businessmen, with varied functional expertise. Its main purpose is to restore financial and operational integrity and effectiveness to government in Niagara Falls. To this end, CMAB has the concurrence and active cooperation of the Mayor, City Council and City Manager. There are approximately twenty consultants available to CMAB from key area businesses. Each consultant gives anywhere from four to ten hours weekly to assist the City Administration in specific areas.

The substantial effort on the part of CMAB has engendered truly impressive results. I will attempt to illustrate our major accomplishments by functional area.

I. REORGANIZATION

A city wide management reorganization was effected. A cost effective organization structure was developed, reducing the number of people reporting to the city manager and creating a more manageable organization. Similar functions and administrative duties were consolidated. Productivity was increased by implementation of new management and measurement techniques, job descriptions, work guidelines and close monitoring of all functions. Performance measurements were adopted to measure the success of the above procedures. Professional help was brought in where needed. Management by objectives (MBO) was adopted by all departments to assure that employees accomplish the most important objectives based on essential community services. Training of department heads is now in progress to assist them in learning this new skill. A long range management development program has been begun, to further improve the management skills of department heads.

II. FINANCING

Major accomplishments were achieved in the finance area. A twenty million dollar financing was ultimately accomplished after the financial community in New York City snubbed the city's offer. Not a single bid was received. With the help of four local banks $7.5 million of the notes was bought. The people of Niagara asserted their support of the city by purchasing $1.2 million of the notes. Community response to the issue led by two Manhattan brokerage firms to buy the remaining $11.4 million of the note issue at 9.3 percent interest twenty-four hours before the city would default.

During 1976 the city verged on the brink of default at several times, and the CMAB assisted in developing contingency plans in case the city actually defaulted.

Other financings were successfully arranged, evidencing regained confidence in the city's control capabilities. The city sold $5.87 million in revenue anticipation notes at 4.2% in June 1977 down from a rate of 9 percent the previous year. In July 1977 the city sold $20.5 million of permanent financing at 6.2 percent. In March 1977 the city sold $3.45 million of parking garage bond anticipation notes at an interest rate of 4.88 percent. The same notes were sold at 8.5 percent one year earlier.

A New York City public relations firm was engaged in order to disseminate information on the city's ever improving financial status to further assist the city in obtaining future financings.

III. BUDGETING AND FINANCIAL PLANNING

CMAB assisted in reviewing accounting and budgeting procedures. Controls were established to better monitor receivables and disbursements to avoid a cash crisis. A cash forecasting and control systems was instituted and monitored weekly, and city personnel were trained to use the system, in order to avoid the city's cash flow problems of the past. Short term financing of $2.7 million was arranged with local banks at one point in order to also assist the city in its cash flow problem. Area banks were also educated regarding city finances to provide a more knowledgeable atmosphere for future financings.

The CMAB assisted in reviewing and modifying the 1977 budget to produce a realistic budget which could generate a surplus of $1.6 to $3.3 million in 1977 for reduction of the city's deficit of $5.8 million at the end of 1975.

The forecasting and financial planning areas were significantly restructured. This function played a major part in large cost reductions. The city switched to a private refuse collector with an annual savings of $300,000 to $400,000. A review of group and liability insurance premium yielded $160,000 three years savings. This insurance revision was accomplished by combining county and city insurance needs. Surplus city property was sold in order to raise cash.

A review of the city's financial reporting system and evaluation of outputs disclosed that financial formats were totally useless for effective management decisions; sound accounting discipline was lacking; budgets were not prepared on a calendar basis and no effective monitoring of plan performance was in operations. Outside consultants were engaged to review systems including accounting operations in depth.

In conjunction with 1977 bond financing, a realistic five year financial plan was developed which should assure stability and make tax reductions likely by 1980.

IV. HUMAN RESOURCES

In the personnel reorganization area, a trimmer staff was formed. A ten percent personnel cut was instituted immediately; other personnel were reassigned for greater efficiency. Related activities were combined to create a more manageable organization. Thirteen reporting relationships will eventually by reduced to 8 with attendant improved communications, reporting ease, and faster response times. Job specifications were developed for new positions. An Assistant City Manager, Director of Public Services and EDP Manager were recruited.

Personnel policies were changed to eliminate full pay for temporary military leave. Where weekend duty is frequent, as in the police and fire departments, military obligations were rearranged on days off.

The CMAB provided assistance and recommendations on contract negotiations considering cost versus ability to operate within a budget. Considerable cost reductions were achieved.

V. PROCUREMENT

In the procurement and contract services area, a complete review of all procedures was instituted. An analysis of the city's spending practices revealed many inefficiencies. An updated procedures manual incorporating more stringent policies was produced; improved inventory management resulted in savings of approximately $20,000 annually. Purchasing was centralized, budgeted and analyzed. Cost reduction targets were prioritized. $80,000 was saved on an annual basis by leasing, rather than purchasing, public works equipment. The CMAB recommended that common items used by multiple departments be identified, combined, and negotiated to reduce inventories and costs. It was also found that the city was paying higher price for specific items than private industry was, and a recommendation to place greater emphasis on competitive bidding was made.

The city's entire paperwork flow was analyzed and changed to prevent bottlenecks which delayed processing and payment of invoices, without increasing control.

VI. PUBLIC PROTECTION

In the public protection area, effective working relationships were established. An atmosphere of mutual trust and cooperation was created among the Fire Department, Police Department, consultants, and City Management; Fire and Police personnel now actively solicit and accept advice from the consultants.

Through analysis, definition, internal training, and public relations, the public protection area implemented a program to eliminate non-essential police services, in particular, the filing of insurance forms at the station house, and the elimination of sixty school crossing guards. Police were instead assigned to the busiest school crossings on an "as needed" basis. The elimination of non-essential police services added more than 200 street patrol hours per month.

Substantial savings were made by upgrading firehouses instead of building new ones. A policy was implemented to reduce absenteeism from twelve to fifteen percent to approximately six percent. Initial results on this program are positive.

VII. ENERGY MANAGEMENT

At the end of 1975, no adequate budgeting procedures for variance reporting and forecasting in the energy area existed. No professional expertise in street lighting, power contracts, equipment purchasing, traffic patterns and vehicle usage resulted in increased costs. To implement cost reduction in the energy conservation area, CMAB recommended that the city install new utility meters for industries to generate additional annual revenues of $75,000. In addition, thermostats in municipal buildings were set at 65°, saving $15,000 annually. Street lighting costs were analyzed, with an objective of $100,000 reduction. It was determined that immediate savings of $20,000 annually could be achieved by reducing lighting in a specific area. Recommendations were also made by CMAB on equipment purchases, vehicle usage, traffic movement patterns, office lighting standards, and office heating and cooling standards.

VIII. PUBLIC WORKS

In the public works area, new procedures for street repairs, resulted in an annual savings of $80,000 in materials and labor. Fifteen to twenty employees involved in garbage "roll-out" were laid off. Instead, citizens were asked to roll out their own trash to the curb. Snow plow runs were revised, resulting in better utilization of labor and equipment savings of $45,000 annually. Increased productivity of parks and public roadway crews by reducing manpower without reducing work load brought about an annual savings of $36,000. Sewer treatment plant costs were

analyzed and resulted in a reduction of utility usage, at an annual savings of $30,000.

IX. DATA PROCESSING-MANAGEMENT INFORMATION SYSTEMS

The CMAB discovered that one hundred fifty data processing systems reports were being produced, and succeeded in reducing the number of reports to less than forty. The MIS/EDP area was instrumental in instituting new procedures and producing $65,000 in overdue parking tickets, and incremental revenues of $90,000 by faster processing of water and sewer billing. The payroll system was determined to be unsound and technical support was given for normal maintenance. A basic financial control system was established to monitor non-personnel expenses, and a voucher control system was established to avoid duplicate systems.

In conclusion, the CMAB program has been extremely successful in the accomplishment of specific goals and objectives. The success can easily be measured in real terms. Niagara Falls had a seven year history of increasing budget deficits; at the end of 1975 there was a $5.8 million deficit. With the help of CMAB, the City, in 1976, turned a projected deficit of $1 million into a $748,000 surplus. In 1977 the surplus was $6.7 million. This completely extinguished the remaining accumulated deficit of $5.1 million and created a cumulative fund balance of $1.6 million as of December 31, 1977. The deficit of $5.8 million was eliminated in two years. The "proof of the pudding" as to the merit of this program can clearly be seen in the cited accomplishments. These results certainly indicate that the endeavors of CMAB have been more than worthwhile. Together, a lot of good men have turned an imminent disaster area into a viable and financially stable community. This experience is also proof that citizens of a community can be called upon in times of crisis to assist in the rescue of a city. Without the citizens of Niagara Falls, and their willing sacrifices, patience and understanding, the accomplishments of the CMAB could never have been achieved.●

TRIBUTE TO THE LATE JIM GRANT BOLLING

HON. MAX BAUCUS

OF MONTANA

IN THE HOUSE OF REPRESENTATIVES

Monday, August 14, 1978

● Mr. BAUCUS. Mr. Speaker, I would like to join my colleagues today in expressing grief over the passing of Jim Bolling, a great friend of mine and real credit to one of the best political teams in Washington, D.C.

Rarely do we see such a perfect match of politics and public spirit as we have seen in Jim and DICK BOLLING. She was a marvelously vibrant force, who helped inspire not only her enormously effective husband, but also hundreds of Members and staff that she came in contact with in these Halls.

When I think of husband and wife teams that have been as effective as Jim and DICK BOLLING, I can think of only a few. Surely she and DICK meet the standards established by MURIEL and Hubert Humphrey, Lady Bird and Lyndon Johnson, and Eleanor and Franklin Roosevelt, to list only a few of that select group.

Jim will be sorely missed by us all. I hate to lose such a close friend and mentor. Ann and I wish her husband every condolence.●

OFFICER ROGER SCHMORR

HON. WILLIAM LEHMAN

OF FLORIDA

IN THE HOUSE OF REPRESENTATIVES

Wednesday, August 16, 1978

● Mr. LEHMAN. Mr. Speaker, I would like to commend and make further honorable mention of one of Dade County's finest and most outstanding police officers, Officer Roger Schmorr. Officer Schmorr was voted officer of the month for the month of April.

The citations noted below are the true testimony of why Officer Schmorr has been granted this honor, and it is my pleasure to share with my colleagues the news release exemplifying an outstanding citizen and a very worthy contributor to our community. May I also extend my personal thanks and appreciation to Officer Schmorr.

The news release follows:

OFFICER ROGER SCHMORR OFFICER OF THE MONTH APRIL, 1978

The Dade County Public Safety Department is proud to announce the selection of Officer Roger Schmorr as Officer of the Month for April, 1978.

Officer Schmorr, assigned to Airport District, has consistently led his squad in total citations, arrests, message recoveries and field interrogation cards. In the first three-and-a-half months of 1978, he issued 117 hazardous moving violations, made 24 felony arrests, recovered 42 messages and written 96 field interrogation cards. Additionally, he confiscated 2,676 grams of marijuana, over two pounds of cocaine, pills, capsules and hashish, all with a total estimated street value of one-quarter of a million dollars. Over $34,000.00 in drug related currency was seized, also, by Officer Schmorr.

The following arrests are indicative of the exemplary police performance by Officer Schmorr:

On January 30, 1978, he arrested a motorist and confiscated over five grams of marijuana and a number of barbituates and methaqualudes.

On February 18, 1978, he was dispatched to an apartment complex where he encountered a subject and arrested him on two outstanding warrants, confiscating 402.0 grams of marijuana and several live marijuana plants.

On February 20, 1978, he observed a subject running across a golf course. Upon investigation, the subject who was carrying $12,000.00 in a paper sack, was arrested for possession of seven grams of marijuana.

On February 27, 1978, he observed a vehicle exit an apartment complex without headlights. Investigation revealed that the driver had just committed a burglary of a residence and was in possession of live marijuana plants. He was arrested and the property recovered.

On March 8, 1978, he was dispatched to an apartment complex reference a sex offense on two white females, ages ten and eleven years. After investigation at the scene, and approximately one hour after his arrival, he arrested a White Male, 32 years, on two counts of lewd and lacivious conduct.

On March 15, 1978, he observed two white males in a vehicle parked in a closed service station. Upon investigation, both subjects were arrested; one for no valid driver's license, and the other for an outstanding warrant from Philadelphia. An inventory of the vehicle revealed over five pounds of marijuana, a stolen .38 calibre revolver and $2,2440.00 in cash.

On April 11, 1978, Officer Schmorr and Reserve Officer G. Lester responded to an apartment complex reference a "bad fight". Upon investigation, Officers Schmorr and Lester arrested two subjects for the following: aggravated assault, possession of firearm by a convicted felon, possession of cocaine with intent to sell, possession of narcotic paraphernalia, possession of a firearm in the commission of a felony and an outstanding warrant. Over one pound of cocaine, two revolvers, narcotic weighing scales and $15,000 in cash were confiscated.

On April 13, 1978, Officer Schmorr and Officer G. Warner responded to an apartment complex reference an assault with a gun. Upon arrival they encountered two white males and subsequent investigation led to their arrest for carrying a concealed weapon, possession of a firearm in the commission of a felony, possession of cocaine with intent to sell, possession of marijuana, possession of hashish, possession of narcotic paraphernalia, possession of methaquaalude and outstanding warrants for burglary, robbery, possession of firearm and conspiracy. Also confiscated was $5,000 in cash, one pound of cocaine, an automatic pistol, hashish and pills.

Officer Schmorr's alertness and professionalism in the application of sound law enforcement procedure exemplify the highest level of performance. He is a credit to the Public Safety Department and to the community he serves.●

TRIBUTE TO FOUR BRITISH AIRMEN

HON. ABNER J. MIKVA

OF ILLINOIS

IN THE HOUSE OF REPRESENTATIVES

Wednesday, August 16, 1978

● Mr. MIKVA. Mr. Speaker, I rise to pay tribute to the heroic British airmen, the four British airmen killed recently in the tragic crash of their RAF bomber near Glenview, Ill.

The actions of the pilot, Flight Leader Chris Edwards, 31; the copilot, Flight Leader Simon Farlow, 32; the navigator, Flight Leader Nigel Thomas, 29; and the electronics officer, Flight Leader James Hamilton, 36, saved countless lives when they apparently realized that their aircraft was in trouble, and they diverted the plane and crashed into a landfill to avoid hitting nearby homes.

The Vulcan bomber and crew had arrived a few days earlier from the Scampton RAF Base in Lincolnshire, England. At the time of the crash they were in preparation for an air show in Chicago.

On behalf of all the people of the 10th Congressional District of Illinois, I extend my sympathy to the families and friends of the British crewmembers who sacrified their lives for the sake of others. These fine airmen were a credit to their service and to humanity, and their memories will be respected by all who know of their heroism.●

NUCLEAR SITING AND LICENSING BILL

HON. GARY A. MYERS

OF PENNSYLVANIA

IN THE HOUSE OF REPRESENTATIVES

Wednesday, August 16, 1978

● Mr. GARY A. MYERS. Mr. Speaker, with the growing demand for electrical power, concern should be focused on shortening the leadtime required before a nuclear powerplant becomes operational. The nuclear siting and licensing bill addresses this concern by proposing to shorten the normal 10- to 12-year leadtime to 6 to 7 years.

In regards to the nuclear siting and licensing bill, I am including the following correspondence from the Honorable JOHN W. WYDLER, ranking minority member on the Science and Technology Committee, to Mr. John F. O'Leary, Deputy Secretary of the Department of Energy, in which Mr. Wydler, while strongly supporting the reduction of leadtime, outlines his concerns with certain sections of the bill.

The material follows:

WASHINGTON, D.C., *August 3, 1978.*

Hon. JOHN F. O'LEARY,
Deputy Secretary,
Department of Energy,
Washington, D.C.

DEAR JACK: As you know I have had considerable problems with the Administration's nuclear policy as it affects both breeder reactor development and our ability to deploy nuclear plants and export light water reactor technology. However, I believe that the Nuclear Siting and Licensing Bill is a hopeful sign that the President can be convinced of the realities of our domestic needs for electrical power and the limits to burning coal to meet these requirements.

In this regard, I was pleased to hear your strong endorsement of the principles of the bill before the Energy and Power Subcommittee on July 20. However, it is a tragedy that the President himself cannot make a strong positive statement on the nuclear option both to reduce public uncertainty and to stop the erosion of industry and utility confidence.

I am in strong support of this bills' avowed purpose, i.e., to reduce the time cycle for a nuclear facility from 10–12 years down to 6–7 years. However, I do share some concerns that certain features of the bill may, in fact, be counterproductive. As a result, I don't share Jim Schlesinger's optimism that the bill, as presently drafted, will achieve this admirable goal. I'd like to discuss the provisions which are of most concern to me in the perspective of my own guidelines.

My primary guidelines for what the bill should do are rather straightforward. It should:

1. Reduce the time for siting and selection and construction of nuclear plants.

2. Centralize the regulatory responsibility (i.e., decisionmaking) for licensing and siting in one agency, the NRC.

3. Keep government out of activity that is properly done by industry and the utilities, e.g., construction planning.

4. Maintain procedures for certification and hearings at a level required under existing law.

On the basis of these four guidelines I have problems with the following sections of the bill. My concerns are indicated in brief, but my staff would be happy to supply further detail to your office.

Under guideline 1, I have difficulty with the following specific provisions.

a. Section 103—Hearings—the admission of any interested party who may be affected here would discourage vendors and A/E firms from pursuing standardized designs by escalating the cost for conducting such hearings through needless delays.

b. Section 105—Need for power should not be an issue for early site approval, this is properly considered during the application for a construction permit.

c. Section 203 (Federal and State Coordination)—I believe that specific target dates must be set for review and decisionmaking.

Guideline 2 unfortunately is not addressed in the bill and yet the fragmentation of responsibility is the root cause of the Seabrook fiasco. That "indecision" is indication of the complete breakdown of the nuclear regulatory process.

Under guideline 3, I have reservations about the following specific provisions.

a. Section 101—Advance Planning and Early Notice—calls for unnecessary interposition of the NRC into the plant planning process. In view of the requirements of detailed planning to obtain investment capital and the availability of long-range planning data from a variety of sources, including the DOE, it is quite unnecessary to involve the Nuclear Regulatory Commission.

b. Section 301—Funding for Intervenors—This bill is not the appropriate vehicle to consider this question which is addressed more broadly in several different pieces of pending legislation including the Public Utility Regulatory Reform bill of the National Energy Act.

Under guideline 4, I am troubled by Section 102—Requirement for procedures of state hearings on need for power to be comparable with NRC procedures under NEPA is an uncomfortable reminder of the presumptuous Public Utility Regulatory Reform Bill. Fortunately that rash bypassing of the State PUCs by FERC directive was "gutted" by the Senate in the NEA Conference. I trust this unfortunate section will be treated similarly by the House.

I hope this perspective is useful to you and the Secretary, Jack, but it is critical that the President involve himself personally in a dialogue with the Congress on this bill. That approach is mandatory if the nuclear option is to remain viable and the United States is to continue as a strong player in nuclear sales.

Thank you in advance for your consideration of these matters.

Sincerely yours,

JOHN W. WYDLER,
Member of Congress.●

MRS. JIM BOLLING

HON. PETER W. RODINO, JR.

OF NEW JERSEY

IN THE HOUSE OF REPRESENTATIVES

Monday, August 14, 1978

● Mr. RODINO. Mr. Speaker, I would like to say a few words in remembrance of Jim Bolling and offer my deepest sympathies to my friend and colleague DICK BOLLING.

I had the pleasure and the privilege of knowing Jim for many years. Her intelligence and courage were matched by her kindness and genuine concern for people. Her life was marked by active involvement in public affairs and total candor. After working on John Kennedy's Presidential campaign in 1960, she came to Washington and quickly established herself as a person of outstanding political skill.

When she and DICK were married they formed a partnership in service to the public. Together, Jim and DICK were a very effective team, widely admired in the House. The tremendous sense of loss which DICK must feel is shared by many of us who knew and respected Jim. My wife and I are saddened by her passing and we mourn her absence.●

BETH ISRAEL TEMPLE CENTER IN WARREN, OHIO, CELEBRATES 60TH ANNIVERSARY

HON. CHARLES J. CARNEY

OF OHIO

IN THE HOUSE OF REPRESENTATIVES

Wednesday, August 16, 1978

● Mr. CARNEY. Mr. Speaker, Beth Israel Temple Center, the lone Jewish religious institution of Warren, Ohio, will celebrate its 60th anniversary with a 3-day observance September 15 to 17.

Founded in 1918 by a handful of Jewish families with a modest structure on First Street, the house of worship is now located on the city's East Side, known as Holy Corners, with Catholic and Protestant religious institutions across the street. Three institutions have staged a united Thanksgiving Day and were recently joined by the Howland Community Church.

The observance will get underway Friday night with a religious service at which Rabbi Michael Stevens, religious leader, will deliver an address. Dr. Leon Stitskin, a prominent New York Jewish leader and the first religious leader of the congregation, will also participate. The usual Sabbath morning service will be observed and the featured event is scheduled for Sunday evening, a dinner for the community.

The highlight will be the dedication of a plaque containing the names of all past presidents, from the late Max White, the first president, to Lynn Sheftel, present leader. Each of the living past presidents will be presented with a memento of the observance and designated relatives of deceased presidents will receive a memento also. The Rabbis will also participate and a musical program has been planned with Frank Goodman, a past president, heading the anniversary committee.

Around the turn of the century about a half dozen Jewish wanderers of European descent came to Warren to begin a new Jewish settlement in America. It was only a short time later that these original settlers were able to bring their families to Warren and to attract others of the Jewish faith.

Prior to the erection of the first structure, the early Jewish settlers organized group worship on the Sabbath and Holidays in private homes. Itinerant teachers came to Warren to teach Hebrew to the young.

The building of the religious structure was followed by the organization of the ladies auxiliary and the establishment of a Jewish educational program.

As the city of Warren grew so did the Jewish community, and many of the

members of the congregation became very active in communal life and in its cultural and social activities.

In the spring of 1944, the First Street structure was deemed too small and a concrete effort toward the construction of a new building got underway. However, conditions in the country slowed progress, and it was not until 1950 that efforts were intensified. Ground-breaking exercises were held in March 1951; on September 10, 1952, consecration services were held and the move was made to the new building.

Mr. Speaker, I want to extend my sincere congratulations and best wishes to Rabbi Michael Stevens, to Lynn Sheftel, and to all the families who worship at Beth Israel Temple Center in Warren, Ohio, on their 60th anniversary.●

CRIME IN OUR CITIES CAN BE REVERSED

HON. JAMES J. FLORIO

OF NEW JERSEY

IN THE HOUSE OF REPRESENTATIVES

Wednesday, August 16, 1978

● Mr. FLORIO. Mr. Speaker, today I introduced legislation to amend the Omnibus Crime Control and Safe Streets Act of 1968. My bill would increase financial assistance to units of general local government for the development and implementation of programs relating to the prosecution of repeat criminal offenders, often referred to as "career criminals."

Crime, particularly in our urban areas, is eroding the quality of life. Urban life requires an environment that attracts people who want to raise a family or run a business. But, first and foremost, to be attractive urban life must be safe. To be safe and secure in one's person—and one's property—is a basic human right of every citizen.

Many people have reached the conclusion that crime is a cancer eating away at the inner core of our cities, turning them into wastelands of fear. Even those who have not been direct victims of crime fear their time is running out because anyone, and everyone, is a potential victim.

People are afraid to use their parks, or to travel on the streets in our inner cities after dark.

The elderly are afraid to walk outside their apartments—even during the day. They have become prisoners in their own homes. A study released by the House Subcommittee on Housing and Consumer Interest reveals that 1 elderly person in 10 will be the victim of a crime this year.

Other adverse impacts we cannot ignore relate to the economic health of our cities. Tourists and organizations holding conventions are shying away from cities with high crime rates. Corporate headquarters. shopping centers, and other businesses are relocating. Thus, jobs are lost, and so are taxes.

Unquestionably, crime plays a major role in the continuing decline in the quality of urban life. Anyone who cares about that decline, and wants to do something about it, must do something about crime. The fight to reduce crime and violence must go hand in hand with our efforts to promote prosperity and economic stability. An urban crime initiative must be an integral part of any overall urban strategy.

Traditional approaches to combating crime are falling short of the mark. We can no longer cope with our urban crime problems in ways that are no longer effective.

Unfortunately, the traditional response to the problem of crime has been to increase police department budgets in order to put more men and women on the streets to make more arrests. Hundreds of millions of dollars have been spent on police forces to little avail.

Little thought has been given to the fact that the overburdened courts and prosecutors cannot possibly process their increased number of cases in a fair and equitable manner that protects both society and the rights of the accused.

Too often cases, even those involving offenders who have repeated their offenses, are "bargained" away because prosecutors and courts cannot deal with the volume they are forced to handle. Thus, criminals are soon back on the street after a brief passage through the revolving door of justice. They know how to manipulate the system.

Plea bargaining, in the traditional approach, benefits no one but the guilty defendant. It creates cynicism among the public it discourages witnesses from cooperating, it demoralizes the police officer who is trying to do a good job. It is simply a cheap and fast means of preventing a total breakdown in the criminal justice system because crowded court calendars must be controlled.

Can crime in our cities be reversed?

Indeed, it can be—and is being reversed through the implementation of pilot career criminal programs conducted through the Law Enforcement Assistance Administration (LEAA). FBI crime statistics indicate a leveling off of some types of violent crime in most of the 22 cities chosen to conduct career criminal demonstration project programs.

The profile of a "typical" career criminal fits a similar pattern everywhere. He is usually in his 20's, has been arrested for several felonies, has served brief prison sentences—and almost always has a long juvenile record: A "typical" career criminal in New York City has a record of 14 prior arrests; 6 misdemeanor convictions, and at least 1 felony conviction. He is more likely than not on bail, parole, or conditional release in another case. More than 60 percent of career criminals have cases pending when referred to the program.

A few comments on how the career criminal programs work are in order. Career criminals are given first priority. When a career criminal is identified, one prosecutor is assigned to follow the case from arraignment, through investigation, indictment and trial. Cases are analyzed by experienced prosecutors; weak cases are discarded. Thus, overburdened prosecutors can concentrate on those criminals who pose the greatest danger to society and the greatest threat to the quality of urban life.

The career criminal program targets the dangerous and presents the best possible evidence in the case. The conviction rate is high. Rational sentencing decisions are made. Plea bargaining is reduced. Career criminals can expect to serve long prison terms—often 15 to 30 years, or more. Justice is swiftly dispensed. Since special attention is given to these cases, sound bail decisions prohibit dangerous and violent people from being released on little, or no bail.

The career criminal program stops the revolving door of revolving-door justice. When this door is closed, the dangerous are no longer set free to commit their personal brand of "urban terrorism."

The system of identification of career criminals, in the 22 cities where programs have been implemented, differs from city to city. Local prosecutors select career violators using individual systems.

Louisville targets suspects with two previous felony convictions, or five arrests.

Washington concentrates on parolees who are arrested for a crime of violence.

Detroit zeros in on three-time offenders charged with murder, rape, household burglary, and armed robbery.

Boston uses a "crime evaluation form" based on a 10-point penalty system. Penalty points are given for brutality, use of firearms, parole or bail status at the time of the crime. Any suspect who gets 10 points, or more, gets the "career criminal treatment." A Boston prosecutor noted "it is almost like being selected for college—only they are going to jail, not to school."

Nationwide, over 5,000 people have been under this program of about 30,000 crimes. In Dallas 62 percent of the cases involved offenders who had escaped or were on conditional release. In New York City, 632 defendants have been the subject of special treatment under the program. Ninety-seven percent of those prosecuted were convicted—compared with citywide figures of 76.8 percent. Of those convicted, 82 percent received State prison sentences—compared with citywide figures of 53 percent. Eighty-six percent of the defendants pleaded guilty to the top charge, or one count below. In Detroit and New Orleans, major crimes were substantially reduced.

Mr. Speaker, sound managerial efforts such as the career criminal programs, coupled with public support and adequate resources, can help us to continue to reverse the sense of fear and frustration that has driven individuals, families, and businesses from our cities. Our urban centers are places of creativity and commerce, with a sense of community and economic growth, when they are attractive and function at their best.

Increased safety is a major requirement if we are to achieve urban renaissance.

We can insure increased safety for American citizens by enacting legislation to develop and implement career criminal programs.

Mr. Speaker, I urge my colleagues to support this initiative. Career criminal programs have already elicited strong public support in communities that have profited by their demonstrated success.●

ELKS LODGE HELPS COMBAT CANCER

HON. FLOYD J. FITHIAN

OF INDIANA

IN THE HOUSE OF REPRESENTATIVES

Wednesday, August 16, 1978

● Mr. FITHIAN. Mr. Speaker, I wish to share with my colleagues a vignette of American life, a vignette which shows not only the courageous battle of an individual, but the helping hand of the Elks Lodge in their effort to combat cancer. This vignette of American life also points out the warmhearted response and basic goodness of the American people.

I enclose three newspaper clippings which tell the story. The first part of the story tells of a leading labor official who was forced to retire because of terminal cancer. The second part relates his letter to the editor of the Journal and Courier expressing his response to efforts of the local Elks Lodge to raise funds for the cancer drive. And finally, the story concludes with the warm response of American citizens to fellow Americans in serious situations. This story, Mr. Speaker, should be an inspiration to all of our colleagues.

The article follows:

COUNTY LABOR COUNCIL BOSS HENSON TO RETIRE

Roy Henson, 54-year-old president of the Tippecanoe County Labor Council, announced today he has been forced to retire because of failing health.

He has been president for the past eight years of the council, composed of 58 AFL–CIO local unions with a combined membership ranging from 12,000 to 15,000.

"I intend to stay as active in an 'emeritus' status as my health will permit," Henson said, "and to be as active as possible in the political action field."

Henson was president of his own local 668, International Brotherhood of Electrical Workers, for nine years, and was its business manager four years, prior to becoming president of the Labor Council.

He also has been president of the AFL–CIO's Committee on Political Education (COPE), which registers union members as voters, educates them on voting records, then gets them to the polls on election day.

Henson has been a member of the Indiana State Conference of IBEW and a lobbyist for organized labor in the Indiana Legislature.

He has been a member of the state AFL–CIO's committee on labor studies and on community services.

In Tippecanoe County, he was one of the leaders of the opponents to the local option income tax being considered by county officials in 1973. He has served on the county Health Systems Council and on the Tippecanoe Manpower Commission. He also has represented labor in United Way campaigns and in the YWCA fund drive.

A native of Connersville, he has been a Lafayette resident nearly 50 years. He attended Tippecanoe Elementary School and graduated from Jefferson High School.

During World War II he served three years in the Army, including 25 months in Guadalcanal and the Philippines.

He has been a union member for 26 years.

GIVING TO STOP CANCER WORTHWHILE

As a terminal cancer victim, I was gratified by the contribution made by the local and state Elks Lodge to the Cancer Research Fund—not that it will help me, but it could benefit someone who may be walking the same path in years to come. Please accept my heartfelt thanks.

Cancer is a dreadful disease that usually wipes out your life savings and causes hardships, and inflicts deprivations upon the entire family. I have a wonderful and loving wife, and three teenage children. I promised my youngest son that I would get him a Schwinn 10-speed bicycle for his 13th birthday as I had the other two, but unfortunately my illness came along about the same time as his birthday and I had to tell him I could not get him the bike. This caused me more pain than my cancer. He said, "I understand, Dad," as his eyes moistened, but he did not cry; but I wonder, does he really understand.

I have no money to give to this very worthwhile cause, but I do have some things money can't buy which I will donate, not sell, to anyone who needs them. I'm speaking of vital transplantable organs. When my journey ends I will make these available to anyone who needs them; just phone me at the number I will give later or contact me at the address later provided.

I have two good eyes if you like green. These eyes have seen the beauty of God's wonderful creations. The beautiful flowers and trees; our lovely mountains and streams—the beautiful birds and wildlife. I'm sure these eyes will serve you well as they have me for 54 years.

I also have a heart if anyone needs one. It's been broken a couple of times, but is now in good repair. It's a big heart, one that is filled with love and compassion for God and my fellow man. It's a heart full of pride for my flag and my country which I proudly served in World War II overseas. It swells up and beats a little faster when Old Glory passes by or our National Anthem is played or taps is played honoring a fallen brother. This heart will serve you well as it has me, if you keep feeling as it does.

I also have a good set of kidneys and maybe more if you're interested. This is about all I have left to offer as my contribution to the defeat of cancer. If anyone is interested please call or have your doctor call me at 5–296–3948.

Once again, thanks again, Mr. Charles R. Lange, Exalted Ruler, and your fine members for their generous contribution to humanity. I hope your contribution is the one that makes the breakthrough, and finds the serum or vaccine that will rid the world of this disease.

BOY GETS BIKE DESPITE DAD'S ILLNESS

(By Judy Horak)

Harold Henson didn't get a 10-speed bike on his 13th birthday as did his two older brothers. But today, he has his bike, and his terminally ill father says the incident shows how good people really are.

Harold's father, 54-year-old Roy Henson, retired president of the Tippecanoe County Labor Council, explained to his youngest son that the family couldn't afford the bike because the elder Henson's cancer had wrecked havoc with the family finances.

Henson recounted this incident in a letter to the editor printed in the Journal and Courier last month, and the same night, the Henson phone began ringing. Mr. and Mrs. Frank Lawson of 2112 Wea School Rd., were the first callers, and two days later, Harold was at Mulhaupt's Schwinn Cyclery picking out a 10-speed bike.

"That was a real kind lady. We had three or four other offers too," Henson said.

"The response to the letter has been overwhelming," Henson said.

In the letter, Henson thanked the local and state Elks Lodge for their donations to the Cancer Research Fund, "not that it will help me, but it could benefit someone who may be walking the same path in years to come."

Because cancer "usually wipes out your life savings and causes hardships," Henson explained, he couldn't make a donation to the research fund.

"I have no money to give to this very worthwhile cause, but I do have some things money can't buy which I will donate, not sell, to anyone who needs them. I'm speaking of vital transplantable organs," he wrote.

Henson said he hasn't had any inquiries yet about his offer, but the local American Cancer Society and his physician are aware of it.

"I've heard from so many people since that letter—Miss Marie Bender, my 5th grade teacher, called me, too. It's been inspiring. Nobody else wrote that letter but the good Lord. I can't write like that," he said.

Many of the callers have wished him and his family good luck, while others, like Mrs. Cliff Winger of Oxford, have tried to help Harold with his bike.

"Mrs. Winger is sending Harold something to buy accessories. The Lawsons told him to get some, but he didn't ask for any. He was so pleased to get the bike.

"We called and thanked them, and Harold sent them a thank you note," Henson said. The Lawsons couldn't be reached.

"It's such a warm feeling these people are leaving me with."

Henson was president of the council, composed of 58 AFL–CIO union locals, for the past eight years. He also was president of his own local, No. 668, International Brotherhood of Electrical Workers, for nine years, and its business manager, four years.●

ENGINEERS VOICE CONCERN OVER COST OF EXCESSIVE GOVERNMENT REGULATIONS

HON. DAVID W. EVANS

OF INDIANA

IN THE HOUSE OF REPRESENTATIVES

Wednesday, August 16, 1978

● Mr. EVANS of Indiana. Mr. Speaker, the fact that Government regulations are multiplying at a lightning-fast pace should be a cause of serious concern for us all. The thousands of regulations from no fewer than 87 Federal agencies regulating U.S. business have imposed costly burdens on our economy—costly in terms of the money and manpower which must be diverted from productivity and innovation to filling out the required reports and otherwise complying with the flood of Federal regulations. Costly, too, in terms of the loss of individual freedom as the Federal Government intrudes more and more into areas of our private and business lives.

I am encouraged that the Congress has begun to take note of the problems caused by excessive Government regulation. As we all know, there are several pieces of legislation which have been introduced to help stimulate regulatory reform and they warrant our most careful consideration.

In connection with regulatory reform, I recently became aware of a statement by the National Society of Professional Engineers on the cost and effect of Government regulations. I think the problems that the society's statement points out are important ones that should be studied by every Member of Congress and I am, therefore, inserting the NSPE statement at this point in the RECORD for review.

STATEMENT OF THE NATIONAL SOCIETY OF PROFESSIONAL ENGINEERS

The National Society of Professional Engineers welcomes the opportunity to comment on the cost of government regulations to American business and the extent to which these regulations inhibit the performance of the American economy. NSPE, a nonprofit organization headquartered in Washington, D.C., represents 76,000 members engaged in virtually all disciplines of engineering. Many of NSPE's members are employed in industry; others are partners or employees of engineering consulting firms and therefore represent the small business community. Our members are confronted daily by the regulatory process and for this reason NSPE is particularly concerned with the issue of excessive government regulation.

According to a recently completed study at Washington University in St. Louis, the cost to American business for complying with government regulations exceeded $62 billion in 1976. Entitled "Public and Private Expenditures for Federal Regulation of Business," the study broke down the cost of regulation into specific areas and revealed that the administrative and compliance cost of consumer safety and health regulations alone was an estimated $6.6 billion in that calendar year. Regulation of milk by the Department or Agriculture, only one of many areas of regulation by that agency, was estimated to cost $986 million. The cost of compliance with Department of Transportation auto safety and damage regulations was estimated at $3.7 billion for 1976. The study cited many other areas of federal regulation and their costs, but the estimate of the total cost to American business of the paperwork alone required to comply with all federal regulations was set at $18 billion. The Commission on Federal Paperwork estimated that figure substantially higher in its final report; it set the cost of the federal paperwork burden at $100 billion per year.

Regardless of which figure is more accurate, the sad truth is that both figures almost certainly understate the actual cost to American business and the public-at-large since they do not reflect "hidden costs" of federal regulation burdens—the cost of diverting time, money, and compliance with regulations. And lower productivity only means higher consumer prices and additional fuel for the inflationary spiral.

NSPE believes that, with regard to engineering, the burdens of compliance with regulatory requirements hit small businesses hardest. Regulatory and reporting requirements frequently impose burdensome legal, accounting, and consulting costs as well as inequitable demands. It is difficult, if not impossible, for small engineering businesses to be aware of and to understand the vast numbers of government regulations. And even when small engineering businesses are aware of all pertinent regulations they often lack most of the resources necessary to comply adequately. Many simply cannot afford the necessary attorneys and accountants to complete the paperwork involved with a compliance which often amounts to a duplication of regulatory and reporting requirements, contradictory requirements, regulations demanding more information than is needed, regulations demanding more frequent reporting than can be useful. regulations demanding reports from firms so small that they have little or no impact on the area being regulated.

NSPE continuously receives many reports of the problems caused by the excesses of government regulation. One West Coast engineering firm reported that it is eliminating some specific programs within its operation so that the awesome number of reporting requirements can be cut down. Individual engineers have reported repeatedly that as much as 40% of their time is taken up by record keeping for government agencies.

Another engineering firm comprised of fewer than 30 people has reported that it is considering abandoning its profit-sharing plan rather than going to the expense in time, manpower, and money to comply with mountainous paperwork requirements under ERISA.

Still another engineering firm reported experiences with municipalities who have given up applying for EPA federal construction grants because there are so many forms and applications required just to qualify for the grants. The result is that much-needed EPA funding goes unused due to the difficulties inherent in excessive government regulation.

NSPE certainly does not advocate the elimination of all federal government regulation. We do urge, however, that Congress approve pending regulatory reform legislation, such as H.R. 959 or S. 2011, which would reduce the regulatory and paperwork burdens now imposed upon American business and which would retain a competitive free enterprise system encouraging productivity and innovation. We further urge that the Congress take the necessary legislative measures to ensure that any future efforts to draft government agency regulations eliminate uneven and inequitable enforcement; that they eliminate regulatory duplications or conflict; that the regulations consider the costs versus actual benefit; and that they provide only the amount of regulation essential to monitor properly our Nation's competitive free enterprise system.

NSPE offers these recommendations with the hope of helping the Congress achieve much-needed regulatory reform. Our Society wishes to assure the Committee of our continued interest in this issue and of our willingness to assist the Committee in any way possible.●

GILLIS LONG: TELEVISING CONGRESS

HON. CHARLES ROSE

OF NORTH CAROLINA

IN THE HOUSE OF REPRESENTATIVES

Wednesday, August 16, 1978

● Mr. ROSE. Mr. Speaker, it is with great pleasure that I offer to my colleagues a recent article by Congressman GILLIS LONG. The title is "Television in the House of Representatives: A New Epoch on the Hill." This interesting article appeared in Capitol Studies, a scholarly journal published by the Capitol Historical Society.

We are indeed indebted to GILLIS LONG for his tireless efforts to bring television to the House in a manner which neither compromises the character of this legislative body nor the integrity of the coverage available to the public. His Subcommittee on the Rules and Organization of the House has conducted an extensive study of the subject and brought forth truly useful suggestions to insure the installation of a high quality system which will provide an object, unedited record of House proceedings without permitting the media's intrusion to dominate daily legislative activity.

Largely as a result of Congressman LONG's strong leadership, the installation of a broadcasting system will commence in the near future, thus making available to any interested network an unedited feed of House proceedings. The implications of broadcasting the activities of this legislative body are far reaching. In times when the public demands greater access to information and greater accountability of all our Nation's institutions, televising the House will allow our constituents to become more familiar with process and to fully understand the nature of the business we are elected to perform. Broadcasting of House sessions opens vast new avenues in the field of education, and I particularly commend Congressman LONG's article to the attention of educators throughout the Nation.

TELEVISION IN THE HOUSE OF REPRESENTATIVES: A NEW EPOCH ON THE HILL

BY GILLIS LONG

Since the House of Representatives admitted its first newspaper reporter in 1789, Congress and the news media have searched for the optimal arrangement for simultaneously conducting the nation's business and reporting its news. Over the years, Congress and its press corps have grown together, and together have become considerably more complex than their eighteenth century counterparts. The Capitol's press corps, for example, has ballooned from a handful of newspaper reporters to a force of more than 2,900 accredited correspondents, representing newspapers, magazines, and radio and television stations from virtually every country.

As the press corps has become larger and more technologically sophisticated, the problems of accommodating it have become more complex. Today, the House of Representatives is confronted with perhaps its mot momentous media question to date: In what manner would be the public interest in deliberative debate be best served by television, while still preserving the dignity and decorum of our democratic proceedings?

The House took an historic step on October 27, 1977, when it overwhelmingly passed a resolution authorizing the Speaker to install a closed-circuit television system and to make the unedited television coverage available to broadcasters. The House reached this decision after more than thirty years of periodic consideration of the question of whether to open its doors to the eyes of television cameras. Although the larger question of whether to allow television cameras inside the House chamber seemed to be resolved, the sticky problem of deciding how to implement the decision had only begun.

According to the House resolution, the task of choosing a method for television broadcasting falls into the hands of the Speaker. To help him reach a decision, the resolution required the Committee on Rules to review the alternative methods of broadcasting, and to report its findings, and recommendations to the Speaker. Last November, the Subcommittee on Rules and Organization of the House, chaired by the author, embarked on a three month long study of the problems of televising House sessions. The subcommittee drew on the experience of the Ad Hoc Subcommittee on Broadcasting of the Committee on Rules, chaired in the Ninety-fourth Congress by Representative B. F. Sisk (D. Cal.). It also reviewed the studies of other House committees which examined the subject, and broke new ground.

There are many sophisticated problems related to television broadcasting. Television is a medium markedly unlike the printed or spoken word. Television, with its potential to focus on the spectacular, and its tendency to dominate any occasion, can be a powerful influence on House proceedings and on the legislation produced. Progress toward televising sessions must be made carefully, lest it unduly interfere with parliamentary procedures already under considerable pressure, and by their nature necessarily complex.

Addresing this issue, former television

newsman Daniel Schoor, a vigorous defender of the First Amendment, gives this warning.

"Television lumbers into a complicated situation like King Kong, altering the landscape by its sheer weight and force. Brushing aside complexities and seizing upon a few concrete images, it often provides its own version of events, simplified and sometimes modified. Insatiably demanding to be shown something, it tends to neglect the thinkers and pursue the doers."

He adds: "On television, the often humdrum real world must compete on unequal terms, with the excitement of the made-up world. The two worlds unfold, in bewildering proximity, on the same screen, using many of the same visual techniques. Generally, reality loses."

Just as perceptive are the comments of Richard Strout, *Christian Science Monitor* congressional correspondent and longtime columnist for *The New Republic*. Mr. Strout vigorously opposes televising White House press conferences. The presence of a camera, he writes, "turns what has been an extremely handy, carefully evolved, semi-official and unique contrivance into a theatrical performance. The press conference becomes a show." This journalistic concern about the theatrical turn White House press conferences have taken urges us to be circumspect, lest camera coverage catalyze House of Representatives' proceedings into staged news events.

Daniel J. Boorstin, noted scholar and Librarian of Congress, cautions the television "afflicts us with chronological myopia" through its singular emphasis on the here and now. Boorstein adds: "Television tends to make us objects and not subjects, to make each of us a target and not a bow." He concludes:

"Blessed and afflicted by mechanical ingenuities of our own making, blessed and afflicted by a gargantuan appetite and a New World enthusiasm for novelties, we Americans are being tested. Can we survive the transformation of experience which television has brought us? Can we keep a healthy appetite for the whole human experience, a will to explore the whole human past, a determination to let nobody choose our thoughts for us?"

The problems noted by these commentators were of great concern to the subcommittee. Our society in general, and Congress in particular, consistently must be cognizant of television's emphasis on the dramtic everpresent. Each message, program, and commercial contradictorily reiterates that it is the most important message in our lives, to be immediately replaced in the next microsecond by yet another "the most important message in our lives' ad infinitum. This constant insistence on an implied value system anesthetizes our intelligence, turns us into believers rather than thinkers, patients rather than agents, observers rather than participants. The result is that, instead of experiencing reality so rapidly that we do not have time to reflect, we are experiencing fantasy so quickly we have time only to react.

Television, clearly, is a medium to be dealt with slowly and carefully by the House of Representatives. It is a medium so important to our society that it cannot be ignored. For at least 58 percent of the American people, television is a major source of news; for 36 percent television is the only source of news. Such a popular medium is important in relaying the activities of the nation's leaders to their constituents. As the subcommittee report notes, "By agreeing to the resolution [televising House sessions], the House reaffirmed its commitment to open government and to a fundamental tenet of democracy—that success of popular, representative government depends upon an informed electorate." There is a considerable precedent to televising legislative proceedings: The United Nations, the Canadian House of Commons, and forty-five state legislatures televise all or part of their sessions.

A careful study of these bodies' experiences with television, particularly that of the Canadians, led the subcommittee to its fundamental recommendation. The Speaker should implement a House operated television system, which would provide complete, unedited "feeds" to the news media to use as they see fit. The management and oversight of the House television system should be turned over to a House committee that can give undivided attention to problems of House broadcasting, at least for several years.

There are, theoretically, many methods for televising House sessions, but four seem most practical use of the Public Broadcasting Service or one of the public broadcasting stations, creation of a new public commission or corporation; use of a network pooling arrangement; or the establishment of a House of Representatives television unit.

The Public Broadcasting Service is understandably reluctant to undertake televising House sessions. On two occasions, PBS has declined to undertake the responsibility, saying that to do so would cause the public to perceive "public" television as "government" television PBS is federally funded and, as the presidents of PBS and its Washington station, WETA, have written, the public might sense a tie between funding and influence, inaccurate as such a perception might be. Implied, of course, is the fear that congressional funding might lead to congressional attempts to influence PBS conduct. Implications of such influence would be harmful to both PBS and the House of Representatives.

The alternative of creating a quasi-public commission or corporation would require statutory approval. Creation of a corporation would raise difficult legal questions about such matters as disposition and holding of capital stock. A commission would require annual funding by Congress. For propriety's sake, its members would have to come from Congress and such organizations as the broadcasting industry, public broadcasting, broadcasting labor unions, and others. The problems associated with the creation of either a quasi-public corporation or commission make them relatively unattractive choices.

By contrast, the alternatives of choosing a network pool or House of Representatives unit to handle the broadcasting both seem more attractive. Both methods have their shortcomings but, for some crucial reasons, the subcommittee favored turning over broadcast responsibilities to a House unit.

Witnesses before the subcommittee assured it that any group of television professionals could solve the technical problems and provide broadcast quality tapes of House sessions. On this count, then, either a House unit or a network pool would be acceptable. Either alternative would be expensive in terms of immediate capital investment costs and eventual maintenance and capital replacement requirements. Start-up costs for an in-House system have been estimated roughly at an initial $700,000 to $1,100,000. Because the networks would provide their own cameras and equipment, the initial year's cost to the House would be a payment of $330,000 to the networks for supplying a television feed. In either case, funds for lighting and sound improvements would have to be added to the cost. It should be noted that the higher initial cost of the in-House system would be partly offset because the House would not have to pay the network pool a fee for feeding the House's closed-circuit system and because House control would make it easier to coordinate record keeping functions.

When considering other criteria, a network pool alternative does not fare well. An important consideration in broadcasting of House sessions is that the coverage be made equally available to all broadcasters. Some independent broadcasters have expressed concern about their ability to obtain access at a reasonable cost from a network pool. The networks insist that a pool would deal equitably with all, but the network pool approach would give the appearance of monopoly control by one part of the industry. Additionally, the freedom of camera range demanded by the networks in order to provide pool coverage would necessarily impose editorial decisions in terms of where the cameras would focus and when. Such edited television coverage is not consistent with the fundamental purpose of House broadcasting.

It is most important that any broadcast system provide complete, gavel-to-gavel coverage. The House would benefit from closed-circuit televising of debate, and the public at large from a permanent audio and visual record. The networks, of course, prefer to televise the House only when the proceedings are considered newsworthy, although they have agreed, for a fee, to provide gavel-to-gavel coverage. Similarly, there is no guarantee of a long-term commitment for permanent telecasting of the House for record keeping purposes in a network pool system. Networks could withdraw, leaving the House with no system to continue its own visual record.

Once a network system were installed, the House of Representatives would be bound by the terms of a contract of limited duration. There would be no assurance that network coverage would not be interrupted by union problems or the inability to renegotiate acceptable contracts. In other words, there would be no guarantee that the permanent visual record of the House of Representatives would be uninterrupted. Should the networks withdraw, the House would be left with no system to continue its historical visual archives of legislative proceedings. To concentrate such power over the fate of the lasting chronicle of a legislative body of our government in the hands of the networks seems an overreaction to the demands of the broadcast industry for first amendment rights.

There are other emotionally charged arguments on both sides of the debate over whether a network pool or the House itself should provide broadcast coverage of its sessions. On the one hand, some argue that House control of broadcast coverage raises first amendment questions and that it is wrong to prevent broadcast journalists from focusing their attention on whatever they deem newsworthy. On the other hand, some are concerned that a network pool would produce coverage that would be unbalanced, biased, deliberately unfair, or damaging to particular members.

At the root of these arguments, the subcommittee concluded, is a misunderstanding of the fundamental purpose for covering the floor proceedings of the House. The objective is to provide a completely accurate and unedited record of House proceedings. Under an in-House system, the House would not edit the coverage—its responsibility is simply to see that a complete version of its sessions is produced. The broadcast media would have access to the unedited coverage of proceedings to edit and use as they see fit. As the subcommittee report says:

"We wish to make this record available to House members and staff through the closed-circuit system, to the American public for its enlightenment and education, and to the news media for legitimate and constitutionally inalienable use. We do not view the floor proceedings of the House as a staged news event, like a White House conference, or as an impromptu news event, like a flood or a snowstorm."

Schorr has noted that television cameras tend to alter the landscape into which they are admitted. They tend to ignore complexities and to prefer their own simplified ver-

sion of events. Similarly, a congressional correspondent for a major weekly periodical told media researcher Dr. Robert O. Blanchard: "Radio and TV coverage of congressional affairs is viewed pretty much as to what makes a good show. The ultimate end of the broadcast medium is to entertain and only incidentally to instruct." Another correspondent for a major midwestern metropolitan daily newspaper bluntly told Dr. Blanchard: "TV is always looking for a 'hot-shot' incident."

In light of these problems inherent to television, it behooves the House to move carefully in the matter of televising House sessions. Its members are responsible for upholding the dignity and decorum of the House chamber. They are also responsible for protecting the legislative procedure from being altered to accommodate outside interests. Columnists Jack W. Germond and Jules Witcover aptly summarized the subcommittee's thoughts:

"The real concern of reasonable men and women is that a network pool, news-oriented as it inevitably would be, would not be satisfied to function merely as a recorder of a live event. Rather, the pool would seek out scenes of drama, poignancy, humor, anger and the whole range of human emotions that could boost the entertainment quotient of the daily routine—but distort the substantive."

The television news departments are not to be faulted for their attitudes. Their problems are part of what Frank Mankiewicz and Joel Swerdlow call the dilemma of television newsmen:

"They want to present the news, they want to keep it in perspective, but they are also a part of television, an entertainment medium depending at all times—including during news broadcasts—on attracting the largest possible audience to deliver to an adviser. Since news is part of an entertainment medium, it must be entertaining."

But the fact of the matter is that the purpose of the legislative process is to create good and just laws. It is therefore not often "entertaining" in the sense of television programming for prime time. The legislative process is, and should be, more often than not, slow laborious, and ponderous. It should remain deliberative, and congress must take steps to assure that the process is not changed merely to accommodate television.

Television broadcasting, of course, presents some unique problems for the House of Representatives. From a practical standpoint, there are some basic technical problems that need to be solved before adequate television news coverage of the House chamber can begin. Present lighting and microphone conditions are inadequate for broadcast quality taping. The contrast with studio quality would be magnified when footage from the House chamber is excerpted and introduced from the optimum conditions of the network studio. Lighting conditions are the most critical of these technical concerns. Test broadcasts showed that the overhead lighting in the House chamber creates deep shadows at the eyes and chin, sometimes rendering pictures of members unrecognizable. Microphones in use present similar problems. The subcommittee report notes: "We have seen demonstrations in which whole sentences are completely lost." The subcommittee also determined that the House must find some means to control the cameras to ensure proper framing of the members and prevent amateurish pictures unworthy of the House chamber—and unfavorable in juxtaposition with network studio production techniques. The report summarized: "It would be irresponsible and a disservice to the public, as well as an embarrassment to the House, to broadcast coverage of the House floor until these problems are reasonably resolved."

We can learn from the Canadian Parliament, which chose to operate its own television system. The results have been so successful that the Canadian Broadcasting Corporation is running an hour's excerpt weekly on Sunday nights, during prime time. The system has not deprived newsmen of useful, occasionally lively, taped segments for their use. And, most importantly, the legislative system has not been drastically altered. We should seek similar results. They will not be simple to achieve because the effects of television are inevitably powerful and not readily measurable. If properly implemented, a television system in the House can have a salutary effect on our legislative process and an important educational value for our people.

The goal of the House of Representatives in televising daily floor proceedings is justifiably different from that of the news media. We must create an objective and unedited record without permitting an intrusion of the media into our legislative activity. It is imperative that the traditions of our legislative proceedings be shaped by well-reasoned change brought about by the needs and priorities of the legislative system itself—rather than by the technological requirements of the broadcast media.

The decision of the committee in recommending to the Speaker a House-operated broadcasting system is the best reconciliation of the public interest and the preservation of the integrity of the House of Representatives as a democratic institution—one which has consistently demonstrated an adaptability to the contemporary needs of a dynamic society throughout two centuries of our history.●

CONGRESSIONAL ATTEMPTS AT TAX REVISION

HON. JOSEPH D. EARLY

OF MASSACHUSETTS

IN THE HOUSE OF REPRESENTATIVES

Wednesday, August 16, 1978

● Mr. EARLY. Mr. Speaker, after many months of anticipation the House passed a tax bill that pales in comparison with previous Democratic tax revision efforts. Notions of fairness and progressivity gave way to the dissatisfaction of a growing number of upper income bracket Americans who would prefer a lower tax rate but rarely believe that a sacrifice is also a necessary component of any fiscal policy.

The bill, H.R. 13511, does substantially change the capital gains tax law and cuts individual and corporate taxes. Hopefully, these reductions—$16 billion in 1979 and $19 billion in 1980—will help control inflationary pressures on the economy, stimulate new investment and produce new jobs. I voted for the bill with some reservations realizing that the tax bracket revisions gave insufficient relief to the average taxpayer while handsomely cutting taxes for those in the $50,000 and above income tax brackets. Combined with the increase in social security payroll taxes effective this January 1, most Americans will obtain little tax relief under this legislation.

Those Americans with a family of four earning between $10,000 and $15,000 a year will receive a slight $34 to $35 tax reduction in 1979 while those in the $50,000 and above range will receive reductions of $215 or more. This is unfair and detracts from the Democratic Party's tradition of supporting a progressive tax system. We are, in effect, placing a greater fiscal squeeze on the average wage-earner whose discretionary spending power has already been reduced by inflation and rising taxes.

Mr. Speaker, there was little doubt that the social security trust funds needed an infusion of new revenues. The Congress passed legislation shoring up a faltering system but unwittingly raised the payroll taxes to an exorbitant level. Coupled with inflation, many taxpayers pleaded with the Congress to offset this sharp rise in payroll taxes. I, and many of my colleagues in a Democratic Caucus meeting, voted to request the Ways and Means Committee to report legislation that would effectively reduce the impact of those prospective payroll tax increases.

The committee faltered on this important issue by a single vote. In an unflattering display of strength the Rules Committee, again by a single vote, failed to make in order an amendment that would have given the average taxpayer a means of counterbalancing the 1979 social security tax increases.

It was unfortunate that I and many of my colleagues, were reduced to casting a negative vote in reference to the previous question prior to adopting the rule in an effort to focus attention upon the negative impact of previous legislation and its potential vice-like grip on the purchasing power of the average wage-earner. This Democratic Congress failed to report the best possible legislation at a time when many taxpayers have looked to the Congress for fiscal restraint and relief.

We should have incorporated a social security payroll tax credit refund for both employees and employers along with a greater degree of tax reductions for the lower income brackets. The House missed its opportunity to redeem itself by rejecting an alternative Democratic tax proposal. All other amendments, and including the committee package, paled in comparison to this proposal. The facts and figures make it obvious that America needs tax relief and not special interest legislation. The alternative Democratic amendment, coupled with a social security tax credit refund, would have given a $263 tax reduction to a family of four earning $10,000. It would have reduced the combined income tax and social security tax burden of a family of four earning $15,000 by $233. This alternative proposal also would have redistributed the tax cuts more equitably in accord with past Democratic tax legislation.

Under the Democratic alternative, 87 percent of all taxpayers with incomes below $50,000 would have received larger tax cuts. More specifically, those taxpayers earning $20,000 or less would have received 38 percent of the tax cuts under the Democratic package. This amendment would have been particularly meaningful to a majority of taxpayers in light of the fact that the national median family income is approximately $17,000. Instead, this chamber defeated the Democratic alternative and consequently saddled most Americans with higher taxes in uncertain economic times with the knowledge that double-digit inflation might be just around the corner.

Mr. Speaker, this bill does have its fine point, though I am not convinced that they outweigh the disservice that the House did to most wage earners in passing the Revenue Act of 1978. Increasing the personal exemption from $750 to $1,000 per dependent; alleviating the terrible tax burden placed on many moderate income Americans when selling their homes after raising a family, and extending, and making permanent, the earned income credit all redound to this chamber's reputation as being fair to all taxpayers. Targeting the jobs credit primarily to urban areas with large numbers of unemployed youths and minorities and to those on fixed income programs, such as the handicapped, are all worth the highest praise of any Member of this Congress. Other areas, such as capital gains taxation, though disputed by the Treasury Department and some economists, as embodied in this legislation illustrates a restrained effort by the Democratic majority to remove some of the barriers to increased investment.

If, as we are led to believe, investment increases as a result of these tax revisions, and new jobs are subsequently created, we may take some satisfaction in the knowledge that the Democratic Members of the House averted a stampede to slash the capital gains tax from a maximum of 48 percent to 25 percent. In the process we have maintained some manner of rational discussion based on the historical performance of the stock market rather than on the false assumptions of an econometric study.

In my own mind, the burden of proof now rests within the business community which has clamored for this type of reduction and which now has the responsibility of fulfilling promises of a predicted resurgence in capital investment and the creation of new jobs. Anything less would be an appropriate signal to the Congress that additional congressional intervention in the area of capital investment and capital formation is needed if the economy is to advance from its present economic doldrums.

Perhaps the most glaring error in this particular area of tax law, and which may have been partly obscured by the attention focused on the capital gains debate, centers on the minimum tax. The alternative Democratic amendment would have imposed a tougher minimum tax for those who do not pay regular tax liability on their capital gains. A sliding scale of 5 percent to a top rate of 17½ percent—a maximum rate payable only on gains of $800,000 or more—was preferable to the committee's microminimum tax of 5 percent. The committee's package, in this respect, gives over 75 percent of its tax reductions to those with incomes over $100,000. It would have affected just 49,000 taxpayers as compared to the 168,000 that would have been affected by this Democratic alternative. I believe that incentives to invest can be stimulated without capitulating to the super rich.

Mr. Speaker, it was with some reluctance that I finally conceded that the only means of expressing my dissatisfaction with the committee's efforts and with the failure of this Congress to continue a tradition of progressivity and fairness in the area of tax legislation, was to vote for a motion to recommit with instructions. This indirect vote upon the Kemp-Roth proposal offered a negative alternative for expressing my frustration with the pittance that has been offered to the vast number of taxpayers in times of high unemployment, rising inflation, and rising taxes. In comparison to the committee's proposal, which was the only other alternative after defeat of more generous and justified tax reductions, this motion to recommit offered an opportunity for members to register their discontent with the complete tax package.

The Kemp-Roth proposal, with all of its economic liabilities, at least offered a greater degree of tax relief to all Americans than did the committee bill. A tax reduction of $131 for a family of four earning $15,000 annually under the Kemp-Roth plan would be far more justifiable than a miserly reduction of $35 under the committee proposal. Only the Democratic alternative, coupled with a social security tax credit refund, offered a better solution—a reduction of $233 for a family of four earning $15,000.

I am sure that no one will dispute the argument that you cannot drastically cut revenues without first knowing what your spending priorities will be for the future. Under the circumstances, however, some members in this chamber, including myself, had only a negative means of registering our strong dissatisfaction with a Democratic Congress' apparent inability to report legislation geared to the needs of the average taxpayer.

In concluding, I must confess to some misgivings about the great flurry of activity that characterized the prolonged debate surrounding this legislation. Initial hopes that an infusion of general revenues and a rollback in the social security taxes would be enacted by this Congress gave way to a discussion of capital gains tax revision. Relieving the tax burden of those Americans with the least amount of discretionary spending was side-tracked; rising inflation prompted a paring back of the size of the tax cut. In the end, all the noise generated by the discussion of economists over capital gains drowned out the public's clamor for tax relief from anticipated social security taxes and rising Federal income tax rates.

We have strived mightily to alleviate the burden that weighs so heavily upon the middle- and low-income groups in this country and yet have produced a bill that retains little of its original impetus that motivated this Congress to undertake such a crucial and necessary reordering of the Nation's tax burden. What began as a mighty loud noise in the Halls of Congress has ended on nearly a whisper. The strivings and schemes of this Congress to revise the present tax laws have fallen far short of their original goals. Indeed, Mr. Speaker, to paraphrase a twentieth century poet, we have ended our tax debate "* * * not with a bang, but a whimper."●

PHIL CRANE'S CANDIDACY

HON. BENJAMIN A. GILMAN

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Wednesday, August 16, 1978

● Mr. GILMAN. Mr. Speaker, on August 2, in the Capitol, I had the honor of witnessing an impressive pronouncement by a gentleman who I highly regard as he announced his candidacy for the most important job in the Nation, if not the world.

The gentleman from Illinois, PHIL CRANE, delivered a stirring address as he threw his hat into the political ring, officially commencing a campaign which he hopes will land him in the White House in 1981. The gentleman from Illinois presented the working press and America with a blunt statement of fact and principle as he formally declared for the Presidency.

Mr. Speaker, at this point in the RECORD, I would like to share Mr. CRANE'S remarks with my colleagues:

STATEMENT OF THE HONORABLE PHILIP M. CRANE

Let us inventory our goodness as a people uniquely blessed by accident of birth or the fortune to find sanctuary within our borders.

It was not natural endowment which made us good; it was not the absence of adversity which made us good; it was not material comfort which made us good.

We began as God-fearing people; we remain God-fearing people; our finest institutions reflect this.

We cherished liberty. From this rock upon which our national faith rests proceeds all else: our righteousness, our responsibility, our compassion, our justice.

We acknowledged that from love of God we learn love of self; from love of self we learn love of family; from love of family we learn love of country; from love of country we learn love of all mankind.

This has led us to sacrifice our blood and treasure on every continent of the globe. It has led us to open our doors to the friendless of the world. It has led us to extend a helping hand to the suffering in every corner of the earth. Further, acknowledging our imperfections, we structured institutions designed to prevent trespass but leave men otherwise free to realize the fulfillment of their individual hopes and aspirations. These became the ingredients of the American dream: opportunity, industry, mobility, jobs and growth.

But where do we stand today? Our leaders appear filled with self-doubts about the future. Our institutions are working to deny individual fulfillment through confiscatory taxation and excessive regulation. We would appear to have forgotten from whence we came and thus know not where we are nor where we are going.

I issue a call to all Americans to remember their heritage. We must recreate the conditions that catapulted us to the primacy of nations. We must rediscover those elements which made this nation the world's last best hope and which will preserve America as the world's best hope for ourselves and our posterity.

Just a few moments ago in the old House chamber on the very spot where another Illinoisan worked as an obscure legislator from the prairie, I told friends, family and supporters that I would be a candidate for the office of the President of the United States.

My candidacy is a commitment to our future. A restoration of the American dream to its proper custodian—the American people. A commitment that, as a free people liberated from excessive government, we can achieve and together embark on the greatest, most exciting, productive century our Nation has ever known.

My candidacy is dedicated to the principles our country was founded on and to my wife Arlene and eight children—our faith in the future. May they, and unborn generations, be ever vigilant to the need to keep our nation strong, just, compassionate, free and a beacon of hope to humanity.●

PERSONAL EXPLANATION

HON. RONALD A. SARASIN

OF CONNECTICUT

IN THE HOUSE OF REPRESENTATIVES

Wednesday, August 16, 1978

● Mr. SARASIN. Mr. Speaker, I was absent for part of the legislative session of the House of Representatives on August 3, 1978. Had I been present, I would have voted in the following fashion:

Rollcall No. 646: H.R. 12931: Foreign assistance appropriations. The House agreed to an amendment that reduces total appropriations not required by law for Foreign Assistance Act activities by 2 percent, except for economic support funds for Israel, Egypt, and Jordan, "yes."

Mr. Speaker, on August 4, 1978, I was absent from the legislative session of the House of Representatives. Had I been present, I would have voted in the following fashion:

Rollcall No. 647: H.R. 12931: Foreign assistance appropriations. The House agreed to resolve itself into the Committee of the Whole, "yes";

Rollcall No. 648: H.R. 12931: Foreign assistance appropriations. The House agreed to an amendment, as amended by a substitute, that reduces foreign military credit sales appropriations by $12.6 million, and that provides that not more than $2.5 million of the appropriations shall be available for Jordan, "yes"; and

Rollcall No. 649: H.R. 13635: DOD appropriations—The House agreed to the rule (H. Res. 1291) waiving certain points of order against the bill, yes."

Mr. Speaker, on August 7, 1978, I was absent from the legislative session of the House of Representatives. Had I been present, I would have voted in the following fashion:

Rollcall No. 650: H.R. 13635: DOD appropriations. The House agreed to resolve itself into the Committee of the Whole, "yes";

Rollcall No. 651: H.R. 13635: DOD appropriations. The House agreed to an amendment that increase the appropriations for the incentive programs of the Reserve and Guard Components by $15.5 million, "yes";

Rollcall No. 652: H.R. 13635: DOD appropriations. The House rejected an amendment that sought to reduce appropriations not required by law for military personnel by 2 percent, "no";

Rollcall No. 653: H.R. 13635: DOD appropriations. The House agreed to an amendment that increases Army operations and maintenance appropriations by $18 million, "yes"; and

Rollcall No. 654: H.R. 13635: DOD appropriations. The House rejected an amendment that sought to strike the $2.1 billion appropriation for the CVN–71 nuclear aircraft carrier program, "yes."

Mr. Speaker, on August 11, 1978, I was absent from the legislative session of the House of Representatives. Had I been present, I would have voted in the following fashion:

Rollcall No. 686: Journal. The House approved the Journal of Thursday, August 10, "no";

Rollcall No. 687: H.R. 11280: Civil service reform. The House agreed to the rule (H. Res. 1307) under which the bill was considered, "yes";

Rollcall No. 688: H.R. 11280: Civil service reform. The House agreed to resolve into the Committee of the Whole, "yes";

Rollcall No. 689: H.R. 11280: Civil service reform: The House agreed to a motion to table a motion to reconsider the previous vote, "yes"; and

Rollcall No. 690: H.R. 13007: Electronic fund transfers. The House passed the measure to amend the Consumer Credit Protection Act to establish rights, remedies, and responsibilities for all participants in the utilization of electronic fund transfer services, "yes."

Mr. Speaker, on August 14, 1978, I was absent for part of the legislative session of the House of Representatives. Had I been present, I would have voted in the following fashion:

Rollcall No. 696: H.R. 12931: Foreign assistance appropriations. The House rejected an amendment that sought to prohibit the use of funds to provide, review, or administer any assistance, credits, guarantees, or insurance in or for Panama, "no";

Rollcall No. 697: H.R. 12931: Foreign assistance appropriations. The House rejected an amendment to the previous amendment that sought to reduce total appropriations not required by law by 8 percent, "no";

Rollcall No. 698: H.R. 12931: Foreign assistance appropriations. The House agreed to an amendment, as amended by the Harkin substitute, that reduces total appropriations by 2 percent, except for areas or programs reduced by 2 percent by previous amendments agreed to in the Committee of the Whole, "yes"; and

Rollcall No. 699: H.R. 12931: Foreign assistance appropriations. The House agreed to the Young amendment, as amended by the Harkin substitute, that reduces total appropriations by 2 percent, except for areas or programs reduced by 2 percent by previous amendments agreed to in the Committee of the Whole, "yes."●

WYOMING OPTOMETRIST HONORED

HON. TENO RONCALIO

OF WYOMING

IN THE HOUSE OF REPRESENTATIVES

Wednesday, August 16, 1978

● Mr. RONCALIO. Mr. Speaker, it is a pleasure for me to congratulate Dr. James Boucher, of Laramie, Wyo., on receiving the National Optometrist of the Year Award from the American Optometrist Association at the association's 81st annual Congress held in New Orleans, July 20, 1978.

This award singles out 1 of some 21,000 optometrists in the Nation, who has made significant and lasting contributions not only to the optometry profession, but also to the community and the public. I would like to cite some of the highlights of Dr. Boucher's outstanding career and impressive list of accomplishments for my colleagues in the House, so that we can understand and appreciate the appropriateness of honoring Dr. Boucher with this fine award.

Dr. Boucher received his BS degree in math and physics from Ohio Wesleyan University and the Doctor of Optometry degree from the Southern College of Optometry of Memphis, Tenn. While studying for his masters degree in physiological optics at Indiana University, Dr. Boucher received a NASA fellowship for his research in optometry.

Dr. Boucher established his successful practice in Laramie, Wyo. in 1966. He is the immediate past president of the Wyoming Optometric Association and was the 1978 Optometrist of the Year for Wyoming. He has served on some 30 State and national advisory boards and committees in the field of optometry.

He is a faculty member of the University of Wyoming, lecturing in the visual field for physiology and psychology classes. He currently serves on the Food and Drug Administration's Opthalmic Devices Panel; is a correspondent for the National Academy of Science National Research Council's Committee on Vision and serves as coordinator for Optometry studies for the Western Interstate Commission for Higher Education. He is an honorary member of Alpha Epsilon Delta Premedical Honor Society at the University of Wyoming.

Dr. Boucher has had an active and distinguished career in public service on the local and State levels. Dr. Boucher serves on the board of trustees for Albany County Memorial Hospital; the advisory board for the Southeastern Wyoming Mental Health Center; and the Albany County Mental Health Board. He is a member of several service organizations in Laramie and has done extensive volunteer work in the schools, with 4–H groups and other clubs, coordinating vision-screening projects and educational programs on eye care and disease prevention. He served as the State chairman for the Jaycees' "Arrest Amblyopia" program.

As an Albany County representative to the Wyoming State Legislature, Dr. Boucher diligently worked for passage of laws requiring continuing education for optometrists for relicensure to practice in Wyoming; authorizing the State of Wyoming to contract for position in out-of-State optometry schools for Wyoming students, and extending the State medicaid services for optometric patients over the age of 21.

Mr. Speaker, I am sure that my colleagues in the House join with me in commending Dr. Boucher for his fine career as an optometrist and public servant and in congratulating him on this

deserved honor as National Optometrist of the Year Award.●

MIKVA MARVELS BEAT THE NATIONAL RIFLE ASSOCIATION

HON. ABNER J. MIKVA

OF ILLINOIS

IN THE HOUSE OF REPRESENTATIVES

Wednesday, August 16, 1978

● Mr. MIKVA. Mr. Speaker, last night a bit of history was made in Washington. One of the legendary powers in the annals of Washington politics, the National Rifle Association, traveled across town from their command post at 16th and Rhode Island to Anacostia Park, where they played the Mikva Marvels' softball team.

To the casual observer, it might have looked like just another softball game. But the uniforms told another story. There, on one side of the field in Anacostia Park, was an army of white shirts with the insignia of the National Rifle Association—the emblem for a million NRA members who send antigun control mail to their Congressmen faster than George Allen trades away draft choices.

There, on the other side of the field, representing 80 percent of all Americans who favor stronger gun control laws, was the courageous Mikva Marvels—clad in multicolored shirts and banners proclaiming the indisputable fact that "People kill People, with Handguns."

The NRA was well-represented. Their heavy hitters were there—among them, their executive vice president, Harlon Carter, and their executive director, Neal Knox.

But if there were worried looks behind the ostensibly optimistic smiles of the NRA team, there was good reason. This contest, after all, was being played out in the open, for all to see, and no paper blitz of mail was going to keep the Marvels from scoring. Moreover, the game was being played in Washington, a city with one of the strictest gun control laws. The weapons for this contest were restricted to baseball bats, gloves, and balls, no doubt putting the NRA at a disadvantage.

With a CBS television camera set to record this historic event, the Mikva team took the field. In the top of the first, the NRA went down one, two, three—possibly the first time the rifle association had been shut out in Washington in this century.

The Marvels struck quickly in their half of the first, sending two runners safely across homeplate—a symbolic testimonial, as it were, to how much safer our homes would be if there were a Federal law banning handguns.

For the next four innings, the score remained 2 to 0. Then, in the sixth, the Marvels broke the game open with an awesome display of power, the kind of power so often attributed to the NRA. Before the inning was over, the shell-shocked NRA team was on the short end of a 7-to-0 score.

The NRA managed three consolation tallies in the last inning but the final 7-to-3 score was conclusive. As ironies would have it, the margin of victory was about the same as the proportion of Americans who want Congress to pass stronger gun control laws.

This proves conclusively that the NRA is just a paper tiger. They may have the fastest mimeograph machine in the western world, but they are short hitters when the game is really played.

Can one game make a difference? Only time will tell. But today the gun control movement knows that the NRA can be defeated, and their hats are off to all of the Marvels—Steele, Lyons, Meltzer, Horwitt, Bland, Schroll, Bonder, Fox, Herrick, Love, Toye, Robbins, Green, Phelan, Green, Silverman, and Graykowski.●

LEGISLATION NEEDED TO PREVENT DISCLOSURE OF IDENTITIES OF CIA AGENTS

HON. ROBERT McCLORY

OF ILLINOIS

IN THE HOUSE OF REPRESENTATIVES

Wednesday, August 16, 1978

● Mr. McCLORY. Mr. Speaker, on behalf of my colleagues, BOB WILSON of California, JOHN ASHBROOK of Ohio, KEN ROBINSON of Virginia, and myself, I am introducing today legislation to protect the confidentiality of the identities of individuals engaged in foreign intelligence activities on behalf of the United States.

The highly offensive and traitorous conduct of Philip Agee, a former employee of the CIA, in disclosing the names and identities of individuals with whom he worked in the CIA has caused distress and anguish to many scores of individuals who are serving or have served our Nation as intelligence officers or employees. Their families have experienced similar suffering.

Mr. Speaker, for one such as Philip Agee to violate an agreement of secrecy and confidentiality which was an explicit condition upon which he was employed by the CIA is an offense which deserves the sternest punishment under the laws of our Nation. Unfortunately—and amazingly—it is not at all clear that Agee's actions violate existing criminal statutes.

Mr. Speaker, in an effort to halt abuses such as Philip Agee has committed, I am introducing a measure to specifically prohibit the unauthorized disclosure of the identities of CIA agents and others who work undercover for our country in vital foreign intelligence and counterintelligence activities. I am pleased and honored that my Republican colleagues on the House Permanent Select Committee on Intelligence are joining as cosponsors.

Mr. Speaker, I am sure that I speak in behalf of most, if not all, of my colleagues when I say that we are outraged to learn that Philip Agee is now about to publish a new book entitled "Dirty Work" in which he, together with Louis Wolf, undertake to name names and expose activities of the CIA in Western Europe.

Mr. Speaker, my friend, Gen. Richard G. Stilwell, president of the Association of Former Intelligence Officers, has brought this to my attention as well as information regarding the new publication produced here in Washington, D.C., entitled "The Covert Action Information Bulletin."

Mr. Speaker, I am hopeful that the legislation which we are introducing today will be available for use against Philip Agee and others of his ilk. As a member of the Legislative Subcommittee of the House Permanent Select Committee on Intelligence, I hope that early hearings may be held on this measure and that it may be speedily enacted into law for the benefit of the CIA and the Nation. A short section-by-section analysis of the bill follows:

SECTION-BY-SECTION ANALYSIS OF H.R. —

(By Mr. McClory)

The bill adds a new section—Section 800—to Chapter 37 of Title 18, United State Code. (Chapter 37 contains laws relating to espionage.)

Subsection (a)(1) defines an offense. Subparagraph (A) applies to current or former intelligence agency employees; subparagraph (B) applies to any person.

Under subparagraph (A), anyone who received authorized access (i.e., present or former employees) to classified information regarding the identity of an intelligence agency employee (i.e., an intelligence agent operating under cover), associate (i.e., an intelligence asset), or associated entity (i.e., a front corporation), and who disclosed such information without authorization would commit a crime.

Under subparagraph (B), anyone—with or without authorized access—who disclosed classified information identifying an intelligence agency agent or associate, who knew or had reason to believe that such information was classified, and who knew or had reason to believe that such disclosure may prejudice the life or physical safety of the individual identified would be guilty of a crime.

Subsection (a)(2) states that it is not a criminal offense to disclose this type of information to the congressional intelligence committees, to a court pursuant to a court order, or to a Federal law enforcement officer pursuant to a court order.

Subsection (b) establishes the penalty for violation of this new law: $10,000 fine, ten years imprisonment, or both.

Subsection (c) establishes Federal jurisdiction if the new law is violated anywhere in the world by a United States citizen or an alien admitted to the U.S. for permanent residence, or if violated by anyone within the United States.●

A TRIBUTE TO JIM BOLLING

HON. CLEMENT J. ZABLOCKI

OF WISCONSIN

IN THE HOUSE OF REPRESENTATIVES

Monday, August 14, 1978

● Mr. ZABLOCKI. Mr. Speaker, Mrs. Richard Bolling was a vibrant person, intelligent, dedicated, and at the same time compassionate. It was a privilege to have known her as a friend.

Jim served her country with distinction both in her own right and in partnership with our esteemed colleague,

DICK BOLLING. She was active in politics and a significant contributor to the causes in which she believed both before she came to Washington and since joining our ranks in the Nation's Capital.

As a full time, though unpaid, executive assistant in DICK BOLLING'S congressional office, as well as a loving wife, she exemplified the truism that a husband's success is due in good measure to the wife who stands with him.

I share in the grief at her passing and extend deepest condolences to DICK and other members of the family.●

MARY J. LYNASS WINS TOP HONOR IN WRIGHT ESSAY COMPETITION

HON. JIM WRIGHT

OF TEXAS

IN THE HOUSE OF REPRESENTATIVES

Wednesday, August 16, 1978

● Mr. WRIGHT. Mr. Speaker, every year for the past several years it has been my privilege to sponsor a congressional essay contest for high school students in my hometown of Fort Worth, Tex., and surrounding communities, inviting high school students in Tarrant County to write on one of a selection of public affairs topics.

Once again this year I was delighted not only with the volume of responses but also with the thoughtfulness, the perceptiveness, and the patriotism reflected by the entries. Choosing the winner was a tough job, and I am happy to salute Miss Mary J. Lynass, daughter of Mr. and Mrs. Jerry Lynass, 3805 Wren, Fort Worth. First runner-up was Bryan Blakeman of 2941 Louis, son of Mr. and Mrs. Jim Blakeman. Erin Owen, daughter of Mr. and Mrs. David Owen, of 3809 Summercrest, was second runner-up. James Hyde, son of Mr. and Mrs. Paul Hyde, 4536 Cloudview, was third runner-up.

Seven other students gained honorable mention. They are Donna Connally, 1725 Ash Cresdent, Fort Worth; Emily Conrad, 1605 Ems; Rene Holaday, 7038 Glenview; Carole Raulston, 6267 Halifax Court; Robert L. Seibert, 4104 Winding Way; Laurie Stockton, 6833 Fortune Road; and Bill Stuckert, 3117 Odessa.

Mary Lynass' essay follows:

CONSCIENCE OR CONSTITUENCY? HOW SHOULD ELECTED OFFICIALS DECIDE?

(By Mary J. Lynass)

Slightly over two hundred years ago, courageous men risked death as traitors by signing a piece of paper. That simple parchment declared the integrity of all mankind. With that act, the United States of America came into being. Yet the very name of the thirteen former colonies posed a contradiction. These states united almost solely in their opposition to England. This sectionalism still exists today. In each state's attempts to better itself, it often forgets that it is a part of the "United States." Cooperation usually prevails; yet when it fails, each congressman must consider the special interests of his constituency versus the good of the nation.

While campaigning for office, a candidate makes many promises. Sometimes these take only hard work, resolve, and time to fulfill. Other times, upon investigation, they prove impossible. Yet the prevailing candidate must seriously attempt to meet each promise, for the indolent voter will often rely only upon media interpretations of promises. The representative elected upon high ideals must not betray his voters; he must not betray his commitments. The laws he works for must reflect his promises.

In Washington, D.C., elected men and women create laws which govern all Americans. Because these laws govern strong and weak alike, each representative must consider each act of legislation with appropriate weight. In light of this importance, a shift in voter reasoning has surfaced. Many voters are no longer content with speeches filled with predictable, unreasonable promises. These "informed" voters seek out the opinions of the candidates. Only a person of integrity and sound judgment can pass their scrutiny. Therefore, opposing those who vote along straight party lines, the "informed" electorate often succeeds in placing responsible people in office. These constituents anticipate the unpredictable; they want people able to sort facts and arrive at realistic conclusions. They do not want a party puppet to play with their lives and livelihood; they want an intelligent human being.

Once elected, this intelligent human being has access to the most current data. Therefore, his judgment must have the capacity to be well-informed rather than emotional. No matter which side the member favors, the opposition will attempt to stir the easily swayed public. Thus, the member must pit intelligence against the whims of his voters. He must risk either his seat in Congress or his integrity.

Although the representative was elected as the voice of the people, he must also protect those people. If the representative fails to change with the events, he does not serve his constituency. In light of ever changing facts and never steady public opinion, the congress member must have the courage to use his judgment for the benefit of his constituency. For just as those "traitors" signed a statement authored by a small group of men who may or may not have reflected the desires of all their fellow colonists, the lawmakers of today must have the will to look to the future, and serve each constituent to the fullest of his ability.●

ASIA-PACIFIC ENERGY BREAKTHROUGH

HON. CECIL (CEC) HEFTEL

OF HAWAII

IN THE HOUSE OF REPRESENTATIVES

Wednesday, August 16, 1978

● Mr. HEFTEL. Mr. Speaker, at a time when disputation seems to be gaining the upper hand over cooperation in dealings among individuals and institutions at home and abroad, it is heartening to be able to report on the initiation of a major effort in international cooperation in the critical field of energy, an effort that may eventually lead to fundamental improvements in the well-being, security, and economic and political stability of half the population on this planet.

Like many great undertakings that have altered the lives of nations—the European coal and steel community would be a recent example—this one began as an idea springing from the fertile imagination of an individual; he fashioned the idea into a series of reasoned proposals; those proposals were then disseminated; other individuals of stature and vision perceived possibilities, added knowledgeable opinions; and before long, a conference was convened to discuss the means by which the now firmly rooted idea might find embodiment in working institutions.

The conference was held at the East-West Center in Honolulu from July 26 through 28. In attendance were representatives from Australia, Canada, India, Indonesia, Iran, Japan, Pakistan, the Philippines, and the United States. By the time the conferees had separated, the first steps had been taken toward the formation of an Asia-Pacific energy studies consortium.

Mr. Speaker, this emerging institution is more, far more, than an academic study group. It belongs in the category of policy formation at the national level, as is indicated by the rank and caliber of the conferees. They included the Australian Minister, for National Development, the director of India's Department of Science and Technology, the Indonesian Minister of Mines and Energy, the energy adviser to the Prime Minister of Iran, the president of the Japanese Institute for Energy Economies, the chief of planning services for the Philippine Department of Energy.

The questions these technically proficient policymakers are laying the groundwork to address concern nothing less than the future of national energy policies in Asia and the Pacific—whether they are to evolve in harmony and with a maximum of effective cooperation, or whether they are to deteriorate into insular-minded and acrimonious competition that could incite internal chaos and in the external sphere, war. The alternatives are that stark, for energy is the lifeblood of any nation committed to civilized development. Once that commitment is made, as it has been throughout Asia and the Pacific, the dependence on energy increases proportionately at all levels of the economic system. More and more of it is necessary merely to survive.

One further indication of the hardheaded seriousness of this meeting was the methodical and pragmatic way in which the issues were addressed. There were no ringing declarations of the sort that bring momentary elation before evaporation like rainbows. Instead, the conferees agreed to the principle of the consortium; and before heading back to report to their respective governments, they provided for the first stages of its implementation—two working groups that will help establish overall methods and procedures for operations while tackling specific subjects of vital interest among those for whom energy policy is a tough-minded profession as well as a worthy cause.

One working group will examine energy accounting methods throughout this vast region with a view toward establishing a standard statistical basis for discussing just what resources are at their respective commands. Without such standardization, any sort of professionally meaningful dialog on energy issues is all but impossible.

The other working group will examine energy resources in rural areas, again

with a view toward establishing a common basis for comparison and research and development, including a commonly shared perception of just what energy is. In some rural locations, for instance, most energy comes from the burning of dung and wood—yet these resources may not be tabulated at the national level. Once a complete picture of rural energy resources is filled out, it will be possible to plan energy development intelligently, phasing in alternate energy systems as they are needed, with minimum social disruption and maximum cost effectiveness.

And that, of course, is but a beginning. As we all know, there is no substitute for personal contact at the policymaking level. In the few days that they met in intense discussions at the East-West Center, in many cases exchanging views with one another for the first time, individual conferees encountered numerous instances in which a pooling of information would work to their mutual benefit, avoiding expensive duplication of effort, filling in gaps, making contributions to the energy program of fellow members while acquiring needed expertise from other members. In fact, the number of participants at this inaugural meeting was deliberately held to a few of the larger nations so as to assure a maximum amount of exchange on a personal level. Later, the composition of the group will be expanded.

That the East-West Center served as the catalyzing agent for this important gathering should come as no surprise to those of us who are familiar with that institution's notable efforts, since its inception nearly 20 years ago, in fostering technical and cultural interchange throughout the Asia-Pacific area.

The energy consortium was the brainchild of Dr. Harrison Brown, director of the East-West Center's Resources Systems Institute. That institute is the latest addition to the center's complex of activities. It was launched only a year ago. The center was most fortunate in obtaining Dr. Brown as its first director. He comes to Hawaii from the California Institute of Technology, where he was professor of geochemistry and of science and government. His meritorious career also includes a position as foreign secretary of the National Academy of Sciences for 12 years, during which time he dealt directly with leaders in science and government in dozens of countries. Indeed, in preparing for this conference, Dr. Brown traveled thousands of miles, presenting the case for cooperation with the tact and intelligence which I have come to appreciate through personal encounters with him.

His success is obvious. This was truly a joint undertaking born of mutual interest and desire. Plans call for the consortium to develop on a cost-sharing basis, with no nation dominating the proceedings financially or politically. It is a measure of the respect that the East-West Center has acquired over the years that it was unanimously chosen as an ideal site for a provisional secretariat for the consortium.

Obviously, the potential of the Asia-Pacific Energy Studies Consortium is extraordinary. A hint of the range and significance of the problem that may be broached and solved is suggested by a few interrogatory statements offered by Dr. Brown during his welcoming address in Honolulu, July 26:

To what extent can developing countries increase food production utilizing indigenous energy resources for nitrogen fixation and for pumping water? To what extent can trees, sugar cane, cassava and other plants be utilized for the production of power and liquid fuels? To what extent might such approaches be effectively used to accelerate rural development in these countries? Where and how can nuclear wastes be disposed of safely in this region? Should we consider the possibility of a multinational reprocessing center to serve the needs of the area?

These questions may seem dry and technical, but the future growth and stability of the world's community of nations may well depend on the working answers to them turned up by farsighted individuals such as those who met in Honolulu a few weeks ago, and the spirit in which those answers are implemented.

So I think all concerned American citizens owe a vote of thanks to the conferees at the first Asia-Pacific Energy Studies Conference. I intend to follow the progress of the energy consortium and keep the Congress informed of relevant developments. Perhaps the occasion will arise when this body will have an opportunity to make some contribution to this laudable undertaking.●

DR. ELEANOR BLUMENBERG

HON. HENRY A. WAXMAN

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Wednesday, August 16, 1978

● Mr. WAXMAN. Mr. Speaker, at a dinner on August 29 in Los Angeles, the Pacific Southwest regional office of the Antidefamation League of B'nai B'rith will honor Dr. Eleanor Blumenberg, who is its director of education, and who is now leaving to accept the position of national director of education for the Antidefamation League. She served as a consultant to school districts and colleges throughout the 11 Western States on matters relating to intergroup relations, desegregation, prejudice and discrimination. She has conducted many training programs for both public and parochial schools and has worked extensively in programs relating to inclusion of Jews and other minority ethnic groups into school textbooks. Recently, she headed the design team for the California ethnic heritage curriculum project and is on the National Council for the Social Studies Multicultural Curriculum Guidelines Project. For the league in 1975 she served as the coordinator of a National Invitational Conference on Teaching about the Holocaust. Dr. Blumenberg has written many articles for professional journals and has received many honors, including an award from the Los Angeles City Council. She is listed in the "World Who's Who for Women," and was a delegate to the United Nations-sponsored International Women's Year Tribune in Mexico City, representing Women in International Leadership.

Dr. Blumenberg graduated from UCLA, where she was elected to Phi Beta Kappa. She received her master's degree and doctorate in education from the University of Southern California, her doctoral dissertation being "The USC Teacher Corps Rural-Migrant Program," dated June 1970. She has been the codirector of summer workshops in human relations at the University of Redlands and at Whittier College, and has taught at Claremont Graduate School and the University of Southern California. Currently she holds a part-time faculty appointment at California State University, Los Angeles. For the past 10 years Dr. Blumenberg has conducted staff training programs for city and county schools of Los Angeles, as well as the school districts throughout the West. Dr. Blumenberg's publications and activities are too numerous to list here. It is amazing to consider what Eleanor Blumenberg has managed to accomplish. Her professional affiliations include the American Sociological Association, Adult Education Association, National Council for the Social Studies and the California Council for the Social Studies, Honorary Association for Women in Education, National Association of Human Rights Workers, Association of California Intergroup Relations Educators (executive committee), Intercultural Women (executive committee), Sociology of Education Association (executive committee), Women in Educational Leadership (vice president), National Women's Political Caucus, and the California Curriculum Forum (executive committee).

Born Eleanor Blass, she is married to Charles Blumenberg, and has three children, Susan, Richard and Joan. A native daughter of Los Angeles, Dr. Blumenberg finds time for many community activities in addition to her professional and family obligations. Her contributions will be measured for many years to come in the improvement of all the facets of education in which she has involved herself, and in the lessening of racial and religious prejudices. I am very proud to bring Eleanor Blumenberg to the attention of my fellow Members and to ask them to join me in honoring her.●

AMERICA—HERITAGE, HEARTACHE, AND HOPE

HON. ROBERT J. LAGOMARSINO

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Wednesday, August 16, 1978

● Mr. LAGOMARSINO. Mr. Speaker, I would like to bring to the attention of my colleagues the following sermon, "America—Heritage, Heartache and Hope" which was preached by my constituent, Rev. Donald Hinkle on July 4, 1978.

The sermon follows:

AMERICA—HERITAGE, HEARTACHE AND HOPE

(Rev. Donald Hinkle)

"Godliness exalts a nation, but sin is a reproach to any people" (Prov. 14:34). Godli-

ness exalts a nation; nothing else will. The record of history would indicate that our nation, in a relatively short span of time, has come to an exalted position in our world! It must be because of large deposits of righteousness put into God's bank. Are we still making deposits or is it more correct to say we have been drawing on those deposits, rather heavily to this present hour, and our balance is getting low?

Of course we claim no perfection for America; far from it. But the record would indicate that as much as some other nations—and much more than most—this country has had a deep interest in the things of God and Jesus Christ. It has placed importance on promoting spiritual values, and spreading the truth as it is in Jesus, to the uttermost parts of the earth.

1. AMERICA'S HERITAGE

Preceding the outbreak of World War I, when the world was filled with crises on every hand, all pointing down the road to the inevitable conflict, a British government leader stood one evening at the window looking out over the city of London. He turned to a companion and said, "The lights are going out all over the world, and they may never be lit again in our time." Fortunately, he was wrong; they have been lit several times since then, and yet his quotation might be appropriately repeated today as we look out over a distraught, troubled and tumultuous world.

There are those who seem set upon discounting our religious heritage. They seem determined to make it appear of no significance whatsoever, even going so far as to say there never was any such thing as a religious heritage (in spite of the record.) And yet what a marvelous legacy is ours!

Looking back over history, what seemed to have been merely coincidences, turned out to be divine providences. It was no accident that America was discovered just before those terrible religious wars that broke out all over Europe after the Reformation. God was preparing a haven to which people could flee in their search for the privilege of worshiping Him in liberty and freedom. It was no accident that the printing press, with moveable type, was invented and came into being just prior to the rediscovery of the Bible in that spiritual awakening of the early 1500's. The Bible became accessible to multitudes who could read for themselves the truth being presented to them about God's salvation in Jesus Christ.

We have a rich heritage. In 1620, the first words of the Mayflower Compact read, "In the name of God, Amen." You can't start out much better than that. Some of the other phraseology goes like this: "We, whose names are written, having undertaken for the glory of God and the advancement of the Christian faith . . ." and again, "We do solemnly, and in the presence of God, covenant with each other . . ."

In our New England Compact Agreement we read, "We have all come into these parts of America with one and the same purpose, namely to advance the Kingdom of our Lord Jesus Christ."

In 1780, the Massachusetts Bill of Rights was written and it said, "It is the right, as well as the duty, of all men in society, publicly, and at stated seasons to worship the Supreme Being, the Great Creator, and the Preserver of the Universe."

John Quincy Adams, the Secretary of State in 1821, said, "From the day of the Declaration, they, the Americans, were bound by the laws of God which they all, and by the laws of the Gospel, which they nearly all, acknowledge as the rules of their conduct." In 1884 he presented a resolution to Congress to amend the Constitution "to include a clear and explicit acknowledgement of the Sovereign of this Universe as the God of this nation, an entire and avowed submission to the Lord Jesus Christ as Ruler of this nation."

And here's a favorite—Benjamin Franklin at age 81 wrote: "I have lived, Sir, a long time, and the longer I live the more convincing proofs I see that God governs in the affairs of men. And if a sparrow cannot fall to the ground without his notice, it is probable that an empire cannot rise without his aid. We have been assured, Sir, in the sacred writing, 'Except the Lord build the house, they labor in vain who build it.' I firmly believe this. Without His concurring aid, we shall succeed in this political building no better than the builders of the Tower of Babel."

Not only in our beginning, but in our continuance, God has periodically sent spiritual awakenings to keep this land close to divine things. Sometimes America went pretty far down the road away from God. (In 1875, the Bishop of Virginia said, "The church is too far gone ever to be revived.") Nevertheless, from New Hampshire to Georgia, religious considerations entered into the founding of every colony. Whether it was the Pilgrims of Plymouth, the Huguenots in New England, William Penn in Pennsylvania, or the Padres on the California coast, God, Jesus Christ and the Bible were tied into the establishment of this land. Harvard and Yale were founded to train ministers of the Gospel. Of the nine colonial colleges in America, six were established between 1740 and 1769—the University of Pennsylvania, Princeton, Columbia, Rutgers, Brown and Dartmouth—and they all had some relationship (direct or indirect) to the Great Awakening under Jonathan Edwards and George Whitfield. Of the forty schools started between 1780 and 1830, twenty-nine were started by the Christian churches. Before 1839, all the state institutions west of the Alleghenys were begun under the direction of the Presbyterian Church. The first five Presidents of Princeton were evangelical revivalists.

How can anyone successfully debunk such a heritage? I do not say that even a majority were Christian, that any more than a relatively small per cent were evangelical, regenerated, born-again people. I am saying that their influence far outweighed their numbers, and that even those who did not have a personal commitment to Christ accepted Christian ethics, morals and values. There was a general Christian concensus, as far as these things were concerned, by which people knew how they ought to conduct themselves, even though many did not know Jesus Christ in a personal way.

2. AMERICA'S HEARTBREAK

Dr. Francis Schaeffer, one of the most able thinkers and writers among evangelicals today, says, in his book, Death In The City. "It is a horrible thing for a man like myself to look back and see my country and my culture go down the drain in my own lifetime." He continued to say that thirty to forty years ago our culture was built on the Christian concensus—and now we are in an absolute minority! "Never," says Schaeffer, in the history of the world has a nation or a civilization thrown overboard so quickly it's Christian heritage. It took some centuries of time for Europe to abandon it, in large measure. We're doing it in thirty to forty years—throwing over the very things to which we owe our strength and our exalted position in the world!

The Bible says: Righteousness Exalteth a Nation—nothing else will! We are coming to the place where our checks are bouncing. We've used up our credit. Somehow we have to call the nation back to make some more deposits in the bank of God, or we are through! Solzhenitsyns at Harvard—(Our leaders wouldn't even give him the privilege of visiting the White House or the President of the United States—it might hurt the feelings of the Soviets—disturb Detente!) Remember that the Soviets world-wide conspiracy has never once veered from it's objective to destroy us * * * bury us. It is just as dedicated to that purpose today as it has been in all it's sixty years since the Russian Revolution.

In the early days, Engels and Lenin said, we must get religion out of everything. I ask you to decide for yourself to what extent they have succeeded in doing just that! They work to set race against race, the young against the old, children against their parents, all against the law—and then they top it all off with a phony peace program that deludes and deceives thousands of people. But it does not hide from the discerning that their main objective is to destroy the United States of America and all we stand for.

DETENTE!

Do you know that in a period of less than five years we have put out of business about all of the major organizations that guarded us against subversion? The old Un-American Activities Committee is gone; the Subversive Board is gone; in both Senate and House we have put out of business those who would be watch-dogs against our Anti-God foe that wishes to bring us to our knees. And, of course, the most up-to-date thing going on is the discrediting (or attempted discrediting) of the FBI and the CIA.

A missionary who served over 34 years in Chile says that whatever the United States Intelligence Agencies may have done to bring down Allende and his Communist regime was very much in order, because after his fall, lists of names were found in assigned hands—names of people to be killed all over Chile, assuring a firmly established, permanent Communist regime and the end of Christian work there. You don't read about that in the American Press!

The heartbreak is that we have so much blindness among our leadership. I am amazed at how stupid our country has become! We seem unable to recognize our enemies from our friends, and to treat them correspondingly.

Abandoning Formosa in order to please the Communists—Give away the Panama Canal. We give the Soviets computers, build them factories, give them the technological know-how, give them bread and butter—everything! In turn, they will be saved the bother of meeting these kinds of needs, and they'll be able to pour their money into armaments so they'll be ahead of us before long on a five-to-one ratio, according to some estimates. How stupid can we get?

"Shouldst thou help the ungodly and love them that hate the Lord? The prophet asks Jehosophat in rebuke for allying himself with wicked Ahab (II Chron. 19:2). "Therefore is wrath upon thee from before the Lord." Such a national policy is always paid for—and we are paying for it in some measure already. But the big price is only a little bit down the road unless God graciously intervenes on our behalf.

The Heartbreak of America—a lack of leadership with vision in Congress and elsewhere. In Isaiah 3 God told His people that because of their sins He would deprive them of quality leadership: "I am going to take away from you the might man . . . the judge . . . the prophet . . . the prudent . . . the honorable man: and I will give children to be your princes, and babes shall rule over you." There is no small amount of evidence that we already have a sizeable number of babes ruling over us.

Abraham Lincoln was brought up in abject poverty, but he had a good mother—and an even greater step-mother—who so instilled into him such Christian principles and character that he became known as Honest Abe. If any man had an excuse to lie and cheat and steal, he did; but he had

built into him principles and beliefs that kept him going on the right road.

What a different philosophy prevails today. We see our government looked to for handouts on every hand, and much is said about equal rights and so little about personal responsibility. So many do not understand our American way of life, and what our founding documents actually promise. Equality of opportunity is the promise, and that's all. After that a man is to go on and climb the ladder.

We live in a day of handouts and government encroachment in everything—and the name of the game is socialism! I don't care what other name you give it, that's exactly what it is. This country would never have made the grade under the principles that govern our affairs now. Those early forebears believed in minimum government and maximum personal freedom. Granted, our society is much more complex than it was in those days, but the same principles are valid for 1978.

A group of clergymen—one of the committees of the National Council of Churches—met to talk together about the basic injustice of Capitalism and the free enterprise system—they apparently ignored the far greater injustices of every other system in the world!

Frankly, I'm proud to be an American. I love America and believe in Capitalism and the free enterprise system. I do not believe it is faultless by any means, and I agree that it needs corrections; but I believe it has produced the greatest degree of liberty for people and the highest standard of living of any system that has yet been devised. I also believe that the principles which underlie it are Biblical.

The Word of God emphasizes personal and individual freedom: "Render unto Caesar the things that are Caesar's" to be sure. But "render unto God the things that are God's." The Lord Jesus, in His parables, taught that profit is an honorable thing—That a man has the right to enjoy the fruits of the labors of his own hands. The Lord set down principles that back up a system in which men have maximum freedom and minimum interference from government regulations—and by so doing the rise of the living level goes on and on.

Now that whole system is under attack on the college and University level. We are producing Socialists and Marxists by the truckload from our education institutions. Biblical principles are sneered at, yet nobody has found a better way than the principles laid down in God's World. Nevertheless, Communism marches on, gobbles up more of the world, and spues out it's lies. "Imperialists," they cry, meaning that we go into underdeveloped countries and rob them of their resources—oil, minerals, etc. They neglect to add that the so-called imperialist countries have developed these resources at the cost of millions and millions of dollars, and have provided thousands of jobs and homes, making those countries wealthier than they have ever been and raising the standard of living. We have made the Middle East the wealthiest spot in the world!

I firmly believe in the biblical principles that underlie the whole free enterprise system. In fact, I'll go so far as to say that if you were to take a culture that is completely Socialist or Marxist and you were to have there, nevertheless, total freedom (unlikely) to preach the Gospel of Jesus Christ and to present the Bible as the inspired authoritative Word of God, a resultant genuine spiritual revival would have as ultimate result the birth and growth of a free enterprise system! History proves that, because this is exactly what happened out of the great spiritual awakening in the early years of the 16th century. Out of that great movement, in returning to the Bible as the inspired Word of God, there came about great economic changes, and a greater degree of personal and individual freedom. The middle class arose, and the Gospel of Christ put the "get up and go" into them and made them realize that they were personally responsible for their own economic well-being, as well as for their moral conduct. This brought about the greatest system the world has ever known—one which until recent years has been the basic system of the United States. A major fault of Socialism is that it depends on two ugly traits of human nature to make it grow—envy and covetousness. The "have nots" must be stirred to demand that government act to give them their part of what is owned by the "haves"—regardless of merit or work.

3. AMERICA'S HOPE

I must end on a more hopeful note. There is always the hope for spiritual revival. God has done it before, sometimes starting on college campuses, as at Yale University years ago when the whole student body was swept by a great spiritual awakening. God is at work, praise His name, on many college and university campuses today, and young people are turning to the Lord. We must pray for them, support them, and earnestly hope that every effort will be successful. God, who has done it before, can do it again!

But spiritual awakening has to start in our individual hearts. It has to begin with you and me where we are. Let us individually seek God for spiritual revival in our own hearts, and for continuing mercy as we fit into God's plan to call others for His name from every kindred, tongue and nation. It is in America's favor that probably 75 percent or more of the world's missionary personnel and financial support come from the United States. As long as we set our goal to help in completing the Bride of Christ, we can expect continuing mercy, even when so richly we may be deserving judgment.

We know there will be no rest or peace until Jesus Christ comes to earth again to rule with a rod of iron. That day is coming, but meanwhile you and I must stand up and be counted. There is hope for America when spiritual revival brings with it an aroused sense of civic responsibility among believers. Jesus said: We are to be the salt of the earth—the light of the world. As we move into 1978, an election year and a crucial period in the life of America, I ask you as Christians to take an unusual interest in the political arena. Study and learn the issues, find out who the candidates are—and pray. Watch what's going on as we move down the road toward Socialism, whether it is called welfare or something else. Remember, Socialism is just Communism in slow motion, as someone has described it. Certainly it is government encroachment in all areas of our lives.

There are still enough Christians in this country, if we can get them aroused and angry enough, to change the direction of our nation from a continuing drift toward big government and Socialism. We must awaken and know the issues. And when election day comes we must march to the polls in volume! Let's throw out the rascals who are leading us down the road to Socialism and Marxism which will destroy our nation.

The tragedy of Watergate is that our Congress took a sharper turn to the left than ever before. This is the prime disservice that the whole Watergate mess created. It made people fill Congress more and more with men who believe in Government spending . . . spending . . . spending . . . which results in more and more government control . . . okay the dictates of Washington's social planners or have your money support cut off!

We'd better let our voices be heard by letter, by telegram—to Congressmen, senators, state representatives, mayors, city councilmen. Christians, you are called the salt of this earth. Get busy—time is running out!

But suppose God is calling time on America? Suppose the Bride of Christ is about complete and our tremendous missionary outreach is to end? Suppose it is so near the conclusion of God's prophetic plan that the prospects of a turnabout in national affairs is not destined to take place? Then, as always, our greatest hope remains—the return in power and glory of our Lord Jesus Christ.●

APPROPRIATE TECHNOLOGY: A PROGRAM SUITED TO A POST-PROPOSITION 13 ENVIRONMENT

HON. GEORGE E. BROWN, JR.

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Wednesday, August 16, 1978

● Mr. BROWN of California. Mr. Speaker, a few weeks ago the subcommittee chaired by Mr. SCHEUR in the Committee on Science and Technology held extensive hearings on the prospects and programs for appropriate technology. Appropriate technology is called by many other names, including intermediate technology, light capital technology, and community-based technology. Many Federal agencies have incipient programs in this field, and much more can and should be done.

One of the best statements at that hearing was the testimony by Robert Judd, who heads the office of appropriate technology, set up by Gov. Jerry Brown in California.

I was impressed not only with the scope of his testimony, but also the fact that even in the wake of proposition 13, the California Legislature still supported an increased budget for this new and innovative office. This says more about the program than any number of words can possibly say.

I highly recommend this statement to my colleagues.

The statement follows:

TESTIMONY OF ROBERT L. JUDD, JR., EXECUTIVE DIRECTOR, GOVERNOR'S OFFICE OF APPROPRIATE TECHNOLOGY, STATE OF CALIFORNIA, TO HOUSE OF REPRESENTATIVES SCIENCE AND TECHNOLOGY SUBCOMMITTEE ON DOMESTIC AND INTERNATIONAL SCIENTIFIC PLANNING, ANALYSIS AND COOPERATION, JULY 26, 1978

GOOD MORNING: My name is Robert Judd. I am the Executive Director of the Governor's Office of Appropriate Technology in the State of California.

The purpose of my testimony here today is to briefly review with you what is meant by "appropriate technology," and to discuss some of its implications. More specifically, I want to give you a clear sense of the founding and evolution of our efforts in California. I think you will be interested in the scope of our current activities and our plans for the future.

APPROPRIATE TECHNOLOGY IN PERSPECTIVE

The idea of appropriate technology is based on a world view which holds that industrialized societies ought to be using their remaining stock of non-renewable resources to build a society which can sustain itself when remaining stocks of minerals and fossil fuels can no longer be economically extracted and converted to use.

Appropriate technology values stability based on living patterns and technologies which harmonize with and maintain the health and viability of life-supporting ecosystems.

Appropriate technology looks to new possibilities growing out of an era of limits. The task of appropriate technology is to promote these new possibilities which are practical, low cost, create new jobs and do not degrade the environment. Appropriate technology is the means to the transition to a high quality of life, steady state society which is our only alternative as the fossil fuel age comes to an end.

Appropriate technology is not a new philosophy—people throughout the ages and in cultures around the world have long practiced it. In the West, with the coming of the industrial revolution two hundred years ago, we have lost sight of its wisdom. But in the past few decades, we have begun to rediscover its possibilities as we come face to face with the reality that rampant industrialism may overcome us. Appropriate technology seeks to use technology in the wisest way possible to serve the needs of the greatest number of people.

One serious impediment to some of the new technologies is institutional barriers to change: regulations, codes, prevailing benefit-cost assumptions which are tailored to fit an era of high energy consumption. Another serious impediment is the skeptical attitude of many policy makers. A frequent refrain is; "Prove to me this works" or "Where is the data to back up your claims?" In many cases, information has not been gathered and hardware systems have not been evaluated or compared because no one is willing to fund this type of exploratory research perhaps because it cuts against the prevailing patterns and values of our society.

We are beginning now to enter a period of strong ecological upsets, increasingly difficult resource shortages, intrinsic inflation and joblessness, along with pronounced lack of accesses for many persons to basic social and economic resources, much of it brought about by a runaway, cheap-energy technology which has fundamentally unbalanced our social, economic, and political systems in the service of a futile attempt to provide material affluence for everyone.

To step away from the pitfalls of continued pursuit of quantitative economic growth, to recognize the limits to growth which exist on this planet, we need to educate ourselves about alternative goals and directions, perhaps a last chance, a very short time, to cure ourselves from our cheap-energy addiction. What we need is a technology more appropriate to the transition period we are in than that which now is conventionally used by our society. To develop and use such a technology, we will need to provide major changes in personal lifestyles and social goals.

Appropriate Technology is a necessary response to the need to bring about a more just and workable society, using careful tools, techniques, and processes which mediate between the human social system and the natural environment to provide long-term stability, adaptability, and life-enhancing prospects for both. It is a fundamentally different approach, not just a new package of available technology.

The basic model we are using is that technology (or economy) is a mediator between human values and goals, between human activity and the natural environment.

It is apparent that our social ethics, in practice, are dependent on and derived from our shared myths about cultural history and the nature and purpose of human existence. We do, indeed, design our own life spaces around our sense of values and purpose. We all need to spend more time dealing with heretofore unexamined life choices. We need to rediscover our roots, to return to a direct experience of the important role of sacred propositions and perceptions, such as the deep-rooted land ethic of the Native American, in maintaining adaptive social systems.

Proceeding from the level of choosing to participate in a more life-enhancing system, we begin to see the connections between the politics of life-choice and the levels of technology and kinds of social organizations we have. We begin to see the need for a smaller-scale, more skillful, more understandable, diverse and non-violent, life-serving technology, so that we can begin to exercise a greater degree of personal responsibility for our life choices, to discover real freedom in the self-disciplined awareness of the interdependence and majesty of all living creatures. From this perspective, we begin to want to create situations in which we may serve others, providing enough material abundance for each person's need, while opening up space for others to expand their lives and perceptions.

Our current technology was developed for a "cowboy" or "frontier" economy based on one-time use of non-renewable resources and degradation of our renewable resource base. We need a rapid transition to a cyclical or fundamentally closed economy which emulates the behavior of more mature ecosystems. We have clearly a pressing social need for a smoother and faster transition to a system dealing with the problems of resource shortages, increasing economic disorder (or entropy), inability to manage complex social systems, ecological backlash and food shortage. We need a more appropriate technology to help us make this transition. This technology includes tools, techniques, processes, and ways of thinking and acting which aid our long-term adaptability to a healthier social and ecological life.

SOCIAL BENEFITS OF APPROPRIATE TECHNOLOGY

Appropriate Technology is becoming recognized as a strong aid to rethinking our concepts about economic change and redevelopment for the transition for the following reasons:

(1) it permits local needs to be met more effectively.

(2) it means the development of tools that extend human labor and skills rather than replace them.

(3) it represents a comprehensible and controlled scale of activities, organization and mistakes.

(4) it tends toward decentralization of production, thus permitting full benefits of work to remian within the community.

(5) it provides a region with a cushion against the effects of outside economic changes.

In sum, an appropriate technology is small-scale: ecologically tolerable, human and community scale; bioregionally based: diverse using "informed non-uniformity" to design with local climate, natural energy flows and indigenous building materials; based on careful use of renewable energy and material resources, closing the loops of wide-open resource use through recycling of "wastes"; accessible to people; controllable at local levels: leading to more decentralized, autonomous, cooperative works, with a minimum of transport required; responsive to human needs, not culturally overwhelming; creative and regenerative in its effects on people and ecosystems, providing a rewarding livelihood for people.

CRITERIA FOR APPROPRIATE TECHNOLOGY

Criteria for an appropriate technology may therefore be expressed according to the following scheme:

(1) *Ecological:* Does not release pollutants/poisons to environment; protects existing natural habitat; restores viability of ecosystems; recycles organic nutrients/creates topsoil; and conserves renewable resources.

(2) *Energetic:* Conserves nonrenewable resources; promotes use of renewable energy sources; promotes use of local and recycled materials; and reduces dependence on excessive transportation links.

(3) *Economic:* Long life; low capital cost (initial capital and/or life-time cost); promotes small-scale production, local ownership, regional economy; promotes "right livelihood" (meaningful work); and is labor/skill-intensive.

(4) *Social/Political/Cultural:* Promotes social flexibility/adaptability; promotes self-reliance and community cooperation; understandable/usable at community level; and creates/maintains natural beauty.

THE CALIFORNIA PROGRAM

The Office of Appropriate Technology (OAT) was created by Executive Order on May 12, 1976, to "assist and advise the Governor and all State agencies in developing and implementing less costly and less energy-intensive technologies of recycling, waste disposal, transportation, agriculture, energy and building design," because "State government must assert leadership in developing small-scale technologies appropriate to an era of limited resources." In addition, OAT was designed to provide the public with the information it needs to move ahead in harmony with environmental goals.

The recognition that we live in a world of limited resources requires development of conserving technologies. As government tries to adapt to the new realities of diminishing resources and changing values, we must find ways to carry out our responsibilities in ways that are less wasteful, less costly and bureaucratic, less harmful to people and our environment. We need to encourage tools, techniques and processes in our economy, as well as in our communities and institutions, that are simple, direct, small-scale, and inexpensive; a balanced technology that is appropriate to maintaining the health of California's people, economy, and environment.

The Office was created to assist the government and people of California in this period of social transition, dealing with changing personal values, environmental stress, and diminishing resources. The Offices of Appropriate Technology will act as a catalyst for change in government in the areas of: job development, resources conservation, environmental protection, and community development through the introduction of cost-saving alternatives to present practices.

The objective of the Office of Appropriate Technology is to project this philosophy in both substance and image throughout State government and to the people of California. The purpose is to broaden perspectives, to change values, and to encourage economic and resource savings by:

a. Reviewing on-going programs and technically assisting State offices to develop and implement less costly and less energy intensive programs.

b. Informing and educating State personnel, the general public, and the legislature with respect to appropriate technology.

c. Demonstrating projects which apply appropriate technology principles to everyday situations, to illustrate the possibilities, and to encourage widespread application.

THE ELEMENTS OF THE CALIFORNIA PROGRAM

Our office has grown substantially since its founding in 1976. From a small team with more philosophy than action, we have matured into a 30-person staff with a budget of nearly $1 million annually. We are presently providing technical services to numerous state and local agencies and community groups, providing information to individuals throughout the state, and designing and constructing facilities that demonstrate the utility of alternative technologies.

The question sometimes arises as to whether our office provides a necessary service. Who is really interested except the counter-culture and the true believers? The program elements that I will describe in a moment should clarify the need for our services, especially at the government level. But there is more. In the past three months, we have met with representatives of five other states at their request (Washington, Alaska, North Carolina, Michigan and Massachusetts) to assist them in establishing state programs modeled after our own.

In addition, we receive an average of 900 letters a month from individuals in California asking for further information on how to apply the principles of appropriate technology to their lives, which for the most part are suburban and working class. One would expect a certain percentage of those with ample money to implement systems such as solar or wind energy because it is new and attractive and has a sort of social status. We do deal with these people, but also and much more often with individuals or groups of more typical dimension.

It is apparent to us and to others that state offices such as ours are needed. The public benefits by our presence and would feel our absence.

I want to highlight for you the major elements of each of our program areas. You will see that many are applicable in your jurisdictions and, in some cases, is an international context.

(a) Local initiative programs

We believe that decentralization and local self-reliance are the key to successful implementation of alternative technologies. In this context, knowledge is power, and it is our goal to empower communities and local governments with the skills and information to make intelligent choices about their futures. We use numerous mechanisms, including direct intervention, to assist them.

As you know, California is in the midst of a taxpayers' revolution. It is contagious. It is also the first sign that the people want to regain some of the power they have given to a centralist government. This situation and sentiment provides fertile ground for community projects that meet the criteria discussed earlier.

We conduct a number of local initiative programs, including the following:

A series of regional meetings (in seven cities so far) around the state, cosponsored with local groups and policymakers to discuss possible programs they can conduct, often with our assistance.

Aid to cities and counties in establishing local offices of appropriate technology.

Assistance in establishing community gardens around the State to encourage better nutrition at lower prices. We have worked with approximately 80 gardens so far.

Visits to communities, schools, fairs and other public events by our New Possibilities Show, a 30-foot trailer filled with energy-conserving ideas for the household.

(b) Energy programs

We are about to submit the state plan for California's energy extension service, a $1.3 outreach program aimed at conservation among small energy users.

We have completed an analysis of energy use in public buildings which will lead to substantial dollar and energy savings.

We conducted the DOE pilot energy grants programs which brought $640 thousand to 58 California inventors.

We are conducting an analysis of energy use patterns that emanate from state agency policies (codes, procurements, etc.) and will recommend changes.

We are developing a 6-month training curriculum for solar technicians to be used in union apprentice programs, CETA programs, and vocational institutes.

(c) Publications and information

We are now preparing a handbook for builders, bankers and other investors in structures that will show examples in graphics and text of cost-effective mainstream developments (housing, commercial, industrial) that use alternative technologies in California now.

We publish a bi-monthly Grants Availability News Letter to connect local groups and goverments with funds for AT projects and planning.

We are preparing a status report on solar technician training for national distribution.

We have an acclaimed handbook on community gardening methods.

We have published an excellent technical report on rural wastewater treatment and re-use. We have a bilingual directory to community resources in California's Central Valley.

(d) Design team

In order to demonstrate the validity of appropriate technology concepts, we have organized a team of technical experts to design and build demonstration projects. Although this team is a relatively new element of our team, we have already made some significant accomplishments:

Design of the heating and cooling system for a major new state office building, providing an 80% reduction in energy use without exceeding cost to build a more conventional building.

Design of a solar energy youth hostel for the Department of Parks and Recreation.

Consultation in the design of 70 units of farmworker housing with Department of Housing and Community Development.

Design and testing of structural modifications to greenhouses in California.

Assist a local government in preparation of grant application for solar hot water heating for 300 units of low-income housing.

Participation with the State Energy Commission and DOE in the conversion of biomass to fuel.

Illumination of any of these examples can be developed during the question session.

I have a final observation that might be useful. It has to do with the "image" of appropriate technology. It is often laughed off as simplistic stone-age technology unsuited to modern times, or is seen as a far-left scheme best left in California. We have had to face these arguments again and again as we explain our program to skeptical agency heads and legislators. Although we have not converted everyone, I can honestly say that OAT is seen as serious business. This is in large part due to the content of the programs themselves. The benefits accrue to rural and urban, Republican and Democrat. Many of the programs lead to substantial dollar and energy savings to taxpayers.

Recommendations

1. Get a personal focus on the subject of appropriate technology, to the point where you can understand its applicability to your policy decisions. There are many of us who would willingly meet with you and answer your questions.

2. Learn what is possible in your home district. Sponsor an intelligent project that creates jobs and stimulates the local economy. There are constituents who will carry the ball for you.

3. Support the Office of Small-Scale Technology in the Department of Energy. It is underfinanced and understaffed.

4. Pay attention to non-Federal programs. They generally are more inventive. A good Federal example, however, is the appropriate energy technology grant program at DOE. Their winners have some good ideas.

Thank you for this opportunity to discuss our California program. Come visit and learn first-hand if you can, and feel free to call on us as necessary.●

SENATE COMMITTEE MEETINGS

Title IV of the Senate Resolution 4, agreed to by the Senate on February 4, 1977, calls for establishment of a system for a computerized schedule of all meetings and hearings of Senate committees, subcommittees, joint committees, and committees of conference. This title requires all such committees to notify the Office of the Senate Daily Digest—designated by the Rules Committee—of the time, place, and purpose of all meetings when scheduled, and any cancellations or changes in meetings as they occur.

As an interim procedure until the computerization of this information becomes operational the Office of the Senate Daily Digest will prepare this information for printing in the Extensions of Remarks section of the CONGRESSIONAL RECORD on Monday and Wednesday of each week.

Any changes in committees scheduling will be indicated by placement of an asterisk to the left of the name of the unit conducting such meetings.

Meetings scheduled for Thursday, August 17, 1978, may be found in Daily Digest of today's RECORD.

MEETINGS SCHEDULED

AUGUST 18

9:00 a.m.

Energy and Natural Resources

To hold hearings on the nominations of Ruth C. Clusen, of Wisconsin, to be an Assistant Secretary of Energy (Environment), and Roger A. Markle, of Utah, to be Director of the Bureau of Mines.

3110 Dirksen Building

Finance

Health Subcommittee

To hold hearings on proposals to expand coverage of mental health services.

2221 Dirksen Building

9:30 a.m.

Governmental Affairs

Energy, Nuclear Proliferation, and Federal Services Subcommittee

To hold hearings on S. 1493, to provide financial and technical assistance to States, local governments, and Indian tribes to manage impacts caused by energy development.

3302 Dirksen Building

Judiciary

Penitentiaries and Corrections Subcommittee

To resume hearings on S. 3227, to establish, on a demonstration basis, group therapy programs in ten Federal penitentiaries.

5110 Dirksen Building

10:00 a.m.

Appropriations

HUD-Independent Agencies Subcommittee

To hold hearings on proposed appropriations (embodied in H.J. Res. 1083, pending on House calendar) to provide financial assistance to New York City.

1318 Dirksen Building

Finance

Public Assistance Subcommittee

To hold hearings on H.R. 12973, increasing the permanent ceiling on Federal spending for social service programs under the Social Security Act.

1114 Dirksen Building

Human Resources

Health and Scientific Research Subcommittee

To resume markup of S. 2755, to revise and reform the Federal law applicable to drugs for human use, and to establish within the Department of HEW a National Center for Clinical Pharmacology.

4232 Dirksen Building

Judiciary

To hold hearings on S. 2361 and H.R. 10965, to revise certain U.S. transportation laws.

2228 Dirksen Building

Judiciary

To hold hearings to examine the FBI's programs to prevent and investigate bank robberies.

357 Russell Building

2:00 p.m.
Select Small Business
To hold hearings on inflation as it relates to economic conditions of small businesses.
424 Russell Building

AUGUST 21

8:30 a.m.
Governmental Affairs
Energy, Nuclear Proliferation, and Federal Services Subcommittee
To hold hearings on S. 3411, to exempt GAO employees from civil service laws regarding appointments, position classification and certain personnel actions, and S. 3412, providing for retirement and survivor benefits of Comptrollers General.
3302 Dirksen Building

10:00 a.m.
Banking, Housing, and Urban Affairs
To hold hearings on S. 2455, the Home Owner's Equity Act, and S. 70, the Home Buyers Assistance Act.
5302 Dirksen Building

Commerce, Science, and Transportation
To hold hearings on the nomination of Gloria Schaffer, of Connecticut, to be a member of the Civil Aeronautics Board.
235 Russell Building

Finance
To resume hearings on H.R. 13511, proposed legislation to reduce income taxes.
2221 Dirksen Building

Foreign Relations
East Asian and Pacific Affairs Subcommittee
To hold hearings on S. Res. 323 and 469, expressing the sense of the Senate concerning human rights in Cambodia.
4221 Dirksen Building

Select Small Business
To resume hearings on inflation as it relates to economic conditions of small businesses.
424 Russell Building

11:00 a.m.
Human Resources
Labor Subcommittee
To hold hearings on S. 517, to authorize employees and agencies of the Government of the U.S. to experiment with flexible and compressed work schedules.
4232 Dirksen Building

AUGUST 22

9:00 a.m.
Judiciary
Constitution Subcommittee
To resume hearings on S. 3164, proposed Citizen's Privacy Protection Amendment.
5110 Dirksen Building

9:30 a.m.
*Human Resources
To hold hearings on S. 2645, proposed National Art Bank Act.
4232 Dirksen Building

*Judiciary
Administrative Practice and Procedure Subcommittee
To resume hearings on S. 1449, proposed Grand Jury Reform Act.
2228 Dirksen Building

Judiciary
Juvenile Delinquency Subcommittee
To hold hearings on proposed Drug Trafficking Control Act, and oversight of the Administration's efforts to halt the smuggling of drugs into the Southeastern States.
424 Russell Building

10:00 a.m.
Banking, Housing, and Urban Affairs
To continue hearings on S. 2455, the Home Owners' Equity Act, and S. 70, the Home Buyers' Assistance Act.
5302 Dirksen Building

Commerce, Science, and Transportation
Aviation Subcommittee
To hold hearings on S. 3363, proposed International Air Transportation Competition Act.
235 Russell Building

Environment and Public Works
Regional and Community Development Subcommittee
To mark up S. 3186, to provide public works employment for the long-term unemployed.
4200 Dirksen Building

Foreign Relations
Business meeting on pending calendar business.
4221 Dirksen Building

Rules and Administration
To consider further the nomination of John Warren McGarry, of Massachusetts, to be a member of the Federal Election Commission.
301 Russell Building

AUGUST 23

9:30 a.m.
*Commerce, Science, and Transportation
Aviation Subcommittee
To continue hearings on S. 3363, proposed International Air Transportation Competition Act
235 Russell Building

Environment and Public Works
To hold a business meeting on pending calendar business.
4200 Dirksen Building

*Human Resources
To continue hearings on S. 2645, proposed National Art Bank Act.
4232 Dirksen Building

10:00 a.m.
Banking, Housing, and Urban Affairs
To hold joint hearings with the Committee on Governmental Affairs on S. 2750, proposed Consolidated Banking Regulation Act.
3302 Dirksen Building

Energy and Natural Resources
Public Lands and Resources Subcommittee
To hold hearings on several pending land conveyance bills.
3110 Dirksen Building

Governmental Affairs
To resume joint hearings with Judiciary Subcommittee on Citizens and Shareholders Rights and Remedies on S. 3005, to broaden the rights of citizens to sue in Federal courts for unlawful governmental action.
2228 Dirksen Building

Governmental Affairs
See joint hearings with Committee on Banking, Housing, and Urban Affairs.

Judiciary
Citizens and Shareholders Rights and Remedies Subcommittee
See joint hearings with Committee on Governmental Affairs.

Judiciary
Criminal Laws and Procedures Subcommittee
To resume hearings on bills to provide Federal assistance to State and local criminal justice (S. 28, 1245, 3216, 3270, and 3280).
1318 Dirksen Building

AUGUST 24

8:00 a.m.
Energy and Natural Resources
To hold hearings on S. 3418, proposed Pacific Northwest Electric Power Planning Act.
3110 Dirksen Building

9:30 a.m.
Banking, Housing, and Urban Affairs
To continue joint hearings with the Committee on Governmental Affairs on S. 2750, proposed Consolidated Banking Regulation Act.
3302 Dirksen Building

*Commerce, Science, and Transportation
Aviation Subcommittee
To continue hearings on S. 3363, proposed International Air Transportation Competition Act.
235 Russell Building

Governmental Affairs
See joint hearings with Committee on Banking, Housing, and Urban Affairs.

Human Resources
To hold hearings on the following nominations to be Members of the Federal Mine Safety and Health Review Commission: Jerome R. Waldie, of Maryland, Richard V. Backley, of Virginia, Marian Pearlman Nease, of Maryland, Frank F. Jestrab, of North Dakota, and A. E. Lawson, of Pennsylvania.
4232 Dirksen Building

*Judiciary
Administrative Practice and Procedure Subcommittee
To resume hearings on S. 1449, proposed Grand Jury Reform Act.
2228 Dirksen Building

10:00 a.m.
Judiciary
Antitrust and Monopoly Subcommittee
To resume hearings on restrictive entry policies in the interstate trucking industry.
6226 Dirksen Building

Judiciary
Constitution Subcommittee
To resume hearings on S. 3164, proposed Citizen's Privacy Protection Amendment.
5110 Dirksen Building

AUGUST 25

8:00 a.m.
Energy and Natural Resources
To continue hearings on S. 3418, proposed Pacific Northwest Electric Power Planning Act.
3110 Dirksen Building

9:30 a.m.
Judiciary
To hold hearings on the nominations of Theodore McMillian, of Missouri, to be U.S. circuit judge for the eighth circuit; Harold A. Baker, to be U.S. district judge for the eastern district of Illinois; and Mariana R. Pfaelzer, to be U.S. district judge for the central district of California.
2228 Dirksen Building

10:00 a.m.
Banking, Housing, and Urban Affairs
To hold hearings on S. 2843, to provide for the striking of gold medallions, and on gold sales by the Department of the Treasury.
5302 Dirksen Building

Judiciary
Criminal Laws and Procedure Subcommittee
To resume hearings on S. 3270, proposed Justice System Improvement Act, and related bills.
2228 Dirksen Building

AUGUST 28

10:00 a.m.
Judiciary
Administrative Practice and Procedure Subcommittee
To resume hearings on the FBI Charter as it concerns undercover operations.
2228 Dirksen Building

AUGUST 29

10:00 a.m.
Judiciary
Administrative Practice and Procedure Subcommittee
To resume hearings on the FBI Charter as it concerns undercover operations.
2228 Dirksen Building

SEPTEMBER 7

10:00 a.m.
Commerce, Science, and Transportation
To hold oversight hearings on the lengths of motor tractor trailers.
235 Russell Building

SEPTEMBER 8

10:00 a.m.
Commerce, Science, and Transportation
To hold hearings on S. 2970, proposed Truck Safety Act.
235 Russell Building

SEPTEMBER 14

10:00 a.m.
Judiciary
Administrative Practice and Procedure Subcommittee
To resume hearings on the FBI Charter and its overall policy.
2228 Dirksen Building

SEPTEMBER 19

9:00 a.m.
Judiciary
Constitution Subcommittee
To resume hearings on S. 1845, to prevent unwarranted invasions of privacy by prohibiting the use of polygraph type equipment for certain purposes.
6226 Dirksen Building

9:30 a.m.
Human Resources
Labor Subcommittee
To hold hearings on S. 3060, proposed National Workers' Compensation Standards Act.
4232 Dirksen Building

SEPTEMBER 20

9:30 a.m.
Human Resources
Labor Subcommittee
To continue hearings on S. 3060, proposed National Workers' Compensation Standards Act.
4232 Dirksen Building

SEPTEMBER 21

9:00 a.m.
Judiciary
Constitution Subcommittee
To resume hearings on S. 1845, to prevent unwarranted invasions of privacy by prohibiting the use of polygraph type equipment for certain purposes.
5110 Dirksen Building

SEPTEMBER 22

9:30 a.m.
Human Resources
Labor Subcommittee
To resume hearings on S. 3060, proposed National Workers' Compensation Standards Act.
4232 Dirksen Building

CANCELLATIONS

AUGUST 18

10:00 a.m.
Foreign Relations
East Asian and Pacific Affairs Subcommittee
To hold hearings on S. Res. 323 and 469, expressing the sense of the Senate concerning human rights in Cambodia.
4221 Dirksen Building

SENATE—*Thursday, August 17, 1978*

(Legislative day of Wednesday, August 16, 1978)

The Senate met at 9:30 a.m., on the expiration of the recess, and was called to order by Hon. DICK CLARK, a Senator from the State of Iowa.

PRAYER

The Reverend Dr. Robert B. Harriman, director, the Presbyterian Council for Chaplains and Military Personnel, Washington, D.C., offered the following prayer:

Let us pray. Almighty God, who has blessed us with the gift of life, with trust in Thy love and mercy we approach our tasks in the assurance that Thy wisdom and guidance are sufficient for each moment. Bless this body so that all here done may be in keeping with Thy holy will. To these Thy servants, entrusted with burdensome responsibilities, give strength of body, mind, and spirit. Make them thorough in all their deliberations, wise in all their consultations, and steadfast in all their decisions. Although we differ in talents, interests, and concerns, let there be evidence of respect and cooperation, so that all enacted within these Halls shall be in harmony and for the welfare of the Nation. Remove prejudice or scorn for those who differ with us. Aid us in avoiding all which divides and destroys. May the unity thus achieved reflect Thy holy will for this Nation and its people. Thine be the glory, now and forever.

APPOINTMENT OF ACTING PRESIDENT PRO TEMPORE

The PRESIDING OFFICER. The clerk will please read a communication to the Senate from the President pro tempore (Mr. EASTLAND).

The assistant legislative clerk read the following letter:

U.S. SENATE,
PRESIDENT PRO TEMPORE,
Washington, D.C., August 17, 1978.

To the Senate:

Under the provisions of rule I, section 3, of the Standing Rules of the Senate, I hereby appoint the Honorable DICK CLARK, a Senator from the State of Iowa, to perform the duties of the Chair.

JAMES O. EASTLAND,
President pro tempore.

Mr. CLARK thereupon assumed the chair as Acting President pro tempore.

RECOGNITION OF LEADERSHIP

The ACTING PRESIDENT pro tempore. Under the previous order, the majority leader is recognized.

THE JOURNAL

Mr. ROBERT C. BYRD. Mr. President, I ask unanimous consent that the Journal of the proceedings be approved to date.

The ACTING PRESIDENT pro tempore. Without objection, it is so ordered.

AUTHORIZATION FOR MAJORITY LEADER TO CALL UP H.R. 10878

Mr. ROBERT C. BYRD. Mr. President, I ask unanimous consent that the majority leader may be authorized at any time today to call up H.R. 10878.

The ACTING PRESIDENT pro tempore. Is there objection? The Chair hears none, and it is so ordered.

RECOGNITION OF LEADERSHIP

The ACTING PRESIDENT pro tempore. Under the previous order, the Chair recognizes the minority leader.

Mr. STEVENS. Mr. President, I yield the minority leader's time to the Senator from New Mexico.

The ACTING PRESIDENT pro tempore. Under the previous order, the Senator from New Mexico (Mr. SCHMITT) is recognized.

THE BALLOONING ACHIEVEMENTS OF NEW MEXICANS

Mr. SCHMITT. Mr. President, yesterday and today, Americans have been greeted with the information as to the achievement of three Americans in the area of human adventure.

In this case, in an age that has seen men on the Moon and many other spectacular activities of exploration, we suddenly are confronted with men doing what others have dreamed of for many centuries: They have gone back to some of the very basic first ideas of flying, and that is flight by balloon.

Three New Mexicans—representing not just New Mexico, of course, but the United States as well, and I think most of mankind—have crossed from North America to Europe in a balloon.

This is a spectacular achievement, for which Mr. Max Anderson, Mr. Ben Abruzzo, and Mr. Larry Newman, of Albuquerque, N. Mex., certainly deserve our greatest admiration.

I hope it is realized by my colleagues that the spirit of exploration is alive and well in New Mexico in many areas. This is just another example of the kinds of things that we think this great country can do. With motivation and with a goal, there are no limits to what Americans can do, if they decide to proceed.

These three men—Mr. Abruzzo, Mr. Anderson. and Mr. Newman—join Nancy Lopez, of Roswell, N. Mex., in the golfing world; Al and Bobby Unser, of Albu-

querque, in the driving world; Frank Shorter, of marathon fame; George Young, of distance running and steeplechase fame; and Ralph Kiner, of baseball fame, in adding not only to the achievements of New Mexicans, but also to the achievements of this country.

CUTTING TAXES AND CUTTING SPENDING

Mr. SCHMITT. Mr. President, there is a great deal of talk and publicity today about cutting taxes. The Senator from New Mexico is an ardent supporter of gradual, permanent tax reductions, and, as such, is a sponsor of the Kemp-Roth reduction in personal income taxes and the Steiger-Hansen reduction in the capital gains tax.

However, this Senator also is a supporter of gradual and significant reduction in Federal spending. There is absolutely no question that any tax reduction must go hand in hand with a reduction of Federal spending, if we are to avoid further inflationary pressures and have some hope of reducing those pressures.

Both tax reduction and spending reduction must happen, and they must happen soon. The muscles of our country are weakening under the continuing impact of double-digit inflation and excessive taxation of the incomes of our people.

Although an article which appeared recently in Business Week, by Seymour Zucker, entitled "The Fallacy of Slashing Taxes Without Cutting Spending," is somewhat critical of tax reduction efforts, I think it can be read as advocating both tax reduction and a spending reduction.

I ask unanimous consent to have that commentary printed in the RECORD.

There being no objection, the article was ordered to be printed in the RECORD, as follows:

[From the Business Week, Aug. 17, 1978]

THE FALLACY OF SLASHING TAXES WITHOUT CUTTING SPENDING

(By Seymour Zucker)

Arthur B. Laffer first drew the curve on a napkin in a Washington restaurant back in 1974. It popped into his head as he was trying to persuade an aide of former President Ford that U.S. tax rates were so high that they were stifling economic growth. Lower tax rates, he maintained, would send employment and investment soaring to the point where tax revenues would actually rise, despite the lower rates. Laffer has been preaching that gospel ever since. And the Laffer curve—which purports to show the perverse effects of a high tax rate on government revenues—is being advanced as the economic rationale for the Kemp-Roth bill, the biggest tax-cut proposal in history.

Riding in the wake of Proposition 13, which cut California property taxes by 60 percent, Kemp-Roth is picking up strong support, especially among congressional Republicans. No one expects it to pass this year, but it stands a good chance of becoming the key domestic issue in the Republican congressional campaign in November and could also play a role in the Presidential election in 1980. The bill introduced by Representative Jack Kemp (R-N.Y.) and Senator William V. Roth Jr. (R-Del.), would reduce everyone's taxes over the next three years by one-third, thus costing about $124 billion in tax revenues. Its sponsors are pushing the Laffer argument that the tax cut will generate an economic boom of such proportions that in a few years the government will recoup all the initial revenue loss and then some. The reason: The huge tax cut will spark the incentive to work and invest, thus increasing the tax base. The effect is to shrink the deficit without cutting government spending by as much as a nickel.

Elementary. Laffer may have sold some politicians, but not his fellow economists. The economics profession—including some leading Republican economists who support Kemp-Roth—think Laffer would have done well to leave the napkin behind for the waiter to dispose of. They see huge deficits and a rip-roaring inflation if Kemp-Roth is enacted without offsetting cuts in expenditures. To Harvard's Martin Feldstein, the theoretical principle that at some point reducing rates actually increases tax revenues "is something we teach in the first week of the course in public finance." The critical empirical question is to determine when the tax schedule gets into that range, he notes.

"The Laffer curve is more or less a tautology," says conservative economist George J. Stigler of the University of Chicago, where Laffer taught before going to the University of Southern California in 1976. "It has to be right at some level. If enterprise is not discouraged at 95%, then move it to 105% and Laffer would be right by definition." But in Stigler's view, Laffer has failed to show that the current tax structure—where the highest rate on earned income is 50%—has such an adverse effect on incentives that reducing rates would actually increase revenue. "Laffer is no longer a very serious scholar," says Stigler. "He is playing the role of a propagandist, and as such he is performing some service. But I would not base a $125 billion tax cut on his work."

Feldstein and Stigler are not alone in their criticism of Laffer. Alan Greenspan, chairman of the Council of Economic Advisers under President Ford, favors Kemp-Roth—with some changes—because he holds that the only way to cut the growth of government spending is to cut taxes. So he says: "I'm for cutting taxes, but not for Laffer's reasons. I don't know anyone who seriously believes his argument."

Just how far off base is Laffer on the tax-revenue effects of Kemp-Roth? Otto Eckstein, president of Data Resources Inc., has run the Kemp-Roth proposal through DRI's huge computer forecasting model. Assuming that it takes effect in 1979 and that there are no compensatory spending cuts, the DRI model shows that the deficit will grow progressively worse. By 1983, the red ink in the budget—including additional interest payments—will increase to a mind-numbing $100 billion. So rather than recouping the entire cut, as Laffer argues, DRI funds that the Treasury gets only about $25 billion of it.

Overwhelming evidence. To be sure, economists agree that a tax cut would increase total demand and national income and thus partly offset the initial revenue loss. But to offset the effect of lower tax rates fully, total income would have to rise by some four times the original amount of the cut. And the evidence is overwhelming that no cut in taxes could generate a rise in spending and income of that size. A $10 billion tax cut, for example, produces roughly an extra $15 billion of gross national product. The current marginal tax rate against total GNP works out to 25%, so the $15 billion creates $3.75 billion in new taxes—thus recovering barely a third of the initial $10 billion. And under Kemp-Roth, which would cut into the marginal rate itself, the outcome would be worse.

Laffer argues that this kind of calculation greatly underestimates the stimulative effect of the tax cut, because it ignores the impact of the cut on the incentives to work and save. This incentive effect unleashes a sharp increase on the supply side because more people are willing to work, save, and invest. But virtually no one else sees the magic. For example, Herbert Stein, CEA chairman under President Nixon, claims there is no evidence that the supply responses are anywhere near the magnitude necessary to prevent revenues from falling.

Stein's analysis stands in stark contrast to the Laffer contention that the tax revenues will flow back within a few short years. Using the most favorable assumptions about the response of workers and savers to the lower tax rates, he concludes that it would take "about 30 years to regain the revenue level that would have been achieved without the tax cut."

Runaway inflation. Laffer also maintains that Kemp-Roth not only will increase real output but should actually have a dampening effect on inflation. "Excessive money growth has long been recognized as a cause of inflation. It is equally true, however, that too few goods will also cause prices to rise." So as the economy booms, more goods will be produced, and this, he believes, will result in lower prices.

To be sure, Laffer is correct that Kemp-Roth would increase real output—at least in the short run. Eckstein's model shows that the economy in a few years would be booming, with unemployment falling below 5%. But inflation would be on the march. By 1982, for example, the rate of inflation would be almost 2 percentage points higher than without the cut, he calculates. And even this scenario may be overly optimistic. Econometric models have been notorious for underestimating inflation. More important, the model assumes that monetary policy is neutral even in the face of accelerating inflation. But as the deficit soars and inflation really gets rolling, the monetary authorities will have no choice but to tighten the monetary vise. And that means that capital spending and housing get clobbered, and the economy goes tailspinning into recession. So even the spurt in real growth generated by Kemp-Roth may be short-lived.

Laffer and other proponents of Kemp-Roth point to the Kennedy tax cuts of 1962 and 1964 as examples of how sharp reductions in tax rates can generate sustained bursts of economic growth. But their claims have been dismissed as wildly excessive by none other than Walter W. Heller, CEA chairman under Kennedy and Johnson. Heller fought hard for the Kennedy tax cuts, and he would dearly love to take credit for engineering the above-average economic growth that took place between 1962 and 1967. The beneficial effects of those cuts—about $12 billion, or $36 billion in today's prices—were on the demand side, not on the supply side, he holds. The key difference between the early 1960s and now is that the current inflation rate hovers near the double-digit level, compared with about 1.5% then. A tax cut—even one of only $36 billion—carries with it the danger of fueling an inflation from which the nation will take years to recover.

WORLD ADMINISTRATIVE RADIO CONFERENCE

Mr. SCHMITT. Mr. President, an issue that has gained fortunately increasing attention in the press and in Congress is the issue of the World Administrative Radio Conference which is to convene next year in Geneva. This conference is a continuation of discussions by the nations of the world on how high frequencies and satellite positions in orbit are going to be allocated in the future.

The issues that are raised by this conference, commonly known as WARC, are ones which will have a tremendous impact on the future of American technology, American business, and the American Defense Establishment.

It is my hope that the Senate, which must eventually approve any treaty that comes out of the conference, will begin to educate itself on the fantastic implications of adverse policy decisions that may come from that conference and assist those of us in the Commerce Committee and others in insuring that the administration takes a much more in-depth and higher level examination of what our policies will be and what the implications of those policies will be for the Government and for the national economy.

Satellite communications are the wonder of the modern age. They are the first representative of civilization from Earth into space, and clearly our society has become dependent upon those communications.

To do anything that would reduce our ability to use satellite communications and the frequencies required for those communications would be a serious mistake in this Senator's opinion, and I think it is one that the Senate, of course, will not allow the administration to make.

Mr. President, at this point I ask unanimous consent that a summary of the situation relative to the World Administrative Radio Conference that was published in Science on August 11, 1978, entitled "Encounters with the Third World Seen in Allocating Frequencies" be printed in the RECORD.

There being no objection, the article was ordered to be printed in the RECORD, as follows:

ENCOUNTERS WITH THE THIRD WORLD SEEN IN ALLOCATING FREQUENCIES

WARC, which stands for World Administrative Radio Conference, is hardly a household acronym. However, WARC is likely to achieve a higher recognition quotient because it deals with one of those subjects which were formerly regarded as essentially technical, but have taken on serious international economic and political implications.

At issue is the electromagnetic spectrum, or at least that portion of it used for telecommunications. WARC is a function of the International Telecommunication Union (ITU); a major conference is held every 20 years, the principal purpose of which is to allocate frequencies. The next one is set for September of next year in Geneva.

In the past, even at the last big conference in 1959, the industrial nations, with the United States taking the lead by virtue of its technical supremacy, got pretty much what they wanted at WARC. In the past two decades, however, the explosion of electronics and space technology, particularly the development of satellite communications, vastly increased civil and military uses of the spectrum and sharpened competition for access to frequencies. At least as important, less developed countries (LDC's) recognized the value of a place in the spectrum and began to organize to assert their claims.

The LCD's arguments for a more equal footing in telecommunications directly parallels those they make in demanding acceptance of a so-called New World Economic Order. The LDC's have used the United Nations as a principal venue for pushing their case for greater access to technology, capital, and resources which they see as unfairly monopolized by industrial nations, particularly by the former colonial Western countries. The parallel in the communications sphere is made explicit by the LDC's calling for a "New World Information Order." The LDC's will have considerable leverage at WARC because of the ITU's one-nation, one-vote formula for decisions. They constitute a sizeable majority in the ITU where membership has grown from less than 100 nations in the time of the 1959 meeting to 154 today.

Under the prevailing rules, ITU lays out sectors of the spectrum for various uses—radio and television broadcasting, satellite communications, maritime radionavigation, for example. The frequencies have then been utilized on a first-come, first-served basis. The advantage, therefore, has been with the nations which were technically most sophisticated and quickest off the mark. The LDC's have made it clear that they want to modify the system. Their first concern is thought to be to gain more scope for their own domestic broadcasting, but there are indications that at least some of the LDC's want to share the higher frequencies used for more sophisticated communications, and, if they can't use them immediately, to gain what, in effect, are "parking" rights.

Unquestionably, the American stake in WARC is very substantial. The potential effects of changes seriously unfavorable to the United States are indicated in a 1977 Senate Foreign Relations Committee staff report which takes a broad look at communications problems in the perspective of international politics. As part of their conclusions, the report's authors suggest what, "At its worst," the New World Information Order could mean for the United States. In the national security sphere this country could lose access to frequencies now relied on for military communications, radar, and missile operations. The present wide use of satellites for both military and civilian purposes—weather, crop, and navigation satellites, for example—could be adversely affected. Space research and other scientific activities such as radio-astronomy are vulnerable in the competition for frequencies (*Science*, 30 June). The economic consequences of changes in the allocation of frequencies could be very great, ranging from higher telephone bills to losses arising from restriction or increased cost of the huge flow of data made possible by the linkage of computers to modern communications systems.

In assessing the issues that will influence the atmosphere of the Geneva WARC, it is impossible to ignore the dispute between the LDC's and Western nations over the operations of international news media. The LDC's have been unhappy about the dominance of Western news organizations in the coverage and dissemination of world news. They feel that to little attention is given to LDC's and that what news is carried tends to be unfavorable and unfair to them. At the last biennial meeting of Unesco in Nairobi in 1976, the LDC's supported a declaration on the mass media which had its origins in the Soviet bloc. The effect of the declaration would be to give governments greater control over news generated and consumed within their own boundaries and more responsibility for the activities of their own journalists.

Implementation of such a declaration would severely restrict press freedom as it is interpreted in the West and was strenuously opposed by the United States and other Western countries. Action on the declaration was diplomatically delayed, but the subject is expected to come up again at the Unesco general meeting scheduled to begin in Paris in late October. And many observers think that LDC's may be disposed to pursue the principles of the mass media declaration through joint action at WARC. A showdown on the issue may be deferred or deflected by the deliberations of a group of "wise men" commissioned by Unesco. Scheduled to report next year, these practical philosophers are expected to give guidance on the mass media issue but in the context of much broader recommendations on how the LDC's can participate most profitably in global communications development for the rest of the century.

For the United States, the odds on a worst case analysis coming true at WARC do not appear to be overwhelming. U.S. officials are split on the likely effects of the mass media issue. Some believe that a majority of the LDC's are primarily interested in broadcasting frequencies in the lower-frequency part of the spectrum and in the development of their basic national communications networks. The United States is still regarded as the principal source of technology and technical assistance, and these officials feel that if the U.S. government demonstrates an understanding of LDC priorities and offers real assistance in achieving them, the LDC's will concentrate on technical rather than political issues at WARC.

At least until recently, there was considerable apprehension on Capitol Hill and in U.S. industry that the government might drift into difficulty at WARC by default. There seemed to be no recognition at the top of the Administration of the importance of international information and communications problems in general or of WARC in particular.

CHANGE IN THE PICTURE

This year, the picture has changed somewhat, in part because of remonstrances from legislators concerned about the lack of U.S. policy on international information issues. Such legislators include Representative Dante B. Fascell (D-Fla.) and Senator Ernest F. Hollings (D-S.C.). Secretary of State Cyrus R. Vance placed responsibility for coordination of international communications matters with Deputy Secretary Warren Christopher, the State Department's number two man. An interagency review of communications policy was called for and White House interest in the matter is indicated by the reputed existence in draft form of a presidential review memorandum on international communications.

As for WARC, itself, Glen Robinson, a University of Virginia law professor, has been named to head the delegation to the conference and a special office has been established at State. Robinson will have the temporary rank of ambassador for the period of the conference.

Actually, while there may have been insouciance on the subject at the top, the government has hardly been totally indifferent to WARC. In fact, literally hundreds of lower-level officials have been beavering away at preparations. One estimate puts the number at more than 600 involved in various aspects of the very complicated preliminaries.

The United States is unusual in its fully developed, dual, public-private communications system. The Federal Communications Commission (FCC) is responsible for formulation of the nonfederal requirements for WARC through consultation with industry and other nongovernment users. The National Telecommunications and Information Administration (NTIA) does the same for federal users. NTIA is also charged with reconciling the two streams of requirements and formulating consistent federal policy. In the United States, about half of the use of frequencies is nonfederal and half federal. Roughly half of the federal use is military. The State Department has the responsibility for international negotiations and is now in the process of forming the delegation that will go to the WARC.

These signs of activity seem to have had the effect of somewhat quieting expressions of alarm about the state of U.S. policy, although the congressional critics have hardly lost interest. The Senate version of the State Department authorization bill contains a section on international communications policy which requires the President by next 20 January to report to Congress on "procedures he has established by which to develop

and maintain a comprehensive United States policy regarding international communications and information issues." And, on the subject of WARC, Hollings is expected to seek a progress report on preparations for the conference before Congress adjourns at a special hearing by the Senate Commerce Committee's communications subcommittee which he chairs. WARC, of course, is still more than a year away, and with so many variables at play, predictions on the outcome must be taken with some skepticism. One interesting question is whether the Soviet Union and the United States will be at odds over specific issues at WARC. The two superpowers are the biggest users of the spectrum and there are reports that the Soviet Union is demonstrating a certain coolness to the idea of a New World Information Order. But, especially in view of the present tensions between the two countries, it is unclear whether a community of interest will lead them to make common cause at WARC.

No informed observer expects the status quo to be unchallenged or unchanged at the 1979 WARC. For a very long time the electromagnetic spectrum has been, so to speak, an American lake. The change in circumstances is summed up by a quote attributed to a Sudanese minister, Ali Shummo, which is cited almost ritually by commentators on WARC. "You (the industrial nations) have 10 percent of the population and 90 percent of the spectrum and we (the LDC's) have 90 percent of the population and 10 percent of the spectrum. We want our share." He did not have to add that at WARC the LDC's will also have the votes.

Mr. SCHMITT. Mr. President, clearly related to the explosion of technology that has made the World Administrative Radio Conference so important to this country is the general issue of how the United States capitalizes on its traditional and very, very critical base of technology with respect to international marketing and the international economy.

There are several aspects of the present policies of the Federal Government going not only to this administration but even to previous administrations that have been working against the expansion and utilization of our technology base with respect to exports of goods and services and more critically at the present time with respect to strengthening the dollar through a reduction in our balance of payments.

The Federal Government's policies have not been conducive to the creation of new technologies that eventually can be applied to products and services for export, and those products and services that could be exported are being stifled by the present policies of the Federal Government with respect to the examination of exports in the light of other foreign policy consideration. It is not this Senator's suggestion that exports should not be examined in the light of foreign policy considerations but that it must be done with a certain degree of commonsense.

Mr. President, I shall ask unanimous consent that two recent editorials dealing with this subject be printed in the RECORD. Prior to their printing I will say the first is from Science magazine, an editorial of August 11, 1978 by Philip H. Abelson, entitled "The Federal Government and Innovation" and I draw my colleagues attention to two paragraphs from that editorial:

A similar level of federal intervention prevails in other industries, and it represents only part of the problem: states and municipalities have added further burdens. The cost of federal regulations, which is passed on to consumers, has been estimated as high as $100 billion a year and it is increasing. The higher cost fosters inflation at home and inability to compete abroad.

The second paragraph of importance reads:

The result of the current climate is that many major companies are concentrating their R & D on improvements in existing processes and products. At the same time, the creation of small high-technology companies has virtually ceased.

The second editorial from Aviation Week of August 7, 1978, written by Robert Holtz, entitled "Carter's Export Muddle" details some of the decisions that have been made recently to either stop or slow down the export of products of American technology in the military area and not only American technology but they have inhibited the sale of arms by other countries when American components are included in those arms.

I quote one paragraph from this editorial prior to its printing, as follows:

It is this naive assumption that if the U.S. stops selling arms abroad peace will envelope the world that screens reality from most of the Carter minions trying to cope with aerospace export problem. They naively suppose that France, Britain, Israel, Russia and the rest of the aerospace producing nations will gladly follow the Carter lead. In fact, the British and French are rushing into every export vacuum created by Carter policies.

As we discussed yesterday on the issue of nuclear waste policy in the Commerce Committee, I think the summary is that if you want to set the rules of the game, Mr. President, you have to play in that game. You cannot be a spectator.

Mr. President, I ask unanimous consent that the articles to which I have referred be printed in the RECORD.

There being no objection, the material was ordered to be printed in the RECORD, as follows:

THE FEDERAL GOVERNMENT AND INNOVATION

In the recent third annual AAAS R & D Policy Colloquium, "R & D in the Federal Budget," about half the agenda was devoted to university-government relationships, the other half to industrial research and development. Attention to the business sector is timely; the United States has lost its ability to compete in many products involving technology. This contributes to a sinking dollar, inflation, and unemployment.

Speakers at the symposium, including President Carter's Science Adviser, Frank Press, emphasized that a major factor has been a lack of innovations. In the past, new high-technology products were an important source of prestige and of a favorable balance of payments. Innovations also fostered gains in employment and productivity.

For nearly two decades after World War II, the United States was a leader in fostering research and development. Expenditures for R & D rose to 3 percent of the gross national product (GNP). At the same time, Western Europe and Japan were only gradually recovering from the war. But while trading rivals continued a vigorous effort to catch up, the United States ceased to expand its support of R & D. In constant dollars, the level of effort has been static for more than a decade and now represents only 2.2 percent of the GNP. While governments in other countries such as Japan worked closely with industry to foster innovations and exports, the United States adopted a hostile attitude toward business, subjecting it to thousands of costly regulations. For example, in the making of steel, companies must comply with more than 5000 regulations issued by 27 different federal agencies.

A similar level of federal intervention prevails in other industries, and it represents only part of the problem: states and municipalities have added further burdens. The cost of federal regulations, which is passed on to consumers, has been estimated as high as $100 billion a year and it is increasing. The higher cost fosters inflation at home and inability to compete abroad.

One of the effects of creating this vast structure of federal regulations has been an enormous concentration of power in Washington. In contrast, vice-presidents for R & D of major companies tend to be subdued and anxious. One of them told me he devoted 90 percent of his efforts to matters dictated by regulations or anticipated regulations. The time required to proceed from research to the introduction of an innovative product is 10 years or more. In the meantime, who knows what regulations may be imposed?

Other factors discouraging innovation include high interest rates and tax policies. In Japan, companies can write off capital expenditures in 3 to 5 years. Here 10 year or more is common.

The result of the current climate is that many major companies are concentrating their R & D on improvements in existing processes and products. At the same time, the creation of small high-technology companies has virtually ceased.

Frank Press, who is fully aware of the trends in innovation, has brought the matter to the President's attention. In consequence, a major domestic policy review has been launched. The Cabinet-level study will be undertaken by a committee drawn from 15 federal departments, agencies, and offices. The committee will be chaired by Secretary of Commerce Juanita Kreps, with day-to-day coordination by Jordan Baruch. During the study industry, labor, and public interest groups will have an opportunity to make inputs.

The initiative of Press and the good intentions of President Carter are to be applauded. But the committee is loaded with representatives of the regulators. They will be merely acting as humans if they seek to escape blame. Even so, the policy review will surely have constructive consequences as the committee looks at the government's role in inhibiting innovation.

PHILIP H. ABELSON.

[From the Aviation Week and Space Technology, Aug. 7, 1978]

CARTER'S EXPORT MUDDLE

President Jimmy Carter's Administration has managed to create an aerospace export policy that is the most puzzling bureaucratic maze in a city known for this product and is eroding the economic foundations of a major U.S. industry that is still propping up a declining balance of foreign trade. With the touch for which the Carter Administration has become famous, all of this energetic, counterproductive activity has failed to achieve any of the goals its progenitors sought.

The Carter Administration's intervention in the third country sale of Swedish Saab Viggen fighters to India because they contain some U.S. licensed subsystems is the latest example of this self-defeating folly. The U.S. components involve the Pratt & Whitney JT8D engine, which is in widespread commercial service around the world, and the Singer-Kearfott navigation system. The ground for refusing approval of the sale, according to Secretary of State Cyrus Vance, is that introduction of a new weapon would destabilize the India-Pakistan situation.

This reckless logic comes only a few months after the Carter Administration lobbied shamelessly on Capitol Hill for approval to sell the two most advanced fighter systems in the world—General Dynamics F–16 and McDonnell Douglas F–15—to opposing Arab and Israeli factions in the most volatile and war-ridden portion of this planet.

One of the other pious points made by the Carter Administration was that it was going to curtail foreign arms sales to all but the NATO nations and Australia, New Zealand and Japan. In fact, during the past 18 months the Carter Administration has approved far more arms sales outside the NATO nations, Australia, New Zealand and Japan than within them, with most of the arms destined for the Middle East powder keg.

In the meantime, the very real needs of NATO nations are being buried in diplomatic wrangling, with pious platitudes as a substitute for the new military hardware required to counter the enormous Warsaw Pact forces expansion.

The Carter disarmament coterie includes some of the most naive people to operate in the capital city during the 30 years we have observed the scene. One lad fresh from the red clay fields of southern Georgia told an astonished aerospace executive who was trying to discover the substance of Carter arms policy: "We have got to stop the world from going down the tube. If we don't sell arms nobody will have anything to fight with."

It is this naive assumption that if the U.S. stops selling arms abroad peace will envelope the world that screens reality from most of the Carter minions trying to cope with aerospace export problems. They naively suppose that France, Britain, Israel, Russia and the rest of the aerospace producing nations will gladly follow the Carter lead. In fact, the British and French are rushing into every export vacuum created by Carter policies.

The Soviets, who have taken the full measure of the Carter naivete, are stringing him along by endless mumbo-jumbo while they peddle the enormous arms surplus created by the modernization of their own forces to the Middle East, Africa, Asia and South America—wherever trouble-makers are willing to trade political influence for arms. Both British and French aerospace industries recorded all-time peak aerospace exports for 1977 and are heading for even higher totals for 1978.

The U.S. rejection of the Swedish sale to India will not change the military trends in that part of the world one iota. The Indians will simply get what they want from the French, British or Russians. A perfect example of this U.S. futility occurred a few years ago in South America when the State Dept. told the Israelis they could not sell Kfir fighters to Ecuador because they contain the U.S.-licensed General Electric J79 engine. The rationale was to prevent the Ecuadorian military capability from improving despite the Soviet sale of tanks, missiles and swing-wing Sukhoi fighters to their Peruvian neighbor. Ecuador simply bought a supersonic fighter from the French—the Dassault Mirage F1.

This is not the first time the State Dept. has tried fruitlessly to tell the rest of the world how it should run its internal affairs. More than a decade ago, the Kennedy brothers told South American nations they should spend their money on "poverty, not planes" and banned U.S. sales to Latin America. This led to nearly $2 billion in French and British aerospace sales that overflowed heavily into the commercial area and also gave the Soviet Union its opening wedge in Peru.

But the Carter Administration has added another bizarre twist to its export policy maze with the civil rights office of Patt Derian in the State Dept. that now has a veto power over civilian aircraft sales if other nations do not meet Jimmy Carter's standard of civil rights. This has resulted in the veto of ambulance airplanes, trainers and even target drones, when a valid contract already existed. The only result of these civil rights vetoes will be more shifting of business from U.S. to foreign sources.

The result of all of these Carter policy gyrations is a Washington bureaucratic maze that baffles even cynical, veteran players of capital city games and makes it impossible for aerospace industry executives to get a government decision on even the most routine export sales.

What all of these Carter bureaucrats don't realize is that they are eroding an industry that over the past eight years contributed $52 billion in exports for a nation that had a $53-billion trade deficit for the same period. What these Carter bureaucrats also don't realize is that their fumbling and feckless policies are not achieving any of their stated goals but are simply transferring jobs from Wichita, Dallas, Cincinnati, St. Louis and Hartford to Paris, Toulouse, Bordeaux, London, Bristol and Manchester. Far beyond the damage created by the current decisions and bureaucratic morass is the growing feeling in the rest of the world that the U.S. government has made the U.S. aerospace industry an unreliable partner in the international marketplace.

HUMAN ISSUES IN HUMAN RIGHTS

Mr. SCHMITT. Mr. President, on a final matter, I wish the RECORD to include and ask unanimous consent to do so at the conclusion of my remarks an article again from the August 11 Science magazine entited "Human Issues in Human Rights." And I ask unanimous consent that this be printed in the RECORD at the conclusion of my remarks.

The ACTING PRESIDENT pro tempore. Without objection, it is so ordered. (See exhibit 1.)

Mr. SCHMITT. This article details the experience of the Committee on Human Rights of the National Academy of Sciences over the last many years.

It will provide, I think, a good perspective on the concern and the uncertainty with which scientists are approaching many of the problems coming under the general category of human rights. But I think it is safe to say, Mr. President, that we should be very, very careful as we approach, say, the problems of human rights in the Soviet Union to realize there are few black and white answers.

For example, communication through science with the Soviet Union has been one of the major windows that the rest of the world, the free world in particular, has been able to see through in order to understand just what was happening with respect to human rights in the Soviet Union.

To suddenly decide, either through individual or Government policy, that we are no longer going to communicate through science would mean we close that window. It does not mean we condone the activities of the Soviet Union. Just the opposite. It means we want to understand those activities in order to be able to condemn them.

There is another point that sometimes is missed in this area of human rights in its relationship to scientific communication, and that is those individuals in the Soviet Union who are known as dissidents very frequently are some of the greatest scientists of that country, and, by contact with the great scientists of this country and other nations around the world, they are given an obvious level of prestige that makes it increasingly difficult for the Soviet Union to violate their human rights and to punish them as commentators on the present state of human rights in the Soviet Union.

So I would encourage, first of all, my science colleagues in this country to obviously follow their conscience, but not to arbitrarily reject communication with their counterparts in the Soviet Union because it is a way in which we understand the problems of our fellow scientists and fellow human beings in that country.

But I would also encourage and urge my Senate colleagues not to rush to prohibit in any way the freedom of choice of scientists to communicate with their colleagues in the Soviet Union or any other nation where human rights are being violated.

It is, Mr. President, a unique and, I think, very important way in which we provide ourselves with an understanding of the problem and, in fact, can help to alleviate the problem through the prestige that we grant our friends and colleagues in these other countries.

EXHIBIT 1

Human Issues in Human Rights

(By Robert W. Kates)

To be active in defense of human rights is to confront human issues both disturbing and difficult. For almost 2 years a committee of the National Academy of Sciences (NAS) has sought to develop a sustained program of human rights activity appropriate to its membership and its tradition of concern for the rights of scientific workers.

THE ACADEMY COMMITTEE

The Committee on Human Rights was chartered by the council of the academy and is composed of seven members of the academy and three liaison members from the National Academy of Engineering and the Institute of Medicine.[1] Exceptional support is given to it by the staff of the Commission on International Relations.[2] The committee received financial support from the academy's endowment funds.

Our activity focuses on the plight of individual scientists, engineers, and medical personnel suffering severe repression. Such cases may originate in the files of Amnesty International, with the initiative of a member of the academy, in a letter from a victim's friend or family, or in the informal reviews that we have undertaken of the fate of scientific workers in different areas.

When a case of severe repression has been identified, we begin a further process of inquiry that always involves consultations with a responsible spokesperson of the country where our colleague resides or is imprisoned and, where possible, with members of human rights organizations and scientific institutions, with a representative of the U.S. embassy in the country involved, and with the victim's family and friends. A great deal of care goes into these inquiries as we try to maintain the same standards of evidence, balance, and openmindedness that characterize academy assessments on scientific matters.

When a clear-cut case has been developed—clear-cut in the sense that there is a strong basis to assume that an individual is, indeed, undergoing severe repression—we formulate a series of requests appropriate to the case and prepare a public statement. The statement and the requests are reviewed by the academy's 12 elected councillors; when approved, sometimes after revision, they are made public. Once this is done, our com-

Footnotes at end of article.

mittee tries to undertake a sustained effort in behalf of the aggrieved individual, combining public remonstrance with appeals to the concerned government, their national academy if such exists, or other scientific institutions and providing moral support to the individual and his or her family.

A major feature of the committee's effort is our correspondent network of some 350 members of the academy who have volunteered to receive communications from the committee and to act upon them. Thus, the efforts of the committee are amplified as correspondents write or cable governmental representatives, offer support to families, and call attention to the plight of individuals within their professional societies, at their workplace, or through their international contacts.

Currently, inquiries and other efforts are being directed in behalf of individuals in 11 countries, and public statements have been issued in behalf of 18 individuals: Federico Alvarez-Rojas, Claudio Santiago Bermann, Gabriela Carabelli, Juan Carlos Gallardo, Antonio Misetich, Eduardo Pasquini, and Elena Sevilla of Argentina; Vladimir Lastuvka and Ales Machacek of Czechoslovakia; José Luis Massera of Uruguay; Sergei A. Kovalev, Yuriy F. Orlov, and Antoliy B. Shcharanskiy of the U.S.S.R.; T. W. Kamil, I. Made Sutayasa, Bursono Wiwoho, and Kamaluddin Singgih of Indonesia; and Ibrahima Ly of Mali.

The last five cases, which we have just formally adopted, can demonstrate some of the committee's process. The Indonesian scientists have each been held incommunicado from immediate families and relatives for long periods of time. They are representative of a much larger number of Indonesians [3] who also are being held, often without trial, without access to legal counsel, and without other opportunity to have their arrest and detention clarified or adjudicated.

T. W. Kamil, about 50 years old, is one of Indonesia's leading linguistic scholars from the University of Jakarta; he studied at the University of Michigan. He was arrested on 30 October 1965 and has been detained since that time. He is reported to be held at Nusakembangan prison.

I. Made Sutayasa, believed to be about 36 years old, was an archeologist employed at the National Research Center of Archeology until 1975 when he was arrested in Jakarta upon his return from a conference of archeologists in Australia. He has not been formally charged or tried; it is believed he is being held on the island of Bali. He is married and has four children and may have been a member of the Indonesian Communist Party before it was banned.

Bursono Wiwobo, about 55 years old, was professor of educational psychology at Gadjah Mada University in Jogja-karta, Java. Professor Wiwobo had been a member of the National Planning Board under the Sukarno government and at the time of his arrest in late 1965 was chairman of the Indonesia Association of Scientists. He is reported to be either in Jogjakarta prison or detained on Buru Island, the location of a permanent resettlement camp for untried political prisoners. He participated in the nationalist movement to gain independence from the Dutch, after which he studied in Prague from 1951 to 1954 where he earned a degree in psychology. He later headed the psychology department of Gadjah Mada University in Jogjakarta and was a founder of the Indonesian Scholars Association. He is reported to be in poor health.

Kamaluddin Singgih, age 47 years, was teaching in the department of mechanical engineering at the Technological Institute in Bandung when detained January 1966. Later that same year he was released to assist in flood control projects—only to be taken into custody again in January 1967. Originally imprisoned in Salmba prison in Jakarta, he is now on Buru Island. Singgih studied physics and engineering at Stuttgart between 1960 and 1965 and was reputed to be sympathetic to the Communist Party.

Our information concerning these Indonesian colleagues is thinner than for most of our cases. Three of them have been in detention for upwards of 12 years and their very isolation makes it difficult to obtain current information about them. Thus we have quietly and privately sought—so far without success—to obtain clarification as to their status from the government of Indonesia.

We know somewhat more about Ibrahima Ly, a Ph.D. in mathematics from Moscow State University and, until his arrest and imprisonment, a mathematics teacher at the Ecole Normale Supérieure in Bamako, Mali. He was arrested in June 1976 along with 14 other persons who were accused of writing a political tract that urged Malians to vote "no" in a referendum called by the Malian government to approve a new constitution. He was subsequently brought to trial in April 1975 under charges of subversion against the government, found guilty, and sentenced to 4 years of imprisonment.

Our list of concerns does not always get longer. The scientific community can share in the satisfaction that Juan Carlos Gallardo of Argentina has been released and is again working in physics in the United States and that Elena Sevilla should follow shortly. And among those cases that were resolved during the course of our inquiries, we note that:

Ismail Mohammed, who spoke out against segregationist policies in South Africa and was detained there in September 1976 and fired from his university post, is now practicing mathematics again at another university.

Grigoriy Chudnovskiy, a gifted young Soviet mathematician, was permitted to leave the U.S.S.R. with his brother, David, who is also a mathematician, and his elderly parents; he is currently in the United States receiving treatment for myasthenia gravis.

Taysir al Arouri, a Palestinian physicist, who was detained for 2 years without charge or trial by the Israeli government, has been released; it is hoped that he will return to his position at Bir Zeit University, teaching physics and mathematics.

Professor "X," an African mathematician, fearful of his life if he returns to his country, has had his visa extended to remain in the United States.

In all of these cases, our inquiries were some of many such efforts and remonstrances from scientific societies and individual scientists. We can all share in the satisfaction of their resolution.

But these are still the exceptions. Four Argentinian physicists (Alvarez-Rojas, Carabelli, Misetich, and Pasquini) are simply reported as "not registered" by the Argentinian government. Massera enters his third year in prison in Uruguay despite his willingness to leave the country and take up an offer of a post in Italy. Kovalev enters his fourth year in prison despite offers from Stanford and Cornell for visiting posts. In Czechoslovakia, the appeal by Machacek has been rejected and Lastuvka's sentence has been reduced by 1 year by the Czechoslovakian Supreme Court. They still remain as the first imprisoned victims of the Charter 77 movement, a Czechoslovakian effort to monitor human rights. Orlov and Shcharanskiy have been summarily tried and found guilty in the U.S.S.R.

As we sought to develop our program in our initial year of activity, we faced three major issues:

Whose human rights?

Which human rights?

How do we act for human rights?

WHOSE HUMAN RIGHTS?

The issue of whose human rights we were concerned with touches on the essence of a basic question that we had to consider: "Are scientists special?" After some months of discussion and reading, the consensus of our committee was negative.

Scientists are not special, neither as victims nor as torturers do we deserve to be singled out. It is true, as the Ziman report [4] states, that science as an activity has certain characteristics—a reverence for truth that leads its practitioners to query and dissent, a process of verification that requires open dissemination and communication, a universality of discourse and goals whose common language and pursuits go beyond national borders—that may be readily seen as threatening to authoritarian regimes or even in conflict with nation-building goals. But the Sierre Chica prison in Argentina is filled not with scientists but with young workers and students. As Philip Handler put it in an interview in *BioScience* [5]):

. . . tortured shoemakers hurt quite as hard as tortured scientists. Protesting only for scientists. Protesting only for scientists doesn't quite fit with my own beliefs about all of this. Scientists happen to be a little bit more visible. The world knows about them. The shoemakers are taken off behind the barn and shot.

If we scientists are not special, though, why limit our human rights activities to our own—to scientists, engineers, and health personnel? Our answer is simply: they are our own. We hope that other groups—trade unions, bar associations, women's groups, and shoemakers everywhere are equally or more active. But we will surely be more effective in identifying victims, in documenting their cases, and in supporting them, if we can appeal to that special quality of collegiality that we share and if we can use for such appeals the established avenues of scientific communication. In so doing, however, we know that in many, if not most cases, the nameless victims of repression have few if any scientists among them, and in some cases, scientists serve with the repressors.

Having chosen to limit our efforts to "our own" we were still left with some issues of definition: how far do we extend the concept of scientist and at what point in a career does an individual become a scientific colleague? Our answer, in keeping with the universality of science, was to seek a similar universality of outreach: not merely to the well-known and well-connected, not only to the ideologically similar, but to all victims in science, engineering, and medicine wherever they may be.

It is understandable that our academy officers have taken the strongest possible position in defense of Sakharov, a foreign associate of the academy; that as academicians who are well known and well connected we know and thus respond to the victims from our own ranks; or even that some of us more readily respond to victims of our own personal ideological persuasion. But it cannot be, and it is not, the position of our committee to limit our efforts to such cases.

Thus we have spent a considerable portion of our collective energy on trying to extend our knowledge of the plight of individuals in the less-known areas of the world and to examine the situation in our own and other countries of similar ideological persuasion. We have done so even at the cost of limiting our efforts in behalf of better-known cases, often to the pique and annoyance of our own members and colleagues.

We are, of course, limited in just how well we extend ourselves. In many parts of the world, science is poorly developed and so are our contacts with those areas. And we surely miss or rationalize away some of the travesties of human rights in our own midst. But it is not for want of trying.

Footnotes at end of article.

WHICH HUMAN RIGHTS?

In considering the second issue—Which human rights?—I urge a reading of the Ziman report.[4] It makes one basic point and makes it well. Beginning in 1945 and up to the present, a major international shift took place in human rights activity. Human rights today are not merely moral rights, they are international legal rights. An internationally accepted code of human rights—economics, social, political, and religious—has been developed. Most nations have not ratified that code, fewer nations implement those rights, and in only one case, the Council of Europe, does an effective international appeals court exist.[6] But almost all nations give lip service to it, and many nations have signed treaties that accept at least a portion of the evolved code. There is an international standard for human rights.

Using this standard is extremely helpful to us in our selection process. We do not have to sit in judgment of our colleagues now more than 12 years in Indonesian prison camps or 13 months in Lefertovo prison. When the Israeli government says that Taysir al Arouri "incited terrorist activities" or Uruguayan officials say that Massera was found guilty of "subversive association" [7] we do not need to make judgments that are clearly beyond our knowledge. It is sufficient to know that Al Arouri has been detained without being tried or charged under so-called Jordanian Administrative Law (which is really the relic of the British Mandate Law and which ironically was used to imprison many pre-independence Israeli patriots). And to know that Massera probably has been tortured and has certainly suffered physical impairment, even though Uruguay has an established tradition of allowing opponents exile and there is a post in Italy for him and his wife (who is also imprisoned).

Thus we draft our requests—an end to torture, rights to trial, to representation, to visitation, to courtroom observers, to receive and send scientific literature, to exile (as opposed to continued detention), to humanitarian release (in case of hardship), and to extension of existing amnesty. All of these are rights implicit in the international code.

In requesting compliance with the international code, we need not underestimate the threats that nations perceive from dissidents: we live in a world where terrorism is a reality and not limited to national liberation or the overthrow of tyranny, where subversion and dissent may threaten all but the strongest and oldest of societies. Nonetheless, the prisons of the world would empty of prisoners of conscience if countries would adhere to the minimal rights of the *Universal Declaration of Human Rights* and its successor documents.

If we take international rights seriously and try to use them effectively to refute the charge of intervention in the internal affairs of other countries, we cannot choose them selectively. We Americans have an ideological bent that selectively equates human rights with certain civil and political rights, ignoring many other rights embodied in those covenants. Those who would dispute our right to speak out raise this issue repeatedly with us. Here are three examples. A member of an American scientific society who was born in Argentina, writes an open letter to the society's president condemning his action to protest the repression of Argentinian colleagues:

You [the President] have called attention to nefarious practices in Argentina. Well, I must tell you that the average citizen there has more freedom in some aspects than we have here. Have you heard . . . that hundreds of thousands of elderly people, and some not so elderly, in certain areas of the United States are locking themselves up and starving because of the fear of street violence. Our American cities are filled with men and women like the elderly couple in New York who committed double suicide recently for fear of going out and being mugged again. Have you . . . written letters to President Carter about this shameful problem . . . [a] problem unknown in Argentina? [8]

The Iranian representative to the World Bank writes:

In spite of some 30 years of debate over this complex issue in the United Nations, American and Western libertarian philosophy still regards "human rights" in a very narrow context: as essentially political, universal and timeless.

But as far as the third world is concerned, they are largely one-sided, passive and abstract. They reflect political rights for the redress of grievances, personal immunity for unlawful or unnecessary search and seizure, habeas corpus privileges, due process of law for incarceration or imposition of fines, the absence of cruel and inhuman punishment, and a host of other individual freedoms of action.

But they are silent about the society's obligation toward the individual; they say little about the right to employment, the right to obtain a meaningful education, the right to enjoy a minimum of life's amenities. These "active" and "positive" sides (that is, society's obligations) are either ignored or considered as secondary in the roster of Western "human rights".[9]

A Soviet legal expert echoes these sentiments:

When they discuss human rights, many Western ideologists emphasize not socioeconomic problems but the freedom of the individual. Without question [these are] an essential element of democracy.

All these are not enough, however, in our view. We believe that society must also guarantee the individual the right to education, to work, and to material security. . . . There are now 17 million unemployed in the industrialized capitalist countries . . . we have no unemployment [in the USSR] since the beginning of the thirties.[10]

I have the impression that many human rights activists respond to these concerns as if they were red herrings to be ignored or a rationalization for repression and not to be credited with serious attention. In my opinion, this would be in error. To justify a sentence for Kovalev or Orlov by the fact that we tolerate a high unemployment rate in the United States or to excuse the thousands of kidnappings in Argentina on the basis of the muggings that occur in the United States would clearly be nonsense. But to ignore the substance of these challenges would be a serious mistake.

The international codification of human rights provides for economic and social rights as well as political rights. To use one of the examples cited: it is indeed shameful that in the richest nation on earth 6 to 7 percent of the work force is almost always out of work, and 30 to 40 percent of black youth seem permanently unemployed. Our most rational goals for unemployment range from 4 to 6 percent; in contrast, not only in socialist countries, but in many Western European countries, a 1 percent rate is considered a national calamity.

Let us welcome a genuine dialogue. As we point out to our Soviet colleagues that their remarkable employment record is not enhanced by denying dissidents the right to work, let us also consider ways in which we in science and technology may work to enhance the right of all to work, to have security in our cities, and to meet basic human needs.

There is another view as to which human rights can be asserted. It is the view of Sir Andrew Huxley and other British scientists within the Royal Society. He distinguishes between defense of the political rights of dissident scientists and the defense of scientific rights in the face of intrusion of the state. He notes:

"The persecutions of the present day are not directed against scientific doctrine or against scientific enquiry as such; they are directed against individual citizens who have had the courage to speak up against oppressive features of the regimes under which they live. Among these brave individuals there are, for example, writers and medical men as well as scientists. The appropriate reaction therefore comes from us not as scientists but as citizens; if we wish to join in some corporate protest, it should be through one whose prime concern is with science. If a scientific body publicly takes a step whose justification is political and not scientific, it will lose the right to claim that it is acting purely in the defense of science on some future occasion when it wishes to speak out against, say, a repetition of the Lysenko affair.[11]

In choosing the clear-cut case of Lysenko and the role of some political dissidents, Sir Andrew has the advantage of posing the extreme cases to support his opinion. Unfortunately, we find it more difficult to grapple with the continuum of repression, to determine just what is scientific and what is political. To cite just two examples:

Some Argentine scientists appear to have been denounced, killed, or imprisoned because they differed on scientific policy with the military or were actively reformist in the governance of their institute or university.

Many Soviet scientists who are clearly political dissidents are punished by manipulating the institutions and even the literature of science: they are denied work, advancement, and degrees, and their works are even excised from the literature. Pressure is brought on their colleagues to acquiesce to or carry out these acts.

Drawing lines in science and human rights is difficult. We presume little righteousness in the way we have drawn ours, but we fail to see the incongruity of a scientific society concerning itself with the human condition of fellow scientists as well as with their scientific doctrine.

HOW DO WE ACT FOR HUMAN RIGHTS?

Having chosen to speak to the internationally agreed-upon human rights of individual scientists, the issue of method still remains. How do we act in behalf of those rights?

Our major effort has been to develop an approach that matches patience with persistence. Our committee began work a year prior to President Carter's initiatives and the academy's human rights activities date back to 1956. But we are sufficiently wise, or cynical, to note how cyclic and fluctuating public and government interest in current issues seem to be. Ours is a nation given to hyperbole; we fear that the crusade for human rights may go the way of the "great society" or the "war against poverty." It is irresponsible for members of human rights groups to raise the hopes of victims for redress and then turn to some other seemingly more current or pressing issue. Thus we have tried to develop a capability for patient, sustained, and persistent inquiry and support.

At the same time we have had to face (and continue to face) various tactical issues. From time to time we have been pressed by academy members and friends toward quite differing views. One member stated his dilemma as follows:

"I applaud Carter's statements on human rights as an aspect of national policy. Will a letter from a lowly academic and civil servant, even though a member of NAS, really add anything to Carter's forceful statements and the NAS Committee declaration? Whatever it does, will it also be at the cost of the cordial working relations, indeed friendships, that I have managed to open up over the

Footnotes at end of article.

last decade with a number of Soviet scientists not to mention the matter of field access? Or worse, will it get my Soviet friends in trouble? It is easy to be for human rights when you're not personally threatened by their loss." [8]

After much thought, this member did write one of the most moving letters I have encountered, expressing to Soviet authorities that it was the very respect and affection he had for their country and for his scientific colleagues that impelled him to appeal in behalf of an imprisoned colleague.

A very different view is expressed by a participant in the exchange program organized by the academy:

Our experience at a meeting in the U.S.S.R. shows that generalized protest is almost useless, but specific threats and promises can accomplish a lot.

My protest is against the Academy's decision to exert no actual pressure on the Soviets. Therefore since the Academy is useless on this issue, individuals and groups of American scientists have to protest against the Academy as well as against Soviet behavior.[9]

In response to this and similar concerns, our position continues to be to hold to the universality principle, to not restrict the channels of scientific communication in the name of trying to maintain and extend them. This is our institutional position and it is my own. But it is not necessarily the position of all individual scientists. Scientific communication is in the last analysis a voluntary act, like so much we do. Increasingly, more and more scientists may withhold their participation in exchanges with individuals or groups they feel are unresponsive or even complicit in repressing colleagues. This has clearly been the response in the wake of the Orlov conviction in the U.S.S.R. His heavy sentence, closed trial, and the apparent treatment of his family and friends dismayed much of the scientific community. Individuals and groups, many with deep personal commitment to scientific exchange with the Soviet Union, canceled or delayed their planned trips, seminars, and meetings.

THE DISTORTIONS OF HUMANITY, NATIONS, AND SCIENCE

How we allow the pain of the victim and the cacophony of protest to enter the quiet and generally well-mannered house of international science is a question that will persist and recur. But lurking in the nether darkness of questions asked but not answered are the most troubling of all issues, those raised by the profound distortions of humanness, nationhood, and science that follow in the wake of repression.

Torture is widespread. According to Amnesty International it occurs in some 60 nations. It is not limited to the Idi Amins or to the secret police of the world.

Our own country was accused by responsible observers of countenancing the use of torture and serious violations of human rights in South Vietnam and of permitting the teaching of highly questionable interrogation techniques in countries receiving assistance in the training of domestic police. Because of the European Covenant on Human Rights, Britain has compensated victims of inhuman and degrading techniques used in Northern Ireland.

It is not clear how much technical skill is needed to employ the electric shock apparatus used in basement cells. And one cannot imagine the professional standards of the doctors who patch up the victims in silence or of the psychiatrists who prescribe "treatment" for the dissidents they label insane. But surely they demonstrate that our scientific ethic is not universal and that it fails us now, as it did when horrors were perpetrated in scientifically run concentration camps.

For scientists to be active in defense of human rights is to learn and relearn what Rabelais knew in 1532: "Science without conscience spells but destruction of the spirit." [12]

FOOTNOTES

[1] Christian Anfinsen, Lipman Bers, Clifford Geertz, Franklin Long, John Ross, and Berta V. Scharrer serve with me from the academy. Daniel Drucker and William Slichter are the liaison members of the National Academy of Engineering, and Adam Yarmolinsky is the liaison member for the Institute of Medicine.

[2] Murray Todd serves as Executive Secretary, assisted by Jay Davenport, Sandra Erb, and Gerson Sher.

[3] Estimated by the Indonesian government to number 29,000, of whom 10,000 were to be released in December 1977 and the remainder by the end of 1978. These estimates are contested by Amnesty International and some Indonesian human rights releases and purported leaders who place the number in excess of 50,000.

[4] Our most valuable reading was the report of a committee chaired by J. Ziman: The Council for Science and Society in collaboration with the British Institute of Human Rights, *Scholarly Freedom and Human Rights* (Rose, London, 1977).

[5] E. M. Leeper, interview with Philip Handler, "Academy shifts emphases to keep up with the times." *BioScience* 27, 244 (April 1977).

[6] For a less optimistic view and excellent review of the status of implementing these rights, see William Korey, "U.N. human rights: Illusion and reality." *Freedom at Issue* 42, 27 (September–October 1977).

[7] Communications to the Committee on Human Rights (1977).

[8] Communication to the Committee on Human Rights, paraphrased slightly to preserve anonymity (1977).

[9] Jahangir Amuzegar, "Rights and wrongs," *New York Times* (29 January 1978), section IV, p. 17.

[10] Interview with Vladimir Kudryavtsev, "Human rights: How they are understood in the U.S.S.R.," *Soviet Life* (July 1977).

[11] Excerpt from an address by Andrew Huxley to the British Association for the Advancement of Science, August 1977. Reprinted in *Chemical and Engineering News* (26 September 1977), p. 5.

[12] François Rabelais, *Gargantua and Pantagruel*, book II, chapter 8 (1532) (Heritage Press, New York, 1942).

[13] I gratefully acknowledge the assistance of M. Berberian, C. Gediman, E. Grohman, and the staff and members of the Committee on Human Rights in the preparation of this article.

Mr. SCHMITT. Mr. President, I yield the floor and I suggest the absence of a quorum.

The ACTING PRESIDENT pro tempore. The clerk will call the roll.

The assistant legislative clerk proceeded to call the roll.

Mr. JAVITS. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The ACTING PRESIDENT pro tempore. Without objection, it is so ordered.

SPECIAL ORDER

The ACTING PRESIDENT pro tempore. Under the previous order, the Senator from New York (Mr. JAVITS) is recognized for 15 minutes.

THE SHARP DECLINE IN THE DOLLAR

Mr. JAVITS. Mr. President, yesterday's announcement by President Carter that he has requested Secretary of the Treasury Blumenthal and Federal Reserve Board Chairman Miller to recommend to him any future actions he might take to deal with the sharp decline in the dollar and the recent disorders in the foreign exchange markets is an important first step in meeting this very grave problem. Because it is the first public reaction of the administration to a critically escalating problem, it is understandable that at this first indication of the President's awareness of the problem, the value of the dollar on foreign exchanges immediately rose.

But, this immediate strengthening of the dollar should not be overestimated. Unless followed up immediately by concrete action to deal with the causes of the dollar's instability, the dollar will quickly resume its steep decline.

It is critical that we check the fall of the dollar because any continued decline will reinforce the already strong inflationary pressures on the U.S. economy which, in turn, may lead to a sharp recession.

Until yesterday's rally, the dollar had lost since the Bonn summit, only 1 month ago, 14 percent of its value against the Swiss franc, 7 percent of its value against the deutsche mark, and 10 percent of its value against the Japanese yen. This decline occurred despite the fact that the summit should have precipitated a rally behind the dollar.

Many who had looked at these statistics were not overly concerned by this depreciation of the dollar. The conventional wisdom so often repeated—which fortunately now has been questioned by President Carter—was that we should neither do nor say anything that would exacerbate the situation; that the dollar was undervalued and would strengthen when there was some good economic news. We were counseled to wait for a change in the "trends" that would signify a lowering of the U.S. inflation rate or a turnaround in the U.S. balance of trade, both of which were expected within the next 6 months. While we waited for a statistical bailout, which nobody could guarantee, we have found that the continuing fall in the dollar had generated its own downward momentum, which the most optimistic data was not able to turn around in time.

Mr. President, I applaud the President for abandoning this course of inaction, which could only be labeled "the politics of despair." While he has not yet told us what he plans to do, it is evident that we—the President and the Congress—have in our power the ability to meet these problems. Because the American people may well be asked to undertake some sacrifices if the President's words are not followed by concrete action, we must first inform them about the drastic effect of the falling dollar on the United States and world economies.

I am very hopeful that yesterday's announcement may mark the end of the administation's seeming policy of "benign neglect" of the falling dollar first enunciated last year by Secretary of the Treasury Blumenthal—that a falling dollar was beneficial to the U.S. economy by making our exports cheaper abroad.

The fall of the dollar beyond the level dictated by trade flows, cyclical or inflation differentials, is threatening the very existence of the foreign exchange markets at a time when it is necessary that a properly functioning international monetary system be in place.

The costs to the American people as well as to the citizens of the industrialized countries of a continued decline in the dollar are extensive.

The falling dollar contributes to higher inflation in the United States. I believe that recent estimates that, in the last year, the depreciation of the dollar, by increasing the prices of needed raw materials and other products, has contributed one-half to 1 percent to the inflation rate of roughly 6½ to 7 percent, are too low. These estimates, which are based on the standard view that the inflation pass-through of a dollar depreciation amounts to about 10 percent, fail to take into account the price rises on domestically produced goods that occur because of the protection afforded to domestic industries from higher import prices. Recent price increases in the steel, automobile, and color television industries support this contention. If we were to take into account these indirect inflationary pressures we may well find that the ratio is closer to 20 percent and that the falling dollar has actually contributed close to 2 percentage points to inflation.

Nor am I aware of any studies that take into account the indirect costs of the falling dollar, and the Congressional Budget Office should be assigned to undertake such a study and report back to the Congress as quickly as possible.

While the falling dollar adds materially to inflation in the United States, it has a deflationary effect on the economies of our trading partners. This results in widened differentials in the rates of inflation and further pressure on the dollar.

In addition, appreciating currencies put extraordinary political pressure on our trading partners to raise import barriers and subsidize their exports, which will lead to a proliferation of trade wars from which no country can benefit.

Furthermore, these exchange rate uncertainties dampen the international free flow of capital because industrial planners find it difficult to make investment decisions. Without such capital movements, it will become extremely difficult to insure that those countries in balance-of-payments difficulties will receive necessary financing.

In addition to the critical economic costs, the American people should be aware of serious political ramifications associated with the falling dollar. French President Giscard d'Estaing and German Chancellor Schmidt have undertaken plans to create a European currency in order to insulate their currencies from the U.S. dollar. The unity of the Western alliance is threatened by such a separatist monetary move as well as by any parallel actions that the rest of Western Europe might take to restrict and distort trade. The international economy will be strained severely by unilateral solutions that are taken in a spirit almost of exasperation with the seeming lack of U.S. economic leadership.

A falling dollar also will increase pressure on OPEC nations to raise the price of oil in order to protect the value of their primary asset, oil. Moreover, if OPEC were to switch the denomination of the price of oil from dollars to a basket of currencies, we would find ourselves with an even higher oil bill in dollar terms. An increase in the price of oil would have a severe adverse impact on the economic development programs of the developing countries, creating greater pressure on the U.S. Government and the other industrialized countries to provide more foreign aid.

In addition, the commercial banks, which are reaching prudent "exposure" limits for many countries, would be called upon to extend greater private credits to these already hard-pressed countries. The foreign policy ramifications of all these moves are very serious, indeed.

The decline of the dollar has had an immediate adverse impact on U.S. military forces deployed abroad, especially on our approximately 200,000 troops in West Germany and 40,000 servicemen in Japan and Okinawa. The 18 percent fall in the value of the dollar against the mark and the 33 percent drop against the yen in just 1 year have brought a dramatic decline in the purchasing power of the salaries of our servicemen stationed in these countries; and morale, enlistment, and retention have been seriously affected with a substantial—if undetermined—impact on readiness. Programs undertaken by the Department of Defense to offset these real income losses have been inadequate; and the President has so far refused to make use of the authority granted him in section 5943 of title 5 of the United States Code to reimburse fully these servicemen, who are undergoing real hardships as a result of his seeming neglect of the dollar.

Mr. President, I have just described the economic and political consequences to the American people of a continued falling dollar. I am convinced that the foreign exchange markets are incapable of changing their basic direction without a basic change in policy by the United States, the principal country in the international economy. Expressions of concern will not be enough; change in U.S. policy is imperative. With approximately 80 percent of the entire $400 to $500 billion Eurocurrency market accounted for by dollars and 80 percent of all foreign exchange holdings of central banks accounted for by dollars, the U.S. dollar is by far the world's major reserve asset. Accordingly, this places a special responsibility upon the United States to insure that our economic policy is supportive of a strong international economy.

We must enter into a swap arrangement with the other central banks, especially with the German and Swiss central banks, large enough for the purpose, in order to have the means to intervene adequately in the foreign exchange markets, should such intervention be necessary. Admittedly, this can only be a short-term measure; but a quadrupling of the present $25 billion swap network to approximately $100 billion would show our determination in this regard. If associated with a hard-nosed action program to deal with the dollar's decline, the other central bankers should be willing to provide us with enough of their currencies to meet any short-term destabilization in the markets. Without association with such a program, even the largest intervention will not work.

In addition, the Federal Reserve Board should be prepared, if necessary, to raise the Federal funds target to 9 percent as a demonstration of our concern for the international position of the dollar.

While we take these measures to deal with the short-term problem, we must immediately undertake a program to deal with our medium-term problems.

First. We must reduce our trade deficit, cut our oil imports, and deal with inflation.

Second. We must undertake policies today that will insure that our trade deficit will continue to shrink. We must have a real commitment and not just lip service to a vigorous export expansion program in order to insure that U.S. business can take advantage of the opportunities afforded to it by a declining dollar. The President should release right away the report of the National Export Policy Task Force and recommend to the Congress the legislative steps necessary for implementing the program.

Third. We must take steps to improve U.S. productivity—through, for example, increased private and public research and development expenditures and tax cuts specifically aimed at increasing capital formation—in order to insure that our goods can compete in both the United States and foreign markets. Also we must insure that the capacities of American labor and management are fully utilized through the strengthening and expansion of labor-management cooperation committees. Peace between labor and management is essential for the improvement of U.S. productivity and we must avoid a period of heightened tension caused by a rejection of the labor reform bill.

Fourth. We must also begin to deal with our energy problem. With the apparent demise of the energy tax bill, I believe that it is imperative to find other mechanisms to reduce our too heavy reliance on high-cost imported oil.

At least two possibilities exist. The first of these is the establishment of an import quota. The President already has the authority to impose such a quota under the Trade Expansion Act of 1962 and the Energy Policy Conservation Act of 1975. Such a quota would inevitably lead to an increase in the price of oil, but would clearly reduce our consumption. A quota which could initially be set at our current consumption levels would have to be carefully administered to avoid the need for a large bureaucracy and cumbersome allocation procedures. But if it is carefully done, it can even be used to encourage competition among OPEC members for the right to fill a portion of the quota.

The second possibility is phased-in deregulation of the price of domestic crude oil. As the protracted fight over natural gas pricing has revealed, the longer price controls remain in effect, the more difficult it is to change them to meet changed conditions. It may be that now is the

proper time to begin to phase out price controls on domestic crude—as we propose to do on natural gas—in such a manner as to minimize the shock of price increases on our economy. As the price of domestic oil gradually rises to the world price, we should see some further decrease in consumption, and an increase in domestic production.

Fifth. We must also begin to deal directly with inflation. There is no wholesale answer to this problem. We must review very closely the budget in order to reduce the Federal deficit, and we must set our funding priorities.

Sixth. Furthermore, we must look at the consequences of business regulation and the cost to the U.S. economy. We must begin to apply very rigorous cost-benefit analyses to these regulations in order to insure that the costs to our society do not outweigh their benefits.

Seventh. In addition, we should examine seriously the various proposals being presented for using tax penalties to prod business and unions to hold down wage and prices increases (TIP).

In addition to taking these immediate steps to deal with the short- and medium-term aspects of the problem, we must seek to resolve the long-term structural problem facing the world economy if we are finally to deal with the dollar problem. We must develop an international monetary system that insulates the U.S. economy in a system in which 80 percent of the world's reserve assets is denominated in dollars and only 30 percent is needed to finance U.S.-related trade.

In addition to dealing with the "fundamentals" in order to encourage the holding of these extra dollars, we must begin to supplement the reserve role of the dollar with that of the other currencies. The administration should convene a meeting of the world's finance ministers in order to begin serious discussions on a monetary plan that would gradually replace the present exclusive reliance on the dollar as the key reserve asset by a reliance on a combination of reserve assets, which would include the currencies of the major industrialized countries and the SDR. The finance ministers should report back to the heads of state by the end of the year.

While we will be able no longer to continue to meet our international obligations solely with dollars, this new arrangement will make the monetary system more responsive to international financial reality.

Mr. President, it is interesting to note that when I first raised this issue 8 months ago, I was told by senior Treasury officials that there was nothing wrong with the basic structure of the international monetary system that an improvement in the fundamentals could not cure.

Now, however, the Treasury has changed its view. Only last month Under Secretary of the Treasury Solomon testified before the Foreign Relations Subcommittee on Foreign Economic Policy that, and I quote:

> It seems to me that a realistic possibility would be for other currencies or the SDR to assume gradually over time a larger role as an international monetary reserve, supplementing the dollar. In principle, I would not oppose such a development as a natural evolution in the system though the way in which such an evalution would occur is not yet clear, and I would want to evaluate such changes in terms of the objective of a smoothly functioning word monetary system.

I do not believe the United States has an interest in trying to maintain a particular role for the dollar if that does not correspond to the needs of a liberal, efficient system of international trade and investment.

Mr. President, the choice is ours. We can either undertake a program that will keep us in control of the foreign exchange situation or let the cumulative actions of the foreign exchange traders dictate our economic situation. For me, there is no choice. The continued stability of the international monetary system requires that we develop a broad program to deal with the problem of the falling dollar.

To do so, we need the support of the American people, who, if properly informed, will face the needed decisions. If we begin to meet the problem of the falling dollar with the anti-inflationary program I have outlined above, we may well have a period of slower growth, even a mild recession for the next 2 years. If we, however, continue on the present path without budgetary restraints, we will have growth but with increasing rates of inflation. This will eventually force the Federal Reserve to raise interest rates, which could very quickly bring the economy to a screeching halt: a recession, if not a depression. With foreign exchange markets incapable of responding effectively because we failed to deal with the structural problem of the dollar overhang, a recession in the United States could quickly become international.

Nobody wants the latter scenario to materialize. This is why the foreign exchange markets are highly unstable and the foreign exchange traders are nervous. They are looking for direction from the United States. We must understand that there is no virtue to a continuation of this situation. Nobody benefits from this condition, especially the American people. I have presented today what I consider to be an action program which must be implemented in addition to our statements of concern if we are to avoid a serious calamity.

I yield to the Senator from Missouri.

Mr. DANFORTH. Mr. President, I think the Senator from New York has made excellent points, and very timely points, given the President's expression of concern about the falling dollar yesterday.

What is needed is something more than an occasional expression of concern. What is needed is a national policy. I think what the Senator from New York has indicated is that we in the minority in Congress would welcome the creation of a meaningful national policy to deal with the falling dollar, and that we would be most pleased to participate in the formation and execution of such a policy.

The PRESIDING OFFICER (Mr. DECONCINI). The Senator's 15 minutes have expired.

Mr. JAVITS. Mr. President, a parliamentary inquiry.

The PRESIDING OFFICER. The Senator will state it.

Mr. JAVITS. Are we still in the morning hour?

The PRESIDING OFFICER. We are not in the morning hour.

Mr. JAVITS. What is the pending business?

The PRESIDING OFFICER. House Joint Resolution 554, proposing an amendment to the Constitution to provide for representation of the District of Columbia in Congress.

Mr. SCHMITT. Does the Senator from New Mexico have any time remaining?

The PRESIDING OFFICER. The Senator from New Mexico has no time remaining.

Mr. ROBERT C. BYRD. Mr. President, I yielded back my time under the standing order this morning. I ask unanimous consent that I may recover that time.

The PRESIDING OFFICER. Is there objection? Without objection, it is so ordered.

Mr. ROBERT C. BYRD. Now Mr. President, I yield to the Senator from New York as much time as I have left.

The PRESIDING OFFICER. The Senator has 9 minutes remaining.

Mr. ROBERT C. BYRD. I yield 9 minutes to the Senator from New York.

Mr. JAVITS. We will not take that long, Mr. President. I am very grateful. I yield to the Senator from Missouri.

Mr. DANFORTH. It would seem to me at the minimum such a policy should include the following four points: First, a tax program which does more than just offer tax relief to the American people but which provides stimulus for increased productivity. We have had estimates that in the next 8 years there will be a $1 trillion shortfall in capital formation in our country. If that estimate is correct, then a tax policy must be formulated, not just to relieve the effect of increased taxation on the American people, but to provide affirmative stimulus for capital formation and for productivity.

Second, as the Senator from New York mentioned, an energy policy which can be carried out. We have been floundering around now for about a year-and-a-half in search of an energy policy. In my view it is going to be an energy policy, if it will be meaningful and successful, which will encourage production as well as conservation.

Third, we simply have to come to grips with inflation and with the effect that excessive Federal spending is having on inflation. We cannot have a sound economy and we cannot have a healthy dollar in a world economy if we persist in maintaining deficits in the Federal budget of $40 or $50 billion a year.

Finally, as the Senator from New York pointed out, and I think there is too little talk about this, we have to be much more attentive to trade policies. So often when we talk about trade policies, we talk about some fear of foreign imports. I do not think that is the American way. I think our country has always been daring and has always been outgoing, and has always been rigorous and risen to the challenge. Indeed, maintaining foreign markets for centuries was the whole purpose of any foreign policy for

any country. It seems to me that we have something seriously wrong when 85 percent of our exports are accounted for by only 1 percent of our American business companies.

Therefore, in connection with the trade bill which is coming up before us, we will have to fashion a more aggressive trade policy which encourages American business to market our products on the world market.

I think the Senator from New York has made exactly the right points at the right time and I congratulate him.

Mr. JAVITS. I thank the Senator. I yield to the Senator from New Mexico.

Mr. SCHMITT. Mr. President, I congratulate the Senator from New York on his remarks. I also associate myself with the remarks of the distinguished Senator from Missouri.

I will only add to those discussions three things: One is an absolute emphasis on the question of energy policy. The only way we are ever going to reduce the balance-of-payments deficit caused by energy imports is to produce domestic energy. We will do that in two ways, by an absolute increase in production and an absolute reduction in consumption. We have to do both, and very quickly.

Second, I would add to the discussion on trade by saying that as a consequence of hearings before the Science, Technology and Space Subcommittee, jointly with the International Finance Subcommittee of the Banking Committee, it has become absolutely clear that there is no strategic capacity for trade policy in this country. All the other major trading nations of the world, in one way or another, culturally or through their governments, have developed a strategic trade capacity of some kind where the government policies and business policies at least are compatible, if not coordinated.

I am not suggesting we can adapt to the policies of Japan, West Germany, or any other major trading nation for use in this country. We have a unique culture and a unique tradition with respect to trade. But, nevertheless, we have to look for some mechanism to develop the strategic capacity so that our actions are interrelated, so Treasury is not doing one thing while Commerce is doing something else, and State doing an entirely different thing, with the White House sitting there apparently not understanding what all three are doing or what they should be doing.

That capacity has to exist, along with what the Senator from Missouri has said, to look at the broad integration of policies.

Finally, I think part of the question is the confidence in the dollar. We must establish throughout the world that the United States knows what they are doing economically, in foreign policy, in terms of the military strength of the world. The fall of the dollar is related to confidence, and it is a broad confidence. I am afraid that many of the nations of the world are losing confidence in the United States.

What the Senator from New York is suggesting, if I may put words in his mouth, is to take those steps required in order to increase confidence in the American people as well as the American Government in this world. Foreign policy and economic policy are intimately intertwined in this particular consideration. Again I congratulate the Senator for his remarks.

Mr. JAVITS. I thank both of my colleagues, Mr. President. I would urge any one who has read or heard their remarks, to consider their suggestions and proposals and my suggestions together. I commend my colleagues for having so materially supplemented the ideas which I laid down this morning.

There are three points which emerge from my presentation and this discussion. First, we are in a very serious situation, both nationally and internationally, the repercussions of which can hurt the American people very materially.

Second, we, those of us on this side of the aisle, are ready for action to deal with this problem.

Third, the time for action is now. With the President having demonstrated some awareness of the problem, we in the Congress should follow up by acting now and asking the President to put us in the position where we can act, regarding energy and other critical issues that affect the dollar.

Finally, I would like to point out to both my colleagues that recent trade statistics show our trade imbalances are due in the first instance to large imports of manufactured goods not solely oil. That startling statistic, coupled with the drastic decline in the rate of the increase in our productivity, explains why there is an erosion of confidence by the American people in their own economic system and by the people of the world in our economic system.

Mr. President, our economic system still works. We, as a nation, are still as young and vital as we were. We however must do something quickly about our productivity and economic well-being. If we do not, we will find ourselves in a more dangerous and a less economically capable world.

The PRESIDING OFFICER. The Senator's additional time has expired.

Mr. JAVITS. I thank the Chair.

COMMITTEE MEETING

Mr. BAYH. Mr. President, on behalf of the majority leader, I ask unanimous consent that the Arms Control, Oceans, and International Environment Subcommittee of the Committee on Foreign Relations be authorized to meet during the session of the Senate today to hold a hearing on the Deep Sea Bed Hard Mineral Resources Act.

The PRESIDING OFFICER. Without objection, it is so ordered.

REPRESENTATION OF THE DISTRICT OF COLUMBIA IN CONGRESS

The PRESIDING OFFICER. Under the previous order, the Senate will now resume consideration of House Joint Resolution 554 which the clerk will report.

The legislative clerk read as follows:

A joint resolution (H.J. Res. 554) proposing an amendment to the Constitution to provide for representation of the District of Columbia in the Congress.

The Senate continued with the consideration of the joint resolution.

AMENDMENT NO. 1756

The PRESIDING OFFICER. The pending question is amendment No. 1756. The yeas and nays have been ordered.

Mr. HATCH. Mr. President, I was interested in the amendment in the nature of a substitute offered by the distinguished Senator from Nebraska yesterday (Mr. CURTIS). I think it is a most interesting amendment and very much deserving of consideration by those in attendance here today. I notice that Senator GARN is on the floor and I have some remarks to make about this later. I shall be happy to relinquish the floor so he can speak.

Mr. GARN. I thank my distinguished colleague from Utah.

Mr. President, Senator CURTIS, I believe, certainly in the frame of mind that the American taxpayer is in, has brought up a very valid amendment. I, frankly, would not expect this particular Senate to approve it. I would expect, if the American people were given the opportunity to vote on it—in fact, I not only would expect, I think I know the answer to how they would vote on an amendment that would require the Federal Government to balance the budget. I think it would pass overwhelmingly, at least by as much as proposition 13 did in California.

It is rather interesting that when I was mayor of Salt Lake City, we had a State law. That State law required you to balance your budget, all of the cities and all of the counties and the State government. The penalty was that if you did not, you could be sent to jail. Needless to say, the public officials in Utah, at all levels of government, balanced their budgets every year. They would do what is necessary to achieve that: Cut expenditures, work with the tax revenues to the extent that not only is there a balanced budget but, normally, a surplus, because there is simply no way you can, at the end of a fiscal year, hit it right on the exact amount and balance the budget. Therefore, you are prudent, you are conservative, you are careful, and you make certain that you have at least a small surplus.

That principle works throughout most of this country and, as a result, most cities, counties, and States have not been in trouble.

We could talk a great deal about New York City and their problems because they have not had that kind of restraint placed upon them. I am one who believes that, certainly, the last 30 or 40 years have proved that public officials need restraints placed upon them.

They need constitutional restraints to keep down their appetites for spending the American taxpayers' money to buy votes so they can be returned to public office. That is what we are, essentially, doing with these huge deficits. We are buying out special interest groups, we are buying favors, we are spending the taxpayer's dollar to retain ourselves in public office.

That is why, in my own State, we are

talking about tax limitation proposals. One proposal is to do it legislatively, by law. I favor a constitutional provision. The reason that I do is that a law can simply be changed by majority vote. We have seen that happen here in Congress. We have what we call a debt limit. It is absolutely meaningless. It has not restrained public spending at all, because every year, what comes before us is a request, to be passed by a simple majority in this body and the House of Representatives, that we increase the debt limit so we can continue to fund the operations of the Federal Government.

The temporary debt now is almost as high as the permanent debt. We have a permanent debt limit of $400 billion. We are approaching $800 billion, or nearly $400 billion of temporary debt limit, done a piece at a time, routinely. More important than that, it becomes Christmas-tree every year because our colleagues know that the debt limit must be increased; therefore, we get all kinds of fancy ornaments in the form of amendments attached to it, knowing that they will pass.

So it goes beyond just the increasing of the debt. It goes to the extent of producing bad legislation and bad law, because it is used as a gimmick to pass laws and amendments that otherwise would not have a chance of passing this body. So legislative relief does not work. It is simply a matter of the legislature or the city commission, the city council, the Congress of the United States simply changing the law from what they did the year before.

I do not see any other way, either, at the local levels of government, to have tax limitation, to cut down the deficit of the Federal Government, unless it is placed in the Constitution. As I said, the American people, I am sure, if they had the opportunity to vote, would certainly vote overwhelmingly that we should balance our budget.

When I was a student in college, taking economics, we heard a great deal about the Keynesian theory of economics. This was the so-called wave of the future, that in order to handle the economy of a country, particularly this one, what we needed to do was to have deficits in times of trouble. When the economy was sluggish, rather than rely on the private sector, we should pump dollars into the economy from Government sources, take money away from the people, and bureaucrats would decide how it would be spent.

But we went beyond that and said we should borrow money or print it, because it was not sufficient to take money away from the taxpayers and redistribute it in a way that we felt was best; we had to create artificial money in the times of deficit, because this stimulated the economy. Do not worry about the inflation; we shall take care of that when we have good times and when the economy is thriving and the country is growing and employment is up, we shall have surpluses to offset the deficits.

We are often told that we do practice Keynesian economics. We do not. John Maynard Keynes would be rolling over in his grave if he thought his theory of economics were being practiced by the United States. It simply is not. It has not been in the last 44 years, because almost every year, we have a deficit, regardless of whether the economy is going well or it is not. We have deficits year after year after year.

So we are not practicing Keynesian economics. John Maynard Keynes never thought that we should only practice one side of his equation. I repeat, he talked about surpluses, and we simply do not have them. We do not reduce the debt.

The only difference between the fiscal problems of New York City and the U.S. Government is that we have a printing press and they do not. So we manufacture funny money; then we wonder why the dollar has been reduced to practically nothing in value in comparison to 10 years ago or 20 or 30, and why we have 11.4 percent inflation again this year.

It is rather simple: The Federal Government spends about $60 billion a year more than they take in. In my relatively brief lifetime, we have seen the Federal budget change rather dramatically. In 1932, Franklin Roosevelt ran for President of the United States on an economy platform. He told the people of this country that if he were elected President, he would reduce the Federal budget by 25 percent, from $4 billion a year to $3 billion a year. So a little less than 46 years ago, we ran the whole country—defense, human resources, everything We did—for about $4 billion a year. A man running for President said he thought that was too much and if we elected him, he would reduce that by about 25 percent.

So in less than 46 years we have gone from a $4 billion a year budget to a half-trillion dollar budget—$500 billion.

It is rather interesting that in 1960, just 18 years ago, the Federal budget, to run everything, absolutely everything in this country, was less than $90 billion.

We did not spend $100 billion a year in this country, in 1 fiscal year, until approximately 1962. I believe it was another 7 years, about 1969, we spent the second $100 billion. Another 2 or 3 years and we spent the third $100 billion. Another couple of years, the fourth $100 billion. Now we are approaching a $500 billion budget for fiscal 1979.

We hear some of our budget makers proudly proclaim that maybe the deficit will not be as big as they think it is going to be. Maybe it will not be $60 billion. Maybe only $42 billion.

What a wonderful and marvelous achievement. We may only spend $42 billion more than we take in.

That is more than half what the whole budget was to run the country 18 years ago. Ten times what it cost to run the country 45 years ago.

The interest on the national debt is approaching $50 billion a year, just to pay the interest on what we borrow and what we print.

We could go on and on and on with the fiscal irresponsibilities of many Congresses who continue to follow only half the Keynesian theory, to produce rampant inflation and the billions of dollars that go with inflation, recession, and high unemployment, and the ills of the economy. But we are not willing to face up to that. We have not been since proposition 13.

There is a great deal of rhetoric on both sides of the aisle. Lot of people talk about economy and tax reduction and tax limitation. But it is rather interesting, the difference between the rhetoric and the votes.

We have not had any marked effect on the budget this year—tokenism, at best, 2 percent here and 2 percent there.

It is rather interesting because we are really talking about cuts. All we are talking about is reduction in the increase. It is very much like if our boss tells us he will give a 15-percent pay increase, then someone comes back and says that that is too much, we are going to cut 5 percent out of that, we can only have a 10-percent increase, and there's griping about the pay reduction when, in effect, we have a 10-percent increase.

That is what we are talking about in the Federal budget in all these cuts.

We are not making any cuts at all. We are only making token cuts in the increase, and the overall budget is still growing extremely rapidly.

We toss budget figures around here that are still beyond my comprehension to understand, coming from a city where I was able to run an entire city, police, fire, roads, for $50 million a year. We round off figures in the hundreds of millions here when we deal with the budget, and I am not sure anybody really understands what a billion dollars is.

We toss billions around like the average taxpayer talks about nickels and dimes, quarters in his pocket, or pennies to toss into wishing wells. It does not mean anything.

We hear talk on this floor that this amendment is only $800 million more, only $1½ billion, that is all, it is not very much. Well, I think the American people ought to stop and think about what $1 billion is.

If one had $1 billion the day Jesus Christ was born and decided he did not trust banks or savings and loans, or any other method of investment, so he did not care about interest, just spend the $1 billion, and decided he could live comfortably on $1,000 per day, started spending that, then on that birthday he could spend it 7 days a week, even on Sunday, 365 days a year for the last 1,978 years, and continue to do it for over 700 years into the future. That is how much $1 billion is: $1,000 a day with no interest for approximately 2,800 years.

The wonderful wizards of the Potomac known as the U.S. Congress are going to spend at the rate of a half million dollars a day for approximately 2,800 years, but we are going to do it for you from October 1, 1978, to September 30, 1979, and anywhere from $40 billion to $60 billion of it we will not have, we will borrow it, we will print it, we will further devalue the currency.

In the meantime, with this deficit spending and tax money we take, we will create some more agencies. We will hire some more bureaucrats. HUD needs 1,500 more this year down there.

I would suggest we could can 5,000 of them and HUD would work more efficiently because they would not be stumbling over each other, wondering what to do all day.

Having been a mayor, I have had a lot of experience with HUD in the last 11 years, second only to HEW in their waste and inefficiency and the abnormal number of employees who are not needed.

It is interesting, the President thought we needed 1,500 over at HUD, but he cut the Army by 10,000 men. Do not worry about defense, let us hire a few more ne'er-do-wells at HUD.

So, $1 billion is a lot of money and we are going to spend $500 billion of it next year. We will increase the size of the Federal Government and produce some more rules and regulations. IRS only has about 40,000 pages of regulations.

The cost of regulations at the State, local, and national level now is estimated at $130 billion a year, or $2,000 per family per year for the privilege of being told what to do by our Government.

(Mr. BUMPERS assumed the chair.)

Mr. GARN. We have OSHA telling us we need coathooks on the inside of toilet stall doors. I suppose, it is safety, but I do not understand what hanging a coat up in a toilet stall has to do with safety. It is a convenience.

But we have inspectors running around checking on things like that.

A restaurant in Utah was told they had to move a toilet in the public rest room. The owner said, "Why?" They said, "Too far away from the wall." He said, "So what?" He was told, "Well, somebody could fall off and hurt himself."

So he had to spend $700 to move the toilet.

We have Government people we are paying to take care of wondrous and marvelous great problems of this country like that.

We are producing rules and regulations at an unbelievable rate in the Federal Register without much rhyme, reason, or sense, that have very little to do with clean air, clean water, or anything else.

But, obviously, bureaucrats have to protect themselves and show they have done something at the end of the day, the week, the month, the year.

So they can write rules and regulations that require attorneys to try to understand what they are. I sometimes wonder if this body is not the self-protection society for attorneys. We pass laws that are incomprehensible, regulations that are written that are equally lacking in understanding, so when our attorneys leave the Senate they can get paid fees for interpreting what foolish things we did while we were here.

So we will continue on. We will give lip service to the American taxpayers and talk about economy. All of us will give speeches sounding like BARRY GOLDWATER or Ronald Reagan. We will talk about needed laws, reducing the size of the Federal Government, and reorganization and efficiency and economy, and, rest assured, that is all that will happen.

All we have to do is look at the budgets year after year. Look at the size of Government. Look at the number of employees working for the Federal Government.

Wait and see. We will find that the Senator from Utah is correct. In spite of all the rhetoric, in spite of all the great speeches that will be given around the country during this and the election year next year, we will have a bigger budget. We will have a 10- to 12-percent increase in the budget. It will approach $550 billion, and we will have another deficit. We will have a request that we need another agency and we will spend more money filling up the pages of the CONGRESSIONAL RECORD and all these wonderful publications.

We will decide that this office building out here, which is going to cost $200 million for Senators and more of their staffs, is not sufficient. We will need more office buildings. We will take over more of Washington.

There will be more cities like New York that need help, and it will continue.

When are the American taxpayers going to wake up that they are being conned, that they are being cheated and lied to? They had better go beyond listening to the speeches and start matching voting records with speeches, and hold every Senator and every Representative in this body, in either party, accountable for how they vote, not how they talk.

So it is foolish even to consider legislative relief so far as tax limitation and balancing the budget are concerned. It has not worked for 45 years. I find no reason to think that a few speeches are going to turn it around.

Unless the American people start voting for those in either political party who will vote in Washington as they talk in their home States, who will seriously be willing to face tax limitations at State and local levels and at the Federal level to cut off the voracious appetite for spending, we are not going to see any meaningful change in inflation, in unemployment, in the ups and downs of the business cycle.

I do not expect—I would be very foolish to expect—that this amendment by Senator CURTIS will be agreed to; but I certainly think it would be the first step in controlling the expenditures of this Government, and I certainly intend to vote for it.

Mr. HATCH. Mr. President, will the Senator yield for a unanimous-consent request?

Mr. GARN. I yield.

Mr. HATCH. Madam President, I ask unanimous consent that Meredith Preston, of Senator HAYAKAWA's staff, have the privilege of the floor during the debate on this measure.

The PRESIDING OFFICER (Mrs. ALLEN). Without objection, it is so ordered.

Mr. GARN. Madam President, I yield the floor.

Mr. LEAHY. Madam President, I ask unanimous consent that Nancy Morgan, of my staff, have the privilege of the floor during the consideration of this measure.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. LEAHY. Madam President, I have come to the floor today to support House Joint Resolution 554 which would bring full voting representation for the citizens of the District one step closer to reality. As the Members know, the House passed this measure several months ago, and Senate passage of it will help initiate the constitutional amendment process to provide full voting representation to the Nation's Capital. Senate passage of this measure would, therefore, turn over to the State legislative bodies across the country this question of full voting representation for the Nation's Capital. As most of the Members know, I fully support this measure, and I compliment the distinguished Senator from Massachusetts (Mr. KENNEDY) and the distinguished Senator from Indiana (Mr. BAYH) for their excellent and persistent leadership in this matter. The question of full voting representation for the District of Columbia is a measure that is long overdue, and to continue to deny this basic right to the citizens of the city would be inappropriate and inconsistent with the founding principle of our Nation of "no taxation without representation."

As many of my colleagues in the Senate know, I have had the honor for the last 2 years to serve on the Senate Committee on Appropriations as the chairman of the District of Columbia Subcommittee. In the process of executing my responsibilities in that regard I have had the opportunity to become familiar with the operation of the city, with the sentiments of the elected leaders on this question, but more particularly and more importantly the sentiments of of the citizens and taxpayers of the city on this issue. In a period of reawakened interest in basic human rights, this is a matter that we cannot afford to turn a cold shoulder to.

Madam President, I do not come to the floor today to tell the Members that the city is operated as efficiently as it should be. On the contrary, there are many areas of great inefficiency, and there are problems of continuing and nagging mismanagement in various areas. It is also true that the District of Columbia receives ample support from the Federal Government in the form of Federal grants, which in 1979 are expected to total almost $300 million. In addition to these Federal grants that come to the city from the various Federal agencies, the city receives revenue sharing funds and countercyclical funds. These funds, however, go to the District of Columbia just as they do to other cities and States across the Nation. Because the District of Columbia serves both State and local functions, the city sometimes qualifies for State program assistance, and it sometimes qualifies for city or local government assistance. In the receipt of these grants, the city is treated no differently from other State and local governments across the country. No one would argue that the District should not receive this local government assistance that all other local governments receive across the Nation, and no one should forget that District of Columbia citizens pay $1.4 billion in Federal taxes.

Madam President, let me address the question of the Federal payment to the District of Columbia, because this is a matter that is misunderstood both in the local press, by local city leaders, and by many others from time to time.

It certainly was misunderstood by me prior to the time I became chairman of the subcommittee. Many are fond of

stating that the Federal payment is made to the city in lieu of taxes. This, however, is only one of nine considerations that the current law requires in coming to a determination of what the level of Federal payment should be. To put it briefly, the Federal payment is intended to be based on the net cost to the city that results from the Federal presence.

Madam President, I ask unanimous consent that section 501 of Public Law 93–138, also known as the Home Rule Charter be printed in the RECORD at this point.

There being no objection, the material was ordered to be printed in the RECORD, as follows:

TITLE V—FEDERAL PAYMENT

DUTIES OF THE MAYOR, COUNCIL, AND FEDERAL OFFICE OF MANAGEMENT AND BUDGET

SEC. 501. (a) It shall be the duty of the Mayor in preparing an annual budget for the government of the District to develop meaningful intercity expenditure and revenue comparisons based on data supplied by the Bureau of the Census, and to identify elements of cost and benefits to the District which result from the unusual role of the District as the Nation's Capital. The results of the studies conducted by the Mayor under this subsection shall be made available to the Council and to the Federal Office of Management and Budget for their use in reviewing and revising the Mayor's request with respect to the level of the appropriation for the annual Federal payment to the District. Such Federal payment should operate to encourage efforts on the part of the government of the District to maintain and increase its level of revenues and to seek such efficiencies and economies in the management of its programs as are possible.

(b) The Mayor, in studying and identifying the costs and benefits to the District brought about by its role as the Nation's Capital, should to the extent, feasible, among other elements, consider—

(1) revenues unobtainable because of the relative lack of taxable commercial and industrial property;

(2) revenues unobtainable because of the relative lack of taxable business income;

(3) potential revenues that would be realized if exemptions from District taxes were eliminated;

(4) net costs, if any, after considering other compensation for tax base deficiencies and direct and indirect taxes paid, of providing services to tax-exempt nonprofit organizations and corporate offices doing business only with the Federal Government;

(5) recurring and nonrecurring costs of unreimbursed services to the Federal Government;

(6) other expenditure requirements placed on the District by the Federal Government which are unique to the District;

(7) benefits of Federal grants-in-aid relative to aid given other States and local governments;

(8) recurring and nonrecurring costs of unreimbursed services rendered the District by the Federal Government; and

(9) relative tax burden on District residents compared to that of residents in other jurisdictions in the Washington, District of Columbia, metropolitan area and in other cities of comparable size.

(c) The Mayor shall submit his request, with respect to the amount of an annual Federal payment, to the Council. The Council shall by act approve, disapprove, or modify the Mayor's request. After the action of the Council, the Mayor shall, by December 1 of each calendar year, in accordance with the provisions in the Budget and Accounting Act, 1921 (31 U.S.C. 2), submit such request to the President for submission to the Congress. Each request regarding an annual Federal payment shall be submitted to the President seven months prior to the beginning of the fiscal year for which such request is made and shall include a request for an annual Federal payment for the next following fiscal year.

Mr. LEAHY. Madam President, as the members will see, the Federal payment is intended to be a matter of equity to compensate the city for the net cost that accrues to the city because of the Federal presence. It is also an amount that is intended to encourage efforts on the part of the city government to maintain and increase its level of revenues and to seek such efficiencies and economies in the management of its programs that are possible. This is the law, and it is a fair law, and the Federal payment in principle is a fair and just concept.

It is my belief, however, that the city often does not very carefully follow the requirements of section 501 of the Home Rule Charter. The city tends to overestimate the costs that arise from the Federal presence and they tend to underestimate the benefits that come to it because of the Federal presence. This is an area that needs to be corrected and we are attempting to do that through the appropriations process. We analyze this question in the Appropriations Subcommittee that I chair, and we attempt to set a Federal payment that is arrived at based on the full intent and the complete text of section 501 of the current law.

Madam President, as I said, there are problems in the District of Columbia. Nobody denies that. Nobody denies that there are problems in all 50 States of this country.

The District of Columbia does receive a very ample contribution of Federal funds to assist in its operation. They total almost 45 percent of its total resources. But these funds are provided to the city in accordance with the requirements and provisions of the various Federal assistance programs, the Home Rule Charter and all the laws and programs that have been passed by Congress.

As I mentioned earlier, the Federal payment is not calculated by the city in a very precise way. This is an area that needs to be reformed, and we are attempting to do that. My concern is that when I hear some of the arguments against D.C. representation these arguments often confuse the whole issue of the Federal payment and the requirements that relate to the Federal payment that are included in the home rule legislation that was passed by Congress.

The city leaders are interested in reform in this area. I think they have worked hard to bring about such reform. We all want to establish a completely fair way to arrive at the correct amount.

This would increase the equity of the situation and at the same time would reduce the controversy surrounding the subject. It would give the city more assurance as to how much would be received in the Federal payment, so that better planning could be done.

But these facts do not lead one to the conclusion that the citizens and taxpayers of the District of Columbia should be denied their fair and just opportunity to be fully represented in the U.S. Congress. To suggest that because problems exist in the management of city programs, to suggest that because the city receives ample Federal support and therefore for those reasons the citizens should not be given full voting representation in Congress, Madam President, is a non sequitur of the greatest magnitude.

Madam President, I urge my colleagues to support this measure and to provide the 705,000 citizens in the District of Columbia the same rights the 483,000 citizens in Vermont now enjoy and the same rights all the other citizens across the Nation also enjoy.

Madam President, if we Vermonters were denied representation in the same way the District of Columbia has been denied representation there would be open revolt in our State. Our right to representation in the Federal Government is a most closely guarded and cherished one. Certainly because of that this Vermonter would do everything possible to give the same rights to the District of Columbia, and I might say in that regard, Madam President, I have heard discussions here in the Chamber, and probably even more troublesome, I have heard discussions out of the Chamber, that giving such representation to the District of Columbia would be at the expense of rural areas; that giving such representation would give too much of a voice to urban America.

Madam President, no one has argued more than I during the past 3½ years about the bias against rural areas. I represent the most rural State in the Union, and I like to think, Madam President, the most beautiful one. I represent that State, well aware of the fact that Federal program after Federal program has an urban bias to it and Federal program after Federal program neglects rural areas.

But, Madam President, that is something that also shows that many of us who come from rural areas have not done our homework in the past in designing these programs, and it is something that can be corrected and changed. But it would be just as bad if those of us from rural areas were to try to inflict the same bias on the District of Columbia and say that we cannot give an urban area the voice it deserves. Many times we in rural areas have let go of the equity we seek by default.

Madam President, I cherish very much the idea of coming from a rural area. It is a way of life that appeals to me, appeals to my wife, and appeals to our three children. The Leahy family has been in Vermont for well over a century.

Except for the perioc of time that I will serve my State here in the U.S. Senate, I have no desire to change my life in a rural State that I love for an urban area, even a city that I consider one of the most beautiful I have ever visited, the city of Washington, D.C.

But having said that, Madam President, I could not stand here and in good conscience oppose representation for the city of Washington, D.C. because those 705,000 citizens, as I said before, deserve

that representation the same way the 483,000 citizens in Vermont deserve representation.

At a time when so many of us can worry and worry justly that the Federal Government has gotten out of control in the sense that it sometimes seems that we have lost the ability to have real input and we have lost the representative form of government. At such a time let us not hold up for the country and for the world a marked example where we remove such representation from the people who make up the best known city in the country and one of the best known cities in the world. Let us not give any shrift whatsoever to an argument that representation for the District of Columbia is done at the expense of rural areas and is done somehow as an added bonus to urban areas.

Madam President, as a member of the Appropriations Committee, as a member of the Agriculture Committee, or whatever other committees I might be assigned to during the time I am in the Senate, I will continue to fight for rural areas. I will continue to join with other Senators in doing that. But I point out that some of the times that I have been most successful in aiding rural areas are those times when I have been joined by Senators representing some of the most urban areas in this country and time and time again that has happened.

And if any of us from rural areas think that we benefit by neglecting urban areas or by allowing them to be neglected we are shortsighted in the extreme.

But I do not think that is the feeling of the people in this country. I know it is not the feeling of the people in Vermont.

Madam President, I just note some of the charts we have here in the Chamber of the Senate this morning, one entitled "Full Voting Representation in Congress for the District of Columbia," and it shows the number of people here. It shows those States in descending order with less people than the District of Columbia, and they are South Dakota, North Dakota, Nevada, Delaware, my own State of Vermont, Alaska, and Wyoming. It shows the list of Federal taxes paid and shows the taxes the District of Columbia pays, and then it shows those States that pay less taxes; these States are Maine, New Hampshire, Alaska, Nevada, Idaho, Delaware, Montana, North Dakota, South Dakota, Wyoming, and my own State of Vermont.

And it shows the people killed in the Vietnam war, and that is a sad and tragic blot in our history, and after you take the number of people from the District of Columbia killed in that war, a city they had no vote, no vote whatsoever in deciding whether we would continue down the sorry and misguided path you have New Hampshire, Idaho, Rhode Island, North Dakota, South Dakota, Nevada, Delaware, Wyoming, Vermont, and Alaska all States that lost fewer of their sons in the Vietnam war than did the District of Columbia.

I remember hearing Senator KENNEDY in the Chamber here yesterday speak of a letter sent to Senator EAGLETON, of Missouri, from a mother in the District of Columbia who lost one son in Vietnam and was concerned about losing another one, speaking of the compounding of the tragedy because she had no place she could turn to to even express her voice in Congress of how she felt about that war.

This is the same on issue after issue. One-and-a-half times the number people of my State who live here in the District of Columbia do not have representation that each Vermonter enjoys, and rightly enjoys.

Mr. DOMENICI addressed the Chair.

The PRESIDING OFFICER. The Senator from New Mexico.

TRIBUTE TO THE NEW EXPLORERS

Mr. DOMENICI. Madam President, I ask unanimous consent that I be permitted to introduce a resolution regarding three New Mexicans who have completed the voyage in a balloon across the Atlantic.

I ask unanimous consent that the resolution be read and be considered immediately.

Mr. LEAHY. Madam President, reserving the right to object, and I will not object, because I share the pride I know my colleague from New Mexico shares, but I wonder if the unanimous-consent request could be enlarged to state that following the Senator from New Mexico's action on this matter that the floor be yielded back to me?

The PRESIDING OFFICER. Is there objection? The Chair hears none, and it is so ordered.

The resolution will be stated by title.

The assistant legislative clerk read as follows:

A resolution (S. Res. 540) of tribute to the new explorers submitted by Mr. DOMENICI for himself and Mr. Schmitt.

The PRESIDING OFFICER. Without objection, the Senate will proceed to its immediate consideration.

The Senator from New Mexico.

Mr. DOMENICI. Madam President, I first want to say I appreciate the Senator from Vermont yielding for this purpose, and I want to indicate for the record that this matter has been cleared by the leadership on both sides.

Madam President, obviously the feat by three New Mexicans causes great joy and pride among many Americans, but from my standpoint, obviously since they are from my State, it is with an exceptional sense of joy that I submit this resolution, and with great pride.

If that were all, and if they were just from my State, that would be one thing. But it happens that all three are very personal friends of mine. I have known them for many years. In fact, one of them, Mr. Anderson, a mining man from New Mexico, no longer than 10 days ago or 12 days, appeared before a Senate committee here testifying on issues of import to the mining industry of the United States.

One of the other gentlemen, Mr. Ben Abruzzo, has been my friend for years. In talking to the two of them in the past 3 weeks I knew they were going to accomplish this feat because if spirit and determination and an absolute assurance that they knew how to do it and would do it meant anything they were filled with that kind of enthusiasm and commitment.

The resolution speaks for itself. I am sure that the U.S. Senate shares the great pride of their families, of the great State of New Mexico, in this feat. What I am asking is that we recognize in this resolution the significance of this feat by humans, by these three men, and that we resolve "that the Senate of the United States in Congress assembled offers personal and singular tribute to Mr. Anderson, Mr. Newman, and Mr. Abruzzo for continuing the American tradition of being the Nation of New Explorers of New Frontiers."

Madam President, I move the passage of the pending resolution.

The PRESIDING OFFICER. The question is on agreeing to the resolution.

The resolution was agreed to.

The preamble was agreed to.

The resolution (S. Res. 540), together with its preamble, is as follows:

S. RES. 540

Resolution of tribute to the new explorers.

Whereas, we speak in the singular of the Universe, the Earth, and the distance between great Continents, but in the plural when in reference to heroes and heroic events; and

Whereas, this day a very singular act of courage by three Americans succeeded where heroic men have lost their lives in 17 previous similar attempts at being the first human beings to cross the Atlantic in a balloon filled with naught but warm air; and

Whereas, these men, these Americans—Maxie Anderson, Larry Newman and Ben Abruzzo of Albuquerque, New Mexico—have accomplished this feat no less daring nor historic than other great adventurers of history; and

Whereas, these three New Mexicans have set records for most hours aloft in an helium balloon and number of miles traversed, in their 112-foot tall "Double Eagle II;" and

Whereas, crossing this great span of water from West to East demanded the same immense courage, indomitable fortitude, and breadth of spirit as heroes of earlier centuries, now, therefore, be it

Resolved, that the Senate of the United States in Congress assembled offers personal and singular tribute to Mr. Anderson, Mr. Newman, and Mr. Abruzzo for continuing the American tradition of being the Nation of New Explorers of New Frontiers.

SEC. 2. The Secretary of the Senate is hereby directed to transmit copies of this resolution to Mr. Anderson, Mr. Newman, and Mr. Abruzzo.

Mr. DOMENICI. I thank both Senators for yielding, and I am most appreciative of this opportunity. I yield the floor.

Mr. LEAHY. I thank the Chair.

The Senator from New Mexico has every reason to be proud of the achievement of his constituents. I read the news myself with a great deal of excitement.

A weekend ago in Vermont I had a chance to go up in a hot air balloon, which brought about two things: One, the normal comments made about any Member of the U.S. Senate going up in a hot air balloon, and I do not have to repeat all of them, except that it was the pilot who commented that he was not

concerned about running out of fuel; and the other part, of course, was that I was the object of enormous envy by our three children.

But I will say to my very good friend from New Mexico, that just that short ride was something that could entice me to go back at any opportunity. But then, just again from that short ride, realizing the logistics of moving over a relatively small area, and what is involved in that, and to see the achievement made by these people, just boggles the mind.

People have tried to accomplish that feat for years, and years, and years. Most recently, just about 2 weeks ago, two English balloonists came within 130, 140 miles of doing it. I just think it is a matter of enormous pride to all of us, and I am delighted the Senator introduced this resolution.

I think the resolution and the feeling we all have here is probably one of the few times that we can safely stand here on the floor of the Senate and say we express with unanimity the feelings of everybody in the country. I think they are greatly deserving of that.

Mr. DOMENICI. I thank the Senator.

Mr. GARN. Madam President, will the Senator yield for just a moment? I express to my distinguished colleague from New Mexico the pride in this achievement, and I share the comments of both Senators. I cannot help but express publicly what I said to the Senator from New Mexico in private, that the only trouble I have with it is my disappointment in not being one of them. As the Senator knows, I have spent some 10,000 hours of my life flying airplanes. I have to live with my junior colleague who walked on the Moon, and that always disturbed me. All my life in aviation, all my aviation career, I have never been fortunate enough to be in one of those things. So I commend them. I am pleased, and I am just jealous that I was not with them.

I thank the Senator from Vermont.

Mr. DOMENICI. I thank the Senator from Utah. I just mentioned that two of our honorees, as most Americans know, Mr. Abruzzo and Mr. Anderson, tried this some few months ago. They did not quite make it. Mr. Abruzzo came down quite injured. He was crippled for a long time. But as soon as he got well enough, they ventured again, and they added a third gentleman whom we are honoring, Mr. Newman, who happens to be a commercial airline pilot, who joined the twosome, and I told my good friend from Utah, knowing of his pilot prowess, that had they known about his expertise they might have asked him to go along, and he would not have to be here on the floor expressing that regret. I am sorry I did not tell them about the Senator. He might have been with them, I say to my good friend from Utah.

I thank both Senators for their kind comments.

Mr. LEAHY. Madam President, I noticed in the paper that they were expressing great joy as balloonists when they saw the coast of Ireland. My father would agree with them very much, and I am sure he will when I talk to him today, that everybody should express great joy when they see the coast of Ireland.

As the Senator from New Mexico knows, my mother would feel that the joy should be reserved until they get to Italy. But the Senator from New Mexico feels the same way, and we are all delighted that they made the trip and made it safely. It is a great accomplishment.

Mr. DOMENICI. We all know their goal. Their goal is to reach the same place Lindbergh landed, and that is why we do not know precisely the time they will land. For them to want to go on just indicates the kind of great spirit they have, and it is evidenced in this resolution that the Senate has agreed to, paying them homage as being really people of the American tradition of having great courage, determination and commitment, which is sort of symbolic of our Nation of explorers and doers. I thank both the Senators for their comments.

Mr. LEAHY. I thank the Senator.

REPRESENTATION OF THE DISTRICT OF COLUMBIA IN CONGRESS

The Senate continued with the consideration of House Joint Resolution 554.

Mr. LEAHY. Mr. President, I will be brief in my further comments about the representation of the District of Columbia.

I went to law school in Washington, D.C.; graduated from here in 1964, and I wanted to go to law school in the District because it was Washington.

I first visited the District as a young person with my mother, my father, and my sister, and I was enormously impressed, as I believe all visitors are, with our Nation's Capital.

I also thought how nice it would be to spend part of the year in Washington and part of the year back in Vermont. Ten years later, I was fortunate enough to come back here as a Member of the Senate, where I could do that. I must admit that I was not aware at the time that we would have as limited an amount of time in Vermont as we have; the weekly visits back home are all too short.

But I have always maintained very much of an interest in this city, and while I had not asked to be made chairman of the Appropriations Subcommittee for the District of Columbia—in fact, there was at least one Member of the Senate who suggested I became chairman because I was foolish enough to show up 5 minutes late for the organizational meeting of the Appropriations Committee a couple of years ago—I have enjoyed the work as chairman of that subcommittee, and I have had a chance to learn far more about the city than I ever would have otherwise. I have walked around the city, talked with people, and spent just about every free moment in this area that I could in going around the city.

I am well aware of the historical factors in the development of the Federal City. I am well aware of the thinking that went into setting up the Federal City 200 years ago. But anybody who can look at those historical antecedents and feel that changes have not occurred is just not facing reality. Madam President.

Changes have occurred, and whatever reason there were to deny representation to the citizens of this beautiful and proud city 200 years ago, I suggest those reason no longer exist.

So, Madam President, I feel very strongly that we now have a situation which, while it started out historically correct—I have no problem with the historical reasoning for the lack of representation—if it continues it involves not a question of maintaining history, but a question of creating and maintaining an injustice, and doing a serious wrong to the people of a great city.

Mr. BAYH. Madam President, will the Senator yield?

Mr. LEAHY. Certainly. In fact, I yield the floor to the Senator from Indiana.

Mr. BAYH. I would just like to make an observation, inasmuch as our distinguished colleague and good friend from Vermont is addressing himself to this question.

I think it is important for those who might read this RECORD to understand the significance of the support of the distinguished Senator from Vermont. He sits in a very critical position as the chairman of the District of Columbia Appropriations Subcommittee. Having had the opportunity to fill that post a short time back in my early period of servitude on the Senate Appropriations Committee, I became very much aware of how familiar one becomes with the nuances of the District Government, and I think it certainly speaks well of the importance of this issue and, indeed, of the Senator from Vermont, that he is lending his support to it, and I applaud him for that.

I listened very carefully to his reasoning, and certainly he correctly pointed out that if one looks at what has happened historically since the Constitution was written, the circumstances that were considered by our Founding Fathers as far as size is concerned, the size of the District of Columbia have changed—in fact, the security question is no longer a question.—I certainly salute him for throwing his support to this measure, and as one who has had an inside look, I think that support will mean as much if not more than that of any other Senator, and I am very grateful for it.

Mr. LEAHY. Madam President, I thank the distinguished Senator from Indiana very much. As I stated earlier in my statement, the Senator from Indiana has shown long and effective leadership on this issue, long before I was even able to be involved as a Member of the Senate, and his critical chairmanship on the Judiciary Subcommittee on the Constitution and its work in this area, I think, is one of the important reasons why we are able to have this matter before us now.

In fact, I feel sort of like a caboose being led by a train of people like the Senator from Indiana. I must admit that the more involved I have been in my own chairmanship of the appropriations subcommittee, the more convinced I have become of the position that the Senator from Indiana has long espoused.

Mr. BAYH. Madam President, will the Senator permit me to address one question to him?

Mr. LEAHY. Yes.

Mr. BAYH. And will he give me a lit-

tle time to, perhaps, postulate a bit before asking the question?

Mr. LEAHY. Absolutely.

Mr. BAYH. One of the questions that has been raised about this issue is, does this indeed establish a precedent for other American cities to seek to become "city states"?

In my remarks yesterday, I tried to address myself to the question of three levels of Government, the local, State, and National Government, and to deal with the ways in which those separate levels of government have an impact on the lives of our citizens.

I further tried to stress the importance of having an opportunity for the citizens to be represented at those various levels, and to have an impact as their officials were making decisions that would influence their lives.

The Senator is very much aware of what is happening in the District. He knows of the local government decisions that are made, that impact on the lives of the citizens.

Mr. LEAHY. Yes.

Mr. BAYH. And we know of the local elections. What we are after here, it seems to me, is to make certain that at the Federal level those decisions that are being made that affect the lives of U.S. citizens who happen to live in the Federal city, that the citizens who are affected have a voice in determining the representatives who make those decisions.

Has the Senator from Vermont found any evidence, in his very close experience with what is happening in the District, that there is a move to make the District a State, that indeed that level of government is what we are talking about? Is it not fair to say we are talking about how fully citizens of the District are represented in the decisionmaking process at the Federal level, and there is really no effort to try to create a precedent where other people, who are already represented at the Federal level, will have a chance to take the same course?

Mr. LEAHY. As to the latter point, I feel that the people of the District of Columbia want to know that they have a voice in their own representation in the Federal Government, in Congress, and not be faced with the situation they have been faced with, really, since the beginning of the Nation. This situation is having a group of us, whether it is I or our distinguished colleague from Indiana or anyone else who has been involved in the various District of Columbia committees and subcommittees of Congress—in effect, as surrogate representatives on a part-time basis, almost as an added chore to our own constituent responsibilities. Rather than having us as their representatives, they should have the representation that they truly and justly and honestly deserve.

That is what it is coming to.

We are not looking for the 51st State. We are looking for the representation of the Federal city with its population. The population, as I stated before, is 1½ times that of my own State. They do deserve representation.

Mr. BAYH. I appreciate very much the comments of my distinguished colleague from Vermont.

Mr. GARN. Will the Senator yield?

Mr. LEAHY. I yield.

Mr. GARN. I ask unanimous consent that Karen Steidl of Senator YOUNG's staff be granted the privileges of the floor during the consideration of the pending joint resolution.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. GARN. May I compliment the Senator from Vermont on his tenure with the District of Columbia Appropriations Subcommittee. As a former mayor, I was assigned to the District of Columbia Committee immediately upon arriving in the Senate, when Senator LEAHY and I arrived in the Senate in 1974. That committee was done away with, as everyone knows, after 2 years, when it was merged into another committee.

I did have some insight into District problems after working rather intimately for a 2-year period with the District of Columbia budget and authorization and appropriation bills for the District.

The Senator from Vermont has done an excellent job in trying to solve many of the problems of the District, such as working on the convention center, and I have backed his efforts.

I would also like to say I agree completely with what he has said today, about the unfairness of not having representation in the District.

I do think the times have changed—I do not think there is any doubt about that—from what was conceived 200 years ago. We do live in a different time, and it is not fair for the people living in the District of Columbia not to be able to vote for Senators and Congressmen and have voting representation in the Congress.

But the reason that I oppose this particular constitutional amendment to give the District two Senators and two Congressmen is that I think we go from no representation or underrepresentation to vast overrepresentation.

The Senator eloquently talked about the differences of some of the rural States. My State is considerably larger than his but certainly still a relatively small, rural State. All of us who represent small States, even those of us in Rhode Island or Delaware who have small States, represent a variety of interests, in Vermont, Delaware, or Utah. There are cities, some relatively large, a lot of very small ones, a lot of rural area, a lot of farmers, a lot of land problems, a lot of very diverse and different interests.

Washington, D.C., is simply a city dealing purely with urban problems, and some very difficult ones, more difficult than a lot of other cities because of the presence of the Federal Government. So it is unique among cities.

I was president-elect of the National League of Cities 4 years ago. I knew most of the mayors of all the major cities rather intimately, and knew of their problems.

The District of Columbia is just a city without all of the divergent problems in a State, which we as Senators face, in a State regardless of geographical size or population. Certainly New York City is not like Washington, either, and they have 8 million people.

I do not think it sets any precedent, necessarily, as Senator BAYH was talking about, but the effort to give the District of Columbia representation by allowing them two Senators and two Congressmen, or whatever the population allows, surprises me.

Certainly, though it would set no precedent, New York or Chicago, any of the bigger cities, would be vastly underrepresented. And they have some difficult problems. They are represented through their two Senators. I agree with the unfairness and everything that has been expressed by the proponents of this joint resolution, except the method by which we achieve that representation.

It seems to me that the way to solve the problem—and part of the District was returned to Virginia—is to return the residents to the State of Maryland and then they would certainly have representation the same as residents of any other State. They would undoubtedly have Congressmen. The District would probably be divided up into a couple of districts. They would have their own Congressmen. They would have representation fairly and equitably through their Senators in the U.S. Senate like any other citizen who lives in a city.

New York City, with 8 million people, I am sure feels they are adequately represented by Senator MOYNIHAN and Senator JAVITS.

I am sure the citizens of Chicago are pleased with Senator PERCY and Senator STEVENSON. They do not have any problem with that.

Other major cities around the country have no problem.

I very sincerely have difficulty understanding what is the real problem, what is absolutely unfair. I am not sure I understand the historical precedents for denying them voting rights in the Federal city. Why we want to take this method, to the exclusion of all other cities in the country, dozens and dozens of which are as big or bigger than Washington, and allow just them to have representation makes no logic or sense to me at all.

I would very avidly support any proposals to help the citizens. The citizens are what we are talking about, and their right to vote, not a city. The District hardly needs representation as the Federal Government dominates most of it. All 100 of us are involved in the appropriation process and other matters for the District, too much involved in my opinion, giving too much direction in the city. Nevertheless, why this method? I have not been given a satisfactory answer to that by anyone.

The proponents talk all around the issue but in my opinion we have not adequately come up with why we should go with totally unfair no representation to vast overrepresentation for one city that is dominated by the Federal Government and unique among all other cities in this country.

It seems to me that the citizens of New York, Chicago, Philadelphia, and other

large cities, would be rather irritated with this proposal.

Included in the arguments we have heard is population. If there is an argument for cities with a population of 705,000, does New York City have an argument with a population of 8 million? They could ask, "Why does Utah have two Senators with their population?"

If that argument does hold, then we would be setting a precedent.

This Senator has no problem with the right to representation by the citizens of the District of Columbia. I think it is fair, justified, and I think it should be granted. But I am totally opposed for the reasons I have stated to singling out a city that does not have the statewide problems, the diversity of problems, and giving them full representation as a separate entity when returning citizens to the State of Maryland or Virginia and allowing them to vote, as residents of any other city of this country have the opportunities to do, would be ultimately more fair. We ought to proceed with that.

Mr. BUMPERS. Madam President, I should like to make a few remarks regarding the Curtis amendment, which, as I understand it, is the pending business. Is that correct?

The PRESIDING OFFICER. That is correct.

Mr. BUMPERS. Madam President, I originally was a cosponsor of the resolution which is now the Curtis amendment. I cosponsored it when he offered it as a resolution in the Senate because I think it is a matter that needs to be continually debated by Congress, but I have problems with it as an amendment on this measure.

Of course, there are two or three things in the resolution that I object to, and I might say that I offered my own resolution, back on January 10, 1977, which is Senate Joint Resolution 2, to accomplish a balanced budget.

There are some people who just do not think a balanced budget is really relevant to the times. Then there are some, like myself, who feel that there is not anything much more relevant. But I cannot support the Curtis amendment, No. 1 because it wipes out the constitutional amendment which is the pending business; namely, representation for the District of Columbia.

I support representation for the District and I would not want to support an amendment which was irrelevant to that amendment and substituted another one in its place that, as I say, was totally irrelevant.

No. 2, I do not believe Congress has ever attached another constitutional amendment to a constitutional amendment, and I think it is a bad precedent. I think the Senate ought to stand on its feet and either accept or reject the constitutional amendment that has been proposed.

Mr. SCOTT. Will the Senator yield?

Mr. BUMPERS. If the Senator will wait just a few moments, I shall be happy to yield.

Mr. SCOTT. I just wanted briefly to remark, if the Senator would yield, that he would exclude the first 10 amendments of the Constitution.

Mr. BUMPERS. I am not sure what the Senator means by excluding.

Mr. SCOTT. I mean the first 10 amendments were submitted together.

Mr. BUMPERS. I am not talking about collective submission, I am talking about offering amendments as a substitute for another amendment. Here we have an amendment which is the pending business, to give the District of Columbia representation, and the Curtis amendment would completely obliterate that and substitute a constitutional amendment that would require the Congress to live within a balanced budget. They are not related. Each one of those things ought to be considered separately and fully debated.

I personally support representation for the District and I certainly support the Senate's adopting this resolution and sending it to the States for ratification. Whether 38 States are going to ratify it or not is another matter. That is their prerogative. But I do not think there is a precedent where we have been debating one amendment and then substituted another one. And I do not think there have been many precedents, incidentally, where we amend constitutional amendments very significantly.

Another objection I have to the Curtis amendment is that it imposes a surtax. It says any time Congress decides to spend more money than it takes in, a surtax will immediately become operative. I have steadfastly maintained, and I feel comfortable in the position, that the American people are, indeed, upset, but they are not nearly so upset about the taxes they are paying as they are about the way their money is being spent.

I have some considerable concern about the tax bill that is going to be coming over here from the House: No. 1, because I do not think it is tax reform, based on what I have seen of it; and No. 2, because I do not think we ought to be considering any significant tax cuts until we do reduce spending and get the revenues into the Treasury and our expenditures in balance.

The other thing about the Curtis amendment that I find objectionable is that only in case of a grave national emergency, so declared by 75 percent of both Houses, could Congress spend more than it takes in without the surtax becoming operative. When I was Governor of my State, we had a strange rule down there that, in order to pass an income tax, it takes three-fourths of both Houses, but if you want to pass a sales tax, it only require a simple majority. In 1971, my first year in office, I decided that our income tax was antiquated and needed to be updated and needed to be reformed. I know what it is like to try to get 75 percent of anybody, any group, to agree on anything. I think that you could find this country stalemated by such a requirement.

My own proposal would be to require that a three-fifths majority of Congress declare a national economic emergency before we could exceed revenues, before expenditures could be appropriated to exceed revenues, unless a state of war exists. It occurs to me that those are reasonable approaches to this problem.

Finally, Madam President, the point I want to make is that I just spoke to the Senator from Maine (Mr. MUSKIE) yesterday afternoon. As you know, he is chairman of the Budget Committee. He is a diligent, tireless worker in that Budget Committee, and guards this floor assiduously to make certain that appropriations in here do not exceed that budget resolution. I do not know whether the Congressional Budget Act of 1974 is ever going to work or not, but I have voted to sustain almost every point of order that the Senator from Maine has raised about a bill here violating that act—not because I necessarily agreed with it, not because I would not like to see money spent for a particular project, but because I feel a strong obligation to support that act and try to bring some discipline to this body in our voting of expenditures.

He gave me some very happy news yesterday. That was simply this: The President had estimated that this year's budget deficit, based on his request for money and based on the Treasury Department's projection of revenues, was $60 billion, a little over $60 billion. As of right now, the Budget Committee's projection is that the deficit will be $18 billion less than that, or $42 billion, and that takes into account, I believe, a $15 to $20 billion tax cut.

I personally think if you went to the American people on television tonight and said, "Would you like to see the $42 billion deficit cut to $22 billion and not take a tax cut," the overwhelming majority of people in this country would say, "I will continue to pay the taxes I am paying now if you can do that and if you will give me some assurance that the following year and the following year, you are going to balance the budget."

There is not any more legitimate debate that can come before this body than fiscal responsibility and balancing the budget. The Senator from Georgia (Mr. TALMADGE), who sits here, has been here much longer than I have and I know that he agrees with that statement. I know he has made speeches about it, just as I have and a lot of other people in this body have. I personally see a little light at the end of the tunnel right now for the first time since I have been in Congress.

Madam President, the President's popularity is at an all-time low. He has done a lot of things that I personally consider to be eminently correct. I agreed with him on the B–1 bomber, I agreed with him on plane sales to Egypt and Saudi Arabia, I agreed with him on the Panama Canal treaties, I agreed with him on the social security tax increases. I have agreed with him on a lot of things. He did those things, and I thought they were right, but, unfortunately, they are very unpopular across the country.

But I shall tell you something else, Madam President: The reason for the President's unpopularity right now is not

necessarily because of those things and others that I have just mentioned. It is because they are felt to be irrelevant to the lives of the people in this country who go to the grocery store week after week and find prices going up at an exponential rate and find their disposable income is going down at about 3 percent a year right now. Inflation is literally tearing the heart out of this country.

Some businessmen say it is all because of deficit spending, and certainly, they are right, there is a good big portion of it that is caused by deficit spending. But that is not the only reason. One of the bigger reasons is that we have not been able to control our energy appetite in this country, and this year, we are going to import about $50 to $55 billion worth of oil, which we cannot afford, and we are going to have another big trade deficit. Last year, it was a little over $27 billion. This year it is likely to be that much and more. That is the reason that the dollar, against the yen, the mark, and the franc, and every other currency, continues to decline.

That is the reason the Datsun and Toyota cost has been $1,000 more than last year.

So the American people perceive maybe not some sophisticated economic theory, but they perceive that something is grossly wrong in this country when inflation continues to run unabated and our energy appetite grows and nobody seems to be doing anything about it.

Those are the things that are relevant in the lives of the American people.

Let us govern expenditures. A more responsible attitude by the Congress in spending can certainly have a very dramatic impact.

In my opinion, if we could say, "Look, we will not cut your taxes, but when you go to the grocery store and see bread at 45 cents or 50 cents a loaf, next month, or 6 months from now, and a year from now it will still be 45 cents or 50 cents," they make a lot more money that way than by cutting taxes. They do not have to understand sophisticated economic theories to understand that. They know it.

But with all that said, the Curtis amendment, I believe, is placed before this body in the wrong setting. It is going to be difficult for me to vote against it because I have been an ardent, strong champion of a balanced budget. But I do not think we ought to wipe out D.C. representation in order to bring it up at this point. I think it should be brought up at some other time.

The Senator from Nebraska knows I came over to testify before the Judiciary Committee on my own resolution to balance the budget. He cosponsored mine and I cosponsored his. We both knew it was not going to get out of that committee.

I think that is unfortunate, because I think it would be good to have a good, long, healthy debate on that subject, a responsible debate, not one where people say one thing with tongue in cheek and do something else down in their committees.

So, for those reasons, Madam President, I will reluctantly oppose the Curtis amendment.

Mr. TALMADGE addressed the Chair.

The PRESIDING OFFICER. The Senator from Georgia.

Mr. TALMADGE. Madam President, President Carter pledged to balance the Federal budget by 1981. Congress continues to pay lip service to the concept of a balanced budget. The need for fiscal responsibility in Government was a pivotal issue in last year's election.

In short, everyone talks about it, but from many years of experience, I am somewhat cynical. I find it very difficult to be optimistic about restoring economic order to the U.S. Government.

In fact, I lean more toward pessimism, an attitude which is shared by many of the world's leading economists, including a Nobel Prize winner in economics, Milton Friedman.

With all due respect to the President, I do not believe it will be possible for him to achieve a balanced budget by the end of his term.

As for Congress ever balancing the budget, we may as well forget it. We have not had a balanced budget in the past 18 years. In fact, we have plunged the Nation further into debt in the past 10 years than all of the previous history of the Republic.

A balanced budget has literally become a relic of the past.

I have struck a note of pessimism because that is exactly how I see the situation. However, it does not have to be. We have the power and the means to restore strength and stability to the U.S. economy.

We can act if we will. We can stem the tide of massive deficit spending which pushes our Nation deeper and deeper into debt; or, we can continue to sit on our hands and court economic disaster.

U.S. fiscal policy can be compared to the plight of the drug addict. We borrow to pump more money into the economy to get things going.

Unfortunately, the high is only temporary and eventually another dose is required. And on it goes.

Each time the dosage must be increased to create any kind of stimulation at all. And sooner or later, there comes the fatal overdose.

So it has been with economic pump priming by the United States in the past two decades. The Keynesian theory of economic stimulation not only made deficit spending acceptable but desirable as well.

The fact is, we have not stimulated the economy. We have not increased productivity in the private sector. We have not reduced unemployment.

We have instead created rampant inflation. We have destroyed confidence in the dollar. We have lost our preeminence in the world. We have destroyed public confidence.

If the massive outpour of Federal funds—which we have had to borrow before we could spend—has not bolstered the economy, what has it done?

We have made Government bigger and bigger. We have created a bureaucratic monster that defies control.

It is within Congress power to balance the budget. I do not think Congress, as presently constituted, has the will to balance the budget. In short, I do not believe Congress will ever balance the budget until it is made to do so.

I propose we do precisely that. I propose that we throw away the key to the Treasury, and that we stop the run on the taxpayer's money.

I again believe that the U.S. Constitution should be amended to provide that, except in a time of war or extraordinary national economic emergency declared by Congress, the aggregate expenditures of the Federal Government shall not exceed the net amount of its revenues in any fiscal year.

I have been pushing for such action for several years. I have thrice proposed a budget amendment to the Constitution. I will continue to stand behind it as long as I am witness to a Congress and U.S. Government that seems bent upon bankruptcy.

Quite simply, we should establish as a supreme law of the land the principle that the budget of the United States must be balanced.

There is growing support for a mandatory budget amendment. More than 135 Members of the House sponsored such action. Twenty-two States have adopted resolutions urging that the Constitution be amended to require a balanced Federal budget.

According to polls, an overwhelming majority of the American people also want to enjoin Congress from deficit spending.

Twenty-eight Senators have sponsored such an amendment. I believe without hestitation that a budget amendment would be readily ratified by the States if they were given an opportunity to vote on it.

It is the people's money we are talking about. It is their Government. I say we ought to give the people that opportunity.

The need for such a measure as this is well known to every American seeking tax relief and to every citizen, taxpayer or not, who has been subjected to the ravages of inflation which robs them of their earnings and their savings.

In 40 of the past 46 years, we have mounted multibillion-dollar deficit upon deficit. We have a national debt of some $750 billion. Interest on that debt is the third largest item in the budget.

We will pay more interest on our national debt this year than we spent on all Federal operations in 1950.

No one argues much about the need to get a tighter grip on Federal expenditures. President Ford supported the concept of a balanced budget and, in fact, President Carter campaigned with a specific promise to balance the budget by 1981.

He cannot do it alone, if at all. Congress must take the initiative. Congress must discipline itself. Congress must put itself under an irrevocable mandate to stop spending beyond our means.

In the final analysis, no matter what a President proposes, final authority over the budget rests with Congress, and with Congress alone.

We cannot continue to spend money we do not have on programs we do not

need in the vain hope of being all things to all people, both at home and abroad.

Dollars are squandered throughout the vast Federal bureaucracy and in every nook and cranny of America.

They are scattered in every corner of the world and have found their way into the hands of allies and adversaries alike.

In efforts to solve every problem everywhere in the world and some that only exist in people's minds, we have succeeded only in breeding contempt for our prosperity and generosity over the past two or three decades.

My father used to say that just as a man cannot drink himself sober, a nation cannot spend itself rich.

Historians have noted that each of the 16 great civilizations of the past fell because of internal economic and political strifes, and not because of invasion or attack by an external enemy.

In view of the fact that more than 6.2 million Americans are out of work, double-digit inflation remains a serious threat, and we are still trying to recover from the worst recession since the Great Depression; it is proper to inquire if we have not been sowing the seeds of our own eventual destruction.

We cling to the perverse attitude that regardless of which economic ill plagues our Nation at any given time—inflation or recession or what has come to be known as stagflation—the best way to attack that problem is to throw money at it.

Fearing for our own political lives, we refuse to raise taxes to finance the increasing cost of Government. We simply borrow the money instead.

As a result, deficit spending, traveling under the guise of economic stimulation, has become a way of life.

To continue to borrow and inflate puts an unconscionable burden on generations of Americans yet unborn. This is not economic stimulation. It is theft.

I submit, Madam President, that such a fiscal lifestyle is at best unhealthy for our Nation, and at worst suicidal.

There can be no stabilization of the U.S. economy without Federal spending control. These are the most important issues and the greatest challenges facing the American Government today.

At stake is the confidence of the world in our economy. At stake is our own national security.

In recent years, our preeminence as leader of the free world has been severely eroded. The American dollar has come under savage attack and has taken beatings in world monetary markets.

Also at stake is the confidence of the American people in their Government and, to a large degree, the confidence of our people in themselves.

Lack of public faith is not surprising when one considers that working people must devote more than a third of the year, just to meet State, local, and Federal tax obligations.

They are outraged with inequities of the Internal Revenue Code. They demand tax reform and tax relief. I do not blame them.

But, let us not confuse the issue. If Congress enacted every "soak the rich" tax reform proposal the mind of man could conceive, the revenue gained for the U.S. Treasury would be a mere drop in the bucket compared to the projected Federal budget deficit for this year.

For example, the Joint Committee on Taxation estimates that if the Federal Government totally confiscated all individual incomes in excess of $100,000, we would gain approximately $1.3 billion in new revenue.

If we confiscated all individual incomes in excess of $20,000, we would generate an additional $16.3 billion. That is no small amount, but it is only a fraction of the fiscal 1978 budget deficit which at last count will be approximately $50 billion.

Other so-called tax reform approaches have been suggested. We could remove the tax exempt status of interest earned on State and local bonds—a so-called tax loophole that denies the Federal Treasury approximately $5 billion each year. But such action as this would handicap State and local government and virtually wipe out many needed services and operations of local government.

We could do away with deductions for charitable contributions that would bring in an additional $6 billion a year in revenue.

But where would that leave our churches, schools, health organizations, and charities which depend on gifts and donations as their life blood?

We could end the Federal income deduction on mortgage interest payments by people who are trying to buy their own homes. We could repeal the deduction for medical, hospital, and drug expenses of the sick, the disabled, and the elderly.

We could go on and on with such a crusade. We could march triumphantly through the Internal Revenue Code, leaving in our wake crushed remains of so-called shelters and the tightly closed remnants of tax loopholes.

But, Madam President, we need to be honest with ourselves—and with the American public—and determine whether sweeping tax reform is the real answer.

We have tried tax revision. We have tried tax reduction. Understandably, as elected public officials, we are always in search of some reason for enacting some form of tax relief.

In my judgment, the best and most justifiable reason is that taxes at all levels of government are too high.

When you take statutory taxation at all levels of government, and add to that the cruel tax that is imposed by inflation, it is no wonder that the American people cry for relief—especially low- and middle-income families and people who must live on fixed incomes like social security and retirements benefits.

I submit that tax revision is not the answer. We have pursued policy of taxing less, of spending more, and of borrowing to the hilt—and instead of relieving taxpayers and working people, we increase their burdens.

I do not deny that Congress should take a long, hard look at our tax laws. On the contrary, I strongly feel that we should comprehensively review the code. I fully support requiring each citizen, individual and corporation alike, to carry a fair share of the tax burden.

Granted, we need tax revision. But we need budget control more.

We have had astronomical Federal deficits during Republican and Democratic administrations alike. I do not single out any administration for blame. I do not single out any Congress for blame.

I do say Congress, and Congress alone, has the power to act to balance the budget, to lead the way toward order in our economy, and to help rebuild public confidence in government.

There are other potentially disastrous dimensions to our "buy now, pay later" fiscal policy. Americans are already paying exorbitant interest rates on consumer loans and home mortgages.

The situation could be grievously aggravated if the Federal Government must become even more deeply dependent upon private credit markets in order to finance the horrendous budget deficits of this year and next.

Massive borrowing by the Federal Government can crowd working people and businessmen out of the credit market altogether and can place the Treasury Department in open competition for every available credit dollar.

The results could be catastrophic: Even more credit shortages and even higher interest rates.

Clearly, Madam President, we cannot continue on a course of unrestrained spending and festering debt. We cannot continue to run the risk of economic upheaval. We have gone too far down that road already.

Because of this, I offered my own resolution to turn our Nation's fiscal policy around by compelling Congress and the President to appraise our national priorities realisitcally, and to allocate our national resources responsibly. Because of this I intend to support budget balancing amendments to every proposed change in our Constitution that the Senate considers this Congress. With the adoption of a budget amendment, the luxury of falling back on deficit financing would no longer be easily available. We would be insulated from the day-to-day pressures and demands to spend more and more money for everything that comes along.

The mechanics of my own proposal are simple and straightforward. Only war or an express congressional declaration of national economic emergency would permit deficit financing. In determining whether an extraordinary crisis exists, the Congress would have to consider the extent and the rate of unemployment, industrial activity, inflation, and other economic indicators it deems appropriate.

I am convinced of the need for such a resolution. I believe most Americans share this conviction. We have persistently embraced the notion that the best and only way to solve a problem, any problem, is to bury it under a pile of Federal money. We have lost sight of the fact that Government has no ability to produce wealth. It only has what it takes from the people.

We need budget control that is firm, irrevocable, and enforceable, as a major weapon against inflation which has been draining the strength of our Nation, frustrating the taxpayer, robbing the worker of the fruits of his labor, depriving the elderly of the full benefit of their savings and benefits, and denying the businessman a fair return of his investment.

Undoubtedly, some will say that this approach is bad economics. Some will say that this approach is bad politics. There are even those who will say both.

I submit, Madam President, that we have followed their advice in the past and look where we are now. The big spenders have had their way, and their way has taken us to the brink of economic collapse and potential political rebellion.

Undoubtedly, many people will say that this approach is drastic. I concede that point. Drastic action is required. The economic spasms we are experiencing defy ordinary remedy.

When the debt of the U.S. Government is far greater than the combined debts of all other governments of all other nations of the world, drastic action is required.

When we see how a once-powerful nation like Great Britain can be reduced to virtual economic impotence because of government that has gotten too big and too costly, drastic action is called for.

When Federal, State, and local spending accounts for 40 percent of the gross national product, with Federal spending making up 25 percent of the GNP—drastic action is called for.

Madam President, we cannot, we must not, be lulled into a false sense of security. Through reckless Federal spending and borrowing policies we have almost bankrupted our Nation, the most powerful, the most wealthy, the most generous society the world has ever known.

We have alienated our constituents. We have mortgaged our children's future. We have no recourse except to take positive action to cut spending and the only way I know how to do this is to require it under the Constitution.

Madam President, I yield the floor.

Mr. CURTIS. Mr. President, will the distinguished Senator yield?

Mr. TALMADGE. I yield to my distinguished colleague from Nebraska.

Mr. CURTIS. I wish to commend the distinguished Senator from Georgia for his remarks. Many of our States have a constitutional restraint against going into debt. Without a doubt, it has preserved their solvency. The Senator is right in pointing to the fact that we must have such a constitutional restraint in the Federal Government. I commend him for all that he has said and his support of this cause.

I might point out for the RECORD that the proposed constitutional amendment for representation for the District of Columbia is here without the blessing of a committee. So this substitute, a proposed constitutional amendment to balance the budget, has equal standing today before the Senator so far as committee action is concerned and it remains a question: What is important?

I am willing to submit it to all of the people of the country. They have already spoken. They said inflation is the most important. We should balance our budget and thus remove one of the biggest causes of inflation.

Again I thank the distinguished Senator from Georgia for his contribution.

Mr. MELCHER. Mr. President, I ask unanimous consent that Wayne Mehl, Jim Stasny, and Ben Stong, of my staff, be accorded the privilege of the floor during the debate and consideration of votes on this measure.

The PRESIDING OFFICER (Mr. NELSON). Without objection, it is so ordered.

Several Senators addressed the Chair.

The PRESIDING OFFICER. The Senator from Maine is recognized.

Mr. MUSKIE. Mr. President, the Curtis amendment proposed yesterday involves a most serious fiscal problem.

The Federal Government's continuing deficit must be eliminated as soon as possible.

But we must beware of simple-minded solutions proposed for personal or partisan advantage to this most serious problem.

H. L. Mencken once said:

> There is always an easy solution to every human problem—neat, plausible, and wrong.

The deficit is a difficult problem.

The Curtis amendment is a simple, easy and wrong approach to solving it.

In fact, the Curtis amendment will almost certainly make the deficit worse and may lead to even greater Government spending.

The Curtis proposal would amend the Constitution. It would require the President to impose an income tax increase every calendar year equal to the Federal deficit of the last year. For example, last year's deficit was $50 billion. Under the Curtis amendment, 1978 income taxes would have risen $50 billion, or about 12½ percent for every taxpayer.

Now that is a simple proposition if I have ever seen one. But, let us take a closer look.

First of all, where does the deficit come from? The Federal deficit in any particular year is roughly the difference between what the Treasury takes in in taxes and what it pays out for expenditures. A deficit occurs when Government expenses rise more rapidly than taxes.

Deficits will occur even in good economic times when Government simply spends too much. I want to say more about that later in these remarks.

But deficits also occur—like those of the last several years—when a recession depresses private business. Government revenues go down when taxes on wages and profits are lost in a high unemployment, low profit economy.

These deficits are a serious problem.

The Curtis amendment's answer to this problem is to kill the patient to cure the disease.

In recessionary times, like those of the last 3 years, the Curtis amendment would require massive tax increases. It would attempt to balance the budget by huge tax increases precisely when the economy is weakest and most in need of support from tax cuts.

Had the Curtis amendment been in effect during the past 4 years, Federal taxes would have risen by a theoretical $156 billion, the total deficit in those years.

As a practical matter, such huge tax increases would have severely damaged the economy. An even deeper recession would have shattered business and consumer confidence. And the deficits would then probably have been even deeper as more wages and profits and the taxes on them were lost.

But this deficit deepening effect of the Curtis amendment is not its only startling defect.

In better times, the Curtis amendment would encourage excess Federal spending by producing excess revenues.

Let us see how that would happen.

Under the budget Congress has adopted, for example, we expect to gradually eliminate the deficit by 1983 as the economy improves.

In fact, we foresee a surplus in 1983 of about $3 billion.

But there will be a $13 billion deficit in 1982.

Under the Curtis proposal, taxes would be increased in 1983 by $13 billion—the amount of the deficit in 1982.

This surtax would not avoid the 1982 deficit. It will already be on the books.

And it will not limit spending in 1982 which will already be history.

But it will encourage excess Federal spending in 1983, because these $13 billion in extra taxes will just add on to the $3 billion surplus already forecast. Assuming this tax increase did not start another recession that year, the Curtis amendment would encourage new Federal spending up to this $16 billion surplus and an expansion of the Government to use these new taxes.

As chairman of the Budget Committee, I yield to no Senator in my concern about this deficit and my attempts to eliminate it through the congressional budget process. The 5-year budget we adopted this year is designed to do that.

But the budget process has got to be allowed to work.

Senators cannot vote to suspend the budget process when it interfers with their spending plans.

Senators who vote against budget resolutions—and then vote to suspend the Budget Act in order to spend more money anyway—are saboteurs of the budget process and fiscal responsibility.

For example, the sponsor of this amendment has never voted for a budget resolution. Yet twice in the past 6 months—once only 2 months ago—he has voted to suspend the Budget Act. He has done so to allow for billions of dollars in new deficit-financed Federal spending which the budget resolution prohibited.

It may be that the temptation to preach fiscal responsibility and practice fiscal profligacy cannot be controlled in the Senate. I often have my doubts on that question.

For example, contrary to the proposed constitutional amendment which is advocated here today, this same Senator is a cosponsor of the so-called Roth-Kemp bill to cut taxes by one-third during these next 3 deficit-financed

years—for a total addition to the deficit of another $126 billion.

Mr. President, I had the great pleasure recently to meet with Mr. Howard Jarvis. No one can fail to admire the sincerity and single-mindedness with which he has pursued the important issue of property tax reform.

But we must beware of those who would ride his coattails.

It may be that someday we will have to give up on ourselves and amend the Constitution to restrain our conduct.

I hope we can act responsibly, so that that day never will come. But if that day comes, such an amendment must be workable, well thought through, and responsible.

This one is not.

I oppose it and I urge my fellow Senators to do likewise.

Mr. BAYH. Mr. President, will the Senator yield?

Mr. MUSKIE. Yes, I would be happy to yield to my good friend from Indiana.

Mr. BAYH. Mr. President, I have had the opportunity to study the logic presented by the distinguished Senator from Maine on this issue, and I just want to add my commendation to him for the well-thought-out logic. This business of how one ultimately deals with our goal of a balanced budget is the kind of thing that, like specialized surgery, requires well-honed technicians and the use of a scalpel instead of a meat ax or vise grip approach. I think the Senator from Maine says that much more eloquently than the Senator from Indiana ever could. I just wanted to associate myself with his remarks.

Mr. MUSKIE. I appreciate that.

May I add that Senator DANFORTH, who is the author of a proposal that appears to be similar in some respects to the Curtis amendment, asked me several days ago to take a look at his proposal. We have been doing so in good faith and with a positive attitude, because he obviously has considerable faith that his approach would work. We were prepared to consider offering suggestions for changes in that proposal. Of course, we are not in a position to develop such changes in connection with this amendment.

The unfortunate thing is that the amendment in this case was offered to an unrelated amendment, the pending constitutional amendment. The purpose, I gather, is to prolong debate on the pending constitutional amendment. The result is, I think, to give less than a complete and comprehensive evaluation of proposals of this kind.

Having had the benefit of at least a preliminary analysis of such proposals for automatic tax increases, we were in some position to evaluate their consequences. In its present form in this amendment, it does have the drawbacks that I have suggested here this morning. For that reason, even though it may be popular to vote for anything in the name of balancing the budget, to act responsibly I have to vote against this proposal. I have stated the reasons, and I think I stated them sufficiently briefly so as not to burden the Senate with my oratory.

Mr. BAYH. Mr. President, could I ask the Senator to yield for another observation and response?

Mr. MUSKIE. I would be happy to yield.

Mr. BAYH. When this matter was brought to the floor yesterday, our distinguished friend and colleague from Nebraska issued an opinion which, frankly, I think probably was very accurate, and in which he said that everybody is for balanced budgets but not now.

I think we all have to recognize there is a certain amount of hypocrisy on this question.

Having admitted that, and confessing, if that is good for the soul, may I address another concern I have on the way we go about it? We just have to find a way in which we can address ourselves to that issue, if not on a year-to-year basis at least if we look at a larger cycle to try to see that assets and liabilities pretty well balance out. At least we give more attention to that than we have in the past.

This is not easy to do. One of the concerns I have, as chairman of the Subcommittee on the Constitution that has dealt with some degree of success and a great degree of lack of success in the constitutional amendment area, one thing that is obvious is that it is very difficult to amend the Constitution. I think this is probably good, as much as I have come a cropper in a good many of the ideas I have had to change the Constitution.

We do not want the Constitution changed at every whim. I say that, and I want the Senators' opinion on that, because, if we consider a balanced budget and the relationship it has on the economy, and the need to be careful if we cut taxes or raise taxes so that that is not a self-defeating kind of thing so far as getting additional revenues, that is, undoing what we set out to do, and if we consider that you cannot tell what you are going to need 10 years from now, then if you write into the Constitution something that can only be changed by an extenuated legislative process where you need to get two-thirds and then three-fourths of the State legislatures, it seems to me it denies us the kind of day-to-day almost, certainly year-to-year, decisions that can ultimately accomplish the goal.

Also the provision in the amendment of the Senator from Nebraska would require a three-fourths agreement. In other words, you might be able to get 52, 53, or 54 percent of both Houses, if they had courage enough to say that we are going to raise taxes and we are going to cut the budget here and not here, but to get three-fourths, it seems to me, is to make it almost impossible to have the opportunity to use some of the selective tools the Senator from Maine is very much aware of.

I wonder if he would address himself briefly to the need to have that kind of flexibility, and that this amendment is really sort of an inflexible way to approach the problem?

Mr. MUSKIE. I would agree with the Senator's conclusion. I would add that when we were in the process of drawing up the Budget Reform Act, we considered several approaches, from the very rigid and inflexible to some that perhaps would have been too loose and too flexible.

We bore in mind constantly that we had to deal with an institution of 535 Members, 100 Senators and 435 Members of the House of Representatives, each of whom had his or her own priorities.

You know, I have never met a Senator who did not believe in more spending for something. It might be defense, it might be veterans programs, it might be social security programs, but I believe almost every Senator's record will reveal that he stands for more spending for something other than the President recommended or than the budget resolution provided.

Well, you cannot accommodate every Senator's desire for more spending in his area without having large increases in total spending. So we have to—and I have reminded President Carter of this—put together a budget resolution for which we can get a majority vote. That means getting a budget resolution with a wide range of priorities.

That has been very difficult to do on the House side, and it has also been difficult to do here. You have people with that wide range of priorities, which has the result of raising total Government spending to a higher level. The result is that the total spending is more than I would like to have seen in the last 3 or 4 years, for example.

The budget has to be passed by a margin of only one vote, but that has never been easy to do. So I have found myself, as chairman of the Budget Committee, defending spending proposals at levels that I disapprove, and agreeing to limitations on spending in other areas where I would have preferred not to see them, in the interest of maintaining the process and the overall discipline.

If you do not have flexibility of that kind, the process will not work. The Senator was here in the same period that I was, when Presidents urged overall spending ceilings on us. They did not work, because when Members' priorities did not fit under the ceilings; Congress paid no attention to them.

A constitutional amendment as rigid as this one would, in my opinion, have produced very unfortunate economic results if we had had it in place. The escape route of a three-quarters vote would not work. How often would you see three-quarters of the Senate vote for something with specific costs to override the effect of the Curtis constitutional amendment if it were in place?

I just cannot see a three-quarters vote. You might just as well ask for a unanimous vote, if you were going to do that.

The second point I would make is that the Curtis amendment and the Danforth amendment are geared to outlays. Well, it is not outlays that trigger Government spending. Government spending is the result of budget authority. So if you try to screw down Government spending by controlling outlays without cutting budget authority, you have not controlled anything. To control outlays you have to control budget authority in prior years.

But the point of flexibility which the Senator raises is a very important one. There is no question that we need discipline. I could not concur more heartily with my good friend from Nebraska. We do need discipline.

But we also need flexibility, not only to meet economic exigencies, but to meet the unanticipated emergency, to meet the changing priorities of Members, and to meet the priorities of the people of this country, which change on us from time to time. We need flexibility in order to get their votes.

I think the Budget Act, with all its shortcomings, and it does have shortcomings, has had the effect of gradually establishing a sense of discipline in this body. It does not always work the way I would like it to. The result of its application is often not what I would like to be the result. But there were a couple of votes last week that, to my surprise, in view of what has previously happened in the Congress indicated that the need for discipline has begun to be felt by Senators. I would like to take advantage of that sense of discpline, which I believe has given the budget process a longer life than some of us expected when we created it. By building on that process and doing the job, I think we can have a balanced budget when a consensus in the country requires it, and the economy is strong enough to make it possible.

In the second budget resolution, which we will be considering in September, it is projected that the budget process outlays down just below 20 percent of GNP by 1983. Since outlays have been on the order of 22 to 23 percent of GNP through this recession period, if we can get it down to about 20 percent, we will have accomplished a great deal in limiting spending. We will also move toward a balanced budget, because, if we can moderate inflation by that action and encourage the private sector, revenues will continue to grow. We will then probably be able to have additional tax cuts and still achieve a balanced budget by 1983.

That is our objective and has been our objective in the budget process. As to the prospect of increasing taxes in times of recession, during these 3 or 4 years of recession we have had, no economist who has appeared before our committee, from the most conservative to the most liberal, has advocated tax increases to wipe out those deficits. None.

Mr. BAYH. No economist?

Mr. MUSKIE. No economist has recommended that. Some of them have proposed cutting spending or taxes more than others, and they obviously have differing economic philosophies. But there has not been one who has advocated massive tax increases to wipe out the deficits of the last 3 or 4 years which were forced on us by the depressed state of the economy.

Mr. BAYH. I appreciate very much the Senator's significant contribution.

Mr. CURTIS. Mr. President, I very much respect the distinguished Senator from Maine. He has carried a load, as chairman of the Budget Committee, that involves more detail and more trials, perhaps, than most of us realize. I respect his opinion on budget matters.

Likewise, I want to commend the distinguished Senator from Indiana (Mr. BAYH) for his work on constitutional amendments.

There are a few items that I feel we should correct for the RECORD.

The Curtis substitute does not authorize the President to impose taxes. The taxes are imposed automatically, under the force of the Constitution if this were a part of the Constitution. All the President does is perform an administrative act of working the arithmetic.

Here is the situation: I am not riding Mr. Jarvis' coattails. I have had a constitutional amendment to compel a balanced budget pending before this Congress for more than a quarter of a century.

Mr. BAYH. Mr. President, will the Senator yield?

Mr. CURTIS. I yield.

Mr. BAYH. I will say to my good friend from Nebraska that he manufactured the cloth that Mr. Jarvis somehow got on the shelf.

Mr. CURTIS. I thank the Senator for that compliment. Mr. Jarvis is a great benefactor.

There were individuals in California who 10 years ago had a tax of $250 on their home. That tax had gone up to $2,500.

I talked to a young man, a resident of California, and I said, "How did you vote on Jarvis?" He said, "Well, I do not understand these things very much, but without it, they were driving families, and particularly old people, out of their homes."

So the fact that Mr. Jarvis performed this service for California is a good thing.

There are probably some harsh things about it. Maybe some things will have to be adjusted. But the fact remains the people who were paying the bills received some consideration, and the destruction caused by more taxes and more taxes was called to a halt.

I also want to point out there is no surprise to my amendment here today. It has been pending since April 4. The House District of Columbia representation proposal came here on March 6. It was held at the desk. My amendment was offered on April 4.

May I say something about the provision in the Curtis amendment in reference to taxes? I will say why it is there. I hope the Congress will never rely upon a mere declaration written into the Constitution that Congress must balance the budget. There will come a time in extreme circumstances, or arguments will be persuasive, and they will figure out a way not to do it, unless there is a self-enforcing procedure.

Is that just an idle charge? No, it is historical fact. The Constitution provides—though it is not very effective any more—that representation in the House of Representatives should be based upon population. However, if not all of the people were allowed to vote, representation should be reduced accordingly. That was the supreme law of the land in the Constitution, but there was no enforcement procedure.

What happened? I can name a few States. For example, Nebraska had four times as many voters over a series of elections, and they had about four times as many Representatives in the House of Representatives.

A mere declaration that we balance the budget would not be enough. It would be wrong to submit such a thing to the States.

I have had a constitutional amendment pending in the Congress for more than 25 years. One morning I heard the news that the distinguished Senator Byrd, father of our beloved colleague, had figured out a way to write a constitutional amendment which would be self-enforcing. This was a long time ago. He offered a constitutional amendment that said that Congress must balance the budget and they cannot adjourn until they take steps to balance it.

I thought it sounded great. Congress had been getting out about the first of July or the last of July. To make them stay there until they balanced the budget was a good thought. I called the distinguished senior Senator Byrd and said, "I want to be a cosponsor." The distinguished Styles Bridges, of New Hampshire, was a cosponsor.

What good would that enforcing session do now, with Congress in session most of the time, to say we had to stay in session until we balanced the budget, when we are in session almost all the time?

How can we enforce it?

I believe this provision for an automatic increase in taxes if we do not balance the budget will actually reduce expenditures because it is there, it cannot be overcome. Every Congressman and Senator will know if we authorize too much spending, everybody will know it right now, and they will have their taxes raised. If that will not be the discipline we have been hunting for, I would be surprised.

When I first introduced this particular feature of the enforcing provision, the fiscal year ended June 30. Since then, it has been changed to September 30. Every other year, 20 days after the end of the fiscal year, the announcement would be made that there would have to be a surtax added on everybody's taxes. That would be done every year. Every other year that would come about 2 or 3 weeks before the election.

It will not happen that we will have an unbalanced budget. If the report cards go out and say to all the voters, "The Congress has spent too much money and your taxes will have to be raised by 3 percent," 5 percent, or 20 percent, they have a remedy in the ballot box and they will use it.

Now, Mr. President, someone may come up with a much better enforcing provision than this automatic surtax. If they do, I will be delighted. Up to the present time, it has not happened.

I would earnestly warn, however, that it would be a mistake for us to go through the lengthy and difficult process of amending the Constitution and have it merely contain a declaration that Congress should balance the budget. It has to have a self-enforcing provision.

After all, what is so bad about the proposition that if you are going to spend, you have to collect the taxes? What is so virtuous about saying, "We are going to spend $50 billion more than we take in but we will not collect the taxes; we will charge it to another day."

That is not heresy?

Even if this surtax automatically went in, what is wrong if you overspend this year and you have to make it up next year? What is wrong with that? Why should we refuse to pay the cost of Government any more than we refuse to pay the cost of our food, our housing, or our clothing? Why all this pleading for the right to run deficits? It has not worked to prop up the economy. If running deficits would spur the economy, we would not have an economic problem in this country. Look at the deficits.

There is something interesting about this deficit business. There is quite a parallel between the amount of the interest on the national debt and the amount of the deficit. It is not only that Uncle Sam does not pay his bills, he does not pay the interest on them. We have increased the debt approximately the amount of the interest on the debt. This year the interest will be about $56 billion, not exactly that but somewhere near that figure. That will be the amount of the deficit, approximately. When are we going to start paying our bills? What is going to be the answer if a young lad speaks up and says, "Mr. Senator, does Uncle Sam ever pay his bills? If I buy a Government bond will it be paid out of surplus? Will you collect enough money to pay the interest every year?"

The truthful answer is that the bonds are paid by issuing more bonds, and we even go into debt for the interest.

If there is anyone who thinks we can go on and on with that without courting serious trouble, I am afraid they are mistaken. I hope they are not. It would be most comforting to accept the theory that we can go on doing that.

As I said a bit ago, both the District of Columbia representation proposition and this budget-balancing proposition are here without the benefit of committee recommendation, so they have equal standing so far as committee recommendation is concerned. Both of them have had some hearings. Neither one has been approved by a committee. The question then arises, which should come forth? Is the pressing problem throughout all of our land involving the falling of the value of the dollar in the markets of the world? Is inflation the pressing problem? Or is what the people are looking for all across the land some change in the representation for the District of Columbia?

Let us put first things first. Let us advance the constitutional amendment to require a balanced budget now and then follow that with consideration of the District of Columbia representation.

Mr. President, I yield the floor.

Mr. ROBERT C. BYRD. Mr. President, I oppose the pending amendment. Others have expressed objections and have been very effective in their analysis of the amendment. Mr. MUSKIE has made a very fine, reasonable, logical statement in opposition to it. Mr. KENNEDY, who is managing the measure, has done likewise.

I oppose it for two reasons in the main. Let me say parenthetically that, at this point, I have not yet made up my own mind on the District of Columbia representation amendment. I have an open mind. But I am opposed to this amendment on two grounds.

One, it is a complete substitute for the District of Columbia representation amendment. If the amendment by the distinguished Senator from Nebraska (Mr. CURTIS) were to be adopted, then the Senate would no longer be voting on a District of Columbia representation amendment. There is not a word mentioned in this substitute about District of Columbia representation. The Senate will be voting on a so-called budget-balancing amendment. There is no relation.

Of course, there is no rule of germaneness in the Senate except under cloture and in deliberation on appropriations bills.

I hope the Senate will be fully aware that if this amendment is adopted, instead of going due east, the Senate will be going due west. There are those who may prefer due west, but let there be no doubt about it. The legislation before the Senate will be a sudden shifting—180 degrees—a complete shift in the legislation before the Senate.

D.C. representation will be out of the window. There are those who are opposed to it, and I respect them for their opposition. As I say, I have an open mind. I may even vote against it in the final analysis; I may vote for it. But if we are against it, let us hit it head on; let us vote against it. Let us not inflict the fatal wound by the dagger-under-the-cloak approach.

I do not ascribe to the distinguished Senator from Nebraska that motive. I think he is absolutely dedicated to the balanced budget approach. He knows that because we have a constitutional amendment before the Senate, it is a vehicle whereby he can attempt to have a constitutional amendment to which he is very deeply dedicated, on a subject concerning which he is highly motivated. Nevertheless, in vaccinating the patient with a needle in this instance, the result will be the expiring of the patient and, in the final analysis, the delivery of the legislative corpse to the morgue.

I do not think that that is the way to go about fighting this amendment. As I say, for those who want to vote against it, let us have an up or down vote on it and let it rise or fall on its merits.

Second, Mr. President, I think it would be disastrous for a constitutional amendment to be adopted requiring a balanced budget. I am for a balanced budget, and I want to achieve a balanced budget, whenever and wherever possible. As I understand it, the Senator's amendment would make mandatory a balanced budget by increased taxes. Some may favor a balanced budget—and may even favor making it mandatory—but they may want to use the reduced spending mechanism as part of the approach.

In any event, the distinguished Senator from Nebraska has referred to the fact that many States are required by their own constitutions to have a balanced budget. My own State of West Virginia is so required. But many States would not be able to balance their budgets if it were not for the Federal largesse. The Federal contribution is 90 percent—90 to 10 on interstate highways, for example. And then there are the Federal contributions for education, welfare, and public safety, and in myriad other areas. My State requires a balanced budget, but I am one of those Senators who are in here frequently talking to Senators, with regard to applications for Federal assistance for this, that, or something else. The number of inquiries is endless and the number of applications is endless, and the number of areas in which the Federal Government aids the States in ways that make it possible for them to balance their budgets—although that is not the purpose of the Federal budget, yet it is one of the results—is really impossible of calculation.

So it is one thing for the States to be required to balance their budgets; it is quite another thing for the Federal Government to be mandated to balance its own budget.

Additionally, the Federal Government is required to carry out many responsibilities that the States do not have. The Federal Government is required, for example, to raise and support armies. Well, of course, the States do not have to bear that responsibility. They do have a National Guard and reserve units, but they get a lot of Federal assistance in carrying out those functions.

The Federal Government is required to appropriate moneys for a navy. Of course, this is a responsibility that the States do not have to bear.

The Federal Government is required through the Congress to provide for the common defense and the general welfare of the United States. States do not have that burden.

States have the problem of acting in conformity with their own individual welfare, but no State has the responsibility to provide through the State legislature for the general welfare of the United States.

The Federal Government has the responsibility through the Congress to establish post offices and post roads. The Federal Government contributes large amounts of money for the conduct of the Postal Service system, the Federal courts, the establishment of tribunals, the Federal courts, district courts, and appeals courts. All of these are responsibilities of the Federal Government. The Federal Government has to provide for the buildings, the equipment, and all the necessary accouterments that are required for them to carry out their functions.

I have already mentioned the provision and maintenance of the Navy. The State of West Virginia does not have to maintain a navy, although we do have what is called the Cherry River Navy. We have a small stream in West Virginia called the Cherry River, and a group that banded together calls themselves admirals in the Cherry River Navy.

The State of West Virginia does not maintain a navy, could not maintain a navy, is not required to maintain one,

and would be prohibited from maintaining one, even if it could.

The Federal Government is required to exercise legislation over the District of Columbia, which is the seat of the Federal Government—not a seat, but the seat of the Government of the United States. This is a responsibility that an individual State does not have to bear.

The Federal Government is required to exercise authority over all places purchased by the consent of the legislature of the State in which the same shall be for the erection of forts, magazines, arsenals, dockyards, and other buildings.

The Federal Government has the responsibility for navigable rivers, locks, and dams throughout the country.

We could go on and on and on.

But, Mr. President, the Federal Government has many responsibilities that in some instances are entirely out of the sphere and in some instances largely out of the sphere of State functions.

So to equate balancing the Federal budget with the balancing of a State budget is, again, almost like going due east as against going due west.

Moreover, Mr. President, to mandate a balanced budget would put the Federal Government in a straitjacket. To mandate it, I say. Where it can be achieved, if economic conditions are such that it can be achieved, it ought to be achieved, and it has been achieved during such years in this century.

So I think that all of us are in favor of having a balanced budget where it can be done. But to mandate it is quite another thing. To send out to the country a constitutional amendment that would result in mandating a balanced Federal budget sounds good. The idea of a balanced budget appeals to me. It would appeal to every voter.

But when one stops and thinks what happens in the event of a depression, in the event of a recession, when fiscal policy is an instrument to deal with such occurrences, and that the Federal Government would be mandated to balance its budget in any event, it could be disastrous for the country.

To repeal such a constitutional amendment once it were ratified by the States would be a long and arduous task, whereas the needs of the moment might require fast action.

CLASSICAL THEORY: THE SELF-CORRECTING ECONOMY

Early or "classical" economists believed that the economic system was self-correcting by nature. When distortions in the economy occurred, such as periods of high unemployment, they believed that automatic adjustments in the price and wage systems would restore the economy to full employment. As long as this belief was held, government budgets were not used purposefully to help work out economic distortions. Accordingly, the annually balanced budget was an unquestioned goal of public finance. As stated by Adam Smith in 1776, "The only good budget is a balanced budget."

CONTEMPORARY THEORY: THE COUNTERCYCLICAL BUDGET

The belief in "automaticity" did not square with economic reality.

The Senator from Nebraska and I remember the Great Depression well, but there are millions of people in this country who do not believe the stories that can be told about that Great Depression, who just do not believe the facts, who never experienced that depression.

The Great Depression finally provided proof that "automatic" wage and price adustments would not insure the health of the economic system—that is, full employment at low levels of inflation.

Today it is recognized that there is a need for discretionary fiscal policy. Levels of government spending and tax revenues are deliberately set by Congress as policy tools.

This amendment would take away from Congress these policy tools to deal with recession, with depression, with inflation, with unemployment, and with many other problems.

As a matter of fact, this amendment could result in tremendous exacerbation of unemployment in this country and could prevent Congress from using the instruments of fiscal policy to deal with inflation, to deal with a recession, to deal with a depression.

Under this philosophy, the Government's budget has a "countercyclical" function. To offset an economic slowdown, recession, or depression, the Government must consider reducing taxes or raising expenditures. That is what it has been doing following the most recent recession.

The current economic recovery is one of our longest post-war expansions. And it has been fostered by exactly what I am talking about—these instruments of fiscal policy. In short, the Government can and must continue to be able to stimulate the economy in times of a recession through the use of a deficit.

If we were to go forward now with a requirement for an annually balanced Federal budget, we would prevent Government fiscal policy from serving as a countercyclical tool. In some instances, such a requirement could intensify the harmful effects of the business cycle. For example: During a recessionary period, tax receipts can be expected to decline. In order to achieve a "balanced budget," the Government must either raise taxes or reduce expenditures or both. The effect of such action would further dampen the economy and add to unemployment.

Thus, it is now recognized that the "balanced budget" is not "neutral." It would have different effects at different stages of the business cycle. It could tip the economy from an economic slowdown back into a more serious recession.

The new thinking which has replaced classical theory is embodied in the Employment Act of 1946:

> The Congress hereby declares that it is the continuing policy and responsibility of the Federal Government to use all practicable means consistent with its needs and obligations and other essential considerations of national policy, with assistance and cooperation of industry, agriculture, labor, and State and local governments, to coordinate and utilize all its plans, functions, and resources for the purpose of creating and maintaining, in a manner calculated to foster and promote free competitive enterprise and the general welfare, conditions under which there will be afforded useful employment opportunities, including self-employment, for those able, willing, and seeking to work and to promote maximum employment, production, and purchasing power.

Controversy surrounds the application of countercyclical budget policy because our economy is simultaneously experiencing "slow growth" and high inflation. So there is no easy answer as to how much stimulus is economically right. One can say that whatever we do, we should not act precipitously. However, that is exactly what we will be doing here—we will be acting precipitously. If a constitutional amendment such as this ever is adopted, heaven help this country. There would be no way to legislate around a constitutional amendment that requires the mandates of a balanced budget. There is no way to legislate around it. That amendment would have to be repealed, and that would be a time-consuming operation.

If we really want to open Pandora's box, then mandate, through a constitutional amendment, a balanced budget. If we want to mandate it through legislation, that is one thing. Congress can change that legislation. A subsequent Congress can change what a previous Congress has done.

We mandated the balancing of the budget the other day. There were a great many Senators who voted to mandate a balanced budget. I was not in that group, and I am as much for a balanced budget as is anybody here—and many of those who are not here right now.

Mr. MUSKIE. Mr. President, will the Senator yield?

Mr. ROBERT C. BYRD. I yield.

Mr. MUSKIE. Mr. President, I am afraid I was not here at the time. I would have joined the majority leader in opposing legislation to require a balanced budget in 1981. I would have done so because recent actions taken by the Congress which would increase future deficits make a balanced 1981 budget an unrealistic goal. To vote to legislate a balanced 1981 budget would be just posturing, attempting to fool the citizens and voters of this country.

Mr. ROBERT C. BYRD. Of course.

That vote will have no more binding effect on the next Congress than my finger is having in leaving a hole in the air that I am now punching up there, or if I were to stick it in a pool of water and remove it, because the next Congress cannot be bound by this one.

Mr. MUSKIE. The point is that we cannot mandate a prosperous private economy by law. A prosperous private economy is the product of the right kind of balance between government at all levels and the private sector, where men are free to pursue their own enterprise. When that is out of balance, somebody has to act to restore the balance.

I was looking at a table in the 1979 Presidential budget document, which reveals that from 1921 to 1930, which was a period of conservative Republican administrations, we had balanced budgets each year. In 1930, the budget surplus was $738 million, in a year when total budget receipts were only $4 billion. In other words, the budget surplus was al-

most one-fifth of the total Government receipts. Yet, the Great Depression hit us, and we had a deficit in 1931—contrary to the argument that if you have minimum government and no government deficits. you can have prosperity. We did not have prosperity, and the deficits increased.

In 1932, incidentally, in order to overcome the deficit projected for fiscal year 1933, Congress, cooperating with the President, enacted increased taxes to eliminate that deficit. The result was a fiscal year 1933 deficit of $2.602 billion. In other words, the increase in taxes proved to be countercyclical, producing exactly the opposite result to what was intended—in good faith, I am sure—and to what was expected.

The Curtis amendment would have the same effect, but at a higher level of economic activity in the country and a much higher Federal budget.

Mr. ROBERT C. BYRD. I thank the distinguished Senator. I hope he will obtain consent to insert that table in the RECORD at this point.

Mr. MUSKIE. Mr. President, I ask unanimous consent to have the table printed in the RECORD.

There being no objection, the table was ordered to be printed in the RECORD, as follows:

TABLE 21.—BUDGET RECEIPTS AND OUTLAYS, 1789–1979

(In millions of dollars)

Fiscal year	Budget receipts	Budget outlays	Budget surplus or deficit (–)
1789–1849	1,160	1,090	+70
1850–1900	14,462	15,453	–991
1901–1905	2,797	2,678	+119
1906–1910	3,143	3,196	–52
1911–1915	3,517	3,568	–49
1916–1920	17,286	40,195	–22,590
1921	5,571	5,062	+509
1922	4,026	3,289	+736
1923	3,853	3,140	+713
1924	3,871	2,908	+963
1925	3,641	2,924	+717
1926	3,795	2,930	+865
1927	4,013	2,857	+1,155
1928	3,900	2,961	+939
1929	3,862	3,127	+734
1930	4,058	3,320	+738
1931	3,116	3,577	–462
1932	1,924	4,659	–2,735
1933	1,997	4,598	–2,602
1934	3,015	6,645	–3,630
1935	3,706	6,497	–2,791
1936	3,997	8,422	–4,425
1937	4,956	7,733	–2,777
1938	5,588	6,765	–1,177
1939	4,979	8,841	–3,862
1940	6,361	9,456	–3,095
1941	8,621	13,634	–5,013
1942	14,350	35,114	–20,764
1943	23,649	78,533	–54,884
1944	44,276	91,280	–47,004
1945	45,216	92,690	–47,474
1946	39,327	55,183	–15,856
1947	38,394	34,532	+3,862
1948	41,774	29,773	+12,001
1949	39,437	38,834	+603
1950	39,485	42,597	–3,112
1951	51,646	45,546	+6,110
1952	66,204	67,721	–1,517
1953	69,574	76,107	–6,533
1954	69,719	70,890	–1,170
1955	65,469	68,509	–3,041
1956	74,547	70,460	+4,087
1957	79,990	76,741	+3,249
1958	79,636	82,575	–2,939
1959	79,249	92,104	–12,855
1960	92,492	92,223	+269
1961	94,389	97,795	–3,406
1962	99,676	106,813	–7,137
1963	106,560	111,311	–4,751
1964	112,662	118,584	–5,922
1965	116,833	118,430	–1,596
1966	130,856	134,652	–3,796
1967	149,552	158,254	–8,702
1968	153,671	178,833	–25,161
1969	187,784	184,548	+3,236
1970	193,743	196,588	–2,845
1971	188,392	211,425	–23,033
1972	208,649	232,021	–23,373
1973	232,225	247,074	–14,849
1974	264,932	269,620	–4,688
1975	280,997	326,092	–45,095
1976	299,197	365,643	–66,446
TQ	81,687	94,657	–12,970
1977	356,861	401,902	–45,040
1978 estimate	400,387	462,234	–61,847
1979 estimate	439,588	500,174	–60,586

TOTALS, INCLUDING OUTLAYS OF OFF-BUDGET FEDERAL ENTITIES

Fiscal year	Outlays of off-budget Federal entities	Total outlays	Total deficit
1973	60	247,134	–14,909
1974	1,447	271,067	–6,135
1975	8,054	334,145	–53,149
1976	7,211	372,854	–73,657
TQ	1,770	96,427	–14,740
1977	8,693	410,594	–53,733
1978 estimate	11,514	473,748	–73,361
1979 estimate	12,538	512,712	–73,124

*$500,000 or less.

NOTES

Certain interfund transactions are excluded from receipts and outlays starting in 1932. For years prior to 1932 the amounts of such transactions are not significant.

Refunds of receipts are excluded from receipts and outlays starting in 1913; comparable data are not available for prior years.

Data for 1789–1939 are for the administrative budget: 1940–79 are for the unified budget.

In calendar year 1976, the Federal fiscal year was converted from a July 1–June 30 basis to an Oct. 1–Sept. 30 basis. The TQ refers to the transition quarter from July 1 to Sept. 30, 1976.

Off-budget Federal entity outlays begin in 1973.

The amounts of earned income credit in excess of tax liabilities are shown as negative budget receipts rather than as budget outlays. Accordingly, the budget totals have been adjusted retroactively.

The 1975–77 data have been revised retroactively to include the housing for the elderly or handicapped fund in the unified budget instead of with the off-budget Federal entities.

Mr. ROBERT C. BYRD. Mr. President, in plain, simple language, the recent amendment mandating Congress to balance the budget by 1981 will have no binding effect. It really would amount to no more than a hill of beans, because the next Congress cannot be bound by this Congress, and subsequent law is going to be given precedence. If the next Congress passes a law to change that date or to repeal the law that this Congress enacts—if it finally becomes enacted—that Congress can do it. So if we are to mandate it, it should be done by legislation, not by a constitutional amendment.

In light of our economy's dual problems, there are some who are ready to advocate a return to the classical "balanced budget" philosophy and make it mandatory. I believe that this would be a precipitous course of action. At the very time when we need flexibility to deal with serious economic fluctuations, I believe that the absolute requirement of a balanced budget would tie the hands of Congress. It would mandate a balanced budget, but where will Congress make the cuts?

I am among those who are for a strong defense in this country—I suppose everybody would claim to be, and believe they are—but where are the cuts going to be made? Are the cuts going to be made in the school programs, are the cuts going to be made in the defense programs, in order to bring about a mandated balanced budget?

Those who are for a strong defense should stop, look, and listen because I imagine that if this constitutional amendment is adopted mandating a balanced budget, the defense of this country is going to seriously suffer.

Mr. President, I shall move to table as soon as I complete my statement and that will be within the next few minutes.

I understand Senator THURMOND will come over and speak, unless the Senator from Nebraska wishes to respond to my remarks. Then I shall move to table.

If Congress refused to set fiscal policy—as it must—in light of changing economic conditions, Congress would not be facing up to its responsibilities for helping to manage the economy.

The achievement of a balanced budget is presented by some as a cure for inflation. What is being overlooked is today there are many causes of inflation unrelated to the size of the deficit.

The achievement of a balanced budget is presented by some as a "cure" for inflation. In defense of his amendment (to the International Monetary Fund legislation) for a balanced budget beginning in fiscal year 1981, Senator HARRY BYRD said:

> I am prompted to offer this amendment, because of the official Government reports last week that our country now has double-digit inflation.
>
> I am convinced we will not get the cost of living under control until we get the cost of Government under control.

What is being overlooked is that today there are many causes of inflation unrelated to the size of the deficit.

Much inflation now originates outside the U.S. economy. Inflation is worldwide. For example, it is argued that the quadrupling of the world price of oil was the single most important cause of the 12.2 percent rise in consumer prices during 1974. Appropriately, the latest report of the Council of Economic Advisers concludes:

> The major inflationary pressures in 1973 and 1974 . . . were not caused by domestic monetary and fiscal policy.

Mr. President, we need to maintain congressional flexibility with regard to fiscal policy. We need to strive to achieve a balanced budget. The administration is moving in that direction. Congress is reflecting that mood. Congress reduced the administration's deficit figure. The administration in its budget proposed a deficit of something like $60 billion. The first concurrent budget resolution that was enacted by Congress cut that figure by $10 billion, roughly, and in its second concurrent resolution I believe Congress is likely to further reduce that budget deficit figure by perhaps $8 billion.

So Congress has caught that mood and is reflecting that mood in its actions.

So what I am saying does not gainsay the desire on my part of the need for achieving a balanced budget wherever we can and whenever we can, but that

is quite a different thing from mandating a balanced budget.

Requiring a "balanced budget" by a specific date would force Congress to deal with our economic problems with its hands tied behind its back.

The need to maintain flexibility as regards the budget is embodied in some of the administration's recent statements on economic goals. According to the administration, it will—

Restrain outlays to the President's stated limit of 21 percent of GNP so that a balanced budget in 1981 is achievable if the economy continues to recover along the path assumed in the long-range economic assumptions. However, since receipts depend directly upon economic performance, the goal of a balanced budget would have to be deferred if the President determined that the economy required further tax reductions.

I yield to the Senator from Maine.

Mr. MUSKIE. Mr. President, as the second budget resolution will make clear to Senators when we receive it—the Budget Committee completed it last week—our goal is to bring outlays below 20 percent of GNP, and if the second budget resolution is implemented over the next 5 years, that will be the result. Outlays as a percent of GNP will be 2½ percentage points lower in 1983 than they were at the depth of the recent recession.

Now, 2½ percentage points as against GNP represents a substantial reduction in spending when translated into dollars.

Congress can achieve this substantial reduction in spending by implementing the recommendations of the Budget Committee, and I expect that these recommendations will in fact be supported by the Senate and by Congress as a whole. That support should encourage those who, as the majority leader and myself, and others, are committed to the idea of a balanced budget.

Mr. ROBERT C. BYRD. Yes. I thank the Senator.

In summation, Mr. President, I base my opposition to the substitute by Mr. CURTIS on the two points, mainly, that I have tried to stress, in addition to those that have been so effectively raised by Mr. MUSKIE, Mr. KENNEDY, and others, to wit:

One is that a complete substitute has nothing to do with D.C. representation; and

Two is that it would be very unwise to have a constitutional amendment that would mandate a balanced budget.

Mr. President, it is my intention to move to table the amendment. I do want to give Mr. THURMOND an opportunity to speak on the amendment and Mr. GOLDWATER, if he wishes to speak.

Mr. GOLDWATER. Mr. President, will the Senator yield now?

Mr. ROBERT C. BYRD. Yes.

Mr. President, I ask unanimous consent that I may yield to Mr. GOLDWATER without losing my right to the floor.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. GOLDWATER. Mr. President, as a preface to my remarks, I do not agree with the method that was used to bring the District of Columbia representation to the Senate floor. I wish it could have followed the regular process used and I believe this is the process provided by the Constitution which we now intend to amend, plus which our tradition calls for committee action before submission to the Senate floor. However, the measure is before us and each Member of the Senate must fulfill his or her responsibility to decide upon the fundamental issues.

First, we must answer the question of whether or not U.S. citizens, living in a part of the original United States, should enjoy the right to vote for Federal offices on a basis of equality with all other citizens.

Second, we must decide whether this particular approach, treating the District of Columbia as a State for purposes of voting representation, is the appropriate method for achieving full voting representation for District residents.

And, Mr. President, I would add a third issue that is before us, which may be the decisive one as far as Congress is concerned.

This is the question of whether we should let the people decide. Is the subject of such deep political importance in a democracy that it is not one for Members of Congress alone to settle?

The Constitution lays down the way in which amendments shall be proposed by the Congress and ratified by the people of the several States. The amendment route is long and difficult, intentionally so.

But the basic idea is specified in the Constitution itself. The people, through their State legislatures or by conventions, as may be proposed by Congress, are to decide. Fully three-fourths of the States, 38 of them, must ratify an amendment before it can become part of the Constitution.

This design of the framers would be defeated if we in the Congress should block a proposed amendment and deprive the people of any voice on it.

Now, Mr. President, I am not speaking of frivolous proposals. I am not referring to subjects which might adequately have been treated under existing provisions of the Constitution or through statutes, as distinguished from constitutional amendments. Nor am I referring to changes that might be considered by some to make improvements in the mechanics of government, but are merely a different way of implementing basic rights that already are firmly protected.

Mr. President, what I have in mind is a subject which involves securing the most precious political rights and liberties of a free people. Among those rights, and indeed at the highest rank, must be put the right to vote.

It has long ago been established by court decrees, as well as by American political tradition, that the right to vote in Federal elections is a right that flows directly from the Constitution to each citizen of the United States. This right is one belonging to national citizenship and it arises out of the very nature and existence of the Nation itself.

Mr. President, I believe the Founding Fathers considered it basic to the scheme of government that they created for all U.S. citizens to enjoy a representative form of government with national officers, who will be as responsive as possible directly to the people.

So we have a situation in America where some 700,000 citizens do not possess the most cherished of political rights, full voting representation.

We know that District residents have borne the same responsibility as other U.S. citizens, when their country called upon them to serve in time of war. We know that during the Vietnam war, for example, District of Columbia casualties ranked fourth, on a proportionate basis, out of the 50 States.

The District residents died and bled for their country. Now they are seeking the chance to vote and be represented in it.

What other avenue can they turn to, except the amendment route? Retrocession is not in the cards.

It is true the territory originally given by the State of Virginia, which formed one-third of the District, was returned to Virginia by Congress in 1846. But the preamble to the Statute of 1846 explains that the Federal Government has not used the Virginia portion of the District and, at that time, it was believed that the Government would probably never need it.

The preamble to the 1846 retrocession also mentioned that the Virginia Legislature had enacted legislation accepting the return of the territory.

Unlike that situation, the Maryland Legislature has never accepted or asked for retrocession. There is no realistic possibility that Maryland would accept such an arrangement, if Congress should attempt it.

Moreover, Mr. President, it must be remembered that the District has not been a part of Maryland since 1788. It has become a separate political community in its own right, with interests and historical traditions, apart from Maryland.

Mr. President, it is interesting to compare how other nations have handled this question. Curiously only two, the United States and Brazil with its new Federal City, deny representation for the residents of their capital cities. Even those countries whose capital cities are federal districts, like ours, allow the residents to vote for representatives in the national legislature.

For example, in our sister nation to the south, the people in Mexico City directly elect two Senators, just as the 31 states do. The Federal District of Mexico also elects a number of national deputies based on population of the area.

These considerations should be evaluated by the people across the Nation. The American people in each of the several States should hear the arguments and weight the merits of granting full voting representation to District residents.

The question of whether the United States will continue to stand alone with Brazil in the world, in failing to provide representation for citizens of the capital city in the National Legislature, is not a matter that we alone in the Congress should decide with finality.

It is at least deserving of consideration by all the people. After all, their repre-

sentatives in the State Legislatures are more directly tied to the people than we are.

Why not let them choose? Let the will of the people, and the educated wisdom of the people, have a chance for expression. This would put the subject where I believe the Constitution intended it to be.

I yield the floor and I thank the Senator.

Mr. ROBERT C. BYRD. I thank the distinguished Senator.

Mr. President, I yield either to Mr. THURMOND or to Mr. STENNIS, whoever wishes to go first.

I yield 4 minutes to Mr. THURMOND, by unanimous consent.

Mr. THURMOND. Mr. President, I am a cosponsor of Senate Joint Resolution 50 which proposes a constitutional amendment requiring a balanced Federal budget. I have for many years advocated such a constitutional restraint to insure an end to our tremendous Federal deficit. In addition, I am proud to report that South Carolina is among the 22 States that have called for a constitutional convention to propose a balanced budget amendment to the Constitution.

However, Mr. President, I intend to vote against the pending substitute amendment. Because of my support of other measures requiring a balanced Federal budget, my vote is not based on the merits of the substitute amendment but for other reasons.

The present proposal concerns one issue—the full congressional representation of the people of the District of Columbia. If this measure is successful here it will be sent to the States in accordance with the Constitution for their debates and either raificaion or rejection within 7 years. To substitute another issue totally different to this puts at least one of them in jeopardy. Since I support the merits of both the pending proposal as well as the substitute amendment requiring a balanced budget, I would not want to see either defeated.

If this amendment is adopted, it would deprive a State from acting on the original amendment. This is unfair to those who favor a balanced Federal budget as well as those supporting full representation for the District of Columbia.

These issues deserve full consideration by the Congress and the States in their own right. To burden either by substituting one for the other will not help the chances of either but ultimately endanger both.

Consequently, Mr. President, although I support the merits of the Curtis amendment and will do all I can to bring this issue to the Senate for consideration, I will vote against substituting it for the pending proposal. I intend to do the same on other amendments encompassing issues I support, but which would unreasonably burden not only the pending proposal but deny the opportunity of appropriate consideration of other worthwhile issues.

Mr. ROBERT C. BYRD. Mr. President, I thank the distinguished Senator from South Carolina.

Before yielding to Mr. STENNIS, I ask unanimous consent that it be in order to order the yeas and nays on my motion to table, which I will make shortly.

The PRESIDING OFFICER (Mr. SASSER). Is there objection? The Chair hears none, and it is so ordered.

Mr. ROBERT C. BYRD. Mr. President, I ask for the yeas and nays on that motion to table.

The PRESIDING OFFICER. Is there a sufficient second? There is a sufficient second.

The yeas and nays were ordered.

Mr. ROBERT C. BYRD. Mr. President, that vote will occur as soon as Mr. STENNIS concludes his speech, and I would suggest that the cloakrooms so alert Senators.

I yield to the distinguished Senator from Mississippi without losing my right to the floor.

Mr. STENNIS. Mr. President, I thank the Senator very much.

Parliamentary inquiry, Mr. President.

The PRESIDING OFFICER. The Senator will state it.

Mr. STENNIS. I understand that the Curtis amendment is offered as a substitute for the so-called District of Columbia Voting Rights Resolution?

The PRESIDING OFFICER. The Senator is correct.

Mr. STENNIS. Well, Mr. President, I have joined the Senator from Nebraska as a coauthor of the proposed amendment regarding the balancing of the budget. But I know full well that this is a matter that cannot be done merely by talk. It cannot be done quickly under any circumstances but as a long, drawn out process.

I believe though that we are becoming more and more convinced it is necessary, and this proposal will certainly put the people in the process of this decision. I am satisfied results are not going to be obtained unless they are included.

Another thing: I am further satisfied that with the hundreds of boards throughout the Nation that have the legal authority to impose taxes, including county boards, units smaller than counties, including city boards, town, city and village, including State legislatures, including the National Congress, with all those authorities having the power to impose taxes on the people, there has got to be a reordering, a change, and ceiling limitations that in some way apply.

That is why I think it could be done and must be done rather than just a proposition 13-type of improvement. Put a ceiling on the taxes these boards can impose either by a money figure or by a millage ceiling or something that is applicable. and that will all cause a reordering of the priorities from top to bottom throughout this Nation as to what is going to be included with respect to public funds by imposing taxes on the people.

Until we go to thinking more and finding solutions and making headway I believe we are headed for more serious trouble.

So I strongly support this amendment on its merits. Due to the parliamentary situation, where it cannot be called up otherwise on the floor, I will vote for the Curtis amendment today.

I thank the Senator very much for yielding.

Mr. ROBERT C. BYRD. The Senator is welcome.

I yield to the distinguished Senator from North Carolina (Mr. HELMS) without losing my right to the floor.

Mr. HELMS. I thank the distinguished majority leader.

Mr. President, I, too, support this amendment to give States a chance to ratify the question of a constitutional amendment to require a balanced Federal budget.

Mr. President, I believe it is not only wrong for the Federal Government to spend more than it takes in in a given fiscal year, I believe that it is demonstrably destructive to the economy, and ultimately to our society.

For this reason, I support this proposal to require a balanced budget. I have advanced similar proposals throughout my tenure in the Senate. We must have a change from the present run of deficit after deficit. Action by the Senate to endorse this amendment would point the Federal Government in the direction of a balanced budget.

I believe it can be shown that the "cost" to the Nation in terms of economic dislocation and the disruption caused by the effects of Federal deficits is massive. It is not, however, as easily quantifiable as the obvious changes that would be required by the needed, significant shift away from a $60 billion annual deficit.

I am aware of some of the arguments against a change toward a balanced budget.

We are told that people demand that Congress spend and spend. But, our first priority should be the determination of a figure within which we work. That figure should not be one that allows a massive addition to the Federal debt.

Now, a related argument would be that any balanced budget would require massive cuts in various programs or massive increases in taxes. The advocates of the resolution before the Senate might ask which program or programs might I wish to name as candidates for any particular budget cut.

My response is this: The debate should not now be on which programs to cut or which taxes to raise. The debate should be whether or not we are going to continue down this path of massive deficits. That must be the first question.

If the Federal Government is going to spend $500 billion or more next year, the question is how is it going to be financed: Honestly, through taxes or surreptitiously, through borrowing and inflation?

Finally, the argument is that any move to balance the budget would have adverse economic effects. I admit that it is impossible to wean a calf in a day. It is impossible to change massive allocations of resources instantly without great cost. But, in fact, great costs are imposed by deficit spending every day and every year we continue to spend profligately.

What the proponents of the status quo do not discuss are the salutary effects

a balanced budget would have on our economy. With less Government demands in the capital market, interest rates would go down and it would be cheaper for businesses to make investments in job-creating plant and machinery.

With a balanced budget, lower interest rates could be expected on mortgages and more people would enter the housing market.

With a balanced budget, the inflation rate would decline and added incentives would be given for savings and investment, further stimulating the economy. A lower inflation rate and a balanced budget would give the businessman a reason to believe that Government was going to cause less dislocation and disruption in the economy. That alone would have the effect of creating confidence enough for investment resulting in added hundreds of thousands of jobs. Such a commitment would result in higher levels of economic activity which in itself would create added Federal revenues.

The stagnant economy cannot provide for the improvement in the status of those who most desire economic success. It cannot provide the tax revenues to pay for the programs Congress has already authorized, let alone ones in the minds and on the drawing boards of some of those in Congress.

Only a growing economy can provide the society we want. Only a balanced budget—and proper tax policies—can provide an atmosphere in which the economy can approach the rate of growth of which it is capable.

Mr. President, it is a grave error for Congress to ever intentionally and consciously adopt spending and taxing programs that result in a Federal deficit. Even in times of grave national emergencies, there is reason to say that budget deficits are not justifiable. I think that there may be cases in times of war that the Federal Government would do the extreme—would spend more than it takes in.

Inevitably, however, a deficit is not just a means of financing Federal spending. A Federal deficit is a prevarication to the people for whom Government exists. It is a statement that the people are going to get more Government than they are paying for: that Government will provide the proverbial free lunch.

That even the powerful Federal Government can accomplish the miracle of loaves and fishes is just not true. In any economy or any system, there is just so much output. Government consumes such output of that economy as represented by total Federal outlays. Whether or not it taxes people to pay for those outlays, it consumes them. Last year it consumed 22.7 percent of the Nation's GNP. Whether or not taxes pay for that consumption, it is consumed.

The Federal "take" is there regardless of the means of financing it. When there is a deficit, it means that instead of taxes—instead of things lawmakers vote on—the money is raised through borrowing. The $60 billion proposed deficit in the coming year would be paid for by borrowing from people who would otherwise be spending that money themselves, or who would be lending it to others in the private sector to do what they—free individuals—would do with those funds.

But it is not just the duplicity of refusing to tax for spending that deeply disturbs me, it is the effects of Federal borrowing. It is inflation. It is a tax that no Member of Congress would support, and yet the majority of Congress forces it down the throats of the American people via massive deficit spending.

The inevitable takes place like this: The Treasury acts as Congress agent and must raise the difference between income and outlays by selling securities. The private market reacts by increases in the interest rate brought about by added competition from Treasury securities. The Federal Reserve Board comes under pressure by those who feel that higher interest rates are a result of too small a money supply, and usually the Federal Reserve Board relents. It buys the Treasury securities and thus adds to the reserves of its members. It effectively increases the money supply by this act by making member banks more able to make loans. The money supply is increased above and beyond the normal needs of the economy, and inflation results.

Too much money chasing too few goods is inflation. It is a direct result of Federal money creation. It is a direct result of deficit spending.

And for a moment let me mention the effects of inflation. Let me reiterate what should be common knowledge in the press, in the universities, and in all centers of policymaking.

Inflation is a means of transferring resources from one party to another. In the case of the biggest debtor in the world, the Federal Government, it is a case of transferring resources from the holders of the Federal debt to the Federal Government.

For example, on August 1, the Federal debt stood at $748,010,290,486.58. Inflation means that the amount of goods and services represented by that many dollars is constantly declining. It means that every year we have 6 percent inflation, the Federal Government rips off $44 billion! It means that the holders of savings bonds, the pension funds with Treasury securities, the college endowments holding Federal securities are "taxed" through inflation of tens of billions of dollars.

John Davenport, former associate editor of Fortune magazine put it this way. Inflation is equivalent of a huge income tax no legislature would ever pass. If a person invested $100 in a savings account and was promised 5 percent interest, the income on that $100 investment would be $5. But, inflation at 6 percent per year takes away $6 of purchasing power every year from that $100 investment. In other words, the "tax" of inflation is greater than the income. In fact, the income is being "taxed" at 120 percent per year. And, in face of this we wonder why savings and investment is down. We wonder why job-creating capital is hard to come by and why mortgages are scarce.

The impact of inflation on the elderly in our Nation alone should make every political office holder give his vote and his every action—not just lip service—to fighting inflation and to a balanced budget. It makes the savings and pensions of the elderly inadequate. It makes the elderly dependent on relatives, or worse, on welfare. Inflation hits hardest at those least able to afford it.

Inflation is a great disruptor in other ways, but it nonetheless is both the stealthiest tax and the most unfair.

For Congress to talk about inflation and decry its dangers and then adopt massive spending programs is the worst form of double dealing. It is simply wrong to say that inflation can be curbed when the Government spends $50 or $60 billion more than it takes in.

Mr. President, this is fact. It is not a matter serious men should have to debate any longer. Can anyone, at this late day, with any confidence at all, say that inflation is not inevitable given massive budget deficits?

It is time that Congress admit the truth. Inflation is not caused by coal strike settlements. Inflation is not caused by oil price increases. Inflation is not caused by automobile price increases. Inflation is caused by Government: our Government.

Inflation is not a line item in anyone's annual budget, but perhaps it should be. Unfortunately, the inflation caused by 1 year's budget deficit does not hit in the year Congress approves inflation-causing spending. It hits 18 months or so after the debt is incurred.

Because it is not directly related in time, it has been a convenient if objectionable way of paying for spending programs.

I believe, however, that the American people are now coming to the conclusion that inflation is a direct result of Government mismanagement of its financial affairs. The great majority of Americans consider inflation to be our major economic problem. In fact, even liberal economists like Arthur Okun are now coming to the conclusion that for years the adverse effects of inflation have been underestimated.

As I mentioned, a strict, harsh approach to this problem would be a balanced budget in the next year. Unfortunately, Government has acquired too many dependents of various kinds and it would be harmful to the economy and to the lives of many thousands of individuals to change overnight. I believe that change away from the ultimately destructive path of action today to endorse a constitutional amendment to require a balanced budget would start that process. As States ratify such an amendment, it would provide time for Congress to move toward an honest, balanced budget. That would put some backbone into the congressional budget process, and would lay the groundwork for a truly balanced budget that would be required once this amendment is approved.

I thank the distinguished majority leader for yielding to me.

● Mr. DOLE. Mr. President, the Senator from Kansas is a strong supporter of the

constitutional amendment proposed by the distinguished Senator from Nebraska. As a cosponsor of that amendment, I share his concern and compliment him for leading the fight against deficit spending.

Two of our Nation's greatest problems are high inflation and the declining value of the dollar abroad. Both are directly related to the tendency of Congress to overspend. For this reason, we need a balanced budget amendment.

No doubt, if the full Senate had followed the lead of the Senator from Nebraska more often, we would not have such a serious inflation problem today. Through this constitutional amendment, and through his votes on spending bills over the years, he has set an example of fiscal responsibility that should be the envy of the entire Senate.

He knows that no nation can sustain burgeoning Federal deficits without facing up to the enormous costs of inflation. For this reason, it is good that my colleague continues to bring this matter to the attention of the Senate. Unfortunately, the Senate has given this problem too little attention in the past.

However, I cannot vote for this substitute today. While I strongly endorse its substance, I do not support substituting it for the District of Columbia voting rights amendment. In my view, we should not dispose of the District of Columbia matter in this way.

However, I assure my colleague that I will continue to support a balanced budget as a Member of the Senate in the future.●

Mr. ROBERT C. BYRD. Mr. President, I now move that the amendment by Mr. CURTIS be laid on the table. The yeas and nays have been ordered.

The PRESIDING OFFICER. The question is on agreeing to the motion to lay on the table the amendment (No. 1756) of the Senator from Nebraska (Mr. CURTIS). The yeas and nays have been ordered, and the clerk will call the roll.

The assistant legislative clerk called the roll.

Mr. CRANSTON. I announce that the Senator from South Dakota (Mr. ABOUREZK), the Senator from Delaware (Mr. BIDEN), the Senator from Iowa (Mr. CULVER), the Senator from Mississippi (Mr. EASTLAND), the Senator from Louisiana (Mr. JOHNSTON), and the Senator from Louisiana (Mr. LONG) are necessarily absent.

Mr. STEVENS. I announce that the Senator from Tennessee (Mr. BAKER), the Senator from Massachusetts (Mr. BROOKE), the Senator from Oregon (Mr. MARK O. HATFIELD), and the Senator from Kansas (Mr. PEARSON) are necessarily absent.

I further announce that, if present and voting, the Senator from Oregon (Mr. MARK O. HATFIELD) would vote "yea."

The result was announced—yeas 68, nays 22, as follows:

[Rollcall Vote No. 328 Leg.]

YEAS—68

Anderson	Byrd, Robert C.	Clark
Bayh	Cannon	Cranston
Bellmon	Case	Danforth
Bentsen	Chafee	DeConcini
Bumpers	Chiles	Dole
Burdick	Church	Domenici
Durkin	Jackson	Pell
Eagleton	Javits	Percy
Ford	Kennedy	Randolph
Glenn	Laxalt	Ribicoff
Gravel	Leahy	Riegle
Griffin	Magnuson	Roth
Hart	Mathias	Sarbanes
Haskell	Matsunaga	Sasser
Hatfield, Paul G.	McGovern	Schweiker
	McIntyre	Sparkman
Hathaway	Melcher	Stafford
Heinz	Metzenbaum	Stevenson
Hodges	Morgan	Stone
Hollings	Moynihan	Thurmond
Huddleston	Muskie	Wallop
Humphrey	Nelson	Weicker
Inouye	Packwood	Williams

NAYS—22

Allen	Hatch	Scott
Bartlett	Hayakawa	Stennis
Byrd, Harry F., Jr.	Helms	Stevens
	Lugar	Talmadge
Curtis	McClure	Tower
Garn	Nunn	Young
Goldwater	Proxmire	Zorinsky
Hansen	Schmitt	

NOT VOTING—10

Abourezk	Culver	Johnston
Baker	Eastland	Long
Biden	Hatfield, Mark O.	Pearson
Brooke		

So the motion to lay on the table amendment No. 1756 was agreed to.

Mr. KENNEDY. Mr. President, I move to reconsider the vote by which the motion to lay on the table was agreed to.

Mr. EAGLETON. Mr. President, I move to lay that motion on the table.

The motion to lay on the table was agreed to.

UP AMENDMENT NO. 1664

(Purpose: To permit D.C. representation in the House and Senate as if a part of Maryland)

Mr. MELCHER. Mr. President, I send an amendment to the desk and ask for its immediate consideration.

The PRESIDING OFFICER. The amendment will be stated.

The assistant legislative clerk read as follows:

The Senator from Montana (Mr. MELCHER) proposes an unprinted amendment numbered 1664.

Mr. MELCHER. Mr. President, I ask unanimous consent that further reading of the amendment be dispensed with.

The PRESIDING OFFICER. Without objection, it is so ordered.

The amendment is as follows:

Strike all after the resolving clause and insert the following:

That the following article is proposed as an amendment to the Constitution of the United States, which shall be valid to all intents and purposes as part of the Constitution when ratified by the legislatures of three-fourths of the several States within 9 years from the date of its submission by the Congress:

"ARTICLE —

"SECTION 1. For purposes of representation in the House of Representatives, the District constituting the seat of government of the United States shall be treated as though it were part of the State of Maryland. For purposes of representation in the Senate, the District constituting the seat of government of the United States shall be treated as though it were part of the State of Maryland.

"SEC. 2. The exercise of the rights and powers conferred under this article shall be by the people of the District constituting the seat of government, and as shall be provided by the Congress.

"SEC. 3. The twenty-third article of amendment to the Constitution of the United States is amended by striking out ', but in no event more than the least populous State'.

"SEC. 4. The Congress shall have power to enforce this article by appropriate legislation.

"SEC. 5. This article shall be inoperative unless it shall have been ratified as an amendment to the Constitution by the legislatures of three-fourths of the several States within nine years from the date of its submission.".

Mr. MELCHER. Mr. President, I will get into a discusion of the details of the amendment shortly. First, I want to point out to my colleagues that I do not believe this desire to have direct representation within the Senate from a city originated with the District. We have in Montana what is known as Butte, U.S.A. It happens to be surrounded by the State of Montana. The Butte people have long known that their leaders in all matters treat themselves as something unique. That is why it is Butte, U.S.A.

Butte is often thought to be led by the true Irish, the Irish that avoided Boston and reached Butte, the true homeland. It is a kind of situation where those true Irishmen are known by their true names, such as Tuck McGree, Gub Shea, Heavy Fitzpatrick, and Deepe Fitzpatrick. Those are their true names. Only their mothers, their wives, their children, their bankers, and their very closest friends have ever heard the names assigned to them at the time of christening.

In the phonebook of Butte, it is like having an unlisted number. Unless you put your nickname in there, your true name, you cannot find, among 88 Sheas, which one is Gub Shea. If they list in the yellow pages, they list by their real name for instance—Tuck McGree. I know Tuck very well. I have never heard of any other name assigned to him, other than "Tuck."

I bring this up because those people in Butte have long thought, because of their uniqueness, that they could and should have direct representation from there in the Senate, and they were quite well satisfied with people like Senator Walsh, Senator Murray, Senator Mansfield, and Senator Wheeler all residents of Butte, temporarily serving Butte in the Senate. And the people of Butte adopted Senator Metcalf as one of their own even if his residency never was blessed with Butte. But times have changed now and where is their direct Senate representation?

It is not just the Irish that are unique in Butte. There are Finns, there are Italians, Serbs, Croatians, Turks, Scots, English, French, Germans, and Scandinavians. One thing they all agree on is that Butte, U.S.A. is unique, it is separate, it is individual. They like Montana and they are glad to be in the middle of Montana, completely surrounded by Montana. But they are different. Their pride of Butte stems from their feeling that Butte is special. Entitled to be Butte, U.S.A.

But, my colleagues, there is more to this than just being a very fine, very proud, very distinguished city. There is more to being a State than that. A State does not simply involve people. It does not simply involve urban areas. A State involves rural areas, it involves, in most cases, resources. In all cases, a State

involves industry of various types. So the representation that is reflected in the Senate based on statehood is a recognition that that representation in the Senate accounts for the diverse nature of this entire country in relationship not only to the people of that State but the relationship of the people in that State to the industries of their State, to their resources, to their land.

I think the District, in its uniqueness, the very core of this great metropolitan area, has been disserved in terms of their residence by the Constitution. I think there is a flaw in the Constitution, a flaw right from the beginning: that the framers of the Constitution carved out a tiny area and said those people who live there cannot have the right of franchise as if they were living in some other part of the United States. I think the residents of the District must have representation in Congress. I think they are entitled to it, and the fact that the Constitution is drafted in this sense, in my judgment incorrectly, does not mean it should be perpetuated. The amendment before us will correct it. It will correct it in every way. I have no criticism of correcting it in terms of direct representation in the House, just as is proposed in the amendment before us. I happen to agree that is right, and I have long supported that concept.

The House of Representatives is based on representation on one factor only, population of citizens within a certain area, and the whole country is carved up to arrive at equal representation based on population. So I agree with that presentation of the amendment regarding the House.

I have no quarrel with the way the amendment is presented as the treatment of the District as a State for the purposes of ratification of an amendment to the Constitution or for purposes of initiating an amendment to the Constitution for ratification. I have no quarrel with that, and it is presented to us in that way in House Joint Resolution 554, This has passed the House by a two-thirds margin.

The other part of the amendment passed in the House was to treat the District as if it were a State for purposes of electing Senators.

That I have some quarrel with.

The District is entirely different from a State. The District does not have rural areas. The District has no agriculture. The District has no land where there might be minerals. The District is not involved in mining of any mineral, coal, copper, et cetera. This District, of course, has no oil or gas as a resource.

I mention these few resources, these few industries, to illustrate that representation from the District does not correspond to representation from a State, all of which have some types of industry, some types of agriculture. Many States have some type of mining.

We could go on for a long time on what many of the States have in common. Agriculture alone, I believe, is shared as an industry in all of the 50 States.

But I make this point because it leads me to this question of representation in the Senate. We represent people of our State here, in the Senate. We also represent States here, in the Senate. When we represent the States, we represent the interests of the people that are involved; for instance, in agriculture. We represent the interests of the people that, in my case and in many other States of the 50, are interested in forests, and in lumber production. We represent, in all instances, I believe, in all the 50 States, the question of rural concerns. There are differences, we learn, between rural and urban concerns when we face the issues that confront us.

Does the difference of adding two more Senators to the Senate mean anything? It could. It could in terms of the outcome of a vote. I want quickly to mention that in an amendment to strike the formula for distributing funds for community development to rural areas," the yeas were 43 and the nays were 45, a difference of 2.

Representing constituencies does make a difference on votes. Here is another example: On a question of a tight vote on whether or not we were going to require that eastern coal to be used in the East, even though it was high sulfur, and the proposal is that we could not use western coal that was low sulfur, the vote was 45 to 44.

In an energy amendment involving coal again, we had a vote, 42 to 44.

Senators are quite often voting exactly and precisely on what happens to their constituency.

There is a difference, often, in a tight vote where one or two votes determines the outcome.

To me, the basic issue before us is so fundamental that I want to place it higher than any other consideration. That fundamental consideration is: Can a citizen of this country be denied all of the representation in the legislative process, all of the rights inherent in the Constitution in that legislative process, simply because that citizen lives in a certain area?

That is the fundamental question.

I come down emphatically with an answer of "No," a citizen cannot be denied that fundamental right.

Having made that fundamental decision, and one that I think is a moral decision, a matter of conscience, it becomes imperative then to offer as a corrective amendment a substitute of House Joint Resolution 554, and that is the substitute I have called up.

It leaves intact the process under House Joint Resolution 554 for direct representation of the District in the House of Representatives based on population and treating it for that purpose as if it were a State.

That means it gets two Representatives in the House. I think that is proper.

My substitute leaves intact, as it is in House Joint Resolution 554, the opportunity for the residents of the District to participate in the function of ratification or initiating amendments to the Constitution as if they were a State.

So the residents have that full right granted.

For purposes of the Senate, my substitute states that the residents of the District will be considered as though they were residents of Maryland.

Part of the District, on the Virginia side of the Potomac, in the original District of Columbia, has already gone to Virginia in every way.

It has gone to Virginia in terms of being a part of the State, being subject to Virginia taxes, containing residents of Virginia and, of course, since that time the voting rights that applied to the citizens of Virginia, or to the citizens of any other State in the Union, applied to the residents there.

We are only dealing with the District of Columbia that is on this side of the Potomac, and still the District of Columbia.

The situation has often been talked about, "Well, why not let it go back to Maryland, retrocede, let the land and everything go back to Maryland?"

That is not attractive to the residents of the District. It has not been attractive to the State of Maryland and has never been attractive to Congress. There are problems with that.

I will not permit that problem, however, to infringe on the rights of the residents of the District to still have their right to vote for Senators to represent them here.

The area came from Maryland. It is not practical to just say, "Move it all back into Maryland."

It is fundamentally just that we give the residents in the District that opportunity to vote for Senators as if they were residents of Maryland.

Why is this better? Why is this better than the way House Joint Resolution 554 passed the House?

Well, I believe it is better because it corrects a problem that was created when the Constitution was drafted.

In my judgment, the resident of the District should never have been disenfranchised.

If the drafters of the Constitution had avoided that error, I believe this is exactly the way they would have drafted the Constitution to begin with, because it is the only practical way to draft it.

Since they did not do it, I believe it should be corrected in that manner now.

Are the rights of an individual resident of the District abused in this process? I hardly think so, and I do not know on what basis they would be.

It might be said, for instance, "Well, we will be voting here for our own House Members, but what influence would we have in the election of the two Senators from Maryland?"

My answer is simply that they will have just as much influence in the election of the two Senators from Maryland as any other individual voting in the entire State of Maryland. They will have just as much influence in voting for Senators as anybody else does with their single vote in a comparable State, with a comparable population.

I am sure the people of Butte would agree with me that doing it this way they have just as much influence in the election of the Senators they are voting for as do the people of Butte in electing the Senators of Montana. I think they will find all their rights preserved as they should have been preserved from the time that the Constitution was first drafted.

(Mr. NUNN assumed the chair.)

Mr. SCOTT. Mr. President, will the Senator yield?

Mr. MELCHER. I yield.

Mr. SCOTT. Mr. President, I thank the distinguished Senator for yielding. I will not infringe unduly on his time.

I support this amendment. We have heard the statement made that the people who are opposing the proposed constitutional amendment, as introduced, are opposing it because the people of the District of Columbia are too black, they are too liberal, they are too Democratic, they are too urban.

If the amendment of the distinguished Senator from Montana were adopted, that would put the lie to this question. Everyone in the District of Columbia, regardless of their color, regardless of their political philosophy, regardless of their party, and regardless of the fact that they live in a city, would have the right to vote.

To me, this is a false issue to be raised; because when the Constitutional Convention was held in 1787, blacks were not even considered people. They were property at the time, so that was not a consideration. We did not have, as I understand it, the political spectrum of the liberal and conservatives such as we have today. We did not have political parties such as we have today. We did not have an urban area.

When the Federal city concept was adopted, there was no such thing as being too black, too liberal, too Democratic, too urban. It was decided that we would have this Federal city so that we would be free to legislate in a climate free of pressures of all kinds. That is what the Founding Fathers had in mind. In the Federalist Papers, No. 43, Madison referred to the fact that over the years there would be an increase in population and the area would become more urban, and that, in his judgment, would increase the need for us to be able to legislate in a free environment.

I merely rise to commend the distinguished Senator for offering a feasible alternative, whereby such allegations as this can be made absurd.

I thank the distinguished Senator from Montana for yielding.

Mr. MELCHER. I thank the Senator from Virginia. I do know that in the description of opposition to the amendment as presented, we find the opponents listed as sharing one or more of those four categories.

However, let me address that. I have not, in my lifetime, found an area that was too Democratic to suit me.

Mr. SCOTT. I have not found an area too Republican to suit me.

Mr. MELCHER. If we want to reduce it, not to the fundamental question of the right to vote for representation in Congress, but reduce it to the practical speculation as to who might be elected—if that were the only question—I would think that every last one of the voters on this side of the aisle would be for reserving the right for the District to elect two Senators of their own, assuming that they both would be Democrats. I suppose if that were the only issue, every last one on the Republican side would vote against it. But that is not the issue. That is not the issue at all.

A constitutional amendment is something we are involved in, and it lasts for the lifetime of our country under our Constitution. I do not believe that the support or the opposition to this proposal is based on a political issue.

I have mentioned that in my previous remarks about the difference of an entirely urban area, as contrasted with States that have not only urban but also rural areas. Of course, there is a difference in representation. There is a difference in your view if you represent your constituents on some of the bills and amendments on which we vote. But I do not believe that is a fundamental issue, either. Neither is there a racist issue involved here.

Mr. HELMS. Mr. President, will the Senator yield?

Mr. MELCHER. I am delighted to yield.

Mr. HELMS. Mr. President, it occurs to me that the distinguished Senator from Montana has advanced the only proposal that is likely of ratification; because if Senators feel that the ERA battle across the country is heated, they will find that the ERA matter is a cakewalk compared to the constitutional amendment that has been proposed.

The Senator has offered a substitute which will provide representation for the District of Columbia. I favor representation for the people of the District of Columbia, but I do not favor the original proposal here.

The Senator has offered a sensible alternative. If Senators are sincere about wishing to afford the people of the District of Columbia representation, then they will support the substitute of the distinguished Senator from Montana, and I commend him for offering it.

So, again I say, I strongly support the amendment offered by the distinguished Senator from Montana. Indeed, I would think that any Senator who is truly worried about the civil rights of the residents of the District of Columbia would be an enthusiastic supporter of this amendment.

If we examine House Joint Resolution 554, we can see that it is deeply flawed in concept and execution. House Joint Resolution 554 as it stands distorts the meaning and purpose of Senate representation. In fact, it dilutes the guarantee of article V of the Constitution, which is supposed to protect the "equal suffrage" of each State in the Senate. For it is obvious that if 50 States have equal representation, the addition of two more votes which do not represent a State cheapens the representation and dignity of the States themselves. Indeed, article V says specifically that "no State, without its consent, shall be deprived of its equal suffrage in the Senate," as a result of the amendment process.

This being the case, the prospects of this amendment as it stands ever being approved is remote. In the first place, I doubt very much that three-fourths of the States would approve the dilution of their constitutional rights. We could well end up in another ERA situation. We would have the proponents of the amendment back here in 6 or 7 years asking for an extension, and the process would drag on in agony.

In the second place, even if the amendment were approved, any single State could well challenge the constitutionality of the process in the Supreme Court. For article V says, "No State, without its consent, shall be deprived. * * *" If even one State withholds its consent it would have grounds to challenge the adoption of the amendment.

So the constitutional ramifications of this amendment are so complicated, so unjust, that I see very little chance that it would ever be ratified.

Mr. President, it is very clear to the Senator from North Carolina, therefore, that anyone who is sincere about the voting rights of the residents of the District of Columbia must back the Melcher amendment. It is the intelligent and feasible alternative to the radical and unwise proposal before us.

The Melcher amendment would, for the first time, give full representation in the House of Representatives to people of the District of Columbia.

Furthermore, it would give senatorial representation to the people of the District by allowing them to vote in the State of Maryland for senatorial candidates. But more important, it would not dilute the representation of the 50 States by giving representation to an entity that is not a State. No State could claim under article V of the U.S. Constitution that its right to equal suffrage was diluted. Nor would precedents be set for further dilution by granting representation in the Senate to the Virgin Islands, or Guam.

In addition, the Melcher amendment would make it possible for the District of Columbia to become truly self-governing with respect to these rights and powers.

Finally, it bases the District's vote in the electoral college upon population, based upon the number of Congressmen.

It is plain, therefore, that the distinguished Senator's amendment will go much farther to restore civil rights to the people of the District of Columbia than the original proposal laid before us.

Where are the Senators who are so worried about the civil rights of District of Columbia residents?

Why are they not rushing forward to support the substitute of the Senator from Montana?

Why do they not support a proposal that can reasonably expect to be ratified? Why do they support the preposterous idea that entities that are not States are entitled to the privileges of States?

Mr. President, we must remember that there is a fundamental difference between the Senate and the House of Repsentatives. The Senate represents States; the House represents citizens. To destroy this distinction is to destroy the very theory of our constitutional system.

The Melcher plan preserves this important distinction. It gives the citizens of the District representation in the House proportionate to their number; it gives them full representation in the

Senate without destroying the very nature of the Senate.

Mr. President, I would also point out that it is not true that the citizens of the District of Columbia support House Joint Resolution 554 and the distortion of our constitutional system. Today I have received a memorial from the District of Columbia Federation of Citizens Associations — the largest organized group of citizens in the District, represeting 24 different citizens groups. They are strongly opposed to House Joint Resolution 554.

Mr. President, I ask unanimous consent that this statement be printed in the RECORD at the conclusion of my remarks.

There being no objection, the statement was ordered to be printed in the RECORD, as follows:

STATEMENT TO THE SENATE OF THE UNITED STATES OPPOSING SENATE JOINT RESOLUTION 65 TO AMEND THE CONSTITUTION TO PROVIDE DISTRICT OF COLUMBIA REPRESENTATION IN THE SENATE AND THE HOUSE OF REPRESENTATIVES "AS IF" IT WERE A STATE

The Federation of Citizens Associations of the District of Columbia, organized in 1910 and representing 24 citizens groups, has resolved in regular meeting to oppose SJ Resolution 65, or other similar resolutions, to amend the Constitution of the United States in order to provide for District of Columbia representation in the Senate and the House of Representatives "as if" the District of Columbia were a State.

The Federation's decision followed deliberation of the likely proximate and ultimate consequences, including the judicial and political which would issue, particularly the diminution of the status, prerogatives, functions and rights of the Senate itself.

The Federation is especially sensitive to the Senate's role because the Constitution itself distinguishes that body as the representative of the individual States, which have yielded part of their own sovereignty to the Federal government, and empowers the Senate to participate collegially in several functions of the Presidency.

The Federation took further cognizance of the potential transformation in the internal operations and dynamics within the Senate, particularly since the two Senators who would be seated from the District of Columbia would be dependent primarily on the votes of Federal and D.C. government employees who are most likely to be responsive to the wishes of their employer, the Executive Branch, than other citizens who are not so employed.

The Federation's opposition can be summarized under the following six general headings:

1. Philosophical, particularly the epistemology of "as if" concepts as they relate to fact and to law and to judicial processes;

2. Constitutional—primarily the impact on the distinctiveness of the Senate as the collegial body sharing in the powers of the Presidency, especially under Article I, Section 3 and Article II, Sections 2 and 4 of the Constitution;

3. Political—the transformation of the internal dynamic of the Senate as the result of the role which the two Senators from the District of Columbia would have, based on a constituency composed primarily of Federal and D.C. employees, particularly subject to the wishes and goals of the Executive Branch and massively centralized to political activity and lobbying in the nation's capital;

4. The precedent for other constitutional amendments based on "as if" concepts, including but not limited to aspirations of other municipalities and geographic areas to have senatorial representation "as if" they were states, circumambient of the provisions of Article IV, Section 3 of the Constitution;

5. The further dissipation of the meaning of the provision of Article I, Section 7 of the Constitution relating to the "exercise of exclusive Legislation in all Cases whatsoever," over the District of Columbia;

6. The growth of the legislative bureaucracy and its attendant costs, together with the further growth of fiscal indebtedness of the District of Columbia.

In reviewing these matters, the Federation perceived some differences between providing District of Columbia representatives only in the House of Representatives and providing representation in the Senate as well. Consequently, there was somewhat lesser concern among several delegates with the possible consequences of representation in the House alone. There was, however, a consensus of opposition to representation in the Senate for the reasons summarized above and elaborated hereunder.

PHILOSOPHICAL, PARTICULARLY THE EPISTEMOLOGY OF "AS IF" AS IT RELATES TO FACT, LEGISLATION, LAW AND JUDICIAL PROCESS

The Federation is appalled at the growing deterioration in intellectual, scientific and legal theory, progressively substituting "as if" subjectivistic criteria for objective standards. Having just lived through the confusions and problems of the Panama Canal Treaty debate, with its own unfortuate "as if" sovereignty phrase, the Federation opposes any further adulteration of the intellectual clarity of political discourse and of legal concepts. If it is the desire of the proponents of SJ Resolution 65 to grant the District of Columbia the status of a state, their resolution should be formulated explicitly in those terms. We find it most disheartening that so many advocates of Constitutional or legal reform increasingly resort to devious and indirect terminology to achieve their goals and are prepared to diminish, and even to nullify, rational thought to achieve their ends. Under the rubric "as if", the salutary pragmatism, based on reality, which has characterized American political life and legal theory is being replaced by a subjectivism, no longer pragmatic but largely voluntarist. We fear that in the future politicial and social conditions will be determined largely by what we pretend, ideologically, rather than by the past sensible accommodation between objective fact and subjective preference.

CONSTITUTIONAL—PRIMARILY THE IMPACT ON THE DISTINCTIVENESS OF THE SENATE AS THE COLLEGIAL BODY SHARING THE POWERS OF THE PRESIDENCY; POLITICAL—TRANSFORMATION OF SENATE DYNAMICS

In a sense, any constitutional amendment, if passed by the amendment process, is obviously constitutional. In another sense, however, certain amendments can complicate, or intrude on, the continuance of the clear meaning of earlier amendments. We perceive SJ 65 as having this unintended pernicious impact, because it casts a shadow on the meaning and significance of certain Senatorial collegial powers in Executive Branch activities as representatives of their formerly sovereign states.

The rise in the "imperial Presidency" has been fostered significantly by the diminishing role of Senatorial influence on the Executive Branch in the areas where the Senate has condominial rights. Most significantly these relate to foreign and military matters, particularly in the areas of so-called executive international agreements which are increasingly replacing formal treaty-making functions obviously requiring Senatorial ratification. There are, however, other matters where the Senate's role has also diminished, as a result of the growth of a massive Executive Branch, under Article I, Section 3, and Article II, Sections 2 and 4. Without elaborating, we believe that the election of two Senators from a territory not a state but construed to have a status "as if" a State will further dilute the rights of the Senate as provided by the framers of the Constitution. We assume that the Hatch Act will be repealed sometime in the near future and, considering the growing desire of the White House to assume more direct political control over the personnel of the Federal and D.C. bureaucracy, which number in the hundreds of thousands resident in the immediate area, we fear that the Congress, particularly the Senate with its far fewer numbers, will come under increasing pressure to act as the tool of the Executive Branch rather than as the representative of the people of the 50 United States. We believe this will make it even more difficult than now for the Senate to discharge its own Constitutional functions, particularly in the sensitive area of foreign policy.

Given this situation, we believe that the Federal courts, particularly the Supreme Court, may have to review the significance of the "as if" phrase and may become involved in Constitutional judgments and issues which now are immune from its jurisdiction. This would further erode the powers of the Senate, as well as the House, in the formulation of legislation and increasingly wide areas of public policy may be subjected to indirect legislation by the judicial branch.

Thus the prospect of the growth of the imperial presidency and concurrently of the imperial judiciary, neither obviously intended by S.J. Resolution 65, is a matter of grave concern to our Federation and, we submit, should be examined fully by the Senate before it acts on this proposal.

We express these views because we are confident that in the near future the Hatch Act, limiting political activity of Federal employees, will be repealed. We are not necessarily fearful of this repeal, provided it is genuinely limited to providing an increase in individual political liberty and activity. However, should S.J. Resolution 65 also pass, we believe that the Executive Branch will be able to turn this yearning for greater political liberty on the part of Federal employees to its own improper political advantage, to the detriment of the rights of the Congress, particularly those of the Senate.

THE PRECEDENT AND TEMPTATION OF "AS IF" CONCEPTS TO OTHER MUNICIPALITIES

We must frankly confront the fact that certain partisan groups in the Congress and in the nation as a whole wish to have two more Senators because they believe it will shift the balance of power in certain directions which are now frustrated by the rules of the Senate, particularly on filibuster and cloture. We have already indicated that, whether these groups are fully aware of this possibility or not, the Executive Branch can also play a major role in enhancing its own power vis-a-vis the Senate to the ultimate cost of those groups which hope to profit most by this shift in power. Thus, we advocate prudence to all parties.

We have no quarrel, of course, with the legitimate political tactics used by partisan groups to achieve their ends within the general framework of the rules of clear political and Constitutional principles. However, we very much fear the "as if" issue as an illegitimate solution, particularly since it would permit the further erosion of the powers of the Senate as well as of State governments, should the Congress proffer to large cities the prospect of acquiring more Senators by circumventing Article IV, Section 3 of the Constitution through similar "as if" language. Under this precedent, the generally amicable relationships among the States and between them and the Federal Government could become changed to relationships of rivalry, suspicion and contention, introducing discord into areas where now there is relative peace and trust.

INCREASING BUREAUCRACY, INCREASING COSTS OF GOVERNMENT

Our Federation has noted an extraordinary growth in the costs of both the D.C. government and of the legislative branch in the last ten years. It appears to be more than coincidence that the employees of the Legislative Branch now number almost 40,000, and that appropriations for that Branch are approaching 1.3 Billion dollars. The employees of the District of Columbia also approximate 40,000 and the budget for the District is already 1.3 Billion dollars.

If we saw some necessary purpose to SJ Resolution 65, we would not object to additional costs and additional taxes. As we have reasoned heretofore, we see only dangers to having representation in the Senate of the United States. On this issue, there is consensus among us. We have found some sentiment in improving the role of representation in the House of Representatives but have not acted on that alternative since it is not on the agenda of the Congress at this time.

SUMMARY AND CONCLUSION

For the six reasons given in this statement, the Federation of Citizens Associations of the District of Columbia requests the Senate to reject SJ Resolution 65 as containing serious threats to the existing rights of the Senate of the United States.

The Federation instructs its President to communicate this statement to the Senate in time for inclusion in the deliberations of that body when this issue comes to the floor of the Senate.

(For the Federation.)

STEPHEN A. KOCZAK,
President.

Mr. MELCHER. I thank the Senator for his support.

Mr. President, I believe that the only issue that needs to be addressed is the central point—the basic right of every citizen to have just as much right and clout as any other citizen in this country in electing Members to both the House and the Senate.

I do not think it is necessary to state more than a few examples of how the right of the District to elect two Senators makes not just for clout but for superclout as well.

The District, with about as many people as reside in my State of Montana—not quite, but very close to the same number—would have constituent interest that is broad, in the sense of all the issues that affect individuals. The constituents, I am sure, would be just as interested in national solution, in terms of foreign policy, in terms of human rights, in terms of everything that affects us as citizens.

I do not present that as being something less important than the rest of the interests that I will mention now.

In my State of Montana, consider the diverse interests that my people, my constituency, have to be interested in, have to be involved in directly, have experience in, have input in. They send us letters or telegrams, or come in person, to tell us what their viewpoint is.

Timber, clean water, protection of wilderness, agriculture in all of its diverse forms, and our State has numerous forms of agriculture; cattle, sheep, wheat, barley, sugar beets, forest products. There are questions that they are directly involved in with management of the Federal land and there are questions involving coal.

The direct experience they have in terms of coal production, in terms of reclamation, where there is strip mining, does influence my vote, as it should.

The people of other States have different types of industry, different types of circumstances. Their constituents have many other facets of relationship to the Federal Government about which they come to their Senators to tell them their interests, their experiences, their complaints, and their recommendations.

It is on this basis that the District, the core of a vast metropolitan area, would not have the experience, would not have the interests in the same regard or in the same intensity or for the same purposes, as constituencies in the rest of the States.

And yet, Mr. President, I would not set aside the right of the District residents to have just as much influence in electing Senators as the residents in Virginia have or the residents in Maryland have.

The purpose of this substitute is to agree with all of the features of House Joint Resolution 554, except this one feature and to substitute in lieu of that the language that the residents of the District would be treated as though they were residents of Maryland for the purposes of voting for Senators.

Mr. President, I now yield the floor.

Mr. SARBANES. Mr. President, I have listened very closely to the Senator from Montana and I must say that I agree with that part of his statement in which he has underscored the unfairness, under our system of Government, that the people of the District of Columbia should be disenfranchised from having a vote in the Congress of the United States, both in the House of Representatives and in the Senate and I am pleased to see the emphasis he has placed upon that.

However, I disagree with his notion that for these purposes the District should be retrocessed to Maryland, this proposal is one which I think should be rejected by this body. I say this with enormous respect and affection for the residents of the District of Columbia; in fact, it is because of that respect and affection that I think they are entitled to two Senators of their own and whatever number of Congressmen the District would be accorded under its population. I believe the residents of the District of Columbia are entitled to their own Senators and Congressmen.

As a practical matter, you cannot have retrocession unless Maryland desires it. That is not the case in this instance. So you do not have a Virginia analogy, dating back more than 100 years to 1846, when the portion of the District across the river was retrocessed to Virginia.

Second, there is no connection of the District with Maryland to provide a basis for retrocession other than the original grant of the land back in the 18th century as part of forming the National Capital district. Beyond that connection it would make just as much sense to allow the residents of the District to vote in the elections for Senators in any other State in the Union. Might I suggest to the Senator from Montana perhaps in the State of Montana or perhaps we should amend his proposal to give the residents of the District a choice as to the State to which they wished to be attached for purposes of casting a vote for the U.S. Senate.

Mr. MELCHER. May I respond?

Mr. SARBANES, Surely.

Mr. MELCHER. As far As I am concerned as one citizen of Montana, if that were the only way that these people could have a vote, I would be delighted. But it is not a logical way. It is not a logical way at all in that these people are far removed from Montana and no ties to our area. It is not the way that it was before the framers of the Constitution denied them the right to vote. If they had not been denied that right, explicitly denied in the Constitution, which I hope the Senator from Maryland will agree was a mistake, it would be exactly the case that we are pointing out today, that they would be voting for the Senators from Maryland. Is that not correct?

Mr. SARBANES. The Senator's proposal is no more logical than the suggestion that these residents should join some other State for purposes of electing U.S. Senators. The fact of the matter is that the District has long been established as a separate jurisdiction. We come down to the very difficult question of how are its residents to be enfranchised for the purpose of participating in the making of national policy in the Congress of the United States, both the Senate, and the House of Representatives.

The proposal that has been passed by the House of Representatives and is pending before us, and to which the Senator has offered a substitute, addresses that problem directly by giving to the residents of the District of Columbia two U.S. Senators and whatever number of Congressmen is warranted by its population. The notion of retrocession and in this instance retrocession for the very limited, indeed the sole, purpose of Senate elections is not analogous with the Virginia situation carried out in 1846 which returned the territory for all purposes. This very limited retrocession proposal is, it seems to me, but a convenient way of blocking or seeking to divert our attention from the fundamental question of whether the residents of the District of Columbia are to be represented in the United States Senate. That is what the issue comes down to. To seek to link District residents to one State or another does not really answer that basic question.

Of course, that basic question goes to the part of the Senator's statement in which he spoke of not disenfranchising people gave testimony to what American democracy should be about. But the solution which the Senator has offered to the problem he has recognized is not an adequate or proper solution.

Mr. MELCHER. Will the Senator yield to me?

Mr. SARBANES. I yield.

Mr. MELCHER. I live in Prince Georges County.

Mr. SARBANES. We are pleased to have you live there, may I say, as one of Maryland's U.S. Senators. We regard it

an honor that the distinguished Senator should have chosen our State as his place of residence in the National Capital area.

Mr. MELCHER. And I thank the Senator for that remark, and we enjoy living there. In driving, for instance, on Branch Avenue it is extremely difficult for me to discern where the District ends and Prince Georges County in Maryland begins. If I am on Pennsylvania Avenue, it is extremely difficult for me to discern where the District line ends and Maryland begins. If I am on South Capitol Street, the same thing is true.

Every time a resident of the District moves across that line to become a part of Prince Georges County, of course, he has the opportunity of voting for the distinguished Senator now representing the State of Maryland and the other distinguished Senator from the State of Maryland. But as a practical matter, if they are going to vote in some State, to allow them to vote in the State where they not only adjoin but the State where they socialize, the State where they have common interests with Prince Georges County—that is the reason for designating Maryland as the place of voting.

Mr. SARBANES. Mr. President, the Senator's proposal, if it provided for complete retrocession, at least would have an internal logical consistency to it. There would be strong arguments against such a proposal, but at least if the proposition being put to us now was analogous to the Virginia situation in 1846, when the entire area was returned to the State, at the State's request and willing participation which it is very important to underscore; if that was the proposition it would have some logical consistency to it even if there are some strong arguments against such complete retrocession. If that were the proposal we would be considering interesting questions about the nature of the Federal City and the importance of Federal jurisdiction therein.

But that is not his proposal. If there ever was a multiheaded monster, this may be it. We have here no proposition for retrocession other than as it involves voting in the Senate. Why even as it involves voting in the Congress, the approach is bifurcated. In the House you are going to have one approach, which is to consider the District as a State from which will be elected Representatives to the House of Representatives, and to consider it in an entirely different way for purposes of representation in the Senate.

So even with respect to representation in the Congress of the United States the proposition offered by the Senator from Montana does not have a logical consistency, let alone with respect to all of the other aspects that are involved concerning jurisdiction over the territorial area of the District of Columbia.

I also ought to note that when the Congress considered the 23d amendment, in which the District of Columbia was brought into the Electoral College and its residents were given participation in voting in presidential elections, the District was given three electoral votes in its own right. That was the equivalent of two Senators plus one Congressman to which their population would have entitled it. At that time when that proposal was adopted there was no suggestion of the proposition of treating the District as part of Maryland for purposes of presidential elections.

I again submit that the substitute which is before us is really serving the purpose of diverting us from responding to the fundamental question of full voting representation in the Congress of the United States for the District of Columbia. Now, on that fundamental question Members of this body may differ as to whether they think the residents of the District of Columbia ought to be entitled in the Senate of the United States to be represented by two Members and in the House by the number of Members of the House their population entitles them to. But we ought to face that issue and face it squarely and not seek to divert it by an illogical proposition of the sort that is now before us in the pending substitute.

Mr. MELCHER. Mr. President, will the Senator yield?

Mr. SARBANES. I yield to the Senator.

Mr. MELCHER. I think the Senator is framing the case for the entire State of Maryland and I would accept the fact that the Senator would know the position of the State.

Mr. SARBANES. Mr. President, if the Senator will yield on that point, I think it is fair to say that this understanding on the part of the Senator is accurate.

Mr. MELCHER. Mr. President, if the Senator will yield, I believe the term "retrocession" when no land is involved, when no property is involved, when nothing is ceded to Maryland, is inaccurate.

I think the term implies ceding property back to someone and that is not the case. I do not think the Senator would view this as property. I think this is a question of a right to participate in the election process for representation in the Senate.

Mr. SARBANES. If the Senator is not going to carry any territory with his proposal, in a jurisdictional sense, he is simply going to have a free-floating body of citizens to be attached to some State for purposes of voting for Senator. Then I submit to the Senator, as I said at the outset, there is just as much logic in attaching that free-floating body of 700,000 citizens to any one of the 50 States in the Union. If you want to talk——

Mr. MELCHER. Mr. President, will the Senator yield there?

Mr. SARBANES. If I can finish my thought—if you want to talk about the proposition of retrocession of this entire territory to the State of Maryland in terms of full jurisdiction and Senate and House voting rights running with it, that, at least, is logically consistent even if there are arguments against it.

But that is not the substitute before us. This substitute excludes all aspects of retrocession except representation in the Senate of the United States; even with respect to representation in the Congress of the United States it goes down one path with respect to the Senate and down another path with respect to the House of Representatives.

Mr. MELCHER. Mr. President, will the Senator yield?

Mr. SARBANES. I yield.

Mr. MELCHER. I do not believe that is logical unless the Senator feels that direct representation in the House is something less than would be available to them if they were residents in another area of the country.

That is not the case. Representation for them in the House is on the basis of the District line just as is presented before us in House Joint Resolution 554. It is rather generous, and I do not think the Senator is trying to say that it is overly generous, is he?

Mr. SARBANES. The Senator's proposal with respect to House representation treats the District of Columbia as though it were a State, does it not?

Mr. MELCHER. For purposes of House representation.

Mr. SARBANES. That is correct. Is that not the case?

Mr. MELCHER. Exactly as it is in House Joint Resolution 554 which the Senator advocates.

Mr. SARBANES. For purposes of Senate representation he then takes the residents of the District of Columbia and instead of treating them as though they were a State for that purpose seeks to incorporate them with the population of the State of Maryland for purposes of electing a Senator.

Mr. MELCHER. Two Senators.

Mr. SARBANES. Two Senators.

Mr. MELCHER. Absolutely correct.

Mr. SARBANES. And my observation with respect to that approach is that it lacks an inherent logical consistency.

Now, the Senator may make that proposition. All I am saying is it is not logically consistent, it lacks that attribute.

Mr. MELCHER. Mr. President, will the Senator yield?

Mr. SARBANES. Furthermore, as I pointed out, it is illogical because all the other aspects of retrocession which one would assume would accompany inclusion of the population of the District of Columbia with Maryland for the purposes of electing a Senator have been completely excluded. You maintain the District of Columbia as a separate territory, for which there is strong argument to do so, but you do maintain that under this substitute; is that not correct?

Mr. MELCHER. The Senator is absolutely correct. But if the Senator will yield, Mr. President, may I repeat that had not the framers of the Constitution explicitly prohibited the citizens of the District from having the right to vote, they would be voting for Senators just as I have proposed.

I cannot go back now any more than the Senator from Maryland can go back to the times when the Constitution was framed and make that correction in any other better way than the way I am offering it right now.

Mr. SARBANES. I think the correction can be made in a far better way, and that is through the adoption of House Joint Resolution 554 and rejecting the substitute offered by the Senator from Montana.

I yield to the Senator from Virginia.

Mr. SCOTT. I believe there is a distinction between the Virginia retroces-

sion and the proposal by the distinguished Senator from Montana, and yet there is a similarity. In the event that the people of the District of Columbia did vote in the Maryland elections for the Senate, Maryland would still have a population somewhat less than 5 million people. Virginia has a population of something over 5 million people.

It might be a solution to the dilemma with which we are faced.

I can understand the reluctance of the distinguished Senator from Maryland in desiring to avoid changes being made in the areas from which Senators would be elected from his own State to include a portion of territory that is no longer a part of Maryland. But it once was a part of Maryland, and the common law of Maryland is the common law of the District of Columbia. There is a lot to be said in favor of the amendment proposed by the distinguished Senator from Montana.

I think there are some similarities between the Maryland and Virginia situations. The Virginia retrocession was with the consent of the people of the State of Virginia, and then it was accepted by Virginia, by the District of Columbia, and by Congress. I see the difference, but I merely wanted to rise to point out that there are some similarities as well as differences.

Mr. SARBANES. Well, of course, the Virginia section of the District of Columbia had never really been used as a Federal city.

Mr. SCOTT. It was included within the 10-mile square area, but the Senator is correct.

Mr. SARBANES. But no development of it as a Federal city had taken place, as I understand it.

Mr. SCOTT. The city of Alexandria was a seaport, and was perhaps more highly populated than the rest of the District of Columbia. In fact, it was more highly populated than the rest of the District of Columbia, and it was part of the District of Columbia and part of the area that was first ceded and then receded. Alexandria is one of our oldest cities in Virginia.

I thank the Senator for yielding.

Mr. SARBANES. Mr. President, to sum up concerning the substitute—first of all, there is no retrocession to Maryland of the territorial area of the District of Columbia, which is the analogy one would have to draw if one were to use the Virginia analogy. The substitute deals only—I repeat, only—with the question of representation for residents of the District of Columbia in Congress. The substitute says, by its own terms, that the District shall be treated as though it were a State for purposes of representation in the House of Representatives, but it is to be treated as though it were part of the State of Maryland for purposes of representation in the Senate.

Mr. MELCHER. Mr. President, will the Senator yield?

Mr. SARBANES. I yield.

Mr. MELCHER. Would the Senator prefer that the District of Columbia be treated as a State in all respects? House Joint Resolution 554 only treats the District as if it were a State on three points.

Mr. SARBANES. That is right. And as a consequence, it puts very directly to us the question of enfranchisement of the District of Columbia for purposes of representation in the Congress of the United States.

Mr. MELCHER. That is true.

Mr. SARBANES. Now, there are Members of this body who are opposed to that, and you can have a variety of reasons for opposition to it and choose, in effect, to place in the scale of balance in reaching your judgment those reasons as outweighing the weight you are prepared to attach to the fact that 700,000 people have been disenfranchised as far as participating in the decisionmaking of the national legislature is concerned. They have been brought into the Constitution for decisionmaking with respect to the election of the President, with respect to the election of the executive branch of Government, but at the moment they are disenfranchised as far as participating in policymaking in the National Legislature is concerned.

Those of us who support House Joint Resolution 554 believe that the enfranchisement of those 700,000 people, or whatever the population of the District of Columbia may be, is an important objective, and outweighs the arguments that may be made against it with respect of one's jurisdictional perception of the District of Columbia as a district as opposed to being a State.

Some Senators may disagree with that, and will vote the other way, but at least the issue ought to be put very directly, and not diverted by this proposition, which is a limited partial recession of a most illogical nature.

Mr. MELCHER. Will the Senator yield further?

Mr. SARBANES. Yes.

Mr. MELCHER. The Senator has rightly stated that we have corrected by previous amendments to the Constitution the rights of citizens of the District of Columbia to vote for President and Vice President. This amendment would correct the situation on voting for Members of the House of Representatives.

In both of those instances, the requirements for voting were consistent with those for everyone else in the United States. If you are a citizen, you follow the procedure wherever you live and have the right to vote for the President and the Vice President, because you are a citizen. If you are a citizen entitled, as every citizen should be, to representation in the House of Representatives, that will be protected in this resolution. It is easy, on that basis, and is consistent with the rights of every other individual in the United States.

Now, the Constitution tells us that for purposes of representation in the Senate, each State will have two Senators; no State will have more than two, and no State can be deprived of its representation in the Senate. That is a constitutional mandate. And so the resolution that was presented to the House of Representatives was inconsistent with what the Senator from Maryland is arguing. If the Senator from Maryland wants to argue that it is necessary to be consistent, then the Senator from Maryland, in this instance, should say, "For the sake of consistency, I must amend this resolution to say that the District of Columbia is a State." That is consistency.

So I hardly see that my approach is any more inconsistent than is the approach of the pending joint resolution, because the Senator from Maryland has not sought to amend the Constitution to say that the District of Columbia is a State. As to the point of consistency, the resolution which the Senator from Maryland is supporting states that for purposes of electing Senators, the District of Columbia will be considered a State.

Mr. SARBANES. Well, Mr. President—

Mr. MELCHER. Now, that is inconsistent, in the sense that the amendment does not propose that the District be a State.

Mr. SARBANES. In response to the Senator from Montana, I think the simplest answer would be first to read from House Joint Resolution 554, which is the proposed constitutional amendment to provide representation for the District of Columbia in the Congress, which is before us, and which I very strongly support. It states:

> For purposes of representation in the Congress, election of the President and Vice President, and article V of this Constitution, the District constituting the seat of government of the United States shall be treated as though it were a State.

So the District should be treated as though it were a State for all electoral purposes.

Contrast that with the substitute proposed by the Senator from Montana, which says:

> For purposes of representation in the House of Representatives, the District constituting the seat of government of the United States shall be treated as though it were a State. For purposes of representation in the Senate, the District constituting the seat of the government of the United States shall be treated as though it were part of the State of Maryland. For the purposes of ratification or initiating constitutional amendments, the District constituting the seat of the government of the United States shall be treated as though it were a State.

I am simply saying that for representation purposes, for electoral purposes, the proposition which is before us in House Joint Resolution 554, which treats the District as though it were a State, has a logical consistency which is absent in the substitute proposal which the Senator from Montana has offered.

I am ready to move to table the Senator's amendment. I do not wish to cut off debate. If the Senator is prepared to go to that motion, I am prepared to so move.

Mr. MELCHER. I suggest to the Senator that there are other Senators who wish to address the question. Out of courtesy to them, I would appreciate it if the Senator would not propose the tabling motion at this time.

Mr. SARBANES. If there are others who wish to speak on it, I would not propose the tabling motion at this time.

Mr. MELCHER. Mr. President, the Senator from Maryland has just read through the joint resolution that the District would be treated as if it were

a State under House Joint Resolution 554 for the purposes of electing House Members, for electing two Senators, and not for the purpose of ratifying amendments to the Constitution or initiating amendments to the Constitution. That is all in House Joint Resolution 554. The Senator from Maryland describes that as being a consistent approach.

While I appreciate his point and would agree that in all of those instances each one is consistent with the other, there is yet a basic flaw or inconsistency in the approach as the Constitution provides for the States. House Joint Resolution 554 stops short of going to the ultimate consistency wherein it would not be necessary to list these separate items, but saying only that the District of Columbia is proposed in this amendment to become a State.

That would be entirely consistent if they so chose. But the supporters of House Joint Resolution 554 have not seen fit and have not wanted to advance into what I think would be treacherous waters for the approval of a ratification process of that kind of an amendment to the Constitution.

I think it would be difficult for many State legislatures to look upon the District of Columbia as a State. It does not have the attributes of a State. It is a core within a vast metropolitan area and simply does not compare to any State. So supporters of House Joint Resolution 554 have avoided doing that.

In my judgment, if they wanted to be entirely consistent, they would not have made the approach they made. They would have just said the District will become a State.

If the constitutional amendment is to be ratified by three-fourths of the States, I think it is paramount that we correctly address the problem as it exists today and describe it correctly in the proposed constitutional amendment so there is an opportunity for the various States of the 50 to vote on it and to make a determination affirmatively that the residents of the District shall have the right of citizenship in regard to the election process to Congress, to the House and to the Senate, and be able to participate as citizens in the ratification of amendments or the initiation of amendments to the Constitution.

I think it would be inconsistent with all logic having not declared the District to be eligible to be a State to declare that, although it is not eligible to be a State, it is eligible to be treated as a State for Senate representation.

It is illogical from the point of view of what the Constitution envisions in the separation of the House and the Senate; in the separation of the legislature from the executive, and in the process that is involved in the election of the President, the Vice President, the Members of the Senate, and the Members of the House.

As I have said earlier, because the framers of the Constitution did a wrong to the people who were to live in the District by disenfranchising them under the Constitution, I think it is most consistent and appropriate that we correct that situation as quickly as we can and in the logical manner as the Constitution should have provided from the outset.

The Constitution, if it had not been improperly drafted in this respect, would have provided that the residents of the District would be voting in elections for the House and the Senate exactly as we propose it in my substitute amendment.

Those on the Virginia side of the Potomac would be voting in Virginia as they are now, after 1846 when the retrocession of the land went back to Virginia. Those residents living on this side of the Potomac in what is now the District of Columbia would have been voting for Senators in Maryland.

My proposal takes no one's right away. I find it not only consistent with fairness; I find it consistent with what I believe should have been drafted and provided for originally in the Constitution.

I believe the substitute is addressing it in this manner as properly and wisely as can be done at this time.

Mr. HATCH. Will the Senator yield?

Mr. MELCHER. I yield.

Mr. HATCH. I have looked very carefully at the Senator's amendment, and although I can still see some difficulties with it, and I raised some of those yesterday on the floor of the Senate, I think it is a rather ingenious way of trying to provide, if we are going to do this at all, at least a more logical way than the illogical way that the joint resolution provides, House Joint Resolution 554.

(Mr. HODGES assumed the chair.)

Mr. HATCH. What the Senator has recognized here, or, at least, I take it this is his argument, is that a city may need its own Congressman when it has 700,000 people, although decreasing in size, but the Founding Fathers' desire was to have Senators represent States. The individual Congressman represents individual constituencies, but the Senators do represent States. I see some of the same objections I raised yesterday.

On the other hand, this is much more logical within the framework of the Constitution than House Joint Resolution 554, which tries to make a State out of a city and a Federal enclave at that, a Federal enclave, where the mentality is all Federal—or at least, that is the argument that has been made, and I think rather persuasively, here and in the past and during committee hearings on this subject, part of which I sat through as a member of the Judiciary Committee.

In all honesty, I have some difficulties with the amendment of the Senator from Montana. Nevertheless, if we are talking about logic and if we want to accomplish that which we have not otherwise been able to accomplish, that which might be acceptable to the States—and I really believe the Senator's amendment might be acceptable to the State of Maryland upon a vote there—then I would say that the amendment of the distinguished Senator from Montana, or substitute amendment here, is much more logical than the bill itself, the original House Joint Resolution 554, which has, in my opinion, some very bad constitutional aspects.

Yesterday I raised the point that House Joint Resolution 554 treats three different kinds of voting procedures—electing Members of Congress, electing the President and Vice President, and ratifying amendments—as one and the same. I believe the Senator has tried to correct at least one of them.

I also raised a number of other issues that the House Joint Resolution 554 proposal does not solve. Nevertheless, I am impressed with the Senator's amendment. I have the same desire he does; that is, to correct what is an injustice without going through the political machinations of looking like we are doing it when really, everybody here knows that 38 of the States are not going to ratify House Joint Resolution 554.

I think that if we are going to try to solve this problem, we ought at least to do something along the line of straight retrocession or the suggestion I made yesterday, providing a right to vote in the State where their last residency was, where their ancestors' residency is, or in some sort of proportionate way that can be devised if reasonable minds get together and try to solve the problem.

What I really suspect here is that House Joint Resolution 554 is the usual political approach, which may win here, on the floor of the Senate, but which does not have a chance, in my opinion, with the 50 States in this Union. I think it is not going to be very difficult to point out in those States, and I think it will be pointed out and is already being pointed out in some areas, that you cannot make a State out of the District of Columbia and that calling a city a State does not make it one. Calling a Federal enclave a State is even worse.

What we are going through here is a political exercise, it seems to me, to give some credibility for the viewpoint of certain Senators on the floor who are pushing this particular amendment, but who know, in and of themselves, that it is an exercise in futility even if the Senate and the House pass it or ratify it.

I should think that there is a much bigger chance of Maryland accepting the Senator's approach than there is of House Joint Resolution 554 having any opportunity, and if the Senators really feel strongly about this—and I am not sure at this point what my viewpoint is going to be when this comes up to a vote; but if the Senators really feel strongly, on the floor of the Senate, about granting voting rights to the citizens of the District, this is a reasonable way of doing it, or at least more reasonable and far more logical than House Joint Resolution 554, for the reasons I enunciated yesterday.

I also think that if they really want to accomplish this, this has some merit.

Mr. MATHIAS. Will the Senator yield for a question?

Mr. HATCH. Surely; I am glad to.

Mr. MATHIAS. Since the Senator seems to support the Melcher amendment—

Mr. HATCH. I do not know that I do at this point, but at least, it has more influence with me than House Joint Resolution 554, which tries to make a State out of the District.

Mr. MATHIAS. If the Senator's mind is not firmly fixed——

Mr. HATCH. It is not at this point.

Mr. MATHIAS. Perhaps I can ask the author of this interesting amendment some questions which might reflect on how it would operate.

Mr. HATCH. If the Senator will allow me to make my statement first——

Mr. MATHIAS. I am sorry. I thought the Senator was just reflecting generally.

Mr. MELCHER. I want to make it clear, Mr. President, that I have not yielded the floor.

Mr. HATCH. He has yielded some time to me. I shall be happy to yield back for the Senator to ask any questions he wants to.

What I am saying is if this is not really an exercise in futility and if we are really trying to give the residents of the District a right to vote for two Senators and one Congressman, it seems to me it is far more logical to follow the amendment of the Senator from Montana than it is to follow House Joint Resolution 554, because it recognizes that at least the Congressman will represent the city, but the Senators will be voting within the State structure or framework.

If we are going to talk about logic, I listened to the other distinguished Senator from Maryland and he thought that the amendment of the Senator from Montana was illogical, if I interpreted correctly, and I think I did. But I think it is more logical than House Joint Resolution 554 and has more merit than House Joint Resolution 554, even though I still have some difficulties with it.

That is the only point I am making: If we really are sincere—and I might add that it is easy for me to see why the two Senators from Maryland may or may not want to support this kind of amendment. But if we really are sincere about it and if the Senator's amendment has an opportunity of passing, maybe we ought all to give more consideration to Senator Melcher's amendment, because it has some merit. At least, it recognizes that Senators happen to represent States.

That was the intent of the Founding Fathers. The Congressmen do represent smaller geographical areas, generally, cities or other areas of approximately 50,000 people.

So, from a logic standpoint, I want to commend the efforts of the distinguished Senator from Montana. I should urge my colleagues to give good consideration to what he is saying here. I think it has some validity. Although I have not fully made up my mind, I am going to give great thought to it, because I think it is the first time I have seen this type of approach. I have thought in terms of full retrocession, which, in my opinion, would be constitutionally more sound. I personally believe Maryland would accept retrocession. I believe it would.

I think the distinguished Senator from Vermont has been making that point. Nobody knows, and until it is tried, how do we know? It is a lot better than going to 50 States and trying to get 38, when they are going to have all the arguments that have been made here, that you cannot make a State out of a city, and especially a Federal enclave.

I thank the Senator for giving me this little bit of his own time. I am very grateful to him and I am going to listen very carefully to what he has to say.

Mr. MELCHER. I thank the Senator from Utah. I point out that the Constitution provides that there will be 435 Members of the House of Representatives. That is a restraint on the membership of that body. It is a restraint that is adjusted after every 10-year census. Based on the population of the entire country then the determination is made of how many people each representative will represent in the House of Representatives.

We have no such restraint in the Constitution on the Senate except the restraint that there shall be only two Senators from each State, that there shall not be any detraction, any removal of a State's Senator or Senators without their consent.

Mr. MATHIAS. Will the Senator yield for a question?

Mr. MELCHER. I will yield first to the Senator from Maryland and then to the Senator from Utah.

Mr. MATHIAS. I do have some questions because I think the Senator has raised an extremely interesting suggestion. It is one about which I try to be objective. Of course, the Senator wants to give me several hundred thousand additional constituents, so I cannot pretend to be totally objective on the subject.

But I am wondering how the Senator would approach the problem of the primary elections under this amendment. How has he envisioned, for example, that the parties in Maryland and the parties in the District of Columbia would coordinate a primary election, in a year they were nominating candidates for the U.S. House of Representatives and nominating candidates for the U.S. Senate. Just how would that work?

Mr. MELCHER. I am delighted to answer the distinguished Senator from Maryland and say that I am sure he, for one, would have a direct input on how it would work.

It is a question of applying the same type of rules that the State of Maryland has for the citizens now residing in Maryland, applying those rules as though the citizens of the District were actually citizens of Maryland.

Mr. MATHIAS. Does the Senator project there will be two sets of registration machinery; that the citizens of the District of Columbia would register in the District of Columbia for purposes of electing a Representative and that then they would register on the Maryland books for the Senate election? Would the Senator think that the Maryland registrars should come across Eastern Avenue or Western Avenue and enter the District; or would the people of the District cut across Eastern Avenue and Western Avenue and enter Maryland in order to get registered? Or could we have postcard registration? Just exactly how does the Senator envision it?

Mr. MELCHER. The Senator from Maryland, of course, knows the Maryland law in regard to those questions.

Mr. MATHIAS. We have no Maryland law about coming into the District of Columbia. That is why I am asking the question.

Mr. MELCHER. I might add to the distinguished Senator that the District of Columbia now has no law about the proper registration for the purposes that are envisioned in House Joint Resolution 554, at least no complete law in that regard, because they have not had the opportunity to completely face the question.

But to be more specific in answering the question posed by the Senator from Maryland, I do not envision it as being a very disturbing problem for the District voters who would be eligible to vote for their House Members in their own district and eligible to vote for Senators as if they were residents of Maryland to comply with whatever necessary paraphernalia there is in complying with the Maryland law.

Mr. MATHIAS. If the Senator would let me ask a further question, I might say——

Mr. MELCHER. Might I further answer the distinguished Senator by saying that the——

Mr. MATHIAS. I wish the Senator could answer it with a little more specificity.

Mr. MELCHER. I might point out that the residents of the city of Chicago were long able to vote in a way that Mayor Daly found favorable for whatever House Members they were eligible to vote for and also vote for the Senators from Illinois.

I would not think the Senator from Maryland would try to be proposing that it would be unworkable to allow the District of Columbia residents to have this opportunity to vote for Senators.

Mr. MATHIAS. I do not believe it would be totally unworkable. I am just asking how the Senator thinks it would work. It was his idea, not mine.

But I do have a further question I might ask the Senator. He referred to the law of Maryland.

Now, I am familiar with the law of Maryland with regard to vacancies. I know what would happen if my friend and colleague (Mr. SARBANES) or I, myself, would drop in the traces, or as we grow weaker under the burden and we drop out, I know what the law of Maryland is about vacancies.

The Governor of Maryland appoints the Senator until the next election.

Now, are we going to have the Governor of Maryland appoint a Senator to represent the people of the District of Columbia? That is the law of Maryland.

If the Senator envisions some change in the law, how are we going to change the organic law of Maryland so that some official in the District of Columbia joins with the Governor of Maryland on a proportional basis to fill a vacancy that may occur in the U.S. Senate for Maryland?

Mr. MELCHER. In answer to the question posed by the Senator from Maryland——

Mr. MATHIAS. If the Senator from Montana will allow me to interrupt, my friend and colleague, PAUL SARBANES, is in the Chamber and appears to be in good health, so the question of a vacancy may not arise immediately.

Mr. MELCHER. In answer to the

distinguished senior Senator from Maryland, he posed a very interesting point which is: What if a Senator from Maryland dies?

Mr. MATHIAS. I hope the Senator said "any Senator."

[Laughter.]

Mr. MELCHER. I hope neither of you dies—ever.

Mr. MATHIAS. Let us keep this general.

Mr. SARBANES. I think we should keep it in the most hypothetical form possible.

Mr. MELCHER. I offer this in a nonpartisan way. I hope neither Senator ever dies.

However, if that unfortunate occurrence should happen, and if this proposed substitute were adopted, and the States ratified it and it became part of the Constitution, what would be the procedure of appointing a Senator to succeed until the next election could be held to fill the vacancy? Of course, it would be through the Governor of Maryland appointing the successor until the next election.

Every constitutional amendment that is adopted poses some very practical questions. How do you implement this or that or the other thing?

Let me speak to the situation that would arise following the point raised by the distinguished senior Senator from Maryland. After we adopted House Joint Resolution 544 as the House passed it, and the District elected two Senators from the District, suppose that an unfortunate and tragic fatality should happen to one of those Senators.

Who would appoint a successor to that Senator? It is not in the Constitution, it is not in House Joint Resolution 554, and it certainly is not under any law of the District of Columbia at present.

So the very question of the distinguished Senator from Maryland has raised one of the myriad pertinent points that make it possible to say that the method I propose for the election of Senators to represent the District of Columbia is far more workable, far more practical, and far more fair than anything proposed by the supporters of House Joint Resolution 554.

Does the distinguished Senator from Maryland have other questions? I will be glad to yield, if he does.

Mr. MATHIAS. I will answer that briefly in this way: I believe that saying that amendments to the Constitution create more questions really begs the question.

This is a very practical problem. If you are dealing with a recognized political entity, you can work out the problem of filling vacancies. But I must say that I shudder a little at the thought of how we would fill vacancies in the Senate and be fair to everybody in a situation where the voting is split between the District of Columbia and the people of Maryland.

I hope that the Senator, as he propounds this proposition to the Senate, will consider that question very carefully. It is a troubling one to me. It is not one which I think allows of easy solution.

I have some other comments I will make. I do not want to take the Senator's time, but I did want to raise these questions while he is in the course of his presentation. When he has finished, I will make a few other observations.

Mr. MELCHER. Mr. President, the very example that the senior Senator from Maryland posed is a strong argument in favor of following a procedure that is recognized and in place, that is compatible with the Constitution, with respect to the manner in which District residents would have their representation in the Senate. In my judgment, that procedure is best followed and more accurately meets any unfortunate or unseen occurrence that might happen than if House Joint Resolution 554 is passed by the Senate and ratified by the States in the form it passed the House. House Joint Resolution 554 leaves the inconsistencies of an election of two Senators from the District and disregards the basic proposition that the District is not a State.

Mr. President, I know other Senators would like to have the floor, including the distinguished senior Senator from Maryland, and I therefore yield the floor.

Mr. MATHIAS. Mr. President, before the Senator yields, let me ask one further question.

I wonder whether the distinguished Senator has reviewed the opinion of the Supreme Court of the United States in the case of Evans against Cornman, which was argued on the 22d of December 1970, and decided on June 15 of the following year.

Mr. MELCHER. I say to the distinguished Senator that I have not reviewed the case.

I point out to the Senator that we are proposing a constitutional amendment which would become part of the Constitution, if it is ratified by three-fourths of the States, and it would be the law.

Mr. MATHIAS. The Senator might find it profitable to read that case. It might give him some aid and support.

The case involves some residents who lived on the grounds of the National Institutes of Health in Bethesda, Md. They were denied the right to vote because that land had been ceded to the Federal Government. But the Supreme Court held that, notwithstanding the cession of that land to the Federal Government, the residents of that property still, in fact, retained the right to vote in Maryland elections.

So I think it is a very pertinent case to the Senator's amendment, one that deserves the Senator's attention. I hope he will read it with a discriminating eye, as he has, and with the kind of judgment he brings to the Senate.

It seems to me that the case does raise points of difference. It does point out the nature of the land ceded at Bethesda for the purposes of the National Institutes of Health, which I think can be distinguished from the District of Columbia, as envisioned in the Constitution by the Founding Fathers.

I just wanted to ask that one question; and if the Senator yields the floor, I will make a few observations.

Mr. MELCHER. I do yield the floor.

The PRESIDING OFFICER. The Senator from Maryland.

Mr. MATHIAS. Mr. President, as Senators in the Chamber may have ascertained or been able to divine, I do have some very serious questions. I do not make light of this amendment. I think it raises extremely serious questions. But I think it has to be viewed with very careful scrutiny. If it looks like an easy solution to anyone they should think about some of the implications of it. I think it has to be degrading to the people of the District of Columbia in several ways because in effect it treats the District of Columbia as if it were a military reservation; as if it were any other Federal reservation and not the seat of Government, the Capital of the United States of America, the nerve center of the entire world. We are going to deal with the electoral problems here just as if it were a military stockade somewhere. I think that is degrading.

Furthermore, it does not achieve the basic objective that I think probably every Member of the Senate would like to see achieved, and that is to grant full, 100-percent citizenship to the people of the District of Columbia. It denies them a congressional delegation as a congressional delegation is known and recognized from every other one of the 50 States.

There will be some representatives over here elected by one constituency and Senators over here elected by a different constituency.

I think that is bound to leave in the mouths of the voters of the District a kind of bad taste. It is a kind of an invidious discrimination. It is a hangover from the years of discriminatory treatment, and I do not think it fills the bill.

I think, also, Mr. President, that the amendment is degrading to the people of Maryland. I think to alter the practice of more than 178 years without notice to the people of Maryland and without opportunity to the people of Maryland to consider what kind of impact this would have upon our political institutions, upon our political practices, is a kind of a summary treatment to consider administering to a sister State.

This is a constitutional question, as I suggested by bringing the 1970 opinion of the Supreme Court to the attention of the Senate. It is not something to be sprung upon the State of Maryland and to be sprung upon the country as an amendment here. It would have an effect. I think we are entitled to some time to discuss it and to consider it.

Mr. BAYH. Does the Senator yield or was he just catching his breath? I did not want to interrupt his total assessment of this, but inasmuch as he is from the affected State I wish to address some concerns and observations that the Senator from Indiana has to my friend who happens to have a real understanding of the Maryland constituency. Plus he is a member of the Judiciary Committee who is familiar with many of the constitutional questions that are raised by this particular well-intentioned expression of concern on the part of the Senator from Montana.

Mr. MATHIAS. Yes, I am happy to yield to the distinguished Senator.

Mr. BAYH. I do not know whether it is appropriate now, but I think perhaps

the Senator from Montana might care to participate in this as well.

Mr. MATHIAS. I would hope that he would.

Mr. BAYH. I am grateful for the Senator's concern that at least we find some way to let three-quarters of a million people have an opportunity to be represented. I share that concern and so does my friend from Maryland.

Mr. MATHIAS. As I just mentioned a minute ago, I think every Member of the Senate is really motivated in this thing. We just really have to find a way to do it.

Mr. BAYH. One of the concerns I have is that the vehicle which has been chosen by our distinguished friend from Montana seems to raise more questions than give answers.

I call my colleague's attention to article IV, section 3 and ask his interpretation of that relative to how we ultimately conclude this process, particularly from the standpoint of the Maryland constituency that he now represents which would be commingled technically if indeed not by sovereignty for the purpose of choosing Members of the Senate and the House. Article IV, section 3 says:

> New states may be admitted by the Congress into this Union; but no new states shall be formed or erected within the jurisdiction of any other state; . . .

And this is the last part of that section to which I call the Senator's attention:

> . . . nor any state be formed by the junction of two or more states or parts of states, without the consent of the legislatures of the states concerned, as well as of the Congress.

The only time we have had a situation like this was a retrocession of part of the original Capital City to the State of Virginia. In that particular instance it was considered necessary for the Virginia State Legislature to vote on that and, indeed, the Virginia State Legislature did vote to accept that retrocession.

Does the Senator from Maryland assume that this would be a similar requirement?

Mr. MATHIAS. I would certainly think so. As I just said, even if it could be construed that this was not a case which technically came within the four corners of that provision of the Constitution, that you are here dealing with 178 years or more of practice, of political practice, that would have to be radically changed.

I think certainly the spirit of the Constitution would require that the people of Maryland, who will be affected here, have an opportunity to consider and discuss it, and that the Legislature of Maryland express its will on this subject. I think the Senator is absolutely right.

Mr. MELCHER. Mr. President, will the Senator yield for a question?

Mr. BAYH. I would just like to expand on that. There can be no question but what you are bringing in 750,000 new residents for all intents and purposes so far as the impact they have on Senators and Representatives.

Mr. MATHIAS. Which the Senator from Indiana knows is more than the population of many States.

Mr. BAYH. That is correct. That is why I think we have a very real problem here. The Senator from Indiana thinks a very real case can be made constitutionally that this article would require the Maryland Legislature to ratify this particular constitutional amendment so far as this particular impact is concerned.

Mr. STEVENS. Mr. President, will the Senator yield to me? I have to catch an airplane, and I would like to make a short statement.

Mr. BAYH. I think the Senator from Maryland has the floor.

Mr. MATHIAS. If I can yield without losing the floor, I yield a minute to the Senator from Alaska.

Mr. STEVENS. Is that consent granted, Mr. President?

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. STEVENS. Mr. President, I can sympathize with a group of people who desire representation through statehood. In fact, the concept of representation framed in the Constitution is based upon statehood. My State of Alaska struggled for years to attain the rights of statehood. As everyone knows I was part of the statehood movement for Alaska. But House Joint Resolution 554 sharply departs from constitutional practice by giving a group of people full congressional representation without the status of a State. The fathers of our country would be repulsed by a proposal that would grant people representation in Congress, especially in the Senate, without the concomitant obligations of statehood.

The great compromise, proposed by Madison's Virginia plan during the Constitutional Convention of 1787, was grounded in the concept that the House of Representatives will represent the people and that the Senate will represent the States. According to House Joint Resolution 554, the District of Columbia is not granted statehood, it is simply granted representation in contravention of the compromise that knitted together warring factions in the Constitutional Convention.

Furthermore, House Joint Resolution 554 introduces a unique political entity into our Federal system which has remained intact for almost 200 years. If we pass this resolution, who knows what comes next. The United States now consists of certain territories, those being, Virgin Islands, Guam, Puerto Rico, American Samoa, Northern Marianas, and Micronesia, that instead of someday being presented with the usual alternatives of statehood, independence, or remaining a territory, will have a fourth alternative — congressional representation. Now, you may think me foolish in suggesting such a possibility, but I have in my hands a resolution from the legislature of Guam requesting just such a thing. I would like to read into the RECORD, Guam's resolution.

RESOLUTION No. 336

Be it resolved by the Legislature of the Territory of Guam:

Whereas, House Joint Resolution 554 calls for a constitutional amendment to provide representation in Congress for the District of Columbia; and

Whereas, the goal of House Joint Resolution 554 is to provide full voting representation in both the Senate and the House for a populace which has been historically denied representation; and

Whereas, the residents of Guam as well as the other residents of the territories of the United States and the District of Columbia carry the same burdens of citizenship as all other Americans yet they have no representation whatsoever in the Senate and one "non-voting" delegate in the House of Representatives; and

Whereas, this denial of representation is an affront to our democratic ideals and a blight on our record as a free nation to guarantee representative government for all Americans; and

Whereas, we support and encourage the United States Senate to act favorably on House Joint Resolution 554, we also ask the United States Congress to encourage and promote the initiation and passage of a similar joint resolution granting Guam's citizens voting representation in both Houses of Congress; and

Whereas, the achievement of full civil libertarianism for all of America's citizens and the elimination of the blight on democracy of a non-represented people will only be accomplished with the granting of full voting representation to the entire American community including America's territories: Now, therefore, be it

Resolved, That the Fourteenth Guam Legislature respectfully requests that the United States Senate act favorably on House Joint Resolution 554; and be it further

Resolved, that the Congress of the United States is respectfully requested to initiate and support a similar resolution granting full voting representation to America's territories as well; and be it further.

Resolved, that the Speaker certify to and the Legislative Secretary attest the adoption hereof and that copies of the same be thereafter transmitted to the President of the United States; to the President Pro Tempore, U.S. Senate; to the Senate Majority Leader; to the Senate Minority Leader; to the Senate Minority Whip; to the Speaker, House of Representatives; to the House Majority Leader; to the House Minority Leader; to the House Minority Whip; to Senator Edward M. Kennedy; to the Delegate from the District of Columbia; to the Delegate from Guam; to the Delegate from the Virgin Islands; to the Resident Commissioner from Puerto Rico; to the Liaison Officer from American Samoa; to the Washington Representative from the Northern Marianas; to the Liaison Officer from Micronesia; to the Governor of Puerto Rico; to the Governor of the Virgin Islands; to the Governor of American Samoa; to the Governor of the Northern Marianas; to the Speaker, Puerto Rico Legislature; to the Speaker, Virgin Islands Legislature; to the Speaker, American Samoa Legislature; to the Speaker, Northern Marianas Legislature; to the Congressional Delegation from Hawaii; to the Secretary of State; to the Secretary of Interior; to the Chairman, National Democratic Committee; to the Chairman, National Republican Committee; to the Executive Editor, Washington Post; to the Executive Editor, Washington Star; to the Executive Editor, New York Times; to the Bureau Chief, Gannett Newspapers, Washington, D.C. and to the Governor of Guam.

Mr. President, including the two Senators who are proposed under House Judiciary Resolution 554, if we add up all the Senators who could enter the Senate by granting similar representation to the territories I previously mentioned, we could have 14 Senators from non-States. If such a phenomenon occurred, over 20 percent of the Senate would be representing non-States. What would happen

to the great Madison compromise? What would happen to federalism? And who knows what will happen after the territories move for such representation? Maybe portions of already existing States or large cities that want their own Senators may begin requesting representation.

The answer, Mr. President, is to maintain the status quo of providing representation, at least in the Senate, to States only. Now, I know the Constitution prohibits the Capital of the United States from ever becoming a State. That, however, does not foreclose all legitimate and rational alternatives to House Joint Resolution 554 for congressional representation for the District of Columbia residents. Retrocession to Maryland is always a possibility. That is why I cosponsored the bill introduced by the distinguished Senator from Utah, Senator HATCH, requiring a study of that particular issue.

Another good alternative is Senator MELCHER's amendment to provide representation for the District's residents. In this situation, the District's residents vote for Senators from Maryland, while voting for their own representatives. This properly and adequately preserves the constitutional system of Senators representing States and Representatives representing people.

Now, it can be argued that this will not entitle the District's residents to their own Senators. Yes, this is true in name, but not in fact. Woe to the Senator from Maryland who does not adequately represent the District of Columbia. If he ignores the District of Columbia, wait until the next election. The District will conveniently ignore him. Then who has the last laugh? I just want to register my support for the senior Senator from Montana's amendment, which would preserve our Nation's constitutional system.

Mr. MATHIAS. Mr. President, I want to yield again to the Senator from Indiana so that he can propound his inquiry.

Mr. BAYH. I might just say I listened with a great deal of interest to the statement of our distinguished colleague from Alaska. It seems to me he is making an argument in opposition to the amendment of the Senator from Montana. I mean, woe unto the Senator from Maryland who tried to represent Annapolis when the news media are in the Nation's Capital, and that is the very reason why there are distinct interests——

Mr. MATHIAS. Let us not forget Baltimore.

Mr. BAYH. Let us not forget Baltimore.

It seems to me that is one of the real reasons why you and I are concerned that there are certain unique characteristics and unique needs that the people of the District of Columbia have, 750,000 people who are not necessarily reflective of or represent the other part of the diverse constituency represented so ably by the distinguished Senator from Maryland.

Mr. MATHIAS. That raises a good question. As I see the Senator from Montana is anxiously waiting to answer, let me just pose another facet of that same question: If the Senator's amendment is adopted, could a candidate for the Senate come from the District of Columbia? In other words, are the people of the District only going to be voters? Or could the candidate for the Senate come from the District or could the candidate only come from Maryland? Is Senator SARBANES going to have to move to Georgetown or how is this going to work? These are the practical questions that I just would like to sort of pin down, if we can.

Mr. MELCHER. Mr. President, will the Senator yield.

Mr. MATHIAS. I yield.

Mr. MELCHER. The Senator has posed these interesting hypothetical cases of what happens if this happens or that happens. Earlier the Senator proposed a hypothetical case of what if a Senator in Maryland should die while in office. How would that be filled? Of course if a Senator or a Representative from the District died in office that seat would be filled in the same manner it is filled under present law in other States until a new election was held.

Mr. MATHIAS. You see we have organic law on the subject. The XVII amendment says:

> When vacancies happen in the representation of any State in the Senate, the executive authority of such State shall issue writs of election to fill such vacancies: *Provided*, That the legislature of any State may empower the executive thereof to make temporary appoints until the people fill the vacancies by election as the legislature may direct.

All I am trying to do is to get the Senator's amendment in focus with what the organic law of the country is.

Mr. MELCHER. In response to that I have pointed out the Governor of Maryland would appoint a successor; that, in contrast, if House Joint Resolution 554 were passed as is, if there were a death of a Senator from the District, we do not know how it would be filled.

Mr. MATHIAS. Under this amendment the executive authority fills it until the legislative body in the District will act.

Mr. MELCHER. Yes. Whatever executive happens to be formed after we go through this procedure. The same is true of resignation. We know the procedure under the States. The Governor fills a vacancy until the next election. In the case of whether the residents of the District could run as Senator in the State of Maryland, it would be my judgment that indeed, yes, that District residents could run for a seat as a Senator from Maryland.

Mr. BAYH. How could that be?

Mr. MELCHER. Implementation of all of the various necessities of each constitutional amendment, including, I would point out to my distinguished friend from Indiana, the equal rights amendment, if that is ratified, would be dependent on the clause that always accompanies each constitutional amendment, that appropriate laws would be enacted by Congress to carry out the intent of the amendment. There is no difference in this in either form, in House Joint Resolution 554 or in the form of my substitute. There is no difference, and it is not any different from any other constitutional amendment that has been proposed during the whole process of amending the Constitution.

I find no reason to pose any stumbling block on section 3 of article IV of the Constitution, as was envisioned that it might be a stumbling block by my friend from Indiana. I think it is clear that the proposition of allowing the residents of the District to vote as if they were residents of Maryland for purpose of electing Senators says it all. We are not dealing with geography. We are not dealing with land or with property. We are dealing with the basic right of individuals and how they are going to be represented in the U.S. Senate, and it is consistent in every way with the basic thrust of the Constitution of electing Members of the House of Representatives based on population, and electing Members to the Senate based on statehood.

Mr. BAYH. Mr. President, will the Senator permit me to make a comment, will the Senator yield further?

Mr. MATHIAS. Yes.

Mr. BAYH. I must say I concur with the analogy my good friend from Montana states about the implementation. I mean, if this is accepted one would expect that the reasonable implementing legislation could follow.

But what concerns me about this, is that there are a number of very critical conflicts that would follow, where you could argue the reasonableness either way.

For example, in the Constitution it says—and I would assume that just giving this franchise to the citizens in the District would not necessarily go to all other relationships that are guaranteed under the Constitution:

> The House of Representatives shall be composed of Members chosen every second Year by the People of the several States, and the Electors in each State shall have the Qualifications requisite for Electors of the most numerous Branch of the State Legislature.

Here we are talking about, really, two different legislative branches. How are we going to determine what the qualifications are for voting for Representatives and voting for Senators, as contained elsewhere in the Constitution, where we are talking about the qualifications being the same as for the State legislature? Should the qualifications be the ones necessary for the legislature that meets in Annapolis, or the legislature which is the Common Council here in the District of Columbia? How do we get around that difference?

Mr. MELCHER. Mr. President, will the Senator yield to me?

Mr. MATHIAS. I am happy to yield to the Senator from Montana so that he may respond.

Mr. MELCHER. The answer is very simple. The qualifications that would apply would have to be the qualifications for Maryland insofar as they were applicable. Where they infringe on the rights of any individual in the District, if it were pointed out at some time, we would make the usual correction, as we have in all cases, or not in all cases, but in

as many as we have been able to. Where we have found an infringement on the rights of an individual, we address that appropriately in Congress, as we have in the case of every other constitutional amendment.

Mr. BAYH. There are very real questions, if the Senator will yield further——

Mr. MATHIAS. I yield again for the Senator from Indiana to make an inquiry.

Mr. BAYH. There is a very pertinent question as to the residency question. The District of Columbia has a number of citizens who move in and out of the city, and it is entirely possible that one could have the franchise and can come here and vote for the President of the United States with minimal residency requirements, and that that could be one of the qualifications for voting for Members of the House and Senate as well as for the Presidency. Yet in Maryland, for reasons that seemed good to the Maryland Legislature, the residency qualifications could be much different, and you could have a number of people in the District disqualified from voting for Senators by residency requirements established in Annapolis.

That is the difficulty I see against the form of State legislature in comingling these two kinds of constituencies, for the voting requirements are determined in the Constitution and allocated to the State legislature.

Mr. MELCHER. May I answer that?

Mr. MATHIAS. Yes, I yield to the Senator from Montana to respond.

Mr. MELCHER. I would say we would handle it exactly as we handled any other votings rights problem. I do not think that condition exists in Maryland; I do not believe it now exists in Maryland, and I doubt if it would pose a problem at all in the future. But if it did pose a problem, where the constitutional right to vote for a Senator from Maryland as if they were a resident of that State, or a restriction to that right arises, as the Senator from Indiana knows much better than I, it can be corrected by congressional review and action, if that is the case.

Mr. BAYH. I am not concerned about the kind of review we have addressed. I ask forgiveness of my friend the Senator from Maryland——

Mr. MATHIAS. Please go ahead.

Mr. BAYH. I suppose it is a perfectly reasonable qualification to say that you ought to be a resident of a State in order to represent that State. But does that mean that if you live in the District of Columbia, you are a resident of Maryland according to the requirement in Annapolis. That you have to be a resident before you can vote, or indeed a resident before you can serve? It is these questions that really cause me concern. I know my friend from Montana has resolved them in his own mind or he would not have proposed this constitutional amendment.

Mr. MATHIAS. Mr. President, let me comment briefly to the Senator from Indiana that what he is looking at is a dual set of registrations and a dual set of voting books. As Senators are aware, it is difficult to get voters on one set of voting books.We have a very sad record in this country of voter participation. The percentage of our population which participates in political decisions by voting is unhappily on the decrease, and has been for a number of years.

When we say to the voters of the District of Columbia, "After all these years, you are going to be represented in the Senate and in the House of Representatives, but in order to do that you have to be not on one set of books of registration, you have to be on two," what will that do to participation?

Mr. MELCHER. Is the Senator posing that question to me?

Mr. MATHIAS. Well, really, I am just responding to the question of the Senator from Indiana.

Mr. MELCHER. Might I respond, then?

Mr. MATHIAS. I yield to the Senator from Montana for that purpose.

Mr. MELCHER. I thank the Senator.

I find that in my State for purposes of elections of the county, the State, and the Federal Government I have to register on one set of registration books. For city purposes, I have to register on another set of books. For purposes of voting in school board elections, my name is on another set of books. I do not know the situations in Maryland or Indiana, but I feel that is a responsibility of citizenship, and I do not find it difficult or impractical or unnecessary. I find that there are reasons for that, and that the reasons are appropriate.

Mr. BAYH. Will the Senator permit me——

Mr. MATHIAS. I yield.

Mr. BAYH. I am not familiar with the Montana situation, but the situation in Indiana is similar if you talk about different kinds of elections and different kinds of jurisdictions. But in our State you only have to register one time. and the qualifications are consistent.

Here, for reasons I have mentioned earlier, because of the very transient nature of the District of Columbia population, you might have a different residency requirement for voting in the District than in Maryland, so you would have different qualifications. I do not know whether you have different qualifications in Montana. You do not in Indiana.

Mr. MELCHER. Would the Senator want, if my amendment is adopted, to modify it to declare that the qualifications will be the same in the District and in Maryland? I do not think that poses the kind of problem that makes it necessary, but if it were necessary, it could certainly be done.

Mr. BAYH. It would seem to me that if it were to be adopted, that would be the kind of thing we should undertake.

The question is, if the people in Maryland or the people of the District did not like the way in which we got involved in that, could they not, in essence, go to the Constitution that I have been reading from on occasion here, and say, "Wait a minute, you do not have a right to do that"? That is the reason for my concern.

May I address another question to the Senator from Montana?

Mr. MATHIAS. I yield.

Mr. BAYH. Let me say to the Senator from Montana that according to the 14th amendment, which was really not changed from the original article, this particular wording of article 1, section 2, where it says that Representatives shall be apportioned among the several States according to their respective numbers, does that mean, in determining the number of House Members that would be required, the citizens of the District of Columbia would be apportioned in with Maryland citizens in determining how many representatives should be given?

Mr. MELCHER. In answer to that question, I would say "No," it would be treated as it would be treated in House Joint Resolution 554, which the Senator is supporting, exactly the same way.

Mr. BAYH. I would like my friends to look at what that means. We are establishing a geographical boundary as far as Representatives are concerned and say, "OK, the District is entitled to the number of Congressmen that their numbers would entitle them to in the apportionment that occurs every 10 years."

If we say they do not vote separately, that they need to vote with Maryland, then it would seem to me that to determine how many they get we would have to take the Maryland population and District population and divide that under the decennial census, which occurs next time, in order to determine how many votes they are entitled to.

The PRESIDING OFFICER (Mr. FORD). The Senator from Maryland has the floor.

Mr. MATHIAS. I ask unanimous consent to yield to the Senator from Massachusetts without losing my right to the floor.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. KENNEDY. I thank the Senator.

Mr. President, just prior to the vote on the issue raised by the Senator from Montana, I believe it might be appropriate for us to give some consideration to the historical reasons for the establishment of the District of Columbia. I fully agree with the other opponents of the amendment, because the District has no logical ties with Maryland now, and because the real precedent is the 1961 amendment to the Constitution, the 23rd amendment, which gave the District its own independent voice in Presidential elections. By that precedent, we now ought to give the District its own independent voice in Senate and House elections. The historical establishment of the District of Columbia is rather unique and special, and not unrelated to the issue which is before us.

Members of the Senate will recall the incident of 1783, called the Philadelphia Mutiny, in which about 200 Revolutionary War soldiers marched on the Continental Congress in Philadelphia, in order to obtain back pay representing the salaries they earned in the war and had failed to receive.

For a brief period, the Continental

Congress was virtually under seige. They asked the Pennsylvania militia for help, but the request was refused. Concerned about their personal safety, the Members of the Congress fled that evening to Princeton.

The incident had a lasting effect. The right of the new Congress to protect itself was the overriding consideration when, in 1787, the Founding Fathers approved article I, section 8, clause 17 of the Constitution, which provides that the Congress would have exclusive legislative control over the area to be designated as the Capital of our new Nation.

There is an interesting historical tale behind the selection of the actual site for the District. The Northern and Southern States each wanted the site to be in their region, anticipating the economic growth and other benefits that would come. So Thomas Jefferson and Alexander Hamilton worked out a compromise, by which a southern site on the Potomac River would be chosen in return for an agreement by the Southern States to allow the Federal Government to assume the State debts from the Revolutionary War. Payment of the debts would benefit the Northern States, since they were generally the States where the creditors were located.

In 1788, in anticipation of the selection of the site, Maryland had ceded certain lands. They were general in description, and Virginia followed suit the following year, in 1789. Then, in 1790, the 1st Congress passed what was called the Residence Act, specifying a general area along the Potomac from which the 10-mile square zone was to be selected by the President. According to the statute, the southern corner of the District was to be located no farther south than the junction of the Potomac and Anacostia Rivers, as shown on the map I have here at the rear of the Chamber.

But that limitation did not suit President Washington, who wanted the Capital site to include Alexandria, somewhat closer to his home in Mount Vernon. So he simply fixed the southern corner of the District below Alexandria, even though the action violated the restrictions set by Congress and created a District roughly one-third outside the limits in the law. Congress went along, however, and subsequently approved the President's action.

But the conflict of interest on Mount Vernon was embarrassing, and President Washington decided that no Federal buildings should be erected in the Virginia portion of the District. And none were established. Even 50 years later, none have been established. And so the Virginia portion of the District was given back to Virginia, with the approval of both the Virginia legislators and the citizens of Alexandria.

So this is an entirely different historical pattern from the development of the area ceded by Maryland, particularly in the location of all the various aspects of the new Federal Government. A reading of the history of this period would have to draw different conclusions with regard to the land ceded by Maryland and the land ceded by Virginia.

So when the case is made here on the Senate floor as to the precedent involving the land ceded from Virginia, which was given back to Virginia by retrocession, it turns out to be no precedent at all. There is no logical reason today why the people of the District ought to be a part of Maryland 200 years after the land was ceded.

Mr. President, I make these remarks because I think that consideration of this issue ought to have some understanding of the completely different historical patterns of development and the relationship between the District, Virginia, and Maryland.

Others in the debate have commented on the precedent of the 23d amendment, which is much more reliable as a precedent, and which indicated very clearly that Congress recognized the people in the District of Columbia were entitled to express their views independently in Presidential elections, not tied to any other State.

Mr. President, I ask unanimous consent that two memorandums prepared by Virginia A. McMurtry of the Library of Congress on these historical points, one dated February 13, 1978, and the other dated July 21, 1975, may be printed in the RECORD.

There being no objection, the material was ordered to be printed in the RECORD, as follows:

ESTABLISHMENT OF THE DISTRICT OF COLUMBIA AND HISTORY OF RETROCESSION EFFORTS, FEBRUARY 13, 1978

The first reference to the subject of a "permanent residence" for the seat of the American government to be found in the records of the national legislature adopted on June 4, 1783. At this time the Second Continental Congress, meeting in Philadelphia, set a date on October for consideration of offers from two States for proposed sites.

Meanwhile, on June 21, 1783, the so-called "Philadelphia mutiny" occurred, an episode of continuing significance in the ensuing years whenever the subject of a national capital was discussed. On this day some 80 to 250 (accounts vary as to the precise number) Revolutionary Army troops, not yet deactivated and disobeying the orders of their officers, marched on and surrounded Independence Hall in Philadelphia where the Continental Congress was in session. The objective of the mutineers in coming to Philadelphia was to petition the Congress directly for the many months of back pay due to them. However, the troops were armed, angry, and lacking in leadership. In response to the potential dangers posed by the presence of the mutineers, the Congress requested police or militia protection from the Pennsylvania authorities, but the request was denied. So the Members, humiliated and fearing physical violence, could but bar the doors and shutters of the chamber and wait. Fortunately, the troops dispersed by evening, whereupon the Congress voted to move to Princeton, New Jersey, where the local authorities promised adequate protection. This episode convinced James Madison, along with others, of the necessity of establishing a capital city under the exclusive jurisdiction of the Congress, an idea subsequently embodied in the Constitution of 1787.

Although the designation of a site for the Capital City had been a matter of heated discussion for several years, the Constitutional Convention specified no precise location. Rather, Article I, section 8, clause 17, stipulated that Congress would have the power "To exercise exclusive Legislation in all Cases whatsoever, over such District (not exceeding ten miles square), as may, by Cession of particular States, and the Acceptance of Congress, become the Seat of the Government of the United States. . . ." While various geographic concerns were voiced during the deliberations on the subject, an underlying theme related to perceptions of economic advantage. There existed a general assumption that—

Wherever Congress chose to locate the federal city, there a great commercial center would arise. That conviction explains more fully than any consideration of prestige or legislators' convenience why sectional controversy had run so strong during the congressional debates on the "residence" bill.[1]

Thus, the various States offering land for the purpose—Maryland, New Jersey, New York, Pennsylvania, and Virginia—had all indicated a willingness to relinquish any vestige of State authority over the ceded territory.

The issue was resolved by Act of July 16, 1790 (1 Stat. 130), whereby the Congress determined that Philadelphia would serve for ten years as the temporary seat of the Federal Government. Then on the first Monday in December of 1800 the United States Government was to be transferred to a permanent location in a district not exceeding ten miles square (as provided in the Constitution) to be located on the Potomac River "at some place between the mouths of the Eastern Branch and the Connogocheague." The law further authorized commissioners appointed by the President to survey and define precisely the boundaries of the area, to be derived from sections of land on either side of the Potomac River ceded from the States of Maryland and Virginia, in 1788 and 1789, respectively.[2]

Discussion concerning possible retrocession of the land which thus came to comprise the District back to Maryland and Virginia, as a possible solution to the disenfranchisement of the area's residents as well as other grievances, began shortly after 1800. As described in one source:

The first efforts for retrocession were made by the residents of Georgetown in 1803. A bill to retrocede to the State of Maryland her portion of the District was introduced in Congress and received 26 votes in the affirmative. The effort for retrocession was renewed the next year, in 1804, and again in 1818 and 1834. . . . But as soon as the law enacted by Congress in 1801 brought them under the exclusive legislation of Congress, with loss of the rights of citizenship in the states, they at once began to lament their loss of political rights, and to agitate for retrocession.[3]

The periodic efforts of Georgetown to be re-ceded to Maryland proved unsuccessful, but in 1846 the Virginia portion of the District, known as the County of Alexandria, was retroceded. The situation of the former Virginia territory differed from that of the Maryland in two important respects. First, the Federal Government as of the mid-Nineteenth Century had not used any of the land across the Potomac in the Virginia section for Federal buildings, and, equally important, the State Legislature in Richmond (unlike its counterpart in Annapolis) was willing to take back the previously ceded areas. On July 9, 1846, Congress agreed to the retrocession of the County of Alexandria (9 Stat. 35), contingent upon the approval of the residents of the affected area. Following the vote by the residents in favor of retrocession, the action was finalized on September 7, 1846 via Presidential proclamation.[4] The constitutionality of the retrocession was upheld by the Supreme Court in 1876, in the case of *Phillips* v. *Payne*. As a result of the 1846 retrocession to Virginia, the area of the District, originally one hundred square miles, was reduced to the approximately sixty-nine square miles retained to the present.

Footnote at end of article.

Over the years hearings on "home rule" for the District of Columbia have often been concerned in part with legislation proposing the retrocession of portions of the District to the State of Maryland. For example, the House Committee on the District of Columbia considered the issue of retrocessions in hearings occuring in the 83rd, 84th, 85th, 86th, 88th, 89th, and 92nd Congresses, while the Senate Committee on the District of Columbia examined the retrocession subject in hearings during 1953 and 1959. The only retrocession legislation reported in the post-World War II era occurred in 1965, when the House District Committee reported H.R. 10115 (House Rept. 89-957).

FOOTNOTES

[1] Green, Constance McLaughlin, Washington: Village and Capital, 1800-1878. Princeton University Press, 1962.

[2] Maryland Laws 1798, ch. 2, p. 46; Laws of Virginia 43 (Hening 1789).

[3] Casselman, Amos B. The Virginia Portion of the District of Columbia. Records of the Columbia Historical Society. v. 12. Washington, 1909. p. 126.

[4] For a more detailed discussion of the Virginia retrocession and the legal considerations involved, sec: U.S. Congress. Senate. Committee on the District of Columbia. Retrocession Act of 1846. Washington, U.S. Govt. Print. Off., 1910 (61st Congress, 2nd session; Senate Doc. 286).

SELECTION OF THE SITE FOR THE NATION'S CAPITAL AND NOTABLE QUOTATIONS PERTAINING THERETO, JULY 21, 1975

This is written in response to your request for information on the above, as clarified during our telephone conversation of 16 July 1975. In order to fully comprehend the specific compromise worked out in 1790 between Thomas Jefferson, then Secretary of State, and Alexander Hamilton, then Secretary of the Treasury, which resulted in the approval by the Congress of a site on the Potomac River, subsequently to be known as the District of Columbia, as the Nation's Capital, one should briefly survey the various background considerations and events leading up to this ultimate selection. In this way one is able to view the details of the compromise in the appropriate context.

The first reference to the subject of a "permanent residence" for seat of the national government to be found in the records of the national legislature appeared on June 4, 1783. At this time the Second Continental Congress, meeting in Philadelphia, set a date in October for consideration of offers from two states for proposed sites.[1]

Meanwhile, on June 21, 1783, the so-called "Philadelphia mutiny" occurred, an episode of continuing significance in the ensuing years whenever the subject of a national capital was discussed. On this day some 80 to 250 (accounts vary as to the precise number) Revolutionary Army troops, not yet deactivated and disobeying the orders of their offices, marched on and surrounded Independence Hall in Philadelphia where the Continental Congress was in session. The objective of the mutineers in coming to Philadelphia was to petition the Congress directly for the many months of back pay to them. However, the troops were armed, angry, and lacking in leadership. In response to the potential dangers posed by the presence of the mutineers, the Congress requested police or militia protection from the Pennsylvania authorities, but the request was denied. So the Members, humiliated and fearing physical violence, could but bar the doors and shutters of the chamber and wait. Fortunately, the troops dispersed by evening, whereupon the Congress voted to move to Princeton, New Jersey, where the local authorities promised adequate protection. This episode convinced James Madison, along with others, of the necessity of establishing a capital city under the exclusive jurisdiction of the Congress, an idea subsequently embodied in Article I. section 8, clause 17 of the Constitution in 1787.

Discussion and at times rather heated debate concerning the matter of the location of the capital city continued intermittently for some seven years, 1783-1790. During this period the Congress had met in several cities: Philadelphia, Princeton, Annapolis, Trenton, and New York, the locale for the assemblage of the first Congress under the new Constitution in 1789. Although various geographic considerations were repeatedly brought up during the course of the discussions, an underlying theme related to perceptions of economic advantage. There existed a general assumption that wherever Congress chose to locate the federal city, there a great commercial center would arise. That conviction explains more fully than any consideration of prestige or legislators' convenience why sectional controversy had run so strong during the congressional debate on the "residence" bill.[2]

Several months before debate on the issue commenced in the new Congress, some half-dozen cities and states had made offers of land for the site.

By the time the new Congress turned its attention to the matter of the site for the capital, late in the 1789 session, there was widespread consensus on certain geographic prerequisites: the site should be in a central location and should be on a navigable river far enough from the Atlantic Ocean as to be safe from attacks by sea while concurrently providing communication links with the country to the west, beyond the Alleghanies, where future growth was anticipated. A "central" location was a matter of debate, however, since "whereas some men defined central as geographically half-way between southern Georgia and northern New Hampshire, to others the term meant center of population, a point considerably north of Virginia, even were slaves counted."[3]

It seems clear from the records of the House debate in September of 1789 that the choice, as perceived by members of that body, had narrowed to two possible locations: Georgetown, near the lower falls of the Potomac, and Wrights Fall, Pennsylvania, near the falls of the Susquehanna River. On September 22, 1789, after four full days of debate on the site-location matter, the House approved a measure naming the latter option, the Susquehanna, as the permanent site, while designating New York City as the temporary location. Comparable records of the debate in the Senate are not available, but apparently discussion there was not confined to the relative advantages and disadvantages of the Susquehanna and Potomac locations. Among various changes which the Senate made in the House bill was the substitution of Germantown and past of the Northern Liberties of Philadelphia for the site on the Susquehanna. After receiving the bill as substantially revised by the Senate, the House proceeded to make additional alterations, and returned the bill to the Senate, where final action was postponed until the next session of Congress, scheduled to convene in 1790.[4]

In May of 1790 the House again turned attention to the matter of site location; however, it was decided to defer consideration of a permanent place and to focus only on the question of a temporary location. On May 31, 1790, the House approved a measure, stipulating that the next session of Congress was to be held in Philadelphia, but the Senate did not concur. On June 11, the House passed a resolution calling for Baltimore as the locale for the following session. Meanwhile, the Senate ignored the issue of temporary location and concentrated on the long-term matter of a permanent capital city. A Senate committee had recommended the selection of a Potomac site somewhere "between the mouths of the Eastern Branch and Conogocheague," and the full Senate approved the bill as reported with slight amendment by a vote of 14-12 on July 1, 1790.

The Senate bill then went to the House where, after three days of debate, it was approved by a vote of 29-22 on July 9. The "residence bill" became law on July 16 and provided in brief that the temporary seat of government was to be moved to Philadelphia (from New York City where Congress was currently meeting) and was to remain there for ten years. On the first Monday in December of 1800 the United States Government was to be transferred to a permanent location in a district not exceeding ten miles square (as provided in the Constitution) to be located on the Potomac River "at some place between the mouths of the Eastern Branch and the Connogocheague." It is noteworthy that this legislation neither provided a specific name for "said district," nor did it stipulate the precise location of the site; instead the law authorized the President to appoint three commissioners "who shall under the direction of the President survey and define said district. . . ."[5]

The selection of the Potomac site met various of the geographic requirements as outlined above. However, since debate on the issue has dragged on for several years, the relative speed with which the ultimate proposal was approved in 1790 on the surface appears rather curious. The situation upon further examination becomes readily comprehensible as an early instance of what in contemporary parlance is termed "logrolling," or the "legislative practice whereby reciprocal agreements are made between legislators, usually in voting for or against a bill ('an aye for an aye.')."[6] As one historian has explained,

It is quite clear from the accounts of contemporaries, as well as by at least one reference in the final debate in the house, and the same conclusion might be drawn from the legislative history of the bill, more especially in the second session of the first congress, that the residence bill was the result of what was then described as 'a bargain,' but which as a familiar feature of legislative procedure, is more commonly spoken of as a compromise.[7]

At the same time that the First Congress was wrestling with the issue of a location for the national capital, an equally controversial topic of great importance was also pending: the funding of the public debt and the assumption by the national government of the state debts incurred during the Revolution. The division of opinion in the Congress on the two issues resulted in roughly comparable northern states-southern states alignments. The states from Pennsylvania north generally favored assumption of the debts, since the majority of the creditors resided in this region. The predominantly agricultural southern states, on the other hand, were less concerned with the needs of this emerging commercial class. With respect to the location of the permanent capital, as noted previously, there was some consensus on the need for a "central" location, but the southern states advocated the "geographic center" of the country in the Potomac region, whereas the northern states favored the idea of the "population center" further north.

Alexander Hamilton, the Secretary of the Treasury, was a strong proponent of funding the public debt as well as the state debts by means of obligations to be assumed by the Federal Government. By June of 1790 the prospects for successful passage of an "assumptionist" bill appeared slim, as the measure had already been defeated in the House. So Hamilton devised a plan in an attempt to resolve the impasse with respect to both the residence and funding bills: arrange sufficient northern votes to approve the Po-

Footnotes at end of article.

tomac River location for the capital in exchange for a promise of enough southern votes to ensure passage of the funding bill.

Hamilton decided to approach Thomas Jefferson with the proposal. Since Jefferson was currently serving as Secretary of State, he might be appealed to for support on the assumption of the debt from the perspective of "administration unity" and overriding "national interest." And as a Southerner, Jefferson was known to favor the Potomac River location for the capital, because he thought that establishment of the seat of government there would attract "foreigners, manufacturers and settlers" to Virginia and Maryland, thereby gradually shifting the centers of both national population and power southward.[8]

Against this background there was a chance meeting between Hamilton and Jefferson on the sidewalk in front of the President's New York City residence in mid-June, 1790, which provided Hamilton with a convenient opportunity to broach the subject to Jefferson. The next evening, at Hamilton's request, Jefferson arranged a dinner at his home to which he invited two Virginia congressmen, in addition to Hamilton. As historian Constance M. Green summarizes the episode, with its lasting implications:

Over Jefferson's supper table in New York, the two cabinet members and congressmen Richard Bland Lee and Alexander White of Virginia agreed that, in return for Hamilton's aligning northern support for a southern capital, the Virginians would vote for federal assumption of the state debts incurred during the Revolution.[9]

An account of the events surrounding the final compromise is also provided in Jefferson's collection of notes, which he called his "Anas," as follows:

Hamilton was in despair. As I was going to the President's one day, I met him in the street. He walked me backwards and forwards before the President's door for half an hour. He painted pathetically the temper into which the legislature had been wrought, the disgust of those who were called the creditor States, the danger of the secession of their members, and the separation of the States. He observed that the members of the administration ought to act in concert, that tho' this question was not of my department, yet a common duty should make it a common concern; that the President was the center on which all administrative questions ultimately rested, and that all of us should rally around him and support with joint efforts measures approved by him; and that the question having been lost by a small majority only, it was probable that an appeal from me to the judgment and discretion of some of my friends might affect a change in the vote, and the machine of government, now suspended, might be again set in motion.

I told him that I was really a stranger to the whole subject; not having yet informed myself of the system of finances adopted. I knew not how far this was a necessary sequence; that undoubtedly if its rejection endangered a dissolution of our Union at this incipient stage. I should deem that the most unfortunate of all consequences, to avert which all partial and temporary evils should be yielded. I proposed to him, however, to dine with me the next day, and I would invite another friend or two, bring them into conference together, and I thought it impossible that reasonable men, consulting together cooly, could fail, by some mutual sacrifices of opinion, to form a compromise which was to save the Union. The discussion took place. I could take no part in it but an exhortatory one, because I was a stranger to the circumstances which should govern it. But it was finally agreed that whatever importance had been attached to the rejection of this proposition the preservation of the Union and of the concord among the States was most important, and that therefore it would be better that the vote of rejection should be rescinded, to effect which some members should change their votes. But it was observed that this pill would be peculiarly bitter to the Southern States, and that some concomitant measure should be adopted to sweeten it a little to them. There had before been propositions to fix the seat of government either at Philadelphia or at Georgetown on the Potomac; and it was thought that by giving it to Philadelphia for ten years and to Georgetown permanently afterwards this might, as an anodyne, calm in some degree the ferment which might be excited by the other measure alone. So two of the Potomac members (White and Lee, but White with a revulsion of stomach almost convulsive) agreed to change their votes, and Hamilton undertook to carry the other point.[10]

And so the compromise was implemented. To complete the narrative, the funding bill was approved by the Congress and signed into law on August 9, 1790.

There are few quotations readily available relating to the selection of the District of Columbia per se as the location for the permanent capital by contemporaries of Hamilton and Jefferson. This is understandable in light of the preceding discussion. For one thing, the Residence Act of 1790 did not stipulate the precise location, but only that it would be on the Potomac River and so on as cited previously. An even more fundamental problem in searching for quotations on the "District of Columbia" is that the name was not designated in the act or even mentioned in the debates on the issue; instead it appears that the first Board of Commissioners of the Capital, appointed by Washington, decided upon the name. In a letter of September 9, 1791, to Major L'Enfant, the Commissioners noted: "We have agreed that the federal District shall be called 'The Territory of Columbia,' and the federal City 'The City of Washington'. . . ." [11]

With regard to impressions of the government officials at the time of the move to the permanent location in 1800, the historian Bryan reports that only two accounts have been preserved. One description is found in a letter written on July 11, 1790, by Abraham Bradley, the Assistant Postmaster-General, who was in charge of moving the offices of that Department to the new city. Oliver Wolcott, the Secretary of the Treasury, also mentions the city in a letter of July 4, 1790. In addition, a letter written by President Adams' wife Abigail to their daughter in November of 1800 is extant. After offering a very candid appraisal of the city in 1800, Mrs. Adams concludes with the observation that Washington "is a beautiful spot, capable of every improvement, and, the more I view it, the more I am delighted with it." [12]

We trust that we have been responsive to your request and that this information proves useful for your purposes. If we can be of further assistance in this, or any other matter, please feel free to contact us at 426-5821.

FOOTNOTES

[1] Bryan, Wilhelmus Bogart. A History of the National Capital. Vol. I. New York. Macmillan Company (1914) p. 8.

[2] Green, Constance McLaughlin. Washington: Village and Capital, 1800-1878. Princeton, Princeton University Press (1962) p. 7.

[3] Ibid.

[4] Bryan, pp. 29-35.

[5] Bryan, pp. 36-39.

[6] American Government 73/74 Encyclopedia. Guilford, Conn. Dushkin Publishing Group (1973) p. 184.

[7] Bryan, p. 41.

[8] Green, p. 7.

[9] Ibid., p. 8.

[10] Cited in Tindall, William. Standard History of the City of Washington. Knoxville, Tenn., H. W. Crew (1914), pp. 29-30.

[11] Tindall, p. 121.

[12] See Bryan, pp. 353-54 and Weisberger, Bernard A. (ed.). The District of Columbia. New York, Time-Life Books (1968), p. 37. Excerpts from these sources are attached.

Mr. KENNEDY. Mr. President, a related issue in the current debate is the extent of the Federal presence in the District of Columbia. While the District is, of course, the Federal City and has a substantial Federal presence, it is hardly unique in many of the aspects by which the Federal presence is measured.

In fact, by one of the most obvious measures—the percentage of land area owned by the Federal Government—the District of Columbia at 38 percent ranks below eight States: Alaska, 96 percent Arizona, 43 percent, California, 45 percent, Idaho, 66 percent, Nevada, 85 percent, Oregon, 52 percent, Utah, 64 percent, and Wyoming, 48 percent.

Recently, I asked the Library of Congress to provide a summary of the major Federal installations in the States and the District of Columbia. According to the Library of Congress, the information proved remarkably difficult to assemble. But with its usual skillful effort, the Library has produced an excellent and informative result that gives a very clear view of the Federal presence not only in the District of Columbia, but in all 50 States. The summary is convincing evidence that arguments based on the so-called excessive Federal presence in the District of Columbia provide no justification for denying full voting representation in Congress to the District of Columbia.

Mr. President, I ask unanimous consent that the report and analysis of the Library of Congress may be printed in the RECORD.

There being no objection, the material was ordered to be printed in the RECORD, as follows:

MAJOR FEDERAL INSTALLATIONS IN THE U.S., BY STATE

(By Susan Schjelderup, Analyst in American National Government, Government Division, Congressional Research Service, Library of Congress, Aug. 3, 1978)

INTRODUCTION: ASSESSING THE EXTENT OF "FEDERAL GOVERNMENT PRESENCES"

The report responds to the question: What useful indicators can be given of the nature and extent of Federal presence in each of the fifty States? In particular, which indicators are commonly recognized and easily observed by the public? However defined, that presence is substantial and pervasive. No general agreement exists, however, in law or literature, as to a definition of Federal presence; hence, the answer to this question begins with a selection of a definition. Until that is settled, the answers may be imprecise because of differences in the data available to describe the selected elements.

A variety of indicators could be selected to define and describe the extent of Federal presence in each of the fifty States. One method is to ascertain the Federal impact aid to school districts for each State. Federal impact aid purports to be a payment in lieu of the taxes that would have been earned by a State or local government in the form of property taxes had the land been under private ownership and not under the control of the Federal government. It is actually computed according to a formula of social fac-

tors and is not assessed market value of the property. Other methods are to compare the operating budgets, total personnel or real property holdings administered by the field offices and installations of all the Federal agencies in each of the States. An analysis of real property owned by the U.S. is another measure of Federal presence in each State. The annual inventory of Federal real property undertaken by the General Services Administration yields more reliable and comprehensive data than the other methods for determining Federal presence in the States. Thus, the research method for deriving a list of major Federal installations in each State is based on the summary analysis of real property presented in GSA Summary Report on Real Property Owned by the United States Throughout the World, As of September 30, 1976.

The scope of Federal presence across the nation can be appreciated by the number of categories of real property owned by the U.S. and by the extent to which the Federal government maintains a greater share of holdings in these categories than non-Federal property holders. Categories of Federal property ownership are land, buildings, and structures and facilities.

The first category of Federal real property is land. The Federal government owns 33.5 percent, or 762.2 million acres of land in the U.S.[1] The acquisition cost of Federally owned land in the fifty States is $87.625 billion. That cost for land in the District of Columbia is $1.515 billion. The chart below is a geographic representation of the percentage of land owned by the Federal government in the U.S. [Chart not included in RECORD.]

The table below presents a comparison of Federally owned land with the total acreage of States:

[1] The source for the statistics on land, buildings and structures is the General Services Administration *Summary Report of Real Property Owned by the United States Throughout the World, As of September 30, 1976*, pages 18, 20, 22, 26, 28, 49, 56–57, and 84–89.

TABLE 4.—COMPARISON OF FEDERALLY OWNED LAND WITH TOTAL ACREAGE OF STATES

State	Acreage owned by the Federal Government			Acreage not owned by Federal Government	Acreage of State [1]	Percent owned by Government [2]
	Public domain	Acquired by other methods	Total			
Alabama	29,602.6	1,098,719.6	1,128,322.2	31,550,077.8	32,678,400	3.453
Alaska	352,379,020.1	20,277.1	352,399,297.2	13,082,302.8	365,481,600	96.421
Arizona	31,427,175.0	313,541.7	31,740,716.7	40,947,283.3	72,688,000	43.667
Arkansas	1,072,981.6	2,247,247.1	3,320,228.7	30,279,131.3	33,599,360	9.882
California	43,176,384.5	2,362,641.2	45,539,025.7	54,667,694.3	100,206,720	45.445
Colorado	22,882,567.4	1,085,841.2	23,968,408.6	42,517,351.4	66,485,760	36.050
Connecticut	0	9,393.5	9,393.5	3,125,966.5	3,135,360	.300
Delaware	0	40,834.8	40,834.8	1,225,085.2	1,265,920	3.226
District of Columbia	0	15,098.8	15,098.8	23,941.2	39,040	38.675
Florida	370,629.7	3,238,559.2	3,609,188.9	31,112,091.1	34,721,280	10.395
Georgia	0	2,222,983.4	2,222,983.4	35,072,376.6	37,295,360	5.961
Hawaii	37,472.4	370,421.6	407,894.0	3,697,706.0	4,105,600	9.935
Idaho	32,908,558.0	2,473,494.3	35,382,052.3	17,551,067.7	52,933,120	66.813
Illinois	437.2	563,882.9	564,320.1	35,230,879.9	35,795,200	1.577
Indiana	432.0	490,801.6	491,233.6	22,667,166.4	23,158,400	2.121
Iowa	340.8	224,310.1	224,650.9	35,635,829.1	35,860,480	.627
Kansas	26,331.0	695,049.6	721,380.6	51,789,339.4	52,510,720	1.374
Kentucky	0	1,366,467.0	1,366,467.0	24,145,853.0	25,512,320	5.356
Louisiana	25,185.4	1,033,801.6	1,058,987.0	27,808,853.0	28,857,840	3.668
Maine	0	134,237.6	134,237.6	19,713,442.4	19,847,680	.678
Maryland	0	205,477.7	205,477.7	6,113,882.3	6,319,360	3.252
Massachusetts	0	86,059.0	86,059.0	4,948,821.0	5,034,880	1.709
Michigan	296,594.6	3,125,555.6	3,422,150.2	33,070,009.8	36,492,160	9.378
Minnesota	1,251,288.1	2,165,552.1	3,416,840.2	47,788,919.8	51,205,760	6.673
Mississippi	2,454.1	1,667,957.9	1,670,412.0	28,552,308.0	30,222,720	5.527
Missouri	2,647.3	2,168,954.7	2,171,602.0	42,076,718.0	44,248,320	4.908
Montana	25,222,919.3	2,371,845.8	27,594,765.1	65,676,274.9	93,271,040	29.586
Nebraska	244,456.3	450,152.5	694,608.8	48,337,071.2	49,031,680	1.417
Nevada	60,116,055.0	203,281.2	60,319,336.2	9,944,983.8	70,264,320	85.846
New Hampshire	0	710,628.1	710,628.1	5,058,331.9	5,768,960	12.318
New Jersey	0	131,691.0	131,691.0	4,681,749.0	4,813,440	2.736
New Mexico	24,306,141.6	1,844,008.6	26,150,150.2	51,616,249.8	77,766,400	33.627
New York	0	246,711.3	246,711.3	30,434,248.7	30,680,960	.804
North Carolina	0	2,009,113.1	2,009,113.1	29,393,766.9	31,402,880	6.398
North Dakota	208,769.4	2,150,325.7	2,359,095.1	42,093,384.9	44,452,480	5.307
Ohio	220.0	333,850.9	334,070.9	25,888,009.1	26,222,080	1.274
Oklahoma	149,612.1	1,409,859.1	1,559,471.2	42,528,208.8	44,087,680	3.537
Oregon	30,930,696.2	1,368,659.2	32,299,355.4	29,299,364.6	61,598,720	52.435
Pennsylvania	0	675,130.5	675,130.5	28,129,349.5	28,804,480	2.344
Rhode Island	0	7,466.6	7,466.6	669,653.4	677,120	1.103
South Carolina	0	1,138,475.7	1,138,475.7	18,235,604.3	19,374,080	5.876
South Dakota	1,600,834.3	1,792,419.0	3,393,253.3	45,488,666.7	48,881,920	6.942
Tennessee	0	1,799,903.1	1,799,903.1	24,927,776.9	26,727,680	6.734
Texas	0	3,252,285.1	3,252,285.1	164,965,314.9	168,217,600	1.933
Utah	33,681,075.7	544,523.2	34,225,598.9	18,471,361.1	52,696,960	64.948
Vermont	0	285,679.9	285,679.9	5,650,960.1	5,936,640	4.812
Virginia	0	2,344,099.8	2,344,099.8	23,152,220.2	25,496,320	9.194
Washington	11,072,227.7	1,350,687.1	12,422,914.8	30,270,845.2	42,693,760	29.098
West Virginia	0	1,081,201.0	1,081,201.0	14,329,359.0	15,410,560	7.016
Wisconsin	10,073.4	1,837,711.4	1,847,784.8	33,163,415.2	35,011,200	5.278
Wyoming	29,360,122.4	632,206.7	29,992,329.1	32,350,710.9	62,343,040	48.109
Total	702,793,305.2	59,399,076.5	762,192,381.7	1,509,150,978.3	2,271,343,360	33.557

[1] Source: U.S. Census of Population.
[2] Excludes trust properties.

Source: General Services Administration, "Summary Report on Real Property Owned by the United States Throughout the World, As of Sept. 30, 1976, Government Printing Office, stock No. 022-000-0014-2, p. 49.

The use of this land varies for each State, but categories of Federal use as a whole (in descending order of acres) and the percentage of total Federal land use are:

	Percent
Forest and wildlife	66.2
Grazing	21.5
Parks and historic sites	3.5
Alaska oil and gas reserves	3.0
Military, except airfields	2.4
Flood control and navigation	1.0
Reclamation and irrigation	0.8
Industrial	0.4
Alaska native reserves	0.4
Airfields	0.2
Research and development	0.2
Power development and distribution	0.2
Other uses	0.2

Were these same categories to be arranged according to acquisition costs, however, flood control and navigation, parks and historic sites, forest and wildlife, office building locations and military uses would predominate the list.

The second category of Federal real property is buildings. The Federal government owns 405,043 buildings in the United States for which the total acquisition cost, including capital improvements, is $37.3 billion.[2] The usage categories of Federal buildings in descending order are: service, housing, office, research and development, industrial, hospital, storage, school, prison and other institutional uses, and other uses.

The third category of Federal real property is structures (other than buildings) and facilities for which the total acquisition and capital improvements cost is $44.4 billion.[3] The six usage categories that account for 76.4 percent of the total cost of U.S. structures and facilities are: power development and distribution, flood control and navigation, utility systems, roads and bridges, reclamation and irrigation, and airfield pavements.

CRITERION FOR DETERMINING AND MEASUREMENTS OF MAJOR FEDERAL INSTALLATIONS IN THE STATES

The criterion for distinguishing a major Federal installation from a minor one is that it be among the "most popularly known" of Federal installations in a State.

The measure for real property holdings in land is acres. Although the Federal government holds more land in forest and wild-

[2] General Services Administration, op. cit. p. 26.

[3] Ibid. p. 28.

life, and in grazing, it is assumed that national parks and historic sites, as a class of Federal land use, are more popularly known than forests and grazing lands. It would have been possible to select most popularly known national parks on the basis of attendance, but since attendance in the various national parks fluctuates over the years, it was concluded to be a less reliable measure than the number of Federal acres in each national park.

The source for deriving the largest national parks in each State is a publication of the U.S. Department of the Interior, National Park Service, Index, National Park System and Affiliated Areas, as of June 30, 1977.

The measure for real property in buildings is square feet of floor area. To arrive at the most popularly known Federal buildings in each State, data was compiled from each of the ten GSA Regional Offices. Each Regional Office supplied a list of the twelve largest buildings on the basis of floor space used for offices. While more floor space of Federal buildings is used in the GSA "service" category, which includes use by the Department of Defense, the Energy Research and Development Administration, the National Aeronautics and Space Administration, and the Veterans Administration, the "office" use category was selected. This was done on the assumption that Federal offices, as a class of Federal building use, would be more popularly known. The GSA data was drawn from Federal office space, whether owned or leased to the U.S., used for civilian purposes.

The Federal structures and facilities category was eliminated as a category of major installations, and military bases were used as the third category of major Federal installations.

The measure for distinguishing major military bases from minor ones was total military and civilian personnel on base. Other measures, such as operating costs, land in acres, total military personnel, or total population supported by the base are possible. The total number of military and civilian personnel on a base was arbitrarily selected as a more likely indicator for a popularly known Federal installation. The source used for determining major military bases is the Department of Defense publication, "Base Structure Annex to Manpower Requirements Report for FY 1979," compiled by the Office of the Assistant Secretary of Defense for Manpower, Reserve Affairs and Logistics for February 1978. A more reliable document, according to that office, is its Report on Domestic Base Factors, Fiscal Year 1977, prepared in May 1978, but it was not received until after the research had been completed.

QUALIFYING REMARKS ON THE RELIABILITY OF MEASURES SELECTED

I. National parks

Since the national parks listed were selected on the basis of land in acres owned by the U.S., some parks, historic sites or other areas representing substantial Federal acreage may be excluded from the list for the following reasons:

1. A more popularly-known park in a State may actually be comprised of fewer Federally-owned acres than a less popularly-known park in that State. This is particularly likely in a State having many national parks of vast Federal acreage. This describes all western States, where the Federal government owns 47.7 percent of the area constituting the western States, each of which is considerably larger than most non-western States. Attendance statistics show, for example, that the Golden Gate National Recreation Area is more popular than the Death Valley National Monument, but because it contains less Federal acreage it was excluded. The more popular park with less Federally-owned acreage than the one with greater Federal acreage might also be excluded in a State that has few parks and in which Federal acreage is comparatively slight. For example, the John F. Kennedy National Historic Site in Brookline, Massachusetts is .09 acres, all Federally-owned. It may be more popularly-known than the Adams National Historic Site which is on 8.4 acres, all Federally-owned. Since the criterion for selection was Federally-owned land in acres, however, the Adams site was included and the Kennedy site was excluded. On the other hand, in an attempt to comply with the "popularly known" criterion, Mount Vernon, Virginia was selected over Colonial National Historical Park in Yorktown, Virginia, despite the latter's greater Federal acreage, on the basis of this Northern Virginian's opinion that the former is more popularly known. Further, a more popular installation may be "hidden" in another installation, such as the Grand Teton Dam in the Grand Teton National Park.

2. There are some complicating factors related to the number of jurisdictions over Federal real property assigned to various agencies, and to shared jurisdictions between the Federal government and non-Federal entities. (a) The multiple jurisdictions aspect is illustrated by the fact that of Federal real property holders, the Department of the Interior, through its National Parks Service, Geological Survey, Fish and Wildlife Service, and Bureau of Land Management; the Department of Agriculture, through its Forest Service; the Tennessee Valley Authority; and the Army Corps of Engineers account for 95.2 percent of all Federally-owned land. Different locations on the same property may be controlled by the Forest Service and the National Parks Service. For example, land above the fourteen thousand foot contour at the summit of Pike's Peak is administered as a national historic landmark by the National Parks Service of the Department of the Interior, whereas the base of Pike's Peak, located in the Pike National Forest, is controlled by the Forest Service of the Department of Agriculture. Since only national parks are listed, mountainous landmarks that may be more popularly known than national parks but which are administered by the Forest Service are necessarily excluded. Similarly, dams administered by the Tennessee Valley Authority may be more popularly known as Federal installations in their respective States than national parks, yet these are excluded from the list. (b) The complicating factor relating to shared jurisdictions between the Federal government and non-Federal entities is suggested by the possibility that a largely State-owned, or largely privately-owned, national park which does contain Federal acreage may be more popular than a largely Federally-owned national park. However, only the latter would be included on the list.

3. There should be greater weight in terms of popularity given to national parks in the western States than to those in the Midwest and the East for two reasons: (a) There are more national parks in the West than elsewhere in the U.S. Delaware has no national parks or historic sites. Connecticut contains only one park, the Appalachian National Scenic Trail, which it shares with many other eastern States. In cases where a State has less than five national parks but contains part of a park largely located in another State, this is indicated by a parenthetical remark to see the other State. A national park may be identified with a particular State, but unless otherwise noted only the Federal acreage in that State is given here. (b) Most national parks selected from the western States contain far more Federally-owned acreage than do the largest national parks of most other States.

II. Federal buildings

Federal buildings are listed, in descending order of total floor space used for offices, under their commonly known name. In many instances these names are non-descriptive titles such as "Federal Plaza," or misleading titles such as "Federal Building/Post Office" when the occupant holding the largest amount of floor space is not the one suggested by the building title. Therefore, the major Federal tenant in the building is given in parentheses.

Five GSA Regional Offices provided data based on total floor space occupied in the building, while five supplied data based on total floor space occupiable. Occupiable floor space includes occupied space and unused space, and thus reflects a greater amount of total space in the building. The Regional Offices that based their data on occupiable space are:

III. Delaware, Maryland, Pennsylvania, Virginia, and West Virginia;

VII. Iowa, Kansas, Missouri, and Nebraska;

VIII. Colorado, Montana, North Dakota, South Dakota, Utah, and Wyoming;

IX. Arizona, California, Hawaii, and Nevada; and

X. Alaska, Idaho, Oregon, and Washington.

III. Military bases

For most States, five of the largest military bases (in terms of total personnel) were selected from the total number of bases listed in the source. In States with comparably more bases than other States, such as California, Virginia, and Florida, six or more military bases were selected. Where fewer than five bases are listed in a particular State, those identified represent the only bases supplied by the source.

All arsenals, camps and depots (unless otherwise indicated) are controlled by the U.S. Army.

MAJOR FEDERAL INSTALLATIONS IN THE UNITED STATES, BY STATE

ALABAMA

National parks

Natchez Trace Parkway. (Also in MS and TN), 4,175 Federal acres.

Horseshoe Bend National Military Park, Daviston, 2,040 Federal acres.

Russell Cave National Monument, Bridgeport, 310 Federal acres.

Tuskegee Institute National Historic Site, Tuskegee Institute, 20 Federal acres.

Military bases

Redstone Arsenal, Huntsville, 11,999 employees.

Ft. Rucker, Daleville, 9,229 employees.

Anniston Army Depot, Anniston, 5,054 employees.

Maxwell Air Force Base, Montgomery, 4,192 employees.

Gunter Air Force Station, Montgomery, 2,322 employees.

Federal buildings

12th Avenue Building, Birmingham (Social Security Administration), 579,808 sq. ft.

Ballistic Missile Center, Huntsville (U.S. Army: Ballistic Missile Defense Systems Command), 265,940 sq. ft.

2121 Building, Birmingham (Internal Revenue Service), 128,215 sq. ft.

Federal Building/Courthouse, Birmingham (U.S. Courts), 81,436 sq. ft.

Treasury Distribution Center, Homewood (Bureau of Govt. Financial Operations), 61,403 sq. ft.

South Twentieth Building, Birmingham (Defense Logistics Agency), 41,337 sq. ft.

ALASKA

National parks

Glacier Bay National Monument, Juneau, 2,805,071 Federal acres.

Katmai National Monument, King Salmon, 2,792,131 Federal acres.

Mount McKinley National Park, McKinley Park, 1,939,492 Federal acres.

Klondike Gold Rush National Historical Park, Skagway, 10,996 Federal acres.

Sitka National Historical Park, Sitka, 107 Federal acres.

Military bases

Elmendorf Air Force Base, Anchorage, 7,658 employees.

Ft. Richardson, Anchorage, 7,606 employees.

Ft. Wainwright, Fairbanks, 2,983 employees.

Elelson Air Force Base, North Pole, 2,908 employees.

Naval Station, Adak, 996 employees.

Federal buildings

Federal Building/Courthouse, Anchorage (Federal Aviation Administration), 507,000 sq. ft.

Federal Building/Post Office and Courthouse (Coast Guard, Forest Service), 204,000 sq. ft.

ARIZONA

National parks

Grand Canyon National Park, Grand Canyon, 1,176,913 Federal acres.

Lake Meade National Recreation Area (also in NV), 586,005 Federal acres.

Organ Pipe Cactus National Monument, Ajo, 329,199 Federal acres.

Death Valley National Monument (Also in CA), 110,812 Federal acres.

Glen Canyon National Recreation Area (Also in UT), 95,725 Federal acres.

Petrified Forest National Park, Petrified Forest National Park, 93,492 Federal acres.

Military bases

Ft. Huachuca, Sierra Vista, 9,790 employees.

Davis-Monthan Air Force Base, Tucson, 7,719 employees.

Luke Air Force Base, Litchfield Park, 6,772 employees.

Yuma Marine Corps Air Station, Yuma, 4,414 employees.

Williams Air Force Base, Chandler, 3,540 employees.

Federal buildings

Federal Building/Courthouse, Phoenix (U.S. District Courts), 298,946 sq. ft.

Federal Building, Tucson (Internal Revenue Service), 138,957 sq. ft.

Federal Building/Post Office, Phoenix (U.S. Postal Service), 97,060 sq. ft.

U.S. Courthouse, Tucson (U.S. District Courts, Appeals Courts), 75,099 sq. ft.

U.S. Border Station/Building 1, Nogales (U.S. Customs; Immigration and Naturalization Service), 34,102 sq. ft.

Border Station Office Building, Nogales (U.S. Customs), 20,954 sq. ft.

ARKANSAS

National parks

Buffalo National River, Harrison, 53,862 Federal acres.

Hot Springs National Park, Hot Springs National Park, 4,451 Federal acres.

Pea Ridge National Military Park, Pea Ridge, 4,278 Federal acres.

Arkansas Post National Monument, Gillet, 385 Federal acres.

Fort Smith National Historical Site, Fort Smith, 12 Federal acres.

Military bases

Little Rock Air Force Base, Jacksonville, 7,225 employees.

Blytheville Air Force Base, Blytheville, 2,961 employees.

Pine Bluff Arsenal, Pine Bluff, 1,033 employees.

Ft. Chaffee, Ft. Smith, 185 employees.

Federal buildings

Federal Building, Little Rock (Internal Revenue Service), 226,540 sq. ft.

U.S. Post Office/Courthouse, Little Rock (U.S. Postal Service) 70,486 sq. ft.

Federal Building/U.S. Post Office/Courthouse, Pine Bluff (Internal Revenue Service), 35,605 sq. ft.

Federal Building/Courthouse, Fayetteville (Social Security Administration) 32,788 sq. ft.

U.S. Post Office/Courthouse, Texarkana (U.S. Postal Service, U.S. Courts), 32,614 sq. ft.

VA Regional Office, Little Rock (Veterans Administration), 32,387 sq. ft.

CALIFORNIA

National parks

Death Valley National Monument, Death Valley, 1,938,135 Federal acres.

Yosemite National Park, Yosemite National Park, 759,171 Federal acres.

Joshua Tree National Monument, Twentynine Palms, 547,789 Federal acres.

Kings Canyon National Park, Three Rivers, 459,994 Federal acres.

Sequoia National Park, Three Rivers, 386,642 Federal acres.

Redwood National Park, Crescent City, 27,792, Federal acres.

Military bases

Naval Station, San Diego, 46,127 employees.

Camp Pendleton (Marines) Oceanside, 34,486 employees.

Fort Ord, Seaside, 20,096 employees.

McClellan Air Force Base, Sacramento, 16,313 employees.

North Island Naval Air Station, San Diego, 15,425 employees.

San Diego (Navy) Training Center, San Diego, 14,649 employees.

Alameda Naval Air Station, Alameda, 14,073 employees.

Mare Island Naval Shipyard, Vallejo, 12,674 employees.

Travis Air Force Base, Fairfield, 11,710 employees.

Miramar Naval Air Station, San Diego, 8,007 employees.

Federal buildings

Federal Building/Courthouse, San Francisco, (U.S. District Courts), 1,412,867 sq. ft.

Federal Building, Los Angeles, (Immigration and Naturalization Service) 1,193,244 sq. ft.

Federal Building, Lanuna Niguel (National Archives and Records), 1,060,172 sq. ft.

Federal Building/Courthouse, San Diego, (U.S. District Courts), 896,564 sq. ft.

U.S. Courthouse, Los Angeles, (U.S. District Courts), 857,941 sq. ft.

Western Program Center, Richmond, (Social Security Administration) 586,605 sq. ft.

COLORADO

National parks

Rocky Mountain National Park, Estes Park, 263,138 Federal acres.

Dinosaur National Monument, Dinosaur (Also in Utah), 165,317 Federal acres.

Mesa Verde National Park, Mesa Verde National Park, 51,488 Federal acres.

Curecanti National Recreation Area, Gunnison, 41,571 Federal acres.

Great Sand Dunes National Monument, Alamosa, 36,426 Federal acres.

Military bases

Fort Carson, Colorado Springs, 23,516 employees.

Lowry Air Force Base, Denver, 8,469 employees.

Peterson Air Force Base, Colorado Springs, 3,288 employees.

Fitzsimmons Army Medical Center, Aurora, 1,834 employees.

Pueblo (Army) Depot Activity, Pueblo, 899 employees.

Federal buildings

Denver Federal Center, Denver (Dept. of Interior), 1,573,005 sq. ft.

Federal Building/Courthouse, Denver (Dept. of HEW), 455,925 sq. ft.

Chidlaw Building, Colorado Springs (Air Force), 224,530 sq. ft.

Federal Building/Customs House, Denver (Small Business Administration), 163,105 sq. ft.

Denver West Building and Building 3, Golden (U.S. Geological Survey), 125,150 sq. ft.

Diamond Hill, Denver (Dept. of Agriculture), 81,274 sq. ft.

CONNECTICUT

National parks

Appalachian National Scenic Trail (See Maine).

Military bases

New London Submarine Base, Groton, 12,838 employees.

Stratford Army Engine Plant, Stratford, 9 employees.

Federal buildings

Hartford Federal Building and Courthouse, Hartford (Internal Revenue Service), 61,736 sq. ft.

Hartford Federal Building and Courthouse, Hartford (Veterans' Administration Regional Office), 28,842 sq. ft.

96 Murphy Road, Hartford (Defense Logistics Agency), 27,533 sq. ft.

One Financial Plaza, Hartford (Dept. of HUD), 23,740 sq. ft.

110 Washington St., North Haven (Internal Revenue Service), 22,400 sq. ft.

DELAWARE

National parks

None.

Military bases

Dover Air Force Base, Dover, 6,600 employees.

Naval Facility, Lewes, 125 employees.

Federal buildings

Courthouse and Federal Building, Wilmington (U.S. Courts, Internal Revenue Service) 111,400 sq. ft.

J. Allen Frear Federal Building, Dover (Food and Drug Administration, Social Security Administration) 26,375 sq. ft.

FLORIDA

National parks

Biscayne National Monument, Homestead, 95,070 Federal acres.

Big Cypress National Preserve, Naples, 52,379 Federal acres.

Fort Jefferson National Monument, Key West, 47,125 Federal acres.

Canaveral National Seashore, Titusville, 41,024 Federal acres.

Gulf Islands National Seashore, Gulf Breeze, 28,685 Federal acres.

Military bases

(Navy) Training Center, Orlando, 16,426 employees.

Elgin Air Force Base, Valpariso, 12,723 employees.

Naval Air Station, Pensacola, 11,116 employees.

Naval Station, Mayport, 10,912 employees.

Naval Air Station, Jacksonville, 10,843 employees.

Patrick Air Force Base, Cocoa Beach, 7,466 employees.

Cecil Field Naval Air Station, Jacksonville, 7,235 employees.

Federal buildings

Federal Building, Jacksonville (Internal Revenue Service) 227,954 sq. ft.

Federal Building, Miami (Internal Revenue Service) 198,131 sq. ft.

Post Office/Courthouse, Jacksonville (U.S. Courts, Veterans Administration Field Office) 111,922 sq. ft.

Post Office/Courthouse, Miami (U.S. Courts) 97,911 sq. ft.

Federal Building/Courthouse, Gainesville, (U.S. Postal Service) 66,024 sq. ft.

St. Lukes Professional Building, Jacksonville (Veterans Administration Hospital) 59,858 sq. ft.

GEORGIA

National parks

Cumberland Island National Seashore, St. Marys, 15,631 Federal acres.

Chickamauga and Chattanooga National Military Park, Ft. Oglethorpe, 6,228 Federal acres.

Ft. Pulaski National Monument, Savannah Beach, 5,365 Federal acres.

Kennesaw Mountain National Battlefield Park, Marietta, 2,882 Federal acres.

Ocmulgee National Monument, Macon, 683 Federal acres.

Military bases

Ft. Benning, Columbus, 24,928 employees.

Robins Air Force Base, Warner Robins, 19,144 employees.

Ft. Gordon, August, 18,291 employees.

Ft. Stewart, Savannah, 12,845 employees.

Ft. McPherson, Atlanta, 5,430 employees.

Federal buildings

Pershing Point Plaza, Atlanta (Dept. of HUD), 281,783 sq. ft.

Federal Building, Atlanta (Internal Revenue Service), 200,004 sq. ft.

Peachtree 25th, Atlanta (U.S. Dept. of Agriculture: Forest Service), 192,259 sq. ft.

730 Peachtree, Atlanta (Veterans Administration Regional Office), 114,248 sq. ft.

1776 Peachtree Building, Atlanta (GSA: Regional Public Building Service), 107,798 sq. ft.

Courthouse, Atlanta (U.S. Courts), 92,986 sq. ft.

HAWAII

National parks

Hawaii Volcanoes National Park, Hawaii National Park, 217,029 Federal acres.

Haleakala National Park, Makawao, 27,208 Federal acres.

City of Refuge National Historic Park, Honaunau, Kona, 181 Federal acres.

Puukohola Helau National Historic Site, Kawaihae, 46 Federal acres.

Military bases

Pearl Harbor Naval Station, Pearl Harbor, 17,378 employees.

Schofield Barracks (Army), Honolulu, 11,685 employees.

Hickam Air Force Base, Honolulu, 7,908 employees.

Naval Shipyard, Pearl Harbor, 5,829 employees.

Tripler Army Medical Center, Honolulu, 5,744 employees.

Federal buildings

Prince Jonah Kuhio Kalanianaole, Honolulu, (U.S. District Courts), 928,019 sq. ft.

U.S. Courthouse, Customs House and Post Office, Honolulu, (U.S. Postal Service), 199,458 sq. ft.

Federal Building, Post Office and Courthouse, Hilo, (U.S. Postal Service), 49,745 sq. ft.

U.S. Custom Warehouse, Hilo, (U.S. Customs), 7,144 sq. ft.

IDAHO

National parks

Craters of the Moon National Monument, Arco, 53,545 Federal acres.

Yellowstone National Park, (Also in WY), 31,488 Federal acres.

Nez Perce National Historic Park, Spalding, 1,837 Federal acres.

Military bases

Mountain Home Air Force Base, Mountain Home, 4,934 employees.

Federal buildings

Federal Building/Courthouse, Boise (Bureau of Reclamation), 171,960 sq. ft.

Federal Building/Post Office, Boise (Dept. of Agriculture) 46,535 sq. ft.

Federal Building, Sandpoint, (Forest Service), 27,615 sq. ft.

ILLINOIS

National parks

Lincoln Home National Historic Site, Springfield, 4 Federal acres.

Military bases

(Navy) Training Center, Great Lakes, 22,273 employees.

Scott Air Force Base, Shiloh, 16,671 employees.

Rock Island Arsenal (Army), Rock Island, 7,105 employees.

Chanute Air Force Base, (Rantoul, 4,929 employees.

Ft. Sheridan, Highland Park, 2,940 employees.

Federal buildings

Kluczynski Red Building, Chicago (Treasury Dept.), 705,098 sq. ft.

Everett M. Dirksen Building, Chicago (Justice Dept.), 571,563 sq. ft.

SSA Great Lakes Pr. Center, Chicago, (Social Security Administration), 445,954 sq. ft.

Federal Building, Chicago, (Veterans Administration) 326,294 sq. ft.

300 Wacker Building (Dept. of HEW), 291,158 sq. ft.

Federal Building, USRRB, Chicago, GSA: Railroad Retirement Board, 219,972 sq. ft.

INDIANA

National parks

Indiana Dunes National Lakeshore, Chesterton, 4,476 Federal acres.

Lincoln Boyhood National Memorial, Lincoln City, 161 Federal acres.

George Rogers Clark National Historic Site, Vincennes, 24 Federal acres.

Military bases

Ft. Benjamin Harrison, Indianapolis, 3,586 employees.

Weapons Support Center (Navy), Crane, 3,548 employees.

Grissom Air Force Base, Bunker Hill, 3,116 employees.

Naval Avionics Center, Indianapolis, 2,473 employees.

Jefferson (Army) Proving Ground, 420 employees.

Federal buildings

Federal Building, Indianapolis (Treasury Dept.), 274,452 sq. ft.

Federal Building/Courthouse, Indianapolis (U.S. Courts), 133,149 sq. ft.

Building 63 GSA Federal Center, Jeffersonville (Dept. of Commerce), 79,161 sq. ft.

Building 66 GSA Federal Center, Jeffersonville (Dept. of Commerce), 77,810 sq. ft.

USPS Building, Evansville (Dept. of HEW), 36,013 sq. ft.

Corporate Square West, Indianapolis (U.S. Dept. of Agriculture), 33,701 sq. ft.

IOWA

National parks

Effigy Mounds National Monument, McGregor, 1,474 Federal acres.

Herbert Hoover National Historic Site, West Branch, 181 Federal acres.

Military bases

Ft. Des Moines, Des Moines, 154 employees.

Iowa Army Ammunition Plant, Burlington, 62 employees.

Federal buildings

Federal Building, Des Moines (Treasury Dept.), 234,309 sq. ft.

U.S. Post Office and Courthouse, Ft. Dodge (U.S. Courts), 54,148 sq. ft.

Federal Building and Post Office, Iowa City (U.S. Postal Service), 53,263 sq. ft.

U.S. Courthouse, Des Moines (U.S. Courts), 50,200 sq. ft.

Federal Building and Post Office, Council Bluffs (U.S. Postal Service), 45,761 sq. ft.

U.S. Post Office and Courthouse, Dubuque (U.S. Postal Service), 34,990 sq. ft.

KANSAS

National parks

Ft. Larned National Historic Site, Larned, 672 Federal acres.

Military bases

Ft. Riley, Junction City, 20,555 employees.

Ft. Leavenworth, Leavenworth, 5,781 employees.

McConnell Air Force Base, Wichita, 4,497 employees.

Federal buildings

Federal Building and Courthouse, Topeka (Dept. of Transportation), 219,007 sq. ft.

Federal Center Warehouse, Pauline (U.S. Postal Service), 167,408 sq. ft.

One-Two Gateway Center, Kansas City (Dept. of HUD), 70,715 sq. ft.

Treasury Disbursement Center, Kansas City (Dept. of Treasury), 69,503 sq. ft.

Federal Building, Wichita (Dept. of Treasury), 58,302 sq. ft.

Federal Building and U.S. Courthouse, Kansas City (U.S. Postal Service), 55,336 sq. ft.

KENTUCKY

National parks

Mammoth Cave National Park, Mammoth Cave, 51,303 Federal acres.

Big South Fork National River and Recreation Area (Also in TN), 16,860 Federal acres.

Cumberland Gap National Historic Park, Middlesboro, (Also in VA and TN), 10,731 Federal acres.

Abraham Lincoln Birthplace National Historic Site, Hodgenville, 116 Federal acres.

Military bases

Ft. Knox, Louisville, 26,143 employees.

Ft. Campbell, Clarksville, 24,129 employees.

Naval Ordnance Station, Louisville, 2,374 employees.

Lexington Blue Grass (Army) Depot, Lexington, 1,271 employees.

Federal buildings

Internal Revenue Service Center, Covington (Internal Revenue Service), 315,084 sq. ft.

Post Office/Courthouse, Lexington (U.S. Courts), 35,137 sq. ft.

J. C. Watts Federal Building, Frankfort (Federal Highway Administration, U.S. Courts), 34,538 sq. ft.

Imperial Towers Building, Lexington (U.S. Dept. of Agriculture: Soil Conservation Service), 29,026 sq. ft.

Bakhaus Building, Lexington (Internal Revenue Service), 18,525 sq. ft.

Warehouse Building, Florence (Internal Revenue Service), 16,822 sq. ft.

LOUISIANA

National parks

Chalmette National Historic Park, Arabi, 141 Federal acres.

Military bases

Ft. Polk, Leesville, 14,634 employees.

Barksdale Air Force Base, Bossier City, 6,729 employees.

England Air Force Base, Alexandria, 3,460 employees.

(Navy) Support Activity, New Orleans, 2,214 employees.

New Orleans Naval Air Station, New Orleans, 1,505 employees.

Federal buildings

Hale Boggs Federal Building/Courthouse, New Orleans (Internal Revenue Service), 326,392 sq. ft.

U.S. Post Office, New Orleans (U.S. Postal Service), 178,337 sq. ft.

F. Edward Herbert Federal Building, New Orleans (U.S. Customs), 119,938 sq. ft.

U.S. Customshouse, New Orleans (U.S. Customs), 103,437 sq. ft.

Federal Building/Courthouse, Shreveport (U.S. District Courts), 89,656 sq. ft.

The Plaza Tower, New Orleans (Dept. of HUD), 80,125 sq. ft.

MAINE

National parks

Arcadia National Park, Bar Harbor, 37,503 Federal acres.

Appalachian National Scenic Trail, 15,100

Total Federal acres (Also in NH, VT, MA, CN, NY, NJ, PA, MD, WV, VA, TN, NC, GA)

Saint Croix Island National Monument, Bar Harbor, 22 Federal acres.

Military bases

Loring Air Force Base, Limestone, 4,056 employees.

Naval Air Station, Brunswick, 3,332 employees.

Cutler Communications Unit, (Navy), East Machias, 204 employees.

Federal buildings

Federal Building, Augusta (Internal Revenue Service), 23,397 sq. ft.

Federal Building and U.S. Post Office, Portland, (U.S. Army, Armed Forces Examining and Entrance Station), 8,552 sq. ft.

Federal Building and U.S. Post Office, Portland, (Internal Revenue Service), 7,476 sq. ft.

U.S. Post Office and Courthouse, Bangor, (U.S. Postal Service) 6,784 sq. ft.

U.S. Customshouse, Portland, (U.S. Customs Service), 6,567 sq. ft.

U.S. Post Office and Courthouse, Bangor, (U.S. Courts), 6,149 sq. ft.

MARYLAND

National parks

Chesapeake and Ohio Canal National Historical Park, Sharpsburg, (Also in DC and WV) 11,914 Federal acres.

Assateague Island National Seashore, Berlin, (Also in VA) 5,821 Federal acres.

Catoctin Mountain Park, Thurmont, 5,768 Federal acres.

Piscataway Park, Oxon Hill, 3,885 Federal acres.

Greenbelt Park, Greenbelt, 1,077 Federal acres.

Military bases

Aberdeen (Army) Proving Ground, Baltimore, 12,082 employees.

Ft. George C. Meade, Baltimore, 10,051 employees.

Andrews Air Force Base, Camp Springs, 9,977 employees.

"Annapolis" Naval Academy, Annapolis, 7,240 employees.

(Navy) Air Test Center, Patuxent River, Lexington Park, 5,486 employees.

Federal buildings

Middle River Depot, Middle River (Dept. of Defense, Federal Supply Service), 1,668,000 sq. ft.

Social Security Administration Complex, Woodlawn, (Social Security Administration), 1,318,300 sq. ft.

Edward Garmatz Federal Building/Courthouse, Baltimore, (U.S. Courts), 480,285 sq. ft.

George Fallon Federal Building, (Veterans Administration, Internal Revenue Service), 366,190 sq. ft.

Appraisers Stores, Baltimore, (U.S. Customs Service), 86,965 sq. ft.

Customs House, Baltimore, (U.S. Customs Service), 83,650 sq. ft.

MASSACHUSETTS

National parks

Cape Cod National Seashore, South Wellfleet, 25,744 Federal acres.

Minute Man National Historical Park, Concord, 681 Federal acres.

Boston National Historical Park, Boston, 28 Federal acres.

Salem Maritime National Historic Site, Salem, 8 Federal acres.

Adams National Historic Site, Quincy, 8 Federal acres.

Military bases

Ft. Devens, Ayer, 8,186 employees.

Hanscom Air Force Base, Bedford, 4,895 employees.

South Weymouth Naval Air Station, South Weymouth, 2,229 employees.

Natick Research and Development Center, Natick, 1,384 employees.

Westover Air Force Base, Westover, 941 employees.

Federal buildings

IRS Center, Andover (Internal Revenue Service), 259,836 sq. ft.

JFK Federal Building, Boston (Dept. of HEW), 121,553 sq. ft.

Federal Center, Waltham (Army Corps of Engineers), 106,458 sq. ft.

JFK Federal Building, Boston (Internal Revenue Service), 106,307 sq. ft.

JFK Federal Building, Boston (Veterans Administration Regional Office), 67,777 sq. ft.

USVA, Boston (Veterans Administration), 58,360 sq. ft.

MICHIGAN

National parks

Isle Royale National Park, Houghton, 542,428 Federal acres.

Pictured Rocks National Lakeshore, Munising, 35,339 Federal acres.

Sleeping Bear Dunes National Lakeshore, Frankfort, 26,608 Federal acres.

Military bases

Detroit Arsenal (Army), Detroit, 5,054 employees.

K. I. Sawyer Air Force Base, Gwinn, 4,096 employees.

Wurtsmith Air Force Base, Oscoda, 3,185 employees.

Michigan Army Missile Plant, Detroit, 1,047 employees.

Kincheloe Air Force Base, Kinross, 596 employees.

Federal buildings

P. V. McNamara Federal Building, Detroit (Treasury Dept.), 631,309 sq. ft.

Federal Building and Courthouse, Detroit (U.S. Courts), 255,330 sq. ft.

1404 John Lodge Building, Detroit (Treasury Dept.), 157,381 sq. ft.

Federal Center Building 1, Battle Creek (Dept. of Defense), 119,966 sq. ft.

Federal Center Building 2, Battle Creek (Dept. of Defense), 106,990 sq. ft.

G. R. Ford Federal Building and Courthouse, Grand Rapids (U.S. Courts), 89,247 sq. ft.

MINNESOTA

National parks

Voyageurs National Park, International Falls, 114,964 Federal acres.

Grand Portage National Monument, Grand Marais, 709 Federal acres.

St. Croix National Scenic River (Also in WI), 246 Federal acres.

Military bases

Duluth International Airport, Duluth, 1,826 employees.

Minneapolis-St. Paul International Airport, Minneapolis, 387 employees.

Federal buildings

Federal Building, Ft. Snelling (Veterans Administration), 349,767 sq. ft.

Federal Building and U.S. Courthouse, St. Paul (Treasury Dept.), 208,155 sq. ft.

Federal Building/Courthouse, Minneapolis (Justice Dept.), 102,279 sq. ft.

USPS Building, St. Paul (U.S. Dept. of Agriculture), 84,138 sq. ft.

Federal Building, Minneapolis (U.S. Dept. of Agriculture), 68,654 sq. ft.

Federal Building, Courthouse and Customshouse, Duluth (U.S. Dept. of Agriculture), 58,799 sq. ft.

MISSISSIPPI

National parks

Gulf Islands National Seashore, Ocean Springs (Also in FL), 69,025 Federal acres.

Natchez Trace Parkway, Tupelo (Also in AL and TN), 34,941 Federal acres.

Vicksburg National Military Park, Vicksburg, 1, 611 Federal acres.

Brices Cross Roads National Battlefield Site, Tupelo, 1 Federal acre.

Tupelo National Battlefield, Tupelo, 1 Federal acre.

Military bases

Keesler Air Force Base, Biloxi, 8,977 employees.

Construction Battalion Center (Navy), Gulfport, 3,956 employees.

Columbus Air Force Base, Columbus, 3,240 employees.

Meridian Naval Air Station, Meridian, 1,984 employees.

Camp Shelby, Hattiesburg, 77 employees.

Federal buildings

Post Office/Courthouse, Jackson (U.S. Postal Service), 61,945 sq. ft.

Federal Building, Greenville (U.S. Postal Service, U.S. Courts), 58,204 sq. ft.

Federal Building, Clarksdale (U.S. Postal Service, U.S. Courts), 40,684 sq. ft.

Wm. M. Colmer Federal Building, Hattiesburg (Social Security Administration), 35,368 sq. ft.

Federal Building/Post Office, Greenwood (U.S. Postal Service), 31,679 sq. ft.

T. G. Abernathy Federal Building, Aberdeen (U.S. Courts), 29,406 sq. ft.

MISSOURI

National parks

Ozark National Scenic Riverways, Van Buren, 60,728 Federal acres.

Wilson's Creek National Battlefield, Republic, 1,727 Federal acres.

George Washington Carver National Monument, Diamond, 210 Federal acres.

Jefferson National Expansion Memorial (Arch), St. Louis, 90 Federal acres.

Military bases

Ft. Leonard Wood, Jefferson City, 16,269 employees.

Whiteman Air Force Base, Knob Noster, 3,581 employees.

Richards-Gebaur Air Force Base, Belton, 2,174 employees.

Federal buildings

Federal Center St. Louis, (Veterans Administration), 2,614,113 sq. ft.

Federal Building, Kansas City, (Internal Revenue Service), 1,146, 429 sq. gt.

Military Personnel Records Center, Overland, (U.S. Army), 914,804 sq. ft.

Federal Building, Kansas City, (Dept. of Transportation), 795,668 sq. ft.

Mart Building, St. Louis, (U.S. Army), 773,460 sq. ft.

Federal Center, Kansas City, (Defense Mapping Service), 423,826 sq. ft.

MONTANA

National parks

Yellowstone National Park (Also in WY), 167,623 Federal acres.

Bighorn Canyon National Recreation Area, Fort Smith (Also in Wy), 34,844 Federal acres.

Grant-Kohrs Ranch National Historic Site, Deer Dodge, 1,322 Federal acres.

Big Hole National Battlefield, Wisdom, 655 Federal acres.

Custer Battlefield National Monument, Crow Agency, average not available.

Military bases

Malmstron Air Force Base, Great Falls, 5,539 employees.

Federal buildings

Federal Building/Courthouse, Billings (Bureau of Reclamation), 134,925 sq. ft.

Federal Office Building/Courthouse, Helena (Internal Revenue Service), 110,000 sq. ft.

Federal Building, Post Office and Courthouse, Missoula (Forest Service), 100,025 sq. ft.

Federal Building/Post Office, Bozeman (U.S. Postal Service), 63,136 sq. ft.

Granite Tower, Billings (Bureau of Land Management), 37,805 sq. ft.

Federal Building/Courthouse, Butte (U.S. District Courts), 37,280 sq. ft.

NEBRASKA

National parks

Agate Fossil Beds National Monument, Gering, 2,736 Federal acres.

Scott Bluff National Monument, Gering, 2,708 Federal acres.

Homestead National Monument of America, Beatrice, 182 Federal acres.

Military bases

"SAC Headquarters," Offut Air Force Base, Bellevue, 13,835 employees.

Federal buildings

Federal Building and Courthouse, Lincoln (Veterans Administration), 382,692 sq. ft.

Federal Building, Post Office and Courthouse, Omaha (U.S. Army), 263,608 sq. ft.

Federal Office Building, Omaha (Dept. of Treasury), 73,903 sq. ft.

Federal Building, Post Office and Courthouse, North Platte (U.S. Postal Service), 45,640 sq. ft.

Federal Building, Omaha (U.S. Army: Corps of Engineers), 28,550 sq. ft.

NEVADA

National parks

Lake Mead National Recreation Area, Boulder City, 586,005 Federal acres.

Death Valley National Monument (Also in CA), 110,812 Federal acres.

Lehman Caves National Monument, Baker, 640 Federal acres.

Military bases

Nellis Air Force Base, Las Vegas, 8,562 employees.

Naval Air Station, Fallon, 877 employees.

Federal buildings

Federal Building-U.S. Courthouse, Las Vegas (U.S. Dist. Courts), 201,635 sq. ft.

Federal Building-U.S. Courthouse, Reno (Internal Revenue Service), 113,295 sq. ft.

Federal Building-U.S. Post Office, Carson City (U.S. Postal Service), 53,958 sq. ft.

Federal Building-U.S. Post Office, Las Vegas (U.S. Postal Service), 38,750 sq. ft.

U.S. Post Office, Reno (Bureau of Land Management), 18,054 sq. ft.

U.S. Post Office, Elko (U.S. Postal Service), 4,089 sq. ft.

NEW HAMPSHIRE

National parks

Saint-Gaudens National Historic Site, Windsor, 86 Federal acres.

Appalachian Scenic (See ME).

Military bases

Portsmouth Naval Shipyard, Portsmouth, 8,275 employees.

Pease Air Force Base, Newington, 4,060 employees.

Cold Regions, Research Lab (Army), Hanover, 283 employees.

Federal buildings

Norris Cotton, Federal Building, Manchester (Veterans Admin. Regional Office), 16,675 sq. ft.

Federal Building and U.S. Post Office (Internal Revenue Service), 15,678 sq. ft.

Norris Cotton, Federal Building, Manchester (Dept. of Housing and Urban Development), 12,584 sq. ft.

Norris Cotton, Federal Building, Manchester (Internal Revenue Service), 10,313 sq. ft.

Norris Cotton, Federal Building, Manchester (Social Security Admin.), 9,319 sq. ft.

Norris Cotton, Federal Building, Manchester (U.S. Army, Armed Forces Examining & Entrance Station), 8,663 sq. ft.

NEW JERSEY

National parks

Delaware Water Gap National Recreation Area, (Also in PA), 21,422 Federal acres.

Gateway National Recreation Area (Also in NY), 1,713 Federal acres.

Morristown National Historic Park, Morristown, 1,530 Federal acres.

Edison National Historic Site, West Orange, 19 Federal acres.

Appalachian Scenic Trail, (See ME).

Military bases

Ft. Dix, Trenton, 15,346 employees.

Ft. Monmouth, Red Bank, 9,162 employees.

McGuire Air Force Base, Wrightstown, 7,263 employees.

Picatinny Arsenal, Dover, 5,380 employees.

Navy Air Engineering Center, Lakehurst, 2,942 employees.

Federal buildings

Ecom Building, Ft. Monmouth, (Dept. of Defense), 489,187 sq. ft.

970 Broad Street, Newark (comprehensive), 281,878 sq. ft.

Gateway Building, Newark (Dept. of Housing & Urban Dev., F.B.I.), 91,251 sq. ft.

20 Washington Place, Newark (Veterans Admin.), 83,223 sq. ft.

Trenton Federal Office Building, Trenton (comprehensive), 58,603 sq. ft.

Decas, Springfield (Defense Contract Admin., Defense Logistics Agency), 44,814 sq. ft.

NEW MEXICO

National parks

White Sands National Monument, Alamogordo, 144,751 Federal acres.

Carlsbad Caverns National Park, Carlsbad, 46,435 Federal acres.

Bandelier National Monument, Los Alamos, 29,661 Federal acres.

Chaco Canyon National Monument, Bloomfield, 20,990 Federal acres.

El Morro National Monument, Ramah, 1,039 Federal acres.

Military bases

Kirtland Air Force Base, Albuquerque, 10,411 employees.

Hollomon Air Force Base, Alamogordo, 7,435 employees.

White Sands Missile Range, Las Cruces, 5,237 employees.

Cannon Air Force Base, Clovis, 4,754 employees.

Fort Wingate Army, Gallup, 187 employees.

Federal buildings

Senator Dennis Chavez Federal Bldg., Albuquerque (Bureau of Indian Affairs), 178,416 sq. ft.

Federal Building, Albuquerque (Forest Service), 173,876 sq. ft.

Western Bank Bldg., Albuquerque (U.S. Geological Survey), 43,329 sq. ft.

First National Bank, Albuquerque (Bureau of Indian Affairs), 43,284 sq. ft.

Federal Building, Gallup (Bureau of Indian Affairs), 40,857 sq. ft.

Federal Building—U.S. Post Office, Santa Fe (Bureau of Land Management), 38,988 sq. ft.

NEW YORK

National parks

Gateway National Recreation Area, Brooklyn (Also in NJ), 18,678 Federal acres.

Fire Island National Seashore, Patchogue, 5,945 Federal acres.

Saratoga National Historical Park, Stillwater, 2,432 Federal acres.

Home of Franklin D. Roosevelt National Historical Site, Hyde Park, 263 Federal acres.

Statue of Liberty National Monument, New York (Also in NJ), 13 Federal acres.

Military bases

West Point Military Reservation, West Point, 15,974 employees.

Griffiss Air Force Base, Rome, 6,891 employees.

Plattsburgh Air Force Base, Plattsburg, 4,362 employees.

Watervliet Arsenal, Watervliet, 2,660 employees.

Seneca Army Depot, Rochester, 1,078 employees.

Federal buildings

26 Federal Plaza, New York (comprehensive), 1,113,417 sq. ft.

201 Varick Street, New York (Dept. of Energy), Army Reserves, 358,680 sq. ft.

120 Church Street, New York (Internal Revenue Service), 344,827 sq. ft.

World Trade Center, New York (U.S. Customs), 338,541 sq. ft.

252 Seventh Avenue, New York (Veterans Admin.), 332,657 sq. ft.

1040 Waverly Avenue, Holtsville (Internal Revenue Service—Holtsville Center), 306,746 sq. ft.

NORTH CAROLINA

National parks

Great Smoky Mountains National Park (Also in TN), 273,550 Federal acres.

Blue Ridge Parkway, Asheville (Also in VA), 44,317 Federal acres.

Cape Hatteras National Seashore, Manteo, 30,325 Federal acres.

Cape Lookout National Seashore, Beaufort, 24,223 Federal acres.

Wright Brothers National Memorial, Manteo, 431 Federal acres.

Military bases

Ft. Bragg, Fayetteville, 43,188 employees.

Camp Lejune, (Marine Corp Base), Jacksonville, 33,751 employees.

Cherry Pt., Marine Corps Air Station, Havelock, 10,416 employees.

Seymour Johnson Air Force Base, Goldsboro, 5,831 employees.

Pope Air Force Base, Springlake, 3,972 employees.

Federal buildings

Federal Building, Asheville (National Oceanic & Atmospheric Admin.), 132,774 sq. ft.

Federal Building-Post Office-Courthouse, Greensboro (U.S. Courts), 64,307 sq. ft.

N.C. Mutual Life Insurance Building, Durham (Environmental Protection Agency), 58,767 sq. ft.

Post Office-Courthouse, Asheville (U.S. Postal Service), 58,241 sq. ft.

Beaunit Admin. Bldg., Durham (Environmental Protection Agency), 34,855 sq. ft.

Northwestern Bank, Charlotte (Bureau of the Census), 27,328 sq. ft.

NORTH DAKOTA

National parks

Theodore Roosevelt National Memorial Park, Medora, 69,675 Federal acres.

Fort Union Trading Post National Historic Site, Williston, 345 Federal acres.

Knife River Indian Villages National Historic Site, Stanton, 170 Federal acres.

Military bases

Minot Air Force Base, 6,038 employees.

Grand Forks Air Force Base, Emerado, 5,590 employees.

Federal buildings

Federal Building Post Office, Fargo (U.S. Postal Service), 152,725 sq. ft.

Federal Building/Courthouse, Bismarck, (U.S. Postal Service), 100,090 sq. ft.

Federal Building Courthouse, Fargo (U.S. District Courts), 50,000 sq ft.

Federal Building, Bismarck (Bureau of Reclamation), 25,335 sq. ft.

Federal Building/Courthouse, Grand Forks (U.S. District Courts), 21,890 sq. ft.

Federal Building/Courthouse, Minot (Social Security Admin.), 20,285 sq. ft.

OHIO

National parks

Cuyahoga Valley National Recreation Area, Peninsula, 828 Federal acres.

Mound City Group National Monument, Chillicothe, 67 Federal acres.

Perry's Victory and International Peace Memorial, Put-in Bay, 24 Federal acres.

William Howard Taft National Historic Site, Cincinnati, 8 Federal acre.

Military bases

Wright-Patterson Air Force Base, Fairborn, 23,695 employees.

Rickenbacker Air Force Base, Lockbourne, 4,001 employees.
Defense Construction Supply Center, Columbus, 3,711 employees.
Youngstown Municipal Airport, 293 employees.
Camp Perry, Fremont, 7 employees.

Federal buildings

A. J. Celebrezze Federal Building, Cleveland (Navy Dept.), 759,341 sq. ft.
Federal Building, Cincinnati (Treasury Dept.), 466,738 sq. ft.
Federal Building, Columbus (Dept. of Housing & Urban Development), 159,191 sq. ft.
U.S. Post Office & Courthouse, Cincinnati (U.S. Courts), 141,981 sq. ft.
Federal Building—Courthouse, Cleveland (U.S. Courts), 88,068 sq. ft.
Federal Building—Courthouse, Dayton (U.S. Courts), 87,596 sq. ft.

OKLAHOMA

National parks

Chicasaw National Recreation Area, Sulphur, 9,264 Federal acres.

Military bases

Ft. Sill, Lawton, 24,738 employees.
Tinker Air Force Base, Midwest City, 21,195 employees.
Altus Air Force Base, Altus, 4,310 employees.
Vance Air Force Base, Enid, 2,465 employees.

Federal buildings

Federal Building—Courthouse, Oklahoma City (Internal Revenue Service), 156,963 sq. ft.
Alfred P. Murrah Federal Building, Oklahoma City (Dept. of Housing & Urban Development), 111,340 sq. ft.
Page Belcher Federal, Tulsa (U.S. Courts), 98,541 sq. ft.
U.S. Post Office—Courthouse, Oklahoma City (Indian Health Services Admin.), 85,372 sq. ft.
Federal Building, Muskogee (Veterans Admin.), 65,968 sq. ft.
Federal Building, Tulsa (U.S. Army: Corps of Engineers), 58,796 sq. ft.

OREGON

National parks

Crater Lake National Park, Crater Lake, 160,290 Federal acres.
John Day Fossil Beds National Monument, John Day, 2,035 Federal acres.
Oregon Caves National Monument, Cave Junction, 465 Federal acres.
Fort Clatsop National Memorial, Astoria, 124 Federal acres.

Military bases

Umatilla (Army) Depot Activity, Hermiston, 246 employees.
Coos Head Naval Facility, Charleston, 120 employees.

Federal buildings

Federal Building, Portland (Internal Revenue Service), 329,971 sq. ft.
Multnomah Building, Portland (Forest Service), 267,505 sq. ft.
Federal Building — Courthouse, Eugene (Forest Service), 64,310 sq. ft.
Customshouse, Portland, (U.S. Army: Corps Engineers), 58,055 sq. ft.
Pioneer Courthouse, Portland (U.S. Dist. Courts), 24,455 sq. ft.

PENNSYLVANIA

National parks

Delaware Water Gap, National Recreation Area, Bushkill, (Also in N.J.) 12,460 Federal acres.
Gettysburg National Military Park, Gettysburg, 3,517 Federal acres.
Hopewell Village National Historic Site, Elverson, 848 Federal acres.
Valley Forge National Historical Park, Valley Forge, 45 Federal acres.
Independence National Historic Site, Philadelphia, 30 Federal acres.

Military bases

Naval Shipyard, Philadelphia, 7,132 employees.
Ships Parts Control Center, Mechanicsburg, 6,049 employees.
(Navy) Support Activity, Philadelphia, 5,576 employees.
(Navy) Aviation Supply Office, Philadelphia, 3,532 employees.
Tobyhanna Army Depot, Scranton, 3,515 employees.

Federal buildings

Federal Building, Philadelphia (Veterans Admin.) 575,435 sq. ft.
Federal Building, Pittsburgh (Veterans Admin., Internal Revenue Service), 518,765 sq. ft.
Wm. J. Greer, Jr. Federal Building, Philadelphia (Internal Revenue Service, Dept. of Justice), 503,153 sq. ft.
James A. Byrne Courthouse, Philadelphia (U.S. Courts), 470,910 sq. ft.
Social Security Admin. Program Center, Philadelphia (Social Security Admin.), 390,530 sq. ft.
Federal Depot, Mechanicsburg (National Archives & Records), 318,980 sq. ft.

RHODE ISLAND

National parks

Roger Williams National Memorial, Providence, 4 Federal acres.

Military bases

(Navy) Education and Training Center, Newport, 3,716 employees.
(Navy) Underwater Systems Center, Newport, 3,166 employees.
Naval War College, Newport, 436 employees.
Navy Regional Medical Center, Newport, 418 employees.
Navy Construction Batallion Center, Davisville, 251 employees.

Federal buildings

130 Broadway, Providence (Internal Revenue Service), 33,192 sq. ft.
Heritage Building, Providence (Veterans Admin. Regional Office), 22,384 sq. ft.
Federal Building Exchange Place, Providence (U.S. Courts), 21,348 sq. ft.
Warwick Mills Annex, West Warwick (Defense Mapping Agency), 19,011 sq. ft.
200 Dyer Street, Providence (Social Security Admin.), 12,782 sq. ft.
Jo Pastore Federal Building and Post Office, Providence (Dept. of Housing and Urban Development), 7,554 sq. ft.

SOUTH CAROLINA

National parks

Kings Mountain National Military Park, Kings Mountain, 3,945 Federal acres.
Cowpens National Battlefield, Kings Mountain, 701 Federal acres.
Fort Sumter National Monument, Sullivans Island, 62 Federal acres.

Military bases

Ft. Jackson, Columbia, 20,376 employees.
Charleston Naval Station, Charleston, 17,595 employees.
Parris Island Marine Recruiting Depot, Beaufort, 10,782 employees.
Charleston Naval Shipyard, Charleston, 7,639 employees.
Shaw Air Force Base, Sumter, 6,479 employees.

Federal buildings

Varo Building, Columbia (Veterans Admin. Regional Office), 59,221 sq. ft.
Federal Building, Columbia (Internal Revenue Service), 58,858 sq. ft.
Federal Building, Charleston (U.S. Army: Corps of Engineers), 54,053 sq. ft.
Courthouse, Columbia (U.S. Courts), 32,769 sq. ft.
SE Fisheries Center, Charleston (National Oceanic & Atmospheric Center), 30,345 sq. ft.
Post Office-Courthouse, Charleston (U.S. Courts), 25,227 sq. ft.

SOUTH DAKOTA

National parks

Badlands National Monument, Interior, 152,289 Federal acres.
Wind Cave National Park, Hot Springs, 28,060 Federal acres.
Jewel Cave National Monument, Custer, 1,274 Federal acres.
Mount Rushmore National Memorial, Keystone, 1,245 Federal acres.

Military bases

Ellsworth Air Force Base, Box Elder, 6,728 employees.

Federal buildings

Federal Building, Aberdeen (Bureau of Indian Affairs), 144,285 sq. ft.
Federal Building, Huron (Bureau of Reclamation), 69,375 sq. ft.
Federal Building/Post Office/Courthouse, Pierre, (U.S. Postal Service), 60,835 sq. ft.
Federal Building/Courthouse, Rapid City, (U.S. Dist. Courts), 46,730 sq. ft.
Federal Building/Courthouse, Sioux Falls (U.S. Dist. Courts), 38,905 sq. ft.
Post Office/Courthouse, Aberdeen, (U.S. Dist. Courts), 33,130 sq. ft.

TENNESSEE

National parks

Great Smoky Mountains National Park, Gatlinburg, (Also in N.C.), 241,206 Federal acres.
Natchez Trace Parkway, (Also in Mississippi), 6,973 Federal acres.
Shiloh National Military Park, Shiloh, 3,698 Federal acres.
Cumberland Gap National Historical Park, (Also in Ky.), 2,012 Federal acres.
Fort Donelson National Military Park, Dover, 529 Federal acres.

Military bases

Memphis Naval Air Station, Millington, 7,906 employees.
Arnold Engineering Development Center, Manchester, 3,299 employees.
Defense Depot, Memphis, 1,385 employees.
Memphis Regional Medical Center, Millington, 583 employees.

Federal buildings

IRS Service Center, Memphis, (Internal Revenue Service), 452,161 sq. ft.
C. Davis Federal Building, Memphis, (U.S. Army: Corps of Engineers), 221,740 sq. ft.
Northshore Building, Knoxville, (Dept. of Housing and Urban Development), 68,834 sq. ft.
1013 Central Street, Knoxville, (U.S. Army: Armed Forces Examining and Entrance Station), 28,272 sq. ft.
4841 Summer Avenue Building, Memphis, (U.S. Dept. of Agriculture: Agricultural Marketing Service), 26,588 sq. ft.
100 North Main Building, Memphis, (Dept. of Housing and Urban Dev.), 24,927 sq. ft.

TEXAS

National parks

Big Bend National Park, Big Bend National Park, 708,118 Federal acres.
Padre Island National Seashore, Corpus Christi, 132,202 Federal acres.
Guadalupe Mountains National Park, Carlsbad, 76,292 Federal acres.
Amistad National Recreation Area, Del Rio, 57,292 Federal acres.
Lake Meredith National Recreation Area, Fritch, 45,964 Federal acres.

Military bases

Fort Hood, Killeen, 51,994 employees.
Kelly Air Force Base, San Antonio, 22,721 employees.
Fort Bliss, El Paso, 21,917 employees.

Fort Sam Houston, San Antonio, 13,421 employees.
Lackland Air Force Base, San Antonio, 10,307 employees.
Carswell Air Force Base, Fort Worth, 5,485.

Federal buildings

Earle Cabell Federal Building-Courthouse, Dallas (Internal Revenue Service), 588,728 sq. ft.
Fritz G. Lanham Federal Building, Fort Worth (General Services Admin.), 455,414 sq. ft.
Main Tower Building, Dallas (Dept. of Health, Ed. & Welfare), 327,760 sq. ft.
Federal Building-Courthouse, Houston (Internal Revenue Service), 291,284 sq. ft.
IRS Southwest Service Center, Austin (Internal Revenue Service), 289,535 sq. ft.
Federal Building, Dallas (General Service Admin.), 250,104 sq. ft.

VERMONT

National parks

Appalachian National Scenic Trail, (See ME).

Military bases

None listed.

Federal buildings

Federal Building, U.S. Post Office and Courthouse, Burlington (Immigration & Naturalization Service), 18,597 sq. ft.
Federal Building, Post Office and Courthouse (Internal Revenue Service), 17,571 sq. ft.
Federal Building, U.S. Post Office and Courthouse, Burlington (U.S. Courts), 7,058 sq. ft.
U.S. Post Office and Courthouse, Rutland (Dept. of Agriculture, Forest Service), 5,396 sq. ft.
141 Main Street, Montpelier (Food & Drug Admin.), 5,193 sq. ft.
U.S. Post Office and Courthouse, St. Albans (Immigration & Naturalization Service), 4,667 sq. ft.

UTAH

National parks

Glen Canyon National Recreation Area, Page (Also in AZ), 1,061,738 Federal acres.
Canyon Lands National Park, Moab 337,570 Federal acres
Capitol Reef National Park, Torrey, 221,896 Federal acres.
Zion National Park, Springdale, 142,461 Federal acres.
Arches National Park, Moab, 65,097 Federal acres.

Military bases

Hill Air Force Base, Clearfield, 19,705 employees.
Tooele Army Depot, Tooele, 4,288 employees.
Dugway Proving Ground, Salt Lake City, 956 employees.
Defense Depot, Ogden, Number employees not available.

Federal building

IRS Center, Ogden, (Internal Revenue Service), 379,465 sq. ft.
Federal Building, Salt Lake City, (Bureau of Reclamation) 245,395 sq. ft.
Post Office/Court house, Salt Lake City, (U.S. Dist. Courts) 143,485 sq. ft.
Federal Building/Courthouse, Ogden, (Forest Service), 127,618 sq. ft.
Agriculture Photo Lab, Salt Lake City, (Dept. of Agriculture), 112,610 sq. ft.
IRS Building, Salt Lake City, (Internal Revenue Service), 79,550 sq. ft.

VIRGINIA

National parks

Shenandoah National Park, Luray, 190,535 Federal acres.
Blue Ridge Parkway, (Also in NC), 30,451 Federal acres.
Assateague Island National Seashore, (Also in MD), 10,274 Federal acres.
Cumberland Gap National Historical Park, (Also in KY), 7,526 Federal acres.
George Washington Birthplace National Monument, (Mt. Vernon), Washington's Birthplace, 455 Federal acres.

Military bases

Norfolk Naval Station, Norfolk, 49,620 employees.
Norfolk Naval Air Station, Norfolk, 13,281 employees.
Norfolk Naval Shipyard, Portsmouth, 11,755 employees.
Fort Lee, Petersburg, 10,996 employees.
Langley Air Force Base, Hampton, 10,410 employees.
Fort Eustis, Newport News, 10,407 employees.
Oceana Naval Air Station, Virginia Beach, 8,529 employees.

Federal buildings

Pentagon Building, Arlington, (Dept. of Defense), 3,784,025 sq. ft.
CIA Headquarters, McLean, (Central Intelligence Agency), 1,042,918 sq. ft.
Federal Building No. 2, Arlington, (Dept. of Defense), 722,920 sq. ft.
Federal Building, Richmond, (Internal Revenue Service Admin.) 243,255 sq. ft.
Poff Building, Roanoke, (Veterans Admin., U.S. Courts) 193,460 s. ft.
Ford Plant, Alexandria (G.S.A., Dept. of Defense), 168,190 sq. ft.

WASHINGTON

National parks

Olympic National Park, Port Angeles, 892,578 Federal acres.
North Cascades National Park, Sedro Wooley, 503,277 Federal acres.
Mount Ranier National Park, Ashford, 235,239 Federal acres.
Ross Lake National Recreation Area, Sedro Wooley, 105,490 Federal acres.
Coulee Dam National Recreation Area, Coulee Dam, 100,059 Federal acres.

Military bases

Fort Lewis, Tacoma, 27,144 employees.
Puget Sound Naval Shipyard, Bremerton, 15,905 employees.
McChord Air Force Base, Tacoma, 6,709 employees.
Whidbey Island Naval Air Station, Oak Harbor, 6,084 employees.
Fairchild Air Force Base, Airway Heights, 4,805 employees.

Federal buildings

Federal Building, Seattle (Internal Revenue Service), 501,652 sq. ft.
Federal Building—Courthouse, Richland, (Dept. of Energy), 267,955 sq. ft.
Arcade Complex—1, Seattle (Dept. of Health, Education & Welfare), 232,180 sq. ft.
U.S. Courthouse 1, Spokane (U.S. District Courts), 182,700 sq. ft.
GSA Center, Auburn (General Service Administration), 79,290 sq. ft.

WEST VIRGINIA

National parks

Harpers Ferry National Historical Park, Harpers Ferry (also in Maryland), 1,381 Federal acres.
Appalachian National Scenic Trail (See Maine).
Chesapeake and Ohio Canal National Historical Park (also in Maryland), 3 Federal acres.

Military bases

None listed.

Federal buildings

Federal Building & Post Office, Morgantown (Dept. of Agriculture, U.S. Postal Service), 97,260 sq. ft.
Federal Building, Huntington (Dept. of Defense, Veterans Administration), 91,845 sq. ft.
Federal Building, Parkersburg (Internal Revenue Service, U.S. Postal Service), 89,735 sq. ft.
Federal Building, Charleston (U.S. Courts, Dept. of Justice), 80, 030 sq. ft.
Federal Building and Courthouse, Wheeling (U.S. Postal Service, U.S. Courts), 42,285 sq. ft.
Federal Building, Martinsburg (U.S. Postal Service, U.S. Courts), 36,830 sq. ft.

WISCONSIN

National Parks

St. Croix National Scenic River, St. Croix Falls (Also in MN), 15,208 Federal acres.
Apostle Islands National Lakeshore, Bayfield, 14,862 Federal acres.
Lower St. Croix National Scenic River, St. Croix Falls (Also in MN), 1,424 Federal acres.

Military bases

Fort McCoy, Sparta, 962 employees.
General Billy Mitchell Field (Air Force) Milwaukee, 338 employees.

Federal buildings

Federal Building—Courthouse, Milwaukee (Treasury Dept.), 193,737 sq. ft.
342 North Water Street, Milwaukee (Veterans Admin.), 83,790 sq. ft.
Commerce Building, Milwaukee (Dept. of Housing & Urban Dev.), 51,124 sq. ft.
Clark Building, Milwaukee (U.S. Dept. of Ag.), 47,377 sq ft.
Continental Bank, Milwaukee (Treasury Dept.), 22,336 sq. ft.
USPS Building, Madison (U.S. Courts), 17,089 sq. ft.

WYOMING

National parks

Yellowstone National Park, Yellowstone National Park, 2,020,625 Federal acres.
Grand Teton National Park, Moose, 305,504 Federal acres.
Bighorn Canyon National Recreation Area, (Also in MT), 30,763 Federal acres.
John D. Rockefeller, Jr., Memorial Parkway, Moose, 23,777 Federal acres.
Fossil Butte National Monument, Kemmerer, 7,417 Federal acres.
Devils Tower National Monument, Devils Tower, 1,346 Federal acres.

Military bases

Francis E. Warren Air Force Base, Cheyenne, 4,149 employees.

Federal buildings

J. C. O'Mahoney Federal Building, Cheyenne (U.S. Postal Service), 129,870 sq. ft.
Federal Building/Post Office, Casper, 108,525 sq. ft.
Lea Building, Cheyenne, (Bureau of Land Management), 82,160 sq. ft.
Federal Building/Courthouse, Casper, (U.S. Dist. Courts), 23,825 sq. ft.
Federal Office Building, Cheyeene (Internal Revenue Service), 22,435 sq. ft.
BLM Building, Casper, (Bureau of Land Management), 16,460 sq. ft.

Mr. MATHIAS. I thank the distinguished Senator from Massachusetts. His historical tour of the District of Columbia has really set the stage for what I have to say and what I believe I have to do at this point.

The Senator from Montana is to be thanked and congratulated because in the tradition of the Senate he has tried very creatively to find a way through this tangle. He has tried to find a solution to this problem.

I think we are all in his debt for the kind of thinking that he has forced us to do here today. But I hope the Senator from Montana will not feel that I am in any sense being derogatory of this concept when I say that I think it is an inchoate idea. It is not a developed concept. The questions that I have asked, I think, clearly indicate the kinds of problems we would have if we were to adopt

this concept in its present form. It would really be very, very difficult.

Further, I feel very strongly that it would be a great injustice to the people of Maryland to impose this change on their political procedures and practices without adequate discussion and consultation.

For these reasons and not for any lack of respect for the very distinguished Senator from Montana, I move, Mr. President, at this point that the amendment be laid on the table.

Mr. MELCHER. Will the senior Senator from Maryland permit me 2 minutes on the motion?

Mr. MATHIAS. Yes. Mr. President, I do not want to lose control of the floor, but I ask unanimous consent that I may be permitted to yield 2 minutes to the Senator from Montana.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. MELCHER. Mr. President, I just want to take this very brief time to lay out very clearly what the substitute does and does not do. I do not think there is any abundance of words that can be piled into the CONGRESSIONAL RECORD on the Senate floor that could make this issue confusing. It is a straightforward attempt to rectify what I consider to be a basic error in the Constitution, going back to the time the Constitution was framed. I do not believe the framers of the Constitution should ever have promulgated a restriction in the Constitution that denied the right of voting to any residents anywhere in the United States, including the District of Columbia. However, the deed was done. We are trying to rectify it now.

The House has passed and sent over to us House Joint Resolution 554, which would resolve the question by having the residents of the District eligible to elect Representatives to the House on the basis of population. Heretofore, we have adopted an amendment to the Constitution that permitted the District residents to vote for the President. In both cases, those questions have been based and agreed to, in the case of the President and the Vice President, and are being proposed to be agreed to before the House, on representation on the basis of population on the basis of citizenship. If that is accomplished, we have done the right thing in the case of the House of Representatives.

My substitute merely addresses the situation of how the District residents will be represented in the Senate. It is for that reason only, only for the reason of voting for Senators, that District residents will be treated as though they were residents of Maryland. It does not force any change on Maryland at all, it does not envision any change for Maryland at all. Nothing is ceded in land, nothing is ceded in property. It merely gives the franchise to elect Senators in a fair and equal way with all the rest of the people of this country and in a way that is consistent with what the framers of the Constitution had in mind when they found two different bases for electing Members of the House on one side—the basis of population—and the Senate—the basis of statehood. Since the issue is not making the District a State, the question still must be resolved of how they can then vote for Senator.

I think this is a fair method I have proposed, I think it is a logical one. I think it is the best one we could arrive at. I think it is one which could pass with a two-thirds vote in the Senate very promptly and, I daresay, it will be promptly endorsed by the States to arrive at three-fourths for ratification to correct the ills of disenfranchisement of the people of the District.

Mr. MATHIAS. Mr. President, I now renew my motion to lay on the table the pending amendment and I ask for the yeas and nays.

The PRESIDING OFFICER. Is there a sufficient second? There is a sufficient second.

The yeas and nays were ordered.

The PRESIDING OFFICER. The question is on agreeing to the motion to lay the amendment on the table. The yeas and nays have been ordered. The clerk will call the roll.

The legislative clerk called the roll.

Mr. CRANSTON. I announce that the Senator from South Dakota (Mr. ABOUREZK), the Senator from Minnesota (Mr. ANDERSON), the Senator from Delaware (Mr. BIDEN), the Senator from Mississippi (Mr. EASTLAND), the Senator from Louisiana (Mr. JOHNSTON), the Senator from New Hampshire (Mr. MCINTYRE), the Senator from New York (Mr. MOYNIHAN), and the Senator from Mississippi (Mr. STENNIS) are necessarily absent.

MR. STEVENS. I announce that the Senator from Tennessee (Mr. BAKER), the Senator from Massachusetts (Mr. BROOKE), the Senator from Arizona (Mr. GOLDWATER), the Senator from Oregon (Mr. MARK O. HATFIELD), the Senator from Kansas (Mr. PEARSON), the Senator from Illinois (Mr. PERCY), and the Senator from North Dakota (Mr. YOUNG) are necessarily absent.

I further announce that, if present and voting, the Senator from Oregon (Mr. MARK O. HATFIELD) would vote "yea."

The result was announced—yeas 52, nays 33, as follows:

[Rollcall Vote No. 329 Leg.]

YEAS—52

Bayh	Haskell	Nelson
Bellmon	Hathaway	Packwood
Bumpers	Heinz	Ribicoff
Byrd, Robert C.	Hodges	Riegle
Case	Hollings	Sarbanes
Chafee	Huddleston	Sasser
Chiles	Humphrey	Schmitt
Church	Inouye	Schweiker
Clark	Javits	Sparkman
Cranston	Kennedy	Stafford
Culver	Leahy	Stevenson
Danforth	Magnuson	Stone
Dole	Mathias	Talmadge
Durkin	Matsunaga	Thurmond
Eagleton	McGovern	Weicker
Glenn	Metzenbaum	Williams
Griffin	Morgan	
Hart	Muskie	

NAYS—33

Allen	Gravel	Melcher
Bartlett	Hansen	Nunn
Bentsen	Hatch	Pell
Burdick	Hatfield, Paul G.	Proxmire
Byrd, Harry F., Jr.	Hayakawa	Randolph
Cannon	Helms	Roth
Curtis	Jackson	Scott
DeConcini	Laxalt	Stevens
Domenici	Long	Tower
Ford	Lugar	Wallop
Garn	McClure	Zorinsky

NOT VOTING—15

Abourezk	Goldwater	Pearson
Anderson	Hatfield, Mark O.	Percy
Baker	Johnston	Stennis
Biden	McIntyre	Young
Brooke	Moynihan	
Eastland		

So the motion to lay on the table UP Amendment No. 1664 was agreed to.

Mr. MATHIAS. Mr. President, I move to reconsider the vote by which the motion was agreed to.

Mr. SARBANES. I move to lay that motion on the table.

The motion to lay on the table was agreed to.

Mr. ROBERT C. BYRD. Mr. President, I will shortly yield the floor, but I should like the attention of the Senate.

The PRESIDING OFFICER. The Senator will please suspend.

The Chair asks Senators to curtail conversations so that we may proceed.

Mr. ROBERT C. BYRD. Mr. President, I wonder if it would be possible to reach an agreement on a vote up or down on the D.C. representation amendment, say, next Monday or Tuesday, which would give all Members ample notice of the date and the time, and thus we would be able to vitiate the cloture vote on tomorrow.

Mr. LONG. Mr. President, will the Senator yield?

Mr. ROBERT C. BYRD. I yield.

Mr. LONG. Mr. President, I discussed this matter with the Senator, and I also have discussed it with the minority leader.

I had proposed that those of us who agree with the philosophy that we ought to reflect the view of the full Senate should join together in pairing and according such pairs as may be necessary so that neither side would be prejudiced nor advantaged by the fact that we might have some absentees.

For example, I expect to vote against the constitutional amendment, but I would be perfectly willing to pair with somebody, in order to help the Senators to arrive at what the decision of the Senate would be, provided the other side would reciprocate.

In other words, if those who favor it would be willing to provide some pairs, insofar as our side may have more absentees than theirs, I would be willing to pair and urge others to pair with absentees on the other side, in the event they should be the ones to have the most absentees.

If we can do that, we can avoid the foolishness of trying to find out who has the most troops in town on that day. I hope we can accommodate each other in that fashion, so it would not make any difference what time we decided to vote.

Mr. ROBERT C. BYRD. So far as I am concerned, I would be willing to give a pair, provided my vote did not influence the outcome. I would not expect any Senator to give a pair which would change the decision. I have stated my viewpoint. I would be willing to give a pair if my vote would not make a difference.

Mr. KENNEDY. Is there objection to the request? Are we talking now about voting?

Mr. ROBERT C. BYRD. Yes. I hoped we might get an agreement to vote up or down.

I am not counting the votes as to who will be here on Monday or Tuesday. I am trying to get an agreement so that all Senators will be notified in time as to when a vote would occur. In a vote of this nature, I think most Senators would want to know. We could vote Monday or Tuesday and vitiate tomorrow's cloture vote.

Mr. LONG. The Senator had not made his request.

I am not objecting. I am simply trying to move toward the point where it would not make too much difference who had the most troops in town that day.

Mr. McCLURE. Mr. President, will the Senator yield before propounding the request?

Mr. ROBERT C. BYRD. I yield.

Mr. McCLURE. I think everybody has been scurrying around counting votes and trying to determine who is absent and who is not, and I suspect that has been done on both sides of the aisle, on both sides of the issue.

Would the leader be amenable to a suggestion that everyone would agree that we vote up or down right now?

Mr. ROBERT C. BYRD. That would not give all Senators notice. The minority leader, for example, is out of town right now. I would not think we would want to vote up or down right now, with him out of town.

So far as I am concerned, yes, I will vote right now, and I have never indicated how I will vote. As a matter of fact, I have not fully decided. But if I had to vote, I could decide very quickly.

Mr. President, I do not mean to shortchange the Senator's suggestion. I do not thing that suggestion will be acceded to. I want to protect all Senators on both sides from a vote right now.

Mr. President, I ask unanimous consent that a vote occur on the D.C. representation amendment, up or down, at 6 p.m. on Monday and that tomorrow's cloture vote be vitiated.

The PRESIDING OFFICER. Is there objection?

Mr. GRIFFIN. Mr. President, reserving the right to object, I would agree to Tuesday but not Monday.

Mr. ROBERT C. BYRD. Very well.

Mr. President, I ask unanimous consent that a vote occur on Tuesday at——

Mr. McCLURE. Mr. President, reserving the right to object——

Mr. ROBERT C. BYRD. Could I make my request first?

The PRESIDING OFFICER. The Senator from West Virginia has the floor.

Mr. ROBERT C. BYRD. Mr. President, I ask unanimous consent that a vote occur on Tuesday at 3 p.m., up or down, on the D.C. representation amendment and that tomorrow's cloture vote be vitiated.

The PRESIDING OFFICER. Is there objection?

Mr. McCLURE. Mr. President, reserving the right to object, I am not sure whether this is possible, but I note that the Senator from Virginia, who has been managing the debate in opposition, is not on the floor at this time. In fairness to the Senator from Virginia, I think he at least should have the opportunity to be informed. I wonder whether the Senator would withhold that request until we could consult with the Senator from Virginia.

Mr. TOWER. Would the distinguished Senator from West Virginia put in a quorum call, to permit us to get our act together?

Mr. ROBERT C. BYRD. Certainly.

I withdraw my request, Mr. President.

FULL VOTER REPRESENTATION OF DISTRICT OF COLUMBIA

Mr. EAGLETON. Mr. President, full voting representation for the District of Columbia deals with a very fundamental issue: Whether the 700,000 people who live in our National Capital have the same right of representation in Congress as do all other American citizens. I believe they are entitled to the same rights as all other Americans, and I support House Joint Resolution 554 for a constitutional amendment to make clear for all time their right to be represented in both Houses of the Congress of the United States.

This is not an issue of technicalities or of legalisms. This is an issue involving real people and their participation in our republican form of government. Too often, government is concerned with technology and statistics—weapon systems, countercyclical funds, imports, allotments, appropriations, credits—and not with flesh-and-blood Americans.

The concerns of the residents of Washington, D.C., are just as real and have just as much marrow and feeling as those of citizens of any other part of our Nation. To residents of Washington, the responsibility of going to the neighborhood polling place and casting their ballots is just as real as for any American. To them, the bite of Federal taxes is just as real as to any American. To them, the rigors of military service are just as real as for any American called to national service.

For them, the legislation in Congress is just as real and has just as much impact as for any American, in fact, more so. Actually, in so many ways, the people of Washington, D.C., have more at stake in Congress than other Americans, for unlike any other jurisdiction in the country, the District is totally submissive to the will of Congress. Even with home rule in the District, Congress reserves absolute legislative authority to veto any act of District government and to initiate any legislation it wishes on local taxes, local redevelopment and zoning and all the other issues usually left to local government. It retains vast authority over the District criminal code and has final authority over the District budget.

The Constitution invested Congress with great power to maintain and preserve the District of Columbia as the seat of National Government, and nothing under the joint resolution will in any way alter or diminish that power. Congress will continue to have authority over the District's legislation and budget.

Hopefully, under home rule, Congress will permit local government to exercise true authority over District affairs and not interfere in the day-to-day administration of the city. Nonetheless, Congress holds the ultimate clout, and the people of the District should no longer be barred from its Chambers.

Senate approval of the joint resolution, already so resoundingly adopted by the House, will be a ringing affirmation that all Americans truly are equal under our Constitution.

As chairman of the Subcommittee on Governmental Efficiency and the District of Columbia, I have worked closely with the people of Washington. I know firsthand their dedication to effective local government, and presently I am completing, with their participation, two far-reaching reforms. One will revamp the District's financial recordkeeping and provide a complete and reliable audit in 1980. The other is a sweeping rewriting of the District police and fire pension systems first enacted by Congress back in 1916. The Pension Reform Act, S. 2316, will eliminate gross abuse of disability and other provisions and assure actuarial soundness. The bill now is on the Senate Calendar, and I hope it will be called up in the very near future.

I support the people of Washington in their quest to representation in the House and in the Senate. Alaska, Wyoming, Nevada, Delaware, North Dakota, South Dakota, Montana, Idaho, and New Hampshire all have populations less than the District's, but the Americanism of the people of the District is no less than theirs. No reading of the Constitution suggests that the men who wrote it foresaw the District growing so large, or intended to disenfranchise so many.

The amendment for full voter representation will affirm the basic rights of Washingtonians to be equal partners in a government we all cherish.

I thank the Chair.

ORDER OF BUSINESS

(The following proceedings occurred during Mr. MELCHER's remarks:)

Mr. ROBERT C. BYRD. Will the Senator yield to me so I may call up the recess resolution, with the understanding that there would be no interruption in the RECORD of the colloquy?

The PRESIDING OFFICER (Mr. FORD). Does the Senator from Montana yield for that purpose?

Mr. MATHIAS. Mr. President, I believe I have the floor, and I am delighted to yield.

Mr. ROBERT C. BYRD. I thank the distinguished Senator.

ADJOURNMENT OF THE TWO HOUSES OVER THE LABOR DAY HOLIDAY

Mr. ROBERT C. BYRD. Mr. President, I ask the Chair to lay before the Senate a message from the House of Representatives on House Concurrent Resolution 696.

The PRESIDING OFFICER. The Chair lays before the Senate House Concurrent Resolution 696, which will be stated.

The legislative clerk read as follows:

H. CON. RES. 696

Resolved by the House of Representatives (the Senate concurring), That when the

House adjourns on Thursday, August 17, 1978, it stand adjourned until 12 o'clock meridian on Wednesday, September 6, 1978.

Mr. ROBERT C. BYRD. Mr. President, I ask unanimous consent that the Senate proceed to the consideration of the concurrent resolution.

The PRESIDING OFFICER. Is there objection?

There being no objection, the Senate proceeded to consider the concurrent resolution.

UP AMENDMENT NO. 1666

Mr. ROBERT C. BYRD. Mr. President, I send to the desk an amendment and ask that it be stated.

The PRESIDING OFFICER. The amendment will be stated.

The legislative clerk read as follows:

The Senator from West Virginia (Mr. ROBERT C. BYRD) proposes an unprinted amendment numbered 1666:

On page 1, line 4, strike the period and insert ", and that when the Senate recesses on Friday, August 25, Saturday, August 26, Monday, August 28, or Tuesday, August 29, 1978, pursuant to a motion made by the Majority Leader in accordance with this resolution, it stand in recess until 10 o'clock a.m. on Wednesday, September 6, 1978."

Amend the title so as to read: "Concurrent resolution providing for an adjournment of the House from August 17 until September 6, 1978, and for a recess of the Senate from August 25, 26, 28, or 29 until September 6, 1978.

Mr. STEVENS. Mr. President, on behalf of our side of the aisle, I join the majority leader in presenting this amendment to the resolution.

Mr. ROBERT C. BYRD. I thank the distinguished acting minority leader.

The PRESIDING OFFICER. The question is on agreeing to the amendment.

The amendment was agreed to.

The concurrent resolution (H. Con. Res. 696), as amended, was agreed to as follows:

HOUSE CONCURRENT RESOLUTION 696

Resolved by the House of Representatives (the Senate concurring), That when the House adjourns on Thursday, August 17, 1978, it stand adjourned until 12 o'clock meridian on Wednesday, September 6, 1978.

FISHERMEN'S PROTECTIVE ACT VOLUNTARY INSURANCE PROGRAM

Mr. ROBERT C. BYRD. Mr. President, I ask that the Chair lay before the Senate a message from the House of Representatives on H.R. 10878.

The PRESIDING OFFICER laid before the Senate the following message from the House of Representatives:

Resolved, That the House agree to the amendment of the Senate numbered 1 to the bill (H.R. 10878) entitled "An Act to extend until October 1, 1981, the voluntary insurance program provided by section 7 of the Fishermen's Protective Act of 1967, and for other purposes", with the following amendment:

In lieu of the matter inserted by the said amendment, insert: 1981; except that payments may be made under this section only to such extent and in such amounts as are provided in advance in appropriation Acts".

Resolved, That the House agree to the amendment of the Senate numbered 2 to the aforesaid bill with the following amendment:

Restore the matter stricken by the said amendment, amended to read as follows:

SEC. 2. Section 8 of the Fishermen's Protective Act of 1967 (22 U.S.C. 1978) is amended—

(1) by amending subsection (a) thereof—

(A) by inserting "(1)" immediately before "When", and

(B) by striking out the last sentence and inserting in lieu thereof the following:

"(2) When the Secretary of Commerce or the Secretary of the Interior finds that nationals of a foreign country, directly or indirectly, are engaging in trade or taking which diminishes the effectiveness of any international program for endangered or threatened species, the Secretary making such finding shall certify such fact to the President.

"(3) Upon receipt of any certification made under paragraph (1) or (2), the President may direct the Secretary of the Treasury to prohibit the bringing or the importation into the United States of fish products (if the certification is made under paragraph (1)) or wildlife products (if the certification is made under paragraph (2)) from the offending country for such duration as the President determines appropriate and to the extent that such prohibition is sanctioned by the General Agreement on Tariffs and Trade.";

(2) by amending subsection (b)—

(A) by inserting "or the Secretary of the Interior" immediately after "Secretary of Commerce", and

(B) by inserting "or wildlife products" immediately after "fish products" each place it appears therein;

(3) by amending subsection (c) by inserting "or wildlife products" immediately after "fish products";

(4) by amending subsection (d)(2) by inserting "and wildlife products" immediately after "fish products";

(5) by amending subsection (e)—

(A) by inserting "and wildlife products" immediately after "fish products" in paragraph (1) and the first sentence of paragraph (5),

(B) by inserting "or other conveyance" immediately after "vessel" in paragraph (4)(B), and

(C) by striking out "Any fish products" in the second sentence of paragraph (5) and inserting in lieu thereof "Fish products and wildlife products";

(6) by amending subsection (f) by striking out "is" and inserting in lieu thereof ", the Secretary of Commerce, and the Secretary of the Interior are each";

(7) by amending subsection (g)—

(A) by striking out "in force" in paragraph (3) and inserting in lieu thereof "in effect",

(B) by striking out "to which the United States is a signatory party," and inserting in lieu thereof "which is in force with respect to the United States,", and

(C) by adding at the end thereof the following:

"(5) The term 'international program for endangered or threatened species' means any ban, restriction, regulation, or other measure in effect pursuant to a multilateral agreement which is in force with respect to the United States, the purpose of which is to protect endangered or threatened species of animals.

"(6) The term 'wildlife products' means fish (other than those to which paragraph (4) applies) and wild animals, and parts (including eggs) thereof, taken within an offending country and all products of any such fish and wild animals, or parts thereof, whether or not such products are packed, processed, or otherwise prepared for export in such country or within the jurisdiction thereof. Such term does not include any wild animal or fish if brought or imported inot the United States for scientific research.

"(7) The term 'taking' means—

"(A) for purposes of subsection (a)(2)—

"(i) to harass, harm, pursue, hunt, shoot, wound, kill, trap, capture, or collect, or

"(ii) to attempt to engage in any such conduct with respect to,

animals to which an international program for endangered or threatened species applies; and

"(B) for purposes of paragraph (6), any conduct described in subparagraph (A)(i), whether or not such conduct is legal under the laws of the offending country, undertaken with respect to any wild animal.".

SEC. 3. (a) Section 10 of the Fishermen's Protective Act of 1967 (22 U.S.C. 1980) is amended to read as follows:

"SEC. 10. (a) For purposes of this section—

"(1) The terms 'fishery conservation zone', 'fishing', 'fishing vessel', 'Secretary', and 'vessel of the United States' shall each have the same respective meaning as is given to such terms in section 3 of the Fishery Conservation and Management Act of 1976 (16 U.S.C. 1802).

"(2) The term 'fishing gear' means any equipment or appurtenance which is necessary for the carrying out of fishing operations by a fishing vessel, whether or not such equipment or appurtenance is attached to such vessel.

"(3) The term 'fund' means the Fishing Vessel and Gear Damage Compensation Fund established under subsection (f).

"(b) Subject to the provisions of this section, the owner or operator (hereinafter referred to as the 'vessel owner') of any fishing vessel which is a vessel of the United States is eligible for monetary compensation under this section for any damage to, loss of, or destruction of such vessel, or any fishing gear used with such vessel, or both, if the damage, loss, or destruction—

"(1) occurs when such vessel is within, or such gear is being used for fishing within, the fishery conservation zone; and

"(2) is attributable—

"(A) in the case of such vessel, to any vessel (or its crew or fishing gear) other than a vessel of the United States, or

"(B) in the case of such fishing gear, to (i) any other vessel, whether such vessel is a vessel of the United States, or (ii) an act of God.

"(c) A vessel owner is not eligible for compensation under this section with respect to fishing vessel or fishing gear damage, loss, or destruction unless such owner—

"(1) makes application to the Secretary for compensation under this section within sixty days after the day on which the damage, loss, or destruction occurred or was first noticed by the owner;

"(2) pays upon making such application a reasonable administrative fee which the Secretary shall deposit into the fund;

"(3) has, in such form as the Secretary shall prescribe by regulation, a current inventory or other evidence of possession of the fishery vessel or fishing gear concerned;

"(4) has complied with all applicable regulations, if any, relating to the marking of, and (if appropirate) the notification of the location of, the fishing gear concerned; and

"(5) is in compliance with such other regulations as may be prescribed by the Secretary to carry out this section.

"(d)(1) Application for compensation under this section shall be made in such form and manner, and include such documentation and other evidence relating to the cause and extent of the damage, loss, or destruction claimed, as the Secretary shall prescribe by regulation. The Secretary shall promptly, but not later than sixty days after receipt of an application, consider, and issue an initial determination with respect to, the application.

"(2) The amount of compensation awarded to any vessel owner under this section shall be—

"(A) determined on the basis of the depreciated replacement cost, or the repair cost,

whichever cost is less, of the fishing vessel or fishing gear concerned;

"(B) proportionally reduced to the extent that evidence indicates that negligence by the vessel owner contributed to the cause or extent of the damage, loss, or destruction; and

"(C) reduced by the amount of compensation, if any, which the vessel owner has received, or will receive with respect to the damage, loss, or destruction through insurance, pursuant to any other provision of law, or otherwise.

"(3) The initial determination made by the Secretary under paragraph (1) with respect to any application shall—

"(A) if the application is disapproved, set forth the reasons therefor; or

"(B) if the application is approved, set forth the amount of compensation to which the applicant is entitled and the basis on which such amount was determined.

"(4) Any vessel owner who is aggrieved by any decision of the Secretary contained in the initial determination of the Secretary regarding such owner's application may, within thirty days after the date of issue of the initial determination, petition the Secretary for a review of the decision. If petition for review is not made to the Secretary within such thirty-day period regarding the initial determination, the initial determination shall be deemed to be the final determination on the application. Before undertaking any such review, the Secretary shall provide to the vessel owner opportunity to submit additional written or oral evidence relating to the decision. After review the Secretary shall issue a final determination with respect to the application.

"(5) If compensation is awarded under the final determination of any application, the Secretary shall promptly pay from the fund to such owner the amount of compensation stated in the final determination. Upon the acceptance of such payment by the vessel owner, the United States shall be subrogated to all rights of the vessel owner with respect to which the payment is made.

"(e) In addition to any fee imposed under section 204(b)(10) of the Fishery Conservation and Management Act of 1976 (16 U.S.C. 1824(b)(10)) with respect to any foreign fishing vessel for any year after 1978, the Secretary shall impose a surcharge in an amount not to exceed 20 percent of the amount of the fee imposed under such section for such year. The failure to pay any surcharge imposed under this subsection with respect to any foreign fishing vessel shall be treated by the Secretary as a failure to pay the fee for such vessel under such section 204(b)(10).

"(f)(1) There is established in the Treasury of the United States the Fishing Vessel and Gear Damage Compensation Fund. The fund shall be available without fiscal year limitation as a revolving fund for the purposes of administering, and paying compensation awarded under, this section.

"(2) The fund shall consist of—

"(A) all sums recovered by the United States in the exercise of rights subrogated to it under subsection (d)(5);

"(B) all administrative fees collected under subsection (c)(2);

"(C) all surcharges collected under subsection (e);

"(D) revenues received from deposits or investments made under the last sentence of this paragraph; and

"(E) any revenue acquired through the issuance of obligations under paragraph (3).

Sums may be expended from the fund only to such extent and in such amounts as are provided in advance in appropriation Acts. Sums in the fund which are not currently needed for the purpose of paying such awards shall be kept on deposit or invested in obligations of, or guaranteed by, the United States.

"(3) Whenever the amount in the fund is not sufficient to pay compensation under this section, the Secretary may issue, in an amount not to exceed $5,000,000, notes or other obligations to the Secretary of the Treasury, in such forms and denominations, bearing such maturities, and subject to such terms and conditions as the Secretary of the Treasury may prescribe. Such notices or other obligations shall bear interest at a rate to be determined by the Secretary of the Treasury on the basis of the current average market yield on outstanding marketable obligations of the United States of comparable maturities during the month preceding the issuance of such notices or other obligations. Moneys obtained by the Secretary under this paragraph shall be deposited in the fund and redemptions of any such notices or other obligations shall be made from the fund. The Secretary of the Treasury shall purchase any such notes or other obligations, and for such purposes he may use as a public debt transaction the proceeds from the sale of any securities issued under the Second Liberty Bond Act. The Secretary of the Treasury may sell any such notices or other obligations at such times and prices and upon such terms and conditions as he shall determine. All purchases, redemptions, and sales of such notes or other obligations by the Secretary of the Treasury shall be treated as public debt transactions of the United States. All borrowing authority contained herein shall be effective only to such extent or in such amounts as are provided in advance in appropriation Acts.

"(g) Any person who willfully makes any false or misleading statement or representation for the purpose of obtaining compensation under this section is guilty of a criminal offense and, upon conviction thereof, shall be punished by a fine of not more than $25,000, or by imprisonment for not more than one year, or both.".

(b) The amendment made by subsection (a) shall take effect January 1, 1979.

(c) Nothing in the amendment made by subsection (a) shall be construed as affecting in any manner or to any extent any loan made under section 10 of the Fishermen's Protective Act of 1967 (as in effect before January 1, 1979), and, for purposes of the consideration by the Secretary of Commerce of any application for a loan under such section which was filed, but not acted on, before January 1, 1979, the amendment made by subsection (a) shall not be deemed to have been enacted.

UP AMENDMENT NO. 1665

Mr. STEVENS. Mr. President, I have an amendment at the desk.

The PRESIDING OFFICER. The amendment will be stated.

The assistant legislative clerk read as follows:

The Senator from Alaska (Mr. STEVENS) proposes unprinted amendment numbered 1665.

Mr. STEVENS. Mr. President, I ask unanimous consent that further reading of the amendment be dispensed with.

The PRESIDING OFFICER. Without objection, it is so ordered.

The amendment is as follows:

On page 5, line 7, of the House engrossed amendments, insert "'fishery'," immediately after "terms".

On page 6 of the House engrossed amendments, strike out lines 3 through 12, inclusive, and insert the following:

"(1) in the case of such vessel—

(A) occurs when such vessel is engaged in any fishery subject to the exclusive fishery management authority of the United States under the Fishery Conservation and Management Act of 1976, and

"(B) is attributable to any vessel (or its crew or fishing gear) other than a vessel of the United States; or

"(2) in the case of such fishing gear—

(A) occurs when such fishing gear is being used for fishing in any fishery subject to such exclusive management authority, and

"(E) is attributable to (i) any other vessel, whether such vessel is a vessel of the United States, or (ii) an act of God.

Mr. STEVENS. Mr. President, the amendment that I am offering to H.R. 10878, the Fishermen's Protective Act amendments, is very simple. It merely extends the eligibility for compensation from the section 10 vessel and gear compensation fund to U.S. fishing vessels and fishing gear that operate outside of our 200-mile fishery zone for species that the United States exercises exclusive management authority over—principally crab fishermen in the Bering Sea.

Mr. President, we had agreed with the House to cover this, but due to an oversight on their part, this coverage was not included in the bill, even though the House floor statements illustrate that the Members thought that it was. This amendment merely corrects this oversight to reflect our understanding and agreement with the House.

Mr. STEVENS. Mr. President, I move that the Senate concur in the House amendment to the Senate amendment numbered 1.

The PRESIDING OFFICER. The question is on agreeing to the motion.

The motion was agreed to.

Mr. STEVENS. I move that the Senate concur in the House amendment to the Senate amendment numbered 2 to the bill, with the further amendment.

The PRESIDING OFFICER. The question now recurs on the motion to concur in the House amendment to the Senate amendment to the bill, with an amendment.

The motion was agreed to.

Mr. STEVENS. Mr. President, I move to reconsider the vote by which the motion to concur in the House amendments to the Senate amendments to the bill with the further amendment was agreed to.

Mr. ROBERT C. BYRD. I move to lay that motion on the table.

The motion to lay on the table was agreed to.

Mr. STEVENS. Mr. President, on behalf of the Senator from Washington and myself, I thank the distinguished majority leader for his courtesy.

COMMEMORATING THOMAS ALVA EDISON

Mr. RIBICOFF. Mr. President, I send a resolution to the desk and ask for its immediate consideration.

The PRESIDING OFFICER. The resolution will be stated by title.

The legislative clerk read as follows:

A resolution (S. Res. 541) commemorating Thomas Alva Edison, American inventor.

The PRESIDING OFFICER. Is there objection to the present consideration of the resolution?

There being no objection, the Senate proceeded to consider the resolution.

Mr. RIBICOFF. Mr. President, this res-

olution honors a unique inventive genius, the late Thomas Alva Edison, who founded the Edison Electric Light Co. on October 15, 1878, a predecessor of today's General Electric Co.

It is an honor for me to pay tribute to this outstanding American whose name is synonymous with invention. From his creative enterprise emerged a stream of developments that profoundly influenced the development of industrial America and benefited the lives of millions.

Known as the father of the light bulb, Thomas A. Edison was able to conduct his experiments after receiving financial support from a small group of investors led by New York attorney Grosvenor P. Lowrey. In October of 1878, the Edison Electric Light Co. was organized for the purpose of supporting the "Wizard of Menlo Park" in his efforts to develop a practical incandescent bulb. This small company—capitalized at $300,000—represented the beginning of increasingly productive relations between business and technology in this country.

Edison's invention of a practical electric light on October 19, 1879, symbolized the beginning of a new era in which electricity played an increasingly significant role in the lives of Americans. The Edison Electric Light Co. rapidly expanded over the years, and was consolidated with several of the inventor's other companies in 1889 to form the Edison General Electric Co. In 1892, the General Electric Co. was formed by the merger of Thomson-Houston Co. with Edison's company.

Nearly 100 years after the formation of his fledgling company, Thomas Alva Edison's achievements—including 1,093 patents covering the phonograph, motion pictures, the electric pen, waxed paper and the incandescent lamp—remain as monuments to American ingenuity. Today, the name Edison continues to inspire the men and women of the successor General Electric Co. to reach new frontiers of technology and progress for people.

Edison's first central power station, built at Pearl Street in New York in 1882, was the first of many electrical generating stations and distribution systems to be engineered and built in America. Today's General Electric technology is being applied to the development of improved power systems to meet the Nation's growing electricity needs as well as more efficient methods of utilizing our finite supplies of energy.

Motors and dynamos built by Edison were the first of a century-long line of developments in which electricity is being made to do more work more economically. The current energy-conscious environment finds new generations of energy-efficient motors that can help reduce power consumption of air conditioners, refrigerators, and furnaces.

Edison's lamp has been improved over the years, to be joined by hundreds of additional, higher-output energy-efficient types from General Electric research. As an example, today's 1,000-watt Lucalox(R) lamps are about 100 times as efficient as Edison's first light bulbs.

Edison built an electric locomotive in 1880, and today, transportation technology developed by General Electric includes powerful jet engines such as the CF6 that powers widebodied aircraft, marine propulsion systems, and high-speed rapid transit systems.

Edison's phonograph is perhaps the best known consumer product to have begun a century-long parade of useful ideas for the home from General Electric. These include the famous Monitor Top refrigerator, electric range, the "Hotpoint" iron and today's modern microwave ovens, smoke alarms and tape recorders.

Today, 100 years after the founding of Edison's innovative company, General Electric continues in the tradition of Menlo Park. Over 30,000 employees with technical degrees are at work on the products of tomorrow, including 700 affiliated with the General Electric Research and Development Center.

From the small cadre of Edison Associates, General Electric has grown to employ some 384,000 men and women around the world, including 279,000 in the United States. And, while Edison's modest company produced no sales in its first year—one in which lighting experiments were its sole output—the successor of that company today produces sales of products and services to customers around the world of $17.5 billion. A significant contribution of that company's international business is a trade surplus of $1.9 billion (1976) and a balance of payments surplus of more than $2 billion. This international business provides 47,000 GE jobs in the United States and another 44,000 jobs among U.S. suppliers.

I am proud that the home of General Electric is located in my own State in Fairfield, Conn.

The PRESIDING OFFICER. The question is on agreeing to the resolution.

The resolution (S. Res. 541) was agreed to.

The preamble was agreed to.

The resolution, with its preamble, reads as follows:

S. Rec. 541

Whereas the Edison Electric Light Company was established on October 15, 1878, to support the inventive genius of Thomas Alva Edison;

Whereas Thomas Alva Edison's creative enterprise successfully developed the first practical incandescent lamp in October of 1879, established the Nation's first industrial research laboratory and the manufacturing experience to transform innumerable inventions into practical products available to millions throughout the world;

Whereas the growth of the Edison Companies produced a corresponding growth of technological innovations for the generation, transmission, distribution, and utilization of electricity;

Whereas the General Electric Company, successor to the Edison Company, celebrates one hundred years of progress for people on October 15, 1978;

Resolved, That the United States Senate marks the occasion of the one-hundredth anniversary of the enterprise founded by Thomas Alva Edison as an appropriate time to recognize his unique contributions to America and the world.

Several Senators addressed the Chair.

The PRESIDING OFFICER. The Senator from Vermont.

Mr. KENNEDY. Mr. President, will the Senator yield for a unanimous-consent request?

Mr. LEAHY. I yield for the purpose of a unanimous-consent request.

Mr. KENNEDY. Mr. President, I ask unanimous consent that Mr. Bob McNamara, of my staff, be accorded the privilege of the floor during consideration of this legislation.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. WALLOP. Mr. President, will the Senator yield?

Mr. LEAHY. Without losing my right to the floor, I yield to the Senator from Wyoming for a unanimous-consent request.

Mr. WALLOP. Mr. President, I ask unanimous consent that Pat Hoff, of my staff, be accorded the privilege of the floor throughout debate and votes on this measure.

The PRESIDING OFFICER. Without objection, it is so ordered.

VETO OF MILITARY PROCUREMENT AUTHORIZATION BILL

Mr. LEAHY. Mr. President, I rise to add my voice to those who will support the decision of President Carter to veto the Department of Defense authorization bill.

I wish to explain my reasons for that. In my judgment, the President's action was both necessary and based on solid reasoning. Many of my colleagues in the Senate know that I have strongly opposed the construction of additional *Nimitz*-class aircraft carriers since I came to Washington. In August of 1976, I introduced an amendment to the fiscal year 1977 appropriations bill to delete funding for a large deck carrier. That amendment, as Senators will recall was defeated. I believe there were 50 or 51 votes against it, giving some idea of the split in the Senate.

In October of that same year, I called the Senate's attention to the National Security Council study that raised serious questions about the military and economic viability of *Nimitz*-class carriers.

The U.S. Navy is charged with a number of mission responsibilities that the large deck aircraft carrier is not designed to meet. The proposed vessel at the center of the present controversy would not come into service until the late 1980's (1987), but would preclude the allocation of Naval appropriations for many more pressing, immediate needs. The appropriation of nearly $2 billion for an additional *Nimitz*-class carrier would force the deletion of a considerable amount of operations and maintenance money that is necessary to keep the Navy in a state of preparedness. Research and development funds that may very well prove vital in a few years would also have to make way for the new carrier. And finally, many hard procurement items would be sacrificed.

There has a been a great deal of discussion in recent months about the state

of the Navy, and its relative strength when compared with the Soviet Navy. I am willing to admit that there are areas within our Navy that cause me concern—we must improve, we must increase and streamline our shipbuilding efforts. In some cases they have been a total shambles. I am firmly convinced, however, that the huge expenditure demanded by the construction of another *Nimitz*-class carrier cannot address those problems that must be resolved in the very near future, and therefore cannot be justified.

In that regard, Mr. President, I am totally unimpressed with some of the charts that have been sent over on occasion for those seeking naval shipbuilding funds which show the Soviet Navy like this and the U.S. Navy at about one-quarter the strength, especially when some of those same charts will compare on a one-for-one basis something like a *Nimitz*-class aircraft carrier with a vessel the size of a small boat that the Vermont State Police use on Lake Champlain.

I believe that there is one point concerning this issue that we must all consider—and I am of the opinion that President Carter has done so—the central question is one of U.S. naval policy. The role of the large deck aircraft carrier is still a matter of debate in this Government. There are few who question the need for the United States to maintain a strong, flexible Navy, and I certainly support such a concept. The construction of additional *Nimitz*-class carriers all but destroys our ability to remain flexible.

That is the point we have to remember, Mr. President. The construction of additional *Nimitz*-class carriers all but destroys our ability to remain flexible. Further commitment to this type of vessel will lock the U.S. Navy into a policy, and indeed a role, that many military experts believe will not meet the needs of this country. I submit, Mr. President, that this is not solely a monetary issue, even though it be an enormous expense for such an aircraft carrier, but rather, and more importantly, is a question of national defense policy.

I will not rehash the arguments regarding the vulnerability of large deck carriers. I will only say that advances in weapons technology raise several very serious questions in my mind. It is doubtful as to whether even a well-escorted and well-screened nuclear carrier could survive an attack by ships armed with the latest available missiles, especially those that will be available in 1987 when the ship would be in service. In addition, I feel strongly that the dual role of the U.S. Navy to project power around the world and to keep the sealanes open—should that become necessary—can be far better accomplished by increasing the number of smaller, modern ships employing the most advanced technology. We must look to the development of an advanced, flexible, economical Navy for the years to come, and not lock future Americans into a naval policy that is yet unresolved and highly subject to question.

We must remember that the large deck aircraft carrier has its place, but cannot be allowed to take precedence at the expense of the rest of the Navy. The carrier force that the Navy currently possesses will enable this country to maintain a carrier fleet into the 21st century. Today, we must allocate our resources to those other, far more pressing naval demands if we wish to retain a truly effective force. We cannot afford to build monuments to past wars—but we must take those necessary, however difficult, steps to move forward to adequately and appropriately meet our naval security needs of the future as well as of today.

Mr. McGOVERN. Mr. President, will the Senator from Vermont yield to me for a comment?

Mr. LEAHY. I yield.

Mr. McGOVERN. Mr. President, first of all, I commend the Senator from Vermont for the fight he led here in the Senate earlier to eliminate the *Nimitz* class carrier which is responsible for the President's veto today. The Senator made an argument that seemed to me compelling and overwhelming in its logic some months ago.

As a Senator fully committed to the adequate defense of this country, I thought his argument was unanswerable. So I commend him for the foresight he showed in and his leadership on this issue.

I also join the Senator from Vermont in commending President Carter for the wisdom, the courage, and the commonsense that he has demonstrated today in vetoing this defense authorization bill.

We know why it was vetoed. It was because of this highly expensive nuclear aircraft carrier which our most thoughtful defense planners say will actually weaken the defense of the country rather than contribute to it because it deprives us of resources that we need for other more urgent sources of naval strength.

I think the evidence is growing all the time that in the event of a major war these huge, oversize, tremendously costly carriers would be sitting ducks in the age of missile warfare and would doubtless be destroyed in the opening hours of any such conflict.

This morning's Washington Post, if the Senator will bear with me for just a moment, carried an article by Mr. Don Oberdorfer, in which he quotes an unnamed but high official in the Defense Department who has concluded if we were to have proceeded with the building of this tremendously expensive nuclear carrier running to billions of dollars in initial cost, in the amount of $2 billion, that it would mean cutting important parts of the defense budget, to say nothing of items outside of the defense budget that we also need.

He said, and I quote:

> The "glamorous" carrier would be at the expense of funds needed to maintain the fighting fitness of warships, planes and other military equipment already in use.

He goes on to say:

> We have a serious problem of degrading our military capability below what it would otherwise be in order to procure some particular weapon system that seems attractive to some in Congress, the military and contractors. I just don't think we can afford that in the long run.

But the point of all of this, Mr. President, is that we do have, thank God, civilian authority in this country; we do have a Commander in Chief, who has the constitutional power to veto measures that he thinks are not in the public interest.

If there was ever a Presidential veto that I fully subscribe to, and that I think the American people would support when they hear the issues discussed openly and candidly, it is this veto.

I commend both the Senator from Vermont and the President for the leadership they have demonstrated. I thank the Senator for yielding to me.

Mr. President, I ask unanimous consent that the article on this subject by Mr. Oberdorfer be printed in the RECORD.

There being no objection, the article was ordered to be printed in the RECORD, as follows:

PRESIDENT WEIGHS VETO OF WEAPONS PROCUREMENT BILL

(By Don Oberdorfer)

President Carter held lengthy meetings with senior advisers yesterday amid indications that he will veto the $36 billion weapons procurement bill, and has called congressional leaders to the White House today to discuss the legislation.

An administration official close to the situation said last night that Carter has made a "firm" decision to reject the massive military bill, which would be an action with little or no precedent in recent times. But other officials said they had been told after a presidential meeting, which included Secretary of Defense Harold Brown and senior White House and Budget Bureau figures, that no final decision has been made.

Carter has until midnight tonight to either sign the bill, veto it or allow it to become law without his signature. He is expected to announce what he will do in a televised news conference scheduled for 4 p.m. today. It will be carried live on channels 4, 7 and 9 and on tape at 11:30 p.m. on channel 26.

The main item of dispute is a giant, nuclear powered aircraft carrier costing $2 billion, which was added by Congress after an active lobbying campaign by nuclear seapower advocates, including some uniformed officers of the Navy.

A veto would pit Carter, a former nuclear officer of the Navy, against the strong sentiment of many in his former service, including his naval mentor, Adm. Hyman G. Rickover.

There is "very strong sentiment" in the White House for rejecting the bill, an informed official said last night, but also "great concern about the political costs." Congressional sources said White House aides have been making soundings on Capitol Hill in an effort to determine whether a veto of the bill could be sustained.

The administration has been carrying on a lobbying effort to persuade the Senate Appropriations Committee to kill the nuclear carrier by dropping it from the military appropriations bill, which is a companion measure to the authorization bill now on the president's desk. Some sources in Congress, where speculation about Carter's action was rampant yesterday, suggested that the veto talk might be part of the lobbying effort with the Senate committee.

A top defense official, speaking to reporters early yesterday, accused Congress of lowering combat readiness by cutting important parts of the defense budget to pay for the $2 billion carrier. The official, who did not permit use of his name, said the "glamorous" carrier would be at the expense of funds needed to maintain the fighting fitness of warships, planes and other military equipment already in use.

"We have a serious problem of degrading

our military capability below what it would otherwise be in order to procure some particular weapon system that seems attractive to some in Congress, the military and contractors. I just don't think we can afford that in the long run," the official said.

The official added that Congress' plan to purchase the nuclear carrier would cut deeply into allotments proposed for strengthening U.S. forces committed to the North Atlantic Alliance and for proposed research and development.

As passed by Congress in its final form, the authorization bill for weapons procurement, military research and civil defense totaled $36.9 billion, about $1.5 billion more than had been recommended by Carter in his budget. The remarks of the top Defense Department official suggested that Carter's attack on the measure, if he makes it, is likely to be centered on the changed priorities among weapons and other defense expenditures, rather than on the issue of additional cost.

After the bill was passed, the administration indicated it would accept the authorization of a conventionally powered aircraft carrier, which would cost about $1.5 billion. But Defense Secretary Brown and others remained strongly opposed to the big nuclear ship.

Mr. LEAHY. I thank my distinguished colleague from South Dakota. I know of the concern he has expressed time and time again about this, and I appreciate his kind personal remarks.

I can only reiterate what both of us have said. It is not an anti-Navy or anti-defense posture we are stating here today, not at all. In fact, I consider it far more a pro-Navy, prodefense posture. Instead of getting ourselves locked into billions and billions of dollars in one increasingly vulnerable weapons system for the Navy, how much better that we use what resources we have, resources of technology, resources of money, resources of personnel, to diversify the Navy and have a Navy that is flexible enough to meet all the challenges of the modern world, and flexible enough to have the United States maintain its defense commitments around the world.

ORDER OF BUSINESS

Mr. LEAHY. Mr. President, I am intending to call up a conference report on the District of Columbia appropriations, but I do not know whether the distinguished majority leader——

Mr. STEVENSON. Mr. President, I thought the Senator was not ready, and that he could yield to me so that I could bring up conference reports. If that is what he is proposing to do I will not make my request.

Mr. LEAHY. This will take a relatively short period of time, I understand on the other side of the aisle there will be a request for the yeas and nays on passage of it because it is an appropriation bill.

Mr. STEVENSON. Mr. President, these will not require rollcall votes, they will take very little time. Will the Senator yield, Mr. President?

Mr. THURMOND. Mr. President, will the distinguished Senator yield for me to make some remarks on the same subject on which he spoke?

Mr. LEAHY. I will in just a moment.

I wonder if I might ask unanimous consent that I have the floor to call up my conference report on the District of Columbia appropriations immediately following the conference reports of the distinguished Senator from Illinois?

The PRESIDING OFFICER. Is there objection? The Chair hears none, and it is so ordered.

Mr. MATHIAS addressed the Chair.

Mr. THURMOND. Mr. President, will the Senator yield to me?

Mr. STEVENSON. Mr. President, who has the floor?

The PRESIDING OFFICER. The Senator from Vermont has a unanimous-consent agreement, and the Senator from Illinois has the floor.

Mr. STEVENSON. Mr. President, I thank the distinguished Senator for yielding me the floor.

NATIONAL CLIMATE ACT OF 1979— CONFERENCE REPORT

Mr. STEVENSON. Mr. President, I submit a report of the committee of conference on H.R. 6669 and ask for its immediate consideration.

The PRESIDING OFFICER. The report will be stated.

The assistant legislative clerk read as follows:

The committee of conference on the disagreeing votes of the two Houses on the amendment of the Senate to the bill (H.R. 6669) to establish a national climate program, and for other purposes, having met, after full and free conference, have agreed to recommend and do recommend to their repective Houses this report, signed by all of the conferees.

The PRESIDING OFFICER. Without objection, the Senate will proceed to the consideration of the conference report.

(The conference report is printed in the House proceedings of the RECORD of August 14, 1978.)

Mr. STEVENSON. Mr. President, this bill is the product of 2 years of collaboration between the House and Senate to fashion a multiagency climate research program and develop more effective ways of using climate information. The majority and minority members of the Committee on Commerce, Science, and Transportation have worked closely together. I particularly want to emphasize the important contribution of the Senator from Kansas (Mr. PEARSON) and the Senator from New Mexico (Mr. SCHMITT). The late Senator Hubert Humphrey also played a major role in developing the Senate version of the legislation.

I do not intend to repeat the substantive points of the statement of managers which are spelled out in the conference report. I want only to stress that the legislation directs that climate research go forward under the leadership of the Secretary of Commerce but retains major responsibilities among other Federal agencies concerned with climate research and use of climate data. This will be a national, multiagency program with participation by regions, States, local governments, and the private sector. The President is given the job of defining the roles of Federal agencies and for achieving coordination of these activities.

I want also to emphasize that the Subcommittee on Science, Technology, and Space plans continuing oversight of the program. The subcommittee will review carefully the 5-year program plan which the President must promulgate. We will be particularly concerned with those elements of the plan relating to the economic, social, and political impacts of climate change. The capacity to carry out timely assessments on the effect of climate on agricultural production, energy use, water resources, land resources, the natural environment, transportation, human health, and national security will be extremely important.

The last several years have dramatized our dependence on favorable climate patterns. We hope this legislation will develop the knowledge and ability to conduct our activities in a manner which takes climatic factors fully into account.

Mr. President, I move the adoption of the conference report on H.R. 6669, the National Climate Program Act.

Mr. SCHMITT. Mr. President, the conference committee on the National Climate Program Act, H.R. 6669, has successfully completed it work and reported this bill to the Senate for final passage.

Enactment of this legislation into law will provide the basis for a coordinated and comprehensive national climate research and service program. The results of the research efforts conducted pursuant to this act will greatly expand our knowledge of climatic processes and our ability to predict those processes. Equally important is the emphasis placed in the act on the utilization of such information by all sectors of the economy.

I am particularly impressed with the need to expand and develop climate-related services that are available to user groups throughout the country. The original bill introduced by Senator PEARSON and myself contained a provision for an intergovernmental climate program, a mechanism that would provide Federal grants to States and user groups to insure that the service sector is an integral part of the entire national climate program. I am happy to see this program authorized by the conference report.

The national climate program will be administered by the National Climate Program Office that will be established within the Department of Commerce. Funding for the program will begin with fiscal year 1979. We will carefully monitor the implementation and administration of the act to insure that aggressive Federal leadership and financial support is provided for this extremely important and innovative program.

Mr. President, I would like to thank the conferees and the committee staffs on the very excellent job of resolving the differences in the two bills.

The PRESIDING OFFICER. The question is on agreeing to the conference report.

The conference report was agreed to.

Mr. TOWER. Mr. President, I move to reconsider the vote by which the conference report was agreed to.

Mr. STEVENSON. I move to lay that motion on the table.

The motion to lay on the table was agreed to.

CORRECTION OF ENROLLMENT OF H.R. 6669

Mr. STEVENSON. Mr. President, I send a concurrent resolution to the desk and ask for its immediate consideration.

The PRESIDING OFFICER. The clerk will state the concurrent resolution by title.

The assistant legislative clerk read as follows:

Concurrent resolution to correct the enrollment of H.R. 6669.

The concurrent resolution (S. Con. Res. 103) was considered and agreed to as follows:

Resolved by the Senate (the House of Representatives concurring), That in the enrollment of the bill (H.R. 6669), to establish a national climate program, and for other purposes, the Clerk of the House of Representatives shall make the following correction:

In section 5(b)(1), strike "(8)" and insert in lieu thereof "(9)".

NASA AUTHORIZATIONS, 1979—CONFERENCE REPORT

Mr. STEVENSON. Mr. President, I submit a report of the committee of conference on H.R. 11401 and ask for its immediate consideration.

The PRESIDING OFFICER. The report will be stated.

The assistant legislative clerk read as follows:

The committee of conference on the disagreeing votes of the two Houses on the amendment of the Senate to the bill (H.R. 11401) to authorize appropriations to the National Aeronautics and Space Administration for research and development, construction of facilities, and research and program management, and for other purposes, having met, after full and free conference, have agreed to recommend and do recommend to their respective Houses this report, signed by all of the conferees.

The PRESIDING OFFICER. Without objection, the Senate will proceed to the consideration of the conference report.

(The conference report will be printed in the proceedings of the House of Representatives.)

Mr. STEVENSON. Mr. President, the conference agreement authorizes $4,401,600,000 for the National Aeronautics and Space Administration for fiscal year 1979. This amount is $13 million above the Senate bill, $13.7 million below the House bill, and $30 million above the budget request.

The increase above the request reflects the desire of the conferees to identify areas where NASA should apply additional emphasis. These increases are in the area of space applications, energy technology, technology transfer, and aeronautics. The total program provided for in this bill represents an austere but generally well balanced program in space and aeronautical research.

Mr. President, I believe the conference agreement is a reasonable compromise of the differences between the House and the Senate on this bill. I know of no objection to this conference report.

Mr. President, I move the adoption of the conference report.

Mr. SCHMITT. Mr. President, one of the most exciting commitments by the American people in the last decade was to landing men on the Moon. That effort was represented by a unified industry and ingenuity never before seen in peace time. The young were caught by imagination, the technical community responded to the challenge, and all over the world people reacted to a new horizon within reach.

The Apollo explorations and the Mercury and Gemini programs were man's first halting and clearly personal look at his universe. We have had the audacity to try to understand our place in the universe and in its future, and we have had the further audacity to use that understanding to try to alter the universe and to more fully perceive the Earth, using in large measure corrected vision from space.

The technology developed for the space program has provided us with multiple practical benefits. There are applications in agriculture, business, communication, medicine, defense and diplomacy, to name only a few. In the future, that technology will provide accessibility to the new Earth orbit resources of weightlessness and high vacuum for manufacturing, medical and surgical procedures, and other services.

These benefits could not have been derived from a static technology developed through the exclusive use of the mechanical exploration of space. Man in space means on-the-spot invention, testing, questioning, and revision of space technology. The presence of man in space was, is, and shall continue to be vital to the well-being of the space program. There are new avenues of opportunity opened by the space program of the sixties. It is up to man to explore them. It is up to us to create the opportunities for such exploration.

Mr. President, today the Senate receives the conference committee report on the National Aeronautics and Space Administration (NASA) authorization bill for fiscal year 1979, H.R. 11401. My fellow conferees, their staffs and that of the committees are to be congratulated for resolving the differences between the House and Senate versions in a fair and equitable manner. The final authorization, which is $30 million over the budget request, gives direction to NASA for funding of programs that the Congress feels are most important.

Mr. President, I want to thank the distinguished Senator from Illinois, Mr. STEVENSON, for his able chairmanship of the Science, Technology and Space Subcommittee and for his able leadership in all the meetings and hearings that went into the formulation of this NASA authorization bill.

The PRESIDING OFFICER. The question is on agreeing to the conference report.

The conference report was agreed to.

AUTHORIZATION FOR SELECT COMMITTEE ON ETHICS TO PARTICIPATE IN JUDICIAL PROCEEDINGS

Mr. STEVENSON. Mr. President, I send a resolution to the desk and ask for its immediate consideration.

The PRESIDING OFFICER. The clerk will state the resolution by title.

The assistant legislative clerk read as follows:

A resolution (S. Res. 542) authorizing the Select Committee on Ethics to participate in judicial proceedings deemed necessary to obtain information regarding its initial review in matters pertaining to Senators HERMAN E. TALMADGE of Georgia and EDWARD BROOKE of Massachusetts.

The Senate proceeded to consider the resolution.

Mr. STEVENSON. Mr. President, this resolution has been reported from the Senate Ethics Committee. It has been cleared on both sides, and I know of no objection to it.

The Select Committee on Ethics has for the past 2 months been inquiring the allegations concerning the legality and/or propriety of certain alleged actions of Senator HERMAN E. TALMADGE of Georgia and EDWARD BROOKE of Massachusetts.

In the course of the initial review into the allegations concerning Senator TALMADGE the committee has learned that at least one and perhaps more prospective witnesses are unwilling to testify without the protection of use immunity—a form of immunity which only protects the witness from the use of his testimony before the committee in any future criminal proceedings, but does not protect him from being charged criminally assuming other evidence is available.

Although the initial review into the allegations concerning Senator BROOKE have not proceeded to the point where it can be determined with certainty that use immunity will be necessary, the Select Committee on Ethics in the interest of economy of time desires to be given the authority, as set forth in the proposed resolution, to participate in the judicial proceedings preliminary to the granting of such use immunity, and in any other judicial proceedings deemed necessary by the committee to expedite the investigation of the aforementioned allegations concerning the two Senators. I. therefore, move adoption of the resolution.

The PRESIDING OFFICER. The question is on agreeing to the resolution.

The resolution (S. Res. 542) was agreed to as follows:

Authorizing the Select Committee on Ethics to participate in judicial proceedings deemed necessary to obtain information regarding its initial review in matters pertaining to Senators Herman E. Talmadge of Georgia and Edward Brooke of Massachusetts.

Resolved, That the Select Committee on Ethics is authorized to participate in any judicial proceeding, whether initiated by the select committee, or any other person, deemed necessary by the select committee to obtain testimony, documents, or other evidence concerning or relating in any way to its inquiry into or investigation of allegations of impropriety concerning Senator Herman E. Talmadge or Senator Edward Brooke.

Mr. STEVENSON. Mr. President, I thank the distinguished Senator.

ORDER OF BUSINESS

The PRESIDING OFFICER. Under the unanimous-consent agreement the

Senator from Vermont is recognized to call up the D.C. appropriations bill.

Mr. LEAHY. Mr. President, I ask unanimous consent to yield 5 minutes to the Senator from South Carolina without losing my right to the floor and without losing my right to bring up the D.C. appropriations conference report.

The PRESIDING OFFICER. Without objection, it is so ordered.

VETO OF MILITARY PROCUREMENT AUTHORIZATION BILL

Mr. THURMOND. Mr. President, I thank the Senator from Vermont. The purpose of my remarks is to reply to his remarks on the DOD authorization bill which the President has vetoed, with special emphasis on the carrier.

President Carter's veto today of the fiscal year 1979 Military Authorization Act adds up to the wrong decision at the wrong time for the wrong reasons.

WRONG DECISION

Mr. President, it is the wrong decision because it flies in the face of studies which Congress requested of the Navy that show when total life cycle costs are considered the nuclear carrier is more cost effective than the convention carrier.

Further, the nuclear carrier gives us much, much more in the way of capability. It has four screws instead of two, it carries 45 percent more planes, it has its own powerplant and is not dependent upon oil-carrying ships needed to support the conventional carrier.

Although President Carter says he favors the conventional carrier, he has vetoed a military authorization bill for the first time in history because it is nuclear powered.

Of great importance to me on this issue is the fact that the nuclear carrier is much more survivable than the conventional ship. Faced with the modern weapons of today we should put our seamen on only the most survivable platforms.

WRONG TIME

This veto also comes at the wrong time for the President and the Nation.

The President has already ended production of the B–1 bomber and the Minuteman III missile. He has delayed development of the MX Mobile Missile and cut by one-half the Navy's 5-year shipbuilding program. He has cut overall defense spending about $15 billion in the past 2 years, negotiated away cruise missile ranges in SALT, and generally given the world a confused policy on U.S. firmness in defense.

Now he is adding the Navy's nuclear attack aircraft carrier ot his list of defense programs that get the ax. This type of decision, at this time, sends the wrong signal to the Soviet Union and throughout the world. It is ill timed as well as ill conceived.

WRONG REASONS

The President's action is also based upon the wrong reasons. He says he favors saving the few hundred million difference in the carrier cost so we can have more ships for the Navy. Yet, if he favors more ships, why has his administration cut the Navy's 5-year shipbuilding plan from 157 ships to 70 ships?

President Carter also claims the cost of the nuclear carrier is taking money away from other programs. But that is not the case, as the Congress has given the President about all he requested in his budget. In fact, Congress has added some items over and above the President's request because it was a modest program. Certainly some requests were not allowed, but the Congress and the four military committees have much more defense experience than the President's White House staff or the team he has assembled in the Defense Department.

Mr. President, this veto was promoted not only from the White House but also from the Defense Department. It comes straight from Systems Analysis, which now includes some of the same people that former Defense Secretary McNamara assembled in the Pentagon. Most of them are back, and this veto is as ill conceived as was their successful opposition in 1962 to making the *John F. Kennedy* a nuclear carrier.

In closing, I hope the Congress will show some backbone and override this veto. It is the wrong decision, at the wrong time, for the wrong reasons.

I thank the Senator for yielding.

Mr. LEAHY. Mr. President, I ask unanimous consent that I be permitted to yield 3 minutes to the distinguished Senator from Rhode Island (Mr. CHAFEE) without losing my right to the floor.

The PRESIDING OFFICER. Without objection, it is so ordered.

FUNDING REJECTIONS

Mr. CHAFEE. I thank the Senator from Vermont very much for giving me these few minutes. I would like to comment on two unrelated subjects.

NUCLEAR CARRIER

The first is the President's veto of the nuclear powered strategic attack carrier, of which the Senator from South Carolina has spoken.

While I would have favored a conventionally-powered aircraft carrier, I applaud the President's veto with reference to the nuclear carrier. I commend the President on that decision at this time, particularly when dollars are so short, and we need to commit all our available funds to obtaining as many ships as we can. Spending the $2 billion on a nuclear-powered carrier was just not the right step to take, and I believe the President's actions are to be commended.

THE HART SENATE OFFICE BUILDING

Changing gears, Mr. President, I would like to say that I have heard that today the House of Representatives rejected the additional money for the Hart Building. I think that was a magnificant step on the part of the House. As Senators know, I do not think we should ever have embarked on that building. I think it was the wrong thing to do, particularly in the tenor of these times, that the Senate should carry forward with a building that, in our judgment, will cost $138 million, and I think undoubtedly a good deal more than that. I think the House of Representatives took the right step in eliminating the additional amount of money we put in the other day for that building, and I hope now we can stop the building in its entirety, for two reasons: First, it is not the right thing to do in these times to have such an expensive building; and secondly, I do not think we should have the building at all. The only thing that building would do is encourage the Senate to have more staff. Then we will feel cramped with that, and go on and need a fourth building, particularly if we obtain two more Senators from the District of Columbia. That alone will require two more buildings, at the rate we are going.

I thank the Senator from Vermont for yielding.

Mr. THURMOND. Mr. President, will the Senator yield so that I may respond on the point about the building?

Mr. CHAFEE. I do not have control of the time.

Mr. THURMOND. Will the Senator from Vermont yield me half a minute, to respond on this building?

Mr. LEAHY. I would really like to get to the conference report.

Mr. THURMOND. I just want to disagree with the Senator from Rhode Island on the carrier question. I am surprised that a man who has been Secretary of the Navy would take that position, but that is his right.

I commend him for his position on this new Senate office building. This new Senate office building would have a new restaurant, a new swimming pool, a new gymnasium—all things, it seems to me, that we ought to set an example for economy by doing without; and this is an unnecessary exception.

Mr. CHAFEE. I am glad I am batting 50 percent with the Senator from South Carolina today.

The PRESIDING OFFICER (Mr. METZENBAUM). The Senator from Vermont.

Mr. LEAHY. Mr. President, I was pleased to yield to the Senator from Rhode Island, particularly because he was a former Secretary of the Navy. I agree with him on the futility of creating more of these floating platforms.

I also agree with him on the matter of the Hart Building. I voted against that appropriation in the committee, and I voted against it again here on the floor. I think it is just one more way of insulating ourselves from the people we represent. There is not one Senator in his right mind, politically, who would want a palace like that for his office back in his home State, where people might see it. To have it down here where they will not, I think, is another example, Mr. President, where we are getting trapped into a situation where we spend more and more time here in Washington and less

and less with the people we represent. If that trend is ever to be reversed, we will have to stop——

Mr. MATHIAS. Mr. President, are we here to discuss the D.C. conference report?

DISTRICT OF COLUMBIA APPROPRIATIONS, 1979 — CONFERENCE REPORT

Mr. LEAHY. Mr. President, I submit a report of the committee of conference on H.R. 13468, and ask for its immediate consideration.

The PRESIDING OFFICER (Mr. METZENBAUM). The report will be stated.

The assistant legislative clerk read as follows:

The committee of conference on the disagreeing votes of the two Houses on the amendments of the Senate to the bill (H.R. 13468) making appropriations for the government of the District of Columbia and other activities chargeable in whole or in part against the revenues of said District for the fiscal year ending September 30, 1979, and for other purposes, having met, after full and free conference, have agreed to recommend and do recommend to their respective Houses this report, signed by all of the conferees.

The PRESIDING OFFICER. Without objection, the Senate will proceed to the consideration of the conference report.

(The conference report is printed in the House proceedings in the RECORD of August 16, 1978.)

Mr. LEAHY. Mr. President, I am pleased to have the opportunity to bring to the Senate the conference report on the District of Columbia Appropriations Act of 1979. It is interesting to consider the very timely process that we have just gone through in consideration of this appropriation measure. The House originally passed this Appropriation Act on July 21 and the matter was then before the Senate for our consideration. Our subcommittee action on this bill was delayed slightly because of our need to hold 1 day of additional hearings on a fiscal year 1978 supplemental request and a fiscal year 1979 amendment request. We held this additional hearing on July 19. The subcommittee then marked the appropriations bill up on August 3, and it was considered just 6 days later by the full committee on August 9. Following that, with the very excellent assistance of the majority leader, we were able to bring the bill to the Senate floor on August 14, or on Monday of this week. On Wednesday morning of this week at 9 a.m. the Senate conferees met with the House conferees to resolve the several outstanding differences between the House and Senate passed bills.

Earlier today the House passed the conference report on the District of Columbia appropriations bill and sent the matter to us for final consideration. Therefore in a period of just 11 working days of the Senate we have been able to go from subcommittee markup of this appropriations bill in the Senate to final consideration of the conference report. This indeed is prompt action and shows that the Congress can move with haste.

I would not like to be misunderstood as to be implying that this very rapid processing of an appropriation measure is always necessarily a good thing. I should also point out that this rapid action was only possible because of the 8 days of hearings that we held between February and July, and a great deal of time spent in analysis, discussion, and consultation. Many times there are measures of great controversy and it is then more desirable to proceed at a more deliberate pace. In fact, as the Members will recall, we had somewhat of a controversy on the 1978 bill for the District of Columbia, and we spent over 6 months between the date of the subcommittee action on the District of Columbia bill and the date when we were able to bring the conference report back to the Senate for final approval.

This year we have no matters of great controversy involved and in fact the full Appropriations Committee suggested only one amendment to the bill as presented to it by the subcommittee. Also, as the Members will recall no amendments were offered to this bill when it was on the floor of the Senate on Monday of this week.

The Senate conferees met with the House conferees on over 33 items in disagreement. The Senate receded to three of these items. We reached a compromise on several other items and the House deferred to the Senate on the greatest majority of the items that were before us in conference. I do not offer this accounting as a score card of wins and losses because it is the extremely fine cooperation between the House and Senate that has produced a fine product. A great deal of credit for this goes to Mr. NATCHER, the other members and his subcommittee and his excellent appropriations staff.

I bring back to the Senate a conference agreement that is substantially similar to the bill that was passed by the Senate on Monday of this week. It is a budget that is fully balanced; it is a budget that provides for all necessary city services, and it is a lean budget because that is what the people have asked for.

As the Senate will recall, the city's budget request for the District of Columbia for fiscal year 1979 totaled $1,428,442,000 with $1,298,652,000 of this total being requested for operating expenses and the balance of $129,790,000 was requested for the capital improvement program. The total amount agreed to by the conferees is $1,362,317,700 which includes $1,285,102,700 for operating expenses and $77,215,000 for the capital improvement program. Additionally, as the Members will recall $21,930,100 was provided for a 1978 supplemental. The amount agreed to by the conferees for this supplemental is $21,341,500 or a reduction of $588,600 from the amount recommended by the Senate. These particular reductions were made possible by information supplied to the conferees subsequent to our action in the Senate indicating funding for several requested activities was no longer necessary.

The amount agreed to by the Conferees for operating expenses for fiscal year 1979 is $2,463,800 less than was recommended by the Senate. This reduction is composed of several small adjustments and I will now touch briefly on some of the larger ones.

The conferees agreed to sustain the House position to deny the city's request for 20 additional positions for tax administration and the associated $254,900. It was the feeling of the conferees that the existing 277 fully funded positions for this activity was an adequate level. The Senate receded from its recommendation to increase the public library budget by $707,400 over the amount requested for the city for a computerized system to develop a book circulation and inventory system. This is a needed improvement, but it is one that can be deferred. The confereees accepted the Senate reduction to create a new parking enforcement program in the city as denied by the House but recommended by the Senate. In agreeing to this action, however, the conferees further agreed to transfer an additional 42 positions and the associated $701,000 from the superior court to the Department of Transportation where the new parking enforcement program will be operated. These positions are currently in the superior court and are currently devoted to the city's traffic enforcement program. The conferees agreed that these positions and the associated money should be transferred along with the activity.

Additionally, the Senate conferees deferred to the House conferees in their recommendation to delete $275,000 for capital improvements to the city's dog pound.

Mr. President, these are the major items that explain the difference between the budget as previously approved by the Senate and the budget agreed to by the conferees. There are several other small items which are fully explained in the Conference Report 95–1500. Therefore, I will not take the Senate's time to go over each and every one of the items agreed by the conferees.

The Federal payment recommended by the conferees is $235,000,000 which is $3 million less than the Federal payment recommended by the Senate. This small adjustment in the Federal payment is made possible by the conference committee action which also had the net effect of reducing the budget as proposed by the Senate by $3 million. The financial plan approved by the conferees is balanced on a cash basis. There will be approximately $838,000 left in the city treasury on September 30, 1979. The budget total as recommended by the conferees is $244,800,000 less than the ceiling provided in the first concurrent resolution for District of Columbia appropriations.

I ask unanimous consent that a table be printed at this point in the RECORD which explains the full details the budget totals agreed to by the conferees.

There being no objection, the table was ordered to be printed in the RECORD, as follows:

COMPARATIVE STATEMENT OF NEW BUDGET AUTHORITY

	New budget authority					Conference compared with—			
	Enacted fiscal year 1978	Estimates fiscal year 1979	House fiscal year 1979	Senate fiscal year 1979	Conference fiscal year 1979	Fiscal year 1978 enacted	Fiscal year 1978 estimate	House bill	Senate bill
TITLE I									
TEMPORARY COMMISSION ON FINANCIAL OVERSIGHT OF THE DISTRICT OF COLUMBIA									
Salaries and expenses	3,000,000	3,000,000	3,000,000	3,000,000	3,000,000	.....	.....	.....	.....
TITLE II									
DISTRICT OF COLUMBIA									
FEDERAL FUNDS									
Federal payment	276,000,000	317,000,000	264,000,000	238,000,000	235,000,000	−41,000,000	−82,000,000	−29,000,000	−3,000,000
Payment in lieu of reimbursement for water and sewer services to Federal facilities	28,116,000	10,300,000	10,300,000	10,300,000	10,300,000	−17,816,000	.....	.....	.....
Federal payment to retire R. F. K. Stadium bonds	.....	.....	.....	9,900,000	9,900,000	+9,900,000	+9,900,000	+9,900,000	.....
Loans to the District of Columbia for capital outlay	92,000,000	129,790,000	.....	.....	.....	−92,000,000	−129,790,000	.....	.....
Total, Federal funds to District of Columbia	396,116,000	457,090,000	274,300,000	258,200,000	255,200,000	−140,916,000	−201,890,000	−19,100,000	−3,000,000
DISTRICT OF COLUMBIA FUNDS									
Operating expenses									
General operating expenses	(90,862,600)	(96,326,800)	(93,718,500)	(95,133,100)	(93,765,300)	(+2,902,700)	(−2,561,500)	(+46,800)	(−1,367,800)
1978 supplemental	.....	(3,203,200)	.....	(2,719,400)	(2,719,400)	.....	(−483,800)	(+2,719,400)	.....
Public safety	(263,771,000)	(274,412,800)	(266,473,800)	(265,961,200)	(265,190,200)	(+1,419,200)	(−9,222,600)	(−1,283,600)	(−771,000)
1978 supplemental	.....	(1,139,700)	.....	(889,700)	(889,700)	.....	(−250,000)	(+889,700)	.....
Education	(264,679,200)	(282,898,600)	(282,201,200)	(283,605,400)	(283,605,400)	(+18,926,200	(+706,800)	(+1,404,200)	.....
1978 supplemental	.....	(143,600)	.....	(68,600)	.....	.....	(−143,600)	.....	(−68,600)
Recreation	(17,551,000)	(18,677,400)	(18,392,700)	(18,392,700)	(18,392,700)	(+841,700)	(−284,700)	.....	.....
1978 supplemental	.....	(58,000)	.....	(58,000)	(58,000)	.....	.....	(+58,000)	.....
Human resources	(183,462,300)	(294,474,800)	(284,767,700)	(283,321,300)	(283,321,300)	(−141,000)	(−11,153,500)	(−1,446,400)	.....
1978 supplemental	.....	(9,353,900)	.....	(8,086,000)	(8,086,000)	.....	(−1,267,900)	(+8,086,000)	.....
Transportation	(59,713,900)	(77,551,700)	(71,380,900)	(78,735,200)	(78,735,200)	(+19,021,300)	(+1,183,500)	(+7,354,300)	.....
1978 supplemental	.....	(4,340,400)	.....	(1,082,200)	(1,082,200)	.....	(−3,258,200)	(+1,082,200)	.....
Environmental services	(68,191,900)	(73,309,900)	(72,962,500)	(72,119,800)	(72,069,800)	(+3,877,900)	(−1,240,100)	(−892,700)	(−50,000)
1978 supplemental	.....	(1,669,700)	.....	(1,550,400)	(1,030,400)	.....	(−639,300)	(+1,030,400)	(−520,000)
Personal services	(65,549,400)	(69,300,000)	(69,300,000)	(69,300,000)	(69,300,000)	(+3,750,600)	.....	.....	.....
1978 supplemental	.....	(7,000,000)	.....	(7,000,000)	(7,000,000)	.....	.....	(+7,000,000)	.....
Settlement for claims and suits	.....	.....	(72,800)	(322,800)	(322,800)	(+322,800)	(+322,800)	(+250,000)	.....
1978 supplemental	.....	(21,800)	.....	.....	.....	.....	(−21,800)	.....	.....
Repayment of loans and interest	(125,668,500)	(111,700,000)	(111,700,000)	(120,400,000)	(120,400,000)	(−5,268,500)	(+8,700,000)	(+8,700,000)	.....
1978 supplemental	.....	(475,800)	.....	(475,800)	(475,800)	.....	.....	(+475,800)	.....
Total, operating expenses	(1,239,449,800)	(1,298,652,000)	(1,270,970,100)	(1,287,291,500)	(1,285,012,700)	(+45,652,900)	(−13,549,300)	(+14,132,600)	(−2,188,800)
1978 supplemental	.....	(27,406,100)	.....	(21,930,100)	(21,341,500)	.....	(−6,064,600)	(+21,341,500)	(−588,600)
Capital outlay									
Capital outlay	(129,173,400)	(129,790,000)	(77,215,000)	(77,490,000)	(77,215,000)	(−51,958,400)	(−52,575,000)	.....	(−275,000)
Total, District of Columbia funds	(1,368,623,200)	(1,428,442,000)	(1,348,185,100)	(1,364,781,500)	(1,362,317,700)	(−6,305,500)	(−66,124,300)	(+14,132,600)	(−2,463,800)
1978 supplemental	.....	(27,406,100)	.....	(21,930,100)	(21,341,500)	.....	(−6,064,600)	(+21,341,500)	(−588,600)
RECAPITULATION									
Grand total, new budget (obligational) authority	399,116,000	460,090,000	277,300,000	261,200,000	258,200,000	−140,916,000	−201,890,000	−19,100,000	−3,000,000
Consisting of—									
Temporary Commission on Financial Oversight of the District of Columbia	3,000,000	3,000,000	3,000,000	3,000,000	3,000,000	.....	.....	.....	.....
District of Columbia:									
Federal funds to the District of Columbia	396,116,000	457,090,000	274,300,000	258,200,000	255,200,000	−140,916,000	−201,890,000	−19,100,000	−3,000,000
District of Columbia funds	(1,368,623,200)	(1,428,442,000)	(1,348,185,100)	(1,364,781,500)	(1,362,317,700)	(−6,305,500)	−66,124,300)	(+14,132,600)	(−2,463,800)
1978 supplemental	.....	(27,406,100)	.....	(21,930,100)	(21,341,500)	.....	−6,064,600)	(+21,341,500)	(−588,600)

Mr. LEAHY. Mr. President, there is one final matter I would like to touch on and that is the several reforms recommended by the Senate and agreed to by the conferees with regard to the operation of the CETA program in the city. I am sure the Members are well aware of the greatly publicized abuses that have occurred in the CETA program here in the District of Columbia. Previously the U.S. Department of Labor investigation into this matter focused on the District of Columbia City Council and there was no firm evidence that the abuses went beyond the City Council. Earlier this week I am sure many Members have followed the front page news accounts in one of our local newspapers regarding the fact that the city's abuses to the CETA program are not just isolated to the City Council, but are widespread through the entire city government.

Mr. President, I am pleased the Senate accepted our recommendations that will help reform this program and I am also pleased that the conferees agreed to the Senate's position on this matter. These are reforms that are long overdue; these are reforms that will require the city to operate the program in a manner more consistent with current law and these are reforms that the local citizens and taxpayers are asking for.

Mr. President, there is one final point that I would make and that is the fact that this is the first District of Columbia Appropriations bill, assuming for the moment that the Senate will approve this conference report, since passage of the Budget Reform Act of 1974 that has met the mandated timetable included in that Reform Act. I am pleased that we were able to meet the timetable this year. Our timely action in the Congress almost certainly assures that the city will have a budget bill for fiscal year 1979 signed into law by the President before the beginning of the fiscal year. We look forward next year to meeting the required timetable that is set out by the Budget Reform Act of 1974 and our prospects for doing this are good. Our prospects appear good because the appropriations bill for fiscal year 1979 includes a mandated due date for the transmittal of the budget to the Congress by February 1. This will help insure that we receive the budget request in a timely manner and therefore it greatly increases our chances of providing the city with a final budget prior to the beginning of the fiscal year for which it would apply.

Mr. President, before I yield to the distinguished ranking minority member of our subcommitee, I understand there has been a request from the other side of the aisle that there be a rollcall vote on this matter. Therefore, Mr. President, I ask for the yeas and nays on the adoption of the conference report.

The PRESIDING OFFICER. Is there a sufficient second? There is a sufficient second.

The yeas and nays were ordered.

Mr. LEAHY. I yield to the distinguished Senator from Maryland (Mr. MATHIAS).

Mr. MATHIAS. Mr. President, my views on this subject have been expressed at length in previous debates in the appropriations process. I think I will rest on the record.

I thank the Senator from Vermont for asking for the yeas and nays. I might simply say, to put the Senate on notice, that it is the policy and the agreement on the minority side at this time that where appropriations bills or appropriations conference reports are to be voted on in the Senate, a request for the yeas and nays will be made.

I thank the Senator for yielding.

Mr. LEAHY. Mr. President, I thank the distinguished ranking member of the committee for his help, and also Bob Clark of his staff, Mike Hall, who was tireless in his help, and Veneda Cane, who is unbelievable in getting material out for us.

Mr. President, I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The assistant legislative clerk proceeded to call the roll.

Mr. ROBERT C. BYRD. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

REPRESENTATION OF THE DISTRICT OF COLUMBIA IN CONGRESS

The Senate continued with the consideration of the joint resolution.

UNANIMOUS-CONSENT AGREEMENT

Mr. ROBERT C. BYRD. Mr. President, I ask unanimous consent that, waiving paragraph 3 of rule XII, a vote occur up or down on the D.C. representation amendment on Tuesday at 6 o'clock p.m.; provided further, that Mr. McCLURE have 20 minutes on each of seven amendments which he will offer, and Mr. KENNEDY will have 10 minutes on each of those seven amendments under his control; that Mr. SCOTT have under his control 6½ hours, and that Mr. KENNEDY have under his control 2 hours; provided further, that the cloture vote on tomorrow be vitiated; ordered further that the leadership be authorized to call up the Federal aid to highway bill tomorrow; that there be no session Saturday; that the leadership be authorized to resume consideration of the Federal aid to highway bill on Monday and Tuesday, if necessary, at such times as those Senators managing the D.C. representation bill are not utilizing the floor on behalf of that measure; provided further, that the agreement have no provision concerning germaneness.

Mr. TOWER. Reserving the right to object, would the Senator withhold the highway portion of the request for the moment?

Mr. ROBERT C. BYRD. I will withdraw that part of the agreement, Mr. President, related to the Federal aid to highway bill.

The PRESIDING OFFICER. Is there objection?

Mr. SCOTT. Mr. President, reserving the right to object, it is my understanding from private conversations with the distinguished majority leader that part of this time will be allocated on Monday and part of it would be allocated on Tuesday that will be under the control of Senator McCLURE and Senator KENNEDY and myself. Could we have some sort of an agreement as to the portion that we would be able to use on Monday and the portion that we would be able to use on Tuesday? What I am getting at is that if we have 6½ hours under my control and 3½ hours under the control of Mr. McCLURE on the McClure amendment, and it may be that the distinguished Senator from Massachusetts might want time to respond to the 6½ hours that I have, we are getting into quite a few hours. If we could somehow indicate that of the 6½ hours under my control, 2½ hours would be on Monday and 4 would be on Tuesday, that would accommodate me. I am not going to utilize them but I am thinking of other people who are of the same position that I take on this joint resolution. They could utilize it and I could allocate the time to them. Would 2½ hours on Monday and 4 hours on Tuesday be agreeable?

Mr. ROBERT C. BYRD. That would be agreeable, or we can make it half and half each day, whichever way the Senator prefers.

Mr. STAFFORD. Will the distinguished Senator yield for a minute?

Mr. ROBERT C. BYRD. Yes.

Mr. STAFFORD. Did I understand the majority leader withdrew his request as to Federal aid to highways?

Mr. ROBERT C. BYRD. Just as of now. I did not want to make that part of this request.

Mr. STAFFORD. I simply wanted to point out to the distinguished majority leader that the manager will be out of town until about 1 o'clock on Monday and so will the Senator from Vermont, who is the ranking minority member of the committee. Other than that, we wish to accommodate the majority leader.

Mr. ROBERT C. BYRD. I appreciate that information, but that is not a part of the request at this time.

Mr. SCOTT. Mr. President, further reserving the right to object, it is my understanding from talking with the distinguished Senator from Idaho (Mr. McCLURE) that he has no preference whether it is Monday or Tuesday but he would want to utilize part of the time on both dates without specific amount assigned to him. Is that agreeable to the Senator from Massachusetts?

Mr. KENNEDY. If the Senator will yield, I would hope that at least by tomorrow we could have all the amendments in the RECORD and printed so that we could begin to prepare and all Members would be on notice. But that is just a preference. I am satisfied as the leader designated the time and we will be prepared to debate Monday and Tuesday at whatever time is agreeable.

Mr. SCOTT. Further reserving the right to object, Mr. President, and I am not going to object, as I understand now we will have a final vote on the measure now before us, as amended, if it should be amended, at 6:30 p.m. on Tuesday next?

Mr. ROBERT C. BYRD. At 6 o'clock.

Mr. SCOTT. Six p.m. on Tuesday next.

Mr. TOWER. Provided that any amendments that are pending at that time could be voted upon?

Mr. SCOTT. Mr. President, I am not sure the distinguished majority leader heard the Senator from Texas. Provided that any amendments pending at the desk could be voted upon even if it went beyond the hour of 6 p.m.?

Mr. ROBERT C. BYRD. Any amendment that is called up and that is pending, not any amendment at the desk.

Mr. TOWER. Any amendment that is called up is what I meant.

Mr. ROBERT C. BYRD. Any amendment that is called up and is then pending at 6 o'clock, yes.

Mr. SCOTT. Mr. President, I have no objection.

Mr. ROBERT C. BYRD. Let us hold on just a minute. It is conceivable that an amendment could have been called up and been pending at the hour of 6 o'clock on which there is no time limitation. On one of the amendments by Mr. McCLURE there would be a time limit so we know it would not go beyond that.

Mr. TOWER. It would have to be voted on by 6, regardless of whether there was a time limitation or not.

Mr. ROBERT C. BYRD. Perhaps I did not understand the Senator.

Mr. TOWER. If there were an amendment called up at 2 minutes to 6, it could be voted on at 6, regardless of whether there was a time limitation.

Mr. ROBERT C. BYRD. Oh, yes. I understand.

Mr. SCOTT. I withdraw my reservation.

The PRESIDING OFFICER. Is there objection? Without objection, it is so ordered.

(Later the following occurred:)

Mr. ROBERT C. BYRD. Mr. President, I ask unanimous consent, and I believe this reflects the understanding which was agreed to in the D.C. representation matter, that the time on amendments other than the amendments by Mr. McCLURE come out of the time allotted to the control of Mr. SCOTT and Mr. KENNEDY.

The PRESIDING OFFICER. Without objection, it is so ordered.

The agreement, as modified, is as follows:

Ordered, that during the further consideration of H.J. Res. 554, a joint resolution proposing an amendment to the Constitution to provide for representation of the District of Columbia in the Congress, debate on any of seven amendments to be offered by the Senator from Idaho (Mr. McClure) shall be limited to thirty minutes each to be divided twenty minutes for the Senator from Idaho

and ten minutes for the Senator from Massachusetts (Mr. Kennedy); and debate on any other amendment shall be limited to the time granted to the proposer of the amendment or to other Senators wishing to speak on the amendment from the time allocated to the said joint resolution.

Ordered further, That on the question of final passage of the joint resolution debate shall be limited to 8½ hours to be divided two hours to the Senator from Massachusetts (Mr. Kennedy) and 6½ hours, 2½ hours to be utilized on Monday, August 21 and 4 hours to be utilized on Tuesday, August 22 by the Senator from Virginia (Mr. Scott).

Ordered further, That the vote on final passage of the joint resolution occur at 6 p.m. on Tuesday, August 22, 1978.

DISTRICT OF COLUMBIA APPROPRIATIONS, 1979—CONFERENCE REPORT

Mr. LEAHY. Mr. President, what is the pending business?

The PRESIDING OFFICER. The pending business is the conference report on the D.C. appropriations.

The Senate resumed consideration of the conference report.

Mr. LEAHY. Mr. President, am I recognized?

The PRESIDING OFFICER. The Senator from Vermont is recognized.

Mr. LEAHY. Mr. President, the yeas and nays have been ordered on this. We still have a lot of Members around. I am perfectly willing to yield back all my time on it if the ranking member has no objection.

Mr. MATHIAS. I recommend that.

The PRESIDING OFFICER. If there is no time limit, the question is on agreeing to the conference report. The yeas and nays have been ordered. The clerk will call the roll.

The assistant legislative clerk called the roll.

Mr. CRANSTON. I announce that the Senator from South Dakota (Mr. ABOUREZK), the Senator from Minnesota (Mr. ANDERSON), the Senator from Delaware (Mr. BIDEN), the Senator from Mississippi (Mr. EASTLAND), the Senator from Hawaii (Mr. INOUYE), the Senator from Louisiana (Mr. JOHNSTON), and the Senator from New Hampshire (Mr. MCINTYRE) are necessarily absent.

Mr. TOWER. I announce that the Senator from Tennessee (Mr. BAKER), the Senator from Massachusetts (Mr. BROOKE), the Senator from Kansas (Mr. DOLE), the Senator from Oregon (Mr. HATFIELD), the Senator from Kansas (Mr. PEARSON), the Senator from Illinois (Mr. PERCY), the Senator from Alaska (Mr. STEVENS), the Senator from Connecticut (Mr. WEICKER), and the Senator from North Dakota (Mr. YOUNG) are necessarily absent.

I further announce that, if present and voting, the Senator from Alaska (Mr. STEVENS) would vote "yea."

The result was announced—yeas 76, nays 8, a follows:

[Rollcall Vote No. 330, Leg.]

YEAS—76

Allen	Burdick	Chafee
Bartlett	Byrd,	Chiles
Bayh	Harry F., Jr.	Church
Bellmon	Byrd, Robert C.	Clark
Bentsen	Cannon	Cranston
Bumpers	Case	Culver
Danforth	Huddleston	Pell
DeConcini	Humphrey	Proxmire
Domenici	Jackson	Randolph
Durkin	Javits	Ribicoff
Eagleton	Kennedy	Riegle
Ford	Leahy	Sarbanes
Glenn	Long	Sasser
Goldwater	Lugar	Schmitt
Gravel	Magnuson	Schweiker
Griffin	Mathias	Scott
Hansen	Matsunaga	Sparkman
Hart	McClure	Stafford
Haskell	McGovern	Stennis
Hatfield, Paul G.	Melcher	Stevenson
Hathaway	Metzenbaum	Stone
Hayakawa	Moynihan	Talmadge
Heinz	Muskie	Thurmond
Hodges	Nelson	Tower
Hollings	Nunn	Wallop
	Packwood	Williams

NAYS—8

Curtis	Helms	Roth
Garn	Laxalt	Zorinsky
Hatch	Morgan	

NOT VOTING—16

Abourezk	Eastland	Pearson
Anderson	Hatfield, Mark O.	Percy
Baker	Inouye	Stevens
Biden	Johnston	Weicker
Brooke	McIntyre	Young
Dole		

So the conference report was agreed to.

Mr. LEAHY. Mr. President, I move to reconsider the vote by which the conference report was agreed to.

Mr. PROXMIRE. I move to lay that motion on the table.

The motion to lay on the table was agreed to.

Several Senators addressed the Chair.

The PRESIDING OFFICER. The clerk will state the first amendment in disagreement.

Mr. LEAHY. Mr. President, I ask unanimous consent the Senate consider en bloc the amendments of the House to the amendments of the Senate numbered 1, 5, 19, 20, and 33.

The PRESIDING OFFICER. Without objection, it is so ordered.

The amendments in disagreement will be stated.

The legislative clerk read as follows:

Resolved, That the House recede from its disagreement to the amendment of the Senate numbered 1 to the aforesaid bill, and concur therein with an amendment as follows:

In lieu of the sum proposed by said amendment, insert: $235,000,000

Resolved, That the House recede from its disagreement to the amendment of the Senate numbered 5 to the aforesaid bill, and concur therein with an amendment as follows:

In lieu of the sum proposed by said amendment, insert: $265,190,200

Resolved, That the House recede from its disagreement to the amendment of the Senate numbered 19 to the aforesaid bill, and concur therein with an amendment as follows:

In lieu of the sum proposed by said amendment, insert: $72,069,800

Resolved, That the House recede from its disagreement to the amendment of the Senate numbered 20 to the aforesaid bill, and concur therein with an amendment as follows:

In lieu of the sum named in said amendment, insert: $1,030,400

Resolved, That the House recede from its disagreement to the amendment of the Senate numbered 33 to the aforesaid bill, and concur therein with an amendment as follows:

In lieu of the matter proposed by said amendment, insert:

SEC. 224. Notwithstanding any other provision of this Act, the provisions of sections 220, 221, 222, and 223 of this Act shall be deemed repealed upon the date of the enactment of the Act entitled "An Act to amend the Comprehensive Employment and Training Act of 1973, to provide improved employment and training services, to extend the authorization, and for other purposes", or similar legislation.

Mr. LEAHY. Mr. President, I move that the Senate concur en bloc in the amendments of the House to the amendments of the Senate numbered 1, 5, 19, 20, and 33.

The PRESIDING OFFICER. The question is on agreeing to the motion of the Senator from Vermont.

The motion was agreed to.

ORDER OF BUSINESS

Mr. ROBERT C. BYRD. Mr. President, I take the floor just momentarily to ascertain what the outlook is for the remainder of the day.

I understand that Mr. HART is ready to call up his conference report on the military construction appropriation bill. I inquire as to whether or not anyone expects to ask for a rollcall vote on that conference report.

Mr. TOWER. Yes, there will be a vote.

Mr. ROBERT C. BYRD. Mr. President, I ask unanimous consent that it be in order to order the yeas and nays at this time on the conference report on the military construction appropriation bill.

Mr. TOWER. Mr. President, I ask for the yeas and nays.

The PRESIDING OFFICER. Is this the authorization or the appropriation?

Mr. ROBERT C. BYRD. The authorization.

The PRESIDING OFFICER. Without objection, it is so ordered.

Is there a sufficient second? There is a sufficient second.

The yeas and nays were ordered.

Mr. ROBERT C. BYRD. Mr. President, could we get some indication as to how much time will be required on this conference report?

Mr. HART. Mr. President, my feeling is that we can dispose of the matter in 10 minutes.

Mr. ROBERT C. BYRD. Does anybody object to a time limitation on the conference report? Senator THURMOND is the ranking member on the minority side.

Mr. President, I ask unanimous consent that time overall on the conference report on the military construction bill be limited to 20 minutes, equally divided between Mr. THURMOND and Mr. HART.

The PRESIDING OFFICER. Is there objection? The Chair hears none, and it is so ordered.

Mr. TOWER. Mr. President, will the Senator yield?

Mr. ROBERT C. BYRD. I yield.

Mr. TOWER. Mr. President, I think we could vitiate the order for the yeas and nays on the authorization conference report. There was a misunderstanding. It was thought on this side of the aisle that it was an appropriation. Therefore, if they do not want to have the yeas and nays, we can vitiate the order.

Mr. ROBERT C. BYRD. Mr. President, I ask unanimous consent that the order for the yeas and nays on the military

construction authorization bill be vitiated. The yeas and nays were requested under the mistaken impression, because of my statement, that it was the appropriation bill.

The PRESIDING OFFICER. Is there objection? The Chair hears none, and it is so ordered.

MILITARY CONSTRUCTION AUTHORIZATIONS, 1979—CONFERENCE REPORT

Mr. HART. Mr. President, I submit a report of the committee of conference on H.R. 12602 and ask for its immediate consideration.

The PRESIDING OFFICER. The report will be stated.

The assistant legislative clerk read as follows:

The committee of conference on the disagreeing votes of the two Houses on the amendment of the Senate to the bill (H.R. 12602) to authorize certain construction at military installations for fiscal year 1979, and for other purposes, having met, after full and free conference, have agreed to recommend and do recommend to their respective Houses this report, signed by all of the conferees.

The PRESIDING OFFICER. Without objection, the Senate will proceed to the consideration of the conference report.

(The conference report is printed in the House proceedings of the RECORD of August 7, 1978.)

Mr. CHURCH. Mr. President, will the Senator yield?

Mr. HART. I yield to the Senator from Idaho for a unanimous-consent request.

Mr. CHURCH. Mr. President, I ask unanimous consent that Mr. Dave Litsker, of my staff, be accorded the privilege of the floor.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. HART. Mr. President, the matter before the Senate is the conference report on H.R. 12602, the fiscal year 1979 military construction authorization bill.

The Department of Defense requested new authorization for military construction for fiscal year 1979 in the amount of $4,247,809,000. This request provided for the construction of new facilities for the Active and Reserve Military Forces and for the operation and maintenance of the military's inventory of family housing.

As passed by the House, H.R. 12602 provided $4,169,444,000 in new authorization. The bill as amended by the Senate provided $3,998,432,000 in new authorization. The conference committee agreed to new authority in the amount of $4,128,312,000 which is nearly $120,000,000 less than the administration request.

The bill as finally agreed to adequately accommodates the highest priority construction needs of the military services. I invite my colleagues' attention to the printed conference report for details which I do not intend to get into unless there are questions.

Mr. President, the pending conference report authorizes new authority for military construction in the amount of $4,247,809,000, which is nearly $120 million less than the administration requested.

Mr. President, this pending measure provides for the construction of new facilities for the Active and the Reserve Military Forces and for the operation and maintenance of the military family housing. This is and has traditionally been a noncontroversial bill, in spite of the fact that in recent years the amount of that legislation has, as I have indicated, exceeded some $4 billion. But there is contained in this year's bill one innovative measure which I wish to call to the attention of my colleagues, and that measure is section 804 as contained in the pending conference report which requires the incorporation of solar energy systems in all new military family housing and in at least 25 percent of all other new military facilities that are put under design.

Mr. President, because of the companion sections of the bill, there is every reason to expect that the majority of the 1,500 units of new family housing authorized by this bill will be equipped with solar systems.

Also, Mr. President, I understand the appropriations will be made this year for the planning and design of military projects that will be authorized for construction in future years. This appropriation will total about $200 million and this new solar provision contained in this conference report requires that 25 percent of all new facilities that are put under design include solar systems as an option.

Mr. President, this means that about $50 million in design and planning funds will be spent next year 90 days after the President signs this bill and each year thereafter design projects with solar systems.

There are two points that I do want to emphasize:

SOLAR ENERGY

There is a provision in this bill that I consider to be a major breakthrough in addressing the energy crisis. I refer to section 804 which requires the incorporation of solar energy systems in all new military family housing and in at least 25 percent of all other new military facilities that are put under design. These solar systems must be shown to be cost effective before they are built.

Until now widespread use of solar energy systems has been stymied due to cost—in a classic "chicken and egg" case, nobody buys solar systems because they are too expensive, and solar systems are too expensive because nobody buys them. I think that with this provision we have broken that "loop" that was getting us nowhere.

Mr. President, let me explain the impact that this provision will have on the construction industry in general and the solar industry in particular.

There will be two immediate impacts—impacts that will occur in the fiscal year starting October 1, 1978. First, any new military family housing that goes under contract must consider solar energy systems. Section 603(g) of the bill before us gives the Secretary of Defense the authority to increase costs and other constraints specified in the bill as necessary to accommodate solar systems, so there is every reason to expect that the majority of the 1,500 units of new family housing authorized by this bill will be equipped with solar systems. Second, understanding authorization, appropriations will be made this year for the planning and design of military projects that will be authorized for construction in future years. That appropriation will total about $200 million and this new solar provision requires that 25 percent of all new facilities that are put under design include solar systems as an option. This means that about $50 million in design and planning funds will be spent next year, starting 90 days after the President signs this bill, and each year thereafter to design projects with solar systems. The architect-engineer firms around the country are going to have to develop a capability to design, cost and analyze solar energy systems—this "force-feeding" of solar system's design on the architect-engineer profession will, in my judgment, accelerate the acceptance and common application of solar systems by several years.

Over the long term—that is to say, in the next 3 to 5 years—I expect two other significant impacts from this new solar provision. First, section 804 creates a Federal market for solar systems. Today the solar industry is about a $150 million per year business. Assuming that the military capital investment program will remain at about $3 billion per year and that 25 percent of that program incorporates solar systems in the future as this provision requires, that would mean that $750 million per year would be spent on facilities with solar systems, $750 million in facilities would probably increase the solar market by about $100 million each year. Creating this market will lower prices, encourage innovation and mass production, and further accelerate solar application. The second impact of this provision has to do with the public perception and acceptance of solar energy systems. Section 804 will result in solar systems being built at military bases all across the United States. People around the country will see the Federal Government installing solar systems, and widespread public acceptance, in my judgment, will be fostered.

Mr. President, in my judgment, this is a very important breakthrough on the part of the Federal Government and could amount in fact to be the most important item of energy-related legislation that this Congress produces this year if action on the pending energy legislation is not accepted.

Therefore, Mr. President, I think it is extremely important in adopting this conference report the Senate be on notice and aware of the remarkable impact that this provision promises to have.

The genesis of this solar provision provides an interesting case study in how really difficult it is to cope with our Federal bureaucracy. The concepts behind the provision enumerated above are fairly simple, and in discussing the idea with my colleagues and staff there was general agreement that the idea had merit. So we reviewed the concept with

officials of the Department of Defense during hearings last spring. The Defense Department took a position opposed to such an approach for various reasons—"not cost effective," "technology was not here," "something the Federal Government should not get involved in," et cetera. Despite this opposition from the administration, the provision was adopted by our subcommittee and it survived the legislative process without any opposition—to the contrary, when the provision was explained to the Members of both Houses, they quickly endorsed the idea. Shortly after the conference committee on this bill had agreed to include this solar provision in the final bill, I received a call from the Secretary of the Department of Energy, who was delighted with this provision and heartily applauded its inclusion in this bill. It may be the only significant piece of energy legislation that the Congress enacts this year.

I cite the specifics of this case study, not to point a finger at anyone, but because I know that there will be the same bureaucratic resistance to implementing section 804 that there was in enacting the provision. I am sure that during hearings next year I will be given all sorts of reasons why solar systems are not "cost effective," et cetera. But the Department of Defense should know now that we intend to pursue the implementation of this provision with all of the oversight authority available to the Congress. The potential in this provision for helping to solve the energy crisis must not be stifled by the bureaucracy. I sincerely hope that the Department of Defense working in close coordination and harmony with the Department of Energy can use this provision to help cut years off the time that it might take otherwise to see the fruits of solar energy pay off.

NATO CONSTRUCTION

The Senate, in its bill, reduced the administration's $650 million request for construction in NATO by $375 million under the rationale that projects in support of the NATO operational mission should be funded by the commonly financed NATO infrastructure program, and the infrastructure program request of $90 million was increased to $150 million to demonstrate support for the Senate rationale. In conference, the House agreed with the Senate rationale, provided that a few of the highest priority projects would be added back this year to permit an orderly transition to the new criteria. This bill, then, contains a reduction in NATO construction of over $230 million from the administration's request and more importantly the conference report language requires that future construction projects in support of the NATO operational mission be funded directly through the NATO infrastructure program. Over the long term this approach will save the American taxpayer many hundreds of millions of dollars.

Mr. President, I yield back the remainder of my time unless others wish to comment.

The PRESIDING OFFICER. Is there any further debate?

Mr. THURMOND. Mr. President, will the Senator yield?

Mr. HART. Mr. President, I yield to the Senator from South Carolina.

Mr. THURMOND. I thank the Senator from Colorado.

Mr. President, I rise in support of the fiscal year 1979 Military Construction Authorization bill conference report, H.R. 12602.

This bill authorizes construction in the amount of $4.1 billion, about $120 million below the administration request and well within budget guidelines.

Mr. President, the conference was generally receptive to the Senate position to hold back on funding NATO projects until the NATO infrastructure participation is more in line with needed contributions with our allies in Europe.

The Senate cut the administration request of $650 million by $375 million on the basis that more NATO participation was needed. The conference agreed upon a reduction of $230 million, a compromise which in my judgment gives strong support to the Senate position.

Another feature of the conference report worthy of note is the emphasis of this bill on solar energy. Our subcommittee chairman, the junior Senator from Colorado, Mr. HART, has given this approach much attention. As a strong advocate of research and application in the solar energy field, I feel the authorizations in this bill will provide a big push in the solar energy field.

As Chairman HART has noted, section 804 of this bill requires incorporation of solar energy systems in all new family housing and 25 percent of other new military facilities that are designed for future construction. This means our bill will be spearheading application of solar energy in future construction required to support our defense establishment.

Mr. President, I too commend Senator HART, our entire committee and the conference for taking this lead in solar energy. The strong defense solar energy program should help bring such costs more in reach of the average citizen.

Mr. President, I urge the Senate to give approval to this conference report.

Mr. HART. Mr. President, I thank the Senator from South Carolina for his statement and for his splendid cooperation in the adoption of this measure.

I am prepared to yield back my time and move the adoption of the conference report.

The PRESIDING OFFICER (Mr. WILLIAMS). Does the Senator yield back his time?

Mr. THURMOND. I yield back my time.

The PRESIDING OFFICER. The question is on agreeing to the conference report.

The conference report was agreed to.

Mr. THURMOND. Mr. President, I move to reconsider the vote by which the conference report was agreed to.

Mr. HART. I move to lay that motion on the table.

The motion to lay on the table was agreed to.

IMMORAL GAS COMPROMISE

Mr. METZENBAUM. Mr. President, in an article that appeared in the August 17, 1978, edition of the Washington Post, Kathleen F. O'Reilly, executive director of the Consumer Federation of America, made a powerful case against what she described as "the decidedly immoral and devastatingly anticonsumer effects of the natural gas compromise." According to Ms. O'Reilly, passage of this legislation will cause the average cost of gas to the consumer to rise by 1985 to a level 16 times higher than what it was in 1970. All Americans will suffer. Ms. O'Reilly wrote, but the poor and the elderly may soon have to choose between heat and food.

Mr. President, I believe that Ms. O'Reilly has done an excellent job in spelling out the implications of this disastrous legislation for the American people. I ask unanimous consent that her article, entitled "'Immoral' Gas Compromise" be printed in the RECORD.

There being no objection, the article was ordered to be printed in the RECORD, as follows:

"IMMORAL" GAS COMPROMISE

In April 1977 President Carter urged the American public to embark with him on the "moral equivalent of war" against the energy crisis. It is clear now that war must be declared against the Carter energy package.

The administration and the Washington Post editorial "Illusions About the Gas Game" (Aug. 13) ignore the decidedly immoral and devastatingly anticonsumer effects of the natural-gas compromise. It will unnecessarily cost consumers tens of billions of dollars. By 1985 the average cost of gas would be at least 353 percent of what it was last year, 618 percent of what it was in 1975 and 1608 percent of what it was in 1970.

Higher prices have been euphemistically justified by their proponents as incentives for production and conservation. Experience since 1970 demonstrates that even 100 percent price increases have failed to yield increased production. For billions of dollars more, we get less.

The Post's editorial considers failure of the compromise as a "failure of government" and a signal to the world that Americans do not care about a comprehensive energy policy. On the contrary, passage of this legislation would signal to the world that we are willing to sacrifice our most vulnerable citizens to appease the gas lobby.

Low-income consumers (and particularly senior citizens) would be the first casualties. The lowest 10 percent on the economic ladder spends a 10 times greater proportion of its income on home energy consumption than does the top 10 percent.

That is in part due to the condition of the housing they occupy. For example, insulation already exists in 94 percent of high- and moderate-income households but in less than half of the nation's poor households. Sixty percent of low-income households have no storm windows or insulating glass.

Declining block utility rate structures that charge low-volume users at a higher unit rate than high-volume users is also responsible for the disproportionate burden of natural gas price increases.

Any suggestion that residential users of natural gas (including 60 percent of all low-income households) can convert to other sources is brutally naive. Economically and practically speaking, conversion is not a viable option.

Undoubtedly consumers will be submerged with Madison Avenue slogans urging them to

turn down their thermostats. For the 92 percent of the wealthy and upper-middle-class households that have heat control, that is an option. But what about the nearly 40 percent of low-income households who live in apartments that have no individual thermostats?

Low-income consumers will also be urged to equip their dwellings with better insulation, storm doors and storm windows, but will not have access to credit markets that would enable them to acquire the most efficient combination of weatherproofing, retrofit and insulation.

Low-income homeowners, community groups and government officials agree that rising utility prices and the condition of the housing stock have greatly contributed to the increased rate of mortgage defaults. Many low-income homeowners reported that their homes were like sieves, requiring a high temperature setting just to maintain bearable warmth. Inefficient boilers, damaged roofs and lack of storm windows or storm doors also played a major role in keeping utility bills at unaffordable levels.

The emoticnal price to senior citizens and low-income consumers is particularly high. In November 1977, a University of Michigan study predicted that last winter one out of five senior citizens would have to face the hard choice of paying his utility bills or eating. Those people are victims of utility shutoffs, gcing for months without heat and becoming ill as a result—and in some cases freezing to death. Some families have been sleeping in their cars in the middle of winter because they were a few dollars short on the gas bill and were shut off.

Rising energy prices, which would be the product of the Carter package, would have other consequences:

Higher unemployment as increased spending on energy reduces aggregate demand for other goods and services.

Higher numbers of senior citizens forced to enter nursing homes or become wards of the state because they are no longer able to make ends meet on their meager fixed incomes (as a recent Michigan study confirms).

Increased health-care costs from poorer diets and colder living conditions.

Increased inflation in *all* production sectors (not just energy) because virtually all production, including agriculture, is energy intensive.

An even less equal distribution of wealth as the return on capital increases at a faster rate than the return on labor, and as property ownership among low- and middle-income consumers becomes less viable.

Increased political power for the already extremely powerful major oil and gas firms. Despite incomes they consider too meager for energy production, they have spent hundreds of millions of dollars advancing their positions on issues ranging from environmental policy to lower corporate tax rates. Further, the major oil companies will continue to use their enormous cash surpluses to purchase major non-energy firms such as Mobil's purchase of Montgomery Ward.

Worsening of the balance of trade. The price increases in domestically manufactured commodities would make them less attractive to the rest of the world and thus reduce exports.

Deregulation will only exacerbate these critical human problems, problems so callously ignored by the supporters of the compromise, who speak so confidently about foreign dependency and greater incentives for an industry that is already reaping unprecedented profits, Those who stand to lose the most are those least able to combat the industry lobbyists and champions. The president's current answer to the nation's "moral equivalent of war" is wracked with an immorality that is intolerable.

ROUTINE MORNING BUSINESS

Mr. ROBERT C. BYRD. Mr. President, I ask unanimous consent that there now be a period for the transaction of routine morning business with statements of Senators limited therein to 10 minutes each and not to extend beyond 30 minutes.

The PRESIDING OFFICER. Without objection, it is so ordered.

MESSAGES FROM THE PRESIDENT

Messages from the President of the United States were communicated to the Senate by Mr. Chirdon, one of his secretaries.

REPORT OF THE FEDERAL PREVAILING RATE ADVISORY COMMITTEE—MESSAGE FROM THE PRESIDENT—PM 210

The PRESIDING OFFICER laid before the Senate the following message from the President of the United States, together with an accompanying report, which was referred to the Committee on Governmental Affairs:

To the Congress of the United States:

In accordance with section 5347(e) of title 5 of the United States Code, I hereby transmit to you the 1977 Annual Report of the Federal Prevailing Rate Advisory Committee.

JIMMY CARTER.

THE WHITE HOUSE, *August 17, 1978.*

REPORT OF THE RAILROAD RETIREMENT BOARD—MESSAGE FROM THE PRESIDENT—PM 211

The PRESIDING OFFICER laid before the Senate the following message from the President of the United States, together with an accompanying report, which was referred to the Committee on Human Resources:

To the Congress of the United States:

I hereby transmit the annual report of the Railroad Retirement Board which summarizes its fiscal year 1977 operations under both the Railroad Retirement and Railroad Unemployment Insurance Acts.

Benefit payments under these Acts totaled almost $4 billion. Of this amount, $3.8 billion went to 1,100,000 retirement and survivor annuitants and $180 million was paid to 160,000 unemployment and sickness beneficiaries.

During the past year, I appointed a new Chairman and two Board members. To represent the public interest and advise the Congress of the Administration's position, I appointed as Chairman, William P. Adams, former Transportation Counsel for the House Committee on Interstate and Foreign Commerce. I appointed one Board member who was nominated by railroad management—Earl Oliver, a former official of the Illinois Central Gulf Railroad and the National Railway Labor Conference—and another Board member who was nominated by railroad labor—Charles J. Chamberlain, former President of the Brotherhood of Railroad Signalmen and Chairman of the Railway Labor Executives' Association. Each of these appointees is extremely well qualified and can be expected to set a high level of public service.

JIMMY CARTER.

THE WHITE HOUSE, *August 17, 1978.*

MESSAGES FROM THE HOUSE

At 9:33 a.m, a message from the House of Representatives delivered by Mr. Berry, one of its reading clerks, announced that the House has passed the following bills in which it asks the concurrence of the Senate:

H.R. 1400. An act for the relief of Stefan Kowalik;

H.R. 1402. An act for the relief of Rosario A. Calvin;

H.R. 1798. An act for the relief of Kwong Lam Yuen;

H.R. 1931. An act for the relief of Juana Todd Atherley;

H.R. 2939. An act for the relief of Derrick Mariano Tan;

H.R. 3613. An act for the relief of Irma Victoria Bolarte Alvarado;

H.R. 4530. An act for the relief of Elisabetta Basso Gallizio;

H.R. 5163. An act for the relief of Marinelle Khristy Cruz;

H.R. 6664. An act for the relief of Lily Lirio Galindo;

H.R. 7387. An act for the relief of Noel Abueg Emde;

H.R. 7419. An act for the relief of Vasilios Georgios Valcanos;

H.R. 7550. An act for the relief of Johanne Lapointe;

H.R. 7604. An act for the relief of Margaret Somerville Jefferis;

H.R. 7849. An act to provide for the conveyance of certain public lands in Montana to the occupants of the land;

H.R. 8751. An act for the relief of Francesco Giuttari;

H.R. 8927. An act for the relief of Monika Grantz;

H.R. 9352. An act for the relief of James William Dibben;

H.R. 9610. An act for the relief of Raymond Vishnu Clemons;

H.R. 9611. An act for the relief of Craig Day;

H.R. 9613. An act for the relief of Eustace John D'Souza;

H.R. 10029. An act to direct the Secretary of the Interior to convey certain lands in Clear Creek County, Colorado, to Harold and Doris Harlan;

H.R. 10407. An Act for the relief of Ling-Yung Kung;

H.R. 12772. An Act to facilitate the exchange of certain lands in the State of Oregon, and for other purposes; and

H.R. 13268. An Act to authorize the appointment of Colonel Lloyd Leslie Burke, United States Army, retired, to the grade of brigadier general on the Retired List of the United States Army.

ENROLLED BILLS SIGNED

The message also announced that the Speaker has signed the following enrolled bills:

S. 405. An Act for the relief of Chong Cha Williams;

S. 1335. An Act for the relief of Shin Myong Yo Purdom, also known as Myong Yo Sin; and

H.R. 11579. An Act to designate the Veterans' Administration center located at 1901 South First Street, Temple, Texas, as the "Olin E. Teague Veterans' Center", and for other purposes.

The enrolled bills were subsequently signed by the Acting President pro tempore (Mr. CLARK).

At 1:09 p.m., a message from the House of Representatives delivered by Mr. Berry, announced that the House has passed the following bill, without amendment:

S. 2543. An Act to amend title 39 of the United States Code to provide better enforcement procedures for preventing fraudulent solicitations through the mails.

The message also announced that the House agrees to the report of the committee of conference on the disagreeing votes of the two Houses on the amendment of the House to the bill (S. 1633) to provide for the extension of certain Federal benefits, services, and assistance to the Pascua Yaqui Indians of Arizona, and for other purposes.

The message further announced that the House agrees to the report of the committee of conference on the disagreeing votes of the two Houses on the amendment of the Senate to H.R. 12602, an act to authorize certain construction at military installations for fiscal year 1979, and for other purposes.

At 2:40 p.m., a message from the House of Representatives delivered by Mr. Hackney, one of its reading clerks, announced that the House agrees to the amendment of the Senate to H.R. 10899, an act to provide for Federal regulation of participation by foreign banks in domestic financial markets.

The message also announced that the House agrees to the report of the committee of conference on the disagreeing votes of the two Houses on the amendments of the Senate to H.R. 12935, an act making appropriations for the legislative branch for the fiscal year ending September 30, 1979, and for other purposes; that the House recedes from its disagreement to the amendments of the Senate numbered 1 through 39, inclusive, 45, 46, 47, and 52 to the bill, and concurs therein.

The message further announced that the House agrees to the report of the committee of conference on the disagreeing votes of the two Houses on the amendment of the Senate to H.R. 13467, an act making supplemental appropriations for the fiscal year ending September 30, 1978, and for other purposes; that the House recedes from its disagreement to the amendments of the Senate numbered 9, 15, 32 through 43, inclusive, 44, 47, 49, 52, 53, 58, 64, 70, 79, and 83 to the bill, and concurs therein; that the House recedes from its disagreement to the amendment of the Senate numbered 18 to the bill, and concurs therein with an amendment; that the House recedes from its disagreement to the amendment of the Senate numbered 29 to the bill, and concurs therein with an amendment; that the House recedes from its disagreement to the amendment of the Senate numbered 51 to the bill, and concurs therein with an amendment; that the House recedes from its disagreement to the amendment of the Senate numbered 62 to the bill, and concurs therein with an amendment; and that the House insists on its disagreement to the amendments of the Senate numbered 48 and 82 to the bill.

The message also announced that the House has agreed to the following concurrent resolution, in which it requests the concurrence of the Senate:

H. Con. Res. 683. A concurrent resolution revising the congressional budget for the United States Government for the fiscal year 1979.

At 4:01 p.m., a message from the House of Representatives delivered by Mr. Berry, announced that the House agrees to the report of the committee of conference on the disagreeing votes of the two Houses on the amendment of the House to the bill (S. 9) to establish a policy for the management of oil and natural gas in the Outer Continental Shelf; to protect the marine and coastal environment; to amend the Outer Continental Shelf Lands Act; and for other purposes.

The message also announced that the House agrees to the report of the committee of conference on the disagreeing votes of the two Houses on the amendments of the Senate to H.R. 12927, an act making appropriations for military construction for the Department of Defense for the fiscal year ending September 30, 1979, and for other purposes; that the House recedes from its disagreement to the amendment of the Senate numbered 21 to the bill and concurs therein; that the House recedes from its disagreement to the amendment of the Senate numbered 3 to the bill, and concurs therein with an amendment; that the House recedes from its disagreement to the amendment of the Senate numbered 5 to the bill, and concurs therein with an amendment; that the House recedes from its disagreement to the amendment of the Senate numbered 7 to the bill, and concurs therein with an amendment; that the House recedes from its disagreement to the amendment of the Senate numbered 8 to the bill, and concurs therein with an amendment; that the House recedes from its disagreement to the amendment of the Senate numbered 9 to the bill, and concurs therein with an amendment; that the House recedes from its disagreement to the amendment of the Senate numbered 15 to the bill, and concurs therein with an amendment; that the House recedes from its disagreement to the amendment of the Senate numbered 17 to the bill, and concurs therein with an amendment; and that the House recedes from its disagreement to the amendment of the Senate numbered 20 to the bill, and concurs therein with an amendment.

The message further announced that the House agrees to the report of the committee of conference on the disagreeing votes of the two Houses on the amendments of the Senate to H.R. 13468, an act making appropriations for the government of the District of Columbia and other activities chargeable in whole or in part against the revenues of said District for the fiscal year ending September 30, 1979, and for other purposes; that the House recedes from its disagreement to the amendments of the Senate numbered 2, 4, 6, 11, 13, 18, 21, 25, 29, 30, 31, and 32 to the bill, and concurs therein; that the House recedes from its disagreement to the amendments of the Senate numbered 1, 5, 19, 20, and 33, and concurs therein each with an amendment.

At 5:55 p.m., a message from the House of Representatives delivered by Mr. Berry, announced that the House agrees to the amendment of the Senate to H.R. 12106, an act to amend the Independent Safety Board Act of 1974 to authorize additional appropriations.

The message also announced that the House agrees to the report of the committee of conference on the disagreeing votes of the two Houses on the amendment of the Senate to H.R. 12240, an act to authorize appropriations for fiscal year 1979 for intelligence and intelligence-related activities of the U.S. Government, the intelligence community staff, the Central Intelligence Agency retirement and disability system, and for other purposes.

ENROLLED BILL SIGNED

The message further announced that the Speaker has signed the following enrolled bill:

H.R. 8771. An act to amend title 5, United States Code, to authorize the Civil Service Commission to comply with the terms of a court decree, order, or property settlement in connection with the divorce, annulment, or legal separation of a Federal employee who is under the civil service retirement system, and for other purposes.

The enrolled bill was subsequently signed by the Acting President pro tempore (Mr. CLARK).

The message also announced that the House agrees to the amendments of the Senate to House Concurrent Resolution 696, providing for an adjournment of the House from August 17 to September 6, 1978.

HOUSE BILLS AND CONCURRENT RESOLUTION REFERRED

The following bills were read twice by their titles and referred as indicated:

H.R. 1400. An act for the relief of Stefan Kowalik; to the Committee on the Judiciary.

H.R. 1402. An act for the relief of Rosario A. Calvin; to the Committee on the Judiciary.

H.R. 1798. An act for the relief of Kwong Lam Yuen; to the Committee on the Judiciary.

H.R. 1931. An act for the relief of Juana Todd Atherley; to the Committee on the Judiciary.

H.R. 2939. An act for the relief of Derrick Mariano Tan; to the Committee on the Judiciary.

H.R. 3613. An act for the relief of Irma Victoria Bolarte Alvarado; to the Committee on the Judiciary.

H.R. 4530. An act for the relief of Elisabetta Basso Gallizio; to the Committee on the Judiciary.

H.R. 5163. An act for the relief of Marinelle Khristy Cruz; to the Committee on the Judiciary.

H.R. 6664. An act for the relief of Lily Lirio Galindo; to the Committee on the Judiciary.

H.R. 7387. An act for the relief of Noel Abueg Emde; to the Committee on the Judiciary.

H.R. 7419. An act for the relief of Vasilios

Georgios Valcanos; to the Committee on the Judiciary.

H.R. 7550. An act for the relief of Johanne Lapointe; to the Committee on the Judiciary.

H.R. 7604. An act for the relief of Margaret Sommerville Jefferis; to the Committee on the Judiciary.

H.R. 7849. An act to provide for the conveyance of certain public lands in Montana to the occupants of the land; to the Committee on Energy and Natural Resources.

H.R. 8751. An act for the relief of Francesco Giuttari; to the Committee on the Judiciary.

H.R. 8927. An act for the relief of Monika Grantz; to the Committee on the Judiciary.

H.R. 9352. An act for the relief of James William Dibben; to the Committee on the Judiciary.

H.R. 9610. An act for the relief of Raymond Vishnu Clemons; to the Committee on the Judiciary.

H.R. 9611. An act for the relief of Craig Day; to the Committee on the Judiciary.

H.R. 9613. An act for the relief of Eustace John D'Souza; to the Committee on the Judiciary.

H.R. 10029. An act to direct the Secretary of the Interior to convey certain lands in Clear Creek County, Colo., to Harold and Doris Harlan; to the Committee on Energy and Natural Resources.

H.R. 10407. An act for the relief of Ling-Yung Kung; to the Committee on the Judiciary.

H.R. 13268. An act to authorize the appointment of Col. Lloyd Leslie Burke, U.S. Army, retired, to the grade of brigadier general on the retired list of the U.S. Army; to the Committee on Armed Services.

The following concurrent resolution was read by title and referred as indicated:

H. Con. Res. 683. A concurrent resolution revising the congressional budget for the U.S. Government for the fiscal year 1979; to the Committee on the Budget.

HOUSE BILL HELD AT DESK

The following bill was read by title and held at the desk, pursuant to the order of August 16, 1978:

H.R. 12772. An act to facilitate the exchange of certain lands in the State of Oregon, and for other purposes.

ENROLLED BILLS PRESENTED

The Secretary of the Senate reported that on today, August 17, 1978, he presented to the President of the United States the following enrolled bills:

S. 405. An act for the relief of Chong Cha Williams; and

S. 1335. An act for the relief of Shin Myong Yo Purdom, also known as Myong Yo Sin.

COMMUNICATIONS

The PRESIDING OFFICER laid before the Senate the following communications, together with accompanying reports, documents, and papers, which were referred as indicated:

EC–4190. A communication from the Assistant Secretary of Defense, reporting, pursuant to law, transfers of amounts appropriated to the Department of Defense; to the Committee on Appropriations.

EC–4191. A communication from the Assistant Secretary of the Army (Manpower and Reserve Affairs), transmitting a draft of proposed legislation to amend sections 3031 (d) and 8031(d) of title 10, United States Code, to limit their application to general officers assigned or detailed to duty in the executive part of the Department of the Army and the Department of the Air Force, and for other purposes; to the Committee on Armed Services.

EC–4192. A secret communication from the Assistant Secretary of Defense (Comptroller), transmitting, pursuant to law, 52 selected acquisition reports (SARs) and the SAR summary tables for the quarter ending June 30, 1978; to the Committee on Armed Services.

EC–4193. A communication from the President and Chairman, Export-Import Bank of the United States, reporting, pursuant to law, on a transaction involving the export of U.S. services to Spain; to the Committee on Banking, Housing, and Urban Affairs.

EC–4194. A communication from the President and Chairman, Export-Import Bank of the United States, reporting, pursuant to law, on a transaction involving U.S. exports to Trinidad and Tobago; to the Committee on Banking, Housing, and Urban Affairs.

EC–4195. A communication from the Comptroller General of the United States, transmitting, pursuant to law, a report entitled "Examination of Financial Statements of the National Credit Union Administration for the 15 Months Ended September 30, 1977," August 14, 1978; to the Committee on Banking, Housing, and Urban Affairs.

EC–4196. A communication from Under Secretary, Department of Energy, transmitting, pursuant to law, contract modification, Modification 9 to the Department of Energy (DOE) Contract No. EY–76–C–05–1530, extends DOE's contract with the Ohio Valley Electric Corporation (OVEC) through December 31, 1979; to the Committee on Energy and Natural Resources.

EC–4197. A communication from the Administrator, U.S. Environmental Protection Agency, requesting approval of certain reprogramings which exceed the 10-percent limitation; to the Committee on Environment and Public Works.

EC–4198. A communication from the Executive Secretary to the Department of Health, Education, and Welfare transmitting, pursuant to law, final regulation for emergency school aid—magnet schools, University/business cooperation, and neutral site planning; to the Committee on Human Resources.

PETITIONS

The PRESIDING OFFICER laid before the Senate the following petitions and memorials, which were referred as indicated:

POM–777. A resolution adopted by the Kansas Electric Cooperatives, Inc., board of trustees, Overland Park, Kans., relating to the Endangered Species Act (Public Law 93–205).

POM–778. A resolution adopted by the Kansas Electric Cooperatives, Inc., board of trustees, Overland Park, Kans., relating to government regulations; to the Committee on Governmental Affairs.

REPORTS OF COMMITTEES

The following reports of committees were submitted:

By Mr. DECONCINI, from the Committee on the Judiciary, with amendments:

S. 3375. A bill to amend title 28 of the United States Code to make certain changes in the places of holding Federal district courts, in the divisions within judicial districts, and in judicial district dividing lines (Rept. No. 95–1121).

By Mr. CANNON, from the Committee on Commerce, Science, and Transportation, without amendment:

H.R. 185. An act to amend section 2632 of title 10, United States Code, to provide the Secretary of the department in which the Coast Guard is operating with the authority to transport Coast Guard employees to and from certain places of employment (Rept. No. 95–1122).

NASA AUTHORIZATIONS, 1979—CONFERENCE REPORT

Mr. STEVENSON, from the committee of conference, submitted a report on the disagreeing votes of the two Houses on the amendment of the Senate to the bill (H.R. 11401) to authorize appropriations to the National Aeronautics and Space Administration for research and development, construction of facilities, and research and program management, and for other purposes (Rept. No. 95–1123).

INTRODUCTION OF BILLS AND JOINT RESOLUTIONS

The following bills and joint resolutions were introduced, read the first time and, by unanimous consent, the second time, and referred as indicated:

By Mr. HATHAWAY (for himself and Mr. STAFFORD):

S. 3425. A bill to amend title XVIII of the Social Security Act for the purpose of including community mental health centers among the entities which may be qualified providers of service, and for other purposes; to the Committee on Finance.

By Mr. DOLE (for himself and Mr. GRAVEL):

S. 3426. A bill to amend title XX of the Social Security Act to increase the annual dollar limitation with respect to Federal financial participation in programs assisted thereunder; to the Committee on Finance.

By Mr. CHAFEE (for himself, Mr. ANDERSON, Mr. GRIFFIN, Mr. HASKELL, Mr. HATCH, Mr. PAUL G. HATFIELD, Mr. HATHAWAY, Mr. HODGES, Mrs. HUMPHREY, Mr. LAXALT, Mr. LEAHY, Mr. MATHIAS, Mr. PELL, Mr. RIEGLE, Mr. STEVENS, Mr. HANSEN, and Mr. ROTH):

S. 3427. A bill to provide for the striking of medals during the XIII Winter Olympic Games to commemorate former Olympic athletes who have brought honor to the United States through their discipline, courage, and accomplishments; to the Committee on Banking, Housing, and Urban Affairs.

By Mr. WILLIAMS:

S. 3428. A bill to amend the Higher Education Act of 1965 to raise the limits of insured loans for undergraduate students, to allow lenders to use a government service administered by the Commissioner of Education and the Secretary of the Treasury for the collection of such loans, and for other purposes; to the Committee on Human Resources.

By Mr. JACKSON (for himself and Mr. HANSEN) (by request):

S. 3429. A bill to designate the Great Bear Wilderness, Flathead National Forest, and enlarge the Bob Marshall Wilderness, Flathead and Lewis and Clark National Forests, State of Montana; to the Committee on Energy and Natural Resources.

By Mr. WILLIAMS (for himself and Mr. CRANSTON):

S.J. Res. 152. A joint resolution authorizing and requesting the President to issue a proclamation designating the month of June as "National First Aid Month"; to the Committee on the Judiciary.

By Mr. ANDERSON:

S.J. Res. 153. A joint resolution authorizing the President to proclaim the third week in June 1979 as "National Veterans' Hospital Week"; to the Committee on the Judiciary.

STATEMENTS ON INTRODUCED BILLS AND JOINT RESOLUTIONS

By Mr. HATHAWAY (for himself and Mr. STAFFORD):

S. 3425. A bill to amend title XVIII of the Social Security Act for the purpose of including community mental health centers among the entities which may be qualified providers of service, and for other purposes; to the Committee on Finance.

COMMUNITY MENTAL HEALTH ASSISTANCE ACT OF 1978

● Mr. HATHAWAY. Mr. President, today it is my pleasure to introduce the Community Mental Health Assistance Act of 1978. This bill will amend title 18 of the Social Security Act to establish provider status under medicare for qualified community mental health centers, to provide coverage of partial hospitalization services for mental health care in lieu of inpatient hospitalization, and to provide for reimbursement of outpatient services provided by a community mental health center.

At present, medicare coverage for mental health services is extremely limited. And it has not changed since 1965. The emphasis in current law is on institutionalization, borne out by the fact that more than 80 percent of medicare expenditures for mental health is concentrated on institutional inpatient hospital care. This is true even though the trend in the mental health field is toward deinstitutionalization and provision of care in the least restrictive setting.

In addition, the current medicare system imposes a lifetime limit on reimbursement for inpatient mental health care. At the same time outpatient care is restricted to a maximum of $250 annually while requiring a 50-percent copayment by the recipient, regardless of ability to pay.

As a result of these restrictive requirements, many of our elderly and disabled citizens who need mental health services in fact do not receive them. Or, they must be institutionalized when institutionalization is hardly necessary.

In 1963, Congress passed the Community Mental Health Center's Act to establish a network of local community mental health centers. Funding was provided for initial operation of the centers for 8 years, with the intention that third party payments would provide for the continued financial stability of the centers. This has not in fact been the case. Consequently, many community mental health centers which are "graduating" from the program are forced to decrease services or close down entirely. Surely, this was not our intention. With equal certainty, we must insure that centers remain viable.

The legislation I am introducing today will address the concerns I have raised by providing for medicare coverage of community mental health center services. It will make sure that mental health services, particularly non-institutional services, are more readily available to our elderly citizens while placing community mental health centers on a firm financial footing.

In short, the bill would provide reimbursement for outpatient services provided by a community mental health center. These would be limited to 10 visits per year and could be provided at the community mental health center and in the patient's home where appropriate. The latter provision is included in recognition of the difficulty experienced by many older people in getting to a center. This is particularly true in rural areas.

The bill would also provide coverage for partial hospitalization services in lieu of inpatient hospital care. This provision acknowledges the need to keep people out of costly institutions unless inpatient care is truly necessary. It recognizes the trend in the mental health field toward deinstitutionalization while providing a cost effective alternative.

That partial hospital is cost effective is the conclusion of a study conducted by a private insurance company. I would like to share a description of this study with my colleagues which appeared this month in Hospital and Community Psychiatry and ask unanimous consent that it be inserted in the RECORD at this point.

There being no objection, the article was ordered to be printed in the RECORD, as follows:

DAY HOSPITALIZATION AS A COST EFFECTIVE ALTERNATIVE TO INPATIENT CARE: A PILOT STUDY

(By William Guillette, M.D., Medical director, Claim Department, Aetna Life and Casualty Hartford, Conn.; Brian Crowley, M.D., Washington, D.C., S. Alan Savity, M.D. Washington, D.C., and F. Del Goldberg, M.H.A., consultant in Mental Health Administration, Rockville, Md.)

(Two private day hospitals and an insurance company offering group health coverage to federal employees undertook a pilot study to determine if providing insurance coverage for day hospitalization on the same basis as for inpatient treatment was a feasible means of controlling the cost of psychiatric care. The study included 31 patients who otherwise would have been hospitalized; most had histories of severe psychiatric disorders and extensive treatment. Using the measure that the day hospital patients would have been in inpatient treatment for the same number of days, the authors estimate that the use of day treatment saver the insurer more than $255,000. They recommended that day hospitalization be reimbursed on the same basis as inpatient care if a day hospital can meet stringent criteria ensuring that it provides active, appropriate treatment, and they present a list of such criteria.)

Previous well-controlled studies have shown the effectiveness of day hospitalization as an alternative to inpatient care and, indeed, the superiority of the modality to inpatient care in several respects.[1,2] The main purpose of a study we conducted in the Washington, D.C., area was to determine whether day hospitalization was cost-effective from an insurance standpoint—that is, as a means of controlling the rapidly rising costs of inpatient care.

The escalating costs of hospitalization are well known. It has been estimated that $1.7 billion could be saved each year by reducing by just one day the hospital stay of each mentally ill patient in the U.S.[3] Day hospitalization is considerably cheaper per day and, in most cases, requires shorter lengths of stay.[4]

Gunderson and Mosher point out that the costs of treating schizophrenia can be estimated to range between $2.06 and $4.01 billion a year. Of this amount inpatient costs are $2 to $3.9 billion, and outpatient and aftercare costs, including day treatment, are $60 to $100 billion. They state: "Day hospitals, which are less expensive and seemingly equally efficacious for some schizophrenic patients, are now more available. Between 1967 and 1972, for example, all admissions to day care hospitals increased by 184 per cent. . . . It is ironic that the failure of most insurance companies to cover day hospital costs may actually increase their expenditures fo rinpatient services." [5]

Most group health policies equate day hospitalization with outpatient or office care; therefore, if day hospital treatment is provided for at all, it is almost always reimbursed at a lower rate than is inpatient care. Because of the limitations on out-of-hospital coverage, simple economics frequently dictate that the patient be hospitalized. We hope that the results of this study will help convince more third-party payers that for many patients day hospitalization is a cost-effective alternative to inpatient treatment.

A study resulted from changes that Aetna Life and Casualty made in 1974 in mental health benefits for Aetna-insured federal employees in the Washington, D.C., area; Aetna decreased its coverage for outpatient treatment, which included day hospitalization, and thus incentives for using day care were severely decreased.

Two private day treatment centers, the Potomac Foundation for Mental Health in Bethesda, Maryland, and the Silver Spring (Md.) Day Treatment Center, began discussions with Aetna to try to have the benefits restored. Eventually a pilot project to determine if day hospitalization was cost-effective was designed. Aetna was to reimburse the participating day treatment centers on the same basis as for inpatient treatment, collect data, and review costs.

Detailed criteria for the facilities' participation in the study were established, to ensure that appropriate treatment would be provided. The criteria related to accreditation, psychiatric and other staffing, treatment planning, record-keeping and review, and emergency care, among other aspects of day hospital operation; at that time no generally accepted standards for day hospitals existed.

One of the primary requirements of the study design was that patients included in the study would otherwise have been hospitalized; additional rigid criteria for patient participation were established. To make sure that patients included in the sample met the criteria, the complete medical records of each patient were reviewed by Aetna's medical director for claims and also by an independent consultant, a physician associated with a private psychiatric hospital.

The study was begun in September 1975 and continued until June 1977. It was not a controlled study, partly because both centers were committed to the principle that inpatient hospitalization should be avoided and because patients were referred to the centers specifically for day hospitalization.

THE PATIENTS AND THE COSTS

A total of 31 patients—16 males and 15 females—were included in the study. Their ages ranged from 14 to 69, with an average of 30 years. Nine were married, one was divorced, 20 were single, and one was widowed. The majority of the patients had histories of severe psychiatric disorders and fairly extensive prior treatment.

Twenty-four of the patients were diagnosed as psychotic and seven neurotic. Eighteen of the 24 psychotic patients were schizophrenic; three others had a diagnosis of psychotic depression, two of involutional melacholia, and one of chronic psychosis. Of the neurotic patients, four had diagnoses of depressive neurosis, and there was one diagnosis each of anxiety neurosis, adjustment reaction, and alcoholism.

Footnotes at end of article.

When the study ended, all but two of the patients had completed day treatment. The time spent in treatment ranged from three to 190 days, with an average of 53.4 days; the average length of treatment in calendar days was 88.5. The costs of treatment ranged from $315 to $17,829, with an average cost of $5,019.71 per patient.

Eighteen of the 31 patients, or 58 per cent, made significant improvement, as measured by the centers' treatment staffs. They once again became productive members of the community; that is, they returned to work, school, or family activities. Two patients required inpatient hospitalization; one improved and returned to day treatment, and the second appeared to need long-term inpatient care. The other 11 patients showed little or no improvement.

We knew of no valid method of determining the cost-effectiveness of partial hospitalization that would be acceptable to all sections of the health care field. We elected to base our calculations on the premise that if a patient had not been in a day hospital setting, he would have been in inpatient treatment for the same number of days. The measure is crude because obviously some patients might be hospitalized for a longer or shorter time, but we hope that eventually, with enough cases, the lengths of stay will average out and the calculations will yield fairly reliable statistics. We estimated the cost of inpatient care (including hospital and physician's charges) in the Washington, D.C. metropolitan area as $150 a day, which we felt was a conservative figure.

On that basis, if the 31 patients had been hospitalized for the 1,654 days they were in day hospital treatment, the cost would have been $411,150. The cost of partial hospitalization was $155,611; thus there was an estimated on-paper savings of $255,839.

The amount actually saved can be debated indefinitely. However, if the savings were only $50,000 and the care given was appropriate, it should be apparent that partial hospitalization is a cost-effective alternative for selected patients.

CRITERIA FOR REIMBURSEMENT

We recommend that day hospitalization no longer be equated with outpatient care in group health policies but reimbursed on the same basis as inpatient care. However, we make that recommendation with the proviso that, to be eligible for such reimbursement, a day hospital should meet stringent criteria ensuring that it provides appropriate, intensive, high-quality treatment rather than primarily custodial care or training or recreational activities. The criteria established for facilities' participation in the Aetna study would appear to be suitable guidelines:

The program must be accredited by the Joint Commission on Accreditation of Hospitals' Council for Psychiatric Facilities. It may be accredited either as a separate facility or as a service within a facility accredited by JCAH.

The program must be licensed under any existing licensing requirements in that jurisdiction. Where required, the facility must be approved by the applicable health agency and the state certificate-of-need agency.

The program must develop and maintain a long-range development plan approved by the facility's board of directors.

There must be explicit and detailed statements of objectives that include a description of who shall be treated, for what conditions, and by what methods.

The program must have a director who is a board-eligible psychiatrist and who has enough day-to-day clinical and administrative responsibility for the program to assure that there is always adequate psychiatric manpower to meet the program's objectives. The program must be staffed by at least three licensed and board-eligible psychiatrists who are directly involved in the program by providing services to patients, training, and staff supervision. Documentation that a psychiatrist is present at all times during the treatment day must be available.

A registered psychiatric nurse with at least two years' experience in psychiatric programs must be present at all times during the treatment day, as well as other appropriate professionals such as a licensed clinical psychologist, a qualified psychiatric social worker, or both. There must be sufficient professional staff to maintain the objectives of an intensive treatment program.

The program must operate a full day treatment program at least five days a week.

A staff psychiatrist must provide weekly consultation, which includes clinical assessments of patients, to the treatment staff and must conduct appropriate psychotherapy with each patient. Adequately supervised treatment by a psychiatric resident will be acceptable in lieu of direct treatment by a staff psychiatrist.

The program must have individualized treatment plans that include regular input from the psychiatrist. Such plans must include a formal mechanism for discharge planning that is designed to discharge patients promptly to other, more appropriate levels of care. The discharge planning mechanism must be documented, with the documentation available on request.

The program must provide emergency psychiatric care, including overnight care if necessary, and must have a demonstrable capability to respond promptly to crises and emergencies 24 hours a day 365 days a year. Independent, free-standing facilities must have a written agreement with a hospital for the provision of such care.

The program must have the necessary equipment and staff to provide first aid in medical emergencies.

The program must maintain current and complete medical records for each patient, and the records must be available for review, on request, for claims adjudication and for utilization review. Each medical record must contain an admitting notation and diagnosis by a psychiatrist; a complete psychiatric history; a report of a current physical examination, including a medical history and results of necessary laboratory tests; a current and complete treatment plan, including prognosis; and, for discharged patients, a discharge summary.

The program must have a comprehensive written plan for external utilization review and detailed records of utilization review meetings. Utilization review must be conducted at least twice a month by a visiting board-eligible psychiatrist; the psychiatrist must not be beneficially related in any way either to the program or to the facility in which the program is located.

The physical facility and space provided by the program must be adequate for the provision of intensive psychiatric treatment.

Facilities functioning primarily as schools or as training, custodial, or recreational institutions will not be considered day hospital programs for purposes of reimbursement. Schooling, therapeutic or otherwise, is also excluded, as are programs in which schooling is a major modality.

Adequate financial and other records or information must be made available to the insurer so that adjustments may be made for schooling and other nonmedical and nonreimbursable services.

In America psychiatric treatment has been dominated by the use of inpatient hospitalization. In recent years many long-term custodial patients have been discharged to the community, to situations as bad as or worse than they faced as an inpatient. We believe that even more emphasis must be put on alternative forms of psychiatric treatment. Day hospitalization appears to be among the most promising currently available modalities, both clinically and economically.

But in spite of its obvious clinical and economic advantages, day hospitalization has seldom been successful in the private sector. Since the pilot project was completed, the two facilities involved in the study have closed. Their closing was a loss to their communities and is indicative of the difficulties day hospitalization faces in competing with inpatient treatment. We hope that this study will encourage third-party payers to eliminate the differentials in coverage of the two modalities and thus to give support a highly beneficial modality.

FOOTNOTES

[1] M. I. Herz *et al.*, "Day Versus Inpatient Hospitalization: A Controlled Study," *American Journal of Psychiatry*. Vol. 127, April 1971, pp. 1371–1382.

[2] S. Washburn *et al.*, "A Controlled Comparison of Psychiatric Day Treatment and Inpatient Hospitalization," *Journal of Consulting and Clinical Psychology*. Vol. 44, August 1976, pp. 665–675.

[3] W. Furst, "Daycare: Comprehensive Management of the Mentally Ill Patient in the Community," *Sandoz Panorama*, December 1970, pp. 26–28.

[4] Herz *et al., op. cit.*

[5] J. G. Gunderson and L. R. Mosher, "The Cost of Schizophrenia," *American Journal of Psychiatry*, Vol. 132, September 1975, pp. 901–906.

Mr. HATHAWAY. Mr. President, this legislation is long overdue. The proposals I am offering today were recommended by the President's Commission on Mental Health, as well as the Rural Health Task Force and the Elderly Mental Health Task Force to the Commission. They were developed in consultation with experts in the field and have been adopted by the House Ways and Means Committee.

In addition, to enact these proposals will not break the bank. The most recent estimate by administration indicates that reimbursement for these services will cost approximately $10 million in the first year of operation. I might add here, that I have considered other approaches to expanding medicare coverage for mental health services, and selected this one because it will provide valuable and needed services without increasing costs dramatically. I have included in the bill certain safeguards to insure efficient use of medicare funds for community mental health center services, including a requirement that the center have an external utilization review committee.

Mr. President, I believe the reforms I am proposing today are a responsible way to insure our senior citizens receive the kind of care they need in the least restrictive setting while providing for the continued viability of community mental health centers. I look forward to considering this measure further when it comes before the Finance Committee on which I serve, and hope that it will be enacted swiftly.

Mr. President, I ask unanimous consent that the bill be printed in the RECORD.

There being no objection, the bill was ordered to be printed in the RECORD, as follows:

S. 3425

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,

SECTION 1. This Act may be cited as the "Community Mental Health Assistance Act of 1978."

SEC. 2. (a) Section 1812(a) of the Social Security Act is amended by striking out "and" in paragraph (2), by striking out the period at the end of paragraph (3) and inserting in lieu thereof a semicolon and by adding the following two new paragraphs at the end thereof:

"(4) outpatient services provided by a community mental health center for up to 10 visits during a year; and

"(5) partial hospitalization services by a community mental health center for up to 60 visits during a year."

(b) Section 1812(b) of such Act is amended by striking out "or" at the end of paragraph (2), by striking out the period at the end of paragraph (3) and inserting in lieu thereof a semicolon, and by adding the following two new paragraphs at the end thereof:

"(4) outpatient services furnished to him by a community mental health center after such services have been furnished to him for a total of 10 visits during a year; and

"(5) partial hospitalization services furnished to him by a community mental health center after such services have been furnished to him for a total of 60 visits during a year."

(c) Section 1812(c) of such Act is amended by adding the following new sentence at the end thereof: "In determining the 190-day limit with respect to any individual under subsection (b)(3), the Secretary shall include one day for every three partial hospitalization visits to a community mental health center by such individual."

(d) Section 1812(e) of such Act is amended by inserting "outpatient mental health services and partial hospitalization services furnished by a community mental health center," after "extended care services,".

SEC. 3. (a) Section 1814(a)(2) of the Social Security Act is amended by striking out "or" at the end of subparagraph (D), by inserting "or" after the semicolon at the end of subparagraph (E), and by adding the following new subparagraph after subparagraph (E):

"(F) in the case of outpatient services or partial hospitalization services furnished by a community mental health center, by or under the case management of a mental health professional, such services are or were required for the mental health treatment of an individual, and such treatment can or could reasonably be expected to improve the condition for which such treatment is or was necessary;"

(b) Section 1814(a) of such Act is amended by striking out "and" at the end of paragraph (6), by striking out the period at the end of paragraph (7) and inserting in lieu thereof a semicolon, and by adding the following two new paragraphs at the end thereof:

"(8) with respect to services furnished by a community mental health center in connection with a partial hospitalization visit, such center shall make available to the Secretary a statement, in writing and signed by the individual or his representative (pursuant to regulations issued by the Secretary) before receiving such services, indicating that the individual understands that three partial hospitalization visits will reduce by one day the number of days of inpatient psychiatric hospital services to which such individual is entitled during his lifetime under this part; and

"(9) with respect to services furnished by an inpatient hospital in connection with inpatient psychiatric care, such hospital makes available to the Secretary a statement, in writing and signed by the individual or his representative (pursuant to regulations issued by the Secretary) before receiving such care, indicating that use of inpatient hospital services will reduce on a daily basis the lifetime inpatient entitlement under this Act, and that the individual understands that three partial hospitalization visits will reduce by one day the number of days of inpatient psychiatric hospital services to which such individual is entitled during his lifetime."

(c) Section 1814 of such Act is amended by adding the following new subsection at the end thereof:

"(k) Payments for partial hospitalization services by a community mental health center on behalf of an individual which are rendered for visits in excess of 10 visits per year shall be made only after a treatment review committee of a community mental health center has certified prior to the eleventh visit during a year and an external utilization review committee (as defined in section 1861(ee)) has certified prior to the thirty-sixth visit during such year, that such services are necessary and appropriate.".

SEC. 4. Section 1861 of the Social Security Act is amended by adding the following new subsections at the end thereof:

"Outpatient Services by a Community Mental Health Center

"(bb) The term 'outpatient services by a community mental health center' means the following items and services furnished to an outpatient of a community mental health center by such center in accordance with a treatment plan:

"(1) active diagnostic, therapeutic, or rehabilitative mental health services, including crisis intervention outside the facility and home mental health visits, when provided by a physician or by another qualified mental health professional under the case management of a mental health professional as prescribed by the Secretary;

"(2) such other related services necessary to the mental health of an individual, when provided under the direction of a qualified mental health professional, which are ordinarily furnished to outpatients in such center; and

"(3) all services provided under subparagraph (1) or (2) of this section shall include the participation of a physician as determined by local medical practice or under such guidelines as the Secretary may prescribe for rural and urban mental health manpower shortage areas.

"Partial Hospitalization Services by a Community Health Center

"(cc) The term 'partial hospitalization services by a community mental health center' includes—

"(1) active, professional treatment (with at least seventy-five per centum of the time of attendance in active therapies) of a person with acute mental or emotional disabilities, with such treatment being based upon an individualized treatment plan which is regularly updated;

"(2) coordination of related services to assist treatments; and

"(3) demonstrated capacity to respond to crisis and emergencies of persons in treatment on a 24-hour basis, 365 days during a year (including medical emergencies while the person is in attendance at the facility).

"The treatment plan for such services may include, but is not limited to, diagnosis and evaluation (including psychological, physical, and nutritional assessment), formal and informal psychotherapy (individually or in groups or families), chemotherapy, and other modalities designed to improve the condition of the patient.

"The services of this section are limited to persons not requiring 24-hour inpatient care or 24-hour supervision in non-inpatient care entities.

"Community Mental Health Center

"(dd) The term 'community mental health center' means a public or private entity which—

"(1) is primarily engaged in providing services for the diagnosis and treatment of emotionally disturbed and mentally ill persons, has a requirement that all mental health care be under the supervision of one mental health professional, and has appropriate arrangements to ensure that all patients requiring medical services are referred to a physician;

"(2) in the case of a center in any State in which State or applicable local law provides for the licensing of community mental health centers, is licensed pursuant to such law;

"(3) has bylaws in effect with respect to its staff;

"(4) meets such staffing requirements as the Secretary finds necessary in order to carry out an active program of diagnosis, treatment, and rehabilitation for individuals who are furnished services;

"(5) maintains clinical records including such records as the Secretary finds to be necessary to determine the degree and intensity of the treatment provided to individuals entitled to benefits under this title;

"(6) has in effect a utilization review plan pursuant to subsection (ee);

"(7) has in effect an agreement with a hospital pursuant to subsection (ff);

"(8) has appropriate procedures or arrangements in compliance with applicable State and Federal law, for storing, administering, and dispensing drugs and biologicals; and

"(9) meets the definition of—

"(A) a community mental health center in section 201 of the Community Mental Health Centers Act and the requirements prescribed by regulation thereunder; or

"(B) a community mental health center prescribed in regulation hereunder the effective date of which is no earlier than October 1, 1980, and no later than September 30, 1982.

"Utilization Review Plan of a Community Mental Health Center

"(ee) A utilization review plan of a community mental health center shall be considered sufficient if it is applicable to services furnished by the center to individuals entitled to insurance benefits under this title and if it provides—

"(1) for the review, on a sample or other basis, of admissions to the centers, and the professional services (including drugs and biologicals) furnished, (A) with respect to the mental health necessity of the services, and (B) for the purpose of promoting the most efficient use of available health facilities and services; and

"(2) for such review to be made by an external utilization review committee which is established in a manner as may be approved by the Secretary.

"Transfer Agreement Between Hospital and Community Mental Health Center

"(ff) A hospital and a community mental health center shall be considered to have a transfer agreement in effect if, by reason of a written agreement between them or (in case the two institutions are under common control) by reason of a written undertaking by the person or body which controls them, there is reasonable assurance that—

"(1) transfer of patients will be effected between the hospital and the community mental health center whenever such transfer is medically appropriate as determined by the attending physician; and

"(2) there will be interchange of medical and other information necessary or useful in the care and treatment of individuals transferred between the institutions, or in determining whether such individuals can be adequately cared for otherwise than in either of such institutions.

Any community mental health center which does not have such an agreement in effect, but which is found by a State agency (of the State in which such facility is situated) with which an agreement under Sec-

tion 1864 is in effect (or, in the case of a State in which no such agency has an agreement under Section 1864, by the Secretary) to have attempted in good faith to enter into such an agreement with a hospital sufficiently close to the facility to make feasible the transfer between them of patients and the information referred to in paragraph (2), shall be considered to have such an agreement in effect if and for so long as such agency (or the Secretary, as the case may be) finds that to do so is in the public interest and essential to assuming extended care services for persons in the community who are eligible for payments with respect to such services under this title.".

SEC. 5. (a) Section 1861(u) of the Social Security Act is amended by inserting "community mental health center" after "health agency".

(b) Section 1861(w) of such Act is amended by inserting "community mental health center" after "nursing facility".

SEC. 6. (a) Section 1864(a) of such Act is amended—

(1) by inserting "or whether a facility therein is a community mental health center as defined in section 1861(dd)" before the period at the end of the first sentence;

(2) by inserting "a community mental health center," after "rural health clinic," in the second sentence; and

(3) by inserting "community mental health center" after "laboratory," in the fifth sentence.

(b) Section 1865(a)(1) of such Act is amended by inserting "or a community mental health center after October 1, 1980" after "hospital" and before "by the Joint Commission".

(c) Section 226(c)(1) of such Act is amended by inserting "and partial hospitalization services and outpatient services furnished by a community mental health center" before "as such terms".

(d) Section 7(d)(1) of the Railroad Retirement Act of 1974 is amended by inserting "partial hospitalization services and outpatient services furnished by a community mental health center," after "inpatient hospital services,".●

● Mr. STAFFORD. Mr. President, medicare coverage of mental health services has been unchanged since 1965. The lack of adjustment of medicare to Federal, State, and local deinstitutionalization efforts and strategies to promote ambulatory mental health services has contributed to the abandoning of many elderly and disabled Americans in need of mental health care.

Originally designed to concentrate Federal funds for active treatment, the current medicare program attempts to avoid refinancing of State institutions and nonmedical services by placing limits on the lifetime use of inpatient services and limiting outpatient mental health coverage to a maximum of $250 annually while requiring a 50-percent copayment by the elderly or disabled recipient, even if that person is poor.

As a result, the medicare system of financing has created numerous disincentives which: first, do not allow services meaningful to the patient's choice; second, foster overinstitutionalizing; third, fund mental health services through health agencies and providers more than through specialties for mental health; fourth, promote unnecessary utilization of health care providers—particularly ICF's, nursing homes, and other inpatient facilities—when mental health services are needed.

Mr. President, the bill we are introducing today would: first, eliminate economic barriers for the elderly to utilize mental health services; second, offer freer choice to the aged and disabled who participate in medicare, so that they need not be placed in institutional settings; third, breach the gap in existing law between medicare and the Federal community mental health centers, so that services are more readily available to the elderly and we do not neglect our original course of sponsoring community mental health care; fourth, provide cost-effective alternatives in service delivery. which insurance companies incorporate but which are not available in medicare; fifth, establish strict controls over the use of medicare funds, so that outpatient mental health services are provided only when stiff utilization review is in effect; sixth, take steps to concentrate medicare reimbursement and financing on the goals and outcomes of services rather than on the professional judgment of providers.

Mr. President, this proposal was developed in consultation with experts in the field and implements two of the most important mental health financing recommendations of the President's Commission on Mental Health, as well as the recommendations of the Rural Health Task Force and the Elderly Mental Health Task Force to the Commission.●

By Mr. DOLE (for himself, Mr. GRAVEL, Mr. CRANSTON, Mr. PERCY, Mr. WILLIAMS, Mrs. HUMPHREY, Mr. HATHAWAY, Mr. RANDOLPH, Mr. MATSUNAGA, Mr. ANDERSON, Mr. JOHNSTON, Mr. RIEGLE, Mr. SARBANES, and Mr. DURKIN):

S. 3426. A bill to amend title XX of the Social Security Act to increase the annual dollar limitation with respect to Federal financial participation in programs assisted thereunder; to the Committee on Finance.

● Mr. DOLE. Mr. President, in June the Senator from Alaska (Mr. GRAVEL) and I introduced amendment No. 3077 to H.R. 7200, the public assistance amendments of 1977. Our amendment provided for a raise in the ceiling on funding for title XX of the Social Security Act, to $2.9 billion in fiscal year 1979; $3.15 billion in fiscal year 1980; and $3.45 billion in fiscal year 1981.

Today, we are introducing the same increases to the title XX ceiling as a separate piece of legislation. I am pleased to have as cosponsors to the bill the Senator from California (Mr. CRANSTON), the Senator from Illinois (Mr. PERCY), the Senator from New Jersey (Mr. WILLIAMS), the Senator from Minnesota (Mrs. HUMPHREY), the Senator from Maine (Mr. HATHAWAY), the Senator from West Virginia (Mr. RANDOLPH), the Senator from Hawaii (Mr. MATSUNAGA), the Senator from Minnesota (Mr. ANDERSON), the Senator from Louisiana (Mr. JOHNSTON), the Senator from Michigan (Mr. RIEGLE), the Senator from Maryland (Mr. SARBANES), and the Senator from New Hampshire (Mr. DURKIN).

HOUSE ACTION

Since the time we introduced our amendment, the House has acted favorably on legislation which would raise the ceiling to the same levels we propose. The House bill, H.R. 12973, was approved by a vote of 346 to 54. The vote is indicative of the broad support which this program enjoys.

Some 2 months after we introduced this measure as an amendment, the Senate Finance Public Assistance Subcommittee announced its intent to hold a hearing on August 18 on the justification of raising the title XX ceiling. This matter is obviously generating more and more interest as an issue in itself, rather than remaining a sideline attraction to another piece of legislation. Because of this, I think it is timely to introduce now the increase in title XX funding as a separate bill, so that it might be considered at this Friday's hearing.

It is my hope that witnesses will comment on this bill, for to my knowledge, it is the only bill calling for a raise in the ceiling that has been introduced in the Senate.

HISTORY

Prior to 1972, funding for fiscal services was open-ended, with no limits placed on Federal spending. Although there was a 25-percent State match requirement, the programs were loosely regulated and States found it easy to tap Federal sources. Because State programs were growing so fast, estimates made in the early 70's predicted a program cost of $6 billion by fiscal year 1972. To circumvent this possibility, the Congress imposed a $2.5 billion ceiling on authorizations in 1972. In 1975, the present title XX was created to provide structure to the array of Federal and State social service programs. Although eligibility for services was extended to the working poor and to neglected or abused persons for the first time, the ceiling was left at the 1972 level.

PROGRAMS FUNDED BY TITLE XX

By law, title XX money must go into programs which help individuals become self-supporting or less dependent upon public assistance, and to programs which protect abused individuals. Programs funded may include services for child care; foster care; training and employment; counseling; transportation; meals; health support; and appropriate programs for the aged and handicapped. In Kansas, funding priority goes to day care services which allow the parent to become employed. Residential services for the handicapped and mentally retarded are also high on the list, where social training and self-care skills are taught. Work activities for the handicapped are funded, in addition to homemaker services for the elderly and handicapped. Abused and neglected children are eligible for protective services under title XX, and Kansas operates a family support program to facilitate adoption of minority children.

Title XX is particularly well-liked, because except for the broad restrictions listed above, there are no Federal strings attached to the money. States may use the money as they see fit, which allows for decisions of need to be made at the State level.

CONCLUSION

Mr. President, because of the impact which programs funded by title XX are making in our communities and in our States, I feel we have a responsibility to

promote and protect our past investment. If these social services programs enable parents to work, handicapped persons to become self-supporting, and children to grow up in a caring environment, then I think we are making a wise and responsible investment with Federal dollars. I hope that this legislation will receive favorable consideration.

I ask unanimous consent that the text of this bill be printed in the RECORD.

There being no objection, the bill was ordered to be printed in the RECORD, as follows:

S. 3426

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That, effective with respect to the fiscal year beginning October 1, 1978, and each succeeding fiscal year—

(a) section 2002(a)(2)(A) of the Social Security Act is amended by striking out "$2,500,000,000" and inserting in lieu thereof "the dollar amount specified under subparagraph (E) for such fiscal year", and

(b) section 2002(a)(2) of such Act is amended by adding at the end thereof the following new subparagraph:

"(E) The dollar amount in effect for purposes of subparagraph (A) shall be—

"(i) $2,900,000,000 for the fiscal year beginning October 1, 1978;

"(ii) $3,150,000,000 for the fiscal year beginning October 1 1979;

"(iii) $3,450,000,000 for the fiscal year beginning October 1, 1980 and for each succeeding fiscal year.".

● Mr. GRAVEL. Mr. President, today Senator DOLE and I are introducing legislation to raise the entitlement for title XX of the Social Security Act, which provides comprehensive social services. Twelve of our colleagues have endorsed our proposal: Senator ANDERSON, Senator CRANSTON, Senator DURKIN, Senator HATHAWAY, Senator HUMPHREY, Senator JOHNSTON, Senator MATSUNAGA, Senator PERCY, Senator RANDOLPH, Senator RIEGLE, Senator SARBANES, and Senator WILLIAMS.

The history of Federal involvement with the social service programs has been consistently supportive. Partisan politics have not dissipated the support for strong social service programs designed to meet the myriad needs of the vulnerable people in our population. Unlike other Federal matching programs, social service programs have always enjoyed a larger Federal participation.

By 1972, the Federal participation in these programs had mushroomed and no leveling of Federal effort was anticipated. Congress reacted reasonably to this situation by imposing a ceiling on the Federal investment in the social service program. At the same time, Congress reiterated its overall support for comprehensive services to assist the indigent and vulnerable by maintaining its percentage share of funding.

In 1975, Congress improved the social service programs by creating title XX, which consolidated a plethora of social service programs under one title. The need for supportive services regardless of income was recognized in the broadened eligibility criteria included in title XX.

Without doubt, Mr. President, the developing title XX program is one of the most humanitarian programs on the books and it is one of the most successful. Who can deny the personal and economic benefit helping the elderly remain independent and live their last years with dignity? Title XX provides this assistance. Who would deny innocent children who are the victims of violence and abuse protective services?

Who would deny their families the counseling necessary to cope with domestic violence? Title XX provides these services. Who would deny the mentally retarded an opportunity to live outside an institution, in a self-sufficient environment? Title XX provides this opportunity.

To be sure Mr. President, many of us either because of income or because we enjoy stable, healthy lives, will never need title XX services. But for those less fortunate these services are the helping hand we all recognize can make the difference between an institutionalized existence and a self-sufficient life.

From an economic viewpoint I would rather spend my tax dollars on preventing institutionalization, welfare dependence, criminal prosecutions, custody battles, family dissolution, and so forth, than aggravate the social and economic costs of subsidizing the above.

Congress, I think, agrees with me. As I stated earlier we have consistently asserted our strong support for the title XX programs and our sensitivity to the crucial need for these services. It is time for us to once again examine our commitment to title XX because it is no longer functioning in an acceptable manner.

When we imposed a $2.5 billion ceiling on Federal participation in the title XX program it was assumed that States would have some flexibility to expand and improve their social service programs. Three years later, when title XX was written the ceiling remained, although the scope of the program expanded. With the increased demand on the program in terms of services, eligible population, and inflation the current ceiling is no longer relevant. Our social mores have changed since 1972. Divorce is on the rise, domestic abuse is out of the closet, and unemployment is critically high. These phenomena have contributed to an increased need for services. But the need cannot be approached, let along satisfied, when the Federal funding share now buys only half the services it bought in 1972.

Almost every State has reached its maximum allocation under the title XX formula. This means that title XX administering agencies must begin to curtail services and/or limit the people who will receive services. In addition, the providers of services can no longer involve the community in designing a long-range program of services to meet the local community's needs.

At this point, planning is an exercise of distributing insufficient resources among critical social services. The situation will not get better, until we lift the Federal funding ceiling for title XX.

Senator DOLE and I are proposing a staggered 3-year increase in the ceiling: $200 million in fiscal year 1979, $250 million in fiscal year 1980, and $300 million in fiscal year 1981. By 1981 the ceiling on Federal participation in title XX will be $3.45 billion. These increases fall short of matching 6 years of inflation as measured by the Consumer Price Index, which has increased 44.9 percent since 1972, but they will reinstate effective service programs.

The first year of increased funding will begin to reestablish some of the lapsed social service programs and encourage extending services to the entire title XX population. With the knowledge of second and third year funding increases, administering agencies can satisfy the planning requirements of title XX by involving the community in creating a mixture of services designed to meet the specific needs of that population.

Mr. President, I have not discussed this legislation with anyone who has not admitted the necessity of raising the title XX funding ceiling. In the House of Representatives, 130 Members cosponsored similar legislation introduced by Representatives KEYS and FRASER. In June the House overwhelmingly approved the 3-year increases. In addition, some of the most representative public interest groups have endorsed this legislation including the National Governors Association, the National Association of Counties, the National Conference of State Legislatures, the National Association of Social Workers, the National Association of Retarded Citizens, the National Council on Aging, the AFL–CIO, Goodwill Industries, Epilepsy Foundation of America, the Appalachian Child Development Advocates, the National Association of Retired Persons, the League of Women Voters, and the Easter Seal Society.●

By Mr. CHAFEE (for himself, Mr. ANDERSON, Mr. GRIFFIN, Mr. HASKELL, Mr. HATCH, Mr. PAUL G. HATFIELD, Mr. HATHAWAY, Mr. HODGES, Mrs. HUMPHREY, Mr. LAXALT, Mr. LEAHY, Mr. MATHIAS, Mr. PELL, Mr. RIEGLE, Mr. STEVENS, Mr. HANSEN, and Mr. ROTH):

S. 3427. A bill to provide for the striking of medals during the XIII winter Olympic games to commemorate former Olympic athletes who have brought honor to the United States through their discipline, courage, and accomplishments; to the Committee on Banking, Housing, and Urban Affairs.

U.S. OLYMPIC COMMEMORATIVE MEDALS ACT

● Mr. CHAFEE. Mr. President, today I am introducing the U.S. Olympic Commemorative Medals Act.

This legislation directs the Secretary of the Treasury to mint a series of national medals to commemorate the achievements of past U.S. Olympians. When adopted, my bill will accomplish two worthy objectives.

First, it will establish a unique way of giving national recognition to individual American athletes for their excellence in world amateur competition.

Second, revenue from the medal program will be an important source of income for the U.S. Olympic Committee (USOC) which relies entirely on private contributions for its funds.

Mr. President, I must stress that this program will not cost the taxpayers a penny. Quite to the contrary. The USOC

will purchase these medals from the Treasury for the cost of their production plus a fee of 25 percent. They will then be marketed throughout the United States, as well as abroad, with a return to the Olympic Committee of more than a $1 million profit. The money will then be put toward the committee's projected $26 million budget to prepare U.S. athletes for the 1980 Olympic games to be held in Moscow and Lake Placid, N.Y.

My proposal calls for the U.S. Mint to strike as many as 250,000 sets of medals, each set containing four different designs. In all, there would be a million medals produced. It is intended that 5,000 sets be made of gold, 45,000 of silver, and the remaining 200,000 of bronze.

The four medals in each set will honor the outstanding performance of a male athlete and a female athlete from the past 21 Summer Olympiads and a male athlete and a female athlete from the past 12 Winter Olympic Games. The legislation does not create an ongoing program but merely authorizes the manufacture and sale of national commemorative medals in conjunction with the 1980 Olympics.

Mr. President, for those who are not that familiar with the functions and responsibilities of the U.S. Olympic Committee, let me take a moment to explain. The USOC, under a Federal charter granted by Congress in 1950, has the job of selecting, equipping, transporting, and maintaining U.S. team members who compete in the quadrennial Olympic Games, as well as in the Pan American Games.

It has been without Government financial support of any kind, relying entirely on individual and corporate contributions for its resources.

In the past couple of years, the USOC has begun a vigorous effort to expand its activities, including the construction and operation of its first year-round training facilities in Squaw Valley, California and Colorado Springs, Colo. Similar facilities are also planned in three other parts of the country. By this expanded program, the USOC is bringing together amateur athletes of all ages from all regions for periodic training sessions and work with specialists in the field of sports medicine.

If we want to continue having good results with our athletic programs and continue to be a leader in world amateur sports, it is going to take an effort like this.

Obviously, Mr. President, it is also going to take money, and that's why my bill is important. It provides a dignified and innovative way to assist the U.S. Olympic Committee with its fundraising initiatives. And it does so without spending any Federal Government money. I seriously hope that our colleagues on the Banking Committee will give this bill prompt consideration so that the medal program can be well underway by 1980.

Mr. President, I am honored to be joined by 16 cosponsors in introducing this bill. They are Senators ANDERSON, HASKELL, HATCH, HATFIELD of Montana, HATHAWAY, HODGES, HUMPHREY, LAXALT, LEAHY, MATHIAS, PELL, RIEGLE, STEVENS, HANSEN and ROTH.

At this point in the RECORD, I ask unanimous consent that the text of my bill be printed along with a statement in support from the U.S. Olympic Committee.

There being no objection, the bill and statement were ordered to be printed in the RECORD, as follows:

S. 3427

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That this Act may be cited as the "United States Olympic Commemorative Medals Act".

SEC. 2. In commemoration of former Olympic athletes who have best exemplified the spirit of discipline, self-sacrifice, courage, and fair play of the amateur athlete, and in recognition of the contribution of the Olympic athlete to national prestige and goodwill, the Secretary of the Treasury (hereinafter referred to as the "Secretary") shall strike and furnish to the United States Olympic Committee (hereinafter referred to as the "Committee") not more than 1,000,000 medals of four different designs. The medals shall be designed to commemorate female and male athletes who have participated in prior summer and winter Olympic Games, and shall be designed by the Committee with the concurrence of the Commission on Fine Arts. The decision of the Committee concerning the design of the medals shall be subject to the approval of the Secretary. The medals, which may be disposed of at a premium, shall be made and delivered at such times as may be required by the Committee in quantities of not less than 2,000 medals of each design, but in any event not more than 250,000 medals of each design. No medals shall be made after December 3, 1980.

SEC. 3. The Secretary shall cause the medals issued pursuant to this Act to be struck and issued in such various materials and in such quantities and size or sizes as he may determine after consultation with the Committee.

SEC. 4. The medals shall be considered to be national medals within the meaning of section 3551 of the Revised Statutes (31 U.S.C. 368).

SEC. 5. The Secretary of the Treasury shall cause such medals to be struck and furnished at not less than the estimated cost of manufacture, including labor, materials, dies, use of machinery, and overhead expenses, plus twenty-five percent of the costs attributable to labor, use of machinery and overhead expenses. Security satisfactory to the Director of the Mint shall be furnished to indemnify the United States for full payment of the cost of manufacture of the medals.

STATEMENT BY THE UNITED STATES OLYMPIC COMMITTEE RELATING TO THE PROPOSAL TO AUTHORIZE NATIONAL MEDALS RECOGNIZING THE POSITIVE AND LASTING VALUES OF UNITED STATES PARTICIPATION IN THE OLYMPIC GAMES, AND UNITED STATES ATHLETES OF THE PAST WHO HAVE BEST EXEMPLIFIED THE SPIRIT AND VALUE OF THE OLYMPIC GAMES

THE UNITED STATES OLYMPIC COMMITTEE

The United States Olympic Committee (USOC) is recognized by the International Olympic Committee as the official organization responsible for United States participation in the Olympic Games—as well as the Pan American Games. Operative since its original constitution and by-laws were adopted in 1921, the USOC was incorporated by Act of Congress in 1950 (Public Law 805) to carry out the purpose of developing creditable and sportsmanlike participation and representation of the United States in the Olympic and Pan American Games. To the long-etsablished responsibility for selecting, equipping, transporting and maintaining U.S. team members at the site of the Games, the USOC in 1977 established year-round training centers in Squaw Valley, California and Colorado Springs. More such training centers are expected to be activated in the near future in other parts of the country.

UNITED STATES INVOLVEMENT IN THE OLYMPIC PROGRAM

Since the founding of the modern Olympic Games in Athens (1896) more than 12,000 young American men and women have participated in the Summer and Winter Games. Through 1976, over 1,000 of them have won gold medals—symbolic of first place in this foremost international amateur sports competition.

The United States of America was itself host to the III Olympiad in St. Louis (1904) and the X Olympiad in Los Angeles (1932). In addition, this country has been the site of two Olympic Winter Games: Lake Placid in 1932 and Squaw Valley in 1960. Lake Placid will again be the Winter Games host in 1980, and Los Angeles is the sole declared candidate for the XXIII Olympiad in 1984.

THE PROPOSED OLYMPIC NATIONAL MEDALS

The USOC seeks Congressional authorization for the U.S. Mint to strike and furnish a set of national medals in 1979 and an additional set of medals in 1980. They would provide recognition of the positive and lasting values of Olympic Games participation and commemorate former United States athletes who have best exemplified the spirit of discipline, self-sacrifice, courage and fair play, thereby contributing to national prestige and goodwill. Each set would represent a female and male athlete from the Summer Olympic Games and a female and male athlete from the Winter Olympic Games. The athlete selected would be from among those who participated for the United States between 1896 and 1964 inclusive.

The medals would thus honor people whose superior deeds and achievements are representative of the finest of accomplishment and service to the Nation, in keeping with the purpose of section 3551 of the Revised Statutes (31 U.S.C. 368). Up to 250,000 medals of any one design would be furnished without expense to the Government, in such size or sizes and of such materials as the Secretary of the Treasury and Director of the Mint may determine after consultation with the USOC.●

By Mr. WILLIAMS:

S. 3428. A bill to amend the Higher Education Act of 1965 to raise the limits of insured loans for undergraduate students, to allow lenders to use a Government service administered by the Commissioner of Education and the Secretary of the Treasury for the collection of such loans, and for other purposes; to the Committee on Human Resources.

CAPITAL AVAILABILITY FOR HIGHER EDUCATION AMENDMENTS OF 1978

● Mr. WILLIAMS. Mr. President, I am introducing today a measure which will improve and enhance the very foundation of the way the Federal Government assists students to pay for their college costs. This measure, the Capital Availability for Higher Education Amendments of 1978, places responsibility for assumption of college costs primarily on each student and amortizes the cost of higher education by payroll deductions calibrated to the student's income after graduation. It entrusts collection of defaulted loans to the Internal Revenue Service once payments to the private bank lender of a student loan have ceased. It thereby encourages the participation of banks reluctant to grant stu-

dent loans in light of high default rates and the burdens of administration of collection of defaulted loans. It also makes loans more attractive to college students from $2,500 to $3,500 in a year and from $7,500 to $10,500 in a lifetime under the guaranteed student loan program.

It should be emphasized that this measure encourages independence for families and fiscal responsibility for Government. By providing more realistic levels of loan support through its guarantees, the Federal Government frees middle and lower income families from the multiyear indebtedness that often prohibits college education for their children. By shifting the burden to the children themselves, at least in part, the prospective earnings of the student become the vehicle by means of which college expenses can be financed. And by assisting in the payroll deduction method when direct loan repayments are difficult, students are provided the most painless possible, regular method with which to discharge their indebtedness.

The fiscal responsibility of Government is enhanced by assuring lowest possible payments of the guarantees due the private lenders in situations of default. The payroll deduction plan maximizes the repayment from low earning or reluctant graduates and thereby would reduce Federal revenues spent in reimbursing creditor lenders who otherwise would turn to the Federal Treasury in exercising their guarantees under the GSL program.

The measure supports the participation of the private sector of the economy by providing low-cost incentives into the student loan market. The circulation of loans from private lenders is thereby enhanced and the result would be a healthier education loan market in general.

This is a simple plan, one calculated to relieve inordinate college burdens from families, and at the same time designed to make the guaranteed student loan program entirely efficient.

The bill would shift the collection responsibility from banks, which have found this administrative function troublesome, to the Internal Revenue Service, which has a proven record of performance for collecting money owed the Government. It would guarantee to the taxpayer a reduction of student loan defaults in a program which has served the public interest well since the mid-1960's and which has guaranteed $9.6 billion in loans.

The bill permits payback of student loans through the normal channels, that is, directly to the lending institutions, or through regular payroll deductions. When the payroll deduction method is utilized, loan repayments are calculated in terms of the former student's current income.

Mr. President, I believe this measure is much needed in order to restore confidence in our guaranteed student loan program and am hopeful that it will be viewed as an answer to the difficult question of equitable and adequate financing of the severe costs of higher education.

Mr. President, I now ask unanimous consent that the text of this bill along with an explanatory factsheet be included in the RECORD.

There being no objection, the bill and fact sheet were ordered to be printed in the RECORD, as follows:

S. 3428

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,

SECTION 1. This Act may be cited as the "Capital Availability for Higher Education Amendments of 1978".

SEC. 2. That part B of title IV of the Higher Education Act of 1965 is amended—

(1) by striking out "$2,500" each place it appears in sections 425(a)(1), 428(b)(1)(A), 428(a)(1)(A), and 428(a)(2)(A), and inserting in lieu thereof "$3,500"; and

(2) by striking out "$7,500" each place it appears in sections 425(a)(2), 428(b)(1)(B), 428A(a)(1)(A), and 428A(a)(2)(A), and inserting in lieu thereof "$10,500".

SEC. 3. Part B of title IV of the Higher Education Act of 1965 is amended by adding after section 427 the following new section:

"COLLECTION OF LOANS BY THE FEDERAL GOVERNMENT

"SEC. 427A. (a)(1) An eligible lender may elect to have a loan made in accordance with this part collected by the Secretary of the Treasury (hereinafter in this section referred to as the "Secretary") and the Commissioner, as provided in this section. Any such election shall be made not later than twelve weeks after the date on which the borrower ceases to carry at an eligible institution at least one-half of the normal full-time academic workload as determined by the institution, in a manner prescribed by the Commissioner.

"(2) The Commissioner shall promptly notify a borrower with respect to whom an election has been made by an eligible lender under paragraph (1) of such election and the corresponding repayment status and obligations of the borrower specified under this section.

"(b)(1) The Commissioner shall make an agreement with any eligible lender which makes an election under subsection (a) with respect to a loan, which—

"(A) provides that the lender will transmit to the Commissioner all documents necessary for the collection of the loan for which such election is made; and

"(B) provides that the Commissioner will make an annual payment to such lender of an amount equal to the amount computed under subsection (d), to the extent that amounts are appropriated from the fund established by subsection (f).

"(2) The Commissioner shall not make an agreement under paragraph (1) with a lender unless he is assured that such lender does not discriminate by pattern or practice against any particular class or category of students by requiring that, as a condition to the receipt of a loan, the student or his family maintains a business relationship with the lender.

"(c)(1) With respect to each loan for which an agreement is made under this section, the Commissioner shall—

"(A) transmit to the Secretary such information as may be required to enable the Secretary to carry out the duties established under paragraph (2);

"(B) make a payment not later than October 15 of each year to the lender of an amount equal to the amount computed under subsection (d), to the extent that amounts are appropriated from the fund established by subsection (f); and

"(C) take enforcement and collection measures in the case of a delinquent payment referred by the Secretary under paragraph (2)(C).

"(2) The Secretary shall—

"(A) make available, with any information and directions relating to the filing of a Federal income tax return, a table containing the amounts stated in subsection (e)(1) for which borrowers may be liable, and such other information as may be necessary for a borrower to compute the amount of his annual payment under such subsection;

"(B) keep records of the amounts repaid with respect to each loan for which an agreement is made under this section, and transmit to each borrower an annual statement of his loan balance; and

"(C) refer each case of a delinquent payment to the Commissioner for enforcement and collection.

"(d)(1) The amount of the annual payment made by the Commissioner to a lender under subsection (c)(1)(B) for a loan for which an agreement is made under this section shall be equal to the total amount which would have been repaid with respect to such loan by the borrower during the appropriate twelve-month period in the absence of an agreement under subsection (b)(1), except that such amount shall be—

"(A) increased by an amount equal to any excess of—

"(i) the amount of interest, computed at a yearly rate of 7 per centum, which would have been earned during the appropriate twelve-month period on amounts repaid if repaid by the borrower in the absence of an agreement under subsection (b)(1); over

"(ii) the amount of interest, computed at a yearly rate of 7 per centum, which will accrue on the amount of the annual payment under subsection (c)(1)(B) (without regard to the increase or decrease under this paragraph) between the time of such payment and the end of the appropriate twelve-month period; and

"(B) decreased by an amount equal to any excess of—

"(i) the amount determined under clause (ii) of subparagraph (A), over

"(ii) the amount determined under clause (i) of subparagraph (A).

"(2) For purposes of this section, the term 'appropriate twelve-month period' means, with respect to an annual payment under subsection (c)(1)(B), the twelve-month period in which such payment is made, which begins with the month in which the first periodic repayment would have been due from the borrower if no agreement had been made under this section.

"(e)(1) In any case in which an agreement is made with respect to a loan under subsection (b)(1), the student borrower shall be liable annually for an amount of principal, together with interest thereon, which is based upon the assessable income of such student, as follows:

"(A) if assessable income for a given taxable year is less than $8,500, such borrower shall be liable for no repayments as to principal, and shall be liable for not more than one-half of the interest accruing during such year;

"(B) if assessable income for a given taxable year is at least $8,500 but less than $13,500, the borrower shall be liable for payments for that year totaling 1 per centum of such income per each $2,000, or fraction thereof, of the total principal amount borrowed;

"(C) if assessable income for a given taxable year is at least $13,500 but less than $18,500, the borrower shall be liable for payments for that year totaling 1½ per centum of such income per each $2,000, or fraction thereof, of the total principal amount borrowed;

"(D) if assessable income for a given taxable year is at least $18,500 but less than $23,500, the borrower shall be liable for payments for that year totaling 2 per centum of

such income per each $2,000, or fraction thereof, of the total principal amount borrowed;

"(E) if assessable income for a given taxable year is at least $23,500 but less than $28,500, the borrower shall be liable for payments for that year totaling 2½ per centum of such income per each $2,000, or fraction thereof, of the total principal amount borrowed; and

"(F) if assessable income for a given taxable year is at least $28,500, the borrower shall be liable for payments for that year totaling 3 per centum of such income per $2,000, or fraction thereof, of the total principal amount borrowed.

"(2)(A) Each borrower making repayment of a loan pursuant to the method provided in this section shall make an annual payment equal to any excess of—

"(i) the amount for which such borrower is liable for the taxable year under paragraph (1), over.

"(ii) the amount withheld from such borrower's wages during the taxable year under paragraph (4).

"(B) Any payment due under subparagraph (A) shall be made, in a manner provided by the Secretary, not later than—

"(i) the date on or before which the borrower's Federal income tax return is required to be filed for the taxable year; or

"(ii) April 15 for the preceding calendar year, if such borrower is not required to file such a return.

"(3)(A) The Secretary shall refund to each borrower making repayment of a loan pursuant to the method provided in this section—

"(i) at such time and in such manner as the Secretary provides by regulation, an amount equal to any excess of the amount determined in clause (ii) of paragraph (2)(A) for a taxable year, over the amount determined in clause (i) of paragraph (2)(A) for such taxable year; and

"(ii) after a final payment is made by such borrower, an amount equal to any excess of the sum of payments over the total principal amount borrowed.

"(B) The Secretary shall notify a borrower, when a final payment is made by such borrower, that the borrower's obligations with respect to his loan have been fulfilled and that no further payments will be due.

"(C) For purposes of this pargaraph—

"(i) the term 'equal payment' means a payment under paragraph (2)(A) or an amount deducted and withheld under paragraph (4) which includes an amount of principal which, when added to all amounts of principal previously paid or deducted and withheld, equals or exceeds the total principal amount of the loan; and

"(ii) the term 'sum of payments' means the present value of the final payment and all amounts previously paid or deducted and withheld under this section, discounted by 7 per centum annually for the period of the loan, not counting any period for which an interest subsidy is paid for such loan under section 428.

"(4)(A) Each employer required by section 3402 of the Internal Revenue Code of 1954 to deduct and withhold amounts upon wages shall deduct and withhold upon the wages of borrowers making repayments under this section amounts determined on the basis of tables prescribed by the Secretary under subparagraph (C). Such deducting and withholding shall begin when the borrower first receives wages after the start of his repayment period. If an employer fails to deduct and withhold an amount in violation of this paragraph, and thereafter such amount is paid by the student borrower, such amount shall not be collected from such employer. Nothing in the preceding sentence shall relieve an employer from liability for any penalties for such failure to deduct and withhold.

"(B) The Secretary shall by regulation establish a method for a borrower required to make repayments under this section to report his repayment status and the date on which his repayment period begins to employers for purposes of the deduction and withholding requirement of subparagraph (A). Such a report shall be made—

"(i) immediately after the date on which the borrower ceases to carry at an eligible institution at least one-half the normal full-time academic workload as determined by the institution, if the borrower has been notified before such date of an election under subsection (a) and continues in employment held before such date;

"(ii) when the borrower is notified of such an election after such date if he is employed at such time; and

"(iii) whenever the borrower, after notification of such an election, accepts employment after such date.

Any borrower who willfully furnishes a false or fraudulent report required under this subparagraph or who willfully fails to furnish a report in the manner, at the time, and showing the information required by the Secretary under this subparagraph shall, for each such offense, upon conviction thereof, be subject to the same penalties as are applicable to the furnishing of fraudulent statements or the failure to make statements under section 7204 of the Internal Revenue Code of 1954.

"(C) The Secretary shall by regulation prescribe tables establishing amounts to be deducted and withheld under subparagraph (A). Such tables shall be designed so that the total of the amounts withheld from a borrower's wages during a taxable year will approximately equal the amount for which the borrower is liable for such taxable year under paragraph (1).

"(D) Each employer required to deduct and withhold amounts upon wages under subparagraph (A) shall make payment of such amounts to the Secretary, at such time and in such manner as the Secretary prescribes, and no such employer shall be liable to any other person for the amount of any such payment.

"(E) Amounts paid to the Secretary under subparagraph (D) shall be deposited in the fund established by subsection (f)(1).

"(F) Any employer who fails to deduct and withhold amounts upon wages in accordance with this paragraph shall be liable to the Secretary for a penalty of an amount equal to—

"(i) 5 per centum of any amounts which the employer negligently fails to deduct and withhold; and

"(ii) 50 per centum of any amounts which the employer willfully or fraudulently fails to deduct and withhold.

"(G) The Secretary shall promulgate such regulations as are necessary to administer this paragraph.

"(5) For purposes of this subsection—

"(A) the terms 'wages' means wages as defined by section 3401(a) of the Internal Revenue Code of 1954;

"(i) in the case of an unmarried individual, such individual's adjusted gross income;

"(ii) in the case of a married individual who does not file a joint return under section 6013 of the Internal Revenue Code of 1954—

"(I) if such individual's adjusted gross income equals or exceeds the adjusted gross income of such individual's spouse, the adjusted gross income of such individual; and

"(II) if such individual's adjusted gross income is less than the adjusted gross income of such individual's spouse, one-half the combined adjusted gross incomes of such individual and such individual's spouse;

"(iii) in the case of a married individual who files a joint return under section 6013 of the Internal Revenue Code of 1954, one-half the total adjusted gross income of the individual and his or her spouse; and

"(iv) in the case of an individual not required to file a Federal income tax return, an amount equivalent to amounts determined under clauses (i), (ii), and (iii), as established by the Secretary in regulations;

"(C) the term 'adjusted gross income' means adjusted gross income as defined by section 62 of the Internal Revenue Code of 1954;

"(D) marital status shall be determined in the same manner as marital status is determined under section 143 of the Internal Revenue Code of 1954;

"(E) the term 'taxable year' means—

"(i) a taxable year as defined by section 441(b) of the Internal Revenue Code of 1954, or a calendar year in the case of a borrower who is not required to file a Federal income tax return for a taxable year, which begins after the start of the repayment period; and

"(ii) that part of a taxable year as defined by such section 441(b), or a calendar year, as the case may be, which follows the start of the repayment period; and

"(F) the term 'repayment period' means the period referred to in section 427(a)(2)(B).

"(f)(1) There is created on the books of the Treasury of the United States a trust fund to be known as the Guaranteed Student Loan Fund (hereinafter in this section referred to as the "fund") which shall be administered by the Commissioner.

"(2) The fund shall consist of amounts deposited in the fund from—

"(A) amounts withheld from wages, as provided in subsection (e)(4)(E);

"(B) payments made by student borrowers under subsection (e)(2)(A); and

"(C) appropriations made pursuant to subsection (g).

"(3) Moneys in the fund may be used only for the purpose of making the payments to eligible lenders provided for in agreements made under subsection (b)(1), and for the purpose of making refunds to borrowers under subsection (e)(3)(A). Moneys from the fund shall be available for such purposes only when appropriated therefor, and such appropriations shall be made without fiscal year limitation.

"(g) There are authorized to be appropriated to the fund such amounts as may be necessary from time to time to make the payments required to be made by the Commissioner under subsection (c)(1)(E).

"(h) All provisions of this part not inconsistent with this section shall apply to loans to which this section applies.".

SEC. 4. (a) Section 427(a)(2) of such Act is amended—

(1) by striking out "and" at the end of subparagraph (H);

(2) by striking out the period at the end of subparagraph (I) and inserting in lieu thereof ", and"; and

(3) by adding at the end thereof the following new subparagraph:

"(J) provides that the lender may elect (not later than twelve weeks after the date on which the borrower ceases to carry at an eligible institution at least one-half of the normal full-time academic workload as determined by the institution) to have the loan collected by the Federal Government pursuant to an agreement with the Commissioner under section 427A(b)(1), and that the repayment by the borrower of a loan for which such an agreement is made shall be made in accordance with section 427A(e).".

(b) Section 428(b)(1) of such Act is amended—

(1) by striking out "and" at the end of subparagraph (O);

(2) by striking out the period at the end

of subparagraph (P) and inserting in lieu thereof "; and"; and

(3) by adding at the end thereof the following new subparagraph:

"(Q) provides that the lender may elect (not later than 12 weeks after the date on which the borrower ceases to carry at an eligible institution at least one-half of the normal full-time academic workload as determined by the institution) to have the loan collected by the Federal Government pursuant to an agreement with the Commissioner under section 427A(b)(1), and that the repayment by the borrower of a loan for which such an agreement is made shall be made in accordance with section 427A(e).".

SEC. 5. (a) Section 427(c) of such Act is amended by striking out "The" and inserting in lieu thereof "Except in the case of a loan the repayment of which is made pursuant to an agreement under section 427A(b)(1), the".

(b) Section 428(b)(1)(L) of such Act is amended by inserting ", except in the case of a loan the repayment of which is made pursuant to an agreement made under section 427A(b)(1)," after "provides that".

SEC. 6. (a) Section 427(a)(2)(B) of such Act is amended—

(1) by inserting "(except in the case of a loan the repayment of which is made pursuant to an agreement made under section 427A(b)(1))" after "ten years"; and

(2) in clause (ii) by inserting "(except in the case of a loan the repayment of which is made pursuant to an agreement made under section 427A(b)(1)" after "fifteen years".

(b) Section 428(b)(1) of such Act is amended——

(1) in subparagraph (D)(ii), by inserting "and except in the case of a loan the repayment of which is made pursuant to an agreement made under section 427A(b)(1)," after "paragraph,"; and

(2) in subparagraph (E), by inserting "(except in the case of a loan the repayment of which is made pursuant to an agreement made under section 427A(b)(1))" after "ten years".

SEC. 7. Section 438(b) of such Act is amended—

(1) in paragraph (1) by striking out "A" and inserting in lieu thereof "Except as may be otherwise provided in paragraph (5), a";

(2) in paragraph (2)(A), by striking out "paragraph (4)" and inserting in lieu thereof "paragraphs (4) and (5)";

(3) by redesignating paragraphs (5) and (6) as paragraphs (6) and (7) respectively; and

(4) by inserting after paragraph (4) the following new paragraph:

"(5) The special allowance computed according to paragraph (2)(A) shall be reduced by one-half per centum with respect to all eligible loans held by a lender for which agreements have been made under section 427A(b)(1). The Commissioner may provide by regulation for the annual payment of special allowances with respect to such loans in lieu of the quarterly payments prescribed by paragraph (1).".

SEC. 8. Part B of title IV of such Act is amended by adding at the end thereof the following new section:

"ADVISORY PANEL

"SEC. 440A. (a) There is hereby established an advisory panel (hereinafter in this section referred to as the 'Panel') which shall be composed of the following eleven members:

"(1) two individuals who administer the National Direct Student Loan program at institutions of higher education;

"(2) two representatives of institutions of higher education, which participate in a loan program under this part;

"(3) one representative of an institution of higher education which does not participate in a loan program under this part;

"(4) two academics familiar with student assistance programs;

"(5) one representative each from the Department of Health, Education, and Welfare, and the Department of the Treasury;

"(6) one former student borrower of a loan made or insured under this part, or (one representative of a student organization; and

"(7) one representative from the Student Loan Marketing Association.

"(b) The members of the Panel shall be appointed by the Speaker and the minority leader of the House of Representatives, and the majority and minority leaders of the Senate. Appointment of such a member shall be made only with the approval of three of such appointing individuals.

"(c) The Panel shall—

"(1) review the adequacy of the special allowance under section 438 to draw sufficient capital into loan programs under this part, and consider an incremental special allowance which is graduated to provide additional incentives for higher loan volumes handled by an eligible institution;

"(2) review the feasibility instituting a student loan bank of last resort, with attention to the problems of avoiding substitution for currently offered loans;

"(3) conisder such other questions as it deems appropriate.

"(d) The Panel shall report to Congress not later than one year after the date of the enactment of this section on its findings with respect to the items reviewed and considered under subsection (c).".

THE CAPITAL AVAILABILITY FOR HIGHER EDUCATION AMENDMENTS OF 1978

FACT SHEET

The guaranteed student loan program

Financial institutions participating in the Guaranteed Student Loan (GSL) program are the single best source for directing private capital to higher education. The GSL Program leverages Federal expenditures about four times over since it relies chiefly on privately raised capital. The costs to the Federal government result from defaults, deaths of borrowers, interest subsidies, payback deferrals, and special interest allowances to lenders. Moreover, as a loan for which the borrower is responsible, the choice of a more expensive education rests with students who know they will ultimately have to bear the full cost of their decisions.

The GSL Program, however, suffers from several problems that have kept it from fulfilling its full promise:

Geographical Unavailability.—Institutions choosing not to participate do so in geographic patterns. Availability is good in the Northeast for historic reasons and because of supportive State laws, but very poor on the east coast and in California where one bank holds more than half the outstanding loans. This is a deficiency in a National program.

Case-to-case Capriciousness.—Frequently small institutions discriminate between those borrowers with a deposit relationship and likely to remain customers, and those who don't have such a relationship for a year before applying. Banks view GSL's as a "consumer giveaway" similar to blenders or alarm clocks. Nondiscrimination clauses in current law are not effective.

Loan Ceilings Too Low.—Currently, under law, students may borrow only $2,500 a year even when they have access to a lender, and this is frequently insufficient to pick up the gap in financing they need to choose the education of their choice. A ceiling of $3,500 would, in virtually all instances, assure full financing when supplemented by other resources usually available.

Aversity to poor risk loans.—"Poor risks" include the lions share of most needy students, and most of them would, in fact, pay off the loan if given a chance. This is the very group for which policy should be most accommodating, and for which Federal guarantee should, in principle, most leverage Federal contributions. But three problems confront lending institutions:

(1) Federal lending origination standards measure performance by defaults, so there is a great incentive to "cream" the best borrowers; in fact, many defaults are accounted for by financing substandard educations-mail order degree factories and so forth;

(2) The inflexible loan servicing systems banks are willing to institute, require a steady stream of monthly fixed payments regardless of income; more flexibility before default would sustain the borrower's credit rating and increase the ease of collection;

(3) Servicing costs associated with "poor risk" borrowers tend to be harder to keep track of. In general, the administrative problems of managing the collection system of long-term, unsecured loans are burdensome and much nonparticipation in the Program is attributable to this.

Shortage of funds.—The GSL program has been lending in excess of $1 billion annually. This is not enough to pick up the slack in financing needs. The Student Loan Marketing Association (Sallie Mae), a quasi-public federally chartered market similar to Fannie Mae, has not adequately funnelled capital to relieve them of holding the loan paper themselves. For example, out of $6 billion of loans outstanding. Sallie Mae only owns or has financed about $600 million, a much smaller percentage than secondary markets provide for home mortgages.

Possible too low return for lenders.—Lenders supply funds to the GSL Program, only if the return is competitive with other uses of capital. But under the current "special allowance" formula (which subsidizes the interest return to the bank during the collection period based on short-term market interest rates for government securities), banks may not be receiving a high enough return to include as many marginal cases as would otherwise be desirable.

THE CAPITAL AVAILABILITY FOR HIGHER EDUCATION AMENDMENT OF 1978

This program of immediate changes in the GSL Program is intended to take significant steps toward ameliorating the above problems, and otherwise enhance capital availability. It is expected that it will be very appealing to the Nation's banks, as well as to students.

I. Increase Borrowing Ceilings to $3,500 from $2,500.—This should broaden the choice of affordable institutions of higher education at once for a substantial group of students from middle income families.

II. Permit Participating GSL Lending Institutions to Purchase Loan Collection Service from the Federal Government.—While loan origination practices should be carefully monitored to assure the government agrees to collect only eligible loans, this would relieve the banks of substantial administrative and managerial burdens they are ill-equipped to handle—a significant cause of patchy program participation nationwide. Additionally, direct payments to banks from the government would not be subject to overly rigid "performance" criteria relating to default rates, since the government would have responsibility for collecting the loan. Further, a firm non-discrimination standard will be enforced for banks purchasing the collection service. Banks relieved of the added costs associated with "poor risks" will again consider this group as qualified borrowers. The government will then pay obligations directly to banks as due. The collection service will cost banks one half percent of the interest subsidy the government pays during the repayment period. The savings on this subsidy—called the "special allowance" will help finance any additional cost to the IRS.

III. The Government will Collect the Loans through the Internal Revenue System.—Collections will be through the income tax to which all citizens are subject, and be based on the student borrower's ability to pay as measured by his or her adjusted gross income. Borrowers will make annual installments until they have repaid the principle and 7 percent interest on the outstanding balances—the current rate charged for GSL's. The Internal Revenue Service shall provide simple tables to facilitate computations, and take other administrative steps to ease the responsibility of the borrower. This method of collection benefits from economies of scale since the collection system is already in place, and the IRS endeavors to keep track of all taxpayers already. The flexibility permitted by the system would increase the likelihood of faithful paybacks.

IV. Appointment of Blue Ribbon Panel to Report to Congress Within the Year.—A Blue Ribbon Panel composed of two College administrators dealing with the National Defense Student Loan Program, two representatives of participating GSL institutions, one from a non-participating institution, two academics familiar with the field of student assistance, the appropriate assistance secretaries of HEW and Treasury, a former student GSL borrower or representative of a student organization, and an expert from Sallie Mae. The panel will be instructed to review:

(1) The adequacy of the special allowance formula to draw sufficient capital into the program, with consideration of an "incremental special allowance" graduated to provide additional incentives the higher the loan volume handled by an institution;

(2) The feasibility of instituting a Student Loan Bank of Last Resort, with attention to the problems of avoiding substitution for currently offered loans; and

(3) Other major questions as they shall identify.●

By Mr. JACKSON (for himself and Mr. HANSEN) (by request):

S. 3429. A bill to designate the Great Bear Wilderness, Flathead National Forest, and enlarge the Bob Marshall Wilderness, Flathead, and Lewis and Clark National Forests, State of Montana; to the Committee on Energy and Natural Resources.

GREAT BEAR WILDERNESS

● Mr. JACKSON. Mr. President, I am introducing today by request, a bill to designate a Great Bear Wilderness in the State of Montana. The proposed wilderness would total some 360,000 acres of national forest land. This administration proposal has been submitted to the Congress pursuant to Public Law 95–557 which directed the Department of Agriculture to study this area for possible designation. On the basis of that study, the administration concluded that almost the entire study area was, indeed, suitable for wilderness designation.

Mr. President, the late Senator Metcalf loved this area, and wilderness designation for this portion of Montana was certainly one of his highest legislative priorities. I am pleased that the administration has come forward with a strong wilderness recommendation for this area.

I ask unanimous consent that the bill and the administration's letter of transmittal as well as a memorandum from the Department's Office of General Counsel to the Chief of the Forest Service be included in the RECORD.

There being no objection, the bill and letters were ordered to be printed in the RECORD, as follows:

S. 3429

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, that, in furtherance of the purposes of the Wilderness Act of 1964 (78 Stat. 890), the area generally depicted on a map entitled "Great Bear Wilderness (Proposed)—Bob Marshall Wilderness Addition," dated February 1978 which is on file and available for public inspection in the Office of the Chief, Forest Service, U.S. Department of Agriculture, is hereby designated as the Great Bear Wilderness (293,571 acres) within and as part of the Flathead National Forest, Montana, and enlarges the Bob Marshall Wilderness with an area comprising approximately 66,300 acres within and as a part of the Lewis and Clark National Forest, Montana.

SEC. 2. As soon as practicable after this Act takes effect, the Secretary of Agriculture shall file a map and a legal description of the Great Bear Wilderness and Bob Marshall Wilderness Addition with the Energy and Natural Resources Committee, United States Senate and the Interior and Insular Affairs Committee, House of Representatives, and such description shall have the same force and effect as if included in this Act: *Provided, however,* that correction of clerical and typographical errors in such legal description and map may be made.

SEC. 3. The Great Bear Wilderness and Bob Marshall Addition shall be administered by the Secretary of Agriculture in accordance with the provisions of the Wilderness Act governing areas designated by that Act as wilderness areas, except that any reference in such provisions to the effective date of the Wilderness Act shall be deemed to be a reference to the effective date of this Act.

DEPARTMENT OF AGRICULTURE,
Washington, D.C., August 11, 1978.

The PRESIDENT OF THE SENATE,
U.S. Senate,
Washington, D.C.

DEAR MR. VICE PRESIDENT: In accordance with P.L. 94–557 (90 Stat. 2635), the Department of Agriculture reviewed, as to its suitability or nonsuitability for preservation as wilderness, the Great Bear Wilderness Study Area in the Flathead and the Lewis and Clark National Forests in Montana. Potential utility corridors within or contiguous to the study area also were reviewed, as directed. Public hearings were held in Montana and over 400 responses from 561 individuals, organizations, and agencies were received. The study report, a final environmental statement, and a draft bill reflecting our recommendations are enclosed. On behalf of the President and at his request, I am transmitting directly to you our recommendations and the supporting documents.

We recommend designation of a Great Bear Wilderness of 293,571 acres on the Flathead National Forest and an addition to the existing Bob Marshall Wilderness of 66,300 acres on the Lewis and Clark National Forest. This would represent a total addition to the National Wilderness Preservation System of 359,871 acres. The study determined that 26,660 acres are not suitable for wilderness and that a utility corridor through the proposed wilderness should not be recommended at this time.

The Great Bear Wilderness Study Area, as depicted on the map cited in P.L. 94–557, was determined to contain 371,160 acres. In addition, 15,382 acres of contiguous undeveloped areas were also reviewed, making a total study area of 386,560 acres. The study area lies astride the Continental Divide. It adjoins the north and east boundaries of the Bob Marshall Wilderness (949,356 acres). The Glacier National Park, containing a proposed wilderness of 928,000 acres, lies just to the north, across a developed transportation corridor.

The study area is characterized by high, rugged topography and a primitive environment essentially devoid of man's influence. A wide variety of fish and wildlife, including the threatened grizzly bear and endangered Northern Rocky Mountain wolf, are present. Mineral studies indicate a moderate potential for submarginal copper and silver resources, and small potential for submarginal coal. Due to the high elevation and history of fire occurrence, much of the area contains nonforest and unproductive forest land. The productive forest land, of about 120,460 acres, has a potential annual timber yield of 17.5 million board feet which has been in a "deferred" status since 1970 pending wilderness and wild and scenic river consideration.

The study area has very good potential for discovery of natural gas and somewhat lesser potential for oil production. The area contains numerous potential hydrocarbon reservoir and source rocks. Structural traps for the accumulation of gas in the subsurface cannot be determined without seismic surveys and possible drill holes, but structural traps can be inferred from a comparison of the surface geology of the study area with that in gas producing areas to the north in Alberta, Canada. The study area contains geologic structures and stratigraphic history similar to that in Alberta which contain major reserves of gas and minor amounts of oil. The Administration concludes, however, that the wilderness values of the area outweigh the gas and oil potentials at this time, and should be given the priority.

Future need for east-west utility corridors from eastern Montana-Wyoming coalfields to the user-load-centers in Washington and Oregon was recognized. The Forest Service and Bonneville Power Administration (BPA) jointly reviewed one alternative corridor through the study area and one that would circumvent the study area. Although it was concluded that at least seven major east-west utility corrdiors between Canada and northern Utah will be needed by year 2020 to supply projected coal-based energy requirement, thorough siting studies remain to be completed and comparative analysis of all possible corridors is still needed to determine specific advantages and disadvantages of each. However, the Great Bear Area would provide the most direct route between the eastern Montana coal fields and major load centers in northwestern Washington. Accordingly, the study concluded that future designation of an energy corridor through the area would probably be desirable from the standpoint of energy policy within the next 50 years. A summary of the Forest Service-BPA study is contained in the enclosed study report.

On the basis of that study, the Department concluded that in the absence of additional evidence of immediate needs it would be premature at this time to establish a utility corridor in the proposed wilderness. This view was strongly supported by public response and especially by the Montana Department of Natural Resources. Should further study and development confirm that a utility corridor through the Great Bear proposed wilderness is in the national interest, the President has the authority in Section 4(d)(4) of the Wilderness Act of 1964, to create the corridor. Copy of an opinion by our Office of General Counsel to this effect is enclosed. In the meantime, we expect that the Department of Energy will continue its efforts to carefully assess long-range energy corridor needs in this region.

Wilderness designation is not recommended for 26,600 acres. Of this, 23,160 acres reflect the impact of timber harvest and ac-

cess activity and contain numerous, small exclusions for better wilderness boundary definition. In addition, one contiguous area of 3,500 acres in not recommended for wilderness because of conflict with avalanche control on the Teton Pass Ski Area.

The major costs associated with the Department's recommendation are in values foregone or limited by constraints on such activities as timber harvest, natural gas exploration and development, and development of mechanized recreational opportunities. All lands in the study area are federally-owned except 28.69 acres of private land existing in two patented mining claims no longer being mined. Acquisition by purchase or exchange may prove desirable.

We believe the proposed Great Bear Wilderness meets the test of suitability, availability, need and manageability for such designation. Its suitability for wilderness is comparable to that for the well-known Bob Marshall and Selway-Bitterroot Wildernesses. It will be a valuable addition to the National Wilderness Preservation System.

The Office of Management and Budget advises that there is no objection to the presentation of this report and that enactment of the proposed legislation would be in accord with the President's program.

Sincerely,

BOB BERGLAND,
Secretary.

Enclosures.

DEPARTMENT OF AGRICULTURE,
Washington, D.C., July 28, 1978.

Subject: Section 4(d)(4), Wilderness Act (16 U.S.C. 1133(d)(4)).

To: John R. McGuire, Chief, Forest Service,

This is in response to your memorandum of July 26, 1978, requesting our opinion as to the scope and applicability of Section 4(d)(4) of the Wilderness Act, 16 U.S.C. 1133(d)(4). Of particular interest is the applicability of this section to facilities for the transmission of electric power through designated utility corridors in the Great Bear area of Montana which is proposed for wilderness classification. Relevant portions of the Act state:

"(4) Within wilderness areas in the national forests . . . (1) the President may, within a specific area and in accordance with such regulations as he may deem desirable, authorize prospecting for water resources, the establishment and maintenance of reservoirs, water-conservation works, power projects, tranmission lines, and other facilities needed in the public interest, including the road construction and maintenance essential to development and use thereof, upon his determination that such use or uses in the specific area will better serve the interests of the United States and the people thereof than will its denial." . . . 16 U.S.C. 1133(d)(4).

This section enumerates a series of projects for which the President may authorize the "establishment and maintenance" within the boundaries of a designated wilderness area. This series may be subject to various interpretations.

The doctrine of noscitur a sociis may be applied to interpret this section. Under this doctrine, a word is interpreted according to its accompanying words. Thus words in a series of general meaning may be colored by the meaning of more specific words. Thus the terms "power projects, transmission lines" may be considered to relate to the previously enumerated water resource projects. However, it is our opinion that these terms are unambiguous and sufficiently descriptive by themselves in defining all forms of power projects and associated transmission lines. There is no more specific meaning that need be applied, and the doctrine is therefore inapplicable.

The phrase "and other facilities needed in the public interest" is likewise subject to various interpretations. An analogous doctrine of interpretation to that stated above is ejusdem generis whereby when general words follow an enumeration of specific things, such general words are construed as applying only to things of the same general kind as those specifically mentioned. In this situation, "other facilities" could likewise be construed as applying to water or power projects. Such a narrow construction would still apply "other facilities" to a wide range of projects including various forms of power transmission lines which may be constructed in a utility corridor. However, we interpret "other facilities" as being very broad and limited only by the phrase "needed in the public interest." Thus, any type of project which the President deems in the public interest may come within the purview of this section.

The legislative history supports this interpretation. The same or similar language of Section 4(d)(4) was contained in both the House and Senate versions of the Act. The Congress saw the issue as one of competitive land uses for wilderness areas:

"Serious consideration has been given to the various competitive uses. Provisions have been included in the bill for future modification in the wilderness system, or in regulations governing specific areas, if it is the finding of the President of the United States that a nonwilderness use is in the greater public interest than is wilderness use in some specific area. Congress itself can at any time enact legislation making changes." [1]

The object of this provision is to allow the President to override wilderness designation in those extraordinary circumstances where, in his opinion, construction of a project is more in the public interest than retention of the wilderness character of a site. Thus the test of the application of Section 4(d)(4) to a project is whether such a project is "needed in the public interest," and not whether it is of a particular type.

Section 4(d)(4) makes provisions for regulations to guide in making such determinations. Such regulations have not been promulgated by the Departments of Agriculture or of the Interior. To date, the President has never authorized a project under this section.

In conclusion, if the President determines it to be in the public interest to establish a facility for the transmission of power in a Great Bear Wilderness area, such a facility can be permitted under the provisions of Section 4(d)(4) of the Wilderness Act.

JOSEPH D. CUMMINGS,
Acting Director,
Natural Resources Division.

● Mr. PAUL G. HATFIELD. Mr. President, I am pleased to note that Senator JACKSON, as chairman of the Senate Committee on Energy and Natural Resources, and Senator HANSEN, as the ranking minority member of that committee, have today introduced, by request, a bill to designate the Great Bear Wilderness Area in northwestern Montana.

The proposal conforms to the U.S. Forest Service recommendation. It designates as wilderness some 360,000 acres of pristine country lying astride the Continental Divide and linking Glacier National Park to the north with the Bob Marshall Wilderness to the south.

Enactment of this bill would culminate more than two decades of effort to protect one of the largest basically unroaded ecosystems left in the United States. Chief architect of the effort was our late colleague, Senator Lee Metcalf. He felt deeply about preserving the area. Passage of a Great Bear Wilderness Act would be a fitting tribute to his dream. However, Lee would be the first to insist that the area's fate be decided on its merits and not on sentiment. By any objective assessment, the Great Bear meets the test of wilderness.

The Great Bear is stunning mountain country. By providing a link to Glacier Park and the Bob Marshall Wilderness, it will assure protection of a vast ecosystem in which large animals, such as the grizzly bear, are able to conduct daily movements and seasonal migrations without interference from man. The importance of the area as a habitat bridge for free roaming wildlife, and as the headwaters of critical spawning streams for the cutthroat and Dolly Varden trout, cannot be overemphasized. The cutthroat is a threatened species in much of its former habitat. Establishment of the Great Bear Wilderness would provide enduring protection of its spawning streams and would guarantee its survival in the Flathead River system.

The bill represents the final Forest Service recomendations after nearly 2 years of Forest Service study. The study was marked with controversy, as might be expected of an area of this magnitude. I do not wish to understate the items in dispute.

The Congress passed the Great Bear Wilderness Study Act in the fall of 1976. The act estimated the study area to encompass 393,000 acres. That figure proved to be inflated. The Forest Service later determined that the study area contained 371,160 acres. The agency then added 15,382 contiguous acres, making a total study area of 386,542.

The Forest Service, after conducting the required public hearings in Montana, made an initial recommendation of 299,000 acres, or 97,000 fewer than those studied. Field personnel urged deletion of 6,240 acres to accommodate a proposed Bonneville Power Administration powerline corridor, some 70,000 acres containing what the U.S. Geological Survey terms "moderate to high potential" for natural gas, and the remaining acreage to render the area more "manageable" as wilderness.

As the recommendations worked their way up through the Forest Service hierarchy, most of the cuts were restored, including those involving the power corridor and the natural gas area. The ultimate figure of 359,871 acres recommended by the Chief of the Forest Service represents a cut of 26,871 acres below that actually studied. The final figure thus represents a compromise, although admittedly on the high side.

The Senate Energy and Natural Resources Committee will hold hearings on this bill in Montana and will receive testimony from the people of Montana at that time.

Mr. President, there have been suggestions that this proposed wilderness

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[1] Senate Committee on Interior and Insular Affairs, 88th Cong. 2d Sess., Report on S. 4 Estabishing a National Wilderness Preservation System (Comm. Report No. 109), p. 12.

area be named after Senator Lee Metcalf, or that his name be otherwise associated with the legislation. This issue has been discussed thoroughly by Lee's family and supporters of the Great Bear. A firm consensus has emerged: Do what Lee would have done and carry through with the descriptive title which he accepted. Neither the bill nor the area should bear the Metcalf name, although the administering agency could, after designation, make note on its descriptive literature or in other suitable fashion of the historic contribution made by Senator Lee Metcalf.

Finally, reference should be made to the Forest Service recommendation that only the larger, or western portion, of the study area be named the Great Bear. For administrative reasons, the eastern portion would be added to the Bob Marshall Wilderness.

Again, with the concurrence of the supporters of the Great Bear, the bill follows the recommendations of the Forest Service. Technically, the Great Bear Wilderness, lying wholly within the Flathead National Forest, will total only 293,571 acres. The smaller, or eastern portion, lying within the Lewis and Clerk National Forest, comprises 66,300 acres. However, for the sake of simplicity, the single name is applied to both areas in this statement. The goal of the legislation is, after all, preservation.●

By Mr. WILLIAMS (for himself and Mr. CRANSTON):

S.J. Res. 152. A joint resolution authorizing and requesting the President to issue a proclamation designating the month of June as "National First Aid Month"; to the Committee on the Judiciary.

NATIONAL FIRST AID MONTH

● Mr. WILLIAMS. Mr. President, I am pleased to introduce a joint resolution to declare the month of June as National First Aid Month. The purpose of this observance is to increase public awareness and knowledge of basic first aid and emergency procedures.

Statistics compiled by the National Safety Council and the National Center for Health Statistics reveal much about the health of Americans.

Accidental injury is the leading cause of death among Americans aged 1 to 38. It is the fourth leading cause of death among all Americans and claims more lives among youths aged 15 to 24 than all other causes combined.

In 1976, chronic and acute illnesses or injuries resulted in an estimated 18.2 days of restricted activity or disability per person. Restricted-activity ranged from about 11 days for children under 17 years of age to approximately 40 days for persons 65 years of age or over.

Motor vehicle accidents are the major single cause of death and disability in this country, however, drownings, fires, poisoning, and firearms also inflict a heavy toll. The cost of these accidents to the individual, his family, and our society is enormous. Accidents in which deaths or disabling injuries occurred, together with noninjury motor vehicle accidents and fires, cost our Nation $52.8 billion in 1976. Included in this total was $31.7 billion for wage losses, medical expenses, and insurance administrative costs.

In 1973, the Congress recognized that disability, loss of health, and death from accidents, as well as from sudden illnesses such as heart failure, could be substantially reduced with an improved emergency medical services system. To help communities meet emergency situations immediately and effectively, Congress enacted the Emergency Medical Services Systems Act. Through this act, communities have been able to correct service deficiencies irrespective of the relative wealth or urban-rural nature of their local areas.

Despite the expansion of professional emergency medical services in this country, there is a need to assure that each American has an awareness and knowledge of basic first aid and emergency procedures. When an accident occurs, use of basic first aid techniques can mitigate the need for professional medical treatment. In life threatening situations, the use of relatively simple procedures, until professional medical care can be obtained, can often make the crucial difference between life or death.

Many voluntary organizations diligently work to teach people about basic first aid and emergency medical procedures. The resolution I am introducing today would focus concerted attention on the need for every American to obtain information about these procedures. Through this national effort, we can protect the health of countless Americans.●

By Mr. ANDERSON:

S.J. Res. 153. A joint resolution authorizing the President to proclaim the third week in June 1979 as "National Veterans' Hospital Week"; to the Committee on the Judiciary.

NATIONAL VETERANS' HOSPITAL WEEK

● Mr. ANDERSON. Mr. President, I am today introducing a joint resolution authorizing the President to designate the third week in June as "National Veterans' Hospital Week."

The purpose of a veterans' hospital is an important one: Providing a wide variety of health-related services to those men and women who served our Nation in the armed services.

But oftentimes the facilities for achieving this goal are less than adequate. In Minnesota, to cite one example, the veterans' hospital in Minnesota is forced in an outdated and undersized physical plant. There is overcrowding of patients, and the conditions of the buildings, even disregarding their small sizes, are pathetic.

Yet in spite of this, the Minneapolis Veterans' Hospital has consistently managed to provide excellent medical care. The staff and volunteer workers at the hospital have a dedication that assures that the patients are very well taken care of.

I am hopeful that this resolution will bring the special needs of veterans' hospitals to the attention of the public.

A House version of this resolution has been introduced, and has gotten over 60 cosponsors so far. I hope that this resolution will meet with a similarly favorable reception in the Senate.

Mr. President, I ask unanimous consent that the text of this resolution be printed in the RECORD.

There being no objection, the joint resolution was ordered to be printed in the RECORD, as follows:

S.J. RES. 153

Whereas American veterans have played an essential role in this country all throughout its history;

Whereas there are presently nearly thirty million veterans living in this country;

Whereas there are one hundred and seventy-two veterans' hospitals in this country providing essential medical care to those who have served in our Armed Forces;

Whereas one million three hundred and ninety-two thousand four hundred and forty veterans will receive care and treatment at veterans' hospitals in this country during 1978;

Whereas this represents a 107 per centum increase over the number who received treatment during 1968;

Whereas seventeen million seven hundred and forty-five thousand veterans will receive care and treatment as outpatients at veterans' hospitals in this country during 1978;

Whereas this represents a 170 per centum increase over the number who received treatment during 1968; and

Whereas veterans' hospitals continue to play an increasingly important role in providing for the health and well-being of the veterans of this country: Now, therefore, be it

Resolved by the Senate and House of Representatives of the United States of America in Congress assembled, That the President is authorized and requested to issue a proclamation designating the third week of June 1979 as "National Veterans' Hospital Week", and calling upon the people of the United States to observe such week with appropriate ceremonies and activities.

ADDITIONAL COSPONSORS

S. 2858

At the request of Mr. MELCHER, the Senator from North Dakota (Mr. BURDICK) was added as a cosponsor of S. 2858, a bill to amend section 2040 of the Internal Revenue Code of 1954 to provide that a spouse's services shall be taken into account in determining whether that spouse furnished adequate consideration for jointly held property for purposes of qualifying for an exclusion from the Federal estate tax.

S. 2860

At the request of Mr. MELCHER, the Senator from Alabama (Mrs. ALLEN) was added as a cosponsor of S. 2860, a bill to provide for a research, development, and demonstration program to determine the feasibility of collecting in space solar energy to be transmitted to Earth and to generate electricity for domestic purposes.

S. 3003

At the request of Mr. MELCHER, the Senator from Tennessee (Mr. BAKER) was added as a cosponsor of S. 3003, a bill to amend the Rural Electrification Act of 1936, as amended, to provide for the financing of telecommunication facilities for cable television and other broadband services to small towns and rural areas.

S. 3250

At the request of Mr. MELCHER, the Senator from South Dakota (Mr. MCGOVERN) was added as a cosponsor of S. 3250, a bill to amend the Internal Revenue Code of 1954 to make the investment tax credit applicable to certain agricultural buildings and their structural components.

S. 3359

At the request of Mr. CHILES, the Senator from Montana (Mr. MELCHER) and the Senator from Maryland (Mr. SARBANES) were added as cosponsors of S. 3359, a bill to amend the act commonly known as the Miller Act to raise the dollar amount of contracts to which such act applied from $2,000 to $25,000.

S. 3388

At the request of Mr. WALLOP, the Senator from Ohio (Mr. METZENBAUM), the Senator from Montana (Mr. MELCHER), the Senator from New Mexico (Mr. DOMENICI), the Senator from Kentucky (Mr. FORD), and the Senator from Arkansas (Mr. HODGES) were added as cosponsors of S. 3388, a bill to amend the Internal Revenue Code to exclude from gross income payments made under certain cost sharing programs.

SENATE JOINT RESOLUTION 134

At the request of Mr. BAYH, the Senator from Minnesota (Mr. ANDERSON) was added as a cosponsor of Senate Joint Resolution 134, extending the deadline for ratification of the equal rights amendment.

AMENDMENT NO. 3436

At the request of Mr. HAYAKAWA, the Senator from Hawaii (Mr. INOUYE) was added as a cosponsor of amendment No. 3436 proposed to S. 1753, the Elementary and Secondary Education Act.

AMENDMENTS SUBMITTED FOR PRINTING

DISTRICT OF COLUMBIA REPRESENTATION—HOUSE JOINT RESOLUTION 554

AMENDMENTS NOS. 3480 THROUGH 3504

(Ordered to be printed and to lie on the table.)

Mr. HATCH submitted 25 amendments intended to be proposed by him to House Joint Resolution 554, a joint resolution proposing an amendment to the Constitution to provide for representation of the District of Columbia in the Congress.

AMENDMENT NO. 3505

(Ordered to be printed and to lie on the table.)

Mr. SCHMITT submitted an amendment intended to be proposed by him to House Joint Resolution 554, supra.

ANTITRUST ENFORCEMENT ACT OF 1978—S. 1874

AMENDMENT NO. 3506

(Ordered to be printed and to lie on the table.)

Mr. EAGLETON submitted an amendment intended to be proposed by him to S. 1874, a bill to restore effective enforcement of the antitrust laws.

● Mr. EAGLETON. Mr. President, I am submitting an amendment today to S. 1874, a bill to amend section 4 of the Clayton Act to permit consumers, businesses and governments injured by antitrust violations to recover whether or not they have dealt directly with the antitrust violator. My amendment is a very narrow one, dealing only with section 4 of the bill, which makes the bill applicable to any action under sections 4, 4A, or 4C(a)(1) of the Clayton Act which was pending on June 9, 1977, or filed thereafter. This retroactive date—June 9, 1977—is the date on which the Supreme Court handed down its decision in Illinois Brick Co. against Illinois, which case the bill seeks to overrule. My amendment would make the bill applicable to cases commenced on, or after, the date of the bill's enactment.

I have serious doubts to the constitutionality of such a retroactive application and, in any event, I believe it is an unwise policy choice. Testimony by several respected legal scholars and antitrust experts before the Senate Judiciary Committee revealed at least two serious constitutional objections to the retroactive application of S. 1874. Because the bill would make the so-called pass-on defense available to defendants, direct-purchaser plaintiffs whose suits were pending on the date of the Illinois Brick decision or who filed cases thereafter and have continued their cases in reliance on that decision, will be in danger of having their claims drastically reduced or their suits dismissed. The hundreds of thousands of dollars spent in preparation for litigation and the punitive damages at stake will, in many cases, go down the drain as a direct result of retroactive application. I think a strong argument could be made that this would amount to a deprivation of property without the due proces of law as required by the fifth amendment. In addition, the bald supplanting of a Supreme Court decision by a congressional act raises serious questions regarding the separation of powers set forth in the Constitution.

Even beyond the constitutional problems engendered by making the bill's application retroactive, I think retroactivity in this case is unwise legislative policy. In the past, antitrust legislation has been applied only prospectively. Retroactive application of S. 1874 would not only hamper private enforcement of our antitrust laws already begun during the period of the Illinois Brick decision, it would encourage the reopening of cases settled or dismissed on the basis of the Illinois Brick decision and related cases.

Mr. President, I ask unanimous consent that the text of my amendment be printed in the RECORD.

There being no objection, the amendment was ordered to be printed in the RECORD, as follows:

AMENDMENT NO. 3506

On page 5, beginning on line 6, strike "which was pending on June 9, 1977, or filed thereafter." and insert in lieu thereof "which is filed on or after the date of enactment of this Act.".

FEDERAL-AID HIGHWAY ACT—S. 3073

AMENDMENT NO. 3507

(Ordered to be printed and to lie on the table.)

Mr. HUDDLESTON (for himself, Mr. RANDOLPH, Mr. MCGOVERN, Mr. BAYH, Mr. GRAVEL, Mr. FORD, Mr. MELCHER, Mr. PAUL G. HATFIELD, and Mr. HEINZ) submitted an amendment intended to be proposed by them, jointly, to S. 3073, the Federal-Aid Highway Act.

● Mr. HUDDLESTON. Mr. President, I am pleased to introduce today on behalf of the distinguished chairman of the Senate Environment and Public Works Committee, Senator RANDOLPH, and our other colleagues a modified version of the Randolph-Huddleston energy impacted road amendment proposed last week to S. 3073, the Federal-Aid Highway Act.

Though the funding level, $100 million a year for 2 years from the highway trust fund, and the matching basis, 70 percent Federal and 30 percent State, remain the same, the modifications we have made are intended to clear up some rather serious misconceptions being promoted by opponents of the original amendment.

First, we are naturally concerned about information being disseminated which indicates only a few coal producing States, West Virginia and Kentucky in particular, would benefit from the institution of an energy impacted road program. Thus, our modified amendment makes it clear that routes used for transportation of not only coal but also uranium, oil and gas as well as related recovery and exploration equipment used to increase national energy supplies would be eligible for the program. These routes could be considered on a statewide basis or as part of specific energy impacted region within a State. These regions would be designated by a governor in consultation with the Department of Transportation.

Also, it must be remembered that one of the linchpins of our support for any program of this nature is our belief that national energy requirements are indeed national. However, while the Nation as a whole benefits by increased energy supplies, immediate negative impacts are evident in several specific regions. To be sure, several legislative proposals have been introduced to offset social and economic boomtown situations, however, no one has yet adequately addressed the physical deterioration of the roads and accompanying safety problems in these areas.

Second, it is argued that our amendment affects only highway related portions of the multimodal difficulties existing in the energy transportation system. The administration is said to be willing to cooperate in developing a "long term program which deals with all the aspects" of the problem. Though we believe this offer of support is commendable, it does absolutely nothing to solve the critical situation that exists today. The Federal-Aid Highway Act provides a vehicle for at least some relief now. The

longer we wait the more deterioration and higher costs for repair we can expect. We urge your support of our amendment when it comes to the floor for consideration.●

TARIFF TREATMENT OF FILM, STRIPS, SHEETS, AND PLATES OF CERTAIN PLASTICS OR RUBBER—H.R. 5285

AMENDMENT NO. 3508

(Ordered to be printed and to lie on the table.)

Mr. CHURCH submitted an amendment intended to be proposed by him to H.R. 5285, an act to amend the tariff schedules of the United States with respect to the treatment accorded to film, strips, sheets, and plates of certain plastics or rubber.

ELEMENTARY AND SECONDARY EDUCATION ACT AMENDMENTS OF 1978—S. 1753

AMENDMENTS NOS. 3509 THROUGH 3511

(Ordered to be printed and to lie on the table.)

Mr. HATCH submitted three amendments intended to be proposed by him to S. 1753, the Elementary and Secondary Education Act Amendments of 1978.

Mr. HATCH. Mr. President, before long, subject to the discretion of our distinguished Senate leadership, we will have the opportunity to consider and vote on the bill, S. 1753, the Elementary and Secondary Education Act Amendments of 1978.

I just called it a bill, but it might be more accurate to call ESEA a "state of mind." It is one of the more enormous packages of proposed Federal education programs to be considered at any one time. It will commit us to spend $52 billion in Federal expenditures over the next half decade, give or take a billion.

If I seem cavalier about the bill, I am not. This matter is serious. As a member of the Human Resources Committee, I took part in amending it; and I participated in the general spirit of good fellowship by voting to report this legislation to the floor for our consideration. But I was not entirely pleased with the bill then, and I am not now. The legislation can be improved, and certainly we have a responsibility to see that it is. Having given long, hard thought to reforming the bill's provisions, I am today formally introducing a substitute bill in the form of an amendment to S. 1753. I am also introducing two amendments to the bill as it has been reported from committee, one amendment dealing with "cognitive skills" and the other dealing with "parental consent." At this time, I ask unanimous consent that the text of my substitute in the form of an amendment to S. 1753, as well as my amendments proposed to the reported version of the committee bill, be printed in the RECORD.

There being no objection, the amendments were ordered to be printed in the RECORD, as follows:

AMENDMENT NO. 3509

Strike out all after the enacting clause and insert in lieu thereof the following:

"That this Act may be cited as the 'Elementary and Secondary Education Assistance Act of 1978'.

"TITLE I—FINANCIAL ASSISTANCE TO MEET SPECIAL EDUCATIONAL NEEDS OF CHILDREN

"DECLARATION OF POLICY

"SEC. 101. In recognition of the special educational needs of children of low-income families and the impact that concentrations of low-income families have on the ability of local educational agencies to support adequate educational programs, the Congress declares it to be the policy of the United States to provide financial assistance (as set forth in the following parts of this title) to local educational agencies serving areas with concentrations of children from low-income families to expand and improve their educational programs by various means (including pre-school programs) which contribute particularly to meeting the special educational needs of educationally deprived children. Further, in recognition of the special educational needs of children of certain migrant parents, of Indian children, and of handicapped or neglected or delinquent children, the Congress declares it to be the policy of the United States to provide financial assistance (as set forth in the following parts of this title) to help meet the special educational needs of such children.

"DURATION OF ASSISTANCE

"SEC. 102. During the period beginning July 1, 1979, and ending September 30, 1983, the Commissioner shall, in accordance with the provisions of this title, make payments to State educational agencies for grants made on the basis of entitlements created under this title.

"PART A—PROGRAMS OPERATED BY LOCAL EDUCATIONAL AGENCIES

"Subpart 1—Basic Grants

"GRANTS—AMOUNT AND ELIGIBILITY

"SEC. 111. (a) AMOUNT OF GRANTS.—(1) There is authorized to be appropriated for each fiscal year for the purpose of this paragraph 1 per centum of the amount appropriated for such year for payments to States under part E (other than payments under such part to jurisdictions excluded from the term 'State' by this subsection, and payments pursuant to section 156), and there is authorized to be appropriated such additional sums as will assure at least the same level of funding under this title as in fiscal year 1973 for Guam, American Samoa, the Virgin Islands, the Northern Mariana Islands, the Trust Territory of the Pacific Islands, and to the Secretary of the Interior for payments pursuant to paragraphs (1) and (2) of subsection (d). The amount appropriated pursuant to this paragraph shall be allotted by the Commissioner (A) among Guam, American Samoa, the Virgin Islands, the Northern Mariana Islands, and the Trust Territory of the Pacific Islands according to their respective need for grants under this part, and (B) to the Secretary of the Interior in the amount necessary (i) to make payments pursuant to paragraph (1) of subsection (d), and (ii) to make payments pursuant to paragraph (2) of subsection (d). The grant which a local educational agency in Guam, American Samoa, the Virgin Islands, the Northern Mariana Islands, and the Trust Territory of the Pacific Islands is eligible to receive shall be determined pursuant to such criteria as the Commissioner determines will best carry out the purpose of this title.

(2) In any case in which the Commissioner determines that satisfactory data for that purpose are available, the grant which a local educational agency in a State is eligible to receive under this subpart for a fiscal year shall (except as provided in paragraph (3)) be determined by multiplying the number of children counted under subsection (c) by 40 per centum of the amount determined under the next sentence. The amount determined under this sentence shall be the average per pupil expenditure in the State except that (A) if the average per pupil expenditure in the State is less than 80 per centum of the average per pupil expenditure in the United States, such amount shall be 80 per centum of the average per pupil expenditure in the United States, or (B) if the average per pupil expenditure in the State is more than 120 per centum of the average per pupil expenditure in the United States, such amount shall be 120 per centum of the average per pupil expenditure in the United States. In any case in which such data are not available, subject to paragraph (3), the grant for any local educational agency in a State shall be determined on the basis of the aggregate amount of such grants for all such agencies in the county or counties in which the school district of the particular agency is located, which aggregate amount shall be equal to the aggregate amount determined under the two preceding sentences for such county or counties, and shall be allocated among those agencies upon such equitable basis as may be determined by the State educational agency in accordance with the basic criteria prescribed by the Commissioner.

"(3)(A) Upon determination by the State educational agency that a local educational agency in the State is unable or unwilling to provide for the special educational needs of children described in clause (C) of paragraph (1) of subsection (c), who are living in institutions for neglected or delinquent children, the State educational agency shall, if it assumes responsibility for the special educational needs of such children, be eligible to receive the portion of the allocation to such local educational agency which is attributable to such neglected or delinquent children, but if the State educational agency does not assume such responsibility, any other State or local public agency, as determined by regulations established by the Commissioner, which does assume such responsibility shall be eligible to receive such portion of the allocation.

"(B) In the case of local educational agencies which serve in whole or in part the same geographical area, and in the case of a local educational agency which provides free public education for a substantial number of children who reside in the school district of another local educational agency, the State educational agency may allocate the amount of the grants for those agencies among them in such manner as it determines will best carry out the purposes of this title.

"(C) In any State in which a large number of local educational agencies overlap county boundaries, the State educational agency may apply to the Commissioner for authority during any particular fiscal year to make the allocations under this part directly to local educational agencies without regard to the counties. If the Commissioner approves an application of a State educational agency for a particular year under this subparagraph, the State educational agency shall provide assurances that such allocations will be made using precisely the same factors for determining grants as are used under this part and that a procedure will be established through which local educational agencies dissatisfied with the determinations made by the State educational agency may appeal directly to the Commissioner for a final determination.

"(D) For each fiscal year, the Commis-

sioner shall determine the percentage which the average per pupil expenditure in Puerto Rico is of the lowest average per pupil expenditure if any of the fifty States. The grant which Puerto Rico shall be eligible to receive under this subpart for a fiscal year shall be the amount arrived at by multiplying the number of children counted under subsection (c) for Puerto Rico by the product of—

"(i) the percentage determined under the preceding sentence, and

"(ii) 32 per centum of the average per pupil expenditure in the United States.

"(4) For purposes of this subsection, the term 'State' does not include Guam, American Samoa, the Virgin Islands, the Northern Mariana Islands, and the Trust Territory of the Pacific Islands.

"(b) MINIMUM NUMBER OF CHILDREN TO QUALIFY.—A local educational agency shall be eligible for a basic grant for a fiscal year under this part only if it meets the following requirements with respect to the number of children counted under subsection (c):

"(1) In any case (except as provided in paragraph (3)) in which the Commissioner determines that satisfactory data for the purpose of this subsection as to the number of such children are available on a school basis, the number of such children in the school district of such local educational agency shall be at least ten.

"(2) In any other case, except as provided in paragraph (3), the number of children in the county which includes such local education agency's school district shall be at least ten.

"(3) In any case in which a county includes a part of the school district of the local educational agency concerned and the Commissioner has not determined that satisfactory data for the purpose of this subsection are available on a school district basis for all the local educational agencies for all the counties into which the school district of the local educational agency concerned extends, the eligibility requirement with respect to the number of children for such local educational agency shall be determined in accordance with regulations prescribed by the Commissioner for the purposes of this subsection.

"(c) CHILDREN TO BE COUNTED.—(1) The number of children to be counted for purposes of this section is the aggregate of (A) the number of children aged five to seventeen, inclusive, in the school district of the local educational agency from families below the poverty level as determined under paragraph (2)(A), (B) the number of children aged five to seventeen, inclusive, in the school district of such agency from families above the poverty level as determined under paragraph (2)(B), and (C) the number of children aged five to seventeen, inclusive, in the school district of such agency living in institutons for neglected or delinquent children (other than such institutions operated by the United States) but not counted pursuant to subpart 3 of part B for the purposes of a grant to a State agency, or being supported in foster homes with public funds.

"(2)(A) For the purposes of this section, the Commissioner shall determine the number of children aged five to seventeen, inclusive, from families below the poverty level on the basis of the most recent satisfactory data available from the Department of Commerce for local educational agencies (or, if such data are not available for such agencies, for counties); and in determining the families which are below the poverty level, the Commissioner shall utilize the criteria of poverty used by the Bureau of the Census in compiling the 1970 decennial census.

"(B) For purposes of this section, the Secretary shall determine the number of children aged five to seventeen, inclusive, from families above the poverty level on the basis of the number of such children from families receiving an annual income, in excess of the current criteria of poverty, from payments under the program of aid to families with dependent children under a State plan approved under title IV of the Social Security Act; and in making such determinations the Secretary shall utilize the criteria of poverty used by the Bureau of the Census in compiling the 1970 decennial census for a nonfarm family of four in such form as those criteria have been updated by increases in the Consumer Price Index. The Secretary shall determine the number of such children and the number of children of such ages living in institutions for neglected or delinquent children, or being supported in foster homes with public funds, on the basis of the caseload data for the month of October of the preceding fiscal year (using, in the case of children described in the preceding sentence, the criteria of poverty and the form of such criteria required by such sentence which were determined for the calendar year preceding such month of October) or, to the extent that such data are not available to him before January of the calendar year in which the Secretary's determination is made, then on the basis of the most recent reliable data available to him at the time of such determination.

"(C) When requested by the Commissioner, the Secretary of Commerce shall make a special estimate of the number of children of such ages who are from families below the poverty level (as determined under paragraph (A) of this subsection) in each county or school district, and the Commissioner is authorized to pay (either in advance or by way of reimbursement) the Secretary of Commerce the cost of making this special estimate. The Secretary of Commerce shall give consideration to any request of the chief executive of a State for the collection of additional census information. For purposes of this section, the Secretary shall consider all children who are in correctional institutions to be living in institutions for delinquent children.

"(d) PROGRAM FOR INDIAN CHILDREN.—(1) From the amount allotted for payments to the Secretary of the Interior under clause (B)(i) in the second sentence of subsection (a)(1), the Secretary of the Interior shall make payments to local educational agencies, upon such terms as the Commissioner determines will best carry out the purposes of this title, with respect to out-of-State Indian children in the elementary and secondary schools of such agencies under special contracts with the Department of the Interior. The amount of such payment may not exceed, for each such child, 40 per centum of (A) the average per pupil expenditure in the State in which the agency is located or (B) 120 per centum of such expenditure in the United States, whichever is the greater.

"(2) The amount allotted for payments to the Secretary of the Interior under clause (B)(ii) in the second sentence of subsection (a)(1) for any fiscal year shall be, as determined pursuant to criteria established by the Commissioner, the amount necessary to meet the special educational needs of educationally deprived Indian children on reservations serviced by elementary and secondary schools operated for Indian children by the Department of the Interior. Such payment shall be made pursuant to an agreement between the Commissioner and the Secretary containing such assurances and terms as the Commissioner determines will best achieve the purposes of this title. Such agreement shall contain (A) an assurance that payments made pursuant to this subparagraph will be used solely for programs and projects approved by the Secretary of the Interior which meet the applicable requirements of subpart 3 of this part and that the Department of the Interior will comply in all other respects with the requirements of this title, and (B) provision for carrying out the applicable provisions of subpart 3 of this part and sections 192 and 193.

"TREATMENT OF EARNINGS FOR PURPOSES OF AID TO FAMILIES WITH DEPENDENT CHILDREN

"SEC. 112. Notwithstanding the provisions of title IV of the Social Security Act, a State plan approved under section 402 of such Act shall provide that for a period of not less than twelve months, and may provide that for a period of not more than twenty-four months, the first $85 earned by any person in any month for services rendered to any program assisted under this title of this Act shall not be regarded (1) in determining the need of such person under such approved State plan or (2) in determining the need for any other individual under such approved State plan.

"Subpart 2—Special Grants

"SPECIAL INCENTIVE GRANTS

"SEC. 116. (a) ELIGIBILITY.—(1) Each local educational agency that is eligible to receive a payment under section 111 for any fiscal year shall be entitled to an additional grant under this section for that fiscal year if it is located in a State which has in effect for that fiscal year a State program meeting the requirements of paragraph (2) under which financial assistance is provided to meet the special education needs of educationally deprived children.

"(2) A State program meets the requirements of this subsection if, under State law—

"(A) the program meets the requirements of section 131(c); and

"(B) not less than 50 per centum of the funds expended under the program in any local educational agency in the State in the fiscal year preceding any fiscal year in which the State receives a payment under this subpart is expended in school attendance areas of such agencies having high concentrations of children from low-income families.

"(b) AMOUNT OF GRANTS.—(1) Except as provided in paragraph (3), the aggregate amount to which the local educational agencies in a State are entitled under this section for any fiscal year shall be 50 per centum of the amount of State funds expended, in the most recent fiscal year for which data are available, under a State program meeting the requirements of paragraph (2) of subsection (a) of this section.

"(2) The amount of the additional grant for each local educational agency in a State under this section for any fiscal year shall bear the same ratio to the amount allocated to that State under subsection (c) of this section as the amount allocated to that local educational agency under subpart 1 of part A of this title for that fiscal year bears to the aggregate amount allocated to all local educational agencies in the State under subpart 1 of part A for that fiscal year.

"(3) The aggregate amount that the local educational agencies in a State shall be eligible to receive under this section for any fiscal year shall not exceed 10 per centum of the aggregate amount which all local educational agencies in that State are eligible to receive under section 111 of this title for that fiscal year.

"(4) Each State which desires to receive payments under this section shall develop a system for determining the data required by subparagraph (2)(B) of subsection (a) of this section relating to the percentage of State funds expended in school attendance areas having high concentrations of children from low-income families and paragraph (1) of this subsection relating to the amount of State funds expended under the State program referred to in that paragraph. The State shall submit to the Commissioner such information as the Commissioner may request concerning that system.

"(c) PAYMENTS; USE OF FUNDS.—(1) Except as provided in paragraph (2), the Commissioner shall pay to each State for each fiscal year the aggregate amount to which the local educational agencies in that State are entitled for that fiscal year.

"(2) Whenever the expenditures made by a State in accordance with subsection (a) of this section in a fiscal year equal or exceed expenditures in the preceding fiscal year, the amount paid to that State under this section shall not be less than the amount paid to that State under this section in the preceding fiscal year, and the total of any increases required under this paragraph shall be derived by proportionately reducing the amount paid to States which were not entitled to a payment under this section in the preceding fiscal year, except that the amount paid to a State under this section for any fiscal year shall not exceed the maximum amount to which that State is entitled for that fiscal year under paragraph (1) of subsection (b).

"(3) The total amount to which the local educational agencies in a State are entitled under this section for any fiscal year shall be added to the amount paid to that State under section 192 for that year. From the amount paid to it under this subsection, the State shall distribute to each local educational agency of the State the amount of its additional grant as determined under paragraph (2) of subsection (b) of this section.

"(4) The amount paid to a local educational agency under this section shall be used by that agency for activities undertaken pursuant to its application submitted under section 121 and shall be subject to all other requirements in subpart 3 of part A of this title.

"(d) APPROPRIATIONS.—There are authorized to be appropriated for the purposes of this section such sums as may be necessary for fiscal year 1980 and for the three succeeding fiscal years.

"GRANTS FOR LOCAL EDUCATIONAL AGENCIES IN COUNTIES WITH ESPECIALLY HIGH CONCENTRATIONS OF CHILDREN FROM LOW-INCOME FAMILIES

"SEC. 117. (a) PURPOSE.—It is the purpose of this section to provide additional assistance to local educational agencies in counties with especially high concentrations of children from low-income families to enable local educational agencies in such counties to provide more effective programs of instruction, especially in the basic skills of reading, writing, and mathematics, to meet the special educational needs of educationally deprived children.

"(b) ELIGIBILITY FOR AND AMOUNT OF SPECIAL GRANTS.—(1) Each county, in a State other than Guam, American Samoa, the Virgin Islands, the Northern Mariana Islands, and the Trust Territory of the Pacific Islands, which is eligible for a grant under this title for any fiscal year shall be entitled to an additional grant under this section for that fiscal year if—

"(A) the number of children counted under section 111(c) of this title for local educational agencies in such county for the preceding fiscal year exceeds five thousand, or

"(B) the number of children counted under section 111(c) exceeds 20 per centum of the total number of children aged five to seventeen, inclusive, in the school districts of local educational agencies in such counties in that fiscal year,

except that no such State shall receive less than one-quarter of 1 per centum of the sums appropriated under subsection (d) for that section for that fiscal year.

"(2) For each county in which there are local educational agencies eligible to receive an additional grant under this section for any fiscal year the Commissioner shall determine the product of—

"(A) the number of children in excess of five thousand counted under section 111(c) for the preceding fiscal year or the number of children counted under that section in excess of 20 per centum of the total number of children aged five to seventeen, inclusive, in the school districts of local educational agencies in such county for that preceding fiscal year, whichever is greater, and

"(B) the average per pupil expenditure determined for those agencies under the second sentence of section 111(a)(2) of this title for the fiscal year for which the determination is being made.

"(3) The amount of the additional grant to which an eligible county is entitled under this section for any fiscal year shall be an amount which bears the same ratio to the amount appropriated under subsection (d) for that fiscal year as the product determined under paragraph (2) for such county for that fiscal year bears to the sum of such products for all counties in the United States for that fiscal year.

"(4) For the purposes of this section, the Commissioner shall determine the number of children counted under subsection 111(c) for any county and the total number of children aged five to seventeen, inclusive, in school districts of local educational agencies in such county, on the basis of the most recent satisfactory data available at the time the entitlement of that county is determined under section 111.

"(5)(A) Except as provided in subparagraph (C), funds allocated to counties under this part shall be allocated by the State educational agency, pursuant to regulations established by the Commissioner, among the several local educational agencies whose school districts lie (in whole or in part) within the county on the basis of the current distribution in the country of children aged five to seventeen, inclusive, from low-income families (using a poverty level selected by the State educational agency consistent with the purposes of this title) as determined on the basis of the available data which such State educational agency determines best to reflect the current distribution in the county of children aged five to seventeen, inclusive, from low-income families.

"(B) Funds allocated pursuant to subparagraph (A) by the State educational agency among the several local educational agencies may only be allocated to such agencies whose incidence of children from low-income families is at least 10 per centum or above the county's average incidence of such children whichever would result in grants being made to the fewer number of districts.

"(C) The State educational agency of any State, to which the exception in paragraph (1) of this subsection applies, shall allocate the funds received under this section among local educational agencies on the basis of the relative number of children counted under section 111(c) of this title.

"(c) PAYMENTS; USE OF FUNDS.—(1) The total amount to which the counties in a State are entitled under this section for any fiscal year shall be added to the amount paid to that State under section 191 for that year. From the amount paid to it under this section, the State shall distribute to local educational agencies in each county of the State the amount (if any) to which it is entitled under this section.

"(2) The amount paid to a local educational agency under this section shall be used by that agency for activities undertaken pursuant to its application submitted under section 121 and shall be subject to the other requirements in subpart 3 of this part.

"(d) APPROPRIATIONS.—There are authorized to be appropriated for the purposes of this section $400,000,000 for fiscal year 1979, and such sums as many be necessary for each of the four succeeding fiscal years.

"Subpart 3—Program Requirements and Application

"LOCAL PROGRAM APPLICATIONS

"SEC. 121. A local educational agency may receive a grant under this title for any fiscal year if it has on file with the appropriate State educational agency a current application, approved by the State educational agency, describing the programs and projects to be conducted with assistance provided under this title for a period not to exceed three fiscal years, including the fiscal year for which the grant is to be made. Such an application may be amended at any time to describe changes in or additions to the activities originally set forth in the application.

"DESIGNATING SCHOOL ATTENDANCE AREAS

"SEC. 122. (a) GENERAL PROVISIONS.—Except as provided in subsections (b), (c), (d), and (e) of this section, a local educational agency shall use funds received under this title in school attendance areas having high concentrations of children from low-income families (hereinafter referred to as 'eligible school attendance areas'), and where funds under this title are insufficient to provide programs and projects for all educationally deprived children in eligible school attendance areas, a local educational agency shall annually rank its eligible school attendance areas from highest to lowest, according to relative degree of concentration of children from low-income families. The same measure of low-income, which shall be chosen by the local educational agency and which may be a composite of several indicators, shall be used with respect to all such areas, both to identify the areas having high concentrations of children from low-income families and to determine the ranking of each area. A local educational agency may carry on a program or project assisted under this title in an eligible school attendance area only if it also carries on such program or project in other eligible school attendance areas which are ranked higher under the first sentence.

"(b) USE OF ENROLLMENT DATA IN CERTAIN SCHOOLS.—A local educational agency may use funds received under this title for educationally deprived children who are in a school of such agency which is not located in an eligible school attendance area, but at which the proportion of children in actual average daily attendance who are from low-income families in substantially the same as the proportion of such children in such an area of that agency (hereinafter referred to as an eligible school).

"(c) CONTINUATION OF ELIGIBILITY FOR CERTAIN ATTENDANCE AREAS OR SCHOOLS.—An eligible school attendance area or an eligible school may be designated a project area under subsection (a) or a project school under subsection (b) for a fiscal year even though it does not qualify under that subsection for that fiscal year, if such area or school was so designated in either of the two preceding fiscal years.

"(d) LOWER RANKED SCHOOL ATTENDANCE AREAS OR SCHOOL HAVING SUBSTANTIALLY GREATER INCIDENCES OF EDUCATIONALLY DEPRIVED CHILDREN THAN HIGHER RANKED AREAS OR SCHOOLS.—The Commissioner shall issue regulations providing for an exception to subsection (a) permitting children in lower ranked eligible school attendance areas or eligible schools having substantially greater incidences of educational deprivation than areas or schools ranked higher under subsection (a) or (b) to receive assistance before such children in higher ranked areas or schools receive such assistance.

"(e) SKIPPING HIGHER RANKED SCHOOL ATTENDANCE AREAS OR SCHOOLS RECEIVING SERVICES OF THE SAME NATURE AND SCOPE FROM NON-FEDERAL SOURCES.—The Commissioner shall issue regulations providing for an exception to subsection (a) or (b) permitting local educational agencies to skip higher

ranked eligible school attendance areas or eligible schools receiving, from non-Federal funds, services of the same nature and scope as would otherwise be provided under this title. Whenever children residing in eligible areas and attending private elementary and secondary schools are ineligible for services of the same nature and scope from non-Federal sources such children should be selected for programs and projects under this title without regard to the provisions of this subsection.

"CHILDREN TO BE SERVED

"SEC. 123. (a) GENERAL PROVISIONS.—Except as provided in subsections (b), (c), and (d) of this section and section 133, a local educational agency must use funds received under this title for educationally deprived children, identified in accordance with section 124(b) as having the greatest need for special assistance, in school attendance areas or schools satisfying the requirements of section 122.

"(b) CONTINUATION OF ELIGIBILITY FOR EDUCATIONALLY DEPRIVED CHILDREN WHO ARE NO LONGER IN GREATEST NEED OF ASSISTANCE.—Where for a fiscal year, an educationally deprived child in a school attendance area or school satisfying the requirements of section 122, does not meet the requirement of subsection (a) requiring that he be in greatest need of special assistance, but did meet such requirement in any previous year, and is still educationally deprived, that child may participate in a program or project assisted under this title for the current fiscal year.

"(c) CONTINUATION OF ELIGIBILITY FOR EDUCATIONALLY DEPRIVED CHILDREN TRANSFERRED TO INELIGIBLE AREAS IN THE SAME YEAR.—Educationally deprived children who begin participation in a program or project assisted under this title, in accordance with subsections (a) and (b) but who, in the same school year, are transferred to a school attendance area or school not receiving funds under this title, may continue to participate in a program or project funded under this title for the duration of that same school year.

"(d) SKIPPING CHILDREN DETERMINED TO BE IN GREATEST NEED OF ASSISTANCE RECEIVING SERVICES OF THE SAME NATURE AND SCOPE FROM NON-FEDERAL SOURCES.—The Commissioner shall issue regulations providing for an exemption to subsection (a) permitting local educational agencies to skip educationally deprived children in greatest need of assistance receiving, from non-Federal sources, services of the same nature and scope as would otherwise be provided under this title.

"REQUIREMENTS FOR DESIGN AND IMPLEMENTATION OF PROGRAMS

"SEC. 124. (a) PURPOSE OF PROGRAM.—A local educational agency may use funds received under this title only for programs and projects which are designed to meet the special educational needs of the children referred to in section 123. Such programs and projects may include the acquisition of equipment, payments to teachers of amounts in excess of regular salary schedules as a bonus for service in schools serving project areas, the training of teachers, and, where necessary, the construction of school facilities, and planning for such programs and projects.

"(b) ASSESSMENT OF EDUCATIONAL NEED.—A local educational agency may receive funds under this title only if it makes an assessment of educational needs each year to (1) identify educationally deprived children who have the greatest need for special assistance; (2) identify the general instructional areas on which the program will focus; and (3) determine the special educational needs of participating children with specificity sufficient to facilitate development of high-quality programs and projects.

"(c) PLANNING.—A local educational agency may use funds received under this title for planning only if (1) the planning relates directly to programs or projects to be assisted under this title and has resulted, or is reasonably likely to result, in a program or project to be assisted under this title, and (2) such funds are needed because of the innovative nature of the program or project or because such agency lacks the resources necessary to plan adequately for programs and projects to be assisted under this title. The amount a local educational agency may use for plans for any fiscal year may not exceed 1 per centum of the amount determined for that agency for that year pursuant to section 111 or $2,000, whichever is greater.

"(d) SUFFICIENT SIZE, SCOPE, AND QUALITY.—A local educational agency may use funds received under this title only for programs and projects which are of sufficient size, scope, and quality to give reasonable promise of substantial progress toward meeting the special educational needs of the children being served.

"(e) EXPENDITURES RELATED TO RANKING OF ELIGIBLE SCHOOL ATTENDANCE AREA OR SCHOOLS.—A local educational agency may receive funds under this title only if such funds are allocated among project areas or schools for programs and projects assisted under this title on the basis of the number and needs of particular students as determined in accordance with section 123.

"(f) COORDINATION WITH OTHER PROGRAMS.—A local educational agency may receive funds under this title only if it demonstrates that, in the development of its application, it has taken into consideration benefits and services which are or may be available through other public and private agencies, organizations, or individuals. The local educational agency shall also demonstrate that in order to avoid duplication of effort and to insure that all programs and projects complement each other, it has considered suggestions and offers of assistance made by other agencies which may aid in carrying out or making more effective the program or project for which the application is made.

"(g) EVALUATIONS.—A local educational agency may receive funds under this title only if—

"(1) effective procedures are adopted for evaluating at least every three years the effectiveness of the programs assisted under this title in meeting the special educational needs of educationally deprived children;

"(2) such valuations will include, during each three-year period, the collection and analysis of data relating to the degree to which programs assisted under this title have achieved their goals, and will also include objective measurements of educational achievement in basic skills over at least a twelve-month period in order to determine whether regular school year programs have sustained effects over the summer; and

"(3) the evaluation will address the purposes of the programs and that the results of the evaluations will be utilized in planning for and improving projects and activities carried out under this title in subsequent years.

"(h) TEACHER PARTICIPATION.—A local educational agency may receive funds under this title only if teachers in schools participating in programs assisted under this title have been involved in planning for those programs and will be involved in the evaluation thereof.

"(i) PARENT PARTICIPATION.—A local educational agency may receive funds under this title only if parents of children participating in programs assisted under this title will be informed of the instructional goals of the program and the progress of their children in that program, and will be afforded opportunities to assist their children in achieving those goals.

"(j) SUSTAINING GAINS.—A local educational agency may receive funds under this title only if, in developing programs to be assisted under this title, the local educational agency will give due consideration to the inclusion of components designed to sustain the achievements of children beyond the school year in which the program is conducted, through such means as increased emphasis on summer programs and intermediate and secondary level programs.

"(k) TRAINING OF EDUCATION AIDES.—A local educational agency may receive funds under this title for programs and projects involving educational aides only if it has in effect well-developed plans providing for coordinated programs of training in which education aides and the professional staff whom they are assisting will participate together.

"(l) JOINTLY OPERATED PROGRAMS.—Two or more local educational agencies may, at their option, enter into an agreement for carrying out jointly operated programs and projects assisted under this title.

"PARENTAL INVOLVEMENT

"SEC. 125. (a) ESTABLISHMENT OF ADVISORY COUNCILS.—A local educational agency may receive funds under this title only if it establishes (1) an advisory council for its entire school district composed of representatives elected by the project area and project school advisory councils, and (2) an advisory council for each project area or project school. Each project area or project school advisory council—

"(A) shall be composed of not less than ten members (three-fourths of whom shall be parents of the children to be served who are elected by parents in the school attendance area, and one-fourth of whom shall be elected by the parent members), and

"(B) shall elect officers of the council after it has been fully constituted, and

"(C) shall be composed of members who shall serve for terms of two years after which time they may be reelected, except that the members first elected after the date of enactment of the Education Amendments of 1978, one-half shall be elected for a term of one year only, and

"(D) shall meet a sufficient number of times to carry out their responsibilities under subsection (b) at locations chosen by the council.

The first such meeting shall occur not later than the end of the second month of the school year.

"(b) RESPONSIBILITIES OF ADVISORY COUNCILS.—Each local educational agency shall give each advisory council which it establishes under subsection (a) responsibility for advising it in the planning for, and the implementation and evaluation of, its programs and projects assisted under this title.

"(c) ACCESS TO INFORMATION.—(1) Each local educational agency shall provide without charge to each member of an advisory council established by such agency under subsection (a) of this section—

"(A) a copy of the text of this title and of the General Education Provisions Act,

"(B) a copy of any Federal regulations and guidelines issued under such Act,

"(C) a copy of appropriate State regulations and guidelines associated with this title, and

"(D) appropriate training materials to enable such members to carry out all of the functions of a member of such council.

"(2) Each State educational agency shall furnish to each parent advisory council established under subsection (a) of this section in that State copies of reports and other appropriate documents prepared on behalf of or for the State educational agency as a result of monitoring and evaluation, including audits, of programs conducted under this title, insofar as such documents pertain to programs operated by the local educational agency.

"(d) TRAINING OF ADVISORY COUNCIL MEMBERS.—Each local educational agency application for funding under this title shall contain a description of a program of training, established by the local educational agency in full consultation with the members of the advisory councils established under subsection (a) of this section, which meets criteria developed by the Commissioner, which shall be provided to each such member, and which shall permit the use of funds under this title for attendance by such members at relevant local, State, regional, and national meetings."

"(e) WORKSHOPS ON PARENTAL INVOLVEMENT.—For each fiscal year for which payments are made to State educational agencies under this title, the Commissioner shall sponsor workshops in the several regions of the United States which shall be designed to assist local educational agencies to work with parent advisory councils established under subsection (a) of this section and to facilitate parental involvement in the programs conducted under this title. The workshops shall be planned and conducted in consultation with members of parent advisory councils in the region served by the workshop and with organizations concerned with Federal education policy.

"(f) MODEL TRAINING PROGRAMS.—The National Institute of Education shall develop models for successful parent involvement training programs conducted under title I, and shall report and disseminate the results of such study to the Congress and the public, in order to encourage the adoption of successful parental involvement training programs, or portions thereof, by schools and local educational agencies.

"(g) AUTHORIZATION OF APPROPRIATIONS.—There are authorized to be appropriated for the fiscal year 1979 and for each succeeding fiscal year ending prior to October 1, 1983, such sums as may be necessary to carry out the provisions of subsections (e) and (f) of this section.

"FUNDS ALLOCATION

SEC. 126. (a) MAINTENANCE OF REPORT.—(1) Except as provided in paragraph (2), a local educational agency may receive funds under this title for any fiscal year only if the State educational agency finds that the combined fiscal effort per student or the aggregate expenditures (as determined in accordance with regulations of the Commissioner) of that agency and the State with respect to the provision of free public education by that agency for the preceding fiscal year was not less than such combined fiscal effort per student or the aggregate expenditures for that purpose for the second preceding fiscal year.

"(2) The Commissioner may waive, for one fiscal year only, the requirements of this subsection if he determines that such a waiver would be equitable due to exceptional and unforeseen circumstances such as a natural disaster or a precipitous and unforeseen decline in the financial resources of the local educational agency. In any case in which a waiver under this paragraph is granted, the Commissioner shall reduce the amount of Federal payment for the program affected for the current fiscal year in the exact proportion to which the amount expended (either on an average per pupil or aggregate basis) was less than the amount required by paragraph (1). However, the waiver may not be taken into account when computing the fiscal effort in subsequent years for the programs affected as required by paragraph (1).

"(3) The Commissioner shall establish objective criteria of general applicability to carry out the waiver authority contained in this subsection.

"(b) USE OF FUNDS LIMITED TO EXCESS COSTS.—Subject to the provisions of section 131, a local educational agency may use funds received under this title only for the excess costs of programs and projects referred to in section 124(a). As used in this subsection, the term 'excess costs' means costs directly attributable to programs and projects which exceed the average per pupil expenditure of a local educational agency in the most recent year for which satisfactory data are available for pupils in the grade or grades included in such programs or projects.

"(c) FEDERAL FUNDS TO SUPPLEMENT, NOT SUPPLANT REGULAR NON-FEDERAL FUNDS.—A local educational agency may use funds received under this title only so as to supplement and, to the extent practical, increase the level of funds that would, in the absence of such Federal funds, be made available from regular non-Federal sources and from non-Federal sources for State phase-in programs described in section 131(d) for the education of pupils participating in programs and projects assisted under this title, and in no case may such funds be so used as to supplant such funds from such non-Federal sources.

"(d) FEDERAL FUNDS REQUIRED TO SUPPLEMENT, NOT SUPPLANT NON-FEDERAL FUNDS FOR CERTAIN SPECIAL STATE AND LOCAL PROGRAMS.—A local educational agency may use funds received under this title only so as to supplement and, to the extent practical, increase the level of funds that would, in the absence of such Federal funds, be made available from non-Federal sources for each of the special programs described in subsections (c) and (d) of section 131 for the education of educationally deprived children, in the aggregate, in eligible school attendance areas or attending eligible schools and in no case, as to supplant such funds from non-Federal sources. It shall not be considered a violation of this subsection for a local educational agency, in carrying out a special program described in subsections (c) and (d) of section 131, to take into consideration funds made available under this title, and to coordinate such special programs with programs using such Federal funds, provided that educationally deprived children, in the aggregate, in eligible school attendance areas or attending eligible schools, receive at least the same level of such special State and local funds that would have been made available to such children in the absence of funds under this title. For purposes of this subsection, the level of funds that, in the absence of funds under this title have been made available to such children shall be determined by reference to a plan for distributing such special funds. Such plan shall be based on objective criteria of need that do not discriminate against educationally deprived children, in the aggregate, in eligible school attendance areas or attending eligible schools. The objective criteria chosen by the local educational agency shall prescribe, with particularity, the children as well as the schools, grade-spans, or school attendance areas eligible for assistance and the method for selecting the particular children who will receive assistance under such special State or local program and the schools or grade-spans which such children attend or the school attendance areas in which such children reside. The criteria for selecting children, schools, grade-spans, and school attendance areas for participation shall be either educational need, a reasonable proxy for educational need, level of poverty, or a combination of such factors. Educationally deprived children residing in eligible school attendance areas or attending eligible schools, satisfying such objective criteria, must receive assistance under either this title or under such special State or local program before any child who does not satisfy such criteria receives such assistance.

"(e) COMPARABILITY OF SERVICES.—Subject to the provisions of section 131, a local educational agency may receive funds under this title only if State and local funds will be used in the district of such agency to provide services in project areas which, taken as a whole, are at least comparable to services being provided in areas in such district which are not receiving funds under this title. Where, under regulations of the Commissioner, all school attendance areas in the district of the agency are designated as project areas, the agency may receive such funds only if State and local funds are used to provide services which, taken as a whole, are substantially comparable, in accordance with regulations of the Commissioner, in each project area. Each local educational agency shall report annually to the State educational agency with respect to its compliance with this subsection.

"ACCESS TO INFORMATION

"SEC. 127. Each local educational agency which applies for or receives funds under this title shall make the application, all relevant evaluations and reports, and all other pertinent documents related thereto available to parents, teachers, and other members of the general public.

"COMPLAINT RESOLUTION

"SEC. 128. Each local educational agency which receives funds under this title shall develop and implement, in accordance with criteria prescribed by the Commissioner, written procedures for the resolution of complaints made to that agency by parent advisory councils, parents, teachers, or other concerned organizations or individuals concerning violations of this title, or of applicable provisions of the General Education Provisions Act in connection with programs under this title. Such procedures shall—

"(1) provide specific time limits for investigation and resolution of complaints, which shall not exceed thirty days;

"(2) provide an opportunity for the complainant or the complainant's representative, or both, to present evidence, including an opportunity to question parties involved;

"(3) provide the right to appeal the final resolution of the local educational agency to the State educational agency within thirty days after receipt of the written decision; and

"(4) provide for the dissemination of information concerning these procedures to interested parties, including all district and school parent advisory councils.

"INDIVIDUALIZED PLANS

"SEC. 129. It is the intent of the Congress to encourage, where feasible, the development for each educationally deprived child participating in a program under this title of an individualized written educational plan (maintained and periodically evaluated), agreed upon jointly by the local educational agency, the teacher, a parent or guardian of the child, and, when appropriate, the child.

"PARTICIPATION OF CHILDREN ENROLLED IN PRIVATE SCHOOLS

"SEC. 130. (a) GENERAL REQUIREMENTS.—To the extent consistent with the number of educationally deprived children in the school district of the local educational agency who are enrolled in private elementary and secondary schools, such agency shall make provision for including in projects assisted under this title special educational services and arrangements (such as dual enrollment, educational radio and television, and mobile educational services and equipment) which meet the requirements of section 122, subsections (a), (b), and (d) of section 124, and subsections (b) and (c) of section 126, and which provide to those children an opportunity to participate in programs and projects assisted under this title on a basis equitable to that provided to similarly deprived children enrolled in public schools. Expenditures for educational services

and arrangements pursuant to this section for educationally deprived children in private schools shall be equal (taking into account the number of children to be served and the special educational needs of those children) to expenditures for children enrolled in the public schools of the local educational agency.

"(b) BY-PASS PROVISION.—(1) If a local educational agency is prohibited by law from providing for the participation in special programs for educationally deprived children enrolled in private elementary and secondary schools as required by subsection (a), the Commissioner shall waive such requirement, and shall arrange for the provision of services to such children through arrangements which shall be subject to the requirements of subsection (a).

"(2) If the Commissioner determines that a local educational agency has substantially failed to provide for the participation on an equitable basis of educationally deprived children enrolled in private elementary and secondary schools as required by subsection (a), he may waive such requirement and shall arrange for the provision of services to such children through arrangements which shall be subject to the requirements of subsection (a) upon which determination the provisions of subsection (a) shall be waived.

"(3)(A) When the Commissioner arranges for services pursuant to this section, he shall, after consultation with the appropriate public and private school officials, pay the cost of such services, including the administrative cost of arranging for the services, from the appropriate allocation or allocations under this title.

"(B) Pending final resolution of any investigation or complaint that could result in a determination under this subsection, the Commissioner may withhold from the allocation of the affected State or local educational agency the amount he estimates would be necessary to pay the cost of those services.

"(C) Any determination by the Commissioner under this section shall continue in effect until the Commissioner determines that there will no longer be any failure or inability on the part of the local educational agency to meet the requirements of subsection (a).

"(4) The Commissioner shall not take any final action under this subsection until the State educational agency and the local educational agency affected by that action have had an opportunity, for at least forty-five days after receiving written notice thereof, to submit written objections and to appear before the Commissioner or his designee to show cause why that action should not be taken.

"(4)(A) The Commissioner shall not take any final action under this section until he has afforded the State educational agency and local educational agency affected by such action at least sixty days' notice of his proposed action and an opportunity for a hearing with respect thereto on the record.

"(B) If a State or local educational agency is dissatisfied with the Commissioner's final action after a hearing under subparagraph (A) of this paragraph, it may within sixty days after notice of such action, file with the United States court of appeals for the circuit in which such State is located a petition for review of that action. A copy of the petition shall be forthwith transmitted by the clerk of the court to the Commission. The Commissioner thereupon shall file in the court the record of the proceedings on which he based his action, as provided in section 2112 of title 28, United States Code.

"(C) The findings of fact by the Commissioner, if supported by substantial evidence, shall be conclusive; but the court, for good cause shown, may remand the case to the Commissioner to take further evidence, and the Commissioner may thereupon make new or modified findings of fact and may modify his previous action, and shall file in the court the record of the further proceedings. Such new or modified findings of fact shall likewise be conclusive if supported by substantial evidence.

"(D) Upon the filing of such petition, the court shall have jurisdiction to affirm the action of the Commissioner or to set aside, in whole or in part. The judgment of the court shall be subject to review by the Supreme Court of the United States upon certiorari or certification as provided in section 1254 of title 28, United States Code.

"Subpart 4—Exemptions From Certain Program Requirements

"EXCLUSIONS FROM EXCESS COSTS AND COMPARABILITY PROVISIONS FOR CERTAIN SPECIAL STATE AND LOCAL PROGRAMS

"SEC. 131. (a) IN GENERAL.—For the purpose of determining compliance with the requirement of section 126(b) (relating to use of funds only for excess costs of programs and projects) and of section 126(e) (relating to comparability of services between each project area school and nonproject area schools), a local educational agency may, at its option, exclude State and local funds expended for carrying out a special program or a State phase-in program.

"(b) SPECIAL PROGRAM AND STATE PHASE-IN PROGRAM DEFINED.—For purposes of this section—

"(1) a special program is limited to—

"(A) a State compensatory education program which the Commissioner has determined in advance under subsection (f) meets the requirements of subsection (c) and which the State educational agency determines is being implemented by the local educational agency in accordance with subsection (c);

"(B) a State compensatory education program which the Commissioner has determined in advance under subsection (f) does not satisfy the requirements of subsection (c), but which he has determined permits the local educational agency, at its option, to use such special State funds in accordance with subsection (c), provided that the local educational agency designs a program which the State educational agency determines in advance under subsection (g) meets the requirements of subsection (c) and which the State educational agency determines will be implemented by the local educational agencies in accordance with subsection (c);

"(C) a local compensatory education program which the State educational agency has determined in advance under subsection (g) meets the requirements of subsection (c) and which the State educational agency determines is being implemented in accordance with subsection (c); or

"(D) a bilingual program or special education program which meets the requirements of subsection (d); and

"(2) a State phase-in program is a program which the Commissioner has determined in advance under subsection (f) meets the requirements of subsection (e) and which the State educational agency determines will be implemented by local educational agencies in accordance with subsection (e)

"(c) STATE AND LOCAL COMPENSATORY EDUCATION PROGRAMS SIMILAR TO TITLE I PROGRAMS.—A State or local program meets the requirements of this subsection if it is similar to programs assisted under this title. The Commissioner shall consider a State or local program to be similar to programs assisted under this subpart if—

"(1) all children participating in the program are educationally deprived,

"(2) the program is based on performance objectives related to educational achievement and is evaluated in a manner consistent with those performance objectives,

"(3) the program provides supplementary services designed to meet the special educational needs of the children who are participating,

"(4) the local educational agency keeps such records and affords such access thereto as are necessary to assure the correctness and verification of the requirements of clauses (1), (2), and (3) of this subsection, and

"(5) the State educational agency monitors performance under the program to assure the requirements of clauses (1), (2), (3), and (4) of this subsection are met.

"(d) BILINGUAL PROGRAMS OR SPECIAL EDUCATION PROGRAMS FOR HANDICAPPED CHILDREN OR CHILDREN WITH SPECIAL LEARNING DISABILITIES.—A bilingual program for children of limited English-speaking ability or a special program for handicapped children or children with specific learning disabilities meets the requirements of this subsection if such program provides services to children residing in project areas which are comparable to those provided similarly disadvantaged children residing in nonproject areas.

"(e) CERTAIN STATE PHASE-IN PROGRAMS.—A State education program which is being phased into full operation meets the requirements of this subsection if the Commissioner is satisfied that—

"(1) the program is authorized and governed specifically by the provisions of State law;

"(2) the purpose of the program is to provide for the comprehensive and systematic restructuring of the total educational environment at the level of the individual school;

"(3) the program is based on objectives, including but not limited to, performance objectives related to educational achievement and is evaluated in a manner consistent with those objectives;

"(4) parents and school staff are involved in comprehensive planning, implementation, and evaluation of the program;

"(5) the program will benefit all children in a particular school or grade-span within a school;

"(6) schools participating in a program described in a school level plan, program strategies for meeting the special educational needs of educationally deprived children;

"(7) the phase-in period of the program is not more than six school years, except that the phase-in period for a program commenced prior to the date of enactment of the Education Amendments of 1978 shall be deemed to begin on the date of enactment of such amendment;

"(8) at all times during such phase-in period at least 50 per centum of the schools participating in the program are the schools serving project areas which have the greatest number or concentrations of educationally deprived children or children from low-income families;

"(9) State funds made available for the phase-in program will supplement, and not supplant, State and local funds which would, in the absence of the phase-in program, have been provided for schools participating in such program;

"(10) the local educational agency is separately accountable, for purposes of compliance with paragraphs (1) through (6), (8), and (9) of this subsection, to the State educational agency for any funds expended for such program;

"(11) the local educational agencies carrrying out the program are complying with paragraphs (1) through (6), (8), and (9) and the State educational agency is complying with paragraph (10).

"(f) ADVANCE DETERMINATIONS BY THE COMMISSIONER.—The Commissioner shall make an advance determination of whether or not a State program described in subsection (b)(1)(A) or (B) or (b)(2) meets the requirements of subsection (c) or meets the requirements of subsection (e). The Commissioner shall require each State educational agency to submit to him the provisions of

State law together with implementing rules, regulations, orders, guidelines, and interpretations which are necessary for him to make such an advance determination. The Commissioner's determination shall be in writing and shall include the reasons for his determination. Whenever there is any material change in pertinent State law affecting the program, the State educational agency shall submit such changes to the Commissioner.

"(g) ADVANCE DETERMINATION BY THE STATE EDUCATIONAL AGENCY.—The State educational agency shall make an advance determination of whether or not a program described in subsection (b)(1)(C) meets the requirements of subsection (c). The State educational agency shall require each local educational agency to submit the provisions of local law, together with implementing rules, regulations, guidelines, and interpretations which are necessary to make such an advance determination. The State educational agency's determination shall be in writing and shall include the reasons for the determination. Whenever there is any material change in pertinent local law affecting the program, the local educational agency shall submit such changes to the State educational agency.

"LIMITED EXEMPTION TO SUPPLEMENT, NOT SUPPLANT REQUIREMENT WHERE CERTAIN SPECIAL PROGRAMS FOR EDUCATIONALLY DEPRIVED CHILDREN ARE FULLY FUNDED

"SEC. 132. Whenever for a fiscal year—

"(1) a local educational agency provides special State and local funds for programs for educationally deprived chidren which qualify under clause (A), (B), or (C) of section 131(a)(1) for an exception from the comparability and excess costs provisions under such section 131, and

"(2) the amount of such special State and local funds provided in eligible school attendance areas and for eligible schools when added to the Federal funds provided for programs under this subpart equals the funds such agency is eligible to receive for such fiscal year under section 111(a)(2) (without regard to adjustments under section 183), and under subpart 2 of part A,

then the local educational agency may, without being considered in violation of section 126(d), utilize additional State and local funds for special programs and projects which are solely for educationally deprived children residing in nonproject areas or attending nonproject schools, including areas and schools ineligible for assistance under this title. The exemption in the preceding sentence does not apply to the extent the level of such special State and local funds, per child participating in such programs residing in ineligible school attendance areas or attending ineligible schools, exceeds the amount of funds, per child participating in programs in project areas provided to the agency under this part plus the amount of such special State or local funds provided for use in such areas.

"SCHOOLWIDE PROJECTS

"SEC. 133. (a) USE OF FUNDS FOR SCHOOLWIDE PROJECTS.—In the case of any school serving an attendance area that is eligible to receive services under this title and in which not less than 80 per centum of the children are from low-income families (in accordance with criteria established by the Commission), the local educational agency may carry out a project under this title to upgrade the entire educational program in that school if the requirements of subsection (b) are met.

"(b) DESIGNATION OF SCHOOLS.—A school may be designated for a schoolwide project under subsection (a) if—

"(1) a plan has been developed for that school by the local educational agency and has been approved by the State educational agency providing for—

"(A) a comprehensive assessment of the educational needs of all students in the school, in particular the special needs of educationally deprived children, and

"(B) an instructional program designed to meet the special needs of all students in the school;

"(2) the plan has been developed with the involvement of those individuals who will be engaged in carrying out the plan, including parents, teachers, teacher aides, administrators, and secondary students if the plan relates to a secondary school;

"(3) the plan provides for consultation among those individuals as to the educational progress of all students;

"(4) the plan has been approved by the advisory council for that school established under section 125;

"(5) appropriate training is provided to teachers and teacher aides to enable them effectively to carry out the plan;

"(6) the plan includes procedures for evaluation involving the participation of the individuals listed in paragraph (2), and opportunities for periodic improvements in the plan based on the results of those evaluations;

"(7) the average per pupil expenditure in the school (excluding amounts expended under a State compensatory education program) for the fiscal year in which the plan is to be carried out will not be less than such expenditure in that school in the previous fiscal year; and

"(8) the average per pupil amount of Federal, State, and local compensatory education funds available to carry out the plan is at least 32 per centum of the average per pupil expenditure in that local educational agency, except as provided in subsection (c)(1) of this section.

"(c) APPROVAL OF SCHOOL; OPERATION OF PROJECT.—

(1) The State educational agency shall approve the plan of any local educational agency for a schoolwide project if that plan meets the requirements of subsection (b). The State educational agency map approve the plan of a local educational agency for a schoolwide project which does not meet the requirements of clause (8) of subsection (b) if the State educational agency determines (subject to regulations issued by the Commissioner) that implementation of such a plan would be of equal or greater efficiency, measured in terms of cost, and would not cause a dilution of services to children of low-income families eligible for services under this title.

(2) For any school which has such a plan approved, the local educational agency—

"(1) shall, in order to carry out the plan, be relieved of any requirements under this title with respect to the commingling of funds provided under this title with funds available for regular programs;

"(2) shall not be required to identify particular children as being eligible to participate in programs assisted under this title; and

"(3) shall not be required to demonstrate that services provided with funds under this title are supplementary to the services regularly provided in the school.

"NONINSTRUCTIONAL DUTIES

"SEC. 134. Notwithtsanding any provision of subpart 3 of this part, personnel paid entirely by funds made available under the title may be assigned to certain limited, rotating, supervisory duties not related to classroom instruction, the benefits of which are not limited to participating children under this title. Such duties may include only those to which similarly situated personnel not hired with funds made available under the title are assigned at the same school site, and for which such similarly situated personnel are paid, and may not exceed the same proportion of total time as similarly situated personnel at the same school site, or 10 per centum of the total time, whichever is less.

"PART B—PROGRAMS OPERATED BY STATE AGENCIES

"Subpart 1—Programs for Migratory Children

"GRANTS—ENTITLEMENT AND AMOUNT

"SEC. 141 (a) ENTITLEMENT.—A State educational agency or a combination of such agencies shall, upon application, be entitled to receive a grant for any fiscal year under this part to establish or improve, either directly or through local educational agencies, programs of education for migratory children of migratory agricultural workers or of migratory fishermen which meet the requirements of section 142.

"(b) AMOUNT OF GRANT.—Except as provided in sections 155 and 156, the total grants which shall be made available for use in any State (other than Puerto Rico) for this subpart shall be an amount equal to 40 per centum of the average per pupil expenditure in the State (or (1) in the case where the average per pupil expenditure in the State is less than 80 per centum of the average per pupil expenditure in the United States, of 80 per centum of the average per pupil expenditure in the United States, or (2) in the case where the average per pupil expenditure in the State is more than 120 per centum of the average per pupil expenditure in the United States, of 120 per centum of the average per pupil expenditure in the United States multiplied by (1) the estimated number of such migratory children aged five to seventeen, inclusive, who reside in the State full time, and (2) the full-time equivalent of the estimated number of such migratory children aged five to seventeen, inclusive, who reside in the State part time, as determined by the Commissioner in accordance with regulations, except that if, in the case of any State, such amount exceeds the amount required under section 142, the Commissioner shall allocate such excess, to the extent necessary, to other States whose total of grants under this sentence would otherwise be insufficient for all such children to be served in such other States. The total grant which shall be made available for use in Puerto Rico shall be arrived at by multiplying the number of children in Puerto Rico counted as provided in the preceding sentence by 40 per centum of (1) the average per pupil expenditure in Puerto Rico or (2) in the case where such average per pupil expenditure is more than 120 per centum of the average per pupil expenditure in the United States, 120 per centum of the average per pupil expenditure in the United States. In determining the full-time equivalent number of migratory children who are in a State during the summer months, the Commissioner shall adjust the number so determined to take into account the special needs of those children for summer programs and the additional costs of operating such programs during the summer. In determining the number of migrant children for the purposes of this section the Commissioner shall use statistics made available by the migrant student record transfer system or such other system as he may determine most accurately and fully reflects the actual number of migrant students.

"PROGRAM REQUIREMENTS

"SEC. 142. (a) REQUIREMENTS FOR APPROVAL OF APPLICATION.—The Commissioner may approve such an application only upon his determination—

"(1) that payments will be used for programs and projects (including the acquisition of equipment and where necessary the construction of school facilities) which are designed to meet the special educational needs of migratory children of migratory agricultural workers or of migratory fishermen, and to coordinate these programs and

projects with similar programs and projects in other States, including the transmittal of pertinent information with respect to school records of such children;

"(2) that in planning and carrying out programs and projects there has been and will be appropriate coordination with programs administered under part B of title III of the Economic Opportunity Act of 1964;

"(3) that such programs and projects will be administered and carried out in a manner consistent with the basic objectives of subpart 3 of part A, other than sections 122, 123, 125, 126(d), and 130 thereof:

"(4) that, in planning and carrying out programs and projects at both the State and local educational agency level, there has been and will be appropriate consultation with parent advisory councils established in accordance with regulations of the Commissioner (consistent with the requirements of section 125(a)); and

"(5) that, in planning and carrying out programs and projects, there has been adequate assurance that provision will be made for the preschool education needs of migratory children of migratory agricultural workers or of migratory fishermen, whenever such agency determines that compliance with this clause will not detract from the operation of programs and projects described in paragraph (1) of this subsection after considering funds available for this purpose.

"(b) CONTINUATION OF MIGRANT STATUS.—For purposes of this subpart, with concurrence of his parents, a migratory child of a migratory agricultural worker or of a migratory fisherman shall be deemed to continue to be such a child for a period, not in excess of five years, during which he resides in the area served by the agency carrying on a program or project under this section. Such children who are presently migrant, as determined pursuant to regulations of the Commissioner, shall be given priority in this consideration of programs and activities contained in applications submitted under this subsection.

"(c) BY-PASS PROVISION.—If the Commissioner determines that a State is unable or unwilling to conduct educational programs for migratory children of migratory agricultural workers or of migratory fishermen, or that it would result in more efficient and economic administration, or that it would add substantially to the welfare or educational attainment of such children, he may make special arrangements with other public or nonprofit private agencies to carry out the purposes of this section in one or more States, and for this purpose he may use all or part of the total of grants available for any such State under this section.

"COORDINATION OF MIGRANT EDUCATION ACTIVITIES

"SEC. 143. (a) ACTIVITIES AUTHORIZED.—The Commissioner is authorized to operate a system for the transfer among State and local educational agencies of migrant student records and to carry out other activities, in consultation with the States, to improve the interstate and intrastate coordination among State and local educational agencies of the educational programs available for migratory students.

"(b) AUTHORIZATION OF APPROPRIATIONS.—There are authorized to be appropriated for this section not more than 5 per centum of the total amount paid to State educational agencies under section 141.

"Subpart 2—Programs for Handicapped Children

"AMOUNT AND ELIGIBILITY

"SEC. 146. (a) ELIGIBILITY FOR GRANT.—A State agency which is directly responsible for providing free public education for handicapped children (as that term is defined in section 602(1) of the Education of the Handicapped Act), shall be eligible to receive a grant under this subpart for any fiscal year.

"(b) AMOUNT OF GRANT.—Except as provided in sections 156 and 157, the grant which a State agency referred to in subsection (a) (other than the agency for Puerto Rico) shall be eligible to receive under this section shall be an amount equal to 40 per centum of the average per pupil expenditure in the State (or (1) in the case where the average per pupil expenditure in the State is less than 80 per centum of the average per pupil expenditure in the United States, of 80 per centum of the average per pupil expenditure in the United States, or (2) in the case where the average per pupil expenditure in the State is more than 120 per centum of the average per pupil expenditure in the United States, of 120 per centum of the average per pupil expenditure in the United States), multiplied by the number of such children in average daily attendance, as determined by the Commissioner, at schools for handicapped children operated or supported by the State agency, including schools providing special education for handicapped children under contract or other arrangement with such State agency, in the most recent fiscal year for which satisfactory data are available. The grant which Puerto Rico shall be eligible to receive under this section shall be the amount arrived at by multiplying the number of children in Puerto Rico counted as provided in the preceding sentence by 40 per centum of (1) the average per pupil expenditure in Puerto Rico or (2) in the case where such average per pupil expenditure is more than 120 per centum of the average per pupil expenditure in the United States, 120 per centum of the average per pupil expenditure in the United States.

"(c) COUNTING OF CHILDREN TRANSFERRING FROM STATE TO LOCAL PROGRAMS.—In the case where such a child leaves an educational program for handicapped children operated or supported by the State agency in order to participate in such a program operated or supported by a local educational agency, such child shall be counted under subsection (b) if (1) he continues to receive an appropriately designed educational program and (2) the State agency transfers to the local educational agency in whose program such child participates an amount equal to the sums received by such State agency under this section which are attributable to such child, to be used for the purposes set forth in section 147.

"PROGRAM REQUIREMENTS

"SEC. 147. A State shall use the payments made under this subpart only for programs and projects (including the acquisition of equipment and, where necessary, the construction of school facilities) which are designed to meet the special educational needs of handicapped children. Such programs and projects shall be administered and carried out in a manner consistent with subpart 3 of part A, other than sections 122, 123, 125, 126(d), 126(e), and 130 thereof. The State agency shall provide assurances to the Commissioner that each such child in average daily attendance counted under subsection (b) of section 146 will be provided with such a program, commensurate with his special needs, during any fiscal year for which such payments are made.

"Subpart 3—Programs for Neglected and Delinquent Children

"AMOUNT AND ENTITLEMENT

SEC. 151. (a) ENTITLEMENT TO GRANTS.—A State agency which is directly responsible for providing free public education for children in institutions for neglected or delinquent children or in adult correctional institutions shall be entitled to receive a grant under this subpart for any fiscal year (but only if grants received under this subpart are used only for children in such institutions).

"(b) AMOUNT OF GRANT.—Except as provided in sections 155 and 156, the grant which such an agency (other than the agency for Puerto Rico) shall be eligible to receive shall be an amount equal to 40 per centum of the average per pupil expenditure in the State (or (1)) in the case where the average per pupil expenditure in the State is less than 80 per centum of the average per pupil expenditure in the United States, of 80 per centum of the average per pupil expenditure in the United States, or (2) in the case where the average per pupil expenditure in the State is more than 120 per centum of the average per pupil expenditure in the United States, of 120 per centum of the average per pupil expenditure in the United States) multiplied by the number of such children in average daily attendance, as determined by the Commissioner, at schools for such children operated or supported by that agency, including schools providing education for such children under contract or other arrangement with such agency, in the most recent fiscal year for which satisfactory data are available. The grant which Puerto Rico shall be eligible to receive under this subpart shall be the amount arrived at by multiplying the number of children in Puerto Rico counted as provided in the preceding sentence by 40 per centum of (1) the average per pupil expenditure in Puerto Rico or (2) in the case where such average per pupil expenditure is more than 120 per centum of the average per pupil expenditure in the United States, 120 per centum of the average per pupil expenditure in the United States.

"PROGRAM REQUIREMENT

"SEC. 152. (a) USE OF PAYMENTS.—A State agency shall use payments under this subpart only for programs and projects (including the acquisition of equipment and where necessary the construction of school facilities) which are designed to meet the special educational needs of children in institutions for neglected or delinquent children or in adult correctional institutions. Such programs and projects shall be administered and carried out in a manner consistent with subpart 3 of part A, other than sections 122, 123, 125, 126(d), 126(e), and 130 thereof.

"(b) THREE-YEAR PROJECTS.—Where a State agency operates programs under this title in which children are likely to participate for more than one year, the State educational agency may approve the application for a grant under this subpart for a period of more than one year, but not to exceed three years.

"TRANSITION SERVICES

"SEC. 153. (a) GRANTS AUTHORIZED.—The Commissioner is authorized to make grants to State and local educational agencies to support projects to facilitate the transition of children from State operated institutions for neglected and delinquent children into locally operated programs. Grants under this section shall be used to provide special educational services for such children in schools other than State operated institutions.

"(b) APPROPRIATIONS AUTHORIZED.—There are authorized to be appropriated for the purposes of this section for any fiscal year, not to exceed 5 per centum of the amount State agencies are entitled to receive under section 151 for that year.

"Subpart 4—General Provisions for State Operated Programs

"RESERVATION OF FUNDS FOR TERRITORIES

"SEC. 156. There is authorized to be appropriated for each fiscal year for purposes of each of subparts 1, 2, and 3 of this part, an amount equal to not more than 1 per centum of the amount appropriated for such year for such subparts, for payments to Guam, American Samoa, the Virgin Islands, the Northern Mariana Islands, and the Trust Territory of the Pacific Islands under each such subpart. The amounts ap-

propriated for each such subpart shall be allotted among Guam, American Samoa, the Virgin Islands, the Northern Mariana Islands, and the Trust Territory of the Pacific Islands according to their respective need for such grants, based on such criteria as the Commissioner determines will best carry out the purposes of this title.

"MINIMUM PAYMENTS FOR STATE OPERATED PROGRAMS

"SEC. 157. For any fiscal year ending prior to October 1, 1983—

"(1) no State shall receive an amount under subpart 1 or subpart 3 of this part which is less than 85 per centum of the amount paid to that State in the preceding fiscal year under that subpart, or under section 122 of this Act as in effect immediately preceding the enactment of this section, whichever the case may be; and

"(2) no State shall receive an amount under subpart 2 of this part which is less than 100 per centum of the amount paid to that State in the preceding fiscal year under that subpart, or under section 121 of this Act as in effect immediately preceding the enactment of this section, whichever the case may be.

"PART C—STATE ADMINISTRATION OF PROGRAMS AND PROJECTS

"Subpart 1—State Applications

"STATE PARTICIPATION

"SEC. 161. (a) ELIGIBILITY FOR PARTICIPATION.—A State is eligible to participate in programs under this title if—

"(1) it has on file with the Commissioner a general State application under section 501 of this Act, and

"(2) it has submitted to the Commissioner a plan meeting the requirements of subsection (b) for the monitoring of compliance by local educational agencies in the State with the requirements of this title and for the enforcement by the State of such requirements.

"(b) STATE MONITORING AND ENFORCEMENT PLAN.—A State monitoring and enforcement plan shall be submitted by the State educational agency at such times (at least once every three years) and in such detail as the Commissioner shall prescribe. The plan shall set forth—

"(1) a schedule of regular visits by State educational agency personnel to projects assisted under this title;

"(2) the matters to be reviewed in such visits;

"(3) procedures for verifying information provided by local educational agencies, including the use of other information available to the State to cross-check that information;

"(4) procedures for regular audits by the State of local educational agency expenditures under this title, and procedures for the recovery of any expenditures determined not to be allowed under this title;

"(5) procedures for resolving each complaint received by the State relating to programs assisted under this title, including complaints referred to the State by the Commissioner and complaints by representatives of children enrolled in private schools and that children are not receiving the services to which they are entitled under this title; and

"(6) a description of the means by which the State educational agency has determined, and will continue to determine, the compliance by local educational agencies with the requirements of section 130, relating to the equitable provision of services to children enrolled in private schools.

"(c) REPORTING.—Each plan submitted by a State educational agency under this section shall include a report, in such form as the Commissioner shall prescribe, of the activities undertaken by the State in the years since the previous plan was filed to carry out its monitoring and enforcement efforts under this title.

"Subpart 2—Responsibilities of State Educational Agencies to Commissioner

"REPORTING

"SEC. 171. Each State educational agency shall make to the Commissioner (A) periodic reports (including the results of objective measurements required by section 123(g) and of research and replication studies) evaluating the effectiveness of payments under this title and of particular programs assisted under it in improving the educational attainment of educationally deprived children and (B) such other reports as may be reasonably necessary to enable the Commissioner to perform his duties under this title (including such reports as he may require to determine the amounts which the local educational agencies of that State are eligible to receive for any fiscal year).

"RECORDKEEPING, FISCAL CONTROL, AND FUND ACCOUNTING

"SEC. 172. Each State educational agency which receives funds under this title shall keep such records as the Commissioner shall prescribe, including records which fully disclose the amount and disposition by such agency of such funds, the total cost of programs and projects in connection with which such funds are used, the amount of that portion of the cost of the program and project supplied by other sources, and such other records as will facilitate an effective audit.

"PROHIBITION ON CONSIDERATION OF FEDERAL AID IN DETERMINING STATE AID

"SEC. 173. No State shall take into consideration payments under this title in determining the eligibility of any local educational agency in that State for State aid, or the amount of State aid, with respect to free public education of children during that year or the preceding fiscal year.

"PART D—FEDERAL ADMINISTRATION OF PROGRAMS AND PROJECTS

"APPLICABILITY

"SEC. 181. In addition to other requirements contained in this part, the requirements of the General Education Provisions Act which relate to Federal administration of elementary and secondary education programs shall apply to programs carried out under this title.

"APPROVAL OF APPLICATIONS

"SEC. 182. (a) REQUIREMENT FOR APPROVAL.—The Commissioner shall not approve an application under section 161 until he has made specific findings, in writing, that the application complies with this title, and that he is satisfied that the assurances in such application will be carried out.

"(b) HEARINGS.—The Commissioner shall not finally disapprove an application under section 142 or section 161 except after notice and opportunity for a hearing to the State educational agency.

"PROGRAM EVALUATION

"SEC. 183. (a) INDEPENDENT EVALUATIONS.—The Commissioner shall provide for independent evaluations which describe and measure the impact of programs and projects assisted under this title. Such evaluations may be provided by contract or other arrangements, and all such evaluations shall be made by competent and independent persons, and shall include, whenever possible, opinions obtained from program or project participants about the strengths and weaknesses of such programs and projects.

"(b) DEVELOPMENT AND PUBLICATION OF STANDARDS.—The Commission shall develop and publish standards for evaluation of program or project effectiveness in achieving the objectives of this title.

"(c) JOINTLY SPONSORED STUDIES.—The Commissioner shall, where appropriate, consult with State agencies in order to provide for jointly sponsored objective evaluation studies of programs and projects assisted under this title within a State.

"(d) EVALUATION MODELS.—The Commissioner shall provide to State educational agencies, models for evaluations of all programs conducted under this title, for their use in carrying out their functions under this section 501(b)(4) of this Act, which shall include uniform procedures and criteria to be utilized by local educational agencies and State agencies, as well as by the State agency in the evaluation of such programs.

"(e) TECHNICAL ASSISTANCE.—The Commissioner shall provide such technical and other assistance as may be necessary to State educational agencies to enable them to assist local educational agencies and State agencies in the development and application of a systematic evaluation of programs in accordance with the models developed by the Commissioner.

"(f) SPECIFICATION OF OBJECTIVE CRITERIA.—The models developed by the Commissioner shall specify objective criteria which shall be utilized in the evaluation of all programs and shall outline techniques (such as longitudinal studies of children involved in such programs) and methodology (such as the use of tests which yield comparable results) for producing data which are comparable on a statewide and national basis.

"(g) REPORT TO CONGRESS.—The Commissioner shall make a report to the respective committees of the Congress having legislative jurisdiction over programs authorized by this title and the respective Committees on Appropriations no later than February 1 of each calendar year concerning the results of evaluations of programs and projects required under this section, which shall be comprehensive and detailed, as up-to-date as possible, and based to the maximum extent possible on objective measurements, together with other related findings and evaluations and his recommendations with respect to legislation.

"(h) INFORMATION DISSEMINATION.—The Commissioner shall also develop a system for the gathering and dissemination of results of evaluations and for the identification of exemplary programs and projects, or of particularly effective elements of programs and projects, and for the dissemination of information concerning such programs and projects or such elements thereof to State agencies and local educational agencies responsible for the design and conduct of programs and projects under this title, and to the education profession and the general public.

"(i) MAXIMUM EXPENDITURES.—The Commissioner is authorized, out of funds appropriated to carry out this title in any fiscal year, to expend such sums as may be necessary to carry out the provisions of this section, but not to exceed one-half of 1 per centum of the amount appropriated for such programs. In carrying out the provisions of this section, the Commissioner shall place priority on assisting States, local educational agencies, and State agencies to conduct evaluations and shall, only as funds are available after fulfilling that purpose, seek to conduct any national evaluations of the program.

"COMPLAINT RESOLUTION

"SEC. 184. The Commissioner shall develop and implement written procedures for receiving and resolving appeals from final resolutions of State educational agencies with respect to complaints concerning violations of this title or of applicable provisions of the General Education Provisions Act in connection with programs under this title, for receiving such complaints directly from parent advisory councils, parents, teachers, or other concerned organizations or individuals, and for conducting such independent onsite in-

vestigations of complaints if the Commissioner deems necessary. Such procedures shall include—

"(1) specific time limits for resolving the complaint or for completing the review and any necessary independent investigation, which shall not exceed sixty days unless exceptional circumstances exist;

"(2) an opportunity for the complainant, the complainant's representative, the local educational agency, and the State educational agency to present evidence;

"(3) a requirement that the complainant, the complainant's representative, the local educational agency, the State educational agency, State agency, the district parent advisory council, and appropriate school-parent advisory councils shall be notified, in writing, within ten days after the resolution of the appeal of the nature of the resolution, the reasons therefor, and the right to an administrative appeal; and

"(4) dissemination of information concerning the procedures.

"AUDITS AND AUDIT RESOLUTION

"SEC. 185 (a) AUDITING.—The Inspector General of the Department of Health, Education, and Welfare shall make provision for audits of grants made under this title to determine, at a minimum, the fiscal integrity of grant or subgrant financial transactions and reports, and the compliance with applicable statutes, regulations, and terms and conditions of the grant or subgrant.

"(b) AUDIT RESOLUTION AND REPAYMENT.—The Commissioner shall adopt procedures to assure timely and appropriate resolution of audit findings and recommendations arising out of audits provided for in subsection (a). Such procedures shall include timetables for each step of the audit resolution process and an audit appeals process. Where, under such procedures, the audit resolution process requires the repayment of Federal funds which were misspent or misapplied, the Commissioner shall require the repayment of the amount of funds under this title which have been finally determined through the audit resolution process to have been misspent or misapplied. Such repayment may be made from funds derived from non-Federal sources or from Federal funds no accountability for which is required to the Federal Government. Such repayments may be made in either a single payment or in installment payments over a period not to exceed three years.

"WITHHOLDING OF PAYMENTS

"SEC. 186. (a) WITHHOLDING.—Whenever the Commissioner, after reasonable notice and opportunity for a hearing to any State educational agency, finds that there has been a failure to comply substantially with any assurance set forth in the application of that State approved under section 141 or 161 the Commissioner shall notify the agency that further payments will not be made to the State under this title (or, in his discretion, that the State educational agency shall reduce or terminate further payments under this title to specified local educational agencies or State agencies affected by the failure) until he is satisfied that there is no longer any such failure to comply. Until he is so satisfied, (1) no further payments shall be made to the State under this title, or (2) payments by the State educational agency under this title shall be limited to local educational agencies and State agencies not affected by the failure or, (3) payments to particular local educational agencies shall be reduced, as the case may be. Where partial payments to a local educational agency are continued under this subsection, the expenditure of the payments shall be subject to such conditions as the Commissioner deems appropriate in light of the failure which led to the partial withholding. Pending the outcome of any proceedings under this subsection, the Commissioner may suspend payments to such agency, after such agency has been given reasonable notice and opportunity to show cause why such action should not be taken.

"(b) NOTICE TO PUBLIC OF COMMISSIONER WITHHOLDING.—Upon receipt by a State of a notice under subsection (a) that the Commissioner is withholding payments, the Commissioner shall take such action as may be necessary to bring his action to the attention of the public within the State.

"(c) COMPLIANCE AGREEMENT.—The Commissioner may suspend the initiation or continuation of his withholding action under subsection (a) during any period there is in effect a compliance agreement with the State educational agency under this subsection, except that if the State educational agency fails to comply with the terms agreed to, such an agreement shall no longer be in effect and subsection (a) shall be fully operative. In implementing such subsection, the Commissioner shall take into account any partial compliance by such agency under such agreement. In any case in which a State educational agency desires to enter into a compliance agreement, but alleges that full compliance with the requirements of this title is genuinely not feasible until a future date the Commissioner shall hold a hearing at which that agency shall have the burden of demonstrating that immediate compliance is not feasible. The Commissioner shall provide an opportunity for parents, their representatives, and other interested parties to participate in that hearing. If the Commissioner determines, on the basis of all the evidence presented to him, that immediate compliance is genuinely not feasible, he shall make written findings to that effect before entering into such a compliance agreement with that State educational agency. Any compliance agreement under this subsection shall not be exempt from disclosure under any provision of section 552 of title 5, United States Code. Within fifteen days after the execution of any compliance agreement under this subsection, the Commissioner shall send a copy thereof to each organization or person who filed a complaint with respect to any failure to comply which is covered by that agreement.

"POLICY MANUAL

"SEC. 187. (a) SCOPE AND PURPOSE.—The Commissioner shall, not later than 12 months after the publication of first regulations with respect to the amendments to his title made by the Education Amendments of 1978, prepare and distribute to State educational agencies, State agencies operating programs for neglected and delinquent and handicapped children, local educational agencies, and parent advisory councils established under section 125(a), and shall make available to other interested individuals, organizations, and agencies a title I policy manual to—

"(1) assist such agencies in (A) preparing applications for program funds under this title, (B) meeting the applicable program requirements under this title, and (C) enhancing the quality, increasing the depth, or broadening the scope of activities for programs under this title;

"(2) assist State educational agencies in achieving proper and efficient administration of programs funded under this title;

"(3) assist advisory councils established under section 125(a) in advising the local educational agencies in the planning for, and implementation and evaluation of, programs and projects under this title; and

"(4) insure that officers and employees of the Department of Health, Education, and Welfare, including, but not limited to, officers and employees of the Commissioner and officers and employees of such Department charged with auditing programs carried on under this title, uniformly interpret, apply, and enforce requirements under this title throughout the United States.

"(6) CONTENTS OF POLICY MANUAL.—The policy manual shall, with respect to programs carried on under this title, contain descriptions, statements, procedural and substantive rules, opinions, policy statements and interpretations and indices to and amendments of the foregoing, and in particular, whether or not such items are required under section 552 of title 5, United States Code to be published or made available, the manual shall include (but not be limited to)—

"(1) a statement of the requirements applicable to the programs carried on under this title including such requirements contained in this title, the General Education Provisions Act, other applicable statutes, and regulations issued under the authority of such statutes;

"(2) an explanation of the purpose of each requirement, including appropriate references to legislatve history;

"(3) an explanation of the interrelationships between the applicable requirements;

"(4) a statement of the procedures to be followed by the Commissioner and the Secretary with respect to proper and efficient performance of their administrative responsibilities, including but not limited to (A) approving State applications or State plans, (B) distributing grants to appropriate agencies, (C) resolving problems discovered during monitoring visits, (D) resolving financial exceptions disclosed during audits, (E) collecting outstanding claims arising out of activities under this title, (F) resolving complaints, (G) responding to requests for advisory opinions interpreting and applying standards contained in applicable statutes and regulations to the public, (H) identifying and publicizing exemplary programs, and (I) making public final audit determinations of the Commissioner;

"(5) summaries of (i) advisory opinions referred to in subsection (b)(4)(G) of this section and (ii) final audit determinations referred to in subsection (b)(4)(I), including examples of actual applications of the legal requirements of applicable statutes and regulations;

"(6) model forms and instructions developed by the Commissioner for use by State and local educational agencies, at their discretion, including, but not limited to, application forms, application review checklists, and instruments for monitoring programs operated by applicant agencies;

"(7) summaries of appropriate court decisions concerning programs under this title;

"(8) examples of methods of distributing State and local funds which do and do not satisfy the applicable requirements under this title; and

"(9) model forms, policies, and procedures developed by State educational agencies.

"ENFORCEMENT REPORT

"SEC. 188. The Commissioner shall, not later than the end of the first, third, and fifth fiscal years beginning after the date of enactment of the Education Amendments of 1978 submit to the Congress a report concerning the enforcement of this title. The report submitted in the third and fifth such fiscal years shall contain—

"(1) an analysis, for each State which has an application approved for that year under section 182, of the extent to which the assurances, policies, and procedures of that State submitted as part of that application satisfy the requirements of this title,

"(2) a description for each such State of the manner in which monitoring reports of the Commissioner were taken into consideration in the approval of such applications,

"(3) a description, with respect to appropriate States, of the manner in which unresolved audit and program monitoring findings were taken into consideration in the approval of such applications,

"(4) a description for each such State of the manner in which the annual evaluation report of that State was taken into consideration in the approval of such applications,

"(5) a summary of the findings of the Commissioner's on-site monitoring visits, of the actions taken by State educational agencies to correct problems identified in each report based on such visits, and of the number, type, and location of problems which have been so identified but which have not been corrected as of the date of the submission of the annual enforcement report under this section,

"(6) with respect to audits conducted under this title, (A) the number and type of audits conducted in the year preceding the date of submission of the report, (B) the identity of each State or local educational agency audited during that year, (C) the resolution status of each outstanding audit, including the dates on which each step of the resolution process with respect to such outstanding audit was completed, the schedule for completion of such process, the amount of the financial exceptions noted in final audit reports and in letters of final determination, and an explanation of any differences in such amounts as noted in draft audit reports, final audit reports, and letters of final determination, (D) the number and identity of any States which did not appeal to the audit hearing board for title I with respect to audits conducted during that year and the status of recoupment activities for each such State, (E) the number and identity of States which appealed to such board during that year and the status of each active appeal, (F) the number and identity of States which have completed such appeals during that year and the status of recoupment activities with respect thereto, (G) the number and type of any cases referred to the Attorney General during that year for collection of misspent funds, (H) the amount of any funds recovered during that year as a result of such audit resolution process, (I) an analysis of the type of violations identified in final audit reports, letters of final determination, and final decisions of the audit hearing board for title I and of the Commissioner on appeal from the decisions of such board, (J) a summary of audit followup actions conducted during that year for the purpose of determining that deficiencies which led to financial audit exceptions or audit findings of procedural noncompliance have been corrected, (K) a description of audits planned for the year succeeding the date of the submission of the report, and (L) recommendations for improvement of the audit resolution process. and

"(7) with respect to complaints made to the Commissioner concerning programs under this title during the year preceding the date of submission of the report under this section, the number and type of complaints, the identity of the State and local educational agencies, the action taken by the Commissioner to resolve the complaints, and the number and type of complaints which remain unresolved as of the date of such submission.

"PART E—PAYMENTS

"PAYMENT METHODS

"SEC. 191. The Commissioner shall, from time to time pay to each State, in advance or otherwise, the amount which it and the local educational agencies of that State are eligible to receive under this title. Such payments shall take into account the extent (if any) to which any previous payment to such State educational agency under this title (whether or not in the same fiscal year) was greater or less than the amount which should have been paid to it.

"AMOUNT OF PAYMENTS TO LOCAL EDUCATIONAL AGENCIES

"SEC. 192. From the funds paid to it pursuant to section 121 each State educational agency shall distribute to each local educational agency of the State which is eligible to receive a grant under this title and which has submitted an application approved pursuant to section 121 the amount for which such application has been approved.

"ADJUSTMENTS WHERE NECESSITATED BY APPROPRIATIONS

"SEC. 193. (a) ADJUSTMENT ALLOCATION.—If the sums appropriated for any fiscal year for making the payments provided in this title other than amounts appropriated for subpart 2 of part A are not sufficient to pay in full the total amounts which all local and State educational agencies are entitled to receive under this title for such year, the amount available for each grant to a State agency eligible for a grant under subpart 1, 2, or 3 of part B shall be equal to the total amount of the grant as computed under each such subpart. If the remainder of such sums available after the application of the preceding sentence is not sufficient to pay in full the total amounts which all local educational agencies are entitled to receive under subpart 1 of part A of this title for such year, the allocations to such agencies shall, subject to adjustments under the next sentence, be ratably reduced to the extent necessary to bring the aggregate of such allocations within the limits of the amounts so appropriated. The allocation of a local educational agency which would be reduced under the preceding sentence to less than 85 per centum of its allocation under subpart 1 of part A for the preceding fiscal year, shall be increased to such amount, the total of the increases thereby required being derived by proportionately reducing the allocations of the remaining local educational agencies, under the preceding sentence, but with such adjustments as may be necessary to prevent the allocation to any remaining local educational agency from being thereby reduced to less than 85 per centum of its allocation for such year.

"(b) ADDITIONAL FUNDS ALLOCATION.—In case additional funds become available for making payments under this title for that year, allocations that were reduced pursuant to subsection (a) shall be increased on the same basis that they were reduced. In order to permit the most effective use of all appropriations made to carry out this title, the Commissioner may set dates by which (1) State educational agencies must certify to him the amounts for which the applications of educational agencies have been or will be approved by the State and (2) State educational agencies referred to in subpart 1 of part B must file applications. If the maximum grant a local educational agency would receive (after any ratable reduction which may have been required under subsection (a) or (b) of this section) is more than an amount which the State educational agency determines, in accordance with regulations prescribed by the Commissioner, such agency will use, the excess amount shall be made available first to educational agencies in that State. Determinations of the educational agencies to which such excess amounts shall be made available shall be made by the State educational agency in furtherance of the purposes of this title in accordance with criteria prescribed by the Commissioner which are designed to assure that such excess amounts will be made available to other eligible educational agencies with the greatest need, for the purpose of, where appropriate, redressing inequities inherent in, or mitigating hardships caused by, the application of the provisions of paragraph (2) of section 111(a) as a result of such factors as population shifts and changing economic circumstances. In the event excess amounts remain after carrying out the preceding two sentences of this section, such excess amounts shall be distributed among the other States as the Commissioner shall prescribe for use by local educational agencies in such States for the purposes of this title in such manner as the respective State educational agencies shall prescribe.

"RESERVATION OF FUNDS

"SEC. 194. Of the amounts appropriated for any fiscal year for carrying out the provisions of this title, not less than $400,000,000 or the amount appropriated for the preceding fiscal year, whichever is greater, shall be made available first for carrying out the provisions of section 117, and not less than the amount appropriated for the preceding fiscal year shall be made available for carrying out the provisions of section 116.

"PART F—GENERAL PROVISIONS

"JUDICIAL REVIEW

"SEC. 195. (a) FILING.—If any State is dissatisfied with the Commissioner's final action with respect to the approval of its application submitted under subpart 1 or part B or section 161 or with his final action under section 185 or 186, such State may, within sixty days after notice of such action, file with the United States court of appeals for the circuit in which such State is located a petition for review of that action. A copy of the petition shall be forthwith transmitted by the clerk of the court to the Commissioner. The Commissioner thereupon shall file in the court the record of the proceedings on which he based his action, as provided in section 2112 of title 28, United States Code.

"(b) FINDINGS OF FACT, CONCLUSIVE.—The findings of fact by the Commissioner, if supported by substantial evidence, shall be conclusive; but the court, for good cause shown, may remand the case to the Commissioner to take further evidence, and the Commissioner may thereupon make new or modified findings of fact and may modify his previous action, and shall file in the court the record of the further proceedings. Such new or modified findings of fact shall likewise be conclusive if supported by substantial evidence.

"(c) REVIEW.—Upon the filing of such petition, the court shall have jurisdiction to affirm the action of the Commissioner or to set it aside, in whole or in part. The judgment of the court shall be subject to review by the Supreme Court of the United States upon certiorari or certification as provided in section 1254 of title 28, United States Code.

"NATIONAL ADVISORY COUNCIL

"SEC. 196. (a) COUNCIL ESTABLISHED.—There shall be a National Advisory Council on the Education of Disadvantaged Children (hereinafter in this section referred to as the 'National Council') consisting of fifteen members appointed by the President, without regard to the provisions of title 5, United States Code, governing appointment in the competitive service, for terms of three years, except that (1) in the case of initial members, five shall be appointed for terms of one year each and five shall be appointed for terms of two years each, and (2) appointments to fill vacancies shall be only for such terms as remain unexpired. The National Council shall meet at the call of the Chairman.

"(b) FUNCTIONS.—The National Council shall review and evaluate the administration and operation of this title, including its effectiveness in improving the educational attainment of educationally deprived children, including the effectiveness of programs to meet their occupational and career needs, and make recommendations for the improvement of this title and its administration and operations. These recommendations shall take into consideration experience gained under this and other Federal educational programs for disadvantaged children and, to the extent appropriate, experience gained under other public and private educational programs for disadvantaged children.

"(c) REPORTS.—The National Council shall make such reports of its activities, findings, and recommendations (including recommendations for changes in the provisions of this title) as it may deem appropriate and shall make an annual report to the President and the Congress not later than March 31 of each calendar year. Such annual report shall include a report specifically on which of the various compensatory education programs funded in whole or in part under the provisions of this title, and of other public and private educational programs for educationally deprived children, hold the highest promise for raising the educational attainment of these educationally deprived children. The President is requested to transmit to the Congress such comments and recommendations as he may have with respect to such report. Subject to section 448 (b) of the General Education Provisions Act, the National Council shall continue to exist until October 1, 1983.

"LIMITATION ON GRANT TO PUERTO RICO

"SEC. 197. The amount paid to Puerto Rico under this title for any fiscal year shall not exceed 150 per centum of the amount received by Puerto Rico in the preceding fiscal year, and any excess over that amount shall be used to ratably increase the allocations under section 111 of the other local educational agencies in the country whose allocations do not exceed the maximum amount for which they are eligible under section 111.

"DEFINITIONS

"SEC. 198. Except as otherwise provided, for purposes of this title:

"(1) Average daily attendance shall be determined in accordance with State law, except that not withstanding any other provision of this title, where the local educational agency of the school district in which any child resides makes or contracts to make a tuition payment for the free public education of such child in a school situated in another school district, for purposes of this title the attendance of such child at such school shall be held and considered (A) to be in attendance at a school of the local educational agency so making or contracting to make such tuition payment, and (B) not to be in attendance at a school of the local educational agency receiving such tuition payment or entitled to receive such payment under the contract.

"(2) The term 'average per pupil expenditure' means in the case of a State or the United States, the aggregate current expenditures, during the second fiscal year preceding the fiscal year for which the computation is made (or if satisfactory data for that year are not available at the time of computation, then during the most recent preceding fiscal year for which satisfactory data are available), of all local educational agencies in the State, or in the United States (which for the purposes of this subsection means the fifty States, and the District of Columbia), as the case may be, plus any direct current expenditures by the State for operation of such agencies (without regard to the source of funds from which either of such expenditures are made), divided by the aggregate number of children in average daily attendance to whom such agencies provided free public education during such preceding year.

"(3) The term 'Commissioner' means the United States Commissioner of Education.

"(4) The term 'construction' includes the preparation of drawings and specifications for school facilities; erecting, building, acquiring, altering, remodeling, improving, or extending school facilities; and the inspection and supervision of the construction of school facilities.

"(5) The term 'county' means those divisions of a State utilized by the Secretary of Commerce in compiling and reporting data regarding counties.

"(6) The term 'current expenditures' means expenditures for free public education, including expenditures for administration, instruction, attendance, and health services, pupil transportation services, operation and maintenance of plant, fixed charges, and net expenditures to cover deficits for food services and student body activities, but not including expenditures for community services, capital outlay, and debt service, or any expenditures made from funds granted under this title or parts B and C of title IV of this Act.

"(7) The term 'elementary school' means a day or residential school which provides elementary education, as determined under State law, and the term 'secondary school' means a day or residential school which provides secondary education, as determined under State law, except that it does not include any education provided beyond grade 12.

"(8) The term 'equipment' includes machinery, utilities, and building equipment and any necessary enclosure or structures to house them, and includes all other items necessary for the functioning of a particular facility as a facility for the provision of educational services, including items such as instructional equipment and necessary furniture, printed, published, and audio-visual instructional materials, and books, periodicals, documents, and other related materials.

"(9) The term 'free public education' means education which is provided at public expense, under public supervision and direction, and without tuition charge, and which is provided as elementary or secondary school education in the applicable State, except that such term does not include any education provided beyond grade 12.

"(10) The term 'local educational agency' means a public board of education or other public authority legally constituted within a State for either administrative control or direction of, or to perform a service function for, public elementary or secondary schools in a city, county, township, school district, or other political subdivision of a State, or such combination of school districts or counties as are recognized in a State as an administrative agency for its public elementary or secondary schools. Such term includes any other public institution or agency having administrative control and direction of a public elementary or secondary school.

"(11) The term 'parent' includes a legal guardian or other person standing in loco parentis.

"(12) The term 'project area' means a school attendance area having a high concentration of children from low-income families which, without regard to the locality of the project itself, is designated as an area from which children are to be selected to participate in a program or project assisted under this title.

"(13) The term 'school attendance area' means in relation to a particular school, the geographical area in which the children who are normally served by that school reside.

"(14) The term 'school facilities' means classrooms and related facilities (including initial equipment) for free public education and interests in land (including site, grading, and improvements) on which such facilities are constructed, except that such term does not include those gymnasiums and similar facilities intended primarily for exhibitions for which admission is to be charged to the general public.

"(15) The term 'Secretary' means the Secretary of Health, Education, and Welfare.

"(16) The term 'State' means a State, Puerto Rico, Wake Island, Guam, the District of Columbia, American Samoa, the Virgin Islands, the Northern Mariana Islands, or the Trust Territory of the Pacific Islands.

"(17) The term 'State educational agency' means the officer or agency primarily responsible for the State supervision of public elementary and secondary schools.

"AMENDMENTS TO RELATED ACTS

"SEC. 199. (a) Section 403 of the Act of September 30, 1950 (Public Law 874, Eighty-first Congress), is amended—

"(1) by striking out, 'except as used in title II', where it appears in paragraph (2);

"(2) by striking out, ', except that for purposes of title II such term does not include any education provided beyond grade 12',— where it appears in paragraph (4);

"(3) by striking out, "title II of this act or title II or III of the Elementary, Secondary, Education Act of 1965" and inserting "of the Elementary, Secondary Education Act of 1978."

"(4) by striking out, '(A)' where it appears in paragraph (6) and by striking out subparagraph (B) of such paragraph;

"(5) by striking out ', and for purposes of Title II, such term includes the Trust Territory of the Pacific Islands" in paragraph (8); and

"(6) by striking out paragraphs (15), (16), and (17).

"(b) (1) Title II of the Act of September 30, 1950 (Public Law 874, Eighty-first Congress), is repealed.

"(2) Section 431A(b) of the General Education Provisions Act is amended by striking out paragraph (2) thereof, and by redesignating paragraph (3) as paragraph (2).

"(c) Section 101(a)(1) of the Education Amendments of 1974 is amended by striking out 'part A' and inserting in lieu thereof 'subpart 1 of part A and part B'.

"TITLE II—IMPACT AID AMENDMENTS

"PART A—PUBLIC LAW 874

"GENERAL EXTENSIONS OF PUBLIC LAW 874

"SEC. 201. (a) Section 2(a) of the Act of September 30, 1950 (Public Law 874, Eighty-first Congress), is amended by striking out '1978' and inserting in lieu thereof '1983'.

"(b) Section 3(b) of such Act is amended by striking out '1978' and inserting in lieu thereof '1983'.

"(c) Section 4(a) of such Act is amended by striking out '1978' and inserting in lieu thereof '1983'.

"(d) (1) Subparagraph (A) of second paragraph (2) of section 305(a) of the Education Amendments of 1974 is amended by striking out '1978' and inserting in lieu thereof '1983'.

"(2) Paragraph (B) of such paragraph (2) is amended by striking out '1978' and inserting in lieu thereof '1983'.

"(3) Subparagraph (C) of such paragraph (2) is amended by striking out '1978' and inserting in lieu thereof '1983'.

"(4) Subparagraph (D) of such paragraph (2) is amended by striking out '1978' and inserting in lieu thereof '1983'.

"REVISION OF JURISDICTIONAL LIMITS ON LOCATIONS OF FEDERAL PROPERTY

"SEC. 202. (a) Section 3(b)(2)(A) of the Act of September 30, 1950 (Public Law 874, Eighty-first Congress), is amended by inserting before the comma the following: ', or in whole or in part in the school district of such agency if the school district is located in more than one county'.

"(b) Section 3(b)(2)(B) is amended by inserting after 'county' the following: 'or district'.

"PAYMENTS FOR HANDICAPPED CHILDREN OF MILITARY PERSONNEL AND INDIANS

"SEC. 203. Section 3(d)(2)(C)(i) of the Act of September 30, 1950 (Public Law 874, Eighty-first Congress), is amended by striking out 'multiplied by 150 per centum.' and inserting in lieu thereof 'plus the cost of providing such children with a free appropriate public education in accordance with part B of the Education of the Handicapped

Act in such agency minus the contribution to such cost made by funds received under such Act.'.

"PROVISIONS REGARDING HEAVILY IMPACTED SCHOOL DISTRICTS

"SEC. 204. (a) Section 3(d) of the Act of September 30, 1950 (Public Law 874, Eighty-first Congress) is amended—

"(1) in paragraph (2)(B) thereof, by striking out 'clause (1) of' each time it appears therein; and

"(2) in the first sentence of such paragraph, by striking out 'the Commissioner is authorized, to', and inserting in lieu thereof 'the Commissioner shall'.

"(b)(1) Paragraph (2)(A) of section 5(c) of such Act is amended to read as follows:

"'(A) to each local educational agency—

"'(i) with respect to which the local contribution rate has been increased under paragraph (2)(B) of section 3(d), which equals 75 per centum of the amount to which such agency is entitled as computed under section 3(d) for such fiscal year; and

"'(ii) described in clause (A) of section 3(d)(1) which equals 75 per centum of the amount to which such agency is entitled, as computed under section 3(d), with respect to a determination of number of children under section 3(a) and section 3(b)(3) for such fiscal year;'

"(2) Paragraph (2)(D) of such section 5(c) of such Act is amended by inserting after 'section 3(b)' the following: '(other than such children with respect to whom a payment is made under clause (A)(ii) of this paragraph)'.

"ABSORPTION

"SEC. 205. Subparagraph (A) of paragraph (2) of section 3(d) of the Act of September 30, 1950 (Public Law 874, Eighty-first Congress) is hereby repealed.

"EARLY PAYMENTS ON THE BASIS OF ESTIMATES

"SEC. 206. Subsection (b) of section 5 of the Act of September 30, 1950 (Public Law 874, Eighty-first Congress) is amended by inserting '(1)' after '(b)' and by adding at the end thereof the following new paragraph:

"'(2) Not later than thirty days after the beginning of any fiscal year the Commissioner shall, on the basis of any application for preliminary payment from any local educational agency which was eligible for a payment during the preceding fiscal year on the basis of entitlements established under section 2 or 3, make such a payment to such agency not less than 75 per centum of the amount that such agency received during such preceding fiscal years.'".

"PUBLIC HOUSING CHILDREN

"SEC. 207. Section 5 of the Act of September 30, 1950 (Public Law 874, Eighty-first Congress) is amended by striking out subsection (e) thereof.

"HEARINGS

"SEC. 208. Section 5 of the Act of September 30, 1950 (Public Law 874, Eighty-first Congress) is amended by adding at the end thereof the following new subsection:

'(g) Each local educational agency which is adversely affected or aggrieved by any action of the Commissioner under this title shall be entitled to a hearing on, and review of, such action in the same manner as if such agency were a person under the provisions of chapters 5 and 7 of title 5, United States Code.'.

"CHILDREN FOR WHOM LOCAL AGENCIES ARE UNABLE TO PROVIDE EDUCATION

"SEC. 209. (a) Section 6(a)(2) of the Act of September 30, 1950 (Public Law 874, Eighty-first Congress) is amended by inserting after '(5) the Performance Rating Act of 1950, as amended (5 U.S.C. 2001 et seq.)' the following: 'Personnel provided for under this subsection outside of the continental United States, Alaska, and Hawaii, shall receive such compensation, tenure, leave, hours of work, and other incidents of employment on the same basis as provided for similar positions in the public schools of the District of Columbia.'.

"(b) Section 6(c) of such Act is amended by striking out everything after 'United States' and inserting in lieu thereof the following: 'in a grade, position, or classification subject by policy and practice to transfer or reassignment to areas where English is the language of instruction in the schools normally attended by children of Federal employees. In any case where education is being provided under an arrangement made under this subsection it shall be presumed that no local educational agency is able to provide suitable free public education for the children of eligible parents employed by the United States until the Commissioner determines, after consultation with the appropriate State educational agency, that a local educational agency is able to do so.'.

"(c) Section 6(d) of such Act is amended by inserting at the end thereof the following: 'The Commissioner shall insure that funds provided under such arrangement or arrangements are expended in an efficient manner, and shall require an accounting of funds by such agency at least on an annual basis. The Commissioner shall further be provided with data relating to the quality and type of education provided to such chidren under such arrangement or arrangements.'.

"(d) Section 6 of such Act is amended by adding at the end thereof the following new subsections:

'(g) The Commissioner shall insure the establishment of an elective school board in schools assisted under this section. Such school board shall be composed of a minimum of three members, elected by the parents of students in attendance at such school. The Commissioner by regulation shall establish procedures for carrying out such school board elections as provided in this subsection.

'(h) A school board as provided in subsection (g) shall be empowered to oversee school expenditures and operations, subject to audit procedures established by the Commissioner, and other provisions of this section.'.

"PROMPT CONSIDERATION FOR APPLICATIONS

"SEC. 210. (a) Section 7(d) of the Act of September 30, 1950 (Public Law 874, Eighty-first Congress), is amended by adding at the end thereof a new sentence to read as follows: 'In any case in which the Commissioner does not complete, within sixty days, all action leading to approval or disapproval of an application filed under this section, the Secretary of Health, Education, and Welfare shall assume responsibility for such approval or disapproval of such application and shall complete such action within ninety days of the filing of such application.'.

"(b) Section 16(c) of the Act of September 23, 1950 (Public Law 815, Eighty-first Congress) is amended by adding at the end thereof a new sentence to read as follows: 'In any case in which the Commissioner does not complete, within sixty days, all action leading to approval or disapproval of an application filed under this section, the Secretary of Health, Education, and Welfare shall assume responsibility for such approval or disapproval of such application and shall complete such action within ninety days of the filing of such application.'.

"PROPERTY OWNED BY FOREIGN GOVERNMENTS AND INTERNATIONAL ORGANIZATIONS; POSTAL SERVICE PROPERTY

"SEC. 211. (a) The second sentence of paragraph (1) of section 403 of the Act of September 30, 1950 (Public Law 874, Eighty-first Congress) is amended by striking out 'and (D)' and inserting in lieu thereof '(D)' and by striking out the period at the end thereof and inserting in lieu thereof the following: 'and (E) any property owned by a foreign government or by an international organization which by reason of such ownership is not subject to taxation by the State in which it is located or a subdivision thereof.'.

"(b) Such paragraph (1) is further amended by inserting immediately before the period at the end of the fourth sentence ', except that such term shall include all real property which is owned by the United States Postal Service which is not subject to any State or local real property tax used for the support of free public education.'.

"DEFINITION OF LOCAL EDUCATIONAL AGENCY AMENDMENT

"SEC. 212. Section 403(6)(A) of the Act of September 30, 1950 (Public Law 874, Eighty-first Congress), is amended by striking out 'free public education' and inserting in lieu thereof 'free public elementary and secondary education through grade 12'.

"HANDICAPPED CHILDREN

"SEC. 213. Paragraph (10) of section 403 of the Act of September 30, 1950 (Public Law 874, Eighty-first Congress) is amended by adding at the end thereof the following new sentence: 'A child shall, for the purposes of section 3, be deemed to be in attendance at a school of a local educational agency if such child is determined to be federally connected under clause (1) or (2) of section 3(a) or under clause (1), (2), or (3) of section 3(b) for any fiscal year and if such child is attending a school other than a school of such agency because such child is handicapped (as defined in section 602(1) of the Education of the Handicapped Act) and if such agency makes a tuition payment on behalf of such child to such school for such fiscal year.'.

"USE OF AVERAGE DAILY MEMBERSHIP

"SEC. 214. Paragraph 10 of section 403 of the Act of September 30, 1950 (Public Law 874, Eighty-first Congress) is further amended by adding at the end thereof the following new sentence: 'Regulations promulgated by the Commissioner in accordance with clause (A) of this paragraph shall permit the conversion of average daily attendance for local educational agencies in States which reimburse local educational agencies based upon average daily membership and which do not require local educational agencies to keep records based on average daily membership and which do not require local educational agencies to keep records based on average daily attendance.'.

"PART B—PUBLIC LAW 815

"GENERAL EXTENSIONS OF PUBLIC LAW 815

"SEC. 221. (a) Sections 3 and 16 of the Act of September 23, 1950 (Public Law 815), Eighty-first Congress), are each amended by striking out '1978' and inserting in lieu thereof '1983'.

"(b) Section 15(15) of such Act is amended by striking out '1973–1974' and inserting in lieu thereof '1978–1979'.

"DETERMINATION OF NUMBER OF CHILDREN

"SEC. 222. Section 5(a) of the Act of September 3, 1950 (Public Law 815, Eighty-first Congress), is amended by striking out paragraphs (1) and (2) and inserting in lieu thereof the following:

'(1) the estimated increase, since the base year, in—

'(A) the number of children determined with respect to such agency under section 3(a)(2) of the Act of September 30, 1950, multiplied by 100 per centum of the average per pupil cost of constructing minimum school facilities in the State in which the school district of such agency is situated;

'(B) the number of children determined with respect to such agency under section 3(b)(1) and such Act multiplied by 90 per centum of such cost; '(2) the estimated increase, since the base year, in—

'(A) the number of children determined with respect to such agency under section

3(b)(3) of such Act multiplied by 50 per centum of such cost; and

'(B) the number of children determined with respect to such agency under section 3(b) (1) and (2) of such Act multiplied by 45 per centum of such cost;'.

"CONSTRUCTION ARRANGEMENTS

"SEC. 223. Section 10(a) of the Act of September 23, 1950 (Public Law 815, Eighty-first Congress) is amended by inserting ', leasing, renovating, remodeling, or rehabilitating' after 'arrangements for constructing' and after 'this section for constructing'.

"DISASTER ASSISTANCE

"SEC. 224. Section 16(a) of the Act of September 23, 1950 (Public Law 815, Eighty-first Congress), is amended by striking out the last sentence in the matter following paragraph (6).

"PART C—GENERAL PROVISIONS

"EFFECTIVE DATE

"SEC. 231. The amendments made by this title shall be effective with respect to fiscal year 1979 and subsequent fiscal years, except that the provisions of section 212 shall take effect on October 1, 1979.

"TITLE III—ELEMENTARY AND SECONDARY SCHOOL ASSISTANCE

"Part A—General Provisions

"AUTHORIZATION OF APPROPRIATIONS

"SEC. 301. There are hereby authorized to be appropriated $3,326,000,000 for the fiscal year ending September 30, 1979, $3,950,000,000 for the fiscal year ending September 30, 1980, $4,127,000,000 for the fiscal year ending September 30, 1981, and $4,265,000,000 for each of the two succeeding fiscal years for the purposes of carrying out this title.

"ALLOCATION OF FUNDS

"SEC. 302. From the sums appropriated pursuant to section 301, the Commissioner shall first reserve an amount not to exceed one percent of those sums for distribution to Guam, American Samoa, the Virgin Islands, the Northern Mariana Islands, and the Trust Territory of the Pacific Islands according to their respective needs for assistance. From the remainder of those sums he shall allocate for the purpose of carrying out Part C of this title an amount which bears the same ratio to such remainder as the total enrollment in non-public elementary and secondary schools in all States bears to the total enrollment in public and non-public elementary and secondary schools in all the States, and he shall allocate the remaining sum for the purpose of cvarrying out Part B of this title.

"DEFINITIONS

"SEC. 303. As used in this title—

(1) The term 'Commissioner' means the U.S. Commissioner of Education.

"(2) The term 'public elementary and secondary education' means education which is provided at public expense, under public supervision and direction, and which is provided as elementary or secondary school education in the applicable State, except that such term does not include any education provided beyond grade 12.

"(3) The term 'elementary school' means a day or residential school which provides elementary education, as determined under State law.

"(4) The term 'secondary school' means a day or residential school which provides secondary education, as determined under State law, except that it does not include any education provided beyond grade 12.

"(5) The term 'State' means the fifty States, the District of Columbia, and the Commonwealth of Puerto Rico.

"PART B—PUBLIC EDUCATION ASSISTANCE

"USE OF APPROPRIATED FUNDS

"SEC. 310. Funds made available to the States under this part shall be used in accordance with State law for the improvement of public elementary and secondary education (including pre-school education) within each State.

"ALLOTMENT TO STATES

"SEC. 311. (a) From the sums made available for the purposes of this part pursuant to section 302 the Commissioner shall allot to each State an amount which bears the same ratio to such sums as the average daily enrollment in the public elementary and secondary schools of such State bears to the average daily enrollment in the public elementary and secondary schools of all the States, as determined by the Commissioner for the most recent year for which satisfactory data is available.

"(b) From the sums allotted to each State for each fiscal year pursuant to subsection (a), the Commissioner shall make payments to such State, in advance or by way of reimbursement, and in such installments consistent with established practice, as he may determine.

"PART C—NON-PUBLIC EDUCATIONAL ASSISTANCE

"SHORT TITLE; PURPOSE

"SEC. 320. (a) This part may be cited as the 'Non-public Educational Assistance Act of 1978'.

"(b) The Congress finds and declares that—

"(1) non-public schools play a vital role in the educational system of this country;

"(2) such schools have contributed significantly to the quality of education in America;

"(3) a strong and diversified American system of education requires the continued viability of these nonpublic schools; and

"(4) a Federal program of grants is needed to assist these schools.

"GRANTS TO NON-PUBLIC SCHOOLS

"SEC. 321. (a) The Commissioner is authorized to make grants to non-public elementary and secondary schools for the purposes set forth in subsection (b).

"(b) Grants made under subsection (a) may be used only for—

"(1) secular textbooks, to non-public elementary and secondary school students which are approved by the State educational agency for use in public elementary and secondary schools in the State;

"(2) standardized tests and scoring services for the use of non-public elementary and secondary school students which are in use in the public schools of the State;

"(3) providing speech and hearing diagnostic services to pupils attending non-public schools, if such services are provided in the non-public school attended by the pupil receiving the services;

"(4) providing diagnostic psychological service to pupils attending non-public schools if such services are provided in the non-public school receiving the services;

"(5) providing guidance and counseling (A) to advise students of courses of study best suited to their ability, aptitude, and skills, (B) to advise students in their decisions as to the type of educational program they should pursue, the vocation they should train for and enter, and the job opportunities in the various fields, and (C) to encourage students with outstanding aptitudes and ability to complete a course of study necessary for admission to institutions of higher education;

"(6) providing secular, neutral, and nonideological instructional materials and instructional equipment, which are incapable of diversion to religious use, and which we incapable of being affixed to the non-public school facility and which are capable of portability from the school to the home by the students of the non-public school; and

"(7) providing necessary transportation to and from non-public elementary and secondary schools to non-public elementary and secondary school children.

"(c)(1) Textbooks described in clause (1) of subsection (b), including book substitutes, shall be limited to books, reusable workbooks, or manuals, whether bound or in looseleaf form, intended for use as a principal source of study material for a class or a group of students, a copy of which shall be available for the individual use of each pupil in such class or group.

"(2) Tests and services described in clause (2) of subsection (b) must be used to measure the progress of nonpublic school students in secular subjects and to identify those non-public school students who are gifted and talented.

"OFFICE OF NON-PUBLIC EDUCATION

"SEC. 322. (a) There shall be, in the Office of Education, an Office of Non-public Education, to carry out the provisions of this part and to insure the maximum potential participation of non-public schools in all other Federal educational programs.

"(b) The Office shall be headed by the Deputy Commissioner for Non-public, Education, who shall be appointed by the Commissioner.

"APPLICATION

"SEC. 323. Financial assistance may be made under this part only upon an application to the Commissioner. Each such application shall contain assurances that any funds received by the non-public elementary or secondary school under this title shall be used only to carry out the purposes of this part.

"EXPEDITED REVIEW OF CONSTITUTIONALITY; SEVERABILITY

"SEC. 324. (a) In any action brought in a district court of the United States, including an action for declaratory judgment or injunctive relief, concerning the constitutionality of any provision of this part, the district court shall certify immediately all questions of constitutionality of such provision to the United States Court of Appeals for the circuit involved, which shall hear the matter sitting en banc.

"(b) Notwithstanding any other provision of law, any decision on a matter certified under paragraph (a) shall be reviewable by appeal directly to the Supreme Court of the United States. Such appeal shall be brought not later than 20 days after the decision of the Court of Appeals.

"(c) It shall be the duty of the Court of Appeals and of the Supreme Court of the United States to advance on the docket and to expedite to the greatest possible extent the disposiion of any matter certified under paragraph (a).

"(d) If any provision of this part, or the application thereof to any person or circumstances, is held invalid, the remainder of the provisions of such section and the application of such provisions to other persons or circumstances, shall not be affected.

"DEFINITIONS

"SEC. 325. For the purpose of this part

"(1) the term 'non-public elementary school' means an elementary school as defined in section 303(3) of this title which is privately operated but only if it is—

"(A) accredited or approved under State law (or, in the case of a school in a State which has no procedure for the accreditation or approval of privately operated schools, which meets the requirements of State law relating to compulsory school attendance), and

"(B) exempt from taxation under section 501(a) of the Internal Revenue Code of 1954 as an organization described in section 501 (c)(3) of such Code; and

"(2) the term 'non-public secondary school' means any secondary school as defined in section 303(4) of this title and which is privately operated but only if it is—

"(A) accredited or approved under State law (or, in the case of a school in a State which has no procedure for the accreditation or approval of privately operated schools, which meets the requirements of State law relating to compulsory school attendance), and

"(B) exempt from taxation under section 501(a) of the Internal Revenue Code of 1954 as an organization described in section 501 (c)(3) of such Code.

AMENDMENT No. 3510

Page 377, after line 16, insert a new section as follows:

SEC. 410. Part C of the General Education Provisions Act is amended by inserting after section 439 a new section 440 as follows:

"Statement of Effect on Basic Cognitive Skills

"SEC. 440 (a) Each recipient of Federal funds (through grant, subgrant, contract, or subcontract) under any applicable program which is to be operated in or have an affect on elementary or secondary education shall include as a part of the application for such assistance a statement—

"(1) describing the intended effect (if any) on the improvement of basic cognitive skills of students and

"(2) which sets forth a method of determining over a period of five years or the length of the program or project for which assistance is requested, whichever is longer, the affect of the program or project on the improvement of basic cognitive skills, and provides for making such determinations.

"(b) The Assistant Secretary shall maintain a file containing each such statement required under subsection (a), taken from the application, together with the results of any determinations of the affect of the program or project on the improvement of basic cognitive skills of students, which file shall be available for public inspection and the contents made available to committees of the Congress or to individual Members of Congress upon their request.

"(c) For the purpose of this section—

"(1) the term 'application' includes

"(A) an application for a grant,

"(B) an offer to make a contract,

"(C) a State plan for the administration of such a program, and

"(D) any other methods for seeking Federal funds under any applicable program; and

"(2) the term 'basic cognitive skills' must include reading, written composition, and mathematical computation."

AMENDMENT No. 3511

Page 377, after line 16, insert a new section as follows:

"SEC. 410. Section 439 of the General Education Provisions Act (relating to 'Protection of Pupil Rights') is amended by inserting '(a)' after '439' and by adding at the end thereof a new subsection as follows:

"(b) No student shall be required, as part of any applicable program—

"(1) to submit to psychiatric examination, testing, or treatment, or psychological examination, testing, or treatment, the primary purpose of which is other than achievement or aptitude testing as defined in this Act,

"(2) to reveal information about this personal or family life (other than personal or family income information required by law to determine eligibility for participation in a program or for receiving financial assistance under such program), or

"(3) to participate in any project which involves surveying, analyzing, or evaluating the personal values, attitudes, or beliefs of the student, without the prior consent of the student (if the student is an adult or an emancipated minor), or in the case of an unemancipated minor, without the prior, written consent of a parent or guardian who has first been informed of the purpose of such examination, test, treatment or information sought to be obtained."

● Mr. HATCH. Mr. President, before explaining the reasons and providing a brief description of my proposed substitute legislation to S. 1753, I would first like to present a capsuled summary of each of my two amendments to the reported version of the Elementary and Secondary Education Act legislation.

First, my amendment on cognitive skills adds a new section to the General Education Provisions Act as included in S. 1753. As connoisseurs of this bill know, the General Education Provisions Act is designed to focus attention on Federal education programs and projects which are claimed to improve basic academic skills of elementary and secondary school students. My amendment would require that the application for each such program or project state whether or not the improvement of such skills is of the purpose of the activity for which the funds are requested, and that this application describe the intended effect of the program on such skills. It also requires, for all those programs or projects authorized in the act which are intended to improve basic skills, a study over 5 years to determine the actual effect of such activity. Finally, the statement in the application, and the results of the followup studies, would be made available to both the Congress and to the public once such information is compiled.

Mr. President, it is an open secret that the No. 1 problem our Nation faces in our elementary and secondary schools today is academic failure on a massive scale. This directly translates into unemployment, rising welfare costs, crime and all that which accompanies a continuous cycle of poverty.

Perhaps there are those who upon reflection on the dismal condition and plummeting test scores of our Nation's elementary and secondary schoolchildren, conclude that we are suddenly confronted with a generation of dull, of unteachable and abnormal children. But most of us know that this is not the case. We know that fewer changes have occurred in family surroundings, in environment or in children's diet than in the kinds and level of programing of education by the Federal Government over the last two decades.

In light of this, it is particularly important that we zero in on these programs; that we identify what they are, and what they precisely do to improve students' performance in the basic skills of reading, writing and mathematics; that we find out more revealing information about these projects and programs that are so often camouflaged in the ambiguous, brief annotated descriptions attached to each respective program section. I want to be very clear that it is not my intent to challenge the integrity or the competence of any of the educators or, as is too often the case, any noneducators responsible for putting together a whole or part of any of the programs I am here describing. I am simply trying to make a cogent case for the obvious, namely, that the designers of these programs are human. They are just people, and they can be wrong. And it is because they are fallible, that like all of us they can never be too removed from further comment or suggestion intended to improve the quality of a program. For this reason, especially, my amendment is offered in order to give a complete description and impact report of these various educational projects and programs coming under the ESEA titles so that this information be made available to educators, to legislators and to the taxpayers whom destiny has chosen to pay for all of this.

I have called this my "cognitive skills" amendment, doing so because it would provide the Congress and the public with the kind of information we need to redirect that area of our educational system dealing with the actual learning skills of students as defined in this act. My amendment poses no danger, clear, present or otherwise, to the Department of HEW—saying this as if for one minute to assume that the Department of HEW would ever lose an hour of agency's sleep over anything done by mere mortals like Senators or Congressmen. In short, this amendment would redirect Federal educational legislation to get the most for the taxpayer's money, or if you will, more "bang for the buck" in improving performance in basic educational skills. Naturally, I feel it is a reasonable amendment—as are all my amendments—and I look forward to discussing it on the floor with my colleagues during the impending consideration of S. 1753.

Moving on, I would now like to say a brief word about my parental consent amendment to the Elementary and Secondary Education Act. Insofar as I sent around a colleague letter on this matter on July 18, I will simply present here today the most basic purposes of the amendment.

In doing so, I would like to thank several of my colleagues, those who requested to cosponsor this measure; those distinguished friends being Senators BARTLETT, GARN, MCCLURE, WALLOP, and ZORINSKY. I would also like to pay tribute to Senator Zorinsky who first alerted the Congress to the potential problems our "parental consent" amendment will address. As always, our independent-minded colleague from Nebraska was ahead of his time, and I am confident that the benefit of his wise counsel will become all the more apparent to everyone in this Chamber during the course of the forthcoming discussion.

Our parental consent amendment takes into account the following: Much of the money authorized in particular titles of the ESEA go for very worthwhile and necesssary forms of tests, medical surveys or other scholastic or aptitude examinations which are above reproach. In my own State of Utah, as I know is the case in Iowa and many other States, we have one of the most well developed and effective scholastic achievement testing programs ever developed for the elementary and secondary school grades.

But while all the money authorized for programs for tests and examinations are well intended, there has been raised a tremendous outcry by parents, PTA officials and others who have written to

my office in recent days; parents who have serious reservations about some of the nonscholastic or aptitude tests; the psychiatric probing and other nongermane, often "mind boggling" surveys being conducted in elementary and secondary schools without the knowledge, much less the consent of the parents or guardians involved.

In Wisconsin, there is a problem publicly funded in part by ESEA money, entitled "Future Directions of Family Planning in Wisconsin." It is a program providing so-called preevaluation training in sex education from kindergarten through 12th grade. The program provides all forms of contraception information, pregnancy and abortion-referral education information and even services to persons as young as 10 years old without parental consent. Though originally set up as a condition for title X funding of State family planning programs under the auspices of the Department of HEW with the endorsement of Planned Parenthood; the program certainly has not won the endorsement of the many parents and other citizens who protested the program last May 19 at a special meeting of the ad hoc committee which administers this so-called education. And it certainly does not win my endorsement, and I would risk saying, does not win the endorsement—or so I hope—of a majority of us in this Chamber. Yet this is one dramatic example of many, all too many which I will be prepared to present before my colleagues during the impending debate on ESEA. It is an abuse. It is a travesty. It is a betrayal of education's basic purpose. It is the kind of thing which our "parental consent" amendment would correct.

Simply stated, our amendment requires that before any elementary or secondary age child is subjected to psychiatric, behavior probing or other nonscholastic and nonaptitude testing; that there must first be obtained the written consent of the respective child's parent or guardian. Our amendment does not add to or subtract from any moneys. It does not presume to redirect any of the programs involved. It does not even say "beans" about the way HEW should be run. Our amendment simply holds that before young children who have not, in many cases, learned to cross a street properly become subjected to sensitivity training or some other variant of "Walden Three"; that we should first have the written OK of their parents or guardian.

This whole problem came about when schools started becoming more concerned with children's attitudes, beliefs and emotions rather than providing them with basic education. And what we have today is a situation where dramatically fewer young children can read, write, or count; but who have become worldly wise to stories about sex and drugs and violence.

This does not speak well for the long-term emotional stability of the child; and such implicit value changes which attend teaching very young children about drugs or sex, or which challenge their faith in their parents constitute the most vile threat to the American family unit. The techniques used to change young children's attitudes and values are an invasion of privacy in the first degree, especially in some of the innovative testing questions soliciting young children to pinpoint their father's or mother's faults or in another ESEA-sponsored program which actually had the students of an elementary school class collectively put their parents on trial—following which the mother and father were always found guilty.

Certainly, this is a perversity of elementary and secondary education. It is not what this Congress intended when the ESEA was first enacted. But now that it has been, and on the assumption that it will again in whatever form, and that the administration of the program—like all Government run enterprises—will be reformed glacially; that our parental consent amendment is the only solution in sight. I urge my colleagues to think about all of this in the days ahead, and to eventually join with those of us who believe that parents should have the final say in the education of their young children.

Finally, Mr. President, I would very briefly like to explain the nature of my proposed substitute in the form of an amendment to S. 1753. Essentially, my bill would block grant the moneys currently authorized in ESEA among the States; it would direct the money to the States directly, best serving their needs, while saving time and money in the amount of administrative exercise and paperwork saved because of the more direct features of my proposal.

My proposal would not affect either impact aid or title I moneys, both of which would remain "as is" in my bill. To be very clear on this, the moneys authorized for disadvantaged students in title I of ESEA as well as the impact aid formula provided in S. 1753 pursuant to Public Laws 94–815 and 94–874 would remain untouched.

What my bill does achieve, however, is 4.5 million man-hours and an estimated millions of dollars spent annually in paperwork and reporting forms required of local and State school districts under the current ESEA bill. While I will present more specific information and comprehensive statistics and survey research to support my position during the days of debate we will have on ESEA, I tentatively reveal to my colleagues that much of my information is collected from the Department of HEW's own findings on the matter; specifically, the paperwork surveys they have most recently completed.

Last July, when the House version of the Elementary and Secondary School Act was considered on the floor of Congress as H.R. 15, my friend and one of the most distinguished and able members of the House Education and Labor Committee, JOHN ASHBROOK of Ohio, offered a bill substitute very similar to the one I offer here today. Though the form and some of the features of my bill are very different from Congressman ASHBROOK's, and largely because of the difference in the composition of the House and Senate versions; the legislative intent is the same. This intent is predicated on the beilef that the States rather than the Federal Government can more effectively, more economically, and ought to properly direct elementary and secondary education programing. It is constitutionally more proper that they do so, and by the money we will save by eliminating the needless and burdensome bureaucratic paperwork involved, we will be able to be true to the genuine purposes of the act without having to violate the spirit of proposition 13. As one who subscribed to proposition 13 before it became popular to do so, I am not foreign to the belief that people in government can save otherwise unnecessary expenses if a genuine effort is made to do so. I hereby present before my colleagues such an effort, and I invite all of us to rise to the occasion.

With these brief introductory remarks having been given about my proposed changes to the Elementary and Secondary Education Act amendments, I would like to thank the President, and my colleagues for your indulgence. I look forward to discussing these matters in more detail next week or whenever the ESEA legislation is to be considered on the floor.●

NOTICES OF HEARINGS

COMMITTEE ON THE JUDICIARY

● Mr. ROBERT C. BYRD. Mr. President, for Mr. EASTLAND and on behalf of the Committee on the Judiciary, I wish to give notice that a public hearing has been scheduled for Friday, August 25, 1978, at 9:30 a.m.. in room 2228 Dirksen Senate Office Building, on the following nomination:

Richard S. Arnold, of Arkansas, to be U.S. district judge for the eastern and western districts of Arkansas vice Terry L. Shell, deceased.

Any persons desiring to offer testimony in regard to this nomination shall, not later than 24 hours prior to such hearing, file in writing with the committee a request to be heard and a statement of their proposed testimony.

This hearing will be before the full Judiciary Committee.●

SELECT COMMITTEE ON SMALL BUSINESS AND SUBCOMMITTEE ON ADMINISTRATIVE PROCEDURES AND PRACTICES

● Mr. NELSON. Mr. President, I wish to announce that the Select Committee on Small Business and the Subcommittee on Administrative Procedures and Practices of the Judiciary Committee will conduct a joint hearing on S. 1974, amendment 849 to that bill, and S. 3330. These measures are designed to promote greater flexibility in Federal rulemaking, particularly where smaller businesses, organizations, and communities are affected.

The hearing will be held at 9:30 a.m. in room 424, Russell Senate Office Building. Interested persons should contact the Small Business Committee at 202–224–5175.●

S. 3060—NATIONAL WORKERS' COMPENSATION STANDARDS ACT OF 1978

● Mr. WILLIAMS. Mr. President, the Subcommittee on Labor of the Committee on Human Resources will hold hearings on S. 3060, the National Workers' Compensation Standards Act of 1978, on Tuesday, Wednesday, and Friday, September 19, 20, and 22, 1978. These hear-

ings will be held in room 4232 of the Dirksen Senate Office Building, and will commence each day at 9:30 a.m.

Those wishing to testify, or wishing additional information, should contact Mike Goldberg or Darryl Anderson of the subcommittee staff at G 237 Dirksen Senate Office Building, Washington, D.C. 20510; telephone—(202) 224–3674.●

ADDITIONAL STATEMENTS

THE ECONOMIC CASE FOR ROTH-KEMP

● Mr. ROTH. Mr. President, in his recent appearance before the Senate Committee, Charles Schultze, the chairman of the Council of Economic Advisors, made a traditional appearance, reciting a traditional litany of our problems, and a traditional list of solutions. He admitted that the administration has no better recommendation to make to the Congress than to fight inflation by slowing economic growth and permitting increases in taxes. This is the traditional prescription of those economists who, for the past 10 years, have brought us the high inflation and high unemployment we are now experiencing. We cannot afford to take their advice any longer.

Mr. Schultze starts out with the good news first. He says that per capita disposable income, after adjusting for inflation, has risen, and that business profits have increased. Income is up—if you compare today's income with the income people were receiving at the low point of the last recession. However, more recent history shows that real spendable earnings, adjusted for taxes and inflation, have fallen seven-tenths of a percent from a year ago. And real economic profits, fully adjusted for inflation, are lower today than they were in 1967. Even worse, more and more economic forecasters are predicting a further slowdown in the months ahead. Some even forecast a full-blown recession for 1979.

The recent drop in earnings, and the continued dismal performance of profits, are due to the inflation and the higher taxes which the inflation produces. The higher taxes cut disposable income directly by reducing take-home pay. Indirectly, higher taxes reduce the growth of the economy, restrain hiring, and retard the growth of wages.

Apparently, however, Mr. Schultze is not concerned with the slowdown in economic growth. He states on several occasions that economic growth must moderate in order to avoid overstimulating the economy. I do not share Mr. Schultze's complacency about our slow rate of economic growth. If Mr. Schultze is correct, that slow growth retards inflation, we should certainly be seeing a drop-off in the rate of inflation right now. Obviously, inflation is getting worse. In fact, since 1969 we have had higher inflation every time production has slowed down, and lower inflation every time production has speeded up. This is just the opposite of what Mr. Schultze's theories predict should be happening.

It is time for this country to develop a new economic theory which will enable us to fight inflation and unemployment at the same time. It should be obvious by now that we cannot fight inflation by reducing production and creating shortages. We need a theory which will enable us to increase production and employment without having to call upon the Federal Reserve to run the printing presses to flood the country with easy money and additional inflation.

The historical record shows that inflation worsens when production falls. Inflation does not stimulate output and employment. Recession does not control prices. The old theory is dead.

There is such a theory, one which analyzes tax cuts in terms of incentives to produce. Higher production creates jobs and lowers inflation at the same time. We need to examine tax proposals in these terms.

Mr. Schultze analyzes a tax cut only in terms of its size, the number of dollars it dumps into the economy. This is supposed to stimulate demand and purchasing power and be spent about twice over to increase GNP by a multiple—two—of the tax cut. Hence, the term "multiplier." This whole line of reasoning is badly out of date, as will be shown later. But, for the moment, let us work in terms of the theory Mr. Schultze is using.

Mr. Schultze overstates the size of Roth-Kemp—see appendix. He then claims that Roth-Kemp is too large, that the increased spending it would generate would greatly exceed our unused capacity, currently between $70 and $90 billion. But, in addition to overstating its size, Mr. Schultze has also forgotten to adjust Roth-Kemp for the offsetting increases in taxes which will be produced by pending social security tax hikes and inflation. These amount to $23 billion in 1979, $42 billion in 1980, $74 billion in 1981, $94 billion in 1982, and $113 billion in 1983. He neglects these tax increases in analyzing Roth-Kemp, but he remembers them when justifying the President's tax cut proposal. Mr. Schultze should subtract these numbers from the Roth-Kemp figures. It is the net tax cut which must be used in a multiplier analysis.

Net of these other tax increases, the tax cuts in Roth-Kemp are only $2 billion in 1979, $8 billion in 1980, and $5 billion in 1981, and a tax increase of $7 billion in 1982, and a tax increase of $18 billion in 1983, as social security and inflation-induced tax increases continue. If Mr. Schultze multiplied these numbers by 2, he would still have no cause to worry about capacity ceilings. On the contrary, he would have to advocate further tax cuts in 1982 and 1983. Clearly, Roth-Kemp is needed just to prevent tax increases over the next 3 years. See appendix.

Mr. Schultze goes astray primarily because he looks at the tax cut out of context, and judges it by size alone. However, the day is past when tax cuts should be thought of only in terms of their size.

Many tax cuts work because of their shape, not their size. Consider an example drawn from the economics of international trade. Suppose a prohibitive tariff, one so high that it chokes off all imports, is placed on French wine. Since no French wine is imported after the tariff, no revenue is raised. Now, suppose the tariff is removed. No revenue is lost, but importation of French wine resumes. Behold. A tax cut of zero dollars results in an infinite percent jump in imports, some positive number of bottles imported divided by zero bottles in the year of the tariff.

Is the example too extreme? Then, consider the recent studies which show a small tax cut on capital gains to be so stimulative of asset trading and GNP that the Federal deficit is reduced. Compare this to the general consensus that tax rebates, even fairly substantial ones, have so little impact on GNP as to be massive revenue losers. Obviously, the type of tax cut matters a great deal.

Mr. Schultze is not alone in his attitude. On July 14, Emil Sunley, of the Treasury, attacked Roth-Kemp and tried to tell the Senate Finance Committee that all tax cuts were pretty much alike in their effect on GNP and in the revenue feedback they would produce. He used this as an excuse for the deplorable Treasury habit of looking only at the initial cost of tax cuts, and of not bothering to analyze the net effect of various tax proposals after all their differential economic repercussions. Here is what several people who were present at that hearing had to say to Mr. Sunley:

Michael Evans, president of Chase Econometric Associates:

As far as the Treasury goes, I have heard that argument. It is a common argument, one they always trot out. It doesn't improve with age.

Norman Ture, president of Norman Ture Associates:

The criticism, for the most part, derives from antique, obsolete notions about how fiscal changes affect the economy. They are the same Keynesian notions which disregard the effects of tax changes on the conditions of supply of factors of production, which look only to the effects on disposable incomes and on aggregate demand, and which in practice have proved to be so consistently, harmfully wrong.

Senator RUSSELL LONG:

You are reluctant to change your practices down at Treasury to include more feedback into your estimates, and it seems to me that you ought to reconsider that position both when you are bringing a proposal up here and when you are looking at one.

Let us take an extreme case where we have a tax that is counterproductive. I don't know at what point a tax becomes counterproductive, but surely if the tax reaches 100 percent of a person's income, you would have to agree that is not going to make the government any money. The people are not going to work if they can't keep some of their money, and the result is the government would lose money. So, if you are going to get anything at all in terms of an accurate estimate of the result of tax change, you have to look at the dynamics.

Now, the same thing is true of a duck shooter. Any good duck shooter knows if the duck flies across in front of the blind and he shoots across the blind he is not going to hit the duck. The duck keeps right on flying. So that you would think that we would all learn, in a moving economy where everything is in motion, you would have to take the dynamics of these things into account.

Roth-Kemp is not designed to work by injecting spending power into the economy. It is designed to work by increasing incentives for the supply of goods and services and to encourage the saving needed to supply investment funds. It does this by reducing marginal tax rates.

The incentive to an activity is the after-tax payment received for it. That payment rises when the tax rate falls.

The "price" of an hour of leisure is the after-tax wage given up by not working. The "price" of a dollar of current spending is the lost dollar plus after-tax interest which could have been spent next year. Lowering tax rates makes leisure and spending more expensive in terms of lost income. As people respond to this "price" change, they shift into work effort and saving. These are both growth-oriented activities. They increase investment, hiring, capacity, and production. They lower interest rates and prices.

The tax rate in question is the rate on the last few dollars of wages, interest, and dividends, because these marginal rates are what will be paid if work effort, saving, and investing are increased. Thus, cuts in tax rates in every bracket encourage more work, saving, and investing, as opposed to leisure and consumption. Tax rate reduction increases the available supply of the labor and capital inputs needed for production of goods for current consumption and production of capital goods to expand future economic capacity. Tax rate reduction changes behavior, just as any other price changes do.

As Norman Ture has explained:

It is in the supply side context, I believe, that one should evaluate the estimates of the Roth-Kemp tax reduction.

The proposed tax reductions would materially reduce the cost of market-directed effort relative to leisure. Certainly the labor force data of the last few years argue strongly for the plausibility of the employment increases we have projected.

Similarly, Roth-Kemp would dramatically reduce the cost of saving and investing relative to the cost of consumption. To assert less is, in effect, to argue that people's saving and investing behavior is irrational, that people are indifferent to the after-tax return they may obtain in deciding how much of their income to save and how much to consume.

The estimated increases in the supplies of labor and capital services argue forcefully against the criticism that Roth-Kemp would accentuate inflation. The contention that enactment of these tax reductions would sharply boost inflation derives from the mistaken Keynesian views which ignore conditions of supply and look only at alleged effects of tax changes on demand, principally consumption spending.

Mr. Wendell Gunn, vice president, Chase Manhattan Bank, stated:

I must emphasize the distinction between cuts in marginal tax rates and the quite different notion of tax rebates. All of the benefits of the former accrue because of the effect on the expected profitability of production and investment. These benefits do not result in the case of a tax rebate, simply because it is related only to previous production, which obviously cannot be altered in response.

The primary rationale of the Kemp-Roth proposal appears to be based on the conceptual framework just discussed. By cutting marginal tax rates on individuals across the board and on businesses, it would provide for noninflationary private sector economic expansion. It would signal abandonment by liberals and conservatives alike of the idea that inflation must be fought with unemployment and vice versa. It would release the enormous pool of energy and individual initiative that has characterized our great country since its inception. New employment would result and those Americans who, for obvious reasons, always seem to bear a disproportionate share of unemployment, would be among the greatest beneficiaries. And, believe it or not, it contains the only hope of ever achieving the elusive balance in the federal budget.

Mr. Ture:

I read Professor Heller's piece in the Wall Street Journal . . . He looks only at one kind of effect . . . an effect on disposable income of the taxpayer, and he thinks that all the consequent effects on the economy derive only from that. It seems to me . . . that captures very, very little of the effect of taxes on the economy.

The real effect of a tax change is that it changes the cost any one of us confronts in doing this versus that. To assume, as Professor Heller explicitly says, that we are unresponsive to these changes in cost is to assume that, as he does, we are all irrational, that the economy in fact operates by gosh and by golly and it is a sort of wonder that it doesn't turn into a black hole and that we don't implode into it.

Well, the economy doesn't operate by gosh and by golly, it operates in a very analyzable way, a very systematic way. You can in effect examine why the economy is going to do what it is going to do if you take account of what happens to relative prices. And tax changes are in fact primarily to be interpreted as changes in the relative prices and costs confronting taxpayers.

Roth-Kemp is not inflationary precisely because it does affect relative prices. It affects behavior, increases growth, and encourages saving.

In order to judge a tax cut's impact on growth and inflation, we have to know what the cut will do to GNP and saving. To finance itself without causing inflation, a tax cut can do four things:

First, it can increase GNP, which is the tax base, and recover revenues to offset part or all of the initial reduction.

Second, if it reduces marginal tax rates it can cause existing savings and investment funds to switch out of tax shelters and nontaxable uses into taxable uses, raising the tax base and revenue. (This also makes saving and investment more efficient, raising GNP by shifting saving and investment from low-yield, but sheltered projects into straightforward, high-yield activities.)

Third, if it reduces marginal tax rates, the tax cut makes saving more rewarding after taxes, and raises the total amount of saving being done. Chase Econometrics forecasts a sharp rise in saving if tax rates are reduced. Some of this saving will go to buy the bonds the Treasury will sell to cover any deficit remaining from the tax cut. Any excess will be used to increase net investment and growth.

Fourth, by fostering growth and employment, the right kind of tax cut reduces unemployment and welfare spending.

As long as revenues rise to offset the tax cut, or as long as savings rise by enough to cover any added debt, the Federal Reserve does not have to buy even one additional Treasury bill, and does not have to add one cent to the money supply.

On the first point, Chase predicts revenue reflows to all governments of 40 percent of the tax cut in the first year, rising to 65 percent of the tax cut by 1987. This is twice the level Mr. Schultze would admit to.

On the second point, lowering tax rates is essential if we are to get people out of tax shelters and back into the real investment in basic American industry we need so badly. Furthermore, shifts out of tax shelters are extremely profitable for the Federal Government. After the Kennedy tax cuts, upper bracket taxpayers shifted out of tax shelters in such large numbers that they paid more taxes even at the lower tax rates. Michael Evans, in a recent Wall Street Journal article, stated:

The top rate was reduced from 91 percent in 1963 to 77 percent in 1964 and 70 percent in 1965 and later years. The figures for actual income tax paid for the period 1961–1966 for taxpayers with incomes of $100,000 or more are taken from Statistics of Income and are reproduced in the accompanying table.

The results are so clear-cut that it is surprising that these figures have not previously been introduced as evidence in favor of Kemp-Roth. After virtually no growth in income taxes at these levels for three years, actual taxes paid rose dramatically beginning in 1964 even though income was taxed at significantly lower rates. In the case of individuals earning over $1 million per year, taxes collected actually doubled in the two-year span during which the tax rates were being lowered!

These results, which represent a remarkable rebuttal of those who argue that upper-income tax cuts are a "raid on the Treasury," indicate that a further reduction from 70 percent to 50 percent would not only spur economic growth and increase aggregate supply, but would actually assure the Treasury of greater tax revenues. The argument for upper-income tax cuts is almost as watertight as the argument for lower capital gains taxes.

TABLE 1.—INCOME TAXES PAID BY UPPER INCOME BRACKETS

	1961	1962	1963	1964	1965	1966
Maximum tax rate (percent)	91	91	91	77	70	70
Level of Adjusted Gross Income						
100,000 to 500,000	1,970	1,740	1,890	2,220	2,752	3,176
500,000 to 1,000,000	297	243	243	306	408	457
Over 1,000,000	342	311	326	427	603	590

Note: All tax figures are in millions of dollars.

Mr. ROTH. But, there is a more serious matter here than collecting more Federal revenue. Marginal tax rates have risen substantially for every level of real income since they were last reduced in 1964. Prices have doubled since then. People earning $20,000 in 1964 were earning the equivalent of $40,000 in today's dollars. These people were just entering tax brackets that made tax shelters seem attractive, brackets which encourage leisure and discourage saving. People filing 2 percent of all tax returns, doing perhaps 10 to 15 percent of the Nation's saving, were affected.

Today, $20,000 in taxable income still diverts people into tax shelters and leisure, and away from saving. But five times the number of people are earning that much today, people who were earning $10,000 in 1964. They were not using tax shelters then. They are now. People filing 10 percent of all tax returns, doing perhaps 30 to 50 percent of the country's saving, are affected.

By 1985, if we do not reduce the marginal tax rates, 25 percent of all tax returns, covering 60 percent of the country's taxable income and 80 percent or more of the country's savings will be in the upper brackets.

To who and at what cost will the American steel industry sell bonds to modernize its plant and equipment if 80 percent of U.S. saving is attracted to tax shelters? Where and at what interest rates will savings and loan companies get deposits with which to make mortgages? How can we maintain our competitive position in world trade if we increasingly siphon off a dwindling supply of saving into inefficient boondoggles instead of into the upgrading of American factories and jobs?

Only the Roth-Kemp bill reduces marginal tax rates, the rates which affect behavior. Only Roth-Kemp addresses this basic question of savings, economic growth, and the protection of American jobs.

As for point three, both Mr. Ture and Mr. Evans agree that saving will increase sharply under Roth-Kemp.

Mr. Ture:

. . . The increase in private saving out of the very substantial increase in real income would be great enough to finance, in real terms, both the additional deficits and very large increases in investment.

Mr. Evans:

In the middle sixties, following the tax cuts, savings as a proportion of GNP rose sharply, and productivity gains . . . were well above average. . . . It is a fact that anybody could verify." (See Table 2.)

In fact, Chase Econometrics estimates that savings will rise enough from the tax rate reductions found in the Kemp-Roth bill to cover any added deficit and to still leave enough saving left over to increase net investment substantially, delivering an enormous boost to real growth and productivity.

As for point four, the impact on unemployment compensation and working people, Evans and Ture forecast an increase of 2–4 million jobs from Kemp-Roth, and higher wages. And Mr. Ture stated:

Just as one would expect, labor would be by far the principal beneficiary of Roth-Kemp; about two-thirds of the increase in aggregate real income would be in the form of the increase in total labor compensation."

Thus, Kemp-Roth is not inflationary. It is self-financing four ways. Mr. Schultze doubts this primarily because, in his frame of reference, he has no way to distinguish between a tax cut which alters incentives, reduces the use of tax shelters, and stimulates savings and investment, and one which simply cuts Federal revenue and forces the Federal Reserve to create money to buy Treasury debt.

What has happened to Mr. Schultze is very simple. He is a macroeconomist used to looking at tax cuts according to their size. Roth-Kemp is a very small net tax cut which operates by restructuring tax rates and affecting incentives. Thus, its effects fall within the study of individual behavior—microeconomics. Mr. Schultze is out of his element here.

Mr. Schultze has totally neglected the fact that saving will be encouraged by lower tax rates. He has given no thought to the efficiency gains (and tax revenues) that will result as people shift from tax shelters into ordinary investment. He ignores production gains from a greater acceptance of overtime, or the more intense work effort and seeking after promotions brought on by lower rates. He neglects the benefits from increases in research and development as profitability is restored. These microeconomic effects come from lowering the tax barriers between effort and reward. These barriers, which Kennedy reduced, have been gradually resurrected by 15 years of inflation. They are powerful. They are not in the Keynesian short-run world view.

In the Kennedy years, the labor supply rose sharply, productivity rose sharply, savings surged, and capacity increased much faster than in the previous decade. Mr. Schultze says capacity and productivity will not rise fast enough for Roth-Kemp to repay Washington in three years in terms of higher Federal revenue. Maybe not. But, any delay in repayment will be thoroughly covered by higher saving, not by inflationary money creation. And the tax cut will repay the country as a whole in terms of full employment, higher real income, higher State and local tax receipts, fewer lives wasted on welfare, and a rekindling of the work ethic and entrepreneurial incentives. People will be working for themselves and their families once again, and upward mobility will again be part of American life.

Mr. President, I ask that a table, the appendix and two articles from the Wall Street Journal be printed in the RECORD.

The material follows:

TABLE 2.—INCREASE IN SAVINGS AND PRODUCTIVITY FROM KENNEDY TAX CUTS

[Dollar amounts in billions]

Year	Total individual savings [1]	Increase over preceding year: Savings, Dollars	Savings, Percent	Productivity [2] (percent)
1960	$34.900	−$2.472	−6.61	1.6
1961	34.693	−.207	−.59	3.3
1962	40.243	+5.550	+16.00	4.6
1963	45.232	+4.989	+12.40	4.0
1964	54.901	+9.669	+21.38	4.1
1965	62.028	+7.127	+12.98	3.7
1966	72.003	+9.975	+16.08	3.2
1967	72.726	+.723	+1.00	2.3
1968	78.028	+5.302	+7.29	3.3
1969	69.563	−8.465	−10.85	.3

[1] Increase in financial assets, plus net increase in tangible assets, less debt.
[2] Output per hour of all persons.

Sources: Savings: Board of Governors, The Federal Reserve. Productivity: Department of Labor, Bureau of Labor Statistics.

APPENDIX

In his appearance before the Senate Budget Committee, Charles Schultze presented a simplistic, back-of-the-envelope analysis of something he labeled the Roth-Kemp bill, but which was really a straw man set up to be an easy target for a cheap shot.

Here is how the straw man was set up. The first step was to make Roth-Kemp seem very large. Mr. Schultze conveniently set aside the social security tax rate increases of the next few years, and the higher tax rates which will result from inflation's pushing people into higher tax brackets. These two types of tax increases will bloat federal revenues above the levels of the 1977 Tax Act by about $25 billion in 1979, $40 billion in 1980, $65 billion in 1981, $90 billion in 1982, and $110 billion in 1983. (For every 10 percent rise in prices, the higher tax rates caused by inflation raise tax revenues by 16 percent. The above figures only include this extra 6 percent windfall in excess of the revenues the government needs to keep up with inflation.)

Setting these tax increases aside accomplished two things. It inflated the gross size of the Roth-Kemp cut, before subtractions, and then omitted the subtractions altogether, never putting Roth-Kemp on a net basis.

THE GROSS CUT

Since these tax increases may cause a recession, and will surely at least slow economic growth, removing them from consideration lets Mr. Schultze forecast a strong economy, an expanded GNP, and expanded revenues. The Roth-Kemp tax cut, which is one-third of income tax receipts, looks larger the larger one assumes revenues will be. In fact, many economic forecasters are considerably less sanguine about the economic outlook than Mr. Schultze, and would not put the Roth-Kemp bill anywhere near such a gross size as Mr. Schultze uses.

Thus, Mr. Schultze calls Roth-Kemp a $30 billion tax cut in 1979, and a $110 billion cut in 1981. In fact, it is nearer a $25 billion cut in 1979, a $50 billion cut in 1980, a $79 billion cut in 1981, an $87 billion cut in 1982, and a $95 billion cut in 1983.

THE NET CUT

Demand analysis operates on net injections of money into the spending stream.

Mr. Schultze should have subtracted the pending tax increases from gross Roth-Kemp figures, and compared the net Roth-Kemp numbers to the slack in the economy. Alternatively, he could have assumed the pending tax increases will widen the slack considerably, and compared somewhat lower gross Roth-Kemp numbers to the larger post-tax-increase slack.

What Mr. Schultze has done is to compare the gross Roth-Kemp numbers to the current slack. No wonder he sees the economy crashing through some sort of capacity ceiling, and generating inflation!

Net of pending tax increases, the Roth-Kemp personal tax cuts are about $2 billion in 1979, $8 billion in 1980, $5 billion in 1981, a $7 billion tax increase in 1982, and an $18 billion tax increase in 1983, assuming 6 percent inflation. In fact, inflation and its resulting tax increases will probably be larger than assumed by Chase, and the net size of Roth-Kemp smaller than shown here.

We can compare these net numbers, even multiplied by two, to our current $70–$90 billion per year economic slack, and see that Roth-Kemp does not crash through some supposed capacity ceiling. It does not lead to wild inflation. In fact, we would need to index the income tax by 1981, or have further tax cuts, to keep Roth-Kemp and full employment from being repealed by inflation by 1985!

OTHER FLAWS IN SCHULTZE ANALYSIS

Even allowing Mr. Schultze to use the gross figures instead of net for Roth-Kemp, his analysis goes astray.

For a tax cut to receive the full multiplier, it must not be offset by other factors. As we have seen, if other taxes rise, the net effect is

reduced. But this is true even if other taxes do not rise!

Every tax cut must be financed, unless spending is cut. Suppose spending is not cut. Suppose the Treasury finances the tax cut by borrowing. Then the purchasing power injected by the tax cut is borrowed back by the Treasury, and the multiplier process collapses. The tax cut is ineffective, be it Roth-Kemp, Carter, or Ways and Means!

Thus, Mr. Schultze must be assuming that the tax cut is funded by some means other than borrowing from the public. There is only one other way out for him. He must expect the Federal Reserve to buy the Treasury bonds with new money. In the final analysis, Mr. Schultze's tax cut scenario works only if the Federal Reserve finances it almost in its entirety. Tax cuts are not fiscal policy anymore. They are monetary policy! Mr. Schultze is implicitly assuming a totally accommodative monetary policy. If the Federal Reserve chose not to be totally accommodating, it could make any tax cut noninflationary. The amount of inflation would then be a function of the response of the Federal Reserve, not a function of the size of the tax cut. Thus, Mr. Schultze's basic premise falls apart.

ROTH-KEMP TAX CUT VERSUS SOCIAL SECURITY AND INFLATION TAX INCREASES

[Chase econometrics forecast; billions of dollars changes from 1977 tax code levels]

Year	1979	1980	1981	1982	1983
Roth-Kemp tax cut:					
Total cut (before reflow from higher GNP)	25	50	79	87	95
Personal cut (before reflow)	21	45	73	80	88
Social security increase	12	18	36	40	42
Inflation tax increases:					
Personal	9	19	30	42	55
Corporate	2	5	8	12	16
Sum of increases	23	42	74	94	113
Net tax cut, increases less Roth-Kemp (+ indicates					
Net tax cut, increases less Roth-Kemp	−2	−8	−5	[1] +7	[1] +18

[1] + Indicates tax increase.

[From the Wall Street Journal, Aug. 7, 1978]

TAXES, INFLATION AND THE RICH

(By Michael K. Evans)

Increasing numbers of economists have recently suggested that massive tax cuts would cure the ailments of the U.S. economy by increasing productivity, raising incentives and hence expanding aggregate supply. The idea of supply-side incentives has been embodied in proposals like the Steiger amendment to cut capital gains taxes and the Kemp-Roth bill for an across-the-board tax cut.

These bills, and the new supply-side thinking, raise issues that sound startling in the context of contemporary economic thought: Is it possible to cut taxes without spurring inflation? And is it possible to cut taxes, or at least certain taxes, without even reducing total revenues received by the federal Treasury?

The historical record clearly indicates that the rate of inflation is inversely proportional to the gap between actual and maximum potential GNP. So measures that raise potential GNP would reduce inflation at the same time they increase economic growth. Measures that succeeded in expanding the gap by raising potential would clearly offer greater benefits to society than the traditional remedies of fiscal and monetary restraint, which expand the gap by reducing aggregate demand.

HOW A TAX CUT REDUCES INFLATION

In order for a tax cut to reduce inflation, it must increase maximum potential GNP faster than actual GNP. This is accomplished only by raising the investment ratio or by increasing incentives to work because a larger proportion of income will remain after taxes. Not all tax cuts accomplish this. A tax reduction of $50 per person, for example, would have no measurable effect on productivity or incentives, so it would not raise potential GNP. However, it would increase actual GNP, hence reducing the gap and raising the rate of inflation.

Thus the other extreme, a reduction in corporate income taxes or capital gains taxes would initially affect investment, thereby leading to the desired effect on productivity and total supply. While actual GNP would obviously rise because of higher capital spending, the gap would increase, thereby reducing the rate of inflation. A number of studies by Chase Econometrics and others have already shown the salutory impacts of business tax cuts.

The question of personal income tax cuts, which has become particularly relevant in view of the increased interest in the Kemp-Roth bill, is a much more difficult one to answer. While it may be theoretically appealing to argue that a reduction in personal income taxes encourages an individual to work harder and thus increase both his pretax and aftertax income, little evidence has been assembled either to support or disprove this hypothesis.

One of the major problems is measuring the amount and intensity of work offered by an individual taxpayer. However, a reasonable proxy variable is the amount of income taxes paid by this individual. Thus we can examine what happened to federal personal income classification in the years following major tax cuts. These occurred in the mid-1920s, under Treasury Secretary Andrew W. Mellon, and in 1964–1965. It is interesting to examine both of these periods in some detail.

Before the U.S. entered World War I, the maximum tax rate on personal income was 15%, but this rate rose dramatically to a peak of 73% in 1918 and succeeding years. It was then cut to 55% in 1922 and 25% in 1926. It is instructive to learn what happened to taxes paid by millionaires—that group which has been singled out by President Carter and Treasury Secretary Blumenthal as unworthy of further tax relief. To adjust for the differentials caused by inflation, we consider those taxpayers with incomes over $300,000 in 1922 and in 1927, although even this adjustment is an understatement of the true effects of rising prices. In 1922, this group paid taxes of $77 million, while in 1927, the year after the second reduction in rates, its members paid a total of $230 million. Not only did the economy benefit significantly, but the millionaires themselves paid three times as much in taxes with lower rates.

It could be argued that the Mellon tax cut results, while instructive, are not relevant today since the institutional structure and income distribution of the U.S. economy are far different now than they were in the 1920's. However, we need not be restricted to a reading of "ancient history" in our determination of how a reduction in top bracket rates might affect overall revenues. Fortunately we can rely on the figures before and after the Kennedy-Johnson tax cuts of 1964.

As most readers will recall, the top rate was reduced from 91% in 1963 to 77% in 1964 and 70% in 1965 and later years. The figures for actual income tax paid for the period 1961–1966 for taxpayers with incomes of $100,000 or more are taken from "Statistics of Income" and are reproduced in the accompanying table.

The results are so clear-cut that it is surprising that these figures have not previously been introduced as evidence in favor of Kemp-Roth. After virtually no growth in income taxes for incomes over $100,000 for three years, actual taxes paid rose dramatically beginning in 1964 even though income was taxed at significantly lower rates. In the case of individuals earning over $1 million per year, taxes collected actually in the two-year span during which the tax rates were being lowered. For income classes under $100,000, taxes either fell or rose less than the average growth in total personal income.

These results, which represent a remarkable rebuttal of those who argue that upper-income tax cuts are a "raid on the Treasury," indicate that a further reduction from 70% to 50% would not only spur economic growth and increase aggregate supply, but would actually assure the Treasury of greater tax revenues. The argument for upper income tax cuts is almost as watertight as the argument for lower capital gains taxes.

The more extreme proponents of Kemp-Roth have sometimes seemed to suggest that this phenomenon occurs at all income levels. It does not, as can be seen by a perusal of the complete "Statistics of Income" figures, and by the fact that aggregate personal income tax collections did decline from $51.5 billion in 1963 to $48.6 billion in 1964. This should come as no great surprise: The effects on individual incentives and supply labor are undoubtedly much greater where taxes are highest—at the upper income levels rather than for the typical wage earner.

FLEXIBILITY FOR UPPER INCOME GROUP

Furthermore, just as has been shown in recent work on capital gains taxes, upper-income individuals have far greater flexibility in arranging the income for their assets in the form of tax-free or tax-sheltered income when tax rates are at punitively high levels. The risks of unreported income become relatively much smaller when tax rates are near 100%, and the lure of diverting earnings to foreign countries becomes much greater.

Thus if the Treasury wants to collect more revenues, it will lower the highest marginal tax brackets. Only if it wants less revenue and poorer economic growth so badly that it is willing to penalize all those "millionaires" will it push for higher upper-income tax rates.

INCOME TAXES PAID BY UPPER INCOME BRACKETS

	1961	1962	1963	1964	1965	1966
Maximum tax rate (percent)	91	91	91	70	70	70
Level of Adjusted Gross Income						
100,000 to 500,000	1,970	1,740	1,890	2,220	2,752	3,176
500,000 to 1,000,000	297	243	243	306	408	457
Over 1,000,000	342	311	326	427	603	590

Note: All tax figures are in millions of dollars.

[From the Wall Street Journal, Aug. 2, 1978]

THE ECONOMIC CASE FOR KEMP-ROTH

(By Paul Craig Roberts)

Walter Heller is known to the public as a liberal economist who was Chairman of the Council of Economic Advisers under a Democratic President, and Herbert Stein as a conservative economist who held the same position under Republican Presidents. Both agree that the Kemp-Roth tax rate reduction bill is economic nonsense. "It would soon generate soaring deficits and roaring inflation," says Mr. Heller. "I agree," says Mr. Stein.

Before the public is misled by their agreement into concluding that there is no economic case to be made for Kemp-Roth, I would like to show that there is.

Profs. Heller and Stein both think of tax cuts in Keynesian terms of the dollar amount put into the economy to fuel spending. They believe tax cuts work by raising the disposable income of consumers, who then spend more. The increased spending soaks

up excess capacity and unemployed labor, thus moving the economy to higher levels of employment and GNP. The Kemp-Roth bill is, in their view, too large a tax cut. They believe it would fuel more new spending than there is excess capacity and produce an inflationary excess demand.

As Mr. Heller put it on this page July 12, the bill would "simply overwhelm our existing productive capacity with a tidal wave of increased demand." A smaller tax cut, he thinks, would be in order. In his July 18 article, Mr. Stein agreed with this economic analysis, but supported Kemp-Roth as a desperate means of forcing a reduction in federal spending.

A CURIOUS ANALYSIS

This economic analysis, first of all, is a curious one for economists who believe that tax cuts work by increasing demand. Without Kemp-Roth, taxes will increase due to automatic tax increases caused by inflation and higher Social Security taxes; one would expect Keynesians to be worrying about the need to offset the depressing effects of "fiscal drag."

In the context of ongoing tax increases, the Kemp-Roth reductions in the personal income tax rates do not amount to much in dollar terms. Net of the tax increases, Kemp-Roth is a $2 billion cut in 1979, a $15 billion cut in 1980, an $18 billion cut in 1981, a $7.5 billion cut in 1982 and a $1 billion cut in 1983—hardly enough to overwhelm the nation's productive capacity with a tidal wave of consumer spending. Keynesians ought to believe that the net additions to demand provided by Kemp-Roth are too small to have much impact on the economy, just as Mr. Heller says that the Mellon cuts of the 1920s were too small in dollar terms to have had any relation to the prosperity that followed.

The economic case for Kemp-Roth though, does not rest in increasingly dubious Keynesian premises about government policy "injecting" spending to add to aggregate demand. Like the Mellon tax cuts, it is based on incentive effects, on the economics of supply. As the adage goes, it is hard to teach old dogs new tricks, and Keynesians, who have spent four decades thinking in terms of spending and demand, find it hard to understand arguments about incentive and supply.

The new supply economists think of tax rate changes as incentive changes, not as income changes. To understand the difference, consider the removal of a tariff that is high enough to prevent trade in a commodity. When the tariff is lifted, no revenues are lost, no budget deficits result and no money is put into anyone's hands. Yet clearly economic activity will expand, because the disincentive is removed. Nothing in Keynesian theory captures this effect.

Yet this is in fact how tax cuts work. A tax rate reduction does not in itself produce more real goods and services. There cannot be more income unless people produce more; the only way a tax cut can boost GNP is by providing an incentive for more production. If people respond to tax cuts by working less, as Mr. Heller suggests, then GNP would fall and Keynesian fiscal policy wouldn't work either!

When tax rates are reduced, the after-tax rewards to saving, investing and working for taxable income rise. People switch into these activities out of leisure, consumption, tax shelters and working for nontaxable income. The incentive effects cause an increase in the market supply of goods and services—thus the name "supply side economics."

Consider first the choice between working for additional taxable income and enjoying additional leisure. The price to the person of additional leisure is the amount of income, after tax, that he gives up by not working. Obviously, the higher the tax rate he faces, the cheaper leisure is in terms of the income he sacrifices. In our nation with its substantial income cushions, work disincentives are not limited to the top tax brackets. Studies by Martin Fieldstein of Harvard show that the lack of a significant gap between after-tax take-home pay and untaxed unemployment benefits has made leisure a free good for one million workers, thus shrinking GNP and the tax base by the value of their lost production.

Consider next the choice between working for taxable and nontaxable income. Take the case of a carpenter facing a 25% tax-rate. For an additional day's earnings of $100 he gets to keep $75. Suppose that his house needs painting and a painter costs $80 a day. Since his after-tax earnings are only $75, he saves $5 by painting his own house and chooses not to earn the additional $100. Alternatively, the carpenter and painter may swap services, but either way the tax base is smaller by $180, and the government loses tax revenues.

Studies by Gary Becker of the University of Chicago have made it clear that capital and labor are employed by households to produce nontaxable income through nonmarket activities, such as a carpenter painting his own house. The amount of household-owned capital and labor supplied in the market is affected by tax rates. The higher they are, the more households allocate their resources to the production of nontaxable income.

Now consider the decision between using income for current consumption or saving and investing it for future income. The price to the person of enjoying additional current consumption is the amount of future income he forgoes. The higher the tax rate, the smaller the amount of after tax future income he sacrifices by enjoying additional current consumption.

Take the case of a person facing the 70% tax rate on investment income. He can choose to invest $50,000 at a 10% rate of return, which would bring him $5,000 per year of additional income before taxes. Or he can choose to spend $50,000 on a Rolls-Royce. Since the after-tax value of $5,000 is only $1,500, he can enjoy a fine motor car by giving up only that amount. Britain's 98% tax rate on "unearned" (investment) income has reduced the cost of the Rolls-Royce in terms of forgone income to only $100 a year. The profusion of Rolls-Royces seen in England today is mistaken as a sign of prosperity.

Walter Heller tells us, though, that the decision to save does not depend on the relative prices of current consumption and future income; that "Denison's Law" shows that savings do not respond to higher after-tax rewards. But the most recent empirical studies of the responsiveness of savings are those of Michael Boskin of Stanford, who concludes that "private saving is indeed strongly affected by changes in the real after-tax rate of return." He specifically dismisses "Denison's Law" as a "conjecture based on evidence which is flimsy at best and dangerously misleading at worst." A current understanding of the Kemp-Roth bill's effect on savings is absolutely crucial to assessing an asserted inflationary effect.

To summarize the above points: With so many decisions affected by tax rates, it is obvious that the market supply of goods and services must respond to changes in tax rates. Our economy functions because people respond to changes in relative prices: the price of butter relative to that of margarine, beef relative to chicken, capital relative to labor and so on. A tax rate change is just another relative price change. It changes the prices of leisure and current consumption in terms of forgone current and future income. To claim that people don't respond to these price changes goes against the basic principles of economic science. Yet there is no recognition of such response in the brand of economics now used to brand Kemp-Roth as wildly inflationary.

Since Mr. Heller goes out of his way to criticize those of us who have done staff work on the Kemp-Roth bill, he should be especially interested in the results of the congressional staff debates on these points over the past year. The Congressional Budget Office, like the Treasury, once habitually offered simplistic revenue estimates that omitted the expanded tax base and revenue feedbacks. These static revenue estimates are now discredited. CBO Director Alice Rivlin has been forced to admit that her models, based on familiar Keynesian principles, are "unable to provide estimates of the long-run impact tax cuts."

(By the way, Prof. Heller's own staff work could use some polishing. The numbers he attributed to Norman Ture do not come from Mr. Ture.)

Mr. Heller and Mr. Stein believe the Kemp-Roth bill depends on stimulating GNP sufficiently that government revenues will not fall even in the first year, thus avoiding an inflationary deficit. In arguing that feedbacks are not large enough to recover all revenues, they are demolishing a straw man. This is not what the bill's proponents mean when they say it would pay for itself. Part of the projected deficit will indeed be eliminated by revenue from the larger GNP. The remaining deficit will not be inflationary because it will be self-financing.

Deficits are linked in the public mind with inflation or crowding out because the deficits of the past decade have originated from increased government spending and tax rebates—fiscal policies designed to increase demand, not incentives. These deficits add to the demand for funds in the financial markets, thus pushing up interest rates. The Federal Reserve then adds to the money supply, monetizing the deficit in an effort to avoid rising interest rates and crowding out, and this excessive money creation causes inflation.

While Keynesian eyes can see no difference between these deficits and deficits caused by cutting taxes, in terms of incentives this difference is decisive. Lower tax rates increase after-tax rates of return, which in turn expand private savings. When Mr. Boskin's measures of the responsiveness of savings are applied to the Kemp-Roth bill, they predict an increase in gross savings of $35 billion in the first year and a steady growth thereafter. Mr. Ture has even higher estimates of the savings effect, as does Chase Econometrics.

Savings, of course, represent the supply of funds in the financial markets. So deficits caused by tax rate cuts add to the supply of funds as well as the demand for funds. This allows the deficit to be financed without pressure on interest rates and money creation. There is no need to monetize the deficit and thus no inflationary effect. In addition, the larger GNP also means higher revenues for State and local governments and corporations, which reduce their own borrowings and ease pressure in the financial markets.

THE CHASE FORECAST

Chase Econometrics has considered all of these effects in studying the effect of the Kemp-Roth bill. Chase forecasts that the federal government would recover in revenue reflows 41% of the $25 billion tax cut in the first year. This rises to 72% in the seventh year. The remaining deficit is more than covered by the increase in personal savings, retained earnings, and state and local government surplus. Thus the deficit puts no pressure on credit markets. The tax cut generates enough new savings to finance the deficit plus an increase in private investment.

It is theoretically true, of course, that government spending could increase rap-

idly enough to soak up all additional savings and restore pressure to monetize the deficit. But if government spending in real terms could be held to current levels for about two years, the Kemp-Roth bill would get us out of the high deficit, high inflation, low productivity, low growth doldrums, and save transfer programs like Social Security.

As for Mr. Stein, many proponents of Kemp-Roth agree with him that government spending is already too high, but this is a separate issue. Legislatively, tax bills are separate from spending bills, and there is no way to tie them together. The only purpose that could be served by the bill's sponsors calling for accompanying spending cuts would be to threaten the vested interests of the congressional spending committees and their constituents, leaving the bill hostage to a bitter and quite unnecessary political fight.

As for Mr. Heller, he does better when he takes off the Keynesian blinders and relies on his own experience with the Kennedy tax cuts. In his article on Kemp-Roth he says, "To attribute to the 1962–64 tax cuts all the expansion and revenue increases in 1963–68 boggles the mind. It totally ignores the huge (over) stimulus of the Vietnam expenditures." In other words, the tax cut did not pay for itself. But he saw these events differently in testifying before the Joint Economic Committee in February 1977.

ANTICIPATING THE LAFFER CURVE

In his testimony Prof. Heller anticipated the Laffer Curve, saying that the Kennedy cut "was the major factor that led to our running a $3 billion surplus by the middle of 1965 before escalation in Vietnam struck us. It was a $12 billion tax cut which would be about $33 or $34 billion in today's terms, and within one year the revenues into the Federal Treasury were already above what they had been before the tax cut." He concluded, "Did it pay for itself in increased revenues? I think the evidence is very strong that it did."

On this point Mr. Denison has something interesting to say. His estimate of the gap between actual and potential GNP for 1962 and 1963 is only $12 billion—the size of the Kennedy tax cut. Obviously, such a small gap left little room for an expansion based on increased demand and unused capacity. If Mr. Denison is correct, the substantial expansion that followed the tax cut had to be based on something else, a supply-side response to the higher after-tax rates of return.

Far from being wildly inflationary even with little unused capacity in 1962, the Kennedy tax cuts promoted healthy and noninflationary expansion. Once demand management is forgotten and incentive effects are understood, there is every reason to believe the Kemp-Roth tax cuts would do the same.●

CAPITAL GAINS TAXES FORCE HOMEOWNERS NOT TO SELL

● Mr. CHURCH. Mr. President, many older persons now find themselves in an impossible housing situation.

Large numbers want to sell their homes and move to a more modest dwelling, after raising their families.

But when they do, they are typically socked with a big capital gains tax. In addition, they are likely to be subject to a 15-percent minimum tax if the untaxed portion of their long-term capital gain exceeds $10,000.

The net effect is that they are in a "no-win" situation. If they remain in their homes, they are confronted with rapidly rising property taxes, maintenance costs, and energy charges. But when they sell and do not purchase a replacement residence costing as much or more than their former home, they pay a healthy chunk of the proceeds for Federal and State income taxes.

Recently, I sponsored legislation, S. 3385, to provide a one-time, up to $100,000 exemption from capital gains tax for persons who sell their homes.

The House of Representatives passed H.R. 13511—the Revenue Act of 1978—on August 10, which includes this capital gains exemption for the sale of personal residences.

This provision already has strong support, and I urge the Senate to approve it.

A recent article by Louise Cook in the Idaho Statesman provides compelling reasons to ease the capital gains burden for homeowners.

Mr. President, I commend this article—entitled "Capital Gains Taxes Force Homeowners Not To Sell"—to my colleagues, and ask that it be printed in the RECORD.

The article follows:

[From the Boise, Idaho Stateman, July 30, 1978]

CAPITAL GAINS TAXES FORCE HOMEOWNERS NOT TO SELL

(By Louise Cook)

Mary and Edward Burke are in their late 50s. They would like to leave the three-bedroom home they own for an apartment, but they can't afford to sell.

Burke is a made-up name; the problem is all too real.

It is a problem that causes people to accumulate huge, but artificial, profits during years of home ownership. Profits that are created by inflation but are still subject to capital gains taxes that can wipe out a large portion of a family's retirement nest egg.

Just as young couples find it tough to buy their first house, older people find it tough to sell their last one. "It's hard to get on the train and it's hard to get off," said Kenneth J. Thygerson, an economist with the U.S. League of Savings Associations.

The elderly in particular, he said, "feel locked in. They consume more housing than they want to."

Congress is trying to find a key to the lock. One potential solution is included in the $16.2 billion tax-cut bill approved by the House Ways and Means Committee and expected to reach the floor of the House during the week of Aug. 7.

The bill includes two provisions that would have the effect of eliminating capital gains taxes on the sale of a home in many cases. One provision would allow individuals—on a one-time only basis—to exempt from capital gains tax up to $100,000 of the profit from the sale of their principal residence as long as they had lived in it for two years.

Another section of the bill exempts from taxation any inflation-caused increase in the value of a home or other asset starting in 1980.

No one knows how many people move into a house, pay off the mortgage and remain, without ever selling their home and facing the capital gains problem. Census Bureau figures show that on the average, houses change hands every 10 to 12 years. One mortgage is exchanged for another. Mobility is greater in California and lower in New England.

Housing, said Thygerson, is "the only asset most people have that has risen faster than inflation." If you bought a house for $25,000 five years ago and sell it for $50,000 today, you have a theoretical profit of $25,000. You'll probably have to use up that profit—and more—to buy a replacement home, but, "If you hadn't had that house in the first place, you'd have been even worse off," Thygerson said.

"Once you're in a house you benefit by inflation," said Thygerson. The disadvantages become more apparent when you want to sell your home and buy a cheaper one or move into rental housing. That's where capital gains come in.

Under present law, payment of capital gains tax on profits from the sale of a home is deferred as long as you buy a replacement residence within 18 months that costs as much or more than the house you sell. The tax is only postponed; it is not forgiven. Any gain not taxed in the year you sell your old home is subtracted from the cost of your new house to determine what's known as the basis price used in later transactions.

Here's how it works:

You buy a house for $20,000 and, 10 years later, sell it for $40,000. Capital gain: $20,000.

With the proceeds from the sale of the first house you buy a second one, this time paying $50,000. The basis price of your new home for the purpose of capital gains will be $30,000—the actual purchase price minus the earlier capital gain. Fifteen years later, you sell the second house for $100,000. Capital gain: $70,000.

You rent an apartment and now it's time to pay the taxes. You must report $35,000 or half the capital gain on your return and pay tax according to your regular bracket. If you were in a 40 percent bracket, the capital gains tax on the $35,000 would be $14,000. The other half of the capital gain, minus a $10,000 exemption, is subject to a minimum tax of 15 percent. In this example, the minimum tax would be $3,750. Total tax: $17,750.

(If you are over 65, you are not subject to tax on the first $35,000 of your capital gain. Half of the other $35,000—$17,500—would be reported as regular income and half, minus the $10,000 exemption, would be subject to the minimum tax. In the above example, that would mean your tax bill would be $8,125.)

If the proposal passed by the House panel becomes law, you would face no tax on your profit since it comes within the $100,000 limit.

Suppose, however, you sell your second house for $150,000. Your total capital gain would be $120,000—$20,000 from the first house and $100,000 from the second house. If the sale took place today, you would face taxes on a capital gain of $20,000. If it took place after 1980, the inflation-adjustment provision would come into play. That provision allows you to adjust the basis price used for capital gains to reflect increases in the Consumer Price Index.

Let's assume it's 1990. In the 10 years between 1980 and 1990, the Consumer Price Index had increased by 75 percent. Your basis price of $30,000 also would be increased by 75 percent to $55,500. The $150,000 sale price minus the adjusted basis price would leave you with a capital gain of $94,500—within the exemption limit.●

PODRABINEK AND PSYCHIATRIC ABUSE

● Mr. CASE. Mr. President, in another move against human rights, a Soviet court on Wednesday sentenced Aleksandr Podrabinek to 5 years in internal exile.

Aleksandr Podrabinek is a member of the Working Commission on the Abuse of Psychiatry for Political Purposes and his book, "Punitive Medicine," has shed valuable light on Soviet abuses. That is why the Soviet state is taking its revenge on Podrabinek and his family. In March of this year, his brother Kirill Podrabinek, was sent off to 2½ years in camp for possession of a harpoon gun. And now we await a verdict on Aleksandr.

Far from the eyes and ears of the

world, hundreds, perhaps thousands, of people in the U.S.S.R. are immured in Soviet psychiatric hospitals. Not all of these people are political dissenters. Many are religious believers, or workers who have complained of unfair treatment on the job. And it is because Aleksandr Podrabinek has made known the fate of hundreds of these people in his book and in the bulletins of the commission, that the Soviets are putting him on trial.

One example of a person locked away in Soviet psychiatric prisons is Vasily Shipilov, born in 1922. He has spent 29 years of his life in Soviet camps and psychiatric hospitals. While a student at a Russian Orthodox seminary in 1939, he was sent off to the camps for 10 years. Released in 1949, the next year Shipilov was declared "schizophrenic" and sent to the Kazan Special Psychiatric Hospital. As a result of the insulin "treatment" to which he was subjected, Shipilov developed seizures and then was "treated" for "epilepsy." During the 19-year period he has been in psychiatric confinement, Shipilov has been beaten constantly because he followed religious observances. Now in a general psychiatric hospital in Siberia, a doctor in charge of his case, Prof. Elizaveta Kholodkovskaya, taunted Shipilov by saying that no one knows anything about him and that therefore "anything can happen to him."

The time is long overdue for the Soviet Union to halt such brutal and cynical treatment of suffering people in Soviet psychiatric prisons.

I ask that press reports of the trial and conviction, be printed in the RECORD.

The reports follow :

SOVIET DISSIDENT SENTENCED TO 5 YEARS IN EXILE

Moscow.—A Soviet dissident who probed the government's alleged use of psychiatric hospitals to suppress criticism was sentenced to five years' internal exile yesterday for defaming the state, Tass news agency said.

The one-day trial of a medical orderly, Alexander Podrabinek, 25, was held at Elektrostal, an industrial town 40 miles east of Moscow.

He was convicted of compiling a dossier alleging that authorities forced psychiatric treatment on dissidents to silence them.

Tass called his document slanderous and accused him of concocting lies.

Dissident sources said he refused to take part in the trial after he was denied the right of calling defense witnesses and was expelled from the court for smoking a cigarette.

Tass said the court thoroughly investigated all the information in his dossier and found that it was either rigged or lies.

Among other things, Tass said Mr. Podrabinek had invented a nonexistent psychiatric hospital at Novocherkassk, in southern Russia, in order to describe "horrible" conditions there.

The news agency said he had alleged that a patient named Levitin was shot dead on orders of a psychiatrist when he tried to escape from a hospital in Sychevka, west of Moscow. The investigation showed no one there knew such a person, Tass said.

Mr. Podrabinek will serve his exile sentence in a remote part of Siberia or the Soviet north, far from major population centers.

Elektrostal, where he was officially registered as living, is in an area barred to foreigners, and Western correspondents and diplomats could not travel there.

Mr. Podrabinek's 265-page dossier, published in the West by the political prisoners' defense organization Amnesty International, played a major part in bringing condemnation of the Soviet Union at a world psychiatric conference in Honolulu last year.

The young dissident was closely associated with the "Helsinki group" which issued documented reports alleging Soviet violations of the human rights commitments included in the Final Act of the 1975 European Security Conference in the Finnish capital.

Leading members of the group—Yuri Orlov, Alexander Ginzburg and Anatoly Scharansky—as well as others who formed similar groups in several provincial Soviet cities have been tried in recent months and given heavy labor camp terms.

Earlier this year Mr. Podrabinek told Western newsmen that he had been warned by KGB security police investigators that he would face jail himself if he did not agree to give evidence against Mr. Orlov.

According to his account, he refused and was arrested at Mr. Orlov's trial—at which the Helsinki group chairman was sentenced to seven years in a labor camp and five more in exile—began.

[From the Washington Post, Aug. 16, 1978]

SOVIET COURT IMPOSES INTERNAL EXILE ON CRITIC OF "PUNITIVE" PSYCHIATRY

Moscow.—Aleksandr Podrabinek, the driving force behind a dissident group that publicized alleged abuses of psychiatric treatment in the Soviet Union, was convicted of anti-Soviet slander yesterday and sentenced to five years of internal exile, the official news agency Tass reported.

Western correspondents were barred from the trial, which was held in a court in Podrabinek's hometown of Elektrostal, 40 miles from Moscow in an area closed to foreigners.

In a telephone call to reporters, a friend of Podrabinek said the defendant's father and stepmother were admitted to the proceedings, but friends were not allowed in.

Podrabinek, 24, is one of the youngest and most energetic of the Moscow dissidents.

He was arrested May 14 on charges stemming from his book, "Punitive Medicine," which Podrabinek smuggled to the West.

The 265-page book is the product of three years' work, including a tour through Siberia, during which Podrabinek visited mental hospitals, once posing as a doctor.

It details what Podrabinek says is evidence that pyschiatric incarceration is used here as a means of punishing dissenters such as Vladimir Bukovsky, who was allowed to leave the Soviet Union in 1976.

Podrabinek's arrest came on the eve of the trial of Yuri Orlov, founder of a dissident group that publicized Soviet noncompliance with the 1975 Helsinki accords.

Orlov was sentenced to seven years' hard labor plus five years' internal exile for anti-Soviet agitation. Podrabinek's group investigating psychiatric treatment was a branch of Orlov's group.

The list of other Moscow dissidents sentenced this summer includes Anatoly Scharansky, who got 13 years in prison for espionage; Aleksandr Ginzburg, eight years for anti-Soviet agitation, and Vladimir Slepak, three years for creating a disturbance when he demonstrated for the right to emigrate.

[From the Baltimore Sun, July 17, 1978]

RUSSIAN REPORTS PUNITIVE ASYLUMS

Moscow.—A Moscow psychiatrist said yesterday that people without mental problems are hospitalized in Soviet asylums as a form of punishment.

At a news conference held by a dissident group, Dr. Aleksandr Voloshanovich said he decided to speak out because of the conviction Tuesday of Alekrandr Podrabinek, a young dissident who gathered evidence about the situation in psychiatric hospitals.

Dr. Voloshanovich, 37, is on the staff of Moscow's Dolgoprudny Psychiatric Hospital. He said he checked 27 persons who told Mr. Podrabinek's group they were wrongly committed for treatment and, "Among those I examined I found not a single case of definite mental illness."

Soviet medical personnel who have defected have previously reported such instances. Dr. Voloshanovich is the first Soviet doctor still in residence in the Soviet Union to make such a charge.

Mr. Podrabinek, 24, an ambulance medic who smuggled a 265-page book to the West alleging widespread misuse of psychiatric treatment, was convicted of "anti-Soviet slander" and given five years of Siberian exile.

The dissidents said he rejected the help of his Soviet lawyer, refused to take part in the court proceedings, lit a cigarette in violation of court rules and was finally ejected when he began whistling the toreador music from the Bizet opera "Carmen."

Dr. Voloshanovich said he had worked as an anonymous consultant for Mr. Podrabinek and his group, which compiled the case histories of more than 200 persons allegedly sent to insane asylums after coming into conflict with the authorities.●

UNITED STATES-SOVIET MILITARY BALANCE AND SALT

● Mr. HART. Mr. President, last Thursday, August 10, two of my colleagues, the Senator from Maryland (Mr. MATHIAS) and the Senator from Iowa (Mr. CULVER) appeared on NBC's "Today Show" to discuss the United States-Soviet military balance and SALT. I commend the text of their interview to all my colleagues. In it, they make many excellent points which serve to dispell some of the unthinking alarmism surrounding assessments of our present strategic situation. Three of their points stand out particularly:

Nuclear "superiority" is meaningless in today's world, where neither superpower can destroy the other's retaliatory forces, nor with confidence "win" a nuclear war in any meaningful sense.

The approximately 6,000 nuclear warheads and bombs that would remain to us even after a successful Soviet surprise "first-strike" against our Minuteman forces would be enough to cause inconceivable damage to the Soviet Union.

The Soviets do not now have this capability. Even if they were to achieve the accuracies some predict for them by the mid-to-late 1980's, enough uncertainties would remain about the possible success of such an attack to render such a "first-strike" an insanely suicidal risk.

The provisions of SALT II, while not finalized, give every indication of being in our strategic national security interests. Not only will this agreement force the Russians to dismantle some 200 to 300 strategic nuclear launcher vehicles over the time frame of the agreements, while we retain all those we currently deploy; we will also be unrestricted in pursuing those strategic programs already underway: development of the cruise missile and the MX missile, and deployment of the Trident submarine system.

Mr. President, I ask that the text of the interview of Mr. MATHIAS and Mr. CULVER by Robert Abernathy on the August 10 "Today Show" be printed in the RECORD.

The interview follows:

TEXT OF THE INTERVIEW BY NBC CORRESPONDENT ROBERT ABERNATHY

ABERNATHY. The argument, it seems to me, Senator Mathias, is this question of whether more power means more security. It's argued that we must be superior to the Soviets, not just roughly equal. Why shouldn't we be superior?

MATHIAS. Well, it seems to me that the important thing is to be secure, to absolutely guarantee the safety of the United States, to be strong enough to keep the peace. And I think we are strong enough and will be for the foreseeable future.

ABERNATHY. This new Coalition for Peace Through Strength argues that we need to be stronger than the Soviets because, while we would not strike them first, Senator Culver, they might launch a first strike against us. Only if we are superior, it said, could we have enough power left over after our first strike to retaliate. How do you reply?

CULVER. Well, first of all I think the quest for superiority, or lopsided advantage in the real world today where both sides have such staggering mutual nuclear overkill capacity, is really an illusion. I don't think such a quest will bring more security and we'll never be able to return to where we had the advantages, like the 50's and the 60's. Now if the Soviet Union were to be so unwise as to initiate, for example, an attack on the United States today, in our inventory we have a two-to-one strategic nuclear warhead delivery capability. We have over 9,000 in our inventory; the Soviets have 4,200. Even a first strike against our land-base system, would still leave about 6,000 nuclear warheads on our submarines and our bombers that could inflict unacceptable, devastating damage on the Soviet Union and destroy that society.

ABERNATHY. The Soviets, of course, are far stronger than we are in conventional forces, in total number of men in uniform. If they have this advantage in conventional forces, shouldn't we then have a big advantage and try to get a big advantage in other kinds of ways?

MATHIAS. Well, we have different kinds of defense problems. We have different military problems to overcome, and we have certain very strong advantages in the way we have deployed our forces around the world. We have tactical nuclear weapons. There are, within the free world, about 10,000 tactical nuclear weapons, in addition to the strategic weapons.

ABERNATHY. Don't the Soviets have a lot more air defense and civil defense than we do? And isn't it possible, therefore, they could imagine that they could hit us, and take a strike in return and in effect win a nuclear war? I have heard this argument and suspect this is behind a lot of this nuclear debate now.

CULVER. Two weeks ago, the subcommittee that I chair on the Senate Armed Services Committee released a study, which was an interagency intelligence community study that the CIA released, which demonstrated, I think, very powerfully that while it is true the Soviet Union has dedicated a great amount of money to their own domestic civil defense program, that, in fact, the status of that program in its strengths would not be sufficiently great in order to give them a high confidence that they could ever initiate an attack against the United States without accepting incredible damage—an estimated 100 million people killed, even if we didn't have any notice on our retaliatory strike.

ABERNATHY. We have no air defense. We have no effective civil defense. Should we have both those?

MATHIAS. Bob, it just happens that today is the 33d aniversary of the bomb that dropped on Nagasaki. I went to both Nagasaki and Hiroshima within a few weeks after those bombs were dropped. I have some personal concept of what nuclear warfare is like. Civil defense under these conditions would be extremely difficult. I think the point that people have really got to remember is that when you are dealing with nuclear warfare, the question of civil defense, of huddling into shelters, all of that, is really an illusion, and that what we have to do is to find ways to avoid nuclear conflicts.

ABERNATHY. Both of you serve as advisors to the U.S. negotiators who have been working on a new strategic arms limitation treaty. How close are we to a new agreement?

CULVER. I think we have still three or four very difficult unresolved issues and I think it's very hard to put a definite timetable on when it will be successfully resolved.

ABERNATHY. From what you have heard about what's been agreed so far and what is likely to be agreed, are you confident that this new agreement would not freeze us into some inferior and dangerous position?

CULVER. I can't conceive of any individual member of the United States Congress, or the institution collectively, ever accepting, or ever could or should accept any agreement that would ever have that consequence.

ABERNATHY. No unilateral disarmament?

MATHIAS. No, in fact, this agreement, if it is finally achieved, will require the Soviets to destroy between two and three hundred launchers. I think it will really stabilize our position.

ABERNATHY. So where do we come out now? You argue that it is impossible any more, really, in the world as it is, to be superior, but then we've got this strategic arms limitation treaty probably coming sometime this fall?

MATHIAS. Of course the problem with trying to achieve superiority is that you just give the Russians an incentive to do the same thing and you keep on leap frogging each other until the economic problems connected with this arms race bring down your economy.

ABERNATHY. Do you think that the Senate will ratify the kind of SALT treaty that you expect, if it comes next year?

CULVER. I think all that we can go on is the tentative outline of an agreement that we now have pending before us in Geneva. Now, I think, if we are successful in resolving those remaining issues, and it's a big if. But in my judgment that would have the consequence enhancing strategic stability. It would have the consequence, initially, of disciplining the arms competition in the future, and we have to consider what our security situation would be in the absence of any agreement in those same years, and I think that by that standard definition it will be very much in our interest to have a treaty.●

SALT II

● Mr. GARN. Mr. President, one of the basic issues to consider in the SALT treaty now under negotiation is the question of verification. The record of the Soviet Union forces us to conclude that only if its compliance can be verified by the United States can we be confident that the terms of the treaty are being respected. In assessing the verification provisions of SALT II, we fortunately have as a guide the record of Soviet observance of SALT I; in view of the basic consistency found throughout Soviet behavior, we can use that to identify the kind of problems which could arise with regard to observance of a new agreement.

On February 28, 1978, the Arms Control and Disarmament Agency published an analysis of the many allegations of Soviet noncompliance on SALT I which have arisen. Its conclusion, which represents the views of all the executive agencies dealing with arms control, is a positive one, dismissing many of the allegations, and expressing doubt that violations of significant magnitude could take place.

A different perspective on the issue emerges, however, through the research of John G. Behuncik, Congressional Fellow for National Security Affairs at the Heritage Foundation. Although I may not totally agree with Mr. Behuncik's views, he presents a thoughful report, "Examining SALT Violations and the Problems of Verifications," and analyzes 12 separate charges of Soviet noncompliance. He concludes that the Soviet Union has committed a number of violations which are disturbing, both in the context of present national security concerns, and as a comment on probable Soviet behavior in implementing future treaties.

I commend Mr. Behuncik's excellent analysis to my colleagues and ask that it be printed in the RECORD.

The analysis follows:

EXAMINING SALT VIOLATIONS AND THE PROBLEMS OF VERIFICATION

INTRODUCTION

Of central importance to effective strategic arms control is the ability of the parties to independently monitor each other's compliance with the provisions of negotiated agreements. Adequate verification procedures are essential to enhance confidence in the limitations on advanced weapons systems and to guard against the incremental violations of an accord which could alter the prevailing military balance.

As the United States and the Soviet Union move toward completion of a second-stage agreement in the Strategic Arms Limitation Talks (SALT II), concern about the reliability of our intelligence-gathering systems has assumed increasing significance. Indeed, some observers contend that the verifiability of the terms of a new pact may be the single most critical parameter for judging the merits of the entire package.

The initial SALT Accords of May 26, 1972, consisted of a five-year Executive Interim Agreement on Offensive Strategic Systems and an Anti-Ballistic Missile Treaty of indefinite duration. The Interim Agreement placed limits on the numbers and permissible conversion options of fixed, land-based intercontinental ballistic missile launchers (ICBMs), submarine-launched ballistic missiles (SLBMs), and ballistic missile-firing submarines, while the ABM Treaty limited the number and kinds of missile defense each nation could separately deploy. The present atmosphere of growing skepticism contrasts sharply with the euphoria of 1972, a change resulting from several interrelated factors. Among these are the following:

(a) disclosure of allegations that the Soviet exploited to the perimeter of legal permissibility (if not actually violated) the provisions of SALT I,

(b) the probable inclusion in SALT II of controversial "understandings" which, whether formalized or not, would further complicate an already questionable verification and enforcement process,

(c) indications that the Soviets have de-

veloped, or are developing, various means to retard U.S. monitoring techniques, and

(d) a series of political disputes between the two countries, a by-product of which is a perceived downgrading of detente and the expectation that the SALT negotiations could serve as a vehicle for enhancing mutual trust and cooperation.

On February 28, 1978, in response to a request by the Senate Foreign Relations Committee, the State Department's Arms Control and Disarmament Agency submitted a detailed summary of the various allegations of Soviet non-compliance with the provisions of SALT I. The objective of the report, said to represent the composite view of all executive branch agencies dealing with the arms control process, was to allay critics' fears that the Carter Administration's own political commitment to a SALT II Agreement, contingent upon Senate ratification, was such as to compromise our capacity to independently verify Soviet adherence to the agreement by accepting unwarranted risks.

While conceding the possibility of some undetected cheating under the pact's prospective terms, the report stated that any violations of such a magnitude as to modify the nuclear balance "would be discovered in time to make an appropriate response." [1] The response could be expansion of U.S. arms programs and possible abrogation of the pact. Nevertheless, an arms control package which the Soviet Union could admittedly evade even partially would severely reduce the prospects for congressional approval.

The purpose of this study is to analyze the various allegations cited in the State Department's report, their disposition as they relate to current American verification practices, and their implications for follow-on agreements and the course of the superpower strategic relationship.

THE POLITICAL/STRATEGIC NATURE OF SALT VIOLATIONS

With respect to complex U.S. verification procedures, the State Department report notes that all intelligence information is analyzed within the framework of the provisions of an agreement, and recommendations on questions that arise are developed by inter-agency intelligence and policy advisory groups of the National Security Council system. Currently, these include an intelligence community steering group on monitoring strategic arms limitations and the Standing Consultative Commission working group of the National Security Council special coordination committee. If analysis of available intelligence data indicates possible Soviet non-compliance, the National Security Council working group submits recommendations to the President, who retains ultimate responsibility for deciding to raise the issue with the Soviet Union.[2]

It is virtually impossible to devise treaties and/or agreements regulating strategic nuclear armaments which would be devoid of all potential for conflicting legal interpretations of technical details. The latitude for discussion and disagreement is inherent in deliberately ambiguous treaty languages which attempts to accommodate the complexities of diverse U.S. and Soviet force structures as well as competing political interests.

Where violations of an accord are alleged, the technical details are surely important, if only because they comprise the currency of debate. However, the confrontation of legalistic arguments must not be allowed to obscure the larger meaning of ambivalent, even potentially dangerous strategic behavior. What is indeed important is what the range and scale of alleged infractions reveal about the political and strategic attitudes which an adversary brings to the negotiations, and what may be anticipated in their aftermath. These attitudes relate not only to what an agreement makes explicitly permissible, but also to what that adversary feels is technically exploitable, irrespective of its legality.

One might properly question why the United States feels compelled to resort to legalisms in order to redress perceived Soviet non-compliance with SALT I, particularly when the arms control function is itself heralded as a manifestation of the spirit of detente. However, save when it serves their interests, the Soviets have not demonstrated a similar inclination to endorse the notion that arms control agreements have an intrinsic spirit which is mutually binding. In fact, the relentless competition which motivates the Soviet approach toward SALT (as toward all outstanding political issues) helps explain in part why those crucial elements that escaped common definition were left unresolved.

These ambiguities resulted not from an accident of the negotiating process or a lack of Soviet comprehension, but rather from the exigencies of Soviet strategic interests as they related to systems under development or soon to be tested.[3]

Thus, U.S insistence on legalistic defenses can be self-defeating if sufficient account is not taken of the political context within which strategic arms control negotiations are conducted. It is with these considerations in mind that the alleged Soviet violations of SALT I, as well as the State Desame, must be evaluated.

ALLEGED SOVIET INFRACTIONS OF THE INTERIM AGREEMENT ON OFFENSIVE MISSILE SYSTEMS

1. Construction of Special-Purpose Silos (Launch Control Facilities)—

According to Article I of the Interim Agreement:

"The Parties undertake not to start construction of additional fixed, land-based intercontinental ballistic missile (ICBM) launchers after July 1, 1972." [4]

The number of operational ICBM launchers permitted each side when the Interim Agreement entered into force totaled approximately 1,618 for the Soviet Union and 1,054 for the United States. Subsequent U.S. surveillance in 1973 determined that the Soviets were constructing some 150 additional silos of a different design at their ICBM fields along the trans-Siberian railway in Soviet Asia. Far from denying the allegation, the Soviets explained the excavation efforts as involving hardened ICBM launch control facilities for testing and training purposes, since structures designed to potentially house operational ICBMs would directly contravene Article I.

A suspicious degree of similarity apparently existed, however, between the characteristics of the new "launch control" silos and those of conventional ICBM complexes. Like the latter, the facilities in question were reported to be cylindrical in shape, with "blow-away" doors and launcher-type suspension equipment.

That these facilities could be virtually dual-capable, with little advanced warning, is less an allegation and more a potential cause for concern. However, launchers for the purposes specified by the Soviet Union are sanctioned by the Interim Agreement and further derive their legal justification from an American Letter of Submittal accompanying the ABM Treaty (U.S. Secretary of State to the President, June 10, 1972) which held that such launchers could "be constructed at operation sites."

The State Department's assessment of the issue concludes as follows:

"In early 1977, following further discussions during 1975 and 1976 and a review of our intelligence on this subject, the US decided to close discussion of this matter on the basis that the silos in question are currently used as launch control facilities." [5]

It would appear implausible that the Soviets would risk the illegal installation of some 150 new missiles, knowing that a program of such magnitude could not go undetected. However, the Department report does not deal with the question of whether former launch control facilities have been properly dismantled, in light of which the additional silos could theoretically serve a purpose beyond that specified by the Soviet Union.

2. Soviet Dismantling and Destruction of Replaced ICBM Launchers—

The Interim Agreement and accompanying Protocol permitted Soviet deployment of no more than 950 SLBM launchers and 62 modern, nuclear-powered ballistic missile submarines. Beyond the level of 740, moreover, Soviet SLBM launchers could become operational only as one-for-one replacements for older ICBM and SLBM launchers. The latter would be dismantled or destroyed in accordance with the agreed procedures which became effective on July 3, 1974, and which included detailed requirements regarding the timing and notification of compliance.

United States intelligence determined that by 1976, the Soviets "had developed a requirement to dismantle 51 replaced launchers." Available evidence indicated that the necessary activities would not be completed on time, but the Soviets pre-empted American notice of non-compliance by acknowledging in the Standing Consultative Commission the delay in dismantling 41 older ICBM launchers. They predicted that the replacements would be completed by June 1, 1976, and agreed to the U.S. demand that no more submarines with SLBM launchers would commence sea trials prior to such completion.

The State Department report stipulates that both conditions have been fulfilled, yet its conclusion regarding this issue is somewhat ambiguous:

"Since that time, although we have observed some minor procedural discrepancies at a number of those deactivated launch sites and at others as the replacement process continued, all the launchers have been in a condition that satisfied the essential substantive requirements which are that they cannot be used to launch missiles and cannot be reactivated in a short time." (Congressional Record p. 4963).

It is appropriate to inquire as to how forcefully the United States has impressed upon the Soviet Union our expectation that "care would be taken to ensure that . . . notification . . . was in strict accordance with the agreed procedures." (Congressional Record p. 4963). The acknowledged "procedural discrepancies" suggest that the Soviets are not unprepared to take incremental advantages of what may be perceived as a relaxation of U.S. surveillance efforts. Two years ago, for example, the United States had to demand that the Soviet Union dismantle some SS–7 and SS–8 ICBM launchers to compensate for submarines armed with ballistic missiles.

Voluntary Soviet restraint cannot realistically be anticipated, particularly in programs where the opportunities for securing unilateral advantages appear promising. Indeed, the recent controversy over the number of operational ballistic missile submarines underscores this point. Intelligence sources have confirmed that the Soviets have 64 submarines at sea, two more than the number authorized by the Interim Agreement. In 1972 Secretary of Defense Laird stated that "I would consider it a violation of the intent of this agreement to go beyond 62 submarines of the Y Class." Moreover, "We would consider any new construction starts which were merely for the purpose of maintaining the momentum of the Soviet Union construction program to be contrary to the intent of the agreement." [6]

The Carter Administration claims that, because the additional boats have not undergone sea trials, the Soviets have not technically violated the provisions concerning deployment levels. However, the U.S.S.R. also has three Delta-class submarines outfitted

Footnotes at end of article.

for operational use as well as six or seven Hotel-class boats which exceed the SALT I limits. Viewed against the backdrop of overall Soviet strategic efforts, the Administration cannot dismiss lightly even minor abridgments of provisions governing the launcher replacement process.

3. Light and Heavy ICBMs (The Modern Large Ballistic Missile Issue)—

Under Article II of the Interim Agreement:

"The Parties undertake not to convert land-based launchers for light ICBMs, or for ICBMs of older types deployed prior to 1964, into land-based launchers for heavy ICBMs of types deployed after that time." (*D&D* p. 122)

The Soviet Union was permitted 313 so-called "heavy" ICBMs (SS–9s and follow-ons) in SALT I. The ostensible purpose for delineating a "heavy missile" sublimit was to restrict Soviet missile payload and thereby constrain its hard-target counterforce potential. The entire issue was characterized by definitional vagaries, however, in particular with regard to what quantitatively constitutes a "heavy" ICBM. Indeed, the U.S.-Soviet "Common Understanding(s)" dealing with the modernization and replacement process stated only that the *dimensions* of land-based ICBM silo lanuchers could not be significantly increased, an obscure guideline whose subsequent elaboration simply restricted any planned increase to "no more than 10–15 percent."

In the absence of a formal agreement on the permitted volume of ICBMs themselves (the relevant SALT texts and accompanying protocols refer only to silo-launchers, not to missiles), the United States delegation submitted a Unilateral Statement on May 26, 1972, which expressed regret.

". . . that the Soviet Delegation has not been willing to agree on a common definition of a heavy missile . . . The United States would consider any missile having a volume significantly greater than that of the largest light ICBM now operational on either side to be a heavy ICBM. The United States proceeds on the premise that the Soviet side will give due account to this consideration." [7]

The Soviet Union was charged with violating the Interim Agreement when it was established in early 1975 that the SS–11 ICBM system, the largest light ICBM then operational on either side, with a volume of 69 cubic meters, was being replaced with the SS–19 "heavy" ICBM, whose volume was approximately 100 cubic meters. For the record, the United States had served notice on the Soviets that it would consider any missile with a volume exceeding 70 cubic meters to be a "heavy" missile, thus absolutely qualifying the SS–19 for inclusion in this category. However, intelligence sources did not detect that the Soviet Union had increased the dimensions of its silo launchers beyond the 10–15 percent stipulated in the Common Understanding.

The State Department report treats the SS–19 issue in the following manner:

"The USSR Delegation maintained the position throughout SALT I that an agreed definition of heavy ICBMs was not essential to the understanding reached by the sides in the Interim Agreement on the subject of heavy ICBMs, and made clear that they did not agree with the U.S. statement . . . When deployment of the SS–19 began, its size, though not a violation of the Interim Agreement provisions . . . caused the U.S. to raise the issue with the Soviets . . . Our purpose was to emphasize the importance the U.S. attached to the distinction made in the context of the SALT II agreement under negotiation at the time . . .

"Since that time, the United States and the Soviet Union have agreed in the draft text of the SALT II agreements on a clear demarcation, in terms of missile launch-weight and throw-weight, between light and heavy ICBMs." (Congressional Record p. 4962.)

The modern large ballistic missile (MLBM) issue must be assessed from the proper strategic perspective, especially with respect to the nature of increases in silo dimensions. The 10–15 percent limit on enlargement, when translated into the volume of a cylinder-shaped silo, could actually sanction an expansion of nearly 30 percent for one dimension (length *or* diameter) or almost 52 percent if a fifteen percent increase is registered in both length and diameter. In hearings in 1972, Secretary Kissinger referred to the specific "safeguard" that "silo configuration cannot be changed in a significant way . . . this meant that it could not be increased by more than 10 to 15 percent." [8] Elaborating on this point, Paul Nitze, a member of the negotiating team, emphasized that "the background to the negotiations makes it clear that an increase of up to 15 percent would be permitted in only one dimension (or possibly a combination of two dimensions), not in both depth and diameter." [9] Furthermore, according to defense analyst Colin Gray:

"The permitted increase in silo volume . . . in tandem with the technology of the cold launch, which allows ICBMs to be expelled from silos by means of compressed air (meaning that the usable diameter of a silo is increased by up to fifty percent), amounts to an absence of any meaningful restraint upon the size of 'light' ICBMs. All that the Soviets are violating with the deployment of the SS–19 (which is hot-launched in the conventional manner) is a unilateral American understanding of what is and what is not a 'light' ICBM." [10]

By specifying constraints upon the size of the replacement of "light" ICBMs and by restricting the increase in the size of ICBM silos, the United States had intended to partially resolve, or at least defer, its potential counterforce problems. This was considered urgent in view of the increasing vulnerability of our land-based Minuteman ICBM force. However, the negotiated means were inadequate to achieve the desired ends. American policymakers assumed that to achieve the desired ends. American policymakers assumed that

(a) the volume and thus the throw-weight and the payload of Soviet ICBMs would be regulated by the arms control discipline, and

(b) it would be impossible for the Soviet Union to retrofit its SS–11 silos with a new, significantly larger missile.

Subsequent Soviet evading activities, in the form of new ICBM's which affronted the (American-defined) spirit of SALT I, but not its letter, proved sufficient to dispel these assumptions and frustrate the United States' rationale in drawing a distinction between light and heavy ICBMs. Indeed, the Soviet hard-target counterforce capability has been augmented since SALT I with the testing of several new generations of "silo-busting" ICBM systems. Depending on how (or even if) the MLBM issue is resolved in SALT II, the distinction between light and heavy ICBMs might be nothing more than a rhetorical convenience, yet one whose strategic and legal currency will be grossly depreciated.

4. Mobile ICBMs—

The development and testing of mobile ICBMs are not prohibited by SALT I, yet the United States long since placed the Soviet Union on notice that land-mobile ICBMs are systems of particular sensitivity in American strategic perceptions. To this end, the U.S. delegation authorized a Unilateral Statement on May 20, 1972, which observed that, although the issue of land-mobile ICBMs was deferred

". . . to subsequent negotiations . . ., the United States would consider the deployment of operational land-mobile ICBM launchers during the period of the Interim Agreement as inconsistent with the objectives of the Interim Agreement." [11]

It is an interesting sidelight that, while American strategic thinking on the feasibility of retaining a land-mobile option has evolved rapidly since 1972, U.S. officials—until perhaps the Vladivostok Accord of November 1974—feared that the Soviets might pursue their land-mobile option as a means of circumventing the provisions of the Interim Agreement.

A similar occurrence is possible in SALT II if the United States proves unsuccessful in restricting the deployment of the Backfire bomber within the common aggregate ceiling on strategic launchers.[12]

The Soviet mobile system which aroused American curiosity in early 1976 was the SS–20. Though ostensibly an intermediate-range missile, the SS–20 could be modified for land-mobile purposes from a stationary position and could acquire an intercontinental capability by reducing the total weight of its payload or by adding another propulsion stage. Moreover, it incorporates the first two rocket stages of the intercontinental-range SS–X–16 system, the verification of whose testing had been complicated by presumed deliberate concealment efforts. (See the section on "Concealment at Test Ranges").

Related to the testing of the SS–20 missile, moreover, was the charge that the Soviets had encrypted the data outlining its performance, which is transmitted continuously to ground stations by telemetric signals. Since the United States could receive and analyze this telemetry, the apparent indecipherability of the imagery was considered an impediment to verification in violation of Article V(iii) of the Interim Agreement. Subsequent U.S. decoding of SS–20 telemetry led analysts to believe that the missile had been tested with some 2,000 pounds of ballast which, if replaced by fuel, would assure an intercontinental capability.[13]

After noting that the potentialities for intercontinental range conversion of the SS–20 system had "been discussed in the press," the State Department report concludes:

"The SS–20 is being deployed to replace older medium and intermediate-range missiles. It is judged to be capable of reaching the Aleutian Islands and western Alaska from its present and likely deployment areas in the USSR; however, it cannot reach the contiguous 48 states from any of its likely deployment areas in the Soviet Union . . . There is no evidence that the Soviets have made any . . . modifications to the SS–20. We have confidence that we would detect the necessary intercontinental-range testing of such a modified system." (Congressional Record p. 4964.)

Furthermore, the Department's findings [Section V(E)] exonerate the Soviet Union from any culpability in denying test information (via the encoding of telemetry) which would inhibit verification of compliance with Agreement provisions.

The legal accountability of Soviet actions is ambiguous inasmuch as the USSR never initiated or signed any provisions in SALT I dealing with offensive mobile systems. Moreover, the language of the American Unilateral Statement referred only to the "deployment" of mobile land-based ICBM launchers. As such, the testing and development of these systems would theoretically be outside the sanctions of the Interim Agreement, although the United States would have the right to monitor certain activities (e.g. deliberate concealment measures) which might contravene SALT I terms.

That the SS–20 could be upgraded for intercontinental missions is beyond serious academic dispute. However, the Soviets have not confirmed U.S. intelligence detection of deployment of the SS–16 or the SS–20. Actual deployment of these systems would be in-

Footnotes at end of article.

consistent with the American Unilateral Statement, and the SS-20, as a "gray-area" system, would compound verification problems as well as the manner in which such systems were dealt with in follow-on SALT pacts.

PRINCIPAL ALLEGED SOVIET VIOLATIONS RELATING TO THE ANTI-BALLISTIC MISSILE TREATY

1. Testing of Air Defense Radars and/or Missiles, in particular the SA-5 Griffon and SA-2 Guideline, "in an ABM mode"—

In addressing itself to the contentious "SAM-upgrade" issue, Article VI of the ABM Treaty enjoins the Parties

(a) . . . not to give missiles, launchers or radars, other than ABM interceptor missiles, ABM launchers or ABM radars, capabilities to counter strategic ballistic missiles or their elements in flight trajectory, and not to test them in an ABM mode, and

(b) not to deploy in the future radars for early warning of strategic ballistic missile attack except at locations along the periphery of its national territory and oriented outward. (D & D, pp. 117–124).

United States intelligence analysts have long believed that the SA-5 Griffon air defense missile, currently emplaced around approximately 110 urban areas, has inherent dual-purpose capabilities and could rapidly be configured to accommodate the sophisticated computer and radar technologies appropriate to anti-missile systems. The initial revelations in 1973 of suspected Soviet violations of limitations on AMB testing were complicated by prior disagreement over what was actually proscribed.

The United States had authorized a Unilateral Statement on April 7, 1972, according to which infractions of the ABM Treaty would be alleged if "an interceptor missile . . . (was) flight-tested to an altitude inconsistent with interception of targets against which air defenses are deployed." [14] (The reference is to testing altitudes in excess of 100,000 feet). Satellite reconnaissance of Soviet SA-5 test firings at the Kapustin Yar desert range north of the Caspian Sea provided circumstantial indications that the missile's radar system may have been tracking ballistic vehicles during the re-entry phase of their flight trajectory into ABM test ranges.

The Soviet Union asserted (May 5, 1972) that high-altitude, non-ABM radars were permissible in "range safety and instrumentation" roles for purposes of precision tracking and data collection outside of (and inferentially on) agreed test sites such as Sary Shagan. In categorically rejecting charges of developing nascent ABM capabilities through the upgrading and possible conversion of surface-to-air missile systems, however, the Soviets nevertheless were noncommittal about the types of radar technologies (specifically, phased or non-phased array) that could acceptably be deployed at facilities apart from the regular ABM test sites.

The State Department report exhibits an unsettling ambiguity in its conclusions on the subject of possible ABM testing with air defense radars and missiles. Regarding the ABM radar problem (involving the SA-5 system), Section III (D) of the report observes that, shortly after the formal notification,

". . . the radar activity of concern during Soviet ballistic missile tests had ceased. The U.S. has continued to monitor Soviet activities carefully for any indications that such possible testing activity might be resumed." (Congressional Record p. 4902)

Yet Section V (C), dealing with the ABM testing of air-defense missiles, states:

"Our close monitoring of activities in this field has not indicated that ABM tests or any tests against strategic ballistic missiles have been conducted with an air defense missile; specifically, we have not observed any such tests of the SA-5 defense system missile, the one occasionally mentioned in this connection in the open press." (Congressional Record p. 4964)

It seems strange that one component of the system would undergo extensive testing, while the other, necessary for its effective functioning, was supposedly not tested at all. Beyond the apparent discrepancy in the Department's report lies an important fact corroborated by intelligence sources: Although the Soviet Union eventually ceased the radar activities of concern, more than a dozen tests had been conducted prior to the formal United States notification demanding suspension, a number sufficient to accumulate the information desired.

2. The Development and Testing of Mobile ABM Radars—

At first glance, Article V(1) of the ABM Treaty appears sufficiently straightforward as to dispel those uncertainties which might otherwise complicate the verification process. It states that "each Party undertakes not to develop, test or deploy ABM systems or components which are sea-based, air-based, space-based, or mobile land-based." (*D. & D*, p. 119) The margin of ambiguity relates to the definition of "mobile."

In order to minimize potential misunderstanding, the United States had declared (January 28, 1972) that "a prohibition on deployment of mobile ABM systems and components would rule out the deployment of ABM launchers and radars which were not permanent fixed types." [15] The vague Soviet response (April 13, 1972) affirmed the "general common understanding" which characterized evaluation of the matter.

Since 1971, the Soviets have installed at designated ABM test sites several radars associated with an ABM system currently under development. In particular, the radars installed at the Sary Shagan range are reported to possess properties which obscure the necessary distinctions between normally verifiable stationary systems and those with mobile capabilities which could evade detection. Some evidence exists that phased-array radars are employed, with both electronic and mechanical steering of the beam for direction and elevation. These upgraded systems can be erected far more rapidly than earlier versions and are likewise capable of employment on alternate basing structures. They are widely assumed to be transportable by secondary means, though whether they are independently mobile and hence readily concealable continues to plague resolution of the issue. Assuming that allegations of mobility could not be sustained, the system's capabilities would still be contingent upon whether it was employed in conjunction with other ABM radars during specific phases of the missile defense function.

In any event, United States analysts believed that the new radars could, with minor modifications, be integrated with present ABM radar systems to track American ICBM routes and avoid a radar blackout during a ballistic warhead detonation. The State Department report concludes that the Soviet Union has not legally violated the Treaty by deploying a mobile ABM radar system, noting also that the time involved for installation of such a radar would be excessive. The lingering skepticism in the intelligence community, however, owes to the original absence of a mutually accepted definition of "mobile," and the potential for recurrence of a problem with obvious strategic implications.

3. Installation of an ABM Radar at Kamchatka Peninsula—

Construction and operation of a new phased-array radar system at the Kamchatka impact area of the Soviet Union's ICBM test range was detected in October 1975. Prior to the signing of the SALT I accords, the United States, in something of a preventive initiative, compiled and submitted a list of permitted American and Soviet test sites. The objective was to remove the ambiguity of Article V of the ABM Treaty, which provides that limitatio..s "shall not apply to ABM systems or components used for development or testing, and located within current or additionally agreed test ranges." (*D & D*, p. 118)

Kamchatka was not included in the tentative draft, yet the Soviets neither confirmed nor denied its accuracy or completeness, observing instead that national technical means of verification assured against misunderstanding. The issue was further complicated by the presence of an older ABM-type radar which "could be viewed as having established the Kamchatka impact area as an ABM test range at the time the ABM Treaty was signed." (Congressional Record p. 4966)

American policymakers feared that the Kamchatka radar, while ostensibly part of the Soviet Union's test range equipment, might be used to augment its overall perimeter ABM coverage. The State Department report notes:

"The Soviets indicated that a range with a radar instrumentation complex existed on Kamchatka Peninsula on the date of the signature of the ABM Treaty and that they would be prepared to consider the Kamchatka range a current test range within the meaning of Article IV of the ABM Treaty. The U.S. continued the exchange to establish that Kamchatka is an ABM test range, that Sary Shagan and Kamchatka are the only ABM test ranges in the USSR, and that Article N of the ABM Treaty requires agreement concerning the establishment of additional test ranges." (Congressional Record p. 4966)

The indeterminacy of the initial Soviet response raises the question of how far (and long) one party to an agreement can proceed with questionable activities before accountability is demanded. United States exclusion of Kamchatka from the list of ABM test ranges certainly facilitated Soviet evasiveness, particularly given the existence of an older ABM-type radar when the Treaty was signed.

Moreover, the United States found itself in the interesting position of having to prove to the Soviets that the Kamchatka impact area and the radars installed there were regulated by Article IV, in addition to having to further explain the permissible actions consistent with the provisions of the same Article.

4. Reporting of Soviet Dismantling of Excess ABM Test Launchers—

Article IV likewise restricts each side to 15 ABM launchers at test sites. The detailed procedures regulating the dismantling of test launchers beyond the agreed limit were developed in the Standing Consultative Commission and entered into force on July 3, 1972. In 1973, via the Commission, the Soviet Union served notice that excess launchers had been dismantled in compliance with the provisions set forth. Data collected subsequently by the United States, however, revealed that, contrary to Soviet assertions, several launchers were still in place. According to the State Department's findings:

"Even though the launchers were deactivated prior to entry into force of the procedures, and their reactivation would be of no strategic significance, the U.S. raised the matter as a case of inaccurate notification or reporting to make known our expectation that in the future, care would be taken to ensure that notification, as well as dismantling or destruction, was in strict accordance with the agreed procedures." (Congressional Record p. 4963)

Given the Soviet propensity to exploit loopholes to the outer limits of legal acceptability, this admonition has a somewhat hollow ring. Even though the alleged infraction was not considered strategically significant, the implications of even minor deviations are of greater interest for what they reveal about Soviet behavior than is the fact of temporary Soviet compliance. The inaccuracy of pre-

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liminary Soviet notifications inevitably calls into question the USSR's commitment to arms control measures which strengthen mutual confidence and promote "equal security."

CONCEALMENT ACTIVITIES AND POSSIBLE DELIBERATE INTERFERENCE

1. Covered Facilities and Concealment—

Several alleged infractions relate to attempted concealment measures at test ranges and construction sites, measures which, if not legal violations, at least technically complicate the verification process. The strategic significance of these issue merits extended consideration.

Article V of the Interim Agreement and Article XII of the ABM Treaty provide that each Party

". . . shall not interfere with the national technical means of verification of the other Party . . . nor . . . use deliberate concealment measures which impede verification by national technical means of compliance with the provisions . . . of the Agreement or the Treaty." (*D & E*, pp. 120, 123)

However, the two Articles also stipulate that the latter obligation ". . . shall not require changes in current construction, assembly, conversion, or overhaul practices" (emphasis added). The national technical means of verification cited refer primarily to reconnaissance satellites and electronic monitoring systems, which Article V (i) of the Interim Agreement stresses shall be employed "in a manner consistent with generally recognized principles of international law." The ambiguity of the phrasing is notable.

Although irregular Soviet concealment practices had been closely monitored by the United States "both before and after conclusion of the 1972 SALT agreements," the State Department observed that "during 1974, the extent of those concealment activities associated with strategic weapons programs increased substantially." (*CR*, S2554) of major concern in this regard was the charge that the Soviets had illegally placed canvas covers and planking over extensive sections of the prefabrication, assembly and refit facilities for ballistic missile submarines (in particular, the Delta-class) at the Severomorsk construction yard on the Kola Peninsula. Similar camouflage efforts reportedly took place at the Khabarovsk facilities in Siberia as well as at other strategic construction sites throughout the Soviet Union.

Concerning these allegations, the State Department findings sound more speculative than definitive:

"None of (the concealment activities) prevented U.S. verification of compliance with the provisions of the ABM Treaty or the Interim Agreement, but there was concern that they could impede verification in the future if the pattern of concealment measures were permitted to continue to expand.

"The U.S. stated this concern and discussed it with the Soviet side. In early 1975, careful analysis of intelligence information on activities in the Soviet Union led the United States to conclude that there no longer appeared to be an expanding pattern of concealment activities associated with strategic weapons programs. We continue to monitor Soviet activity in this area closely." (Congressional Record p. 4962)

Does the stated lack of an "expanding pattern of concealment activities" imply that some infractions are continuing in defiance of the provisions, or are themselves somehow consistent with "generally recognized principles of international law?"

Beyond the assumption that such activities contravene the spirit of the accords, their legality must be evaluated against treaty language which is susceptible to contrasting interpretations. In particular, that sentence in Article V(iii) of the Interim Agreement which qualifies the prohibition on deliberate concealment virtually invites circumvention.

Indeed, the Soviet Union has claimed that the covering of certain work areas in the SSBN yards is a standard construction and conversion practice which long predates the signing of SALT I and hence is perfectly legal. In other words, without directly violating the terms of SALT I, the Soviet Union has managed to render practically worthless its central provisions on verification. Rather than attempt to clarify the ambiguous treaty language with the appropriate legal wording, the United States was content to issue a Unilateral Statement on May 20, 1972, which emphasized

". . . the importance that the United States attaches to the provisions of Article V, including in particular their application to fitting out or berthing submarines." [16]

If the SALT process is to retain significance, then it is incumbent upon both Parties to ensure against those activities which degrade mutual confidence-building. Even if technical violations of given provisions have not been committed (or in any case could not be definitively proved), measures which feed perceptions of duplicity undermine the process and thus must be considered of equal significance.

2. Concealment at Test Ranges—

In early 1977, the United States observed a large net covering over an ICBM test launcher undergoing conversion at a test range in the Soviet Union. (The range in question is presumed to be Plesetsk, where the mobile SS–X–16 has been tested). The apparent concealment effort theoretically contravened not only Article V(iii) of the Interim Agreement and the Agreed Statement concerning launcher dimensions, but also was considered to be inconsistent with an Agreed Statement on test and training launchers, which holds that

". . . there shall be no significant increase in the number of ICBM and SLBM test and training launchers or in the number of such launchers for modern, land-based heavy ICBMs . . . Construction or conversion of ICBM launchers shall be undertaken only for purposes of testing and training." (Congressional Record p. 4963)

The United States accordingly raised this issue in connection with the ongoing SALT II negotiations dealing with the subject of deliberate concealment measures. The State Department report notes:

"In addition, we expressed our view that the use of a covering over an ICBM silo launcher concealed activities from national technical means of verification and could impede verification of compliance with provisions of the Interim Agreement, specifically, the provision which dealt with increases in dimensions of ICBM silo launchers as recorded in the Agreed Statement . . . The U.S. took the position that a covering which conceals activities at an ICBM silo from national technical means of verification could reduce the confidence and trust which are important to mutual efforts to establish and maintain strategic arms limitation.

"It has been the Soviet position that the provisions of the Interim Agreement were not applicable to the activity in question. Nevertheless, they subsequently removed the net covering." (Congressional Record p. 4963)

Assuming that the SS–X–16 mobile ICBM is involved, it must be emphasized that the Soviets have been less than forthcoming with regard to information about the production rate and/or deployment posture of the system. As such, any deliberate concealment activity complicates the process of determining whether a permissible replacement has been effected or an illegal expansion of the Soviet land-based missile force is being pursued. It is somewhat problematic to speak of mutually agreed limits, inasmuch as the Soviet Union has provided no hard data concerning its weapons inventories. The figures derive instead from U.S. intelligence estimates. At any rate, the burden of proof that only (legally) acceptable developments are concealed must be held to rest with the Party attempting the concealment.

It may be that Soviet compliance was ultimately induced less by American blandishments, and more by the simple fact of their having acquired the level of test information necessary for certain strategic purposes. Moreover, the language of Article V of the Interim Agreement equally obscures interpretations of permissible silo-launcher conversion practices.

3. Blinding of U.S. reconnaissance satellites—

In 1975, United States intelligence analysis suggested that the Soviet Union has possibly experimented with ground-based lasers to degrade infrared sensors on certain U.S. surveillance systems. Such an activity would obviously be inconsistent with the previously cited Articles XII of the ABM Treaty and V (iii) of the Interim Agreement, which rule against deliberate interference with national technical means of verification. The State Department report observes that

". . . it was determined that no questionable Soviet activity was involved and that our monitoring capabilities had not been affected by these events. The analysis indicated that the events had resulted from several large fires caused by breaks along natural gas pipelines in the USSR." (*CR*, S2556)

The explanation sounds less than convincing to military analysts. Infrared imagery from the Defense Meteorological Satellites was examined for the period when the alleged experimentation occurred and no natural sources for such strong radiations were found. Indeed, the energy levels detected were 10–1,000 times the intensity obtained from an ICBM launch or a natural occurrence such as fire.[17] What is of further interest is that the locations of these laser radiation sources in the western part of the USSR did not correspond to known Soviet test facilities.

Circumstantial indications of sustained Soviet development of a satellite-blinding capability would question the apparently facile conclusion contained in the State Department report. At any rate, even incremental evidence supporting the initial allegation would run counter to Soviet declarations concerning the need for enhanced mutual confidence to which reliable national technical means of verification contribute.

4. Development of an Anti-Satellite System—

Concerning informed speculation that the Soviet Union is developing a hunter-killer satellite capability aimed at American reconnaissance systems, the State Department report notes that such development is alleged to be

". . . a violation of the obligation not to interfere with national technical means of verification of compliance with SALT provisions. Since development of such systems is not prohibited, this program does not call into question Soviet compliance with existing agreements. The actual use of an ASAT system against U.S. national technical means is prohibited, but this has not occurred." (Congressional Record p. 4964)

That the Soviets are even presumed to be developing an anti-satellite capability should be sufficient cause for concern to American policymakers. When the Soviets first tested exploding killer satellites in the late 1960's, they used Soviet-manufactured target spacecraft, which could be modified to transmit telemetric signals regarding the extent of damage. These experiments prompted the United States to develop techniques for reducing satellite vulnerability to bombardment. Both countries have recently decided to enter into negotiation devoted to resolving the potential threat posed by ASAT ca-

Footnotes at end of article.

pabilities. Though violations of relevant treaty provisions have not technically been committed, the implications for effective U.S. monitoring of the more complex terms of follow-on SALT agreements are obvious.

CONCLUSION

In light of the foregoing analysis, several points suggest themselves as possible guidelines for assessing the issue of verification relative to SALT II.

(1) Under certain conditions, and given the absence of mutual trust between the superpowers, obscure treaty language can be counter-productive to expectations of reciprocal compliance. The Soviet Union has repeatedly demonstrated its willingness to exploit loopholes consistent with its perceived strategic interests. If the Soviets favor vaguely-worded treaty provisions or decline association with particular interpretations, there are probably clearly-defined, though unarticulated, political reasons for doing so. Soviet silence does not imply consent, and agreements for the sake of abstractions like détente are subordinate to calculations of the long-range political and strategic arms control.

(2) The series of American Unilateral Statements in SALT I constituted a tactic for impressing upon the Soviets the U.S. conception of behavior appropriate to the (also unilaterally-defined) spirit of SALT. Reliance on Unilateral Statements may lead to unsupportable allegations of non-compliance or will be less than legally useful to substantiate legitimate charges where evidence is available. Inasmuch as they lack the force of law and do not rest upon even tacit acquiescence by the Soviet Union, such statements may be inadvertently harmful by inducing American policymakers to assume that the Soviets will respect them.

(3) United States security interests demand that the terms of critical provisions relating to the development, testing and deployment of advanced weapons systems be spelled out with precision. Given the momentum of current Soviet weapons programs, little constrained by SALT I, failure to insist upon a careful stipulation of terms could lead to an agreement that is both technically indefensible and potentially dangerous. As the protracted violations debate demonstrates beyond reasonable doubt, SALT I was not a sound set of agreements from a strategic standpoint, whatever the momentary contribution to an improved political atmosphere.

(4) Related to (3) is the question of what might transpire in the absence of a subsequent arms control agreement. While the United States has delayed or terminated several major weapons programs, the pace of Soviet military developments has apparently continued unabated and indicates a potential to rapidly exploit a vacuum left by a breakdown in the arms control process. Indeed, the advantage in this regard which the Soviet Union could reasonably anticipate, given the advanced technologies being incorporated into new generations of weapons systems, would be highly destabilizing to the strategic nuclear balance. When the lead-time factor is taken into account, the conceivable margin of disparity may be even more pronounced.

(5) Certain complex issues destined for inclusion in SALT II, such as the production rate/deployment posture of the Backfire bomber, would be extremely difficult to verify under the best of circumstances. The record of Soviet attempts at concealment and possible interference with American reconnaissance systems suggests that enforcement of Soviet adherence to the prospective terms of a follow-on pact will undergo severe trials. Since the Soviets are resolutely opposed to on-site inspection, the United States must bend efforts to ensure against degradation of existing verification practices.

(6) A realistic evaluation of the verification issue must transcend legalistic wrangling over those Soviet activities which have been detected and cited as violations of the treaty. The possibility must likewise be considered that the Soviets have undertaken questionable activities of similar or greater magnitude in areas which escaped monitoring by the United States, yet which may be more detrimental to American security interests than the infractions detected. Despite the assumption by some analysts that, beyond a certain level of sufficiency, marginal additions of power cannot be decisive, the combined effects of clandestine Soviet developments may promote significantly adverse trends in the strategic balance, a situation which the arms control process (from the American perspective) is manifestly intended to preclude.

The State Department's findings contain several ambiguities concerning the disposition of certain alleged Soviet violations of SALT I, and thus raise questions about whether the issues have been definitively resolved. Furthermore, to assert that major violations of SALT II would be detected "in time" does little to enhance assurance in the United States' ability to monitor incremental infractions, and the cumulative effect these might have on the strategic balance. The supposed confidence-building function of the SALT negotiations, to which the U.S. ostensibly attaches such importance, would likewise be undermined. Above all, American policymakers must withstand the tendency to devote inordinate attention to legalisms and atmospherics, and consider more carefully the larger political and perceptual framework within which strategic arms control serves a specified purpose.

JOHN G. BEHUNCIK,
Congressional Fellow, National Security Affairs.●

FOOTNOTES

[1] Cited in *The Baltimore Sun*, February 25, 1978, p. 1.

[2] For further reference, see *Aviation Week and Space Technology*, March 6, 1978, pp. 18–19.

[3] See Colin S. Gray, "SALT I Aftermath: Have the Soviets Been Cheating?" *Air Force Magazine*, November 1975, pp. 28–33.

[4] All pertinent provisions of the SALT I Agreements cited in this paper, unless otherwise noted, appeared in Robert J. Pranger (ed.), *Detente and Defense: A Reader* (Washington, D.C.: American Enterprise Institute, 1976) p. 122. Hereinafter referred to as *D & D*, the appropriate page number will appear in parentheses immediately following the quotation.

[5] The State Department report was inserted into the *Congressional Record*, February 28, 1978, pp. 4966–4970. Hereinafter referred to as *CR*, the appropriate page number will appear in parentheses immediately following the quotation.

[6] "Military Implications of the Treaty on the Limitations of Anti-Ballistic Missile Systems and the Interim Agreement on Limitation of Strategic Offensive Arms," hearing before the Committee on Armed Services, 1972, page 544.

[7] Cited in Gray, *op. cit.*, p. 32.

[8] *Hearings*, 1972, p. 129.

[9] *Ibid*, p. 312.

[10] Gray, *op. cit.*, p. 33.

[11] Ibid., p. 32.

[12] See *Backgrounder* #57, "The Soviet Backfire Bomber: Capabilities and SALT Complications," (The Heritage Foundation, April 4, 1978).

[13] Noted in Melvin R. Laird, "Arms Control: The Russians are Cheating," *The Reader's Digest*, December 1977, p. 100.

[14] Gray, *op. cit.*, p. 30.

[15] *Ibid.*, p. 30.

[16] Cited in Gray, *op. cit.*, p. 32.

[17] *Aviation Week and Space Technology*, December 8, 1975, p. 12.

TAX CREDIT FOR THE ELDERLY SHOULD BE UPDATED

● Mr. CHURCH. Mr. President, I strongly support a reduction in Federal income tax to ease the burden for many beleaguered taxpayers.

The House of Representatives recently approved the Revenue Act of 1978, H.R. 13511, which provides several tax relief measures for individuals, including:

A rate reduction to target 69 percent of the tax cut to taxpayers with incomes between $15,000 and $50,000.

A conversion of the $750 personal exemption deduction and general tax credit to a $1,000 personal exemption.

An increase in the zero bracket amount—or commonly referred to as the minimum standard deduction—from $2,200 to $2,400 for single persons and from $3,200 to $3,400 for married couples filing jointly.

A once-in-a-lifetime election to exclude from taxable income the first $100,000 of gain from the sale of a personal residence.

These actions represent constructive steps to lighten the tax load for individuals, but further steps are needed. As chairman of the Senate Committee on Aging, I am especially concerned that additional relief be directed to older Americans.

One major area for improvement is the need to update the tax credit for the elderly. Persons 65 or older may now claim a 15-percent credit on up to $2,500 for individuals and $3,750 for elderly couples. These maximum amounts, though, are reduced by: First, social security and other tax-exempt Federal benefits and, second, $1 for each $2 of adjusted gross income above $7,500 for single persons and $10,000 for couples.

Senator INOUYE and I recently advanced legislation to update the tax credit for Government pensioners and others with little or no social security. Our proposal would:

Increase the maximum amounts for computing the credit from $2,500 to $3,000 for qualifying individuals and from $3,750 to $4,500 for couples; and

Raise the adjusted gross income phase-out provisions from $7,500 to $15,000 for individuals and from $10,000 to $17,500 for couples.

The Finance Committee recently adopted, in principle, this measure. I commend the Finance Committee for taking this action and urge the Senate to approve the proposal.

A few days ago, I submitted testimony to the Finance Committee concerning the need to modernize the tax credit for the elderly. That statement spells out in greater detail my reasons for supporting this action.

Mr. President, I ask that my testimony before the Senate Finance Committee be printed in the RECORD.

The testimony follows:

TESTIMONY BY THE HONORABLE FRANK CHURCH

Mr. Chairman and members of the Subcommittee, I appreciate the opportunity to submit testimony on the need to update the tax credit for the elderly.

This provision is designed to provide relief for moderate-income retirees with little or no Social Security, such as retired teachers, po-

licemen, firemen, or other government pensioners. Social Security benefits, as you know, are exempt from Federal income tax.

Under present law, taxpayers 65 years or older may claim a 15-percent credit on up to $2,500 for individuals and $3,750 for elderly couples. This produces a tax savings up to $375.00 ($2,500 X 15% = $375.00) for an individual and $562.50 ($3,750 X 15% = $562.50) for a couple.

The maximum amounts for computing the credit, however, are reduced (1) dollar-for-dollar by Social Security and other tax-exempt Federal benefits and (2) by $1 for each $2 of adjusted gross income above $7,500 for aged individuals and $10,000 for elderly couples. Thus, the credit is phased out completely for older individuals with income of $12,500 or more and aged couples with $17,500 or more.

The tax credit for the elderly has helped to ease the tax burden for older Americans. However, it still does not provide comparable relief for persons with limited or no Social Security. The maximum amounts for computing the credit fall far short of the maximum Social Security benefits—now $5,876.40 a year for individuals and $8,814.60 for qualifying couples.

Mr. Chairman, I realize that it may not be feasible at this time to place government pensioners on a par with Social Security beneficiaries in terms of tax relief because of cost considerations. But, other constructive actions can be taken to modernize the tax credit for the elderly.

This is why I have joined Senator Inouye in advancing legislation to raise the maximum amounts for computing the credit from $2,500 to $3,000 for single persons and from $3,750 to $4,500 for couples. This change alone could provide an additional $75 in tax relief for individuals and $112.50 for couples.

In addition, our proposal would raise the adjusted gross income phase-out provisions from $7,500 to $15,000 for individuals and from $10,000 to $17,500 for couples.

More than 1.4 million returns with an aged taxpayer would be benefited from these two proposed changes. Equally important, our legislation would provide tax savings for persons with the greatest need—lower and moderate-income individuals. In fact, our proposal would target 94 percent of the relief to aged taxpayers with annual incomes under $20,000 and 65 percent to elderly taxpayers with annual incomes under $15,000.

Rising prices have cut deeply into the pocketbooks of older Americans. Tax relief in the form of updating the credit for the elderly and other measures can help to provide welcome relief from the inflationary spiral which now affects so many senior citizens.

For these reasons, I urge the approval of these changes to the tax credit for the elderly.●

AID TO VIETNAM

● Mrs. ALLEN. Mr. President, I call to the attention of my colleagues the fact that on Tuesday, August 8, the World Bank approved a $60 million interest-free loan to Communist Vietnam for irrigation in the Mekong Delta. I am sure that the irony of making this loan done at the direction of Robert McNamara will not escape the attention of Members, especially those from Western States who have had difficulty in securing funding for their own water projects. I note, Mr. President, also that this loan is interest free with repayment due in 60 years. It is, in practical effect, a direct grant from the World Bank's International Development Association to which the United States contributes 30 percent of its capital from taxes collected from Americans, many of whom lost family members in the recently concluded war in Vietnam. Mr. President, I ask that an article in the August 9 Mobile Register, Ala., entitled "World Bank Aids Vietnam" be printed in the RECORD for study and reflection.

The article follows:

WORLD BANK AIDS VIETNAM

WASHINGTON.—Despite U.S. opposition, the World Bank approved on Tuesday a $60 million interest-free loan to communist Vietnam for an irrigation project.

The loan is the latest in what is becoming a steady flow of aid from international institutions to help Hanoi rebuild its economy following the long war against U.S. and South Vietnamese forces and its takeover of all of Vietnam in 1975.

The International Monetary Fund on Friday gave Vietnam an interest-free loan of $30 million from a special fund for poor nations, raising to nearly $115 million the total IMF aid in the past three years.

The United States provides about 20 percent of the financing of both the IMF and the World Bank. It cast the only vote against the $60 million loan when it came before the bank's 20-member board of directors Tuesday, a source said.

The government of South Vietnam did not receive any aid from either the World Bank or the IMF during the nearly 20 years it was a member. The Hanoi Government took over South Vietnam's membership in both institutions in 1976, although North Vietnam was not previously a member.

While the United States has refused to provide direct aid to Hanoi for reconstruction of the war-torn country, its support of the World Bank and the IMF mean it is providing assistance indirectly through those institutions.

The 132-member World Bank is headed by Robert S. McNamara, a former defense secretary to both Presidents John F. Kennedy and Lyndon B. Johnson. He played a central role in the decision to send U.S. troops to Vietnam as well as in the conduct of the war.

The World Bank said in an announcement that in addition to its $60 million loan, private sources will lend another $30 million for the rice development project. That includes $10 million each from the Netherlands, the Kuwaiti Fund for Arab Economic Development and the OPEC Special Fund, which is operated by the Organization of Petroleum Exporting Countries.

Since Vietnam's 50 million people are considered among the world's poorest, it is qualified for interest-free loans from the bank's subsidiary, the International Development Association. The terms or repayment are 50 years with a 10-year grace period.

The United States currently provides the IDA about $500 million a year, about one-third of its annual budget.●

RETIREMENT, WORK, AND LIFELONG LEARNING

● Mr. CHURCH. Mr. President, the Senate Committee on Aging recently conducted 3 days of hearings on "Retirement, Work, and Lifelong Learning."

As I explained in my opening statement, this year's enactment of legislation which brings us closer to final abolition of mandatory retirement in this Nation has now caused longstanding issues to emerge with new clarity.

One of those issues is the longstanding complaint that this Nation has no retirement policy. We have a tangle of public and private retirement income plans, but we find that individual programs may be inadequate, conflicting, or compounding. We have reason to wonder, in some case, whether what we call retirement is really that. The typical example is the worker who claims maximum retirement benefits from one position at the time that person transfers to other full-time employment. Witnesses of our first round of hearings were also concerned about the rising cost of early retirement, at a time when more persons are living longer and a foreseeable shortage of younger workers is just a few decades away.

In its examination of work-related issues, the committee is concerned about such matters as: development and application of objective means of measuring job performance among middle-aged and older workers, retraining to avoid obsolescence of job skills, and such innovative employment arrangements as flexitime and part-time work or team effort for those older workers who wish to participate.

Closely related to retraining and recycling of workers is educational opportunity. But our hearings and studies will also look into new ways of allocating time for learning throughout the lifespan.

Mr. President, I ask that the following items be printed in the RECORD: The statement I gave at the opening of the hearings, an excellent article by Philip Shabecoff in the July 30 New York Times, an informative United Press International account of the same proceedings, and an article by Dr. Bernard I. Forman from the August 11 issue of the National Senior Citizens Law Center Washington Weekly.

The material follows:

OPENING STATEMENT BY SENATOR FRANK CHURCH, CHAIRMAN

Today the Senate Committee on Aging begins an examination of the many issues related to our three general themes:

Retirement,

Work,

and Lifelong Learning.

A subtitle to these hearings might well be: should the United States be dismayed or even fearful over a process so often described as the "graying" of our population?

My personal answer to that question is "no," as you might expect. It would be a sad day indeed for this Nation if the older persons among us were to be regarded as a drain, rather than a rich reservoir of experience, wisdom, and creative energy.

But my answer would also include a caveat—one which has caused these hearings to be called—a warning that we must look deeply into issues which have concerned the Senate Committee on Aging for some time, but which now take on new urgency.

Contributing to the urgency is the debate over Social Security financing and the deepening concern over the high cost of public and private pensions. Do we know what we are committing for future retirement income, and are we proceeding in the wisest way? It's become common to say that the United States has no retirement policy. Federal, State, and local governments establish pension or annuity plans as if each one existed in a vacuum. Some private plans are loosely related to public sector plans; others are not; and complexity and misunderstanding abound.

What is all this costing us? How much more can we afford? And who really benefits from the current scheme of things?

Is there already a "pension elite" who benefit from several sources of income support, while those most in need of a genuine supplement to Social Security income are those least likely to enjoy it?

And one of the most crucial questions: how is inflation compounding the cost of retirement as it is practiced today?

We have chosen a broad title for these opening hearings and all those which will follow. We want to examine retirement, work, and lifelong learning in some detail, and we want to show that each of these three broad subjects cannot stand alone, especially now.

We are concerned about retirement for many reasons, the most immediate of which is new legislation which deals a major blow at traditional mandatory retirement practices.

I'm referring, of course, to the raising of the upper age limit in the Age Discrimination in Employment Act from age 65 to 70. This victory won't change current habits and injustices overnight, but it is historically important because it helps to establish the principle of keeping work options available throughout the lifespan. It also will challenge employers—and employees—to work cooperatively to make the most of the new condition which will generally take effect next January.

Retirement is also on our minds because of a swelling tide of concern about the clear and persistent trend toward earlier retirement. Does this make sense in the face of:

Increased longevity;

Inflation's inroads on retirement income;

And the growing realization that this nation now needs, and will need even more in the future, the full use of the talents and knowledge of all those who wish to work for as long as they care to work?

But what good does it do to delay or even ban retirement if employment opportunities for the older persons are unsatisfactory or even nonexistent? We have put "work" in the title of our hearings because for some years now the Senate Committee on Aging has tried to alert the Nation to the fact that older workers are often called "retired" when in fact they can't get a job to replace one they've lost or one that has been swept aside by technological change. We've issued reports pointing out that so-called recovery for the general economy doesn't necessarily mean good times for workers in the 50s and 60s, who encounter a distinct lag in return to jobs, with insidious and far-reaching results:

Denied work and often discouraged to the point of not even seeking it, the older worker seizes upon the earliest possible sustained assistance: reduced Social Security benefits at age 62.

The Social Security trust fund then must pay out instead of receiving payroll taxes from those who want to work.

Our interest in work isn't limited to those past age 50. We also want to know what happens to persons whose job skills become outmoded at any age. And we will take special interest in experimental work arrangements, including flexitime, which could change fundamental thinking about the role and purpose of work during the lifespan.

And so we come to the third theme of these hearings, life-long learning.

The 1971 White House Conference on Aging called education a basic right for all age groups, "continuous and henceforth one of the ways of enabling older people to have a full and meaningful life, and as a means of helping them develop their potential as a resource for the betterment of society."

Now that the end of mandatory retirement is in sight, isn't educational opportunity in later years even more important, not only as a means of adapting to new work demands and making one's self a continuingly valuable employee, but also as a way of adjusting to new interests when work hours decrease or, at an agreed-upon date, end entirely?

Many of the issues which will come before this Committee at these and future hearings will be overshadowed by concern about Social Security financing. My own personal view is that the payroll tax is too high, too regressive, and in need of help from other sources. Important as this issue is, however, I hope that it will not dominate center stage. More important, it seems to me, are our goals for Social Security in terms of adequacy of benefits, the contributions it makes to our society as well as its costs, and its relationship to other programs providing retirement income.

This Committee is, of course, also concerned about problems facing the private pension system. Fortunately, the Senate Committee on Human Resources is preparing for hearings next month on amendments to the Employee Retirement Income Security Act of 1974, and we have been in close touch with Chairman Williams on matters of mutual concern.

We are also aware that there are no fewer than six Federally-authorized studies related to Social Security, retirement systems, and national retirement policy. We have made contact with representatives of each and will follow their progress closely. The same is true of the Federal Council on the Aging, national organizations on aging, and other agencies. Nelson Cruikshank, counselor to President Carter on Aging, has promised his personal attention to our hearings, studies, and findings.

In short, we are casting a wide net for information and ideas and perspective. Only in this way can we seek the most helpful answers in our search for what we want retirement, work, and lifelong learning to be in this country. We have been aided considerably by consultation from Harold Sheppard, whose recent book anticipates a growing crisis in this nation's retirement age policy. Herman Brotman, demographer and former assistant to the U.S. Commissioner on Aging, has once again contributed significantly to preparations for a hearing by this Committee. To them and to others who have helped, and who will help in the future, I give my heartfelt thanks.

And now, our first witness, Secretary Califano, who is quoted in the latest annual report by this Committee as saying at a recent speech: "We should remind ourselves that support for older Americans is support for all Americans. When Medicare pays an older citizen's hospital bill it protects that family's savings, to pay for college tuition, or a new house, or their own retirement.

"And 'the elderly,' we must remember, are ourselves—and our children. When we discuss the elderly in 2025, we are discussing the high school seniors of today."

That kind of perspective, Mr. Secretary, will guide us, I assure you, in these hearings.

[From the New York Times, July 30, 1978]

A FAST-AGING POPULATION

(By Philip Shabecoff)

WASHINGTON.—A quietly ticking social time bomb—America's rapidly aging population—is due to explode in 20 years or so with potentially revolutionary impact on the nation's economy.

So far, except for a few Band-aids applied to the Social Security and private pension systems, little has been done, or even discussed, to prepare the country for that particular future shock.

At hearings before the Senate Special Committee on Aging earlier this month, Stanley M. Babson, Jr., a financial consultant, summed up the problem: "The present retirement practices and trends of our society, coupled with the increasing longevity of our population, will create an enormous economic future burden on our society." Said the chairman of the committee, Senator Frank Church, Democrat of Idaho: "The United States has no retirement policy."

Moreover, the problems created by an inexorable demographic trend toward an older—considerably older—population are being exacerbated by slower economic growth, inflation and social changes such as early retirement and soaring demand for medical care.

The nation, in the view of those who have considered the impact of these trends, will have to come to grips not only with the economic needs of this older population but also with the changes wrought on the economy in general from a shortage of younger workers, increased demands on health resources and other social service changes in the structure of tax revenues and shifting demands on the market place.

The Secretary of Health, Education and Welfare, Joseph A. Califano Jr., outlined during the hearings some of the key factors in the population shift, including these trends:

The average life expectancy, about 62.5 years in 1940, has risen by about 10 years and now stands at about 69 for men and 77 for women. The population aged 80 and above is widening rapidly and biomedical advances indicate that the life span will continue to lengthen.

The post-World War II baby boom will appear early next century as a "senior boom," Mr. Califano noted. By the year 2030, some 55 million people, nearly one-fifth of the population, will be 65 years old or older.

While people are living longer, they are also retiring at an early age, a fact that Mr. Califano found "ironical." Thirty years ago nearly half of all men 65 and over were in the workforce; today, in that age group, only one man in five and one woman in 12 hold jobs or are actively seeking work. There is no sign that this trend will abate.

The ratio of active workers to retired citizens will change "dramatically" from six to one today to only three to one in 2030. This figure is significant because it indicates how many income earners are available to support programs for the elderly through taxes.

Meanwhile, social and economic policies involving the elderly have been changing. Workers are permitted to retire at 62 instead of 65 and collect reduced Social Security. Social Security payments have risen sharply and are pegged to living costs. Private pension plans have expanded rapidly, though many of them are underfunded. Programs such as Medicare and Medicaid, food stamps and housing subsidies have been created to cushion older citizens against poverty.

But Secretary of Labor Ray Marshall, in testimony before the Senate committee, said that while these programs have substantially reduced poverty among older citizens, many Americans still have difficulty living on their retirement incomes. And he added that the demographic trends mean that considerable strain will be placed on the economy just to continue current retirement income levels, much less improve them, particularly in the face of erosion of income by inflation.

Although Congress strengthened the financing of Social Security System last year, current actuarial projections indicate that the Social Security tax rate will have to be increased another 4 percentage points by the year 2035 just to maintain the system's solvency at existing benefit levels, Mr. Marshall warned.

Where will the money come from? Mr. Califano reported that six major programs for the elderly run by his agency—old age insurance, survivors and disability insurance, Medicare and Medicaid, Supplemental Security Income and Black Lung Benefits—will pay out more than $94 billion to Americans over 65 this year.

Another $14 billion will be paid to this group under civil service, railroad and mili-

tary retirement programs. A total of $4 billion will go to the over-65 population through housing subsidies, food stamps, social and employment services—all adding up to $112 billion or 5 percent of the gross national product and 24 percent of the Federal budget for the 1978 fiscal year.

By the year 2010, spending on these programs is expected to more than triple to $350 billion, Mr. Califano said.

By 2025, when the "senior boom" is in full swing, the total will be around $635 billion and constitute more than 10 percent of the gross national product and 40 percent of the Federal budget.

These problems impact directly on the public sector economy and will be felt by the private sector chiefly through the tax system. But the population trends will also have a direct effect on the private economy in many ways.

The shortage of younger workers, for example. Secretary Marshall commented that employers will find themselves competing for the services of workers, including older workers, and in so doing, possibly bidding up wage rates. One approach to this problem was suggested by the recent Congressional action in raising the minimum age at which employers can require workers to retire from 65 to 70 years.

The demographic and social trends are also likely to work profound changes in the marketplace. Today a large part of the economy is oriented toward a youth market. An aging population will have broad implications for such industries as apparel, entertainment, recreation and travel. Older citizens will put far heavier demands on the health care industry than they do today. The home building industry will have to face up to fewer new households being started. The list is endless.

Secretaries Marshall and Califano along with other witnesses had ideas for dealing with the impending changes. Nearly all the witnesses said that ways should be found to delay retirement and extend working life as a means of easing the strain on the Social Security, pension and social welfare systems as well as on the labor market.

Mr. Marshall and others, for example, proposed consideration of flexible working arrangements that would let older citizens work part time or on schedules that suited their needs. Education and training to make older workers valuable to employers was also recommended.

Mr. Califano wondered whether private pensions should be encouraged or whether it might not be more equitable if the Social Security System did not have a "layer" of private pensions on top of it.

Because the crisis lies in the future, the economic problems presented by an aging population may seem somewhat abstract to many Americans. But as Secretary Califano noted, "The elderly are ourselves and our children."

The aging of the baby boom

	Average life expectancy in years	Ratio of total population to those 65 and older	Average monthly social security payment
1940	62.9	14.7	$22.10
1945	----	----	23.50
1950	68.2	12.3	42.20
1955	69.6	----	59.10
1960	67.9	10.8	69.90
1965	70.2	----	80.10
1970	70.9	10.2	114.20
1975	72.5	----	201.60
June 1978	72.8	9.2	254.00

NOTE: Not all data available for all years.

SOURCES: Social Security Administration and Census Bureau.

[From the Idaho Statesman, July 24, 1978]

LONGEVITY IMPERILS EARLY RETIREMENT

WASHINGTON.—The nation may not be able to afford the current trend toward early retirement, especially when the post-World War II baby boom becomes the senior citizens boom, two top administration officials and other experts say.

Witnesses at recent hearings of the Senate Special Committee on Aging, including two Cabinet members, put forward challenges to early retirement with its increased Social Security costs and loss of skilled workers.

Thirty years ago, according to the testimony, nearly half of all men 65 and over were employed or seeking jobs. Today, among people 65 and over, only one man in five and one woman in 12 are in the work force.

One clear reason for the trend is more and more Americans are able financially to retire early.

Social Security benefits have been expanded, with full pensions paid at age 65, and some retiring at 62 with reduced benefits.

Nearly half of all workers in the private economy are covered by pension plans, many with retirement at ages 60, 55 and 50.

Federal civil servants and employees of many state and local governments can retire at age 55 after 30 years, and the number of these public employees has soared. Military personnel can retire after 20 years of service, regardless of age.

Secretary of Health, Education and Welfare Joseph Califano told the committee while Americans are retiring earlier, other changes are taking place that may require the nation to reconsider its whole policy toward work and retirement.

People are living longer. In 1940, the average life expectancy at birth was 63.5 years, lower than the age for full Social Security retirement benefits.

Now, Califano said, life expectancy is 69 for men, 77 for women. Three-quarters of the population now reaches age 65 and, once there, live on the average to age 81.

"We are at the dawn of the first four-generational society in the history of our nation," Califano said.

The baby boom following World War II, Califano noted, will become a "senior boom" in the early 21st century. In 1940, 7 percent of the population was 65 or over; today it is 11 percent; by 2030 it will be nearly 20 percent.

Today six active workers support one in retirement. By 2030, the ratio is expected to be 3-to-1.

Califano testified that under present trends, the federal government will have to spend $635 billion by 2025—up from $112 billion this year—for Social Security, other pensions, Medicare, welfare, food stamps and various other services.

This would be a growth from 24 percent to 40 percent of total federal outlays.

"There are reasons to wonder aloud whether the trend toward ever-earlier retirement is a trend in the right direction," Califano said.

Dr. Harold Sheppard, director of the Center on Work and Aging of the American Institutes for Research, said the coming senior boom will include a large increase in the number of Americans over 80—by 2000, there will be 8 million of them, 1.7 million more than had been projected as late as 1971.

Sheppard asked how the increasing proportion of Americans in their early 60s in the next century are going to support these octogenarians if they themselves are retired.

Labor Secretary Ray Marshall said it may become increasingly difficult to insure older Americans a comfortable retirement by relying primarily on "transfer payments"—shifting money through Social Security, welfare and other programs.

He said it will be necessary to expand employment opportunities for the elderly.

Congress took one step in that direction last April when it raised from 65 to 70 the age at which a private employer can require a person to retire solely because of age, and removed the upper age limit of 70 for most federal workers.

[From the NSCLC Washington Weekly, Aug. 11, 1978]

SOME NEW APPROACHES TO THE PROBLEMS OF THE ELDERLY

A new set of hearings by the Senate Special Committee on Aging, along with other recent developments, are clear evidence that the problems of the growing community of older Americans cannot be "swept under the rug." The Senate hearings on "Retirement, Work and Lifelong Learning," held on July 17, 18 and 19 were clear evidence of the continuing commitment of the U.S. Congress to an unremitting attack on the wide array of issues confronting the elderly. A hearing on poverty among the elderly conducted by the House Select Committee on Aging on August 9, showed that Rep. Pepper's committee is equally cognizant of the need for more effective action.

Statements by Sen. Frank Church (Chairman, D-Idaho) and Sen. Pete Domenici (D-N. Mex.) set the tone for the comprehensive Senate examination of what has been done and still remains to be done to ameliorate the plight of the elderly in this country. Reports by Secretary of HEW Califano and "aging" researcher Harold Sheppard highlighted the first session. Secretary Califano, particularly stressed the close interrelationships between present federal programs and pressures on the Social Security system, the welfare program, and other services, including Medicare and Medicaid. Dr. Sheppard supplied facts and figures to point out the inadequacy of current efforts in the face of runaway inflation. Both admitted that there were "more questions than answers" that still had to be resolved.

At the second hearing on July 18, Secretary of Labor, Ray Marshall, discussed current trends in work and retirement and pointed out both the failings in present pension plan provisions and the adverse consequences of encouraging early retirement. Statistics furnished by one witness, Consultant Ewan Clague, showed the erosive effect of inflation on retirement incomes and upheld the need for a closer look at the unanticipated economic repercussions of both voluntary and involuntary early retirement. The general tenor of the hearings suggested that legislators were having second thoughts about the wisdom of promoting early retirement, as too costly for the economy. They seemed also to be eager to look more seriously at viable alternatives for reducing unemployment.

Roundtable hearings are scheduled for early September, when representatives of national aging groups will be invited to testify before the next steps are taken. NSCLC and the Gray Panthers, among others, have been invited to appear before the Committee to present their views.—Dr. Bernard I. Forman.●

10TH ANNIVERSARY OF THE SOVIET INVASION OF CZECHOSLOVAKIA

● Mr. PELL. Mr. President, Monday, August 21 will be the 10th anniversary of the brutal Soviet invasion of Czechoslovakia, the small homeland of freedom loving Czechs and Slovaks. Ever since, August 21 has become known as the Soviet Day of Shame—and rightfully so.

In the spring and summer of 1968, the Czech and Slovak peoples, acting in accordance with the U.N. Charter's principle of "the sovereign equality" of all U.N. members, tried to humanize the

Communist system under which they had lived for 20 years. This was a purely internal matter which threatened no other nation; yet the Soviet Union, apparently believing that some sovereign U.N. members are more equal than others, violated article 2(4) of the U.N. Charter which states that—

All Members shall refrain in their international relations from the threat or use of force against the territorial integrity or political independence of any state, or in any other manner inconsistent with the Purposes of the United Nations.

I have long had an interest in and personal acquaintance with Czechoslovakia. It seems only a short time ago when, as a young Foreign Service officer, I opened the American Consulate in Bratislava shortly before the Communist putsch of February 25, 1948. Through the years since then, I have sought to visit Czechoslovakia as often as I could and to stay in touch with conditions in that country. I was there just prior to and just following the Soviet invasion of 1968. I observed at the time that the fact that the Soviet Union did not have to use force directly to make Czechoslovakia a Communist country but had to employ a major military force to keep it Communist says something dramatic about the appeal of communism after two decades of exposure to it.

Mr. President on August 1, 1975, the 35 participants in the Conference on Security and Cooperation in Europe signed a final act in Helsinki relating to security in Europe, and economic and humanitarian cooperation. I was encouraged at the time by the fact that among the principles to which the participants, including the Soviet Union, subscribed, was one which stated that "no consideration may be invoked to serve to warrant resort to the threat or use of force" against the territorial integrity or political independence of any state. My colleagues may recall that in 1968, the Soviets justified their invasion in the name of "proletarian internationalism"—also known as the Brezhnev doctrine.

The fact remains, however, that some 50,000 to 70,000 Soviet forces remain in Czechoslovakia with the principal mission of insuring that no more Prague springs occur. Until the Soviet occupation of Czechoslovakia ends, there is no realistic prospect for the Czechs and Slovaks to exercise their sovereign rights as set forth in the U.N. Charter and reiterated in the Helsinki Final Act.

It is noteworthy to add, however, that the indignation aroused in Czechoslovakia as a result of the Soviet invasion has given birth to a courageous band of patriots demanding the observance by the Soviet and Czechoslovakia Governments of the Helsinki Final Act. In a daring publication entitled, "Charter 77," this group detailed the many violations of the Helsinki Final Act. New adherents are being added every week—and not only intellectuals but farmers and workers as well. As with the signers of our own Declaration of Independence, the signers of Charter 77 are demanding only that the rights of man be respected. Yet their cries for freedom have been answered only by more persecution.

The appeals of this group have a special meaning to me, not only because of my previous experience of having lived in Czechoslovakia, but also because I serve as cochairman of the Commission on Security and Cooperation in Europe, a body created by Congress in 1976 to monitor the Helsinki Final Act. I and other members of the Commission have called for full observance by all parties to this important international agreement and have been engaged in telling the story of what has happened in the Soviet Union and Eastern Europe since Helsinki. In this connection, I believe strongly that the United States must not forget what happened to Czechoslovakia in 1968 nor allow the Soviet Union to forget that its invasion of Czechoslovakia contravenes both the U.N. Charter and the Helsinki Final Act. For, only as long as it is clear that the invasion will not be forgotten, will there be a chance that Soviet aggression in Eastern Europe will one day be a thing of the past.●

NATION'S CREDIT UNIONS ENDORSE S. 3156, THE FAIR FUND TRANSFER ACT

● Mr. RIEGLE. Mr. President, I am very pleased to report that the Credit Union National Association, the trade association representing over 20,000 State and Federal credit unions, has formally endorsed S. 3156, the Fair Fund Transfer Act. This legislation would establish a framework of consumer rights and safeguards in electronic fund transfer (EFT) services.

It is not often that financial institutions formally endorse Federal consumer protection legislation. CUNA's endorsement is an indication of just how carefully balanced and reasonably drafted S. 3156 is.

As CUNA points out, today's consumer protection laws were not drafted with the new phenomenon of electronic banking in mind. Consequently, consumers who utilize 24-hour tellers, pay-by-phone systems, or direct deposit of social security benefits or wages have no protection if, through an error or theft, their bank accounts are suddenly emptied. S. 3156 fills this void and provides important safeguards similar to those enacted by Congress for credit cards.

CUNA's endorsement is another indication of the Banking Committee's success in drafting legislation which provides fundamental consumer protections while also permitting the continued development of FFT systems and services.

Mr. President, I ask that the text of CUNA's endorsement of the Fair Fund Transfer Act be printed in the RECORD.

The material follows:

CREDIT UNION NATIONAL ASSOCIATION, INC.,
Washington, D.C., August 16, 1978.

Hon. DONALD W. RIEGLE,
U.S. Senate,
Washington, D.C.

DEAR SENATOR RIEGLE: On behalf of the Credit Union National Association, Inc., I am pleased to forward to you a resolution adopted by our Executive Committee on August 9, 1978, endorsing the EFT consumer protection bill which you have sponsored and which is now pending action on the floor of the Senate.

CUNA recognizes that there are substantial consumer benefits in the future as EFT services are refined and expanded upon but that consumer confidence in these new services hinges on adequate legal protections for the consumer comparable to consumer rights with respect to existing payment systems. We hope that Congress will complete action on this legislation this year so that EFT systems can develop with some certainty and common understanding of the legal framework and standards of operation which will be beneficial to both consumers and the providers of EFT services.

Sincerely,

DAVID S. WRIGHT,
Chairman of the Board.

CREDIT UNION NATIONAL ASSOCIATION, INC.,
Washington, D.C.

CUNA strongly endorses the Riegel and Annunzio bills regarding EFT consumer protections. CUNA also endorses those general principles contained in the Electronic Money Council Consumer Bill of Rights as minimum standards (other than reversibility), but also encourages legislative guarantees of higher standards of consumer protection as contained in these two bills.●

CARTER'S DECLINING POPULARITY

● Mr. HAYAKAWA. Mr. President, hardly a day goes by without some reports about President Carter's declining popularity. It now even seems that a great number of citizens who voted for him in 1976 believe that he should not run again in 1980. This development is of primary concern to the Democratic Party. It would be short-sighted, however, to overlook the detrimental aspects for the country as a whole, especially as far as the position of the United States in the world is concerned. Looking at the domestic scene, Americans might console themselves that 1980 is not far away and that, if Carter's performance continues to be unsatisfactory, a new President will take his place.

It seems to me, however, that the consequences abroad will be more difficult to correct. My distinguished colleague, the senior Senator from Arizona, recently mentioned, "dwindling respect for the United States" abroad—CONGRESSIONAL RECORD of August 9. The close connection of this decline with the perceived lack of leadership in the White House is self-evident. The resulting dissatisfaction among our allies naturally has been welcome news in the Kremlin, which is trying to exploit the situation to its own advantage. Brezhnev's recent visit to Bonn ought to be seen in this light.

A number of press reports following his meeting with Chancellor Schmidt mentioned not only Soviet efforts to loosen American-German ties, but also a German ambivalent—while interested—reaction.

The respected German weekly Die Zeit, for instance, suggested, on May 26, that "the thread to Moscow must not be permitted to break;" and Die Neue Zuericher Zeitung of July 23, wondered whether Bonn had decided to chart a separate course. Rowland Evans and Robert Novak, Washington Post of August 11, also referred to this eventuality when, evoking memories of Rapallo, they

mentioned Egon Bahr's recent conversations in the Kremlin.

Mr. President, as I see it, any talk about a possible break in the Western alliance belongs—for the time being at least—in the realm of fantasy. On the other hand, it would be a serious omission on our part not to focus on the widespread malaise among our friends abroad and to disregard their justified concern about the absence of a strong leader. I believe it behooves the Senate to keep this situation in mind when deliberating related issues of international concern. For this reason, I ask, Mr. President that the Evans and Novak article "Germany's Left Looks to Moscow" be printed in the RECORD.

The material follows:

GERMANY'S LEFT LOOKS TO MOSCOW

President Carter's uncertain foreign policy is unwittingly contributing to stepped-up contacts between the Soviet Union and left-wing leaders of West Germany's ruling Social Democratic Party (SPD), who have long opposed Chancellor Helmut Schmidt's devotion to Washington and the North Atlantic alliance, NATO.

Playing the prime role in these very private contacts is Egon Bahr, secretary general of the SPD. Bahr had extensive talks with Soviet President Leonid Brezhnev shortly before Brezhnev's highly successful visit to Bonn in May. He renewed his Moscow talks in July—not as an emissary of Schmidt, but as agent of the SPD's activist left wing and the party chairman, former chancellor Willy Brandt.

Here is the specter of what has always made the Western alliance tremble: a menacing new version of the 1922 Rapallo Soviet-German treaty. Another Rapallo is certainly no possibility in the near future. Indeed, it is unthinkable in Helmut Schmidt's Germany.

Nevertheless, what is clearly at issue in the Brezhnev-Bahr talks is chilling, even though no immediate threat: West Germany leaving NATO with Soviet guarantees against aggression and with the ultimate prospect of German reunification.

Bahr, a fanatical German nationalist, leads SPD's far-left faction, which believes the key to Germany's future reunification is held in Moscow, not Washington. To Bahr and his allies, common political ground will eventually be found between Soviet communism and European socialism.

Political sources in Europe, both West and East, provide the following outline of Bahr's Soviet contacts in Moscow and Bonn, together with collateral talks between other leaders of the SPD's left wing and Eastern European Communist officials.

Bahr attacks the Carter foreign policy, particularly the administration's intention "to play the China card." According to one qualified informant, Bahr agreed with Moscow that the Soviet Union "would not accept this" and would retaliate "in Africa, in the Middle East, in Asia and Western Europe," possibly with a "Berlin crisis." Bahr contends West Germany might not survive a new Berlin crisis.

The impact of Carter's human-rights policy on the Soviet Union threatens Soviet reaction that could put pressure on West Germany.

Given those alleged dangers to West Germany, Bahr has asked the Soviets what sort of "guarantees they could offer "in case of a crisis" between the superpowers.

To facilitate such a cataclysmic shift in West German policy, a major propaganda operation has been discussed withthis purpose: to dramatize perceived dangers of U.S. policy and Carter's "inexperience in foreign policy." It would start by denying the United States "unlimited power" to dictate Western policy to West Germany on strategic arms limitation, Communist China, the Third World and Europe itself.

Bahr and the SPD left wing have exploited Carter's stunning decision not to produce neutron weapons by constantly reminding Schmidt how erratic U.S. policy is today. Schmidt had privately informed Carter he wanted the neutron warhead (widely opposed inside the SPD) and was left holding the bag when the president ruled against it.

Although Bahr greatly influences the SPD's left wing (about one-third of the party), he lacks power within Schmidt's coalition government. Still, Bahr's wide-ranging explorations pointing toward a possible second Rapallo build rising pressure on Schmidt.

Widely noticed in the Carter administration is Schmidt's heavy emphasis on East-West détente since Brezhnev's Bonn visit. The chancellor also rejected an appeal from French President Valery Giscard d'Estaing for French-German "coordination" in blocking Soviet adventures in Africa.

Schmidt is becoming trapped in the continuing uncertainty of Carter's Washington: He boldly opposes his left wing on neutron weapons, and the president pulls the rug out; he yields to his left wing on Africa, and a common Western European policy is sacrificed.

"U.S. leadership is not a realistic factor in the great struggle with the Soviets today," one European expert on German politics told us. "There is all too obvious a lack of declared will." That lack of will, and the inconsistency that results from it, is what gives Egon Bahr and his supporters their license to hunt in Moscow for a radical change in West German policy at awesome risk to the West.●

BALLOONISTS COMPLETE MAINE TO PARIS FLIGHT

● Mr. MUSKIE. Mr. President, three American balloonists made aviation history today by completing the first trans-Atlantic crossing by balloon. I want to compliment these brave men for their daring, their skill and their achievement.

I think the exploit of Maxie Anderson, Larry Newman, and Ben Abruzzo demonstrates that Americans can do the things they put their mind to, with hard work, courage and persistence.

The State of Maine played only a small part in their exploit—the three took off from Merle Sprague's farm in Presque Isle, Maine, last Friday. But the excitement Maine feels, and our pride in our modest contribution, are surpassed by no one.

We in Maine wished them well when they departed. We offer them our warmest congratulations on their success.

Mr. President, I might note that the "Double Eagle II" took off from a spot near Loring Air Force Base in Maine. I think our friends from Albuquerque helped us demonstrate why the Strategic Air Command built the base, and why SAC should keep it operating at full strength.●

A SMASHING SUCCESS

● Mr. CHAFEE. Mr. President, three highly instructive short articles have appeared in issues of Better Roads magazine over the past year. In one a county engineer in Michigan describes the 10-year cooperative efforts undertaken by the county, the road commission, and local governments to redress a serious bridge problem. The joint program used county, township, State, and Federal funds to replace bridges both on and off the Federal aid systems.

A second article tells of the successful bridge program in a small Kansas county. The third prescribes creative engineering techniques to solve bridge problems. The articles are instructive because Congress is currently beset by State and local officials asking for massive Federal assistance to correct dangerous and obsolete bridges. There is no doubt that a grave situation exists and that a major effort is needed to address the most pressing problems.

Before approving a vastly larger special Federal bridge program, however, I would like my colleagues to examine what can be accomplished using existing Federal assistance, when local ingenuity and determination are added.

I ask that these three articles be printed in the RECORD.

The articles follow:

LOCAL BRIDGE CRISIS CAN BE SOLVED THROUGH CREATIVE ENGINEERING: ELLIOTT

When a bridge in your area is badly deficient, don't look to "governmental pots of gold" for a solution—use any means available to "repair, prop, or strengthen" that safety hazard right away.

This pragmatic spirit should dominate the thinking of today's highway official responsible for bridges on low volume roads, according to Arthur Elliott, veteran bridge engineer. He told some 350 fellow bridge engineers attending a Portland, Oregon, seminar last month that, "We have to protect the public; we are responsible for the safety of their bridges."

It is estimated that there are more than 65,000 deficient bridges on county, township, and other off-federal-aid-system roads nationwide.

Occasion for Elliott's comments was the 4th Annual Northwest Bridge Engineers Seminar, sponsored jointly by the highway departments of Oregon, Washington, Idaho, Alaska, and the Federal Highway Administration. Elliott, now a bridge consultant, spent 40 years with the California Division of Highways bridge department.

He said that once deficient bridges in an area have been identified, "Each repair project must be a unique exercise in value engineering." Although he recommended using contractors when the money is available, Elliott observed that low-cost repairs can at times be performed by department maintenance crews.

Several examples of techniques employed by engineers in the past were cited by Elliott:

"One engineer bought some old flat car frames from the railroad, mounted them on concrete piers built by his maintenance crew, and then topped them with a concrete deck. He ended with a very serviceable bridge several hundred feet long."

"Government surplus property has also found its way into many bridges. Old beams, bars used for reinforcing, landing mats used for railing, and riprap for banks."

Timber bridges also lend themselves to innovative repair, Elliott said. Some techniques include:

"Stubbing the piles or shaving away the rotten wood and encasing them in concrete jackets; bolting half-caps on each side of caps with rotted wood top surfaces to provide solid bearing for the stringers; and, building a new abutment in front of a rotten one."

Other timber bridge repair techniques include:

"Digging down just back of the bridge and inserting a new bulkhead timber to prevent the dirt from spilling onto the end cap; turning the stringers so as to get a good nailing surface and deck support and adding a few stringers to make up for reduced capacity, sliding in a few new stringers to replace cracked or broken ones; renailing the timber deck with twisted nails for a better grip; and replacing the timber deck with a concrete slab."

In conclusion, Elliott urged engineers to "Keep on top of your bridges—or better yet, spend more time underneath them. Know their condition. Know their weaknesses. Use your ingenuity.

"With a little luck and a lot of persistence, one of these days we'll have solved our dilapidated bridge problem."

COUNTY'S 'SOLO' DRIVE TO REPLACE BAD BRIDGES

The year was 1973, and Harvey County had a real problem. An inspection revealed that 82 of its 199 of the federal-aid system bridges were structurally deficient. But, the $5.75 million price tag for building new ones was well beyond the county's financial means.

"Replacement was a necessity though," county engineer Mike Zobkiw recalls, "because the law requires that deficient bridges either be closed or replaced, and wholesale bridge closings would have disrupted the entire county." The county board and Zobkiw determined that a general obligation bond issue was the only solution, and put the question on the ballot for an Aug. 6, 1974, general election.

Similar bond issues had failed in the past, so an intensive citizen information campaign began. Pamphlets describing the situation were distributed countywide, slide presentations were made to local service organizations, and six public hearings were held.

"Light turnouts for public meetings had officials worried that the bond proposals would be defeated," Zobkiw said, but on election day the issue carried by a simple majority of 337 votes. In November of that year, $2.2 million in bonds were sold, and a second issue of $2.5 million was sold in 1976, for a total of $4.7 million.

Construction of the new bridges is now nearly complete, and the total program has come in about $1.4 to $1.5 million below the $5.75 million estimate. Zobkiw said this resulted for five reasons: "The slowdown in the rate of construction inflation; well-prepared, standardized plans; revised bidding procedures; competitive bidding by contractors; and, our road and bridge crews doing as much work as possible."

Elaborating on this, Zobkiw, for example, noted that in order to have some work done throughout each geographic area of the county each year, the replacement schedule called for certain bridges in all parts of the county to be replaced in each of the three years work was going on. Each year's work was broken down into phases which consolidated similar structures in the same area in a letting, and this qualification proved beneficial in obtaining low bid prices. In all, nine bid lettings were held between March, 1975, and December, 1976.

Having county crews do as much work as they could saved some $375,000, Zobkiw estimates. "At the beginning of the program," he said, "they removed all structures, excavated sites for box bridges, and did all the grading work and box sites." By the final letting however, contracting was done for all work except, "construction engineering, material testing, fence removal and replacement, seeding, surfacing, and guardrail erection," Zobkiw said.

Of the 82 structures built, 35 are large, multi-span boxes and 47 are span bridges with lengths varying between 86 ft and 290 ft end to end of wearing surface. Most span bridges fall in the 150 to 160 ft range. Actual structure costs per sq ft of available roadway ran about $16.01 on boxes and $16.76 on bridges.

Reflecting on the county's success, Zobkiw said, "Quite often, it seems, government agencies initiate projects, obtain funding, and then find themselves spending tremendous amounts of dollars over publicized estimates to complete the project. We are awfully proud that we are bringing this program in 25% below estimated costs."

SCHOFIELD: KENT COUNTY BRIDGE PROGRAM . . . A SMASHING SUCCESS

Your May 1978 issue on Bridges was very interesting and timely, however, it points out only part of the problem.

In Kent County, Michigan, we surveyed our bridge problem on local roads in 1966, prior to the 1967 Silver Bridge collapse. To our dismay we found 73 percent of these bridges to be inadequate (51 inadequate of a total of 73). Our estimated replacement cost was $1,799,000. School buses were exceeding the load limit and crossing 47 unsafe bridges each day.

For 1172 miles of local roads we received from the state gas and weight tax (in 1966) $632,522.16 to cover our maintenance, snow removal and construction. Our maintenance and snow removal cost alone in 1966 was $824,244.05. Also the state statute states that this is the "total responsibility of the state for local county road support and that additional funds required for the support of any county local road system be supplied from other moneys returned to the township governments—or counties—."

Therefore, we went to the Townships and County with our problem and reached a solution whereby the Townships (21 unincorporated in Kent Co.) and the County (general tax) each paid 25 percent of the cost and the Road Commission paid 50 percent of the cost.

The bridge replacement program was cut to 45 bridges by eliminating some, where the traffic could be rerouted with little inconvenience. This was spread over a period of 10 years and this year, with the placement of 3 structures, will bring the program to a successful end.

At the same time we, with our regular state highway funds, kept up a program for replacing bridges on our primary road system. We also incorporated F.A.S. Funds on eligible bridges and saved these funds for several years to accumulate enough to meet 50 percent of the cost.

We have once again approached the Townships and the County for another 10 year program to take care of 16 bridges on our primary system, 8 culverts (under 20 ft span) and 39 culverts on our local road system. Because of the first 10 year local bridge program being a smashing success the 2nd program was much better to sell to these local officials.

However, it is difficult to state that we are not eligible for federal or state critical bridge funds, because we acted on "our" problem.

The State statute says local roads are only very limited to be a state responsibility, therefore, how can this be a Federal responsibility?

The Federal Government just recently cut back on the F.A.S. system stating it was just too large a system to ever conceive completion. Therefore, why now expand and use these critical bridge funds on any road?

In addition, these critical bridge funds on both the state and federal level came from the gas and weight tax that would normally be split by all users. This takes a portion that would normally come to us in F.A.S. funds to give to some other area that did not keep up on their responsibility. Many counties are also in this situation.

I suggest we eliminate these "special" funds and distribute one general fund. If bridges are a problem in a certain county then congress may set the priority by requiring the expenditure in that area. If the counties can demonstrate that the bridges are adequate, then they should be allowed to use the funds in other areas. We are now starting to replace structurally deficient culverts (under 20 ft span) and, for safety, bridges that are narrow and we are not eligible for the special critical bridge program.

Maybe we should wait and have an emergency to possibly get "special" aid.●

MRS. JACQUELINE L. LEVINE

● Mr. WILLIAMS. Mr. President, I would like to take a moment to acknowledge the achievements of one of my constituents, Mrs. Jacqueline L. Levine of West Orange, N.J.

Because of her extraordinary leadership and contributions to the cause of justice, freedom, and human dignity, she was recently honored with the first Joachim Prinz Award from the New Jersey Region of the American Jewish Congress.

Speaking of her involvement in Jewish affairs, Mrs. Levine said:

> My commitment has been a liberal concern for all people, their civil rights and civil liberties. It never has been enough for me just to have nice clothes and go out for an evening at the theater. I want to do something for this world. I'm here such a short time, I want to have done something to make it better for some people, some place, if I should die tomorrow.

And she has done a great deal for people—especially for the Jewish community. Mrs. Levine has been active in many community and Jewish activities, is a member of the board of trustees of the Jewish Community Federation of Metropolitan New Jersey and is a past chairwoman of the women's division of the United Jewish Appeal. Active in Bryn Mawr College's alumni association, she is chairwoman of the campaign for a Judaic studies program at the college.

She has become identified with the Soviet Jewry freedom movement through various activities, and was national vice president of the Council of Jewish Federations from 1971 to 1974. In 1971, as a member of the Soviet Jewry federation's community relations committee, and as president of the women's division, she helped initiate and served as the first chairwoman of the Women's Plea for Soviet Jewry, the coordinating body of 39 national Jewish organizations concerned with the plight of Soviet Jews.

The list of Mrs. Levine's accomplishments goes on, as does her energy and dedication. I am sure that is why she was chosen to receive this award, and confident that she will continue to work hard promoting peace in the Middle East and fair treatment for Soviet Jews through her dedication and activities in the United States.●

I LOVE HER A LOT

● Mr. TOWER. Mr. President, the Sunday Sentinel of Nacogdoches, Tex., recently featured an article by Ms. Dianne

Webb concerning an important event honoring Miss Mamie Middlebrook for a wonderful 62-year career as a teacher of music in Nacogdoches. The occasion was highlighted by a benefit piano recital sponsored by the Nacogdoches Music Teachers Association and the Department of Music at Stephen F. Austin State University.

The article speaks of the universal love and esteem that are accorded to "Miss Mamie" by all who are privileged to know her; it refers to the tremendous contributions she has made to the development of the talents and character of her students; it lists the outstanding professional achievements of several of her students; and, most of all, the article describes a life that has been exemplary in unselfish and inspired service to God, country, and community.

I am told that the esssence of the events honoring Miss Middlebrook's service of 62 years was best summed up by a promising young American who is currently Miss Mamie's youngest pupil, Mr. Danny Wier. He said, "I love her a lot." In that expression of appreciation and affection, Danny is joined by a grateful citizenry of Nacogdoches.

Mr. President, I ask that Ms. Webb's Sentinel article concerning Miss Middlebrook be printed in the RECORD.

The article follows:

MISS MIDDLEBROOK'S 62 YEARS OF PIANO TEACHING RECOGNIZED TODAY

In recognition of the influence and rapport which Miss Mamie Middlebrook has enjoyed with thousands of piano students and their families in 62 years of teaching in Nacogdoches, the Nacogdoches Music Teachers Association and the Department of Music at Stephen F. Austin State University will honor Miss Middlebrook today, Sunday, with a benefit piano recital at 3 p.m. in the Recital Hall of the SFASU Music Building.

Miss Middlebrook's name is synonymous with the outstanding teaching of music in Nacogdoches, and several of her former pupils have become professional musicians—Monte Hill Davis, Charlotte, Dorsey Tull, Sandra Fulmer Davidson, Ruth Reavley Harris, Starr Davis, Jill Street, and Jerry Street— to name a few.

The soft-spoken, dignified Miss Mamie is beloved by those who know her and have had the privilege of being her friend, her pupil, or, perhaps, both.

Her teaching and her students are her greatest rewards, and she quickly mentions that she wants to give credit to those friends, relatives, and teachers who have helped her throughout the years—never does she mention the profound influence she has had on others.

She wants the compliments and laurels to be given to those people who have helped her become one of the best-loved and best-known music teachers in East Texas, she says.

Miss Mamie was born Jan. 19, 1899, in Nacogdoches, the daughter of Hannah Jan and Vernon Eugene Middlebrook. She grew up and lived for many years in one of the lovelier old Victorian homes on the south side of Irion Hill.

She attended Trinity University in Waxahachie from 1920–21, and received her B.A. degree from Stephen F. Austin State University in 1935. Her piano teachers included Mrs. Robert Lindsey and the late Ida Pritchett, both of Nacogdoches; Silvio Scionti, Clarence Eidam, Harold von Mickwitz, and Hans Barth.

Miss Middlebrook received additional instruction at the Cosmopolitan School of Music in Chicago; Northwestern University in Evanston, Ill.; Julliard School of Music in New York City; the Conservatory of Music in Mexico City, the University of New Mexico, and numerous workshops throughout the United States.

Miss Mamie said there have been several people who have been strong influences in her life, and she hesitates to mention any of the for fear of leaving out some beloved person she feels has contribtued to her success.

"I was 12 years old when I began to study piano, and I was so fortunate to have the teacher that I did. The happiest day of my younger life was when I began lessons with Mrs. Robert Lindsey.

"She (Mrs. Lindsey) had the most beautiful music room; and, in fact, it was a small auditorium, equipped with a nine foot Baldwin grand piano and an upright piano.

"I could write volumes about Mrs. Lindsey. All of us adored her. She taught us the right kind of repertoires from the right composers, so we had the right beginning—whereas, so many people studying piano have a very poor beginning."

Miss Mamie mentioned that her father played by ear and her mother had had music lessons. "They were such an inspiration to us (Miss Mamie and her sister Fannie Middlebrook Buchanan).

"I think I learned very much from my father about reading music from the bass upward, which, in my estimation, is the right way to read music—bass, tenor, alto, soprano—something like architecture.

"I can just hear my father saying (to my sister), 'Fan, play the bass for me,' and she would do so. He had a very good bass voice, and he loved hymns."

Music and those who want to learn music have been her life and the key to her ability to inspire others with her pleasure in and gratitude for an art form as enduring as time itself, she says.

People who were inspirations to Miss Mamie and whom she especially wants recognized are Miss Willie Gramling, a long-time Nacogdoches piano teacher and friend; Mrs. Tom (Fannie) Buchanan, her sister; Carolyn Sturdevant Miller, a Nacogdoches pianist; and Ida Pritchett (now deceased), who was head of the Music Department at SFASU when it was first established.

According to Miss Middlebrook, the first piano teacher at SFA was Minnie Lucille Summers, "a very beautiful woman and graduate of Baylor University."

Miss Middlebrook said Miss Summers did not stay long at the university because she married and became Minnie Lucille Summers Weinrich and moved to San Antonio. Now deceased, Mrs. Weinrich was the aunt of Mrs. Branch Patton of Nacogdoches.

"After she (Mrs. Weinrich) left, our beloved first president (Dr. A. W. Birdwell) of SFA called me into his office and he told me that Miss Pritchett had suggested that I take Minnie Lucille's place; and thus it was that I began teaching piano at SFA, and I built up a large class and worked on my B.A. degree and did much on my degree."

Miss Middlebrook said she will always be indebted to Monte Hill Davis, one of the professional pianists who will play in today's concert, for having had her as a pupil.

When she was five years old, Monte Hill Davis began piano lessons with Miss Mamie. Said Miss Middlebrook, "Her (Monte Hill's) beautiful talent brought these other pupils, Charlotte (Tull) and Jill (Street) to me."

At age nine, Monte Hill Davis appeared as a soloist with the Houston Symphony Orchestra. Three years later she began studying with one of Miss Mamie's former teachers, Dr. Silvio Scionti at North Texas State University, and his wife Isabel Scionti.

During these years, Monte Hill Davis won the G. B. Dealy Award, the Gulf Sulphur contest, the Austin Symphony competition; and the Amarillo Symphony contest. In 1953, she went to Europe where she won several top piano prizes and subsequently played in a New York Town Hall recital, for which she received critical acclaim.

Jill Street, another of Miss Mamie's former students, and a professional musician, said upon learning of the benefit recital for Miss Middlebrook, "I appreciate very much the opportunity to help honor Miss Mamie. She is one of the dearest ladies my family and I have ever known."

Charlotte Tull, who will also perform in the recital today, is the wife of Dr. Fisher Tull, chairman of the Music Department at Sam Houston State University in Huntsville.

Said Mrs. Tull, in a letter to Dr. Robert Blocker, about the recital, "Thanks for everything. I had a letter from Mamie yesterday, and she is just almost overcome with excitement."

Mrs. Tull mentioned in her biographical data that all her professional and musical activities are a direct result of the fact that "from an early age I was instilled with a love for music, and in particular piano, that has developed into a rewarding career. Mamie Middlebrook is responsible to a great extent for the nurture and growth of that early interest."

Also appearing in today's recital will be Danny Wier, seven-year-old son of Mr. and Mrs. Don Wier of Nacogdoches. Danny began studying with Miss Mamie in October of 1977, at the age of six. Miss Middlebrook said of Danny, "His ear training is perfectly marvelous. He feels the slow movements better than any child I've ever had."

After cooperating quietly and playing beautifully during his lessons with Miss Middlebrook, Danny said about his music teacher, "I love her a lot."

The simple statement of this young student seems to sum up the feeling of all who know Miss Mamie Middlebrook, a beloved person who deserves the acclaim of her community and her contemporaries.●

SALT: THE SAME SECURITY FOR LESS

● Mr. McGOVERN. Mr. President, the current issue of Arms Control Today, the publication of the Arms Control Association, contains a very thoughtful analysis of the projected SALT treaty and its benefits for the United States by the senior Senator from Idaho, Mr. CHURCH.

The Senator makes a particularly compelling argument on the question of whether strategic arms control should be linked with Soviet misbehavior elsewhere. He says:

The notion that SALT II can be held hostage for changes in Soviet behavior in other areas flies in the face of the fundamental precept that makes the arms limitation talks possible at all; that is, that an agreement to limit strategic arms equally serves the vital interests of both powers, and further, is mutually perceived to do so. The linkage theory presumes that an agreement is more in the interest of the Soviets than of the United States, and we can therefore "punish" the Kremlin by delaying conclusion of the talks. But if the SALT talks are more in the interest of the Soviet Union than our own country, why are we engaging in them?

On the treaty itself, Senator CHURCH notes that while the outline constrains quite sharply what the Soviets might

otherwise do, according to intelligence projections, it does not interfere significantly with our own strategic plans. Moreover, as the Senator's article points out:

Even if the Russians did not step up their own strategic programs in the event of a SALT breakdown, the United States would have to spend an extra $20 billion, at the very least, between now and 1985, just to maintain the relative force strength that would be guaranteed by SALT II.

In the same vein, the Senator cites a Budget Committee staff estimate that over 13 years, the incremental cost to the United States could be $90 to $100 billion if SALT II is not concluded and ratified.

This, it seems to me, is an extraordinarily powerful argument. Certainly there will be technical questions and a complete evaluation of the treaty provision by provision. It will be a long and complex document. But on the whole, I think the treaty will be unattractive only to those who think it is somehow beneficial in itself for us to drain our resources on arms.

Mr. President, I ask that the article by Senator CHURCH, entitled "SALT II, Linkage and National Security," be printed in the RECORD.

The article follows:

SALT II, LINKAGE AND NATIONAL SECURITY

(By Senator FRANK CHURCH)

Since 1973, the United States and the Soviet Union have been endeavoring, slowly and haltingly, to achieve a new treaty limiting strategic offensive arms. Now, on the verge of agreement, the SALT process itself is under attack.

The strategic arms limitation effort has been caught up in the maelstrom of our stormy relationship with the Soviet Union. As a result, no one knows whether a new agreement will emerge in weeks, in months, or at all.

PROBLEM OF LINKAGE

Some of my Senate colleagues have suggested that the United States should unilaterally break off the SALT negotiations to protest the political trials of Soviet dissidents, Anatoly Scharansky and Aleksandr Ginzburg. The Carter Administration says it is opposed to using the SALT talks as a tool for pressuring the Kremlin on its internal human rights policies. However, the President, himself, may have opened the door to this kind of linkage, when he suggested that the successful conclusion of SALT II could be jeopardized by Soviet and Cuban activities in Africa. Once the concept of linkage between strategic arms negotiations and other extraneous political developments has been legitimized, it is inevitable that this same principle will be invoked by others to argue in favor of suspending the arms control talks for a myriad of other reasons. In the process, the hope of ever negotiating an end to the nuclear arms race may fade altogether.

If we persist in tying SALT to Russian behavior in the Horn of Africa, in Central Africa, or even in Moscow, we are quite unlikely to find that perfect moment in the flow of events at which we can say, "At last, our persistent competitor, the Soviet Union, is comporting itself to our complete satisfaction. Now, we should discuss the conclusion of a SALT agreement."

And if we hold the Kremlin responsible for Castro's every move in Angola or Ethiopia, then what is to stop the Russians from arguing that SALT cannot proceed until our allies, the French and Belgians, pull out of Zaire or Chad? Once you espouse the theory of linkage, where do you break the chain?

Finally, the notion that SALT II can be held hostage for changes in Soviet behavior in other areas flies in the face of the fundamental precept that makes the arms limitation talks possible at all; that is, that an agreement to limit strategic arms equally serves the vital interests of both powers, and further, is mutually perceived to do so. The linkage theory presumes that an agreement is more in the interest of the Soviets than of the United States, and we can therefore "punish" the Kremlin by delaying conclusion of the talks. But if the SALT talks are more in the interest of the Soviet Union than our own country, why are we engaging in them?

I agree wholeheartedly with Secretary of State Vance that this issue must be treated differently from others:

"The imperatives to go to Geneva now are that we are dealing with negotiations that affect the national security of our nation and the security and well-being of the world in general. . . . It is a question which deals with the prospect of mutual annihilation. . . ."

THE NEED FOR A STRATEGIC ARMS LIMITATION AGREEMENT

SALT is the only realistic alternative to a senseless nuclear arms race which neither side can win. We have already assembled a nuclear arsenal of such staggering proportions that the United States could destroy the Soviet Union several times over, even after enduring an attack upon itself. This ability to strike back devastatingly if attacked—an ability the Soviet Union also possesses—has brought the two sides to a state of mutual deterrence and a suicidal holocaust has thus far been averted.

But we are on the verge of a new, even more dangerous stage of the arms race. The United States and the Soviet Union are developing new counterforce weapons which could enable each side to destroy the other's ICBM's. If these weapons are deployed, each nation's fear of a first strike will be dramatically increased. The psychology of the arms race is such that without a mutual agreement between the U.S. and the U.S.S.R. to limit these new weapons developments, the race will escalate—even though it is obvious that we would never reach a point through competition at which we would feel secure enough to stop. In fact, a new counterforce competition would make us feel less secure, because the stability of mutual deterrence would be weakened. In short, the only practical way to achieve stability, enhance our national security and, simply put, keep the lid on, is through strategic arms limitation agreements.

Secretary of Defense Harold Brown said in his presentation this year to the Senate Armed Services Committee:

"We want mutual deterrence to be so stable that it cannot be upset in a crisis. We want it to be so well designed that neither side will be tempted to try to upset it over the longer term. These are the two essential types of strategic stability that we seek."

There is no question in my mind that strategic arms limitation agreements are indispensible if we are ever to achieve this kind of strategic stability.

The value of arms limitation is much more obvious when we consider how indefatigably we and the Soviets have pursued the other path—only to secure a stalemate. We kicked off the nuclear weapons age in 1945 and outdistanced the Soviets throughout the 1950s. We maintained both a quantitative and qualitative lead in the 1960s, and we still hold a qualitative lead. But from the start, the Soviet catch-up has only been a matter of time.

In 1966, the Soviet Union had 244 Intercontinental Ballistic Missiles (ICBMs). We were then approaching our present total of 1,054 land-based ICBMs. The Russians had 29 Submarine-Launched Ballistic Missiles (SLBMs) and we had almost finished out program of 656 such missiles.

In the late 1960s, with forces more than adequate for deterrence, we decided to stick with our missile totals, at least for the near future. Meanwhile, the Soviet Union was coming from behind, and its land-based missile force exceeded ours by the end of the decade. Their submarine force grew larger than ours a few years ago.

But we were not idle while the Soviet Union was increasing its missile totals. In 1970, we began installing multiple independently targetable re-entry vehicles (MIRVs)—a technical name for strategic warheads—atop both our land-based Minuteman missiles and our submarine-based Poseidon missiles. (We also installed a less sophisticated multiple warhead on our Polaris submarine missiles.) The Soviet Union did not start MIRVing its land-based missiles until 1975, and only recently acquired the ability to deploy MIRVs on submarine-based missiles. By comparison, every one of our submarine-based ballistic missiles boasts a multiple warhead.

As a result of our earlier start and better technology, we presently possess more than twice as many deliverable strategic nuclear warheads as the Soviet Union. Our analysts tell us that we will maintain a warhead lead for the foreseeable future.

Some discount this lead by pointing out that the Soviets have developed generally larger ICBMs and more of them—about 1,500 compared to our 1,054. They have also installed more submarine-launched ballistic missiles, although we have built more bombers. The total forces, as measured by the number of strategic delivery systems, compare at more than 2,500 for the Soviets to about 2,100 for us. But the numerical disparity is not in itself a cause for concern, since our current forces are capable of hitting twice as many targets as theirs, with a punch many times larger than the blasts which destroyed Nagasaki and Hiroshima.

A BETTER ALTERNATIVE

To understand why we should welcome the prospective new treaty now being negotiated, we should look at some of the contemplated controls and limitations. We should also consider both the added cost and uncertainty that would face us without a new treaty.

The basic element of a new SALT package will be a treaty to last until 1985, which will establish certain ceilings on overall strategic delivery systems, as well as sub-limits on missiles with MIRVs, upon heavy bombers carrying cruise missiles, and upon land-based MIRVed ICBMs. The second component will be a protocol applying temporary additional limitations until around the end of 1980. The third component will be a statement of principles and guidelines for SALT III.

The emerging three-part SALT agreement would hold many benefits for the national security interests of the United States:

The maximum limit of 2,250 on strategic delivery systems will force the Soviet Union to dismantle about 300 of its missiles and/or bombers. This reduction is even more striking by comparison with what the Soviets might add without SALT. The Department of Defense projects more than 3,000 Soviet strategic weapons by 1985, without a treaty. If so, then we can correctly credit SALT II with removing the threat an additional 800 Soviet intercontinental bombers and/or ballistic missiles would pose. By contrast, the ceiling will not force us to make any reductions in the number of our strategic weapons. Indeed, if we choose to do so, we can add new weapons in sufficient number to equate our total force with that of the Russians.

The ceiling of about 1,200 on missiles with

MIRVs will constrain the United States only slightly. However, it will hold the Soviet side to a total hundreds below what we believe they would otherwise install.

We benefit most immediately from the expected allowance above the MIRV ceiling of 120 heavy bombers equipped with air-launched cruise missiles (ALCMs), as we are well along with our cruise missile program.

Since a far smaller proportion of our forces are on land, the Soviet side will be most affected by the limit of 820 on land-based ICBMs with MIRVs. Our intelligence believes that the Russians would deploy hundreds more land-based missiles with MIRVs by 1985 without a treaty.

The treaty limitations may cause the Soviets to give greater emphasis to seabased forces at the expense of land-based forces, a move which will be inherently less threatening and more stabilizing.

The mobile missile provisions in the protocol are decidely in our interest. A Soviet mobile missile now ready to be deployed, the SS–16, would be banned for the period of the protocol, while the development of our own mobile missile, the M–X, would not be constrained, should we decide to proceed with it.

The cruise missile provisions in the protocol will allow us to proceed as quickly as we are able with cruise missile development and deployment. The Soviets will not derive similar benefits, since they have no comparable program.

Against this background, one might ask, what is in this package for the Soviet Union that does not increase the danger to us?

First, the land-based missile forces of the Soviet Union possess a greater throw-weight in megatonnage than the comparable forces of the United States. This will compensate them for the threat posed by us of our far superior submarine missiles and our larger force of penetration bombers with ALCMs. Second, SALT II, by incorporating the principle of equal aggregates, will acknowledge the fact that the Soviet Union has become the relative equal of the United States in strategic nuclear arms. Third, the new agreement will save the Russians—as it will us—the heavy financial burden and the needless diversion of resources which would be entailed in an unrestrained continued competition.

To sum up, in no case will SALT II cause the United States to yield any advantage whatever to the Soviet Union in strategic nuclear arms. On the contrary, SALT II will leave the United States relatively better off, for the life of the treaty, than it would be if there were no treaty and each side continued to proceed through 1985 according to current plans.

Obviously, if there were no SALT II agreement, the United States would not sit still, militarily. If the Russians continued to expand their strategic force at the current rate, we could expect upward revisions in our own military budget.

Even if the Russians did not step up their own strategic program in the event of a SALT breakdown, the United States would have to spend an extra $20 billion, at the very least, between now and 1985, just to maintain the relative force strength that would be guaranteed by SALT II. This amount would cover the construction of 100 FB–111 bombers and modernization of existing ones, the deployment of additional sea-launched cruise missiles, the replacement of the remaining 450 Minuteman IIs, with MIRVed Minuteman IIIs, and the installation of more ICBMs.

If, in addition, we were to speed up development of the M–X mobile missile by two years, and restart the B–1 bomber program, we would have to pile on another $24 billion over the next 10 years. The Senate Budget Committee staff has estimated that over 13 years, the incremental cost to the United States of building a maximum force reasonably envisioned in the absence of a SALT agreement could be $90 to $100 billion!

The willingness of the American people to bear whatever cost is necessary is not in doubt, nor is the ability of our military to keep pace with the Russians. The question is, why should we pour additional billions of dollars for defense into a federal budget already deep in deficit and further inflame inflationary pressures, when precisely the same measure of security can be achieved by concluding a sensible arms agreement with the U.S.S.R.?●

THE HUMPHREY-HAWKINS BILL

● Mr. GARN. Mr. President, S. 50, the Full Employment and Balanced Growth Act of 1978, better known as the Humphrey-Hawkins bill, has been ordered reported from the Banking Committee with several changes from the earlier Human Resources Committee version. I must say that the Banking Committee made a number of significant improvements in S. 50, the most important of which was the inclusion of a goal of a zero rate of inflation to share the spotlight with the goal of full employment in the designation of national priorities. Indeed, the goals of a balanced budget, the reduction of the percentage of the gross national product accounted for by Federal spending, greater attention to the trade and balance-of-payments problem, and a better articulated agricultural policy are all quite useful improvements in the bill which the committee received. Nevertheless, the Humphrey-Hawkins bill represents an approach to Government which I (and a number of my colleagues) feel impelled to reject.

The basic underlying assumption of the Humphrey-Hawkins bill is that the major cause of our Nation's economic ills—particularly unemployment—is the lack of coordinated planning by agencies of the Federal Government charged with economic policy. To remedy this assumed defect, the bill directs planning and coordination on an unprecedented scale.

If you begin with the wrong assumption, as I would argue that the Humphrey-Hawkins bill does, then the remedies inevitably will be irrelevant to the problem. Worse still, those remedies may even compound the problems with which our Government seeks to cope.

Lack of economic planning is not a major source of our unemployment problem. Rather, it could be argued that unemployment has resulted from misdirected (and perhaps, too well coordinated) Federal programs, which have created disincentives to invest in the private sector and generally have impeded the free market forces essential to a healthy economy. What is needed is not more Government programs and the resultant greater Government monopolization of the capital markets. Rather, the need is for an elimination of impediments to the free flow of capital into useful and productive enterprises.

Counterproductive tax and regulatory policies have created a situation in which the rate of capital formation in the United States is the lowest of any of the industrialized nations of the West. Our productivity is growing far slower than that of our major trading rivals. These are serious and potentially crippling problems which go to the heart of the questions that this bill purports to address. Yet, S. 50 pays mere lip service to the creation of incentives for private capital formation. No specific programs are adumbrated. Indeed, this bill is an excuse for inaction on this front, calling for all sorts of good results from the executive branch but offering only public service employment as the alternative when those results fail to materialize.

Mr. President, I say that it is time for Congress to stop asking the Executive to make the current economic system work and start modifying the counterproductive tax and regulatory system structure in such a way that the economic system itself will have an opportunity to create useful and productive employment.

It is disheartening to note that in terms of programmatic content the major thrust of this bill is still toward public service employment, albeit on a standby basis. One might have hoped that our bad experiences with CETA (Comprehensive Employment and Training Act) programs would have chastened Congress to avoid any long-term commitment to public service employment. Yet title II of the bill mandates expansion of CETA programs and other countercyclical measures, if after 2 years from the enactment of the bill the President determines that such programs are necessary to help achieve the goals and timetables for the reduction of unemployment.

This approach will not solve the unemployment problem in any meaningful way. Instead, it is likely to compound the problem by increasing the Federal deficit to finance such programs (something the Banking Committee's version of S. 50 directs the President not to do). Any major increase in the deficit would draw off funds from the private sector which might otherwise have gone into job-creating investments in plant and equipment. A vicious circle is created thereby, with public service employment created to reduce the rate of unemployment but those very programs undermining private sector employment opportunities, thus worsening the unemployment problem over the longer run rather than alleviating it.

Mr. President, CETA was created to cope with the problem of structural unemployment, to provide individuals—particularly the so-called hard-core unemployed—with the training and skills to become meaningful members of our Nation's work force. But in his testimony before the Banking Committee, Secretary Marshall himself acknoweldged that, as it stands, the present CETA program is not adequate to cope with the massive increase in public service employment and training programs envisioned in S. 50. He was optimistic that it can be made so. Based on past experience, however, I see no reason for optimism.

Almost daily, the American people are treated to a litany of CETA abuses and mismanagement recounted in the media. Tens of billions of taxpayers'

dollars have been spent on this program since its inception. Currently, it is a poorly managed $11 billion program. There is no telling how large it might grow if Humphrey-Hawkins becomes law.

The question needs to be asked: How many more jobs could have been created if such funds were provided to private industry in the form of tax relief or incentives? Almost certainly more jobs, and even more importantly, more productive employment and more useful job skills, could have been created by going the route of encouraging the private enterprise system to function at its full capacity. That is, however, a "road not taken," and I fear that title II of S. 50 is an invitation to even greater emphasis on public service employment and more of the same dead end, make work approach.

The ultimate question concerning S. 50 is why, if it is possible to enact programs to reduce unemployment to 4 percent or lower, without inflammatory impact, have not such programs been put into effect by the administration already? The converse of that question is that of whether legislating mandated goals for the administration to meet will have any appreciable effect on unemployment, given the present state of economic knowledge. If the administration cannot achieve low unemployment levels in the absence of congressional prodding, will such prodding have much appreciable effect? And what will Congress do, other than creating public service jobs, if the administration fails to achieve the prescribed goals?

There is the very real danger of raising expectations among the poor and disaffected only to dash them once more. If the unemployment goals are not achieved, and Congress balks at massive public employment programs as called for in the bill, then there is the likelihood of a feeling of betrayal among the poor and minorities. It has been argued that one of the major causes of the urban riots in the late 1960's was the disappointment and disillusionment resulting from the failure of the Great Society and the civil rights movement to change the life of the average ghetto dweller. Why do the proponents want to run that risk once more by indulging in the posturing and promises entailed in this bill? It is little more than a cruel hoax.

Despite all of the obstacles and counterproductive tax structures, the American economy has performed surprisingly well with regard to the production of jobs since the last recessionary trough. Since the first quarter of 1975, 12.6 million new jobs have been generated. During 1977 alone, 4.1 million new jobs were created. Currently, almost 59 percent of the working age population is employed, which is a greater percentage than the average employed during the 10 years of so-called full employment since World War II. In other words, both in absolute numbers and as a percentage of the working age population, more Americans are working today than the average of what are considered to be the best employment years of recent times. But, at the time, more people than ever are looking for employment, and this has caused the unemployment rate to rise.

Mr. President, I am not arguing that the country never had it so good. But I am saying that there is no reason for panic or for new and comprehensive legislation which would prescribe remedies for a disease that has not yet been adequately diagnosed. The ills of the American economic system are genuine enough. But, as I have argued, my prescription would be radically different from that found in the Humphrey-Hawkins bill. A transfusion for the private sector not the public sector is what the situation demands.

Mr. President, I ask that an article by Michael Kiernan in yesterday's Washington Star, revealing the latest evidence of CETA abuse, be printed in the RECORD.

The article follows:

FURTHER CETA ABUSES CITED IN DISTRICT

(By Michael Kiernan)

D.C. manpower officials have discovered hundreds of examples of sloppy bookkeeping and possible favoritism throughout the District's federally financed public service jobs program.

The new evidence of abuse and mismanagement in the District's use of federal funds under the Comprehensive Employment and Training Act goes well beyond hiring abuses that the D.C. City Council has already been accused of, city officials say.

The amount of federal funds spent on CETA workers questionably hired throughout the District could total several million dollars, one official estimated.

The CETA program is designed to train and provide temporary jobs for the most desperately unemployed.

Major irregularities uncovered by D.C. manpower officials in the CETA program include:

Several hundred examples of poor bookkeeping, including at least 129 cases in which no employment records exist to document the hiring of CETA employees now on the payroll.

Scores of examples of written requests for specific people by ranking city officials and heads of non-profit, community-based organizations in an attempt to "pre-select" CETA workers and circumvent normal hiring procedures.

An unspecified number of cases in which suburbanites, rather than city residents, have worked under the District's CETA program.

National, CETA is an $11 billion federal program. Of the $48 million the District is due to receive this year in CETA funds, $25 million is expected to go to 3,400 public service employees and the rest for job training and the employment of disadvantaged youth.

Controversy over the District's use of CETA funds surfaced last March when a Washington Star investigation found that the City Council had made extensive and at times illegal use of the program's money to create one of the largest city council staffs in the country.

Nearly half of the council's staff—60 of 130 employees—are CETA workers.

Last month a team of investigators from the U.S. Labor Department verified The Star's findings and demanded that the council justify the spending of hundreds of thousands of dollars in CETA funds since January 1975. The council's response to that report is due this week.

Meanwhile, in light of the Labor Department's report, city manpower officials have stepped up their own efforts to put all of the District's CETA employment records in order.

During their recent review of several thousand CETA files, manpower officials came across numerous irregularities in other city agencies besides the council.

"The Council's abuse of CETA's public service jobs program was just the tip of the iceberg," said one source in the District's newly created Department of Labor.

"CETA abuses have taken place in numerous agencies, both in the District government and in the community-based organizations, and we're just beginning to get a handle on them," said the official, who asked not to be identified by name.

Asked to comment on the recent manpower findings, Lorenzo White, acting deputy director of the D.C. Labor Department, insisted yesterday that the District's CETA program has vastly improved during the last year and that the recent findings represent "only a small part of the overall picture."

In addition, said White, the District is "well on its way toward installing a computerized system that will monitor and catch any (future) irregularities."

White agreed, however, that the findings were significant. "These problems are not something we can just dismiss out of hand. They are serious. We're concerned. We're doing our best to clean it (the program) up."

In their review of records for more than 5,000 past and present CETA employees, D.C. manpower officials have found the following:

Hundreds of examples of poor bookkeeping: Among current CETA workers, 379 recently were found to have incomplete employment records. Of these, 129 had no verified employment records at all on file. Failure to maintain such records is a direct violation of CETA guidelines.

The sloppy record keeping raises serious questions about the eligibility of those who apparently got CETA jobs without going to the city's manpower office to fill out job forms.

"This kind of thing is supposed to be impossible under the CETA guidelines, but here you have numerous examples of people hired apparently without ever filling out the proper employment forms," said one manpower official.

Scores of examples of possible favoritism: D.S. manpower officials have uncovered at least 82 letters requesting that 159 individuals be assigned to specific CETA jobs.

Of the 82 letters, called "name referrals," 21 came from the City Council, 22 from other city agencies and 39 from non-profit, community-based organizations.

Though not always illegal, this practice of selecting CETA workers with name requests is widely regarded by U.S. Labor investigators as a red flag signaling favoritism and possible political patronage.

The latest review shows that the City Council was only one of a number of CETA agencies that engaged in the controversial practice.

An unspecified number of suburbanites working under CETA in the District: Ranking manpower officials say they have uncovered evidence that Maryland and Virginia residents are working under the District's CETA program, which is supposed to aid unemployed city residents.

According to manpower officials, city CETA workers must reside in the District at the time of their employment, but manpower officials say they have found a number of instances in which CETA workers have moved from the District to the suburbs once they obtained their D.C. CETA jobs.

"We are currently reviewing our policy toward these workers," said White, adding that the CETA program clearly is designed to aid city and not suburban residents.

Meanwhile, other manpower officials say that some CETA workers have always lived in the suburbs. "We suspect that some give us

phony city addresses to get into the program, but it's usually difficult for us to find this out," said one official.

Last month, in its report on the City Council's CETA program, the U.S. Labor Department's regional office in Philadelphia demanded that the council justify all money paid to council CETA workers hired under questionable circumstances, including those who were hired without proper documentation.

How the regional office will react to similar findings in other D.C. agencies remains unclear as the District government prepares to respond to last month's report.●

IN SUPPORT OF A COMPREHENSIVE TEST BAN

● Mr. KENNEDY. Mr. President, last May I had the opportunity to participate in the strategic arms limitation and comprehensive nuclear test ban negotiations in Geneva. I was impressed with the administration's steady progress in negotiating a CTB treaty with the United Kingdom and the Soviet Union. This progress is reflected in growing diplomatic prospects for negotiating a CTB Treaty with the United Kingdom and the Soviet Union this year. Such a treaty is expected to be submitted to the Committee on Disarmament and the U.N. General Assembly before it is open for ratification, perhaps as early as mid-1979.

By the end of this decade, we will have the opportunity to complete the process begun with the Limited Test Ban Treaty, which was concluded at the beginning of the last decade under President Kennedy. A comprehensive nuclear test ban would be a major achievement for President Carter, who has been consistently committed to ban all nuclear testing for as long a period as possible. It would represent a significant qualitative constraint on the arms race among the nuclear powers. And it would represent a major opportunity to prevent the further spread of nuclear explosive capabilities—through a nondiscriminatory treaty adhered to by nuclear-weapon states and non-nuclear-weapon states alike.

Faced with this prospect of diplomatic success, the nuclear testing buffs have been scrambling for arguments to forestall the day when the United States will stop exploding bombs. Some of the most determined advocates of nuclear testing can be found in the bureaucracy of nuclear testing based on our nuclear test programs—within the Department of Energy and in DOE's nuclear weapons laboratories.

Unfortunately, the nuclear testing bureaucrats continue to work against a CTB Treaty, against our best national interests and despite the administration's clear commitment to this objective. Just 2 days ago, the Acting Assistant Secretary of Energy, Donald Kerr, testified that without nuclear tests—

> confidence in the nuclear stockpile, in our best judgment, would degrade. Entire weapons systems would have to be deleted from the force structure, systems for which we now see no alternative . . . a total cessation of testing in the long run would inevitably result in a steady decline of our confidence in the reliability of our nuclear deterrent and risk a steadily growing asymmetry between US and Soviet military forces.

Not only are these statements which undercut the President's policy, but they amount to a gross misrepresentation of the implications of a CTB for our national security. The fact is that a CTB can be achieved without any significant degradation of our nuclear weapons stockpile. A CTB will serve to freeze nuclear technology—which is presently clearly in favor of the United States.

To demonstrate this, I am joining with the Federation of American Scientists in releasing a letter to the President from leading nuclear weapons experts in the United States: Dr. Richard Garwin, Dr. Noris Bradbury, and Dr. J. Carson Mark, joined by Dr. Hans Bethe. Their letter states unequivocally that under a CTB we can "provide continuing assurance for as long as may be desired of the operability of the nuclear weapons stockpile."

On the basis of my own review, I fully agree with these experts that safeguards programs short of nuclear testing can and should assure the integrity and reliability of our nuclear weapons stockpile. If there remain valid concerns despite all the evidence, they can surely be resolved by a review provision which permits the United States to take any stockpile impact into account before deciding to extend the duration of a CTB treaty.

Furthermore, a comprehensive test ban will not put U.S. strategic forces at a disadvantage vis-a-vis the Soviet Union. If anything, the reverse is the case, for a CTB would serve to preserve prevailing U.S. advantages in nuclear weapons design. Adm. Thomas Davies of the U.S. Arms Control and Disarmament Agency has testified that:

> One of the major national security benefits to the U.S. of a CTB is the constraint it would impose on modernization of Soviet strategic nuclear forces. It is widey recognized that the United States currently enjoys an advantage over the Soviet Union in nuclear weapons design. A mutual cessation of nuclear testing would essentially freeze nuclear weapons technology at current levels, and would therefore preserve that advantage. A freeze on Soviet nuclear weapons technology, by inhibiting improvement of the yield-to-weight ratios of Soviet warheads, would prevent the Soviets from taking full advantage of the large throw-weights of their land-based missiles and from putting the much smaller throw-weights of their submarine-based missiles to more efficient use.

Mr. President, I request that the full text of the letter from and background information on Dr. Garwin, Dr. Bradbury, and Dr. Mark be printed in the RECORD. Their letter was subsequently reviewed and endorsed by Nobel Laureate Hans Bethe and by the Federation of American Scientists, about whom further information is also provided following the letter.

The material follows:

AUGUST 15, 1978.

President JIMMY CARTER,
The White House,
Washington, D.C.

DEAR MR. PRESIDENT: As individuals long involved in the conception, design, manufacture, test, and maintenance of many of the United States' nuclear and thermonuclear weapons, we want you to know of our judgment on a question which has assumed considerable prominence in connection with the Comprehensive Test Ban Treaty ("CTBT"). That is the question of the degree of assurance in the continued operability of our stockpiled nuclear weapons in the absence of any possibility of testing with significant nuclear yield (for instance, with testing limited to laboratory-type experiments.)

As you know, the assurance of continued operability of stockpiled nuclear weapons has in the past been achieved almost exclusively by non-nuclear testing—by meticulous inspection and disassembly of the components of the nuclear weapons, including their firing and fuzing equipment. Problems encountered in this inspection are normally validated by additional sampling and solved by the remanufacture of the affected components. This program is, of course, supplemented by the instrumented firing of the entire nuclear weapon with inert material replacing the fissile materials, and the entire program thus far described would be unaffected by the requirements of a CTBT. It has been exceedingly rare for a weapon to be taken from stockpile and fired "for assurance."

It has also been rare to the point of nonexistence for a problem revealed by the sampling and inspection program to require a nuclear test for its resolution. There are three acceptable approaches to the correction of deficiencies without requiring nuclear testing:

(1) Remanufacture to precisely the original specifications.

(2) Remanufacture with minor modifications in surface treatment, protective coatings, and the like, after thorough review by experienced and knowledgeable individuals.

(3) Replace the nuclear explosive by one which has previously been tested and accepted for stockpile.

A fourth option, to replace the troubled nuclear system by one not already proof-tested may result in improved performance, lesser use of special nuclear materials, or the like, virtues which have more to do with improvement of the stockpile than with confirming its operability.

We believe that the key question to be answered by those responsible for making and maintaining nuclear weapons is

"Can the continued operability of our stockpile of nuclear weapons be assured without future nuclear testing? That is, without attempting or allowing improvement in performance, reductions in maintenance cost, and the like, are there non-nuclear inspection and correction programs which will prevent the degradation of the reliability of stockpiled weapons?"

Our answer is "yes," and we now discuss the reasons why knowledgeable people may have answered "no" to seemingly similar questions.

First, we confined ourselves essentially to the question, "If the stockpile is not required to improve, can it be kept from degrading?" Others may have had in mind the normal work of the weapons laboratories, by which nuclear weapons are continuously made somewhat more efficient, less costly in terms of nuclear materials, adapted to new packaging requirements, and safer to handle—for instance by the substitution of insensitive explosion. We have participated in such programs and find them both interesting and useful. Were these "improvement programs" carried out long enough without nuclear testing, the weapons thus affected would indeed have uncertain performance; the solution under a CTBT would be to forego such programs in order not to sacrifice stockpile reliability to a desire for minor improvement in performance.

Second, it is true that certain deficiencies have in the past been corrected by the replacement of the affected nuclear system by another one, following a test certifying the replacement model as ready for stockpile.

This corrective measure would not be available under a CTBT. But the examples normally cited need not have been corrected in this way; for instance one Polaris warhead problem could readily have been solved by remanufacture with an acceptable change of surface treatment on the component which had caused the problem. The change of nuclear system was not absolutely necessary for the correction of the problem observed.

Finally, it is sometimes claimed that remanufacture may become impossible because of increasingly severe restrictions by EPA or OSHA to protect the environment of the worker. We note that additional protective measures which might be an intolerable cost burden in the manufacture of cardboard or of lightbulbs or of aircraft breaks are easily affordable in connection with the nuclear stockpile. Thus if the worker's environment acceptable until now for the use of asbestos, spray adhesives, or beryllium should be forbidden by OSHA regulations, those few workers needed to continue operations with such material could wear plasticfilm suits (supplied with external air) commonly used for isolation against germs and against certain pharmaceuticals. It would be wise also to stockpile in appropriate storage facilities certain commercial materials used in weapons manufacture which might in the future disappear from the commercial scene.

It has been suggested that under a CTBT a President or Congress or the Department of Energy might not provide funds for stockpile maintenance inspection and correction, or that a President might not provide a requested exemption from OSHA or EPA requirements. We see no reason to assume that the national security bureaucracy will not continue to serve the national interest, and we would welcome a statement in conjunction with a CTBT that non-nuclear testing, inspection, and remanufacture where necessary will be fully supported in order to ensure the continued operability of stockpiled nuclear weapons.

We believe that the Department of Energy, through its contractors and laboratories, can through the measures described provide continuing assurance for as long as may be desired of the operability of the nuclear weapons stockpile. We are making this statement available to others in the Executive and the Congress.

Sincerely Yours,

J. CARSON MARK.
NORRIS E. BRADBURY.
RICHARD L. GARWIN.

BACKGROUND

Hans Bethe is a Nobel Laureate and one of America's most senior experts in nuclear bomb technology. Connected with Los Alamos scientific laboratory since World War II, he was a key adviser to President Kennedy in the scientific debate that led to acceptance of the Limited Test Ban Treaty in 1963.

Norris Bradbury was the immediate successor to Robert Oppenheimer when, in 1945, Dr. Bradbury became Director of the Los Alamos scientific laboratory and served in that capacity for a quarter of a century until 1970. A physicist and member of the National Academy of Sciences, Dr. Bradbury was also Professor of Physics at the University of California during this period and is a recipient of the Legion of Merit and of the Fermi Award.

Richard Garwin has been a consultant to the Los Alamos Laboratory for almost three decades, since 1950, and is highly regarded in the national security community for his in-depth technical analyses of an extremely broad range of defense issues. A physicist and member of both the National Academy of Sciences and the National Academy of Engineering, he has served as a member of the President's Science Advisory Committee, as a member of the Defense Science Board and as a consultant to the Arms Control and Disarmament Agency, among other agencies.

J. Carson Mark was head of the Theoretical Division of the Los Alamos Scientific Laboratory from 1947 to 1973. This Division was responsible for, and played a key role in, the conception and design of US nuclear and thermonuclear weapons in the fifties and sixties. He continues to be involved in considerations of weapons effects and with the problem of the maintenance of a nuclear weapons capability under nuclear test limitations.

The Federation of American Scientists, founded by US atomic scientists in 1946, represents half of America's Nobel Prize winners and several thousand American scientists.●

PRESIDENT CARTER'S VETO OF THE MILITARY PROCUREMENT AUTHORIZATION BILL

● Mr. BARTLETT. Mr. President, President Carter's decision to veto the military procurement authorization bill is extremely disappointing, not only for its immediate impact—the rejection of a number of urgently needed defense programs—but for what his decision represents.

The President's decision today is the latest stage in the evolution of a curious, and I believe dangerous, new brand of foreign policy, a foreign policy which relies solely on political rhetoric, to the exclusion of a more fundamental and essential instrument of foreign policy—military strength.

In his public statements, President Carter has portrayed himself as being tough, firm, and determined in the area of foreign and military policy. His actions, however, have exposed this sham. The President's documented record is clearly one of weakness and indecision.

On March 30, 1977, after the collapse of Secretary Vance's Arms Talks in Moscow, President Carter announced that he would "hang tough" in his negotiations. "We put together a package which was fair and balanced. But we are not prepared to unilaterally forego an opportunity unless it's equivalent to a Soviet response," the President said. Three months later, Mr. Carter took the unilateral action of halting production of the B–1 bomber. There was no equivalent Soviet response.

On March 16, 1978, in a major national security statement at Wake Forest University, President Carter proclaimed that "strength is the final protection of liberty." The President said:

> Even as we search for agreement in arms control, we will continue to modernize our strategic systems and to revitalize our conventional forces . . . by maintaining strategic nuclear balance; by working closely with our NATO allies to strengthen and modernize our defense in Europe.

Less than a month later, President Carter decided against proceeding with production of the enhanced radiation warhead—a weapon that is urgently needed for upgrading the defense of our NATO allies.

During his term, this President, who proclaims that "strength is the final protection of liberty," has also slashed the defense budget recommended by his Defense Secretary, terminated the Minuteman III program, canceled plans to upgrade the Minuteman II, twice delayed the MX missile, and taken a multitude of other actions which have directly undermined our national security.

On June 7, 1978, in another major address at the U.S. Naval Academy, he promised that:

> The United States will continue to maintain equivalent nuclear strength . . . We will maintain a prudent and sustained level of military spending, keyed to a stronger NATO, more mobile forces, and undiminished presence in the Pacific. We and our allies must and will be able to meet any foreseeable challenge to our security from either strategic nuclear forces or from conventional forces.

One wonders how this message must have been received by our allies—those in Western Europe, for example, who were still recovering from the shock of the President's decision against the enhanced radiation warhead, or those in the Pacific who are faced with the hasty withdrawal of American ground forces from South Korea.

I think, it is safe to say that our allies were not reassured by the President's hardline rhetoric. I am certain that our adversaries were not impressed.

I believe, as Teddy Roosevelt suggested, that in world affairs, America should "walk softly and carry a big stick." President Carter, on the other hand, seems to be saying America should walk noisily and throw away the big stick.

In the Soviet Union and elsewhere around the world, President Carter is being judged not by his words, but by his deeds. The President's decision today to veto the military procurement authorization bill can only reconfirm their judgment that the United States is growing weak and indecisive, careless, and vulnerable.

The administration's policy of dependence on political rhetoric, to the exclusion of actual defense preparedness, will place America at a grave disadvantage if, on some future date, the President is called upon to either back up his rhetoric, or back down.●

CINCINNATI HOLDS ITS OWN

● Mr. METZENBAUM. Mr. President, in this day of the virtual economic collapse of many of our major cities, it is rare that we hear of a city that is actually holding its own against the enemies all cities face: inflation, crumbling tax bases, and rising operating costs. Recently, Mr. William V. Donaldson, the city manager of Cincinnati, Ohio, testified at a House committee hearing into the financial problems of our cities. He explained how, with prudent management, fiscal responsibility, and, perhaps most important of all, increased public participation, the city of Cincinnati has been able to maintain a strong financial standing in these difficult times. I think it would be wise to note some of the programs Mr. Donaldson is using to keep Cincinnati financially afloat.

In an article appearing in the August 15 edition of the Washington Post, col-

umnist Neal R. Peirce noted the fact that city employment had been reduced by 2,000. Also, the city has adopted a policy of asking the citizens to do more for themselves, and be less reliant on the city. To the credit of the citizens of Cincinnati, this program has been very successful, Mr. Donaldson has also instituted programs designed to motivate the city employees, and make more efficient use of their time. These policies are major ingredients in the success of Cincinnati.

Mr. President, in view of the remarkable record of Mr. Donaldson, and the people of Cincinnati, I ask that Mr. Peirce's article entitled, "Cincinnati's Entrepreneur-Manager" be printed in its entirety in the RECORD.

The article follows:

CINCINNATI'S ENTREPENEUR-MANAGER

(By Neal R. Peirce)

CINCINNATI.—When House Banking Committee Chairman Henry Reuss called hearings on what cities can do to cut costs and ward off Proposition 13-like taxpayer revolts, he selected Cincinnati's city manager, William V. Donaldson, as one of his witnesses.

The choice couldn't have been more appropriate. Donaldson, now 47, has licked successive obstacles over a colorful career. He started as a theological student in Toronto, worked as a night embalming clerk in Denver and served as city manager of Scottsdale, Ariz., and Tacoma, Wash. He shuns conventional approaches like a plague. Under his management, while such cities as Cleveland and Buffalo struggle to avert massive deficits and others survive only through massive tax increases that may trigger taxpayer revolts, this grand old Ohio River city has held its budget increases to about half the inflation rate—even while imposing no new taxes.

The Donaldson formula ranges from payroll freezes to sophisticated management improvements and motivating city workers to improve productivity. And Cincinnatians have been told that if they want expanded services, they'll have to do much more for themselves.

Donaldson's job has been lightened by Cincinnati's traditional German conservatism and 50 years of professionally managed city government. But when he took over in 1975, fiscal storm clouds were gathering. The city had overestimated its payroll-tax yield and underestimated inflation's impact. "It's inflation," notes Donaldson, "that kicks the —— out of city budgets." A $15-million deficit was looming.

The city council asked citizens to vote a payroll-tax hike; they refused. "That was our Proposition 13," says Donaldson. It was time to recognize, he said, that Cincinnati—like many Northern and increasing numbers of Sun Belt cities—"was getting smaller" and needed to reduce its government.

Donaldson started by halting new hiring; though some replacements are now allowed, the permanent work force has dropped from 9,200 to 7,200. Then he started looking for longer-term solutions. Several deserve emulation in other cities:

Enlisting citizen aid. Donaldson believes citizen participation too frequently boils down to citizens "yelling" at city government to provide new services or pick up the garbage more often. City councils, short on resources, often respond by playing one neighborhood off against another. Now Cincinnati says to its citizens, "What are the things, with minimal city assistance, that you can do for yourselves?"

Responding to neighborhood complaints about unclean streets, Donaldson noted: "It wasn't somebody from Mars that threw that stuff in the neighborhood. It was the people who lived there." Citizens were told if they really wanted cleanups, the city would provide public-service workers as "whitewings"—the people who push buckets along with brooms—provided neighborhoods would finance their uniforms and agree to keep track of their time.

Motivating the civil service. City governments "get in terrible trouble," he says, because workers "get off doing their own little thing and never see how that relates to what everyone else is doing." An example: A zealous health inspector treats a violator as "a terrible scofflaw" and won't counsel him on meeting code standards. Then the violator closes his business, and the tax base is weakened. Government, says Donaldson, is "miserable at telling people 'no' nicely and giving them the idea we're here because we want to help them."

To set a fresh, positive tone, Donaldson removed the door from his personal office and rotates two middle-management workers in and out of his office—with desks adjacent to his own—every two months. In quarterly two-day seminars, department heads who've engineered management breakthroughs relate their successes and methods to their colleagues. Donaldson tries to involve workers in developing new approaches. "If they're going to have to run it, they'd better be part of developing it," he says.

Productivity measures. With help of a labor-management committee, Cincinnati's highway maintenance department rescheduled its work crews, substituted labor-saving trucks, increased its work output despite personnel cuts. The sanitation department got rid of garbage trucks prone to breakdowns. With General Motors' help, the city developed specifications for new trucks with high capacity compactors that cut down the city's landfill fees.

Because officials have short terms, says Donaldson, cities often defer maintenance of streets and other facilities and fail to replace outmoded equipment that is unduly expensive to operate. But Cincinnati, with city council backing, is now making timely replacements and concentrating its capital budget "on maintenance of what we have."

Finally, Cincinnati is knee deep in economic development. It provides technical information to businesses so they'll stay put, promotes new service jobs for blue-collar workers, encourages downtown development—including relatively expensive new housing—to make the retail core secure and attractive for shoppers.

Donaldson makes no apologies for the city acting as entrepreneur. Cities, he observes, started out as promotional enterprises, exploiting rivers, highways or railroads. "But somehow we changed into being Giant Janitors," he says. "We picked up the trash, locked up the bad guys and put out fires. If cities are going to come back, they've got to become entrepreneurial again."●

BRITISH STEEL CONTINUES TO IGNORE ECONOMIC REALITIES

● Mr. HEINZ. Mr. President, there is general agreement that the productive capacity of the world stainless steel market exceeds demand. In spite of this situation, the British Steel Corporation (BSC) undertook on July 14, 1978 a $220 million investment program that will double the stainless steel productive capacity of BSC Stainless from 100,000 to 200,000 tons per year.

This project has serious implications for U.S. stainless producers not only because BSC is heavily subsidized by the British Government, but also because BSC Stainless expects to maintain its present level of exports under the increased production. Last year, BSC lost 443 million British pounds sterling, of which £30 million were directly attributable to the operations of the stainless division. The U.S. producers receive no comparable type or level of subsidy, yet they must compete in the international and domestic markets on the same basis as firms such as BSC. British Steel's total loss of more than U.S. $700 million last year has not deterred it. With government assistance it continues to compete and produce. When people in this country talk about the need to modernize and rationalize the industry, they should realize that the real need in that respect is not in the United States but elsewhere, particularly in Europe. The steel problem, therefore, is not simply an American issue, but one of rationalizing production and capacity throughout the world that will inevitably mean some hard economic decisions by several of our European allies.

I believe that Senators would benefit from the descriptions of the BSC stainless project that appeared in the Metal Bulletin (July 14, 1978) and the Financial Times (July 14, 1978), and I ask that they be printed in the RECORD.

The material follows:

BRAVERY SHOULD BRING RESULTS

(By Roy Hodson)

As the world steel recession enters its fourth year and the big international companies acknowledge there is no discernable prospect of an upturn, British Steel is commissioning in Sheffield the largest stainless steelmaking complex ever built in Europe. On the face of it the £130M investment (which was priced at £60M when the go-ahead was given in 1974) could be an unwanted baby for a nationalised industry which lost £443m last year and is expecting losses of the same order this year. Certainly it is proving a burden on the BSC Sheffield Division whose manager John Pennington says: "We have got to get the new stainless development into full operation and profitability because at present it is a major drain on the division." The division lost £30m in the last financial year—attributable to a large degree to servicing the new stainless investment capital.

Yet, paradoxically, British Steel has probably done exactly the right thing by pressing ahead with its big investment in stainless steelmaking. For stainless is one of the few growth areas that the marketing men can look towards with any degree of certainty. The growing sophistication of industrial equipment and consumer goods means that demand for stainless will grow faster than the general growth of steel demand in all industrialised societies. Indeed, the growth in stainless demand in Britain is virtually certain to be ahead of that of the rest of the world during the next few years because Britain's usage of the metal has lagged over the last decade.

A second reason why boldness is likely to pay in the case of British Steel's stainless investment is that the Corporation—already Europe's biggest steel company—is stealing a march on the competition which they will find hard to counter. In the present depressed climate with all companies facing huge losses no other European group is likely to try to match or outpace the new BSC plant.

In particular the Swedish steelmakers who have long regarded a big share of the British stainless steel market as their rightful possession acknowledge that they have not the resources to build new tonnage stainless steel production to be competitive with British Steel.

The total investment of £130m covers the establishment of two completely modernised integrated production complexes at Shepcote Lane, Sheffield, and Panteg, South Wales. Each centre is fully equipped for electric steelmaking, ingot and continuous slab casting, and cold rolling and the bright annealing. The Sheffield hot-rolled plate production facilities have been doubled in capacity.

"Frankly we are building for the long-term with this total investment and we cannot be influenced or deterred by short-term market conditions" said Derek Bray, director of British Steel Stainless—a unit which is operating with a degree of independence as a profit centre within the Corporation.

The Shepcote plants at Sheffield are based upon new stainless steel melting capacity of 350,000 liquid tonnes a year while Panteg, South Wales, contributes a further 50,000 tonnes liquid capacity. British Steel has, in fact, doubled its tonnage capability to make stainless with one investment spread over just four years.

Of the order of one-tenth of British Steel's total turnover will henceforth be in stainless steel.

The doubling of capacity is setting a hard road to follow for Gordon Hill, the stainless commercial manager and his newly-augmented sales staff. Yet there is great confidence at the Sheffield sales offices that new business can be won at home and abroad to absorb the extra output.

One lucky break for British Steel has been the Parliamentary decision in favour of the Windscale nuclear waste reprocessing facilities. That single project which will use stainless steel at a rate never seen before in Britain. Indeed, it is one strategic reason why the stainless investment was sanctioned originally.

Orders are now being placed for stainless steel for some of the first items of the £1bn Windscale project by British Nuclear Fuels. British Steel expects to supply up to 5,000 tonnes a year. Had the new Sheffield tonnage stainless facilities not been ready much of that business would necessarily have gone to Sweden, France, and other stainless steel makers.

The confidence of the stainless steel salesmen that they can make the new plant work for its living is based upon the new positions Britain is about to occupy in the world stainless steel leagues. Henceforth British Steel will be one of the senior producers of stainless hot rolled coil. The U.S., Japan, West Germany, and Sweden will still be above Britain in actual tonnages being made. So in that market British Steel is restoring itself to a strong position rather than going out on a limb with additional capacity.

PROSPECTS

In the other big stainless steel trade—cold rolled sheet and coil—Britain will still only be sixth in the table of world producers. France, Italy, West Germany, Japan, and the U.S. all will continue to have bigger capacities.

One of the brightest prospects is the opportunity now open to British Steel to build up home sales in two ways. Imports will be displaced by the provision of adequate supplies of home-produced stainless at competitive prices and good quality. Also the market itself can be expanded by simply making more home-produced stainless available. Britain still uses much less stainless steel per head of population than almost any other advanced nation.

To Sheffield—where much of the pioneer work on stainless steel was done in the early years of this century—the Shepcote investment with its new electric furnaces and the compliacted installation of mills and finishing plants represents an important reaffirmation of the city as a world centre of special steels.

The site itself—actually two sites divided by marshalling yards—is within two miles of the city centre. Sheffield will not mind that, however, for equipment for extracting and cleaning fumes at every stage of the process is some of the most comprehensive ever installed by BSC.

The cleanliness of the works is remarkable. Heavy emphasis has been placed upon it, partly for environmental reasons and partly because the delicate nature of the product itself demands production without contamination. A trace of dirt can spoil the surface of a stainless steel sheet which has already passed through more than 10 different processes.

So the works is laid out in a way that gives a glimpse to other British Steel workers of the probable shape of things to come in the steel industry. Lawns are being encouraged outside the melting shop and trees have been planted.

British Steel is currently losing on average £25 a tonne on all its products and finds itself about half-way down the table of loss-making big international steel businesses. Clearly the new stainless complex will continue to be a drain in the early years as the heavy capital investment has to be serviced while sales and production are still being worked-up. But 1980–81, the year which Sir Charles Villiers, the chairman of British Steel, has set his managers as their target for returning to at least a "break-even situation," is also the year in which BSC Stainless is hoping to be achieving full production. From then on the stainless plants should be in a position to make an important contribution to BSC turnover and—more important—to BSC profits.

[From the Metal Bulletin, July 14, 1978]

BSC'S STAINLESS COMEBACK

Today the Duke of Edinburgh is to officially open British Steel Corp.'s £130m. stainless steel development programme which has been designed to put the UK back in the top half of the world stainless league. The scheme, undertaken by BSC Stainless, a profit centre of the Sheffield Division, represents a massive increase in capacity and is coming to the boil at a time of chronic over-capacity in the world stainless market.

The head of BSC Stainless, Derek Bray, described the project as the largest purpose-built stainless plant in the world and the biggest ever single injection of capital in stainless steel. The scheme will double BSC Stainless capacity by 1981 from 100,000 tpy to about 200,000 tpy, of which 50,000 tpy will be stainless plate and the balance CR sheet and coil.

The new plant at Shepcote Lane and Tinsley Park in Sheffield (the two sites are separated by a railway line) comprises, basically, a completely new melting shop, AOD vessel and continuous slab caster; two new Sendzimir CR mills together with additional processing and warehousing capacity; a new bright annealer; and additional plate finishing capacity (commissioned in 1977).

With the additional capacity BSC Stainless is hoping to double its share of the UK home market and expand exports. Gordon Hill, commercial manager, said he was looking for a 74 percent growth in the period 1976–81 and emphasised that BSC had not put in the new capacity irresponsibly. He said export manager Mike Gould had in the past four years secured good footholds in nearly every important overseas market. The profit centre had set up its own sales outlets in Germany (BSC Stainless GmbH based in Düsseldorf) and in France (BSC Stainless Sarl in Paris) and employed BSC's main sales outlets in the USA, Canada, South Africa and New Zealand. For other markets it had overhauled its arrangements with BSC sales agents.

Currently, BSC Stainless was exporting between 40–45 percent of its output and it was planned to maintain this percentage which would require it to double its sales overseas. The modern facilities now available, Hill continued, would enable BSC to be cost-competitive with the world's leading stainless producers. It will allow BSC to produce 1,525mm. wide bright annealed ferritic stainless for the first time and this will also assist it to develop new outlets.

BSC is pinning a lot of its hopes on increasing the level of consumption of stainless in the UK, which is running well below the European average. It is mounting a big advertising campaign in both the national press and trade and technical journals. It has hopes of increasing the use of the material in what it calls mundane applications like strapping and at the same time secure "large lump" business such as the Rover car bumper. Another area where it has high hopes is the car exhaust business which is being developed by the jointly-owned Grundy Auto Products.

The other side of its expansion plans at home is the regaining of a much larger share of the market (currently over 50 percent) held by imports. Hill was asked how other European producers would take BSC's plans to secure not only a larger slice of the UK market, at their expense, and at the same time expect a bigger part of their home markets. He replied that it was now accepted among EEC producers that they would have shares in each other's markets. (A description of the new development will appear in August's MB Monthly.)

Round Oak Steel Works has raised basis prices of non-alloy semis and rounds, squares and flats, effective July 9. The basis prices of wide flats are unchanged but certain extras are increased, as are extras for other bars. Quantity extras for structural sections have also been raised.

Spanish steel industry formed one topic at talks this week between a Spanish minister and EEC officials on the effects of Spanish entry to the Community.●

UTILIZATION CONTROL UNDER MEDICAID—CLARIFICATION OF CONGRESSIONAL INTENT

● Mr. HASKELL. Mr. President, in 1972 Congress enacted legislation which requires all States to have an effective program of utilization control to review the care of patients in nursing homes and mental hospitals under the medicaid program. The law also provided for the imposition of fiscal sanctions in the event that a State failed to comply with this statutory mandate.

Subsequent legislation clarified the conditions under which the sanction for noncompliance was to be applied. The interpretation of this statutory language has recently become an issue between the State of Colorado and the Department of Health, Education, and Welfare. In an attempt to resolve this issue, I have sought a clarification of congressional intent from Senator HERMAN TALMADGE, chairman of the Subcommittee on Health of the Committee on Finance and a principal author of the legislation. I ask that the correspondence between Chairman TALMADGE and myself with respect to section 1903(g) of the Social Security Act be printed in the RECORD.

The letters follow:

U.S. SENATE,
COMMITTEE ON FINANCE,
Washington, D.C., August 16, 1978.

Hon. HERMAN TALMADGE,
U.S. Senator,
Washington, D.C.

DEAR HERMAN: The Health Care Financing Administration recently notified me that Colorado may be penalized federal funding

for its Medicaid program due to Colorado's alleged failure to comply with Section 1903 (g) of the Social Security Act. I consider such a penalty unwarranted and unnecessary at this time, for, to the best of my knowledge, Colorado is in compliance with the Medicaid program and has shown that it can and will comply with the provisions of Section 1903(g). As the Chairman of the Subcommittee on Health and a principal author of the Medicaid legislation, I think you would agree with me that the Department's interpretation of the statute is incorrect. Let me explain.

The problem grows out of the Department of HEW's interpretation of what a state would have to do to avoid the penalty prescribed in Section 1903(g). As you know, the Section requires each State to have an "effective" program of utilization control. An effective program must include an annual review of the care provided each patient in the State's Skilled Nursing Facilities, Intermediate Care Facilities, and Mental Hospitals. Additionally, each State must demonstrate every quarter to the Secretary the results of the ultilization control program. HEW alleged that Medicaid reviews in Colorado were inappropriately performed during the first three quarters of 1977 and that to come into compliance with the statute, the State would have had to reperform all reviews conducted during the first three quarters of the year.

My understanding is that the Congressional intent in passing PL 95–245 was to require States to come into full compliance for inspections regularly scheduled during the last quarter of 1977. States which met this obligation would be free from the risk of penalties for the first three quarters of 1977. Assuming that a State also continued to comply after the last quarter of 1977, then no penalties would be necessary in the future.

The State of Colorado made the same interpretation of PL–245 as I do and was never informed of the contrary by HEW during 1977. Indeed, HEW, through its own action transmittal (HCFA A.T. N. 77–106) which was sent to each State, supports this interpretation. Therefore, the State proceeded in good faith with the inspections originally scheduled for the last quarter of 1977 and the first two quarters of 1978. These reviews were completed in an appropriate manner within the framework of the Act. The State has not gone back to re-do the earlier allegedly deficient inspections because of this understanding of the intent of PL 95–245.

Hoping you agree with me that the authors of this legislation would not have intended that a State be penalized under these circumstances, I propose that we submit this letter and one from you as an official exchange of correspondence for the record.

With best wishes,

Sincerely yours,

FLOYD K. HASKELL,
United States Senator.

U.S. SENATE,
COMMITTEE ON FINANCE,
Washington, D.C., August 16, 1978.

Hon. FLOYD K. HASKELL,
U.S. Senator,
Washington, D.C.

DEAR FLOYD: Thank you very much for your letter concerning the possibility of action by the Department of Health, Education, and Welfare against the State of Colorado for alleged failure to comply with the provisions of Section 1903(g) of the Social Security Act. As an author of Section 20 of P.L. 95–142 relating to this section and the applications of penalties thereunder, I certainly agree with your interpretation that HEW action against Colorado under the present circumstances would be inappropriate and not in keeping with the intent of the law.

In passing Section 20 of P.L. 95–142, we meant to give States an opportunity to wipe the slate clean of all penalties which might otherwise be assessed under Section 1903(g) for quarters falling in 1977 if they conducted reviews of facilities in conformity with the requirements of the law in the fourth quarter. We certainly did not intend to require any state to review all facilities in the state in one quarter because the review done in the previous three quarters was in some way insufficient.

There can be no doubt that the penalty being considered now would be counterproductive and could seriously undermine the state's ability to administer a Medicaid program for its low income citizens. No one wants this to occur, and I believe it can and should be avoided.

I understand that Colorado is now in full compliance with the law, and was in compliance for all reviews conducted during the final quarter of 1977, and, therefore, it is my opinion that no penalty should be applied.

I gladly submit to the Record these remarks along with yours as an official exchange of correspondence.

Sincerely,

HERMAN E. TALMADGE,
United States Senator.●

VETO OF MILITARY PROCUREMENT AUTHORIZATION BILL

● Mr. HATCH. Mr. President, today the President vetoed the fiscal year 1979 defense authorization bill. In announcing this decision the President listed four reasons for this veto:

1. The bill contains authorization for a fourth Nimitz-class nuclear carrier, which the Administration opposes;

2. The Congress has "paid for" this carrier by reducing Administration requests for operations and maintenance;

3. The Congress has "paid for" this carrier by reducing Administration requests for so-called "NATO" programs; and

4. The Congress has exacerbated inflationary trends by voting too much money for defense.

I think that the administration has acted unwisely in this action, and not in the best interests of the defense of the Nation. Coupled with the announcement earlier in the week that the administration intended to "whip back into line" those Members of Congress that have not cooperated, this appears to be another case of the administration trying to dictate to Congress what the Congress knows it must do.

In view of the four points that the President has listed, I think that they are without justification. A careful examination of each of these will show that these objections are without substantial evidence to support the claims:

First. It is true that the administration has never favored the construction of a fourth nuclear carrier in the *Nimitz* class. However, the Navy has consistently testified that they favor the action taken by the Congress. Independent analysis of the problem demonstrated that the actual cost of the nuclear carrier was the same as the conventional powered carrier. In a context of the whole shipbuilding program proposed by the Carter administration, the request was for $4.712 billion in fiscal year 1979, which was in fact $1.048 billion lower than the amount appropriated for fiscal year 1978. The Senate Defense Appropriations Subcommittee has appropriated $5.482 billion for the shipbuilding program during fiscal year 1979. Thus, even with the addition of a fourth *Nimitz*-class carrier, the SDAS has appropriated an amount for shipbuilding that is $278 million less than the amount for fiscal year 1978, although it remains some $770 million over the amount requested by the administration.

Second. It is apparent that the administration is still attempting to decipher the difference between the Congress and the Georgia State Legislature. The operations and maintenance function of the budget falls exclusively within the jurisdiction of the Senate and House Appropriations Committees and not the Armed Service Committees that passed the authorization bill. The facts remain that it is the Senate Defense Appropriations Subcommittee that has reduced the administration's fiscal year 1979 O & M requests. But even with that fact accepted, they have only reduced this amount by $417 million which amounts to only 2.3 percent of the total. This figure represents only 21.6 percent of the funds needed to "pay for" the new *Nimitz*-class carrier. The subcommittee has appropriated a total of $30.818 billion for O & M in 1979, which figures out to be an actual increase of 10.7 percent over the amount appropriated the previous year.

Third. This point is so vague that I find it difficult to understand just what the President is attempting to get at in this accusation. By stating that the Congress was robbing the NATO funds to pay for the nuclear carrier, it appears that the President is playing on the emotion of the American public. This particular Congress, and in particular the Senate, is extremely cognizant of the NATO mission and the need to strengthen the military commitment of the United States in Europe. It is for this reason that the fourth *Nimitz*-class carrier has been funded; thus allowing the NATO naval command to fulfill its obligation of maintaining control of the sealanes.

Fourth. This claim is completely without justification. The Senate appropriations Committee will apparently approve a figure that will be close to $1 billion below the amount requested by the administration. During the conference between the House and the Senate concerning the authorization bill, the total arrived at was $36.956 billion, which is only 3.9 percent over the administration's request.

Mr. President, once again I must state my surprise over the President's decision. There is no merit to his position, and I feel that he has been ill-advised to take such action. It smacks of a feeble attempt to find some catalys that will stimulate a resurgence of the administration's acceptability in the public opinion polls. I do not think that this is the method to accomplish this goal, nor do I think that the public will agree with the President. I stand firm in my resolve to vote to overturn this veto and urge my colleagues in both Houses of the Congress to do likewise.●

THE GAS COMPROMISE

● Mr. McGOVERN. Mr. President, I would like to call the attention of my

colleagues to an article that appeared in this morning's Washington Post regarding the so-called natural gas compromise. This article points out with great clarity the effects of this compromise on our Nation's millions of individuals living on fixed incomes. Specifically, low-income consumers and senior citizens in particular would be hard hit by the compromise agreement. Those in the lowest 10 percent of the income bracket spend almost 10 times as much of their income on home energy as those in the top 10 percent. Additionally, the serious indirect and residual impacts of rapidly rising gas prices indicate serious inflation and unemployment repercussions in the Nation's already unstable economy.

Mr. President, I ask that an article from the August 17, 1978, Washington Post by Kathleen F. O'Reilly entitled, "Immoral Gas Compromise" be printed in the RECORD.

The article follows:

[From the Washington Post, August 17, 1978]

"IMMORAL" GAS COMPROMISE

(By Kathleen F. O'Reilly)

In April 1977 President Carter urged the American public to embark with him on the "moral equivalent of war" against the energy crisis. It is clear now that war must be declared against the Carter energy package.

The administration and the Washington Post editorial "Illusions About the Gas Game" (Aug. 13) ignore the decidedly immoral and devastatingly anticonsumer effects of the natural-gas compromise. It will unnecessarily cost consumers tens of billions of dollars. By 1985 the average cost of gas would be at least 353 percent of what it was last year, 618 percent of what it was in 1975 and 1,608 percent of what it was in 1970.

Higher prices have been euphemistically justified by their proponents as incentives for production and conservation. Experience since 1970 demonstrates that even 100 percent price increases have failed to yield increased production. For billions of dollars more, we get less!

The Post's editorial considers failure of the compromise as a "failure of government" and a signal to the world that Americans do not care about a comprehensive energy policy. On the contrary, passage of this legislation would signal to the world that we are willing to sacrifice our most vulnerable citizens to appease the gas lobby.

Low-income consumers (and particularly senior citizens) would be the first casualties. The lowest 10 percent on the economic ladder spends a 10 times greater proportion of its income on home energy consumption than does the top 10 percent.

That is in part due to the condition of the housing they occupy. For example, insulation already exists in 94 percent of high- and moderate-income households but in less than half of the nation's poor households. Sixty percent of low-income households have no storm windows or insulating glass.

Declining block utility rate structures that charge low-volume users at a higher unit rate than high-volume users is also responsible for the disproportionate burden of natural gas price increases.

Any suggestion that residential users of natural gas (including 60 percent of all low-income households) can convert to other sources is brutally naive. Economically and practically speaking, conversion is not a viable option.

Undoubtedly consumers will be submerged with Madison Avenue slogans urging them to turn down their thermostats. For the 92 percent of the wealthy and upper-middle-class households that have heat control, that is an option. But what about the nearly 40 percent of low-income households who live in apartments that have no individual thermostats?

Low-income consumers will also be urged to equip their dwellings with better insulation, storm doors and storm windows, but will not have access to credit markets that would enable them to acquire the most efficient combination of weatherproofing, retrofit and insulation.

Low-income homeowners, community groups and government officials agree that rising utility prices and the condition of the housing stock have greatly contributed to the increased rate of mortgage defaults. Many low-income homeowners reported that their homes were like sieves, requiring a high temperature setting just to maintain bearable warmth. Inefficient boilers, damaged roofs and lack of storm windows or storm doors also played a major role in keeping utility bills at unaffordable levels.

The emotional price to senior citizens and low-income consumers is particularly high. In November 1977, a University of Michigan study predicted that last winter one out of five senior citizens would have to face the hard choice of paying his utility bills or eating.

Those people are victims of utility shutoffs, going for months without heat and becoming ill as a result—and in some cases freezing to death. Some families have been sleeping in their cars in the middle of winter because they were a few dollars short on the gas bill and were shut off.

Rising energy prices, which would be the product of the Carter package, would have other consequences:

Higher unemployment as increased spending on energy reduces aggregate demand for other goods and services.

Higher numbers of senior citizens forced to enter nursing homes or become wards of the state because they are no longer able to make ends meet on their meager fixed incomes (as a recent Michigan study confirms).

Increased health-care costs from poorer diets and colder living conditions.

Increased inflation in all production sectors (not just energy) because virtually all production, including agriculture, is energy intensive.

An even less equal distribution of wealth as the return on capital increases at a faster rate than the return on labor, and as property ownership among low- and middle-income consumers becomes less viable.

Increased political power for the already extremely powerful major oil and gas firms. Despite incomes they consider too meager for energy production, they have spent hundreds of millions of dollars advancing their positions on issues ranging from environmental policy to lower corporate tax rates. Further, the major oil companies will continue to use their enormous cash surpluses to purchase major non-energy firms such as Mobil's purchase of Montgomery Ward.

Worsening of the balance of trade. The price increases in domestically manufactured commodities would make them less attractive to the rest of the world and thus reduce exports.

Deregulation will only exacerbate these critical human problems, problems so callously ignored by the supporters of the compromise, who speak so confidently about foreign dependency and greater incentives for an industry that is already reaping unprecedented profits. Those who stand to loso the most are those least able to combat the industry lobbyists and champions. The president's current answer to the nation's "moral equivalent of war" is wracked with an immorality that is intolerable.●

RETURN OF THE ATLANTIC SALMON

● Mr. MUSKIE. Mr. President, it is always heartening to hear of a Government program which works, especially if the success is recorded in one's home State.

The success being achieved in the effort to clean up Maine's rivers is an outstanding example of how positive results can be achieved when the resources of the Federal, State, and local governments are joined with clearly directed private efforts.

I submit for the RECORD a letter and news and release describing the return of Atlantic salmon to the Penobscot River and Kenduskeag Stream in Bangor, Maine. The cover letter from Lester Al Decostle, New England regional manager of the American Forest Institute generously credits my efforts as instrumental in the success in Maine. Real credit, though, belongs to the people of Maine and the industries of Maine which have responded so positively to the Federal mandate to work toward fishable, swimmable waters.

The progress discussed in the American Forestry Institute news release is heartening but there is even more to the story. I continue to hear reports of regular landings of Atlantic salmon by commercial fishermen in the Gulf of Maine. There is not now anything approaching a commercial fishery for Atlantic salmon but this incidental landing in the process of fishing for other species offers the hope that Atlantic salmon may, in the not too distant future, provide new opportunities for commercial fishing.

The material follows:

AMERICAN FOREST INSTITUTE,
August 2, 1978.

Hon. EDMUND S. MUSKIE,
Russell Senate Office Building, Room #145, Washington, D.C.

DEAR SENATOR MUSKIE: Since one of your legislative goals has been to require fishable and swimmable water in our industrialized rivers, you would have enjoyed downtown Bangor in July where people were fishing—for Atlantic Salmon—and in the process, swimming, in Kenduskeag Stream.

As a prme mover in water clean-up legislation you must be pleased to see public and private efforts producing results like this. It hasn't been cheap, and I'm sure you have letters (some of them mine) complaining about the costs. But, you also deserve laurels for the results.

Here's a news story on this summer's salmon "experience" in Bangor, but there's one thing left out—I should have included you as one of the "institutions" instrumental in making it happen.

Best regards,

LESTER A. DECOSTER,
New England Regional Manager.

AMERICAN FOREST INSTITUTE,
Bangor, Maine, July 20, 1978.

IS THAT A SALMON UNDER THE BUS STOP?

In Bangor, Maine this third week of July you can catch a bus, a bank, or a salmon. Atlantic Salmon up to 30 inches long are swimming up Kenduskeag Stream between the new bank buildings and under the five bridges that span the stream.

Bangor would appear to be one of the few cities in the world where you can catch an Atlantic Salmon in the midst of downtown traffic.

Back of the nine-story Merrill Bank Building and under the bridge at the bus-stop young boys in blue jeans wade elbow-to-elbow with business-suited office workers wearing rubber boots, as spectators and game wardens watch the occasional taking of salmon weighing 12 to 20 pounds. Because the stream is tidal, no license is required, and some of the fishing methods used outrage the sensibilities of many salmon fishermen, moving them to propose that the stream be closed to fishing. The law does draw the line at clubbing, netting, and "jigging" (hooking by pulling a lure up sharply into a resting fish), and some arrests have been made.

The return of Atlantic Salmon to Bangor is a result of years of public and private efforts.

The first effort involved the Penobscot River, the main thoroughfare to Bangor for salmon. The seven pulp and paper mills on the 90-mile stretch of the Penobscot from Millinocket to the Atlantic Ocean have spent around $61 million on water pollution abatement facilities, and are spending close to $7 million per year operating those facilities. Most of the cities on the river also have water treatment plants with Old Town starting up this week and Bangor on line, except for one section awaiting federal funds. (Uncle Sam where are you?) Over 120 thousand people live along the banks of the Penobscot River—close to 84 thousand in the Bangor-Brewer and suburbs area.

A program of clearing obstructions, putting fishways on dams, and a salmon stocking program that started in 1966 have been the final ingredients for the return of the salmon.

Is this year's Atlantic Salmon fishing in Bangor only a one-time thing? According to Alfred Meister, Chief Biologist for the Atlantic Sea-Run Salmon Commission in Bangor, the fishing should continue to improve.

Presently, the commission is stocking approximately 300 thousand fish per year in the Penobscot River watershed. The salmon come from the Green Lake Hatchery near Bangor, with a $7 million expansion recently making it the biggest salmon hatchery in the world. According to Meister, a few fish returned in 1968, and by 1969 he knew we were on our way to an improved fishery. He hopes to be stocking 400 thousand to 500 thousand fish per year in the future. The biologist feels that the management of the river will be a put, grow, and take operation augmented by natural spawning and production. According to Meister, in most years, natural spawning would now keep salmon returning to the river, but stocking is still necessary to overcome the occasional year when dry weather conditions create low flows in the river, affecting natural reproduction. Meister feels that this may happen every decade or so.

Meister says there are now fishways or negotiable openings on all dams on the Penobscot, giving fish access to the headwaters. The old dams on Kenduskeag Stream have washed out, giving access to spawning areas on the Kenduskeag.

According to Meister, salmon are coming up the Kenduskeag through Bangor in large quantities this year because of a warm spell and decreased flow in the Penobscot River. Tidal flushing and groundwater in Kenduskeag Stream makes it cooler than the Penobscot, and thus attractive to salmon.

Approximately 70 percent of the salmon run has already come up the river, but there will be some fish coming in all summer with most of the run done in August. The spawning will be in mid-October ending by early November if the pattern runs true to form. Last year salmon were spawning under the Interstate 95 Bridge in the Kenduskeag at Bangor during the second week of October.

Salmon have been returning to the Kenduskeag for the last five to six years in reasonable numbers. They're attarcting attention in downtown Bangor this year, because of the unusually large numbers coming through the downtown area in midday.

The salmon are adding another dimension to water clean-up efforts. While watching the fish, many people became aware for the first time that there is a covered bridge spanning the Kenduskeag in the midst of the city; some people were moved to pull out some of the shopping carts, old tires, and hub caps that had been thrown into the stream and left there over the years; and people were using the handsome walkway that's been built along the stream, a walkway that has seen very little use before.

One of the goals set by the water pollution abatement laws was that of having "fishable and swimmable" water in our industrialized rivers. But, while we've been spending billions to meet these goals, people have grown used to driving far from the cities for their recreation, searching for their idea of "wilderness."

The "vanishing wilderness" appears to be returning under the bridges and behind the buildings of our towns and cities. Perhaps the presence of Atlantic Salmon in the midst of a small, Maine city will lead people to look at the land and water near their homes and offices again.

NOTE: Source of information on salmon program: Mr. Alfred Meister, Chief Biologist, Atlantic Sea-Run Salmon Commission, Building 34, Idaho Avenue, Bangor, Maine 04401, phone: (207) 947-8627.●

IN REMEMBRANCE OF BOB WARREN—AN ACTION CORPS VOLUNTEER

● Mr. STONE. Mr. President, this past May, Bob Warren, 26, a Daytona Beach, Fla., native stationed with the Action Corps—formally the Peace Corps—in Honduras, lost his life in a tragic truck accident. He was the son of Mr. Dan R. Warren and Mary Clegg Warren of Daytona Beach.

Although Bob Warren was in Honduras only 9 months, a library will be built there to honor him in Las Lajas, an isolated mountain village of adobe houses whose inhabitants still are living in a 17th century manner. The young people there want to learn, but do not have the books or other resources to help them. This library will have a special significance for the village, as Bob Warren was noted for his appetite for books. His love of forestry and his training of Honduran workers in forest inventory and management as well as his deep attachment to the people he came in contact with, will long be remembered.

I would like to take this opportunity to share a few of his father's sentiments concerning the Action Corps with my colleagues. I can think of no more appropriate reason for continued support of the Action Corps.

"You have no idea of how efficient this organization is and what tender care and concern each member expressed toward the Warren family during this very trying time. Julie Knight, of the Washington office, and Frank Almaguer, Director of the Peace Corps in Honduras, kept the family advised on a daily basis until Bob's body had been returned to us. Thereafter, they continued moral support to the family by very expeditiously handling all of Bob's personal affairs remaining to be accomplished in Honduras. I want you to know how much the Warren family appreciates the work of the Peace Corps. We hope you will support its ideas and its aims and especially give it the necessary funding it needs to carry out this vital work."●

ANNOUNCEMENT OF INTENTION TO HOLD HEARINGS ON USE OF EXPORT CONTROLS AND EXPORT CREDITS

● Mr. STEVENSON. Mr. President, the Subcommittee on International Finance of the Committee on Banking, Housing, and Urban Affairs will hold hearings shortly on the use of export controls and export credits for foreign policy purposes.

The United States is suffering from escalating trade deficits and a deteriorating dollar, but U.S. exports are being subjected to new restrictions based on unexamined premises. If exports and the jobs they create are to be thrown to foreign competitors, Congress and the public should at least know why such action is in the national interest.

The Export Administration Act, which provides the basic authority for controls on U.S. exports, states that it is U.S. policy to use export controls for three purposes: to protect the domestic economy in short supply situations, to the extent necessary from a national security standpoint. and "to the extent necessary to further significantly the foreign policy of the United States and to fulfill its international responsibilities."

Recently all oil technology exports to Communist countries were placed under validated license control and made subject to National Security Council review. The step was justified at first as a reprisal for the sentencing of Soviet dissidents Anatoly Scharansky and Aleksandr Ginzburg. Later it was said that controls on oil technology exports would make it harder for the Russians to develop their oil resources, and the notion has been advanced that threatening Russian oil development will make the Russians more willing to agree to arms limitations or to remove some of the more repressive measures against internal dissidents. This extraordinary thesis deserves thorough analysis. It may not influence Russian policy. It may punish free nations more dependent on foreign oil than the U.S.S.R. And it plainly could deprive the United States of exports.

Export credits are also being placed under new restraints for "leverage" purposes. The Export-Import Bank is required by statute to obtain the views of the Secretary of State before providing loans or financial guarantees for U.S. exports. The State Department is presently holding up billions of dollars of U.S. exports, not because State has advised the Eximbank not to support the exports in question, but because State cannot decide what advice to give, and is delaying a decision, hoping thereby to exert leverage on the internal policies of the importing countries.

Mr. President, the United States is in danger of reverting to "leverage" in its

crudest, least effective form. The notion that trade can be manipulated to serve foreign policy objectives is ancient, seductive, and not altogether fallacious. But the leverage trade and credits can provide will be gained through subtle and flexible employment of such instruments in support of U.S. policy objectives, using carrots as well as sticks I sense that the United States is talking loudly and carrying a small stick.

Leverage rejects a dangerous illusion when it attempts to exchange specific exports for specific political actions. Foreign governments are not likely to release political prisoners or grant freedom of the press in exchange for submersible pumps or hydroelectric generators. They might condition their behavior upon the expectation of an evolving and mutually beneficial economic relationship.

The subcommittee hearings will examine closely the assumptions which underlie reactive impulsive restrictions on U.S. exports and other commercial transactions and their effects on U.S. economic and political interests. Among the issues considered will be the following:

Where in the administration will the decisions be made on the foreign policy implications of exports—the State Department, Defense Department, Commerce Department, or the National Security Council?

What is the most effective way to insure that export controls and credits consistently serve U.S. foreign policy and economic interests?

Will foreign competitors supply the goods, services, and farm products if U.S. firms are prevented from doing so, or made to appear undependable, because of denials of export licenses or Eximbank credits?

Can U.S. trade be used effectively as an "on-off" lever to secure Soviet cooperation in Angola, the Horn of Africa, the Middle East, the arms limitation talks, and elsewhere?

Is it in the U.S. interest to inhibit or to threaten to inhibit the development of the oil resources of the Soviet Union? What effect would such action have on overall United States-Soviet relations, as well as arms control, the Middle East, the treatment of Soviet dissidents and the world economy?

On what grounds has the Department of State advised the Export-Import Bank to refuse financing for exports to Argentina?

Are export controls on sales to Communist China being liberalized for foreign policy reasons? Why are exports being licensed for Communist China which have been denied to the Soviet Union?

Dates and room locations for the hearings will be announced in the RECORD soon. Persons interested in testifying or desiring additional information concerning the hearings should contact Robert W. Russell, Counsel to the Subcommittee on International Finance, at (202) 224-0819.●

OPPRESSION IN THE SOVIET UNION

● Mr. PELL. Mr. President, in a recent editorial entitled, "A Tale of Two Cities," the Newport Daily News reflected on the disappointment of old time liberals concerning the continuing tyranny and neglect of human rights in the Soviet Union. In recounting and commenting on the disillusion of liberal visionaries over the chasm that has developed between the promises of Communist leaders and the reality of what they have produced, the Daily News suggested that the answer to what went wrong in the Soviet Union could be found in the history of two cities—St. Petersburg and Moscow—hence the title for the editorial.

St. Petersburg—now Leningrad—symbolized the promise of Western-style liberalization. The city was built by Peter the Great as his window on the West and was the site of many experiments in at least elements of Western Government. Moscow, on the other hand, symbolized the inward-looking medieval Russia. Just as Moscow won out over St. Petersburg as the seat of government of the Soviet regime, so also did the repressive medieval ways of old Moscow come to characterize the nature of the new Soviet state.

The Daily News concludes that Russian communism was oversold as the newest of the waves of the future and that it has proved to be just another disguise for tyranny and just another medieval political system. I agree with this conclusion; and in order that my colleagues may have the benefit of the historical analysis of the Newport Daily News, I ask that the full text of the editorial of July 27, 1978 be printed in full in the RECORD.

The editorial follows:

A TALE OF TWO CITIES

One of the great disappointments of old time liberals is the continuing tyranny and neglect of human rights exemplified by the Soviet Union. This was supposed to be the society of the future, a society based on workers receiving the fruits of their labor, a society especially concerned with human rights.

Many of these leftist visionaries rationalized the cruelty of the Stalin era as being an aberration—the product of a mentally sick and sadistic dictator. This was confirmed in their minds by Nikita Khrushchev's astonishing arraignment of Stalin as a monster. Ah, at long, long last, Soviet society would fulfill the dream of Marx, Engels and Lenin. It would become a more open society, a much fairer one. The Soviet state finally would usher in the promised Brave New World.

But somehow, the Soviet leaders, Khrushchev himself and his successor Leonid Brezhnev—have not delivered on the promise. Soviet society has become even more oppressive under Brezhnev, even less sensitive to human rights, Alexandr Solzhenitsyn told us in the "Gulag Archipelago" that the nightmare of Stalin's concentration camps never really has ended in Russia. The treatment of people wishing to emigrate, the trials of those who even hint at Soviet government failures, the touchy reaction to President Carter's critique of oppression in the Soviet Union, all attest to the truth of Soviet brutality.

What went wrong?

We submit that a detached historical look at the Russian experience since Peter the Great at the start of the 18th century would provide important answers to this question. The study even might be called "A Tale of Two Cities" (with apology to Charles Dickens).

The two cities are St. Petersburg (renamed Leningrad by the communists) and Moscow.

When Peter the Great assumed the Russian throne, he realized that the country was backward, that if it ever were to progress, it would have to become westernized. Shortly after become tsar, Peter's army took a beating from the Swedish army of Charles XII, who ruled a nation of fewer than one million souls.

Peter himself spent some time in The Netherlands learning about the West. On his return, he reformed the army and made some changes in the government. Even more importantly, he built a vast new city in the extreme northwest of the country, named it after his patron saint and namesake, and made this new city, St. Petersburg, the capital of Russia. Peter never did understand western ways, and many of his reforms were merely formal, devoid of the spirit of the West. But the important thing is that he tried to westernize Russia, that he took the first steps to bring that vast land into true communion with the other western states.

Starting with Peter, the tendency in Russia was to modernize, although to anyone impatient with anything less than instant success, the progress must have been excruciatingly slow. And there was backsliding. Russia remained essentially an autocratic monarchy. Some tsars like Paul, Alexander I in his latter days, Nicholas I and Alexander III ruled in the best tradition of Ivan the Terrible and worse.

But Alexander I in his earlier days had some liberal inclinations, Alexander II did free the serfs and Nicholas II ruled over a country that finally had a rudimentary parliamentary system, complete with several political parties (including the communists—the Bolshevik wing of the Social Democrats).

Can anyone imagine the communists of Brezhnev, 60 years after the Revolution, allowing other than orthodox communists to sit in their parliament? Can one imagine Brezhnev permitting supporters of the tsar to sit in his parliament?

Actually, Russia was liberalizing under the last tsar, Nicholas II. Had Russia not suffered a disastrous defeat in World War I, it is conceivable that it might have evolved into a constitutional monarchy some day. Ironically, its very defeat may have been brought about by its acceptance in the western community of states. Russia, like most of the other leading nations caught up in World War I, was part of the western alliance system. It was deep in Balkan politics, and was accordingly dragged into the war that brought about the downfall of the monarchy and led to the communist triumph.

For a short while after the fall of the last tsar, an attempt was made to transform the Russian state into a democratic republic. But lacking experience in democratic and parliamentary give-and-take, the governments of Prince Lvov and Alexander Kerensky proved ineffectual. It was into this vacuum that Lenin and his Bolsheviks moved, and created their dictatorship of the proletariat.

Now, this dictatorship really had nothing in common with liberal philosophers like Tolstoy and politicians like Kerensky who hoped to modernize their country politically, socially and materially. The dictatorship of Lenin and his successors was inward looking, regardless of the propaganda they exported.

The capital was moved from St. Petersburg (renamed Petrograd and then Leningrad) back to the ancient Russian city of

Moscow. And the new ruler of Russia (now called general secretary of the Communist party, rather than tsar) became as much the master of the Russian people as any tsar of the 250 years before Peter the Great. Communism, the new religion, was exactly what the communist dictator said it was. The supreme sin was to deviate from the doctrine as officially expressed.

This was pure traditional Russian practice with a vengeance, called caesaropapism in the time of the tsars—the man who ruled Russia was the official keeper of the faith. So it became under Lenin, Stalin and Khrushchev, and so it remains under Brezhnev. The relatively free (and we must stress the word "relatively") politics of Nicholas II's time was and is no more.

Russian communism, oversold as the newest of the waves of the future, has proved to be another disguise for tyranny. Termed essentially economic by its advocates, it is just another medieval political system. Only the names and the titles have been changed to confuse the innocent. Moscow, its capital, is more symbolic of the reality of communism than St. Petersburg, Peter the Great's Window on the West, ever could have been.●

INFLATION THROUGH THE EYES OF A 9-YEAR-OLD

Mr. GRIFFIN. Mr. President, no issue is of greater concern to the American people than the problem of inflation.

Recently, I received a very perceptive letter about inflation from a constituent in Ann Arbor, Mich., the home of one of our greatest centers of learning, the University of Michigan.

The letter was very special. It did not come from a professor of economics; it came from an astute 9-year-old young lady, Jessica Porter.

Actually, the letter was addressed to President Carter. Jessica was thoughtful enough to send me a copy.

Here is what she had to say:

DEAR MR. CARTER: There is a major problem going on, It is Inflatoin. I'd like to try to solve that problem. Here is my side of the story: You and congress keep making money so it isent as valualbe. The prices of things in the store go up but working peopl wagess do not so they can't buy as much as they need. I am trying to prevent this and would like to here your side of the story. Please write back and tell me your side of the story.

Sincerely,

JESSICA PORTER.

P.S. I'm 9.

Jessica may be young, but she is very wise.

Like Jessica, I would like to hear the President's side of the story.

USDA WINS AUGUST "GOLDEN FLEECE" AWARD

Mr. PROXMIRE. Mr. President, I am giving my Golden Fleece Award for August to the U.S. Department of Agriculture (USDA) for spending Federal tax dollars to exercise confined pregnant pigs on a treadmill and to relieve their boredom and psychological stress.

As an avid jogger myself, I think we need more joggers in this country but spending Federal funds on this "hog jog" is going too far.

And even though we humans are being psychoanalyzed more than ever these days, that is no reason to start putting pregnant pigs on the psychiatrist's couch instead of in the farmer's barnyard—especially at taxpayer's expense.

The folks at USDA went hog wild on this one. As a result, the taxpayers may get stuck with a pig in a poke.

Mr. President, as Senators know, I make monthly Golden Fleece Awards for the biggest or most ironic or most ridiculous example of wasting Federal tax funds. These monthly awards are followed by a "Fleece of the Year" winner in late December.

I should point out, too, that I am a member of the Senate Agriculture Appropriations Subcommittee, which oversees USDA's budget.

To help explain the irony that lies at the heart of this month's award, let me point out, first of all, that raising pigs in confinement is, according to USDA, the method used in perhaps as much as 40 to 50 percent of this Nation's hog production. But two separate issues need to be considered in looking at the confinement system: first, the marketing of pigs, and second, their breeding and gestation periods.

This confinement approach has some recognized advantages when it comes to marketing pigs. These include, for example, the more economical use of land, mechanized feeding, getting pigs fatter faster, and possibly cutting down on the disease rate.

Purely incidental to the raising of pigs in confinement is their breeding in confinement. And when sows are bred in confinement and kept there during the gestation period, it is not at all clear what advantages may result. We know, for example, that a bigger litter is not produced nor is the weight-per-pig increased.

But once the USDA-funded researchers decided to study pigs in confinement, all kinds of problems developed for the pregnant pigs that are a part of the experiment, including lack of exercise, boredom, and psychological stress.

To try to offset these problems, Federal funds were—and are still being—spent on an exercise treadmill and, to quote from USDA's research project description:

To identify methods of reducing psychological stress & boredom of the tethered sows during gestation.

All of this leaves us very much in the world of George Orwell. In fact, it links the title of one of Orwell's works—"Animal Farm"—with the thesis of another—"1984."

It may well be that raising hogs in a confinement system is the wave of the future. As I have said, it is already used, according to USDA, in producing a substantial percentage of the hogs in this country.

But what USDA is doing in this study is both ironic and ridiculous. First, it puts pregnant pigs in confinement. And then, it spends Federal tax dollars to try to ease the burdens produced by this confinement.

I am not questioning the economic and other advantages of the confinement system in getting pigs ready for market. And whether or not there may be positive effects when it comes to breeding and the gestation period is perhaps open to some debate.

But just how far do we want to go? What would the next steps be? Perhaps Federal funds might go to paying for the services of a psychiatrist to examine our tense and stress-laden pigs. Or someone might want to look into whether or not too much treadmill exercise for pregnant pigs is bad for their health.

The total amount of Federal funds being spent on this research is not in the stratosphere. It is a 5-year project that will involve perhaps as little as $5,000 of the Federal taxpayers' money to study the exercise, boredom, and stress issues. Other concerns are being addressed in the overall study. State funds will make up the bulk of the total expenditure along with some initial support from private industry.

I am not saying this research should not be done at all. Perhaps some good will come of it.

But there are enough questions in my mind about the use of Federal tax dollars to help pay for this study to convince me that—whatever the number of dollars involved—USDA deserves the "Golden Fleece" award for August.

Mr. TOWER. Mr. President, will the Senator yield for a question?

Mr. PROXMIRE. Yes.

Mr. TOWER. Is the Senator from Wisconsin assured that this experiment may not result in higher productivity for hogs or, perhaps, a better yield, dressing out at a higher precentage and all that sort of thing? Is there any consideration given to that?

Mr. PROXMIRE. We have given very careful consideration to that, yes, indeed.

What has happened, of course, is that farmers have found by confining pigs they do get better production, and that is fine. But to determine whether or not they can work with pigs to reduce their boredom and find out if they can change their psychological attitude, it seems to me they are going too far. I would not object if there was a matter of psychoanalyzing people, because if there is one area which I think is highly questionable for the expenditure of anybody's money, whether it is the private citizen's money or the taxpayer's money, it is psychoanalysis.

So I am opposed to psychoanalyzing these pigs. I think we have a better use for our money. I know in Texas they have all kinds of ideas, but even in Texas they would be opposed to putting pigs on a treadmill and seeing how far they can jog if they are pregnant.

THE THIRD SENATE OFFICE BUILDING

Mr. PROXMIRE. The House of Representatives was absolutely correct in knocking out supplemental appropriations for the outrageous third Senate office building. The Senate should agree to this virtually unprecedented interference with a Senate prerogative. We should recognize that on this issue the House spoke with far greater objectivity. The Senate was obviously overwhelmed

with the prospect of its own luxurious benefits.

Many people question the propriety of one House voting on matters which directly concern only the other House since in the past congressional courtesy has demanded that one House defer to the other in such matters. It is high time to end such a ridiculous precedent.

We are concerned here with spending huge sums of the taxpayers' dollars, and the House of Representatives has every right to step in where it sees that the interests of the taxpayers are being flouted by the Senate.

I hope that the Senate will concur with the overwhelming vote of the House on this matter. I will support the House position.

Senate opponents of this move will doubtless point out that all Members of the House are up for reelection this year and claim that this is a political issue. It sure is a political issue. The Congressmen who are up for reelection are well aware that the voters around the country are dead set against such extravagance on the part of the Senate. Their vote reflects that popular feeling, and the Senate should listen and learn.

I think few Senators realize how this has affected the country. When I was out in my State last weekend, I was at the State fair, and at least a dozen people came up to me and said, "There is one issue, PROXMIRE, we agree with you on, and that is not wasting money in the Senate."

Mr. ROBERT C. BYRD. Mr. President, on the matter of the Hart Office Building, if the Senator will yield——

Mr. PROXMIRE. I yield.

Mr. ROBERT C. BYRD. The Senate, I think, acted to correct its earlier mistakes when it put a ceiling on the amount of money we spent on that building. I do not like the fact that mistakes were ever made, and when Congress makes a mistake, of course, everybody knows it, and that is appropriate.

But there is such a thing as comity between the two Houses, and I hope the House will reconsider at some point the action it has taken with respect to the Hart Office Building. I do not think there is any argument but that there is a need for additional space. There is, of course, no justification for the frills, and I do not stand here to justify them. I think the mistakes were made early on in respect to the Hart Building. But the Senate attempted to rectify the mistake the other day by putting a ceiling on it. That does not gainsay the fact that there is a need for additional space, and I do not think the House should have acted as it did with respect to the Senate building. There is such a thing as comity between the two Houses.

May I say that while I find no fault with the distinguished Senator from Wisconsin (Mr. PROXMIRE) who takes the position that he has, I still do not think the House should have taken the action that it did. If the Senate has made mistakes, then the Senate will be held responsible for its mistakes, and the people will hold them responsible for their mistakes.

But so far as I am concerned, I am sorry that the House took the action that it did, and I hope it will think about it in due time, because if we begin the business of this body taking cuts at the other body and the other body taking cuts at this body, then I am afraid we will have disturbed the comity that needs to exist between the two bodies.

It is the Senate's judgment, I think, to act on what its needs are as to space, as we have always felt the House was in better position to make a judgment as to what its space needs were.

I must say that the viewpoint of the Senator from Wisconsin in complimenting the House on its actions, is not shared by this Senator.

Mr. PROXMIRE. Mr. President, I expected the majority leader to take that position, and I understand it fully. I think as majority leader that is a sensible and logical position to take.

I think, however, that the notion of comity between the House and the Senate—that is the Senate never under any circumstances challenging what the House does with its spending money on its own operations, and the House acting similarly—is something that has been honored for many years, ever since I have been in the Senate, for more than 20 years.

But again I think that principle is wrong. I recognize the view of the majority leader and I think it is probably a majority view in this Chamber and, perhaps, it is a majority view in the House on most things.

But I feel we have a responsibility to the taxpayers. Whether the money is spent by the Senate or by the House we vote on it and, I think, therefore, we have the right to complain about what they spend and they have a right to complain about what we spend. But I certainly honor the majority leader for his statement.

Mr. THURMOND. Mr. President, will the Senator yield?

Mr. PROXMIRE. I yield to the Senator from South Carolina.

Mr. THURMOND. I do not want to get into a dispute here between the distinguished Senator from Wisconsin and our distinguished majority leader, but I want to commend the Senator from Wisconsin for the position he has taken.

Mr. ROBERT C. BYRD. Mr. President, there is no dispute between the Senator from Wisconsin and the majority leader, no dispute.

Mr. THURMOND. Well then, the discussion. I will change the verbiage.

Mr. ROBERT C. BYRD. All right.

Mr. THURMOND. I just want to state that, although it may have been the policy here throughout the years for each body to respect entirely the expenditures by the other body, I have often wondered how one body could have any check at all on what is being spent here in Congress unless it does come down and have some check on the other body.

It seems to me in a matter as important as a building that is going to cost at least $131 million that either body ought to have some say as to what, regardless of which body, that building is to serve.

Furthermore, I want to associate myself with the remarks of the distinguished Senator from Wisconsin on this building. It is my feeling, and I have said so for years, that the Federal Government should get out of so many jurisdictions, turn the Federal money over to the States, and they will run these projects more efficiently and more economically, and we could close a lot of buildings here in Washington, eliminate thousands of employees and subsequently eliminate thousands of retirement payments and, in that way, we will not need as many staff members as we now have here in the Senate or in the House.

I think the Washington Government has gotten entirely too big. It is my judgment that people back in the States of Wisconsin, West Virginia, South Carolina, or any other State are just as smart as the people are here in Washington, and that they can direct these projects and operate them more efficiently, and should do so. Then we can release a lot of the employees we have, not only in the bureaucracy here in Washington, but also in congressional staffs.

For that reason, I commend the able Senator from Wisconsin upon his position in this matter.

Mr. PROXMIRE. Mr. President, I thank my friend from South Carolina. He is absolutely right. He has been here for many years, more so than most Members of the Senate, and has——

Mr. ROBERT C. BYRD. Let me ask both Senators, why did they not raise a finger when the House spent a horrendous amount, a totally egregious sum for the Rayburn Building?

Mr. PROXMIRE. The Senator asks a good question. I should have done so, and I wish I had.

Mr. ROBERT C. BYRD. I would like to see a comparison of the cost per square foot of the Rayburn Building as opposed to our building. I raised no question at the time, but suppose the Senate had decided it would cut out the funds for the Rayburn Building. Did the Senator from Wisconsin lead the attack on the Rayburn Building? Did he offer an amendment to do that?

Mr. PROXMIRE. The Senator from Wisconsin was in gross error in not offering such an amendment. I wish I had. This precedent had not been broken at that time. It should have been. I think that was a tremendous waste.

I think we could probably go to conference and get back the Hart Building the way it is, but I would hope we could cut it down in conference. We still have all kinds of unnecessary expenditures over there, including marble, a gym we do not need, and a number of other things that we should cut back, and I would hope, in a spirit of compromise, they would do so. But the Senator from Wisconsin was wrong in not offering an amendment to cut out the funds for the Rayburn Building. I should have done so, and I wish I had.

Mr. ROBERT C. BYRD. Will the Senator yield?

Mr. PROXMIRE. Yes.

Mr. ROBERT C. BYRD. I certainly have no quarrel with the Senator's suggestion, and I hope that might be done. I am simply saying that the House, in my

judgment, should not have stricken the funds for the Senate office building. It is up to the Senate to rectify its own mistake. The Senate knows what its space needs are, and I do not think the Senate should be subjected to that kind of inconsideration of comity, the spirit of comity that has long existed between the two Houses.

Mr. PROXMIRE. If the Senator will yield on that point, the difficulty is that when we deal with ourselves, with our objectivity.

After all, it is our own space and our benefit and our luxury we are viewing. The House can take a more objective view, and in this case they did.

Mr. MATHIAS. Mr. President, will the Senator from Wisconsin yield to me?

Mr. ROBERT C. BYRD. Well, I was going to ask the Senator from South Carolina, at the time the House was considering the funding for the Rayburn Building, if he made an effort to reduce the amount.

Mr. PROXMIRE. This was the comity again. I thought we could not.

Mr. ROBERT C. BYRD. It seems to me it would have made a good political speech at that time in South Carolina to be able to say, "I offered the amendment, I voted for the amendment, I wanted to cut out that Rayburn Building; what a colossal waste of the taxpayers' funds."

I should think one would have been in a better position doing that than to stand up now and commend the House for the action it has taken. I say if the Senate has made a mistake, the Senate ought to correct it.

Mr. PROXMIRE. I criticized the Rayburn Building at the time, and did so vigorously, but I admit I did not try to stop it on the floor, because as far as I knew there was no way to do it, and I do not believe the Senate could have accomplished that at that time.

Mr. ROBERT C. BYRD. I want to commend the Senator from Wisconsin for his efforts over the years to cut out waste in Government. May I say that nothing I have said was meant to detract from the good work he has done, and I certainly share his view as to the mistake that the Senate made in the beginning. We made a mistake, and I think we ought to admit it. But I still think there is such a thing as a spirit of comity between the Houses that, in the final analysis, is beneficial to the people of this country. If we get into the business of tit for tat, the Senate might get into the business of cutting funds for employees on the House side.

Mr. PROXMIRE. Might not be a bad idea.

Mr. ROBERT C. BYRD. Then, in retaliation, the House might cut funds for Senate staff, and it could go from bad to worse.

I hope the House will reconsider what it has done, and correct what it has done.

Several Senators addressed the Chair.

Mr. ROBERT C. BYRD. The Senator from Wisconsin has the floor.

Mr. PROXMIRE. I yield to the Senator from Maryland.

Mr. MATHIAS. The Senator from Wisconsin has been leading us in making confessions of error here tonight, right on down the sawdust trail to the mourner's bench, in which the majority leader has joined, and I want to join them on that sawdust trail to the mourner's bench and join with them in confessing error.

I voted against the Senate office building. We did not have a Senate office building when I came here 10 years ago to the Senate and faced the problem of space, and the inefficiency involved in the lack of space; and I want to associate myself with the Senator from Wisconsin in saying that I am very conscious of the error I made. Where the conditions of crowding are so bad it has to be uneconomical, because the fine staffs that we have are not able to work at their highest efficiency, and I think in voting against additional space we have not served the people well.

So I want to say, while sitting on the mourner's bench with the Senator from Wisconsin and the Senator from West Virginia, that I, too, made an error, and that was in voting against the Senate office building.

I do not want to prolong my confession, but I am right down there on the sawdust trail with them.

Several Senators addressed the Chair.

Mr. PROXMIRE. I wish to agree with the Senator from Maryland. I think he is right in being on the mourners' bench, all right, but I think he was probably right the first time but wrong the second time.

Mr. RANDOLPH and Mr. TOWER addressed the Chair.

Mr. PROXMIRE. I yield to the Senator from West Virginia (Mr. RANDOLPH).

Mr. RANDOLPH. Mr. President, it is very important that the RECORD reflect that we are referring to 1972 in connection with the action on the Hart Building. Is that correct?

Mr. PROXMIRE. I was referring fundamentally to the action of the House today in voting against the additional funds over the $85 million we have already provided for the Hart Building.

Mr. RANDOLPH. I so understand.

Mr. PROXMIRE. They amended that.

Mr. RANDOLPH. I think the RECORD, though, should show certain additional facts in connection with the authorization of the Hart Building in 1972. The size of the building, as authorized by our committee at that time, was one-half of the size it has become, and about one-third the cost. We acted in response to the pleas of many Senators about the crowded and unsatisfactory conditions in which they had to work. The additional cost with which we are faced today resulted from subsequent enlargement, design changes, construction delays, and inflation.

Mr. ROBERT C. BYRD. I would imagine my senior colleague might have some information on the cost of the Rayburn Building as well.

Mr. PROXMIRE. The trouble is that the Architect's Office, in 1964, said the cost of the Rayburn Building was about $60 a square foot. Now they are saying it was something like $138 a square foot on that building. I suppose they are adjusting for some kind of inflation factor, but I believe they are overadjusting.

Mr. TOWER. Mr. President, I have a good suggestion. It seems to me we should check the voting record in the House on that amendment, and that any of those House Members who happen to get elected to the Senate should be identified and lodged in the Carroll Arms.

THE VETO OF THE MILITARY PROCUREMENT AUTHORIZATION

Mr. PROXMIRE. Mr. President, decision to veto the fiscal year 1979 military procurement authorization bill will actually strengthen our national defenses.

The President, Secretary of Defense, and Secretary of the Navy all have said that they did not want to spend $2.4 billion on a new *Nimitz*-class aircraft carrier (CVN–71). Yet the Congress forced this money on the executive department in the authorization bill and likely would have done the same in the appropriations bill.

This expenditure for another large aircraft carrier makes no sense. Here is why:

First, the carrier puts all our resources in one ship and starves other shipbuilding programs. At $2.4 billion, this one ship, which will not be at sea until 1987, takes 40 percent of the shipbuilding budget. Our fleet of warships has been cut in half the last 20 years due to the overemphasis on large expensive ships. Every large carrier means fewer ships in our Navy.

Second, the $2.4 billion is just a small downpayment on the final tab. A carrier needs aircraft at a cost of $1.5 to $1.8 billion. And it must have escort ships to protect it. Two or three nuclear escorts for the CVN–71 would cost $1.5 billion each or as much as $8.7 billion. And then we must add in the costs to man and operate this huge vessel. Over 30 years the full costs of the CVN—not counting escorts—would be $18 billion in uninflated dollars.

Third, this huge investment is the most vulnerable target afloat. In either a conventional or nuclear war, the large carriers would not be able to operate near land masses with hostile air forces. This rules out the carriers in the Mediterranean, North Sea, and Northwest Pacific. But these are precisely the areas where we need naval strength during a war.

Mr. TOWER. Mr. President, will the Senator yield at that point?

Mr. PROXMIRE. Just a minute. The carrier is vulnerable to land-based aircraft, sea-launched missiles from submarines and surface combatants, air-launched missiles, torpedoes, and new supersonic bombers such as the Backfire. Furthermore, Russian radar satellites can do a pretty good job of pinpointing just where our carriers are at any time.

Fourth, just as it took time to realize that the battleship was the dinosaur of the seas, so now it is time to start building a new Navy with smaller, less vulnerable and more maneuverable ships. The carrier has a role to play at sea but even without the CVN–71, the 11 remaining carriers are more than adequate for any

possible requirements. In the meantime, we need to emphasize the less expensive more survivable forms of naval power.

I am happy to yield to my good friend from Texas.

Mr. TOWER. The Senator is in error on the vulnerability of the aircraft carrier. The aircraft carrier is the least vulnerable ship at sea with the exception of the submarine, and it is less vulnerable than the submarine once the submarine has been detected.

The PRESIDING OFFICER. The time of the Senator has expired.

Mr. PROXMIRE. In view of the interruptions, I ask for 5 additional minutes. Mr. President.

Mr. ROBERT C. BYRD. I ask the Chair to recognize me.

The PRESIDING OFFICER. The Senator from West Virginia is recognized.

Mr. ROBERT C. BYRD. I yield to the Senator from Wisconsin.

Mr. PROXMIRE. The Senator from Texas is absolutely right in a conventional war, but in a nuclear war that is as vulnerable as you can get. This is a ship as long as three football fields end to end, going about 40 miles per hour at full speed. It is like hitting a bull in the butt with a bull fiddle, as Senator Symington used to say. You cannot miss it. Even in World War II we found our aircraft carriers were put out of commission so they were not able to operate for many, many months at a time. Under the present circumstances, with nuclear weapons, this is a very, very vulnerable weapons system.

GENOCIDE CONVENTION UPHOLDS CRUCIAL CONSTITUTIONAL PRINCIPLES

Mr. PROXMIRE. Mr. President, the Constitution of the United States and its amendments are the fundamental law of our country. Throughout American history, the Constitution has guided our policies and our practices.

Why? Because the Constitution embodies the rights for which the United States was created. The fundamental values of the American people are enshrined in its articles. Our democratic heritage and our contemporary leadership of the free world are inextricably linked to this crucial document. Both our domestic and our foreign policy have been shaped by the Constitution. All of our actions, as lawmakers and as citizens, are examined in its light.

One foreign policy issue, in particular, merits close constitutional scrutiny. I am speaking of the United Nations Genocide Convention. Does the Genocide treaty uphold our fundamental constitutional principles? Will its ratification further the cause of human rights which our Constitution represents? Yes, Mr. President, unquestionably it will.

The 14th amendment to the Constitution contains an important section which has come to be regarded as one of the primary characteristics of our free and democratic society. I quote:

No State shall make or enforce any law which shall abridge the privileges and immunities of citizens of the United States; nor shall any State deprive any person of life, liberty, or property, without due process of law;

What does the 14th amendment guarantee? Security, Mr. President. The right to live without the fear that one will be imprisoned or one's property seized at the whim of a corrupt government or a tyrannical ruler. More importantly, it protects each American life—it safeguards the right to live.

And what is the Genocide Convention about, Mr. President? Life—the right to live. By defining and punishing the crime of genocide under international law, the treaty helps to guarantee to every citizen of the world the right to live securely. They shall not be deprived of their lives without the due process of law.

Mr. President, the U.S. Constitution protects and guarantees the right to live to every American. It is time that we acted to help extend our constitutional freedoms around the world. It is time that we ratified the Genocide Convention.

DIPLOMATIC RELATIONS ACT

Mr. ROBERT C. BYRD. Mr. President, I ask unanimous consent that the Senate proceed to the consideration of Calendar Order No. 1028.

The PRESIDING OFFICER. The bill will be stated by title.

The legislative clerk read as follows:

A bill (H.R. 7819) to complement the Vienna Convention on Diplomatic Relations, which had been reported from the Committee on Foreign Relations with amendments and from the Committee on the Judiciary with amendments to the amendments.

The amendments of the Committee on Foreign Relations are as follows:

On page 4, beginning with line 5, strike through and including line 13, and insert in lieu thereof the following:

SEC. 5. Any action or proceeding brought against an individual who is entitled to immunity with respect to such action or proceeding under the Vienna Convention on Diplomatic Relations, under section 3(b) or 4 of this Act, or under any other laws extending diplomatic privileges and immunities, shall be dismissed. Such immunity may be established upon motion or suggestion by or on behalf of the individual, or as otherwise permitted by law or applicable rules of procedure.

On page 5, beginning with line 18, insert the following:

SEC. 7. (a) That chapter 85 of title 28, United States Code, is amended by the addition of the following new section:

"§ 1364. Direct actions against insurers of members of diplomatic missions and their families; *actions against the United States*

"(a) The district courts shall have original and exclusive jurisdiction without regard to the amount in controversy, of any civil action commenced by any person against an insurer who by contract has insured an individual, who is a member of a mission (as defined in the Vienna Convention on Diplomatic Relations) or a member of the family of such a member of a mission, against liability for personal injury, death, or damage to property.

"(b) Any direct action brought against an insurer under subsection (a) shall be tried without a jury. *The said action shall be subject to the law of the place where the act or omission occurred*, but shall not be subject to the defense that the insured is immune from suit, that the insured is an indispensable party, or in the absence of fraud or collusion, that the insured has violated a term of the contract, unless the contract was cancelled before the claim arose.".

(b) The chapter analysis of chapter 85 of title 28, United States Code, is amended by adding after the item relating to section 1363 the following new item:

"1364. Direct actions against insurers of members of diplomatic missions and their families; *actions against United States.*".

On page 6, line 21, strike "7" and insert "8";

On page 8, line 2, strike "8" and insert "9".

The amendments of the Committee on the Judiciary are as follows:

On page 5, line 22, strike the semicolon and "actions against the United States";

On page 6, line 4, after "mission" insert a comma and "or an individual described in section 19 of the Convention on Privileges and Immunities of the United Nations of February 13, 1946";

On page 6, line 10, beginning with the period, strike through and including the comma in line 12;

On page 6, after line 19, strike "; actions against the United States".

The PRESIDING OFFICER. Is there objection to the present consideration of the bill?

There being no objection, the Senate proceeded to consider the bill.

The PRESIDING OFFICER. Without objection, the amendments are agreed to.

Mr. SARBANES. Mr. President, the bill before the Senate, H.R. 7819, as amended, is the joint product of the Committee on the Judiciary and the Committee on Foreign Relations. I particularly want to thank Senators SPARKMAN, METZENBAUM, and MATHIAS for their contribution to shaping and moving this legislation forward.

This legislation would set down new guidelines for determining the immunities that the Government of the United States extends to foreign diplomatic personnel in this country. I very much welcome this bill. It deals with a problem about which I have been deeply concerned. It is a necessary complement to and consequence of the Vienna Convention on Diplomatic Relations, which entered into force with respect to the United States in 1972. In addition, it addresses the very serious problems which diplomatic immunity may on occasion cause the ordinary U.S. citizen or resident.

Such situations do not usually attract great national or international attention. Nonetheless they may affect individuals in the most serious, even calamitous way. This is a matter of special concern in the national capital area, where the vast majority of persons enjoying diplomatic immunity live and work. Statistically speaking, the residents of the District of Columbia and the adjacent areas of my own State of Maryland and of Virginia run a much greater risk of finding themselves involved in an accident in which the other party, even though he or she may be entirely at fault, enjoys absolute protection against any court action by virtue of diplomatic immunity status.

Diplomatic immunity grants freedom from criminal, civil, and administrative jurisdiction to all diplomatic personnel, their families and servants. A number of incidents have occurred in which foreign

officials, their families, or their employees have invoked that immunity to shield themselves from the consequences of acts which, if committed by anyone else subject to our laws, would have resulted in severe penalties. Perhaps the most dramatic of these incidents have involved automobile accidents in which American citizens not at fault have suffered enormous damage and injury but have been unable to collect any compensation whatever. The whole burden of the accident has fallen on its innocent victim.

The problem of the scope of immunity from criminal, civil, and administrative jurisdiction has been compounded in recent years by the growing number of persons who under existing law—and that law dates back to 1790—are entitled to immunity. Over the nearly two centuries that have elapsed since enactment of the statute the number of diplomatic missions has increased, their size has increased, and the categories of diplomatic employees have increased. The 1790 law extends full immunity not only to full-fledged diplomats but to administrative and service personnel within diplomatic missions and their families, and their personal servants as well.

H.R. 7819 represents a timely and practical revision of our diplomatic immunity laws. It would accomplish four important objectives:

First, it would codify the privileges and immunities provisions of the Vienna convention as the sole U.S. law on the subject. The Vienna convention provisions formally recognize three categories of diplomatic personnel and extend total immunity only to that relatively small number of persons who are bona fide diplomats. The number of persons enjoying full immunity would be reduced by well over 50 percent.

Second, it would repeal existing Federal legislation inconsistent with the Vienna convention.

Third, it would require foreign diplomats in the United States to carry liability insurance against risks arising from the operations in the United States of automobiles, vessels, or aircraft, pursuant to regulations.

Fourth, as a matter of Federal law, it would establish a substantive right of an injured or damaged party to proceed directly against the insurance company where the insured diplomat enjoys immunity from suit. This right would put an end to the anomalous and inequitable situation where an injured party is unable to collect damages even though the diplomat responsible may carry insurance, often at the insistence of his own embassy, because the claim of diplomatic immunity is invoked.

Mr. President, H.R. 7819 would modernize our anachronistic laws governing diplomatic immunity, and its direct action provision would provide an effective remedy in case of certain injuries or damage to private individuals. The bill as amended has been reported favorably and expeditiously by both the Foreign Relations and Judiciary Committees, and I urge its adoption by the Senate.

Mr. METZENBAUM. Mr. President, I am pleased to join my colleagues—Senator SPARKMAN, Senator SARBANES, and Senator MATHIAS—in supporting H.R. 7819, the diplomatic relations act. This legislation represents the cooperative efforts of the Committee on Foreign Relations and the Committee on the Judiciary.

On February 6, 1978, the Subcommittee on Citizens and Shareholders Rights and Remedies, which I chair, held hearings on H.R. 7819. The Foreign Relations Committee, chaired by Senator SARBANES, held hearings on May 24, 1978. This bill passed the House on July 27, 1978. Since then, it has been refined to take into consideration the testimony presented by witnesses before both committees. Both committees agree that H.R. 7819, in its present form, is an improved bill and should be adopted by the Senate.

The House of Representatives and the executive branch have also worked for the passage of legislation on diplomatic immunity. Since 1966, members of the Senate and House have repeatedly introduced legislation to repeal our antiquated statute and pass complimenting legislation to the Vienna Convention on diplomatic relations. The Vienna Convention makes proper distinctions with regard to the kinds of cases for which immunity is granted. In each instance, these efforts have received the support of the Departments of State and Justice.

Reform in the area of diplomatic immunity has not been opposed on its merits, but has been defeated by inertia and apathy. We have a responsibility to our citizens and to the diplomatic community to conform our domestic law to existing international standards. There is a consensus that this action is long overdue.

In addition to updating United States law by implementing the Vienna Convention on Diplomatic Relations, H.R. 7819 also provides a much-needed remedy for insuring victim compensation. While studying this bill, it became evident to me that a remedial system which guaranted that an accident victim would have an opportunity to present his or her case in court was needed. A necessary adjunct to bringing a suit is the existence of a solvent defendant. As a matter of Federal law, this bill gives an injured or damaged party a substantive right to proceed directly against the insurance company when the insured diplomat enjoys immunity from suit. It also requires foreign diplomats in the United States to carry liability insurance against risks arising from the operation of a motor vehicle, vessel, or aircraft. In this manner, the bill solves the problem associated with immunity when it precludes recovery following an accident caused by a member of a diplomatic mission. Again, this practice is in line with methods employed by most nations.

Mr. President, the Senate should be satisfied with this legislation, and I urge its prompt passage. By enacting this bill, we will prevent the needless victimization of American citizens and advance the cause of diplomacy by removing a source of friction between our people and the diplomatic community.

● Mr. SPARKMAN. Mr. President, the principal purpose of H.R. 7819, as amended by the Committee on Foreign Relations is to complement the 1961 Vienna Convention on Diplomatic Relations, which entered into force with respect to the United States on December 13, 1972. This bill would: first, codify the privileges and immunities provisions of the Vienna Convention as the sole U.S. law on the subject; second, repeal existing Federal legislation which is inconsistent with the Vienna Convention; third, require foreign diplomats in the United States to carry liability insurance against risks arising from the operation in the United States of automobiles, vessels, or aircraft at a level to be established by the executive; fourth, create, as a matter of Federal law, a substantive right of an injured or damaged party to proceed directly against the insurance company where the insured diplomat enjoys immunity from suit; and fifth, make certain conforming amendments to the judiciary code.

The amendments proposed by the Judiciary Committee are perfecting in nature, and are constructive additions to the bill. It is my understanding that the administration strongly supports this legislation as amended by both committees.

The changes in U.S. law called for in the bill will go a long way to modernizing U.S. law governing the relationship between foreign diplomats and U.S. citizens. I urge the Senate to adopt this bill.●

Mr. MATHIAS. Mr. President, Senator SPARKMAN, Senator METZENBAUM, and Senator SARBANES have all made invaluable contributions to this legislation. In a few moments the Senate will vote on the bill that will bring our antiquated diplomatic immunity laws into the 20th century, and I have long looked forward to this day.

As a Senator from a State where a large number of diplomats live, I am keenly aware of the urgent need to modernize existing laws and to bring them into conformity with current international practice.

Since 1790, our Nation has provided absolute immunity from criminal, civil, and administrative jurisdiction to all diplomatic personnel, regardless of rank—from the cook to the Ambassador. The law not only immunizes all diplomatic personnel, it adds insult to injury by subjecting to possible criminal penalties anyone who attempts to bring an action against these individuals. Equally serious is the fact that our laws contain no adequate mechanism to compensate those injured in accidents caused by diplomats.

This has resulted in an intolerable situation where thousands of diplomats are above the law. Most of the diplomats who are our friends and neighbors are scrupulous in avoiding abuse of this privilege, but sadly a minority is not. In its simplest terms, this means that in a high-density diplomatic community like the Maryland suburbs, there are too many people driving cars under no effective constraints at all, even those that are self-imposed. The overwhelming number of diplomats have also taken out liability insurance. But there are exceptions, and in areas where life and death

are involved we simply cannot afford any exceptions.

The dangers inherent in our continued adherence to outmoded concepts of diplomatic immunity prompted me on April 6, 1977, to introduce S. 1256 and S. 1257. My bills were aimed at achieving two important and interrelated goals: narrowing the absolute immunity provided under the 1790 statute and helping insure that Americans who suffer personal injury and property damage in accidents caused by diplomats are not left without an avenue for redress. Specifically, these bills would:

Repeal the 1790 statute with its grant of absolute immunity;

Establish as the sole basis of determining the scope of diplomatic immunity in this country the 1961 Vienna Convention on diplomatic relations and immunities, which makes the degree of immunity commensurate with the rank and duty of the individual;

Require liability insurance for all diplomatic personnel;

Allow an injured party to sue the diplomat's insurance company; and

Preclude an insurance company from avoiding liability by invoking the immunity of the diplomat.

To its credit, Congress has been sensitive to the need for reform of our diplomatic immunity laws and has acted expeditiously. Since early 1977, Congress has conducted an extensive review of various diplomatic immunity proposals, among them my own bills and those introduced by Congressmen JOE FISHER and GEORGE DANIELSON. Both the Senate Judiciary and Foreign Relations Committees, as well as their House counterparts have devoted substantial time and effort in this important endeavor.

The bill now before the Senate is the product of these labors. A number of our colleagues, including Representatives FISHER and DANIELSON, DANTE FASCELL, and Senators METZENBAUM and SARBANES are to be commended for their efforts to bring this legislation to fruition.

I am extremely pleased that H.R. 7819 closely parallels my own bills. In effect, H.R. 7819 contains all of the major features of S. 1256 and S. 1257, and thus accomplishes all of the important goals of my own proposals. Not only will this bill substantially narrow the scope of the immunity we afford diplomatic personnel, it will also insure under its direct action provision that insurance companies can no longer frustrate the claims of injured Americans by hiding behind the immunity of the offending diplomat.

I approve of the scope of diplomatic immunity provided by the Vienna Convention and recognize that the purpose of such immunity is not to benefit individuals, but to insure the efficient performance of diplomatic duties. This purpose can best be fulfilled if the concept of diplomatic immunity keeps pace with the theory of risk sharing contained in our developing law of insurance. H.R. 7810 would do just that.

I urge my colleagues to support this important bill, and am confident that shortly Congress will send to the President for his signature a new diplomatic immunity law which will bring needed protection to American citizens without hampering diplomats in the performance of their duties.

Mr. THURMOND. Mr. President, I rise in support of H.R. 7819 as amended by the Senate Judiciary Committee.

Modernization of U.S. law on diplomatic immunity is long overdue and our passage of the bill—H.R. 7819, as amended—will provide the major improvements needed.

This change of law accomplishes three fundamental purposes. First, it would repeal the 1790 statute which is outdated and inapplicable to our modern world. Repeal of this outmoded legislation will allow application of the Vienna Convention on Diplomatic Relations of 1961 as the standard for granting privileges and immunities to the various categories of diplomatic mission personnel serving in official Government establishments today, as well as to certain of their dependents.

Secondly, it would establish a legal basis, on the Federal level, for requiring all persons enjoying diplomatic immunity to acquire adequate liability insurance against risks arising from the operation in the United States of automobiles, vessels, or aircraft and for creating, as a matter of Federal law, a substantive right of an injured or damaged party to proceed directly against the insurance company in those instances where the insured diplomat enjoys immunity from suit.

And thirdly, it makes certain conforming amendments to the Judiciary Code. With the adoption of this law, we are not only changing our immunity laws into conformance with the Vienna convention which this Government signed some years ago, but also into conformance with the way our own nationals working abroad in our missions are treated by foreign governments.

Mr. President, for too many years we have delayed making these needed improvements to modernize our laws relating to diplomatic immunity. Possibly this delay was due to lack of widespread recognition of this special and, in some sense, localized problem. But certainly these changes are very important in terms of the relief that they can bring to Americans who may be injured, one way or another, by acts done by foreign nationals.

So long as foreign nationals have the complete protection of immunity, there is virtually nothing that can be done. Our American citizens have to bear the brunt of this, and it is illogical and unfair—especially in view of the Vienna Convention on Diplomatic Relations of 1961, to which we have already agreed.

Since much of the concern for diplomatic immunity relates to automobile accidents, and thus to automobile insurance, I feel some comment is in order at this point to recognize this facet of the overall situation. Certainly we appreciate the feelings expressed by the automobile insurers at hearings concerning this matter. They stated their firm conviction that legislation was needed to provide for a reparations system which would allow for fair and just compensation to those innocent victims suffering injury and damage at the hands of foreign diplomats enjoying diplomatic immunity. Also, we understand the reservation and concern that these insurers have with respect to section 7 of this bill which allows, under certain conditions, direct actions against insurers of members of diplomatic missions and their families. At the same time, however, it has been brought to our attention that some insurers have indicated that they have offered, or contemplate offering, an underwriting requirement package to carriers that would allow them to provide automobile coverage that would be both attractive and profitable for the companies.

I feel you would be particularly interested in some comments made on this subject at one of the recent hearings on this bill by Mr. Howard B. Clark, who is a former special assistant to the Federal Insurance Administration, and former chief insurance commissioner of the State of South Carolina, and a former member of the DOT automabile insurance and accident compensation study. Mr. Clark is an extremely knowledgeable person in this matter of insurance that is so important in H.R. 7819 as amended.

Mr. Clark, in his testimony, recognized the possibility of concern by automobile insurers about the direct action statute and he pointed to at least one other way that such direct action could be handled. He suggested that States would be at liberty to require proof of financial responsibility for the future under which the insurers could not raise policy defenses. Substituted service on the Secretary of State could then be provided if diplomatic immunity prevented service on individuals. The insurer would then be brought to court, and the accident victim would recover on the basis of the same reparation system as everyone else.

Additionally, it is our understanding that most embassies are anxious and willing to cooperate with the insurance companies in order to help make these type insurance plans succeed. Certainly, this attitude and expression toward cooperation is commendable and is vital to the successful implementation of the provisions of this diplomatic immunity legislation.

On another point, I am pleased that H.R. 7819, amends the Judiciary Code by narrowing Federal exclusive jurisdiction to only civil actions against foreign consuls. At the same time, it is made clear that State courts are not denied jurisdiction to enforce the criminal laws of the States against foreign consuls and members of their staffs. Legislative history shows that Congress has changed its position several times on the issue of Federal courts exclusive jurisdiction over actions against foreign consuls. I feel that it is necessary for Congress to remove a de facto immunity from criminal jurisdiction.

Mr. President, this "Diplomatic Relations Act" has received careful consideration by several committees in the Senate and the House. I am especially pleased to join with my colleagues of the Senate Judiciary Committee in recommending favorable action on the bill as amended.

The PRESIDING OFFICER. The bill is open to amendment. If there be no amendment to be proposed, the question is on the third reading of the bill.

The bill was ordered to a third reading, read the third time, and passed.

Mr. METZENBAUM. Mr. President, I move to reconsider the vote by which the bill was passed.

Mr. MATHIAS. Mr. President, I move to lay that motion on the table.

The motion to lay on the table was agreed to.

CONSIDERATION OF CERTAIN MEASURES ON THE CALENDAR

Mr. ROBERT C. BYRD. Mr. President, I ask unanimous consent that the Senate proceed to the consideration of Calendar Nos. 1029 and 1030.

The PRESIDING OFFICER. Without objection, it is so ordered.

SAFEKEEPING, CARE, AND SUBSISTENCE OF UNSENTENCED FEDERAL PRISONERS

The bill (S. 1274) to provide the Attorney General of the United States with authority to contract with State and local authorities for the safekeeping, care, and subsistence of all Federal prisoners, was considered, ordered to be engrossed for a third reading, read the third time, and passed, as follows:

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That title 18, United States Code, is amended by striking out "Director of the Bureau of Prisons" in section 4002 and inserting in lieu thereof "Attorney General".

Mr. ROBERT C. BYRD. Mr. President, I move to reconsider the vote by which the bill was passed.

Mr. TOWER. Mr. President, I move to lay that motion on the table.

The motion to lay on the table was agreed to.

CONTRACT SERVICES FOR DRUG DEPENDENT FEDERAL OFFENDERS ACT OF 1978

The bill (S. 3336) to enable the Department of Justice and the administrative office of the U.S. Courts to provide services and special supervision to drug dependent Federal offenders in an efficient and effective manner, was considered, ordered to be engrossed for a third reading, read the third time, and passed, as follows:

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That this Act may be cited as the "Contract Services for Drug Dependent Federal Offenders Act of 1978".

SEC. 2. Section 3651 of title 18, United States Code, relating to suspension of sentence and probation, is amended by deleting from the second to the last paragraph the colon and everything thereafter, and inserting in lieu thereof a period.

SEC. 3. Section 4255 of title 18, United States Code, relating to supervision in the community of certain convicted offenders, is amended to read as follows:

"An offender who has been conditionally released shall be under the jurisdiction of the United States Parole Commission as if on parole, pursuant to chapter 311 of this title.

"The Director of the Administrative Office of the United States Courts may contract with any appropriate public or private agency or any person for supervisory aftercare of an offender. The Director may negotiate and award such contracts without regard to section 3709 of the Revised Statutes (41 U.S.C. 5).".

SEC. 4. (a) To carry out the purposes of this Act, there are authorized to be appropriated sums not to exceed $4,006,000 for the fiscal year ending September 30, 1980; $4,246,360 for the fiscal year ending September 30, 1981; and $4,501,140 for the fiscal year ending September 30, 1982.

(b) The amendments made by this Act shall take effect on October 1, 1979.

Mr. ROBERT C. BYRD. Mr. President, I move to reconsider the vote by which the bill was passed.

Mr. TOWER. Mr. President, I move to lay that motion on the table.

The motion to lay on the table was agreed to.

Mr. ROBERT C. BYRD. Mr. President, I ask unanimous consent to have printed in the RECORD an excerpt from the report (No. 95–1110), explaining the purposes of the measure.

There being no objection, the excerpt was ordered to be printed in the RECORD, as follows:

PURPOSE OF THE BILL

If enacted, S. 3336, the "Contract Services for Drug Dependent Federal Offenders Act of 1978", would assure effective implementation of title II of the Narcotic Addict Rehabilitation Act of 1966, as amended, by consolidating the authority for supervisory care for drug dependent persons in a single agency.

BACKGROUND

In 1966, Congress authorized supervisory drug aftercare for drug dependent offenders following their release to the community after conviction, or after having served a term of incarceration, in title II of the Narcotic Addict Rehabilitation Act of 1966 (18 U.S.C. 4255). In 1972, aftercare was extended to all Federal offenders with drug dependence problems by Public Law 92–293.

Authorized services that might be provided to such offenders are varied and include vocational guidance, education, and training, job placement and skill testing, psychological evaluation, psychotherapy, detoxification, temporary housing, residence in a community center and emergency financial assistance. Under current statutes, the Bureau of Prisons has the contracting, monitoring, and funding authority for drug aftercare. Drug aftercare services are provided by contractors almost exclusively on an outpatient basis, although there is a provision for temporary placement in a residential program. The Bureau of Prisons contracts with public and private agencies and individuals for all aftercare services.

ORDER FOR RECESS UNTIL 9 A.M. TOMORROW

Mr. ROBERT C. BYRD. Mr. President, I ask unanimous consent that when the Senate completes its business today, it stand in recess until 9 o'clock tomorrow morning.

The PRESIDING OFFICER. Without objection, it is so ordered.

ORDER FOR CONSIDERATION TOMORROW OF S. 3073, FEDERAL AID HIGHWAY ACT

Mr. ROBERT C. BYRD. Mr. President, I ask unanimous consent that after the orders for the recognition of Senators on tomorrow morning have been completed, the Senate proceed to the consideration of the Federal Aid Highway Act, S. 3073, with the understanding that any vote ordered on the Alaska railroad amendment by Mr. GRAVEL or the trust fund amendment by Mr. KENNEDY and Mr. WEICKER would go over until Monday.

The PRESIDING OFFICER. Is there objection? The Chair hears none, and it is so ordered.

Mr. ROBERT C. BYRD. Mr. President, there will be votes tomorrow.

Mr. President, may we have order in the Senate?

The PRESIDING OFFICER. Senators will please clear the well. Senators will retire to their seats.

Mr. ROBERT C. BYRD. Mr. President, the Federal Aid Highway Act is a big bill, and there is a time agreement on it.

There are several amendments included in the time agreement, and the votes on only two have been ordered over until Monday. There will be other rollcall votes in connection with the bill tomorrow. So Senators should not be under any illusion, because the cloture vote has been vitiated, that there will not be any rollcall votes tomorrow. There definitely will be.

Mr. STAFFORD. Mr. President, reserving the right to object—and I shall not object——

Mr. ROBERT C. BYRD. There is no request before the Senate. I was merely making a statement.

Mr. STAFFORD. I simply wanted to be assured that on Monday next, the Federal aid highway bill would not be called up for consideration in the Senate prior to 2 o'clock in the afternoon, when the manager on our side and the ranking minority member will be present.

Mr. ROBERT C. BYRD. I thank the Senator, because he had discussed this with me, and I should have stated it.

Mr. RANDOLPH. Mr. President, will the able majority leader yield to me?

Mr. ROBERT C. BYRD. I yield.

Mr. RANDOLPH. Mr. President, I appreciate the able majority leader giving me the opportunity to comment on his discussion of the legislation, of the voting process, the time limitations, and so forth, on the Federal Aid Highway Act of 1978.

I think I am joined by the knowledgeable Senator from Texas (Mr. BENTSEN), the chairman of our Subcommittee on Transportation, in saying that this measure has been reported from our Committee on Environment and Public Works for some time; that we had extensive and very thorough hearings in the subcommittee; that we have a highly important bill. It is a measure to which we hope all Members of the Senate will give attention, as has been indicated by the majority leader, by cooperating in the way we have discussed.

There will be votes that can be taken tomorrow, and then two votes on Monday, with the time agreement expressed by the Senator from Vermont, the ranking minority member of the committee.

My purpose is not to indicate that one bill is more important than the other, but this legislation means very much to the people of the country—to the mo-

bility, the energy, and the very strength of our system.

I appreciate the attention that the majority leader and others are giving to the arrangements, which are entirely satisfactory to us.

Mr. ROBERT C. BYRD. I thank the distinguished Senator, my senior colleague.

I say in response to Mr. STAFFORD that we do have an understanding that on Monday, when the Senate comes in—and it will come in early—we will return to the D.C. representation amendment. After a few hours of debate and action on amendments thereto, the Senate then will turn to the Federal Aid Highway Act, which will not have been completed by the close of business tomorrow, by virtue of our putting over votes on two amendments. So Senator STAFFORD has that assurance. If we do not complete the bill on Monday, the same will be said as to Tuesday.

Mr. THURMOND. Mr. President, will the Senator yield?

Mr. ROBERT C. BYRD. I yield.

Mr. THURMOND. Can the majority leader give us some idea of how soon the first vote will occur on Monday?

Mr. ROBERT C. BYRD. Mr. President, from here on out, until the end of this session, it is my view that we should not say any further that on Mondays there will be no votes before 3 o'clock. We will just have to take the votes when they occur, from here on out, if I may be candid with the distinguished Senator from South Carolina.

So votes could occur fairly early. I would say the Senate should come in by 9 o'clock or 10 o'clock on Monday—say, 10 o'clock on Monday—because we do have a great deal of business and we want to finish our work next week and be able to recess the following week for the Labor Day holiday.

Mr. President, there are several amendments that can be called up tomorrow.

Mr. KENNEDY has an amedment on planning and an amendment on truck lengths. Mr. ZORINSKY and Mr. ANDERSON have an amendment on rail crossings. Mr. HUDDLESTON has an amendment relative to coal haul roads. This amendment originally was offered by my senior colleague from West Virginia, Mr. RANDOLPH. Mr. ZORINSKY and Mr. ANDERSON have an amendment relative to rail crossings. Mr. CULVER has an amendment relative to bridges. There is a time agreement on the bill. So we will not be here just spinning our wheels. There will be votes.

I thank the distinguished Senator from Colorado for his patience.

Mr. CULVER. Mr. President, will the majority leader yield?

Mr. ROBERT C. BYRD. Will the Senator from Colorado seek recognition?

Mr. HART. Mr. President, I seek recognition.

The PRESIDING OFFICER. The Senator from Colorado is recognized.

Mr. HART. Mr. President, I yield to the Senator from Iowa.

Mr. CULVER. I ask the majority leader just what is the nature of the time agreement that has been entered into and how much time has been accorded each of the pending amendments?

Mr. ROBERT C. BYRD. The time agreement was attained a day or so ago, and it is on the Calendar, at page 3.

The vote on the Kennedy-Weicker trust fund amendment will go over until Monday. There is a 1½-hour limit on that. On the Kennedy planning amendment there are 2 hours. On each of the amendments by Mr. GRAVEL on planning, the hydrofoil and the Alaskan railroad, there is 1 hour. On the amendment by Mr. KENNEDY relative to truck lengths there is 1 hour. On the two amendments by Senator ROTH relative to bridges and beach erosion there is a limit of 1 hour each. On the amendment by Mr. GRAVEL relative to New York streets, 1½ hours. On the amendment by Mr. HUDDLESTON and Mr. RANDOLPH relative to coal haul roads, 1½ hours. On the amendment by Mr. ZORINSKY and Mr. ANDERSON relative to rail crossings, 1½ hours. On the amendment by Mr. CULVER relative to bridges, 2 hours. On any other amendments that have not been specified there is a limit of 30 minutes.

That has not been specified.

Mr. JACKSON. Mr. President, will the majority leader yield?

Mr. ROBERT C. BYRD. I yield.

Mr. JACKSON. I wish to say that the House of Representatives has completed work on the Outer Continental Shelf bill, which is a very important bill in the area of energy, and the conference report on the OCS bill will be ready tomorrow to be called up.

Mr. ROBERT C. BYRD. The conference report. Very good.

Mr. JACKSON. I do not anticipate any major trouble on it, but it is very important.

Mr. ROBERT C. BYRD. But there presumably could be rollcall votes.

Mr. TOWER. Mr. President, if the Senator will yield, when does he propose to call up the conference report?

Mr. JACKSON. I will call it up tomorrow.

Mr. TOWER. Could the Senator put that over until Monday? Senator STEVENS has a great interest in that and he will not be here tomorrow.

Mr. JACKSON. Sure. I will be glad to do that.

Mr. ROBERT C. BYRD. Very well.

Mr. TOWER. I thank the Senator.

Mr. ROBERT C. BYRD. Mr. President, I ask Mr. KENNEDY if he anticipates any more rollcall votes on the D.C. representation matter today?

Mr. KENNEDY. No.

Mr. ROBERT C. BYRD. I thank the distinguished Senator.

Mr. President, there will be no more rollcall votes today.

The Senate will come in at 9 a.m. tomorrow morning and at approximately 9:30 a.m., or thereabouts, will begin its deliberations on the Federal aid to highway bill, which has been cleared with Mr. BENTSEN, the manager of the bill.

I thank the Senator from Colorado.

SPECIAL ORDERS FOR MONDAY, AUGUST 21, 1978

Mr. ROBERT C. BYRD. Mr. President, I ask unanimous consent that after the two leaders are recognized on Monday, August 21, 1978, the distinguished Senator from Wisconsin (Mr. PROXMIRE) be recognized for not to exceed 15 minutes.

The PRESIDING OFFICER. Without objection, it is so ordered.

COMMITTEE MEETINGS TOMORROW

Mr. ROBERT C. BYRD. Mr. President, I ask unanimous consent that the Health and Scientific Research Subcommittee of the Committee on Human Resources be authorized to meet during the session of the Senate on Friday, August 18, 1978, to hold a markup session on S. 2755, the drug bill.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. ROBERT C. BYRD. Mr. President, I ask unanimous consent that the Penitentiaries and Corrections Subcommittee of the Committee on the Judiciary be authorized to meet during the session of the Senate on Friday, August 18, 1978, to hold a hearing on S. 3227, the Therapeutic Community Act.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. ROBERT C. BYRD. Mr. President, I ask unanimous consent that the Committee on the Judiciary be authorized to meet during the session of the Senate on Friday, August 18, 1978, to hold a hearing on FBI oversight pertaining to bank robberies.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. ROBERT C. BYRD. Mr. President, I ask unanimous consent that the Committee on the Judiciary be authorized to meet during the session of the Senate tomorrow to hold a hearing on S. 2361, the recodification of ICC rules.

The PRESIDING OFFICER. Without objection, it is so ordered.

SPECIAL ORDERS FOR TOMORROW

Mr. ROBERT C. BYRD. Mr. President, I ask unanimous consent that on tomorrow, after the two leaders are recognized under the standing order, the following Senators be recognized for not to exceed 15 minutes: Mr. HAYAKAWA, Mr. TOWER, and Mr. MCCLURE; and that Mr. HODGES be recognized for not to exceed 5 minutes thereafter.

The PRESIDING OFFICER. Without objection, it is so ordered.

ORDER OF PROCEDURES TOMORROW

Mr. ROBERT C. BYRD. Mr. President, I believe the order has been entered for the taking up of the Federal Highway Act bill on tomorrow after the order for the recognition of Senators. Is that correct?

The PRESIDING OFFICER. That is correct.

Mr. ROBERT C. BYRD. And the order for the convening of the Senate tomorrow is at 9 a.m.

The PRESIDING OFFICER. That is correct.

Mr. ROBERT C. BYRD. I thank the Chair.

Does Senator THURMOND have anything further today?

Mr. THURMOND. No, Mr. President.

Mr. ROBERT C. BYRD. Does Senator TOWER?

Mr. TOWER. No, Mr. President.

RECESS UNTIL 9 A.M. TOMORROW

The PRESIDING OFFICER. Do any other Senators wish to be recognized? If not, under the previous order, the Senate stands in recess until 9 a.m. tomorrow.

Whereupon, at 6:35 p.m. the Senate recessed until tomorrow, August 18, 1978, at 9 a.m.

HOUSE OF REPRESENTATIVES—*Thursday, August 17, 1978*

The House met at 10 a.m.

The Chaplain, Rev. Edward G. Latch, D.D., offered the following prayer:

Keep yourselves in the love of God.—Jude 21.

Eternal Father, who art the source of our being, the goal of our moral efforts, and the companion of our way, amid the troubles of these trying times we turn to Thee. Grant unto us the strength of Thy spirit, the peace of Thy presence, and the glory of Thy goodness as we seek to make this planet a better place where people can learn to live together peacefully.

Bless our President, our Speaker, Members of Congress, and all who labor for them and with them. So rule their hearts and so direct their endeavors that justice, peace, and good will may come to new life in our country and in all nations.

May the blessings of Thy love and peace abide in our hearts now and evermore. Amen.

CALL OF THE HOUSE

Mr. WYDLER. Mr. Speaker, under rule I, clause 1, I make the point of order that a quorum is not present.

The SPEAKER. Evidently a quorum is not present.

Mr. DANIELSON. Mr. Speaker, I move a call of the House.

A call of the House was ordered.

The call was taken by electronic device, and the following Members failed to respond:

[Roll No. 714]

Ambro	Flynt	Neal
Andrews, N.C.	Ford, Mich.	Nichols
Archer	Ford, Tenn.	Pepper
Armstrong	Fountain	Pike
Ashley	Fowler	Pressler
AuCoin	Fraser	Preyer
Bedell	Frey	Pritchard
Bellenson	Gaydos	Risenhoover
Biaggi	Giaimo	Rodino
Bolling	Gibbons	Rose
Brodhead	Hagedorn	Santini
Buchanan	Harrington	Sarasin
Burke, Calif.	Harsha	Satterfield
Burton, John	Heckler	Sawyer
Burton, Phillip	Heftel	Schulze
Byron	Holland	Shipley
Cavanaugh	Hollenbeck	Sikes
Chappell	Huckaby	Simon
Conyers	Ireland	Sisk
Cornell	Johnson, Calif.	Skubitz
Crane	Kasten	Stangeland
D'Amours	LaFalce	Steiger
Davis	Le Fante	Stokes
Delaney	Leggett	Teague
Dent	Lloyd, Tenn.	Thompson
Devine	Lundine	Thone
Dodd	McDade	Tsongas
Duncan, Oreg.	McDonald	Tucker
Eckhardt	McKay	Udall
Edgar	McKinney	Waxman
Edwards, Okla.	Madigan	Wiggins
Eilberg	Meeds	Wilson, C. H.
Evans, Colo.	Mikulski	Young, Alaska
Fascell	Mikva	Young, Tex.
Fithian	Milford	Zeferetti
Flowers	Miller, Calif.	

The SPEAKER pro tempore (Mr. ROSTENKOWSKI). On this rollcall 325 Members have recorded their presence by electronic device, a quorum.

By unanimous consent, further proceedings under the call were dispensed with.

THE JOURNAL

The SPEAKER pro tempore (Mr. ROSTENKOWSKI). The Chair has examined the Journal of the last day's proceedings and announces to the House his approval thereof.

Without objection, the Journal stands approved.

Mr. SYMMS. Mr. Speaker, I object.

The SPEAKER pro tempore. Objection is heard.

The question is on the approval of the Journal.

The Journal was approved.

MESSAGES FROM THE PRESIDENT

Sundry messages in writing from the President of the United States were communicated to the House by Mr. Chirdon, one of his secretaries.

MESSAGE FROM THE SENATE

A message from the Senate, by Mr. Sparrow, one of its clerks, announced that the Senate had passed without amendment a bill of the House of the following title:

H.R. 8771. An act to amend title 5, United States Code, to authorize the Civil Service Commission to comply with the terms of a court decree, order, or property settlement in connection with the divorce, annulment, or legal separation of a Federal employee who is under the civil service retirement system, and for other purposes.

The message also announced that the Senate has passed with an amendment, in which the concurrence of the House is requested, a bill of the House of the following title:

H.R. 10899. An act to provide for Federal regulation of participation by foreign banks in domestic financial markets.

The message also announced that the Senate insists upon its amendments to the bill (H.R. 11003) entitled "An act to clarify the authority for employment of personnel in the White House Office and the Executive Residence at the White House, to clarify the authority for employment of personnel by the President to meet unanticipated needs, and for other purposes," disagreed to by the House; agrees to the conference asked by the House on the disagreeing votes of the two Houses thereon, and appoints Mr. RIBICOFF, Mr. CHILES, Mr. SASSER, Mr. PERCY, and Mr. STEVENS to be the conferees on the part of the Senate.

The message also announced that the Senate had passed a bill of the following title, in which the concurrence of the House is requested:

S. 2539. An act to amend the Higher Education Act of 1965 to improve the basic educational opportunity grants program, and for other purposes.

FRENCH NEWSPAPER RECONSTRUCTED AND FABRICATED ANDREW YOUNG INTERVIEW

(Mr. ALEXANDER asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. ALEXANDER. Mr. Speaker, last month when the uproar broke over the interview our Ambassador to the United Nations, Andrew Young, gave to a French newspaper, I decided to try to find out for myself just what was said in that interview. It seemed the only fair and just thing to do. I would have wanted to do that even if Andy Young had not been my friend.

The outcome was that I obtained from the Department of State a transcription of the tape recording of the interview which was conducted in English. And, I made that transcription a part of the CONGRESSIONAL RECORD of July 24.

After the transcript appeared in the RECORD, one of our colleagues, the gentlelady from New Jersey (Mrs. FENWICK), raised a question about differences between its content and the content of a news article in the July 14, 1978, New York Times. The differences are substantial.

The Paris newspaper (Le Matin) translated the interview from English to French after which it misrepresented what Young said. The French Communist newspaper reconstructed and fabricated a story from the interview. The Associated Press translated this injustice to English. The New York Times compounded the situation by publishing the AP account in its prestigious newspaper. Andy Young, and the United States, were seriously damaged because of this outrageous misrepresentation.

I have requested permission to submit in the special order section of today's record a copy of the Times account and relevant parts of the Young interview for your review and judgment, as well as my correspondence to the publisher and executive editor of the Times urging that this injustice be righted.

RENEGOTIATION BOARD SAVES THE TAXPAYERS MONEY

(Mr. MINISH asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. MINISH. Mr. Speaker, there has been a lot of talk recently in the Congress and elsewhere about saving taxpayers' money. In the guise of protecting the taxpayer and saving money, a number of Members have set out to do exactly the opposite by killing the Renegotiation Board.

Before the Congress goes along with this move, it is time someone told the real story about who will benefit from the end of renegotiation and the Renegotiation Board. I intend to take a sepcial order later today in order to lay the facts on the table. I will spell out exactly who will gain from an end to renegotiation. One thing is clear—it is not the American taxpayer—he would be the biggest loser of all.

It is time the Congress decided whether its job is to protect taxpayers or big business. The issue here could not be clearer. I hope that my colleagues in the House and Senate, once they have all the facts, will come down on the side of taxpayers and preserve one of the few Federal agencies that saves the taxpayers money—the Renegotiation Board.

FRED JAFFE, GREAT HUMANITARIAN, PASSES

(Mr. SCHEUER asked and was given permission to address the House for 1 minute and to revise and extend his remarks and include extraneous matter.)

● Mr. SCHEUER. Mr. Speaker, our Nation has lost its most outstanding intellectual leader in the field of rational analysis of policies affecting fertility. Mr. Frederick Jaffe, president of the Alan Guttmacher Institute of New York, was struck down in the prime of his intellectual life and career at the age of 52. It is fitting that this prodigious worker for human well-being should have died at his desk, while working on issues of the greatest importance to the health and welfare of millions of people in the United States and abroad.

For well over a decade, Fred Jaffe has been the leading figure in objective analysis of the health and family planning needs of Americans. He was a seminal figure in the debate of the 1960's concerning the suitability of Federal-subsidized family planning programs for the 5 million women in need of such services.

It is a tribute to his courage, stick-toitiveness, and foresight that this program has now proved to be the most popular and oversubscribed of all U.S. public health programs. He contributed his energy, analytic skills, and great eloquence to the need for safer, more effective, and more acceptable contraceptives for all women and men.

He was instrumental in the establishment of the Center for Population Research at the National Institutes of Health, and contributed greatly to the most recent policy assessment of research needs in reproduction and contraception—the 1976 report entitled "Reproduction and Human Welfare," of which he was coauthor.

Fred Jaffe's goal was that every child be wanted, loved, and healthy. Where he spoke there was light and humanity; where he wrote there was insight and passion. Hundreds of millions of couples and their children around the world have benefited from his full and dynamic life, so tragically cut short yesterday afternoon.

TRIBUTE TO THE LATE JAMES GRANT BOLLING

(Mr. SKELTON asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. SKELTON. Mr. Speaker, along the path of life certain people stand out because of kindness and considerations shown to others. These certain people make life more pleasant and more enjoyable.

I found Jim Bolling, the wife of my colleague, the gentleman from Missouri, RICHARD BOLLING, to be such a person.

When I first came to Congress last year it was Jim Bolling who went out of her way to be kind and thoughtful to my wife and to me. The numerous courtesies she extended to us we will long remember. We found her to be a good friend, very considerate, and a most wonderful person.

I join the many friends of DICK BOLLING in extending sincere sympathy on his immeasurable loss. I will never forget how thoughtful and kind Jim Bolling was to my wife and to me.

She will be greatly missed.

SECOND ANNUAL DEMOCRATS VERSUS REPUBLICANS CONGRESSIONAL CHARITY TENNIS TOURNAMENT.

(Mr. DICKS asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

● Mr. DICKS. Mr. Speaker, I wanted my colleagues to know about a very important tennis match that was played this morning at the prestigious Chevy Chase Club. This match was played as part of the planning process for the second annual Democrats versus Republicans Congressional Charity Tennis Tournament.

The team of JOEL PRITCHARD and Roland Evans—Evans and Novak—played myself and Jack Sloate. During the match Mr. Evans was heard to say that his and PRITCHARD's play reminded him of the Bay of Pigs invasion and that he and JOEL were on the wrong side. After the match Evans said that in 35 years of tennis he had never been beaten so badly. JOEL PRITCHARD kept mumbling about "how much this hurt".

If this match is any indication of what will happen this winter when the Republicans play the Democrats, it could foretell one of the most lopsided beatings since Billy Jean King played Bobby Riggs.

The score for those of my colleagues who are interested was 6–1, 6–1, 6–1. The match took a little less than 50 minutes.●

VOTING SYSTEM MUST BE MADE A BETTER SYSTEM

(Mr. STAGGERS asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. STAGGERS. Mr. Speaker, on August 10 on floor proceedings on the bill H.R. 13511, the Revenue Act, I was present and voted on two occasions when my vote was not recorded in the final tabulation of the vote. Today I received a new card. I was told that it was probably a problem with the card I use in the machine. I have understood that many Members of Congress have had to get new cards. For the record, I wish to say that I was present on both of those occasions and voted aye on both the votes in which I was not recorded as voting either way. I have witnesses that I did vote on final passage for the bill at that time, and I just think something has to be done with our system to make it a better system, because several other Members have complained to me that the same thing has happened to them, and many of them have gotten new cards. I have my new card today. I just want this to be a matter of record that I was present and voted aye on both of these occasions on August 10.

PRESIDENT COULD IMPOSE QUOTAS ON IMPORT OF FOREIGN OIL

(Mr. WEAVER asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. WEAVER. Mr. Speaker, the dollar is plummeting; inflation is sizzling; and OPEC is threatening to raise the price of oil or put the price of oil in a basket of currencies. With one bold stroke the President could do much to resolve this situation by imposing quotas on the import of foreign oil, and if OPEC threatens to raise prices, by instituting tariffs also on imported oil to allow the United States to get that money, not OPEC, and to funnel that money, I would suggest, into the social security program where it is badly needed.

TEMPORARY PROGRAMS BECOMING PERMANENT CAUSE THE GREATEST DEFICITS

(Mr. REGULA asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. REGULA. Mr. Speaker, yesterday during the debate on the second budget resolution we debated extensively the countercyclical aid program. This is an excellent case study of how temporary programs become permanent. It is a classic illustration of how we create dependency with temporary programs and find it very difficult to shut them off when the need is no longer in existence.

I think the lesson of the experience yesterday is that we should weigh our action very carefully before we start a

so-called temporary program. We should reflect on what we are doing in terms of creating dependency on the part of those who are the beneficiaries. In my judgment the greatest cause of deficits is temporary programs that become permanent. As we work with future budgets, and other legislation we can profit from yesterday's experience, if we hope to achieve fiscally responsible budgets.

UPI UNEARTHS SECRET PLAN AT AGRICULTURE AND FDA TO BAN NITRITE

(Mr. MARTIN asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. MARTIN. Mr. Speaker, I want to alert the House of Representatives that United Press International has just unearthed a secret plan over at Agriculture and FDA to ban nitrite, probably after the Congress adjourns. It is based on feeding to cancer-prone rats a relatively large amount of nitrite, equivalent to that in a human diet of roughly 600 pounds of cured meat per day.

I further caution my colleagues that the risk estimates from FDA and Agriculture are typically high by a factor of about 100.

I would caution my colleagues further that their estimate assumes that all human lymphoma is attributable to nitrite in food, an improbable assumption. Furthermore, it ignores the fact that there is four times as much nitrate naturally in your natural saliva than in cured meat. It also neglects the fact that there is 40 times as much nitrite naturally formed in your intestines from the normal digestion of protein.

I would like to say, they have a lot of curious banning to do.

Finally, I would alert my colleagues that the gentleman from Virginia (Mr. WAMPLER) and I have introduced remedial legislation similar to the moratorium on banning saccharin. We invite your support.

REINTRODUCTION OF CONCURRENT RESOLUTION ON AMENDMENTS TO SOCIAL SECURITY ACT

(Mr. WAMPLER asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. WAMPLER. Mr. Speaker, several weeks ago, I introduced a concurrent resolution which was based on concern for the fact that the 1977 amendments to the Social Security Act are a costly and temporary remedy to the problem of maintaining adequate funds in the various social security insurance accounts.

The resolution brought out that the 1977 amendments called for the joint Presidential and congressional appointment of a nine-person commission to undertake a continuing review, study, and investigation of the social security system. It noted that this commission has not yet been formed although more than 8 months have now passed since the amendment became law.

The resolution urges that the commission be formed and that it apprise the Congress of ways by which the insurance funds upon which the system is based can be reestablished as income-generating investment funds. This was the original concept for avoiding a wholly tax-supported system. It remains the most apparently feasible way to assure solvency of the fund without the burden of ever-increasing direct taxation. It is also the most obvious way to avoid converting social security to a welfare program by funding it from general revenues.

I am pleased that 36 Members of the House are cosponsors of the resolution which I introduce today. This cosponsorship may underlie the President's recent compliance with the requirement that he nominate five persons for the commission. The Speaker and the President pro tempore of the Senate nominate the other four. The Speaker has made his nominations.

When the commission is appointed, the resolution will become even more important since it assigns a mission of criitcal importance. In reintroducing the resolution, I therefore reopen it for cosponsorship and welcome the support of my colleagues.

FATE OF LOCK AND DAM 26 TIED TO WHITE HOUSE

(Mr. QUIE asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. QUIE. Mr. Speaker, sensible proposals by Congress authorizing construction of a vital waterways facility lock and dam 26 at Alton, Ill., have taken a terrible battering at the hands of the White House and Department of Transportation.

After more than 3 years of discussion, debate and delay, it is time for the administration to buckle down—to get together with Congress on a compromise.

Time is running out. Lock and dam 26 is vital to the upper Midwest, and I think it is about time President Carter starts bending a little, or we will have no legislation at all. Our ability to provide grain to customers and our need to "import" oil, coal, and other raw materials for manufacturing in Minnesota are highly dependent upon it. About 62 percent of Minnesota's grain exports are transported by barge, mostly through the outdated Alton Locks system.

The Alton facility has seen its better days. The walls are cracking, the locks have become wrenched and erosion threatens the dam's foundation.

Even though it will take 8 to 10 years to reconstruct the facility, there seems to be no sense of urgency at the White House. The administration has pursued a hard, inflexible line throughout crucial stages of H.R. 8309, which authorizes construction. It has continued to push for a cost-of-recovery principle, despite the fact that it has been beaten in both Houses of Congress, which have opted for a fuel tax charge instead.

President Carter is, of course, under no obligation to go along with these sentiments. But I urge him to compromise with Congress and accept a fuel tax, just as truckers pay a fuel tax for construction and rehabilitation of Federal-aid highways.

The President must cooperate, not confront. If Jimmy Carter does not act in the next month to help us get a compromise, he is putting the economic health of the upper Midwest in jeopardy.

SECRETARY OF AGRICULTURE STIFLING AGRICULTURE COMMITTEE

(Mr. MARLENEE asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. MARLENEE. Mr. Speaker, unfortunately, the Secretary of Agriculture and his staff have apparently decided to try to stifle some very fine Democratic and Republican members of the Agriculture Committee who are fighting for the American farmer and rancher. I think it is extremely unfortunate that the Department of Agriculture and the administration have sunk to such depths.

What the administration and the Agriculture Department officials seem to have also forgotten is that these good Democrats were elected by the people of their districts to represent them, not walk lock step with the President.

Mr. Speaker, agriculture requires a bipartisan concensus in Congress. In the House Agriculture Committee several courageous Democrats, along with Republicans have been prominent in getting legislation to keep American agriculture afloat—not prosperous or strong—just solvent. And they have had to fight the administration to do it. What the Agriculture Department officials seem to have forgotten is that the Agriculture Department, and the administration, should have been trying to strengthen the position of our farmers and ranchers—not consign them deeper and deeper to debt, and in some cases drive them from agriculture altogether.

Mr. Speaker, instead of pursuing a reported policy of attacking Agriculture Committee members of both parties, the Agriculture Department should look inward and find out why those of us who are correctly representing our constituents—and American agriculture—cannot support their bankrupt policies. Instead of being "totally irresponsible" as the Secretary of Agriculture had suggested, those members of the Agriculture Committee, and in fact the entire Congress, from both sides of the aisle, who have rejected the administration's farm program have done so for the most responsible of reasons. Their constituents, American agriculture, and their consciences demand they reject the Agriculture Department's policies and give American farmers and ranchers an opportunity to prosper and continue to meet world food needs.

STATEMENT OF CONGRESSMAN LAWRENCE COUGHLIN ON HOUSE CONCURRENT RESOLUTION 683—SECOND CONCURRENT RESOLUTION ON THE BUDGET—FISCAL YEAR 1979

(Mr. COUGHLIN asked and was given permission to address the House for 1

minute and to revise and extend his remarks.)

● Mr. COUGHLIN. Mr. Speaker, 1 year ago, during consideration of the fiscal year 1978 second concurrent resolution on the budget, the House passed a Coughlin amendment to make provision in the budget for a system of tuition tax credits by a vote of 311 yeas to 76 nays. Not only was this the first time the House had ever been allowed to vote on the tax credits issue, but the overwhelming victory was won in spite of Budget Committee opposition. The continuing, broad bipartisan support for this concept was once again demonstrated by a vote of 227 yeas to 136 nays which trounced Budget Committee opposition to a Coughlin amendment—amended by Congressman LUKEN—to the first concurrent resolution on the budget for 1979. Subsequently, the legislation providing for tuition tax credits was passed by a vote of 237 yeas to 158 nays.

This time, the Budget Committee made provision for a system of tuition tax credits of their own volition. Revenue reductions include, among other things, $1.6 billion for miscellaneous tax measures such as tuition tax credit. In a colloquy yesterday with the distinguished chairman of the Budget Committee, Mr. ROBERT GIAIMO of Connecticut, I was assured that the cost of a system of tuition tax credits was covered.

It is said that "those who cannot remember the past are condemned to repeat it." The Budget Committee is to be commended for preventing the House, and itself, from falling into such a situation. Obviously, the success of the Coughlin amendments and the will of the House were "remembered."●

A SCHEME FOR QUIETER PLANES

(Mr. VANIK asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. VANIK. Mr. Speaker, in today's Washington Post, Hobart Rowen has an excellent article about the "Quiet Airplane" tax bill which will be on the floor after the recess. I commend the attention of the Members to this article, because Mr. Rowen describes very clearly how it is proposed to take $3 billion of the taxpayers' money and transfer it over to the airlines by shifting 2 cents of the airlines' tax from the airline safety trust fund and paying it to the aircraft and the commercial airlines industry.

This is a terrible bill. The Committee on Rules reported out a closed rule on this bill, and as soon as this rule reaches the floor I am certainly going to support an effort to urge the House to vote down the previous question on this rule so that the House can have an opportunity to act on an alternate proposal to simply reduce the airlines' tax by 2 cents.

DESIGNATING "DAYS OF REMEMBRANCE OF VICTIMS OF THE HOLOCAUST"

Mr. LEHMAN. Mr. Speaker, I ask unanimous consent that the Committee on Post Office and Civil Service be discharged from further consideration of the joint resolution (H.J. Res. 1014) designating April 27, 28, and 29 of 1979 as "Days of Remembrance of Victims of the Holocaust," and ask for its immediate consideration.

The Clerk read the title of the joint resolution.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Florida?

There was no objection.

The Clerk read the joint resolution, as follows:

H.J. RES. 1014

Whereas six million Jews and millions of other people were murdered in concentration camps as part of a program of extermination carried out by the Nazi party during World War II;

Whereas the people of the United States should recognize that all acts of bigotry are rooted in the cruelty of spirit and the callousness that led the Nazis to commit atrocities against millions of people, and should dedicate themselves to the principle of human equality;

Whereas the people of the United States should recognize that tyranny creates the political atmosphere in which bigotry flourishes, and should be vigilant to detect, and ready to resist, the tyrannical exercise of power;

Whereas on April 29 of 1945 the Armed Forces of the United States liberated the surviving victims of Nazi internment in the concentration camp in Dachau, Germany, and revealed to the world evidence of a tragic human holocaust that must never be forgotten, nor repeated; and

Whereas the Nazi concentration camp in Dachau, Germany, is not only a shocking symbol of Nazi brutality and destruction, but also a symbol of the danger inherent in tyranny, the pernicious quality of bigotry, and the human capacity to be cruel: Now, therefore, be it

Resolved by the Senate and House of Representatives of the United States of America in Congress assembled, That April 27, 28 and 29 of 1979 are designated as "Days of Remembrance of Victims of the Holocaust", and the President is authorized and requested to issue a proclamation calling upon the people of the United States to observe such days with appropriate ceremonies and activities.

Mr. LEHMAN. Mr. Speaker, as one of over 230 cosponsors of this resolution, I would like to point out that only one generation has passed since the annihilation of 6 million Jews at the hands of the Nazis during World War II. We should not allow ourselves to forget this atrocity of history while people are still threatened by racial, national, or religious persecution.

Let us designate these dates, commemorating the April 29, 1945 liberation of the survivors of Dachau concentration camp by the U.S. Armed Forces as a time of remembrance and as a declaration of our resolve to never again witness another human tragedy reminiscent of the holocaust.

● Mr. WRIGHT. Mr. Speaker, there were 232 Members who joined in sponsoring House Joint Resolution 1014. This resolution designates the weekend of April 27, 28, and 29 of 1979 as the Days of Remembrance of Victims of the Holocaust.

The depth of concern which the American people have for the memory of those innocents who died at the hands of the Nazis nearly 40 years ago is revealed in the broad sponsorship of this memorial resolution. Members from both parties and every region of the country are included among its sponsors.

Never in history has there been a more cruel, more calloused or more coldly contrived effort at genocide by a government as was practiced against the Jews by the Nazi tyranny.

By sponsoring this resolution these Members have committed themselves to continue the fight against bigotry and the tyrannical exercise of power which led to the murder of 6 million Jews and millions of other human beings during the wretched days of World War II. The fire of righteous outrage which those crass murders kindled in the consciousness of man must never be allowed to die out.

By approving this resolution unanimously today, the entire membership of the House will be affirming that these terrible events must never be forgotten by the human race, and so long as a just God reigns must never again be tolerated by civilized humanity.

Mr. Speaker, the following list of Members were the sponsors of the holocaust resolution:

SPONSORS OF HOLOCAUST RESOLUTION

Joseph P. Addabbo, Daniel K. Akaka, Bill Alexander, Jerome A. Ambro, Joseph S. Ammerman, Glenn M. Anderson, John B. Anderson, Mark Andrews, Bill Archer, John M. Ashbrook.

Les AuCoin, Alvin Baldus, Max Baucus, Robin L. Beard, Anthony C. Beilenson, Adam Benjamin, Jr., Tom Bevill, Mario Biaggi, Johnathan B. Bingham, James J. Blanchard.

Richard Bolling, David E. Bonior, Don Bonker, David R. Bowen, John Brademas, John B. Breckinridge, William M. Brodhead, Clarence J. Brown, John Buchanan, Clair W. Burgener.

J. Herbert Burke, Phillip Burton, Bruce F. Caputo, Charles J. Carney Tim Lee Carter, John J. Cavanaugh, Elford A. Cederberg, Bill Chappell, Jr., Don H. Clausen, William Clay.

William S. Cohen, E. Thomas Coleman, Silvio O. Conte, John Conyers, Jr., Tom Corcoran, James C. Corman, David L. Cornwell, Baltasar Corrada, William R. Cotter.

Lawrence Coughlin, Norman E. D'Amours, Robert W. Daniel, Jr., E de la Garza, Ronald V. Dellums, Butler Derrick, William L. Dickinson, Charles C. Diggs, Jr., Christopher J. Dodd, Robert K. Dornan.

Thomas J. Downey, Robert F. Drinan, John J. Duncan, Robert W. Edgar, Don Edwards, Mickey Edwards, Joshua Eilberg, David F. Emery, Allen E. Ertel, Thomas B. Evans, Jr.

John G. Fary, Dante B. Fascell, Millicent Fenwick, Paul Findley, Hamilton Fish, Jr., Ronnie G. Flippo, Daniel J. Flood, James J. Florio, Walter Flowers, William D. Ford.

Edwin B. Forsythe, L. H. Fountain, Donald M. Fraser, Bill Frenzel, Don Fuqua, Bob Gammage, Robert Garcia, Joseph M. Gaydos, Richard A. Gephardt, Robert N. Giaimo.

Sam Gibbons, Benjamin A. Gilman, Bo Ginn, Dan Glickman, Barry M. Goldwater, Jr., William F. Goodling, Albert Gore, Jr., Willis D. Gradison, Jr., Charles E. Grassley.

S. William Green, Tennyson Guyer, Sam B. Hall, Jr., James M. Hanley, Augustus F. Hawkins, W. G. Hefner, Harold C. Hollenbeck, Marjorie S. Holt, Elizabeth Holtzman, Frank Horton.

James J. Howard, William J. Hughes, Henry J. Hyde, Andy Ireland, Andrew Jacobs, Jr., James M. Jeffords, Ed Jenkins, Harold T. Johnson, James P. Johnson, James R. Jones.

Barbara Jordan, Robert W. Kasten, Jr., Jack F. Kemp, Martha Keys, Dale E. Kildee, Peter H. Kostmayer, John Krebs, Robert Krueger, Robert J. Lagomarsino, Delbert L. Latta.

James A. S. Leach, Raymond F. Lederer, Joseph A. Le Fante, Norman F. Lent, Elliott H. Levitas, Bob Livingston, Jim Lloyd, Marilyn Lloyd, Clarence D. Long, Thomas A. Luken.

Stanley N. Lundine, Edward R. Madigan, James R. Mann, Edward J. Markey, Marc L. Marks, Dan Marriott, James G. Martin, Jim Mattox, Romano L. Mazzoli, Matthew F. McHugh.

Stewart B. McKinney, Lloyd Meeds, Ralph H. Metcalfe, Helen S. Meyner, Barbara A. Mikulski, Abner J. Mikva, Norman Mineta, Parren J. Mitchell, Joe Moakley, Anthony Toby Moffett.

G. V. Montgomery, William S. Moorhead, Ronald M. Mottl, John M. Murphy, Michael O. Myers, Lucien N. Nedzi, Robert N. C. Nix, Richard Nolan, James L. Oberstar, George M. O'Brien.

Richard L. Ottinger, Leon E. Panetta, Edward J. Patten, Jerry M. Patterson, Donald J. Pease, Claude Pepper, Carl D. Perkins, Shirley N. Pettis, J. J. Pickle, Richardson Preyer.

Melvin Price, Joel Pritchard, Dan Quayle, Albert H. Quie, Tom Railsback, Charles B. Rangel, Henry S. Reuss, John J. Rhodes, Frederick W. Richmond, Matthew J. Rinaldo, Ted Risenhoover.

Peter W. Rodino, Jr., Robert A. Roe, Benjamin S. Rosenthal, Philip E. Ruppe, Jim Santini, Ronald A. Sarasin, Harold S. Sawyer, James H. Scheuer, Keith G. Sebelius, Paul Simon, B. F. Sisk.

Ike Skelton, Gladys Spellman, Stephen J. Solarz, Fortney H. Stark, Newton I. Steers, Jr., William A. Steiger, Louis Stokes, Samuel S. Stratton, Frank Thompson, Jr., Paul E. Tsongas, Morris K. Udall, Lionel Van Deerlin.

Guy Vander Jagt, Bruce F. Vento, Douglas Walgren, Robert S. Walker, Henry A. Waxman, Ted Weiss, Richard C. White, G. William Whitehurst, Charles Whitley, Bob Wilson.

Larry Winn, Jr., Timothy E. Wirth, Lester L. Wolff, Jim Wright, Sidney R. Yates, Gus Yatron, C. W. Young, Robert A. Young, Leo C. Zeferetti, Charles W. Whalen, Jr.●

The joint resolution was ordered to be engrossed and read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

GENERAL LEAVE

Mr. LEHMAN. Mr. Speaker, I ask unanimous consent that all Members may have 5 legislative days in which to revise and extend their remarks, and include extraneous matter, on the joint resolution just passed.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Florida?

There was no objection.

PROVIDING BETTER PROCEDURES TO PREVENT MAILING OF FRAUDULENT SOLICITATIONS

Mr. LEHMAN. Mr. Speaker, I call up from the Speaker's table the Senate bill (S. 2543) to amend title 39 of the United States Code to provide better enforcement procedures for preventing fraudulent solicitations through the mails, and ask unanimous consent for its immediate consideration.

The Clerk read the title of the Senate bill.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Florida?

There was no objection.

Mr. ROUSSELOT. Mr. Speaker, reserving the right to object, and I will not object, this is the bill sponsored by the gentleman from California (Mr. CHARLES H. WILSON) and other members of the Committee on Post Office and Civil Service to correct the present gaps in the law that relate to the mailing out of fraudulently proposed billings that make people believe they are receiving a legitimate billing when in fact they are not; is that correct?

Mr. LEHMAN. Mr. Speaker, if the gentleman will yield, the gentleman from California (Mr. ROUSSELOT) is exactly right. Under the provisions of this legislation, the Postmaster General will be able to stop the receipt of mail matter by these fraudulent businessmen as he may do in the case of other fraudulent mail schemes.

Mr. ROUSSELOT. Mr. Speaker, further reserving the right to object, the Senate has not changed this bill in any way from the time it left the House; is that correct?

Mr. LEHMAN. It is the identical bill.

Mr. GARY A. MYERS. Mr. Speaker, reserving the right to object, I would like to ask the gentleman, since we are dealing with sending out a billing which in fact is not a true billing, would this in any way affect the situation where a municipality—in fact, I am thinking of a rather large municipality in Pennsylvania—apparently has on a number of occasions sent out billings for parking violations, although the individuals and vehicles have never been in that city? Would that circumstance come under this provision of the law?

Mr. LEHMAN. No, it would not fall under this provision.

Mr. GARY A. MYERS. Mr. Speaker, further reserving the right to object, would the gentleman explain why it would not?

Mr. LEHMAN. Because that is not fraudulent solicitation. One would be a fraudulent solication scheme, and the other would not.

Mr. GARY A. MYERS. Mr. Speaker, further reserving the right to object, it was my impression in discussion with the gentleman from California (Mr. ROUSSELOT) that the intent here was to prevent the use of the mails in presenting to an individual a false billing procedure, and it would seem to me that communities or agents of communities could fall into that same sort of scheme.

Mr. LEHMAN. Mr. Speaker, I think the situation the gentleman describes does not really fall under the idea of false solicitation.

Mr. GARY A. MYERS. Mr. Speaker, I thank the gentleman from Florida (Mr. LEHMAN) for his answers.

Mr. LEHMAN. Mr. Speaker, if the gentleman will yield further, this legislation passed the Senate on August 14. It is identical to the bill H.R. 13369, which was reported from the Committee on Post Office and Civil Service on July 31, 1978. The chairman of our committee has requested that the committee's bill be placed on the suspension calendar. However, because the Senate has now passed an identical measure, it would expedite the business of the House to consider the Senate bill.

The purpose of this legislation is to simplify the procedure for halting fraudulent solicitations going through the mail. Under existing law, It is difficult for the Postmaster General to stop fraudulent advertising gimmicks because, although this mail matter is nonmailable, individual citizens who are innocently bilked by these schemes lose their money before the Postmaster Genera is able to take effective action.

Under the provision of this legislation, the Postmaster General would be able to stop the receipt of mail matter by these fraudulent businessmen as he is able to do in the case of other fraudulent mail schemes.

Mr. ROUSSELOT. Mr. Speaker, I thank the gentleman for his very perceptive analysis, and I withdraw my reservation of objection.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Florida?

Mr. GARY A. MYERS. Mr. Speaker, I withdraw my reservation of objection.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Florida?

There was no objection.

The Clerk read the Senate bill, as follows:

S. 2543

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That section 3005(a) of title 39, United States Code, is amended—

(1) by inserting "including the mailing of matter which is nonmailable under section 3001(d) of this title," after "false representations,"; and

(2) by adding at the end thereof the following: "For purposes of the preceding sentence, the mailing of matter which is nonmailable under such section 3001(d) by any person shall constitute prima facie evidence that such person is engaged in conducting a scheme or device for obtaining money or property through the mail by false representations.".

The Senate bill was ordered to be read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

A similar House bill (H.R. 13369) was laid on the table.

INTERNATIONAL BANKING ACT OF 1978

Mr. ST GERMAIN. Mr. Speaker, I ask unanimous consent to take from the Speaker's table the bill (H.R. 10899) to provide for Federal regulation of participation by foreign banks in domestic financial markets, with a Senate amendment thereto, and concur in the Senate amendment.

The Clerk read the title of the bill.

The Clerk read the Senate amendment, as follows:

Strike out all after the enacting clause and insert:

SHORT TITLE; DEFINITIONS AND RULES OF CONSTRUCTION

SECTION 1. (a) This Act may be cited as the "International Banking Act of 1978".

(b) For the purposes of this Act—

(1) "agency' means any office or any place of business of a foreign bank located in any State of the United States at which credit balances are maintained incidental to or arising out of the exercise of banking powers, checks are paid, or money is lent but at which deposits may not be accepted from citizens or residents of the United States;

(2) "Board" means the Board of Governors of the Federal Reserve System;

(3) "branch" means any office or any place of business of a foreign bank located in any State of the United States at which deposits are received;

(4) "Comptroller" means the Comptroller of the Currency;

(5) "Federal agency' means an agency of a foreign bank established and operating under section 4 of this Act;

(6) "Federal branch" means a branch of a foreign bank established and operating under section 4 of this Act;

(7) "foreign bank" means any company organized under the laws of a foreign country, a territory of the United States, Puerto Rico, Guam, American Samoa, or the Virgin Islands, which engages in the business of banking, or any subsidiary or affiliate, organized under such laws, of any such company. For the purposes of this Act the term "foreign bank" includes, without limitation, foreign commercial banks, foreign merchant banks and other foreign institutions that engage in banking activities usual in connection with the business of banking in the countries where such foreign institutions are organized or operating;

(8) "foreign country" means any country other than the United States, and includes any colony, dependency, or possession of any such country;

(9) "commercial lending company" means any institution, other than a bank or an organization operating under section 25 of the Federal Reserve Act, organized under the laws of any State of the United States, or the District of Columbia which maintains credit balances incidental to or arising out of the exercise of banking powers and engages in the business of making commercial loans;

(10) "State" means any State of the United States or the District of Columbia;

(11) "State agency" means an agency of a foreign bank established and operating under the laws of any State;

(12) "State branch" means a branch of a foreign bank established and operating under the laws of any State;

(13) the terms "bank", "bank holding company", "company", "control", and "subsidiary" have the same meanings assigned to those terms in the Bank Holding Company Act of 1956, and the terms "controlled" and "controlling" shall be construed consistently with the term "control" as defined in section 2 of the Bank Holding Company Act of 1956; and

(14) "consolidated" means consolidated in accordance with generally accepted accounting principles in the United States consistently applied.

DIRECTORS OF NATIONAL BANKS

SEC. 2. Section 5146 of the Revised Statutes (12 U.S.C. 72) is amended by striking out the period at the end of the first sentence and adding the following new provision: ", except that in the case of an association which is a subsidiary or affiliate of a foreign bank, the Comptroller of the Currency may in his discretion waive the requirement of citizenship in the case of not more than a minority of the total number of directors."

EDGE ACT CORPORATIONS

SEC. 3. (a) It is the purpose of this section to eliminate or modify provisions in section 25(a) of the Federal Reserve Act that (1) discriminate against foreign-owned banking institutions, (2) disadvantage or unnecessarily restrict or limit corporations organized under section 25(a) of the Federal Reserve Act in competing with foreign-owned banking institutions in the United States or abroad or (3) impede the attainment of the Congressional purposes set forth in section 25(a) of the Federal Reserve Act as amended by subsection (b) of this section. In furtherance of such purpose, the Congress believes that the Board should review and revise its rules, regulations, and interpretations issued pursuant to section 25(a) of the Federal Reserve Act to eliminate or modify any restrictions, conditions, or limitations not required by section 25(a) of the Federal Reserve Act, as amended, that (1) discriminate against foreign-owned banking institutions, (2) disadvantage or unnecessarily restrict or limit corporations organized under section 25(a) of the Federal Reserve Act in competing with foreign-owned banking institutions in the United States or abroad, or (3) impede the attainment of the Congressional purposes set forth in section 25(a) of the Federal Reserve Act as amended by subsection (b) of this section. Rules and regulations pursuant to this subsection and section 25(a) of the Federal Reserve Act shall be issued not later than 150 days after the date of enactment of this section and shall be issued in final form and become effective not later than 120 days after they are first issued.

(b) Section 25(a) of the Federal Reserve Act is amended by adding after the first paragraph (12 U.S.C. 611), the following new paragraph:

"The Congress hereby declares that it is the purpose of this section to provide for the establishment of international banking and financial corporations operating under Federal supervision with powers sufficiently broad to enable them to compete effectively with similar foreign-owned institutions in the United States and abroad; to afford to the United States exporter and importer in particular, and to United States commerce, industry, and agriculture in general, at all times a means of financing international trade, especially United States exports; to foster the participation by regional and smaller banks throughout the United States in the provision of international banking and financing services to all segments of United States agriculture, commerce, and industry, and, in particular small business and farming concerns; to stimulate competition in the provision of international banking and financing services throughout the United States; and, in conjunction with each of the preceding purposes, to facilitate and stimulate the export of United States goods, wares, merchandise, commodities, and services to achieve a sound United States international trade position. The Board of Governors of the Federal Reserve System shall issue rules and regulations under this section consistent with and in furtherance of the purposes described in the preceding sentence, and, in accordance therewith, shall review and revise any such rules and regulations at least once every five years, the first such period commencing with the effective date of rules and regulations issued pursuant to section 3(a) of the International Banking Act of 1978, in order to ensure that such purposes are being served in light of prevailing economic conditions and banking practices.".

(c) The second sentence of the fourth paragraph of section 25(a) of the Federal Reserve Act (12 U.S.C. 614) is amended by striking out ", all of whom shall be citizens of the United States" after "to elect or appoint directors".

(d) The first sentence of the sixth paragraph of section 25(a) of the Federal Reserve Act (12 U.S.C. 615(a)) is amended by striking ", but in no event having liabilities outstanding thereon at any one time exceeding ten times its capital stock and surplus"; and the first sentence of the twelfth paragraph of section 25(a) of the Federal Reserve Act (12 U.S.C. 618) is amended by inserting a period after "and in section 25 of the Federal Reserve Act as amended", and by striking the remainder of the sentence.

(e) The third sentence of the sixth paragraph of section 25(a) of the Federal Reserve Act (12 U.S.C. 615(a)) is amended by striking ", but in no event less than ten per centum of its deposits" and inserting in lieu thereof "for member banks of the Federal Reserve System".

(f) The thirteenth paragraph of section 25(a) of the Federal Reserve Act (12 U.S.C. 619) is deleted and the following paragraph is inserted in lieu thereof:

"Except as otherwise provided in this section, a majority of the shares of the capital stock of any such corporation shall at all times be held and owned by citizens of the United States, by corporations the controlling interest in which is owned by citizens of the United States, chartered under the laws of the United States or of a State of the United States, or by firms or companies, the controlling interest in which is owned by citizens of the United States. Notwithstanding any other provisions of this section, one or more foreign banks, institutions organized under the laws of foreign countries which own or control foreign banks, or banks organized under the laws of the United States, the States of the United States, or the District of Columbia, the controlling interests in which are owned by any such foreign banks or institutions, may, with the prior approval of the Board of Governors of the Federal Reserve System and upon such terms and conditions and subject to such rules and regulations as the Board of Governors of the Federal Reserve System may prescribe, own and hold 50 per centum or more of the shares of the capital stock of any corporation organized under this section, and any such corporation shall be subject to the same provisions of law as any other corporation organized under this section, and the terms 'controls' and 'controlling interest' shall be construed consistently with the definition of 'control' in section 2 of the Bank Holding Company Act of 1956. For the purposes of the preceding sentence of this paragraph the term 'foreign bank' shall have the meaning assigned to it in the International Banking Act of 1978.".

(g) The Board shall report to the Congress not later than 270 days after the date of enactment of this Act its recommendations with respect to permitting corporations organized or operating under section 25 or 25(a) of the Federal Reserve Act, to become members of Federal Reserve Banks.

(h) As part of its annual report pursuant to section 10 of the Federal Reserve Act, the Board shall include its assessment of the effects of the amendments made by this Act on the capitalization and activities of corporations organized or operating under section 25 or 25(a) of the Federal Reserve Act, and on commercial banks and the banking system.

FEDERAL BRANCHES AND AGENCIES

SEC. 4. (a) Except as provided in section 5, a foreign bank which engages directly in a banking business outside the United States may, with the approval of the Comptroller, establish one or more Federal branches or agencies in any State in which (1) it is not operating a branch or agency pursuant to State law and (2) the establishment of a branch or agency, as the case may be, by a foreign bank is not prohibited by State law.

(b) In establishing and operating a Federal branch or agency, a foreign bank shall be subject to such rules, regulations, and orders as the Comptroller considers appropriate to carry out this section, which shall include provisions for service of process and maintenance of branch and agency accounts separate from those of the parent bank. Ex-

cept as otherwise specifically provided in this Act or in rules, regulations, or orders adopted by the Comptroller under this section, operations of a foreign bank at a Federal branch or agency shall be conducted with the same rights and privileges as a national bank at the same location and shall be subject to all the same duties, restrictions, penalties, liabilities, conditions, and limitations that would apply under the National Bank Act to a national bank doing business at the same location, except that (1) the requirements of section 5240 of the Revised Statutes (12 U.S.C. 481) shall be met with respect to a Federal branch or agency if it is examined at least once in each calendar year; (2) any limitation or restriction based on the capital stock and surplus of a national bank shall be deemed to refer, as applied to a Federal branch or agency, to the dollar equivalent of the capital stock and surplus of the foreign bank, and if the foreign bank has more than one Federal branch or agency the business transacted by all such branches and agencies shall be aggregated in determining compliance with the limitation; (3) a Federal branch or agency shall not be required to become a member bank, as that term is defined in section 1 of the Federal Reserve Act; and (4) a Federal agency shall not be required to become an insured bank as that term is defined in section 3(h) of the Federal Deposit Insurance Act.

(c) In acting on any application to establish a Federal branch or agency, the Comptroller shall take into account the effects of the proposal on competition in the domestic and foreign commerce of the United States, the financial and managerial resources and future prospects of the applicant foreign bank and the branch or agency, and the convenience and needs of the community to be served.

(d) Notwithstanding any other provision of this section, a foreign bank shall not receive deposits or exercise fiduciary powers at any Federal agency. A foreign bank may, however, maintain at a Federal agency for the account of others credit balances incidental to, or arising out of, the exercise of its lawful powers.

(e) No foreign bank may maintain both a Federal branch and a Federal agency in the same State.

(f) Any branch or agency operated by a foreign bank in a State pursuant to State law and any commercial lending company controlled by a foreign bank may be converted into a Federal branch or agency with the approval of the Comptroller. In the event of any conversion pursuant to this subsection, all of the liabilities of such foreign bank previously payable at the State branch or agency, or all of the liabilities of the commercial lending company, shall thereafter be payable by such foreign bank at the branch or agency established under this subsection.

(g)(1) Upon the opening of a Federal branch or agency in any State and thereafter, a foreign bank, in addition to any deposit requirements imposed under section 6 of this Act, shall keep on deposit, in accordance with such rules and regulations as the Comptroller may prescribe, with a member bank designated by such foreign bank, dollar deposits or investment securities of the type that may be held by national banks for their own accounts pursuant to paragraph "Seventh" of section 5136 of the Revised Statutes, as amended, in an amount as hereinafter set forth. Such depository bank shall be located in the State where such branch or agency is located and shall be approved by the Comptroller if it is a national bank and by the Board of Governors of the Federal Reserve System if it is a State Bank.

(2) The aggregate amount of deposited investment securities (calculated on the basis of principal amount or market value, whichever is lower) and dollar deposits for each branch or agency established and operating under this section shall be not less than the greater of (1) that amount of capital (but not surplus) which would be required of a national bank being organized at this location, or (2) 5 per centum of the total liabilities of such branch or agency, including acceptances, but excluding (A) accrued expenses, and (B) amounts due and other liabilities to offices, branches, agencies, and subsidiaries of such foreign bank. The Comptroller may require that the assets deposited pursuant to this subsection shall be maintained in such amounts as he may from time to time deem necessary or desirable, for the maintenance of a sound financial condition, the protection of depositors, and the public interest, but such additional amount shall in no event be greater than would be required to conform to generally accepted banking practices as manifested by banks in the area in which the branch or agency is located.

(3) The deposit shall be maintained with any such member bank pursuant to a deposit agreement in such form and containing such limitations and conditions as the Comptroller may prescribe. So long as it continues business in the ordinary course such foreign bank shall, however, be permitted to collect income on the securities and funds so deposited and from time to time examine and exchange such securities.

(4) Subject to such conditions and requirements as may be prescribed by the Comptroller, each foreign bank shall hold in each State in which it has a Federal branch or agency, assets of such types and in such amount as the Comptroller may prescribe by general or specific regulation or ruling as necessary or desirable for the maintenance of a sound financial condition, the protection of depositors, creditors and the public interest. In determining compliance with any such prescribed asset requirements, the Comptroller shall give credit to (A) assets required to be maintained pursuant to paragraphs (1) and (2) of this subsection, (B) reserves required to be maintained pursuant to section 7(a) of this Act, and (C) assets pledged, and surety bonds payable, to the Federal Deposit Insurance Corporation to secure the payment of domestic deposits. The Comptroller may prescribe different asset requirements for branches or agencies in different States, in order to ensure competitive equality of Federal branches and agencies with State branches and agencies and domestic banks in those States.

(h) A foreign bank with a Federal branch or agency operating in any State may (1) with the prior approval of the Comptroller establish and operate additional branches or agencies in the State in which such branch or agency is located on the same terms and conditions and subject to the same limitations and restrictions as are applicable to the establishment of branches by a national bank if the principal office of such national bank were located at the same place as the initial branch or agency in such State of such foreign bank and (2) change the designation of its initial branch or agency to any other branch or agency subject to the same limitations and restrictions as are applicable to a change in the designation of the principal office of a national bank if such principal office were located at the same place as such initial branch or agency.

(i) Authority to operate a Federal branch or agency shall terminate when the parent foreign bank voluntarily relinquishes it or when such parent foreign bank is dissolved or its authority or existence is otherwise terminated or canceled in the country of its organization. If (1) at any time the Comptroller is of the opinion or has reasonable cause to believe that such foreign bank has violated or failed to comply with any of the provisions of this section or any of the rules, regulations, or orders of the Comptroller made pursuant to this section, or (2) a conservator is appointed for such foreign bank or a similar proceeding is initiated in the foreign bank's country of organization, the Comptroller shall have the power, after opportunity for hearing, to revoke the foreign bank's authority to operate a Federal branch or agency. The Comptroller may, in his discretion, deny such opportunity for hearing if he determines such denial to be in the public interest. The Comptroller may restore any such authority upon due proof of compliance with the provisions of this section and the rules, regulations, or orders of the Comptroller made pursuant to this section.

(j)(1) Whenever the Comptroller revokes a foreign bank's authority to operate a Federal branch or agency or whenever any creditor of any such foreign bank shall have obtained a judgment against it arising out of a transaction with a Federal branch or agency in any court of record of the United States or any State of the United States and made application, accompanied by a certificate from the clerk of the court stating that such judgment has been rendered and has remained unpaid for the space of thirty days, or whenever the Comptroller shall become satisfied that such foreign bank is insolvent, he may, after due consideration of its affairs, in any such case, appoint a receiver who shall take possession of all the property and assets of such foreign bank in the United States and exercise the same rights, privileges, powers, and authority with respect thereto as are now exercised by receivers of national banks appointed by the Comptroller.

(2) In any receivership proceeding ordered pursuant to this subsection (j), whenever there has been paid to each and every depositor and creditor of such foreign bank whose claim or claims shall have been proved or allowed, the full amount of such claims arising out of transactions had by them with any branch or agency of such foreign bank located in any State of the United States, except (A) claims that would not represent an enforceable legal obligation against such branch or agency if such branch or agency were a separate legal entity, and (B) amounts due and other liabilities to other offices or branches or agencies of, and wholly owned (except for a nominal number of directors' shares) subsidiaries of, such foreign bank, and all expenses of the receivership, the Comptroller or the Federal Deposit Insurance Corporation, where that Corporation has been appointed receiver of the foreign bank, shall turn over the remainder, if any, of the assets and proceeds of such foreign bank to the head office of such foreign bank, or to the duly appointed domiciliary liquidator or receiver of such foreign bank.

INTERSTATE BANKING OPERATIONS

SEC. 5. (a) Except as provided by subsection (b), (1) no foreign bank may directly or indirectly establish and operate a Federal branch outside of its home State unless (A) its operation is expressly permitted by the State in which it is to be operated, and (B) the foreign bank shall enter into an agreement or undertaking with the Board to receive only such deposits at the place of operation of such Federal branch as would be permissible for a corporation organized under section 25(a) of the Federal Reserve Act under rules and regulations administered by the Board; (2) no foreign bank may directly or indirectly establish and operate a State branch outside of its home State unless (A) it is approved by the bank regulatory authority of the State in which such branch is to be operated, and (B) the foreign bank shall enter into an agreement or undertaking with the Board to receive only such deposits at the place of operation of such State branch as would be permissible for a corporation organized under section 25 (a) of the Federal Reserve Act under rules and regulations administered by the Board; (3) no foreign bank may directly or indirectly establish and operate a Federal agency thority of the State in which it is to be operation is expressly permitted by the State in which it is to be operated; (4) no foreign bank may directly or indirectly establish and

operate a State agency or commercial lending company subsidiary outside of its home State, unless its establishment and operation is approved by the bank regulatory authority of the State in which it is to be operated; and (5) no foreign bank may directly or indirectly acquire any voting shares of, interest in, or substantially all of the assets of a bank located outside of its home State if such acquisition would be permitted under section 3(d) of the Bank Holding Company Act of 1956 if the foreign bank were a bank holding company the operations of whose banking subsidiaries were principally conducted in the foreign bank's home State. Notwithstanding any other provisions of Federal or State law, deposits received by any Federal or State branch subject to the limitations of an agreement or undertaking imposed under this subsection shall not be subject to any requirement of mandatory insurance by the Federal Deposit Insurance Corporation.

(b) Unless its authority to do so is lawfully revoked otherwise than pursuant to this section, a foreign bank, notwithstanding any restriction or limitation imposed under subsection (a) of this section, may establish and operate, outside its home State, any State branch, State agency, or bank or commercial lending company subsidiary which commenced lawful operation or for which an application to commence business had been lawfully filed with the appropriate State or Federal authority, as the case may be, on or before July 27, 1978.

(c) For the purposes of this section, the home State of a foreign bank that has branches, agencies, subsidiary commercial lending companies, or subsidiary banks, or any combination thereof, in more than one State, is whichever of such States is so determined by election of the foreign bank, or, in default of such election, by the Board.

INSURANCE OF DEPOSITS

SEC. 6. (a) No foreign bank may establish or operate a Federal branch which receives deposits of less than $100,000 unless the branch is an insured branch as defined in section 3(s) of the Federal Deposit Insurance Act, or unless the Comptroller determines by order or regulation that the branch is not engaged in domestic retail deposit activities requiring deposit insurance protection, taking account of the size and nature of depositors and deposit accounts.

(b) After the date of enactment of this Act no foreign bank may establish a branch, and after one year following such date no foreign bank may operate a branch, in any State in which the deposits of a bank organized and existing under the laws of that State would be required to be insured, unless the branch is an insured branch as defined in section 3(s) of the Federal Deposit Insurance Act, or unless the branch will not thereafter accept deposits of less than $100,000, or unless the Federal Deposit Insurance Corporation determines by order or regulation that the branch is not engaged in domestic retail deposit activities requiring deposit insurance protection, taking account of the size and nature of depositors and deposit accounts.

(c)(1) The Federal Deposit Insurance Act (12 U.S.C. 1811–1832) is amended as set forth hereinafter in this subsection, in which section numbers not otherwise identified refer to sections of that Act.

(2) Section 3(h) is amended by inserting "(including a foreign bank having an insured branch)" immediately after "(h) The term 'insured bank' means any bank".

(3) Section 3(j) is amended by inserting "or of a branch of a foreign bank" immediately before the period at the end thereof.

(4) Section 3(m) is amended (A) by changing "(m) The" to read "(m)(1) Subject to the provisions of paragraph (2) of this subsection, the", and (B) by adding at the end thereof the following new paragraph:

"(2) In the case of any deposit in a branch of a foreign bank, the term 'insured deposit' means an insured deposit as defined in paragraph (1) of this subsection which—

"(A) is payable in the United States to—

"(i) an individual who is a citizen or resident of the United States,

"(ii) a partnership, corporation, trust, or other legally cognizable entity created under the laws of the United States or any State and having its principal place of business within the United States or any State, or

"(iii) an individual, partnership, corporation, trust, or other legally cognizable entity which is determined by the Board of Directors in accordance with its regulations to have such business or financial relationships in the United States as to make the insurance of such deposit consistent with the purposes of this Act;

and

"(B) meets any other criteria prescribed by the Board of Directors by regulation as necessary or appropriate in its judgment to carry out the purposes of this Act or to facilitate the administration thereof.".

(5) Section 3(q) is amended to read as follows:

"(q) The term 'appropriate Federal banking agency' shall mean—

"(1) the Comptroller of the Currency in the case of a national banking association, a District bank, or a Federal branch or agency of a foreign bank;

"(2) the Board of Governors of the Federal Reserve System—

"(A) in the case of a State member insured bank (except a District bank),

"(B) in the case of any branch or agency of a foreign bank with respect to any provision of the Federal Reserve Act which is made applicable under the International Banking Act of 1978,

"(C) in the case of any foreign bank which does not operate an insured branch,

"(D) in the case of any agency or commercial lending company other than a Federal agency, and

"(E) in the case of supervisory or regulatory proceedings arising from the authority given to the Board of Governors under section 7(c)(1) of the International Banking Act of 1978, including such proceedings under the Financial Institutions Supervisory Act, and

"(3) the Federal Deposit Insurance Corporation in the case of a State nonmember insured Bank (except a District bank) or a foreign bank having an insured branch.

Under the rule set forth in this subsection, more than one agency may be an appropriate Federal banking agency with respect to any given institution. For the purposes of subsections (b) through (n) of section 8 of this Act, the term 'insured bank' shall be deemed to include any uninsured branch or agency of a foreign bank or any commercial lending company owned or controlled by a foreign bank.".

(6) Section 3 is amended by adding at the end thereof the following new subsections:

"(r) The terms 'foreign bank' and 'Federal branch' shall be construed consistently with the usage of such terms in the International Banking Act of 1978.

"(s) The term 'insured branch' means a branch of a foreign bank any deposits in which are insured in accordance with the provisions of this Act.".

(7) Section 5 is amended (A) by changing "SEC. 5." to read "SEC. 5. (a)" and (B) by adding at the end thereof the following new subsections:

"(b) Subject to the provisions of this Act and to such terms and conditions as the Board of Directors may impose, any branch of a foreign bank, upon application by the bank to the Corporation, and examination by the Corporation of the branch, and approval by the Board of Directors, may become an insured branch. Before approving any such application, the Board of Directors shall give consideration to—

"(1) the financial history and condition of the bank,

"(2) the adequacy of its capital structure,

"(3) its future earnings prospects,

"(4) the general character of its management, including but not limited to the management of the branch proposed to be insured,

"(5) the convenience and needs of the community to be served by the branch,

"(6) whether or not its corporate powers, insofar as they will be exercised through the proposed insured branch, are consistent with the purposes of this Act, and

"(7) the probable adequacy and reliability of information supplied and to be supplied by the bank to the Corporation to enable it to carry out its functions under this Act.

"(c)(1) Before any branch of a foreign bank becomes an insured branch, the bank shall deliver to the Corporation or as the Corporation may direct a surety bond, a pledge of assets, or both, in such amounts and of such types as the Corporation may require or approve, for the purpose set forth in paragraph (4) of this subsection.

"(2) After any branch of a foreign bank becomes an insured branch, the bank shall maintain on deposit with the Corporation, or as the Corporation may direct, surety bonds or assets or both, in such amounts and of such types as shall be determined from time to time in accordance with such regulations as the Board of Directors may prescribe. Such regulations may impose differing requirements on the basis of any factors which in the judgment of the Board of Directors are reasonably related to the purpose set forth in paragraph (4).

"(3) The Corporation may require of any given bank larger deposits of bonds and assets than required under paragraph (2) of this subsection if, in the judgment of the Corporation, the situation of that bank or any branch thereof is or becomes such that the deposits of bonds and assets otherwise required under this section would not adequately fulfill the purpose set forth in paragraph (4). The imposition of any such additional requirements may be without notice or opportunity for hearing, but the Corporation shall afford an opportunity to any such bank to apply for a reduction or removal of any such additional requirements so imposed.

"(4) The purpose of the surety bonds and pledges of assets required under this subsection is to provide protection to the deposit insurance fund against the risks entailed in insuring the domestic deposits of a foreign bank whose activities, assets, and personnel are in large part outside the jurisdiction of the United States. In the implementation of its authority under this subsection, however, the Corporation shall endeavor to avoid imposing requirements on such banks which would unnecessarily place them at a competitive disadvantage in relation to domestically incorporated banks.

"(5) In the case of any failure or threatened failure of a foreign bank to comply with any requirement imposed under this subsection (c), the Corporation, in addition to all other administrative and judicial remedies, may apply to any United States district court, or United States court of any territory, within the jurisdiction of which any branch of the bank is located, for an injunction to compel such bank and any officer, employee, or agent thereof, or any other person having custody or control of any of its assets, to deliver to the Corporation such assets as may be necessary to meet such requirement, and to take any other action necessary to vest the Corporation with control of assets so delivered. If the court shall determine that there has been any such

failure or threatened failure to comply with any such requirement, it shall be the duty of the court to issue such injunction. The propriety of the requirement may be litigated only as provided in chapter 7 of title 5 of the United States Code, and may not be made an issue in an action for an injunction under this paragraph.".

(8) The first sentence of section 7(a)(1) is amended by inserting "and each foreign bank having an insured branch which is not a Federal branch" immediately before "shall make to the Corporation".

(9) The first sentence of section 7(a)(3) is amended (A) by inserting "and each foreign bank having an insured branch (other than a Federal branch)" immediately before "shall make to the Corporation" and (B) by inserting ", each foreign bank having an insured branch which is a Federal branch," immediately before "and each insured district".

(10) Section 7(a) is amended by adding at the end thereof the following new paragraph:

"(7) In respect of any report required or authorized to be supplied or published pursuant to this subsection or any other provision of law, the Board of Directors or the Comptroller of the Currency, as the case may be, may differentiate between domestic banks and foreign banks to such extent as, in their judgment, may be reasonably required to avoid hardship and can be done without substantial compromise of insurance risk or supervisory and regulatory effectiveness.".

(11) Section 7(b) is amended (A) by changing "(4) A bank's assessment base" to read "(4)(A) Except as provided in subparagraph (B) of this paragraph, a bank's assessment base" and (B) by adding at the end thereof the following new subparagraph:

"(B) in determining the assessment base and assessment base additions and deductions of a foreign bank having an insured branch, such adjustments shall be made as the Board of Directors may by regulation prescribe in order to provide equitable treatment for domestic and foreign banks.".

(12) Section 7(j)(1) is amended (A) by changing "(j)(1) Whenever" to read "(j)(1)(A) Except as provided in subparagraph (B) of this paragraph, whenever", and (B) by adding at the end thereof the following new subparagraph:

"(B) The Board of Directors may by regulation exempt from the reporting requirements of subparagraph (A) of this paragraph any transaction in the stock of a foreign bank to the extent that the making of any such report would be prohibited by the laws of the country of domicile of the foreign bank in effect at the time such bank makes its application under section 5(b) of this Act, or rendered impracticable by the customs and usages of such country, but the Board of Directors shall weigh the existence of any such prohibition or impracticability in connection with its consideraton of the factors enumerated in sections 5(b)(4) and 5(b)(7).".

(13) Section 7(j)(2) is amended by changing "(2) Whenever" to read "(2)(A) Except as provided in subparagraph (B) of this paragraph whenever" and by adding at the end thereof the following new subparagraphs:

"(B) The requirements of subparagraph (A) of this paragraph shall not apply in the case of a loan secured by the stock of a foreign bank if the lending bank is a foreign bank under the laws of whose domicile the report otherwise required by subparagraph (A) would be prohibited.

"(C) No foreign bank under the laws of whose domicile a report in compliance with subparagraph (A) of this paragraph would be prohibited in the case of a loan to acquire the stock of an insured bank which is not a foreign bank may make, acquire, or retain any such loan. Each report of condition filed under subsection (a) by any foreign bank to which this subparagraph applies shall contain either a statement of the amount of each loan made, retained, or acquired by the foreign bank in violation of this subparagraph during the period from the date it became an insured bank or the date of its last report of condition, whichever is later, to the date of the report of condition, or a statement that no such loans were made and no such loans were outstanding during such period.".

(14) The first sentence of section 8(a) is amended by inserting ", a foreign bank having an insured branch which is a Federal branch, a foreign bank having an insured branch which is required to be insured under section 6 (a) or (b) of the International Banking Act of 1978," immediately after "(except a national member bank".

(15) Section 8 is amended by adding at the end thereof the following new subsection:

"(r)(1) Except as otherwise specifically provided in this section, the provisions of this section shall be applied to foreign banks in accordance with this subsection.

"(2) An act or practice outside the United States on the part of a foreign bank or any officer, director, employee, or agent thereof may not constitute the basis for any action by any officer or agency of the United States under this section, unless—

"(A) such officer or agency alleges a belief that such act or practice has been, is, or is likely to be a cause of or carried on in connection with or in furtherance of an act or practice within any one or more States which, in and of itself, would constitute an appropriate basis for action by a Federal officer or agency under this section; or

"(B) the alleged act or practice is one which, if proven, would, in the judgment of the Board of Directors, adversely affect the insurance risk assumed by the Corporation.

"(3) In any case in which any action or proceeding is brought pursuant to an allegation under paragraph (2) of this subsection for the suspension or removal of any officer, director, or other person associated with a foreign bank, and such person fails to appear as a party to such action or proceeding and to comply with any effective order or judgment therein, any failure by the foreign bank to secure his removal from any office he holds in such bank from any further participation in its affairs shall, in and of itself, constitute grounds for termination of the insurance of the deposits in any branch of the bank.

"(4) Where the venue of any judicial or administrative proceeding under this section is to be determined by reference to the location of the home office of a bank, the venue of such a proceeding with respect to a foreign bank having one or more branches or agencies in not more than one judicial district or other relevant jurisdiction shall be within such jurisdiction. Where such a bank has branches or agencies in more than one such jurisdiction, the venue shall be in the jurisdiction within which the branch or branches or agency or agencies involved in the proceeding are located, and if there is more than one such jurisdiction, the venue shall be proper in any such jurisdiction in which the proceeding is brought or to which it may appropriately be transferred.

"(5) Any service required or authorized to be made on a foreign bank may be made on any branch or agency located within any State, but if such service is in connection with an action or proceeding involving one or more branches or one or more agencies located in any State, service shall be made on at least one branch or agency so involved.".

(16)(A) The first sentence of section 10(b) is amended (i) by inserting "any insured State branch of a foreign bank, any State branch of a foreign bank making application to become an insured bank," immediately after "(except a District bank)", and (ii) by inserting "or branch" before the comma after "any closed insured bank".

(B) The second sentence of section 10(b) is amended by inserting ", insured Federal branch of a foreign bank," between the words "national bank" and "or District bank".

(C) The third sentence of section 10(b) is amended by inserting ", and in the case of a foreign bank, a binding commitment by such bank to permit such examination to the extent determined by the Board of Directors to be necessary to carry out the purposes of this Act shall be required as a condition to the insurance of any deposits" immediately before the period at the end thereof.

(17) Section 11(c) is amended by inserting ", insured Federal branch of a foreign bank," immediately before "or insured District bank,".

(18) The first sentence of section 11(e) is amended by inserting "or any insured branch (other than a Federal branch) of a foreign bank" immediately before "shall have been closed".

(19) The second sentence of section 11(e) is amended by changing "such insured State bank," to read "such insured State bank or insured branch of a foreign bank,".

(20) Section 11(f) is amended by inserting "or insured branch of a foreign bank" immediately before "shall have been closed".

(21) The first sentence of section 11(g) is amended by inserting ", insured branch of a foreign bank," immediately before "or District bank,".

(22) The third sentence of section 11(g) is amended by changing "In the case of any closed insured bank," to read "In the case of any closed insured bank or closed insured branch of a foreign bank,".

(23) Section 12(a) is amended by inserting ", branch of a foreign bank," immediately after "a closed national bank".

(24) Section 13 is amended by adding at the end thereof the following new subsection:

"(g) The powers conferred on the Board of Directors and the Corporation by this section to take action to reopen a closed insured bank or to avert the closing of an insured bank may be used with respect to an insured branch of a foreign bank if, in the judgment of the Board of Directors, the public interest in avoiding the closing of such branch substantially outweighs any additional risk of loss to the insurance fund which the exercise of such powers would entail.".

(25) Section 18(c) is amended by adding at the end thereof the following new paragraph:

"(11) The provisions of this subsection do not apply to any merger transaction involving a foreign bank if no party to the transaction is principally engaged in business in the United States.".

(26) Section 18(d) is amended by inserting the following new sentence immediately after the first sentence thereof: "No foreign bank may move any insured branch from one location to another without such consent.".

(27) The first sentence of section 18(g) is amended by inserting "and in insured branches of foreign banks" immediately after "in insured nonmember banks".

(28) Section 18(j) is amended by adding at the end thereof the following new sentence: "The provisions of this subsection shall not apply to any foreign bank having an insured branch with respect to dealings between such bank and any affiliate thereof.".

(29) Section 21 is amended by adding at

the end thereof the following new subsection:

"(i) The provisions of this section shall not apply to any foreign bank except with respect to the transactions and records of any insured branch of such a bank.".

(30) The first sentence of section 25(a) is amended by inserting "insured branch of a foreign bank," immediately after 'No insured bank,".

AUTHORITY OF FEDERAL RESERVE SYSTEM

SEC. 7. (a)(1)(A) Except as provided in paragraph (2) of this subsection, subsections (a), (b), (c), (d), (f), (g), (i), (j), (k), and the second sentence of subsection (e) of section 19 of the Federal Reserve Act shall apply to every Federal branch and Federal agency of a foreign bank in the same manner and to the same extent as if the Federal branch or Federal agency were a member bank as that term is defined in section 1 of the Federal Reserve Act; but the Board either by general or specific regulation or ruling may waive the minimum and maximum reserve ratios prescribed under section 19 of the Federal Reserve Act and may prescribe any ratio, not more than 22 per centum, for any obligation of any such Federal branch or Federal agency that the Board may deem reasonable and appropriate, taking into consideration the character of business conducted by such institutions and the need to maintain vigorous and fair competition between and among such institutions and member banks. The Board may impose reserve requirements on Federal branches and Federal agencies in such graduated manner as it deems reasonable and appropriate.

(B) After consultation and in cooperation with the State bank supervisory authorities, the Board may make applicable to any State branch or State agency any requirement made applicable to, or which the Board has authority to impose upon, any Federal branch or agency under subparagraph (A) of this paragraph.

(2) A branch or agency shall be subject to this subsection only if (A) its parent foreign bank has total worldwide consolidated bank assets in excess of $1,000,000,000; (B) its parent foreign bank is controlled by a foreign company which owns or controls foreign banks that in the aggregate have total worldwide consolidated bank assets in excess of $1,000,000,000; or (C) its parent foreign bank is controlled by a group of foreign companies that own or control foreign banks that in the aggregate have total worldwide consolidated bank assets in excess of $1,000,000,000.

(b) Section 13 of the Federal Reserve Act is amended by adding at the end thereof the following new paragraph:

"Subject to such restrictions, limitations, and regulations as may be imposed by the Board of Governors of the Federal Reserve System, each Federal Reserve bank may receive deposits from, discount paper endorsed by, and make advances to any branch or agency of a foreign bank in the same manner and to the same extent that it may exercise such powers with respect to a member bank if such branch or agency is maintaining reserves with such Reserve bank pursuant to section 7 of the International Banking Act of 1978. In exercising any such powers with respect to any such branch or agency, each Federal Reserve bank shall give due regard to account balances being maintained by such branch or agency with such Reserve bank and the proportion of the assets of such branch or agency being held as reserves under section 7 of the International Banking Act of 1978. For the purposes of this paragraph, the terms 'branch', 'agency', and 'foreign bank' shall have the same meanings assigned to them in section 1 of the International Banking Act of 1978.".

(c)(1) The Board may make examinations of each branch or agency of a foreign bank, and of each commercial lending company or bank controlled by one or more foreign banks or by one or more foreign companies that control a foreign bank, the cost of which shall be assessed against and paid by such foreign bank or company, as the case may be. The Board shall, insofar as possible, use the reports of examinations made by the Comptroller, the Federal Deposit Insurance Corporation, or the appropriate State bank supervisory authority for the purposes of this subsection.

(2) Each branch or agency of a foreign bank, other than a Federal branch or agency, shall be subject to paragraph 20 and the provision requiring the reports of condition contained in paragraph 6 of section 9 of the Federal Reserve Act (12 U.S.C. 335 and 324) to the same extent and in the same manner as if the branch or agency were a State member bank. In addition to any requirements imposed under section 4 of this Act, each Federal branch and agency shall be subject to subparagraph (a) of section 11 of the Federal Reserve Act (12 U.S.C. 248(a)) and to paragraph 5 of section 21 of the Federal Reserve Act (12 U.S.C. 483) to the same extent and in the same manner as if it were a member bank.

(d) On or before two years after enactment of this Act, the Board after consultation with the appropriate State bank supervisory authorities shall report to the Committee on Banking, Finance and Urban Affairs of the United States House of Representatives and the Committee on Banking, Housing, and Urban Affairs of the United States Senate its recommendations with respect to the implementation of this Act, including any recommended requirements such as limitations on loans to affiliates or capital adequacy requirements which should be imposed on foreign banks to carry out the purposes of this Act. Not later than one hundred and eighty days after the enactment of this Act, the Board shall report to such Committees the steps which have been taken to consult and cooperate with State bank supervisory authorities as required by subsection (a)(1)(B).

NONBANKING ACTIVITIES

SEC. 8. (a) Except as otherwise provided in this section (1) any foreign bank that maintains a branch or agency in a State, (2) any foreign bank or foreign company controlling a foreign bank that controls a commercial lending company organized under State law, and (3) any company of which any foreign bank or company referred to in (1) and (2) is a subsidiary shall be subject to the provisions of the Bank Holding Company Act of 1956, and to sections 105 and 106 of the Bank Holding Company Act Amendments of 1970 in the same manner and to the same extent that bank holding companies are subject thereto, except that any such foreign bank or company shall not by reason of this subsection be deemed a bank holding company for purposes of section 3 of the Bank Holding Company Act of 1956.

(b) Until December 31, 1985, a foreign bank or other company to which subsection (a) applies on the date of enactment of this Act may retain direct or indirect ownership or control of any voting shares of any nonbanking company in the United States that it owned, controlled, or held with power to vote on the date of enactment of this Act or engage in any nonbanking activities in the United States in which it was engaged on such date.

(c) After December 31, 1985, a foreign bank or other company to which subsection (a) applies on the date of enactment of this Act may continue to engage in nonbanking activities in the United States in which directly or through an affiliate it was lawfully engaged on July 26, 1978 (or on a date subsequent to July 26, 1978, in the case of activities carried on as the result of the direct or indirect acquisition, pursuant to a binding written contract entered into on or before July 26, 1978, of another company engaged in such activities at the time of acquisition), and may engage directly or through an affiliate in nonbanking activities in the United States which are covered by an application to engage in such activities which was filed on or before July 26, 1978; except that the Board by order, after opportunity for hearing, may terminate the authority conferred by this subsection (c) on any such foreign bank or company to engage directly or through an affiliate in any activity otherwise permitted by this subsection (c) if it determines having due regard to the purposes of this Act and the Bank Holding Company Act of 1956, that such action is necessary to prevent undue concentration of resources, decreased or unfair competition, conflicts of interest, or unsound banking practices in the United States. Notwithstanding subsection (a) of this section, a foreign bank or company referred to in this subsection (c) may retain ownership or control of any voting shares (or, where necessary to prevent dilution of its voting interest, acquire additional voting shares) of any domestically-controlled affiliate covered in 1978 which engages in the business of underwriting, distributing, or otherwise buying or selling stocks, bonds, and other securities in the United States. Except in the case of affiliates described in the preceding sentence, nothing in this subsection (c) shall be construed to authorize any foreign bank or company referred to in this subsection (c), or any affiliate thereof, to engage in activities authorized by this subsection (c) through the acquisition, pursuant to a contract entered into after July 26, 1978, of any interest in or the assets of a going concern engaged in such activities. Any foreign bank or company that is authorized to engage in any activity pursuant to this subsection (c) but, as a result of action of the Board, is required to terminate such activity may retain the ownership of control of shares in any company carrying on such activity for a period of two years from the date on which its authority was so terminated by the Board. As used in this subsection, the term "affiliate" shall mean any company more than 5 per centum of whose voting shares is directly or indirectly owned or controlled or held with power to vote by the specified foreign bank or company, and the term "domestically-controlled affiliate covered in 1978" shall mean any affiliate the majority of whose voting shares is owned by a company or group of companies organized under the laws of the United States or any State thereof, if it has been under continuous domestic majority-controlling ownership since July 26, 1978, and if a foreign bank or group of foreign banks does not own or control, directly or indirectly, 25 per centum or more of its voting shares.

(d) Nothing in this section shall be construed to define a branch or agency of a foreign bank or a commercial lending company controlled by a foreign bank or foreign company that controls a foreign bank as a "bank" for the purposes of any provisions of the Bank Holding Company Act of 1956, or section 105 of the Bank Holding Company Act Amendments of 1970, except that any such branch, agency or commercial lending company subsidiary shall be deemed a "bank" or "banking subsidiary", as the case may be, for the purposes of applying the prohibitions of section 106 of the Bank Holding Company Act Amendments of 1970 and the exemptions provided in sections 4(c)(1), 4(c)(2), 4(c)(3), and 4(c)(4) of the Bank Holding Company Act of 1956 (12 U.S.C. 1843(c) (1), (2), (3), and (4)) to any foreign bank or other company to which subsection (a) applies.

(e) Section 2(h) of the Bank Holding Company Act of 1956 is amended (1) by

striking out "(h) The" and inserting in lieu thereof "(h)(1) Except as provided by paragraph (2), the", (2) by striking out the proviso, and (3) by inserting at the end thereof the following:

"(2) The prohibitions of section 4 of this Act shall not apply to shares of any company organized under the laws of a foreign country (or to shares held by such company in any company engaged in the same general line of business as the investor company or in a business related to the business of the investor company) that is principally engaged in business outside the United States if such shares are held or acquired by a bank holding company organized under the laws of a foreign country that is principally engaged in the banking business outside the United States, except that (1) such exempt foreign company (A) may engage in or hold shares of a company engaged in the business of underwriting, selling or distributing securities in the United States only to the extent that a bank holding company may do so under this Act and under regulations or orders issued by the Board under this Act, and (B) may engage in the United States in any banking or financial operations or types of activities permitted under section 4(c)(8) or in any order or regulation issued by the Board under such section only with the Board's prior approval under that section, and (2) no domestic office or subsidiary of a bank holding company or subsidiary thereof holding shares of such company may extend credit to a domestic office or subsidiary of such exempt company on terms more favorable than those afforded similar borrowers in the United States.".

STUDY OF FOREIGN TREATMENT OF UNITED STATES BANKS

SEC. 9. The Secretary of the Treasury, in conjunction with the Secretary of State, the Board, the Comptroller, and the Federal Deposit Insurance Corporation shall within 90 days after enactment of this bill commence a study of the extent to which banks organized under the laws of the United States or any State thereof are denied, whether by law or practice, national treatment in conducting banking operations in foreign countries, and the effects, of any, of such discrimination on United States exports to those countries. On or before one year after enactment of this section, the Secretary of the Treasury shall be required to report his findings, conclusions, and recommendations from such study to the Congress and describe the efforts undertaken by the United States to eliminate any foreign laws or practices that discriminate against banks organized under the laws of the United States or any State thereof, or that serve as a barrier to the financing of United States exports to any foreign country.

REPRESENTATIVE OFFICES

SEC. 10. (a) Any foreign bank that maintains an office other than a branch or agency in any State shall register with the Secretary of the Treasury in accordance with rules prescribed by him, within one hundred and eighty days after the date of enactment of this Act or the date on which the office is established, whichever is later.

(b) This Act does not authorize the establishment of any such office in any State in contravention of State law.

CEASE-AND-DESIST ORDERS

SEC. 11. Subsection (b) of section 8 of the Federal Deposit Insurance Act (12 U.S.C. 1818(b)) is amended by adding at the end thereof the following new paragraph:

"(4) This subsection and subsections (c), (d), (h), (i), (k), (l), (m), and (n) of this section shall apply to any foreign bank or company to which subsection (a) of section 8 of the International Banking Act of 1978 applies and to any subsidiary (other than a bank) of any such foreign bank or company in the same manner as they apply to a bank holding company and any subsidiary thereof (other than a bank) under subparagraph (3) of this subsection. For the purposes of this subparagraph, the term 'subsidiary' shall have the meaning assigned to it in section 2 of the Bank Holding Company Act of 1956.".

AMENDMENT TO THE BANKING ACT OF 1933

SEC. 12. Section 21 of the Banking Act of 1933 (12 U.S.C. 378) is amended by striking clause (B) of paragraph (2) of subsection (a) thereof and inserting in lieu thereof the following: "(B) shall be permitted by the United States, any State, territory, or district to engage in such business and shall be subjected by the laws of the United States, or such State, territory, or district to examination and regulations or,".

REGULATION AND ENFORCEMENT

SEC. 13. (a) The Comptroller, the Board, and the Federal Deposit Insurance Corporation, are authorized and empowered to issue such rules, regulations, and orders as each of them may deem necessary in order to perform their respective duties and functions under this Act and to administer and carry out the provisions and purposes of this Act and prevent evasions thereof.

(b) in addition to any powers, remedies, or sanctions otherwise provided by law, compliance with the requirements imposed under this Act or any amendment made by this Act may be enforced under section 8 of the Federal Deposit Insurance Act by any appropriate Federal banking agency as defined in that Act.

(c) In the case of any provision of the Federal Reserve Act to which a foreign bank or branch thereof is subject under this Act, and which is made applicable to nonmember insured banks by the Federal Deposit Insurance Act, whether by cross-reference to the Federal Reserve Act or by a provision in substantially the same terms in the Federal Deposit Insurance Act, the administration, interpretation, and enforcement of such provision, insofar as it relates to any foreign bank or branch thereof as to which the Board is an appropriate Federal banking agency, are vested in the Board, but where the making of any report to the Board or a Federal Reserve bank is required under any such provision, the Federal Deposit Insurance Corporation may require that a duplicate of any such report be sent directly to it. This subsection shall not be construed to impair any power of the Federal Deposit Insurance Corporation to make regular or special examinations or to require special reports.

REPORT ON M'FADDEN ACT

SEC. 14. (a) The President, in consultation with the Attorney General, the Secretary of the Treasury, the Board, the Comptroller, and the Federal Deposit Insurance Corporation, shall transmit a report to the Congress containing his recommendations concerning the applicability of the McFadden Act to the present financial, banking, and economic environment, including an analysis of the effects of any proposed amendment to such Act on the structure of the banking industry and on the financial and economic environment in general.

(b) The report required by subsection (a) shall be transmitted to the Congress not later than one year after the date of enactment of this Act.

Mr. ST GERMAIN (during the reading). Mr. Speaker, I ask unanimous consent that the Senate amendment be considered as read and printed in the RECORD. I shall endeavor to explain the Senate amendment.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Rhode Island?

Mr. ROUSSELOT. Mr. Speaker, reserving the right to object, this bill, basically, is an improvement over the House bill as passed; is that correct?

Mr. ST GERMAIN. Exactly.

Mr. ROUSSELOT. Mr. Speaker, further reserving the right to object, I rise in support of the Senate version of H.R. 10899, the International Banking Act, for it represents a reasonable attempt to accommodate the competing interests of domestic and foreign banks and of State and Federal supervisory authorities.

The provisions of section 3 which significantly expand the powers of Edge Act corporations will improve the ability of domestic banks to conduct international business. Coupled with the grant of these same Edge Act powers to foreign banks, the branching provisions of section 5 will enable foreign banks to serve the needs of the multinational firms which are their clients and to foster international trade in States other than the traditional banking centers of New York, California, and Illinois. My own preference has been for the more liberal branching provisions of the House bill, because I have confidence in the ability of the State authorities to determine whether a full-fledged branch of a foreign bank best serves their needs and to take account of the effect which foreign entry would have on domestic banks. However, in view of the opposition expressed by domestic banks to interstate branching by foreign banks, this bill represents the most workable compromise that can be achieved for the time being, a compromise with which both domestic and foreign banks can live. A long-range resolution of the issue of interstate branching will await the completion of the study of the McFadden Act which is provided for in section 14 of the Senate bill. To be of greatest value, this study should address not only the interstate operations of banks but also of bank holding companies under section 3(d) of the Bank Holding Company Act.

The application of the insurance provisions of section 6 only to foreign banks which accept deposits of less than $100,000 is a major improvement over the House bill, for it recognizes the fact that most foreign banks conduct a strictly wholesale business. The imposition of mandatory deposit insurance upon these banks would have been unfair and discriminatory and would have unnecessarily involved the Federal Deposit Insurance Corporation in the insurance of large depositors in foreign banks when the only real concern was for the retail depositor who might unwittingly lose his savings in the event of the failure of an uninsured foreign bank.

Section 7 of the Senate bill contains valuable assurances that the Federal Reserve Board will indeed consult and cooperate with the State bank supervisors in the establishment of reserves for foreign banks. Within 180 days after enactment, the Board must report to the House and Senate Banking Committees on the steps it has taken to comply with the intent of the Brown amendment to the House bill. Section 7 also ensures that the primary supervisor of a foreign bank will have the authority to examine the bank and that the Federal Reserve

Board will have only residual and special examining authority.

The grandfather dates of July 27, 1978, for interstate operations of foreign banks—section 5—and of July 26, 1978, for nonbanking activities are reasonable in view of the reliance which foreign banks have placed upon their rights under existing law.

In summary, it is my belief that although this is not a perfect bill, it is a fair bill, and it deserves the support of the Members of this House.

Mr. REUSS. Mr. Speaker, will the gentleman yield?

Mr. ROUSSELOT. Further observing the right to object, Mr. Speaker, I yield to the gentleman from Wisconsin.

Mr. REUSS. I thank the gentleman for yielding.

Mr. Speaker, I heartily approve the bill before us, and I ask that it be well received.

Mr. Speaker, the Senate-passed version of H.R. 10899 refines the House version, but retains the intent of the House in all important respects. Most significantly, the Senate bill reaffirms the principle of national treatment, while at the same time recognizing the unique character of foreign banking operations in this country, and the benefits to the United States of these operations. I believe the House should accept the Senate bill.

The Senate bill adds provisions which will make it easier for Edge Act corporations to compete with foreign banks. Most importantly, the bill loosens capitalization requirements for these banking corporations making them comparable to capitalization requirements for banks with which they compete. These changes should make it easier for Edge Act corporations to carry out the congressional intent stated in the Senate bill that these corporations foster an increase in U.S. exports, particularly involving small banks, small business, and small agricultural interests.

The Senate bill retains the House provision under which foreign banks would continue to be able to establish branch or agency offices in any State where the State permits. However, such branches established outside of a foreign bank's home State would be limited to accepting foreign-source and international banking-related deposits permissible for Edge Act corporations. These deposit limitations would apply only to branches which had not been established or for which applications had not been filed on or before July 27, 1978.

These deposit limitations are important to insure that foreign banks do not obtain an unfair competitive edge over U.S. banks, while at the same time recognizing that important international business can be stimulated by interstate branching by foreign banks.

The Senate bill also retains mandatory FDIC deposit insurance for domestic deposits, but wisely limits this requirement to foreign banks which take deposits of under $100,000. This effectively limits the requirement to those foreign banks which do a "retail" business and protects those who the House bill was most concerned about protecting, the small depositor. Further flexibility is provided since the FDIC may waive the mandatory deposit insurance if the foreign bank is truly engaged in wholesale banking, even though it takes deposits under $100,000.

Though not all foreign banks are not required to have FDIC insurance, all may obtain it if they wish.

The Senate bill adds some residual examining authority for the Federal Reserve, but makes clear that the Fed should use the examination reports of the State bank supervisors, the Comptroller, and the FDIC before conducting its own exams.

The Senate moved forward the grandfather date for securities affiliates to July 26, 1978, to coincide with the Senate Banking Committee's markup date. In addition, the Senate made several refinements in the securities area, but retained the House basic orientation. The Senate added an amendment permitting a securities affiliate which is owned 25 percent or less by a foreign bank to be treated as any other U.S. securities corporation, that is, not subject to restrictions on further acquisitions of securities firms. The bill makes clear that a foreign-bank-owned business operating a subsidiary in the United States may continue to do so.

The relatively weak guideline-writing authority of the Secretary of the Treasury has been deleted from the Senate bill. In its place the Senate bill calls for a Treasury study of the treatment of U.S. banks operating overseas. This concern for reciprocity reflects a similar concern expressed by the House in adopting an amendment directing the Secretary of the Treasury to take the overseas treatment of U.S. banks into consideration when devising guidelines.

Finally, the Senate adopted a provision calling for a Presidential review of the McFadden Act's interstate branching restrictions. I have long believed that the McFadden Act was overdue for a thorough review and look forward to the administration's recommendations on this subject.

Mr. WYLIE. Mr. Speaker, will the gentleman yield?

Mr. ROUSSELOT. Further reserving the right to object, Mr. Speaker, I yield to the gentleman from Ohio.

Mr. WYLIE. I thank the gentleman for yielding.

Mr. Speaker, I rise in support of the Senate version, of the International Banking Act of 1978 on the theory that it is much better than the House passed bill. The Senate bill is certainly better than the present situation with the lack of guidelines for Federal regulation regarding participation by foreign banks in domestic financial markets. I do not feel that the bill before us is as good as the bill passed by the House in the 94th Congress, but the Senate bill is a compromise and I operate on the theory that half a loaf is better than none.

Mr. Speaker, I support the Senate version.

Mr. ST GERMAIN. Mr. Speaker, will the gentleman yield?

Mr. ROUSSELOT. Further reserving the right to object, Mr. Speaker, I yield to the gentleman from Rhode Island (Mr. ST GERMAIN).

Mr. ST GERMAIN. Mr. Speaker, once again the House has an opportunity to put in place a carefully structured regulatory system that will recognize and insure some semblance of parity of treatment of foreign banks chartered in the United States and in the process lessen to some degree the increasing competitive disadvantage of our own national banks competing with gigantic multibillion dollar international banking corporations who have not, heretofore, been required to operate under the ground rules required of our own banks.

The problem of unfair competitive advantage enjoyed by foreign banks operating in our country has been recognized by the Banking Committee for a number of years now. The subject of foreign banking operations in the United States was an important part of the FINE study. Extended hearings and comprehensive discussions with foreign central banks concerning the regulations of international banking institutions were held as early as 1975, leading to the introduction and subsequent House passage of—on July 29, 1976—by voice vote, a measure more restrictive than the bill before the House today. This earlier measure was not acted upon by the Senate in the closing days of the 94th Congress due to time constraints. The earlier bill provided for Federal, as well as State regulation for foreign branches and agencies, placing their offices under the influence of Federal Reserve monetary policy and putting them on a near equal footing in competing with domestic banks in the United States.

In the intervening 2 years, foreign bank operations have increased to the point where their activities have grown to a level of $93 billion in assets by year-end 1977 and are now clearly a significant portion of the U.S. banking market. They now account for 20 percent of all business loans nationally and that figure is even higher in some States—33 percent in California and 37 percent in New York. By the end of May, 271 foreign banking entities were operating in the United States, nearly triple the 101 in November of 1972 with 61 having entered during the past year alone. Omitting investments, foreign institutions account for more than $1 of every $5 of U.S. big bank deposits and loans. Thus the time is long past due for the taking of action providing for a more rational regulatory structure for the operations of these gigantic business entities operating in the United States.

H.R. 10899, as amended by the Senate, has responded to the controversy involving our own dual banking considerations and while carefully preserving and protecting the rights of the individual States, has nonetheless established a rational national policy for the first time. The Federal regulatory presence required by H.R. 10899, as amended by the Senate, is in my judgment a bare minimum—a presence that will not discourage foreign investment while at the same time reducing to some degree the enormous unfair competitive advantage enjoyed by these entities in competition with our banks.

During House debate on April 6, 1978, I urged unsuccessfully the adoption of a

stronger measure, particularly in section 5—branching—and section 7—Federal Reserve regulation and reserve requirements—a position consistent with the action of the 94th Congress, by its passage of a stronger measure on July 29, 1976.

Because of the unprecedented foreign banking activity during the intervening 2 years with the subsequent involvement of State regulators, business-seeking chambers of commerce, et cetera, the national interest aspects as well as the increasing competitive disadvantage to our own banks were eclipsed. The Senate amendments have carefully struck strengthening compromises in section 3, Edge Act Corp. liberalization; section 5, restrictions upon interstate banking; and section 7, clarification of backup examination authority of the Federal Reserve Board. Thus in the truest spirit of compromise, I urge the adoption of the Senate-passed version of H.R. 10899. Given the highly controversial subject matter, the unique character of foreign banking operations in this country and their importance to our economy, the wide measure of support the Senate version now enjoys is a tribute to the highly balanced end product. I say to my colleagues, further delay will be catastrophic. Many of you have voiced your concern and questioned increased activity of foreign bank operations, largely clothed in secrecy, to the subcommittee in recent months. The financial pages are filled with forced takeovers, mergers and acquisitions by foreign banks, many of which are headquartered in countries with sluggish economies. The well-publicized problems of the dollar measured against the yen and the mark have increased investment opportunities in our country. Nothing in this bill will discourage these activities, but hopefully good order and discipline will be established, parity of treatment will ensue, and enlightened disclosure will utimately be the result as a minimum Federal regulatory presence in furtherance of consistent and fair national policy comes into being.

I join with our distinguished chairman in urging House acceptance of the Senate amendments.

Mr. ROUSSELOT. Mr. Speaker, I withdraw my reservation of objection.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Rhode Island (Mr. ST GERMAIN) that the Senate amendment be considered as read and printed in the RECORD?

There was no objection.

The SPEAKER pro tempore. Is there objection to the initial request of the gentleman from Rhode Island (Mr. ST GERMAIN)?

There was no objection.

A motion to reconsider was laid on the table.

CONFERENCE REPORT ON H.R. 13467, SECOND SUPPLEMENTAL APPROPRIATION

Mr. MAHON. Mr. Speaker, I call up the conference report on the bill (H.R. 13467) making supplemental appropriations for the fiscal year ending September 30, 1978, and for other purposes, and ask unanimous consent that the statement of the managers be read in lieu of the report.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Texas?

There was no objection.

The Clerk read the statement.

(For conference report and statement, see proceedings of the House of August 10, 1978.)

Mr. MAHON (during the reading). Mr. Speaker, I ask unanimous consent that the statement be considered as read.

Mr. BAUMAN. Mr. Speaker, reserving the right to object, the program that is provided by the majority leader's office this morning contains no less than six conference reports and six major pieces of legislation to be considered today, between now and 5:30 p.m. There has been no indication as to where, on this rather unrealistic list, the cutoff will occur. Almost 130 Members failed to answer the first rollcall this morning, and obviously have either left town or are not here.

It is not the purpose of the gentleman from Maryland to delay consideration of this conference report at this time, but unless we receive shortly some indication as to exactly what we are taking up today and what bills will not be taken up, I think further conference reports may have to be read in full, or some similar action taken.

All I am really asking is that the leadership give us some indication of what the program is, rather than this wish list.

Mr. Speaker, I withdraw my reservation of objection.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Texas?

There was no objection.

GENERAL LEAVE

Mr. MAHON. Mr. Speaker, I ask unanimous consent that all Members may have 5 legislative days within which to revise and extend their remarks on the conference report presently under consideration, as well as the Senate amendments reported in disagreement, and that I might include extraneous material.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Texas?

There was no objection.

The SPEAKER pro tempore. The gentleman from Texas (Mr. MAHON) will be recognized for 30 minutes, and the gentleman from Michigan (Mr. CEDERBERG) will be recognized for 30 minutes.

The Chair recognizes the gentleman from Texas (Mr. MAHON).

Mr. MAHON. Mr. Speaker, last Thursday we reached agreement with the conferees of the other body on the various items in disagreement in the big second supplemental appropriation bill, 1978. This was the bill considered by the House on July 20.

Mr. Speaker, this bill as passed the House provided some $6.3 billion and was about $300 million under the budget estimates submitted to the Congress. The bill included over 500 individual appropriation accounts. There were some 170 so-called program accounts in title I and some 340 pay-act accounts in title II. The largest single category of appropriations in the bill—some $3.2 billion—is for the cost-of-living pay increase which went into effect last October 1.

The bill as passed the other body totaled some $6.8 billion, about $300 million more than the House bill. However, the other body considered another $492 million in budget estimates not considered by the House.

The conference agreement before the House at this time aggregates $6.8 billion. It is $457 million over the House bill; $89 million over the Senate bill; but $359 million under the budget estimates submitted by the President.

Why is the conference agreement over the House bill by $475 million? The largest single reason is the $378 million for the disaster loan program of the Small Business Administration. This is the full amount of a new budget request not considered by the House. Other major items from a dollar standpoint in the conference agreement, which were not in the bill as passed by the House, include $54 million for the new Senate Office Building and $20 million toward a Coast Guard icebreaker for the Great Lakes. The conference agreement also includes funds not in the House bill for the rural health initiative program, the flu program, the National Fire Academy, and the James Madison Library.

Now what about Senate and conference action on items in the House version of the bill? In my judgment, the Senate made relatively few changes in the amounts provided by the House. The largest increase is the $22 million to Amtrak for capital improvements. Other increases in items in the House bill which are in the conference agreement include $5.5 million for economic development assistance, $3 million for certain expenses of U.S. attorneys and marshals, $4.5 million for Internal Revenue Service collection and taxpayer service, $8.5 million for operation and maintenance, Navy, and $6.5 million for operation and maintenance, Marine Corps.

The other body also made some reductions in amounts provided by the House for certain items. The conferees agreed to reductions of $2.5 million in IRS compliance, $4 million in salaries and expenses of the Farmers Home Administration, $5 million in the administration of territories under the Department of the Interior, $10 million in forest land management, and $100 million in the operation and maintenance, Army account. This last item had to do with the financing of the sum contained in the House bill for currency revaluation. The other body provided that some of the required funds for this purpose be made available from existing funds.

I would point out, Mr. Speaker, that with respect to items in the House-passed version of the bill, the conferees made net reductions in new budget authority of about $57 million. This is about $22 million more than was intended by the 2 percent general reduction amendment.

Mr. Speaker, I would observe that there is no particular theme or central thrust to this bill. There never is in a catch-all supplemental of this nature. As I in-

dicated, there are over 500 accounts in the bill. It involves, to some extent, virtually every department and agency of the Government. It involved 12 of the 13 appropriations subcommittees. There were 83 Senate amendments. All subcommittees involved in the bill were represented on the committee of conference and these representatives handled the items under the jurisdiction of the respective subcommittees.

As always, there will be some items in the bill which may not be completely satisfactory to every Member. But considering the range of items before us, I believe your conferees have done a reasonably good job.

Mr. Speaker, I urge adoption of the conference report.

Mr. OBERSTAR. Mr. Speaker, will the gentleman yield?

Mr. MAHON. I yield to the gentleman from Minnesota.

Mr. OBERSTAR. Mr. Speaker, I thank the chairman for yielding to me. On the point of the icebreaker, I do want to rise in support of the conference report and commend the chairman and his colleagues on the conference committee. This development means a major new breakthrough and a marked improvement for the entire Great Lakes. I thank the chairman on behalf of all the Great Lakes for this development.

Mr. Speaker, the conference committee, as the chairman indicated, included $20 million for design of an icebreaker for Great Lakes duty, to replace the aging World War II vessel, the *Westwind*.

This appropriation recognizes that adequate icebreaking capability is essential to winter navigation on the Great Lakes.

A more efficient 12-month season throughout the Great Lakes system means more jobs, increased payrolls, and higher industrial profits for the 11-State Great Lakes region. The Department of Commerce estimates full year-round shipping would add approximately $400 million—in 1967 dollars—to annual labor earnings, and nearly $1 billion by the year 2020.

As a member of the House Subcommittee on Coast Guard and Navigation, I have heard testimony for the past 3 years on the need to replace the outmoded *Westwind*.

The *Westwind* was built in 1944 for polar duty. Its size and outdated technology make it inadequate for lakes duty today. Its draft is too deep to navigate the narrow and shallow interconnecting channels of the lakes system effectively; and its large crew—135 men compared to a crew of 50 on modern icebreakers—makes it costly to operate.

The growing Great Lakes commerce, including rapidly expanding coal transportation to serve lower lakes industrial and homeowner energy needs, is at the year-round shipping stage. To make winter navigation reliable and safe, and to keep it low cost, we on the Great Lakes need modern icebreaking capability. The conference committee's action take a major step toward assuring that we will have it.

The conference committee also very appropriately recognized the importance of congressional oversight in the design and construction of the vessel. The conferees require the Coast Guard to report to Congress every 3 months on progress of the design work. I am very pleased with that requirement because it will do much to keep the Coast Guard on target.

We all want the best and most efficient vessel for the lakes. It is my hope that during the design period, Congress and the Coast Guard will recognize the advisability of constructing an icebreaker dedicated solely to lakes duty.

Because of the vast differences between the lakes system and the polar regions, a vessel designed for dual mission will provide neither area with the most efficient vessel for their respective needs.

Frankly, I would have preferred that the full $60 million authorized by the House had been appropriated. With full funding of the authorization for "design and construction," the workflow would be much faster and the lakes could look forward to a much earlier delivery of a new icebreaker. Nonetheless, I am very happy with the conference action. It does assure that we will have the icebreaker we need so much on the lakes. To that extent, it is a major breakthrough for the economy of the Great Lakes States.

House approval of the conference report represents a major step toward the realization of the potential of the Great Lakes as America's fourth seacoast.

Mr. MAHON. As to the items in the House-passed bill—and I would like for the Members to mark these words—the conferees made net reductions of about $57 million, so we are below the House bill in the items that were considered and passed by the House.

Mr. Speaker, at this point I insert in the RECORD a comparative table of amounts recommended by the committee of conference, the House and the Senate:

COMPARATIVE STATEMENT OF NEW BUDGET AUTHORITY

Requested in H. Doc. 95-281 as amended by [1]	New budget authority				Conference compared with—		
	Estimates, fiscal year 1978	House, fiscal year 1978	Senate, fiscal year 1978	Conference, fiscal year 1978	Fiscal year 1978 estimate	House bill	Senate bill
TITLE I—GENERAL SUPPLEMENTALS							
I—Agriculture: New budget (obligational) authority.	$6,136,000	$187,706,000	$151,226,000	$181,771,000	+$175,635,000	−$5,935,000	+$30,545,000
II—Foreign operations: New budget (obligational) authority.	38,394,000	21,250,000	24,305,000	24,015,000	−14,379,000	+2,765,000	−290,000
III—Housing and Urban Development-independent agencies:							
New budget (obligational) authority	560,777,000	538,553,000	539,553,000	539,553,000	−21,224,000	+1,000,000	
Appropriations	536,477,000	514,253,000	515,253,000	515,253,000	−21,224,000	+1,000,000	
Contract authority	24,300,000	24,300,000	24,300,000	24,300,000			
(Increase in limitations)	(250,000)				(−250,000)		
(Increased limitation for annual contract authority).	(24,300,000)	(24,300,000)	(24,300,000)	(24,300,000)			
IV—Interior and related agencies:							
New budget (obligational) authority	507,547,000	571,235,000	542,161,000	555,628,000	+48,081,000	−15,607,000	+13,467,000
(By transfer)	(6,000,000)				(−6,000,000)		
V—Labor and Health, Education and Welfare:							
New budget (obligational) authority	487,752,000	379,674,000	298,325,000	394,964,000	−92,788,000	+15,290,000	+96,639,000
(Increase in limitations)	(36,797,000)	(18,797,000)		(8,800,000)	(−27,997,000)	(−9,997,000)	(+8,800,000)
VI—Legislative branch: New budget (obligational) authority.	60,027,550	9,063,050	74,060,550	74,010,550	+13,983,000	+64,947,500	−50,000
VII—Public works:							
New budget (obligational) authority	5,350,000	8,700,000	8,700,000	8,700,000	+3,350,000		
(By transfer)	(3,305,000)				(−3,305,000)		
VIII—State, Justice, Commerce, and the Judiciary: New budget (obligational) authority.	665,594,000	256,772,000	656,121,000	649,360,000	−16,234,000	+392,588,000	−6,761,000
IX—Transportation:							
New budget (obligational) authority	93,429,000	49,044,000	131,044,000	91,044,000	−2,385,000	+42,000,000	−40,000,000
(By transfer)	(9,000,000)	(9,000,000)	(9,000,000)	(9,000,000)			
(Appropriations to liquidate contract authority).	(9,940,000)	(9,940,000)	(9,940,000)	(9,940,000)			
(Increase in limitation on commitments)	(49,479,000)	(40,000,000)	(40,000,000)	(40,000,000)	(−9,479,000)		
X—Treasury, Postal Service, and general Government:							
New budget (obligational) authority	632,220,000	549,600,000	551,600,000	551,600,000	−80,620,000	+2,000,000	
(Increase in limitations)	(1,027,000)	(1,027,000)	(1,027,000)	(1,027,000)			
XI—Defense:							
New budget (obligational) authority	748,000,000	599,766,000	514,766,000	514,766,000	−233,234,000	−85,000,000	
(By transfer)			(100,000,000)	(100,000,000)	(+100,000,000)	(+100,000,000)	
XII—Military construction: New budget (obligational) authority.	73,540,000		8,500,000	8,500,000	−65,040,000	+8,500,000	

See footnote at end of table

COMPARATIVE STATEMENT OF NEW BUDGET AUTHORITY—Continued

Requested in H. Doc. 95-281 as amended by [1]		New budget authority				Conference compared with—		
		Estimates, fiscal year 1978	House, fiscal year 1978	Senate, fiscal year 1978	Conference, fiscal year 1978	Fiscal year 1978 estimate	House bill	Senate bill
	TITLE I—GENERAL SUPPLEMENTS—Con.							
	Total, title I—General supplementals:							
	New budget (obligational) authority	3,878,766,550	3,171,363,050	3,500,361,550	3,593,911,550	−284,855,000	+422,548,500	+93,550,000
	(Appropriation to liquidate contract authority).	(9,940,000)	(9,940,000)	(9,940,000)	(9,040,000)			
	(By transfer)	(18,305,000)	(9,000,000)	(109,000,000)	(109,000,000)	(+90,695,000)	(+100,000,000)	
	(Increase in limitations)	(38,074,000)	(19,824,000)	(1,027,000)	(9,827,000)	(−28,247,000)	(−9,997,000)	(+8,800,000)
	(Increased limitation for annual contract authority).	(24,300,000)	(24,300,000)	(24,300,000)	(24,300,000)			
	(Increase in limitation on commitments)	(49,479,000)	(40,000,000)	(40,000,000)	(40,000,000)	(−9,479,000)		
	TITLE II—INCREASED PAY COSTS							
	Total, title II—Increased pay costs:							
	New budget (obligational) authority	3,289,680,436	3,197,224,136	3,218,867,136	3,214,867,136	−74,813,300	+17,643,000	−4,000,000
	(By transfer)	(49,305,677)	(4,951,331)	(10,951,331)	(10,951,331)	(−38,354,346)	(+6,000,000)	
	(Increase in limitations)	(125,530,000)	(118,501,000)	(118,501,000)	(118,501,000)	(−7,029,000)		
	(Trust fund transfer)	(45,000)				(−45,000)		
	(Transfer from Commodity Credit Corporation).	(1,036,000)	(1,036,000)	(1,036,000)	(1,036,000)			
	(By transfer from FHA fund)	(10,929,000)	(10,929,000)	(10,929,000)	(10,929,000)			
	TITLE III—GENERAL PROVISIONS							
	Total, title III—General provisions		−35,198,000				+35,198,000	
	Grand total—Titles I, II, and III:							
	New Budget (obligational) authority	7,168,446,986	6,333,389,186	6,719,228,686	6,808,778,686	−359,668,300	+475,389,500	+89,550,000
	(Appropriation to liquidate contract authority).	(9,940,000)	(9,940,000)	(9,940,000)	(9,940,000)			
	(By transfer)	(67,610,677)	(13,951,331)	(119,951,331)	(119,951,331)	(+52,340,654)	(+106,000,000)	
	(Increase in limitations)	(163,604,000)	(138,325,000)	(119,528,000)	(128,328,000)	(−35,276,000)	(−9,997,000)	(+8,800,000)
	(Trust fund transfer)	(45,000)				(−45,000)		
	(Transfer from Commodity Credit Corporation).	(1,036,000)	(1,036,000)	(1,036,000)	(1,036,000)			
	(By transfer from FHA fund)	(10,929,000)	(10,929,000)	(10,929,000)	(10,929,000)			
	(Increased limitation for annual contract authority).	(24,300,000)	(24,300,000)	(24,300,000)	(24,300,000)			
	(Increase in limitation on commitments)	(49,479,000)	(40,000,000)	(40,000,000)	(40,000,000)	(−9,479,000)		
	CHAPTER I							
	DEPARTMENT OF AGRICULTURE							
	Agricultural programs							
	Production, Processing, and Marketing							
	Animal and Plant Health Inspection Service: Disease and pest control	1,255,000	3,675,000	1,455,000	2,000,000	+745,000	−1,675,000	+545,000
	Economic Research Service	950,000	950,000	950,000	950,000			
	Total, production, processing, and marketing	2,205,000	4,625,000	2,405,000	2,950,000	+745,000	−1,675,000	+545,000
	Farm Income Stabilization							
	Federal Crop Insurance Corporation: Subscription to Capital Stock	20,000,000	20,000,000	20,000,000	20,000,000			
	Rural Development Programs							
	Rural Development Assistance							
	Rural water and waste disposal grants		50,000,000	50,000,000	50,000,000	+50,000,000		
	Farmers Home Administration: Salaries and expenses	5,260,000	5,260,000	1,000,000	1,000,000	−4,260,000	−4,260,000	
	Total, rural development programs	5,260,000	55,260,000	51,000,000	51,000,000	+45,740,000	−4,260,000	
	Conservation							
	Soil Conservation Service:							
95-331	Conservation operations	$7,700,000	$7,700,000	$7,700,000	$7,700,000			
	Watershed and flood prevention operations		80,000,000	80,000,000	80,000,000	+$80,000,000		
	Agricultural Stabilization and Conservation Service							
95-335	Agricultural conservation program (rescission)	−30,000,000		−30,000,000		+30,000,000		+$30,000,000
	Emergency conservation measures		20,000,000	20,000,000	20,000,000	+20,000,000		
	Total, conservation	−22,300,000	107,700,000	77,700,000	107,700,000	+130,000,000		+30,000,000
	RELATED AGENCIES							
	Commodity Futures Trading Commission	971,000	121,000	121,000	121,000	−850,000		
	Total, chapter I: New budget (obligational) authority.	6,136,000	187,706,000	151,226,000	181,771,000	+175,635,000	−$5,935,000	+30,545,000
	CHAPTER II							
	FOREIGN ASSISTANCE ACT ACTIVITIES							
	Funds Appropriated to the President							
	Economic Assistance							
95-331	International organizations and programs	9,500,000	8,500,000	9,500,000	9,000,000	−500,000	+500,000	−500,000
	Payment to the Foreign Service retirement and disability fund.	2,770,000	2,770,000	2,770,000	2,770,000			
	Foreign Military Credit Sales							
	Foreign military credit sales	5,000,000				−5,000,000		
	INDEPENDENT AGENCY							
	ACTION—International Programs							
	Peace Corps	3,644,000		2,265,000	2,265,000	−1,379,000	+2,265,000	
	DEPARTMENT OF STATE							
95-331	Migration and refugee assistance	7,480,000	7,480,000	7,270,000	7,480,000			+210,000
95-331	United States Emergency Refugee and Migration Assistance Fund.	10,000,000	2,500,000	2,500,000	2,500,000	−7,500,000		
	Total, Department of State	17,480,000	9,980,000	9,770,000	9,980,000	−7,500,000		+210,000
	Total, chapter II: New budget (obligational) authority.	38,394,000	21,250,000	24,305,000	24,015,000	−14,379,000	+2,765,000	−290,000

See footnote at end of table.

COMPARATIVE STATEMENT OF NEW BUDGET AUTHORITY—Continued

Requested in H. Doc. 95-281 as amended by [1]		New budget authority				Conference compared with—		
		Estimates, fiscal year 1978	House, fiscal year 1978	Senate, fiscal year 1978	Conference, fiscal year 1978	Fiscal year 1978 estimate	House bill	Senate bill
	CHAPTER III							
	DEPARTMENT OF HOUSING AND URBAN DEVELOPMENT							
	Housing Programs							
	Rent Supplement (contract authority)	24,300,000	24,300,000	24,300,000	24,300,000			
	(Increased limitation for annual contract authority).	(24,300,000)	(24,300,000)	(24,300,000)	(24,300,000)			
	Total, Department of Housing and Urban Development (contract authority).	24,300,000	24,300,000	24,300,000	24,300,000			
	(Increased limitation for annual contract authority).	(24,300,000)	(24,300,000)	(24,300,000)	(24,300,000)			
	INDEPENDENT AGENCIES							
	Environmental Protection Agency							
	Research and development	1,400,000	1,400,000	1,400,000	1,400,000			
	Abatement and control	8,000,000	8,000,000	8,000,000	8,000,000			
	Total, Environmental Protection Agency	9,400,000	9,400,000	9,400,000	9,400,000			
	National Commission on Air Quality							
	Salaries and expenses	2,000,000	500,000	500,000	500,000	−1,500,000		
	Veterans Administration							
	Compensation and pensions	489,600,000	489,600,000	489,600,000	489,600,000			
S. Doc. 95-113	Veterans insurance and indemnities	1,000,000		1,000,000	1,000,000		+1,000,000	
	Medical care	4,288,000	4,000,000	4,000,000	4,000,000	−288,000		
	General operating expenses	8,600,000	6,800,000	6,800,000	6,800,000	−1,800,000		
	Assistance for health manpower training institutions	21,589,000	3,953,000	3,953,000	3,953,000	−17,636,000		
	Total, Veterans Administration	525,077,000	504,353,000	505,353,000	505,353,000	−19,724,000	+1,000,000	
	Federal Home Loan Bank Board							
	(Limitation on nonadministrative expenses)	(250,000)				(−250,000)		
	Total, chapter III:							
	New budget (obligational) authority	560,777,000	538,553,000	539,553,000	539,553,000	−21,224,000	+1,000,000	
	Appropriations	536,477,000	514,253,000	515,253,000	515,253,000	−21,224,000	+1,000,000	
	Contract authority	24,300,000	24,300,000	24,300,000	24,300,000			
	(Increase in limitations)	(250,000)				(−250,000)		
	(Increased limitation for annual contract authority).	(24,300,000)	(24,300,000)	(24,300,000)	(24,300,000)			
	CHAPTER IV							
	DEPARTMENT OF THE INTERIOR							
	Land and Water Resources							
	Bureau of Land Management							
	Management of lands and resources	$53,000,000	$53,000,000	$53,000,000	$53,000,000			
	Fish and Wildlife and Parks							
	U.S. Fish and Wildlife Service							
	Resource management	1,583,000	1,583,000	1,583,000	1,583,000			
	Heritage Conservation and Recreation Service							
95-331	Land and water conservation fund	205,000,000	205,000,000	205,000,000	205,000,000			
	National Park Service							
	Operation of the National Park System	2,750,000	2,750,000	2,750,000	2,750,000			
	Total, Fish and Wildlife and Parks	209,333,000	209,333,000	209,333,000	209,333,000			
	Indian Affairs							
	Bureau of Indian Affairs							
95-331	Operation of Indian programs	16,113,000	21,310,000	19,310,000	20,817,000	+$4,704,000	−$493,000	+$1,507,000
	Construction			825,000	825,000	+825,000	+825,000	
	Total, Bureau of Indian Affairs	16,113,000	21,310,000	20,135,000	21,642,000	+5,529,000	+332,000	+1,507,000
	Office of Territorial Affairs							
95-331	Administration of territories	14,000,000	54,000,000	39,000,000	49,000,000	+35,000,000	−5,000,000	+10,000,000
95-331	Trust Territory of the Pacific Islands	5,549,000	7,809,000	5,049,000	7,009,000	+1,460,000	−800,000	+1,960,000
	Total, Territorial Affairs	19,549,000	61,809,000	44,049,000	56,009,000	+36,460,000	−5,800,000	+11,960,000
	Total, Department of the Interior	297,995,000	345,452,000	326,517,000	339,984,000	+41,989,000	−5,468,000	+13,467,000
	RELATED AGENCIES							
	DEPARTMENT OF AGRICULTURE							
	Forest Service							
	Forest protection and utilization: Forest land management.	204,000,000	204,000,000	194,000,000	194,000,000	−10,000,000	−10,000,000	

See footnote at end of table.

COMPARATIVE STATEMENT OF NEW BUDGET AUTHORITY—Continued

Requested in H. Doc. 95-281 as amended by [1]		New budget authority				Conference compared with—		
		Estimates, fiscal year 1978	House, fiscal year 1978	Senate, fiscal year 1978	Conference, fiscal year 1978	Fiscal year 1978 estimate	House bill	Senate bill
	DEPARTMENT OF ENERGY							
	Fossil energy research and development		12,000,000	12,000,000	12,000,000	+12,000,000		
	Economic Regulatory Administration		6,000,000	6,000,000	6,000,000	+6,000,000		
95-331	(By transfer)	(6,000,000)				(−6,000,000)		
	Total, Department of Energy		18,000,000	18,000,000	18,000,000	+18,000,000		
	(By transfer)	(6,000,000)				(−6,000,000)		
	DEPARTMENT OF HEALTH, EDUCATION, AND WELFARE							
	Health Services Administration							
	Indian health services	2,888,000	2,241,000	2,241,000	2,241,000	−647,000		
	INDIAN CLAIMS COMMISSION							
95-331	Salaries and expenses	300,000	200,000	200,000	200,000	−100,000		
	NAVAJO AND HOPI INDIAN RELOCATION COMMISSION							
	Salaries and expenses	405,000	123,000	123,000	123,000	−282,000		
	SMITHSONIAN INSTITUTION							
	Salaries and expenses	1,100,000	580,000	580,000	580,000	−520,000		
	Salaries and expenses, National Galley of Art	720,000	500,000	500,000	500,000	−220,000		
	Total, Smithsonian Institution	1,820,000	1,080,000	1,080,000	1,080,000	−740,000		
	JOINT FEDERAL-STATE LAND USE PLANNING COMMISSION FOR ALASKA							
5-331	Salaries and expenses	139,000	139,000			−139,000	−139,000	
	Total, chapter IV:							
	New budget (obligational) authority	508,547,000	571,235,000	542,161,000	555,628,000	+48,081,000	−15,607,000	+13,467,000
	(By transfer)	(6,000,000)				(−6,000,000)		
	CHAPTER V							
	DEPARTMENT OF LABOR							
	Employment and Training Administration							
	Employment and training assistance	76,540,000				−76,540,000		
	Community service employment for older Americans	30,000,000	21,300,000	21,300,000	21,300,000	−8,700,000		
	Total, Employment and Training Administration	106,540,000	21,300,000	21,300,000	21,300,000	−85,240,000		
	Labor-Management Services Administration							
	Salaries and expenses	$956,000				−$956,000		
	Employment Standards Administration							
	Salaries and expenses	940,000	$165,000	$165,000	$165,000	−775,000		
	Mine Safety and Health Administration							
	Salaries and expenses	9,433,000	8,000,000	8,000,000	8,000,000	−1,433,000		
	Bureau of Labor Statistics							
	Salaries and expenses	536,000				−536,000		
	Departmental Management							
95-311	Salaries and expenses	2,738,000	2,323,000	1,900,000	1,900,000	−838,000	−$423,000	
	DEPARTMENT OF HEALTH, EDUCATION, AND WELFARE							
	Health Services Administration							
	Health services			6,000,000	6,000,000	+6,000,000	+6,000,000	
	Center for Disease Control							
95-311	Preventive health services	15,000,000		9,700,000	9,700,000	−5,300,000	+9,700,000	
	National Institutes of Health							
	National Institute of Allergy and Infectious Diseases		3,000,000				−3,000,000	
	Alcohol, Drug Abuse, and Mental Health Administration							
	Construction and renovation, St. Elizabeths Hospital	55,300,000	52,200,000		52,200,000	−3,100,000		+$52,200,000
	Health Resources Administration							
	Health resources		628,000		500,000	+500,000	−128,000	+500,000
	Health Care Financing Administration							
	Quality care management, research and administration	1,063,000	400,000			−1,063,000	−400,000	
	Limitation on administrative expenses (increase in limitation)	(36,797,000)	(18,797,000)		(8,800,000)	(−27,997,000)	(−9,997,000)	(+8,800,000)

See footnote at end of table.

COMPARATIVE STATEMENT OF NEW BUDGET AUTHORITY—Continued

Requested in H. Doc. 95-281 as amended by [1]		New budget authority				Conference compared with—		
		Estimates, fiscal year 1978	House, fiscal year 1978	Senate, fiscal year 1978	Conference, fiscal year 1978	Fiscal year 1978 estimate	House bill	Senate bill
	Education Division							
	Office of Education							
	School assistance in federally affected areas	31,000,000	5,000,000	5,000,000	5,000,000	−26,000,000	----------	----------
----------	Education for the handicapped	----------	37,800,000	37,800,000	37,800,000	+37,800,000	----------	----------
	Salaries and expenses	2,300,000	2,300,000	2,300,000	2,300,000	----------	----------	----------
	Student loan insurance fund	223,939,000	223,939,000	180,000,000	223,939,000	----------	----------	+43,939,000
	Total, Office of Education	257,239,000	269,039,000	225,100,000	269,039,000	+11,800,000	----------	+43,939,000
	Total, Education Division	257,239,000	269,039,000	225,100,000	269,039,000	+11,800,000	----------	+43,939,000
	Assistant Secretary for Human Development Services							
----------	Human development	----------	600,000	5,300,000	5,300,000	+5,300,000	+4,700,000	----------
	Departmental Management							
	Office for Civil Rights	20,146,000	7,700,000	6,900,000	6,900,000	−13,246,000	−800,000	----------
	Office of the Inspector General	2,328,000	1,500,000	1,500,000	1,500,000	−828,000	----------	----------
	General departmental management	1,047,000	359,000	----------	----------	−1,047,000	−359,000	----------
	Total, departmental management	23,521,000	9,559,000	8,400,000	8,400,000	−15,121,000	−1,159,000	----------
	RELATED AGENCIES							
	ACTION	1,400,000	217,000	217,000	217,000	−1,183,000	----------	----------
	Corporation for Public Broadcasting	12,050,000	12,050,000	12,050,000	12,050,000	----------	----------	----------
	Federal Mine Safety and Health Review Commission	1,036,000	193,000	193,000	193,000	−843,000	----------	----------
	Total, related agencies	14,486,000	12,460,000	12,460,000	12,460,000	−2,026,000	----------	----------
	Total, chapter V:							
	New budget (obligational) authority	487,752,000	379,674,000	298,325,000	394,964,000	−92,788,000	+15,290,000	+96,639,000
	(Increase in limitations)	(36,797,000)	(18,797,000)	----------	(8,800,000)	(−27,997,000)	(−9,997,000	(+8,800,000)
	CHAPTER VI							
	CONGRESSIONAL OPERATIONS							
	SENATE							
S. Doc. 95-117	Payments to widows and heirs of deceased Members of Congress.	57,500	----------	57,500	57,500	----------	+57,500	----------
	Expense allowances of the Vice President, President pro tempore, majority and minority leaders and majority and minority whips:							
	President pro tempore	10,000	----------	10,000	10,000	----------	+10,000	----------
	Majority leader	10,000	----------	10,000	10,000	----------	+10,000	----------
	Minority leader	10,000	----------	10,000	10,000	----------	+10,000	----------
	Salaries, Officers and Employees							
	Offices of the Majority and Minority Leaders	$110,000	----------	$110,000	$110,000	----------	+$110,000	----------
	Contingent Expenses of the Senate							
	Postage stamps	2,000	----------	2,000	2,000	----------	+2,000	----------
	Total, Senate	199,500	----------	199,500	199,500	----------	+199,500	----------
	HOUSE OF REPRESENTATIVES							
	Contingent expenses of the House							
	Payments to Widows and Heirs of Deceased Members of Congress							
----------	Gratuities, deceased Members	----------	$115,000	115,000	115,000	+$115,000	----------	----------
	Allowances and Expenses							
95-331	Equipment (purchase, lease, and maintenance)	584,250	584,250	584,250	584,250	----------	----------	----------
	Special and Select Committees							
S. Doc. 95-106	Salaries and expenses	5,500,000	5,500,000	5,500,000	5,500,000	----------	----------	----------
	Total, House of Representatives	6,084,250	6,199,250	6,199,250	6,199,250	+115,000	----------	----------
	JOINT ITEMS							
	Contingent Expenses of the House							
	Joint Committee on Taxation							
S. Doc. 95-106	Salaries and expenses	252,800	252,800	252,800	252,800	----------	----------	----------
	Office of Technology Assessment							
S. Doc. 95-106	Salaries and expenses	2,000,000	----------	1,000,000	1,000,000	−1,000,000	+1,000,000	----------
	ARCHITECT OF THE CAPITOL							
	Office of the Architect of the Capitol							
	Contingent expenses	90,000	90,000	90,000	90,000	----------	----------	----------
	Capitol Buildings and Grounds							
S. Doc. 95-106	Capitol Buildings	655,000	595,000	655,000	655,000	----------	+60,000	----------
S. Doc. 95-110	Capitol Grounds	415,000	415,000	415,000	415,000	----------	----------	----------
	Master plan for future development of the Capitol Grounds and related areas.	100,000	100,000	100,000	100,000	----------	----------	----------

See footnote at end of table.

COMPARATIVE STATEMENT OF NEW BUDGET AUTHORITY—Continued

Requested in H. Doc. 95-281 as amended by [1]		New budget authority				Conference compared with—		
		Estimates, fiscal year 1978	House, fiscal year 1978	Senate, fiscal year 1978	Conference, fiscal year 1978	Fiscal year 1978 estimate	House bill	Senate bill
	Capitol Buildings and Grounds—Con.							
S. Doc. 95-106	Senate office buildings	1,110,000		1,110,000	1,110,000		+1,110,000	
S. Doc. 95-106	House office buildings	811,000	811,000	811,000	811,000			
S. Doc. 95-106	Capitol Power Plant (operation)	600,000	600,000	600,000	600,000			
	Total, Capitol buildings and grounds	3,691,000	2,521,000	3,691,00	3,691,000		+1,170,000	
	Capital Improvements							
S. Doc. 95-110	Construction of an extension to the new Senate office building.	37,500,000		54,853,000	54,853,000	+17,353,000	+54,853,000	
S. Doc. 95-117	Library of Congress, James Madison Memorial Building.	10,000,000		7,675,000	7,675,000	−2,325,000	+7,675,000	
	Total, Architect of the Capitol	51,281,000	2,611,000	66,309,000	66,309,000	+15,028,00	+63,698,000	
	LIBRARY OF CONGRESS							
	Congressional Research Service							
	Salaries and expenses	210,000		100,000	50,000	−160,000	+50,000	−$50,000
	Total, chapter VI: New budget (obligational) authority.	60,027,550	9,063,050	74,060,550	74,010,550	+13,983,000	+64,947,500	−50,000
	CHAPTER VII							
	DEPARTMENT OF ENERGY							
	Energy		3,000,000	3,000,000	3,000,000	+3,000,000		
95-331	(By transfer)	(3,305,000)				(−3,305,000)		
	DEPARTMENT OF DEFENSE—CIVIL							
	Department of the Army							
	Corps of Engineers—Civil							
	General investigations		100,000	100,000	100,000	+100,000		
	Construction, general		2,000,000	2,000,000	2,000,000	+2,000,000		
	Total, Department of Defense—Civil		2,100,000	2,100,000	2,100,000	+2,100,000		
	INDEPENDENT OFFICES							
	Nuclear Regulatory Commission: Salaries and expenses.	5,350,000	3,600,000	3,600,000	3,600,000	−1,750,000		
	Total, chapter VII:							
	New budget (obligational) authority	5,350,000	8,700,000	8,700,000	8,700,000	+3,350,000		
	(By transfer)	(3,305,000)				(−3,305,000)		
	CHAPTER VIII							
	DEPARTMENT OF STATE							
	Administration of Foreign Affairs							
	Salaries and expenses	$3,250,000	$1,450,000	$1,450,000	$1,450,000	−$1,800,000		
	Acquisition, operation, and maintenance of buildings abroad.	10,000,000	10,000,000	10,000,000	10,000,000			
	Payment to the Foreign Service retirement and disability fund.	11,008,000	11,008,000	11,008,000	11,008,000			
	Total, administration of foreign affairs	24,258,000	22,458,000	22,458,000	22,458,000	−1,800,000		
	International Organizations and Conferences							
	Contributions to international organizations	64,127,000	64,127,000	64,127,000	64,127,000			
95-331	Contributions for international peacekeeping activities	20,400,000	20,400,000	20,400,000	20,400,000			
	Missions to international organizations	1,117,000	900,000	727,000	727,000	−390,000	−$173,000	
	International trade negotiations	412,000	412,000	412,000	412,000			
	Total, international organizations and conferences.	86,056,000	85,839,000	85,666,000	85,666,000	−390,000	−173,000	
	International Commissions							
	International fisheries commissions	519,000	500,000	500,000	500,000	−19,000		
	Total, Department of State	110,833,000	108,797,000	108,624,000	108,624,000	−2,209,000	−173,000	
	DEPARTMENT OF JUSTICE							
	General Administration							
	Salaries and expenses	368,000	368,000	368,000	368,000			
	Legal Activities							
	Salaries and expenses, general legal activities	724,000	400,000	400,000	400,000	−324,000		
	Salaries and expenses, Antitrust Division	864,000	628,000			−864,000	−628,000	
S. Doc. 95-106	Salaries and expenses, U.S. attorneys and marshals	4,495,000	1,445,000	4,495,000	4,495,000		+3,050,000	
	Total, legal activities	6,083,000	2,473,000	4,895,000	4,895,000	−1,188,000	+2,422,000	
	Immigration and Naturalization Service							
95-331	Salaries and expenses	3,750,000	3,750,000	3,750,000	3,750,000			
	Total, Department of Justice	10,201,000	6,591,000	9,013,000	9,013,000	−1,188,000	+2,422,000	

See footnote at end of table.

COMPARATIVE STATEMENT OF NEW BUDGET AUTHORITY—Continued

Requested in H. Doc. 95-281 as amended by [1]		New budget authority				Conference compared with—		
		Estimates, fiscal year 1978	House, fiscal year 1978	Senate, fiscal year 1978	Conference, fiscal year 1978	Fiscal year 1978 estimate	House bill	Senate bill
	DEPARTMENT OF COMMERCE							
	Bureau of the Census							
	Periodic censuses and programs	2,530,000	2,180,000	2,180,000	2,180,000	−350,000		
	Economic Development Administration							
	Economic development assistance programs	117,000,000	106,000,000	117,000,000	111,500,000	−5,500,000	+5,500,000	−$5,500,000
	Administration of economic development assistance programs.	250,000	40,000	40,000	40,000	−210,000		
	Total, Economic Development Administration	117,250,000	106,040,000	117,040,000	111,540,000	−5,710,000	+5,500,000	−5,500,000
	Industry and Trade Administration							
	Operations and administration	3,360,000	2,630,000	2,630,000	2,630,000	−730,000		
	National Oceanic and Atmospheric Administration							
	Operations, research, and facilities		549,000	1,749,000	1,238,000	+1,238,000	+689,000	−511,000
	National Fire Prevention and Control Administration							
	Facilities			6,150,000	6,150,000	+6,150,000	+6,150,000	
	Science and Technical Research							
	Scientific and technical research and services	1,569,000	900,000	900,000	900,000	−669,000		
	National Telecommunications and Information Administration							
95-331	Salaries and expenses	3,775,000	3,110,000	3,110,000	3,110,000	−665,000		
	Maritime Administration							
	Operations and training			750,000				−750,000
	Total, Department of Commerce	128,484,000	115,409,000	134,509,000	127,748,000	−736,000	+12,339,000	−6,761,000
	THE JUDICIARY							
	Supreme Court of the United States							
S. Doc. 95-106	Care of the building and grounds	750,000	750,000	750,000	750,000			
	Courts of Appeals, District Courts, and Other Judicial Services							
	Salaries of supporting personnel	156,000				−156,000		
	Travel and miscellaneous expenses	110,000				−110,000		
	Special rail reorganization court	5,875,000	2,000,000	2,000,000	2,000,000	−3,875,000		
	Total, courts of appeals, district courts, and other judicial services.	6,141,000	2,000,000	2,000,000	2,000,000	−4,141,000		
	Federal Judicial Center							
	Salaries and expenses	$55,000	$55,000	$55,000	$55,000			
	Total, the judiciary	6,946,000	2,805,000	2,805,000	2,805,000	−$4,141,000		
	RELATED AGENCIES							
	Arms Control and Disarmament Agency							
	Arms control and disarmament activities	2,570,000	2,370,000	2,370,000	2,370,000	−200,000		
	Board for International Broadcasting							
	Grants and expenses	10,468,000	10,000,000	10,000,000	10,000,000	−468,000		
	Equal Employment Opportunity Commission							
	Salaries and expenses	13,950,000	7,500,000	7,500,000	7,500,000	−6,450,000		
	Federal Communications Commission							
95-331	Salaries and expenses	434,000	150,000	150,000	150,000	−284,000		
	Federal Trade Commission							
	Salaries and expenses	418,000				−418,000		
	International Communication Agency							
	Salaries and expenses	1,500,000	1,500,000	1,500,000	1,500,000			
	Securities and Exchange Commission							
	Salaries and expenses	1,425,000	1,375,000	1,375,000	1,375,000	−50,000		
	Small Business Administration							
	Disaster loan fund	378,000,000		378,000,000	378,000,000		+$378,000,000	
	U.S. Metric Board							
95-331	Salaries and expenses	365,000	275,000	275,000	275,000	−90,000		
	Total, related agencies	409,130,000	23,170,000	401,170,000	401,170,000	−7,960,000	+378,000,000	
	Total, chapter VIII: New budget (obligational) authority.	665,594,000	256,772,000	656,121,000	649,360,000	−16,234,000	+392,588,000	−$6,761,000

See footnote at end of table.

COMPARATIVE STATEMENT OF NEW BUDGET AUTHORITY—Continued

Requested in H. Doc. 95-281 as amended by [1]		New budget authority				Conference compared with—		
		Estimates, fiscal year 1978	House, fiscal year 1978	Senate, fiscal year 1978	Conference, fiscal year 1978	Fiscal year 1978 estimate	House bill	Senate bill
	CHAPTER IX							
	DEPARTMENT OF TRANSPORTATION							
	Office of the Secretary							
	Working capital fund (by transfer)	(9,000,000)	(9,000,000)	(9,000,000)	(9,000,000)			
	Coast Guard							
95-331	Operating expenses	12,370,000	12,370,000	12,370,000	12,370,000			
	Acquisition, construction and improvements			60,000,000	20,000,000	+20,000,000	+20,000,000	−40,000,000
	Retired pay	2,399,000	2,000,000	2,000,000	2,000,000	−399,000		
	Total, Coast Guard	14,769,000	14,370,000	74,370,000	34,370,000	+19,601,000	+20,000,000	−40,000,000
	Federal Highway Administration							
	Darien Gap Highway	20,000,000				−20,000,000		
	National Highway Traffic Safety Administration							
	State and community highway safety	524,000	524,000	524,000	524,000			
	Federal Railroad Administration							
	Office of the Administrator	500,000	150,000	150,000	150,000	−350,000		
	Rail Service Assistance	2,500,000	1,500,000	1,500,000	1,500,000	−1,000,000		
S. Doc. 95-121	Grants to the National Railroad Passenger Corporation	51,500,000	29,500,000	51,500,000	51,500,000		+22,000,000	
	Total, Federal Railroad Administration	54,500,000	31,150,000	53,150,000	53,150,000	−1,350,000	+22,000,000	
	Urban Mass Transportation Adminstration							
	Urban Mass Transportation Fund (limitation on commitments, increase in limitation)	(49,479,000)	(40,000,000)	(40,000,000)	(40,000,000)	(−9,479,000)		
	Materials Transportation Bureau							
	Materials transportation program	636,000				−636,000		
	Total, Department of Transportation	90,429,000	46,044,000	128,044,000	88,044,000	−2,385,000	+42,000,000	−40,000,000
	(By transfer)	(9,000,000)	(9,000,000)	(9,000,000)	(9,000,000)			
	(Increase in limitation of commitments)	(49,479,000)	(40,000,000)	(40,000,000)	(40,000,000)	(−9,479,000)		
	RELATED AGENCIES							
	Civil Aeronautics Board							
	Salaries and expenses	700,000	700,000	700,000	700,000			
	Payments to air carriers: (Appropriation to liquidate contract authorization)	(9,940,000)	(9,940,000)	(9,940,000)	(9,940,000)			
	Interstate Commerce Commission							
	Salaries and expenses	$2,300,000	$2,300,000	$2,300,000	$2,300,000			
	Total, chapter IX: New budget (obligational) authority	93,429,000	49,044,000	131,044,000	91,044,000	−$2,385,000	+$42,000,000	−$40,000,000
	(By transfer)	(9,000,000)	(9,000,000)	(9,000,000)	(9,000,000)			
	(Appropriation to liquidate contract authority)	(9,940,000)	(9,940,000)	(9,940,000)	(9,940,000)			
	(Increase in limitation on commitments)	(49,479,000)	(40,000,000)	(40,000,000)	(40,000,000)	(−9,479,000)		
	CHAPTER X							
	DEPARTMENT OF THE TREASURY							
	Federal Law Enforcement Training Center	1,515,000	1,000,000	1,000,000	1,000,000	−515,000		
	Bureau of Government Financial Operations:							
S. Doc. 95-110	Salaries and expenses	11,250,000	6,750,000	6,750,000	6,750,000	−4,500,000		
S. Doc. 95-106	Payments to the government of Guam	3,000,000	3,000,000	3,000,000	3,000,000			
	Internal Revenue Service:							
	Salaries and expenses	400,000	400,000	400,000	400,000			
	Accounts, collection, and taxpayer service	10,800,000	5,400,000	9,900,000	9,900,000	−900,000	+4,500,000	
	Compliance	4,100,000	4,100,000	1,600,000	1,600,000	−2,500,000	−2,500,000	
	Total, Internal Revenue Service	15,300,000	9,900,000	11,900,000	11,900,000	−3,400,000	+2,000,000	
S. Doc. 95-106	U.S. Secret Service	5,400,000	5,000,000	5,000,000	5,000,000	−400,000		
	Total, Department of the Treasury	36,465,000	25,650,000	27,650,000	27,650,000	−8,815,000	+2,000,000	
	U.S. POSTAL SERVICE							
	Payment to the Postal Service fund	91,959,000	91,748,000	91,748,000	91,748,000	−211,000		
	EXECUTIVE OFFICE OF THE PRESIDENT							
	National Security Council	160,000	160,000	160,000	160,000			
95-331	Office of Management and Budget	1,512,000	1,512,000	1,512,000	1,512,000			
	Total, Executive Office of the President	1,672,000	1,672,000	1,672,000	1,672,000			
	INDEPENDENT AGENCIES							
	Civil Service Commission:							
	Salaries and expenses	447,000	372,000	372,000	372,000	−75,000		
	Increase in limitation	(1,027,000)	(1,027,000)	(1,027,000)	(1,027,000)			
	Payment to civil service retirement and disability fund	428,758,000	428,758,000	428,758,000	428,758,000			
	Total, Civil Service Commission	429,205,000	429,130,000	429,130,000	429,130,000	−75,000		

See footnote at end of table.

COMPARATIVE STATEMENT OF NEW BUDGET AUTHORITY—Continued

Requested in H. Doc. 95-281 as amended by [1]		New budget authority				Conference compared with—		
		Estimates, fiscal year 1978	House, fiscal year 1978	Senate, fiscal year 1978	Conference fiscal year 1978	Fiscal year 1978 estimate	House bill	Senate bill
	INDEPENDENT AGENCIES—Con.							
	General Services Administration:							
95-331	National Archives and Records Service: Operating expenses.	1,419,000	400,000	400,000	400,000	−1,019,000		
	Preparedness activities: Federal Preparedness Agency, Salaries and expenses.	70,500,000				−70,500,000		
	General activities: Refunds under Renegotiation Act.	1,000,000	1,000,000	1,000,000	1,000,000			
	Total, General Services Administration	72,919,000	1,400,000	1,400,000	1,400,000	−71,519,000		
	Total, independent agencies	502,124,000	430,530,000	430,530,000	430,530,000	−71,594,000		
	Total, chapter X:							
	New budget (obligational) authority	632,220,000	549,600,000	551,600,000	551,600,000	−80,620,000	+2,000,000	
	(Increase in limitations)	(1,027,000)	(1,027,000)	(1,027,000)	(1,027,000)			
	CHAPTER XI							
	MILITARY PERSONNEL							
	Military personnel, Army	13,300,000	17,800,000	17,800,000	17,800,000	+4,500,000		
	Military personnel, Navy	10,900,000	16,900,000	16,900,000	16,900,000	+6,000,000		
	Military personnel, Marine Corps	2,836,000	4,536,000	4,536,000	4,536,000	+1,700,000		
	Military personnel, Air Force	5,300,000	9,300,000	9,300,000	9,300,000	+4,000,000		
	Total, military personnel	32,336,000	48,536,000	48,536,000	48,536,000	+16,200,000		
	Retired Military Personnel							
	Retired pay, Defense	229,600,000	169,600,000	169,600,000	169,600,000	−60,000,000		
	Operations and Maintenance							
95-331	Operation and maintenance, Army	271,872,000	169,487,000	69,487,000	69,487,000	−202,385,000	−100,000,000	
	(By transfer)			(100,000,000)	(100,000,000)	(+100,000,000)	(+100,000,000)	
95-331	Operation and maintenance, Navy	59,580,000	57,900,000	66,400,000	66,400,000	+6,820,000	+8,500,000	
94-31	Operation and maintenance, Marine Corps	17,989,000	16,298,000	22,798,000	22,798,000	+4,809,000	+6,500,000	
95-331	Operation and maintenance, Air Force	61,951,000	61,800,000	61,800,000	61,800,000	−151,000		
95-331	Operation and maintenance, Defense agencies	15,972,000	17,445,000	17,445,000	17,445,000	+1,473,000		
	Total, operation and maintenance	427,364,000	322,930,000	237,930,000	237,930,000	−189,434,000	−85,000,000	
	(By transfer)			(100,000,000)	(100,000,000)	(+100,000,000)	(+100,000,000)	
	Procurement							
	Weapons procurement, Navy	58,700,000	58,700,000	58,700,000	58,700,000			
	Total, chapter XI:							
	New budget (obligational) authority	748,000,000	599,766,000	514,766,000	514,766,000	−233,234,000	−85,000,000	
	(By transfer)			(100,000,000)	(100,000,000)	(+100,000,000)	(+100,000,000)	
	CHAPTER XII							
	MILITARY CONSTRUCTION							
95-331	Military construction, Army	$30,698,000				−$30,698,000		
	Military construction, Navy			$8,500,000	$8,500,000	+8,500,000	+$8,500,000	
95-331	Military construction, Air Force	11,459,000				−11,459,000		
	Total, military construction	42,157,000		8,500,000	8,500,000	−33,657,000	+8,500,000	
	Family Housing							
95-331	Family housing, Defense	31,383,000				−31,383,000		
	Total chapter XII: New budget (obligational) authority	73,540,000		8,500,000	8,500,000	−65,040,000	+8,500,000	
	TITLE II							
	INCREASED PAY COSTS							
	Total, new budget (obligational) authority	3,289,680,436	$3,197,224,136	3,218,867,136	3,214,867,136	−74,813,300	+$17,643,000	−$4,000,000
	TITLE III—GENERAL PROVISIONS							
	Sec. 303 reductions estimate		−35,198,000				+35,198,000	

[1] Documents are House documents unless otherwise noted.

Mr. BAUMAN. Mr. Speaker, will the gentleman from Texas yield for a question on that?

Mr. MAHON. I yield to the gentleman from Maryland.

Mr. BAUMAN. I thank the gentleman for yielding.

We are in receipt of a letter from our colleague, the gentleman from Ohio (Mr. MILLER), this morning in which the statement is made that the conference agreement of $6.8 billion is more than $475 million above the House figure and around $90 million over the other body's figure. Is that correct? And how does that square with what the gentleman has told us?

Mr. MAHON. That results from the items considered by the other body and not considered by the House. The Senate considered, for example, $378 million for the Small Business Administration Disaster Loan Fund, not considered by the House. But this was a budget request sent to the Senate for consideration that was not considered by the House and not in the House bill. That is the major difference but there are some other items in the same category.

Mr. BAUMAN. So that the gentleman from Texas is confirming the truth of the statement in the letter this morning. It is over and above the House and Senate figures in the total amount.

Mr. MAHON. The other body considered estimates that were not presented to the House. Therefore, about $492 million, was not considered by the House, and again the biggest item is this $378 million for disaster loans. That would have been in the House bill as would other things.

Mr. BAUMAN. I thank the gentleman from Texas.

Mr. YATES. Mr. Chairman, will the gentleman yield?

Mr. MAHON. I yield to the gentleman from Illinois.

Mr. YATES. Mr. Speaker, the supplemental includes a total of $555,628,000 for program items in the Interior chapter. This is $15,607,000 under the bill passed by the House and $13,467,000 over the amount passed by the Senate.

The conferees agreed to a reduction of $10,000,000 in forest firefighting costs in the Forest Service. In the event this reduction cannot be sustained by the Service, funds will become available in the regular fiscal year 1979 bill which can be used to meet the actual costs incurred by the Forest Service.

A reduction of $5,000,000 was made for grants to the Territory of Guam. This leaves a total of $35,000,000 for Guam grants. Of that amount, $25,000,000 is for acquisition of a hospital, $5,000,000 is for Government operations, and $5,000,000 is for capital improvements. The $5,000,000 for capital improvements includes $3,800,000 for renovation of school facilities and $1,200,000 for emergency generating equipment.

Mr. Speaker, I urge adoption of the conference report.

Mr. MAHON. Mr. Speaker, I would say that in the formation of this supplemental appropriation bill, the various subcommittees of the Committee on Appropriations conducted hearings and the full committee approved the items that were contained in the original bill. The various subcommittee chairmen and their ranking minority members were very active, along with the other members of the committee, in these matters. So I would yield to the other members of the committee for any discussion that they may desire to make at this time.

Mr. CEDERBERG. Mr. Speaker, I yield such time as he may consume to the gentleman from Illinois (Mr. MICHEL).

Mr. MICHEL. Mr. Speaker, I would like to mention several items with respect to the Labor-HEW chapter here because we have in this bill $394,964,000, an amount which represents an increase over both the House and the Senate amounts. It is $15.3 above the House and $96.6 over the Senate.

But the Senate made some very unrealistic cuts and I would point that out to my friend, the gentleman from Maryland (Mr. BAUMAN), who made inquiries of the chairman a few moments ago, and also to the gentleman from Ohio (Mr. MILLER), who might very well be offering an across-the-board cut later on this conference report.

I do not know whether the Senate was playing games, or not, but we restored most of those items in the conference.

For instance, they slashed the increase needed for interest for the guaranteed student loan program by nearly $44 million. These funds are needed to pay increased interest costs and default claims, and if the funds were not appropriated we would likely see the lenders leaving the program in droves. It was a phony cut, and the Senate conferees admitted as much.

So there is a big item of $44 million that the Senate did not have in the bill at all and that we insisted in having in the bill because if you do not pay it today, you will have to pay it tomorrow.

And if we are talking about a 2-percent, across-the-board cut on an item like this it is nonsense because it has got to be paid whether it is this week, next week, or the following month.

One of the most controversial items in this chapter is that of the $8.2 million agreed to to launch the flu vaccination program. As you will recall, we rejected this program by more than a two to one margin when this bill was originally on the House floor. However, it is my understanding now that the gentleman from California (Mr. Moss) and the gentleman from Michigan (Mr. DINGELL) who joined me in opposing that amount during consideration of the matter on the House floor, are now satisfied with the kind of expression we have received in writing from the Secretary of HEW. So when there is that motion in disagreement, the gentleman from Tennessee (Mr. GORE), I believe, will offer a motion that this Member is prepared to support, because it does satify some of those objections that we raised at the time. Although, so far as this Member is concerned, shifting the burden of liability from the Federal Government to the States, I am not altogether satisfied with that, but I am certainly not going to make a point of it any further.

Among other items in this chapter, we have included language adopted by the Senate increasing funds for the OSHA onsite consultation program by $2 million, bringing the total of the program up to $11 million. The administration requested this increase basically because more States wish to participate. It will be done through reprograming.

The Senate added $6,000,000 for the rural health initiative program, a primary care program which serves medically undeserved areas, and the conferees accepted the increase. This was done despite the fact that currently available funding is already $2.8 million more than last year and is funding 94 more projects.

Now, here is another item and this is for St. Elizabeth's Hospital, $52.2 million, for renovation and construction. An amount which we had included but which the Senate had no money whatsoever. Here again, if we do not get started on that today and leave it go until next month, or next year the accreditation of that hospital will be lost.

Then there is another item, the Senate eliminated the 125 additional medicaid quality control positions requested by the administration to step up the battle against waste. The conferees went along with the Senate on the basis that it is too late in the fiscal year now to hire these people. We had included these additional positions in the House in the original 1979 bill, which meant that they could be hired in October. However, if that bill is not enacted by then there could be some delays. So I am not sure whether it was wise to deny these positions this year, particularly when it was originally our idea to save a billion dollars in waste, fraud, and abuse in 1979, in the original bill I offered, and which was supported in the House.

Mr. CEDERBERG. Mr. Speaker, I yield 5 minutes to the gentleman from Massachusetts (Mr. CONTE).

Mr. CONTE. Mr. Speaker, I rise in support of the conference report on this second supplemental appropriation for fiscal year 1978.

The conferees met last Thursday and, after some hard bargaining on several issues, we reached what I believe to be a reasonable compromise version, reconciling the differences between the bills passed by ourselves and the other body. Though the conference total of approximately $6.8 billion exceeds the total of the House bill by nearly $500 million, this increase is almost entirely the result of late breaking requests which arose after House passage. I should note that the new budget authority recommended in this conference report is $360 million less than the initial budget estimates.

I do not want to take up your time unnecessarily by again covering ground which my colleagues have so well summarized, but I would like to comment briefly on several items of particular concern to me:

In the area of foreign operations, the conference report accepts the Senate appropriation of $2,265,000 for the Peace Corps. This amount will partially remedy a serious underfunding of the Peace Corps skill and language training programs which prepare volunteers for their service in the field. The Peace Corps has long been a well-received effort to meet basic and desperate human needs on a people-to-people basis. I applaud its efforts and strongly supported this additional funding for their vital training programs. This body has not previously considered this appropriation because the funds had not yet been authorized at the time of House passage.

The conference committee wisely restored $210,000 by the Senate from the Indochinese refugee program. The cut would have crippled this program to resettle refugees in the United States and get them into the mainstream of American life. The restoration benefits both the refugees and the American taxpayer, who would have borne the ultimate burden of failure to integrate these people into their adopted society.

The conference committee split the difference on the request for the voluntary U.S. contribution to the U.N. Relief and Works Agency for Palestine Refugees (UNRWA), an organization which seeks to provide basic services for 1.6 million Palestinian refugees and thus, reduce the smoldering unrest and potential violence which so often spring from denial of the most elementary necessities of life.

In the area of preventive health services, the conference report adopts the Senate appropriation of $8.2 million for an influenza vaccination program and deletes the House provision to give $3 million for research on influenza vaccine. The $8.2 million recommended by the conference report is primarily for a vaccine dissemination program, though it includes some funds for further research.

I believe that funding for this vaccination program is a wise move:

First, the program is purely voluntary, providing vaccination on an informed consent basis.

Second, it is a limited program—limited in identifying a specific target group of high-risk individuals—and limited in including only that subgroup who are also indigent and thus, unable to secure influenza vaccine from private physi-

cians who are expected to dispense 12 million doses of such vaccine to those high-risk individuals who can afford to pay.

Third, it is a matter of some urgency to gear this program up before the onset of the winter flu season, bearing in mind that last winter there were 29,000 "excess deaths" from flu-related causes, mostly in high-risk population groups.

I support making this potentially life-saving vaccine widely available through this purely voluntary program.

Finally, in the most spirited discussion of the conference, we secured modification of the Senate's $60 million appropriation to procure a replacement icebreaker for the Great Lakes.

The Coast Guard never requested this appropriation. It did not want it. The Coast Guard has assured us that it can fulfill its Great Lakes functions with its present fleet and the current phased-in commissioning of a new class of icebreaker tugs. It does not want to be forced into a hasty purchase of an unnecessary and probably foreign-built icebreaker.

We exposed this appropriation as a clear case of "too little, too soon." Too soon because, though the Coast Guard will need a new icebreaker in the mid-1980's, it is only in the planning design stage and will not require contract funds until fiscal year 1981—too little because, when that full contract award is made, it will total closer to $90 million.

The conference report embodies the following compromise: It affirms the eventual need for a new icebreaker, but provides for planning and design rather than procurement; and reduces the supplemental appropriation from $60 to $20 million. We have directed the Coast Guard to proceed "expeditiously" and to be ready to award the contract no later than December 31, 1980. We provided a monitoring mechanism by requiring progress reports from the Coast Guard every 3 months. The conference report includes additional reassuring language that the primary mission of the new vessel will be icebreaking on the Great Lakes, although it will have a dual draft capacity permitting operation in other areas when not required on the Great Lakes.

I urge adoption of the conference report.

Thank you, Mr. Speaker.

Mr. MAHON. Mr. Speaker, I yield 5 minutes to the gentleman from Kansas (Mr. GLICKMAN).

Mr. GLICKMAN. Mr. Speaker, I would like to ask either the chairman of the committee or the chairman of the subcommittee about an issue that relates to one item in this bill, and that is amendment No. 82. I would read that amendment:

> The managers on the part of the House will offer a motion to recede and concur in the amendment of the Senate amending 5 U.S.C. 8332 to provide that a credit shall be allowed for civil service retirement purposes for service as an employee of a Congressional campaign committee.

That did receive some newspaper discussion in The Washington Star the other night. I would ask the gentleman from Indiana (Mr. BENJAMIN), the acting chairman of the subcommittee, the following question. I realize, of course, this was not contained in the House bill and it would have been subject to a point of order, and our distinguished chairman would have never even thought about including it in a House bill, I am sure.

No. 1, has this ever been authorized under any section of law?

Mr. BENJAMIN. If the gentleman will yield, the authorization is incorporated in section 303 of the second supplemental. Section 303 is a provision which gives civil service retirement credit, up to a limit of 10 years, to former staff of House and Senate Democratic and Republican campaign committees who become Federal employees. To be eligible, these employees must make an appropriate deposit into the retirement fund to compensate the fund for the amount of their contributions if they had been covered.

The Senate had passed identical provisions on March 14, 1977, in Senate bill 992, and the House passed one on September 23, 1977, which was H.R. 9262. The bills have never gone to conference, but it is clear that both bodies have already considered the provisions.

Mr. GLICKMAN. Is the gentleman aware of the fact that the House bill was considered under the Consent Calendar, and it never actually received an affirmative vote in the House?

Mr. BENJAMIN. The gentleman is aware of the fact that it was considered under the Consent Calendar on September 23, 1977, and the gentleman is also aware that the gentleman from Kansas (Mr. GLICKMAN) made objections to that on Monday, September 26, 1977, but with specific objections to section 2 of that bill which is not incorporated in section 303 of this act.

Mr. GLICKMAN. I realize that. The next question I would ask is: Is this section, which allows a credit for civil service retirement purposes for campaign committee people, just reserved or grandfathered for three or four people, or is it applicable conceivably to all existing in future campaign committee people who otherwise qualify under the bill?

Mr. BENJAMIN. As the section is written, it would include 11 Democrats in the Senate and 16 Republicans in the Senate, 11 Democrats in the House and 13 Republicans in the House, a total of 51, with an average service of 4 years. If I might continue, this is not a precedent for the House. The House as well as the Senate in the Legislative Reorganization Act of 1970, Public Law 91-510, gave the Capitol guides credit for such service. Under that act the guides were given credit back to 1929, making some of them eligible for a credit of 41 years, whereas the provision in section 303 was limited to 10 years. Furthermore, the guides were not required to make a deposit in the retirement fund. I might also add that the photographers of the campaign committees have been included under similar provisions, and this body acted in House Resolution 315 to include beauty shop employees under the same provisions.

Mr. GLICKMAN. All right. I would submit that Capitol guides and beauty shop employees are different from campaign committee staffs. I would again ask the specific question: Is it conceivable, under the language of this bill, that in addition to the 50 or 51 people the gentleman mentioned, the statute as so written could cover additional people in the future if they so qualified?

Mr. BENJAMIN. That is true. It is written so that if they qualify for a pension, after 5 years of congressional service, they could come under the provisions of this particular section of law as long as they paid up to the 10 years for the time that they had not paid into the annuity fund.

Mr. DICKS. Mr. Speaker, will the gentleman yield?

Mr. GLICKMAN. I yield to the gentleman from Washington.

Mr. DICKS. I thank the gentleman for yielding.

I am just curious on this point. Do they have to pay the money into the retirement fund?

Mr. BENJAMIN. They must pay 7.5 percent with the computed interest, which is not required for the Capitol guides, the beauty shop operators, or the photographers of the congressional campaign committees who were previously brought on the House and Senate payroll.

Mr. DICKS. So the people will have to make this contribution?

Mr. BENJAMIN. Absolutely, with interest.

Mr. MAHON. Mr. Speaker, I yield such time as he may consume to the gentleman from Washington (Mr. DICKS).

Mr. DICKS. Mr. Speaker, I rise in support of the conference report.

Mr. Speaker, the Senate has provided an additional amount for highways serving the Trident submarine support site, under the defense access roads program. These funds are needed to insure completion of the road by the time the base is ready and at a scale appropriate for the traffic generated. Without the additional funds, construction would be delayed at least a year. This would certainly increase the cost of the road.

The design for the access road was recently approved by the Federal Highway Administration which insures that defense access highways meet minimum acceptable standards. The funds appropriated in the bill will allow construction of four lanes instead of two, and separation of roadways at the two entrances to the base, avoiding long delays from left-hand turns into rush hour traffic. The Military Traffic Management Command of the Department of Defense, which has joint responsibility with the FHWA for the defense access roads program, agrees that the design is appropriate for the base and most desirable. However, MTMC has expressed concern because the road is also eligible for Federal aid primary funding through the highway trust fund.

Both the Senate and the House Appropriations Committees have recognized that the unique defense requirements

and geographic location of the Trident support site preclude access to the base by any other than the primary highway now planned. If defense access funds were not available, the access road would not be on the State priority list, nor would it be built for at least 15 years, given the other pressing need for primary funds in Washington State at this time. Building this road now is also in the long-term best interests of Kitsap County and the State of Washington which accepted the Navy's decision to build the Trident base in our State.

In recognition of the desirability of SR 3 as planned by FHWA and DOD, the State of Washington has committed $13.8 million to the construction of the road and the County is contributing over $15 million in Trident community impact funds. The conferees agreed that this should not be a precedent for MTMC. It is an emergency situation.

I am grateful that my colleagues on the Appropriations Committee have recognized the need for these funds at this time, and respectfully request my colleagues in the House to accept the Senate amendment.

Mr. MAHON. Mr. Speaker, I yield such time as he may consume to the gentleman from West Virginia (Mr. RAHALL).

Mr. RAHALL. Mr. Speaker, I rise in support of the conference report. I would lie to commend the distinguished gentleman from Texas (Mr. MAHON) and all the conferees on the inclusion of $6 million for the rural health initiative program in this supplemental appropriations conference report.

Representing a rural area as I do in south West Virginia, as do my colleagues from other rural areas, especially Kentucky and West Virginia, I share an interest in this amendment which adds $6 million to the funds available for rural health initiative grants authorized by section 330 of the Public Health Services Act.

These funds are being used to aid clinics located in the coalfields where clinics are in financial and professional difficulty. Over the past year the entire financing picture for health care services have changed because of a lengthy coal strike and reductions in health care benefits under the coal wage agreement. Many communities have been faced with the loss of physicians and even minimal health care services. The Department of Health, Education, and Welfare created a special program pursuant to section 330 to fund "coalfield clinics." Several of these clinics, especially McDowell clinic in Kentucky and Tri-District, Oceana and North Fork in West Virginia have applied for and been approved for new funding. However, there are not enough funds to fully fund these applications. Without the additional funding in this supplemental bill the grants cannot be fully funded and the clinics will be unable to operate. The amount needed for these projects is $500,000.

I would hope these same clinics would be included in all the benefits of the final health initiative program including eligibility for continued funding.

At this point I include the following:

HOUSE OF REPRESENTATIVES,
Washington, D.C., August 9, 1978.

Hon. WILLIAM H. NATCHER,
Member of Congress, 2333 Rayburn Building, Washington, D.C.

DEAR BILL: As I am sure you know, the Rural Health Initiative Program holds potential for great good for our State. Since it was established under Section 330 of the Public Health Service Act it has been uniformly successful and it now has between 200 and 300 projects in 43 states. Unfortunately, the rural areas have been neglected and those are the areas that still have enormous health needs.

I understand that 51 applications for projects in 27 states have been approved but there is simply no money to fund them.

When the second supplemental appropriations bill was on the Senate floor last Friday Senator Leahy was able to win approval for unprinted amendment 1594 appropriating an additional $6 million to fund these grants that have already been approved. Two of them are for my district—the Daniel Boone and the McDowell Clinics in areas that have already been hard hit by the reduction in miners' health benefits.

I hope that when you and your House colleagues go to conference with the Senate tomorrow that you will be able to see that Senator Leahy's amendment is retained in the conference report. It means a lot to my people in Eastern Kentucky.

Also, in the Senate passed measure is $800,000 for a new weather radar installation in the head waters of the Big Sandy and Cumberland Rivers. I don't have to tell you how important this is to our people who have been punished so severely by floods in recent years. I hope it can be retained.

One other item in the Senate bill I hope you can look upon with favor is the $2.4 million for the Louisville Institute for physical, medical and rehabilitation. This was Senator Huddleston's amendment and I think it has great merit.

Any help you can give us in getting these items accepted will be appreciated.

Sincerely,

CARL D. PERKINS,
Member of Congress.

Mr. MICHEL. Mr. Speaker, I yield 5 minutes to the gentleman from Ohio (Mr. MILLER).

Mr. MILLER of Ohio. Mr. Speaker, I thank the gentleman from Illinois for yielding this time to me.

LEGISLATIVE PROGRAM FOR THE BALANCE OF THE DAY

Mr. MICHEL. Mr. Speaker, will the gentleman from Ohio yield to me?

Mr. MILLER of Ohio. I yield to the gentleman from Ohio.

Mr. MICHEL. Mr. Speaker, might I inquire of the distinguished majority leader if the gentleman would like to engage the minority leader in colloquy with respect to the program for the balance of the day?

I will make sure the gentleman from Ohio is given additional time, if the gentleman from Ohio will yield for that purpose.

Mr. MILLER of Ohio. I am happy to yield for that purpose.

Mr. RHODES. Mr. Speaker, is the distinguished majority leader in a position to inform the House as to the program for the balance of the day?

Mr. WRIGHT. Mr. Speaker, will the gentleman from Ohio yield?

Mr. MILLER of Ohio. I am happy to yield to the distinguished majority leader.

Mr. WRIGHT. Mr. Speaker, I can respond very directly and I think completely to the question posed by the distinguished minority leader.

Once this second supplemental appropriation conference report on the bill, H.R. 1346, has been concluded, we shall proceed immediately to the consideration of five additional conference reports.

First, is the conference report on the bill, H.R. 12935, legislative branch appropriations.

Next is a conference report on the bill, H.R. 12927, military construction appropriations.

Then the conference report on the bill, H.R. 13468, District of Columbia appropriations for fiscal year 1979.

This will be followed by the conference report on the bill, H.R. 12240, intelligence and related programs authorizations for fiscal year 1979.

Then finally, we will have the conference report on the Senate bill, S. 9, Outer Continental Shelf Lands Act of 1978.

If we are able to complete consideration of all six of these conference reports, we then would take up the bill, H.R. 10898, U.S. Rail Association authorizations for fiscal year 1979, under an open rule which provides for 1 hour of general debate.

If we are able to complete that, we will go to the bill, H.R. 12432, Civil Rights Commission authorization, and complete consideration of that bill, debate, and active consideration of which already is well along.

If we complete that, we then would go to the Senate joint resolution (S.J. Res. 4). Hawaiian Native Claims Study Commission.

Then we would go to the bill, H.R. 11711, adjustment assistance programs improvements.

We would then go to the bill, H.R. 11622, fuels transportation safety amendments.

Finally, we would go to the joint resolution (H.J. Res. 1088), New York City appropriations.

Now, the distinguished minority leader is surely aware that time constraints will not in all probability allow us to do all these things. We would hope to. On honest examination, I should have to say we do not fully expect to complete the schedule. It would be nice if we could.

We will rise, in any event, at 5:30 or very shortly thereafter, if the 5:30 hour should occur during the consideration of a bill which can be soon concluded.

Mr. RHODES. Mr. Speaker, will the gentleman from Ohio (Mr. MILLER) yield further?

Mr. MILLER of Ohio. I yield to the minority leader.

Mr. RHODES. Mr. Speaker, I thank the majority leader for his usual candor. I agree with him that the chances for completing the program probably are not good.

I suggest, if it were possible to determine this now, that some of the bills which were at the lower end of the spectrum might definitely be dropped and not be considered today under any circumstances, so that the rest of the work of the House might be expedited. I do not know if that is possible, but I rather suspect it is.

Mr. WRIGHT. Mr. Speaker, will the gentleman yield further?

Mr. MILLER of Ohio. I yield to the majority leader.

Mr. WRIGHT. Mr. Speaker, the minority leader no doubt is aware of the hopes that spring eternal in the breasts of the majority leader and the minority leader.

The more of this program we can complete today, obviously the more likely is our hope for adjournment on or about October 7. Therefore, we would not want to foreclose any possibility of doing any or all or part of this program, but it would be sanguinary in the extreme to suppose that we could finish it.

I shall not lead the Members into any false expectations. Let us simply cooperate as best we can to get as much as possible done. I think it is most important that all of these conference reports be concluded today, and then we can complete as much of the remainder of the schedule as time will allow.

Mr. RHODES. Mr. Speaker, I thank the majority leader, and I thank the gentleman from Ohio (Mr. MILLER) for yielding.

The SPEAKER pro tempore. The time of the gentleman from Ohio (Mr. MILLER) has expired.

Mr. MICHEL. Mr. Speaker, I yield 5 additional minutes to the gentleman from Ohio (Mr. MILLER) so that he might use that time in his own right.

Mr. MILLER of Ohio. Mr. Speaker, I thank the gentleman for yielding me this additional time.

Mr. Speaker, as I started to say, I sent a "Dear Colleague" letter to the Members indicating that I would, if I have the opportunity, offer a recommittal motion on the conference report on H.R. 13467 to recommit the conference report to the committee on conference with instructions to the managers on the part of the House to insist on the House position on amendment No. 81.

Amendment No. 81 amounts to the 2-percent reduction that was approved by the House on July 20 by a majority of 256 to 114. This was a mandate to the managers on the part of the House to reduce the amount of the bill. Instead of that, it comes back today with a $475 million increase.

I think it is very important that we realize that this is a supplemental for the fiscal year that ends September 30, 1978. Some of the moneys will carry over, but as I have said in the well of this House before, the supplementals, as I understand them, are to be for emergencies.

I am not real sure why we would have, as an example, $10 million in this supplemental conference report to purchase 128 living units around the world for the State Department. That does not sound like an emergency. I know the prices are going up, we all know the prices are going up, but it certainly can be handled through the regular appropriation process.

We also have in the bill itself about 350 additional employees for the Equal Employment Opportunities Commission costing about $1.3 million.

We also have in the conference report $3 million for the Equal Employment Opportunities Commission for grants to the States. That is grants to the States on top of revenue sharing. We could hardly call that an emergency.

We had quite a colloquy before about the roof on the Supreme Court Building. We had Members who seemed to be quite knowledgeable on the floor speaking about the roof on the Supreme Court Building and how important it was, but I am not sure whether they have really been in contact with the situation to find out. For those who are so knowledgeable, I would like to say that the Supreme Court Building is right across the street. It is one of the items in this particular bill and included in the conference report, and if the Members would like to know what the roof looks like and whether we should spend $750,000 as an emergency supplement, at least it is close by where they can take a look at it.

Incidentally, this morning I did go over and go onto the roof of the Supreme Court Building to find out what we were talking about. I found out that during 1973–75 the two flat roof sections and the four promenade decks were replaced. The total flat part of the roof has been replaced. It is for the gutters that we are going to spend $750,000 in this emergency supplemental. The total project will cost $1.5 million. I know there is a problem, but I think that it should have been considered prior to a supplemental. Many other departments include items in the supplemental, they include them because they seem to be easy to get.

Mr. Speaker, I took this time to try to convey to the Members what we are attempting to do so that the Members of the House may have an opportunity to vote on a 2-percent reduction.

Again, if that is possible, I will have a recommittal motion. I am not sure that I will have the opportunity to offer it. The Members know how it works on the minority side, that those with the highest seniority will have the opportunity to make the recommittal motion. So any member of the Appropriations Committee with more seniority than I, who does not want to cut spending, can make the recommittal motion. But at least I wanted the House to know that we are passing a supplemental where the House Members said they wished to reduce it by 2 percent, but instead of the reduction, it comes back to the House increased by $475 million.

Mr. MAHON. Mr. Speaker, I yield myself such time as I may consume.

Mr. Speaker, when this bill was considered by the House on July 20, the gentleman from Ohio (Mr. MILLER) offered an amendment making a 2-percent general reduction in certain items in the bill. The precise language of the amendment reads as follows:

Of the total budget authority provided in this Act, for payments not required by law, two per centum shall be withheld from obligation and expenditure: *Provided*, That of the amount provided in this Act for each appropriation, activity, and project, for payments not required by law, the amount withheld shall not exceed five per centum.

During the debate on the amendment, the gentleman from Ohio explained that the intention of the amendment was that it would apply to $1.75 billion of the appropriations in the bill. That is in the record.

Two percent of $1,750,000,000 is $35,000,000.

I would point out, Mr. Speaker, that in conference we made additional net reductions of about $57 million in the items that were contained in the House passed version of the bill. In other words, the other body, while providing for some items not considered by the House, made certain additions and reductions in items contained in the House bill and the net effect of the action of the conferees was a cut of some $57 million in new budget authority in items in the House bill.

So, Mr. Speaker, the conferees are more than justified in deleting the Miller amendment in conference since we provided $57 million in net reductions as compared with the stated intent of reducing the bill by $35 million by virtue of the Miller amendment.

I would add, Mr. Speaker, that I believe across-the-board reductions represent a bad principle. Under the Constitution, it is the Congress which is charged with the appropriation of revenues to support the Government. While the Executive has the requirement to submit budget estimates, it is the responsibility of the Congress to provide the specific appropriations.

The Congress, through the traditional authorization and appropriation process, makes deliberate decisions as to program and project funding levels. The Congress must not go through months and months of hearings and markups, floor and conference deliberations on thousands of budget items and then in effect say to the President that maybe we have not done our work so well, so you go ahead and make certain reductions where you choose, notwithstanding congressional intent. It seems to me that is not a very good way to conduct the public business.

I am somewhat surprised, Mr. Speaker, that some Members have apparently forgotten the atmosphere that existed in 1972, 1973, and 1974, when the battle was raging between the Congress and the Executive in regard to Presidential impoundments. Members and others were enraged by extensive impoundments of congressionally approved and funded programs. There were numerous lawsuits, and mostly as a result of those Executive actions, the Congress added title X to the then pending budget control legislation. That legislation eventually bore the title "Congressional Budget and Impoundment Control Act of 1974"—impoundment control.

Make no mistake about it; what we do when we adopt unspecified general reductions is to turn over to the Executive the authority to impound moneys provided by Congress for specific programs

and activities. I just think this is a dangerous and unnecessary practice.

We must do our best to hold the line on Federal spending but we must do it on a sound, deliberate basis. If we want bills reduced, let us indicate specifically where the reductions are to be made and that is what we have done in conference on this bill.

Mr. Speaker, in summary, I would note that the conference agreement on this bill is $360 million—about 5 percent—under the President's budget estimates.

Mr. MICHEL. Mr. Speaker, I yield such time as he may consume to the gentleman from Oklahoma (Mr. EDWARDS).

Mr. EDWARDS of Oklahoma. Mr. Speaker, the Congress seems to have developed what the National Journal calls an edifice complex.

The two greatest concerns of the people who elected the Members of this Congress are taxes and inflation. The passage of Proposition 13 in California was no fluke. A year before Proposition 13 was passed, a Harris poll reported that 70 percent of the American people thought taxes were unreasonable. Two-thirds of the American people said taxes had reached the breaking point.

And in face of that the Congress is proceeding to build within three blocks of this Chamber the two most expensive Federal office buildings ever constructed.

The managers of this legislation are asking the House to concur in spending nearly $55 million to proceed with a new legislative palace. And it is a palace. The Washington Star called it another Taj Mahal.

We are trying to match the palaces and coliseums of Rome, but the old Roman empire is gone—gone because it knew no restraints, because it had no will power, because it could not say "No."

We have to learn to say "No."

We are being asked to approve $55 million so legislators can become accustomed to sitting in richly appointed offices with wood paneling 16 feet high.

Ceilings 16 feet high while we tell the American people we have an energy crisis and insist that all new buildings be energy efficient.

We have several legislative restaurants but no rooftop restaurant at all. So we are asked to take money from the pockets of our constituents to build a rooftop restaurant.

We have gymnasiums—but no tennis courts and so we are asked to take money from our constituents to build another gymnasium with a tennis court.

And we would spend this money while we ask the American taxpayers to tighten their belts, to bite the bullet, to sacrifice.

In 1972, we were told one of these buildings would cost $48 million. In 1973, we were told it would cost $68 million. In 1974, we were told it would cost $85 million. Now we are told it is going to cost $135 million.

These are not buildings that are being built. They are monuments to the ability of the Congress to thumb its nose at the people of this country.

Now we are going to be told, first of all, that we cannot step in now; construction has already been started. And it has been started. But it is not too late to make some very important architectural modifications to change this project into a new legislative office building and not a marble palace.

And we are going to be told that there is a comity between the two bodies and that it is a violation of tradition for one House to interfere with the internal business of the other; I understand the tradition of comity that exists between the bodies and I appreciate it. I do not rebel against the tradition of comity, but I ask what are its limits? We in this House must approve or disapprove of this expenditure, whether by record vote or silent consent.

We are not building this palace with our own funds; we are taking $135 million—at least $135 million—out of the pockets of the taxpayers—including the middle- and low-income taxpayer for whom we express such sympathy. And this body, the House of Representatives, has an obligation to watch over the spending of the taxpayers' dollars. That is why we are here, to represent the taxpayers, not to rubberstamp the building of marble palaces for legislators. This goes beyond the limits of what can by silence be consented to in the name of comity. Some of the people who will pay for our edifice complex are constituents. Some of that money is their money.

Today you are going home to face your voters and I cannot imagine that you want to go home and face them having gone along with the building of a great marble monument to excessive government.

A vote against this program cuts no money from national defense. It cuts no money from education. It cuts no money from people programs. It leaves more money for those programs, and I urge my colleagues to join me in refusing to roll over and play dead in the face of this huge and tremendously unpopular ripoff of the American taxpayer.

● Mr. ROGERS. Mr. Speaker, I think it is important to review for the record the recommendations of the scientific community concerning the proposed high-risk influenza immunization initiative.

The Subcommittee on Health and the Environment held hearings on this proposal on April 20, 1978. At that time the Department reviewed for us the significant involvement of the scientific community and the public in the development of the recommendation to initiate an ongoing program of high-risk influenza immunization.

The program being discussed today is a significant public health endeavor. It is estimated that by immunizing an additional 20 percent of high risk individuals, 1,200 excess deaths can be averted during a typical influenza epidemic. It is known that the risk of death from influenza in the population as a whole during a typical epidemic is more than 400 times the risk of dying from any known or suspected complication of vaccination. Obviously, that danger is even greater for high-risk populations. To deny protection against this disease—the only communicable disease still included among the 10 leading causes of death in this country—would be irresponsible on our part.

What has been proposed by the Department is a voluntary program to supplement normal private sector immunization efforts to provide vaccine—on a voluntary basis—to high-risk persons who are not reached—for financial or other reasons—by the private sector.

The committee has concluded, on the basis of information supplied by the Department, that the relative benefits of immunization for high-risk individuals do, indeed, outweigh the risks of such immunization.

Mr. Speaker, on the basis of the scientific evidence, and the broad involvement of the scientific community and the public in the development of the recommendations leading to this proposal, the wisdom of accepting the provisions of the conference report is clear.●

Mr. MICHEL. Mr. Speaker, I have no further requests for time.

Mr. MAHON. Mr. Speaker, I move the previous question on the conference report.

The previous question was ordered.

MOTION TO RECOMMIT OFFERED BY MR. CONTE

Mr. CONTE. Mr. Speaker, I offer a motion to recommit.

The SPEAKER pro tempore. Is the gentleman opposed to the conference report?

Mr. CONTE. I am, in its present form, Mr. Speaker.

The SPEAKER pro tempore. The Clerk will report the motion to recommit.

The Clerk read as follows:

Mr. CONTE moves to recommit the conference report on H.R. 13467 to the committee of conference.

The SPEAKER pro tempore. Without objection, the previous question is ordered on the motion to recommit.

There was no objection.

The SPEAKER pro tempore. The question is on the motion to recommit.

The motion to recommit was rejected.

The SPEAKER pro tempore. The question is on the conference report.

The question was taken; and the Speaker pro tempore announced that the ayes appeared to have it.

Mr. ROUSSELOT. Mr. Speaker, I object to the vote on the ground that a quorum is not present and make the point of order that a quorum is not present.

The SPEAKER pro tempore. Evidently a quorum is not present.

The Sergeant at Arms will notify absent Members.

The vote was taken by electronic device, and there were—yeas 198, nays 191, not voting 43, as follows:

[Roll No. 715]

YEAS—198

Addabbo	Annunzio	Bevill
Akaka	Applegate	Biaggi
Alexander	Ashley	Bingham
Ambro	Aspin	Boggs
Ammerman	Baldus	Boland
Andrews, N.C.	Beard, R.I.	Bonker
Andrews, N. Dak.	Bedell	Brademas
	Benjamin	Breckinridge

Brinkley	Hubbard	Poage
Brodhead	Jeffords	Pressler
Brooks	Jenkins	Price
Brown, Calif.	Jenrette	Quie
Burgener	Johnson, Calif.	Quillen
Burke, Mass.	Jones, N.C.	Rahall
Burleson, Tex.	Jones, Tenn.	Rangel
Burlison, Mo.	Jordan	Regula
Burton, Phillip	Kastenmeier	Reuss
Carney	Kazen	Richmond
Carter	Krueger	Roberts
Chappell	Lederer	Roe
Chisholm	Leggett	Rogers
Cleveland	Lent	Roncalio
Collins, Ill.	Livingston	Rooney
Corman	Long, La.	Rosenthal
Cornell	Long, Md.	Rostenkowski
Cornwell	Lundine	Roybal
Cotter	McDade	Ryan
Coughlin	McFall	Santini
Danielson	McHugh	Scheuer
de la Garza	McKay	Seiberling
Delaney	Mahon	Simon
Dellums	Mann	Skelton
Derrick	Markey	Slack
Dicks	Marks	Smith, Iowa
Dingell	Marlenee	Spellman
Dodd	Mazzoli	St Germain
Downey	Meeds	Staggers
Duncan, Oreg.	Metcalfe	Stanton
Early	Meyner	Steed
Edwards, Calif.	Michel	Steers
Eilberg	Mikulski	Stratton
Fary	Mineta	Studds
Fisher	Minish	Thornton
Flippo	Mitchell, Md.	Traxler
Flood	Moakley	Treen
Florio	Mollohan	Tucker
Foley	Moorhead, Pa.	Udall
Ford, Mich.	Moss	Ullman
Ford, Tenn.	Murphy, Ill.	Van Deerlin
Fuqua	Murphy, N.Y.	Vento
Garcia	Murphy, Pa.	Walgren
Gaydos	Murtha	Wampler
Giaimo	Myers, Michael	Watkins
Ginn	Natcher	Waxman
Gonzalez	Nedzi	White
Gore	Nix	Whitten
Gradison	Nolan	Wilson, Bob
Green	Nowak	Wilson, Tex.
Hamilton	Oakar	Wolff
Hanley	Oberstar	Wright
Hannaford	Obey	Yates
Harris	Ottinger	Yatron
Hawkins	Patten	Young, Mo.
Hefner	Patterson	Zablocki
Heftel	Pepper	Zeferetti
Hightower	Perkins	
Howard	Pettis	

NAYS—191

Abdnor	Conyers	Hansen
Anderson, Calif.	Corcoran	Harkin
	Crane	Harsha
Anderson, Ill.	Cunningham	Heckler
Archer	D'Amours	Hillis
Armstrong	Daniel, Dan	Hollenbeck
Ashbrook	Daniel, R. W.	Holt
AuCoin	Davis	Holtzman
Badham	Derwinski	Horton
Bafalis	Devine	Hughes
Barnard	Dickinson	Hyde
Baucus	Diggs	Ichord
Bauman	Dornan	Ireland
Beard, Tenn.	Drinan	Jacobs
Bellenson	Edgar	Johnson, Colo.
Bennett	Edwards, Ala.	Jones, Okla.
Blanchard	Edwards, Okla.	Kelly
Blouin	Emery	Kemp
Bonior	English	Keys
Bowen	Erlenborn	Kildee
Breaux	Ertel	Kindness
Broomfield	Evans, Del.	Kostmayer
Brown, Mich.	Evans, Ga.	Krebs
Brown, Ohio	Evans, Ind.	LaFalce
Broyhill	Fenwick	Lagomarsino
Buchanan	Findley	Latta
Burke, Fla.	Fish	Leach
Burton, John	Fithian	Levitas
Butler	Forsythe	Lloyd, Calif.
Byron	Frenzel	Lott
Caputo	Gammage	Lujan
Carr	Gephardt	Luken
Cavanaugh	Gibbons	McClory
Clausen, Don H.	Gilman	McCloskey
	Glickman	McCormack
Clawson, Del	Goldwater	McEwen
Clay	Goodling	McKinney
Cochran	Grassley	Madigan
Cohen	Gudger	Maguire
Coleman	Guyer	Marriott
Collins, Tex.	Hall	Martin
Conable	Hammer-schmidt	Mathis
Conte		Mattox
Miller, Ohio	Rinaldo	Taylor
Mitchell, N.Y.	Robinson	Thone
Moffett	Rousselot	Trible
Montgomery	Rudd	Vander Jagt
Moore	Runnels	Vanik
Moorhead, Calif.	Ruppe	Volkmer
	Russo	Waggonner
Mottl	Satterfield	Walker
Myers, Gary	Sawyer	Walsh
Myers, John	Schroeder	Weaver
Neal	Sebelius	Weiss
Nichols	Sharp	Whalen
O'Brien	Shuster	Whitehurst
Panetta	Skubitz	Whitley
Pattison	Smith, Nebr.	Wiggins
Pease	Snyder	Winn
Pickle	Solarz	Wirth
Pike	Spence	Wydler
Pritchard	Stark	Wylie
Pursell	Steiger	Young, Fla.
Quayle	Stockman	
Railsback	Stump	
Rhodes	Symms	

NOT VOTING—43

Bolling	Harrington	Sarasin
Burke, Calif.	Holland	Schulze
Cederberg	Huckaby	Shipley
Dent	Kasten	Sikes
Duncan, Tenn.	Le Fante	Sisk
Eckhardt	Lehman	Stangeland
Evans, Colo.	Lloyd, Tenn.	Stokes
Fascell	McDonald	Teague
Flowers	Mikva	Thompson
Flynt	Milford	Tsongas
Fountain	Miller, Calif.	Wilson, C. H.
Fowler	Preyer	Young, Alaska
Fraser	Risenhoover	Young, Tex.
Frey	Rodino	
Hagedorn	Rose	

The Clerk announced the following pairs:

On this vote:

Mr. Thompson for, with Mr. McDonald against.

Until further notice:

Mr. Rodino with Mr. Cederberg.
Mr. Sikes with Mr. Kasten.
Mr. Dent with Mr. Sarasin.
Mr. Le Fante with Mr. Frey.
Mr. Mikva with Mr. Stangeland.
Mr. Fascell with Mr. Young of Alaska.
Mr. Teague with Mr. Harrington.
Mr. Shipley with Mr. Eckhardt.
Mr. Tsongas with Mr. Hagedorn.
Mr. Miller of California with Mr. Sisk.
Mrs. Burke of California with Mr. Holland.
Mr. Fountain with Mr. Duncan of Tennessee.
Mr. Risenhoover with Mr. Milford.
Mr. Rose with Mr. Huckaby.
Mr. Charles H. Wilson of California with Mr. Fraser.
Mr. Lehman with Mr. Flynt.
Mrs. Lloyd of Tennessee with Mr. Evans of Colorado.
Mr. Stokes with Mr. Flowers.
Mr. Preyer with Mr. Fowler.

Messrs. FOLEY, JOHNSON of California, BURLISON of Missouri, WAXMAN, SKELTON, POAGE, BEDELL, HUBBARD, RANGEL, MARKEY, and SCHEUER, changed their vote from "nay" to "yea."

Messrs. DIGGS, COHEN, HAMMERSCHMIDT, WHITLEY, HORTON, O'BRIEN, and EVANS of Delaware, changed their vote from "yea" to "nay."

So the conference report was agreed to.

The result of the vote was announced as above recorded.

AMENDMENTS IN DISAGREEMENT

The SPEAKER pro tempore. The Clerk will report the first amendment in disagreement.

The Clerk read as follows:

Senate amendment No. 9: Page 9, line 1, insert:

CONSTRUCTION

MOTION OFFERED BY MR. MAHON

Mr. MAHON. Mr. Speaker, I offer a motion.

The Clerk read as follows:

Mr. MAHON moves that the the House recede from its disagreement to the amendment of the Senate numbered 9 and concur therein.

The motion was agreed to.

The SPEAKER pro tempore. The Clerk will report the next amendment in disagreement.

The Clerk read as follows:

Senate amendment No. 15: Page 12, line 16, insert:

OCCUPATIONAL SAFETY AND HEALTH ADMINISTRATION

Of the amount appropriated under this head for fiscal year 1978, the restriction on the amount which shall be available for reimbursement to States under section 7(c)(1) of the Occupational Safety and Health Act of 1970 (29 U.S.C. 656(c)(1)) for furnishing consultation services to employers under section 21(c) of such act (29 U.S.C. 670(c)) is increased by $2,000,000.

MOTION OFFERED BY MR. MAHON

Mr. MAHON. Mr. Speaker, I offer a motion.

The Clerk read as follows:

Mr. MAHON moves that the House recede from its disagreement to the amendment of the Senate numbered 15 and concur therein.

The motion was agreed to.

The SPEAKER pro tempore. The Clerk will report the next amendment in disagreement.

The Clerk read as follows:

Senate amendment No. 18: Page 14, line 3, insert: "For an additional amount for influenza vaccination, $8,200,000, to remain available until expended.".

MOTION OFFERED BY MR. MAHON

Mr. MAHON. Mr. Speaker, I offer a motion.

The Clerk read as follows:

Mr. MAHON moves that the House recede from its disagreement to the amendment of the Senate numbered 18 and concur therein.

Mr. FLOOD. Mr. Speaker, I rise in support of the motion to recede and concur in the Senate amendment.

The committee believes that the Senate amendment of $8.2 million is a reasonable compromise. Keep in mind that HEW had originally requested $15 million to initiate an influenza program. This proposal is half of the original request and will support a substantially reduced immunization program for the elderly and the chronically ill.

Keep in mind that we are talking about a targeted immunization program for the elderly and chronically ill and not a massive program like the swine flu program.

According to HEW the $8.2 million will be spent as follows:

First, $1.2 million for research on the safety and efficacy of influenza vaccine;

Second, $600,000 to conduct disease and laboratory surveillance of influenza;

Third, $6.4 million for the purpose of purchasing 4,100,000 doses of vaccine and to provide grant support to the States and localities in order to administer the program.

I repeat for the purposes of emphasis—that this is not a swine flu program. According to the Secretary of HEW, this effort builds on the lessons we have learned from the swine flu program.

This program focuses on high-risk individuals most in need of flu shots—those individuals for whom the benefits of immunization clearly outweigh the risks.

This program builds on the efforts of the private sector and the capabilities of the States. Unlike the swine flu program, it does not seek to displace private and State purchases of vaccine with an exclusive Federal monopoly.

This program builds a continuing capacity in the States to provide influenza immunization. It is not a one-shot federally orchestrated effort like the swine flu program.

Immunization against the flu is an accepted medical practice. Whatever the Government's policy, private physicians will give flu shots to 12 million Americans during the coming flu season. This program seeks to expand the availability of flu shots to about 4 million additional high-risk individuals—and thereby save hundresd of lives.

I believe the proposed level of $8.2 million is a reasonable amount of money for this program and I believe it is a good compromise.

I urge the Members to vote aye on the motion to recede and concur in the Senate amendment.

Mr. GORE. Mr. Speaker, I demand that the question be divided.

The SPEAKER pro tempore. The question will be divided.

Does the gentleman from Texas (Mr. MAHON) seek time?

Mr. MAHON. No, Mr. Speaker.

The SPEAKER pro tempore. The question is on the motion to recede offered by the gentleman from Texas (Mr. MAHON).

The motion to recede was agreed to.

PREFERENTIAL MOTION OFFERED BY MR. GORE

Mr. GORE. Mr. Speaker, I offer a preferential motion.

The Clerk read as follows:

Mr. GORE moves to concur in Senate amendment No. 18 with the following amendment: In lieu of the matter proposed to be inserted by the Senate amendment, insert the following: For an additional amount for influenza vaccination, $8,200,000, to remain available until September 30, 1978.

Mr. GORE. Mr. Speaker, I would like to insert in my remarks a letter from Secretary Joseph Califano outlining the terms of an agreement which was worked out after lengthy discussions by the Secretary and the gentleman from Michigan (Mr. DINGELL) and the gentleman from California (Mr. Moss) regarding safeguards which they believe to be necessary and I believe to be necessary for this influenza vaccination program. The substance of this amendment is to limit the expenditure of $8,200,000 to the conclusion of the fiscal year on September 30, and to make any expenditures following that time subject to the conditions outlined in the letter from the Secretary.

Mr. Speaker, this has been discussed fully with the distinguished chairman, the gentleman from Texas (Mr. MAHON), and the distinguished subcommittee chairman, the gentleman from Pennsylvania (Mr. FLOOD), and the distinguished ranking Republican Member, the gentleman from Illinois (Mr. MICHEL).

Mr. MAHON. Mr. Speaker, will the gentleman yield?

Mr. GORE. I yield to the distinguished gentleman from Texas.

Mr. MAHON. Mr. Speaker, there is no objection to the amendment.

Mr. FLOOD. Mr. Speaker, will the gentleman yield?

Mr. GORE. I yield to the distinguished gentleman from Pennsylvania.

Mr. FLOOD. Mr. Speaker, we quite agree with the statement just made.

Mr. KAZEN. Mr. Speaker, will the gentleman from Tennessee yield?

Mr. GORE. I yield to the gentleman from Texas.

Mr. KAZEN. Mr. Speaker, what are those conditions? All Members want to know something about this situation, because as I recall, the House knocked out all money for this program with the exception of money for clinical testing and research when the bill was before us.

Mr. GORE. In a previous action, the House knocked out all but $3 million.

The Senate added the figure $8.2 million. The figure in the compromise is $8.2 million; but none of that will be expended under the terms of this amendment after September 30.

Let me read to the gentleman the conditions that have been agreed to by Secretary Califano, which will appear in full in the RECORD:

THE SECRETARY OF HEALTH,
EDUCATION AND WELFARE,
Washington, D.C., August 16, 1978.

Hon. JOHN DINGELL,
House of Representatives,
Washington, D.C.

DEAR JOHN: In response to several concerns that have been raised about the supplemental appropriation for the influenza immunization program, I want to assure you that Fiscal Year 1978 funds for this program will not be expended by HEW after the end of FY 1978. In addition, this program will not be carried out until the following requirements have been satisfied:

(1) We have determined—and we will provide that determination to the Congress—that the vaccines to be used have been proven safe and effective by extensive clinical trials;

(2) We have provided full and complete warning to the public and to the States of the potential risks of side effects by providing an informed consent form to the States for distribution to those receiving immunization (a copy of this form will be provided to the Congress);

(3) We have identified the potential risks of injury involved in the program and listed those in the informed consent form:

(4) We will promptly report to the Congress on side effects recorded in the program and will make necessary recommendations to the States to protect the public health;

(5) We will report to the Congress every 60 days on the progress of the program, including reports from the States on the number of individuals immunized, the benefits the States estimate have been realized from the program, and State reports on any serious side effects, that are the result of immunizations provided by the program;

(6) We will report to the Congress on June 30, 1979—which is approximately 60 days after the close of the flu season—on the program's experience. At that time we will also make recommendations with respect to the future needs for influenza immunization and provide to the Congress any reports compiled on the safety and effectiveness of the vaccine and other experience during the 1978–79 program.

Let me finally stress that liability of the Federal government under our proposed program is wholly and totally different from that under the swine flu program. The Federal government is not assuming blanket liability as it did under the swine flu program. Rather, we have proposed that the issue of liability be handled on a State-by-State basis under State law—the same way liability is handled under our very successful childhood immunization program. There is little possibility that the Federal government could face a financial obligation similar to the one that arose in the swine flu program.

As far as State liability is concerned, under the childhood immunization program preliminary checks indicate that only two lawsuits are pending as far as we know against States under that program.

I hope this responds to your concerns.

Sincerely,

JOSEPH A. CALIFANO, Jr.

I believe the safeguards are full and complete and meet the objections expressed by many Members during earlier debate on this subject.

Mr. KAZEN. Mr. Speaker, if the gentleman will yield further, I would hope HEW would make sure vaccine is safe before it is administered and not leave the U.S. Government liable for millions of dollars in lawsuits, as it has been done in the past.

Mr. GORE. Mr. Speaker, the gentleman makes an excellent point. Let me read from the Secretary's letter. In addition, on the second page of the letter, he said as follows:

Let me finally stress that liability of the Federal government under our proposed program is wholly and totally different from that under the swine flu program. The Federal government is not assuming blanket liability as it did under the swine flu program. Rather, we have proposed that the issue of liability be handled on a State-by-State basis under State law—the same way liability is handled under our very successful childhood immunization program.

Mr. KAZEN. Mr. Speaker, I thank the gentleman from Tennessee (Mr. GORE) for yielding.

Mr. MICHEL. Mr. Speaker, will the gentleman yield?

Mr. GORE. I will be glad to yield to the distinguished ranking minority member of the subcommittee.

Mr. MICHEL. Mr. Speaker, I thank the gentleman for yielding.

Mr. Speaker, I will just say this for the benefit of our good friend, the gentleman from Texas (Mr. KAZEN): The gentleman will recall that when we originally had the bill here on the floor, I had joined with the gentleman from Michigan (Mr. DINGELL) and the gentleman from California (Mr. Moss) in opposition to the amount of money and frankly supported the move to cut it back to $3 million, which provided only for the clinical testing and the research ongoing money.

I think the fact that we did raise those

objections and reservations as we did prompted the kind of letter we now have from the Secretary, and I personally am satisfied, particularly with respect to that first paragraph having to do with making sure the vaccines are proven safe and effective by extensive clinical trials. I pointed out before, the very standard that guided HEW was not being adhered to in the numbers that they considered to be minimum for making a good clinical test.

I would assume from this kind of assurance from the Secretary now that they would follow that rigid standard. It was a tough judgment call because initially there was a problem, but I think with this kind of assurance we can live with it.

As the gentleman pointed out, the money lapses at the end of this fiscal year, and we will be guided by this new program.

Mr. GORE. Yes.

Mr. MICHEL. Mr. Speaker, if the gentleman will yield further for one quick observation, it would be rather strange if the conference report here would have been rejected a few minutes ago, because the committee would have had no guidance whatsoever as to why Members were voting against the conference report.

As the Members know, we had disaster aid money in here of nearly $300 million or $400 million, and we had student loan money in here. We had a lot of "goodies" in this bill, and I do not think the Members were advised to what they were voting against, because this is a conference report and we do have these follow-on disagreeing amendments. If the Members have some reservations as to this bill, they can make themselves heard on the disagreeing amendments.

As a result of this procedure, it was necessary for the Speaker to take the well and turn a number of votes around in order to pass the conference report. That is what we have to do sometimes, and then we can get on with the disagreeing amendments.

Mr. WAXMAN. Mr. Speaker, will the gentleman yield?

Mr. GORE. I yield to the distinguished gentleman from California.

Mr. WAXMAN. Mr. Speaker, I thank the gentleman for yielding.

Mr. Speaker, I, too, was a critic of this specific appropriation when it was on the floor, and I was also very concerned about the validity of the program when it was before the Committee on Interstate and Foreign Commerce and the Subcommittee on Health and the Environment.

I am satisfied, on the basis of this letter, that we ought to go ahead with the appropriation. I am particularly satisfied that the Subcommittee on Health and the Environment will have an opportunity to review this program after a 1-year period of time before we find ourselves with a permanent ongoing program.

The administration is treating it as if it were a permanent ongoing program, and it was clear to us, after my conversations with representatives of the administration, that the program has a 1-year period of time in which Congress will then decide whether it ought to be continued in terms of this authorization and go forward and whether there ought to be any further appropriations.

Mr. GORE. Mr. Speaker, I yield back the balance of my time.

The SPEAKER pro tempore. The question is on the preferential motion offered by the gentleman from Tennessee (Mr. GORE) to concur in Senate amendment No. 18 with an amendment.

The preferential motion to concur in Senate amendment No. 18 with an amendment was agreed to.

The SPEAKER pro tempore. The Clerk will report the next amendment in disagreement.

The Clerk read as follows:

Senate amendment No. 29: Page 15, after line 24, insert:

SPECIAL INSTITUTIONS

Gallaudet College, Howard University, the National Technical Institute for the Deaf, and the American Printing House for the Blind are authorized to make purchases through the General Services Administration.

MOTION OFFERED BY MR. MAHON

Mr. MAHON. Mr. Speaker, I offer a motion.

The Clerk read as follows:

Mr. MAHON moves that the House recede from its disagreement to the amendment of the Senate numbered 29 and concur therein with an amendment, as follows:

"SPECIAL INSTITUTIONS

"Hereafter, Gallaudet College, Howard University, the National Technical Institute for the Deaf, and the American Printing House for the Blind are authorized to make purchases through the General Services Administration."

The motion was agreed to.

Mr. MAHON. Mr. Speaker, inasmuch as amendments numbered 32 through 43 relate solely to housekeeping operations of the other body in which, by practice, the House concurs without intervention, I ask unanimous consent that Senate amendments numbered 32 through 43 be considered as read, printed in the RECORD, and that they be considered en bloc.

Mr. Speaker, I hasten to say that these amendments do not include the Senate Office Building matter.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Texas?

Mr. BAUMAN. Mr. Speaker, reserving the right to object, I do so in order to ask the gentleman from Texas a question about one of the amendments which is in that group that he asks to have permission to be considered en bloc.

There is an amendment in here, as I understand it, that permits Members of the other body, Members-elect, beginning on October 1, of this year, to name immediately upon their election, two Members who will serve as their interim staff until their swearing in in the other body.

Am I correct in my reading of this provision that the funds of these two staff members will come out of the Senator's allowance, once he is elected, and is not an additional expenditure of funds over and above normal allowances?

Mr. MAHON. If the gentleman will yield, I would like to ask, if I may, if the gentleman will yield to the acting chairman of the Legislative Subcommittee to respond to that inquiry.

Mr. BENJAMIN. Mr. Speaker will the gentleman yield?

Mr. BAUMAN. Further reserving the right to object, Mr. Speaker, I yield to the gentleman from Indiana.

Mr. BENJAMIN. Mr. Speaker, in response to the gentleman's question, the answer is that the gentleman is correct, it does come out of regular allowance, and there are no additional funds in this bill for the two employees who may be hired by the Senator-elect.

Mr. BAUMAN. Mr. Speaker, further reserving the right to object, I asked the question only because of the obvious precedent that this kind of an arrangement will have upon the House. Obviously, demand will be made on our side for an interim staff, but if it means added expenditures I would be opposed to it.

Mr. BENJAMIN. If the gentleman will yield, I can understand what the gentleman is saying. The other body has acted independently and, because of the principle of comity, we have gone along with them.

Mr. BAUMAN. Mr. Speaker, I withdraw my reservation of objection.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Texas?

There was no objection.

Senate amendments Nos. 32 through 43 are as follows:

Senate amendment No. 32: Page 19, line 3, insert: "SENATE".

Senate amendment No. 33: Page 19, line 4, insert:

PAYMENTS TO WIDOWS AND HEIRS OF DECEASED MEMBERS OF CONGRESS

For payment to Maryon Pittman Allen, widow of James B. Allen, late a Senator from the State of Alabama, $57,500.

Senate amendment No. 34: Page 19, line 9, insert:

COMPENSATION AND MILEAGE OF THE VICE PRESIDENT AND SENATORS AND EXPENSE ALLOWANCES OF THE VICE PRESIDENT, PRESIDENT PRO TEMPORE, THE LEADERS, AND WHIPS OF THE SENATE

EXPENSE ALLOWANCES OF THE VICE PRESIDENT, PRESIDENT PRO TEMPORE, MAJORITY AND MINORITY LEADERS AND MAJORITY AND MINORITY WHIPS

For an additional amount for "Expense Allowances of the Vice President, President Pro Tempore, Majority and Minority Leaders and Majority and Minority Whips", $10,000 for the President Pro Tempore, $10,000 for the Majority Leader, and $10,000 for the Minority Leader; in all $30,000: *Provided*, That, these funds shall remain available for such respective allowances through September 30, 1979. Effective fiscal year 1978 and each fiscal year thereafter, the expense allowances of the Majority and Minority Leaders of the Senate are increased to $10,000 each fiscal year for each leader. Effective with fiscal year 1978 and each fiscal year thereafter, there is hereby authorized an expense allowance for the President Pro Tempore which shall not exceed $10,00 each fiscal year. The President Pro Tempore may receive the expense allowance (1) as reimbursement for actual expenses incurred upon certification and documentation of such expenses by the President Pro Tempore, or (2) in equal monthly payments. Such amounts paid to the President Pro Tempore as reimbursement of actual expenses incurred upon certification and docu-

mentation pursuant to this provision, shall not be reported as income, and the expenses so reimbursed shall not be allowed as a deduction, under the Internal Revenue Code of 1954.

Senate amendment No. 35: Page 20, line 18, insert:

SALARIES, OFFICERS AND EMPLOYEES

OFFICES OF THE MAJORITY AND MINORITY LEADERS

For an additional amount for "Offices of the Majority and Minority Leaders", $110,000, to remain available for obligation until September 30, 1979: *Provided*, That, the amount authorized for the offices of the Majority and Minority Leaders is increased by $50,000 each fiscal year for each Leader.

Senate amendment No. 36: Page 21, line 1, insert:

CONTINGENT EXPENSES OF THE SENATE

Senate Amendment No. 37: Page 21, line 2, insert:

POSTAGE STAMPS

For an additional amount for "Postage Stamps", $2,000, to remain available for obligation until September 30, 1978: *Provided*, That, effective with the fiscal year ending September 30, 1978, the allocation for air mail and special delivery postage for the Office of the Secretary is increased to $4,625 each fiscal year.

Senate amendment No. 38: Page 21, line 9, insert:

ADMINISTRATIVE PROVISIONS

Senate amendment No. 39: Page 21, line 10, insert:

SEC. 101. Effective with the fiscal year ending September 30, 1978, the first sentence of section 101 of the Legislative Branch Appropriation Act, 1976 (2 U.S.C. 61a–9a), as amended, is amended by striking out $5,500" and inserting in lieu thereof "$7,500".

Senate amendment No. 40: Page 21, line 15, insert:

SEC. 102. Any funds made available for the purposes specified in section 109 of the Supplemental Appropriations Act, 1977, shall be transferred to and merged with the funds appropriated for such purposes for the fiscal year ending September 30, 1978.

Senate amendment No. 41: Page 21, line 20, insert:

SEC. 103. The seventh paragraph under the heading "Administrative Provisions" in the Senate appropriation in the Legislative Branch Appropriation Act, 1957 (2 U.S.C. 68b), as amended, is amended by striking out "$35 per day;" and inserting in lieu thereof "the rates in effect under section 5702 of title 5, United States Code, for employees of agencies;", and by striking out "$50 per day" and inserting in lieu thereof "the daily rate in effect under section 5702 of title 5, United States Code, for employees of agencies".

Senate amendment No. 42: Page 22, line 5, insert:

SEC. 104. (a) Effective November 1, 1978, in lieu of the seventeen statutory positions designated for the Stationery Room, the Secretary of the Senate may establish such number of positions in the Stationery Room (but not less than fifteen), as he determines necessary for the proper and efficient discharge of its functions, and to designate the titles and fix the compensation of such positions: *Provided*, That, upon implementation of the authority contained in this subsection, the Secretary of the Senate shall transfer to the positions so established those individuals employed in the Stationery Room on October 31, 1978, and may appoint individuals to any remaining positions so established or to any position which is established after November 1, 1978, or becomes vacant after that date.

(b)(1) The aggregate annual gross compensation (other than longevity and merit compensation) paid to employees appointed to the positions established under subsection (a) shall not exceed for any fiscal year $287,474 (A) increased by the percentage specified for positions under the jurisdiction of the Secretary of the Senate in the last Order of the President Pro Tempore of the Senate issued before November 1, 1978, under authority of section 4 of the Federal Pay Comparability Act of 1970, and adjusted to the next higher multiple specified in such Order, and (B) increased and adjusted as provided in Orders of the President Pro Tempore of the Senate issued after November 1, 1978, under authority of such section.

(2) The aggregate of payments of gross compensation (other than longevity and merit compensation) paid to employees appointed to positions established under subsection (a) shall not exceed at any time during each fiscal year one-twelfth of the amount specified in paragraph (1) multiplied by the number of months (counting a fraction of a month as a month) which have elapsed during that fiscal year.

(c) Nothing in this section shall be construed as abolishing the seventeen statutory positions designated for the Stationery Room, but in no event shall such positions be available during a period in which the Secretary is utilizing his authority under subsection (a) of this section.

Senate amendment No. 43: Page 23, line 19, insert:

SEC. 105. (a) Upon the recommendation of a Senator-elect (other than an incumbent Senator or a Senator elected to fill a vacancy), the Secretary of the Senate shall appoint two employees to assist such Senator-elect. Any employee so appointed shall serve through the day before the date on which the Senator-elect recommending his appointment commences his service as a Senator, except that his employment may be terminated before such day upon recommendation of such Senator-elect.

(b)(1) Salaries of employees appointed under subsection (a) shall be paid from the appropriation for "Administrative, Clerical, and Legislative Assistance to Senators".

(2) Salaries paid to employees appointed upon recommendation of a Senator-elect under subsection (a) shall be charged against the amount of compensation which may be paid to employees in his office under section 105(d) of the Legislative Branch Appropriation Act, 1968, as amended and modified (2 U.S.C. 61–1(d)) (hereinafter referred to as the "clerk-hire allowance"), for the fiscal year in which his service as a Senator commences. The total amount of salaries paid to employees so appointed upon recommendation of a Senator-elect shall be charged against his clerk-hire allowance for each month in such fiscal year beginning with the month in which his service as a Senator commences (until the total amount has been charged) by whichever of the following amounts is greater: (1) one-ninth of the amount of salaries so paid, or (2) the amount by which the aggregate amount of his clerk-hire allowance which may be paid as of the close of such month under section 105(d)(1)(B) of such Act exceeds the aggregate amount of his clerk-hire allowance actually paid as of the close of such month.

(c) Each Senator-elect and each employee appointed under subsection (a) is authorized one round trip from the home State of the Senator-elect to Washington, D.C., and return, for the purposes of attending conferences, caucuses, or organizational meetings, or for any other official business connected with the impending Congress. In addition, each Senator-elect and each such employee is authorized per diem for not more than seven days while enroute to and from Washington, D.C., and while in Washington, D.C. Such transportation and per diem expenses shall be in the same amounts as are payable to Senators and employees in the office of a Senator under section 506(e) of the Supplemental Appropriations Act, 1973 (2 U.S.C. 58), and shall be paid from the contingent fund of the Senate upon itemized vouchers certified by the Senator-elect concerned and approved by the Secretary of the Senate.

(d)(1) Each Senator-elect is authorized to be reimbursed for expenses incurred for telegrams and telephone services related to his position as a Senator-elect in an amount not exceeding one-twelfth of the total amount of expenses authorized to be paid to or on behalf of a Senator from the State which he will represent under section 506 of the Supplemental Appropriations Act, 1973. Reimbursement to a Senator-elect under this subsection shall be paid from the contingent fund of the Senate upon itemized vouchers certified by such Senator-elect and approved by the Secretary of the Senate.

(2) Amounts reimbursed to a Senator-elect under this subsection shall be charged against the amount of expenses which are authorized to be paid to him or on his behalf under section 506 of the Supplemental Appropriations Act, 1973, for each of the twelve months beginning with the month in which his service as a Senator commences (until all of such amounts have been charged) by whichever of the following amounts is greater: (1) one-twelfth of the amounts so reimbursed, or (2) the amount by which the aggregate amount authorized to be so paid under section 506(c) of such Act as of the close of such month exceeds the aggregate amount actually paid under such section 506 as of the close of such month.

(e) This section shall take effect on October 1, 1978.

MOTION OFFERED BY MR. MAHON

Mr. MAHON. Mr. Speaker, I offer a motion.

The Clerk read as follows:

Mr. MAHON moves that the House recede from its disagreement to the amendments of the Senate numbered 32 through 43 inclusive and concur therein.

The motion was agreed to.

The SPEAKER pro tempore. The Clerk will report the next amendment in disagreement.

The Clerk read as follows:

Senate amendment No. 44: Page 28, line 6, insert:

OFFICE OF TECHNOLOGY ASSESSMENT

SALARIES AND EXPENSES

For the comprehensive evaluation of energy policy alternatives, $1,000,000, to remain available until expended, and for ten staff employees to be available for the life of the project, notwithstanding any limitation currently or hereafter imposed by law.

MOTION OFFERED BY MR. MAHON

Mr. MAHON. Mr. Speaker, I offer a motion.

The Clerk read as follows:

Mr. MAHON moves that the House recede from its disagreement to the amendment of the Senate numbered 44 and concur therein.

The motion was agreed to.

The SPEAKER pro tempore. The Clerk will report the next amendment in disagreement.

The Clerk read as follows:

Senate amendment No. 47: Page 29, line 10, insert:

SENATE OFFICE BUILDINGS

For an additional amount for "Senate Office Buildings", $1,110,000, to remain available until expended.

MOTION OFFERED BY MR. MAHON

Mr. MAHON. Mr. Speaker, I offer a motion. The Clerk read as follows:

Mr. MAHON moves that the House recede from its disagreement to the amendment of the Senate numbered 47 and concur therein.

The motion was agreed to.

The SPEAKER pro tempore. The Clerk will report the next amendment in disagreement.

The Clerk read as follows:

Senate amendment No. 48: Page 29, line 19, insert:

CONSTRUCTION OF EXTENSION TO THE NEW SENATE OFFICE BUILDING

For an additional amount for "Construction of Extension to the New Senate Office Building, $54,853,000" to remain available until expended: *Provided*, That the amount of $135,000,000 shall constitute a ceiling on the total cost for construction and initial furnishing of the Extension to the New Senate Office Building.

MOTION OFFERED BY MR. MAHON

Mr. MAHON. Mr. Speaker, I offer a motion.

The Clerk read as follows:

Mr. MAHON moves that the House recede from its disagreement to the amendment of the Senate numbered 48 and concur therein.

Mr. SYMMS. Mr. Speaker, will the gentleman yield?

Mr. MAHON. I yield to the gentleman from Idaho.

Mr. SYMMS. I thank the gentleman for yielding.

Mr. Speaker, I wanted to speak on this for the purpose of clarifying something in my mind. Is this the controversial new office building that we read so much about, the new Taj Mahal that will be built for the other body for additional office space, for rooftop restaurants and new gymnasiums, and 16-foot ceilings?

Mr. BENJAMIN. If the gentleman will yield, I agree with so much of the gentleman's description as it pertains to the new office building. This is the amendment.

Mr. SYMMS. If the gentleman will yield further, I think my concern is, it seems to me, that over the last 40 years, as the Government continues to grow, the Congress, the House and the other body, grants authority to more regulatory agencies, we get more involved and we get more disputes, and our answer is, "Let's hire a bigger staff so we can take care of more constituent problems." I think we are just making a mistake to continue to expand the staff here on the Hill. What we should be doing is reducing responsibilities of the Congress and returning many of these responsibilities back to the States where they rightfully belong. Because of that, I think it is a mistake to build a new office building so that the other body will continue to have an expansion, a growth of the bureaucracy, within the legislative branch.

So, what we really need to do is to be revising and repealing laws and taking authority away from bureaucratic agencies instead of building a new office building so that we can write more letters to our constituents at taxpayers' expense. I would encourage the House to disapprove Senate amendment 48, and would like to ask for a vote at the proper time.

Mr. MAHON. I wish the gentleman would carefully consider this matter in the terms of traditional House-Senate relations. Does the gentleman not think that under the circumstances, since we insist upon the prerogatives of the House with respect to office buildings and housekeeping matters and otherwise, that we should accord to the Senate the customary privilege of making its decision with regard to these matters This is not a new subject. The whole matter has been deliberated over by the other body over a period of years. The pros and cons have been debated and the decisions have been reached under proper procedures. I think we ought to, as a matter of comity, leave it to the other body to make that determination. We ought not interfere.

Members should remain aware that it has been a longstanding tradition that each House determines its own institutional requirements. The Senate passes on House requirements without change while the House recedes on Senate requirements added to bills. This tradition has served the Congress well over the years and I see no reason to break with this tradition at this late date.

Mr. SYMMS. If the chairman would yield further, the frills such as the gymnasium and the rooftop restaurant do not bother me as much as the idea of expanding the office people on the Hill. What we need to do is probably to fire half the staff on the Hill and give everybody two secretaries, and then come in and legislate constitutionally.

Mr. MAHON. I would agree that we are moving toward too many staff positions in the House, and I think we have got to do something to hold these positions in line, but certainly this is not the way to do it.

Mr. SYMMS. If the chairman will allow me more time, I would like to ask the distinguished gentleman from Indiana, how many subcommittees do they now have over in the other body?

Mr. BENJAMIN. Mr. Speaker, I could not respond to that with any degree of accuracy. However, I might relate that this building, of course, dates back to 1972. It is the aftermath of the incompletion of the Dirksen Building. The hope is not to hire any staff or increase subcommittee strength. In fact, as the gentleman recalls, at the outset of the 95th Congress they reduced their committees and their committee strength.

However, this is to house 1,700 employees who are scattered throughout Washington, D.C. and try to get them under one roof for efficiency. Hopefully, they will not come back and increase the size of their staff.

Mr. SYMMS. I appreciate the gentleman's point, but $54 million—that is nearly half a million dollars per Senator—for expanded facilities is quite a bit. Sooner or later they are going to have to have more people to fill that up. Where does this all end?

Mr. BENJAMIN. If I may follow up on that theory, and that is a theory that is shared by many others, I must admit; this is not the first time this body has been asked to vote for an appropriation for the Hart Building. As the gentleman knows, having been here longer than I, we approved Public Law 92–607, which included the first $47,925,000 for the building which started out as a replica of the Dirksen Building. In 1974, on a supplemental appropriation bill, there was $20,900,000, and in the same session of Congress there was an additional appropriation of $16,322,000.

But, this is the first appropriation on which a ceiling has been placed. There are two parts to the amendment the gentleman is alluding to which the Senate attached to the bill. The first was to finalize payment for the building. The second was to put a ceiling on the cost, including the furnishings. So, what they are doing is telling the Architect of the Capitol, the Senate Office Building Commission, and the Rules Committee of the Senate, which now has jurisdiction over the particular structure, that this is it. We do not anticipate that they are going to go up ad infinitum.

Mr. SYMMS. I appreciate the gentleman's efforts to achieve the passage of this, but I think my concern is that we do not anticipate that there is any more, but the gentleman and I both know that we cannot guarantee that in 2 or 3 more years we are not going to be asking for more office space.

Only a year or two ago the Congress made an attempt to grasp the new library building to become House office space.

As we have continued the expanding of the staff on Capitol Hill, I have not been able to see that it has improved the quality of the legislation that comes from this body, for instance comparing the legislation of the forties and fifties with what we produced in the sixties and seventies. There are so many people on the staff we hardly know who they are. They are highly qualified and motivated people, I agree, but the end result is the continuation of the growth of Government. We continue to allow more provision for more extensions to more bodies time and time again. I would like to see Congress come in and pass their judgment on whether it is necessary to take on all those responsibilities. Maybe if we had less bodies on the Hill we could realign our responsibilities.

Mr. MAHON. Mr. Speaker, I think the gentleman has addressed this fully and I do not think it would be appropriate for us to attempt to pursue this matter in the pending conference report.

I yield to the gentleman from Pennsylvania (Mr. COUGHLIN).

Mr. COUGHLIN. Mr. Speaker, I thank the chairman.

I would say to my friend and colleague, the gentleman from Idaho, that I agree with him wholeheartedly in terms of a little need for conservation in our own House. I do not think we are in a very good position to judge what the Senate is doing. I know there are people of the gentleman's own persuasion in the Senate who are looking at this and with the same persuasion and perspective the gentleman has. I think we are in a difficult position from the House standpoint of judging this for the Senate, and I

think we should be a little careful from that standpoint.

Mr. SYMMS. Mr. Speaker, if the gentleman will yield, I appreciate the gentleman's point of view, but I do think for those Members of the other body it is very difficult for them in that very respectable and august group to be opposed to what will be their own facilities, that they will actually receive personal aggrandizement or benefit from in personal perquisites, so I think maybe in our case we are a little more distant and can be more objective in the overall view.

Mr. COUGHLIN. I have seen us in this House cutting back our own perquisites and I think the Senate is perfectly capable of policing themselves too.

The SPEAKER pro tempore. Without objection, the previous question is ordered on the motion.

There was no objection.

The SPEAKER pro tempore. The question is on the motion offered by the gentleman from Texas (Mr. MAHON).

The question was taken; and the Speaker pro tempore announced that the ayes appeared to have it.

Mr. SYMMS. Mr. Speaker, I object to the vote on the ground that a quorum is not present and make the point of order that a quorum is not present.

The SPEAKER pro tempore. Evidently a quorum is not present.

The Sergeant at Arms will notify absent Members.

The vote was taken by electronic device, and there were—yeas 133, nays 245, answered "present" 6, not voting 48, as follows:

[Roll No. 716]

YEAS—133

Addabbo	Giaimo	Nix
Akaka	Ginn	Nolan
Alexander	Goldwater	Nowak
Anderson, Ill.	Gonzalez	Ottinger
Andrews, N.C.	Gore	Patten
Annunzio	Hanley	Pattison
Barnard	Hawkins	Pepper
Beard, R.I.	Heckler	Pettis
Benjamin	Holtzman	Pickle
Biaggi	Howard	Poage
Bingham	Johnson, Calif.	Preyer
Blanchard	Jones, Tenn.	Price
Boggs	Jordan	Rahall
Brademas	Krebs	Rhodes
Breckinridge	Lederer	Roberts
Brooks	Leggett	Rogers
Brown, Calif.	Levitas	Roncalio
Burke, Mass.	Lloyd, Calif.	Rooney
Burleson, Tex.	Long, Md.	Rose
Burlison, Mo.	Lundine	Rostenkowski
Burton, Phillip	McCloskey	Roybal
Carney	McEwen	Ryan
Carr	McFall	Simon
Carter	McKay	Skubitz
Chappell	McKinney	Slack
Chisholm	Maguire	Smith, Iowa
Clay	Mahon	Staggers
Collins, Ill.	Mann	Stark
Corman	Marks	Steed
Cotter	Mattox	Stratton
Coughlin	Mazzoli	Thornton
Danielson	Meeds	Traxler
Delaney	Metcalfe	Ullman
Derwinski	Meyner	Volkmer
Dicks	Michel	Waggonner
Diggs	Mineta	Waxman
Downey	Mitchell, Md.	Whalen
Eckhardt	Mollohan	White
Eilberg	Moss	Wilson, Bob
Fary	Murphy, Ill.	Wilson, Tex.
Flood	Murphy, N.Y.	Wright
Foley	Murtha	Yates
Ford, Mich.	Myers, Michael	Zeferetti
Garcia	Natcher	
Gaydos	Nedzi	

NAYS—245

Abdnor	Fisher	Moorhead, Pa.
Ambro	Fithian	Mottl
Ammerman	Flippo	Murphy, Pa.
Anderson, Calif.	Florio	Myers, Gary
Andrews, N. Dak.	Ford, Tenn.	Myers, John
Applegate	Forsythe	Neal
Archer	Frenzel	Nichols
Armstrong	Fuqua	O'Brien
Ashbrook	Gammage	Oakar
Ashley	Gephardt	Oberstar
Aspin	Gibbons	Panetta
AuCoin	Gilman	Patterson
Badham	Glickman	Pease
Bafalis	Goodling	Perkins
Baldus	Gradison	Pike
Bauman	Grassley	Pressler
Beard, Tenn.	Green	Pritchard
Bedell	Gudger	Quayle
Bellenson	Guyer	Quie
Bennett	Hall	Quillen
Bevill	Hamilton	Railsback
Blouin	Hammer-schmidt	Rangel
Boland	Hannaford	Regula
Bonior	Hansen	Reuss
Bonker	Harkin	Richmond
Bowen	Harris	Rinaldo
Breaux	Harsha	Robinson
Brinkley	Hefner	Roe
Brodhead	Heftel	Rousselot
Broomfield	Hightower	Rudd
Brown, Mich.	Hillis	Runnels
Brown, Ohio	Hollenbeck	Ruppe
Broyhill	Holt	Russo
Buchanan	Horton	Santini
Burgener	Hubbard	Satterfield
Burke, Fla.	Hughes	Sawyer
Butler	Hyde	Schroeder
Byron	Ichord	Sebelius
Caputo	Ireland	Sharp
Cavanaugh	Jacobs	Shuster
Clausen, Don H.	Jeffords	Skelton
Clawson, Del	Jenrette	Smith, Nebr.
Cleveland	Johnson, Colo.	Snyder
Cochran	Jones, N.C.	Solarz
Cohen	Jones, Okla.	Spellman
Coleman	Kazen	Spence
Collins, Tex.	Kelly	St Germain
Conable	Kemp	Stanton
Conte	Keys	Steers
Corcoran	Kildee	Steiger
Cornell	Kindness	Stockman
Cornwell	Kostmayer	Studds
Crane	Krueger	Stump
Cunningham	LaFalce	Symms
D'Amours	Lagomarsino	Taylor
Daniel, Dan	Latta	Thone
Daniel, R. W.	Leach	Treen
Davis	Lehman	Trible
de la Garza	Lent	Tucker
Derrick	Livingston	Udall
Devine	Long, La.	Van Deerlin
Dickinson	Lujan	Vander Jagt
Dingell	Luken	Vanik
Dornan	McClory	Vento
Drinan	McCormack	Walker
Duncan, Oreg.	McDade	Walsh
Duncan, Tenn.	McHugh	Wampler
Early	Madigan	Watkins
Edgar	Markey	Weaver
Edwards, Ala.	Marlenee	Weiss
Edwards, Okla.	Marriott	Whitehurst
Emery	Martin	Whitley
English	Mathis	Whitten
Erlenborn	Mikulski	Winn
Ertel	Miller, Ohio	Wirth
Evans, Del.	Minish	Wolff
Evans, Ga.	Mitchell, N.Y.	Wydler
Evans, Ind.	Moakley	Wylie
Fenwick	Moffett	Yatron
Findley	Montgomery	Young, Fla.
Fish	Moore	Young, Mo.
	Moorhead, Calif.	Zablocki

ANSWERED "PRESENT"—6

Bolling	Dodd	Burton, John
Burke, Calif.	Dent	Hagedorn
Cederberg	Baucus	Harrington
Conyers	Fowler	Holland
Dellums	Fraser	Frey
Huckaby	Edwards, Calif.	Fountain
Jenkins	Evans, Colo.	Fascell
Kasten	Flynt	Mikva
Milford	Sikes	Sisk

NOT VOTING—48

Seiberling	Wiggins	Pursell
Lott	Rosenthal	Obey
Scheuer	Sarasin	Risenhoover
Miller, Calif.	Rodino	Shipley
Lloyd, Tenn.		McDonald
Kastenmeier	Le Fante	Flowers
Stangeland	Thompson	Wilson, C. H.
Stokes	Tsongas	Young, Alaska
Teague	Walgren	Young, Tex.

The Clerk announced the following pairs:

Mr. Rodino with Mr. Cederberg.
Mr. Thompson with Mr. McDonald.
Mr. Dent with Mr. Milford.
Mr. Le Fante with Mr. Young of Alaska.
Mr. Fascell with Mr. Frey.
Mrs. Burke of California with Mr. Hagedorn.
Mr. Miller of California with Mr. Sarasin.
Mr. Obey with Mr. Stangeland.
Mr. Risenhoover with Mr. Kasten.
Mr. Teague with Mr. Conyers.
Mr. Shipley with Mr. Dellums.
Mr. Fountain with Mr. Fraser.
Mr. Mikva with Mr. Pursell.
Mr. Tsongas with Mr. Holland.
Mr. Sikes with Mr. Harrington.
Mr. Charles H. Wilson of California with Mr. Sisk.
Mr. Edwards of California with Mr. Schulze.
Mr. Jenkins with Mr. Rosenthal.
Mr. Stokes with Mr. Flowers.
Mr. Walgren with Mr. Evans of Colorado.
Mr. Baucus with Mr. Flynt.
Mr. Huckaby with Mr. Fowler.
Mrs. Lloyd of Tennessee with Mr. Kastenmeier.

Mrs. PETTIS. Mr. RHODES, and Mr. GONZALEZ changed their vote from "nay" to "yea."

Messrs. QUIE, JEFFORDS, and OBERSTAR changed their vote from "yea" to "nay."

Mr. LOTT changed his vote from "yea" to "present."

So the motion was rejected.

The result of the vote was announced as above recorded.

MOTION OFFERED BY MR. MAHON

Mr. MAHON. Mr. Speaker, I offer a motion.

The Clerk read as follows:

Mr. MAHON moves that the House insist on its disagreement to Senate amendment No. 48.

The motion was agreed to.

The SPEAKER pro tempore. The Clerk will report the next amendment in disagreement.

The Clerk read as follows:

Senate Amendment No. 49: Page 30, line 5, insert:

LIBRARY OF CONGRESS JAMES MADISON MEMORIAL BUILDING

For an additional amount for "Library of Congress James Madison Memorial Building", $7,675,000, to remain available until expended.

MOTION OFFERED BY MR. MAHON

Mr. MAHON. Mr. Speaker, I offer a motion.

The Clerk read as follows:

Mr. MAHON moves that the House recede from its disagreement to the amendment of the Senate numbered 49 and concur therein.

Mr. BAUMAN. Mr. Speaker, I wonder if the gentleman from Texas would yield for a question on that item?

Mr. MAHON. I yield to the gentleman from Maryland.

Mr. BAUMAN. Mr. Speaker, a year or two ago the Madison Memorial Library came before the House in a separate piece of legislation, I believe at which time the gentleman from Maryland raised a number of questions about the added additional cost of that Library.

I have not examined the record of that date, but I clearly recall putting questions to the authorizing committee members, I believe it was, as to whether this was the last amount of money necessary for the completion of this another of the grand edifices on Capitol Hill.

Now I find that the other body has added almost $8 million for the Madison Building. I thought 2 years ago I was told that the last amount of money was needed for furnishings and completion, so that the people could move into the Library.

Why do we now need this, since the House has not considered it?

Mr. MAHON. Mr. Speaker, I yield to the gentleman from Indiana (Mr. BENJAMIN), the acting subcommittee chairman, for a response to the question of the gentleman from Maryland.

Mr. BENJAMIN. Mr. Speaker, in response to the question of the gentleman from Maryland, this is the final amount that is needed to complete this James Madison Library Building. The actual amount requested by the Architect of the Capitol was $10 million. That was approved in the Senate version of the authorization bill; however, the House Committee on Public Works has only approved the amount which we find in this supplemental appropriation. Consequently, the conferees on the second supplemental settled on the lower amount, as approved by the authorization recommended by the House Committee on Public Works and Transportation.

Mr. BAUMAN. Mr. Speaker, if the gentleman will yield further, in view of what I thought were previous assurances that that was all, why must we now appropriate an additional almost $8 million, and what will it be used for? Why these cost overruns, or whatever it is?

Mr. BENJAMIN. Mr. Speaker, if the gentleman from Texas will yield further, this is for the completion of the construction of that building.

Mr. MINETA. Mr. Speaker, will the gentleman yield?

Mr. MAHON. I yield to the gentleman from California.

Mr. MINETA. Mr. Speaker, as part of that authorization, the necessity for this additional amount comes about because of some of the things the Congress has imposed on the Library of Congress in terms of additional duties since the original plans and specifications for the Madison Library were completed.

We went into this very thoroughly with the Architect of the Capitol, and I know that my distinguished colleague, the gentleman from New York, who is the ranking minority member of our subcommittee, and I were very insistent in the sense that this was going to be the last time, and as long as I was going to be there to chair that subcommitee, I said this was going to be the last time indeed that the Architect of the Capitol is going to be coming back to us for an additional amount.

But we did have to make some changes in terms of the movable partitions and movable walls available in order to take into consideration some of the additional responsibilities that have been imposed upon the Library of Congress by the Capitol itself.

Mr. BAUMAN. Mr. Speaker, will the gentleman yield further?

Mr. MAHON. I yield to the gentleman from Maryland.

Mr. BAUMAN. Mr. Speaker, I would like to inquire whether this includes the financing for the magnificent executive dining room that was planned for the Madison Library building. That received a great deal of comment in the press as perhaps being inappropriate for a library.

Mr. Speaker, what can the gentleman tell us about that?

Mr. MINETA. Mr. Speaker, will the gentleman yield?

Mr. MAHON. I yield to the gentleman from California.

Mr. MINETA. Mr. Speaker, the basic amount that was provided had already taken into consideration a dining room. It is not a large dining room. It is serviced by the kitchen that services the whole cafeteria complex for the building.

There is not any additional amount that is required beyond this $6.65 million. Although the bill had originally been entered for $10 million, we had cut it down to the figure that is in this report. That was done on a motion offered by our colleague, the gentleman from New York (Mr. WALSH).

Mr. WALSH. Mr. Speaker, will the gentleman yield?

Mr. MAHON. I yield to the gentleman from New York.

Mr. WALSH. Mr. Speaker, I thank the gentleman for yielding.

Mr. Speaker, I share the concern of the gentleman from Maryland (Mr. BAUMAN) about the appropriations that we have for public buildings in the city of Washington.

This amount that is in the present bill today came about as a result of an amendment I introduced to reduce the appropriation from $10 million down to the present figure. This appropriation is necessary to complete many of the things that are in the building.

But I do want to point out to the Members of this House that is a typical example of what happens when a building is authorized in the city of Washington by the Committee on Public Works and Transportation. The matter then leaves the jurisdiction of the Committee on Public Works and Transportation, and it has no control over it after it has once been approved and the building is authorized.

This is a building on which they started out with an initial appropriation of $68 million. It is now up to a total of $133 million. The building that has been constructed—and it was started before I ever reached the Halls of Congress—is not the building that was intended when the initial legislation was passed.

Mr. Speaker, I think that this Congress has the responsibility to watch these appropriations and expenditures much more closely than it does. We started on that this morning in the Subcommittee on Public Buildings and Grounds of the Committee on Public Works and Transportation by considering an appropriation for the Smithsonian Institute. Before the final plans and specifications are complete, they are going to have to come back to the Committee on Public Works and Transportation and get further authorization from the committee before they let any bids or let anything go out for bids or even solicit bids.

Mr. Speaker, the process has not been working. That is what I want to say, and I share the concern of the gentleman from Maryland (Mr. BAUMAN).

Mr. BAUMAN. Mr. Speaker, if the gentleman from Texas (Mr. MAHON) will yield just briefly, I would say to the gentleman from New York (Mr. WALSH) that I hope those assurances prove to be correct.

According to the latest plans available from the Architect of the Capitol, we may face the consideration of bids on 10 or 15 more Senatorial and other Federal buildings on Capitol Hill, and I suggest that we are rapidly running out of Founding Fathers after whom to name buildings. At some point it becomes rather absurd.

Mr. Speaker, I thank the gentleman for yielding.

The SPEAKER pro tempore. The question is on the motion offered by the gentleman from Texas (Mr. MAHON).

The motion was agreed to.

The SPEAKER pro tempore. The Clerk will report the next amendment in disagreement.

The Clerk read as follows:

Senate amendment No. 51: Page 30, line 11, insert:

CONGRESSIONAL RESEARCH SERVICE

SALARIES AND EXPENSES

For an additional amount for "Salaries and Expenses", $100,000, to remain available for obligation until September 30, 1979.

MOTION OFFERED BY MR. MAHON

Mr. MAHON. Mr. Speaker, I offer a motion.

The Clerk read as follows:

Mr. MAHON moves that the House recede from its disagreement to the amendment of the Senate numbered 51 and concur therein with an amendment, as follows: In lieu of the sum named in said amendment, insert "$50,000".

The motion was agreed to.

The SPEAKER pro tempore. The Clerk will report the next amendment in disagreement.

The Clerk read as follows:

Senate amendment No. 52: Page 30, line 16, insert:

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SALARIES AND EXPENSES

The proviso in the paragraph under this heading in the Legislative Branch Appropriation Act, 1978 (Public Law 95-94), is amended by striking out "$3,000,000" and inserting in lieu thereof "$3,500,000".

MOTION OFFERED BY MR. MAHON

Mr. MAHON. Mr. Speaker, I offer a motion.

The Clerk read as follows:

Mr. MAHON moves that the House recede from its disagreement to the amendment of the Senate numbered 52 and concur therein.

The motion was agreed to.

The SPEAKER pro tempore. The Clerk will report the next amendment in disagreement.

The Clerk read as follows:

Senate amendment No. 53: Page 31, line 12, insert:

GENERAL PROVISION

The period of July 1, 1976 through September 30, 1976 shall be treated as a fiscal

year for the purposes of section 7 of the Flood Control Act of 1941, as amended (U.S.C. 701c–3).

MOTION OFFERED BY MR. MAHON

Mr. MAHON. Mr. Speaker, I offer a motion.

The Clerk read as follows:

Mr. MAHON moves that the House recede from its disagreement to the amendment of the Senate numbered 53 and concur therein.

The motion was agreed to.

The SPEAKER pro tempore. The Clerk will report the next amendment in disagreement.

The Clerk read as follows:

Senate amendment No. 58: Page 34, line 1, insert: ", of which $3,050,000 shall be available for payments to United States Deputy Marshals for overtime duties performed between 1972 and 1978.".

MOTION OFFERED BY MR. MAHON

Mr. MAHON. Mr. Speaker, I offer a motion.

The Clerk read as follows:

Mr. MAHON moves that the House recede from its disagreement to the amendment of the Senate numbered 58 and concur therein.

The motion was agreed to.

The SPEAKER pro tempore. The Clerk will report the next amendment in disagreement.

The Clerk read as follows:

Senate amendment No. 62: Page 36, line 1, insert: ": *Provided*, That not to exceed $200,000 may be reprogrammed from the fiscal year 1978 appropriations to be used for construction and installation of improvements to existing National Bureau of Standards buildings.

MOTION OFFERED BY MR. MAHON

Mr. MAHON. Mr. Speaker, I offer a motion.

The Clerk read as follows:

Mr. MAHON moves that the House recede from its disagreement to the amendment of the Senate numbered 62 and concur therein with an amendment, as follows: In lieu of the matter proposed by said amendment, insert: ": *Provided*, That not to exceed $200,000 shall be available from existing appropriations made under this heading to be used for construction and installation of improvements to existing National Bureau of Standards buildings.".

The motion was agreed to.

The SPEAKER pro tempore. The Clerk will report the next amendment in disagreement.

The Clerk read as follows:

Senate amendment No. 64: Page 38, line 15, insert:

SMALL BUSINESS ADMINISTRATION

DISASTER LOAN FUND

For an additional amount for the "Disaster Loan Fund", $378,000,000: *Provided*, That $375,000,000 of such amount shall remain available without fiscal year limitation and $3,000,000 shall be transferred to "Salaries and expenses".

MOTION OFFERED BY MR. MAHON

Mr. MAHON. Mr. Speaker, I offer a motion.

The Clerk read as follows:

Mr. MAHON moves that the House recede from its disagreement to the amendment of the Senate numbered 64 and concur therein.

The motion was agreed to.

The SPEAKER pro tempore. The Clerk will report the next amendment in disagreement.

The Clerk read as follows:

Senate amendment No. 70: Page 45, line 23, insert: ", and in addition, $100,000,000 which shall be derived by transfer from "Secretary of Defense Readiness Fund, 1978".".

MOTION OFFERED BY MR. MAHON

Mr. MAHON. Mr. Speaker, I offer a motion.

The Clerk read as follows:

Mr. MAHON moves that the House recede from its disagreement to the amendment of the Senate numbered 70 and concur therein.

The motion was agreed to.

The SPEAKER pro tempore. The Clerk will report the next amendment in disagreement.

The Clerk read as follows:

Senate amendment No. 79: Page 61, line 13, insert: "and $6,000,000 shall be provided by transfer from the appropriation for "Flood insurance";".

MOTION OFFERED BY MR. MAHON

Mr. MAHON. Mr. Speaker, I offer a motion.

The Clerk read as follows:

Mr. MAHON moves that the House recede from its disagreement to the amendment of the Senate numbered 79 and concur therein.

The motion was agreed to.

The SPEAKER pro tempore. The Clerk will report the next amendment in disagreement.

The Clerk read as follows:

Senate amendment No. 82: Page 75, line 12, insert:

SEC. 303. (a) Section 8332 of title 5, United States Code, is amended by adding at the end thereof the following new subsection:

"(l) An individual who is entitled to an annuity upon separation from service as a congressional employee may be allowed credit for service as an employee of the Democratic Senatorial Campaign Committee, the Republican Senatorial Campaign Committee, the Democratic National Congressional Committee, or the Republican National Congressional Committee if such employee makes the deposit provided for in section 8334(c) of this title with respect to congressional employees for such service. The period of service which may be credited under this subsection by any individual shall not exceed 10 years.".

(b) The amendment made by subsection (a) shall apply to individuals who are entitled to annuities upon separation from service as congressional employees on or after the date of the enactment of this Act.

MOTION OFFERED BY MR. MAHON

Mr. MAHON. Mr. Speaker, I offer a motion.

The Clerk read as follows:

Mr. MAHON moves that the House recede from its disagreement to the amendment of the Senate numbered 82 and concur therein.

Mr. ASHBROOK. Mr. Speaker, will the gentleman yield?

Mr. MAHON. I yield to the gentleman from Ohio.

Mr. ASHBROOK. I thank the gentleman for yielding.

Mr. Speaker, is this that section—somebody said yes, so I guess we know what we are talking about—that kind of takes advantage of taxpayers and sweeps a number of people into a pension system that they did not contribute to in their initial years?

Mr. MAHON. Mr. Speaker, this is an amendment which was handled in the conference by the Chairman of the Legislative Subcommittee, the gentleman from Illinois (Mr. SHIPLEY), and I yield to the Acting Chairman, the gentleman from Indiana (Mr. BENJAMIN), to respond to the gentleman's question.

Mr. BENJAMIN. Mr. Speaker, in response to the question of the gentleman from Ohio (Mr. ASHBROOK), in order to be eligible to participate in the civil service pension system, they would have to contribute 7½ percent per year plus pay a compounded interest payment of 3 percent. This is very similar to legislation passed earlier this year in H. Res. 315 dealing with the members of the beauty shop who were brought in as House employees.

It is comparable to legislation that was passed previously for photographers of the congressional campaign committees who were brought into House and Senate employ, and also comparable to the legislation adopted earlier in this decade for the Capitol guides, who were brought into House employ; except that it is not as liberal as those other three pieces of legislation I mentioned insofar as these must pay interest and must pay into the fund and only would be allowed up to 10 years' eligibility. It will not advance their retirement whatsoever. Capitol guides had to pay 5 years and beauty shop operators did not have to pay anything. Photographers had to to pay 5 years.

Mr. ASHBROOK. I really do not think that is an appropriate comparison. The Capitol guides, at least, were working in a quasi-governmental position. As I understand it, most of the others were working purely for the parties, and unless we can agree that in the 18 years I have been here the Democrats have run everything, so I guess to that degree the parties were involved, but where they purely and simply worked for political parties, what is the justification for bringing them all of a sudden under a pension system which, as I understand it, no other American citizen would be entitled to? Is that correct? Are we not making a special case for them over any other American citizen?

Mr. BENJAMIN. No, we are not, if I may respond. The truth of the matter is that there are more Republicans that would be eligible for the pension than Democrats, 29 to 22.

Mr. ASHBROOK. That makes it worse.

Mr. BENJAMIN. Although I was not here—I know the gentleman from Ohio was here—when they did adopt the law bringing in the photographers who were with these congressional campaign committees, insofar as they work side-by-side with other congressional employees in the operation of the House, apparently the House and everybody at that time agreed that the service was so similar to House employment that they should be eligible for retirement, and made a set of conditions. The conditions are more stringent here, but the analogy is the same.

Mr. ASHBROOK. I would say to my colleague that he was correct in the previous vote. That was a lapse of judgment which I will correct at this point, because I do believe it is a mistake to

compound one mistake with another. I think we at least ought to have, in courtesy to the American taxpayer, a vote in order to see who is in favor and who is not.

Mrs. FENWICK. Mr. Speaker, will the gentleman yield?

Mr. MAHON. I yield to the gentlewoman from New Jersey.

Mrs. FENWICK. Mr. Speaker, I rise very much in opposition to this. It seems to me absolutely amazing that we should venture to do this for those who have worked for political parties. I objected to beauty shop operators; I objected to 25 employees being put on the backs of the taxpayers. I objected to the whole theory of our acting as though we were Buckingham Palace and we believe in having federally paid beauty shop operators.

I objected to the barber shop. We are not princes here. None of our parties are part of the whole governmental process in the sense that they should be included in the civil service. I am very distressed to see that this is brought to the floor.

Mr. MAHON. If the gentlewoman will permit me to interrupt, this amendment was placed in the bill over in the other body, and in conference it was agreed that we bring it back to the House. Under this procedure, of course, the House would have ample opportunity to vote on the amendment, since it is legislative in nature and the House can work its will on this issue as well as on others.

Mr. BAUMAN. Mr. Speaker, will the gentleman yield?

Mr. MAHON. I yield to the gentleman from Maryland.

Mr. BAUMAN. Mr. Speaker, when this resolution first passed the House, having read subsequently its terms, it excluded the persons who would qualify under this language from receiving social security payments in addition. Is that not correct, and is that prohibition still in this section?

Mr. MAHON. The gentleman from Indiana will be able to respond, and I yield to the gentleman from Indiana (Mr. BENJAMIN) for that purpose.

Mr. BENJAMIN. Yes, in terms of H.R. 9262, that prohibition was in that particular legislation as it passed this House on September 23. There is also an additional section in that bill pertaining to Members of Congress in regard to their retirement pay. Neither of those provisions are in section 303 of the supplemental report, so consequently there is no prohibition in terms of social security nor does it include Members of Congress.

Mr. BAUMAN. If the gentleman will yield further, so they could receive both these payments as well as social security if they have qualified?

Mr. BENJAMIN. That is true of anybody who has had service meeting the qualifications for social security and that includes Members of this body.

Mr. ASHBROOK. Mr. Speaker, would my colleague yield?

Mr. MAHON. I yield to the gentleman from Ohio.

Mr. ASHBROOK. They paid in their social security as members of political parties or campaign committees and now we are baptizing them for that era of service and now we are letting them have both civil service and social security benefits. I think that compounds a travesty.

Mr. BENJAMIN. If the gentleman will yield further, if it does, we should examine other examples. A similar bill has passed this body and the other body on other occasions. The aspect of any travesty or greed or rip-off is not here. It does not move up their retirement at all. It only says that since they were associated with this body, and until this year the House campaign committee worked in the same halls that the gentleman and his staff have worked in, so as a consequence they thought they were an integral part of this body. As a matter of fact, I think at times in the past some were assigned tasks as regular congressional employees—for example, members of the minority staff and the majority staff. Furthermore, the ones currently effected only have had 2 or 3 years of service.

Mr. ASHBROOK. If the gentleman will yield further, but from what the gentleman says, they still would be getting social security benefit entitlements for the years they worked for this body and now we are bringing that service in and defending it as an additional term of employment as employees of this Congress.

Mr. BENJAMIN. If they had 40 quarters of service, and I doubt seriously they would have had 40 quarters. Based on the statistical analysis I have, it shows they have generally less than 4 years of service with the respective campaign committees. Unless they have had service elsewhere on which they stacked up their social security contributions other than for the campaign committees, then they are not under what the gentleman would say is a double benefit or doubledipping.

Mr. ASHBROOK. I thank my colleague for his explanation.

Mr. GLICKMAN. Mr. Speaker, will the gentleman yield?

Mr. MAHON. I yield to the gentleman from Kansas.

Mr. GLICKMAN. Mr. Speaker, I would again ask the gentleman from Indiana this. Assuming that all these things then may be true, and I understand the fact that the employees have had to pay in in order to be eligible, but why do it for future employees of the campaign committees? Why was the statute so written that employees of the campaign committees, Republican or Democratic, should be eligible for this?

Mr. BENJAMIN. I admit the language in section 303 is precisely that way, and it does allow that. Whereas the bill as it passed the House would not have provided that but would have provided only for those who already had service in the congressional campaign committees and then subsequently had been assigned to do House service would be eligible. This is the way we received it from the other body.

The SPEAKER pro tempore. The question is on the motion offered by the gentleman from Texas (Mr. MAHON).

The motion was rejected.

MOTION OFFERED BY MR. MAHON

Mr. MAHON. Mr. Speaker, I offer a motion.

The Clerk read as follows:

Mr. MAHON moves that the House insist on its disagreement to the amendment of the Senate numbered 82.

The motion was agreed to.

The SPEAKER. The Clerk will report the last amendment in disagreement.

The Clerk read as follows:

Senate amendment No. 83: Page 76, line 5, insert:

SEC. 304. The Supplemental Treasury and Post Office Departments Appropriation Act, 1949 (62 Stat. 561), also known as the Act of June 19, 1948, is amended by adding at the end thereof the following:

"No disbursement may be made from the appropriation to the Treasury Department entitled "Bureau of Internal Revenue Refunding Internal-Revenue Collections except (a) refunds to the limit of liability of an individual tax account, and (b) refunds due from any credit provision of the Internal Revenue Code enacted prior to January 1, 1978.".

MOTION OFFERED BY MR. MAHON

Mr. MAHON. Mr. Speaker, I offer a motion.

The Clerk read as follows:

Mr. MAHON moves that the House recede from its disagreement to the amendment of the Senate numbered 83 and concur therein.

● Mr. STEED. Mr. Speaker, I am in complete agreement with the objective of this Senate amendment—that of requiring that expenditures of public moneys stand the test of public scrutiny through the appropriations process. However, there comes a time when such scrutiny yields no benefit. This is one of those instances. When the Committee on Appropriations is given no discretion concerning the appropriation of moneys from the Treasury by the authorizing legislation, the public interest is not served by requiring the consideration of such appropriations during the appropriations process. One perfect example is the payment of interest on the public debt which amounts to over $55 billion dollars a year and is increasing rapidly all the time. No one of mature judgment would advocate that the Appropriations Committee should hold lengthy hearings on that requirement for the expenditure of public moneys because the requirement is fixed. Any reduction below the amount required during the appropriations process would be meaningless.

I consider that the present instance is equally meaningless. Under existing legislation, should a person become entitled to a payment of "negative" income tax—the payment of an entitlement over and above the amount of tax liability—such a "refund" or payment would become a liability of the Government under law. Therefore, if the present Senate amendment is adopted, it would become necessary for the Appropriations Committee to consider a request from the Executive to appropriate the necessary funds. Naturally any delay in the passage of such an appropriation would entail delays in "refunds" or payments to individuals who are entitled under law. More importantly, of course, would be the fact

that the Executive could not accurately estimate the requirement for funds and the Appropriations Committee would not have any real discretion in the amount of the appropriation.

Mr. Speaker, I make these comments because I feel that Members are entitled to know that the adoption of this Senate amendment will, in all probability, cause the unnecessary delay in refunds to citizens who are entitled, under law, to payments from their government. This can only result in further deterioration of the esteem in which this body is held by the public.●

The motion was agreed to.

A motion to reconsider the votes by which action was taken on the conference report and the several motions was laid on the table.

FIRST BIENNIAL REPORT ON NATIONAL URBAN POLICY—MESSAGE FROM THE PRESIDENT OF THE UNITED STATES

The SPEAKER pro tempore laid before the House the following message from the President of the United States; which was read, and, together with the accompanying papers, without objection, referred to the Committee on Banking, Finance and Urban Affairs:

To the Congress of the United States:

I am forwarding herewith the First Biennial Report on National Urban Policy in accordance with Sections 702 and 703(a) of the Housing and Urban Development Act of 1970, as amended in 1977.

JIMMY CARTER.

THE WHITE HOUSE, *August 16, 1978.*

ANNUAL REPORT OF RAILROAD RETIREMENT BOARD FISCAL YEAR 1977—MESSAGE FROM THE PRESIDENT OF THE UNITED STATES

The SPEAKER pro tempore laid before the House the following message from the President of the United States; which was read, and, together with the accompanying papers, without objection, referred to the Committee on Interstate and Foreign Commerce:

To the Congress of the United States:

I hereby transmit the annual report of the Railroad Retirement Board which summarizes its fiscal year 1977 operations under both the Railroad Retirement and Railroad Unemployment Insurance Acts.

Benefit payments under these Acts totaled almost $4 billion. Of this amount, $3.8 billion went to 1,100,000 retirement and survivor annuitants and $180 million was paid to 160,000 unemployment and sickness beneficiaries.

During the past year, I appointed a new Chairman and two Board members. To represent the public interest and advise the Congress of the Administration's position, I appointed as Chairman, William P. Adams, former Transportation Counsel for the House Committee on Interstate and Foreign Commerce. I appointed one Board member who was nominated by railroad management—Earl Oliver, a former official of the Illinois Central Gulf Railroad and the National Railway Labor Conference—and another Board member who was nominated by railroad labor—Charles J. Chamberlain, former President of the Brotherhood of Railroad Signalmen and Chairman of the Railway Labor Executives' Association. Each of these appointees is extremely well qualified and can be expected to set a high level of public service.

JIMMY CARTER.

THE WHITE HOUSE, *August 17, 1978.*

1977 ANNUAL REPORT OF FEDERAL PREVAILING RATE ADVISORY COMMITTEE—MESSAGE FROM THE PRESIDENT OF THE UNITED STATES

The SPEAKER pro tempore laid before the House the following message from the President of the United States; which was read, and, together with the accompanying papers, without objection, referred to the Committee on Post Office and Civil Service:

To the Congress of the United States:

In accordance with section 5347(e) of title 5 of the United States Code, I hereby transmit to you the 1977 Annual Report of the Federal Prevailing Rate Advisory Committee.

JIMMY CARTER.

THE WHITE HOUSE, *August 17, 1978.*

CONFERENCE REPORT ON H.R. 12935, LEGISLATIVE BRANCH APPROPRIATIONS ACT, 1979

Mr. BENJAMIN. Mr. Speaker, I call up the conference report on the bill (H.R. 12935) making appropriations for the legislative branch for the fiscal year ending September 30, 1979, and for other purposes, and ask unanimous consent that the statement of the managers be read in lieu of the report.

The Clerk read the title of the bill.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Indiana?

There was no objection.

The Clerk read the statement.

(For conference report and statement, see proceedings of the House of August 9, 1978.)

Mr. BENJAMIN (during the reading). Mr. Speaker, I ask unanimous consent that further reading of the statement be dispensed with.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Indiana?

There was no objection.

The SPEAKER pro tempore. The gentleman from Indiana (Mr. BENJAMIN) will be recognized for 30 minutes and the gentleman from Pennsylvania (Mr. COUGHLIN) will be recognized for 30 minutes.

The Chair recognizes the gentleman from Indiana (Mr. BENJAMIN).

Mr. BENJAMIN. Mr. Speaker, I yield myself such time as I may consume.

Mr. Speaker, the conference agreement provides appropriations totaling $1,118,244,400 for fiscal year 1979, which is $127,996,600 above the fiscal year 1978 level enacted to date and $25,579,700 below the budget estimates. There is also $12,801,700 in the bill for 1978 supplemental items for the Senate. The conference action is $195,752,600 above the amount in the bill as it passed the House; however, it includes $195,556,600 for Senate items not considered by the House. Traditionally the Senate housekeeping items are left for decision and insertion by the other body and similarly the Senate does not act on our items. The conference total is the same amount as approved in the Senate bill.

These figures do not include the effects of a 5-percent withholding from obligation and expenditure of the total budget authority contained in the act. The conferees agreed to the 5 percent withholding, for payments not required by law, but since there is no actual deduction in budget authority, only in obligations and expenditures, we did not feel technically justified in deducting the 5 percent from the total.

consideration of this conference action, I will ask permission to include a comparative tabulation of the conference action at this point in the RECORD.

The tabulation referred to follows:

LEGISLATIVE BRANCH APPROPRIATION BILL, 1979 (H.R. 12935)—CONFERENCE SUMMARY

[Fiscal years]

	New budget authority					Conference compared with —			
	Enacted 1978	Estimates 1979 [1]	House 1979	Senate 1979	Conference 1979 [2]	1978 enacted	1979 estimate	House bill	Senate bill
TITLE I—CONGRESSIONAL OPERATIONS									
SENATE									
Payments to widows and heirs of deceased members of Congress	$180,000	.....	.....	.....	.....	−$180,000	.....	.....	.....
Compensation and Mileage of the Vice President and Senators and Expense Allowances of the Vice President, the Leaders, and Whips of the Senate									
Compensation and mileage of the Vice President and Senators	6,474,300	$6,480,000	.....	$6,480,000	$6,480,000	+5,700	.....	+$6,480,000	.....

See footnotes at end of table.

LEGISLATIVE BRANCH APPROPRIATION BILL, 1979 (H.R. 12935)—CONFERENCE SUMMARY—Continued

[Fiscal years]

	New budget authority					Conference compared with —			
	Enacted 1978	Estimates 1979 [1]	House 1979	Senate 1979	Conference 1979 [2]	1978 enacted	1979 estimate	House bill	Senate bill
Expense allowances of the Vice President, majority and minority leaders and majority and minority whips:									
Vice President	10,000	10,000		10,000	10,000			+10,000	
Majority leader of the Senate	5,000	5,000		5,000	5,000			+5,000	
Minority leader of the Senate	5,000	5,000		5,000	5,000			+5,000	
Majority whip of the Senate	2,500	2,500		2,500	2,500			+2,500	
Minority whip of the Senate	2,500	2,500		2,500	2,500			+2,500	
Total, expense allowances	25,000	25,000		25,000	25,000			+25,000	
Total, Vice President and Senators	6,499,300	6,505,000		6,505,000	6,505,000	+5,700		+6,505,000	
Salaries, Officers and Employees									
Office of the Vice President	687,500	767,000		767,000	767,000	+79,500		+767,000	
1978 supplemental		35,500		35,500	35,500			+35,500	
Office of the President pro tempore	111,100	116,000		116,000	116,000	+4,900		+116,000	
1978 supplemental		4,900		4,900	4,900			+4,900	
Office of the Deputy President pro tempore	111,100	116,000				−111,100	−116,000		
1978 supplemental		4,900					−4,900		
Offices of the majority and minority leaders	383,400	411,000		411,000	411,000	+27,600		+411,000	
1978 supplemental		27,600		27,600	27,600			+27,600	
Floor assistants to the majority and minority leaders	102,900	103,000		103,000	103,000	+100		+103,000	
1978 supplemental		100		100	100			+100	
Offices of the majority and minority whips	222,200	239,000		239,000	239,000	+16,800		+239,000	
1978 supplemental		16,800		16,800	16,800			+16,800	
Offices of the secretaries of the conference of the majority and the conference of the minority	127,300	132,000		132,000	132,000	+4,700		+132,000	
1978 supplemental		4,700		4,700	4,700			+4,700	
Office of the Chaplain	$36,800	$40,000		$40,000	$40,000	+$3,200		+$40,000	
1978 supplemental		3,200		3,200	3,200			+3,200	
Office of the Secretary	3,205,200	4,116,000		4,116,000	4,116,000	+910,800		+4,116,000	
1978 supplemental		220,800		220,800	220,800			+220,800	
Committee employees	9,284,700	10,528,000		10,528,000	10,528,000	+1,243,300		+10,528,000	
1978 supplemental		243,300		243,300	243,300			+243,300	
Conference committees	635,700	750,000		750,000	750,000	+114,300		+750,000	
1978 supplemental		52,300		52,300	52,300			+52,300	
Administrative, clerical, and legislative assistance to Senators	56,200,900	70,881,000		70,881,000	70,881,000	+14,680,100		+70,881,000	
1978 supplemental		4,464,100		4,464,100	4,464,100			+4,464,100	
Office of Sergeant at Arms and Doorkeeper	16,681,000	19,803,000		19,803,000	19,803,000	+3,122,000		+19,803,000	
1978 supplemental		1,219,000		1,219,000	1,219,000			+1,219,000	
Offices of the secretaries for the majority and minority	390,300	411,000		411,000	411,000	+20,700		+411,000	
1978 supplemental		20,700		20,700	20,700			+20,700	
Agency contributions and longevity compensation	6,500,000	7,785,000		7,785,000	7,785,000	+1,285,000		+7,785,000	
1978 supplemental		1,035,000		875,000	875,000		−250,000	+785,000	
Total, salaries, officers and employees	94,680,100	116,198,000		116,082,000	116,082,000	+21,401,900	−116,000	+116,082,000	
1978 supplemental		7,352,900		7,098,000	7,098,000		−254,900	+7,098,000	
Office of the Legislative Counsel of the Senate									
Salaries and expenses	759,700	815,000		815,000	815,000	+55,300		+815,000	
1978 supplemental		33,300		33,300	33,300			+33,300	
Contingent Expenses of the Senate									
Senate policy committees	1,178,500	1,388,000		1,388,000	1,388,000	+209,500		+1,388,000	
1978 pay supplemental		93,500		93,500	93,500			+93,500	
Automobiles and maintenance	50,000	60,000		58,000	58,000	+8,000	−2,000	+58,000	
Inquiries and investigations	28,441,200	30,625,000		30,625,000	30,625,000	+2,183,800		+30,625,000	
1978 pay supplemental		1,553,800		1,553,800	1,553,800			+1,553,800	
Folding documents	95,400	103,000		103,000	103,000	+7,600		+103,000	
1978 pay supplemental		7,600		7,600	7,600			+7,600	
Miscellaneous items	21,476,500	29,443,000		29,443,000	29,443,000	+7,966,500		+29,443,000	
1978 supplemental		4,015,500		4,015,500	4,015,000			+4,015,500	
Postage stamps	25,200	6,000		6,000	6,000	−19,200		+6,000	
Stationery (revolving fund)	37,300	39,000		39,000	39,000	+1,700		+39,000	
Total, contingent expenses of the Senate	51,304,100	61,664,000		61,662,000	61,662,000	+10,357,900	−2,000	+61,662,000	
1978 supplemental		5,670,400		5,670,400	5,670,400			+5,670,400	
Total, Senate	153,423,200	185,182,000		185,064,000	185,064,000	+31,640,800	−118,000	+185,064,000	
1978 supplemental		13,056,600		12,801,700	12,801,700		−254,900	+12,801,700	
HOUSE OF REPRESENTATIVES									
Compensation and Mileage for the Members									
Compensation of Members	27,760,400	27,699,300	$27,699,300	27,699,300	27,699,300	−61,100			
Mileage of Members	210,000	210,000	210,000	210,000	210,000				
Total, compensation and mileage for the Members	27,970,400	27,909,300	27,909,300	27,909,300	27,909,300	−61,100			
House Leadership Offices									
Office of the Speaker	520,400	545,300	545,300	545,300	545,300	+24,900			
Office of the majority floor leader	369,100	384,100	384,100	384,100	384,100	+15,000			
Office of the minority floor leader	464,100	479,100	479,100	479,100	479,100	+15,000			
Office of the majority whip	399,000	416,800	416,800	416,800	416,800	+17,800			
Office of the minority whip	304,000	321,800	321,800	321,800	321,800	+17,800			
Total, House leadership offices	2,056,600	2,147,100	2,247,100	2,147,100	2,147,100	+90,500			
Salaries, Officers and Employees									
Office of the Clerk	5,819,000	7,541,600	7,541,600	7,541,600	7,541,600	+1,722,600			
Office of the Sergeant at Arms	9,352,700	10,889,900	10,889,900	10,889,900	10,889,900	+1,537,200			
Office of the Doorkeeper	3,700,600	4,343,000	4,343,000	4,343,000	4,343,000	+642,400			

See footnotes at end of table.

LEGISLATIVE BRANCH APPROPRIATION BILL, 1979 (H.R. 12935)—CONFERENCE SUMMARY—Continued

[Fiscal years]

	New budget authority					Conference compared with —			
	Enacted 1978	Estimates 1979 [1]	House 1979	Senate 1979	Conference 1979 [2]	1978 enacted	1979 estimate	House bill	Senate bill
Office of the Postmaster	1,116,600	1,177,100	1,177,100	1,177,100	1,177,100	+60,500			
Office of the Chaplain	22,100	23,700	23,700	23,700	23,700	+1,600			
Office of the Parliamentarian	197,600	250,000	250,000	250,000	250,000	+52,400			
Compilation of precedents of the House of Representatives	288,600	295,000	295,000	295,000	295,000	+6,400			
Official reporters of debates	536,300					−536,300			
Official reporters to committees	619,600					−619,600			
2 printing clerks for majority and minority	31,300	33,500				−31,300	−33,500		
Technical assistant Office of the Attending Physician	28,700	30,700	30,700	30,700	30,700	+2,000			
House Democratic Steering Committee	382,000	308,900	308,900	308,900	308,900	−73,100			
House Democratic Caucus	73,300	83,600	83,600	83,600	83,600	+10,300			
House Republican Conference	455,300	542,500	542,500	542,500	542,500	+87,200			
6 minority employees	280,550	272,500	272,500	272,500	272,500	−8,050			
L.B.J. interns		562,000	562,000	562,000	562,000	+562,000			
Former Speakers' staffs		87,200	87,200	87,200	87,200	+87,200			
Total, salaries, officers and employees	22,904,250	26,441,200	26,407,700	26,407,700	26,407,700	+3,503,450	−33,500		
Committee Employees									
Professional and clerical employees (standing committees)	24,705,000	24,705,000	24,705,000	24,705,000	24,705,000				
Committee on Appropriations (Studies and Investigations)									
Salaries and expenses	2,768,000	2,895,000	2,895,000	2,895,000	2,895,000	+127,000			
Committee on the Budget (Studies)									
Salaries and expenses	261,000	261,000	261,000	261,000	261,000				
Office of the Law Revision Counsel									
Salaries and expenses	$394,350	$435,000	$435,000	$435,000	$435,000	+$40,650			
Office of the Legislative Counsel									
Salaries and expenses	1,682,000	1,879,000	1,879,000	1,879,000	1,879,000	+197,000			
Members' Clerk Hire									
Clerk hire	107,192,000	112,648,300	112,648,300	112,648,300	112,648,300	+5,456,300			
Contingent Expenses of the House									
Allowances and Expenses									
Official expenses of Members		38,367,989	38,367,989	38,367,989	38,367,989	+38,367,989			
Computer and related services for Members	3,500,000					−3,500,000			
Constituent communication expenses	2,738,400					−2,738,400			
Equipment (purchase, lease, and maintenance)	6,418,000					−6,418,000			
Official expenses	3,073,000					−3,073,000			
Postage stamps	97,700					−97,700			
Rental of district office space (private and Federal)	6,739,280					−6,739,280			
Transportation for Members and staff	3,494,000					−3,494,000			
Telegraph and telephone	10,812,500					−10,812,500			
Supplies and materials	1,712,000					−1,712,000			
Supplies, materials, and administrative costs		2,578,511	2,578,511	2,578,511	2,578,511	+2,578,511			
Furniture and furnishings	2,020,000	1,085,000	1,085,000	1,085,000	1,085,000	−935,000			
Reporting hearings	1,598,000	1,501,000	1,501,000	1,501,000	1,501,000	−97,000			
Salaries authorized by House resolutions	2,340,000					−2,340,000			
Reemployed annuitants reimbursement		2,099,700	2,099,700	2,099,700	2,099,700	+2,099,700			
Government contributions	12,343,000	14,000,000	14,000,000	14,000,000	14,000,000	+1,657,000			
Miscellaneous items	299,120	334,800	334,800	334,800	334,800	+35,680			
Total, allowances and expenses	57,185,000	59,967,000	59,967,000	59,967,000	59,967,000	+2,782,000			
Stationery (Revolving Fund)									
Allowances	2,853,500					−2,853,500			
Special and Select Committees									
Salaries and expenses	32,700,000	46,762,000	46,762,000	46,762,000	46,762,000	+14,062,000			
Total, contingent expenses of the House	92,738,500	106,729,000	106,729,000	106,729,000	106,729,000	+13,990,500			
Total, House of Representatives	282,672,100	306,049,900	306,016,400	306,016,400	306,016,400	+23,344,300	−33,500		
JOINT ITEMS									
Contingent Expenses of the Senate									
Joint Economic Committee	1,697,100	2,353,000	2,353,000	2,353,000	2,353,000	+655,900			
Joint Committee on Printing	1,081,000	656,000	656,000	656,000	656,000	−425,000			
Total, contingent expenses of the Senate	2,778,100	3,009,000	3,009,000	3,009,000	3,009,000	+230,900			
Joint Committee on Taxation									
Salaries and expenses	1,948,100	2,375,200	2,375,200	2,375,200	2,375,200	+427,100			
Office of the Attending Physician									
Medical supplies, equipment, expenses, and allowances	344,200	465,000	465,000	465,000	465,000	+120,800			
Capitol Police									
General expenses	724,800	750,100	750,100	750,100	750,100	+25,300			
Capitol Police Board	1,572,000	1,467,800	1,421,000	1,421,000	1,421,000	−151,000	−46,800		
Total, Capitol Police	2,296,800	2,217,900	2,171,100	2,171,100	2,171,100	−125,700	−46,800		

See footnotes at end of table.

LEGISLATIVE BRANCH APPROPRIATION BILL, 1979 (H.R. 12935)—CONFERENCE SUMMARY—Continued

[Fiscal years]

	New budget authority					Conference compared with —			
	Enacted 1978	Estimates 1979 [1]	House 1979	Senate 1979	Conference 1979 [2]	1978 enacted	1979 estimate	House bill	Senate bill
Education of Pages									
Education of congressional pages and pages of the Supreme Court	193,700	205,800	205,800	205,800	205,800	+12,100			
Official Mail Costs									
Expenses	48,926,000	64,944,000	64,944,000	64,944,000	64,944,000	+16,018,000			
Capitol Guide Service									
Salaries and expenses	403,700	544,000	544,000	544,000	544,000	+140,300			
Statements of Appropriations									
Preparation	13,000	13,000	13,000	13,000	13,000				
Total, joint items	56,903,600	73,773,900	73,727,100	73,727,100	73,727,100	+16,823,500	−46,800		
OFFICE OF TECHNOLOGY ASSESSMENT									
Salaries and expenses	7,400,000	10,000,000	9,700,000	9,700,000	9,700,000	+2,300,000	−300,000		
CONGRESSIONAL BUDGET OFFICE									
Salaries and expenses	10,400,000	11,368,000	11,172,000	11,368,000	11,368,000	+968,000		+196,000	
ARCHITECT OF THE CAPITOL									
Office of the Architect of the Capitol									
Salaries	$2,002,800	$2,645,300	$2,382,000	$2,382,000	$2,382,000	+$379,200	−$263,300		
Contingent expenses	120,000	210,000	210,000	210,000	210,000	+90,000			
Total, Office of the Architect of the Capitol	2,122,800	2,855,300	2,592,000	2,592,000	2,592,000	+469,200	−263,300		
Capitol Buildings and Grounds									
Capitol Buildings	5,516,000	6,414,500	6,157,000	6,157,000	6,157,000	+641,000	−257,500		
Capitol Grounds	1,919,500	4,241,300	2,565,000	2,565,000	2,565,000	+645,500	−1,676,300		
Senate office buildings	9,102,000	10,328,600		10,328,600	10,328,600	+1,226,600		$+10,328,600	
Senate garage	153,500	164,000		164,000	164,000	+10,500		+164,000	
House office buildings	18,176,900	21,065,100	21,065,000	21,605,000	21,065,000	+2,888,100	−100		
Capitol Power Plant (operation)	12,317,000	15,544,700	13,635,000	13,635,000	13,635,000	+1,318,000	−1,909,700		
Total, Capitol Buildings and Grounds	47,184,900	57,758,200	43,422,000	53,914,600	53,914,600	+6,729,700	−3,843,600	+10,492,600	
Total, Architect of the Capitol (except Library buildings and grounds)	49,307,700	60,613,500	46,014,000	56,506,600	56,506,600	+7,198,900	−4,106,900	+10,492,600	
LIBRARY OF CONGRESS									
Congressional Research Service									
Salaries and expenses	21,795,000	26,379,000	25,553,000	25,553,000	25,553,000	+3,758,000	−826,000		
GOVERNMENT PRINTING OFFICE									
Congressional printing and binding	71,674,000	73,961,000	73,961,000	73,961,000	73,961,000	+2,287,000			
Total, title I—Congressional operations	653,575,600	747,327,300	546,143,500	741,896,100	741,896,100	+88,320,500	−5,431,200	+195,752,600	
1978 supplemental		13,056,600		12,801,700	12,801,700	+12,801,700	−254,900	+12,801,700	
TITLE II—RELATED AGENCIES									
BOTANIC GARDEN									
Salaries and expenses	1,283,000	1,391,600	1,392,000	1,392,000	1,392,000	+109,000	+400		
LIBRARY OF CONGRESS									
Salaries and expenses	81,295,000	102,058,000	92,249,000	92,249,000	92,249,000	+10,954,000	−9,809,000		
Copyright Office, salaries and expenses	7,945,500	8,560,500	8,560,500	8,560,500	8,560,500	+615,000			
National Commission on New Technological Uses of Copyrighted Works, salaries and expenses	520,500					−520,500			
Books for the blind and physically handicapped, salaries and expenses	28,720,700	43,072,700	36,729,700	36,729,700	36,729,700	+8,009,000	−6,343,000		
Collection and distribution of library materials (special foreign currency program):									
Payments in Treasury-owned foreign currencies	3,184,600	3,603,500	3,603,500	3,603,500	3,603,500	+418,900			
U.S. dollars	256,600	256,600	256,600	256,600	256,600				
Total, collection and distribution of library materials	3,441,200	3,860,100	3,860,100	3,860,100	3,860,100	+418,900			
Furniture and furnishings	7,030,700	9,455,200	7,694,000	7,694,000	7,694,000	+663,300	−1,761,200		
Total, Library of Congress (except Congressional Research Service)	128,953,600	167,006,500	149,093,300	149,093,300	149,093,300	+20,139,700	−17,913,200		
ARCHITECT OF THE CAPITOL									
Library Buildings and Grounds									
Structural and mechanical care	2,169,100	2,794,700	2,776,000	2,776,000	2,776,000	+606,900	−18,700		
COPYRIGHT ROYALTY TRIBUNAL									
Salaries and expenses	726,000	935,000	805,000	805,000	805,000	+79,000	−130,000		

Footnotes at end of table.

LEGISLATIVE BRANCH APPROPRIATION BILL, 1979 (H.R. 12935)—CONFERENCE SUMMARY—Continued

[Fiscal years]

	New budget authority					Conference compared with —			
	Enacted 1978	Estimates 1979 [1]	House 1979	Senate 1979	Conference 1979 [2]	1978 enacted	1979 estimate	House bill	Senate bill
GOVERNMENT PRINTING OFFICE									
Printing and binding	12,952,500	11,476,000	11,476,000	11,476,000	11,476,000	−1,476,500			
Office of Superintendent of Documents, salaries and expenses	21,751,000	23,200,000	23,200,000	23,200,000	23,200,000	+1,449,000			
Total, Government Printing Office (except congressional printing and binding)	34,703,500	34,676,000	34,676,000	34,676,000	34,676,000	−27,500			
GENERAL ACCOUNTING OFFICE									
Salaries and expenses	167,000,000	187,843,000	185,756,000	185,765,000	185,756,000	+18,756,000	−2,087,000		
COST-ACCOUNTING STANDARDS BOARD									
Salaries and expenses	1,837,000	1,850,000	1,850,000	1,850,000	1,850,000	+13,000			
Total, title II—Related agencies	336,672,200	396,496,800	376,348,300	376,348,300	376,348,300	+39,676,100	−20,148,500		
Grand total, titles I and II: New budget (obligational) authority	990,247,800	1,143,824,100	922,491,800	1,118,244,400	1,118,244,400	+127,996,600	−25,579,700	+195,752,600	
1978 supplemental		13,056,600		12,801,700	12,801,700		−254,900	+12,801,700	
RECAPITULATION									
Title I—Congressional operations	653,575,600	747,327,300	546,143,500	741,896,100	741,896,100	+88,320,500	−5,431,200	+195,752,600	
1978 supplemental		13,056,600		12,801,700	12,801,700		−254,900	+12,801,700	
Title II—Related agencies	336,672,200	396,496,800	376,348,300	376,348,300	376,348,300	+39,676,100	−20,148,500		
Title I—Congressional operations:									
Senate	$153,423,200	$185,132,300		$185,064,000	$185,064,000	+$31,640,800	−$118,000	+$185,064,000	
1978 supplemental		13,056,600		12,801,700	12,801,700		−254,900	+12,801,700	
House of Representatives	282,672,100	306,049,900	306,016,400	306,016,400	306,016,400	+23,344,300	−33,500		
Joint items	56,903,600	73,773,900	73,727,100	73,727,100	73,727,100	+16,823,500	−46,800		
Office of Technology Assessment	7,400,000	10,000,000	9,700,000	9,700,000	9,700,000	+2,300,000	−300,000		
Congressional Budget Office	10,400,000	11,368,000	11,172,000	11,368,000	11,368,000	+968,000		+196,000	
Architect of the Capitol (except Library buildings and grounds)	49,307,700	60,613,500	46,014,000	56,506,600	56,506,600	+7,198,900	−4,106,900	+10,492,600	
Congressional Research Service, Library of Congress	21,795,000	26,379,000	25,553,000	25,553,000	25,553,000	+3,758,000	−826,000		
Congressional printing and binding, Government Printing Office	71,674,000	73,961,000	73,961,000	73,961,000	73,961,000	+2,287,000			
Total, title I—Congressional operations	653,575,600	747,327,300	546,143,500	741,896,100	741,896,100	+88,320,500	−5,431,200	+195,752,600	
1978 supplemental		13,056,600		12,801,700	12,801,700		−254,900	+12,801,700	
Title II—Related agencies:									
Botanic Garden	1,283,000	1,391,600	1,392,000	1,392,000	1,392,000	+109,000	+400		
Library of Congress (except Congressional Research Service)	128,953,600	167,006,500	149,093,300	149,093,300	149,093,300	+20,139,700	−17,913,200		
Library buildings and grounds, Architect of the Capitol	2,169,100	2,794,700	2,776,000	2,776,000	2,776,000	+606,900	−18,700		
Copyright Royalty Tribunal	726,000	935,000	805,000	805,000	805,000	+79,000	−130,000		
Government Printing Office (except congressional printing and binding)	34,703,500	34,676,000	34,676,000	34,676,000	34,676,000	−27,500			
General Accounting Office	167,000,000	187,843,000	185,756,000	185,756,000	185,756,000	+18,756,000	−2,087,000		
Cost-Accounting Standards Board	1,837,000	1,850,000	1,850,000	1,850,000	1,850,000	+13,000			
Total, title II—Related agencies	336,672,200	396,496,800	376,348,300	376,348,300	376,348,300	+39,676,100	−20,148,500		
Grand total, new budget (obligational) authority	990,247,800	1,143,824,100	922,491,800	1,118,244,400	1,118,244,400	+127,996,600	−25,579,700	+195,752,600	
1978 supplemental		13,056,600		12,801,700	12,801,700		−254,900	+12,801,700	

[1] Includes budget amendments for fiscal year 1979 totaling $9,307,000 in H. Doc. 95-331 and S. Doc. 95-106.

[2] In addition, the conference agreement provides that of the total budget authority provided in the act, for payments not required by law, 5 percent shall be withheld from obligation and expenditure.

Mr. Speaker, I will not attempt to speak to each of the items we considered in conference. There were a total of 55 amendments, 41 of which related solely to Senate housekeeping items. The remainder are explained fully in the statement accompanying the conference report which was printed in the CONGRESSIONAL RECORD on Wednesday, August 9.

Mr. Speaker, this is a good conference agreement. I urge its adoption.

Mr. BAUMAN. Mr. Speaker, will the gentleman yield for a question at this point?

Mr. BENJAMIN. I yield to the gentleman from Maryland.

Mr. BAUMAN. Mr. Speaker, I thank the gentleman for yielding.

In one of the amendments of the other body, number 37, there is a rather interesting formulation of expenses and what they are to be paid for. I ask this question again because there is an unfortunate tradition around here that when one body acquires some prerogative, the other has to have it immediately.

I have read this amendment. It pertains to any person who may be named by a Member of the other body to an advisory panel or a committee for recommendations for nominees for Federal judgeships or for recommendations for nominees to service academies. Many Members do have these advisory committees for service academy nominees. The amendment permits any of those committee persons to be paid out of taxpayers' funds for their travel within the State or from the State to the District of Columbia.

The question I have specifically deals with page 28, the last paragraph. Is my reading of the language correct that each of these persons may be reimbursed up to $3,000 for each calendar year, and that there is not any limit to the number of people who can be named to these committees?

Mr. BENJAMIN. The report language, as found on page 31 of the Senate report, document 95-1024, indicates that the amount of expenses incurred by individuals selected by Senators, for which reimbursement may be made under the subsection, shall not exceed $500 for each calendar year, and the total amount for which reimbursement may be made under the subsection shall not exceed $3,000 for each calendar year.

That is the language which is included in the report under section 108(a).

Mr. BAUMAN. If the gentleman could respond specifically to my question, on page 27 in amendment number 37, under section 108, subsection (h)(1), the language describes an individual who is selected by a Senator to serve on a panel, as I have described. The gentleman has just read the report concern-

ing that, which says that the reimbursement which may be made to such individuals under the section shall not exceed $3.000 in each calendar year.

My question is, Does this mean that an unlimited number of designees of Members of the other body may be able to get up to $3,000 a year in travel and other expenses?

Mr. BENJAMIN. It means that can be done in the category described, and that is the academy nominees and the Federal judgeships. Of course, there is a limitation imposed under present law, one in terms of the nominees to service academies and secondly, in terms of Federal judgeships.

I would have to respond in the affirmative to the gentleman's question and say that that is precisely what the other body has done.

Mr. BAUMAN. There is no limit on the number; is that correct? In other words, if 50 persons from the State of Maryland were named, each could be eligible for up to $3,000 annually in reimbursement for expenses; is that correct?

Mr. BENJAMIN. I have read the language of the report to the gentleman. I would have to concur with the gentleman's analysis.

Mr. BAUMAN. That is more than disturbing. The possibility of abuse is very great in such an unlimited arrangement.

Mr. COUGHLIN. Mr. Speaker, I yield myself such time as I may consume.

All of the minority members of the conference committee did sign the conference report.

Mr. Speaker, I think that as far as the House items in this conference report in particular are concerned, there is very little controversy. The 5 percent cut that was included and passed by the House is included here.

Mr. Speaker, I think the conference report is a good one, and I yield back the balance of my time.

Mr. BENJAMIN. Mr. Speaker, I move the previous question on the conference report.

The previous question was ordered.

The SPEAKER pro tempore. The question is on the conference report .

The question was taken; and the Speaker pro tempore announced that the ayes appeared to have it.

Mr. ASHBROOK. Mr. Speaker, I object to the vote on the ground that a quorum is not present and make the point of order that a quorum is not present.

The SPEAKER pro tempore. Evidently a quorum is not present.

The Sergeant at Arms will notify absent Members.

The vote was taken by electronic device, and there were—yeas 255, nays 123, not voting 54, as follows:

[Roll No. 717]

YEAS—255

Addabbo	Ashley	Blanchard
Akaka	Aspin	Boggs
Alexander	Baldus	Boland
Ambro	Beard, R.I.	Bonior
Anderson, Ill.	Bedell	Bonker
Andrews, N.C.	Bellenson	Brademas
Andrews, N. Dak.	Benjamin	Breaux
	Bevill	Breckinridge
Annunzio	Biaggi	Brinkley
Applegate	Bingham	Brodhead
Brooks	Howard	Price
Brown, Calif.	Hyde	Pritchard
Brown, Ohio	Jenrette	Pursell
Burke, Mass.	Johnson, Calif.	Quie
Burleson, Tex.	Johnson, Colo.	Rahall
Burlison, Mo.	Jones, N.C.	Railsback
Burton, Phillip	Jones, Tenn.	Rangel
Butler	Jordan	Reuss
Caputo	Kastenmeier	Richmond
Carney	Kazen	Rinaldo
Carr	Kildee	Roberts
Carter	Krebs	Robinson
Chappell	Krueger	Roe
Chisholm	Lederer	Rogers
Collins, Ill.	Leggett	Roncalio
Conte	Lehman	Rooney
Conyers	Lent	Rose
Corcoran	Livingston	Rosenthal
Corman	Lloyd, Calif.	Rostenkowski
Cornell	Long, La.	Roybal
Cotter	Long, Md.	Runnels
Coughlin	Lundine	Ryan
D'Amours	McClory	Satterfield
Daniel, Dan	McCloskey	Sawyer
Daniel, R. W.	McCormack	Scheuer
Davis	McDade	Sebelius
de la Garza	McFall	Seiberling
Dellums	McHugh	Sharp
Derrick	McKay	Simon
Dickinson	McKinney	Skelton
Dicks	Maguire	Skubitz
Dingell	Mahon	Slack
Dodd	Mann	Smith, Iowa
Downey	Markey	Solarz
Drinan	Mathis	Spellman
Duncan, Oreg.	Mazzoli	St Germain
Early	Meeds	Staggers
Edgar	Metcalfe	Stanton
Edwards, Ala.	Meyner	Steed
Edwards, Calif.	Michel	Stockman
Eilberg	Mineta	Stratton
Erlenborn	Minish	Studds
Evans, Ga.	Mitchell, Md.	Thornton
Fary	Mitchell, N.Y.	Traxler
Findley	Moakley	Treen
Fish	Moffett	Udall
Fisher	Mollohan	Ullman
Flippo	Moore	Van Deerlin
Flood	Moorhead, Pa.	Vander Jagt
Florio	Moss	Vanik
Foley	Murphy, Ill.	Vento
Ford, Mich.	Murphy, N.Y.	Volkmer
Ford, Tenn.	Murtha	Waggonner
Garcia	Myers, Michael	Walsh
Gaydos	Natcher	Wampler
Gephardt	Nedzi	Waxman
Giaimo	Nichols	Weiss
Ginn	Nix	Whalen
Glickman	Nolan	White
Gonzalez	Nowak	Whitehurst
Gore	O'Brien	Whitley
Green	Oakar	Whitten
Gudger	Oberstar	Wiggins
Hall	Obey	Wilson, Bob
Hamilton	Ottinger	Wilson, Tex.
Hanley	Panetta	Winn
Hannaford	Patten	Wolff
Harkin	Patterson	Wright
Harris	Pattison	Wydler
Heckler	Pepper	Yates
Hefner	Perkins	Yatron
Hightower	Pettis	Young, Mo.
Hillis	Pickle	Zablocki
Hollenbeck	Pike	Zeferetti
Holtzman	Poage	
Horton	Preyer	

NAYS—123

Abdnor	Cochran	Grassley
Ammerman	Cohen	Guyer
Anderson, Calif.	Coleman	Hammer-schmidt
	Collins, Tex.	
Archer	Conable	Hansen
Armstrong	Crane	Harsha
Ashbrook	Cunningham	Heftel
AuCoin	Derwinski	Holt
Badham	Devine	Hubbard
Bafalis	Dornan	Hughes
Baucus	Duncan, Tenn.	Ichord
Bauman	Edwards, Okla.	Jacobs
Beard, Tenn.	Emery	Jeffords
Bennett	Ertel	Jones, Okla.
Blouin	Evans, Del.	Kelly
Bowen	Evans, Ind.	Kemp
Broomfield	Fenwick	Keys
Brown, Mich.	Fithian	Kindness
Broyhill	Forsythe	Kostmayer
Buchanan	Frenzel	LaFalce
Burgener	Fuqua	Lagomarsino
Burke, Fla.	Gammage	Latta
Burton, John	Gibbons	Leach
Byron	Gilman	Levitas
Cavanaugh	Goldwater	Lott
Clawson, Del	Goodling	Lujan
Cleveland	Gradison	Luken
McEwen	Myers, John	Snyder
Madigan	Neal	Spence
Marks	Pease	Steers
Marlenee	Pressler	Stump
Marriott	Quayle	Symms
Martin	Quillen	Taylor
Mattox	Regula	Thone
Mikulski	Rhodes	Trible
Miller, Ohio	Rousselot	Walgren
Montgomery	Rudd	Walker
Moorhead, Calif.	Ruppe	Watkins
	Russo	Weaver
Mottl	Santini	Wirth
Murphy, Pa.	Schroeder	Wylie
Myers, Gary	Shuster	Young, Fla.

NOT VOTING—54

Barnard	Fowler	Sarasin
Bolling	Fraser	Schulze
Burke, Calif.	Frey	Shipley
Cederberg	Hagedorn	Sikes
Clausen, Don H.	Harrington	Sisk
	Hawkins	Smith, Nebr.
Clay	Holland	Stangeland
Cornwell	Huckaby	Stark
Danielson	Ireland	Steiger
Delaney	Jenkins	Stokes
Dent	Kasten	Teague
Diggs	Le Fante	Thompson
Eckhardt	Lloyd, Tenn.	Tsongas
English	McDonald	Tucker
Evans, Colo.	Mikva	Wilson, C. H.
Fascell	Milford	Young, Alaska
Flowers	Miller, Calif.	Young, Tex.
Flynt	Risenhoover	
Fountain	Rodino	

The Clerk announced the following pairs:

On this vote:

Mr. Thompson for, with Mr. Kasten against.
Mr. Rodino for, with Mr. McDonald against.

Until further notice:

Mr. Sikes with Mr. Cederberg.
Mr. Cornwell with Mr. Frey.
Mr. Danielson with Mr. Sarasin.
Mr. Delaney with Mr. Stangeland.
Mr. Dent with Mr. Milford.
Mr. Ireland with Mr. Holland.
Mr. Risenhoover with Don H. Clausen.
Mr. Shipley with Mr. Eckhardt.
Mr. Stark with Mr. Fowler.
Mr. Stokes with Mr. Fraser.
Mr. Teague with Mr. Hagedorn.
Mr. Tsongas wtih Mr. Steiger.
Mrs. Burke of California with Mr. Young of Alaska.
Mr. Charles H. Wilson of California with Mr. Miller of California.
Mr. Mikva with Mr. Barnard.
Mr. Fascell with Mr. Huckaby.
Mr. Fountain with Mr. Sisk.
Mr. Hawkins with Mr. English.
Mr. Diggs with Mr. Evans of Colorado.
Mr. Flowers with Mr. Tucker.
Mr. Flynt with Mrs. Smith of Nebraska.
Mr. Clay with Mr. Jenkins.
Mr. Le Fante with Mrs. Lloyd of Tennessee.
Mr. Harrington with Mr. Schulze.

Mr. DERWINSKI changed his vote from "yea" to "nay."

So the conference report was agreed to.

The result of the vote was announced as above recorded.

AMENDMENTS IN DISAGREEMENT

The SPEAKER pro tempore (Mr. MURPHY of New York). The Clerk will report the first amendment in disagreement.

Mr. BENJAMIN. Mr. Speaker, inasmuch as amendments Nos. 1 through 39 relate solely to housekeeping operations of the other body in which, by practice, the House concurs without intervention, I ask unanimous consent that Senate amendments Nos. 1 through 39 be considered as read, printed in the RECORD, and that they be considered en bloc.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Indiana?

There was no objection.

Senate amendments Nos. 1 through 39: Line 2, page 2, through line 3, page 33, insert:

SENATE

COMPENSATION AND MILEAGE OF THE VICE PRESIDENT AND SENATORS AND EXPENSE ALLOWANCES OF THE VICE PRESIDENT, THE LEADERS, AND WHIPS OF THE SENATE

COMPENSATION AND MILEAGE OF THE VICE PRESIDENT AND SENATORS

For compensation and mileage of the Vice President and Senators of the United States, $6,480,000.

EXPENSE ALLOWANCE OF THE VICE PRESIDENT, MAJORITY AND MINOTITY LEADERS AND MAJORITY AND MINORITY WHIPS

For expense allowances of the Vice President, $10,000; Majority Leader of the Senate, $5,000; Minority Leader of the Senate, $5,000; Majority Whip of the Senate, $2,500; and Minority Whip of the Senate, $2,500; in all, $25,000.

SALARIES, OFFICERS AND EMPLOYEES

For compensation of officers, employees, clerks to Senators, and others as authorized by law, including agency contributions and longevity compensation as authorized, which shall be paid from this appropriation without regard to the below limitations, as follows:

OFFICE OF THE VICE PRESIDENT

For clerical assistance to the Vice President, $767,000.

For an additional amount for "Office of the Vice President", fiscal year 1978, $35,500.

OFFICE OF THE PRESIDENT PRO TEMPORE

For Office of the President Pro Tempore, $116,000.

For an additional amount for "Office of the President Pro Tempore", fiscal year 1978, $4,900.

OFFICES OF THE MAJORITY AND MINORITY LEADERS

For Offices of the Majority and Minority Leaders, $411,000.

For an additional amount for "Offices of the Majority and Minority Leaders", fiscal year 1978, $27,600.

FLOOR ASSISTANTS TO THE MAJORITY AND MINORITY LEADERS

For Floor Assistants to the Majority and Minority Leaders, $103,000.

For an additional amount for "Floor Assistants to the Majority and Minority Leaders", fiscal year 1978, $100.

OFFICES OF THE MAJORITY AND MINORITY WHIPS

For Offices of the Majority and Minority Whips, $239,000.

For an additional amount for "Offices of the Majority and Minority Whips", fiscal year 1978, $16,800.

OFFICES OF THE SECRETARIES OF THE CONFERENCE OF THE MAJORITY AND THE CONFERENCE OF THE MINORITY

For Offices of the Secretaries of the Conference of the Majority and the Conference of the Minority, $132,000.

For an additional amount for "Offices of the Secretaries of the Conference of the Majority and the Conference of the Minority", fiscal year 1978, $4,700.

OFFICE OF THE CHAPLAIN

For Office of the Chaplain, $40,000.

For an additional amount for "Office of the Chaplain", fiscal year 1978, $3,200.

OFFICE OF THE SECRETARY

For office of the Secretary, $4,116,000, including $180,253 required for the purpose specified and authorized by section 74(b) of title 2, United States Code: *Provided*, That, effective October 1, 1978, the Secretary may appoint and fix the compensation of a Staff Assistant at not to exceed $27,745 per annum in lieu of not to exceed $25,776 per annum; an Assistant Reporter of Debates at not to exceed $33,115 per annum in lieu of not to exceed $35,084 per annum; an Assistant Keeper of Stationery at not to exceed $30,072 per annum in lieu of not to exceed $27,566 per annum; a Chief Clerk, Stationery Room, at not to exceed $21,480 per annum in lieu of not to exceed $19,332 per annum; a Bookkeeper, Stationery Room, at not to exceed $19,690 per annum in lieu of not to exceed $17,542 per annum; a Senior Counter Clerk, Stationery Room, at not to exceed $15,752 per annum in lieu of a Clerk at not to exceed $14,678 per annum; a Secretary to Parliamentarian at not to exceed $20,585 per annum in lieu of not to exceed $18,258 per annum; an Assistant Journal Clerk at not to exceed $34,368 per annum in lieu of not to exceed $21,480 per annum; a Counter Clerk, Stationery Room, at not to exceed $14,678 per annum in lieu of an Information Clerk, Digest, at not to exceed $11,277 per annum; a Counter Clerk, Stationery Room, at not to exceed $14,678 per annum in lieu of a Clerk at not to exceed $13,962 per annum; an Associate Historian at not to exceed $26,671 per annum in lieu of not to exceed $23,628 per annum; a Photo Historian at not to exceed $25,955 per annum in lieu of not to exceed $28,998 per annum; a Secretary at not to exceed $20,585 per annum in lieu of not to exceed $21,480 per annum; a Journal Clerk at not to exceed $44,034 per annum in lieu of not to exceed $45,645 per annum; a Secretary at not to exceed $20,585 per annum in lieu of not to exceed $19,332 per annum; a Second Assistant Journal Clerk at not to exceed $27,566 per annum in lieu of a Clerk of Enrolled Bills at not to exceed $25,776 per annum; a Legislative Clerk at not to exceed $44,034 per annum in lieu of not to exceed $45,645 per annum; an Assistant Legislative Clerk at not to exceed $34,368 per annum in lieu of not to exceed $44,034 per annum; a Second Assistant Legislative Clerk at not to exceed $27,566 per annum in lieu of not to exceed $32,578 per annum; a Technical Advisor at not to exceed $32,041 per annum in lieu of not to exceed $35,084 per annum, a Bill Clerk at not to exceed $32,578 per annum in lieu of not to exceed $29,177 per annum; an Assistant Bill Clerk at not to exceed $25,776 per annum in lieu of not to exceed $21,480 per annum; a Terminal Operator at not to exceed $12,351 per annum in lieu of a Clerk, Public Records Office, at not to exceed $16,110 per annum; a Messenger at not to exceed $12,172 per annum in lieu of a Reference Assistant at not to exceed $14,678 per annum; a Technical Services Specialist in the Library at not to exceed $20,406 per annum; and in the Office of Classified National Security Information: a Director at not to exceed $50,478 per annum; a Professional Staff Member at not to exceed $40,096 per annum; a Classified Documents Specialist at not to exceed $27,566 per annum; and two Secretaries at not to exceed $20,585 per annum each: *Provided further*, That the provisions of the preceding proviso shall not apply to the position of Legislative Clerk or Assistant Legislative Clerk so long as the position is held by an individual who has held the position continuously since December 31, 1977.

For an additional amount for "Office of the Secretary", fiscal year 1978, $220,800.

COMMITTEE EMPLOYEES

For professional and clerical assistance to standing committees and the Select Committee on Small Business, $10,528,000.

For an additional amount for "committee employees", fiscal year 1978, $243,300.

CONFERENCE COMMITTEES

For clerical assistance to the Conference of the Majority and the Conference of the Minority, at rates of compensation to be fixed by the Chairman of each such committee, $375,000 for each such committee; in all, $750,000.

For an additional amount for "conference committees", fiscal year 1978, $52,300.

ADMINISTRATIVE, CLERICAL, AND LEGISLATIVE ASSISTANCE TO SENATORS

For administrative, clerical, and legislative assistance to Senators, $70,881,000.

For an additional amount for "administrative and clerical assistants to Senators", fiscal year 1978, $4,464,100.

OFFICE OF SERGEANT AT ARMS AND DOORKEEPER

For Office of the Sergeant at Arms and Doorkeeper, $19,803,000: *Provided*, That, effective October 1, 1978, the Sergeant at Arms and Doorkeeper may appoint and fix the compensation of an Auditor at not to exceed $15,752 per annum; two Teletype Operators at not to exceed $12,530 per annum each; two Assistant Cabinetmakers at not to exceed $15,573 per annum each; six Parking Attendants at not to exceed $4,475 per annum each; a Secretary at not to exceed $15,036 per annum; a Layout Technician at not to exceed $13,962 per annum; a Manager, Computer Operations at not to exceed $34,368 per annum in lieu of an Operations Manager at not to exceed $31,862 per annum; a Manager, Planning, Budget and Administration at not to exceed $34,368 per annum in lieu of a Systems Supervisor at not to exceed $34,368 per annum; a Manager, Data Network at not to exceed $34,368 per annum in lieu of a Network Supervisor at not to exceed $34,368 per annum; a Manager, Systems Programming at not to exceed $34,368 per annum in lieu of a Senior Programmer Supervisor at not to exceed $34,368 per annum; a Manager, Legislative Applications Development at not to exceed $34,368 per annum in lieu of a Senior Programmer Supervisor at not to exceed $34,368 per annum; a Manager, Administrative Applications Development at not to exceed $34,368 per annum in lieu of a Systems Supervisor at not to exceed $34,368 per annum; a Manager, User Training and Liaison at not to exceed $34,368 per annum in lieu of a Systems Supervisor at not to exceed $34,368 per annum;

an Office Manager at not to exceed $20,048 per annum in lieu of an Office Supervisor at not to exceed $19,332 per annum; two Senior Applications Analysts at not to exceed $32,220 per annum each in lieu of two Senior Computer Specialists at not to exceed $31,146 per annum each; two Senior Applications Analysts at not to exceed $31,146 per annum each in lieu of two Senior Programmer Analysts at not to exceed $28,819 per annum each; four Senior Computer Specialists at not to exceed $31,146 per annum each in lieu of four Senior Programmer Analysts at not to exceed $28,819 per annum each; a Senior Computer Specialist at not to exceed $32,220 per annum in lieu of a Lead Analyst at not to exceed $29,535 $28,819 per annum each in lieu of a Senior Programmer Analyst at not to exceed $28,819 per annum; four Computer Specialists at not to exceed $28,819 per annum each in lieu of two Programmer Analysts at not to exceed $26,492 per annum each and a Programmer Analyst at not to exceed $26,134 per annum; ten Senior Programmer Analysts at not to exceed $26,492 per annum each in lieu of two Systems Programmers at not to exceed $26,492 per annum each, a Programmer Analyst at not to exceed $26,492 per annum, a Systems Analyst at not to exceed $26,492 per annum and a Computer Specialist at not to exceed $24,344 per annum; thirteen Senior Programmer Analysts at not to exceed $24,344 per annum each in lieu of seven Programmer Analysts at not to exceed $26,492 per annum each, a Systems Analyst at not to exceed $26,492 per annum, a Systems Programmer at not to exceed $26,492 per annum, two Computer Specialists at

not to exceed $24,344 per annum each, a Computer Specialist at not to exceed $23,270 per annum and a Programmer Analyst at not to exceed $21,838 per annum; six Programmer Analysts at not to exceed $21,838 per annum each in lieu of a Programmer Analyst at not to exceed $26,492 per annum, a Computer Specialist at not to exceed $23,344 per annum and a Computer Specialist at not to exceed $23,270 per annum; four Programmer Analysts at not to exceed $18,974 per annum each in lieu of a Programmer Analyst at not to exceed $26,492 per annum and two Program Analysts at not to exceed $21,838 per annum each; a Text Processing Specialist at not to exceed $19,332 per annum in lieu of an Office Systems Specialist at not to exceed $17,542 per annum; two Text Processing Specialists at not to exceed $17,542 per annum each in lieu of an Office Systems Specialist at not to exceed $17,542 per annum and a Liaison and Documentation Specialist at not to exceed $17,542 per annum; three Senior Systems Programmers at not to exceed $28,819 per annum each in lieu of three Senior Programmer Analysts at not to exceed $28,819 per annum each;

a Junior Systems Programmer at not to exceed $23,270 per annum in lieu of a Computer Specialist at not to exceed $23,270 per annum; a Data Base Systems Programmer at not to exceed $26,492 per annum in lieu of a Systems Analyst at not to exceed $26,492 per annum; a Network Technical Control Supervisor at not to exceed $32,220 per annum in lieu of a Senior Computer Specialist at not to exceed $31,146 per annum; a Communications Software Specialist at not to exceed $32,220 per annum in lieu of a Senior Computer Specialist at not to exceed $31,146 per annum; a Communications System Specialist at not to exceed $29,535 per annum in lieu of a Programmer Analyst at not to exceed $26,492 per annum; a Communications Software Programmer Analyst at not to exceed $26,492 per annum in lieu of a Systems Programmer at not to exceed $26,492 per annum; a Network Equipment Supervisor at not to exceed $26,492 per annum in lieu of a Systems Analyst at not to exceed $26,492 per annum; two Network Technicians at not to exceed $19,153 per annum each in lieu of not to exceed $23,270 per annum each; two Junior Network Technicians at not to exceed $15,215 per annum each in lieu of two Computer Terminal Installers at not to exceed $10,382 per annum each; three Computer Terminal Installers at not to exceed $12,888 per annum each in lieu of a Keypunch Operator at not to exceed $12,351 per annum, a Data Conversion Operator at not to exceed $11,277 per annum and a Computer Terminal Installer at not to exceed $10,382 per annum; an Office Systems Supervisor at not to exceed $28,819 per annum in lieu of a Training Specialist at not to exceed $26,492 per annum; a Technical Training Specialist at not to exceed $26,492 per annum in lieu of a Systems Programmer at not to exceed $26,492 per annum; an Office Systems Training Supervisor at not to exceed $26,492 per annum in lieu of a Training Specialist at not to exceed $26,492 per annum; seven Senior Office Systems Specialists at not to exceed $22,912 per annum each in lieu of two Training Specialists at not to exceed $22,912 per annum each and three Office Systems Specialists at not to exceed $17,542 per annum each; eight Office Systems Specialists at not to exceed $18,258 per annum each in lieu of a Training Specialist at not to exceed $22,912 per annum, four Office Systems Specialists at not to exceed $17,542 per annum each and a Printing Operator at not to exceed $16,826 per annum; nine Office Systems Specialists at not to exceed $16,647 per annum each in lieu of five Office Systems Specialists at not to exceed $17,542 per annum each, two Printing Operators at not to exceed $16,826 per annum each and a Quality Controller at not to exceed $16,826 per annum;

two Office Systems Specialists at not to exceed $15,036 per annum each in lieu of an Office Systems Specialist at not to exceed $17,542 per annum; a Senior Training Specialist at not to exceed $22,912 per annum in lieu of a Training Specialist at not to exceed $22,912 per annum; three Training Specialists at not to exceed $18,258 per annum each in lieu of three Office Systems Specialists at not to exceed $17,542 per annum each; four Training Specialists at not to exceed $16,647 per annum each in lieu of an Office Systems Specialist at not to exceed $17,542 per annum and two Printing Operators at not to exceed $16,826 per annum each; a Production Manager at not to exceed $25,060 per annum in lieu of not to exceed $23,986 per annum; a Hardware Manager at not to exceed $25,060 per annum in lieu of an Operations Supervisor at not to exceed $23,986 per annum; two Computer Resource and Performance Analysts at not to exceed $22,912 per annum each in lieu of two Data Standards Specialists at not to exceed $22,912 per annum each; a Documentation Specialist at not to exceed $22,017 per annum in lieu of a Computer Performance Analyst at not to exceed $22,017 per annum; six Job Controllers at not to exceed $16,826 per annum each in lieu of six Lead Operators at not to exceed $16,468 per annum each; six Lead Operators at not to exceed $16,110 per annum each in lieu of not to exceed $16,468 per annum each; a Data Conversion Operator at not to exceed $11,277 per annum in lieu of a Computer Terminal Installer at not to exceed $10,382 per annum; a Secretary at not to exceed $21,122 per annum in lieu of a Technical Writer at not to exceed $21,122 per annum; a Secretary at not to exceed $14,857 per annum in lieu of a Secretary Typist at not to exceed $13,962 per annum; a Secretary at not to exceed $14,141 per annum in lieu of a Junior Operator at not to exceed $14,678 per annum; three Secretaries at not to exceed $13,962 per annum each in lieu of a Secretary Receptionist at not to exceed $13,962 per annum, a Secretary Typist at not to exceed $13,962 per annum and a Secretary at not to exceed $12,888 per annum; a Secretary/Receptionist at not to exceed $13,604 per annum in lieu of a Quality Controller at not to exceed $16,826 per annum; a Secretary Typist at not to exceed $13,067 per annum in lieu of a Quality Controller at not to exceed $16,826 per annum; a Receptionist at not to exceed $12,172 per annum in lieu of an Operations Clerk at not to exceed $13,246 per annum; an Office Systems Supervisor at not to exceed $26,492 per annum; a Text Processing Specialist at not to exceed $14,678 per annum; two Senior Systems Programmers at not to exceed $31,146 per annum each; a Data Resources Manager at not to exceed $25,060 per annum; a Secretary at not to exceed $14,320 per annum;

two Senior Network Technicians at not to exceed $26,492 per annum each; a Technical User Liaison at not to exceed $16,468 per annum; a Special Projects Officer at not to exceed $32,220 per annum; a Receptionist at not to exceed $13,246 per annum; two Captains, Police Force at not to exceed $25,776 per annum each; two Sergeants, Police Force at not to exceed $17,900 per annum each; three Detectives, Police Force at not to exceed $16,826 per annum each; two Plainclothes Officers, Police Force at not to exceed $15,752 per annum each; a Clerk at not to exceed $13,962 per annum in lieu of not to exceed $12,888 per annum; a Clerk at not to exceed $12,888 per annum in lieu of not to exceed $11,814 per annum; an Auditor at not to exceed $12,888 per annum in lieu of not to exceed $11,814 per annum; a Purchasing Clerk at not to exceed $15,036 per annum in lieu of not to exceed $13,962 per annum; a Clerk at not to exceed $12,530 per annum in lieu of not to exceed $11,456 per annum; a Supervisor of Door Attendants at not to exceed $19,153 per annum in lieu of a Messenger Acting as Assistant Doorkeeper at not to exceed $15,036 per annum; an Assistant Supervisor of Door Attendants at not to exceed $17,184 per annum in lieu of a Messenger Acting as Assistant Doorkeeper at not to exceed $15,036 per annum; a Director, Service Department at not to exceed $41,170 per annum in lieu of a Superintendent, Service Department at not to exceed $41,170 per annum; an Assistant Director, Service Department at not to exceed $28,640 per annum in lieu of an Assistant Superintendent, Service Department at not to exceed $25,776 per annum; a Technical Clerk at not to exceed $13,962 per annum in lieu of a Photostat Operator at not to exceed $13,962 per annum; a Secretary to the Director, Service Department at not to exceed $16,468 per annum in lieu of a Secretary to Superintendent, Service Department at not to exceed $16,468 per annum; ten Inserting Machine Operators at not to exceed $12,888 per annum each, in lieu of not to exceed $11,814 per annum each; three Senior Press Operators at not to exceed $17,542 per annum each, in lieu of three Printing Press Operators at not to exceed $16,468 per annum each; eleven Printing Press Operators at not to exceed $16,468 per annum each, in lieu of eleven Offset Press Operators at not to exceed $15,394 per annum each; a Senior Pressman/Repairman at not to exceed $17,900 per annum in lieu of not to exceed $17,363 per annum; an Assistant Night Supervisor, Duplicating Section at not to exceed $18,709 per annum in lieu of not to exceed $17,363 per annum; eleven Addressograph Operators at not to exceed $13,425 per annum each, in lieu of not to exceed $12,530 per annum each; a Secretary at not to exceed $13,425 per annum in lieu of not to exceed $12,530 per annum;

a Secretary-Receptionist at not to exceed $14,857 per annum in lieu of not to exceed $13,962 per annum; a Supervisor, Supply Section at not to exceed $16,289 per annum in lieu of not to exceed $15,394 per annum; a Technical Clerk at not to exceed $13,425 per annum in lieu of not to exceed $12,530 per annum; six Automatic Typewriter Repairmen at not to exceed $17,542 per annum each, in lieu of not to exceed $16,468 per annum each; three Repairmen at not to exceed $16,110 per annum each, in lieu of not to exceed $15,036 per annum each; a Film and Video Cameraman at not to exceed $25,597 per annum in lieu of not to exceed $23,270 per annum; a Laboratory Supervisor at not to exceed $25,597 per annum in lieu of not to exceed $23,270 per annum; an Audio Engineer at not to exceed $21,122 per annum in lieu of not to exceed $19,332 per annum; an Audio Engineer at not to exceed $16,468 per annum in lieu of not to exceed $15,036 per annum; a Skilled Laborer at not to exceed $12,888 per annum in lieu of not to exceed $11,814 per annum; a Skilled Laborer at not to exceed $12,530 per annum in lieu of not to exceed $11,456 per annum; a Laborer at not to exceed $12,888 per annum in lieu of not to exceed $11,814 per annum; two Senior Door Attendants at not to exceed $15,036 per annum each, in lieu of two Messengers Acting as Assistant Doorkeeper at not to exceed $15,036 per annum each; twenty-five Door Attendants at not to exceed $12,530 per annum each, in lieu of twenty-five Messengers at not to exceed $12,530 per annum each; six Door Attendants at not to exceed $11,814 per annum each, in lieu of six Messengers at not to exceed $11,814 per annum each; a Door Attendant at not to exceed $10,740 per annum in lieu of a Messenger at not to exceed $10,740 per annum; a Door Attendant at not to exceed $10,382 per annum in lieu of a Messenger at not to exceed $10,382 per annum;

a Chief Door Attendant for the Minority at not to exceed $13,962 per annum in lieu of a Chief Messenger for the Minority at not to exceed $13,962 per annum; three Door Attendants for the Minority at not to exceed $12,530 per annum each, in lieu of three Messengers for the Minority at not to exceed $12,530 per annum each; a Secretary/Receptionist at not to exceed $15,394 per annum in lieu of a Receptionist at not to exceed $13,067 per annum: *provided further*, That, effective April 1, 1978, the Sergeant at Arms and Doorkeeper may appoint and fix the compensation of an Executive Assistant at not to exceed $42,065 per annum in lieu of a Special Assistant at not to exceed $30,788 per annum.

For an additional amount for "Office of Sergeant at Arms and Doorkeeper", fiscal year 1978, $1,219,000.

OFFICES OF THE SECRETARIES FOR THE MAJORITY AND MINORITY

For offices of the Secretary for the Majority and the Secretary for the Minority, $411,000.

For an additional amount for "Offices of the Secretaries for the Majority and Minority", fiscal year 1978, $20,700.

AGENCY CONTRIBUTIONS AND LONGEVITY COMPENSATION

For agency contributions for employee benefits and longevity compensation, as authorized by law, $7,785,000.

For an additional amount for "agency contributions and longevity compensation", fiscal year 1978, $785,000.

OFFICE OF THE LEGISLATIVE COUNSEL OF THE SENATE

For salaries and expenses of the Office of the Legislative Counsel of the Senate, $815,000.

For an additional amount for "Office of the Legislative Counsel of the Senate", fiscal year 1978, $33,300.

CONTINGENT EXPENSES OF THE SENATE

SENATE POLICY COMMITTEES

For salaries and expenses of the Majority Policy Committee and the Minority Policy Committee, $694,000 for each such committee; in all, $1,388,000.

For an additional amount for "Senate Policy Committees", fiscal year 1978, $93,500.

AUTOMOBILES AND MAINTENANCE

For purchase, lease, exchange, maintenance, and operation of vehicles, one for the Vice President, one for the President pro tempore, one for the Majority Leader, one for the Minority Leader, one for the Majority Whip, one for the Minority Whip, for carrying the mails, and for official use of the offices of the Secretary and the Sergeant at Arms and Doorkeeper, $58,000.

INQUIRIES AND INVESTIGATIONS

For expenses of inquiries and investigations ordered by the Senate, or conducted pursuant to section 134(a) of Public Law 601, Seventy-ninth Congress, as amended, including $740,881 for the Committee on Appropriations, to be available also for the purposes mentioned in Senate Resolution Numbered 193, agreed to October 14, 1943, and Senate Resolution Numbered 140, agreed to May 14, 1975, $30,625,000.

For an additional amount for "Inquiries and Investigations", fiscal year 1978, $1,553,800.

FOLDING DOCUMENTS

For the employment of personnel for folding speeches and pamphlets at a gross rate of not exceeding $4.57 per hour per person, $103,000.

For an additional amount for "Folding Documents", fiscal year 1978, $7,600.

MISCELLANEOUS ITEMS

For miscellaneous items, $29,443,000.

For an additional amount for "Miscellaneous Items", fiscal year 1978, $4,015,500.

POSTAGE STAMPS

For postage stamps for the offices of the Secretaries for the Majority and Minority, $420; Chaplain, $200; and for air mail and special delivery postage for the office of the Secretary, $3,925; office of the Sergeant at Arms and Doorkeeper, $240; and the President of the Senate, as authorized by law, $1,215; in all, $6,000.

STATIONERY (REVOLVING FUND)

For stationery for the President of the Senate, $4,500, and for committees and officers of the Senate, $34,500; in all $39,000.

ADMINISTRATIVE PROVISIONS

SEC. 101. Any funds appropriated under the heading "Senate" in any appropriation Act for the fiscal year ending September 30, 1978, and any funds made available for obligation through September 30, 1978, by section 109 of the Supplemental Appropriations Act, 1977, shall remain available for obligation through September 30, 1979, for the same purposes for which appropriated or made available.

SEC. 102. Effective October 1, 1978, the number of employees in the Office of the Legislative Counsel of the Senate who may be designated as, and receive the compensation of, a Senior Counsel is increased to five.

SEC. 103. Effective on the first day of the first month following the date of the enactment of this Act, the Secretary of the Senate may appoint and fix the compensation of two Senior Assistants, Document Room at not to exceed $14,678 per annum each in lieu of two Assistants in Document Room at not to exceed $14,678 per annum each; a Senior Assistant, Document Room at not to exceed $14,678 per annum in lieu of an Assistant at not to exceed $13,246 per annum, a Senior Assistant, Document Room at not to exceed $14,678 per annum in lieu of an Assistant at not to exceed $12,530 per annum; two Senior Assistants, Document Room at not to exceed $14,678 per annum each in lieu of two Assistants at not to exceed $12,172 per annuam each; an Assistant, Document Room at not to exceed $12,530 per annum in lieu of a Reference Assistant at not to exceed $14,678 per annum; three Assistants, Document Room at not to exceed $12,530 per annum each in lieu of three Assistants in Document Room at not to exceed $14,678 per annum each; a Chief Messenger, Library at not to exceed $13,962 per annum in lieu of a Chief Messenger in Library at not to exceed $13,246 per annum; a Messenger, Library at not to exceed $13,246 per annum in lieu of a Messenger at not to exceed $13,962 per annum; and three Counter Clerks, Stationary Room at not to exceed $14,678 per annum each in lieu of three Clerks at not to exceed $14,678 per annum each: *Provided*, That an employee serving as an Assistant in Document Room at not to exceed $14,678 per annum on the last day of the month in which this Act is enacted and who continues to serve as an Assistant, Document Room, after such last day may be paid compensation at not to exceed $14,678 per annum so long as such employee continuously serves in such position.

SEC. 104. (a) Effective April 1, 1978, the clerk-hire allowance of each Senator from the State of Georgia is increased to that allowed Senators from States having a population of five million but less than seven million, the population of said State having exceeded five million inhabitants.

(b) Effective April 1, 1978, the table contained in section 105(d)(1) of the Legislative Branch Appropriation Act, 1968, as amended and modified (2 U.S.C. 61–1(d)(1)), is amended by striking out

"$644,937 if such population is 7,000,000 but less than 9,000,000;

and inserting in lieu thereof

"$644,937 if such population is 7,000,000 but less than 8,000,000;

"664,627 if such population is 8,000,000 but less than 9,000,000;".

SEC. 105. (a) For the period beginning on October 1, 1978, and ending on December 31, 1980, there is established within the Office of the Secretary of the Senate an office to be known as the "Office of Classified National Security Information" (hereafter in this section referred to as the "Office"). The Office shall be under the policy direction of the Majority Leader, the Minority Leader, and the chairman of the committee on Rules and Administration of the Senate, and shall be under the administrative direction and supervision of the Secretary of the Senate. The Office shall have the responsibility for safeguarding such restricted data and such other classified information as any committee of the Senate may from time to time assign to it.

(b) The Office shall have authority—

(1) upon application of any committee of the Senate, to perform the administrative functions necessary to classify and declassify information relating to the national security considerations of nuclear technology in accordance with guidelines developed for restricted data by the responsible executive agencies;

(2) to provide appropriate facilities for hearings of committees of the Senate at which restricted data or other classified information is to be presented or discussed; and

(3) to establish and operate a central repository in the United States Capitol for the safeguarding of restricted data and other classified information for which such Office is responsible.

(c) All records, documents, and data in the custody of the Office of Classified National Security Information established by section 2 of Senate Resolution Numbered 252, Ninety-fifth Congress, are transferred to the Office established by subsection (a).

(d) As an exercise of the rulemaking power of the Senate, section 2 of Senate Resolution Numbered 252, Ninety-fifth Congress, is repealed effective October 1, 1978.

SEC. 106. Section 117 of the Second Supplemental Appropriations Act, 1976 (2 U.S.C. 61f–1a), is amended by striking out "$10,000" and inserting in lieu thereof "$25,000".

SEC. 107. During the fiscal year ending September 30, 1979, amounts required to be deposited in the Treasury of the United States to the credit of the Civil Service Retirement and Disability Fund under section 8344 of title 5, United States Code, with respect to any officer or employee of the Senate (including an employee in the office of a Senator) shall be paid from the contingent fund of the Senate. Effective October 1, 1979, amounts required to be so deposited with respect to any individual who is an officer or employee of the Senate (including an employee in the office of a Senator) on September 30, 1979, shall be paid from the contingent fund of the Senate so long as the individual serves continuously as an officer or employee of the Senate.

SEC. 108. (a) Section 506 of the Supplemental Appropriations Act, 1973 (2 U.S.C. 58), is amended by redesignating subsections (h) through (j) as subsections (i) through (k), respectively, and by inserting after subsection (g) the following new subsection:

"(h)(1) For purposes of subsections (a) and (e), an individual who is selected by a Senator to serve on a panel or other body to make recommendations for nominees to one or more Federal judgeships or to one or more service academies shall be considered to be an employee in the office of that Senator with respect to travel and official expenses incurred in performing duties as a member of such panel or other body, and shall be reimbursed (A) for actual transportation expenses and per diem expenses (but not exceeding actual travel expenses) incurred while traveling in performing such duties within the Senator's home State or between that State and Washington, District of Columbia, and each of the service academies (B) for official expenses incurred in performing such duties. For purposes of this subsection and subsection (a), 'official expenses' means expenses of the type for which reimbursement may be made under subsection (a)(9) when such expenses are incurred by or on behalf of a Senator, and, for accounting purposes, such expenses shall be treated as expenses for which reimbursement may be made under subsection (a)(5).

"(2) The amount of official expenses incurred by individuals selected by a Senator for which reimbursement may be made under this subsection shall not exceed $500 each calendar year, and the total amount of expenses incurred by such individuals for which reimbursement may be made under this subsection shall not exceed $3,000 each calendar year.".

(b) The amendment made by subsection (a) shall take effect on January 1, 1978.

SEC. 109. (a) Effective with the fiscal year beginning October 1, 1978, and each fiscal year thereafter, the appropriations for "OFFICE OF THE SECRETARY" and "OFFICE OF SERGEANT AT ARMS AND DOORKEEPER" under the heading "SALARIES, OFFICERS AND EMPLOYEES" shall be available for the payment of additional annual compensation (hereinafter referred to as "merit compensation") to employees rated as outstanding and exceptional by the Secretary of the Senate and Sergeant at Arms and Doorkeeper, respectively.

(b) Subject to the provisions of subsections (c) and (d), each fiscal year, the Secretary of the Senate may authorize merit compensation for not to exceed 8 employees of his Office and the Sergeant at Arms and Doorkeeper may authorize merit compensation for not to exceed 18 employees of his Office. Each such authorization shall continue in effect until it is terminated or changed by the Secretary of the Senate or the Sergeant at Arms and Doorkeeper, as the case may be.

(c) No employee shall be eligible to receive merit compensation unless such employee has occupied the same position for at least two years and is being compensated at the maximum annual salary for the position so occupied, except that, in the discretion of the Secretary of the Senate or the Sergeant at Arms and Doorkeeper, as the case may be, an employee who is receiving merit compensation and is transferred to another position in which he is compensated at the maximum annual salary shall be eligible to receive merit compensation while occupying such other position.

(d)(1) The amount of merit compensation which may be paid to an employee (as authorized by the Secretary of the Senate or the Sergeant at Arms and Doorkeeper, as the case may be) shall not exceed an amount equal to ten percent of the maximum annual rate of compensation of the position occupied by such employee rounded to the next highest multiple contained in section 1(a) of the applicable Order of the President pro tempore of the Senate issued under authority of section 4 of the Federal Pay Comparability Act of 1970.

(2) The amount of merit compensation which may be paid to an employee, when added to his regular annual compensation and his longevity compensation, shall not exceed the maximum annual compensation which may be paid to Senate employees generally as prescribed by law or orders of the President pro tempore issued under authority of section 4 of the Federal Pay Comparability Act of 1970.

(e) Within thirty days following the end of each fiscal year, the Secretary of the Senate and the Sergeant at Arms and Doorkeeper shall file reports with the Senate Committee on Appropriations detailing the use and implementation of the authority contained in this section. Such reports shall include the means of all employees receiving merit compensation under authority of this section at the end of the fiscal year, the positions occupied by them, and the date when each such employee first began to receive merit compensation.

SEC. 110. (a) Subsection (a) and (b) of section 106 of the Legislative Branch Appropriations Act, 1963 (2 U.S.C. 60j), are amended to read as follows:

"SEC. 106 (a) This section shall apply to—

"(1) each employee of the Senate whose compensation is paid from the appropriation for Salaries, Officers and Employees under the following headings:

"(A) Office of the Secretary, including individuals employed under authority of section 244 of the Legislative Reorganization Act of 1946 (2 U.S.C. 74b);

"(B) Office of the Sergeant at Arms and Doorkeeper, except employees designated as 'special employees'; and

"(C) Offices of the Secretaries for the Majority and the Minority;

"(2) each employee of the Senate authorized by Senate resolution to be appointed by the Secretary of the Senate or the Sergeant at Arms and Doorkeeper, except employees designated as 'special employees'; and

"(3) each employee of the Capitol Guide Service established under section 441 of the Legislative Reorganization Act of 1970.

"(b)(1) Except as provided in paragraph (2), an employee to whom this section applies shall be paid, during any period of continuous creditable service, additional annual compensation (hereinafter referred to as 'longevity compensation') at the rate of two times the multiple contained in section 1(a) of the applicable Order of the President pro tempore of the Senate issued under authority of section 4 of the Federal Pay Comparability Act of 1970 for (A) each year of creditable service performed for the first five years and (B) each two years of creditable service performed during the twenty-year period following the first five years.

"(2) The amount of longevity compensation which may be paid to an employee, when added to his regular annual compensation, shall not exceed the maximum annual compensation which may be paid to Senate employees generally as prescribed by law or orders of the President pro tempore issued under authority of section 4 of the Federal Pay Comparability Act of 1970.

"(3) For purposes of this section—

"(A) creditable service includes (i) service performed as an employee described in subsection (a), (ii) service performed as a member of the Capitol Police or as an employee of the United States Capitol Telephone Exchange while compensation therefor is disbursed by the Clerk of the House of Representatives, and (iii) service which is creditable for purposes of this section as in effect on the last day of the month in which the Legislative Branch Appropriation Act, 1979, is enacted;

"(B) in computing length of continuous creditable service, only creditable service performed subsequent to August 31, 1957, shall be taken into account, except that, in the case of service as an employee employed under authority of section 244 of the Legislative Reorganization Act of 1946, only creditable service performed subsequent to January 2, 1971, shall be taken into account; and

"(C) continuity of creditable service shall not be deemed to be broken by separations from service of not more than thirty days, by the performance of service as an employee (other than an employee subject to the provisions of this section) whose compensation is disbursed by the Secretary of the Senate or the Clerk of the House of Representatives, or by the performance of active military service in the armed forces of the United States, but periods of such separations and service shall not be creditable service.

"(4) Longevity compensation shall be payable on and after the first day of the first month following completion of each period of creditable service upon which such compensation is based.".

(b) The amendment made by subsection (a) shall take effect on the first day of the first month which begins after the date of the enactment of this Act. The gross compensation of employees entitled to longevity compensation on such first day under section 106 of the Legislative Branch Appropriation Act, 1963, shall be adjusted in accordance with the provisions of such section as amended by subsection (a). No increase in compensation by reason of such amendment shall take effect for any pay period beginning before such first day, and no monetary benefit by reason for such amendment shall accrue for any period before such first day.

MOTION OFFERED BY MR. BENJAMIN

Mr. BENJAMIN. Mr. Speaker, I offer a motion.

The Clerk read as follows:

Mr. BENJAMIN moves that the House recede from its disagrement to the amendment of the Senate numbered 1 through 39 inclusive and concur therein.

The motion was agreed to.

The SPEAKER pro tempore. The Clerk will report the next amendment in disagreement.

The Clerk read as follows:

Senate amendment No. 45: Page 47, line 20, insert:

SENATE OFFICE BUILDINGS

For maintenance, miscellaneous items and supplies, including furniture, furnishings, and equipment, and for labor and material incident thereto, and repairs thereof; for purchase of waterproof wearing apparel, and for personal and other services; for the care and operation of the Senate Office Buildings; including the subway and subway transportation systems connecting the Senate Office Buildings with the Capitol; uniforms or allowances therefor as authorized by law (5 U.S.C. 5901–5902), prevention and eradication of insect and other pests without regard to section 3709 of the Revised Statutes as amended; to be expended under the control and supervision of the Architect of the Capitol in all $10,328,600, of which $210,000 shall remain available until expended.

MOTION OFFERED BY MR. BENJAMIN

Mr. BENJAMIN. Mr. Speaker, I offer a motion.

The Clerk read as follows:

Mr. BENJAMIN moves that the House recede from its disagreement to the amendment of the Senate numbered 45 and concur therein.

The motion was agreed to.

The SPEAKER pro tempore. The Clerk will report the next amendment in disagreement.

The Clerk read as follows:

Senate amendment No. 46: Page 48, line 9, insert:

SENATE GARAGE

MOTION OFFERED BY MR. BENJAMIN

Mr. BENJAMIN. Mr. Speaker, I offer a motion.

The Clerk read as follows:

Mr. BENJAMIN moves that the House recede from its disagreement to the amendment of the Senate numbered 46 and concur therein.

The motion was agreed to.

The SPEAKER pro tempore. The Clerk will report the next amendment in disagreement.

The Clerk read as follows:

Senate amendment No. 47: Page 51, line 3, insert: "Hereafter, notwithstanding any other provision of law, appropriations for the automatic distribution to Senators and Representatives (including Delegates to Congress and the Resident Commissioner from Puerto Rico) of the bound and biweekly Congressional Records shall not be available with respect to any Senator or Representative unless such Senator or Representative specifically, in writing, requests that he or she receive copies of such Records.".

MOTION OFFERED BY MR. BENJAMIN

Mr. BENJAMIN. Mr. Speaker, I offer a motion.

The Clerk read as follows:

Mr. BENJAMIN moves that the House recede from its disagreement to the amendment of the Senate numbered 47 and concur therein.

The motion was agreed to.

The SPEAKER pro tempore. The Clerk will report the last amendment in disagreement.

The Clerk read as follows:

Senate amendment No. 52: Page 65, line 13, insert:

SEC. 310. (a) The provisions of subsections (a) and (b) of section 106 of the Legislative Branch Appropriation Act, 1963 (as amended by section 110 of this Act), shall apply to telephone operators (including the chief operator and assistant chief operators) on the United States Capitol telephone exchange and members of the Capitol Police whose compensation is disbursed by the Clerk of the House of Representatives in the same manner and to the same extent as such provisions apply to individuals whose compensation is disbursed by the Secretary of the Senate. For purposes of so applying such subsections, creditable service shall include service performed as an employee of the United States Capitol telephone exchange or a member of the Capitol Police whether compensation therefor is disbursed by the Clerk of the House of Representatives or the Secretary of the Senate.

MOTION OFFERED BY MR. BENJAMIN

Mr. BENJAMIN. Mr. Speaker, I offer a motion.

The Clerk read as follows:

Mr. BENJAMIN moves that the House recede from its disagreement to the amendment of the Senate numbered 52 and concur therein.

The motion was agreed to.

A motion to reconsider the votes by which action was taken on the conference report and on the several motions was laid on the table.

GENERAL LEAVE

Mr. BENJAMIN. Mr. Speaker, I ask unanimous consent that all Members may have 5 legislative days within which to revise and extend their remarks on the conference report just agreed to, and that I be permitted to include a table summarizing the House action, as well as to insert other extraneous material.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Indiana?

There was no objection.

CONFERENCE REPORT ON H.R. 12927, MILITARY CONSTRUCTION APPROPRIATIONS

Mr. McKAY. Mr. Speaker, I call up the conference report on the bill (H.R. 12927) making appropriations for military construction for the Department of Defense for the fiscal year ending September 30, 1979, and for other purposes, and ask unanimous consent that the statement of the managers be read in lieu of the report.

The Clerk read the title of the bill.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Utah?

There was no objection.

The Clerk read the statement.

(For conference report and statement, see Proceedings of the House of August 15, 1978.)

Mr. McKAY (during the reading). Mr. Speaker, I ask unanimous consent to dispense with further reading of the statement.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Utah?

There was no objection.

GENERAL LEAVE

Mr. McKAY. Mr. Speaker, I ask unanimous consent that all Members may have 5 legislative days within which to revise and extend their remarks and to include extraneous matter on the conference report and on the Senate amendments.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Utah?

There was no objection.

The SPEAKER pro tempore. The gentleman from Utah (Mr. McKAY) will be recognized for 30 minutes, and the gentleman from New York (Mr. McEWEN) will be recognized for 30 minutes.

The Chair recognizes the gentleman from Utah (Mr. McKAY).

Mr. McKAY. Mr. Speaker, I yield myself such time as I may consume.

We are presenting today the conference report on H.R. 12927, providing for military construction for fiscal year 1979. The conference agreement provides $3,880,863,000, which is $372 million below the President's request and only $36 million above the House version of the bill. The amount recomended is a 9-percent reduction.

Although there have been a series of changes made by the conferees, which are all listed in the conference report and the statement of the managers, we were able to bring the conference agreement back substantially below the President's requested level in accordance with the sentiment of the House when it passed the bill earlier this year.

In spite of the fact that the amount recommended for appropriation is considerably below the requested level, we have provided in this bill for the most critical and important construction projects to maintain the operational readiness of our Armed Forces. In this context, I would like to highlight some of the major proposals included in the conference agreement:

For NATO, we are recommending appropriations that sustain the House position that a greater share of the burden of funding NATO should be borne by NATO allies and that the U.S. contribution to NATO should be in the context of the mutually funded infrastructure program rather than through unilateral U.S. funding of facilities.

For the Reserve Components, the committee agreed to fund increases above the President's request up to the authorized level. The committee has felt that, with a very large backlog of construction requirements, there is a need to proceed now with reserve component construction. The projects included above the requested level are for facilities that are designed and ready to go to construction in fiscal year 1979.

For the Navy, the conference agreement provides for all major projects added by the Congress to upgrade the naval shipyards. These are essential to the continuing ability of the Navy to maintain the fleet in a high state of operational readiness.

For pollution abatement and energy conservation, the conferees agreed to continue the initiatives begun last year by the Congress to assure that military installations are not contributing to air or water pollution and are, in every way, energy efficient. The conference agreement emphasizes the need for defense installations to improve their safety programs as the Federal Government has required the private sector to do.

Military medical programs have been endorsed by the conference agreement and provide for two new major hospitals, additions to two others, and the construction of 14 dental clinics.

In summary, therefore, this conference agreement, while it shows a substantial reduction below the President's request, provides for the most important military construction projects proposed this year and recognizes congressional initiatives and priorities. It is in conformance with the authorization agreement.

There are three members, Mr. McEWEN, Mr. FLYNT, and Mr. CEDERBERG, excepting to the report language on the Panama Canal in the statement of the managers.

Mr. Speaker, I should like to include at this point in the RECORD a comparative tabulation of the conference action:

COMPARATIVE STATEMENT OF NEW BUDGET AUTHORITY

[Fiscal years]

	New budget authority					Conference compared with—			
	Enacted, 1978	Estimates, 1979	House, 1979	Senate, 1979	Conference, 1979	1978 enacted	1979 estimate	House bill	Senate bill
Planning and design	219,812,000	198,450,000	186,450,000			−219,812,000	−198,450,000	−186,450,000	
Military construction, Army	461,369,000	814,500,000	628,644,000	712,053,000	711,509,000	+250,140,000	−102,991,000	+82,865,000	−544,000
Military construction, Navy	390,556,000	771,600,000	683,695,000	806,124,000	760,145,000	+369,589,000	−11,455,000	+76,450,000	−45,979,000
Military construction, Air Force	348,586,000	584,100,000	461,703,000	519,984,000	483,264,000	+134,678,000	−100,836,000	+21,561,000	−36,720,000
Military construction, Defense agencies	53,009,000	164,900,000	183,280,000	173,780,000	194,880,000	+141,871,000	+29,980,000	+11,600,000	+21,100,000
Transfer, not to exceed	(20,000,000)		(20,000,000)	(20,000,000)	(20,000,000)				
Military construction, Army National Guard	46,400,000	46,800,000	43,500,000	52,200,000	52,200,000	+5,800,000	+5,400,000	+8,700,000	
Military construction, Air National Guard	40,300,000	38,100,000	35,800,000	44,750,000	44,750,000	+4,450,000	+6,650,000	+8,950,000	
Military construction, Army Reserve	44,390,000	29,300,000	26,900,000	37,100,000	37,100,000	−7,290,000	+7,800,000	+10,200,000	
Military construction, Naval Reserve	20,300,000	18,900,000	16,600,000	21,850,000	21,850,000	+1,550,000	+2,950,000	+5,250,000	
Military construction, Air Force Reserve	10,200,000	11,200,000	8,900,000	13,000,000	13,000,000	+2,800,000	+1,800,000	+4,100,000	
Total, military construction	1,415,110,000	2,479,400,000	2,089,022,000	2,380,841,000	2,318,698,000	+903,588,000	−160,702,000	+229,676,000	−62,143,000
Family housing, Defense	1,457,138,000	1,689,350,000	1,688,615,000	1,701,605,000	1,679,865,000	+222,727,000	−9,485,000	−8,750,000	−21,740,000
Portion applied to debt reduction	−115,840,000	−119,200,000	−119,200,000	−119,200,000	−119,200,000	−3,360,000			
Total, family housing	1,341,298,000	1,570,150,000	1,569,415,000	1,582,405,000	1,560,665,000	+219,367,000	−9,485,000	−8,750,000	−21,740,000
Homeowners assistance fund, Defense	1,500,000	5,000,000		1,500,000	1,500,000		−3,500,000	+1,500,000	
Grand total, new budget (obligational) authority	2,977,720,000	4,253,000,000	3,844,887,000	3,964,746,000	3,880,863,000	+903,143,000	−372,137,000	+35,976,000	−83,883,000

Mr. McEWEN. Mr. Speaker, the chairman of our subcommittee has ably summarized what is in this conference report and what has been agreed to with the Senate. The minority concurs with everything the gentleman from Utah has said. I will take no further time of the House.

Mr. LAGOMARSINO. Mr. Speaker, will the gentleman yield?

Mr. McEWEN. I yield to the the gentleman from California.

Mr. LAGOMARSINO. I thank the gentleman for yielding.

I would like to ask the chairman of the subcommittee a question, if I might. During the discussion of the bill when it passed the House I engaged in a colloquy with the chairman about the Vandenberg Air Force Base space shuttle program.

Mr. McKAY. Yes.

Mr. LAGOMARSINO. I would like to ask the gentleman what funds are included in the conference report with respect to that item.

Mr. McKAY. The conference committee agreed to insert sufficient appropriations to accommodate the total request with the exception of the runway which is not needed in fiscal year 1979, and there will be at least a 6-month gap when the runway will sit unused and with no equipment in place. It was the feeling of the conference committee that we need not fund the runway this year. It is the feeling of the conference committee however that the request for the essential shuttle facilities at that base are needed in connection with the shuttle mission, and it is just a matter of timing rather than the need for the items.

Mr. LAGOMARSINO. I thank the gentleman.

Mr. McEWEN. Mr. Speaker, may I inquire of the gentleman from Utah (Mr. McKAY) whether or not in his remarks he made any reference to exceptions to the language regarding the Panama Canal?

Mr. McKAY. In my remarks, which will be revised and extended, I made reference to the exceptions to the language that three Members had relative to the conference report itself.

Mr. McEWEN. I thank the chairman.

Mr. BAUMAN. Mr. Speaker, will the gentleman yield?

Mr. McKAY. I yield to the gentleman from Maryland.

Mr. BAUMAN. Mr. Speaker, I certainly am not going to oppose the conference report, but it is my understanding when the bill passed here there was a restriction stated in the report on the spending of military funds in the Panama Canal Zone. I notice in the conference statement at least three Members have excepted to the language of the conference report regarding our funds. Reading on page 3, it appears to me that the conference committee may have given the military a blank check, so to speak, along with the President of the United States, to spend money before it is actually appropriated for specific purposes and for carrying out the canal treaties. It seems to me that is a circumvention of the appropriation process the House ought not to permit.

Mr. McKAY. Let me respond to the gentleman's inquiry.

I believe that the House has upheld the committee's intent when it was considered by the House originally. We could, when we came to the floor, have made no mention of the fact that the President, under his emergency construction authority and using funds already appropriated for that purpose, could have proceeded as he chose. When we came to the floor of the House, we said we did not think that was right and we thought the House should be apprised of anything of this type. Therefore we wrote language specifically designating that the administration, if there was any construction to be done, emergency or otherwise, should come back to the House with those requests to have the committee reaction, and so forth.

We changed that language slightly in conference to bring agreement back between the House and the Senate. Otherwise, we would have wound up with two different instructions from the House and the Senate. What we have done is to say that the administration has to come back to us. Otherwise, they would have been able to act by themselves with congressional review.

The language on page 3 of the conference report says:

Panama Canal: The conferees agree that funding for military construction in the Panama Canal Zone should be the subject of review by the House and the Senate, but that limited prior approval reprogramming of emergency construction required for the realignment of military installations consistent with the responsibility of the United States to defend the canal and provide for the security of U.S. personnel may be necessary before a budget amendment or supplemental could be acted on by the Congress. In such event, the requirement and emergency nature of such construction must be certified by the President of the United States before submission to the Committees on Appropriations of the House and Senate.

So what we have done is instruct them that they must come back here in order to get approval so that we as a committee could recommend approval or disapproval. Otherwise, it is our feeling that they could do it without us, and we thought we ought to have some hold on them.

Mr. BAUMAN. The House committee report contained a specific statement of the position of the House, which said that no money was to be spent for the purpose of implementing the Panama Canal Treaties unless the armed services came before the Committee on Appropriations, and justified the expenditure. Do I understand that by the conference agreement they still must do that?

Mr. McKAY. Yes, the gentleman understands the law. The Supreme Court decision on the Tellico Dam says that language in a report is not law and therefore is not commanding. It is our understanding and it is our full intent that any reprograming shall come for an approval to this committee. That is our full intent, and I think that is what this language says.

Mr. BAUMAN. I would say to the gentleman further that it does not appear to me that there exists any emergency situation in the Army, Air Force, or various other installations in the Panama Canal Zone to starting the implementation of the treaties, is not an emergency in my view that should require circumventing the appropriation process.

Mr. McKAY. That is the reason why we have instructed them on any of those things to come back to the committee before they attempt to do any such thing and justify to us that these items are an emergency; otherwise, it is the intent of the committee very clearly to turn them down.

Mr. BAUMAN. I hope the intent of the gentleman is carried out and that the military agencies realize the restrictions of the House and the intent of the House that no funds be spent for treaty implementation unless we approve them.

Mr. McKAY. As the gentleman knows, the makeup of this committee is not pro-canal giveaway, so to speak, so I think that anything that comes back to this committee is going to get absolutely thorough scrutiny before it is approved.

Mr. BAUMAN. I would say to the gentleman that his committee is one of the more magnificent subcommittees of the Committee on Appropriations.

Mr. HANSEN. Mr. Speaker, will the gentleman yield?

Mr. McKAY. I yield to the gentleman from Idaho.

Mr. HANSEN. I have asked the gentleman to yield so as to further question the gentleman on this matter.

As I understand it, in the military procurement authorization bill there is a restriction against any of the funds being used to implement the treaties without specific authorization by the Congress. Is that correct?

Mr. McKAY. I think the language of the Defense authorization act was much broader and much more liberal in its interpretations than our report language is. Of course, ours is strictly just report language of instruction. But the language of the Committee on Armed Services is much broader in its application, and they could proceed with implementation, if I read it correctly, in the authorization bill that passed the House and Senate. I will read it to you if you would like, it is in section 813, and it says:

> The Senate conferees offered an amendment which would restrict expenditure of funds authorized to be appropriated in this Act for the realignment of any military installation in the Canal Zone to such use as is consistent with the responsibility of and the necessity for the United States to defend the Panama Canal or with legislation which may be enacted to implement the Panama Canal Treaties of 1978. The House conferees concurred.

That, of course, was passed in the prior authorization bill.

Mr. HANSEN. If the gentleman will yield further, the gentleman feels what is here in the conference report is in that spirit?

Mr. McKAY. Our instruction is much more restrictive.

Mr. HANSEN. I appreciate it is more restrained.

One other question, there is no attempt here to, in a sense, legislate in an appropriation, and it is just a further clarification, is that correct?

Mr. McKAY. What it is is the committee sending instructions to the administration as to what we feel they should do before any funds are to be used in the Canal Zone—that they should come with justification to this committee.

Mr. HANSEN. One other point. I feel that it is important for the gentleman to understand and for this body to understand that the General Accounting Office, which was apprised of the fact that there has been apparently some juggling of funds to preimplement the Panama Canal treaties, has inspectors on the spot in Panama at this time to look into this particular matter and also has attorneys looking into what is going on at the Pentagon.

I think it is appropriate that the House knows that this is happening, and certainly I hope that this legislation is in keeping with the situation which has caused this investigation. As soon as the results are known, we will make them public.

I appreciate the gentleman's willingness to answer questions in this regard.

Mr. McKAY. Mr. Speaker, I thank the gentleman.

Mr. Speaker, I move the previous question on the conference report.

The previous question was ordered.

The SPEAKER pro tempore. The question is on the conference report.

The question was taken; and the Speaker pro tempore announced that the ayes appeared to have it.

Mr. ROUSSELOT. Mr. Speaker, I object to the vote on the ground that a quorum is not present and make the point of order that a quorum is not present.

The SPEAKER pro tempore. Evidently a quorum is not present.

The Sergeant at Arms will notify absent Members.

The vote was taken by electronic device, and there were—yeas 355, nays 24, not voting 53, as follows:

[Roll No. 718]

YEAS—355

Abdnor	Brooks	Derrick
Addabbo	Broomfield	Derwinski
Akaka	Brown, Calif.	Devine
Alexander	Brown, Mich.	Dickinson
Ambro	Brown, Ohio	Diggs
Ammerman	Broyhill	Dingell
Anderson, Ill.	Buchanan	Dodd
Andrews, N.C.	Burgener	Dornan
Andrews, N. Dak.	Burke, Fla.	Downey
	Burke, Mass.	Drinan
Annunzio	Burleson, Tex.	Duncan, Oreg.
Applegate	Burlison, Mo.	Duncan, Tenn.
Archer	Burton, Phillip	Early
Armstrong	Butler	Edgar
Ashbrook	Byron	Edwards, Ala.
Ashley	Caputo	Edwards, Okla.
Aspin	Carney	Eilberg
Badham	Carter	Emery
Bafalis	Cavanaugh	English
Baldus	Chappell	Erlenborn
Baucus	Clausen, Don H.	Ertel
Bauman		Evans, Del.
Beard, R.I.	Clawson, Del	Evans, Ga.
Beard, Tenn.	Cleveland	Evans, Ind.
Bellenson	Cochran	Fary
Benjamin	Cohen	Findley
Bennett	Coleman	Fish
Bevill	Collins, Ill.	Fisher
Biaggi	Conable	Fithian
Bingham	Conte	Flippo
Blanchard	Corcoran	Flood
Blouin	Corman	Florio
Boggs	Cornell	Foley
Boland	Cotter	Ford, Mich.
Bonior	Coughlin	Ford, Tenn.
Bonker	Crane	Fuqua
Bowen	D'Amours	Gammage
Brademas	Daniel, Dan	Garcia
Breaux	Daniel, R. W.	Gaydos
Breckinridge	Danielson	Gephardt
Brinkley	Davis	Giaimo
Brodhead	de la Garza	Gibbons
Gilman	Mann	Rousselot
Ginn	Markey	Roybal
Glickman	Marks	Rudd
Goldwater	Marlenee	Runnels
Gonzalez	Marriott	Ruppe
Goodling	Martin	Russo
Gore	Mathis	Ryan
Gradison	Mattox	Santini
Grassley	Mazzoli	Satterfield
Green	Meeds	Sawyer
Gudger	Metcalfe	Schroeder
Guyer	Meyner	Sebelius
Hall	Michel	Seiberling
Hamilton	Mikulski	Sharp
Hammer-schmidt	Mineta	Shuster
	Minish	Simon
Hanley	Mitchell, Md.	Skelton
Hannaford	Mitchell, N.Y.	Skubitz
Hansen	Moakley	Slack
Harris	Moffett	Smith, Iowa
Harsha	Mollohan	Snyder
Hawkins	Montgomery	Solarz
Hefner	Moore	Spellman
Heftel	Moorhead, Calif.	Spence
Hightower		St Germain
Hillis	Moorhead, Pa.	Staggers
Hollenbeck	Moss	Stanton
Holt	Mottl	Steed
Horton	Murphy, Ill.	Steers
Howard	Murphy, N.Y.	Stockman
Hubbard	Murphy, Pa.	Stratton
Hyde	Murtha	Studds
Ichord	Myers, Gary	Stump
Jacobs	Myers, John	Symms
Jeffords	Myers, Michael	Taylor
Jenrette	Natcher	Thone
Johnson, Calif.	Neal	Thornton
Johnson, Colo.	Nedzi	Traxler
Jones, N.C.	Nichols	Treen
Jones, Okla.	Nowak	Trible
Jones, Tenn.	O'Brien	Tucker
Jordan	Oakar	Udall
Kazen	Oberstar	Ullman
Kelly	Obey	Van Deerlin
Kemp	Ottinger	Vander Jagt
Keys	Panetta	Vanik
Kildee	Patten	Volkmer
Kindness	Patterson	Waggonner
Kostmayer	Pease	Walgren
Krebs	Pepper	Walker
Krueger	Perkins	Walsh
LaFalce	Pettis	Wampler
Lagomarsino	Pickle	Watkins
Latta	Pike	Waxman
Leach	Poage	Weaver
Lederer	Pressler	Weiss
Lehman	Preyer	Whalen
Lent	Price	White
Levitas	Pursell	Whitehurst
Livingston	Quayle	Whitley
Lloyd, Calif.	Quie	Whitten
Long, La.	Quillen	Wiggins
Long, Md.	Rahall	Wilson, Bob
Lott	Railsback	Wilson, Tex.
Lujan	Regula	Winn
Luken	Reuss	Wirth
Lundine	Rhodes	Wolff
McClory	Richmond	Wright
McCloskey	Rinaldo	Wydler
McCormack	Roberts	Wylie
McDade	Robinson	Yates
McEwen	Roe	Yatron
McFall	Rogers	Young, Fla.
McHugh	Roncalio	Young, Mo.
McKay	Rooney	Young, Tex.
McKinney	Rose	Zablocki
Madigan	Rosenthal	Zeferetti
Mahon	Rostenkowski	

NAYS—24

Anderson, Calif.	Dellums	Kastenmeier
	Edwards, Calif.	Maguire
AuCoin	Fenwick	Miller, Ohio
Bedell	Forsythe	Nolan
Burton, John	Frenzel	Rangel
Carr	Harkin	Scheuer
Chisholm	Heckler	Vento
Collins, Tex.	Holtzman	
Conyers	Hughes	

NOT VOTING—53

Barnard	Flowers	Le Fante
Bolling	Flynt	Leggett
Burke, Calif.	Fountain	Lloyd, Tenn.
Cederberg	Fowler	McDonald
Clay	Fraser	Mikva
Cornwell	Frey	Milford
Cunningham	Hagedorn	Miller, Calif.
Delaney	Harrington	Nix
Dent	Holland	Pattison
Dicks	Huckaby	Pritchard
Eckhardt	Ireland	Risenhoover
Evans, Colo.	Jenkins	Rodino
Fascell	Kasten	Sarasin

Schulze	Stangeland	Thompson
Shipley	Stark	Tsongas
Sikes	Steiger	Wilson, C. H.
Sisk	Stokes	Young, Alaska
Smith, Nebr.	Teague	

The Clerk announced the following pairs:

Mr. Rodino with Mr. Cederberg.
Mr. Thompson with Mr. Frey.
Mr. Le Fante with Mr. Sarasin.
Mr. Cornwell with Mr. Kasten.
Mrs. Burke of California, with Mr. Cuningham.
Mr. Delaney with Mr. Stark.
Mr. Dent with Mr. Flowers.
Mrs. Lloyd of Tennessee with Mr. McDonald.
Mr. Mikva with Mr. Holland.
Mr. Stokes with Mr. Hagedorn.
Mr. Clay with Mr. Schulze.
Mr. Ireland with Mrs. Smith of Nebraska.
Mr. Miller of California with Mr. Barnard.
Mr. Fascell with Mr. Eckhardt.
Mr. Fountain with Mr. Fraser.
Mr. Pattison of New York with Mr. Nix.
Mr. Sikes with Mr. Evans of Colorado.
Mr. Shipley with Mr. Harrington.
Mr. Risenhoover with Mr. Leggett.
Mr. Tsongas with Mr. Milford.
Mr. Charles H. Wilson of California, with Mr. Steiger.
Mr. Jenkins with Mr. Teague.
Mr. Flynt with Mr. Sisk.
Mr. Dicks with Mr. Fowler.
Mr. Huckaby with Mr. Pritchard.
Mr. Stangeland with Mr. Young of Alaska.

Mr. ARMSTRONG changed his vote from "nay" to "yea."

Mr. COLLINS of Texas changed his vote from "yea" to "nay."

So the conference report was agreed to.

The result of the vote was announced as above recorded.

AMENDMENTS IN DISAGREEMENT

The SPEAKER pro tempore. The Clerk will report the first amendment in disagreement.

The Clerk read as follows:

Senate amendment No. 3: Page 2, line 20, strike out "1983" and insert "1983: *Provided*, That of this amount, not to exceed $67,400,000 shall be available for study, planning, design, architect and engineer services, as authorized by law, unless the Secretary of Defense determines that additional obligations are necessary for such purposes and notifies the Committees on Appropriations for both Houses of Congress of his determination and the reasons therefor".

MOTION OFFERED BY MR. M'KAY

Mr. McKAY. Mr. Speaker, I offer a motion.

The Clerk read as follows:

Mr. McKAY moves that the House recede from its disagreement to the amendment of the Senate numbered 3 and concur therein with an amendment, as follows:

In lieu of the matter proposed by said amendment, insert: "1983: *Provided*, That of this amount, not to exceed $64,400,000 shall be available for study, planning, design, architect and engineer services, as authorized by law, unless the Secretary of Defense determines that additional obligations are necessary for such purposes and notifies the Committees on Appropriations for both Houses of Congress of his determination and the reasons therefor".

The motion was agreed to.

The SPEAKER pro tempore. The Clerk will report the next amendment in disagreement.

The Clerk read as follows:

Senate amendment No. 5: Page 3, line 5, strike out "1983" and insert "1983: *Provided*, That of this amount, not to exceed $49,300,000 shall be available for study, planning, design, architect and engineer services, as authorized by law, unless the Secretary of Defense determines that additional obligations are necessary for such purposes and notifies the Committees on Appropriations of both Houses of Congress of his determination and the reasons therefor".

MOTION OFFERED BY MR. M'KAY

Mr. McKAY. Mr. Speaker, I offer a motion.

The Clerk read as follows:

Mr. McKAY moves that the House recede from its disagreement to the amendment of the Senate numbered 5 and concur therein with an amendment, as follows:

In lieu of the matter proposed by said amendment, insert: "1983: *Provided*, That of this amount, not to exceed $46,300,000 shall be available for study, planning, design, architect and engineer services, as authorized by law, unless the Secretary of Defense determines that additional obligations are necessary for such purposes and notifies the Committees on Appropriations of both Houses of Congress of his determination and the reasons therefor".

The motion was agreed to.

The SPEAKER, pro tempore. The Clerk will report the next amendment in disagreement.

The Clerk read as follows:

Senate amendment No. 7: Page 3, line 13, strike out "1983" and insert "1983: *Provided*, That of this amount, not to exceed $55,000,000 shall be available for study, planning, design, architect and engineer services, as authorized by law, unless the Secretary of Defense determines that additional obligations are necessary for such purposes and notifies the Committees on Appropriations of both Houses of Congress of his determination and the reasons therefor".

MOTION OFFERED BY MR. M'KAY

Mr. McKAY. Mr. Speaker, I offer a motion.

The Clerk read as follows:

Mr. McKAY moves that the House recede from its disagreement to the amendment of the Senate numbered 7 and concur therein with an amendment, as follows: In lieu of the matter proposed by said amendment, insert: "1983: *Provided*, That of this amount, not to exceed $52,000,000 shall be available for study, planning, design, architect and engineer services, as authorized by law, unless the Secretary of Defense determines that additional obligations are necessary for such purposes and notifies the Committees on Appropriations of both Houses of Congress of his determination and the reasons therefor".

The motion was agreed to.

The SPEAKER pro tempore. The Clerk will report the next amendment in disagreement.

The Clerk read as follows:

Senate amendment No. 8: Page 4, line 23, strike out "$183,280,000" and insert "$173,780,000".

MOTION OFFERED BY MR. M'KAY

Mr. McKAY. Mr. Speaker, I offer a motion.

The Clerk read as follows:

Mr. McKAY moves that the House recede from its disagreement to the amendment of the Senate numbered 8 and concur therein with an amendment, as follows: In lieu of the sum proposed in said amendment, insert "$194,880,000".

The motion was agreed to.

The SPEAKER pro tempore. The Clerk will report the next amendment in disagreement.

The Clerk read as follows:

Senate amendment No 9: Page 5, line 6, strike out "designate" and insert "designate: *Provided further*, That of the amount appropriated, not to exceed $11,400,000 shall be available for study, planning, design, architect and engineer services, as authorized by law, unless the Secretary of Defense determines that additional obligations are necessary for such purposes and notifies the Committees on Appropriations of both Houses of Congress of his determination and the reasons therefor".

MOTION OFFERED BY MR. M'KAY

Mr. McKAY. Mr. Speaker, I offer a motion.

The Clerk read as follows:

Mr. McKAY moves that the House recede from its disagreement to the amendment of the Senate numbered 9 and concur therein with an amendment, as follows: In lieu of the matter proposed by said amendment, insert: "designate: *Provided further*, That of the amount appropriated, not to exceed $9,400,000 shall be available for study, planning, design, architect and engineer services, as authorized by law, unless the Secretary of Defense determines that additional obligations are necessary for such purposes and notifies the Committees on Appropriations of both Houses of Congress of his determination and the reasons therefor".

The motion was agreed to.

The SPEAKER pro tempore. The Clerk will report the next amendment in disagreement.

The Clerk read as follows:

Senate amendment No. 15: Page 5, line 24, strike out "$1,688,615,000" and insert "$1,701,605,000".

MOTION OFFERED BY MR. M'KAY

Mr. McKAY. Mr. Speaker, I offer a motion.

The Clerk read as follows:

Mr. McKAY moves that the House recede from its disagreement to the amendment of the Senate numbered 15 and concur therein with an amendment, as follows: In lieu of the sum proposed in said amendment, insert "$1,679,865,000".

The motion was agreed to.

The SPEAKER pro tempore. The Clerk will report the next amendment in disagreement.

The Clerk read as follows:

Senate amendment No. 17: Page 6, line 6, strike out "$34,696,000" and insert "$43,451,000".

MOTION OFFERED BY MR. M'KAY

Mr. McKAY. Mr. Speaker, I offer a motion.

The Clerk read as follows:

Mr. McKAY moves that the House recede from its disagreement to the amendment of the Senate numbered 17 and concur therein with an amendment, as follows: In lieu of the sum proposed in said amendment, insert "$33,446,000".

The motion was agreed to.

The SPEAKER pro tempore. The Clerk will report the next amendment in disagreement.

The Clerk read as follows:

Senate amendment No. 20: Page 6, line 13, strike out "$1,404,400,000" and insert "$1,414,400,000".

MOTION OFFERED BY MR. M'KAY

Mr. McKAY. Mr. Speaker, I offer a motion.

The Clerk read as follows:

Mr. McKAY moves that the House recede from its disagreement to the amendment of the Senate numbered 20 and concur therein

with an amendment, as follows: In lieu of the sum proposed in said amendment, insert "$1,399,400,000".

The motion was agreed to.

The SPEAKER pro tempore. The Clerk will report the last amendment in disagreement.

Senate amendment No. 21: Page 6, line 16, strike out "1983" and insert "1983: *Provided further*, That of the amounts appropriated for operation and maintenance, not less than $635,000,000 shall be available only for the maintenance of real property facilities".

MOTION OFFERED BY MR. M'KAY

Mr. McKAY. Mr. Speaker, I offer a motion.

The Clerk read as follows:

Mr. McKAY moves that the House recede from its disagreement to the amendment of the Senate numbered 21 and concur therein.

The motion was agreed to.

A motion to reconsider the votes by which action was taken on the conference report and on the several motions was laid on the table.

AUTHORIZING CLERK TO MAKE TECHNICAL CORRECTIONS IN ENGROSSMENT OF H.R. 12927

Mr. McKAY. Mr. Speaker, I ask unanimous consent that the Clerk be permitted to make technical corrections in the engrossment of the bill, H.R. 12927, on which the conference report was just agreed to.

The SPEAKER pro tempore (Mr. ROSTENKOWSKI). Is there objection to the request of the gentleman from Utah?

There was no objection.

PERMISSION FOR COMMITTEE ON WAYS AND MEANS TO HAVE UNTIL MIDNIGHT, FRIDAY, SEPTEMBER 1, 1978, TO FILE A REPORT ON H.R. 13817, AMENDING THE SOCIAL SECURITY ACT

Mr. VANIK. I ask unanimous consent that the Committee on Ways and means may have until midnight, Friday, September 1, 1978, to file a report on the bill, H.R. 13817, to amend the Social Security Act with respect to health programs authorized under it and for other purposes.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Ohio?

There was no objection.

PERMISSION FOR COMMITTEE ON WAYS AND MEANS TO HAVE UNTIL MIDNIGHT FRIDAY, SEPTEMBER 1, 1978, TO FILE A REPORT ON H.R. 11545

Mr. VANIK. Mr. Speaker, I ask unanimous consent that the Committee on Ways and Means may have until midnight, Friday, September 1, 1978, to file a report on the bill, H.R. 11545, to modify the method of determining quantitative limitations on the importation of certain articles of meat and meat products, to apply quantitative limitations on the importation of certain additional articles of meat, meat products, and livestock, and for other purposes, along with any separate or minority views.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Ohio?

There was no objection.

PERMISSION FOR COMMITTEE ON WAYS AND MEANS TO HAVE UNTIL MIDNIGHT, FRIDAY, SEPTEMBER 1, 1978, TO FILE A REPORT ON H.R. 13097, AMENDING CERTAIN PROVISIONS OF TITLE XVIII OF THE SOCIAL SECURITY ACT

Mr. VANIK. Mr. Speaker, I ask unanimous consent that the Committee on Ways and Means may have until midnight, Friday, September 1, 1978, to file a report on the bill H.R. 13097, to amend certain provisions of title XVIII of the Social Security Act as they relate to the medicare program established by part A of such title.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Ohio?

There was no objection.

PERMISSION FOR COMMITTEE ON WAYS AND MEANS TO HAVE UNTIL MIDNIGHT, FRIDAY, SEPTEMBER 1, 1978, TO FILE A REPORT ON H.R. 13814, AMENDING SECTION 8 OF PUBLIC LAW 93–233

Mr. VANIK. Mr. Speaker, I ask unanimous consent that the Committee on Ways and Means may have until midnight, Friday, September 1, 1978, to file a report on the bill H.R. 13814, to amend section 8 of Public Law 93–233 to permit California to continue cash payments to SSI recipients in lieu of food stamps.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Ohio?

Mr. ROUSSELOT. Mr. Speaker, reserving the right to object, will the gentleman explain what this is?

Mr. VANIK. Mr. Speaker, if the gentleman will yield, I would ask the gentleman to yield to the gentleman from California (Mr. CORMAN), the chairman of the subcommittee, to respond to his question.

Mr. ROUSSELOT. I yield to my distinguished colleague, the gentleman from California (Mr. CORMAN).

Mr. CORMAN. Mr. Speaker, this bill will permit California to continue on a cash-out status for food stamps for their SSI recipients. The recipients will receive $10 in Federal funds in lieu of the $10 in Federal food stamps that they would otherwise be entitled to. We will save, with this bill, from $40 million to $75 million a year in administrative costs. One-half of that will be saved by the Federal Government and one-half of that will be saved by the State government.

Mr. ROUSSELOT. Mr. Speaker, further reserving the right to object, how much will we save on this bill?

Mr. CORMAN. If the gentleman will yield, somewhere between $40 million and $75 million.

Mr. ROUSSELOT. Mr. Speaker, I thank the gentleman for his explanation, and I withdraw my reservation of objection.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Ohio?

There was no objection.

PERMISSION FOR COMMITTEE ON GOVERNMENT OPERATIONS TO HAVE UNTIL MIDNIGHT FRIDAY, AUGUST 25, 1978, TO FILE SIX LEGISLATIVE REPORTS AND TWO OVERSIGHT REPORTS

Mr. BROOKS. Mr. Speaker, I ask unanimous consent that the Committee on Government Operations have until midnight Friday, August 25, to file six legislative reports and two oversight reports.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Texas?

There was no objection.

PERSONAL EXPLANATION

Mr. DON H. CLAUSEN. Mr. Speaker, I was unavoidably detained at a meeting with staff of the Interior Committee on issues related to the Alaska oil. Because of this I arrived at the floor of the House just after the time had ended for a vote on the conference report for the legislative branch appropriations bill for 1979, H.R. 12935.

Had I been present I would have voted against the conference report as I did when it was on the House floor in June. While the bill contains some good provisions such as the freeze on salaries for Members of Congress, it is still far too expensive and contains numerous unnecessary and/or wasteful expenditures.

The legislative branch should be in the forefront of our efforts to balance the budget—not falling behind. I hope we can get our spending habits under control.

FURTHER MESSAGE FROM THE SENATE

A further message from the Senate by Mr. Sparrow, one of its clerks, announced that the Senate had passed with an amendment in which the concurrence of the House is requested, a concurrent resolution of the House of the following title:

H. Con. Res. 696. Concurrent resolution providing for an adjournment of the House from August 17 to September 6, 1978.

CONFERENCE REPORT ON H.R. 13468, MAKING APPROPRIATIONS FOR THE GOVERNMENT OF THE DISTRICT OF COLUMBIA

Mr. NATCHER. Mr. Speaker, pursuant to the order of yesterday of the House of Representatives, I call up the conference report on the bill (H.R. 13468) making appropriations for the government of the District of Columbia and other activities chargeable in whole or in part against the revenues of said District for the fiscal year ending September 30, 1979, and for other purposes, and ask unanimous consent that the statement of the managers be read in lieu of the report.

The Clerk read the title of the bill.

The SPEAKER. Is there objection to the request of the gentleman from Kentucky?

There was no objection.

The Clerk read the statement.

(For conference report and statement, see proceedings of the House of August 16, 1978.)

Mr. NATCHER. Mr. Speaker, I ask unanimous consent that further reading of the statement be dispsensed with.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Kentucky?

There was no objection.

The SPEAKER pro tempore. The gentleman from Kentucky (Mr. NATCHER) will be recognized for 30 minutes, and the gentleman from California (Mr. BURGENER) will be recognized for 30 minutes.

The Chair recognizes the gentleman from Kentucky (Mr. NATCHER).

Mr. NATCHER. Mr. Speaker, I yield myself such time as I may consume.

Mr. Speaker, the conference report now before us will provide the District of Columbia with total resources of $1,767,886,400 for the fiscal year 1979. Of this amount, $679,374,900 or 39 percent will be financed from Federal funds. The Federal payment for fiscal year 1979 as provided for in this conference report totals $235 million. This, Mr. Speaker, is the lowest Federal payment since 1975, and is $82 million below the budget request, $29 million below the bill as passed the House, and $3 million below the Senate proposal. The reduction below the House amount results mainly from additional revenues the city expects to collect from its new parking enforcement and traffic adjudication program which was not authorized at the time the House considered the bill. The conference agreement also provides $9,900,000 for the Federal share of the RFK Stadium bonds which become due on December 1, 1979. The city's share of $9,900,000 was included in the fiscal year 1978 bill.

As far as total Federal funds are concerned, Mr. Speaker, the bill provides $255,200,000, which is $140,916,000 below the request and $19,100,000 below the House bill.

Mr. Speaker, the conference agreement provides a total of $1,362,317,700 in District of Columbia funds including $1,285,102,700 in operating expenses and $77,215,000 for capital outlay. This is $66,124,300 below the amount requested in the budget, $14,132,600 above the House allowance and $2,463,800 below the amount included in the Senate version of the bill. In addition, Mr. Speaker, the conference agreement includes $21,341,500 in supplemental appropriations for fiscal year 1978. This is $6,064,600 less than the budget request and $588,600 below the amount provided by the Senate. The House did not consider the 1978 requests as they were submitted subsequent to House action on the bill.

The conference agreement includes new positions and additional funding to strengthen the city's efforts in child abuse prevention and enforcement, as well as the resources necessary to implement the new parking enforcement and traffic adjudication program. The conferees have denied the creation of five new agencies requested by the city and instead, have transferred the activities to the departments which are currently performing the functions. A total of $625,000 has been approved for the Advisory Neighborhood Commissions, an increase of $125,000 above the amount available for the current fiscal year.

Mr. Speaker, I will, at the appropriate time, request permission to insert at this point in the RECORD a tabulation summarizing the conference action.

The table referred to follows:

DISTRICT OF COLUMBIA APPROPRIATION BILL, 1979 (H.R. 13468)—CONFERENCE SUMMARY

Item	New budget (obligational) authority, fiscal year 1978, enacted to date	Budget estimates of new (obligational) authority, fiscal years 1978 and 1979	New budget (obligational) authority, House bill	New budget (obligational) authority, Senate bill	New budget (obligational) authority, Conference	Conference action compared with— Fiscal year 1978, enacted to date	Budget estimates, 1978 and 1979	House bill	Senate bill
(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)	(10)
TITLE I									
TEMPORARY COMMISSION ON FINANCIAL OVERSIGHT OF THE DISTRICT OF COLUMBIA									
Salaries and expenses	$3,000,000	$3,000,000	$3,000,000	$3,000,000	$3,000,000				
TITLE II									
DISTRICT OF COLUMBIA									
FEDERAL FUNDS									
Federal payment	276,000,000	317,000,000	264,000,000	238,000,000	235,000,000	−$41,000,000	−$82,000,000	−$29,000,000	−$3,000,000
Payment in lieu of reimbursement for water and sewer services to Federal facilities	28,116,000	10,300,000	10,300,000	10,300,000	10,300,000	−17,816,000			
Federal payment to retire R. F. K. Stadium bonds				9,900,000	9,900,000	+9,900,000	+9,900,000	+9,900,000	
Loans to the District of Columbia for capital outlay	92,000,000	129,790,000				−92,000,000	−129,790,000		
Total, Federal funds to District of Columbia	396,116,000	457,090,000	274,300,000	258,200,000	255,200,000	−140,916,000	−201,890,000	−19,100,000	−3,000,000
DISTRICT OF COLUMBIA FUNDS									
Operating expenses									
General operating expenses	(90,862,600)	(96,326,800)	(93,718,500)	(95,133,100)	(93,765,300)	(+2,902,700)	(−2,561,500)	(+46,800)	(−1,367,800)
1978 supplemental		(3,203,200)		(2,719,400)	(2,719,400)		(−483,800)	(+2,719,400)	
Public safety	(263,771,000)	(274,412,800)	(266,473,800)	(265,961,200)	(265,190,200)	(+1,419,200)	(−9,222,600)	(−1,283,600)	(−771,000)
1978 supplemental		(1,139,700)		(889,700)	(889,700)		(−250,000)	(+889,700)	
Education	(264,679,200)	(282,898,600)	(282,201,200)	(283,605,400)	(283,605,400)	(+18,926,200)	(+706,800)	(+1,404,200)	
1978 supplemental		(143,600)		(68,600)			(−143,600)		(−68,600)
Recreation	(17,551,000)	(18,677,400)	(18,392,700)	(18,392,700)	(18,392,700)	(+841,700)	(−284,700)		
1978 supplemental		(58,000)		(58,000)	(58,000)			(+58,000)	
Human resources	(283,462,300)	(294,474,800)	(284,767,700)	(283,321,300)	(283,321,300)	(−141,000)	(−11,153,500)	(−1,446,400)	
1978 supplemental		(9,353,900)		(8,086,000)	(8,086,000)		(−1,267,900)	(+8,086,000)	
Transportation	(59,713,900)	(77,551,700)	(71,380,900)	(78,735,200)	(78,735,200)	(+19,021,300)	(+1,183,500)	(+7,354,300)	
1978 supplemental		(4,340,400)		(1,082,200)	(1,082,200)		(3,258,200)	(+1,082,200)	
Environmental services	(58,191,900)	(73,309,900)	(72,962,500)	(72,119,800)	(72,069,800)	(+3,877,900)	(−1,240,100)	(−892,700)	(−50,000)
1978 supplemental		(1,669,700)		(1,550,400)	(1,030,400)		(−639,300)	(+1,030,400)	(−520,000)
Personal services	(65,549,400)	(69,300,000)	(69,300,000)	(69,300,000)	(69,300,000)	(+3,750,600)			
1978 supplemental		(7,000,000)		(7,000,000)	(7,000,000)			(+7,000,000)	
Settlement of claims and suits			(72,800)	(322,800)	(322,800)	(+322,800)	(+322,800)	(+250,000)	
1978 supplemental		(21,800)					(−21,800)		
Repayment of loans and interest	(125,668,500)	(111,700,000)	(111,700,000)	(120,400,000)	(120,400,000)	(−5,268,500)	(+8,700,000)	(+8,700,000)	
1978 supplemental		(475,800)		(475,800)	(475,800)			(+475,800)	
Total, operating expenses	(1,239,449,800)	(1,298,652,000)	(1,270,970,100)	(1,287,291,500)	(1,285,102,700)	(+45,652,900)	(−13,549,300)	(+14,132,600)	(−2,188,800)
1978 supplemental		(27,406,100)		(21,930,100)	(21,341,500)		(−6,064,600)	(+21,341,500)	(−588,600)
Capital outlay									
Capital outlay	(129,173,400)	(129,790,000)	(77,215,000)	(77,490,000)	(77,215,000)	(−51,958,400)	(−52,575,000)		(−275,000)

DISTRICT OF COLUMBIA APPROPRIATION BILL, 1979 (H.R. 13468)—CONFERENCE SUMMARY

Item	New budget (obligational) authority, fiscal year 1978 enacted to date	Budget estimates of new (obligational) authority, fiscal years 1978 and 1979	New budget (obligational) authority, House bill	New budget (obligational) authority, Senate bill	New budget (obligational) authority, Conference	Conference action compared with— Fiscal year 1978, enacted to date	Budget estimates, 1978 and 1979	House bill	Senate bill
(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)	(10)
Total, District of Columbia funds	(1,368,623,200)	(1,428,442,000)	(1,348,185,100)	(1,364,781,500)	(1,362,317,700)	(−6,305,500)	(−66,124,300)	(+14,132,600)	(−2,463,800)
1978 supplemental		(27,406,100)		(21,930,100)	(21,341,500)		(−6,064,600)	(+21,341,500)	(−588,600)
RECAPITULATION									
Grand total, new budget (obligational) authority	399,116,000	460,090,000	277,300,000	261,200,000	258,200,000	−140,916,000	−201,890,000	−19,100,000	−3,000,000
Consisting of—									
Temporary Commission on Financial Oversight of the District of Columbia	3,000,000	3,000,000	3,000,000	3,000,000	3,000,000				
District of Columbia:									
Federal funds to the District of Columbia	396,116,000	457,090,000	274,300,000	258,200,000	255,200,000	−140,916,000	−201,890,000	−19,100,000	−3,000,000
District of Columbia funds	(1,368,643,200)	(1,428,442,000)	(1,348,185,100)	(1,364,781,500)	(1,362,317,700)	(−6,305,500)	(−66,124,300)	(+14,132,600)	(−2,463,800)
1978 supplemental		(27,406,100)		(21,930,100)	(21,341,500)		(−6,064,600)	(+21,341,500)	(−588,600)

Mr. Speaker, this is a good conference report and I urge its adoption.

Mr. BURGENER. Mr. Speaker, I yield myself such time as I may consume.

Mr. Speaker, it is a real privilege to serve under the inspiring and dedicated leadership of the gentleman from Kentucky (Mr. NATCHER).

Mr. Speaker, let me say that this particular conference report may not be greeted with wild enthusiasm by perhaps the elected officials of the District of Columbia, but it indeed should be greeted with great enthusiasm by the citizens and the taxpayers of the District of Columbia, because, as our chairman noted, this is the lowest Federal payment in about 12 years. This, in turn, can lower the burden on local citizens.

What does that really mean? If we continually escalate the Federal payment we continue to encourage the local government to add employees, and they have more employees per 10,000 population by far than any other place in the Nation, and that tends to build demand on the local taxpayers for more and more taxes.

So, Mr. Speaker, I think this particular budget is a real service not only to the taxpayers of the entire country but, more particularly, to the taxpayers and residents of the District of Columbia.

One of the basic reasons we can continue to provide a good level of service in the District of Columbia and still have a lower Federal payment is because we have a declining population both generally and in the schools. We have 4,000 fewer students per year in the schools. But, in addition to that, there is a business boom occurring in the District of Columbia, which we are all pleased about. Therefore the local taxes are much higher; local income taxes. sales taxes, licenses and fees of all kinds have been increased. That is what makes it possible for us to have a lower Federal payment and still provide the vital and necessary services.

Mr. Speaker, unless there are some questions, I urge my colleagues to fully support this, what I consider to be, a very austere but fully responsible conference report, since it covers all the essential services needed in the District of Columbia.

Mr. ASHBROOK. Mr. Speaker, will the gentleman yield?

Mr. NATCHER. I am pleased to yield to the gentleman from Ohio (Mr. ASHBROOK).

Mr. ASHBROOK. Mr. Speaker, I thank my good friend, the chairman, for yielding. The thing that catches my eye, and it is kind of a small item but rather interesting, is that on page 49 of the Senate report on the District of Columbia appropriation bill for 1979 it says, under the heading of dog pound:

> The Committee is concerned at the reports regarding rude and unresponsive behavior directed toward the public by the city employees who work at the Dog Pound. The Committee expects the employees at the Dog Pound and in fact all city employees to act responsibly and with courtesy in carrying out their duties to serve the public.

I would say over the years I do not think I can ever recall a reference to the dog pound in a bill.

I say in all seriousness that it must be pretty bad. I know we have a lot of dogs here in Congress, and most of them get voted on; but I did not know the problem in the District of Columbia was quite that acute.

Would my good friend and colleague comment on that?

Mr. NATCHER. Mr. Speaker, in answer to the distinguished gentleman from Ohio (Mr. ASHBROOK), I would like to say that the amount requested in the budget was $275,000 for renovations and an addition to the existing dog pound. After hearing the witnesses, our committee believed the amount was too much for what they were going to do so the request was denied. They have facilities now.

The language which the gentleman has just read is from the report prepared by the other body. The gentleman will be interested to know that the $275,000 requested was deleted.

Mr. ASHBROOK. Mr. Speaker, I thank my good friend, the gentleman from Kentucky (Mr. NATCHER). Those six lines did rather attract my attention. I am glad to get that information.

Mr. BURGENER. Mr. Speaker, if the chairman will yield, I would like to make one further comment. The manner in which the employees of the dog pound treat the dog owners really should be a matter of home rule, to be taken care of by the locally elected Council and Mayor and their constituents. It really is not that much of our business.

● Mr. STEERS. Mr. Speaker, I feel compelled to address a few brief remarks to my colleagues on the cuts which are proposed in this report in the Federal payment for the District of Columbia. The District of Columbia had requested, with the full support of the administration, a Federal payment of $317 million. This body chopped that justified request to $264 million. The other body lowered our figure to $238 million. Now, the conference committee brings a report to us which has further lowered the payment to $235 million, the lowest amount, according to an article in this morning's Washington Post, since 1967, measured as a percentage of the city's approved budget.

The Federal payment to the District of Columbia is not just some Federal dole to the city. It is not some kind of gift from a benevolent government to a territory. The Federal payment has existed from the time the District of Columbia was created not because the Federal Government loves to give away money, but because the District of Columbia deserves such a payment as a matter of right. Less than 40 percent of the property in the District is taxable, not because the District has done anything wrong, but because the Federal Government is present. No other city in the Nation faces such a problem.

The Federal payment is designed, in theory, to provide the city with revenues to make up for those revenues lost due to the Federal Government. It is not some gift to be taken away at our whim. It should never be used as a punitive measure. And yet, here we are considering a bill which proposes a payment lower than it has been in years.

And what is the so-called rationale for this dismally low payment? Because, we are told, the city is doing such a good job of collecting local revenues that they may make more money from local taxes this year than previously anticipated. In other words, the better job the city government does in collecting taxes, the more we "reward" it by drastically slashing the Federal payment.

What kind of incentive are we providing the local government to do a good job? Absolutely none.

What relationship does revenue collected from local residents have to revenue lost due to tax-free Federal property, diplomatic property, and other tax-free property? No relationship whatsoever.

Mr. Speaker, I pledge my every effort to help work out and get approval for a meaningful and permanent formula for the Federal payment for the future. I have introduced legislation to form a commission to determine, in as nonpolitical an atmosphere as possible, what that formula ought to be. My colleague from California, Mr. DELLUMS, has introduced legislation to actually set a formula at a given percentage of local revenues. Both approaches, and others, should be carefully reviewed and resolved so that this kind of shabby treatment of the District's legitimate needs is not repeated.●

Mr. NATCHER. Mr. Speaker, I move the previous question on the conference report.

The previous question was ordered.

The SPEAKER pro tempore. The question is on the conference report.

The question was taken; and the Speaker pro tempore announced that the ayes appeared to have it.

Mr. RUDD. Mr. Speaker, I object to the vote on the ground that a quorum is not present and make the point of order that a quorum is not present.

The SPEAKER pro tempore. Evidently a quorum is not present.

The Sergeant at Arms will notify absent Members.

The vote was taken by electronic device, and there were—yeas 339, nays 31, not voting 62, as follows:

[Roll No. 719]

YEAS—339

Abdnor	Broomfield	de la Garza
Addabbo	Brown, Calif.	Dellums
Akaka	Brown, Mich.	Derrick
Alexander	Brown, Ohio	Derwinski
Ambro	Broyhill	Devine
Ammerman	Buchanan	Dickinson
Anderson, Calif.	Burgener	Dingell
	Burke, Fla.	Dodd
Anderson, Ill.	Burke, Mass.	Downey
Andrews, N.C.	Burleson, Tex.	Drinan
Andrews, N. Dak.	Burlison, Mo.	Duncan, Oreg.
	Burton, John	Duncan, Tenn.
Annunzio	Burton, Phillip	Early
Applegate	Butler	Eckhardt
Ashley	Byron	Edgar
Aspin	Caputo	Edwards, Ala.
AuCoin	Carney	Edwards, Calif.
Badham	Carr	Eilberg
Bafalis	Carter	Emery
Baldus	Cavanaugh	Erlenborn
Baucus	Chappell	Ertel
Beard, R.I.	Chisholm	Evans, Del.
Beard, Tenn.	Clausen, Don H.	Evans, Ga.
Bedell		Fary
Bellenson	Clawson, Del	Fenwick
Benjamin	Cleveland	Findley
Bennett	Cochran	Fish
Bevill	Cohen	Fisher
Biaggi	Collins, Ill.	Flood
Bingham	Conable	Florio
Blanchard	Conte	Foley
Blouin	Conyers	Ford, Mich.
Boland	Corcoran	Ford, Tenn.
Bonior	Corman	Forsythe
Bonker	Cornell	Frenzel
Bowen	Cotter	Fuqua
Brademas	Coughlin	Garcia
Breaux	D'Amours	Gaydos
Breckinridge	Daniel, Dan	Giaimo
Brinkley	Daniel, R. W.	Gibbons
Brodhead	Danielson	Gilman
Brooks	Davis	Ginn
Glickman	McHugh	Rogers
Goldwater	McKay	Roncalio
Gonzalez	McKinney	Rooney
Goodling	Madigan	Rosenthal
Gore	Maguire	Rostenkowski
Gradison	Mahon	Roybal
Grassley	Mann	Runnels
Green	Markey	Ruppe
Gudger	Marks	Russo
Guyer	Marlenee	Ryan
Hall	Marriott	Santini
Hamilton	Martin	Satterfield
Hammer-schmidt	Mathis	Sawyer
	Mattox	Scheuer
Hanley	Mazzoli	Schroeder
Hannaford	Meeds	Sebelius
Harkin	Metcalfe	Seiberling
Harris	Meyner	Sharp
Harsha	Michel	Simon
Hawkins	Mikulski	Skelton
Heckler	Mineta	Skubitz
Hefner	Minish	Slack
Heftel	Mitchell, Md.	Smith, Iowa
Hightower	Mitchell, N.Y.	Snyder
Hillis	Moakley	Solarz
Hollenbeck	Moffett	Spellman
Holt	Mollohan	Spence
Holtzman	Montgomery	St Germain
Horton	Moore	Staggers
Howard	Moorhead, Pa.	Stanton
Hubbard	Moss	Stark
Hughes	Murphy, Ill.	Steed
Hyde	Murphy, N.Y.	Steers
Ichord	Murphy, Pa.	Stockman
Ireland	Murtha	Stratton
Jacobs	Myers, Gary	Studds
Jeffords	Myers, John	Taylor
Jenrette	Myers, Michael	Thone
Johnson, Calif.	Natcher	Thornton
Johnson, Colo.	Nedzi	Treen
Jones, N.C.	Nichols	Trible
Jones, Okla.	Nowak	Tucker
Jones, Tenn.	O'Brien	Udall
Jordan	Oakar	Ullman
Kastenmeier	Oberstar	Van Deerlin
Kazen	Obey	Vander Jagt
Kemp	Ottinger	Vanik
Keys	Panetta	Waggonner
Kildee	Patten	Walgren
Kindness	Patterson	Walker
Kostmayer	Pattison	Walsh
Krebs	Pease	Wampler
Krueger	Pepper	Weiss
LaFalce	Perkins	Whalen
Lagomarsino	Pettis	White
Leach	Pickle	Whitehurst
Lederer	Pike	Whitley
Leggett	Poage	Whitten
Lehman	Pressler	Wilson, Bob
Lent	Price	Wilson, Tex.
Levitas	Pursell	Wirth
Livingston	Quayle	Wolff
Lloyd, Calif.	Rahall	Wright
Long, La.	Railsback	Wydler
Long, Md.	Rangel	Wylie
Lujan	Regula	Yatron
Luken	Reuss	Young, Fla.
Lundine	Rhodes	Young, Mo.
McClory	Richmond	Young, Tex.
McCloskey	Rinaldo	Zablocki
McCormack	Roberts	Zeferetti
McEwen	Robinson	
McFall	Roe	

NAYS—31

Archer	Gammage	Quillen
Ashbrook	Gephardt	Rousselot
Bauman	Hansen	Rudd
Coleman	Kelly	Shuster
Collins, Tex.	Latta	Stump
Crane	Lott	Symms
Dornan	Miller, Ohio	Volkmer
Edwards, Okla.	Moorhead, Calif.	Watkins
English		Weaver
Evans, Ind.	Mottl	Wiggins
Fithian	Neal	

NOT VOTING—62

Armstrong	Flowers	Mikva
Barnard	Flynt	Milford
Boggs	Fountain	Miller, Calif.
Bolling	Fowler	Nix
Burke, Calif.	Fraser	Nolan
Cederberg	Frey	Preyer
Clay	Hagedorn	Pritchard
Cornwell	Harrington	Quie
Cunningham	Holland	Risenhoover
Delaney	Huckaby	Rodino
Dent	Jenkins	Rose
Dicks	Kasten	Sarasin
Diggs	Le Fante	Schulze
Evans, Colo.	Lloyd, Tenn.	Shipley
Fascell	McDade	Sikes
Flippo	McDonald	Sisk
Smith, Nebr.	Thompson	Wilson, C. H.
Stangeland	Traxler	Winn
Steiger	Tsongas	Yates
Stokes	Vento	Young, Alaska
Teague	Waxman	

The Clerk announced the following pairs:

Mrs. Boggs with Mr. Armstrong.
Mr. Rodino with Mr. Frey.
Mr. Risenhoover with Mr. Sarasin.
Mr. Thompson with Mr. Young of Alaska.
Mr. Le Fante with Mr. Winn.
Mr. Preyer with Mrs. Smith of Nebraska.
Mr. Dent with Mr. Hagedorn.
Mr. Delaney with Mr. Cederberg.
Mr. Cornwell with Mr. Fraser.
Mr. Miller of California with Mr. Pritchard.
Mr. Fascell with Mr. Quie.
Mr. Flippo with Mr. Milford.
Mrs. Burke of California with Mr. Kasten.
Mr. Mikva with Mr. Holland.
Mr. Shipley with Mr. Diggs.
Mr. Sikes with Mr. Fowler.
Mr. Stokes with Mr. Charles H. Wilson of California.
Mr. Clay with Mr. Steiger.
Mr. Vento with Mr. Stangeland.
Mr. Traxler with Mr. Sisk.
Mr. Tsongas with Mr. Harrington.
Mr. Waxman with Mr. Dicks.
Mr. Yates with Mr. Evans of Colorado.
Mr. Rose with Mr. McDade.
Mr. Flowers with Mr. McDonald.
Mr. Nolan with Mr. Nix.
Mr. Teague with Mr. Jenkins.
Mr. Flynt with Mr. Huckaby.
Mr. Barnard with Mr. Fountain.
Mrs. Lloyd of Tennessee with Mr. Schulze.

Mr. ASHBROOK and Mr. RUDD changed their vote from "yea" to "nay."

So the conference report was agreed to.

The result of the vote was announced as above recorded.

AMENDMENTS IN DISAGREEMENT

The SPEAKER pro tempore. The Clerk will report the first amendment in disagreement.

The Clerk read as follows:

Senate amendment No. 1: Page 2, line 25, strike out: "$264,000,000" and insert "$238,000,000,".

MOTION OFFERED BY MR. NATCHER

Mr. NATCHER. Mr. Speaker, I offer a motion.

The Clerk read as follows:

Mr. NATCHER moves that the House recede from its disagreement to the amendment of the Senate numbered 1 and concur therein with an amendment, as follows: In lieu of the sum proposed by said amendment, insert "$235,000,000".

The motion was agreed to.

The SPEAKER pro tempore. The Clerk will report the next amendment in disagreement.

The Clerk read as follows:

Senate amendment No. 2: Page 3, line 8, insert: *"Provided,* That there is hereby appropriated, out of any money in the Treasury not otherwise appropriated, $9,900,000, without fiscal year limitation, for the purposes of the sinking fund established by section 6(a) of the District of Columbia Stadium Act of 1957, as amended.".

MOTION OFFERED BY MR. NATCHER

Mr. NATCHER. Mr. Speaker, I offer a motion.

The Clerk read as follows:

Mr. NATCHER moves that the House recede from its disagreement to the amendment of the Senate numbered 2 and concur therein.

The motion was agreed to.

The SPEAKER pro tempore. The Clerk will report the next amendment in disagreement.

The Clerk read as follows:

Senate amendment No. 4: Page 5, line 1, insert: "For an additional amount for "General operating expenses", fiscal year 1978, $2,719,400, including payments made pursuant to the Water and Sewer Repair and Compensation Act of 1976, D.C. Law 1-98, effective March 29, 1977.".

MOTION OFFERED BY MR. NATCHER

Mr. NATCHER. Mr. Speaker, I offer a motion.

The Clerk read as follows:

Mr. NATCHER moves that the House recede from its disagreement to the amendment of the Senate numbered 4 and concur therein.

The motion was agreed to.

The SPEAKER pro tempore. The Clerk will report the next amendment in disagreement.

The Clerk read as follows:

Senate amendment No. 5: Page 5, line 11, strike out: "$266,473,800" and insert "$265,961,200,".

MOTION OFFERED BY MR. NATCHER

Mr. NATCHER. Mr. Speaker, I offer a motion.

The Clerk read as follows:

Mr. NATCHER moves that the House recede from its disagreement to the amendment of the Senate numbered 5 and concur therein with an amendment, as follows: In lieu of the sum proposed by said amendment, insert "$265,190,200".

The motion was agreed to.

The SPEAKER pro tempore. The Clerk will report the next amendment in disagreement.

The Clerk read as follows:

Senate amendment No. 11: Page 7, line 11, insert: "For an additional amount for "Recreation", fiscal year 1978, $58,000.".

MOTION OFFERED BY MR. NATCHER

Mr. NATCHER. Mr. Speaker, I offer a motion.

The Clerk read as follows:

Mr. NATCHER moves that the House recede from its disagreement to the amendment of the Senate numbered 11 and concur therein.

The motion was agreed to.

The SPEAKER pro tempore. The Clerk will report the next amendment in disagreement.

The Clerk read as follows:

Senate amendment No. 6: Page 6, line 4, insert "For an additional amount for "Public safety", fiscal year 1978, $889,700.".

MOTION OFFERED BY MR. NATCHER

Mr. NATCHER. Mr. Speaker, I offer a motion.

The Clerk read as follows:

Mr. NATCHER moves that the House recede from its disagreement to the amendment of the Senate numbered 6 and concur therein.

The motion was agreed to.

The SPEAKER pro tempore. The Clerk will report the next amendment in disagreement.

The Clerk read as follows:

Senate amendment No. 13: Page 8, line 9, insert: "For an additional amount for "Human resources", fiscal year 1978, $8,086,000.".

MOTION OFFERED BY MR. NATCHER

Mr. NATCHER. Mr. Speaker, I offer a motion.

The Clerk read as follows:

Mr. NATCHER moves that the House recede from its disagreement to the amendment of the Senate numbered 13 and concur therein.

The motion was agreed to.

The SPEAKER pro tempore. The Clerk will report the next amendment in disagreement.

The Clerk read as follows:

Senate amendment No. 18: Page 8, line 22, insert:

"For an additional amount for 'Transportation', fiscal year 1978, $1,082,200: *Provided further*, That authorization is hereby provided to the government of the District of Columbia to fund the additional cost of snow and ice removal out of funds heretofore appropriated to such government for fiscal year 1978 for Washington Metropolitan Area Transit Authority but not to exceed $1,254,700.".

MOTION OFFERED BY MR. NATCHER

Mr. NATCHER. Mr. Speaker, I offer a motion.

The Clerk read as follows:

Mr. NATCHER moves that the House recede from its disagreement to the amendment of the Senate numbered 18 and concur therein.

The motion was agreed to.

The SPEAKER pro tempore. The Clerk will report the next amendment in disagreement.

The Clerk read as follows:

Senate amendment No. 19: Page 9; line 5, strike out "$72,962,500", and insert "$72,119,800".

MOTION OFFERED BY MR. NATCHER

Mr. NATCHER. Mr. Speaker, I offer a motion.

The Clerk read as follows:

Mr. NATCHER moves that the House recede from its disagreement to the amendment of the Senate numbered 19 and concur therein with an amendment, as follows: In lieu of the sum proposed by said amendment, insert "$72,069,800".

The motion was agreed to.

The SPEAKER pro tempore. The Clerk will report the next amendment in disagreement.

The Clerk read as follows:

Senate amendment No. 20: Page 9, line 14, insert: "For an additional amount for "Environmental services", fiscal year 1978, $1,550,400.".

MOTION OFFERED BY MR. NATCHER

Mr. NATCHER. Mr. Speaker, I offer a motion.

The Clerk read as follows:

Mr. NATCHER moves that the House recede from its disagreement to the amendment of the Senate numbered 20 and concur therein with an amendment, as follows: In lieu of the sum named in said amendment, insert "$1,030,400".

The motion was agreed to.

The SPEAKER pro tempore. The Clerk will report the next amendment in disagreement.

The Clerk read as follows:

Senate amendment No. 21: Page 21, insert: "For an additional amount for "Personal services", fiscal year 1978, $7,000,000".

MOTION OFFERED BY MR. NATCHER

Mr. NATCHER. Mr. Speaker, I offer a motion.

The Clerk read as follows:

Mr. NATCHER moves that the House recede from its disagreement to the amendment of the Senate numbered 21 and concur therein.

The motion was agreed to.

The SPEAKER pro tempore. The Clerk will report the next amendment in disagreement.

The Clerk read as follows:

Senate amendment No. 25: Page 10, line 18, insert: "For an additional amount for "Repayment of loans and interest", for fiscal year 1978, $475,800.".

MOTION OFFERED BY MR. NATCHER

Mr. NATCHER. Mr. Speaker, I offer a motion.

The Clerk read as follows:

Mr. NATCHER moves that the House recede from its disagreement to the amendment of the Senate numbered 25 and concur therein.

The motion was agreed to.

The SPEAKER pro tempore. The Clerk will report the next amendment in disagreement.

The Clerk read as follows:

Senate amendment No. 29: Page 18, line 8, insert:

SEC. 220. (a) No funds appropriated by this Act shall be available to pay any part of the salary of any employee of the government of the District of Columbia, or any department, agency, office, or other entity thereof, if any part of such employee's salary is paid from funds appropriated pursuant to the authority of the Comprehensive Employment and Training Act of 1973 (or successor statute), and the annual salary of such employee is in excess of that paid for the position of GS-9, step 1, under the General Schedule, under section 5332 of title 5, United States Code.

(b) Subsection (a) of this section shall take effect upon the expiration of the ninety-day period following the date of the enactment of this Act.

MOTION OFFERED BY MR. NATCHER

Mr. NATCHER. Mr. Speaker, I offer a motion.

The Clerk read as follows:

Mr. NATCHER moves that the House recede from its disagreement to the amendment of the Senate numbered 29 and concur therein.

The motion was agreed to.

The SPEAKER pro tempore. The Clerk will report the next amendment in disagreement.

The Clerk read as follows:

Senate amendment No. 30: Page 18, line 21, insert:

SEC. 221. (a) No funds appropriated by this Act shall be available to pay any part of the salary of an employee of the government of the District of Columbia, or any department, agency, office, or other entity thereof, if any part of such employee's salary is paid from funds appropriated pursuant to the authority of the Comprehensive Employment and Training Act of 1973 (or successor statute), and has been so paid for an aggregate period of at least twenty-four calendar months.

(b) Subsection (a) of this section shall take effect upon the expiration of the ninety-day period following the date of the enactment of this Act.

MOTION OFFERED BY MR. NATCHER

Mr. NATCHER. Mr. Speaker, I offer a motion.

The Clerk read as follows:

Mr. NATCHER moves that the House recede from its disagreement to the amendment of the Senate numbered 30 and concur therein.

The motion was agreed to.

The SPEAKER pro tempore. The Clerk will report the next amendment in disagreement.

The Clerk read as follows:

Senate amendment No. 31: Page 19, line 8, insert:

SEC. 222. (a) No funds appropriated by this Act shall be available to pay any part of the salary of any employee of the Council of the District of Columbia, or committee or subcommittee thereof, or any employee of any elected official of the government of the District of Columbia, if any part of the salary of any such employee is paid from funds appropriated pursuant to the authority of the Comprehensive Employment and Training Act of 1973 (or successor statute).

(b) Subsection (a) of this section shall take effect upon the expiration of the ninety-day period following the date of the enactment of this Act.

MOTION OFFERED BY MR. NATCHER

Mr. NATCHER. Mr. Speaker, I offer a motion.

The Clerk read as follows:

Mr. NATCHER moves that the House recede from its disagreement to the amendment of the Senate numbered 31 and concur therein.

The motion was agreed to.

The SPEAKER pro tempore. The Clerk will report the next amendment in disagreement

The Clerk read as follows:

Senate amendment No. 32: Page 19, line 19, insert:

SEC. 223. No funds appropriated by this Act shall be available to pay any part of the salary of any individual hereafter employed by any department, agency, office, or other entity of the government of the District of Columbia, having ten or more employees, if, at the time of such employment, any part of the salary of more than ten per centum of the employees of such department, agency, office, or entity is paid partly from funds appropriated pursuant to the authority of the Comprehensive Employment and Training Act of 1973 (or successor statute), and partly from funds of the District of Columbia.

MOTION OFFERED BY MR. NATCHER

Mr. NATCHER. Mr. Speaker, I offer a motion.

The Clerk read as follows:

Mr. NATCHER moves that the House recede from its disagreement to the amendment of the Senate numbered 32 and concur therein.

The motion was agreed to.

The SPEAKER pro tempore. The Clerk will report the last amendment in disagreement

The Clerk read as follows:

Senate amendment No. 33: Page 20, line 5, insert:

SEC. 224. Notwithstanding any other provision of this Act, the provisions of sections 220, 221, 222, and 223 of this Act shall be deemed repealed upon the date of the enactment of the Act entitled "An Act to amend the Comprehensive Employment and Training Act of 1973, to provide improved employment and training services, to extend the authorization, and for other purposes.".

MOTION OFFERED BY MR. NATCHER

Mr. NATCHER. Mr. Speaker, I offer a motion.

The Clerk read as follows:

Mr. NATCHER moves that the House recede from its disagreement to the amendment of the Senate numbered 33 and concur therein with an amendment, as follows: In lieu of the matter proposed by said amendment, insert:

SEC. 224. Notwithstanding any other provision of this Act, the provisions of sections 220, 221, 222, and 223 of this Act shall be deemed repealed upon the date of the enactment of the Act entitled "An Act to amend the Comprehensive Employment and Training Act of 1973, to provide improved employment and training services, to extend the authorization, and for other purposes", or similar legislation.

The motion was agreed to.

A motion to reconsider the votes by which action was taken on the conference report and on the several motions was laid on the table.

GENERAL LEAVE

Mr. NATCHER. Mr. Speaker, I ask unanimous consent that all Members may have 5 legislative days in which to revise and extend their remarks on the conference report on H.R. 13468, just agreed to, and that I be permitted to include a tabulation summarizing the action taken.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Kentucky?

There was no objection.

PERMISSION FOR COMMITTEE ON SCIENCE AND TECHNOLOGY TO FILE CONFERENCE REPORT ON H.R. 11401, NASA AUTHORIZATION FOR FISCAL YEAR 1979

Mr. BROWN of California. Mr. Speaker, I ask unanimous consent that the Committee on Science and Technology may have until midnight tonight to file a conference report on H.R. 11401, the NASA authorization bill for fiscal year 1979.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from California?

There was no objection.

CONFERENCE REPORT ON S. 9, OUTER CONTINENTAL SHELF LANDS ACT AMENDMENTS OF 1978

Mr. MURPHY of New York. Mr. Speaker, I call up the conference report on the Senate bill (S. 9) to establish a policy for the management of oil and natural gas in the Outer Continental Shelf; to protect the marine and coastal environment; to amend the Outer Continental Shelf Lands Act; and for other purposes and ask unanimous consent that the statement of the managers be read in lieu of the report.

The Clerk read the title of the Senate bill.

The SPEAKER. Is there objection to the request of the gentleman from New York?

There was no objection.

The Clerk read the statement.

(For conference report and statement, see proceedings of the House of August 10, 1978.)

Mr. MURPHY of New York (during the reading). Mr. Speaker, I ask unanimous consent that further reading of the statement be dispensed with.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from New York?

There was no objection.

The SPEAKER pro tempore. The gentleman from New York (Mr. MURPHY) will be recognized for 30 minutes, and the gentleman from New York (Mr. FISH) will be recognized for 30 minutes.

The Chair recognizes the gentleman from New York (Mr. MURPHY).

Mr. MURPHY of New York. Mr. Speaker, I yield myself such time as I may consume.

Mr. Speaker, today, I bring before you for consideration the conference report on S. 9 (H. Rept. 95–1474), a bill to amend the outmoded Outer Continental Shelf Lands Act of 1953 to establish a new statutory regime for the management of the oil and gas resources of the Outer Continental Shelf.

This report is almost identical to the bill passed by this House—this part February—by a vote of more than 3 to 1 (291 to 91). It is supported and was signed by 12 of the 14 House conferees and all but one of the Senate conferees. It is supported strongly by almost all coastal States, citizen groups and environmentalists. It is strongly supported and needed by smaller energy companies. It is considered by the Carter administration as one of the key energy/environmental bills of the 95th Congress.

This is not a new issue, but this conference report is much improved over that considered by the 94th Congress. And it is extremely important for the Nation that we expedite its approval.

Over 2 years ago, I came before the House to urge passage of H.R. 6218. After 10 hours of debate and consideration of some 80 amendments, that bill was passed by the House overwhelmingly by a margin of 247–140.

The bill then went to conference with the Senate-passed companion bill, S. 521, and a compromise bill was brought back to the House for consideration. Unfortunately, due to a number of factors including: A massive national lobbying campaign by big oil and other elements; the opposition of the Ford administration, which included the threat of a veto; a scheduling logjam on the House floor; and a threat of a Senate filibuster, the conference report was narrowly defeated.

Only this past February, I brought before the House for consideration a new version of the OCS bill, H.R. 1614. After hours of debate, and the consideration of over 70 amendments, that bill was again overpoweringly passed by the House by an even larger margin of 291 to 91. A vote to recommit the bill was resoundingly rejected. And I am happy to say that the House bill was supported by most of the minority members of the Ad Hoc OCS Committee, who continue to support and have signed the conference

report—so the conference report you have before you is largely a bipartisan effort.

From May to July of this year, the conferees conducted an extended conference of 11 sessions with countless amendments in order to hammer out a bill that would be acceptable to the House. I can truly say that we have successfully accomplished that and preserved almost all of the House version of the OCS bill including the critical provisions. Because of this effort, S. 9 is now acceptable to many of the previous opponents of this measure.

I do not believe that it is necessary at this point to report the story in detail.

I would, however, like to point out that we have, in the last 4 years, carefully examined the proposed OCS amendments and have made many changes which I feel have improved the bill significantly. As revised, the conference report will expedite OCS development by: Eliminating bureaucratic conflicts; reducing the possibility of frivolous lawsuits; minimizing present opposition to offshore development on the part of States and other interests; and insuring proper financial relief to coastal States, fishermen, and those affected by oil spills. The conference report will also insure a more open OCS policymaking process by involving States, and through the States local governments, and citizens. The conference report will insure safe OCS development by providing for increased environmental and worker-safety controls. In addition, it will enhance competition by providing for new bidding systems which will facilitate the entry of smaller energy companies.

Let me briefly discuss some of the important provisions of the conference report.

ALTERNATE BIDDING SYSTEMS

The Senate bill provided that during the next 5 years, bonus bids cannot be utilized in less than 50 percent of the leases offered in previously undeveloped areas. The House amendment provided that new bidding systems are to be utilized in no less than 20 percent and no more than 50 percent of the leases offered in lease sales held for all areas during the next 5 years. The conference report follows the House amendment with an almost negligible amendment.

Bidding systems other than bonus bidding, including royalty, net profit, work commitment, and nonenumerated systems, are to be utilized in at least 20 percent and not more than 60 percent of the tracts leased in all OCS areas during the next 5 years. So with respect to new bidding systems the conference report is virtually the same as the House provision, which was introduced by the minority on the House floor.

For all practical purposes, there is only one method in the present statute for awarding leases to Federal Outer Continental Shelf lands: bidding on the basis of up front cash bonuses. However, we are now in a period in which investment capital is tight, and we are asking that oil companies find and produce oil in areas they have never developed before. With money tight and the risks high, cash bonus bidding may no longer be the best system for the years ahead. We must spur competition among the oil companies in the bidding process. In doing so, we must strike a balance between a fair profit to the oil companies, which must risk their investment capital, and a fair return to the Federal Government as the owner of the leased lands. The conference report would provide alternative leasing arrangements, and would require the Department of the Interior to use them during the next 5 years so that we may work out the best arrangements for the future.

FEDERAL EXPLORATORY DRILLING

Under the House version the Federal Government itself was not authorized to engage in drilling activities. However, the Secretary of the Interior was specifically directed to offer permits for on-structure exploratory drilling.

The Senate version not only allowed Federal exploration per se, it mandated exploratory drilling if the Secretary determined that drilling was necessary to acquire more accurate information. The Conference report eliminates both the House provision for on-structure drilling and the Senate mandate for Federal exploration, regarding the general authority for Federal exploration, both Houses receded and the conference report maintains the language of the original 1953 act. The conferees' action does not represent any intention to limit, modify, or expand whatever authority the Federal Government has under existing law to grant permits to applicants to conduct drilling operations. However, it does mean that the issue will undoubtedly be decided in court. Government exploration is no longer an issue in this bill. Present law—whatever I, and others believe it allows, or not allows—is maintained.

PARTICIPATION OF STATE AND LOCAL GOVERNMENTS IN THE OCS-DECISIONMAKING PROCESS

Under the existing OCS law, the Secretary of the Interior administers the Federal leasing program and controls the Federal regulatory machinery supervising the development of offshore oil. He does so with almost no outside input. On occasion he may consider the view of outsiders, but he acts under regulations that he himself devises. He is under no statutory compulsion to consider the views of State governments, local communities, or members of the public who may have a real interest. The conference report would open Interior's decisionmaking process so that relevant outsiders—and in particular, State governments and through States, local government—may present their views and must be heard. They would not have a veto—only an opportunity to present their views and assurances that those views will be considered. If we are to have intelligent decisions, they must be highly informed ones. Only an open decisionmaking process can insure this result.

FEDERAL ASSISTANCE TO AFFECTED STATES

The development of the oil and gas resources of the Outer Continental Shelf will have an extensive impact—on our coastal environment. Offshore oil and gas must be brought to shore, processed, stored, and transported. New offshore facilities will have to be built and operated. As new workers crowd into the communities near these facilities, they will need housing, schools, medical facilities, and a variety of municipal services. If the coastal States are to deal with the onshore environmental impacts and the secondary economic impacts of development, they must have Federal assistance. To provide this assistance, the conference report amends the Coastal Zone Management Act of 1972, to provide for increased grants to affected States.

The Senate bill amended the Coastal Zone Management Act, increasing authorization for the OCS formula grants section of the coastal energy impact program from $50 million to $75 million for each of the 8 fiscal years.

The House bill provided that of all Federal OCS rentals, royalties, revenues, or other sums, 20 percent—with a ceiling of $200 million—was to go into the coastal energy impact fund.

The conference report increases authorization for the OCS formula grants section of the coastal energy impact program from $75 million to $130 million beginning in fiscal year 1979 and for the following 9 fiscal years. Of the funds appropriated under this provision, a ceiling of 37½ percent and a floor of 2 percent is established to go to individual affected States. The funds would be allocated under a formula based on the following criteria: 50 percent to be based on a coastal State's adjacency to OCS acreage newly leased; 25 percent based on a coastal State's adjacency to OCS oil and gas produced; and 25 percent based on OCS oil and gas first landed in such coastal State.

Federal assistance to ameliorate the adverse coastal impacts of OCS activities is now made more than adequate.

PROTECTION OF THE ENVIRONMENT

The conference report contains other features designed to protect the environment. It would require the Department of the Interior, working through the Commerce Department, to gather information about the present environment of affected areas and to monitor the environment on a continuing basis. It would require the Department of the Interior to conduct an environmental review after exploration and before production, and to prepare a formal environmental impact statement for every undeveloped major lease area. It would establish liability for oilspills and provides for an offshore oilspill pollution fund to insure that damages from OCS activities are speedily compensated. The fund is to be established at a level of not less than $100 million and not more than $200 million. The fund is supported by an up to 3-cents-per-barrel charge paid by the lessees and permittees. It would provide for funds for damages to fishermen from OCS activities.

LIST OF OTHER PROVISIONS

Besides the above-mentioned provisions, the 1978 OCS Act—obviously a comprehensive bill—

Establishes a national policy for the management of oil and gas leasing on the Outer Continental Shelf;

Provides authority to insure expedi-

tious activity (diligence) and to cancel leases for serious environmental threats;

Requires the Secretary of the Interior to prepare a 5-year leasing program for the orderly development of oil and gas resources on the Outer Continental Shelf, insuring that oil and gas development will be expedited to meet national needs in a balanced and environmentally sound manner;

Requires exploration and development plans to be formulated by the lessees and approved by the Secretary of Interior to insure orderly development of the Nation's oil and gas resources;

Provides for the consolidation of citizens' suits so that cases may be resolved expeditiously and fairly while resulting in minimal delay of development plans;

Provides for an information program in order to assess the Nation's OCS oil and gas resources so that the Government will receive a true value for those resources;

Establishes crewing and manning regulations for vessels and rigs engaged in OCS activities, authorizing procedures so that OCS rigs and vessels be manned and crewed by Americans with certain exceptions;

Allows the secretary to grant rights-of-way through submerged lands of the OCS for pipelines;

Provides that lessees shall produce oil and gas, according to regulations, to assure the maximum rate of production with regard to sound engineering and economic principles;

Requires that 20 percent of OCS production be set aside for small and independent refiners;

Provides for reviews of the competitive aspects of OCS leasing;

Provides for joint Federal/State leasing of areas underlying both the OCS and lands subject to State jurisdiction;

Requires a detailed annual report on OCS leasing;

Provides for the confidentiality of all privileged or proprietary information;

Charges the Secretary of Interior and the Coast Guard with the regulations and enforcement of OCS safety, including requiring on-site inspections and the use of the best available and safest technologies on all new drilling operations, and, wherever practicable, on existing operations;

Providies for the establishment of a policy for the transmission of OCS oil and gas produced by local distribution companies or their affiliates to the service areas of such companies. In short, I feel that S. 9 is a fair and equitable bill, which is an important component of this country's national energy program.

I must re-emphasize that S. 9 has the strong support of the Carter administration which has urged this Congress to move expeditiously and enact this needed legislation

This wholehearted support was reiterated by President Carter in the state of the Union message which stated

Legislation to improve the management of the Outer Continental Shelf for oil and gas development is a major item of unfinished business pending before Congress. Prompt passage is necessary so that we can have the benefit of the new law as we move to open more offshore areas to development and production.

As stated by the President in forwarding his national energy program last year and reiterated in his state of the Union message S. 9 is an important part of this country's national energy program

In addition to the administration the bill has the widespread support of State and local government representatives, gas distributors, many small energy companies union, environmentalists, fishermen, and other citizen groups.

The importance of OCS resources to the United States and the need for this legislation cannot be overstated. The prospects are that the U.S. Continental Shelf can be the largest domestic source of oil and gas between now and the 1990's.

When the select committee began its work over 3½ years ago, the Nation was importing approximately 35 percent of its crude oil. That percentage has risen quickly and steadily. Our imports of foreign crude oil now exceed periodically 50 percent of our domestic consumption.

We are now running a deficit in our balance of payments—and payments for foreign oil are a very large item on the debit side of the ledger—perhaps exceeding $45 billion a year. Furthermore, these dollars end up in the hands of countries whose interests do not always coincide with our own.

These figures underscore our vulnerability to another embargo by the producing nations that make up OPEC. If in fact another embargo occurs, the adverse economic impacts this country stands to suffer will be far more severe than those we suffered as the result of the 1973 embargo. I do not need to remind my colleagues of that difficult period of petroleum shortages and curtailments.

Another effect of the rising level of foreign oil imports is the continuing drain of American dollars to the oil rich OPEC countries. This, as you know, has led to the weakening of the U.S. dollar relative to other currencies in the international monetary market.

Another crucial point relates to our defense posture and the implications of excessive dependence of foreign sources of oil—for it is oil that runs the wheels of any national defense program. The oil lifeline from the Mediterranean and Persian Gulf to the United States could be easily cut by a foreign superpower with large naval strength.

The oil and gas resources that lie beneath our Outer Continental Shelf are enormous, and I know that every Member agrees with me that it is vital that we develop these resources as rapidly as modern technology will safely permit. There is, of course, a statute now in existence for the management of these lands, the Outer Continental Shelf Lands Act of 1953. But, it is now almost 25 years since that statute was enacted, and it is woefully archaic and inadequate.

Recent events have detailed the need for this bill: offshore oil spills, here, off France, and in the North Sea; reports of shut-in wells; delaying and unsuccessful lawsuits; and noncompetitive lease sales have all led to increased public demands for reforms to the antiquated 1953 law.

H.R. 1614 is a long, detailed and well-considered bill. It is the result of 3½ years of extensive hearings, in which the select committee heard more than 375 witnesses and compiled a hearing record totaling more than 10,000 pages, and months of markup, in which the committee considered hundreds of amendments. It is the product of countless hours of consideration and numerous amendments on the House floor and in the conference committee. It is a conference report which, if approved, can make a profound contribution to the Nation's energy crisis and do so in a manner that takes into account the needs of our States and the protection of our marine and coastal environment. The implications for the Nation's economic security are clear.

I strongly urge the House to approve the conference report for this much needed legislation.

Mr. JOHN L. BURTON. Mr. Speaker, will the gentleman yield?

Mr. MURPHY of New York. I yield to the gentleman from California.

Mr. JOHN L. BURTON. Mr. Speaker, I thank the chairman, the gentleman from New York (Mr. MURPHY) for yielding to me.

Mr. Speaker, I would like to commend the chairman and all of the members of the committee for keeping in the amendment I proposed on the floor of the House to prohibit the exploration and drilling within a certain radius of the Point Reyes National Seashore.

I agree with the limiting amendments that were put in by the committee.

I would like to specifically pay my compliments not only to the chairman and the members of the committee in general, but to our colleague, the gentleman from California, Mr. GEORGE MILLER, who worked so hard on this bill and represented my interests as best he could in the conference committee.

Mr. MURPHY of New York. Mr. Speaker, I reserve the balance of my time.

Mr. FISH. Mr. Speaker, I yield myself such time as I may consume.

Mr. Speaker, the conference report on S. 9 that we are considering today is the culmination of over 3 years of work by both Houses of Congress.

In April of 1975, the House created the Ad Hoc Select Committee on the Outer Continental Shelf to amend the 1953 Outer Continental Shelf Lands Act of 1953 to provide for accelerated, orderly, and environmentally safe development and production of our energy resources on the OCS.

The House felt that the Outer Continental Shelf contained vast reserves of oil and gas, and that these resources would greatly increase domestic supplies thereby cutting back on our dependence of foreign oil.

In 1975, imports of foreign oil comprised approximately 30 percent of our national consumption of oil. Since that

time, our consumption of imported oil has increased 66 percent to where imports now represent over 50 percent of our total consumption. It is obvious that legislative action should be taken at the earliest possible date.

However, the reason it has taken as long as it has is that legislation in the past has contained many provisions that the House obviously felt would not accomplish the goals we were after, and could, in fact, be detrimental to the development of OCS energy resources by creating untold delays, providing untold new Government regulations and redtape, add to the cost of development and production, as well as opening the door for the Federal Government to go into the oil business.

The OCS conference report contained many of these objectionable provisions. It was for these reasons that I urged and the House voted, to recommit the OCS bill to conference in 1976, where it ultimately died.

In the 95th Congress we began anew hearings on H.R. 1614, the 1977 amendment to the OCSLA. On January 26 we began consideration of this legislation and the bill reported by the committee again contained the objectionable provisions that caused recommittal in 1975.

On February 2, of this year, the House passed a greatly amended version of H.R. 1614 and almost all of the objectionable provisions contained in the committee bill were deleted or substantially changed.

Mandated Federal exploration and the right to conduct core and test drilling were completely eliminated; dual leasing eliminated; authority for the use of new and experimental bidding systems in up to 100 percent of the leases in frontier area was substantially changed by requiring their use in only 20 to 50 percent of all areas offered for lease; authority granting OSHA joint jurisdiction to promulgate safety and health regulations on the OCS was changed by giving the Coast Guard clear authority for safety regs while not prohibiting OSHA from issuing regulations under 4(b)(1) of the OSHA Act; the ability to export massive quantities of OCS oil and gas was abated; the controversial restrictions on employment provision was altered to comply with provisions of H.R. 1; and equitable funding for impacted States was accomplished. The conference substantially upheld these positions of the House.

However, the House will recall, we were not successful last February in altering or defeating amendments that caused unnecessary delays or added inflationary costs to OCS oil and gas such as: First, provided for separate reviews by the Attorney General and by the FTC of leasing programs and preparation and when completed, each lease sale, and in other areas; and Second, excessively stringent and unneeded air quality standards. The Conference Committee modified both these features. The Attorney General need only consent now with the FTC. Air quality standards now only apply to air quality of a State, not the OCS.

Mr. Speaker, the conference report on S. 9 substantially resembles the House-passed bill, and in some respects is an improvement. It retains most of the amendments the minority was successful in getting adopted on the floor, and improves most of the provisions we found objectionable.

After attempting for 3 years to establish a program that will provide for safe, accelerated production of OCS oil and gas, our last fossil energy frontier, I am now faced with casting a final vote on a bill that contains most of the provisions I have fought for. S. 9, while not perfect, is the result of a conference that accomplished what it set out to do—come up with an acceptable compromise from two pieces of legislation that contained divergent solutions to the same problems, and for this reason I urge my colleagues to join me in voting for passage of the conference report on S. 9.

Mr. Speaker, I yield such time as he may consume to the gentleman from New Jersey (Mr. FORSYTHE), a member of the committee of conference.

Mr. FORSYTHE. Mr. Speaker, this legislation represents an idea whose time has come and gone. This bill is a classical example of the ability of Congress to do too much, too late.

Early in 1975, I was one of the first Members of this body to call for extensive overhaul of the laws and regulations governing development of oil and gas on the Outer Continental Shelf. Before the House Select Committee on the OCS was established, I introduced a package of three bills designed to streamline and update leasing and development procedures on the OCS, to provide more involvement of the States in the process, and to strengthen environmental protection on the OCS.

With that personal direction already clearly established, I became a Member of the Select Committee, only to see the committee create during the 94th Congress and again in this Congress a monster piece of legislation which complicates rather than streamlines the leasing and development procedures on the OCS while providing little, if any, true additional protection for the environment.

Since the inception of the OCS Committee, on the other hand, the Department of the Interior has made substantial positive changes in the regulations governing the OCS. In fact, the esteemed chairman of the select committee, my colleague from New York, stated publicly earlier today that since the beginning of hearings by the committee much of what is contained in this bill has already been incorporated in revised regulations.

I would go further, Mr. Speaker, and state that close to two-thirds of the provisions of this bill have already been incorporated in present regulation.

True, that fact might be cited as evidence that the bureaucracy will not move except under the threat of legislation. Whether that is true or not, the fact is that the 1953 act obviously provides the authority for the changes made. And those changes amply reflect the flexibility of the 1953 act and highlight the danger of locking in the granite of statute, provisions which must change to reflect the changing nature of technology and economics.

Mr. Speaker, I refuse to vote for this bill on the basis that it is not necessarily a good bill, but the best possible at the time. I am going to vote against it because I fail to see the reason for any bill at this time. I do not think we should lock up in unnecessary, inflexible statute, matters that best can be handled by flexible regulations.

Mr. Speaker, at this point we have a system governing oil and gas development on the Outer Continental Shelf that has largely accomplished through recent administrative changes the goals which I set out to achieve over 3½ years ago. We have streamlined regulations and have more flexible bidding systems. We have significantly enhanced protection of the environment. True, this progress was accomplished outside of these halls. Congress can take no direct credit, other than in having the foresight to pass a law in 1953 that still functions extremely well in 1978. I, for one, am not willing to tamper with that law now, simply to be able to claim victory after my years of work in this area.

I do feel, however, Mr. Speaker, that the entire United States has gained a victory through the better regulations now governing the OCS, and I hope that progress continues as the industry and the country change. I intend to vote against this conference report in order to provide the continued flexibility needed to cope with these changes.

Mr. FISH. Mr. Speaker, I yield such time as he may consume to the gentleman from Louisiana (Mr. TREEN), a member of the committee of conference.

Mr. TREEN. Mr. Speaker, I want to compliment the chairman of this committee and the ranking minority member and all of those who worked on this bill.

I think I was probably one of the principal thorns in the side of my colleagues, but they tolerated me well, and I appreciate that.

Mr. Speaker, I do want to mention why it was that I did not sign the conference report, and I think I also speak for my colleague, the gentleman from Louisiana (Mr. BREAUX), who is not on the floor at present, who also did not sign the conference report. We felt that with respect to the coastal energy impact program, the single-State limit of 37.5 percent should not have been applied for the year 1979. We thought that it was the intent of the conference that this single-State limit would not apply until we got into appropriations against the larger authorization of $130 million per year, which this bill provides. Therefore, for that reason, we did not sign the conference report.

However, Mr. Speaker, I intend to vote for the bill and urge my colleagues to do so. One of the benefits of the bill is that the coastal energy impact program has been improved from an authorization of $50 million a year to $130 million a year for all of the coastal States. The House

bill provided for $200 million per year in a trust fund, but we had to compromise with the Senate, which had a figure of $75 million a year. We made some substantive improvements in the law.

Mr. Speaker, I want to commend our colleague from New Jersey (Mr. HUGHES), who was a principal architect of the House version of the coastal energy impact program amendments, for his work on this bill.

There is another thing in the bill which gives us reason to support it, and that is the fishermen's compensation fund, which was worked on diligently by the gentleman from Massachusetts (Mr. STUDDS). I collaborated with him on that. This sets up for the first time a means for fishermen who get their nets and their equipment damaged because of OCS activities, and who cannot identify the person or company responsible, to recover for the loss of that equipment.

Mr. Speaker, I will address myself to two issues that the conference compromised, which I believe should have been resolved in favor of the House bill. I refer to the question of Federal exploration, which led the House in the 94th Congress to recommit this bill to conference, and that of financial assistance for coastal States adjacent to OCS activity.

In discussing the Federal exploration question, let me make clear that I find the conference resolution of the issue superior to the Senate bill provisions and those reported to the House by the Ad Hoc Select Committee. The Senate bill mandated that the Secretary of the Interior expend our limited Federal funds on oil and gas exploration. This would have been a very expensive endeavor for which Federal agencies are ill equipped, and one that would have had to be very extensive to prove the extent of our OCS oil and gas resources. The reported version of H.R. 1614 had provided that the "Secretary or any other Federal department or agency * * * may conduct geological and geophysical explorations, including core and test drilling, in the Outer Continental Shelf." The conference report does not explicitly authorize the Secretary to conduct exploration himself. More importantly, it does not contain authority for core and test drilling, impliedly limiting the Secretary to seismic and other geophysical exploration techniques not involving drilling in a geological structure believed to contain oil and gas deposits.

The conference agreed to retain the language of section 11 of the 1953 Outer Continental Shelf Lands Act. In so doing, we explicitly state that it was not our intention to express any opinion as to whether exploration by the Secretary of the Interior or those with whom he contracts was authorized by the 1953 act.

I personally opposed the decision of the conference not to resolve the supposed ambiguities of present section 11. I believe the House overwhelmingly indicated on two occasions its desire to explicitly preclude the expenditure of tax dollars for risky oil and gas exporation. On January 31 the House approved by voice vote my amendment to the amendment of Congressman STUDDS striking from the 1953 act language the phrase "Any agency of the United States and * * *" There was no opposition to my amendment at all. And the House proceeded to adopt Congressman STUDDS' amendment (striking the words "including core and test drilling") as amended by my amendment by the overwhelming vote of 328 to 77.

The desire of the House to preclude Federal exploration could not have been more clear. But it should also be noted that Congressman STUDDS viewed his amendment without mine, which the conference has now adopted, as precluding Federal exploration. Let me quote from his remarks at that time:

> The original language in the statute appears on page 257 of the committee report, and it reads exactly as the paragraph contained in the bill, except that it does not have the words "including core and test drilling". Therefore, Mr. Chairman, in sum the only real effect of my amendment is to remove those controversial words "including core and test drilling" from this bill . . . My amendment removes the only remaining language in the bill which has been construed by some as authorizing Federal Exploratory drilling. If and when this amendment is adopted, there cannot be, in the course of debate on this bill, any further discussion whatsoever with respect to the desirability of the Federal Government's undertaking exploratory drilling, because with the adoption of the Treen amendment (Note: Congressman Studds refers to the Treen amendment on dual leasing which was previously adopted, and not to the amendment I later offered to the Studds amendment to Section 11) and mine, all sections and all language in the bill referring to this subject will have been stricken.

Later in that debate Chairman MURPHY promised "the House conferees are committed to keeping the House position * * * and I will make every endeavor to do the same, hopefully, in the forthcoming conference."

I was disappointed with the endeavors of the majority of the House conferees to support the language on exploration supported by 328 Members of the House. I would have expected more diligence considering the vote of the House in December of 1976 to recommit the conference report with instructions to delete all reference to Federal exploration. I do hope that the Secretary of the Interior will pay particularly close attention to the statements of Congressman STUDDS which I have quoted in interpreting the decision of the 95th Congress on section 11.

The provisions of title V, amending the Coastal Zone Management Act, are a step in the right direction. But they represent a step far too small and pitiful to meet the legitimate need of our coastal States which are adjacent to the oil and gas production we authorize in this legislation.

The conference declined to make the coastal energy impact program permanent but did extend it from fiscal year 1984 to fiscal year 1988. The conference declined to establish a trust fund as the House had done, but did increase the authorization from the present $50 million level to $130 million per year. The value of this increased authorization is, of course, dependent on the level of appropriations. To date appropriations have averaged less than 40 percent of the present authorization level.

A major improvement in the coastal energy impact program in S. 9 was not subject to conference. Until now a State could only employ its formula grant funds for public facilities or public services (other than those needed to mitigate the loss of environmental or recreational resources) after having exhausted its eligibility for coastal energy impact loans. Those loans have been offered at an interest rate higher than most municipalities and States can borrow in the market. This made no sense inasmuch as the State would have the same amount of funds regardless of eligibility for loans.

These small improvements fall far short of the needs of coastal States, which must provide the public facilities to serve OCS employees and business without having the right to tax activity on the OCS. They are miserably shy of the 50 percent of revenues from mineral leasing that interior States receive, year in and year out, without appropriations or renewal of authorizations being required. The defeat of House provisions establishing a permanent CEIP program, funded from OCS revenues placed in a trust fund, and providing for immediate disbursement of formula grants to States to permit States to earn interest on those funds, can be attributed to the strong opposition of the administration to those worthwhile provisions.

The trust fund, to consist of $200 million annually, was approved by the House on a bipartisan 279 to 120 vote. A majority of House conferees had supported the Hughes amendment. But in conference, after rejecting a 7-year $120 million authorization, only two House Democrats opposed accepting a 10-year $130 million authorization in lieu of a permanent $200 million program with a trust fund to encourage appropriations. A June 1 letter from Assistant Secretary of Commerce Harmon must have strongly influenced the other seven Democrats.

The administration opposition is hard to understand in light of the President's strong promises in New Orleans 2 days before the election, and assertions by Secretaries Andrus and Kreps that the President intended to fulfill those promises through improvements to coastal zone management rather than direct revenue sharing.

Most who heard the President speak in New Orleans understood his remarks to have the meaning later attributed in the media by his State campaign manager, his press secretary and issues advisor. To quote the New Orleans Times-Picayune of October 31 quoting candidate Carter:

> "I think it's time we had a fair allocation of Federal funds to give to local and State governments so you can still have a good quality of life and still supply oil and natural gas to the country."
>
> Although Carter's statement was vaguely worded, press secretary Jody Powell said the Democratic nominee was proposing splitting revenues from offshore drilling between the Federal government and local government—a program which could mean millions for Louisiana in the future.

Afterwards, U.S. Senator J. Bennett Johnston—Carter's State campaign chairman—said the Democratic Presidential nominee's remarks amounted to a direct call for offshore revenue sharing.

At McAllen, Texas, Stuart Eizenstat—Carter's issues advisor—said the Democratic nominee intended to propose an offshore revenue sharing program similar to one pushed by Johnston and other State officials.

Under present law, most Federal offshore revenue sharing is designed to deal with onshore environmental effects of offshore drilling.

"He (Carter) would like to broaden that to have a more generalized sharing of fund," Eizenstat said. "It's more or less an offshore revenue sharing proposal for revenue that comes from Outer Continental Shelf leasing," he added.

The President may partially redeem those promises by seeking appropriations for the CEIP program in future years close to the level of the new authorizations. The combined effect of the ceiling on the CEIP grants which any one State may receive adopted in this bill (37½ percent) and the low appropriation requested by the President and approved by both House and Senate of $27.75 million will result in Louisiana receiving less in CEIP assistance in fiscal year 1979 than we did in fiscal year 1978. This result is unconscionable, and I do not believe it was one intended by the conferees. I believe the conference clearly had in mind applying the 37½-percent ceiling to future years in which Congress considered the higher level of appropriations authorized in this bill. I do not believe the conference intended it to apply to fiscal year 1979 since both Houses have already acted on fiscal year 1979 CEIP appropriations, arriving at a figure which is not subject to conference. I regret that Chairman MURPHY insisted on the bill being drafted as it was.

I think it is even more unfortunate that the report does not reflect the clear understanding of the conference on "proportional reduction." The new amendments to the coastal energy impact authorization entitle States to payment of more than 100 percent of the funds appropriated in order to guarantee "affected States," ineligible under the formula, 2 percent of the appropriation. This makes necessary the reduction of the share going to States eligible under the formula. The conference clearly agreed that this reduction was to be shared by States in proportion to their shares of the grant funds. Instead the staff drafted bill language which would exempt from reduction the first 2 percent of each State's allotment—thus putting a much greater burden on States with a share greater than 5 percent of the appropriation. This is patently unfair and contrary to what has been agreed to by the conferees. The chairman insisted, however, so that I could not in good conscience sign the report and attest that it represented the agreement of the conference.

Finally let me mention the provision of this bill amending section 307 of the Coastal Zone Management Act. The potential for delays in this legislation has been one of the prime concerns of a number of us in Congress. A serious source of delay, however, was contained in the present Coastal Zone Management Act which forbids the Secretary of the Interior to approve any exploration plan or development and production plan for 6 months from submission, unless the adjacent coastal State concurs that the plan is consistent with its State coastal zone management program.

The ad hoc select committee adopted my amendment, which was unchanged by the full House, shortening this nonaction period from 6 months to 3 months. This was consistent with the provisions of H.R. 1614 giving States 90 days to comment to these same plans. The Senate bill gave only 60 days for comments and the conference agreed to that time period, which is now used in the Secretary's regulations. Senator JACKSON had introduced legislation shortening the period for CZM concurrence to 60 days as well.

However, my amendment was rejected in conference in favor of a substitute by Chairman MURPHY which authorizes the Secretary to approve an exploration plan or a development and protection plan within 3 months if the State does not submit a status report explaining why it needs to use more than 3 months. If such a report is submitted the State has the present 6 months.

In conclusion, Mr. Speaker, in my judgment, amendments to the Outer Continental Shelf Lands Act were really not needed. But, because of the improvements in the coastal energy impact program, and the new fishermen's compensation program, both of which are included in S. 9, the bill warrants our support.

Mr. FISH. Mr. Speaker, I yield such time as he may consume to the gentleman from Maryland (Mr. BAUMAN).

Mr. BAUMAN. Mr. Speaker, I want to pay compliments to the chairman of the committee and the members of the conference committee in producing this legislation, which is of great importance to all of us who represent coastal areas, and to the entire Nation.

It is interesting to note, I believe, that this was the first ad hoc committee appointed by the Speaker under the changed rules which permitted this kind of joint legislation effort representing several committees of the House. I think it has worked well but it worked too long. I do not think that it is any secret that this bill might have been law 3 years ago. In fact, the bill before us today bears a striking resemblance to minority proposals made at that time, had various unfortunate events not occurred.

I am pleased, though, after this long and arduous trek, part of it on land and some of it walking on water, that we have finally reached this day when we can pass an OCS bill that will, indeed benefit the Nation.

Mr. Speaker, throughout my service as a member of the ad hoc committee, my primary concerns have been to provide a realistic method by which to develop badly needed energy resources but at the same time to assure that proper protection be given for coastal areas that might be affected, either by accidental pollution or on-shore impact.

Representing as I do Maryland's premier ocean resort, Ocean City, the last thing I wish is to allow off-shore exploration and production of gas and oil to damage the important tourist business or the fragile ecology of both Ocean City and Assateague National Seashore to the south.

I am satisfied that these concerns have been met in this legislation, however belated its passage may be today.

Mr. Speaker, as a member of the Ad Hoc Select Committee on the Outer Continental Shelf and having attempted to amend this bill not only in committee but on the floor, I must admit that I am pleasantly surprised and pleased by the conference report before us today.

In 1976, it was a different story, when a stubborn refusal to make necessary changes caused the defeat of the bill.

In January of this year during floor consideration of H.R. 1614 I raised several points that I felt must be corrected if Congress was going to pass legislation to provide a program that would accelerate production of OCS energy resources and protect the environment, while not providing mountains of red-tape, Federal intervention, and result in the wholesale giveaway of our energy resources on the OCS.

During consideration of H.R. 1614, I expressed my concern over the mandated use of new and experimental bidding systems in 50 to 100 percent of the leases offered each year in frontier areas. The Congressional Budget Office had stated that while they could not make an accurate estimate of the total loss to the American taxpayer, the loss from the application of this provision would be at least in excess of $2 billion over the next 5 years. The House accepted an amendment altering this provision providing for the use of new and experimental systems in no more than 50 percent of the leases offered each year. The conference report accepted the House provision but raised that ceiling to 60 percent.

H.R. 1614 as reported from the Committee also mandated that the Federal Government was to conduct on-structure and core and test drilling which might have turned into Federal oil production. The House, in its wisdom, rejected these provisions and the conference upheld the House action. I do not believe the Federal Government should be in the oil business.

However, the question of Federal exploration is still a bit cloudy. While the conference accepted the House's position on this issue, they retained the 1953 language dealing with exploration which has been a question of controversy as to whether the Government does or does not have authority to explore.

Dual leasing was another provision that was contained in H.R. 1614 and this inadvisable and dangerous section has also been struck from the bill we are considering today.

As a matter of fact, the bill before us

today looks a great deal like the minority substitute offered during consideration of H.R. 1614 which I supported.

While I find little wrong with the provisions of S. 9, it should be pointed out that many of the provisions of the bill currently exist in regulations that were drafted after hearings began on amendments to the 1953 OSCLA.

It occurs to me that if authority existed in the 1953 act for enabling these regulations to be promulgated there is no need for them to appear in statute where they are carved in granite and therefore inflexible.

I plan to vote for the passage of this bill, but will watch closely as regulations are drafted or altered to comply with these new provisions.

Mr. FISH. Mr. Speaker, I have no further requests for time.

Mr. MURPHY of New York. Mr. Speaker, I yield 2 minutes to the gentleman from New Jersey (Mr. HUGHES).

Mr. HUGHES. Mr. Speaker, I rise in strong support of the conference report to accompany S. 9, the Outer Continental Shelf Lands Act Amendments of 1977.

Our consideration of this conference report today culminates more than 3 years' work by the Select Committee on the Outer Continental Shelf to identify and correct the problems that have existed in the past, and make sure that we do not repeat these mistakes as offshore development moves into new and previously unexplored regions.

Unquestionably we have made mistakes in the past. Our leasing policies have tended to favor the very largest oil companies, although there are many smaller companies which are ready, willing and able to help us explore and develop our offshore resources for the benefit of the Nation. Moreover, it is clear that the Treasury of the United States has not always received a fair return for the sale of these public resources to private interests.

We have not adequately planned, in many instances, for the onshore impacts of offshore development. This has resulted in haphazard development, and the loss or destruction of valuable and irreplaceable coastal resources.

State and local government officials have not always enjoyed a meaningful voice in decisions relating to offshore development, even though these individuals represent important and valid concerns. This failure has resulted in numerous lawsuits and delays which were unnecessary.

We have not paid enough attention to the very serious danger of oilspills, both in terms of preventing them, and adequately compensating those who suffer damage or financial loss when an oilspill does occur.

Those are a few of the very important concerns which we have attempted to address in the legislation which is before us today. It is the product of innumerable hours of deliberation, thousands of pages of testimony, and consultation with individuals representing every conceivable point of view. Although I am not happy with everything in the bill it represents a balanced approach to the reforms which are necessary. Just as importantly it will permit us to move forward with the important job of producing offshore resources while paying due heed to the public interest.

Under the provisions of the bill, for the first time, we will have a statutory framework for State and local participation in decisions relating to offshore development. This decisionmaking will take place in an orderly framework which will not delay offshore development, but which will nevertheless provide opportunities throughout the process for State and local government participation.

Offshore producers will be required to use the best and safest available technologies to minimize the chance of a major offshore accident.

In the event that an oil spill should occur, the legislation establishes an oil spill liability program requiring offshore producers to carry up to $35 million in insurance. Beyond that protection, the legislation establishes a superfund of between $100 and $200 million which will be derived from a 3-cents-per-barrel levy on all offshore oil. This superfund will become available to pay damages or cleanup costs in excess of an operator's individual insurance, or if the source of an oil spill cannot be determined. If damages exceed both the operator's insurance and the amounts in the fund, the fund is authorized to borrow any additional amounts it requires from the Treasury at prevailing interest rates.

The oil spill liability provisions of this legislation are extremely important to all areas of the Nation, but especially those areas which have already developed a coastal and ocean economy based upon activities other than oil production. In my home area of South Jersey, for example, fishing and tourism are major economic activities which could be substantially damaged by an oil spill. Because these activities are highly seasonal in nature, an oil spill at the height of the season could very well result in an economic disaster, and this is why the insurance provisions of this legislation are so essential to assure that offshore development does not lead to any unnecessary disruption of other important economic activities.

The conference report also greatly increases the authorization for funding to State and local planning offices under the coastal energy impact program. These increased levels of funding will greatly enhance the ability of State and local governments to plan for and accommodate the onshore impacts of offshore development and minimize the haphazard development which has destroyed so many valuable ecological and economic resources in the past. It will also help State and local governments cope with increased pressures brought by new development and increased population which may result from discovery of oil or gas in one of the frontier regions.

The economic reforms provided in this legislation are also very important. During the long debate on this legislation, we often lost sight of the important fact that the OCS is comprised of publicly owned lands, and it is our responsibility to make sure these lands are administered in the public interest. We found, however, that the Treasury may not be receiving a fair return for the sale of these public lands, that we frequently had very little knowledge of the value of the resources we were selling, and that our bidding systems tends to favor the largest oil companies.

Under the legislation, alternative bidding systems are provided for which will eliminate the artifical, Government-created risks that have resulted in the exclusion of all but the very largest companies from participation in the Outer Continental Shelf. The bill requires that these alternative bidding systems, such as royalty or net profit sharing, be used in not less than 20 nor more than 60 percent of the leases sold. This will greatly improve the ability of smaller oil companies to participate in offshore development, and result in more equitable treatment of both the Treasury and the oil companies in the sale of public lands.

I do not need to remind my colleagues that the discovery of natural gas off the coast of New Jersey this week dramatically underscores the need for the legislation we are considering today. If the preliminary indications prove correct, there can be little question that we will see greatly increased activity and development off the coast of the Mid-Atlantic States. This may very well be repeated off the coasts of New England and the South Atlantic States, Alaska, California, and other areas.

As I mentioned before, we have made mistakes in the past. But we must not see those mistakes repeated in these areas if it can be avoided. The legislation before us today represents a responsible and well thought-out approach to the very important subject of energy development on offshore public lands. I strongly urge my colleagues to support it so that we can place it on the President's desk at the earliest possible time.

I want to compliment the chairman of the committee, my colleague, the gentleman from New York (Mr. MURPHY), the ranking minority member and all of my colleagues for, I think, a great effort. I want to particularly thank the gentlemen from Louisiana (Mr. TREEN), and (Mr. BREAUX), who joined me in constructing a fair and reasonable coastal impact plan for the States. Interestingly enough, we traveled to many of the areas that have or are about to experience OCS development. We were in Louisiana for hearings; we were in California for hearings; we were in Alaska to look at the problems in Alaska; we looked at the experiences in the North Sea area. I think we have come forward with a major effort in bringing our leasing procedures in this country into the 20th century. I am just proud to be a part of this work product. I am proud of the work of this committee. I urge your support for this bill.

Mr. MURPHY of New York. Mr. Speaker, I yield 2 minutes to the gentleman from Massachusetts (Mr. STUDDS).

Mr. STUDDS. Mr. Speaker, I rise in strong support of the conference report,

in spite of the fact that I suspect most of the members of this ad hoc committee will not know quite what to do with themselves in the next Congress absent this committee, which has been a large part of our lives for the better part of 4 years.

No one would quarrel with the observation of the gentleman from Maryland (Mr. BAUMAN) that this process has taken longer than it ought to have. Some might even be able to resist the temptation to remind the gentleman that, had the conference report not been accidentally recommitted 2 years ago in the last week of the last Congress, it might have only taken 2 years.

Mr. BAUMAN. Mr. Speaker, will the gentleman yield?

Mr. STUDDS. I yield to the gentleman from Maryland.

Mr. BAUMAN. I thank the gentleman for yielding.

It was not by accident, I will say to the gentleman, and we got a much better bill as a result.

Mr. STUDDS. Yes. I expected that observation. I assure the gentleman I will agree with him, 4 years is a very, very long time. My support is as strong as it is notwithstanding the unexpected support of the distinguished "thorn," the gentleman from Louisiana (Mr. TREEN). We have enjoyed working together enormously. May I reciprocate very sincerely a compliment extended by the gentleman from Louisiana (Mr. TREEN). In those areas on which we agreed and on which we worked together very diligently, and also perhaps most especially in those areas on which we disagreed, I do not believe I have encountered a minority member who was more diligent and straightforward in expressing his very strong views. It has been an honor to serve with him and with the other members of this committee.

Mr. Speaker, I urge the overwhelming approval of the conference report.

The offshore oil drilling reform bill upon which Congress has now labored for almost 4 years constitutes, I believe, a remedy for the chaotic, unpredictable, and ineffective oil leasing schedule which we have had in the past.

This legislation provides a carefully worked-out balance between the economic and the environmental interests of the United States; it will allow both the public and the industry to have faith in the leasing process; and it will allow all of us to predict with some degree of certainty the future pace of offshore oil drilling in our own region of the country.

This bill will become law despite the lavishly financed campaign of opposition which has been waged by the oil industry, and despite the distortions which have been made concerning the potential delays in offshore drilling which this measure might produce. The truth of the matter is that it has been the absence of this legislation which has created delays and uncertainty; it has been the opposition to the bill by the oil industry and the threat of a veto by President Ford which killed the bill in 1976, which have stifled offshore drilling in this country.

This bill will become law in a matter of weeks. As a result, we can expect to see offshore lease sales held without a hitch in October, December, February, and probably next April. The reason is that we will finally have a system which protects the environment, fishermen, local economies, and those dependent on the tourist industry from the potential hazards inherent in the Federal decision to lease. We will have a leasing system open to all segments of the oil and gas industries, not just those with the greatest resources. We will have a method by which those damaged by an oil spill from an offshore oil rig will be compensated quickly and equitably for their loss.

The major provisions of the bill include—

A greater opportunity for State and local governments to participate in determining the timing, the location, and the extent of the oil drilling to be allowed off their shores;

A change in the methods by which oil tracts are put up for lease in order to increase competition within the oil industry, and to allow relatively small oil and gas companies to participate;

The creation of a fund which will be available to compensate State and local governments for the increased public services which may be needed to accommodate onshore support facilities made necessary by offshore drilling;

A system to protect fishermen from damage to their gear caused by offshore drilling operations; and

The creation of a fund to compensate fishermen, property owners, and those dependent upon tourism for any damages suffered as a result of an oil spill from offshore drilling activities.

The offshore oil reform bill is long, long overdue. I urge the adoption of the conference report.

Mr. MURPHY of New York. Mr. Speaker, I yield 2 minutes to the gentleman from Ohio (Mr. SEIBERLING).

Mr. SEIBERLING. Mr. Speaker, I, too, as one of the conferees, would like to commend the chairman, the gentleman from New York (Mr. MURPHY), as well as the other members of this conference committee for a really outstanding job. The differences between the Senate bill and the bill passed by the House were considerable, and I think a reasonable balance has been struck among all of the various competing considerations. I strongly support the conference report.

In addition, I would like to commend the entire staff of the House OCS Committee—and particularly Marty Belsky and Tom Kitsos—for their exceptionally good work over the past 3½ years.

Although the conference bill does not contain all the provisions I favored, the bill is a reasonable compromise which protects the essential interests of all sides—including consumers, affected States and localities, environmentalists, small or independent refiners, and small and major producers. Everyone wins under the conference bill.

In the next half century—until our use of solar power and other renewable energy sources becomes prevalent, and until we have the technology to use nuclear power and dispose of nuclear waste in a safe and environmentally acceptable manner—the United States will continue to rely heavily on energy from nonrenewable fossil fuels.

In 1976, we took a major step toward increasing our production of coal, particularly in the West, when we enacted the Federal Coal Leasing Amendments Act over President Ford's veto.

Enactment of the OCS bill will be a comparable step towards increasing our domestic production of oil and gas. If the energy bill which is still in conference is not enacted, the OCS bill will certainly be the most important piece of energy legislation enacted by the 95th Congress.

Most of the increased domestic petroleum production this Nation needs in the next 10 to 20 years will come from the OCS. But we could not permit the development and production of oil and gas on the OCS—particularly in the "frontier areas"—to occur without overhauling the 1953 OCS Act in a manner which would respond to current and anticipated needs and concerns.

The conference bill, therefore, requires sound planning by both the government and the companies involved in OCS operations. The bill will ensure the rapid—but careful—development and production of offshore oil and gas.

From the standpoint of the companies, the bill provides the certainty they say they need. The bill enables the companies to make long-range plans and to know the government's long-range plans. It gives the companies the right to have their views heard at all stages. It enables the companies to spend their cash on development and production, instead of having to leave all their money on the table upon winning cash-bonus bids.

From the standpoint of consumers, the bill encourages and promotes and in some cases requires competition, which in the long-run will help achieve cost-based pricing or at least minimize the possibility of monopoly pricing. It requires that pipelines be operated in a manner which will promote competition and which will encourage sound planning in the decisions about initial sizings of pipelines. These decisions, I would stress, are among the most important ones in determining whether and how efficiently particular OCS fields will be developed. Bad pipeline planning leads to dramatically higher transportation costs and final prices and it may well prevent the orderly efficient development of major areas of the OCS because of the creation of "bottleneck monopolies." The bill will also require OCS producers to offer 20 percent of their production to small or independent refiners, in addition to the share they can get from Federal royalty oil. The bill also provides for a Justice Department and FTC antitrust review of OCS lease sales.

In addition, the bill will ensure that the Government—and, thus, the Nation's taxpayers—get fair value for the leasing of OCS lands.

From the standpoint of protecting the environment, the conference bill requires the use of the "best available and

safest technologies" on OCS operations. The bill mandates environmental studies, and it requires the application of Clean Air Act standards. It requires the maximum protection feasible for the human, coastal and marine environments. It authorizes citizens suits in appropriate circumstances, and it makes new regulations apply to old leases.

In addition, the bill provides for advice and participation in the decisionmaking process by affected States and localities.

Mr. Speaker, there were two areas in which I was particularly involved that probably deserve some elaboration: pipeline competition principles and the joint bidding ban.

PIPELINE COMPETITION

Proposed section 5(f) of the act would require that OCS pipelines "provide open and nondiscriminatory access to both owner and nonowner shippers" and (except in the case of Gulf of Mexico and Santa Barbara Channel pipelines) that there be a mechanism for requiring the expansion of throughput capacity under certain circumstances.

These requirements are almost identical to those in the amendment I offered which was defeated in the House committee and to the amendment Senator KENNEDY offered which was adopted on the Senate floor. The purpose is to prevent "bottleneck monopolies" in the transportation of OCS oil and gas and to ensure sound planning in the initial decisions on the sizing of OCS pipelines. In addition, the amendment was intended to—and the conference bill does—address the problem identified by Richard Levy in his paper for the National Science Foundation entitled "The Regulation of Offshore Crude Oil Pipelines and the Consequences for Competition" (1975). Mr. Levy found that—in disregard of the law—the USGS had issued permits for many crude oil pipelines under the old section 5(a) of the OCS Act, on the stated grounds that they were gathering lines, although they were in fact trunk lines. The effect of USGS's actions was to exempt most major transportation pipelines from the requirements of section 5(e) of the existing act.

The conference bill permits FERC to exempt only pipelines or classes of pipelines which are truly gathering lines. Previous USGS exemptions must be reexamined and may be renewed only if they qualify under the language of the bill. Of course, it should be noted that this reexamination might result in requiring existing pipelines to provide open and nondiscriminatory access to owner and nonowner shippers alike under section 5(f) to "transport or purchase without discrimination" OCS oil or gas under section 5(e). These requirements apply to all existing or new oil or gas pipelines except those exempted hereafter under the provisions of section 5(f)(2).

In considering whether to grant exemptions and in determining the particular conditions to be included in regulations and permits, FERC must consult with the Attorney General and should make its decisions in light of the facts found in the Levy report. The Justice Department's reports on the proposed Deepwater Ports and on the Alaska Natural Gas Transportation system and the FTC's report on the proposed Deepwater Ports also contain policy considerations and findings that FERC would do well to consider.

In addition, in determining whether to approve applications for pipeline permits, the issuing authorities should disapprove applications for pipelines which will be inadequate to meet the needs of the area. In other words, greater care is in order to insure that initial pipeline sizing decisions will promote transportation efficiency and prevent bottleneck monopolies.

Because of the interest in the pipeline provisions, particularly those relating to possible expansion of throughput capacity, I have prepared the following explanation in the form of questions and answers:

Q. With regard to OCS pipelines, explain how the expansion and compensation provisions of Section 5(f) will work.

A. This is best done by using an example. Take, for instance, an OCS pipeline built at a cost of $50 million, financed with $40 million of debt and $10 million of equity, with four equal owners. Each owner's equity is in the form of 1,000 shares of stock purchased at $2,500 per share.

Now, suppose that at some later time after the pipeline is operational, someone else seeks to expand capacity by, say, one-third. This could happen at a time when, for example, the owners of the line have already retired $5 million of the line's debt, and have experienced an equity appreciation of $5 million. If the line has not depreciated in value, the debt is now $35 million and the equity $20 million. Each share is now worth $5,000.

Q. What are the possible sources of the $5 million equity appreciation?

A. There are several possible sources of equity appreciation: (1) the owners could have invested some of the earnings in improvements; (2) the FERC could have permitted an allowance for the risks and burdens the initial owners experienced during the construction and start up of the pipeline; or (3) the FERC may have regulated the pipeline in such a way that part of the return to the owners is an increase in the rate base.

Now, getting back to the mechanism of the expansion, assume that this one third capacity increase will cost $15,000,000. The new entrant must agree to guarantee the throughput to fill the expansion. The expansion would require, for example, $5 million of equity and $10 million of debt. The new owners must buy 1,000 new shares at $5,000 each to provide the $5 million in equity. This brings the total number of issued shares to 5,000 or 1,000 for each owner or 20% each.

But, an adjustment is then necessary, because the new owner is responsible for 25% of the throughput but has only 20% of the shares.

Q. How would the share readjustment be accomplished?

A. The ownership would be readjusted so that the new owner's share is in proportion to its throughput in the line. The new owner should have 25% of the 5,000 shares or 1,250. Each of the (4) old owners must sell the new owner ¼ of 250 (or 62.5) shares at $5,000 each to put the ownership proportions in balance. Each of the old owners would then have 1,000—62.5 (or 937.5) shares, as an 18.75% ownership interest.

Q. Isn't this readjustment unfair in that the new owner has had to pay for not only the costs of providing the equity for the expansion but something in addition—equity appreciation to the old shareholders?

A. No, the additional payment is necessary to insure that the economies of the expanded line are shared by all shippers. If the expansion shareholders did not make these additional payments they would be getting a "free ride" on the owners who initially built the line. If that were allowed every shipper would have an incentive to wait until the line was built before seeking to be a shareholder in the expansion process. As a result, there might be no one willing to construct the initial line.

Q. Even so, isn't the expansion shareholder paying an unfairly large amount? Each of the original holders paid $2,500 for each of 1,000 shares, or $2½ million. They have each received $5,000 times 62.5 shares or $312,500 from the expansion holder. They now own shares which effectively cost them only $2,333.33, as compared with $5,000 for the new shareholder.

A. The analysis is incomplete. Since the equity of the line has increased to $5,000 per share even without expansion, the old owners are just receiving the benefits from the equity appreciation—essentially compensation for earnings of the pipeline that were not paid out as dividends or additional payments for the special risks and burdens of the initial construction and operation of the facility.

Q. Don't these additional payments for burdens and risks and retained earnings involve very complicated calculations and agreements?

A. These calculations are not unusually complicated, and virtually all of the information needed is part of proper rate-of-return regulation that would be needed even if there were no expansion sales. And there are precedents from shareholder agreements of the type necessary to accomplish the expansion contemplated, for example, the LOOP Deepwater Port Shareholders' Agreement.

JOINT BIDDING BAN

The second issue deserving amplification concerns the joint venture limitations.

The bill would impose a ban on joint bidding between two major oil companies, where more than one of the joint bidders control average daily worldwide production of 1.6 million barrels a day. However, the bill further provides that the Secretary of Interior may grant an exemption from this general prohibition where, first, the lease involves high cost exploration or development problems, and, second, exploration and development of the tract would not otherwise occur. Two questions arise. First, what does "control" of average daily worldwide production of 1.6 million barrels mean? Second, how does the Secretary of Interior determine whether exploration and/or development of a tract would not occur unless an exception to the general ban is granted?

With respect to the first question, "control" of 1.6 million barrels of crude by an oil producer refers to any crude which the oil company actually produces and also any crude which is attributable to that oil company.

For example, if a producer is participating in a joint production venture, a percentage of the production of the joint venture could be allocated to that oil company based upon its share of the earnings from that production.

However, it may be desirable to devise special attribution rules for any joint

production venture or field unitization agreement wherein one oil producer is designated as "manager," that is, is permitted to determine the level of production from the field without consulting the other members of the venture. In such cases, it might be appropriate to attribute production based on a venture's profit percentage for nonmanager firms or to attribute the entire production of the field to the manager, depending on the circumstances.

The second question—that is how the Secretary of Interior determines whether or not exploration or development would not occur unless an exemption to the prohibition or joint bidding is permitted—raises a series of complex problems. The bill does not prohibit all joint ventures. It merely prohibits joint bidding by ventures which contain more than one producer who controls production of more than 1.6 million barrels per day. In determining whether the field would be developed without granting an exemption, the Secretary must determine whether the tract in question could likely be developed by either a single company or a nonprohibited joint venture. Among the factors to be considered are: What are the estimated costs in developing the tract? Are these costs within the financial capabilities of either a single oil producer or a nonprohibited joint venture? Is the likelihood of finding a "sufficient" quantity of oil high enough to merit the investment? Are the alternative opportunities available to individual companies or nonprohibited joint ventures sufficiently attractive to discourage bidding on the tract in question? However, the Secretary would probably never be in a position to analyze these four factors directly.

Therefore, it would seem appropriate that the regulations governing exemption to joint bidding ventures be drawn so as to permit the Secretary to observe the market for the purpose of deciding whether a given tract would be developed in the absence of an exemption. This can be done by putting the tract up for lease and seeing whether the tract draws bids from either a single producer or from a nonprohibited joint venture.

The regulations could also prohibit any joint venture which consists of two or more oil companies controlling more than 1.6 million barrels per day from bidding on a tract which is being put up for lease for the first time. If a tract failed to draw a bid by a single producer or a nonprohibited joint venture in the first lease sale, the Secretary could then consider granting an exemption. The regulation could then permit an otherwise prohibited joint bidding venture to bid in the next lease sale upon a tract which drew no bids during the previous OCS lease sale. If the tract drew no other bids the second time around, an exemption might then be justified. However, if the tract drew a bid from either a single company or a nonprohibited joint venture, such a party, if otherwise qualified, would be awarded the tract in preference to the bid by the prohibited joint venture.

In this way, the market itself would determine whether it was possible for a single company or a nonprohibited joint venture to explore and develop a given lease tract.

Mr. MURPHY of New York. Mr. Speaker, I yield 2 minutes to the gentleman from Louisiana (Mr. BREAUX).

Mr. BREAUX. Mr. Speaker, I am rising somewhat not as aggressively in support of the bill as my chairman of the committee, but I would like to take this opportunity to say that the members of this committee when it was initially formed were representative of some very divergent views on what we should or should not do on the Outer Continental Shelf.

I was convinced that the OCS leasing system was working very well and we did not need to tinker with a system that has been working and serving us very well for somewhat over 20 years. There were others that felt we needed some rather immediate massive changes. Out of those two divergent views we have a conference report which by and large I think is acceptable.

However there did develop some misunderstanding regarding the ceiling placed on the amounts of grants that any one State can receive and for that reason, along with my colleague from Louisiana, I did not sign the conference report, which indicated we did not agree with some of the language that was in the conference report. I still have that strong feeling and for that reason I have no regrets about not signing the conference report. However, when you look at the whole package, while in some areas we did not agree, I think we took some steps in the right direction, and I ask my colleagues to support final passage of the bill.

I want to point out that the gentleman from New York (Mr. MURPHY) really started the whole idea of putting together a select committee to work on this legislation. It is the first time in the Congress that the House ever asked a select ad hoc committee to bring together three separate major committees to work on one subject. It is true it took 4 years to do so; but I dare say had we approached it with three separate committees battling over jurisdiction, we would not have had a finished product before us. I think the system has worked and we should continue to use it in the future.

Mr. FISH. Mr. Speaker, I yield 1 minute to the gentleman from Maine (Mr. EMERY).

Mr. EMERY. Mr. Speaker, I offered an amendment when this was considered in the House to consider a leasing method of no less than 20 percent and not more than 50 percent of the leases. The committee amended that to no less than 20 and no more than 60. I think that is a desirable change. I am in strong support of that position.

● Mr. MOORE. Mr. Speaker, I voted against the conference report to accompany S. 9, Outer Continental Shelf Lands Act of 1978. I did when it originally passed the House in February 1978. Although I fully realize that the conference report has needed increased coastal zone funds for Louisiana and new funds to recompense damaged fishing interests, I still had to vote no as a protest.

I protest the other provisions of the conference report dealing with the exploration and production of oil in the OCS as they are entirely unnecessary. The difficulties and delays we presently experience in the exploration and production of oil in the OCS are due principally to Federal regulations. This conference report adds more regulations which will no doubt add additional delays and difficulties. No rational energy policy should contain additional delays and difficulties. Therefore, even though this conference report has new and important financial provisions for my State, the regulations which will stem from other provisions in the conference report are not in the best interests of energy production.●

● Mr. DINGELL. Mr. Speaker, I rise in support of the conference report on S. 9, the Outer Continental Shelf Lands Act Amendments of 1978.

At the outset, I want to commend the distinguished gentleman from New York (Mr. MURPHY) who chaired the committee in conference and the Ad Hoc Committee on the Outer Continental Shelf. It is a comprehensive piece of legislation that will protect the environment while encouraging in a proper way development of our resources to meet future energy needs. Mr. Speaker, the gentleman from New York (Mr. MURPHY) has done an effective job in the handling of this legislation during the past two Congresses and he is to be congratulated.

Mr. Speaker, the conference report includes the amendments that I offered on the House floor when we considered the House version of this legislation earlier this year. I offered five amendments. Each of those amendments were adopted by the conferees.

Of particular importance to me is the fact that the conferees agreed to the adoption of the definition of the term Secretary and to the adoption of the provisions in section 608 linking this legislation with the Department of Energy Organization Act of last year. The legislation before us and the managers statement takes recognition of the fact that Congress last year divided some of the responsibilities in the executive branch for the administration of the OCS. The DOE act transferred some of these responsibilities from the Interior Department to the Secretary of Energy and, of course, the Federal Energy Regulatory Commission. This bill does not in any way impinge on the action taken by the Congress last year under the DOE statute. At the same time, the bill defines in a number of places who indeed is the administrative agency responsible for administering the particular provisions.

In this regard, I want to take note of the fact that the DOE statute contemplated that the Secretary of Energy, the Secretary of the Interior, and FERC

would work out arrangements for the delegation of various responsibilities under the Outer Continental Shelf Lands Act and other mineral statues. A year has gone by, and no delegation and division of responsibility has been developed.

One of the concerns that I have is that the continuous squabbling that has gone on between the agencies over this matter would not be ended as a result of this legislation but would be perpetuated to the detriment of the program and those who are interested in it. It might end up in litigation at a future date, which I think would be unfortunate. Accordingly, the conferees, at my suggestion, have in a number of places specified in the legislation who in fact is the appropriate agency.

In other instances, the manager's statement discusses the roles of these agencies. I think that is useful, but at the same time, I urge the agencies involved to resolve their differences quickly and to inform the public and the Congress of the resolution of this matter. I can assure you that the Committee on Interstate and Foreign Commerce and the subcommittee which I chair will be looking after this matter with great interest.

In connection with section 5 of the OCS Act, I want to point out that the provisions in section 5(a) relative to the promulgation of rules and regulations to implement the statute have been retained in the form passed by the House of Representatives earlier this year. All regulations promulgated pursuant to the OCS Act shall apply to existing leases and to new leases, but, of course, they would only apply from the date of the promulgation. That is an important provision and is a provision that has been in existence under the 1953 statute since its inception. It is a provision that I sought to retain in my amendment on the House floor earlier this year and it has been agreed to by the conferees.

Mr. Speaker, the provisions of the new section 26 which is added to the OCS statute relate to the OCS oil and gas information program. It is a very important provision designed to provide additional information to the Government in the context of OCS operations. I want to stress, however, that there is nothing in this provision or in other information-gathering provisions of the OCS Act, as amended by this conference report which affect the authorities of the Secretary of Energy or the Federal Energy Regulatory Commission to collect data and to analyze such data under other provisions of law and to make such data available to other Federal agencies. Those authorities continue to apply to energy data collected by those agencies, including energy data relative to the OCS, under their independent authority. The conference report makes this very clear and my intention is only, at this stage, to reiterate that fact.

Section 603 of the legislation again is an amendment which I offered on the House floor and it has been adopted by the conferees with a few changes which are largely technical in nature. Those changes are discussed in the conference report.

The provision represents a clear understanding on the part of the conferees that the FERC should develop a policy statement as quickly as possible, considering all of its other responsibilities, to permit local distribution companies to acquire or participate in leases for the development of natural gas resources on the OCS and to transport the gas produced to their service areas. The methods, procedures, conditions, limitations, and requirements for doing all of this will be the responsibility of FERC, as is discussed in the statement of managers at pages 157 to 159.

The provision protects and guards against the problems I mentioned at the time of the debate on this provision during consideration of the House version of this legislation. Those problems, which I consider quite serious, should be avoided by the adoption of this amendment. It is my intention as the chairman of the Subcommittee on Energy and Power to keep careful watch over this provision and the development of a policy statement by FERC.

The House bill contained a provision that would have permitted employment of previously unused bidding systems only by rule after opportunity for a hearing. The Senate bill contained no such requirement and the conferees adopted the Senate approach, but the conferees were in agreement that any rulemaking necessary to carry out the new bidding systems authorized by this legislation be done in acordance with the requirements of the Administrative Procedure Act and any other applicable law.

For example, section 205 of this bill continues the requirement of section 8 (a) of the original Outer Continental Shelf Lands Act that bidding occur under procedural regulations promulgated in advance. The conferees recognized, however, that the Department of Energy Organization Act transferred to the Secretary of Energy the discretionary authority to promulgate rules related to the economic terms of leasing, including implementation of alternative bidding systems authorized by law. Section 205 of the conference agreement is not intended to impose any new rulemaking requirements as a condition for conducting lease sales under various bidding systems because such a requirement would hinder the program. However, any rules promulgated to carry out this section's provisions must be adopted in accordance with the Administrative Procedure Act any such rules promulgated by the Department of Energy must be adopted in accordance with section 501 of the Department of Energy Organization Act.

Again, let me congratulate our chairman, Mr. MURPHY, and the other House conferees, for their untiring efforts to develop effective and important OCS legislation applicable in the years to come. I also want to commend all of the staff of the ad hoc committee who were quite helpful during the conference. They worked very hard and well.●

● Mr. UDALL. Mr. Speaker, I would like to take a few minutes to speak in favor of adopting the conference report on the Outer Continental Shelf Lands Act amendments that is before us today.

The Ad Hoc Committee on the OCS has been considering this legislation for almost 4 years now. We have all had to compromise to finally produce the bill we shall vote on today.

The conference committee met often and argued out the many complicated provisions of this bill with our Senate counterparts. I believe all the House conferees were mindful of the views of this body and refused to accept, therefore, any compromises that would be looked upon unfavorably by our colleagues.

This bill includes many important provisions to allow the orderly and safe development of our offshore resources. It provides for State and local involvement throughout the leasing and development procedure. It requires lessees to provide development and production plans to give States the leadtime necessary to prepare for when these resources are brought onshore. The bill changes the leasing system to give greater long-term profits to the American public based on more equitable bidding procedures.

This bill has had a lot of opposition in its time. Most of the arguments about this bill have focused on the question of delay—opponents saying that the bill will cause great delay in leasing and development and supporters arguing that it would not. We modified many provisions in the bill to quiet those fears. I would say to my colleagues, however, that these modifications, to the safety and enforcement provisions, for example, are a drop in the bucket. There are two main reasons for delays in the petroleum industry. One is because drilling is complicated, costly, and risky, and nobody can change that. And the other is because of the regulatory restrictions surrounding the petroleum and most other industries in our Nation.

I would say to my colleagues who oppose delay—and who support it—that the major cause for delays, for burgeoning bureaucracy, for unreadable regulations, and for all the attendant buzzwords on redtape is the increase in economic concentration in our Nation. We would be irresponsible if we did not regulate and oversee those industries who have such a major control over our economic life. But instead of treating the symptom, we should be looking for a cure.

As the size of conglomerates and multinational corporations grow, so do the unions that provides their workers and the government that oversees its operations. We can no longer depend upon market forces to mitigate the mistakes of these giants.

In 1950, the Congress strengthened the Clayton Antitrust Act. I believe that the report of the House Judiciary Committee that accompanied that legislation is apropos to our present dilemma:

Big business too has a tremendous stake in the maintenance of competition—without

which capitalism cannot survive. The only alternative to capitalism is some form of statism—destructive alike to big and small business. The concentration of great economic power in a few corporations necessarily leads to the formation of large nationwide labor unions. The development of the two necessarily leads to big bureaus in the Government to deal with them.

I would ask my colleagues to support this conference report. The OCS Lands Act amendments are fair and equitable and have been honed to reflect the needs and fears of those most effected by offshore development, as well as the American people who are the owners of these great resources. I would just add that someday in the future I think we must examine the structure of the oil industry that has such a hold on our economic life.●

Mr. MURPHY of New York. Mr. Speaker, I move the previous question on the conference report.

The previous question was ordered.

The SPEAKER pro tempore (Mr. ROSTENKOWSKI). The question is on the conference report.

The question was taken; and the Speaker pro tempore announced that the ayes appeared to have it.

Mr. DERWINSKI. Mr. Speaker, I object to the vote on the ground that a quorum is not present and make the point of order that a quorum is not present.

The SPEAKER pro tempore. Evidently a quorum is not present.

The Sergeant at Arms will notify absent Members.

The vote was taken by electronic device, and there were—yeas 338, nays 18, not voting 76, as follows:

[Roll No. 720]

YEAS—338

Abdnor	Brown, Ohio	Dingell
Addabbo	Broyhill	Dodd
Akaka	Buchanan	Dornan
Ambro	Burgener	Downey
Ammerman	Burke, Fla.	Drinan
Anderson, Calif.	Burke, Mass.	Duncan, Oreg.
Anderson, Ill.	Burleson, Tex.	Duncan, Tenn.
Andrews, N.C.	Burlison, Mo.	Early
Andrews, N. Dak.	Burton, John	Edwards, Ala.
Annunzio	Burton, Phillip	Edwards, Calif.
Applegate	Butler	Edwards, Okla.
Ashbrook	Byron	Eilberg
Ashley	Carney	Emery
Aspin	Carr	English
Badham	Carter	Erlenborn
Bafalis	Cavanaugh	Ertel
Baldus	Chappell	Evans, Del.
Baucus	Clausen, Don H.	Evans, Ind.
Bauman	Clawson, Del	Fary
Beard, R.I.	Clay	Fenwick
Beard, Tenn.	Cleveland	Findley
Bedell	Cochran	Fish
Beilenson	Cohen	Fisher
Benjamin	Coleman	Flood
Bennett	Collins, Ill.	Florio
Bevill	Conable	Foley
Biaggi	Conte	Ford, Mich.
Bingham	Conyers	Ford, Tenn.
Blanchard	Corcoran	Frenzel
Blouin	Corman	Fuqua
Boggs	Cornell	Garcia
Boland	Cotter	Gaydos
Bonior	Coughlin	Gephardt
Bonker	D'Amours	Giaimo
Bowen	Daniel, Dan	Gibbons
Brademas	Daniel, R. W.	Gilman
Breaux	Danielson	Ginn
Breckinridge	Davis	Glickman
Brinkley	de la Garza	Gonzalez
Brodhead	Dellums	Goodling
Brooks	Derwinski	Gore
Broomfield	Devine	Grassley
	Dickinson	Gradison
		Green
		Gudger
		Guyer
		Hamilton
		Hanley
		Hannaford
		Harkin
		Harris
		Harsha
		Hawkins
		Heckler
		Hefner
		Heftel
		Hillis
		Hollenbeck
		Holt
		Holtzman
		Horton
		Howard
		Hubbard
		Hughes
		Hyde
		Ichord
		Ireland
		Jacobs
		Jeffords
		Jenrette
		Johnson, Calif.
		Jones, N.C.
		Jones, Okla.
		Jones, Tenn.
		Jordan
		Kastenmeier
		Kazen
		Kelly
		Kemp
		Keys
		Kildee
		Kindness
		Kostmayer
		Krebs
		LaFalce
		Lagomarsino
		Latta
		Leach
		Lederer
		Lehman
		Lent
		Levitas
		Livingston
		Lloyd, Calif.
		Long, La.
		Long, Md.
		Lott
		Luken
		Lundine
		McClory
		McCloskey
		McCormack
		McEwen
		McFall
		McHugh
		McKay
		McKinney
		Madigan
		Maguire
		Mahon
		Mann
		Markey
		Marks
		Marlenee
		Marriott
		Martin
		Mathis
		Mattox
		Mazzoli
		Meeds
		Metcalfe
		Meyner
		Michel
		Mikulski
		Miller, Ohio
		Mineta
		Minish
		Mitchell, Md.
		Mitchell, N.Y.
		Moakley
		Moffett
		Mollohan
		Montgomery
		Moorhead, Calif.
		Moorhead, Pa.
		Moss
		Mottl
		Murphy, Ill.
		Murphy, N.Y.
		Murphy, Pa.
		Murtha
		Myers, John
		Myers, Michael
		Natcher
		Neal
		Nedzi
		Nichols
		Nowak
		O'Brien
		Oakar
		Oberstar
		Obey
		Ottinger
		Panetta
		Patten
		Patterson
		Pattison
		Pease
		Pepper
		Perkins
		Pickle
		Pike
		Pressler
		Price
		Pursell
		Quayle
		Quillen
		Rahall
		Railsback
		Rangel
		Regula
		Reuss
		Rhodes
		Richmond
		Rinaldo
		Robinson
		Roe
		Rogers
		Roncalio
		Rooney
		Rose
		Rosenthal
		Rostenkowski
		Rousselot
		Roybal
		Rudd
		Runnels
		Ruppe
		Russo
		Ryan
		Santini
		Satterfield
		Sawyer
		Scheuer
		Schroeder
		Sebelius
		Seiberling
		Sharp
		Shuster
		Simon
		Skelton
		Skubitz
		Slack
		Smith, Iowa
		Solarz
		Spellman
		Spence
		St Germain
		Staggers
		Stark
		Steed
		Steers
		Stockman
		Stratton
		Studds
		Taylor
		Thone
		Thornton
		Treen
		Trible
		Tucker
		Udall
		Ullman
		Van Deerlin
		Vander Jagt
		Vanik
		Volkmer
		Waggonner
		Walgren
		Walker
		Walsh
		Wampler
		Watkins
		Waxman
		Weaver
		Weiss
		Whalen
		White
		Whitehurst
		Whitley
		Whitten
		Wilson, Bob
		Wilson, Tex.
		Winn
		Wirth
		Wolff
		Wright
		Wydler
		Wylie
		Yatron
		Young, Fla.
		Young, Mo.
		Zablocki

NAYS—18

Archer	Hammer-schmidt	Poage
Caputo	Hansen	Roberts
Collins, Tex.	Hightower	Snyder
Evans, Ga.	Krueger	Symms
Forsythe	Moore	Young, Tex.
Gammage	Myers, Gary	
Hall		

NOT VOTING—76

Alexander	Flippo	Miller, Calif.
Armstrong	Flowers	Nix
AuCoin	Flynt	Nolan
Barnard	Fountain	Pettis
Bolling	Fowler	Preyer
Brown, Calif.	Fraser	Pritchard
Brown, Mich.	Frey	Quie
Burke, Calif.	Goldwater	Risenhoover
Cederberg	Hagedorn	Rodino
Chisholm	Harrington	Sarasin
Cornwell	Holland	Schulze
Crane	Huckaby	Shipley
Cunningham	Jenkins	Sikes
Delaney	Johnson, Colo.	Sisk
Dent	Kasten	Smith, Nebr.
Derrick	Le Fante	Stangeland
Dicks	Leggett	Stanton
Diggs	Lloyd, Tenn.	Steiger
Eckhardt	Lujan	Stokes
Edgar	McDade	Stump
Evans, Colo.	McDonald	Teague
Fascell	Mikva	Thompson
Fithian	Milford	Traxler
Tsongas	Wilson, C. H.	Zeferetti
Vento	Yates	
Wiggins	Young, Alaska	

The Clerk announced the following pairs:

Mr. Le Fante with Mr. McDonald.
Mr. Thompson with Mr. Armstrong.
Mr. Rodino with Mr. Frey.
Mrs. Burke of California with Mr. Kasten.
Mrs. Chisholm with Mrs. Smith of Nebraska.
Mr. Cornwell with Mr. Stanton.
Mr. Mikva with Mr. Wiggins.
Mr. Stokes with Mr. Young of Alaska.
Mr. Diggs with Mr. Brown of Michigan.
Mr. Fascell with Mr. Cederberg.
Mr. Fithian with Mr. Crane.
Mr. Flippo with Mr. Johnson of Colorado.
Mr. Sikes with Mrs. Pettis.
Mr. Shipley with Mr. Schulze.
Mr. Teague with Mr. Sarasin.
Mr. Vento with Mr. Quie.
Mr. Tsongas with Mr. Stangeland.
Mr. Traxler with Mr. Sisk.
Mr. Yates with Mr. Nix.
Mr. Zeferetti with Mr. Preyer.
Mr. Miller of California with Mr. Charles H. Wilson of California.
Mr. Dent with Mr. Eckhardt.
Mr. Delaney with Mr. Flowers.
Mr. Flynt with Mr. Evans of Colorado.
Mrs. Lloyd of Tennessee with Mr. Lujan.
Mr. Nolan with Mr. McDade.
Mr. Derrick with Mr. Milford.
Mr. Dicks with Mr. Edgar.
Mr. Fountain with Mr. Fowler.
Mr. Huckaby with Mr. Fraser.
Mr. Jenkins with Mr. Hagedorn.
Mr. Harrington with Mr. Holland.
Mr. Stump with Mr. Goldwater.
Mr. AuCoin with Mr. Barnard.
Mr. Alexander with Mr. Cunningham.
Mr. Risenhoover with Mr. Leggett.

Mr. GOODLING and Mr. ENGLISH changed their vote from "nay" to "yea."

Messrs. ROBERTS, KRUEGER, HAMMERSCHMIDT, HALL, and SNYDER changed their vote from "yea" to "nay."

So the conference report was agreed to.

The result of the vote was announced as above recorded.

A motion to reconsider was laid on the table.

CONFERENCE REPORT ON H.R. 12240, INTELLIGENCE AND INTELLIGENCE-RELATED ACTIVITIES AUTHORIZATION ACT FOR FISCAL YEAR 1979

Mr. BOLAND. Mr. Speaker, I call up the conference report on the bill (H.R. 12240) to authorize appropriations for fiscal year 1979 for intelligence and intelligence-related activities of the U.S. Government, the intelligence community staff, the Central Intelligence Agency Retirement and Disability System, and for other purposes, and ask unanimous consent that the statement of the managers be read in lieu of the report.

The Clerk read the title of the bill.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Massachusetts?

The Clerk read the statement.

(For conference report and statement, see proceedings of the House of August 2, 1978.)

Mr. BOLAND (during the reading). Mr. Speaker, I ask unanimous consent that further reading of the conference

report (No. 95–1420) on H.R. 12240, since it has already been printed in the CONGRESSIONAL RECORD of August 2, 1978, and is available to Members, be dispensed with.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Massachusetts?

There was no objection.

The SPEAKER pro tempore. The gentleman from Massachusetts (Mr. BOLAND) will be recognized for 30 minutes and the gentleman from Virginia (Mr. ROBINSON) will be recognized for 30 minutes.

The Chair recognizes the gentleman from Massachusetts (Mr. BOLAND).

Mr. BOLAND. Mr. Speaker, I yield myself as much time as I may consume.

Mr. Speaker, I call up the conference report on the bill H.R. 12240, to authorize appropriations for fiscal year 1979 for intelligence and intelligence-related activities of the U.S. Government, the intelligence community staff, the Central Intelligence Agency retirement and disability system, and for other purposes, and I ask unanimous consent that the statement of the managers be read in lieu of the report.

(During the reading). Mr. Speaker, in view of the fact that this conference report, 95–1420, was printed in the CONGRESSIONAL RECORD of August 2, 1978, and available to the Members of the House, I ask unanimous consent that further reading of the statement be dispensed with.

Mr. Speaker, House conferees on the Intelligence and Intelligence-Related Activities Authorization Act for fiscal year 1979 reached agreement with the Senate on July 25. The conference report was filed on August 2 and printed in the CONGRESSIONAL RECORD for that day except for a classified annex to the joint statement which has been available to Members in the committee office in the Capitol.

Several of the conference issues involved intelligence-related activities of the Department of Defense. For these matters, authorization is considered by both the Select Committee on Armed Services. In order to address these matters properly and thoroughly, conferees from the Select Committee on Intelligence were joined by the distinguished chairman of the Armed Services Committee, Mr. PRICE, by the chairman of its R. & D. Subcommittee, Mr. ICHORD, and by the ranking minority member of the committee, Mr. BOB WILSON who is also the ranking minority member of the Select Committee on Inteligence. I want to thank these gentlemen and all of the members of the Committee on Armed Services for their cooperation and support. Further, I want to thank the staff of that committee to whom fell many complex technical, administration and legislative matters.

Mr. Speaker, conferees from the Select Committee on Intelligence were drawn from the Subcommittee on Program and Budget Authorization which originally prepared this bill. To them, BILL BURLISON of Missouri, the chairman, NORMAN MINETA and J. KENNETH ROBINSON fell most of the considerable effort required in preparing for and conducting the conference. I turn now and yield to BILL BURLISON for a summary of conference actions which I fully support.

Mr. BURLISON of Missouri. Mr. Speaker, I thank the gentleman from Massachusetts, Mr. BOLAND, for yielding to me. I also thank the chairman for his kind words and for his considerable effort and support throughout the development of this bill. I join the gentleman in extending thanks to the gentleman from California, NORM MINETA, and the gentleman from Virginia, KEN ROBINSON, of our subcommittee and to the chairman, the gentleman from Illinois, Mr. PRICE, and the gentleman from Missouri, Mr. ICHORD, of the Committee on Armed Services, and the ranking minority member, the gentleman from California, BOB WILSON, of both committees.

Mr. Speaker, with regard to title I of the bill, intelligence activities, there were 37 matters at difference with the Senate. Debate on several of these issues was lengthy and spirited but an attitude of cooperation prevailed and sensible compromises were achieved. On matters of fiscal authority, the differences divided rather evenly between House and Senate. This is not to say, however, that the conferees split the difference on each issue simply to achieve agreement. Many programs are not logically subject to division as all parties recognized. Our compromises result in sensible programs and those which are interrelated are consistent.

Title II provides for the intelligence community staff which supports the Director of Central Intelligence in the conduct of the coordination and budgetary role in the national foreign intelligence program. The House bill had authorized a staff well below the size requested by the administration while the Senate bill authorized the full request. In this case an equal division between our two positions appeared sensible and was the compromise to which we agreed.

There were no differences between us regarding title III, the CIA retirement and disability system.

The House bill contained a title IV providing a reporting requirement when certain excludable aliens are admitted to the United States under certain provisions of the Immigration and Nationality Act. The Senate bill contained no such provision.

The conference substitute is essentially the same as the House provision except that the Attorney General is required to submit only one report covering only the period of fiscal year 1979. The conferees note in the joint statement that the report need only describe the general circumstances and need not include names. Further, the conferees note their intent that the FBI should notify the Attorney General of objection to admission of an alien only where the alien would be a legitimate target of FBI foreign counterintelligence or foreign counterterrorism intelligence concern.

Mr. Speaker, I fully endorse this conference report and urge its adoption by the House.

Mr. ROBINSON. Mr. Speaker, I yield myself such time as I may consume.

Mr. Speaker, I rise in support of the conference report on H.R. 12240.

This bill would authorize appropriations for intelligence activities of the United States and is the result of many months of exhaustive examination of the intelligence needs of our Government.

The funding and program details for the intelligence activities authorized under title I are classified and I can, therefore, not discuss specific conference actions. However, details of these actions contained in a classified annex to the joint explanatory statement have been available to all Members for more than a week.

The conference recommendation is a compromise which I believe represents the best judgment of both sides. The House Permanent Select Committee on Intelligence and the Senate Select Committee on Intelligence conferees worked to provide an authorization for national foreign intelligence activities that I consider to be a nearly optimum reconciliation of the two authorization bills. In arriving at this compromise, some program funding levels originally authorized by the House were reduced and others were increased. The net overall authorization level for these classified activities fell about halfway between the levels originally authorized by the House and Senate.

For those programs contained within the defense budget request to provide direct intelligence support to military operations—referred to as intelligence-related activities—the House Permanent Select Committee on Intelligence shares jurisdiction with the Armed Services Committee. Accordingly, the differences between the House and Senate on these activities were worked out by a conference group consisting of both Intelligence and Armed Services Committee Members of both Houses. I would like to join my chairman, the gentleman from Massachusetts in thanking Chairman PRICE, Mr. ICHORD and especially my colleague BOB WILSON who sits on both committees for their counsel in resolving the differences in intelligence-related activities.

As regards title II, which authorizes funding and establishes a personnel ceiling for the intelligence community staff, I consider the conference recommendation an equitable compromise.

As has been mentioned, title III, to authorize funding levels for the CIA retirement and disability system, was not at difference between the House and Senate.

Finally, the conferees agreed to a substitute provision to title IV which is essentially the same as the original House provision. It would require that the Attorney General submit a one-time report by October 30, 1979, generally describing those cases during fiscal year 1979 in which the FBI Director has notified the Attorney General that he has reason to believe an alien is excludable under certain provisions of the Immigration and Nationality Act and that alien is subsequently admitted into the United States.

Overall, I believe the conference committee's recommendation for fiscal year 1979 provides sufficient resources to effectively meet our near-term intelligence needs as well as providing for some growth to modernize existing capabilities and to begin some new initiatives required to keep pace with our intelligence needs in the 1980's.

I urge the Members of the House to adopt this conference report.

Mr. Speaker, I yield such time as he may consume to my colleague, the gentleman from California (Mr. BOB WILSON).

Mr. BOB WILSON. Mr. Speaker, I would like to add my support to this conference report on H.R. 12240.

As a member of both the Select Committee on Intelligence and the Committee on Armed Services, I served as a conferee on intelligence-related matters which fall under the jurisdiction of both committees. I am pleased that this process worked smoothly and that our ability to relate Defense Department operational support intelligence programs to the national foreign intelligence program increases our understanding of these programs.

Mr. Speaker, I am happy with the outcome of this conference and urge the support of the House.

Mr. ROBINSON. Mr. Speaker, I have no further requests for time, and I reserve the balance of my time.

Mr. BURLISON of Missouri. Mr. Speaker, I yield such time as she may consume to the gentlewoman from New York (Ms. HOLTZMAN).

Ms. HOLTZMAN. Mr. Speaker, with respect to title IV of the bill, there is a question raised by the language of the conference report.

Is it the intention of the gentleman from Missouri (Mr. BURLISON), the distinguished chairman of the subcommittee, to preclude the Committee on the Judiciary from getting exactly the same information which the Select Committee on Intelligence would get under the conference report?

Mr. BURLISON of Missouri. If the gentlewoman will yield, Mr. Speaker, it certainly was not our intent to distinguish between the Committee on the Judiciary and the Select Committee on Intelligence. It was our intent that the Committee on the Judiciary would have the same prerogatives as the Select Committee on Intelligence as to the receipt of this information.

Ms. HOLTZMAN. I thank the distinguished gentleman for his assurance.

● Mr. DRINAN. Mr. Speaker, today Congress has another opportunity to consider the authorization of funds for intelligence activities. Described as a step forward in our continuing effort to provide a substantive review of our Nation's intelligence programs, the conference report on the intelligence authorization does nothing to remedy the absence of accountability to the American people. The people still remain totally in the dark as to how much of their money is being spent on intelligence activities and how it is spent. In addition, the bill and report before us today will not affect Executive Order 12036, by which the President is able to authorize the Central Intelligence Agency to conduct covert operations, to engage in surveillance of American citizens, to open mail surreptitiously, and, in general, to perpetuate the abuses which have been revealed in recent years.

There is no convincing reason for the continued refusal to disclose the budget of the intelligence agencies. Our own intelligence experts have for years been able to estimate with reasonable accuracy the amount of money the Soviet Union spends on intelligence; are we naive enough to believe that the KGB is not capable of making similar estimates of our intelligence expenditures? It is only the American people who are not permitted to know how much of their money is being used for intelligence. By failing to make intelligence expenditures public, we deprive the people of their right to know what their Government is doing, and at what cost.

By persisting in our refusal to reveal, even in general terms, the activities undertaken by our intelligence agencies under the banner of "national security purposes," we canot even try to prevent recurrences of past intelligence abuses. Today we take another vote on the intelligence authorization, but this vote is meaningless unless we remove the shroud of secrecy which still surrounds our intelligence activities and which frees the Government from accountability to the people in whose home these intelligence operations are conducted. Despite highly touted reforms, we have done nothing to halt the clandestine activities, at home as well as abroad, which generated so much critism and outrage on the part of the American people in the very recent past.

I was one of only eight Members of the House who took the time to look at the classified documents on this authorization. I spent a number of hours on these papers but due to the constraints placed upon us I am prevented from discussing them. Despite the fact that the amount of the authorization cannot be discussed and the fact that so few of us know its contents, we still present this charade to the American people and pretend that we are carefully considering the expenditure of their dollars.

It is my hope that we may openly discuss these expenditures and authorizations next year. It is also my hope that we will permit discussion of and votes upon the kinds of activities in which our intelligence agencies can engage. Until such time, I believe it is incumbent upon us to vote against the authorization of funds for intelligence purposes.

Mr. Chairman, I also rise against the provision of this conference report that requires the Attorney General to report to Congress on aliens who have been admitted to the United States despite an FBI recommendation that they be excluded. This is clearly an attempt to undermine both the authority of the Attorney General and the integrity of our immigration policy. The provision invites the FBI to make an end run around the Justice Department to the Congress. By law, the decision on exclusion is vested in the Attorney General; are we asked to assume that the Attorney General is unfit to make this determination? I do not believe that any U.S. Attorney General would want spies, terrorists, or the like to enter our country. Why should the FBI, a subordinate agency, have the authority to involve Congress in such decisions?

We must attempt to establish a true starting point toward complete legislative oversight of intelligence programs. We have not even the semblance of an effort to end covert operations abroad and invasions of privacy at home. We must end the insulation of the CIA and other intelligence agencies from the scrutiny of the public. Only then can we act in a truly informed manner in the consideration of funds for such programs. I will continue to oppose authorizations which are cloaked in secrecy and kept hidden from the American people. Approval of this report will only lead to the perpetuation of the abuses which spring from secrecy.●

Mr. BURLISON of Missouri. Mr. Speaker, I move the previous question on the conference report.

The previous question was ordered.

The SPEAKER pro tempore. The question is on the conference report.

The question was taken; and the Speaker pro tempore announced that the ayes appeared to have it.

Mr. WEISS. Mr. Speaker, I object to the vote on the ground that a quorum is not present and make the point of order that a quorum is not present.

The SPEAKER pro tempore. Evidently a quorum is not present.

The Sergeant at Arms will notify absent Members.

The vote was taken by electronic device, and there were—yeas 323, nays 30, answered "present" 2, not voting 77, as follows:

[Roll No. 721]

YEAS—323

Abdnor	Brown, Ohio	Dickinson
Addabbo	Broyhill	Dingell
Akaka	Buchanan	Dodd
Ambro	Burgener	Dornan
Ammerman	Burke, Fla.	Downey
Anderson, Ill.	Burke, Mass.	Duncan, Oreg.
Andrews, N.C.	Burleson, Tex.	Duncan, Tenn.
Andrews, N. Dak.	Burlison, Mo.	Early
	Butler	Eckhardt
Annunzio	Byron	Edgar
Applegate	Caputo	Edwards, Ala.
Archer	Carney	Edwards, Calif.
Ashbrook	Carr	Edwards, Okla.
Ashley	Carter	Eilberg
Aspin	Cavanaugh	Emery
Badham	Chappell	English
Baucus	Clausen, Don H.	Erlenborn
Bauman	Cleveland	Ertel
Beard, R.I.	Cochran	Evans, Del.
Beard, Tenn.	Cohen	Evans, Ga.
Benjamin	Coleman	Evans, Ind.
Bennett	Collins, Ill.	Fary
Bevill	Collins, Tex.	Fenwick
Biaggi	Conable	Findley
Bingham	Conte	Fisher
Blanchard	Corcoran	Flood
Blouin	Corman	Florio
Boggs	Cornell	Foley
Boland	Cotter	Ford, Mich.
Bonker	Coughlin	Ford, Tenn.
Bowen	D'Amours	Forsythe
Brademas	Daniel, Dan	Frenzel
Breaux	Daniel, R. W.	Fuqua
Breckinridge	Danielson	Gammage
Brinkley	Davis	Gaydos
Brodhead	de la Garza	Gephardt
Brooks	Derrick	Giaimo
Broomfield	Derwinski	Gibbons
Brown, Calif.	Devine	Gilman
Brown, Mich.		Ginn

Glickman	McKay	Roe
Goldwater	McKinney	Rogers
Gonzalez	Madigan	Roncalio
Goodling	Mahon	Rooney
Gore	Mann	Rose
Gradison	Marks	Rostenkowski
Grassley	Marlenee	Rousselot
Green	Marriott	Rudd
Gudger	Martin	Runnels
Guyer	Mathis	Russo
Hall	Mattox	Ryan
Hamilton	Mazzoli	Santini
Hammer-schmidt	Meeds	Satterfield
	Meyner	Sawyer
Hanley	Michel	Seiberling
Hannaford	Mikulski	Sharp
Hansen	Miller, Ohio	Shuster
Harkin	Mineta	Simon
Harris	Minish	Skelton
Harsha	Mitchell, N.Y.	Skubitz
Heckler	Moakley	Slack
Hefner	Mollohan	Smith, Iowa
Heftel	Montgomery	Snyder
Hillis	Moore	Solarz
Hollenbeck	Moorhead, Calif.	Spellman
Holt		Spence
Horton	Moorhead, Pa.	St Germain
Howard	Moss	Staggers
Hubbard	Mottl	Steed
Hughes	Murphy, Ill.	Steers
Hyde	Murphy, N.Y.	Stockman
Ichord	Murphy, Pa.	Stratton
Ireland	Murtha	Symms
Jacobs	Myers, Gary	Taylor
Jeffords	Myers, John	Thornton
Jenrette	Myers, Michael	Treen
Johnson, Calif.	Natcher	Trible
Jones, N.C.	Neal	Tucker
Jones, Okla.	Nedzi	Udall
Jones, Tenn.	Nichols	Ullman
Jordan	Nowak	Van Deerlin
Kazen	O'Brien	Vander Jagt
Kelly	Oakar	Vanik
Kemp	Oberstar	Volkmer
Keys	Obey	Waggonner
Kildee	Panetta	Walgren
Kindness	Patten	Walker
Krebs	Patterson	Walsh
Krueger	Pattison	Wampler
LaFalce	Pease	Watkins
Lagomarsino	Pepper	Waxman
Latta	Perkins	Whalen
Leach	Pettis	White
Lederer	Pickle	Whitehurst
Leggett	Pike	Whitley
Lehman	Poage	Whitten
Levitas	Pressler	Wiggins
Lloyd, Calif.	Price	Wilson, Bob
Long, La.	Quayle	Wilson, Tex.
Long, Md.	Quillen	Winn
Lott	Rahall	Wirth
Luken	Railsback	Wolff
McClory	Rangel	Wright
McCloskey	Regula	Wydler
McCormack	Reuss	Wylie
McDade	Rhodes	Yatron
McEwen	Rinaldo	Young, Fla.
McFall	Roberts	Young, Mo.
McHugh	Robinson	Zablocki

NAYS—30

Anderson, Calif.	Garcia	Ottinger
	Hawkins	Richmond
Bedell	Holtzman	Rosenthal
Beilenson	Kastenmeier	Roybal
Bonior	Kostmayer	Scheuer
Burton, John	Lundine	Stark
Burton, Phillip	Maguire	Stokes
Chisholm	Markey	Weaver
Clay	Metcalfe	Weiss
Dellums	Mitchell, Md.	
Drinan	Moffett	

ANSWERED "PRESENT"—2

Schroeder	Studds

NOT VOTING—77

Alexander	Diggs	Jenkins
Armstrong	Evans, Colo.	Johnson, Colo.
AuCoin	Fascell	Kasten
Bafalis	Fish	Le Fante
Baldus	Fithian	Lent
Barnard	Flippo	Livingston
Bolling	Flowers	Lloyd, Tenn.
Burke, Calif.	Flynt	Lujan
Cederberg	Fountain	McDonald
Clawson, Del	Fowler	Mikva
Conyers	Fraser	Milford
Cornwell	Frey	Miller, Calif.
Crane	Hagedorn	Nix
Cunningham	Harrington	Nolan
Delaney	Hightower	Preyer
Dent	Holland	Pritchard
Dicks	Huckaby	Pursell
Quie	Sisk	Traxler
Risenhoover	Smith, Nebr.	Tsongas
Rodino	Stangeland	Vento
Ruppe	Stanton	Wilson, C. H.
Sarasin	Steiger	Yates
Schulze	Stump	Young, Alaska
Sebelius	Teague	Young, Tex.
Shipley	Thompson	Zeferetti
Sikes	Thone	

The Clerk announced the following pairs:

Mr. Rodino with Mr. McDonald.
Mr. Thompson with Mr. Armstrong.
Mr. Le Fante with Mr. Frey.
Mrs. Burke of California with Mr. Kasten.
Mr. Baldus with Mrs. Smith of Nebraska.
Mr. Cornwell with Mr. Young of Alaska.
Mr. Mikva with Mr. Cederberg.
Mr. AuCoin with Mr. Schulze.
Mr. Fascell with Mr. Sarasin.
Mr. Alexander with Mr. Quie.
Mr. Sikes with Mr. Sisk.
Mr. Flippo with Mr. Nix.
Mr. Shipley with Mr. Charles H. Wilson of California.
Mr. Teague with Mr. Johnson of Colorado.
Mr. Vento with Mr. Milford.
Mr. Traxler with Mr. Evans of Colorado.
Mr. Tsongas with Mr. Fowler.
Mr. Zeferetti with Mr. Fraser.
Mr. Miller of California with Mr. Hagedorn.
Mr. Dent with Mr. Holland.
Mr. Delaney with Mr. Lent.
Mrs. Lloyd of Tennessee with Mr. Steiger.
Mr. Fountain with Mr. Del Clawson.
Mr. Huckaby with Mr. Crane.
Mr. Harrington with Mr. Ruppe.
Mr. Stump with Mr. Thone.
Mr. Risenhoover with Mr. Pritchard.
Mr. Jenkins with Mr. Pursell.
Mr. Yates with Mr. Lujan.
Mr. Flynt with Mr. Bafalis.
Mr. Diggs with Mr. Cunningham.
Mr. Dicks with Mr. Fish.
Mr. Conyers with Mr. Stangeland.
Mr. Barnard with Mr. Livingston.
Mr. Fithian with Mr. Sebelius.
Mr. Hightower with Mr. Stanton.
Mr. Preyer with Mr. Nolan.

Mr. KOSTMAYER and Mr. OTTINGER changed their vote from "yea" to "nay."

So the conference report was agreed to.

The result of the vote was announced as above recorded.

A motion to reconsider was laid on the table.

GENERAL LEAVE

Mr. BURLISON of Missouri. Mr. Speaker, I ask unanimous consent that all Members may have 5 legislative days in which to revise and extend their remarks on the conference report just agreed to.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Missouri?

There was no objection.

INDEPENDENT SAFETY BOARD ACT AMENDMENT OF 1978

Mr. ANDERSON of California. Mr. Speaker, I ask unanimous consent to take from the Speaker's table the bill (H.R. 12106) to amend the Independent Safety Board Act of 1974 to authorize additional appropriations, with a Senate amendment thereto, and concur in the Senate amendment.

The Clerk read the title of the bill.

The Clerk read the Senate amendment, as follows.

Strike out all after the enacting clause and insert: That this Act may be cited as the "Independent Safety Board Act Amendment of 1978".

SEC. 2. Section 309 of the Independent Safety Board Act of 1974 (49 U.S.C. 1907) is amended by adding at the end thereof the following: "There are authorized to be appropriated for the purposes of this Act not to exceed $16,420,000 for the fiscal year ending September 30, 1979, and $17,650,000 for the fiscal year ending September 30, 1980, such sums to remain available until expended.".

The SPEAKER pro tempore. Is there objection to the request of the gentleman from California?

Mr. SHUSTER. Mr. Speaker, reserving the right to object, I do not intend to exercise this right to object, but I do so in order to ask the distinguished chairman of the subcommittee if he would explain the reason for his request.

Mr. ANDERSON of California. Mr. Speaker, will the gentleman yield?

Mr. SHUSTER. Mr. Speaker, further reserving the right to object, I yield to the gentleman from California.

Mr. ANDERSON of California. Mr. Speaker, the House previously passed H.R. 12106, a bill to authorize appropriations for the National Transportation Safety Board for fiscal year 1979. The bill authorized $16,420,000. Last Monday, the Senate passed H.R. 12106, with an amendment in the nature of a substitute. The amendment simply adds additional funding for fiscal year 1980 in the amount of $17,650,000. The levels were increased for that 1 year to cover a proposed additional workload in the area of surface transportation per the Public Works and Transportation Committee's request. This amendment is acceptable, and I urge favorable action by the House on H.R. 12106, as amended by the Senate.

Mr. SHUSTER. Mr. Speaker, further reserving the right to object, as the gentleman knows, I was the author of the section which provided for increased emphasis for highway safety. Because the Senate is accepting that, it seems reasonable that we should accept their position that we go to a 2-year authorization instead of a 1-year authorization. Since I was also the author of the amendment which struck the authorization from 2 years down to 1 year, I am prepared to accept the compromise of the Senate.

Mr. Speaker, I am further informed that the distinguished gentleman from Kentucky (Mr. SNYDER), the ranking minority member on the Subcommittee on Aviation of the Committee on Public Works and Transportation, is also prepared to accept this compromise, so there is no objection, to my knowledge, on this side.

Mr. ANDERSON. Mr. Speaker, I thank the gentleman from Pennsylvania for his contribution, and yield back the balance of my time.

● Mr. JOHNSON of California. Mr. Speaker, on July 14, 1978, the House passed H.R. 12106, a bill to authorize appropriations for the National Transportation Safety Board for fiscal year 1979. The bill authorized $16,420,000. Last

Monday, the Senate passed H.R. 12106 with an amendment in the nature of a substitute. The amendment simply adds additional funding for fiscal year 1980 in the amount of $17,650,000.

This amendment is acceptable, and I urge favorable action by the House on H.R. 12106 as amended by the Senate.●

The SPEAKER pro tempore. Is there objection to the request of the gentleman from California?

There was no objection.

A motion to reconsider was laid on the table.

GENERAL LEAVE

Mr. ANDERSON of California. Mr. Speaker, I ask unanimous consent that all Members may have 5 legislative days in which to revise and extend their remarks on the Senate amendment to the bill H.R. 12106, just considered.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from California?

There was no objection.

REPORT ON RESOLUTION PROVIDING FOR CONSIDERATION OF H.R. 1, ETHICS IN GOVERNMENT ACT OF 1977

Mr. MOAKLEY, from the Committee on Rules, submitted a privileged report (Rept. No. 95–1505) on the resolution (H. Res. 1323) providing for consideration of the bill (H.R. 1) to require candidates for Federal office, Members of the Congress, and officers and employees of the United States to file statements with the Comptroller General with respect to their income and financial transactions, which was referred to the House Calendar and ordered to be printed.

REPORT ON RESOLUTION PROVIDING FOR CONSIDERATION OF H.R. 12611, AMENDING FEDERAL AVIATION ACT OF 1958

Mr. MOAKLEY, from the Committee on Rules, submitted a privileged report (Rept. No. 95–1506) on the resolution (H. Res. 1324) providing for consideration of the bill (H.R. 12611) to amend the Federal Aviation Act of 1958 to improve air service and provide flexibility in air fares, which was referred to the House Calendar and ordered to be printed.

REPORT ON RESOLUTION PROVIDING FOR CONSIDERATION OF H.R. 13059, PUBLIC WORKS AUTHORIZATION BILL

Mr. MOAKLEY, from the Committee on Rules, submitted a privileged report (Rept. No. 95–1507) on the resolution (H. Res. 1325) providing for consideration of the bill (H.R. 13059) authorizing the construction, repair, and preservation of certain public works on rivers and harbors for navigation, flood control, and for other purposes, which was referred to the House Calendar and ordered to be printed.

REPORT ON RESOLUTION PROVIDING FOR CONSIDERATION OF H.R. 11733, AUTHORIZING APPROPRIATIONS FOR CONSTRUCTION OF HIGHWAYS

Mr. MOAKLEY, from the Committee on Rules, submitted a privileged report (Rept. No. 95–1508) on the resolution (H. Res. 1326) providing for consideration of the bill (H.R. 11733) to authorize appropriations for the construction of certain highways in accordance with title 23 of the United States Code, for highway safety, for mass transportation in urban and in rural areas, and for other purposes, which was referred to the House Calendar and ordered to be printed.

PROVIDING FOR CONSIDERATION OF H.R. 10898, USRA AUTHORIZATIONS, 1979

Mr. MOAKLEY. Mr. Speaker, by direction of the Committee on Rules, I call up House Resolution 1231 and ask for its immediate consideration.

The Clerk read the resolution, as follows:

H. RES. 1321

Resolved, That upon the adoption of this resolution it shall be in order to move that the House resolve itself into the Committee of the Whole House on the State of the Union for the consideration of the bill (H.R. 10898) to amend the Regional Rail Reorganization Act of 1973 to authorize appropriations for the United States Railway Association for fiscal year 1979. After general debate, which shall be confined to the bill and shall continue not to exceed one hour, to be equally divided and controlled by the chairman and ranking minority member of the Committee on Interstate and Foreign Commerce, the bill shall be read for amendment under the five-minute rule. It shall be in order to consider the amendment recommended by the Committee on Interstate and Foreign Commerce now printed in the bill, and all points of order against said amendment for failure to comply with the provisions of clause 7, rule XVI are hereby waived. It shall further be in order to consider the following amendment to said bill and all points of order against said amendment for failure to comply with the provisions of clause 7, rule XVI are hereby waived: "Section 211(d) of the Regional Rail Reorganization Act of 1973 is amended by adding a new sentence at the end thereof as follows: *'Provided*, That with respect to a loan made under subsection (a) of this section to a railroad in the region, the Association may approve any modification of such loan, including increasing the principal amount of the loan, upon a finding that such modification would permit the continuation of rail service determined by the Association, in the final system plan or under the goals of the Act, to be desirable.'". At the conclusion of the consideration of the bill for amendment, the Committee shall rise and report the bill to the House with such amendments as may have been adopted, and the previous question shall be considered as ordered on the bill and amendments thereto to final passage without intervening motion except one motion to recommit.

The SPEAKER pro tempore (Mr. NEDZI). The gentleman from Massachusetts (Mr. MOAKLEY) is recognized for 1 hour.

Mr. MOAKLEY. Mr. Speaker, I yield the customary 30 minutes to the gentleman from Illinois (Mr. ANDERSON), pending which I yield myself such time as I may consume.

Mr. Speaker, the resolution (H. Res. 1321) makes in order the consideration of the bill (H.R. 10898) to amend the Regional Rail Reorganization Act of 1973 to authorize appropriations for the U.S. Railway Association for fiscal year 1979.

It is a 1-hour open rule.

It also contains a major provision which makes in order an amendment to be offered by the distinguished chairman of the Subcommittee on Transportation and Commerce (Mr. ROONEY). The rule waives points of order against the amendment under clause 7 of rule XVI. Although technically not germane to the bill, the amendment is related to the subject matter.

Mr. Speaker, as reported from committee, the bill would authorize appropriations for fiscal year 1979 in the amount of $27.2 million for operating expenses of the U.S. Railway Association. It also contains a technical provision to permit members of the Board to serve 90 days after their terms expire, if no successor has been appointed. This provision deals with the problem that vacancies on the Board could prevent a quorum and bring the association's operations to a standstill.

The amendment to be offered by the gentleman from Pennsylvania (Mr. ROONEY) would simply waive certain requirements in law which would otherwise prevent the USRA from making urgent loans to the Delaware and Hudson Railway Co. This was the subject of emergency hearings by the gentleman's subcommittee on Tuesday, August 15. At this meeting, the subcommittee was persuaded that failure to act on this matter before we recess today would force that line into bankruptcy before the Congress returns in September. Although the procedure is unusual, the Committee on Rules is convinced that it is necessary to deal with the urgent situation of the D. & H. Railway and agreed to the bipartisan request of the Committee on Interstate and Foreign Commerce.

Mr. Speaker, I urge the adoption of the rule so that the House may proceed to consider this vital bill and the amendment.

Mr. ANDERSON of Illinois. Mr. Speaker, I yield myself such time as I may consume.

Mr. Speaker, this is a 1-hour, open rule, making in order the bill, H.R. 10898, the U.S. railway authorization for fiscal 1979. The rule waives the germaneness rule against the committee amendment which is section 2 of the bill. That amendment provides that when a board member's term expires, he may continue to serve until a successor has been appointed, but, in any event, no more than 90 days after the expiration of his term.

This rule also provides for the consideration of another amendment, the text of which is printed in this rule, and the germaneness rule is waived against this amendment. That amendment authorizes the association to approve any modification of a loan made to a railroad under the Regional Rail Organization Act, including increasing the principal amount of the loan, if the modification

is deemed necessary to permit the continuation of rail service considered to be desirable in the final system plan or under the goals of the act.

Mr. Speaker, this additional amendment specified in the rule is intended to remove a legal obstacle in the way of further loan advances by USRA to the Delaware and Hudson Railway. The final system plan approved by the Congress called for a rail system competitive to ConRail in the northeastern sector of the United States. The initial plan was for Chessie system extensions into areas in New York and Pennsylvania, but problems were encountered in negotiating the agreements, and the Chessie extensions thus failed to take place.

As a consequence, USRA encouraged the Delaware & Hudson Railway to extend its lines into these areas, and in fact imposed the extensions as a condition for a loan the D. & H. had already applied for to make improvements in its existing system. The D. & H. subsequently became overextended and made some management mistakes. USRA had increased the loan amount to the D. & H. by less than $3 million, even though the extensions more than doubled the D. & H. system. A strike of the Norfolk & Western Railway, the D. & H. outlet to the West further damaged its ability to compete. And USRA declined to grant further moneys to the system because it was not able to meet the financial conditions in the law.

The additional amendment made in order by this rule would enable USRA to increase the principal loan amount to the D. & H. if it finds that such an increase is desirable under the final system plan and goals of the act.

This matter was brought to the Rules Committee as an emergency matter on Wednesday, August 16, and this rule request was supported by the ranking minority member on the Transportation Subcommittee (Mr. SKUBITZ). The rule also had bipartisan support in the Rules Committee and was reported by a voice vote. I urge its adoption.

Mr. MOAKLEY. Mr. Speaker, I move the previous question on the resolution.

The previous question was ordered.

The SPEAKER pro tempore. The question is on the resolution.

The question was taken; and the Speaker pro tempore announced that the ayes appeared to have it.

Mr. ROUSSELOT. Mr. Speaker, I object to the vote on the ground that a quorum is not present and make a point of order that a quorum is not present.

The SPEAKER pro tempore. Evidently a quorum is not present.

The Sergeant at Arms will notify absent Members.

The vote was taken by electronic device, and there were—yeas 323, nays 6, not voting 103, as follows:

[Roll No. 722]

YEAS—323

Addabbo	Anderson, Ill.	Ashley
Akaka	Andrews, N.C.	Aspin
Alexander	Andrews, N. Dak.	Badham
Ambro	Annunzio	Bafalis
Ammerman	Applegate	Beard, R.I.
Anderson, Calif.	Archer	Beard, Tenn.
		Bedell
Bellenson	Gradison	Nedzi
Benjamin	Grassley	Nichols
Bennett	Green	Nowak
Bevill	Gudger	O'Brien
Biaggi	Guyer	Oakar
Bingham	Hall	Oberstar
Blanchard	Hamilton	Obey
Blouin	Hammer-schmidt	Ottinger
Boggs	Hanley	Panetta
Bonior	Hansen	Patten
Bonker	Harkin	Patterson
Bowen	Harris	Pattison
Brademas	Harsha	Pease
Breaux	Hawkins	Pepper
Breckinridge	Heckler	Perkins
Brodhead	Hefner	Pettis
Brooks	Heftel	Pickle
Brown, Calif.	Hollenbeck	Poage
Brown, Mich.	Holt	Pressler
Brown, Ohio	Holtzman	Price
Broyhill	Horton	Quayle
Buchanan	Howard	Rahall
Burke, Fla.	Hubbard	Railsback
Burke, Mass.	Hughes	Rangel
Burleson, Tex.	Hyde	Regula
Burlison, Mo.	Jacobs	Reuss
Burton, John	Jeffords	Rhodes
Butler	Jenrette	Richmond
Byron	Johnson, Calif.	Rinaldo
Caputo	Jones, Okla.	Robinson
Carney	Jones, Tenn.	Roe
Carr	Jordan	Rogers
Carter	Kastenmeier	Roncalio
Cavanaugh	Kazen	Rooney
Chappell	Kelly	Rose
Chisholm	Kemp	Rosenthal
Clausen, Don H.	Keys	Rostenkowski
Clay	Kildee	Rousselot
Cleveland	Kindness	Roybal
Cochran	Kostmayer	Rudd
Cohen	Krebs	Runnels
Coleman	Krueger	Ruppe
Conable	Lagomarsino	Russo
Conte	Latta	Ryan
Corcoran	Leach	Santini
Corman	Lederer	Satterfield
Cornell	Lehman	Sawyer
Cotter	Lent	Scheuer
Coughlin	Levitas	Schroeder
D'Amours	Lloyd, Calif.	Seiberling
Daniel, Dan	Long, La.	Sharp
Daniel, R. W.	Long, Md.	Shuster
Danielson	Lott	Simon
de la Garza	Luken	Skelton
Dellums	Lundine	Slack
Derrick	McClory	Smith, Iowa
Derwinski	McCloskey	Snyder
Devine	McCormack	Solarz
Dickinson	McDade	Spellman
Dingell	McEwen	Spence
Dodd	McFall	Staggers
Dornan	McKay	Stark
Downey	McKinney	Steers
Drinan	Madigan	Stockman
Duncan, Oreg.	Maguire	Stokes
Duncan, Tenn.	Mahon	Stratton
Early	Mann	Studds
Eckhardt	Markey	Thornton
Edgar	Marks	Treen
Edwards, Calif.	Marlenee	Trible
Eilberg	Martin	Tucker
Emery	Mattox	Udall
English	Mazzoli	Ullman
Erlenborn	Meeds	Van Deerlin
Ertel	Metcalfe	Vander Jagt
Evans, Del.	Meyner	Vanik
Evans, Ind.	Michel	Volkmer
Fary	Mikulski	Waggonner
Fenwick	Miller, Ohio	Walgren
Findley	Mineta	Walker
Fisher	Minish	Walsh
Flood	Mitchell, Md.	Watkins
Florio	Mitchell, N.Y.	Weaver
Foley	Moakley	Weiss
Ford, Mich.	Moffett	Whalen
Ford, Tenn.	Mollohan	White
Forsythe	Montgomery	Whitehurst
Frenzel	Moore	Whitley
Fuqua	Moorhead, Calif.	Whitten
Gammage	Moorhead, Pa.	Wilson, Bob
Garcia	Moss	Wilson, Tex.
Gaydos	Mottl	Winn
Gephardt	Murphy, Ill.	Wirth
Giaimo	Murphy, N.Y.	Wolff
Gibbons	Murphy, Pa.	Wright
Gilman	Murtha	Wydler
Ginn	Myers, Gary	Wylie
Glickman	Myers, John	Yatron
Goldwater	Myers, Michael	Young, Fla.
Gonzalez	Natcher	Young, Mo.
Goodling	Neal	Zablocki
Gore		

NAYS—6

Bauman	Edwards, Okla.	Pike
Collins, Tex.	Evans, Ga.	Symms

NOT VOTING—103

Abdnor	Fowler	Quillen
Armstrong	Fraser	Risenhoover
Ashbrook	Frey	Roberts
AuCoin	Hagedorn	Rodino
Baldus	Hannaford	Sarasin
Barnard	Harrington	Schulze
Baucus	Hightower	Sebelius
Boland	Hillis	Shipley
Bolling	Holland	Sikes
Brinkley	Huckaby	Sisk
Broomfield	Ichord	Skubitz
Burgener	Ireland	Smith, Nebr.
Burke, Calif.	Jenkins	St Germain
Burton, Phillip	Johnson, Colo.	Stangeland
Cederberg	Jones, N.C.	Stanton
Clawson, Del	Kasten	Steed
Collins, Ill.	LaFalce	Steiger
Conyers	Le Fante	Stump
Cornwell	Leggett	Taylor
Crane	Livingston	Teague
Cunningham	Lloyd, Tenn.	Thompson
Davis	Lujan	Thone
Delaney	McDonald	Traxler
Dent	McHugh	Tsongas
Dicks	Marriott	Vento
Diggs	Mathis	Wampler
Edwards, Ala.	Mikva	Waxman
Evans, Colo.	Milford	Wiggins
Fascell	Miller, Calif.	Wilson, C. H.
Fish	Nix	Yates
Fithian	Nolan	Young, Alaska
Flippo	Preyer	Young, Tex.
Flowers	Pritchard	Zeferetti
Flynt	Pursell	
Fountain	Quie	

The Clerk announced the following pairs:

Mr. Rodino with Mr. McDonald.
Mr. Le Fante with Mr. Abdnor.
Mr. Thompson with Mr. Frey.
Mr. Zeferetti with Mr. Sarasin.
Mrs. Burke of California with Mr. Skubitz.
Mr. Phillip Burton with Mr. Steiger.
Mr. Dent with Mr. Johnson of Colorado.
Mr. Delaney with Mr. Ashbrook.
Mr. Flippo with Mr. Cunningham.
Mr. Mikva with Mr. Crane.
Mr. McHugh with Mr. Armstrong.
Mr. Ireland with Mr. Hillis.
Mr. Teague with Mr. Kasten.
Mr. Traxler with Mr. Livingston.
Mr. Vento with Mr. Thone.
Mr. Waxman with Mr. Wampler.
Mr. Charles H. Wilson of California with Mr. Wiggins.
Mr. St Germain with Mr. Young of Alaska.
Mr. Sikes with Mr. Pritchard.
Mr. Shipley with Mr. Pursell.
Mr. Risenhoover with Mr. Quie.
Mr. Ichord with Mr. Del Clawson.
Mr. Conyers with Mr. Cederberg.
Mr. Baucus with Mr. Burgener.
Mr. AuCoin with Mr. Broomfield.
Mr. Diggs with Mr. Holland.
Mr. Fascell with Mr. Hagedorn.
Mr. Fithian with Mr. Fraser.
Mr. Fountain with Mr. Quillen.
Mr. Miller of California with Mr. Schulze.
Mr. Mathis with Mr. Taylor.
Mrs. Lloyd of Tennessee with Mr. Nix.
Mr. LaFalce with Mr. Sisk.
Mr. Huckaby with Mrs. Smith of Nebraska.
Mr. Hannaford with Mr. Stanton.
Mr. Steed with Mr. Sebelius.
Mr. Stangeland with Mr. Jenkins.
Mr. Baldus with Mr. Barnard.
Mr. Boland with Mr. Dicks.
Mr. Cornwell with Mr. Flowers.
Mr. Roberts with Mr. Flynt.
Mr. Preyer with Mr. Milford.
Mr. Nolan with Mr. Lujan.
Mr. Davis with Mr. Leggett.
Mr. Brinkley with Mr. Edwards of Alabama.
Mr. Evans of Colorado with Mr. Yates.
Mr. Stump with Mr. Tsongas.
Mr. Harrington with Mr. Hightower.
Mr. Fowler with Mr. Marriott.

Mrs. Collins of Illinois with Mr. Jones of North Carolina.

Mr. GARCIA changed his vote from "nay" to "yea."

So the resolution was agreed to.

The result of the vote was announced as above recorded.

A motion to reconsider was laid on the table.

PROVIDING FOR ADJOURNMENT OF THE HOUSE FROM AUGUST 17 TO SEPTEMBER 6, 1978, AND OF THE SENATE FROM AUGUST 25, 26, 28, OR 29 TO SEPTEMBER 6, 1978

The SPEAKER pro tempore. The Chair lays before the House the following communication from the Senate.

The Clerk read as follows:

Resolved, That the concurrent resolution from the House of Representatives (H. Con. Res. 696) entitled "concurrent resolution providing for an adjournment of the House from August 17 to September 6, 1978," do pass with the following amendments: Page 1, line 4, after "1978" insert: ", and that when the Senate recesses on Friday, August 25, Saturday, August 26, Monday, August 28 or Tuesday, August 29, 1978, pursuant to a motion made by the Majority Leader in accordance with this resolution, it stand in recess until 10 o'clock a.m. on Wednesday, September 6, 1979".

Amend the title so as to read: "Concurrent resolution providing for an adjournment of the House from August 17 until September 6, 1978, and for a recess of the Senate from August 25, 26, 28, or 29 until September 6, 1978.".

The SPEAKER pro tempore. The question is on the Senate amendments.

The Senate amendments were concurred in.

A motion to reconsider was laid on the table.

USRA AUTHORIZATIONS, 1979

Mr. ROONEY. Mr. Speaker, I move that the House resolve itself into the Committee of the Whole House on the State of the Union for the consideration of the bill (H.R. 10898) to amend the Regional Rail Reorganization Act of 1973 to authorize appropriations for the U.S. Railway Association for fiscal year 1979.

The SPEAKER pro tempore (Mr. NEDZI). The question is on the motion offered by the gentleman from Pennsylvania (Mr. ROONEY).

The motion was agreed to.

IN THE COMMITTEE OF THE WHOLE

Accordingly the House resolved itself into the Committee of the Whole House on the State of the Union for the consideration of the bill, H.R. 10898, with Mr. MOAKLEY in the chair.

The Clerk read the title of the bill.

By unanimous consent, the first reading of the bill was dispensed with.

The CHAIRMAN. Under the rule, the gentleman from Pennsylvania (Mr. ROONEY) will be recognized for 30 minutes, and the gentleman from Kansas (Mr. SKUBITZ) will be recognized for 30 minutes.

The Chair now recognizes the gentleman from Pennsylvania (Mr. ROONEY).

Mr. ROONEY. Mr. Chairman, I yield myself such time as I may consume.

Mr. Chairman, I thought the gentleman from the Committee on Rules gave a very fine statement on the bill, H.R. 10898.

Mr. Chairman, I do have an amendment to offer at the proper time.

Mr. Chairman, H.R. 10898 authorizes appropriations for the U.S. Railway Association for fiscal year 1979 in the amount of $27,200,000.

The bill also adds a provision which permits USRA Board members whose terms have expired to continue serving on the Board for not more than 90 days during the interim before new Board members are appointed and take office.

The authorization of $27.2 million represents an increase of $4.2 million over the amount authorized to USRA for the present fiscal year. Congress created USRA in 1973, to develop a plan under which selected rail properties of the bankrupt carriers in the northeast and midwest regions were transferred to ConRail for continued operation. Subsequently, it was given authority to make loans to other railroads, as well as monitor the operations of ConRail and the railroads to which it awarded loans. USRA has made loans to both the Delaware & Hudson Railway Co., and the Missouri-Kansas-Texas Railroad Co.

The 4-R Act of 1976 gave the Association the responsibility to monitor ConRail's quality of service and its financial condition. The act also extended the planning functions of USRA, by providing the mechanism for a continuing reorganization process with transactions supplemental to the final system plan.

USRA is playing a central role on behalf of the Federal Government in defense of the final system plan, and in particular in connection with the valuation proceedings before the special court, established under the 3-R Act. The United States has a very major financial stake in the outcome of that litigation. In addition to requiring a substantial in-house legal staff, as well as legal fees for highly competent outside counsel, that litigation will require substantial expenditures during fiscal year 1979 for appraisers and other experts employed by USRA in assessing the value of rail properties transferred to ConRail, other railroads and government entities pursuant to the final system plan. ConRail plans to spend $21.5 million for this litigation during fiscal year 1979. This represents almost 80 percent of its authorization request and is $3.5 million more than was spent for this purpose in fiscal year 1978.

USRA must also continue to monitor ConRail's performance during the next fiscal year, which may be a very critical period for ConRail.

In addition, USRA must continue to review the financial condition of both the Delaware and Hudson Railway Co., and the Missouri-Kansas-Texas Railroad Co. in connection with the Federal funds loaned to them by USRA.

ConRail plans to spend $5.7 million on this monitoring during fiscal year 1979. This is approximately the same amount spent for this purpose in fiscal year 1978.

Finally, the provision in this bill with respect to the Board of Directors alleviates a situation which has hampered USRA for some time. The Rail Act of 1973 established a quorum for action by the USRA Board. When a sufficient number of Directors' terms expire without new ones taking office to replace them, the Association Board lacks sufficient membership to constitute a quorum under the statute. This amendment would allow those members whose terms are expiring to continue to serve, for 90 days and thus contribute to a quorum.

Mr. SKUBITZ. Mr. Chairman, I strongly support this piece of legislation. H.R. 10898 as reported by our committee was not so important that it could not be considered after the recess; however, subsequently to our committee reporting the bill, a condition arose on the D. & H. Railroad that made it necessary for our committee to take immediate action in order to stop a disaster. The D. & H. Railroad is on the verge of bankruptcy.

Bankruptcy of the D. & H. could easily happen unless we get off our duff and make available immediately $2.5 million that has already been committed by USRA to the D. & H. Railroad. If we do not do this, the D. & H. will be forced into bankruptcy and trustees will have to be appointed to operate the railroad until a reorganization plan can be formulated. It is estimated this if this took place, directed service might well cost this country $14 million to $17 million.

The issue that faced our committee when we asked that this amendment be added to H.R. 10898 was whether it was warranted, since there was no evidence that the D. & H. has been mismanaged or that it has not done a good job. There is evidence that because of the disastrous way we handled the railroad problem in the Northeast by forcing the D. & H. to take over 750 miles of railroad that it did not want.

If this is true, that this problem is our fault, we have one of two choices to make: Either force or prod USRA to give the $2.5 million, the balance due on the commitment it made to the D. & H. railroad so it can operate for 4 or 5 more months while we work on a reorganization plan, or let the railroad go into bankruptcy next week and probably have to pay out $14 million to $17 million.

Mr. Chairman, that is how clear and simple the issue is. I think the chairman of our committee used good judgment in deciding the thing to do would be to offer this amendment.

The Delaware & Hudson Railway is a special case which may go down in history as one of the worst illustrations of what Government interference can do to a railroad. Through a series of tragicomic regulations, we have uprooted a small but profitable railroad, assigned routes to it with strangling restrictions and, adding rape to incest, have foisted this railroad off in a classical shotgun marriage to another railroad that did not want any part of it. Can we really be

surprised that they come before us today with an urgent and imperative cry for assistance under the threat of immediate bankruptcy?

Yes, Mr. Chairman, I do support this limited assistance, this "organ tent" approach, but nevertheless I share the concern of our current Secretary of Transportation in these stopgap measures and recognize the limitations of holding off reorganization under chapter 77 of the Bankruptcy Act. I do not and could not support this bill and my chairman's amendment if it could only be qualified as a permanent bail out of an insignificant railroad leading us to write yet another chapter in the Guiness Book of Federal Foolishness.

Mr. CONTE. Mr. Chairman, will the gentleman yield?

Mr. SKUBITZ. I yield to the gentleman from Massachusetts.

Mr. CONTE. Mr. Chairman, I commend the chairman of the committee for the outstanding job he has done on this bill, and I commend the ranking Republican member, the gentleman from Kansas (Mr. SKUBITZ), as well.

Mr. Chairman, I rise in support of this USRA authorization bill. Despite the number of times that USRA and ConRail matters have been before this body, there still exists confusions between the two entities. The USRA serves banker to ConRail and monitors ConRail performance but it is not responsible for the daily operations of that railroad.

Serving in the twin roles as financier watchdog, the USRA has brought us a great deal of bad news concerning ConRail performance. As it turns out, USRA's original predictions for ConRail's early success have been erroneous. But, in the main, this has been so because of events outside the USRA control, including such occurrences as exceptionally bad weather, strikes, and poor ConRail car utilization of which it has been a persistent critic. Nevertheless, quarterly reports to Congress have accurately reflected the changed situation. And the findings of its most recent annual report to Congress have been largely confirmed by an independent ICC analysis.

It seems in pointing out the generally bad news about ConRail's financial condition, the USRA has incurred the wrath of some Members of Congress. However, if this body takes out its frustrations with inadequate ConRail performance by denying funds to USRA, it will be tantamount to killing the messenger because of the bad news he bears. This would be nothing to improve overall ConRail performance. Also, cutting back on the USRA would overlook its important role in managing the Government's defense in complex litigation stemming from reorganization of bankrupt railroads in the Northeast. USRA is playing a key role in bringing these Penn Central lawsuits to a successful conclusion. Its presence and expertise in these matters will ultimately save the Government millions of dollars, in reduced conveyance expenses. Without the USRA, it can be expected that ConRail would incur even graver difficulties than it has now in the management of railroads operations. Let us insist that the USRA do a better job in pressing ConRail for improvements through its handling of pursestrings but let us not kill the messenger simply because we do not like the news that he brings.

Mr. McDADE. Mr. Chairman, will the gentleman yield?

Mr. SKUBITZ. I yield to the gentleman from Pennsylvania.

Mr. McDADE. Mr. Chairman, I rise in support of the bill, and, first, I wish to commend the gentleman from Pennsylvania (Mr. ROONEY) and the gentleman from Kansas (Mr. SKUBITZ) for their fine work in bringing this bill to the floor.

Mr. Chairman, I rise to support the amendment and urge my colleagues to join with me in voting in favor of its passage. The amendment will, without the expenditure of new funds, prevent the bankruptcy of the only solvent railroad in the Northeastern United States.

Mr. Chairman, in order to properly evaluate this amendment we must look at the past to explain its necessity. The Delaware and Hudson Railroad has been in operation for more than 100 years. Most of those years were profitable. Suddenly, the D. & H. began to suffer more difficult operating conditions. Unfortunately, these conditions were caused by Federal action. First came the merger of the Pennsylvania Railroad and the New York Central. Our Federal response to this situation was to force the Norfolk and Western to purchase the stock of the D. & H. instead of dealing with the merger-caused loss of its friendly southern connection. We chose the expeditious answer instead of dealing with serious structural problems caused by this ICC approved merger.

Next came the final system plan collapse caused by a failure in negotiations that would have led to competition to ConRail. Because of the rush of events leading to congressional approval of the plan, we allowed, or perhaps forced, the D. & H. to accept twice as much trackage as they had ever before owned, as a remedy for the final system plan collapse. We left the D. & H. with friendly connections over their own tracks only to the east, while forcing them to use a hostile competitor's tracks for access to western and southern markets.

Then, as now, time was extremely important. Let us do the rational thing this time. Let us provide these funds so that the D. & H. can work out its own solutions instead of having unsuccessful ones forced upon them.

The alternatives are certainly not very hopeful. If the D. & H. goes into bankruptcy, we know from FRA's testimony that FRA's Emergency Rail Service Act funds for bankrupts would not be available. Therefore, the ICC would be required to authorize "directed service" by another carrier. That would cost taxpayers at the very least $15 million.

ConRail would be the most likely, in fact, the only real candidate for the operation of the D. & H. trackage. I am convinced that ConRail cannot now, nor in the near future, handle any additional responsibility. ConRail is only now beginning to respond to the probing of USRA's and ICC's substantially increased oversight staff. Its performance over the last 2 years rather clearly shows an inability to take on any more customers or trackage.

This amendment, gentlemen, is the only reasonable answer to this problem and it is the right one. Let D. & H. find its own answers in the marketplace and not on FRA's drawing boards. There will be no new cost if this proposal is adopted. Whereas well over $15 million will be expended if we do not loan this money to the D. & H.

To allow this solvent railroad to collapse would be the last in a string of mistakes and could never be corrected.

Mr. GILMAN. Mr. Chairman, will the gentleman yield?

Mr. SKUBITZ. I yield to my colleague, the gentleman from New York.

Mr. GILMAN. Mr. Chairman, I rise in support of the authorizing appropriations for the U.S. Railway Association.

Mr. Chairman, the Delaware & Hudson Railway Co. has been a successful business enterprise for over 100 years. In the post-World War II era, when railroad companies faced their greatest crises, and line after line went into bankruptcy, the D. & H. was an inspiration to us all, keeping itself operating, in the black, throughout the most trying circumstances.

In 1976, the Delaware & Hudson operated 700 miles of track, located mainly in upstate New York. Their facilities were in need of improvement, and the company applied to the U.S. Railway Association for financial assistance. As a condition for the authorization for a $30 million loan, as required under the "Triple R" Act, the D. & H. was required to take over some 700 miles of lines from other, defunct railroad companies.

Unfortunately, this expansion was too much and too rapid for the D. & H. to absorb. As a result of too great an expansion, the lack of expertise needed to man a railway company which overnight became twice the size it originally was, D. & H. ran into further financial difficulties. Exacerbating their cash flow crisis is the prolonged Norfolk & Western strike which has resulted in daily losses to D. & H. of $50,000.

I have been informed that more than 2,000 D. & H. jobs are at stake in this crisis and that hundreds of shippers throughout New York State, New Jersey, Pennsylvania, and New England rely heavily on D. & H. services.

This amendment would waive the provisions of the Triple R Act which modifies the criteria under which the USRA can permit drawdown of loans by qualifying railroads thereby enabling the D. & H. to avert bankruptcy by a drawdown of the existing balance on the current loan of $2.5 million and to obtain approval of an additional loan of up to $20 million.

Mr. Chairman, I believe that it is essential for the economic well-being of the entire Northeast that this amendment be passed. The Delaware and Hudson provides services for not only the southern tier of New York but also the New York northern corridor and all of New England. As long as the D. & H. is in operation traffic can be diverted from the northern corridor between Buffalo and Albany, which is now so overburdened

that our shippers all through New York are forced to endure delays. Were the D. & H. to close shop, this northern corridor would become even more burdened, and the delays in rail traffic would become worse.

The closing of the D. & H. would drive more shippers away from rail transportation. From an environmental standpoint, rail traffic is ecologically a more desirable way to ship. We should not therefore discourage rail traffic, if at all possible.

Mr. Chairman, as an advocate of the free enterprise system, I believe that a healthy competition works to the advantage of the consumer. The Delaware & Hudson has been giving ConRail healthy competition in the areas that it services. With this additional assistance from Congress, the D. & H. will be able to survive and hopefully grow into a truly productive, profitable, railway concern. The bankruptcy alternative would be much more costly and detrimental to the economy of the State of New York and to the entire Northeast.

Accordingly, Mr. Chairman, I urge all of my colleagues to join in supporting this vital measure and I urge the distinguished chairman of this subcommittee, the gentleman from Pennsylvania (Mr. ROONEY), to provide the same kind of understanding rail relief to the Hudson Valley region or New York State by authorizing ConRail in subsequent legislation, to repair and reopen the Poughkeepsie Rail Bridge, another vital link between New York State and New England.

Mr. SKUBITZ. Mr. Chairman, let me say to my colleague, the gentleman from New York (Mr. GILMAN) that the history of this committee has been that it has made every effort to meet these problems relating to the railroad industry in a forthright manner, and I can assure the gentleman we will try to work out a sound solution.

Mr. GILMAN. Mr. Chairman, if the gentleman will yield further, I thank the gentleman for that assurance.

I wonder if I might just direct a question to the chairman of the subcommittee and ask him to comment with respect to the Poughkeepsie Rail Bridge.

Mr. ROONEY. Mr. Chairman, if the gentleman from Kansas (Mr. SKUBITZ) will yield, I assure the gentleman from New York (Mr. GILMAN) that this matter will be taken up when we discuss the ConRail bill next month.

Mr. GILMAN. Mr. Chairman, I hope we will have the gentleman's support in seeking the repair of that bridge.

Mr. CARTER. Mr. Chairman, will the gentleman yield?

Mr. SKUBITZ. I yield to my colleague, the gentleman from Kentucky.

Mr. CARTER. Mr. Chairman, I thank the distinguished gentleman from Kansas (Mr. SKUBITZ) for yielding.

Mr. Chairman, I want to commend the gentleman and the chairman of the subcommittee for their work on this particular bill. Particularly I want to commend my friend, the gentleman from Kansas (Mr. SKUBITZ), for his excellent explanation of this legislation. I think he has explained it succinctly and has told it as it is.

Mr. Chairman, without this legislation it is entirely possible that this particular railroad in question would be bankrupt within a very few weeks.

Mr. ROUSSELOT. Mr. Chairman, will the gentleman yield?

Mr. SKUBITZ. I yield to the gentleman from California.

Mr. ROUSSELOT. Mr. Chairman, I appreciate my colleague's yielding.

The gentleman from Kansas (Mr. SKUBITZ) has mentioned to me before that the authorization in this bill is roughly $2.5 million; is that correct?

Mr. SKUBITZ. Mr. Chairman, the authorization is not $2.5 million. In the case of this amendment, we are really not in fact authorizing anything.

What we are doing here is instructing and enabling USRA to fulfill its obligation by loaning the D. & H. Railroad $2.5 million already committed.

Mr. ROUSSELOT. So there is no hidden guarantee or potential major provision in this that could potentially result from this legislation?

Mr. SKUBITZ. None that I know of at all.

Mr. ROUSSELOT. Mr. Chairman, I thank my colleague for his answer. I know the gentleman has worked hard to make sure that this emergency legislation has moved along, and at least we understand it is more necessitated now than it was in the past.

Mr. SKUBITZ. Mr. Chairman, I thank my colleague for his interest.

Mr. ROONEY. Mr. Chairman, I yield such time as he may consume to the gentleman from Pennsylvania (Mr. FLOOD).

Mr. FLOOD. Mr. Chairman, I appreciate the gentleman's yielding this time to me. I wish to express my appreciation for the extraordinary work the chairman of the subcommittee has done on this bill. His efforts in this regard are very important to us in Pennsylvania.

I could not agree more with my colleague from Pennsylvania (Mr. ROONEY), and I rise in support of the committee amendment. When I was a high school student in Wilkes-Barre, Pa., I spent my summers laying ties on the Port Buckley Bridge on the Lehigh Valley Railroad. There were hot summer nights when the smell of creosote was so bad, my family asked me to walk around the block for awhile. That is my first remembrance of the saga of the American railroads; in the days when six competing railroads all came into the center of downtown Wilkes-Barre. The railroads were the spirit of the free enterprise system and they provided the best there was in competition—but now, will the last of the competing railroads in the Northeast United States survive? Or will the D. & H. be left abandoned into imminent bankruptcy and that ugly octopus known as ConRail?

The loss of this loan authority to the D. & H. will cause the demise of the railroad and irreparable harm to rail service in the Northeast—service which is badly needed and without which, counties such as Luzerne in my district cannot live. I urge the support of the committee amendment by all Members, to allow the remaining $2.7 million of a $30-million loan to be drawn down by the D. & H. Railroad. I know that such action is consistent with the goals of the Rail Reorganization Act of 1973 and the final systems plan.

Mr. ROONEY. Mr. Chairman, I yield such time as he may consume to the gentleman from New York (Mr. HANLEY).

Mr. HANLEY. Mr. Chairman, I too, commend the committee for its excellent work on this bill.

Mr. Chairman, I rise in support of the committee amendment to H.R. 10898, the U.S. Railway Association authorization for fiscal year 1979. This amendment is designed to head off a severe financial crisis that would result in the bankruptcy of the last major railroad in the Northeast. I refer to the Delaware and Hudson Railway, a railroad that has fallen victim to events arising out of the Federal reorganization process of rail service in the Northeast. By removing certain constrictions in the Railroad Reorganization Act of 1973 and bringing it more in line with the certain principles of continued competition outlined in the 3 R Act, we hope to keep the railroad running until a Federal reorganization and restructuring study under section 401 of the 3 R Act can be completed and acted upon. The amendment allows continued loan drawdowns on the remaining $2.7 million in USRA section 211(h) and will also enable the USRA to approve further loans on additional moneys expected to be repaid by other railroads into the section 211(h) fund. Specifically, other moneys that should become available are $2 million from the KATY System in October and those funds which will be paid by the Penn Central when it comes out of reorganization. I cannot emphasize strongly enough the critical need for this amendment. It is vital for continued freight service in the New England States and to maintain competition in the Northeast. Without this amendment the only really alternative is bankruptcy. In that event the ICC would have to order a 240-day directed service period by another railroad. The USRA estimates such a move will cost between $15 and $17 million in unrecoverable losses to the Treasury, making this procedure an option we should avoid at all costs. While this amendment does not go as far as the amendment I originally suggested during hearings on the D. & H. situation August 15, it represents an effective solution to the problem and has my wholehearted endorsement. I hope we can all support this very important emergency measure.

Mr. ROONEY. Mr. Chairman, I yield such time as he may consume to the gentleman from New York (Mr. MURPHY).

Mr. MURPHY of New York. Mr. Chairman, I thank my colleague for yielding this time to me.

Mr Chairman I want to join my distinguished colleague from New York (Mr. HANLEY), in support of his timely amendment to H.R. 10898. I think we can safely say that in articulating our concern that the Congress provide ad-

ditional loan authority to prevent the bankruptcy of the Delaware & Hudson Railroad that I am speaking for all my northeastern colleagues.

The D. & H. Railroad offers the only competitive rail freight service to ConRail in most of New York State, parts of New Jersey, Pennsylvania, and Vermont. Moreover, this railroad is a veritable lifeline for the supply and marketing of all of New England's industry.

The amendment which is now before this House would do two things:

First. It would grant an additional $20 million in loan authority to the USRA pursuant to an existing "3R" act rail assistance program.

Second. And of equal importance it modifies the statutory standards which govern the USRA judgment—and so in a manner consistent with the congressionally approved final system plan. That is, it will help to assure the maintenance of competition to ConRail in the Northeast.

The alternatives which face us in bankruptcy are grim indeed. First, hundreds of businesses of which the strength of the Northeast economy so vitally rely will be forced to undertake costly changes to other modes of transportation, or even worse, to close shop entirely. Secondly, and we must not lose sight of this compelling fact, the Federal alternatives in bankruptcy would cost the U.S. taxpayer far more money than the option which the Hanley amendment offers. The Honorable A. Daniel O'Neal, Chairman of the Interstate Commerce Commission, testified as recently as Tuesday before Mr. ROONEY's Subcommittee on Transportation and Commerce that the directed service alternative would cost the Federal Government, in an outright subsidy, between $15 and $17 million to secure a mere 240 days of continued service. The D. & H. estimates that $15 million in loans would see the railroad through the next 12 to 18 months—and without incurring bankruptcy.

Furthermore, a directed service order issued by the ICC to have ConRail operate the D. & H. will result in no competitive rail service. Under this loan program, Federal aid is recoverable as evidenced by the fact that the D. & H. has already begun to pay back earlier loans with interest.

I urge my colleagues not to abandon this railroad. It is imperative that we permit the several federally sponsored studies which are underway to be completed. It hardly makes sense to preempt the congressionally established "401" study mechanism by allowing another bankrupt railroad to occur before proper options are presented.

We have before us an opportunity to work in partnership with our State governments and with an improved and revamped railroad management to save jobs and Federal dollars. New York State alone has provided nearly $25 million in outright grants in an effort to save this railroad. I urge my colleagues to support this amendment which will buy us the time needed to prove it can work.

Mr. ROONEY. Mr. Chairman, I have no further requests for time.

Mr. SKUBITZ. Mr. Chairman, I yield 5 minutes to my colleague, the distinguished gentleman from Texas (Mr. COLLINS).

Mr. COLLINS of Texas. Mr. Chairman, I oppose this authorization for the following reasons:

First. The exigent circumstances leading to the creation of USRA no longer exist.

Second. The political need for USRA no longer exists.

Third. The elimination of USRA will save taxpayer money.

Fourth. The elimination of USRA will foster a stronger, more unified transportation policy.

THE EXIGENT CIRCUMSTANCES LEADING TO THE CREATION OF USRA NO LONGER EXIST

USRA was created by Congress in the Regional Rail Reorganization Act of 1973 to deal with the crisis resulting in the bankruptcy of seven railroads in the Northeast. The USRA submitted a plan to Congress which was approved for the consolidation of most of those bankrupt railroads into ConRail. That consolidation has taken place, and rightfully, the agency should have died. Bureaucratic inertia, however, has continued to lead USRA toward finding excuses for their continued existence. Those bureaucratic excuses add up to the $27,200,000 request contained in this bill for fiscal year 1979. All of the functions presently conducted by USRA can be handled by other Government agencies at far less cost.

THE POLITICAL NEED FOR USRA NO LONGER EXISTS

When USRA was created, one political party controlled the executive branch and another political party controlled the Congress. When the political tensions of 1973 were added to the two-party control of Government, Congress decided that it would be able to trust its own special creation better than traditional transportation agencies of Government.

Today, the political tensions of 1973 have dissipated. Today, one political party controls both the legislative and executive branches of Government. There is no political advantage in having a governmental agency outside of the executive branch.

THE ELIMINATION OF USRA WILL SAVE TAXPAYER MONEY

Everything the USRA does can be done—and done more efficiently—by other agencies of Government. USRA estimates that $21,541,000, or 79 percent of the funds requested, will be needed to finance the litigation on behalf of the United States arising out of the reorganization of the bankrupt railroads in the Northeast. What that really means is that USRA will use most of the money to pay a couple Washington law firms to provide lawyers to argue the case on behalf of Uncle Sam. It also requires large payments to appraisers to prepare new valuations for the law suits. One has to wonder why it is that Justice Department lawyers have suddenly become incapable of arguing a case for the United States. The Justice Department has the staff, has the competency, and I suspect, if permitted, has the will to argue the valuation case growing out of the establishment of ConRail.

USRA estimates that $5,659,000, or approximately 21 percent of the funds requested, will be needed in order to oversee or monitor what ConRail is doing. It is interesting to note that the Federal Railroad Administration in the Department of Transportation also monitors ConRail's activities since it is that Department that must request the additional funds needed by ConRail. That Department also has responsibility for monitoring ConRail to make certain that it conforms to railroad safety laws and manages its business in a way which will minimize the need for future Government handouts. There is no reason that DOT and the FRA could not take full responsibility for monitoring ConRail.

It is entirely likely that the Justice Department and the Department of Transportation could completely absorb all of the things now being done at USRA without having to add a penny to their respective budgets. In my judgment, the elimination of USRA would mean an immediate savings of $27,200,000.

THE ELIMINATION OF USRA WILL FOSTER A STRONGER, MORE UNIFIED TRANSPORTATION POLICY

For years, Congress has urged Government agencies to work toward the development of programs for a sound national transportation policy. In creating USRA, Congress fragmented the development of transportation policy.

In 1965, when we created the Department of Transportation, it was for the purpose of bringing together all transportation functions involving Government regulation and subsidy. Continuation of USRA thwarts the purpose of the Transportation Act of 1965 and continues fragmentation of an area which needs consolidated Government policy. Elimination of USRA will permit the Department of Transportation to do the job it should be doing.

If there is any agency in need of a sunset, USRA is that agency. I urge the rejection of this authorization so that Government processes can be returned to normal and the taxpayers can save $27,200,000 without harming any project or any Government policy.

We all want sunset laws to end unneeded Government agencies. Let us end this authorization and thereby end the USRA agency.

The CHAIRMAN. The time of the gentleman from Texas has expired.

Mr. SKUBITZ. Mr. Chairman, I yield 5 additional minutes to the gentleman from Texas.

Mr. RUDD. Mr. Chairman, will the gentleman yield for one question?

Mr. COLLINS of Texas. I yield to the gentleman from Arizona.

Mr. RUDD. Mr. Chairman, I would like to commend the distinguished gentleman from Texas on his diligence in this matter, but what I am hearing here indicates to me that perhaps this USRA is in the nature of a board of directors that no longer acts, is that correct?

Mr. COLLINS of Texas. They are acting. They have spent considerable time allocating funds. In other words, this is entirely an administrative agency.

They do not operate a railroad. All they do is engage in lawsuits. We have got a Justice Department down here that spends too much time on bussing lawsuits. They ought to have more time to take care of railroad lawsuits. It is just too bad that we are not giving them enough time to work on the essential litigation this country really needs to have to protect the national interest.

Mr. RUDD. I certainly thank the gentleman for the concise, clear explanation.

Mr. COLLINS of Texas. Mr. Chairman, if I can, I would like to call on the gentleman from Pennsylvania (Mr. ROONEY) to give me some background. As I understand it, one of the pressing needs, and probably the most logical reason for this authorization, is because of this railroad that is in dire straits up here. Is that an absolute crisis that has to be acted on now?

Mr. ROONEY. Mr. Chairman, if the gentleman will yield, the authorization request is for the litigation the valuation case pertaining to the transfer of assets from the bankrupt estates to ConRail and the monitoring of ConRail. As I understand it, the USRA will be out of business as soon as the case is settled by the special court. I am in complete accord with the gentleman from Texas. I do not want to see USRA continue indefinitely. I think USRA must, however, continue to perform the essential functions of litigating the valuation case monitoring railroad operations in instances when they have received Federal funds. They are doing an exceptional job.

They have got the expertise and as soon as this case is settled, if I am still in Congress and still chairman of this committee, I can assure the gentleman from Texas the USRA will be back up.

Mr. COLLINS of Texas. Of course based on the average experience and knowledge and life expectancy, I doubt if the gentleman from Pennsylvania will be here when this is finished. When does the gentleman foresee this will be terminated? Can he give any date we can anticipate that?

Mr. ROONEY. The gentleman from Texas knows how the courts operate in this country. It is in the special court in Philadelphia, and the court is trying to settle it as quickly as possible. In fact it is attempting to have the matter settled out of court. If this is possible the matter should be settled expeditiously. As soon as it is settled I think the gentleman will see the USRA go out of existence.

Mr. COLLINS of Texas. Of course, the gentleman did not give a specific date.

Mr. ROONEY. I cannot tell the gentleman how long the court case will take. He knows the courts as well as I do. Sometimes it is like Congress.

Mr. ROUSSELOT. Mr. Chairman, will the gentleman yield?

Mr. COLLINS of Texas. I yield to the gentleman from California.

Mr. ROUSSELOT. Mr. Chairman, I have heard rumbles from several of the gentleman's committee members, Mr. Chairman, and there is a real possibility we ought to pull this thing out of existence next year. Does the gestleman share that idea of putting it to sleep?

Mr. ROONEY. No. There is too much money involved in this, and for them to transfer it over to the Justice Department or the DOT I think would be illogical. The Justice Department and DOT requested that USRA handle this case. I think we need the USRA until this court case is settled.

Mr. ROUSSELOT. Does not the DOT have adequate machinery to handle that?

Mr. ROONEY. Absolutely not, if the gentleman will continue to yield. If the DOT has the responsibility it would be forced to hire outside counsel.

Mr. COLLINS of Texas. Mr. Chairman, I rise in opposition to the amendment.

I would just say that our basic problem with this whole legislation is that it is going on and on and on. The States are given a deadline on the time to act. They just keep putting it off and putting it off.

Mr. Chairman, there is no need for any further extension. The amendment just speaks for itself. Are we going on and on in perpetuity with this matter, or do we want to put a deadline on it?

Mr. FLORIO. Mr. Chairman, will the gentleman yield?

Mr. COLLINS of Texas. I yield to the gentleman from New Jersey.

Mr. FLORIO. Mr. Chairman, I am somewhat surprised that the gentleman from Texas (Mr. COLLINS) would reject an opportunity for ConRail to derive revenue from a source other than the Federal Government, knowing of the gentleman's interest in avoiding further Federal support for this particular entity.

This amendment provides ConRail with an opportunity to unload unneeded trackage to someone who wants it. Thus, it will not be a burden on the Federal taxpayer.

I would think that if the gentleman thinks through his position and his rather philosophical statement with regard to the operation of USRA as well as ConRail, he would find this amendment a highly desirable one to support.

Mr. COLLINS of Texas. Mr. Chairman, I would say to the gentleman from New Jersey (Mr. FLORIO) in that regard that this is not a matter of unloading. It is a matter of making a decision. Some people just do not make decisions very quickly. They go over a deadline, and the greater the deadline that is given them, the longer they postpone the decision.

Mr. GARY A. MYERS. Mr. Chairman, will the gentleman yield?

Mr. COLLINS of Texas. I yield to the gentleman from Pennsylvania.

Mr. GARY A. MYERS. Mr. Chairman, I am concerned about the gentleman's interpretation.

He said the extension is needed so that the local municipalities can buy these lines at a reduced price. If that is true, that means that there will be less money in the till when the whole bankruptcy is disposed of in the courts; and it will, in fact, be the Federal Government which will have to make up the difference on that equipment which has been sold off at a reduced price. Therefore, I think in the long run, the Federal taxpayer will pay, in some sense, for the extension here, and we ought to recognize that.

Mr. COLLINS of Texas. The gentleman from Pennsylvania is exactly correct.

Mr. SKUBITZ. Mr. Chairman, I have no further requests for time.

Mr. ROONEY. Mr. Chairman, I have no further requests for time.

The CHAIRMAN. The Clerk will read.

The Clerk read as follows:

H.R. 10898

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That section 214(c) of the Regional Rail Reorganization Act of 1973 (45 U.S.C. 724(c)) is amended to read as follows:

"(c) ASSOCIATION.—For the fiscal year ending September 30, 1979, there are authorized to be appropriated to the Association for purposes of carrying out its administrative expenses under this Act such sums as are necessary, not to exceed $27,200,000. Sums appropriated under this subsection are authorized to remain available until September 30, 1980.".

Mr. ROONEY (during the reading). Mr. Chairman, I ask unanimous consent that the bill be considered as read, printed in the RECORD, and open to amendment at any point.

The CHAIRMAN. Is there objection to the request of the gentleman from Pennsylvania?

There was no objection.

COMMITTEE AMENDMENT

The CHAIRMAN. The Clerk will report the committee amendment.

The Clerk read as follows:

Committee amendment: Page 2, after line 2, insert the following new paragraph:

SEC. 2. Section 201(e) of the Regional Rail Reorganization Act of 1973 (45 U.S.C. 71 (e)) is amended by adding at the end thereof the following new sentence: "Upon the expiration of their terms of office, members of the Board shall continue to serve until their successors have been appointed and qualified, except that a member shall not serve for more than 90 days after the expiration of his term.".

The CHAIRMAN. The question is on the committee amendment.

The committee amendment was agreed to.

AMENDMENT OFFERED BY MR. ROONEY

Mr. ROONEY. Mr. Chairman, I offer an amendment.

The Clerk read as follows:

Amendment offered by Mr. ROONEY: Page 2, immediately after line 9, insert the following new section:

SEC. 3. Section 211(d) of the Regional Rail Reorganization Act of 1973 is amended by adding a new sentence at the end thereof as follows: *"Provided,* That with respect to a loan made under subsection (a) of this section to a railroad in the region, the Association may approve any modification of such loan, including increasing the principal amount of the loan, upon a finding that such modification would permit the continuation of rail service determined by the Association, in the Final System Plan or under the goals of the Act, to be desirable."

Mr. ROONEY (during the reading). Mr. Chairman, I ask unanimous consent that the amendment be considered as read and printed in the RECORD.

The CHAIRMAN. Is there objection to the request of the gentleman from Pennsylvania?

Mr. ROUSSELOT. Mr. Chairman, reserving the right to object, I will not object, can the gentleman explain the amendment?

Mr. ROONEY. Yes, if the gentleman will yield, the Regional Rail Reorganization Act of 1973 requires that in awarding loans to railroads it must assure itself that it receives sufficient security to reasonably protect the interests of the United States and that the funds will be repaid within the time fixed by the loan. It has now been determined that these conditions are too restrictive in the cases of railroads in bankruptcy or bordering on bankruptcy. The proposed amendment would remove these restrictive conditions.

The necessity for this amendment was forcefully brought out last week when the USRA financial committee decided, with regard to an outstanding loan to the Delaware and Hudson Railway, that it was no longer able to make the required findings to the effect that adequate security existed and the loan would likely be repaid in a timely manner. Consequently, it voted to prohibit the draw down of the remaining $2.7 million of the $30 million commitment.

The D. & H. Railway is in very precarious financial condition. This has been of considerable concern for some time to my subcommittee as well as the Government agencies involved. It is now obvious that unless the railroad can receive the additional funds from the existing loan commitment, it will be forced to file for bankruptcy in a very few days.

The Subcommittee on Transportation and Commerce held a full day of hearings on this matter yesterday. It was determined that to a large extent this precarious financial condition is due to an overexpansion 2 years ago resulting from the final system plan. Thus, it is my belief that since the Government placed the railroad in this condition, it has a moral responsibility to keep the railroad from bankruptcy until such time as the presently ongoing restructuring plans are completed. Although this small railroad operates in the Northeast, it provides essential services for the entire Nation.

The amendment that I am proposing would give a needed flexibility to aid ailing railroads. In my opinion, it is much more preferable to aid an ailing railroad rather than to await bankruptcy and go through the horrendous project of restructuring under adverse conditions and undue pressure.

Our hearings disclosed that the action we are proposing is much cheaper to the Federal Government than the alternatives. It was brought out that the alternative to permitting the loan drawdown, which would be accomplished by the proposed amendment, would be for the Interstate Commerce Commission to direct service. The Chairman of the ICC testified that his directed service order would cost between $15 and $17 million and moreover, the funds would not be refundable. Obviously, an unsecured loan is preferable to a known giveaway. In addition, the directed service would only be in effect for 8 months. After the 8-month service period, a permanent solution may still not have been found and no means would remain for providing the essential services provided by this railroad. In addition, it was brought out that directed service may not be requested by the court and the trustees of the bankrupt railroad and hence it could proceed immediately to liquidation. This would create untold economic havoc, not only in the Northeast but in other parts of the country as well.

In a sense, the proposed amendment will buy time for the matter to be thoroughly studied and hopefully a permanent solution will be found. These studies are already in process.

I would also like to emphasize that no new funds are being requested. Rather, it is requested that the railroad be permitted to draw down the small remaining balance of an existing loan commitment and granted a new loan if necessary and justified under the new conditions.

Although I introduced this amendment, I want it clearly understood that I am able to introduce it because of the assistance and cooperation that I have received from a number of my colleagues. These colleagues are from both sides of the aisle and represent districts served by the D. & H. Railroad and districts far removed from this service area. During our hearings yesterday we received testimony and support from Mr. STRATTON, Mr. HANLEY, Mr. MCDADE, and Mr. CONTE. In addition, a number of other Members wanted to testify but were unable due to previous unalterable commitments. Moreover, the ranking minority member of the subcommittee, my good friend Mr. SKUBITZ, has been instrumental throughout all our deliberations and especially during this matter.

We all urge your support in adopting this amendment.

Mr. ROUSSELOT. Mr. Speaker, further reserving the right to object, what it means then is that the rules presently under which this agency operates are so strict that they would not be able to make this additional guarantee or loan?

Mr. ROONEY. That is correct.

Mr. ROUSSELOT. It is a loan?

Mr. ROONEY. That is correct.

Mr. ROUSSELOT. Then I would ask the gentleman this: Who put this railroad in that condition?

As I understand it, part of the problem is that we imposed upon them some additional track, is that correct?

Mr. ROONEY. Yes.

Mr. ROUSSELOT. That they had to take that additional track that was imposed upon them, and consequently the Government has created the bankruptcy?

Mr. ROONEY. That is right.

Prior to 1976 this was a financially profitable railroad that had some 750 miles of track and they added some 900 miles of additional track. This was necessary because the Chessie system failed to take over the part of the system designated to it in the final system plan.

Mr. ROUSSELOT. So that this is another example of the Government forcing upon a profitable operation an unnecessary burden and that is why we are here today.

Mr. ROONEY. Six railroads in the Northeast were bankrupt and had to reorganize. I think the law developing ConRail was the cure for nationalization. I think we would have seen nationalization of our railroads in this country had we not enacted this legislation in 1976.

I am hopeful that we will see ConRail become a profitable railroad. I am still bullish on ConRail because it is the only ballgame in town.

Mr. CONTE. Mr. Chairman, will the gentleman yield?

Mr. ROUSSELOT. I yield to the gentleman from Massachusetts.

Mr. CONTE. Mr. Chairman, I rise in support of the amendment of the gentleman from Pennsylvania (Mr. ROONEY) which would amend section 211(d) of the 3–R Act to give the U.S. Railway Association the authority to modify loans guaranteed under its section 211(a) authority upon finding only that such modifications would permit the continuation of rail services determined by the association in the final system plan or under the act, to be desirable in achieving the goals of the act.

The purpose of this language is to allow the USRA, the banker under the section 211 program, more flexibility in responding to the problems of troubled railroads in the Northeast and Midwest. It provides the association with the tools needed to quickly help railroads through cash emergencies such as the one currently facing the Delaware & Hudson Railroad, where there is a real threat that a cessation of railroad operations otherwise may result. It also provides a means of attacking the railroad problems which have plagued the Northeast and Midwest in a rational manner, during a time when studies and suggestions for long-term solutions to such serious regional problems of overcapacity, deteriorated facilities and shortages of revenues are receiving careful attention.

The wisdom of the amendment is recognized when one considers the alternatives available—or lack thereof.

In the case of the Delaware & Hudson, these alternatives include shorted term "directed" service along its routes by another railroad at unrecoverable Government expense or a total cessation of service in the immediate future. Ultimately, it may mean the D. & H. being swallowed up by its behemoth competitor, ConRail. This is an alternative that should surely be avoided.

I feel that a precipitous event such as the D. & H.'s quick collapse could have a "domino" effect and be very harmful to the financial health of all railroads in the region. The very future of New England's main line, the Boston & Maine Railroad, is tied to the continued operation of the D. & H. The D. & H., along with ConRail, represents B. & M.'s only links to the west and south of New England. The Delaware & Hudson interchanges about one-half of its traffic with the B. & M., representing approximately one-third of the B. & M.'s volume. In order to gain perspective on the size of this freight volume, it can be pointed out that

the Delaware & Hudson's revenues run around $70 to $80 million per year, while the Boston & Maine's revenues reach nearly $100 million.

In addition to the B. & M., the Vermont Railroad and ConRail interchange directly with the Delaware and Hudson on New England shipments. On top of this, quite a number of our other railroads are dependent on the D. & H. through B. & M. as a middle carrier. This is particularly true of States such as Maine and New Hampshire, where the Maine Central and the Bangor & Aroostook ship a good deal of freight through the B. & M. to the Delaware & Hudson lines. Thus it is clear that the continuation of the D. & H. service is very important to the success of New England economy in particular the New England economy in general.

Passage of this amendment will allow the D. & H. to drawdown funds from USRA under the present section 211 program, without an additional appropriation, which could sustain the railroad for approximately 2 years.

Other regional railroads, like the B. & M., Central of Vermont, or Bangor & Aroostook are potentially eligible for loans under this program, but any increase in the size of this program to accommodate any new loan requests would be subject to approval under the appropriations process. This fact provides the Congress with an additional opportunity to weigh the wisdom of this program.

Moreover, this amendment would allow future long-term solutions, such as those available under DOT's section 401 authority to waive certain antitrust provisions to encourage restructure of the railroads. The D. & H. and the B. & M. are now subject to a study under this provision. In addition, we in New England have already begun to deal with the issue of rationalization of our railroad system. The New England Regional Commission has been working with the USRA on a rail transportation study which focuses in large part of restructuring the D. & H. system. Also, Boston and Maine's President, Allan Dustin, recently submitted an interesting plan for reform of the working capital fund under the Emergency Rail Services Act that deserves close consideration as a future remedy.

In sum, we have before us an imperfect, but necessary solution to an imperfect situation brought about in the wake of the Penn Central bankruptcy and its aftermath. If we are to work out a rational cure to the resultant railroad facing the Northeast and Midwest, we should allow USRA the flexibility needed to deal with a crisis like the current D. & H. cash squeeze.

This amendment provides such flexibility and I urge its passage.

Mr. ROUSSELOT. Mr. Chairman, I think the gentleman has made the point. We need the amendment. The point I was trying to make is that it was the Government that caused the problem.

Mr. CONTE. I think the gentleman is right, and ConRail has not helped them at all and if we do not do this ConRail will be taking over the Delaware & Hudson.

Mr. ROUSSELOT. I thank the gentleman, and I withdraw my reservation of objection.

The CHAIRMAN. Is there objection to the request of the gentleman from Pennsylvania (Mr. ROONEY) that further reading of the amendment be dispensed with and that it be printed in the RECORD?

There was no objection.

The CHAIRMAN. The question is on the amendment offered by the gentleman from Pennsylvania (Mr. ROONEY).

The amendment was agreed to.

AMENDMENT OFFERED BY MR. FLORIO

Mr. FLORIO. Mr. Chairman, I offer an amendment.

The Clerk read as follows:

Amendment offered by Mr. FLORIO: Page 2, immediately after line 9, insert the following new section:

SEC. 3. Section 206(d)(5)(C) of the Regional Rail Reorganization Act of 1973 (45 U.S.C. 216(d)(5)(C)) is amended by striking out "900 days" and inserting in lieu thereof "3 years".

Mr. FLORIO. Mr. Chairman, improving the quality of our Nation's commuter rail network was a major concern in the establishment of the Consolidated Railroad (ConRail) system. Congress provided a mechanism in the Regional Rail Reorganization Act of 1973 for ConRail and Amtrak to sell their surplus trackage, stations, and rights-of-way to States and other operating authorities at net liquidation value. States could thereby operate commuter services more efficiently with control of operations and track maintenance. The 900-day period was established as the time during which negotiations for purchases at this price would take place.

The State of New Jersey Department of Transportation and other operating authorities in the ConRail service area have been engaged in active negotiations under these provisions. NJDOT is planning to use property acquired through this option to bring new passenger rail service to seven counties, including direct access to New York from the former Erie Lackawanna lines, and extension of the Lindenwold high-speed line into the suburban areas of southern New Jersey.

The 900-day period runs out on September 17, 1978, and this deadline is becoming an obstacle to the completion of the purchase agreements. My amendment would remove the pressure of this immediate deadline from the negotiation process. The States and ConRail and Amtrak would have the time to settle their remaining differences, and reach agreement on this sale of vital rail property.

I urge adoption of this amendment in the interest of efficient rail transit service and for the immediate benefit of many of our districts in the ConRail service area.

Mr. SKUBITZ. Mr. Chairman, will the gentleman yield?

Mr. FLORIO. I yield to the gentleman from Kansas.

Mr. SKUBITZ. Mr. Chairman, under existing law, the States are allowed 900 days to purchase railroad property; is that not correct?

Mr. FLORIO. That is correct.

Mr. SKUBITZ. And all the gentleman from New Jersey is trying to do here is to help some of the States which are trying to renegotiate with ConRail and take over some of the bankrupt railroads' property by giving them an additional 195 days; is that correct?

Mr. FLORIO. That is correct.

Mr. SKUBITZ. Mr. Chairman, we accept the amendment on this side.

Mr. GARY A. MYERS. Mr. Chairman, will the gentleman yield?

Mr. FLORIO. I yield to the gentleman from Pennsylvania.

Mr. GARY A. MYERS. Mr. Chairman, what would occur if the extension were not allowed with respect to ConRail? Is it not true that they would be able to simply eliminate these lines?

In other words, the question I have is, Will it cost ConRail more money to continue to operate these lines during this extended negotiation period?

Mr. FLORIO. Most of these lines are not being operated. They are excess lines which ConRail is being required to keep up, with all the maintenance costs associated with them.

If, in fact, this period is not extended, ConRail will not be able to continue negotiating with the States and with most of the agencies which desire to purchase these lines. Accordingly, what will happen is that ConRail will be required to keep the lines, and the States will not be able to buy them at the net liquidation price which the States regard as advantageous for their future needs.

Mr. GARY A. MYERS. If the gentleman will yield further, Mr. Chairman, is the gentleman saying that ConRail could not, on its own, even after this 900-day period expired, sell something off if it so desired or could not negotiate to sell it off?

Mr. FLORIO. They will not be in a position to negotiate under the terms of the 900-day option, by virtue of the 4–R Act, which specifically authorized ConRail to sell these lines at the net liquidation price to States desiring to take advantage of these prices so that they will not later have to negotiate at higher prices.

Mr. GARY A. MYERS. Mr. Chairman, I thank the gentleman.

The CHAIRMAN. The question is on the amendment ofiered by the gentleman from New Jersey (Mr. FLORIO).

The amendment was agreed to.

The CHAIRMAN. Under the rule, the Committee rises.

Accordingly the Committee rose; and the Speaker having resumed the chair, Mr. MOAKLEY, Chairman of the Committee of the Whole House on the State of the Union, reported that that Committee, having had under consideration the bill (H.R. 10898) to amend the Regional Rail Reorganization Act of 1973 to authorize appropriations for the U.S. Railway Association for fiscal year 1979, pursuant to House Resolution 1321, he reported the bill back to the House with sundry amendments adopted by the Committee on the Whole.

The SPEAKER. Under the rule, the previous question is ordered.

Is a separate vote demanded on any amendment? If not, the Chair will put them en gros.

The amendments were agreed to.

The SPEAKER. The question is on the engrossment and third reading of the bill.

The bill was ordered to be engrossed and read a third time, and was read the third time.

The SPEAKER. The question is on the passage of the bill.

The question was taken; and the Speaker announced that the ayes appeared to have it.

Mr. ROUSSELOT. Mr. Speaker, I object to the vote on the ground that a quorum is not present and make the point of order that a quorum is not present.

The SPEAKER. Evidently a quorum is not present.

The Sergeant at Arms will notify absent Members.

The vote was taken by electronic device, and there were—yeas 253, nays 67, not voting 112, as follows:

[Roll No. 723]

YEAS—253

Akaka	Early	Lehman
Ambro	Eckhardt	Lent
Ammerman	Edgar	Lloyd, Calif.
Anderson, Ill.	Edwards, Calif.	Long, La.
Andrews, N.C.	Eilberg	Long, Md.
Annunzio	Emery	Lott
Applegate	Erlenborn	Luken
Ashley	Ertel	Lundine
Aspin	Evans, Del.	McClory
Beard, R.I.	Evans, Ind.	McCormack
Bedell	Fary	McDade
Beilenson	Fenwick	McEwen
Benjamin	Fisher	McFall
Biaggi	Fithian	McHugh
Bingham	Flood	McKay
Blanchard	Florio	McKinney
Blouin	Foley	Madigan
Boggs	Ford, Mich.	Maguire
Bonior	Ford, Tenn.	Mann
Bonker	Forsythe	Markey
Bowen	Frenzel	Marks
Brademas	Garcia	Marlenee
Breaux	Gaydos	Mazzoli
Breckinridge	Gephardt	Meeds
Brodhead	Giaimo	Metcalfe
Brooks	Gibbons	Meyner
Brown, Calif.	Gilman	Mikulski
Brown, Mich.	Ginn	Mineta
Buchanan	Goodling	Minish
Burke, Fla.	Gore	Mitchell, Md.
Burke, Mass.	Grassley	Mitchell, N.Y.
Burlison, Mo.	Green	Moakley
Burton, John	Gudger	Moffett
Butler	Guyer	Mollohan
Byron	Hamilton	Moore
Caputo	Hanley	Moorhead, Pa.
Carney	Harkin	Moss
Carr	Harris	Murphy, Ill.
Carter	Harsha	Murphy, N.Y.
Cavanaugh	Hawkins	Murphy, Pa.
Chappell	Heckler	Murtha
Chisholm	Hefner	Myers, John
Clay	Heftel	Myers, Michael
Cleveland	Hollenbeck	Natcher
Cochran	Holtzman	Nedzi
Cohen	Horton	O'Brien
Coleman	Howard	Oakar
Conable	Hubbard	Oberstar
Conte	Hughes	Obey
Conyers	Hyde	Ottinger
Corman	Jeffords	Panetta
Cornell	Jenrette	Patten
Cotter	Johnson, Calif.	Patterson
Coughlin	Jones, Tenn.	Pattison
D'Amours	Jordan	Pease
Daniel, R. W.	Kastenmeier	Pepper
Danielson	Kemp	Perkins
Dellums	Keys	Pettis
Derrick	Kildee	Pike
Derwinski	Kindness	Pressler
Dingell	Kostmayer	Preyer
Dodd	Krebs	Price
Downey	LaFalce	Rahall
Drinan	Lederer	Railsback
Duncan, Oreg.	Leggett	Rangel
Regula	Simon	Vander Jagt
Reuss	Skelton	Vanik
Rhodes	Skubitz	Volkmer
Richmond	Slack	Walgren
Rinaldo	Smith, Iowa	Walsh
Roe	Solarz	Waxman
Rogers	Spellman	Weiss
Roncalio	Spence	Whalen
Rooney	Staggers	Whitten
Rose	Stark	Wiggins
Rosenthal	Steed	Winn
Rostenkowski	Steers	Wirth
Roybal	Stokes	Wolff
Russo	Stratton	Wright
Sawyer	Studds	Wydler
Scheuer	Thornton	Wylie
Schroeder	Treen	Young, Mo.
Seiberling	Tucker	Zablocki
Sharp	Udall	
Shuster	Ullman	

NAYS—67

Abdnor	Glickman	Moorhead, Calif.
Anderson, Calif.	Goldwater	Mottl
Archer	Gonzalez	Myers, Gary
Badham	Gradison	Neal
Bafalis	Hall	Nichols
Bauman	Hammer-schmidt	Poage
Bennett	Hansen	Quayle
Bevill	Holt	Robinson
Brown, Ohio	Jacobs	Rousselot
Broyhill	Jones, Okla.	Rudd
Burleson, Tex.	Kazen	Runnels
Collins, Tex.	Kelly	Ruppe
Corcoran	Lagomarsino	Satterfield
de la Garza	Latta	Snyder
Devine	Leach	Stockman
Dickinson	Levitas	Trible
Dornan	McCloskey	Walker
Duncan, Tenn.	Mahon	Watkins
Edwards, Okla.	Martin	Whitley
English	Mathis	Wilson, Bob
Evans, Ga.	Mattox	Young, Fla.
Findley	Miller, Ohio	
Gammage	Montgomery	

NOT VOTING—112

Addabbo	Flynt	Risenhoover
Alexander	Fountain	Roberts
Andrews, N. Dak.	Fowler	Rodino
Armstrong	Fraser	Ryan
Ashbrook	Frey	Santini
AuCoin	Fuqua	Sarasin
Baldus	Hagedorn	Schulze
Barnard	Hannaford	Sebelius
Baucus	Harrington	Shipley
Beard, Tenn.	Hightower	Sikes
Boland	Hillis	Sisk
Bolling	Holland	Smith, Nebr.
Brinkley	Huckaby	St Germain
Broomfield	Ichord	Stangeland
Burgener	Ireland	Stanton
Burke, Calif.	Jenkins	Steiger
Burton, Phillip	Johnson, Colo.	Stump
Cederberg	Jones, N.C.	Symms
Clausen, Don H.	Kasten	Taylor
Clawson, Del	Krueger	Teague
Collins, Ill.	Le Fante	Thompson
Cornwell	Livingston	Thone
Crane	Lloyd, Tenn.	Traxler
Cunningham	Lujan	Tsongas
Daniel, Dan	Marriott	Van Deerlin
Davis	McDonald	Vento
Delaney	Michel	Waggonner
Dent	Mikva	Wampler
Dicks	Milford	Weaver
Diggs	Miller, Calif.	White
Edwards, Ala.	Nix	Whitehurst
Evans, Colo.	Nolan	Wilson, C. H.
Fascell	Nowak	Wilson, Tex.
Fish	Pickle	Yates
Flippo	Pritchard	Yatron
Flowers	Pursell	Young, Alaska
	Quie	Young, Tex.
	Quillen	Zeferetti

The Clerk announced the following pairs:

Mr. Thompson with Mr. Diggs.
Mr. Dent with Mr. Frey.
Mr. Addabbo with Mr. Schulze.
Mr. Mikva with Mr. Symms.
Mr. Delaney with Mr. Taylor.
Mr. Cornwell with Mr. Kasten.
Mr. Boland with Mr. Lujan.
Mr. Shipley with Mr. Marriott.
Mr. Sikes with Mr. McDonald.
Mr. St Germain with Mr. Michel.
Mr. Waggonner with Mr. Pritchard.
Mr. Zeferetti with Mr. Quie.
Mr. Hannaford with Mr. Wampler.
Mr. Dan Daniel with Mr. Young of Alaska.
Mr. Fascell with Mr. Cederberg.
Mr. Flippo with Mr. Don H. Clausen.
Mr. Pickle with Mr. Beard of Tennessee.
Mr. Risenhoover with Mr. Ashbrook.
Mr. Traxler with Mr. Del Clawson.
Mrs. Burke of California with Mr. Milford.
Mr. Phillip Burton with Mr. Thone.
Mr. Baucus with Mr. Steiger.
Mr. AuCoin with Mrs. Smith of Nebraska.
Mr. Fuqua with Mr. Hillis.
Mr. Ireland with Mr. Hagedorn.
Mr. Le Fante with Mr. Burgener.
Mrs. Lloyd of Tennessee with Mr. Broomfield.
Mr. Miller of California with Mr. Andrews of North Dakota.
Mr. Roberts with Mr. Nix.
Mr. Charles H. Wilson of California with Mr. Stanton.
Mr. Vento with Mr. Stangeland.
Mr. Teague with Mr. Sebelius.
Mr. Stump with Mr. Sisk.
Mr. Santini with Mr. Fraser.
Mr. Rodino with Mr. Crane.
Mr. Davis with Mr. Cunningham.
Mr. Huckaby with Mr. Holland.
Mr. Baldus with Mr. Armstrong.
Mr. Alexander with Mr. Johnson of Colorado.
Mr. Jenkins with Mr. Van Deerlin.
Mr. Tsongas with Mr. Barnard.
Mr. Brinkley with Mr. Dicks.
Mr. Evans of Colorado with Mr. Edwards of Alabama.
Mr. Fountain with Mr. Fish.
Mr. Flowers with Mr. Krueger.
Mr. Flynt with Mr. Ichord.
Mr. Hightower with Mr. Harrington.
Mr. White with Mr. Whitehurst.
Mr. Yates with Mr. Charles Wilson of Texas.
Mr. Yatron with Mr. Weaver.
Mr. Nowak with Mr. Nolan.
Mrs. Collins of Illinois with Mr. Livingston.
Mr. Fowler with Mr. Jones of North Carolina.
Mr. Ryan with Mr. Sarasin.
Mr. Pursell with Mr. Quillen.

Mr. LEVITAS and Mr. QUAYLE changed their vote from "yea" to "nay."

So the bill was passed.

The result of the vote was announced as above recorded.

A motion to reconsider was laid on the table.

GENERAL LEAVE

Mr. RUSSO. Mr. Speaker, I ask unanimous consent that all Members may have 5 legislative days in which to revise and extend their remarks on the bill H.R. 10898, just passed.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Illinois?

There was no objection.

FURTHER MESSAGE FROM THE SENATE

A further message from the Senate by Mr. Sparrow, one of its clerks, announced that the Senate agrees to the report of the committee of conference on the disagreeing votes of the two Houses on the amendments of the Senate to the bill (H.R. 6669) entitled "An act to establish a national climate program, and for other purposes."

The message also announced that the Senate agrees to the report of the committee of conference on the disagreeing

votes of the two Houses on the amendment of the Senate to the bill (H.R. 11401) entitled "An act to authorize appropriations to the National Aeronautics and Space Administration for research and development, construction of facilities, and research and program management, and for other purposes."

The message also announced that the Senate agrees to the amendment of the House to the amendment of the Senate numbered 1 to the bill of the Senate of the following title:

H.R. 10878. An act to extend until October 1, 1981, the voluntary insurance program provided by section 7 of the Fishermen's Protective Act of 1967, and for other purposes.

The message also announced that the Senate agrees to the amendment of the House of Representatives to the amendment of the Senate numbered 2 with amendments.

The message also announced that the Senate had passed a concurrent resolution of the following title, in which the concurrence of the House is requested:

S. Con. Res. 103. Concurrent resolution to correct the enrollment of H.R. 6669.

PERMISSION TO FILE CONFERENCE REPORT ON H.R. 8149, CUSTOMS PROCEDURAL REFORM ACT OF 1977

Mr. CORMAN. Mr. Speaker, I ask unanimous consent that the managers may have until midnight tonight to file a conference report on the bill (H.R. 8149) to provide customs procedural reform, and for other purposes.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from California?

There was no objection.

LEGISLATIVE PROGRAM

(Mr. RHODES asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. RHODES. Mr. Speaker, I take this time to inquire of the distinguished majority leader as to the program for the week of September 4, 1978.

Mr. WRIGHT. Mr. Speaker, will the gentleman yield?

Mr. RHODES. I yield to the gentleman from Texas.

Mr. WRIGHT. I thank the gentleman for yielding.

Mr. Speaker, in response to the request of the distinguished minority leader, it is our plan, upon resuming at noon on Wednesday, September 6, 1978, to take up first the Civil Rights Commission authorization, H.R. 12432, and complete consideration of that bill.

Then, we will proceed to House Joint Resolution 1088, providing financial assistance for the city of New York. Following that, we will take up H.R. 7308, Foreign Intelligence Surveillance Act. That would be an open rule with 3 hours of general debate.

The House will convene at 10 o'clock on Thursday. Immediately following this colloquy I shall ask unanimous consent that the consideration of any veto message received by the Clerk during the adjournment of the House from August 17 until September 6 may be postponed until Thursday, September 7, 1978, in order that all Members will have ample notice and may be present.

On Thursday, we also would plan again to take up H.R. 7308, Foreign Intelligence Surveillance Act, and complete its consideration.

Then, we will proceed to H.R. 11280, Civil Service Reform Act, and conclude consideration of that bill.

On Friday, September 8, we would meet at 10 o'clock.

We will consider Senate Joint Resolution 4, the Hawaiian Native Claims Study Commission, with an open rule and 1 hour of debate.

Following that, we will take up H.R. 11711, adjustment assistance programs improvements, with a modified open rule and 1 hour of debate.

Finally, we will take up H.R. 11622, fuels transportation safety amendments, also with an open rule and 1 hour of general debate.

The House will adjourn by 3 p.m. on Friday and by 9 p.m. on all other days.

Mr. RHODES. Is the majority leader in a position to inform the House as to the intention of the leadership with regard to the prospective veto of the defense authorization bill? Will the matter be brought to the floor of the House for a vote on Thursday, September 7, or will it be referred to a committee for further action?

Mr. WRIGHT. It is the present plan of the leadership to bring the veto message to the House for a vote on Thursday, if the unanimous-consent request is agreed to. All Members then would know exactly when the vote would be coming and could make their plans.

Mr. RHODES. May I ask the distinguished majority leader if we can look forward for the balance of this session, the second session of this Congress, to evenings which would run to, say, 8 or 9 o'clock? I know the first week we come back every evening, apparently, will run until about 9 o'clock. Is this the type of pattern which probably will be set for the balance of the session?

Mr. WRIGHT. I regret to say that I think we must continue in that pattern if we are to meet our adjournment target.

Mr. RHODES. Of course, I would hope that prior to this final determination of that, the distinguished majority leader and the Speaker and I could sit down, as we have talked before, and look at the list of bills which are pending, which could be brought up, to make sure that we do not waste the time of the House on legislation which cannot possibly become law in this session.

If this is done I am certain all the Members of the House would be perfectly willing to work as late as necessary in order to accomplish the legislative program of those bills which must be taken care of prior to the adjournment, but I certainly would hope that we would not subject the Members of the House to work on bills which might be brought up for the personal convenience of one or possibly two Members to the very inconvenience of the rest of us.

Mr. WRIGHT. If it would be agreeable with the gentleman from Arizona, the distinguished minority leader, I think it would be extremely useful for him and the Speaker and me to sit down together, as he has suggested, perhaps on Wednesday afternoon, the day of our return from our recess.

At that time, assuming the Speaker's availability, we could look at the entire list of legislation and have a discussion about which ones seem to be the most important, or the most necessary, and try to weed out some which would be fruitless effort on our part.

Mr. RHODES. I certainly agree with the majority leader and I will hold myself ready for such a meeting at the convenience of the majority leader and the Speaker.

Mr. McCLORY. Mr. Speaker, will the gentleman yield?

Mr. RHODES. I yield to the gentleman from Illinois.

Mr. McCLORY. Mr. Speaker, I asked the gentleman to yield so I may address a question to the distinguished majority leader.

I note a large number of amendments to the Foreign Intelligence Surveillance Act have been printed in the RECORD and filed by a large number of the Members, and I just wonder on Wednesday if it is the intention to conclude general debate and to defer the offering of amendments until Thursday.

Mr. WRIGHT. Mr. Speaker, if the minority leader would yield, this bill, as my friend knows, has been pending with a rule for some weeks. We think it is important that it be brought before the House and action taken. Depending upon the time available on Wednesday after completion of the Civil Rights Commission authorization and the New York City Financial Assistance Act, we would like to get as far as we can on that bill. We can probably get the general debate out of the way, at least, I should think, and then conclude with amendments on Thursday.

However, if the unanimous-consent request is agreed to, I believe we must reasonably consider that the centerpiece of Thursday's effort will be the vote on any veto that may be received.

Mr. McCLORY. So it is my understanding we would do the rule and the general debate, but the amendments would be on Thursday?

Mr. WRIGHT. If the gentleman would yield further, if we could get to some amendments by reason of any earlier expeditious action, I think we should not be tied down to a promise that we would not take them up. Realistically, however, I see no expectation that we could get to many amendments that evening.

Mr. McCLORY. I thank the gentleman.

Mr. RHODES. I thank the gentleman.

POSTPONING UNTIL THURSDAY, SEPTEMBER 7, 1978, CONSIDERATION OF ANY VETO MESSAGE RECEIVED DURING ADJOURNMENT

Mr. WRIGHT. Mr. Speaker, I ask unanimous consent that the considera-

tion of any veto message received by the Clerk during the adjournment of the House from August 17, until September 6, be postponed until Thursday, September 7, 1978.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Texas?

There was no objection.

AUTHORIZING CLERK TO RECEIVE MESSAGES FROM SENATE AND SPEAKER TO SIGN ENROLLED BILLS AND JOINT RESOLUTIONS NOTWITHSTANDING ADJOURNMENT

Mr. WRIGHT. Mr. Speaker, I ask unanimous consent that, notwithstanding any adjournment of the House until Wednesday, September 6, 1978, the Clerk be authorized to receive messages from the Senate and that the Speaker be authorized to sign any enrolled bills and joint resolutions duly passed by the two Houses and found truly enrolled.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Texas?

There was no objection.

AUTHORIZING SPEAKER TO ACCEPT RESIGNATIONS AND TO APPOINT COMMISSIONS, BOARDS, AND COMMITTEES NOTWITHSTANDING ADJOURNMENT

Mr. WRIGHT. Mr. Speaker, I ask unanimous consent that, notwithstanding any adjournment of the House until Wednesday, September 6, 1978, the Speaker be authorized to accept resignations, and to appoint commissions, boards, and committees authorized by law or by the House.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Texas?

There was no objection.

DISPENSING WITH CALENDAR WEDNESDAY BUSINESS ON WEDNESDAY, SEPTEMBER 6, 1978

Mr. WRIGHT. Mr. Speaker, I ask unanimous consent that the business in order under the Calendar Wednesday rule be dispensed with on Wednesday, September 6, 1978.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Texas?

There was no objection.

EXTENSION OF FISHERMEN'S PROTECTIVE ACT OF 1967

Mr. LEGGETT. Mr. Speaker, I ask unanimous consent to take from the Speaker's desk the bill (H.R. 10878) to extend until October 1, 1981, the voluntary insurance program provided by section 7 of the Fishermen's Protective Act of 1967, and for other purposes, with Senate amendments to the House amendment to Senate amendment No. 2 thereto, and concur in the Senate amendments to the House amendment to Senate amendment No. 2.

The Clerk read the title of the bill.

The Clerk read the Senate amendments to the House amendment to Senate amendment numbered 2, as follows:

Page 5, line 7, of the House engrossed amendments, after "terms" insert: fishery.

Page 6, of the House engrossed amendments, strike out lines 3 to 12, inclusive, and insert:

"(1) in the case of such vessel—

"(A) occurs when such vessel is engaged in any fishery subject to the exclusive fishery management authority of the United States under the Fishery Conservation and Management Act of 1976, and

"(B) is attributable to any vessel (or its crew or fishing gear) other than a vessel of the United States; or

"(2) in the case of such fishing gear—

"(A) occurs when such fishing gear is being used for fishing in any fishery subject to such exclusive management authority, and

"(B) is attributable to (i) any other vessel, whether such vessel is a vessel of the United States, or (ii) an act of God.

Mr. LEGGETT (during the reading). Mr. Speaker, I ask unanimous consent that the Senate amendments to the House amendment to Senate amendment No. 2 be considered as read and printed in the RECORD.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from California?

Mr. FORSYTHE. Mr. Speaker, reserving the right to object, I do so only in order to offer the chairman of our subcommittee, the gentleman from California (Mr. LEGGETT) an opportunity to explain what we are doing in this unanimous-consent request.

I yield to the gentleman from California (Mr. LEGGETT) for that purpose.

Mr. LEGGETT. Mr. Speaker, I thank the gentleman for yielding me this time.

Mr. Speaker, the only provision of the House version of the bill that was rewritten has to do with the modified no fault insurance program. The change would simply result in the broadening of the coverage of the program to cover damage to U.S. fishing vessels and equipment, occurring beyond the zone as well as within the zone, so long as such vessel is engaged in a fishery subject to the exclusive management authority of the United States, and the equipment is damaged while being used in fishing in such fishery.

Mr. DE LUGO has brought to my attention that in his district of the U.S. Virgin Islands, damages to the equipment and boats of local fishermen are caused primarily by commercial vessels such as cruise ships and steamers. Due partly to a lack of identifiable sealanes, they enter Virgin Islands' waters and overrun the fish pots set by Virgin Islands' fishermen.

In 1 year alone small fishing industry lost over $800,000 in equipment.

I would like to make it clear that H.R. 10878 is applicable to the fishing industry of the Virgin Islands and it is the intent of this legislation to allow for compensation to fishermen for damages to equipment or vessels brought on as a result of the actions of these commercial vessels, as well as any other type of foreign issue.

Mr. FORSYTHE. Mr. Speaker, further reserving the right to object, I thank my chairman, the gentleman from California (Mr. LEGGETT) for his explanation, and I wish to compliment the chairman on his explanation. We have finally gotten to the point where this can now go to the White House. It does, as the gentleman pointed out, add no costs to the taxpayers and adds broad protection for fishing vessels and their gear. Also, as the chairman has pointed out, regardless of where the damage comes from, whether it be from foreign fishing vessels, or whatever, it does afford them protection.I am very happy that we are in this posture.

Mr. Speaker, I withdraw my reservation of objection.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from California (Mr. LEGGETT) to dispense with further reading of the Senate amendments to the House amendment to Senate amendment numbered 2?

There was no objection.

The SPEAKER pro tempore. Is there objection to the first request of the gentleman from California (Mr. LEGGETT)?

There was no objection.

A motion to reconsider was laid on the table.

RESIGNATION AS MEMBER OF BOARD OF REGENTS TO SMITHSONIAN INSTITUTION

The SPEAKER pro tempore laid before the House the following resignation as a member of the Board of Regents to the Smithsonian Institution:

HOUSE OF REPRESENTATIVES,
Washington, D.C.

DEAR MR. SPEAKER: As I have discussed with you, and should like to tender my resignation as a congressional regent of the Smithsonian Institution.

I am most grateful to you for allowing me the privilege of serving as a regent. I have thoroughly enjoyed the experience and hope that I have represented the House diligently and energetically.

Any criticism of the former relationship between the institution and the Congress has hopefully been removed by the newly activated close association among the regents, the staff and the appropriate congressional committees.

All of the regents are devoted citizens and highly interesting personalities. I especially enjoyed my work with Judge Higginbotham on the African Museum.

Thank you very much, Mr. Speaker, for this exciting experience.

Warmest best wishes.

Sincerely,

LINDY.

Also, Mr. Speaker, I should report to you on the splendid arrangements initiated by Dorothy Rosenberg of the Smithsonian and Jan Schoonmaker, my chief legislative assistant, for coordination and cooperation among staff members at the Smithsonian and those appointed by the House and Senate regents. Their work has been most valuable.

LINDY.

The SPEAKER pro tempore. Without objection, the resignation will be accepted.

There was no objection.

APPOINTMENT AS MEMBER OF BOARD OF REGENTS TO SMITHSONIAN INSTITUTION

The SPEAKER pro tempore. Pursuant to the provision of 20 U.S.C. 42, 43, and without objection, the Chair appoints as a member of the board of regents to the Smithsonian Institution the gentleman from California, Mr. RYAN, to fill the existing vacancy thereon.

There was no objection.

APPOINTMENT AS MEMBERS OF DELEGATION TO ATTEND CONFERENCE OF INTERPARLIAMENTARY UNION, BONN, GERMANY, FROM SEPTEMBER 3 TO 14, 1978

The SPEAKER pro tempore. Pursuant to the provisions of section 204(b), Public Law 94–141, as amended, and without objection, the Chair appoints as members of the delegation to attend the conference of the Interparliamentary Union held in Bonn, Germany from September 3 to 14, 1978, the following Members and delegates on the part of the House:

Mr. HAMILTON, Indiana, Chairman; Mr. LEHMAN, Florida, Vice Chairman; Mr. EVANS, Colorado; Mr. DUNCAN, Oregon; Mr. IRELAND, Florida; Mr. WON PAT, Guam; Mr. BROOMFIELD, Michigan; Mr. DERWINSKI, Illinois; Mr. MCCLORY, Illinois; Mr. VANDER JAGT, Michigan; Mr. WIGGINS, California; and Mr. BUTLER, Virginia.

There was no objection.

LEGISLATOR OF THE YEAR

(Mr. SMITH of Iowa asked and was given permission to address the House for 1 minute and to revise and extend his remarks and include extraneous matter.)

● Mr. SMITH of Iowa. Mr. Speaker, I have just been made aware that one of the Nation's largest independent trucker organizations has named MARTY RUSSO their "Legislator of the Year." This award comes but 2 months after MARTY received a similar award from the Independent Bakers Association. As a result, I would like to take a moment or two to commend one of our younger Members on his accomplishments as a subcommittee chairman in only his second term of Congress.

MARTY RUSSO of the Third District of Illinois was chosen as chairman of the Subcommittee on Special Small Business problems at the beginning of this Congress. Since that time he has shown great vigor and sincerity in investigating regulatory and other abuses against many small business persons, among them—independent truckers, movie producers, bakers, funeral directors, and travel agents. In addition to investigations in these areas, MARTY has held an extensive set of hearings on various bills which would lessen the impact of Federal regulation upon small business.

A speech he gave to the National Convention of Independent Bakers highlights his attitudes on the regulatory plight of our Nation's smaller businesses. I would like to share it with you:

SPEECH OF HONORABLE MARTY RUSSO BEFORE INDEPENDENT BAKERS ASSOCIATION, JUNE 8, 1978

Good morning. It certainly is a pleasure for me to be here this morning, and I can't think of a better way to start the day than spending it with my good friends, the independent bakers. We have had a very interesting and, for me, enlightening year together confronting one of this town's many bureaucracies. Quite frankly, before I came to Washington in 1975, I had heard many horror stories about the federal bureaucracy. Much to my amazement, things are even worse than I had imagined.

Now that I chair a small business subcommittee, bureaucratic issues affecting the struggling small businessman or woman reach me almost daily. Often a famous World War II story enters my mind:

During World War II, a Japanese spy was sent to Washington to spot targets for a bombing raid. Reporting back to his superiors, the spy said, "It is useless to bomb Washington. The American government has been very farsighted. If you completely destroy one building and everyone in it, you accomplish nothing, for they already have two other buildings completely staffed with people doing exactly the same thing."

Filling out forms, receiving federal inspectors and the like is not a funny business by any stretch of the imagination. But we have to admire the ingenious among us who fight fire with fire. Recently, a small businessman in the Midwest walked into his office on a Monday morning. He already was in a sour mood when he got the day's mail. There at the bottom of the pile was yet another federal form to be filled out. Our businessman took out his pen and began scrawling out answer after answer. Finally, when he reached the last question, he saw his chance for revenge. The last question read: How many employees do you have, broken down by sex? Our friend responded: Not a one, our problem is alcohol!

Before discussing the Subcommittee's final report on the labeling regulation, I would like to express my deep appreciation to all of you for presenting me with your prestigious Annual Congressional Award last evening. As usual, your reception was one of the year's highlights for all Members of Congress, more so obviously for me. I sincerely hope that last evening signaled not the end, but just a partial beginning of a warm, cordial long-time friendship.

Today the Small Business Committee will release its final report on the FDA's food labeling regulation and its effect on small business. We have copies with us to distribute. I would like to share with you some of our findings and conclusions and most important, our recommendations.

An accelerated decline in independent bakeries can only lead to a concentrated group of dominant companies which may well create a baking monopoly or oligopoly. Characteristics of monopolies and/or oligopolies are all too well known—controlled output, high prices, and excess profits. Such a situation would confront the consumer with a market functioning according to the whims of a few. An objective of federal regulation is to stop such concentration, not to create it.

In August 1977 the President asked for a comprehensive review of federal food and nutrition policy. The review was to focus on, among other things, regulatory activities affecting food which now involve 14 agencies and over 2,000 regulations. The objective of the review is to improve our ability to address the nation's need for adequate supplies of reasonably priced, safe, and nutritious foods. This goal was kept in mind during the Subcommittee's investigation.

The importance to the economy of independent bakers is evident in their employment statistics alone. Each IBA member has an average of close to 200 employees.

The small business entrepreneurs in this nation have been our vital source of innovative products and innovative techniques within an industry. The story is the same in the baking industry. The list of baking innovations attributed to independents is an impressive one: wrapped bread, sliced bread, baking of a continuous mixed bread, bag bread, end labels, bread in cellophane, bread without holes, and bake and serve items. One of the disturbing features of the new labeling regulation is its possible elimination of new product development by smaller- to medium-financed independents.

The Congress recognizes that it is the activities of the various government agencies that have the strongest effect on small business firms and their economic opportunities. That is why the Small Business Act of 1953 declared that: '. . . The government should aid, counsel, assist, and protect, insofar as is possible, the interests of small business concerns in order to preserve free competitive enterprise . . .' This means part of the role of the entire federal government is to be cognizant of the status and problems of small business.

Traditionally, small business has lacked specialized personnel, great resources, and a massive productive capacity. So too do the independent bakers. That is why they have established cooperatives. But it is also traditional that small business is known for its openness to new ideas and consumer grievances, and also for its ease of personal contact. So too is this true of our independent bakers. An example of this is the New York bakery that bakes items specifically for the children of the Feingold Association members.

If the Nation's small businesses departed the national scene tomorrow, one-half of our work force would be unemployed. Ninetenths of all businesses would be gone. Innovation would be severely hampered. The independent bakers are but one rail on the small business track. Their elimination would further weaken an already battered and worn track. Such an event would foreshadow a world moving on a new track directed by a corporate board led by the few. This is not a pleasant thought. The Subcommittee, following the spirit and the letter of the Small Business Act of 1953, is not about to let this happen to independent bakers or anyone else.

The purpose of 21 CFR 101.4 sounds simple enough—to disclose fully the ingredients of a food product on the product's label. One of the main reasons the Subcommittee began an investigation of this rule's effect upon bakers was due to the nature of bakery products. They are unique foods. Bakers do not bake for inventory. Their success in the marketplace depends on readily available, fresh products. Flexibility is essential in their business.

Recognition of the baker's unique status is by no means new. As far back as 1940, the federal government recognized that bakery products were a special breed. From 1940 until the present, the terms dough conditioners, yeast nutrients, and leavening have been used by bakers seemingly without problems.

The Subcommittee accepts the idea that people are entitled to know what ingredients are in the food we eat. From all we have heard, the bakers accept this too. The problem comes in how we can best do it.

The most urgent and logical reason for full disclosure labeling is that of concern for the consumer's health and well-being. Vari-

ous people are allergic to certain food products. The ingredients in bread, for example, are not exotic nor have they changed greatly over the years. Nor are bakers slipping mysterious chemicals into products and trying to conceal this.

The exemptions sought by the bakers would not have any bearing on health matters. Ingredients which would be added on occasion would be from an FDA approved list. IBA even mentioned some borderline ingredients in their petition. Such ingredients would have to be disclosed and clearly are disqualified from the exemption. All fats and oils by source also will be declared on all products. It also has been mentioned that the FDA did not receive one complaint in 5 years over a severe allergic reaction to a bakery product.

Obviously, we are at the present time in an age where there is a great controversy over ingredients going into our food. Bakers and the FDA are aware of this. Neither is going to allow any unsafe item to be put into a food product. However, it is impossible to produce an all-informative label that will satisfy everyone. Economics simply will not allow it. Testimony indicates independent bakers stand ready to work with consumers to insure people know what they are eating. Bakers also have shown that they are capable of making special products for a group of people if the demand is there. For example, in addition to Entermann's Bakery on Long Island, Ottenberg's Bakery in Washington, among others, bakes goods for hyperactive children. Other bakeries also bake special dietary products.

Admittedly, consumer pressure and demand created the original and some of the continuing impetus for this rule. The Congress responded, in part, by requiring careful and detailed labeling. Of course, what is detailed labeling for one person may not be for another. The full disclosure labeling regulation that was finally produced by the FDA was a strict one that independent bakers believed would be economically detrimental to them.

As we have seen, some of this rule's implications could have been very damaging. Without the 2 percent exemption, an inventory of 34 different labels would be required for an ordinary loaf of bread. With the exemption, a baker now probably will have only four or five different types of labels per product. This points out an interesting phenomenon. Consumer pressure for a certain point of view without exploring all the issues and ramifications involved can backfire by creating higher prices and an economic shakeup of an industry which may well come back someday to haunt all of us consumers.

On the basis of the testimony, evidence, and findings and conclusions, the Subcommittee recommends:

That the Department of Health, Education, and Welfare and the Food and Drug Administration review the matters incorporated in this report and:

A. In all future regulatory proceedings concerning the baking industry, consult with representatives of independent bakeries among others at the earliest possible date.

B. In all future economic impact statements done on regulations which will affect the baking industry, prepare an analysis of the regulation's effect on the industry's small businesses.

C. Consult current Small Business Administration size standards to determine which baking firms are small.

D. Send copies of any future proposed regulations with impact statements affecting the baking industry to both the Chairman of the House Small Business Committee and the Chief Counsel for Advocacy of the Small Business Administration.

E. As expeditiously as possible, consider pending petitions on new product innovation, catastrophic events, and snack food labeling and issue their decisions.

F. Prior to the end of 1978, fully consider printing problems created by 21 CFR 101.4 and subsequent exemptions when contemplating enforcement procedures after July 1, 1978. For example, no labels printed prior to April 7, 1978, would have the now-required statement, "Contains 2 percent or less of each of the following."

That copies of this report be forwarded to the chairman and ranking minority members of the appropriate legislative committees of the Congress so that they are advised of the issues in this matter, and finally, that representatives of the Independent Bakers Association establish an ongoing dialog with officials of the Food and Drug Administration so that they may be aware of new regulatory developments at the earliest possible date.●

THE MOVE AFOOT TO CHANGE CRITERIA FOR DESIGNATION OF STANDARD METROPOLITAN STATISTICAL AREAS

(Mr. WOLFF asked and was given permission to address the House for 1 minute and to revise and extend his remarks and include extraneous matter.)

Mr. WOLFF. Mr. Speaker, I would like to bring to the atteniton of my colleagues an action by an obscure, and nonelected bureaucracy which threatens the districts and constituents of hundreds of Members of this Congress. I refer to an unpublicized sleight-of-hand by the Office of Federal Statistical Policy and Standards of the U.S. Department of Commerce, whereby there is a move afoot to change the criteria for designaiton of standard metropolitan statistical areas (SMSA's).

These changes are being proposed so that SMSA designations may be changed following the 1980 census. I am at a loss to understand why these changes are being proposed now, instead of after the 1980 census data is available. The proposed changes can have a great impact on local governments and business because SMSA data is used for Federal program administration purposes, for determining how many Federal dollars will flow into our districts, and in the private sector as a basis for assessing markets and placing advertising.

The question is, will these changes be rammed through without input from Members, constituents, local officials, and business leaders, or will we be given opportunity to participate in a matter so vital to our districts?

I call upon the President and the Department of Commerce to order a halt in these changes in the criteria until after the 1980 census so that these important decisions will be made in the light of available information and not in the darkness of ignorance and in secret.

If you believe as I do that the proposed changes are fraught with serious consequences and should not be made hastily then I urge you to join with other concerned Members in signing a letter to the President calling for a halt.

Mr. Speaker, I rise today to vehemently protest the recent Federal Commission on Standard Metropolitan Statistical Area's proposed rule that would remove SMSA status from Nassau and Suffolk Counties. The Commission intends to place this area into the larger New York SMSA.

Back in 1972, after a concerted effort by government, political, and business leaders, the Nassau/Suffolk region received SMSA designation. Since that time, the Nassau/Suffolk SMSA, as an individual SMSA, has grown and prospered. The Standard Rate and Data Services, a national marketing service, ranks the Nassau/Suffolk region as the eighth largest in the United States in terms of retail sales. The region ranks as the ninth largest SMSA area with a total of about 2.75 million people residing in the two counties.

The logic and necessity of this proposed rule concerns me. It was only a few months ago that OMB Director, James McIntyre, granted separate regional planning status to the Nassau/Suffolk area thus demonstrating the fact that the area must be set apart from New York City. Yet, if the proposed regulation is put into effect, the planning process would be totally unworkable. Further, the reasons given for the proposal—the commutation rate and the lack of a core city in either county—have both proven to be of little consequence to the area's growth. These reasons give evidence that the suburban character of our country is threatened by administration policy.

I was also extremely distressed by the lack of departmental notification to any of the members of the Long Island delegation. The Department of Commerce has not bothered to consult with me or my staff concerning this matter.

The proposed rule would seriously hamper any attempts by suburban areas, such as Nassau and Suffolk Counties, to secure Federal assistance. A separate SMSA designation is also a key factor in the attraction of business to the area. Stripping this status would be a devastating blow to not only the economy of Long Island, but would hurt our country's continued economic growth. Let me state also, that I do not oppose the administration's urban policy per se, what does bother me is the administration's insensitivity to the concerns of suburbia. I urge the Department of Commerce to reconsider and withdraw this unjust and insane proposal.

PROTEST TO PRESIDENT ON SMSA DATA CHANGE

(Mrs. SPELLMAN asked and was given permission to address the House for 1 minute and to revise and extend her remarks.)

Mrs. SPELLMAN. Mr. Speaker, we have just heard from our colleague, the gentleman from New York (Mr. WOLFF) about the way the SMSA data is about to be changed. There are many such changes that are being made without our being aware of them. As far as this particular item is concerned, we are drafting a letter to the President to protest the action that is being taken. As our colleague has pointed out, it affects the districts of at least 150 Members. We

hope to get the Members' signatures here on the floor today, so if they will check with us, we will let them know whether they are among those whose districts are affected, and, if so, we know they will want to join with us. They will probably want to join with us in becoming much more watchful of these kinds of things, and we will tell them at the same time how we hope they might do that.

FUSION—VAST NEW SOURCE OF ENERGY

(Mr. PURSELL asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. PURSELL. Mr. Speaker, recent developments in our national fusion program have given this potentially vast new source of energy the widespread public attention it deserves. I congratulate the media for excellent coverage of this issue, and call your attention to the Washington Post editorial of August 16, which I had printed in yesterday's RECORD.

Fusion can provide both electrical power and synthetic fuels in a way that is clean, safe, and virtually limitless.

The important evolutionary advances in the magnetic fusion program give us greater confidence than ever that fusion energy can be achieved, whether by lasers, magnetic devices, or other means.

Fusion power can be a base for a secure, inexhaustible future energy supply for America and all the people of the world. This is the great opportunity and the great challenge of our time.

The test of this Congress is whether we will seize this opportunity and launch an intensive, national commitment to develop fusion, and other alternative energy sources.

I invite my colleagues to join fully in this effort. We should pursue alternative energy sources with all the vigor of our successful space program. And I would ask the membership to look carefully at H.R. 12922, which I have introduced as a blueprint for a "space-program" type effort to accelerate the development of fusion and other alternative sources of energy which must provide the energy supply for coming generations.

We should be careful not to overplay the importance of the advances in the Princeton University fusion experiments; but neither should we allow the significance of these developments to escape us.

There is still a tremendous amount of scientific and engineering work to do before the potential of fusion is translated into real benefits for the American people; before we prove that we can overcome all the obstacles. There is still much experimental toil ahead before we know which method of inertial confinement or magnetic fusion can best fulfill our needs. But the Princeton experiments lend greater credence to what I, and other Members of Congress have long believed, and what experiments at many outstanding laboratories in our country have indicated: that fusion energy can be achieved, and that the real question is not so much if we can do it, but when and how.

All of us are aware of the precarious position of this Nation because of our energy problems, and the lack of a national drive to solve them. This situation is undermining the strength of the dollar, distorting our foreign trade, influencing our foreign policy, threatening both our economy and our national security.

I believe that if we can show our Nation and the world that the United States has a determined policy to overcome these energy problems, that we can correct some of the short-term difficulties of the dollar. With our Government and private sectors working in partnership, and in cooperation with other nations, to deliver new sources of energy to the world, we can begin to reverse our trade deficits. And a successful program of research and development for alternative energy sources can help to fully restore our economic vitality and solidify the security of our Nation.

America has the knowledge and the ability to achieve these goals. We are limited far more by our commitment than by our scientific, engineering, and innovative capabilities. Let us adopt policies that will focus the creative genius of this country full force on this great test of our wisdom and leadership.

RECREATIONAL BOATING AND FACILITIES SAFETY IMPROVEMENT ACT INTRODUCED

(Mr. BIAGGI asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. BIAGGI. Mr. Speaker, I am today introducing a bill—entitled "The Recreational Boating and Facilities Safety Improvement Act of 1978"—on behalf of myself and my colleagues, JOHN MURPHY of New York and DAVID TREEN of Louisiana.

Great progress has been made under the Federal Boat Safety Act of 1971 in promoting safety for recreational boaters. One of the key elements in this success has been the forging of a Federal-State partnership under which the Federal Government and the States have worked together to promote recreational boat safety.

This partnership was made posssible by a program which was authorized by the 1971 act—of the Federal Government matching grants to the States for boating law enforcement.

Civil law enforcement on the Nation's waterways is a constitutionally shared responsibility between the Federal Government and the States in our dual sovereign system of government.

The matching grant program is now being extended for 2 more years—but it appears unlikely that the program will be continued after fiscal year 1980.

I am afraid that the termination of this program could result in undoing much of the good that has been accomplished under the Federal Boat Safety Act—unless a viable alternative is developed.

The uniformity in approach in the administration of State boating safety programs—encouraged by the Federal Boat Safety Act—might be undermined.

The program's extension through fiscal 1980 gives the Congress some time to develop an alternative that will assure continuation of the safety benefits which have been obtained to date. However, we must start considering this issue now if we are to develop a satisfactory alternative program in a timely fashion.

A closely related issue is the increasing safety problems which are resulting from serious overcrowding of inadequate and unsafe recreational boating facilities. This is another issue which the Congress should address and, since it is so closely related to the question of Federal-State relationships in boating safety, it should be addressed at the same time.

Seventy-six percent of all Coast Guard search and rescue (SAR) cases are attributable to the rapid growth of recreational boating in this country in recent years. Virtually all of the annual 6 percent rise in SAR cases fall into this category. Boating accidents killed 1,312 persons in 1977; 1,779 persons were injured; and property damage in the sum of $11,572,500 resulted from 6,815 reported accidents.

My approach to promoting marine safety is predicated upon the notion that "an ounce of prevention is worth a pound of cure." This proposed legislation is aimed at reducing future search and rescue incidents involving recreational boaters by improving overall boating safety and by providing safe boating facilities for boaters—now estimated at 50 million nationwide.

Accordingly, I am introducing this bill in order to begin the process of developing a satisfactory program that will adequately address these two issues.

I do not contend that the program contemplated in this legislation is the only approach or the best solution. I do believe that it is deserving of serious consideration. Further, I hope that it will be a starting point for addressing these two and, eventually, other Federal and State shared responsibilities—including search and rescue, marine environmental protection and law enforcement, as well as boating safety.

Several important principles underlie this proposed legislation. I would like to briefly outline some of the most important of these.

Where an easily identifiable class of individuals benefits from a specific governmental service, they should ordinarily be willing to share the financial burden incurred in providing the service. This bill provides that boating safety and facility improvement services will be funded by motorboat fuels tax revenues—and thus insures that those who will benefit from the program are the same ones who will pay for it.

A boating and facilities safety program should be founded on and further existing Federal-State partnership that has been so instrumental in the demonstrated success of the Federal Boat Safety Act. This arrangement promoting Federal-State cooperation is the cornerstone for this program expansion.

The new program should have a reasonably assured source of funding. If

those who benefit from the program are to pay for it, they should be entitled to such an assurance.

Finally—the Coast Guard—with its experience in administering the Federal Boat Safety Act—is the obvious candidate for carrying out any new program.

Mr. Speaker, these are the basic considerations that prompted my introduction of this bill. In so doing, I have taken the first step in what will hopefully culminate in the development of a landmark program to assure continued progress in recreational boating and facilities safety.

THE CRIMINAL JUSTICE IMPROVEMENTS ACT OF 1978

(Mr. MANN asked and was given permission to address the House for 1 minute and to revise and extend his remarks and include extraneous matter.)

Mr. MANN. Mr. Speaker, I am today introducing, for myself and all of the members of the Subcommittee on Criminal Justice—ELIZABETH HOLTZMAN, SAM B. HALL, JR., LAMAR GUDGER, BILLY LEE EVANS, CHARLES WIGGINS and HENRY HYDE—a bill to begin the process of modernizing and updating Federal criminal laws. This bill is the product of a substantial amount of work by the subcommittee, and it embodies what the subcommittee believes to be the proper approach to modernizing Federal criminal laws.

The basic question confronting us, and anyone who considers the matter, is how to go about modernizing and updating Federal criminal laws in the most effective and responsible way. There are essentially two options. One is to take an omnibus approach—do everything, or nearly everything, at one time, in a single, comprehensive bill. The other option is to take an incremental approach—process a series of bills, each one making appropriate substantive changes in a specific area of the criminal law.

The Senate, in passing S. 1437 earlier this year, has adopted the first option. The Subcommittee on Criminal Justice, for reasons I will spell out, believes that the second option is the sounder and preferred approach and has adopted it. Our bill, then, should not be viewed as the end of the process of modernization, but as the beginning of it.

Before looking at the reasons why the subcommittee finds the omnibus approach undesirable, let me outline the subcommittee's efforts during this Congress on the subject of recodification of Federal criminal laws. The subcommittee began its work early in the first session with roundtable discussions involving people interested in the recodification of Federal criminal laws. Participants included several House colleagues, BOB KASTENMEIER, Bob MCCLORY, TOM RAILSBACK, and ABNER MIKVA; our colleague from the Senate, Senator EDWARD M. KENNEDY; together with representatives of the Justice Department, the Judicial Conference of the United States, the National Council on Crime and Delinquency, the American Civil Liberties Union, Americans for Effective Law Enforcement, the National Prison Project, and the Metropolitan Crime Commission of New Orleans; a Federal Public Defender; and a member of the National Commission on Reform of Federal Criminal Laws, as well as the Commission's staff director and deputy staff director.

Last fall the subcommittee began the first of some 16 briefing meetings. At these meetings, we went over, section by section, the Senate-passed bill, S. 1437, as well as the other recodification proposals, and we focused our attention upon how the proposals would change current law. Representatives of the Justice Department and Senate staffers familiar with the legislation participated in those meetings and were helpful in responding to questions.

The full subcommittee then held 23 hearings on recodification, receiving testimony from more than a hundred witnesses. The breadth of viewpoints and interests involved can be seen in the list of witnesses I am including as an appendix to these remarks. Nevertheless, it must be realized that for a number of issues there are no constituencies organized to affect the legislative process.

Upon completion of our hearings, the subcommittee began its markup. The subcommittee's work product was fashioned during the course of 19 markup meetings.

There are both practical and philosophical reasons why the omnibus approach is undesirable. Truly modernizing criminal laws means making substantive changes in them—"reforming" them to conform them to modern mores and to integrate court interpretations into statutory language. An omnibus reform bill, however, stands little chance of success because constituencies against change multiply in proportion to the number of reforms involved, particularly where the legislation deals with criminal laws and procedures that have governed human conduct for many decades and that supposedly have some relationship to basic concepts of right and wrong and, particularly in the Federal model, to practices that permeate our ways of doing business. The negative legislative impact of massive change upon an informed representative body is enormous.

At the beginning, the subcommittee idealistically and enthusiastically undertook to work with the Senate bill. However, it soon became apparent that the deliberative process customary in the House, which we think is the essence of good legislation, does not lend itself to massive changes in laws unless we satisfy ourselves that their effects have been thoroughly analyzed, that there has been adequate public input, and, indeed, that each change has been shown to be an improvement in existing law.

We tend to refer to Federal criminal law as if it were a unified body of criminal law that serves as the principal set of legal rules governing the lives of people. Federal criminal law is not that—the States in our federal system are primarily responsible for the maintenance of law, order, and justice. Federal criminal law is a collection of separate and distinct statutes which supplements State criminal statutes. Federal criminal laws are intended to protect or vindicate substantial Federal interests, not to be the basic set of rules regulating morality. Reforms in Federal criminal laws, therefore, are appropriately dealt with separately, after a careful, thorough, and conscientious consideration of all of the policy issues and constitutional questions that each proposed change presents.

It is clear that the Senate bill make more changes in current law than its proponents would admit, especially when the cumulative effect of all of the bill's changes is considered. Nevertheless, the Senate bill does not attempt to reform every area of Federal criminal law. It does not, for example, deal with capital punishment, nor does it codify defenses, as previous Senate bills have done. While this failure to deal with such issues is understandable in the light of legislative realities in the Senate, it is not consistent with omnibus reform.

Another problem with the omnibus approach is that it is objectionable on policy grounds. Federal criminal laws ought not to be the product of extensive horse trading. The greater the numbers of substantive changes, the more likely it is that such trade-offs will occur. The tremendous investment of time, energy, and emotion that goes into an omnibus bill results in a tremendous pressure to agree to things in order not to hold up the legislation. This sort of pressure was clearly evident during the Senate's debate on its bill.

The other policy objection to the omnibus approach concerns assessing the impact of the legislation. If we are going to enact an omnibus reform bill and change substantially our present criminal justice system, we must be able to state with reasonable certainty that the new system is a material improvement over the present one. The broader and more comprehensive the reforms made in the legislation, the more difficult it is to make such an assessment. Quite frankly, the record does not reflect that the Senate had available to it when it passed its bill the information and data necessary to make a reasoned assessment of the impact of its bill.

No thoroughgoing analysis appears to have been made by the proponents of the Senate bill as to what the bill will do to the present Federal criminal justice system. For example, there was no assessment of the bill's impact on the Federal prison population. The Criminal Justice Subcommittee generated a congressional research service study which suggests that the Senate bill will result in increased crowding in the Federal prisons. No such study was done before the Senate acted. Likewise, no careful analysis appears to have been made of the impact of the Senate bill's rather sharp curtailment of judicial discretion. Such an analysis would consider the effect on plea bargaining and on the power of the prosecutor. The budget implications of the Senate bill are uncertain, for no cost statement on it was issued by the Congressional Budget Office.

One particularly important area to analyze closely is the extent to which the legislation expands Federal criminal jurisdiction at the expense of the State.

I agree with Solicitor General Wade H. McCree that "We should reduce the role of the Federal Government in enforcing the criminal laws—the constitutional feasibility of asserting Federal law ought not obscure the fact that in many cases the investigation and prosecution might be better left to State authorities."

During the subcommittee's section-by-section analysis, we became aware of the expansion in Federal criminal jurisdiction brought about by the Senate bill. Testimony at our hearings underscored what we saw at our briefing sessions. California Attorney General Evelle Younger told us that the bill would "unnecessarily expand Federal criminal jurisdiction." The American Civil Liberties Union advised that—

Perhaps the greatest threat posed by (the legislation) is its dangerous expansion of Federal criminal law. In section after section, the bill either creates new law, expands existing law, or erodes various procedural protection for defendants."

The National Conference of State Legislatures noted its support for revising Federal criminal laws, but pointed out that "as drafted the proposed revision may have the effect of expanding Federal criminal jurisdiction into areas of traditional State responsibility. Such broadened jurisdiction could lead to a much expanded Federal law enforcement role and lay the foundation for a national police force."

The subcommittee concluded that, overall, the effect of all of the changes made by the Senate bill is to expand significantly Federal criminal jurisdiction. In the subcommittee's opinion, this expansion is unwise.

For these and other reasons, the subcommittee unanimously and firmly concluded that the omnibus approach pursued by the Senate is fraught with pitfalls and is not legislatively feasible in the House of Representatives.

The subcommittee has concluded that the incremental approach—limiting legislation to making substantive changes in a discrete area of the criminal law—is the most appropriate way to proceed. This approach permits the thorough and careful study, analysis and drafting that ought to go into changing any Federal law, and especially Federal criminal laws. Because this approach limits the area where substantive changes are made, it does not foster legislative horse trading across a broad spectrum. Each change must stand on its own merits, and no one, even in the enthusiasm of reform, can challenge that principle. Moreover, the limited area of change means it is possible to assess with reasonable certainty how the bill will affect the people and the criminal justice system.

The subcommittee drafted its bill with the premise that substantive changes ought to be undertaken carefully and thoroughly, and this necessarily means incrementally. The subcommittee's bill does make significant substantive changes to limited parts of current law. It is, as I previously indicated, a beginning. If it is enacted, the subcommittee would turn to another part of current law and prepare legislation making any appropriate substantive changes in it. Even if it is not enacted, however, the subcommittee is firmly committed to the course of modernizing Federal criminal laws by dealing individually and deliberately with distinctive areas of the law.

During the course of the subcommittee's work on recodification, we asked the proponents of the Senate bill to identify the reasons for recodifying Federal criminal laws. They identified five goals for the legislation—first, the elimination of outmoded and unnecessary statutes; second, the updating of fine levels; third, reform of an unfair sentencing structure that permits unjustified disparity in the treatment of Federal offenders; fourth, a revised format and structure for title 18 of the United States Code that will eliminate inconsistent and overlapping provisions in current Federal criminal laws; and fifth, "reform" of various parts of the criminal law.

The subcommittee has concluded that these goals of recodification can be accomplished by the approach it has taken.

Let me turn now to the subcommittee's bill and describe in general terms what it does. First, it repeals as outmoded or unnecessary, several provisions of title 18 of the United States Code. For example, it repeals the oft-cited carrier pigeon statute (18 U.S.C. 45) which makes it a misdemeanor offense to detain or interfere with a carrier pigeon belonging to the United States. There are sections of present title 18 that consist entirely of a cross-reference to one of the Federal Rules of Criminal Procedure. The bill repeals these provisions also, as well as others.

Second, the bill establishes a uniform and graded fine structure with higher fine levels. These fines will be applicable to all title 18 offenses, as well as to criminal statutes in other titles of the United States Code—with the exception of title 26, the Internal Revenue Code.

Third, the bill makes substantive changes in the area of sentencing in order to promote greater fairness and eliminate unjustified and unwarranted disparities in punishment. In addition, some changes in maximum penalties are made in order to achieve a greater degree of consistency among title 18 offenses, and minor substantive changes are made in a number of other criminal statutes in the area of corrections. The latter changes were discussed with the agencies involved and should not, in all probability, be controversial. For example, the bill provides that the Chief of the Division of Probation of the Administrative Office of the U.S. Courts shall be a member of the National Institute of Corrections—other members include the Director of the Bureau of Prisons, the Chairman of the Parole Commission, and the Assistant Secretary for Human Development of the Department of Health, Education, and Welfare.

Finally, the bill restructures present title 18 in an effort to improve its organization. Part of the restructuring involves transferring into title 18 six criminal provisions presently located in other titles of the United States Code. It is interesting to note that one of the claims made for the Senate bill is that it consolidates Federal criminal statutes. Yet, as its proponents admit, the Senate bill leaves more criminal statutes outside of title 18 than it puts in title 18. While this may be understandable, it is inconsistent with the goal of total recodification and merely confirms that Federal criminal law is not a unified whole, that it is not the basic set of rules regulating morality.

In order to restructure title 18, so our legislative drafting experts advise, it is necessary, as a practical matter, to reenact it. We on the subcommittee recognize that there are many proponents for changing one or more existing provisions of title 18. In order to avoid creating the inference that by reenacting the provisions of title 18 we are putting a congressional imprimatur on each of them, or on any judicial or agency interpretation of any of them, the subcommittee has included a disclaimer provision making it clear that the reenactment of the provisions of title 18 is for the purpose of restructuring title 18, except insofar as the bill makes substantive changes.

The effective date of the bill is January 1, 1980. This should give the bench and bar sufficient time to become familiar with it and adapt to the new provisions and structure.

The subcommittee's bill makes a good start toward the fifth goal of recodification—substantive reform. As I indicated earlier, the subcommittee believes that substantive reform is best accomplished on an incremental basis. The subcommittee has begun the process with substantial reform in the area of sentencing. Let me emphasize again that the subcommittee's bill is the beginning of the modernization process, not the end of it.

This is an appropriate time to begin the recodification process. I hope that the subcommittee's bill will be acted upon favorably by the Committee on the Judiciary and will come before the House for its consideration in the remaining days of the 95th Congress. If the subcommittee's bill is acted upon favorably, we on the subcommittee will approach a conference with the other body ready to work out an honest compromise in areas where the subcommittee's bill makes substantive changes. Whatever the outcome of a conference, I expect the subcommittee next Congress to continue the process of reforming Federal criminal laws by dealing individually and deliberatively with discrete areas of Federal criminal law.

WITNESSES TESTIFYING BEFORE THE SUBCOMMITTEE ON CRIMINAL JUSTICE

Advisory Corrections Council, Hon. Harold R. Tyler, Jr., Chairman.

American Bar Association, Prof. William Greenhalgh, Chairperson, Criminal Code Revision Committee, Criminal Justice Section, accompanied by Laurie Robinson.

American Civil Liberties Union, John H. F. Shattuck, Director, Washington Office, accompanied by David E. Landau, Esq.

American Insurance Association, Wilfred J. Perry, Assistant Vice President, Claims-Administration.

American Newspaper Publishers Association, Jerry W. Friedheim, Executive Vice President and General Manager, accompanied by Arthur B. Hanson, General Counsel.

American Society of Newspaper Editors, Anthony Day, Chairman, Freedom of Information Committee.

Americans for Democratic Action, Prof.

Louis B. Schwartz, University of Pennsylvania Law School.

Anderson, Rep. Glenn M., 32d Congressional District, California.

Associated Builders and Contractors, Joseph Fagen, General Counsel, accompanied by Hon. John Reed, Director, Governmental Relations.

Associated Press Managing Editors Association, Frank Johnson, Chairman, Freedom of Information Committee.

Association of American Publishers, Henry Kaufman, Legal Counsel.

Association of the Bar of the City of New York, Murray Mogel, Esq.

Bazelon, Hon. David, United States Circuit Judge, District of Columbia Court of Appeals.

Bennett, Rep. Charles E., 3d Congressional District, Florida.

Bislock, Ira, Chairman, Oregon Parole Board.

Burke, Massachusetts State Rep. Kevin M., accompanied by Massachusetts State Rep. Paul Means.

Burns, Hon. James M., United States District Judge, District of Oregon.

Children's Rights, Inc., Arnold I. Miller and Rae Gummel.

Church of the Brethren General Board. See National Interreligious Service Board for Conscientious Objectors.

Citizens Commission on Human Rights, Lee Coleman, M.D., accompanied by Kathleen Wiltsey, Director.

Clark, Sheldon Esq., Cleveland, Ohio.

Coalition to End Grand Jury Abuse, Mary Emma Hixon, Executive Director, accompanied by Linda Backiel, Esq., Grand Jury Project of the National Lawyers Guild.

Commission of Social Action of Reform Judiasm, Rabbi David Saperstein, Director, Religious Action Center.

Communist Party U.S.A., Simon W. Gerson, accompanied by John J. Abt, General Counsel.

Community Services Society of New York, Harold Baer, Jr., Esq, Chairman, Committee on Criminal and Juvenile Justice.

Conyers, Rep. John Jr., First District, Michigan.

Creative Alternatives to Prison, Ira Lowe, Esq., accompanied by Tom Donelson.

Dennis, Hon. David W., Dennis, Reinke & Vertesh, Richmond, Indiana.

Direct Selling Association, Neil H. Offen, President.

Drinan, Rep. Robert F., 4th Congressional District, Massachusetts.

Dunn, James, Federal Public Defender, Central District of California.

Federal Bar Association, Arthur L. Burnett, Esq., Chairman, Criminal Law Committee.

Federal Bureau of Prisons, Norman Carlson, Director.

Fiske, Robert B. Jr., United States Attorney, Southern District of New York.

Frankel, Hon. Marvin E., United States District Judge, Southern District of New York.

Freed, Prof. Daniel J., Yale Law School, accompanied by Matthew Heartney.

Freeman, David, Federal Public Defender, Western District of Missouri.

Friends Committee on National Legislation, Prof. Harrop Freeman, Cornell Law School.

Georgetown Juvenile Justice Clinic, Ramona Powell and Wallace Mlyniec, Director.

General Accounting Office, William J. Anderson, Deputy Director, General Government Division.

Gottfredson, Don M., Dean, Rutgers University School of Criminal Justice.

Grand Jury Project of the National Lawyers Guild, See Coalition to End Grand Jury Abuse.

Halperin, Morton H., Director, Center for National Security Studies.

Hill, Rev. Morton A., S.J., New York City.

Hruska, Hon. Roman L., Omaha, Nebraska.

International Association of Chiefs of Police, Glen Murphy, Director, Bureau of Governmental Relations.

Judicial Conference of the United States, Hon. Alfonso J. Zirpoli, United States District Judge, Northern District of California, and Hon. Gerald B. Tjoflat, United States Circuit Judge, Fifth Circuit Court of Appeals.

Kansas Bar Association, Michael Lerner, Esq., Chairman, Criminal Justice Section.

Kennedy, Sen. Edward M.

Labor Organizers Defense Fund, Ronald Kokinda.

Legal Aid Society of New York City, Phylis Skloot Bamberger, Chief, Appeals Bureau, Federal Defenders Service Unit.

Levitas, Rep. Elliott H., 4th Congressional District, Georgia.

Lewis, Prof. Melvin B., The John Marshall Law School.

Liebmann, George, Esq., Frank, Bernstein, Conaway & Goldman, Baltimore, Maryland.

Lilly, Francis X. Esq., Arent, Fox, Kintner, Plotken & Kahn, Washington, D.C.

Lowenstein, Roger A. Esq., Lowenstein, Sandler, Brodkin, Kohl & Fisher, Newark, New Jersey.

Madison Coalition to Stop S. 1, Peter Nemenyi.

Marcus, Prof. Paul, University of Illinois College of Law.

Marek, Edward, Federal Public Defender, Northern District of Ohio.

Mulcrone, Richard, Chairman, Minnesota Corrections Board.

National Association of Blacks in Crim'nal Justice, Prof. G LaMarr Howard, Executive Chairman.

National Association of Chain Drug Stores, Robert J. Bolger, President.

National Coalition to Ban Handguns, Samuel Fields, Field Director.

National Committee Against Repressive Legislation, Prof. Thomas I. Emerson, Yale Law School.

National Conference of State Legislatures, Ohio State Sen. Stanley Aronoff.

National Coordinating Committee for Trade Union Action and Democracy, Norman Roth, Convenor, Chicago, Illinois.

National Council of Jewish Women, Ms. Rav M. S. Tucker, Esq.

National Council on Crime and Delinquency, Milton Rector, President.

National Interreligious Service Board for Conscientious Objectors, Rev. Charles L. Boyer.

National Interreligious Task Force on Criminal Justice, Rev. Barry Lynn, accompanied by Steven Angell.

National Legal Aid and Defender Association, John Cleary, Director, Federal Defenders of San Diego, Inc.

National Moratorium on Prison Construction, Prof. Edith E. Flynn, Northeastern University.

National Organization for Reform of Marijuana Laws, Keith Stroup, National Director.

New Jersey Coalition to Defend the Bill of Rights, Daniel Crystel, Esq.

New Jersey Council of Churches, Rev. Dudley E. Sarfaty, Associate General Secretary.

New York Criminal Bar Association, Herald P. Fahringer, Esq.

Prison Project of the American Civil Liberties Union Foundation, Alvin J. Bronstein, Executive Director.

Quigley, Prof. John B., Ohio State University School of Law.

Railway Labor Executives Association, J. R. Snyder, Chairman, accompanied by Marshall Sage, Research Director, United Transportation Union, and Lawrence M. Mann, Esq.

Reporters Committee for Freedom of the Press, Jack C. Landau, accompanied by Charles J. Sennet.

Rodino, Rep. Peter W., 10th Congressional District, New Jersey.

Rothstein, Prof. Paul M., Georgetown University Law Center.

Schwartz, Irwin H., Federal Public Defender, Western District of Washington.

Scientific Games International Inc., John Koza, Chairman of the Board.

Sears, Daniel, Federal Public Defender, District of Colorado.

Segal, Terry Esq., Siverman & Kudish, Boston, Massachusetts.

Skelton, Rep. Ike, 4th Congressional District, Missouri.

Small Business Administration, A. Vernon Weaver, Administrator.

Smith, Rep. Neal, 4th Congressional District, Iowa.

Society of Professional Journalists, Robert Lewis, Freedom of Information Committee.

Teske, David, Federal Public Defender, District of Oregon.

Tonry, Prof. Michael, University of Maryland School of Law.

United Electrical, Radio and Machine Workers of America, Lance Compa, Washington Representative.

United States Catholic Conference, Bishop J. Francis Stafford, accompanied by Barbara Stolz, Ph.D.

United States Department of Justice, Attorney General Griffin Bell and Deputy Assistant Attorney General Ronald L. Gainer, accompanied by Karen Scrivseth, Esq.

United States League of Savings Associations, Ira W. Thornton, Jr., President, Bay View Federal Savings & Loan Association, San Mateo, California, accompanied by Hon. Laurie Battle, Legislative Consultant, and John Rasmus, Assistant Vice President, United States League of Savings Associations.

United States Parole Commission, Cecil C. McCall, Chairman, accompanied by Peter Hoffman, Ph.D., Director of Research.

Vincent, Robert, Regional Parole Commissioner, North Central Region, United States Parole Commission.

von Hirsch, Prof. Andrew, Rutgers University School of Criminal Justice.

Washington Council of Lawyers, Larry Mirel, Esq.

Women's Lobby, Carolyn Bode.

Women Strike for Peace, Catherine L. Reeverts.

Younger, Hon. Evelle, Attorney General, State of California.

Zimring, Prof. Franklin E., Director, Center for Studies in Criminal Justice, University of Chicago Law School.

TENTH ANNIVERSARY OF SOVIET INVASION OF CZECHOSLOVAKIA

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from Illinois (Mr. DERWINSKI) is recognized for 60 minutes.

(Mr. DERWINSKI asked and was given permission to revise and extend his remarks, and to include extraneous material.)

Mr. DERWINSKI. Mr. Speaker, in commemorating the 10th anniversary of the Soviet invasion of Czechoslovakia, I first wish to insert a copy of House Concurrent Resolution 667, which I introduced on July 17 and now has the support of 35 co-sponsors:

H. CON. RES. 667

Whereas in 1968 Czechoslovakia was a peace-loving country whose government, headed by Alexander Dubcek, enjoyed positive support from the vast majority of Czechs and Slovaks; and

Whereas the invasion of Czechoslovakia by the military forces of the Soviet Union in 1968 contravened the independence of a sovereign state and denied its peoples the right of self-determination; and

Whereas such an unprovoked intervention was in violation of the United Nations Charter which stipulates that "All Members re-

frain in their international relations from the threat or use of force against the territorial sovereignty or political independence of any state"; and

Whereas the occupation of Czechoslovakia by a fellow member of the United Nations has continued for ten years and alters the European balance of power; and while opponents of such occupation and defenders of human rights are increasingly subjected to harassment, repression, persecution, and incarceration; and

Whereas their continued yearning for freedom has found a new expression in Charter 77, the Human Rights Manifesto which requests of the Government of Czechoslovakia the implementation of the principles of the Final Act as well as adherence to the Czechoslovak Constitution; and

Whereas the signers of Charter 77 and other champions of human rights in Czechoslovakia continue to oppose and to expose violations of human rights by the Soviet-imposed government of Czechoslovakia: Now, therefore, be it

Resolved by the House of Representatives (the Senate concurring), That it is the sense of the Congress that the President should use his influence and leverage to induce the Soviet Union to withdraw all troops occupying Czechoslovakia and, should such withdrawal not be effected by December, 1978, to—

(1) reevaluate sales of United States commodities and technology to the Soviet Union;

(2) reevaluate all licenses for the export to Warsaw Pact countries who participated in the invasion of all paramilitary and other high technology products, including computers and any other products used in the expansion of industrial development and communications systems;

(3) express support for the people of Czechoslovakia (as they commemorate August 21, 1968, as the "Soviet Day of Shame") in their efforts to achieve the withdrawal of the troops of the Soviet Union from Czechoslovakia;

SEC. 2. It is further the sense of the Congress that the President, acting through the United Nations and other international organizations, should take such additional steps as may be necessary to end as quickly as possible the continuing intervention in Czechoslovakia by the Soviet Union.

Next week, on August 21, it will be 10 years since the Soviet Union crushed the reform-minded government of Alexander Dubcek, but as the Congress will be in recess for a district work period, we are commemorating this historic tragedy today.

However, it is especially important to note that despite 10 years of Soviet military presence in Czechoslovakia, the spirit of the people remains uncrushed. This is especially evident by the continued activities of those brave men and women, known for their love of Democratic principles, who are demanding restoration of their fundamental civil and political rights in a charter entitled, "Petition 78." Following the signing of Charter 77, the country's human rights manifesto, which was signed by over 900 brave individuals in Czechoslovakia last year, the signatories and their supporters are still being persecuted by the Government of Czechoslovakia. "Petition 78" was developed for the practical purpose of supporting the signers of Charter 77.

The Soviet Union continues to suppress Czechoslovakia dissent in violation of the Helsinki Accords. The process of regeneration of national culture and Democratic public life remains arrested by the Communist oppressive rule.

In continuation of my remarks, I wish to insert an appeal to end the occupation of Czechoslovakia which was issued by the Council of Free Czechoslovakia, located here in Washington:

AN APPEAL: END THE OCCUPATION OF CZECHOSLOVAKIA

On the tenth anniversary of the invasion of Czechoslovakia by the armed forces of the Soviet Union we appeal to all the peoples of the world and the United Nations to support the demand of the Czechoslovakia people for the immediate withdrawal of all Soviet forces from the territory of their Republic.

On August 21, 1968, the Soviet army invaded and occupied Czechoslovakia. On August 28, 1968, the Soviet Communist Party leaders forced Czechoslovakia's kidnapped leaders in Moscow under duress to sign a communiqué sanctioning the temporary occupation of the Czechoslovak Republic.

This act of aggression was in violation of the Czechoslovak-Soviet Treaty of Friendship and Alliance of 1943, of several agreements among the Allied Powers on liberated Europe, of Article 2 of the Charter of the United Nations, and of the Soviet government's own declaration of October 30, 1956. The Soviet Union invaded Czechoslovakia on the pretext that the country was to be protected against a nonexistent "West—German revanchism."

The continuing occupation of Czechoslovakia is in violation of the agreement between the governments of Czechoslovakia and the Soviet Union of October 16, 1968, according to which Soviet armed forces were to be stationed in Czechoslovakia only provisionally. In this document to the Soviet Union acknowledged that its forces had entered Czechoslovak territory only temporarily and undertook to withdraw them as soon as the situation in Czechoslovakia had been normalised. Since then Czechoslovak as well as Soviet Communist leaders have declared on numerous occasions that conditions in Czechoslovakia have been normalized. But the country continues to be occupied.

The occupation also violated the provisions of the Final Act of Helsinki. But above all else it continues to violate the three principles which the Soviet Union itself has recognized as essential for the peace, stability, and prosperity of Europe:

The principle of the sovereignty of all European states and nonintervention in their internal affairs.

The principle of the independence of all states including the right of self-determination.

The principle of the renunciation of the use of force against any state.

The Soviet invasion and occupation of the Czechoslovak Republic have dangerously upset the military balance that had existed in Europe since the end of the Second World War. They violate wartime agreements about the deployment of Allied forces in Continental Europe. Czechoslovakia was to have neither Western nor Soviet troops on its territory. The occupation of Czechoslovakia keeps Soviet forces in the heart of Europe in such numbers that the military balance along the dividing line between East and West is heavily weighted in Soviet favor.

It is therefore imperative not only for Czechoslovakia's sovereignty, independence, and freedom but also for the peace, stability, and prosperity of Europe that the Soviet Union withdraw its armed forces from the territory of the Czechoslovak Republic.

This appeal is backed by documents in which the Soviet Union has committed itself to evacuate the territory of the Czechoslovak Republic, and by Czechoslovak citizen's to declarations of protest against the occupation of their country and resolutions demanding its end. The CHARTER 77 movement in Czechoslovakia and Czechoslovak exiles' endorsement of PETITION 78 bear witness to the determination of all Czechs and Slovaks to see their Republic rid of Soviet occupation forces and once more sovereign, independent, and free.

In submitting this appeal, we speak for the Czechoslovak exiles who left their country after the coup d'état of 1948 as well as for those who had to leave when Czechoslovakia was invaded by the Soviet army in 1968. We are absolutely certain that, speaking in their names, we speak for all Czechs and Slovaks. We believe that a new European order based on the principles of true sovereign equality, independence, self-determination, nonintervention, and renunciation of the use of force would be a great step toward satisfying the hopes, aspirations, and interests of all the European peoples.

It is of paramount importance for us to encourage the brave people of Czechoslovakia in their ongoing struggle for their fundamental rights. We must recognize that by its very nature, communism deprives people of their basic rights.

Czechoslovakia, between World I and World II was a progressive and thriving democracy. But this democratic structure of government was eliminated by the Communist takeover in 1948, when the Communist Party seized absolute control.

In 1968, the Soviet army and forces of Eastern European satellite states occupied the country to crush any resurgence of Czechoslovakian democracy. This day, which has been appropriately called the "Soviet Day of Shame" dealt the final deathblow to the liberalization that was developing in that small country.

The crushing of the Dubcek government was nothing but an unprovoked act of aggression that must not be forgotten.

Therefore, I wish to join with the millions of freedom-loving people throughout the world in supporting the people of Czechoslovakia in their efforts to achieve the withdrawal of Soviet troops.

In closing, I wish to express my appreciation to the Members who joined with me this afternoon to give support to the commitment of freedom for all those held captive behind the Iron Curtain.

GENERAL LEAVE

Mr. DERWINSKI. Mr. Speaker, I ask unanimous consent that all Members may have 5 legislative days in which to revise and extend their remarks on the subject of my special order today.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Illinois?

There was no objection.

Mr. RUDD. Mr. Speaker, will the gentleman yield?

Mr. DERWINSKI. I yield to the gentleman from Arizona.

Mr. RUDD. I thank the gentleman for yielding.

Mr. Speaker, I am pleased to join with my distinguished colleague from Illinois (Mr. DERWINSKI) in this solemn observation of the tragic 1968 Soviet invasion of Czechoslovakia.

My office inquired of the White House whether the President planned to issue

any proclamation or statement in connection with this anniversary, and the continued repression of human rights in Czechoslovakia.

I was informed that no such Presidential action was planned.

I cannot help but feel a sense of moral outrage that opposition to communism and chastisements of Soviet-supported tyranny in Eastern Europe and elsewhere around the world are no longer voiced at opportunities such as this at the highest levels of our own Government.

Where is the administration's denunciation of the Kremlin and the Soviet-backed Communist puppet Government of Czechoslovakia on this anniversary of the day that Soviet tanks rolled into Prague in violation of international law?

Where are the President's and U.N. Ambassador Andrew Young's strong protests against the continuing violations of human rights that are still taking place this very day against the freedom-loving people of Czechoslovakia?

Our leaders must be aware of published accounts of the inhumane ordeal suffered by the Czech people under Communist rule.

They have had no freedom since World War II, when Stalin ordered the Czech political hierarchy to be publicly hanged, and others imprisoned because of mere policy differences.

The ashes of Stalin's hanged Czech victims were poured into a potato sack, carried in the car that bore the other surviving prisoners to jail outside Prague, and then used to give the car traction when it skidded to a standstill on the icy road to the concentration camp.

Such is the total disregard for human life under communism.

Some apologists for Communist regimes throughout the world would have us believe that conditions under Soviet domination have improved since Stalin.

This is just a part of the propaganda line.

To be sure, some change has taken place.

But it is only a matter of degree.

Under Stalin, hundreds of thousands of anti-Communists and potential political opponents were exterminated.

Under current Communist regimes, mere tens of thousands are slaughtered.

And it is done quietly, in a more secret, sanitary way than under Stalin, so that the sensibilities of the rest of the world are not so badly hurt by the bloodshed and torture that still occurs.

But how does this make it any better?

How does this relieve our own leaders of the responsibility to exert moral leadership against such totalitarianism?

The aim of such atrocities is still the same, and just as effective.

It is to intimidate and frighten all the people into total submission to the Soviet Union and to Communist domination.

It is to impose a police state terror that allows no freedom for the people, no free press, no elections, and no religious observance.

I share with my colleagues the belief that our country still has a moral obligation to speak out, and to do everything possible to end Communist totalitarianism in all its forms throughout the world.

An administration that has made human rights a principal hallmark of its foreign policy has a moral obligation to do everything possible to bring about political, economic, social, and religious freedom for all people—especially those enslaved under Communist domination.

Opponents of a hard line against Communist dictatorships and their expansionist policies express fear that the United States must make peace with the likes of Brezhnev, Castro, and their ilk, in order to avoid political or military confrontation.

Their second article of faith is that the United States must disarm unilaterally in order to avoid a possible nuclear war.

Such statements have even been made by members of the President's top level national security staff, right in the White House.

Certainly our valiant Founding Fathers, who fought the American Revolution to preserve freedom for future generations of Americans, did not believe that war is the worst activity of mankind.

They believed man's worst activity to be acquiescence to slavery.

The refusal of many thousands of dissidents in Communist-dominated countries to acquiesce under slavery today is a heroic continuation of what our own country's struggle for freeodm was all about.

These victims of purge trials and other police-state terror are no longer succumbing to human degradation being imposed upon them by Communist slavemasters.

Far from confessing to trumped-up charges and alleged crimes, these dissidents now reaffirm through word and deed their belief in freedom, defy the police terror, and sometimes find ways to tell the world what is happening.

These valiant people have many friends in the United States and throughout the world.

I am proud with my colleagues here to count myself among those friends.

The administration should also be among these ranks, taking every available opportunity to publicize and bring pressure against international Communist atrocities.

Next week's 10th anniversary of the Soviet rape of Czechoslovakia would have been a perfect opportunity for the President to take public note of yet another sad event in the history of Communist imperialism.

I am sorry that the opportunity will be missed by the President.

But I am proud to join with other Members of Congress to reaffirm for the people of the world the commitment of the American people to their freedom.

I hope that one day we will also have leaders at the highest levels of our Government who will join us in proudly voicing the hopes for freedom—against tyranny—of all people under Communist domination, and who will take resolute action to turn those hopes into reality.

Mr. DERWINSKI. I thank the gentleman for his comments.

Mr. DORNAN. Mr. Speaker, will the gentleman yield?

Mr. DERWINSKI. I yield to the gentleman from California.

Mr. DORNAN. I thank the gentleman for yielding.

Mr. Speaker, I also want to commend the distinguished gentleman from Illinois (Mr. DERWINSKI) on recalling to our memory this tragic series of events in that hectic summer of 1968, which also saw much violence in Chicago and the flying of Communist flags in our major cities. I had the opportunity to travel to Prague shortly thereafter, and the death figure that was released around the world for the young "Freedom Fighters" in the city of Prague was about 300 killed in action. I met with some of the young students there, and they told me the figure was much closer to 3,000, that in one morgue alone there were more than 300 bodies, and they took me down the main impressive street of the center of Prague and showed me some of their main buildings, literally covered and chipped from top to bottom by machine gun bullets and ricocheting rifle firing. I think that to have seen this death toll of 3,000, compounded on top of the death toll in Hungary 12 years before of 50,000 of both of those countries' finest young men is a world tragedy that should never go unremembered, particularly on a decade date. The fact that the White House, which will not be in recess during this period, is not calling the Nation's attention to it is just another sign of the confused foreign policy that is emanating therefrom.

Mr. DERWINSKI. I thank the gentleman for his comments.

● Mr. MURPHY of Illinois. Mr. Speaker, I join my colleague from Illinois (Mr. DERWINSKI) in commemorating the 10th anniversary of Czechoslovakia's invasion by the Soviet Union.

This tragic event, which has rightly become known as the "Day of Shame," is a vivid reminder of the Soviet Union's suppression of human rights in that country.

As a free people, the United States must speak out against the Soviets' denial of self-determination to Czechoslovakia and other Eastern European countries. This includes a denunciation of the Soviet Union's violation of the Czechoslovak Constitution, and more broadly, its flouting of the Helsinki accords and the U.N. Charter.

Mr. Speaker, as we remember those who suffer under the yoke of Soviet oppression, I call on all Americans to voice their support of the captive nations' right to independence and self-determination.●

● Mr. SARASIN. Mr. Speaker, on August 21, 1978, the people of Czechoslovakia and their friends of the free world will commemorate the 10th anniversary of that tragic day in 1968 when 600,000 Soviet and other Warsaw Pact troops illegally invaded the borders of Czechoslovakia. The Soviet oppression was not

only in direct contradiction to article 2 (4) of the United Nations Charter, which explicitly opposes any members' "use of force against * * * the potential independence of any State * * *," but their action also suppressed the Czechoslovak's political and economic attempts under the Dubcek regime to institute reforms and secure a semblance of civil liberties within a Communist system.

This day, appropriately termed "Soviet Day of Shame," illustrates the little regard Russia has had for the objectives that nations have advocated under the auspicies of the United Nations. In the world's efforts for peace and harmony amongst all peoples, it is distressing to witness the Soviet Union's continued intervention and captivity of Czechoslovakia by their 80,000 troops. We must wonder to what extent we can believe any Soviet pledges for better understanding cooperation among all nations on the basis of true progress and humanity with the continuance of this act.

It is only fitting that we, the representatives of freedom-loving people who cherish the principles of self-determination, display our support and empathy for the plight of the Czechoslovakian people who suffer the denial of basic human rights under Soviet bondage. Since the imposition of the Moscow agreement on August 26, 1968, I think that we are all too aware of the harsh repercussions that men and women must face when they attempt to exercise political and intellectual freedoms that differ from the firmly established Soviet ideology.

We have a responsibility to the millions of Czech citizens who have lost most of their human liberties, but who have not lost their aspirations and yearnings for a future day when they will once again be able to control their own destiny. We must help them maintain their spirit for that day when their independence will become a reality. Our rememberance of the "Soviet Day of Shame" and our denouncement of Soviet tactics of Czechoslovakian oppression will encourage them in upholding their ideals which led to the birth of our own country.●

● Mr. VANDER JAGT. Mr. Speaker, 10 years ago, August 21, the people of Czechoslovakia suffered one of the most outrageous and brutal intrusions into their internal affairs ever witnessed by modern world. It has been just 10 short years since Soviet tanks and armed soldiers pushed their way into the lives of Czech citizens. The wounds opened by that Soviet invasion have never healed, and, in fact, are reopened daily by the ominous presence of more than 80,000 Soviet troops that patrol the land.

And today, following the Soviet elimination of Alexander Dubceks government and his Soviet-enforced, in-state exile, the peoples of Czechoslovakia are being denied their most fundamental human rights—the right of free expression; the right of equal educational opportunities; the right of religious freedom; and the right to assemble and participate in public affairs.

The best of the Czech people—those gifted with talents and skills and deserving of the chance to be productive—have been forced into lifestyles of subjugation. Citizens protesting the insidious force of Soviet intervention are faced with political ostracism or prison confinement, both of which strip them of the chance to fully exercise their human potential.

Suffering from the Soviet induced emigration of those Czechoslovakians who refuse to tolerate the injustice and repression, a country once upon the edge of reform and progress, is now forced to call upon memories and distant dreams to fuel its hope of freedom. A country once fundamentally supportive of democratic representation for her citizens has today become a gray satellite of the Soviets, a land filled with repressed people of unused talent.

However, Mr. Speaker, contrary to the oppressive intentions of Soviet occupation, the courage of Czechoslovakia's citizens has brought forth a statement of popular indignation—charter 77. Their appeal to the forces who impose inhuman persecution and neglect the Helsinki Final Act is daily signed and supported by Czeck citizens of all walks of life.

Mr. Speaker, taking our cue from the example of the signers and supporters of charter 77, I urge that each Member of Congress and the President fully embrace and support the principles which guarantee the right of self-determination for the people of Czechoslovakia; the restoration of a political process created and sustained by free Czech citizens; and all efforts which will contribute to making possible a society in which all citizens of Czechoslovakia can live and work as free people.●

● Mr. GREEN. Mr. Speaker, 10 years ago on August 21, 1968, over 500,000 troops of the Warsaw Pact entered Czechoslovakia under the leadership of the Soviet Union to crush the popular, reform-minded government of Alexander Dubcek. Today we take note in the House of Representatives of this tragic anniversary.

As recent press reports indicate, these past 10 years have not been hopeful ones for the people of Czechoslovakia. A June 23, 1978 article in the Christian Science Monitor described the mood in this nation as follows: "* * * in Czechoslovakia, after 10 years of narrow, Soviet-alined rule, many people appear to be resigned—and even indifferent—to the declining state of their economy and culture * * *. Czechoslovakia presents an unimaginative political and economic conservatism alined more submissively to Soviet precepts than almost any other of the Soviet Union's allies. The leadership has essayed no move whatever toward assuaging popular memory of 1968. Instead, the Czechoslovak leadership harps on the justification of Russia's forcible intervention." Human rights violations by the government, contrary to the "law" in the country, abound.

The last year has witnessed a dramatic flair of hope for all free-Czechoslovakia sympathizers. On January 7, 1977, a group of 242 leading Czechoslovaks published the charter 77 document calling for the observance of human rights embodied in the Helsinki accords of 1975, the U.N. Covenants and the Czechoslovak Constitution. While close to 1,000 signatures have been added in the last 18 months, the Moscow-backed Czech Government persists in harsher oppression against the signers. This document resurrects the hopes and ideals that were present during the Dubcek era.

Mr. Speaker, on the 10th anniversary of this sad day in the pages of world history, I speak out for the oppressed peoples of Czechoslovakia and express my hope that the human rights of the people there will be treated with the dignity and respect they deserve.●

● Mr. BURKE of Florida. Mr. Speaker, I rise to join my colleagues in this special order on the 10th anniversary of the Soviet invasion of Czechoslovakia. I commend our esteemed friend from Illinois (Mr. DERWINSKI) for his initiative and concern in bringing about this special order. We would indeed be remiss if we did not take a moment to remember the grisly events of August 1968 and their implications for today A momentary glimpse of liberty in Czechoslovakia, a fleeting moment of freedom from the politics of Communist dogma, led to a brutual act of intervention. Soviet tanks and infantry forceably crushed at the same time the Czechoslovakian moment of liberty and the fierce, but futile, resistance by the brave people of Prague.

There is a lesson in this. I think it worth noting that until 1968 Czechoslovakia was the best argument the Communists had that people would willingly submit to Communist rule. Even that example was questionable, because Czechoslovakia originally went Communist only after the suspicious suicide of Jan Masaryk in February 1948. For a decade no one in Eastern Europe dared assume that they were out of reach of Soviet armed might. For those who forgot this fact of life there was the Soviet intervention in Hungary and Poland in 1956 as a lesson to the contrary. Nonetheless, Czechoslovakia communism continued as the so-called showplace of communism for another dozen years.

By 1968 there was a false sense of progress with regard to Soviet relations with the West. While détente was not yet upon us, the cold war in Europe had abated slightly. American involvement in Vietnam had reached its peak. Vociferous critics blasted U.S. efforts on behalf of the Republic of Vietnam. The Soviet Union had not directly caused any international incidents since the Cuban missile crisis of 1962—too busy, perhaps, aiding Hanoi's aggression in South Vietnam. Short memories and wishful thinking lulled many in the United States and the West into believing that the Soviet Union had reformed.

The events of August 1968 should have permanently dispelled any doubts as to the Soviet Union's attitudes and behavior. They had not changed. Now 10 years later, the treatment of Shcharansky and thousands like him serve to remind us that Soviet attitudes have not changed. Soviet power still controls half the globe and, as much as possible, the minds of the Soviet people. Further, Soviet actions remembered should remind us that with very few exceptions no na-

tion has gone Communist and stayed that way except by force of arms. Of all the Socialist and Marxist states, it is hard to argue that any reflects the free will of its people as demonstrated in a genuine election. From the Gulf of Tonkin to the Baltic, from the polar north to the Tropics, Communist rule, of whatever stripe, remains an ugly imposition on subject peoples.

August 21, 1968, was clearly a day of infamy. It should remind us never to assume that peace is self-maintaining. We dare not conclude that the forces which threaten the security of the United States, or the West, or any of the increasingly fewer free states in the world, will go away after a year or 10 years or even 50 years of peace. We dare not forget the anniversaries which remind us of that truth.

Finally, and most important, we dare not forget that the ones who suffer first and most brutally are those, like the brave citizens of Prague, who fought Soviet tanks with clubs and stones, who resisted bravely but fatally. More than any other we honor them today. There is nothing more that we can say, except that if we remember, they did not resist, they did not die, in vain.●

● Mr. ZABLOCKI. Mr. Speaker, as we approach the 10th anniversary of the Soviet occupation of Czechoslovakia, I think it is fitting that we remind the world once again that a sense of outrage still exists toward the act of aggression committed by the Soviet Union against that small but courageous country on August 21, 1968. Who of us can forget the chagrin and sense of frustration that we felt as the news came in of Soviet tank forces occupying the major cities of that country? The Soviets did pay a heavy price in whatever good will and perhaps mistaken sense of trust they may have built up in some parts of the world at that time.

We should remember not only to condemn the Soviet Union but also to pay tribute once again to the valiant freedom-loving citizens of Czechoslovakia who gallantly and bravely resisted overwhelming Soviet forces.

Our thoughts and prayers continue to go out to the people of Czechslovakia who yearn for the freedoms and human rights that we in the United States take for granted. They should know that they are not alone in the struggle for their basic human rights, as promised in the Helsinki Final Act.●

● Mrs. HOLT. Mr. Speaker, 10 years ago Soviet tanks and armies rolled into Czechoslovakia to crush the popular spirit of self-determination. How well we recall the stories of civilians heroically resisting the armor and troops of the invaders.

Let us remember what provoked this cruel aggression. Czechoslovakia had installed a more liberal Communist regime that was relaxing some of the totalitarian controls which had been placed on the people. There was a spirit of nationalism among the people, and a longing for greater freedom.

To the Russian tyrants in the Kremlin, this was heresy. They were uneasy What if this heresy of liberalization spread beyond Czech borders, even to the Soviet Union itself?

The despots of the Soviet Union cannot tolerate even the smallest whiff of the fresh air of freedom. Wherever freedom exists in the world, wherever people are allowed to think and speak freely, that is where the Soviet leaders perceive a threat to their power.

Indeed, the very survival of freedom anywhere in the world is perceived by the Soviet rulers as aggression against them.

That, Mr. Speaker, describes the nature of our adversary, and it explains what happened in Czechoslovakia. It explains why the Soviet Union sends its own citizens to cruel labor camps for no offense except speaking their minds against the totalitarian system that rules them.

There is another lesson here, Mr. Speaker. The United States must not drop her defenses when such a power is loose in the world. We must support the right of the people of Czechoslovakia and others of Eastern Europe to self-determination.●

● Mr. MICHEL. Mr. Speaker, 10 years ago Russian tanks invaded Czechoslovakia and crushed the attempt of the Czech people to attain a measure of freedom. I say a "measure of freedom" because that, after all, is what was at stake. Alexander Dubcek, then head of the Czech Communist Party was experimenting with reforms of the Communist system and not attempting a wholesale overthrow of it. But even these reforms were too much for Leonid Brezhnev. He sent in the tanks. the ultimate argument of Communists everywhere. The rest is silence, the silence of a nation and a people whose brief "spring" is all but forgotten by the outside world.

Today there are still more than 80,000 Soviet troops in Czechoslovakia which is ruled by a puppet regime that dares not institute a single reform for fear of what might happen.

What more is there to say? The Soviets know they are breaking the Helsinki accord by their actions in Czechoslovakia. We know they are breaking the accord. They knew when they signed the accord that they would break it. But the United States, knowing all this, turns its face from the sight, as if it had come across the victim of a horrible accident and did not want to look at what had happened for fear of getting involved. And Leonid Brezhnev smiles and smiles and smiles and knows we will not even complain.

A few weeks ago I remarked about the amazing burst of outrage that came from unexpected places during the recent trial of the Soviet dissidents. I wondered why the same outrage was not shown over the long agony of the Captive Nations. No one has volunteered an answer to that question so I am left with my own guess which is that only when the media pays attention to a denial of human rights will certain prominent figures in politics and the media pay attention.

And so there will be no great public outcry over the fate of Czechoslovakia. But I am glad to have this opportunity to join with those who care and to express my condolences to the Czechs and Slovaks in their native country and to Americans who share their ancestry. But I want to do more than offer condolences on the Soviet occupation. I want to say that no matter what the present looks like and no matter how grim the past has been, the Czechoslovakian people should not give up hope. They have a right to self-determination. That fact should be at the heart of our Nation's policies toward Czechoslovakia and the Soviet Union.

Ten years after the tanks the tragedy of the Czechoslovakian people is all but forgotten. But I am happy that some of us in the Congress have not forgotten. I am equally glad that the Voice of America will be carrying a special report on "Czechoslovakia since 1968" during the period of the anniversary, and that its Czech language broadcasts will definitely speak to the people of Czechoslovakia about this subject. I also understand that the VOA will report on what we are doing here today and on demonstrations that will take place in this country.●

● Mr. OTTINGER. Mr. Speaker, August 21, 1978, marks the 10th anniversary of the invasion of Czechoslovakia by the Soviet Union, an event resulting in the severest violation of the human rights of the people of Czechoslovakia. On this occasion, we are obliged to denounce the Soviet Union's unwillingness to abide by the provisions of the Helsinki accords, the United Nations Charter, and the Czechoslovak Constitution.

The Soviet Army invaded Czechoslovakia on August 21, 1968, on the pretext that their occupation would protect the country against an aggressive action by the West Germans. The following week, Soviet Communist Party leaders forced the Czech leaders to sign a communique sanctioning the temporary occupation of Czechoslovakia. This act of aggression violated the Czechoslovak-Soviet Treaty of Friendship and Alliance of 1943, agreements among the allied powers, article 2 of the United Nations Charter, and a declaration of the Soviets of October 30, 1956.

An agreement of October 16, 1968, provides for the stationing of Soviet forces in Czechoslovakia for a temporary period. The Soviet Union acknowledged that it would maintain its forces in Czechoslovakia until the situation in that country was normalized. The conditions in Czechoslovakia have been normalized, yet the Soviet forces remain.

The people of Czechoslovakia, as well as other peoples of Eastern Europe, have a right to self-determination, a principle which the Soviet Union itself has recognized but flouted. The Soviets continue to deny three basic principles: The principle of the sovereignty of all European states and nonintervention in their internal affairs, the principle of the independence of all states including the right of self-determination, and the principle of the renunciation of the use of force against any states.

On this occasion, the anniversary of the initial violation of the Czech people's human rights, we express the concern of Congress for the renewal of the rights of self-determination, independence, sovereignty, and nonintervention for a country illegally deprived of these basic

rights. In the interest of Czechoslovakia's freedom, as well as the peace, stability, and prosperity of Europe, it is imperative that the Soviet Union withdraw its forces from Czechoslovakia. ●

● Mr. WEISS. Mr. Speaker, August 21 marks the 10th anniversary of the Soviet invasion of Czechoslovakia. This is therefore a most appropriate time to call public attention to the deplorable human rights situation in that nation today.

And we should also view this sad occasion as an opportunity to express our unyielding support for the continuing struggle being waged by thousands of Czechs for freedom and justice.

On August 21, 1968, the Czechoslovokian people were, both figuratively and literally, placed under house arrest. A systematic policy of brutal repression was then initiated.

The leaders of the short-lived movement to liberalize Czechoslovakia were exiled from Prague and imprisoned. Soviet troops were stationed throughout the country to enforce Moscow's dictates and to defend its puppet rigime.

Governmental oppression has not significantly lessened in the intervening decade. In some ways, the human rights record of the Czech Government is worse today than in 1968. Amnesty International reports, for example, that in 1977 "there were more known violations of human rights in Czechoslovakia than in the preceding year."

One of the most vivid examples of the degree of repression being experienced by the Czech people involves the official reaction to circulation by private citizens of a human rights declaration called "charter 77." This document urges the Czech Government to implement the International Covenant on Civil and Political Rights and the International Covenant on Economic, Social and Cultural Rights which are included in the Czech legal code.

As a result of signing charter 77, 41 people have had their apartments searched and their personal possessions confiscated, Amnesty International reports. Karol Sidon, a writer, was held in custody for more than 100 hours without charges being brought against him. Many persons active in the charter 77 have been severely beaten by the Czech authorities, Amnesty International adds. More than 80 people have been dismissed from their jobs because of their involvement with human rights advocacy.

Charter 77 and the state's attempt to crush it and all it represents stand as testimony to the heroic resistance of the Czech people and their determination to be free. Let us take the opportunity afforded by this grim anniversary to express our solidarity with the unconquerable spirit of the people of Czechoslovakia.●

● Mr. WINN. Mr. Speaker, on August 21 concerned individuals everywhere will commemorate the 10th anniversary of a shocking and tragic event, the massive and brutal 1968 invasion of Czechoslovakia by armed forces of the Soviet Union and four of its obedient Warsaw Pact satellites, East Germany, Poland, Hungary, and Bulgaria. In a matter of a day or two the courageous Czechoslovak people were hopelessly overwhelmed by the tanks and bayonets of some 650,000 of the aggressors' troops.

Without the knowledge or consent of any legitimate Czechoslovak Government authorities or even of the officials of the Communist Party of Czechoslovakia, and in violation of the United Nations Charter and existing treaties, the heavy fist of Soviet imperialism struck a defenseless Czechoslovakia late on the night of August 20, 1968. This blatant act of aggression was allegedly justified by the absurdly transparent, flimsy, and bizarre explanation that the Soviet Union and its accomplices were responding to an anonymous Czechoslovak request for armed aid to protect true "socialist progress" against unidentified internal and external "counterrevolutionary forces." In fact, as was readily apparent, the purpose of the invasion was to crush the traditional spirit of freedom and dedication to self-determination of the Czechoslovak people which had begun to be manifested in the reforms of the popular Dubcek government.

With considerable difficulty the Soviets eventually recruited and installed a puppet government of contemporary "quislings." That present government in Czechoslovakia has now become infamous for its fanatically orthodox and servile adoration and limitation of Soviet communism. As Amnesty International's reports indicate, the current Czechoslovak Government is imitating the recent Soviet crackdown on human rights proponents, dissidents, and particularly former supporters of the Dubcek reform regime purged and harrassed since the invasion, and doing so with a vengeance.

Although an 80,000-man Soviet occupation force still garrisons Czechoslovakia, Russian language is compulsory in their schools, and their inflexible Soviet-style economy is stagnating, the traditional love of the Czechoslovak people for freedom has not been extinguished. People everywhere who share that love of freedom and the principle of self-determination applaud the patience, perseverence, and courage of the Czechoslovak people in their stoic efforts to adapt to and survive the burdens and constraints which they now endure. We join them in their inner hope that in the long run the sickness of Soviet tyranny will succumb to its own cancerous nature.●

● Mr. ADDABBO. Mr. Speaker, 10 years ago, on August 21, 1968, the Soviet armed forces, aided by troops from four other Warsaw Pact nations, invaded and occupied Czechoslovakia and overthrew its government. Realizing that resistance was futile, Czech leaders urged their people not to fight back. Yet, in spite of such warnings, the Czech people staged a general strike and various protests to the Soviet violation of their sovereignty. Invading troops fired at curfew violators, circular distributors, and other passive resistors. Within 3 days, 20 persons had been killed and more than 300 wounded in Prague alone.

International condemnation was quick and fierce; still, the Soviets were unmoved by the protests. Not only were non-Communist nations appalled by the invasion, but so were most of the world's Communist parties not involved in the crisis, including those of France, Italy, Rumania, Yugoslavia, and China. On August 22, the U.N. Security Council supported a seven-nation resolution condemning the invasion and calling for the withdrawal of occupying forces. The resolution was vetoed by the Soviet Union.

The Soviet invasion was a reaction to Alexander Dubcek's efforts to democratize Czechoslovakia. His government sought to give greater autonomy to the courts, trade unions, and economic enterprises. Perhaps more important, he sought a more independent stand from the Soviet Union in foreign affairs.

That great defender of all so-called wars of national liberation, the Soviet Union, reacted with a blatantly imperialistic, armed invasion to the Czech movement toward greater autonomy.

As a free people, we Americans have the responsibility of remembering the invasion and all other violations of human rights. For 10 years and more, the Soviet Union has imprisoned the people of Czechoslovakia in its sphere of influence and has denied to these people, as it has to so many milions of others, the fundamental right of self-determination.

The Czechoslovakian people have a long and commendable history of democratic free government. The Soviets have subjugated that brave and determined people twice, against all semblance of international law and human decency. I have faith that the Czech people will overthrow their Soviet oppressors and once again take control of their destiny. Let us pray that next year at this time the people of Czechoslovakia will once again stand as our brothers in the family of free and independent nations.●

● Mr. BOB WILSON. Mr. Speaker, with our commitment to human rights and in assuring the peoples of all nations of our commitment to peace and freedom, it is most important to note that this coming Monday, August 21, marks the 10th anniversary of the brutal takeover and forced suppression of the people of Czechoslovakia by the Armed Forces of the Soviet Union.

Prior to that date, the Czech people had struggled for years to end Soviet repression and to once again live in peace and freedom. That struggle was crushed 10 years ago, and the Czech people once again are under the domination of the Soviets.

Mr. Speaker, we must never forget, and must never let the world forget just how precious freedom is, and that America will never give up the battle against oppression. Let us hope and pray that the people of Czechoslovakia, and all over the world will one day gain that most priceless of all gifts—the right to live out their lives in peace and freedom.●

Mr. DERWINSKI. Mr. Speaker, I yield back the remainder of my time.

MOORHEAD REPORT TO THE HOUSE ON INFLATION

The SPEAKER pro tempore. Under a previous order of the House, the gentle-

man from Pennsylvania (Mr. MOORHEAD) is recognized for 15 minutes.

Mr. MOORHEAD of Pennsylvania. Mr. Speaker, last year at about this time I reported to the House on the inflation situation and outlook. I did so in my capacity as chairman of the Subcommittee on Economic Stabilization of the Banking Committee, which has legislative jurisdiction over the Council on Wage and Price Stability and, as an outgrowth of that, a general oversight role in the inflation problem.

Today I make a second "annual report" on inflation. The news that I convey is not good. Not only are the figures worse than a year ago but also there is a clear lack of consensus—among the experts and among ordinary people—as to what we ought to do about the problem. However, while in no sense minimizing the seriousness of inflation, I want to begin by making a distinction between a problem and a catastrophe.

Although inflation has worsened over the past 12 months—contrary, I must say, to my own hopes and expectation of a year ago—we are not facing the kind of runaway situation that renders currencies worthless. There is legitimate debate over whether our fiscal and monetary policies are sufficiently restrictive, but in no sense are we resorting to the "printing press" on a grand scale. The best proof of this is in the price indexes for raw commodities, agricultural and nonagricultural. These prices are the most sensitive indicators of excess demand in the economy, and they are behaving very calmly, with most of them below their peaks of earlier this year. We are not in a world of shortages and bottlenecks, of "too much money chasing too few goods," of uncontrolled budget deficits.

To cite Paul Samuelson, one of our leading economists:

> Neither galloping inflation nor malignant slump are suggested for America by the visible signs.

It is instructive to look back over the past years and identify some of the things that have worsened the inflation picture, several of them unforeseen.

Food: Basic grain supplies have been ample all through this period, but we have learned that there can be large upward swings in meat prices even with moderate feed grain prices. Particularly troublesome—and unpredictable—was the impact of the severe winter on the supply of hogs. Fruit and vegetable prices also reflected weather conditions.

We must remember that there is an "underlying" inflation rate in food prices that is not much different from the rate for the economy as a whole, reflecting the inexorable rise in costs all along the chain of processing and transportation. Last year for the first time, as one of our hearings brought out, the identifiable cost of labor is getting food prepared and into the consumer's shopping bag exceeded for the first time the value of the food at the farm gate, though labor in the food industry did not receive wage gains out of line with those of workers generally.

But the sudden jump in food prices was another matter. We did not anticipate the severity of the beef cycle, with herd liquidation of earlier years now succeeded by reduced supplies, and the weather dealt us a harsh blow in other food sectors. Grain supplies, fortunately, remain ample and the food price picture may look better from now on, as indicated by the latest wholesale price index for July.

The dollar: The decline in the dollar's exchange rate against most of the other leading currencies went much farther than it was reasonable to expect a year ago, and this has added upward of half of one percent to our inflation rate according to estimates of the Federal Reserve Board, chiefly through higher prices for imports. The decline in the dollar's exchange rate reflected a trade balance that turned out to have a far larger deficit than had been anticipated—a deficit stemming mostly not from a further major worsening of our oil balance but rather from trade in all other goods.

Here again, there is reason to believe that the worst is over. The trade deficit has begun to diminish, thanks in part to the delayed effect of the exchange rate depreciation itself. In the past 3 or 4 months the only major decline of the dollar has been against the yen and the Swiss franc. I do not know, of course, whether the weighted exchange rate of the dollar will improve a little or worsen a little from now on, but it is doubtful that we face another huge drop such as occurred in late 1977 and early 1978.

Government actions: Contrary to the wishes of many of us, social security payroll taxes were raised substantially at the beginning of this year. Together with a catch-up increase in the minimum wage, this added about a half percent to labor costs and therefore to prices, according to the Council of Economic Advisers. Environmental, health, and safety regulations are increasingly reflecting the major legislation of recent years—legislation that in all principal respects I fully support—and are now adding about three-quarters of 1 percent a year to the price level, as estimated by the Council on Wage and Price Stability. To relieve a situation of genuine distress we acted legislatively to raise the domestic price of sugar above the world price. Some people would include in this list of Government actions contributing to inflation the handful of measures to curb imports that have been taken, but I doubt that this was of any importance. For example, the reduction in steel imports made possible by the new "trigger price" system has been a factor in improving the operating rate of the domestic industry, with a consequent check on the upward pressure of unit costs.

Monetary policy: I pointed out a year ago that one of our defenses against inflation was the new system by which the Federal Reserve establishes quarterly targets for the growth rate of the principal monetary aggregates and reports them to Congress. As it happens, over the past year the growth of one of those aggregates—the narrowly defined money supply, or M–1—has been significantly higher than the Federal Reserve's own targets. To those who place heavy emphasis on monetary developments in explaining inflation, this "excessive ease" of monetary policy has been a major cause of the worsening of the inflation picture.

While I do not want to be dogmatic in this arcane field, my own view is that the Federal Reserve acted sensibly on the whole during this period. If it had adhered with theological consistency to its targets for M–1, it would have had to force up short-term interest rates even more than it did. This could have brought on a credit crunch and possibly a needless recession. The payoff in reduced inflation would have been slight at best, based on the experience with recessions in this decade, but the suffering would have been widespread.

Mr. Speaker, I do not want to pretend that I have a solution for the inflation problem. As testimony before our subcommittee from Government and non-Government witnesses alike has impressively demonstrated, inflation has acquired its own momentum—a momentum that is resistant to the classic medicine of reduced demand. We must remember that the familiar "cures" of a balanced budget and slower growth of the money supply cannot halt inflation by magic; they can work only through reduced total spending in the economy, that is, reduced demand. The economists that we and other committees have had show a considerable consensus that this kind of medicine would indeed reduce the inflation rate, but only very slowly and at a high cost in the form of unemployment, lower profits and reduced output for the economy. I do not mean to imply unanimity on this point, but even those who still favor the "old-time religion" concede that the anti-inflation payoff is likely to be gradual at best and that there will be a cost in production and employment. In my view, the most striking economic lesson of our generation was the resistance of inflation to the extremely deep recession of 1974–75, when unemployment hit a 35-year peak and yet wages and prices kept right on rising at a pace to yield an inflation rate of about 6 percent. There is no reason to think that another recession would produce any better results on the inflation front.

It was in recognition of this new phenomenon that the Carter administration adopted its policy of voluntary "deceleration" for wages and prices, asking that the rise in each be kept below the average of the two preceding years. If voluntary methods have any usefulness at all, there was nothing wrong with this formula. It seemed preferable in some ways to numerical guidelines. But despite the heroic efforts of Robert Strauss, the President's inflation counselor, I think we have to concede that the program has not succeeded, and perhaps never could have succeeded. Individual labor unions, dealing with their

own particular bargaining situations, have never accepted the formula. A few large industries, including steel and automobiles, have announced conditional support and may turn out to be in compliance, but it is an open question whether this is because of the President's program or because of market and cost factors in those industries. Recognition that voluntary restraint of this kind has largely failed does not, I should emphasize, lead to the conclusion that there should be mandatory wage and price controls.

Mr. Speaker, we in Congress are frustrated by this problem and we are largely limited, for the time being at least, to an exercise in damage control. What that means in practice is a firm effort to keep inflation from accelerating, and I believe we are doing so—above all in fiscal policy. The tax cut we have passed in the House is much less than the President originally proposed and the second budget resolution incorporates a noticeable reduction in aggregate outlays. The combination will mean an impressive reduction in the size of the budget deficit from that planned by the President as recently as last January. To repeat what I said earlier, we must not expect a lower budget deficit to solve the inflation problem, but it constitutes a meaningful restraint on further acceleration. I believe that Federal Reserve monetary policy, despite the straying of M–1 above the Fed's targets, is operating in the same direction—not an effort to crush the expansion of the economy, but an effort to curb the tendency of inflation to get worse.

Our subcommittee will continue to explore the inflation problem and will keep our minds open to any constructive solutions that may be offered. We plan an early hearing, for example, on H.R. 13865, which I have cosponsored, that would require the President to proclaim more precise wage and price guidelines for the private economy, without going the route of controls. Among other things, the bill would mandate a serious study by the administration of the use of tax incentives to foster compliance with the guidelines—the interesting idea known as TIP, or tax based incomes policy.

But I do not want to create any illusions. We have good reason to hope that inflation will moderate from the 10.4 percent annual rate of the first half of this year, as measured by the Consumer Price Index. But the momentum of inflation is such that an era of price stability is nowhere in sight.

WHY A VOTE AGAINT KEMP-ROTH WAS A VOTE FOR HIGHER TAXES: THE BATTLEGROUND IN THE HOUSE NOW SHIFTS TO THE NOVEMBER ELECTIONS

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from New York (Mr. KEMP) is recognized for 10 minutes.

● Mr. KEMP. Mr. Speaker, political debates can be influenced by halftruths, and there is no more convincing evidence of this than what has happened in the House with respect to the Great Tax Cut Debate" in 1978. Under the guise of cutting taxes, the House has consciously acquiesced in allowing an increase in taxes.

One week ago today, August 10, the House passed the Revenue Act of 1978. It was billed by its sponsors as a major tax cut. Parenthetically, I was pleased it was in fact a cut in tax rates for capital gains. But the headlines the next morning carried the message, "House Passes $16 Billion Tax Cut," of which $10-plus billion was earmarked for individuals. But, that is far from the whole truth.

Why? Because Congress knew then, as it knows now, that the $10-plus billion cut for individuals will still leave the American taxpayers paying $16 billion more in 1979 than they paid in 1978. Plus, $29 billion more in 1980 and $52 billion more in 1981. A staggering $262.5 billion more through 1983.

There are two reasons why taxes are going up.

First, Congress has passed a $120 billion increase in social security taxes over the next 5 years. While there are many of us in Congress who voted against the payroll tax increase, there are just as many, or more, who want to keep it in place.

Second, inflation pushes taxpayers into tax brackets where the percentages they pay in additional tax dollars of income are increasingly higher, from 14 to 70 percent. The steep climb of these rates, coupled with inflation, has resulted in the middle class paying at rates once reserved for the wealthy. What is worse, the effects reduces incentives for workers, savers, and investors and those men and women who take economic risks. That causes an economic slowdown. It also accounts for another $215 billion in additional taxes through 1983.

The result? Unless individual income tax rates are reduced drastically, the American people will be paying $262 billion in additional Federal taxes through 1983. That's a quarter of a trillion in only 5 years. What is even worse to the incentive side of the economy is the fact that tax rates are increasing so rapidly that blue-collar men and women will soon be in the 50-percent marginal tax brackets when Federal and State tax rates are combined. I submit this will Britainize our economy and threaten every social program in our Nation.

What should Congress do? It should enact the Individual Income Tax Rates Reduction Act, which I offered as the substance of the motion to recommit last week. That measure would reduce individual income tax rates by about 30 percent over the next 3 years, starting January 1, 1979.

During the debate on that motion, I read into the proceedings a chart which showed that if the House rejected the motion and passed the committee-reported bill, H.R. 13511, instead and in tact, that the American people would still be facing the $262.5 billion tax increase to which I have just referred. That information was before my colleagues when they cast their vote on the motion to recommit. Here is that information, once again:

PENDING TAX INCREASE/(DECREASES) UNDER CURRENT LAW, UNDER THE HOUSE-PASSED REVENUE ACT OF 1978, AND UNDER KEMP-ROTH

[In billions of dollars]

	1979	1980	1981	1982	1983	Total
Pending tax increases due to:						
Inflation [1]	16.8	27.8	40.8	55.2	72.4	213.0
Social security [1]	9.6	13.1	25.3	34.3	37.5	119.8
Total	24.6	40.9	66.1	89.5	109.9	332.8
Alternatives to offset these pending tax increases would result in the following tax ncreases/(decreases):						
H.R. 13511, the Revenue Act of 1975, as passed by the House	16.0	28.9	52.3	73.7	91.6	262.5
Kemp-Roth amendment [2]	3.6	(12.8)	(15.9)	(16.1)	(9.1)	(60.2)

[1] Based on calculations of the Joint Committee on Taxation, assuming 7.5, 7.0, 6.5, 6.0, and 6.0 inflation.
[2] To sec. 101 of H.R. 13511.

Now, what does that mean to the average family of four?

There are several ways to depict this. But irrespective of the way used, it means that the committee bill will result in substantial net tax increases over the next 3 years, whereas the Kemp-Roth amendment would have resulted in significant net tax decreases.

The first is a table prepared by the Associated Press and appearing around the country the morning after the vote. It shows what the cuts would be—without taking into account inflation or social security—according to the committee bill, the administration-backed Corman-Fisher substitute, and the Kemp-Roth amendment. This table shows, as will those which follow, that the Kemp-Roth amendment would have provided the greatest level of cuts over the next 3 years. It follows:

TAX CUT TABLE

Here is what congressional tax experts estimate federal income tax cuts would be under the bill which the House passed Thursday night and sent to the Senate.

Also shown are estimates for the two major alternative tax-cutting proposals which the House rejected.

This table is computed for typical taxpayers with deductible personal expenses of 23 percent of their income.

In this comparison:

"Income" is basic annual salary, wages, or self-employment income.

"Bill" is what the cut would be next year under the bill, which the House passed and sent to the Senate.

"Plan" is what the cut would have been next year under the Carter administration-backed plan sponsored by some Democrats. The House rejected this.

"GOP" is what the cut would have been under a Republican-sponsored alternative that would have phased in an average one-third reduction in personal tax rates over three years. The House rejected this.

"na" is figures which were not immediately available.

SINGLE PERSON

	Committee bill	Administration backed Corman-Fisher plan	Kemp-Roth amendment
SINGLE PERSON			
Income:			
$3,000	$2	NA	0
5,000	21	$58	$129
6,000	16	NA	199
8,000	12	NA	349
10,000	15	9	501
12,500	38	NA	655
15,000	71	56	817
17,500	87	NA	990
20,000	105	100	1,170
25,000	160	100	1,585
30,000	213	100	2,051
35,000	247	100	2,553
40,000	328	100	3,092
MARRIED COUPLE			
Income:			
$3,000	0	NA	0
5,000	0	NA	0
6,000	$31	NA	$78
8,000	47	NA	198
10,000	39	NA	318
12,500	14	NA	468
15,000	6	NA	624
17,500	25	NA	758
20,000	81	NA	912
25,000	160	NA	1,238
30,000	224	NA	1,616
35,000	286	NA	2,054
40,000	345	NA	2,516
FAMILY OF 4			
Income:			
$3,000	0	NA	0
5,000	0	NA	0
6,000	0	NA	0
8,000	$36	NA	$108
10,000	62	$260	228
12,500	105	NA	378
15,000	77	229	519
17,500	115	NA	653
20,000	146	228	792
25,000	232	308	1,103
30,000	304	423	1,451
35,000	388	NA	1,875
40,000	486	654	2,336

Now, taking inflation-pushed and social security tax increases into consideration, which we must do, because those are the realities we face, what does this mean to the average family of four, one with an adjusted gross income in 1978 of $12,000, $17,000, $20,000, $30,000, and $40,000?

In terms which do reflect inflation-pushed and social security tax increases, which we must if we are to have an accurate picture, here is what will happen if the committee bill becomes law, in contrast to what will happen if the Senate enacts Kemp-Roth and it is kept in the joint House-Senate conference committee:

1979–1981 CUMULATIVE TAX INCREASE/(DECREASE) OVER 1978 TAXES [1]

[1978 constant dollars]

Adjusted gross income family of 4 in 1978	Kemp-Roth	Ways and means
$12,000	($260)	$335
$17,000	(749)	246
$20,000	(598)	660
$30,000	(1,756)	1,287
$40,000	(2,406)	1,579

[1] Includes social security and income taxes.

That is a dramatic difference in the amount of Federal income taxes paid over that 3-year period by those families.

I have had this cumulative information broken out for 1979, 1980, and 1981, for those with adjusted gross incomes of $12,000, $17,000, $20,000, $30,000, and $40,000. That information—showing the consequences just considering Federal individual income taxes, then showing those consequences when coupled with the increased social security taxes—follows:

CHANGE IN PERSONAL INCOME TAX LIABILITY UNDER WAYS AND MEANS BILL AND UNDER KEMP-ROTH FOR A FAMILY OF 4

[1978 constant dollars]

	Increase (decrease) over 1978 taxes under Kemp-Roth	Increase (decrease) over 1978 taxes under Ways and Means bill
1979 adjusted gross income: [1]		
$12,900	(82)	(2)
$18,275	(159)	(32)
$21,500	(225)	(66)
$32,250	(425)	(131)
$43,000	(663)	(160)
1980 adjusted gross income: [1]		
$13,803	(109)	85
$19,554	(286)	42
$23,005	(384)	33
$34,508	(734)	72
$46,010	(1,142)	174
1981 adjusted gross income: [1]		
$14,700	(160)	162
$20,825	(431)	107
$24,500	(558)	124
$36,750	(1,084)	260
$49,000	(1,688)	478

[1] Adjusted gross incomes shown reflect inflation rates of 7.5 percent in 1979, 7 percent in 1980, and 6.5 percent in 1981. The adjusted gross incomes were $12,000, $17,000, $20,000, $30,000, and $40,000 in 1978.

CHANGE IN PERSONAL INCOME TAX AND SOCIAL SECURITY TAX FOR A FAMILY OF 4 UNDER WAYS AND MEANS BILL AND UNDER KEMP-ROTH

[In 1978 constant dollars]

	Increase (decrease) over 1978 taxes under Kemp-Roth	Increase (decrease) over 1978 taxes under Ways and Means bill
1979 adjusted gross income: [1]		
$12,900	(73)	7
$18,275	(146)	(18)
$21,500	(70)	89
$32,250	(190)	104
$43,000	(428)	75
1980 AGI: [1]		
$13,803	(100)	94
$19,554	(273)	56
$23,005	(229)	188
$34,508	(425)	382
$46,010	(832)	484
1981 AGI: [1]		
$14,700	(87)	234
$20,825	(330)	208
$24,500	(299)	383
$36,750	(543)	801
$49,000	(1,146)	1,020

[1] Adjusted gross incomes shown reflect inflation rates of 7.5 percent in 1979, 7 percent in 1980, and 6.5 percent in 1981

Mr. Speaker, a vote against the Kemp motion to recommit was a vote for higher taxes, especially in the lower- and middle-income categories.

There is still time for Congress to reverse the House's position. The Senate will consider the bill in the coming weeks. And, there will be a newly elected House and Senate in January.

This, clearly, is the people's battle, and the outcome will depend on how much they demand these tax rates be reduced through their expressions to their Senators and through pulling the levers in the voting booths in November for those Senate and House candidates committed to a 30-percent tax rate reduction. This ambitious new idea and strategy may not have yet won a majority in the "income-redistribution" oriented House, but it clearly has the majority of the American people's support.

Despite the stridency of the rhetoric against Kemp-Roth and against my motion to recommit, I firmly believe those who believe in these tax rate reductions have succeeded in advancing that new idea. We have raised the consciousness level of the debate in America as to how to achieve noninflationary growth and jobs creation in our Nation. We will not give up our efforts to restore incentive to America.

Mr. Speaker, I think Irving Kristol, the Henry Luce professor of urban values at New York University, summed up this debate and the need for the Kemp-Roth legislation most articulately and perceptively in his column from the morning of last week's debate:

POPULIST REMEDY FOR POPULIST ABUSES

(By Irving Kristol)

The spirited quarrels among economists, in The Wall Street Journal and elsewhere, about the Kemp-Roth bill are interesting—also more than a little confusing.

That liberal economists should oppose the bill—which would slash individual income tax rates by 30 percent over the next three years, and slightly reduce corporate rates as well—is understandable. Most of them believe, basically, that government can spend the people's money more wisely than the people themselves. They are also committed to the egalitarian principle that affluent citizens should always pay more, never less, taxes.

That some businessmen and some business publications (e.g., Business Week and Forbes) should be distrustful of it is only a little less understandable. For a good portion of the business community still believes that national economic policy should be governed by a simple and static principle: first balance the budget by cutting government's expenditures—and then cut taxes. This is prudent bookkeeping but betrays a naive ignorance of the dynamics of political economy.

What is extraordinary, however, is that so many conservative economists have such ambivalent attitudes toward the bill. Only a few are opposed to it outright. Most of them take the odd position that the thinking behind the bill is all wrong—"the Kemp-Roth Free Lunch," Milton Friedman calls it scornfully—but they (including Dr. Friedman) support it anyway. Why so critical? And why such support, nevertheless?

There are two main arguments offered in favor of the Kemp-Roth bill. The first is to the effect that, without such a tax cut, and assuming an average inflation rate of 7% annually, marginal tax rates 10 years from now will be absolutely horrendous. Specifically, a four-person household with an annual income of $15,000 (in inflated dollars) in 1987 will then find itself paying a 50% tax at the margin. This would be ruinous to all economic incentives, and would probably provoke a major political convulsion as well. The Kemp-Roth tax cut would permit the taxpayer to avoid the "double whammy" created by inflation combined with the progressive income tax.

The second argument is in response to those who worry about the inflationary impact of such a tax cut at this time, and who insist that it be accompanied by substantial cuts in government spending. This argument is to the effect that, while every effort should

certainly be made to hold down government spending—both Kemp and Roth, after all, are conservative Republicans—the tax cuts themselves will be so conducive to economic growth that government's revenues will eventually increase to such an extent as to make the budgetary deficit a negligible concern. And it is this issue—centering around the "Laffer curve" and its seemingly perverse promise of increased revenues through tax cuts—that creates a storm of controversy among conservative economists.

In fact, the argument from inflation, though it has a superficial plausibility, is—as Dr. Friedman would agree—beside the point. Paul Craig Roberts has shown persuasively in these pages that a cut in tax rates need not be inflationary. Inflation is a monetary phenomenon, and if the government does not finance its deficits via the printing press, there will be no inflation (though there can, of course, be other undesirable economic consequences). A tax cut can be funded by new debt, by borrowing from the public, rather than with newly-printed money.

Ah, Milton Friedman then intervenes, in that case you are not talking about a "real" tax cut at all! "The total tax burden on the American people," he writes, "is what the government spends, not those receipts called 'taxes.' And any deficit is borne by the public in the form of hidden taxes . . . ," for an increased deficit surely will have to be paid for with future tax revenues.

He is, as usual, absolutely right—from the point of view of academic economics. But academic economics is not quite the same thing as real-world economics. In the academic universe, little attention is paid to entrepreneurial innovation—an activity which, since it is not quantifiable in its extent or effects, is largely ignored by modern economic theory. Businessmen, who are growth-oriented, ought to understand this aspect of public economic policy better than they do. They are familiar enough with the example of a stagnant firm, already heavily in debt, restructuring itself internally to increase growth, and financing this process by increasing its debt in the hope that this will be more than compensated for by that future growth. In effect, Kemp-Roth represents such a restructuring and refinancing of the national economy, for purposes of growth.

That Dr. Friedman and other conservative economists nevertheless support Kemp-Roth, despite their continual sniping at it, is testimony to the fact that, if their economics is overly academic, their politics is not. They have learned the lesson of Proposition 13, which is that tax cuts are a prerequisite for cuts in government spending. The politics of the budgetary process is such that a cut in any particular program will provide intense opposition from a minority, and only indifference from the majority. In such a case, it is unreasonable to expect politicians to pay the high political costs involved. They can only cut when they are seen to have no alternative. The Federalist Papers refers to our complicated constitutional structure, with its checks and balances, as offering a "republican remedy for the abuses of republican government." The tax-cut movement represented by Proposition 13 and Kemp-Roth can, I think, with justice be described as a populist remedy for the abuses of populist government.

But to return to the controversial though by no means central economic question: Will, in fact, the Kemp-Roth tax cut generate enough economic activity, enough growth, and a sufficiently enlarged tax base, so that government's revenues actually increase to such a degree as to close the initial budgetary gap which such a tax cut will create? The only honest answer is that we don't know—no one knows—for certain. But we do know two things for certain.

First, it will surely generate a substantial degree of economic growth and will therefore probably result in some increase in government's revenues. The theory behind the Laffer curve is validated by both current and historical experience, even if—to the annoyance of academic economists—it does not lend itself to the kind of quantification that fits neatly into their macroeconomic procedures. Thus, one picks up The New York Times for Aug. 1 and reads a story on the sports pages which begins as follows:

"SARATOGA SPRINGS, N.Y.—With a 'new deal' tax structure taking effect, New York horseplayers turned out in record numbers today for the start of Saratoga's 24-day thoroughbred meeting.

"With the parimutuel takeout reduced from 17 percent to 14 percent, a crowd of 21,228 showed up as America's oldest active race track opened its 110th meeting in 115 years. No first day here has ever been so busy."

As for our historical experiences with tax cuts, when Reg Jones of G.E. testified before the Senate Finance Committee last year he pointed out that we have had 11 tax cuts since World War II and that, in 10 out of those 11 cases, government revenues increased within a year. In the eleventh case—1948—it took two years for that to occur.

Secondly, if government's revenues should fail to increase sufficiently, and the budgetary imbalance is not ameliorated, then (and only then) can we anticipate that our political leaders will find it possible to make sharp cuts in spending. In politics, the necessary is sometimes a precondition for the possible.

So it seems to me that, for reasons both economic and politic, the Kemp-Roth bill is exactly the right medicine for what ails us at this time. It also seems a shame that so much intellectual energy should be expended in quarrels over whether the right medicine is being prescribed for precisely the right reasons.●

LEGISLATION TO AMEND INTERNAL REVENUE CODE WITH REGARD TO REAL ESTATE INVESTMENT TRUSTS

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from New York (Mr. CONABLE) is recognized for 10 minutes.

● Mr. CONABLE. Mr. Speaker, I am today introducing, on behalf of Mr. CORMAN of California, and myself, a bill to amend sections 856 and 857 of the Internal Revenue Code of 1954, as amended, in certain respects. The amendments included in the bill would help solve some difficult problems faced by real estate investment trusts (REIT's) under the present provisions of section 856(e) and section 857(b)(6) of the code, which relate to the "foreclosure grace period" and imposition of the 100 percent "prohibited transactions" tax on gains from certain sales, respectively.

The Tax Reform Act of 1976 (Public Law 94-455) enacted a number of substantial changes regarding taxation of REIT's. Some of these changes were designed to reduce the consequences of certain acts which would result in the "disqualification" of a REIT. One area which has long been a problem relates to the limitation that a "qualified" REIT cannot hold "property primarily for sale to customers in the ordinary course of its trade or business." Since the determination in advance of what will constitute holding property for sale in the ordinary course of business is generally extremely difficult, the 1976 tax reform changed the statutory sanction against holding property for sale in the ordinary course of business for "disqualification" of the REIT to imposition of a 100-percent tax on the net gain from any such sales.

The substitution of the 100 percent "prohibited transactions" tax under section 857(b)(6) for "disqualification" was considered to be a helpful change for the REIT industry, although during the consideration of this measure in 1976, the industry urged that further refinement of this provision was needed. While both the Treasury Department and the Joint Committee on Taxation staffs recognized potential problems, there was not sufficient time to make the needed changes. Since enactment of the 1976 Tax Reform Act, trustees, in the management of their respective REIT's, have found themselves in an extremely difficult position as a consequence of the 100-percent tax possibility. Specifically, they have found it difficult to fulfill their fiduciary duty to manage their investment portfolios by upgrading their holdings to reflect changes in the economic climate affecting real estate investments.

Because the tests under present law as to what constitutes property "held for sale", as opposed to held for investment, are so subjective, tax counsel for trusts are unable to assure clients that a given sale may not constitute a "prohibited transaction." In addition, were trusts to make sales which could potentially be subject to the 100 percent tax, their auditing firms have indicated that they would be unable to certify subsequent financial statements of the trusts without indicating a large contingent liability related to the 100 percent tax danger. Given these difficulties, under present law trusts find themselves precluded from making certain sales which they otherwise should make, in the normal portfolio management of their trusts.

Accordingly, the bill is intended to aid both administration and compliance in the "prohibited transactions" area. It would establish guidelines as to certain sales, which, if met, would permit trustees to fulfill their responsibilities to their trusts' shareholders without unnecessary fear that any gain from such sales would later be subject to the 100 percent penalty tax. Basically, any sale of property which fits within such guidelines would possess the essential characteristics of an investment property, the sale of which is compatible with the overall policy underlying the REIT provisions in the code. The basic characteristics of the proposed "safe haven" contained in this bill are as follows:

First. A "qualifying" property would have been held by the taxpayer for a minimum of 4 years.

Second. The taxpayer may not make more than five sales of property in a given taxable year.

Third. During the 4-year holding period prior to sale all improvements to the property could not exceed 20 percent of the net selling price;

Fourth. The property sold would have to have been held for the production of rental income for at least four years within the period during which the trust held the property.

The "safe haven" created by the bill would affect only the applicability of the 100 percent "prohibited transaction" tax, and would have no impact upon the question of whether or not a particular gain would be treated as either a capital gain or ordinary income. On the other hand, a failure to meet the requirements for "safe haven" treatment would not create any negative inference as to whether or not such sale constituted a "prohibited transaction," that is, the failure would not be taken into account in determining whether or not the "nonqualifying" sale constituted a "prohibited transaction." That determination, as provided for in the bill, would be based on the facts and circumstances of each particular case by applying the general principles in the "holding for sale" area.

My cosponsor and I believe that the creation of this "safe haven" in the "prohibited transactions" area would greatly aid prudent investment management by REIT directors and trustees, permiting them to meet their fiduciary responsibilities to their shareholders, and at the same time reflect congressional intent in the enactment of the "prohibited transactions" tax to prevent "ordinary retailing activities" by real estate investment trusts.

EXTENSIONS IN THE FORECLOSURE GRACE PERIOD

The bill would also amend the Internal Revenue Code to permit the Internal Revenue Service to extend the "foreclosure grace period" provided for in section 856(e) to a maximum of 6 years, from the present maximum of 4 years. The "foreclosure property" provisions of the code were enacted in early 1975 (Public Law 93-625), when the real estate industry was in a substantial recession. The 1975 legislation permitted "qualified" real estate investment trusts to engage in certain otherwise nonqualified activities regarding properties which they had acquired through foreclosure and as to which they elected foreclosure property treatment, including the management of any such properties in a way not otherwise permitted. However, any profits from nonqualified activities are fully subject to taxation at the usual corporate income tax rates. This gives the trusts time within which to work out problem loans through completion and management of foreclosure properties until they can be sold.

Although it was realized in 1975 that recovery of real estate values would lag behind improvement in general economic conditions, the traditional lag in real estate recovery has been much longer in the most recent cycle than usual, as a consequence of the depth of the real estate recession. Therefore, the maximum 4-year "foreclosure grade period" thought to be sufficient at that time now appears to be too short. Conditions in the real estate market are beginning to improve and the REIT industry, in accord with the objectives of the original foreclosure property legislation, should have additional time to dispose of their remaining foreclosure properties in an orderly fashion. Accordingly, the bill would extend the maximum foreclosure grace period by 2 years.

Given the immediacy of the two problems faced by REIT's which this bill is designed to address, I urge its prompt consideration. I understand that these problems have been discussed with the Treasury Department and that the Treasury is in general agreement with the two proposals contained in the bill.●

TRIBUTE TO MANNY GORDON

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from Pennsylvania (Mr. McDADE) is recognized for 5 minutes.

● Mr. McDADE. Mr. Speaker, I would like to take this moment to salute the individual who, for four decades, has been the environmental and conservation conscience of northeastern Pennsylvania, Manuel M. Gordon of Scranton.

Since his youth, Manny has had an abiding interest in the preservation of our land and has been actively engaged in forestry activities in the northern portion of our State.

In 1935, fresh out of Penn State University with a degree in forestry, Manny began his distinguished conservation career working at the Clearfield, Pa., CCC camp as a junior forester.

Four years later, Manny was named district forester of the Lackawanna Forest District headquartered in Scranton, a position he has held ever since. As district forester, Manny is in charge of programs in northeastern Pennsylvania dealing with forest management, including fire prevention and suppression. In fact, over the years, Manny has spearheaded a vigorous campaign to encourage individuals to take care of our precious land resources.

Folks throughout northeastern Pennsylvania feel as though they know Manny personally, for he has been featured in countless radio and TV spots urging the public to guard against initiating forest fires. His friendly admonitions have apparently been well taken, for the area has a first-rate record in forest fire prevention.

Manny has worked diligently to inform the public of the need to conserve our natural resources. He has been instrumental in efforts to locate a center for conservation education studies at the Milford, Pa., estate of noted conservationist Gifford Pinchot. This plan has been widely received and already has been accorded a measure of support from this House.

Manny's enthusiastic and effective approach to land conservation in the Lackawanna District has won him acclaim from numerous local and national organizations. His many recognitions include the Boy Scout Save Our American Resources award and the United Nations Distinguished Service Award.

I can think of no other person who has done more to promote the preservation of our natural resources in northeastern Pennsylvania than Manny Gordon. He is well deserving of our gratitude.●

THE QUESTION OF NITRITES

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from Virginia (Mr. WAMPLER) is recognized for 15 minutes.

● Mr. WAMPLER. Mr. Speaker, last Friday the Department of Agriculture and the Department of Health, Education, and Welfare issued a joint statement to the press which initiated the following headlines: "New Study Calls Nitrite Carcinogen—Findings May Bring a U.S. Ban on Use of the Meat Additive," "Nitrite-Cancer Link Cited in MIT Study; FDA Hedges on Ban." "Preservative Linked to Cancer—Meat Industry Pledges a Fight on Nitrites," and "United States Moves Cautiously on Nitrite Decision After Study Suggests Direct Cancer Link."

Our purpose in calling this press conference is to make our concern known about the MIT nitrite study and the way it was handled and might be handled by USDA and HEW in the future.

First, we want to reassure the consuming public, the farmers of America, and the meat processing industry that as Members of Congress, we are going to insist that our Government is on solid and undisputed scientific ground before we allow any Federal agency to take precipitous action to ban nitrites, which we consider to be an essential preservative used to guarantee the safety of a major portion of our food supply—as was attempted last year by FDA with a far less important substance—saccharin.

Second, we want to insure that the American people are properly and fully informed of the fact that there are most serious economic, cultural, and health consequences involved in any consideration to ban or remove nitrites as a preservative in meats, poultry, and fish. In this regard, we believe this matter has not been adequately explained to the public.

Third, we, as Members of Congress, are deeply perturbed that our Government has not addressed the real issues involved here, which are: What is a carcinogen; what tests should be used to determine the carcinogenic nature of a substance; how should test results be interpreted; and how much exposure can be permitted? If we do not make these determinations, we will further confuse the public, create unnecessary inflationary pressures on the economy, and create needless adversarial pressures between business, labor, and Government.

Fourth, we are deeply concerned that the Department of Agriculture and the Food and Drug Administration, under extreme pressures from activist consumer groups, will take some precipitous action against nitrites between the time that Congress adjourns and a new Congress can be organized.

Finally, we note that while FDA and USDA in their joint statement acknowledged specific problems in reaching decisions on this case, they nonetheless announced they are assessing several options open to them and that a decision on these options would be forthcoming. In this regard, neither FDA nor USDA have approached the appropriate committees of Congress with these problems, which we feel they should have done, especially since they have been aware of these problems for several months.

Accordingly, Congressman MARTIN and I took action yesterday to introduce

two separate pieces of legislation to assure that before any action is taken on nitrites, we receive answers to the same scientific questions which the Congress required in Public Law 95-203, in disposing of the saccharin situation last year.

The first bill, H.R. 13899, referred to the House Committee on Agriculture, delays the Secretary of Agriculture from taking any action respecting nitrites as a food preservative on the basis of any carcinogenic effect nitrites may be represented to have until 3 months after the saccharin study is completed.

The second action is House Resolution 1320, also introduced yesterday and referred jointly to the House Committee on Agriculture and Interstate and Foreign Commerce. This resolution states that it is the sense of the House of Representatives that any action respecting nitrites by the Secretary of Agriculture or the Secretary of Health, Education, and Welfare because of any carcinogenic effect that nitrites may be represented to have, should be delayed until after the completion of the saccharin study.

We expect to open both of these two pieces of legislation for cosponsorship to all Members of Congress shortly.

Before turning this press conference over to Congressman MARTIN, I would like each of you to note that the average value of processed meats, poultry, and fish sold in retail outlets in our country amounts to over $12.5 billion each year and that over two-thirds of the 5.6 million metric tons of pork produced in the United States in 1976 were cured and preserved with some form of nitrites. And that these nitrite-containing products, which appear daily on the breakfast and dinner tables of millions of American families—and in the lunch bags of our school children and the dinner pails of our working men and women, were made safe from deadly botulism and many stomach and intestinal disorders due to nitrite preservatives. Additionally, it should be noted that we have no known substitute that would be as cost effective to the American consumer for preserving and curing meat, poultry, and fish products as nitrites.

I would now like to turn this press conference over to my distinguished colleague from North Carolina, JIM MARTIN, who holds a Ph. D. in chemistry and taught in that field at Davidson College for 10 years before coming to the Congress.●

● Mr. MARTIN. Mr. Speaker, my colleague, Congressman WAMPLER, has described the legislation which we have introduced to head off any nitrite ban while Congress is adjourned. I will discuss briefly the benefits and risks associated with the normal use of nitrite as a preservative.

IS SODIUM NITRITE CARCINOGENIC?

The recent MIT study concludes that it is, though with some qualifications. When 1,380 Sprague-Dawley rats were fed a variety of diets laced with varying large amounts of sodium nitrite, averaging about 0.15 percent $NaNo_2$, or roughly 75 mg $NaNo_2$ per kilogram of body weight, 172 (12.5 percent) of them developed neoplasms of the lymphoreticular system. Significantly, 8.4 percent of the nitrite-free control group of this standard hypersensitive test animal also had lymphomas. No distinction was made between benign and malignant growths, except to point out there was no association with leukemia.

No proportionality between dose and tumorgenesis was reported. Increasing nitrite in an agar diet showed two ascending plateaus; while on a chow diet, the highest dose level of nitrite resulted in the same incidence of lymphomas as the control group, but one-third less than at an intermediate dose. When nitrite was added in water, doubling the dose led to a slight decrease in tumors.

The authors conclude that the average 4 percent elevation in response is grossly attributable to the 75 mg of $NaNo_2$ per kilogram of body weight, but offer no explanation for the wandering irregularity plotted against dose level. They summarize their own results as "a somewhat less than convincing case that nitrite is lymphomagenic." We do not quarrel with either conclusion, and acknowledge that in order to produce this small but statistically significant increase it was necessary to feed these cancer-prone rats 1,500 times as much nitrite on average as humans ordinarily ingest from cured meats, the human equivalent of eating 586 pounds of cured meats per day.

Now what does all this mean?

It means that if humans are proportionately as sensitive to very small amounts of nitrite as these rats are to rather large doses, which is a debatable assumption among toxicologists, then the normal intake of preservative $NaNo_2$ in cured meats would be expected to cause 267 additional cases of lymphoma per 10 million population, or 6,000 per year for the U.S. population—not all of which would be fatal.

The actual daily human intake of $NaNo_2$ in cured meats is 3.5 milogram, or 0.05 milogram per kilogram for a 155 lb. (70 kilogram) person. If you assume (which I do not) a proportional dose-response, then if 75 milogram per kilogram induces 4 percent incidence, 0.05 milogram per kilogram would induce 0.00267 percent of 27 per million, or one in 37,000.

The assumption of proportionality at low doses is very probably invalid, leading to a very high prediction. At least 2 dozen carcinogens have now been studied that show a threshold level, below which the cancer incidence drops off markedly.

More specifically, the 3.5 milogram amount of human ingestion of sodium nitrite from cured meats is about one-fourth the naturally occurring nitrite in your natural saliva, another 12.9 milogram (as $NaNo_2$). An additional 148 milogram is naturally generated from protein in the intestines and absorbed into the bloodstream. That is 42 times as much as is ingested.

To ban cured meats alone, thus would only remove about 2.1 percent of your daily exposure of nitrite, the other 98 percent not being readily subject to regulatory prohibitions. It would take a curious ban indeed to eliminate more than 2 percent of nitrite exposure.

So 6,000 cases—27 per million—is far too high. Even if all 18,600 a year in the United States were assigned to nitrite, which would be unjustified and highly improbable, only about 390—2.1 percent—would be the burden of cured meat, the other 18,210 being the share of saliva and digested protein. Cut these estimates in half, and 200 a year—1 per million—is the estimated toll for cured meats.

Bear in mind that the dose used on 1,380 rats was an average of 1,500 times as great. The equivalent human dose would be—3.55 times 1,500—or 5,325 milograms, almost 2 ounces a day.

Again, the outside risk of nitrite as a preservative in cured meat is on the order of 1 per million, or so.

Now, what about benefits?

ANTI-SPOILAGE BENEFIT OF NITRITE

The benefit from nitrite is best defined as the risk from not adding it: Botulism. Nitrite is processed into various meat products because it is unmatched in retarding spoilage. Nitrite inhibits the formation of botulinum toxin, as well as other less deadly food poisons.

There is, unfortunately, no satisfactory substitute. A sufficient amount of sodium chloride would increase the risk of various circulatory disorders. Freezing and drying and pickling have some applications but are limited. Only with nitrite can we confidently protect hotdogs, Vienna sausage, corned beef, canned ham, coldcuts, many poultry products, and so forth. Substitute meat products would not have the shelf life or the outdoor picnic convenience.

With nitrite curing, botulism in the United States has been reduced to five deaths a year, none due to cured meats. Without nitrite, we would frequently have outbreaks of this fatal nervous disorder.

WHAT IS THE ALTERNATIVE?

As indicated already, nitrite is nearly indispensable. Neither would it be sensible to avoid cured meats. What could you turn to that is free from any theoretically small risk of carcinogen?

Most natural foods contain small amounts of naturally occuring carcinogens, like estrogens, calcium salts, selenium, ergot, the potent aflatoxin, and other mycotoxins. Broiling meat will cause some steroid decomposition to form polycyclic aromatic hydrocarbons, fortunately in very small amounts. All protein contains the essential amino-acid tryptophan, which in large dose studies shows effects similar to saccharin.

Of all the factors associated with cancer, clearly the most indicated is a rich diet in animal fat.

Anyone who insists on avoiding exposure to all carcinogens in the food supply must starve. There is no escape from risk.

In the case of nitrite, we believe the risks for banning it far outweigh the moderately small risk derived at worst from this new evidence. We oppose any efforts to ban it. We will seek to counteract the pressure exterted by certain consumer advocates who insist on banning nitrite—just as we earlier successfully opposed their pressure to ban saccharin.

Real consumers are entitled to a bal-

anced diet where all the inherent risks of food are balanced to a minimum level.

Anyone who conscientiously and consistently insists on a zero-risk diet would be, by definition, a nonconsumer.

We recognize that the so-called consumer division of the Department of Agriculture has earnestly sought to ban nitrite. We believe that goal does not serve the best interest of real consumers, or their nutrition and health needs. While the Agriculture Department is "assessing several options" we suspect that one such option would be to wait until the Congress adjourns and then impose their ban before we return in January. A secret plan disclosed today by United Press International seems to confirm our suspicion.

Accordingly, we will seek to alert and persuade our colleagues that the best way to secure the benefits of nitrite is to move before we adjourn to address the issue and direct the Secretary of Agriculture to make no drastic moves on nitrate.●

LEGISLATION TO PERMIT VA LOANS DESPITE USURY PROVISIONS OF STATE CONSTITUTIONS

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from Arkansas (Mr. HAMMERSCHMIDT) is recognized for 5 minutes.

● Mr. HAMMERSCHMIDT. Mr. Speaker, the banking industry in Arkansas has reached a crisis state due to rising interest rates, and the State constitution's usury provision that forbids interest rates that exceed 10 percent on certain loans. As a result, billions of dollars may soon be leaving Arkansas, to be invested in other States where no such limitation exists.

I am a strong believer in the rights of States, and particularly our State, to control their own destinies, and have always opposed Federal intervention into State matters. However, I have been informed that mortgage and other loans in Arkansas are now rapidly drying up, and may be nonexistent by October. We have reached a crisis period for those who depend on Veterans' Administration insured or guaranteed loans. As a result, I am introducing legislation that will exempt Veteran's Administration insured or guaranteed loans from State constitutional limitations, unless the State Legislature votes to preserve such limitations. This will allow an immediate solution to the crisis, and at the same time preserve the right of Arkansas to control its own usury laws.●

ENORMOUS AMOUNT OF WASTE EXISTS IN CATEGORICAL GRANT SYSTEM ADMINISTERED BY HEW

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from New Hampshire (Mr. CLEVELAND) is recognized for 5 minutes.

● Mr. CLEVELAND. Mr. Speaker, as most Members of Congress know, the HEW budget has grown enormously during the 25 years of its existence. Its budget ranks third in the world and is surpassed only by the budgets of the U.S. Government and the Soviet Union.

For this reason, it comes as no surprise that there have now been published reports of substantial waste and fraud in this enormous budget. What to do about this is a question of importance.

A while ago I received from a constituent, Robert W. Ray, chairman, school board of New Hampshire Public Schools Supervisory Union No. 47 in Peterborough, N.H., a letter which in my opinion deserves our attention. In an interesting and forthright manner he advocates less rather than more Federal aid to education. It came as quite a surprise to receive such a request. For this reason, I wish to share this interesting letter with my colleagues.

Mr. Ray points out in his letter "that the tax dollar which travels the least distance from its sources provides the most service." In my opinion, he is right.

Based on my experience over the years with Federal aid to education there is an enormous amount of waste inherent in the categorical grant system administered by HEW and supported by the Federal and State bureaucracies which enrich themselves by administering those programs. It is regrettable that any attempt to improve this delivery system by block grants is consistently opposed by the bureaucracies and special interests involved. The last attempt to adopt the block grant approach, by Mr. ASHBROOK of Ohio, occurred on July 13, 1978. It was rejected by a vote of 79 to 290.

Mr. Ray's thought-provoking letter follows:

NEW HAMPSHIRE PUBLIC SCHOOLS
SUPERVISORY UNION NO. 47,
Peterborough, N.H., October 14, 1977.

Hon. JAMES C. CLEVELAND,
U.S. House of Representatives,
Washington, D.C.

DEAR CONGRESSMAN CLEVELAND: Our school system does not have sufficient funds to meet the needs of all handicapped children. Therefore, we request that you reduce Federal support for health, education, and welfare. A contradiction? Not at all! Sufficient funds are already available to meet the needs of handicapped children and a host of other problems. We do not need to collect a single additional penny in Federal taxes. The reason for our belief is apparent only when one stops looking for more money and starts looking at how current money is used. The truth might be stated as a principle; that the tax dollar which travels the least distance from its source provides the most service.

We have experienced (even participated in) the proliferation of Federal programs for human services during the past ten years. The legislative intent of statutes reducing discrimination due to race, sex or handicap is to be applauded and actively supported. The implementation of these intentions through Federal funding is to experience frustration, anger, rage, tears and finally cynicism. Add the waste of dollars through our staff time in application forms, budget reports, evaluations, and changes in guidelines for twenty or thirty different packages of Federal funding (approximately $1.00 in every $5.00) to the $1.00 in every $4.00 lost as the money is passed through the State and finally to the $1.00 in every $3.00 to $4.00 lost in the massive bureaucracy of HEW. The cumulative effect is almost beyond our imagination when viewed nationwide. In our small piece of New Hampshire we estimate that for every (dollar) of Federal taxes earmarked for human services less than fifty cents returns to produce real service. Even if we are only half right the effect on people is unforgivable.

Our small school system receives approximately $100,000.00 in a variety of packages from the Federal Government (the packaging alone is a source of much misdirected use). If we had allowed the original tax dollars to be raised and used locally, over $200,000.00 would have been available for services. This difference of at least $100,000.00 lost in bureaucracy is more than we need to provide complete programs for all handicapped children in our schools. Unless you change the system, the waste of our dollars will increase and the needs will continue unmet.

Our message is simple. Drastically reduce the scale of HEW. Hold us accountable to meet the requirements of the law with dollars raised and expended at the local level, and pass the savings along to the people through decreased Federal Income Taxes.

Very truly,

ROBERT W. RAY,
Chairman, School Board.●

INDIVIDUAL RETIREMENT ACCOUNTS

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from Illinois (Mr. CORCORAN) is recognized for 5 minutes.

● Mr. CORCORAN of Illinois. Mr. Speaker, today I am introducing legislation to amend the Internal Revenue Code to allow a savings deduction for persons covered by certain pension plans.

It has been brought to my attention by several of my constituents that the tax laws regarding pension plans serve to prohibit individuals from taking advantage of the maximum contribution allowed by an individual retirement account (IRA). This situation is common to many small businesses with more modest pension plans.

This legislation also addresses the situation in which an employee does not work enough years with his/her company in order to qualify for the company plan. A change in the law would allow this person to set up his own IRA even though his company operates a pension program.

This proposal is similar to many others which have been introduced in Congress, in that it allows a taxpayer to supplement his contribution to a tax-exempt fund for retirement security.

I urge my colleagues to support this legislation as soon as possible.●

AUGUST 21 MARKS 10TH ANIVERSARY OF INVASION OF CZECHOSLOVAKIA

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from Florida (Mr. YOUNG) is recognized for 5 minutes.

● Mr. YOUNG of Florida. Mr. Speaker, August 21 will mark the 10th anniversary of the invasion of Czechoslovakia by the Soviet Union. It is important that Americans take time to memorialize the plight of the people of Czechoslovakia who have been overcome by the ruthless tyranny of the Soviet Union.

Our Nation carries a great burden and responsibility as the leader of the free world and the champion of oppressed people everywhere. We take for granted many of the rights that citizens of captive nations, like Czechoslovakia, are systematically denied. Our leaders have

made human rights a major consideration of our foreign policy, but the basic human right of freedom of the individual is still denied to many millions. We must not take this obligation lightly. Our Nation was founded on the principles of liberty and democracy which are spelled out in our Constitution and Declaration of Independence. The human right of freedom knows no political or geographical boundaries and we who lived under a free government for all of our lives must be concerned with the plight of the freedom-loving Czechs and Slovaks.

Czechoslovakia exemplifies the true meaning of human rights. Soviet repression has been consistent and harsh. Human rights have been violated in numerous ways and these violations are continuing. This ongoing repression makes it even more incumbent upon us to uphold our heritage of a free and open society and we must champion the cause of self-determination for the Czech people. The United States must continue to support the aspirations for freedom, independence, and national self-determination of all peoples. We cannot accept foreign domination by any nation over another nation. To this end we remain committed and we must not waiver from our responsibility.●

KIM DAE JUNG: PRISONER OF CONSCIENCE

The SPEAKER pro tempore. Under a previous order of the House, the gentlewoman from New Jersey (Mrs. FENWICK) is recognized for 5 minutes.

● Mrs. FENWICK. Mr. Speaker, I would like to bring to the attention of my colleagues the situation of Mr. Kim Dae Jung, who staged a hunger strike earlier this month to commemorate the fifth anniversary of his illegal kidnapping from Japan by agents of the South Korean Government.

A leading opposition leader and presidential contender in South Korea, Mr. Kim spoke out in 1976 against continuation of emergency rule in Korea, and in favor of releasing political prisoners and restoring basic liberties to the people of South Korea. Found guilty of agitating to overthrow the Government, Kim and 17 other men and women were arrested and sentenced to long prison terms.

Last spring, the last of the 17 other people were released, after signing statements repudiating their past actions. Only Kim has refused to do this, and only Kim remains incarcerated. He is now seriously ill with sciatica.

The case of Kim Dae Jung is a classic case of a prisoner of conscience. I join many others, including such organizations as Amnesty International, who have called for his unconditional release from prison.●

THE THWARTING OF LEGISLATION TO REFORM AND EXTEND THE RENEGOTIATION ACT

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from New Jersey (Mr. MINISH) is recognized for 15 minutes.

● Mr. MINISH. Mr. Speaker, a concerted effort by defense and aerospace lobbyists, working with their allies in the Congress, has temporarily thwarted legislation to reform and extend the Renegotiation Act. Funding for the Renegotiation Board now is set to expire sometime early next year.

It is appropriate, at this point, to ask why the giant defense conglomerates and their lackeys in the House, have devoted such massive time and resources to the abolishment of the Renegotiation Board. Who benefits if there is no longer a Renegotiation Board to recapture excessive profits?

When the ancient Romans had to decide who had committed a crime, the first question they asked was "Who benefits?" The answer to this question usually gave them a good idea of who did what and for what reasons. Similarly in deciding whether to abolish a Federal agency, we, as Members of Congress, should ask, "Who benefits?" Who stands to gain from killing renegotiation?

DOES THE FEDERAL GOVERNMENT BENEFIT?

The basic reason for having renegotiation is that there is very little true competition in the defense industry. The Government consistently awards well over 50 percent of its defense contracts on a sole source basis. In 1977, 62.4 percent of Government business was awarded to sole sources. This figure is up from 57.4 percent in 1976. Most of the remaining Government contracts are awarded in situations where there are only a few competitors for Government business. The basic fact of life in defense procurement is little or no competitive pressure to keep price and profits at a reasonable level. Excessive profits occur because the defense industry is a sellers' market. In a sellers' market, the Government, as the buyer, is at a disadvantage. In most cases, Government contracting offers cannot foresee or prevent excessive profits. The only way to deal with the contractor's advantage of the sales in defense procurement is for the Government to go back and look at profits after contracts are completed. Only the Renegotiation Board can do this.

The defense contractors and those who support them suggest that the safeguard built in to the contracting process can prevent excessive profits. This simply is not so. In 1976, despite all the refinement in the contracting process, the Renegotiation Board found excessive profits of about $40 million dollars. The Renegotiation Board remains the only governmental agency which examines profits in retrospect, on an aggregate fiscal year basis. As the GAO report, entitled "Causes of Excessive Profits on Defense and Space Contracts" recognized, renegotiation is needed as a supplement to the contracting process. The GAO report said:

> While procurement is concerned with prices, including costs and profits, paid by the Government, renegotiation is concerned with eliminating excessive profits made by contractors. Renegotiation operates generally after contracts have been completed, to determine retrospectively, whether the profits made were excessive.
>
> Even assuming we had efficient and effective price renegotiation for contract awards, we believe that renegotiation of actual profits realized is desirable to prevent excessive profits which result from changed conditions that cannot be anticipated at the time of contract award.

The defense contractors and their supporters put much stock in the protections afforded the Government with the contracting process. What they have not told the American public is that at the same time they talk about the protections within the procurement process they are trying to do away with them. At the same time, the contractors are trying to kill renegotiation they are pushing a bill called the Federal Acquisition Act which would substantially inhibit the effectiveness of the Cost Accounting Standards Act and other procurement safeguards which the contractors say make renegotiation unnecessary.

Clearly, the Federal Government does not benefit if renegotiation is abolished.

DOES SMALL BUSINESS BENEFIT?

Opponents of renegotiation continually moan about the affect of renegotiation on small businesses. Its about time they admitted who will profit most if renegotiation is killed. Many thousands of companies receive government contracts but over two-thirds of defense business goes to the largest 100 defense contractors every year. My bill, H.R. 5959, which would extend the Renegotiation Act, would also exempt practically, all small businesses from renegotiation. If renegotiation is killed, the bonanza will go to the big multi-million dollar defense contractors. This Congress and the American people should realize that when Congressmen oppose renegotiation they are doing so on behalf of Lockheed and McDonald Douglas and Hewlett-Packard and not on behalf of small businessmen.

DOES THE AMERICAN TAXPAYER BENEFIT?

Mr. Speaker, we all realize that the one thing that people want from their government more than anything else is accountability. People want their government to do everything in its power to insure that their money is not being wasted. Yet, if the Government pays more than it should for military hardware, it is wasting peoples' money. If there is no Renegotiation Board, the Government will not even know when excessive profits are occurring, much less be able to recoup them. Since 1971, the Renegotiation Board has made excessive profit determinations of over $230 million. Since the inception of the act, the Board has made excessive profit determinations of more than $1.3 billion and $1.168 billion has been recovered or is owed to the Treasury. During this entire period of time, the full 27 years, the Board's total salary and expenses totaled approximately $98 million, much less than 10 percent of the recoveries.

Renegotiation is not an unreasonable burden for defense contractors. Defense contractor lobbyists cite phoney studies to claim that it costs hundreds of millions of dollars to comply with Renegotiation Act requirements. This is pure baloney. Most of the data required by the Board is information companies need in their normal course of business. The cost of renegotiation is more than offset by the money recovered for the Government. But even if this were not the case,

renegotiation is necessary to deter those who would overcharge the Government.

Over the last 2 years, the Board has experienced internal and other problems. This and the need to reorganize with the new Board appointees, has slowed its work somewhat. Nevertheless, the Board during fiscal year 1978, with a budget of $6 million, has issued excessive profit determinations of $27.590 million. The reorganization is now behind them and it is my hope, that with a full and more stable Board, recoveries will increase significantly.

Mr. Speaker, I, for one, do not want to have to explain to my constituents why there is no longer a Federal agency to monitor and prevent the Government from overpaying defense contractors. It would be very hard to explain, given today justifiable concern with unchecked Government spending, to the voters why this Congress decided to do away with one of the few Federal agencies which actually returns money to the Treasury.

WHO DOES BENEFIT?

Opponents of renegotiation contend that it is useful only in wartime and is unnecessary in peacetime. This allegation does not stand up to the facts. We spend more for military hardware now than we did during many of the war years. For example, the Military Procurement Budget in dollar figures was higher for fiscal year 1977 than it was for any of the Vietnam war years. The Government spent $55.6 billion dollars on military procurement in 1977, as compared to $44.6 billion dollars in 1967, and $43.8 billion dollars in 1968; the peak Vietnam years. Just last week the House passed the largest appropriation bill in the Nation's history—$119.2 billion for the Department of Defense. Because of our increasingly high volume of military spending, the economic justifications for renegotiation exist in peacetime as well as in wartime.

In addition to allowing future excessive profits to go unchecked, elimination of the renegotiation process would wipe out a backlog of over $150 billion in defense contracts which were awarded in the last few years. Some of the largest corporations in the defense industry have billions of dollars worth of unexamined contracts in the Board's backlog. Not surprisingly, these corporations have lobbied the hardest—but quietly—through both their trade associations and various Members of the House, to see that the Renegotiation Board is abolished. Who are these contractors and how much do they have to gain from an end to renegotiation?

Amount of renegotiable sales in board's backlog (end of 1977)

[In billions]

McDonnell Douglas	$7.355
Lockheed	7.198
United Technologies Co	5.127
Boeing	5.055
General Electric	4.928
Rockwell International Corp	6.519
Grumman Corp	3.550
General Dynamics Corp	3.352
Hughes Aircraft	2.946
Northrup	1.906
Total	47.916

Mr. Speaker, if Congress does abolish the Renegotiation Board and wipe out its backlog, it will be very difficult indeed to explain to our constituents why we looked the other way as literally hundreds of millions of dollars in excessive profits were ignored or wiped away. We will have neglected our duty to make Government accountable for its actions.

There is a lot of talk around the country about a tax revolt. Many Members of this House have associated themselves with this movement—calling for reduced Government spending and reduced taxes. There is a strong feeling among many taxpayers that their money is being squandered by the Government—that there is considerable waste and inefficiency in defense procurement. They look to their Representatives in Congress to watch over the executive branch. And what do they see Members of Congress doing?—kowtowing to the lobbying pressures of large defense contractors who do not want to refund excessive profits they make on defense contracts. If defense contractors are not, in fact, making excessive profits, why should they object to a requirement that they demonstrate that fact to the Renegotiation Board?

Mr. Speaker, my constituents want accountability in government. They want to be reassured that their Government is not wasting their taxes—that it is not paying more than it should for military hardware. They do not want to see the Government dismantle their safeguards against excessive profits.

A vote against renegotiation is a vote against economy and integrity in government. It would signify to the people back home that when it comes to complex issues involving big business, their representatives in Washington are unable to stand up to the pressures that high-priced lobbyists can bring to bear.

How can a Member, in good faith, tell his constituents that he is looking out for their interests and then vote to kill the only agency in Government that saves taxes? He cannot. If the efforts of certain Members of this House in trying to kill the Renegotiation Act were fully known to their constituents, I doubt these Members would be with us next session.

In summary, renegotiation is necessary. It is economical. It helps insure some integrity in defense contracting. It safeguards against excessive profits. It actually helps small business by curbing excessive profits by its large competitors. It is preferable to the profit-limiting provision of the Vinson Trammell Act. It is in the public interest.

Therefore, I urge House support of the renegotiation process and strongly recommend that the House defeat those bills which would abolish, weaken, or curtail proper funding of the Renegotiation Board.●

TRADE NEGOTIATIONS MUST AID AGRICULTURE

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from California (Mr. McFALL) is recognized for 10 minutes.

● Mr. McFALL. Mr. Speaker, I want to share with my colleagues in the House some thoughts and observations concerning the position of the United States in international trade, and more specifically, the ongoing multinational trade negotiations in Geneva.

First, I wish to point out that I have been impressed with the efforts and dedication to purpose demonstrated by Ambassador Robert Strauss in heading the U.S. trade negotiating team.

By July 13, 1978, the negotations had resulted in the "Framework of Understanding" issued on that date in Geneva. Unfortunately, the goal of achieving agreement on the basic principles for a new trade pact by mid-July could not be achieved. A month has now passed since the "Framework of Understanding" was issued, and I believe an appraisal of where we are now is appropriate.

December 15, 1978 is the new target date for agreement in the negotiations. I sincerely hope that the negotiations can be successfully concluded by that date. However, I am not willing to describe as "successful" any agreement that could be produced at the Geneva negotiations. I believe significant new opportunities for U.S. agricultural products, and particularly California fruit and vegetable crops, in foreign markets is the key to a "successful" new trade pact. I also believe that foreign market access for U.S. agricultural products is the primary item on the agenda to be resolved before the negotiations can move forward.

In previous MTNs, the United States has maintained that it must improve the access to foreign markets for American agriculture. The European Community and Japan responded that such market access concessions could not be made. The United States insisted. The European Community and Japan insisted. The United States backed down. American agriculture got much less that it deserved, and certainly much less than it needed.

The United States is now paying the price for its performance in past multinational trade negotiations. From all reports I have heard, the European Community and Japan have thus far shown no true willingness to open their markets more fully to American agricultural exports. I suspect that they believe the United States will again backdown and negotiate away the needs of American agriculture. Ambassador Strauss has consistently stated that to have a new trade pact, American agricultural exports must have improved access to foreign markets. I urge the European Community and Japan to heed the Ambassador's words. The needs of American agriculture are no longer the price the United States is willing to pay in order to get a trade pact—any trade pact.

I have heard some speculation that the European Community and Japan would rather have no new trade agreement than agree to any pact that would allow significantly increased volumes of American agricultural products to enter their countries. This may be true. I cannot say. But if it is true, Japan and the European Community will be pursuing a very dangerous trade policy.

If the December 15 deadline is not met and there are no prospects for an early conclusion to the MTN, then I believe the domestic pressures for unilateral trade action by the United States may easily become impossible to restrain. The resulting deterioration of trading relations could be rapid, and threaten the entire framework of international commercial ties. Which country would come out on top is impossible to predict, although I suspect that all would lose more than any would gain.

Japan and the European Community must realize that the American people will not constantly endure the United States accepting an inferior trading position. Many Americans believe the United States should not allow European and Japanese products to enter this country if our exports, particularly agricultural commodities, are not allowed to enter their countries with equal ease. I expect that the Congress due to convene next January will be more "American first" and less "free trade" than the current Congress.

If the next Congress is more protectionistic, and the MTN has not produced a successful trade agreement, then our foreign trading partners must be prepared for the United States to take a more forceful stance regarding foreign trade. Mechanisms to protect American markets from foreign imports could be strengthened to the detriment of foreign producers.

On the other hand, if the next Congress is presented with a new trade pact that offers American agriculture improved access to foreign markets, I believe the Congress would not only ratify it, but also adopt a conciliatory posture toward international commerce generally.

The options are clear. The European Community and Japan must decide what the outcome will be. I note that Japan is sending to the United States in early September, a team of negotiators well versed in agriculture for discussions with our trade officials. Additionally, the European Community Council of Ministers is expected to meet at the end of September to consider the European Community posture on agriculture in the MTN. They should pay close attention during their deliberations to the clear, consistent, and absolute message from the American negotiators: American agricultural access to their markets must be increased significantly.●

ACHIEVEMENTS CHECKLIST FOR PRESIDENT CARTER AND THE 95TH CONGRESS

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from Indiana (Mr. BRADEMAS) is recognized for 5 minutes.

● Mr. BRADEMAS. Mr. Speaker, as Congress tonight begins a District Work Period, I take this time to make a few comments upon the work of the 95th Congress and of President Carter so far in dealing with the problems that face the American people.

Only yesterday the House of Representatives, by a vote of 217 to 178, approved the binding second budget resolution for fiscal 1979 setting a deficit of $39.790 billion—the lowest deficit in 5 years.

This action, Mr. Speaker, marks a one-third reduction from the $60.586 billion budget deficit requested by the President in January 1978, and a one-fifth cut from the $50.9 billion deficit proposed by the target first budget resolution in May.

In the budget resolution passed yesterday, the House cut outlays for fiscal 1979 by more than $10 billion from the President's January request and by $9 billion from the May target.

Following are the House-approved Federal budget figures for fiscal year 1979:

[In millions of dollars]

	President's budget	1st resolution	2d resolution	Difference from 1st
Revenues	439,588	447,900	450,000	+2,100
Budget authority	568,172	568,850	561,019	−7,831
Outlays	500,174	498,800	489,790	−9,010
Deficit	60,586	50,900	39,790	−11,110
Debt subject to limit	867,547	849,100	838,127	−10,973

Last week, Mr. Speaker, the House of Representatives passed a $16.3 billion tax reduction bill after first rejecting an inflationary alternative that would have reduced Federal revenues by 30 percent over 3 years and forced huge deficit spending.

Mr. Speaker, the 95th Congress and President Carter, working together, have already achieved the distinction of helping provide more jobs for Americans over a 12-month span—almost 4 million jobs in the year ending July 1978—than for any year since 1940.

Mr. Speaker, during the period since the coming to office of President Carter and the 95th Congress, we have seen an addition to the American economy of approximately 6 million new jobs. This remarkable employment surge is in part the result of the farsighted economic stimulus package of early 1977 which included tax cuts, local public works, anti-recession assistance to States and other localities, and other job-creating measures.

The unemployment rate for July, after correction for an abnormal dip in joblessness during the June summer hiring season, was down to 6.2 percent, a decrease in the rate of 1.6 percent since November 1976.

Mr. Speaker, I shall not now take time to try to analyze all of the legislative achievements of the 95th Congress to date.

I do however believe that it will be useful to Members if I here list these achievements as of August 11, 1978.

This "achievements checklist," which was prepared by the staff of the House majority whip, which responsibility I have the honor to hold, is organized by the following categories:

ACHIEVEMENT CHECKLIST

The Economy.
Housing and Other Economic Items.
Energy.
Social Services.
Special Tax Provisions.
Ethics Reform and Other House Activities.
General Government.
International Affairs.
National Defense.
Science.
Health.
Education.
Labor.
Consumers.
Justice.
Environment.
National Parks and Recreation Areas.
Maritime.
Transportation.
Indian Affairs.
Drought and Disaster Relief.
Federal Employees.
Veterans.
District of Columbia.
Appropriations.

THE ECONOMY

Revenue Act of 1978

The House has passed a bill cutting 1979 income taxes by $16.3 billion—$12.8 billion for individuals and $3.8 billion for business. The bill would provide substantial benefits to middle-income taxpayers, homeowners, small businesses, foster capital formation and make substantive changes in capital gains. Elements of the individual cuts include rate cuts in certain tax brackets, a widening of existing brackets, the effect of an increase in the standard deduction of prior law and an increase in the personal exemption to $1,000 per person (from $750). Capital gains changes include a new maximum tax of 35 percent, a 10-percent alternative minimum tax on certain gains, a one-time exclusion of up to $100,000 from sale of a principal residence, and an inflation adjustment to the basis of assets sold for gain. The bill would create a new targeted jobs tax credit program and cut corporate tax rates and make permanent and broaden the 10-percent investment tax credit. (H.R. 13511)

Tax Reduction and Tax Simplification

A new law will cut taxes by $34-billion over three years and give businesses a tax credit for certain new employees they hire in 1977 and 1978. The law also provides for simplication of tax computation for individuals, extends the sick pay exclusion and makes other revisions of the Tax Reform Act of 1976. (PL 95–30)

Public Works Jobs

A new law triples, from $2 billion to $6 billion, the authorization for federal grants for local public works. The projects will create an estimated 600,000 jobs, largely in construction and related industries in areas of high unemployment. (PL 95–28)

CETA Extension

Congress enacted a law providing for a simple extension through fiscal 1978 for existing programs under the Comprehensive Employment and Training Act. (PL 95–44)

CETA Amendments

The House began consideration of an extension of the Comprehensive Employment and Training Act that has the targeted aims of, first, combining the current Title I comprehensive manpower and Title II public employment programs into a single employment and training program for the structurally (without job skills) unemployed poor; and, second, creating a countercyclical public service employment program to employ 25 percent of the jobless in excess of four percent unemployment. The bill would also strengthen anti-abuse provisions, reauthorize Job Corps, summer youth jobs and the Young Adult Conservation Corps and create a new private sector initiative program. (HR 12452)

Supplemental Appropriations

Congress enacted a law appropriating $28.9 billion, mostly for federal programs, includ-

ing $13 billion for assisted housing. The law also contains $200 million to help low- and moderate-income homeowners meet unexpectedly high home heating costs occasioned by the harsh winter. (PL 95–26)

Unemployment Compensation

Congress enacted a law extending unemployment compensation under the Federal Supplemental Benefits (FSB) program for seven months, to November 1, 1977, plus a three-month phase-out period through February 1, 1978. FSB, together with regular and extended benefits, provides 52 weeks of compensation. The law also requires roll call votes in the House and Senate on future congressional pay raises under PL 90–206. (PL 95–19)

Extended Unemployment Compensation Eligibility

The House passed a bill providing a 2-year limitation on the time within which an individual could receive any unemployment compensation benefits to which he or she is entitled under the federal-state extended unemployment compensation program. (HR 12380)

Economic Stimulus Appropriations

Congress enacted a law appropriating $20 billion for economic stimulus, including $7.9 billion to increase CETA public service jobs to 725,000 from 310,000 in fiscal 1978; $59 million for 14,800 jobs for older Americans; $4.9 billion for revenue sharing; and $100 million for railroad rehabilitation. (PL 95–29)

Second Budget Resolution, Fiscal 1978

Both houses adopted in final form the Second Budget Resolution for fiscal 1978 which sets guidelines for a national economic policy aimed at reducing unemployment to 6.5 percent and fostering a 4.8 percent rate of growth in the Gross National Product. The resolution sets a spending target of $458 billion in fiscal 1978 and a deficit of $61 billion. (HConRes 341)

First Budget Resolution, Fiscal 1979

Congress adopted in final form the First Budget Resolution for fiscal 1979, which would accommodate tax reductions effective January 1, 1979, totaling $19.4 billion on an annual basis, including further income tax cuts for individuals and business and $1.4 billion in structured cuts. The resolution provides for $498.8 billion in outlays—$2 billion less than the Administration's request, and a deficit of $50.9 billion—$10 billion less than the Administration. (SConRes 80)

Youth Jobs

A new law creates about 203,000 jobs and training positions for young persons by establishing a Young Adult Conservation Corps and authorizing a variety of innovative youth employment and training projects. The programs would be funded at an estimated $1.5 billion for fiscal 1978, including $350 million for the Young Adult Conservation Corps. (PL 95–93)

Anti-Recession Assistance

A new law authorizes $2.25 billion for countercyclical assistance to states and local governments through fiscal 1978. (PL 95–30)

Joint Economic Committee Investigation

Congress adopted in final form a concurrent resolution providing $900,000 for an 18-month study of United States and world economic changes and the impact of such changes on the economies of the U.S. and other nations. (HConRes 248)

River Basin Authorization

A bill in conference would authorize $1.2 billion for the continuation of projects in 18 river basin plans and $44 million for special projects in the states of California and Ohio. (H.R. 5885).

Temporary Debt Limit

A new law provides for a six-month, $52 billion increase in the public debt ceiling. (P.L. 95–120).

Temporary Public Debt Limit

A new law sets the public debt ceiling at $798 billion through March 31, 1979. (P.L. 9533).

HOUSING AND OTHER ECONOMIC ITEMS

Housing and Community Development Amendments

A bill in conference authorizes a $29.3-billion fiscal 1979 housing program, including $27.8 billion in annual assisted housing contract authority; establishes a new program in lieu of operating subsidies that emphasizes improved management as well as dollar aid for financially troubled low-and-moderate-income multi-family projects; raises authorizations and loan limits for rural housing programs; and create a deep subsidy rural home ownership program. S. 3084).

Housing and Community Development

A new law authorizes $13.7 billion over three years for the Community Development Block Grant Program and assisted housing programs. The new law includes special assistance for older, declining communities, especially at urban centers. Other provisions promote single family homeownership by decreasing down payments and increasing mortgage loans. (P.L. 95–128).

Supplemental Housing Authorization

Congress enacted a law providing $378 million in fiscal 1977 in additional contract authority for housing assistance programs, to support a total of some 400,000 assisted housing units. The law also authorizes an additional $19 million for last winter's heating costs in public housing projects, extends HUD crime insurance and riot reinsurance programs, and creates a National Commission on Neighborhoods. (P.L. 95–24).

Securities Investor Protection

A new law streamlines liquidation procedures to facilitate payment to an investor in the event of a broker or dealer failure, doubles to $40,000 and $100,000 respectively the insurance for customer cash and securities maintained with a brokerage firm, increases to $2.5 million (from $500,000 the public offering amount which SEC may exempt from registration and prospectus requirements, and delays until May 1, 1979, the ban on securities exchange transactions for a member's own account and certain other transactions. (P.L. 95–283).

New York City Loan Guarantee Act

A new law authorizes a maximum $1.65 billion in federal loan guarantees for 15 years for New York City debt issued during the next four years and held by state and local pension funds, subject to specific requirements for improved financial management by the city and a mandate for a balanced city budget by 1982. (P.L. 95–339).

Substitute Treasury Checks

The House passed a bill authorizing the Treasury to simplify the replacement of Treasury checks that are lost, stolen, damaged or destroyed. (H.R. 13087).

Investment of Public Funds

A new law authorizes the Secretary of the Treasury to invest for up to 90 days in obligations of depositaries maintaining Treasury tax and loan accounts. The law also authorizes federally insured and certain other savings and loan associations to act as fiscal agents and depositaries in the Treasury tax and loan account system. (PL 95–147)

Depository Institutions Amendments

A new law extends Regulation Q interest rate control authority until December 15, 1977, revives the authority of the Federal Reserve banks to purchase up to $5 billion in public debt obligations directly from the Treasury (until August 31, 1977), and modernizes the Federal Credit Union Act. (PL 95–22)

Regulation Q

A new law extends through December 15, 1978 the authority for federal regulation of depository institutions interest rates and sets guidelines for Federal Reserve Board monetary policy. (PL 95–188)

Treasury-Federal Reserve Draw Authority

A new law extends until April 30, 1978, the authority of the Federal Reserve to purchase U.S. obligations up to a limit of $5 billion from the Treasury on a direct basis. (PL 95–154) The House passed a joint resolution extending the direct purchase authority for one year. (HJRes 816)

SEC Authorization

A new law provides $1.5 million supplemental authorization for the Securities and Exchange Commission for fiscal 1977, increasing its total authorization for fiscal 1977 to $56.5 million (PL 95–20) A new law authorizes $67 million for fiscal 1978 for the Securities and Exchange Commission. (PL 95–211) The House passed a bill authorizing $70 million, $80 million and $91 million for fiscal 1979–81 respectively for the Securities and Exchange Commission. (HR 11567)

Exchange Stabilization Fund

Both houses passed in differing forms a bill prohibiting and payment of administrative expenses from the Economic Stabilization Fund and authorizing $23 million for fiscal 1979 for Department of Treasury international affairs functions. (S 2093)

Council on Wage Price Stability

A new law extends the Council on Wage Price Stability Act for two years to September 30, 1979. (PL 95–121)

SBA Act Amendments

A law increased SBA's overall loan ceiling to $7.4 billion from $6 billion and increased the surety bond guarantees fund to $110 million from $56.5 million. (PL 95–14)

Small Business Amendments

A new law authorizes an additional $2.96 billion for small business programs in fiscal 1978 and 1979; increases loan authorization and surety bond guarantee authority; and improves the disaster assistance, certificate of competency and small business set-aside programs. (PL 95–89) A bill in conference would authorize small business programs, including disaster assistance, for fiscal 1980 through 1982, at an estimated maximum cost of $2.65 billion, and would continue present low interest rates on loans to homeowners for natural disasters occuring during fiscal 1979 through 1982. (HR 11445)

Minority Small Business

The House passed a bill allowing minority enterprise small business investment companies to obtain additional capital through SBA and to provide that SBA section 8a contracts for government supply be let only to economically and socially disadvantaged small businesses. (HR 11318)

ENERGY

National Energy Act

A bill in conference would establish a comprehensive energy policy for the nation. It would provide for pricing natural gas, levying certain taxes on oil and gas, allowing tax credits for business investment in energy efficiency and for home insulation, stepping up the weatherization program, creating a variety of conservation measures, setting mandatory energy standards for major appliances and requiring that utility rate structure reflect peak and slack periods, and other energy actions. (HR 8444)

Energy Authorization

The House passed the bill authorizing $4.5 billion for energy research and development

in fiscal 1979, including $1.4 billion for nuclear energy of which $17.5 milion is for the Clinch River breeder reactor and other funds are for the President's breeder conceptual design study; $749 million for fossil fuels research; $458 million for solar energy research; and $417 million for conservation. (HR 12163)

Energy Research and Development Administration

Congress enacted a law authorizing $1.6 billion for non-nuclear energy programs and amounts estimated at $3.9 billion for nuclear non-weapons programs for the Energy Research and Development Administration in fiscal 1977. (PL 95–39) A new law authorizes $6 billion for ERDA civilian research and development in fiscal 1978 and also authorizes loan guarantees for energy technology demonstration programs. (PL 95–238)

Ad Hoc Committee on Energy

The House established a House Ad Hoc Committee on Energy (40 Members appointed by the Speaker who also appointed Congressman Thomas L. Ashley as Chairman); the committee facilitated House consideration of President Carter's energy package. (HRes 508)

FEA Authorization

A new law authorizes an additional $60.7 million in fiscal 1977 (making a total of $404.6 million and $1.443 billion for fiscal 1978, including $1.210 billion for the Strategic Petroleum Reserve. (PL 95–70)

Department of Energy

A new law creates a Cabinet-level Department of Energy to coordinate the nation's energy programs. (PL 95–91)

Outer Continental Shelf

A bill in conference would guide federal policy on bidding and leasing offshore lands for oil and gas explortaion and development, give states a greater say in the process, authorize $125 million a year for amelioration of onshore impacts, and establish an offshore oil pollution control fund. (S 9)

Alaskan Natural Gas Pipeline

A new law approves the President's decision selecting the Alcan system as the means of transportation for Alaska natural gas. (PL 95–158)

Emergency Natural Gas

A new law authorized the President to make emergency allocation of natural gas and to permit emergency purchase of unregulated gas during the 1976–77 winter shortage. (PL 95–2)

Urgent Power Supplemental Appropriations

A new law appropriates $6,400,000 for fiscal 1977 to meet the urgent power purchase requirements of the Southwestern Power Administration. The law also lifted limitations on use of ERDA funds. (PL 95–3) A new law provides $13 million for fiscal 1978 to meet the urgent power purchase requirements of the Southwestern Power Administration. (PL 95–246)

ERDA Budget Deferrals

The House passed three resolutions to disapprove deferrals of $25,600,000 for ERDA programs. (HRes 305, HRes 306, HRes 307) The House passed four resolutions to disapprove deferrals of $38,800,000 for ERDA programs. (HRes 851, HRes 852, HRes 853, HRes 854)

Deepwater Ports

Congress enacted a law extending the Deepwater Port Act of 1974 for three years and authorizing $2.5 million for each fiscal 1978, 1979, and 1980. (PL 95–36)

Solar Energy

The House passed a resolution authorizing $50,000 and directing the Architect of the Capitol to conduct a feasibility study on the use of solar energy in the House Office Building Complex. (HRes 322)

Solar Photovoltaic Energy

The House passed a bill authorizing funds to establish a Department of Energy ten-year solar photovoltaic energy research, development and demonstration program leading to commercial applicability. (HR 12874)

Solar Power Satellite Program

The House passed a bill authorizing $25 million for the Department of Energy in fiscal 1979 for research, development and demonstration of a solar power satellite for commercial purposes. (HR 12505)

SBA Solar Energy and Energy Conservation Loans

A new law authorizes $36.75 million to carry out a program of $30 million in direct and immediate participation loans and $45 million in guaranteed loans in fiscal 1979 for small businesses involved in the fields of solar energy, renewable energy sources or energy conservation. (PL 95–315)

Nuclear Regulatory Commission

A new law authorizes $297.7 million for the Nuclear Regulatory Commission for fiscal 1978. (PL 95–209)

SOCIAL SERVICES

Social Security Financing

A new law assures Social Security solvency in the short and long term by increasing employer-employee contributions from 6.05 percent in 1978 in steps to 7.65 by 1990, increases the taxable wage base, authorizes automatic loans from the Treasury whenever the trust funds drop below 25 percent of annual outgo, and includes a "decoupling provision" to guard against disproportionate growth in benefits for future generations. (PL 95–216)

Public Assistance Amendments

The House passed a bill to make administrative improvements in the Supplemental Security Income program and to extend SSI recipients' eligibility for food stamps to October 1, 1978; extend SSI to Puerto Rico, Guam and the Virgin Islands and revise funding provisions for these areas for welfare and social services; make permanent last year's $200 million increase in the Title XX social services annual limitation ($2.7 billion); improve funding and establish an entitlement rather than an authorization for the child welfare program; improve protection for children in foster care programs; allow federal matching funds for welfare children voluntarily placed in foster care, and authorize protective or vendor payments to benefit 20 percent (rather than 10 percent) of a state's welfare recipients. (HR 7200)

Social Services: Protective and Vendor Payments

A new law extends last year's $200 million increase (to $2.7 billion) in the Title XX social services annual limitation through fiscal 1970, continues the delay in the imposition of federal day care standards and authorizes protective or vendor payments to benefit 20 percent (rather than 10 percent) of a state's welfare recipients. States are forgiven payments made in violation of the 10-percent requirement for claims already officially made for periods between 1968 and April 1, 1977. (PL 95–171)

Public Assistance Medicare-Medicaid Amendments

Congress enacted a law extending for 15 months, until October 1, 1978, the current eligibility of SSI recipients for food stamps; extending until September 30, 1978, federal matching funds for child support collection and paternity establishment services provided for persons not receiving AFDC; extending the due date to April 1, 1978, for HEW day care standards appropriateness study; and to prevent the cut-off of $142 million in medicaid funds for 20 states which have not achieved certain statutory requirements for evaluations of long-term patient care. (PL 95–59)

Social Services Amendments

The House passed a bill to increase the entitlement ceiling to $2.9 billion in fiscal 1979 and $3.45 billion by fiscal 1981 and thereafter, and otherwise provide for an expanded social services program (child day care, homemaker, welfare work training, senior citizens, handicapped and other services), extend certain child care and other provisions for one year, and provide for better cooperation among states, localities and local public and private agencies. (HR 12973)

SSI Work Disincentives

The House passed a bill to remove certain work disincentives for the disabled under the supplemental security income benefits program by increasing the amount of earnings such individuals may have and still be considered eligible for SSI disability payments. (HR 12972)

SSI Presumptive Disability

The House passed a bill providing that an individual who applies for supplemental security income benefits on the basis of disability shall be considered presumptively disabled if he has received social security or supplemental security income benefits as a disabled individual within the preceding five years. (HR 10848)

Economic Opportunity and Community Services Amendments of 1978

A bill in conference would reauthorize the Community Services Administration and Headstart programs for two years and Follow Through programs for five years at an estimated $774 million in fiscal 1979 rising to $1.6 billion by fiscal 1981, restoring the 80/20 ratio of federal financing for community action agencies (from the present 60/40) and making other changes. (HR 7577)

Reimbursements for Social Services

A new law authorizes $543 million for settlement of claims for certain social services provided by states before October 1, 1975. (PL 95–291)

Rehabilitation Services Amendments

The House passed a bill to authorize $6.9 billion for the Rehabilitation Act of 1973 for five years, to establish a community service employment program for handicapped individuals and to provide for independent living rehabilitation services for the severely handicapped. (HR 12467)

Older Americans Act

A bill in conference would authorize $4.2 billion over three years to continue existing service and employment programs for the elderly; to establish new programs for legal services, ombudsman services for residents of long-term care facilities and home-delivered nutrition services; and to conduct a White House Conference on Aging in 1981. (HR 12255)

SPECIAL TAX PROVISIONS

Tuition Tax Credit

The House passed a bill providing a tax credit for tuition costs at undergraduate colleges and elementary and secondary schools. The credit, to be subtracted directly from taxes, would be limited to $100 in 1978 and $250 by 1980 for college and to $50 in 1978 and $100 by 1980 for grade and high schools. (HR 12050)

Tax Treatment Extension

Both houses passed in differing forms a bill to delay until 1978 Internal Revenue Service rulings on community expenses to temporary worksites and tax treatment of fringe benefits. The bill would also delay for various periods various provisions of the Tax Reform Act of 1976, including the new more restrictive exclusion on income earned abroad; the freeze on existing tax treatment of certain salary reduction plans; cash and

deferred profit sharing plans and fringe-benefit selection plans; the income exclusion for the Armed Forces health professions scholarship program; the special five-year amortization rules for certain rehabilitation of low income housing; and the new limitations on net operating loss carryover. (HR 9251)

Technical Corrections Act

A House-passed bill would make numerous changes in the Tax Reform Act of 1976, including provisions to except for one year from the tighter foreign-income loss recapture rules income earned in possessions of the United States; to limit to agricultural commodities futures the six-month holding period for long-term capital gains; to grandfather the appreciation in value of certain stock to be taxed under the new estate and gift tax provisions; and to extend the dead line by which charitable lead trusts may be made eligible as tax deductions. (HR 6715)

Miscellaneous Revisions of Timing Requirements of Revenue Laws

The House passed a bill revising the times for (1) payments of expenses owed to certain relatives, (2) election of special corporate liquidation treatment for involuntary conversions, (3) election of subchapter S status (tax treatment similar to partnerships) by corporations, (4) filing of income tax returns for tax-exempt organizations, (5) determining the status of a taxpayer as a farmer or a fisherman for estimated income tax purposes, (6) claiming credits or refunds arising from carrybacks, and (7) collection of penalty for failure to pay no withholding taxes where a bond is furnished. In addition, the bill also would provide a basis for adjustment for property distributions received by a corporation where gain is recognized by the distributing corporation. (HR 7320)

Rate of Interest on Individual Retirement Bonds

The House passed a bill allowing the interest rates paid on U.S. retirement plans and individual retirement bonds to be increased to the rate paid on U.S. series E savings bonds. (HR 6635)

Taxation of Fringe Benefits

Both houses passed in differing forms a bill to delay until 1980 Internal Revenue Service rulings relating to the taxation of fringe benefits and certain transportation expenses and to provide for the tax treatment of certain statutory subsistence allowances for state law enforcement officers. (HR 12841)

Tax Credit for Household and Dependent Care Expenses

The House passed a bill amending the Internal Revenue Code with respect to the treatment of certain payments to relatives as credit for household and dependent care expenses. (HR 8535)

Certain Telephone Company Income; Securities Lending Transactions

A bill cleared for the President would clarify the income-source requirement for mutual or cooperative telephone company exemption from federal income taxation. Other provisions concern securities lending transactions and would (1) permit payments on loans of securities from a tax-exempt organization or a mutual fund to a broker to be treated as dividends or interest for income tax purposes, and (2) establish the general rule that the lending of any securities to a broker and the return of identical securities does not constitute a taxable sale or exchange. (HR 7581)

Investment Income of Private Foundations

The House passed a bill to reduce the excise tax on the investment income of private foundations. (HR 112)

Utility Holdings of Private Foundations

The House passed a bill to permit certain private foundations to continue to hold certain stock in certain public utilities without being subject to the excise tax on excess business holdings. (HR 4030)

Tax Treatment of Magazine Returns

The House passed a bill to provide an exclusion from gross income with respect to magazines, paperbacks, and records returned after the close of the taxable year. (HR 3050)

Tax Treatment of Certain Crop Payments

A new law provides for 1977 tax year treatment of certain crop payments and extends for one year the deduction for state legislators' travel expenses. (PL 95–258)

Excise Tax on Tires and Tread Rubber

The House passed a bill revising the excise tax treatment of tires and tread rubber under certain conditions and imposing a tax on certain imported retreaded tires. (HR 5103)

Excise Tax on Certain Trucks and Buses

The House passed a bill to eliminate the "cost-floor" method for determining the constructive sale price with respect to taxable sales of certain trucks, buses, and highway tractors. (HR 1337)

Exemption of Certain Trailers from Excise Tax

The House passed a bill providing excise tax exemptions for trailers and semi-trailers suitable for use with a light duty towing vehicle designed for farming purposes or for transporting horses or livestock. (HR 2984)

Excise Tax on Fuels Used by Aerial Applicators

The House passed a bill permitting crop-duster aircraft operators, rather than farmers, to claim the excise tax refund or credit provided for aviation fuels used for farming purposes. (HR 2852)

Changes in Excise Taxes on Distilled Spirits

A new law amends certain provisions of the Internal Revenue Code relating to distilled spirits. (PL 95–176)

Home Production of Beer and Wine

The House passed a bill allowing any individual 18 years of age or older to produce wine and beer for personal and family use up to certain quantities without incurring the wine or beer excise taxes or any penalties. (HR 2028)

Excise Tax on Alcoholic Beverages Destroyed by Vandalism

The House passed a bill providing for repayment of excise tax on alcoholic beverages held for sale but destroyed by fire, flood, casualty, other disaster, vandalism or malicious mischief. (HR 1920)

Customs Procedural Reform

A bill in conference would provide customs procedural reform, simplify certain entry procedures, and revise certain personal duty-free exemptions for liquor, cigarettes and articles. (HR 8149)

Duty-Free Entry of Certain Canadian Petroleum

A new law permits the duty-free entry of Canadian crude oil if an equivalent amount of domestic or duty paid oil is exported to Canada. (PL 95–159)

Duty Suspensions

The House passed a bill to suspend the duty on 2-methyl 4-chlorophenol until June 30, 1980. (HR 5551)

Temporary Suspension of Duty on Strontium Nitrate

The House passed a bill to suspend a portion of the duties on strontium nitrate (used in making flares) until January 30, 1978. (HR 5044)

ETHICS REFORM AND OTHER HOUSE ACTIVITIES

Ethics Code

The House adopted a strong new financial ethics code as part of the rules of the House. The rules require broad financial disclosure by House Members and key staff; a 15-percent of salary limit on outside earned income by Members; a $750 limit on any honorarium; limits on gifts; prohibition on personal use of campaign funds; abolition of unofficial office accounts; restrictions on the use of the frank; and curbs on lameduck travel. (H Res 287)

Select Committee on Ethics

The House adopted a resolution establishing a Select Committee on Ethics to issue regulations to implement and interpret the financial ethics code, to render advisory opinions, and to work with the Senate in putting the new rules into permanent law. (H Res 383) The House passed a resolution to continue the Select Committee on Ethics into the second session of the 95th Congress. (H Res 871)

Korean Inquiry

The House adopted a resolution authorizing the Committee on Standards of Official Conduct to make an inquiry to determine whether Members of the House, their immediate families or associates accepted anything of value from the government of the Republic of Korea. (H Res 252)

U.S.-Korean Relations

The House authorized an International Relations Subcommittee to examine United States-Korean relations, including activities of the Korean CIA in the United States. (H Res 319)

Korean Cooperation With House Investigation

The House passed a resolution expressing the sense of the House that the Republic of Korea cooperate fully with the Committee on Standards of Official Conduct and with its special counsel to provide complete access to all facts relevant to the Committee's investigation to determine whether Members of the House were involved in accepting anything of value from the Government of the Republic of Korea. (HRes 868)

Korean Investigation

The House passed a resolution expressing the sense that the government of Korea should cooperate fully, in accordance with the principle of comity between allies, with the Committee on Standards of Official Conduct and its special counsel in that committee's efforts to obtain necessary information from former Korean Ambassador Kim Dong Jo. (HRes 1194)

Public Disclosure of Lobbying Act

The House passed a bill to require certain organizations to disclose specific information on their lobbying activities and expenditures. (HR 8494)

Select Committee on Assassinations

The House authorized the continuation of the Select Committee on Assassinations throughout the 95th Congress. The committee is to investigate the assassinations of President Kennedy and Martin Luther King, Jr. (HRes 433) The House passed a resolution granting the Select Committee authority to make applications to the courts and bring and defend certain lawsuits. (HRes 760)

Contempt Citation

The House passed a resolution certifying the case of Claude Powell, Jr., for contempt of Congress for failure to testify in the Martin Luther King, Jr., assassination inquiry. (HRes 1159)

Select Committee on Intelligence

The House passed a resolution establishing a permanent Select Committee on Intelligence in the House to oversee the CIA and other intelligence activities. (HRes 658)

Congressional Operations

The House established a House Select Committee on Congressional Operations to continue the work and functions of the now defunct Joint Committee on Congressional Operations. (HRes 420)

FEC Authorization

A new law authorizes $8.1 million for the Federal Election Commission for fiscal 1978. (PL 95–127) Both houses passed in differing forms a bill authorizing $8.6 million for the FEC for fiscal 1978. (S 3025)

Franked Mail Act of 1977

The House passed a bill establishing certain limitations on the use of the franking privilege. (HR 7792)

Eliminating October Pay Increases

A new law denies the October, 1977, pay comparability adjustment to senior officials of the executive, legislative and judicial branches. (PL 95–66) Earlier, Congress enacted a law requiring that future pay raises for Members of Congress recommended by the Quadrennial Commission on Executive, Legislative and Judicial Salaries be approved by a recorded vote in both the House and Senate. (PL 95–19)

District Office Space

The House passed a resolution providing an additional amount for district office rental. (HRes 687)

House Radio and Television Coverage

The House passed a resolution authorizing closed-circuit televising of House floor sessions to Member, Committee and other House offices; a study through February 15, 1978, of methods of providing radio and television coverage of House sessions to the media and public; and establishment after the study of a radio and television broadcasting system for the press and public under the direction of the Speaker. (HRes 866)

GENERAL GOVERNMENT

Reorganization Act of 1977

A new law gives the President authority for three years to transmit to Congress executive branch reorganization plans; such plans would take effect after 60 days unless either house of Congress passed a resolution of disapproval. (PL 95–17)

Reorganization Plan No. 1 of 1977

The House approved the President's Reorganization Plan No. 1 of 1977, providing for a reorganization of the Executive Office of the President. (HRes 688)

Reorganization Plan No. 2 of 1977

The House approved an executive reorganization plan consolidating the functions of the United States Information Agency and the State Department's Bureau of Educational and Cultural Affairs into a single agency, the International Communication Agency. (HRes 827)

Reorganization Plan No. 1 of 1978

The House approved the President's Reorganization Plan No. 1 of 1978, to consolidate several equal employment opportunity programs into the Equal Employment Opportunity Commission. (HRes 1049)

Reorganization Plan No. 2 of 1978

The House approved the President's Reorganization Plan No. 2 of 1978 relating to the Civil Service Commission. The Plan is the structural framework of the President's proposed civil service reform. (HRes 1201)

Federal Grant and Cooperative Agreement Act

A new law standardizes the meaning of the terms federal "contract," "grant" and "cooperative agreement" as recommended by the Commission on Government Procurement in 1972. (PL 95–224)

Federal Program Information

A new law provides for the efficient and regular distribution of current information to the public on federal domestic assistance programs. (PL 95–220)

Federal Banking Agency Audits

A new law authorizes the General Accounting Office to audit the operations of the Office of the Comptroller of the Currency, the Federal Deposit Insurance Corporation and the Federal Reserve System. (PL 95–320)

Federal Reserve Reform

The House passed legislation setting guidelines for Federal Reserve monetary policy, requiring the Board to consult with Congress, broadening representation on the 12 Federal Reserve Bank boards, requiring Senate confirmation for the chairman and vice chairman of the Federal Reserve Board and prohibiting conflicts of interest. (HR 8094)

Postal Service Act

The House passed a bill providing for presidential appointment of the Postmaster General, increasing congressional oversight of the U.S. Postal Service, increasing public service authorizations by $800 million in each of the next three years for the U.S. Postal Service and revising postal rate setting procedures. (HR 7700)

Changes in Postal Services

The House passed a bill to provide for Congressional review of proposed changes in postal service before they become effective. (HR 9146)

GAO Audits of the IRS and the Bureau of ATF

A new law authorizes the GAO to audit and review the operations of the Internal Revenue Service and the Bureau of Alcohol, Tobacco, and Firearms of the Department of the Treasury. (95–125)

White House Personnel

A bill in conference would clarify the authority for employment of personnel by the White House Office, the Executive Residence, the Domestic Policy Staff, the Office of Administration and the Office of the Vice President. (HR 11003)

Offices of Inspector General

The House passed a bill establishing Offices of Inspector General in certain executive departments and agencies. (HR 8588)

Insular Areas Authorization

A bill cleared for the President would authorize funds and otherwise foster the continued economic and political development of the insular areas of the United States (Guam, the Virgin Islands, the Northern Marianas, American Samoa, and the Trust Territory of the Pacific Islands). (S 2821)

Intelligence Authorization

A bill reported from conference would authorize funds for intelligence and intelligence-related activities of the United States. (HR 12240)

INTERNATIONAL AFFAIRS

International Development and Food Assistance

A new law authorizes $1.6 billion for international food and economic development assistance in fiscal 1978. (PL 95–88) A bill in conference would authorize $3.7 billion in foreign economic assistance in fiscal 1979, make certain changes in the foreign assistance laws, and improve coordination and administration of U.S. development programs. (HR 12222)

International Security Assistance

A new law authorizes $3.2 billion for international security assistance in fiscal 1978, including funds for grant military assistance programs, grant military education and training programs, foreign military sales credits and guarantees, security supporting assistance, the Middle East Special Requirements Fund, the contingency fund, International Narcotics Control, and the Southern African Special Requirements Fund. (PL 95–92)

International Security Assistance

A bill in conference would amend the Foreign Assistance Act and the Arms Export Control Act, to authorize $999.3 million for international security assistance programs for fiscal 1979, to repeal the embargo on arms assistance to Turkey and to lift sanctions against Rhodesia after 1978 unless the President determines that a freely elected government has not been installed. (S 3084)

Foreign Relations Authorization

A new law authorizes $1.6 billion in fiscal 1978 for the Department of State, the U.S. Information Agency, and the Board for International Broadcasting. (PL 95–105) A bill in conference would authorize $1.9 billion for fiscal 1979 for the Department of State, the International Communications Agency, and the Board for International Broadcasting. (HR 12598)

State Department Supplemental

Congress enacted a law authorizing $89,650,000 in supplemental funds for the Department of State for fiscal 1977. (PL 95–45)

Nuclear Antiproliferation Act

A new law amends the Atomic Energy Act of 1954 to apply uniform standards for licensing of nuclear exports, defines specific criteria for the negotiation of new Agreements for Cooperation in the exchange of nuclear technology, and promulgates regulations for timely action on nuclear export licenses by the concerned government agencies. The law also spells out numerous multilateral steps to combat nuclear proliferation and instructs the President to pursue them. (PL 95–242)

Export-Import Bank

A new law realigns the authorization of the Export-Import Bank with the new fiscal year and requires certain bank actions concerning human rights, export subsidy programs and nuclear proliferation. (PL 95–143)

Export-Import Bank Extension

The House passed a bill to extend the Export-Import Bank for five years, to improve its ability to promote U.S. exports by increasing bank commitment authority by $15 billion (to $40 billion), to seek an end to predatory international competition and to prohibit financing of exports to South Africa unless its racial policies improve. (HR 12157)

Export Administration Act Amendments

Congress enacted a law to extend the Export Administration Act for two years and prohibit American compliance with foreign boycotts of nations friendly to the U.S. In addition, the bill would prohibit the export of Alaskan oil for two years if the President makes certain findings. (PL 95–52)

International Financial Institutions

A new law authorizes $5.2 billion for the World Bank and five other international development lending institutions. The law directs U.S. representatives to oppose loans to countries violating human rights unless programs are specifically directed to basic human needs. Representatives must consider the responsiveness of Vietnam, Cambodia and Laos in accounting for MIAs, and oppose loans for production of palm oil, sugar or citrus crops if the U.S. is a competing producer of that commodity. (PL 95–118)

International Monetary Fund

Both houses passed in differing forms a bill authorizing the United States to invest about $1.8 billion in the $10.5 billion Supplementary Financing Facility of the International Monetary Fund for loans to developing nations with oil cost problems. The bill would require the U.S. executive director of the new facility to oppose Fund transactions which would contribute to the deprivation of human rights. (HR 9214)

Overseas Private Investment Corporation Act Amendments

A new law strengthens the federal role in OPIC which insures operations of American companies in developing nations, extends OPIC through fiscal 1981, reinforces the de-

velopment mandate of OPIC and prohibits claims if an investor has been determined to be involved in bribery of foreign officials. (PL 95–268)

International Banking Act

The House passed a bill setting guidelines for foreign bank operations in the United States with respect to federal charters, reserve and FDIC insurance requirements, interstate branching and other banking activities. (HR 10899)

International Investment Survey Act

Both houses passed in differing forms a bill authorizing an additional $3 million for the Departments of Commerce, Treasury, and Agriculture for fiscal 1979 to continue collection and analysis of data on international investment, including foreign investment in the United States. (S 2928)

Trading With the Enemy Act Reform

A new law limits the provisions of the Trading With the Enemy Act to declared wars and authorizes the President to regulate international economic transactions during national emergencies. (PL 95–223)

International Trade Commission

A new law authorizes $11.5 million for the International Trade Commission (ITC) in fiscal 1978 and makes administrative improvements in the commission's operation. (PL 95–106) Both houses passed in differing forms a bill authorizing $12.8 million for the United States International Trade Commission (ITC) for fiscal 1979. (HR 11005)

United States-Hungary Trade Agreement

Both houses passed a concurrent resolution approving nondiscriminatory (most-favored-nation) trade treatment for Hungary pursuant to a bilateral trade agreement. (HConRes 555)

Export of Uranium to India

The House approved the export of 7,638 kilograms of low-enriched uranium for India as proposed by Executive Order on April 27, 1978. (HConRes 599)

International Safe Container Act

A new law would implement the International Convention for Safe Containers of 1972 and the Annexes thereto by establishing uniform structural requirements for intermodal cargo containers within United States jurisdiction and designed to move in international trade. (PL 95–208)

Rhodesian Chrome

Congress enacted a law authorizing the President to reimpose the embargo on imports of chrome ore, ferrochrome and nickel from Rhodesia as a sanction against minority rule. (PL 95–12)

Military Assistance to Portugal

Congress enacted a law authorizing $32.25 million in supplemental military assistance to Portugal for fiscal 1977. Funds would be used to help equip and train a newly established 4,000 man air-transportable Portugese brigade which would be assigned to NATO. (PL 95–23)

Peace Corps Authorization

A new law authorizes $82.9 million for the Peace Corps in fiscal 1978. (PL 95–102) A new law authorizes $112.4 million for fiscal 1979 and a fiscal 1978 supplemental of $3.7 million for the Peace Corps. (PL 95–331)

American MIA's in Southeast Asia

The House passed a concurrent resolution expressing the sense of Congress that the Administration should work through United Nations agencies to secure a full accounting of Americans missing in Southeast Asia (HConRes 583)

Permanent Residence Status for Indochina Refugees

A new law authorizes the creation of a record of admission for permanent residences in the cases of certain refugees from Vietnam, Laos, or Cambodia. (PL 95–145)

Human Rights in Cambodia

The House passed a resolution expressing its concern over human rights violations in Cambodia. (HRes 724)

Human Rights Violations in Uganda

The House passed a concurrent resolution condemning violations of rights by the Government of Uganda and urging the President to take certain actions with respect to those violations. (HConRes 612)

Soviet Jews

The House and the Senate adopted in final form a concurrent resolution expressing the concern of Congress regarding the harassment of Soviet Jews and other minorities. (SConRes 7)

Expressing Concern About Repressive Acts in South Africa

The House passed a concurrent resolution expressing the concern of Congress about the circumstances surrounding the death of Steve Biko and other acts of repression by the Government of the Republic of South Africa. (HConRes 388)

Prisoner Exchange

A new law implements U.S. bilateral treaties with Mexico and Canada for exchange of nationals in each other's jails. (PL 95–144)

Romanian Earthquake Relief

Congress enacted legislation authorizing $20 million for relief and rehabilitation assistance to victims of earthquakes in Romania. (PL 95–21)

Commission on Domestic and International Hunger and Malnutrition

The House passed a resolution expressing the sense of the House that the President should establish a Commission on Domestic and International Hunger and Malnutrition. (HRes 784)

Diplomatic Relations

The House passed a bill repealing the immunity statute for the foreign diplomatic community in the United States. The bill also would require liability insurance for all embassy personnel and their families who plan to operate motor vehicles, vessels or aircraft while in the U.S. (HR 7819)

Cultural Property

The House passed a bill to implement Articles of the UNESCO Convention on the Means of Prohibiting and Preventing the Illicit Import, Export and Transfer of Ownership of Cultural Property. (HR 5643)

European Economic Community Regulations on Processed Fruits and Vegetables

The House passed a resolution expressing the sense of the House with respect to removal of certain regulations and import restrictions imposed by the EEC on imports of certain U.S. canned fruits, juices and vegetables. (HRes 238)

NATIONAL DEFENSE

Department of Defense Authorization

A new law authorizes $36 billion in fiscal 1978 for military procurement, research and development and civil defense and authorizes active-duty and reserve forces strength of 2.9 million and civilian personnel of 1 million. (PL 95–79)

Department of Defense Authorization

A bill cleared for the President authorizes $36.9 billion in fiscal 1979 for military equipment procurement, including $1.9 billion for a nuclear-powered aircraft carrier, and for research, development, test and evaluation and civil defense and authorizes active duty and reserve military strength of 2,890,625 and civilian personnel strength of 1,005,500. (H.R. 10929)

DOE National Security Programs

The House passed a bill authorizing $2.89 billion for fiscal 1979 for the national security programs and functions of the Department of Energy, including nuclear weapons research, development, test, and production; of special nuclear materials and military waste management; naval reactor development; special detection and intelligence; inertial confinement (laser and electron beam) fusion research; and program management and support. (H.R. 11686)

ERDA National Security Authorization

A new law authorizes $2.61 billion in fiscal 1978 for the national security functions and programs administered by the Energy Research and Development Administration (ERDA), including enhanced radiation weapons. (PL 95–183)

Arms Control and Disarmament Agency

A new law authorizes $14.6 million for the Arms Control and Disarmament Agency in fiscal 1978. (PL 95–108) A new law authorizes $18.4 million for the Arms Control and Disarmament Agency in fiscal 1979. (PL 95–338)

Military Construction Authorization

A new law authorizes $3.7 billion in fiscal 1978 for certain construction at military installations. (PL 95–82) A bill reported from conference would authorize $4.128 billion for fiscal 1979 for certain construction at military installations. (H.R. 12602)

Nuclear Rescission

A new law rescinds $664 million, including $453 million which had been intended for a new nuclear carrier and conversion of an existing ship to a nuclear-armed vessel. (PL 95–15)

Military Enlistment Bonus Extension

A new law extends for fifteen months, to September 30, 1978, existing authority to pay enlistment bonuses up to $3,000 and re-enlistment bonuses up to $15,000 for enlisted military personnel in the Armed Services. (PL 95–57)

Defense Production Act

A new law extends the Defense Production Act by two years, until September 30, 1979. (PL 95–37)

Battle Monuments Commission

The House passed a bill providing that any retired member of the Armed Forces recalled to active duty with the American Battle Monuments Commission shall not be chargeable against the authorized end strengths and grade limitations of the Department of Defense or the military departments concerned. (H.R. 7678)

Strategic and Critical Materials

The House passed a bill to amend the Strategic and Critical Materials Stock Piling Act by establishing a stockpile procurement fund, encouraging barter for stockpile materials, and requiring specific rather than standing authorization for acquisition of materials. (H.R. 4895)

National Defense Reserve Fleet

A new law authorizes the Secretary of Commerce to acquire Mariner class and other suitable vessels in exchange for obsolete vessels in the National Defense Reserve Fleet. (PL 95–177)

Department of Defense Supplemental Authorization

A new law authorizes $476.4 million in fiscal 1978 for military procurement of missiles and aircraft, and military research, development, test and evaluation, including funds for the air-launched cruise missile in lieu of the B–1 bomber and studies for converting commercial transports to cruise missile carriers. (PL 95–184)

Survivor Benefit Plan for Military Retirees

The House passed a bill making certain improvements in the Retired Serviceman's

Family Protection Plan (RSFPP) and the Survivor Benefit Plan (SBP). (H.R. 3702)

Defense Officer Personnel

The House passed a bill revising the retention, promotion and other personnel management procedures of the commissioned-officer active-duty force of the Armed Forces. (H.R. 5503)

Defense Cargo Capacity for Civil Aircraft

The House passed a bill authorizing contracts with civil air carriers to provide greater cargo capacity for national defense purposes. (H.R. 2637)

Military Retirement Pay

The House passed a bill revising the rule for recalculation of military retired or retainer pay to reflect later active duty. (H.R. 10342)

Reserve Enlisted Members' Retirement

The House passed a bill permitting Reserve enlisted members of the Army and Air Force to retire with 20 years of service. (H.R. 10341)

Reserve Retired Pay Eligibility

The House passed a bill to make certain otherwise ineligible reservists eligible for reserve retired pay if they served on active duty during the Berlin or Cuban Crises or the Vietnam War. (H.R. 11823)

SCIENCE

NASA Authorization

A new law authorizes $4.05 billion for the National Aeronautics and Space Administration for fiscal 1978. (PL 95–76) A bill in conference would authorize $4.42 billion for NASA for fiscal 1979. (HR 11401)

NSF Authorization

A new law authorizes $884 million for the National Science Foundation in fiscal 1978. (PL 95–99) Both Houses passed in differing forms a bill authorizing $934.4 million for the NSF for fiscal 1979. (HR 11400)

Standard Reference Data Act

A new law authorizes $13.1 million over three years for the National Bureau of Standards to carry out the National Standard Reference Data Act. (PL 95–322)

HEALTH

Health Programs Extension Act of 1977

A new law authorizes $3.8 billion for health programs in fiscal 1978, including health services research; health statistics; comprehensive public health services; hypertension programs; migrant health; community health centers; medical libraries; the National Cancer Institute; the National Heart, Lung, and Blood Institute, National Research Service Awards; population research and voluntary family planning programs; sudden infant death syndrome; hemophilia; national health planning and development; health resources development; and community mental health centers. (PL 95–83)

Renal Disease

A new law provides incentives to encourage the use of lower cost, medically appropriate self-dialysis as an alternative to high-cost institutional dialysis by suitable patients suffering from renal disease. (PL 95–292)

Medicare-Medicaid Antifraud Abuse

Congress enacted a law to strengthen the capability of the government to detect, prosecute and punish fraudulent activities under the medicare and medicaid programs. (PL 95–142)

Black Lung Benefits

A new law creates an industry financed trust fund for black lung benefits for coal miners disabled by pneumoconiosis (black lung disease) and their widows. (PL 95–227) Another new law expands eligibility and improves the black lung benefits program. (PL 95–239)

Mine Safety and Health

A new law improves health and safety protection for metal and nonmetal miners and transfers coal and noncoal mine safety enforcement to the Department of Labor. (PL 95–164)

Medicare-Medicaid Coverage for Rural Health Clinics

A new law provides medicare and medicaid eligibility for rural health clinics and authorizes demonstration projects for clinics in medically underserved urban areas and for outpatient mental health centers. (PL 95–210)

Saccharin Ban Moratorium

A new law authorizes a review of information on food additives, prohibits certain restrictions on saccharin for 18 months and authorizes during that period warnings in stores of health risks of saccharin. (PL 95–203)

Health Professionals Education Amendments of 1977

A new law revises capitation requirements for schools of medicine and dentistry by requiring medical schools in order to be eligible to receive capitation grants to increase third-year enrollment by five percent, authorizes an additional $1 million for public health traineeships in fiscal 1979 and 1980, expands traineeship eligibility and makes technical amendments to the health professions guaranteed student loan program. (PL 95–215)

Medicaid Payments to Guam, the Virgin Islands and Puerto Rico

The House passed a bill to increase the dollar limitation and federal medical assistance percentages for the medicaid programs of Puerto Rico, the Virgin Islands and Guam. (HR 9434)

Uranium Radiation Remedial Action Program To Protect Public Health

A new law authorizes $1.5 million and extends for four years the program to eliminate certain radiation hazards in buildings in Grand Junction, Colorado. (PL 95–236)

EDUCATION

Education Amendments of 1978

The House passed a five-year extension of the Elementary and Secondary Education Act, authorizing $10.3 billion in the first year rising to $12.9 billion in fiscal 1982 for the nation's major education programs, including grants for the disadvantaged to local education agencies, a revised allocation formula beginning in fiscal 1980 to focus aid on the neediest, $400 million in fiscal 1979 supplemental grants for school districts with large concentrations of poor children, $1.5 billion rising to $1.9 billion for impact aid, and other authorizations including the National Institute of Education, adult and Indian education, bilingual education and women's educational equity. (HR 15)

ESEA Extension

A new law extends through fiscal 1979 advance funding for Titles I (disadvantaged aid) and IV (libraries and other support) of the Elementary and Secondary Education Act of 1965 and the Adult Education Act. (PL 95–112)

ESEA

The House passed a bill to extend for one year the authority of the Commissioner of Education to waive provisions of Title I of the Elementary and Secondary Education Act for certain educational agencies. (HR 10551)

Vocational Education

A new law makes technical and miscellaneous amendments to the Vocational Education Act, including provisions relating to the use of federal funds for state and local administrative support. (PL 95–40)

School Lunch, Child Nutrition Amendments

A new law extends the summer feeding program three years through fiscal 1980, tightens administration, extends commodity purchase authority for the nutrition for the elderly program, makes improvements in the food service equipment program and the free breakfast program in extremely needy schools and authorizes federal grants of 50 cents per child for a national nutrition education program. (PL 95–166).

Education of the Handicapped

Congress enacted a law authorizing $1.1 billion over five years for the Education of the Handicapped Act. (PL 95–49)

Higher Education

A new law makes higher education technical amendments and authorizes $75 million for each fiscal 1978 and 1979 for Title VI of the National Defense Education Act—Foreign Area Studies and Language Development. (PL 95–43)

Law School Depository Libraries

A new law provides for the designation of libraries of accredited law schools as depository libraries of government publications. (PL 95–261)

Pacific Islands

A new law includes the Trust Territory of the Pacific Islands in the definition of "state" for the purpose of participating in programs authorized by the Higher Education Act. (PL 95–180)

Library Services

A new law extends the Library Services and Construction Act for five years, through September 30, 1982, and authorizes use of funds for services provided by urban libraries. (PL 95–123)

Center for the Book

A new law establishes a Center for the Book in the Library of Congress. (PL 95–129)

Appalachian Regional Development Act Amendments

A new law amends the Appalachian Regional Development Act to extend for two years the demonstration period for child development projects. (PL 95–193)

Career Education Act

A new law authorizes $325 million over five years to encourage programs of career education in elementary and secondary schools and $75 million for postsecondary educational demonstration projects over five years. (PL 95–207)

Grand Canyon School Districts

A new law authorizes $1.5 million minus impact aid for payments to Grand Canyon school districts for educational services to dependents of persons living at or near the Grand Canyon National Park on real property owned by the United States and therefore not subject to local school district taxation. (PL 95–244)

Alcohol and Drug Abuse Education Act Amendments

A new law authorizes $42 million over three years for the Alcohol and Drug Abuse Education Act. (PL 95–336)

Environmental Education Act Amendments

The House passed a bill authorizing $45 million over five years for the Environmental Education Act. (HR 10570)

American Folklife Preservation Act

A new law extends the authorization for the American Folklife Center at the Library of Congress for an additional three years. (PL 95–259)

White House Conferences on Arts and Humanities

A new law authorizes the President to call a White House Conference on the Arts and a White House Conference on the Humanities. (PL 95–272)

Hubert H. Humphrey Fellowship

A new law authorizes $1 million for a Hubert H. Humphrey Fellowship in Social

and Political Thought at the Woodrow Wilson International Center for Scholars at the Smithsonian Institution. (PL 95–286)

Humphrey Institute and Dirksen Center

A new law authorizes $7.5 million for the Hubert H. Humphrey Institute of Public Affairs and Everett McKinley Dirksen Congressional Leadership Center. (PL 95–270)

Education Advisory Councils

The House passed a resolution disapproving the Commissioner of Education's proposed consolidation of certain education advisory councils. (H. Res. 1072)

LABOR

Full Employment and Balanced Growth

The Humphrey-Hawkins bill, reaffirming the federal commitment to jobs for every American able and willing to work, has passed the House. The bill sets a goal of four-percent unemployment in five years, emphasizes our reliance on the private sector as the prime employer, provides for strong anti-inflation measures, and universally aims at work and wages, instead of welfare, for the unemployed. (HR 50)

Minimum Wage

A new law raises the minimum wage to $2.65 an hour on January 1, 1978, (from the present $2.30) and to $2.90 in 1979, $3.10 in 1980 and $3.35 in 1981, and decreases the allowance for tip credit. (PL 95–151)

Labor Law Reform

The House passed a bill to enlarge and strengthen the NLRB and expedite union representation elections under the National Labor Relations Act. (HR 8410)

Mandatory Retirement

A new law raises to 70 the age for mandatory retirement in the private sector and eliminates the mandatory retirement age for most federal workers. (PL 95–256)

Labor Act Exemption for Religious Objectors

The House passed a bill to exempt employees on grounds of religious objection from joining or financially supporting a labor organization. (H.R. 3384)

Employee Retirement Income Security Act Amendments

A new law increases to $2.60 (from the previous $1) per participant per year the premium for single-employer pension plans insured against termination by the Pension Benefit Guaranty Corporation. In addition the law would postpone for 18 months the date on which the Pension Benefit Guaranty Corporation begins mandatory insurance coverage of multi-employer pension plans. (PL 95–214)

Pregnancy Disability Anti-Discrimination

A bill in conference would prohibit sex discrimination in employment on the basis of pregnancy, including refusal to hire or promote pregnant women, termination of jobs of pregnant women, mandatory maternity leaves or refusal to cover pregnancy under an existing disability plan. (S 995)

National Commission on Unemployment Compensation

The House passed a bill to provide per diem compensation for members of the National Commission on Unemployment Compensation and to extend the period for filing of reports by the Commission. (HR 12232)

Summer Youth Jobs

A new law provides $63 million for a total of 1,165,000 summer youth jobs in 1978. (PL 95–284)

CONSUMERS

National Consumer Cooperative Bank

A bill cleared for the President would create a National Consumer Cooperative Bank to make loans at market interest rates to consumer cooperatives. The bill would also provide technical assistance to consumer cooperatives and establish a Self-Help Development Fund to assist emerging cooperatives in the inner cities and rural areas. (HR 2777)

Utility Pole Attachments

A new law requires the Federal Communications Commission to regulate the attachment of communication wires to utility poles when a state does not provide such regulation. (PL 95–234)

Debt Collection Practices

A new law prohibits professional debt collectors from harassing or intimidating any person in connection with the collection of a debt and from making false or misleading representations. (PL 95–109)

Saturday Mail Delivery

The House passed a concurrent resolution expressing the sense of the Congress that the U.S. Postal Service should not reduce the frequency of home mail delivery service. (HConRes 277)

Bankruptcy Reform

The House passed a bill to establish a system of independent bankruptcy courts, define creditors' and debtors' rights, facilitate the use of debt repayment plans, and protect the "fresh start" that bankruptcy is intended to give debtors. (HR 8200)

Petroleum Marketing Practices

A new law protects motor-fuel marketing franchises from arbitrary or discriminatory termination or non-renewal of their franchises. The law also requires the disclosure of octane ratings of automotive gasoline to consumers and approves a study of the subsidizing of motor fuel marketing by refiners and other suppliers with the profits from crude oil production, refining or other marketing activities. The study is to explore questions of market structure, competition and consumer costs. (PL 95–297)

Public Telecommunications Financing Act

The House passed a bill authorizing $720 million over five years to continue and increase long-term federal funding for noncommercial public telecommunications and to improve equal employment opportunity, fiscal accountability and public participation in public broadcasting. (HR 12605)

Insulation Safety Standards

A new law requires the Consumer Product Safety Commission to adopt as a mandatory interim standard modified General Services Administration specifications for flame resistance and corrosiveness of cellulose home insulation. (PL 95–319)

Fire Prevention

Both Houses passed in differing forms a bill authorizing $20.5 million for the National Fire Prevention and Control Administration and $5.1 million for the National Bureau of Standards Fire Research Center for fiscal 1979. (HR 11291)

FTC Amendments

A bill in conference would amend the Federal Trade Commission Act to authorize $63 million for fiscal 1978 and $70 million for fiscal 1979 for the FTC. (HR 3816)

JUSTICE

Privacy Protection Commission

Congress enacted a law extending the life of the Privacy Protection Study Commission two and a half months until September 30, 1977. (PL 95–38)

Federal Rules of Criminal Procedures

A new law approves certain proposed amendments to the Federal Rules of Criminal Procedure and disapproves other proposed changes. (PL 95–78)

Commission on Uses of Copyrighted Works

A new law extends until July 31, 1978, the term of the National Commission on New Technological Uses of Copyrighted Works. (PL 95–146)

Age Discrimination Report

A new law extends for six months the deadline for the U.S. Commission on Civil Rights' report on age discrimination. The law also extends the commodities provision of the Older Americans Act through fiscal 1978 and permits the acceptance of cash in lieu of commodities. (PL 95–65)

Drug Enforcement

A new law authorizes $645 million for three years for drug enforcement under the Controlled Substances Act. (PL 95–137)

Juvenile Justice

A new law extends the Juvenile Justice and Delinquency Prevention Act of 1974 and authorizes $150 million in fiscal 1978, $175 million in fiscal 1979 and $200 million in fiscal 1980. The law also authorizes $25 million in each fiscal 1978, 1979 and 1980 for the Runaway Youth Act and permits the President to submit a plan to transfer the latter program from HEW after April 30, 1978. (PL 95–115)

Sexual Exploitation of Minors

A new law protects children from sexual exploitation through juvenile prostitution and the making of films or photographs of children engaging in sexual conduct. (PL 95–225)

Child Abuse Prevention and Treatment Amendments

A new law authorizes $147 million for the Child Abuse Prevention and Treatment Act for four years, through September 30, 1981, and prohibits sexual exploitation of minors. (PL 95–266)

U.S. Commission on Civil Rights

A new law authorizes $10,480,000 for fiscal 1978 for the U.S. Commission on Civil Rights. (PL 95–132)

Associate Attorney General

A new law establishes the position of Associate Attorney General within the Department of Justice. (PL 95–139)

Victims of Crime Compensation

The House passed a bill authorizing $25 million in fiscal 1978, $30 million in fiscal 1979 and $35 million in fiscal 1980 to assist states in compensating innocent victims of crime. Federal assistance would be limited to $25,000 per person. (HR 7010)

Additional Federal Judgeships

A bill in conference would authorize the creation of 110 additional judgeships for the U.S. district courts and 35 additional appellate judgeships for the U.S. circuit courts. (H.R. 7843)

Administrative Conference of the United States

Both Houses passed in differing forms legislation to authorize funds over three fiscal years for the Administrative Conference of the United States. (S. 1792)

Diversity of Citizenship Jurisdiction

The House passed a bill to abolish diversity of citizenship jurisdiction in the federal courts and to abolish the amount-in-controversy requirement in federal question cases. (HR 9622)

Legal Services Corporation

A new law authorizes $205 million in fiscal 1978 and necessary sums for each fiscal 1979 and 1980 for the Legal Services Corporation. (PL 95–222)

Unlawful Corporate Payments Act

A new law prohibits corrupt use of interstate commerce by U.S. corporations and other domestic concerns to bribe foreign officials or foreign political parties or candidates. (PL 95–213)

Immigration and Naturalization of Adopted Children

The House passed a bill to facilitate the admission into the United States of more

than two adopted children and to provide for the expeditious naturalization of adopted children. (HR 12508)

Worldwide Ceiling on Immigration

The House passed a bill to combine two hemispheric ceilings into a single worldwide ceiling on immigration of 290,000 a year and to create a Select Commission on Immigration and Refugee Policy. (HR 12443)

Civil Rights Commission

The House has under consideration a bill extending the U.S. Commission on Civil Rights for five years, clarifying its current jurisdiction and expanding it to include discrimination based on age and handicap status, and authorizing $12.7 million and $14 million for fiscal 1979 and 1980. (HR 12432)

Civil Rights of Institutionalized Persons

The House passed a bill authorizing the Attorney General under certain conditions to initiate or intervene in civil actions to protect the rights of persons in institutions for the mentally or physically incapacitated or in pretrial detention or juvenile facilities or correctional facilities if a court determines that conditions in a prison or correctional facility warrant civil action by the Attorney General, and to encourage the development of grievance mechanisms in correctional facilities. (HR 9400)

ENVIRONMENT

Clean Air

A new law would authorize $211.5 million for the Clean Air Act in each fiscal 1978–80; extend pollution compliance deadlines for automobiles, plants, and other emission sources and enlarge state authority to deal with significant deterioration of clean air areas and to permit growth in "non-attainment" (dirty air) areas. (PL 95–95)

Surface Mining Control and Reclamation

A new law provides for a state-federal program to regulate the surface mining of coal and the surface impact of underground mines, to provide for the reclamation of abandoned mines and to establish mining and mineral institutes, coal research laboratories and graduate research fellowships. Mining is prohibited on developed farmlands of alluvial valley floors, and procedures are established to determine areas unsuitable for surface mining. (PL 95–87)

Surface Mining Control and Reclamation Act

Both houses passed a bill authorizing additional funds through fiscal 1980 for certain programs under the Surface Mining Control and Reclamation Act. (S 2463)

EPA Authorization

A new law authorizes $253.6 million for research, development and demonstration activities of the Environmental Protection Agency (EPA) during fiscal 1978. (PL 95–155) The House passed a bill authorizing $431 million for environmental research, development and demonstration activities for fiscal 1979, mostly for the Environmental Protection Agency. (HR 11302)

Land and Water Conservation Fund

A new law establishes a special account of $450 million in the Land and Water Conservation Fund to be used for a 3-year program to acquire remaining private land in previously authorized units of the national park system. (PL 95–42)

Water Pollution Control

A new law authorizes $27.75 billion over seven years for federal water pollution control programs, including $25.5 billion over six years (fiscal 1977–82) for 75 percent grants to cities by the Environmental Protection Agency for construction of wastewater treatment works. The law sets July 1, 1984, generally, as the deadline for application of best available technology against toxic pollutants. The law redefines Corps of Engineers jurisdiction over dredged or fill materials, limiting such jurisdiction to traditionally navigable waters and adjacent wetlands. The law authorizes $200 million in fiscal 1979 and $400 million in fiscal 1980 for farm pollution control contracts. The law extends liability for oil spills to the 200-mile offshore limit. (PL 95–217)

Federal Water Pollution Control Act

The House passed a bill authorizing $13.9 million for fiscal 1979 and $14.039 million for fiscal 1980 for certain operating programs of the Federal Water Pollution Control Act. (HR 12140)

Water Research and Development

Both houses passed a bill re-enacting into one statute authority for water research and saline conversion programs and authorizing $36.5 million for such programs in fiscal 1979 and $72.9 million in fiscal 1980. (S 2704)

Water Resources Planning

A bill in conference would authorize $8.6 million for the Water Resources Planning Act for fiscal 1979 and abolish the Water Resources Council, transferring its functions to the Secretary of the Interior. (S 2701)

Water Resources Council

A new law authorizes $3,905,000 for the U.S. Water Resources Council in fiscal 1978 for coordinating and directing river basin planning. (PL 95–41)

Saline Water Conversion

A new law authorizes $61,950,000 for saline water research and general water research grants. (PL 95–84)

Oceans and Atmosphere

A new law establishes qualifications for individuals appointed to the National Advisory Committee on Oceans and Atmosphere (NACOA), sets the number of members at 18 and authorizes $520,000 for the committee in fiscal 1978. (PL 95–63) A new law authorizes $572,000 for the National Advisory Committee on Oceans and Atmosphere for fiscal 1979. (PL 95–304)

Ocean Pollution Research

A new law authorizes $5 million to establish a program of ocean pollution research and monitoring. (PL 95–273)

National Sea Grant Program

A new law authorizes $58 million for the National Sea Grant Program in fiscal 1978. (PL 95–58). Both houses passed in differing forms a bill authorizing $63 million in fiscal 1979 and $64.6 million in fiscal 1980 for the National Sea Grant College Program. (HR 10822)

Rivers and Harbors Improvements

A new law establishes a policy with respect to the roles of the Corps of Engineers and private industry in meeting national dredging needs. (PL 95–269)

Oil Pollution Liability and Compensation Act

The House passed a bill establishing a fee-funded $200,000,000 oil pollution damages fund and imposing a primary liability on the owner or operator of the pollution sources. (HR 6803)

Earthquake Hazards Reduction

A new law authorizes $56 million in fiscal 1978, $72 million in fiscal 1979 and $82 million in fiscal 1980 for national earthquake hazards reduction programs. (PL 95–124)

National Climate Program

A bill in conference would authorize $50 million in fiscal 1978 for the establishment of a national climate monitoring program. (HR 6669)

Navigation Development

A bill in conference authorizes replacement of locks and dam 26 near Alton, Illinois; levies a fuel tax of four cents in 1979 rising to six cents in 1981 for certain inland waterway users and requires a three-year study of user charges. (HR 8309)

Aquaculture Act of 1977

The House passed a bill to establish a national program for aquaculture—the cultivation of aquatic plants, fish, shellfish, and other creatures in marine, brackish and fresh water; the program would include technical assistance, information, $500 million in loan guarantees, $250 million for disaster loans and $1 billion in insurance coverage. (HR 9370)

National Wildlife Refuges

A new law authorizes $31.8 million for the National Wildlife Refuges at San Francisco Bay and the Great Dismal Swamp in Virginia and North Carolina. (PL 95–299)

Refuge Revenue Sharing Act

The House passed a bill revising the method of compensatory payments to local governments for National Wildlife Refuge System acreage within their boundaries. (HR 8394)

Endangered Species Act

A new law authorizes $16 million for fiscal 1978 through 1981 for cooperative agreements with the states under the Endangered Species Act and revises criteria to facilitate the making of such agreements. (PL 95–212)

Marine Mammal Protection (Tuna-Dolphin Bill)

The House passed a bill to reduce mortality and serious injury of dolphins incidental to commercial tuna fishing operations and to provide some relief to the United States tuna fleet when taking dolphins during such fishing. (HR 6970)

Marine Mammal Protection Authorization

A new law authorizes $15.7 million for marine mammal protection programs in fiscal 1978. (PL 95–136) A new law authorizes $47 million for fiscal 1979 through fiscal 1981 to carry out programs under the Marine Mammal Protection Act. (PL 95–316)

Marine Protection Authorization

A new law authorizes $11,800,000 in fiscal 1978 for the Marine Protection, Research and Sanctuaries Act and prohibits ocean dumping of municipal sewage sludge after 1981. (PL 95–153)

Council on Environmental Quality

A new law authorizes $8.1 million over three years for the Office on Environmental Quality which is used by the Council on Environmental Quality to carry out Council programs. (PL 95–300)

Tinicum National Environmental Center

A new law authorizes an additional $7.25 million for acquisition of land and development of the Tinicum National Environmental Center in Pennsylvania. (PL 95–152)

NATIONAL PARKS AND RECREATION AREAS

Chattahoochee River National Park

A bill cleared for the President authorizes $73.4 million for the establishment of the 48-mile-long Chattahoochee River National Recreation Area in Georgia, increases the development authorization for Fort Scott Historic Area in Kansas by $2.75 million and authorizes $6 million over three years for transportation projects by the Secretary of the Interior directly or by contract to provide public access to and within parks, especially those near urban areas. (H.R. 8336)

National Parks and Recreation Act

The House passed a $1.25 billion bill raising development and acquisition ceilings for national parks and recreation areas throughout the nation, revising boundaries within specific parks, designating nine new wilderness areas, establishing new areas of the National Trails System and adding segments to the Wild and Scenic Rivers. (H.R. 12536)

Alaska National Lands Conservation

The House passed a bill to preserve 123 million Alaska acres, thus doubling the nation's parkland, and creating in Alaska 10 new national parks and several new units of the National Wildlife Refuge, Wild and Scenic Rivers and National Wilderness Preservation System. (H.R. 39)

Redwood National Park

A new law authorizes necessary sums for a 48,000-acre expansion of the Redwood National Park in California, $33 million for land rehabilitation, and authorizes job training and aid for affected timber industry workers. (PL 95–250)

Absaroka-Beartooth Wilderness

A new law designates the Absaroka-Beartooth Wilderness in the Custer and Gallatin National Forests in Montana. (PL 95–249)

Appalachian National Scenic Trail

A new law authorizes an additional $85 million from the Land and Water Conservation Fund for the purchase of additional portions of the 2,000-mile Maine-to-Georgia Appalachian National Scenic Trail. (PL 95–248)

Wilderness Lands

A new law provides for the study of 970,000 acres in Montana for inclusion in the National Wilderness Preservation System. (PL 95–150)

Endangered American Wilderness Act

A new law designates 1.3 million acres in 10 western states for preservation under the national wilderness system. (PL 95–237)

Eleanor Roosevelt Memorial

A new law authorizes $995,000 for land acquisition and development of the Val-Kill retreat of Eleanor Roosevelt as a National Historic Site. (PL 95–32)

Manassas National Battlefield Park

The House passed a bill authorizing an 1800-acre expansion of the existing Manassas National Battlefield Park in Virginia. (H.R. 2437)

Bull Run Reserve

A new law permits general recreational access and other multiple uses for six months within a 42,500-acre portion of the Bull Run Reserve, Mt. Hood National Forest, Oregon. (PL 95–55)

Lowell National Historical Park

A new law authorizes $40 million for the establishment of the Lowell National Historical Park in Lowell, Massachusetts. (PL 95–290)

Oregon Trail

Both Houses passed in differing forms a bill authorizing $5 million for the establishment of the Oregon National Historic Trail and establishing National Historic Trails as a new category in the National Trails System. (H.R. 6900)

Friendship Hill National Historic Site

The House passed a bill establishing the Friendship Hill National Historic Site in Pennsylvania. (H.R. 10984)

Recognition of General Kosciuszko

Congress passed in final form a resolution calling for recognition of the sites of service of the Polish patriot, General Kosciuszko. (S. Con. Res. 44)

Boundary Waters Canoe Area Wilderness

The House passed a bill designating the one-million-acre Boundary Waters Canoe Area in northern Minnesota as wilderness. (H.R. 12250)

DuNoir Wilderness Addition

The House passed a bill providing for the DuNoir Basin Addition to the Washakie Wilderness in Wyoming. (H.R. 12349)

Bureau of Land Management Authorization

A bill cleared for the President authorizes $479.2 million, $544.9 million, $594.9 million and $658.4 million for fiscal 1979 through 1982 respectively for Bureau of Land Management programs, and increases the interest rate for mineral impact loans to states to the prevailing rate for tax exempt bonds (about 4.5 percent to 5.5 percent) in lieu of the present statutory three percent. (H.R. 10787)

MARITIME

Maritime Authorization

A new law authorizes $553.6 million for maritime activities in fiscal 1978, including ship construction and operating subsidies, research and the Merchant Marine Academy, and requires action against illegal rebating. (PL 95–173)

Maritime Authorization

A new law authorizes $496.8 million for fiscal 1979 for certain maritime programs, assists state marine schools in paying training ship fuel cost increases, and increases the Title XI Ship Construction Guarantee Program ceiling to $10 billion from $7 billion. (HR 10729)

Rebating Practices in U.S. Foreign Trade

The House passed a bill to increase civil penalties for illegal rebating in ocean shipping, authorize the Federal Maritime Commission to suspend tariffs if a carrier refuses to provide information and for the first time require foreign-flag ocean carriers to comply with FMC subpoenas and discovery orders or face exclusion from U.S. ocean trades. (HR 9518)

Intervention on the High Seas Act

A new law authorizes the implementation of the Protocol Relating to Intervention on the High Seas in Cases of Marine Pollution by Substances Other Than Oil of 1973. (PL 95–302)

Ocean Shipping Act

The House passed a bill providing for the regulation of rates or charges by certain waterborne carriers owned by other nations in the foreign commerce of the United States. (HR 9998)

Deep Seabed Hard Minerals Act

The House passed a bill establishing an interim licensing program to encourage and regulate deep ocean mining of manganese and other minerals by U.S. citizens pending adoption of a superseding international agreement, and to create an industry-supported trust fund to be shared among nations when a treaty takes effect. (HR 3350)

Intercoastal Shipping Act

The House passed a bill setting deadlines for Federal Maritime Commission determinations on shipping rate adjustments and prohibiting the Commission from suspending general rate adjustments of five percent or less. (HR 6503)

Fishing Vessel Loan Guarantees

A new law authorizes the Secretary of Commerce to guarantee private loans up to 87½ percent of the cost of constructing or reconstructing commercial fishing vessels. (PL 95–257)

Commercial Fisheries Research and Development

Congress enacted a law authorizing an additional $33.9 million through fiscal 1980 for the Commercial Fisheries Research and Development Act. (PL 95–53)

Fishery Conservation and Management Act

Congress cleared for the President a bill authorizing $30 million in fiscal 1979 for implementing the Fishery Conservation and Management Act of 1976, and providing U.S. fish processors with priority access to United States harvested fish. (HR 10372)

Fishermen's Protective Act

A new law extends the cooperative insurance program of the Fishermen's Protective Act of 1967 through fiscal 1978. (PL 95–194) A bill passed by both Houses in differing forms extends for three years the cooperative insurance program under the Fishermen's Protective Act, establishes a fishing gear damage compensation fund and provides additional protection to endangered and threatened species of wildlife. (HR 10878)

Central, Western and South Pacific Fisheries Development

A new law authorizes $16 million over four years for development of tuna and other latent fishery resources in the Central, Western, and South Pacific Ocean. (PL 95–295)

Fish and Wildlife Programs

The House passed a bill to provide uniform authority for enforcement of federal fish and wildlife laws. (HR 2329)

Great Lakes Fishery Act Amendments

The House passed a bill increasing from three to four the number of U.S. Commissioners serving on the Great Lakes Fishery Commission. (HR 2203)

North Pacific Fisheries Act

A new law implements the renegotiated International Convention for the High Seas Fisheries of the North Pacific Ocean signed on February 10, 1977, by the countries of Canada, Japan and the United States. (PL 95–326)

U.S.-Canadian Reciprocal Fisheries Agreement

A new law gives congressional approval to a Reciprocal Fisheries Agreement between the United States and Canada during 1977. (PL 95–73)

Fishery Conservation Zone Transition Acts

A new law sanctions 200-mile international fishing agreements with six nations; another new law sanctions such agreements for three other countries and the Common Market. (PL 95–6; PL 95–8)

Atlantic Tuna Convention Act

Congress enacted a law authorizing necessary sums through 1980 to carry out the Atlantic Tuna Convention Act of 1975. (PL 95–33)

International Fisheries Agreement With Mexico

A new law sanctions a 200-mile fishing limit agreement with Mexico and permits a reorganization of the National Oceanic and Atmospheric Administration. (PL 95–219)

International Navigational rules

A new law implements the 1972 Convention on the International Regulations for Preventing Collisions at Sea. (PL 95–75)

Harp Seals

Congress adopted in final form a concurrent resolution expressing the concern of Congress with respect to the killing of newborn harp seals in Canadian waters. (H. Con. Res. 142)

Polar Living Marine Resources Act

The House passed a bill to establish a program for the study and assessment of living marine resources in the Arctic and Southern Oceans. (HR 12668)

International Maritime Satellite Telecommunications

Both Houses passed in differing forms a bill to provide for the establishment, ownership, operation, and governmental oversight and regulation of international maritime satellite telecommunications services. (HR 11209)

Merchant Marine Academy Nominations

A new law entitles Delegates in Congress from the District of Columbia, Guam and the

Virgin Islands to make nominations for appointments to the Merchant Marine Academy at Kings Point, New York. (PL 95–323)

TRANSPORTATION

Emergency Highway and Transportation Repair Act of 1978

The House passed a bill authorizing $250 million in fiscal 1978 from the Highway Trust Fund for repair of paved roads and surface rails of urban mass transportation systems damaged by 1977–78 winter weather. (HR 10979)

Highway Funds

Both houses passed in final form a concurrent resolution directing the Secretary of Transportation to apportion highway sums authorized for fiscal 1979 for immediate expenditure on Interstate and Defense highways. (H. Con. Res. 282)

Federal Highway Obligations

The House passed a bill limiting obligations for federal-aid highways and highway safety construction programs to $7,445,000,000 in fiscal 1978. (HR 7462)

AMTRAK Improvement Act

A bill in conference would authorize $755 million for the National Railroad Passenger Corporation (AMTRAK) for fiscal 1979, would prevent changes in existing routes until October 1, 1979 and would provide for a reexamination of the AMTRAK route structure. (S 3050)

Rail Passenger Service

Both Houses passed a concurrent resolution expressing the sense of Congress that AMTRAK is permitted but not mandated to provide rail passenger service sought to be discontinued by the Southern Railway Company. (HConRes 494)

Rail Commuter Service

A new law authorizes without new funding an increase to 80 percent (from 50 percent) in the federal share of assistance to certain commuter rail lines and eliminates a restrictive eligibility requirement. In addition, the law authorize $30 million for the program in each 1979 and 1980 with a 50 percent federal matching ratio and adds $20 million for other commuter rail lines not covered by previous law. (PL 95–187)

U.S. Railway Association

A new law authorizes $13 million in fiscal 1978 for U.S. Railway Association litigation arising from the reorganization of the bankrupt railroads in the Northeast and Midwest. (PL 95–199) A new law provides $13 million in new budget authority in fiscal 1978 for administrative expenses of the Association. (PL 95–282)

Rail Public Counsel

A new law authorizes $1 million in fiscal 1978 for the Office of Rail Public Counsel in the Interstate Commerce Commission. (PL 95–231)

Premium Payments by ConRail

Both Houses passed in differing forms a bill requiring ConRail to assume the obligations of the estates of certain insolvent railroads for medical and life insurance coverage of employees who retired prior to the date the assets of such railroads were transferred to ConRail. (HR 5646)

National Transportation Safety Board

The House passed a bill authorizing $16 million for the National Transportation Safety Board in fiscal 1979. (HR 12106)

Air Cargo Deregulation

A new law provides for deregulation of all-cargo air service, for 15 days notice to the public of new freight rates and passenger fares and for standby reduced air fares for older persons and the handicapped. (PL 95–163)

Air Cargo Service

A new law permits certified supplemental air carriers to apply for all-cargo certificates under the cargo deregulation program. (PL 95–245)

Federal Aviation Act Amendments

A new law clarified United States registration requirements for aircraft owned by United States and foreign controlled corporations. (PL 95–241)

FAA Authorization

The House passed a bill authorizing $85 million for Federal Aviation Administration research in fiscal 1978 (HR 3965); and passed a bill authorizing $78.47 million for research and development in fiscal 1979. (HR 11495)

Coast Guard Authorization

A new law authorizes $1.3 billion for the Coast Guard in fiscal 1978. The law also authorizes active duty personnel of 38,145 and provides for average military training student loads. (PL 95–61) A new law authorizes $1.4 billion for the U.S. Coast Guard for fiscal 1979. (PL 95–308)

Coast Guard Employees' Transportation

The House passed a bill authorizing transportation for Coast Guard employees to remote work areas. (HR 185)

AGRICULTURE

Emergency Agricultural Act of 1978

A new law authorizes the Secretary of Agriculture to increase target prices for wheat, feed grains or cotton for the 1978 through 1981 crops whenever an acreage set-aside is in effect, increases the maximum cotton loan level for those crop years whenever an acreage set-aside is in effect, increases the maximum cotton loan level for those crop years to 48 cents a pound (from 44) and revises the cotton loan formula. The Administration was expected to use its discretionary authority to increase the target price for wheat (the only announced set-aside crop) to $3.40 a bushel (instead of $3) for the 1978 crop. The law will provide farmers with an estimated $699 million in fiscal 1979 and $1.58 billion over five years. (PL 95–279)

Agricultural Credit Act

A new law expands eligibility and increases loan limits for Farmers Home Administration loan programs; establishes a $4-billion, two-year emergency economic loan program for farmers facing economic stress conditions and sets a $650,000-per-borrower combined ceiling for both programs; extends the Emergency Livestock Credit Act through fiscal 1979; and authorizes target price adjustments for rice on a basis comparable to authority for wheat, feed grains and upland cotton in the Emergency Agricultural Act of 1978. (PL 95–334)

Commodity Exchange Act Extension

A bill in conference would extend the Commodity Futures Trading Commission for three years at an estimated cost of $13 million rising to $16 million a year; provide for consultation with the Treasury Department, the Federal Reserve System and the Securities and Exchange Commission on the trading of futures in securities issued or guaranteed by the United States; add stronger anti-fraud and abuse provisions; and authorize state prosecution in federal courts for certain violations. (S 2391)

Food and Agriculture Act of 1977

A new $12 billion, four-year farm and food law adjusts price supports, increases the limitation on payments to individual farmers, establishes an on-farm grain reserve program, extends the Food for Peace program, makes major revisions in the food stamp program and authorizes a variety of farm and rural conservation programs. (PL 95–113)

Disaster Payments

A new law exempts natural disaster payments from the individual payment limitation for the 1977 crop of wheat, feed grains, upland cotton, and rice. (PL 95–156)

Deferral of Wheat Referendum

Congress enacted a law deferring a 1977 wheat marketing quota referendum. (PL 95–48)

Federal Crop Insurance Corporation

Congress enacted a law to increase the authorized capital stock of the Federal Crop Insurance Corporation from $100 million to $150 million. (PL 95–47)

Paperwork Reduction in Agricultural Census

The House passed a bill providing for a 40-percent reduction in farmers' paperwork for the 1979 agricultural census and expanding the census to smaller farms. (HR 7012)

Grazing Fee Moratorium

A new law places a one-year moratorium on any planned or proposed increases in public lands grazing fees to give Congress time to legislate a grazing fee formula equitable to both the United States and public grazing lands lessees and permittees. (PL 95–321)

Public Range Lands Improvement

The House passed a bill that would authorize $360 million for a twenty-year public rangeland improvement program, establish on a 7-year trial basis a fair market value grazing fee formula which is tied to the costs of beef production and beef prices, and require adoption or humane destruction of excess wild horses and burros on the range. (HR 10587)

Federal Crop Insurance

A new law authorizes $200 million in capital stock for the Federal crop Insurance Corporation, an increase of $50 million, and authorizes a study of alternative insurance programs. (PL 95–181)

Timber Sales

A new law authorizes the Secretary of Interior to select the bidding method which best insures fair competition in the timber industry, economic stability for communities dependent on timber sales, and prevention of collusive practices. (PL 95–233)

FIFRA

A bill in conference would make major revisions in the Federal Insecticide, Fungicide and Rodenticide Act. The bill would expedite pesticide registration by EPA. It would aid small formulators by authorizing generic registration of chemicals. It would aid the industry by authorizing conditional registration under certain conditions which safeguard against risk to the environment. The bill would encourage research by allowing proprietary rights to manufacturers and formulators who develop safe and effective pesticides, and it would direct the Agriculture Department to give priority to research on biologically integrated alternates to pest control. (S 1678)

Forest and Rangeland Renewable Resources Research

A new law authorizes the Secretary of Agriculture to conduct forest and rangeland renewable resources research and to provide cooperative assistance for such research to states. (PL 95–307)

Renewable Resources Extension

A new law authorizes the Secretary of Agriculture to conduct a comprehensive extension program on forest and rangeland renewable resources in cooperation with state and eligible college and university officials. (PL 95–306)

Forest Service Volunteer Program

A new law removes the $100,000 annual authorization ceiling on payment of incidental expenses for the Forest Service's volunteer program (PL 95–289)

Cooperative Forestry Assistance

A new law consolidates into one statute authority for existing cooperative forestry assistance programs. (PL 95–313)

INDIAN AFFAIRS

Indian Claims Commission Act Amendments

A new law authorizes a U.S. Court of Claims review of a Sioux claim for interest on unlawfully taken lands in the Black Hills. (PL 95–243)

Wichita Indian Claims

A new law authorizes the Wichita Indian Tribe of Oklahoma and its affiliated bands and groups of Indians, to file with the Indian Claims Commission certain land claims against the Untied States. (PL–95–247)

Indian Business Development

A new law authorizes $14 million for each fiscal 1978 and 1979 for the Indian Business Development program established by the Indian Financing Act of 1974. (PL 95–68)

Siletz Indians Restoration

A new law restores federal recognition, services, and assistance to the Confederated Tribe of Siletz Indians of Oregon and its members. (PL 95–195)

Indian Claims

A new law authorizes $2.25 million for the Indian Claims Commission for fiscal 1978 and facilitates the transfer of cases from the Commission to the United States Court of Claims. (PL 95–69)

Indian Claims Statute of Limitations

A new law extends until April 1, 1980, the deadline for commencing tort or contract actions for Indian claims which accrued before July 18, 1966. (PL 95–103)

Water Rights for Ak-Chin Indians

A new law authorizes $43 million over five fiscal years for emergency and permanent water supplies of the Ak-Chin Indian community of Arizona in settlement of claims against the United States. (PL 95–328)

Zuni Indian Land Claims

A new law directs the Secretary of the Interior to purchase and hold certain lands in trust for the Zuni Indian Tribe of New Mexico and confers jurisdiction on the Court of Claims for Zuni land claims. (PL 95–280)

Navajo-Hopi Relocation Commission

The House passed a bill authorizing an additional $500,000 a year for the Navajo-Hopi Relocation Commission. (HR 11092)

American Indian Religious Freedom

Congress cleared for the President a joint resolution affirming the right of native Americans to exercise their traditional religions. (SJRes. 102)

Pascua Yaqui Indians of Arizona

A bill reported from conference would extend federal recognition to the Pascua Yaqui Indians of Arizona, including eligibility for all federal services and benefits provided to Indians, recognition of tribal powers of self-government, and reservation status for the Yaqui lands. (S 1633)

DROUGHT AND DISASTER RELIEF

Congress enacted four related laws authorizing $325 million and appropriating $275 million for drought assistance. Another law appropriated $200 million under a previous authorization for drought and cold disaster assistance.

Drought Emergency Relief

A new law authorizes $100 million in fiscal 1977 for water acquisition and other drought relief activities to mitgate the 1976–77 drought in several western States. (PL 95–18)

Community Emergency Drought Relief

Congress enacted a law authorizing $225 million in grants and loans to augment community water supplies in drought areas. (PL 95–31)

Two Appropriations Laws

The Supplemental Appropriations Act (PL 95–26) appropriates $100 million for the drought emergency authorization in PL 95–18, and the Economic Stimulus Appropriations Act (PL 95–29) appropriates $175 million for the community drought relief act. (PL 95–31)

Disaster Relief

Congress enacted an urgent supplemental appropriations law providing $200,000,000 under a previous authorization for disaster relief in several western and midwestern states suffering from drought or cold in 1976 and 1977. (PL 95–13)

Disaster Relief

A new law extends the Disaster Relief Act of 1974 through fiscal 1978 and authorizes certain drought assistance by the Corps of Engineers. (PL 95–51)

Disaster Relief

An emergency act provided $300 million for urgent disaster relief activities resulting from the severe weather conditions during 1977 and the winter of 1977–78. (PL 95–255)

SBA Disaster Loans

A new law provided an urgent supplemental appropriation of $758 million for Small Business Administration disaster loans which increased sharply in the wake of severe physical disasters in 1977 and 1978. (PL 95–284)

FEDERAL EMPLOYEES

Federal Life and Health Benefits During Retirement

The House passed a bill reducing from 12 to 5 years the length of service required to retain federal employee group life insurance and health benefits coverage during retirement. (HR 4319)

Restoration of Certain Annuities

A new law restores survivor annuities to certain surviving spouses of federal employees which were terminated because of the remarriage of the spouse before July 18, 1966, and the annuity of a surviving spouse of a Member of Congress who died before January 8, 1971, which was terminated because of the remarriage of such spouse. (PL 95–318)

Uniformity for Federal Employees Health Benefits

Both Houses passed in differing forms a bill providing that any contract under the Federal Employees Health Benefits Program shall preempt any conflicting state or local law. (HR 2931)

Hatch Act Reform

The House passed a bill to repeal the prohibitions on candidacy or campaign participation by most federal workers in partisan political elections. (HR 10)

Increase in Number of Hearing Examiners

A new law increases by 100 the number of hearing examiner positions which the Civil Service Commission may establish in grade GS–16. (PL 95–251)

U.S. Postal Service Arbitration Board

The House passed a bill to establish 3-member arbitration boards to consider disputes between the Postal Service and a supervisors' organization. (HR 7132)

Retirement Pay for Tax Court Judges

The House passed a bill permitting a United States Tax Court Judge to choose between the Tax Court retirement system and the civil service retirement system. (HR 8811)

Civil Service Retirement Credit for Japanese-Americans

The House passed a bill authorizing civil service retirement credit for employees and Members of Japanese ancestry who were interned during World War II. (HR 9471)

Payments to Former Spouses

The House passed a bill authorizing the Civil Service Commission to comply with the terms of a court decree or property settlement in connection with the divorce, annulment, or legal separation of an employee who is entitled to payments under the civil service retirement program. (HR 8771)

Travel Expenses of Government Officials

The House passed a bill to permit a private foundation to pay or reimburse government officials for certain expenses of foreign travel under similar limitations as apply currently to expenses of domestic travel. (HR 810)

Civil Service Annuities of Federal Judges

The House passed a bill authorizing the discontinuance of civil service annuity payments to former federal employees who, in the future, are appointed federal judges and to permit election of survivor annuities for certain retirees. (HR 4320)

Part-Time Career Employment in the Federal Service

The House passed a bill requiring agencies to establish programs to increase part-time career employment in the federal service. (HR 10126)

Retired Comptrollers General

The House passed a bill providing for cost-of-living adjustments in the annuities of a retired Comptroller General and survivors. (HR 12196)

Survivor Annuity

A new law gives civil service annuitants a year after remarriage to elect a survivor annuity for the new spouse and eliminates the survivor annuity reduction made by an unmarried annuitant if the proposed beneficiary predeceases the annuitant. (PL 95–317)

VETERANS AFFAIRS

Veterans Education Benefits

A new law provides a 6.6 percent $510-million-a-year increase in education benefits to some 1.9 million veterans and dependents effective October 1, 1977. The law authorizes accelerated payments for veterans going to higher-cost schools; increases veterans' loan limits to $2,500 (from $1,500) per school year and liberalizes eligibility; authorizes for veterans who successfully complete their education programs a joint state-federal cancellation of up to two thirds of the loan to be applied against tuition-and-fee charges in excess of $700 per school term; extends loan entitlement for each of the two years following the 10-year delimiting period for veterans with loan eligibility; and makes Women's Air Forces Service Pilots (WASPS) of World War II and certain other civilian federal employees eligible for veterans benefits, provided that the Secretary of Defense determines that their service constituted active military duty and issues to each eligible person an honorable discharge. (PL 95–202)

Pension Improvement Act

Both houses have passed in differing forms a bill overhauling the veterans' and survivors' pension system, increasing the maximum pension for a veteran alone to $4,000 a year (up $1,600), providing an additional $804 a year for veterans aged 80 and older, improving benefits for survivors, providing for automatic cost-of-living increases on the same basis as social security and giving the recipient the full pension and social security increases, at a net cost of $730 million in fiscal 1979 and $2.6 billion by fiscal 1983. (HR 10173)

Veterans Compensation

A new law increases by 6.6 percent service-connected disability compensation and dependency and indemnity compensation for veterans and their survivors. (PL 95–117)

Veterans and Survivors Pension Adjustment Act of 1977

A new law increases veterans and survivors pensions by 6.5 percent, provide a 25 percent differential to World War I surviving spouses age 78 or older, and increases the limits on outside income which beneficiaries may re-

ceive and still be eligible for a full pension. (PL 95–204)

Veterans' Disability Compensation

Both Houses passed in differing forms a bill providing a 6.5-percent increase in service-connected disability compensation and dependency and indemnity compensation for veterans and their survivors. (HR 11886)

Disabled Veterans' Compensation

The House passed a bill changing to 40 percent from 50 percent the minimum disability rating necessary to qualify a veteran for additional compensation for dependents. (HR 11888)

Severely Disabled Veterans Compensation

The House passed a bill providing entitlement to a higher monthly aid and attendance allowance to severely disabled veterans in need of constant medical aid and attendance. (HR 11891)

VA Dependency and Indemnity Compensation Benefits

The House passed a bill providing that certain survivors of a veteran who was rated totally and permanently service-connected disabled for at least ten years would be entitled to dependency and indemnity compensation as though the veteran had died from a service-connected disability. (HR 11890)

Veterans Housing Improvement

Both Houses passed in differing forms a bill to increase the maximum VA home loan guaranty to $25,000, to increase housing grants for disabled veterans to $30,000 and to liberalize the mobile home loan program. (HR 12028)

Disabled Veterans Housing Assistance

The House passed a bill providing specially adapted housing assistance to veterans with a permanent and total service-connected disability due to the loss or loss of use of one upper and one lower extremity. (HR 7658)

Veterans Benefits Entitlement

A new law denies veterans benefits to certain Vietnam-era veterans with upgraded discharges unless a Discharge Review Board makes a separate recommendation. (PL 95–126)

Physicians and Dentists Pay Comparability Act

A new law extends through September 30, 1978, special pay and incentive pay to physicians and dentists in the Veterans Administration. (PL 95–201)

Eliminating Mobile Home Inspections by the VA

The House passed a bill eliminating the requirement for inspections of the mobile home manufacturing process by the Administrator of Veterans Affairs. (HR 4341)

Veterans Home Facilities

A new law authorizes $15 million for each fiscal 1978 and 1979 to revise the program of grants to states for construction, remodeling, and renovation of state home facilities for veterans. (PL 95–62)

Medical Services for Veterans in the Philippines

Both houses passed in differing forms a bill extending for 15 months through fiscal 1979 at a rate of $2.1 million per year authority to provide hospital care and medical services for certain Philippine veterans. (H.R. 5029)

Hospital Care for Certain Veterans

The House passed a bill continuing the authority of the Administrator to furnish hospital care to certain eligible veterans living in the two non-contiguous states or in territories, Commonwealths, and possessions of the U.S. on a basis equal to VA hospital care in the contiguous 48 states. (H.R. 12011)

VA Medical Facilities Acquisition

The House passed a bill revising procedures relating to the construction, alteration, and acquisition of VA medical facilities. (H.R. 5025)

VA Medical Services for Veterans in Hawaii and Alaska

Both houses passed a bill in differing forms clarifying a requirement that medical services continue to be provided on a fee basis to service-connected disabled veterans in Alaska and Hawaii. (H.R. 5027)

Automobile Assistance Allowance for Disabled WWI Veterans

A new law provides an automobile assistance allowance and automotive adaptive equipment to certain disabled veterans of World War I. (PL 95–116)

Veterans Compensation for Paired Extremities

The House passed a bill providing increased awards of service-connected compensation to certain veterans who have suffered the loss or loss of use of paired extremities. (H.R. 6501)

Veterans Readjustment Appointment Authority

The House passed a bill extending and expanding eligibility for Vietnam-era veterans readjustment appointments in the federal service. (H.R. 12353)

Plot Allowance to State Veterans Cemeteries

The House passed a bill providing a $150 allowance to any state or agency or political subdivision of a state in reimbursement for expenses incurred in the burial of veterans. (H.R. 12252)

Medal of Honor Recipients' Pension

The House passed a bill to increase from $100 to $200 the monthly rate of special pension payable to each person who has been awarded the Medal of Honor. (H.R. 11889)

DISTRICT OF COLUMBIA

Borrowing Authority for the District of Columbia

A new law provides the District of Columbia with authority until October 1, 1979, to borrow from the U.S. Treasury to finance capital projects. (PL 95–131)

Retirement Funds for D.C. Police and Firemen, Teachers and Judges

The House passed a bill to establish actuarially-sound retirement funds for D.C. police and firemen, teachers, and judges and to make certain changes in retirement benefits. (HR 6536)

Federal Payment for D.C. Water and Sewer Services

A new law provides for a revised system for the billing and collection of charges incurred by the federal government for the consumption of water and sewer services provided by the District of Columbia. (PL 95–122)

Pretrial Release or Detention in the District of Columbia

The House passed a bill to restrict the pretrial release or detention of persons charged with certain violent crimes in the District of Columbia. (HR 7747)

Air Space Use for Postal Conveyor

A new law permits the construction of a conveyor bridge across First St., N.E., to carry mail between the post office and Union Station. (PL 95–235)

D.C. Armory Board Fiscal Year Change

A new law allows the D.C. Armory Board (which manages both the Robert F. Kennedy Stadium and the D.C. Armory, to operate on a calendar year basis, rather than, as present, under a fiscal year as observed by other D.C. government agencies. (PL 95–185)

Revenue Bonds for Private Colleges and Universities

A new law expedites the revenue bond process for private D.C. colleges and universities, by allowing the proceeds from the bond sales to be remitted to the institutions without further legislative action. (PL 95–218)

Home Rule Charter Amendment for Initiative and Referendum

Both houses passed in final form a concurrent resolution approving an amendment to the District of Columbia Home Rule Charter to provide for initiative and referendum. (HConRes 464)

Home Rule Charter Amendment for Recall of Elected Officials

Both houses passed in final form a concurrent resolution approving an amendment to the District of Columbia Home Rule Charter to provide for recall of elected officials, except the Delegate to Congress. (HConRes 471)

District of Columbia Representation in Congress

The House passed a joint resolution proposing an amendment to the Constitution to provide to the citizens of the District of Columbia full voting representation in Congress, fuller participation in the election of the President and Vice President, and the right to participate in the process of amending the Constitution (HJRes 554)

Appropriations, fiscal 1979

Agriculture (H.R. 13125)	$18,014,029,000
Defense (H.R. 13635)	119,017,278,000
District of Columbia (H.R. 13468)	277,300,000
Foreign Assistance (H.R. 12931)*	7,352,761,483
HUD-Independent Agencies (H.R. 12936)	68,208,848,000
Interior (H.R. 12932)	12,690,544,000
Labor-HEW (H.R. 12929)	56,585,102,000
Legislative (H.R. 12935)*	1,118,244,000
Military Construction (H.R. 12927)	3,844,887,000
Public Works (H.R. 12928)	10,134,801,200
State - Justice - Commerce (H.R. 12934)	4,588,717,900
Transportation (P.L. 95–335)*	8,747,553,096
Treasury-Postal (H.R. 12930)	8,634,300,000
Total	319,214,366,079

*All figures are for bills as passed by the House, except for Foreign Assistance which is pending completion of floor action, Legislative which is reported from conference and Transportation which is signed into law.

Appropriations, fiscal 1978

Agriculture (P.L. 95–97)	$12,749,378,000
Defense (P.L. 95–111)	109,752,766,000
District of Columbia (P.L. 95–288)	399,116,000
Foreign Assistance (P.L. 95–148)	6,772,654,000
HUD-Independent Agencies (P.L. 95–119)	69,370,554,000
Interior (P.L. 95–74)	10,026,349,000
Labor-HEW (H.R. 7555)	60,168,561,000
Legislative (P.L. 95–94)	990,067,800
Military Construction (P.L. 95–101)	2,977,720,000
Public Works (P.L. 95–96)	10,294,414,000
State-Justice-Commerce (P.L. 95–86)	7,709,432,000
Transportation (P.L. 95–85)	6,196,609,023
Treasury-Postal (P.L. 95–81)	7,478,254,000
Supplemental Fiscal 1978 (P.L. 95–240)	7,336,498,000
Urgent Power Supplemental (P.L. 95–246)	13,114,000
Disaster Relief Supplemental (P.L. 95–255)	300,000,000
Railway Supplemental (P.L. 95–282)	13,000,000
Disaster Loan Supplemental (P.L. 95–284)	821,180,000
Black Lung Supplemental (P.L. 95–332)	253,977,000

Appropriations, fiscal 1978—Continued

Grain Supplemental (P.L. 95-301)	6,488,000
Agriculture Supplemental (P.L. 95-330)	57,145,000
Second Supplemental (H.R. 13467)*	6,808,778,686
Fiscal 1978 Supplementals in fiscal 1979 bills*	12,801,700
Total, fiscal 1978	320,508,857,209

*All figures are enacted except the second supplemental and the fiscal 1978 supplementals in fiscal 1979 bills, which are conference figures.

First Rescission

A law rescinded $47,500,000 in fiscal 1977 contract authority for purchase, processing or transportation of helium. (PL 95-10)

Second Rescission

A law rescinds fiscal 1977 appropriations totaling $644 million, including $453 million originally intended for a new nuclear carrier and adaptation of an existing ship to nuclear arms and $143.6 million for military retired pay. (PL 95-15)

Third Rescission

A new law rescinds fiscal 1977 appropriations of $21,090,000 for foreign military credit sales and $75,000,000 for the General Services Administration Federal Buildings Fund. (PL 95-186)

Deferrals

The House passed three resolutions disapproving deferrals totaling $25.6 million for energy research and development programs and required the Administration to spend the money. (HRes. 305, 306, 307)

Deferrals

The House passed four resolutions totaling $38.8 million for energy research and development programs and required the Administration to spend the money. (HRes 851, 852, 853, 854)

First Rescission, Fiscal 1978

A new law rescinds fiscal 1978 appropriations and borrowing authority totaling $55 million, including $10 million in borrowing authority for the Federal Home Loan Bank Board, $40 million in appropriations for military assistance funds, and $5 million in appropriations for contributions for international peacekeeping activities. (PL 95-254) ●

PERSONAL EXPLANATION

The SPEAKER pro tempore. Under a previous order of the House, the gentlewoman from New Jersey (Mrs. MEYNER) is recognized for 5 minutes.

● Mrs. MEYNER. Mr. Speaker, I regret that, due to illness, I was unable to be present for all of the legislative session of August 16, 1978. If I had been present, I would have voted as follows:

Rollcall No. 709: "No";
Rollcall No. 710: "Aye";
Rollcall No. 711: "No";
Rollcall No. 712: "No";
Rollcall No. 713: "Aye." ●

COMING EUROPEAN CURRENCY

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from Texas (Mr. GONZALEZ) is recognized for 5 minutes.

Mr. GONZALEZ. Mr. Speaker, coming events cast their shadow before. In reading and looking through the 10 or 12 volumes of the collected speeches and addresses of President Eisenhower, you find no reference whatsover to the European Common Market and its formation, all of which transpired during the period of his regime. It was not until 1962 when President Kennedy had the GAT, or the General Agreement on Trade, in Paris, that we had the first significant information on the development of the European Common Market.

Likewise, recently in the conference in Bonn where the German leader actually took over the conduct of the conference, there was one last sentence to the agreements by the President and the others representing their respective countries meeting there which like the development of the European Common Market I predict will be a coming tremendous challenge to the United States. That was an agreement by which President Carter agreed to for purposes of developing a common currency for Europe.

Mr. Speaker, we are just on the threshold of beginning to see what that means and implies to the United States. Similarly, very few Americans paid attention to the last sentence of the recent Bonn agreement.

The acquiesence of the United States to a drive toward European currency integration may or may not have been essential, but it certainly will give great impetus toward that.

Unfortunately for Americans, we paid little attention to this and less to its importance. The world at large has not been blind to these events however, and this may account for the continuing fall of the dollar—a fall that is far below anything that economic events would justify.

Americans did not recognize the strength and vitality of the Common Market until it was fully developed, when our trade balance began to fall off into persistent deficit. When the Bretton Woods monetary system collapsed, it was as much due to the inability of American commerce to maintain a favorable balance against the Common Market and Japan as anything else.

At the time we were told that with dollar devaluation we would be more competitive and the balance would soon be restored. Nothing like that has happened; we are still in deficit, though the value of our currency has dropped steadily.

This suggests—to me at least—that our competitors have much greater economic strength than we are willing to recognize. Now that economic strength is about to get a powerful new impetus, in the form of a common currency.

Few recognize it, but the unique growth and power of the United States came about not just because we occupied an empty and rich continent. There was more to it than that. A key, maybe the key, ingredient was the fact that the Constitution struck down trade barriers between the States and established a common currency for the whole Federal Union. We had the first common market on Earth, a vast area that traded freely and used a single currency.

It was just in this century, and after World War II at that, when Europe caught on and started breaking down the trade barriers between countries. The result was nothing less than an economic miracle, one that grew up without our even recognizing it. Today Europe produces nearly as much of the free world's goods as we in the United States do. Their economic power very nearly matches our own. But few Americans realize this.

If the vast productive power of the Common Market is now augmented by a common currency, we will see another European economic miracle. The power of that trading bloc will increase dramatically, and with that increase will come a further decline in our own relative ability. Rather than being dominant, if we even can claim that we are today, we will become a junior partner on the world economic scale.

There is the danger that the world will split into three great economic blocs: the United States, Europe, and Japan, with the Pacific area. Suppose that these trading blocs begin to place restraints on trade; suppose that the United States would be powerless to prevent that. Where then would we be? We would be in a mercantilist world, a world poorer and more volatile than ever before.

Possibly all this lies far in the future. Possibly there is nothing to be concerned about. But it is astonishing that we pay so little heed to the world's greatest economic events, which in turn have such fundamental impact on what happens to ourselves, and what will happen to our country.

How many Americans truly understand how great the economic power of Europe has become? How many Americans even know the importance of currency integration to the development and vigor of basic trade and commerce?

Ordinary citizens who are not touched by the world of international commerce, except as consumers, might be forgiven if they do not know these things or recognize their import. The real question is how well our national leaders understand these things, and how well they are prepared to deal with the consequences.

If the Common Market could grow up to full strength and maturity without once ever being publicly mentioned by President Eisenhower, it is not unreasonable for me to wonder if similarly, equally enormous events could also escape the notice of our national leadership today. I fervently hope that this is not so; and yet, despite all the exhortation about the declining dollar, I see very little evidence that basic trade issues are being treated with anything other than similar, and equally ineffective cosmetology. The times demand more than that. History is an impatient teacher.

IN SUPPORT OF THE EQUAL RIGHTS AMENDMENTS

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from Florida (Mr. PEPPER) is recognized for 5 minutes.

● Mr. PEPPER. Mr. Speaker, this past Tuesday, August 15, I had the pleasure of listening to my colleagues debate the pros and cons of extending the deadline for ratification of the equal rights

amendment; and the arguments had a familiar ring to them, as if I had heard them before.

Thirty-five years ago during the 1st session of the 78th Congress (January 1943) as a Member of the Senate I cosponsored Senate Joint Resolution 25, "An amendment to the Constitution of the United States relative to the equal rights for men and women," along with Mr. Gillette and a number of my other distinguished colleagues in the Senate. As I rose in support of the resolution that day, I told my peers, "Women are entitled to enjoy all rights equally with all human beings, and that sex is not a sufficient line of demarcation for different rights." Today I say the same thing.

Two years later in the 79th Congress I again cosponsored, along with a number of my colleagues in the Senate, Senate Joint Resolution 61, "A proposed constitutional amendment providing equal rights for women and men." A year later in July of 1946 that resolution came to full debate. The beginning of the amendment began:

Equality of rights under the law shall not be denied or abridged by the United States or by any State on account of sex.

I shared the following with my colleagues as I now share with you:

Is there anything extraordinary or revolutionary in that concept? Does anyone wish to stand up in the Senate or anywhere else and say that women, because they are women, should be discriminated against in respect to the enjoyment of civil rights?

Today I say the same thing.

Needless to say that proposed amendment, along with another attempt in the 80th Congress never got beyond the floor of the Senate. That was over 30 years ago. Today I feel privileged and honored that as a Member of the House of Representatives we have passed this so very important resolution; and to my colleagues in the Senate I say today as I said 32 years ago in that Chamber: (This constitutional amendment) "was intended to give, and in my opinion would be construed to give, to the wife, to the girl, to the woman, the same privilege, the same right, in that sense the man has. In doing that it is simply lifting the dignity of woman up from inferiority to equality, it is raising her from a position of servility and subordination to equality, to the same plane with man."

I will not ask to incorporate into the RECORD all my speeches in support of equal rights for women, but the first speech that I made in support of this amendment in the Senate back in January 1943.

Mr. PEPPER. Mr. President, I regret very much that the very few remarks I shall make should appear so proximate to contrary sentiments expressed by my distinguished colleague, for whom I have not only the greatest affection and deepest friendship, but to whose opinion I always very much defer. However, I cannot escape the conclusion that those of us who have advocated by our signatures the equal-rights amendment, which is now upon the desk and properly referred, as well as those who are favorably inclined toward it, advocate an ideal too long delayed, the complete emancipation of women.

The whole question of the evolution of human rights is a matter of interesting historical trend. There was a time when men were not regarded as entitled to many privileges or prerogatives, and protected by few immunities, if they happened to be men of poverty or without estate. I have read that at the time of the French Revolution in France it was permissible for one of the grand gentlemen of France, a member of the nobility, on a cold morning's hunt to have the privilege of warming his feet in the bowels of not to exceed two peasants.

We all know what great progress was made in the protection of human rights when the Magna Carta was promulgated.

There was a long time in this country when able, earnest, and honest men and women opposed the extension of the suffrage to women because they really thought that association with politics would contaminate women and to subject women to such taint was unworthy of men.

I remember very distinctly a clever gentleman who was later in the Senate, making a remark in my high school, when I was a high school student, when he spoke against woman's suffrage, to the effect that John was a suffragist and Mary was a suffragette, and they were both suffering it. Those were just a few of the sentiments of ridicule and scorn which were hurled at those who advocated what we all now take as a matter of fact and right, and the right of women to vote.

I feel, therefore, that the trend toward women enjoying equal rights has progressed until today they are entitled to enjoy all rights equally with all human beings, and that sex is not a sufficient line of demarcation for different rights. There may be instances where there would be a difference in duties, but that will depend upon the ability of the person or persons affected to perform the obligation required, not to their rights equally to share and to enjoy the benefits which are derived from citizenship and equality due to all.

When the Declaration of Independence was written, and those moving words that "all men are created equal" were incorporated therein, to lift the hopes and the hearts of the oppressed everywhere in the world, I do not believe that Thomas Jefferson was thinking only of mankind which happened to be masculine in sex. I think he spoke about human beings, and therefore that it is in accordance with the principles of the Declaration of Independence to say that women are born equal with men in the rights of citizenship and civil prerogatives.

I hope, therefore, that this may be the last hurdle which it will be necessary to surmount; that the race to bring equality, complete freedom, independence, and liberty for women shall at long last be won.●

OPPOSITION TO COMMERCE DEPARTMENT PROPOSAL TO CHANGE CRITERIA FOR DESIGNATING SMSA'S

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from New York (Mr. AMBRO) is recognized for 5 minutes.

● Mr. AMBRO. Mr. Speaker, late last week, I was startled to discover that some rather innocuous sounding regulations published in the Federal Register on June 22, 1978, dealing with standard metropolitan statistical areas (SMSA's) were actually a far-reaching set of new criteria by which these geographical areas would be categorized after the 1980 census. In truth, hundreds of communities would be effected by these changes. While I must admit to having a vested interest in this proposed change, because my own area—the Nassau-Suffolk, N.Y., SMSA—would be abolished as a separate entity and would instead be folded into the already huge New York City SMSA, I think that the implications across the entire Nation are of such a magnitude as to require extensive further study in the future and an immediate halt in the regulations—changing procedure for the present.

By changing the definition of SMSA's hundreds of localities would be either included or excluded from the boundaries of dozens of old and new statistical areas. While this might seem like a minor technical adjustment, it involves a major alteration in the way in which the Federal Government and countless private organizations collect and organize their data affecting everything from Federal grants-in-aid to advertising rate schedules.

It is my understanding that these regulations have been undergoing in-house consideration in the Commerce Department's Office of Federal Statistical Policy and Standards since early 1976. Frankly, I am at a loss to understand the Commerce Department's haste. If, indeed, they are not to take effect until after the 1980 census, then why do we not wait until after the decennial enumeration has been completed and analyzed—probably sometime in 1982—so that we are in a better position to determine just what criteria ought to govern the designation of an SMSA in the 1980's. Something that seems important today may becloud the picture 4 years from now.

Mr. Speaker, yesterday, I joined with my colleagues of the suburban caucus and others concerned about these proposed regulations in a letter to President Carter suggesting that he call a halt to this premature alteration of the SMSA regulations. It is my hope that the President will listen to our arguments and will render a decision to halt the change in criteria.●

SECTION 1903(g) OF TITLE XIX OF THE SOCIAL SECURITY ACT

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from Colorado (Mr. WIRTH) is recognized for 5 minutes.

● Mr. WIRTH. Mr. Speaker, I thought the following exchange of letters would be of interest to the Members.

AUGUST 16, 1978.

Hon. PAUL ROGERS,
U.S. House of Representatives,
Rayburn House Office Building,
Washington, D.C.

DEAR PAUL: The Health Care Financing Administration recently notified me that Colorado may be penalized federal funding for its Medicaid program due to Colorado's alleged failure to comply with Section 1903 (g) of the Social Security Act. I consider such a penalty unwarranted and unnecessary at this time, for, to the best of my knowledge, Colorado is in compliance with the Medicaid program and has shown that it can and will comply with the provisions of

Section 1903(g). As the Chairman of the Subcommittee on Health and the Environment and a principal author of the Medicaid legislation, I think you would agree with me that the Department's interpretation of the statute is incorrect. Let me explain.

The problem grows out of the Department of HEW's interpretation of what a state would have to do to avoid the penalty prescribed in Section 1903(g). As you know, the Section requires each State to have an "effective" program of utilization control. An effective program must include an annual review of the care provided each patient in the State's Skilled Nursing Facilities, Intermediate Care Facilities, and Mental Hospitals. Additionally, each state must demonstrate every quarter to the Secretary the results of the utilization control program. HEW alleged that Medicaid reviews in Colorado were inappropriately performed during the first three quarters of 1977 and that to come into compliance with the statute, the State would have had to re-perform all reviews conducted during the first three quarters of the year.

My understanding is that the Congressional intent in passing PL95–142 was to require states to come into full compliance for inspections regularly scheduled during the last quarter of 1977. States which met this obligation would be free from the risk of penalties for the first three quarters of 1977. Assuming that a state also continued to comply after the last quarter of 1977, then no penalties would be necessary in the future.

The State of Colorado made the same interpretation of PL 95–142 as I do and was never informed of the contrary by HEW during 1977. Indeed, HEW, through its own action transmittal (HCFA A.T. No. 77–106) which was sent to each state, supports this interpretation. Therefore, the State proceeded in good faith with the inspections originally scheduled for the last quarter of 1977 and the first two quarters of 1978. These reviews were completed in an appropriate manner within the framework of the Act. The State has not gone back to re-do the earlier allegedly deficient inspections because of this understanding of the intent of PL 95–142.

Hoping you agree with me that the authors of this legislation would not have intended that a state be penalized under these circumstances, I propose that we submit this letter and one from you as an official exchange of correspondence for the record.

With best wishes,
Sincerely yours,

TIMOTHY E. WIRTH.

AUGUST 16, 1978.

Hon. TIMOTHY WIRTH,
U.S. House of Representatives,
Washington, D.C.

DEAR TIM: Thank you very much for your letter concerning the possibility of action by the Department of Health, Education and Welfare against the State of Colorado for alleged failure to comply with the provisions of Section 1903(g) of the Social Security Act. As an author of Section 20 of P.L. 95–142 relating to this section and the applications of penalties thereunder, I certainly agree with your interpretation that HEW action against Colorado under the present circumstances would be inappropriate and not in keeping with the intent of the law.

In passing Section 20 of P.L. 95–142, we meant to give States an opportunity to wipe the slate clean of all penalties which might otherwise be assessed under Section 1903(g) for quarters falling in 1977 if they conducted reviews of facilities in conformity with the requirements of the law in the fourth quarter. We certainly did not intend to require any State to review all facilities in the State in one quarter because the review done in the previous three quarters was in some way insufficient.

There can be no doubt that the penalty being considered now would be counterproductive and could seriously undermine the State's ability to administer a Medicaid program for its low income citizens. No one wants this to occur, and I believe it can and should be avoided.

I understand that Colorado is now in full compliance with the law, and was in compliance for all reviews conducted during the final quarter of 1977, and, therefore, it is my opinion that no penalty should be applied.

I gladly submit to the Record these remarks along with yours as an official exchange of correspondence.

Sincerely yours,

PAUL G. ROGERS, M.C.,
Chairman, Subcommittee on Health and the Environment.●

FRENCH NEWSPAPER RECONSTRUCTED AND FABRICATED ANDREW YOUNG INTERVIEW

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from Arkansas (Mr. ALEXANDER) is recognized for 5 minutes.

● Mr. ALEXANDER. Mr. Speaker, last month when the uproar broke over the interview our Ambassador to the United Nations, Andrew Young, gave to a French newspaper I decided to try to find out for myself just what was said in that interview. It seemed the only fair and just thing to do. I would have wanted to do that even if Andy Young has not been my friend.

The outcome was that I obtained from the Department of State a transcription of the tape recording of the interview which was conducted in English. And, I made that transcription a part of the CONGRESSIONAL RECORD of July 24.

After the transcript appeared in the RECORD, one of our colleagues, the gentlelady from New Jersey (Mrs. FENWICK), raised a question about differences between its content and the content of a news article in the July 14, 1978, New York Times. The differences are substantial.

The Paris newspaper—Le Matin—translated the interview from English to French after which it misrepresented what Young said. The French Communist newspaper reconstructed and fabricated a story from the interview. The Associated Press translated this injustice to English. The New York Times compounded the situation by publishing the AP account in its prestigious newspaper. Andy Young, and the United States, were seriously damaged because of this outrageous misrepresentation.

The transcript and newsstory have been closely compared. I submit a copy of the Times account and relevant parts of the Young interview for your review and judgment.

I wanted to make my colleagues aware of the debate and of my correspondence with the Times because I would think any responsible, free news media institution would consider it its duty to correct such a miscarriage of justice. A copy of my letter to Arthur Ochs Sulzberger, Times publisher and to A. M. Rosenthal, executive editor, follows:

CONGRESS OF THE U.S. OF AMERICA,
August 15, 1978.

Mr. A. M. ROSENTHAL,
Executive Editor, The New York Times Co.,
New York, N.Y.

DEAR MR. ROSENTHAL: During the recent row over the alleged statements by United States Ambassador to the United Nations Andrew Young, I requested from the Department of State a transcription of that complete interview with Nina Sutton for Le Matin.

It was in the interest of providing my colleagues in the Congress with the opportunity of studying the full transcription of that interview that I subsequently inserted it into the Congressional Record. A copy of the section of the CR containing this reprint is attached (Attachment I). Following publication my attention was drawn to the fact that the transcript which I had received from the Department of State and the "Excerpts from Interview" which the New York Times published on July 14, 1978, under the headline "Young's Remarks to Paris Paper" are substantially different. The Times article was prepared by Associated Press, apparently.

I am advised that the interview between the Ambassador and Ms. Sutton was conducted in English and that the State transcript was made directly from the tape recording of that interview. The AP story notes that the interview was in English, that Le Matin translated at least portions of it into French and published them, and that AP then translated the Le Matin material into English for its own distribution.

The material in the AP story does not make clear whether Le Matin represented its material as an exact, sequential translation or whether the French newspaper condensed the material from the interview. A careful review of the transcript provided by State indicates that a non-sequential, inexact condensation of the actual remarks in the interview could have resulted in the "excerpts" included in the AP story which the Times published generating a misleading impression of what had been said in the interview. For reference, may I suggest that you compare the "excerpts" from the AP story and from the reprint of the official transcript shown on Attachment II of this letter.

Assuming that the transcription provided by the Department of State is an accurate representation of the interview, the image that you have presented of Andy Young has resulted in a miscarriage of justice which I would think that any responsible, free news media institution would consider its duty to correct.

Have the appropriate officials of your organization reviewed the official Department of State transcription of the interview, comparing it with the AP transmission printed in the Times and the whole of the articles published by Le Matin? If so, what conclusion or conclusions have been reached? And, may I ask, what do you plan to do about it?

With kindest regards, I am
Sincerely,

BILL ALEXANDER,
Member of Congress.

YOUNG'S REMARKS TO PARIS PAPER

EXCERPTS FROM INTERVIEW

Question: How do you explain the opening of the trials of Scharansky and Ginzburg on the eve of a Vance-Gromyko meeting?

Answer: Oh, it's certainly a challenge, a gesture of independence on their part. But that will not prevent them from pursuing the SALT negotiations. And then, one doesn't know what can happen to the dissidents. After all, in our prisons, too, there are hundreds perhaps even thousands of people whom I would call political prisoners. Ten

years ago I myself was tried in Atlanta for having organized a protest movement. And, three years later, I was a Georgia Representative. It's true that things do not change that quickly in the Soviet Union, but they do change.

Q: But one cannot compare the two systems . . .

A: I do not agree that these systems should be considered as opposing each other. Take the United States, for example. The society of today has nothing in common with the pre-Roosevelt one. In the years 1930–40 the trade union movement launched a radical revolution in American life, a revolution without which we certainly couldn't produce nine million automobiles a year today. In the 1950's there was a revolution of civil and racial rights. Today it is women who are participating more and more in our economy. And this constant evolution is the rule everywhere. I think the current Soviet dissidents could well be the salvation of the Soviet Union. They are a natural development of Soviet society, but the leadership has not yet realized it.

STATEMENT IN GENEVA

A lengthy interview has been excerpted to give an erroneous impression of my views on the trial of Mr. Anatoly Scharansky.

Let me assure you that I am fully in accord with the strong statements condemning the persecution of Soviet dissidents issued by President Carter and Secretary Vance and have actively supported the movement for universal human rights and freedoms and especially the cause of Soviet Jewry from my earliest days in the U.S. Congress.

Nor have I ever equated the status of political freedom in the United States with that in the Soviet Union. I know of no instance in the United States where persons have received penalties for monitoring our Government's position on civil or human rights.

Last June in Atlanta at a service of worship memorializing the Holocaust, I met the younger brother of Mr. Scharansky and I was greatly impressed by the courage and determination he expressed toward the pursuit of full cultural and religious freedom in his country. He said that Soviet citizens wanted and needed strong reactions from all freedom-loving people and praised the human rights concerns that we have expressed.

EXCERPT FROM CONGRESSONAL RECORD OF JULY 24, 1978

S: The strongest part of what you say is we don't have to compete with the Russians, we're better, have more to offer so let's not worry about what they do. What if you're right? Aren't you afraid that could lead to a very dramatic confrontation?

Y: No, I think we have been able to successfully avoid the confrontation because our restraint and our reasonable approaches to things have prevailed everywhere so far.

S: But the U.S. has more to offer.

Y: Not necessarily. The truth of it is in terms of natural resources yet to be developed, Russian has a tremendous amount. I think Russia's problems that we don't have are weather, and I think they haven't learned to master their bureaucracy as yet. And I am no authority on Russia, but I think for all the things that are wrong with the free enterprise system, one of the things that is right about it is it provides for rapid changes in producing things more efficiently.

Our system maximizes efficiency and their system, I guess, gets encumbered with bureaucracy.

S: OK, what you are telling me is the Russians will be OK once they understand our way of doing things and they can catch up with us peacefully, but that in other words, they have to destroy their own society in order to be competitive.

Y: No, they don't have to destroy it because I think that there is a kind of bureaucracy in the Japanese too and the Germans have been very rigid and bureaucratic in the past. They've got to find a healthier mixture just like I think we've got to find a healthier mixture to provide more government response to the problems of unemployment and inflation and more particularly, I think there has got to be more government involvement in our economy as we become more and more export-oriented.

Y: Our free market system was perfectly adapted for the continental United States. But as we start having to compete with the Japanese and the Germans and everybody else, we are going to have to do a little more for our businesses to help them function abroad. We're going to have to do a little more for American citizens working abroad. I resist this competition between systems. The United States as it was prior to Franklin Roosevelt just doesn't exist any more. The trade union movement in the 1930s and 1940s made a radical revolution in American lifestyle. And without the trade union revolution, we wouldn't be able to produce approximately nine million cars. In the 1950s and 1960s, we had a civil rights revolution and that has produced another whole qualitative difference in the American life and politics. In the 1970s, you had women becoming much more aggressive and involved in our economy. We have not yet been able to see the changes that that is going to produce. So, our system is constantly evolving just as their system is constantly evolving. I think the present Soviet dissidents may turn out to be the salvation of Russia.

S: But listen, they are all going on trial, they are being dismantled.

Y: It was just ten years ago that I was on trial. I was on trial in Atlanta, Georgia, for organizing garbage workers and ended up spending fortunately not long in jail. And three years after that, I was the Congressman from the district. Now, in Russia things don't move that fast. In Russia, the dissidents are an intellectual and cultural elite who just happen to be Jewish.

S: What about the trade unions?

Y: They haven't emerged yet as far as the dissident movement. Down South in the 1950s, they used to try to say that we were Communists and that everything the civil rights movement did was communist inspiration. And the Russians are saying it's the influence of the Capitalists and the CIA. That's ridiculous. It's a natural progression in development of Russian society that they don't have sense enough to understand.

S: So, in other words, the present Russian policy is one being pushed against the wall and possibly leading to some very, very big conflict.

Y: I don't think so. Our relations are too good.

S: On what level?

Y: On almost every level except publicly, Vance and Gromyko meet every month.

S: Yes, but what about? Decide to judge Scharansky the day before they meet?

Y: Yes, but judging Scharansky is one thing that is probably an act of defiance and independence on their part but they will continue to negotiate arms limitations and there's no telling what's liable to happen. We still have hundreds of people that I would categorize as political prisoners in our prisons. Maybe even thousands, depending on how you categorize them. During the war in Vietnam, whenever there was domestic pressure, most of these young people who went to jail for conscience were political prisoners. Where they had good legal assistance most of the time they got free. Our political system, especially our court system, does have a great deal more flexibility in it, but you still have to fight for it.●

"LEGISLATION ON GROUND WATER: A NEGLECTED PART OF THE WATER CYCLE"

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from California (Mr. BROWN) is recognized for 5 minutes.

● Mr. BROWN of California. Mr. Speaker, today I am introducing legislation which addresses a problem of growing concern in the management of our environmental resources. The problem is the lack of consideration we have given to understanding, planning and managing our ground water resources throughout the country. This legislation is an outgrowth of several years of interest, and extensive efforts over the past year by the Subcommittee on the Environment and the Atmosphere of the Committee on Science and Technology, which I chair.

Ground water is a major source of water supply in the United States, supplying approximately 24 percent of all fresh water used, 95 percent of the total domestic, agricultural and industrial needs of the rural population and 50 percent of all water used for agriculture, serving 48 percent of the total population.

There is inadequate information about the ground water resource, leading to increased importance of the socioeconomic impacts resulting from contamination and closing of wells. Although considerable progress has been made in the understanding of water shortage and movement in aquifer systems, there is inadequate technical data and other information about ground water resources—information which is needed to make sound decisions with regard to its management. Much needs to be done to fully understand the physical and chemical processes involved in the changes of water quality that take place within the aquifer. Detailed measurements and knowledge of the interactions are essential in all aspects of ground water use and conservation.

Furthermore, the ground water resources is now experiencing a broad and growing focus related to prominent public issues, including among others pollution, energy, water supply, land use, waste disposal, and urban development. We believe that providing for the protection of the ground water resource, assuring an adequate supply of ground water of good quality, and increasing the efficient use of the ground water resource and its conjunctive management with surface water are essential to national economic stability and growth, and to the well-being of our people. We therefore maintain that the Nation's capabilities for technological assessment and planning and policy formulations for ground water resource and its conjunctive use with surface water must be strengthened at both the Federal and State levels.

Several Federal agencies conduct research on and have responsibilities re-

lated to ground water. It is noteworthy that 22 Federal agencies are spending a total of $225 million annually on water resources research, of which only $12–$13 million—less than 6 percent—is being allocated to ground water R. & D. This discrepancy between the vital importance of ground water resources to our Nation's well-being and economy, and the inadequate rsources allocated to ground water R. & D. is symptomatic of the broader issues associated with ground water.

Following an intensive period of subcommittee hearings and workshop, an informal interagency task force was formed to address these problems. The legislation which I am introducing today is largely a product of these initial efforts and is aimed at rectifying past and current dangerous trends toward fragmented and duplicative efforts by promoting and fostering Federal interagency coordination, transfer of technical information and assistance, training of professionals, and research and development in ground water.

Title I of the bill establishes an Interagency Coordinating Committee (ICC) with a strong mandate to produce a comprehensive Federal budget analysis of ground water R. & D. efforts, interagency coordination and prioritization of R. & D. issues, and a comprehensive 5-year plan for ground water R. & D. which is responsive to and consistent with the purposes of the bill. The involvement of users of ground water research results is insured by the establishment of an advisory council which would consist of scientists, the academic community, the private sector, State, local and regional government officials, and other interest groups concerned with ground water R. & D.

Title II is devoted to the important issue of technical information transfer and assistance. The active involvement of State and local government in the technology transfer process is viewed as an essential prerequisite to the success of such a program. The bill thus provides incentives to State and local government to induce their participation. The ICC, with the advice of the advisory council, is responsible for examining the technology transfer mechanisms which presently are scattered throughout universities, industry, and State and Federal agencies. The ICC is then to submit to Congress within 6 months its recommendations for improving existing technical information transfer mechanisms related to ground water.

Title III concerns itself with the issue of training and retraining of professionals in the broad range of subject areas associated with ground water. The National Science Foundation and other Federal agencies that might be designated by the President would carry out the provisions of title III, resulting in the promotion and development of skilled manpower needed in the area of ground water technology and management, including scientists, engineers, and technicians.

Title IV of the bill addresses extramural ground water R. & D. by authorizing the National Science Foundation and other agencies to manage grants and contracts addressing ground water R. & D. issues.

We fully recognize the intrinsic relationship between ground and surface water and that between water quality and quantity. The entire water resource program should, of course, be integrated. As I have cited previously, however, there is good evidence that ground water has been ignored in the past and is continuing to be ignored in the present. This legislation is the result of the subcomittee's deliberations on the subject, singles out ground water in recognizing the critical national value of this vital resource and providing remedies to past and present inadequacies in ground water research, development, and conjunctive use with surface water. Because of the severe lack of attention to ground water problems, a mere effort to urge more attention to ground water R. & D. at this late date would be insufficient. Rather, it is essential that ground water R. & D. be given the kind of attention mandated in this bill.

It is my intention to consider this legislation as a basis for action in the next session. We will continue to work with all interested persons in this endeavor and to make appropriate legislative changes, as we continue our efforts to address this important national issue.●

REGIONAL POWER POOLING

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from Washington (Mr. MEEDS) is recognized for 5 minutes.

● Mr. MEEDS. Mr. Speaker, today, on behalf of eight of my colleagues from the Pacific Northwest and myself, I have introduced legislation intended to assure adequate future power supplies for the Pacific Northwest. The fact that this legislation is being sponsored by so many of the Members from the Northwest on both sides of the aisle testifies to our belief that this proposal is the long-sought answer to problems we all recognize in our area. Most importantly, this answer is without cost to the taxpayers of this Nation.

Mr. Speaker, this legislation will assure long-term regional power self-sufficiency for the Pacific Northwest; will preserve the preference clause for existing and new public bodies and cooperatives; will extend the benefits of low-cost Federal power to residential and family farm irrigation customers regardless of who serves them; will assure industries of long-term power supplies; will maintain the diversity of ownership of power facilities while achieving the benefits of a "one-system" regional approach; assure the maximum feasible use of conservation and of renewable resources before adding conventional thermal generating plants to the region's supply. Additionally it will provide a means whereby the public can participate effectively in the shaping of regional policies and programs, giving Congress the veto power over any future acquisition of power or adoption of major programs by BPA.

Mr. Speaker, the pathway leading to this comprehensive solution has been marked with difficulty and dissension. We began shaping legislation on this matter at the beginning of the 95th Congress. Hearings were held in Washington, Oregon, and Idaho on various proposals. Objection was raised to all the existing proposals based on their failure to provide real impetus for conservation. I concluded I would not support any legislation which failed to provide this focus. I am happy to inform my colleagues that the legislation we are introducing today not only provides impetus for conservation, it mandates conservation and assures the funds to pay for it.

The great benefit to the Nation in this legislation is that it is a regional solution to a regional problem. And that solution is effected without cost to the taxpayers of this country. By combining the marketing system of Bonneville with Federal and private dams and other facilities in a "one-system" approach, savings are effected which can be used to finance the benefits of this program. Direct service industries in the Pacific Northwest will pay considerably more for their power but they have enjoyed exceedingly low rates for many years. In return for substantially increased rates, the direct service industries will be provided what they do not now have, which is long-term certainty of their power supply.

Finally, Mr. Speaker, this proposal sets up mechanisms for much greater local public input in planning and programing. Lack of such mechanisms was one of the major objections to earlier proposals.

Mr. Speaker, this is a carefully considered and precisely balanced response to power problems in the Pacific Northwest. My colleagues from that area join me in urging expeditious handling and strong support of this legislation by all individuals and committees of this body.●

EXPORT-IMPORT BANK FINANCING NOTIFICATIONS

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from North Carolina (Mr. NEAL) is recognized for 5 minutes.

● Mr. NEAL. Mr. Speaker. I call to the attention of my colleagues two communications from the Export-Import Bank which have been referred to me as chairman of the Banking Subcommittee on International Trade, Investment, and Monetary Policy. Pursuant to 2(b)(3) and 2(b)(3)(iii), respectively, of the Export-Import Bank Act of 1945, the communications notify Congress of proposed transactions to assist in construction of an ammonia plant in Trinidad and Tobago and to provide nuclear fuel enrichment services to Spain.

Section 2(b)(3) of the act requires the Bank to notify the Congress of proposed loans, financial guarantees or combination thereof in an amount of $60 million or more at least 25 days of continuous

session of the Congress prior to the date of final approval. Upon expiration of the period, the Bank may give final approval to the transaction unless the Congress dictates otherwise.

The Bank proposes to loan $66,170,000 to Fertilizers of Trinidad and Tobago Limited (Fertrin) to provide U.S. goods and services for the construction of a new plant to manufacture anhydrous ammonia. Fifty-one percent of Fertrin is owned by the Government of Trinidad and Tobago and 49 percent by Amoco International Oil Co. The Eximbank loan will facilitate $155,700,000 in U.S. exports and represent 42.5 percent of the total U.S. goods and services for the plant. Additional funds will be provided by private lenders and a cash payment by the purchaser.

The loan will bear interest at the rate of 8.375 percent and be repaid in 16 semi-annual installments beginning January 5, 1982. The first eight installments will be applied to repayment of the private financing and the final eight to the Eximbank credit. A commitment fee of 0.5 percent per annum will be charged on the undisbursed portion of the Eximbank credit.

I am inserting at this point in the RECORD the letter from the Eximbank pertaining to this transaction together with the accompanying materials and I welcome any comments any of my colleagues may wish to offer concerning this proposed loan.

EXPORT-IMPORT BANK
OF THE UNITED STATES,
Washington, D.C.

Hon. STEPHEN L. NEAL,
Chairman, Subcommittee on International Trade, Investment and Monetary Policy, Committee on Banking, Finance and Urban Affairs, U.S. House of Representatives, Washington, D.C.

DEAR MR. CHAIRMAN: In accordance with Section 2(b)(3)(f) of the Export-Import Bank Act of 1945, as amended, I have reported to the President of the Senate and the Speaker of the House of Representatives on an application currently pending consideration by the Bank. I am taking the liberty of providing you with a copy of this statement.

Sincerely,

JOHN L. MOORE, Jr.

EXPORT-IMPORT BANK
OF THE UNITED STATES,
Washington, D.C., August 15, 1978.

The SPEAKER OF THE HOUSE
OF REPRESENTATIVES,
The Speaker's Room, U.S. Capitol, Washington, D.C.

DEAR MR. SPEAKER: Pursuant to Section 2(b)(3) of the Export-Import Bank Act of 1945, as amended, Eximbank hereby submits a statement to the United States House of Representatives with respect to the following transaction involving U.S. exports to Trinidad and Tobago.

A. DESCRIPTION OF TRANSACTION

1. Purpose

Eximbank has received a request from Fertilizers of Trinidad and Tobago Limited (FERTRIN) to assist in financing the export from the United States of goods and services of U.S. manufacture or origin required by FERTRIN for the construction of a new plant to manufacture anhydrous ammonia (Plant). The Plant is to be constructed at Point Lisas in Trinidad and Tobago and is one of several projects being developed to take advantage of the extensive natural gas reserves in the area.

The Plant will consist of a two train, 2,086 metric ton per day ammonia plant, plus ancillary equipment and systems. Construction is expected to be completed by mid-1981. The total costs of the Plant are estimated to be $250,000,000, of which 75% will be provided in the form of borrowings and 25% will be provided by equity contributions to FERTRIN from its two owners, the Government of Trinidad and Tobago (GOTT) and Amoco International Oil Company (Amoco).

Of the total estimated costs of the Plant, $155,700,000 represents the costs of U.S. goods and services. To meet the request of FERTRIN, Eximbank is prepared to extend a direct-credit of $66,170,000 to FERTRIN to assist in financing the export from the United States of the U.S. goods and services required for the Plant. Additional financing will be provided by private lenders.

2. Identity of the Parties

FERTRIN is a joint venture incorporated under the laws of Trinidad and Tobago for the purposes of the Plant and is owned 51% by GOTT and 49% by Amoco. Amoco is a subsidiary of Standard Oil Company of Standard Oil Company of Indiana.

GOTT and Amoco will enter into a cash deficiency and completion agreement with FERTRIN and Eximbank and the other lenders to the Plant whereby GOTT and Amoco will undertake, in proportion to their respective ownership interests in FERTRIN, to make up all cash deficiencies of FERTRIN required to complete the Plant and to cover all cash deficiencies in the operating costs of the Plant, including debt service to the lenders, until such debt has been paid in full. The undertaking of Amoco will be supported by a back-up undertaking of its parent company, Standard Oil Company of Indiana.

3. Nature and Use of Goods and Services

The principal U.S. goods and services to be exported from the United States for use in the construction and operation of the Plant will be piping and valves, tankage, piling, insulation, a boiler, heat exchangers, pumps and compressors, condensers, seawater pumps, refrigeration equipment, a demineralization plant, switchgear, transformers, instruments and engineering, design and construction services. It is anticipated that a wide range of suppliers located throughout the U.S. will provide the U.S. goods and services. The estimated value by category of the U.S. goods and services is set forth in Annex I to this letter.

The Pullman-Kellogg Division of Pullman Incorporated, Houston, Texas, has been designated as the prime contractor for design, engineering and construction. Technical leadership of the Plant will be provided by Amoco during the design, construction and start-up phases and for the first ten years of operation under a proposed technical assistance agreement.

B. EXPLANATION OF EXIMBANK FINANCING

1. Export Financing Support

The Eximbank credit of $66,170,000 will facilitate the export of $155,700,000 of United States goods and services. Although FERTRIN has indicated its preference to effect its procurement in the U.S., it has also made clear that, if Eximbank financing is not available, procurement can be accomplished from foreign sources. Any foreign procurement would be supported by the official export credit agencies of the exporting countries.

2. Impact of Imports on the U.S. Economy

The anhydrous ammonia to be manufactured by the Plant will be exported for agricultural and industrial use throughout the world. Approximately one-half of the anhydrous ammonia from the Plant is expected to be marketed in the United States. In evaluating the impact of these imports on the U.S. domestic economy, Eximbank has addressed itself to whether the net economic benefit to the United States resulting from Eximbank's financing of U.S. goods and services for the Plant is positive or negative. The net economic benefit measures the benefits gained by the U.S. from the jobs supported by the sale of U.S. goods and services to the Plant as well as any benefits gained from importing into the U.S. some of the output of the Plant, as compared to the potential costs to the U.S. of such imports. The economic analysis made in response to this issue strongly supports Eximbank assistance for the Plant.

U.S. suppliers estimate that the exports, excluding already manufactured components, would support the employment of some 2,200 American workers. Annual shipments of spare parts of approximately $5 to $7 million would support another 50 jobs a year (or a total of 400 jobs for the eight year repayment period of the Eximbank credit). The total favorable job impact should, therefore, reach approximately 2,600 jobs. Given the potential competition for this order from Europe and Japan, these jobs would very probably be lost to the U.S. if Eximbank financing support were not available.

The potential for adverse economic impact depends on the state of the world food and fertilizer markets in the mid and late 1980's when the Plant's output is expected to come on to the market. There currently is a substantial amount of excess ammonia capacity worldwide. Absent unusual incidents such as a drought, both the U.S. and world surpluses are projected to last into the early 1980's.

In times of a surplus, high cost producers are forced either to lose money or to shut down production. In this environment, producers who receive gas at a cost-of-extraction price have a decisive advantage. Only those U.S. producers who have long-term gas-purchase contracts entered into before 1970 have access to such low-priced gas. Other U.S. producers generally must pay approximately $2.00 per 1,000 cubic feet of gas (MCF). The Plant, however, will be able to purchase natural gas at a cost of $.25 per MCF and therefore be able to produce and sell ammonia in the U.S. at a price substantially less than that feasible for the U.S. producers. If there is still a surplus of ammonia during the peak years for the Plant (1985 to 1990), the product from the Plant probably would displace U.S. production. The present consensus forecast by experts in the field, however, calls for balanced markets by the mid-1980's; hence, there should be little or no adverse impact from the Plant. In such a situation, the net economic benefit to the U.S. would be a favorable job impact of over 2,000 jobs.

In addition, even if one assumes the worst situation, that is, the world surplus will continue throughout the 1980's and each imported ton of ammonia from the Plant will displace a ton of U.S.-produced ammonia, Eximbank's support will provide a net economic benefit to the U.S. of approximately 500 jobs. In the worst situation, the Plant would displace some 350,000 tons of U.S. ammonia production, or approximately 1.0 to 1.5 percent of expected U.S. ammonia capacity in the mid-1980's. This volume approximates the annual production of one 1,000 ton/day ammonia plant, which generally employs some 115 workers. As very few plants can profitably operate below 50 to 60 percent capacity, 350,000 tons of imports would probably put the workforce of slightly more than two plants out of work. Hence, the worst-case annual adverse employment impact is about 250 jobs. Using the projected production figures for 1981–89 and assuming a worst-case situation for each year, the total potential jobs displaced could come to some 2,100. As indicated below, however, even assuming the worst case, Eximbank's support produces a net economic benefit to the U.S. of approximately 500 jobs:

	Year											
	1979	1980	1981	1982	1983	1984	1985	1986	1987	1988	1989	Total
Jobs supported	1,100	1,100	----	50	50	50	50	50	50	50	50	2,600
Jobs displaced	----	----	125	225	250	250	250	250	250	250	250	2,100

If one assumes more likely conditions prevailing in the 1980's, Eximbank financing assistance supports over 2,000 U.S. jobs and offers the following other potential benefits for the United States:

The 350,000 tons of product imports would free 13.5 billion cubic feet of natural gas in the United States for higher priority uses. This volume of gas would heat a Northern city of 100,000 people through an entire winter.

Lower cost fertilizer enhances the price competitiveness of U.S. agricultural exports without impairing the financial health of America's farmers.

Lower cost food inputs could help alleviate some domestic inflationary pressures.

In sum, even in the worst-case situation Eximbank financing for the Plant should produce a net employment benefit to the U.S. Assuming a more realistic case, the employment benefits to the U.S. improve markedly. In addition, irrespective of the employment situation, Eximbank financing for the Plant offers other significant economic benefits to the U.S.

With or without Eximbank support and with or without U.S. procurement, FERTRIN is determined to construct the Plant. If Eximbank refuses to provide support for the U.S. goods and services, the Plant will be supplied by foreign exporters who will be supported by the official export credit agencies of the exporting countries.

3. The Financing Plan

Commercial banks are prepared to extend financing for this transaction without an Eximbank guarantee for a term not to exceed 7 years. In this transaction, there is a total term of approximately 11 years consisting of a three-year construction period and an eight-year repayment period. Thus, private financing is inadequate to meet the total financial requirements of the transaction and the Eximbank credit is necessary in order to generate sufficient financing for the U.S. exports.

The financing plan for the total U.S. goods and services of $155,700,000 is as follows:

	Percent of U.S. Costs	Totals
Cash payment	15.0	$23,360,000
Eximbank credit	42.5	66,170,000
Private credits not guaranteed by Eximbank	42.5	66,170,000
	100.0	155,700,000

The Eximbank credit will bear interest at the rate of 8⅜ percent, payable semiannually. A commitment fee of one-half of 1 percent per annum will be charged on the undisbursed portion of the Eximbank credit. The financing will be repaid in 16 semiannual installments beginning January 5, 1982. The first eight installments will be applied to repayment of the private financing and the final eight installments to repayment of the Eximbank credit.

Sincerely,

JOHN L. MOORE, Jr.

[Annex I]

Export-Import Bank of the United States
Re: FERTRIN
Estimated Costs of U.S. Goods and Services

Estimated U.S. costs including contingency and escalation

[In millions]

Major items:	
Piping and valves	$12.14
Tankage	3.43
Piling	2.65
Insulation	3.11
Boiler	2.18
Heat exchangers	9.65
Plate type (exchangers)	4.67
Pumps and compressors	3.89
Condensers	0.78
Seawater pumps	5.92
Refrigeration equipment	1.56
Demineralization plant	3.42
Switchgear and transformers	3.11
Instruments	3.58
Engineering and design	28.86
U.S supervision and construction technicians	15.54
Other	51.21
Total	155.70

SECOND COMMUNICATION

The second communication notifies Congress of a proposed transaction to provide nuclear fuel enrichment services to Spain. Section 2(b)(3)(iii) of the act requires the Bank to notify the Congress of proposed loans or financial guarantees for nuclear-related exports at least 25 days of continuous session of the Congress prior to the date of final approval. Upon expiration of this period, the Bank may give final approval to the transaction unless the Congress dictates otherwise.

The Bank proposes to extend an additional loan of $8 million and to guarantee $9 million to Iberduero, S.A., a privately owned utility, for purchase of nuclear fuel enrichment services required for reloads one and two of Lemoniz I Nuclear Power Plant. Eximbank has financed U.S. participation in the construction and operation of the plant and for the initial core fuel load. The enrichment service will be made within the framework of the bilateral "Agreement on Atomic Energy: Cooperation for Civil Uses."

The total cost of the services will be $20 million, with the Eximbank loan representing 40 percent, the Eximbank guarantee, 45 percent, and a cash payment the remaining 15 percent. Disbursements under the Eximbank credit will be an interest at the rate of 8 percent per annum. A 0.5 percent commitment fee will be required on the undisbursed portion of the credit, a guarantee fee of 0.75 percent on the disbursed portion of the private loans guaranteed by Eximbank and a 0.125-percent guarantee commitment fee on the undisbursed portion of the private loan guaranteed by Eximbank will be charged, all fees payable semiannually.

The Eximbank credit and the private loan will be repaid in five semiannual installments on a parri passu basis.

I am inserting the letter from the Eximbank pertaining to this transaction, together with accompanying documents, at this point in the RECORD and I welcome any comments any of my colleagues may wish to offer concerning this proposed loan.

EXPORT-IMPORT BANK
OF THE UNITED STATES,
Washington, D.C., August 15, 1978.

Hon. STEPHEN L. NEAL,
Chairman, Subcommittee on International Trade, Investment and Monetary Policy, Committee on Banking, Finance, and Urban Affairs, U.S. House of Representatives, Washington, D.C.

DEAR MR. CHAIRMAN: In accordance with Section 2(b)(3)(iii) of the Export-Import Bank Act of 1945, as amended, I have reported to the President of the Senate and the Speaker of the House of Representatives on an application currently pending consideration by the Bank. I am taking the liberty of providing you with a copy of this statement.

Sincerely,

JOHN L. MOORE, Jr.

EXPORT-IMPORT BANK
OF THE UNITED STATES,
Washington, D.C., August 15, 1978.

The SPEAKER OF THE HOUSE OF REPRESENTATIVES,
The Speaker's Room, U.S. Capitol, Washington, D.C.

DEAR MR. SPEAKER: Pursuant to Section 2(b)(3)(iii) of the Export-Import Act of 1945, as amended, Eximbank hereby submits a statement to the United States House of Representatives with respect to the following transaction involving the export of U.S. services to Spain:

A. DESCRIPTION OF TRANSACTION

1. Purpose

On January 20, 1972 Eximbank authorized a direct credit of $143,614,000 to Iberduero, S.A. to facilitate Iberduero's purchase of goods and services from the United States for export to Spain for the construction and initial operation of Lemonix I and II Nuclear Power Plants and the initial core fuel load located near Bilbao. On June 9, 1977 Eximbank also authorized a direct credit of $3,200,000 to Iberduero to facilitate financing the U.S. costs of fabrication services of nuclear fuel reloads for Iberduero's Lemoniz I Nuclear Power Plant (reloads one and two) and Lemoniz II Nuclear Power Plant (reload one). Iberduero has now requested and Eximbank is prepared to provide financial assistance of $17 million in the form of a credit of $8 million and a guarantee of private loans of $9 million for the purchase of nuclear fuel enrichment services required for reloads one and two of Lemoniz I Nuclear Power Plant.

Exports of the enrichment services will be made within the framework of the bilateral "Agreement on Atomic Energy: Cooperation for Civil Uses" between the United States and Spain, and the trilateral agreement among the U.S., Spain and the International Atomic Energy Agency, relating to application of IAEA Safeguards. Both of these Agreements became effective on June 28, 1974, following consideration by the Congress under the provisions of Section 123 of the Atomic Energy Act of 1954. Prior to export, licenses must be obtained from the Nuclear Regulatory Commission with respect to individual sales of the enrichment services.

The nuclear fuel enrichment will be provided by the Energy Research and Development Agency of the Department of Energy at ERDA's Oak Ridge, Tennessee, facility pur-

suant to a fixed commitment, long-term contract with DOE. Under the contract DOE is to provide enrichment services over the operating lifetime of the Lemoniz I Nuclear Power Plant. Since this nuclear power facility has suffered delay in completion, Iberduero would take delivery of the fuel reloads sometime before they are needed. However, it is to Iberduero's advantage to take the enrichment services in accordance with the schedule of annual enrichment services in its contract with DOE in order to avoid very substantial cancellation penalties. Furthermore Iberduero will avoid an interruption of power generation by taking delivery of the reload fuel when available.

2. Executive branch approval

In accordance with established procedures, Eximbank requested through the Department of State the views of the Executive Branch on the proposed transaction. State's Bureau of Oceans and International Environmental and Scientific Affairs advised that the Executive Branch has no objection to Eximbank's proceeding with this transaction.

3. Identity of the borrower

Iberduero, S.A. was created in 1944 as a result of a merger of two electric utility companies. Headquartered in Bilbao, it is the largest electric utility and one of the largest privately owned industrial enterprises in Spain. The utility accounts for more than 20 percent of Spain's electricity sales.

B. EXPLANATION OF EXIMBANK FINANCING

1. Reasons

The Eximbank credit of $8 million and guarantee of $9 million will facilitate the export of $20 million of U.S. goods and services. Eximbank perceives no adverse impact on the U.S. economy from the export of these goods and services. This transaction will have a favorable impact on employment for United States workers, as well as on the United States balance of trade. The material to be exported is not in short supply in the United States.

2. The financing plan

The total cost of the United States goods and services to be purchased by Iberduero is $20 million which will be financed as follows:

	Amount	Percent of U.S. Costs
Cash	$3,000,000	15
Eximbank credit	8,000,000	40
Private loans guaranteed by Eximbank	9,000,000	45
Total	20,000,000	100

(a) *Eximbank charges.*—Disbursements under the Eximbnak credit will bear interest at the rate of 8.0% per annum, payable semi-annually. A commitment fee of 0.5% on the undisbursed portion of the Eximbank credit, a guarantee fee of .75% on the disbursed portion of the private loans guaranteed by Eximbank and a .125% guarantee commitment fee on the undisbursed portion of the private loans guaranteed by Eximbank will be charged, all fees payable semiannually.

(b) *Repayment Terms.*—The Eximbank credit and the private loan, which total $17 million, will be repaid by Iberduero in five semiannual installments on a *pari passu* basis.

Sincerely,

JOHN L. MOORE, Jr.●

THE NAZI NETWORK

The SPEAKER pro tempore. Under a previous order of the House, the gentlewoman from New York (Ms. HOLTZMAN) is recognized for 5 minutes.

● Ms. HOLTZMAN. Mr. Speaker, a recent article in the Washington Post confirms something many of us have long suspected—that there is a secret Nazi underground which protects and supports former Gestapo and SS officers in South America. Shockingly, at the end of July, many of these war criminals met openly in Brazil to celebrate fascist dictator Benito Mussolini's birthday.

While we may not be able to control Brazil's policy of affording sanctuary to war criminals, we can take steps to deny them a haven in the United States. I have introduced legislation (H.R. 12509) to close a loophole in our immigration law which has existed since 1956 and which has allowed war criminals to come to the United States freely as visitors or permanent residents.

My legislation would bar Nazi war criminals and any others guilty of "persecution because of race, religion, national origin, or political opinion" from entering the United States and would authorize their deportation. This legislation, cosponsored by every member of the Immigration Subcommittee, was reported out of the full Judiciary Committee by an overwhelming bipartisan majority. I hope my colleagues will support its adoption when it reaches the House floor.

Mr. Speaker, the presence of Nazi war criminals in America constitutes the unfinished business of World War II. We must act swiftly and aggressively to deny those who have committed atrocities—both during the Nazi holocaust and under more modern regimes—from finding a haven in this country. After all, one Brazil is enough.

I commend this important Washington Post article to my colleagues' attention.

The text follows:

THE NAZI NETWORK—A BIRTHDAY PARTY FOR HITLER: THE BOYS ARE STILL IN BRAZIL

(By Larry Rohter)

ITATIAIA, Brazil.—*Die Kamaradenwerk. Odessa. Der Spinner.* For years, reports of a secret Nazi underground that shelters and supports former Gestapo and SS officials now hiding in South America have been commonplace, fed by best-selling novels and movies such as "The Boys From Brazil," "Marathon Man" and "The Odessa File."

Hard evidence, of course, has been more difficult to come by. But information emerging after the capture in South America of prominent Nazis such as Adolph Eichmann (Argentina, 1960) and Franz Paul Stangl (Brazil, 1967) has led investigators such as Simon Weisenthal to conclude that such a network does exist—and that it harbors some 8,000 to 10,000 Nazi fugitives.

The last time Alfred Winkelmann and his "friends of the 20th of April" got together at the Hotel Tyll here, their "celebration" of Adolph Hitler's birthday triggered an investigation that led to the arrest of an alleged Nazi war criminal: Gustav Franz Wagner, "the human beast" accused of supervising the extermination of over a million people as second-in-command at the notorious Treblinka and Sobibor concentration camps.

When police arrived on April 22 they found they had stumbled on to an international congress of Nazi and neo-Nazi organizations bringing together five groups from four nations.

The participants were questioned, photographed and released, and their private stocks of Nazi literature and emblems seized. One month later, Wagner, who had been identified in Vienna by Nazi-hunter Simon Weisenthal—mistakenly, as it turned out—as one of the participants at the Itatiaia conference, was arrested in Sao Paulo after 28 years at liberty in Brazil.

MUSSOLINI'S BIRTHDAY

That was "not the first time Nazis have met in Brazil," said Benno Milnitzky, president of the Jewish Federation of Brazil, "they have met here before, and they will meet here again."

This weekend, some of the same "friends" were again reunited at the hotel on the outskirts of this quiet mountain resort town 110 miles northwest of Rio de Janeiro. The occasion: July 29, a birthday shared by Benito Mussolini and Adaloisa Winkelmann, wife of the owner of the hotel.

Throughout the morning, a beefy man accompanied by a German shepherd straining at its leash patroled the front of the Hotel Tyll. Shortly before noon, identifying himself only as "Mr. Winkelmann's son-in-law, Magno," he ordered reporters to leave.

At his side, Frederico Eisendecher, identified as one of the participants in the April conference, flicked a whip nervously against his thigh. Suddenly, Magno's conversation was interrupted, as Eisendecher struck out twice with the whip, leaving two bloody marks on a photographer's arm, and uttered a command that caused the dog to leap forward and attack the half-dozen reporters, who withdrew to the edge of the road.

Hours later, Eisendecher and Alfred Winkelmann emerged from the hotel, dressed in identical dark blue uniforms. "This is a private meeting," Winkelmann announced. "So I am sure that you will understand it when I ask you to leave."

A photographer took a picture, and Eisendecher again erupted: "Swine, filthy bastards," he hissed, striking out wildly and lunging at the photographer. Winkelmann turned on his heel and returned to the Hotel Tyll's dining room, where stylized swastikas served as wall decorations.

"We are not Nazis," said Magno in parting, "and even if we were, it wouldn't be a crime. This is a free country, thank God."

SHELTER GROUP

"The Kamaradenwerk is anything but fiction," says Henry Sobel, a Sao Paulo rabbi who is one of Nazi-hunter Weisenthal's Brazil informants. "It is the international umbrella group that shelters all the subgroups and keeps them in touch with each other.

"Winkelmann's is one of the subgroups that exists in Brazil, but it is not the only one," adds Sobel. "There are other groups, more sophisticated more organized and more protected, that operate in the south and report, like the Winkelmann group, to the Kamaradenwerk command."

The head of the network is said to be Dr. Josef Mengele, whose experiments on prisoners at Auschwitz earned him the nickname "the angel of death." A Paraguayan citizen since 1959, owner of extensive land holding at Puerto Stroessner near Paraguay's borders with Brazil and Argentina, Mengele was named in a recent Amnesty International report as "technical adviser" to a government program described as designed to exterminate Paraguayan Indians.

Two other alleged Kamaradenwerk leaders, Kurt Manfred Richard Roeder and Hans Werner Shutte, were among the 16 people detained at Italiaia in April. Roeder, who fled West Germany last year after being convicted of illegal Nazi activity, has since surfaced in Chile. Shutte, named in the German press as one of the key figures in a neo-Nazi group called "The German Reich Liberation Movement," is back in Germany.

"South America is a Nazi's paradise," Weisenthal once said, years ago. Nothing that has happened since has made him change his mind, at least in regard to Brazil. "Brazil is

a virtual nest of Nazis," Weisenthal told reporters after Wagner's arrest in Sao Paulo was announced. "They just, slip right into the populace and make themselves right at home."

GERMAN IMMIGRANTS

Nazi activity in Brazil dates from the 1930s, when German bund groups sprang up in the far south of the country—Rio Grande do Sul, Santa Catarina and Parana. All three states had been settled largely by German immigrants, who founded cities with names like Blumenau, Westphallen and Novo Hamburg. To this day, there are areas in the interior of Santa Catarina where German is still the dominant tongue.

The existence of this large German-speaking colony made Brazil fertile ground for the Abwehr, the Nazi intelligence agency. Dozens of Nazi spies—including Alfred Winkelmann, who had entered Brazil in 1938, ostensibly as a salesman of military equipment—were arrested and imprisoned when Brazil joined the Allies in 1942. But after the war, a new wave of immigrants flocked to German-speaking enclaves in the south, including some 4,000 SS and Gestapo officers, concentration camp guards and Nazi officials, according to one Brazilian account.

The official Brazilian government attitude toward the Nazi and neo-Nazi presence has been one of unconcern. The justice ministry has ruled that meetings of Nazis are not illegal; and Col. Ruben Ludwig, press secretary to Brazilian President Ernesto Geisel and, like his boss, a South Brazilian of German descent, recently dismissed the Itatiaia gathering as "nothing more than a get-together of nostalgic old men."

Given this position, Nazi supporters here make no secret of their sympathies: Jose Luiz Deckmann, for example, openly displays and sells jewelry with Nazi motifs—including swastikas—at his ship in Rio Grande do Sul. Residents of Santa Rosa, also in Rio Grande do Sul, awoke one morning early this month to find a Nazi flag flying from the flagpole in the main square. And in nearby Ijui, members of a group that claims to be linked to Winkelmann have daubed slogans such as "Free Wagner" and "The Reich Shall Rise Again" on walls of schools and synagogues.

"The Nazi spirit is merely sleeping in a good number of the inhabitants of this region," one former Wehrmacht soldier now living in Santa Catarina told a Brazilian newsmagazine last week. "All it needs to be awakened is one intelligent leader."

NEW IDENTITIES

On Thursday afternoon, June 1, Gustav Franz Wagner sat in a reception room at the Sao Paulo headquarters of DOPS, Brazil's feared political police, his enormous hands, calloused and nicotine-stained, stabbing the air as he explained for the umpteenth time, in broken, German-accented Portuguese, how he got from Treblinka and Sobibor to the interior of Brazil.

Dressed in the same baggy gray pants and sweat-stained work shirt he had been wearing two days earlier, when, fearing that Israeli agents were on his trail, he had turned himself in to Sao Paulo police, Wagner had been handed over to the press for questioning. It is a common enough procedure in Brazil, but Wagner, a shambling giant of a man, clearly objected.

The story he told, after his initial reluctance to talk gradually melted away into indifference, was full of contradictions and gaps. But it offered a rare and tantalizing glimpse into how the international Nazi underground may operate.

"When the war ended, I was in Italy," he said. "I went back to Austria, and one day Stangl and I met at a park in Graz. We talked for a while, and Stangl told me that he was going to leave Austria, leave Europe, for someplace quieter."

The conversation ended with the penniless Wagner being asked by his former commander to come along. "Everyone has a friend, a man they can rely on to carry out a task for them," Wagner explained. "For Stangl, I was always that man."

After several days of "waiting for things to be arranged," the two set out for Salzburg, Austria. From there, Wagner said, they crossed the Alps on foot, so as to avoid problems with border guards at the Italian-Austrian frontier, and made their way to Rome by train.

First stop in Rome was the Vatican. Having been told that Caritas International, a Roman Catholic relief organization, was making passports available to displaced persons and refugees, Stangl and Wagner intended to assume new identities and slip away to some remote corner of the world.

"We had eaten and we were standing in line waiting to fill out some forms when a friend of Stangl's approached us. He told us that the Syrians were looking for ex-German army officers to train their new army."

At the consulate of the newly independent Arab state, Wagner said, he and Stangl were given Red Cross passports and a pair of plane tickets. After a stopover in Cairo, they proceeded on to Damascus, where they spent the next year.

"But then there was a change of government and the new president decided he wanted to use French soldiers, not German ones, to train the army," Wagner continued, "so the Syrians offered us money and passage out of the country." After contacting "friends" in the German colony in Damascus, Stangl told Wagner that it had been arranged for them to go to South America.

According to documents released by the Brazilian government after Wagner's arrest, the director-general of security in Damascus issued a "safe conduct" passport to Wagner on Nov. 22, 1949. Two weeks later, Wagner obtained a visa from the Brazilian legation in Beirut, and on April 12, 1950, after a long sea voyage from Naples aboard the Conte Grande, Wagner, still in the company of Stangl, disembarked under his own name in Rio de Janeiro.

"I used to go see Stangl at his house in Sao Paulo all the time," says Wagner. "Once I was even stopped on his doorstep by the police and asked to show my identification. But Theresa Stangl came to the door and told them I was a friend, and that was that."

The visits ended in 1967, when Stangl, by then an executive at the Volkswagen Brazil headquarters in a Sao Paulo suburb, was identified by a Jewish concentration camp survivor who had come to the plant looking for a job. Extradited to West Germany and convicted in Dusseldorf of war crimes on the basis of testimony given by Stanislaw Szmajzner, a Polish-born Jew and naturalized Brazilian citizen, Stangl died in a West German prison in 1971.

"When they arrested Stangl," says Wagner, "I wanted to give myself up. But my wife said to me 'don't be foolish, Gustav. If they want you, they'll come and get you.' "

POSTER OF HITLER

The host and his guests were singing the "Horst Wessel Lied" when police and reporters arrived at the Hotel Tyll at 6 p.m. on the evening of April 22. Their eyes were caught immediately by a poster of Adolph Hitler.

The poster was seized, as were the invitations that had been issued by Winkelmann. "As we did last year," said the invitations, "we cordially request your presence at the meeting of the friends of the 20th of April . . . also known as 'the meeting of the friends who have left from the same point of departure.'

"We will have announcements and news about emblems and titles of other circles of friends," the German-language document continued. "They, like us, wish to be not at last from yesterday, but rather the first for tomorrow."

To this invitation from "friends who have embarked from the same station," had responded members of groups as far-flung as the British Movement for Reich and Nation and the Argentine militia. More than half of them had departed by the time the police arrived, having had two full days to "exchange ideas about larger circles and important questions" at the Hotel Tyll.

The invitation had promised films, but there were none to be found. However, the collection of books and magazines it spoke of were there in abundance, including "Quotations from the Fuehrer" and "The End of the Lie of the 6 million," So too were records, "Flags on High" and "Song of Germany" among them.

Scattered among the rooms the "friends" had occupied were swastika decals and stickers with Nazi slogans, "*Kauft Nicht Bei Juden*" said one: "Don't Buy From Jews." "We Are Back: The Day of Vengeance Is Come" said another.

But for those who wanted even more variety in their choice of Nazi paraphenalia, there was also a catalogue, in German, issued by a supply house that declared: "Donations on behalf of our common struggle will be gladly accepted." The address: Post Office Box 55A, Liverpool, W. Va. 25257 U.S.A.●

DAY OF SOVIET SHAME

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from Michigan (Mr. BLANCHARD) is recognized for 5 minutes.

● Mr. BLANCHARD. Mr. Speaker, August 21, will mark the 10th anniversary of the Soviet occupation of Czechoslovakia.

We commemorate this anniversary with sadness because freedom-loving Czechs and Slovaks still suffer under the yoke of Soviet domination. Since August 21, 1968, when Soviet forces, in flagrant violation of several U.N. charters, invaded Czechoslovakia, the day of occupation has aptly been called the "Day of Soviet Shame." For it was a day when the Soviets quite shamelessly violated specific international agreements, including even their own United Nations resolution, number 2131, by directly interfering in the domestic affairs of an independent and sovereign nation.

Yet, the Czechoslovakian's quest for freedom has remained strong even in the face of Soviet persecutions and violations of human rights. They have rallied against Soviet oppression by formulating a document, Charter 77, which is a direct appeal to the Soviet Government to abide by the provisions contained in the Helsinki Act, the U.N. Covenants and the Czechoslovak Constitution. The Czechoslovak National Council of America has learned that countless signatures are being added to this document every week by courageous Czechoslovak citizens from all walks of life. They continue to sign this document even as other signers have been punished by having their children denied the right to higher education.

We in the free world can do no less than to try to capture the same strength and spirit of these brave Czechoslo-

vakians and speak out, as they do, against the unjust and illegal occupation of their homeland. We must decry the so-called "Brezhnev doctrine" as a meaningless and baseless attempt to justify actions which are void of any legal or moral justification.

Again this year, I join with the many Czech and Slovak Americans in observance of this "Day of Soviet Shame." I urge my colleagues to also joiin in calling for an end to the illegal Soviet occupation of Czechoslovakia, and for a beginning of freedom and self-determination for the people of Czechoslovakia and all other peoples of Eastern Europe.●

PRODUCTIVITY: A CASE OF GROSS NEGLECT

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from New York (Mr. LAFALCE) is recognized for 5 minutes.

● Mr. LAFALCE. Mr. Speaker, on Tuesday, August 15, 1978, I held hearings in my Small Business Subcommittee on Capital, Investment and Business Opportunity on the subject of productivity, our national record in this field, and how this affects the small businessman. What I heard from the witnesses was fully anticipated, but nonetheless distressing: Our Federal Government is ignoring for all practical purposes one of the most potent weapons in the war against inflation; namely, increased productivity.

Witnesses from the Council on Wage and Price Stability, the General Accounting Office, and the National Center on Productivity and Quality of Working Life all confirmed the horrible record which the United States has had in the field of productivity growth during the last few years. Preliminary data for this year, according to the Council on Wage and Price Stability, suggest a productivity disaster. Not only have we not improved our productivity performance, we appear to have backtracked on progress made in the past.

The implications of this are staggering. The rate of our productivity growth affects our ability to compete in foreign trade markets, to build a stable economy, to reduce inflation, and to improve our standard of living. Without improvements in our rate of productivity, the wage-price spiral in which we currently find ourselves will continue and even escalate. Productivity represents the "underpinnings of the economic health of our country" and "without a concerted effort" to improve productivity "* * * we're not going to get anywhere," according to George Kuper, executive director of the National Center for Productivity.

Productivity growth in the manufacturing sector of our economy has not slipped as much as it has in other areas. Even so, compared to the other industrialized nations, we are at the bottom of the list in our rate of productivity growth.

So, even taking our best effort, we are terrible.

It is worth noting that the nations at the top of the productivity growth scale have national productivity centers. Both Japan and West Germany have such centers, and spend far more encouraging the growth of productivity than we do. And their successes are obvious. I find it ironic that these centers were established at the direction of the United States to enable the nations to qualify for financial assistance under the Marshall plan following World War II. During the years since World War II, the United States has made only half-hearted efforts to make productivity a national priority, and now, as inflation spirals higher, this administration proposes to let the National Center on Productivity go out of existence, with its programs being shifted to existing Government agencies under the Office of Management and Budget's coordination and policy determination.

Now, I am as much a supporter of cutting needless Government bureaucracy as anyone. However, with a subject as important as productivity, it is essential that there be a single Government office to focus national attention on the issue and efforts to improve it. The GAO recognized this fact in its May 23, 1978, report on productivity in the United States and the performance of the national center. It stated that the best way for the Federal Government to assist the private sector in improving our record would be through a central office, adequately supported by the administration and fully funded.

The administration proposal, I fear, will cause such a diffusion of responsibility and resources, that we will not have any effective policy insofar as improved productivity is concerned. Such gross neglect for one of the major elements of the inflation problem and its solution is unconscionable.

The suggestion that responsibility for coordination and policy be given to OMB will not work. This is not a condemnation of OMB or its personnel. Rather, the problem lies with the nature of the other tasks assigned to OMB and its ability to place sufficient emphasis on productivity to have any noticeable effect. OMB cannot have operational responsibility for one program when it is responsible for all the programs of the Federal Government. Something will always come in its way, whether it is the civil service reform bill, or the health, education, and welfare appropriations bill, or the foreign aid authorizations bill. You name it, something is always going to be moving that thing called productivity—which does not have any immediate consequences, but has tremendous long-range consequences—to the back burner.

This is understandable, but it must not happen. Productivity is not a glamorous issue. The impact of low productivity is not immediately felt, and thus it is extremely difficult to generate concern over the low rate of productivity growth or enthusiasm for those efforts which would improve it. Nevertheless, it must be done. We will suffer the consequences for years to come if we do not now attend to our slumping productivity rates. It is my sincere hope that the administration will acknowledge the seriousness of our present position, and take the necessary actions to cause a turnaround in our productivity decline.●

RAISE POSTAL SUBSIDIES TO KEEP RATES DOWN?

(Mr. WOLFF asked and was given permission to extend his remarks at this point in the RECORD and to include extraneous matter.)

Mr. WOLFF. Mr. Speaker, the August 11, 1978, issue of the Christian Science Monitor carried a rather interesting article related to the U.S. Postal Service. It was authored by my colleague, Congressman JAMES M. HANLEY of New York, who serves as chairman of the House Subcommittee on Postal Operations and Services. I believe it fair to say that all of us are interested in the plight of the U.S. Postal Service and therefore I commend its reading to my colleagues.

RAISE POSTAL SUBSIDIES TO KEEP RATES DOWN?

(By JAMES M. HANLEY)

If the Postal Service is to continue as a viable communications system it must receive additional public service funding. If it does not, it will no longer be able to offer universal nationwide service at affordable prices. The problem is both as simple and as potentially disastrous as that.

Unfortunately, the Postal Reorganization Act of 1970 mandated the Postal Service to "break even" financially by 1984. This concept was based on the premise that a restructured, quasi-governmental Postal Service would somehow be able to change the negative financal posture that the Post Office Department had operated under for over a hundred years. Very simply, Congress set an unrealistic and unattainable financial goal for the Postal Service.

The Postal Service is first and foremost a public service entity and it, therefore, offers many services that are financial liabilities. It maintains thousands of rural post offices that will never turn in a profit. It delivers a letter going across this vast nation for the same price that it charges for a letter going across the street.

It delivers mail six days a week and in most areas of the country it still does this door-to-door. These are not luxuries. These are services that we have come to expect and rightly so.

However, in the last few years, the Postal Service, in attempting to cut costs, has threatened to close rural post offices and severely cut the number of delivery days. In addtion to this, since 1970 the Postal Service has dramatically increased postage rates.

In the last Congress, we responded to this unholy duo of rising postal rates and declining service. Congress passed and the President signed Public Law 94-421 which gave the Postal Service a billion dollars to help cover past debts. It also clearly stated that Congress intended to get back into the postal policymaking business by declaring temporary moratoriums on service cuts, rate increases and post office closings. This was a much needed influx of funds. However, it must be acknowledged that this legislation was only an interim solution akin to the little Dutch boy who fruitlessly attempted to stop a flood with one hand.

The Postal Service at the end of fiscal year 1977 had a deficit of $687 million. The Postal Service's equity of $1.7 billion in 1971 plummeted to *minus* $587 million by the end of 1977. The bulk mail system, costing nearly $1 billion and originally estimated to earn a return investment in excess of 30 percent, is now expected to earn a return of merely 3 percent, and even this may prove to be overly optimistic. Postal productivity has slightly improved—fewer employees are handling more mail—but since postal costs have increased from $9.2 billion in 1971 to approximately $17 billion in 1978, dollar effi-

ciency—pieces of mail handled per dollar spent—has declined sharply.

We cannot afford to ignore this situation any longer. Those who say that the Postal Service should be given more time in order to see if it can break even are living in a dream world. The time has come to take the blinders off and face up to our responsibility to the Postal Service and the American people.

The House of Representatives did just that in April when it passed H.R. 7700, the Postal Service Act of 1978, by a vote of 384 to 11. It received this broad support because it approaches postal problems in a frank and direct manner—recognizing that we have to pay a price for good postal service. This bill abolishes the "break even" concept by continuing the current $920 million annual public-service appropriation through FY 1984 and authorizing additional public service funds provided they are detailed by function by the Postal Service by Feb. 1 of each year. It would also provide for a congressional veto of nationwide service changes and the presidential appointment of the postmaster general.

All of these changes will result in a Postal Service that will be more responsive to the needs of the American people.

The Postal Service is the only arm of the federal government that touches the lives of each American on a daily basis. Surely, it is about time for Congress and the administration to recognize that the survival of a viable postal system is essential in a democratic society and that additional public-service funding is a small price to pay.

RECOMMENDATIONS AND AGENDA FOR CITIZENS FOR JOBS

(Mr. DELLUMS asked and was given permission to extend his remarks at this point in the RECORD and to include extraneous mater.)

● Mr. DELLUMS. Mr. Speaker, as job development is of pressing concern to the Nation, I offer the following report outlining a thoughtful proposal from some of my constituents for deriving a comprehensive jobs plan. We must remember that long-term employment cannot be created in a vacuum; every job in our economic system depends on other aspects of our society such as the careful use of our resources, the goodwill of our people, and the consideration of human values. Thus, I urge my distinguished colleagues to consider carefully the "Recommendations and Agenda for Citizens for Jobs" as a grassroots response to our need for the development of jobs in harmony with our ecological and social needs.

RECOMMENDATIONS

Nine hours of exchanges of information, opinions, and ideas by 115 people produced a series of recommendations predicated on the unmet employment needs of residents of West Contra Costa County and their desire to involve the entire community in solving the problem.

But first, a special note of thanks to the panelists and resource people!

Special thanks goes to the panelists and resource people who contributed so generously of their ideas and information. The general feeling was that time was too short and the hope was expressed that these persons will come individually to meetings of Citizens for Jobs, one of the co-sponsors of the conference, so that their ideas and thinking may be explored in more detail. Citizens for Jobs reviewed and approved the recommendations which appear below and invites all of you who are interested to the Thursday, April 6 meeting at 7:30 p.m. at the Community Involvement Center. There will be no other way in addition to this invitation to reach you, so we hope you will make note of it and come!

For those of you unable to attend the Conference, there follows a list of the panelists and resource persons to whom we are all indebted:

David McFadden, Mid-Peninsula Conversion Project; Judy Ann Miller, Director, Contra Costa Manpower Office; Linda Wells, Advocates for Women; E. J. Minnifield, Unemployed Person (chosen at random at Unemployment Office—and we are delighted to report that Linda Wells contacted him about an employment opportunity two days later!); Darrell Reese, Contra Costa County Central Labor Council; Paul Hughey, Contra Costa County Development Association; Nicholas Bevilacqua, Assistant to Congressman George Miller; Kenneth Salter, Humanist, San Jose State University, attorney, and author; Moderator, Cleatter Saul, Member, League of Women Voters; Jan Mowry, Job Development Specialist; Crista Getz, New Ways to Work; Tony Di Francesco, San Francisco State University Faculty; Marsha Allen, Enchanted Forest Owner-Operator; Jeanne Eger, Editor & Publisher, Point Counter Point; Silas Darden, Counselor, West County Re-entry Program, Inc.; Moderator, Evelyn Johnson, Member, League of Women Voters; Steve Schmidt, Director, Marin Citizens for Energy Planning; Phil Brubaker, Chevron, U.S.A.; Chuck Papke, Director, E. C. ology; Brent Stuart, Ecumenical Peace Institute; Chuck Lewis, Regional Planner, A.B.A.G.; Moderator, Rebecca Proehl, El Cerrito Crime Prevention Committee; Libby Gunn, Ex-Offenders Skill Bank, Oakland; Robert Gilley, El Cerrito Personnel Agency; Sandré Swanson, Assistant to Congressman Ronald V. Dellums; Robert Campbell, Richmond City Councilman and Businessman; Pearl Fong, Employer Services Representative, Employment Development Department Richmond Office; Moderator, Barbara Vincent, Member, League of Women Voters; and Recorder-Reporter Hope Scott, Friends Committee on Legislation. Dr. Frederick Feied, Humanist and Author, University of California at Berkeley led the sum-up session.

The recommendations appear on the next page!

RECOMMENDATIONS AND AGENDA FOR CITIZENS FOR JOBS

1. A Viable Community as the Basis for Job Certain: Major efforts should be made to coordinate the activities of labor, business, political figures and the community in West Contra Costa County to improve the prospects for employment here. The impetus should come from the community rather than from the outside.

The general atmosphere and needs of the community should be explored to provide a better "climate" for employment. Since World War II several areas in West Contra Costa County have been "urban staging areas" where people come from other parts of the country in research of better opportunity and then move away once they are in a position to obtain a better life. Also, some 50% of the people employed in WCCC live elsewhere, especially those with better jobs. Kenneth Salter, in his remarks, noted that there has been little change in this pattern as well as the high unemployment rate among residents since he left his work in the employment field here in 1968. Directly relating to this daily inmigration and yearly outmigration is the need for all kinds of housing and community identification that would hold people in the area.

A pilot project for neighborhood renewal should be designed and funding sought. Environmental and cultural innovations should be its basis as these would attract small new businesses.

2. New Occupations and New Channels to Existing Occupations: The main emphasis should be placed on creating new occupations in industry, business, and service and on providing new channels by which people can enter already-existing occupations.

Suggestions for CETA: To this end, priorities should be established for innovative CETA-funded positions which lead to placement in new occupations and filling existing openings. This, instead of dead-end "slot" filling which leave people on the street at the end of the CETA job. Such new occupations should be "internships" leading to "Certificates of Employability". (See under NEW JOBS below.) People should consciously be given the experience necessary to fill existing entry-level occupations now in heavy demand, such as office clerical work, and those which will open up as a result of industry coming into the area, such as those connected with the Port of Richmond. In this way local people could compete for openings.

New Channels to Existing Jobs: Offering employers temporary services and volunteer assistance as a way of entering permanent occupations in the private and public sectors were methods a number of participants had found to be practical.

An inventory should be taken to find out what "job applicant clinics" already exist and if more are needed and how they relate to what employers really want, not just stated needs.

Attempts should be made to deal with the "hidden" job market which includes an estimated 75 percent-80 percent of the available jobs and uses the services of employment agencies to screen applicants by means of "teaser" ads.

The question of whether basic education skills are being taught as effectively as they could be should be examined with the idea of promoting one-to-one teaching if that is found necessary for people over 18.

The whole question of entry-level and promotion from within should be examined and the concept in practice of career ladders should be promoted as opposed to bringing in people from outside to fill the better jobs. In-service training by employers and community colleges should be encouraged.

New Jobs in Existing Fields: It should be determined which supplies and equipment industry located in this area subcontracts for and ask that advertising for these be done locally so that local suppliers could bid for these contracts in competition with those outside the area. This process could help develop local small business & industry and in so-doing could solve some community problems. Chambers of Commerce and the Council of Richmond Industries should be approached with this idea.

Transportation systems should be explored. A small business to supply a jitney service (Walnut Creek has one) for increased mobility & reduced isolation & access to jobs as well as creating jobs was proposed. Richmond as a center for the expansion and development of fast rail service would create many jobs in building tracks and facilities to support such a service.

New Jobs: A need was seen for a barter service for skills & services. This could be funded until it is well established. Hobbies and crafts & special skills can be turned into occupations as an alternative to working in a "slot" provided by others. People need to be shown how this can be done. New occupations abound in the fields of energy conservation (informing people how to make "technical fixes"), recycling, one-to-one peer tutoring, pre-sale housing refurbishing (aiding the real estate industry), convalescent nursing home aides, information & referral services, paralegal services, housing rehabilitation, foster parenting skills, neigh-

borhood teen leaders, classroom teaching aides. All these are possibilities for on-the-job CETA training of people who would be trained for jobs in private as well as public jobs.

Sharing Existing Jobs and Changing Material Values to Cultural Values: A way to create more time for family and hobbies is to work less at some sacrifice in pay. Included here would be opposing mandatory overtime, a 30-hour work week, two persons sharing the same job.

3. Inventory Existing Employment and Training Services: The needs of the community for jobs and training should be surveyed and a rating made of existing manpower services to determine if improvements should be made.

4. Legislation: Support should be given to legislative attempts to oppose mandatory overtime (SB1295), transfer of funds from the military to the civilian sector (Transfer Amendment), and conversion from military production to civilian production as a means of creating more jobs, reducing inflation, and using our resources toward solving environmental, health, housing, and other problems. S. 2279, the Defense Economic Adjustment Act is a comprehensive national program for insuring that military cuts do not come at the expense of defense workers. Industries of West Contra Costa County should be inventoried with these ideas in mind.

5. Meaningful Jobs: In addition to creating new jobs that will be meaningful to the community, the need was expressed to make jobs more personally satisfying to the individual instead of having a person's life defined by a job he/she must have in order to exist.

Summing it all up: A lot of priorities need to be re-arranged! Putting our own community in order would also serve our ecological needs.●

WE ARE WASTING CONGRESSIONAL TIME

Mr. DANIELSON. Mr. Speaker, many of the Members are gravely concerned about the fact that the Congress appears to be falling behind in its work. That is not to say that the Congress is not working hard. I doubt that any Congress has worked harder than the 95th Congress. That is not to say that the Congress does not put in a full day of work—long hours. I doubt that any Congress has put in more hours of work per day of session than the 95th Congress.

We all work hard. We all work long hours. We are all about as busy as we can be. Yet the list of bills which await, require, and should receive floor action grows longer each day. And many of these are major bills, important bills, essential legislation. They are bills to which we have dedicated countless days and hours of committee hearings and markup.

It seems as if, as in the old saying, "the hurrier we go the behinder we get."

Something has to be done to correct this situation and to prevent it from destroying our system of representative self-government. This is an absolute must.

The Republic cannot survive many more years in which legislation upon which our system depends is spawned in a stampede rather than a deliberative parliamentary discussion.

I know not, Mr. Speaker, what the solution—or its component parts—will be. But there must be a solution, and there is no better time to commence the discussion than now—in the waning days of the 95th Congress and before the organization of the new Congress. It is certain that some changes in the Rules of the House will have to be made in order to bring about more efficient procedures, to improve the functioning of the House, and to avoid the governmental disaster which will ultimatly befall us if we do not win out in this challenge.

To start at the beginning, Mr. Speaker, we must, I repeat, must, devise methods of saving our one unalterable resource, our most precious resource—time. Our legislative problem and all of its subproblems have one common denominator—time.

The reason many items of important legislation languish at committee desks, on committee files, before the Rules Committee, on the Speaker's table, awaiting scheduling, and pending in conference, is simply that there has not been enough time, there is not now enough time, to give them the hearings, the mark-up, the debate, the consideration and the attention which they require and deserve. And the prospects now are that the 95th Congress will adjourn, sine die, with many important bills remaining to be considered and which will die with that adjournment. Along with that, America and the American taxpayers, will suffer the loss of valuable legislative time and effort. And our work will not be finished.

I submit, Mr. Speaker, that we should now commence discussions and debate as to how we can best streamline our procedure and make more effective use of our congressional resources.

How do we solve the problem of time, Mr. Speaker? We cannot create more time, and we appear to be using all that we have. The solution to our problem must contain changes in our procedures which will plug the leaks of our resources of time, for time is our most precious, our priceless resource.

Many aspects of our procedures would lend themselves to possible changes which would enable us to save time and thereby improve our performance.

SAVING TIME IN DEBATE

Some of my colleagues have agreed with my suggestion that perhaps a substantial savings of time could be achieved in debate.

DEBATING THE RULE

For example, in debating the rule under which a bill comes to the floor, we usually consume a full hour. Usually this is pointless since the rule itself is usually noncontroversial, and it is often approved by a unanimous vote or, at least, by an overwhelming majority. It would seem that debate on the rule could well be strictly limited to the merits of the rule, and that we could thereby save much congressional time which in turn would save money for the taxpayers.

GENERAL DEBATE—SPEAK ONCE

Time could also be saved in general debate and in debate on amendments if Members were limited to speaking one time only on each parliamentary procedure and if the extensions of "additional minutes" were curtailed or eliminated.

RULES LIMITING DEBATE

The Rules Committee would be well advised to consider granting rules from time to time which would limit the amount of time for debate on some or all amendments to a bill. At present, debate often goes on for hour after hour when nothing significant remains to be said.

THE ROLE OF THE RULES COMMITTEE

Increasingly I hear comments from Members that we spend too much time taking up bills that do not merit congressional consideration, bills which do not deserve the priority of congressional attention, while more important bills languish. Perhaps the Rules Committee could exercise a closer scrutiny over the flow of bills and perhaps screen out, or defer action on those of lower priority.

SELF-DISCIPLINE BY MEMBERS

In final analysis, it is we Members of the House who consume the time of the Congress.

For real and substantial progress to be made will require that the Members use self restraint and not abuse or over-use their privileges on the floor and in committee.

Oftentimes I, and others, have been embarrassed to be in committee, hearing witnesses who may have travelled across the country at great expense and inconvenience to themselves, only to have interruption after interruption in order that Members can respond to a vote to approve yesterday's journal or to go into the Committee of the Whole House.

I submit that that procedure is demeaning to the entire Congress and an affront to the American people who come to Washington to testify. In addition, it results in an inexcusable waste of everyone's time and money.

RECORDED VOTES—ROLL CALLS

This brings me to one obvious opportunity to save congressional time and the taxpayers' money. And with the savings in time perhaps we could consider some of the bills which now may die without benefit of a vote in the House.

I speak of our compulsive voting by recorded vote.

The Members should take note of our rapid increase in numbers of rollcalls. This is how they have increased from 1970 until June 30, 1978.

TOTAL NUMBER OF ROLL CALLS (INCLUDING QUORUMS)

1970—449.
1971—472.
1972—462.
1973—726.
1974—727.
1975—828.
1976—864.
1977—782.
1978—517 (through June 30).

These figures become more significant when we consider that during the current session of the Congress, through June 30th, 1978, we have run up these statistics:

Time in session: 515 hours, 14 minutes.

Time for rollcalls: 172 hours, 20 minutes.

Rollcalls as percent of time in session: 33.4 percent.

WHY 20 MINUTES PER ROLLCALL?

In computing time I have allocated 20 minutes to each rollcall since we must consider both start-up and closing time as well as the mandatory 15 minutes provided in the Rules.

Some may ask, how about the shortened rollcalls on suspensions? To which I reply that they, too, take longer than their allocated time. And, also, in assigning the 20 minutes I have not included the time spent on noticed quorums, of which there were 62 through June 30, 1978, consuming a total of 684 minutes or 11 hours and 24 minutes.

The average time of the noticed quorums was 11.03 minutes. Ten of them were converted to regular quorums. That time must be assigned to rollcalls.

TYPES OF ROLLCALLS

I have made a tally of the types of rollcalls and the days of the week on which they were made. Mr. Speaker, I am sure you will find it of interest.

For example, we approved the previous day's journal 15 times, at a cost of 5 hours, through June 30, 1978.

And do not forget, a vote on the journal is statistically as important as the vote on the HEW appropriations.

So far as our constituents will know, so far as the press is concerned in the stories on congressional performance, a vote is a vote is a vote. And a Member who chafes at responding to the tyranny of running for the floor every time a frivolous rollcall is ordered, does so at his peril, for the public does not know why he committed the sin of missing that vote, his opponent uses the missed vote as a weapon against him, and rating organizations, meaning well, consider it as a demerit even though the Member may have done something far more useful while missing the frivolous vote.

TALLY OF ROLLCALLS IN HOUSE OF REPRESENTATIVES (BY DAY OF WEEK), JAN. 19 THROUGH JUNE 30, 1978

Type of rollcall [1]	Monday	Tuesday	Wednesday	Thursday	Friday	Total	Time consumed [2] Hours	Minutes
Agreeing to a conference			1			1		20
Agreeing to a conference report		5	2	2		9	3	
Agreeing to the amendment	9	23	46	41	11	130	43	20
Agreeing to the amendments	1		5	6		12	4	
Agreeing to the resolution	14	13	15	9	6	57	19	
Approving the Journal	1	2	6	5	1	15	5	
Concur in Senate amendment 37 with amendment		1				1		20
Concur in Senate amendment to House amendment			1			1		20
Dispense further call of House		1	1			2		40
Motion to close conference				1		1		20
Motion to instruct conferees				1		1		20
Motion to limit debate			1	1		2		40
Ordering a second	3	4	5			12	4	
Ordering the previous question			1			1		20
Passage	12	14	15	19	8	69	23	
Quorum	17	14	17	16	3	67	22	20
Reading Journal in full		1				1		20
Recede and concur in Senate amendment 43			1			1		20
Recommit with instructions	3			2	2	7	2	20
Refer veto to Post Office			1			1		20
Resolving in committee	1	5	12	11	4	33	11	
Strike enacting clause				1		1		20
Suspend rules and pass	45	31	9			85	28	20
Table motion to reconsider			1			1		20
Table reconsider Journal vote		1	1			2		40
Table reconsider rescIving				1		1		20
Table to confer in Senate amendment with amendment		1				1		20
Table to instruct conferees				1		1		20
Table to recede and concur in Senate amendment 43				1		1		20
Total	106	116	144	116	35	517	172	20

[1] Vote descriptions and abbreviations are as reported in Member's individual voting record compiled by the Clerk of the House

[2] Time consumed is determined by using the conservative estimated average time of 20 min. per rollcall. This does no. include the time spent on notice quorums but only that time consumed once an official rollcall has been ordered.

HOW MANY ROLLCALLS ON A GIVEN DAY?

Sometimes, Mr. Speaker, we spend an unbelievable amount of time voting on a single day. Can it be that the future of the Republic depends on a proliferation of rollcalls? Here are some outstanding examples:

Date:	No. of Rollcalls
6–28–78	15
5–23–78	12
3–14–78	11
5–22–78	11
5–31–78	11
6– 1–78	11
6–14–78	11
3– 8–78	9
3–16–78	9
5–15–78	9
5–17–78	9
5–24–78	9
3– 7–78	8
3–13–78	8
5– 3–78	8
6– 5–78	8
6– 6–78	8
6– 7–78	8
2– 2–78	7
2–23–78	7
3–15–78	7
3–21–78	7
4–10–78	7
4–13–78	7
4–18–78	7
5–25–78	7
6–13–78	7
6–22–78	7

ROLLCALLS BY DESCRIPTION

I have mentioned before, Mr. Speaker, that a recorded vote on approving the journal, or on going into the Committee of the Whole House, is the same kind of statistic as the vote on the HEW appropriation. Here is the list of rollcall votes by description through June 30, 1978:

ROLLCALL VOTES (JAN. 19, 1978, THROUGH JUNE 30, 1978) LISTED ALPHABETICALLY—ACCORDING TO VOTE DESCRIPTION

Roll	Date	Type of vote	Requester	Bill	Yea	Nay	Present	Percent Yea	Percent Nay	Day
181	780322	Agreeing to a conference	Yates	H.R. 6782	332	63		84.0	16.0	Wednesday.
175	780321	Agreeing to conference report	Allen	H.R. 5383	391	6		99.0	1.0	Tuesday.
12	780124	do	Ashbrook	S. 1585	401	0		100.0		Do.
148	780314	do	Burton, P	H.R. 3813	317	60	1	84.0	16.0	Do.
91	780228	do	Eckhardt	H.R. 3816	146	255		36.0	64.0	Do.
62	780215	do	Erlenborn	H.R. 4544	264	113	1	70.0	30.0	Wednesday.
283	780504	do	Findley	H.R. 6782	212	182		54.0	46.0	Thursday.
54	780209	do	Ketchum	H.R. 3454	333	44		88.0	12.0	Do.
212	780411	do	Ryan	H.R. 9179	216	185	1	54.0	46.0	Tuesday.
214	780412	do	Volkmer	H.R. 6782	150	268	1	36.0	64.0	Wednesday.
457	780614	Agreeing to the amendment	Anderson (Illinois)	H.R. 12935	235	150		61.0	39.0	Do.
456	780614	do	do	H.R. 12935	133	249		35.0	65.0	Do.
458	780614	do	Armstrong	H.R. 12935	214	159		57.0	43.0	Do.
102	780303	do	Ashbrook	H. Res. 1012	321	13		96.0	4.0	Friday.
387	780531	do	do	H.R. 12598	237	135		64.0	36.0	Wednesday.

See note at end of table.

ROLLCALL VOTES (JAN. 19, 1978, THROUGH JUNE 30, 1978) LISTED ALPHABETICALLY—ACCORDING TO VOTE DESCRIPTION—Continued

Roll	Date	Type of vote	Requester	Bill	Yea	Nay	Present	Percent Yea	Percent Nay	Day
291	780509	Agreeing to the amendment	Ashbrook	H. Con. Res. 559	198	189		51.0	49.0	Tuesday.
309	780512	do	do	H.R. 12222	148	155		48.0	52.0	Friday.
195	780405	do	do	H.R. 7700	180	218		45.0	55.0	Wednesday.
233	780418	do	do	H.R. 11400	174	229		43.0	57.0	Tuesday.
403	780602	do	do	H.R. 12157	116	219		35.0	65.0	Friday.
160	780316	do	do	H.R. 50	114	296		28.0	72.0	Thursday.
368	780524	do	Aspin	H.R. 10929	139	264	2	35.0	65.0	Wednesday.
278	780503	do	Bauman	H. Con. Res. 559	362	33		92.0	8.0	Do.
21	780131	do	do	H.R. 1614	328	77		81.0	19.0	Tuesday.
388	780531	do	do	H.R. 12598	202	164		55.0	45.0	Wednesday.
312	780515	do	do	H.R. 12222	200	172		53.0	47.0	Monday.
162	780316	do	do	H.R. 50	196	216		48.0	52.0	Thursday.
219	780413	do	do	H.R. 11003	180	215		46.0	54.0	Do.
451	780614	do	Beard	H.R. 12934	241	158	1	60.0	40.0	Wednesday.
489	780623	do	Blouin	H.R. 11493	119	186		39.0	61.0	Friday.
161	780316	do	Bolling	H.R. 50	259	153		63.0	37.0	Thursday.
232	780418	do	Breaux	H.R. 11400	111	291		28.0	72.0	Tuesday.
44	780207	do	Brooks	H.R. 6805	93	313		23.0	77.0	Do.
515	780629	do	Brown (Missouri)	H.R. 12433	244	140		64.0	36.0	Thursday.
294	780509	do	do	H. Con. Res. 559	196	196		50.0	50.0	Tuesday.
409	780605	do	Burton, P	H. R. 12250	213	141		60.0	40.0	Monday.
296	780510	do	Caputo	H. Con. Res. 559	146	254		36.0	64.0	Wednesday.
490	780623	do	Carney	H.R. 11493	121	178		40.0	60.0	Friday.
394	780601	do	do	H.R. 12050	142	261		35.0	65.0	Thursday.
366	780524	do	Carr	H.R. 10929	115	287		28.0	72.0	Do.
369	780524	do	do	H.R. 10929	106	293		27.0	73.0	Do.
277	780503	do	Conable	H. Con. Res. 559	163	239		41.0	59.0	Do.
455	780614	do	Conte	H.R. 12935	220	168		57.0	43.0	Do.
197	780406	do	Corcoran	H.R. 7700	203	189		52.0	48.0	Do.
78	780223	do	Crane	H.R. 9179	166	199		45.0	55.0	Do.
84	780224	do	Cunningham	H.R. 3377	293	1		100.0		Friday.
236	780419	do	Danielson	H.R. 8494	195	212		48.0	52.0	Wednesday.
27	780201	do	Dodd	H.R. 1614	241	162		60.0	40.0	Do.
370	780524	do	Downey	H.R. 10929	145	246		37.0	63.0	Do.
440	780612	do	Eckhardt	H.R. 12933	180	194	1	48.0	52.0	Monday.
24	780131	do	Emery	H.R. 1614	219	188		54.0	46.0	Tuesday.
49	780208	do	Erlenborn	H.R. 6805	105	309		25.0	75.0	Wednesday.
28	780201	do	Fish	H.R. 1614	225	174		56.0	44.0	Do.
23	780131	do	do	H.R. 1614	196	207		49.0	51.0	Tuesday.
16	780126	do	do	H.R. 1614	143	229		38.0	62.0	Thursday.
293	780509	do	Fisher	H. Con. Res 559	195	203		49.0	51.0	Tuesday.
285	780504	do	Flowers	H. Con. Res. 559	227	136	1	63.0	37.0	Thursday.
279	780503	do	Fraser	H. Con. Res. 559	123	265		32.0	68.0	Wednesday.
393	780601	do	Frenzel	H.R. 12050	209	194		52.0	48.0	Thursday.
299	780510	do	Giaimo	H. Con. Res. 559	192	205		48.0	52.0	Wednesday.
110	780307	do	Gibbons	H.R. 11180	277	132		68.0	32.0	Tuesday.
220	780413	do	Gilman	H.R. 11003	171	232		42.0	58.0	Thursday.
512	780628	do	Hagedorn	H.R. 12433	173	218		44.0	56.0	Wednesday.
304	780511	do	do	H.R. 12222	141	236		37.0	63.0	Thursday.
192	780405	do	Hanley	H.R. 7700	147	257		36.0	64.0	Wednesday.
292	780509	do	Hansen	H. Con. Res. 559	231	170		58.0	42.0	Tuesday.
389	780531	do	do	H.R. 12598	203	163		55.0	45.0	Wednesday.
274	780503	do	Holt	H. Con. Res. 559	197	203		49.0	51.0	Do.
193	780405	do	Hughes	H.R. 7700	292	112		72.0	28.0	Do.
297	780510	do	Jacobs	H. Con. Res. 559	45	352		11.0	89.0	Do.
157	780316	do	Jeffords	H.R. 50	398	0		100.0		Thursday.
127	780309	do	do	H.R. 50	239	177		57.0	43.0	Do.
308	780512	do	Johnson (Colorado)	H.R. 12222	126	189		50.0	60.0	Friday.
237	780419	do	Jordan	H.R. 8494	245	161		60.0	40.0	Wednesday.
401	780601	do	Kelly	H.R. 12157	157	190		45.0	55.0	Thursday.
379	780525	do	Kindness	H.R. 9400	178	109		62.0	38.0	Do.
256	780426	do	do	H.R. 8494	207	188		52.0	48.0	Wednesday.
40	780206	do	Krebs	H.R. 6362	295	78		79.0	21.0	Monday.
39	780206	do	do	H.R. 6362	136	239		36.0	64.0	Do.
305	780511	do	Lagomarsino	H.R. 12222	187	187		50.0	50.0	Thursday.
47	780208	do	Levitas	H.R. 6805	195	219		47.0	53.0	Wednesday.
284	780504	do	Luken	H. Con. Res. 559	199	173	1	53.0	47.0	Thursday.
245	780424	do	Madigan	H.R. 11504	151	215	1	41.0	59.0	Monday
76	780223	do	Mathis	H.R. 9214	253	141		64.0	36.0	Thursday.
280	780503	do	Mattox	H. Con. Res. 559	172	210		45.0	55.0	Wednesday.
161	780523	do	McCloskey	H.R. 10729	180	218		45.0	55.0	Tuesday.
159	780523	do	do	H.R. 10729	168	227		43.0	57.0	Do.
151	780522	do	do	H.R. 10729	126	241		34.0	66.0	Monday.
160	780523	do	do	H.R. 10729	111	289	1	28.0	72.0	Tuesday.
139	780612	do	McFall	H.R. 12933	237	143	1	62.0	38.0	Monday.
133	780608	do	Michel	H.R. 12929	290	87		77.0	23.0	Thursday.
195	780601	do	Mikva	H.R. 12050	155	239		39.0	61.0	Do.
146	780613	do	Miller (Ohio)	H.R. 12929	220	181		55.0	45.0	Tuesday.
177	780621	do	do	H.R. 12932	198	211		48.0	52.0	Wednesday.
184	780622	do	do	H.R. 13125	189	201		48.0	52.0	Thursday.
276	780503	do	Mitchell (Maryland)	H. Con. Res. 559	98	313		24.0	76.0	Wednesday.
175	780621	do	Moffett	H.R. 12932	190	221		46.0	54.0	Do.
176	780621	do	do	H.R. 12932	126	282		31.0	69.0	Do.
79	780223	do	Moore	H.R. 9179	191	167		53.0	47.0	Thursday.
453	780614	do	Moorhead	H.R. 12934	264	131		67.0	33.0	Wednesday.
31	780202	do	Murphy (New York)	H.R. 1614	201	208		49.0	51.0	Thursday.
30	780202	do	do	H.R. 1614	118	280		30.0	70.0	Do.
444	780613	do	Obey	H.R. 12929	198	212		48.0	52.0	Tuesday.
158	780316	do	Pike	H.R. 50	199	204		49.0	51.0	Thursday.
241	780420	do	Pressler	H.R. 8394	44	350		11.0	89.0	Do.
48	780208	do	Quayle	H.R. 6805	138	274		33.0	67.0	Wednesday.
163	780316	do	Quie	H.R. 50	137	276		33.0	67.0	Thursday.
242	780420	do	Railsback	H.R. 8494	251	135		65.0	35.0	Do.
267	780501	do	do	H.R. 9400	227	132		63.0	37.0	Monday.
482	780622	do	Rousselot	H.R. 13125	194	201		49.0	51.0	Thursday.
298	780510	do	do	H. Con. Res. 559	170	226	1	43.0	57.0	Wednesday.
516	780629	do	Russo	H.R. 12433	93	285		25.0	75.0	Thursday.
367	780524	do	Schroeder	H.R. 10929	266	136		66.0	34.0	Wednesday.
365	780524	do	do	H.R. 10929	107	297		26.0	74.0	Do.
58	780214	do	Sebelius	H.R. 8336	119	230		34.0	66.0	Tuesday.
452	780614	do	Smith (Iowa)	H.R. 12934	200	203		49.6	50.4	Wednesday.
303	780511	do	Solarz	H.R. 12222	183	212		46.0	54.0	Thursday.
430	780608	do	Stanton	H.R. 12426	401	0		100.0		Do.
488	780623	do	Steiger	H.R. 11493	93	207		31.0	69.0	Friday.
443	780613	do	Stokes	H.R. 12929	122	287		30.0	70.0	Tuesday.
371	780524	do	Stratton	H.R. 10929	142	247		36.0	64.0	Wednesday.
275	780503	do	do	H. Con. Res. 559	142	262		35.0	65.0	Do.

See note at end of table.

ROLLCALL VOTES (JAN. 19, 1978, THROUGH JUNE 30, 1978) LISTED ALPHABETICALLY—ACCORDING TO VOTE DESCRIPTION—Continued

Roll	Date	Type of vote	Requester	Bill	Yea	Nay	Present	Percent Yea	Percent Nay	Day
428	780607	Agreeing to the amendment	Symms	H.R. 12929	201	179		53.0	47.0	Wednesday.
447	780613	do	do	H.R. 12929	184	216		46.0	54.0	Tuesday.
221	780413	do	do	H.R. 11003	85	320		21.0	79.0	Thursday.
34	780202	do	Treen	H.R. 1614	159	230		41.0	59.0	Do.
338	780519	do	Udall	H.R. 39	157	150		51.0	49.0	Friday.
335	780518	do	do	H.R. 39	141	251		36.0	64.0	Thursday.
336	780518	do	do	H.R. 39	119	240		33.0	67.0	Do.
404	780602	do	Vanik	H.R. 12157	179	138		58.0	42.0	Friday.
425	780607	do	Volkmer	H.R. 12930	80	314		20.0	80.0	Wednesday.
445	780613	do	Walker	H.R. 12929	232	177		57.0	43.0	Tuesday.
2	780119	do	Weiss	H.R. 2329	215	131		62.0	38.0	Thursday.
325	780517	do	do	H.R. 11686	90	306		23.0	77.0	Wednesday.
465	780616	do	do	H.R. 12928	67	259		21.0	79.0	Friday.
418	780606	do	do	H.R. 12240	60	312		16.0	84.0	Tuesday.
22	780131	do	Wiggins	H.R. 1614	208	194		52.0	48.0	Do.
438	780622	do	Wright	H.R. 13125	273	125		69.0	31.0	Thursday.
15	780126	do	Yates	H.R. 1614	187	211		47.0	53.0	Do.
249	780425	do	Young (Florida)	H.R. 11877	169	228		43.0	57.0	Tuesday.
152	780315	Agreeing to the amendments	Ashbrook	H.R. 50	205	215		49.0	51.0	Wednesday.
153	780315	do	Baucus	H.R. 50	411	3		99.0	1.0	Do.
471	780619	do	Brown (Michigan)	H.R. 12936	73	211		45.0	55.0	Monday.
26	780201	do	Danielson	H.R. 8200	146	262		36.0	64.0	Wednesday.
463	780615	do	Edgar	H.R. 12928	142	234		8.0	62.0	Thursday.
126	780309	do	Jeffords	H.R. 50	198	223		47.0	53.0	Do.
255	780426	do	Kindness	H.R. 8494	197	211		48.0	52.0	Wednesday.
33	780202	do	Murphy (New York)	H.R. 1614	279	120		70.0	30.0	Thursday.
462	780615	do	Ottinger	H.R. 12928	108	284		28.0	72.0	Thursday.
128	780309	do	Quie	H.R. 50	264	150		64.0	36.0	Do.
155	780315	do	do	H.R. 50	194	216		47.0	53.0	Wednesday.
125	780309	do	Sarasin	H.R. 50	277	143		66.0	34.0	Thursday.
282	780504	Agreeing to the resolution	Anderson (Illinois)	H. Res. 1162	241	148		62.0	38.0	Do.
244	780424	do	Annunzio	H. Res. 1143	332	0		100.0		Monday.
385	780531	do	do	H. Res. 1204	363	10		97.0	3.0	Wednesday.
100	780303	do	Ashbrook	H. Res. 957	336	1		100.0		Friday.
375	780525	do	do	H. Res. 1165	360	0		100.0		Thursday.
88	780227	do	do	H. Con. Res. 471	350	4		99.0	1.0	Monday.
82	780224	do	do	H. Res. 1030	295	6		98.0	2.0	Friday.
363	780523	do	do	H. Res. 1188	330	71		82.0	18.0	Tuesday.
398	780601	do	Bauman	H. Res. 1208	339	13		96.0	4.0	Thursday.
420	780606	do	do	H. Res. 1206	339	21		94.0	6.0	Tuesday.
87	780227	do	do	H. Con. Res. 464	321	24		93.0	7.0	Monday.
252	780425	do	Broomfield	H. Con. Res. 573	388	0		100.0		Tuesday.
302	780511	do	do	H. Con. Res. 617	398	0		100.0		Thursday.
334	780518	do	do	H. Con. Res. 624	399	0		100.0		Do.
424	780607	do	Brown (Michigan)	H. Res. 1218	367	1		100.0		Wednesday.
492	780623	do	Davis	H. Res. 1214	282	5		98.0	2.0	Friday.
167	780320	do	Derwinski	H. Res. 996	326	13		97.0	3.0	Monday.
137	780313	do	do	H. Res. 956	047	175		54.0	46.0	Do.
497	780626	do	Devine	H. Res. 1235	303	16		95.0	5.0	Do.
461	780615	do	Dingell	H. Res. 1236	317	82		79.0	21.0	Thursday.
94	780301	do	Edwards (California)	H. Res. 1048	386	21		95.0	5.0	Wednesday.
411	780605	do	Frenzel	H. Res. 1191	344	2		99.0	1.0	Monday.
349	780522	do	Gibbons	H. Res. 1193	377	1		100.0		Do.
101	780303	do	Holland	H. Res. 953	318	15		95.0	5.0	Friday.
251	780425	do	Horton	H. Res. 1049	39	356		10.0	90.0	Tuesday.
265	780501	do	Kindness	H. Res. 1150	320	20		94.0	6.0	Monday.
168	780320	do	Lott	H. Res. 1078	387	0		100.0		Do.
330	780517	do	do	H. Res. 1186	354	42		89.0	11.0	Wednesday.
119	780308	do	do	H. Res. 1057	349	58		86.0	14.0	Do.
392	780601	do	do	H. Res. 1178	294	97		75.0	25.0	Thursday.
13	780125	do	do	H. Res. 964	247	158		61.0	39.0	Wednesday.
73	780222	do	Mathis	H. Res. 990	386	15	1	96.0	4.0	Do.
37	780206	do	McDonald	H. Res. 982	323	41	1	89.0	11.0	Monday.
423	780607	do	do	S. Con. Res. 89	329	50		87.0	13.0	Wednesday.
43	780207	do	Meeds	H. Res. 872	271	138		66.0	34.0	Tuesday.
474	780621	do	Montgomery	H. Res. 1230	353	27	2	93.0	7.0	Wednesday.
81	780224	do	Mottl	H. Res. 1024	302	1		100.0		Friday.
408	780605	do	do	H. Res. 1213	339	1		100.0		Monday.
323	780516	do	Quillen	H. Res. 1174	378	0		100.0		Tuesday.
215	780412	do	do	H. Res. 1067	374	5		99.0	1.0	Wednesday.
417	780606	do	do	H. Res. 1205	322	48		87.0	13.0	Tuesday.
174	780321	do	do	H. Res. 1093	198	209		49.0	51.0	Do.
170	780321	do	Rousselot	H. Res. 1082	398	0	1	100.0		Do.
218	780413	do	do	H. Res. 1127	395	1	1	100.0		Thursday.
397	780601	do	do	H. Res. 1168	364	4		99.0	1.0	Do.
496	780626	do	do	H. Res. 1243	311	2		99.0	1.0	Monday.
479	780621	do	do	H. Res. 1212	375	25		94.0	6.0	Wednesday.
328	780517	do	do	H. Res. 1176	320	77		80.0	20.0	Do.
435	780609	do	Russo	H. Res. 1219	309	16		95.0	5.0	Friday.
178	780322	do	do	H. Res. 1074	365	33		92.0	8.0	Wednesday.
348	780522	do	Schulze	H. Con. Res. 555	209	173		55.0	45.0	Monday.
272	780502	do	Stokes	H. Res. 1159	367	16	2	96.0	4.0	Tuesday.
113	780307	do	Symms	H. Res. 1003	399	1		100.0		Do.
235	780419	do	do	H. Res. 1139	379	15		96.0	4.0	Wednesday.
422	780607	do	do	H. Con. Res. 561	349	24		94.0	6.0	Do.
171	780321	do	Thone	H. Res. 1092	314	80		80.0	20.0	Tuesday.
108	780307	do	do	H. Res. 1056	285	115		71.0	29.0	Do.
104	780306	Approving the Journal	Ashbrook		331	11	2	97.0	3.0	Monday.
123	780309	do	do		386	15	5	96.0	4.0	Thursday.
150	780315	do	do		387	15		96.0	4.0	Wednesday.
141	780314	do	do		371	29		93.0	7.0	Tuesday.
498	780628	do	Bauman		326	11	2	97.0	3.0	Wednesday.
99	780303	do	do		304	20		94.0	6.0	Friday.
29	780202	do	Brademas		368	21		95.0	5.0	Thursday.
513	780629	do	Broomfield		338	11	4	97.0	3.0	Do.
116	780308	do	Dickinson		377	26		94.0	6.0	Wednesday.
253	780426	do	Russo		382	9	1	98.0	2.0	Do.
281	780504	do	do		360	13	1	97.0	3.0	Thursday.
319	780516	do	Steiger		348	12		96.0	4.0	Tuesday.
301	780511	do	Symms		377	15		96.0	4.0	Thursday.
380	780531	do	Symms		318	14	1	96.0	4.0	Wednesday.
421	780607	do	Wydler		331	15	3	96.0	4.0	Do.
322	780516	Concur in Senate amendment 37 with amendment.	Rousselot	H.R. 9005	199	183	1	52.0	48.0	Tuesday.
327	780517	Concur in Senate amendment to House amendment.	Bauman	S. Con. Res. 80	201	198		50.4	49.6	Wednesday.
115	780308	Dispense further call of House	do		372	34		92.0	8.0	Do.

See note at end of table.

ROLLCALL VOTES (JAN. 19, 1978, THROUGH JUNE 30, 1978) LISTED ALPHABETICALLY—ACCORDING TO VOTE DESCRIPTION—Continued

Roll	Date	Type of vote	Requester	Bill	Yea	Nay	Present	Percent Yea	Percent Nay	Day
139	780314	Dispense further call of House	Michel		331	72	1	82.0	18.0	Tuesday.
223	780413	Motion to close conference	Moffett	H.R. 5289	6	371		2.0	98.0	Thursday.
56	780209	Motion to instruct conferees	Davis	H.R. 7843	321	19		94.0	6.0	Do.
154	780315	Motion to limit debate	Bauman	H.R. 50	237	170	1	58.0	42.0	Wednesday.
243	780420	do	Downey	H.R. 8494	158	215		42.0	58.0	Thursday.
500	780628	Ordering a second	Annunzio	H.R. 11886	378	1		100.0		Wednesday.
501	780628	do	do	H.R. 11888	379	2		99.0	1.0	Do.
502	780628	do	do	H.R. 12841	379	3		99.0	1.0	Do.
503	780628	do	do	H.R. 12589	384	3		99.0	1.0	Do.
504	789628	do	do	H.R. 12874	376	5		99.0	1.0	Do.
144	78031	do	Bauman	H.R. 810	387	2	2	99.0	1.0	Tuesday.
143	780314	do	do	S. 1671	380	20	1	95.0	5.0	Do.
316	780515	do	do	H.R. 4030	334	16		95.0	5.0	Monday.
189	780404	do	do	H.R. 11003	239	147		62.0	38.0	Tuesday.
145	780314	do	Edwards (Oklahoma)	H.R. 2028	388	3		99.0	1.0	Do.
166	780320	do	Perkins	H.R. 11274	156	218	1	42.0	58.0	Monday.
131	780313	do	Symms	H.R. 6635	372	1		100.0		Do.
118	780308	Ordering the previous question	Bolling	H. Res. 1057	371	36		91.0	9.0	Wednesday.
315	780515	Passage	Ashbrook	H.R. 11291	360	11		97.0	3.0	Monday.
19	780130	do	do	H.R. 5646	314	50		86.0	14.0	Do.
473	780619	do	Bauman	H.R. 12936	332	47		95.0	5.0	Do.
441	780612	do	do	H.R. 12933	347	25		93.0	7.0	Do.
478	780621	do	do	H.R. 12932	356	50		88.0	12.0	Wednesday.
448	780613	do	do	H.R. 12929	338	61		85.0	15.0	Tuesday.
485	780622	do	do	H.R. 13125	326	59		85.0	15.0	Thursday.
3	780119	do	do	H.R. 2329	292	59	1	83.0	17.0	Do.
372	780524	do	do	H.R. 10929	319	67		83.0	17.0	Wednesday.
517	780629	do	do	H.R. 8099	292	80		78.0	22.0	Thursday.
35	780202	do	do	H.R. 1614	291	91		76.0	24.0	Do.
459	780614	do	do	H.R. 12935	279	90		76.0	24.0	Wednesday.
250	780425	do	do	H.R. 11877	297	102		74.0	26.0	Tuesday.
77	780223	do	do	H.R. 9214	267	125		68.0	32.0	Thursday.
390	780531	do	Bauman	H.R. 12598	240	124		66.0	34.0	Wednesday.
257	780426	do	do	H.R. 8494	259	140		65.0	35.0	Do.
129	780310	do	Blouin	H.R. 10982	318	0		100.0		Friday.
254	780426	do	Broomfield	H.R. 11832	332	74		82.0	18.0	Wednesday.
313	780515	do	do	H.R. 12222	225	148		60.0	40.0	Monday.
97	780302	do	Butler	H.J. Res. 554	289	127		69.0	31.0	Thursday.
454	780614	do	Collins	H.R. 12934	359	34		91.0	9.0	Wednesday.
329	780517	do	Conable	H.R. 12641	167	228		42.0	58.0	Do.
111	780307	do	do	H.R. 11180	165	248		40.0	60.0	Tuesday.
374	780525	do	Derwinski	S.J. Res. 137	370	0	1	100.0		Thursday.
222	780413	do	do	H.R. 11003	265	134		66.0	34.0	Do.
216	780412	do	do	H.R. 3161	241	129		65.0	35.0	Wednesday.
50	780208	do	Erlenborn	H.R. 6805	189	227	1	45.0	55.0	Do.
180	780322	do	Ford (Tennessee)	H.R. 9518	390	1		100.0		Do.
112	780307	do	Frenzel	H.J. Res. 746	353	50		88.0	12.0	Tuesday.
92	780228	do	do	H.R. 5981	306	80		79.0	21.0	Do.
289	780508	do	Giaimo	H.J. Res. 873	346	23		94.0	6.0	Monday.
198	780406	do	Hanley	H.R. 7700	384	11		97.0	3.0	Thursday.
468	780616	do	Harkin	H.R. 12927	287	13		96.0	4.0	Friday.
63	780215	do	Harsha	H.R. 9370	234	130		64.0	36.0	Wednesday.
231	780418	do	Hillis	H.R. 3787	347	48		88.0	12.0	Tuesday.
396	780601	do	Ketchum	H.R. 12050	237	158		60.0	40.0	Thursday.
172	780321	do	do	H.R. 11518	233	172		58.0	42.0	Tuesday.
300	780510	do	Latta	H. Con. Res. 559	201	197		50.5	49.5	Wedensday.
246	780424	do	Madigan	H.R. 11504	347	23	1	94.0	6.0	Monday.
362	780523	do	McCloskey	H.R. 10729	326	82		80.0	20.0	Tuesday.
377	780525	do	McDonald	H.R. 7814	288	57		83.0	17.0	Tuursday.
59	780214	do	do	H.R. 8336	273	79	1	78.0	22.0	Tuesday.
426	780607	do	Mikva	H.R. 12930	297	98		75.0	25.0	Wednesday.
18	780130	do	Mottl	H.R. 5798	318	44		88.0	12.0	Monday.
60	780214	do	Nichols	H.R. 5503	351	7		98.0	2.0	Tuesday.
486	780622	do	Ottinger	H.R. 12505	267	96	1	74.0	26.0	Thursday.
260	780427	do	Quillen	H.J. Res. 859	202	196		51.0	49.0	Do.
164	780316	do	Rhodes	H.R. 50	257	152		63.0	37.0	Do.
83	780224	do	Rousselot	H.R. 9757	257	47		84.0	16.0	Friday.
85	780224	do	do	H.R. 3377	226	68		77.0	23.0	Do.
234	780418	do	Rudd	H.R. 11400	364	37		91.0	9.0	Tuesday.
80	780223	do	Ryan	H.R. 9179	191	165	2	54.0	46.0	Thursday.
410	780605	do	Sebelius	H.R. 12250	324	29		92.0	8.0	Monday.
53	780209	do	do	H.R. 3813	328	60	1	85.0	15.0	Thursday.
211	780411	do	do	H.R. 11662	326	76		81.0	19.0	Tuesday.
412	780605	do	Snyder	H.R. 12481	292	54		84.0	16.0	Monday.
199	780406	do	St Germain	H.R. 10899	367	2	1	99.0	1.0	Thursday.
432	780608	do	Stanton	H.R. 12426	247	155		61.0	39.0	Do.
491	780623	do	Steiger	H.R. 11493	204	89		70.0	30.0	Friday.
434	780609	do	Symms	H.J. Res. 945	237	72	1	77.0	23.0	Do.
314	780515	do	do	H.R. 10392	222	152		59.0	41.0	Monday.
340	780519	do	Udall	H.R. 39	277	31		90.0	10.0	Friday.
350	780522	do	Volkmer	H.R. 12602	363	18		95.0	5.0	Monday.
326	780517	do	do	H.R. 11686	348	46		88.0	12.0	Wednesday.
259	780427	do	Walker	H.R. 11302	367	33		92.0	8.0	Thursday.
419	780606	do	Weiss	H.R. 12240	323	43	5	88.0	12.0	Tuesday
248	780425	do	do	H.R. 11401	345	54		86.0	14.0	Do.
467	780616	do	do	H.R. 12928	263	59		82.0	18.0	Friday.
177	780322	do	Wilson, C. (California)	H.J. Res. 796	393	4		99.0	1.0	Wednesday.
165	780320	Quorum	Addabbo				349			Monday.
70	780222	do	Allen				379			Wednesday.
86	780227	do	Ashbrook				320			Monday.
194	780405	do	do				370			Wednesday.
200	780410	do	do				323			Monday.
286	780508	do	do				311			Do.
332	780517	do	do				173			Wednesday.
364	780524	do	do				351			Do.
386	780531	do	do				342			Do.
14	780126	do	Bauman				360			Thursday.
51	780209	do	do				354			Do.
122	780308	do	do				265			Wednesday.
130	780313	do	do				333			Monday.
149	780315	do	do				372			Wednesday.
400	780601	do	do				298			Thursday.

See note at end of table.

ROLLCALL VOTES (JAN. 19, 1978, THROUGH JUNE 30, 1978) LISTED ALPHABETICALLY—ACCORDING TO VOTE DESCRIPTION—Continued

Roll	Date	Type of vote	Requester	Bill	Yea	Nay	Present	Percent Yea	Percent Nay	Day
106	780307	Quorum	Bolling				375			Tuesday.
114	780308	do	do				378			Wednesday.
173	780321	do	do				387			Tuesday.
98	780303	do	Brademas				305			Friday.
183	780403	do	do				328			Monday.
213	780412	do	do				401			Wednesday.
341	780522	do	Braclemas				324			Monday.
470	780619	do	Brown (Michigan)				361			Do.
310	780515	do	Burke (Massachusetts)				320			Do.
333	780518	do	Danielson				345			Thursday.
169	780320	do	Derwinski				353			Monday.
373	780525	do	Findley				338			Thursday.
487	780623	do	Foley				264			Friday.
511	780628	do	Hagedorn				353			Wednesday.
381	780531	do	Hamilton				353			Do.
378	780525	do	Kindness				259			Thursday.
261	780105	do	Leggett				302			Monday.
207	780411	do	Levitas				380			Tuesday.
75	780223	do	Mathis				358			Thursday.
306	780512	do	Moakley				286			Friday.
238	780420	do	Moffett				370			Thursday.
4	780123	do	Montgomery				343			Monday.
9	780124	do	do				370			Tuesday.
45	780208	do	do				367			Wednesday.
32	780202	do	Murphy (New York)				355			Thursday.
1	780119	do	O'Neill				338			Do.
266	780501	do	Railsback				318			Monday.
138	780314	do	Rhodes				371			Tuesday.
17	780130	do	Rousselot				326			Monday.
41	780207	do	do				347			Tuesday.
109	780307	do	do				350			Do.
268	780502	do	do				363			Do.
480	780622	do	do				326			Thursday.
352	780523	do	Schulze				349			Tuesday.
38	780206	do	Simon				332			Monday.
413	780606	do	Staggers				342			Tuesday.
331	780517	do	Studds				285			Wednesday.
427	780607	do	Symms				321			Do.
103	780306	do	Tsongas				326			Monday.
124	780309	do	Weiss				384			Thursday.
188	780404	do	Wilson, C. (California)				361			Tuesday.
436	780612	do	do				329			Monday.
460	780615	do	do				340			Thursday.
61	780215	do	do				363			Wednesday.
64	780221	do	do				351			Tuesday.
69	780222	do	do				376			Wednesday.
74	780223	do	do				366			Thursday.
89	780228	do	do				364			Tuesday.
93	780301	do	do				393			Wednesday.
217	780413	do	do				364			Thursday.
391	780601	do	do				356			Do.
228	780418	do	Wylie				365			Tuesday.
140	780314	Reading Journal in full	Bauman		99	301		25.0	75.0	Do.
72	780222	Recede and concur in Senate Admendment 43	Dornan	H.R. 9375	234	182	1	56.0	44.0	Wednesday.
135	780313	Recommit with instructions	Ashbrook	H. Res. 1010	161	216		43.0	57.0	Monday.
136	780313	do	Bauman	H. Res. 956	182	198		48.0	52.0	Do.
52	780209	do	Clausen	H.R. 3813	116	274	1	30.0	70.0	Thursday.
466	780616	do	Conte	H.R. 12928	93	228		29.0	71.0	Friday.
472	780619	do	Miller (Ohio)	H.R. 12936	156	222		41.0	59.0	Monday.
431	780608	do	Stanton	H.R. 12426	109	291		27.0	73.0	Thursday.
339	780519	do	Young (Alaska)	H.R. 39	67	242		22.0	78.0	Friday.
499	780628	Refer veto to post office	Annunzio	H.R. 3161	279	109		72.0	28.0	Wednesday.
481	780622	Resolving into Committee	do	H.R. 13125	369	5		99.0	1.0	Thursday.
25	780201	do	Ashbrook	H.R. 8200	405	4		99.0	1.0	Wednesday.
176	780321	do	do	H.R. 7700	364	2	1	99.0	1.0	Tuesday.
429	780608	do	do	H.R. 12426	382	3	2	99.0	1.0	Thursday.
399	780601	do	do	H.R. 12157	314	13		96.0	4.0	Do.
196	780406	do	Bauman	H.R. 7700	386	1	3	100.0		Do.
273	780503	do	do	H. Con. Res. 559	383	4	2	99.0	1.0	Wednesday.
376	780525	do	do	H.R. 7814	338	2		99.0	1.0	Thursday.
449	780614	do	do	H.R. 12935	344	2		99.0	1.0	Wednesday.
121	780308	do	Bolling	H.R. 50	364	32		92.0	8.0	Do.
469	780619	do	Crane	H.R. 12936	347	4		99.0	1.0	Monday.
95	780301	do	Dornan	H.J. Res. 554	369	15		96.0	4.0	Wednesday.
239	780420	do	Downey	H.R. 8494	369	15		96.0	4.0	Thursday.
151	780315	do	Edwards (Oklahoma)	H.R. 50	380	19	2	95.0	5.0	Wednesday.
442	780613	do	Hagedorn	H.R. 12929	383	5		99.0	1.0	Tuesday.
156	780316	do	Hawkins	H.R. 5	379	8	2	98.0	2.0	Thursday.
46	780208	do	Levitas	H.R. 6805	377	25	1	94.0	6.0	Wednesday.
258	780427	do	Montgomery	H.R. 11302	384	5		99.0	1.0	Thursday.
295	780510	do	do	H. Con. Res. 559	392	4		99.0	1.0	Wednesday.
402	780602	do	do	H.R. 12157	318	3	1	99.0	1.0	Friday.
247	780425	do	Rousselot	H.R. 11401	387	3		99.0	1.0	Tuesday.
307	780512	do	do	H.R. 12222	300	6		99.0	1.0	Friday.
514	780629	do	do	H.R. 12433	362	3	1	99.0	1.0	Thursday.
57	780214	do	do	H.R. 8336	325	7		98.0	2.0	Tuesday.
450	780614	do	do	H.R. 12934	368	6		98.0	2.0	Wednesday.
179	780322	do	Russo	H.R. 9518	376	0		100.0		Do.
337	780519	do	Schulze	H.R. 39	280	8		97.0	3.0	Friday.
96	780302	do	Symms	H.J. Res. 554	394	12		97.0	3.0	Thursday.
55	780209	do	do	H.R. 2664	337	17	1	95.0	5.0	Do.
324	780517	do	Weiss	H.R. 11686	355	4		99.0	1.0	Wednesday.
191	780405	do	Wilson, C. (California)	H.R. 7700	386	4	2	99.0	1.0	Do.
290	780509	do	do	H. Con. Res. 559	380	3		99.0	1.0	Tuesday.
464	780616	do	do	H.R. 12928	300	4		99.0	1.0	Friday.
159	780316	Strike enacting clause	Wiggins	H.R. 50	106	310		25.0	75.0	Thursday.
10	780124	Suspend rules and pass	Allen	H.R. 8811	399	1		100.0		Tuesday.
509	780628	do	Annunzio	H.R. 12589	344	54	1	86.0	14.0	Wednesday.
20	780131	do	Ashbrook	H.R. 9851	403	0	1	100.0		Tuesday.

See note at end of table.

ROLLCALL VOTES (JAN. 19, 1978, THROUGH JUNE 30, 1978) LISTED ALPHABETICALLY—ACCORDING TO VOTE DESCRIPTION—Continued

Roll	Date	Type of vote	Requester	Bill	Yea	Nay	Present	Percent Yea	Percent Nay	Day
406	780605	Suspend rules and pass	Ashbrook	H.R. 188	344	1		100.0		Monday.
344	780522	do	do	H.R. 11778	373	3		99.0	1.0	Do.
203	780410	do	do	H.R. 10882	377	8		98.0	2.0	Do.
202	780410	do	do	H.R. 10878	365	14		96.0	4.0	Do.
209	780411	do	do	H.R. 2497	368	33		92.0	8.0	Tuesday.
508	780628	do	do	H.R. 12841	386	12		70.0	30.0	Wednesday.
230	780418	do	do	S. 2452	267	127		67.0	33.0	Tuesday.
317	780515	do	Bauman	H.R. 12255	361	6		99.0	1.0	Monday.
7	780123	do	do	H.R. 9471	366	12		97.0	3.0	Do.
68	780221	do	do	H.R. 10606	356	53		87.0	13.0	Tuesday.
66	780221	do	do	H.J. Res. 649	341	65	1	84.0	16.0	Do.
42	780207	do	do	H.R. 7843	319	80	1	80.0	20.0	Do.
263	780501	do	do	H.R. 10392	219	137		62.0	38.0	Monday.
416	780606	do	Brown (Michigan)	H.R. 12668	268	103		72.0	28.0	Tuesday.
185	780403	do	Burton, P	H. Con. Res. 359	358	0		100.0		Monday.
186	780403	do	do	H.R. 6900	353	4		99.0	1.0	Do.
184	780403	do	do	H.R. 10984	351	6		98.0	2.0	Do.
187	780403	do	do	H.R. 11662	228	132		63.0	37.0	Do.
269	780502	do	Butler	H.R. 11713	375	17		96.0	4.0	Tuesday.
438	780612	do	Collins	H.R. 12441	190	188		50.3	49.7	Monday.
383	780531	do	Cunningham	H.R. 7041	369	0		100.0		Wednesday.
405	780605	do	do	H.R. 185	336	0	1	100.0		Monday.
384	780531	do	do	H.R. 212	359	4		99.0	1.0	Wednesday.
345	780522	do	do	H.R. 11779	377	7		98.0	2.0	Monday.
407	780605	do	do	H.R. 12140	338	9		97.0	3.0	Do.
358	780523	do	do	H.R. 11370	377	25		94.0	6.0	Tuesday.
353	780523	do	do	S.J. Res. 4	210	194		52.0	48.0	Do.
495	780626	do	do	S. 666	118	204		37.0	63.0	Monday.
382	780531	do	Findley	H. Res. 1194	321	46		87.0	13.0	Wednesday.
107	780307	do	Flowers	H.R. 10551	404	0	1	100.0		Tuesday.
288	780508	do	Guyer	H. Con. Res. 583	369	0		100.0		Monday.
210	780411	do	do	H.R. 11092	361	43		89.0	11.0	Tuesday.
507	780628	do	Hammerschmidt	H.R. 10173	398	5		99.0	1.0	Wednesday.
134	780313	do	Hanley	H.R. 9146	371	6		98.0	2.0	Monday.
67	780221	do	Jeffords	H.R. 10569	409	0		100.0		Tuesday.
105	780306	do	Lehman	H.J. Res. 715	348	7		98.0	2.0	Monday.
229	780418	do	Levitas	H.R. 8588	388	6		98.0	2.0	Tuesday.
11	780124	do	do	H.R. 7662	292	103		74.0	26.0	Do.
510	780628	do	McCormack	H.R. 12874	385	14		96.0	4.0	Wednesday.
318	780515	do	Mikva	H.R. 4030	218	145		60.0	40.0	Monday.
224	780417	do	Mottl	H.R. 3489	357	1		100.0		Do.
311	780515	do	do	H.R. 11209	350	0		100.0		Do.
347	780522	do	do	H.R. 12353	388	0		100.0		Do.
201	780410	do	do	H.R. 10730	380	5		99.0	1.0	Do.
343	780522	do	do	H.R. 11777	373	2		99.0	1.0	Do.
208	780411	do	do	H.R. 7101	390	14		97.0	3.0	Tuesday.
271	780502	do	do	H. Res. 1158	384	10	1	97.0	3.0	Do.
227	780417	do	do	H.R. 11465	357	13	1	96.0	4.0	Monday.
5	780123	do	do	H.R. 9165	351	22		94.0	6.0	Do.
225	780417	do	do	H.R. 10822	341	23		94.0	6.0	Do.
262	780501	do	do	H.R. 11657	326	23	1	93.0	7.0	Do.
494	780626	do	do	H.R. 10342	292	30		91.0	9.0	Do.
493	780626	do	do	H.R. 10341	283	35		89.0	11.0	Do.
226	780417	do	do	H.R. 10823	317	47		86.0	14.0	Monday.
90	780228	do	do	H.R. 9622	266	133		67.0	33.0	Tuesday.
270	780502	do	do	H.R. 8099	256	138		65.0	35.0	Do.
354	780523	do	do	H.R. 12299	201	205		49.5	50.5	Do.
206	780410	do	Myers	H.R. 11445	310	72		81.0	19.0	Monday.
65	780221	do	Myers (Pennsylvania)	H.R. 10979	274	137		67.0	33.0	Tuesday.
437	780612	do	Pease	H. Con. Res. 612	377	0		100.0		Monday.
320	780516	do	Quie	H.R. 12467	382	12		96.0	4.0	Tuesday.
36	780206	do	Rogers	H.R. 9434	253	106		70.0	30.0	Monday.
146	780314	do	Roncalio	S. 167	405	7		98.0	2.0	Tuesday.
6	780123	do	Rousselot	H.R. 8771	369	7		98.0	2.0	Monday.
204	780410	do	do	H.R. 10732	329	55	1	86.0	14.0	Do.
264	780501	do	do	H.J. Res. 816	278	77		78.0	22.0	Do.
133	780313	do	Schroeder	H.R. 10126	294	84		78.0	22.0	Do.
190	780404	do	do	H.R. 11003	207	188		52.0	48.0	Tuesday.
132	780313	do	Solarz	H.R. 7814	242	141		63.0	37.0	Monday.
357	780523	do	Steiger	H. Res. 238	407	0		100.0		Tuesday.
414	780606	do	Symms	H.R. 8394	340	28		92.0	8.0	Do.
8	780123	do	do	H.R. 9169	309	68	1	82.0	18.0	Monday.
205	780410	do	do	H.R. 10884	307	76		80.0	20.0	Do.
415	780606	do	Thone	H.R. 12637	368	0		100.0		Tuesday.
147	780314	do	Ullman	H.R. 810	372	38		90.0	10.0	Do.
346	780522	do	Volkmer	S. 2370	378	5		99.0	1.0	Monday.
356	780523	do	do	H.R. 8535	363	44		89.0	11.0	Tuesday.
355	780523	do	do	H.R. 3050	358	50		88.0	12.0	Do.
342	780522	do	do	H. Res. 1072	269	109	1	71.0	29.0	Monday.
287	780508	do	do	H.R. 12481	203	170		54.0	46.0	Do.
505	780628	do	Wylie	H.R. 11886	400	1		100.0		Wednesday.
506	780628	do	do	H.R. 11888	385	16		60.0	40.0	Do.
120	780308	Table motion to reconsider	Bolling	H.Res. 1057	368	29		93.0	7.0	Do.
142	780314	Table reconsider Journal vote	Edwards (Oklahoma)		308	91		77.0	23.0	Tuesday.
117	780308	do	Moore		313	91		77.0	23.0	Wednesday.
240	780420	Table reconsider resolving	Downey	H.R. 8494	362	26		93.0	7.0	Thursday.
321	780516	Table to concur in Senate amendment with amendment.	Bauman	H.R. 9005	190	199	1	49.0	51.0	Tuesday.
182	780322	Table to instruct conferees	Moore	H.R. 6782	224	167		60.0	40.0	Wednesday.
71	780222	Table to recede and concur in Senate amendment 43.	Lloyd (California)	H.R. 9375	172	244	1	41.0	59.0	Do.

Note: The percentage of yea-and-nay votes has been figured on the basis of the yea-and-nay votes only and does not include those voting "present."

ARE THEY REALLY NECESSARY? ALWAYS?

Why wouldn't it be enough to have a voice vote now and then? It would save a lot of time and the national interest would not be imperiled. And think of the savings in congressional time and taxpayers' money.

Through June 30, 1978, out of 517 rollcalls, 450 were on "issues" and there were 67 regular quorums. Of the 450 votes on issues, the question carried 338 with 178, or 52.7 percent of the 338, passing with a vote of 90 percent or more.

This is the list and consider the notes at the end of the table:

ROLLCALL VOTES (JAN. 19 THROUGH JUNE 30, 1978) LISTED IN ORDER OF THE PERCENTAGE OF YEA VOTES (THIS DOES NOT INCLUDE THE 67 QUORUM CALLS)

Roll	Date	Type of vote	Requester	Bill	Yea	Nay	Present	Percent Yea	Percent Nay	Day
84	780224	Agreeing to the amendment	Cunningham	H.R. 3377	293	1		100.0		Friday.
81	780224	Agreeing to the resolution	Mottl	H. Res. 1024	302	1		100.0		Do.
129	780310	Passage	Blouin	H.R. 10982	318	0		100.0		Do.
244	780424	Agreeing to the resolution	Annunzio	H. Res. 1143	332	0		100.0		Monday.
100	780303	do	Ashbrook	H. Res. 957	336	1		100.0		Friday.
405	780605	Suspend rules and pass	Cunningham	H.R. 185	336	0	1	100.0		Monday.
408	780605	Agreeing to the resolution	Mottl	H. Res. 1213	339	1		100.0		Do.
406	780605	Suspend rules and pass	Ashbrook	H.R. 188	344	1		100.0		Do.
311	780515	do	Mottl	H.R. 11209	350	0		100.0		Do.
224	780417	do	do	H.R. 3489	357	1		100.0		Do.
185	780403	do	Burton, P	H. Con. Res. 359	358	0		100.0		Do.
375	780525	Agreeing to the resolution	Ashbrook	H. Res. 1165	360	0		100.0		Thursday.
415	780606	Suspend rules and pass	Thone	H.R. 12637	368	0		100.0		Tuesday.
288	780508	do	Guyer	H. Con. Res. 583	369	0		100.0		Monday.
383	780531	do	Cunningham	H.R. 7041	369	0		100.0		Wednesday.
374	780525	Passage	Derwinski	S.J. Res. 137	370	0	1	100.0		Thursday.
131	780313	Ordering a second	Symms	H.R. 6635	372	1		100.0		Monday.
179	780322	Resolving into Committee	Russo	H.R. 9518	376	0		100.0		Wednesday.
424	780607	Agreeing to the resolution	Brown (Michigan)	H. Res. 1218	376	1		100.0		Do.
349	780522	do	Gibbons	H. Res. 1193	377	1		100.0		Monday.
437	780612	Suspend rules and pass	Pease	H. Con. Res. 612	377	0		100.0		Do.
323	780516	Agreeing to the resolution	Quillen	H. Res. 1174	378	0		100.0		Tuesday.
500	780628	Ordering a second	Annunzio	H.R. 11886	378	1		100.0		Wednesday.
196	780406	Resolving into Committee	Bauman	H.R. 7700	386	1	3	100.0		Thursday.
168	780320	Agreeing to the resolution	Lott	H. Res. 1078	387	0		100.0		Monday.
252	780425	do	Broomfield	H. Con. Res. 573	388	0		100.0		Tuesday.
347	780522	Suspend rules and pass	Mottl	H.R. 12353	388	0		100.0		Monday.
180	780322	Passage	Ford (Tennessee)	H.R. 9518	390	1		100.0		Wednesday.
218	780413	Agreeing to the resolution	Rousselot	H. Res. 1127	395	1	1	100.0		Thursday.
157	780316	Agreeing to the amendment	Jeffords	H.R. 50	398	0		100.0		Do.
170	780321	Agreeing to the resolution	Rousselot	H. Res. 1082	398	0	1	100.0		Tuesday.
302	780511	do	Broomfield	H. Con. Res. 617	398	0		100.0		Thursday.
10	780124	Suspend rules and pass	Allen	H.R. 8811	399	1		100.0		Tuesday.
113	780307	Agreeing to the resolution	Symms	H. Res. 1003	399	1		100.0		Do.
334	780518	do	Broomfield	H. Con. Res. 624	399	0		100.0		Thursday.
505	780628	Suspend rules and pass	Wylie	H.R. 11886	400	1		100.0		Wednesday.
12	780124	Agreeing to conference report	Ashbrook	S. 1585	401	0		100.0		Tuesday.
430	780608	Agreeing to the amendment	Stanton	H.R. 12426	401	0		100.0		Thursday.
20	780131	Suspend rules and pass	Ashbrook	H.R. 9851	403	0	1	100.0		Tuesday.
107	780307	do	Flowers	H.R. 10551	404	0	1	100.0		Do.
357	780523	do	Steiger	H. Res. 238	407	0		100.0		Do.
67	780221	do	Jeffords	H.R. 10569	409	0		100.0		Do.
307	780512	Resolving into Committee	Rousselot	H.R. 12222	300	6		99.0	1.0	Friday.
464	780616	do	Wilson, C. (California)	H.R. 12928	300	4		99.0	1.0	Do.
496	780626	Agreeing to the resolution	Rousselot	H. Res. 1243	311	2		99.0	1.0	Monday.
402	780602	Resolving into Committee	Montgomery	H.R. 12157	318	3	1	99.0	1.0	Friday.
376	780525	do	Bauman	H.R. 7814	338	2		99.0	1.0	Thursday.
411	780605	Agreeing to the resolution	Frenzel	H. Res. 1191	344	2		99.0	1.0	Monday.
449	780614	Resolving into Committee	Bauman	H.R. 12935	344	2		99.0	1.0	Wednesday.
469	780619	do	Crane	H.R. 12936	347	4		99.0	1.0	Monday.
88	780227	Agreeing to the resolution	Ashbrook	H. Con. Res. 471	350	4		99.0	1.0	Do.
186	780403	Suspend rules and pass	Burton, P	H.R. 6900	353	4		99.0	1.0	Do.
324	780517	Resolving into Committee	Weiss	H.R. 11686	355	4		99.0	1.0	Wednesday.
384	780531	Suspend rules and pass	Cunningham	H.R. 212	359	4		99.0	1.0	Do.
317	780515	do	Bauman	H.R. 12255	361	6		99.0	1.0	Monday.
514	780629	Resolving into Committee	Rousselot	H.R. 12433	362	3	1	99.0	1.0	Thursday
176	780321	do	Ashbrook	H.R. 7700	364	2	1	99.0	1.0	Tuesday.
397	780601	Agreeing to the resolution	Rousselot	H. Res. 1168	364	4		99.0	1.0	Thursday.
199	780406	Passage	St Germain	H.R. 10899	367	2	1	99.0	1.0	Do.
481	780622	Resolving into Committee	Annunzio	H.R. 13125	369	5		99.0	1.0	Do.
343	780522	Suspend rules and pass	Mottl	H.R. 11777	373	2		99.0	1.0	Monday.
344	780522	do	Ashbrook	H.R. 11778	373	3		99.0	1.0	Do.
215	780412	Agreeing to the resolution	Quillen	H. Res. 1067	374	5		99.0	1.0	Wednesday.
504	780628	Ordering a second	Annunzio	H.R. 12874	376	5		99.0	1.0	Do.
346	780522	Suspend rules and pass	Volkmer	S. 2370	378	5		99.0	1.0	Monday.
501	780628	Ordering a second	Annunzio	H.R. 11888	379	2		99.0	1.0	Wednesday.
502	780628	do	do	H.R. 12841	379	3		99.0	1.0	Do.
201	780410	Suspend rules and pass	Mottl	H.R. 10730	380	5		99.0	1.0	Monday.
290	780509	Resolving into Committee	Wilson, C. (California)	H. Con. Res. 559	380	3		99.0	1.0	Tuesday.
429	780608	do	Ashbrook	H.R. 12426	382	3	2	99.0	1.0	Thursday.
273	780503	do	Bauman	H. Con. Res. 559	383	4	2	99.0	1.0	Wednesday.
442	780613	do	Hagedorn	H.R. 12929	383	5		99.0	1.0	Tuesday.
258	780427	do	Montgomery	H.R. 11302	384	5		99.0	1.0	Thursday.
503	780628	Ordering a second	Annunzio	H.R. 12589	384	3		99.0	1.0	Wednesday.
191	780405	Resolving into Committee	Wilson, C. (California)	H.R. 7700	386	4	2	99.0	1.0	Do.
144	780315	Ordering a second	Bauman	H.R. 810	387	2	2	99.0	1.0	Tuesday.
247	780425	Resolving into Committee	Rousselot	H.R. 11401	387	3		99.0	1.0	Do.
145	780314	Ordering a second	Edwards (Oklahoma)	H.R. 2028	388	3		99.0	1.0	Do.
175	780321	Agreeing to conference report	Allen	H.R. 5383	391	6		99.0	1.0	Do.
295	780510	Resolving into Committee	Montgomery	H. Con. Res. 559	392	4		99.0	1.0	Wednesday.
177	780322	Passage	Wilson, C. (California)	H.J. Res. 796	393	4		99.0	1.0	Do.
507	780628	Suspend rules and pass	Hammerschmidt	H.R. 10173	398	5		99.0	1.0	Do.
25	780201	Resolving into Committee	Ashbrook	H.R. 8200	405	4		99.0	1.0	Do.
153	780315	Agreeing to the amendments	Baucus	H.R. 50	411	3		99.0	1.0	Do.
492	780623	Agreeing to the resolution	Davis	H. Res 1214	282	5		98.0	2.0	Friday.
82	780224	do	Ashbrook	H. Res. 1030	295	6		98.0	2.0	Do.
57	780214	Resolving into Committee	Rousselot	H.R. 8336	325	7		98.0	2.0	Tuesday.
105	780306	Suspend rules and pass	Lehman	H.J. Res. 715	348	7		98.0	2.0	Monday.
60	780214	Passage	Nichols	H.R. 5503	351	7		98.0	2.0	Tuesday.
184	780403	Suspend rules and pass	Burton, P	H.R. 10984	351	6		98.0	2.0	Monday.
450	780614	Resolving into Committee	Rousselot	H.R. 12934	368	6		98.0	2.0	Wednesday.
6	780123	Suspend rules and pass	do	H.R. 8771	369	7		98.0	2.0	Monday.
134	780313	do	Hanley	H.R. 9146	371	6		98.0	2.0	Do.
203	780410	do	Ashbrook	H.R. 10882	377	8		98.0	2.0	Do.
345	780522	do	Cunningham	H.R. 11779	377	7		98.0	2.0	Do.
156	780316	Resolving into Committee	Hawkins	H.R. 50	379	8	2	98.0	2.0	Thursday.
253	780426	Approving the Journal	Russo		382	9	1	98.0	2.0	Wednesday.
229	780418	Suspend rules and pass	Levitas	H.R. 8588	388	6		98.0	2.0	Tuesday.
146	780314	do	Roncalio	S. 1671	405	7		98.0	2.0	Do.
337	780519	Resolving into Committee	Schulze	H.R. 39	280	8		97.0	3.0	Friday.
498	780628	Approving the Journal	Bauman		326	11	2	97.0	3.0	Wednesday.
104	780306	do	Ashbrook		331	11	2	97.0	3.0	Monday.
407	780605	Suspend rules and pass	Cunningham	H.R. 12140	338	9		97.0	3.0	Do.

See note at end of table.

ROLLCALL VOTES (JAN. 19 THROUGH JUNE 30, 1978) LISTED IN ORDER OF THE PERCENTAGE OF YEA VOTES (THIS DOES NOT INCLUDE THE 67 QUORUM CALLS)—Continued

Roll	Date	Type of vote	Requester	Bill	Yea	Nay	Present	Percent Yea	Percent NAY	Day
513	780629	Approving the Journal	Broomfield		338	11	4	97.0	3.0	Thursday.
281	780504	do	Russo		360	13	1	97.0	3.0	Do.
315	780515	Passage	Ashbrook	H.R. 11291	360	11		97.0	3.0	Monday.
385	780531	Agreeing to the resolution	Annunzio	H. Res. 1204	363	10		97.0	3.0	Wednesday.
7	780123	Suspend rules and pass	Bauman	H.R. 9471	366	12		97.0	3.0	Monday.
167	780320	Agreeing to the resolution	Derwinski	H. Res. 996	367	13		97.0	3.0	Do.
198	780406	Passage	Hanley	H.R. 7700	384	11		97.0	3.0	Thursday.
271	780502	Suspend rules and pass	Mottl	H. Res. 1158	384	10	1	97.0	3.0	Tuesday.
208	780411	do	do	H.R. 7101	390	14		97.0	3.0	Do.
96	780302	Resolving into Committee	Symms	H.J. Res. 554	394	12		97.0	3.0	Thursday.
468	780616	Passage	Harkin	H.R. 12917	278	13		96.0	4.0	Friday.
399	780601	Resolving into Committee	Ashbrook	H.R. 12157	314	13		96.0	4.0	Thursday.
380	780531	Approving the Journal	Symms		318	14	1	96.0	4.0	Wednesday.
102	780303	Agreeing to the amendment	Ashbrook	H. Res. 1012	321	13		96.0	4.0	Friday.
421	780607	Approving the Journal	Wydler		331	15	3	96.0	4.0	Wednesday.
398	780601	Agreeing to the resolution	Bauman	H. Res. 1208	339	13		96.0	4.0	Thursday.
319	780516	Approving the Journal	Steiger		348	12		96.0	4.0	Tuesday.
227	780417	Suspend rules and pass	Mottl	H.R. 11465	357	13	1	96.0	4.0	Monday.
202	780410	do	Ashbrook	H.R. 10878	365	14		96.0	4.0	Do.
272	780502	Agreeing to the resolution	Stokes	H. Res. 1159	367	16	2	96.0	4.0	Tuesday.
95	780301	Resolving into committee	Dornan	H.J. Res. 554	369	15		96.0	4.0	Wednesday.
239	780420	do	Downey	H.R. 8494	369	15		96.0	4.0	Thursday.
269	780502	Suspend rules and pass	Butler	H.R. 11713	375	17		96.0	4.0	Tuesday.
301	780511	Approving the Journal	Symms		377	15		96.0	4.0	Thursday.
235	780419	Agreeing to the resolution	do	H. Res. 1139	379	15		96.0	4.0	Wednesday.
320	780516	Suspend rules and pass	Quie	H.R. 12467	382	12		96.0	4.0	Tuesday.
510	780628	do	McCormack	H.R. 12874	385	14		96.0	4.0	Wednesday.
73	780222	Agreeing to the resolution	Mathis	H. Res. 990	386	15	1	96.0	4.0	Do.
123	780309	Approving the journal	Ashbrook		386	15	5	96.0	4.0	Thursday.
150	780315	do	do		387	15		96.0	4.0	Wednesday.
497	780626	Agreeing to the resolution	Devine	H. Res. 1235	303	16		95.0	5.0	Monday.
435	780609	do	Russo	H. Res. 1219	309	16		95.0	5.0	Friday.
101	780303	do	Holland	H. Res. 953	318	15		95.0	5.0	Do.
473	780619	Passage	Bauman	H.R. 12936	332	47		95.0	5.0	Monday.
316	780515	Ordering a second	do	H.R. 4030	334	16		95.0	5.0	Do.
55	780209	Resolving into Committee	Symms	H.R. 2664	337	17	1	95.0	5.0	Thursday.
350	780522	Passage	Volkmer	H.R. 12602	363	18		95.0	5.0	Monday.
29	780202	Approving the Journal	Brademas		368	21		95.0	5.0	Thursday.
143	780314	Ordering a second	Bauman	S. 1671	380	20	1	95.0	5.0	Tuesday.
151	780315	Resolving into Committee	Edwards (Oklahoma)	H.R. 50	380	19	2	95.0	5.0	Wednesday.
94	780301	Agreeing to the resolution	Edwards (California)	H. Res. 1048	386	21		95.0	5.0	Do.
99	780303	Approving the Journal	Bauman		304	20		94.0	6.0	Friday.
265	780501	Agreeing to the resolution	Kindness	H. Res. 1150	320	20		94.0	6.0	Monday.
56	780209	Motion to instruct conferees	Davis	H.R. 7843	321	19		94.0	6.0	Thursday.
420	780606	Agreeing to the resolution	Bauman	H. Res. 1206	339	21		94.0	6.0	Tuesday.
225	780417	Suspend rules and pass	Mottl	H.R. 10822	341	23		94.0	6.0	Monday.
289	780508	Passage	Giaimo	H.J. Res. 873	346	23		94.0	6.0	Do.
246	780424	do	Madigan	H.R. 11504	347	23	1	94.0	6.0	Do.
422	780607	Agreeing to the resolution	Symms	H. Con. Res. 561	349	24		94.0	6.0	Wednesday.
5	780123	Suspend rules and pass	Mottl	H.R. 9165	351	22		94.0	6.0	Monday.
479	780621	Agreeing to the resolution	Rousselot	H. Res. 1212	375	25		94.0	6.0	Wednesday.
46	780208	Resolving into committee	Levitas	H.R. 6805	377	25	1	94.0	6.0	Do.
116	780308	Approving the Journal	Dickinson		377	26		94.0	6.0	Do.
358	780523	Suspend rules and pass	Cunningham	H.R. 11370	277	25		94.0	6.0	Tuesday.
87	780227	Agreeing to the resolution	Bauman	H. Con. Res. 464	321	24		93.0	7.0	Monday.
262	780501	Suspend rules and pass	Mottl	H.R. 11657	326	23	1	93.0	7.0	Do.
441	780612	Passage	Bauman	H.R. 12933	347	25		93.0	7.0	Do.
474	780621	Agreeing to the resolution	Montgomery	H. Res. 1230	353	27	2	93.0	7.0	Wednesday.
240	780420	Table reconsider resolving	Downey	H.R. 8494	362	26		93.0	7.0	Thursday.
120	780308	Table motion to reconsider	Bolling	H. Res. 1057	368	29		93.0	7.0	Wednesday.
141	780314	Approving the Journal	Ashbrook		371	29		93.0	7.0	Tuesday.
410	780605	Passage	Sebelius	H.R. 12250	324	29		92.0	8.0	Monday.
414	780606	Suspend rules and pass	Symms	H.R. 8394	340	28		92.0	8.0	Tuesday.
278	780503	Agreeing to the amendment	Bauman	H. Con. Res. 559	362	33		92.0	8.0	Wednesday.
121	780308	Resolving into Committee	Bolling	H.R. 50	364	32		92.0	8.0	Do.
178	780322	Agreeing to the resolution	Russo	H. Res. 1074	365	33		92.0	8.0	Do.
259	780427	Passage	Walker	H.R. 11302	367	33		92.0	8.0	Thursday.
209	780411	Suspend rules and pass	Ashbrook	H.R. 2497	368	33		92.0	8.0	Tuesday.
115	780308	Dispense further call of House	Bauman		272	34		92.0	8.0	Wednesday.
494	780626	Suspend rules and pass	Mottl	H.R. 10342	292	30		91.0	9.0	Monday.
454	780614	Passage	Collins	H.R. 12934	359	34		91.0	9.0	Wednesday.
234	780418	do	Rudd	H.R. 11400	364	37		91.0	9.0	Tuesday.
118	780308	Ordering the previous question	Bolling	H. Res. 1057	371	36		91.0	9.0	Wednesday.
340	780519	Passage	Udall	H.R. 39	277	31		90.0	10.0	Friday.
147	780314	Suspend rules and pass	Ullman	H.R. 810	272	38		90.0	10.0	Tuesday.
493	780626	do	Mottl	H.R. 10341	383	35		89.0	11.0	Monday.
37	780206	Agreeing to the resolution	McDonald	H. Res. 982	323	41	1	89.0	11.0	Do.
330	780517	do	Lott	H. Res. 1186	354	42		89.0	11.0	Wednesday.
210	780411	Suspend rules and pass	Guyer	H.R. 11092	361	43		89.0	11.0	Tuesday.
356	780523	do	Volkmer	H.R. 8535	363	44		89.0	11.0	Do.
18	780130	Passage	Mottl	H.R. 5798	318	44		88.0	12.0	Monday.
419	780606	do	Weiss	H.R. 12240	323	43	5	88.0	12.0	Tuesday.
54	780209	Agreeing to conference report	Ketchum	H.R. 3454	333	44		88.0	12.0	Thursday.
231	780418	Passage	Hillis	H.R. 3787	347	48		88.0	12.0	Tuesday.
326	780517	do	Volkmer	H.R. 11686	348	46		88.0	12.0	Wednesday.
112	780307	do	Frenzel	H.J. Res. 746	353	50		88.0	12.0	Tuesday.
478	780621	do	Bauman	H.R. 12932	356	50		88.0	12.0	Wednesday.
355	780523	Suspend rules and pass	Volkmer	H.R. 3050	358	50		88.0	12.0	Tuesday.
382	780531	do	Findley	H. Res 1194	321	46		87.0	13.0	Wednesday.
417	780606	Agreeing to the resolution	Quillen	H. Res. 1205	322	48		87.0	13.0	Tuesday.
423	780607	do	McDonald	S. Con. Res. 89	329	50		87.0	13.0	Wednesday.
68	780221	Suspend rules and pass	Buaman	H.R. 10606	356	53		87.0	13.0	Tuesday.
19	780130	Passage	Ashbrook	H.R. 5656	314	50		86.0	14.0	Monday.
226	780417	Suspend rules and pass	Mottl	H.R. 10832	317	47		86.0	14.0	Do.
204	780410	do	Rousselot	H.R. 10732	329	55	1	86.0	14.0	Do.
509	780628	do	Annunzio	H.R. 12589	344	54	1	86.0	14.0	Wednesday.
248	780425	Passage	Weiss	H.R. 11401	345	54		86.0	14.0	Tuesday.
119	780308	Agreeing to the resolution	Lott	H. Res. 1057	349	58		86.0	14.0	Wednesday.
485	780622	Passage	Bauman	H.R. 13125	326	59		85.0	15.0	Thursday.
53	780209	do	Sebelius	H.R. 3813	328	60	1	85.0	15.0	Do.
448	780613	do	Bauman	H.R. 12929	338	61		85.0	15.0	Tuesday.
83	780224	do	Rousselot	H.R. 9757	257	47		84.0	16.0	Friday.
412	780605	do	Snyder	H.R. 12481	292	54		84.0	16.0	Monday.
148	780314	Agreeing to conference report	Burton, P.	H.R. 3813	317	60	1	84.0	16.0	Tuesday.

See note at end of table.

ROLLCALL VOTES (JAN. 19 THROUGH JUNE 30, 1978) LISTED IN ORDER OF THE PERCENTAGE OF YEA VOTES (THIS DOES NOT INCLUDE THE 67 QUORUM CALLS)—Continued

Roll	Date	Type of vote	Requester	Bill	Yea	Nay	Present	Percent Yea	Percent Nay	Day
181	780322	Agreeing to a conference	Yates	H.R. 6782	332	63		84.0	16.0	Wednesday.
66	780221	Suspend rules and pass	Bauman	H.J. Res. 649	341	65	1	84.0	16.0	Tuesday.
377	780525	Passage	McDonald	H.R. 7814	288	57		83.0	17.0	Thursday.
3	780119	do	Bauman	H.R. 2329	292	59	1	83.0	17.0	Do.
372	780524	do	do	H.R. 10929	319	67		83.0	17.0	Wednesday.
467	780616	do	Weiss	H.R. 12938	263	59		82.0	18.0	Friday.
8	780123	Suspend rules and pass	Symms	H.R. 9169	309	68	1	82.0	18.0	Monday.
363	780523	Agreeing to the resolution	Ashbrook	H. Res. 1188	330	71		82.0	18.0	Tuesday.
139	780314	Dispense further call of House	Michel		331	72	1	82.0	18.0	Do.
254	780426	Passage	Broomfield	H.R. 11832	332	74		82.0	18.0	Wednesday.
206	780410	Suspend rules and pass	Myers	H.R. 11445	310	72		81.0	19.0	Monday.
211	780411	Passage	Sebelius	H.R. 11662	326	76		81.0	19.0	Tuesday.
21	780131	Agreeing to the amendment	Bauman	H.R. 1614	328	77		81.0	19.0	Do.
205	780410	Suspend rules and pass	Symms	H.R. 10884	307	76		80.0	20.0	Monday.
171	780321	Agreeing to the resolution	Thone	H. Res. 1092	314	80		80.0	20.0	Tuesday.
42	780207	Suspend rules and pass	Bauman	H.R. 7843	319	80	1	80.0	20.0	Do.
328	780517	Agreeing to the resolution	Rousselot	H. Res. 1176	320	77		80.0	20.0	Wednesday.
362	780523	Passage	McCloskey	H.R. 10729	326	82		80.0	20.0	Tuesday.
40	780206	Agreeing to the amendment	Krebs	H.R. 6362	295	78		79.0	21.0	Monday.
92	780228	Passage	Frenzel	H.R. 5981	306	80		79.0	21.0	Tuesday.
461	780615	Agreeing to the resolution	Dingell	H. Res. 1236	317	82		79.0	21.0	Thursday.
59	780214	Passage	McDonald	H.R. 8336	273	79	1	78.0	22.0	Tuesday.
264	780501	Suspend rules and pass	Rousselot	H.J. Res. 816	278	77		78.0	22.0	Monday.
517	780629	Passage	Bauman	H.R. 8099	292	80		78.0	22.0	Thursday.
133	780313	Suspend rules and pass	Schroeder	H.R. 10126	294	84		78.0	22.0	Monday.
85	780224	Passage	Rousselot	H.R. 3377	226	68		77.0	23.0	Friday.
434	780609	do	Symms	H.J. Res. 945	237	72	1	77.0	23.0	Do.
433	780608	Agreeing to the amendment	Michel	H.R. 12929	290	87		77.0	23.0	Thursday.
142	780314	Table reconsider Journal vote	Edwards (Oklahoma)		308	91		77.0	23.0	Tuesday.
117	780308	do	Moore		313	91		77.0	23.0	Wednesday.
459	780614	Passage	Bauman	H.R. 12935	279	90		76.0	24.0	Do.
35	780202	do	do	H.R. 1614	291	91		76.0	24.0	Thursday.
392	780601	Agreeing to the resolution	Lott	H. Res. 1178	294	97		75.0	25.0	Do.
426	780607	Passage	Mikva	H.R. 12930	297	98		75.0	25.0	Wednesday.
486	780622	do	Ottinger	H.R. 12505	267	96	1	74.0	26.0	Thursday.
11	780124	Suspend rules and pass	Levitas	H.R. 7662	292	103		74.0	26.0	Tuesday.
250	780425	Passage	Bauman	H.R. 11877	297	102		74.0	26.0	Do.
416	780606	Suspend rules and pass	Brown (Michigan)	H.R. 12668	268	103		72.0	28.0	Do.
499	780628	Refer veto to Post Office	Annunzio	H.R. 3161	279	109		72.0	28.0	Wednesday.
193	780405	Agreeing to the amendment	Hughes	H.R. 7700	292	112		72.0	28.0	Do.
342	780522	Suspend rules and pass	Volkmer	H. Res. 1072	269	109	1	71.0	29.0	Monday.
108	780307	Agreeing to the resolution	Thone	H. Res. 1056	285	115		71.0	29.0	Tuesday.
491	780623	Passage	Steiger	H.R. 11493	204	89		70.0	30.0	Friday.
36	780206	Suspend rules and pass	Rogers	H.R. 9434	253	106		70.0	30.0	Monday.
62	780215	Agreeing to conference report	Erlenborn	H.R. 4544	264	113	1	70.0	30.0	Wednesday.
33	780202	Agreeing to the amendments	Murphy (New York)	H.R. 1614	279	120		70.0	30.0	Thursday.
508	780628	Suspend rules and pass	Ashbrook	H.R. 12841	386	12		70.0	30.0	Wednesday.
483	780622	Agreeing to the amendment	Wright	H.R. 13125	273	125	1	69.0	31.0	Thursday.
97	780302	Passage	Butler	H.J. Res. 554	289	127		69.0	31.0	Do.
77	780223	do	Bauman	H.R. 9214	267	125		68.0	32.0	Do.
110	780307	Agreeing to the amendment	Gibbons	H.R. 11180	227	132		68.0	32.0	Tuesday.
453	780614	do	Moorhead	H.R. 12934	264	131		67.0	33.0	Wednesday.
90	780228	Suspend rules and pass	Mottl	H.R. 622	266	133		67.0	33.0	Tuesday.
230	780418	do	Ashbrook	S. 2452	267	127		67.0	33.0	Do.
65	780221	do	Myers (Pennsylvania)	H.R. 10979	274	137		67.0	33.0	Do.
390	780531	Passage	Bauman	H.R. 12598	240	124		66.0	34.0	Wednesday.
222	780413	do	Derwinski	H.R. 11003	265	134		66.0	34.0	Thursday.
367	780524	Agreeing to the amendment	Schroeder	H.R. 10929	266	136		66.0	34.0	Wednesday.
43	780207	Agreeing to the resolution	Meeds	H. Res. 872	271	138		66.0	34.0	Tuesday.
125	780309	Agreeing to the amendments	Sarasin	H.R. 50	277	143		66.0	34.0	Thursday.
216	780412	Passage	Derwinski	H.R. 3161	241	129		65.0	35.0	Wednesday.
242	780420	Agreeing to the amendment	Railsback	H.R. 8494	251	135		65.0	35.0	Thursday.
270	780502	Suspend rules and pass	Mottl	H.R. 8099	256	138		65.0	35.0	Tuesday.
257	780426	Passage	Bauman	H.R. 8494	259	140		65.0	35.0	Wednesday.
63	780215	do	Harsha	H.R. 9370	234	130		64.0	36.0	Do.
387	780531	Agreeing to the amendment	Ashbrook	H.R. 12598	237	135		64.0	36.0	Do.
515	780629	do	Brown (Michigan)	H.R. 12433	244	140		64.0	36.0	Thursday.
76	780223	do	Mathis	H.R. 9214	253	141		64.0	36.0	Do.
128	780309	do	Quie	H.R. 50	264	150		64.0	36.0	Do.
267	780501	do	Railsback	H.R. 9400	227	132		63.0	37.0	Monday.
285	780504	do	Flowers	H. Con. Res. 559	227	136	1	63.0	37.0	Thursday.
187	780403	Suspend rules and pass	Burton, P	H.R. 11662	228	132		63.0	37.0	Monday.
132	780313	do	Solarz	H.R. 7814	242	141		63.0	37.0	Do.
164	780316	Passage	Rhodes	H.R. 50	257	152		63.0	37.0	Thursday.
161	780316	Agreeing to the amendment	Bolling	H.R. 50	259	153		63.0	37.0	Do.
379	780525	do	Kindness	H.R. 9400	178	109		62.0	38.0	Do.
2	780119	do	Weiss	H.R. 2329	215	131		62.0	38.0	Do.
263	780501	Suspend rules and pass	Bauman	H.R. 10392	219	137		62.0	38.0	Monday.
439	780612	Agreeing to the amendment	McFall	H.R. 12933	237	143	1	62.0	38.0	Do.
189	780404	Ordering a second	Bauman	H.R. 11003	239	147		62.0	38.0	Tuesday.
282	780504	Agreeing to the resolution	Anderson (Illinois)	H. Res. 1162	241	148		62.0	38.0	Thursday.
457	780614	Agreeing to the amendment	do	H.R. 12935	235	150		61.0	39.0	Wednesday.
13	780125	Agreeing to the resolution	Lott	H. Res. 964	247	158		61.0	39.0	Do.
432	780608	Passage	Stanton	H.R. 12426	247	155		61.0	39.0	Thursday.
409	780605	Agreeing to the amendment	Burton, P	H.R. 12250	213	141		60.0	40.0	Monday.
318	780515	Suspend rules and pass	Mikva	H.R. 4030	218	145		60.0	40.0	Do.
182	780322	Table to instruct conferees	Moore	H.R. 6782	224	167		60.0	40.0	Wednesday.
313	780515	Passage	Broomfield	H.R. 12222	225	148		60.0	40.0	Monday.
396	780601	do	Ketchum	H.R. 12050	237	158		60.0	40.0	Thursday.
27	780201	Agreeing to the amendment	Dodd	H.R. 1614	241	162		60.0	40.0	Wednesday.
451	780614	do	Beard	H.R. 12934	241	158	1	60.0	40.0	Do.
237	780419	do	Jordan	H.R. 8494	245	161		60.0	40.0	Do.
506	780628	Suspend rules and pass	Wylie	H.R. 11888	385	16		60.0	40.0	Do.
314	780515	Passage	Symms	H.R. 10392	222	152		59.0	41.0	Monday.
404	780602	Agreeing to the amendment	Vanik	H.R. 12157	179	138		58.0	42.0	Friday.
292	780509	do	Hansen	H. Con. Res. 559	231	170		58.0	42.0	Tuesday.
172	780321	Passage	Ketchum	H.R. 11518	233	172		58.0	42.0	Do.
154	780315	Motion to limit debate	Bauman	H.R. 50	237	170	1	58.0	42.0	Wednesday.
458	780614	Agreeing to the amendment	Armstrong	H.R. 12935	214	159		57.0	43.0	Do.
455	780614	do	Conte	H.R. 12935	220	168		57.0	43.0	Do.
445	780613	do	Walker	H.R. 12929	232	177		57.0	43.0	Tuesday.
127	780309	do	Jeffords	H.R. 50	239	177		57.0	43.0	Thursday.

See note at end of table.

ROLLCALL VOTES (JAN. 19 THROUGH JUNE 30, 1978) LISTED IN ORDER OF THE PERCENTAGE OF YEA VOTES (THIS DOES NOT INCLUDE THE 67 QUORUM CALLS)—Continued

Roll	Date	Type of vote	Requester	Bill	Yea	Nay	Present	Percent Yea	Percent Nay	Day
28	780201	Agreeing to the amendment	Fish	H.R. 1614	225	174		56.0	44.0	Wednesday.
72	780222	Recede and concur in Senate Amendment 43	Dornan	H.R. 9375	234	182	1	56.0	44.0	Do.
388	780531	Agreeing to the amendment	Bauman	H.R. 12598	202	164		55.0	45.0	Do.
389	780531	do	Hansen	H.R. 12598	203	163		55.0	45.0	Do.
348	780522	Agreeing to the resolution	Schulze	H. Con. Res 555	209	173		55.0	45.0	Monday.
446	780613	Agreeing to the amendment	Miller (Ohio)	H.R. 12929	220	181		55.0	45.0	Tuesday.
80	780223	Passage	Ryan	H.R. 9179	191	165	2	54.0	46.0	Thursday.
287	780508	Suspend rules and pass	Volkmer	H.R. 12481	203	170		54.0	46.0	Monday.
137	780313	Agreeing to the resolution	Derwinski	H. Res. 956	204	175		54.0	46.0	Do.
283	780504	Agreeing to conference report	Findley	H.R. 6782	212	182		54.0	46.0	Thursday.
212	780411	do	Ryan	H.R. 9179	216	185	1	54.0	46.0	Tuesday.
24	780131	Agreeing to the amendment	Emery	H.R. 1614	219	188		54.0	46.0	Do.
79	780223	do	Moore	H.R. 9179	191	167		53.0	47.0	Thursday.
284	780504	do	Luken	H. Con. Res. 559	199	173	1	53.0	47.0	Do.
312	780515	do	Bauman	H.R. 12222	200	172		53.0	47.0	Monday.
428	780607	do	Symms	H.R. 12929	201	179		53.0	47.0	Wednesday.
322	780516	Concur in Senate Amendment 37 with amendment.	Rousselot	H.R. 9005	199	183	1	52.0	48.0	Tuesday.
197	780406	Agreeing to the amendment	Corcoran	H.R. 7700	203	189		52.0	48.0	Thursday.
190	780404	Suspend rules and pass	Schroeder	H.R. 11003	207	188		52.0	48.0	Tuesday.
256	780426	Agreeing to the amendment	Kindness	H.R. 8494	207	188		52.0	48.0	Wednesday.
22	780131	do	Wiggins	H.R. 1614	208	194		52.0	48.0	Tuesday.
393	780601	do	Frenzel	H.R. 12050	209	194		52.0	48.0	Thursday.
353	780523	Suspend rules and pass	Cunningham	S. J. Res. 4	210	194		52.0	48.0	Tuesday.
338	780519	Agreeing to the amendment	Udall	H.R. 39	157	150	1	51.0	49.0	Friday.
291	780509	do	Ashbrook	H. Con. Res. 559	198	189		51.0	49.0	Tuesday.
260	780427	Passage	Quillen	H.J. Res. 859	202	196		51.0	49.0	Thursday.
300	780510	do	Latta	H. Con. Res. 559	201	197		50.5	49.5	Wednesday.
327	780517	Concur in Senate amendment to House amendment.	Bauman	S. Con. Res. 80	201	198		50.4	49.6	Do.
438	780612	Suspend rules and pass	Collins	H.R. 12441	190	188		50.3	49.7	Monday.
305	780511	Agreeing to the amendment	Lagomarsino	H.R. 12222	187	187		50.0	50.0	Thursday.
294	780509	do	Brown (Michigan)	H. Con. Res. 559	196	196		50.0	50.0	Tuesday.
452	780614	do	Smith (Iowa)	H.R. 12934	200	203		49.6	50.4	Wednesday.
354	780523	Suspend rules and pass	Mottl	H.R. 12299	201	205		49.5	50.5	Tuesday.
321	780516	Table to concur in Senate amendment with amendment.	Bauman	H.R. 9005	190	199	1	49.0	51.0	Do.
482	780622	Agreeing to the amendment	Rousselot	H.R. 13125	194	201		49.0	51.0	Thursday.
293	780509	do	Fisher	H. Con. Res. 559	195	203		49.0	51.0	Tuesday.
23	780131	do	Fish	H.R. 1614	196	207		49.0	51.0	Do.
274	780503	do	Holt	H. Con. Res. 559	197	203		49.0	51.0	Wednesday.
174	780321	Agreeing to the resolution	Quillen	H. Res. 1093	198	209		49.0	51.0	Tuesday.
158	780316	Agreeing to the amendment	Pike	H.R. 50	199	204		49.0	51.0	Thursday.
31	780202	do	Murphy (New York)	H.R. 1614	201	208		49.0	51.0	Do.
152	780315	Agreeing to the amendments	Ashbrook	H.R. 50	205	215		49.0	51.0	Wednesday.
309	780512	Agreeing to the amendment	do	H.R. 12222	148	155		48.0	52.0	Friday.
440	780612	do	Eckhardt	H.R. 12933	180	194	1	48.0	52.0	Monday.
136	780313	Recommit with instructions	Bauman	H. Res. 956	182	198		48.0	52.0	Do.
484	780622	Agreeing to the amendment	Miller (Ohio)	H.R. 13125	189	201		48.0	52.0	Thursday.
299	780510	do	Giaimo	H. Con. Res. 559	192	205		48.0	52.0	Wednesday.
236	780419	do	Danielson	H.R. 8494	195	212		48.0	52.0	Do.
162	780316	do	Bauman	H.R. 50	196	216		48.0	52.0	Thursday.
255	780426	Agreeing to the amendments	Kindness	H.R. 8494	197	211		48.0	52.0	Wednesday.
444	780613	Agreeing to the amendment	Obey	H.R. 12929	198	212		48.0	52.0	Tuesday.
477	780621	do	Miller (Ohio)	H.R. 12932	198	211		48.0	52.0	Wednesday.
15	780126	do	Yates	H.R. 1614	187	211		47.0	53.0	Thursday.
155	780315	Agreeing to the amendments	Quie	H.R. 50	194	216		47.0	53.0	Wednesday.
47	780208	Agreeing to the amendment	Levitas	H.R. 6805	195	219		47.0	53.0	Do.
126	780309	Agreeing to the amendments	Jeffords	H.R. 50	198	223		47.0	53.0	Thursday.
219	780413	Agreeing to the amendment	Bauman	H.R. 11003	180	215		46.0	54.0	Do.
303	780511	do	Solarz	H.R. 12222	183	212		46.0	54.0	Do.
447	780613	do	Symms	H.R. 12929	184	216		46.0	54.0	Tuesday.
475	780621	do	Moffett	H.R. 12932	190	221		46.0	54.0	Wednesday.
401	780601	do	Kelly	H.R. 12157	157	190		45.0	55.0	Thursday.
78	780223	do	Crane	H.R. 9179	166	199		45.0	55.0	Do.
280	780503	do	Mattox	H. Con. Res. 559	172	210		45.0	55.0	Wednesday.
471	780619	Agreeing to the amendments	Brown (Michigan)	H.R. 12936	173	211		45.0	55.0	Monday.
195	780405	Agreeing to the amendment	Ashbrook	H.R. 7700	180	218		45.0	55.0	Wednesday.
361	780523	do	McCloskey	H.R. 10729	180	218		45.0	55.0	Tuesday.
50	780208	Passage	Erlenborn	H.R. 6805	189	227	1	45.0	55.0	Wednesday.
512	780628	Agreeing to the amendment	Hagedorn	H.R. 12433	173	218		44.0	56.0	Do.
135	780313	Recommit with instructions	Ashbrook	H. Res. 1010	161	216		43.0	57.0	Monday.
359	780523	Agreeing to the amendment	McCloskey	H.R. 10729	168	227		43.0	57.0	Tuesday.
249	780425	do	Young (Florida)	H.R. 11877	169	228		43.0	57.0	Do.
298	780510	do	Rousselot	H. Con. Res. 559	170	226	1	43.0	57.0	Wednesday.
233	780418	do	Ashbrook	H.R. 11400	174	229		43.0	57.0	Tuesday.
166	780320	Ordering a second	Perkins	H.R. 11274	156	218	1	42.0	58.0	Monday.
243	780420	Motion to limit debate	Downey	H.R. 8494	158	215		42.0	58.0	Thursday.
329	780517	Passage	Conable	H.R. 12641	167	228		42.0	58.0	Wednesday.
220	780413	Agreeing to the amendment	Gilman	H.R. 11003	171	232		42.0	58.0	Thursday.
245	780424	do	Madigan	H.R. 11504	151	215	1	41.0	59.0	Monday.
472	780619	Recommit with instructions	Miller (Ohio)	H.R. 12936	156	222		41.0	59.0	Do.
34	780202	Agreeing to the amendment	Treen	H.R. 1614	159	230		41.0	59.0	Thursday.
277	780503	do	Conable	H. Con. Res. 559	163	239		41.0	59.0	Wednesday.
71	780222	Table to R. & C. n Senate amendment 43	Lloyd (California)	H.R. 9375	172	244	1	41.0	59.0	Do.
490	780623	Agreeing to the amendment	Carney	H.R. 11493	121	178		40.0	60.0	Friday.
308	780512	do	Johnson (Colorado)	H.R. 12222	126	189		40.0	60.0	Do.
111	780307	Passage	Conable	H.R. 11180	165	248		40.0	60.0	Tuesday.
489	780623	Agreeing to the amendment	Blouin	H.R. 11493	119	186		39.0	61.0	Friday.
395	780601	do	Mikva	H.R. 12050	155	239		39.0	61.0	Thursday.
463	780615	Agreeing to the amendments	Edgar	H.R. 12928	142	234	1	38.0	62.0	Do.
16	780126	Agreeing to the amendment	Fish	H.R. 1614	143	229		38.0	62.0	Do.
495	780626	Suspend rules and pass	Cunningham	S. 666	118	204		37.0	63.0	Monday.
304	780511	Agreeing to he amendment	Hagedorn	H.R. 12222	141	236		37.0	63.0	Thursday.
370	780524	do	Downey	H.R. 10929	145	246		37.0	63.0	Wednesday.
39	780206	do	Krebs	H.R. 6362	136	239		36.0	64.0	Monday.
335	780518	do	Udall	H.R. 39	141	251		36.0	64.0	Thursday.
371	780524	do	Stratton	H.R. 10929	142	247		36.0	64.0	Wednesday.
26	780201	Agreeing to the amendments	Danielson	H.R. 8200	146	262		36.0	64.0	Do.
91	780228	Agreeing to conference report	Eckhardt	H.R. 3816	146	255		36.0	64.0	Tuesday.
296	780510	Agreeing to the amendment	Caputo	H. Con. Res. 559	146	254		36.0	64.0	Wednesday.
192	780405	do	Hanley	H.R. 7700	147	257		36.0	64.0	Do.
214	780412	Agreeing to conference report	Volkmer	H.R. 6782	150	268	1	36.0	64.0	Do.
403	780602	Agreeing to the amendment	Ashbrook	H.R. 12157	116	219		35.0	65.0	Friday.

See note at end of table.

ROLLCALL VOTES (JAN. 19, 1978, THROUGH JUNE 30, 1978) LISTED ALPHABETICALLY—BY MEMBER REQUESTING THE ROLLCALL—Continued

Roll	Date	Type of vote	Requester	Bill	Yea	Nay	Present	Percent Yea	Percent Nay	Day
456	780614	Agreeing to the amendment	Anderson (Illinois)	H.R. 12935	133	249		35.0	65.0	Wednesday.
368	780524	do	Aspin	H.R. 10929	139	264	2	35.0	65.0	Do.
275	780503	do	Stratton	H. Con. Res. 559	142	262		35.0	65.0	Do.
394	780601	do	Carney	H.R. 12050	142	261		35.0	56.0	Thursday.
58	780214	do	Sebelius	H.R. 8336	119	230		34.0	66.0	Tuesday.
351	780522	do	McCloskey	H.R. 10729	126	241		34.0	66.0	Monday.
336	780518	do	Udall	H.R. 39	119	240		33.0	67.0	Thursday.
163	780316	do	Quie	H.R. 50	137	276		33.0	67.0	Do.
48	780208	do	Quayle	H.R. 6805	138	274		33.0	67.0	Wednesday.
279	780503	do	Fraser	H. Con. Res. 559	123	265		32.0	68.0	Do.
488	780623	do	Steiger	H.R. 11493	93	207		31.0	69.0	Friday.
476	780621	do	Moffett	H.R. 12932	126	282		31.0	69.0	Wednesday.
52	780209	Recommit with instructions	Clausen	H.R. 3813	116	274	1	30.0	70.0	Thursday.
30	780202	Agreeing to the amendment	Murphy (New York)	H.R. 1614	118	280		30.0	70.0	Do.
443	780613	do	Stokes	H.R. 12929	122	287		30.0	70.0	Tuesday.
466	780616	Recommit with instructions	Conte	H.R. 12928	93	228		29.0	71.0	Friday
462	780615	Agreeing to the amendments	Ottinger	H.R. 12928	108	284		28.0	72.0	Thursday.
232	780418	Agreeing to the amendment	Breaux	H.R. 11400	111	291		28.0	72.0	Tuesday.
360	780523	do	McCloskey	H.R. 10729	111	289	1	28.0	72.0	Do.
160	780316	do	Ashbrook	H.R. 50	114	296		28.0	72.0	Thursday.
366	780524	do	Carr	H.R. 10929	115	287		28.0	72.0	Wednesday.
369	780524	do	do	H.R. 10929	106	293		27.0	73.0	Do.
431	780608	Recommit with instructions	Stanton	H.R. 12429	109	291		27.0	73.0	Thursday.
365	780524	Agreeing to the amendment	Schroeder	H.R. 10929	107	297		26.0	74.0	Wednesday.
516	780629	do	Russo	H.R. 12433	93	285		25.0	75.0	Thursday.
140	780314	Reading Journal in full	Bauman		99	301		25.0	75.0	Tuesday.
49	780208	Agreeing to the amendment	Erlenborn	H.R. 6805	105	309		25.0	75.0	Wednesday.
159	780316	Strike enacting clause	Wiggins	H.R. 50	106	310		25.0	75.0	Thursday.
276	780503	Agreeing to the amendment	Mitchell (Maryland)	H. Con. Res. 559	98	313		24.0	76.0	Wednesday.
325	780517	do	Weiss	H.R. 11686	90	306		23.0	77.0	Do.
44	780207	do	Brooks	H.R. 6805	93	313		23.0	77.0	Tuesday.
339	780519	Recommit with instructions	Young (Alaska)	H.R. 39	67	242		22.0	78.0	Friday.
465	780616	Agreeing to the amendment	Weiss	H.R. 12928	67	259		21.0	79.0	Do.
221	780413	do	Symms	H.R. 11003	85	320		21.0	79.0	Thursday.
425	780607	do	Volkmer	H.R. 12930	80	314		20.0	80.0	Wednesday.
418	780606	do	Weiss	H.R. 12240	60	312		16.0	84.0	Tuesday.
241	780420	do	Pressler	H.R. 8494	44	350		11.0	89.0	Thursday.
297	780510	do	Jacobs	H. Con. Res. 559	45	352		11.0	89.0	Wednesday.
251	780425	Agreeing to the resolution	Horton	H. Res. 1049	39	356		10.0	90.0	Tuesday.
223	780413	Motion to close conference	Moffett	H.R. 5289	6	371		2.0	98.0	Thursday.

Note: The percentage of yea-and-nay votes has been figured on the basis of the yea-and-nay votes only and does not include those voting "present."

Percent voting yea	Number of rollcalls	Total rollcalls	Aggregate percent of rollcalls	Percent voting yea	Number of rollcalls	Total rollcalls	Aggregate percent of rollcalls
100	42	42	9.3	94	13	157	34.9
99	42	84	18.7	93	7	164	36.4
98	15	99	22.0	92	8	172	38.2
97	14	113	15.1	91	4	176	39.1
96	20	133	29.6	90	2	178	39.6
95	11	144	32.0				

There were 450 recorded votes (yeas and nays) plus 67 regular quorum calls, making a total of 517 rollcalls from January 19, 1978, through June 30, 1978. Of those 450 recorded votes, the question carried on 338, and was defeated 112 times. The chart above shows that 178 recorded votes carried by a percentage of yea votes of 90 percent or more. In other words, 39.6 percent of all recorded votes carried by 90 percent or more, and, of those votes where the question carried, 178, or 52.7 percent, were passed by a vote of 90 percent or better. Those 178 rollcalls cost 59 hours, 20 minutes, which is 11.5 percent of the total time spent in session by the House in 1978 through June.

LIMITING ROLLCALLS WOULD BE CONTROVERSIAL

My study makes it apparent that some Members apparently consider rollcalls to be more important than do others.

Some Members have requested a large number of rollcalls while others have requested none at all. Some Members are referring to the rash of rollcalls as being a "form of tyranny." I have heard one Member describe them as "the largest permanent floating filibuster in parliamentary history." Others consider them the building blocks of democracy. Everyone should be consulted before we make any changes.

Be that as it may, it is interesting to note that some Members regard rollcalls as more necessary than others, as is shown from the following:

ROLLCALL VOTES (JAN. 19, 1978, THROUGH JUNE 30, 1978) LISTED ALPHABETICALLY—BY MEMBER REQUESTING THE ROLLCALL

Roll	Date	Type of vote	Requester	Bill	Yea	Nay	Present	Percent Yea	Percent Nay	Day
165	780320	Quorum	Addabbo				349			Monday.
175	780321	Agreeing to conference report	Allen	H.R. 5383	391	6		99.0	1.0	Tuesday.
70	780222	Quorum	do				379			Wednesday.
10	780124	Suspend rules and pass	do	H.R. 8811	399	1		100.0		Tuesday.
457	780614	Agreeing to the amendment	Anderson (Illinois)	H.R. 12935	235	150		61.0	39.0	Wednesday.
456	780614	do	do	H.R. 12935	133	249		35.0	65.0	Do.
282	780504	Agreeing to the resolution	do	H. Res. 1162	241	148		62.0	38.0	Thursday.
244	780424	do	Annunzio	H. Res. 1143	332	0		100.0		Monday.
385	780531	do	do	H. Res. 1204	363	10		97.0	3.0	Wednesday.
500	780628	Ordering a second	do	H.R. 11886	378	1		100.0		Do.
501	780628	do	do	H.R. 11888	379	2		99.0	1.0	Do.
502	780628	do	do	H.R. 12841	379	3		99.0	1.0	Do.
503	780628	do	do	H.R. 12589	384	3		99.0	1.0	Do.
504	780628	do	do	H.R. 12874	376	5		99.0	1.0	Do.
499	780628	Refer veto to post office	do	H.R. 3161	279	109		72.0	28.0	Do.
481	780622	Resolving into committee	do	H.R. 13125	369	5		99.0	1.0	Thursday.

See note at end of table.

ROLLCALL VOTES (JAN. 19, 1978, THROUGH JUNE 30, 1978) LISTED ALPHABETICALLY—BY MEMBER REQUESTING THE ROLLCALL—Continued

Roll	Date	Type of vote	Requester	Bill	Yea	Nay	Present	Percent Yea	Percent Nay	Day
509	780628	Suspend rules and pass	Annunzio	H.R. 12589	344	54	1	86.0	14.0	Wednesday.
458	780614	Agreeing to the amendment	Armstrong	H.R. 12935	214	159		57.0	43.0	Do.
12	780124	Agreeing to conference report	Ashbrook	S. 1585	401	0		100.0		Tuesday.
102	780303	Agreeing to the amendment	do	H. Res. 1012	321	13		96.0	4.0	Friday.
387	780531	do	do	H.R. 12598	237	135		64.0	36.0	Wednesday.
291	780509	do	do	H. Con. Res. 559	198	189		51.0	49.0	Tuesday.
309	780512	do	do	H.R. 12222	148	155		48.0	52.0	Friday.
195	780405	do	do	H.R. 7700	180	218		45.0	55.0	Wednesday.
233	780418	do	do	H.R. 11400	174	229		43.0	57.0	Tuesday.
403	780602	do	do	H.R. 12157	116	219		35.0	65.0	Friday.
160	780316	do	do	H.R. 50	114	296		28.0	72.0	Thursday.
152	780315	Agreeing to the amendments	do	H.R. 50	205	215		49.0	51.0	Wednesday.
100	780303	Agreeing to the resolution	do	H. Res. 957	336	1		100.0		Friday.
375	780525	do	do	H. Res. 1165	360	0		100.0		Thursday.
88	780227	do	do	H. Con .Res. 471	350	4		99.0	1.0	Monday.
82	780224	do	do	H. Res. 1030	295	6		98.0	2.0	Friday.
363	780523	do	do	H. Res. 1188	330	71		82.0	18.0	Tuesday.
104	780306	Approving the Journal	do		331	11	2	97.0	3.0	Monday.
123	780309	do	do		386	15	5	96.0	4.0	Thursday.
150	780315	do	do		387	15		96.0	4.0	Wednesday.
141	780314	do	do		371	29		93.0	7.0	Tuesday.
315	780515	Passage	do	H.R. 11291	360	11		97.0	3.0	Monday.
19	780130	do	do	H.R. 5646	314	50		86.0	14.0	Do.
86	780227	Quorum	do				320			Do.
194	780405	do	do				370			Wednesday.
200	780410	do	do				323			Monday.
286	780508	do	do				311			Do.
332	780517	do	do				173			Wednesday.
364	780524	do	do				351			Do.
386	780531	d	do				342			Do.
135	780313	Recommit with instructions	do	H. Res. 1010	161	216		43.0	57.0	Monday.
25	780201	Resolving into Committee	do	H.R. 8200	405	4		99.0	1.0	Wednesday.
176	780321	do	do	H.R. 7700	364	2	1	99.0	1.0	Tuesday.
429	780608	do	do	H.R. 12426	382	3	2	99.0	1.0	Thursday.
399	780601	do	do	H.R. 12157	314	13		96.0	4.0	Do.
20	780131	Suspend rules and pass	do	H.R. 9851	403	0	1	100.0		Tuesday.
406	780605	do	do	H.R. 188	344	1		100.0		Monday.
344	780522	do	do	H.R. 11778	373	3		99.0	1.0	Do.
203	780410	do	do	H.R. 10882	377	8		98.0	2.0	Do.
202	780410	do	do	H.R. 10878	365	14		96.0	4.0	Do.
209	780411	do	do	H.R. 2497	368	33		92.0	8.0	Tuesday.
508	780628	do	do	H.R. 12841	386	12		70.0	30.0	Wednesday.
230	780418	do	do	S. 2452	267	127		67.0	33.0	Tuesday.
368	780524	Agreeing to the amendment	Aspin	H.R. 10929	139	264	2	35.0	65.0	Wednesday.
153	780315	Agreeing to the amendments	Baucus	H.R. 50	411	3		99.0	1.0	Do.
278	780503	Agreeing to the amendment	Bauman	H. Con. Res. 559	362	33		92.0	8.0	Do.
21	780131	do	do	H.R. 1614	328	77		81.0	19.0	Tuesday.
388	780531	do	do	H.R. 12598	202	164		55.0	45.0	Wednesday.
312	780515	do	do	H.R. 12222	200	172		53.0	47.0	Monday.
162	780316	do	do	H.R. 50	196	216		48.0	52.0	Thursday.
219	780413	do	do	H.R. 11003	180	215		46.0	54.0	Do.
398	780601	Agreeing to the resolution	do	H. Res. 1208	339	13		96.0	4.0	Do.
420	780606	do	do	H. Res. 1206	339	21		94.0	6.0	Tuesday.
87	780227	do	do	H. Con. Res. 464	321	24		93.0	7.0	Monday.
498	780628	Approving the Journal	do		326	11	2	97.0	3.0	Wednesday.
99	780303	do	do		304	20		94.0	6.0	Friday.
327	780517	Concur in Senate amendment to House amendment.	do	S. Con. Res. 80	201	198		50.4	49.6	Wednesday.
115	780308	Dispense further call of House	do		372	34		92.0	8.0	Do.
154	780315	Motion to limit debate	do	H.R. 50	237	170	1	58.0	42.0	Do.
144	78031	Ordering a second	do	H.R. 810	387	2	2	99.0	1.0	Tuesday.
143	780314	do	do	S. 1671	380	20	1	95.0	5.0	Do.
316	780515	do	do	H.R. 4030	334	16		95.0	5.0	Monday.
189	780404	do	do	H.R. 11003	239	147		62.0	38.0	Tuesday
473	780619	Passage	do	H.R. 12936	332	47		95.0	5.0	Monday.
441	780612	do	do	H.R. 12933	347	25		93.0	7.0	Do.
478	780621	do	do	H.R. 12932	356	50		88.0	12.0	Wednesday.
448	780613	do	do	H.R. 12929	338	61		85.0	15.0	Tuesday.
485	780622	do	do	H.R. 13125	326	59		85.0	15.0	Thursday.
3	780119	do	do	H.R. 2329	292	59	1	83.0	17.0	Do.
372	780524	do	do	H.R. 10929	319	67		83.0	17.0	Wednesday.
517	780629	do	do	H.R. 8099	292	80		78.0	22.0	Thursday.
35	780202	do	do	H.R. 1614	291	91		76.0	24.0	Do.
459	780614	do	do	H.R. 12935	279	90		76.0	24.0	Wednesday.
250	780425	do	do	H.R. 11877	297	102		74.0	26.0	Tuesday.
77	780223	do	do	H.R. 9214	267	125		68.0	32.0	Thursday.
390	780531	do	do	H.R. 12598	240	124		66.0	34.0	Wednesday.
257	780426	do	do	H.R. 8494	259	140		65.0	35.0	Do.
14	780126	Quorum	do				360			Thursday.
51	780209	do	do				354			Do.
122	780308	do	do				265			Wednesday.
130	780313	do	do				333			Monday.
149	780315	do	do				372			Wednesday.
400	780601	do	do				298			Thursday.
140	780314	Reading Journal in full	do		99	301		25.0	75.0	Tuesday.
136	780313	Recommit with instructions	do	H. Res. 956	182	189		48.0	52.0	Monday.
196	780406	Resolving into Committee	do	H.R. 7700	386	1	3	100.0		Thursday.
273	780503	do	do	H. Con. Res. 559	383	4	2	99.0	1.0	Wednesday.
376	780525	do	do	H.R. 7814	338	2		99.0	1.0	Thursday.
449	780614	do	do	H.R. 12935	334	2		99.0	1.0	Wednesday.
317	780515	Suspend rules and pass	do	H.R. 12255	361	6		99.0	1.0	Monday.
7	780123	do	do	H.R. 9471	366	12		97.0	3.0	Do.
68	780221	do	do	H.R. 10606	356	53		87.0	13.0	Tuesday.
66	780221	do	do	H.J. Res. 649	341	65	1	84.0	16.0	Do.
42	780207	do	do	H.R. 7843	319	80	1	80.0	20.0	Do.
263	780501	do	do	H.R. 10392	219	137		62.0	38.0	Monday.
321	780516	Table to concur in Senate amendment with admendment.	do	H.R. 9005	190	199	1	49.0	51.0	Tuesday.
451	780614	Agreeing to the amendment	Beard	H.R. 12934	241	158	1	60.0	40.0	Wednesday.
489	780623	do	Blouin	H.R. 11493	119	186		39.0	61.0	Friday.
129	780310	Passage	do	H.R. 10982	318	0		100.0		Do.
161	780316	Agreeing to the amendment	Bolling	H.R. 50	259	153		63.0	37.0	Thursday.
118	780308	Ordering the previous question	do	H. Res. 1057	371	36		91.0	9.0	Wednesday

See note at end of table.

ROLLCALL VCTES (JAN. 19, 1978, THROUGH JUNE 30, 1978) LISTED ALPHABETICALLY—BY MEMBER REQUESTING THE ROLLCALL—Continued

Roll	Date	Type of vote	Requester	Bill	Yea	Nay	Present	Percent Yea	Percent Nay	Day
106	780307	Quorum	Bolling				375			Tuesday.
114	780308	do	do				378			Wednesday.
173	780321	do	do				387			Tuesday.
121	780308	Resolving into Committee	do	H.R. 50	364	32		92.0	8.0	Wednesday.
120	780308	Table motion to reconsider	do	H. Res. 1057	368	29		93.0	7.0	Do.
29	780202	Approving the Journal	Brademas		368	21		95.0	5.0	Thursday.
98	780303	Quorum	do				305			Friday.
183	780403	do	do				328			Monday.
232	780418	Agreeing to the amendment	Breaux	H.R. 11400	111	291		28.0	72.0	Tuesday.
44	780207	do	Brooks	H.R. 6805	93	313		23.0	77.0	Do.
252	780425	Agreeing to the resolution	Broomfield	H. Con. Res. 573	388	0		100.0		Do.
302	780511	do	do	H. Con. Res. 617	398	0		100.0		Thursday.
334	780518	do	do	H. Con. Res. 624	399	0		100.0		Do.
513	780629	Approving the Journal	do		338	11	4	97.0	3.0	Do.
254	780426	Passage	do	H.R. 11832	332	74		82.0	18.0	Wednesday.
313	780515	do	do	H.R. 12222	225	148		60.0	40.0	Monday.
213	780412	Quorum	do				401			Wednesday.
341	780522	do	do				324			Monday.
515	780629	Agreeing to the amendment	Brown (Michigan)	H.R. 12433	244	140		64.0	36.0	Thursday.
294	780509	do	do	H. Con. Res. 559	196	196		50.0	50.0	Tuesday.
471	780619	Agreeing to the amendments	do	H.R. 12936	173	211		45.0	55.0	Monday.
424	780607	Agreeing to the resolution	do	H. Res. 1218	376	1		100.0		Wednesday.
470	780619	Quorum	do				361			Monday.
416	780606	Suspend rules and pass	do	H.R. 12668	268	103		72.0	28.0	Tuesday.
310	780515	Quorum	Burke (Massachusetts)				320			Monday.
148	780314	Agreeing to conference report	Burton, P	H.R. 3813	317	60	1	94.0	16.0	Tuesday.
409	780605	Agreeing to the amendment	do	H.R. 12250	213	141		60.0	40.0	Monday.
185	780403	Suspend rules and pass	do	H. Con. Res. 359	358	0		100.0		Do.
186	780403	do	do	H.R. 6900	353	4		99.0	1.0	Do.
184	780403	do	do	H.R. 10984	351	6		98.0	2.0	Do.
187	780403	do	do	H.R. 11662	228	132		63.0	37.0	Do.
97	780302	Passage	Butler	H.J. Res. 554	289	127		69.0	31.0	Thursday.
269	780502	Suspend rules and pass	do	H.R. 11713	375	17		96.0	4.0	Tuesday.
296	780510	Agreeing to the amendment	Caputo	H. Con. Res. 559	146	254		36.0	64.0	Wednesday.
490	780623	do	Carney	H.R. 11493	121	178		40.0	60.0	Friday.
394	780601	do	do	H.R. 12050	142	261		35.0	65.0	Thursday.
366	780524	do	Cqrr	H.R. 10929	115	287		28.0	72.0	Wednesday.
369	780524	do	do	H.R. 10929	106	293		27.0	73.0	Do.
52	780209	Recommit with instructions	Clausen	H.R. 3813	116	274	1	30.0	70.0	Thursday.
454	780614	Passage	Collins	H.R. 12934	359	34		91.0	9.0	Wednesday.
438	780612	Suspend rules and pass	do	H.R 12441	190	188		50.3	49.7	Monday.
277	780503	Agreeing to the amendment	Conable	H. Con. Res. 559	163	239		41.0	59.0	Wednesday.
329	780517	Passage	do	H.R. 12641	167	228		42.0	58.0	Do.
111	780307	do	do	H.R. 11180	165	248		40.0	60.0	Tuesday.
455	780614	Agreeing to the amendment	Conte	H.R. 12935	220	168		57.0	43.0	Wednesday.
466	780616	Recommit with nstructions	do	H.R. 12928	93	228		29.0	71.0	Friday.
197	780406	Agreeing to the amendment	Corcoran	H.R. 7700	203	189		52.0	48.0	Thursday.
78	780223	do	Crane	H.R. 9179	166	199		45.0	55.0	Do.
469	780619	Resolving into Committee	do	H.R. 12936	347	4		99.0	1.0	Monday.
84	780224	Agreeing to the amendment	Cunningham	H.R. 3377	293	1		100.0		Friday.
383	780531	Suspend rules and pass	do	H.R. 7041	369	0		100.0		Wednesday.
405	780605	do	do	H.R. 185	336	0	1	100.0		Monday.
384	780531	do	do	H.R. 212	359	4		99.0	1.0	Wednesday.
345	780522	do	do	H.R. 11779	377	7		98.0	2.0	Monday.
407	780605	do	do	H.R. 12140	338	9		97.0	3.0	Do.
358	780523	do	do	H.R. 11370	377	25		94.0	6.0	Tuesday.
353	780523	do	do	S.J. Res. 4	210	194		52.0	48.0	Do.
495	780626	do	do	S. 666	118	204		37.0	63.0	Monday.
236	780419	Agreeing to the amendment	Danielson	H.R. 8494	195	212		48.0	52.0	Wednesday.
26	780201	Agreeing to the amendments	do	H.R. 8200	146	262		36.0	64.0	Do.
333	780518	Quorum	do				345			Thursday.
492	780623	Agreeing to the resolution	Davis	H. Res. 1214	282	5		98.0	2.0	Friday
56	780209	Motion to instruct conferees	do	H.R. 7843	321	19		94.0	6.0	Thursday.
167	780320	Agreeing to the resolution	Derwinski	H. Res. 996	367	13		97.0	3.0	Monday.
137	780313	do	do	H. Res. 956	204	175		54.0	46.0	Do.
374	780525	Passage	do	S.J. Res. 137	370	0	1	100.0		Thursday.
222	780413	do	do	H.R. 11003	265	134		66.0	34.0	Do.
216	780412	do	do	H.R. 3161	241	129		65.0	35.0	Wednesday.
169	780320	Quorum	do				353			Monday.
497	780626	Agreeing to the resolution	Devine	H. Res. 1235	303	16		95.0	5.0	Do.
116	780308	Approving the Journal	Dickinson		377	26		94.0	6.0	Wednesday.
461	780615	Agreeing to the resolution	Dingell	H. Res. 1236	317	82		79.0	21.0	Thursday.
27	780201	Agreeing to the amendment	Dodd	H.R. 1614	241	162		60.0	40.0	Wednesday.
72	780222	Recede and concur in Senate amendment 43	Dornan	H.R. 9375	234	182	1	56.0	44.0	Do.
95	780301	Resolving into Committee	do	H.J. Res. 554	369	15		96.0	4.0	Do.
370	780524	Agreeing to the amendment	Downey	H.R. 10929	145	246		37.0	63.0	Do.
243	780420	Motion to limit debate	do	H.R. 8494	158	215		42.0	58.0	Thursday.
239	780420	Resolving into Committee	do	H.R. 8494	369	15		96.0	4.0	Do.
240	780420	Table reconsider resolving	do	H.R. 8494	362	26		93.0	7.0	Do.
91	780228	Agreeing to conference report	Eckhardt	H.R. 3816	146	255		36.0	64.0	Tuesday.
440	780612	Agreeing to the amendment	do	H.R. 12933	180	194	1	48.0	52.0	Monday.
463	780615	Agreeing to the amendments	Edgar	H.R. 12928	142	234	1	38.0	62.0	Thursday.
94	780301	Agreeing to the resolution	Edwards (California)	H. Res. 1048	386	21		95.0	5.0	Wednesday.
145	780314	Ordering a second	Edwards (Oklahoma)	H.R. 2028	388	3		99.0	1.0	Tuesday.
151	780315	Resolving into Committee	do	H.R. 50	380	19	2	95.0	5.0	Wednesday.
142	780314	Table reconsider journal vote	do		308	91		77.0	23.0	Tuesday.
24	780131	Agreeing to the amendment	Emery	H.R. 1614	219	188		54.0	46.0	Do.
62	780215	Agreeing to conference report	Erlenborn	H.R. 4544	264	113	1	70.0	30.0	Wednesday.
49	780208	Agreeing to the amendment	do	H.R. 6805	105	309		25.0	75.0	Do.
50	780208	Passage	do	H.R. 6805	189	227	1	45.0	55.0	Do.
283	780504	Agreeing to conference report	Findley	H.R. 6782	212	182		54.0	46.0	Thursday.
373	780525	Quorum	do				338			Do.
382	780531	Suspend rules and pass	do	H. Res. 1194	321	46		87.0	13.0	Wednesday.
28	780201	Agreeing to the amendment	Fish	H.R. 1614	225	174		56.0	44.0	Do.
23	780131	do	do	H.R. 1614	196	207		49.0	51.0	Tuesday.
16	780126	do	do	H.R. 1614	143	229		38.0	62.0	Thursday.
293	780509	do	Fisher	H. Con. Res. 559	195	203		49.0	51.0	Tuesday.
285	780504	do	Flowers	H. Con. Res. 559	227	136	1	63.0	37.0	Thursday.
107	780307	Suspend rules and pass	do	H.R. 10551	404	0	1	100.0		Tuesday.
487	780623	Quorum	Foley				264			Friday.
180	780322	Passage	Ford (Tennessee)	H.R. 9518	390	1		100.0		Wednesday.
279	780503	Agreeing to the amendment	Fraser	H. Con. Res. 559	123	265		32.0	68.0	Do.
393	780601	do	Frenzel	H.R. 12050	209	194		52.0	48.0	Thursday.
411	780605	Agreeing to the resolution	do	H. Res. 1191	344	2		99.0	1.0	Monday.
112	780307	Passage	do	H.J. Res. 746	353	50		88.0	12.0	Tuesday.

See note at end of table.

ROLLCALL VOTES (JAN. 19, 1978, THROUGH JUNE 30, 1978) LISTED ALPHABETICALLY—BY MEMBER REQUESTING THE ROLLCALL—Continued

Roll	Date	Type of vote	Requester	Bill	Yea	Nay	Present	Percent Yea	Percent Nay	Day
92	780228	Passage	Frenzel	H.R. 5981	306	80		79.0	21.0	Tuesday.
299	780510	Agreeing to the amendment	Giaimo	H. Con. Res. 559	192	205		48.0	52.0	Wednesday.
289	780508	Passage	do	H.J. Res. 873	346	23		94.0	6.0	Monday.
110	780307	Agreeing to the amendment	Gibbons	H.R. 11180	277	132		68.0	32.0	Tuesday.
349	780522	Agreeing to the resolution	do	H. Res. 1193	377	1		100.0		Monday.
220	780413	Agreeing to the amendment	Gilman	H.R. 11003	171	232		42.0	58.0	Thursday.
288	780508	Suspend rules and pass	Guyer	H. Con. Res. 583	369	0		100.0		Monday.
210	780411	do	do	H.R. 11092	361	43		89.0	11.0	Tuesday.
512	780628	Agreeing to the amendment	Hagedorn	H.R. 12433	173	218		44.0	56.0	Wednesday.
304	780511	do	do	H.R. 12222	141	236		37.0	63.0	Thursday.
511	780628	Quorum	do				353			Wednesday.
442	780613	Resolving into committee	do	H.R. 12929	383	5		99.0	1.0	Tuesday.
381	780531	Quorum	Hamilton				333			Wednesday.
507	780628	Suspend rules and pass	Hammerschmidt	H.R. 10173	398	5		99.0	1.0	Do.
192	780405	Agreeing to the amendment	Hanley	H.R. 7700	147	257		36.0	64.0	Do.
198	780406	Passage	do	H.R. 7700	384	11		97.0	3.0	Thursday.
134	780313	Suspend rules and pass	do	H.R. 9146	371	6		98.0	2.0	Monday.
292	780509	Agreeing to the amendment	Hansen	H. Con. Res. 559	231	170		58.0	42.0	Tuesday.
389	780531	do	do	H.R. 12598	203	163		55.0	45.0	Wednesday.
468	780616	Passage	Harkin	H.R. 12927	278	13		96.0	4.0	Friday.
63	780215	do	Harsha	H.R. 9370	234	130		64.0	36.0	Wednesday.
156	780316	Resolving into committee	Hawkins	H.R. 50	379	8	2	98.0	2.0	Thursday.
231	780418	Passsge	Hillis	H.R. 3787	347	48		88.0	12.0	Tuesday.
101	780303	Agreeing to the resolution	Holland	H. Res. 953	318	15		95.0	5.0	Friday.
274	780503	Agreeing to the amendment	Holt	H. Con. Res. 559	197	203		49.0	51.0	Wednesday.
251	780425	Agreeing to the resolution	Horton	H. Res. 1049	39	356		10.0	90.0	Tuesday.
193	780405	Agreeing to the amendment	Hughes	H.R. 7700	292	112		72.0	28.0	Wednesday.
297	780510	do	Jacobs	H. Con. Res. 559	45	352		11.0	89.0	Do.
157	780316	do	Jeffords	H.R. 50	398	0		100.0		Thursday.
127	780309	do	do	H.R. 50	239	177		57.0	43.0	Do.
126	780309	Agreeing to the amendments	do	H.R. 50	198	223		47.0	53.0	Do.
67	780221	Suspend rules and pass	do	H.R. 10569	409	0		100.0		Tuesday.
308	780512	Agreeing to the amendment	Johnson (Co)	H.R. 12222	126	189		40.0	60.0	Friday.
237	780419	do	Jordan	H.R. 8494	245	161		60.0	40.0	Wednesday.
401	780601	do	Kelly	H.R. 12157	157	190		45.0	55.0	Thursday.
54	780209	Agreeing to conference report	Ketchum	H.R. 3454	333	44		88.0	12.0	Do.
396	780601	Passage	do	H.R. 12050	237	158		60.0	40.0	Do.
172	780321	do	do	H.R. 11518	233	172		58.0	42.0	Tuesday.
379	780525	Agreeing to the amendment	Kindness	H.R. 9400	178	109		62.0	38.0	Thursday.
256	780426	do	do	H.R. 8494	207	188		52.0	48.0	Wednesday.
255	780426	Agreeing to the amendments	do	H.R. 8494	197	211		48.0	52.0	Do.
265	780501	Agreeing to the resolution	do	H. Res. 1150	320	20		94.0	6.0	Monday.
378	780525	Quorum	do				259			Thursday.
40	780206	Agreeing to the amendment	Krebs	H.R. 6362	295	78		79.0	21.0	Monday.
39	780206	do	do	H.R. 6362	136	239		36.0	64.0	Do.
305	780511	do	Lagomarsino	H.R. 12222	187	187		50.0	50.0	Thursday.
300	780510	Passage	Latta	H. Con. Res. 559	201	197		50.5	49.5	Wednesday.
261	780105	Quorum	Leggett				302			Monday.
105	780306	Suspend rules and pass	Lehman	H.J. Res. 715	348	7		98.0	2.0	Do.
47	780208	Agreeing to the amendment	Levitas	H.R. 6805	195	219		47.0	53.0	Wednesday.
207	780411	Quorum	do				380			Tuesday.
46	780208	Resolving into Committee	do	H.R. 6805	377	25	1	94.0	6.0	Wednesday.
229	780418	Suspend rules and pass	do	H.R. 8588	388	6		98.0	2.0	Tuesday.
11	780124	do	do	H.R. 7662	292	103		74.0	26.0	Do.
71	780222	Table to recede and concur in Senate amendment 43.	Lloyd (California)	H.R. 9375	172	244	1	41.0	59.0	Wednesday.
168	780320	Agreeing to the resolution	Lott	H. Res. 1078	387	0		100.0		Monday.
330	780517	do	do	H. Res. 1186	354	42		89.0	11.0	Wednesday.
119	780308	do	do	H. Res. 1057	349	58		86.0	14.0	Do.
392	780601	do	do	H. Res. 1178	294	97		75.0	25.0	Thursday.
13	780125	do	do	H. Res. 964	247	158		61.0	39.0	Wednesday.
284	780504	Agreeing to the amendment	Luken	H. Con. Res. 559	199	173	1	53.0	47.0	Thursday.
245	780424	do	Madigan	H.R. 11504	151	215	1	41.0	59.0	Monday.
246	780424	Passage	do	H.R. 11504	347	23	1	94.0	6.0	Do.
76	780223	Agreeing to the amendment	Mathis	H.R. 9214	253	141		64.0	36.0	Thursday.
73	780222	Agreeing to the resolution	do	H. Res. 990	386	15	1	96.0	4.0	Wednesday.
75	780223	Quorum	do				358			Thursday.
280	780503	Agreeing to the amendment	Mattox	H. Con. Res. 559	172	210		45.0	55.0	Wednesday.
361	780523	do	McCloskey	H.R. 10729	180	218		45.0	55.0	Tuesday.
359	780523	do	do	H.R. 10729	168	227		43.0	57.0	Do.
351	780522	do	do	H.R. 10729	126	241		34.0	66.0	Monday.
360	780523	do	do	H.R. 10729	111	289	1	28.0	72.0	Tuesday.
362	780523	Passage	do	H.R. 10729	326	82		80.0	20.0	Do.
510	780628	Suspend rules and pass	McCormack	H.R. 12874	385	14		96.0	4.0	Wednesday.
37	780206	Agreeing to the resolution	McDonald	H. Res. 982	323	41	1	89.0	11.0	Monday.
423	780607	do	do	S. Con. Res. 89	329	50		87.0	13.0	Wednesday.
377	780525	Passage	do	H.R. 7814	288	57		83.0	17.0	Thursday.
59	780214	do	do	H.R. 8336	273	79	1	78.0	22.0	Tuesday.
439	780612	Agreeing to the amendment	McFall	H.R. 12933	237	143	1	62.0	38.0	Monday.
43	780207	Agreeing to the resolution	Meeds	H. Res. 872	271	138		66.0	34.0	Tuesday.
433	780608	Agreeing to the amendment	Michel	H.R. 12929	290	87		77.0	23.0	Thursday.
139	780314	Dispense further call of House	do		331	72	1	82.0	18.0	Tuesday.
395	780601	Agreeing to the amendment	Mikva	H.R. 12050	155	239		39.0	61.0	Thursday.
426	780607	Passage	do	H.R. 12930	297	98		75.0	25.0	Wednesday.
318	780515	Suspended rules and pass	do	H.R. 4030	218	145		60.0	40.0	Monday.
446	780613	Agreeing to the amendment	Miller (Ohio)	H.R. 12929	220	181		55.0	45.0	Tuesday.
477	780621	do	do	H.R. 12932	198	211		48.0	52.0	Wednesday.
484	780622	do	do	H.R. 13152	189	201		48.0	52.0	Thursday.
472	780619	Recommit with instructions	do	H.R. 12935	156	222		41.0	59.0	Monday.
276	780503	Agreeing to the amendment	Mitchell (Maryland)	H. Con. Res. 559	98	313		24.0	76.0	Wednesday.
306	780512	Quorum	Moakley				286			Friday.
475	780621	Agreeing to the amendment	Moffett	H.R. 12932	190	221		46.0	54.0	Wednesday.
476	780621	do	do	H.R. 12932	126	282		31.0	69.0	Do.
223	780413	Motion to close conference	do	H.R. 5289	6	371		2.0	98.0	Thursday.
238	780420	Quorum	do				370			Do.
474	780621	Agreeing to the resolution	Montgomery	H. Res. 1230	353	27	2	93.0	7.0	Wednesday.
4	780123	Quorum	do				343			Monday.
9	780124	do	do				370			Tuesday.
45	780208	do	do				367			Wednesday.
258	780427	Resolving into committee	do	H.R. 11302	384	5		99.0	1.0	Thursday.
295	780510	do	do	H. Con. Res. 559	392	4		99.0	1.0	Wednesday.
402	780602	do	do	H.R. 12157	318	3	1	99.0	1.0	Friday.
79	780223	Agreeing to the amendment	Moore	H.R. 9179	191	167		53.0	47.0	Thursday.

See note at end of table.

ROLLCALL VOTES (JAN. 19, 1978, THRCUGH JUNE 30, 1978) LISTED ALPHABETICALLY—BY MEMBER REQUESTING THE ROLLCALL—Continued

Roll	Date	Type of vote	Requester	Bill	Yea	Nay	Present	Percent Yea	Percent Nay	Day
117	780308	Table reconsider Journal vote	Moore		313	91		77.0	23.0	Wednesday.
182	780322	Table to instruct conferees	do	H.R. 6782	224	167		60.0	40.0	Do.
453	780614	Agreeing to the amendment	Moorhead	H.R. 12934	264	131		67.0	33.0	Do.
81	780224	Agreeing to the resolution	Mottl	H. Res. 1024	302	1		100.0		Friday.
408	708605	do	do	H. Res. 1213	339	1		100.0		Monday.
18	780130	Passage	do	H.R. 5798	318	44		88.0	12.0	Do.
224	780417	Suspend rules and pass	do	H.R. 3489	357	1		100.0		Do.
311	780515	do	do	H.R. 11209	350	0		100.0		Do.
347	780522	do	do	H.R. 12353	388	0		100.0		Do.
201	780410	do	do	H.R. 10730	380	5		99.0	1.0	Do.
343	780522	do	do	H.R. 11777	373	2		99.0	1.0	Do.
208	780411	do	do	H.R. 7101	390	14		97.0	3.0	Tuesday.
271	780502	do	do	H. Res. 1158	384	10	1	97.0	3.0	Do.
227	780417	do	do	H.R. 11465	357	13	1	96.0	4.0	Monday.
5	780123	do	do	H.R. 9165	351	22		94.0	6.0	Do.
225	780417	do	do	H.R. 10822	341	23		94.0	6.0	Do.
262	780501	do	do	H.R. 11657	326	23	1	93.0	7.0	Do.
494	780626	do	do	H.R. 10342	292	30		91.0	9.0	Do.
493	780626	do	do	H.R. 10341	283	35		89.0	11.0	Do.
226	780417	do	do	H.R. 10823	317	47		86.0	14.0	Do.
90	780228	do	do	H.R. 9622	266	133		67.0	33.0	Tuesday.
270	780502	do	do	H.R. 8099	256	138		65.0	35.0	Do.
354	780523	do	do	H.R. 12299	201	205		49.5	50.5	Do.
31	780202	Agreeing to the amendment	Murphy (New York)	H.R. 1614	201	208		49.0	51.0	Thursday.
30	780202	do	do	H.R. 1614	118	280		30.0	70.0	Do.
33	780202	Agreeing to the amendments	do	H.R. 1614	279	120		70.0	30.0	Do.
32	780202	Quorum	do				355			Do.
206	780410	Suspend rules and pass	Myers	H.R. 11445	310	72		81.0	19.0	Monday.
65	780221	do	Myers (Pennsylvania)	H.R. 1097	274	137		67.0	33.0	Tuesday.
60	780214	Passage	Nichols	H.R. 5503	351	7		98.0	2.0	Do.
444	780613	Agreeing to the amendmen	Obey	H.R. 12929	198	212		48.0	52.0	Do.
1	780119	Quorum	O'Neill				338			Thursday.
462	780615	Agreeing to the amendments	Ottinger	H.R. 12928	108	284		28.0	72.0	Do.
486	780622	Passage	do	H.R. 12505	267	96	1	74.0	26.0	Do.
437	780612	Suspend rules and pass	Pease	H. Con. Res. 612	377	0		100.0		Monday.
166	780320	Ordering a second	Perkins	H.R. 11274	156	218	1	42.0	58.0	Do.
158	780316	Agreeing to the amendment	Pike	H.R. 50	199	204		49.0	51.0	Thursday.
241	780420	do	Pressler	H.R. 8494	44	350		11.0	89.0	Do.
48	780208	do	Quayle	H.R. 6805	138	274		33.0	67.0	Wednesday.
163	780316	do	Quie	H.R. 50	137	276		33.0	67.0	Thursday.
128	780309	Agreeing to the amendments	do	H.R. 50	264	150		64.0	36.0	Do.
155	780315	do	do	H.R. 50	194	216		47.0	53.0	Wednesday.
320	780516	Suspend rules and pass	do	H.R. 12467	382	12		96.0	4.0	Tuesday.
323	780516	Agreeing to the resolution	Quillen	H. Res. 1174	378	0		100.0		Do.
215	780412	do	do	H. Res. 1047	374	5		99.0	1.0	Wednesday.
417	780606	do	do	H. Res. 1205	322	48		87.0	13.0	Tuesday.
174	780321	do	do	H. Res. 1093	198	209		49.0	51.0	Do.
260	780427	Passage	do	H.J. Res. 859	202	196		51.0	49.0	Thursday.
242	780420	Agreeing to the amendment	Railsback	H.R. 8494	251	135		65.0	35.0	Do.
267	780501	do	do	H.R. 9400	227	132		63.0	37.0	Monday.
266	780501	Quorum	do				318			Do.
164	780316	Passage	Rhodes	H.R. 50	257	152		63.0	37.0	Thursday.
138	780314	Quorum	do				371			Tuesday.
36	780206	Suspend rules and pass	Rogers	H.R. 9434	253	106		70.0	30.0	Monday.
146	780314	do	Roncalio	S. 1671	405	7		98.0	2.0	Tuesday.
482	780622	Agreeing to the amendment	Rousselot	H.R. 13125	194	201		49.0	51.0	Thursday.
298	780510	do	do	H. Con. Res. 559	170	226	1	43.0	57.0	Wednesday.
170	780321	Agreeing to the resolution	do	H. Res. 1082	398	0	1	100.0		Tuesday.
218	780413	do	do	H. Res. 1127	395	1	1	100.0		Thursday.
397	780601	do	do	H. Res. 1168	364	4		99.0	1.0	Do
496	780626	do	do	H. Res. 1243	311	2		99.0	1.0	Monday.
479	780621	do	do	H. Res. 1212	375	25		94.0	6.0	Wednesday.
328	780517	do	do	H. Res. 1176	320	77		80.0	20.0	Wednesday.
322	780516	Concur in Senate amendment 37 with amendment.	do	H.R. 9005	199	183	1	52.0	48.0	Tuesday.
83	780224	Passage	do	H.R. 9757	257	47		84.0	16.0	Friday.
85	780224	do	do	H.R. 3377	226	68		77.0	23.0	Do.
17	780130	Quorum	do				326			Monday.
41	780207	do	do				347			Tuesday.
109	780307	do	do				350			Do.
268	780502	do	do				363			Do.
480	780622	do	do				326			Thursday.
247	780425	Resolving into Committee	do	H.R. 11401	387	3		99.0	1.0	Tuesday.
307	780512	do	do	H.R. 12220	300	6		99.0	1.0	Friday.
514	780629	do	do	H.R. 12433	362	3	1	99.0	1.0	Thursday.
57	780214	do	do	H.R. 8336	325	7		98.0	2.0	Tuesday.
450	780614	do	do	H.R. 12934	368	6		98.0	2.0	Wednesday.
6	780123	Suspend rules and pass	do	H.R. 8771	369	7		98.0	2.0	Monday.
204	780410	do	do	H.R. 10732	329	55	1	86.0	14.0	Do.
264	780501	do	do	H.J. Res. 816	278	77		78.0	22.0	Do.
234	780418	Passage	Rudd	H.R. 11400	364	37		91.0	9.0	Tuesday.
516	780629	Agreeing to the amendment	Russo	H.R. 12433	93	285		25.0	75.0	Thursday.
435	780609	Agreeing to the resolution	do	H. Res. 1219	309	16		95.0	5.0	Friday.
178	780322	do	do	H. Res.1074	365	33		92.0	8.0	Wednesday.
253	780426	Approving the Journal	do		382	9	1	98.0	2.0	Do.
281	780504	do	do		360	13	1	97.0	3.0	Thursday.
179	780322	Resolving into Committee	do	H.R. 9518	376	0		100.0		Wednesday.
212	780411	Agreeing to conference report	Ryan	H.R. 9179	216	185	1	54.0	46.0	Tuesday.
80	781223	Passage	do	H.R. 9179	191	165	2	54.0	46.0	Thursday.
125	780309	Agreeing to the amendments	Sarasin	H.R. 50	277	143		66.0	34.0	Do.
367	780524	Agreeing to the amendment	Schroeder	H.R. 10929	266	136		66.0	34.0	Wednesday.
365	780524	do	do	H.R. 10929	107	297		26.0	74.0	Do.
133	780313	Suspend rules and pass	do	H.R. 10126	294	84		78.0	22.0	Monday.
190	780404	do	do	H.R. 11003	207	188		52.0	48.0	Tuesday.
348	780522	Agreeing to the resolution	Schulze	H. Con. Res. 555	209	173		55.0	45.0	Monday.
352	780523	Quorum	do				349			Tuesday.
337	780519	Resolving into committee	do	H.R. 39	280	8		97.0	3.0	Friday.
58	780214	Agreeing to the amendment	Sebelius	H.R. 8336	119	230		34.0	66.0	Tuesday.
410	780605	Passage	do	H.R. 12250	324	29		92.0	8.0	Monday.
53	780209	do	do	H.R. 3813	328	60	1	85.0	15.0	Thursday.
211	780411	do	do	H.R. 11662	326	76		81.0	19.0	Tuesday.
38	780206	Quorum	Simon				332			Monday.
452	780614	Agreeing to the amendment	Smith (independent agency)	H.R. 12934	200	203		49.6	50.4	Wednesday.
412	780605	Passage	Snyder	H.R. 12481	292	54		84.0	16.0	Monday.

See note at end of table.

ROLLCALL VOTES (JAN. 19, 1978, THROUGH JUNE 30, 1978) LISTED ALPHABETICALLY—BY MEMBER REQUESTING THE ROLLCALL—Continued

Roll	Date	Type of vote	Requester	Bill	Yea	Nay	Present	Percent Yea	Percent Nay	Day
303	780511	Agreeing to the amendment	Solarz	H.R. 12222	183	212		46.0	54.0	Thursday.
132	780313	Suspend rules and pass	do	H.R. 7814	242	141		63.0	37.0	Monday.
199	780406	Passage	St Germain	H.R. 10899	367	2	1	99.0	1.0	Thursday.
413	780606	Quorum	Staggers				342			Tuesday.
430	780608	Agreeing to the amendment	Stanton	H.R. 12426	401	0		100.0		Thursday.
432	780608	Passage	do	H.R. 12426	247	155		61.0	39.0	Do.
431	780608	Recommit with instructions	do	H.R. 12026	109	291		27.0	73.0	Do.
488	780623	Agreeing to the amendment	Steiger	H.R. 11493	93	207		31.0	69.0	Friday.
319	780516	Aproving the Journal	do		348	12		96.0	4.0	Tuesday.
491	780623	Passage	do	H.R. 11493	204	89		70.0	30.0	Friday.
357	780523	Suspend rules and pass	do	H. Res. 238	407	0		100.0		Tuesday.
443	780613	Agreeing to the amendment	Stokes	H.R. 12929	122	287		30.0	70.0	Do.
272	780502	Agreeing to the resolution	do	H. Res. 1159	367	16	2	96.0	4.0	Do.
371	780524	Agreeing to the amendment	Stratton	H.R. 10929	142	247		36.0	64.0	Wednesday.
275	780503	do	do	H. Con. Res. 559	142	262		35.0	65.0	Do.
331	781517	Quorum	Studds				285			Do.
428	780607	Agreeing to the amendment	Symms	H.R. 12929	201	179		53.0	47.0	Do.
447	780613	do	do	H.R. 12929	184	216		46.0	54.0	Tuesday.
221	780413	do	do	H.R. 11003	85	320		21.0	79.0	Thursday.
113	780307	Agreeing to the resolution	do	H. Res. 1003	399	1		100.0		Tuesday.
235	780419	do	do	H. Res. 1139	379	15		96.0	4.0	Wednesday.
422	780607	do	do	H. Con. Res. 561	349	24		94.0	6.0	Do.
301	780511	Approving the Journal	do		377	15		96.0	4.0	Thursday.
380	780531	do	do		318	14	1	96.0	4.0	Wednesday.
131	780313	Ordering a second	do	H.R. 6635	372	1		100.0		Monday.
434	780609	Passage	do	H.J. Res. 945	237	72	1	77.0	23.0	Friday.
314	780515	do	do	H.R. 10392	222	152		59.0	41.0	Monday.
427	780607	Quorum	do				321			Wednesday.
96	780302	Resolving into committee	do	H.J. Res. 554	394	12		97.0	3.0	Thursday.
55	780209	do	do	H.R. 2664	337	17	1	95.0	5.0	Do.
414	780606	Suspend rules and pass	do	H.R. 8394	340	28		92.0	8.0	Tuesday.
8	780123	do	do	H.R. 9169	309	68	1	82.0	18.0	Monday.
205	780410	do	do	H.R. 10884	307	76		80.0	20.0	Do.
171	780321	Agreeing to the resolution	Thone	H. Res. 1092	314	80		80.0	20.0	Tuesday.
108	780307	do	do	H. Res. 1056	285	115		71.0	29.0	Do.
415	780606	Suspend rules and pass	do	H.R. 12637	368	0		100.0		Do.
34	780202	Agreeing to the amendment	Treen	H.R. 1614	159	230		41.0	59.0	Thursday.
103	780306	Quorum	Tsongas				326			Monday.
338	780519	Agreeing to the amendment	Udall	H.R. 39	157	150	1	51.0	49.0	Friday.
335	780518	do	do	H.R. 39	141	251		36.0	64.0	Thursday.
336	780518	do	do	H.R. 39	119	240		33.0	67.0	Do.
340	780519	Passage	do	H.R. 39	277	31		90.0	10.0	Friday.
147	780314	Suspend rules and pass	Ullman	H.R. 810	372	38		90.0	10.0	Tuesday.
404	780602	Agreeing to the amendment	Vanik	H.R. 12157	179	138		58.0	42.0	Friday.
214	780412	Agreeing to conference report	Volkmer	H.R. 6782	150	268	1	36.0	64.0	Wednesday.
425	780607	Agreeing to the amendment	do	H.R. 12930	80	314		20.0	80.0	Do.
350	780522	Passage	do	H.R. 12602	363	18		95.0	5.0	Monday.
326	780517	do	do	H.R. 11686	348	46		88.0	12.0	Wednesday.
346	780522	Suspend rules and pass	do	S. 2370	378	5		99.0	1.0	Monday.
356	780523	do	do	H.R. 8535	363	44		89.0	11.0	Tuesday.
355	780523	do	do	H.R. 3050	358	50		88.0	12.0	Do.
342	780522	do	do	H. Res. 1072	269	109	1	71.0	29.0	Monday.
287	780508	do	do	H.R. 12481	203	170		54.0	46.0	Do.
445	780613	Agreeing to the amendment	Walker	H.R. 12929	232	177		57.0	43.0	Tuesday.
259	780427	Passage	do	H.R. 11302	367	33		92.0	8.0	Thursday.
2	780119	Agreeing to the amendment	Weiss	H.R. 2329	215	131		62.0	38.0	Do.
325	780517	do	do	H.R. 11686	90	306		23.0	77.0	Wednesday.
465	780616	do	do	H.R. 12928	67	259		21.0	79.0	Friday.
418	780606	do	do	H.R. 12240	60	312		16.0	84.0	Tuesday.
419	780606	Passage	do	H.R. 12240	323	43	5	88.0	12.0	Do.
248	780425	do	do	H.R. 11401	345	54		86.0	14.0	Do.
467	780616	do	do	H.R. 12928	263	59		82.0	18.0	Friday.
124	780309	Quorum	do				384			Thursday.
324	780517	Resolving into Committee	do	H.R. 11686	355	4		99.0	1.0	Wednesday.
22	780131	Agreeing to the amendment	Wiggins	H.R. 1614	208	194		52.0	48.0	Tuesday.
159	780316	Strike enacting clause	do	H.R. 50	106	310		25.0	75.0	Thursday.
177	780322	Passage	Wilson, C. (California)	H.J. Res. 796	393	4		99.0	1.0	Wednesday.
188	780404	Quorum	do				361			Tuesday.
436	780612	do	do				329			Monday.
460	780615	do	do				340			Thursday.
191	780405	Resolving into Committee	do	H.R. 7700	386	4	2	99.0	1.0	Wednesday.
290	780509	do	do	H. Con. Res. 559	380	3		99.0	1.0	Tuesday.
464	780616	do	do	H.R. 12928	300	4		99.0	1.0	Friday.
483	780622	Agreeing to the amendment	Wright	H.R. 13125	273	125	1	69.0	31.0	Thursday.
61	780215	Quorum	do				363			Wednesday.
64	780221	do	do				351			Tuesday.
69	780222	do	do				376			Wednesday.
74	780223	do	do				366			Thursday.
89	780228	do	do				364			Tuesday.
93	780301	do	do				393			Wednesday.
217	780413	do	do				364			Thursday.
391	780601	do	do				356			Do.
421	780607	Approving the Journal	Wydler		331	15	3	96.0	4.0	Wednesday.
228	780418	Quorum	Wylie				365			Tuesday.
505	780628	Suspend rules and pass	do	H.R. 11886	400	1		100.0		Wednesday.
506	780628	do	do	H.R. 11888	385	16		60.0	40.0	Do.
181	780322	Agreeing to a conference	Yates	H.R. 6782	332	63		84.0	16.0	Do.
15	780126	Agreeing to the amendment	do	H.R. 1614	187	211		47.0	53.0	Thursday.
339	780519	Recommit with instructions	Young (Alaska)	H.R. 39	67	242		22.0	78.0	Friday.
249	780425	Agreeing to the amendment	Young (Florida)	H.R. 11877	169	228		43.0	57.0	Tuesday.

Note: The percentage of yea-and-nay votes has been figured on the basis of the yea-and-nay votes only and does not include those voting "present."

GENERAL LEAVE

Mr. RUDD. Mr. Speaker, I ask unanimous consent that all Members may have 5 legislative days in which to revise and extend their remarks, and include extraneous material, on the subject of the special order today of the gentleman from Virginia (Mr. WAMPLER).

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Arizona?

There was no objection.

CONFERENCE REPORT ON H.R. 8149

Mr. ULLMAN submitted the following conference report and statement on the bill (H.R. 8149) to provide customs procedural reform, and for other purposes.

CONFERENCE REPORT (H. REPT. NO. 95-1517)

The committee of conference on the disagreeing votes of the two Houses on the amendments of the Senate to the bill (H.R. 8149) to provide customs procedural reform, and for other purposes, having met after full and free conference, have agreed to rec-

ommend and do recommend to their respective Houses as follows: That the House recede from its disagreement to the amendments of the Senate numbered 1, 2, 3, 4, 5, 6, 7, 9, 10, 11, 12, 13, 14, 15, 16, 17, 18, 19, 20, 21, 22, 23, 24, 25, 26, 27, 28, 29, 30, 31, 32, 33, 34, 35, 36, 37, 38, 39, 41, 42, 43, 44, 45, 46, 47, 48, 49, 50, 51, 52, 53, 55, 57, 59, 60, 61, 62, 63, 64, 65, 66, 67, 69, 70, 71, 72, 73, 74, 75, 76, 77, 78, 79, 80, 81, 83, 84, 85, 86, 87, 88, 89, 90, 91, 92, 93, 94, 95, 96, 97, 98, 99, 100, 101, 102, 103, 104, 105, 106, 107, 108, 109, 110, 111, 112, 113, 115, 116, 117, 118, 119, 120, 121, 122, 124, 125, 126, 127, 129, 131, 132, and 133 and agree to the same.

Amendment numbered 8: That the House recede from its disagreement to the amendment of the Senate numbered 8, and agree to the same with an amendment as follows: In lieu of the matter proposed to be stricken out by the Senate amendment, insert the following: (at the time required under paragraph (2)(B) of this subsection).

And the Senate agree to the same.

Amendment numbered 40: That the House recede from its disagreement to the amendment of the Senate numbered 40, and agree to the same with amendments as follows:

On page 5 of the Senate engrossed amendments, strike out lines 5, 6, and 7 and insert in lieu thereof the following:

"(b) SANCTIONS.—(1) For so long as any person, after being adjudged guilty of contempt for neglecting or refusing to obey a lawful summons issued under section 509 of this Act and for refusing to obey the order of the court, remains in contempt, the Secretary may—

On page 5 of the Senate engrossed amendments, strike out lines 14 through 19, inclusive, and insert in lieu thereof the following:

"(2) If any person remains in contempt for more than one year after the date on which the Secretary issues instructions under paragraph (1)(B) with respect to that person, the appropriate customs officers shall cause all merchandise held in customs custody pursuant to such instructions to be sold at public auction or otherwise disposed of under the customs laws.

And the Senate agree to the same.

Amendment numbered 54: That the House recede from its disagreement to the amendment of the Senate numbered 54, and agree to the same with amendments as follows:

On page 8, line 24, of the Senate engrossed amendments strike out "$250" and insert in lieu thereof the following: "$500".

On page 9, line 5, of the Senate engrossed amendments, after the period insert the following: "If such officer determines that there was no violation, he shall promptly issue a written statement of the determination to the person to whom the notice was sent.".

And the Senate agree to the same.

Amendment numbered 56: That the House recede from its disagreement to the amendment of the Senate numbered 56, and agree to the same with amendments as follow:

On page 9 of the Senate engrossed amendments, strike out lines 15 through 21 and insert in lieu thereof the following:

"(1) GENERAL RULE.—Without regard to whether the United States is or may be deprived of all or a portion of any lawful duty thereby, no person, by fraud, gross negligence, or negligence—

"(A) may enter, introduce, or attempt to enter or introduce any merchandise into the commerce of the United States by means of—

"(i) any document, written or oral statement, or act which is material and false, or

"(ii) any omission which is material, or

"(B) may aid or abet any other person to violate subparagraph (A)."

On page 11, line 21, of the Senate engrossed amendments, after the period insert the following: "If such officer determines that there was no violation, he shall promptly issue a written statement of the determination to the person to whom the notice was sent.".

On page 12, line 2, of the Senate engrossed amendments, after the period insert the following: "Such person shall have a reasonable opportunity under section 618 of this Act to make representations, both oral and written, seeking remission or mitigation of the monetary penalty. At the conclusion of any proceeding under such section 618, the appropriate customs officer shall provide to the person concerned a written statement which sets forth the final determination and the findings of fact and conclusions of law on which such determination is based.".

On page 12, lines 6, 11, and 22, of the Senate engrossed amendments strike out "dutiable" and insert in lieu thereof "domestic".

And the Senate agree to the same.

Amendment numbered 58: That the House recede from its disagreement to the amendment of the Senate numbered 58, and agree to the same with an amendment as follows:

On page 16, beginning with line 13, strike out through line 5 on page 17, and insert in lieu thereof the following:

(f)(1)(A) Except as provided in subparagraphs (B) and (C), subsections (a), (b) and (c) (other than new subsection (e) of section 592 of the Tariff Act of 1930 as added by subsection (a)) shall be effective with respect to proceedings commenced after the 89th day after the date of enactment of this Act.

(B) Except as provided in subparagraph (C), section 592 of the Tariff Act of 1930 (as such section existed on the day before the date of enactment of this Act) shall apply to any alleged intentional violation thereof involving television receivers that are the product of Japan and that were or are the subject of antidumping proceedings if the alleged intentional violation—

(i) occurred before the date of enactment of this Act, and

(ii) was the subject of an investigation by the Customs Service which was begun before the date of enactment of this Act.

(C) Except as provided in the next sentence, subsection (e) of section 592 of the Tariff Act of 1930 (as added by subsection (a)) shall be effective on the date of enactment of this Act. Notwithstanding any provision of law, in any proceeding in a United States district court commenced by the United States pursuant to section 604 of the Tariff Act of 1930 for the recovery of any monetary penalty claimed under section 592 of such Act for an alleged intentional violation described in subparagraph (B)—

(i) all issues, including the amount of the penalty, shall be tried de novo; and

(ii) the United States shall have the burden of proof to establish such violation by a preponderance of the evidence.

And the Senate agree to the same.

Amendment numbered 68: That the House recede from its disagreement to the amendment of the Senate numbered 68 and agree to the same with an amendment as follows: In lieu of the matter proposed to be stricken out by the Senate amendment insert the following:

SEC. 113. Section 641 of the Tariff Act of 1930 (19 U.S.C. 1641) is amended by adding at the end thereof the following new subsection:

"(e) Triennial Reports by Customhouse Brokers.—On February 1, 1979, and on February 1 of each third year thereafter, each person who is licensed as a customhouse broker under this section shall file with the Secretary a report as to—

"(1) whether such person is actively engaged in business as a customshouse broker; and

"(2) the name under, and the address at, which such business is being transacted.".

And the Senate agree to the same.

Amendment numbered 82: That the House recede from its disagreement to the Senate amendment numbered 82 and agree to the same with an amendment as follows:

On page 19 of the Senate engrossed amendments strike out the matter appearing after line 3 and insert in lieu thereof the following:

"	Other articles, including not more than 100 cigars, acquired abroad as an incident of the journey from which the person is returning if such person arrives from the Virgin Islands of the United States or from a contiguous country which maintains a free zone port, or arrives from any other country after having remained beyond the United States for a period of not less than 48 hours, for his personal or household use, but not imported for the account of any other person nor intended for sale, if declared in accordance with regulations of the Secretary of the Treasury and if such person has not claimed an exemption under item 813.30 or 813.31 within 30 days preceding his arrival, and does not claim an exemption under the other item on his arrival:		
813.30	Articles, accompanying a person, not over $300 in aggregate fair retail value in the country of acquisition, including (but only in the case of an individual who has attained the age of 21) not more than 1 quart of alcoholic beverages	Free	Free
813.31	Articles, whether or not accompanying a person, not over $600 in aggregate fair market value in the country of acquisition, including (but only in the case of an individual who has attained the age of 21) not more than 1 wine gallon of alcoholic beverages, not more than 1 quart of which shall have been acquired elsewhere than in American Samoa, Guam, or the Virgin Islands of the United States, if such person arrives directly or indirectly from such insular possessions not more than $300 of which shall have been acquired elsewhere than in such insular possessions (but this item does not permit the entry of articles not accompanying a person which were acquired elsewhere than in such insular possessions)	Free	Free ".

And the Senate agree to the same.

Amendment numbered 123: That the House recede from its disagreement to the amendment of the Senate numbered 123 and agree to the same with amendments as follow:

On page 26, line 4, of the Senate engrossed amendments, after "merchandise" insert the following: "bearing a counterfeit mark (within the meaning of section 45 of the Act of July 5, 1946 (commonly referred to as the Lanham Act, 60 Stat. 27; 15 U.S.C. 1127))."

On page 26, line 10, of the Senate engrossed amendments, after "forfeiture," insert the following: "obliterate the trademark where feasible and."

Beginning with line 18 on page 26 of the Senate engrossed amendments, strike out through line 2 on page 27 of such amendments and insert in lieu thereof the following:

"(3) more than 1 year after the date of forfeiture, by sale by appropriate customs officers at public auction under such regulations as the Secretary prescribes, except that before making any such sale the Secretary shall determine that no Federal, State, or local government agency or eleemosynary institution has established a need for such merchandise under paragraph (1) or (2), or

And the Senate agree to the same.

Amendment numbered 128: That the

House recede from its disagreement to the amendment of the Senate numbered 128 and agree to the same with an amendment as follows:

On page 27 of the Senate engrossed amendments, strike out lines 21 and 22 and insert in lieu thereof the following:

(1) entitled to the admission of his or her baggage and effects free of duty without entry; or

And the Senate agree to the same.

Amendment numbered 130: That the House recede from its disagreement to the amendment of the Senate numbered 130 and agree to the same with an amendment as follows:

On page 28, line 23, strike out beginning with "not" through "1979." on line 24 and insert in lieu thereof the following: "and to the Committee on Ways and Means of the House of Representatives not later than September 1, 1979."

AL ULLMAN,
CHARLES A. VANIK,
DAN ROSTENKOWSKI,
JAMES JONES,
SAM GIBBONS,
W. A. STEIGER,
BILL FRENZEL,
Managers on the Part of the House.

RUSSELL B. LONG,
HERMAN E. TALMADGE,
ABRAHAM RIBICOFF,
HARRY F. BYRD, JR.,
GAYLORD NELSON,
DANIEL PATRICK MOYNIHAN,
CARL T. CURTIS,
CLIFFORD P. HANSEN,
BOB PACKWOOD,
WILLIAM V. ROTH, JR.,
Managers on the Part of the Senate.

JOINT EXPLANATORY STATEMENT OF THE COMMITTEE OF CONFERENCE

The managers on the part of the House and the Senate at the conference on the disagreeing votes of the two Houses on the amendments of the Senate to the bill (H.R. 8149) to provide customs procedural reform, and for other purposes, submit the following joint statement to the House and the Senate in explanation of the effect of the action agreed upon by the managers and recommended in the accompanying conference report:

The following Senate amendments made technical, clerical, clarifying, or conforming changes: 1, 2, 3, 4, 5, 6, 7, 8, 9, 10, 11, 12, 14, 16, 17, 18, 19, 20, 21, 22, 23, 24, 25, 26, 27, 28, 29, 30, 31, 32, 33, 34, 35, 36, 37, 38, 39, 41, 42, 44, 46, 47, 49, 50, 51, 52, 53, 55, 57, 59, 60, 61, 62, 63, 69, 70, 71, 72, 73, 74, 75, 76, 77, 79, 80, 81, 83, 84, 85, 86, 87, 88, 89, 90, 92, 93, 94, 95, 96, 97, 98, 99, 100, 102, 103, 104, 105, 107, 108, 109, 110, 111, 112, 113, 115, 116, 117, 118, 119, 120, 121, 122, 124, 125, 126, 128, 129, 131, and 132. With respect to these amendments, the House either recedes or recedes with amendments which are technical, clerical, clarifying or conforming in nature.

AMENDMENT NUMBERED 13

The House bill contains a provision relating to the new entry procedures which was intended as a guideline for the Secretary of the Treasury in prescribing appropriate regulations. The provision states that the Secretary shall, to the maximum extent practicable, provide for the protection of the revenue, the timely collection of import statistics, the facilitation of the commerce of the United States, and the equal treatment of all consignees of imported merchandise.

Senate amendment numbered 13 would require the Secretary of the Treasury to transmit immediately to the Bureau of the Census any corrections to the statistical information included in the import documents if inspection of the goods and information obtained at a later time reveals an error. Census would be required to make all necessary corrections. In addition, the Secretary would be required to insure the accuracy of statistics, particularly on classification and valuation of imports, collected under the new entry procedures.

The House receded from its disagreement with the Senate amendment and agreed to the same. The managers intend that the Census Bureau will make all corrections that are necessary to maintain the statistical validity of the import data. They do not expect trivial errors, not affecting the validity of the data, to be immediately corrected by Census.

AMENDMENT NUMBERED 15

The House bill would make the new entry procedures effective on the date of enactment of H.R. 8149.

Senate amendment numbered 15 would delay the effective date of the entry procedures until 60 days after the date of enactment of H.R. 8149. The delay was meant to give the Customs Service time to prescribe regulations implementing the new procedures.

The House receded from its disagreement with the Senate amendment and agreed to the same.

AMENDMENT NUMBERED 40

Section 107 of the House bill, dealing with judicial enforcement of administrative summons, stated that if a person fails to obey a court order to produce records or give testimony as ordered by the Customs Service under section 509 of the Tariff Act of 1930, he could be punished for contempt. In addition to contempt penalties, a person adjudged guilty of contempt could, at the discretion of the Secretary of the Treasury and for so long as he remains in contempt, be prohibited from importing merchandise into the customs territory of the United States or obtaining release from Customs of any of his merchandise of which it has custody. If he remains in contempt for 1 year, all of his goods the Customs custody would be sold at public auction or otherwise disposed of under the customs law.

Senate amendment numbered 40 restructured the House provision to state that "for so long as a person fails to comply with a summons with which he has been ordered by the court to comply," the same sanctions would apply.

The House receded from its disagreement with the Senate amendment and agreed to the same with an amendment which clarifies that an individual must be adjudged guilty of contempt by a court before the additional sanctions which may be imposed by the Secretary of the Treasury are operative, and that the sanctions would continue as long as the individual remains in contempt of court.

AMENDMENT NUMBERED 43

Sections 557 and 559 of the Tariff Act of 1930 permits goods to remain in a customs bonded warehouse at the owner's expense for up to 3 years without entry and the payment of duty. A 1951 Presidential Proclamation declaring a national emergency due to the Korean War permits Customs to extend the present 3-year period by an unlimited number of successive 1-year extensions. The Presidential Proclamation will be terminated September 14, 1978, by the National Emergencies Act.

Senate amendment numbered 43 would permit goods to remain in a custom bonded warehouse at the owner's expense for up to 5 years. The 5-year period could not be extended. Goods in a bonded warehouse on the date of entactment of the bill could remain in the warehouse for up to 5 years from the date of enactment.

The House bill contained no similar provision. The House receded from its disagreement with the Senate amendment and agreed to the same.

AMENDMENT NUMBERED 45

The House bill would amend section 584 of the Tariff Act of 1930 to extend liability for discrepancy in a ship's manifest to those persons directly or indirectly responsible for the discrepancy, including the importer or broker. The master or owner of the vessel would continue to be liable as under present law.

Senate amendment numbered 45 further amended section 584 to limit the maximum penalty to the lesser of $10,000 or the domestic value of the goods to which the error relates.

The House receded from its disagreement with the Senate amendment and agreed to the same.

AMENDMENT NUMBERED 48

Section 584 of the Tariff Act of 1930 makes the master or owner of a vessel liable for discrepancies in a ship's manifest. Liability does not extend to clerical errors. Senate amendment numbered 48 clarifies the meaning of the term "clerical error" for the purposes of section 584 to mean "a nonnegligent, inadvertent, or typographical mistake in the preparation, assembly, or submission of the manifest."

The House receded from its disagreement with the Senate amendment and agreed to the same. The managers intend that the term "clerical error" as used in this section would not include a fraudulent violation.

AMENDMENT NUMBERED 54

The House bill would amend section 584 of the Tariff Act of 1930 which relates to penalties for discrepancies in ship's manifests. Senate amendment numbered 54 would amend section 584 further to:

1. Require a prepenalty notice for any proposed penalty greater than $250; and

2. Require the Customs Service to consider representations made as a result of the notice before issuing a penalty claim.

The House receded from its disagreement with the Senate amendment, and agreed to the same with two amendments:

1. The prepenalty notice would be required only for any proposed penalty greater than $500; and

2. If the appropriate customs officer determines that there was no violation, he must promptly issue a written statement of the determination to the person to whom the notice was sent.

AMENDMENT NUMBERED 56

The House bill would completely revise section 592 of the Tariff Act of 1930, the most frequently invoked customs penalty, which penalizes any person who imports, attempts to import, or aids or procures the importation of merchandise into the United States "by means of any fraudulent or false invoice, declaration, affidavit, letter, paper, or by means of any false statement, written or verbal, or by means of any false or fraudulent practice or appliance whatsoever," unless that person has "reasonable cause to believe the truth of such statement." Violation of section 592 is penalized by forfeiture of the merchandise or a payment equal to the value of merchandise. The penalty applies to negligent as well as intentional violations and whether or not an underpayment of duties results from the violation.

Under the House revision, the persons covered and the nature of the offense are intended to remain the same as they are under present law. The procedural provisions adopted by the House are patterned after procedures in current Customs' regulations and guidelines.

If a customs officer has "reasonable cause to believe" there is a violation and determines that "further proceedings are warranted," then he would have to issue a written prepenalty notice which includes "all material facts" establishing the violation. The notice would not be required in noncommercial cases, i.e., violations by noncommercial travelers, or if the proposed penalty is less than $1,000. This provision would enact into law the prepenalty notice requirement now in the regulations with several changes: (1) The minimum penalty amount for which a prepenalty notice is required would be reduced from $25,000 to $1,000, and (2) the prepenalty notice would have to include "all material facts which establish the alleged violation" and the estimated amount of the duty underpayment. Presumably, the Service will continue to assess no penalty in small cases, i.e., less than $250 revenue loss.

After considering representations by the importer, the appropriate customs officer would determine whether a section 592 violation has occurred and notify the importer of his decision.

The penalty for violation of section 592 would be changed from an in rem penalty, forfeiture of the merchandise, to an in personam penalty, a monetary liability of the importer. However, seizure of the merchandise would be permitted if the Secretary of the Treasury has "reasonable cause to believe" the importer is insolvent, outside U.S. jurisdiction, or that seizure is "necessary" to protect the revenue or prevent the importation of restricted goods. The seized merchandise would, in general, be forfeited to the United States only if the monetary penalty is not paid.

Although nonnegligent clerical errors and mistakes of fact would continue to be violations of section 592 under the House provision, no penalty could be assessed because of those errors or mistakes.

The monetary penalty would be changed from a fixed amount, the domestic value of the goods, to an amount varying according to the culpability of the importer. The penalty for a fraudulent violation could not exceed the domestic value of the merchandise. The penalty for gross negligence could not exceed the lesser of the domestic value or four times the duty underpayment involved. If there is no underpayment, the penalty for gross negligence would be the lesser of domestic value or twice the duty underpayment. If there is no underpayment, the negligence penalty could not exceed 20 percent of dutiable value.

In voluntary disclosure cases involving fraud, the penalty could not exceed an amount equal to 100 percent of the duty underpayment or 10 percent of the dutiable value of the merchandise if there is no underpayment. If a nonfraudulent violation is voluntarily disclosed, the penalty could not exceed the amount of interest accruing on the underpayment.

If the customs officer issues a penalty claim and the importer petitions for mitigation under section 618, then the importer would have the opportunity to make written and oral representations to the Service. Notice of the final decision in a mitigation proceeding, including findings of fact and conclusions of law, would be required to be sent to the importer. This provision would enact into law existing practice with several changes: (1) The importer would have the right to make representations in a mitigation proceeding before any decision on mitigation is made, and (2) the Service would be required to supply the importer with a detailed explanation of the factual and legal basis for its mitigation decision.

If an importer refuses to pay a section 592 monetary penalty and is sued by the United States in a district court, all issues, including the appropriateness of the penalty amount, would be considered by the court. In a fraud case, the government would have to prove the section 592 violation by "clear and convincing" evidence.

In gross negligence and negligence cases, the Government would have to prove the elements of the violation or the act or omission constituting the violation, respectively. This means the Government would have to prove, by a preponderance of the evidence, that the importer acted in reckless disregard of his legal duties in a gross negligence case. In a negligence case, the Government would have to prove, by a preponderance of the evidence, that the importer did an act which violates section 592. Thereafter, the importer would have to prove, by a preponderance of the evidence, that he exercised that care which was reasonable under the circumstances.

This provision would change existing law by (1) permitting a court to make its own judgement about the appropriate remedy for a section 592 violation, and (2) changing the burden of proof in fraud cases and shifting the burden of production in a proceeding to collect a section 592 penalty to the United States.

A suit brought to enforce a section 592 penalty arising out of gross negligence or negligence would have to be brought within 5 years after the violation occurs. Under present law, suits may be brought within five years after the violation is discovered.

The House revision of section 592 would be effective with respect to proceedings commenced 90 days after the date of enactment, i.e., proceedings in which a prepenalty notice is issued 90 days or more after the date of enactment. Any section 592 case will be subject to judicial review as of the date of enactment.

Senate amendment numbered 56 reorganized the House amendment and clarified the substantive prohibition in subsection 592(a).

The House bill had two bases used in computing maximum penalties, i.e., domestic value, if there is a duty underpayment, and a percentage of dutiable value, if there is no duty underpayment. Domestic value is generally equivalent to retail value while dutiable value is generally equivalent to wholesale value. Senate amendment numbered 56 amended the House provision to require the use only of dutiable value in computing maximum penalties under section 592.

The House receded from its disagreement with Senate amendment and agreed to the same with amendments as follows—

First, the addition of culpability levels in the General Rule itself is made. The language thus reads: "No person may, *by fraud, gross negligence, or negligence,* enter, introduce, etc. . ."

Second, the language regarding "aiding or procuring" is recast in such a way that it relates to a material and false statement or act, and not merely the entry of merchandise. This is meant to prevent innocent parties who are somehow involved in the entry from being charged with a 592 violation.

Third, as part of the General Rule, there is added language found in the present law, as well as in the House version, to the effect that the 592 violations are punishable "whether or not the United States is or may be deprived of the lawful duties, or any portion thereof."

Fourth, the standards for determining the maximum penalties for violations of section 592 remain as provided in the House bill, *e.g.,* "domestic value" of the merchandise would be the standard for the maximum penalty for fraudulent violations.

Fifth, conferees added language requiring that an individual will be promptly notified in writing when Customs determines, after considering any representations made in response to the prepenalty notice, that there is in fact no violation.

Sixth, the conferees also added House language, deleted in the Senate, that an alleged violator shall have a reasonable opportunity, under the mitigation procedures, to make both oral and written representations seeking remission or mitigation of the monetary penalty. At the conclusion of any such proceeding, the appropriate Customs officer shall provide to the person concerned a written statement which sets forth the final determination and the findings of fact and conclusions of law on which such determination is based.

For 592 cases which are before the courts after the date of enactment but prior to the effectiveness of the revised section 592, the managers intend that, for the purpose of applying the judicial review provisions, the court will have full discretion to look at the merits of the case and make its own independent determination on the appropriate amount of the penalty and would not be bound by the old maximum penalty which was set out in the old 592. The court would not, of course, be authorized to assess a penalty *above* the maximum penalty allowable under old section 592.

AMENDMENT NUMBERED 58

The House bill revision of section 592 of the Tariff Act of 1930 would be effective with respect to proceedings which begin on or after the 90th day after the date of enactment of H.R. 8149. The only exception to this rule would make section 592(g), providing for de novo judicial review of all issues in a 592 case, effective on the date of enactment.

Senate amendment numbered 58 would apply section 592 as existed on the day before the date of enactment to all intentional acts or omissions committed before the date of enactment if the violation of section 592 was the subject of a Customs Service investigation before such date. The Senate amendment would apply the Senate revision of section 592 to all proceedings, except proceedings described in the preceding sentence, begun after the 89th day after the date of enactment. The only exception to both effective date rules in the Senate amendment would make de novo judicial review under section 592(e) effective on the date of enactment.

The House receded from its disagreement with the Senate amendment and agreed to the same with an amendment. The conference agreement would apply section 592 as it existed on the day before the date of enactment to any alleged intentional violation of such section 592 involving television receivers that are the product of Japan and that were or are the subject of antidumping proceedings if the alleged violation—

(1) occurred before the date of enactment of H.R. 8149, and

(2) was the subject of an investigation by the Customs Service which was begun before the date of enactment of H.R. 8149.

De novo judicial review would be available for all issues arising in section 592 cases covered by the preceding sentence when the Government commences a proceeding under section 604 of the Tariff Act of 1930 to collect a monetary penalty imposed under section 592. In such a proceeding, the United States would have the burden of proof to

establish such an intentional violation by a perponderence of evidence. The de novo review would include the amount of the penalty, which as in all cases to which new section 592(e) applies, could be reduced by the court or increased up to the maximum amount provided by law.

Except for intentional violations described in the preceding paragraph, the conference revision of section 592 would be effective for all proceedings begun after the 89th day after the date of enactment. The only exception to this rule would be section 592(e), providing for de novo review, which would be effective on the date of enactment.

The managers intend that, for purposes of the effective date rules, proceedings begin when the Customs Service issues a prepenalty notice, or, if none is, required, when Customs issues a penalty notice. The managers also intend that the entry or attempted entry of merchandise into the commerce of the United States by means of a document or statement reporting a price for such merchandise in excess of the price ultimately paid for such merchandise, after rebates, kickbacks, or other devices, for the purpose of avoiding assessment of antidumping duties be considered to be false within the meaning of section 592.

AMENDMENTS NUMBERED 64, 65, 66 AND 67

The House bill would add a new section 625 to the Tariff Act of 1930 requiring any ruling under the Tariff Act of 1930 with respect to "prospective customs transactions" to be published in the Customs Bulletin or otherwise be made available for public inspection. This provision would enact into law part of existing regulations.

Senate amendments numbered 64, 65, 66 and 67 would require all precedential decisions, including a ruling letter, internal advice memorandum, or protest review decision, to be published or otherwise made available to the public.

The House receded from its disagreement with the Senate amendments and agreed to the same.

AMENDMENT NUMBERED 68

The House bill would require brokers' licenses to be renewed every 3 years. Brokers would have to apply for renewal during the 90-day period before their current license expires. Outstanding licenses would not have to be renewed until 3 years after the date of enactment of H.R. 8149.

Senate amendment numbered 68 deleted the House provision.

The House receded from its disagreement to the Senate amendment with an amendment which would require each licensed customhouse broker to report to the Secretary of the Treasury on February 1, 1979, and on February 1 of each third year thereafter. The report would state whether the individual, partnership, or corporation reporting is actively engaged in business as a customhouse broker and the name under, and address at which such business is being transacted. In the case of a reporting partnership or corporation, the managers intend that the names and addresses of the licensed individuals who qualify the partnership or corporation for a license also be reported.

AMENDMENT NUMBERED 78

The House bill would amend section 5205 (a)(2)(C) of the Internal Revenue Code of 1954 to exempt from the Code's mandatory stamping requirement imported distilled spirits, the stamping of which may be required under customs laws, whether or not it is in fact stamped.

Senate amendment numbered 78 deleted the House provision.

The House receded from its disagreement with the Senate amendment and agreed to the same. The managers believe that if and when the Secretary of the Treasury determines that the Internal Revenue Code stamping requirement is not necessary for the collection and protection of the revenues, he can propose such a change to Congress for consideration.

AMENDMENT NUMBERED 82

The House bill would increase the amount of personal exemption accorded returning residents of the United States under TSUS item 813.31. The present exemption is $100 (or $200 in the case of persons arriving directly or indirectly from American Samoa, Guam, or the Virgin Islands); these amounts would be increased to $250 and $500, respectively. The House bill would continue the requirement under present law which permits duty-free entry under item 813.31 only with respect to articles accompanying the returning resident.

Senate amendment numbered 82 would increase the personal exemption for a returning U.S. resident under TSUS item 813.31 from $100 to $500. The amendment would increase the exemption from $200 to $1,000 for a U.S. resident returning directly or indirectly from American Samoa, Guam, or the Virgin Islands of the United States. Not more than $500 of the merchandise eligible for the $1,000 exemption could be acquired elsewhere than in those insular possessions.

The Senate amendment would also permit U.S. residents arriving directly or indirectly from American Samoa, Guam, or the Virgin Islands of the United States to apply the personal exemption to articles they purchase in the possessions but which do not accompany the arriving traveler through customs. That is to say, travelers would be allowed to apply the personal exemption to goods which they purchase in the possessions and then ship home. Customs would be required to publish regulations to carry out this provision.

The House receded from its disagreement with the Senate amendment and agreed to the same with an amendment which would increase the personal exemption from $100 to $300 (or $600 in the case of persons arriving directly or indirectly from the insular possessions). Not more than $300 of the merchandise eligible for the $600 exemption could be acquired elsewhere than in the possessions. Furthermore, the duty-free exemption would apply to articles not accompanying the traveler only if those articles are purchased in and shipped from the insular possessions.

AMENDMENT NUMBERED 91

The House bill would apply a flat 10-percent rate to all articles accompanying a returning resident which are intended for personal or household use, are not imported for another person and are not for resale, and are not worth more than $600 fair retail value, exclusive of duty-free articles. The flat rate of duty would be 5 percent for articles acquired in American Samoa, Guam, or the Virgin Islands of the United States. The flat rate would not apply to commercial entries or to articles not accompanying the person through customs. If the application of the flat rate of duty to particular merchandise results in increases in imports of that merchandise which adversely affect the economic interest of the United States, then the Secretary could exclude that merchandise from this provision.

Senate amendment numbered 91 would amend the House bill to apply the 5 percent rate (applicable to articles acquired in the insular possessions) to articles purchased by travelers while they are in the possessions even if the articles do not accompany the arriving traveler through customs, i.e., the traveler ships the goods home.

The House receded from its disagreement to the Senate amendment and agreed to the same. The managers intend the flat rate provisions to apply even if the fair retail value of eligible articles exceed $600. For example, if a traveler claims the benefit of item 869.00 or 869.10 and has eligible articles with a fair retail value of $700, then the appropriate flat rate would apply to $600 worth of the articles and rates otherwise applicable under the Tariff Schedules would apply to the excess $100 worth of articles.

AMENDMENT NUMBERED 101

The House bill would amend section 466 of the Tariff Act of 1930 to provide a monetary penalty up to the value of the vessel as an alternative to forfeiture of the vessel for the willful and knowing neglect or failure to report, make entry, and pay duties on repairs or equipment purchases made in a foreign country for a vessel of U.S. registry. It also would expand the acts penalized under section 466 to include the making or procuring of any false statement in respect to the purchases or repairs without reasonable cause to believe the truth of such statement.

Senate amendment numbered 101 leaves intact the House provision but would provide a prepenalty notice procedure to insure persons suspected of violating section 466 of an opportunity to discuss the circumstances of the alleged violation and the appropriateness of any possible penalty with Customs prior to the issuance of a penalty claim.

The House receded from its disagreement with the Senate amendment and agreed to the same.

AMENDMENT NUMBERED 106

The House bill would amend section 491 of the Tariff Act of 1930 to reduce from 1 year to 6 months the time in which merchandise must be retained in a general order warehouse before it is considered abandoned.

Senate amendment numbered 106 deleted the amendment in the House bill which would reduce from 1 year to 6 months the time in which the merchandise must be retained before it is considered abandoned.

The House receded from its disagreement to the Senate amendment and agreed to the same. While the Customs Service originally believed the present provision of 1 year was excessive in light of modern communications and the storage costs which Customs incurs, it reconsidered its position and believes the 1-year period provided by present law should be retained to conform with present commercial practices.

AMENDMENT NUMBERED 114

The House bill would add a new section 504 to the Tariff Act of 1930. Subsection (a) of the new section would provide that an entry is deemed liquidated if not actually liquidated within 1 year from: (1) the date of entry, (2) the date of final withdrawal of all the merchandise covered by a warehouse entry, or (3) the date of withdrawal from warehouse for consumption where duties may be deposited after the filing of an entry or withdrawal from warehouse. The merchandise would be deemed liquidated at the rate of duty, value, quantity, and amount of duties asserted by the importer, his consignee, or agent in the entry document and import documents filed with Customs under section 484 of the Tariff Act at the time of entry. Notice of liquidation by customs would not be required for entries deemed liquidated.

Senate amendment numbered 114 would require Customs to provide notice of liquidation in cases where an entry is deemed liquidated. The Senate recedes.

AMENDMENT NUMBERED 123

Section 42 of the Act of July 5, 1946, (15 U.S.C. 1124) prohibits the importation of merchandise which copies or simulates a registered trademark or which bears any mark or name calculated to induce belief that the merchandise is manufactured in the United States. Section 526 of the Tariff Act of 1930 (19 U.S.C. 1526) prohibits importation of goods bearing a trademark owned by a corporate or real citizen of the United States and registered in accordance with the

1946 Act, unless written consent of the trademark owner to the goods' importation has been given.

The House bill would amend section 526 to permit the entry of imported trademark merchandise accompanying persons arriving in the United States. The trademark goods would have to be for the arriving person's personal use and within limitations of type and quantity to be specified by the Secretary of the Treasury in regulations. It also would modify section 42 to except from the general trademark restrictions merchandise which falls within the exception under amended section 526.

Senate amendment numbered 123 would require the following with respect to imported goods which violate the provisions of section 42 relating to merchandise which copies or simulates a registered trademark:

(a) Notification of the trademark owner when such goods are seized;

(b) Forfeiture to the Government of all such goods seized unless the trademark owner provides written consent to some other disposition of the goods, e.g., reexportation, entry after obliteration of the counterfeit trademark, etc.;

(c) Delivery of forfeited goods to a Federal, State or local government agency which needs the goods for an official purpose or to a charitable institution;

(d) Sale of the goods at public auction if, after 1 year, Customs cannot deliver the goods to a government agency or charity; the counterfeit trademarks on goods put up for auction would have to be obliterated where feasible, i.e., when to do so would not destroy the goods or be disproportionately expensive vis-a-vis the value of the goods; and

(e) Destruction of goods which are unsafe or a hazard to health.

The House receded from its disagreement with the Senate amendment with amendments to clearly limit the Senate amendment to merchandise bearing a counterfeit mark as defined in section 45 of the Act of July 5, 1946 (the Lanham Act) as the amendment is intended solely to strengthen the remedies available to prevent the importation of merchandise bearing such a mark, and to require the obliteration of the counterfeit trademark where feasible in all cases before disposition of the merchandise by the Customs Service. The conferees intend that the Customs Service need do no more than publish a public notice of the availability of forfeited goods to State and local Government agencies and charitable institutions and allow a reasonable opportunity for response to the notice in order to meet its obligations to determine that these agencies or institutions have no need for such goods.

AMENDMENT NUMBERED 127

Section 2654, 4381, 4382, and 4383 of the Revised Statutes (49 U.S.C. 58, 46 U.S.C. 329, 330, and 333) impose specific dollar fees for certain enumerated services provided by customs officers to United States and foreign vessels. The House bill would repeal the statutes enumerated above and authorize the Secretary of the Treasury to set fees for furnishing the required services in an amount necessary to cover the cost of those services.

Senate amendment numbered 127 would clearly provide specific authority for the Secretary of the Treasury to set fees necessary to cover the costs of providing services similar to or the same as services furnished by customs officers under the sections repealed.

The House receded from its disagreement to the Senate amendment and agreed to the same.

AMENDMENT NUMBERED 130

Senate amendment numbered 130 would direct the Comptroller General of the United States, in cooperation with the Customs Service and Immigration and Naturalization Service, to study clearance procedures for individuals entering or reentering the United States. The Comptroller General must report his findings and recommendations to the Committee on Finance not later than February 1, 1979. There is no comparable provision in the House bill.

The House receded from its disagreement to the Senate amendment and agreed to the same with an amendment requiring the Comptroller General to make his report to the Committee on Ways and Means of the House, as well as to the Committee on Finance. The Conferees understand that the report will include a consideration of the necessity for officials of both the Customs Service and Immigration and Naturalization Service to process persons entering the United States, or whether the functions performed by these officials could be appropriately and adequately consolidated into one procedure. The report will be made by September 1, 1979.

AMENDMENT NUMBERED 133

The House bill would require, beginning in fiscal year 1980, an authorization of appropriations to the Department of the Treasury for the U.S. Customs Service. The authorization would be examined in the House and Senate by the Ways and Means Committee and Finance Committee, respectively. The House bill would authorize Customs Service appropriations of such sums as may be necessary for fiscal years 1980 and 1981, making appropriations for fiscal year 1982 the first year requiring separate authorization.

Senate amendment numbered 133 deleted that part of the House bill authorizing the appropriation of such sums as may be necessary for the Customs Service for fiscal years 1980 and 1981. This change would require a separate annual authorization beginning with fiscal year 1980.

The House receded from its disagreement with the Senate amendment and agreed to the same.

AL ULLMAN,
CHARLES A. VANIK,
DAN ROSTENKOWSKI,
JAMES JONES,
SAM GIBBONS,
W. A. STEIGER,
BILL FRENZEL,
Managers on the Part of the House.
RUSSELL B. LONG,
HERMAN E. TALMADGE,
ABRAHAM RIBICOFF,
HARRY F. BYRD, Jr.,
GAYLORD NELSON,
DANIEL PATRICK MOYNIHAN,
CARL T. CURTIS,
CLIFFORD P. HANSEN,
BOB PACKWOOD,
WILLIAM V. ROTH, Jr.,
Managers on the Part of the Senate.

CONFERENCE REPORT ON H.R. 11401

Mr. BROWN of California submitted the following conference report and statement on the bill (H.R. 11401) to authorize appropriations to the National Aeronautics and Space Administration for research and development, construction of facilities, and research and program management, and for other purposes.

CONFERENCE REPORT (H. REPT. No. 95–1509)

The committee of conference on the disagreeing votes of the two Houses on the amendment of the Senate to the bill (H.R. 11401) to authorize appropriations to the National Aeronautics and Space Administration for research and development, construction of facilities, and research and program management, and for other purposes, having met, after full and free conference, have agreed to recommend and do recommend to their respective Houses as follows: That the House recede from its disagreement to the amendment of the Senate and agree to the same with an amendment as follows:

In lieu of the matter proposed to be inserted by the Senate amendment insert the following:

That there is hereby authorized to be appropriated to the National Aeronautics and Space Administration to become available October 1, 1978:

(a) For "Research and development", for the following programs:

(1) Space Shuttle, $1,443,300,000;

(2) Space flight operations, $315,900,000;

(3) Expendable launch vehicles, $74,000,000;

(4) Physics and astronomy, $285,500,000;

(5) Lunar and planetary exploration, $187,100,000;

(6) Life sciences, $42,600,000;

(7) Space applications, $280,300,000;

(8) Technology utilization, $12,100,000;

(9) Aeronautical research and technology, $275,100,000;

(10) Space research and technology, $111,300,000;

(11) Energy technology applications, $5,000,000; and

(12) Tracking and data acquisition, $305,400,000;

(b) For "Construction of facilities", including land acquisition, as follows:

(1) Modification of unitary plan wind tunnel, Ames Research Center, $5,390,000;

(2) Modification of 3.5-foot wind tunnel, Ames Research Center, $1,870,000;

(3) Modification of 12-foot pressure wind tunnel, Ames Research Center, $2,510,000;

(4) Modifications and additions for logistic and supply functions, Goddard Space Flight Center, $5,640,000.

(5) Modifications and addition to the space flight operations facility, Jet Propulsion Laboratory, $3,060,000;

(6) Modifications to various buildings for seismic protection, Jet Propulsion Laboratory, $1,570,000;

(7) Modifications for utility control system, Langley Research Center, $1,980,000;

(8) Rehabilitation of unitary plan wind tunnel, Langley Research Center, $4,520,000;

(9) Construction of research analysis center, Lewis Research Center, $6,140,000;

(10) Large aeronautical facility: construction of national transonic facility, Langley Research Center, $24,500,000;

(11) Large aeronautical facility: modification of 40- by 80-foot subsonic wind tunnel, Ames Research Center, $31,600,000;

(12) Space Shuttle facilities at various locations as follows:

(A) Modifications to launch complex 39, John F. Kennedy Space Center, $13,570,000;

(B) Modification of manufacturing and final assembly facilities for external tanks, Michoud Assembly Facility, $13,980,000;

(C) Modifications to solid rocket motor manufacturing and assembly facilities, Thiokol Plant, Wasatch, Utah, $1,920,000;

(D) Minor Shuttle-unique projects, various locations, $1,600,000;

(13) Rehabilitation and modification of facilities at various locations, not in excess of $500,000 per project, $15,300,000;

(14) Minor construction of new facilities and additions to existing facilities at various locations, not in excess of $250,000 per project, $4,200,000; and

(15) Facility planning and design not otherwise provided for, $10,650,000:

(c) For "Research and program management", $914,000,000, and such additional or supplemental amounts as may be necessary

for increases in salary, pay, retirement, or other employee benefits authorized by law.

(d) Notwithstanding the provisions of subsection 1(g), appropriations for "Research and development" may be used (1) for any items of a capital nature (other than acquisition of land) which may be required at locations other than installations of the Administration for the performance of research and development contracts, and (2) for grants to nonprofit institutions of higher education, or to nonprofit organizations whose primary purpose is the conduct of scientific research, for purchase or construction of additional research facilities; and title to such facilities shall be vested in the United States unless the Administrator determines that the national program of aeronautical and space activities will best be served by vesting title in any such grantee institution or organization. Each such grant shall be made under such conditions as the Administrator shall determine to be required to insure that the United States will receive therefrom benefit adequate to justify the making of that grant. None of the funds appropriated for "Research and development" pursuant to this Act may be used in accordance with this subsection for the construction of any major facility, the estimated cost of which, including collateral equipment, exceeds $250,000, unless the Administrator or his designee has notified the Speaker of the House of Representatives and the President of the Senate and the Committee on Science and Technology of the House of Representatives and the Committee on Commerce, Science, and Transportation of the Senate of the nature, location, and estimated cost of such facility.

(e) When so specified and to the extent provided in an appropriation act, (1) any amount appropriated for "Research and development" or for "Construction of facilities" may remain available without fiscal year limitation, and (2) maintenance and operation of facilities, and support services contracts may be entered into under the "Research and program management" appropriation for periods not in excess of 12 months beginning at any time during the fiscal year.

(f) Appropriations made pursuant to subsection 1(c) may be used, but not to exceed $25,000, for scientific consultations or extraordinary expenses upon the approval or authority of the Administrator and his determination shall be final and conclusive upon the accounting officers of the Government.

(g) Of the funds appropriated pursuant to subsections 1(a) and 1(c), not in excess of $25,000 for each project, including collateral equipment, may be used for construction of new facilities and additions to existing facilities, and not in excess of $50,000 for each project, including collateral equipment, may be used for rehabilitation or modification of facilities: *Provided*, That of the funds appropriated pursuant to subsection 1(a), not in excess of $250,000 for each project, including collateral equipment, may be used for any of the foregoing for unforeseen programmatic needs.

SEC. 2. Authorization is hereby granted whereby any of the amounts prescribed in paragraphs (1) through (14), inclusive, of subsection 1(b)—

(1) in the discretion of the Administrator or his designee, may be varied upward 10 percent, or

(2) following a report by the Administrator or his designee to the Committee on Science and Technology of the House of Representatives and the Committee on Commerce, Science, and Transportation of the Senate on the circumstances of such action, may be varied upward 25 percent,

to meet unusual cost variations, but the total cost of all work authorized under such paragraphs shall not exceed the total of the amounts specified in such paragraphs.

SEC. 3. Not to exceed one-half of 1 percent of the funds appropriated pursuant to subsection 1(a) hereof may be transferred to the "Construction of facilities" appropriation, and, when so transferred, together with $10,000,000 of the funds appropriated pursuant to subsection 1(b) hereof (other than funds appropriated pursuant to paragraph (15) of such subsection) shall be available for expenditure to construct, expand, or modify laboratories and other installations at any location (including locations specified in subsection 1(b)), if (1) the Administrator determines such action to be necessary because of changes in the national program of aeronautical and space activities or new scientific or engineering developments, and (2) he determines that deferral of such action until the enactment of the next authorization act would be inconsistent with the interest of the Nation in aeronautical and space activities. The funds so made available may be expended to acquire, construct, convert, rehabilitate, or install permanent or temporary public works, including land acquisition, site preparation, appurtenances, utilities, and equipment. No portion of such sums may be obligated for expenditure or expended to construct, expand, or modify laboratories and other installations unless (A) a period of 30 days has passed after the Administrator or his designee has transmitted to the Speaker of the House of Representatives and to the President of the Senate and to the Committee on Science and Technology of the House of Representatives and to the Committee on Commerce, Science, and Transportation of the Senate a written report containing a full and complete statement concerning (1) the nature of such construction, expansion, or modification, (2) the cost thereof including the cost of any real estate action pertaining thereto, and (3) the reason why such construction, expansion, or modification is necessary in the national interest, or (B) each such committee before the expiration of such period has transmitted to the Administrator written notice to the effect that such committee has no objection to the proposed action.

SEC. 4. Notwithstanding any other provision of this Act—

(1) no amount appropriated pursuant to this Act may be used for any program deleted by the Congress from requests as originally made to either the House Committee on Science and Technology or the Senate Committee on Commerce, Science, and Transportation.

(2) no amount appropriated pursuant to this Act may be used for any program in excess of the amount actually authorized for that particular program by subsections 1(a) and 1(c), and

(3) no amount appropriated pursuant to this Act may be used for any program which has not been presented to or requested of either such committee,

unless (A) a period of 30 days has passed after the receipt by the Speaker of the House of Representatives and the President of the Senate and each such committee of notice given by the Administrator or his designee containing a full and complete statement of the action proposed to be taken and the facts and circumstances relied upon in support of such proposed action, or (B) each such committee before the expiration of such period has transmitted to the Administrator written notice to the effect that such committee has no objection to the proposed action.

SEC. 5. It is the sense of the Congress that it is in the national interest that consideration be given to geographical distribution of Federal research funds whenever feasible, and that the National Aeronautics and Space Administration should explore ways and means of distributing its research and development funds whenever feasible.

SEC. 6. Section 203 of the National Aeronautics and Space Act of 1958 (42 U.S.C. 2473) is amended—

(1) by inserting "(1)" after "(b)" in the subsection which was added by section 15(c) of Public Law 94-413; and

(2) by redesignating the subsection which was added by section 4 of Public Law 93-409 (and redesignated by section 15(c) of Public Law 94-413) as paragraph (2) of subsection (b).

SEC. 7. (a) Section 102 of the National Aeronautics and Space Act of 1958 (42 U.S.C. 2451) is amended (1) by redesignating subsection (f) as subsection (g) thereof; and (2) by inserting immediately after subsection (e) thereof the following new subsection.

"(f) The Congress declares that the general welfare of the United States requires that the unique competence of the National Aeronautics and Space Administration in science and engineering systems be directed to assisting in bioengineering research, development, and demonstration programs designed to alleviate and minimize the effects of disability.".

(b) The subsection of section 102 of such Act redesignated as subsection (g) by subsection (a) of this section is amended by striking out "and (e)" and inserting in lieu thereof "(e), and (f)".

SEC. 8. The Administrator of the National Aeronautics and Space Administration will report to the House Committee on Science and Technology and the Senate Committee on Commerce, Science, and Transportation no later than December 31, 1978, on the Administration policy regarding conflicts of interest, standards of conduct and financial disclosure and the implementation of that policy.

SEC. 9. This Act may be cited as the "National Aeronautics and Space Administration Authorization Act, 1979".

And the Senate agree to the same.

OLIN E. TEAGUE,
DON FUQUA,
ROBERT A. ROE,
DALE MILFORD,
JAMES F. LLOYD,
JOHN W. WYDLER,
LARRY WINN, Jr.,
Managers on the Part of the House.

HOWARD W. CANNON,
WARREN G. MAGNUSON,
ADLAI E. STEVENSON,
WENDELL H. FORD,
BARRY M. GOLDWATER,
HARRISON H. SCHMITT,
Managers on the Part of the Senate.

JOINT EXPLANATORY STATEMENT OF THE COMMITTEE OF CONFERENCE

The managers on the part of the House and the Senate at the conference on the disagreeing votes of the two Houses on the amendment of the Senate to the bill (H.R. 11401) to authorize appropriations to the National Aeronautics and Space Administration for fiscal year 1979 for Research and Development, Construction of Facilities and Research and Program Management, and for other purposes, submit the following joint statement to the House and the Senate in explanation of the effect of the action agreed upon by the managers and recommended in the accompanying conference report.

The NASA request for fiscal year 1979 totaled $4,371,600,000. The House authorized $4,415,300,000 and the Senate amendment authorized $4,388,600,000. The committee of conference agrees to a total authorization for fiscal year 1979 of $4,401,600,000 as follows:

SUMMARY, FISCAL YEAR 1979

Fiscal year 1979	Budget request	House action	Senate committee action	Committee conference
Research and development:				
Space Shuttle	$1,439,300,000	$1,443,300,000	$1,443,300,000	$1,443,300,000
Space flight operations	311,900,000	308,900,000	318,900,000	315,900,000
Expendable launch vehicles	76,500,000	71,500,000	76,500,000	74,000,000
Physics and astronomy	285,500,000	285,500,000	285,500,000	285,500,000
Lunar and planetary exploration	187,100,000	187,100,000	187,100,000	187,100,000
Life sciences	40,600,000	40,600,000	42,600,000	42,600,000
Space applications	274,300,000	288,300,000	274,300,000	280,300,000
Technology utilization	9,100,000	14,600,000	9,100,000	12,100,000
Aeronautical research and technology	264,100,000	292,300,000	264,100,000	275,100,000
Space research and technology	108,300,000	111,300,000	111,300,000	111,300,000
Energy technology applications	3,000,000	6,000,000	4,000,000	5,000,000
Tracking and data acquisition	305,400,000	304,400,000	305,400,000	305,400,000
Total	3,305,100,000	3,353,800,000	3,322,100,000	3,337,600,000
Construction of facilities	152,500,000	147,500,000	152,500,000	150,000,000
Research and program management	914,000,000	914,000,000	914,000,000	914,000,000
Grand total	4,371,600,000	4,415,300,000	4,388,600,000	4,401,600,000

The points in disagreement and the conference resolution of them are as follows:

1. NASA requested $311,900,000 for the space flight operations program.

The House authorized $308,900,000, a reduction of $3 million in the request resulting from a $10 million cut in the development, test and mission operations subprogram and the addition of $7 million to the advanced programs subprogram.

The Senate authorized $318,900,000, agreeing with the NASA request for the development, test and mission operations subprogram as necessary to support shuttle development and other space flight activity, and adding $7 million to the NASA request increasing the amount for advanced programs from $5 million to $12 million.

The conference substitute authorizes $315,900,000 for the space flight operations program.

The conferees are concerned that the subprogram categories within the space flight operations program are not sufficient to serve budgeting and costing policies as the space shuttle development effort declines and new projects, including shuttle operations, command a larger share of technical support resources provided under this program. Of particular concern is the need to assure that all appropriate costs are allocated to shuttle operations so that all users bear an equitable share of the cost of technical support. Accordingly, the conferees request that the budget categories in this program be reviewed and that changes be made so costs are related as precisely as possible to the program activities which they support. The fiscal year 1980 budget presentation should reflect this request.

2. The House authorized $71,500,000 for the expendable launch vehicles program, a reduction of $5 million in the NASA request, believing that the phaseout of these vehicles in favor of the shuttle presented opportunities for economies.

The Senate approved the NASA request of $76,500,000 noting the importance of adequate technical and other support to assure successful launch performance for expensive payloads.

The committee of conference authorizes $74 million for the expendable launch vehicles program.

3. NASA requested $40,600,000 for the life sciences program.

The House authorized the NASA request.

The Senate authorized $42,600,000, increasing the NASA request by $2 million for additional work on life science experiments for the spacelab program.

The conference substitute authorizes $42,600,000.

4. The House authorized $288,300,000 for the space applications program, an increase of $14 million in the NASA request of $274,300,000. Of the $14 million increase, the House allocated $10 million to augment earth resources applications transfer and demonstration activities, including support to State and private sector users, with the remaining $4 million to be used to initiate development of a stereosat remote sensing satellite system contingent upon industrial financial participation in the project.

The Senate authorized the NASA request, $274,300,000.

The conference substitute authorizes $280,300,000 for the space applications program.

The conferees request that NASA, utilizing not to exceed $1 million of the funds authorized for the space applications program, resume definition studies for a stereosat spacecraft system in preparation for initiation of the project in the fiscal year 1980 budget. The conferees agree that such a project initiation is to be contingent upon agreement with industry for substantial cost participation therein, and request NASA to continue its current efforts to achieve such an agreement as expeditiously as possible.

5. NASA requested $9,100,000 for the technology utilization program.

The House authorized $14,600,000, an increase of $5,500,000 of which $1,500,000 was to increase the scope and effectiveness of industrial applications centers, dissemination mechanisms and other aspects of the program, and of which $4 million was to be used to support the maintenance of aggressive programs in bioengineering applications in the areas of materials, human factors engineering and electronics to assist the handicapped and to alleviate the problems of the disabled.

The Senate authorized the NASA request noting that a collaborative study effort involving NASA and several other agencies is underway to examine and better understand the technology transfer process to determine how and where additional resources could be productively applied, and also noting that NASA has supported for several years a biomedical applications activity addressing problems of the handicapped as well as other medical problems and that $1,700,000 is authorized to continue such activities.

The conference substitute authorizes $12,100,000 for the technology utilization program.

The conferees agree that NASA should increase the scope of the industrial applications centers and maintain an aggressive program for transferring its technology to bioengineering applications. These applications should be directed to aiding the handicapped, utilizing NASA's unique competence and expertise in materials, human factors engineering, electronics and automated systems. The conferees agree further that NASA shall enhance its working relationships with the Department of Health, Education, and Welfare, the Veterans Administration, and other interested agencies of the Government to assure that the maximum benefit to the handicapped results from these activities.

6. NASA requested $264,100,000 for the aeronautical research and technology program.

The House authorized $292,300,000 for this program, an increase of $28,200,000. Of the increase, $26,700,000 was to be applied to restore an OMB reduction in work on composite primary aircraft structures, and $1,500,000 was to establish a subline item for aerial applications technology. Also the House added $12 million to accelerate the variable cycle engine and supersonic cruise aircraft research programs, offsetting the addition with an equivalent reduction from the near-term components of the engine components improvement and the energy efficient transport programs.

The Senate authorized $264,100,000, the NASA request, to permit time for further study of the problem of "free-floating" graphite fibers used in the fabrication of composite structures and to provide funds for the aircraft energy efficiency program at the level requested by NASA. The Senate also requested NASA to provide for continuation of its aerial applications technology activity after fiscal year 1979.

The conference substitute authorizes $275,100,000 for the aeronautical research and technology program.

The committee of conference agrees to support the NASA budget request, together with an increase of $11 million to be applied on a priority basis to variable cycle engine/supersonic cruise technology, aerial applications technology, and composite materials technology, for a total authorization of $275,100,000 for the aeronautical research and technology program.

The conferees also urge NASA to review the near-term vs. far-term balance of the aeronautical research and technology program with a view toward achieving a greater emphasis on far-term work.

7. The House increased the NASA request of $3 million for the energy technology applications program by $3 million for space-related technology advancement for the solar power satellite (SPS) concept.

The Senate authorized $4 million for this program, increasing the NASA request by $1 million to support additional activity to identify and verify potential contributions to national energy needs. The Senate noted that a joint Department of Energy/NASA SPS concept development and evaluation program is underway and that funding for this and related SPS activities is the responsibility of the Department of Energy.

The conference substitute authorizes $5 million for the energy technology applications program.

8. NASA requested $305,400,000 for the tracking and data acquisition program.

The House authorized $304,400,000, a decrease of $1 million from the request, the net result of a $5 million cut to assure full advantage is taken of cost reduction opportunities in network operations, and the addition of $4 million to initiate development of and equipment procurement for a new spacelab data processing center at the Goddard Space Flight Center.

The Senate authorized $305.400.000, the NASA request, believing that full funding of network operations is essential to mission success and that the spacelab data center, for which significant research and development and construction of facilities funds

are required, should be presented in the fiscal year 1980 budget.

The conference substitute authorizes $305-400,000 for the tracking and data acquisition program.

The conferees agree that NASA may utilize to the extent required up to $4 million of the funds authorized in the operations subprogram for the development and procurement of long leadtime items of equipment for a spacelab data processing center.

9. The House reduced the NASA request for the rehabilitation and modification of facilities line item by $5 million, reducing it from $17,800,000 to $12,800,000, indicating that several projects did not appear to be high priority for fiscal year 1979 authorization.

The Senate authorized $17,800,000, the NASA request, noting the importance of this line item to maintaining the $6.1 billion NASA plant investment, upgrading facilities to support new technologies and changing missions, and to attacking special problems such as energy conservation.

The committee of conference authorizes $15,300,000 for the rehabilitation and modification of facilities line item.

10. The House bill consolidated the two construction of facilities projects for large aeronautical facilities in subsection 1(b)(10), designating them as items (10)(A) and (10)(B), respectively.

The Senate amendment established each of these projects as an individual line item within the construction of facilities subsection noting they are major, individual, unrelated and separate undertakings, and believing they should be presented accordingly. The remaining line items in subsection 1(b) were renumbered to conform with this change.

The committee of conference adopts the Senate position.

11. The House bill, in section 7, included complementary amendments to sections 102 and 203 of the National Aeronautics and Space Act of 1958, as amended, directing NASA to carry out research, development, demonstrations, and related activities in bioengineering to assist handicapped individuals and lessen or alleviate the problems of disability.

The Senate did not include an equivalent section in its amendment noting that the conduct of such activities by NASA, to the extent desired and appropriate, is embodied in the Space Act as now constituted.

The conference substitute adopts a section 7 amending section 102 of the National Aeronautics and Space Act of 1958 (42 U.S.C. 2451), as amended, to declare that NASA competence in science and engineering should be used to assist in bioengineering research, development and demonstration programs to alleviate and minimize the effects of disability.

12. The House adopted, as section 8 of its bill, a provision requiring the Administrator of NASA to report, by December 31, 1978, to the respective authorizing committees of the House and the Senate on NASA policy regarding conflicts of interest, standards of conduct, and financial disclosure and the implementation of that policy.

The Senate amendment to the bill did not include a comparable provision.

The committee of conference adopts the House position including the House provision as section 8 of the conference substitute.

OLIN E. TEAGUE,
DON FUQUA,
ROBERT A. ROE,
DALE MILFORD,
JAMES F. LLOYD,
JOHN W. WYDLER,
LARRY WINN, JR.,
Managers on the Part of the House.

HOWARD W. CANNON,
WARREN G. MAGNUSON,
ADLAI E. STEVENSON,
WENDELL H. FORD,
BARRY M. GOLDWATER,
HARRISON H. SCHMITT,
Managers on the Part of the Senate.

LEAVE OF ABSENCE

By unanimous consent, leave of absence was granted to:

Mr. RODINO (at the request of Mr. WRIGHT), for today, on account of illness in the family.

SPECIAL ORDERS GRANTED

By unanimous consent, permission to address the House, following the legislative program and any special orders heretofore entered, was granted to:

Mr. MOORHEAD of Pennsylvania, for 15 minutes today, and to include extraneous matter.

(The following Members (at the request of Mr. RUDD), to revise and extend their remarks, and to include extraneous matter to:)

Mr. KEMP, for 10 minutes, today.
Mr. CONABLE, for 10 minutes, today.
Mr. MCDADE, for 5 minutes, today.
Mr. WAMPLER, for 15 minutes, today.
Mr. HAMMERSCHMIDT, for 5 minutes, today.
Mr. CLEVELAND, for 5 minutes, today.
Mr. CORCORAN of Illinois, for 5 minutes, today.
Mr. YOUNG of Florida, for 5 minutes, today.
Mrs. FENWICK, for 5 minutes, today.
Mr. GRASSLEY, for 30 minutes, today.
Mr. BOB WILSON, for 5 minutes, today.
Mr. GREEN, for 5 minutes, today.

(The following Members (at the request of Mr. AKAKA) to revise and extend their remarks and include extraneous material:)

Mr. MINISH, for 15 minutes, today.
Mr. MCFALL, for 10 minutes, today.
Mr. BRADEMAS, for 5 minutes, today.
Mrs. MEYNER, for 5 minutes, today.
Mr. ANNUNZIO, for 5 minutes, today.
Mr. GONZALEZ, for 5 minutes, today.
Mr. PEPPER, for 5 minutes, today.
Mr. AMBRO, for 5 minutes, today.
Mr. WIRTH, for 5 minutes, today.
Mr. ALEXANDER, for 5 minutes, today.
Mr. BROWN of California, for 5 minutes, today.
Mr. DE LA GARZA, for 5 minutes, today.
Mr. MEEDS, for 5 minutes, today.
Mr. NEAL, for 5 minutes, today.
Ms. HOLTZMAN, for 5 minutes, today.
Mr. BLANCHARD, for 5 minutes, today.
Mr. LAFALCE, for 5 minutes, today.

EXTENSION OF REMARKS

By unanimous consent, permission to revise and extend remarks was granted to:

Mr. GORE, in the permanent RECORD, on H.R. 13511, on August 10, 1978.

Mr. WEISS, to include statement in permanent RECORD as part of debate on H.R. 13551 on Thursday, August 10, 1978.

Mr. DINGELL, to revise and extend his remarks on S. 9, Outer Continental Shelf Lands Act Amendments of 1978, prior to vote on the conference report.

(The following Members (at the request of Mr. RUDD), and to include extraneous matter:)

Mr. PURSELL in two instances.
Mr. ANDERSON of Illinois in four instances.
Mr. BOB WILSON.
Mr. DERWINSKI in three instances.
Mr. COUGHLIN.
Mr. RHODES.
Mr. KEMP.
Mr. HYDE.
Mr. LUJAN.
Mr. DORNAN in two instances.
Mr. HAGEDORN.
Mr. PRITCHARD.
Mr. HANSEN in nine instances.
Mr. RUPPE.
Mr. CRANE.
Mr. ROUSSELOT in five instances.
Mrs. HOLT.
Mr. SPENCE.
Mr. FINDLEY in four instances.
Mr. STEERS.
Mr. MICHEL.
Mr. LENT.
Mr. WYDLER in two instances.
Mr. GILMAN.
Mr. MOORE.
Mr. CARTER.
Mr. WIGGINS.
Mr. PRESSLER in two instances.

(The following Members (at the request of Mr. AKAKA), and to include extraneous matter:)

Mr. SIMON.
Mr. EVANS of Georgia.
Mr. ADDABBO in two instances.
Mr. MAZZOLI in two instances.
Mr. PATTISON of New York.
Mr. GORE.
Mr. HARRINGTON in two instances.
Mr. MOORHEAD of Pennsylvania.
Mr. BAUCUS in 10 instances.
Mr. PEASE.
Mr. DODD in two instances.
Mr. HAMILTON.
Mr. GONZALEZ in three instances.
Mr. ANDERSON of California in three instances.
Mr. O'NEILL.
Mr. WEISS in six instances.
Mr. OTTINGER.
Mr. RANGEL in three instances.
Mr. TRAXLER.
Mr. SOLARZ in two instances.
Mr. PEPPER in two instances.
Ms. HOLTZMAN.
Mr. NOLAN in two instances.
Mr. EDGAR.
Mr. LONG of Maryland.
Mr. MINETA.
Mr. MILLER of California.
Mr. LUKEN.
Mr. BRECKINRIDGE in four instances.
Mr. LAFALCE.
Mr. RICHMOND.
Mr. MURTHA.
Mr. ZABLOCKI in two instances.
Mr. Moss in three instances.
Mr. FISHER.
Mr. STARK in two instances.
Mrs. MEYNER.
Mrs. BOGGS.
Mr. DRINAN.

Mr. ROSTENKOWSKI.
Mr. MANN.
Mr. HAWKINS.
Mr. BRADEMAS.
Mr. RUSSO in three instances.
Mr. MATHIS in three instances.
Mr. EVANS of Indiana.
Mr. CONYERS.
Mr. MIKVA.

ENROLLED BILL SIGNED

Mr. THOMPSON, from the Committee on House Administration, reported that that committee had examined and found truly enrolled a bill of the House of the following title, which was thereupon signed by the Speaker:

H.R. 8771. An act to amend title 5, United States Code, to authorize the Civil Service Commission to comply with the terms of a court decree, order, or property settlement in connection with the divorce, annulment, or legal separation of a Federal employee who is under the civil service retirement system, and for other purposes.

ADJOURNMENT

Mr. AKAKA. Mr. Speaker, I move that the House do now adjourn.

The motion was agreed to.

The SPEAKER pro tempore. Pursuant to the provisions of House Concurrent Resolution 696, 95th Congress, the House stands adjourned until 12 o'clock meridian, Wednesday, September 6, 1978.

Thereupon (at 5 o'clock and 57 minutes p.m.), pursuant to House Concurrent Resolution 696, the House adjourned until Wednesday, September 6, 1978, at 12 o'clock noon.

EXECUTIVE COMMUNICATIONS, ETC.

Under clause 2 of rule XXIV, executive communications were taken from the Speaker's table and referred as follows:

4836. A letter from the Acting Director, Defense Security Assistance Agency, transmitting a report on the impact on U.S. readiness of the Army's proposed sale of certain defense equipment and services to Saudi Arabia (transmittal No. 78-95), pursuant to section 813 of Public Law 94-106; to the Committee on Armed Services.

4837. A letter from the Secretary of the Interior, transmitting the annual report for calendar year 1977 on administration of the Federal Metal and Nonmetallic Mine Safety Act pursuant to section 20 of the act (Public Law 89-577); to the Committee on Education and Labor.

4838. A letter from the Deputy Under Secretary of State for Management, transmitting notice of a proposed change in a records system, pursuant to 5 U.S.C. 552a(o); to the Committee on Government Operations.

4839. A letter from the Acting Director, Defense Security Assistance Agency, transmitting notice of the Air Force's intention to offer to sell certain defense services to Saudi Arabia (transmittal No. 78-81), pursuant to section 36(b) of the Arms Export Control Act; to the Committee on International Relations.

4840. A letter from the Acting Director, Defense Security Assistance Agency, transmitting notice of the Army's intention to offer to sell certain defense equipment and services to Saudi Arabia (transmittal No. 78-95), pursuant to section 36(b) of the Arms Export Control Act; to the Committee on International Relations.

4841. A letter from the Secretary of Agriculture, transmitting notice of a delay in preparation of the report on the review of primitive areas in the National Forest System to determine appropriate areas for redesignation to class I where air quality related values are important attributes of the area, required by section 164(d) of the Clean Air Act, as amended; to the Committee on Interstate and Foreign Commerce.

4842. A letter from the Administrator, U.S. Environmental Protection Agency, transmitting the first annual report of the Task Force on Environmental Cancer and Heart and Lung Disease, pursuant to section 402 of Public Law 95-95; to the Committee on Interstate and Foreign Commerce.

4843. A letter from the Secretary of the Army, transmitting a final environmental impact statement and supplemental information on the Theodore Ship Channel, Mobile Harbor, Ala., pursuant to section 404(r) of the Federal Water Pollution Control Act, as amended (86 Stat. 884; 91 Stat. 1605); jointly, to the Committees on Public Works and Transportation, and Appropriations.

REPORTS OF COMMITTEES ON PUBLIC BILLS AND RESOLUTIONS

Under clause 2 of rule XIII, reports of committees were delivered to the Clerk for printing and reference to the proper calendar, as follows:

Mr. DIGGS: Committee on the District of Columbia. S. 3120. An act to enhance the flexibility of contractual authority of the Temporary Commission on Financial Oversight of the District of Columbia (Rept. No. 95-1504). Referred to the Committee of the Whole House on the State of the Union.

Mr. BOLLING: Committee on Rules. House Resolution 1323. Resolution providing for the consideration of H.R. 1. A bill to require candidates for Federal office. Members of the Congress, and officers and employees of the United States to file statements with the Comptroller General with respect to their income and financial transactions (Rept. No. 95-1505). Referred to the House Calendar.

Mr. BOLLING: Committee on Rules. House Resolution 1324. Resolution providing for the consideration of H.R. 12611. A bill to amend the Federal Aviation Act of 1958 to improve air service and provide flexibility in air fares Rept. No. 95-1506). Referred to the House Calendar.

Mr. LONG of Louisiana: Committee on Rules. House Resolution 1325. Resolution providing for the consideration of H.R. 13059. A bill authorizing the construction, repair, and preservation of certain public works on rivers and harbors for navigation, flood controls, and for other purposes (Rept. No. 95-1507). Referred to the House Calendar.

Mr. MURPHY of Illinois: Committee on Rules. House Resolution 1326. Resolution providing for the consideration of H.R. 11733. A bill to authorize appropriations for the construction of certain highways in accordance with title 23 of the United States Code, for highway safety, for mass transportation in urban and in rural areas, and for other purposes (Rept. No. 95-1508). Referred to the House Calendar.

Mr. TEAGUE: Committee of conference. Conference report on H.R. 11401 (Rept. No. 95-1509). Ordered to be printed.

Mr. UDALL. Committee on Interior and Insular Affairs. H.R. 9945. A bill to amend the act creating the Indian Claims Commission to repeal the provision limiting the activities of Commissioners during the 2 years following their terms of office; with amendment (Rept. No. 95-1510). Referred to the House Calendar.

Mr. JOHNSON of California. Committee on Public Works and Transportation. H.R. 13597. A bill to authorize the Architect of the Capitol to install solar collectors for furnishing a portion of the energy needs of the Rayburn House Office Building and House Office Building Annex No. 2, and for other purposes; with amendment (Rept. No. 95-1513). Refered to the Committee of the Whole House on the State of the Union.

Mr. UDALL: Committee on Interior and Insular Affairs. H.R. 13096. A bill to provide that members of the Sisseton-Wahpeton Sioux Tribe may request the Secretary of the Interior to acquire certain lands, and to provide that the tribe shall have a preference right to purchase certain lands held in trust by the United States for tribal members; with amendment (Rept. No. 95-1511). Referred to the Committee of the Whole House on the State of the Union.

Mr. TEAGUE: Committee on Science and Technology. H.R. 12559. A bill to establish a research and development effort resulting in the commercialization of native latex rubber; with amendment (Rept. No. 95-1512, Pt. I). Ordered to be printed.

Mr. JOHNSON of California: Committee on Public Works and Transportation. H.R. 13808. A bill to designate the "Omar Burleson Federal Building"; with amendment (Report No. 95-1514). Referred to the House Calendar.

Mr. JOHNSON of California: Committee on Public Works and Transportation. H.R. 13809. A bill to designate the "George H. Mahon Building"; with amendment (Rept. No. 95-1515). Referred to the House Calendar.

Mr. ULLMAN: Committee of conference. Conference report on H.R. 8149 (Rept. No. 95-1517). Ordered to be printed.

REPORTED BILLS SEQUENTIALLY REFERRED

Under clause 5 of rule X, bills and reports were delivered to the Clerk for printing, and bills referred as follows:

Mr. ULLMAN: Committee on Ways and Means. H.R. 13814. A bill to amend section 8 of Public Law 93-233 to permit California to continue cash payments to SSI recipients in lieu of food stamps; with amendment (Rept. No. 95-1516, pt. I). Referred to the Committee on Appropriations for a period not to exceed 15 legislative days with instructions to report back to the House as provided in section 401(b) of Public Law 93-344.

PUBLIC BILLS AND RESOLUTIONS

Under clause 5 of rule X and clause 4 of rule XXII, public bills and resolutions were introduced and severally referred as follows:

By Mr. ANDERSON of California (for himself, Mr. JOHNSON of California, and Mr. HANNAFORD):

H.R. 13908. A bill to provide assistance to airport operators to prepare and carry out noise compatibility programs, to provide assistance to aircraft operators to comply with noise standards, and for other purposes; to the Committee on Public Works and Transportation.

By Mr. ANDERSON of Illinois:

H.R. 13909. A bill to secure and protect the freedom of the press from unwarranted intrusions by persons acting under color of law; to the Committee on the Judiciary.

By Mr. AUCOIN:

H.R. 13910. A bill to amend the Tariff Schedules of the United States to provide a

temporary suspension of the duty on certain freight car parts; to the Committee on Ways and Means.

By Mr. BIAGGI (for himself, Mr. MURPHY of New York, and Mr. TREEN):

H.R. 13911. A bill to improve recreational boat safety through the financing of boating safety services projects and recreational boating facilities, and for other purposes; to the Committee on Merchant Marine and Fisheries.

By Mr. BURKE of Florida:

H.R. 13912. A bill to amend title 39 of the United States Code to provide free postal service to the States and political subdivisions thereof for the mailing of sample ballots in connection with elections conducted by such States and political subdivisions; to the Committee on Post Office and Civil Service.

By Mr. CONABLE (for himself and Mr. CORMAN):

H.R. 13913. A bill to amend sections 856 and 857 of the Internal Revenue Code of 1954 to exclude from the application of the 100 percent tax on prohibited transactions the sale of certain property held for more than 4 years and to extend the period during which property may be treated as foreclosure property; to the Committee on Ways and Means.

By Mr. CORCORAN of Illinois:

H.R. 13914. A bill to amend the Internal Revenue Code of 1954 to allow a retirement savings deduction for persons covered by certain pension plans; to the Committee on Ways and Means.

By Mr. CORMAN (for himself and Mr. ROSE):

H.R. 13915. A bill to amend title XVIII of the Social Security Act to authorize payment under the medicare program for certain services performed by chiropractors; jointly, to the Committees on Ways and Means, and Interstate and Foreign Commerce.

By Mr. CORMAN (for himself, Mr. AUCOIN, Mr. PRITCHARD, and Mr. RYAN):

H.R. 13916. A bill to amend title XVIII of the Social Security Act to authorize payment under the supplementary medical insurance program for optometric and medical vision care; jointly, to the Committee on Ways and Means, and Interstate and Foreign Commerce.

By Mr. CORMAN (for himself, Mr. MURPHY of Illinois, Mr. PEPPER, and Mr. SHARP):

H.R. 13917. A bill to amend title XVIII of the Social Security Act to provide for the coverage of certain psychologists' services under the supplementary medical insurance benefits program established by part B of such title; jointly, to the Committees on Ways and Means, and Interstate and Foreign Commerce.

By Mr. CRANE:

H.R. 13918. A bill to protect the freedom of the press under the first amendment to the Constitution; to the Committee on the Judiciary.

By Mr. DE LA GARZA (for himself, Mr. ANDREWS of North Dakota, Mr. BAFALIS, Mr. IRELAND, and Mr. ROGERS):

H.R. 13919. A bill to make storage space available for 1978 sugar crop; to the Committee on Agriculture.

By Mr. GORE:

H.R. 13920. A bill to direct the President to seek an agreement with other countries to prohibit restrictive business practices, to amend the Trade Act of 1974 to allow the President to take certain actions against countries engaging in restrictive business practices, and for other purposes; jointly, to the Committees on International Relations, the Judiciary, and Ways and Means.

By Mr. GORE (for himself and Mr. Moss):

H.R. 13921 A bill to amend the Federal Trade Commission Act to impose certain reporting requirements on U.S. persons with respect to restrictive business practices abroad, and for other purposes; jointly, to the Committees on Interstate and Foreign Commerce, and the Judiciary.

H.R. 13922. A bill to amend the Federal Trade Commission Act to impose certain reporting requirements on U.S. persons with respect to restrictive business practices abroad, to direct the President to seek an agreement with other countries to prohibit restrictive business practices, and for other purposes; jointly, to the Committees on International Relations, Interstate and Foreign Commerce, the Judiciary, and Ways and Means.

By Mr. GRADISON (for himself, Mr. BARNARD, Mr. BEARD of Tennessee, Mr. BUTLER, Mr. MCCLOSKEY, Mr. RUDD, Mr. BOB WILSON, Mr. WAMPLER, and Mr. SEBELIUS):

H.R. 13923. A bill to amend the Internal Revenue Code of 1954 to provide for automatic cost-of-living adjustments in the income tax and withholding rates; to the Committee on Ways and Means.

By Mr. HAMMERSCHMIDT:

H.R. 13924. A bill to authorize veterans loan guaranty benefits notwithstanding usury provisions of State constitutions or statutes, and for other purposes; to the Committee on Veterans' Affairs.

By Mrs. HOLT (for herself, Mr. BADHAM, Mr. BROWN of Ohio, Mr. CEDERBERG, Mr. COCHRAN of Mississippi, Mr. DERWINSKI, Mr. GEPHARDT, Mr. GRASSLEY, Mr. GUYER, Mr. KINDNESS, Mr. LAFALCE, Mrs. LLOYD of Tennessee, Mr. LOTT, Mr. ROBINSON, Mr. RUDD, Mr. STANGELAND, and Mr. TRIBLE):

H.R. 13925. A bill to improve the congressional budget process by the establishment in the House of Representatives of a two-step budget procedure for the consideration of a first required concurrent resolution on the budget; to the Committee on Rules.

By Mr. HORTON:

H.R. 13926. A bill to amend section 131(c) of title 23, United States Code, to permit nonprofit organizations to advertise the availability of free coffee for individuals traveling on highways on the Interstate System or the primary system; to the Committee on Public Works and Transportation.

By Mr. JACOBS (for himself, Mr. BENJAMIN, Mr. CHAPPELL, Mr. CORNWELL, Mr. COTTER, Mr. MARTIN, Mr. PICKLE, Mr. SAWYER, Mr. STEIGER, and Mr. WHITEHURST):

H.R. 13927. A bill to amend title II of the Social Security Act to provide that renewal commissions, received by a retired insurance agent from life insurance policies which were sold by him before his retirement, shall not be taken into account in determining his net earnings from self-employment for purposes of the earnings test; to the Committee on Ways and Means.

By Mr. JEFFORDS (for himself and Mr. HOLLENBECK):

H.R. 13928. A bill to provide for the timely and safe disposal of radioactive ores, minerals, and mill tailings as well as physical facilities and material wastes of all types which are produced as a result of the use of nuclear energy; jointly, to the Committees on Armed Services, Interior and Insular Affairs, International Relations, and Interstate and Foreign Commerce.

By Mr. LENT:

H.R. 13929. A bill to amend the Trade Act of 1974; to the Committee on Ways and Means.

By Mr. MITCHELL of New York (for himself, Mr. KETCHUM, Mr. NEAL, Mr. MCDONALD, Mr. LEGGETT, Mr. LOTT, Mr. WALSH, Mr. TRIBLE, Mr. MANN, Mr. WHITEHURST, Mr. HALL, Mr. JENRETTE, Mr. EDWARDS of Oklahoma, Mr. SPENCE, Mr. ROSE, Mr. BOB WILSON, Mr. CORCORAN of Illinois, and Mr. DE LUGO):

H.R. 13930. A bill to amend the Federal Civil Defense Act of 1950 to authorize appropriations for the purposes of such act for fiscal years 1979 through 1985; to the Committee on Armed Services.

By Mr. MEEDS (for himself, Mr. ULLMAN, Mr. FOLEY, Mr. DUNCAN of Oregon, Mr. DICKS, Mr. MCCORMACK, Mr. CUNNINGHAM, Mr. HANSEN, and Mr. SYMMS):

H.R. 13931. A bill to assist the electrical consumers of the Pacific Northwest through use of the Federal Columbia River Power System to achieve cost-effective energy conservation, to encourage the development of renewable energy resources, to establish a representative regional power planning process, to assure the region of an efficient and adequate power supply, and for other purposes; jointly, to the Committee on Interior and Insular Affairs, and Interstate and Foreign Commerce.

By Mr. MOTTL (for himself, Mr. BROOMFIELD, Mr. BRODHEAD, Mr. ASPIN, Ms. OAKAR, and Mrs. SPELLMAN):

H.R. 13932. A bill to direct the Civil Aeronautics Board to disapprove any renewal and terminate any effect of the Airlines Mutual Aid Pact and to prohibit the approval by the Civil Aeronautics Board of any agreement or pact the purposes of which are similar to the Airlines Mutual Aid Pact; to the Committee on Public Works and Transportation.

By Mr. PICKLE (for himself, Mr. FORD of Tennessee, and Mr. JONES of Oklahoma):

H.R. 13933. A bill to provide for the deferral of proposed arbitrage bond regulations; to the Committee on Ways and Means.

By Mr. PURSELL (for himself, Mr. OTTINGER, Mr. WHITEHURST, Mr. LAGOMARSINO, Mr. EILBERG, Mr. COLEMAN, Mr. WON PAT, Mr. KREBS, Mr. HOWARD, Mr. FRENZEL, Mr. MILFORD, Mr. DOWNEY, Mr. YATRON, Mr. CONTE, Mr. HUGHES, Mrs. SPELLMAN, Mr. PATTISON of New York, and Mr. FOUNTAIN):

H.R. 13934. A bill to encourage on-the-scene emergency care aboard aircraft by relieving physicians, registered nurses, and aircraft employees from civil liability for damages resulting from any act or omission in rendering such care; to the Committee on the Judiciary.

By Mr. QUAYLE:

H.R. 13935. A bill entitled the "Fair Treatment for Skilled Trades Act of 1978"; to the Committee on Education and Labor.

By Mr. SAWYER (for himself, Mr. MCCLOSKEY, Mr. FRENZEL, Mr. JOHNSON of Colorado, Mr. MCCLORY, Mr. HYDE, Mr. BUTLER, Mr. LEACH, Mr. PRITCHARD, Mr. GRADISON, Mr. WHITEHURST, Mr. COCHRAN of Mississippi, Mr. HILLIS, Mr. ANDERSON of Illinois, and Mr. ANDREWS of North Dakota):

H.R. 13936. A bill to amend title 18, United States Code, to restrict the issuance of search warrants with respect to certain property possessed by persons who are not suspects in a criminal investigation; to the Committee on the Judiciary.

By Mr. SEIBERLING:

H.R. 13937. A bill to amend title 28 of the United States Code to make certain changes in the division within the Northern District of Ohio; to the Committee on the Judiciary.

By Mrs. SPELLMAN:

H.R. 13938. A bill to amend title 5, United States Code, to provide that civilian air traffic controllers of the Department of Defense shall be treated the same as air traffic controllers of the Department of Transportation for purposes of retirement, and for other purposes; to the Committee on Post Office and Civil Service.

By Mr. TEAGUE (by request):

H.R. 13939. A bill to provide for the establishment of a Commission on the Impact of Science and Technology on Society in order to examine trends and future developments in science and technology and their impact, delineate choices for promoting America's well-being in the light of these trends and developments, and to present options for their implementation in the context of societal requirements; to the Committee on Science and Technology.

By Mr. WALKER:

H.R. 13940. A bill to amend the Internal Revenue Code of 1954 to provide a credit against income tax to owners of certain farmland who, in a convenant binding themselves and all future owners of their land, restrict the use of such land to use as farmland; to the Committee on Ways and Means.

By Mr. WAMPLER (for himself and Mr. HANSEN):

H.R. 13941. A bill to amend the Occupational Safety and Health Act of 1970 to provide that the requirements of such act with respect to employers shall apply to the Occupational Safety and Health Administration; to the Committee on Education and Labor.

By Mr. WAMPLER (for himself and Mr. MARTIN):

H.R. 13942. A bill to delay any action which may be taken by the Secretary of Agriculture and the Secretary of Health, Education, and Welfare respecting nitrites used as a food preservative on the basis of any carcinogenic effect nitrities may be represented to have; jointly, to the Committees on Agriculture, and Interstate and Foreign Commerce.

By Mr. BOB WILSON (for himself, Mr. DAN DANIEL, Mr. DICKINSON, Mr. SPENCE, Mr. TREEN, Mr. TRIBLE, and Mr. WHITEHURST):

H.R. 13943. A bill to authorize the United States Navy Memorial Foundation to erect a memorial in the District of Columbia or its environs; to the Committee on House Administration.

By Mr. WIRTH:

H.R. 13944. A bill to require the provision by utilities of lifeline rates for essential residential gas and electric utility service and to provide a tax credit for residential users of propane or heating oil, and for other purposes; jointly, to the Committees on Interstate and Foreign Commerce, and Ways and Means.

By Mr. BENNETT (for himself, Mr. PRICE, Mr. BOB WILSON, Mr. MITCHELL of New York, Mr. CHARLES H. WILSON of California, Mr. STUMP, Mr. WHITEHURST, Mr. MCDONALD, Mr. TREEN, Mrs. HOLT, Mr. ICHORD, Mr. DICKINSON, Mr. NICHOLS, Mr. DAN DANIEL, Mr. MOLLOHAN, Mr. SPENCE, and Mr. HILLIS):

H.R. 13945. A bill to amend titles 10, 14, and 32, United States Code, to aline the Reserve Forces of the Armed Forces with active duty forces so as to provide for the national security on a more effective, efficient, cost-effective, and representative basis, and for other purposes; jointly, to the Committees on Armed Services, and Merchant Marine and Fisheries.

By Mr. BROWN of California:

H.R. 13946. A bill to promote and assist in the conduct of environmental research and development on ground water; jointly, to the Committee on Science and Technology, and Interior and Insular Affairs.

By Mr. COCHRAN of Mississippi:

H.R. 13947. A bill to amend the Internal Revenue Code of 1954 to increase the amount allowable as a deduction for retirement savings and to allow a deduction for retirement savings of individuals covered by certain types of retirement plans; to the Committee on Ways and Means.

By Mr. CONYERS:

H.R. 13948. A bill to amend the Omnibus Crime Control and Safe Streets Act of 1968 to improve the Federal system of assistance to the criminal justice system, and for other purposes; to the Committee on the Judiciary.

By Mr. DANIELSON:

H.R. 13949. A bill to amend title 28, United States Code, to provide for a declaratory judgment in certain cases involving public utilities; to the Committee on the Judiciary.

By Mr. EDWARDS of California (for himself, Mr. SEIBERLING, Mr. DRINAN, Mr. VOLKMER, Mr. BEILENSON, Mr. BUTLER, Mr. MCCLORY, and Mr. CORRADA):

H.R. 13950. A bill to amend title 28 of the United States Code to provide that certain judicial pleadings and proceedings in the Commonwealth of Puerto Rico may be conducted in the Spanish language, and for other purposes; to the Committee on the Judiciary.

By Mr. GEPHARDT:

H.R. 13951. A bill to amend the Internal Revenue Code of 1954 to treat as public charities certain institutions which operate libraries; to the Committee on Ways and Means.

By Mr. GRADISON (for himself, Mr. MOORHEAD of California, Mr. FLORIO, and Mr. PURSELL):

H.R. 13952. A bill to amend the Internal Revenue Code of 1954 to provide for automatic cost-of-living adjustments in the income tax and withholding rates; to the Committee on Ways and Means.

By Mr. GRASSLEY (for himself, and Mr. THONE):

H.R. 13953. A bill to amend the Internal Revenue Code of 1954 to provide that nonresident aliens are taxable on gain from the sale or exchange of farming property and undeveloped real property at capital gains rates; to the Committee on Ways and Means.

By Mrs. HECKLER (for herself, Mr. HANNAFORD, Mrs. LLOYD of Tennessee, Mr. GUYER, Mr. WHITEHURST, Mr. CONTE, Mr. CORNELL, Mr. MOAKLEY, Mr. EILBERG, Mr. BURKE of Massachusetts, Mr. WINN, Mr. BOB WILSON, Mr. STOKES, Mr. GILMAN, Mr. DRINAN, Mr. NOLAN, Mr. HUGHES, Mr. BEDELL, Mrs. SPELLMAN, Mr. HARRINGTON, Mr. PEPPER, and Mr. HILLIS):

H.R. 13954. A bill to amend title 38, United States Code, to establish within the Department of Medicine and Surgery of the Veterans' Administration an Office of Assistant Chief Medical Director for Geriatrics, Gerontology and Extended Care, to establish demonstration centers of geriatric and gerontological research, education, and clinical operations within the Veterans' Administration; to the Committee on Veterans' Affairs.

By Mr. HORTON (for himself, Mr. BROOKS, and Mr. STEED):

H.R. 13955. A bill to improve the economy and efficiency of the Government and the private sector by improving Federal paperwork management, and for other purposes; to the Committee on Government Operations.

By Mr. LUKEN:

H.R. 13956. A bill to amend title 18 and title 39 of the United States Code to permit the transportation, mailing, and broadcasting of advertising, information, and materials concerning lotteries conducted by nonprofit organizations in accordance with State law; jointly to the Committees on the Judiciary, and Post Office and Civil Service.

By Mr. LUKEN (for himself, Mr. BENJAMIN, Mr. APPLEGATE, Mr. FITHIAN, Mr. GUYER, Mr. FARY, Mr. NOWAK, Mr. DERWINSKI, Mr. EILBERG, Mr. BEVILL, Mr. JENRETTE, Mr. BUCHANAN, Mr. FLOWERS, Mr. CORNWELL, Mr. MURPHY of Illinois, Mrs. LLOYD of Tennessee, Mr. GAYDOS, Mr. LEDERER, Mr. WALKER, Mr. CARNEY, Ms. MIKULSKI, Mr. GOODLING, and Mr. BOB WILSON):

H.R. 13957. A bill to establish a reasonable and fair preference for domestic products and materials in Government procurement and in procurement with Federal funds, and to promote free and fair trade in Government procurement of foreign products and materials; to the Committee on Government Operations.

By Mr. MAGUIRE (for himself, Mr. RINALDO, Mr. RODINO, Mr. ROE, Mr. SIMON, Mrs. SPELLMAN, Mr. THOMPSON, Mr. TSONGAS, Mr. WALGREN, and Mr. WAXMAN):

H.R. 13958. A bill to amend section 307 of the Communications Act of 1934 to provide that each State shall have at least one very high frequency commercial television station located within the State; to the Committee on Interstate and Foreign Commerce.

By Mr. MANN (for himself, Ms. HOLTZMAN, Mr. HALL, Mr. GUDGER, Mr. EVANS of Georgia, Mr. WIGGINS, and Mr. HYDE):

H.R. 13959. A bill to revise title 18 of the United States Code, and for other purposes; to the Committee on the Judiciary.

By Mr. MARLENEE:

H.R. 13960. A bill to amend section 2(a) of the act of October 20, 1976 (90 Stat. 2662) to revise the formula governing payments under that act; to the Committee on Interior and Insular Affairs.

H.R. 13961. A bill to amend the act of October 20, 1976 (90 Stat. 2662) to provide that the computation of the amount of payment to any State under that Act shall take into account Indian lands located within such State; to the Committee on Interior and Insular Affairs.

By Mrs. MEYNER:

H.R. 13962. A bill to amend the Internal Revenue Code of 1954 to increase the amount allowable as a deduction for retirement savings; to the Committee on Ways and Means.

By Mr. MOSS (for himself, Mr. KASTENMEIER, Mr. MANN, Mr. GORE, Mr. HUGHES, Mr. EDWARDS of California, Mr. DERWINSKI, Mr. CORCORAN of Illinois, Mr. DRINAN, Mr. RAILSBACK, Mr. LENT, Mr. MARKS, Mr. PREYER, Mr. NIX, Mr. LEVITAS, Mr. ADDABBO, Mr. CONYERS, Mrs. CHISHOLM, Mr. RINALDO, Mr. WAXMAN, and Mr. HARRIS):

H.R. 13963. A bill to establish, as an office of the Congress, the Office of Congressional Legal Counsel, and to provide a procedure for civil court enforcement of congressional court subpenas; jointly, to the Committee on House Administration, the Judiciary, and Rules.

By Mr. MURPHY of Pennsylvania (for himself, Mr. MOAKLEY, Mr. SANTINI, Mr. WHITEHURST, Mr. LAGOMARSINO, Mr. RAHALL, Mr. PANETTA, Mr. STAGGERS, Mr. MATHIS, Mr. LEDERER, Mr. ERTEL, Mr. BURKE of Florida, Mr. EILBERG, Mr. FOUNTAIN, and Mr. FINDLEY):

H.R. 13964. A bill to amend title 38, United States Code, to provide for an official memorial flag to honor war veterans; to the Committee on Veterans' Affairs.

By Mr. NOLAN (for himself, Mr. BEILENSON, Mr. CONYERS, Mr. DOWNEY, Mr. EDGAR, Mr. FRASER, Mr. JEFFORDS, Mr. LEHMAN, Mr. MAGUIRE, Mr. MILLER of California, Mr. MOAKLEY, Mr. PRICE, Mr. PRITCHARD, Mr. RAHALL, Mr. REUSS, Mr. RODINO, Mr. RONCALIO, Mr. SCHEUER, and Mrs. SPELLMAN):

H.R. 13965. A bill to provide grants to renovate existing structures for use as youth hostels and to construct four new structures for use as youth hostels in order to further the

development of a national system of youth hostels and increase the opportunity for out door recreation and educational travel and for other purposes; jointly, to the Committees on Banking, Finance and Urban Affairs, and Interior and Insular Affairs.

By Mr. RICHMOND:

H.R. 13966. A bill to establish a commission to plan observances to commemorate the bicentennial of the Constitution of the United States; to the Committee on Post Office and Civil Service.

By Mr. ROGERS (for himself, Mr. PREYER, Mr. SCHEUER, Mr. WAXMAN, Mr. MAGUIRE, Mr. MARKEY, Mr. OTTINGER, Mr. WALGREN, and Mr. CARTER):

H.R. 13967. A bill to amend the Federal Food, Drug, and Cosmetic Act to revise and strengthen the authority of the Secretary of Health, Education, and Welfare under that act with respect to the distribution and labeling of food, and for other purposes; to the Committee on Interstate and Foreign Commerce.

By Mr. RUPPE:

H.R. 13968. A bill to provide a unified Federal approach to regional development; jointly, to the Committees on Agriculture, Banking, Finance and Urban Affairs, Education and Labor, Interior and Insular Affairs, Interstate and Foreign Commerce, and Public Works and Transportation.

By Mr. SOLARZ:

H.R. 13969. A bill to require the U.S. Postal Service to release, issue, and sell postage stamps commemorating the Jewish holiday of Chanukah; to the Committee on Post Office and Civil Service.

H.R. 13970. A bill to amend the Urban Mass Transportation Act of 1964 to authorize grants to be made for the reduction of noise associated with certain rail mass transportation systems, to authorize research, development, and demonstration programs for the reduction of noise associated with urban mass transportation, and for other purposes; to the committee on Public Works and Transportation.

By Mrs. SPELLMAN (for herself and Mr. MARTIN):

H.R. 13971. A bill to assist cities and States by amending section 5136 of the Revised Statutes, as amended, with respect to the authority of national banks to underwrite and deal in securities issued by States and local governments, and for other purposes; to the Committee on Banking, Finance and Urban Affairs.

By Mr. UDALL:

H.R. 13972. A bill to designate the Great Bear Wilderness, Flathead National Forest, and enlarge the Bob Marshall Wilderness Flathead and Lewis and Clark National Forests State of Montana; to the Committee on Interior and Insular Affairs.

By Mr. WHITE:

H.R. 13973. A bill to permit the Tigua Indian Tribe of Texas to file with the U.S. Court of Claims any claim of such tribe for compensation for lands allegedly taken from such tribe by the United States without the payment of adequate compensation; to the Commitee on Interior and Insular Affairs.

By Mr. BAFALIS (for himself, Mr. IRELAND, and Mr. LENT):

H.J. Res. 1123. Joint resolution proposing an amendment to the Constitution of the United States to provide that appropriations made by the United States shall not exceed its revenues, except in time of war or national emergency; and to provide for the systematic paying back of the national debt; to the Committee on the Judiciary.

By Mrs. HOLT (for herself, Mr. HUCKABY, Mr. GOLDWATER, Mr. EDWARDS of Oklahoma, Mr. RUDD, and Mr. GRASSLEY):

H.J. Res. 1124. Joint resolution proposing an amendment to the Constitution of the United States for the purpose of limiting the power of Congress to tax; to the Committee on the Judiciary.

By Ms. KEYS (for herself, Mr. RAHALL, Mrs. LLOYD of Tennessee, Mr. DELLUMS, Mr. DERWINSKI, Mr. JACOBS, Mr. ERTEL, Mr. GREEN, Mr. MURPHY of Pennsylvania, Mr. BRADEMAS, Mr. RICHMOND, Mr. MCHUGH, Mr. WEAVER, Mr. CORCORAN of Illinois, Mr. BALDUS, Ms. MIKULSKI, Mrs. BOGGS, Mr. CORMAN, Mr. BONIOR, Mr. SOLARZ, Mr. WAXMAN, Mr. MILLER of California, Mr. ROYBAL, Mr. BRODHEAD, and Mr. STARK):

H.J. Res. 1125. Joint resolution to provide for the designation of September 3, 1978, as "Working Mothers' Day"; to the committee on Post Office and Civil Service.

By Ms. KEYS (for herself, Mr. RANGEL, Ms. HOLTZMAN, Mr. PANETTA, Mr. STOKES, Mr. FORSYTHE, Mr. ADDABBO, Mr. BEDELL, Mr. FARY, Mr. MAGUIRE, Mr. NOLAN, Mr. PRICE, MR. ALEXANDER, Mr. LUNDINE, Mr. REUSS, Mrs. MEYNER, Mrs. CHISHOLM, Mr. DOWNEY, Mr. BINGHAM, Mr. BUCHANAN, Mr. BOWEN, Mr. MINETA, and Mr. GOLDWATER):

H.J. Res. 1126. Joint resolution to provide for the designation of September 3, 1978, as "Working Mothers' Day", to the Committee on Post Office and Civil Service.

By Mr. DON CLAUSEN (for himself and Mr. LAGOMARSINO):

H.J. Res. 1127. Joint resolution requiring studies of certain grants; to the Committee on Government Operations.

By Mr. LAGOMARSINO (for himself and Mr. DON H. CLAUSEN):

H.J. Res. 1128. Joint resolution requiring studies of certain grants; to the Committee on Government Operations.

By Mr. DERWINSKI (for himself and Mr. BROWN of Ohio):

H. Con. Res. 698. Concurrent resolution relating to the occupation of Czechoslovakia by the Soviet troops; to the Committee on International Relations.

By Mr. FORSYTHE:

H. Con. Res. 699. Concurrent resolution expressing the sense of the Congress with respect to the Baltic States; to the Committee on International Relations.

By Mr. PEPPER:

H. Con. Res. 700. Concurrent resolution to seek the resurrection of the Ukrainian Orthodox and Catholic Churches in Ukraine; to the Committee on International Relations.

By Mr. SOLARZ (for himself, Mrs. CHISHOLM, Mr. BEDELL, Mr. STEERS, Mr. WEISS, Mr. HARKIN, Mrs. MEYNER, Mr. OTTINGER, Mr. NIX, Mr. STUDDS, Mr. DOWNEY, Mr. DELLUMS, Mr. DODD, Mr. GREEN, Mr. CLEVELAND, Mr. MOAKLEY, Mr. CORNWELL, Mr. MCDONALD, Mr. FINDLEY, Mr. BONIOR, Mr. KOSTMAYER, Mr. PATTISON of New York, Mr. CONTE, and Mr. WHALEN):

H. Con. Res. 701. Concurrent resolution relative to refugees from Cambodia; to the Committee on the Judiciary.

By Mr. SOLARZ (for himself, Mr. WAXMAN, Mr. ANDERSON of Illinois, Mr. CAVANAUGH, Mr. WHITEHURST, Mr. DRINAN, Mr. LAGOMARSINO, Mrs. FENWICK, Mr. SEIBERLING, Mr. RICHMOND, Mr. WYDLER, Mr. EDWARDS of California, Mrs. SCHROEDER, Mr. KEMP, Mr. BLANCHARD, Mr. DICKS, Mr. GLICKMAN, Mr. HYDE, Mr. SIMON, Mr. HARRINGTON, Mr. MOFFETT, Mr. MCKINNEY, Mr. MCHUGH, Mr. DORNAN, and Mr. BINGHAM):

H. Con. Res. 702. Concurrent resolution relative to refugees from Cambodia; to the Committee on the Judiciary.

By Mr. SOLARZ (for himself, Mr. WOLFF, and Mr. QUIE):

H. Con. Res. 703. Concurrent resolution relative to refugees from Cambodia; to the Committee on the Judiciary.

By Mr. WAMPLER (for himself, Mr. BOWEN, Mr. JONES of North Carolina, Mr. SIMON, Mr. THONE, Mr. JOHNSON of Colorado, Mr. BUTLER, Mr. COLEMAN, Mr. RAILSBACK, Mr. FITHIAN, Mr. DON H. CLAUSEN, Mr. TRIBLE, and Mr. MICHEL):

H. Con. Res. 704. Concurrent resolution to effect appointment of the commission to study, investigate, and review the Federal old-age, survivors, and disability insurance program, and for other purposes; to the Committee on Ways and Means.

By Mr. BRECKINRIDGE (for himself, Mr. ROSE, Mr. PRESSLER, Mr. BAUCUS, Mr. WATKINS, Ms. KEYS, Mr. SIMON, Mr. EVANS of Georgia, Mr. ABDNOR, Mr. RAILSBACK, and Mr. FOUNTAIN):

H. Res. 1327. Resolution to establish a select committee to study nonmetropolitan America; to the Committee on Rules.

By Mr. STEERS (for himself, Mr. AMBRO, Mr. AUCOIN, Mr. BRODHEAD, Mr. BLANCHARD, Mr. BINGHAM, Mr. BUCHANAN, Mr. BENJAMIN, Mr. BURKE of Florida, Mr. COTTER, Mr. CAPUTO, Mr. COHEN, Mr. DODD, Mr. DOWNEY, Mr. DRINAN, Mr. EILBERG, Mr. EDWARDS of California, Mr. EMERY, Mr. ERTEL, Mr. EDGAR, Mr. FRASER, Mr. FRENZEL, Mrs. FENWICK, Mr. FORD of Tennessee, and Mr. FISH):

H. Res. 1328. Resolution calling upon the President to communicate to the Government of the Soviet Union the concern of the United States that Isaac Zlotver be granted permission to emigrate to Israel in order to be reunited with his family; to the Committee on International Relations.

By Mr. STEERS (for himself, Mr. GUYER, Mr. GILMAN, Ms. HOLTZMAN, Mr. HUGHES, Mr. HANNAFORD, Mr. HARKIN, Mr. KOSTMAYER, Mr. KREBS, Ms. KEYS, Mr. KEMP, Mr. LAGOMARSINO, Mr. LEHMAN, Mr. LENT, Mr. MOAKLEY, Mr. MITCHELL of Maryland, Mr. MCDONALD, Mr. MURPHY of Illinois, Mr. MAGUIRE, Ms. MIKULSKI, Mr. METCALF, Mr. MARKEY, Mr. OTTINGER, Mr. PATTISON of New York, and Mr. PEPPER):

H. Res. 1329. Resolution calling upon the President to communicate to the Government of the Soviet Union the concern of the United States that Isaac Zlotver be granted permission to emigrate to Israel in order to be reunited with his family; to the Committee on International Relations.

By Mr. STEERS (for himself, Mr. ROE, Mr. ROONEY, Mr. RODINO, Mr. ROSENTHAL, Mr. RICHMOND, Mr. RANGEL, Mr. SOLARZ, Mr. SIMON, Mr. SAWYER, Mr. SCHEUER, Mr. TRAXLER, Mr. TSONGAS, Mr. VENTO, Mr. WAXMAN, Mr. WALKER, Mr. WEISS, Mr. QUIE, Mr. NIX, and Mr. YATES):

H. Res. 1330. Resolution calling upon the President to communicate to the Government of the Soviet Union the concern of the United States that Isaac Zlotver be granted permission to emigrate to Israel in order to be reunited with his family; to the Committee on International Relations.

By Mr. WIRTH:

H. Res. 1331. Resolution expressing the sense of the House of Representatives with

respect to the need for a balanced budget and the steps which must be taken to achieve such a budget by 1981; jointly, to the Committees on Government Operations, and Ways and Means.

By Mr. ERTEL:

H. Res. 1332. Resolution to amend the Rules of the House of Representatives to provide that a motion to suspend the rules and pass a bill or resolution shall not be in order if it makes or authorizes appropriations which may be in excess of $100 million for any fiscal year; to the Committee on Rules.

PRIVATE BILLS AND RESOLUTIONS

Under clause 1 of rule XXII,

Mr. EDGAR introduced a bill (H.R. 13974) for the relief of Ekaterini Paradia, which was referred to the Committee on the Judiciary.

PETITIONS, ETC.

Under clause 1 of rule XXII,

529. The SPEAKER presented a petition of Beverly S. Lee, Honolulu, Hawaii, relative to redress of grievances, which was referred to the Committee on the Judiciary.

AMENDMENTS

Under clause 6 of rule XXIII, proposed amendments were submitted as follows:

H.R. 1

By Mr. STRATTON:

(Amendment offered to the amendment in the nature of substitute.)

—In section 207(f) of title 18, United States Code, as proposed to be amended by section 241(a) of the amendment in the nature of a substitute, insert "with respect to the making of communications solely for the purpose of furnishing scientific or technological information under procedures acceptable to the department or agency concerned or" after "shall not apply"

—In section 207(c)(iii) of title 18, United States Code, as proposed to be amended by section 241(a) of the amendment in the nature of a substitute, strike out "0–6" and insert in lieu thereof "0–7".

H.R. 11280

By Mr. COLLINS of Texas:

—On page 137, line 12 after "(ii)" insert the following: "the Federal Bureau of Investigation,".

—On page 213, line 5: after "(B)" insert the following: "the Federal Bureau of Investigation,".

On page 258, line 7: strike out 10,920 and insert in lieu thereof "10,780".

On page 258, line 13: strike out "Management." and insert in lieu thereof the following: "Management, except that the Director of the Federal Bureau of Investigation, without regard to any other provision of this section, may place a total of 140 positions in the Federal Bureau of Investigation in GS–16, 17, and 18."

—On page 273, line 15: after "(B)" insert the following: "the Federal Bureau of Investigation,".

H.R. 12452

By Mr. MAGUIRE:

—Page 29, line 16, insert immediately after the period the following: "In the event of any such withholding, the Secretary may order the prime sponsor to conduct the program as specified in the applicable plan on the basis of funds other than funds under this Act and may enforce such order by appropriate civil action (if such withholding results from fraud and abuse as determined by the Office of the Secretary)."

EXTENSIONS OF REMARKS

CONSTITUTION BICENTENNIAL: TIME FOR REFLECTION, EVALUATION, AND CELEBRATION

HON. FREDERICK W. RICHMOND

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Thursday, August 17, 1978

● Mr. RICHMOND. Mr. Speaker, although 2 years have elapsed since the celebration of the Bicentennial of the Revolutionary War, Americans are still very much aware that the Bicentennial itself—the commemoration of 200 years in independence—has significance beyond 1976.

Just as Americans took the opportunity to reflect on the past during the 1976 Bicentennial celebration, we must now look to the future. The next important historical commemoration will be in 1987 when Americans celebrate the 200th birthday of the U.S. Constitution.

Our Constitution remains the most durable written charter of government conceived in modern history. It has demonstrated its ability to adapt to many changing social, economic, and technological institutions in America; it has, in effect, given us a basis upon which we may continually build.

Mr. Speaker, today I am introducing a bill that would provide Americans with a means of evaluating the longevity of our Constitution in terms of its impact on the past and its potential for the future. My bill would establish the American Constitution Bicentennial Commission to serve as the national coordinator of activities and observances associated with this historic event.

The Commission would work closely with State and local governments in coordinating major public observances, as well as seek to develop educational programs on the U.S. Constitution. Without such Federal coordination, State, county, and city governments can be expected at best to develop an awkward patchwork or unrelated and uncoordinated activities and observances. I believe the Commission would provide a much-needed mechanism for States and localities to plan and implement meaningful community projects.

Mr. Speaker, as we in Congress look toward the 1980's and the new Bicentennial commemoration, it is imperative that we provide future Congresses with the tools they will need to effectively serve the American people. I believe this legislation is an important step in our long-term celebration of the Bicentennial of the United States.

I urge my colleagues to examine the following section-by-section analysis of the American Constitution Bicentennial Commission Act and rise in support of this important legislation.

The analysis follows:

SECTION-BY-SECTION ANALYSIS

THE AMERICAN CONSTITUTION BICENTENNIAL COMMISSION ACT

Section 1. Title: "The American Constitution Bicentennial Commission Act."

Section 2. Establishes the American Constitution Bicentennial Commission.

Section 3. Establishes Commission duties, including the planning of educational activities and observances to commemorate the Bicentennial of the U.S. Constitution; efforts would be coordinated with state/local governments.

Section 4. Requires the appointment of 19 members to the Commission: Two U.S. Senators, two members of the House; the U.S. Chief Justice, the U.S. Attorney General, the Secretary of the Interior, the Librarian of Congress, and the U.S. Archivist, or their delegates; and 10 specially qualified persons appointed by the President.

Section 5. Sets pay levels for the Commission Director and such staff as the Commission Chairman deems necessary.

Section 6. Authorizes the Commission to conduct hearings and utilize the services and information resources of Federal agencies to carry out its duties as established in the Act.

Section 7. Requires the Commission to file an annual report containing a detailed survey of progress during the preceding year and recommendations for appropriate legislative and/or administrative action.

Section 8. Terminates the Commission on January 31, 1990.

Section 9. Authorizes appropriations of $250,000 per year for fiscal years 1980, 1981 and 1982.

Section 10. Defines terms referred to in the Act.●

RADIO READING SERVICES OF GREATER CINCINNATI

HON. THOMAS A. LUKEN

OF OHIO

IN THE HOUSE OF REPRESENTATIVES

Thursday, August 17, 1978

● Mr. LUKEN. Mr. Speaker, I would like to take this opportunity to recognize and bring to the attention of my colleagues the upcoming initiation of the

Radio Reading Services of Greater Cincinnati. The program is designed to significantly increase the independence of those constituents in my district who suffer with physical conditions which render them "reading-handicapped." I am sure that no one who has the full use of their sense of sight can appreciate the isolation and frustration which results from the loss of reading capability. Radio Reading will open a new world of information and understanding to these people through the use of the broadcast media.

I fervently hope that Greater Cincinnati's support of this service will encourage other communities to join in this exemplary effort to help handicapped people help themselves in closing their communication gap.

On behalf of all Americans, especially the reading handicapped, I want to thank the many people who have donated time, money, and other resources to make this program work, and Dr. Elmer E. Fischer, who guided the Radio Reading Services of Greater Cincinnati from a desirable dream to a working reality.●

VOTES ON EQUAL RIGHTS EXTENSION

HON. J. J. PICKLE

OF TEXAS

IN THE HOUSE OF REPRESENTATIVES

Thursday, August 17, 1978

● Mr. PICKLE. Mr. Speaker, I support the equal rights amendment. I supported it when it passed the House in 1971; I support it today; I will support an equal rights amendment again in the Congress if necessary.

In votes this week, I did not support the legislation to extend the time for ratification of the ERA. Nor did I support the effort to allow States to rescind their previous ratification of the ERA.

I would like to set out why I felt this the proper position to take.

I think every Member here, when it comes to the procedures regarding the U.S. Constitution, feels that procedures and precedents must take priority over any political question or any question of the merits of a particular issue.

The votes yesterday were not votes on the ERA. A vote for extension was not a vote for the ERA, and a vote against extension was not a vote against the ERA. To argue, as some extension supporters did, that one's vote on extension "sends a message" about our position on the ERA while also saying that a two-thirds vote was not required because the extension is a matter of detail, not of substance, is a contradiction. The votes on extension are matters of detail. They are votes on matters of procedure. And as such, we must consider those procedures as they affect the Constitution for all time.

A NEW ISSUE

The time extension proposal breaks new ground in terms of constitutional procedure. The Congress first set a time limit for ratification in the 18th amendment. This procedure was upheld by the Supreme Court in *Dillon* v. *Gloss* 256 U.S. 368 (1921). Thus the power of the Congress to determine a reasonable period for ratification at the beginning of the process was established and tested.

In a subsequent decision, *Coleman* v. *Miller* 307 U.S. 433 (1939), the Supreme Court refused to decide whether or not the proposed child labor amendment was still available for ratification after it had been before the States for 13 years. The Court held that issue must be settled in the Congress. Thus, precedent was established for the Congress to determine what constitutes a reasonable time for ratification at the end of the process.

But this is the first time the question has been proposed regarding the role of the Congress in the middle of an ongoing ratification process.

I do not attempt to claim that the Court would rule the Congress does not have the power to intervene regarding matters of procedure during a ratification process. No one can say for certain how the Court will rule. Moreover, the precedents established do not preclude a ruling affirming congressional authority in this area.

But I cannot cast my vote solely on suppositions regarding how the Court might rule. Each member also reviews the issue in light of his or her own best judgment about its advisability as a precedent for the Constiution.

Article V, under the mode of ratification chosen for the ERA, outlines a sequential procedure: The Congress proposes an amendment by a two-thirds vote. Three-fourths of the State legislatures ratify the amendment. The Congress declares the amendment a bonafide part of the Constitution.

For the Congress to interject itself into the ratification debate while the amendment is before the States violates the spirit—and perhaps the constitutional requirements—of the sequential procedure.

It also means Congress could, by this precedent, interject itself into future debates. If Congress can extend the time, it can curtail it. We could find ourselves discussing an amendment and needing only one or two more States to ratify—and Congress could step in and say, "Sorry, time's up."

Moreover, if we do not abide by the action of the Congress which passed the ERA, no future Congress would be bound by our action on the extension. Thirty-eight ratifications could be secured only to have some future Congress disallow all ratifications after the original deadline.

It is conceivable for an amendment to pass the Congress which would be repugnant to the citizens of some States, and supporters could seek extension after extension to keep pressure building when "fair play" would indicate the supporters should come back for a new amendment passed by two-thirds of a new Congress. I have to ask what the situation would be today if this were an amendment on school busing, or prayer in schools, or abortion, or any number of other amendments which have been proposed to the Congress.

The framers of our Constitution sought a procedure for amendment which would be difficult but not impossible and which would be relatively free from maneuver and extraneous pressure. The President is precluded from entering into the debate in the Congress. The National Government should not enter into the debate of the States.

RESCISSION ALSO IMPROPER

For many of the same reasons, I did not support the effort to allow States to rescind their prior action.

If extension is an improper meddling with the debate before the States, so is a ruling on rescission at this time.

A ruling on rescission now would not be binding on the future Congress which had to determine if 38 States had indeed ratified the ERA.

Moreover, there are other considerations which reinforce the argument against approval of rescissions at any time, much less in the middle of the States' deliberation of the amendment. First, the language of article V mentions only affirmative action by the States. Second, James Madison wrote in a letter to Alexander Hamilton ratifications must be in toto and forever. Finally, Congress has ignored former attempts at rescission, and Court comments support Congress' position.

Two other votes occurred during debate on the ERA extension, both aimed at requiring the legislation to pass by a two-thirds vote. I voted not to require a two-thirds vote. The time limit is basically a matter of detail, not of substance. Second, I think the extension is improper procedure regardless of the vote. Even a unanimous vote could not erase the confusion and constitutional quagmires raised by the extension.

In conclusion, there are some who have argued that they would like to "take their chances" with the future problems of constitutional procedure which could occur as a result of the extension. I will have to take my chances that these people will understand I cannot to do that. I am sworn not to take chances with the Constitution, and I feel I should adhere to that commitment above all others as best I can.●

NEIGHBORHOOD FISCAL EMPOWERMENT EXPERIMENT

HON. JOEL PRITCHARD

OF WASHINGTON

IN THE HOUSE OF REPRESENTATIVES

Thursday, August 17, 1978

● Mr. PRITCHARD. Mr. Speaker, yesterday, Congressman BLANCHARD and I introduced H.R. 13894, the neighborhood fiscal empowerment experiment, which seeks to develop a new concept of neighborhood self-help and empowerment that will ultimately enable the residents of our Nation's neighborhoods to regain partial control over their own destinies.

Up to now, programs relating to Federal involvement in neighborhood improvements have followed a familiar pattern. The Federal Government taxes A, the taxpayer; with the approval of B, the city government, it redistributes the

money to C, a neighborhood organization, for the benefit of D, the neighborhood residents.

If we have learned anything from 14 years of experience, it is that this mechanism is simply not viable as a means of supporting long-term neighborhood improvements. It brings with it three major problems which appear unavoidable.

The first problem is that of legitimacy. Does the recipient organization truly represent the wishes and enlist the support of the great majority of residents of the neighborhood? Who decides? HUD? City hall? The legitimacy question is often resolved by a political process built around winning the favor of the sponsoring Federal agency and city hall. Urban Members of Congress are often drawn into this question if the program expands.

The second problem is that of accountability. Whenever public funds are disbursed, the receiving organization must necessarily be held strictly accountable for the proper use of the funds. Programs usually come with considerable rules, regulations, inspection, and audits. Compliance puts a very substantial burden on the neighborhod organization. History teaches us that regulation makers and auditors will use every possible technique to prevent anything from "going wrong" at the local level. They want to forestall scandal, bad publicity, and the loss of public and congressional support for their program. The recipient organization must therefore be ever mindful of its relations with the grantor; particularly if it has any thought of securing future funding. This tends to confine the activities of the grantee and orient its policies toward satisfying those who provide the funding. It can lead to debilitating bureaucratic and political intrigue.

The third problem is cooptation. A major strength of neighborhood organizations is their responsiveness to their own residents, and their willingness to represent the interests of those residents against outside institutions. Often neighborhood organizations cannot stand up for neighborhood interests without jeopardizing their existence, which is tied to the continuing goodwill and support of city hall and Washington.

So long as we employ a Federal direct funding mechanism with local government concurrence, these three problems are unavoidable. However, H.R. 13894 is an alternative mechanism which avoids these problems, and which is particularly suited to the encouragement of broadly based neighborhood self-help programs under neighborhood direction and control. It would authorize a pilot program, under the direction of the Assistant Secretary of HUD for Neighborhoods, Voluntary Associations, and Consumer Protection, to provide Congress with practical field experience.

This alternative approach calls for the Federal Government to give the resources back to the people of the neighborhood and let them allocate those resources to those organizations which they believe are doing the best job of responding to local neighborhood needs.

This bill provides for a wholly new mechanism, never before employed in a Federal program. It solves the legitimacy problem because the neighborhood people themselves would decide, by secret ballot, which organizations are legitimate. It solves the accountability problem because the organizations involved would no longer receive grants from city hall or Washington. It solves the cooptation problem because funding would come from as many dispersed sources as there are neighborhood residents contributing to the program.

But the strength of this approach is not merely in that it avoids the problems of the direct grant approach. By its very nature it encourages the spirit of self-help and citizen participation more than any other approach.

The leaders of the neighborhood organizations, under this approach, must appeal not to city hall or Washington for support, but to their own neighbors, who, thanks to this program, have fiscal power in their own hands. This guarantees that participating organizations will redirect their efforts toward the consumers of their "product." not toward the suppliers of the raw materials. It necessarily will involve large numbers of neighborhood residents, who will be making a real investment in a self-help effort of their own choice.

To continue to receive funding in subsequent years, the neighborhood organization must continue to satisfy residents. The painful decision to defund a grantee—in which many a Member of Congress has become involved—will be transferred to the thousands of individual citizens who are in a far better position than any city or Federal bureaucrat to decide whether their money is being used to their benefit.

H.R. 13894 will give citizen initiative the maximum chance to work because it will put fiscal power at the disposal of individual citizens to allocate in their own best interests.

Mr. Speaker, I urge my colleagues in the House of Representatives to give careful consideration to this proposed legislation.●

BALANCE(S) OF POWER, BOOK IV (C)(i), SOVIET STRATEGIC DOCTRINE

HON. JOHN B. BRECKINRIDGE

OF KENTUCKY

IN THE HOUSE OF REPRESENTATIVES

Thursday, August 17, 1978

● Mr. BRECKINRIDGE. Mr. Speaker, in the CONGRESSIONAL RECORD of July 10, 1978, page 20017, I outlined book IV of the Balance(s) of Power series regarding the intentions of the Soviet state in world affairs, and more specifically with regard to warfare and strategic doctrine.

The following article, by Prof. Richard Pipes of Harvard University, is one of the most comprehensive and important analysis of Soviet political and military thought to appear in the English language since the cold war.

The idea of nuclear war is so alien to western mentality, including basic U.S. deterrence strategy, that the burden of Pipes' article, "Why the Soviet Union Thinks It Could Fight and Win a Nuclear War," when published in "Commentary" (July 1977)—sent shock waves across both sides of the Atlantic. But with a cold and scientific rigor and with access to unlimited resources, Pipes proved beyond any plausible doubt that the Soviet leadership does, indeed, think in rational and traditional ways about a subject that most westerners would rather forget.

Polish by birth, and fluent in Russian, Pipes had access to thousands of Russian language publications on nuclear warfare. His conclusions may affront the liberal mind, and repulse the arms control doctrinaire; nonetheless, one cannot dismiss this powerful article. It points with clarity and cold logic to the profound differences in thought and intentions extent between Soviet and American leadership with regard to the conduct of modern warfare.

In addressing what is perhaps the crucial issue of our age, we ignore Pipes' main point at our peril. The first half of Professor Pipes' article follows:

WHY THE SOVIET UNION THINKS IT COULD FIGHT AND WIN A NUCLEAR WAR

(By Richard Pipes)

In a recent interview with the New Republic, Paul Warnke, the newly appointed head of the Arms Control and Disarmament Agency, responded as follows to the question of how the United States ought to react to indications that the Soviet leadership thinks it possible to fight and win a nuclear war. "In my view," he replied, "this kind of thinking is on a level of abstraction which is unrealistic. It seems to me that instead of talking in those terms, which would indulge what I regard as the primitive aspects of Soviet nuclear doctrine, we ought to be trying to educate them into the real world of strategic nuclear weapons, which is that nobody could possibly win." [1]

Even after allowance has been made for Mr. Warnke's notoriously careless syntax, puzzling questions remain. On what grounds does he, a Washington lawyer, presume to "educate" the Soviet general staff composed of professional soldiers who thirty years ago defeated the Wehrmacht—and, of all things, about the "real world of strategic nuclear weapons" of which they happen to possess a considerably larger arsenal than we? Why does he consider them children who ought not to be "indulged"? And why does he chastise for what he regards as a "primitive" and unrealistic strategic doctrine not those who hold it, namely the Soviet military, but Americans who worry about their holding it?

Be all that as it may, even if Mr. Warnke refuses to take Soviet strategic doctrine seriously, it behooves us to take Mr. Warnke's views of Soviet doctrine seriously. He not only will head our SALT II team; his thinking as articulated in the above statement and on other occasions reflects all the conventional wisdom of the school of strategic theory dominant in the United States, one of whose leading characteristics is scorn for Soviet views on nuclear warfare.

American and Soviet nuclear doctrines, it needs stating at the outset, are starkly at odds. The prevalent U.S. doctrine holds that an all-out war between countries in possession of sizable nuclear arsenals would be so destructive as to leave no winner; thus resort to arms has ceased to represent a rational

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Footnotes at end of article.

policy option for the leaders of such countries vis-a-vis one another.

The classic dictum of Clausewitz, that war is politics pursued by other means, is widely believed in the United States to have lost its validity after Hiroshima and Nagasaki. Soviet doctrine, by contrast, emphatically asserts that while an all-out nuclear war would indeed prove extremely destructive to both parties, its outcome would not be mutual suicide: the country better prepared for it and in possession of a superior strategy could win and emerge a viable society.

"There is profound erroneousness and harm in the disorienting claims of bourgeois ideologies that there will be no victor in a thermonuclear world war," thunders an authoritative Soviet publication.[2] The theme is mandatory in the current Soviet military literature. Clausewitz, buried in the United States, seems to be alive and prospering in the Soviet Union.

The predisposition of the American strategic community is to shrug off this fundamental doctrinal discrepancy. American doctrine has been and continues to be formulated and implemented by and large without reference to its Soviet counterpart. It is assumed here that there exists one and only one "rational" strategy appropriate to the age of thermonuclear weapons, and that this strategy rests on the principle of "mutual deterrence" developed in the United States some two decades ago.

Evidence that the Russians do not share this doctrine which, as its name indicates, postulates reciprocal attitudes, is usually dismissed with the explanation that they are clearly lagging behind us: given time and patient "education," they will surely come around.

It is my contention that this attitude rests on a combination of arrogance and ignorance; that it is dangerous; and that it is high time to start paying heed to Soviet strategic doctrine, lest we end up deterring no one but ourselves. There is ample evidence that the Soviet military say what they mean, and usually mean what they say.

When the recently deceased Soviet Minister of Defense, Marshal Grechko, assures us: "We have never concealed, and do not conceal, the fundamental, principal tenets of our military doctrine,"[3] he deserves a hearing. This is especially true in view of the fact that Soviet military deployments over the past twenty years make far better sense in the light of Soviet doctrine, "primitive" and "unrealistic" as the latter may appear, than when reflected in the mirror of our own doctrinal assumptions.

Mistrust of the military professional, combined with a pervasive conviction, typical of commercial societies, that human conflicts are at bottom caused by misunderstanding and ought to be resolved by negotiations rather than force, has worked against serious attention to military strategy by the United States. We have no general staff; we grant no higher degrees in "military science"; and, except for Admiral Mahan, we have produced no strategist of international repute.

America has tended to rely on its insularity to protect it from aggressors, and on its unique industrial capacity to help crush its enemies once war was under way. The United States is accustomed to waging wars of its own choosing and on its own terms. It lacks an ingrained strategic tradition. In the words of one historian, Americans tend to view both military strategy and the armed forces as something to be "employed intermittently to destroy occasional and intermittent threats posed by hostile powers."[4]

This approach to warfare has had a number of consequences. The United States wants to win its wars quickly and with the smallest losses in American lives. It is disinclined, therefore, to act on protracted and indirect strategies, or to engage in limited wars and wars of attrition. Once it resorts to arms, it prefers to mobilize the great might of its industrial plant to produce vast quantities of the means of destruction with which in the shortest possible time to undermine the enemy's will and ability to continue the struggle.

Extreme reliance on technological superiority, characteristic of U.S. warfare, is the obverse side of America's extreme sensitivity to its own casualties; so is indifference to the casualties inflicted on the enemy. The strategic bombing campaigns waged by the U.S. Air Force and the RAF against Germany and Japan in World War II excellently implemented this general attitude. Paradoxically, America's dread of war and casualties pushes it to adopt some of the most brutal forms of warfare, involving the indiscriminate destruction of the enemy's homeland with massive civilian deaths.

These facts must be borne in mind to understand the way the United States reacted to the advent of the nuclear bomb. The traditional military service—the army and the navy—whose future seemed threatened by the invention of a weapon widely believed to have revolutionized warfare and rendered conventional forces obsolete, resisted extreme claims made on behalf of the bomb. But they were unable to hold out for very long.

An alliance of politicians and scientists, backed by the Air Force, soon overwhelmed them. "Victory through Air Power," a slogan eminently suited to the American way of war, carried all before it once bombs could be devised whose explosive power was measured in kilotons and megatons.

The U.S. Army tried to argue after Hiroshima and Nagasaki that the new weapons represented no fundamental breakthrough. No revolution in warfare had occurred, its spokesmen claimed: atomic bombs were merely a more efficient species of the aerial bombs used in World War II, and in themselves no more able to ensure victory than the earlier bombs had been.

As evidence, they could point to the comprehensive U.S. Strategic Bombing Surveys carried out after the war to assess the effects of the bombing campaigns. These had demonstrated that saturation raids against German and Japanese cities had neither broken the enemy's morale nor paralyzed his armaments industry; indeed, German productivity kept on rising in the face of intensified Allied bombing, attaining its peak in the fall of 1944, on the eve of capitulation.

And when it came to horror, atomic bombs had nothing over conventional ones: as against the 72,000 casualties caused by the atomic bomb in Hiroshima, conventional raids carried out againts Tokyo and Dresden in 1945 had caused 84,000 and 135,000 fatalities, respectively.

Furthermore, those who sought to minimize the impact of the new weapon argued, atomic weapons in no sense obviated the need for sizable land and sea forces. For example, General Ridgway, as Chief of Staff in the early 1950's, maintained that war waged with tactical nuclear weapons would demand larger rather than smaller field armies since these weapons were more complicated, since they would produce greater casualties, and since the dispersal of troops required by nuclear tactics called for increasing the depth of the combat zone.[5]

As we shall note below, similar arguments disputing the revolutionary character of the nuclear weapon surfaced in the Soviet Union, and there promptly came to dominate strategic theory. In the United States, they were just as promptly silenced by a coalition of groups each of which it suited, for its own reasons, to depict the atomic bomb as the "absolute weapon" that had, in large measure, rendered traditional military establishments redundant and traditional strategic thinking obsolete.

Once World War II was over, the United States was most eager to demobilize its armed forces. Between June 1945 and June 1946, the U.S. Army reduced its strength from 8.3 to 1.9 million men; comparable manpower cuts were achieved in the navy and air force.

Little more than a year after Germany's surrender, the military forces of the United States, which at their peak had stood at 12.3 million men, were cut down to 3 million; two years later they declined below 2 million. The demobilization proceeded at a pace (if not in a manner) reminiscent of the dissolution of the Russian army in the revolutionary year of 1917. Nothing could have stopped this mass of humanity streaming homeward. To most Americans peacetime conditions meant reversion to a skeletal armed force.

Yet, at the same time, growing strains in the wartime alliance with the Soviet Union, and mounting evidence that Stalin was determined to exploit the chaotic conditions brought about by the collapse of the Axis powers to expand his domain, called for an effective military force able to deter the Soviets. The United States could not fulfill its role as leader of the Western coalition without an ability to project its military power globally.

In this situation, the nuclear weapon seemed to offer an ideal solution: the atomic bomb could hardly have come at a better time from the point of view of U.S. international commitments. Here was a device so frighteningly destructive, it was believed, that the mere threat of its employment would serve to dissuade would-be aggressors from carrying out their designs.

Once the Air Force received the B–36, the world's first intercontinental bomber, the United States acquired the ability to threaten the Soviet Union with devastating punishment without, at the same time, being compelled to maintain a large and costly standing army.

Reliance on the nuclear deterrent became more imperative than ever after the conclusion of the Korean war, in the course of which U.S. defense expenditures had been sharply driven up. President Eisenhower had committed himself to a policy of fiscal restraint.

He wanted to cut the defense budget appreciably, and yet he had to do so without jeopardizing either America's territorial security or its worldwide commitments. In an effort to reconcile these contradictory desires, the President and his Secretary of State, John Foster Dulles, enunciated in the winter of 1953–54 a strategic doctrine which to an unprecedented degree based the country's security a single weapon, the nuclear deterrent.

In an address to the United Nations in December 1953, Eisenhower argued that since there was no defense against nuclear weapons (i.e., thermonuclear or hydrogen bombs, which both countries were then beginning to produce), war between the two "atomic colossi" would leave no victors and probably cause the demise of civilization.

A months later, Dulles enunciated what came to be known as the doctrine of "massive retaliation." The United States, he declared, had decided "to depend primarily upon a great capacity to retaliate, instantly, by means and at places of our choosing." Throughout his address, Dulles emphasized the fiscal benefits of such a strategy, "more basic security at less cost."

The Eisenhower-Dulles formula represented a neat compromise between America's desires to reduce the defense budget and simultaneously to retain the capacity to respond to Soviet threats. The driving force was not, however, military but budgetary: behind "massive retaliation" (as well as its

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offspring, "mutual deterrence") lay fiscal imperatives. In the nuclear deterrent, the United States found a perfect resolution of the conflicting demands of domestic and foreign responsibilities. For this reason alone its adoption was a foregone conclusion: the alternatives were either a vast standing army or forfeiture of status as a leading world power.

The Air Force enthusiastically backed the doctrine of massive retaliation. As custodian of the atomic bomb, it had a vested interest in a defense posture of which that weapon was the linchpin. And since in the first postwar decade the intercontinental bomber was the only available vehicle for delivering the bomb against an enemy like the Soviet Union, the Air Force could claim a goodly share of the defense budget built around the retaliation idea.

Although the Soviet Union exploded a fission bomb in 1949 and announced the acquisition of a fusion (or hydrogen) bomb four years later, the United States still continued for a while longer to enjoy an effective monopoly on nuclear retaliation, since the Soviet Union lacked the means of delivering quantities of such bombs against U.S. territory.

That situation changed dramatically in 1957 when the Soviets launched the Sputnik. This event, which their propaganda hailed as a great contribution to the advancement of science (and ours as proof of the American educational system!), represented in fact a significant military demonstration, namely, the ability of the Russians to deliver nuclear warheads against the United States homeland, until then immune from direct enemy threats.

At this point massive retaliation ceased to make much sense and before long yielded to the doctrine of "mutual deterrence." The new doctrine postulated that inasmuch as both the Soviet Union and the United States possessed (or would soon possess) the means of destroying each other, neither country could rationally contemplate resort to war. The nuclear stockpiles of each were an effective deterrent which ensured that they would not be tempted to launch an attack.

This docrtine was worked out in great and sophisticated detail by a bevy of civilian experts employed by various government and private organizations. These physicists, chemists, mathematicians, economists, and political scientists came to the support of the government's fiscally-driven imperatives with scientific demonstrations in favor of the nuclear deterrent.

Current U.S. strategic theory was thus born of a marriage between the scientist and the accountant. The professional soldier was jilted.

A large part of the U.S. scientific community had been convinced as soon as the first atomic bomb was exploded that the nuclear weapon, which that community had conceived and helped to develop, had accomplished a complete revolution in warfare. This conclusion was reached without much reference to the analysis of the effects of atomic weapons carried out by the military, and indeed without consideration of the traditional principles of warfare.

It represented, rather, an act of faith on the part of an intellectual community which held strong pacifist convictions and felt deep guilt at having participated in the creation of a weapon of such destructive power.

As early as 1946, in an influential book sponsored by the Yale Institute of International Affairs, under the title The Absolute Weapon, a group of civilian strategic theorists enunciated the principles of the mutual-deterrence theory which subsequently became the official U.S. strategic doctrine. The principal points made in this work may be summarized as follows:

. 1. Nuclear weapons are "absolute weapons" in the sense that they can cause unacceptable destruction, but also and above all because there exists against them no possible defense. When the aggressor is certain to suffer the same punishment as his victim, aggression ceases to make sense.

Hence war is no longer a rational policy option, as it had been throughout human history. In the words of Bernard Brodie, the book's editor: "Thus far the chief purpose of our military establishment had been to win wars. From now on its chief purpose must be to avert them. It can have almost no other useful purpose" (p. 76).

2. Given the fact that the adjective absolute means, by definition, incapable of being exceeded or surpassed, in the nuclear age military superiority has become meaningless. As another contributor to the book, William T. R. Fox, expressed it: "When dealing with the absolute weapon, arguments based on relative advantage lose their point" (p. 181).

From which it follows that the objective of modern defense policy should be not superiority in weapons, traditionally sought by the military, but "sufficiency"; just enough nuclear weapons to be able to threaten a potential aggressor with unacceptable retaliation—in other words, an "adequate" deterrent, no more, no less.

3. Nuclear deterrence can become effective only if it restrains mutually—i.e., if the United States and the Soviet Union each can deter the other from aggression. An American monopoly on nuclear weapons would be inherently destabilizing, both because it could encourage the United States to launch a nuclear attack, and, at the same time, by making the Russians feel insecure, cause them to act aggressively.

"Neither we nor the Russians can expect to feel even reasonably safe unless an atomic attack by one were certain to unleash a devastating atomic counterattack by the other," Arnold Wolfers maintained (p. 135). In other words, to feel secure the United States actually required the Soviet Union to have the capacity to destroy it.

Barely one year after Hiroshima and three years before the Soviets were to acquire a nuclear bomb, The Absolute Weapon articulated the philosophical premises underlying the mutual-deterrence doctrine which today dominates U.S. strategic thinking. Modern strategy, in the opinion of its contributors, involved preventing wars rather than winning them, securing sufficiency in decisive weapons rather than superiority, and even ensuring the potential enemy's ability to strike back.

Needless to elaborate, these principles ran contrary to all the tenets of traditional military theory, which had always called for superiority in forces and viewed the objective of war to be victory. But then, if one had decided that the new weapons marked a qualitative break with all the weapons ever used in combat, one could reasonably argue that past military experience, and the theory based on it, had lost relevance. Implicit in these assumptions was the belief that Clausewitz and his celebrated formula proclaiming war an extension of politics were dead.

Henry Kissinger, who can always be counted upon to utter commonplaces in the tone of prophetic revelation, announced Clausewitz's obituary nearly twenty years after The Absolute Weapon had made the point, in these words: "The traditional mode of military analysis which saw in war a continuation of politics but with its own appropriate means is no longer applicable."[6]

American civilian strategists holding such views gained the dominant voice in the formulation of U.S. strategic doctrine with the arrival in Washington in 1961 of Robert S. McNamara as President Kennedy's Secretary of Defense. A prominent business executive specializing in finance and accounting, McNamara applied to the perennial problem of American strategy—how to maintain a credible global military posture without a large and costly military establishment—the methods of cost analysis.

These had first been applied by the British during World War II under the name "operations research" and subsequently came to be adopted here as "systems analysis." Weapons' procurement was to be tested and decided by the same methods used to evaluate returns on investment in ordinary business enterprises. Mutual deterrence was taken for granted: the question of strategic posture reduced itself to the issue of which weapons systems would provide the United States with effective deterrence at the least expense.

Under McNamara the procurement of weapons, decided on the basis of cost effectiveness, came in effect to direct strategy, rather than the other way around, as had been the case through most of military history. It is at this point that applied science in partnership with budgetary accountancy—a partnership which had developed U.S. strategic theory—also took charge of U.S. defense policy.

As worked out in the 1960's, and still in effect today, American nuclear theory rests on these propositions: All-out nuclear war is not a rational policy option, since no winner could possibly emerge from such a war. Should the Soviet Union nevertheless launch a surprise attack on the United States, the latter would emerge with enough of a deterrent to devastate the Soviet Union in a second strike.

Since such a retaliatory attack would cost the Soviet Union millions of casualties and the destruction of all its major cities, a Soviet first strike is most unlikely. Meaningful defenses against a nuclear attack are technically impossible and psychologically counterproductive; nuclear superiority is meaningless.

In accord with these assumptions, the United States in the mid-1960's unilaterally froze its force of ICBM's at 1,054 and dismantled nearly all its defenses against enemy bombers. Civil-defense was all but abandoned, as was in time the attempt to create an ABM system which held out the possibility of protecting American missile sites against a surprise enemy attack.

The Russians were watched benignly as they moved toward parity with the United States in the number of intercontinental launchers, and then proceeded to attain numerical superiority. The expectation was that as soon as the Russians felt themselves equal to the United States in terms of effective deterrence, they would stop further deployments.

The frenetic pace of the Soviet nuclear build-up was explained first on the ground that the Russians had a lot of catching up to do, then that they had to consider the Chinese threat, and finally on the grounds that they are inherently a very insecure people and should be allowed an edge in deterrent capability.

Whether mutual deterrence deserves the name of a strategy at all is a real question. As one student of the subject puts it:

"Although commonly called a 'strategy,' 'assured destruction' was by itself an antithesis of strategy. Unlike any strategy that ever preceded it throughout the history of armed conflict, it ceased to be useful precisely where military strategy is supposed to come into effect: at the edge of war. It posited that the principal mission of the U.S. military under conditions of ongoing nuclear operations against [the continental United States] was to shut its eyes, grit its teeth, and reflexively unleash an indiscriminate and simultaneous reprisal against all Soviet aim points on a preestablished target list.

"Rather than deal in a considered way with the particular attack on hand so as to

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Footnotes at end of article.

minimize further damage to the United States and maximize the possibility of an early settlement on reasonably acceptable terms, it had the simple goal of inflicting punishment for the Soviet transgression. Not only did this reflect an implicit repudiation of political responsibility, it also risked provoking just the sort of counterreprisal against the United States that a rational wartime strategy should attempt to prevent." [7]

I cite this passage merely to indicate that the basic postulates of U.S. nuclear strategy are not as self-evident and irrefutable as its proponents seem to believe; and that, therefore, their rejection by the Soviet military is not, in and of itself, proof that Soviet thinking is "primitive" and devoid of a sense of realism.

The principal differences between American and Soviet strategies are traceable to different conceptions of the role of conflict and its inevitable concomitant, violence, in human relations; and secondly, to different functions which the military establishment performs in the two societies.

In the United States, the consensus of the educated and affluent holds all recourse to force to be the result of an inability or an unwillingness to apply rational analysis and patient negotiation to disagreements: the use of force is *prima facie* evidence of failure. Some segments of this class not only refuse to acknowledge the existence of violence as a fact of life, they have even come to regard fear—the organism's biological reaction to the threat of violence—as inadmissible. "The notion of being threatened has acquired an almost class connotation," Daniel P. Moynihan notes in connection with the refusal of America's "sophisticated" elite to accept the reality of a Soviet threat. "If you're not very educated, you're easily frightened. And not being ever frightened can be a formula for self-destruction." [8]

Now this entire middle-class, commercial, essentially Protestant ethos is absent from Soviet culture, whose roots feed on another kind of soil, and which has had for centuries to weather rougher political climes. The Communist revolution of 1917, by removing from positions of influence what there was of a Russian bourgeoisie (a class Lenin was prone to define as much by cultural as by socio-economic criteria), in effect installed in power the *muzhik*, the Russian peasant.

And the muzhik had been taught by long historical experience that cunning and coercion alone ensured survival: one employed cunning when weak, and cunning coupled with coercion when strong. Not to use force when one had it indicated some inner weakness. Marxism, with its stress on class war as a natural condition of mankind so long as the means of production were privately owner, has merely served to reinforce these ingrained convictions. The result is an extreme Social-Darwinist outlook on life which today permeates the Russian elite as well as the Russian masses, and which only the democratic intelligentsia and the religious dissenters oppose to any significant extent.

The Soviet ruling elite regards conflict and violence as natural regulators of all human affairs: wars between nations, in its view, represent only a variant of wars between classes, recourse to the one or the other being dependent on circumstances. A conflictless world will come into being only when the socialist (i.e., Communist) mode of production spreads across the face of the earth.

The Soviet view of armed conflict can be illustrated with another citation from the writings of the late Marshal Grechko, one of the most influential Soviet military figures of the post-World War II era. In his principal treatise, Grechko refers to the classification of wars formulated in 1972 by his U.S. counterpart, Melvin Laird. Laird divided wars according to engineering criteria—in terms of weapons employed and the scope of the theater of operations—to come up with four principal types of wars: strategic-nuclear, theater-nuclear, theater-conventional, and local-conventional. Dismissing this classification as inadequate, Grechko applies quite different standards to come up with his own typology:

"Proceeding from the fundamental contradictions of the contemporary era, one can distinguish, according to sociopolitical criteria, the following types of wars: (1) wars between states (coalitions) of two contrary social systems—capitalist and socialist; (2) civil wars between the proletariat and the bourgeoisie, or between the popular masses and the forces of the extreme reaction supported by the imperialists of other countries; (3) wars between imperialist states and the peoples of colonial and dependent states fighting for their freedom and independence; and (4) wars among capitalist states." [9]

This passage contains many interesting implications. For instance, it makes no allowance for war between two Communist countries, like the Soviet Union and China, though such a war seems greatly to preoccupy the Soviet leadership. Nor does it provide for war pitting a coalition of capitalist and Communist states against another capitalist state, such as actually occurred during World War II when the United States and the Soviet Union joined forces against Germany.

But for our purposes, the most noteworthy aspect of Grechko's system of classification is the notion that social and national conflicts within the capitalist camp (that is, in all countries not under Communist control) are nothing more than a particular mode of class conflict of which all-out nuclear war between the superpowers is a conceivable variant.

In terms of this typology, an industrial strike in the United States, the explosion of a terrorist bomb in Belfast or Jerusalem, the massacre by Rhodesian guerrillas of a black village or a white farmstead, differ from nuclear war between the Soviet Union and the United States only in degree, not in kind.

All such conflicts are calibrations on the extensive scale by which to measure the historic conflict which pits Communism against capitalism and imperialism. Such conflicts are inherent in the stage of human development which precedes the final abolition of classes.

Middle-class American intellectuals simply cannot assimilate this mentality, so alien is it to their experience and view of human nature. Confronted with the evidence that the most influential elements in the Soviet Union do indeed hold such views, they prefer to dismiss the evidence as empty rhetoric, and to regard with deep suspicion the motives of anyone who insists on taking it seriously.

Like some ancient Oriental despots, they vent their wrath on the bearers of bad news. How ironic that the very people who have failed so dismally to persuade American television networks to eliminate violence from their programs, nevertheless feel confident that they can talk the Soviet leadership into eliminating violence from its political arsenal!

Solzhenitsyn grasped the issue more profoundly as well as more realistically when he defined the antithesis of war not as the absence of armed conflict between nations—i.e., "peace" in the conventional meaning of the term—but as the absence of all violence, internal as well as external. His comprehensive definition, drawn from his Soviet experience, obversely matches the comprehensive Soviet definition of warfare. . . .

FOOTNOTES

[1] "The Real Paul Warnke," *New Republic*, March 26, 1977, p. 23.

[2] N. V. Karabanov in N. V. Karabanov, et al., *Filosofskoe nasledie V. I. Lenina i problemy sovremennoi voiny* ("The Philosophical Heritage of V. I. Lenin and the Problems of Contemporary War") (Moscow, 1972) pp. 18–19, cited in Leon Gouré, Foy D. Kohler, and Mose L. Harvey, eds., *The Role of Nuclear Forces in Current Soviet Strategy* (1974), p. 60.

[3] A. A. Grechko, *Vooruzhonnye sily sovetskogo gosudarstva* ("The Armed Forces of the Soviet State") (Moscow, 1975), p. 345.

[4] Russel F. Weigley, *The American Way of War* (1973), p. 368.

[5] Matthew B. Ridgway, *Soldier* (1956), pp. 296–97.

[6] In Michael Howard, ed., *The Theory and Practice of War* (London, 1965), p. 291.

[7] Benjamin S. Lambeth, *Selective Nuclear Options in American and Soviet Strategic Policy* (Rand Corporation, R–2034–DDRE, December 1976), p. 14. This study analyzes and approves of the refinement introduced into the U.S. doctrine by James R. Schlesinger as Secretary of Defense in the form of "limited response options."

[8] Interview with *Playboy*, March 1977, p. 72.

[9] Grechko, *Voorozhunnye sily sovetskogo gosudarstva*, pp. 347–48, emphasis added.●

A TRIBUTE TO PAUL G. ROGERS

HON. JOHN BRADEMAS

OF INDIANA

IN THE HOUSE OF REPRESENTATIVES

Thursday, August 17, 1978

● Mr. BRADEMAS. Mr. Speaker, when the 95th Congress concludes its business this year, it will mark the end of 24 years of distinguished service by the Congressman from the 11th District of Florida, PAUL ROGERS. Those of us who have served with PAUL ROGERS have indeed been most fortunate. We have all benefited from his wisdom, decency, and statesmanship. We cannot help being saddened by his announcement that he will not seek another term even as we wish him every success and happiness in whatever future endeavors he pursues.

PAUL ROGERS will be deeply missed by his colleagues in the House for we are all familiar with his exceptionally intelligent, dedicated, and fair leadership as chairman of the Subcommittee on Health and Environment.

Mr. Speaker, I would like to share with the Members an editorial from the July 24, 1978, issue of Medical World News which speaks to the high esteem in which PAUL ROGERS is held across the country.

The editorial follows:

A LEGISLATOR WHO'LL BE MISSED

Paul G. Rogers is leaving the House of Representatives after 24 years. During the past eight years, as chairman of the Subcommittee on Health and Environment, he has been a dominant figure in health affairs. No matter who replaces him in that post, Rogers will be sorely missed.

Most of all, MWN will miss his hearings. They were marked by careful preparation and reasoned tone. Though we did not always agree with him, as reporters we were confident his hearings would be worth covering.

As such they were frequently different from other similar gatherings on a number of counts.

First, Rogers himself usually arrived well prepared, with at least a basic grasp of the subject at hand. Second, the hearings were just that—forums in which information needed to make decisions could be developed. Rarely, if ever, was a Rogers hearing choreographed to support a narrow, predetermined point of view. And almost as rarely were the hearings laid on with an eye toward publicity rather than the information to be generated.

This is not to suggest that the 57-year-old Floridian was not a politician of considerable finesse. A moderate Democrat from a solidly Republican area, he was returned to office two years ago with a plurality of 91%, the largest given any Congressman in the 1976 elections. His political acumen was also demonstrated repeatedly within his committee. Take, for example the little-known but critical point in the development of a bill called "markup". It is here that, after all the staff work and hearings, bills often come to disaster as the individual views and votes of committee members are brought into play. Under Paul Rogers, the markup process was nearly always democratic and smooth.

In large part this was due to his ability to achieve compromise. This talent paved the way for passage of such landmark laws as the 1970 Clean Air Act, the 1971 National Cancer Act, the 1970 National Health Service Corps Act, and the 1976 Medical Devices Amendments. Indeed, in the early 1970s his subcommittee turned out so many bills on such subjects as health manpower, community mental health centers, regional medical programs, communicable disease control, drug abuse, and the creation of a new aging institute at NIH that is was called the "Disease of the Month Club".

It was during this time that Rogers, always impeccably dressed and with Southern-accented courtesy, established himself as an implacable examiner. Evasive witnesses soon discovered that he already knew the answers to many of the questions he asked. In addition, documents were usually available to help "refresh" memories. Where there were conflicts in statements, the reasons were fully explored. You did not have to agree with Paul Rogers, but it was always best to answer as candidly and completely as possible.

On the whole, Rogers should be judged a friend of the private sector. There are rumors he will remain on the Washington health scene in some private or appointive capacity. We hope so, because his kind of knowledge and style are rare indeed.●

THE HONORABLE RICHARD GARDNER—U.S. AMBASSADOR TO ITALY

HON. CLEMENT J. ZABLOCKI

OF WISCONSIN

IN THE HOUSE OF REPRESENTATIVES

Thursday, August 17, 1978

● Mr. ZABLOCKI. Mr. Speaker, on June 6 of this year, I was privileged to chair a Capitol Hill breakfast meeting as part of a regular series of such meetings under the sponsorship of the Georgtown University Center for Strategic and International Studies.

The guest speaker on that particular occasion was the Honorable Richard Gardner, U.S. Ambassador to Italy, who commented at some length about political and economic trends in his country of assignment, as well as U.S. foreign policy concerns. The meeting was well attended and afforded Members of Congress the opportunity to question the Ambassador on a broad range of topics, including U.S. attitudes toward Euro-Communism in general and the role of the Italian Community Party (PCI), in particular. Judging from the comments I have received from a number of my colleagues who participated in the event, it was a useful exchange in all respects.

Subsequently, this meeting was referred to in various accounts appearing in the Italian press. Predictably, coverage of the event was mixed, including, in some instances, a mixture of fact and fantasy. One article in particular left the impression that Ambassador Gardner is on the verge of being transferred after only 15 months at his present post—essentially because of widespread congressional criticism of his role and policies.

Nothing, Mr. Speaker, could be further from the truth. While there are—and always will be—differences of opinion within this body on the best course for the United States to pursue in its dealings with the Italian Government, I have seen no indication of a ground swell of opposition to the Ambassador's performance in a difficult, challenging, and sensitive assignment. On the contrary, I believe he enjoys bipartisan admiration and respect.

Just to set the record straight on behalf of this Member, let me register my own confidence in Ambassador Gardner and my personal appreciation for the job he is doing as our Ambassador to Italy.

Mr. Gardner has outstanding credentials, having brought to his position an extraordinary background in government and academia. He is a member of the Trilateral Commission and was for many years a distinguished professor of international law at Columbia University. He has also served with distinction in the Department of State, is fluent in Italian, and has followed Italian affairs closely for many years.

In short, it appears clear to me that we are indeed fortunate to have, as our Ambassador to Italy, a man who enjoys the respect of his friends and colleagues in the universities, the Congress, the executive branch, and the broader community of those concerned with American foreign policy.●

THE 103D ARMORED DIVISION

HON. JOHN P. MURTHA

OF PENNSYLVANIA

IN THE HOUSE OF REPRESENTATIVES

Thursday, August 17, 1978

● Mr. MURTHA. Mr. Speaker, it has come to my attention that the 103d Armored Division based in Johnstown has won the 1978 award as the National Guard's outstanding armored battalion. This is particularly significant because this is the fourth year in a row that the division has won the award. To the best of our knowledge, no division in the Nation has ever won this award four times in a row.

Col. Joseph Latch will accept the award in St. Louis later this year. In Congress we have debated the role of the National Guard, and this unit certainly exemplifies how the National Guard should be performing.

I extend my congratulations to the excellent effort by this unit.●

SENATE—*Friday, August 18, 1978*

(Legislative day of Wednesday, August 16, 1978)

The Senate met at 9 a.m., on the expiration of the recess, and was called to order by Hon. DONALD W. RIEGLE, JR., a Senator from the State of Michigan.

PRAYER

The Reverend Dr. Robert B. Harriman, director, the Presbyterian Council for Chaplains and Military Personnel, Washington, D.C., offered the following prayer:

Let us pray. Almighty God, we thank Thee for this Nation, born in freedom and maturing in union. The bounty of the Earth and the wealth of human talents have made us a nation of power among the nations of the world. Thou dost hold us responsible for the proper use of all we receive, and demand faithful stewardship of the resources of land and people. May power neither make us insensitive to the cries of the weak nor tempted to turn aside from their needs. May we who enjoy many privileges be aware of those for whom privileges are few. May we, who are aware of God-given rights, be alert to any denial of those rights to others. Thou hast made us strong so that we may lift the fallen; Thou has given us privileges so that we may share generously with others; Thou has shown us our rights so that we may guarantee them for all Thy people. With an appreciation of those who have led this Nation in the past, and prayers for all who lead this Nation now, we ask Thy continued guidance and blessing through all the days ahead. In the Master's name we pray. Amen.

APPOINTMENT OF ACTING PRESIDENT PRO TEMPORE

The PRESIDING OFFICER. The clerk will please read a communication to the Senate from the President pro tempore (Mr. EASTLAND).

The second assistant legislative clerk read the following letter:

U.S. SENATE,
PRESIDENT PRO TEMPORE,
Washington, D.C., August 18, 1978.

To the Senate:

Under the provisions of rule I, section 3, of the Standing Rules of the Senate, I hereby appoint the Honorable DONALD W. RIEGLE, JR., a Senator from the State of Michigan, to perform the duties of the Chair.

JAMES O. EASTLAND,
President pro tempore.

Mr. RIEGLE thereupon assumed the chair as Acting President pro tempore.

RECOGNITION OF LEADERSHIP

The ACTING PRESIDENT pro tempore. Under the previous order, the majority leader is recognized.

THE JOURNAL

Mr. ROBERT C. BYRD. Mr. President, I ask unanimous consent that the Journal of the proceedings be approved to date.

The ACTING PRESIDENT pro tempore. Without objection, it is so ordered.

Mr. ROBERT C. BYRD. Mr. President, I do not believe I have any requests for time on my side.

RECOGNITION OF LEADERSHIP

Mr. SCHMITT addressed the Chair.

The ACTING PRESIDENT pro tempore. The Senator from New Mexico.

AMERICAN BALLOONISTS LAND IN FRANCE

Mr. SCHMITT. Mr. President, the world is once again thrilled by the actions of American adventurers. In this case, three New Mexicans have completed their flight in a balloon across the Atlantic to the cheers, once again, of Frenchmen.

It is one of the most exciting periods in New Mexico's history. I think once again it is an exciting period for not only Americans but also the rest of the world.

Ben Abruzzo, Maxie Anderson, and Larry Newman have bound the two continents together again by a human endeavor much more than a technological endeavor.

So, with Charles Lindbergh and many other American explorers and adventurers, they have written their story in history.

Mr. President, I ask unanimous consent that today's article describing that adventure that appeared in the Washington Post be printed in the RECORD.

There being no objection, the article was ordered to be printed in the RECORD, as follows:

AMERICAN BALLOON LANDS IN FRANCE

(By Milton R. Benjamin)

Three American daredevils who crossed the Atlantic in a giant silver balloon landed in a wheat field outside Paris yesterday and were mobbed by Frenchmen in a scene reminiscent of the welcome for Charles Lindbergh a half-century ago.

The 11-story-high Double Eagle II, flying both the Stars and Stripes and the French tricolor, touched down just before dusk near the hamlet of Miserey, 50 miles west of Paris, ending a six-day, 3,200-mile odyssey which had begun in Presque Isle, Maine.

As light planes buzzed overhead dipping their wings in salute, Frenchmen who had been trailing the balloon along country roads drove wildly across fields to embrace the first balloonists to successfully cross the Atlantic.

"I cannot believe this welcome," exclaimed a bearded Ben Abruzzo, 48, as he jumped from the red and yellow gondola along with coadventurers Maxie Anderson, 44, and 31-year-old Larry Newman.

After quickly securing their balloon in a stiff evening breeze, the three men uncorked a bottle of champagne they had brought with them and doused each other as the rapidly growing crowd cheered wildly.

Half an hour after touchdown, the celebration was still growing. Gendarmes all but abandoned their efforts to hold back the thousands who had converged on the site, and the balloon's gondola was ripped apart for souvenirs.

"Lindbergh was a much bigger thing, of course, but this is really something, too," exulted Emile Lasne, 73, who remembered the landing of Charles Lindbergh at Le Bourget airport in 1927 following the first nonstop Atlantic crossing by air.

The three balloonists, all from Albuquerque, N.M., had hoped to follow in "Lucky Lindy's" footsteps and end their flight at Le Bourget, but a wind shift yesterday forced them to abandon that goal.

It hardly seemed to matter.

"This is fantastic," shouted a woman holding her baby high for a glimpse of the balloonists.

"This is fabulous, fabulous," echoed Gregoire Mussayan, a motorist who joined the celebration. "This is a victory for the American people."

At the height of the celebration Newman's father, Herb, who had been trailing the balloon, arrived to greet his son.

"I did it, dad. I did it," shouted Newman, burying his head in his father's shoulder and weeping.

Before a helicopter arrived to take the three adventurers to Paris, the village doctor gave them a rapid checkup. He found them tired, but otherwise in good health.

The three balloonists also donned fresh T-shirts before boarding the helicopter that proudly proclaimed, "First Transatlantic Crossing by Balloon."

In Paris, another hero's welcome—and a reunion with their wives—awaited the trio. Earlier in the day, as the Double Eagle II drifted across southern England, the three wives had flown close enough to the balloon in a private plane to blow kisses at their husbands.

In Paris, Youth and Sports Minister Jean-Pierre Soisson termed the achievement "a new bridge between America and France," and announced that he had awarded the balloonists his ministry's gold medal.

The French government also planned a champagne welcome to Paris for the Americans, although the balloonists—who dined during their six-day flight on hot dogs and canned sardines—radioed ahead that they were looking forward to a meal of french fries and hamburgers.

Air France also suggested that the three balloonists avail themselves of somewhat faster transportation on their return across the Atlantic to the United States, offering them free passage aboard the supersonic Concorde.

President Carter congratulated the three by telegram and invited them to the White House.

"Your daring voyage through the silent sky is a welcome reminder that individual acts of bravery and skill still capture our collective imagination," Carter said.

In downtown Paris, crowds of Frenchmen gathered on the Rue du Faubourg St. Honore outside the U.S. Embassy residence where the balloonists and their wives were put up for the night.

The youngest of the three, Newman, and his wife Sandra won the right to spend the night in the Lindbergh bed, where Lucky Lindy slept following his epic flight.

Anderson, a veteran pilot and industrial engineer who along with Abruzzo had attempted the same voyage a year ago aboard the Double Eagle I, said the balloonists ran into trouble only four times on their flight.

The most serious problem, he said, was "when we iced up badly about halfway across the Atlantic. It cost us a lot of ballast and height."

But recalling his previous transatlantic effort, he added: "Last year we went down off Iceland. We're kind of glad to be here in France this time."

Abruzzo, who is in real estate and other business, is also a veteran balloonist and pilot. Newman, a newcomer to ballooning, manufactures hang gliders and had hoped to arrive on the European continent on a hang glider that had been attached to the gondola of the Double Eagle II. Ballast problems, however, forced the balloonists to jettison the glider over the Atlantic.

The three men actually achieved the century-old dream of crossing the Atlantic by balloon Wednesday night, when the Double Eagle II crossed the coast of Ireland 121 hours and 18 minutes after liftoff.

Propelled by brisk winds, they pressed on across Wales and southwest England, over the English channel, and crossed the French coastline near Le Havre.

"We intended to go to Le Bourget airport because Lindbergh landed there," Abruzzo said. But as the balloon soared across the hedgerows of Normandy toward Paris, the wind began to shift.

"The direction of the balloon was changed," Abruzzo said, so the three men decided to land.

When they finally set the Double Eagle II gently down in the wheat field, they had been in the air 137 hours and 18 minutes and had traveled an estimated 3,233 miles—both records.

Despite their disappointment at not making it to Le Bourget, the balloonists were clearly delighted to have succeeded in reaching France.

"I guess Ireland would have done it," Anderson said.

"But the reason we wanted to come to France was Charles Lindbergh," he added. "He's an inspiration to many generations of Frenchmen and Americans."

ADVENTURERS' HOME TOWN TAKES BALLOON FEAT IN STRIDE

ALBUQUERQUE, N.M.—The people of this town are used to hearing about their adventurous citizens rising higher, flying straighter and going farther than most in balloons.

Ben Abuzzo, 48, Maxie Anderson, 44, and Larry Newman, 31, added the biggest prize to the local collection when their helium-filled Double Eagle II reached the coast of Ireland Wednesday, making them the first men to cross the Atlantic by balloon.

"I think it's tremendous," said Paul Woessner, an Albuquerque resident who won the world hot-air balloon championship in England. "If any body had to do it, I'm glad it was someone from Albuquerque."

THE UPCOMING SUMMIT CONFERENCE

Mr. SCHMITT. Mr. President, I think all of the Members of the minority would join me in wishing the President, Mr. Begin and Mr. Sadat success in their upcoming summit conference.

It is extremely important to our three countries, as well as to the peace of the world, that this conference is marked by success.

The measure of that success is unknown at this time. Certainly, we hope some of the major differences we know about that divide the peoples in the Middle East will be resolved. But, it may also be possible to set out ahead of those differences, to agree to disagree for some period of time more and find a means by which all the peoples of that region can work together for their future economic advancement. The ties of economy, of need, of resources, of ingenuity and imagination that could be forged by the great peoples of the Middle East, certainly, would make a worthwhile aim of that conference.

Let us hope that they, in fact, are forged and that some steps toward permanent peace in that region can be reached.

ORDER OF BUSINESS

Mr. SCHMITT. Mr. President, I ask unanimous consent that the special orders for Mr. TOWER and Mr. MCCLURE be transferred to Mr. HAYAKAWA this morning.

The ACTING PRESIDENT pro tempore. Is there objection?

Without objection, it is so ordered.

Mr. SCHMITT. Mr. President, I yield the remainder of my time to the distinguished Senator from Wyoming.

Mr. HANSEN. Mr. President, I ask unanimous consent that Danny Boggs, of the Energy and Natural Resources Committee, be granted privilege of the floor during the day throughout the debate and any votes on any measures which may come up.

The ACTING PRESIDENT pro tempore. Without objection, it is so ordered.

Mr. HANSEN. I thank my colleague.

SPECIAL ORDER

Mr. SCHMITT. Mr. President, I have no further need for the leadership time.

The ACTING PRESIDENT pro tempore. Under the previous order, the Senator from California (Mr. HAYAKAWA) is recognized for not to exceed 45 minutes.

The Senator from California.

VOTING RIGHTS FOR THE DISTRICT OF COLUMBIA

Mr. HAYAKAWA. Mr. President, I wish to address myself to the question of voting rights for Washington, D.C.

I remark, first of all, that Washington, D.C. is a kind of incredible dream city, a kind of fairyland, a unique place in this country. There is no seaport. There is no industry. There is no agriculture.

We have no automobile factories like Detroit, no golden fields of corn like Iowa or Indiana, no dairy farms like Wisconsin, no shipping like New Orleans, Baltimore, Seattle, or Galveston, no clothing industry like New York, no movie studios or wineries or orchards like California, no wheat fields like the Dakotas, no pineapples and sugar cane like the glorious islands of Hawaii, no mineral resources like Alaska, no lumber resources like those of Alaska and the State of Washington.

There is just no wealth-creating business here in Washington, but only one great money-spending entity, the Federal Government.

The majority of those working in the District of Columbia work for the Federal Government, or the closely related service industries whose workers service those who work for the Government.

Add to that, all the lobbying groups, the law firms who are here because the Federal Government is here, and one begins to understand what is meant by the term "Federal City."

This city makes laws and regulations. In the course of history, some of those laws and regulations have helped to produce wealth, like the Homestead Act, or the Morrell Act that created the land grant colleges.

It is in the business, largely, of making laws and regulations to prevent the formation of wealth, like OSHA and FDA and the Department of Energy.

The people in the States of the Union work to create wealth, a large amount of which they send in the form of taxes to Washington, D.C., for us to spend. Our major economic concern, then, is not how much wheat we can grow, or chickens we can hatch, or shoes, tractors or dresses we can manufacture, but rather how much money we can get the wealth-creators of the 50 States to send us. We live and work here only on the strength of other people's taxes.

Washington creates no wealth, but we wallow in wealth. If there were to be voting Representatives from the District of Columbia in Congress, they would then be in the position of representing the interests of the Federal Government to the Federal Government. This situation could easily provide an opportunity for the abuse of power, or at the very least, severe conflict of interest.

To further illustrate my point, I would like to read, for the benefit of my colleagues, an article by Tom Bethell, recently published in Harper's magazine, entitled, "The Wealth of Washington."

Talking about wealth in general, Mr. Bethell says that we have had two basic theories about wealth and its distribution:

> The first system is sometimes described as "trickle-down" economics. According to this system, people were allowed to accumulate as much money as they were able, on the theory that they would spend it, allowing the benefits therefrom to "trickle down" to others who had not been able to accumulate so much.
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> Unfortunately, trickle-down economics got a bad name in the end.
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> Along came the new system, based instead on fairness. There would be an unfortunate but necessary "trade-off" between efficiency and equality. Under the new system, people would still be allowed to make money, but after they had made a certain amount their earnings would be transferred to others who had made less. This money would be transferred as though it were water in a bucket. Then a very important discovery was made. In the process of traveling from the rich to the poor, the bucket leaked. Thus the "leaky bucket" economic system eventually came to replace the "trickle-down" system.
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> Here is an excellent description of leaky-bucket economics by Arthur Okun, an economist with the Brookings Institution and formerly chairman of President Johnson's Council of Economic Advisers. Okun postulates a program that takes away $4,000 from each of several affluent families and gives the money to another group, four times larger, of poor families. This transfer should, as Okun says, "finance a $1,000 grant for the average low-income family."
>
> "However," he continues, "the program has an unsolved technological problem: the money must be carried from the rich to the poor in a leaky bucket. Some of it will simply disappear in transit, so the poor will not receive all the money that is taken from the rich. The average poor family will get less than $1,000, while the average rich family gives up $4,000."
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> Washington is right underneath the leaky bucket, and, I am tempted to add, the mansions are not being built in Newport anymore; they are being built in Washington. Not for individuals, of course—heavens no. There are no multimillionaires in the new scheme. That's precisely the beauty of it. Greed has been ostensibly eliminated from the picture and replaced by good works. This is what makes it so hard to point an accusatory finger at anyone. No, the new structures, on a much larger (although not grander) scale than the Newport mansions, are called "agencies" and "departments," and to be fair about it they employ far more people than The Breakers ever did. What's more, today's government employees evidently have a lot of money to spend.
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> The lavish spending now going on in Washington might have warmed the heart of old Commodore Vanderbilt himself. The expensive restaurants ($70 or more a couple) are becoming harder and harder to get into. The nightly display of evening dress at the Kennedy Center keeps plenty of couturiers happy. Soaring property values have enabled plenty of residents (New Dealers, et cetera) to refinance their houses and spend $10,000 more landscaping their gardens. But this is all effect. Money will be spent, and it doesn't mind who spends it. Let us look at the cause.
>
> The wealth of Washington derives primarily from federal pay, which is high and keeps getting higher all the time. Federal pay is a complex subject, but worth trying to simplify. Since 1970 federal pay has been based on the idea of "comparability," meaning that federal workers are supposed to be paid the same as those doing comparable jobs in the private sector. To compute private-sector pay, the Bureau of Labor Statistics does a survey between January and April every year.

But somehow the pay is not comparable. The pay in Washington is enormously better than it is elsewhere. It is so attractive to come to Washington that, as Bethell says:

> It is a remarkable fact that in 1977 the equivalent of the entire population of Texas inquired about the possibility of a job with the Federal Government. And, as Mike Causey noted in his "Federal Diary" column in the Washington Post, these statistics "represent only people who got through." Nobody knows how many job hunters have been frustrated by long lines or seemingly forever busy telephone numbers, and have given up. They aren't counted in the statistics.
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> "Production workers" (lowly blast-furnace types) are paid less than government work-

ers. People who work on docks, farms, aid oil wells are simply not "comparable" to the people in Washington, who work on paper.

Bethell notes:

. . . there are many people in Washington who earn more than government workers; the burgeoning class of lawyers inevitably comes to mind (according to *Time* there are 20,000 of them in Washington, and all of them must surely get down on their knees every night to say a prayer of thanks to the Patron Saint of Lawyers, Ralph Nader); and then, of course, there are the lobbyists and the psychiatrists—there are more of the latter per square inch than anywhere else in the world, thanks to government health insurance plans that seem to have been designed on the assumption that people will very likely go crazy working for the government.

There are also the consultants—the "beltway bandits," as they are sometimes called. These are the people who do government work for a fee. A large fraction of government work is contracted out these days, a fact that is always worth bearing in mind, because this is one of the main ways in which the true extent of government employment is disguised. (Defenders of the federal bureaucracy frequently also use the following argument: It is not the federal government that has grown, it is the state and local governments. That is true, but misleading. The growth of state and local governments has has been very largely mandated by federal regulation and augmented by revenue sharing and "matching" spending arrangements.)

So, I say, the wealth of Washington is enormous. Washington creates no wealth but wallows in wealth.

Mr. President, I ask unanimous consent that Mr. Bethell's article from Harper's magazine be printed in the RECORD.

There being no objection, the article was ordered to be printed in the RECORD, as follows:

THE WEALTH OF WASHINGTON

(By Tom Bethell)

(Above this race of men stands an immense and tutelary power, which takes upon itself alone to secure their gratifications and to watch over their fate. That power is absolute, minute, regular, provident and mild. It would be like the authority of a parent if, like that authority, its object was to prepare men for manhood; but it seeks, on the contrary, to keep them in perpetual childhood: it is well content that the people should rejoice, provided they think of nothing but rejoicing. . . . It covers the surface of society with a network of small complicated rules, minute and uniform, through which the most original minds and the most energetic characters cannot penetrate, to rise above the crowd. . . . Such a power does not destroy, but it prevents existence; it does not tyrannize, but it compresses, enervates, extinguishes, and stupefies a people, till each nation is reduced to nothing better than a flock of timid and industrial animals of which the government is the shepherd.—ALEXIS DE TOCQUEVILLE.

Economics is one of those subjects that become more interesing with the passage of time. In this respect it is unlike, say, metaphysics. Well do I remember my first day at university and my tutor handing me a copy of Paul Samuelson's *Economics*, with the request that I write an essay entitled "What Is Money?" Having no confidence that I could solve the mystery by the following week, I handed the volume back and inquired if there were, by any chance, alternative courses in Hegel or Kant.

Years later I moved to Washington, and by then I had become a more diligent student of money. Washington, as a city, has only furthered this financial education, because it is so rich. Among the largest cities in the country, it is the only one that can really be said to be booming. There is hardly a vacant lot without a new office building about to rise on it, or a deep pit being excavated within it, wherein hard-hatted architects gaze at blueprints, fluttering in the breeze, and plan for the future. Once built, the new office buildings (shaped like well-regimented ice cubes, obedient to stringent height regulations), fill up with dramatic speed—often with burgeoning regulatory agencies overflowing from their original premises, and simultaneously (on adjacent floors) with the lobbyists and lawyers who are hired to grapple with the new regulations. Sometimes the new government quarters are on a lavish scale, the new Senate Office Building being an example. Sen. William Proxmire has observed that it "would make a Persian prince green with envy." Originally scheduled to cost $49 million in 1972, its cost has now risen to $123 million, and it will be completed (perhaps) in 1981. It includes a "physical fitness center" (convertible basketball/tennis court), and a Senators-only dining room with a rooftop view of Washington.

The prospect is good for Washington. All the indicators are up. Government salaries are up; employment is up; rented office space is up; and real estate values are up, up, and up. Property is the most engrossing topic of conversation at those famous Georgetown dinner parties, people blushing slightly about what a killing they have made, but then always reassuring themselves that "it's only on paper"—a caveat that is perhaps truer than they realize. The dollar is down in the foreign-exchange market, which means that the Germans, the Japanese, even the British have little confidence in it. They are not alone. People in the nation's capital have little confidence in it, too, which is surely not a good sign, because the manufacture of dollars is one of the main industries in Washington. Some (Milton Friedman, for example) would say that it is the only industry, but then it is well known that he is cynical about government. However, I am getting ahead of my story.

First, some statistics. Washington has now become the richest metropolitan area in the United States, according to figures compiled by Marketing Economics Institute, Ltd. (see table 1). Advertising Age, the journal that published these figures in a special section entitled "Profiles of Top 100 Markets in U.S.," noted without a trace of irony:

Washington took the change of administrations in stride. Government, the area's largest employer, experienced few significant changes during the year. A few hundred upper-crust policy makers' jobs changed hands, but many of the newcomers were old Washington hands, and the transition hardly made a ripple in the housing market.

In fact, the transition improved the housing market, because most of the newcomers arrived from Georgia, and, in the Washington way, a good many of the outgoing Republicans stayed on to reap the benefits of having worked for the government. Thus more people were looking for the same number of houses. Real estate agents in and around Washington were definitely pulling for Carter on the night of November 3, 1976. In 1980 they will be on the Republican side.

Here are some more figures. Two Washington suburban counties lead the list of the "50 Richest Counties" as measured by the 1970 Census (see table 2). By mid-decade, these counties were still doing very well in the rankings (see table 3), despite some fierce competition from Alaska, where, in addition to the Alaska pipeline then under construction, there were also high levels of federal spending.

I could provide more figures for the Washington area, but they would be superfluous. Suffice it to say that 25 percent of the area's employees are on the federal payroll. These people have managed, over the years, to evolve a system whereby they pay themselves well. As a result, Time magazine recently noted, Washington has become a "privileged ghetto, home of a pampered class all but immune to the disheartening tantrums of the economic weather." During the 1974 recession, unemployment in the capital was 30 percent below the national average.

The laws of supply and demand not only do not apply to Washington, they are turned inside out. Problems elsewhere in the country merely contribute to the wealth of Washington. The fuel crisis takes the shape of a new Department of Energy, where 19,000 bureaucrats under Dr. James Schlesinger's command will have $10 billion to play with—roughly equal to the total profits of all the oil companies. Figures such as these are enough to make one wonder if the energy crisis can't be traced to some action originally taken in Washington; the recent history of price controls does nothing to allay this suspicion.

When considering the economic success of Washington, an innocent might conclude that this is indeed surprising, bearing in mind that those who come here to work in the government are mostly compassionate, public-spirited people—admirers of Franklin D. Roosevelt and his wife. So one surmises that it must be just an accident that they ended up doing so well. These were people who wanted to do good; who saw poverty and wanted to stamp it out; saw discrimination and determined to end it; saw slums and dreamed of humane dwelling spaces (solid 1890s structures built practically with slave labor, now rehabbed to perfection, filled with greenery and occupied by urban planning consultants). They saw all this opportunity for doing good, and yet, somehow, a good many of them ended up sipping French wines in the quiet of their pocket-sized Georgetown backyards, discussing real estate investments before retiring early to bed because they had next day an urgent "report" to write on the sad state of the economy.

LESSONS IN ECONOMICS

How did this come to pass? To look, very briefly, at the broad canvas, one can see that in the course of this century one economic system has slowly but surely replaced another. Both are conveniently described by aquatic metaphors. The first system is sometimes described as "trickle-down" economics. According to this system, people were allowed to accumulate as much money as they were able, on the theory that they would spend it, allowing the benefits therefrom to "trickle down" to others who had not been able to accumulate so much. By way of an example, although it is an extreme one, Mrs. Cornelius Vanderbilt put trickledown economics to work when she employed thirty-three servants and sixteen footmen dressed in wigs and maroon silk breeches at "The Breakers," her summer "cottage" in Newport.

TABLE 1.—*Richest metropolitan areas, per household income, 1976*

1. Washington, D.C	$27,702
2. Nassau-Suffolk, N.Y	27,422
3. Bridgeport-Stamford - Norwalk-Danbury, Conn	23,989
4. Houston, Tex	23,672
5. Sacramento, Calif	21,743
* * * * *	
30. New York, N.Y	17,615

Source: Marketing Economics Institute, Ltd.

Unfortunately, trickle-down economics got a bad name in the end. Its heyday, as Milton Friedman has remarked, "was a period of the greatest progress in the well-being of the ordinary man that the world has ever seen," but still there was something about it that people didn't like. As a result, Friedman

added, "it became enshrined in myth as the period when robber barons were grinding the poor people under their heels out of sheer malice."

The system worked as well as it did because lots of people worked hard so that they could build factories and end up with sixteen footmen in silk breeches, too. There was great economic growth, therefore, but there was also a flaw: the resulting wealth didn't trickle down to everyone, and thus it was "unfair." The system was efficient, it was conceded, but efficiency wasn't everything.

Along came the new system, based instead on fairness. There would be an unfortunate but necessary "trade-off" between efficiency and equality. Under the new system, people would still be allowed to make money, but after they had made a certain amount their earnings would be transferred to others who had made less. This money would be transferred as though it were water in a bucket. Then a very important discovery was made. In the process of traveling from the rich to the poor, the bucket leaked. Thus the "leaky bucket" economic system eventually came to replace the "trickle-down" system.

Here is an excellent description of leaky-bucket economics by Arthur Okun, an economist with the Brookings Institution and formerly chairman of President Johnson's Council of Economic Advisers. Okun postulates a program that takes away $4,000 from each of several affluent families and gives the money to another group, four times larger, of poor families. This transfer should, as Okun says, "finance a $1,000 grant for the average low-income family."

"However," he continues, "the program has an unsolved technological problem: the money must be carried from the rich to the poor in a leaky bucket. Some of it will simply disappear in transit, so the poor will not receive all the money that is taken from the rich. The average poor family will get less than $1,000, while the average rich family gives up $4,000."

That is a most instructive and lucid analysis, and it continues in that vein with a discussion of how much leaking is acceptable (10 to 20 percent for Okun, a respectable centrist; unlike John Rawls of Harvard, who wouldn't object to 99 percent leakage, or Friedman, who wouldn't want any). Nevertheless, there is one point in the foregoing that I must disagree with, much as I hate to argue with so experienced an economist: the money that leaks out of the bucket doesn't "disappear"—it waters Washington and transforms the arid regions of federal bureaucracy into a land of milk and honey.

Washington is right underneath the leaky bucket, and, I am tempted to add, the mansions are not being built in Newport anymore; they are being built in Washington. Not for individuals, of course—heavens no. There are no multimillionaires in the new scheme. That's precisely the beauty of it. Greed has been ostensibly eliminated from the picture and replaced by good works. This is what makes it so hard to point an accusatory finger at anyone. No, the new structures, on a much larger (although not grander) scale than the Newport mansions, are called "agencies" and "departments," and to be fair about it they employ far more people than The Breakers ever did. What's more, today's government employees evidently have a lot of money to spend.

The lavish spending now going on in Washington might have warmed the heart of old Commodore Vanderbilt himself. The expensive restaurants ($70 or more a couple) are becoming harder and harder to get into. The nightly display of evening dress at the Kennedy Center keeps plenty of couturiers happy. Soaring property values have enabled plenty of residents (New Dealers, et cetera) to refinance their houses and spend $10,000 more landscaping their gardens. But this is all effect. Money will be spent, and it doesn't mind who spends it. Let us look at the cause.

TABLE 2.—*Richest counties, median family income, 1970 census*

1. Montgomery, Md	$16,710
2. Fairfax, Va	15,707
3. Nassau, N.Y	14,632
4. Du Page, Ill	14,458
5. Marin, Calif	13,935

Source: Bureau of Census.

The wealth of Washington derives primarily from federal pay, which is high and keeps getting higher all the time. Federal pay is a complex subject, but worth trying to simplify. Since 1970 federal pay has been based on the idea of "comparability," meaning that federal workers are supposed to be paid the same as those doing comparable jobs in the private sector. To compute private-sector pay, the Bureau of Labor Statistics does a survey between January and April every year.

The Bureau of Labor Statistics reports its findings to the President's "Pay Agent," a triumvirate consisting of the Chairman of the Civil Service Commission, the Secretary of Labor, and the Director of the Office of Management and Budget. Another group, called the Federal Employees Pay Council, also has a say in the matter. The council consists of representatives of the largest federal employee unions, of which the most important is the American Federation of Government Employees, which represents 750,000 federal employees. Then there is a third group, called the Advisory Committee on Federal Pay, consisting of people from the private sector who represent the interest of taxpayers.

The President listens to all three groups, who may disagree with one another. The Pay Agent, for example, might recommend that the pay raise suggested by the BLS survey be held down to a smaller percentage—i.e., that the pay increase be "capped." There is every indication that this will happen this year. The BLS survey for 1978 has led federal employees to expect a raise of about 6.5 percent. But Carter's Pay Agent want to hold it to 5 percent. When they heard about this threat, the Federal Employees Pay Council vowed to attend the next meeting with the Pay Agent wearing coal miners' helmets. This was meant to remind the White House that the recent coal strike was settled only after the miners got a wage increase of about 31 percent spread over three years. Federal employees, incidentally, are by law not allowed to strike. Postal workers, however, did strike in March, 1970, and as a result they got the collective-bargaining rights and the pay raise they were looking for. Unfortunately for many federal employees, however, there is often no identifiable service that they can threaten to withdraw from the public, and so the likelihood of "wildcat" strikes from them is minimal.

In other years the President may accept the "comparability" figure, and if he does, then that percentage pay raise goes into effect in October, unless the Congress does something to stop it. Notice that Congress is thus put into the convenient position of "approving" government pay raises without having to vote on the issue or take any public action at all. It is automatic as long as the President accepts the BLS survey figure and the Congress does not act.

In Jimmy Carter's first year on the job, when pay-comparability time came around in October, 1977, and the recommendation was that federal workers all get a 7.05 percent raise, Carter signed on the dotted line immediately, unlike his two predecessors in the White House, who usually put up a fight. Carter evidently had no desire to get into a fight with the bureaucracy. Who knows, maybe he had visions of Watergate, and of the time that President Nixon's income tax returns popped up on the front page of a daily newspaper. The clandestine coupling between bureaucracy and press, which the First Amendment is said to protect, acts powerfully to ensure that all the President's men stay in the bureaucracy's good graces. If the President decides to be stubborn about holding down the pay increase this year . . . who knows what stories we may soon be reading in the Washington press.

The gentleman explaining the intricacies of federal pay to me was Ed Preston, an assistant director of the OMB and plainly a veteran of bureaucratic wars. Having listened to him, I pointed out that the problem with "comparability" was all the evidence that government workers earn more than those in the private sector. I cited some figures put out by the Advisory Commission on Intergovernmental Relations that especially indicated this. Preston's reply suggested that if the government were an army it would be deficient in privates and corporals. More and more, the jobs government workers do are being defined in such a way that they correspond to upper-level jobs in the private sector. Here is what Prestion said:

"The federal government has shifted to an increasingly professional, technical, and scientific work force. Twenty or thirty years ago we had essentially a government of clerks. But now, with moonshots, the space program, and so on, all that has changed."

Notice how this explanation makes a mockery of those miners' helmets. Anyway, I called Dr. John Shannon at the Commission on Intergovernmental Relations, the little-known commission that had innocently contrasted civilian and government pay. I told Shannon that I had found his figures very revealing. "We got a real nasty letter from the head of the Civil Service Commission about that," he said. "They claim that the government is now made up mostly of atomic physicists and people like that."

It is, in fact, an extremely difficult matter to ascertain whether the correct functioning of government now really does demand the skills of highly qualified scientists and managers, or whether job descriptions have merely been inflated to give this impression: no doubt partly both. I spent an afternoon phoning the Civil Service Commission, being routed from one office to the next, but made little headway.

There is not even a simple answer to the question: What kind of work does, say a GS-5 do? (See table 5.) In response to this question, Eugene Dahlman, assistant chief of the Standards Division, told me: "It varies from occupation to occupation. You can have a grade 5 engineer or a grade 5 secretary. The grade 5 engineer would be just out of school, of course."

This was peculiar, surely, because a grade 5 engineer is paid the same as a grade 5 secretary, on a scale of pay assumed to be "comparable" to that for work done in the private sector, and yet clearly engineering work is in no way comparable to secretarial work. How, then, can they be lumped together and be called comparable to anything?

Robert W. Hartman, an economist with the Brookings Institution, has pointed out that it is precisely this lumping together of various private-sector jobs into one pay rate that results in federal pay nosing ahead as it does. In March, 1977, a GS–5 clerical worker was paid $10,677 annually, Hartman writes. At that time BLS investigators returned from their travels and reported their findings: The salary for comparable jobs in the private sector was $10,100.

TABLE 3.—*Richest counties [over 50,000 pop.] median household effective buying income*

	1975	1976
1. Fairfax, Va	$22,321	$24,050
2. Du Page, Ill	21,814	23,486
3. Anchorage, Alaska	21,091	24,716
4. Nassau, N.Y	20,738	21,725
5. Montgomery, Md	20,674	22,012

Source: Sales & Marketing Management.

Hartman comments as follows: "This finding—which a hard-nosed type might regard as an excuse for a pay reduction—was transformed into a pay raise under what is called the government comparability method." How was this achieved? "At GS–5, the private-sector secretarial wage was combined with technical jobs paying $11,770, administrative posts at $12,346, and professional slots at $13,439 to reach an average survey salary for GS–5 of $10,736."

This means, of course, that a GS–5 employee doing "technical" work (the recent engineering graduate, no doubt) would be slightly underpaid at this grade, but then he will soon be promoted to GS–7 (even-numbered grades are skipped by many employees at this level). Salary inflation in the government has been partly caused by grade inflation.

There are numerous other criticisms of the pay-comparability procedure. One is that in doing its survey, the BLS focuses on companies with 100 employees or more—the higher-paying companies. (According to the Chamber of Commerce, as many as 90 percent of U.S. businesses have fewer than fifty employees.) This criticism is conceded, but again with more than a trace of institutional arrogance.

"It is not feasible to find 'job-matches' in the smaller firms," Preston told me. "The federal government is so big that its functions are divided up into many parts. In a smaller firm one person may do everything. In the federal government one person may just write checks, another may just type; another may be a job analyst, or a specialist in various kinds of personnel problems."

Nevertheless, Preston said, OMB would be willing to include smaller firms in the BLS survey," but the federal employee unions have opposed us bitterly on this."

I phoned Dr. Shannon of the Intergovernmental Relations Commission once again the next day. He told me about a new book that had just been published by Princeton University's industrial relations section, and he seemed pretty excited about it. Apparently it was a hot underground item in the bureaucracy, with one or two copies circulating, as it were, in *samizdat*. Shannon said he wasn't even sure he could show me a copy, but he gave me the name of a friendly budget examiner, who agreed to see me, after he had extracted from me a vow of silence as to his identity.

He was seated rather nervously at his desk, and as he spoke he seemed to be looking nervously over my shoulder, worried that at any moment Alan K. Campbell, the chairman of the Civil Service Commission, might walk into the room and catch him in the act of betrayal.

He pulled a dog-eared paperback out of his desk drawer. It was bristling with paper clips. He slid it cautiously over in my direction. It was called Equal Pay in the Public Sector: Fact or Fantasy, by Sharon P. Smith.

Evidently she had taken a different approach, measuring not comparable jobs but comparable people, as defined by such factors as age, education, sex, location, and race. Her finding: "The federal wage advantage was estimated to be at least 13 percent and possibly as much as 20 percent in 1975."

The budget examiner took the book back and handed me something else. He seemed to be operating on the theory that he would be safe as long as he didn't say anything. He tapped his forefinger at a table in the middle of a page. "Take a look at that," he said, pointing to some figures indicating the rate at which people quit their jobs ("quit rates"—see table 4).

"Since 1970, when they got collective bargaining, the Postal Service's pay has skyrocketed," my man said, warming up a bit. "The government can't go broke, and so that element of discipline has been removed from collective bargaining with the government. The unions know that." This was obviously an important point, and I decided to explore it later on.

"Another thing," the budget man went on. "Check with Civil Service and find out about the queues of people trying to get into government these days. Just tremendous numbers of them." Using a paper clip as a thumb index, he turned to a page of Smith's book and silently pointed again:

If the comparability process suggests that wages should be increased for a particular group of government workers and yet there are already long queues of individuals awaiting such jobs, the increase is unnecessary to attract the reqired manpower.

I later called the Civil Service Commission, and the information it provided suggests that government pay increases could very easily be halted completely for a number of years. (Carter might also consider that such a public-sector pay freeze would undoubtedly do wonders for inflation. The pressure that would be generated within the federal bureaucracy to cut back on federal spending as a way of bringing inflation under control would be something wonderful to see. Alas, it is a pipe dream.)

It is a remarkable fact that in 1977 the equivalent of the entire population of Texas inquired about the possibility of a job with the federal government (see table 6). And, as Mike Causey noted in his "Federal Diary" column in the Washington Post, these statistics "represent only people who got through. Nobody knows how many job hunters have been frustrated by long lines or seemingly forever busy telephone numbers, and have given up. They aren't counted in the statistics."

Before concluding my interview with the budget examiner, I asked him what he had thought of a recent newspaper column by Nicholas Von Hoffman entitled "Inflationary Trend of the Federal Payroll."

He threw caution to the winds and slapped his thigh. Then he lit up a pipe. "He was right but he didn't know it," he said, cackling away between puffs. Apparently there had been quite a bit of discussion about this column. Von Hoffman had made what was technically a mistake, saying that federal workers get raises "to offset the inflationary degradation of the dollar." In fact, of course, federal pay is not tied to the Consumer Price Index. But, bearing in mind the criticisms of comparability raised by Sharon Smith and Robert W. Hartman, the indications are that federal pay is soaring ahead of inflation.

Nevertheless, a letter of sharp reprimand from Alan Campbell of the Civil Service Commission was soon published in the Washington Post. His comments are highly instructive:

The reason income levels are higher in Washington (and they undeniably are) is not that government workers are concentrated here. In fact, only 12 percent of the federal workers are located in the Washington area. The reason is that Washington lacks basic industry. It has no docks, farms, oil wells, assembly plants, factories, canneries, blast furnaces, and the like. Hence it cannot be home to millions of American production workers who operate our massive industrial society, and whose relatively lower pay pulls the overall average salary down in other cities.

In other words, those "production workers" (lowly blast-furnace types) are paid less than government workers. People who work on docks, farms, and oil wells are simply not "comparable" to the people in Wahington, who work on paper.

Campbell made a mistake himself in his letter. He noted that, whereas "the average household income in this area may indeed be $27,702," the average federal employee earned "only $18,862 last year, and federal employees constitute less than 25 percent of the local work force. Obviously some other large and affluent groups in the area's economy are pushing the average up."

TABLE 4.—*Annual quit rates, 1972*

	Percent
Postal Service	6.7
Federal workers	8.4
All manufacturing	26.8

Source: Douglas K. Adie, American Enterprise Institute.

This neglects to take into account Washington's numerous working couples. Examples that come to mind are Mary King, deputy director of ACTION, and her husband, Peter Bourne, a psychiatrist lurking in Carter's entourage; and Secretary of HUD Patricia R. Harris and her husband, William Beasley Harris, an administrative law judge. Couples such as these have combined incomes approaching $100,000, in some cases, which helps to explain why household income is as high as it is.

Campbell's statement also presumes that the nationwide average government employee grade level is the same as the Washington average. Needless to say, it is not. Most of the chiefs are in Washington, most of the Indians are in the provinces. The average Washington metropolitan area government salary was $20,740 in 1977.

Nevertheless, Campbell is of course right when he says that there are many people in Washington who earn more than government workers; the buregoning class of lawyers inevitably comes to mind (according to *Time* there are 20,000 of them in Washington, and all of them must surely get down on their knees every night to say a prayer of thanks to the Patron Saint of Lawyers, Ralph Nader); and then, of course, there are the lobbyists and the psychiatrists—there are more of the latter per square inch than anywhere else in the world, thanks to government health insurance plans that seem to have been designed on the assumption that people will very likely go crazy working for the government.

There are also the consultants—the "beltway bandits," as they are sometimes called. These are the people who do government work for a fee. A large fraction of government work is contracted out these days, a fact that is always worth bearing in mind, because this is one of the main ways in which the true extent of government employment is disguised. (Defenders of the federal bureaucracy frequently also use the following argument: It is not the federal government that has grown, it is the state and local governments. This is true, but misleading. The growth of state and local governments has been very largely mandated by federal regulation and augmented by revenue sharing and "matching" spending arrangements.)

Lester A. Fettig turned out to be the man to see about contracted-out government. His office of Federal Procurement Policy in the New Executive Office Building overlooks the White House, with the Washington Monument and National Airport in the distance. Fettig (executive level 4: $50,000 a year; see table 7) said that the government was now contracting out more than $80 billion worth of work annually—about one-sixth of the budget. This expenditure is administered by about 80,000 full-time employees. In their book The Shadow Government, Daniel Guttman and Barry Willner point out that "the government has little precise information on many characteristics of the shadow bureaucracy." But in the upper echelons of those working "off the organizational chart," salaries range well over $100,000.

Fettig told me that "60 percent of the money goes out on 'sole source.'" No competition, in other words. "We've become the modern contract state," he said enigmatically. As far as I could gather, his argument was that about $30 billion of this could very

well be done by the full-time government, while $30 billion of current full-time government work could in turn be contracted out. This would "reorganize" things without getting anyone too upset, which seems to be a Carter priority.

Fettig explained—and in the course of a couple of weeks talking to people in the Carter Administration I must have heard this ten tmes—that Presidents Nixon and Ford tried to reorganize things, too, but they didn't do it right. They didn't go through channels. They tried here and there to cut the Gordian knot: razor blades were quietly applied to red tape. Mistakenly imagining that when he became President it would be easy to get things done, Nixon was finally reduced to slamming his fist down on the desk and saying to Chuck Colson, "I want it now!"

Carter's people in the White House and at the OMB know very well what happened after that, and so they are proceeding carefully, cautiously . . . procedurally . . . as gingerly as a jackass eating briars. They are going to go through channels just as it says in the government manuals. Fettig further explained how brutally the Ford Administration went about contracting out government. "If they found they could save $1 million by contracting out garbage collection, they would order it done," he said. "Let's say four jobs would be lost in the public sector. Then the employee unions would get upset and call the Congressman who represented these people . . ."

TABLE 5.—DISTRIBUTION OF FULL-TIME FEDERAL CIVILIAN EMPOYEES, AS OF MARCH 1976 WITH EXAMPLES OF WORK DONE

Grade	Number	Work done
GS–1	2,256	Messenger.
GS–2	25,256	File clerk.
GS–3	99,330	Typist.
GS–4	174,146	Senior-stenographer.
GS–5	182,211	Engineering technician.
GS–6	85,741	Secretary.
GS–7	127,553	Computer operator.
GS–8	27,790	Do.
GS–9	139,334	Buyer.
GS–10	22,090	("Not used very much").
GS–11	146,954	Job analyst.
GS–12	139,692	Attorney.
GS–13	107,310	Chief accountant.
GS–14	49,379	Personnel director.
GS–15	24,532	Do.
GS–16	3,309	Supergrades—supervisors, directors of
GS–17	990	bureaus ("no comparable jobs in
GS–18	348	private sector").

TABLE 6.—NUMBERS SEEKING FEDERAL JOBS

	1972	1974	1977
Inquiries	6,649,867	9,061,363	11,921,964
Applications	1,758,348	1,788,932	1,671,119
Selections	183,267	231,410	151,614

TABLE 7.—EXECUTIVE LEVEL

	Current salaries	Distribution	Examples of who they are
I	$66,000	13	Cabinet members.
II	57,500	49	Deputy secretaries, heads of large agencies.
III	52,500	91	Undersecretaries, heads of smaller agencies.
IV	50,000	357	Assistant secretaries and commission members.
V	47,500	232	Unit administrators within large departments.

Source: Civil Service Commission.

"But presumably four people in the private sector would get the jobs instead," I said.

"Yeah, but the Congressman doesn't know those other four will vote for him. But if he saves the jobs of the people who already work for the government, they will vote for him. There's a high discount rate."

That evening I bought a copy of the Washington Star as I went home. The following front-page story caught my eye:

POLITICS MAY PROTECT U.S. PAY RAISE

Fear of getting branded as "anti-labor" may deter the Carter Administration from trimming federal-pay raises to fight inflation, according to high-ranking officials.

That was odd, I thought. Now the nuclear physicists were forgotten and the coal miners' helmets were back in place. On the one hand, at pay-comparability time, the government is composed of scientists and top managers to explain why the pay is so high, but at pay-cut time the work force is abruptly transmuted back into "labor." I was beginning to think that Jimmy Carter had a very slim chance of reorganizing this government.

The next day I had a drink with a friend of mine at one of those subterranean Washington bars that somehow contrive to be full of people already well into their second cocktail at five minutes past five. My friend landed a good job with the Carter Administration a little more than a year ago. He ordered a Bass ale and began: "A fourfold increase in salary does wonders, I'll admit." He told me that his job is to manipulate the press so that his boss, a Cabinet member, comes out looking good. It turns out to be easier to do this than he thought it would be. The daily press is the easiest, he said. "If someone writes something I don't like, then I don't return his phone call for a week. They're always on deadline, so they need me." He then began to talk about the fringe benefits of government.

"The per diem travel allowance is generous," he admitted. "Seventy-five dollars a day in Paris. Forty to fifty dollars a day in the U.S. I bet not many people lose money on that. Then there's parking. It costs us $5 a month, although normal Washington rates are $4 a day. All the top people get parking spaces—in other words, just the people who could afford to pay the going rate. Then there are the federal credit unions. I can get 7 percent on a savings account, and if I want to get a loan to buy a car, I pay 8 percent on the loan."

He thought for a moment and lit a cigarette. "We get no expenses for lunch," he said. "That's one of the drawbacks. Why do you think there has been all this fuss about the three-martini lunch? It's one of the few fringes enjoyed by the private sector but not by us. And according to the new conflict-of-interest laws I am not allowed to be taken out to lunch by someone who does business with the department. Luckily, the New York Times has no business dealings with us."

He ordered another beer. "Oh," he said. "Many hotels have government rates. Everyone tries to get into the Essex House in New York because it gives government rates—about $35 for a double. It's very hard to get in at weekends."

I asked him why hotels had lower rates for government employees. (Essex House's standard rate is $70–$90 for a double.)

"It's a tradition in the hotel going back to World War II," he said. "Government per diem used to be very low then. But to justify higher per diems today, I notice, the employee unions talk about the high cost of staying in hotels."

"Anything else you can think of?"

"Sabbaticals," he said. "I know it sounds crazy. But the government is more and more filling up with professors and more and more seems to resemble a university. I have a friend at the Law Enforcement Assistance Administration who applied for and was granted a sabbatical to work on a dissertation."

My friend turned next to the complex subject of pensions and retirement benefits. "Basically," he said, "we pay 7 percent of our gross income instead of paying into Social Security." (Which is 6.05 percent at present and will rise to 7.05 percent by 1985. But then most private-sector employees also contribute to pension plans in addition to paying social security.) A recent change in the law raised the retirement age in the private sector from 65 to 70, but federal employees were exempted from any compulsory retirement due to age. This raises the specter of ending up with a government of octogenarians, or would if there were not several inducements built into the pension structure to encourage relatively early retirement. (Pensions, unlike salaries, do get an annual cost-of-living adjustment.)

"Oh, the biggie—I nearly forgot it," my friend continued. "The WATS line. There's no excuse for anyone above about GS–11 level having a long-distance phone bill, because you can call from the office. All you have to do is dial 8. . . . It's a wonderful freebie. I'm involved with a girl in Boston right now and my phone calls would normally be costing me about $500 a month. It's better to call early in the day, I've found, because after 4:00 p.m. everybody suddenly realizes the day has gone by and they haven't called their mother yet. Nobody minds. It's not anybody's money. . . ."

With that appropriate "bottom line" it seemed time to go. As we were getting into his car my friend told me: "I'm seeing a psychiatrist at the moment because I don't know when I'll be able to afford it again."

"How does the health plan work?" I asked.

"First of all, every government employee has a choice of about ten health plans to choose from," he said. "So you can figure out the one that best works in your favor. I'm on Blue Cross High Option, for which I pay $9.50 every two weeks, plus 20 percent of the shrink's fee, plus $100 deductible."

He dropped me at my door and said he was going on to a function somewhere. "If you get on the White House invite circuit you never have to pay for dinner all the time you're in Washington. Ciao."

One fringe benefit he didn't mention was the near impossibility of getting fired, although this did not apply to him and the approximately 2,000 others whose jobs are classified as "Schedule C," meaning that they are political appointees. But for the vast majority there are now so many grievance procedures and courts of higher appeal that the story is told of the supervisor who, in trying to fire an insolent and indolent underling, spent so much time filling out forms and meeting with adjudicators over a period of eighteen months that he ended up himself receiving an unfavorable performance rating for neglecting his regular work.

According to an authoritative article by Leonard Reed, "Firing a Federal Employee: The Impossible Dream, published last year in the Washington Monthly, federal employees are fired at a rate such that, if carried over into the private sector, "a small business employing ten people would fire one person for inefficiency every 70 years."

By the time I went to see Carter's top reorganization man, Richard A. Pettigrew, and his assistant, Chris Matthews, I was beginning to appreciate the magnitude of the problem facing them. It was paradoxical that this should be so, however, because there could be no doubt that Carter and his reorganization team had the support of a large majority of Americans—perhaps as many as 80 percent of the voters. Certainly they had the conservatives behind them, and an increasing number of disaffected liberals. This, was, after all, the issue above all others that had propelled Carter-the-Outsider into office.

Who, then, was against him on the issue? The answer can best be described as a "federal triangle." The term "federal triangle" in Washington refers to nine square blocks of government buildings lying between Pennsylvania Avenue and Constitution Avenue,

but there is also a conceptual federal triangle, and it is important to understand, because the wealth of Washington essentially derives from it. Its three vertices are: Congress, the Executive departments and agencies, and the federal employee unions.

In the first place, federal employees in the various Executive departments band together into unions. Skillfully appropriating the terminology of trade unionism, they dub themselves "labor" at this moment, thus again revealing the chameleon-like nature of the beast we are dealing with. These employee unions then "bargain" on such matters as fringe benefits, hours of work, grievance procedures. Just a minute, you may be wondering. With whom do they bargain? I wondered this myself and phone the American Federation of Government Employees, by far the largest federal employee union, and I was routed to a Mr. Dick Calistri. I asked him how this "bargaining" worked.

"Well," he said, "we sit down and we have a give-and-take. Maybe we're bargaining on working conditions. . . ."

"Who's on the other side of the bargaining table?" I asked.

"Management!" Calistri said, in a tone indicating he was surprised that I could ask so stupid a question.

What is this "management"? Everyone involved is on the federal payroll, after all. The bifurcation of government into labor and management is surely a sleight of hand intended to conjure up a vision of dark satanic mills, robber barons, and child labor.

I asked Calistri who actually represented "management" at the bargaining table. Maybe it was the political appointees. As these people really do come and go from government, that would at least set them apart from the permanent civil service labor force.

"They're not necessarily political appointees," Calistri said. "They may be high-level civil service people."

That was what I had been afraid of. In other words, the difference between labor and management in government is one of degree (seniority), not kind. It was all beginning to look more and more like a shell game to me. No wonder government ends up winning no matter what.

The next "side" of the triangle is particularly important: the lobbying of Congress. As Calistri told me: "That's our bag, really."

The question in my mind was, How important is the federal employee vote to the average Congressman? Ten percent of his constituency (approximately) may be on the federal payroll—which means that 90 percent is not. Therefore he shouldn't have to worry too much about the federal vote, should he?

"Yes, he should, and will," Chris Matthews told me in the Old Executive Office Building, next to the White House. Before coming to work for the Carter Administration, Matthews who is young and commendably enthusiastic about the daunting topic of government reorganization (second only to "budget" in its lack of reader appeal, he feels), worked for three years on Capitol Hill, and so is familiar with Congressional sentiment on the subject.

"Federal employees are a vocal, high-intensity group," he said. "Government change affects them directly. They know exactly who to call on the Hill, and their voice is heard in the media if they decide to make a fuss."

At that point his boss, Richard Pettigrew, stuck his head in the door to ask about the progress of a memo. Pettigrew was Speaker of the Florida House of Representatives and helped organize Carter's Florida primary. Now he has been "rewarded" with this Sisyphean task. Matthews told him what we were discussing.

"All it takes is a well-organized group of voters who are all going to vote the same way on one issue—their own self-interest—and the Congressman will respond," Pettigrew said. "Especially when they are as well-organized a network as federal workers."

After Pettigrew left, Matthews said: "You've also got to bear in mind that all the relevant legislation goes through the House Civil Service and Post Office Committee, and the Congressmen with high percentages of federal employees in their districts—such as Herb Harris of Virginia and Gladys Spellman of Maryland—always gravitate to that committee. And they shape that legislation. Same with the comparable committee in the Senate, which is where I worked for three years. All of those Senators had close ties to the federal employee unions." Once it emerges from these committees, such legislation is only amended on the floor in the most minor ways, if it is amended at all.

And this brings us to the third side of the triangle. Because they want to be reelected, Congressmen are generally on the lookout for ways in which to increase government programs. This is because enlarged federal programs enlarge the number of constituents that a Congressman can "service," thus adding the number of voters who will be suitably grateful on election day. The result is a power ratchet effect, with federal programs and expenditures getting larger, but almost never smaller. To make matters worse, Congressmen who routinely oppose this trend on fiscal grounds have been very successfully packaged by opinion makers, and albeled Neanderthat; Heartless. Their concern about abstractions like the soaring national debt has made it easy to dismiss them as "uncompassionate."

Congressmen are therefore ever on the alert for ways in which to expand government beneficence, and the precise ways in which they do this involve, as one might guess, expanding the definition of people who are alleged to be "deprived" by handicaps, minority status, shortage of money, or by broadening the boundaries of poverty, and so on. Public service job creation, such as the Comprehensive Employment and Training Act, is an example. The upshot is that as government programs expand, the Executive departments' budgets increase, and so do the number of federal employees needed to administer them. This increases the number of people putting pressure on Congress to increase their pay and benefits. And so on.

A cyberneticist will notice that the "triangle of forces" in this model is unstable. Each step tends to reinforce the next. There is no "negative feedback," and as is well known, such unstable systems have a short life-span before they collapse. An outsider observing our political system might well conclude, therefore, that its fundamental defect is that each Congressman separately has a desire to be reelected that is more compelling than his concern for fiscal stability. Each one therefore tries to get more than his share of the fiscal cake to spread around his constituency, and in fact all, or almost all, succeed in doing so. The "cake" is then artificially enlarged—or perhaps "inflated" would be a better word—with the overtime use of what is perhaps the government's prize possession, a printing press housed within the Bureau of Engraving and Printing. This press comes to the Congressmen's rescue by turning out what Milton Friedman has uncharitably described as "green pieces of paper."

One check to this unstable system, of course, is vested in the Presidential veto, requiring that legislative measures pass by a two-thirds majority, but President Carter scorned this so much in his campaign that to use it with any frequency would require one more *volte-face* on his part.

The currency thus inflated, it is not surprising that such well-known lawmakers as Senators Edward Brooke and George McGovern, big spenders both, should have invested so much of their own money in real estate, nor is it surprising that so many Congressional wives in Washington are getting into the real estate agent business (mentioned in a recent issue of *Dossier*, Washington's society magazine: Lee Hart, Antoinette Hatfield, Shirley Bellmon, Pat Derwinski). No doubt they have plenty of opportunity to observe the reason for the declining confidence in the dollar, which results in a rising confidence in land.

PAPER CITY

These unwelcome developments have come about little by little—so slowly that hardly any audible objection has been heard. *The Washington Post* will roar its thunder at *transient* Washington—the Presidents and their entourages who come and go at regular intervals—but on the subject of permanent Washington, the entrenched civil servants and their increasingly lavish emoluments, the *Post* has preserved a dignified editorial silence. One appreciates that they do not wish to offend the main body of their readers. Nor, indeed, would the many *Post* reporters who rely on the bureaucracy for their stories want to offend their sources. Perhaps this is why the *Post*'s front page so often seems to end up looking like a hearty endorsement of greater government in the guise of news. (Headlines from just one recent issue: "AN UNEQUAL SOCIETY: Brutality, Bias Afflict Hispanics" and "CUTBACK THREATENS TO DISRUPT FAMILIES: A Squeeze on Federal Day Care Centers.")

Although the redistributors end up doing so well, the benign intent of redistribution masks its shortcomings; the redistributor carries the bucket of wealth, which slops all over his turf en route to the poor. Too bad. He didn't mean it to happen. (Daniel P. Moynihan's book, *The Politics of a Guaranteed Income*, does admittedly raise some doubt on this score. The attempt to construct a nonleaking bucket, in the shape of a "Family Assistance Plan," a Republican-inspired minimum-income proposal, was opposed by the social-worker professionals. "The first hostile reaction to FAP came from the poverty program," Moynihan writes.) So there is no scandal, no "story" as far as the journalist is concerned. Redistributors are said to be motivated by fairness; trickle-down capitalists were motivated by greed. In this way, then, Washington's new class of newly rich, with the town houses in Northwest and weekend dachas on the Maryland shore or in the Virginia Piedmont, enjoy an overwhelming rhetorical advantage over their capitalist predecessors. It's nobody's fault . . . nobody is to blame, nobody is responsible . . . everyone meant well, everyone was compassionate, it's the system's fault . . . and besides, *it isn't anybody's money.*

For a final opinion about the wealth of Washington, I drove out to Rockville in Montgomery County, Maryland, where I had a lunch appointment with James P. Gleason, the Montgomery County Executive—a position comparable to that of mayor. I drove out Wisconsin Avenue, past the white marble Mazza Galleria housing Neiman-Marcus and satellite boutiques (it opened in November and is now almost fully rented), past Lord & Taylor, Saks Fifth Avenue, out further beyond the beltway and past the White Flint Mall, which also opened last year and has as its principal attraction Washington's *second* Bloomingdale's, and a few minutes later arrived at the County Office Building in Rockville.

Gleason's special assistant, Charles Maier, drove me to a nearby restaurant where we were due to meet Gleason. On the way Maier pointed out the Montgomery County jail, a contemporary structure.

"The inmates have color TV and air conditioning," he said. "Basketball. A little track.

We had a breakout the other day. They were watching a rock 'n' roll show on TV called 'Soul Train.' Had it turned up real loud, and they were all singing along with it. Meanwhile some other guys banged a hole in a wall with their weight-lifting equipment. Then they jumped out. We caught one of the guys who escaped because he hid out in a police car. The other one is still at large." He drove into the restaurant parking lot. "Now they want a new gym built," Maier said as we went inside.

Gleason, sitting alone, vaguely senatorial looking, seemed to be weary of government and its works. At the end of this year he retires, having been County Executive for eight years. He started on his career working as an assistant to Senators Richard Nixon and William Knowland of California. He told me that he has been under fire recently from the Equal Employment Opportunity Commission because Montgomery County, whose population is 7 percent black, has a police force only 4 percent black. Even though the department has been actively recruiting blacks on campus, they have been sued because of this statistical discrepancy.

We ate some food and he changed the subject. "One-third of all money going into government is being redistributed today," he said. "In 1970 it was 21 percent. And boy, that is a change. One out of five people in the U.S. is now working for government. And government is getting so big that it is getting harder and harder for it to do anything effective. The tragedy of our times is that no one is really thinking about what is going on. That's the sin of it. . . ." He thought ahead to his retirement, when he hoped to do some writing, and then back to the time when he worked for Senator Knowland. After Knowland had retired he came back to Washington once and Gleason met him. "Remember," Knowland warned, "don't stay around here too long. It's not the real world. . . ."

This is the oldest and most tired of Washington clichés—not the real world—but there is surely an important element of truth to it. Bloomingdale's, Mazza Galleria, Saks, the Palm Restaurant, Sans Souci, all the private-sector enterprise that feeds on the huge volume of tax dollars pouring into Washington is real enough, but what contribution to productive endeavor do the government toilers themselves really make?

Contemplating bureaucracy, C. Northcote Parkinson enunciated his famous law, that work expands to fill the time available for its completion, with its important corollary, that "an official wants to multiply subordinates, not rivals."

All perfectly true, but it seems to me that government activity today is increasingly dominated by one of the most ominous trends of our time (and is no doubt responsible for it in large measure): A person in our society will be paid more money, and be more highly esteemed, if instead of solving a problem materially he solves it on paper.

Don't work for an oil company—you might get your hands dirty. Work for the Department of Energy and ponder energy "policy." This is much more prestigious. You are a nurse? The pay is low and you change bedpans. Better try and get on a health "task force" and write a memo on "health care delivery systems." You want to paint a picture? Hard work. Better go to work for the National Endowment and talk about creative partnerships at a meeting. Your salary is assured.

At some point in the complex Washington scheme, the problems jump across from real life onto a piece of paper. At that point they become much more pliable, remunerative, and status-laden (see table 8). And that is the sense in which Washington is not the real world. It is Paper City, where paper problems are confronted, ultimately being provided with paper solutions. The more of these problems it can lay its hands on, the richer the city gets—rich with paper money, that is.

TABLE 8.—NEW FEDERAL PAY SCHEDULE

Years in service	1	2	3	4	5	6	7	8	9	10
GS–1	$6,219	$6,426	$6,633	$6,840	$7,047	$7,254	$7,461	$7,668	$7,875	$8,082
GS–2	7,035	7,270	7,505	7,740	7,975	8,210	8,445	8,680	8,915	9,150
GS–3	7,930	8,194	8,458	8,722	8,986	9,250	9,514	9,778	10,042	10,306
GS–4	8,902	9,199	9,496	9,793	10,090	10,387	10,684	10,981	11,278	11,575
GS–5	9,959	10,291	10,623	10,955	11,287	11,619	11,951	12,283	12,615	12,947
GS–6	11,101	11,471	11,841	12,211	12,581	12,951	13,321	13,691	14,061	14,431
GS–7	12,336	12,747	13,158	13,569	13,980	14,391	14,802	15,213	15,624	16,035
GS–8	13,662	14,117	14,572	15,027	15,482	15,937	16,392	16,847	17,302	17,757
GS–9	15,090	15,593	16,096	16,599	17,102	17,605	18,108	18,611	19,114	19,617
GS–10	16,618	17,172	17,726	18,280	18,834	19,388	19,942	20,496	21,050	21,604
GS–11	18,258	18,867	19,476	20,085	20,694	21,303	21,912	22,521	23,130	23,739
GS–12	21,883	22,612	23,341	24,070	24,799	25,528	26,257	26,986	27,715	28,444
GS–13	26,022	26,889	27,756	28,623	29,490	30,357	31,224	32,091	32,958	33,825
GS–14	30,750	31,775	32,800	33,825	34,850	35,875	36,900	37,925	38,950	39,975
GS–15	36,171	37,377	38,583	39,789	40,995	42,201	43,407	44,613	45,819	47,025
GS–16	42,423	43,837	45,251	46,665	[1] 48,079	[1] 49,493	[1] 50,907	[1] 52,321	[1] 53,735	
GS–17	[1] 49,696	[1] 51,353	[1] 53,010	[1] 54,667	[1] 56,324					
GS–18	[1] 58,234									

[1] The rate of basic pay for employees at these rates would be limited by section 5308 of title 5 of the United States Code to the rate for level V of the Executive Schedule which, pursuant to Public Law 95-66, would remain $47.500.

Mr. HAYAKAWA. Mr. President, the major argument in favor of House Joint Resolution 554 is the sentiment that it is "unfair" that the people of the District have no voting representation in the House and Senate. Given the special circumstances of the people in the District, I would think it would be unfair if they did.

This is especially true when considering representation in the Senate. While the House represents the people, the Senate is set up to represent the States. This is why a State with a relatively small population, such as Alaska or Rhode Island, has the same number of Senators as California or New York, with more than 20 million people in each. The Senate represents the States.

Our Federal Government is made up of independent States which come together to form a union. The District is a non-State entity, and it is not independent. Under the Constitution, Congress has the power to exercise exclusive legislation in all cases over the District. Therefore, all of the traditional State's duties—taxing, spending, creating and executing law, punishing crime and administering justice—that are carried out by the District City Council are subject to congressional approval. So the District is not an autonomous body, as the States are autonomous, and therefore not qualified to participate as a State in the workings of the Federal Government.

Section 1 of the proposed amendment provides that for the purposes of the Presidential elections, the District will be treated as though it were a State. This presents a problem, as the State legislatures are constitutionally granted the power of appointing the manner in which the delegates to the electoral college are chosen.

If this amendment were passed, Congress would be granted the power to establish the selection process for the electors from the District. This gives Congress a special say in Presidential elections, which until this time was a power reserved exclusively to the States. Likewise, the ratification of constitutional amendments is done by the State legislatures. Since the District is not a State and does not have a State legislature, it would again be up to Congress to decide whether or not the city council could function as a legislature for the purpose of ratifying constitutional amendments. It is left to the Congress to decide how to fit the District of Columbia into the constitutional provision that states that the ratification of constitutional amendments is a right reserved for the State legislatures.

Even if Congress decides that the city council should have the powers of State legislature, it cannot be forgotten that Congress always has absolute veto power over any action taken by the council. And since the budget of the District is controlled legislatively by Congress, Congress would be appropriating funds necessary to hold the elections of its own Members. Congress, in many instances, would have a dangerous ability to double its power in the District of Columbia, and the District could become a special wing of power for Congress, as the State legislatures are protected from becoming under the Constitution.

At this time, I call to the attention of my colleagues the text of a radio commentary by Ronald Reagan entitled "District of Columbia." I shall read it now for the benefit of my colleagues:

Thirteen colonies have become 50 sovereign states each with its own capital, its own government, with powers firmly fixed by the Constitution. And these states are joined together in a federation.

Which colony or which of the 50 states should be the locale of the national capital? The founding fathers solved that problem with great common sense. Wanting to make sure we preserved the system of sovereign

states, an idea unique in the world, they created a district separate and apart from the states to serve as the site for the nation's capital. That very simply is the "D.C."—District of Columbia.

By doing this the issue of conflict of interest was neatly solved, the federal government cannot in any way be charged with favoring one state over the others. Federal employees living in the national capital cannot have an undue influence on the congress with regard to their own interests because they don't vote for representatives in Congress. It is all spelled out in Article One, Section Eight of the Constitution that the seat of government would be exempt from the political process so that federal government would remain the servant of the people and not become their master.

Over the years, as the national government has taken on more and more tasks and thus assumed greater and greater power, Washington has become the fastest growing city in America probably because it created the fastest growing industry—government. The citizens of the District elect officials of city government and also vote for President and Vice President.

The district receives an annual grant from the federal government—no strings attached—which makes up 38% of its budget. Federal aid amounts to more than $1000 per capita per year. No state receives that level of handout from Washington. Incidentally, Washington is the richest metropolitan area in the United States. Problems in the rest of the country mean more prosperity for Washington, where the government will happily try to solve anything. Per household income averages $10,000 higher than in New York City, possibly because 38 percent of those working in the district are employed by the federal government and another 25 percent work in related service industries.

But now comes Senator Edward Kennedy of Massachusetts who says the citizens of the District of Columbia are victims of taxation without representation and that possibly they also suffer racial discrimination. His answer is to make the District our 51st state. Properly lobbied, his bill soared through the House 189 to 127 and moved to the Senate for hearings.

If this were implemented, the District of Columbia would have two United States Senators and one or two representatives in the House. Their constituency would be for the most part government employees and there is no way that the 51st state's representatives would free themselves from a built-in conflict of interest. They would undoubtedly vote for higher taxes and expansion of the government payroll, claiming that was in the best interest of their constituency.

In light of the many weaknesses of this proposal, I am, quite frankly, surprised at the rapidity with which this proposed amendment was accepted by the House. It seems that many feel that it is "unfair" that the District has no voting representation in the House and Senate. But I think that I have demonstrated how substantially more "unfair" it would be if they did, given the special circumstances of the people in the District, and their unusual relationship with Congress. House Joint Resolution 554 would result in the granting of special privileges to both Congress and the District, to the disadvantages of the States.

A gentleman stopped me in the corridor the other day to say that Washington, D.C., has a population of 700,000 which is larger than the population of seven States of the Union and therefore it should be treated as a State.

If we are going to argue by numbers and if every entity of 700,000 population is entitled to be a State, then with California having 22 million population we are easily entitled to at least the equivalent of 31 States of such size, in which case we should be entitled to 62 Senators.

And one could say the same kind of thing for New York, Chicago, Philadelphia, or many other places which have far more than 700,000 population.

Lastly, some say that this issue, whether or not you are for voting rights for the District of Columbia, is a racial one, because the majority of the members of the District are black, liberal, and Democratic.

Mr. President, the fact the majority of the members of the District are black does not worry me. For 7 years in my life I was employed by a black firm. The fact they may be liberal does not worry me, either. I have been associated with liberals all my life and have been notoriously a liberal at certain times in my life. And as for Democrats, I am even married to one, so I am not afraid of them.

This sentiment that there is a racial issue involved in the recognition of the District of Columbia as a State for voting rights for the District of Columbia is so far from the mark as to be laughable, and the argument itself is a racist one. This racial argument is a poor coverup for the important constitutional principles involved in this debate. No matter what race happens to be in the majority in Washington, D.C., the arguments I have marshaled against the recognition of voting rights for the District of Columbia would still be perfectly sound. This racial argument may soon be proved wrong, given the changing demographics of the District.

So, Mr. President, unconstitutional as I believe this proposed amendment for voting rights for the District of Columbia to be, I will predict it will not be ratified by 38 States in 7 years. The other States simply will not accept this. This I confidently predict.

I urge my colleagues in the Senate to look beyond the political advantages for the moment and examine the disturbing implications and constitutional questions presented by this amendment.

I thank the Chair.

The ACTING PRESIDENT pro tempore. The Chair would advise the Senator from California he used less than the 45 minutes that were available to him.

SPECIAL ORDER

The ACTING PRESIDENT pro tempore. Under the previous order, the Senator from Arkansas (Mr. HODGES) was to be recognized for a period not to exceed 5 minutes. I know he is close by and, possibly, it might be in order, if the Senator from California were so inclined, to suggest the absence of a quorum and then, perhaps, we could locate Mr. HODGES.

Mr. HAYAKAWA. Mr. President, I suggest the absence of a quorum.

The ACTING PRESIDENT pro tempore. The clerk will call the roll.

The assistant legislative clerk proceeded to call the roll.

Mr. ROBERT C. BYRD. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The ACTING PRESIDENT pro tempore. Without objection, it is so ordered.

READING OF CONFERENCE REPORTS DURING REMAINDER OF SESSION

Mr. ROBERT C. BYRD. Mr. President, I ask unanimous consent that during the remainder of this session the reading of conference reports may be suspended by nondebatable motion.

The ACTING PRESIDENT pro tempore. Is there objection? The Chair hears none, and it is so ordered.

Mr. ROBERT C. BYRD. Mr. President, I ask unanimous consent that the Chair shall not entertain any unanimous-consent requests during the remainder of this session to suspend this order.

The ACTING PRESIDENT pro tempore. Is there objection? The Chair hears none, and it is so ordered.

(Later the following occurred:)

Mr. ROBERT C. BYRD. Mr President, earlier today I asked unanimous consent that reading of conference reports could be dispensed with by nondebatable motion. I also obtained consent that the Chair not be allowed to entertain a request to change that order.

I have found some correspondence now which by some very broad interpretation might be taken to mean that a request has been made of me not to enter any kind of unanimous-consent order whatsoever that would deal directly or indirectly with certain specific legislation. As it was written, I do not really interpret the correspondence as binding because I consider the language vague. Moreover, I made no commitment in response.

But in any event, I ask unanimous consent that the Chair may now entertain a request to vitiate the order entered earlier.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. ROBERT C. BYRD. Mr. President, I ask unanimous consent that the order be vitiated.

The PRESIDING OFFICER. Without objection, it is so ordered.

(Conclusion of earlier proceedings.)

Mr. ROBERT C. BYRD. Mr. President, I suggest the absence of a quorum.

The ACTING PRESIDENT pro tempore. The clerk will call the roll.

The assistant legislative clerk proceeded to call the roll.

Mr. ROBERT C. BYRD. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The ACTING PRESIDENT pro tempore. Without objection, it is so ordered.

ROUTINE MORNING BUSINESS

Mr. ROBERT C. BYRD. Mr. President, I ask unanimous consent that while the Senate is awaiting the arrival of Mr. HODGES there be a brief period for the transaction of routine morning business

not to extend beyond 15 minutes, with statements limited therein to 5 minutes.

The ACTING PRESIDENT pro tempore. Is there objection? The Chair hears none, and it is so ordered.

THE ELECTED OFFICIAL'S OBLIGATION TO THE VOTER AND TO HIMSELF

Mr. HODGES. Mr. President, Arkansas is a small State in population. In the last 50 years, however, we have sent some exceptional men and women to Congress.

I say women, which may raise some eyebrows, because one of the Senators in the 1930's from Arkansas was a woman, Mrs. Hattie Caraway, who was first appointed and then elected to the U.S. Senate.

As we begin to reflect, we can see some great names in the history of the Senate who have served from Arkansas in the last 50 years. Coming to mind immediately, of course, is my predecessor, Senator John L. McClellan, who was chairman of the Government Operations Committee and chairman of the Appropriations Committee.

Senator Fulbright served recently as chairman of the Committee on Foreign Relations, and served with great distinction.

In addition to that, of course, we have had Wilbur Mills, who served as chairman of the Committee on Ways and Means, and I think history will look back upon him as one of the most brilliant men ever to serve in Congress. He knows more about the tax code than all of the rest of Congress put together.

But one of the most distinguished Arkansans who has ever served is a man named Brooks Hays, who was defeated for his ninth term in Congress in 1958. He was defeated by a write-in candidate who principally defeated Brooks Hays because of Congressman Hays' stand on the Central High integration issue.

It was a great loss to Arkansas and a great loss to this country.

Brooks Hays is not only a courageous man, but a very articulate one. This past Sunday, he wrote an editorial published in the Arkansas Gazette, the title of which is "The Elected Official's Obligation to the Voter and to Himself," in which he explores what I think has a very difficult and thorny problem for everyone who has ever served in elective office. That is the relationship between one's own conscience and the views of one's constituents when they come in conflict.

I ask unanimous consent that the entire editorial be printed in the RECORD

There being no objection, the editorial was ordered to be printed in the RECORD as follows:

[From the Arkansas Gazette, Aug. 13, 1978]

THE ELECTED OFFICIAL'S OBLIGATION TO THE VOTER AND TO HIMSELF

(By Brooks Hays)

I appreciated the *Gazette* account of an awakened interest this year among some Arkansas candidates and voters in the extent of an elected official's obligation to follow the sentiments of his constituency. More simply put, should he act in accordance with their views, or, in case of conflict, should he use his own judgment in voting upon public questions?

My own opinion is that his judgment should prevail, particularly if the issue is a basic one in which grave principles are involved. This is consistent with the concepts upon which our representative form of government was established; in fact, it is an essential part of our system. Representatives are sent to Little Rock and to Washington to act in the people's interest, and they serve that interest by having access to facts not available to the constituency and by exercising independent judgments. They are chosen because a majority believes them capable of getting and interpreting facts, and also has confidence in their intelligence and integrity. Polls can never take the place of legislative debates and conscientious judgments by the representatives.

At the same time, what people think about public questions, and how communications between them and their representatives are maintained are vital parts of the process.

Only an ignoble person would be contemptuous of the views of his constituents, and it would be a strange representative who enjoyed casting an unpopular vote. Secretary of State Dean Acheson once said to me (referring to a State Department policy), "I don't care whether it's popular or not."

I quickly answerd, "Well, Mr. Secretary, I do! I have to stand between you and the people. My job is, to first, study your policy, and if convinced of its soundness to defend and popularize it."

I was not always able to do that, and I was not always convinced of the correctness of Department policies myself, but I found that Department officials respected my point of view, even when not in accord with theirs.

Edmund Burke, the great British statesman and friend of America in our early struggles for independence, gave members of legislative bodies a fine standard. To the voters of Bristol he said, "Your representative owes you, not his industry only but his judgment, and he betrays instead of serving you if he sacrifices it to your opinion."

He was defeated in the next election, but his classic statement has been a guideline and inspiration for countless legislators of succeeding generations.

I think of two spokesmen for the opposite point of view, both cynical advocates of the so-called "practical" philosophy. Robespierre, during the French revolution, said, 'The crowd is in the street. I must find which way they are going, for I am their leader."

The other was a candidate in Louisiana for a parish office. He wound up his speech to the voters by saying in an aggressive manner, 'Now, mah friends, them's mah sentiments, and if you don't like 'em . . ." Then shifting to a soft voice and winsome style, he finished, "I'll change 'em."

While I adhere to the idea that a representative of the people must always be prepared to sacrifice popularity, and even his office, for his principles, I believe that by good communications and friendly explanations of a controversial position he can often retain the people's goodwill.

I can cite some situations in which I resisted (for good reasons, I thought) appeals by home folks, often including close friends, to take a certain course, and, except in one case, escaped political penalties.

While a member of the House, I voted to sustain President Truman's veto of a bill increasing the allowance for nonservice-connected disabilities of war veterans. The veterans constituted a strong influence, and consequently, political risks were involved. When I returned to Little Rock at the end of that session, one of my first visitors was a leader of a veterans' organization. He quickly put me at ease.

"I didn't come to scold you," he said. "I think you were wrong, but you did what you thought was right, and I haven't forgotten that you were one of the authors of the GI Bill of Rights, and you put through a bill providing that government-owned farm lands be sold on generous terms in family-size tracts to veterans with farm backgrounds."

Here was a good example for those who tend to determine their support on a "one-issue basis."

Another example of the efficacy of good communications was a visit to my district office by a delegation of rental property owners to protest my support of rent ceilings during the war emergency. Unlike my veteran friend, some of the group were hostile, but their mood changed as I explained, after hearing their grievance, that I was determined to help control inflation, an obligation the government owed the tenants, particularly to the families of servicemen stationed at Camp Robinson. Moreover, I was able to convince many of them that they had a stake in that policy. They helped their own cause with me, however, and I promised them to follow developments very closely. I did recommend to OPA later on, perhaps earlier than I might have otherwise, that controls be lifted, advising their organization that this could be done without feeding inflation.

One of my severest tests was a result of the cotton industry's drive for an increase in textile prices, calculated to increase the price of cotton. I joined the opposition to that effort and was in disfavor with the cotton farmers for awhile. But we succeeded in holding the line and it was an important victory in the struggle to control inflation during the war. The farmers of my district were either convinced that I was right on economic grounds or were willing to forgive me. My point is that one should not assume that political leadership always requires yielding to pressures.

My absorption in politics has covered a period of 56 years, beginning with my service as secretary of the state Democratic convention in 1922. My defeat for a ninth term in the Congress in 1958 did not terminate my political activity—it merely changed the scenery, providing exciting experiences in TVA, the White House and, since 1964, in classroom duties, producing contacts with college students who are interested in public affairs. I have not been a text-book instructor, but rather a counselor, sharing and interpreting my own experiences, trying to be helpful to those who want to hold elective office. I have upheld the philosophy set forth in these comments, a philosophy termed "impractical" by some, but in my view, a balancing of idealism and progmatism. In urging these eager young people to renounce the Robespierre approach, I have encouraged them to follow Edmund Burke and to preserve a patient reliance upon the people's ultimately siding with the right.

I have suggested that in opposing some popular positions, they avoid militant expressions, and that they be discreet and soft spoken as well as candid.

This has sometimes drawn the charge of "fence straddling." I had to face that criticism in the Little Rock school crisis, but even in that emotion-charged situation I was able, while losing the election, to convince a great number of people that I was acting in the best interests of the city and of the nation. I believe that ultimately, a majority came to that conclusion.

One friend stopped me on the street to say, "Why don't you come out strongly and say you are an integrationist?" My answer was that when one is on an unpopular side, he is entitled to be softspoken and appealing. I told this friend that I was like President Taft, who was asked why fat men are so agreeable and pleasant. He said, "We have to be—we can't run fast."

It was not long after these events that I sensed a changed attitude toward those of us who defended the use of federal authority to enforce court orders and prevent violence. This change became more pronounced as the years rolled by.

Considering the magnitude of the problems which confronted the city in 1957 and 1958 it is amazing how much and how quickly the Little Rock image has changed, and I base this on conversations with people in every part of the United States and abroad.

Many who are not moved, as I naturally am, by sentimental feelings about Little Rock speak in highest praise of the progress made by the city that was once a symbol of strife. In spite of the fact that the campaign against me in 1958 was of the sudden-death type I was conditioned for it. The tensions that had developed over a four-year period following the Supreme Court's desegregation decision in 1954 were responsible for that. The November blitz came at the peak of resentments over desegregation, and I was aware of the mood of our people. I could even smile over the comment of a lady living a few blocks from us who said the day after the 1958 election, "My goodness, if I had known Brooks was in any trouble I wouldn't have voted against him." My defeat did not mar my relations with the people of Little Rock and of Arkansas, and I am deeply grateful for all their kindnesses to me and my family.

Mr. HODGES. I would commend this article to everyone in the U.S. Senate, because I think it contains great wisdom and words of use and benefit to all of us as we seek to determine what our decision ultimately ought to be on any particular issue.

Mr. President, I yield the floor.

AMERICANS HAVE A RESPONSIBILITY TO RATIFY THE GENOCIDE CONVENTION

Mr. PROXMIRE. Mr. President, as Americans we enjoy the fullest measure of human rights. Defined and protected by the Constitution and our common law tradition, we are free to pursue life in whatever way we choose.

Can Americans speak freely? Can we openly criticize the Government? Yes, we can. Criticism and protest are both important parts of our American tradition, and crucial components of our contemporary political process.

Can Americans live where they choose to? Can they work at the jobs that they are best qualified to hold? Again, the answer is yes. Discrimination on the basis of race, sex, religion, national origin, or ethnicity is prohibited by law.

Can Americans worship God according to their personal beliefs? We most certainly can. Freedom of religion was one of the founding precepts of this country.

Americans enjoy every reasonable freedom. We are free to assert our rights as long as they do not violate the rights of others. But with every freedom there is an inherent responsibility. A crucial part of every right is the responsibility to protect that right not only for oneself but for others.

To merit freedom a nation must continuously strive for it. In our own country, the struggle for human rights has been enormously successful. Today, Americans are concerned with practical implementation rather than formal legislation.

But how about the rest of the world? Does our responsibility to freedom end at our borders? Do we not have the responsibility to to carry the struggle for human rights to other nations?

Indeed we do. The United States has been a continuous advocate of universal human rights. Human rights has become the cornerstone of our foreign policy, and we have had many notable successes. But, Mr. President, this Senate has abdicated its responsibility on one particular human rights issue. We have not acted to protect the right to live. We have not ratified the United Nations Genocide Convention.

Mr. President, we must accept the responsibility of our freedom. We can begin with the most fundamental of human rights—the right to live. We can begin with the Genocide Convention.

Mr. President, I yield the floor.

The ACTING PRESIDENT pro tempore. Is there further morning business?

CONSIDERATION OF CERTAIN MEASURES ON THE CALENDAR

Mr. ROBERT C. BYRD. Mr. President, there are three measures that have been cleared on the other side of the aisle, Calendar Order Nos. 1009, 1010, and 1035. I ask unanimous consent that the Senate proceed to the consideration of those three calendar orders.

The ACTING PRESIDENT pro tempore. Without objection, it is so ordered.

The clerk will state the first measure.

BUDGET ACT WAIVERS

The resolution (S. Res. 510) waiving section 402(a) of the Congressional Budget Act of 1974 with respect to the consideration of S. 3279, was considered and agreed to, as follows:

S. RES. 510

Resolved, That pursuant to section 402(c) of the Congressional Budget Act of 1974, the provisions of section 402(a) of such Act are waived with respect to the consideration of S. 3279. Such waiver is necessary to allow for the authorization of funds from the trust fund established by the Airport and Airway Development Act of 1970 for airport planning and programs to achieve noise abatement and for airport construction and development. Funds authorized by the Airport and Airway Development Act are insufficient to carry out these programs and additional authorization is required.

Compliance with section 402(a) was not possible by May 15, 1978, because the Committee on Commerce, Science, and Transportation contemplated only one major piece of aviation legislation during the Ninety-fifth Congress, that is, the Air Transportation Regulatory Reform Act of 1978, which passed the Senate on April 19, 1978. It is now clear that the House of Representatives wants these additional spending programs. Therefore, the committee must proceed to accommodate these programs. The effect of defeating consideration of this authorization may result in the failure to enact regulatory reform legislation during this Congress. The committee does not anticipate that consideration of this authorization will delay the appropriations process.

Mr. ROBERT C. BYRD. Mr. President, I move to reconsider the vote by which the resolution was agreed to.

Mr. STAFFORD. I move to lay that motion on the table.

The motion to lay on the table was agreed to.

Mr. ROBERT C. BYRD. Mr. President, I ask unanimous consent to have printed in the RECORD an excerpt from the report (No. 95–1088), explaining the purposes of the measure.

There being no objection, the excerpt was ordered to be printed in the RECORD, as follows:

PURPOSE OF THE RESOLUTION

Section 402(a) of the Congressional Budget Act of 1974 provides that it shall not be in order in either the House or the Senate to consider any bill or resolution which directly or indirectly authorizes the enactment of new budget authority for a fiscal year unless that bill or resolution is reported in the House or Senate, as the case may be, on or before May 15 preceding the beginning of such fiscal year. Because S. 3279 authorizes the enactment of new budget authority which would be available in fiscal year 1979, and the bill was reported after May 15, 1978, a resolution waiving section 402(a) with regard to S. 3279 must be adopted before the Senate may consider the bill. In reporting favorably on Senate Resolution 510, the Budget Committee is recommending that the Senate proceed to consideration of S. 3279, but is not otherwise prejudging the merits of the bill.

The resolution (S. Res. 527) waiving section 303(a) of the Congressional Budget Act of 1974 with respect to the consideration of S. 3279, was considered and agreed to, as follows:

Resolved, That pursuant to section 303(c) of the Congressional Budget Act of 1974, the provisions of section 303(a) of such Act are waived with respect to the consideration of S. 3279, a bill to provide assistance to aircraft operators to aid them in complying with Federal aircraft noise standards, to amend the Airport and Airway Development Act of 1970 to provide assistance to airport operators and aircraft operators to aid them in complying with noise standards, and for other purposes.

Such waiver is necessary to permit consideration of new spending authority (as detailed below) to become effective in a fiscal year for which the first concurrent resolution on the budget has not been agreed to. Specifically, the new spending authority for which this waiver is needed arises from the authorization of additional funds from the Airport and Airway Trust Fund, as contained in titles I and II of S. 3279, for a future fiscal year not yet considered by the Budget Committee. The total amount of the additional funding for fiscal year 1980 is $295,000,000.

Compliance under section 303(a) of the Budget Act was not possible because of the multiyear nature of airport development projects under the Airport and Airway Development Act. These projects are for airport development and construction that may take several years to complete and call for assurance that Federal funding will be committed to that project in order to permit the airport operator to sell municipal bonds to raise the local authority's share of the project costs. This need for future commitment for planning purposes has been recognized by the Congress since the creation of the trust fund in 1970.

The entitlements contained in S. 3279 represent both renewals and extensions of existing spending programs under the Airport and Airway Development Act. The need for action on future year spending is clearly demonstrated by the increased appropriations for these programs contained in the Department of Transportation appropria-

tions legislation for fiscal year 1979, which appropriated funds in excess of those authorized in the ADAP program for that fiscal year.

Because Congress anticipated possible modification and review of the ADAP program, the legal basis for expenditures of trust fund moneys for discretionary programs expires at the end of fiscal year 1979, leaving no authority to spend discretionary funds in 1980. Yet the need for continued and increased discretionary funding for 1980 has been clearly demonstrated and is documented by a backlog of over $900,000,000 in accumulated requests for ADAP funds of which over $600,000,000 have been identified by the Federal Aviation Administration as high priority programs. Without the renewed and increased discretionary level for 1980, many airport safety programs will not be funded. The Airport and Airway Trust Fund, from which these needed projects are in major part sponsored, is currently running a surplus of nearly $2,000,000,000 which will not be significantly reduced by either the additional spending programs and authority contained in S. 3279 or by the proposed reductions in the ticket and freight weighbill taxes contemplated by S. 3279.

The comparable legislation pending before the House of Representatives contains substantially similar spending programs for fiscal year 1980 as are contained in the Senate bill, S. 3279. Yet the funding levels are higher than those contained in the Senate measure. The possibility therefore exists that the conference committee agreement will contain slightly higher figures than those contained in S. 3279. While this possibility exists, it should be noted that the Senate version incorporates a somewhat different approach than the House bill to solve the current funding crisis, which if accepted by the conference committee, will either reduce or eliminate the increases that might otherwise be expected in reaching a compromise on the two pieces of legislation.

Finally, as the Airport and Airway Development Act was created in 1970 and reviewed in 1976, it expires at the close of fiscal year 1980. The levels of authorization written in 1976 to run through 1980 could not have anticipated the dramatic growth in air traffic which has not only increased the pressures on airport development and construction but also created a significant surplus in the trust fund.

Mr. ROBERT C. BYRD. Mr. President, I move to reconsider the vote by which the resolution was agreed to.

Mr. STAFFORD. I move to lay that motion on the table.

The motion to lay on the table was agreed to.

Mr. ROBERT C. BYRD. Mr. President, I ask unanimous consent to have printed in the RECORD an excerpt from the report (No. 95–1089), explaining the purpose of the measure.

There being no objection, the excerpt was ordered to be printed in the RECORD, as follows:

PURPOSE OF THE RESOLUTION

Section 303(a) of the Congressional Budget Act of 1974 provides that it shall not be in order in either the House or the Senate to consider any bill or resolution or any amendment thereto providing new budget authority, new spending authority, or changes in revenues or public debt for a fiscal year until the first concurrent resolution on the budget for such fiscal year has been adopted. Since S. 3279 would provide direct spending authorizations for fiscal year 1980, a year for which the Congress has not enacted a First Budget Resolution, a waiver of section 303(a) of the Budget Act is necessary before the bill can be taken up on the Senate floor. In reporting favorably on the resolution waiving application of Section 303(a) to S. 3279, the Budget Committee is recommending that the Senate proceed to consideration of the bill, but is not prejudging the merits of the bill.

CARL HAYDEN BEE RESEARCH CENTER

The bill (S. 3274) to designate the United States Department of Agriculture's Bee Research Laboratory at Tucson, Ariz., as the "Carl Hayden Bee Research Center", was considered, ordered to be engrossed for a third reading, read the third time, and passed, as follows:

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That the United States Department of Agriculture's Bee Research Laboratory in Tucson, Arizona, shall hereafter be known and designated as the "Carl Hayden Bee Research Center". Any reference to such laboratory in any law, regulation, document, record, or other paper of the United States shall be deemed a reference to it as the Carl Hayden Bee Research Center.

Mr. ROBERT C. BYRD. Mr. President, I move to reconsider the vote by which the bill was passed.

Mr. STAFFORD. I move to lay that motion on the table.

The motion to lay on the table was agreed to.

Mr. ROBERT C. BYRD. Mr. President, I ask unanimous consent to have printed in the RECORD an excerpt from the report (No. 95–1115), explaining the purposes of the measure.

There being no objection, the excerpt was ordered to be printed in the RECORD, as follows:

SHORT EXPLANATION

S. 3274 would provide for naming a bee research laboratory in Arizona as the Carl Hayden Bee Research Center in honor of the late Member of Congress, Carl Trumbull Hayden. His strong support and efforts toward the establishment of the Federal facility for research, development, and study of bees and to all agriculture were constant.

BACKGROUND AND NEED

I

Carl Hayden was an avid supporter of American agriculture throughout his 57 years of service in the U.S. Congress. When Arizona became a State on February 14, 1912, Carl Hayden was elected as its Congressman at Large. In 1926, he was elected to the U.S. Senate and served in the Senate until his retirement in 1969. On January 25, 1972, Carl Hayden died. His dedication to agriculture and the Nation was unfailing.

Carl Hayden understood agriculture and put his own firsthand knowledge, experience, and expertise to work for the benefit of the Nation, the people of Arizona, and the Department of Agriculture. His achievements for agriculture were numerous. A member of the Appropriations Committee when he first became a Senator, and chairman beginning in 1955, his efforts and active interest for development and growth in agriculture were decisive in determining what projects would get funded. Of great importance to him, while serving on the Department of Agriculture Appropriations Subcommittee, were the study of honeybees and their significance to the Nation's economy. Hayden recognized the vital role that bees play in agricultural production. It was his awareness that brought about the necessary funding to build a bee research laboratory in Tucson. In addition to his interest in honeybee research, he was a champion of all major agricultural legislation, including the creation of the Farmers Home Administration.

WHAT CONFERENCE REPORT?

Mr. HANSEN. Madam President, there has been considerable discussion of late concerning the consumption of mind-distorting substances in the White House. While that is a matter of some concern, it occurs to me that we should be more concerned about the mind-distorting effect of being in the White House. I am referring to the efforts which I understand from press reports took place there last night concerning the natural gas conference report. It is reported that a majority of both House and Senate conferees have signed a signature sheet entitled "Natural Gas Conference Report." This is remarkable in light of the fact that apparently none of the members so signing were able to state what the natural gas conference report is. Some 3 weeks ago, there was released in accordance with an agreement confirmed by correspondence between Senator JACKSON, Senators MCCLURE, and DOMENICI, and other Senate members of the conference committee, a document for review during a period of at least 72 hours. This document was not acceptable to a majority of the committee, and secret negotiations involving the conferees, the Secretary of Energy, and officials of the Federal Energy Regulatory Commission have been in progress ever since. I have seen a document dated August 16, entitled "Conference Discussion Draft", containing changes on at least 119 pages of the 171-page legislative language, which document was produced by House staff on Wednesday afternoon. Whether this document is the document that conferees think they signed, I do not know. It is clear that the original statement of managers language would not be appropriate to this revised legislative language, but I am informed that no revised statement of managers language exists, or was known to those who signed the conference report.

It seems quite anomalous that men who would not sign a check or a contract in blank for a few dollars will essentially sign in blank a bill affecting billions of dollars. Perhaps this too can be chalked up to the hallucinatory atmosphere of the White House.

That atmosphere too appears able to cause Senators to ignore commitments expressed in documents that they themselves have signed. Senator MCCLURE, by letter of July 12 to Senator JACKSON, confirmed that any conference report on natural gas would be available for 72 hours before signatures would be obtained. And Senator JACKSON, by letter of July 14, confirmed that "the 72-hour review period agreed upon earlier will not begin to run until the final draft has been prepared and circulated to all conferees." It is clear that this did not occur, as "the conference report," whatever it may turn out to be, is not the language which was released 3 weeks ago. I personally consider it to be outrageous that a care-

fully constructed agreement designed to facilitate careful consideration of this most important legislation should be abrogated under White House auspices in the dead of night. Perhaps on his foreign journeys the President, like "the shadow", has acquired the power to cloud men's minds.

I am inserting for the record a series of correspondence and documents relating to the agreements made among Senators for the consideration of draft conference reports before signing. These documents taken together spell in clear and unequivocal language that the 72-hour review period would only run once the final conference report and statement of managers was available. Finally, I particularly note the transcript of the final conference meeting in which Senator JACKSON agreed to reconvene the conference if any Senator had problems with the final language. The extraordinary actions of last night make it difficult for me to assert with complete confidence that I have problems with the conference report, as I am not sure just what the conference report is. However, as I certainly have problems I would like to raise both with the document originally released and with the 119 pages of changes, I would now call upon Senator JACKSON to honor his agreement in the conference and to reconvene the conferees in order that we may examine and express our problems with the language which he now believes to constitute "the conference report."

The material referred to follows:

Attached is the official transcript for the last day of the formal House-Senate Natural Gas Conference. Senator Jackson committed himself to reconvene the Senate Conference if any one Senator had any problems with the final language. The documents which will be discussed refer back to this agreement to reconvene the Senate Conference.

(1) June 26, 1978, letter to Senator Jackson from the Senate Conferees. This letter (which was never delivered) was written to insure that all Senators would have an opportunity to review the final legislative language by announcing that they would withhold their signatures from the conference report until the review was completed

(2) July 12, 1978, meeting on the Senate floor between Senators Hansen, Jackson, and McClure regarding formalizing the signature process. This meeting resulted in the 72 hour review process and your memo to all the Republican Senators.

(3) July 12, 1978, letter from McClure to Jackson stating the conference report would be distributed to Senators the press and public for a 72 hour review period. The report then could be filed after the review period.

(4) Memorandum dated July 12, 1978, to Members of the Committee from Senator Jackson regarding the procedure for review of conference reports. The Natural Gas Conference Report will be made available to the Members of the Committee, press and the public for a 72 hour period before filing.

(5) Letter dated July 13, 1978, from Senators McClure and Domenici to Senator Jackson commenting on the review process. First paragraph: "While we concur in that agreement, we are concerned about the process to be followed for conferees and their staffs to review and comment on drafts of those documents prior to submission for final review and approval." ". . . Scoop, we simply recommend that as the initial and subsequent product of the drafting groups for the report and joint statement become available, an opportunity for meaningful review and comment by conferees and staff be provided prior to presentation of those documents for final approval."

(6) Letter dated July 14, 1978, to Senators McClure and Domenici from Senator Jackson responding to their letter of July 13: "The 72 hour review period agreed upon earlier will not begin to run until the final draft has been prepared and circulated to all conferees."

These documents taken together spell in clear and unequivocal language that the 72 hour review period would only run once the final conference report and statement of managers was available. Therefore, this document entitled, "Conference Discussion Draft", of August 16, 1978, which amends the 171 page final version, makes substantial changes. In fact, there are changes on 119 of the total 171 pages. Therefore, earlier review periods will not suffice to fulfill the 72 hour review period committed. Any Senator may still exercise the option of asking Senator Jackson to reconvene the Senate conference.

TRANSCRIPT OF THE FINAL CONFERENCE MEETING

Mr. DINGELL. Mr. Chairman, I thank you. I believe that the Chair has said that it would be the Chair's intention to circulate the signature sheets, in conformity with the practices of this Committee; and members would, of course, have the opportunity to review and view the draft without the necessity for either circulating draft or having a formal meeting, which I would think—a formal meeting could invite discussions and slow progress.

Mr. BROWN (Ohio). Would my colleague here yield on that?

Senator JACKSON. I think that is the important thing. It is not necessary to have a meeting of this Conference in order to sign the Conference Reports.

Mr. DINGELL. I concur.

Senator JACKSON. I would hope we would keep it in mind so that we could do this as expeditiously as possible on the Conference Reports that we have finished and are ready for signatures.

Mr. BROWN (Ohio). Would the gentleman yield?

Mr. DINGELL. Yes, I yield to my good friend.

Mr. BROWN (Ohio). I would hope that it is true, although it seems to me that one man's meat might be another man's poison in terms of the interpretation in the formal and final language, if, in fact, that fails to get sufficient signatures on the Conference Report.

Mr. DINGELL. Just like my friend and colleague, and I do observe that is the reason the Minority Staff is going to have an important part to play in preparation of this language.

Chairman STAGGERS. Would you yield to the Chair? I would just like to say this. Mr. Jackson has to leave. I want to thank the Senate, not only the Senate, but all members of the House, for their courtesy.

I want to especially thank Don Dingell for the very effective script he has given. I think they have done a tremendous job on both sides; Mr. Ashley, also, for the Ad Hoc Committee.

I will yield to the gentleman from New Mexico.

Senator DOMENICI. Mr. Chairman, I want to raise this point with Senator Jackson on our side. I don't want to leave with any misunderstanding. Do I understand that if you can get a majority of the Conferees to sign the report, without calling a Conference, you will do that.

But if we have objections, and that needs some further discussion, you do intend to seek the signatures indicating their acceptance of the legislation, and the Conference Report, from a majority of the Senators who support the legislation, do you not?

Senator JACKSON. The Senator is correct. I want to avoid more meetings, because I think that we have met the test of meetings. I am just fearful of more meetings, and more confusion that can arise; but I will say, on the Senate side, that I would call our Conferees together upon the request of any one Senator.

We held off here today. We had a meeting at 1:30 in order to accommodate one Senator, and I would have that rule on our side. And I know that our Chairman, Congressman Staggers, will always be collaborative, but the point is we have completed all the basic work here except on one bill, the Energy Conservation as it relates to fuel efficiency standards.

We normally circulate signature sheets, and those who will sign, can sign. We hope there will be a majority on both sides. I just want to say, Mr. Chairman, that we all salute you, Don Dingell, and Len Ashley, and the Minority, especially Bud Brown—are you listening, Bud?

Mr. BROWN (Ohio). Mr. Chairman, I always have one ear open to the gentleman from Washington, but I would have to say that he doesn't really have to include me in the enthusiastic acrimoniums that are being given around. I am only glad to report—I think the gentleman from Connecticut is not here, of the two of us might have some comments to make.

Senator JACKSON. We just want to make sure you stay with the military-industrial complex, at least, and count on your vote there.

Mr. BROWN (Ohio). I will follow you anywhere.

[Laughter]

Senator JACKSON. Mr. Chairman, we all want to thank you, the Majority and Minority alike, on both sides, my colleagues, for your patience, above all else. This you have done. You have met the supreme test, and we are all grateful for your help.

Chairman STAGGERS. Thank you very much. I would like——

(Applause)

Chairman STAGGERS. I would like to say to the press that we appreciate your patience in having stayed with us all of this time, and your generousness.

With that, we will adjourn, subject to the call of the Chair.

(Whereupon, at 5:10 p.m. the Conference was adjourned, subject to the call of the Chair.)

U.S. SENATE,
Washington, D.C., June 26, 1978.

Hon. HENRY M. JACKSON,
Chairman, Committee on Energy and Natural Resources, U.S. Senate, Washington, D.C.

DEAR SCOOP: Because of the uncertainty with regard to the process of obtaining signatures on conference reports, we will withhold our signatures from conference reports, on the National Energy Plan until (1) all Senate conferees have been given copies of the legislative language and conference reports, and (2) each has had adequate time to study the contents of these documents.

We believe this process is essential to assure conformity with your commitment to reassemble Senate conferees should the legislative language or conference reports not comport with the understandings reached during the Energy Conference.

Sincerely,

CLIFFORD P. HANSEN,
JAMES MCCLURE,
PETE V. DOMENICI,
PAUL LAXALT,
DEWEY F. BARTLETT,
WENDELL H. FORD.

JULY 12, 1978.

To: Senators Mark O. Hatfield, James A. McClure, Dewey F. Bartlett, Lowell P. Weicker, Jr., Pete V. Domenici and Paul Laxalt

From: Clifford P. Hansen

Subject: Energy Conference Reports

The following agreement has been reached with regard to the handling of energy conference reports.

1. *Coal Conversion.*—Senators will have the period until tomorrow night, July 13, to analyze the legislative language and Statement of Managers. If sufficient signatures are collected, the bill will be acted on by the full Senate on Friday, July 14.

2. *Energy Conservation.*—Senators will have 48 hours from the time of distribution to analyze the legislative language and Statement of Managers. Provided there are sufficient signatures, the measure will then be brought to the floor of the Senate.

3. *Utility Rate Reform.*—Senators will have 48 hours from the time of distribution to analyze the legislative language and Statement of Managers. Provided there are sufficient signatures, the measure will then be brought to the floor of the Senate.

4. *Natural Gas.*—Senators will have 72 hours from the time of distribution to analyze the legislative language and Statement of Managers. Provided there are sufficient signatures, the measure will then be brought to the floor of the Senate

Implicit in this agreement is that the Statement of Managers and the text of the legislative language will be available publicly.

U.S. SENATE,
Washington, D.C., July 12, 1978.

Hon. HENRY M. JACKSON,
Chairman, Committe on Energy and Natural Resources, U.S. Senate, Washington, D.C.

DEAR SCOOP: This is to confirm our conversation earlier this afternoon regarding the procedure for review of the conference reports of the Conservation, Coal Conversion, Utility Regulation, and Natural Gas Provisions of the National Energy Act.

It is my understanding, pursuant to our discussion, that these individual conference reports will be filed under the following procedure:

Coal Conversion: Copies of the conference report will be made available to Senators, Press and Public 24 hours prior to filing. It is understood that this conference report has been distributed for comment on July 12, 1978, and can be filed at Midnight on July 13, 1978.

Conservation and Utility Regulation: No sooner than July 14, these conference reports will be distributed to Senators, the Press and Public for a 48-hour review period. After this 48-hour review period, these conference reports can be filed.

Natural Gas: No sooner than July 14, this conference report will be distributed to Senators, the Press and Public for a 72-hour review period. The conference report can then be filed after this 72-hour review period.

As I mentioned during our meeting, it is my understanding that this procedure is acceptable for a majority of Senate Conferees.

Sincerely,

JAMES A. MCCLURE,
U.S. Senator.

JULY 12, 1978.

MEMORANDUM

To: Members of the Committee.

From: Senator Jackson.

Re: Procedure for Review of Conference Reports

Copies of the conference report on the coal conversion bill have been made available to members of the Committee today and are also available for examination by the press and public at the Committee offices. If the necessary signatures are obtained, this report will be filed after the close of business on July 13.

With respect to the conference reports on the conservation and utility rate reform bills, these reports will be made available to members of the Committee, the press and the public for a 48-hour review period prior to filing. In the case of the conference report on the natural gas bill, the review period prior to filing will be 72 hours.

U.S. SENATE,
Washington, D.C., July 13, 1978.

Hon. HENRY M. JACKSON,
Russell Senate Office Building, Washington, D.C.

DEAR SCOOP: We are aware of the agreement yesterday to the effect that Senators will have 72 hours to analyze the legislative language for the Natural Gas Conference Report and the Statement of Managers prior to filing of those documents. While we concur in that agreement, we are concerned about the process to be followed for Conferees and their staffs to review and comment on drafts of those documents prior to submission for final review and approval.

In view of the complexities involved in this legislation, we feel that it is extremely important to provide a procedure for Conferees and their staff members to have ample opportunity to review the drafts of these documents, to discuss those drafts with the drafting groups, and to suggest modifications and clarifications. We are concerned that without such a process for development of the fiinal report and statement, the 72 hour time limit for final review and approval cannot be met.

In addition, it could well develop that, absent the kind of meaningful prereview and comment process we recommend, disruptive and destructive disagreements could arise at the last moment, a situation that could undo all the hard work and negotiating we are so painfully familiar with. We must not let that happen when we are so close to completing what we consider to be the most important component of the Energy Plan likely to be passed in the foreseeable future.

In summary, Scoop, we simply recommend that as the initial and subsequent products of the drafting droups for the report and the joint statement become available, an opportunity for meaningful review and comment by Conferees and staff be provided prior to presentation of those documents for final approval.

As always, thank you for your attention to our concerns and consideration of our requests.

Sincerely,

JAMES A. MCCLURE,
PETE V. DOMENICI.

Hon. JAMES MCCLURE,
U.S. Senate,
Washington, D.C.

DEAR JIM: Thank you for your July 13th letter concerning the review process for the natural gas conference report and the accompanying Statement of Managers.

I understand from the Staff that a first draft of the statutory language and Statement of Managers should be completed by next week. That draft has not yet been reviewed by anyone outside of the drafting group which consists of Bill Braun, Bill Demarest, David Schooler, Chip Schroader, and Kathy Segerson of the House Energy and Power Subcommittee staff; Paul Smith of the House Office of Legislative Counsel; and Mike Harvey and Betsy Moler of our Committee staff.

Staff of the Conferees, and other Committee staff, will have an opportunity to review the first draft and to suggest appropriate modifications and clarifications as soon as it is completed. The 72 hour review period agreed upon earlier will not begin to run until the final draft has been prepared and circulated to all Conferees.

I agree with you that it is essential to provide a procedure for Conferees and their staff members to have ample opportunity to participate in the process for development in the final report and statement. If any Conferee personally wishes to review the documents in his office, I have instructed the staff to comply with such a request.

I hope that the process I have outlined will meet your needs as well as those of the other Conferees.

Sincerely yours,

HENRY M. JACKSON,
Chairman.

Hon. PETE V. DOMENICI,
U.S. Senate,
Washington, D.C.

DEAR PETE: Thank you for your July 13th letter concerning the review process for the natural gas conference report and the accompanying Statement of Managers.

I understand from the staff that a first draft of the statutory language and Statement of Managers should be completed by next week. The draft has not yet been reviewed by anyone outside of the drafting group which consists of Bill Braun, Bill Demarest, David Schooler, Chip Schroader, and Kathy Segerson of the House Energy and Power Subcommitee staff; Paul Smith of the House Office of Legislative Counsel; and Mike Harvey and Betsy Moler of our Committee staff.

Staff of the Conferees, and other Committee staff, will have an opportunity to review the first draft and to suggest appropriate modifications and clarifications as soon as it is completed. The 72 review period agreed upon earlier will not begin to run until the final draft has been prepared and circulated to all Conferees.

I agree with you that it is essential to provide a procedure for Conferees and their staff members to have ample opportunity to participate in the process for development in the final report and statement. If any Conferee personally wishes to review the documents in his office, I have instructed the staff to comply with such a request.

I hope that the process I have outlined will meet your needs as well as those of the other Conferese.

Sincerely yours,

HENRY M. JACKSON,
Chairman.

ORDER FOR RECESS UNTIL 9:00 A.M. ON MONDAY

Mr. ROBERT C. BYRD. Mr. President, I ask unanimous consent that when the Senate completes its business today, it stand in recess until the hour of 9:00 a.m. on Monday next.

The ACTING PRESIDENT pro tempore. Is there objection? The Chair hears none, and it is so ordered.

CONCLUSION OF MORNING BUSINESS

Mr. ROBERT C. BYRD. Mr. President, I ask that morning business be closed.

The ACTING PRESIDENT pro tempore. Is there further morning business? If not, morning business is concluded.

FEDERAL-AID HIGHWAY ACT OF 1978

The ACTING PRESIDENT pro tempore. Under the previous order, the Sen-

ate will now proceed to the consideration of S. 3073, which the clerk will state .

The assistant legislative clerk read as follows:

Calendar No. 764, a bill (S. 3073) to amend title 23, United States Code, to authorize Federal-aid highways programs through fiscal year 1980, and for other purposes.

The ACTING PRESIDENT pro tempore. Under the previous order, the time for debate on this measure is limited to 3 hours, with 2 hours on title I of the bill, to be equally divided and under the control of the Senator from Texas (Mr. BENTSEN) and the Senator from Rhode Island (Mr. CHAFEE); and 1 hour on title II, to be equally divided and controlled by the Senator from Nevada (Mr. CANNON) and the Senator from New Mexico (Mr. SCHMITT). The time for amendments, except those on which a special time allocation has been made, shall be limited to 30 minutes, with a limitation of 20 minutes on any debatable motion, appeal, or point of order.

Who yields time?

Mr. BENTSEN. Mr. President, will the Chair repeat who is in control of the time on this bill?

The ACTING PRESIDENT pro tempore. The Chair will be happy to do so. On title I there is 2 hours, to be divided equally between and controlled by the Senator from Texas (Mr. BENTSEN) and the Senator from Rhode Island (Mr. CHAFEE).

Mr. BENTSEN. I thank the Chair very much. That was my question.

Mr. President, I ask unanimous consent that during consideration and voting on S. 3073, the Federal-Aid Highway Act of 1978, the following staff members of the Committee on Environment and Public Works, be granted privilege of the floor: John Yago, Bailey Guard, Richard Harris, Barbara Webb, Larry Roth, Lee Fuller, Katherine Cudlipp, Hal Brayman, Rick Herod, Lee Rawls, Ric Fenton, and Phil Cummings.

The ACTING PRESIDENT pro tempore. Without objection, it is so ordered.

Mr. BENTSEN. I also ask unanimous consent for floor privileges for Mike Naeve and Jack Albertine of my staff; Sam Stern of Senator ANDERSON'S staff; and Robin Carpenter of Senator MCGOVERN'S staff.

The ACTING PRESIDENT pro tempore. Without objection, it is so ordered.

Mr. BENTSEN. Mr. President, I want to first acknowledge the presence of the chairman of the full committee, the distinguished Senator from West Virginia (Mr. RANDOLPH), a man who has labored hard on this piece of legislation, and one who has done much to build the Interstate Highway System of this country, who has been in the forefront of the fight, who has helped mastermind the greatest investment in transportation that the world has ever seen; a man who is highly respected by his colleagues for his perseverance, his vigor, his drive, his intellect, and his concern for his concern for his constituency and for his country. It is my pleasure to serve on his committee, and to have his advice and counsel, which I truly respect.

Mr. RANDOLPH. Mr. President, will the chairman yield?

Mr. BENTSEN. I am happy to yield.

Mr. RANDOLPH. I wish to express genuine appreciation what the manager of this legislation has just said. Only one exception would I take. He is too generous. Where he said "his committee," referring to the chairman, I want to have the RECORD modified to show it is our committee. I have always considered the 15 members of this committee, Democrats and Republicans, as a working team of this program.

Mr. BENTSEN. I thank the chairman very much.

I also want to acknowledge my colleagues, Senator CHAFEE and Senator STAFFORD, with whom it has been a real pleasure to work with.

It is a tough thing, when we talk about a bill of some $8.5 billion, which affects every segment of transportation insofar as the highways across this land are concerned. There is probably nothing closer to the people than the roads on which they drive. Everyone wants part of the action. Everyone has a particular project for their particular area. To be able to bring fiscal responsibility to it is not easy.

Mr. President, S. 3073, the Federal-Aid Highway Act of 1978, is a 2-year, $16 billion bill of direct and immediate importance to every State in this Nation. The legislation we bring before the Senate today is complex and, in some respects, controversial. It represents an honest, creative, and responsible effort to make maximum effective use of finite resources.

S. 3073, Mr. President, is the product of 10 days of hearings at which over 100 witnesses from the administration, State, local and regional government, the highway industry, and environmental groups presented testimony. This testimony, and the problems inherent in the highway program, were carefully analyzed by the Subcommittee on Transportation and by the members of the Public Works Committee.

Throughout our deliberations, we have been guided by several premises, the most important being fiscal responsibility. S. 3073 is lean legislation; make no mistake about it.

There are going to be many attempts in today's debate to try to fatten it up. We must reject those efforts because this bill is fiscally responsible. It is a reflection of our willingness to live within the limits of the Highway Trust Fund. It reflects the transportation community's overriding concern for a more flexible easier-to-administer Federal highway program. It is keyed to the expedited completion of the Interstate System.

This system is now over 90-percent completed. We have tried to really home in on the segments which must to expedited to finish it. The bill also addresses other urgent national highway needs such as deterioration of existing roads and bridges.

Before addressing specific aspects of this legislation, Mr. President, I would like to comment briefly on the general level of funding proposed—about $8 billion a year.

The figure should not be construed as a judgement on the magnitude of our Nation's actual highway needs. Clearly, the program could use substantially higher levels of funding. We should be closing gaps in the system as soon as possible; costs are escalating at an alarming rate.

Inflation mean it will cost us more next year. We have severe maintenance problems that require urgent attention; many of the bridges in this country are downright dangerous and need repair.

The basic question—at least in my mind, Mr. President—is not how much money the program needs, but the measure of resources available to sustain it. We must weigh highway needs against available trust fund revenues and do the best we can with the funds we have. To ignore factors such as inflation and deficit financing in developing highway legislation would be easy, but it would also be irresponsible and shortsighted. And it would wreck the highway trust fund.

Mr. President, the Subcommittee on Transportation and the Committee on Environment and Public Works have opted for prudence: We have chosen to live within our means.

That may be a little unusual these days, and particularly so for Members of the Congress.

We have maintained the "user pay" principle. We took a close look at the trust fund, determined the size of program it could be expected to support, and used that figure as the basis for this legislation. Rather than tinker with the trust fund concept, with some phony accounting approach, we have chosen instead to make better, more effective use of the moneys available to us.

Let us talk about the trust fund for a minute. Obviously, if you raise the Federal gasoline tax, you will generate more revenue into the trust fund, and we can spend more money on highways. If Congress makes this extra money available, we will do our best to see that it is well spent. I have followed this situation with some care, and I can assure you that the trust fund could use more revenue. The 4-cent tax has not been increased since 1959.

But the fact of the matter is that Congress has not increased the Federal gasoline tax; the fact of the matter is that we have $8 billion a year to work with, no more and, hopefully, no less.

When we talk about raising the gasoline tax, I proposed that step during the embargo, and I received bales of mail over it. I remember going to the Policy Committee and suggesting it as a means of cutting back on the use of gasoline, as a means of putting more money into the trust fund, as a means of taking care of the bridges and the repairs on the highways. I can still recall the distinguished Senator from Rhode Island, John Pastore, who said, "Not me. I am not going to vote for any increase in the gasoline tax." I said, "Why not, Senator?" He said, "Well, I will tell you, when I was Governor I voted for a 1-cent increase in the gasoline tax and they named it after me."

Well, those are the political facts of life that we face in this kind of a situation. So we are trying to live within what we are receiving. I still do not discount the fact that at some point in the future

to meet the increased problems we are having with inflation, the increased problems in deterioration of bridges and highways, we are gong to have to raise that gasoline tax. I will just have to figure out how to answer the bales of mail.

The committee has accepted a fixed gasoline tax rate as a point of departure. The authorization contained in S. 3073—$8.3 billion for each of the next 2 years, with $7.9 billion drawn from the trust fund—are the highest levels we can, in good conscience, recommend to the U.S. Senate. It is the highest level consistent with present economic realities; to exceed it, without increasing the Federal gasoline tax, could jeopardize the integrity of the trust fund which has been such an effective and reliable financing mechanism for more than 20 years.

Now, Mr. President, let me explain some of the steps we have taken to maximize the cost-effectiveness of the highway program. Let me explain how we have attempted to get maximum mileage out of finite funds.

We are giving priority attention to expediting the completion of the interstate system. During the past 22 years we have spent $51.9 billion on the system, which is now 92 percent complete. The problem, Mr. President, is the remaining 8 percent, some portions of which may not be completed until the 21st century under current projections.

With the cost of inflation, that last 8 percent might well cost as much as the first 92 percent before we get through.

Given the fact that highway construction costs have risen by 216 percent over the last 10 years, completing the remaining 8 percent of the system could cost as much as we spent to build the 92 percent already in place. The longer we wait, the more expensive it is going to become.

S. 3073 recognizes that fact and has been carefully drafted to speed up the process of completing the system.

First, the bill authorizes an additional $20 million annually for fiscal year 1980 and 1981 to hasten construction of remaining segments of the interstate system.

By decreasing the period of availability we are attempting to channel funds to the States that are ready to utilize them. Lapsed funds—estimated to be some $1.2 billion in fiscal year 1980—would be redistributed to States with ready to build projects, with preference accorded to essential gap projects.

Fourth, S. 3073 makes more cost-effective use of interstate funds by advancing moneys to States that are in a position to obligate interstate funds beyond their annual apportionments. Under this provision, a State which has spent its allocation in a given year can increase its available Federal funds up to its next year's interstate apportionment.

Any such advance, of course, would be deducted from the next fiscal year apportionment.

Fifth, S. 3073 contains a bonding option for those States that have exhausted all sources for interstate funding but still have ready-to-construct projects on the boards. This provision gives States the ability to issue State Revenue bonds for interstate construction and guarantees that the Federal Government will repay 90 percent of both interest and principal. While, for the first time, interest on such bonds would become a Federal responsibility. This provision would prevent the inflationary impact of project delay and save substantial costs over the longer range.

Finally, in addition to changes in interstate financing, S. 3073 contains several administrative innovations designed to speed up completion of the system. Environmental impact statements for all unconstructed segments of the system must be completed by 1982. After that date, any route without an approved EIS will be withdrawn from the system. To insure that construction begins in a reasonable period of time, we have provided that any interstate or substitute system must be underway by 1986 or it will become ineligible for assistance.

Taken as a package, Mr. President, these initiatives to speed up construction of the system and use our resources more efficiently are worth hundreds of millions of dollars in new resources. They should provide a significant and welcome spur to finishing a job that has dragged out too long, a job that becomes more expensive with each passing day.

There are two other noteworthy provisions of this legislation, two areas in which we have tried to be responsive to problems in the program.

The first item is maintenance. It makes little sense to spend over a hundred billion dollars for a highway network and then permit it to crumble for lack of maintenance. We have no choice but to protect this enormous investment, and maintenance is the key to protection.

Since the inception of the Federal highway programs, the States have been required to adequately maintain their federally funded roadways. In recent years, however, it has become apparent that overall maintenance is beyond the financial capability of most States. In 1976, Congress responded to this problem by broadening the definition of construction so as to include the three R's of maintenance: Rehabilitation, restoration and resurfacing; and a separate authorization was made for 3R work on the Interstate System.

Nevertheless, 2 years later, many portions of the Interstate System are in disrepair; there is a backlog of $2.3 billion of work that needs to be done. Our Interstate System, funded 90 percent with Federal tax dollars, is wearing out 50 percent faster than we are repairing it.

This process cannot be permitted to continue, and the committee has made several changes in the Interstate 3R program to insure better maintenance. We have required an annual Federal inspection of Interstate routes. If a State fails to meet maintenance standards established by the Secretary of Transportation, approval of all Federal-aid primary projects is suspended until the Secretary is satisfied that the State is making a good faith effort to maintain its interstate mileage.

Under the terms of S. 3073, toll roads designated part of the Interstate System become eligible for Federal maintenance assistance; traffic volume is factored into the 3R apportionment formula; and the Federal share is reduced to 70 percent, making it compatible with the primary program.

Mr. President, the final area of concern to the transportation community and to the committee is an expanded special bridge replacement program.

The current annual authorization of $180 million is clearly inadequate to reconstruct the 33,500 deficient bridges on the Federal-aid system. Let us remember that when we are talking about bridges, we are talking more than highway access: we are dealing with human lives.

The committee has recommended increasing the bridge replacement program; from $180 million last year to $450 million this year—250 percent of last year's program. A survey conducted by the Federal Highway Administration suggest that a $450 million annual program accurately reflects the resources the States could obligate next year for bridge replacement.

While on the subject of safety. Mr. President, let me also point out that we have made a major effort toward consolidation in the highway safety program in order to provide administrative flexibility at the State and local levels and to help the States get the greatest return from their highway safety dollars.

I sincerely hope, Mr. President, that as we debate S. 3073, the Senate will understand that we have to hold the line on this program. I should like to spend more money on the interstate program, and I acknowledge that there is a legitimate need for more money. But the $8 billion we recommended, we think, is the limit on a user tax, we run the risk of destroying a successful program of long standing that has helped create an Interstate Highway System of vast significance to this Nation.

We have shunned the line of least resistance; we have made an honest and concerted effort to preserve the highway trust fund and to live within our means. We have tried to stretch available funds by effecting internal economies, by getting a better cost-benefit ratio from available funding.

The House has been less reticent; they are going to take an expensive and inflationary bill to conference and we shall have to attempt to negotiate them down from that figure if the integrity of the trust fund is to be preserved.

I hope the Senate will keep these factors in mind as we move to consider this legislation

I reserve the remainder of my time, Mr. President.

(Mrs. ALLEN assumed the chair.)

Mr. CULVER. Madam President, will the Senator yield for a unanimous-consent request?

Mr. BENTSEN. I am delighted to yield to the distinguished Senator from Iowa, who is a very valued member of this committee.

Mr. CULVER. Madam President, I ask unanimous consent that Peter Rosen-

berg, of my staff, may have the privilege of the floor.

Mr. HODGES. Madam President, I ask unanimous consent that Jon Abele, of my staff, may have the privilege of the floor.

Mr. McGOVERN. I make the same request for Robin Carpenter, of my staff.

Mr. CHAFEE. Madam President, I make the same request for Miss Mimi Feller, of my staff.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. CHAFEE. Madam President, first, I want to pay tribute to the distinguished chairman of our subcommittee (Mr. BENTSEN) for the very able leadership he has given in this matter and to say what a pleasure it was to work with him through all the hearings and the markup on this bill. I have considered it a district treat.

Also, Madam President, I want to pay tribute to the chairman of our full committee (Mr. RANDOLPH) who has given us very able leadership, and the ranking minority member, Senator STAFFORD of Vermont. Both of them have been very, very helpful. As was pointed out by the chairman of our subcommittee (Mr. BENTSEN) in his remarks, these gentlemen have long experience in improving the road and highway system of our Nation.

Madam President, the chairman of our subcommittee presented an excellent summary of the Federal Aid-Highway Act of 1978. I wish to associate myself with his views on this bill and say that he and I have agreed on most of the major provisions through the subcommittee deliberations and through the full committee deliberations.

At this time, I want just to touch briefly on some of the major features of the legislation. I believe the provisions to speed completion of the Interstate System are extremely important. For example, as was pointed out, those States that do not use their funds within 2 years, those funds are lapsed back into the trust fund so that the States who are prepared to move ahead can do so. That is a new provision in this act. I believe that it will prove very effective.

Taken together, the changes in the funding procedures should insure that States receive funds equal to their capability to move ahead with interstate construction. These provisions will reduce the large sums of money tied up on projects that the States are not yet ready to move on.

Another provision in this bill also requires the States to make final decisions by September 30, 1982, on which routes they will proceed. In other words, the thrust of this measure is to get on with the construction of the interstate highway program. As the chairman pointed out, now we have 90 percent of the mileage of this program built—90 percent. Yet 33 percent of the funds for this program have to be spent on the last 10 percent of the program. That is not because the last 10 percent is the most difficult section; it is because the delays have caused these remaining sections, the last 10 percent, to rise in price through inflation, through escalation, through all the problems that we are familiar with.

By 1986, these routes or substitutes must be under construction or completed. Firm dates for these decisions are needed, as less definite deadlines in both the 1970 and 1973 highway acts have been ineffective. The country has been preoccupied too long with completing the Interstate System. It is time to get a fresh perspective on highway and transportation needs and the appropriate Federal role in meeting these needs.

As the chairman has mentioned, the mere cost of highway construction has gone up over 200 percent in the last 7 years. So what we have done in this bill is to require that the routes be chosen by September 30, 1982, and by 1986 these routes or substitutes have to be under construction.

In other words, let us get on with it.

People might say, "Well, there might be delays," and so forth. We have not allowed any exceptions in the 1986 deadline.

Now, we have to reconsider this bill every 2 years. So, if there are problems, we can consider those as they come up.

But we say to the States, "Get on with it. If you delay, you delay at your own risk."

As our Nation grew, Madam President, and the population shifted during the last several decades, we planned and designed extensive new highway systems. When this program started, there was plenty of land around. Environmental laws were not yet passed. Costs were lower. People wanted the roads built. We wanted to connect the communities, encourage the flow of commerce from city to city.

But now we need to redirect our thoughts to the way of making more efficient use of highways already in place. This involved increased attention to maintaining, improving and adapting our roads.

Official and unofficial reports from around the country, as has been mentioned by the chairman, suggest that portions of the interstate are already badly deteriorated. The Federal Highway Administration report estimates the costs of needed resurfacing and reconstruction of the older sections of our interstate amount to some $2.6 billion.

So the committee considered this and we continued the authorization of the so-called 3R program, for restoration, resurfacing, and rehabilitation.

In addition, we have strengthened the requirements that States adequately maintain the interstate routes.

These requirements reflect the committee's view that there is an overriding national interest in maintaining these expensive interstate highways at their peak efficiency.

What we want to do is to squeeze the highest possible productivity out of the 40,000-some miles already in existence.

While current funding for the 3R category of resurfacing, rehabilitation, and restoration is relatively low, in future years this will be a greater part of our concern. The needs for interstate reconstruction may vary from year to year and the States will still want to have the flexibility to use these funds in the most productive manner.

This bill, S. 3073, provides this flexibility by permitting States to use the 3R funds on other primary roads whenever interstate needs have been met.

Another important thing we have done here, Madam President, is that we have reduced the Federal share for the interstate 3R from 90 percent to 70 percent.

We might say, "Well, if we are anxious to keep the roads repaired, why cut down the share of the Federal contribution?"

The Federal share for the primary system is already 70 percent. By making the State matching requirements for the interstate and the primary systems the same, we should eliminate any temptation for a State to undertake low priority interstate work instead of doing needed primary work.

In other words, we are looking at the whole highway system as a unit and, certainly, we have seen many instances in the States where they will proceed to upgrade and do useless and, indeed, wasteful projects on the Interstate System because it is 90-percent Federal dollars.

In other words, it only costs the States 10 cents, so they go ahead and spend the money.

There is another measure in this bill to discourage unwise use of Federal funds. The States are prohibited from spending interstate construction funds to clear zones adjacent to existing interstate roads.

Under existing regulations, the States can use the 90-percent funds to eliminate trees and other natural features from within 30 feet of the interstate highways.

I am personally very familiar with such projects which were undertaken, not because these obstacles 30 feet from the edge of the highway had a high priority on the State's list, but because, again, the State wanted this easy Federal money.

No one pays for the Federal money, so that the States take it and spend it in devastation of the sections adjacent to highways.

So this bill requires that where they want to do these types of measures, the State has to put up 30 percent of the cost. This should insure that this type of work will only be done where needed and not as a mere means of using up Federal dollars.

During hearings the subcommittee heard from several witnesses that heavy vehicles—in other words, those carrying large amounts per axle and large amounts per vehicle—do damage to the highway to a far greater extent than more numerous, but lighter vehicles. The heavier the vehicle and axle loads, the higher the vehicle's contribution to road deterioration.

This is a proven fact.

Several provisions in the bill address this problem. States for the first time are permitted to use Federal-aid funds to purchase and install scales for monitoring vehicle weights.

Up to this time, we have not permitted the Federal dollars to be so used. The scales are expensive and a lot of States have not built scales. As a matter of fact, my State is one of those. Also, the Secre-

tary of Transportation is clearly given authority to require documentation from the States to show that they are adequately enforcing weight laws.

Unfortunately, they are not doing it, and, if they do not, they can lose their Federal aid assistance.

Finally, two studies are called for. One requires the Secretary to evaluate the effect and desirability of reducing those State weight limits which are currently in excess of the 80,000 pounds which the Federal Highway System mandates.

What happened is when we put in this program we grandfathered in certain States and let them have higher than the 80,000-pound limit. The question now is whether we should permit those States to continue to have those higher weight trucks running on their highways—they are not their highways, they are our highways since they are Federal aid highways.

We started off, Madam President, by requiring that those States come down to the Federal limit. But I must say, we received considerable mail from our States, and calls. So we said, "All right, we will have a study on it."

It is my hope, before we rewrite this bill 2 years from now, that we will have have the information and recommendations on how best to limit road damage caused by excessively heavy vehicles.

The second study involves cost allocation. It will examine existing revenue sources of the highway trust fund to determine if taxes on the various classes of highway users are equitable.

What is the tax on trucks? Is it fair? The tax on automobiles or tires, are all these fair?

Such a study will be useful in distributing tax burdens among highway user classes. In addition, this study should lay the foundation for evaluating indirect costs of highway transportation. This could lead to more informed decisions on Federal investments in various transportation modes.

I do believe there is much that can be done to improve decisions on transportation investments at all levels of government.

Madam President, I was sorry that an effort to consolidate transit and highway planning procedures was not successful. In other words, there was a suggestion that we combine the planning for transit and the planning for highway—put them all in one package, since it is all transportation. The exact requirements of the planning procedure were less important to me than the need to show that the Federal Government regards transit and highways as complementary and not conflicting programs. In other words, look at them together and do not have them compete.

Under existing Federal programs, transit and highway planning funds are distributed by different procedures, and there is an implication that the planning for the two programs is different. This is detrimental, in my judgment, to the creation of an integrated planning process, which is so badly needed in urban areas.

The section included by the subcommittee and adopted by the Banking Committee in the Federal Public Transportation Act of 1978, S. 2441, would provide a single funding process for transit and highway planning. I think this could be useful.

The committee bill does add some specificity to the statement of goals in the existing planning provision. On my motion, the committee agreed to make it explicit that the lessening of certain adverse social, economic, and environmental effects are goals of our national transportation policy. In my judgment, we need to make our transportation systems "good neighbors" to the people and the communities they serve. Many of our cities are old and polluted. They need revitalization. The competition, as has been mentioned by our chairman, for the national budget, our dollars, is intense. Scarcity of energy supply is on our minds, as can be seen from the fuel efficiency standards for autos and incentives for carpools; so we cannot any longer build in a vacuum.

Senator BENTSEN has ably described other provisions of this act. I think the bill responsibly addresses bridge needs, which are a serious problem in many States. The program and funding changes should produce major improvements in the effectiveness of the program.

Also, I am in complete agreement with the provisions for program consolidation and increased transferability among categories. One of the things we have to fight against in these highway programs is to have a little money for this and a little money for that and a little money for the third thing. That is not necessarily in the best priorities in the States. So we combine the money as much as possible in this bill and let the States use it where they think it would be most productive.

A final major thrust of this bill, as Senator BENTSEN mentioned, is in the whole area of funding levels and Federal-State involvement. The Federal share of noninterstate Federal highway projects was 50 percent up to 1973. Then it went up to 70 percent. This year, there is a push to go to 80 percent. As a matter of fact, the administration so recommended. But we resisted that. Where are we going to stop? We want to see the States get the maximum amount of highways built for the limited amount of Federal money there is, and we feel strongly that the Federal share should be restricted to 70 percent on the noninterstate State programs.

I must say that I suspect we are going to be under a good deal of pressure to push that up, but I think it is well to bear in mind that the Federal Government not only has a limited amount of money, but also, we are running a tremendous deficit—some $40 billion to $50 billion—so I think the Federal share should be kept at 70 percent.

One last general issue deserves discussion: overall funding levels contained in the bill. The committee made a conscientious effort to relate authorizations to expected highway trust fund revenues. In other words, we are spending more than we will have coming in from the various taxes that go into the highway trust fund. The Senate bill thus far can approximately be supported by current highway taxes. Cars will consume less gasoline, and less money will come into the trust fund. Not taking into account fuel efficiencies soon to be realized, the Congressional Budget Office indicates that the Senate bill may require an increase in revenues of less than 2 percent.

Authorizing a program now which is based upon anticipated increases in the gasoline tax or some other anticipated tax increases is irresponsible. I do not think anybody believes that an effort to increase the gasoline tax over the 4 cents per gallon is going to pass Congress.

Madam President, this is a good bill. It strikes a balance between needs and revenues. It insures that States and the Federal Government remain partners in the highway building enterprise. Finally, it makes adjustments in overall program structures to recognize new priorities.

I urge my colleagues to support the Federal-Aid Highway Act of 1978.

Madam President, I reserve the remainder of my time.

Mr. STAFFORD. Madam President, will the distinguished manager of the bill for the minority yield me 5 minutes?

Mr. CHAFEE. I yield to the Senator from Vermont, the distinguished ranking minority member of our committee, such time as he may require.

Mr. STAFFORD. I thank the distinguished Senator.

Madam President, I should like to start by complimenting the managers of the bill, the Senator from Texas (Mr. BENTSEN) and the Senator from Rhode Island (Mr. CHAFEE), for the outstanding way in which they have giuded this bill through the Committee on Environment and Public Works. It is always a pleasure to work with the chairman of the committee, Senator RANDOLPH, whose guidance is always very helpful in proposing sound legislation for the highway systems of the United States.

The bill has been covered so well by Senator BENTSEN and Senator CHAFEE that my comments will be brief and will be directed to another part of the bill, in the main.

At the outset, Madam President, I want to add my endorsement of S. 3073, the Federal Aid Highway Act of 1978, to those already given by the distinguished floor managers and the chairman of the Committee on Environment and Public Works.

I believe the committee has reported a bill which authorizes responsible spending levels and provides necessary program changes to achieve important national goals.

The bill strikes a proper balance between interstate completion and the rehabilitation and restoration of older roads. It is my personal belief that the Federal role in the near future will be even more dramatically one of preserving existing roads and service levels.

It may be, Madam President, that many of us and many other people in the country have forgotten the fact that when the Federal aid program was originated for construction of the Interstate Highway System, one of the basic purposes was that of national defense. A system of major roads which would make possible, if necessary, the rapid move-

ment of men and material in any national military emergency the Nation might face. That still is one of the purposes of the Interstate Highway System and the associated systems that serve this country.

In general, the bill provides greater flexibility to States and encourages better use of Federal highway dollars. A continuing emphasis on low-cost safety construction is a feature of the bill I especially applaud.

I do, however, have one general area of concern. It is less with what S. 3073 contains than with what I see as a trend.

As we worked on the bill in full committee, several amendments to the highway beautification program were raised. This program is only a small part of the total Federal-aid scheme but, in my opinion, is one which functions the least well, raises more controversy, and provides fewer benefits than any other program element.

It seems to me that we have succeeded in tying the hands of those States, such as my own, which want to move aggressively to clear highways of billboards. At the same time we have achieved very little in States which are less interested in the scenic value of their roads. We are fostering the worst of two worlds.

And at the funding levels provided by Congress since the program began in 1965 it is evident that the program has little support from its creators.

Several amendments proposed in the Senate committee and provisions actually adopted by the House Committee on Public Works and Transportation in its Surface Transportation Act strengthen my feeling that the Federal program will never achieve its original goal. In fact, in some instances it seems as if the Beautification Act has been turned around and now promotes rather than discourages billboards.

Because of the piecemeal dismembering of the beautification program by each succeeding highway act, because of the woefully inadequate funding levels, and because of the disruption it has caused in State and local beautification efforts, I have seriously entertained the idea of proposing what, in effect, would be a repeal of the Federal program.

Federal assistance would continue to be available to States which wanted it, but other States would be free to pursue their own programs without the threat of lost Federal highway aid.

Such a change could hardly result in fewer sign removals than we see currently and would permit faster progress in some States with strong State programs.

I did not offer such an amendment in committee, as the changes we made in the program were minimal and authorizations were higher than the funding levels of recent years. I was sorry to note the small amount appropirated for fiscal 1979 by Public Law 95–335.

I will not offer such an amendment during Senate debate on S. 3073 unless attempts are made to further weaken the program. I want my colleagues to consider, however, the possibility that repeal of the highway beautification experiment may ultimately prove to be the only way to further the goals originally sought.

Madam President, in closing I want to repeat my support for S. 3073. My concern over the future of the beautification program does not reflect on the merits of the bill as reported.

I especially want to commend the subcommittee chairman and the whole committee for their responsible actions in setting funding levels for the highway program. The levels are consistent with State's abilities to obligate funds and with expected highway trust fund revenues.

I urge the Senate to support the committee's bill and to reject proposals which woull cause a proliferation of programs and increase authorizations beyond those levels in the committee bill.

Madam President, I yield back the remainder of the time granted to me by the minority manager and yield the floor.

Mr. CHAFEE. Madam President, we reserve the remainder of our time.

The PRESIDING OFFICER. Who yields time?

Mr. BENTSEN. Madam President, I yield time to the distinguished chairman of the committee such as he desires.

The PRESIDING OFFICER. The Senator from West Virginia.

Mr. RANDOLPH. Madam President, we are discussing the provisions of S. 3073 with the leadership and the members of our committee, particularly the chairman of the Transportation Subcommittee, Mr. BENTSEN of Texas, and Mr. CHAFEE of Rhode Island, and, of course, the ranking minority member of our committee, Mr. STAFFORD of Vermont. These three knowledgeable members of the Committee on Environment and Public Works have addressed substantially the provisions of S. 3073.

We are faced with a critical time in the development and strengthening of the road system of our country.

Transportation continues to be a major influence in our Nation's development. As our methods of travel become more modern and sophisticated, the American lifestyle changes in response. Thanks to our coordinated system of air, water, and surface transit, we are now the most mobile people on Earth.

Perhaps no transportation initiative has played a larger role in America's growth than the Federal-aid highway program. Today the continental United States are joined from coast to coast by 975,000 miles of federally aided highways. More than 90 percent of the 42,500-mile Interstate System is open to traffic. The program has proved so successful because it remains flexible. Since the pioneer Federal-Aid Road Act was passed in 1916, the highway program has continually responded to our society's changing transportation needs.

I am proud that S. 3073 represents another major step forward in the Federal-aid highway program. It authorizes over $1 billion annually in additional highway construction funds beyond the current levels. Just as important, the bill makes several substantive improvements in the financing of Federal highways.

For example, S. 3073 provides the legislative groundwork for completion of the Interstate System by expediting funds to States which can best put them to use. Millions of Federal interstate dollars will no longer languish in the accounts of States which are not prepared to use them. Instead interstate funds will be available for only 2 years instead of the present 4 years. Should they lapse, the Secretary of Transportation will redistribute them to States, like my home State of West Virginia, with ready-to-build interstate propects. The costly inflationary impacts of unnecessary project delays will be minimized.

In addition, the legislation gives priority to the construction of missing intercity links in our interstate system. Our expanding economy is dependent upon our highway system, particularly the interstate, for most of its transportation needs. To facilitate the cross-country exchange of farm products, raw materials, manufactured goods, and energy sources, a truly connected national highway network is a necessity. S. 3073, therefore, targets interstate funds to the completion of the so-called essential interstate gaps.

In addition, the committee determined that the current gap designation does not adequately reflect all gaps in the Interstate System. S. 3073 revises the essential gap definition by including two-lane toll roads already eligible for interstate assistance. Thus, two important routes, the West Virginia Turnpike and I–75 in Florida, qualify for priority treatment as essential gaps. The Congress has already recognized the national significance of these highways. The Federal-Aid Highway Acts of 1970 and 1973 authorized that they be brought to four-lane interstate standards.

Those who have traveled the West Virginia Turnpike know firsthand that in its current state, it is truly an essential interstate gap. The congested two-lane road joins our State capital of Charleston with Beckley, W. Va. As part of both I–77 and I–64, it serves as major north-south and east-west connector. Expediting construction of the turnpike as quickly as possible is a vital part in completion of a unified national system.

The bill's added emphasis on interstate completion is coupled with closer attention to the condition of existing interstate mileage. To protect the enormous Federal investment in our Federal-aid highways, rehabilitation must become a Federal priority. S. 3073 focuses on the 3R program and refines requirements for adequate interstate maintenance by the States. In doing so, the legislation provides smooth transition to the approaching postinterstate era which, with the financial mechanisms for accelerated construction contained in the bill, is within future reach.

S. 3073 addresses another serious road deterioration problem, weather-related damage. By broadening the definition of construction, States may use their Federal highway funds to seal the road surface and prevent potholes. The last two winters have been particularly damaging to our roadways. Almost no State escaped the effects of the severe temperature changes during 1977 and 1978. S. 3073 gives the States the added flex-

ibility to prevent potholes during construction and repair of Federal roads.

With the distinguished Senator from Kentucky, I have proposed another amendment for addressing road rehabilitation in the highway program. Nearly every State has or will soon experience the destruction of highway corridors serving the movement of vital energy supplies. As the Federal emphasis has shifted toward coal and other domestically produced resources, regional systems of energy roads must be adequately maintained. Many States have already suffered the consequences of increased coal traffic. Other States, particularly in the West, will undergo similar road deterioration problems caused by expanding energy production in the near future. The proposed amendment is yet another addition to the highway program in response to America's changing national priorities and needs. Congress and the administration have recognized that a sound energy policy, which I think includes an adequate energy transportation system, is of foremost importance.

Perhaps the most widely recognized highway need in the country is greater Federal involvement in bridge replacement and repair. The Department of Transportation estimates that 33,500 bridges on the Federal-aid system are in need of replacement, and the need is over twice as great for off-system bridges. These are startling figures in light of the all too often tragic consequences of bridge collapse. I need not remind my colleagues of the Silver Bridge catastrophe in Point Pleasant, W. Va., which preceded the establishment of the special bridge replacement program, which I authored in 1970. Given the number which remain to be replaced, however, the current $180 million annual authorization is clearly inadequate. S. 3073 increases the Federal allocation to $450 million, which represents a more realistic assessment of our national bridge crisis.

Another meaningful addition to the special bridge program is the creation of a discretionary bridge fund. Because construction of new bridges over major waterways is very costly, it is often beyond the financial capability of many States to undertake important projects. S. 3073 authorizes a discretionary bridge category from which the Secretary provides assistance to States for costly high traffic bridges over major waterways. Funds for the program are deducted from the primary and bridge replacement authorizations and would amount to approximately $48 million yearly. Prior to project approval, all environmental reviews and navigational assessments must be completed.

One project which would be eligible for assistance under this program is a bridge across the Ohio River in Huntington, W. Va. This facility is essential to the economic development of the tri-State area and to the mobility of people and goods, particularly coal, across the Ohio River.

The Senate highway bill is landmark legislation. It symbolizes the best in both fiscal responsibility and programmatic innovation. S. 3073 builds on the responsiveness and flexibility which have hallmarked the modern Federal highway program since its inception in 1956. The creation of this fine piece of legislation was very deliberate indeed. I wish to take this opportunity to commend Senator BENTSEN for his leadership as chairman of the Subcommittee on Transportation and the other Members of the Environment and Public Works Committee, Republican and Democrat alike. With the cooperation of the administration and the entire transportation community, we worked hard and long to design a progressive highway bill which embraces and builds on the best of the Federal highway program. And where necessary, we have instituted changes to make most creative and efficient use of our limited highway trust fund dollars.

This is a particularly crucial time for the Federal-aid highway program. It is essential that the Congress adopt highway legislation before the end of the second session of the 95th Congress. Without it, an estimated 39 States will be forced to cease various aspects of their construction and rehabilitation programs. We must act quickly on S. 2072 to insure that this vital Federal program continues, uninterrupted.

UP AMENDMENT NO. 1667

(Purpose: Amends S. 3073, the Federal aid highway act to increase the authorization for the special bridge replacement program and to require a minimum and maximum range of funds that can be spent for the rehabilitation and replacement of bridges that are not part of the Federal-aid highway system)

Mr. CULVER. Madam President, I send to the desk an unprinted amendment and ask for its immediate consideration.

The PRESIDING OFFICER. The amendment will be stated.

The legislative clerk read as follows:

The Senator from Iowa (Mr. CULVER), for himself and Mr. HEINZ, proposes an unprinted amendment numbered 1667:

On page 4, line 5, strike the numeral and—

Mr. CULVER. Madam President, I ask unanimous consent that further reading of the amendment be dispensed with.

The PRESIDING OFFICER. Without objection, it is so ordered.

The amendment is as follows:

On page 4, line 5, strike the sum "$450,000,000" and insert in lieu thereof, the sum "$525,000,000".

On page 34, strike lines 13 through 25 and insert in lieu thereof, the following:

"(7) Section 144(c) of title 23, United States Code, is amended by adding the following at the end thereof: Not less than 15 per centum and not more than 25 per centum of the funds authorized to any State to carry out the provisions of this section shall be expended for the replacement or rehabilitation of bridges that are not on any Federal-aid highway."

Mr. CULVER. Madam President, this amendment increases the authorization in the special bridge replacement program to $525 million, and requires that no less than 15 percent and no more than 25 percent of these funds be spent on the replacement or rehabilitation of bridges that are not part of the Federal-aid highway system.

Madam President, our original amendment, which was cosponsored by a number of Senators, called for a $600 million authorization for the special bridge replacement program. In the judgment of many of us, that amount of funds could very effectively be used to meet the pressing bridge replacement needs of this country.

However, after consultation with the floor managers of this bill—and I wish to commend them both for their leadership and their concern, not only in this area but in those other important areas that are involved in this legislation—we have agreed on a compromise level of funding of $525 million, which is represented in the amendment sent to the desk by the distinguished Senator from Pennsylvania (Mr. HEINZ) and myself.

Now, this amount of $525 million does represent a reasonable first step in providing an adequate funding level that hopefully can begin to reverse the nationwide bridge repair situation.

I believe that adoption of this amendment is necessary to make this program more consistent with urgent national needs to reverse the serious state of disrepair which characterizes thousands of bridges both on and off the Federal-aid highway system.

In general, we have one of the finest and most efficient road systems in the world. But one of the major links in any effective road system is safe and well-constructed bridges. And this link is deteriorating at an alarming rate. Our network of roads and highways is all too often connected by outmoded or antiquated bridges that are unsafe and better attuned to the requirements of 19th century transportation and commerce than that of the 20th century.

Over 70 percent of the estimated 564,000 bridges in this country are more than 40 years old, which means that 390,000 were built during the Great Depression or earlier, before modern, uniform design and construction standards were instituted. They were constructed to handle the Model T car—not modern commercial vehicles and farm machinery. This ever-expanding volume of traffic simply hastens the deterioration of these structures and compounds the inability of States, cities, and counties to satisfactorily maintain their bridges.

The number of unsafe bridges in this country is simply appalling. At least 105,000 bridges are classified by the Federal Highway Administration (FHWA) as either structurally deficient or functionally obsolete. That means that about one out of every six bridges in the entire United States cannot meet Federal standards of safety or efficiency. Merely calling a bridge "deficient" or "obsolete", however, does not convey a sufficiently realistic or vivid understanding of the hazards and inconveniences.

The term "structurally deficient" does not adequately describe a bridge that has to be posted at reduced weight limits or closed entirely because rusting steel girders crack at the slightest pressure or concrete sections crumble and buckle under the weight of a car or truck. Every 2 days, another "structurally deficient" bridge in the United States collapses like a house of cards,

severing the road segment, disrupting traffic, and endangering lives.

Similarly, calling a bridge "functionally obsolescent" does not illustrate the major safety problems of bridges too low or too narrow to accommodate traffic efficiently. Many "obsolete" bridges are so narrow that trucks literally bump as they pass in opposite directions. The decks of other bridges are narrower than the approaching roadway, causing motorists—caught off guard—to lose control of their cars. Each year, over 1,000 fatalities result from collisions with a bridge abutment or overpass. Whether these structures are "deficient" or "obsolete", we have to underscore the fact that these bridges are dangerous and a threat to the well-being of everyone who uses them.

It is a popular misconception—and an erroneous one—that these unsafe bridges are situated in rural areas and have little implication for the nationwide flow of transportation and commerce. While many physically inadequate bridges are on low-volume roads, many of the worst bridges are found on our major highways. Of the 105,000 bridges listed by the Federal Highway Administration as unsafe, over 33,500 of them are on-system. The estimated cost of fixing these unsafe bridges which pockmark the Federal system is a staggering $12.5 billion.

Unfortunately, often only a tragedy forces public attention to focus upon a problem. In 1968, the Silver Bridge at Point Pleasant, W. Va., collapsed during the evening rush hour and fell into the Ohio River. Forty-six people died because of that bridge failure, and the resulting public outcry ultimately led Congress to enact the special bridge replacement program in 1970. Senator RANDOLPH, the chairman of the Committee on Environment and Public Works, provided significant leadership in formulating this program, which utilizes the Highway Trust Fund to help States replace some of their most critically deficient structures on the Federal system.

While it proved to be a constructive and necessary first step in recognizing and attempting to stem the growing deterioration of bridges, the special bridge replacement program has not been completely successful in reversing the trend of more unsafe bridges at increasingly higher replacement costs. Despite this program, we are continuing to lose ground in our attempt to solve our national bridge crisis.

The amount of funds made available to the States under the special bridge replacement program has been woefully inadequate when compared with our pressing unmet needs. During the 7 years of the program, only $835 million has been authorized and made available for obligation by the States. Currently, the annual authorization for all 50 States under this program is $180 million. During the last 2 years alone, by comparison, the cost of replacing unsafe bridges on the Federal highways has increased by over $2 billion. Like the man on the treadmill who has to run harder and harder just to stay where he is, a substantial increase in the special bridge replacement program is warranted merely to keep the vast number of bad bridges from accelerating even more sharply.

Another inadequacy of the special bridge replacement program has been its complete neglect of the monumental problem resulting from unsafe bridges located on roads not included in the Federal-aid system. In the past, none of these bridges has been eligible for special bridge replacement program funds despite their critical importance for the economic and personal well-being of small communities. The Federal Highway Administration conservatively estimates that 72,000 "off-system" bridges are deficient or obsolete. As staggering as this figure is, it may well underestimate the extent of the "off-system" problem, since systematic inventories have only recently begun. One recent survey of the National Association of Counties concludes that over 160,000 such bridges are unsafe. At a minimum, reconstructing the 72,000 bridges listed by the FHWA represents an additional $12.6 billion price tag.

My own State is representative of many rural and agricultural areas with substantial "off system" bridge needs. With about one-half of its total production related to agriculture, Iowa's economy is critically dependent upon an efficient and cost-effective transportation system. Particularly at a time of economic difficulty for midwestern railroads, it is imperative that Iowa and other Midwestern States be able to ship their produce to markets over safe and well-maintained local and county roads. Each year, over 45 million tons of grain and 5 million tons of milk traverse the 21,000 bridges located on Iowa's "off system" roads. An estimated 7,000 of these bridges are inadequate. They place a heavy economic burden upon farmers who must detour miles out of their way to get modern tractors—which weigh 10,000 to 12,000 pounds—out to fields or commodities to market. This results in higher costs to consumers and producers alike.

In Iowa and elsewhere, it is commonplace for school children to get off buses and walk across bridges that cannot accommodate loaded buses, before continuing their ride on the other side. Iowa has over 4,000 bridges that a loaded school bus cannot cross.

In other communities, fire trucks have been unable to get to burning houses in time because bridges across the most direct roads could not accommodate the weight of the vehicle. These are not isolated incidents; they are facts of life that citizens in small communities and rural areas must live with every day.

The problem that local and county officials have in trying to maintain or reconstruct inadequate bridges on local roads has been accentuated by the recent reassignment of a significant number of bridges—primarily from secondary roads in rural areas—to the "off system" network. The 1973 Federal-Aid Highway Act mandated this reassignment, but did not amend the special bridge replacement program to extend Federal funds to any of these formerly Federal-aid highway bridges. This realinement has placed an additional economic burden upon local governments already experiencing great difficulties in meeting their bridge replacement needs. Iowa's Federal system network was reduced from 33,000 miles to 13,000 miles.

Some 1,680 bridges were reassigned to the "off system" at an estimated replacement cost of $100 million. Nationally, there are 14,000 fewer bridges on the Federal-aid system than there were in 1976. While some of these bridges have been replaced with Federal funds from the "safer off system road program," the Federal Government has compounded the local bridge problem by adding outmoded and unsafe spans to the "off system" without concurrently providing financial resources through the special bridge replacement program to help alleviate this additional burden.

Mr. President, as a member of the Transportation Subcommittee, I held a series of hearings which examined the critical bridge problem facing this Nation. Testimony from Federal, State, and local transportation officials were unanimous concerning the need for a more comprehensive bridge replacement program. I introduced legislation designed to expand that program in order to bring the Federal effort more in line with the nationwide magnitude of the problem. S. 394 amended the special bridge replacement program to permit funds to be spent on the rehabilitation—as well as replacement—of existing bridges. By allowing Federal dollars to be used to repair bridges where it is cost-effective to do so, States can leverage their expenditures in a more satisfactory fashion. They would no longer exhaust their funds replacing completely one or two expensive structures that could be repaired at lower cost. In order to help meet the "off system" crisis that has been neglected for so long, I also provided that a minimum of 5 percent of special bridge replacement funds be directed specifically to bridges under the jurisdiction of counties. S. 3073 also authorized an annual increase in the special bridge program from $180 million to $600 million annually.

Several of these provisions have been incorporated in the Federal-aid highway legislation we are considering now. I want to acknowledge the efforts of the Senator from Texas, the chairman of the transportation subcommittee, in expanding the special bridge replacement program. The amendment that I am offering in no way detracts from those efforts, but complements them by providing additional resources to reverse this $25 billion problem which threatens our lives.

This amendment increases the authorization for the special bridge replacement program from $450 million to $525 million. These additional funds can be used by the States to accelerate the rehabilitation and replacement of deficient and obsolete bridges. During the last 7 years, 1,648 bridges have been replaced—or are currently being replaced—with special bridge replacement funds. This represents only about 10 percent of the more than 16,000 bridges that States have registered with the FHWA as potential recipients of these funds. Addi-

tional moneys can be directed toward many of these bridges that have already been identified as priority candidates for replacement.

A $525 million can also be obligated by the States in a timely and effective manner. The FHWA's inventory of State highway departments indicated that $493 million could be obligated by the States in 1978 for work on Federal system bridges alone. In its most recent report to Congress, the FHWA also stated that "in light of all the congressional activity that has transpired this past year regarding the Nation's deficient bridges, the States are expecting an expanded bridge replacement and rehabilitation program. The Federal Highway Administration has encouraged the States to obtain required permits and to prepare plans in anticipation of the availability of bridge construction funds." With the States gearing up to expand their bridge programs—and with "off system" bridges becoming eligible for specific Federal special assistance for the first time—$525 million does not tax the ability of the States to plan for the obligation of these funds in an orderly and constructive fashion.

Most importantly, an increase in the authorization by $75 million does not threaten the integrity of the highway trust fund nor provide an unwarranted or unjustified commitment of resources by the Federal Government.

Mr. President, we are all aware that the Federal Government has a $60 billion deficit, while a majority of States enjoy budget surpluses. During the hearings I conducted on the nationwide bridge problem, I repeatedly cautioned State, local, and county officials that a consistent, good faith effort would have to be forthcoming from them in meeting their share of the costs of bridge replacement and rehabilitation. All too often, States have relied on the Federal Government to commit an overabundance of resources in order to meet pressing needs. Perhaps the States have been too complacent by seeking an almost exclusive reliance on Federal moneys to meet State and local problems in some instances. I firmly believe that the effort to reduce the number of unsafe bridges must be a genuine Federal-State-local effort. The Federal Government cannot—and should not—undertake the task of trying to correct a $25 billion problem by itself. My amendment does not change the Federal cost share formula from that in S. 3073. States must demonstrate that they consider this of sufficient importance to place a high priority on authorizing the revenues necessary to obtain Federal matching funds. But I also strongly believe that an increase in the Federal authorization to $525 million is a prudent and responsible use of public funds.

This amendment also requires that a minimum of 15 percent and no more than 25 percent of the funds a State receives will be expended for work on bridges not part of the Federal system. This is, I believe, preferable to the permissive language currently in S. 3073 which may allow up to 30 percent of the special bridge replacement funds to be used for rehabilitating or replacing structurally deficient bridges on non-Federal roads.

To many towns and markets whose economic vitality and community well-being depend upon an adequate transportation system, modern and safe bridges are absolutely essential. Yet, one reason that "off system" bridges have deteriorated so dramatically in recent years has been their ineligibility for special bridge replacement program funds. Local and county officials have often had to defer maintenance of these structures because the full financing of bridge costs is well beyond their means. I strongly believe that—having recognized the seriousness and extent of the "off system" bridge crisis—this legislation should assure that a minimum amount of funds do, in fact, reach these bridges. If we are really serious about reversing the "off system" situation—remembering that at least 72,000 such bridges are unsafe—a level of funds to these "off system" bridges is warranted.

Mr. President, the very fact that we are discussing the nationwide bridge situation is an encouraging sign that we are finally going to make a consistent, sustained effort to turn this $25 billion problem around. No practical solution can solve this backlog overnight. But increasing the authorization for the special bridge replacement program to $525 million and directing between 15 and 25 percent of those funds to the long neglected "off system" network is a necessary first step in addressing this national problem in a systematic and effective fashion.

Mr. President, I ask unanimous consent that "Unsafe Bridges," an article in the current edition of Transportation USA published of the Department of Transportation, and this table depicting the number of deficient and obsolete bridges on the Federal-aid system be included as part of the RECORD.

At the same time, the amendment puts a 25-percent ceiling on the amount of funds that a State can direct to its "off system" bridges. This "cap" assures that the majority of funds are spent for the reconstruction or replacing of "on system" bridges which do carry the majority of people and vehicles. The amendment thus provides an equitable and reasonable allocation of funds between the two systems.

There being no objection, the material was ordered to be printed in the RECORD, as follows:

UNSAFE BRIDGES

(By Elliott Himelfarb)

Tragedy struck the small West Virginia town of Point Pleasant during the height of the 1967 Christmas shopping rush, when the Silver Bridge gave way and fell into the icy waters of the Ohio River. Forty-six people died—the largest number ever killed in a highway bridge disaster.

The collapse began on the Ohio side and moved rapidly eastward toward West Virginia. Within one minute after a suspension support joint separated, the 700-foot center span, both 380-foot side spans, and the two towers had fallen. Thirty-one vehicles on the bridge fell with the structure.

Not all deficient bridges kill people, but once a bridge is weakened by age or a structural defect, the potential for catastrophe exists.

When the Federal-Aid Highway Act was signed into law in the spring of 1968, it contained a provision for the establishment of a nationwide bridge inspection program—the direct result of the Silver Bridge collapse a few months earlier. The inspections that followed revealed the shocking extent to which the bridges on U.S. roads had deteriorated: approximately 105,000 bridges need to be rehabilitated or replaced. The estimated cost is a staggering $25 billion.

"The condition of our bridges is one of this country's major highway problems," says Acting Federal Highway Administrator Karl Bowers. "It's not just that many of them are deficient. Poor bridges lead to wasted fuel when drivers have to take long detours to get where they are going. Then there is the added problem of traffic tieups when forced rerouting puts an overload on roads not designed to handle these volumes of traffic."

Winters can be especially hard on bridges, and the past two have been particularly cold and wet in some parts of the country. As the sign says, "Bridges freeze before roadways" since they get the effects of frigid winds from both top and bottom. The action of freezing and thawing can damage a bridge, and the salt used to keep snow and ice from accumulating can seep through the deck to corrode the reinforcing steel and crack the concrete.

Another problem is old age. A good many of the nation's bridges were built prior to 1935.

And overloaded trucks can do great damage to even the newest of bridges.

The Federal Highway Administration's bridge design and inspection branch, headed by Stanley Gordon, puts inadequate bridges into two categories: structurally deficient and functionally obsolete. "A structurally deficient bridge has a defect that has caused it to be restricted to light vehicles or closed," Gordon says. "A functionally obsolete bridge is one whose deck geometry, load-carrying capacity, clearance, or approach roadway alignment can no longer safely service the system of which it is an integral part."

Out of the 234,000 bridges on the federal-aid highway system, FHWA has found about 33,500 to be deficient. Of these, about 6,900 are structurally deficient and 26,600 are functionally obsolete.

As a means of dealing with this overwhelming problem, Congress created the Special Bridge Replacement Program in 1970. Funding was supplied for the replacement—but not the repair—of deficient bridges on the federal-aid system. By the end of 1977, work on 1,648 bridges had been approved and funded. Approximately one-third of these are now open to traffic.

The total amount of money originally allotted to the program was $816 million, of which $655 million was obligated to the states from 1970 through 1977. Since there are so many deficient bridges around the country, the demand for these funds is high. In fact, during fiscal year 1977, many states exhausted their allocations. As a result, the federal government advanced them funds from their fiscal year 1978 allocations so some important projects could keep moving.

To help decide which bridges should be replaced first, the Federal Highway Administration is working with state highway departments on assigning a rating to each bridge. The lower that rating, the higher the priority for replacement. The ratings take into account such things as structural soundness, safety, and necessity for public use.

The federal government is also encouraging the states to use regular federal-aid highway funds for bridge replacement whenever possible, and some work is being done entirely with state and local money.

A major difficulty is that the money from the Special Bridge Replacement Program can

be used only for bridges on the federal-aid highway system, so the program is no help to the many deteriorating bridges that are off the system. In fact, about 70 percent of the more than 100,000 deficient bridges identified by FHWA are not on the federal-aid system.

Many of these bridges are in rural areas and are the only bridges for miles around. Crossing a particular bridge may be the only convenient way for a farmer to get his crops to market, for shoppers to get to stores, or for children to get to school.

Pope County, a rural area in southern Illinois, has a serious problem with deficient bridges. In 1975, a truck carrying the local road commissioner fell through a county bridge. The commissioner was killed, and the person with him was injured. Since school buses were using many similar bridges each day, the superintendent of the county school system became concerned that the children were not safe as they went to and from school.

It turned out that twelve bridges within the school district were able to support a weight of eight tons or less, not enough to carry a loaded school bus, which weighs in at about nine tons. Pope County's solution to the problem was—and is—to have the buses stop on the near side of a deficient bridge. The students all get out and walk across, the driver takes the empty bus across, the students get back in, and the trip continues.

Not only is this solution time-consuming, it also creates other problems: First, the driver is not able to maintain discipline while the children are outside on foot and he or she is maneuvering the bus across the bridge. Second, children exposed to rain or snow may have to spend the day in wet clothes. Third, and most important, since the bridges do not have hand rails, smaller children could fall off the side while they are crossing.

The superintendent wrote to the federal government and then appealed to his county highway department for help. He was told that it would cost more than $2 million to make the 12 bridges meet minimum Illinois standards. With only $18,000 available each year for bridge construction, it was considered "unlikely" that improvements would be made.

The Department of Transportation, through the Federal Highway Administration, has been giving support and advice to state and local efforts to upgrade bridges not on the federal-aid system. The Department hopes, however, that in the future it will be able to give more.

In its seventh annual report to Congress on the status of the nation's bridges, the Department recommended that the states be allowed to use up to 30 percent of their bridge allocations for work on bridges off the federal-aid system.

The report also recommended that the existing replacement program be expanded to include rehabilitation. This change would make the program more cost-effective since it takes a lot less money to fix a bridge than to wait until it becomes unsafe and then replace it.

Another recommendation calls for increasing the federal share of bridge-replacement costs from 75 percent to 80 percent, which would put the bridge ratio on a par with that proposed for other highway programs.

Finally, the report suggests that $450 million be authorized for each of fiscal years 1979 and 1980 and that $500 million be made available in 1981 and again in 1982.

This country's bridges are the weakest and most hazardous link in our highway network. As many of these structures approach the end of their useful lives, the amount needed to replace or rehabilitate them is overwhelmingly large. No one expects $25 billion to be made available right away, but neither does anyone want the inconvenience and danger of bridges that are unsafe to travel on.

The Special Bridge Replacement Program has been making a dent in the problem for seven years. If the changes being recommended this year are accepted, even more can be done to make sure we have no more tragedies like Silver Bridge.

LIST OF DEFICIENT BRIDGES ON FEDERAL-AID SYSTEM BY STATE

State	Total Federal-aid bridges	Structurally deficient	Functionally obsolete	Number of deficient bridges	Percent
Alabama	6,353	154	389	543	8.54
Alaska	507	11	12	23	4.54
Arizona	3,999	24	125	149	3.73
Arkansas	5,134	57	706	763	14.86
California	12,269	85	589	674	5.49
Colorado	3,062	105	37	142	4.64
Connecticut	1,509	23	52	75	4.97
Delaware	456	14	21	35	7.68
District of Columbia	193	9	12	21	10.88
Florida	4,788	107	664	771	16.10
Georgia	7,350	180	1,515	1,695	23.60
Hawaii	564	37	34	71	12.59
Idaho	1,542	210	34	244	15.82
Illinois	9,285	276	1,790	2,066	22.25
Indiana	5,861	101	399	500	8.53
Iowa	6,808	172	895	1,067	15.68
Kansas	9,544	523	1,391	1,914	20.05
Kentucky	4,635	66	1,169	1,235	26.64
Louisiana	4,964	85	1,900	1,985	39.99
Maine	1,169	37	74	111	9.50
Maryland	2,338	20	191	211	9.03
Massachusetts	2,310	61	146	207	8.96
Michigan	5,328	200	325	525	9.85
Minnesota	4,466	70	751	821	18.31
Mississippi	6,177	638	320	958	15.51
Missouri	7,558	277	335	612	8.09
Montana	2,186	29	129	158	7.23
Nebraska	4,119	395	661	1,056	25.64
Nevada	718	32	100	132	18.39
New Hampshire	1,121	53	266	319	28.46
New Jersey	2,259	100	105	205	9.08
New Mexico	2,715	22	217	239	8.80
New York	6,639	277	933	1,210	18.22
North Carolina	3,981	186	690	876	22.36
North Dakota	1,753	166	380	546	31.15
Ohio	11,259	397	547	944	8.38
Oklahoma	7,222	220	358	578	8.01
Oregon	3,514	65	282	347	9.88
Pennsylvania	7,949	185	723	908	11.43
Rhode Island	503	7	26	33	6.56
South Carolina	3,997	124	259	383	9.58
South Dakota	2,674	85	1,220	1,305	48.80
Tennessee	6,845	263	1,130	1,393	20.35
Texas	23,800	51	1,360	1,411	5.92
Utah	1,183	35	149	184	15.56
Vermont	1,307	22	465	487	37.26
Virginia	5,424	215	871	1,086	20.02
Washington	3,782	41	159	200	5.28
West Virginia	2,503	172	354	526	21.01
Wisconsin	5,912	207	916	1,123	18.99
Wyoming	1,839	13	256	269	14.63
Puerto Rico	706	8	171	179	25.35
Total	234,016	6,912	26,603	33,515	14.32

Mr. CULVER. I thank the Chair.

Madam President, I ask unanimous consent, on behalf of Senator NELSON, that Peter Connolly of his office may be accorded the privilege of the floor during consideration of this legislation.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. CULVER. I am delighted to yield to the distinguished Senator from Pennsylvania, who throughout his service in Congress has been concerned with this particular problem and who has been so instrumental in fashioning this amendment. He appeared before our subcommittee and gave valuable testimony during the course of our earlier consideration of this problem. It has been a great pleasure to be associated with him in this common effort.

Mr. HEINZ. I thank the distinguished Senator from Iowa (Mr. CULVER) for the effective work he has done in the Senate Environment and Public Works Committee in behalf of making the bridge repair and rehabilitation program a reality.

I particularly compliment him for working so effectively with me and the other members of the committee to bring about this amendment, which would increase the sum for bridge repair and replacement to $525 million and insure that not less than 15 percent nor more than 25 percent of the funds authorized to any State be earmarked to carry out the provisions of the replacement and repair section, and that those bridges which are not on any Federal-aid highway system will be eligible for this help.

I am also very grateful to the other Members of the Senate Public Works and Environment Committee. I thank Chairman BENTSEN and I thank Senator CHAFEE for the long hours they have put in, including the time they spent listening to my testimony back on March 6, 1978, and for the very intelligent and probing questions that were asked at that session. I think that, as a result of their careful work, we can now say that we have come an enormous and very necessary distance in meeting an essential but heretofore unmet need. Senator CULVER has spoken at length on the problems of bridge repair and replacement in the United States.

Madam President, the present special bridge replacement program was established primarily as a result of a sobering tragedy which occurred 10 years ago at Point Pleasant, W. Va., when the Silver Bridge collapsed into the icy waters of the Ohio River, carrying 46 people to their deaths.

However, the existing program, the special bridge replacement program, is not working. At the 1977 replacement rate, 670 bridges, it would take 150 years

to replace existing deficient bridges, not to mention bridges which will fall into disrepair. For those who remember the Silver Bridge and other disasters, 150 years is too long a time to gamble that more rotting bridges will not collapse.

We must do something about the problem of unsafe bridges and we must do it fast. Inaction by Congress on this issue could cost lives. We have a chance today to act before tragedy happens, to anticipate it, and not simply to react to it. I would hope that we seize this opportunity.

There are 564,000 bridges in the United States, and 72 percent or 407,000 were built prior to 1935. In 1935, the first uniform design standards and construction material qualifications were instituted. Thus, the bridges constructed before this date are very likely to be unsafe by today's standards. Furthermore, bridge usage has changed drastically in the last 50 years; vehicles are heavier, more numerous, and travel at greater speeds. The impact of these changes on substandard, obsolescent bridges threatens public health and safety.

On the Federal-aid system alone there are over 248,000 bridges. Over 33,000 of these bridges are structurally deficient or functionally obsolete. If off Federal-aid system bridges are included, the total number of bridges requiring major repairs or replacement is 105,000.

I must emphasize that the Commonwealth of Pennsylvania faces an emergency situation.

According to DOT statistics as of September 30, 1976, no bridges had been replaced in Pennsylvania and only 14 were being constructed or were being prepared for construction. The inadequacy of this effort is unquestionably established by the fact that the vast majority of Pennsylvania's 67 counties have deficient bridges. Thirteen counties have 10 or more.

Permit me to discuss briefly one of these counties, Allegheny County, where I make my home. The $19,700,000 allocated to Pennsylvania under the existing program is only a fraction of the amount which would be needed to repair the bridges in Allegheny County alone. In the 6 years since it was created, the present bridge program has resulted in Federal aid to only one bridge in that county, only one bridge out of the 115 which are classified as deficient.

I find this unacceptable and I am sure that the residents of Allegheny County, who must use these dangerous bridges daily find it unacceptable. How can we expect them to accept the fact that ambulances and other emergency vehicles are forced to take long detours in order to avoid deteriorated, obsolescent bridges? I assert we cannot.

However, the bridge crisis is not by any means limited to my own State Every State of the Union is affected by it. Six of our States, Iowa, Kansas, New York, Oklahoma, Pennsylvania, and Texas, have over 5,000 deficient bridges and another 13 have over 2,500 bridges in need of major repairs or replacement. As evidence of the disturbing magnitude of this problem and of the fact that it is a truly national problem, I ask unanimous consent to have printed in the RECORD a modified form of the "List of Deficient Bridges by State," which was contained in the seventh annual report in the special bridge replacement program prepared by the Secretary of the Department of Transportation.

There being no objection, the list was ordered to be printed in the RECORD, as follows:

LIST OF DEFICIENT BRIDGES ON FEDERAL-AID SYSTEM BY STATE

State	Total Federal-aid bridges	Structurally deficient	Functionally obsolete	Number of deficient bridges	Percent
Alabama	6,353	154	389	543	8.56
Alaska	507	11	12	23	4.54
Arizona	3,999	24	125	149	3.73
Arkansas	5,134	57	706	763	14.84
California	12,269	85	589	674	5.49
Colorado	3,062	105	37	142	4.64
Connecticut	1,509	23	52	75	4.97
Delaware	456	14	21	35	7.68
District of Columbia	193	9	12	21	10.88
Florida	4,788	107	664	771	16.10
Georgia	7,350	180	1,515	1,695	23.60
Hawaii	564	37	34	71	12.59
Idaho	1,542	210	34	244	15.82
Illinois	9,285	276	1,790	2,066	22.25
Indiana	5,861	101	399	500	8.53
Iowa	6,808	172	895	1,067	15.68
Kansas	9,544	523	1,391	1,914	20.05
Kentucky	4,635	66	1,169	1,235	26.64
Louisiana	4,964	85	1,900	1,985	39.99
Maine	1,169	37	74	111	9.50
Maryland	2,338	20	191	211	9.03
Massachusetts	2,310	61	146	207	8.96
Michigan	5,328	200	325	525	9.85
Minnesota	4,466	70	751	821	18.31
Mississippi	6,177	638	320	958	15.51
Missouri	7,558	277	335	612	8.09
Montana	2,186	29	129	158	7.23
Nebraska	4,119	395	661	1,056	25.64
Nevada	718	32	100	132	18.39
New Hampshire	1,121	53	266	319	28.46
New Jersey	2,259	100	105	205	9.08
New Mexico	2,715	22	217	239	8.80
New York	6,639	277	933	1,210	18.22
North Carolina	3,981	186	690	876	22.36
North Dakota	1,753	166	380	546	31.15
Ohio	11,259	397	547	944	8.38
Oklahoma	7,222	220	358	578	8.01
Oregon	3,514	65	282	347	9.88
Pennsylvania	7,949	185	723	908	11.43
Rhode Island	503	7	26	33	6.56
South Carolina	3,997	124	259	383	9.58
South Dakota	2,674	85	1,220	1,305	48.80
Tennessee	6,845	263	1,130	1,393	20.35
Texas	23,800	51	1,360	1,411	5.92
Utah	1,183	35	149	184	15.56
Vermont	1,307	22	465	487	37.26
Virginia	5,424	215	871	1,086	20.02
Washington	3,782	41	159	200	5.28
West Virginia	2,503	172	354	526	21.01
Wisconsin	5,912	207	916	1,123	18.99
Wyoming	1,839	13	256	259	14.63
Puerto Rico	706	8	171	179	25.35
Total	234,016	6,912	26,603	33,515	14.32

Mr. HEINZ. Madam President, the statistics speak for themselves. They cry out for a greatly expanded bridge program. The legislation which is presently before the Senate, the Federal-Aid Highway Act of 1978, makes a step, a positive step, a justified step, in the right direction. The funding level for the special bridge replacement program is increased to $450 million a year, the rehabilitation as well as the replacement of bridges is authorized, and up to 30 percent of the funds may be used to rehabilitate or replace bridges which are not on the Federal-aid system. I applaud the Committee on Environment and Public Works, and especially the chairman, the Senator from West Virginia, and the chairman of the Subcommittee on Transportation, the Senator from Texas, for the unquestionable improvements in the existing bridge program.

I do want to emphasize that the need that struck me as one of our highest priorities in 1976, when I testified before the House Public Works Committee on this issue has, at long last, after 2 years of careful study, been recognized and partially, if not wholly, addressed.

The amendment that Senator CULVER and I are offering today represents what I would call both a way station and a watershed on the route to an adequate bridge repair and replacement program. It is a way station because it does mark significant progress and, to me personally, it is a watershed because it goes nearly two-thirds of the way to the goal that I set in 1976—namely, $720 million a year for bridge repair and replacement—and between the current and existing level of funding, which has been authorized at $180 million a year for the past several years. That difference, that increase of $345 million, from $180 million authorized to $525 million by virtue of this amendment, is a 64 percent or nearly two-thirds increase toward the goal of $720 million that I recommend in 1976.

The scope of the bridge crisis, Madam President, its magnitude, its universality, frankly, requires a still more comprehensive effort, not just more comprehensive than the $525 million, but more comprehensive still, in my judgment, than the $720 million I recommended 2 years ago.

I would say that the $525 million figure proposed by our amendment is a much more realistic addressing of our Nation's bridge needs, one which authorizes funds that can be readily and effectively obligated by the States. It is, as my good colleague from Iowa has pointed out, accurate that the Federal Highway Administration estimates that the States can more than efficiently ob-

ligate approximately $500 million in fiscal 1979 alone for bridges on the Federal system alone. That, or course, does not count the amount of money they are prepared to obligate on off-system bridges. Insofar as this earmarking of 15 to 25 percent will go to those off-system bridges, we should expect the States to be able to handle proportionately more obligated bridge repair and replacement money and to see that money obligated most efficiently. The increase, therefore, in this total authorization to $525 million, given the eligibility and given the neglect of the off-system bridges in our country, is warranted and, I think, should be favorably acted upon by the Senate.

I want to say that the minimum 15 percent earmarked that we have proposed to be expended for off-system bridges is to assure that smaller communities, especially rural communities, are going to obtain the money they need to repair and maintain their critically deficient bridges.

The inability to use an isolated rural bridge could result in economic isolation of farmers who need to get their goods to market. It can result in residents who, for years, have depended on that bridge as their only means of access to the closest market, being literally cut off.

On Tuesday, I visited just such a bridge in south central Pennsylvania, in Dauphin County. It was a typical Federal off-system highway bridge. It had originally been built in 1902. Its original weight limit, at least as far as we could research it about 10 years ago, had been in the neighborhood of 13 tons. But it had been posted now at 5 tons, with the result that a farmer whose land adjoined that bridge and who had a typical farm truck—not a giant highway truck, just a typical farm truck—could not bring his truck across that bridge empty, let alone full. One could see by looking at the bridge that some people had not been as careful and judicious as that farmer, Dale Mangle, and had taken a heavy truck on the bridge and literally bent it.

We could see both the mesh surface of the bridge bent and we could see the underlying structural elements also distorted.

This, Madam President, is an example of the severe kind of off-system bridge problems that have been exacerbated not only by constant unrelenting deterioration, but by the reclassification by the Federal Highway Administration of bridges from the Federal-aid system to an off-system category where they have been ineligible for any assistance whatsoever.

In the sixth annual report on the special bridge replacement program, which sumarized the statistics as of December 1976, the Department of Transportation noted that there were 39,900 deficient bridges on the Federal-aid system. The seventh annual report stated that as of December 1977, there were 33,515 deficient bridges.

But what happened to the difference? What happened to the more than 6,000 bridges? Did they disappear, did they fall down, did a good fairy come along and magically replace them?

No. The fact is that they are still there. They are still deficient. The only thing that happened is that they have been reclassified, taken off the Federal-aid system and put onto somebody else's highway rolls.

Thus, nationwide nearly 6,385 bridges were eliminated from the federal system. The burden of repairing these bridges falls squarely on those governmental entities least able to bear it, smaller communities and rural counties.

My State of Pennsylvania has what I believe to be the largest rural population of any State in the Union. Three and one-quarter million Pennsylvanians live in rural areas. Partly because I suspect they are not right next to or part of the jurisdiction of a big city with a powerful political machine, they simply are not able, either financially or politically, to get the help they need to solve this serious problem without the Federal assistance and I think Senator Culver's and my amendment will provide for them. That is why the amendment mandates a set-aside for establishing a minimum level of dependable funding to be spent for these off-system bridges.

I know that there are many States that have the same kind of critically unsafe bridge problem as my home State of Pennsylvania.

In my State, there are more than 1,700 off-system bridges that we know about which have been rated critically unsafe.

But I would have to say, Madam President, that there are probably thousands of other bridges that we do not know about simply because they have never been inspected, never been rated, never been evaluated, and without doubt the vast majority of both the bridges we know about and those we do not know about are located in rural areas.

As to the ones we do know about, at present prices, it will cost more than $222 million to replace these bridges in my State alone, or, roughly, $142,000 per bridge.

Now, that $142,000 per bridge amount simply is beyond the means, the financial abilities, of most rural counties and rural communities.

Many rural bridges are victims of years of neglect simply because they are not located near major population centers. But many people forget that these bridges are vital to our agricultural system. Without these bridges, millions of dollars worth of Pennsylvania's—and other States—crops would rot on the farms, school buses would have to make long and torturous and extremely inconvenient detours, ambulances could not get to the nearest hospital expeditiously, and large areas of our most scenic countryside would become inaccessible to tourists and sportsmen.

The amendment we offer today would clearly further the public interest.

First, by taking care of the obsolete, deteriorating bridges that threaten public safety.

Second, by insuring that our highway system is more effective and not restricted by load restrictions and bridge closings.

Third, it will have the very beneficial effect of creating thousands of jobs in an industry where unemployment is often very high.

Madam President, the amendment Senator CULVER and I offer is clearly, critically needed. It is modest. It is responsible. I urge my distinguished colleagues to seize this opportuntiy to focus Federal assistance on a serious national problem by supporting this amendment.

Mr. MCGOVERN. Will the Senator yield briefly?

Mr. CULVER. I am delighted to yield to the Senator from South Dakota.

Mr. MCGOVERN. Madam President, I rise to offer my support on this amendment offered by Senator CULVER and Senator HEINZ, which I am happy to cosponsor, to increase the authorization for the special bridge replacement fund.

I say in that connection, Madam President, that we are all indebted to Senator BENTSEN, the chairman of the Transportation Subcommittee, not only for bringing an excellent bill to the floor dealing with our Federal-aid highway system, but also for increasing the funding for bridge replacement.

The purpose of this amendment is to further build on what Senator BENTSEN and his colleagues have done in recognizing the seriousness of this problem.

I heard Senator HEINZ describing the situation in his State and Senator CULVER speaking about the situation in Iowa.

In my State, we have bridges in the near state of collapse, bridges being used that are dangerous to be used, some that have been taken out of use almost entirely because of their dilapidated state. We do not have the resources to repair, replace, and upgrade those bridges, and it is hampering the entire transportation system across the State.

I welcome this opportunity to join with my colleagues Senator CULVER and Senator HEINZ in support of an increased authorization for the special bridge replacement fund.

One of our most serious and growing transportation problems is the ever increasing number of unsafe and obsolete bridges spanning the Nation's highways and roads.

For the past several years, our Nation's bridges have been deteriorating at a rate faster than States and local governments can repair them.

This has become an especially critical problem in our Nation's rural regions where inadequate bridge and highway funding through State and Federal sources has long been a problem.

Rural America saw some relief last year after the enactment of a special bridge replacement fund; however, the $180 million authorized at that time is not enough to allow us to keep pace with this steadily growing dilemma.

According to the Federal Highway Administration, over 33,500 bridges on the Federal-aid system are either structurally deficient or obsolete.

At this time we do not even have accurate figures to determine exactly how

many off-system bridges have these same problems, although data from individual States indicate that the problem may be much worse on our off-system bridges than those currently on the Federal-aid system.

However, even rough estimates from the FHWA indicate that over 72,000 off-system bridges are unsafe.

The minimum investment of funds needed to correct both bridge types is now estimated at over $25 billion.

I applaud the Environment and Public Works Committee for their realization of the need to assure adequate and safe bridges and their actions to increase the annual authorization for this fund to $450 million. This amendment builds on the committee increase to meet more of the remaining need for improved bridges.

Already, especially in energy development areas, hundreds of bridges are rapidly deteriorating, becoming unsafe and collapsing as heavy loads become more frequent.

In the new energy development and production fields, these bridges were not designed to carry this traffic.

Oil rigs and coal trucks of more than 100,000 pounds cross several such bridges daily.

In South Dakota, where a few small oil fields exist, some bridges have been closed to all traffic because of the increased travel of such energy production equipment.

And the bridges have remained closed due to lack of funds for repair.

The situation in my State and others will continue to worsen until we expand the bridge replacement fund and mandate minimum requirements to be used on off-system bridges.

I believe the centerpiece of this amendment to be its minimum required assistance for off-system bridges.

While in some States this provision will greatly benefit declining urban bridges, in rural agricultural States this provision is an absolute necessity.

In South Dakota, a primarily rural State, we have 4,276 off-system structures, as compared to 2,674 Federal-aid bridges.

While almost 50 percent of our Federal-aid bridges are deficient or obsolete. over 70 percent of our off-system structures are unsafe.

The great majority of these off-system structures are located on county roads throughout the State.

The counties in my State have made considerable efforts to repair these bridges on their own and with minimal help from our financially distressed State transportation development.

In fact, the major budget expenditures of several counties have been for bridge replacement and repair, many times to the detriment of other needed programs.

The provision within this amendment to mandate at least 15 percent of funds from the special replacement fund is vital to the safety of the off-system bridges.

However, the increased funding level requested by this proposal is also essential.

To establish minimum off-system funding through the present committee proposal is deficient, as it would reduce the flow of badly needed revenue for the repair of our Federal aid structures.

The requested increased authorization would allow States to increase essential repairs as well as establish some assistance for the most critical needs for off-system repairs.

Again, I must reiterate that given the Federal Highway Administration's own figures regarding the Nation's deficient and obsolete bridges, I am firmly convinced that this program is crucial to the safety of human lives and to every American's right to adequate transportation.

Mr. BENTSEN. Madam President, Senator CULVER, a very distinguished member of our committee, has devoted a great deal of effort and time in holding hearings, working on them here in Washington and again in Iowa, to concentrate on the problems of bridges. We do not argue the question of urgency. We understand that. We felt it strongly enough to raise the amount expended from $180 million to $450 million, 250 percent of the previous authorization.

We went further than that and set up a special fund for the replacement of bridges from the primary system over substantial bodies of water. That was an additional $37.5 million.

The problem we run into is finite resources and competition for funds. The Senator from Alaska wants additional funds for Alaska and for New York. The Senator from Kentucky wants additional funds for coal haul roads.

But with respect to Senator CULVER, Senator HEINZ, and Senator MCGOVERN, who have worked long on this project, when they talk about bridges, they are talking about something for the entire Nation, not for any one region. We all share in that concern.

We have listened to their eloquent presentations, and we have arrived at what we think is a reasonable compromise, raising the authorization an additional $75 million, putting a limitation of a minimum of 15 percent and a maximum of 25 percent on the off-system bridges, realizing that the priority efforts must address on-system bridges.

I, for one, in managing the bill for the majority, am willing to accept that amendment, subject to the manager of the bill for the majority. I understand he has a modification to the amendment. I will withhold the remainder of my time and yield to the Senator.

Mr. CHAFEE. Madam President, there is no question that the distinguished Senator from Iowa has been a persistent battler for this cause. He is a member of the subcommittee dealing with this matter. Since rejection, he has regrouped his forces, prepared another onslaught in the full committee, was repulsed, but was not discouraged. He came up with a further modification and plunged on to success here, before the full Senate. So the Senator from Iowa deserves high marks for his persistence and determination on this bridge matter.

Also, the Senator from Pennsylvania has appeared before the committee, with some persistence, and has stated his views here very eloquently. So their oratory has carried it.

I am persuaded—perhaps not enthusiastically, but nonetheless persuaded. I suppose that if one is doing something, one might as well do it graciously.

I suggest a caveat, which will go completely unheeded, I am certain. I point out that we are embarking into a new area here. We are going into bridges on off-system highways. We do not have enough money to care properly for the responsibilities that the trust fund presently has, but nonetheless we are going off in this direction.

However, there is no point in adding what might be considered a sour note to the otherwise happy proceedings, so I will join my distinguished chairman in supporting this.

I might propose to the Senator from Iowa a slight modification, if I may, to take care of particular situations.

In his State and in the State of Pennsylvania there are, of course, many miles of off-system roads. In some States either there are not that many miles of off-system roads and consequently the bridges, or there may be that many miles of off-system roads but not many bridges that require the maintenance that is so necessary in the States of Iowa, Pennsylvania, South Dakota, and some others.

My amendment would do the following: If the Secretary, after consultation with State and local-officials, with respect to the requirement for expenditure on bridges not on the Federal-aid system, determines that such State has inadequate needs such bridges which justifies such an expenditure, he may reduce the 15 percent requirement.

How often that will come up, I do not know, but I suspect that in my own State we may not have as much off-system bridge work.

So I suggest this modification to the Senator from Iowa, and I send it to the desk.

The PRESIDING OFFICER. Until the time on the amendment has expired——

Mr. CULVER. Madam President, we have 2 hours on the amendment.

The PRESIDING OFFICER. The Senator is correct. The time expires at 12:53.

Mr. BENTSEN. Madam President, I understand that the parliamentary point is being made that all time has to expire before there can be an amendment to the amendment.

The PRESIDING OFFICER. The Senator is correct.

Mr. BENTSEN. I would be willing to yield back the remainder of my time if the proponents would, and then have the modification considered. Would that be appropriate?

The PRESIDING OFFICER. That could be done.

Mr. CHAFEE. Madam President, a parliamentary inquiry. I would consider this to be an addition to the Senator's amendment, rather than an amendment. Is such possible?

Mr. ROBERT C. BYRD. It still is an amendment.

Mr. BENTSEN. Madam President, a parliamentary inquiry. Could the proponent of the amendment, by unanimous consent, change the submission of his amendment?

The PRESIDING OFFICER. The Senator from Iowa could modify his amendment by unanimous consent.

Mr. BENTSEN. Could that be done?

Mr. HEINZ. Madam President, I do not have a copy of the amendment by the Senator from Rhode Island. Is a copy available?

Mr. BENTSEN. Madam President, I suggest the absence of a quorum.

The PRESIDING OFFICER. The Clerk will call the roll.

Mr. HEINZ. I think that could be withheld.

Mr. BENTSEN. Madam President, I withhold the request for the quorum call.

Mr. HEINZ. I might enter into a colloquy with the Senator from Rhode Island, if he would be willing to do so.

As I understand the amendment of the Senator from Rhode Island, which I believe he is about to ask Senator CULVER to incorporate in our amendment, it would allow the Secretary of Transportation to waive the minimum 15 percent set-aside under certain conditions.

Mr. CHAFEE. He first has to consult with the State and with the local officials. He then could reduce the requirement for the expenditure. when he determines that such State has inadequate needs on such bridges to justify such expenditure.

Mr. HEINZ. I appreciate that and I understand that, but I would like to be a little clearer on who is in the driver's seat.

Would it be the intention of the Senator's amendment that the Secretary could waive such requirement if the State was against waiving such requirement?

Mr. CULVER. Madam President, if the Senator will yield, the language of the proposed amendment does not speak in terms of waiver. It refers to reducing. There may be a technical distinction.

Mr. HEINZ. I will restate my question: Is it the intention of the Senator from Rhode Island that his amendment will allow the Secretary of Transportation to reduce or completely eliminate or waive the 15 percent requirement set-aside for off-system bridges if the State did not request it or was opposed to it?

Mr. CHAFEE. Let me read the amendment.

Mr. HEINZ. I have listened carefully to the amendment. I know what it says. I am trying to understand what it means.

Mr. CHAFEE. Madam President, the Secretary has to consult prior to doing anything about reducing the 15 percent. He has to consult with the State and the local officials and then if he, the Secretary of Transportation, determines that the State has inadequate needs on such bridges to justify this expenditure, then he can reduce it.

So in the final analysis, yes, it is the Secretary of Transportation who has the say. That is correct.

But I can just suggest that the amendment mandates that there be a minimum of 15 percent expended on off-system bridges. I think you would find a Secretary very, very reluctant to unilaterally get in here and violate the 15-percent rule unless indeed he found after consultation with State and with local—I assume the Senator is concerned with the local people where the bridges are—the local officials, he would be very reluctant to make the reduction.

Mr. HEINZ. Let me be very explicit about what my concern is. I say this to the Senator. The fact is that the smaller communities we are talking about do not have the political clout of the major population areas, and I am concerned about some Governor who owes his election to a big city mayor is going to make a deal with the Secretary of Transportation and return us to the situation in which we now find ourselves, namely that we are not just ignoring the off-system of bridges but they are being added to by virtue of action by the Federal Highway Administration loping off of the Federal-aid system, as we have seen in just the last year some 6,300 bridges, and putting them on system and consigning them there to a future of inadequate maintenance, repair, or no replacement whatsover.

I appreciate the desire of the Senator from Rhode Island to have flexibility. I salute him on the intention, and I do not question the good intentions of vesting flexibility in the Secretary.

On the other hand, I think we have to face some of the political realities here, and the political realities are not very favorable to these smaller communities.

Mr. CHAFEE. I think that the Senator's point has been well expressed here in the colloquy and certainly in the RECORD. I think it is clear that the thrust of the pending Senator's amendment is to see that 15 percent of the $5.25 million of the States' allocation is spent on bridges on off-system roads, and that it be not more than 25 percent. The Secretary would be, I believe, extremely loath to reduce that percentage, and indeed the suggested amendment provides he has to consult with State and local officials. So I think the record is pretty clear on what the intent of the language is and I think we could safely proceed.

Mr. CULVER. Madam President, will the Senator yield at this point?

Madam President, I ask for the yeas and nays on the amendment.

The PRESIDING OFFICER. Is there a sufficient second?

There is a sufficient second.

The yeas and nays were ordered.

Mr. CULVER. Madam President, I just wish to say that I have had an opportunity to discuss this proposed amendment to the pending Culver-Heinz amendment with the author, the distinguished Senator from Rhode Island, Senator CHAFFEE. It seems to me that he has raised a valid point. It really does not make much sense to arbitrarily require a rigid application of 15 percent of the total amount of funds available to a particular State for the off-system if in fact, as is the case in his own native State of Rhode Island, there is not a sufficiently large off-system to responsibly, reasonably, sensibly accommodate those funds unless you required those bridges to be paved in gold.

I think that his concern for some flexibility is valid, although the legislative history should emphasize that this is a unique situation that does not otherwise obviate the need for required funding for off-system bridges.

So I think we should have the most powerful expression here of legislative intent and I think that the reduction of the minimum 15 percent requirement for the off-system must not be used as a vehicle for denying local and county units of government their allotment of special bridge program funds when a demonstrable need is evident.

I hope that this emphasis in the course of our consideration of this amendment will be a very strong indication to the Secretary of Transportation that a reduction of the 15-percent requirement would be considered only in the most exceptional situations and only in the absence of demonstrable need to avoid what is frankly a very real and serious potential loophole that could be subjected to serious abuse if it is not carefully watched and constrained.

I certainly agree with the description of the kind of situation that concerns local officials in terms of the priority allocation of these scarce resources and how easy it might be to bypass their very legitimate needs through an overcentralized political determination of where these funds are to be applied.

But I hope, Madam President, that with that general explanation the Senator from Pennsylvania will agree with me that we have emphasized the very special circumstances under which this legislation, as amended, could tolerate that kind of reduction of the 15-percent requirement.

Mr. HEINZ. Madam President, will the Senator yield?

Mr. BENTSEN. Madam President, I think the Senator from Pennsylvania has pointed out something that has to be highlighted. I think he has made a major contribution in showing how you could go through some political machinations that would really deny the utilizations of the funds as you would want them. But I believe, as Senator CULVER has said, we have built a legislative record here now because of what the Senator from Pennsylvania has brought forth that will accomplish the objective that he is striving for and at the same time assure what the Senator from Rhode Island is concerned about that we do not mandate the 15 percent when we cannot use it, do not have a reason for it, no place to put it, and as the Senator from Iowa

says, have to goldplate some project to expend the funds. So this is the way these things finally are worked out, and I think a contribution has been made here if it is acceptable to the Senator from Pennsylvania.

Mr. HEINZ. Madam President, if the Senator will yield, I compliment the Senator from Iowa and the Senator from Texas on making very clear the legislative record on this amendment. I think what they have said and with which I will concur makes very clear the intention that this amendment offered by Senator CHAFEE be very carefully and narrowly construed, and with that being made clear on the legislative record, as I think has been by both Senator CULVER, the author of the principal amendment, and Senator BENTSEN, the chairman of this subcommittee, I can accept the Chafee amendment and will support it.

Mr. BENTSEN. Madam President, I ask as a parliamentary point that the author of the amendment urge the modification of his amendment by unanimous consent.

Mr. CULVER. I so move at this time, Madam President.

The PRESIDING OFFICER. Is there objection? The Chair hears none, and it is so ordered. The amendment is so modified.

Will the Senator please send the amendment, as modified, to the desk?

Mr. BENTSEN. If there is no further debate on it, and if the proponents of the legislation—the yeas and nays have been ordered, as I understand it.

The PRESIDING OFFICER. Yes.

Mr. BENTSEN. I am ready to yield back my time if the proponents are ready to yield back their time.

Mr. CHAFEE. I am prepared to yield back my time.

Is there any reason for the yeas and nays?

Mr. CULVER. They have been requested and have been ordered.

Could we have the clean language of the amendment, as modified, the Culver amendment, as modified, read?

The PRESIDING OFFICER. The clerk will report the amendment, as modified.

The assistant legislative clerk read as follows:

On page 4, line 5, strike the sum "$450,000,000" and insert in lieu thereof, the sum "$525,000,000".

On page 34, strike lines 13 through 25 and insert in lieu thereof, the following:

"(7) Section 144(c) of Title 23, United States Code, is amended by adding the following at the end thereof: Not less than 15 per centum and not more than 25 per centum of the funds authorized to any State to carry out the provisions of this section shall be expended for the replacement or rehabilitation of bridges that are not on any Federal-aid highway.

"The Secretary, after consultation with State and local officials may, with respect to a State, reduce the requirement for expenditure for bridges not on any Federal-aid system when he determines that such State has inadequate needs on such bridges to justify such expenditure."

Mr. FORD. Mr. President, I rise in strong support of Senator CULVER'S amendment to increase the authorization for the special bridge replacement program from $450 million to $600 million, with a minimum of 15 percent available for off-system bridges.

This additional funding is desperately needed to alleviate the bridge crisis faced by nearly every State in the Union. With well over 30,000 bridges on the Federal highway system either structurally deficient or obsolete, and with at least 72,000 off-system bridges unsafe for normal use, it is unrealistic to expect the States to adequately shoulder the burden of repair and replacement.

A case in point is my State of Kentucky. Among Kentucky's highest priorities is a replacement structure for the U.S. Grant Bridge between Portsmouth, Ohio, and Greenup County, Ky. This bridge, close to collapse now, has been closed to motor traffic since July and soon will not even be safe for pedestrian traffic.

As one can imagine, the effect upon the Portsmouth service area and Greenup County has been severe. Portsmouth depends on the citizens of Kentucky for its economic stability. Businesses in the city rely on Kentuckians for 25 percent to 40 percent of their inventory turnover. Many ventures require movement of goods that are dependent on Grant Bridge. Forcing such movement to another bridge down the river would both raise the cost of the goods and add to their delivery time. The economic viability of the area is clearly in danger.

Kentucky residents depend heavily on the facilities of Portsmouth for such essential services as fire and police protection, ambulance and hospital services. Obviously, they cannot be provided without a bridge and, obviously, a community cannot exist without them. I might also add that Kentuckians use the bridge daily to travel to and from their jobs.

Finally, the closing of Grant Bridge has had a significant impact on the atomic energy facility at Piketon, Ohio. One of the critical issues considered in locating the enrichment facility at Piketon was the adequate employment resources found in southern Ohio and northeast Kentucky. Currently over 150 Kentuckians are employed there, with two to three times more projected in the future. Since local union arrangements may require significant additional representation of Kentuckians in the construction work force, both the construction of the facility and the potential work pool for the completed facility are significantly affected by the loss of Grant Bridge.

The cost of a new structure is roughly estimated at about $30 million. Under the Culver amendment, Kentucky's allotment of Federal funding would increase from $15 million to $20 million, a total figure that falls short of the money needed to replace Grant Bridge and from which must come funds for other projects, too.

With 27 percent of Kentucky's on-system bridges deficient—we have 1,235 bridges that are either structurally unsound or functionally obsolete, Mr. President, the sixth largest number in the Nation—I feel that the Culver proposal is not at all too much to ask and I urge my colleagues to support the amendment.

Mr. EAGLETON. Mr. President, I have cosponsored the Culver-Heinz amendment because I think the issue of bridge repair and replacement has managed for too long to escape the serious concern of Federal budget makers.

The problem is twofold. First, the current funding level of $180 million is totally inadequate. Second, the current special bridge replacement program cannot reach thousands of bridges which are not on the Federal aid system, and this is where some of the greatest needs occur.

The funding problem is well illustrated by my own State of Missouri's situation, a situation which I am sure is duplicated in many States. It is now estimated that Missouri has as many as 4,700 faulty bridges. Bringing these existing bridges up to safe standards will cost by some estimates at least $1.7 billion. But under the special bridge program, Missouri will receive only $4.8 million this year. This level of funding is not even adequate to keep pace with the continuing decay of Missouri's bridges, let alone to make any progress toward solving the overall problem. Increasing the funding level of this program to $600 million annually, as is proposed by this amendment, would be a constructive step, albeit still far from a sufficient commitment of dollars to get the job done.

Dollars alone will not help users of many off-system bridges, however, and the amendment also attempts to deal with this problem. Many of the bridges, especially in rural areas, are under county jurisdiction. These structures often provide the only link between the farmer and his markets, and between his children and their schools. Under this amendment, these county bridges would be eligible for a minimum of 15 percent of the money allocated to a State under the program.

I strongly urge adoption of this amendment to expand the Federal commitment in insuring the safety of the bridges in this country. We have let this problem fester too long, and we must now pay the price. The only question is whether we will act now and pay the price in dollars, or whether we will wait and risk paying the price in human lives.

Mr. CULVER. Madam President, if it is agreeable with the floor managers of the bill, I see no need to have a rollcall vote, and I ask unanimous consent that the order for the rollcall vote be vitiated.

The PRESIDING OFFICER. Without objection, it is so ordered. The yeas and nays are vitiated.

Do the Senators yield back their time?

Mr. CULVER. I yield back my time.

Mr. BENTSEN. I said that earlier. I yield back the remainder of my time.

The PRESIDING OFFICER. All time having been yielded back, the question is on agreeing to the amendment, as modified.

The amendment, as modified, was agreed to.

Mr. CULVER. Madam President, I move to reconsider the vote by which the amendment, as modified, was agreed to.

Mr. HEINZ. I move to lay that motion on the table.

The motion to lay on the table was agreed to.

Mr. CULVER. Madam President, I ask unanimous consent to include the cosponsors who have requested to be transferred from the original amendment to the one just agreed to, the amendment, as modified.

The following Members were added as cosponsors: Mr. JOHNSTON, Mr. CHURCH, Mr. INOUYE, Mr. FORD, Mr. MCGOVERN, Mr. ZORINSKY, Mr. DURKIN, Mr. MORGAN, and Mr. ANDERSON.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. STAFFORD. Madam President, will the Senator yield?

Mr. CHAFEE. Before I do that, I ask unanimous consent that the following staff members be accorded the privileges of the floor: Senator BARTLETT, Ben Kirk and Tom Wasinger; Senator THURMOND, Eddie Twilley; Senator HEINZ, Bob Hepler; Senator JAVITS, Barbara Washburn; Senator YOUNG, Karen Steidl; Senator DANFORTH, Charles Wood; and Senator STEVENS, Chip Wagoner.

The PRESIDING OFFICER. Without objection, it is so ordered.

UP AMENDMENT NO. 1668

(Purpose: Amend S. 3073, Federal-Aid Highway Act to permit construction of new road segments for the Great River Road)

Mr. CULVER. Madam President, I send to the desk an unprinted amendment and ask for its immediate consideration.

The PRESIDING OFFICER. The clerk will report.

The assistant legislative clerk read as follows:

The Senator from Iowa (Mr. CULVER) proposes an unprinted amendment numbered 1668.

Mr. CULVER. Madam President, I ask unanimous consent that further reading of the amendment be dispensed with.

The PRESIDING OFFICER. Without objection, it is so ordered.

The amendment is as follows:

On page 5, line 18, insert the following: after the word "for," the new words "construction or".

On page 5, line 22, after the word "for," the new words "construction or".

Mr. CULVER. Mr. President, this amendment to S. 3073, the 1978 Federal-Aid Highway Act, allows funds authorized by the Great River Road program to be used for both construction and reconstruction of road segments. It amends section 104, subsection 15 of this bill, which authorizes $35 million annually for this project in fiscal years 1979 and 1980.

This amendment is consistent with guidelines regarding the scope of the Great River Road developed by the Congress and the Federal Highway Administration. As the conference report accompanying the 1976 Federal-Aid Highway legislation specifically stated:

The Great River Road is not meant to be a major roadway along the Mississippi River. It is to be one road that criss-crosses the River several times. The conferees want to confirm that existing road beds should be used feasibly except where there are significant breaks in the continuity of the Great River Road.

In 1977, I worked closely with then Federal Highway Administrator William Cox to further clarify the specific focus of the Great River Road. Consistent with the original mandate that this be a scenic road, we worked out language which was included in the conference report of the fiscal year 1978 Transportation Appropriations Act. That language stated that no State could obligate Great River Road funds to construct new segments until 60 percent of the road is completed. This agreement underscores the point that priority consideration be given to preliminary planning, acquisition of scenic easements and areas of scenic, historical, and scientific interest, and construction of rest areas, overlooks, and bicycle trails, but that reconstruction and rehabilitation of existing route segments and the construction of new route segments will also be permitted.

The amendment adopted by the Environment and Public Works Committee this year authorized $35 million annually for both reconstruction and construction of the Great River Road through fiscal year 1980. Inadvertently, the word "construction" was left out of the printed copy of S. 3073. This technical amendment, which, I believe, has been discussed fully with the floor managers of this legislation, simply addresses this error in the final filing of the legislation and puts back in language that was already approved by the committee.

I urge its adoption.

Mr. BENTSEN. The author of the amendment has discussed it with the manager of the bill, with the manager for the minority side, and it is a constructive amendment. We are prepared to accept it.

Mr. CULVER. I want to thank the distinguished Senator from Texas for his consideration and cooperation in this and other matters with respect to this legislation. I am very grateful to him indeed.

The PRESIDING OFFICER. Does the Senator from Iowa yield back his time?

Mr. CULVER. Yes, I yield back my time.

The PRESIDING OFFICER. Does the Senator from Texas yield back his time?

Mr. BENTSEN. I yield back my time.

Mr. CHAFEE. I yield back my time.

The PRESIDING OFFICER. The question is on agreeing to the amendment of the Senator from Iowa.

The amendment was agreed to.

The PRESIDING OFFICER. Who yields time?

Mr. BENTSEN. Madam President, I suggest the absence of a quorum, with the time to be equally charged to both sides.

The PRESIDING OFFICER. Is there objection? The Chair hears none, and it is so ordered. The clerk will call the roll.

The assistant legislative clerk proceeded to call the roll.

Mr. CRANSTON. Madam President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

AMENDMENT NO. 3476

Mr. CRANSTON. Madam President, I call up my amendment No. 3476 and ask that it be considered immediately.

The PRESIDING OFFICER. The clerk will report.

The legislative clerk read as follows:

The Senator from California (Mr. CRANSTON) proposes an amendment numbered 3476.

Mr. CRANSTON. Madam President, I ask unanimous consent that further reading of the amendment be dispensed with.

The PRESIDING OFFICER. Without objection, it is so ordered.

The amendment is as follows:

On page 35, line 4, strike "and", and in line 7, strike the period and insert in lieu thereof a semicolon and the word "and".

On page 35, between lines 7 and 8, insert the following:

"(10) adding at the end the following new subsection:

"'(i) Notwithstanding any other provision of law, any toll bridge which is owned and operated by an agency (1) which does not have taxing powers, and (2) whose functions include operating a federally assisted public transit system subsidized by toll revenues, shall be eligible for assistance under this section, but the amount of such assistance shall in no event exceed the cumulative amount which such agency has expended for capital and operating costs to subsidize such transit system. Before authorizing an expenditure of funds under this subsection, the Secretary shall determine that the applicant agency has insufficient reserves, surpluses, and projected revenues (over and above those required for bridge and transit capital and operating costs) to fund the necessary bridge replacement or rehabilitation project.' ".

Mr. CRANSTON. Madam President, this is a noncontroversial amendment which I have discussed with the distinguished chairman of the Subcommittee on Transportation and he has agreed to accept it. The purpose of the amendment is to enable toll bridges which subsidize another federally promoted and assisted program—such as mass transit—to receive Federal funds for bridge replacement or rehabilitation which are required as a result of their commitment of revenues or reserve funds to broader transportation purposes than merely the operation of a bridge.

In offering this amendment, I believe it is important to establish stringent test of financial need. Consequently, my amendment differs in two respects from a similar amendment in the House bill. First, Federal assistance should be limited to the cumulative amount an agency has actually spent on transit capital and

operating costs. Second, the amendment requires that the Secretary of Transportation determine that a toll bridge has insufficient reserves, surpluses, and projected revenue to fund the necessary work.

Given Federal policy to reduce congestion, pollution, and energy consumption through the promotion of public transit, an expansion of eligibility for bridge replacement funds to include only toll bridges that use vehicle tolls to subsidize transit would seem a highly laudable policy in the broad public interest.

My amendment is also consistent with fiscal restraint. It would not require an appropriation of more moneys than would otherwise be necessary under the act. It merely expands eligibility to a very small number of toll agencies that are supporting transit. The role of the States and the role of the Secretary of Transportation in determining priorities would remain as they are.

The Senate bill provides new and much-needed flexibility in the bridge replacement program, and I believe my amendment is in concert with these important new provisions as well as the committee's policy of fiscal restraint.

Mr. BENTSEN. Madam President, the amendment offered by the Senator from California (Mr. CRANSTON) seeks to address the problem of toll bridges on the Federal-aid system where the revenues assist a transit system. Currently the special bridge replacement program prohibits the use of these funds on any bridge on which a toll is collected. This is done because one of the purposes of the collection of tolls other than paying off bonds used in construction, is the operation and maintenance of the structure. To allow the use of Federal funds on such a structure would run contrary to the general policy of the highway program.

However, the Senator from California brings to us a very unique problem in that a bridge which is of a toll nature supports a federally assisted transit system. Under this type of arrangement all of its revenues are not directed to the usual purpose. In this unique situation there is a Federal interest in seeing that the bridge is maintained and, if necessary, replaced to continue its important use. I support the inclusion of such a bridge within the program authorized by section 144.

With that in mind, I support the amendment as presented by the distinguished Senator from California, subject to the concurrence of the manager of the minority and his comments.

Mr. CRANSTON. I thank the Senator very much.

Mr. CHAFEE. Madam President, I join with our colleague from Texas in support of this amendment. Representatives of the California group spoke to me about it. They have a unique situation there, where they are using the funds for the support of other transportation systems. I think it is a good amendment to support.

I yield back any time I may have remaining.

Mr. BENTSEN. I yield back the remainder of my time, subject to the proponent of the amendment doing likewise.

Mr. CRANSTON. I thank both Senators, and yield back the remainder of my time.

The PRESIDING OFFICER. The question is on agreeing to the amendment of the Senator from California.

The amendment was agreed to.

Mr. BENTSEN. Madam President, I suggest the absence of a quorum, with the time to be charged equally to both sides.

Mr. CRANSTON. Madam President, if the Senator will withhold that, I ask unanimous consent that Kathy Hoffman of my staff be accorded the privilege of the floor during the consideration of this measure and any votes thereon.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. CRANSTON. I thank both Senators very much for their cooperation and understanding.

Mr. BENTSEN. Madam President, I ask unanimous consent that Tom Dougherty of Senator GLENN's staff be accorded the privilege of the floor.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. CHAFEE. Madam President, I make the same request on behalf of Patty White of Senator HAYAKAWA's staff.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. BENTSEN. Madam President, I renew my suggestion of the absence of a quorum, and request that the time be charged equally to both sides.

The PRESIDING OFFICER. Without objection, it is so ordered. The clerk will call the roll.

The second assistant legislative clerk proceeded to call the roll.

Mr. BENTSEN. Madam President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. BENTSEN. Madam President, I ask unanimous consent that the Senator from Mississippi (Mr. STENNIS) be recognized for 5 minutes on a nongermane subject, without the time being charged to either side.

The PRESIDING OFFICER. Without objection, it is so ordered. The Senator from Mississippi.

VETO OF THE MILITARY PROCUREMENT AUTHORIZATION BILL

Mr. STENNIS. Madam President, I deeply appreciate the courtesy extended by the Senator from Texas and the Senator from Rhode Island, and that of the Chair. I am compelled to leave shortly.

With reference to the veto of the military procurement authorization bill by President Carter, I will not join in or be drawn into any attacks on the President for what he has done, either by implication or in any other way.

On the other hand, we do have a very serious matter here. It concerns the authorization bill which is the basis for appropriations; that is the bill that was vetoed. Appropriations bills have to rest on the outcome of an authorization bill. So this stops the proceedings on the defense appropriations bill also, which was within a few hours of completion by the full Senate Committee on Appropriations, having already been passed by the House of Representatives.

I am not here to complain. We must be constructive, and we must proceed, because our military program is a must. I personally think the best way out of this situation—the President has exercised his constitutional function of a veto, and I think the best, way is to exercise our function in the same way, and pass the bill, the veto notwithstanding, which is no slap at the President and represents no fight with the President. Absolutely we must keep the military program separate and above partisan politics.

We are now faced, though, with a great number of facts. It seems from the President's remarks that he was using one set of facts, and we have found a far different set of facts in our perusal of these bills for almost 8 consecutive months by highly competent staff people as well as the membership.

The fiscal year 1979 defense appropriations bill has the greatest sum of money of any bill ever presented to the Senate, and there are more than 3,300 line items in it, requiring someone to pass on those items.

Secretary Brown is an honest man, a man of great competence. I know he is not misleading anyone intentionally, but I am told, as an illustration, that this morning on an early morning national television show, Secretary Brown said that Congress is cutting three anti-submarine warfare ships.

He is bound to have been referring to what we call the TAGOS ships, three ocean surveillance ships totaling $98 million. Those ships are in the authorization bill that was vetoed, Mr. President. That is an illustration of the false facts. Those three ships are in the bill the President vetoed.

The real facts are that the House did not provide appropriations for the ships. The further facts are that the Senate Defense Subcommittee on Appropriations did approve those three ships. The Senator from North Dakota and I were the subcommittee of the subcommittee, and we recommended them, the subcommittee approved them, and the full committee has not challenged them in any way.

So those are just false facts. The President made reference to matters that had been taken out of the bill. There was a reference to a $500 million reduction in the operation and maintenance accounts.

Here is what this is: In those operation and maintenance accounts there is an allowance of 6 percent for inflation in fiscal year 1979. That comes to about $1.5 billion—think of that, a billion and a half dollars.

I know what a family taxpayer does when inflation hits him so hard he can-

not buy what he has been buying. He tightens his belt a little, and he gets along on a little less. So the Defense Appropriations Subcommittee figured that the military could absorb at least a part of that $1.5 billion, and the subcommittee reduced the amount by one-third, to see how it works if they try it. If they cannot do it, we can consider a supplemental appropriation.

All right; that came on to the full Appropriations Committee of the Senate, and the Senator from Missouri (Mr. EAGLETON) moved further reduction, and the full committee voted to reduce it by another $150 million, making somewhat beyond the one-third reduction. These operation and maintenance funds are not included in the authorization bill which the President is vetoing.

The PRESIDING OFFICER. The Senator's time has expired.

Mr. STENNIS. May I have an additional 2 minutes?

Mr. BENTSEN. Madam President, I ask unanimous consent that the Senator be allowed to proceed for 2 additional minutes.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. STENNIS. I thank the Chair.

Madam President, I have been speaking from the record through every bit of this, from the record before us now.

The President certainly did not fully understand what we had done in regard to research and development concerning alleged reductions.

Madam President, I thank the Senate again. We look at the facts, and we should pass on these things with regard to the facts.

I am greatly disappointed that the President has decided to veto the fiscal year 1979 Department of Defense authorization bill. It is certainly within the President's constitutional power and responsibility to veto any legislation passed by the Congress which in his judgment does not pass muster. However, Congress has the constitutional power and responsibility to pass legislation even in the event of a Presidential veto. This bill passed the Senate Armed Services Committee unanimously and passed the Senate by a vote of 87 to 2. I believe that this bill is so well balanced and represents so much agreement on the part of the Congress that I will work to override the veto of this legislation.

The committees of Congress have worked since January preparing this bill hearing expert witnesses, visiting field locations and factories and analyzing the budget in detail. The President's veto is based on information provided by his advisers which may not have been complete or fully covered the situation.

In view of the world situation and the need to maintain our military preparedness, we must move along with our defense programs. If we must go back into every item in this bill it will mean months of delay, and I doubt a new bill can be drawn that way by the end of the year. The new fiscal year begins October 1—only 6 weeks away. Unless this veto can be overriden or a new bill produced the Defense Department will have to go on a continuing resolution for money which means no new starts, no increase from last year, and no movement forward—either Presidential or congressional initiatives. This is no way to run a military department.

This bill does not "bust the budget." It has been carefully drawn to be both within the President's overall budget figures and the congressional figures. It is a fiscally responsible bill.

This bill gives the President most of what he requested in the budget. It, together with the appropriations bill it precedes, represents the largest defense spending in any year in history—wartime or peacetime.

In the R. & D. area the bill authorized $12.3 billion, which is $900 million more than last year and an 8-percent increase. It is the largest increase in R. & D. spending in at least 6 years. While the Senate bill was about $100 million above the President's request for R. & D., the final bill is only $200 million or 2 percent below the request. Some 80 percent of the 750 line items in the R. & D. budget were approved as requested. Many of the reductions were small and for the most part represented changes or delays that occurred after the time the budget was submitted.

This R. & D. contains seed money for new classes of smaller Navy ships and VSTOL aircraft so that in the future we will have alternatives to the large carrier. Most of this money was not requested in the budget. Even though strongly opposed by some, the R. & D. budget provides for the President's request for the M–X missile. It provides funds for the cruise missile carrier, and it provides more funds than requested for a go ahead on cruise missiles—air launched, sea launched and ground launched.

This bill does contain $1.9 billion for a nuclear powered *Nimitz*-class aircraft carrier for the Navy. This was not requested in the budget. It should be noted, however, that every witness both from the civilian side and the military side all agreed that the Navy must have another carrier. The President indicated he might request another conventionally powered large deck carrier in next year's budget. The overwhelming sense of the Congress, as I see it, is that if we are going to have another carrier it should be a nuclear carrier. I want to note that after the President's budget was submitted it was discovered that $1 billion for a Trident submarine that had been requested was not needed in fiscal year 1979 because of slippages and construction difficulties in shipyards. This billion dollar deferral of the submarine goes a long way toward paying for the carrier.

There are a number of initiatives to improve both our NATO forces and the readiness of our armed forces overall. In addition to a number of items requested in the President's budget this bill would add to the number of tanks to be modernized for the Army. It would add funds for the development of an infantry fighting vehicle and would add funds for the Army tank gun program done in cooperation with the German Government. It would add funds for increasing the procurement of modern Navy torpedoes. In the personnel area, military personnel were added to improve training and improve the readiness of the Armed Forces. Civilian personnel were added to aircraft maintenance depots to improve the maintenance and operational readiness of our aircraft. The Reserve components were strengthened with additional manpower, as well as equipment and hardware for the Reserves. In summary, this is a balanced bill. It is a fiscally responsible bill and it is a bill that moves forward for our military preparedness both now and in the future.

FEDERAL-AID HIGHWAY ACT OF 1978

The Senate continued with the consideration of the bill.

Mr. ZORINSKY. Madam President, I ask unanimous consent that Delbert Terrill and John Mussman of my staff be granted the privileges of the floor during the course of debate on this bill and during rollcall votes.

The PRESIDING OFFICER. Without objection, it is so ordered.

UP AMENDMENT NO. 1669

(Purpose: To require the Secretary of Transportation to conduct a study of the adverse community impacts occasioned by increased coal unit train traffic and to recommend appropriate legislation)

Mr. ZORINSKY. Madam President, I send an unprinted amendment to the desk on behalf of Senator ANDERSON and myself and ask for its immediate consideration.

The PRESIDING OFFICER. The amendment will be stated.

The legislative clerk read as follows:

The Senator from Nebraska (Mr. ZORINSKY), for himself and Mr. ANDERSON, proposes an unprinted amendment numbered 1669.

Mr. ZORINSKY. Madam President, I ask unanimous consent that further reading of the amendment be dispensed with.

The PRESIDING OFFICER. Without objection, it is so ordered.

The amendment is as follows:

On page 58, line 8, insert the following:

SEC. 146. (a) The Secretary of Transportation, in cooperation with the State highway departments, and appropriate officials of local government, is authorized and directed to undertake a comprehensive investigation and study of techniques for alleviating the environmental, social, economic, and developmental impacts of increased unit train traffic to meet national energy requirements in communities located along rail corridors experiencing such increased traffic. Such study and investigation shall include, but not be limited to, the following:

(1) identification of specific adverse impacts on affected communities;

(2) examination of specific techniques to alleviate such impacts, including but not limited to low cost systems management methods, grade crossing separation, and rail line relocation, together with an assessment of the cost and benefits of each such technique;

(3) delineation of criteria to determine whether grade crossing separation or rail line relocation is appropriate for a given location;

(4) determination of the proper share of the cost of implementation for each such technique to be borne by the railroad or railroads based on the net benefit derived, and;

(5) determination of various costs for different types of separation construction based on such factors as number of rail lines and number of highway lanes intersecting at the crossing.

(b) In the conduct of the investigation and study authorized by subsection (a) of this section, the Secretary shall specifically consider the following rail corridors:

(1) The Burlington Northern mainline from Beach, North Dakota to Staples, Minnesota, from Staples, Minnesota to Minneapolis/St. Paul, Minnesota and from Staples, Minnesota to Duluth, Minnesota/Superior, Wisconsin;

(2) The Burlington Northern line from Joder, Nebraska to Rulo, Nebraska;

(3) The Chicago Northwestern line from Harrison, Nebraska to Blair, Nebraska; and

(4) The Union Pacific line from Scottsbluff, Nebraska to Steele City, Nebraska.

(c) The Secretary shall report to the Congress on the results of the investigation and study authorized by subsection (a) of this section not later than March 31, 1979. Such report shall include the information required by subsection (a) together with the Secretary's conclusions and recommendations for appropriate legislation.

(d) There is hereby authorized to be appropriated not to exceed $350,000 to carry out this section.

The PRESIDING OFFICER. Is this the amendment on which there is to be 1½ hours of time?

Mr. ZORINSKY. That is correct.

The PRESIDING OFFICER. The Senator from Nebraska is recognized.

Mr. ZORINSKY. Thank you, Madam President.

The amendment I offer this morning I believe will form one more link in the process of alleviating the impact of unit coal trains on many of this Nation's communities.

In September almost a year ago I introduced legislation (S. 2164) cosponsored by my colleagues Senators ANDERSON, HART, HASKELL, HUMPHREY, GRAVEL and RIEGLE. This legislation would have created a new category of funding from the Highway Trust Fund by which energy impacted rail and highway crossings would be separated. On March 16, 1978, during hearings before the Subcommittee on Transportation of the Committee on Environment and Public Works on the bill now pending before the Senate, the cosponsors and I testified in support of the inclusion of such a new category.

Such an effort was not to prevail in the wake of pressure to stop the proliferation of categories and especially in light of the actual consolidation of categories which took place during executive session in committee and subcommittee.

Madam President, I was prepared to make this issue a fight here on the floor of the Senate by offering the amendment I had previously had printed. However in view of the adamant opposition of the manager of the bill to new categories, I am therefore sending forth an amendment which I believe will help facilitate the passage of comprehensive coal transportation legislation early in the session next year.

The amendment I send forward today provides for a study by the Secretary of Transportation of the impact of unit coal trains on communities and the costs to help alleviate such impacts. This amendment also requires that the Secretary of Transportation come forward with recommended legislation on this issue.

I understand that this amendment has been cleared with the manager of the bill and is acceptable to him.

Finally, it is also my understanding that the manager of the bill in accepting this amendment has committed himself to helping move comprehensive legislation on this issue early in the 1st session of the 96th Congress.

Mr. BENTSEN. The manager of the bill has committed himself to hold hearings on this legislation and, dependent upon the outcome of those hearings, as to whether the committee votes for it and pushes the legislation. That is all that was committed. I do not doubt the seriousness of the problem as stated by the Senator from Nebraska. The record documents the potential community disruption by coal trains. As manager, I am prepared to accept the amendment for a study. We will hold hearings and it is subject to the outcome of those hearings as to what disposition we will make.

Mr. JACKSON. Will the Senator yield for a unanimous-consent request?

Mr. BENTSEN. Yes.

Mr. JACKSON. I ask unanimous consent that Larry Phillips and Denny Miller have the privileges of the floor.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. GRAVEL. Madam President, I ask unanimous consent that Janet Iak, Richard Aks, and Bill Hoffman, of my staff, be granted the privileges of the floor.

The PRESIDING OFFICER. Without objection, is is so ordered.

Mr. CHAFEE. On behalf of the minority we are prepared to accept the study to go further into the problem that the Senator from Nebraska testified about before our committee, the problems he pointed to in his home State and the problem with these long coal hauling trains.

Mr. BENTSEN. The Senator from Nebraska has been very effective and persuasive in his presentation. I am prepared to accept the amendment and yield back the remainder of my time.

Mr. ZORINSKY. I thank the manager of the bill and the minority manager of the bill for their acceptance and their fine consideration. Hopefully, as the Senator from Texas indicated, the hearings will substantiate or validate my concerns with the proliferation of the increased hundred unit coal trains which currently are increasing on a daily basis from the coal fields in the western part of our country.

I yield back the remainder of my time.

Mr. ANDERSON. Madam President, I would like to join my distinguished colleague from Nebraska (Mr. ZORINSKY) in thanking the floor managers of S. 3073 for agreeing to our unprinted amendment, No. 1669. I am particularly pleased to have a public commitment to hold hearings next year to bring about legislation which will finally alleviate the rail/highway grade crossing conflict problems brought about by America's increased dependence on coal mined from the Western States and shipped to markets in the East.

It has been nearly a year since I first referred my colleagues to a growing transportation problem faced by communities in the Western United States. On September 7, 1977, during debate on Senator DURKIN's railroad rehabilitation amendment to the Coal Utilization Act, I warned that Congress must soon address itself to problems of incompatibility between highway traffic and rail traffic in rail corridors experiencing increased coal transportation between western mines and eastern consumers.

This problem may seem regional on its face. However, I have pushed for Federal legislation for nearly a year now because I believe it is the responsibility of the Nation as a whole to help solve the rail/highway grade crossing conflict problems. Madam President, a Federal solution is only equitable since the increase in coal traffic results from our efforts to meet skyrocketing domestic energy needs through significantly increasing consumption of western coal.

I believe the action we take today goes a long way toward recognizing that the Federal Government has a responsibility to protect residents of communities experiencing increased coal train traffic. Of the $350,000 authorized in our amendment, $150,000 is earmarked to fund a study in the rail corridor consisting of the Burlington Northern mainline from the west border of North Dakota to the cities of Minneapolis and St. Paul, Minn., and to the Minnesota/Wisconsin border near the Port of Superior.

This corridor contains the communities which make up the Rail Traffic Task Force, an organization devoted to evaluating how local communities can work together to solve the rail/highway grade crossing conflict problem. This evidence of local concern demonstrates a deep commitment to solving the problems presented. Moreover, Madam President, it is a credit to Burlington Northern Railroad that it has cooperated fully with members of the Rail Traffic Task Force to evaluate ways of alleviating the adverse impacts of increased coal traffic on the communities.

Now, with this study and the promise of hearings next year, the Rail Traffic Task Force will have the advantage of being in the forefront of communities eligible for Federal aid. Since the Minnesota and North Dakota highway departments and the Federal Departments of Energy and Transportation have all endorsed the proposed Rail Traffic Task Force study, we start on this endeavor

with the promise of full cooperation by all parties involved. Moreover, Madam President, weary taxpayers will take heart in the fact that a major emphasis of the proposed study is to determine the feasibility of low cost alternatives to grade separations and rail line relocations.

Finally, Madam President, I would like to share with my colleagues three letters from officials in communities in Minnesota which have experienced serious adverse impacts from the increased coal traffic. Each letter, written in support of our withdrawn amendment to S. 3073, No. 2233, cites the experiences of the respective communities as they face a future of increased coal production and transportation from the West.

I am confident that the steps we take today will lead to the solution of the rail/highway grade crossing conflict problems faced by these communities without impairing the financial security of the transporting railroads or the energy needs of coal-dependent America.

I ask unanimous consent that the texts of the letters from the mayors of St. Cloud and Moorhead, Minn., and from the city engineer of Sauk Rapids, Minn., be printed in the RECORD.

There being no objection, the letters were ordered to be printed in the RECORD, as follows:

CITY OF ST. CLOUD, MINN.,
July 27, 1978.

Hon. WENDELL R. ANDERSON,
U.S. Senate,
Russell Building,
Washington, D.C.

DEAR SENATOR ANDERSON: It has come to my attention that the Federal-Aid Highway Act of 1978, S3073, may be passed without any provision addressing the problems caused on local streets by the increased transport of coal. On a previous occasion, I provided some comments in regard to St. Cloud's auto/rail conflict problems. I would like to review these comments and add my thoughts on funding.

The City of St. Cloud initiated a study on the rail impact. The study identified that our rail traffic will increase from 25 thru trains per day in 1976 to 46 thru trains per day by the year 2000. This constitutes an 84 percent increase over a 24-year period. It should be noted that this does not include local switching activities. Most of the increase can be attributed to increased coal train traffic. For example, in 1976, there were approximatetly 2.5 coal trains per day traveling through St. Cloud and by 2000. based upon the best information available, we anticipate approximately 15 coal trains per day. These increases will cause a number of problems. They are:

(1) Frequent and prolonged delays to highway, street and sidewalk users. According to the study, there will be approximately a 42 percent increase in delay time at major crossings in the St. Cloud area by the year 2000.

(2) The safety of pedestrians and vehicle operators at grade crossings. The rate of accidents at the crossings, based upon the Minnesota Department of Transportation's Hazardous Rating System, will increase approximately 67 percent.

(3) Disruption of emergency vehicle service including ambulance, police and fire vehicles. The small communities along the rail line are greatly concerned because most of them do not have grade separation facilities. Bearing in mind that unit coal trains as well as many freight trains exceed 1¼ miles in length, grade crossings may be occupied for long periods of time. Based upon average speeds and lengths of trains, it takes at least two minutes for one unit coal train to clear a grade crossing. For fire and ambulance vehicles, a two-minute delay in response time can be critical.

(4) Environmental Degradation. In St. Cloud, noise levels along the rail corridor (East St. Cloud) exceed state standards. More specifically, residential noise standards established by the Minnesota Pollution Control Agency are currently being exceeded and will continue to be exceeded in the future.

(5) Impairment of Redevolpment Potential. This particular concern applies moreso to the St. Cloud and Fargo-Moorhead metropolitan areas. As you may be aware, both communities are extensively involved in redevelopment efforts. The disruptive nature of frequent and long train traffic through downtown areas has been a deterrent to attracting investments in the downtown areas.

Because of the rapid development of coal, we feel it is urgent that the Congress move expeditiously in establishing programs to assist impacted communities. I understand there is opposition to funding a program from the Highway Fund. Although it may not be the most appropriate source of funds for 100 percent funding, it certainly seems reasonable to include it as a funding source. Therefore, we support and urge your colleagues to support your Printed Amendment 2233.

Thank you for your concern and your efforts.

Sincerely,

AL G. LOEHR,
Chairman, Rail Traffic Task Force.

CITY OF MOORHEAD, MINN.,
July 25, 1978.

Senator WENDELL ANDERSON,
Russell Senate Office Building,
Washington, D.C.

DEAR SENATOR ANDERSON: The City of Moorhead is facing an ever increasing problem because of the increased rail traffic volume passing through the central business district. Once regarded as a blessing, the railroad tracks on the north and south side of the central business district are now strangling the vitality of the downtown by restricting access.

In the central business district of Moorhead there are 15 crossings within a ten block area for two existing, and near parallel, railroad tracks (only two blocks apart). According to the Minnesota Department of Transportation 5 of these crossings are among the top 30 crossing points in the State causing extreme exposure and delay. Four of the crossings are critical for access to the urban renewal area. The crossing on 8th Street South is regarded as one of the 10 worst crossings in Minnesota. This street is a major north/south arterial with an average daily traffic volume of 12,000. It is also the major connector to the interstate highway system.

The present rail traffic is 53 trains a day, consisting of 12 coal trains (Fargo Forum). In contrast with the coal train traffic volume of 11 trains weekly in 1970, this shows a 750% increase in seven years. Using the Burlington Northern growth rate projection of 10% annually for coal trains, the number of coal trains will double within 10 years with the overall number of trains reaching 65 per day (assuming no change in other rail traffic). If each train, depending on the speed, blocks the intersections 2–5 minutes, the result is a tie up of 2:10 hours to 5:25 hours daily. This amount of delay is devastating to the businesses and services in the central business district and will cause a total shifting of the retail and service functions to the outlying areas.

This community has recently completed a successful urban renewal project in which $30 million dollars was reinvested into the downtown from many levels of funding—private and public. Instead of experiencing the anticipated growth from the renewal plan, however, the City is watching its central business district slowly suffocate due in part by the restricted access caused by train traffic.

In the past few years the downtown has lost Moorhead's only hotel service. It has also been unsuccessful in attracting a major department store to the downtown. In addition, the Moorhead Center Mall containing some 20 retail stores has continued to have a constant turnover in businesses; and the Center Avenue Plaza, another retail complex, is in the process of dissolving as a retail center. This demonstrated inability to generate any sizable interest in the downtown can be attributed in part to the restricted access caused by the increased train traffic passing through our community.

It is our position that Moorhead and other communities, large and small, along the main coal routes are being adversely impacted as a direct result of national energy policies in regard to the mining of western coal. The Federal Government has the responsibility to aid such communities in addressing this growing rail problem. We heartily support your printed Amendment No. 2233 to the Federal-Aid Highway Act which will aid communities in solving their rail related problems along the main coal routes. Thank you for your support on this important issue.

Sincerely,

WAYNE INGERSOLL,
Mayor, City of Moorhead.

CITY OF SAUK RAPIDS, MINN.,
July 28, 1978.

Senator WENDELL ANDERSON,
Russell Senate Office Building,
Washington, D.C.

DEAR SENATOR ANDERSON: We wish to thank you for your involvement in the writing of the Federal Highway Act of 1978—especially as it relates to provisions for future funding of railroad-highway grade separations. As you know, we have had one fatality and many serious accidents at our two major crossings in town, and we have effectively been severed for purpose of fire, ambulance and commercial traffic, all due to increased coal and general rail traffic.

We encourage you to press for the adoption of your Printed Amendment No. 2233, a measure we feel is vital to the future well being of our community.

Sincerely,

MARK A. JOHNSON, P.E.,
City Engineer, City of Sauk Rapids.

Mr. BENTSEN. I yield back the remainder of my time.

Mr. CHAFEE. I yield back the remainder of my time.

The PRESIDING OFFICER (Mr. STONE). All time has been yielded back. The question is on agreeing to the amendment.

The amendment was agreed to.

Mr. ZORINSKY. Mr. President, I move to reconsider the vote by which the amendment was agreed to.

Mr. CHAFEE. I move to lay that motion on the table.

The motion to lay on the table was agreed to.

The PRESIDING OFFICER. The bill is open to further amendment.

Mr. CHAFEE. Mr. President, I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The second assistant legislative clerk proceeded to call the roll.

Mr. CHAFEE. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

UP AMENDMENT 1670

Mr. CHAFEE. Mr. President, I send to the desk an unprinted amendment and ask that it be considered.

The PRESIDING OFFICER. The amendment will be stated.

The legislative clerk read as follows:

The Senator from Rhode Island (Mr. CHAFEE) proposes unprinted amendment No. 1670.

NATIONAL TRANSPORTATION POLICY STUDY COMMISSION

Page 58, line 8, insert:

SEC. 146. Section 154(c) of the Federal-Aid Highway Act of 1976 is amended by striking out "December 31, 1978" and inserting in lieu thereof "July 1, 1979."

EXTENSION OF THE REPORTING DATE OF THE NATIONAL TRANSPORTATION POLICY STUDY COMMISSION

Mr. CHAFEE. Mr. President, as a member of the National Transportation Policy Study Commission, I offer this amendment today to extend the reporting date of the final report of the Commission from December 31, 1978, to July 1, 1979. This amendment has already been adopted in the House Public Works and Transportation Subcommittee.

As you are aware, Mr. President, and I am sure you are aware, the Transportation Commission was established by the 1976 Federal-Aid Highway Act and given the mandate of examining all modes of transportation, both domestic and international, and both passenger and freight, the final report is to contain recommendations to Congress and to the President on transportation policy that must be implemented to bring about a more responsive balanced transportation system through the year 2000. As you can readily tell, this is a job of great magnitude.

Unfortunately, because of start-up difficulties, the Commission completed hiring its top staff only in June of 1977. This means that the bulk of the study has only been underway for less than a year. Congress originally envisioned a 2-year study for this critical Commission, and I think it only appropriate that the reporting deadline be extended to allow the full 2-year time period. I wish to stress at this point that no new additional appropriations are anticipated to meet the 6-month extension.

I believe that we should provide the time needed by those of us on the commission to deliberate the alternative policy recommendations being developed.

That completes by statement. I move that the amendment be agreed to.

Mr. BENTSEN. Mr. President, I have discussed the amendment with the manager of the bill for the minority. It certainly appears to be a worthwhile contribution and a necessary one, the extension for 6 months to complete the study. I support it and yield back the remainder of my time.

Mr. CHAFEE. I yield back the remainder of my time.

The PRESIDING OFFICER. The question is on agreeing to the amendment.

The amendment was agreed to.

UP AMENDMENT NO. 1671

(Purpose: To amend the Federal Aid to Highways Act)

Mr. JACKSON. Mr. President, I call up my amendment which is at the desk.

The PRESIDING OFFICER. The amendment will be stated.

The legislative clerk read as follows:

The Senator from Washington (Mr. JACKSON) proposes an unprinted amendment numbered 1671.

Mr. JACKSON. Mr. President, I ask unanimous consent that further reading of the amendment be dispensed with.

The PRESIDING OFFICER. Without objection, it is so ordered.

The amendment is as follows:

On page 31, after line 6, insert the following:

(c) Clause (3) of subsection (c) of section 131 of title 23, United States Code, is amended by inserting immediately after "devices," the following "including those which may be changed at reasonable intervals by electronic process or by remote control,". (d) Subsection (j) of section 131 of title 23, United States Code, is amended by inserting immediately after "agreement" at the end of the first sentence, the following: "; provided that permission by a State to erect and maintain information displays which may be changed at reasonable intervals by electronic process or remote control and which provide public service information or advertise activities conducted on the property on which they are located shall not be considered a breach of such agreement or the control required thereunder.

Mr. JACKSON. Mr. President, the purpose of this amendment is to clarify the on-premise exemption under section 131 to accommodate improvements in sign technology. We need to update what is permissible under the Bonus Act agreements that many States entered into before this modern technology existed.

Current law permits signs visible from the highway if they describe activities being conducted on the premises. However, confusion in the interpretation of these Bonus Act agreements has resulted in extensive litigation, and differing interpretations between State highway departments as to the interpretation of these agreements has compounded the confusion.

Purely and simply, what this amendment will allow is the use of electronic signs on the premises of businesses adjacent to interstate highways. It does not extend beyond this as some have advocated to off premise commercial and industrially zoned properties. That is an entirely different matter.

The Federal Interstate Highway Systems now use these electronic information displays to communicate important highway safety information, such as warnings to the motoring public. They have proven to be of positive safety and public information benefit.

Mr. President, the second part of my amendment insures that States which permit the use of these modern information displays will not be penalized under the Bonus Act. By this subsection the Secretary of Transportation would take the necessary action to make the Bonus Act contracts comply with the purpose of the amendment.

Mr. STAFFORD. Mr. President, will the manager of the bill yield me some time?

Mr. BENTSEN. If I might just comment for a moment, then I will yield.

From what I have seen of the Senator's amendment, I think it is a clarification that will be helpful and deals with the on-premise signs.

I have great concern about the House version which would go off premise and would mandate it, in effect, instead of just a study of regulations.

Therefore, I hope the Senator from Vermont is going to deal with that particular question because, as I understand it, he shares the same concern.

Mr. STAFFORD. Mr. President, I do, indeed, share the same concern as the distinguished manager of the bill on the majority side, with respect to further electronic signs beyond those which might be under this amendment authorized onpremise for activities carried on premise.

Mr. BENTSEN. I yield such time as the Senator desires.

Mr. STAFFORD. Mr. President, I thank the manager of the bill for yielding me time, which I will not require at any great length.

I have examined the existing law and the amendment of the distinguished Senator from Washington (Mr. JACKSON).

Mr. President, I want to register my concern over any proliferation of these electronic signs off premise. My concern is that these signs, if sanctioned off premise, may be a threat to highway safety.

No one at this time can say with certainty that those signs are more hazardous than regular billboards.

We can say with assurance that an illuminated sign diverts the motorist's attention more than a nonilluminated one.

We also know that flashing signs are more distracting than illuminated ones.

And we have good evidence that 25 percent of automobile accidents involve distractions—by signs and other objects—as a principal cause.

As I understand the distinguished Senator's amendment it removes any Federal barrier only to electronic signs which provide public service information or advertise activities on the property on

which they are located. This does not change Federal regulations forbidding these signs in commercial or industrial areas, where the signs are not on-premise. Is that correct?

Mr. JACKSON. That is correct.

Mr. STAFFORD. Is it fair to say that permitting these signs only onpremise is as far as the Senator from Washington believes it advisable to go, given the lack of experience in judging the effect they may have on the traveling public?

Mr. JACKSON. I think that is a fair statement.

Mr. STAFFORD. Would the Senator agree that a good assessment of the effect of electronic signs on highway safety should be made before these signs are permitted to proliferate further?

Mr. JACKSON. I think that is imperative.

Mr. STAFFORD. I thank the Senator from Washington.

Mr. President, I say to the managers of the bill that, having long been deeply interested in the highway beautification program, I personally will not object to the acceptance of this amendment.

Mr. JACKSON. Mr. President, I thank the distinguished Senator from Vermont and the distinguished Senator from Texas who have been consulted in connection with this amendment. I think it will greatly clarify the existing law. I appreciate the cooperation. Mr. President, I yield back the remainder of my time.

The PRESIDING OFFICER. Is all time yielded back?

Mr. CHAFEE. No, not on this side.

The PRESIDING OFFICER. The Senator from Rhode Island.

Mr. CHAFEE. Mr. President, I am deeply interested in this whole subject, as is, of course, the Senator from Washington and the Senator from Vermont.

As we know, we originally got into a bonus system for the States willing to agree to more restrictive agreements 7 years prior to passage of the Highway Beautification Act. Those States are continuing to receive this bonus.

It seems to me we have got to be careful here to make certain that those States receiving the bonus are, indeed, putting some more extensive restrictions on themselves, or are adhering to more severe restrictions than are on the other States which are not entitled to the bonus.

To a degree, this amendment, it is true, is a question of interpretation. I understand that. But it seems to be chipping away a bit on the restrictions that are imposed in order to receive the bonus.

Now, it is a close call, and there are many who would maintain, and I find it hard to dispute, that these electronic signs were not the type that they were attempting to prohibit when the agreements were signed and the bonuses granted.

Mr. President, I am not going to object to this, on the part of the minority in connection with this bill I am not going to object, but I do think it behooves us on the committee to monitor this bonus provision which, I believe, gives an additional half of 1 percent of individual interstate apportionments to the different States that originally made this commitment around 1958. We must look to see if, indeed, they are doing anything more than States who are not getting the bonus.

The States getting the bonus are controlling on-premise signs, something not covered by the Highway Beautification Act, but if we keep chipping away at what the on-premise restrictions, I am not sure they should still be entitled to the bonus.

I am prepared to support the amendment and yield back the remainder of my time.

Mr. JACKSON. Mr. President, I thank the distinguished Senator from Rhode Island for his statement. I just say that at the time the original legislation was adopted, this technology was not known. It is now being used, however, by State highway departments for safety purposes. I am sure we have seen all those signs.

I feel very strongly, as both of my colleagues have expressed it here, Mr. President, that we should not extend the sign business in terms of what is now prohibited by law. It is only in connection with that interpretation that this amendment is offered.

Mr. CHAFEE. Mr. President, just one minute. I say that I certainly agree with the Senator from Washington. I think the colloquy the Senator from Vermont had is going to be very valuable when we go to the conference.

Mr. JACKSON. I agree, and I thank the Senator.

Mr. RANDOLPH. Mr. President, Senators BENTSEN, CHAFEE, and STAFFORD have discussed this amendment proposed by the knowledgeable Senator from Washington (Mr. JACKSON).

I do feel it is important to indicate for the record that no member of our Committee on Environment and Public Works has been closer to the continuing development of highway beautification than has the Senator from Vermont (Mr. STAFFORD).

He has brought to it a commitment and expertise which we all recognize.

After having studied the amendment, we feel it is equitable, it is valid, and can well be a part of this legislation.

So from the standpoint of the committee we are ready to accept the amendment.

The PRESIDING OFFICER. Is all time yielded back?

Mr. RANDOLPH. I yield back the remainder of my time.

Mr. JACKSON. I yield back the remainder of my time.

The PRESIDING OFFICER. The question is on agreeing to the amendment.

The amendment was agreed to.

Mr. JACKSON. Mr. President, I move to reconsider the vote by which the amendment was agreed to.

Mr. STAFFORD. I move to lay that motion on the table.

The motion to lay on the table was agreed to.

UP AMENDMENT NO. 1672

(Purpose: To provide authorizations for the priority primary program)

Mr. STEVENSON. Mr. President, I send an amendment to the desk.

The PRESIDING OFFICER. The amendment will be stated.

The legislative clerk read as follows:

The Senator from Illinois (Mr. STEVENSON) proposes an unprinted amendment numbered 1672.

Mr. STEVENSON. Mr. President, I ask unanimous consent that reading of the amendment be dispensed with.

The PRESIDING OFFICER. Without objection, it is so ordered.

The amendment is as follows:

On page 3, line 13, strike $1,475,000,000 and insert in lieu thereof, $1,600,000,000.

On page 8, after line 11, insert:

(3) In the case of priority routes, $125,000,000 per fiscal year of the sums authorized for each of the fiscal years ending September 30, 1979, and September 30, 1980 by subsection (a)(1) of this section for such routes shall not be apportioned. Such $125,000,000 of each such authorized sum shall be available for obligation on the date of apportionment of funds for each such fiscal year, in the same manner and to the same extent as the sums apportioned on such date, except that such $125,000,000 shall be available for obligation at the discretion of the Secretary of Transportation only for projects of unusually high cost or which require long periods of time for their construction. Any part of such $125,000,000 not obligated by such Secretary on or before the last day of the fiscal year for which authorized shall be immediately apportioned in the same manner as funds apportioned for the next succeeding fiscal year for such routes, and available for obligation of the same period as such apportionment.

Mr. STEVENSON. Mr. President, this amendment would add $125 million per year to the Federal-aid primary program. These funds would not be apportioned like ordinary primary program moneys. They would be available for obligation at the discretion of the Secretary of Transportation, but only for primary system projects of unusually high cost or which require unusually long periods of time for their construction. Because of the need to use regular primary program apportionments to maintain primary system routes, funds are not available to upgrade or add needed capacity to high-priority, heavily used primary system roads.

Consequently, the House bill contains $125 million for such a Federal aid primary program. The purpose of this amendment is to add to the Senate bill the same amount for the same purpose.

The amendment I am offering will help provide the States with the extra help they need to finance these needed highway projects. Two Illinois projects are good examples of the type of project that this amendment is designed to assist—the Rockford-Decatur expressway and the Chicago-Kansas City highway.

The Rockford-Decatur route runs for 156 miles through the center of Illinois. Because of the heavy traffic on this route, which will reach over 20,000 vehicles per day in the near future, the State of Illi-

nois is expanding the present inadequate two-lane road into a four lane divided highway. Discussion and study of this project have been going on for over 30 years. The State has invested over $55 million in State and Federal highway funds in this project to date. However, the remaining cost to complete the route is estimated to be between $360 to $415 million. At the current pace of construction, completion of the project is over 10 years away.

The project is important to Illinois. It provides the connection between Rockford and Decatur, the 2d and 5th largest cities in Illinois. It acts as a connecter for five existing interstate routes: I–90, I–80, I–35, I–74, and I–72. This route was included in every recommended Interstate System plan, since 1945, but was dropped from the plan that was finally adopted for cost reasons. If priority primary funding is made available in sufficient amounts, the completion time for this route could be cut by 50 percent, enabling the route to open to traffic by the mid-1980's.

Mr. President, the Chicago-Kansas City route is another example of the type of project that could be aided by priority primary funding. The proposed freeway has been under discussion for over 20 years; it was the subject of a special study mandated by the Federal-Aid Highway Act of 1973. In 1977, the Department of Defense called for upgrading the Chicago-Kansas City corridor as part of the Nation's Strategic Highway Corridor Network.

The segment of the route between Peoria and Quincy, a distance of 172 miles, is now served only by two-lane highways. These roads, are inadequate, due to deficient bridges, narrow pavement, and insufficient capacity. Construction of an upgraded four-lane highway for this segment is estimated to cost over $388 million, but unless priority primary funds can be made available, completion is many years away.

The problems caused by the inadequate highways in this area will continue to grow. The area served by this route is rich in agricultural and coal resources. The urban areas along the route, including Peoria, Macomb, and Quincy, are sites of numerous manufacturing firms. Employment in the region is expected to increase 27 percent by the year 2000. The existing highways are simply not adequate to meet the demand that will result from this growth, and if they are not upgraded, could actually impede attainment of the area's development potential.

The State of Illinois recognizes the importance of this route, and has begun construction, but because its primary system apportionment must be used almost exclusively for maintenance and rehabilitation work, completion of the road is not in sight. Priority primary funding is a necessity if the needed additional highway capacity is to be made available in the near future.

Mr. President, highways in Illinois, like highways across the Nation, are wearing out twice as fast as they are being maintained, which means that States must use more and more of their highway funds, including their Federal highway funds, for maintenance and rehabilitation projects. As a result, many States do not have the funds to add needed highway capacity to priority primary routes. My amendment would provide additional assistance designed to aid the States in financing the construction of these needed links. This assistance is necessary if the highway system is to meet future needs.

I hope, therefore, that the distinguished managers of the bill will look with some favor on this amendment.

Mr. RANDOLPH. Mr. President we, are gratified that the able Senator from Illinois (Mr. STEVENSON) has brought this matter to the attention of the Senate. We all are sympathetic with respect to the concerns he has expressed. We also are grateful for his understanding of the need for a commitment to the continuing repair and rehabilitation of our roads. For that reason, I would hope the amendment could be accepted.

However, in our committee we have decided, after careful consideration by many members, not to authorize additional funds for the priority primary program. This is because there are very severe demands placed on somewhat limited financial resources of the highway trust fund at the present time.

We know the importance to the State of Illinois of what the Senator is talking about.

Since what the Senator is discussing is actually in the House bill, we would take a second look at it in conference. I hope that would be a sufficient indication to the Senator, without his attempting at this point to press for action in this body on the amendment he has just discussed.

Mr. STEVENSON. Mr. President, the able managers of the bill have had a difficult task, and they have discharged it well.

I am grateful for those words by the distinguished chairman of the Committee on Environment and Public Works. The concerns which I expressed, and which the chairman has indicated he shares, are shared by many others. This is not a matter of concern to the State of Illinois alone.

I can understand that the distinguished Senator from West Virginia might desire to go to conference with the House with a good deal of flexibility. The House bill is excessive.

It contemplates expenditures that are far in excess of the revenues that will be received into the highway trust fund. I can recognize, therefore, that there is a need to compromise the differences between these two bills, and for that reason the distinguished Senator is reluctant to see additional large sums added to the Senate bill.

Mr. President, I ask unanimous consent that the name of the Senator from Florida (Mr. STONE) be added as a cosponsor of this amendment.

The PRESIDING OFFICER. Without objection, it is so ordered.

● Mr. STONE. Mr. President, I support this amendment offered by the senator from Illinois. U.S. 19 in the State of Florida is a primary road that would certainly qualify for this type of priority assistance. There are other such roads in Florida greatly in need of extra attention such as U.S. 41 and I hope that a reasonable compromise can be worked out in conference.

I associate myself in all respects with the remarks of the distinguished Senator from Illinois and his withdrawal of the amendment to facilitate the Senate position.●

Mr. STEVENSON. Mr. President, because I recognize the situatioi. and appreciate the indications by the Senator from West Virginia that this subject will receive additional and sympathetic consideration in the conference—and I am very grateful for that—I will not press this amendment. With those expressions by the distinguished Senator from West Virginia and with my gratitude to him, I withdraw the amendment.

The PRESIDING OFFICER. The amendment is withdrawn.

Mr. RANDOLPH. Mr. President, I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The second assistant legislative clerk proceeded to call the roll.

Mr. CANNON. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. CANNON. Mr. President, I ask unanimous consent that Aubrey Sarvis, Bill Johnson, Dan Jaffe, Tim Lynch, and Chip Barclay of the Commerce Committee staff, be accorded the privilege of the floor during consideration of the highway bill, S. 3073.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. CANNON. Mr. President, the Senate Environment and Public Works Committee, due to its regulation of highway construction, and the Senate Commerce, Science, and Transportation Committee, due to its jurisdiction over highway safety, have joint jurisdiction over various aspects of the 55 miles per hour national maximum speed limit. As a reflection of this fact, there are identical provisions in the Fedreal Aid to Highways Act and the Highway Safety Act in regard to the development of State enforcement standards for the national maximum speed limit. In order to avoid duplication concerning these provisions, I will offer an amendment to delete the specific provisions in the Highway Safety Act concerning State enforcement standards for the 55 miles per hour speed limit. This action, however, will not alter these enforcement standards in any way. Also this amendment, of course, will not affect the Highway Safety Act's discretionary authorization of funding to assist

the States in carrying out their 55 miles per hour enforcement programs. The Commerce, Science, and Transportation Committee looks forward to continuing to work closely with the Senate Environment and Public Works Committee in regard to this issue.

Mr. President, I may say that it has been agreed that the Highway Safety Act will be offered as a separate title to S. 3073 once we have completed the title that is presently under consideration.

Mr. RANDOLPH. Mr. President, I very much appreciate this action by the distinguished chairman of the Senate Commerce, Science, and Transportation Committee. As the chairman has rightly stated, this amendment is strictly technical and will not affect the requirements of the enforcement provisions, as an identical provision is contained in title I of S. 3073. The Senate Environment and Public Works Committee intends to continue our close, effective, and cooperative relationship with the Commerce Committee in carrying out our joint jurisdiction relating to the standards for the national maximum speed limit.

Mr. President, I am sure that Senator CHAFEE and others who are managing the legislation will feel that in this instance we appreciate the action that the able chairman of the Commerce, Science, and Transportation Committee, Mr. CANNON, of Nevada, brings to our attention.

He has correctly stated this amendment will not affect the requirements of the enforcement provision. I think that it is important that the record so reflect his feeling. That provision, of course, is contained in title I of S. 3073.

Our committee intends to continue a very close and cooperative relationship with the Commerce Committee. We have joint jurisdiction, on the standards for the national maximum speed limit. I assure him that it is the feeling of the committee.

Mr. CANNON. I thank the chairman very much for his kind remarks. We have a close working relationship. I did want to get some clarification in the RECORD concerning the speed limit because I was afraid it might be misunderstood if we offered an amendment to remove these provisions from the highway safety portion of the bill because we do not intend to lessen the requirements under that 55-mile-per-hour speed limit as we think it has been useful from the highway safety standpoint. It has saved many lives throughout this country, and served to facilitate conservation of fuel.

I thank the chairman.

Mr. RANDOLPH. I thank the knowledgeable Senator who brings this matter to our attention.

Mr. CHAFEE. Mr. President, I join in expressing our appreciation on this side to the chairman of the Commerce, Science, and Transportation Committee for the cooperation and effort he has made to work these matters out.

I yield back any time I might have remaining.

I thank the Chair.

Mr. RANDOLPH. Mr. President, I suggest the absence of a quorum.

The PRESIDING OFFICER. The Chair inquires of the distinguished Senator from West Virginia, on whose time?

Mr. RANDOLPH. I ask unanimous consent that it be equally divided.

The PRESIDING OFFICER. Without objection, it is so ordered.

The clerk will call the roll.

The assistant legislative clerk proceeded to call the roll.

Mr. KENNEDY. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

UP AMENDMENT NO. 1673

(Purpose: Repeal of section 142(k) of title 23, U.S.C.)

Mr. KENNEDY. Mr. President, I send an amendment to the desk and ask for its immediate consideration.

The PRESIDING OFFICER. The clerk will report.

The assistant legislative clerk read as follows:

The Senator from Massachusetts (Mr. KENNEDY) proposes an unprinted amendment numbered 1673.

Mr. KENNEDY. Mr. President, I ask unanimous consent that further reading of the amendment be dispensed with.

The PRESIDING OFFICER. Without objection, it is so ordered.

The amendment is as follows:

On page 33, line 4, after "Sec. 127." insert "(a)".

On page 33, between lines 14 and 15 insert the following:

"(b) Subsection (k) of section 142 of title 23, United States Code, is repealed."

Mr. KENNEDY. Mr. President, first of all, I would like to thank the floor managers of the bill, the Senator from Texas (Mr. BENTSEN), and the Senator from Rhode Island (Mr. CHAFEE), and also Senators RANDOLPH and STAFFORD for the cooperation they and their staffs have given on a number of different issues during the consideration of this legislation and during the course of their own hearings and markup.

I have found them greatly responsive to a number of different questions we face, and I am enormously grateful for their help and assistance.

Later I will have an opportunity to have a brief dialog with my friend and colleague from Nevada on a different issue. I am grateful for his understanding and support.

Mr. President, this amendment, just very briefly, is an amendment with respect to section 142(k) of this legislation which says:

The Secretary of Transportation shall not approve an interstate transfer project when there has been enacted an urban transportation trust fund or similar assured funding for both highways and public transportation.

This amendment would delete this provision. The provision was added in conference the last time the highway authorization bill was approved, in 1973. It was not part of the House or Senate bills, and the effect of this provision on funding of transfer projects and urban transportation as a whole really has not been considered. It was not considered in 1973 nor was it considered this year.

It is unclear what might trigger this particular provision. The conference report in 1973, in referring to this particular section says:

In addition, the Secretary shall not approve any project for buses and rail facilities in any fiscal year when there has been enacted an urban transportation fund or similar assured funding for both highways and public transportation.

We really do not know what "assured funding" means. Proposals which assure money for mass transit might eliminate the interstate transfer. Section 142(k) cannot assure that funding would be adequate to the mass transit needs of the Nation; cannot assure us of the conditions which would attach to its use; cannot assure us that it would be distributed in a way which provides enough to replace the funds now available after a locally determined decision to move ahead with mass transit funded from an interstate transfer.

This may very well deter communities, from moving toward an interstate transfer when they feel that they want to meet their transportation needs by public transportation, such as improving a rail system.

And, we must remember what we are talking about are nonessential links of the highway system here, and in these situations we have tried to provide flexibility to the States and local communities to exercise their judgment.

Mr. President, the effect of such a termination could be enormous. It would surely prevent the transfer of funds from the interstate system to other uses. Currently, there are 185 miles of urban interstate not yet started. Four hundred and seventy-five are only in the preliminary stage. Of this 500 miles are potential transfers and this represents between $3 and $4 billion.

In addition, the language might prevent the use of already transferred funds which have not yet been obligated. This could wreak havoc—by stopping some project that an urban area is counting on, while the former interstate route may already have been turned over to other purposes. The conference report says that the Secretary shall not approve any project for buses and rail facilities when a trust fund has been set up—it does not just forbid the initial transfer. If this were the case many of the cities which have transferred funds which are not yet obligated might not be able to use them. These cities include Boston ($725 million); Philadelphia ($190 million); Maryland-D.C. suburbs ($75 million); District of Columbia ($130 million); Hartford, Conn. ($270 million); Portland, Oreg. ($200 million); Tucson, Ariz. ($40 million); Salem, Oreg. ($35 million); Albany, N.Y. ($35 million); Minneapolis ($70 million). This represents over $2.4 billion.

We should not eliminate the potential for transfers and perhaps prevent the obligation of funds already transferred, as an automatic consequence of some other fund being set up which might aid urban public transit when we do not know how much money might be allotted to that fund; when we do not know the conditions under which funds could be drawn; when we may confound the plans of a locality which has switched money or has applied to switch money for a particular purpose.

The concern I have and my colleagues have is with a trigger on interstate transfer caused by the establishment of a mass transit system. It may very well vitiate the planning and the programs of many States and local communities.

That is why the amendment is offered.

Mr. RIBICOFF. Mr. President, will the Senator yield?

Mr. KENNEDY. I yield.

Mr. RIBICOFF. I wish I could have the attention of the managers of this bill, because the Senator from Massachusetts (Mr. KENNEDY) makes a very important point, and I am not quite sure whether the managers realize the inequities involved.

Take my own State of Connecticut: There local and State authorities have decided not to go forward with $270 million in highway projects. That money is apportioned to Connecticut under the basic Federal aid highway law formula that divides money among all of the States. Instead of building highways that no longer serve our transportation needs, local and State authorities plan to use that money for public mass transit projects.

That is what Congress intended when it passed what is now section 142(c) of the Federal Aid Highways Act.

But that money which is apportioned to Connecticut and other States which have made similar transportation decisions could disappear under the authority granted to the Secretary of Transportation by section 142(k) of that same act. Should Congress at some point enact and fund a trust fund that provides money for both highways and mass transit, Connecticut and similarly situated States will lose money that has been lawfully and fairly apportioned for transportation.

For example, last year, the Senate approved the creation of an Energy Production Conservation and Conversion Trust Fund. That was our amendment. We passed it in the Finance Committee, and we passed it on the floor of the Senate. It is now in conference, and I do believe has the enthusiastic backing of the Senator from Texas. One of the major purposes of this trust fund was to assist in the development and construction of energy efficient forms of transportation. Currently, the most energy efficient form of transportation is mass transportation. The thrust and purpose of the energy production, conservation, and conversion trust fund would be substantially thwarted if, because of the existence of this trust fund, certain States were denied other Federal funds for mass transportation purposes.

We were very careful, in devising that amendment in the Senate Finance Committee, about reserving for the proper committee the authorization process, and also preserving the appropriation process. If we pass this energy trust fund measure, the Public Works Committee would determine how that trust fund would be allocated, and the Appropriations Committee would allocate the appropriation.

You could, then, make up your mind in the authorization process whether you were going to allocate part of the trust fund for States like Massachusetts, Connecticut, and other States which were using the funds under 142(c) for mass transit. It is completely within your jurisdiction. The Senator from Massachusetts is absolutely right, because we believe there is an oversight here, and there will be a complete penalty to our States, which I do not think was intended at all.

I believe if our States decide to use our highway funds for mass transit, they should be encouraged to do so, instead of our forcing them to go into the construction of highways which they believe will not solve their transportation needs.

So I hope the managers of the bill will accept the Kennedy proposal, and I ask unanimous consent to be a cosponsor of the Kennedy amendment.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. BENTSEN. Mr. President, I understand the concern of the Senator from Connecticut.

Senator KENNEDY is concerned that if a crude oil equalization tax is enacted into law, some sort of "energy efficient trust fund" might be established on the basis of COET revenues and would pose a threat to the successful transfer provisions provided by the committee.

My initial reaction to this concern is that it is by now generally conceded, openly by many and tactically by the administration, that there will be no crude oil equalization tax and, hence, no cause for concern on this score. If COET is somehow resurrected, the committee would have ample opportunity to deal with the problem.

Let me make some general observations on this amendment and how it developed. Senator KENNEDY played a big role in that I have noted on several occasions that we have made a conscious effort to build flexibility into the Federal-aid highway system; we have tried to be responsive to the requirements of urban areas. Senator KENNEDY's amendment is testimony to our success.

I guess we saw this in—was it 1974?

Mr. KENNEDY. 1973.

Mr. BENTSEN. 1973. I think we had 40 conferences with the House in trying to bring it about.

Let me say that this drive toward flexibility was not always easy or popular. We have to overcome substantial objections from people and businesses whose prosperity depends on a sound, stable transportation system. People who actually pay for the system through gas and other user charges and were concerned that revenues would be diverted to subsidize other, competitive transportation modes.

But we rose above this controversy and provided highway dollars for those with other transportation concerns like urban mass transit assistance. That was the big fight in 1973.

There has been no corresponding correlative legislation on mass transit. Even though cities get unneeded mass transit funds, it is not flexible; it does not go back to highways. Our cities do not have the flexibility to use transit funds for road constructions if the needs of a particular urban area justify such a shift in expenditures.

Mr. RIBICOFF. Mr. President, will the Senator yield at that point?

Mr. BENTSEN. I yield.

Mr. RIBICOFF. I think that the flexibility should go both ways, if the State authorities or local authorities make that choice. I would vote to support that.

But that is not the issue the Kennedy amendment presents at this time.

Mr. BENTSEN. I think unless you get that kind of flexibility, there is a concern by the people we finally got to go along with this that they will withdraw their support, and we will have some problems.

The original administration bill provided flexibility in both directions, from roads to transit and from transit to roads. We bought the concept, we provided greater flexibility. The transit people did not. Transfer has always been—and continues to be—a one-way street.

That is what we are up against.

Mr. KENNEDY. Mr. President, if the Senator will yield, our concern here is with transfers from nonessential aspects in the Interstate System, not that which obviously has a national importance to maintain the integrity of the interstate highway transportation system.

We want to provide maximum flexibility to States and localities under the legislation as it exists. The amendment seeks to protect those who make the decision to do an interstate transfer under this existing legislation. Where communities believe their transportation needs can be met by means other than highways and develop alternative programs, they should not lose their interstate resources or the right to propose and get a transfer if there is the establishment of a mass transit fund. That is our concern.

There is nothing in the language that would protect us. Some $2.4 billion has already been transferred, but not yet obligated. An additional $3 to $4 billion is eligible for transfer. I cannot see the establishment of a mass transit fund that would begin to provide those resources let alone meet the other mass transit needs of communities throughout this country. That is what we are concerned about.

Mr. CHAFEE. Mr. President, I wonder if I could yield a minute to the Senator from Wyoming (Mr. HANSEN).

Mr. KENNEDY. Mr. President, how much time do we have remaining?

The PRESIDING OFFICER (Mr. CHILES). The Senator from Massachusetts has 6 minutes remaining. The Senator from Texas has 11 minutes.

Mr. CHAFEE. Could I yield time on the bill to the Senator from Wyoming (Mr. HANSEN)?

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. KENNEDY. I yield to the distinguished Senator from Maryland.

Mr. SARBANES. Mr. President, if I could have the attention of the manager of the bill, it seems to me that the problem that is in the bill, and the reason the amendment is a constructive one, is that there is a trigger mechanism which would jeopardize these interstate transfers, either to be done or maybe to be done but not yet obligated, unrelated to what might be contained in an urban transportation process.

I agree with the Senator from Connecticut about a two-way street and would be prepared to support that concept in a proper context.

But what has been done here is, in effect, to have established a trigger unrelated to the substance of the fund and its context that will endanger and jeopardize these transfers on which State and local communities have based their transportation planning. That is the difficulty with this. It has a retroactive impact upon it. That is why I think it really ought to be taken out of the law.

Mr. BENTSEN. Let us see if we can work this out. The concern in this fight was that it was a one-way street. The Senator from Connecticut and I have addressed ourselves to the problem that it ought to be a two-way street. Can we work out this language that if there is such a fund established and it provides for the two-way street, that this provision will not apply?

In trying to put this through finally, we have put together very diverse interests and it was a tough and bloody fight. I want to be able to hold this together if we can. Can we phrase this language—and I say this to the Senator from Connecticut and the Senator from Massachusetts—where this would be stricken, if comparable transferability is provided for transit?

Mr. KENNEDY. The only problem is that if we are talking about a two-way street, we have to talk about a two-way street for the whole program. We have spent 10 times as much on the Federal aid to highways on transit.

Mr. BENTSEN. Then we are getting into the user tax question.

Mr. KENNEDY. I know. But if the Senator accepts this now, we will be glad to work with the Senator. I think the importance is to leave it to the local communities and the States to make their judgments. We will work with the Senator on it in the future. We want to meet our particular problem.

Mr. DECONCINI. Will the Senator yield?

Mr. KENNEDY. I yield 3 minutes to the Senator.

Mr. DECONCINI. I support the distinguished Senator from Massachusetts with the amendment to eliminate this particular section. It could be very damaging and devastating to communities in my State. I daresay if a careful scrutiny was made of many States the option ought to remain available for exactly what the Senator from Massachusetts is proposing.

I would like to address a question to the Senator from Texas, unless he has given an explanation prior to my arriving.

How was section 142(k) enacted to begin with?

Mr. KENNEDY. Mr. President, I suggest the absence of a quorum without the time being charged to either side.

The PRESIDING OFFICER. Is there objection? Without objection, it is so ordered. The clerk will call the roll.

The assistant legislative clerk proceeded to call the roll.

Mr. BENTSEN. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. BENTSEN. Mr. President, in discussing this with the Senator from Maryland, the Senator from Connecticut, the Senator from Massachusetts, and the Senator from Arizona, we are trying to achieve the same objective. I fought hard for this in the conference in 1973. Senator KENNEDY led the fight on the floor to try to get these funds used in urban areas. We have gone further than that. When cities give up part of the interstate we now allow that money to go into mass transit. The concern is that there also be given consideration for transfer of transit funds to be used by the local area to build roads, if they so want. I think we are all in agreement in trying to achieve that kind of an equitable treatment of these funds.

With that in mind, for the majority on the committee I will accept the amendment with the understanding that we will also work to bring that about.

Mr. RIBICOFF. Personally, I would like to pay my thanks to the distinguished Senator from Texas who always is able to see the implications of complex problems and act with a degree of statesmanship which takes the national interest into account. I find that working with him constantly. He can be assured, whether it is in the Finance Committee or on the floor, we will try to work this out to put into effect the agreement that we all have had during these last few minutes.

Mr. DECONCINI. I join in thanking the Senator from Texas for his consideration and great understanding of this particular problem.

Mr. HANSEN. Mr. President, I ask unanimous consent that excerpts from a letter written by Ed Crowell, senior vice president and general manager of Salt Creek Freightways, be printed in the RECORD.

There being no objection, the excerpts were ordered to be printed in the RECORD, as follows:

SALT CREEK FREIGHTWAYS,
Casper, Wyo., July 18, 1978.

Hon. CLIFFORD P. HANSEN,
U.S. Senate,
New Senate Office Building, Washington, D.C.

DEAR CLIFF:

* * * * *

To give you some specifics in why I oppose any reduction in the length from 45 feet to 40 feet and also any reduction in lengths now established by the various states, Salt Creek Freightways, due to the distances traveled and the sparse population in the states of Wyoming, Montana and Idaho, has actively pursued methods through the legislatures and through our own equipment purchasing and handling over the past three years towards fuel conservation, increased productivity and a constant on-going safety program. The most productive method which we have so far been able to implement is the use of the 85 foot combination which is comprised of one 45 foot trailer with a trailing 27 foot trailer. We have had this combination in operation in Montana since October 1975 and in Wyoming since June of 1977 when it was authorized by the Wyoming 1977 General Session.

The period June 1977 through May 1978, Salt Creek operated this combination a total of 1,208,604 miles. Our data indicates that by combining the 27 foot trailer with the standard 45 foot unit, we estimate a fuel savings in the 12 month period of 143,881 gallons, for which Salt Creek has been cited as contributing to fuel conservation by the Governor's Committee on Energy Conservation. We also estimate an increase in productivity of somewhere between 40% and 50% in our over-the-road operation.

Since Wyoming observes the 80,000 pound federal interstate highway gross limitations, we have not been able to implement this unit in as many cases as we could have if we could operate on federal interstate highways with the same gross weight as we have been allowed since 1974 to operate on other than interstate highways in the state of Wyoming.

We also are, in some cases, limited to the utilization of this vehicle configuration by the demands of service and scheduling to the commercial communities of the state of Wyoming. However, considering the limitations of 80,000 pounds on the federal interstate highways, we still have been able to experience a very high ratio of fuel savings and increased productivity, both of these factors which have been main points of the federal government's administration as goals to be attained by industry. This is not only contributory to savings in fuel but acts as a definite depressant to any future rate increases aiding in cooling of the present inflationary spiral.

In relationship to any safety hazard that might be introduced by the use of multiple trailers as far as the present twin 27 foot combination which has been utilized by our company since the early 1960's, or the present twin combination of a 45 foot and a 27 foot, we have absolutely no evidence of a safety hazard. Since the full utilization of this combination on June 1, 1977 in both the states of Wyoming and Montana, Salt Creek has operated this 85 foot combination for the previously cited 1,208,604 miles completely accident free and as further information, when this increased length was proposed before the Wyoming legislature, one of our drivers, Ramon Greene, who operated this vehicle a considerable amount of time

in Montana, testified before the joint House-Senate Transportation Committee of the Wyoming Legislature that in his own personal opinion this was an extremely stable and safe combination.

* * * * *

I feel that traditionally the various states have been quite competent and effective in enforcing the length laws that are applicable to their particular region of the United States and that any federal intrusion would place, particularly the western states, in a position that they must conform to economic and populace conditions indicative of the east and not compatible with the western way of life.

Very truly yours,

ED CROWELL,
Senior Vice President and General Manager.

Mr. BENTSEN. With the understanding that the proponent of the amendment is yielding back the remainder of his time, I will yield back the remainder of mine.

Mr. KENNEDY. I yield back the remainder of my time.

The PRESIDING OFFICER. All time has been yielded back. The question is on agreeing to the amendment.

The amendment was agreed to.

Mr. KENNEDY. Mr. President, I do not think it is necessary, but I move to reconsider the vote by which the previous amendment was agreed to.

Mr. BENTSEN. I move to lay that motion on the table.

The motion to lay on the table was agreed to.

S. 3431

Mr. KENNEDY. Mr. President, I send an amendment to the desk and ask that it be considered.

The PRESIDING OFFICER. The amendment will be stated.

The assistant legislative clerk proceeded to ready the amendment.

Mr. KENNEDY. Mr. President, I ask unanimous consent that further reading of the amendment be dispensed with.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. KENNEDY. Mr. President, this legislation deals with truck length, which is an important safety issue for truckdrivers and indeed for all motorists. It is an issue which I have had the opportunity to talk about with the distinguished chairman of the Commerce Committee (Mr. CANNON). I have also exchanged views with the manager of the bill (Mr. BENTSEN).

The issue before us is an issue of safety. What we are concerned with is removing the economic incentive for truckers to have to choose increased profits—meaning longer trailers—over safety. This proposal would require the States to set lengths of trailers only, exclusive of overall length.

The increased truck weights Congress has allowed on the Interstate System has encouraged trucking companies to order larger trailers, and has fostered the development of dangerously foreshortened tractors with limited cab space. This weight increase took place in the years of the energy crisis, yet the States had limitations on the length of the trailer. In order to meet the length laws, truck manufacturers have had to significantly reduce tractor lengths and cab sizes to the point where, in many instances, they appear to pose potential threats to the safety of those who use the Interstate System. While some segments of the trucking industry dispute the evidence of this, I find it satisfactory and indeed persuasive.

If States still want to set overall length under this amendment, they can. However, those overall lengths must exceed by at least 15 feet the trailer lengths they set, to allow enough space for a comfortable and safe cab.

Congress must act, Mr. President, to alleviate this conflict between the increased weight allowances and State length laws. I know the Senator from Illinois (Mr. PERCY) has noticed a vast increase of traffic fatalities involving trucks—over a 20-percent increase since 1975. Many of the drivers strongly feel that this is due to the increased length of trailers combined with shorter tractors.

I know Senator CANNON has requested that the Committee on Commerce have a chance to consider this proposal. The Senator from Nevada and I had an opportunity to visit with truckdrivers and to see for ourselves the problems passed by the new truck and trailer designs. I know that he anticipates having a hearing on this and come back to Congress. I should like to elicit his ideas on this issue and see if we can reach a common understanding.

The PRESIDING OFFICER. Who yields time?

Mr. KENNEDY. I yield whatever time the Senator from Nevada needs.

Mr. CANNON. Mr. President, first, I want to take a moment to commend Senator KENNEDY for his interest in motor carrier safety and for focusing attention on the issues of motor carrier length laws and highway safety. I would also like to point out that the Commerce Committee, which has jurisdiction over highway safety, has been active over the years in the area of motor carrier safety. The committee has scheduled 2 days of hearings on motor carrier safety for the first week in September. Specifically, the question of vehicle length, both tractor/trailer combinations and individual trailers, will be the subject of a hearing on September 7.

There are a number of legitimate questions raised by Senator KENNEDY'S amendment concerning driver safety and comfort, State motor carrier length laws, motor carrier operating efficiencies, and various tractor/trailer configurations that should carefully be reviewed and evaluated during the September 7 hearing. Though it is my understanding that the amendment is intended to carefully balance a Federal safety standard with the historical role that individual States have played in setting tractor/trailer and trailer length standards, there are a number of questions concerning the impact the legislation will have on State length laws. It is my understanding that this proposal will allow States to concentrate their efforts in setting vehicle length standards to trailer size and to permit tractor size to be dictated solely by safety and driver comfort considerations.

It is my hope that Senator KENNEDY will introduce his proposal as a bill in order that the Commerce Committee may have the benefit of legislative language during the course of the September 7 hearing. I look forward to working with Senator KENNEDY on this issue during the course of the Commerce Committee's review and consideration of motor carrier length standards.

I hope he will not press this amendment now so that we can have the benefit of the hearings that are currently scheduled before legislating in this area.

Mr. KENNEDY. I thank the chairman of the committee and I look forward to working with him. I recognize completely both the jurisdiction and the long-time interest of the Senator from Nevada and the Commerce Committee in this issue. We want to cooperate and work with the committee in every possible way. What he suggests seems not only a satisfactory, but an appropriate way to proceed.

I want to thank the Senator from Texas as well for his interest.

Mr. President, I am, therefore, going to offer the language of this amendment in the form of a new bill, and I ask that it be appropriately referred as a bill.

(See S. 3431 under bills introduced.)

The PRESIDING OFFICER. The amendment is withdrawn and the bill is appropriately referred.

Mr. KENNEDY. I thank the floor manager and Senator CANNON.

Mr. BENTSEN. Mr. President, I commend the Senator from Massachusetts for his interest in transportation and safety. Our committee deals with highway safety. It addresses the width of trucks and the weight of trucks. I well understand the problem he is concerned with on the length of trucks. I have had some truckdrivers tell me that with these cabs over the motors, they now arrive at the accident first. I can understand their concern on that.

I am delighted to see that the chairman of the Committee on Commerce shares the concern and will be interested in the legislation.

Mr. CANNON. Mr. President, I commend Senator KENNEDY for his decision to introduce this as separate legislation. It will facilitate the consideration of this complex issue and I look forward to working with him on this proposal during the hearings before the Commerce Committee on September 7 and 8. We certainly will review and give full consideration to this very complex issue of motor carrier length. I am sure that we can come out with some legislation that will be reasonable, but we shall have the facts to support whatever legislation we come out with.

I thank the chairman of the subcommittee for his participation.

(Later the following proceedings occurred:)

Mr. BARTLETT. Mr. President, I rise in opposition to the amendment that was introduced by the Senator from Massachusetts (Mr. KENNEDY), and was taken down by Senator KENNEDY.

The PRESIDING OFFICER. Who yields time to the Senator from Oklahoma?

Mr. CHAFEE. Can we yield time on the bill?

The PRESIDING OFFICER. Yes.

Mr. CHAFEE. How long will the Senator require?

Mr. BARTLETT. Could I have 5 minutes?

Mr. CHAFEE. I yield the Senator 5 minutes from our side's time on the bill.

The PRESIDING OFFICER. The Senator from Oklahoma.

Mr. BARTLETT. Mr. President, I ask unanimous consent that these remarks be placed in the RECORD at the conclusion of the dialog on the amendment on trucks introduced by Senator KENNEDY.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. BARTLETT. Mr. President, I rise in opposition to this amendment. My objection is not founded on the amendment's intent; surely none of us here are opposed to improving highway safety. My objection is rooted in the substance of the amendment itself. This amendment, which is being promoted as a safety measure, is no guarantee that highway safety would be improved by its adoption. The anticipated improvement in safety is only theoretical, as the manufacturers and the motor carriers would still be able to use whatever size cab they choose. If we pass this legislation, we are only assuming that the motor carriers would stop purchasing cab-over engine (COE) tractors except for limited use and the manufacturers would voluntarily slow down or cease production of the small COE power unit.

More importantly, this measure would force all but a handful of States to rewrite their existing laws on truck length limitations. The amendment stipulates that if a State does not comply by June 1, 1980, the Congress will withhold all of that State's Federal aid highway funds.

I believe that we should not be debating what we feel is best for the States. On a matter of commerce such as this, only a State legislature can accurately make this judgment. They are the ones who best know the capacities of their State's highway system and the subsequent needs of their constituents. By proposing this amendment the authors appear to be saying that the States do not care about improving highway safety, and they are not qualified to do so.

Mr. President, this issue should be left to the individual legislatures to determine what is best for their State.

This amendment will also greatly affect the future utilization of twin trailers. Only five States would not have to revise their statues in order to avoid the elimination of twin trailer usage. Of the 26 States which presently allow twin trailers, an average increase of 7 feet would be required in overall length limit. Should these States choose to comply with the proposed amendment by setting only trailer lengths, an average decrease of 7 feet would be necessary.

In my own State of Oklahoma, if we wish to protect the future use of twin trailers, we would have to either decrease our present trailer length to 57 feet or increase the overall length limit to at least 72 feet.

The twin trailer, according to a recent Supreme Court decision (S. Ct. (76–558)), is the safest of all trailers. Furthermore, this type of trailer is the most fuel efficient for nearly every type of cargo load. The Federal Energy Administration estimates that these trailers could save 30 percent in terms of vehicular trips and 21.4 percent in fuel consumption.

Mr. President, I ask unanimous consent that these and other pertinent statistics be printed in the RECORD.

There being no objection, the material was ordered to be printed in the RECORD, as follows:

FEDERAL ENERGY ADMINISTRATION,
Washington, D.C.

Hon. JAMES B. LONGLEY,
Governor of Maine,
Augusta, Maine.

DEAR GOVERNOR LONGLEY: As part of the Federal Energy Administration (FEA), the Office of Conservation and Environment has the primary goal of increasing the efficiency of energy utilization in the transportation sector of the economy. Priority issues include emphasis on cost-effective and maximum efficiency savings among the modes in the intercity freight market.

The Project Independence Report published in November 1974, by FEA, listed "liberalization of truck sizes and weights" as one of the possible fuel conservation options. The report stated, "For example, substituting twin trailers for conventional trailers could save 30 percent in terms of vehicular trips and 21.4 percent in fuel." More recently, in connection with the Federal Grant Program authorized by the Energy Policy and Conservation Act (EPCA) to implement State Energy Conservation Plans, the option of fuel saving through liberalization of truck sizes and weights has received further study. The Stanford Research Institute (SRI), evaluated the energy savings which could be achieved by expanded use of 65-foot twin trailer combinations. SRI concluded that more than 181 million gallons of fuel could be saved annually in the 19 States which now do not permit operation of these combinations. Fuel savings of 2.2 million gallons annually would be achieved in Maine.

Our conclusion is that such action in all of the States would be a positive step toward improved fuel efficiency in highway freight transportation. For this reason, FEA supports efforts in the States to secure nationwide operation of 65-foot twin trailer combinations as an effective means for conserving fuel.

Sincerely,

MARTIN E. SENECA, Jr.,
Acting Assistant Administrator, Conservation and Environment.

EXCERPTS FROM REPORT

Even more such specialization is expected in the future, a trend that militates against the establishment of arbitrary national fuel-use standards that would apply equally, for example, to the 55-foot moving van and the 55-foot dumptruck carrying crushed gravel. As the Post 1980 Goals Study determined, "attempts to standardize the national fleet about some 'average' could destroy the service evidenced today and result in greater national fuel consumption."

TWIN TRAILERS ARE FUEL SAVERS

Recent studies have shown that twin trailers, that is, tractors hauling two 26- to 28-foot trailers, with an overall length of 65 feet, are the most energy-efficient mode of freight transportation in common use. Twins have even made a better showing in fuel-use tests than "piggyback" trains—trailers on flat cars (TOFC)—widely touted as the ideal hybrid of road and rail transportation.

A 1975 study conducted for the U.S. Department of Transportation by Reebie Associates of Greenwich, Conn., found that twin trailers used less fuel than other modes of transportation in a test run between Portland, Oreg. and Los Angeles, Calif. comparing fuel consumed in loading, transfer, pickup and delivery as well as that used in traversing the 950-mile route.

Fully expecting to find the railroads to be more efficient than trucks, and an improved intermodal system using both trucks and trains to be better than either, the Reebie researchers were surprised at the results of their study—"piggyback" trains required 120 more gallons per 40-foot container equivalent than triple-trailers, and 80 more gallons per container than twins. Although regular rail carloads outperformed tractor-semitrailers by 10 gallons per container, twin and triple-trailers proved much more fuel-efficient than any rail operation.

Moreover, the authors reported:

"Part of the hypothesis for this study was that an improved intermodal system could have environmental advantages which would supplement whatever economic advantages were identified. Certainly, based on traditional comparisons of rail and truck fuel consumption, such advantages would seem self-evident. But close investigation revealed that the traditional analysis was insupportable in terms of a unit of delivered freight, as it is actually moved in this corridor. It was found, instead, that in comparing a hypothetical, improved intermodal operation with an efficient truck operation trucks use less fuel per unit of freight."

The study went on to present an even greater contrast between the fuel-efficiency of truck operations and the fuel use of railroads. "Almost 60 per cent of the truck fuel is used 'productively' in providing the energy to move the payload, assuming the same five percent empty equipment ratio as has been used elsewhere in this report. In contrast, only 34 per cent of the rail carload fuel, and only 24 per cent of the TOFC fuel, is used for the payload, while the rest is consumed in moving empty equipment, equipment tare (weight), and excess mileage."

Twin trailers' economies show up not only in comparisons with rail freight operations. Sixty-five-foot twin combinations carry one-third more freight than conventional 55-foot tractor-semitrailer combinations and it has been estimated that transferring light and bulky freight from semitrailer combinations to twins would reduce by 30 per cent the number of vehicle trips required to move a given amount of freight and would result in a 21.4 per cent fuel saving.

The use of 65-foot twin trailer combinations in the 30 states in which they are permitted has already saved the nation billions of gallons of fuel. The Stanford Research Institute estimates that changing the laws of the states in which twins are not now permitted would save more than 180 million gallons of diesel fuel each year in those 20 states alone. The fuel savings in the entire country would be vastly increased if those states allowed twin trailers because cross-country haulers would not have to bypass the states with shorter length limits or stop and reload into conventional trailers to pass through those states.

Recognizing the fuel economies that can be gained with twin trailers, officials of the Federal Highway Administration, Federal

Energy Administration, U.S. Agriculture Department and the American Association of State Highway and Transportation Officials, among others, have endorsed the use of 65-foot twins nationwide.

TABLE VIII.—POSSIBLE PERCENTAGE SAVINGS IN TRUCK TRIPS AND FUEL CONSUMED IN HAULING 1,000,000 TONS OF HIGHWAY FREIGHT IN VARIOUS TRUCK COMBINATIONS

	Percent of truck trips saved	Percent of fuel saved
Light and bulky freight:		
Substitute 45-ft for 40-ft semi-trailers	14.4	8.5
Substitute 65-ft twin trailers for 40-ft semitrailers:		
At old twin trailer weight limit	27.2	22.0
At new twin trailer weight limit	32.4	25.9
Substitute 65-ft twin trailers for 45-ft semitrailers:		
At old twin trailer weight limit	17.8	14.7
At new twin trailer weight limit	23.7	18.9
Dense freight:		
Substitute new for old weight limits:		
With 40-ft semitrailers	11.3	7.7
With 45-ft semitrailers	11.4	7.8
With 65-ft twin trailers	13.2	9.1
Substitute 65-ft twin trailers at new limit for—		
40-ft semitrailer at old limit	12.1	9.0
45-ft semitrailer at old limit	12.9	9.8

Legal or maximum practical	Old limit	New limit
Light and bulky freight:		
40-ft semitrailer	60,725	60,725
45-ft semitrailer	65,250	65,250
65-ft twin trailer	73,280	76,677
Dense freight:		
40-ft semitrailer	73,280	79,000
45-ft semitrailer	73,280	79,000
65-twin trailer	73,280	80,000

TABLE X.—FUEL SAVINGS POSSIBLE IN STATES NOT PERMITTING GROSS VEHICLE WEIGHT OF 80,000 LB OR TWIN TRAILERS

State	Possible gallons saved by— Increased weight	Use of twin trailers	Total
Alabama	0	12,100,000	12,100,000
Arkansas	1,300,000	0	1,300,000
Connecticut	2,200,000	7,900,000	10,100,000
Florida	0	19,400,000	19,400,000
Georgia	0	17,900,000	17,900,000
Illinois	5,800,000	0	5,800,000
Indiana	7,100,000	0	7,100,000
Iowa	4,400,000	0	4,400,000
Maine	0	2,600,000	2,600,000
Maryland	6,900,000	0	6,900,000
Massachusetts	0	6,600,000	6,600,000
Minnesota	[1] 2,300,000	0	2,300,000
Mississippi	2,600,000	6,800,000	9,400,000
Missouri	2,700,000	0	2,700,000
New Hampshire	0	1,100,000	1,100,000
New Jersey	0	9,700,000	9,700,000
New York	0	13,300,000	13,300,000
North Carolina	0	16,400,000	16,400,000
Pennsylvania	10,400,000	20,000,000	30,400,000
Rhode Island	0	2,900,000	2,900,000
South Carolina	0	7,400,000	7,400,000
Tennessee	6,900,000	14,900,000	21,800,000
Vermont	0	1,000,000	1,000,000
Virginia	0	12,300,000	12,300,000
West Virginia	0	2,500,000	2,500,000
Wisconsin	[1] 4,200,000	6,500,000	10,700,000
Total	56,800,000	181,300,000	238,100,000

[1] 80,000 lb effective January 1978.

Source: Based on energy savings stated in Btu's in a 1976 Stanford Research study for the Federal Energy Administration and converted to gallons at the rate of 136,000 Btu's per gallon of diesel fuel. Revised, August 1977.

Mr. BARTLETT. Finally, Mr. President, this amendment represents a needless duplication of efforts. There is presently a comprehensive study being conducted by the Bureau of Motor Carrier Safety on truck length limitations with respect to safety. The results of this study can be expected later in the year.

In addition, there is a proviso in the Federal Aid Highway Act of 1978 in section 122(b)(1)(a) which authorizes the Secretary of Transportation "to study and investigate the need for, and desirability of uniformity in maximum truck size and weight limits throughout the United States."

Mr. President, this measure, though meritorious in its intent, represents a hasty solution to an as yet undefined problem. I recognize the need to continue to improve upon highway safety, but I recommend to the Senate that we defer action on this measure or any of a similar context until these studies have been completed and the results carefully analyzed.

Thank you, Mr. President.

Mr. CHAFEE. Mr. President, I would like to say that I agree with the points the Senator was making. There are certain things around here which should be left to the States. Everything does not have to be determined by big brother, the Federal Government. However, this is going to the Commerce Committee and they are going to look at it. I agree with the Senator from Oklahoma, that this is something the Federal Government should not be involved in. I hope it will not go any further.

(Conclusion of later proceedings.)

UP AMENDMENT NO. 1674

(Purpose: To permit certain use of the Dulles Airport Access Highway)

Mr. HARRY F. BYRD, JR. Mr. President, I send an amendment to the desk and ask that it be stated.

The PRESIDING OFFICER. The amendment will be stated.

The assistant legislative clerk read as follows:

The Senator from Virginia (Mr. HARRY F. BYRD, JR.) proposes an unprinted amendment numbered 1674.

On page 36, line 7, after the period, insert the following:

Notwithstanding any other provision of law, the Secretary of Transportation shall permit carpools and vanpools (as defined by the Secretary) to enter and leave the Dulles Airport Access Highway during rush hours using those entrances, exits and ramps which are in existence on the date of enactment of this Act.

Mr. HARRY F. BYRD, JR. Mr. President, the amendment that I am offering today would require the Secretary of Transportation to permit carpools to use the Dulles Airport access road during rush hours.

The Dulles access road is within the boundaries of the airport, and access to the road is controlled by the Federal Aviation Administration. The 1973 amendments to the Federal Aid Highway Act authorized funds for a demonstration program to improve mass transit service between Washington and Dulles Airport.

The Metropolitan Washington Council of Governments conducted a study to determine the elements of the demonstration program. Although the primary objective of the study was to analyze ways to improve accessibility of the airport, a secondary objective was to study the potential for improving commuter travel in the corridor between the airport and Washington.

The study has been completed, and on the subject of improving commuter travel, the study recommends to the council of governments a demonstration program permitting carpool vehicles use of the Dulles access road during the peak commuter periods in both the peak and off-peak direction. My amendment would faciliate implementation of the recommendation of the Dulles Airport access study for commuter travel, and is similar to language included in H.R. 11733, as reported by the House Public Works Committee.

Mr. President, I yield to the Senator from Nevada.

Mr. CANNON. Mr. President, I must reluctantly, at this time, oppose the distinguished Senator from Virginia's amendment. While the concept of the amendment is commendatory, this issue must be reviewed more carefully before we act.

A number of potential problems, which may or may not materialize, must be examined, including police powers and traffic enforcement; commuter traffic "turn-arounds" in the terminal area; and of course potential traffic versus the road capacity. I am aware that one study, conducted by the Metropolitan Council of Governments, was published only 2 months ago and is currently under review by the Department of Transportation.

I may say, that study was authorized in 1973 and has only just 2 months ago been referred to the Department of Transportation for review.

I have also been informed that DOT has a task force independently reviewing the issue of opening the access road to commuters.

Therefore, to be certain that we do not act to the disservice of commuters and passengers, I would suggest a revision to the Senator's amendment. If Senator BYRD will modify his amendment to require that DOT complete the agency examination and provide the Senate with a Department recommendation, within 90 days after enactment, I would support such an amendment. I assure my colleague from Virginia that the Aviation Subcommittee will consider this matter as soon as all the facts we need to make a decision are provided.

I am, myself, very sympathetic, completely sympathetic, toward what he is trying to achieve, but I do not want to see the solution of one problem create six more, at the same time, without having the necessary facts to support it.

So we have contacted DOT and they have suggested they will have their independent study ready within 6 months.

But I am willing to see it written into the law here, that they come to us with the results of their study and report their recommendations within 90 days, so that we can get at this matter in an expeditious fashion and try to act as rapidly as we can.

Mr. HARRY F. BYRD, JR. I think it is very important that this matter be handled as expeditiously as possible. The Dulles limited access road is underutilized. I hope that it will be possible that carpools will be permitted to use that road.

I can understand the viewpoint of the Senator from Nevada that, since there

have been no congressional hearings on this matter, there could be points that would need to be considered before opening that road to commuter traffic.

The Senator from Nevada indicated that he would express no opposition to writing into law that the Department of Transportation must act quickly in bringing the facts to the appropriate Senate committees. While I would prefer that the Senate go ahead with the amendment I originally introduced, in view of the observations made by the Senator from Nevada, I will modify my proposal. Probably it would be the most expeditious way to resolve the problem.

I think it would be unfortunate to enact legislation and then later find that, after the commuters began to use the road, there were elements involved that had not been anticipated and have to shut the commuter traffic off.

So for that reason, and acting on the assurances given by the able Senator from Nevada (Mr. CANNON) that his committee will move expeditiously to attempt to resolve this problem with which he is sympathetic, I send to the desk a modification and ask that it be stated.

The PRESIDING OFFICER. The clerk will state the modification.

The assistant legislative clerk read as follows:

On page 36, line 7, after the period, insert the following:

The Secretary of Transportation shall, within 90 days after enactment of this Act, complete its ongoing study of commuter access to the Dulles Airport Access Highway, and report its findings and recommendations to the appropriate committees of Congress.

The PRESIDING OFFICER. The Senator from Virginia modifies his amendment.

Is there further discussion?

Mr. BENTSEN. Mr. President, with the understanding of the colloquy the manager of the bill heard between the chairman of the Commerce Committee and the Senator from Virginia for the study to be made, the manager of the bill is prepared to accept the amendment.

The PRESIDING OFFICER. Is all time yielded back?

Mr. BENTSEN. Yes.

Mr. HARRY F. BYRD, JR. Yes.

The PRESIDING OFFICER. The question is on agreeing to the amendment of the Senator from Virginia, as modified.

So the amendment (UP No. 1674), as modified, was agreed to.

The PRESIDING OFFICER. The bill is open to further amendment.

Mr. KENNEDY. Mr. President, I ask unanimous consent that Mr. Parker be granted privilege of the floor.

The PRESIDING OFFICER. Without objection, it is so ordered.

UP AMENDMENT NO. 1675

(Purpose: To amend the discretionary bridge program)

Mr. ROTH. Mr. President, I call up my unprinted amendment.

The PRESIDING OFFICER. The amendment will be stated.

The assistant legislative clerk read as follows:

The Senator from Delaware (Mr. ROTH) proposes unprinted amendment numbered 1675.

Mr. ROTH. Mr. President, I ask unanimous consent that further reading of the amendment be dispensed with.

The PRESIDING OFFICER. Without objection, it is so ordered.

The amendment is as follows:

On page 53, between lines 15 and 16, insert the following:

(e) Notwithstanding the preceding provisions of this section, the Secretary, in making available the amounts authorized under this section, shall give priority to any otherwise eligible project in any State where:

(A) the State allocation of funds under the special bridge replacement and rehabilitation program of section 144 of title 23, United States Code, for the fiscal year in which project approval is requested does not exceed two-tenths of one per centum of the aggregate sum of the amounts authorized to be appropriated in the same fiscal year for the said special bridge replacement and rehabilitation program; and

(B) the total project cost for such project is an amount in excess of the product of the amount of such allocation for such year multiplied by five, but in no case in excess of $8,000,000.

The PRESIDING OFFICER. Is this the amendment on which the Senator from Delaware has a 1-hour time agreement?

Mr. ROTH. Yes, that is correct, But I do not expect it will take that long, Mr. President.

Mr. President, I have spoken to the distinguished chairman and ranking member concerning my amendment, and I appreciate the interest they have shown and the cooperation they have given in responding to the needs of States such as Delaware.

I am especially interested in how this legislation affects my own home State of Delaware. The $50 million discretionary bridge program established by section 140 of this bill addresses the needs of these States to be able to fund high-cost bridge projects which cannot be funded in a reasonable time under the regular bridge program.

However, Mr. President, the States with the smallest annual allocations under the regular bridge program, such as Delaware, are in a real bind when it comes to funding bridge replacement projects. The annual allocations of these small States are so small and so miniscule under the regular bridge program, that in no way can they even accumulate enough funds in a reasonable time to undertake moderate-cost projects, much less the large-scale projects contemplated by section 140 as now drafted.

For example, Delaware's annual allocation in fiscal 1978 was $216,481, or only 0.12 percent of the total $180 million available under the regular bridge program.

Under this formula as carried through in the bill now before us, Delaware would be unable to complete a moderate-cost, $5 million bridge replacement project in less than 9 years.

Mr. President, my amendment, simply stated, would require the Secretary of Transportation in making funds available under the discretionary bridge program to give priority to those otherwise eligible projects whose total project cost would exhaust at least 5 years of a State's annual allocations under the regular bridge program, but whose cost in no case would exceed $8 million. In addition, only projects in those States whose annual allocations under the regular bridge program do not exceed two-tenths of 1 percent of the total funds available annually nationwide would be eligible.

The $8 million ceiling placed on projects given priority under my amendment insures that the needs of States such as Delaware to be able to fund moderate-cost but high-traffic volume bridge projects over a reasonable period of time will not outweigh the needs of other States for larger projects whose costs exceed $8 million. For example, the Secretary of Transportation could fund a $5 million bridge project over a period of 2 years—$2.5 million each year—under the discretionary bridge program without significantly depleting the total $50 million available annually nationwide under the program.

Mr. President, I use the example of a $5 million bridge because my home State of Delaware and its half a million citizens are in just the bind I have spoken of over the replacement of a high-traffic-volume bridge of similar cost. The 93-year-old Augustine Bridge over the Brandywine River in Wilmington, Del. was closed to all traffic as unsafe on May 24, 1978, on the unanimous recommendation of structural engineers from the State of Delaware, the Federal Highway Administration, and Lehigh University.

The bridge, built by the B. & O. Railroad in 1885 and converted to public highway use in 1920, is nearly 1,000 feet long and 110 feet above the water, and carries average weekday traffic of 17,000 vehicles on a principal arterial route through the heart of the metropolitan commercial center of Wilmington, Del., the largest city in my home State. Mr. President, I ask unanimous consent that a description of Augustine Bridge prepared by bridge engineer R. C. McDowell in May 1978 be placed in the RECORD at this point in my remarks.

The Federal Highway Administration has given the Augustine Bridge the maximum sufficiency rating possible on its list of bridges with highest priority for replacement under the special bridge replacement program. The FHWA in 1977 estimated the replacement cost of the Augustine Bridge at $4 million. Now, after inflation, design costs, and the costs of complying with environmental and historic preservation requirements are factored in, Delaware officials advise me replacing the bridge will cost $5 million.

There is the rub, Mr. President—$5 million to replace a high-traffic-volume bridge of critical importance to the commercial and economic well-being of a metropolitan area of half a million people—in a State whose total annual allocation under the regular bridge program was only $216,000 in 1978 and will be only $631,000 under this legislation.

I believe the committee has intended the discretionary bridge program they have wisely added to this year's highway

bill to cover the needs of large States similar to the needs of small States which the Augustine Bridge exemplifies. I believe my amendment is fiscally sound and reinforces the priorities the Environment and Public Works Committee places on bridge replacement under this bill.

In closing my remarks, I would like to address a question to the distinguished Senator from Texas in connection with the Discretionary Bridge Program:

Is it not true that the Augustine Bridge as I have described it is the type of bridge the committee has in mind for eligibility under the Discretionary Bridge Program in section 140(a) of this bill, as an example of "high traffic volume bridges located on the non-interstate primary system which traverse major bodies of water"?

Mr. BENTSEN. That is correct. The Senator from Delware is correct in stating that that is the type of bridge the committee had in mind.

Mr. ROTH. I appreciate that answer, and I appreciate the interest that the members of the committee have taken in my problem.

At this time, I yield the floor.

Mr. STAFFORD. Mr. President, will the Senator from Delaware yield for a question or two?

Mr. ROTH. I am happy to yield.

Mr. STAFFORD. It is my understanding that this amendment at the present time, under current circumstances, will affect only the States of Alaska, Delaware, Hawaii, and Nevada. Am I correct in that understanding?

Mr. ROTH. The Senator is correct.

Mr. STAFFORD. Is there a cap of $8 million on any single bridge project that might be authorized under the Senator's amendment?

Mr. ROTH. Yes, there is a cap of $8 million on any project that would be considered.

Mr. STAFFORD. I thank the Senator for his responses.

The PRESIDING OFFICER. Who yields time?

Mr. BENTSEN. Mr. President, I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The assistant legislative clerk proceeded to call the roll.

Mr. BENTSEN. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. BENTSEN. Mr. President, we are prepared to accept the amendment offered by the Senator from Delaware.

The PRESIDING OFFICER. Is all time yielded back?

Mr. ROTH. I yield back the remainder of my time.

Mr. BENTSEN. I yield back the remainder of my time.

The PRESIDING OFFICER. The question is on agreeing to the amendment.

The amendment was agreed to.

Mr. ROTH. Mr. President, I move to reconsider the vote by which the amendment was agreed to.

Mr. BENTSEN. I move to lay that motion on the table.

The motion to lay on the table was agreed to.

Mr. ROTH. Mr. President, I thank the distinguished Senator from Texas as well as the distinguished chairman of the committee, the Senator from West Virginia (Mr. RANDOLPH), and Senator STAFFORD for their consideration and acceptance of my amendment.

The PRESIDING OFFICER. The bill is open to further amendment.

AMENDMENT NO. 3507

Mr. RANDOLPH. Mr. President, I call up amendment No. 3507.

The PRESIDING OFFICER. The amendment will be stated.

The legislative clerk read as follows:

The Senator from West Virginia (Mr. RANDOLPH), for himself and Mr. HUDDLESTON, Mr. MCGOVERN, Mr. BAYH, Mr. GRAVEL, Mr. FORD, Mr. MELCHER, Mr. PAUL G. HATFIELD, and Mr. HEINZ, proposes an amendment numbered 3507.

Mr. RANDOLPH. Mr. President, I ask unanimous consent that reading of the amendment be dispensed with.

The PRESIDING OFFICER. Without objection, it is so ordered.

The amendment is as follows:

On page 58, line 8, insert the following:

ENERGY IMPACT ROAD REHABILITATION PROGRAM

SEC. 145. (a) Chapter 1 of title 23, United States Code, is amended by adding at the end thereof the following new section:

"§ 157. Energy impact road rehabilitation program

"(a) A Governor with the concurrence of the Secretary of Transportation may designate an area or areas within his jurisdiction as an energy impact road area if the Governor finds that—

"(1) there is an existing energy resource development involving exploration, mining, or production of energy supplies;

"(2) a substantial amount of the energy produced in such development will not be consumed in the designated area;

"(3) without assistance under this provision there will be an immediate or long-range deterioration in the physical condition and safety of Federal-aid primary and secondary roads within the designated area.

The Governor shall consider any request or petition for such designation by elected officials of local governments in an affected area. The Secretary of Transportation may refuse to concur in any designation only where the Secretary finds that a requirement of this subsection is not satisfied.

"(b) The Secretary of Transportation may approve as a project on the Federal-aid primary or Federal-aid secondary system roads the repair of routes which have incurred a substantial increase in use and subsequent deterioration as a result of the transportation of coal, uranium, oil, and gas resources and related resource recovery and exploration equipment to meet national energy requirements and will continue to be used for such transportation. To be eligible for assistance under this section, projects shall be designed to enable such routes to accommodate the maximum vehicle weight allowed thereon by State law where appropriate and to permit subsequent maintenance at reasonable cost.

"(c) For the purpose of subsection (a) of this section, there is authorized to be appropriated, out of the Highway Trust Fund, not to exceed $100,000,000 for each of the fiscal years ending September 30, 1979 and September 30, 1980. Such funds shall be apportioned to the States in accordance with a fair and equitable formula developed by the Secretary including, but not limited to, the respective mileage of such routes, number of miles traveled by vehicles transporting energy resources and related equipment, and total production of energy supplies.

"(d) All of the provisions of this chapter applicable to the Federal-aid secondary system shall apply to projects approved under subsection (a) for this section, except provisions relating to the apportionment formula and provisions limiting expenditure of funds to routes located on such Federal-aid system. The Federal share payable on account of any such project shall not exceed 70 per centum of the cost thereof.

"(e) Each agreement executed for a project approved under subsection (a) of this section pursuant to section 110 of this title shall provide for State enforcement of applicable vehicle weight limitation to the satisfaction of the Secretary in accordance with section 141 of title 23, United States Code.".

(b) The analysis of chapter 1 of title 23 of the United States Code is amended by adding at the end thereof the following:

"157. Energy impact road rehabilitation program.".

Mr. STAFFORD. Mr. President, will the Senator yield for a unanimous-consent request?

Mr. RANDOLPH. I yield.

Mr. STAFFORD. Mr. President, I ask unanimous consent that Malcolm Sterrett, Cindy Douglass, and Ronald Johnson of the Commerce Committee minority staff be granted the privilege of the floor during the debate and votes on S. 3073, the Federal aid to highways bill.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. RANDOLPH. Mr. President, the able Senator from Kentucky (Mr. HUDDLESTON) is unable to be present today. But in his absence and with his understanding, I wish to offer an amendment, of which I am a cosponsor, which will have his further attention on Monday, when we return to the completion of the pending measure. This proposal would establish an energy impact road rehabilitation program.

Too often in past years, in formulating or attempting to formulate a national policy on energy, we have tended to neglect the crucial question of how our energy resources are to be transported from the area of production to the areas of consumption.

This problem has been studied extensively. Section 153 of the Federal-Aid Highway Act of 1976 required the Secretary of Transportation to report to the Congress by May of 1977 on the need for special Federal assistance for construction or reconstruction of on-system highways necessary to promote the solution of the Nation's energy problems. This long-delayed report, entitled "Highway Needs To Solve Energy Problems," arrived only this week.

Yet another Department of Transportation study was released in January of this year. That study, entitled "Transporting the Nation's Coal—A Preliminary Assessment," recommended that. and I quote:

Immediate consideration be given to the establishment of a coal roads and highways program to assure that near-term highway transportation problems will not seriously hamper coal production.

While the Congress has awaited these studies, the road and highway networks in those areas where energy resources are produced or extracted have continued to deteriorate. The increased volume of energy-related traffic on roads not designed for such traffic together with often lax enforcement of State vehicle weight limitation laws are responsible for this deterioration. The time for action is now.

The magnitude of need in this area is staggering. The effort to meet the projected increase in energy production, primarily in coal, as called for in the President's energy plan, will place unprecedented demands on our highway system. For example, our State of West Virginia, with its vast coal reserves, has the energy producing potential of the equivalent of 246 billion barrels of oil.

In fact, in the Appalachian region of 13 States, eight of those States produce about 64 percent of all the coal that is mined in this country.

For some 6 or 7 weeks we have had a shutdown of the Norfolk & Western Railway, perhaps, with one other rail carrier, the most important carrier of coal in the United States of America. Very few people know that that coal is not moving over the rail system. That is another reason why we must think in terms of the mobility of energy products, notably coal, over not rail but over the highway network.

The amendment we offer today is specifically designed to address these problems of roadway reconstruction. It is entirely consistent with the emphasis of S. 3073 on highway rehabilitation and repair. While it is true that we must protect the massive Federal investment in our Nation's roads and highways, this notion applies with even greater force when those roads and highways are vital links in meeting our national energy needs. Delay on this issue can only result in the creation of serious bottlenecks in energy deliveries to the Nation's consumers.

I note that the able Senator from Florida (Mr. CHILES) is in the chair. In connection with the conversion of powerplants from natural gas and petroleum to the use of coal, I point out that in his State is located the Florida Power & Light Co.

Mr. STONE. Mr. President, will the Senator yield for a unanimous consent request?

Mr. RANDOLPH. I yield.

Mr. STONE. I thank the distinguished Senator from West Virginia.

Mr. President, I ask unanimous consent that Bruce Rowen of my staff, be accorded the privilege of the floor during debate and votes on this bill.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. STONE. I thank the Senator.

Mr. RANDOLPH. That one utility, the Florida Power & Light Co. is committing $3.3 million annually for the purchase of coal for the generation of electricity. It is this very increase in the demand for coal which necessitates the adoption of the measure before us.

Our amendment, the amendment of Senator HUDDLESTON, myself, and others empowers a State Governor, with the concurrence of the Secretary of Transportation, to designate as an energy impact road area those regions where there is ongoing energy resource development which will result in a substantial amount of energy being transported to consumers outside the area, provided that without assistance under this program, immediate or long-range deterioration in the area's primary and secondary system roads would result. Eligibility for assistance would be restricted to projects located on these Federal-aid systems, and assistance would be provided for 70 percent of project cost.

I believe, along with many of my colleagues, that if a State is not required to finance a significant portion of project cost, frivolous projects may result. The ratio of 70 to 30 addresses this concern.

An even stronger assurance of responsibility is provided by the requirement that the State commit itself to enforce applicable vehicle weight limitations to the satisfaction of the Secretary. Without that commitment, the requirement that projects be designed to enable routes to accommodate the heaviest traffic allowed by State law and to permit subsequent maintenance at reasonable cost would be meaningless. Further, this State commitment to enforce vehicle weight limitations to the Secretary's satisfaction is consistent with the amendment to section 141 of title 23, United States Code, contained in section 126 of S. 3073.

Finally, the amendment authorizes $100 million for each of fiscal years 1979 and 1980. At a time when the revenues available to the highway trust fund are limited, we must carefully examine the need for substantial increases in authorization for existing programs as well as for significant authorizations for new programs.

I submit that the need for this new program has been firmly established. The most recent Department of Transportation study, "Highway Needs To Solve Energy Problems," cites a $4.1 billion backlog in energy related highway needs. This figure is exclusive of the normally accruing needs through 1985, the period of the greatest projected increase in coal production. The study recommends that in the short term these needs be addressed by the Federal-aid highway program, especially for those roads on the primary and secondary systems.

(Mr. SASSER assumed the chair.)

Mr. RANDOLPH. It is clear that the need for this program is thoroughly documented and well-established, as is the need for a significant increase in funding provided for the special bridge program in S. 3073.

While I have supported the effort to restrict highway spending to responsible levels, as the able Senator from Texas has continued to emphasize, I think there are some matters that are important to the Nation and to our people, and this justifies increased expenditures in some categories.

So let us not forget the people of the energy-producing regions. It is those men, women, and children who inhabit these regions, who have their livelihood there, whose children are educated there and who, as good citizens, take part in the community life of the area.

With the energy consumers at the other end, away from the production line, everyone in this country will benefit. These energy-impacted roads are their lifeline to the rest of the world.

When the Middle East embargo came with a shocking impact in 1973, it was not something that took months and months to have its impact dawn upon the consciousness of the American people. They found almost overnight that the flow of petroleum in the form of gasoline was not available for the cars they used to go to and from their work.

So often we are acting in this country after the fact rather than before, not anticipating what we need to do ahead of time.

I have said this before, and I repeat, we have spent $12.5 billion of taxpayers' money in this country merely to store petroleum as a partial hedge against another Middle East embargo. Had we worked before the fact and realized the independence which we could achieve in this country through synthetic fuels, we might have avoided a serious fuel shortage.

These roads of which I speak carry not only coal but other industrial goods to and from these regions.

These roads are in an almost shocking, a tragic state of disrepair. This is something that I cannot overemphasize as I conclude these remarks.

Mr. EAGLETON. Mr. President——

The PRESIDING OFFICER. Who yields time?

Mr. EAGLETON. Mr. President, I have an amendment.

The PRESIDING OFFICER. There is an amendment pending.

Mr. BENTSEN. Mr. President, I ask unanimous consent that the pending amendment be temporarily put aside, and that the Senator from Missouri may proceed with his amendment.

The PRESIDING OFFICER. Without objection, it is so ordered.

UP AMENDMENT NO. 1676

(Purpose: To allow the Secretary to reallocate funds not expended)

Mr. EAGLETON. Mr. President, for myself and Senator DANFORTH, I send to the desk an unprinted amendment and ask for its immediate consideration.

The PRESIDING OFFICER. The amendment will be stated.

The legislative clerk read as follows:

The Senator from Missouri (Mr. EAGLETON), for himself and Mr. DANFORTH, proposes an unprinted amendment numbered 1676.

Mr. EAGLETON. Mr. President, I ask unanimous consent that further reading of the amendment be dispensed with.

The PRESIDING OFFICER. Without objection, it is so ordered.

The amendment is as follows:

On page 22, line 19, insert the following: "(a)" after "SEC. 118." and by adding on page 23, after line 16 the following:

(b) Section 118(b) of title 23 is further amended by adding after the first sentence the following:

The Secretary at any time thereafter may make available sums apportioned under sec-

tion 104(b)(6) and not obligated within the time period preserved by the proceeding sentence to any other state applying for such funds for the Urban System, if the Secretary determines that the applicant is willing and able to (1) obligate the funds within one year of the date the funds are made available; (2) apply them to a ready-to-commence project; and (3) for construction work, begin work within ninety days of obligation. Any funds allocated pursuant to the preceding sentence and not used by a State in accordance with the requirements of this subsection shall be available for relocation by the Secretary in accordance with the preceding sentence.

Mr. EAGLETON. Mr. President, the purpose of this amendment is to give the Secretary of Transportation authority to reallocate unused urban highway moneys. It would create a discretionary power similar to that which the Secretary already has with regard to interstate highway moneys.

According to the Federal Highway Administration, more than $27 million in Federal-aid urban system funds are about to lapse and be lost to the program simply because States and communities to which they were allocated under formula grant were unable to obligate them. Under present law, those moneys would be returned to the trust fund. Under my amendment the Secretary would be able to make those funds available to communities further along in their urban highway programs.

In my own State of Missouri, there is a significant backlog of urban highway projects owing to the lack of Federal funds. The Kansas City, Mo., area has estimated that it has over $13 million worth of priority urban projects which have had to be deferred because of insufficient Federal support. Similar situations exist in the St. Louis area and I am sure a great number of other urban areas throughout the country.

Given the need that exists, it makes no sense to have unused urban highway money sent back to the Treasury. The Secretary ought to have flexibility to reprogram this money, and that is all my amendment does. It simply gives him a tool to carry out a rational plan for meeting urban highway needs.

Mr. President, I have talked with the distinguished floor manager about this amendment. I am grateful to the committee for their help in drafting it. I am hopeful that it may be accepted.

Mr. BENTSEN. Mr. President, as manager for the majority, I have no objection to the amendment. I defer to the manager for the minority for his comments.

Mr. CHAFEE. Mr. President, on behalf of the minority, we concur in the amendment. I think it is a good one, and we give it our support.

Mr. EAGLETON. Mr. President, I thank my colleagues, the Senator from Texas and the Senator from Rhode Island.

Mr. BENTSEN. Mr. President, I yield back the remainder of my time, subject to the proponent yielding his.

Mr. EAGLETON. I yield back the remainder of my time.

The PRESIDING OFFICER. All remaining time having been yielded back, the question is on agreeing to the amendment (UP No. 1676) of the Senator from Missouri.

The amendment was agreed to.

Mr. BENTSEN. Mr. President, I ask unanimous consent that Mr. Mike Harvey of the staff of the Committee on Energy and Natural Resources be given the privilege of the floor during the debate today.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. CHAFEE. Mr. President, I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The second assistant legislative clerk proceeded to call the roll.

Mr. BENTSEN. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

UP AMENDMENT NO. 1677

(Purpose: To clarify policies relating to the accommodation of utilities on highway rights-of-way)

Mr. BENTSEN. Mr. President, I send to the desk an amendment on behalf of Senators HUMPHREY and ANDERSON, and I ask for its immediate consideration.

The PRESIDING OFFICER. The amendment will be stated.

The legislative clerk read as follows:

The Senator from Texas (Mr. BENTSEN) proposes and unprinted amendment, on behalf of Mrs. HUMPHREY and Mr. ANDERSON, numbered 1677.

Mr. BENTSEN. Mr. President, I ask unanimous consent that further reading of the amendment be dispensed with.

The PRESIDING OFFICER. Without objection, the amendment offered by the Senator from West Virginia will continue to be set aside.

Without objection, further reading of the amendment is dispensed with.

The amendment is as follows:

At the end of the bill insert a new section as follows:

UTILITIES ON RIGHTS-OF-WAY

SEC. 146. Section 109 of title 23, United States Code, is amended by adding at the end thereof the following new subsection:

"(l)(1) In determining whether any right-of-way on any Federal-aid system should be used for accommodating any utility facility, the Secretary shall—

"(A) evaluate the direct and indirect environmental and economic effects of any loss of productive agricultural land or any impairment of the productivity of any agricultural land which would result from the disapproval of the use of such right-of-way for the accommodation of such utility facility; and

"(B) consider such environmental and economic effects together with any interference with or impairment of the use of the highway in such right-of-way which would result from the use of such right-of-way for the accommodation of such utility facility.

"(2) For the purpose of this subsection—

"(A) the term 'utility facility' means any privately, publicly, or cooperatively owned line, facility, or system for producing, transmitting, or distributing communications, power, electricity, light, heat, gas, oil, crude products, water, steam, waste, storm water not connected with highway drainage, or any other similar commodity, including any fire or police signal system or street lighting system, which directly or indirectly serves the public; and

"(B) the term 'right-of-way' means any real property, or interest therein, acquired, dedicated, or reserved for the construction, operation, and maintenance of a highway.".

Mr. BENTSEN. Mr. President, this amendment which I am offering on behalf of Senator HUMPHREY and Senator ANDERSON simply clarifies Federal policies relating to the accommodation of utilities on Federal-aid highway rights-of-way.

Mr. President, American agriculture is the economic backbone of our Nation. The toil of our farmers and the productivity of our farms has to a large extent made our great bounty possible.

Therefore, Mr. President, whenever Federal policies interfere with our farm community's ability to provide for our citizens, the policies ought to be closely examined. A case in point is the Federal policy of discouraging accommodation of utility facilities, such as powerlines, along Federal-aid highways. There are good reasons for the present policy. Safety, environmental, and esthetic considerations all play a part in the current policy. However, as a result of the policy, the only alternative often available to persons responsible for planning the siting of utility powerlines is to use productive farmland.

This amendment would help remedy this situation by allowing the Secretary of Transportation to weigh the detrimental effect on productive agricultural land likely to result if utility facilities are not sited along a Federal-aid highway right-of-way. The bill does nothing to impair the Secretary's consideration of other factors relating to highway accommodation of utility facilities such as issues relating to safety and traffic flow. Rather, the intent and effect is merely to give Federal highway officials the legislative authority to consider the interests of the farmer and the impairment of his ability to provide for us all, if his land, and not the highway rights-of-way, is used to site utility facilities.

Mr. President, the necessity of constructing future powerplants and future powerlines is a fact of life for energy consuming America. Even if the most optimistic conservation forecasts come true, our energy demands will continue to grow. If Congress does not act to give the Federal Highway Administration some leeway in the accommodation of utility facilities along Federal highway rights-of-way, more and more productive agricultural land will be lost and the farmers' ability to produce that all-important energy source, food, will be increasingly impaired.

Mr. President, this amendment will be a useful addition to Federal policy and I urge my colleagues to give it their support.

Mr. President, the manager for the majority believes this amendment will be helpful and I am prepared to accept the amendment.

Mr. CHAFEE. Mr. President, this amendment is a good one. On behalf of

the minority we, too, will accept it. I yield back any remaining time.

Mr. BENTSEN. I yield back the remainder of my time and urge adoption of the amendment.

The PRESIDING OFFICER. All time has been yielded back. The question is on agreeing to the amendment.

The amendment was agreed to.

UP AMENDMENT NO. 1678

(Purpose: To permit a State or local government to use its Federal-aid funds, except funds for the Interstate System, to study a privately-owned toll bridge as necessary to determine whether the facility should be acquired by a public body)

Mr. DANFORTH. Mr. President, I send an amendment to the desk and ask for it immediate consideration.

The PRESIDING OFFICER. The amendment will be stated.

The second assistant legislative clerk read as follows:

The Senator from Missouri (Mr. DANFORTH), for himself and Mr. EAGLETON, proposes an unprinted amendment numbered 1678.

On page 29 after line 19 insert the following new section and renumber the succeeding sections accordingly:

TOLL BRIDGES

SEC. 123. Section 129 of title 23, United States Code, is amended by adding a new subsection (i) as follows:

"(i) Notwithstanding section 301 of this title, the Secretary may permit Federal participation, through funds for any Federal-aid system other than the Interstate System, in any engineering and fiscal assessments, traffic analyses, network studies, preliminary modification planning, and any other study necessary to determine whether a privately owned toll bridge should be acquired by a state or political subdivision thereof."

Mr. DANFORTH. Mr. President, the purpose of this amendment is to permit a State or local government to use its Federal aid funds, except funds for the Interstate System, to study a privately owned toll bridge as necessary to determine whether the facility should be acquired by a public body. This amendment is offered on behalf of myself and Senator EAGLETON. It concerns a serious traffic problem which currently exists on the Mississippi River bridges in the St. Louis area between the State of Missouri and the State of Illinois. Various units of government are considering the possible rehabilitation of Eads Bridge, which is a very old toll bridge over the Mississippi, to help alleviate this problem.

Such rehabilitation would be very costly, yet under a provision of existing law Federal highway funds are not available for this purpose unless the bridge is publicly owned. Eads Bridge is owned by the Terminal Railroad Association, a private company. Therefore, before Federal funds could be available, Eads Bridge would have to be purchased by a public entity. No purchase will take place, however, unless an engineering study is conducted as to the feasibility of Eads' rehabilitation.

An engineering study of Eads would also be expensive. Therefore, the local governments need the financial help of Federal highway funds. Unfortunately under the same provision of law already referred to, Federal funds are not available for engineering studies of toll bridges unless the toll bridges are publicly owned.

At the present time, Poplar Street Bridge carries most of the traffic between the city of St. Louis and Illinois.

Poplar Street Bridge is a multilane, toll-free structure opened in 1967. Poplar serves as a Mississippi River crossing for three interstate highways.

Traffic on Poplar has already exceeded projections for 1990. On the other hand, four other bridges on the St. Louis waterfront are underutilized. They include: Eads, McKinley, Douglas MacArthur, and Martin Luther King. Tolls are charged on Eads, McKinley and King. None of the four bridges is currently part of the Federal-aid system.

St. Louis groups have sought Federal funds for a series of studies—and I am told they are very expensive studies—to determine if and how any of the existing underutilized structures could be used to relieve Poplar by attracting local traffic.

Existing Federal law provides that Federal money is available for bridge rehabilitation and related engineering studies only in the form of aid for one of the Federal-aid highway systems. The bridge replacement program provides money only for replacement, not rehabilitation. The new highway legislation would remove that limitation, but because the four St. Louis area bridges are not State-owned, there is no guarantee that money would actually be made available by Missouri or Illinois. A more certain source, therefore, is the apportionment for the Federal-aid urban system.

As I have already stated, with respect to one of the bridges, Eads, there is in current law an obstacle to Federal aid. 23 U.S.C. 129, 301 require as a condition of Federal aid with respect to toll bridges that such bridges be publicly owned.

My amendment would permit a State or local government to use its Federal-aid funds, other than for the Interstate System, to study a privately owned toll bridge as necessary to determine whether the facility should be acquired by a public entity. No money would be available for repair or replacement of such privately owned facility.

Although my reason for offering this amendment is related to a particular problem in St. Louis, the amendment is drafted generally because I believe that St. Louis cannot be the only area where a privately owned bridge that is inadequately maintained might be of significant value to such area if acquired by a public entity and then rehabilitated. Before a State or local government can decide whether or not to acquire a privately owned bridge, expensive engineering studies will often be necessary. I believe Federal-aid funds should be available for such purposes.

I believe my amendment is acceptable to the distinguished floor managers of the bill.

The PRESIDING OFFICER. Who yields time?

Mr. CHAFEE. Mr. President, the Senator has how much time on his amendment, evenly divided?

The PRESIDING OFFICER. Thirty minutes, evenly divided.

Mr. CHAFEE. I shall take the time on the other side, if I might.

Mr. President, this amendment by the Senator from Missouri seems to me to be a fine amendment. As I understand it, the Secretary must give his permission before such funds can be used for a study of a nonpublic bridge; that is, for a privately owned toll bridge.

Mr. DANFORTH. That is correct.

Mr. CHAFEE. Furthermore, the funds that would be used by the State of Missouri in this instance would come out of the funds that the State of Missouri has already received from the Federal Government. In other words, this is not extra money?

Mr. DANFORTH. It is not extra money, that is correct.

Mr. CHAFEE. That is my understanding of it.

Certainly, we have no objection on this side to the amendment, Mr. President.

Mr. BENTSEN. Mr. President, I have examined the amendment and discussed it with staff and with the Senator from Missouri. It appears to be a meritorius amendment. I am pleased to accept it on behalf of the majority.

I yield back the remainder of my time, subject to the proponent's yielding back his.

Mr. EAGLETON. Mr. President, I support Senator DANFORTH's amendment providing for a St. Louis bridge acquisition study.

In St. Louis, we have a very critical problem with Mississippi River crossings. One bridge, the Poplar Street Bridge, carries traffic for four interstate highways, two U.S. routes, and the bulk of local traffic between downtown St. Louis and Illinois. The bridge has exceeded its design capacity, and an alternate structure is needed.

There are four currently existing bridges in the area which could be better utilized. Local jurisdictions, in cooperation with the Missouri and Illinois highway departments, have funded a $22,000 network study to determine how traffic patterns can be altered to better utilize these bridges. There is a good possibility that a feasible plan will be developed; however, one of the bridges that could well be the best alternative, the historic Eads Bridge, is ineligible for Federal urban system funds because it is owned privately. The other bridges under review would be eligible under existing law, provided that certain agreements are entered into to retire the tolls, for further Federal study money. This amendment would simply permit Federal funds to be used to determine if it is in the public interest to acquire the Eads Bridge. I urge approval of Senator DANFORTH's amendment.

Mr. DANFORTH. I yield back any time I have.

The PRESIDING OFFICER. All time having been yielded back, the question is on agreeing to the amendment.

The amendment was agreed to.

UP AMENDMENT NO. 1679

(Purpose: To relieve States of the obligation to repay monies disbursed for withdrawn Interstate Highway routes)

Mr. JAVITS. Mr. President, I send an amendment to the desk for myself and Mr. MOYNIHAN and ask that it be stated.

The PRESIDING OFFICER. The amendment will be stated.

The legislative clerk read as follows:

The Senator from New York (Mr. JAVITS) for himself and Mr. MOYNIHAN proposes unprinted amendment numbered 1679.

On page 12, strike lines 6 through 10, and insert in lieu thereof:

(3) Strike out the last sentence of such paragraph and insert in lieu thereof the following: "After the date of enactment of this sentence the Secretary may not redesignate any mileage as part of the Interstate System as a consequence of any withdrawal made pursuant to this paragraph.

On page 11, line 2, insert (a) after Sec. 107 and on page 12 between lines 10 and 11 insert the following new subsection:

(b) Section 103(e) of title 23, United States Code, is amended as follows:

(1) Redesignate paragraph (5) as paragraph (6); and

(2) Insert after paragraph (4) the following new paragraph:

"(5) Notwithstanding any other provision of law—

"(A) Upon the withdrawal of approval of any route or portion thereof on the Interstate System under this section, a State, subject to the approval of the Secretary, shall not be required to refund to the Highway Trust Fund any sums paid to the State for intangible cost.

"(B) refund will not be required for the costs of rights-of-way or construction and materials, provided that the obligation to pay the costs of such construction and materials has been incurred prior to the enactment of this paragraph, of the withdrawn route or portion of the Interstate System which will be or have been applied (i) to a transportation project permissible under this title, (ii) to a public conservation or public recreation purpose, or (iii) to such other purpose as may be determined by the Secretary to be in the public interest: *Provided*, That the State shall make assurances satisfactory to the Secretary that such construction items or materials or rights-of-way have been or will be so applied by the State or any political subdivision thereof to a project under clause (i), (ii), or (iii) within 10 years from the date of the withdrawal of approval; and

"(C) sums due the State from the Highway Trust Fund which the State has paid or is legally obligated or otherwise committed to pay on the date of the withdrawal of the approval and which are attributable to such nonrefundable cost items shall be paid promptly to the State upon the enactment of this paragraph or the incurrence of such costs, whichever last occurs.".

(3) The amendment made by paragraphs (1) and (2) of this subsection shall apply to any withdrawal of approval before, on, or after the date of the enactment of this subsection.

Mr. JAVITS. Mr. President, this amendment would relieve the States of the responsibility or repaying funds paid from the trust fund for interstate highways where the property has been withdrawn from construction and the State proposes to use the land in question for another public purpose, such as parks or housing or the supplies and equipment for another public project, subject, under the criteria of the amendment, to the discretion of the Secretary.

The amendment has also been revised after consulting with the professional staff of the committee to provide that, as to materials—let me read that proviso, because I think it is very important:

provided that the obligation to pay the costs of such construction and materials has been incurred prior to the enactment of this paragraph.

And so on.

Mr. President, we have a letter from the Secretary of the Interior which was addressed to a similar amendment to be made in the other body by Congressman WYCHE FOWLER, which approves of this effort. I think it makes a point which is critical and which I hope will commend the amendment to the managers of the bill. I read from this letter, which is dated August 9 and addressed to Brock Adams, the Secretary of Transportation. It reads as follows:

As you may know, the Department of the Interior completed its National Urban Recreation Study earlier this year. Mr. Fowler's amendment and your recent policy directive provide an opportunity to directly respond to some of the recommendations of this study. As pointed out in the study, the greatest urban recreation deficiencies for land and facilities exist in the inner cores of the Nation's largest cities. It is precisely in these areas that the abandoned interstate segments lie. Implementation of these provisions would permit the transfer of these properties to other Federal agencies, States, and localities at no cost. To attempt to duplicate a similar effort through land acquisition today would be prohibitive due to the costs involved.

It seems to me, Mr. President, that that gives a very strong endorsement to and rationale for the amendment which is proposed by Senator MOYNIHAN and myself.

My amendment would add little cost to the Federal Treasury for, with few exceptions, the moneys have already been disbursed from the trust fund. The additional cost is small when compared to the benefits to be derived from utilization of lands for worthy public projects.

The Department of Transportation recently proposed regulations to implement such a program. However, the statutory basis for such regulations is vague. It is for that reason that we have offered the amendment, in order to deal with the possibility that legal challenges could tie up the program indefinitely rather than facilitate it by working in concert with the administration to achieve this important goal.

I hope very much, Mr. President, that the managers of the bill may find this amendment acceptable in its redrafted form.

Mr. BENTSEN. I think there is merit in the proposal of the Senator from New York. I would like to ask him a few questions to clarify the way in which the amendment would operate.

First, as I understand it, the Secretary of Transportation is given the authority to disapprove a request from a State for waiver of the refund. He would disapprove the request if the proposed use of the property was not for a transportation project or project he determined to be in the public interest. In any event, if the State sold the property, the Federal Government would recoup the same percentage share of the proceeds as the share it provided for acquisition of the property. Is this correct?

Mr. JAVITS. That is correct.

Mr. BENTSEN. The Secretary of Transportation has proposed regulations on the use and disposition of property in cases such as your amendment addresses. The proposals prohibit the Secretary from approving reuse of property where State laws have not been observed or where the property will be used as part of the State or local matching share for a Federal program. Do you agree these limitations on reuse are appropriate?

Mr. JAVITS. Yes.

Mr. BENTSEN. Do you agree that a State should assure the Secretary that all Federal requirements for the relocation assistance will be observed in the reuse of the property?

Mr. JAVITS. I certainly do.

Mr. BENTSEN. I note that your amendment applies to withdrawals already made and to those which may be approved after enactment. Is it correct to say that your proposal will not affect any case in which a State has already made a refund to the Federal Government?

Mr. JAVITS. I do not intend my amendment to reopen previously closed projects and would answer that the Senator's interpretation is correct.

Mr. BENTSEN. In addition to that, there is some question about the authority of the Secretary to issue the regulations, and this would buttress the authority.

Mr. JAVITS. Exactly. It would make it clear that that is what we want.

Mr. BENTSEN. The manager of the bill for the majority has no objection and will be willing to accept it in behalf of the majority.

I defer to the manager for the minority.

Mr. CHAFEE. Mr. President, on originally looking at this, one gets the impression that it is using Federal funds for purposes other than highways, of which the Federal Government has paid 90 percent, then the local community or the State has changed its mind and the Federal Government has lost its 90 percent. However, when one takes the next step and sees that under this measure, the land which has been condemned or the construction that has taken place can only be used for very limited purposes; namely, for a transportation project or for a public conservation or public recreation purpose or such other purposes as may be determined by the Secretary to be within the public interest, it does seem that it is in the best interest of the Nation to do this.

In other words, I do not think we ought to encourage States to plunge ahead with highway programs when, indeed, they do not want them and they are not necessary and they might have substituted mass transit, or some other form of transportation, in lieu thereof.

So I think it is a good amendment. I commend the Senator from New York for bringing it up. I certainly support it.

Mr. JAVITS. I thank my colleague.

Mr. President, I yield back the remainder of my time.

Mr. BENTSEN. I yield back the remainder of my time and suggest adoption of the amendment.

The PRESIDING OFFICER. All time has been yielded back. The ques-

tion is on agreeing to the amendment of the Senator from New York.

So the amendment (UP No. 1679) was agreed to.

Mr. JAVITS. Mr. President, I wish to thank the managers of the bill very much.

The PRESIDING OFFICER. Who yields time?

Mr. GRAVEL. I am prepared to go ahead with some of my amendments if the managers of the bill will accommodate me.

UP AMENDMENT NO. 1680

(Purpose: To authorize for a five-year period the transportation within the State of Alaska of passengers and merchandise in foreign-built hovercraft)

Mr. GRAVEL. Mr. President, I send to the desk an unprinted amendment and ask for its immediate consideration.

The PRESIDING OFFICER. The amendment will be stated.

The legislative clerk read as follows:

The Senator from Alaska (Mr. GRAVEL) proposes unprinted amendment numbered 1680.

Mr. GRAVEL. Mr. President, I ask unanimous consent that further reading of the amendment be dispensed with.

The PRESIDING OFFICER. Without objection, it is so ordered. The amendment is as follows:

At the end of the bill insert a new section as follows:

SEC. 146. (a) Effective during the five year period beginning on the date of enactment of this Act, nothing in section 27 of the Merchant Marine Act, 1920, or any other provision of law restricting the coastwise trade to vessels of the United States shall prohibit the transportation within the State of Alaska of merchandise or passengers by foreign built hovercraft.

(b) For the purpose of this section the term "hovercraft" means a vehicle which travels over land or water on a cushion of air generated by such vehicle.

Mr. GRAVEL. Mr. President, I am offering an amendment which authorizes the use of foreign-built hovercraft within the State of Alaska for the purpose of transporting passengers or merchandise.

A hovercraft is an extremely unique vehicle of which most U.S. citizens are unfamiliar. It was invented in Britain, and the technology has mainly been developed there. The vehicle can travel over land, water, and even ice and is supported by a cushion of air trapped beneath the vehicle through the use of a flexible skirt. The usual means of propulsion is through an air propeller, powered by a gas or turbine engine.

Hovercraft are especially well suited to Alaskan terrain. They can span ice-clogged rivers, marshlands, and delicate tundra with only a minimum of ecological damage. No friction is established with the surface over which they are traveling since the vehicle rides on a cushion of air.

The all-weather capability of hovercraft also makes it especially appealing to my State. So many areas of Alaska are inaccessible by the usual modes of transportation for a large part of the year due to the harsh climate. The hovercraft is not slowed down when the rivers are frozen over in winter. They are unaffected by the storms and wind which can ground air traffic. For this reason, Alaska hopes to be able to employ them in a search-and-rescue capacity when such emergencies arise. While other vehicles are grounded, the hovercraft can be in full operation.

Since 1886, transportation of passengers in foreign vessels between points in the United States has been forbidden. In 1920, foreign-built vessels were prohibited from engaging in the carriage of merchandise between U.S. points. These provisions, commonly referred to as the Jones Act, were enacted for the protection of the U.S. shipbuilding industry and maritime trade. Currently hovercraft are subject to the requirements, although a domestic hovercraft industry has not yet developed.

In 1969, the Treasury Department issued a ruling classifying hovercraft as "vessels" when operating over water. Thus, hovercraft are subject to the Jones Act. However, until a U.S. market is demonstrated, a domestic industry will never be realized. For this reason, I am requesting a 5-year waiver from the Jones Act for the use of foreign-built hovercraft in Alaska. The State legislature has already appropriated funds for a hovercraft demonstration project, of which the main purpose is to determine the economic viability of such craft. One million dollars was also set aside under the urban mass transportation administration's fiscal year 1979 authorization for the program.

Hovercraft, also known as air-cushion vehicles, are actually more closely tied to aerospace technology than to the maritime industry. They are powered by aviation equipment and built to aviation standards. Aircraft manufacturers, such as Boeing and Bell Aerospace, have been involved with development of the technology. Hovercraft actually serve to complement shipping when used for lighterage purposes. They can reach inland areas where boats cannot travel and are best suited for short-range high-speed transport. Hovercraft are not very adaptable to the high winds of the open seas and prefer sheltered areas as the best environment for operation.

The Seafarers International Union has been consulted regarding this amendment and is in support of a 5-year waiver for Alaska. They are also hopeful that with a hovercraft demonstration project in Alaska, the craft can be shown to be economically viable and, thus, appealing to even more areas of the country.

Introduction of this technology into not only Alaska, but elsewhere in the United States is an exciting prospect. My amendment will encourage the development of a domestic hovercraft industry through the demonstration of a market within the United States.

To recount, Mr. President, is very simple. Right now, nobody is doing this in the United States. If we can create a viable economic market, Boeing would get involved, Bell would get some manufacturing. It could serve areas not only in Alaska because we are suggesting that rather than putting roads in, the Yukon and other rivers could be our roads. We would not have to pave any roads.

Puget Sound would open to rapid transit because some of these go 50 miles an hour.

They are already using this from Great Britain to France. The gulf coast and east coast of the United States, Puget Sound, all of these could use them.

We just have to bring about the feasibility. Alaska has put up some money. There are Federal authorizations to this. We need the waiver and the unions involved are prepared.

Mr. BENTSEN. The Senator is really asking for a waiver from the Jones Act for hovercraft, a craft which is quite a departure from a normal naval vessel. It is probably more airplane than it is a ship.

Mr. GRAVEL. No question.

Mr. BENTSEN. I think the Senator has made a very good case. I, as manager for the majority, would be willing to accept it, subject to the comments of the manager for the minority.

Mr. CHAFEE. I have had some experience with hovercraft and can testify that they do just what the Senator from Alaska has pointed out. The ones I have ridden on have been British-made.

Although the U.S. Navy was experimenting with some craft domestically made, I take it they do not have those in production and, indeed, have gotten a little bit discouraged with them.

So, I would support the amendment of the Senator from Alaska.

Mr. GRAVEL. I was instrumental in getting two hovercraft to Alaska during the construction of the pipeline. They did have a lot of problems with respect to the skirts freezing up. We had a big one, during construction of the pipeline, for a bridge across the Yukon River.

They used the hovercraft to ferry it back and forth. It just needs more work on the technology and experience on what is involved.

I think that eventually we will go ahead in this whole area.

I appreciate the concern of my colleagues. I would not anticipate any difficulties in conference. One never knows, but I hope we will try the best we can.

Mr. BENTSEN. Mr. President, I am prepared to yield back the remainder of my time, and I urge adoption of the amendment.

Mr. GRAVEL. Does the Senator from Arizona wish me to yield any time?

Mr. GOLDWATER. I was not going to address myself to this subject.

Mr. BENTSEN. Perhaps we could dispose of this matter first.

Mr. GOLDWATER. In today's Journal of Commerce is a very interesting article on the Finn jet, which tells how the Finnish Government is making money out of this same kind of transportation.

I have piloted the Boeing craft like this, and I think there is a real market for it. In fact, Japan is the best customer going for it.

Mr. GRAVEL. I thank my colleague.

I yield back the remainder of my time.

The PRESIDING OFFICER (Mr. MATSUNAGA). All time having been yielded back, the question is on agreeing to the amendment.

The amendment was agreed to.

Mr. BENTSEN. Mr. President, I ask

unanimous consent that the Senator from Arizona be allowed to speak for 2 minutes on a nongermane subject.

The PRESIDING OFFICER. Is there objection? The Chair hears none.

The Senator from Arizona is recognized for 2 minutes.

Mr. GOLDWATER. I thank the Senator from Texas.

VETO OF THE MILITARY PROCUREMENT AUTHORIZATION BILL

Mr. GOLDWATER. Mr. President, I had hoped to make this announcement yesterday, but I could not get the floor.

I approve of the President's veto of the military authorization bill because it contains a little more than $2 billion for a nuclear powered aircraft carrier.

We do not need another large carrier, in my opinion. What the Navy needs is more ships of the fleet, ships of the line.

I was glad to hear the President say that the money that would be saved from this nuclear carrier would not be counted as money saved but would be spent for weapons for all the services.

Mr. President, it was saddening to watch the operations of some of the subcommittees of the Appropriations Committee as they began to cut aircraft out of all the services—the Navy, the Army, and the Air Force—such as F–16's, A–10's, A–14's, AWACS, and cutting tanks out of the Army, all for justification to spend this money on an aircraft carrier that most strategic thinkers believe we can exist without.

I would hope that we could spend this money to strengthen the Navy.

Mr. President, a very peculiar commentary: Every President this country has had since Herbert Hoover, except two, has been a member of the Navy, and those two were Harry Truman and Dwight Eisenhower. All of them were Navy. Yet, the Navy is probably in worse shape today, from an inventory standpoint, than it ever has been.

I backed the President's decision to veto this bill, and I will work my hardest on the floor to see that this veto is sustained. I congratulate him for having done this.

Again, I thank my friend from Texas for his kindness and his courtesy in yielding.

FEDERAL-AID HIGHWAY ACT OF 1978

The Senate continued with the consideration of the bill.

Mr. GRAVEL. Mr. President, if I could engage the managers of the bill in a brief colloquy, we might be able to save a good deal of time.

The PRESIDING OFFICER. Does the Texas Senator yield to the Senator from Alaska?

Mr. GRAVEL. Will the Senator yield me 1 minute?

Mr. BENTSEN. I yield.

Mr. GRAVEL. If I could have the attention of the Senator from Rhode Island, also, since he will be passing judgment on this, I would appreciate it.

I have an amendment which is supported by Senator STEVENS, and I will be working with him on it. I do not know that the managers of the bill would have any difficulty with it. It is nothing that would cost money. It is to permit greater flexibility for the use of highway funds within the State of Alaska.

We have a community that you cannot get to by air or by road. You can get to it only by railroad through a tunnel. The ferry system comes into that and carries vehicles, the vehicles are put on a train, and the train takes them to Anchorage.

We would rather leave the vehicles off on the other side of the tunnel and maybe in some cases actually build a highway inside the tunnel, so that normal vehicles could ride in the tunnel, since it is only used twice a day.

We in Alaska pioneered the use of highways funds for ferries where you have no highways. This certainly has not impaired the health of the highway system in the Nation.

All this amendment does is to ask for greater flexibility because of the unique situation we have, and there may be other unique situations in other parts of the country.

I hope the managers of the bill will accept the amendment. If not, I will wait for Senator STEVENS on Monday and offer it, and we will push for a vote. To me, the amendment seems so minor and reasonable that I cannot understand why there would be any difficulty. That is why I requested time to judge the temper of the managers of the bill. I will be guided by whichever way they want to approach the problem.

Mr. BENTSEN. I say to the distinguished Senator from Alaska that the problems of transportation for Alaska are unique, and we have addressed ourselves to them at length.

In this situation, the Senator is talking about the railroads. We already have provided highway funds for ferries, and now to say that the same should be done for the railroads—yes, I would have to oppose it. We should wait until Monday.

Mr. CHAFEE. Mr. President, I second the comments of the floor manager of this bill.

This proposal by the Senator from Alaska is unique. I must say that he has been very vigorous in fighting for funds for Alaska. However, as he recalls, we gave Alaska, which does not have any interstate highways, the 3–R money that they normally have for the interstate, and we let them use it for their primary system.

Now he apparently is attempting to go one step further and use these primary funds not just for the construction of the railroad but also for the financing of the railroad's operations.

I was in Alaska recently and rode on that railroad, and I could not have been treated in a more splendid fashion. It is with some regret that I would oppose the amendment by the Senator from Alaska because of the new territory it is breaking into. I take it that we are going to discuss this matter further on Monday.

Mr. GRAVEL. Yes. I think we should reserve the debate until Monday, at which time I will discuss it with my colleague from Alaska.

To respond to the point raised by the Senator, it is a question of flexibility. I think the arguments to have some flexibility in a unique situation are overpowering.

I can appreciate my colleague holding forth to prevent the railroad industry from invading highway funds. If they want to put the staff to work over the weekend to find ways by which they can restrict it adequately——

The PRESIDING OFFICER. The time of the Senator has expired.

Mr. GRAVEL. Mr. President, will the Senator yield me 1 additional minute?

Mr. BENTSEN. I yield the Senator an additional minute.

First, I should like to add to what Senator CHAFEE has said: The Senator from Alaska has been extremely vigorous in pursuing the interests of his State and trying to help his State. In fact, we have gone the extra mile time and time again in that regard; and I must say that when I look at this amendment, perhaps the appropriate word is "chutzpah."

Mr. GRAVEL. I would be happy to confess to "chutzpah" any time I fight for my State. However, I am baffled by the argument that when you have nothing and you get a half-loaf, when you should be getting a whole loaf, you should go away happy.

We will have time on Monday to address ourselves to this subject.

Mr. CHAFEE. The Senator will come back on Monday and try to get the bakery.

[Laughter.]

Mr. GRAVEL. My colleagues do me more service than I deserve. This may read well in Alaska, but I would not stand here and ask for more than my fair share. I have too much concern for this great country of ours and its justice, and I will demonstrate that with an amendment I have coming up shortly.

I shall call up my next amendment.

I notice the presence of the distinguished Senator from the State of Washington, the distinguished chairman of the committee, who has a great interest in Department of Interior affairs. I do have an amendment that may involve that. I wish to accommodate his time.

The PRESIDING OFFICER. The time of the Senator from Alaska has once more expired.

UP AMENDMENT NO. 1681

(Purpose: To promote transportation planning on Federal lands)

Mr. GRAVEL. Mr. President, I send to the desk an amendment and ask for its immediate consideration.

The PRESIDING OFFICER. The amendment will be stated.

The assistant legislative clerk read as follows:

The Senator from Alaska (Mr. GRAVEL) proposes unprinted amendment numbered 1681.

Mr. GRAVEL. Mr. President, I ask unanimous consent that the reading of the amendment be dispensed with.

The PRESIDING OFFICER. Without objection, it is so ordered.

The amendment is as follows:

At the end of the bill insert a new section as follows:

TRANSFER OF CERTAIN AUTHORITY OVER FEDERAL LANDS FOR TRANSPORTATION PURPOSES

SEC. 146. (a) Except as provided in subsection (b) of this section all authority and duties of the Secretary of the Interior with respect to—

(1) the approval of any application from a State or local government for a right-of-way, easement, use permit, lease, or license for highway, road, railroad, pipeline, airport, or other transportation purpose on Federal land; and

(2) the preparation of the environmental impact statement pursuant to section 102 of the National Environmental Policy Act of 1969 with respect to the actions on such application,

is transferred to the Secretary of Transportation to be exercised in accordance with the law relating to such applications and statements and the transportation policies of the Federal Government.

(b) The Secretary of the Interior shall review the final action of the Secretary of Transportation under the authority transferred pursuant to subsection (a) (1) and (2) and shall on the basis of such review approve or disapprove any such final action with any recommendations he deems appropriate. Any such approval or disapproval and recommendations with respect to an environmental impact statement shall be made available in the same manner provided for such statement in section 102 of the National Environmental Policy Act of 1969.

(c) In the event one Secretary approves and the other disapproves an application described in subsection (a)(1) the final decision on such application shall be made by the President.

(d) Notwithstanding any other provision of law, action on applications subject to this section shall not be final until the requirements of this section are complied with.

(e) The provisions of this section shall be effective only with respect to applications filed after thirty days following the date of enactment of this section.

Mr. GRAVEL. Mr. President, today I am offering an amendment which will inject a broader perspective into the transportation planning process on Federal lands. My amendment will require the Department of Transportation to approve applications regarding transportation corridors on these Federal lands. Applications for rights-of-way, easements, use permits, leases, and licenses relating to transportation corridors or sites will be covered by this provision.

Present policy routes all such applications to the Department of Interior. This leaves the Department of Transportation virtually no voice in matters which clearly impact the transportation planning process in any State with large areas of public land. Establishment of the Transportation Department as the lead agency for the processing of such applications will lend a much needed broader perspective to management of Federal land.

My amendment would encourage wise land-use planning. Incorporation of the Department of Transportation into the process would insure the necessary input of the transportation perspective. Presently transportation officials can only comment in the aftermath—after final decisions have been issued. The Department of Transportation is, after all, where the expertise lies with regard to transportation planning issues. It is only reasonable to place the responsibility for such decisionmaking where the resources can be found.

The PRESIDING OFFICER. The Chair wishes to inquire of the Senator from Alaska whether this is the amendment on which he has been given 1 hour of debate.

Mr. CHAFEE. One hour totally, evenly divided.

The PRESIDING OFFICER. Yes, 1 hour total, divided equally.

Mr. GRAVEL. Yes, this is.

The PRESIDING OFFICER. The Chair thanks the Senator from Alaska.

Mr. GRAVEL. Mr. President, the Department of Transportation is a relatively young agency. It was created by statute in 1966 when the major role that transportation plays in American society was finally recognized and the need for coordination on the Federal level led to its establishment. In contrast, the Interior Department has been with us for 129 years. Various functions have been added and subtracted over the years that it has served as landlord for the U.S. Government, and a great deal of power has been allowed to accumulate with time. This amassing of power has brought us to the point today where, although a Cabinet-level department has been created to handle just such issues, transportation planning is still in the jurisdiction of the Department of Interior.

When the Department of Transportation was created in 1966, however, it was specifically called upon "to assure the coordinated, effective administration of the transportation programs of the Federal Government." I am confident that the Department would be able to assume the responsibility for these new transportation planning decisions with little problem. The resources are already present. The mechanisms are in operation. This amendment will simply be one more step toward further coordination of our Federal transportation policy.

The present administration has stated that transportation policy must be fashioned in a manner to integrate all transportation modes and to coordinate programs so that this multimodal perspective can be implemented. My amendment would encourage the integration of such a policy perspective into the transportation planning process, relative to the planning process on Federal lands. It is necessary for States to obtain right-of-ways for roads, airstrips, tunnels, and railroad beds in cases where these modes of transportation cross federally owned lands. In light of the jurisdiction which the Department of Transportation holds over all these transportation modes, it is surprising that it has not been included in the planning process on Federal lands previously. It is time to amend that previous exclusion.

I think it is time to make that change. I think it is an intelligent coordination of Federal activities.

It has baffled me up to this point in time why transportation for the Federal Government has to be different from transportation for the rest of our society when they are both at the Cabinet level. I am not suggesting we should leave out the Interior Department. What I am suggesting is that the lead agency in question be Transportation and not the Interior Department, and that the Interior Department be involved in the process.

But it is preposterous, it is truly preposterous, and I can cite some examples of what happens in this regard. We had a letter from the Secretary of Transportation who pushed away the cup of additional power and influence that was offered him in this regard because quite obviously there was a contest between the Department of Interior and Department of Transportation in this regard. They could not resolve their act. And so we get a situation where we have the Interior Department as the lead agency for transportation on Federal lands. It is truly preposterous, and I will be interested to hear the comments why this has to be so.

I reserve the remainder of my time.

Mr. BENTSEN. Mr. President, I yield such time as the Senator from Washington desires of my time.

The PRESIDING OFFICER. The Senator from Washington is recognized.

Mr. JACKSON. Mr. President, I am strongly opposed to this amendment.

So the Senate will understand what we would be doing in effect is to amend the entire body of law applicable to Federal lands administered by the Secretary of Interior.

This includes national parks and monument, national recreation areas, national wildlife refuges and ranges, national resource lands, national conservation areas, and areas of the national wilderness preservation system.

It would also amend the law governing grants of rights-of-way over all Federal lands for oil, gas, and other fuel pipelines.

Mr. President, I point out that it would amend the basic statute relating to the Alaska pipeline and it would amend the basic statute relating to the grants of rights-of-way over Federal lands for gas and oil pipelines.

It is that far-reaching, without any hearings. This matter had no hearings. It is one of the most far-reaching amendments that could be offered in this Chamber.

Mr. President, I can only say that I see no justification for this sweeping change which would affect matters under the jurisdiction, may I say, of several comittees, including the Committee on Energy and Natural Resources; the Committee on Environment and Public Works; the Committee on Agriculture, Nutrition, and Forestry; and the Committee on Commerce, Science, and Transportation.

Mr. President, I finally wish to state and point out that the Department of Transportation is now involved both by statute and by an executive agreement in the planning process in connection with roads. But I think it would be obviously most unfortunate if the Senate were to adopt this amendment.

I can only refer to one other matter, and I understand and I appreciate what the Senator is desiring to do as far as

Alaska is concerned, but this matter is now pending before our Committee on Energy and Natural Resources in connection with the markup on what we call the d2 lands. This involves a program which is extremely important in making decisions as to the classification of the Federal lands in Alaska pertaining to parks, national preserves, monuments, wilderness areas, scenic rivers, wild rivers, and so on.

I would point out, Mr. President, as my distinguished colleague in the chair (Mr. MATSUNAGA) knows, we have been holding night sessions. I cannot think of anything more disorderly than in the midst of our final markup to turn around and remove that which we are now addressing in the committee on the question of access. We are dealing with this problem, and some of the amendments we have already adopted, Mr. President, relating to access in transportation do involve the work of the Department of Transportation on a consultative basis. That has already been agreed to.

I think it would be most unfortunate for the Senate to adopt this amendment, and I shall have to oppose it and, at the appropriate time, will offer a motion to table.

Mr. CHAFEE. Mr. President, let me just say it seems to me the Senator from Washington has set forth pretty clearly the problems with the proposed amendment, and certainly, speaking for this side, we would not be prepared to move into anything as substantial as proposed under this amendment without some type of hearings for a far better understanding of the ramifications of the amendment than we have now. So we would be opposed to it.

Mr. BENTSEN. Mr. President, on behalf of the managers of the bill on the majority side, I would have to endorse the statement that was made by Senator CHAFEE and be in opposition to the amendment.

The PRESIDING OFFICER. Who yields time?

Mr. GRAVEL. Mr. President, how much time do I have remaining?

The PRESIDING OFFICER. The Senator from Alaska has 23 minutes remaining.

Mr. GRAVEL. Mr. President, just speaking to the issue, the distinguished Senator from Washington has stated the obvious. He really has not responded to the question I raised, but stated the obvious, that it is far-reaching legislation and it amends a lot of laws. Of course, it does, and I mean it to do so. So I certainly intend to do that. We pass far-reaching laws at all times in this body.

The second point made by the distinguished Senator is that this is being treated in the markup on d–2 legislation. That understates the problem considerably. The amendment I have deals with the United States of America and not just with the State of Alaska.

So nobody has spoken to the obvious, and that is we have a Department of Transportation. It is quite interesting that the managers of the bill—and I interpret their positions to be that they think the question has been raised and we should have hearings—I do not interpret their position as being that this should not be undertaken.

I think the statement was made by the Senator from Rhode Island that we should find out what the situation is, and I am prepared to accept that. I think this is probably putting a lot on the table very quickly. I think this should have some extensive hearings because I think it is well-nigh time to stop this tomfoolery of letting one department keep something that it had just because of historical precedent, particularly when we went to the trouble to set up a Department of Transportation.

Think how odd it looks to the average citizen to see that the Department of Transportation is the lead agency with respect to Penn Central, but then when you are dealing with Federal ground in the State of Pennsylvania of course it is not. It is the Department of Interior. They are supposed to know more about transportation than does the Department of Transportation.

I can understand Members jumping forward here and not wanting to give up prerogatives and powers, and wanting to safeguard their facet of their sphere of influence, but that battle should have been fought when we set up the Department of Transportation. If there was any thought we were going to lose any of our influence, we should have done it then.

So this amendment is very clear. It is to treat the Government like we treat the rest of the private sector. Since it is so far-reaching, I would be happy to withdraw my amendment with the hope that since I am on the committee—I would obviously press for it as a member of the committee—that we would have hearings on this subject. The Interior Committee should similarly have hearings on the subject, and if it can make a case for hanging on to this sphere of influence, then let it make that case.

If they cannot, then some of us will come back to the floor of the Senate and lay down logic and, hopefully, not always, but hopefully, that logic will prevail in this body.

It is very simple: We have a department that deals with transportation, and all I am suggesting is that it deal with all transportation in the United States and not make an exception for a part of the country.

I think on closer examination my colleagues will realize this is a very, very sound amendment.

So, therefore, with the thought of having hearings and pursuing this subject in greater detail, in a more methodical pattern than I have done this far, since this issue has only come to my attention within the last month, I will withdraw this amendment and bring it through the normal committee process of the Senate.

The PRESIDING OFFICER. The amendment is withdrawn. The Senator has a right to withdraw it.

UP AMENDMENT NO. 1682

(Purpose: To provide Federal assistance to improve the appearance of New York City)

Mr. GRAVEL. Mr. President, I have one additional amendment.

The PRESIDING OFFICER. The clerk will report.

Mr. GRAVEL. I have an amendment, Mr. President, and I ask for its immediate consideration.

The PRESIDING OFFICER. The Clerk will report the amendment.

The assistant legislative clerk read as follows:

The Senator from Alaska (Mr. GRAVEL) proposes an unprinted amendment numbered 1682.

Mr. GRAVEL. Mr. President, I ask unanimous consent that further reading of the amendment be dispensed with.

The PRESIDING OFFICER. Without objection, it is so ordered.

The amendment is as follows:

At the end of the bill insert a new section as follows:

NEW YORK CITY PROGRAM

SEC. 146. (a) The Congress finds and declares the poor physical appearance of the City of New York and particularly the Borough of Manhattan to be a matter of national concern and further finds it to be in the national interest to establish a program of grants to the City of New York for the express purpose of improving the physical appearance and attractiveness of Manhattan Island through rehabilitation and reconstruction of Manhattan's street and highway system.

(b) The Secretary of Transportation is authorized to make grants to the City of New York for the purpose of improving the physical appearance and attractiveness of the Borough of Manhattan through the rehabilitation and reconstruction of the street and highway system. No grant shall be approved under this section until:

(1) New York City submits to the Secretary of Transportation and the Committee on Environment and Public Works of the Senate and the Committee on Public Works and Transportation of the House of Representatives an appropriate plan to insure daily collection of refuse and garbage within Manhattan and the regular provision of street cleaning services and provides satisfactory assurance that such plan will be carried out;

(2) New York City submits to the Secretary of Transportation and the Committee on Environment and Public Works of the Senate and the Committee on Public Works and Transportation of the House of Representatives an appropriate plan for a demonstration program to provide sanitation services through contract with a private sector provider;

(3) New York City submits to the Secretary of Transportation and the Committee on Environment and Public Works of the Senate and the Committee on Public Works and Transportation of the House of Representatives an appropriate plan to develop and enforce standards and safety codes for taxicabs operated in New York City.

(c) There are authorized to be appropriated $50,000,000 for the fiscal year ending September 30, 1980 and for the fiscal year ending September 30, 1981 for the purpose of carrying out the provisions of this section.

The PRESIDING OFFICER. Is this the amendment on which the Senator has an agreement of 1½ hours divided equally?

Mr. GRAVEL. Yes, it is the amendment.

The PRESIDING OFFICER. The Chair so notes.

Mr. GRAVEL. Mr. President, this would be somewhat of a unique approach because——

Mr. ROBERT C. BYRD. Mr. President,

will the distinguished Senator yield? Might I get an understanding as to whether or not there will be a rollcall vote on the amendment?

Mr. GRAVEL. I would have to get a feel for the tenor of the leadership before I make the decision.

Mr. ROBERT C. BYRD. I thank the Senator. I thought we ought to let the Senate know.

Mr. GRAVEL. If there is a rollcall. I would be happy to put it over until Monday.

Mr. ROBERT C. BYRD. There is no request to do that. If the Senator decides there is going to be one, as soon as he can do that, we can alert Senators so that they will know. I thank the Senator.

Mr. GRAVEL. I thank my colleague.

This is a little unique because I am placed in the role of advocating something for another State that will have an unusual impact, and I will go through the philosophical background for this action if it is not thoroughly explained in the course of my statement.

This amendment would set aside $50 million, beginning in fiscal year 1980, and, incidentally, I stretch it out that far so that it will not have impact on the present budget and require a waiver under the Budget Act.

Mr. President, this amendment would set-aside $50 million beginning in fiscal year 1980 for the city of New York for the express purpose of improving the physical appearance of Manhattan Island. In return, the city would be required to develop plans to phase-in private sanitation services, to insure daily collection of refuse and garbage and to develop standards and safety codes for city taxicabs.

There is little doubt that New York City is one of the most important cities in the world. It is clearly the world center in finance and industry, transportation, communications, medicine, graphic arts, culture, and entertainment. Manhattan is the cultural, economic, and entertainment center of the city. It is the residence of 1.5 million people. More than 2 million people from the city and region work in the borough and more than 14 million people from throughout the world visit it each year.

Some of the financial data for New York City is incredible. Six of the seven largest banks in the Nation are headquartered in New York City, with combined assets in excess of $438 billion. The volume of stocks and bonds traded on the New York Stock Exchange accounts for 83 percent of the market value of all securities traded nationally; 84 of the Fortune 500 largest corporations are headquartered there. Each year New York City ports handle $30 billion in foreign trade, accounting for 17 percent of the Nation's annual foreign trade.

Mr. President, one of the most eloquent spokesmen for the unique role that New York City plays in the world is none other than the distinguished Senator from Wisconsin (Mr. PROXMIRE). During consideration of the conference report on the New York City financing legislation, he said:

> If you really want to be challenged . . . whether it is law, whether it is accounting, whether it is writing, whether it poetry, whether it is art, whether it is ballet—regardless of what it is, that is the place to go, if you want a challenge, if you want to take on the toughest place in the world and aspire to the greatest heights.

From my own personal perspective, the State of Alaska has been quite dependent on the financial resources which are made available through the New York City marketplace. Much of the capital that was used to finance the trans-Alaska oil pipeline and much of the capital that will be used to finance the Alaska highway natural gas transportation system originated in New York. These projects play a major role not only in economic development in Alaska but in securing energy independence for the United States.

Within this framework, I am proposing today that the Senate go on record recognizing the importance of New York City to our national well-being. I propose that we begin to treat New York as an international capital and as a national treasure. I propose that we make nationwide commitment to improve the physical appearance of this most important city so that New York City can remain the crown jewel of the free enterprise system.

My colleagues should be aware that more people visit New York City than any other city in the Nation, including our political capital, Washington, D.C. The Department of Commerce has provided me with data indicating that over 8 million people visited New York City in 1972, compared with 5.5 million for Washington, D.C. I ask unanimous consent to have printed in the RECORD a chart showing data relating to tourism.

There being no objection, the table was ordered to be printed in the RECORD, as follows:

Tourism—1972

City:	*Number of person/trips*
Atlanta	3,625,800
Boston	3,225,213
Chicago	6,644,072
Cleveland	2,481,712
Columbus, Ohio	2,729,569
Dallas	3,044,108
Denver	2,882,330
Detroit	3,342,393
Houston	3,529,273
Las Vegas	2,726,693
Los Angeles	7,345,227
Miami	3,260,756
Minneapolis-St. Paul	3,861,744
New Orleans	2,267,051
New York	8,480,030
Orlando	2,920,366
Philadelphia	4,109,198
Pittsburgh	2,780,060
Riverside, Calif	3,926,768
Sacramento	3,541,397
St. Louis	4,029,312
San Diego	4,473,482
San Francisco-Oakland	6,098,745
San Jose	1,916,986
Tampa	3,092,593
Washington, D.C	5,535,915

Source: "National Travel Survey," Bureau of the Census, Department of Commerce, 1972.

Mr. GRAVEL. Mr. President, the focus of my amendment is on improvement of the physical appearance of Manhattan through the rehabilitation and reconstruction of the streets and highways. In addition, the city of New York must make certain commitments to improve sanitation services in the borough.

I have no doubt that my colleagues share my distress that the current state of disrepair of the streets in New York as well as the amount of dirt and filth that pervades the city's thoroughfares. However, nowhere else in the Nation do streets and highways take the pounding they do in New York. According to the city's department of transportation, Manhattan's streets supports an average daily traffic volume of 26,800 vehicles. The next highest city is Dallas, with a volume of 19,000 vehicles. I ask unanimous consent to insert in the RECORD a table comparing street mileage and usage among several major cities.

There being no objection, the table was ordered to be printed in the RECORD, as follows:

COMPARISON OF MILEAGE AND STREET USAGE IN MAJOR CITIES

City	Miles of street in main business district	Average daily traffic (vehicles)
Manhattan	153	26,800
Dallas	27	19,000
Los Angeles	51	16,200
Austin	34	13,500
Seattle	13	10,000

Source: New York City Department of Transportation.

Mr. GRAVEL. Just to recapitulate, Mr. President, that list shows Manhattan at 26,800 vehicles, Dallas 19,000 vehicles, Los Angeles 16,200, Austin 13,500, and Seattle 10,000 vehicles.

Mr. President, a well-known urbanologist, Jane Jacobs, has articulated the concept that the quality of the streets has a very direct bearing on the quality of city life. In her work "The Death and Life of Great American Cities", Ms. Jacobs says that "streets provide the principal visual scenes in cities". Not only do streets draw people together and create the diversity that brings vitality to the city, but streets also create a sense of trust among residents. Ms. Jacobs says that city residents make "an almost unconscious assumption of general street support when the chips are down".

In my mind, these academic generalizations support that which is obvious to many people on an emotional level. The streets of New York make the city an exciting place to be, and the quality of the streets has a very direct bearing on the future quality of life within the city.

I regret to report to the Senate that the fiscal crisis in New York has crippled the city's ability to maintain those streets. New York City has over 6,200 miles of streets, covering 30 percent of the land area. Streets should be resurfaced every 10 years and reconstructed every 30 years. Before the fiscal crisis, funds were allocated on a 120-year replacement cycle. Now, funds are allocated on a 200-year replacement cycle.

Over the last 7 years, the city has faced 35,000 lawsuits over potholes and defec-

tive sidewalks and paid out over $61 million in damages.

Inadequate replacement and poor maintenance has removed 35 percent of all sanitation trucks and 265 of the city's 400 mechanical brooms from service.

It is important to keep in mind that city streets also serve as the pathway for water, gas, and electric supply and for sewers. City engineers estimated that reasonable street replacement standards will cost $200 million a year. Installing new water mains and sewer pipes should cost in the neighborhood of $300 million. Thus, a reasonable program to upgrade New York thoroughfare will cost about $500 million a year for 30 to 40 years.

Not only do I believe that New York City cannot afford this type of improvement, but I also believe it should be a matter of national pride that the Federal Government become involved in the effort.

Mr. President, I am sure my colleagues are somewhat taken aback by another proposal to provide financial assistance to New York City. There has been a lot of talk on the Senate floor in recent weeks that New York City is undeserving of Federal support. According to the latest data available from the Treasury Department, there are many more cities which have been treated to terrific beneficence on the part of the Federal Government and have not made anywhere near the effort made by New Yorkers to be self-sufficient.

The Treasury has compiled a list of cities which shows the percent of municipal revenues obtained from the Federal Government over the period of 1972 to 1976. New York City received 4.8 percent of its revenues from the Federal Government during this period. Houston received 13 percent, Boston 26.6 percent, Detroit 24.0 percent, and Philadelphia 13.0 percent. I ask unanimous consent to insert in the RECORD a table on this subject.

There being no objection, the table was ordered to be printed in the RECORD, as follows:

Fiscal profiles—1972–76 Federal revenues as percent of city's general revenue

[In percent]

City:	
Boston	26.6
Chicago	14.4
Cleveland	16.8
Detroit	24.0
New Orleans	14.5
Newark	4.4
Philadelphia	16.4
St. Louis	13.7
Atlanta	13.8
Dallas	4.9
Kansas City	17.6
New York	4.8
Houston	13.0
Los Angeles	10.9
Nashville-Davidson	10.6
Omaha	20.5
San Antonio	24.4
Toledo	20.3
Denver	15.1
Memphis	7.0
Phoenix	16.9

Source: "Report on the Fiscal Impact of the Economic Stimulus Package on 48 Large Urban Governments, Department of Treasury, Office of State and Local Finance, January 23, 1978.

Mr. GRAVEL. Some have claimed that the State of New York has not done its fair share in assisting New York City. The Treasury has also published data on the percent of municipal revenues derived from State governments. New York City has one of the highest percentages at 44.5 percent. Houston shows 1.8 percent in State assistance, Boston 20.8 percent, Detroit 16.9 percent, and Philadelphia 15.0 percent. I ask unanimous consent that this table be printed in the RECORD.

There being no objection, the table was ordered to be printed in the RECORD, as follows:

Fiscal profiles—1972–76 State revenues as percent of city's general revenue

City:	*Percent*
Boston	20.8
Chicago	14.6
Cleveland	11.8
Detroit	16.9
New Orleans	28.1
Newark	49.1
Philadelphia	15.0
St. Louis	11.2
Atlanta	11.3
Dallas	3.0
Kansas City	4.6
New York	44.5
Houston	1.8
Los Angeles	13.1
Nashville-Davidson	21.5
Omaha	14.5
San Antonio	2.9
Toledo	11.1
Denver	19.1
Memphis	52.5
Phoenix	20.8

Source: "Report on the Fiscal Impact of the Economic Stimulus Package on 48 Large Urban Governments", Department of Treasury, Office of State and Local Finance, January 23, 1978.

Mr. GRAVEL. Finally comes the issue of effort on the part of the city residents. According to Treasury data, New Yorkers pay the highest per capita taxes, both to the city and to the State. New Yorkers paid $1,660 per capita in 1975. Again, compare this with Houston at $652 per capita, Boston at $1,346 per capita, Detroit at $890 per capita and Philadelphia at $878 per capita.

In addition to this data, a recent article appeared in the New York Daily News detailing the results of a survey which showed that 6 percent of New Yorkers would prefer to improve the physical condition of the city instead of cutting taxes. The most highly taxed people in the Nation on a per capita basis are willing to pay more to improve the quality of life in this most important city.

I ask unanimous consent that a table showing per capita tax effort be printed in the RECORD.

There being no objection, the table was ordered to be printed in the RECORD, as follows:

FISCAL PROFILES

City	1975 city average per capita taxes	1975 State average per capita taxes	1975 combined
Boston	$532	$814	$1,346
Chicago	188	730	918
Cleveland	134	534	668
Detroit	208	682	890
New Orleans	145	566	711
Newark	314	725	1,039
Philadelphia	242	636	878
St. Louis	251	523	774
Atlanta	162	508	670
Dallas	176	515	691
Kansas City	210	523	733
New York	635	1,025	1,660
Houston	137	515	652
Los Angeles	175	869	1,044
Nashville-Davidson	290	451	741
Omaha	119	577	696
San Antonio	67	515	582
Toledo	104	534	638
Denver	230	631	861
Memphis	110	451	561
Phoenix	106	658	664

Source: Statistical Abstract of the United States, Bureau of the Census, Department of Commerce, 1977.

Mr. GRAVEL. In my mind, this data shows that New Yorkers have made a sincere effort to help themselves and that the Federal Government has been less than generous in its relationship with New York City. As a final note, in 1977, Washington, D.C., received $2.2 billion in Federal assistance or $3,021 per capita. New York City received $4.97 billion or $660 per capita. I would hope that we can begin to even out this inequity by equating the importance of New York City with that of Washington, D.C.

With regard to my amendment, I am proposing that New York City be eligible to receive $50 million a year to improve the physical appearance of Manhattan. Keep in mind that this is about one-tenth of the city's projected needs. In return, the city must take the following steps:

First, the city must prepare a plan for a demonstration program for provision of sanitation services through contract with a private sector provider. I share the chagrin of some of my colleagues at the high cost of provision of services through the public sector and this element would offer the mayor an opportunity to reverse that trend.

Second, the city must prepare a plan for daily collection of garbage and regular street cleaning. I have discussed this proposal with Mayor Koch and he is prepared to undertake some real creative action in this area.

Third, the city must prepare a plan to implement and enforce a code of standards for city taxicabs. As a former New York City cabbie, I have some experience in this area. I have found that Checker Cabs are the most efficient, long-lasting, comfortable vehicles on the streets of New York. We should have the same pride in the cabs on the streets of New York that Londoners have in their cabs in that great city.

All of these plans would be submitted to the Senate Committee on Environment and Public Works and the House Committee on Public Works and Transportation as well as the Secretary of Transportation for review.

Let me conclude by saying that I believe New York City deserves a Federal commitment to improve the quality of life in the city. It is deserved because New York is an international city. It is deserved because New Yorkers have made

a good faith effort to improve their own quality of life. It is deserved because of the need to preserve this national treasure for future generations.

At the close of debate on the New York City bill, Senator PROXMIRE recited the invitation to the tired and the poor which is inscribed at the foot of the Statue of Liberty, he then said:

> Nothing expresses America better than those words. In my view, it also expresses New York. New York has not only said this to the world, we often view this as an invitation to Europe, or the people abroad, to come to our country.
>
> It is also in my view an invitation to people to come to New York, American people to come to New York and not simply visit, but to come and face it, to face the biggest challenge in so many fields of endeavor anywhere.

Mr. President, if we did not have New York as the economic capital of the world, Americans would have to travel as they did in days of old on clipper ships to London, to the financial heart of the world at that point in time, and negotiate their financial affairs.

There is not a mayor or a Governor in the United States of America who does not have to travel to New York City now to sign bonds to finance the capital improvements in his or her community.

If we did not have New York City as the capital of the world, we, the superpower of the world, would be prepared to spend billions of dollars to acquire it. I, as an American, am ashamed when I go to New York City and see the level of disrepair, when I think that this is the heart of the free enterprise system. In many respects it looks like a pigsty.

When I travel to Moscow and see the status of Moscow or any other city under Communist domination and make a comparison on surface values, I am appalled.

For too long we have ridiculed, we have made fun of, this great city. We are truly making fun of ourselves. I would hope that this ridiculousness would begin to end.

I would like to hear a response from the managers of this bill as to why this situation should not be attended to, and why we should continue to let this neglect go forward when the statistics show that quite obviously in 200 years New York will not be able to dig itself out of this dilemma.

I would hope that we would begin to take New York, the city, and put it aside and look at Manhattan Island, New York, the capital of the world which just happens to be under the American flag, in which I take great pride.

I reserve the remainder of my time.

Mr. BENTSEN. Mr. President, I rise to strongly oppose the amendment of my friend, the Senator from Alaska.

The PRESIDING OFFICER. The Senator from Texas is recognized.

Mr. BENTSEN. He said that New York City is a world capital. I agree it is a great city. It is a city which has been traditionally a magnet of opportunity for the people of America, a city which has been a vital element in forging American prosperity and American development. But I am constrained to strongly disagree with my friend from Alaska when he says that New York City has not been treated fairly by the Federal Government. When we examine the figures of the Senator from Alaska, we become convinced that the hand is really quicker than the eye.

Let us take a look at the numbers that the Senator sent out on his account "fact sheet." The Senator says that the Federal assistance to New York City received in 1977 was $4.97 billion.

Those are the numbers. Then I go down a little farther on the page and he says that the Federal revenue as a percent of the city's general revenue was 4.8 percent.

If I am to believe those numbers, then the city must have had about $100 billion of revenue. The revenue of the Federal Government is only $500 billion. I do not think the numbers stand up at all.

One of the things that has not been included in here, of course, is the passthrough funds from the State. That is approximately $5.9 billion. Roughly $2 billion of that is money passed through from the Federal Government, through the State as a conduit, which obviously would very materially change these numbers.

Let us examine these figures: According to the Bureau of Census study entitled "City Government Finances in 1975–76," in fiscal year 1976, New York City's general revenue was $13.45 billion. Federal aid to New York City totaled $961 million. That means Federal assistance, just direct, was 7 percent of total city revenues.

But the catch is that only $6.8 billion of the city's $13.8 billion general revenue was generated by the city itself.

For example, $5.9 billion of the city's $13.8 billion general revenue actually came from the State of New York. And much of this money represents an actual passthrough from the Federal Government through the State government to the city.

If you take Federal assistance New York City received as a percentage of the revenue actually generated by New York City, the figure roughly doubles, up to 14 percent. If you add to this the money which comes to the city from the Federal Government via the State, of course, as I said earlier, that percentage gets much higher.

For example, for this year, there are estimates that total Federal assistance as a percentage of city generated revenue could range all the way up to 45 percent. So instead of New York receiving only 4.8 percent in Federal revenues, as Senator GRAVEL has suggested, the actual figure is closer to 40 or 50 percent.

If the Senator believes such estimates to be exaggerated, he should remember that in 1976, State aid to New York City—much of which comes from the Federal Government—constituted a full 86 percent of the total revenues generated by New York City.

Mr. President, Senator GRAVEL says that New York gets shortchanged on a per capita basis in terms of Federal assistance. Well, let us compare the largest city in the Nation with the fifth largest city in the Nation.

The Senator has made that comparison. Let us compare it with Houston.

Between 1974 and 1976, New York City received 15.75 times more in Federal aid than did Houston, even though New York City has only five times the population of Houston.

That works out to New York City receiving more than three times per capita what Houston received.

Between 1973 and 1976 New York City, a city of 320 square miles, received three times as much money under the Federal aid urban systems program as did Houston, even though Houston is a city of some 540 square miles.

Mr. President, Houston is a very large city. You could fit Boston, Denver, Atlanta, Louisville, Detroit, and San Francisco within the city limits of Houston. That means Houston has a lot of streets and the public works department tells me that, like New York City, Houston is on a replacement cycle of 200 years—a lengthy cycle which, in the view of the Senator from Alaska merits a special setaside for New York City but not for Houston.

Mr. President, New York City is receiving fair treatment, indeed more than fair treatment, from the Federal Government. To suggest otherwise is to ignore the facts in an attempt to prove that a great city is being swindled in its transactions with the Federal Government.

Furthermore, Mr. President, the amendment by the Senator from Alaska would establish a dangerous precedent for the use of Federal aid highway funds. For very practical reasons, we have never permitted funds to be used for the routine repair of city streets.

We were bombarded in the spring by cities all over this Nation talking about potholes. Every person in an urban community was being subjected to them. There was an outcry to have them repaired. If we had succumbed to that, we would have destroyed the Federal highway system. We would never finish it. Can the Senator say that the people of Manhattan Island had any greater discomfort in that situation, or any greater right to have attention paid to their local streets?

Because Federal highway funds actually amount to a very small percentage of the total public expenditures on roads and streets, we have intentionally chosen to limit their use to the construction of roads that are of national significance. Otherwise, the funds we authorize would be no more than a small drop in a very large bucket. We would see no measurable impact on the transportation system as a result of our Federal efforts.

This great Interstate Highway System that General Eisenhower called for is the biggest public works project in the history of the world. Have you ever stopped to think what our transportation problems would be in this country and how much additional energy and fuel we would be using if we had not done what we did on the Interstate Highway System?

We have, however, attempted to be responsive to the needs of urbanized areas. The bill reported by the Environment and Public Works Committee authorizes $700 million annually for roads on the Federal aid urban system. These

funds are not widely available for all city streets, but rather, must be spent on important urban arteries designated by local governments in cooperation with their State transportation agencies.

Even though Senator GRAVEL's amendment would not authorize the expenditure of highway trust fund revenues, I must nonetheless object because it would, for the first time, permit Federal aid funds to be used on urban routes that are not a part of the designated Federal system. I can think of nothing more local in nature than the maintenance of average urban roads. Congress simply cannot afford to get into the business of fixing city streets. I strongly urge my colleagues to defeat this amendment.

Mr. President, I reserve the remainder of my time. I yield to the distinguished Senator from Rhode Island.

Mr. CHAFEE. Mr. President, I am on the time in opposition to the amendment.

The PRESIDING OFFICER. The Senator is recognized.

Mr. CHAFEE. Mr. President, I join wholeheartedly in the sentiment so ably expressed by my colleague from Texas. This is really, a very, very far-reaching and unique amendment which the Senator from Alaska has proposed. He has proposed that we get into the business, as the Senator from Texas mentioned, of paving the streets of the city of New York, tied to some kind of proposal dealing with a safety code for the taxis and street cleaning and daily sanitation pickup.

Mr. President, we just have a limited amount of money. I have not seen anybody around the Senate floor propose that we increase the amount of money in the highway trust fund. As a matter of fact, as was mentioned earlier, we cannot get anybody to budge from the 4-cents-a-gallon tax which is presently imposed. Even with that amount of money presently existing, $70 million annually is paid to the State of New York for urban highways; in other words, urban through-streets, such as Park Avenue; that would qualify. The bulk of that $70 million a year goes to the city of New York and, as of June 30, just a month and a half ago, there were $145 million in New York's urban highway funds unspent.

So if the city of New York is so anxious for this money, they should approach the State of New York, where the funds are presently existing and unspent. They would be under a 70-percent-Federal 30-percent-local ratio. The proposal of the Senator from Alaska would be a flat, outright grant of $50 million. But it seems to me if New York wants to get on with this urgent project, that some of the unspent $145 million in urban system funds should be used for this purpose.

We have not received any indication on the floor here from the Senator from Alaska that the city of New York has proposed this program, or requested it. We do not even know what the requirements will be for daily garbage collection and other provisions.

So, Mr. President, I think that while this is laudatory in certain respects, while we all would like to have our streets paved—I wish they would stop by Providence, R.I., while they are doing it and take care of some there, then move up to Pawtucket and Central Falls—there is no way in the world that the Government can start on a program like this.

I join my colleague in opposition to it.

Mr. BENTSEN. I say to Senator CHAFEE that I noted that the city of New York has passed a new ordinance on dog sanitation. That appears to be one of the requirements of the Senator from Alaska on a sanitation program.

I suppose this is a help in that regard.

Mr. GRAVEL. Yes, they launched a "pooper-scooper" campaign up there.

The PRESIDING OFFICER (Mr. PROXMIRE). Who yields time?

Mr. GRAVEL. Mr. President, I yield myself whatever time I need at this point.

I just announce that I will not press for a vote on this. This is something I made my mind up on in the last 45 days.

I think the process should go through more of a committee deliberation. I think what I am trying to do is begin to see if a movement cannot be generated with respect to what I think is something important.

Although my colleagues have made good points, I do not think they have addressed themselves, really, to the goals that I am going after.

First speaking to the remarks of my distinguished colleague from Rhode Island, for whom I truly hold great affection, he is right. Let us stop and pave all streets in Providence and all streets in Anchorage. But the truth of the matter is that Providence and Anchorage are not the international capitals of the world. We do not get 8 million people coming to Providence nor to Anchorage. Nor do we get 8 million people coming to Houston, and Houston is a very important community in this country. But it is not as important as Manhattan Island because Manhattan Island is the capital of the world, both politically, in my mind, and also economically, culturally, artistically, and it happens to be under the American flag.

There is no question, we can take my figures or the Senator's figures. He can make a case and I can make a case.

The figures I was using, incidentally, were from 1972 to 1976 because that is where we had the relative data in charts.

I think the Senator knows, and certainly the distinguished Senator in the chair knows, that from 1976 to today there has been an unusual effort in New York, there has been a lot of targeting because of the recession and because New York took the brunt of the recession, like a few other communities in this country.

But I think we cannot walk away from the fact that New York City is making as good a tax effort as anybody else in the United States, and more than most.

There is no one, on a per capita basis in the United States, that is paying any more taxes than a resident of Manhattan—no one.

So we must deduct from empirical evidence that the effort they are doing for their own community is not sufficient.

We could turn around and say, "To hell with it," to their community.

It is not their community. It is our community. We have as much at stake, as a citizen anywhere in the United States, in New York City as a New York City resident has.

So we must deduct from empirical evidence that, regardless of what is being done, it is not going to be enough.

If we can tolerate the situation, to have the capital of the Western world, the capital of the free enterprise system, look as it does, then fine. I, for one, as an American, am fed up with having my capital look that bad. I am prepared to stand here as a Senator from Alaska and say that I am prepared to take my cut, percentagewise with the rest of the people of this country, take that one area of ground, Manhattan Island, and to make it look like something to be proud of in the free enterprise world, make it a showcase.

But now we can walk across town faster than we can take a cab and the streets are the worst in the world. There are no streets like that in Anchorage, Alaska. I have been to Houston. It is a fine community. Texas can be proud of Houston. But Houston does not begin to have the problems of New York City.

I am not talking about the boroughs of Staten Island or Queens. I am talking about the area within Manhattan. If we were to take a foreigner and come in on the Triborough Bridge and get off at 125th Street, do not scoot down the FDR Drive, but get off at 125th Street, take the streets down, you would think your were driving through Berlin in 1946.

That is the window of the world that we have, to tell the world, "Boy, isn't the free enterprise system something great?"

That is what they see. That we can let our capital get into such disrepair is preposterous.

So I do not make an appeal on the basis of, "Well, my people in Anchorage are not getting as much as the person in Manhattan." I hope my colleague would not make his appeal and say the people in Houston are not getting that much, or the people in Wisconsin are not getting that much. That is not the issue.

The issue is that they are taxing themselves as much as they can. They say they are prepared to tax themselves more, and that will not do the job.

So the obvious question is, do we want the job done?

I, for one, starting today, am going to look for programs in the American budget, for the balance of my term in office, and if that is extended by the people of Alaska, even further on into that, I will look for moneys and programs so I can focus on that unique problem of making Manhattan look better than it looks now. That is the Sunday suit that I, as a member of the free enterprise society, wear to Sunday meeting. That suit is tattered now, and the people who hold that suit cannot afford to do more than they are doing now. So it is our responsibility.

With that placed in the RECORD, hopefully there will be other Americans that will believe such as I, and other Mem-

bers of the Senate and the Congress that will believe such as I, and that will come forward, hopefully, we can make efforts as time goes on to try to do something about this problem.

I want to reemphasize again, we have put our partisanship aside. We have to think of our nationality in terms of not an Alaskan or a Texan or an Arizonian.

We have to think, first, we are Americans, that we believe in a free enterprise system, and that the window of that system to the world is Manhattan Island, located just accidentally in the city of New York.

We can let that window look the way it looks now, tattered. As we know, we judge a person by the way he looks. So if he looks like a slob, we tend to treat him like a slob. But if he looks good, then we are inclined to treat him good.

So when the leaders of the world come to the United Nations to address that august body in the political heart of the world, what they ride through to get to the United Nations is what we exhibit as our economic system, this great and successful economic system.

I wish we at least had the decency to let that city mirror the success of that system, and it does not. If you landed from Mars and you walked the streets of Moscow and you landed from Mars and walked the streets of New York, you would have to say that Moscow has a much more successful economic system than the economic system that shelters the city of New York.

So, obviously, the only answer is to recognize that they are making an effort, a greater tax effort, than anybody else in the United States. Obviously, through empirical observation, that is not enough.

You can drive to Rhode Island and you can drive to Texas and you can drive to Alaska, and in no instance is it as bad as driving through Manhattan. I think that is a national disgrace, and I hope this speech will launch the effort to do something about this problem, extraneous to our normal biases to our own communities and constituencies.

With that in mind, Mr. President, since I will be coming to the floor on numerous occasions to make the case, we will attempt to refine our figures more precisely, work them over a little more, try to get more current data, and will come back again, and we will come back at hearings, not only on the highways but also on mass transit and a whole host of other areas, to try to do something to give us a little more pride in our capital city.

We have expressed that pride in Washington, where we have put in more than $3,000 per capita. I hope we do not have to equal that in New York. But I hope we will do substantially more for not New York City the city, but New York City the capital of the free world.

I thank my colleagues for their patience, and I withdraw my amendment.

The PRESIDING OFFICER. The amendment is withdrawn.

UP AMENDMENT NO. 1683
(Subsequently numbered amendment No. 3513)

(Purpose: To provide funds for the Arkansas share for the I–40 Arkansas River bridge)

Mr. BARTLETT. Mr. President, the senior Senator from Oklahoma and I have an unprinted amendment at the desk, and I ask that it be stated.

The PRESIDING OFFICER. The amendment will be stated.

The second assistant legislative clerk read as follows:

The Senator from Oklahoma (Mr. BARTLETT), for himself and Mr. BELLMON, proposes an unprinted amendment numbered 1683:

At the end of the bill insert the following:

SEC. 146. (a) There is hereby authorized to be appropriated from the General Fund of the Treasury the sum of $640,100 to provide the share of the State of Arkansas for the Interstate 40 bridge across the Arkansas River.

(b) Sum authorized by this section shall remain available until expended.

The PRESIDING OFFICER. Without objection, the amendment is in order.

Mr. BARTLETT. Mr. President, I should like to give a little background on this amendment.

As Congress knows, and the Senate very well knows, through the efforts of Senator McClellan and Senator Kerr, the United States embarked on a very expensive and expansive development program of the Arkansas Basin. This program has cost $1.2 billion and provides water transportation for the area served by the Arkansas River, which benefits particularly certain States, such as Arkansas and Oklahoma, but also Kansas, Nebraska, Colorado, and many others.

Indirectly, and actually even directly, it benefits other States on the inland waterway system. As part of the interstate highway system, Interstate Highway 40 crosses the Kerr-McClellan Waterway at Little Rock. The bridge is a important part of Arkansas interstate system, and it is important that this river be traversed by a modern bridge. The bridge is being held up because of a difference of opinion between the State of Arkansas and the State of Oklahoma as to the size of the span over the channel of the waterway.

There was testimony in a recent hearing by the St. Louis Division of the Coast Guard that this channel should be traversed by a span of 600 feet. The State of Arkansas would prefer building a span of 500 feet which, of course, would cost less than a span of 600 feet. There are people in the State of Oklahoma who filed suit in this matter and then set it aside for the hearing to which I referred.

After the hearing, notwithstanding the fact that the decision of the Coast Guard recommended the 600-foot span, the admiral in charge of the Coast Guard made a suggestion—and the Department of Transportation, I suppose, actually made the ruling—for a 500-foot span to be built.

What is at stake here? The barge owners have testified and agreed with the Division of the Coast Guard from St. Louis that a 600-foot span is needed over the waterway at this particular point because it occurs in the bend of the river opposite the port at Little Rock; that because of the two things impacting on each other—the curve of the channel in the river and the activity around the port—it would be unsafe to carry a normal towload of barges up the river if the 500-foot span is constructed. If the 500-foot span is constructed, they would be able to tow only eight barges, plus a towboat. The towboat would be able to tow safely eight barges; whereas, with a 600-foot span, it would be able to tow 17 barges safely.

It is very obvious that the cost of transportation for that segment from Little Rock to Catoosa would be much larger, because of the smaller load permitted, than for the remainder of the segment of the Arkansas waterway and the entire inland waterway.

Let us look at it from the point of view of the Federal Government. It has this tremendous investment in the Arkansas waterway, for partly the purpose of inland waterway transportation. I think it is very vital that its interests in having a waterway that is fully usable at its most efficient rate be available for the full extent of the waterway. Yet, the Federal Government engaged in the construction of the whole Arkansas basin development, including the waterway. Why? For the reason that the States which directly and intimately benefit from it would not be able to support it. They, themselves would not be able to construct such a project, which some have called a boondoggle.

I might say that the amount of transportation, the tonnage, on the Arkansas to Tulsa is larger than anticipated for this stage of development.

Here we have two States that are disagreeing over the size of the bridge, one-tenth of the bridge to be paid for—on a 90 to 10 basis—by the State of Arkansas, and the benefits accruing to the State of Oklahoma.

I think we have the same kind of situation as we have with the construction of the Arkansas Basin, where the Federal Government steps in because the States are incapable of dealing with the problem themselves.

The State of Oklahoma, through its legislature, would not be in a position to authorize the necessary appropriation for the increased span from 500 to 600 feet of the bridge crossing the Arkansas at Fort Smith.

The State of Arkansas, for reasons of constructing the bridge as soon as possible and because of the extra costs involved prefers the 500-foot span.

It appears that there will now be, because of the recent Department of Transportation decision favoring the 500-foot span, a new lawsuit filed or the old lawsuit reactivated and that there will be definitely delays. So there is going to be a delay it appears either way, whether the Federal Government would step in to make certain that the waterway, in which they have such a tremendous investment, is going to be properly constructed or, on the other hand, whether the decision is reached not to finance this span of the bridge.

So it gets down just to the question of whether or not Congress, and first the Senate, should authorize the appropriation of a very small amount of money, an amount totaling $640,100, which would pay the share of the State of Arkansas of the additional cost of constructing the bridge with a 600-foot span instead of a 500-foot span over the channel of the Arkansas waterway.

I hope that the floor managers of the bill will accept what appears to this Senator to be a most reasonable position for the Federal Government, for this Congress to make certain that the navigation of the Arkansas which is proceeding very well is going to continue to proceed very well. Efficiency and the benefits accrue to all citizens of the country in lower transportation costs, not only in barge transportation but competing transportation of all kinds.

So, it is my pleasure to participate in this with my distinguished colleague from Oklahoma, and I am sorry that I have taken so long in making my presentation but, I know that he wishes to make some remarks, and I yield for that purpose.

Mr. BELLMON. Mr. President, how much time remains on the amendment?

The PRESIDING OFFICER. Two minutes remain for the Senator from Oklahoma.

Mr. BELLMON. Mr. President, I shall be very brief. I believe my colleague from Oklahoma has covered the matter thoroughly and succinctly and there is not a great deal more to be said. I am very proud to join in sponsoring this amendment.

It is a matter of utmost importance to the State of Oklahoma and in a way to the Nation because of lowering the cost of moving grain and other commodities up or down the navigation channel will certainly increase the efficiency of our commerce. It makes no sense to be in this case pennywise and pound foolish. A few dollars we may save in building the shorter span will cost more overtime in increased freight cost.

This is one of those unusual situations where the action of one State, which is perhaps in that State's interest, is contrary to the interest of a neighboring State and it seems that the only solution to the problem is for the Federal Government to step in and to pay the very nominal cost of building the 600-foot span which will properly serve the needs of the users of the channel.

I might say that we have discussed this matter, and I believe my colleague will agree, with both the Senators from Arkansas and I believe they are in agreement that this is the proper action and will join us in support of this amendment. I cannot speak for them with total assurance, but I believe they are in agreement, that this is a joint effort between the Senators from both Arkansas and Oklahoma.

I urge the adoption of the Bartlett amendment.

The PRESIDING OFFICER. Who yields time?

The Senator from Texas.

Mr. BENTSEN. Mr. President, I rise in opposition to the amendment. I do it with great reluctance because of my high regard for the two Senators from Oklahoma and in turn the two Senators from Arkansas, my colleagues and my neighbors.

But as I understand what they are seeking to do is to increase the span from approximately 500 feet to approximately 600 feet. The primary reason for that is not highway transportation, I would deem that the highway purpose would be equally served by a 500-foot span. So the reason is for navigation, and here we are talking about trying to put it on the highway bill.

In addition to that, it seems to me it is a very bad precedent when you talk about adding the excess span from 500 to 600 feet and then saying the Federal Government, in effect, is going to come in and pick up all of the State's portion. It is like saying "Even though you are going to 90–10, that is not enough. Give us the extra 10 percent from the Federal Government."

I cannot remember such a precedent in our highway programs and if there is one I think it is a very bad one. I hate to have this one become a precedent in that regard.

So, as much as I am concerned about the problem, I am further concern on what we will be looking on down the road in this kind of precedent-setting amendment.

Therefore, I have to oppose the amendment.

I withhold the remainder of my time.

Mr. BARTLETT. Mr. President, it is my understanding that we have used up all of our time.

The PRESIDING OFFICER. The Senator from Oklahoma is correct.

Who yields time?

Mr. BARTLETT. Will my good friend from Teaxs yield me 2 minutes?

Mr. BENTSEN. I am delighted to yield 2 minutes to the Senator from Oklahoma of my time.

The PRESIDING OFFICER. The Senator from Oklahoma is recognized for 2 minutes.

Mr. BARTLETT. I thank the distinguished Senator and my good friend from Texas.

I wish to point out that I do not believe that this would establish a precedent. The purpose, as the distinguished Senator from Teaxs very clearly and succinctly outlined, is to facilitate construction of a bridge for the purpose of having a navigational channel that will be fully and efficiently usable so that it will not require the barge operators to shift their loads around and reduce the size of the tow which obviously raises the transportation costs. So this is a very unusual, unique, and I am certain not repeatable kind of request.

But it happens to be a bridge, and the bridge happens to carry a road and the road happens to be an interstate highway, and so obviously we need both the interstate highway bridge to be constructed for the purpose of carrying Interstate 40 which we, Texas, Oklahoma, Arkansas and across the Nation, are interested in.

We are also interested, as is Texas and other States, in the navigation part. So I do not think there is any precedent here. I am sure this has not been done before because I cannot imagine this ever happening before. It happens to involve two States in which the costs accrue to one, the benefits accrue to the other. So I think this is the kind of situation in which the Federal Government has an obligation to enter for the purpose of making certain that their plans with the Arkansas waterway are going to go through and not be interfered with because of a disagreement between two States.

This, according to my colleague from Oklahoma, is supported by the Senator from Arkansas (Mr. BUMPERS), and in my conversation with the other Senator from Arkansas (Mr. HODGES) it is supported by him.

So as far as this legislation is concerned, there is no disagreement between the two States. Therefore, we would like a vote on this. If the Senator, the floor manager of the bill, does not accept it——

The PRESIDING OFFICER. The time of the Senator has expired.

Mr. BARTLETT. Mr. President, if I could have 30 seconds more.

Mr. BENTSEN. I yield 30 seconds to the Senator from Oklahoma.

The PRESIDING OFFICER. The Senator is recognized for half a minute.

Mr. BARTLETT. The Senators from Oklahoma—and I am speaking for my colleague, Mr. BELLMON—of course, would like to have it accepted today. If the distinguished floor manager does not find it acceptable to him, then we would like to have a vote on it Monday, with the yeas and nays.

Mr. BENTSEN. Would the Senator like to have it now?

I understand we have a quorum. I frankly, do not know who is here, so I do not know who would be favored by a vote now. Would the Senator like to have a vote now? I would like to get it out of the way, if we can, one way or the other.

Mr. BARTLETT. I think it would be unfair to the Senators who are not here, those who have gone. It is my understanding that both cloakrooms have notified the Senators that there will not be another vote.

Mr. BENTSEN. That is not correct. In fact, the leadership has continued to advise them that there probably will be a vote, and the leadership is asking that we get as many votes as we can out of the way.

Mr. BARTLETT. I do not know how the vote would come out today as compared with Monday.

Mr. BENTSEN. I think there are as many here today as there will be Monday.

Mr. BARTLETT. I think it would be fairer to have it on Monday because we would have at least an opportunity to present the matter, which is a little bit—it does not take long to present it, I think, but it is a rather unusual request and we would like to have the opportunity of doing that over the weekend, and Monday morning. Therefore we would much prefer a vote on Monday.

Mr. BELLMON. Mr. President, I would agree. This matter needs to be explained in a dear colleague letter which we will send out this afternoon, and we hope the manager and assistant manager will take it. It is $640,000, and it would not seem to be much of a strain.

Mr. BENTSEN. I would say to my good friend when we talk about strain, I have the distinguished Senator from Maryland waiting for another strain, and his is a unique situation also. It is once again the precedents we are concerned about.

Mr. BELLMON. Mr. President, if the Senator will yield, the problem with precedents would not seem to be that troubling. I cannot imagine another situation like this occurring where one State's interests are contrary to the other State's interests, and where only the Federal Government would be able to straighten it out. We would like as much as possible to make it plain that this is not a precedent-setting action.

Mr. President, I ask unanimous consent that there be a time set for a rollcall on the matter on Monday. Are there other votes set for Monday?

Mr. BENTSEN. No.

The PRESIDING OFFICER. No time has been set for votes on Monday as of now.

Mr. BENTSEN. I could move to table, of course, and have the vote now.

Mr. CHAFEE. Mr. President, may I just make a comment or two?

The PRESIDING OFFICER. Who yields time? Does the Senator from Texas yield time?

Mr. BENTSEN. Is the Senator speaking for or against the amendment?

Mr. CHAFEE. I am speaking for it.

The PRESIDING OFFICER. All time has expired.

Mr. BENTSEN. I would yield 5 minutes to my friend from Rhode Island.

Mr. CHAFEE. That is what you would call above and beyond the call of duty.

Mr. President, I have spoken to the two Senators from Oklahoma on this subject, and they have made a very persuasive plaintiff's case for their side, and I have indicated to them that I would support the amendment.

I guess the question now being debated——

Mr. BENTSEN. Well, considering the two Senators want to make their case over the weekend with a dear colleague letter, I will not move to table. I would hope they would have given us a vote today. We have been trying all day to get votes, and everyone says wait until Monday. I do not know why the odds change at all on Monday.

I ask unanimous consent that we schedule a vote—for what time would you gentlemen like?

Mr. CHAFEE. I would like it in the afternoon if we could.

Mr. BENTSEN. How about 2:00?

Mr. CHAFEE. How about 2:30?

Mr. BENTSEN. That is fine.

Mr. BARTLETT. That would be fine with us.

Mr. BENTSEN. I ask unanimous consent that this vote be scheduled for 2:30 p.m. on Monday. We should check with the leadership. Let me withhold that.

Mr. SCOTT. Mr. President, I suggest the absence of a quorum.

Mr. CHAFEE. Will the Senator withhold that?

Mr. President, I wonder if I might make an inquiry?

The PRESIDING OFFICER. Who yields time?

Mr. CHAFEE. I think I still have some time left on the bill. I will take 1 minute on the bill.

The PRESIDING OFFICER. The Senator has that right.

Mr. CHAFEE. Mr. President, just a parliamentary inquiry.

The PRESIDING OFFICER. The Senator will state it.

Mr. CHAFEE. What is the vote situation for Monday? Are the votes to be in the afternoon so far? In other words, we have some stacked up that were assigned for Monday, such as the Alaska Railroad, the Kennedy-Weicker amendment dealing with the highway trust fund, the Huddleston amendment dealing with coal haul roads. Those I understand were to be in the afternoon.

The PRESIDING OFFICER. No time has been set. They will occur on Monday, but no time has been set.

Mr. SCOTT. Mr. President, will the Senator yield?

Mr. CHAFEE. Yes. I just have a little bit left.

Mr. SCOTT. Mr. President, there was a unanimous-consent agreement with regard to the District of Columbia representation bill whereby we would have an allocation of time, and it was agreed by the majority leader that we would have the time fairly equally divided between Monday and Tuesday. There is a special order on this, I believe, and we would not want to be put in a cramp on Monday because we would hardly have time to dispose of the bill and vote at 6 o'clock Tuesday.

Mr. BENTSEN. Mr. President, I suggest the absence of a quorum.

The PRESIDING OFFICER. Is the Senator from Texas charging his time on the bill?

Mr. BENTSEN. I ask unanimous consent that it be charged to both sides equally.

The PRESIDING OFFICER. Without objection, it is so ordered. The clerk will call the roll.

The second assistant legislative clerk proceeded to call the roll.

Mr. ROBERT C. BYRD. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. ROBERT C. BYRD. Mr. President, I ask unanimous consent that the vote occur in relation to the amendment by Mr. BARTLETT at 5 o'clock p.m. on Monday.

The PRESIDING OFFICER. Is there objection? Without objection, it is so ordered.

Mr. ROBERT C. BYRD. Mr. President, have the yeas and nays been ordered?

The PRESIDING OFFICER. The yeas and nays have not been ordered.

Mr. BARTLETT. I ask for the yeas and nays.

The PRESIDING OFFICER. Is there a sufficient second? There is a sufficient second.

The yeas and nays were ordered.

Mr. ROBERT C. BYRD. Mr. President, that request does not rule out a motion to table. I hope the Senator understood my request.

Mr. BARTLETT. I understand.

Mr. ROBERT C. BYRD. Mr. President, the amendment is automatically temporarily laid aside; or, if not, I ask unanimous consent that it be so.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. ROBERT C. BYRD. Is there time remaining on the amendment?

The PRESIDING OFFICER. Five minutes remain in opposition. No time remains in favor.

Mr. ROBERT C. BYRD. Very well. I believe the Senator from Maryland (Mr. MATHIAS) has an amendment that he is about to call up, and on which he wants a rollcall vote today.

Mr. MATHIAS. Mr. President, I have three amendments. Two of them, I think, are agreeable to the committee. So the two can be disposed of very rapidly, and then we can go to the other one.

UP AMENDMENT NO. 1684

(Purpose: To amend the provisions relating to Interstate substitutions)

Mr. MATHIAS. Mr. President, I send an amendment to the desk.

The PRESIDING OFFICER. The amendment will be stated.

The legislative clerk read as follows:

The Senator from Maryland (Mr. MATHIAS) proposes an unprinted amendment numbered 1684.

Mr. MATHIAS. I ask unanimous consent that further reading of the amendment be dispensed with.

The PRESIDING OFFICER. Without objection, it is so ordered.

The amendment is as follows:

On page 11, between lines 1 and 2, insert the following:

SEC. 107. (a) Section 103(e)(2) of title 23, United States Code, is amended in the fourth sentence by striking out all beginning with ", except" to the period at the end thereof.

On page 11, line 2, strike out "Sec. 107." and insert in lieu thereof "(b)".

Mr. ROBERT C. BYRD. Mr. President, will the Senator want the yeas and nays on his amendment?

Mr. MATHIAS. Not on this one, but on a succeeding one.

Mr. ROBERT C. BYRD. And today?

Mr. MATHIAS. And today.

Mr. ROBERT C. BYRD. Could we get the order for the yeas and nays, so that Senators will be on notice? I ask unanimous consent that it be in order to order the yeas and nays on the——

Mr. MATHIAS. I–95 tunnel amendment.

Mr. ROBERT C. BYRD. On the I–95 tunnel amendment at this time.

The PRESIDING OFFICER. Is there objection? Without objection, it is so ordered.

Mr. ROBERT C. BYRD. I ask for the yeas and nays.

The PRESIDING OFFICER. Is there a sufficient second? There is a sufficient second.

The yeas and nays were ordered.

Mr. ROBERT C. BYRD. Does the distinguished Senator wish to have the rollcall vote this afternoon on that amendment?

Mr. MATHIAS. I have no objection, if that is the desire of the leadership. We will meet the leadership's desires.

Mr. ROBERT C. BYRD. No, do not put it on the leadership. I am always willing to take it if nobody else will.

Mr. MATHIAS. Well, let me advise the distinguished majority leader that I do not want to preclude the manager of the bill from the opportunity of accepting the amendment.

Mr. ROBERT C. BYRD. Well, the yeas and nays have been ordered. Senators should know if the rollcall vote will occur today. There has been no indication that we would not have rollcall votes today.

I think the important thing is to make progress on the bill. Shall we say to the cloakrooms that the rollcall will occur today?

Mr. BENTSEN. That is fine with the manager of the bill.

Mr. MATHIAS. Very well.

Mr. President, unprinted amendment No. 1684 provides for continued Federal share participation and cost escalation for interstate highway routes which have been substituted by certain States. Under present law, the cost of transit routes which are substituted for interstate highway routes are permitted to fully escalate. The cost escalation is pegged to rises in the construction cost index. The cost of interstate highway substitutions, however, are not permitted to full rise with inflation to their true project costs.

Yet, such substitutions, which have been designated as interstate routes, are frequently better routes which have been carefully planned, designed, and evaluated from a citizen and environmental point of view to minimize disruption. This effort to propose and build the best possible interstate route does take time, however. The process of interstate substitution involves delay which means money. In the interim, material costs can escalate due to changes in highway design or construction standards.

Mr. President, we ought to be consistent in our funding treatment of interstate highways. They should all be treated the same regardless of whether they are substituted routes, transit routes, or were fully funded originally. This amendment provides for such an equitable situation.

Mr. CHAFEE. Mr. President, this is a good amendment. It just makes sense that sometimes substitutions are necessary, and the substitutions are accepted because they are better than the original route. I think it would be unfortunate if the substituted route had to be done at the fixed sum for the original route, without taking the escalation into account.

So I believe this is just common sense, and should be accepted.

The PRESIDING OFFICER. Is all remaining time yielded back?

Mr. BENTSEN. Mr. President, I would say, as manager of the bill for the majority, that I favor the idea of an equal escalator for both sides, and I am pleased to accept the amendment on behalf of the majority.

The PRESIDING OFFICER. Does the Senator yield back his time?

Mr. MATHIAS. I yield back the remainder of my time, and move the adoption of the amendment.

Mr. BENTSEN. I yield back the remainder of my time.

The PRESIDING OFFICER. The question is on agreeing to the amendment of the Senator from Maryland. Without objection, the amendment is agreed to.

UP AMENDMENT NO. 1685

(Purpose: To modify the standards for the reconstruction of the Baltimore Washington Parkway)

Mr. MATHIAS. Mr. President, I send an amendment to the desk.

The PRESIDING OFFICER. The amendment will be stated.

The legislative clerk read as follows:

The Senator from Maryland (Mr. MATHIAS) proposes an unprinted amendment numbered 1685.

Mr. MATHIAS. Mr. President, I ask unanimous consent that further reading of the amendment be dispensed with.

The PRESIDING OFFICER. Without objection, it is so ordered.

The amendment is as follows:

At the end of the bill insert a new section as follows:

BALTIMORE-WASHINGTON PARKWAY

SEC. 146. Section 146(a) of the Federal-Aid Highway Act of 1970 is amended (1) by striking out "to six lanes" and (2) by striking out "for the National System of Interstate and Defense Highways" and inserting in lieu thereof a comma and "agreed upon by the Secretary of Transportation and the Secretary of Transportation of the State of Maryland, which preserve the Parkway characteristics".

Mr. MATHIAS. Mr. President, this amendment simply confirms an agreement which has been worked out between the Federal Highway Administrator and the Maryland Department of Transportation concerning the Baltimore-Washington Parkway.

The Federal Aid Highway Act of 1970 authorized the rebuilding of the Baltimore-Washington Parkway which was orginally constructed in 1952. The 1970 legislation stated the roadway was to be rebuilt to interstate standards, which meant a significant widening of the roadway and interchanges, additional lanes, and a high cost. This would mean a substantial change in the character of the Parkway.

Subsequent planning, environmental reviews, and citizens participation concerning the rebuilding of the Parkway led highway planners to conclude that the parkway-like setting should be retained. As many of my colleagues know, the Baltimore-Washington Parkway is one of the more pleasant roadways linking Baltimore and Washington with its green spaces, trees, and buffers from the adjacent urban areas.

This amendment simply authorizes the reconstruction of the parkway to standards acceptable to the Secretary of Transportation, which, by agreement, would be in keeping with the parkway nature of the roadway.

Mr. BENTSEN. Mr. President, I not only accept that amendment for the majority as manager of the bill, but I enthusiastically endorse it. I think it is an admirable thing to do. It is a beautiful parkway. I met with the Secretary of Transportation in Maryland and with the distinguished Senator about the matter, and I applaud him on it.

Mr. CHAFEE. Mr. President, let me say that this is not only an excellent amendment, but it makes one wonder why it is necessary, why we are so bogged down in bureaucracy that in order to maintain a beautiful highway like the Baltimore-Washington Parkway, we have to have a special act of Congress in order to retain its beauty and yet have it deemed an interstate road. It makes us wonder about some of the procedures around here.

I commend the Senator from Maryland for his amendment. I am delighted that the beauty of that road can be preserved.

The PRESIDING OFFICER. Does the Senator yield back the remainder of his time?

Mr. CHAFEE. Yes.

Mr. MATHIAS. I retain only so much of my time as necessary to thank both managers of the bill for their enthusiastic support of this amendment.

Mr. BENTSEN. I yield back the remainder of my time.

The PRESIDING OFFICER. Without objection, the amendment is agreed to.

UP AMENDMENT NO. 1686

(Purpose: To authorize advances for the completion of certain essential gaps in the Interstate System)

Mr. MATHIAS. Mr. President, I send an amendment to the desk and ask for its immediate consideration.

The PRESIDING OFFICER. The amendment will be stated.

The legislative clerk read as follows:

The Senator from Maryland (Mr. MATHIAS) proposes an unprinted amendment numbered 1686.

Mr. MATHIAS. Mr. President, I ask unanimous consent that further reading of the amendment be dispensed with.

The PRESIDING OFFICER. Without objection, it is so ordered.

The amendment is as follows:

On page 16, between lines 10 and 11, insert the following:

(c) Section 124 of title 23, United States Code, is amended by adding at the end thereof the following: "Notwithstanding the above, in the case of any toll bridge, toll tunnel or approach thereto which meets the requirements of section 129 of this title and will complete an essential gap in the Interstate System, upon the request of a State highway department, the Secretary shall at any time during the period of construction of such bridge, tunnel, or approach and up to one year after it is opened for traffic, subject to the conditions and limitations set forth in such section 129, advance to such State out of any existing appropriations 100 percent of the cost of construction thereof. If the total amount so advanced exceeds the Federal share, 50 per centum of the excess shall be repaid to the United States within one year of the opening of such bridge or tunnel to traffic, 25 per centum of the excess shall be repaid within two years of

such opening, and the balance of the excess shall be repaid within three years of such opening.".

Mr. MATHIAS. This amendment is a little more difficult than the two we have just considered, Mr. President. This amendment would authorize the Secretary of Transportation to advance 100 percent the cost of constructing any toll bridge or tunnel as part of the Interstate System which has been determined by the Secretary of Transportation to be an essential gap in that system. The amendment further requires that the 10-percent difference between the 100-percent construction financing and the normal 90 percent Federal share shall be repaid—repaid—let me repeat that for the third time: repaid—by the locality to the highway trust fund over a 3-year period.

There are only two essential gaps in the Interstate System which would benefit from this amendment. This is information supplied to me by the Federal Highway Administration. The two essential gaps that could possibly benefit from this amendment are the proposed I–95 tunnel under the Baltimore Harbor and the proposed Boston I–90 airport-spur tunnel. So we are not here suggesting something which is going to prove to be a cornucopia of golden fruit for construction companies across the country. There are just two places, Mr. President.

It is important to note that this amendment involves no increase in either budget authority or in outlay.

As Senators know, virtually all the Interstate Highway System is now complete. The few remaining sections to be built are those in the most congested urban areas. The new I–95 tunnel is planned to relieve the existing Baltimore Harbor Tunnel which, as anyone knows who has traveled I–95 going north, is the worst bottleneck on the entire Northeast corridor from Washington to Boston. The existing harbor tunnel through Baltimore was opened in 1957, and it was a masterpiece of its time. It is a four-lane, narrow tunnel, which daily becomes congested due to rush hour traffic and/or vehicle breakdowns in the tunnel itself. Too many Northeast corridor commuters have had the unfortunate experience of being stalled in the traffic buildup of the Baltimore Harbor Tunnel, their engines idling, pollution building, their temperatures and frustration rising, and wishing that they had the capacity to jog that some Members of the Senate enjoy. But the new I–95 tunnel will, I urge upon the managers of the bill, end that kind of problem.

It will be an eight-lane roadway completing Interstate 95 through Baltimore. While the approaches of this new tunnel are presently under construction, there is a significant reason why the tunnel has not gotten under construction as yet. That reason is that the city of Baltimore, a municipality, and not the State of Maryland, as is normally the case, must provide the entire local share of the construction cost.

Maryland law provides for the separation of financing authorities. Under that law, Baltimore City is completely responsible for the construction, maintenance, and operation of all highways and streets within its corporate limits, including 1,400 miles of streets and a $1.9 billion, 32-mile interstate system.

The I–95 tunnel will complete the final 2 miles of Interstate 95 remaining to be completed within the State of Maryland. The estimated cost to the city of Baltimore for the interest charges during the construction period on the city funds for the I–95 tunnel is 27 percent of the city's total debt service on highway bonds during the period. That is an enormous amount of money for the city of Baltimore to pay in interest costs to finance a project which benefits the entire east coast transportation network.

You are asking the citizens of one city to pick up the bill for those good Rhode Islanders who are coming to the Nation's Capital: for those Texans who may come up through Washington to go on to New York and Boston.

You are asking the citizens of Baltimore to pay for everybody else's transportation.

The city has already spent $210 million on the interstate system within the city limits.

Mr. President, I will reserve the remainder of my time. I see the distinguished Senator from Texas is prepared to speak.

Mr. BENTSEN. I would say to the distinguished Senator from Maryland that his eloquence is only matched by his financial genius in preparing this piece of legislation, and with the trouble the dollar is in these days we ought to put him in charge trying to solve its problems. Geneva, London, or Wall Street would be no match for him at all.

Here he has proposed a very costly transportation facility at little or no cost to the city of Baltimore or to the State of Maryland, and a very high cost to the Federal Government. Let us look at what is proposed here.

During the construction and for 1 year after the opening of the Fort McHenry tunnel—who knows how long it will take to build it and how much interest is going to pile up during that period of time—during that time, the Federal Government would pay 100 percent of the construction bills which come due. How do you like that, Mr. President? One hundred percent. At the end of the first year the tunnel is opened and the tolls are collected, then the Federal Government, which has been paying 100 percent, is going to get 50 percent of the local share of the project. The remainder of the local share, which ultimately is 10 percent of the total cost of $140 million, is going to be repaid in installments during each of the next 2 years. That is pretty sharp.

I think that is about one of the cleverest financial things Maryland will ever get. I congratulate the Senator.

This repayment would come from toll collections and would require no contribution from State or city revenues.

I understood the Senator from Maryland to say that the city of Baltimore has certain limitations placed on it in borrowing money and, therefore, has to turn to the Federal Government.

Why not turn to the State government, which is a major beneficiary of this transportation aid?

It is said that the tunnel will provide a vital link for interstate traffic along the east coast. There already exists two such links, the Baltimore Harbor Tunnel and the Francis Scott Key Bridge, which I think a Texan would go over anyway because that gives him such a beautiful view of that magnificent area. So the travelers through the Baltimore area are provided for.

It is also pointed out that the tunnel provides critical access to and from the Port of Baltimore. That is certainly true. But as a document from the Maryland Transportation Department says, "the port is the single most important element of Maryland's economy." It is a magnificent port. I have been up there on a boat and I have seen the great construction, all the ships lined up, and I know how much it must contribute to the economy of the Senator's great State. I revel in it with the Senator.

But should not Maryland and the city contribute to a facility which means so much to its welfare?

The relatively modest cost to the Federal Government is noted as well as the limited application the amendment would have to other projects. While almost $10 million is small compared to the total size of the highway program, it is the principle, again, which is important. We saw that demonstrated by the amendment which was proposed earlier.

The provision relieves the local or State governments of any substantial burden for a project from which they gain great benefits, and a very expensive project. I do not think it is too much to ask the State or local area to come up with $1 for each $9 of Federal funds it receives.

Surely, there is a kind of desirable discipline involved in saying that whoever undertakes this project and builds this project does a good job and does an economical job.

For the foregoing reasons, I oppose the amendment of the distinguished Senator from Maryland with as much enthusiasm as that with which I endorsed his previous amendment.

The PRESIDING OFFICER. Who yields time? Does the Senator from Texas yield time to the Senator from Rhode Island?

Mr. BENTSEN. I am delighted to yield time. I want to reserve a minute, at least, of my time.

The PRESIDING OFFICER. The Senator has 10 minutes remaining.

Mr. BENTSEN. Then I shall ask that the distinguished Senator from Maryland allow his amendment to be set aside for a period of a couple of minutes, so the Senator from Kansas can propose an amendment that I understand the managers are going to take.

Mr. BIDEN. A parliamentary inquiry.

The PRESIDING OFFICER. The Senator will state it.

Mr. BIDEN. What is the rationale for setting aside a vote at 5 o'clock in the afternoon for something that is not a vote? I am not sure I understand what is going on.

Mr. BENTSEN. We are trying to take 1 minute to take care of the Senator from Kansas today who cannot be here on Monday. We are going to accept his amendment. Then we are going to go right to a vote.

That is a pretty good rationale. We are trying to accommodate two Senators.

The PRESIDING OFFICER. How much time does the Senator from Rhode Island wish?

Mr. CHAFEE. Five minutes.

Mr. President, we certainly admire the Senator from Maryland because he comes in here with a delightful smile and a tremendous presentation on a proposal that, really, would make most people smile as they presented it. To term it "outrageous" is perhaps going too far, but it is certainly the key to the Treasury of the United States. There is a man I knew once who was a good lawyer. They said he could talk a dog off a meat wagon. If this Senator can put across that proposal, he qualifies under that title.

Just remember that the Federal Government is going to pay 90 percent of the cost of this tunnel to start with. That only leaves a teeny-weeny 10 percent for the State of Maryland or the city of Baltimore to carry. Yet they do not even want to do that.

Furthermore, this is a self-liquidating proposition. They are going to charge tolls until the thing is entirely paid for.

It seems to me that to ask that the Federal Government come up with 100 percent and then wait to be paid back for the 10-percent local share over a period of 4 years strains my imagination.

Mr. MATHIAS. Three years.

Mr. CHAFEE. Only 3 years. It seems to me that is still pressing the case a little far.

Mr. STAFFORD. Will the distinguished Senator yield for a question?

Mr. CHAFEE. Yes.

Mr. STAFFORD. During that 3 years of repayment, could the distinguished Senator tell me what the interest rate would be to be paid on the indebtedness of the city of Baltimore?

Mr. CHAFEE. Oh, no interest. Do not talk such a mean word as the city of Baltimore or the State of Maryland paying interest on a sum they borrow. That would not fit in with this proposal. This proposal does not deal with things like paying the Federal Government interest. It is a wonder that we are not asked to pay them interest while they have our money.

I think, Mr. President, that this amendment so graciously presented should receive the deep six.

The PRESIDING OFFICER. Who yields time?

Mr. MATHIAS. Mr. President, the distinguished former Secretary of the Navy remembers his nautical vocabulary when he talks about giving this amendment the deep six. He has joined with the distinguished Senator from Texas in saying some very nice personal things that I appreciate.

But let me tell you, I do not want sweet talk, I want a little commonsense.

The Senator from Texas says, well, the State of Maryland ought to pick up the bill. Well, you can argue that. I guess it is a good question to ask. But the fact is that the law does not let the State of Maryland pick up the bill. It puts it all on the citizens of Baltimore. The Senators may not like that and I may not like that, and the citizens of Baltimore may not like that, but that is what the law is.

If wishes were horses, beggars would ride. The State of Maryland and the city of Baltimore have looked at that law and the possibility of changing the law has been explored.

Mr. BENTSEN. Will the Senator yield for a question?

Mr. MATHIAS. Yes.

Mr. BENTSEN. Will he agree that the law also does not allow the Federal Government to do it? It is a question of changing the law in either place.

Mr. MATHIAS. We are talking about changing the law as it relates to a national construction project. This is a Federal project. It seems to me that, rather than change the basic law, to require the State of Maryland to change a basic organic law which affects every aspect of State highway construction, we can change one small aspect of the law which deals with the national highway system, of which this is an "essential gap."

Mr. President, in conclusion, I reemphasize that this amendment does not require any additional outlay. It does not require any new budget authority. The city is prepared to repay the additional 10 percent Federal money within 3 years after the tunnel is completed.

The Senator from Texas treated that with the kind of disdain with which the humorists say that Texans deal with large sums of money, but I take that as a very serious commitment—a very serious commitment.

This amendment not only calls for repayment, it mandates it, it requires it. Under the provisions of section 129 of title XXIII of the United States Code, the new tunnel would be a toll facility until such time as local costs are recovered. This amendment will enable the tunnel to become a toll-free facility at an earlier date because it will reduce the total bond offering which must be sold by Baltimore to finance its share of the construction cost. Thus, the bonds can be retired sooner and, therefore, the tunnel becomes toll free sooner. One of the goals of the Federal Highway Administration is to eliminate toll facilities on the Interstate System at the earliest possible date.

This will benefit Texans, it will benefit Rhode Islanders, it will benefit the people in Delaware. In fact, the distinguished Senator from Delaware is a commuter. I do not want to put him in a position where it will be a conflict of interest if he votes for this amendment, but the citizens of his State stand to benefit by this amendment. All citizens of the United States who use the Interstate Highway System will benefit.

Mr. President, this is not something that has come up overnight. The Maryland State Highway Administration has been working on the problem of financing this vital link for several years. And, I might add, they have done a very thorough job of analyzing all the alternatives in this situation. Once they determined that a 100-percent Federal advance was necessary, they sought out the opinions of each of the other States on this amendment. As of August 16 of this year, they had received 43 responses. Of those responses, 30 States either supported or had no objection to this amendment. Three opposed it and 10 had no position.

Now, you might say with some proposals that this is self-serving, because these States would hope to gain something. But let me remind the Senate that there are only two "essential gaps" in the national highway system. So, Mr. President, I ask unanimous consent that a chart listing these State responses be printed in the RECORD at this point.

There being no objection, the chart was ordered to be printed in the RECORD, as follows:

State	Prior sec. 129 projects		Planned sec. 129 projects		Position of proposed amendment			
	Yes	No	Yes	No	Support	No objection	Oppose	No position
Alabama		X		X	X			
Alaska								
Arizona		X		X		X		
Arkansas								
California								
Colorado		X		X				X
Connecticut		X		X	X			
Delaware		X		X	X			
District of Columbia		X		X	X			
Florida		X	X		X			
Georgia		X		X			X	
Hawaii		X		X		X		
Idaho								
Illinois		X		X				X
Indiana	X			X		X		
Iowa		X		X		X		
Kansas								
Kentucky		X		X	X			
Louisiana		X		X	X			
Maine	X							X
Massachusetts								
Michigan		X		X				X
Minnesota		X		X				X
Mississippi		X		X		X		
Missouri		X		X	X			
Montana		X		X		X		
Nebraska		X		X		X		
Nevada		X		X		X		
New Hampshire		X		X		X		
New Jersey		X	X					X
New Mexico		X		X				X
New York	X		X		X			

State	Prior sec. 129 projects		Planned sec. 129 projects		Position of proposed amendment			
	Yes	No	Yes	No	Support	No objection	Oppose	No position
North Carolina		X		X				X
North Dakota		X		X				X
Ohio		X		X		X		
Oklahoma		X		X		X		
Oregon	X			X		X		
Pennsylvania		X		X	X			
Puerto Rico								
Rhode Island		X		X	X			
South Carolina		X		X		X		
South Dakota		X			X			
Tennessee								
Texas		X		X			X	
Utah		X		X		X		
Vermont		X		X		X		
Virginia		X		X				X
Washington	X			X	X			
West Virginia	X			X		X		
Wisconsin		X		X			X	
Wyoming		X		X		X		
Total	6	37	3	38	12	18	3	10

Mr. MATHIAS. Mr. President, the new I–95 tunnel has been in planning and design for some time. It has received the necessary environmental clearances. It is ready to go. The Secretary of Transportation has designated it an "essential gap;" That is, a route that must be completed to connect an intercity system. I note that the Environment and Public Works Committee report on the Federal-Aid Highway Act of 1978 pays special attention to the early completion of these essential gaps of the Interstate.

As the committee appropriately notes:

Some estimates conclude that at current funding levels some portions of the system may not be completed until the twenty-first century. With costs rising swiftly, this could mean that the remaining ten percent of the system will cost as much as that completed in prior years.

The new I–95 tunnel is one of those last vital links, which, if further delayed, could well end up costing the highway trust fund substantially more than its present cost estimate.

Mr. President, passage of this amendment would assist Baltimore in completing its total interstate program, as well as benefiting the entire Northeast corridor.

The economic effect of this amendment is minimal as it would apply to only two interstate projects. It would, however, alleviate a serious local financing problem that is unique to Baltimore and the State of Maryland and it would expedite completion of the Interstate System in the Northeast corridor.

Mr. BIDEN. Before the Senator yields back his time, may I have 30 seconds for a question?

Mr. MATHIAS. I am happy to yield to the distinguished Senator from Delaware.

Mr. BIDEN. The Senator from Delaware, I think, has this argument in perspective. I want to make sure I do.

The Senator from Texas and the Senator from Rhode Island are sure that the people of Baltimore are beggars and the Senator from Maryland wants to give them all horses. Is that the way it all works out?

Mr. MATHIAS. No, I do not think the Senator from Delaware has quite the perspective.

Mr. BIDEN. The Senator from Delaware wants to know how much the horses are going to cost that we are giving all the beggars in Baltimore.

Mr. MATHIAS. That is the nice thing, they are not going to cost anything.

Mr. BIDEN. They are good ones, then.

Mr. MATHIAS. All we are doing is financing, for the brief period of 3 years, the 10 percent which the State normally invests in a section of the Interstate Highway System but which, under the peculiarities of this situation, are required to be advanced by the city of Baltimore. In so doing, we provide for all of the users of the Interstate System, from whatever State or whatever city they may come. We provide for them sooner a toll-free interstate facility.

Mr. BIDEN. I thank the Senator.

Mr. BENTSEN. Mr. President, I ask unanimous consent that we temporarily lay aside this amendment to consider the amendment of the Senator from Kansas and return forthwith to this amendment.

The PRESIDING OFFICER. Is there objection to the request of the Senator from Texas?

Without objection, it is so ordered.

The Senator from Kansas is recognized.

UP AMENDMENT NO. 1687

Mr. DOLE. Mr. President, I send an amendment to the desk and ask for its immediate consideration.

The PRESIDING OFFICER. The amendment will be stated.

The assistant legislative clerk read as follows:

The Senator from Kansas (Mr. DOLE) proposes an unprinted amendment numbered 1687:

On page 423, line 2, insert immediately before the period a comma and the following: "including criteria which take into account the variability of speedometer readings and criteria which are based upon the speeds of all vehicles or a representative sample of all vehicles".

Mr. DOLE. Mr. President, the Federal-aid highway bill includes a provision that authorizes the Secretary to withhold up to 5 percent of a State's Federal highway aid if a certain percentage of vehicles in that State are violating the 55 mile-per-hour limit.

I do not quarrel with that, but by this amendment I would change that provision to apply to all vehicles, or a representative sample of all vehicles.

In my home State, the highway patrol has considerable difficulty enforcing the 55 miles-per-hour speed limit, despite an enforcement program that is universally recognized as one of the best in the country—and maybe the best. My amendment is designed to improve the gathering of speed statistics in a way that makes this provision a little less onerous for the States. My amendment in no way limits our commitment to the 55 miles-per-hour speed limit.

It does, however, provide a more realistic statistical basis for applying the compliance formula set out in the bill.

Currently, statistics on compliance with the speed limit are based on the "free-flow" monitoring system. Basically, this means that only certain vehicles are measured—vehicles driving under the best road conditions, without cars in front of them, on straight, flat roads. Obviously, this produces artificially high statistics on the speeds of vehicles and lowers the level of compliance with the 55 miles-per-hour speed limit.

Now that we are going to start penalizing States for noncompliance, it is important that we change our statistical base to include the speeds of all vehicles. This is obviously more fair, and the Department of Transportation has already been thinking about going to a "full monitoring" system of measuring speeds once this bill goes into effect. My amendment mandates that they do so.

In addition, the amendment requires that statistics take into account the effect of inaccurate speedometers on speed.

Mr. President, I urge adoption of this amendment.

Mr. BENTSEN. Mr. President, this amendment, I think, is an important one for the enforcement of the 55-mph speed limit, to make it work, to enforce it, to check the tolerances in the speedometers. I think it would make it a more equitable enforcement.

The PRESIDING OFFICER. Does the Senator from Texas yield to the Senator from Rhode Island?

Mr. BENTSEN. I am delighted to.

Mr. CHAFEE. Mr. President, on behalf of the minority, we agree on the amendment.

The PRESIDING OFFICER. Do the Senators yield back the remainder of their time?

Mr. DOLE. I yield back the remainder of my time.

Mr. BENTSEN. I yield back the remainder of my time.

The PRESIDING OFFICER. All time having been yielded back, the question is on agreeing to the amendment of the Senator from Kansas.

So the amendment (UP No. 1687) was agreed to.

UP AMENDMENT NO. 1686

Mr. BENTSEN. Mr. President, I ask unanimous consent that we now return to the amendment of the Senator from Maryland.

The PRESIDING OFFICER. The question automatically recurs.

Mr. MATHIAS. One final brief comment.

Some wise man once said, "Oh, that mine enemy should write a book."

The committee in this case wrote a book. I hope they are not my enemy, but they did write a book.

In that book, the committee noted:

Some estimates conclude that at current funding levels some portions of the system may not be completed until the twenty-first century. With costs rising swiftly, this could mean that the remaining ten percent of the system will cost as much as that completed in prior years.

Mr. President, I agree totally with the committee on this. I think any artificial delays in completing the system are going to artificially escalate the cost.

If we do not adopt this amendment, there will be continued delays on one of the essential gaps in the system.

So I urge the Senate to adopt the amendment.

The PRESIDING OFFICER. Is all time yielded back?

Mr. BENTSEN. I yield back the remainder of my time.

Mr. MATHIAS. I yield back the remainder of my time.

The PRESIDING OFFICER (Mr. MATSUNAGA). All time having been yielded back, the question is on agreeing to UP amendment No. 1686 of the Senator from Maryland. The yeas and nays have been ordered and the clerk will call the roll.

The assistant legislative clerk called the roll.

Mr. ROBERT C. BYRD. I announce that the Senator from South Dakota (Mr. ABOUREZK), the Senator from Minnesota (Mr. ANDERSON), the Senator from Arkansas (Mr. BUMPERS), the Senator from North Dakota (Mr. BURDICK), the Senator from Nevada (Mr. CANNON), the Senator from Idaho (Mr. CHURCH), the Senator from California (Mr. CRANSTON), the Senator from Arizona (Mr. DECONCINI), the Senator from New Hampshire (Mr. DURKIN), the Senator from Mississippi (Mr. EASTLAND), the Senator from Kentucky (Mr. FORD), the Senator from Maine (Mr. HATHAWAY), the Senator from South Carolina (Mr. HOLLINGS), the Senator from Kentucky (Mr. HUDDLESTON), the Senator from Louisiana (Mr. JOHNSTON), the Senator from Minnesota (Mrs. HUMPHREY), the Senator from Massachusetts (Mr. KENNEDY), the Senator from Vermont (Mr. LEAHY), the Senator from New Hampshire (Mr. MCINTYRE), the Senator from North Carolina (Mr. MORGAN) the Senator from New York (Mr. MOYNIHAN), the Senator from Maine (Mr. MUSKIE), the Senator from Wisconsin (Mr. NELSON), and the Senator from Georgia (Mr. NUNN), the Senator from Rhode Island (Mr. PELL), the Senator from Connecticut (Mr. RIBICOFF), the Senator from Mississippi (Mr. STENNIS), the Senator from Illinois (Mr. STEVENSON), and the Senator from Georgia (Mr. TALMADGE) are necessarily absent.

I further announce that, if present and voting, the Senator from Nevada (Mr. CANNON) would vote "nay."

Mr. BAKER. I announce that the Senator from Massachusetts (Mr. BROOKE), the Senator from New Jersey (Mr. CASE), the Senator from Missouri (Mr. DANFORTH), the Senator from Arizona (Mr. GOLDWATER), the Senator from Michigan (Mr. GRIFFIN), the Senator from Wyoming (Mr. HANSEN), the Senator from Oregon (Mr. HATFIELD), the Senator from Pennsylvania (Mr. HEINZ), the Senator from North Carolina (Mr. HELMS), the Senator from Nevada (Mr. LAXALT), the Senator from Idaho (Mr. MCCLURE), the Senator from Kansas (Mr. PEARSON), the Senator from Illinois (Mr. PERCY) the Senator from Delaware (Mr. ROTH), the Senator from New Mexico (Mr. SCHMITT), the Senator from Alaska (Mr. STEVENS), the Senator from South Carolina (Mr. THURMOND), and the Senator from Texas (Mr. TOWER) are necessarily absent.

I further announce that, if present and voting, the Senator from Oregon (Mr. HATFIELD) and the Senator from Michigan (Mr. GRIFFIN) would each vote "nay."

On this vote, the Senator from New Jersey (Mr. CASE) is paired with the Senator from South Carolina (Mr. THURMOND). If present and voting, the Senator from New Jersey would vote "yea" and the Senator from South Carolina would vote "nay."

The result was announced—yeas 8, nays 45, as follows:

[Rollcall Vote No. 331 Leg.]

YEAS—8

Bellmon	Domenici	Sarbanes
Byrd, Robert C.	Javits	Weicker
Chiles	Mathias	

NAYS—45

Allen	Gravel	Metzenbaum
Baker	Hart	Packwood
Bartlett	Haskell	Proxmire
Bayh	Hatch	Randolph
Bentsen	Hatfield, Paul G.	Riegle
Biden	Hayakawa	Sasser
Byrd, Harry F., Jr.	Hodges	Schweiker
Chafee	Inouye	Scott
Clark	Jackson	Sparkman
Culver	Long	Stafford
Curtis	Lugar	Stone
Dole	Magnuson	Wallop
Eagleton	Matsunaga	Williams
Garn	McGovern	Young
Glenn	Melcher	Zorinsky

NOT VOTING—47

Abourezk	Hansen	Moynihan
Anderson	Hatfield, Mark O.	Muskie
Brooke	Hathaway	Nelson
Bumpers	Heinz	Nunn
Burdick	Helms	Pearson
Cannon	Hollings	Pell
Case	Huddleston	Percy
Church	Humphrey	Ribicoff
Cranston	Johnston	Roth
Danforth	Kennedy	Schmitt
DeConcini	Laxalt	Stennis
Durkin	Leahy	Stevens
Eastland	McClure	Stevenson
Ford	McIntyre	Talmadge
Goldwater	Morgan	Thurmond
Griffin		Tower

So the amendment (UP No. 1686) was rejected.

Mr. CHAFEE. Mr. President, I move to reconsider the vote by which the amendment was rejected.

Mr. ROBERT C. BYRD. I move to lay that motion on the table.

The motion to lay on the table was agreed to.

Several Senators addressed the Chair.

The PRESIDING OFFICER (Mr. HARRY F. BYRD, JR.). The Senator from New Mexico is recognized.

UP AMENDMENT NO. 1688

Mr. DOMENICI. Mr. President, I send an unprinted amendment to the desk and ask for its immediate consideration.

The PRESIDING OFFICER. The amendment will be stated.

The assistant legislative clerk read as follows:

The Senator from New Mexico (Mr. DOMENICI) proposes an unprinted amendment numbered 1688.

Mr. DOMENICI. Mr. President, I ask unanimous consent that the reading of the amendment be dispensed with.

The PRESIDING OFFICER. Without objection, it is so ordered.

The amendment is as follows:

On page 16, after line 10, insert the following new subsection:

"(c) Out of the sums apportioned under Section 104(b)(5)(A) of title 23, United States Code, for fiscal years 1980 and 1981, each State may obligate an amount not to exceed one-half of 1 per centum of the total so apportioned to all States for projects to resurface, restore or rehabilitate those lanes on the Interstate System which have been in use for more than five years, except that that portion of each State's apportionment which is based on the estimated cost to complete essential gaps on the Interstate System may not be obligated for such projects. Eligible projects under this subsection must be located on Interstate segments which are essential to a unified and connected Interstate System and which are deficient with respect to pavement or bridge deck serviceability. The Federal share payable on account of any project authorized under this subsection shall be the same as that authorized under Sec. 105(b) of this Act."

The PRESIDING OFFICER. The Senator from New Mexico has the floor.

Mr. DOMENICI. Mr. President, this bill pending before the Senate has taken giant strides in a very difficult area of maintenance of the interstate system. My amendment that is pending has been discussed at length with the chairman of the full committee and with the chairman of the subcommittee and the distinguished Republican ranking member. It merely seeks to allow States a further option to use some of the interstate money that is not absolutely necessary, to fill critical gaps and for major rehabilitation projects for maintenance up to a certain amount of money out of their interstate funds if they so elect.

It just adds to and buttresses the 3R program that is in the bill for rehabilitation. I have stated the purposes and the goals in more detail in a statement.

Mr. President, S. 3073 contains a provision requiring States to adequately maintain their interstate routes. Failure to comply results in a suspension of Federal-aid funding.

I supported the provision. I believe it is imperative that we not neglect existing, heavily traveled interstate routes in our rush to finish new mileage. Closing existing interstate gaps will serve little purpose if we let new gaps open up in the completed system.

I was concerned when we mandated adequate maintenance, however, that we were not providing a realistic level of assistance to get the job done. The costs of resurfacing, restoring, and rehabilitating interstate routes are staggering. The Federal Highway Administration esti-

mates there is a $2.6 billion backlog of Interstate 3R work. Annual expenditures to do the job right are estimated to be over $900 million. S. 3073 authorizes $175 million annually for this work.

There is an understandable desire to get the interstate system built. Much of the committee's attention was focused on this need. I agree we ought to do what we can to accelerate its completion. But we must seriously, at this point think about the whole system, including older segments. Two-thirds of the mileage now open to traffic has been in operation 10 years; 37 percent for 15 years and 14 percent for more than 20 years.

My amendment is not a permanent solution to the Interstate 3R program. I think it is a useful interim measure to address the deterioration problem while we are still concentrating on completing all essential segments.

My proposal would let a State with seriously deteriorating interstate segments use up to $16 million a year of its interstate construction money to restore those segments. The State would not be allowed to spend money apportioned to it to complete essential gaps for rehabilitation of older routes. Only funds—up to the $16 million figure—apportioned to complete nonessential gaps would be available for reconstruction.

The amendment further limits diversion of funds from construction to reconstruction by setting the Federal share for rehabilitation at 70 percent rather than the 90 percent share for new routes. Thus, a State would have to have a serious deficiency in interstate payment or bridge decking before it would undertake projects requiring a 30-percent State match instead of a 10-percent share.

Finally, routes eligible for 3–R type work under my amendment would have to be routes that are essential to a connected, unified system. This is to insure that only routes of national significance are eligible for this special interim program.

Mr. President, the provision is permissive, only. No State is required to use these funds for 3–R work. Where there are few serious problems on existing interstate routes, States will not have to avail themselves of this option. But where poor road conditions pose safety hazards and unwarranted delays, the States will need this flexibility to make costly improvements.

Mr. President, I ask unanimous consent to print three tables in the RECORD.

There being no objection, the tables were ordered to be printed in the RECORD, as follows:

INTERSTATE 3–R PAVEMENT NEEDS [1]

[In millions, 1975 dollars]

State	Existing backlog 1976–78	Immediate future 1979–80	Total needs through 1980	Total long-range needs 1976–96
Alabama	$41.7	$39.6	$81.3	$599
Alaska				
Arizona	31.1	9.6	40.7	137
Arkansas	55.6	9.0	64.6	424
California	99.6	58.6	158.2	936
Colorado	14.7	38.4	53.1	409
Connecticut	20.4	69.5	89.9	231
Delaware				20
District of Columbia	5.4	.4	5.8	17
Florida	75.3	41.9	117.2	573
Georgia	201.0	20.7	121.7	689
Hawaii	3.8		3.8	16
Idaho	28.4	42.6	71.0	157
Illinois	169.7	164.7	334.4	1,177
Indiana	38.4	64.0	102.4	625
Iowa	27.7	39.5	67.2	354
Kansas	44.1	14.2	58.3	324
Kentucky	94.5	22.2	116.7	334
Louisiana	100.0	47.4	147.4	398
Maine	4.8	11.9	16.7	74
Maryland	28.5	15.0	43.5	191
Massachusetts	4.7	60.9	65.6	155
Michigan	40.7	20.8	61.5	276
Minnesota	15.3	48.2	63.5	208
Mississippi	18.7	91.5	110.2	366
Missouri	100.8	54.6	155.4	593
Montana	44.3	27.6	71.9	213
Nebraska	7.1	13.0	20.1	132
Nevada	4.9	12.4	17.3	100
New Hamsphire	3.1	4.6	7.7	60
New Jersey	3.4	16.7	20.1	105
New Mexico	16.0	29.8	45.8	338
New York	204.5	54.5	259.0	888
North Carolina	25.0	16.5	41.5	249
North Dakota	0.4	1.9	2.3	242
Ohio	26.7	24.8	51.5	232
Oklahoma	15.1	17.8	32.9	169
Oregon	27.9	36.6	64.5	235
Pennsylvania	21.7	86.8	108.5	724
Rhode Island	4.5	8.4	12.9	46
South Carolina				157
South Dakota	83.6	2.3	85.9	171
Tennessee	228.8	38.9	267.7	954
Texas	133.1	140.0	273.1	1,220
Utah	28.3	20.6	48.9	126
Vermont	14.3	3.4	17.7	81
Virginia	8.8	16.4	25.2	102
Washington	24.4	9.8	34.2	185
West Virginia	34.1	8.6	42.7	268
Wisconsin	10.7	31.7	42.4	304
Wyoming	40.4	16.9	57.3	188
Total	2,276.0	1,595.0	3,801.2	16,772

[1] Needs as reported by the States U.S. DOT's "Intercity Resurfacing, Restoration, and Rehabilitation Study." This does not include bridge deck needs.

ADJUSTED [1] 3-DOLLAR COSTS BY YEAR OF NEED

[In millions, 1975 dollars]

Year of need	Pavement costs	Bridge costs	Total costs
1976–77	$965	$325	$1,290
1978	950	350	1,300
1979	640	350	990
1980	715	200	915
1981	655	175	830
1982	695	150	845
1983	735	50	785
1984	745	50	795
1985	1,080	50	1,130
1986	905	50	955
1987	870	50	920
1988	915	100	1,015
1989	715	100	815
1990	950	100	1,050
1991	765	100	865
1992	1,110	100	1,210
1993	995	100	1,095
1994	860	100	960
1995	950	100	1,050
Total	16,215	2,600	18,815

[1] Adjusted to eliminate presently available R–R–R funds.

COMPARISON OF INTERSTATE 3–R PAVEMENT NEEDS [1] TO INTERSTATE 3–R FUNDING UNDER THE SENATE HIGHWAY BILL (S. 3073)

[In millions]

State	Total needs through 1980	Available I–3R funding, fiscal years 1979–80
Alabama	$81.3	$3.8
Alaska		
Arizona	40.7	8.2
Arkansas	64.6	4.6
California	158.2	30.1
Colorado	53.1	7.2
Connecticut	89.9	4.3
Delaware		.2
District of Columbia	5.8	.2
Florida	117.2	9.2
Georgia	121.7	9.4
Hawaii	3.8	.4
Idaho	71.0	4.2
Illinois	334.4	13.4
Indiana	102.4	9.1
Iowa	67.2	5.6
Kansas	58.3	4.8
Kentucky	116.7	6.0
Louisiana	147.4	4.7
Maine	16.7	1.9
Maryland	43.5	4.4
Massachusetts	65.6	4.8
Michigan	61.5	11.5
Minnesota	63.5	6.5
Mississippi	110.2	4.8
Missouri	155.4	10.3
Montana	71.9	6.6
Nebraska	20.1	3.8
Nevada	17.3	3.6
New Hampshire	7.7	1.5
New Jersey	20.1	3.5
New Mexico	45.8	7.4
New York	259.0	8.6
North Carolina	41.5	6.2
North Dakota	2.3	3.9
Ohio	51.5	14.4
Oklahoma	32.9	5.7
Oregon	64.5	6.1
Pennsylvania	108.5	10.4
Rhode Island	12.9	1.0
South Carolina		5.5
South Dakota	85.9	4.3
Tennessee	267.7	8.9
Texas	273.1	27.6
Utah	48.9	5.4
Vermont	17.7	2.0
Virginia	25.2	8.8
Washington	34.2	7.5
West Virginia	42.7	2.4
Wisconsin	42.4	5.1
Wyoming	57.3	6.2
Total	3,801.2	337.7

[1] Needs, in 1975 dollars, as reported by the States, from U.S. DOT's "Interstate Resurfacing, Restoration, and Rehabilitation Study." This does not include bridge deck needs.

Mr. DOMENICI. I understand the Senator from Rhode Island, the ranking Republican, might have a question with reference to this amendment, and I would be pleased to try to answer it.

Mr. CHAFEE. Yes; Mr. President.

This amendment would provide that the Federal share for the 3–R work would be at the 70 percent level, which we currently have in the bill, and I think the Senator from New Mexico has made a good suggestion here. I just want to ask him one question.

As the Senator mentioned, there is a requirement in our bill, S. 3073, that each State adequately maintain its interstate routes or cease receiving the Federal aid primary funds. In other words, this is the requirement under the bill.

Mr. DOMENICI. Right.

Mr. CHAFEE. The requirement for adequate maintenance is independent of the amount of Federal 3–R funds made available to a State. In other words, the States have to maintain the roads regardless of the 3–R funds, although the 3–R funds are for the interstate system primarily, but they then can be used for what the Senator is seeking here.

Is it correct to say that the Senator's amendment in no way relaxes the requirement for adequate maintenance or makes the requirement conditional upon the availability of the Federal funds?

Mr. DOMENICI. Absolutely.

Mr. CHAFEE. Then I think the Senator's amendment is helpful, and I would certainly urge its acceptance.

Mr. RANDOLPH. Mr. President, the amendment offered by the able Senator from New Mexico (Mr. DOMENICI), a member of our Committee on Environment and Public Works, certainly is one that I think is a valid approach.

Senator CHAFEE of Rhode Island, of course, has had the colloquy which is fully explanatory. We agree to the amendment, and I see no reason for me to talk longer.

Mr. DOMENICI. I thank my good friend, the chairman of the full committee, and I thank the Senator from Rhode Island.

I yield back the remainder of my time.

Mr. CHAFEE. We yield back the remainder of our time.

Mr. RANDOLPH. I yield back the remainder of our time.

The PRESIDING OFFICER. The question is on agreeing to the amendment of the Senator from New Mexico.

The amendment was agreed to.

Mr. DOMENICI. I move to reconsider the vote by which the amendment was agreed to.

Mr. RANDOLPH. I move to lay that motion on the table.

The motion to lay on the table was agreed to.

● Mr. STONE. Mr. President, I rise in support of S. 3073, the Federal-Aid Highway Act of 1978. I believe that the Environment and Public Works Committee and especially the Subcommittee on Transportation is to be commended for the work they have done on this important legislation.

I am particularly pleased that this bill would give States the authority to issue bonds to accelerate interstate construction and pay back a percentage of the principal and interest of these bonds out of their future trust fund apportionments. In March of this year, I testified before the Transportation Subcommittee and urged them to include such an option in their bill. This bonding option is similar to legislation, S. 563, that I had introduced in 1977.

The State of Florida has more interstate mileage to complete than any other State. Under current levels of funding, Florida would not be able to complete its interstate system until the next century. However, because of the bonding option and the other acceleration measures found in S. 3073, Florida will be able to complete its system in the late 1980's. By accelerating completion of our interstate system, we are substantially reducing the increased costs of inflation while we save lives and energy.●

ROUTINE MORNING BUSINESS

Mr. ROBERT C. BYRD. Mr. President, I ask unanimous consent that there now be a period for the transaction of routine morning business of not to exceed 30 minutes, with Senators permitted to make statements therein of not to exceed 5 minutes each.

The PRESIDING OFFICER. Without objection, it is so ordered.

MESSAGES FROM THE PRESIDENT

Messages from the President of the United States were communicated to the Senate by Mr. Marks and Mr. Chirdon, two of his secretaries.

EXECUTIVE MESSAGES REFERRED

As in executive session, the Presiding Officer laid before the Senate messages from the President of the United States submitting sundry nominations, which were referred to the appropriate committees.

(The nominations received today are printed at the end of the Senate proceedings.)

PRESIDENTIAL APPROVALS

A message from the President of the United States reported that on August 17, 1978, he approved and signed the following act:

S. 2424. An act to amend the act incorporating the American Legion so as to redefine eligibility for membership therein.

The message also reported that on today, August 18, 1978, he approved and signed the following act:

S. 2821. An act to authorize appropriations for certain insular areas of the United States, and for other purposes.

MESSAGES FROM THE HOUSE

At 11:40 a.m., a message from the House of Representatives delivered by Mr. Berry, one of its reading clerks, announced that the House agrees to the amendments of the Senate to the amendment of the House to the amendment of the Senate numbered 2 to H.R. 10878, an act to extend until October 1, 1981, the voluntary insurance program provided by section 7 of the Fishermen's Protective Act of 1967, and for other purposes.

The message also announced that, pursuant to the provisions of 20 U.S.C. 42 and 43, the Speaker appoints Mr. RYAN as a Member of the Board of Regents to the Smithsonian Institution, vice Mrs. BOGGS, resigned.

The message further announced that, pursuant to the provisions of section 204 (b), Public Law 94–141, as amended, the Speaker appoints Mr. HAMILTON, Chairman, Mr. LEHMAN, Mr. EVANS of Colorado, Mr. DUNCAN of Oregon, Mr. IRELAND, Mr. WON PAT, Mr. BROOMFIELD, Mr. DERWINSKI, Mr. MCCLORY, Mr. VANDER JAGT, Mr. WIGGINS, and Mr. BUTLER as members and delegate on the part of the House to attend the conference of the Interparliamentary Union held in Bonn, Germany, from September 3 to September 14, 1978.

At 3:15 p.m., a message from the House of Representatives delivered by Mr. Hackney, one of its reading clerks, announced that the House has passed the following bill and joint resolution, in which it requests the concurrence of the Senate:

H.R. 10898. An act to amend the Regional Rail Reorganization Act of 1973 to authorize appropriations for the U.S. Railway Association for fiscal year 1979; and

H.J. Res. 1014. A joint resolution designating April 28 and 29 of 1979 as "Days of Remembrance of Victims of the Holocaust."

ORDER TO HOLD H.R. 10898 AT DESK

Mr. ROBERT C. BYRD. Mr. President, I ask unanimous consent that H.R. 10898, an act to amend the Regional Rail Reorganization Act of 1973 to authorize appropriations for the U.S. Railway Association for fiscal year 1979, be held at the desk pending further disposition.

The PRESIDING OFFICER. Without objection, it is so ordered.

HOUSE JOINT RESOLUTION REFERRED

The following joint resolution was read twice by its title and referred as indicated:

H.J. Res. 1014. A joint resolution designating April 28 and 29 as "Days of Remembrance of Victims of the Holocaust"; to the Committee on the Judiciary.

COMMUNICATIONS

The PRESIDING OFFICER laid before the Senate the following communications, together with accompanying reports, documents, and papers, which were referred as indicated:

EC–4199. A communication from the President of the United States, transmitting requests for supplemental appropriations for the fiscal year 1978 in the amount of $3,320,000 and an amendment to the request for appropriations for the fiscal year 1979 in the amount of $1,300,000; to the Committee on Appropriations.

EC–4200. A communication from the Acting Director, Defense Security Assistance Agency, reporting, pursuant to law, concerning the Department of the Army's pro-

posed letter of offer to Saudi Arabia for defense articles estimated to cost in excess of $25 million; to the Committee on Armed Services.

EC–4201. A communication from the Vice President for Government Affairs, National Railroad Passenger Corporation, transmitting, pursuant to law, a report on the average number of passengers per day on board each train operated and the on-time performance at the final destination of each train operated, by route and by railroad, for the month of May 1978; to the Committee on Commerce, Science, and Transportation.

EC–4202. A communication from the Secretary of Energy, transmitting, pursuant to law, a financial statement for all of the electric power generating projects and the transmission system comprising the Federal Columbia River Power System (FCRPS); to the Committee on Energy and Natural Resources.

EC–4203. A communication from the Assistant Administrator for Legislative Affairs, Agency for International Development, Department of State, transmitting, pursuant to law, justification of an increase in the funding level of our proposed basic fiscal year 1978 program in Kenya; to the Committee on Foreign Relations.

EC–4204. A communication from the Deputy Under Secretary of State for Management, transmitting, pursuant to law, a report of the Department's proposal to alter a record system; to the Committee on Governmental Affairs.

EC–4205. A communication from the Chairman, Council of the District of Columbia, transmitting, pursuant to law, an Act adopted by the Council on July 11, 1978, which would provide for priorities of distribution of general assets and to provide for early access to the assets of an insolvent insurer for the benefit of the guaranty associations (act 2–254); to the Committee on Governmental Affairs.

EC–4206. A communication from the Assistant to the Deputy Administrator, National Aeronautics and Space Administration, transmitting, pursuant to law, a report regarding NASA's intention to alter a system of records; to the Committee on Governmental Affairs.

EC–4207. A communication from the Chairman, U.S. Railroad Retirement Board, transmitting, pursuant to law, the annual report of the Railroad Retirement Board for the fiscal year ended September 30, 1977; to the Committee on Human Resources.

EC–4208. A communication from the Secretary of Health, Education, and Welfare and the Secretary of Commerce, transmitting, pursuant to law, a report on alternative methods of estimating the number of children in poverty, August 1978; to the Committee on Human Resources.

EC–4209. A communication from the Acting Executive Secretary of the Department of Health, Education, and Welfare, transmitting, pursuant to law, interim final regulations for: First, supplemental education opportunity grant program (20 U.S.C. 1070b, subpart 2 of part A of title IV of the Higher Education Act of 1965, as amended, Public Law 92–318, amended by Public Law 94–482, Education Amendments of 1976); second, college work-study program (42 U.S.C. 2751, part C of title IV of the Higher Education Act of 1965, as amended, Public Law 92–318, amended by Public Law 94–482, Education Amendments of 1976, and third, national direct student loan (20 U.S.C. 1087aa, part E, title IV of the Higher Education Act of 1965, as amended, Public Law 92–318, amended by Public Law 94–482, Education Amendments of 1976); to the Committee on Human Resources.

EC–4210. A communication from the Secretary of Health, Education, and Welfare, transmitting, pursuant to law, a report on the status of health professions personnel in the United States; to the Committee on Human Resources.

PETITIONS

The PRESIDING OFFICER laid before the Senate the following petitions and memorials, which were referred as indicated:

POM–779. A petition from the Scarsdale Friends Meeting of the Religious Society of Friends (Quakers), Scarsdale, N.Y., relating to transfer of funds from the military functions of government to Departments and functions in the civilian sector; to the Committee on the Budget.

ORDER FOR PERMISSION TO FILE REPORT

Mr. JACKSON. Mr. President, I ask unanimous consent that the Committee on Energy and Natural Resources and the Committee on Commerce, Science and Transportation be given permission to file their report on S. 2053, the Deep Seabed Mining Act, until midnight, Saturday, August 19, 1978.

The PRESIDING OFFICER. Without objection, it is so ordered.

ORDER FOR STAR PRINT

Mr. DOMENICI. Mr. President, I respectfully ask unanimous consent that a star print be made of S. 3199 with the following corrections: That the word "cancer" be replaced by the word "disease" on page 1, the title and line 8, on page 2, lines 14, 15, and 18, on page 3, line 18, on page 4, lines 7 and 19, on page 5, lines 12, 14, and 19, on page 6, lines 5, 8, 11, 12, 15, and 19, on page 10, line 4, and on page 14, line 12. On page 2, line 3, replace the word "cancer" with "lung disease." On page 13, line 16, replace "textile plant" with "uranium mine" and on line 20, correct the spelling of "dessertion" to read "desertion." On page 14, line 14, that "plants" be replaced by the word "mines."

The PRESIDING OFFICER. Without objection, it is so ordered.

REPORTS OF COMMITTEES

The following reports of committees were submitted:

By Mr. MUSKIE, from the Committee on the Budget, without amendment:

S. Con. Res. 104. A concurrent resolution revising the congressional budget for the U.S. Government for the fiscal year 1979 (together with additional and minority views) (Rept. No. 95–1124).

By Mr. BUMPERS, from the Committee on Energy and Natural Resources, with an amendment, and from the Committee on Commerce, Science, and Transportation, with amendments:

S. 2053. A bill to promote the orderly and environmentally sound exploration for and commercial recovery of hard mineral resources of the deep seabed, pending adoption of an international regime relating thereto (together with additional views) (Rept. No. 95 1125). Referred to the Committtee on Foreign Relations, pursuant to order of August 14, 1978, for not to exceed 30 days.

NATURAL GAS POLICY ACT OF 1978—CONFERENCE REPORT

By Mr. JACKSON, from the committee of conference, submitted a report on the disagreeing votes of the two Houses on the amendment of the House to the amendment numbered 8 of the Senate to the bill (H.R. 5289) for the relief of Joe Cortina of Tampa, Fla. (Rept. No. 95–1126).

INTRODUCTION OF BILLS AND JOINT RESOLUTIONS

The following bills and joint resolutions were introduced, read the first time and, by unanimous consent, the second time, and referred as indicated:

By Mr. NELSON:

S. 3430. A bill to amend the Internal Revenue Code of 1954 to exclude from gross income the value of stock received under qualified dividend reinvestment plans; to the Committee on Finance.

By Mr. KENNEDY:

S. 3431. A bill to amend certain provisions of title 23, United States Code, relating to commercial vehicle lengths and axle weight loads; to the Committee on Commerce, Science, and Transportation.

By Mr. DOLE:

S. 3432. A bill for the relief of Roman Enriquez, Andrietta Enriquez, and their son Sol Allan Enriquez; to the Committee on the Judiciary.

By Mr. TALMADGE:

S. 3433. A bill to amend the Internal Revenue Code of 1954 to clarify the application of the investment tax credit to certain enclosures or structures used for single purpose food or plant production; to the Committee on Finance.

By Mr. HART:

S. 3434. A bill to amend chapter 5 of title 37, United States Code, to revise the special pay provisions for certain health professionals in the uniformed services; to the Committee on Armed Services.

By Mr. BENTSEN:

S. 3435. A bill to rename the Palmetto Bend Reservoir, located on the Navidad River near Edna, Tex., Lake Texana; to the Committee on Energy and Natural Resources.

By Mr. HASKELL (for himself and Mr. NELSON):

S. 3436. A bill to provide for the valuation of options to purchase stock in a small business; to the Committee on Finance.

By Mr. CULVER (for himself, Mr. CHAFEE, Mr. HATHAWAY, Mr. BENTSEN, Mr. HATCH, Mr. NUNN, Mr. PERCY, Mr. RIBICOFF, and Mr. THURMOND):

S. 3437. A bill to amend the Comprehensive Drug Abuse Prevention and Control Act of 1970 and other laws to prevent the illicit importation of controlled substances into the United States, and for other purposes; to the Committee on the Judiciary.

By Mr. BARTLETT (for himself and Mr. BELLMON):

S.J. Res. 154. A joint resolution authorizing the President to invite the States of the Union and foreign nations to participate in the International Petroleum Exposition to be held at Tulsa, Okla., from September 10, 1979, through September 13, 1979; to the Committee on Foreign Relations.

STATEMENTS ON INTRODUCED BILLS AND JOINT RESOLUTIONS

By Mr. NELSON:

S. 3430. A bill to amend the Internal Revenue Code of 1954 to exclude from gross income the value of stock received under qualified dividend reinvestment plans; to the Committee on Finance.

QUALIFIED DIVIDEND REINVESTMENT PLANS

● Mr. NELSON. Mr. President, today I am introducing legislation which would defer current Federal tax dividends reinvested in original issue stock of any com-

pany having a qualified dividend reinvestment plan. A qualified reinvestment plan would be defined as a plan which provides for reinvestment of a cash dividend in the original issue stock of a company.

Under the proposal, a single taxpayer would be allowed to reinvest a maximum of $1,500 in dividends annually. A married taxpayer filing a joint return would be allowed a maximum of $3,000.

The purpose of this proposal is to encourage capital formation and to provide a stimulus to construction of essential capital facilities, employment opportunities and a stronger economy. In essence, this proposal would encourage increased reinvestment of dividends in original issue stock of capital intensive companies by deferring current taxes on dividends which are reinvested.

This legislation would be beneficial not only to the companies involved, in assisting them to obtain essential equity capital, but also to the participating stockholders, in providing them with a simple, convenient and economical way to build up their investment.

In recent years businesses requiring periodic infusions of new capital have had great difficulty raising equity capital at reasonable cost. Utility companies in particular, are capital intensive and must continually offer new common stock to finance their capital requirements. However, they find it more and more difficult and expensive to attract this necessary capital through large public offerings in the marketplace.

Accordingly, many of these companies have adopted dividend reinvestment plans under which their stockholders have the option of automatically investing any cash dividends declared by a company in original issue stock of the company.

Under existing law, Federal income tax is imposed currently on the value of the stock received by the stockholder who opts to participate in a dividend reinvestment plan and take stock instead of cash. This is a disincentive to those stockholders who may be pressed to use the cash dividends to pay the current tax. Deferral of the current tax would greatly encourage increased participation.

Several provisions in the proposal prevent abuse of the tax deferral privilege. If a corporation purchases its own stock within 1 year of making a distribution pursuant to a dividend reinvestment plan, the distribution shall be presumed not to have been made pursuant to a qualified dividend reinvestment plan.

Moreover, although stock purchased with reinvested dividends would basically be regarded as the equivalent of a conventional stock dividend, the cost basis of the stock would be zero and the holding period of the stock would commence on the date of purchase.

Under the proposal, a shareholder purchasing stock with reinvested dividends would be required to hold the stock for at least 1 year. If the shareholder sells stock acquired with reinvested dividends within 1 year of acquisition, any gain on the sale would, in effect, be taxed at ordinary, rather than capital gains rates.

Because this proposal is aimed at encouraging capital formation, dividend reinvestment plans which use reinvested dividends to purchase a company's previously issued and outstanding stock in the marketplace will not qualify. The proposal is strictly limited to plans which purchase original issue stock.

This proposal would provide substantial, direct, and immediate help in the formation of new capital. This proposal would represent a step in the direction of reducing the double tax on dividends by eliminating the tax imposed at the stockholder level when the dividends are reinvested in the corporation.

Finally, this proposal would encourage savings by supplementing retirement income. In this respect, it is analogous to Keogh and IRA programs which have been encouraged by favorable tax treatment.

Last month, Congressman PICKLE introduced H.R. 13581 in the House of Representatives, a bill identical in principle to this proposal. This measure differs from H.R. 13581 in that it sets a limitation on the amount of dividends that may be reinvested under its provisions.

I have introduced this proposal so that its merits may be considered and evaluated during the scheduled tax hearings before the Senate Finance Committee.

I ask unanimous consent that the text of the bill be printed in the RECORD.

There being no objection, the bill was ordered to be printed in the RECORD, as follows:

S. 3430

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That (a) section 305 of the Internal Revenue Code of 1954 (relating to distributions of stock and stock rights) is amended by redesignating subsection (e) as subsection (f) and by inserting after subsection (d) the following new subsection:

"(e) QUALIFIED DIVIDEND REINVESTMENT PLANS.—

"(1) IN GENERAL.—Notwithstanding the provisions of subsection (b) and subject to the limitation under paragraph (2), subsection (a) shall apply to a distribution of stock of a corporation made by such corporation to a shareholder under a qualified dividend reinvestment plan if such shareholder elects under paragraph (4) to have this subsection apply to such distribution.

"(2) LIMITATION.—The amount of any distribution excluded from income by any taxpayer under subsection (a) by reason of paragraph (1) shall not exceed $1,500 ($3,000 in the case of a joint return under section 6013).

"(3) DEFINITION OF QUALIFIED DIVIDEND REINVESTMENT PLAN.—The term 'qualified dividend reinvestment plan, means a plan under which the common and preferred shareholders of a domestic corporation (other than a regulated investment company) who elect to participate in such plan receive a distribution otherwise payable in property only in shares (including fractional shares) of authorized but unissued common stock of the corporation which is—

"(A) designated by the board of directors of the corporation as issued for purposes of this subsection, and

"(B) priced at not less than 95 percent of fair market value of such common stock as of the date of distribution.

"(4) SHAREHOLDER ELECTION.—A shareholder may elect to have this subsection apply to any distribution of stock under a qualified dividend reinvestment plan by making an election, in such manner and form as the Secretary may by regulation prescribe, on the shareholder's Federal income tax return for the taxable year in which such distribution is received.

"(5) BASIS AND HOLDING PERIOD.—Notwithstanding any other provision of this title, the basis of stock received as a distribution pursuant to a qualified dividend reinvestment plan by a shareholder who makes an election under paragraph (4) shall be zero and the holding period of such stock shall commence on the date of such distribution.

"(6) DISPOSITIONS.—Under regulations prescribed by the Secretary, if a shareholder sells common stock of a corporation within 1 year following the receipt of stock described in paragraph (5) of the same corporation, the stock so sold shall be deemed to be the stock so described commencing with the first shares received during said 1-year period.

"(7) PRESUMPTION.—If a corporation, or a member of its 'affiliated group' within the meaning of section 1504(a), has purchased or purchases its common stock within 1 year of making a distribution pursuant to a dividend reinvestment plan, such distribution shall be presumed not to have been made pursuant to a qualified dividend reinvestment plan. Under regulations prescribed by the Secretary, the corporation may establish that it had a business purpose for purchasing such stock which is not inconsistent with the intent of this subsection, in which event the distribution will not be disqualified hereunder."

(b)(1) Subsection (c) of section 116 of such Code (relating to partial exclusion of dividends received by individuals) is amended by adding at the end thereof the following new paragraph:

"(4) Any amount excluded from gross income under section 305(a) by reason of section 305(e) shall not be treated as a dividend."

(2) Subsection (c) of section 243 of such Code (relating to dividends received by corporations) is amended by adding at the end thereof the following new paragraph:

"(5) Any amount excluded from gross income under section 305(a) by reason of section 305(e) shall not be treated as a dividend."

SEC. 2. The amendments made by this Act shall apply with respect to distributions made after December 31, 1978.

By Mr. KENNEDY:

S. 3431. A bill to amend certain provisions of title 23, United States Code, relating to commercial vehicle lengths and axle weight loads; to the Committee on Commerce, Science, and Transporation.

(The remarks of Mr. KENNEDY when he introduced the bill appear elsewhere in today's proceedings.)

By Mr. DOLE:

S. 3432. A bill for the relief of Roman Enriquez, Andrietta Enriquez, and their son Sol Allan Enriquez; to the Committee on the Judiciary.

ROMAN, ANDRIETTA, AND SOL ALLAN ENRIQUEZ

● Mr. DOLE. Mr. President, today I am introducing a bill on the behalf of Dr. and Mrs. Roman Enriquez, and their son Sol Allan, of Kansas.

The Enriquez family have been residing in the United States on nonimmigrant status so that both Dr. Enriquez and his wife could complete their medical training at the University of Kansas.

Dr. Enriquez has been licensed to practice medicine in both Missouri and Kansas, while Mrs. Enriquez is presently completing her residency in psychiatry. Working closely with the outreach program of the Kansas University Medical Center, the Enriquezs found an extreme need for physician care in the rural community of Howard, Kans.

As most of us know, the rural areas of this Nation are in critical need of adequate health care personnel and services. The creation of the Health Professions Education Assistance Act of 1976 was based on this critical need and the placement of these physicians in these areas, through such programs as outreach, will not only fulfill the intent of this act but exemplify the success in meeting this critical shortage of physicians in rural America.

Mr. President, the citizens of Howard first approached the Enriquezs to locate and establish a medical practice there some months ago, and after a meeting with the townspeople last month, interest of both parties has greatly intensified.

Mr. President, the intent of this bill will allow the Enriquezs to remain in the United States and allow them to begin practicing the medical services that this community has needed for so long. I ask unanimous consent that letters of support and the text of the bill be printed in the RECORD.

There being no objection, the bill and letters were ordered to be printed in the RECORD, as follows:

S. 3432

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That, notwithstanding the provisions of paragraphs (14) and (32) of section 212(a) and section 212 (e) of the Immigration and Nationality Act, for purposes of such Act, Roman Enriquez, Andrietta Enriquez, and their son Sol Allan Enriquez shall be held and considered to have been lawfully admitted to the United States for permanent residence as of the date of the enactment of this Act upon payment of the required visa fees. Upon the granting of permanent residence to such aliens as provided for in this Act, the Secretary of State shall instruct the proper officer to reduce by the required numbers, during the current fiscal year or the fiscal year next following, the total number of immigrant visas and conditional entries which are made available to natives of the country of the aliens' birth under paragraphs (1) through (8) of section 203(a) of such Act.

ST. JOSEPH MEDICAL CENTER,
Wichita, Kans., July 25, 1978.

Hon. BOB DOLE,
U.S. Senate, Washington, D.C.

DEAR SENATOR DOLE: We understand that you are working with U.S. immigration authorities and the Republic of the Philippines in an effort to obtain permanent visas for Roman Enriquez, M.D., an internist, and Andrietta Enriquez, M.D., a psychiatrist, who wish to establish practices in Howard, Kansas.

As you know, Elk County (Pop., 41,175), of which Howard is the county seat, is one of the U.S. counties without a medical doctor. The latest figures available to us show that Elk County is one of 15 Kansas counties without an M.D.

Four years ago, St. Joseph Medical Center arranged to fly one of our resident physicians to Howard three afternoons a week in an effort to help meet the county's urgent medical needs. We had to discontinue the program when it become necessary for the resident physician to have an on-site supervision by a practicing physician if our residency training program was to remain accredited.

We still have some medical equipment stored in Howard that we will make available to an established practice.

We always have regretted that circumstances over which we had no control forced us to withdraw our small effort to help this rural Kansas community, and we sincerely hope you can help make it possible for these two physicians to practice in Howard. Please be assured that we will do anything we can to help the young physicians establish their practice in a community that needs their services.

Sincerely,

Mother MARY ANNE,
Executive Director.

PENN VALLEY MEDICAL GROUP, INC.,
Kansas City, Mo., July 25, 1978.

Re: Enriquez, Roman

Mr. JAMES W. EBY,
Howard National Bank,
Howard, Kans.

DEAR MR. EBY: I have known Dr. Roman Enriquez for approximately one year. I have observed him closely during his rotations at Trinity Lutheran Hospital. In this last year, he has spent approximately six months of the time at this hospital.

I can unquestionably say that Roman is an excellent physician. His clinical judgment is very good and he is well respected by his peers and patients alike. All of his preceptors at this hospital have been very impressed with Roman's diligence and attention to detail. He is a very fine physician. In addition, his integrity is above reproach. He is extremely honest, forthright person.

In summary, I would enthusiastically recommend Dr. Enriquez. I think he will make an outstanding addition to the Howard community. If there are any further questions regarding Dr. Enriquez, or I can be of any further help to you, please do not hesitate to contact me.

Sincerely,

DOUGLAS B. BOGART, M.D.●

By Mr. TALMADGE:

S. 3433. A bill to amend the Internal Revenue Code of 1954 to clarify the application of the investment tax credit to certain enclosures or structures used for single purpose food or plant production; to the Committee on Finance.

AMENDMENT TO ALLOW INVESTMENT TAX CREDIT ON STRUCTURES USED FOR FOOD AND PLANT PRODUCTION

● Mr. TALMADGE. Mr. President, I am today introducing a bill that would put an end to extensive tax litigation that has resulted from the position taken by the Internal Revenue Service that structures designed and used for the housing, raising and feeding of poultry and livestock and for the production of plants are not eligible for the investment tax credit. These structures are specifically designed for single purpose food and plant production and should have been eligible for the investment tax credit.

When the investment credit was restored by the Revenue Act of 1971, the Senate Finance Committee in its accompanying report tried to make it clear that the credit was intended to apply to special purpose agricultural structures. The report noted that although buildings are not eligible for the credit, the term "building" was not intended to include structures which house property used as an integral part of a manufacturing or production activity. To illustrate the type of structure which should be eligible for the credit, the committee gave the following example of a unitary hog-raising facility:

One example of a type of structure closely related to the product it houses which was called to the attention of Congress is a unitary system for raising hogs which includes automatic feed systems, special airflow units, slatted flooring, pens and partitions. The structure which can be added to, according to the number of hogs raised, is no more than a cover and way of tying together the specially designed pens, automatic feed systems, etc. There is no other practical use for the structure and it can, therefore, be expected to be used only so long as the equipment it houses is used. Such a structure would be eligible for an investment credit. (S. Rept. 92–437, 92d Cong., 1st Sess. (1971))

It was the intention of Congress to make clear that the investment credit as restored would apply to structures for raising livestock and poultry, despite references in certain revenue rulings to the contrary.

Despite the clear statement in the 1971 committee report, the Internal Revenue Service nevertheless in numerous cases has denied the credit to special purpose agricultural structures or enclosures for raising poultry, livestock, and horticultural products or for producing eggs. These structures have uses and physical attributes which are very similar to the unitary system for raising hogs described in the Finance Committee report, and the U.S. Tax Court has correctly sustained the taxpayers' position and allowed the credit in many of these cases.

Mr. President, the courts have ruled that structures for raising chickens and hogs, for aging liquor, and for greenhouses, qualify for this credit. For example, the Ninth Circuit Court of Appeals in 1974, and the District Court for the Western District of Missouri, August 10, 1978, ruled a greenhouse eligible for the credit. The ninth circut court held that the functional test rather than the appearance test is the proper test for determining whether a structure constitutes a building. The court concluded, and I quote:

Under the functional test, greenhouses do not function as "buildings" as the term is employed in section 48. The greenhouses supply the controlled environment that is essential to the commercial production of more and finer flowers.

With no exception, a greenhouse is a specially designed, single-purpose environment growth chamber integrally necessary in the production of floricultural plants. The greenhouse is a piece of product equipment that provides a climate control system that regulates temperature, light, and humidity so vital to the production of plants and flowers. Furthermore, it is impossible to expect a greenhouse to serve any alternate function other than that which it is designed to do unless significant capital expenditures are invested in major modifications.

Seven years after the restoration of the credit it is time to end the effort by the Service to deny the credit in these cases contrary to the clear intent of Congress as expressed in the 1971 com-

mittee report and affirmed by the Tax Court.

Continued litigation is expensive and wasteful to both parties involved. This needless expenditure of time and money prompts the provision in the bill to make it effective for all taxable years ending on or after August 15, 1971. Many of the taxpayers involved are relatively small farmers and are unable to bear the expense of such litigation.

Also, Mr. President, it should be the Government can do for these producers we are talking about here—those who raise poultry, livestock, and plants—have no Government subsidy program. They sometimes must bear severe losses for long periods of time. The least that the government can do for these producers of essential agricultural commodities is to give them the same access to the investment tax credit that is available to other industries.

This bill would amend the Internal Revenue Code of 1954 to make structures or enclosures used for single purpose food or plant production eligible for the investment tax credit. The Internal Revenue Code denies the investment tax credit to buildings. The IRS has taken the position that structures used in the production of food and plants are buildings and, thus, are not eligible for the credit.

To be eligible for the credit under the bill, the structure would have to be specifically designed and used solely for the production of poultry, eggs, beef, pork, or plants. General purpose structures, such as barns, would therefore not be eligible for the credit.

The effective date of the amendment is August 15, 1971, which is the date upon which the investment tax credit was restored by the Revenue Act of 1971.●

By Mr. HART:

S. 3434. A bill to amend chapter 5 of title 37, United States Code, to revise the special pay provisions for certain health professionals in the uniformed services; to the Committee on Armed Services.

UNIFORM SERVICES HEALTH PROFESSIONALS SPECIAL PAY ACT OF 1978

● Mr. HART. Mr. President, today the military health care system is faced with a critical shortage of qualified military health professions. Department of Defense figures indicate that the three military services are currently in need of approximately 1,130 physicians—the Army alone has fallen 13 percent below its 4,539 physician requirement. Furthermore, these figures do not reflect the severe shortages which exist in certain medical specialties such as radiology, anesthesiology and internal medicine.

This doctor shortage in the military services has been caused by a combination of factors including the termination of the doctor draft in 1973, the diminishing pool of Berry plan physicians and the increasing difficulties in retaining physicians once their initial obligation is completed.

This shortage, coupled with increasing medical costs, has forced military medical facilities to reduce services provided for active duty, dependents and retired beneficiaries. These reductions have in turn caused a corresponding increase in the use of the civilian health and medical program of the uniformed services (CHAMPUS). CHAMPUS not only places an additional financial burden on eligible beneficiaries, but results in additional costs to the taxpayer since such medical services are provided by civilian physicians on a fee-for-service basis. These contracted services do not come cheaply.

For example, nearly $8 million in contracted radiology services for the military were expended in the last fiscal year. As the physician shortage worsens, more money will have to be spent hiring civilian physicians to meet the needs of the military services. This is, at best, only a stop-gap solution because these civilian physicians cannot be deployed in the event of military mobilization.

The shortage in military medical services has had a profund effect on the attitudes of service members. According to Department of Defense officials, health care benefits have been consistently cited by service members as one of the most important influences in making military career decisions. The deterioration of the military health care services will make it increasingly difficult to recruit and retain qualified personnel throughout the armed services.

At present, the military is temporarily authorized to offer variable incentive special pay programs for health professionals. These special pay programs have six different methods of disbursement and confusing eligibility criteria which diminish their effectiveness. For example, variable incentive pay is not available to officers serving their initial active duty obligation. Similarly, medical officers trained under the military medical scholarship program are not eligible for incentive pay until the Federal assistance they have received is paid back through a specified period of military service. Inequitable requirements like these seriously undermine the armed services' effort to maintain a staff of qualified physicians.

The legislation I am proposing today would correct these inequities and replace the current temporary special pay program with a stable, long-term health professions special pay program. It will give the military the needed tools to enhance recruitment and retention of qualified health professionals.

Although this bill will not bring the pay of military medical officers up to civilian levels, it will make a career in the military health service substantially more attractive than it is now.

The major provisions of the bill include:

First, primary special pay for physicians, dental officers, veterinary officers and optometry officers called or ordered to active duty for a period of at least 1 year. This special pay is based on years of creditable service and varies from $1,200 per year to a maximum of $11,000 per year.

Second, incentive special pay would be offered physicians and dentists in selected specialty fields. To be eligible for this pay, the health professional must sign a written agreement to remain on active duty for at least 1 year.

Mr. President, I believe this bill will provide an effective incentive to persuade health professionals to enlist in our Nation's military services, and will give the military the tools necessary to improve its health services. We must insure that our military health care system meets its mission requirements effectively and economically, and provides the high quality medical care which its eligible beneficiaries deserve.

I ask unanimous consent that the text of this bill be printed in the RECORD.

There being no objection, the bill was ordered to be printed in the RECORD, as follows:

S. 3434

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That this Act may be cited as the "Uniformed Services Health Professionals Special Pay Act of 1978".

SEC. 2. (a) Chapter 5 of title 37, United States Code, relating to special and incentive pays for members of the uniformed services, is amended by striking out sections 302, 302a, 302b, and 303 and inserting in lieu thereof the following:

"§ 302. Special pay: medical officers

"(a)(1) Except as provided in paragraph (2), a commissioned officer who is an officer of the Medical Corps of the Army or the Navy, an officer of the Air Force designated as a medical officer, or a medical officer of the Public Health Service and who is on active duty under a call or order to active duty for a period of not less than one year is entitled to primary special pay at the following applicable rate:

"(A) $2,000 per year, if the officer has less than five years of creditable service under subsection (c);

"(B) $7,000 per year, if the officer has at least five but less than eight years of creditable service under subsection (c);

"(C) $9,000 per year, if the officer has at least eight but less than fourteen years of creditable service under subsection (c); or

"(D) $11,000 per year, if the officer has fourteen or more years of creditable service under subsection (c).

"(2) A commissioned officer described in paragraph (1) who is serving in the pay grade of 07, 08, or 09 is entitled to primary special pay at the following applicable rate regardless of the number of years of creditable service such officer may have under subsection (c):

"(A) $6,000 per year if the officer is serving in a pay grade of 09;

(B) $7,000 per year if the officer is serving in a pay grade of 08; or

"(C) $10,000 per year if the officer is serving in a pay grade of 07.

"(3) The annual rate of primary special pay to which an officer is entitled under paragraph (1) or (2) shall be increased by—

"(A) $5,000 for any period during which the officer is not undergoing medical internship or residency training, as determined under regulations prescribed under section 302d(a); and

"(B) $2,000 if the officer is board certified, as determined under regulations prescribed under section 302d(a).

"(b)(1) Subject to paragraph (2) and under regulations to be prescribed under section 302d(a), an officer who is entitled to

primary special pay under subsection (a)(1) and who is not undergoing medical internship or residency training may be paid incentive special pay in an annual amount not to exceed the following applicable amount:

"(A) $8,000, if the officer has at least five but less than eight years of creditable service under subsection (c);

"(B) $6,000, if the officer has at least eight but less than fourteen years of creditable service under subsection (c); or

"(C) $4,000, if the officer has fourteen or more years of creditable service under subsection (c).

"(2) No officer shall be eligible for incentive special pay under this subsection unless the Secretary concerned has determined that the officer is qualified in the medical profession.

"(3) To be eligible for incentive special pay under this subsection for any year, an officer must first execute a written agreement under which the officer agrees to remain on active duty for a period of not less than one year beginning on the date the officer accepts the award of such special pay.

"(4) In developing the Budget for any fiscal year for transmittal to the Congress under section 201(a) of the Budget and Accounting Act, 1921, the President shall limit the amount to be paid during that year for incentive special pay under this subsection to an amount equal to not more than 5 percent of the amount to be paid in that year for primary special pay under subsection (a).

"(c) For purposes of this section, creditable service of an officer of the Medical Corps of the Army or the Navy, an officer of the Air Force designated as a medical officer, or a medical officer of the Public Health Service is computed by adding—

"(1) four years;

"(2) all periods which the officer spent in medical internship or residency training during which the officer was not on active duty; and

"(3) all periods of active service in the Medical Corps of the Army or Navy, as an officer of the Air Force designated as a medical officer, or as a medical officer of the Public Health Service.

"§ 302a. Special pay: dental officers

"(a)(1) Except as provided in paragraph (2), a commissioned officer who is an officer of the Dental Corps of the Army or the Navy, an officer of the Air Force designated as a dental officer, or a dental officer of the Public Health Service and who is on active duty under a call or order to active duty for a period of not less than one year is entitled to primary special pay at the following applicable rate:

"(A) $1,200 per year, if the officer has at least four years of creditable service under subsection (c) and is undergoing dental internship training, as determined under regulations prescribed under section 302d(a);

"(B) $2,000 per year, if the officer has at least four but less than seven years of creditable service under subsection (c) and is not undergoing dental internship training, as determined under regulations prescribed under section 302d(a);

"(C) $7,000 per year, if the officer has at least seven but less than fourteen years of creditable service under subsection (c); or

"(D) $9,000 per year, if the officer has fourteen or more years of creditable service under subsection (c).

"(2) A commissioned officer described in paragraph (1) who is serving in the pay grade of 07 or 08 is entitled to primary special pay at the rate of $7,000 per year regardless of the number of years of creditable service such officer may have under subsection (c).

"(3) The annual rate of primary special pay to which an officer is entitled under paragraph (1) or (2) shall be increased by—

"(A) $3,000 for any period during which the officer is not undergoing dental internship or residency training, as determined under regulations prescribed under section 302d(a); and

"(B) $2,000 if the officer is board qualified in a dental specialty, as determined under regulations prescribed under section 302d(a).

"(b)(1) Subject to paragraph (2) and under regulations prescribed under section 302d(a), an officer who is entitled to primary special pay under subsection (a)(1) and who is not undergoing dental internship or residency training may be paid incentive special pay in an annual amount not to exceed $2,000.

"(2) No officer shall be eligible for incentive special pay under this subsection unless the Secretary concerned has determined that the officer is qualified in the dental profession.

"(3) To be eligible for incentive special pay under this subsection for any year, an officer must first execute a written agreement under which the officer agrees to remain on active duty for a period of not less than one year beginning on the date the officer accepts the award of such special pay.

"(4) In developing the Budget for any fiscal year for transmittal to the Congress under section 201(a) of the Budget and Accounting Act, 1921, the President shall limit the amount to be paid during that year for incentive special pay under this subsection to an amount equal to not more than 2½ percent of the amount to be paid in that year for primary special pay under subsection (a).

"(c) For purposes of this section, creditable service of an officer of the Dental Corps of the Army or the Navy, an officer, of the Air Force designated as a dental officer, or a dental officer of the Public Health Service is computed by adding—

"(1) four years;

"(2) all periods which the officer spent in dental internship or residency training during which the officer was not on active duty; and

"(3) all periods of active service in the Dental Corps of the Army or Navy, as an officer of the Air Force designated as a dental officer, or as a dental officer of the Public Health Service.

"§ 302b. Special pay: veterinary officers

"(a) A commissioned officer who is an officer of the Veterinary Corps of the Army, an officer or the Air Force designated as a veterinary officer, or a veterinary officer of the Public Health Service and who is on active duty under a call or order to active duty for a period of not less than one year is entitled to special pay at the following applicable rate:

"(1) $1,800 per year, if the officer has less than three years of creditable service under subsection (b);

"(2) $2,400 per year, if the officer has at least three but less than six years of creditable service under subsection (b);

"(3) $3,000 per year, if the officer has at least six but less than ten years of creditable service under subsection (b); or

"(4) $4,200 per year, if the officer has ten or more years of creditable service under subsection (b).

"(b) For purposes of this section, creditable service of an officer of the Veterinary Corps of the Army, an officer of the Air Force designated as a veterinary officer, or a veterinary officer of the Public Health Service is computed by adding—

"(1) all periods which the officer spent in veterinary residency training during which the officer was not on active duty; and

"(2) all periods of active service in the Veterinary Corps of the Army, as an officer of the Air Force designated as a veterinary officer, or as a veterinary officer of the Public Health Service.

"§ 302c. Special pay: optometry officers

"(a) commissioned officer who is an officer of the Army, Navy, or Air Force designated as an optometry officer or who is an optometry officer of the Public Health Service and who is on active duty under a call or order to active duty for a period of not less than one year is entitled to special pay at the following applicable rate:

"(1) $1,800 per year, if the officer has less than three years of creditable service under subsection (b);

"(2) $2,400 per year, if the officer has at least three but less than six years of creditable service under subsection (b);

"(3) $3,000 per year, if the officer has at least six but less than ten years of creditable service under subsection (b); or

"(4) $4,200 per year, if the Officer has ten or more years of creditable service under subsection (b).

"(b) For purposes of this section, creditable service of an officer of the Army, Navy, or Air Force designated as an optometry officer or of an optometry officer of the Public Health Service is computed by adding—

"(1) all periods which the officer spent in optometry residency training during which the officer was not on active duty; and

"(2) all periods of active service as an optometry officer.

"§ 302d. Special pay: health professionals; general provisions

"(a)(1) The Secretary of Defense, with respect to the Army, Navy, and Air Force, and the Secretary of Health, Education, and Welfare, with respect to the Public Health Service, shall prescribe regulations for the administration of sections 302, 302a, 302b, and 302c.

"(2) For purposes of sections 302, 302a, 302b, and 302c, the terms "board eligible', 'board qualified', and 'initial residency training' shall have such meanings as shall be prescribed in regulations issued by the Secretary of Defense.

"(b) Special pay authorized under sections 302, 302a, 302b, and 302c is in addition to any other pay or allowances to which a member is entitled, and the amounts set forth in such sections shall not be included in computing the amount of any increase in pay under any other provision of this title or in computing retired pay, severance pay, or readjustment pay.

"(c) Special pay under sections 302(a), 302a(a), 302b, and 302c shall be paid monthly.

"(d) An officer who voluntarily terminates his service on active duty before the end of the period for which a payment was made to such officer under section 302(b) or 302a(b) shall refund to the United States an amount which bears the same ratio to the amount paid to such officer as the unserved part of such period bears to the total period for which the payment was made.

"(e) The special and incentive pays to which an officer of the health professions of the uniformed services is entitled under sections 302 through 302c are to be adjusted each year by the same percentage rate that the monthly basic pay and allowances of members of the uniformed services is adjusted pursuant to section 8 of the Act of December 16, 1967 (Public Law 90-207; 81 Stat. 654).".

(b) Sections 311 and 313 of title 37, United States Code, are repealed.

(c) Section 306(e) of such title, relating to exclusions from special pay for officers holding positions of unusual responsibility, is amended by striking out "302 or 303" and inserting in lieu there "302, 302a, 302b, or 302c".

(d) The table of sections at the beginning of chapter 5 of such title is amended—

(1) by striking out the items relating to sections 302, 302a, 302b, and 303 and inserting in lieu thereof the following:

"302. Special pay: medical officers.
"302a. Special pay: dental officers.
"302b. Special pay: veterinary officers.
"302c. Special pay: optometry officers.
"302d. Special pay: health professionals; general provisions.";

and

(2) by striking out the items relating to sections 311 and 313.

Sec. 3. Unearned amounts received by officers under the provisions of sections 311 and 313 of title 37, United States Code, on the day before the effective date of this Act shall be recouped by the United States from the officer concerned on a pro rata basis. An officer receiving pays under the provisions of any of the sections amended or repealed by this Act shall continue, under regulations prescribed by the Secretary of Defense, to be entitled under the amendments made by this Act to an annual amount of special pay equal to not less than the annual amount to which such officer would have been entitled had such sections not been amended or repealed by this Act.

SEC. 4. This Act shall become effective on October 1, 1979.●

By Mr. HASKELL (for himself and Mr. NELSON):

S. 3436. A bill to provide for the valuation of options to purchase stock in a small business; to the Committee on Finance.

● Mr. HASKELL. Mr. President, today I am introducing a bill for myself and the distinguished Senator from Wisconsin (Mr. NELSON) which provides an outline of a method which can be used in valuing nonqualified stock options in a small business.

The stock option is a very useful tool, especially to small business. It is used to attract competent management when startup funds are tied up in acquiring other necessary services and assets. The stock option gives employees a stake in the future of the company they are building.

The Internal Revenue Code provides that if the options have a readily ascertainable fair market value, the employee may elect to include in gross income the value of the option at the time of receipt. If the option cannot be valued, it must be included in income at the time of exercise.

I recognize that these options are difficult to value. However, if stock in a small business is included in an estate or if the options are included in an estate, the IRS has methods of valuation.

I was a conferee during the 1976 Tax Reform Act. We decided to put the following language in the conference report concerning the valuation of the options:

The conferees intend that in applying these rules for the future, the Service will make every reasonable effort to determine a fair market value for an option (i.e., in cases where similar property would be valued for estate tax purposes) where the employee irrevocably elects (by reporting the option as income on his tax return or in some other manner to be specified in regulations) to have the option valued at the time it is granted (particularly in the case of an option granted for a new business venture). The conferees intend that the Service will promulgate regulations and rulings setting forth as specifically as possible the criteria which will be weighed in valuing an option which the employee elects to value at the time it is granted.

The conferees intend that under these rules, the value of an option would be determined under all the facts and circumstances of a particular case. Among other factors that would be taken into account would be the value of the stock underlying the option (to the extent that this could be ascertained), the length of the option period (the longer the period, the greater the chance the underlying stock might increase in value), the earnings potential of the corporation, and the success (or lack of success) of similar ventures. Corporate assets, including patents, trade secrets and know how would also have to be taken into account. House Report No. 94–1515, 94th Congress, 2nd Session, 438–439 (1976).

The regulations which were proposed by the Treasury Department do not contain a description of the election to be afforded taxpayers nor do they detail the valuation criteria to be employed.

Because of my concern for the viability of the stock option for small business, I am introducing this bill which I think will provide the guidance needed in this area of valuation and which will carry out the intent of the conference committee in 1976.

I ask unanimous consent that the bill be printed in the RECORD.

There being no objection, the bill was ordered to be printed in the RECORD, as follows:

S. 3436

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That (a) section 83 of the Internal Revenue Code of 1954 (relating to property transferred in connection with performance of services) is amended by redesignating subsection (i) as subsection (j) and by adding after subsection (h) the following new subsection:

"(i) REGULATIONS TO VALUE CERTAIN SMALL BUSINESS STOCK OPTIONS.—

"(1) IN GENERAL.—The Secretary shall prescribe such regulations as may be necessary to provide for determining the fair market value of an option to purchase stock in a small business if the option does not have a readily ascertainable fair market value.

"(2) FACTORS.—The regulations prescribed under this subsection shall set forth factors which are to be taken into account in determining the fair market value of such options. Such factors may include, but shall not be limited to—

"(A) the type of small business,
"(B) an industry survey,
"(C) the earnings of the small business and the value of assets (including trademarks and copyrights) owned by the small business,
"(D) dividends,
"(E) intangibles,
"(F) arm's length sale of the stock with respect to which the option is granted,
"(G) the length of the option period, and
"(H) the value of the stock of small businesses which are similar to the small businesses issuing the option.

"(3) DEFINITION OF SMALL BUSINESS STOCK.—For purposes of this subsection, the term 'stock in a small business' means stock issued by a domestic corporation during the 5-year period after its incorporation and at a time when the equity capital (within the meaning of the last sentence of section 1244 (c)(2)) of such corporation was less than $1,000,000.".

(b) Section 83(e) of such Code (relating to applicability of section) is amended by adding at the end thereof the following:

"Paragraph (3) shall not apply to an option to purchase stock in a small business (within the meaning of subsection (i)(3)) if the taxpayer elects, at such time and in such manner as the Secretary may by regulation prescribe, to have the fair market value of such option determined under regulations prescribed under subsection (i). Paragraph (4) shall not apply to the transfer of property pursuant to an option with respect to which the taxpayer has made an election under the preceding sentence.".

(c) The amendments made by this subsection shall apply with respect to options granted after December 31, 1977.●

By Mr. CULVER (for himself, Mr. CHAFEE, Mr. HATHAWAY, Mr. BENTSEN, Mr. HATCH, Mr. NUNN, Mr. PERCY, Mr. RIBICOFF, and Mr. THURMOND):

S. 3437. A bill to amend the Comprehensive Drug Abuse Prevention and Control Act of 1970 and other laws to prevent the illicit importation of controlled substances into the United States, and for other purposes; to the Committee on the Judiciary.

DRUG TRAFFICKING CONTROL ACT OF 1978

● Mr. CULVER. Mr. President, today I am introducing a bill to increase the effectiveness of U.S. efforts to control international drug trafficking. Entitled the Drug Trafficking Control Act of 1978, it would close certain loopholes in U.S. laws that are currently being exploited by drug traffickers.

Specifically, the legislation would:

First, authorize U.S. authorities to prosecute the crews of so-called "mother-ships" which now distribute drugs along the coastlines of the United States with almost complete immunity from prosecution;

Second, intercept the profits of drug trafficking by strengthening the current requirement that anyone entering or leaving the United States with monetary instruments exceeding $5,000 must report them to the Customs Service; and

Third, require the master of any vessel carrying foreign merchandise to immediately report its arrival in the United States.

The Subcommittee on Juvenile Delinquency, which I chair, has had a long history of concern with international drug trafficking, the subcommittee has conducted a number of hearings and investigations on major smuggling routes and methods. Unfortunately we have found that as soon as U.S. authorities are able to place effective controls on one source of illegal drugs, the illicit traffickers begin to develop new methods to smuggle drugs into the country.

In the last few years, certain South American countries have become a major source of illegal drugs for the United States. Federal authorities estimate that nearly all of the cocaine and 50 percent of the marihuana smuggled into the United States each year now originates in South America. The great majority of these drugs are being brought in by air and by sea, using sophisticated new techniques which have presented new challenges to law enforcement officials.

In order to maintain effective controls over illegal drugs, we must respond to each new challenge as rapidly and as effectively as possible.

POSSESSION OF CONTROLLED SUBSTANCES ON THE HIGH SEAS

Among the present challenges is the need to halt "mother ship" smuggling operations. These mother ships, which carry huge amounts of illegal drugs, proceed to points that are off the U.S. coast but beyond the 2-mile territorial waters of the United States. From this position of safety the mother ship transfers its load of illegal drugs to smaller high-speed vessels such as fishing boats, cabin cruisers, and yachts. These smaller boats then mingle with the thousands of other small boats in U.S. waters along our coastline while transporting the illegal drugs to the mainland.

Recent enforcement efforts against this threat have documented the extent of such operations. In the first 7 months of this year, the Coast Guard seized 101 vessels, arrested 494 persons and confiscated over $700 million in drugs.

Unfortunately because of a loophole in existing U.S. laws, only about 40 percent of those arrested are ever prosecuted. The rest are either released or deported. Under U.S. law it is illegal to distribute drugs outside the United States only if the defendant intended or knew that such drugs would be unlawfully imported into the United States (21 U.S.C. 959). Thus, if a vessel with drugs is seized on the high seas, prosecutors cannot bring a charge for mere possession of illegal drugs on the high seas since this is not a crime under U.S. law. Similarly they cannot bring a charge of possession of drugs on the high seas with intent to distribute since this is not a crime under U.S. laws. Instead, they must prove that the crew of the vessel actually distributed drugs with the knowledge or intent that such substances were to be unlawfully imported into the United States. Since it is extremely difficult for U.S. authorities to actually observe such transactions on the high seas, it is often impossible to prove that they took place.

This legislation would remedy this problem by making it unlawful for anyone to possess dangerous drugs on board a vessel on the high seas if he intends or knows that such drugs will be unlawfully imported into the United States. U.S. authorities would no longer have to prove that such drugs were actually distributed. The United States would have authority to enforce this section against U.S. vessels, vessels without nationality, and vessels of a foreign nation when that nation authorizes the United States to assert jurisdiction over the vessel for the purposes of enforcing this act.

The bill also contains a related provision that makes it unlawful for any person to possess certain dangerous drugs on board a vessel or aircraft of the United States. This additional authority is possible because under international law, a U.S. vessel or a U.S. aircraft is considered U.S. territory when on or over the high seas.

ILLEGAL EXPORT OF CASH

We know that the sale of narcotics and dangerous drugs in the United States produces vast sums of money, much of which ultimately leaves the United States to be "laundered" or to be exchanged for additional drugs. By monitoring the flow of such funds, Federal authorities obtain valuable intelligence concerning the flow of drugs and frequently are able to disrupt drug trafficking networks by seizing large amounts of cash or negotiable instruments.

To assist in this effort, the Currency and Foreign Transactions Reporting Act of 1970 requires reports to be filed by persons transporting or causing to be transported monetary instruments in excess of $5,000 into or out of the United States. Recently, however, the U.S. district court dismissed a criminal proceeding against a defendant who was departing the United States with unreported currency on the grounds that no violation had occurred because the individual had not actually left the United States without filing the required report.

This legislation would remedy this situation by amending the Currency and Foreign Transactions Reporting Act to require a report to be filed prior to departure by any person who wishes to transport or have transported out of the United States any amount exceeding $5,000. A person departing by aircraft or vessel would have to file the report prior to boarding the carrier. Failure to file the report would then be a detactable violation.

Currently the Currency and Foreign Transactions Reporting Act requires the issuance of a search warrant in all cases in order to seize monetary instruments being taken from the United States in violation of these reporting requirements. In many instances it is impossible to obtain a search warrant in time to seize such funds before they leave the country. The Drug Trafficking Control Act would authorize customs agents to conduct warrantless searches under exigent circumstances if they have probable cause to believe that the Currency and Foreign Transactions Reporting Act is being violated. It should be noted that these searches could be conducted only if it is likely that a delay would result in the monetary instruments leaving the area and the customs officer has probable cause to believe the law is being violated. Under these restrictions, this new authority is similar to the existing authority of customs officers to examine other types of exports.

PROMPT REPORTING OF VESSELS

In recent years, the use of private yachts and pleasure vessels to smuggle narcotics and dangerous drugs has created a significant detection and interdiction problem for the Customs Service. The current law contributes to this problem by permitting, with the exception of vessels arriving from Canada or Mexico, 24 hours in which to report arrival of the vessel. A narcotics smuggler using a small boat can often land in the United States, unload his illegal cargo, and depart within 24 hours, thereby avoiding the current reporting requirement. This problem has become particularly acute in Florida where private vessels have easy access to nearby foreign islands.

The proposed bill would require the master of any vessel arriving from a foreign place, or of a foreign vessel arriving from a domestic port, or a vessel of the United States carrying foreign merchandise to immediately report arrival of the vessel at the nearest customhouse. U.S. authorities could therefore concentrate enforcement activities on those vessels failing to report immediately.

Mr. President, I believe this bill will provide law enforcement authorities with effective new weapons to stop the flow of illicit drugs into the United States. I am hopeful Congress can complete its consideration of the Drug Trafficking Control Act soon.

Accordingly, as chairman of the Senate Subcommittee on Juvenile Delinquency, I have scheduled a hearing to be held on August 22, 1978, on the scope of these drug enforcement problems and suggested improvements to combat them. The subcommittee will receive testimony from appropriate officials of the White House, the Drug Enforcement Administration, the U.S. Customs Service, the U.S. Coast Guard and the Department of State. We will also look at a recent White House plan to step up and coordinate the enforcement efforts of Federal, State and local authorities. Finally, we will examine the legislation that I am introducing today which is designed to close certain loopholes in existing law that are hampering these enforcement efforts.

Mr. President, I ask unanimous consent that the witness list for next Tuesday's hearing, the summary of the White House's recent plan to intensify drug enforcement in the Southeastern United States, and the text of the Drug Trafficking Control Act be printed in the RECORD at the conclusion of my remarks.

There being no objection, the bill and material were ordered to be printed in the RECORD, as follows:

S. 3437

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That this Act may be cited as the "Drug Trafficking Control Act of 1978".

TITLE I—POSSESSION OF A CONTROLLED SUBSTANCE ON THE HIGH SEAS

SEC. 101. Section 1009 of the Comprehensive Drug Abuse Prevention and Control Act of 1970 (21 U.S.C. 959) is amended to read as follows:

"MANUFACTURE, DISTRIBUTION OR POSSESSION FOR PURPOSES OF UNLAWFUL IMPORTATION

"SEC. 1009. It shall be unlawful for any person to manufacture or distribute a controlled substance in Schedule I or II, or to manufacture, distribute or possess a controlled substance in Schedule I or II on board a vessel subject to the jurisdiction of the United States as defined in section 1001—

(1) intending that such substance will be unlawfully imported into the United States; or

(2) knowing that such substance will be unlawfully imported into the United States.

This section is intended to reach acts of manufacture or distribution outside the territorial jurisdiction of the United States, and acts of manufacture, distribution and possession on vessels on the high seas. Any person who violates this section shall be tried in the United States district court at the point of entry where such person enters the United States, or in the United

States District Court for the District of Columbia.".

SEC. 102. Section 1005 of the Comprehensive Drug Abuse Prevention and Control Act of 1970 (21 U.S.C. 955) is amended by—

(a) striking the heading for the section and inserting in lieu thereof: "POSSESSION ON BOARD VESSELS, AIRCRAFT AND OTHER VEHICLES";

(b) inserting "(a)" immedately after "SEC. 1005."; and

(c) adding at the end thereof the following new subsection:

"(b) It shall be unlawful for any person to bring or possess on board any vessel or aircraft of the United States, or on board any vehicle of a carrier of the United States, a controlled substance in schedule I or schedule II or a narcotic drug in schedule III or IV, unless such substance or drug is part of the cargo entered into in the manifest or part of the official supplies of the vessel, aircraft, or vehicle. This subsection is intended to reach acts of possession committed outside the United States or the customs territory of the United States. Any person who violates this section shall be tried in the United States district court at the point of entry where such person enters the United States, or in the United States District Court for the District of Columbia.".

SEC. 103. Subsection (a) (3) of section 1010 of the Comprehensive Drug Abuse Prevention and Control Act of 1970 (21 U.S.C. 960(a) (3)) is amended to read as follows:

"(3) contrary to section 1009, manufactures, distributes or possesses a controlled substance,".

SEC. 104. Subsection (a) of section 1001 of the Comprehensive Drug Abuse Prevention and Control Act of 1970 (21 U.S.C. 951) is amended by adding at the end thereof the following:

"(3) The term "high seas" means all waters beyond the territorial sea of the United States and beyond any foreign nation's territorial sea which is recognized by the United States and includes the Customs waters as defined in section 401 of the Tariff Act of 1930 (19 U.S.C. 1401).

"(4) The term "vessel of the United States" means any vessel documented under the laws of the United States, or numbered as provided by the Federal Boat Safety Act of 1971, as amended, or owned in whole or in part by the United States, or any citizen of the United States, or any corporation created under the laws of the United States, or any State, Territory, District, Commonwealth or possession thereof, unless such vessel has been granted nationality by a foreign nation in accordance with article 5 of the 1968 Convention on the High Seas.

"(5) the term 'vessel' includes every description of watercraft used or capable of being used as a means of transportation on the water.

"(6) The term 'vessel subject to the jurisdiction of the United States' includes (A) any vessel without nationality; (B) any vessel assimilated to a vessel without nationality in accordance with paragraph (2) of Article 6 of the 1958 Convention on the High Seas; (C) any hovering vessel or any vessel within the Customs waters as defined in section 401 of the Tariff Act of 1930 (19 U.S.C. 1401); (D) any vessel on the high seas registered in a foreign nation when that nation authorizes the United States to assert jurisdiction over such vessel for the purposes of enforcing this Act; and (E) any vessel of the United States.".

SEC. 106. The table of contents of the Compresensive Drug Abuse Prevention and Control Act of 1970 is amended by—

(a) striking out "SEC. 1005. Possession on board vessels, etc., arriving in or departing from United States." and inserting in lieu thereof

"SEC. 1005. Possession on board vessels, aircraft and other vehicles."; and

(b) striking out "SEC. 1009. Manufacture or distribution for purposes of unlawful importation." and inserting in lieu thereof "SEC. 1009. Manufacture, distribution, or possession for purposes of unlawful importation.".

TITLE II—ILLEGAL EXPORT OF CASH

SEC. 201. Section 231(a) of the Currency and Foreign Transactions Reporting Act (31 U.S.C. 1101) is amended to read as follows:

"(a) Except as provided in subsection (c) of this section, whoever, whether as principal, agent, or bailee, or by an agent or bailee—

"(1) intends to transport, or have transported, monetary instruments from any place within the United States to or through any place outside the United States in an amount exceeding $5,000 on any one occasion shall file a report or reports in accordance with subsection (b) prior to departing from the United States;

"(2) knowingly transports, or causes to be transported, monetary instruments from any place outside the United States to or through any place within the United States in an amount exceeding $5,000 on any one occasion shall file a report or reports prior to or at the time of arrival in accordance with subsection (b); or

"(3) receives monetary instruments at the termination of their transportation by common carrier to the United States from or through any place outside the United States in an amount exceeding $5,000 on any one occasion shall file a report or reports in accordance with subsection (b).".

SEC. 202. Section 235 of the Currency and Foreign Transactions Reporting Act (31 U.S.C. 1105) is amended by redesignating subsection (b) as subsection (c) and by adding a new subsection (b) as follows:

"(b) When because of exigent circumstances a warrant cannot be obtained, any officer of Customs may search without a warrant any of the individuals or objects included in subsection (a) of this section if he has probable cause to believe that monetary instruments are in the process of transportation and with respect to which a report required under section 231 of this Act (31 U.S.C. 1101) has not been filed or contains material omissions or misstatements.".

TITLE III—PROMPT REPORTING OF VESSELS

SEC. 301. Section 433, Tariff Act of 1930, as amended (19 U.S.C. 1433), is amended to read as follows:

"The master of any vessel from a foreign port or place, or of a foreign vessel from a domestic port, or of a vessel of the United States carrying bonded merchandise, or foreign merchandise for which entry has not been made, arriving at any port or place within the United States, shall immediately report the arrival of the vessel at the nearest customhouse or such other place as the Secretary of the Treasury may prescribe in regulations. The Secretary may by regulation prescribe the manner in which arrival shall be reported and may extend the time, not to exceed twenty-four hours after the arrival of the vessel, in which to report arrival.".

SEC. 302. Section 459, Tariff Act of 1930, as amended (19 U.S.C. 1459), is amended by substituting a comma for the word "or" wherever it appears between the words "entry" and "customhouse", and inserting after the word "customhouse" the phrase "or other places as the Secretary of the Treasury may prescribe in regulations.".

WITNESS LIST—HEARING ON DRUG TRAFFICKING CONTROL ACT OF 1978

U.S. Senate, Subcommittee To Investigate Juvenile Delinquency, August 22, 1978, 424 Russell Senate Office Building, 9:30 a.m.

Honorable John Chafee, U.S. Senator, State of Rhode Island.

Lee I. Dogoloff, Associate Director, Domestic Policy Staff, White House.

PANEL

Peter Bensinger, Administrator, Drug Enforcement Administration, Department of Justice.

G. R. Dickerson, Deputy Commissioner, U.S. Customs Service.

Capt. Robert H. Overton, III, Chief of Ocean Operations, U.S. Coast Guard.

PANEL

Morris Busby, Director, Office of Ocean Affairs, Department of State.

Mathea Falco, Senior Advisor to the Secretary and Director for International Narcotics Control Matters, Department of State.

THE WHITE HOUSE,
Washington, D.C., July 18, 1978.

DRUG TRAFFICKING IN THE SOUTHEASTERN UNITED STATES

There is growing concern over the illegal drug trafficking in marihuana and cocaine into and through Florida and other States along the Eastern seaboard and Gulf Coast. Originating in South American and Caribbean countries, huge quantities of marihuana are being smuggled by sea and air into the United States. Statistics indicate that over 2.5 million pounds have been seized through May of this fiscal year compared to less than 950,000 pounds during the same period last year. Seizure of multi-ton loads is commonplace. The amount of cocaine seized also has increased significantly. Federal, State and local law enforcement agencies and prosecutors in Florida report being overloaded with pending drug cases.

The U.S. economy is directly affected by the hundreds of millions of dollars paid to the sources of the drugs. The financial dealings connected with the illegal drug traffic several billion dollars a year. It is reported that corporations, sponsored by illegal drug profits, have been set up to purchase businesses to provide the mechanism for placing the illegal profits back into legitimate channels. The potential for major expansion of organized crime and for all forms of corruption is obvious.

The Executive Branch, the Congress, and State and local officials have indicated concern over this situation. To provide an effective and timely response, a White House review has been initiated under the direction of Dr. Peter Bourne, Special Assistant to the President. The principal Federal agencies involved (DEA, Customs, Coast Guard, and the State Department) are participating in the review.

The initial intent is to develop a more comprehensive response to this situation which capitalizes on the full capabilities of the Federal, State and local law enforcement authorities. Investigations are targeting on the illegitimate profit associated with the traffic and the effect of these large amounts of money on business and government. There will be a continuing emphasis on seeking longer term solutions through legislative, judicial and diplomatic initiatives.

The preliminary actions which have been initiated or are planned are based on attacking the entire chain. All Federal capabilities for air and sea surveillance are being reviewed for potential support of the anti-smuggling effort. The State Department will coordinate with foreign governments. Special joint law enforcement operations are being planned. The Federal agencies will open new offices in areas which are not currently covered. Support of State and local law enforcement will be expanded.

The following actions have been initiated or are planned in response to the need to stem the growing drug traffic in the Southeastern United States. Legislative needs are

included. The White House review team will continue to monitor the situation, coordinate the effort and provide follow-up recommendations.

I. SOURCE AND TRANSIT COUNTRIES

An intensive assessment of the drug sources and traffic routes has been initiated by the interagency narcotics intelligence committee. This report will address the South American and Central American countries, as well as the Caribbean and will be completed in mid-July.

Customs will conduct an intensified operation in the Virgin Islands in the near future. DEA has scheduled a seminar on conspiracy investigation in October 1978 for law enforcement officials in the Virgin Islands.

A Department of Justice team will travel to Colombia to discuss how Colombian nationals can be prosecuted under Colombian law either in the U.S. or Colombia if it can be shown directly or indirectly that they possess or have facilitated the possession of huge sums of money, largely using international banking facilities, where the assets can be directly linked with illicit drug trafficking.

The team will also discuss twelve cases where major Colombian traffickers are currently under indictment in the United States or scheduled for indictment in the near future. The Colombian Attorney General has indicated that he will prosecute these violators in Colombia if presented with sufficient evidence.

A proposal is under study which would turn over approximately twelve small ships (previously seized by U.S. authorities) to the Government of the Bahamas for maritime drug enforcement.

A Coast Guard and Customs team visited Colombia in May 1978 to evaluate and develop increased Colombian cooperation in coastal maritime interdiction. As a result of this visit, assistance is being furnished to the Colombians in developing an effective maritime drug interdiction force and for establishing a mutually beneficial exchange of intelligence information. An orientation visit to the United States by the Commandant of the Colombian Coast Guard is planned for this fall. A Colombian naval officer will accompany a U.S. Coast Guard interdictive patrol in the near future to observe our patrol strategy.

The U.S. delegation to the current General Assembly of the Organization of American States (OAS) is pressing for general recognition of drug trafficking as a hemisphere-wide problem requiring cooperative action by OAS members.

The Colombian Government will be encouraged to take aggressive steps to discourage the growth of marihuana.

II. FLORIDA

DEA, Customs and the Coast Guard will expand their cooperation, coordination, intelligence exchange, and training activities with State and local law enforcement officials in the Florida area. Specific coordination responsibilities will be assigned and an expanded drug training effort will begin in late summer of 1978.

DEA has detailed 15 additional special agents to Florida to assist in handling the heavy case load and to assist in developing conspiracy cases.

DEA will open new offices in Panama City and Ft. Meyers, Florida and increase the permanent staff in Miami.

Customs will open a patrol station in Ft. Meyers and increase staffing at Key West and Ft. Lauderdale. New patrol stations at Crystal River and Ft. Pierce are under consideration.

A Currency Investigation Task Force is being formed in Miami by Customs. This group of investigators will seek to expand upon violations of the Bank Secrecy Act, applying them in concert with other violations of Customs statutes, and laws enforced by Customs. The group will coordinate with the DEA in all violations of the currency laws that involve smuggling or trafficking in narcotics.

The trend toward low bail and low sentencing in South Florida is a significant factor in reducing the deterrent effect of arrest and conviction. An example given was that of 73 defendants released on bond, only eight reappeared to be tried and sentenced, and these eight are now fugitives. The Attorney General has been informed of this problem and asked to take action to encourage more aggressive bail and sentencing policies. Steps are being taken to ensure that adequate information is furnished to the judges so that appropriate bail is set and adequate sentences are meted out.

DEA and the FBI established a joint task force in Miami in October 1977 to investigate the financial aspects of drug trafficking and the use of U.S. banks to facilitate payments for drug shipments. This investigation includes the manner in which illegal drug profits are converted into apparently legitimate monetary transactions. More arrests are expected as this program continues.

DEA will continue to participate in the Federal/State and local task force in Orlando, Florida.

DEA is finalizing negotiations with the Florida Department of Criminal Law Enforcement regarding the possibility of that agency serving as a statewide clearinghouse for information and an interface with the El Paso Intelligence Center (EPIC) for other non-Federal agencies within the State. DEA is negotiating similar initiatives with Georgia and South Carolina.

III. MARITIME AND AIR

Discussions have begun with DoD to determine the feasibility of increased involvement of U.S. military resources, in conjunction with normal National Defense missions, to assist in surveillance and communications support of Federal law enforcement efforts against drug traffickers penetrating our sea and air borders.

Coast Guard maritime drug interdiction efforts will be increased in proximity to Florida coastal areas, through expanded WPB class vessel patrols, participation of small utility boasts in coastal anti-drug activity, and increased surveillance by major surface and air units.

On June 21, the Navy agreed to a Coast Guard request that Navy vessels would report sightings of known or suspected drug smuggling vessels to the Coast Guard.

This activity is part of the normal Navy maritime surveillance and is not to interfere with normal Navy operations.

DEA, Customs and Coast Guard will plan special operations for early fall 1978.

The Coast Guard will continue to support DEA and Customs with available drug interdiction resources, both surface and air.

Customs has been negotiating with DoD to furnish four T-39 jet aircraft for the Customs air interdiction program. While DoD has indicated agreement to the long term loan of these aircraft, it will require at least another 18 months to modify them with suitable radar and sensor equipment. Discussions will be undertaken with DoD to determine if suitably equipped aircraft could be loaned to Customs on a short term basis until the T-39's are modified and available for use.

IV. OTHER ACTIONS

The Attorney General has been asked to give special consideration to requests for LEAA grants which have the potential for significant impact on the drug trafficking originating in or transiting the Caribbean area. Particularly useful would be funding assistance to the Florida Statewide Grand Jury and to other prosecutorial areas. On June 30, the Attorney General announced award of a $360,000 grant in support of a Joint Organized Crime Investigation Program requested by the Dade County Department of Public Safety in Florida.

The Coast Guard is expanding, in coordination with Customs, their PADIE (Prevention and Detection of Illegal Entry) Program. This Program was created for National Security purposes to detect and deter smuggling and illegal entry into the United States from the sea. It should help solve one of the major problems—the lack of capability to monitor the vast coastline vulnerable to smuggling operations.

"PADIE" provides an organized way to make use of all agencies, organizations and individuals in reporting any unusual activity taking place along the waterfront or beach. It has significant potential for collection of information on smuggling when coordinated with similar on-going activities of Customs.

Coordination at the Federal level between the U.S. Attorneys and DEA is being increased. In addition, the staff of the U.S. Attorneys has been augmented by temporary assignment of three attorneys from the Narcotics and Dangerous Drugs Section of the Criminal Division of the Department of Justice, and additional assignments are under consideration. The Executive Office of the U.S. Attorneys is reviewing the possible assignment of additional Federal prosecutors to Miami and Puerto Rico.

White House representatives will discuss the proposed initiatives with the Governor of Florida and other officials to ensure that the efforts of the Federal Government and the State Government are working in concert to reduce drug traffic into and through their jurisdictions.

The White House review team will continue to monitor, coordinate and follow-up on these initiatives.

V. LEGISLATIVE INITIATIVES

On June 12, 1978, the Department of Justice sent to Congress the "Controlled Substances Seizure and Forfeiture Act of 1978". This proposal would: (1) provide for the forfeiture of proceeds and funds used or intended for use in connection with a violation of the Controlled Substances Act; (2) require the reporting of monetary instruments leaving the United States, or intended to do so; (3) require the prompt reporting of vessels carrying foreign cargo arriving in the United States; and (4) increase the administrative forfeiture amount from $2,500 to $10,000. Early passage of this proposed legislation will greatly facilitate the ability of Federal agencies to attack the economic base supporting the illegal drug traffic.

Current legislation does not allow the arrest of a person on board a United States vessel on the high seas or a United States citizen on board a foreign vessel on the high seas who is in possession of large amounts of illegal drugs. The Administration is currently preparing comments on H.R. 10371, which will amend the Controlled Substances Act. A pending amendment to the Criminal Code Reform (S. 1437) also addresses this issue. The Administration will support enactment of legislation to strengthen enforcement activities in this area.

Other proposals are under study.●

DRUG TRAFFICKING CONTROL ACT OF 1978

● Mr. HATHAWAY. Mr. President, I am pleased to join with the Senator from Iowa (Mr. CULVER) and a number of my distinguished colleagues in introducing the Drug Trafficking Control Act of 1978. I look forward to working for its prompt enactment.

The bill would close some loopholes in existing Federal law which have been exploited by drug smugglers, and have

frustrated their prosecution by the Government. Taken together, they should substantially upgrade our ability to combat the growing problem of drug smuggling.

These changes are urgently needed if we are going to deal effectively with drug smuggling, particularly smuggling involving so-called mother ships. These ships contain large quantities of illicit drugs. But they remain outside the 12-mile limit of U.S. territorial waters, and off-load their cargo onto much smaller and faster vessels—fishing boats and pleasure craft. These boats then carry their destructive cargo to isolated portions of the coast. Within the last year this has become a problem along the coast of New England, and Maine in particular.

The first of these would amend the Comprehensive Drug Abuse Prevention and Control Act to stipulate that it is a crime to possess on the high seas a controlled substance with the intention of illegally distributing or dispensing that substance. Under existing law, it is necessary to prove that the defendant actually dispensed or distributed the drug with the intention that the drug would be imported unlawfully into the United States. For successful prosecution under this statute it was often necessary to catch the smuggler in the act of unloading drugs off mother ships.

As a practical matter this often precluded prosecution of those on the mother ship.

Second, the bill would strengthen our ability to successfully prosecute smugglers on the basis of currency transactions. Under existing law, individuals coming into the country, or leaving it, must file a report whenever they transport monetary instruments in excess of $5,000. This is intended to allow the authorities to monitor such activity, with a view toward determining when it is connected to illicit smuggling or other illegal conduct. However, in a recent court case involving an individual who attempted to leave the country with $250,000 in unreported currency, the judge dismissed the case because the arrest took place prior to the time the individual actually left the United States. Under the terms of this decision, it will be virtually impossible to bring prosecutions in the future.

Therefore, this bill would amend the Currency and Foreign Transactions Reporting Act to require the reports to be filed prior to departure, and stipulate that persons must file such reports prior to boarding outbound common carrier vessels or aircraft.

The bill would also clarify existing law with respect to searches for such currency. It would permit warrantless searches by customs agents under exigent circumstances if they have probable cause to believe this law is being violated. This is consistent with prior Supreme Court interpretations of the fourth amendment.

Finally, the bill would tighten existing law with respect to the reporting of vessels entering domestic ports from foreign nations. Presently, these vessels must report their arrival within 24 hours. This allows more than enough time to unload illicit cargo. The bill would amend the law to require immediate reporting.

I am pleased to note that this legislation is supported by the Drug Enforcement Administration, the U.S. Customs Service, and the U.S. Coast Guard.●

THE PROPOSED DRUG TRAFFICKING ACT OF 1978

Mr. THURMOND. Mr. President, as a cosponsor of the proposed "Drug Trafficking Control Act of 1978," I rise in support of that measure. In doing so, I join with the distinguished junior Senator from Iowa (Mr. CULVER) in submitting this bill for consideration by the Senate Judiciary Subcommittee on Juvenile Delinquency which the distinguished Senator chairs.

It is my understanding that early hearings are scheduled on this measure, with the first day scheduled for August 25.

The thrust of the bill is straightforward. It would plug three "loopholes" that have developed in Federal attempts to enforce the Comprehensive Drug Abuse Prevention and Control Act of 1970. From my perspective, the most important provision of the bill is its title I. This title attempts to get at the so-called mother ships, those ships operating just outside the U.S. territorial 12-mile limit, which are large ships often bulging with huge quantities of illicit drugs. The mother ships serve as a source of supply for scores of smaller vessels, such as fishing trawlers, yachts, and other small boats. These boats ply off our coastal shores, smuggling illicit drugs into the mainland of the United States.

Just this past week, such a ship was discovered off the Florida coast and over 300 tons of marihuana were seized.

Until recently, this traffic on the east coast has been centered primarily off the Florida coast. However, concentrated enforcement activity by the Drug Enforcement Administration, the U.S. Coast Guard, and the U.S. Customs Service in that territory, has driven many of these operations farther up the east coast. Regrettably, one of the primary areas where this trafficking now occurs is off the coast of my own State of South Carolina.

I find this to be a truly shocking turn of events. If these reports are true, then immediate corrective action is essential to provide our enforcement agencies with the needed legal tools to stop these intrusions. Mr. Peter Bensinger, the Director of the Drug Enforcement Administration, has told me of this situation. I understand he will be the lead-off witness for this subcommittee hearing of the 25th. We will look forward to his testimony. If the facts are as I now understand them, I will join with my judiciary colleagues to secure expeditious handling of this legislation.

Mr. President, I ask unanimous consent that a letter from Mr. Bensinger be printed in the RECORD.

There being no objection, the letter was ordered to be printed in the RECORD, as follows:

DRUG ENFORCEMENT ADMINISTRATION,
Washington, D.C., Aug. 18, 1978.

HON. STROM THURMOND,
U.S. Senate,
Washington, D.C.

DEAR SENATOR THURMOND: This is in response to your request with respect to marihuana drug trafficking in South Carolina.

Last November, Beet Island, a remote island in Colleton County accessible only by water, was used by drug traffickers as a "stash and move" site for marihuana. An 80-foot sailing vessel flying under foreign registry unloaded multi-ton quantities of marihuana which had come directly from Colombia, South America. The seizure of the vessel by law enforcement authorities interrupted the plans to shuttle the marihuana by smaller boats to other locations.

Several months later, law enforcemnet authorities intercepted a 40-foot boat that was scheduled to enter international waters to meet an 85-foot vessel laden with marihuana. Due to severe weather conditions and mechanical difficulties, both vessels returned to Hutchinson Island in Colleton County. Eight subjects, seven of whom were not residents of South Carolina, were arrested and seven tons of marihuana were seized.

These cases are typical of the trends in maritime smuggling that DEA is monitoring. "Mother ships," commercial-sized vessels which transport illicit drug cargoes from South America, proceed to areas off the U.S. coasts and wait in international waters to transship their loads to smaller high-speed vessels. These smaller boats blend in with the legitimate vessel traffic, making law enforcement action difficult. There has been a rapid expansion in both the number and sophistication of these "'mother ships" operations, especially between Colombia, South America, and the East Coast of the United States. South Carolina, with its jagged coast and many islands, affords these smugglers just the shelter they need to stash the large loads of marihuana for subsequent distribution.

I will keep you advised of the situation in South Carolina. Please feel free to call me if I may be of further assistance.

Sincerely,

PETER B. BENSINGER,
Administrator.

ADDITIONAL COSPONSORS

S. 297

At the request of Mr. PACKWOOD, the Senator from Minnesota (Mr. ANDERSON) was added as a cosponsor of S. 297, a bill to require that imported meat and meat food products made in whole or in part of imported meat be subjected to certain tests and that such meat or products be identified as having been imported; to require the inspection of imported dairy products and that such products comply with certain minimum standards of sanitation, to require that the cost of conducting such tests, inspections, and identification procedures on imported meat and meat food products and on dairy products, as the case may be, be borne by the exporters of such articles, and for other purposes.

S. 2856

At the request of Mr. MORGAN, the Senator from North Dakota (Mr. YOUNG) was added as a cosponsor of S. 2856, the Uniformed Services Survivor Benefit Plan Amendments Act of 1978.

S. 2860

At the request of Mrs. ALLEN, the Senator from Alaska (Mr. STEVENS) was added as a cosponsor of S. 2860, the Solar Power Satellite Research, Development, and Demonstration Act of 1978.

S. 2867

At the request of Mr. GOLDWATER, the Senator from Mississippi (Mr. STENNIS) was added as a cosponsor of S. 2867, to remove residency requirements and acreage limitations applicable to land subject to reclamation law.

S. 3262

At the request of Mr. BENTSEN, the Senator from Louisiana (Mr. LONG), the Senator from Utah (Mr. GARN), the Senator from Montana (Mr. PAUL G. HATFIELD), the Senator from Wyoming (Mr. HANSEN), the Senator from California (Mr. HAYAKAWA), the Senator from Hawaii (Mr. INOUYE), the Senator from North Dakota (Mr. BURDICK), the Senator from Nebraska (Mr. CURTIS), and the Senator from Arkansas (Mr. HODGES) were added as cosponsors of S. 3262, the Regulatory Cost Reduction Act of 1978.

S. 3419

At the request of Mr. CULVER, the Senator from Mississippi (Mr. EASTLAND), the Senator from Arkansas (Mr. HODGES), and the Senator from Missouri (Mr. EAGLETON) were added as cosponsors of S. 3419, a bill to amend the Internal Revenue Code of 1954 to exclude from gross income a portion of payments made under certain Federal and State cost-sharing programs the primary purpose of which is conservation of soil and water resources, environmental protection or restoration, forest enhancement, or the provision of wildlife habitat.

SENATE JOINT RESOLUTION 111

At the request of Mr. GLENN, the Senator from Iowa (Mr. CLARK) was added as a cosponsor of Senate Joint Resolution 111, to authorize participation by the United States in parliamentary conference with Japan.

SENATE RESOLUTION 543—SUBMISSION OF A RESOLUTION RELATING TO HUMAN RIGHTS IN CAMBODIA

Mr. DOLE submitted the following resolution, which was referred to the Committee on Foreign Relations:

S. RES. 543

Whereas the moral intent of United States foreign policy is comprised, in part, of efforts to advance international human rights observance; and

Whereas, there have been numerous credible accounts by refugees from Cambodia telling of countless executions of Cambodian citizens and other barbaric violations of fundamental human rights by the Government of "Democratic Kampuchea"; and

Whereas, these repressive measures represent serious violations of the basic rights of the Cambodian people, and deserve the condemnation of all those who cherish the cause of freedom;

Whereas, the President of the United States has publically designated the Government of Democratic Kampuchea "the worst violator of human rights in the world today;"

Whereas, the Senate has concurred with this determination and has expressed its desire to take substantive action in protest, through its unanimous approval of unprinted Senate Amendments No. 1537 and No. 1585;

Whereas, the Government of Democratic Kampuchea thus far has shown itself unresponsive to expressions of international disapproval and condemnation; Now, therefore be it

Resolved, That the United States Senate—

(1) emphatically denounces the continuing disregard for basic human rights and human life by the Government of Democratic Kampuchea for its own people;

(2) calls upon the President to use his contacts and influence with those countries who do maintain diplomatic relations with the Government of Democratic Kampuchea to urge them to utilize their offices to end these inhuman violations of basic human rights;

(3) calls upon the President to cooperate with other nations, through appropriate international forums such as the United Nations, in an effort to bring more direct pressure to bear on the Government of Democratic Kampuchea to end these violations;

(4) reiterates its abiding concern for the welfare of those who seek refuge from the excessive human rights violations of the Kampuchean Government; and

(5) calls upon the President to direct the Assistant Secretary of State for Human Rights and Humanitarian Affairs to undertake a formal inquiry and documentation of Cambodian human rights violations, and to have this evidence formally presented to the United Nations.

SEC. 2. The Secretary of the Senate is directed to transmit a copy of this resolution to the President.

CAMBODIAN RESOLUTION

● Mr. DOLE. Mr. President, I am submitting a resolution in regard to the deplorable violations of human rights in Cambodia, violations which have persisted despite increasing international disapproval and condemnation.

Last November, I introduced a similar amendment, Senate Resolution 323, which expressed recognition of the barbaric situation that exists in so-called democratic Kampuchea, and called upon the President for a formal condemnation. The distinguished majority leader introduced a similar amendment this May, Senate Resolution 469.

These expressions of Senate concern and protest over the excessive policies of the Communist Government of Cambodia have been accompanied by other legislative actions. Last month, the Senator from Kansas proposed an amendment to the International Monetary Fund authorization bill, instructing the U.S. representative to oppose any financial assistance to Cambodia, which was approved by voice vote. Earlier this month, the Senate unanimously approved another amendment, offered by this Senator, to the State-Commerce-Justice Department appropriations bill, which urges the Attorney General to exercise his parole authority to allow 15,000 Cambodian refugees, located in camps in Thailand, to emigrate to the United States.

SENATE OPINION CLEAR

These resolutions and amendments reflect a clear expression of Senate concern. The situation in Cambodia is thoroughly condemned. The Senate has expressed a willingnes to help the victims of this tragedy. Our strong concern for the future of the Cambodian people is clear.

NEW RESOLUTION

In view of this increasing concern and disapproval of one of the worst crimes of this century, I am introducing a resolution further condemning this situation, and calling for further protest and pressure, in an attempt to bring this nightmare to an end. The Senator from Kansas is pleased to ncte that the Senate Foreign Relations Committee will be holding hearings on the previous resolution. I hope that this resolution shall be included as well on August 21.●

SENATE CONCURRENT RESOLUTION 104—ORIGINAL CONCURRENT RESOLUTION REPORTED—SECOND CONGRESSIONAL BUDGET RESOLUTION, 1979

Mr. MUSKIE, from the Committee on the Budget, reported the following concurrent resolution, which was placed on the calendar:

S. CON. RES. 104

Resolved by the Senate (the House of Representatives concurring), That the Congress hereby determines and declares, pursuant to section 310(a) of the Congressional Budget Act of 1974, that for the fiscal year beginning on October 1, 1978—

(1) the recommended level of Federal revenues is $447,200,000,000, and the amount by which the aggregate level of Federal revenues should be decreased is $23,400,000,000;

(2) the appropriate level of total new budget authority is $557,700,000,000;

(3) the appropriate level of total budget outlays is $489,500,000,000;

(4) the amount of the deficit in the budget which is appropriate in the light of economic conditions and all other relevant factors is $42,300,000,000; and

(5) the appropriate level of the public debt is $839,500,000,000, and the amount by which the temporary statutory limit on such debt should accordingly be increased is $41,500,000,000.

SEC. 2. Based on allocations of the appropriate level of total new budget authority and of total budget outlays as set forth in paragraphs (2) and (3) of the first section of this resolution, the Congress hereby determines and declares, pursuant to section 310(a) of the Congressional Budget Act of 1974 that, for the fiscal year beginning on October 1, 1978, the appropriate level of new budget authority and the estimated budget outlays for each major functional category are as follows:

(1) National Defense (050):

(A) New budget authority, $127,000,000,000;

(B) Outlays, $112,500,000,000.

(2) International Affairs (150):

(A) New budget authority, $12,600,000,000;

(B) Outlays $7,200,000,000.

(3) General Science, Space, and Technology (250):

(A) New budget authority, $5,200,000,000;

(B) Outlays, $5,000,000,000.

(4) Energy (270):

(A) New budget authority, $8,900,000,000;

(B) Outlays, $8,900,000,000.

(5) Natural Resources and Environment (300):

(A) New budget authority, $13,600,000,000;

(B) Outlays, $11,700,000,000.

(6) Agriculture (350):

(A) New budget authority, $12,200,000,000;

(B) Outlays, $7,200,000,000.

(7) Commerce and Housing Credit (370):
(A) New budget authority, $5,500,000,000;
(B) Outlays, $2,800,000,000.
(8) Transportation (400):
(A) New budget authority, $19,500,000,000;
(B) Outlays, $17,500,000,000.
(9) Community and Regional Development (450):
(A) New budget authority, $8,900,000,000;
(B) Outlays, $9,600,000,000.
(10) Education, Training, Employment, and Social Services (500):
(A) New budegt authority, $31,500,000,000;
(B) Outlays, $30,200,000,000.
(11) Health (550):
(A) New budget authority, $51,900,000,000;
(B) Outlays, $48,600,000,000.
(12) Income Security (600):
(A) New budget authority, $191,500,000,000;
(B) Outlays, $159,600,000,000.
(13) Veterans Benefits and Services (700):
(A) New budget authority, $20,900,000,000;
(B) Outlays, $20,400,000,000.
(14) Administration of Justice (750):
(A) New budget authority, $4,300,000,000;
(B) Outlays, $4,200,000,000.
(15) General Government (800):
(A) New budget authority, $4,100,000,000;
(B) Outlays, $4,000,000,000.
(16) General Purpose Fiscal Assistance (850):
(A) New budget authority, $8,800,000,000;
(B) Outlays, $8,800,000,000.
(17) Interest (900):
(A) New budget authority, $48,100,000,000;
(B) Outlays, $48,100,000,000.
(18) Allowances (920):
(A) New budget authority, $500,000,000;
(B) Outlays, $500,000,000.
(19) Undistributed Offsetting Receipts (950):
(A) New budget authority, —$17,300,000,000;
(B) Outlays, —$17,300,000,000.

AMENDMENTS SUBMITTED FOR PRINTING

DISTRICT OF COLUMBIA REPRESENTATION—HOUSE JOINT RESOLUTION 554

AMENDMENT NO. 3512

(Ordered to be printed and to lie on the table.)

Mr. CURTIS submitted an amendment intended to be proposed by him to House Joint Resolution 554, a joint resolution proposing an amendment to the Constitution to provide for representation of the District of Columbia in the Congress.

FEDERAL-AID HIGHWAY AUTHORIZATIONS—S. 3075

AMENDMENT NO. 3513

(Ordered to be printed.)

Mr. BARTLETT (for himself and Mr. BELLMON) proposed an amendment to S. 3075, a bill to amend title 23, United States Code, to authorize Federal-aid and highway programs through fiscal year 1980, and for other purposes.

NOTICES OF HEARINGS

COMMITTEE ON BANKING, HOUSING, AND URBAN AFFAIRS

Mr. PROXMIRE. Mr. President, on August 9, 1978, I announced that the Committee on Banking, Housing, and Urban Affairs will hold oversight hearings on August 21 and 22 on new types of mortgage instruments. I want to add that that will include Senate Concurrent Resolution 9, which expresses the sense of the Congress that the Federal Home Loan Bank Board should authorize the use of a wide variety of mortgage instruments.

SUBCOMMITTEE ON TAXATION AND DEBT MANAGEMENT

● Mr. HARRY F. BYRD, JR. Mr. President, the Subcommittee on Taxation and Debt Management of the Senate Finance Committee, will hold a hearing on August 28, 1978, on miscellaneous tax bills.

The hearing will be held on Monday, August 28, 1978, at 9:30 a.m. in room 2221 Dirksen Senate Office Building.

The following pieces of legislation of general application, unless otherwise noted, will be considered:

H.R. 810, sponsored by Congressman CONABLE, a bill amending section 4941 of the Code to permit private foundations to pay or reimburse Government officials for expenditures (up to certain limits) incurred for travel outside the United States. It is estimated that this bill will not have any direct revenue effect.

H.R. 4030, sponsored by Congressman GUYER, a bill to increase from 50 percent to 51 percent the maximum amount of voting stock that private foundations may hold in certain public utilities without being subject to the excise tax (imposed by section 4943 of the Code) on excess business holdings. It is estimated that the bill will not have any direct revenue effect.

H.R. 5099, sponsored by Congressman MOOREHEAD, a bill for the relief of Brian Hall and Vera W. Hall to make them eligible for nonrecognition of gain treatment under section 1034 of the Code on the reinvestment of the proceeds of sale of their personal residence. It is estimated that the bill will reduce revenues by less than $25,000 for fiscal year 1979.

S. 2771, sponsored by Senator HATHAWAY, a bill to exempt from the tax on unrelated business income the proceeds from the operation of certain games (such as beano). It is estimated that the bill will reduce budget receipts by about $15 million annually. This estimate does not take into account the retroactive effective date.

S. 1611, sponsored by Senator CULVER, a bill to provide a deduction for additions to a reserve for product liability losses.

S. 3049, sponsored by Senators CULVER and NELSON, a bill to provide a deduction for amounts placed in a reserve for product liability losses and expenses and for amounts paid to captive insurers.

S. 3176, sponsored by Senator LAXALT, a bill to allow public utilities to exclude from gross income, as contributions to capital, amounts received in aid or construction of electrical energy, steam, or gas facilities. If all the contributions in aid of construction were treated as income, the annual increase in tax liabilities is estimated to be in the range of $130–$200 million. If the electric and gas utilities rely on past treatment and file tax returns as if Revenue Ruling 75–557 applied only to water and sewage companies, and if court decisions are in favor of the utilities, then the proposal to broaden section 2120 of Public Law 94–455 would have no revenue effect because it could be viewed as codifying the historic tax treatment of contributions in aid of construction of regulated public utilities.

S. 3345, sponsored by Senator NELSON, a bill to amend the tax treatment of small business investment companies. It is estimated that the bill would reduce budget receipts by about $200,000 in fiscal year 1979 and less than $500,000 annually thereafter.

Revenue estimates for S. 1611 and S. 3049 are currently not available. The committee will make revenue estimates available prior to or on the day of the hearings.

Requests to testify. Persons who desire to testify at the hearing should submit a written request to Michael Stern, staff director, Committee on Finance; room 2227, Dirksen Senate Office Building, Washington, D.C. 20510, by no later than the close of business on Thursday, August 24, 1978.

Written testimony. The subcommittee would be pleased to receive written testimony from those persons or organizations who wish to submit statements for the record. Statements submitted for inclusion in the record should be typewritten, not more than 25 double-spaced pages in length and mailed with five copies by September 8, 1978, to Michael Stern, staff director, Committee on Finance, room 2227 Dirksen Senate Office Building, Washington, D.C. 20510.●

ADDITIONAL STATEMENTS

THE SLIPPING DOLLAR

● Mr. STEVENSON. Mr. President, I would like to bring to the attention of my colleagues a recent article by Robert J. Samuelson in the August 5 National Journal entitled "Is the Dollar Slipping on a Slope of Weak Exports?" I shall submit the text of the article to be printed in the RECORD at the conclusion of my remarks.

The point made by this article is that U.S. exports are becoming less competitive in world markets. This conclusion is reinforced in the extensive hearings which the Subcommittee on International Finance has recently held on U.S. export policy.

The reasons for this decline in competitiveness are largely self-inflicted. Business too often ignores export markets, or fails to compete aggressively for them. It has seen increasing numbers of foreign competitors, including the LDC's, beat it with superior technology and marketing. Labor concentrates on protecting jobs from import competition, instead of creating jobs through more exports. Thus, it warmly endorses import restrictions, which threaten the fabric of international trade, and reacts grudgingly to export incentives. And we in Congress, with the best of motives, encumber trade laws with a maze of restric-

tions, limitations, and conditions designed to promote everything from emigration to environmental protection, but not exports.

This article contains a rude awakening—we are not longer the indispensable supplier of the world's commodities, goods, and services. For every sale we forego—for lack of effort, for other objectives—there is someone else ready to make the sale, to create jobs in their own country. I hope my colleagues will keep this in mind when we begin debate on the Eximbank bill. Any more unnecessary restrictions on exports, no matter how well intentioned, well be but another case of shooting ourselves in the foot. Soon, we may have no feet to stand on in international markets.

We are at a watershed in our international economic history. Either we compete, to sell more abroad to reduce the trade deficit or face the prospect of becoming a second-rate economic power. That may sound a harsh statement, but it is a harsh reality.

The article by Mr. Samuelson follows:

IS THE DOLLAR SLIPPING ON A SLOPE OF WEAK EXPORTS?

Harry Jones, a vice president of the Westinghouse Electric Corp. and director of overseas affairs for the company's Washington office, likes to remind people that he's been a salesman for 32 years. He's traveled most of the world peddling Westinghouse's products—including power turbines and nuclear reactors—and, as an old salesman, he thinks he knows why American exports don't sell so well anymore.

Too much government interference.

Jones's villains sprawl across the bureaucracy: there's the State Department, which can block exports for foreign policy reasons; there's the Nuclear Regulatory Commission, which can impose time-consuming reviews of nuclear exports; and there's Congress, which has directed the Export-Import Bank of the United States to consider "human rights" before making export loans. A new candidate looms: the Council on Environmental Quality, which wants to require environmental impact statements for government actions affecting exports.

"All these uncertainties are scaring the customers away," according to Jones. "Most of the customers [for U.S. exports] are government officials. Their necks are out. If it [an export order] is held up for a year because of a license or an environmental review, they're going to get fired. They say, 'Hell, I can do this kind of business with the French and the Germans and not go through all this.'"

C. Michael Aho is not a salesman. He's an economist at the Labor Department, but when he processes mounds of trade statistics through his computer, he arrives at a conclusion strikingly similar to Jones's: something's wrong with American exports. He thinks the United States has suffered a "structural" loss of export competitiveness, though he's not sure why. Possible explanations are legion: inadequate aggressiveness by U.S. firms; lack of investment or research in new products; and the emergence of technologically advanced competitors abroad.

Aho's analysis and Jones's intuition should interest the White House. For despite an improvement in the most recent monthly trade report—the June deficit dropped to $1.6 billion, the first time since September it had been below $2 billion—America's continuing trade imbalance has rapidly emerged as one of President Carter's major headaches. It has caused a long slide in the dollar, unsettled relations with America's major allies and intensified pressures for stiff protectionism. Just last week. Rep. Charles A. Vanik, D-Ohio, chairman of the House Ways and Means Subcommittee on Trade, urged that the White House slap a heavy surcharge on Japanese imports.

Against that background. the message from Aho and Jones is a new and disturbing one. For their theory—that the United States is suffering a long-term decline in international competitiveness as a result of technological and political changes—raises a grim possibility: a continuing depreciation of the dollar that attempts to offset in cheaper prices what the country has lost in the quality of its products. In effect, they are prophesying the fate of Great Britain—before North Sea oil—for the United States.

CHILLING IMPLICATIONS

The theory, of course, is far from proven, but some statistics provide superficial support. After adjustment for inflation, U.S. exports of manufactured goods—the backbone of America's overseas trade—actually declined slightly between 1974 and 1977. During the same period, the exports of manufactured goods from other major developed countries rose 13 per cent. Since late last year, the United States has actually run a deficit in manufactured goods, accounting for much of 1977's record $31 billion over-all trade deficit.

Moreover, to increasing numbers of government officials and business executives, the lackluster export performance confirms the erosion of U.S. technological superiority. The United States still dominates the world market for commercial jets—accounting for about 85 per cent to 90 per cent of today's jet airlines—and remains the major seller of computers. But, in most other areas, businessmen say, U.S. firms compete with equal or better products.

"There has been a tremendous change in the last 15 years," said E. C. Chapman, vice president of Caterpillar Inc., a major manufacturer of construction and mining equipment and one of the largest U.S. exporters. "Today, there are manufacturers of our type of product that are [so] close to what we have . . . , [that] there are no significant differences."

The implications of such a fundamental change are chilling. Among the possibilities:

An international money panic. For better or worse, the dollar remains the world's chief form of international money. Countries keep about 80 per cent of their reserves in dollars; multinational firms and individuals also hold vast amounts of dollars. Any shift by these dollar holders—including the large oil producers—into other currencies could cause further depreciation and a stampede of dollar sales.

A decision by the Organization of Petroleum Exporting Countries (OPEC) to abandon the dollar as the sole currency for pricing oil. That change would mean that depreciation of the dollar immediately would translate into higher oil prices for Americans—and more domestic inflation. Ominously, a study group for OPEC recommended just such a change in mid-July.

A further loss of America's economic and political leadership among its western allies. For them, the dollar is both a symbol of American economic stability and a key determinant of their own economic performance. Because the currencies of many developing countries are linked to the dollar, a dollar depreciation also makes those countries' exports cheaper—and more competitive against European and Japanese products. The decline in U.S. economic leadership is already evident. The recent economic summit meeting in Bonn reconfirmed the unwillingness of other countries, particularly Germany and Japan, to follow American prescriptions for the world's economic problems.

Exports, of course, aren't the sole factor determining the strength of the dollar; foreigners' desire to invest in the United States and their willingness to hold surplus dollars also count heavily.

Moreover, comparisons of the United States to Britain are risky. In the late 1960s and early 1970s, Britain had social and economic problems—class conflicts, union militancy and a rate of inflation nearing 30 per cent—far more serious than anything the United States has experienced recently. The United States also remains the world's largest agricultural exporter, and, as Frank Vargo, the Commerce Department's top trade analyst, points out, "One of Britain's problems was that it was so heavily concentrated in a few industries—such as textiles—and the United States has never been concentrated like that."

Still, the slide in exports has proceeded beyond anything that can be explained simply by a rebuilding of the war-ravaged economies of Europe and Japan, which restored these areas as major competitors (*See chart above.*) Week export performance has now clearly intensified pressures on the United States to accept slower economic growth—to cut both imports and inflation—and has highlighted the growing conflict between U.S. commercial and diplomatic objectives abroad.

The conflicts have surfaced in a series of decisions to block—or stall—more than $600 million worth or exports, including the sale of trucks and commercial jets to Libya, power equipment and commercial jets to Argentina and a computer to the Soviet Union. Each decision reflected important U.S. political goals: the Libyan sales were rejected because of that country's support of terrorism and its hostility toward Egyptian President Anwar el-Sadat; the Argentinian sales were stalled because that country's "human rights" policies fall short of U.S. standards; and rejection of the Soviet computer sale was intended as a signal of U.S. dipleasure with the prosecution of Russian dissidents.

But business groups are increasingly upset by the restrictions, and some government officials regard them as futile gestures. "Treating our exports as a stick with which to beat people [is] completely ineffective," said Henry G. Wallich, a member of the Federal Reserve Board. "Every time we deny a country access [to sales], there's another country to take our place. . . . We get a reputation as an unreliable supplier."

Official anxiety about exports is relatively new. Until recently, large oil imports—up $10 last year to $44.7 billion—and fast U.S. economic growth, which also attracts imports, were considered the main problems. But their impact is now clearly diminishing. Alaskan oil is finally reducing oil imports, which are down 10 percent in the first six months of 1978, and U.S. economic growth is expected to slow to between 3.5 percent and 4.0 percent this year against 4.8 percent in 1977.

More important, the role of these pressures in the slide of the dollar may have been somewhat overstated. For example, the oil exporting countries have invested a large portion of their surplus dollar earnings in the United States. As long as that happens, the oil deficit does not directly cause a drop in the dollar, because the surplus dollars aren't being sold on foreign exchange markets. When more dollars are offered for sale on foreign exchange markets than people want to buy—to pay for U.S. exports, for example—the price declines.

Likewise, faster growth in the United States has clearly raised U.S. imports and slow growth in Europe, a major market for U.S. goods, has hurt U.S. exports. But even excluding other countries' exports to the United States, their overseas sales have been growing faster than U.S. export sales.

Consequently, the United States is losing its position in many markets. The following

table indicates U.S. exports as a proportion of the total exports of the 22 members of the Organization for Economic Cooperation and Development (OECD), the world's major industrialized countries, including the United States, Canada, Japan and the members of the European Community. Between 1974 and 1977, the U.S. share of total OECD exports dropped from 18.5 percent to 16.8 percent—a postwar low—and the share in most major markets dropped, too. These figures indicate that sluggish exports can't be attributed solely to slow growth in Europe.

U.S. EXPORTS TO MAJOR MARKETS

(U.S. share of OECD exports)

[In percent]

	1974	1977
Japan	52.4	48.2
European community	11.0	9.8
Developing countries	27.2	24.6
Communist countries	12.4	8.4

Although some of this drop may reflect a leveling off of U.S. farm exports—which have grown modestly since 1974, increasing from $22 billion to $23.7 billion in 1977—the same pattern emerges when manufactured exports alone are considered.

PERMANENT DAMAGE?

What remains unclear is whether the erosion is permanent. Some economists attribute much of the poor U.S. export performance to a sharp rise in the exchange rate of the dollar in late 1975 and 1976; from its 1975 low to its 1976 high, the dollar's value increased by about 18 percent, although the average change was much less. In retrospect, the jump reflected the temporary effect of the 1974–75 recession, which cut America's demand for imports and produced a record trade surplus of $9 billion in 1975. But, in the process, American exports became more expensive, and these higher costs could explain some, or all, of the loss of market shares.

The next year should show how much. Economists believe that changes in trade patterns lag behind changes in exchange rates because today's export shipments reflect contracts negotiated and signed a few months to a few years earlier. By this reasoning, the dollar's sharp depreciation in late 1977 and early 1978—followed by further depreciation this summer—should stimulate a rise in exports sometime in 1979.

For the depreciation has been substantial. Since early 1977, the dollar has dropped about 15 percent against the German mark, 35 percent against the Japanese yen and 10 percent against a basket of 10 major foreign countries. In practice, the actual price advantage conferred by the depreciation may be somewhat less, because inflation has been higher in the United States than in either Germany or Japan, offsetting some of the currency drop. Still, after price adjustment, the dollar dropped more than 5 percent between the end of 1976 and June 1978 against 16 foreign currencies, according to an index constructed by the Morgan Guaranty Trust Co. By the end of July, the drop had increased to 6.4 percent.

But economists like Aho wonder how pronounced the impact will be. At best, Aho believes that the dollar depreciation of the early 1970s permitted the United States to maintain its share of export markets but did not allow substantial improvement.

Aho's conclusion emerged from an elaborate analysis of OECD export data. His study attempted to show how much of a country's export growth could be attributed to its "competitiveness" and how much to other factors: the over-all growth in world trade; the trade growth of the commodities in which the country specialized; and the growth of a country's specific exporting partners. The reasoning was simple. If, for example, a country exports widgets, and, suddenly, the world experiences a widget boom, the country's exports would soar without any basic change in "competitiveness."

Aho consistently found that the U.S. export position had declined between 1970 and 1976, despite the impact of two devaluations. (The dollar was devalued against other currencies in the Smithsonian Agreement of December 1971 and again in early 1973; after that, currencies generally have been allowed to "float," meaning that their price is determined by supply and demand.) If the United States had been able to hold its 1970 export share, Aho found, its shipments to the European Community would have been $6 billion higher in 1976 than they actually were. The same conclusion resulted from an analysis of specific types of exports. If the United States had maintained its market share for heavy machinery (such as turbines and electric motors) and transportation equipment, these exports, to, would have been $6 billion higher in 1976.

Taking a closer look at the data, Aho discovered a slight improvement between 1973 and 1976, indicating some impact of the devaluations. But the magnitude of the changes didn't impress him. Instead, the dominant trends seemed to be a continual slide in the positions of the United States and the United Kingdom, contrasted with sharp gains by Japan and more modest gains by Germany.

Aho's study portrays the United States and Great Britain as well-established old stores that are slowly losing their customers. He speculates that the change reflects greater investment and research and development in Japan and Germany.

"If these trends continue, the increased research and development expenditures and larger investment overseas will in the long run improve the competitive position of those economies with respect to the United States," Aho concluded. "This will sustain the lagging performance of U.S. exports and not help to improve the value of the dollar in world markets. Other things equal, a lagging export performance by the United States will necessitate further dollar depreciation."

NEW REALITIES

Aho is not alone in believing that competitive realities have altered. Increasingly, U.S. companies are selling in new markets, facing new demands—both economic and political—and encountering competitors that seem to enjoy the backing of their governments. The added political dimension of export sales raises further doubts about the effectiveness of the dollar depreciation to generate more sales.

The shift in markets is clear. Between 1971 and 1977, for example, the percentage of U.S. exports going to developing and Communist countries rose from 31 per cent to 38 per cent.

Although most of that increase reflects a jump in exports to oil producers, part of the trade deficit can be attributed to U.S. inability to increase sales to many non-oil developing countries. In the 1970s, they have generally expanded their exports to the United States faster than the United States has increased its exports to them. Between 1971 and 1977, for example, the Asian "developing countries (mainly Korea, Taiwan, Hong Kong, Singapore and the Philippines) quadrupled their exports to the United States, from $3.9 billion to $17.8 billion, including a vast array of consumer products ranging from shoes and textiles to stereos and toys. But, over the same period, U.S. exports to those countries rose only two-and-a-half times, from $4 billion to $10.7 billion.

There is no agreement on why American firms have not been more successful. In some cases, rapidly expanding economies may simply be diversifying their sources of imports. Last year, the United States supplied about 30 per cent of the goods Korea imported from OECD countries, but that was down sharply from the 35 per cent the previous year and 41 per cent in 1968.

In other cases, unfamiliarity with new markets may hurt. Reginald H. Jones, chairman of the General Electric Co., recently noted that his company "spent four profitless years establishing a presence in Nigeria before we finally won an $11 million export order." Inexperience can cost sales. Pullman-Standard recently lost a $200 million to $300 million order for subway cars and rails for the Caracas subway in Venezuela. "I don't think we did our marketing homework right," a company official said later.

A top executive at another U.S. company put it this way: "In places like Lagos [Nigeria], Jidda [Saudi Arabia] or Teheran [Iran] . . . it's hard to make a phone call down the street, never mind to the United States."

But there's a less charitable view of U.S. corporate export performance. Last spring, a report by the Boston Consulting Group for the Treasury Department attributed much of the large U.S.-Japanese trade imbalance to lack of aggressiveness by U.S. companies. The report noted that the U.S. share of Japan's imports had slipped, and then added:

"The fact that the United States is losing its share of the Japanese market . . . puts the trade balance issue into a rather different perspective. Trade barriers cannot explain these data. Whatever the barriers, the United States is supplying a smaller part of what Japan does in fact take in. This is the case despite the U.S. advantages over other suppliers—a long history of close trade association; much the highest level of foreign investment in Japan; and close stategic association."

Frank A. Weil, assistant secretary of Commerce for industry and trade, also argues that U.S. companies—especially medium-sized and smaller firms—are too inward looking, too preoccupied with a large domestic market and too unwilling to take risks to create sales abroad. An Administration export task force, chaired by Weil, recently concluded that many firms are "biased" against exporting and deterred by fear of "language difficulties, the financial reliability of foreign customers, the mysteries of export documentation, exchange rate conversion [and] the regulatory restraints of foreign governments. . . ."

TOUGH COMPETITION

But if lack of interest were ever fatal, it is now. With large oil bills and high unemployment, most countries are desperate for export sales. Consequently, the bargaining advantage has shifted increasingly from seller to buyer—from exporter to importer—and the changed climate is making it more difficult for U.S. firms to compete.

The competition takes increasingly bizarre forms. To win orders, companies often have to agree to share a large amount of the production work with the importing country. In effect, the "exporter" provides management, technology and sophisticated parts. But much of the labor-intensive, less-skilled work is subcontracted to the "importer." In other cases, exports depend on barter (or "counter-trade") arrangements. A country will buy only if the exporter is willing to take some of its products in partial or complete payment.

The growth of this type of trade may work against the United States, both because American companies dislike such exchanges and because barter arrangements often require trade agreements between governments.

The skepticism of U.S. firms is not simply stuffiness. Bartering can be risky. In Europe,

many Communist countries paid for new chemical plants by shipping the plants' output back to the West; now, those shipments have aggravated a chemical glut on Western European markets.

But bartering seems likely to continue. Earlier this year, Japan and China signed an eight-year, $20 billion trade agreement under which China will sell oil and coal for Japan's exports of steel mills, construction materials and heavy equipment.

As the Japan-China agreement suggests, the desperate drive for exports also means more politics in export promotion. Just how much more is unclear, but U.S. firms insistently contend that any politics puts them at a further disadvantage.

"In 1976, our engineering company bid a $600 to $700 million major petrochemical complex in Latin America," Joseph F. Condon, vice president-international of Combustion Engineering, Inc., recently told a trade conference sponsored by *National Journal*. "We were head to head against European competition. We were told that our technology had an edge and our price was competitive. However, the European competitor offered extraordinarily aggressive export credit coupled with a government grant. This tipped the scale."

Whether the active intervention of other governments plays the decisive role described by U.S. companies is impossible to say. But the importance of "big ticket" exports seems to be growing, and their mere size gives them political overtones. Some projects assume staggering proportions. Western Electric Co., Inc., for example, is now bidding on a contract estimated at nearly $3 billion to expand and improve Egypt's telephone system; about 80 percent of that is reckoned to represent U.S. exports. (Western Electric recently lost a similar contract in Saudi Arabia to Sweden's L. M. Ericsson Telephone Co.)

Such huge stakes require some trust and goodwill between governments; otherwise, the importer may lack confidence that the contract will be fulfilled, including an ongoing supply of spare parts and continuing maintenance.

Nor is there much doubt that the United States has already done considerable damage to its reputation, mainly as a result of actions in the past that subordinated other countries' import needs to U.S. domestic and international political objectives. Typical is the experience of Japan, as the Boston Consulting Group reported to the Treasury Department last spring:

"Japan cannot be at the mercy of the world spot market for its basic requirements. . . . U.S. past practices here raise policy questions for Japan. The long series of restrictions on wood-product exports, the restrictions on North Slope crude [oil] and the abrogation of soybean contracts [in 1973, the United States placed an embargo on soybean exports]—these kinds of U.S. decisions are a real issue for Japan."

Under the best of circumstances, such suspicion might take years to dissipate but circumstances today are far from the best. The Administration has yet to find a clear way to boost exports—and help stabilize the dollar—while simultaneously serving all its other political goals.

It has attempted to reconcile some of the conflicts by limiting competition among major industrial nations on sensitive items. Thus the Administration is quietly pursuing negotiations to set common ground rules for military and nuclear exports and is continuing talks with other major exporting countries to limit the use of government subsidies of export credit to stimulate overseas sales.

But these efforts have met only modest success, and the Administration is being pushed increasingly toward aggressive export promotion policies. It has made a few halting steps in that direction. The Export-Import Bank, under its new chairman-president, John L. Moore Jr., has reversed the Ford Administration's policy of providing government export loans only as a last resort. Under Moore, new loans have risen rapidly; between last October and this June, new loans hit $2.1 billion against $394 million in the same period a year earlier. (*See box, p. 1238.*)

In mid-July, the Administration's Export Policy Task Force, chaired by Weil, urged the President to go even further. It recommended that exports not be halted on political grounds except in extraordinary circumstances. Such denials, the task force argued, not only give the United States a bad reputation abroad, but discourage U.S. exporters, who "become increasingly reluctant to undertake the expense and effort of seeking export markets . . ." a draft of the task force report said.

Even if the President were to adopt this and other recommendations, though, the immediate impact on exports isn't likely to be great. In fact, short of massive subsidies to exporters—which are great under the General Agreement on Tariffs and Trade (GATT) and probably would provoke retaliation from America's trading partners—there isn't much the White House can do to push exports. Unless the trade balance changes sharply and unexpectedly for the better, the huge deficit may resolve itself in one of three old-fashioned ways: through lower growth, more dollar depreciation or more protectionism.

To the White House, the choices cannot look very appealing.

The Eximbank: Growing More Bold

The Export-Import Bank of the United States is in the hot seat. On the one hand, exporters want it to become increasingly aggressive in financing their overseas shipments and, on the other, Congress wants it to become increasingly selective in the types of exports it will support.

In late July, for example, the House passed legislation restricting the bank's loans to South Africa and prohibiting loans to any country that "aids or abets any individual or group which has committed an act of international terrorism." In the Senate, the same legislation—which authorizes a continuation of the Eximbank through 1983—has run into another contentious issue: should the bank's export loans be subject to an environmental review?

Meanwhile, the bank's new president, John L. Moore, Jr., has attempted to reverse the cautious policy of his predecessor, Stephen M. DuBrul Jr. DuBrul believed the bank should provide funds only as a "lender of last resort"—when exporters couldn't obtain private financing—but Moore has attempted to stimulate loans by lowering interest rates, even though the general level of interest rates has been rising.

Generally, the bank makes direct loans on exports and guarantees private loans. Often, a financing package includes a combination of a direct loan and a guaranteed loan. Under DuBrul, the Bank generally limited itself to a 42.5 percent maximum in direct financing; Moore is willing to go as high as 85 percent. (Anything higher than that would violate an agreement among major industrial countries to require at least a 15 percent down payment on officially financed exports.) Exporters generally prefer direct loans not only because the rate is lower but also because the interest rate is fixed. Private lenders usually require a "floating" rate that could move up during periods of tight money.

Not surprisingly, therefore, there's been a dramatic shift towards more direct loans under Moore. In the nine months ending in June, direct loan authorizations hit $2.1 billion, up from $394 million in the same period a year earlier. Total Eximbank financial support (including guarantees) rose more moderately, from $4.1 billion in the 1977 period to $5.3 billion this year.

Congress is expected soon to approve the legislation authorizing the five-year extension of the bank and increasing its total lending authority from $25 billion to $40 billion. Guaranteed loans (counted at 25 percent of their face value in the $40 billion total) could rise from $20 billion to $25 billion.

The Agencies That Regulate Exports

The only form of government control on about 90 per cent of U.S. exports is a simple export declaration—a bookkeeping formality used to help the Census Bureau record the level of shipments. But the other 10 per cent is becoming increasingly controversial, and more and more exports are being stalled before they ever reach the docks.

Consider what happened to Allis-Chalmers Corp. Earlier this year, it asked the Export-Import Bank of the United States for a "letter of interest" to finance $270 million worth of power turbines and generating equipment for a new hydroelectric plant to be built on the border between Argentina and Paraguay. The Eximbank wanted to give the letter, but, under a recent congressional amendment, it must consider "human rights" conditions.

After consultations with the State Department, the Eximbank denied the company's request on the basis of Argentina's human rights policies. Consequently, Allis-Chalmers says it will probably be forced to supply the turbines to Argentina from a plant outside the United States.

Most export controls are administered by the Commerce Department, although the Eximbank and other agencies sometimes get involved. The Nuclear Regulatory Commission (NRC), for example, must approve all overseas shipments of nuclear fuels and reactors. If it prevents a shipment, the President can overrule the agency, and Congress can overrule the White House (both chambers must act within 60 legislative days). Thus President Carter recently approved a shipment of fuel to India's Tarapur reactor, nullifying a 2–2 vote of the NRC. Other agencies that have export authority include the Agriculture Department (over some foods) and the Justice Department (over some drugs).

Commerce's authority stems from the Export Administration Act of 1969. About 80 per cent of the exports that require "validated export licenses" are advanced goods, which are reviewed on strategic and military grounds. These include a large number of computers, advanced machine tools, lasers, avionics and sophisticated telecommunications systems. Many of the licenses are approved automatically, but important cases are reviewed by the Advisory Committee on Export Policy, an interagency group whose members include the State, Commerce, Defense, Energy and Treasury Departments.

Although Commerce administers the controls, the real power lies elsewhere. When one U.S. firm wanted to ship about $60 million worth of trucks to Libya, for example, Commerce told the firm that the shipment wouldn't require an export license. State learned of the deal and insisted that Commerce issue new rules requiring a license—which, it was indicated, would be denied. State thought the trucks would be used to haul Libyan tanks across the desert.

On foreign policy grounds, the country has virtually total export embargoes with four countries: Vietnam, Cambodia, North Korea and Cuba.●

SUPPORT CONTINUES STRONG FOR A LIMIT ON CONGRESSIONAL TENURE

● Mr. DANFORTH. Mr. President, early in this Congress Senators DeConcini,

SCHMITT, HAYAKAWA, WALLOP, GOLDWATER, and GARN joined me in introducing Senate Joint Resolution 28, a joint resolution calling for a constitutional amendment which would limit the tenure of Members of Congress.

In December 1977, Dr. George Gallup reported that 60 percent of the American people believe Congressmen should be limited to no more than 12 years of service as U.S. Representatives or Senators. Now, in its August issue, Nation's Business reports "overwelming" support among its readers for a 12-year limit on congressional tenure.

In June, Nation's Business "Sound Off to the Editor" column asked "Should congressional service be limited to 12 years?" To date, over 1,600 readers have responded, with more than 1,400—87 percent—supporting the concept of limited tenure for Members of Congress. With ballots continuing to come in, the actual figures now show 1,467 readers supporting limited tenure, 123 opposed, and 36 undecided.

Mr. President, I ask that the text of this report be printed in the RECORD.

The report follows:

12 YEARS IN WASHINGTON IS TIME ENOUGH

Overwhelmingly, NATION'S BUSINESS readers think congressmen should be limited to a dozen years in Washington.

While quite a few representatives and senators make it through only a single term, many are returned year after year by the voters.

By sheer endurance they move up the ladder to committee chairmanships and awesome power. And once elected, most congressmen find that the advantages of the incumbency are hard to beat.

Sen. John C. Danforth (R.-Mo.) has proposed a constitutional amendment that would limit each senator and representative to a total of 12 years' service—two six-year Senate terms and six two-year House terms.

Sen. Danforth says that our Founding Fathers intended members of Congress to be private citizens on leave to their government, not lifetime legislators. The sad results of many congressmen spending most of their adult lives in Washington are obvious, he says.

"First, Congress has grown more distant from the American people. Second, the growth and the cost of government have skyrocketed as congressmen say anything, do anything, and spend anything to get themselves reelected."

Sen. Danforth's proposed amendment requires approval of two thirds of the Senate and the House of Representatives and then three quarters of the states before it can become part of the Constitution.

Critics of the proposed amendment argue that the length of congressional service is a matter for the voters of each state and congressional district. Continuance of a legislator in office should be decided by his constituents, not by an arbitrarily restrictive constitutional amendment.

In June, the Sound Off to the Editor question was, "Should congressional service be limited to 12 years?" Judging by the response received from Nation's Business readers, Sen. Danforth seems to be on the right track. Overwhelmingly, the answer was yes.

John R. McAlpine, vice president and manager of administration at Young & Rubican-Detroit, says: "Sen. Danforth's observations are right on target; one of our problems is the serious lessening of competence of what we once regarded as the world's greatest deliberative body."

"Even better," suggests Roy W. Gronauer, president of TriTan Corp., Houston, "let's consider one term and no reelection unless it is separated by one term out of office."

"It is necessary to diminish the sustained influence of the legisaltive demigods," says Robert L. Riebow, director of government sales for Best Foods, Englewood Cliffs, N.J. "Authentic servants of the people can continue their contributions outside government. No state or congressional district is so short of talent that it cannot replace a legislator with another equally as effective."

Roger L. DeRaleau, vice president of Valley Bank and Trust Co., Springfield, Maine, says: "Definitely. New men bring in constructive and different outlooks, attitudes, and foresight on existing and proposed legislation."

"A thousand times yes," says attorney Wilbert E. McReynolds of McReynolds and Jantz, DeRidder, La.

"Nothing is as damaging to our form of government as the long personal reign in office of an elected official." He adds that "retirement from elective office should be unheard of in a democracy."

Walter H. Chapman, president of El Paso Corrosion Co., El Paso, Texas, speaks for the other side of the issue. "It's my decision as a voter," he says. "We believe we are sending the best to Washington. The important thing is it's the people's choice."

Another response opposing Sen. Danforth's plan is from William Weiss, president of The Rotary Co., Inc., Buffalo, N.Y. He says: "A time limit would result in the loss of experience a good legislator has accumulated." What should be scrapped, he says, is the present automatic rise to committee chairmanship based on seniority.

Keith T. Smith, director of corporate market development for Hercules, Inc., Wilmington, Del., sides with Sen. Danforth. "I believe," he says, "this move would make our elected officials more concerned about the next generation than about the next election."

"Congressmen should be professionals from every walk of life, but politics itself should not be a profession," says Joseph R. Farrell, Jr., president of Joseph R. Farrell, Inc., West Conshohocken, Pa. "Unfortunately power does corrupt, and while there are some good politicians, the upgrading of the whole Congress would far outweigh their loss."

Eldon Seelig, vice president of American Bank and Trust Co., Minot, N. Dak., agrees. He feels that many of our present economic and social problems are directly linked to our elective system. He says that congressmen are much too concerned about reelection.

L. P. Lathem, Jr., president of Lathem Time Recorder Co., Atlanta, is of a different opinion. He feels that "a good, honest career-type congressman could be lost to the nation. Experience takes time to replace," he says, "and we would have even more amateurs in office.

"If somehow voters learned to vote intelligently instead of selfishly, bad old congressmen would be voted out and good old congressmen kept in."

Charles L. Johnson, executive vice president of the Wayne Chamber of Commerce, Wayne, N.J., answers yes and would go even further than the proposed amendment. He suggests: "Perhaps consideration should also be given to requiring that the President, when elected, become disassociated from any political party. Hopefully, this would result in a more effective President because he would not have to give support to either party. Reelection would be as an independent incumbent running on his record."

"Fresh, energetic new people every 12 years would be a blessing to the U.S.," according to Roy E. Brooks, president of Louisville Mobile Homes, Inc., Louisville, Ky. "Congressional service should be just that," he says, "a service rather than a vocation for life."

Mark E. Large, branch manager of Cater-Vend, Inc., Centralia, Ill., votes no to Sen. Danforth's proposal but offers an alternative. The salary of congressmen should be lowered to the median national income, and the sessions of Congress should be limited to 60–90 days. Then only public-spirited people would be interested in serving."

E. A. Bishop, district manager of Armstrong Cork Co., Saddlebrook, N.J., favors limiting congressional terms. "Some will use the argument that it takes time to learn the ropes of government; therefore, the longer the time spent in office, the better the efficiency." But, he notes, that argument will be used "by those who have tangled the ropes."

John L. Colmar, attorney, Morton Grove, Ill., agrees that 12 years of congressional service is enough. "Let the legislators live and work some of their lives under the laws they pass."

Harold F. Knowles, executive vice president of the Greater Randolph Area Chamber of Commerce, Universal City, Texas, comments: The longer a congressman serves outside his constituency the more he loses touch with why he is in Washington. He can reach a point where being in Washington is more important than representing his constituents."

Kathleen A. Embry, bookkeeper for Sherlock's Glass Co., Elko, Nev., definitely favors Sen. Danforth's proposed amendment. You're damn tootin'," she says. "I've often wondered how congressmen have the temerity to restrict the President's term of office yet still leave their own wide open. Tenure, coupled with old age, often leads to arrogance or petulance, and opinions become as inflexible as old bones.

"Seniority can easily lead to corrupt power," she says. "I'm no cocky sprout letting off steam. I'm 61 years old."●

NATIONAL LUPUS WEEK

● Mrs. HUMPHREY. Mr. President, last Friday the Senate voted its approval of House Joint Resolution 682 which authorizes the President to proclaim the week of September 17–23, of this year, as "National Lupus Week." It is important that this time has been designated to bring attention to this disease. For we should all know more about this relatively new and little-known malady.

If you are not familiar with lupus, do not be embarrassed as many patients who have been diagnosed as having lupus erythematosus have never heard the term before either. Actually, the disease has been known to doctors since 1828 when it was first described by a French dermatologist, Biett. In those days the disease manifested itself by skin changes. Some years later it was determined that some patients who had LR skin lesions were also affected by the disease through their internal organs. Then it was observed that systemic LE could affect internal organs without skin changes.

In 1948, Dr. Malcolm Hargraves of the Mayo Clinic, discovered that there was a particular cell in the blood of patients with SLE, and was able to describe it. More recently it has been found that the individual has unusual antibodies that act against the patient's own tissues.

The cause of discoid LE, the skin form,

is unknown. Systemic LE has no known cause either, although it is thought that certain medicines, excessive sun exposure, and infections may contribute to its onset. Neither form is contagious.

The number of cases is hard to estimate because it is thought many people have mild cases and are unaware of it. Systemic LE cases, however, seem to be increasing. This may be attributed to either doctors recognizing the disease more readily or due to toxic changes in our environment triggering its cause.

For some undetermined reason, 7 out of 10 patients with discoid LE are women, usually in their late twenties. Nine out of 10 patients with systemic LE are women, half of them developing their first symptoms between ages 15 and 25. LE is rare in children under the age of 5.

The seriousness of the disease can range from being mild to life-threatening and depends on what parts of the body are affected. Some of the symptoms exhibited are muscle and joint pain, fever, skin rashes, chest pain, swelling of hands and feet, hair loss. There are periods of time when the symptoms clear and remission takes place. A large number of people with SLE have few symptoms and are able to live a nearly normal life.

Thus, lupus is a very real challenge to physicians and researchers in finding the cause of this disease. It is appropriate then that we have set aside these days to make the general public aware of a disease that is becoming increasingly prevalent.●

THE 10TH ANNIVERSARY OF THE SOVIET INVASION OF CZECHOSLOVAKIA

● Mr. DOLE. Mr. President, Monday marks the occasion of the 10th anniversary of the Soviet invasion of Czechoslovakia. To commemorate that sad event, I introduced Senate Resolution 526 which has been cosponsored by 10 of my distinguished colleagues. The 1968 invasion, however, should be observed with more than just a commemorative resolution. On August 21, we should pause and seriously examine the implications of the Soviet invasion of 1968 and resolve to apply the lessons to our policies in 1978.

PRAGUE SPRING

In 1968, under the leadership of Alexandr Dubczek, Czechoslovakia was experiencing what has come to be known as Prague Spring. People were free to express themselves in print, in conversations, in the various art media. Czechoslovakia became a prosperous nation with hard-working, happy and creative citizens. The tone and tempo of life in Czechoslovakia was admired and envied. On August 21, 1968, it all ended under the treads of Soviet tanks.

SOVIETS ARE PHILOSOPHICALLY OPPOSED TO FREEDOM

The question we should ask and seriously ponder, is why did the invasion happen? Why was Prague Spring terminated? The answer is simple, not particularly original, but enormously frightening. The Kremlin saw the people of Czechoslovakia enjoying freedom and prospering under its influence and they did not like it. It went against the basic philosophy of Soviet rule. The trials of Helsinki Monitors throughout this past summer are a dramatic reminder that the Soviets have not changed. Other repressive actions in the last 10 years since the Czechoslovakia invasion indicate consistent Soviet hostility to free and creative expression. Soviet foreign policy in Africa, the Middle East and Asia in the last decade has been designed to export and spread the same philosophy that gave us the Brezhnev doctrine. I realize that anyone who points out these facts risks being labeled "hard-line," but we still have the Czechoslovakia invasion to explain. That event is something we dare not forget or ignore.

INVASION MUST NOT BE FORGOTTEN

Certainly the Soviet Union has not forgotten—several divisions of Soviet troops still occupy Czechoslovakia to maintain the icy status quo that drove out Prague Spring. But that is only part of the story. The encouraging part of the story is the fact that the citizens of Czechoslovakia have not forgotten Prague Spring and are struggling to bring it back. In the wake of the Helsinki agreement—an agreement we must continue to remind the Soviets that they agreed to honor—hundreds of Czechoslovak citizens formed the Charter 77 Group, a grassroots movement committed to the implementation of the Helsinki agreement and dedicated to the return of basic human rights to Czechoslovakia. Last Wednesday, Reuters News Service reported that for the first time, representatives of the Charter 77 Group met with members of the Union for the Defense of Polish Workers, another group committed to the implementation of the Helsinki agreement.

The meeting of these two groups to discuss strategy indicates that despite repressions, the spirit of human rights is strong and growing in Eastern Europe. I believe the continued vitality of this historic movement is to a large degree attributable to the moral support the American people have offered the courageous men and women in Eastern Europe who struggle to achieve a happy, prosperous life through the fulfillment of basic rights and liberties.

WE MUST REMAIN FIRMLY COMMITTED TO HUMAN RIGHTS

As we commemorate 1968, we should also cast a glance backward to 1938, for it was then that the people of Czechoslovakia served as victims of the aggressive foreign policy designs of another powerful nation. In 1938, the free world chose to trade the freedom of Czechoslovakia for what was called "peace in our time."

We, of course, paid dearly in human lives, physical destruction, and human suffering for choosing to ignore the fate of this noble country. Now, in 1978, we owe it to the people of Czechoslovakia to remember their plight in the only truly meaningful way.

We must continue to give moral and diplomatic support for the just struggle of the Charter 77 Group to achieve the implementation of the Helsinki agreement within the borders of Czechoslovakia. We must also deal realistically with the Government of the Soviet Union—recognizing them for what they are, while taking what steps we can to encourage the citizens of the Soviet Union and other Eastern European governments to work peacefully for the realization of those rights they are now guaranteed on paper.

Above all, we must be strong in our own defense, firm and consistent in our foreign policy and cooperative but realistic in our dealings with the Soviet Union. Let the citizens of East and West meet and work together in cultural, commercial, athletic, and civic enterprises.

But let us not be naive and think that we can change a government that invades small nations, by indiscriminately offering them the technology and know-how their own system cannot produce. Unwavering support of human rights, couped with a resolve to remain strong and firm will be the most meaningful way we can commemorate the unhappy anniversary of Czechoslovakia's invasion and the most realistic approach to an eventual return of Prague Spring.●

SHORT LINE RAILROADS

● Mr. PELL. Mr. President, I was delighted to read in last Monday's Wall Street Journal an article entitled, "Rolling Along: Short-Line Railroads Are on Profits Track After Years of Neglect." The article featured the Providence and Worcester Railroad of Rhode Island, and portrayed "the little railroad that could" on its way to becoming the "big railroad that can." At a time when so many private railroads are fighting debt, decay and bankruptcy, it is reassuring to see the great success of the P&W over the past 5 years, as well as a great source of pride to Rhode Islanders. The Providence and Worcester Co., with its innovative management, is truly a model for others seeking to turn around privately owned railroads, and Mr. President, it is with pleasure that I ask that the article appearing in the Wall Street Journal on August 14, 1978 be printed in the RECORD.

The article follows:

ROLLING ALONG: SHORT-LINE RAILROADS ARE ON PROFITS TRACK AFTER YEARS OF NEGLECT

(By William Gilmer, Jr.)

WOONSOCKET, R.I.—In 1973 the Providence & Worcester Co. went into the railroad business with six leased locomotives, a handful of boxcars and 44 miles of track taken over from the Penn Central. Hardly an auspicious beginning for anyone in the railroad industry, you might think.

Think again. It now owns 140 miles of track in Massachusetts, Rhode Island and Connecticut, it operates 10 locomotives and a fleet of 600 boxcars, and its first-quarter earnings this year were $346,000.

On its way to becoming "the little railroad that could," the Providence & Worcester has been helped by innovative labor agreements, a knack for obtaining public financing and by leasing its rolling stock. But it also has provided old-fashioned good service to its freight customers. "The P&W does a hell of a lot better than the Penn Central ever did," says an official with Federal Paperboard Co., which ships its products on the tiny railroad.

A lot of other businessmen are equally pleased with many of the 300 other short-line railroads across the country. Many of them are going against the tide of an industry known for its financial troubles by making a profit or breaking even.

NO ROAD TO RICHES

"Nobody's getting rich," but the short lines are holding their own, says Howard Croft, president of the American Short Line Railroad Association. Washington transportation consultant W. G. Moore agrees that the industry is "generally sound" across the U.S.

A short-line railroad is generally less than 100 miles long and often connects a plant or a factory to a major railroad. Many of them have been created in the past few years as large railroads have merged and lopped off unwanted sections of track.

Many of these abandoned sections have been bought by the major industries they serve: U.S. Steel owns about a dozen short lines. Bethlehem Steel has about five, and others are owned by such concerns as textile mills and paper companies. Other sections have been bought by private investors and by state governments.

It's not known how many of these little lines are profitable. But according to the Interstate Commerce Commission, in 1975, the latest year available, 245 railroads that could be classified as short line had total profits of $27.4 million. By itself that isn't very much. In fact it's less than the Southern Railway's 1978 record first-quarter profit of $28.8 million. The Southern is only one of about a dozen major railroads, most of them in the South and the West, that are booming. The Union Pacific Corp., for example, had record first-quarter profit of $56.1 million.

DEBT, DECAY, AND BANKRUPTCY

But the short lines' small success is in sharp contrast to the bleak railroad picture in much of the U.S., particularly in the Northeast. In New England alone the large roads are fighting debt, decay and bankruptcy. The Boston & Maine is bankrupt and the Delaware & Hudson lost $12.6 million last year. The government-sponsored Consolidated Rail Corp., or Conrail, which took over six bankrupt northeastern railroads in 1976, including the bulk of the Penn Central's rail system, lost more than $1 million a day last year.

By comparison with the lumbering, money-losing Conrail there is the little Columbus & Greenville Railway. It operates just 180 miles of track in Mississippi, but last year it made a $171,000 profit, and it earned $68,000 in the first five months of this year. Craig Burroughs the railroad's president, says that before it became an independent line, the C&G had been deteriorating for years as an "unwanted section" of the Illinois Central Gulf Railroad.

Mr. Burroughs, who is a Chicago investor, also owns two railroads, the Erie-Western and the 77-mile Louisiana-Midland, which he bought for only $1,500. He predicts that both these roads will be in the black by the end of the year.

ESSENTIAL INGREDIENTS

The essential ingredients for success in running a short-line railroad, says Mr. Burroughs, are nonunion labor, making extensive track and equipment repairs and persuading Uncle Sam to help cover operating losses while the railroad is getting back on its feet.

The little P&W line has added its own refinements to this recipe. Indeed, a Massachusetts transportation official says the railroad has made "an aggressive use of public funds." In 1977, for instance, state highway-trust funds from Massachusetts and Rhode Island provided the railroad with $850,000 for grade-crossing improvements. In addition, it got $672,500 for rail rehabilitation from the New England Regional Commission.

The company says it also has plowed back 35 cents out of every dollar earned into track improvements, "an extremely high" around for any railroad, according to one industry source. The P&W blames this high cost of improvements, "an extremely high" amount $2.6 million last year. However, the line made a net profit of $835,000 after the addition of $3.6 million in income from real-estate and other sources. So far this year, though, its rail operations have been profitable.

The history of the P&W goes back to the 1840s when it was created to run the railway from Providence to Worcester, Mass. In 1888 it began leasing its line to larger railroads. By 1968 the lease had been taken over by the Penn Central, although it was still owned by the P&W, which had for many years been a real-estate-investment concern.

In 1973, Robert Eder, a lawyer who had been president of the P&W since 1966, obtained permission from the Interstate Commerce Commission to take back the lease from the ailing Penn Central. And the tiny company began to operate the line itself.

The railroad then consisted of the single line from Worcester to Providence. Since then, two other lines have been added from Worcester, one south to Plainfield, Conn., and one north to Gardner, Mass.

One of Mr. Eder's first successes was in persuading the United Transportation Union to accept an unusual contract allowing the P&W to pay employes an annual salary and an annual share of company profits, compared with the hourly wages and overtime normal at other railroads. The union also allowed the P&W to operate with three-man crews, instead of the usual four, and no caboose, something the major railroads have sought for many years.

The company's 99 union employes earn an average of $19,000 a year. "You might make more money on another railroad with hourly wages, but you'd have to jump all around the country to do it," says Mark McKeon, a P&W trainman. The employes also like the railroad's profit-sharing plan: Last year each employe received a bonus of $1,600.

The railroad is so small that working conditions tend to be informal. Supervisors regularly work as crew members and all employes are expected to make on-the-spot management decisions. "Just the other night we decided to set off (uncouple) a damaged car because we thought it was unsafe," says trainman Russell Brown. "Another railroad would have stopped the whole train until a supervisor came down from the main office to make the inspection."

All of this apparently is good for employe morale. The railroad says it has virtually no employe turnover and hasn't had a single strike or grievance hearing to date.

A major capital expense for railroads is new rolling stock. But not for the P&W. The company leased six new locomotives that the state of Rhode Island bought with industrial-revenue bonds. For its boxcars it went to Itel Corp. in San Francisco. Itel is one of a growing number of companies that have bought short-line railroads and are leasing their boxcars and flatcars to other railroads.

Joseph Costella, Itel's rail-division president, explains that many railroads, particularly the short lines, simply don't have the capital to invest in new cars and are forced to lease them. The company now has 14,000 cars leased to 43 railroads, including the 2,600 on order or being used by the P&W, Itel's largest customer.

Along with improved track and new equipment, the P&W also provides good service, according to its freight customers. "If any complaints about P&W's service should arise, which is rare, we can go straight to the president or the board of directors for an immediate answer," says Sidney Dressler, president of Colfax Inc. of Pawtucket, R.I. "With other railroads it's difficult to get to the person in charge," he says.

The Massachusetts Department of Transportation says it hasn't received a single complaint about the P&W, "which certainly isn't the case with all the other railroads running through our state," says a spokesman. Transportation consultant Mr. Moore notes that because short lines are so small, there is a "closeness among management, employes and shippers."

But not everyone likes the P&W, mainly because of the more than 10 heated court cases it has fought since 1973 with oil companies, government agencies and other railroads over a variety of issues. "The P&W just seems to look for areas of trouble to get into," says David Stein, director of transportation for the New England Regional Commission.

In one case, the P&W took the Penn Central to court on libel charges, but the case was settled out of court. Most of the court cases have involved so-called interline settlements, or the distribution of fees for freight carried over the lines of more than one railroad. P&W itself is being sued at present in U.S. court in Delaware by Conrail over such settlements.

But the P&W's persistence in challenging other railroads seems to be paying off. For some time it has been trying to take over a section of track in Connecticut between Plainfield and Groton, a line rich in big shippers. The line is now operated by Conrail, but the state of Connecticut has been urging its takeover by P&W which, it thinks, will operate the line more efficiently.

A few days ago the Department of Transportation in Washington agreed with the state and ordered the transfer of the line from Conrail to P&W. Details of the transfer and the price to be paid have to be worked out by other agencies and finally presented to a special court.

Now the P&W wants to buy track that would extend its service to the Hudson River. Ultimately, Mr. Eder says, the line wants to own 1,000 miles of track and to become "the big railroad that can."●

LEADERSHIP FOUNDATION POLL ON VOLUNTARY PRAYER IN SCHOOLS

● Mr. HELMS. Mr. President, an attempt is being made to create the impression that churches and church leaders are opposed to restoring voluntary prayer in the public schools. Time after time we see published statements which purport to represent the thinking of various denominations. But when one examines those statements, and looks at the persons who actually make those statements, then it becomes clear that we are usually listening to the views of some tiny bureaucracy that has enmeshed itself in the national headquarters of the denomination.

On the grassroots level, there is a tremendous support for voluntary prayer in the schools. The Leadership Foundation under the capable direction of Miss Martha Rountree, has recently taken a poll of various churches around the country. Hundreds of churches were contacted directly. In almost every case, the response was immediate and defi-

nite: The Nation ought to restore voluntary prayer in the schools.

Mr. President, I have been provided with a list of chuches from around the country that wish to go on public record as supporting voluntary prayer in the schools, and I submit it to be printed in the RECORD.

The material follows:

BACK TO GOD MOVEMENT—SURVEY OF CLERGY

(Re: Return of Voluntary Prayer To Our Schools)

SUMMARY SHEET

Denomination	*Number churches replied*
Assembly Of God	31
Baptist	211
Christian and Missionary Alliance	2
Catholic	15
Church Of Christ	3
Church Of God	9
Congregational	2
Disciples Of Christ	1
Episcopal	4
Lutheran	21
Mennonite	2
Methodist	19
Nazarene	2
Non or Inter Denominational	43
Presbyterian	35
United Brethren	40
Christian Broadcasting Network	1
Total	441

ASSEMBLY OF GOD CHURCHES

Bethel Temple, Rev. Powell H. Lemore, Fresno, Calif. 93627

Keyser Assembly of God, Rev. Donald W. Goldizen, Keyser, W. Virginia 26726

Valley Church, Rev. Robert J. Smith, Salt Lake City, Utah 84118

Calvary Pentecostal Church, Rev. Stephen Landis, Keyser, W. Virginia 26726

Ester Assembly Church, Rev. Eugene G. Wooten, Fairbanks, Alaska 99701

Full Gospel Church, Rev. Robert W. Rosin, Alcove, N.Y. 12007

Hazel River Church, Rev. Stanley Bowbeer, Castleton, Virginia 22716

Assembly of God, Rev. Park Benner, Latrobe, Penn. 15650

Assembly of God, Rev. Willard Hutsell, Elmer, Missouri 63538

Cathedral of Light, Rev. L.D. Field, Selma, Calif. 93662

Assembly of God, Rev. Archie M. Minnieweather, Bonita, La. 71223

Mission Sendero de La Cruz, Rev. Dennis Rivera, Pocatello, Idaho 83201

Assembly of God, Rev. Edw. R. Neulaus, Fitchburg, Maine 01420

Assembly of God, Rev. Richard J. Thomas, Ithaca, N.Y. 14850

The Calvary Assembly of God, Rev. Wayne Hampton, Cobleskill, N.Y. 12043

Assemblies of God Headquarters*, Rev. W. R. Leisy, Anchorage, Alaska 99504

First Assembly of God, Rev. Wesley J. Bransford, Ketchikan, Alaska 99901

Assembly of God, Rev. Darrell Redfearn, Anchorage, Alaska 99510

Assembly of God, Rev. Fred Francisu, Dalton, N.Y. 14836

Assembly of God, Rev. Leroy J. Miller, Eloy, Arizona 85231

Assembly of God, Rev. Franaisca Riedel, San Leandro, Calif. 94577

First Spanish Assembly of God, Rev. Simon Melendres, Greeley, Colo. 80631

First Assembly of God, Rev. C. E. Wilson, Bristol, Virginia 24201

Ambridge Assembly of God, Rev. Clinton P. Elliott, Baden, Penn. 15005

Calvary Assembly of God, Rev. Dr. Edgar R. Lee, Atlanta (Dunwoody) Georgia 30338

Christian Life Center, Rev. Tom Miskovich, Dillon, Montana 59725

First Assembly of God, Rev. R. T. Sandbach, Belvidere, Ill. 61008

First Assembly of God, Rev. Carl E. Guiney, Woonsocket, R.I. 02895

First Assembly of God, Rev. Robert D. Goree, Freemont, Calif. 94536

Teen Challenge Chapel, Rev. Mike Zello, Washington, D.C. 20001

Assembly of God, Rev. Bruce Thomas, Priestriver, Idaho 83856

Assembly of God, Rev. Louise Barrett, Martinsburg, W. Virginia 25401

Pentecostal Church, P. H. Church, Rev. Oscar E. Bryant, Gordonsville, Virginia 22942

Assembly of God, Rev. Ed. R. Neuhaus, Fitchburg, Mass. 01420

BAPTIST CHURCHES

Galilee Baptist Church, Rev. Fred J. Bartz, Austintown, Ohio 44515

Community Baptist Church (G.A.R.B.C.)*, Rev. Daryl E. Sell, Brighton, Colo. 80601

Baptist Church (G.A.R.B.C.)*, Rev. Ernest Bloom, Akron, Ohio 44312

First Baptist Church, Rev. Paul G. Williams, Maine, N.Y. 13802

Berean Baptist Church, Rev. Richard Rahlgrin, Springfield, Ill. 62703

Heritage Baptist Church, Rev. Dr. John Kagir, Jacksonville, Fla. 32221

Baptist Church, Rev. Gerald C. Armstrong, Lebanon Junction, Ky., Route 1, 44050

New Unity, Rev. James S. Williams, Baltimore, Md. 21213

First Baptist Church, Rev. E. Hudspith, Pasadena, Calif. 91101

Baptist Church, Pastor Earl Abbott, London, Ky. 40741

Liberty Baptist Church, Rev. Wilson B. Waldorf, Charlottesville, Virginia 22901

Bon-Air-Arl. Baptist Church, Evangelist Dale Crowley, Washington, D.C. 20011

Faith Baptist Church, Rev. Willis O. Booth, Strathmore, Calif. 93267

Seward Avenue Baptist Church, Pastor Harold F. Tucker, Topeka, Kansas 66616

Baptist Church, Rev. Yhreadri Jones, Charlottesville, Virginia 22901

Calvary Baptist Church, Rev. David A. Tucker, Larkspur, Calif. 94939

Emmanuel Baptist Church, Rev. Robert L. Weiss, Loveland, Colo. 80537

First Baptist, Oglesey (G.A.R.B.C.)*, Rev. Thomas M. Parsons, Oglesby, Ill. 61348

Community Baptist Church, Rev. Elvin G. Nyhuis, Edwardsburg, Mich. 49112

Bethel Baptist Church, Rev. Clay Nuttall, Fruitport, Mich. 49415

First of Kouts Baptist Church (G.A.R.-B.C.)*, Pastor G. A. Heyboer, Kouts, Ind. 46347

First Baptist Church, Pastor Gary E. Carpenter, Chelan, Wash. 98816

Baptist Church, Rev. Wm. L. Taylor, D.D., Parkersburg, W. Virginia 26101

First Baptist Church (G.A.R.B.C.)*, Pastor Vick Perry, Pulaski, N.Y. 13042

Baptist Church (Independent), Pastor Mick Hill, San Jose, Calif. 95123

American Baptist Church, Pastor R. D. McClain, Ithaca, N.Y. 14850

Flint Hill Baptist Church, Pastor R. W. Weeks, South Birmingham, Ala. 35205.

Mt. Joy Baptist Church, Rev. Henry L. Brinkley, Washington, D.C. 20001.

Faith Baptist Church (G.A.R.B.C.)*, Rev. Merlyn E. Jones, Defiance, Ohio 43512.

Baptist Church, Rev. Dr. Robert B. Diffee, Oxon Hill, Md. 20735.

Emmanuel Baptist, Pastor Robert L. Weiss, Loveland, Colo. 80537.

North Uxbridge Baptist Church, Rev. Mel Hansen, North Uxbridge, Mass. 01538.

Faith Baptist Church, Pastor Lloyd Learned, Greenville, Ohio 45331.

Leonard Heights Baptist Church, Pastor John H. Kleis, Grand Rapids, Mich. 49504.

Baptist Church, Pastor Bill Berry, Tucker, Ga. 30084.

Immanuel Baptist Church, Pastor Murray M. Boyd, Ridgecrest, Calif. 93555.

Parma Baptist Church, Rev. Paul Randall, Parma, Mich. 49269.

Southwood Baptist Church, Rev. Jack Williamson, Jamesville, N.Y. 13078.

Baptist Church (G.A.R.B.C.)*, Rev. Paul Rickins, Weaverville, Calif. 96093.

Shaw Heights First Baptist Church, Pastor E. A. Slaugherhaupt, Denver, Colo. 80221.

Bible Baptist Church (Independent), Pastor Joseph Rock, Grove City, Ohio 43123.

Fellowship Baptist Church, Pastor Stanley Lightfoot, Jr., Marine City, Mich. 48039.

Baptist Church (Independent) Pastor John B. Schrimshire, Mt. Lake, Md. 21550.

Union Baptist Church (G.A.R.B.C.)*, Pastor Marley Evans, Union Mills, Ind. 46382.

Baptist Church, Pastor Richard T. Bray, Jr., Roanoke, Va. 24014.

Baptist Church, Pastor James W. Abington, Austin, Texas 78749.

Baptist Church (G.A.R.B.C.)*, Pastor Norman C. Warner, Stoney Fork, Ky. 40988.

Faison Baptist Church, Rev. D. W. Branch, Faison, N.C. 28341.

Baptist Church, Pastor Adam Bausman, Yakima, Washington 98902.

Baptist Church, Treas. Kester O. Williams (for the church), Star, N.C. 27356.

Primitive Baptist Church, Elder Loren H. Wilson (for the church), Fairfax, Va. 22030.

Missionary Baptist Church, Rev. Marvin F. Bishop, Birmingham, Ala. 35214.

Baptist Church (Indepedent), Rev. Daniel Schieber, Mt. Ephraim, N.J. 08059.

Baptist Church, Pastor James W. Wynn, Scott, La. 70583.

Baptist Church, Pastor R. D. McClain, Ithaca, N.Y. 14850

Baptist Church (Independent), Rev. Don P. Porter, Key Largo, Fla. 33037

Baptist Church, Pastor A. R. Wynn, Sheffield Lake, Ohio 44054

Baptist Church, Rev. Louie J. Di Placido, Wheaton, Md. 20906

Baptist Church (G.A.R.B.C.),* Rev. John H. Tubbr, Nichols, N.Y. 13812

Baptist Church, Pastor Wallace R. Berry, Corryton, Tenn. 37721

Liberty Baptist Church, Rev. Hugh Biggers, Thomasville, N.C. 27360

Baptist Church, Pastor Donald R. Billman, Indiana, Pa. 15701

Baptist Church, Rev. Paul Yarnall, Cassville, Mo. 65625

First Baptist (American), Rev. John Epp, Visalia, Calif. 93277

Faith Baptist (G.A.R.B.C.),* Pastor Glenn H. Davis, Lancaster, Ohio 43130

Rocky Fork Baptist Church, Pastor Harold M. Guthrie, Cahanna, Ohio 43230

First Baptist of Wissinoming (G.A.R. B.C.),* Rev. Walter E. Kruckow, Philadelphia, Pa. 19135

Spruce Street Baptist Church, Rev. Dr. James L. Lowe, Newton Square, Pa. 19073

First Baptist Church, Rev. Leland Hūfhand, Lock Haven, Pa. 17745

Grace Baptist Church, Rev. Thomas W. Noyes, Norristown, Pa. 19400

Faith Baptist (Independent) Pastor Ronald C. Laube, Lynchburg, Va. 24501

Bible Covenant Baptist Church, Rev. Robert G. Walter, Media, Pa. 19063

Berean Baptist Church, Pastor Sydney G. Brestel, Marion, Ohio 43302

Independent Baptist Church (G.A.R.B.C.),* Rev. Donald Leitch, North Jackson, Ohio 4451

New Lyme Baptist Church, Pastor Don L. Bennett, New Lyme, Ohio 44066

Oberlin Calvary Baptist, Pastor Allen Curtis, Oberlin, Ohio 44074

Tabernacle Baptist Mission, Pastor Fred Patrick, Louisa, Va. 23093

*General Association Regular Baptist Church.

Calvary Baptist Church (G.A.R.B.C.),* Pastor Roger L. Williams, Mesa, Arizona 85205

First Baptist, Rev. L.D. Grant, Caro, Mich. 48723

Temple Baptist Church (Independent), Pastor Lennon E. Hakes, Glen Burnie, Md. 21061

Faith Baptist Church, Rev. Victor E. Bilboe, Smyrna, Del. 19977

Grace Independent Baptist, Pastor Thomas J. Hawkins, Crownsville, Md. 21032

Evangel Baptist Church, Rev. Ernest Thompson, Hagerstown, Md. 21740

Faith Independent Baptist Church, Rev. E. Duane King, Frostburg, Md. 21532

Bible Baptist Church, Pastor Willmont L. Thurlow, Mattawamkeag, Maine 04459

Cedar Run-Crooked Tower Rapidan, Baptist Church, Rev. Floyd T. Binns, Culpeper, Va. 22701

Baptist Church, Rev. Milton S. Jones, Orange, Va. 22960

Trinity Baptist Church, Pastor Jack R. Jackson, Verona, Va. 24482

Faith Baptist Church (Independent) (G.A.R.B.C.)* Rev. James J. Pinkerton, ThM, Vero Beach, Fla. 32960

First Baptist Church, Pastor Wayne C. Vawter, Plainfield, Ill. 60544

First Regular Baptist Church, Pastor Ronald L. Gustine, Grant Park, Ill. 60940

First Regular Baptist Church, Pastor E. Guess, Kansas City, Mo. 64127

First Baptist Church, Pastor John D. Neese, Marion, Montana 59925

Baptist Church (Independent), Pastor Larry Leonard, Medina, Ohio 44256

St. Mark's Institutional Baptist Church, Rev. Spencer Dobson, Baltimore, Md. 21216

First Baptist Church, Pastor Sam H. Ingram Gordon, Ga. 31031

First Baptist (G.A.R.B.C.)* Pastor Ervin Miller, Onaway, Mich. 49765

Wolf Lake Baptist Church, Pastor Charles W. Stark, Muskegon, Mich. 49441

Grandview Park Baptist Church (G.A.R.B.C.)*, Pastor Paul Tassell, Ph.D., Des Moines, Iowa 50317

Skyline Baptist Church, Rev. John M. Mitchell, Rome, N.Y. 13440

Waveland Baptist Church, Pastor Eldon J. Coons, Brownsburg, Ind. 46112

St. Joe Baptist Church, Pastor Carl Boutiller, Homer, Mich. 49245

West Bethel Baptist Church, Rev. Roy Hendershot, Cleveland, Ohio 44102

Calvary Baptist Church, Pastor Joe Gerard, Adrian, Mo. 64720

Calvary Baptist Church (Independent), Rev. Daniel Schieber, W. Collingswood Hts., N.J. 08059

Calvary Baptist Church (G.A.R.B.C.,* Pastor David E. Strong, Wilmington, N.Y. 12997

First Baptist Church, Pastor Frederick W. Thomas, Massapegua, N.Y. 11758

Baptist Church (G.A.R.B.C.),* Pastor William H. Heinrich, Delphi, Ind. 46923

Hillcrest Baptist Church, Rev. Don Reiter, Rochester, Ind. 46975

Marantha Baptist Church, Pastor Russell Schelling, Jeffersonville, Ind. 47130

Five Mile Baptist Church (Independent), Pastor Gary L. Briggs, Allegany, N.Y. 14706

Calvary Baptist Church, Rev. Ronald McLucas, Decorah, Iowa 52101

Lincoln Avenue Baptist (G.A.R.B.C.),* Pastor Jack E. Cook, Ionia, Mich. 48846

Temple Baptist Church, Rev. Richard W. Johnson, Lincoln, Nebr. 68510

Emmanuel Baptist Church, Rev. David R. Crandall, Penn Yan, N.Y. 14527

First Baptist of Bay City, Postor Donald K. Olsen, Essexville, Mich. 48732

Baptist Church, Pastor Leonard J. Bowden, Huntsville, Ala. 35810.

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*General Association Regular Baptist Church.

Berean Baptist Church, Pastor Maynard Nutting, Utica, Mich. 48087

First Baptist Church, Rev. C. Ray Vistue, Merton, Wis. 53056.

Baptist Church (G.A.R.B.C.),* Rev. Fred W. Roff, Salem, Ohio 44460

Gwinnett Hall Baptist Church, Rev. M. H. Everett, Lawrenceville, Ga. 30245

Mt. Zion Baptist Church, Deacon Perry Kimbo, Lawrenceville, Ga. 30245

Rolling Hills Baptist Church, Pastor Virgil A. Barrows, Laurel, Md. 20810

Woodruff Baptist Church, Rev. James Patterson, Woodruff, Wis. 54568

Gospel Light Baptist Church, Pastor Harold J. Elting, Jr., Kearney, N.J. 07032

First Baptist Church, Pastor Delbert Wren, Tonasket, Wash. 98855

Bible Baptist Church (Independent), Pastor William E. Carnes, Kissimmee, Fla. 32741

Lemoyne Baptist Church, Pastor Charles Alexander, Walbridge, Ohio 43465

First Baptist Church (G.A.R.B.C.),* Pastor Robert J. Smot, Moorcraft, Wyo. 82721

Beth Haven Baptist Church, Pastor Ardy Parlin, Louisville, Ky. 40272

Grace Baptist Church, Pastor John Gregory, Gadsden, Ala. 35901

First Baptist Church, Pastor Richard L. Shoup, Hartland, Wis. 53029

Calvary Baptist Church (Independent), Pastor Donald W. Reynolds, Denton, Md. 21629

Carmel Baptist Church, Pastor James N. Birkitt, Ruther Glen, Va. 22546

Calvary Baptist Church, G.A.R.B.C.*, Pastor J. Howard Jones, Bucypus, Ohio 44820

First Baptist Church, Pastor Kenneth Brougham, Paden City, W. Va. 26159

Northside Baptist Church, Pastor Weldon F. Burnett, Jr., Una, S.C. 29378

Grace Baptist Church (Independent), Rev. Paul M. Monroe, Lexington, N.C. 27292

Salem Baptist Church (Independent), Dr. Donald R. Suttles, Director of Business Affairs, Piedmont Bible College, Winston-Salem, N.C. 27107

Sunnyside Baptist Church, Pastor Dalton Carrington, Toccoa, Ga. 30577

First Baptist Church, Pastor Paul G. Williams, Maine, N.Y. 13802

Calvary Baptist Church, Pastor Kenneth I. Smith, Fremont, Calif. 94538

Hampden Baptist Church, Pastor James P. Carter, Baltimore, Md. 21212

Northern Virginia Primitive Baptist Church, Pastor Hoyt B. Simms, Fairfax, Va. 22030

Grace Independent Baptist, Pastor Thomas J. Hawkins, Jr., Crownsville, Md. 21032

First Baptist Church, Pastor W. A. Burkey, Fairfield, Ga. 94533

Bible Baptist Church, Rev. Earl E. Jones, Fayetteville, N.C. 28306

Faith Baptist Church (G.A.R.B.C.)*, Pastor Donald G. Hager, New Hampton, Iowa 50659

Fellowship Baptist Church, Rev. Frank McQuade, Glen Mills, Pa. 19342

Wheelersburg Baptist Church, Rev. Richard L. Sumner, Wheelersburg, Ohio 45694

First Baptist Church, Rev. R. H. Fitzpatrick, Riverdale, Md. 20840

The Bible For Today, Collingswood, N.J., Rev. D. A. Waite, Director (Th.D., Ph.D.), Member, Bethel Baptist Church, Cherry Hill, N.J. 08000

First Baptist Church (Independent), Rev. Audron Seymour, Dilliner, Pa. 15327

Grace Baptist Church, Pastor Jack Dean, Bowie, Md. 20715

Baptist Church, Pastor James R. Hartman, Shell Rock, Iowa 50670

Independent Baptist Church, Pastor Randy Shook, Hickory, N.C. 28601

Freewill Baptist Church, Rev. James A. Pittman, Grifton, N.C. 28530

Primitive Baptist Church, Elder Loren H. Wilson, Brooklet, Ga. 30415

SOUTHERN BAPTIST CHURCHES

(Southern Baptists are members of the Southern Baptist Convention)

First Baptist Church, Rev. Robert L. Scruggs, Capital Heights, Md. 20027

Middleton Road Baptist Church, Pastor Ralph F. Carter, Anderson, S.C. 29624

Giant City Baptist Church, Rev. Larry E. Allen, Grant City, Mo. 64456

Hepzibah Baptist Church, Pastor J. William Casaday, Talladega, Ala. 35160

Baptist Church, Pastor Paul R. Baxter, Crittenden, Ky 41030

Baptist Church, Dr. W. R. Bates, La Mirada, Calif. 90637

Baptist Church, Pastor Coy R. Bates, Upper Marlboro, Md. 20870

Baptist Church, Pastor Bill Blackburn, Shelbyville, Ky. 40065

Baptist Church, Rev. Joseph L. Aaron, Opp, Ala. 36467

Morgans Baptist Church, Pastor David Brooks, Moneta, Va. 24121

First Baptist Church, Pastor William L. Brown, Clearwater, S.C. 29822

Baptist Church, Rev. Lyndol E. Adams, Midwest City, Okla. 73130

No. Waco Baptist Church, Pastor H. O. Bilderback, Waco, Texas 76708

Baptist Church, Pastor James N. Birkitt, Ashland, Va. 23005

Baptist Church, Pastor Arles L. Bingham, Strongsville, Ohio 44136

Baptist Church, Pastor Robert Benson, Kackson, Tenn. 38301

Baptist Church, Pastor C. C. Bennett, Lincoln, Ala. 35096

Baptist Church, Rev. Dale Pl Wyatt, Portsmouth, Va. 23707

Baptist Church, Pastor Douglas W. Bauldree, Foley, Ala. 36535

Baptist Church, Pastor Jack E. Beck, Austin, Texas 78753

Oak St. Baptist Church, Pastor Thomas C. Biggar, Maryville, Tenn. 37801

Baptist Church, Pastor David Berryhill, Willow Springs, Mo. 65793

Baptist Church, Pastor B. R. Yarbrough, Manassas, Va. 22110

Baptist Church, Rev. W. B. Bolt, Greenville, S.C. 29609.

Baptist Church, Pastor D. E. Beasley, Lenox, Ga. 31637

Baptist Church, Pastor Norman S. Bell, Potsdam, N.Y. 13676

Baptist Church, Pastor Jerald P. Belzer, Fremont, Nebr. 68025

Bolivar Drive Baptist Church, Rev. Phil Swanson, Bradford, Penna. 16701

First Grifton Baptist Church, Pastor Wm. S. Brown, Grifton, N.C. 28530

Cray Baptist Church, Rev. Oscar L. Everett, Spotsylvania, Va. 22553

Parkville Baptist Church, Rev. Claud Logan Asbury, Baltimore, Md. 21234

Wayne Hills Baptist Church, Pastor Nevin S. Alwine, Waynesboro, Va. 22980

Mt. Ed. Baptist Church, Pastor Ronald J. Nickell, Batesville, Va. 22924

Baptist Church, Pastor Ty Berry, Dexter, Mo. 63841

Curtis Baptist Church, Pastor Lawrence V. Bradley, Augusta, Ga. 30901

Northwest Baptist Church, Dr. F. William Chapman, Miami, Fla. 33168

CHRISTIAN AND MISSIONARY ALLIANCE

Christian and Missionary Alliance, Rev. Nolan J. Brisco, Swanton, Ohio.

Christian and Missionary Alliance, Rev. David Carlson, Gainesville, Georgia.

CHURCH OF GOD

Lake Road Church of God, Rev. Richard Hines, Charlottesville, Va.

Pine Valley Church of God, Rev. I. C. Morris, Jr., Wilmington, N.C.

Church of God, Rev. Ronald E. Grooms, Kynx, Ohio.

Church of God, Rev. Alton Stone, Jr., Wilmington, N.C.
Church of God, Rev. D. D. Cordell, Enid, Okla.
First Church of God, Rev. Howard Liverett, Santa Maria, Calif.
Church of God, Rev. John R. Gouge, Abingdon, Va.
Cleveland Church of God, Rev. W. H. Valentine, Wooster, Ohio.
First Church of God, Rosalie E. Vierra (Dir. Christian Educ.), Sacramento, Calif.
Church of God, Rev. R. W. Hines, Waynesboro, Va.

DISCIPLES OF CHRIST

Disciples of Christ, Rev. Pettit H. Coffey, Louisa, Va.
Disciples of Christ, Rev. Herman Trauernicht, York, Nebr.

EPISCOPAL

Christ Church, Rev. Gordon B. Davis, Gordonsville, Va.
Grace Episcopal Church, Rev. Frank Young, Fork Union, Va.
St. Raphael's, Rev. D. Crandall, Oakhurst, Calif.
St. John's, Rev. Joseph A. Dunaway, Waynesboro, Va.

CHURCH OF THE BRETHREN

Community Brethren Church, Rev. George Arthur Carey, Grass Valley, Calif.
Church of the Brethren, Rev. M. Ward Halterman, Bergton, Va.
First Church of the Brethren, Rev. Guy S. Fern, Altoona, Pa.
Church of the Brethren, Rev. Clarence M. Moyers, Staunton, Va.
Church of the Brethren, Rev. Dwight Hargett, Decatur, Ind.
Stonelick Church, Rev. Roscoe Pringle, Goshen, Ohio.
Bethel Church, Rev. James O. Eikenberry, Carleton, Nebraska
Church of the Brethren, Rev. Stanley M. Waybright, Oakland, Md.
Muskegon Church OTB, Rev. Otto S. Zuckschwerdt, Muskegon, Michigan
Church of the Brethren, Rev. Robert M. Latshaw, Pottstown, Pa.
Little River Church OTB, Rev. Elwood F. Humphreys, Craigsville, Va.
Church of the Brethren, Rev. Clyde Carter, Dolesville, Va.
Spindale Church OTB, Rev. Chas. F. Rinehart, Spindale, N.C.
Church of the Brethren, Rev. Walter Snyder, Freedom, Pa.
Germantown Brick Church, Rev. Sylvus D. Flora, Rocky Mount, Va.
Boones Chapel Henry Fork, Rev. Harold M. Kenepp, Penhook, Va.
Prairie View Church, Rev. Richard L. Deemy, Friend, Kansas
Morrolluill Church, Rev. Chalmer C. Dilling, Johnstown, Pa.
Stover Memorial, Rev. Berwyn L. Oltman, Des Moines, Iowa
Pittsburg Church, Rev. Bruce Noffsinger, Delphi, Indiana
Bethel Center, Rev. Doyle Peyton, Hartford, Indiana
Church of the Brethren, Rev. Willis H. Freed, Jr., Hagerstown, Md.
South Bend City Church, Rev. E. Myrl Weyant, South Bend, Indiana
Church of the Brethren, Rev. H. S. Craig, Staunton, Va.
County Line Church OTB, Rev. Dave Thompson, Lima, Ohio
Church of the Brethren, Rev. N. W. Crumpacker, Roanoke, Va.
Church of the Brethren, Rev. John E. Grimley, Brookville, Ohio
Church of the Brethren, Rev. R. Dean Fawley, Bridgewater, Va.
Church of the Brethren, Rev. Andrew S. Bontrager, Paradise, Calif.
Poages Mill Church OTB, Rev. Dr. Allen D. Pugh, Roanoke, Va.
Church of the Brethren, Rev. B. A. Smith, Christiansburg, Va.
Church of the Brethren, Rev. Archie P. Naff, Pilot, Va.
Bassett First Church OTB, Rev. William C. Stovall, Bassett, Va.
Mount Ida Church OTB, Rev. Ralph Loshbaugh, Westphalia, Kans.
Church of the Brethren, Rev. Fred R. Clayton, Kasson, W. Va.

UNITED BRETHREN IN CHRIST

United Brethren in Christ, Rev. Herbert Householder, Junction City, Ohio.
United Brethren in Christ, Rev. Carl V. Hinkle, Staunton, Va.

CATHOLIC

St. Thomas Catholic Church, Rev. Bernard Michalik, Riverside, Calif.
Sacred Healer, Rev. D. A. Farinba Jr., Patterson, N.J.
Fatima, Rev. Anthony McGowan, San Clemente, Calif.
Mary Queen of Heaven, Sister Roseanna, Erlanger, Ky.
New Orleans, Rev. Robert G. Howes, New Orleans, La.
St. Anthony, Rev. James O. Rielly, Riverside, Calif.
St. Adelaide, Rev. William Erstad, Highland, Calif.
Our Lady Of Perpetual Help, Rev. Donald Casey, Riverside, Calif.
St. Catherine's, Rev. John Donald Quinn, Avalon, Calif.
St. Matthews, Rev. Bernard C. Cronin, San Mateo, Calif.
St. Augustine's, Rose M. Moffett, Oakland, Calif.
St. Paul, Rev. Cathal M. J. Brennan, Silverton, Oreg.
St. Patrick, Rev. John P. Farrell, Scotia, Calif.
St. Mary's, Rev. Michael F. Logan, Whittier, Calif.

CHURCH OF CHRIST

Willow Street COC, Rev. Bernard Bliss, Effingham, Ill.
Church Of Christ, Rev. Clifford E. Reeves, Fresno, Calif.
Bethany United COC, No Pastor, Cuyahoga Falls, Ohio.
Church Of Christ, Rev. Philip H. Powers, East Alton, Ill.
Montgomery COC, Rev. Roger O. Williams, Cincinnati, Ohio.

CONGREGATIONAL

W. Williamsfield Church, Rev. Kenneth R. Roden, Dorset, Ohio.
Lake Avenue Congregational Church, Rev. Ed Holtz, Los Angeles, Calif.

LUTHERAN

Lutheran Church Missouri Synod, Rev. Kenneth L. Zank, Roseburg, Oreg.
Lutheran Church, Rev. L. Beale, Anaheim, Calif.
Lutheran Church, Rev. Dennis A. Kastens, Aiea, Hawaii.
St. Luke Lutheran Church, Rev. Luther Herman, Benton, Ark.
Peace Lutheran Church, Rev. Norman L. Hammer, Honolulu, Hawaii.
Lutheran Church, Rev. Gregory Bye, Dayton, Wash.
Lutheran Church Missouri Synod, Rev. Ralph A. Weinrich, Cocoa Beach, Fla.
Lutheran Church, Rev. Kasimir Kachmarek, Sweet Home, Oreg.
American Lutheran Church, Rev. Herbert W. Wolber, Englewood, Fla.
Bethlehem Lutheran Church, Rev. Eldon L. Pickering, Sedro Woolley, Wash.
Lutheran Brethren Church, Rev. Allen J. Foss, East Hartland, Conn.
Lutheran Church, Rev. E. G. Meseke, Baldwin, Ill.
St. Peter Lutheran Church, Rev. E. H. Pfeiffer, Carlsbad New Mexico.
Lutheran Church, Rev. Robert E. Ward, Portland, Oreg.
Lutheran Church Missouri Synod, Rev. Eldon K. Winker, Blytheville, Ark.
Lutheran Church, Rev. Frank Zirbel, Gillett, Ark.
Lutheran Church Missouri Synod, Rev. Thomas E. Meyer, Aurora, Colo.
American Lutheran Church, Rev. Erling A. Jacobson, Bensenville, Ill.
Lutheran Church, Rev. Norman M. Nessett, Corvallis, Oreg.
Lutheran Church, Rev. William Gittner, Montgomery, Ala.
Grace Lutheran Church, Rev. Robert E. Cassell, Elkhart, Indiana.
Good Shepherd Lutheran Church, Rev. Wendell Brown, Salinas, Calif.
Lutheran Church Missouri Synod, Rev. Arnold E. Strohschein, Portland, Oregon.

MENNONITE

Stuarts Draft Mennonite Church, Rev. Charles C. Ramsey, Lyndhurst, Va.
Mountain View Mennonite Church, Rev. Roy D. Kiser, Stuarts Draft, Va.

UNITED METHODIST (EXCEPT AS NOTED)

New Milton UMC, Rev. Robert H. Pimto, Highland Mills, N.Y.
St. Lukes UMC, Jacob R. DeHaven (Chmn. Soc. Concerns), Martinsburg, W. Va.
St. Lukes UMC, Rev. Richards C. Chambers, Martinsburg, West Virginia.
First UMC, Rev. Gordon L. Hemphill, Brewer, Maine.
United Methodist Church, Rev. Lucy S. Norton, Asheville, N.C.
United Methodist Church, Rev. Claude B. Dickenson, Greenville, Va.
United Methodist Church, Rev. Charles K. Root, Farmingdale, N.J.
United Methodist Church, Rev. Donald E. Wildman, Tupelo, Miss.
Emerickville UMC, Rev. G. K. Marshall, Brookville, Pa.
Etlaw Free Methodist Church, Rev. Ronald I. Shultz, Etlaw, Va.
Mineral Wesleyan Methodist Church, Rev. Samuel R. Swinney, Mineral, Va.
Glovier Memorial UMC, Rev. Lee G. Bowman, Waynesboro, Va.
Frances Childs UMC, Rev. Kenneth P. Stevens Jr., West Collingswood, N.J.
United Methodist Church, Rev. Ronald E. Dunk, Brick Town, N.J.
Garden Heights UMC, Rev. Malvin F. Warntz, Altoona, Pa.
United Methodist Church, Rev. Henry W. Burruss, Charlottesville, Va.
St. Stephens UMC, Rev. A. K. Shumake, Staunton, Va.
United Methodist Church, Rev. Jerry D. Ruff, Sea Isle City, N.J.
Linvale UMC, Rev. Stuart A. Snedeker, Vincentown, N.J.
First UMC, Rev. Ralph W. Widman, Bucyrus, Ohio.
Essex UMC, Rev. Robert Hurley, Essex, Md.
Allegheny Wesleyan Methodist Church, Rev. Clifford A. & Ruth Holen, Sacramento, Calif.
Chevy Chase UMC, Rev. Elmer Kimmel, Chevy Chase, Md.
United Methodist Church, Rev. Orion N. Hutchinson, Asheville, N.C.

NAZARENE

Chrisman Church of the Nazarene, Rev. Martin Arni, Chrisman, Ill.
First Church of the Nazarene, Rev. A. Ralph Montemuro, Salisbury, Md.
Oak Grove Church of the Nazarene, Rev. Leslie Wooten, Decatur, Ill.
Eldorado Church of the Nazarene, Rev. Wayne Bowers, Eldorado, Ill.
Church of the Nazarene, Rev. S. Oren Woodward, Charlottesville, Va.

UNITED PRESBYTERIAN

Granger UPC, Rev. William W. Ainley, Granger, Wash.

Parker Heights UPC, Rev. Paul V. Neel, Wapato, Wash.

United Presbyterian Church, Rev. Osborn McKay, Williston, Fla.

United Presbyterian Church, Rev. J. B. Martin, Elkton, Va.

Culpeper Presbyterian Church, Rev. Horace D. Douty, Culpeper, Va.

United Presbyterian Church, Rev. John H. Rogers, Cashmere, Wash.

United Presbyterian Church, Rev. Ernest L. Vermont, Skagway, Alaska

First Presbyterian Church, Rev. Donald Meekhof, Ellensburg, Wash.

United Presbyterian Church, Rev. Elbert G. Harlow, Port Angeles, Wash.

United Presbyterian Church, Rev. Vernon A. Anderson, Dallas, Tex.

United Presbyterian, Rev. Robert S. Chamberlain, Washington, D.C.

Cottage Lake Presbyterian Church, Rev. Richard L. Grout, Woodinville, Wash.

White River UPC, Rev. James F. Armstrong, Auburn, Wash.

Cranbury UPC, Rev. Fred W. Quigley, Cranbury, N.J.

First UPC, Rev. Frank D. Svoboda, East Islip, N.Y.

Oliver UPC, Rev. Victor I. Alfsen, Minneapolis, Minn.

Bedford Presbyterian Church, Rev. Thomas A. Hughart, Bedford, N.Y.

United Presbyterian Church, Rev. Gabriel Abdullah, Jacksonville, Fla.

Lakewood Presbyterian Church, Rev. Ernest Eric Pelz, Tacoma, Wash.

United Presbyterian Church, Rev. Lane G. Adams, Memphis, Tenn.

United Presbyterian Church, Rev. Andrew A. Jarvis, Grandview, Wash.

Southern Presbyterian Church, Rev. Harry W. Alexander, Lexington, Ky.

United Presbyterian Church, Rev. M. L. Andrews, Orlando, Fla.

United Presbyterian Church, Rev. Wayne R. Aughinbaugh, Charlotte, N.C.

United Presbyterian Church, Rev. Young Karl Choi, Seattle, Wash.

United Presbyterian Church, Rev. Elliott R. Ohannes, Republic, Wash.

Sumner First UPC, Rev. R. B. Snelling, Sumner, Wash.

Community UPC, Rev. Jim Forbes, St. Maries, Idaho.

Community UPC, Rev. Darrell Udd, Buckley, Wash.

Church of the Atonement, Rev. Stewart J. Rankin, Silver Spring, Md.

INTER OR NONDENOMINATIONAL

Independent Christian Church, Rev. William E. Stork, Mattoon, Ill.

Church of the Open Bible, Rev. Roger V. Seacord, Greenwich, N.Y.

Catacombs Outreach Church, Rev. Randy Shanley, Gilbertsville, Pa.

Ivis Bible Church, Rev. Dave Minturn, Hindman, Ky.

Christian Church, Rev. Phil Hansen, Rochester, Ill.

First Christian Church, Rev. E. T. Phelps, Jr., Flora, Ill.

Church at Northern Virginia, Rev. J. Topping, Oakton, Va.

Orcutt Christian Church, Rev. Kevin Don Levellie, Santa Maria, Calif.

Thoroughfare Chapel, Rev. George W. Johnson, Jr., Brightwood, Va.

Forcey Memorial Church, Rev. Gerald G. Small, Silver Spring, Md.

Free Holiness Church, Rev. Pressley L. Pullen, Craigsville, Va.

Evangelistic Center Church, Rev. A. J. Rowden, Kansas City, Mo.

Faith Community Church, Rev. J. Harvey Dixon, Salisbury, Md.

Interdenominational Church, Rev. David H. Hine, Portland, Oreg.

Full Gospel Church, Rev. Fred P. Chacon, Carmichael, Calif.

Some-One-Cares, Rev. Lance J. Antosz, Wheaton, Md.

Life Bible Fellowship, Rev. David H. Hine, San Bernardino, Calif.

Stokesville Community Church, Rev. Ray E. Tabor, Staunton, Va.

Four States Christian Missions, Rev. James M. Resh, Hagerstown, Md.

The Federated Church, Rev. Russ Rehm, Waterville, Wash.

The Salvation Army, Rev. Capt. Fred Marshall, Concord, N.H.

Moores Corner Church, Rev. William C. Floge, Leverett, Mass.

Interdenominational Church, Rev. S. R. Schwambach, Evansville, Ind.

Christian Broadcasting Network, Rev. Milton Markworth, Terre Haute, Ind.●

CIVIL SERVICE REFORM

● Mr. RIBICOFF. Mr. President, we are soon to consider the Civil Service Reform Act. This legislation is most important and is needed so that our Government can operate efficiently and effectively. The needs have beeen recognized over the years by members of the Cabinet of both parties. I submit for the RECORD a letter to me from former Secretary of Health, Education, and Welfare John W. Gardner, cosigned by the following distinguished former members of the cabinets of various Presidents: Alan Boyd, Clark M. Clifford, Wilbur Cohen, Arthur S. Flemming, Henry H. Fowler, Orville L. Freeman, Arthur J. Goldberg, Nicholas J. Katzenbach, Elliot L. Richardson, George Schultz, William E. Simon, Alexander B. Trowbridge, Stuart Udall, Robert C. Weaver, Willard Wirtz:

The letter follows:

WASHINGTON, D.C.,
June 1, 1978.

Hon. ABRAHAM RIBICOFF,
Chairman, Committee on Governmental Affairs, U.S. Senate, Washington, D.C.

DEAR CHAIRMAN RIBICOFF: As former Cabinet members we have maintained a deep interest in improving the civil service system. We join together in support of the President's proposed Civil Service Reform Act and Reorganization Plan.

The reform program provides for broader delegation of authority for personnel decisions to heads of departments and agencies in the Executive Branch. The consequence would be to decentralize personnel decision-making in the Federal government, making it more certain that decisons will be made on a timely basis and be based on program need.

The proposals seek to strike that balance necessary in a public personnel system, a balance which simultaneously provides managers with the tools to manage while providing for appropriate employee protections. The division of the Civil Service Commission into the Office of Personnel Management and the Merit Systems Protection Board gives the Federal government the necessary institutional framework for attaining this balance while the legislation incorporates those powers necessary to the operation of these institutions.

The President proposes to create a Senior Executive Service, which will make it much easier to effectively utilize and reward those top level career people who are the backbone of the public service.

The Civil Service Reform Bill also proposes an incentive pay system for supervisors and managers at the GS–13 through 15 levels. Tying financial rewards to standards of organizational and individual performance provides a critically needed tool to make government work well.

While we might differ as to detail on the President's proposals, we agree unanimously on the need for comprehensive civil service reform and on the sound objectives which shaped the proposed legislation.

Given the urgency of improving governmental efficiency and effectiveness, we urge your Committee to act promptly. Your actions can go a long way to restore public confidence in the Federal government.

Sincerely,

Alan Boyd, Clark M. Clifford, Wilbur Cohen, Arthur S. Flemming, Henry H. Fowler, Orville L. Freeman, John W. Gardner, Arthur J. Goldberg, Nicholas J. Katzenbach, Elliot L. Richardson, George Shultz, William E. Simon, Alexander B. Trowbridge, Stuart Udall, Robert C. Weaver, Willard Wirtz.

It was physically impossible to arrange for the actual signing of this letter by each of the above, but they fully endorse it.

JOHN GARDNER.●

IMPACT OF LONGSHOREMEN ACT ON SMALL BUSINESS

● Mr. CRANSTON. Mr. President, I submit for the record a recent statement by my colleague from California, Congressman GEORGE MILLER of Contra Costa County. Congressman MILLER and I have sponsored legislation in this Congress to amend the Longshoremen and Harbor Workers' Act in order to remove from coverage small recreational boat works and marinas whose workers were never intended to be covered. Congressman MILLER has prepared a fine summary of the issues and the need for this legislation, which I would like to share with my colleagues.

The statement by Congressman MILLER follows:

MILLER INVESTIGATION OF IMPACT OF LONGSHORE ACT ON SMALL BUSINESS

(By Congressman George Miller)

A great crisis has been brewing over the last several years in the recreational boat and marina industry which threatens not only the future of these small businesses, but also the millions of boat owners who utilize them. In my own district, the cities of Richmond, Martinez and Pittsburg have all constructed new marinas for use by the citizens of Contra Costa County, and throughout the country, other cities and private interests have similarly invested large amounts of money into such projects.

Now, the future of these marinas, and the future of the small, recreational boat business in general, is in serious jeopardy. This crisis has been precipitated by the decision of a Department of Labor bureaucrat who, without any justification in law, decided to apply the Longshoremen and Harbor Workers' Act to the small boat industry. Overnight, insurance rates skyrocketed without any corresponding increase in injuries among employees. In some areas, rates rose by as much as 400 percent, forcing businesses either to pay the higher rates (and correspondingly increase their prices to boatowners), or close down.

Working conditions in the small boat business, and at marinas, make wholly inappropriate the application of insurance rates which were designed for large scale, injury-prone shipbuilding and repair yards. Assistant Secretary of Labor Donald Elisberg, who as a Senate staff person participated in the

drafting of the 1972 amendments to the Longshoremen's Act, recently acknowledged this disparity before the Subcommittee on Compensation, Health and Safety, of which I am a member. Mr. Elisberg told the subcommittee: "There have been relatively few injuries reported by this industry. During the three months July-September, 1977, when we conducted a survey, only 158 such injuries were reported nationwide, of which only 62 involved lost time from work. In February, there were 24 lost time injuries reported; in March, 44; and in April, 28."

For the sake of comparison, I would like to point out that there were 171,300 injuries in all occupations covered by the Longshoremen's Act throughout the Nation in 1976. Given the infinitesimal injury rate in the recreational and marina businesses, it strikes me as nothing short of preposterious to impose the high rates of the LHWA, which were designed for hazardous occupations, to these small scale firms.

The United States District Court for the Northern District of California reached a similar conclusion earlier this year. In the case, Boating Industry Associations, et al., v. Ray Marshall, the Court found no legal justification for applying the 1972 amendments to recreational boat builders and marinas. The Court ordered the Department of Labor to rescind Notice 21 and instructed the federal government to declare "that it is no longer the official position of the Labor Department that the LHWA applies to recreational boat builders and marinas."

Together with 31 House and Senate colleagues, I wrote to the Secretary of Labor and requested that he accept the ruling of the District Court and not file an appeal. Unfortunately, the Labor Department has decided to pursue the appeal.

It was because of the obvious failure of either the courts or the bureaucracy to address the concerns of small businessmen and their millions of affected customers that I introduced H.R. 8878 last year. This bill would remove small boat builders and marinas from coverage under LHWA if the workers do not work over the navigable waters of the United States, and if the workers are covered by state workman's compensation laws. Despite a great deal of testimony before the Subcommittee on Compensation, Health and Safety, it now appears unlikely that H.R. 8878 will be enacted this year. For boatmen in California, the problem will take on even more serious overtimes because the State Legislature has not renewed the coverage of these yards under the State Fund. For many builders and marinas, the future appears extremely bleak.

I am very disappointed that enactment of H.R. 8878 will have to be delayed. For many months, I discussed this legislation with business and labor organizations, Members of Congress, representatives of the Department of Labor, and others. I do not believe that the specific provisions of this bill would cause any of these interests any significant problems. Yet promises of cooperation and good faith have apparently gone by the board, and the penalty will unjustifiably be paid by small boatmen.

In order to establish a sound empirical base for next year's action on this legislation, I intend to request the General Accounting Office to begin immediately an investigation of the legislative history and fiscal impacts of Notice 21 on small recreational boat builders and marinas. I also am requesting the GAO to investigate the ripple effect of Notice 21 with respect to the closure of yards, increases in mooring, launching and storage fees for boatowners, and other related cost increases which are passed along to those who patronize marinas and recreational boat yards. GAO will, in addition, be asked to compare the injury rates in small businesses with the rates in larger shipbuilding establishments in order to determine whether there is any rational basis for imposing the high LHWA rates on small employers.

In addition, I will ask the GAO to investigate whether evidence exists to determine if insurance companies are exploiting Notice 21 in order to impose unjustifiably high rates for recreational boat makers and marinas.

This investigation will lay important groundwork for legislative action in the next session. I intend to pursue the policy of H.R. 8878 because it is evident to me that the Longshoremen and Harbor Workers' Act has been seriously misinterpreted and misapplied by the Department of Labor. The effects of Notice 21 are being felt by employers, workers, and customers alike. This unreasonable, and legislatively unjustified policy, represents a very serious sword over the heads of the entire recreational boating industry which must be corrected. I am hopeful that, armed with additional evidence of the illwisdom of this interpretation, the Congress will move more expeditiously next year.●

UTILIZATION CONTROL UNDER MEDICAID—CLARIFICATION OF CONGRESSIONAL INTENT

CORRECTION

● Mr. HASKELL. Mr. President, in the RECORD of yesterday, August 17, 1978, at page 26710, in some correspondence between myself and Senator TALMADGE, with respect to section 1903(g) of the Social Security Act, reference was made in column 1, paragraph 3, line 2 paragraph 4, line 2, and paragraph 4, line 15, to Public Law 95–245. This should have been Public Law 95–142. I ask that the permanent RECORD be corrected.●

INDIAN HEALTH CARE: A NEED TO UPGRADE PREVENTIVE HEALTH CARE SERVICES

● Mr. DOMENICI. Mr. President, among the growing problems confronting the United States today, there continues to be an increased need for accessible and available preventive health care services for our American Indian and Alaska Native populations. The Department of Health, Education, and Welfare established the Indian Health Service (IHS) in 1955 with the goal "to raise the health status of the American Indian to the highest possible level." Notwithstanding this effort, the health care problems of this population subgroup continue to grow. In spite of the significant gains which have been made, much more remains to be done.

Current statistics of the health status of the American Indian and Alaska Native population demonstrate the continuing inadequacy of available preventive health care services. The statistics I am about to discuss demonstrate that health problems among this segment of our population continue to be greater than those of the rest of our citizens.

The tuberculosis rate for the American Indian-Alaska Native population is 4.4 times the U.S. rate.

The infant mortality rate is 1.3 times the U.S. rate.

The influenza and pneumonia rate is 2.3 times the U.S. rate; and

Otitis media (inflammation of the inner ear) affects 40 percent of the American Indian-Alaska Native population aged 1–4. If this problem is not corrected at an early period of life, it can cause permanent ear damage.

The health problems of the American Indian-Alaska Native population extend far beyond the parameters of the areas listed above. Alcoholism and alcohol abuse continues to be a serious health problem facing this population. The alcoholism death rate for American Indian-Alaskan Natives during the past 10 years has ranged from 4.3 to 5.6 times the overall U.S. rate. In fact, in my own State of New Mexico, five of the ten leading causes of death among Indians are alcohol-related. According to a recent report prepared by the Association of American Indian Physicians, Inc., some of this can be attributed to "understaffing and underfunding of Indian health and alcohol-treatment centers . . ." But that does not explain why the American Indian-Alaska Native population should receive inadequate preventive health care services. It is time for us to reevaluate what this country's true commitment is to the American Indian-Alaska Native population and begin to seriously correct these inadequacies. By providing adequate and accessible preventive health care services now, we can develop a national approach to minimize premature institutionalization of elderly Indians, and prevent unnecessary hospitalization.●

VETERANS' AFFAIRS COMMITTEE

● Mr. SASSER. Mr. President, as we move closer to the end of this legislative session, I would like to take this opportunity to commend my colleague Senator ALAN CRANSTON, chairman of the Senate Veterans' Affairs Committee, and the distinguished members of that committee for the work they have done to aid the veterans of our Nation's Armed Forces.

In particular, I would like to commend Senator CRANSTON and his colleagues for their untiring efforts in the areas of veterans' and survivors' pensions, disability compensation, and housing benefits. These three areas, embodied in bills H.R. 10173 (S. 2384), S. 2828 and H.R. 12028, respectively, comprise three major areas regarding veterans' benefits.

Mr. President, a brief look at H.R. 10173 (S. 2384) indicates that this bill makes substantial strides toward providing a restructuring of the pension program for wartime veterans disabled by reason of non-service-connected disability. Further. S. 2828 will provide for an increase in the rates of disability compensation for disabled veterans, and increase the rates of dependency and indemnity compensation for their surviving spouses and children. And, finally, H.R. 12028 will provide additional assistance to veterans by increasing the basic rate for home loans from $17,500 to $25,000, as provided under chapter 37 of title 38, United States Code, as well as expand the entitlements relating to certain wartime service to include Vietnam-era veterans.

Mr. President, passage of this legislation is, I feel. recognition by Congress of America's debt to those veterans who

defended her shores and her democratic ideals in times of crisis. The Senate Veterans' Affairs Committee, led by its very able chairman, has distinguished itself this year by presenting legislation that so positively expresses the Nation's gratitude to the veterans of our Armed Forces. I commend that committee, and support it for its outstanding efforts.●

REGENERATION: GROWING NEW LIMBS

● Mr. GLENN. Mr. President, an article, "Growing New Limbs", appeared in the August 6, 1978 Washington Post which I found fascinating and exciting. The author, Ms. Susan Schiefelbein, an associate editor of Saturday Review magazine, from which the article was reprinted, tells of the advances that have been made in the regeneration of severed parts of amphibians and mammals by electrical stimulation, and of the potential far-reaching benefits for humans. Regeneration has already been used to heal broken human bones, and physicians may possibly one day use electrical stimulation to regrow reformed, damaged limbs and crippled joints, and even to regenerate severed spinal cords that cause paraplegia. Many questions have been raised and need to be answered about the possible uses of regeneration in preventing and treating cancer.

By tracing the progress that has been made since Italian physiologist Luigi Spallanzani first wrote about regeneration in 1768 to the work being done today by Dr. Robert Becker, chief of orthopedic surgery at the Veterans' Administration Hospital in Syracuse, N.Y., Dr. Marcus Singer of Case Western Reserve University in Cleveland, and other scientists, Ms. Schiefelbein gives a good example of the value of basic research. She shows how different areas of science that seem unrelated, and how the work of many individual scientists over a long period of time, come together to bring about significant advances.

We sometimes hear criticism of individual experiments which sound ridiculous or unworthy of the time and money being spent on them, and occasionally there are obvious excesses. But often, as is shown in this article, previously unrelated bits and pieces of new knowledge eventually come together to bring about exciting, new scientific advances of great and unforeseen benefit.

Efforts to explore the unknown, to exercise a curiosity which adds to the known, is not readily amenable to the normal rigors of today's cost accounting. In fact, that uniquely human characteristic of wondering "why," and also of "why not," are at the heart of every step in human progress since time immemorial.

I am glad to have the opportunity to bring this article to the attention of my colleagues and ask that it be printed in the RECORD.

The article follows:

[From the Washington Post, Aug. 6, 1978]

GROWING NEW LIMBS

(By Susan Schiefelbein)

Physicians may one day treat patients who have shattered limbs, crippled joints and injured spines in a way that man never before dared to dream of: regrowing the damaged part—whole, perfect and undiseased.

For centuries man has watched in wonder as the salamander regenerated its severed limbs, never imagining that complicated human parts could grow back in such a way. The halt and the lame could be made whole, it seemed, only by the healing waters of Bethesda or the touch of a god incarnate. But in recent years, scientists have grown back a frog's leg from elbow to toes and a rat's leg from shoulder to the top half of the elbow, with cartilage and bone, muscle, nerves and veins, all in awesome anatomical precision.

One of the pioneers in the field, Dr. Robert Becker, chief of orthopedic surgery at the Veterans Administration Hospital in Syracuse, N.Y., has already applied the newly found healing mechanism to broken human bones, successfully knitting fractures that previously had failed to heal even after extensive surgical procedures. He and his colleagues have now reached the point where they can confidently predict that regeneration of human parts can and will be achieved, possibly in the next few decades.

A brave new world? Not a bit. The magic of regeneration has been with us all along, hidden in the wondrous complexity of every organism's bodyworks. These scientists are not performing miracles; they are witnessing them.

Their challenge, then, has been not so much to recreate a limb as to discover how some animals do so naturally. The chronicle of their quest reads like a detective story; for clue by clue, Becker and his colleagues have been unraveling a medical mystery that began with creation.

The tale begins with a few known biological principles about regeneration that were to serve as the departure point for their search. The way regenerative healing works has been observed, if not explained, for hundreds of years; the process still seems so magical that even the most clinical of researchers must shake his head in amazement as he watches the microscopic metamorphosis unfold.

The body of every animal, from the flatworm on up the evolutionary scale, possesses primitive, undifferentiated cells that could best be described as being like raw clay. When a creature which can regenerate loses a limb, these cells migrate to the injury, forming a mass called a blastema. Some of the mature, specialized cells at the site of the injury dedifferentiate, reverting to primitive form, and add further to the blastema. The blastema then respecializes, transforming itself into whatever types of cells are needed to replace the missing part—bone cells, cartilage cells and so forth. Somehow, the blastema absorbs information about what to produce along the way, so that at the appropriate moment, it creates an elbow joint or a tibia or a fibula, a left leg or a right one.

TWO IMPORTANT CLUES

The first formal paper on regeneration was written by the great Italian physiologist Luigi Spallanzani and appeared in 1768. Spallanzani's experiments uncovered the first two important clues: The younger the animal, the greater its capacity for regeneration; and the lower an animal is on the evolutionary scale, the greater its capacity for regeneration.

This latter finding was especially interesting, for it provided a clue in itself. The lower orders that regenerate are biologically just as complicated as man; their parts are just as difficult to replace. The main difference is—and this was later to become a significant clue—that animals in the lower orders have comparatively more nerves in their extremities.

A third clue was buried in the writings of the late 1700s. Every time a creature is injured, an electrical charge is generated at the site of the injury. This phenomenon is called the current of injury, and it is proportionate to the severity of the wound.

It was not until some 180 years later that scientists again began to delve into the mystery of regeneration. In 1945, the biologist Meryl Rose (a retired professor of anatomy at Tulane University College of Medicine who is currently affiliated with Woods Hole Marine Biological Laboratories) amputated the forelegs of some frogs below the elbows. Thinking he could perhaps promote growth by preventing the injuries from scarring over, he bathed the stumps of the frogs' limbs in a strong salt solution.

The result was startling. About half of each amputated limb regenerated, developing new bone and muscle and in some cases even showing the beginnings of digital growth. Thus Rose became the first to prove that an animal which cannot regenerate naturally can be made to do so artificially.

The next year, a Russian named Vladimirovic Polezhaev amputated frogs' legs in a similar fashion and then irritated the stumps by repeatedly jabbing them with needles. The result? Astonishingly, he regenerated about the same amount of growth that Rose had with the salt solution. It was possible that the salt not only had prevented scarring but, like the needle punctures, had actually execerbated the injuries and thereby stimulated growth. Now there was another clue: Regeneration may somehow be connected to the severity of injury.

In the early 1950s, Marcus Singer, now a professor of anatomy at Case Western Reserve University in Cleveland, became the next to uncover important evidence. He transferred nerves from a frog's healthy hind legs to the stump of its foreleg; his frog also regenerated about the same amount of growth that Rose's had. Singer's contribution to the collection of clues is an almost mathematical formulation: The nerve tissue required for regeneration must constitute at least 30 percent of the total tissue at the site of the injury.

Then, in 1958, a Russian named A. V. Zhirmunskii discovered that the current of injury is proportionate not just to the severity of the injury but also to the amount of nerve tissue in the area.

Becker's turn at medical detection also came in 1958. He assembled his evidence as a good detective would assemble his suspects: Injury is related to regeneration; nerve tissue is related to regeneration, and both injury and nerve tissue are related to the current of injury. Could the current of injury, Becker reasoned, thus be related to regeneration?

He measured the current of injury in a salamander's regenerating leg and in a frog's scarring stump. Sure enough, his findings seemed to support his hunch. On the day the legs were amputated, both creatures generated the same current of injury—a positive voltage. But there the similarity ended: As the frog's stump scarred over, the current of injury in its leg declined to zero; but the current of injury in the salamander's leg switched from a positive to a negative polarity and only then began to decline, reaching zero when regeneration was complete.

Becker had definitely discovered a connection between the current of injury and regeneration. In a sense, however, his discovery complicated rather than clarified the mystery. The way the current of injury worked in those limbs was simply not concurrent with the way nerves are supposed to produce electricity.

Nerve fibers have traditionally been thought to respond to stimulation in only one way: Sodium penetrates into the nerve cell and potassium leaks out, creating a chemical reaction that generates a charge called an action potential. Whatever the stimulus—a gentle touch or an injury—the action potential is exactly the same. Moreover, each nerve fiber can create only one of these poten-

tials at a time. Becker compares the system to that of a digital computer, which transmits single impulses in rapid succession.

Herein lay Becker's problem: How could the action potential—a constant—account for the switch from positive to negative polarity that he had seen in the salamander's current of injury? How could the action potential account for the fact that the current of injury lasted many days after the stimulated nerve cells should have either died or repaired themselves and ceased their impulses? How could the action potential, which responds in the same way to every stimulus, account for the fact that creatures feel intensities of pain?

Becker guessed that in addition to its digital-computer impulses, the central nervous system can carry steady currents and potentials—in the way an analog computer can. He further theorized that the body's analog computer system has an input signal—could it be pain?—that triggers an output signal which switches on the heating function.

To verify his theory, Becker measured the electrical potentials of different points on the skin of humans and other animals. He found an electrical field that roughly parallels the nervous system. A disturbance in that field, such as an injury, might stimulate cells to begin repairs.

Becker's theory ran counter even to basic textbook explanations of the nervous system, and medical men let him know it. "That cells are capable of sensing and responding to levels of electrical current is hardly universally accepted," he wrote in one medical journal. But he stuck to his convictions; and today, more than a decade later, doctors are coming to accept his hypothesis. "They no longer march out of my lectures," he says. "The response has changed from complete rejection through amused disbelief to—at present—almost enthusiastic acceptance."

BONE REGENERATION

And no wonder. The experiments that Becker based on his unorthodox vision of the nervous system produced remarkable results. First, in 1964, Becker began to examine the spontaneous regeneration of human bone. Given the fact that bone is not well innervated, the theories about electrical stimulation would not apply—unless bone could generate its own electricity. Becker knew that bone accommodates automatically to mechanical stress. When he measured the currents around a stressed bone, he discovered that it generated a positive charge on the stretched side (which dissolved some bone) and a negative charge on the other side (which built up bone and provided the necessary added support). Then Becker administered a negative charge to a mouse's broken leg bone to see if he could artificially stimulate bone growth. He did.

In 1964, Steven Smith, then a student of Meryl Rose and now an associate professor in the department of anatomy at the University of Kentucky, studied Becker's findings and got the idea of implanting a simple electrode right into the muscle tissue of the stump of a frog's leg. He soldered together a piece of platinum wire, which has a positive charge, and a piece of silver wire, which has a negative charge, and embedded the metal into the animal tissue—with the negative end at the stump—thus improvising a crude battery. It worked. He regenerated about as much growth as the Rose, Polezhaev and Singer experiments had the decade before.

Breakthrough followed breakthrough. Becker examined his healing frog bones under a microscope and saw that the blastema around the regenerating bone was coming from a blood clot that had formed there. (A frog's red blood cells are prime candidates for blastema, for, unlike the red blood cells of mammals, they have nuclei and thus can easily divide and dedifferentiate.)

His next step? He had a student expose frog blood to various levels of electrical current in order to find out exactly how much of a charge is needed to turn blood cells into blastema. Days passed, then months. The student administered smaller and smaller currents to the blood (high ones either did nothing or began to cook the cells), but he saw no evidence of change. Finally, the week before the student was supposed to quit and return to his classes, he found that blood cells revert to blastema at a few billionths of an ampere.

In 1973, armed with the knowledge of how much current produces a blastema, Becker decided to brave the step from regenerating amphibians to regenerating mammals. He amputated a rat's foreleg below the shoulder and implanted the platinum-silver electrode device at the stump. Again, success—this time, the most exciting ever. The animal regenerated nerves and tissue and even formed the humerus, the upper-arm bone, complete with the rounded end that fits into the elbow joint. Other parts of the elbow joint began to take shape, including cartilage and two bony structures that Becker surmised were the forerunners of the radius and ulna bones of the lower leg. Everything about the new growth was precisely as it had been in the original limb. And all this growth took place in just three days.

But then the growth ended; for the electrode remained implanted in the shoulder tissue, while the end of the stump, where regeneration was taking place, had grown beyond the reach of its vital current.

The rat's growth, though incomplete, was nevertheless significant, particularly in one respect: The fact that the rat, whose red blood cells have no nuclei, could form a blastema—probably from bone marrow—indicated that in all probability humans could do so as well.

About this time in London, two newborn infants lost their fingers, and the fingers regenerated naturally. The explanation, in Becker's view, probably lies with Spallanzani's early finding that the younger the creature, the better its ability to regenerate. But what was most significant about the babies' growth was that it indicated that the human body contains within it the capacity for regeneration.

Later in 1973, Smith devised an electrode that would travel with the regenerating stump. Again he amputated a frog's leg below the elbow: With the new device, the frog's entire leg grew back.

The year 1973 marked a third triumph as well: Becker began using his findings about the body's electricity in experiments on human bone. A patient of his who had fractured his ankle two years earlier suffered from a mild diabetic condition that was interfering with the bone's ability to regenerate. The ankle had failed to mend despite two corrective operations; and the bone on both sides of the break had deteriorated.

Under normal circumstances, Becker would have had to amputate the leg. Instead, he implanted an electrode into the fracture and administered the same current that he found had divided the frog's red blood cells. He waited three months, the time an ankle fracture would normally take to heal, and the fracture regenerated. A sample of the new bone showed it to be normal in every respect.

CLUE IN THE NERVES

The next year, during the course of routine experiments, Becker stumbled on another clue that finally shed considerable light on his nervous system theory. With the intention of impeding growth, he and his staff broke the tibia in a rat's leg and then cut the nerve that led to the broken limb, assuming that without a nerve supply the rat's bone would heal poorly, if at all. But the fracture healed well; the only drawback was that it took twice the normal time. Perhaps the severed end of the nerve needed time to degenerate, they thought. So they cut the nerve six days before breaking the bone. To their astonishment, the bone healed in the normal amount of time, as if the nerve had never been cut at all.

What was going on? They opened up the leg, only to discover that the nerve fiber had not healed. What *had* healed was the nerve's sheath of Schwann cells—one of a dozen types of cells that make up the "perineural group"—traditionally thought to serve no purpose other than the insulation of the nerve fiber. The perineural cells in the brain were known to carry a steady current—for what reason, no one knew. It now seemed apparent that Schwann cells also carry a steady current. This was proof enough for Becker that the analog computer system he had theorized was indeed contained in the perineural cells—cells that sheathe the entire central nervous system.

The perineural discovery is by no means the end of the tale. Experiments must still be conducted to determine if electrical regeneration is entirely safe. Could applications of electricity to the peripheral nervous system, for example, induce some sort of behavorial disorder? Or damage our cognitive powers? Every human body contains dormant cancer cells. Could an implanted electrode shock them into fatal multiplication?

Nevertheless, much of the mystery has been solved. Only the last chapter—the most exciting one—has yet to be written. It may well describe the modern world as a Shangri-La where damaged human parts are simply cut off and grown back properly. Our future may lie not with the bionic man but with the natural man.

The replacement of arthritic hip joints with Teflon parts, for example, is now a costly and not altogether satisfactory operation. The Teflon wears out. If the device is implanted in a young person, it may have to be replaced some four or five times in the course of his life. And with each hip operation, there is the risk of infection, which can be a deadly prospect. The alternative—growing a natural hip—would be safer and cheaper.

We may also someday regenerate a damaged heart. Becker has discovered that salamanders replace some 50 percent of their cardiac muscles by regeneration. And Polezhaev has cut away the scar tissue on the hearts of dogs which had suffered severe heart attacks; all of the hearts regenerated and less than 5 percent of the dogs died. We may even replace parts defective at birth, given that damaged genes do not garble the instructions given to the blastema.

Becker himself is hesitant to herald regeneration as an immediate cure for amputees. The replacement of severed parts, he says, is still pretty far off. Why not aim for more immediate uses that would be beneficial to greater numbers of people? Severing the spinal cord in man produces paraplegia because man's spinal cord does not regenerate. Becker, however, thinks that since salamanders regenerate their spinal cords, man's spinal cord could perhaps be electrically stimulated to do the same thing. It would take only a year to see whether electrical stimulation works without complications in a paraplegic dog or monkey. And if such stimulation works safely in them, it could be safely applied to humans.

UNANSWERED QUESTIONS

The outstanding disappointment of the entire regeneration tale is that no one is conducting that experiment with paraplegic animals. Why? Money. Becker's own $100,000 grant from the Veterans Administration just covers staff salaries. Experiments are costly; keeping paraplegic animals in particular is frightfully expensive.

Still, it must not be forgotten that the financial problem—serious though it is—is

the only laggard in regeneration's exhilarating face toward the future. It is the promise of regeneration—not the problems—on which we must focus attention. Hundreds of questions wait to be answered.

Animals that regenerate don't get cancer. If a tumor is implanted in a lizard's body, which does not regenerate, it grows to fatal proportions. But if it is implanted in the tail, which does regenerate, the tumor disappears. If we learn how to turn on regeneration (controlled growth), can we learn to turn off cancer (uncontrolled growth)?

Hormones play an important role in regeneration. A chopped-up adrenal gland when implanted in a frog will generate some growth. Moreover, if the adrenal gland is removed from a lizard, the creature will lose its ability to regenerate its tail. If the hormone prolactin is then injected, the lizard will regain its regenerative potential. It has also been hypothesized that hormones secreted during stress can cause cancer. Prolactin is secreted during stress. Is there a connection? Do carcinogens impose a stress on the body, which then triggers a hormonal release that oversensitizes the body to its own electrical forces, thus sparking wild division of cells?

If a negative charge builds up bone and a positive charge dissolves bone, could positive charges have an effect of malignancies?

If pain is the input signal needed by the brain to trigger healing, does anethesia—the muffling of the pain signal—impede healing?

When power lines are stretched across the sea, amplifiers are put in at regular points to boost the current along. The body's electrical system may run the same way, equipped with special spots along the analog nervous system that boost the signals as they are carried to or from the brain. Becker has found that half of the traditional acupuncture points correspond to the spots in the nervous system that seem to be amplifiers of electricity. Could acupuncture simply involve the insertion of a metal needle into one of the amplifiers, short-circuiting the pain signal so that it never reaches the brain?

Does the body's sensitivity to electricity explain why reversals in the earth's magnetic field are related to the extinction of certain animals?

When one electrical field is imposed on another, the currents are altered. When one human being approaches another, do their biological electric systems overlap? Is this a scientific explanation for the "psychic" mystery of ESP?

The characteristics of the analog nervous system are such that it should be influenced by external electrical fields. Becker has already found experimental evidence that would indicate that electrical fields such as those produced by power transmission lines produce stress in animals—with consequent physical effects that are shocking indeed to the layman. What is the relation between this unseen electrical pollution and human stress?

The possibilities seem infinite. Each is like a silver key. Which one will open the door to a new world?●

COMMUNIST DEBT AND TECHNOLOGY TRANSFER

Mr. THURMOND. Mr. President, it appears to me that the Western nations of the world are in the process of financing their own destruction.

Western governments and international monetary organizations are loaning money or grantnig credit to Communist nations and even to Russia in the hundred millions of dollars.

As a perfect example of this, the World Bank just voted to loan Communist Vietnam $60 million interest free for an irrigation project. Granted the United States did vote against loan approval, but still U.S. money will be used to assist a Communist country.

The United States itself has water projects which cannot get Government financing but a Communist country against which we have a trade embargo can get money interest free. Mr. President, I just cannot understand why this country feels it necessary to help its sworn enemies.

An informative chart, which appeared in the July 1977 edition of "Foreign Affairs" shows the East European debt to the West. Since 1970 this debt has increased from $8.3 billiion to $45.3 billion at the end of 1976. The Russian debt alone has increased from $2.5 billion to $14.4 billion during the same period. Mr. President, I ask unanimous consent that this table be printed in the RECORD at the conclusion of my remarks.

The PRESIDING OFFICER. Without objection, it is so ordered.

(See exhibit 1.)

Mr. THURMOND. These loans to Communist countries are financing such things as chemical industries, capital equipment, copper industry, steel mill equipment, steel, heavy duty trucks, et cetera. Such equipment can and very possibly will be used in an attempt to overtake the Western world.

A study prepared by the Congressional Research Service of the Library of Congress in July 1977 entitled "U.S. Trade and Payments With Communist Countries: An Overview," indicates that there is rising concern in the West about the political and strategic implications of the growing Eastern debt. The study goes on to say:

> There are fears among some Western observers that the large exposure of Western banks in the East gives leverage to Eastern debtors. These observers believe that the most exposed banks will have to continue lending in order to protect the loans that they have already made, and that private banks will pressure their governments to increase and protect their loans.

A perfect example of this latter situation was the recently enacted Panama Canal treaties. Panama is heavily indebted to U.S. banks and these banks were very much opposed to our country taking any action that would jeopardize repayment of this money. It is quite possible that if Western banks continue to loan money to Eastern European and other Communist nations, the United States could be placed in a position of being reluctant to take necessary action because of jeopardizing repayment of this money.

Mike Tharp of the Wall Street Journal wrote in the June 16 edition an article entitled "North Korea Failing To Pay Foreign Debts." He writes:

> The Japanese are trying to get the North Koreans to repay overdue trade debts of an estimated $370 million owed to banks and companies. Agreement was reached in 1976 for North Korea to pay interest on these import debts in 1977 and to repay the principal this year. But, say the Japanese, the last payment by Pyongyang was in February, when it sent $3.6 million in interest that was due last September.
>
> The Japanese experience with North Korea is being repeated in several other countries as Pyongyang struggles to find ways to pay its foreign debts, estimated by Japanese bankers to be over $2 billion, of which $1.3 billion is owed to Western banks and companies. These debts are from North Korea's imports of industrial plant and equipment from Europe and Japan that have helped fuel the nation's rapid growth over the past few years.

Mr. President, the article went on to point out that not only are the Japanese unable to get the North Koreans to repay the debt, they cannot even get the North Koreans to discuss the matter because of the North Koreans' passion for secrecy.

Mr. President, I recently read an article entitled "National Suicide: Military Aid to the Soviet Union" which appeared in the February 6, 1978 edition of Research Report, published by American Institute for Economic Research. The article says:

> Lenin reportedly wrote that capitalists would sell the communists the rope with which the communists would hang them.

The article went on to say,

> All modern technology including modern military technology depends on the use of computers. To make any progress in weapons systems the Soviets have to utilize modern high-speed computers. These computers and the necessary computer technology have come from the West and still come from the West, almost exclusively from the United States.

Mr. President, I ask unanimous consent that this article be printed in the RECORD at the conclusion of my remarks.

The PRESIDING OFFICER. Without objection, it is so ordered.

(See exhibit 2.)

Mr. THURMOND. The distinguished Senator from Washington (Mr. JACKSON) recently disclosed further alarming proof that we continue to transfer our high technology to the Soviets. Senator JACKSON revealed that Dresser Industries is proposing to build a multimillion dollar plant in the Soviet Union that would turn out tungsten carbide oil drilling bits essential to Soviet energy resource development. In spite of significant congressional and public opposition, the sale was approved.

Further, the administration was considering a sale to the TASS News Agency of a Sperry Univac computer system vastly larger than any comparable system previously sold to the Soviets. Fortunately, because of congressional pressure, the Sperry Univac was canceled.

In the August 3, 1978 edition of Defense/Space Daily, it was reported that last year the United States sold $1 billion worth of food and $586 million worth of industrial and commercial goods to the Soviets, while buying $234 million goods from the Russians.

In the July 31, 1978 edition of Barron's, Robert M. Bleiberg wrote an article entitled, "Dirty Business—the U.S. Should Ban Technology Transfers to the Soviets." This article points out the fine work done by Antony C. Sutton, former

research fellow of the Hoover Institution and author of several volumes on Western technology and Soviet economic development, Mr. Sutton said:

In general, I find that almost all Soviet technology has originated in the West.

Mr. President, I ask unanimous consent that this article be placed in the RECORD at the conclusion of my remarks.

The PRESIDING OFFICER. Without objection, it is so ordered.

(See exhibit 3.)

Mr. THURMOND. Mr. President, I have urged President Carter to end even consideration of technology transfer to the Soviets. Our biggest advantage over the Soviets is our advanced technology. Congressional pressure on the White House has prevented several transfers recommended by the State and Commerce Departments.

Further, I would urge the President to take a leadership role in ending the flow of U.S. money to the Soviet through private or international banks. I am confident the American taxpayer is not sympathetic with the practice of his or her tax dollar supporting international monetary groups which in turn loan money to the Soviets, Vietnam or any other Communist state. If we continue to follow such a policy we are financing our own destruction. Our country is still the greatest country on Earth and I want to see it remain that way. I urge my colleagues to join with me in urging President Carter to halt involvement of the U.S. taxpayer's money in loans to Communist countries.

EXHIBIT 1

TABLE 1.—EAST EUROPEAN DEBT TO THE WEST

[In billions U.S. dollars]

	End 1970	End 1974	End 1975	End [1] 1976
Bulgaria	[2]	1.7	2.4	2.8
Czechoslovakia	[2]	1.1	1.5	2.1
G.D.R. (East Germany)	[2]	3.6	4.9	5.8
Hungary	[2]	2.3	3.2	3.5
Poland	[2]	4.9	7.8	10.4
Romania	[2]	2.4	2.8	2.8
East Europe (exlc. U.S.S.R.)	5.8	16.0	22.6	27.4
U.S.S.R.	2.5	5.9	11.4	14.4
Country total	8.3	21.9	34.0	41.8
CMEA banks	0	2.1	2.8	3.5
Overall total	8.3	24.0	36.8	45.3

[1] Preliminary estimates.
[2] Not available.

Sources: 1970, 1974 and 1975 based on data provided by Chase Manhattan Bank. Estimate of increments in U.S.S.R. debt during 1976 from World Financial Market, December 1976. Chase estimates of net indebtedness at end 1976 used to derive estimates for other countries.

EXHIBIT 2

[From American Institute for Economic Research, Feb. 6, 1978]

NATIONAL SUICIDE: MILITARY AID TO THE SOVIET UNION

In our research activities connected with a forthcoming bulletin on national defense, we have read one of the most important books about U.S.–U.S.S.R. trade ever to be published. In that book, National Suicide: Military Aid to the Soviet Union, Mr. Antony Sutton assesses some effects of trade between the Western countries, particularly the United States, and the Soviet Union. He prefaces his book by stating that the evidence therein "will come as a surprise—and perhaps an unwelcome shock—to almost all readers."

Mr. Sutton asserts: (1) that Western countries, particularly the United States, have provided military aid to the Soviet Union; (2) that this aid has involved both the direct transfer of arms and, more importantly, through the guise of "peaceful trade," the transfer of modern technology to an otherwise technologically primitive Russia; (3) that this "peaceful trade" has been conducted since the Bolshevik Revolution in 1917 through the present; (4) that this trade has been an integral part of the creation of the Soviet military-industrial complex; (5) that the development of the Soviet military-industrial complex would not have been possible without this Western help; and (6) that the connection between Western trade and Russian military power is known by the highest ranking Washington officials, who have extended great efforts to keep this information hidden from the American public.

Assertions unsubstantiated by evidence merit little attention, even when they might be consistent with one's preconceptions. Actions based on unsupported assertions probably will be harmful as often as helpful. This would apply to claims made by Mr. Sutton if all that he did was to make assertions. If, however, Mr. Sutton can provide sufficient evidence that the above assertions are correct, it would be, as he says, "one of the most tragic stories in the 200-year history of the American republic."

The reason that National Suicide was written is, itself, some evidence that the facts have been hidden from the public. Mr. Sutton had completed the manuscript for the third volume, covering the period 1945–65, of his scholarly Western Technology and Soviet Economic Development. However, the Hoover Institute, which had funded his research and had published the first two volumes of this work, withheld publication of the third volume for more than 3 years. Mr. Sutton then wrote National Suicide to put before the American public the salient findings and primary implications of his unpublished work. Once the Hoover Institute learned of the impending publication of National Suicide, officers there rushed into publication the third volume of Mr. Sutton's Western Technology.

MILITARY AID

A sure way to demonstrate that a nation provided another nation with military aid is to provide evidence of direct shipments of armaments between the two. Mr. Sutton documents his evidence of this in these words: "Purchases of war materials were made directly from American manufacturers. Thus, in 1938 the William Sellers Company of Philadelphia received a contract for heavy machinery for the manufacture of 12-inch steel-plate for armor-plate manufacture. In March 1939 the State Department approved a proposal (already approved by the Navy Department) under which the Electric Boat Company of Groton, Connecticut, would furnish plans, specifications, and construction services to the Soviet Union for a submarine. This weapons-acquisition process of the 1930's culminated in the 1941 Lend-Lease program, under which large quantities of war materials were transferred to the Soviet Union."

The U.S. Lend-Lease program involved direct shipments of aircraft, tanks, guns, trucks, explosives, and naval and marine equipment to the Soviet Union during World War II. In aircraft alone, Mr. Sutton says, "A total of 14.018 aircraft were shipped, including pursuit planes, light bombers, medium bombers, one heavy bomber, transport planes, flying boats, observation planes, and advanced trainers. In addition, link-trainers, and a considerable quantity of aircraft landing mats and communications equipment were shipped."

Some might defend those armament shipments with the argument that they were made before or during World War II and for the benefit of the allied effort against Nazi Germany. However, the sale of strategic materials by Western nations continued after the conclusion of the war. Through the guise of "peaceful trade," Western nations have provided the Soviet Union with materials and technology that could be and have been converted to military use. To believe that only direct military shipments have military applications is sheer folly. Almost anything with an industrial application has a military application. About U.S. shipments of industrial products to Russia, Mr. Sutton writes:

". . . No Army has a machine that churns out tanks. Tanks are made from alloy steel, plastics, rubber and so forth. The alloy steel, plastics and rubber are made in Soviet factories to military specifications. Just like in the United States.

"Missiles are not produced on missile-making machines. Missiles are fabricated from aluminum alloys, stainless steel, electrical wiring, pumps and so forth. The aluminum, steel, copper wire and pumps are also made in Soviet factories.

"In other words the Soviet military gets its parts and materials from Soviet industry. There is a Soviet military-industrial complex just as there is an American military-industrial complex."

Any automobile or truck manufacturing plant can be converted easily to the production of military vehicles, including tanks, weapons carriers, and personnel carriers. In connection with this, Mr. Sutton says, "Although the military output of Gorki and ZIL is well known to U.S. Intelligence and therefore to successive administrations, American aid for construction of even larger military truck plants was approved in the 1960's and 1970's.

"The Volgograd automobile plant, built between 1968 and 1971, has a capacity of 600,000 vehicles per year, three times more than the Ford-built Gorki plant, which up to 1968 was the largest auto plant in the USSR.

"Although Volgograd is described in Western literature as the 'Togliatti plant' and the 'Fiat-Soviet auto plant,' and does indeed produce a version of the Fiat-124 sedan, the core to the technology is American. Three-quarters of the equipment, including the key transfer lines and automatics, came from the United States.

"Up to 1968, American construction of Soviet truck plants was presented as 'peaceful trade.' In the late 1960's Soviet planners decided to build what is going to be the largest truck factory in the world. This plant, situated on the Kama River, will have an annual output of 100,000 multi-axle 10-ton trucks, trailers, and off-the-road vehicles.[1] It was evident from the outset, given the absence of adequate Soviet technology in the automotive industry, that the design, engineering work, and key equipment for such a facility would have to come from the United States.

"In 1972, under President Nixon, the pretense of 'peaceful trade' was abandoned and the Department of Commerce admitted (*Human Events*, Dec. 1971) that the Kama plant will have military potential. Not only that, but according to a department spokesman, military capability was taken into account when the export licenses were issued."

Most, if not all, ship designs and marine engines of course can be used for military purposes. One would have to be a fool to be-

[1] Ed.—This plant covers 36 square miles. Its maximum output of large trucks is more than that of all U.S. manufacturers combined.

lieve otherwise. Yet, Mr. Sutton reveals two telling facts about the Soviet merchant marine:

"First: over two-thirds (68 percent to be exact) of its ship tonnage has been built in Soviet yards and to a great extent with shipbuilding equipment from the West, particularly Finland and the NATO allies, Great Britain and Germany.

"Second: four-fifths (79.3 percent to be exact) of the main marine diesel engines used to propel the vessels of the Soviet merchant marine were built in the West. In other words, only one-fifth of the main diesel engines were built in the USSR. Moreover, even this startling statistic does not reflect the full nature of Soviet dependence on foreign marine diesel technology because all of the main engines manufactured in the USSR are built to foreign designs."

Although some of these vessels were built before or during World War II, many others were produced later. Mr. Sutton cities evidence indicating "that thirty-seven out of the ninety-six Soviet ships on the Haiphong [North Vietnam] run had Western-built engines, manufactured after 1951, which could have been restricted by the State Department."

COMPUTERS

What about computers? Obviously, they too can be used for military purposes. Information processed so fast and efficiently by computers can be military information as easily as nonmilitary. There is no such thing as a computer guaranteed to have no military application.

According to Mr. Sutton, "All modern technology, including modern military technology, depends on the use of computers. To make any progress in weapons systems the Soviets have to utilize modern high-speed computers. These computers and the necessary computer technology have come from the West and still come from the West, almost exclusively from the United States.

"American computer sales may be traced from 1959 with sale of a Model-802 National-Elliott sold by Elliott Automation, Ltd., of the United Kingdom. (Elliott Automation is a subsidiary of General Electric in the United States.) Toward the end of the sixties Soviet purchases of computers were stepped up, and by late 1969 it was estimated that Western computer sales to all of Communist Europe, including the USSR, were running at $40 million annually, in great part from European subsidiaries of American companies.

"In sum, Soviet military computers are either imported American 'civilian' computers or copies of imported American computers redesigned for specific military purposes."

The evidence presented in National Suicide and referred to therein makes a convincing case that Western nations have provided substantial military aid to the Soviets. Although the Soviet Union fought with the Western allies against Hitler's Germany during World War II, since that time the military technology and materials provided by the West to Russia have been used to kill hundreds of thousands of American and other Western soldiers and to support military adventures by Communist puppet leaders throughout the world.

Mr. Sutton describes how the North Koreans and North Vietnamese used Soviet-built trucks, tanks, planes, and vessels to kill hundreds of thousands of American and allied soldiers during the Korean and Vietnamese wars. Much of this military equipment either came directly from Western countries or was produced in Russian factories that were built by Western companies. The Soviet Union almost surely could not have produced these military supplies without Western help. Mr. Sutton has accumulated clear evidence that few Soviet military goods are of Soviet design and that advances in Soviet technology mostly have been copied from Western technological advances.

According to Mr. Sutton's evidence, the Soviets have been so inept at technological development that they could not have become a world military power without Western help. He quotes Leonid Vladimirov, a Russian engineer, in support of this conclusion: "The Russians were never ahead in space . . . the Soviet Union's backwardness in space research is perfectly natural and inevitable, because the Soviet Union is a backward country and in particular is a technologically backward country."

But what about Russian space technology? There is no denying that Russia launched the first space satellite, but the only way that they were able to do so was by capturing intact during World War II German production facilities for rockets and 6,000 German technicians. Entire German rocket facilities were dismantled in Germany and reassembled in Russia. Sputnik I was launched by modified German V-2 rockets strapped together.

UNDOING OURSELVES

Lenin reportedly wrote that capitalists would sell the Communists the rope with which the Communists would hang them. *National Suicide* describes the vast amount of rope thus far provided by the U.S. and our allies. Moreover, the evidence suggests that we even give them detailed instructions on how to use it.

Most Americans are totally ignorant of the facts exposed in this book. In spite of the need for the American public to know this type of information so that wise political choices might be made, effective measures have been taken by U.S. officials to hide these facts from them. Why? How could U.S. officials, in view of this evidence, defend before the American public their practices of promoting and permitting such trade with Russia while at the same time spending hundreds of billions of dollars for defense against the Russian military strength arising from the trade? The inconsistency of U.S. trade policy with the Soviet Union and massive Government expenditures to defend our nation against Russian military power would be obvious.

Mr. Sutton offers this explanation for the inconsistent policies: "If a policy is based on erroneous information or on lack of facts, or if it is developed from accurate data by nonlogical, i.e., mystical, methods, the policy is not likely to achieve its objectives.

"There is adequate reason to believe that Western policy toward the USSR in the field of economic relations is based, first on an inadequate observation of fact, and second, on invalid assumptions. In no other way can one explain the extraordinary statements made, for example, by State Department officials to Congress, by academic writers, and by 50 years of policies which prescribe first the establishment and then the continuing subsidy of a system that simultaneously calls forth massive armaments expenditures. Those countries which have been the prime technical subsidizers of the USSR are also the countries with the largest expenditures on armaments against a presumably real threat from the Soviet Union.

"To subsidize and support a system that is the object of massive military expenditures is both illogical and irrational. In other words, it calls into question not only the ability and the wisdom but indeed the basic common sense of the policymakers.

"The choice therefore is clear: either the West should abandon massive armaments expenditures because the Soviet Union is not an enemy of the West, or it should abandon the technical transfers that make it possible for the Soviet Union to pose the threat to the Free World which is the *raison d'etre* for such a large share of Western expenditures." [2]

If the U.S. were to discontinue trade with Russia, would that deter other Western powers from such trading? The mechanism for assuring that further shipments of strategic materials or technology to the Soviet Union will be stopped already is in place. In 1951 Congress passed the Battle Act, which provides for U.S. participation in CoCom (Coordinating Committee). CoCom is an informal group of representatives of Western nations. Mr. Sutton writes, "Under CoCom arrangements in the Battle Act, the State Department can enter an objection to CoCom concerning any technological exports to the Soviet Union. No CoCom member can make such exports over the objection of any other member of CoCom." Thus, the U.S. could have, and still can, prevent Western trade with the Soviet Union.

U.S. trade with the Soviet Union must be ended. As a defense matter, the ultimate folly is to provide the avowed enemy with any help whatsoever. In times of active war, such provision is treason. Who is ready to claim that the U.S. system is not in a struggle for survival with the Soviet system? As an economic matter, the net effect on the U.S. economy from trading with Russia and having to commit huge quantities of our resources to defense activities clearly is enormously negative and costly. Only when the American public forces their elected representatives to end these inconsistent policies will that change be made. Mr. Sutton urges, "Congress must publish the names and corporate affiliations of all lobbyists and other persons who have previously influenced it to relax the export control laws, together with the inducements and arguments offered.

"Congress should further require the Department of Commerce to publish each month a full, detailed list of all exports to Communist countries, together with the names of the firms involved, brief technical descriptions, and a departmental statement that the exports cannot be used for military purposes against the United States."

If this were required, the Government might be forced to halt trade with Russia. Oppositely, as long as the American public remains ignorant of the national suicidal trade policies now in effect, they probably will continue.

Although the original edition of *National Suicide* no longer is in print, a new edition is expected to be available in a few months. When it becomes available, we shall inform readers how to obtain a copy. We urge all our readers to read this book, and, when possible, to send a copy to their Congressman, and to anyone else who is concerned with or about American's future.

EXHIBIT 3

[From Barron's, July 31, 1978]

DIRTY BUSINESS—THE U.S. SHOULD BAN TECHNOLOGY TRANSFERS TO THE SOVIETS

Real Life, somebody once quipped, follows art; in what passes for real life these days in the nation's capital, that's no joke. Early on in the Carter Administration, we watched with amazement as the Chief Executive sought to foist on the country a conscientious objector as head of the Central Intelligence Agency and a hawk-turned-dove as Secretary of Defense. The incongruous, if not downright bizarre, nominations moved us to make one or two of our own: as head of the Social Security Administration, the ex-boss of Equity Funding; to run the Federal Bureau

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[2] These words are from Mr. Sutton's *Western Technology and Soviet Economic Development*, 1945 to 1965, published by Hoover Institution Press, 1973.

of Investigation, Willie Sutton. Little did we know at the time that the Presidential crony in charge of the Office of Management and Budget happened to be one of the last of the big-time spenders, or that the chief counsel to the White House on Drug Abuse was a user. Thus encouraged by events, we are moved to put forward another modest proposal. To make the really hard decisions on whether to do business with totalitarian states—to decide, for example, whether or not to sell super computers to the Soviets, or to buy cigars from Castro—we urge the appointment of either Kirby Jones, whose Alamar Associates packages trips to Havana for American businessmen, or William C. Norris, chairman of the Control Data Corp.

To judge by the headlines, what this country needs is a take-charge guy. Consider, for example, the confusion that has erupted over the recent decision by the White House to prohibit the sale by Sperry Rand of data processing equipment to Tass, the Soviet propaganda organ. In announcing the move (at least according to J. Paul Lyet, who runs Sperry and presumably should know), the Chief Executive credited the computer with far more capacity than it actually commands, a miscalculation that doubtless falls afoul of some FTC or SEC stricture. By the same token, a number of arms of the Executive branch for nearly a year have been carrying on a "study of the national security and military implications of international technology transfer." Scheduled for release this Friday, the study, say some who have worked on it, concerns itself largely with procedural rather than substantive issues.

Or take the fascinating bureaucratic flap which our Washington editor, Shirley Scheibla, uncovered the other day. Seems that under existing regulations, oil drilling and exploration machinery, which is supposed to be strictly non-military in nature, may be freely shipped abroad. However, last Monday, the Department of Commerce drew up—and nearly made official by publishing in the *Federal Register*—changes which in future would have imposed export controls on drilling rigs and their components, a policy shift that triggered a fresh dispute among the Executive movers and shakers.

No such shilly-shallying for Norris or Jones. The latter, of course, is the former aide to Sen. George McGovern (D. S.D.) who has gone on to fame and fortune by building bridges between the U.S. and Cuba. Heedless of the billions of dollars which the Cubans owe a clutch of American companies, not to mention the tens of thousands of Cuban mercenaries deployed on the African continent, Kirby Jones, at $30,000–$40,000 per plane load, is briskly running package tours for U.S. businessmen from the mainland to Havana. Says an admiring colleague: "He's got a lot of chits he can pick up if things go through."

Control Data's Norris strikes us as equally hardheaded. Last year, until Washington put the kibosh on the deal, his company was all set to sell the Soviets the Cyber 76, an advanced computer with perhaps 40 times the capability of anything now available east of the Iron Curtain. At a press conference held in mid-April to observe the signing of a 10-year pact with the Communist government of Romania, Mr. Norris, so to speak, laid it on the line. Hailing his new partner, he went on to complain to his receptive audience, which included Nicolas Ceausescu, Romanian chief of state, that the major obstacle to expansion of trade between the two countries is the Department of Defense.

Barron's by and large doesn't suffer bureaucrats gladly; on the whole, we are all in favor of cutting red tape. In this strategic realm, however, we would opt for making haste slowly. If U.S. industry doesn't sell to the Soviet Union, runs the standard sales pitch, the competition will. Undoubtedly—someone can always be found to peddle pornography to minors or bribe his customer's buyer, but that doesn't necessarily make it right. There is, after all, such a thing as dirty business. Moral issues aside, the national security happens to be one of the few legitimate provinces of the federal government, one which, by the way, it has handled very badly. Computers, after all, boast military as well as civilian applications. However, for years, in pursuit of the will o' the wisp of detente, Washington has drastically relaxed constraints on their shipment abroad. Long before the latest series of outrages involving Russian dissidents and American nationals, it should have been clear to anyone not blind to the color red that the Soviet Union is an implacable foe. Yet until just the other day, official policy, in effect, has encouraged trading with the enemy. Apologists will find handy rationales for such a course: pragmatism, expediency or live-and-let-live. But along with Alexandr Solzhenitsyn, we call it a betrayal of the Western world and all its values.

And its history dates back about as far as the Gulag Archipelago. On this score, weigh the evidence given to a House Subcommittee by Antony C. Sutton, former Research Fellow of the Hoover Institution, distinguished scholar and author of several volumes on *Western Technology and Soviet Economic Development* (*Barron's*, Feb. 9, 1970). After painstaking research into Soviet progress in the manufacture of ball bearings, merchant ships, military trucks and computers, Dr. Sutton voiced these jolting views: "In general, I find that almost all Soviet technology has originated in the West: This conclusion holds good from 1917 to 1974. There has been some Soviet innovation in recent years, but it is concentrated in a very few fields . . . The reason for Soviet technical dependence appears to be that a centrally planned system cannot generate indigenous innovation . . . that will compete with Western innovation. The Russians are intelligent and capable people. It is the planned economic system that is their problem."

Professor Sutton's research stopped at 1974, but, with occasional reversals, the trend that he underscored (and deplored) persists. U.S. exports to the Soviet Union in 1976 hit a peak of $2.3 billion, from which it dropped last year to $1.6 billion. Most of the business done between the two trading partners represents U.S. sales of wheat and corn—under the Czars, the Ukraine was the granary of Europe, but since November, 1918, the weather has been bad. Nonetheless, tranfers of technology, notably in the field of computers, loom large. At the behest of then Secretary of State Henry Kissinger, fourth generation IBM machines and sophisticated computers from Control Data were sold to the Soviets.

Back in 1973, Control Data broke fresh ground by setting up with the Government of Romania a joint venture "for the purpose of manufacturing computer peripheral equipment . . . and to exchange and develop technology related to those products." Amidst considerable fanfare last spring (at which time he launched his attack on Defense), chairman Norris signed a "unique" 10-year agreement, under which Control Data plans a series of joint ventures with Romania.

Such transactions, as noted, have rarely raised the hackles of the powers-that-be, but there have been exceptions. Last summer, until the Commerce Department demurred, Control Data was all set to ship Moscow the Cyber 76, described as a scientific marvel, capable of processing up to 40 million operations per second and estimated to be at least 40 times faster than the best Soviet counterpart. Over the company's protests, Commerce, citing the likelihood of "diversion to military or strategic uses," blocked the sale. Similarly, after an outcry from Rep. Paul S. Trible (R., Va.), the General Electric Co. withdrew its application to sell a dozen CF6 jet engines to the Soviets. Developed with $315 million of taxpayer's money, and installed in the world's largest passenger and cargo planes, the engine is roughly twice as powerful as anything Moscow can boast. It would have given the Soviets overnight parity with U.S. airlift capability. Win some, lose some.

Until the sudden—albeit perhaps temporary—stiffening of U.S. policy, this country was letting far too much go by default. Now at least some in Washington are having sober second thoughts. Barring the Sperry Rand transaction is a welcome, if belated, step in the right direction, as would be cancellation of a huge sale of sophisticated oil field equipment by Dresser Industries. Still better news has come from the office of Rep. Robert K. Dornan (R., Calif.), who is looking into the possibility of either cutting off—or subjecting to Congressional oversight—all transfers of technology to the Soviets. Capitalists, so Lenin once boasted, would sell rope to their hangman, a chilling figure of speech which Alexander Solzhenitsyn, in his first address in this country, brought up to date. "Don't," pleaded the greatest dissident of them all, "sell earthmoving equipment to our gravediggers."

THE HART BUILDING

Mr. MELCHER. Mr. President, we have been experiencing an onslaught of criticism, often incomplete or misguided, although satirically hilarious in opposition to the addition of the Hart Building for Senators' offices connected to the present Dirksen Building.

I have no idea of why the Architect of the Capitol would plan, if he has, 16-foot ceilings. This is my 10th year in Congress and I have had offices in the Longworth Building on the House side and now in the Russell Building here on the Senate side. My current Senate office has ceilings 15 feet high which, in my view, is impractical and an unnecessary waste of space while, typically, we jam our staffs, their desks, chairs, files, typewriters, and books into an average of 10 feet by 6 feet of floor space per person.

Contrary to the average space for Federal workers in Washington or throughout the country, which is double or more, we ignore the questions of inefficiency and health by allowing such little space that we have to group staffs according to their personal size, their tolerance of noise and their susceptibility to tobacco smoke, in what still amounts to an almost unbearable concentration of tight quarters for human beings.

A few senior Members of both the House and Senate have suggested that the solution is to reduce staff. That mostly comes from those who have additional space for staff in committees, or in additional offices assigned to them in the Capitol enclave on the basis of their seniority and feel no pressure. That solution is often echoed by a few junior Members whose home States are only an hour or two away from the Capitol and, of course, by news media editorialists or funny cartoonists who realize that congressional staff is a popular target for criticism and a newer target than por-

nography, nuclear war, or hard drugs. Yet they ignore the problem of adequate, healthful space for essential workers doing essential work.

I do not believe that Montanans are any different from other people in that they have a lot of problems with, and a lot of criticism of, the Federal Government. Montanans are not very close to Washington and it takes both time and money to come here, so they expect their representatives to dig into their written and verbal complaints and do something about them. That requires staff. We are never caught up, and we are never completely fulfilling our constitutional mandate to control Federal actions through sufficient oversight.

To effectively control or curb a $500 billion Federal budget with only a handful of staff would require daily miraculous feat more stunning than David's slingshot slaying of Goliath. The entire staff of the 535 Members of Congress is only 0.002 percent of the federally paid Government work force who expend that $500 billion and crank out each year thousands of new Federal regulations to regulate citizens' lives and their opportunity to make a living.

Unless the object of the game is to make the Federal Government even more inefficient than it is today, believe me, congressional staff is needed.

The fact is that these office buildings are woefully inefficient. The fact is that at least 3 out of the 5 House and Senate office buildings are unsafe and would not be permitted in any other jurisdiction of the country to continue with the public and employee hazards that now exist in them. Fire marshals in any other jurisdiction would condemn them as public hazards. In 3 out of the 5 principal congressional office buildings there are open stairwells, an absence of fire control and no plans or procedures for the thousands of employees and the public in case of fire. It is the responsibility of the Architect of the Capitol to install those safeguards and Congress should fund the necessary fire precautions that that official has already cited.

It is the responsibility of the Congress itself to protect their employees' health. Since OSHA by law is explicitly excluded from enforcing safe and tolerable working conditions in these buildings on its own initiative, I have requested the Architect to have OSHA survey these buildings—promptly—this month. I shall expect their report to be publicized.

Meanwhile, the public should at least be warned by posted notice at every entrance and on every floor of these three congressional office buildings of the lack of both adequate fire protection and adequate means of escape from fire. I have requested the Architect to promptly post such information for the public. And also, the public is entitled to know that office buildings that are safe and healthful for the employees who work in them must be provided if representative government is expected to control and curb the Federal encroachment into the daily lives of America's citizens.

New Senate offices are essential. If the plans for the proposed Hart Building are not economical—and I do not think we should erect a bunch of bunkhouse buildings around the U.S. Capitol—let us get them altered and get on with the provision of decent office space.

OLDER AMERICANS RURAL AND SPECIAL TRANSIT INSURANCE

Mr. DOMENICI. Mr. President, transportation services continue to be a major problem for our older Americans. Although commendable efforts have been made in recent years, thousands of older Americans remain isolated because they lack mobility within their own communities. The elderly still face physical and economic barriers to public and private transportation that deny them adequate, inexpensive transportation services. In 1974, I testified before the Senate Special Committee on Aging that—

Inadequate transportation systems intensify other severe problems confronting the elderly. Low income people suffer most, but individuals with low and median fixed retirement incomes also suffer when suitable transportation is not available . . . Transportation, especially in my rural State of New Mexico, is a constant problem to senior citizens . . . The 1971 White House Conference on Aging pointed out that rural transportation problems must be solved before there can be effective solutions to the rural health, income, employment, and housing difficulties faced by the elderly.

Mr. President, in rural America transportation for the elderly is extremely limited and in most instances nonexistent.

In many ways, rural areas need more effective transportation systems than do urban areas, and yet rural residents are rapidly losing access to even inadequate modes of transportation. Rural transportation studies have indicated that transportation systems must be planned in accord with population growth. Most of the elderly prefer to stay in their own communities. They are reluctant to move to urban areas or be institutionalized. Needed social and medical services are located in urban areas. In Bernalillo County, N. Mex., which includes our largest city—Albuquerque—for example, better than 25,000 of the county's 41,000 elderly—61 percent—lack personal transportation or reasonable access to public transportation. Existing public transit, limited to the metropolitan Albuqeurque area, is wholly inadequate in the rest of the county.

The Administration on Aging, through the aging network, the Federal Department of Transportation, nonprofit organizations, civic groups and social service agencies, has made some progress in alleviating the transportation difficulties faced by the elderly. However, these efforts have come face to face with a number of acute problems, including spiraling inflation, rising fuel and maintenance costs, and the unavailability of—or exorbitant cost of insurance.

The Senate Special Committee on Aging, on which I serve as the ranking minority member, held hearings in July of 1977 on 'Transportation and the Elderly: Problems and Progress—The Insurance Issue." At the hearing I noted:

I am appalled at the information which has recently come to our attention as to the increase in insurance costs for vehicles which serve the elderly. I am also dismayed at the apparent evidence of age discrimination in the practices of certain insurance companies.

We know that older Americans are severely hampered in getting to and from places to which they need to travel. In many rural areas there is no public transportation at all. This has led to the development of alternative services provided by titles III and VII of the Older Americans Act. Furthermore, much-needed help is given by RSVP volunteers. Many volunteers will be forced to drop out of the program if these insurance problems are not promptly resolved.

We also know that transportation is given by social workers in public and private agencies, sometimes by public health nurses. It would be interesting to know how many agencies in large and in rural areas provide some kind of transportation for the elderly. What are the regulations required by each agency for use of the van or bus? Is there a means test? An age test? A handicapped test? A family with many problems would have to travel in separate buses to the proper place for care.

It seems to me that coordination for our various specialized transportation systems would make it possible for insurance coverage on a group basis. We seem to have the same problems in transportation, of fragmentation and restrictive regulations, as we do with delivery of home care services. I sincerely hope that today's witnesses can give us some ideas as to how we can solve this problem of insurance.

In September 1977 at a meeting of the National Association of Independent Insurers in Des Plaines, Ill., industry representatives raised the following concerns to the Senate Special Committee on Aging staff.

In the event of a suit brought by an injured passenger, will they be able to have the court apply the standard of care owed by a common carrier? This is part of the larger question—what legal degree of care is owed by these social service carriers to their aged passengers?

If they accept this type of risk as a social responsibility, will they be forced by State regulators to accept other high-risk business they do not want to take on?

Will the insurers be classified as Federal contractors if they accept this business?

If a volunteer driver is reimbursed for mileage, will his service be classified as a public livery?

Can total liability be limited to help lower rates? If this is done, will the courts permit it?

It is clear that the Federal Government and the insurance industry have not come to terms in seeking solutions to this most serious problem. This problem is not one which lends itself to a Federal solution inasmuch as individual States have the responsibility for regulating the insurance industry.

It has recently come to my attention that the White House is now working to address this problem as part of an effort to deal with the problems of rural America. I am pleased to see that the White House is taking an active interest in resolving the insurance crisis facing many rural social service and transportation providers. It is my understanding that a number of task forces will be appointed to formulate recommendations

which can be the focus for discussion at a later White House seminar.

I believe we must continue to seek every avenue available to promptly resolve this situation. We must use every resource at our disposal to assure a speedy solution to this serious problem. I am pleased that the President has begun to take action on this issue, and I hope he will do everything possible to expedite this study. I believe this task force will find a need for vigorous Federal, State, and local action to overcome this pressing problem. I hope the President will act promptly and forcefully when the task force study reaches his desk.

TECHNICAL AND CLERICAL CORRECTIONS

Mr. ROBERT C. BYRD. Mr. President, I ask unanimous consent that the Secretary of the Senate be authorized to make technical and clerical corrections in the engrossment of Senate Resolution 540.

The PRESIDING OFFICER. Without objection, it is so ordered.

CONSIDERATION OF CERTAIN MEASURES ON THE CALENDAR

Mr. ROBERT C. BYRD. Mr. President, I ask unanimous consent that the Senate proceed to the consideration of Calendar Order Nos. 1002, 1003, 1005, and 1007.

The PRESIDING OFFICER. Without objection, it is so ordered. The clerk will report the first bill.

RETENTION OF INSURANCE BENEFITS BY CERTAIN RETIRED EMPLOYEES

The Senate proceeded to consider the bill (H.R. 4319) to amend subchapter III of chapter 83 of title 5, United States Code, to provide that employees who retire after 5 years of service, in certain instances, may be eligible to retain their life and health insurance benefits, and for other purposes, which had been reported from the Committee on Governmental Affairs with an amendment to strike all after the enacting clause and insert the following:

That (a) section 8706 of title 5, United States Code, is amended—

(1) by striking out subsections (b) and (c) and inserting in lieu thereof the following new subsection:

"(b) If on the date the insurance would otherwise stop—

"(1) the employee—

"(A) retires on immediate annuity, or

"(B) is receiving compensation under subchapter I of chapter 81 of this title because of disease or injury to the employee, and is certified by the Secretary of Labor or his delegate as being unable to return to duty; and

"(2) the employee has been insured under this chapter during—

"(A) the 5-year period immediately preceding such date, or

"(B) if the employee was entitled to be insured during only a part of such 5-year period, the entire period for which he was so entitled,

life insurance only may be continued under conditions determined by the Commission. The amount of life insurance continued under this subsection shall be reduced by 2 percent at the end of each full calendar month after the date the employee becomes 65 years of age and is retired or is receiving such compensation for work injury. The Commission shall prescribe minimum amounts, not less than 25 percent of the amount of life insurance in force before the first reduction, to which the insurance may be reduced.";

(2) by redesignating subsection (d) through (f) as subsections (c) through (e), respectively;

(3) by striking out "The" in the first sentence of subsection (c), as redesignated by paragraph (2), and inserting in lieu thereof "Notwithstanding subsections (a) and (b) of this section, the"; and

(4) by striking out "(a)–(c)" in subsection (d), as redesignated by paragraph (2), and inserting in lieu thereof "(a) and (b)".

(b) Section 8705(a) of title 5, United States Code, is amended by striking out "or (c)".

(c) Paragraph (2) of section 8714(a) of title 5, United States Code, is amended to read as follows:

"(2) So much of the standard optional life insurance (without accidental death and dismemberment insurance) in force on an employee on the date he retires on an immediate annuity or becomes entitled to receive compensation for work injuries under subchapter I of chapter 81 of this title which has been in force under this chapter during—

"(A) the 5-year period immediately preceding such date, or

"(B) any period of service during such 5-year period which the standard optional insurance was available to him if not available the entire 5-year period,

may be continued, under conditions determined by the Commission, after retirement or during the period the employee is receiving compensation for work injuries and is certified by the Secretary of Labor or his delegate as being unable to return to duty, subject to the same monthly reductions required for regular life insurance under section 8706(b) of this title.".

SEC. 2. Section 8901(3)(A) of title 5, United States Code, is amended by striking out "12" and inserting in lieu thereof "5".

The committee amendment was agreed to.

UP AMENDMENT NO. 1689

(Purpose: Providing an effective date)

Mr. ROBERT C. BYRD. Mr. President, I send to the desk an amendment and ask for its immediate consideration.

The PRESIDING OFFICER. The amendment will be stated.

The assistant legislative clerk read as follows:

The Senator from West Virginia (Mr. ROBERT C. BYRD), for Mr. SASSER, proposes an unprinted amendment numbered 1689.

Mr. ROBERT C. BYRD. I ask unanimous consent that further reading of the amendment be dispensed with.

The PRESIDING OFFICER. Without objection, it is so ordered.

The amendment is as follows:

On page 5, after line 3, insert the following new section:

SEC. 3. The amendments made by this Act shall take effect on the later of—

(1) the date of the enactment of this Act, or

(2) October 1, 1978.

Mr. ROBERT C. BYRD. The purpose of this amendment is to assure that this legislation is in conformity with the Congressional Budget and Impoundment Control Act of 1974, specifically section 401(b).

The amendment was agreed to,

Mr. BAKER. Mr. President, I ask unanimous consent that a statement by the Senator from Alaska (Mr. STEVENS) be printed in the RECORD at this point.

The PRESIDING OFFICER. Without objection, it is so ordered.

STATEMENT OF SENATOR STEVENS

I wish to join the distinguished Chairman of the Subcommittee on Civil Service and General Services (Mr. SASSER) in support of H.R. 4319, which will amend the existing law to reduce from 12 to 5 years the length of service required by a retiring Federal employee to retain his group life insurance and health benefits coverage during retirement. This action will equate the years of creditable service necessary to retain the insurance benefits with retirement benefits. Under present legislation, disability retirees are the only group of employees who may continue their life and health insurance coverages after retirement with 5 years of service.

Under this bill, there will be no increase in the unfunded liability of the Retirement Fund during the first 5 years following enactment. During the ensuing years, the increase in the unfunded liability would be minimal. H.R. 4319 would make retirement possible for many eligible employees over age 62, who now stays on the job solely to complete the required 12 years of service for life insurance and health benefits retention. Finally, it would standardize at 5 years the service requirement for vesting of employee life insurance and health benefits coverage, the same as the present 5-year service requirement for a vested right to retirement benefits.

The amendments were ordered to be engrossed and the bill to be read a third time.

The bill was read the third time, and passed, as amended.

Mr. ROBERT C. BYRD. I move to reconsider the vote by which the bill was passed.

Mr. BAKER. I move to lay that motion on the table.

The motion to lay on the table was agreed to.

Mr. ROBERT C. BYRD. Mr. President, I ask unanimous consent to have printed in the RECORD an excerpt from the report (No. 95–1080), explaining the purposes of the measure.

There being no objection, the excerpt was ordered to be printed in the RECORD, as follows:

EXCERPT

PURPOSE

The purpose of H.R. 4319, as amended, is to reduce from 12 to 5 years the length of service required by a retiring employee to retain his group life insurance and health benefits coverages during retirement.

Thereafter, the subcommittee on July 12, 1978, recommended favorable action on the bill, as amended.

The provisions of H.R. 4319, as amended by the committee, reflect two basic changes in the legislation as it was passed by the House of Representatives. First, it will become effective immediately upon enactment. Second, the committee amended the legislation relating to life insurance to make it conform with the Commission's proposal to revise the Federal Employees' Group Life Insurance law, chapter 87 of title 5, United

States Code. Both changes were recommended to the committee by the Civil Service Commission.

Regarding the effective date, as pointed out by the Commission, the effective date of the legislation was originally set 5 years in the future (1982) primarily because of the provision for mandatory separation at age 70 after 5 years of service. However, since elimination of age 70 mandatory retirement was being considered and has since been enacted as Public Law 95-256, the House deleted that provision from the bill but they did not change the effective date off the health benefits and life insurance provisions. The Commission also stated that "because the additional cost would be minimal, the Commission recommends that it become effective upon enactment."

On April 20, 1978, the Civil Service Commission submitted a proposal to the Congress to amend the Federal Employees' Group Life Insurance (FEGLI) Law. The proposed in part provides for the continuation into retirement of both regular and optimal life insurance after 5 years of participation. The Civil Service Commission in order to avoid conflict recommended to the committee that H.R. 4319 be amended to conform with the Commission's proposal. As a result, the legislation as amended will permit all insured employees who retire on immediate annuity, or become entitled to receive workmen's compensation under 5 U.S.C., chapter 81 and are determined by the Department of Labor to be unable to return to duty, to continue optimal and/or regular FEGLI life insurance if they have been insured for such coverage for a minimum of 5 years or from the first opportunity to elect coverage, if less than 5 years.

BACKGROUND

The Federal Employees' Group Life Insurance law (section 8706(b) of title 5, United States Code) and the Federal Employees' Health Benefits law (section 8901 (3)(A) of title 5, United States Code) provide for the retention of life and health insurance coverage after an employee's retirement on an immediate annuity, either on disability or after having completed at least 12 years of creditable service. The committee believes that, in light of the fact that an employee has vested rights under the civil service retirement system after 5 years of creditable civilian service, the 12-year service requirement for retention of health and life insurance benefits during retirement no longer can be justified and that it unduly discriminates against many employees.

EXTENSION OF CERTAIN BENEFITS TO FORMER EMPLOYEES

The Senate proceeded to consider the bill (S. 408) to amend title 5, United States Code, to extend certain benefits to former employees of county committees established pursuant to section 8 (b) of the Soil Conservation and Domestic Allotment Act, and for other purposes, which had been reported from the Committee on Governmental Affairs with an amendment on page 1, beginning with line 3, strike through and including line 5, and insert in lieu thereof the following:

That (a) section 5334(f) of title 5, United States Code, is amended—

(1) by inserting a comma after "may"; and

(2) by striking out "under the Department of Agriculture,".

So as to make the bill read:

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That (a) section 5334(f) of title 5, United States Code, is amended—

(1) by inserting a comma after "may"; and

(2) by striking out "under the Department of Agriculture,".

(b) The first sentence of section 6312 of title 5, United States Code, is amended by striking out "in the case of any officer or employee in or under the Department of Agriculture".

(c) Section 3502(a)(C) of title 5, United States Code, is amended by striking out "who is an employee in or under the Department of Agriculture".

SEC. 2. The amendments made by the first section of this Act shall take effect on the date of the enactment of this Act.

The amendment was agreed to.

Mr. ROBERT C. BYRD. Mr. President, I ask unanimous consent that a statement by the Senator from Tennessee (Mr. SASSER) be printed in the RECORD at this point.

The PRESIDING OFFICER. Without objection, it is so ordered.

STATEMENT BY SENATOR SASSER

S. 408, which was introduced by Senators Huddleston and Dole, amends current law in order to grant former employees of the Agricultural Stabilization and Conservation Service, who become employed by a Federal agency, certain benefits such as: transferring accumulated sick and annual leave, receiving full credit for prior service in determining the annual rate of annual leave accrual and reduction-in-force preference, and transfer of previous rate of pay.

I am personally very much aware of the contributions made by employees of the Agricultural Stabilization and Conservation Service (ASCS). The work which they do in administering specified commodity and related land use programs is absolutely vital to the country. The programs which they implement are developed by the President, the Congress and the Secretary of the Department of Agriculture. The ASCS employees operate on the county level, working directly with local farmers to implement Federal programs designed for voluntary production adjustment, resource protection, and price, market, and farm income stabilization. Although the Federal government develops, finances, and provides for the implementation of these programs, the ASCS employees are not considered to be federal civil service employees. However, they are eligible to participate in the civil service retirement system and other employee programs. In addition, should an ASCS employee become competitively employed by the Department of Agriculture he or she is eligible to transfer annual and sick leave, creditable service for leave earning and reduction-in-force purposes, and the highest previous rate of pay for salary determination purposes. Furthermore, should such an employee then become employed in another federal agency, he or she will retain all previous benefit coverage.

The Subcommittee on Civil Service and General Services, which I chair, held hearings on this subject on March 17, 1978 and the Governmental Affairs Committee, on August 10, 1978 issued a favorable report on the legislation.

S. 408 addresses an important issue for a relatively small number of people who are thoroughly dedicated public servants. The legislation simply attempts to establish some uniformity and consistency in the treatment of county committee employees who transfer into federal agencies. I urge my colleagues to give S. 409 their wholehearted support.

Mr. BAKER. Mr. President, I ask unanimous consent that a statement by Senator STEVENS be printed in the RECORD at this point.

The PRESIDING OFFICER. Without objection, it is so ordered.

STATEMENT BY SENATOR STEVENS

After P.L. 90-367 was enacted in 1968, county committee employees of ASCS (the Agricultural Stabilization and Conservation Service) could enter into Federal employment with the Department of Agriculture with three benefits. These included (1) the entry into any Federal agency at their highest previous salary level, (2) the transferral of annual and sick leave to the new position, and (3) the crediting of service for the purpose of leave and reduction of force. These former county committee employees desiring Federal jobs still must meet competitive selection procedures for positions in the Department.

Under present law, the committee members are entitled to the benefits listed above solely with regard to employment in the Department of Agriculture. The Subcommittee on Civil Service and General Services held extensive hearings on this bill. Thus I join Senators Dole and Helms in supporting S. 408 which extends the three provisions to include all departments and agencies in the Executive Branch. By expanding the language of the current legislation to include all Federal agencies, S. 408 will provide more benefits for former ASCS employees and encourage their entry into Federal service.

The bill was ordered to be engrossed for a third reading, read the third time, and passed.

Mr. ROBERT C. BYRD. I move to reconsider the vote by which the bill was passed.

Mr. BAKER. I move to lay that motion on the table.

The motion to lay on the table was agreed to.

Mr. ROBERT C. BYRD. Mr. President, I ask unanimous consent to have printed in the RECORD an excerpt from the report (No. 95-1081), explaining the purposes of the measure.

There being no objection, the excerpt was ordered to be printed in the RECORD, as follows:

EXCERPT

PURPOSE

The purpose of S. 408, as amended, is to broaden the applicability of Public Law 90-367 by granting to former employees of the Agricultural Stabilization and Conservation Service, who become employed by a Federal agency, certain benefits, such as transferring accumulated sick and annual leave, receiving full credit for prior service in determining the annual rate of annual leave accrual and reduction-in-force preference, and transfer of rate of pay.

BACKGROUND

The Agricultural Stabilization and Conservation Service (ASCS) was established by the Secretary of Agriculture in 1961 pursuant to section 8(b) of the Soil Conservation and Domestic Allotment Act. ASCS administers specified commodity and related land use programs designed for voluntary production adjustment, resource protection, and price, market, and farm income stabilization. In each State, ASCS operations are supervised by a State committee of three to five members appointed by the Secretary of Agriculture. A State executive director, appointed by the Secretary, and staff carry on day-to-day operations of the State office. In each of approximately 2,800 agricultural counties, local ASCS programs are administered by a county committee of three members who are elected to the committee by farmer-elected delegates

to a county convention. The county committees employ necessary staff to carry on day-to-day operations of the county office.

Currently, there are approximately 7,200 ASCS county committee employees in the United States. Although, these county committee employees are treated as if they are Federal employees for purposes of granting most benefits which Federal employees receive, such as retirement, and life and health insurance, the Civil Service Commission feels that they do not meet the established criterion to be considered as Federal employees. In addition to such retirement, life and health insurance benefits, Public Law 90–367, enacted in June 29, 1968, extended to ASCS county committee employees who enter into Federal employment with the Department of Agriculture certain additional benefits. These benefits include transferring annual and sick leave to the new position, creditable service for leave earning and reduction-in-force purposes, and the highest previous rate of pay for salary determination purposes. County committee employees, however, still have to meet competitive selection procedures for positions in the Department of Agriculture.

S. 408, as amended, extends the benefits accorded by Public Law 90–367 to county committee employees who transfer to any department or agencies in the executive branch, thereby providing for the transfer of annual and sick leave, creditable service for leave earning and reduction-in-force purposes, and highest previous rate salary determination. County committee employees must, however, be competitively selected for positions in such Federal department or agencies.

The committee believes that county committee employees perform vital functions to their localities under direction and supervision of the Federal Government. They are paid with Federal funds and they are already eligible for retirement, health and life insurance benefits which Federal employees are eligible for. Those county committee employees who become employed at the Department of Agriculture can, as a result of Public Law 90–367, carry over their leave and pay benefits. In fact, should such an employee leave the Department of Agriculture and transfer to another Federal agency he continues to count his county committee service for leave, pay, and reduction-in-force purposes.

S. 408 establishes uniformity and consistency in the treatment of county committee employees who transfer into Federal agencies. For these reasons, the committee urges the enactment of S. 408, as amended.

FEDERAL EMPLOYEE WITHHOLDING OF LOCAL TAXES

The Senate proceeded to consider the bill (H.R. 8342) to amend title 5 United States Code, to provide for the application of local withholding taxes to Federal employees who are residents of such locality.

Mr. BAKER. Mr. President, I ask unanimous consent that a statement by the Senator from Alaska (Mr. STEVENS) be printed in the RECORD.

The PRESIDING OFFICER. Without objection, it is so ordered.

STATEMENT OF SENATOR STEVENS

H.R. 8342 requires withholding of local taxes from Federal employees who are residents of a given locality but are employed elsewhere within the same state. If enacted, this bill will simply correct an oversight in the law which requires the withholding of taxes when an employee works and lives within the locality but is only voluntary when an employee only lives in the locality.

Currently, localities are unable to ensure that taxes are withheld for Federal employees. Often, Federal employees are saddled with large local tax bills which were not anticipated by the employee. This bill would eliminate this problem. It has the support of the Treasury Department, the Civil Service Commission and local governments.

Some officials have expressed increasing concern over the difficulty in collecting local tax when the Federal employee lives in a city but is employed elsewhere within the state. H.R. 8342 would allow a city or county qualifying for mandatory local tax withholding and having an agreement for this withholding currently in effect, to include employees who live in that city but are employed elsewhere within the state in that negotiated agreement.

I would like to thank Senator SASSER for his work on this bill. Due to his efforts action was taken on this legislation. I urge my friends to join me in support of this bill.

The bill was ordered to a third reading, read the third time, and passed.

Mr. ROBERT C. BYRD. I move to reconsider the vote by which the bill was passed.

Mr. BAKER. I move to lay that motion on the table.

The motion to lay on the table was agreed to.

Mr. ROBERT C. BYRD. Mr. President, I ask unanimous consent to have printed in the RECORD an excerpt from the report (No. 95–1083), explaining the purposes of the measure.

There being no objection, the excerpt was ordered to be printed in the RECORD, as follows:

PURPOSE

The purpose of H.R. 8342 is to extend application of section 5520 of title 5, United States Code, relating to the withholding of city or county income or employment taxes from the pay of Federal employees, to employees who are residents of (but are employed outside of) cities or counties with which the Secretary of the Treasury has entered into a tax withholding agreement under the provisions of section 5520 of title 5.

BACKGROUND

Public Law 83–340, enacted July 10, 1974 (5 U.S.C. 5520), provided for the withholding of city income or employment taxes from the pay of Federal employees where a city ordinance provided for the collecting of such taxes and imposes a duty on employers within the taxing jurisdiction to withhold taxes. Subsequently, the law was amended by section 408 of the Tax Reduction and Simplification Act of 1977 (Public Law 95–30) to extend the application of the tax withholding provisions to county governments.

Currently, the law provides that the Secretary of the Treasury, under certain conditions, shall enter into an agreement with a city or county to provide for such withholding from the pay of Federal employees who are subject to the tax and who are regularly employed within the city or county. Such agreements do not apply to employees who are residents of the city or county with which the agreement is made but who are employed outside of the city or county. Also, the agreements do not apply to employees who are not residents of the State in which the taxing city or county is located unless the employees specifically consent to have the tax withheld from their pay.

RETIREMENT CREDIT FOR JAPANESE-AMERICANS FOR TIME IN WORLD WAR II INTERNMENT CAMPS

The Senate proceeded to consider the bill (H.R. 9471) to amend title 5, United States Code, to provide that Japanese-Americans shall be allowed civil service retirement credit for time spent in World War II internment camps.

UP AMENDMENT NO. 1690

(Purpose: Amending the effective date)

Mr. ROBERT C. BYRD. Mr. President, I send to the desk an amendment and ask that it be stated.

The PRESIDING OFFICER. The amendment will be stated.

The assistant legislative clerk read as follows:

The Senator from Virginia (Mr. ROBERT C. BYRD), on behalf of Mr. SASSER, proposes an unprinted amendment numbered 1690.

Mr. ROBERT C. BYRD. I ask unanimous consent that further reading of the amendment be dispensed with.

The PRESIDING OFFICER. Without objection, it is so ordered.

The amendment is as follows:

On page 3, strike out lines 14 through 16, and insert in lieu thereof the following:

Sec. 2.(a) The amendments made by this Act shall take effect on the later of—

(1) the date of the enactment of this act, or

(2) October 1, 1978.

Mr. ROBERT C. BYRD. Mr. President, the purpose of this amendment is to assure that this legislation is in conformity with the Congressional Budget and Impoundment Control Act of 1974, specifically section 401(b).

The amendment was agreed to.

Mr. ROBERT C. BYRD. Mr. President, I ask unanimous consent that statements by Senators CHURCH and INOUYE be printed in the RECORD at this point.

The PRESIDING OFFICER. Without objection, it is so ordered.

STATEMENT BY SENATOR CHURCH

I am very pleased to join in urging the Senate to pass H.R. 9471, which would allow Japanese-Americans civil service retirement credit for time spent in World War II internment camps in the United States. As a cosponsor of S. 224, the Senate version of this bill introduced by Senator Inouye, I have long felt that this step is necessary compensation for what all Americans now recognize was a dark chapter in our Nation's history.

In 1952, Congress enacted legislation to provide some compensation for certain Japanese-American internees. Years later, Congress finally repealed the statutory authority which permitted this tragedy to occur. Later, legislation which I sponsored repealed and clarified national emergency powers in order to see to it that this terrible episode will not be repeated.

In 1972, Congress belatedly returned its attention to the wrongs our Japanese-American citizens had suffered by passing legislation to provide social security credit for those years of internment. And now, in 1978, Congress is taking another action toward redressing these grievances by enactment of H.R. 9471. Again, I urge its adoption by the Senate.

Actually, relatively few Japanese-Americans will benefit from the bill before the

Senate today. There is another group of Americans, also few in number, who also have legitimate grievances that should be redressed. These Americans were civilian employees working in the Pacific at the outbreak of World War II, who were captured and held as prisoners-of-war for all of the years of that conflict.

I have introduced a bill, S. 407, which, not unlike H.R. 9471 and its predecessors, would provide credit for government retirement programs and social security for these prisoners-of-war. I am very pleased to have Senator Inouye as a cosponsor of my bill, and, although the Senate will not consider it this year, I intend to press for its passage in the upcoming 96th Congress.

I recognize that the Executive Branch has opposed H.R. 9471, and S. 407, based largely on the argument that benefits should not be provided unless traditional work or service has been performed. Nevertheless, Alan Campbell, Chairman of the Civil Service Commission, has commented on H.R. 9471:

Therefore, while still opposing the principle of granting credit for non-Federal service, the Commission, because of the unique circumstances of this group of Japanese-Americans and because non-Federal employees receive credit for similar service under Social Security, does not oppose enactment of H.R. 9471.

I would hope that the Executive Branch will also come to appreciate the unique circumstances of all Americans who were interned during World War II. In fact, prisoners-of-war do perform unique "work and services" for our Government and our Nation, and I feel strongly that it is only just that we compensate them appropriately.

STATEMENT BY SENATOR INOUYE

For a number of years, I have been interested in securing credit for retirement purposes to those working adult Japanese-Americans interned during WW II for the period of their internment. By the enactment of Public Law 92–603 such coverage was granted to those who are covered under the Social Security Act. Federal retirement credit had also been granted to some who were Federal employees at the time of their internment under the provisions of Public Law 82–545 and 86–782. No coverage existed, however, for those who entered Federal employment subsequent to their internment for the time spent in internment camps in involuntary service to the government. H.R. 9471, which is before us today, will provide such credit for such coverage.

H.R. 9471, similar to my own bill, S. 224, will give Federal Civil Service retirement credit to those who were interned under Executive Order 9066 or related legislation and authority. As you may know, H.R. 9471 passed the House on January 23, 1978, by an overwhelming vote of 366 to 12.

We are here today to consider H.R. 9471 which I hope will be interpreted as having the widest possible applicability when it is implemented. The number affected is small but their coverage is essential if we are to achieve equity.

The atmosphere after the bombing of Pearl Harbor by the Japanese on December 7, 1941, was oppressive. Fear, hate, and suspicion of Japanese-Americans was stifling in Hawaii, where Americans of Japanese ancestry composed 40 percent of the population. The tension was multiplied tenfold in the West Coast states of California, Oregon, and Washington, where Japanese-Americans were a much smaller minority and anti-Asian sentiment was already widespread. Grossly discriminatory law long prevented citizenship for first-generation Asian-Americans and state law limited ownership of property by non-citizens.

It was bad enough for those living in Hawaii, a State more isolated and less prejudiced than most, but the people who experienced the mistrust of their country in the mainland United States went through a particularly degrading and humiliating experience.

When we heard in Hawaii that 110,000 Americans of Japanese ancestry in West Coast states were rounded up and whisked to internment camps—virtual prisons—the news was frightening and nightmarish. Could such a thing be happening in the land of freedom? Could a mass imprisonment of persons whose only crime was their ancestry actually take place here?

I was soon to witness these camp-prisons firsthand. On leave from my military training with the 422nd Regimental Combat Team, I accompanied a few of my mainland Army buddies to visit their families at one of these camps. After witnessing the desolate surroundings, crowded tar-paper barracks and degrading prisonlike atmosphere, I gained new respect for my comrades, who had the courage to volunteer to defend the country which put their families through this demeaning ordeal.

Despite the 1948 Evacuation Claims Act, which attempted to compensate Japanese-Americans for their losses, it is estimated that the evacuees recovered only 10 percent of their losses. It is further estimated that the total loss came to approximately $400 million, of which only $35–$40 million was recovered.

Our Government has attempted, through the Evacuation Claims Act, to compensate for the heavy monetary losses suffered by Americans of Japanese ancestry. But no government can ever fully pay for the trampling of pride, breaking of the spirit, and loss of human dignity experienced by the internees.

Legislation has been enacted at various times to attempt to correct this injustice. Public Law 82–545 of 1952, and Public Law 86–782 gave credit for pay and retirement purposes to Civil Service employees who were in or about to enter the Civil Service before interment. A weakness of the legislation is that the law provided credit only to those who were still in the Civil Service in 1952, when the legislation was enacted. Thus, those who had retired, were on maternity or other prolonged leave without pay, or were no longer working for the Civil Service at the time of enactment did not receive credit.

Public Law 92–603 has a provision giving social security credit for time spent in interment camps to those who were 18 years or older at the time of interment. In practical terms, however, the social security credit formula is such that the years of interment do not prove beneficial to many in determining the level of social security benefits.

While credit has already been given to internees, through the Federal retirement credit of Public Law 82–545 and Public Law 86–782, those Japanese-Americans who did not have the opportunity to enter the Civil Service prior to internment have not received any credit. My bill would provide credit to those who entered the Civil Service at any time after internment.

Mr. President, Congress has since guaranteed that the injustice perpetrated against Japanese-Americans cannot happen to any other racial group in this country. In 1971, legislation introduced by myself and Representative Spark Matsunaga was enacted into public law which repealed Title II of the Internal Security Act of 1950, also known as the Emergency Detention Act, which allowed the President to detain, without due process of law, anyone for suspected acts of espionage or sabotage in times of "internal security emergency." Those who experienced internment bear a permanent scar. Thousands of families were summarily uprooted, taken from their homes, often on 12 hours' notice, and moved to "relocation" camps on the incredible grounds that this whole class of Americans—rich and poor, alien and citizen, men, women, and children—was a security risk.

Congress has before it the opportunity to further rectify the wrong that was committed against this group of loyal Americans. The bill before you affects an estimated 500 to 1,000 persons at a modest cost of $400,000 to $800,000 annually. It is my sincere hope that my colleagues will act expeditiously and affirmatively on this measure, while Congressional action is still meaningful to these former internees. Many are now among the older members of their communities and further delay will but perpetuate a great injustice.

Mr. BAKER. Mr. President, I ask unanimous consent that a statement by Senator STEVENS in respect to the passage of this measure may be printed in the RECORD.

The PRESIDING OFFICER. Without objection, it is so ordered.

STATEMENT BY SENATOR STEVENS

This bill H.R. 9471 is an attempt to remedy an inequity in current law affecting a small group of Japanese-Americans and to bring about over-due justice. H.R. 9471 would provide that Japanese-Americans be allowed Civil Service retirement credit for time spent in World War II internment camps.

Several laws have been enacted granting special pay and retirement benefits to certain groups of Japanese-Americans. Providing Civil Service retirement credit to those who were in internment camps is a logical and overlooked step that has not been included in any other legislation although efforts have been made in the past.

It is hoped through this legislation the Federal government can rectify any unintentional inequities which may have been suffered by these Japanese-Americans. This measure passed the House on January 23, 1978.

Extensive hearings were held in which the need for this legislation was expressed. I urge support of the final passage of this bill.

Mr. MATSUNAGA. Mr. President, I rise in support of H.R. 9471, a bill which would provide civil service retirement credit for Japanese American Federal employees who were interned during World War II.

Although its estimated cost is minimal and the number of beneficiaries relatively small, H.R. 9471 would set right a grave injustice stemming from the early days of World War II. The recent television production of "Holocaust" brought home to millions of Americans the unspeakable horror of Germany's wartime treatment of Jews. Too few recall, however, the feelings of fear, suspicion, and hysteria which the December 7, 1941 attack on Pearl Harbor aroused in the hearts and minds of Americans and which were directed at their fellow Americans of Japanese ancestry.

Those feelings were particularly strong on the west coast, where there was a significant minority population of Japanese Americans. In 1942, more than 110,000 Japanese Americans who lived on the west coast were rounded up by military authorities and imprisoned

in so-called detention centers, which had the semblance of concentration camps, complete with barbed wire fences and armed guards. Not one of them had ever been convicted of a crime and none were subsequently found to be disloyal to the United States.

In retrospect, the internment of the Japanese Americans is regarded as a tragic example of wartime hysteria, a blot on the pages of American history. Nevertheless, the Federal Government has been slow to make restitution to those who fell victim to such hysteria.

In addition to the physical, emotional, and mental hardships which the internees suffered, their detention imposed on them severe economic hardships. Many lost their homes and businesses. Some were interrupted in the course of promising careers and lost seniority and retirement credit. Youngsters who normally would have entered college or the labor market during those years were deprived of these opportunities. Moreover, none of the internees were fairly compensated for work performed within the detention camps, where they served as doctors, teachers, clerks, and laborers.

Long after the war ended, those whose properties were seized were finally compensated, but only to the extent of 10 cents for every dollar lost. The 82d Congress provided certain benefits for those who were Federal employees prior to internment and were fired or denied reinstatement. Still later, under the provisions of the Social Security Act Amendments of 1971, Public Law 92-603, former internees who were subsequently employed in the private sector were permitted to include the time spent in detention camps in the computation of social security retirement benefits.

The pending bill, H.R. 9471, is similar to this last measure in that it would permit former internees to include in the computation of their Federal retirement benefits the time spent in detention camps. It would extend to former internees employed by the Federal Government after World War II the same type of benefits already enjoyed by those in the private sector. Only a few hundred Federal employees now nearing retirement age would be affected.

H.R. 9471 is an exceptionally fair and reasonable measure. In addition to unanimous support in the Asian American community, it enjoys very broad support among Federal employees in general, whether or not they are of Japanese ancestry. Under the circumstances, I urge the passage of H.R. 9471, so that a longstanding injustice will at last be in part set right.

The amendment was ordered to be engrossed and the bill to be read the third time.

The bill (H.R. 9471), as amended, was read the third time, and passed.

Mr. ROBERT C. BYRD. Mr. President, I move to reconsider the vote by which the bill was passed.

Mr. BAKER. I move to lay that motion on the table.

The motion to lay on the table was agreed to.

QUORUM CALL

Mr. ROBERT C. BYRD. Mr. President, I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The second assistant legislative clerk proceeded to call the roll.

Mr. MATSUNAGA. I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

HAWAII CELEBRATES 19 YEARS OF STATEHOOD

Mr. MATSUNAGA. Mr. President, today, August 18, is being celebrated by the people of Hawaii as the 19th anniversary of statehood, for this is admission day for the Aloha State.

The inspiring story of Hawaii's fight for statehood has been told and retold. The deep belief of the people of Hawaii in the democratic ideals which form the basis of our Government is illustrated by the fact that the first petition calling for statehood was presented to Congress as early as 1903—only 3 years after Hawaii became a territory of the United States. Prince Jonah Kuhio Kalanianaole, Hawaii's second territorial delegate to Congress, authored the first statehood resolution and similar resolutions were introduced in subsequent Congresses by all of the delegates who followed him.

Not only were the people of Hawaii eager to share the benefits of statehood, they were more than willing to bear the responsibilities of statehood. Over the years, they have given to their fellow Americans just as much as they have received in return, adding to and enhancing the democratic traditions of our Nation. Among other things, Hawaii has contributed the following:

First. Leadership in the field of civil rights.—It was no accident that President John F. Kennedy selected the recently admitted Island State as the site of his first major civil rights address in 1963. "Hawaii," he said, "is what the United States is striving to be." With its multiethnic, multicultural population, Hawaii still is the embodiment of the revolutionary American dream of our forefathers.

Second. Leadership in foreign affairs.—Hawaii's strategic location in the mid-Pacific has made it a natural bridge between the nations of Asia and the nations of the Western world. Through the Center for Cultural and Technical Interchange Between East and West (the East-West Center), Hawaii has helped the United States to become a "Pacific Power" through peaceful cultural, technical, and educational exchange, and is helping to banish forever the spectre of "the ugly American" in Asia and the Pacific Basin.

Third. Leadership in scientific research and development.—Hawaii is rapidly becoming the Pacific center of scientific research and development, and its leadership in this area will benefit the entire Nation, both domestically and abroad. An island State with no indigenous sources of fossil fuel, Hawaii has embarked on an ambitious but realistic effort to make itself energy self-sufficient early in the next century. Indeed, Hawaii will serve as the national laboratory for energy self-sufficiency. Its abundant sunshine and agreeable trade winds will be used to produce power, as will steam from its volcanoes and ocean thermal energy from the Pacific Ocean.

Hawaii is also a leader in the field of tropical agriculture and is exploring new crops and agricultural methods appropriate for use in the developing nations of the Third World. We will probably pave the way to solving the problems of world hunger. Moreover, because of research in the field of tropical medicine underway in Hawaii, we are well on the way to eliminating some of the major diseases of the tropical zone. Finally, research in Hawaii will help to unlock the remaining secrets of the universe. The clear atmosphere atop Hawaii's tallest mountain, Mauna Kea, led scientists from the United States, France, and Canada to select that spot as the site of the world's second largest telescope.

LEADERSHIP IN TRADE AND COMMERCE

Fourth. Perhaps because the United States No. 1 trading partner, Japan, is a Pacific nation, Hawaii has in recent years become the Pacific center of business, trade, and commerce. Its role will become even more important as we continue to normalize our relations with China.

Finally, it goes without saying that the Aloha State is No. 1 in hospitality. In the last 19 years, millions of Americans have had a chance to share with the people of Hawaii the island State's beautiful scenery, clean air, and fine beaches. Long ago, Hawaii recognized the value of its unique natural resources and moved to protect them. It was the first State to adopt a land use law and first to designate its beaches a public resource. These and other innovative policies designed to enhance the quality of life for residents and visitors alike are also gifts which Hawaii's sister States are just beginning to appreciate.

Mr. President, as one who was born and raised in Hawaii, and one who fought hard for statehood, I may be a little biased. I know, however, that my colleagues share my pride in Hawaii's achievements since statehood and that they would wish to join me and the people of Hawaii in celebrating the 19th anniversary of Hawaii's admission to the Union. As a grateful citizen of the United States, I thank the people of the other 49 states for having granted the great privilege of full American citizenship to the people of Hawaii, myself included, 19 years ago.

Mr. President, I suggest the absence of a quorum.

Mr. ROBERT C. BYRD. Mr. President, will the Senator withhold that, please?

Mr. MATSUNAGA. Yes.

ORDER FOR INDEFINITE POSTPONEMENT OF SENATE RESOLUTION 39, RELATING TO THE DISAPPROVAL OF THE PAY RECOMMENDATIONS OF THE PRESIDENT

Mr. ROBERT C. BYRD. Mr. President, I ask unanimous consent that Calendar Order No. 1041 be indefinitely postponed.

The PRESIDING OFFICER. Without objection, it is so ordered.

KEUM SUN LEE

Mr. ROBERT C. BYRD. Mr. President, I ask unanimous consent that the Senate proceed to the consideration of Calendar Order No. 1013. This is a bill which I believe I introduced for Mr. ANDERSON.

The PRESIDING OFFICER. The bill will be stated by title.

The assistant legislative clerk read as follows:

A bill (S. 2366) for the relief of Keum Sun Lee.

The PRESIDING OFFICER. Without objection, the Senate will proceed to its consideration.

There being no objection, the bill was considered, ordered to be engrossed for third reading, read the third time, and passed as follows:

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That, in the administration of the Immigration and Nationality Act, Keum Sun Lee may be classified as a child within the meaning of section 101(b)(1)(F) of the Act, upon approval of a petition filed in his behalf by Mr. and Mrs. Ed Roach, citizens of the United States, pursuant to section 204 of the Act: *Provided,* That the natural parents or brothers or sisters of the beneficiary shall not, by virtue of such relationship, be accorded any right, privilege, or status under the Immigration and Nationality Act.

SEC. 2. Section 204(c) of the Immigration and Nationality Act, relating to the number of petitions which may be approved, shall be inapplicable in this case.

Mr. ROBERT C. BYRD. Mr. President, I move to reconsider the vote by which the bill was passed.

Mr. BAKER. Mr. President, I move to lay that motion on the table.

The motion to lay on the table was agreed to.

EXECUTIVE SESSION

Mr. ROBERT C. BYRD. Mr. President, I ask unanimous consent that the Senate go into executive session to consider the nominations on the executive calendar on page 12, beginning with the Department of State.

Mr. BAKER. Mr. President, reserving the right to object, and I will not object, I wish only to advise the majority leader that these items he has just identified are cleared on our calendar and we have no objection to proceeding to their consideration and confirmation at this time.

Mr. ROBERT C. BYRD. Mr. President, I thank the distinguished minority leader.

The PRESIDING OFFICER (Mr. SPARKMAN). Without objection, it is so ordered.

DEPARTMENT OF STATE

The legislative clerk read the nomination of Nicholas A. Veliotes, of California, to be Ambassador Extraordinary and Plenipotentiary of the United States of America to the Hashemite Kingdom of Jordan.

The PRESIDING OFFICER. Without objection, the nomination is considered and confirmed.

INTERNATIONAL COMMUNICATION AGENCY

The legislative clerk read the nomination of James David Isbister, of Maryland, to be an Associate Director of the International Communication Agency.

The PRESIDING OFFICER. Without objection, the nomination is considered and confirmed.

The legislative clerk read the nomination of Harold F. Schneidman, of Pennsylvania, to be an Associate Director of the International Communications Agency.

The PRESIDING OFFICER. Without objection, the nomination is considered and confirmed.

COUNCIL ON ENVIRONMENTAL QUALITY

The legislative clerk read the nomination of Jane Hurt Yarn, of Georgia, to be a member of the Council on Environmental Quality.

The PRESIDING OFFICER. Without objection, the nomination is considered and confirmed.

FEDERAL HIGHWAY ADMINISTRATION

The legislative clerk read the nomination of Karl Smith Bowers, of South Carolina, to be Administrator of the Federal Highway Administration.

The PRESIDING OFFICER. Without objection. the nomination is considered and confirmed.

Mr. ROBERT C. BYRD. Mr. President, I ask unanimous consent that it be in order to reconsider the votes by which the nominations were confirmed en bloc.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. ROBERT C. BYRD. Mr. President, I so move.

Mr. BAKER. Mr. President, I move to lay that motion on the table.

The motion to lay on the table was agreed to.

Mr. ROBERT C. BYRD. Mr. President, I ask unanimous consent that the President be immediately notified of the confirmation of the nominees.

The PRESIDING OFFICER. Without objection, it is so ordered.

LEGISLATIVE SESSION

Mr. ROBERT C. BYRD. Mr. President, I ask unanimous consent that the Senate return to legislative session.

The PRESIDING OFFICER. Without objection, it is so ordered.

ORDER OF PROCEDURE NEXT WEEK

ORDER FOR RECESS UNTIL 9:30 A.M. MONDAY, AUGUST 21, 1978

Mr. ROBERT C. BYRD. Mr. President, the Senate will come in at 9:30 a.m. on Monday, by unanimous consent.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. ROBERT C. BYRD. Mr. President, are there any orders for the recognition of Senators on Monday?

The PRESIDING OFFICER. There is an order for Senator PROXMIRE for 15 minutes.

Mr. ROBERT C. BYRD. Very well.

RESUMPTION OF CONSIDERATION OF HOUSE JOINT RESOLUTION 554 AND S. 3073 MONDAY

Mr. ROBERT C. BYRD. Mr. President, I ask unanimous consent that at the conclusion of Mr. PROXMIRE's order on Monday the Senate resume its consideration of the D.C. representation amendment and that at no later than 3 p.m. in the afternoon the Senate resume its consideration of the Federal aid highway bill.

The PRESIDING OFFICER. Is there objection?

Mr. SCOTT. Mr. President, reserving the right to object, and I do not plan to object, will the distinguished majority leader allow a few minutes for routine morning business after the 15 minutes? That would delay for 15 to 20 minutes possibly the resumption of this D.C. measure.

Mr. ROBERT C. BYRD. Mr. President, I would not want to delay it because the original intention was to come in at 9 a.m., and then we moved it to 9:30 a.m. We have both these measures to confront us on Monday.

Mr. SCOTT. I was wondering if the distinguished majority leader will let us resume consideration at 10 a.m.

Mr. ROBERT C. BYRD. Yes; 10 a.m.

Mr. SCOTT. I thank the Senator.

Mr. ROBERT C. BYRD. Yes.

Mr. President, I ask unanimous consent that at 10 a.m. on Monday morning the Senate resume its consideration of the D.C. representation amendment and at no later than 3 p.m. on Monday the Senate resume its consideration of the Federal aid highway bill.

The PRESIDING OFFICER. Without objection, it is so ordered.

ORDER FOR RECESS AT CONCLUSION OF BUSINESS MONDAY TO 9 A.M. TUESDAY, AUGUST 22, 1978

Mr. ROBERT C. BYRD. Mr. President, I ask unanimous consent that when the Senate completes its business on Monday it stand in recess until the hour of 9 a.m. on Tuesday.

The PRESIDING OFFICER. Without objection, it is so ordered.

RESUMPTION OF CONSIDERATION OF HOUSE JOINT RESOLUTION 554 ON TUESDAY, AUGUST 22, 1978

Mr. ROBERT C. BYRD. Mr. President, I ask unanimous consent that after the two leaders or their designees have been recognized on Tuesday and after the completion of any orders that may be en-

tered prior thereto, the Senate resume its consideration of the D.C. representation amendment at that time.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. ROBERT C. BYRD. Mr. President, there will be no more rollcall votes today. The Senate has done a good day's work.

I compliment the distinguished Senator from Texas (Mr. BENTSEN), the distinguished Senator from Rhode Island (Mr. CHAFEE) and the distinguished Senator, the chairman of the committee (Mr. RANDOLPH) and all Senators for the work that has been done. It is my understanding that 19 amendments have been disposed of today.

I would hope the Senate could complete its action on the Federal highway bill on Monday. The order has already been entered, of course, for final action on the D.C. representation amendment on Tuesday at 6 p.m.

The D.C. representation amendment is under a time agreement, and there will be rollcall votes on Monday very likely in connection with amendments to that measure. Mr. McCLURE has seven amendments he intends to call up either Monday or Tuesday or on both days, and there is a time limitation on each of his amendments of 30 minutes.

The Federal aid to highways bill is, of course, under a time agreement. There will be rollcall votes on it on Monday. There is no hour set for the beginning of rollcall votes on Monday. There is a rollcall vote on Monday at 5 p.m. on an amendment by Mr. BARTLETT, but I would hope that Senators would clearly understand that this does not mean there will not be rollcall votes prior to 5 p.m. The vote at that hour is on the Bartlett amendment.

During the morning and early afternoon votes may occur on the D.C. representation amendment. During the early and midafternoon and late afternoon and evening votes may occur, and probably will occur, on the highway bill, so there will be rollcall votes on Monday.

I will yield to my distinguished friend, the minority leader.

THE HIGHWAY BILL

Mr. BAKER. I thank the majority leader. I, too, wish to commend the distinguished ranking minority member of the subcommittee and the chairman of the subcommittee for their handling of this matter, as well as the chairman of the full committee and the ranking minority member (Mr. STAFFORD) for their work in bringing up a complex and difficult package and handling it so well.

Mr. President, judging from the description of the majority leader which he gave us with respect to the job to be done, there is some possibility that we may be late in on Monday.

Mr. ROBERT C. BYRD. Yes, I am glad the Senator raised that point.

I see no alternative, unless we finish the highway bill but that we will have to stay in late.

Mr. BAKER. In any event, it is the intention of the majority leader to finish the highway bill before we turn to District of Columbia representation?

Mr. ROBERT C. BYRD. It is my intention to finish the highway bill on Monday. The District of Columbia representation bill will be first. It will come up at 10 o'clock on Monday and go possibly as late as 3 o'clock, but not necessarily. We might turn to the highway bill by 1:30 or 2 p.m. Mr. CHAFEE or Mr. STAFFORD will be able to begin consideration of the highway bill by 1:30 p.m. or 2 p.m., if it is convenient to all sides, and the Senate might resume consideration of the highway bill at that point.

THE WORKLOAD NEXT WEEK

But it will be the intention to finish that bill that day because I would hope, Mr. President, that the Senate could complete action on a good many measures next week, and if a good dent can be made in the workload next week, the Senate will not be in on Monday and Tuesday of the following week as had been earlier announced and contemplated. The holiday, according to the announcement, was to begin on Wednesday of the following week or at the conclusion of business on Tuesday of the following week. But this would allow Senators to have additional days away from the floor to do work in their offices or in their home States or whatever.

But I think we ought to try to accomplish as much as possible next week, with the understanding, may I say to my friend the minority leader—Mr. President, I am having just too much competition here.

The PRESIDING OFFICER. The Senate will be in order.

Mr. BAKER. I think the majority leader has answered my question.

Mr. ROBERT C. BYRD. I am trying to pick up where I left off.

As earlier had been stated, the Senate would be in on Monday and Tuesday of the week after, but if we can work long days next week and accomplish a good bit, I would hope we could add those days to the holidays so that Senators can be in their home States or their offices or whatever away from the floor and not be troubled with the Senate floor work.

I thank the distinguished minority leader.

Mr. BAKER. Mr. President, I thank the majority leader.

Mr. DOMENICI. Mr. President, may I ask the leader a question about scheduling?

Mr. ROBERT C. BYRD. Yes.

Mr. DOMENICI. It is not the leader's intention that the natural gas conference be brought before the Senate until after the Labor Day recess?

Mr. ROBERT C. BYRD. I will say this: It will not be brought up before next Wednesday, I can say that with certitude. I would like to not go beyond that point today.

Mr. DOMENICI. I thank the majority leader.

Mr. ROBERT C. BYRD. I thank the Senator. I think he may be reasonably assured that it will not be brought up before the recess, but I would like at least to withhold that option at the moment.

RECESS UNTIL 9:30 A.M., MONDAY, AUGUST 21, 1978

Mr. ROBERT C. BYRD. Mr. President, if there be no further business to come before the Senate, I move, in accordance with the order previously entered, that the Senate stand in recess until the hour of 9:30 a.m., Monday.

The motion was agreed to; and at 6:02 p.m. the Senate recessed until Monday, August 21, 1978, at 9:30 a.m.

NOMINATIONS

Executive nominations received by the Senate August 18, 1978:

DEPARTMENT OF STATE

Marilyn Priscilla Johnson, of New Hampshire, a Foreign Service information officer of class 2, to be Ambassador Extraordinary and Plenipotentiary of the United States of America to the Republic of Togo.

Edith Huntington Jones Dobelle, of Massachusetts, for the rank of Ambassador during her tenure of service as Chief of Protocol for the White House.

TENNESSEE VALLEY AUTHORITY

Richard Merrell Freeman, of Illinois, to be a Member of the Board of Directors of the Tennesse Valley Authority for the term expiring May 18, 1987, vice Aubrey J. Wagner, term expired.

U.S. INTERNATIONAL TRADE COMMISSION

Paula Stern, of the District of Columbia, to be a member of the United States International Trade Commission for the term expiring June 16, 1987, vice Daniel Minchew, term expired.

NATIONAL COMMISSION ON LIBRARIES AND INFORMATION ON SCIENCE

Charles William Benton, of Illinois, to be a member of the National Commission on Libraries and Information Science for the remainder of the term expiring July 19, 1980, vice Frederick H. Burkhardt, resigned.

CONFIRMATIONS

Executive nominations confirmed by the Senate August 18, 1978:

DEPARTMENT OF STATE

Nicholas A. Veliotes, of California, a Foreign Service officer of class 1, to be Ambassador Extraordinary and Plenipotentiary of the United States of America to the Hashemite Kingdom of Jordan.

INTERNATIONAL COMMUNICATION AGENCY

James David Isbister, of Maryland, to be an Associate Director of the International Communication Agency.

Harold F. Schneidman, of Pennsylvania, to be an Associate Director of the International Communication Agency.

COUNCIL ON ENVIRONMENTAL QUALITY

Jane Hurt Yarn, of Georgia, to be a member of the Council on Environmental Quality.

FEDERAL HIGHWAY ADMINISTRATION

Karl Smith Bowers, of South Carolina, to be Administrator of the Federal Highway Administration.

The above nominations were approved subject to the nominees' commitments to respond to requests to appear and testify before any duly constituted committee of the Senate.

EXTENSIONS OF REMARKS

A TRIBUTE TO THE VOLUNTEER FIRE DEPARTMENT OF CHEEKTOWAGA, N.Y.

HON. JACK F. KEMP

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Thursday, August 17, 1978

● Mr. KEMP. Mr. Speaker, on September 9, 1978, the Rescue Volunteer Hose Company No. 1 of Cheektowaga will be observing its 75th anniversary—three quarters of a century of dedicated volunteer fire service to the residents of the Walden Fire District No. 2 and the township of Cheektowaga.

There is no finer example of selfless service than the risks and hazards endured by volunteer firefighters. As early as the late 1600's and early 1700's such groups were formed in our country and volunteer firefighting organizations have been an important part of our history throughout the development of our great Nation.

Because of the nature of this job and the dedication of the people, I feel strongly that volunteer firefighting organizations deserve the help of the Congress in enacting key legislation such as classification of arson as a major crime, a spark arrester bill, exemption from excise taxes on gasoline and others they have assigned a priority classification. I urge my colleagues to give strong support to such proposals which will benefit the volunteer firefighter organizations in their districts. Certainly there is no more positive way to acknowledge and exhibit appreciation than passage of bills which will make the volunteer's job a little easier.

Mr. Speaker, included as part of my remarks is a history of Rescue Hose Company No. 1, written by my constituents, Robert Jurek and Thomas Adamczak, a history which details the volunteer firefighters' outstanding service to the people of the Cheektowaga community. And, since this spirit of unselfish responsibility to the community is shared by volunteer firefighting organizations throughout our country, I would like to express my admiration for all volunteer firefighters who have so ably protected the people of this Nation:

A HISTORY—SEPTEMBER 1903 TO SEPTEMBER 1978

The Town of Cheektowaga at the turn of the century consisted of thousands of acres of farmland. Shopping malls, residential subdivisions, and sprawling factories were nonexistant. At this time, most of the Town's five thousand inhabitants were situated along the city line, the area's population was growing fast and building was progressing at a tremendous rate. It was in 1903 that the residents of the Walden area realized they needed some form of fire protection.

The date was September 3rd, in the year 1903, and the first meeting was held to establish a firefighting organization. The people were gathered at the home of Joseph Forestor and he was selected to chair the meeting. On a motion by Bernard Fossett, the group was incorporated under the name of Rescue Hose Company No. 1 Volunteer Fire Department of Cheektowaga. Their first order of business was to acquire a hose cart and hose.

At a meeting on September 8, 1903, Jacob Hasselback was elected the first president of the company and Bernard Fossett the first chief. Money was needed to purchase the equipment so the company held its first fund raiser, a clambake.

The company now needed a fire house. Joseph Forestor, already involved as an organizer, made available to the company for $1,000 a month a building he owned. The building was known as the Arlington Club House. The house was located on Walden Ave. across from Pine Ridge Road. The first major expense was 1,000 feet of hose purchased for $700. This was followed by a hose cart purchased in November for $62.50. Such expenses were covered by dues, donations, and fund raising events.

No time was wasted in raising money for more equipment purchases. A social and dance was held November 14, 1903 followed January 21, 1904 by another. The tickets at that time went for 25¢. During the first twenty years or so, the company held smokers and dances as frequent as once a month. All firefighting apparatus and other equipment in the early years was purchased by the company with monies they gathered. Today the purchases are made with property tax monies under the control of the elected Board of Fire Commissioners.

On November 21, 1903, at a regular meeting of Rescue Hose Co. No. 1, the members were informed that the company had been duly incorporated in the State of New York. This made Rescue Hose the first officially incorporated and recognized fire company in the Town of Cheektowaga.

Rescue Hose was not immune from the very enemy it was to fight. In 1905, a hotel next to the firehouse erupted in flames. The fire was so intense, the Arlington Club House became engulfed in flames and the area's first firehouse was reduced to nothing more than smoldering ashes. All was not lost in this most embarrassing fire. The hose cart was salvaged and the company was able to carry on from temporary quarters further down Walden Ave. The need was seen for some sort of financial support which could be depended upon for replacing the lost equipment and provide for future expenditures. In 1905 the Walden Fire District No. 2 was formed. The taxes helped to build a fire house located on the site of the present fire house. The hose cart was sold to the fire district for $75.00 in May of 1905 and was soon after replaced with a 4-wheel wagon. The wagon, having been custom built, with it's buggy sorings, carriage lamps, green varnished wood, and gilded lettering was as beautiful as it was functional. It carried hose, axes, ladders, lanterns and all the equipment necessary for firefighting procedures of that day.

The fire district in the early days did not have benefit of radios and sirens. The men were summoned to the fire house or the scene of the fire by telephone or the neighbors. At the January 6, 1909 meeting, the chief reported that a house burned to the ground because of the lack of hydrants in the area and that most of the men were unaware that there was a fire. The blame for this was put on the inadequate alarm system. It wasn't until the middle of 1910 that a bell and then a whistle was installed to sound an alarm.

In 1911 the company formed a Ladies Auxiliary which met for several years until it was disbanded. A drum corps was started at the same time. This group performed in parades and for special events for many years and was considered quite good. The company acquired the drums and sticks while the members of the corps took care of all other expenses.

The hose cart which served the company and fire district for so many years was finally sold in March of 1914 to the Rochester Exempts Association for $75.00. The first rumors of a new truck and fire siren were circulated at the end of 1914 and by the end of 1915 the fire district had its first gas-powered apparatus. Even the fire company was not immune from crime, the magneto was stolen from the truck not long after being put in service.

The company was continually making purchases of recreational items for use by the members. The first item was a Victrola and a dozen records. Later a piano and pool table were added. Almost all acquisitions as such were made by the company with their funds since the district and town were not as sound financially back in 1928 as they are today. As a matter of fact, the company made two loans to the district and town totaling $2,200.

The year 1929 is of special importance to the company. It was in the early part of this year that Rescue Hose bought the old school house at 72 Randolph. This building was the nucleus around which the present Randolph Hall was built. Along with the building, the entire corner property was bought. At the corner of Doat and Randolph was a two-story building which was used as a meeting house for a Boy Scout troop sponsored by the company. This building was demolished some years ago due to the age and the need for more parking spaces for hall patrons.

January of 1931 was a time when the company was re-organized. On a motion by Edw. Janiak and seconded by B. Zablotny, the company voted to have eight directors elected every September. These directors would have full charge of building finance bonds and the company treasury.

1932 was also the first year that any formal training was given the active members of the company. Seven men were instructed to drill with the Buffalo Fire Department for a period of time. First aid courses were also attended by twelve men, giving them their first training in that field.

At this point in time, the firefighting apparatus and the fire District office was located at temporary quarters at 1236 Walden Ave. The present firehouse was officially dedicated to the public and put into service on October 25, 1936. The original structure was a two-story brick and concrete building having two truck bays. In 195 , an addition was erected to the north. From housing two trucks, the firehouse now has five trucks under its roof.

On June 26, 1938, the Board of Fire Commissioners presented the first 25 Year awards to eight members of the company. This practice is still followed as a way of honoring the unselfish dedication of the men.

The trophy case in the firehouse contains a wooden axe. This axe was presented to the company on December 6, 1939 by the Captain of the Welland Hose Company No. 1 of Ontario, Canada. This was the first of many times that the Canadian firefighters were represented at an inspection or event.

Statements or insertions which are not spoken by the Member on the floor will be identified by the use of a "bullet" symbol, i.e., ●

Through the efforts of all the members, the fundraising activities, and the donations of friends, the first mortgage for the Randolph Hall was burned on September 3, 1941—the 38th anniversary of the company.

The war years made it rough for all volunteer organizations, especially the fire companies. Manpower was at its lowest. Some companies allowed high school boys to answer alarms just to assure the people that someone would respond. Rescue Hose, just as other companies, even had a "guard" on duty 24 hours a day to sound the alarm for any reason.

The original uniform consisted of dark pants, a red shirt with a large emblem in front, and a "pillbox" hat. In 1952 the fire commissioners voted to adopt the double-breasted blue serge uniform of the Buffalo Fire Department. The uniform is the same as today's, except that newer materials are used.

The Fiftieth Anniversary of Rescue Hose Company No. 1 was celebrated on September 3rd, 1953. The banquet was held at the Buffalo Trap and Field Club located at the Buffalo Airport. This year, for the Seventy-Fifth Anniversary, the celebration will be held at the Executive Inn on Genesee St.

From 1953 until 1978, the company experienced many of the common problems and growing pains all fire companies have at one time or another.

In the following twenty five years, 1953 to 1978, the company continued to grow. The Randolph Hall was remodeled and in the early 1960's the company started the annual coin card drive to raise funds for the many functions run for the membership. The district also was growing. It had acquired five trucks by 1978. This consisted of a snorkel, two pumpers, a quad (ladder truck), and an emergency truck. The chief and assistant chief also had district cars.

The people of Walden Fire District No. 2 should be proud of the men that serve them. Rescue Hose has always been No. 1 in the town and the members of the company intend to continue this tradition.●

ONE CAMBODIAN'S STORY

HON. JOHN B. ANDERSON

OF ILLINOIS

IN THE HOUSE OF REPRESENTATIVES

Thursday, August 17, 1978

● Mr. ANDERSON of Illinois. Mr. Speaker, I would like to place in the RECORD extracts of a report by an American Foreign Service officer who interviewed Pin Yathay, after Mr. Yathay successfully escaped from Cambodia in June 1977:

[Extracts from an airgram report by an officer of the American Embassy at Bangkok, Oct. 26, 1977]

THE STORY OF PIN YATHAY*: ONE MAN'S TREK THROUGH CAMBODIA

EVACUATION FOR "THREE DAYS"

Pin Yathay, 34, Director for Supply-Procurement, one of four directorships in the former Ministry of Public Works of the Government of the Khmer Republic, was distressed over corruption in the Government of the Khmer Republic (GKR) and felt some sympathy for the Khmer Rouge in the spring of 1975. On April 17, he joined most Phnom Penhois, he said, in welcoming the peace which was expected to follow the Khmer Rouge takeover. He planned to remain in Cambodia to serve in rebuilding the country. He was an engineer, trained for five years at the University of Montreal, Canada, and thought that his talents could serve the nation.

At 11:00 A.M., April 17, 1975, white flags began to appear throughout Phnom Penh. The Khmer Rouge were soon thereafter reported to be urging the citizens to leave the city temporarily. Several non-Khmer Rouge messengers arrived in south Phnom Penh where Pin Yathy resided and urged the families to leave the city. At that point no force backed the exhortation. Huddled with his family of eighteen—his wife, 3 children aged 9, 6, and 3, his parents, a brother and his family, a sister and her family, and an 18-year-old male cousin—they decided to try to remain, both in Phnom Penh and in Cambodia. Later in the evening they joined hundreds of others taking refuge in a major Pagoda of south Phnom Penh. The next day, April 18, Khmer Rouge soldiers appeared at the Pagoda and demanded that everyone quit Phnom Penh. Weapons were used to emphasize the point. Pin Yathay and his family left the Pagoda. After temporarily taking refuge in a school on the outskirts of Phnom Penh, Pin Yathay was forced to leave the city. Khmer Rouge soldiers told the citizens of Phnom Penh that they must leave the city for three days so that the city could be "purified." Moreover, the Americans were going to bombard Phnom Penh. They were told not to bother to take much with them since they would return quickly to the city. Pin Yathay, in retrospect, thinks the Khmer Rouge cadre probably thought the evacuation would last only three days, but he is convinced that Angka intended the evacuation to be permanent and to lead to the death of most of the population. . . .

Deaths occurred in the first few days of the evacuation. Being the hottest month, the April heat was unbearable. Those forced to leave hospital beds, pregnant women and the aged were the first to succumb. There were only scattered reports of executions. During the first days, Pin Yathay was aware of the execution of one youth, who attempted to return to Phnom Penh to get his papers. After one failure, he tried again and was summarily shot. Other, similar stories were heard. . . .

Although in general he had wanted to stay in Cambodia, conditions enroute to Chakmau led Pin Yathay to decide that they should attempt to escape through Viet-Nam. He changed his mind, however, when he heard on the Voice of America that the United States would evacuate its mission in Vietnam during the next week. How ruefully, he said, he later regretted that decision.

EARLY DAYS

When he arrived in Chakmau, a village previously controlled by the Khmer Rouge, his family was assigned a house along with others. They were put to work immediately. Being strong, he was assigned to cutting forests and bamboo, the most difficult work. At that time they worked only during daylight hours. All were required to register and write biographic resumes. Pin Yathay abbreviated his name and wrote merely that he was an engineer.

Food was adequate, although a shock for those accustomed to a good life in Phnom Penh. Death from disease among the weak became common. Extreme nervous conditions were frequent and deaths resulted. Suicides were also not rare. When a former GKR Lt. Colonel heard that his identity had been discovered, he took his own life. Pin Yathay was not aware of widespread executions, but said that, during that period, individuals or small groups were called away and disappeared. He presumed they were executed.

RETURN TO ANCESTRAL HOMES?

After remaining for about three months in Chakmau, the "new Cambodians" (those who were not under Khmer Rouge control before April 17, 1975) were told that they should return to their ancestral homes. With that news Pin Yathay determined to move across Cambodia to try to escape into Thailand. He claimed that Cudong was his ancestral home. The "new Cambodians" were then loaded on trucks, presumably to return to their old homes. However, when the trucks reached Takeo, the new Cambodians were told to unload. They were asked rhetorically how they could expect to return to their homes when crops needed to be cultivated. Pin Yathay and his family remained in Takeo for three months.

During this period in Takeo, undernourishment began seriously to affect the health of most "new Cambodians." Pin Yathay himself remained in comparatively good health and was assigned the difficult labor of digging new canals. Khmer Rouge cadres were ignorant and forced them to dig canals in such ways that frequently the water would flow in the opposite direction from that desired or would not flow at all. He kept quiet, even though he was an engineer and could have helped. Criticism was not welcome. In Takeo, executions became more common. With identities known or suspected, former Phnom Penhois began disappearing in increasing numbers. Pin Yathay mentioned specifically the execution of former Undersecretary of the Ministry of Culture, the writer, Lien Hap An; former colonels; and other government functionaries. He ceased calling himself an engineer, claiming that he had been a low level technician in the Public Works Ministry.

TO PHUM LEACH

In December, 1975, the "new Cambodians" in Takeo were again told that they should return to their ancestral homes. Attempting to get as close as possible to Thailand, Pin Yathy claimed Battambang as his home province. In fact he only had relatives of his wife in Battambang. Again the several thousand "new Cambodians" were loaded on trucks, supposedly to return to their old homes. People were pressed like sardines on the trucks, forced to leave behind most of the few belongings they had managed to retain thus far. Pin Yathay's family lost their last bicycle at that point. An invalid woman confined to a wheelchair was left to care for herself in the road, since there was no room for her wheelchair on a truck. Her death was certain, Pin Yathay said, but characteristic of the Khmer Rouge policy of deliberately reducing the population.

The trucks headed toward Battambang, but at Pursat (Pouthisat Province) the caravan turned left through Phum Leach to the forested mountain area about ten miles south of Phum Leach. Pin Yathay estimated that half the Cambodians, undernourished, weakened by disease and exposure to heat and weather, died enroute to Pursat.

The survivors were little better off. They were dumped in the forest in torrential rains and told to build their own huts. Still relatively fit, Pin Yathay was assigned work as a tree cutter. During this period many "old Cambodians" who had been living in the Cardamom Mountain range moved into the area of Pin Yathay's camp. He assumed that Khmer Rouge were emptying the mountainous area of its population to prevent their escape into Thailand. Pin Yathay noted rising resentment against Angka, even among the "old Cambodians."

Toward the end of 1975 many in the group were moved again to a location about ten miles west of Phum Leach. Pin Yathay volunteered to go with them, even knowing that conditions would be worse than in the present site. The move would take them closer to Thailand. Moreover, the more often one moved the less likely that one's former identity would be discovered.

Pin Yathay stayed in the Phum Leach area from December, 1975, to October, 1976. Food was adequate until early 1976, primarily be-

*Pin Yathay agreed to the use of his name in a public document.

cause the communal kitchens which were established seemed to get greater supplies. However, after January, 1976, supplies dwindled. By April, 1976, Pin Yathay estimated that eight persons were sharing one tin of rice per day (¼ kilo per day). Work was extremely hard. Mosquitoes and disease plagued the population. Large numbers of the "new Cambodians" died. Pin Yathay used the money and treasures the family had brought from Phnom Penh to supplement their ration, usually through bribery of all too receptive Khmer Rouge cadre. Fourteen of the eighteen members of Pin Yathay's family who left Phnom Penh together died during this period in Phum Leach. His parents, a sister and brother, their children and his three-year-old child died. Pan Yathay, his wife, and their other two children were constantly sick.

During this period Pin Yathay made his first attempt to escape to Thailand. He failed, however, since other members of the escape party changed their minds. He recounted the difficulties he had with the Khmer Rouge when he returned, since he had been reported as having fled the camp. He finally managed to convince the Khmer Rouge cadres that he had been gathering wild potatoes and had left his children with a friend. His fabrication was accepted.

In March, 1976, Pin Yathay was sent without his family to the Tonle Sap, to assist in a drive to catch fish for food. The area had many "old Cambodians", but they rarely spoke to the "new". One evening, however, Pin Yathay was bathing alone when an "old Cambodian" approached him and whispered to Pin Yathay that he should not distrust all "old Cambodians". "Many of us are with you", he said. Pin Yathay did not dare respond, since it was possible that he was being provoked. Nevertheless, he believed the man.

At the Tonle Sap Pin Yathay also learned of a highly secret police organization, which he referred to as the "Chhlop" (phonetic). According to what he learned, the "Chhlop" have authority above even Angka, but few people are even aware of the organization's existence.

In May or June, 1976, Pin Yathay contracted beriberi. He was near death and begged to be permitted to return to Phum Leach to see his family. The Khmer Rouge finally relented but refused to allow a friend to accompany him to Phum Leach. With pills he purchased and took with him, he miraculously made it back to his family. He exchanged a gold necklace with a Khmer Rouge cadre for twenty-four tins of sweet palm syrup. Despite the fact that the palm oil can be dangerous, even lethal, it was soothing and Pin Yathay wanted to ease what he thought would be his last days. However, he recovered after a month . . .

ESCAPE

Until this time, Pin Yathay had managed to keep his nine year old son at home even though children of his age should have been assigned to live with the youth league.

He was repeatedly harangued for this. Khmer Rouge cadre accused him of being a reactionary, of having the "thought of imperialism's dandruff". "How could he selfishly keep his son at home, when the commune needed him?" The son, whom Pin Yathay clearly adored, finally told his father that he should go. Pin Yathay acquiesced. Three days later he learned that his son was dead. He cried as he recounted this story.

Pin Yathay then began plans for his escape. A group of several men and women, not all directly known by anyone but Pin Yathay, developed together an escape plan. Pin Yathay told his wife that he was planning to escape, but that she should stay behind. Women seemed to be standing the ordeal better than men. In their weakened condition he felt he would never be able to get them through the jungles and mountains to Thailand. His wife cried and pleaded with him to take her. Finally, he agreed that she could go.

So that he could make preparations, Pin Yathay managed to be transferred temporarily from his work in the forest and to be hospitalized. In fact, he managed each day to spend most of his time free. This arrangement provided time for planning and enjoying what Pin Yathay thought might be the last days of his life.

Plans were delayed by indecision among the eleven other escapees, some of whom wished to wait. Discovery by a Khmer Rouge cadre that Pin Yathay was neither in the hospital nor at work precipitated a decision. Pin Yathay was ordered to return the following day to the forest work, accompanied by the Khmer Rouge cadre. Final arrangements for flight required an additional day and Pin Yathay hoped to have a full night's flight to put distance between himself and the camp. He contrived the following scheme. His wife would feign sickness and he would plead for a day's delay.

When Pin Yathay failed to appear at the cadre's house to return to work, the cadre came to Pin Yathay's hut looking for him. He was greeted with the moans and cries of Pin Yathay's wife who said that Pin Yathay had gone to find medicine. Pin Yathay then appeared and explained that he could not leave until the next day. If his wife was still sick, he would take her to the hospital; then he could return to work. The cadre finally insisted that Pin Yathay accompany him to work where his superior could decide. Pin Yathay deliberately left his hammock in his hut.

CORRUPTION AMONG THE CADRES

Noting that the cadre had a Japanese watch, not a preferred Omega or Rolex, Pin Yathay asked the cadre the time and when the cadre informed him of the time, Pin Yathay commented that he thought the watch was slow. He should have an Omega. Pin Yathay added that he knew where he could get one, but it would cost the cadre, who worked in the commune kitchen, fifty tins of rice (25 kilos). When the cadre complained that this was too much, Pin Yathay said that he might be able to get it for 30 tins, but he would have to act quickly, the next day, since the owner of the Omega was being reassigned almost immediately to another camp. The cadre smiled, and Pin Yathay knew he had gained an ally to help him with his superior at the forestry worksite.

At first the superior was adamant that Pin Yathay must stay. Too bad that he had been so improvident as to leave his hammock in his hut. He would have to sleep on the wet ground. Finally Pin Yathay told the superior that the other cadre should be asked for confirmation if his wife's illness, since he had seen his sick wife and heard her cries. Eager for the Omega watch, the cadre vouched for the truth of Pin Yathay's story. He was permitted to return to his wife. Pin Yathay commented to me with disgust that corruption is common in Democratic Cambodia.

All twelve of Pin Yathay's cohorts gathered later that evening for the escape. It was May 24, 1977. At least two of the group were Khmer Rouge. Only three survived the trip. Pin Yathay's wife became extremely ill, forcing him to remain behind, briefly, until she died. Afterward, he could not find the others and trooped on alone. He ran into Khmer Rouge patrols three times, but was captured only once. He outwitted the Khmer Rouge and managed subsequently to escape. Without rations, he ate berries, roots, and occasionally trapped wild animals and insects in the rough, jungled mountain terrain. His sandals fell apart. His body was extremely weak, he said, but his spirit remained strong.

On June 20, 1977 he arrived at the Thai border, to be greeted by the pointed rifles of the Thai Border Patrol Police, who suspected that he was a Khmer Rouge soldier. He finally convinced them otherwise. He was stripped of his ragged remnants of clothes to make sure that no valuables were sewed in the linings, he said, and given the shirt and trousers he wore.

POLICIES OF DEATH

Commenting generally, Pin Yathay said that the new leaders of Democratic Cambodia seem to be committed deliberately to eradication of a large part of the population—the "dandruff of imperialism". He estimated that perhaps only three to four million Cambodians are still alive. One million of the pre-war population of seven million died during the war, and nearly half of the five million "new Cambodians" have survived the policy of the Khmer Rouge to reduce their ranks. This would leave, in Pin Yathay's view, a population of three to four million. Death is the primary policy instrument of the Khmer Rouge, Pin Yathay concludes.●

CLOCK RUNNING ON WILSONVILLE

HON. PAUL FINDLEY

OF ILLINOIS

IN THE HOUSE OF REPRESENTATIVES

Thursday, August 17, 1978

● Mr. FINDLEY. Mr. Speaker, on August 1, 1977, more than a year ago, I introduced H.R. 8657 the Resource Conservation and Recovery Act Amendments of 1977, and desiring to have the views of the administration, requested Chairman HARLEY O. STAGGERS of the House Committee on Interstate and Foreign Commerce to ask for such a report. Chairman STAGGERS did so promptly.

After long delay I finally received a letter from the Department of the Interior, dated March 31, stating that its report on the bill had been forwarded to the President's Office of Management and Budget for final action.

I then addressed a request to James T. McIntyre, Director of OMB, urgently requesting the administration position. It is now August 17 and I have yet to hear from Mr. McIntyre or anyone else at OMB. I still do not know the administration's attitude.

I cannot understand why it should take OMB more than 4½ months to clear a report.

Passage of this type legislation is critically important for the entire nation, and especially because of the existence of a hazardous waste dump located within the town of Wilsonville, Ill.

No doubt many of my colleagues have read of dangerous problems that the people of Niagara Falls, N.Y., face. Beginning 35 years ago toxic chemicals were buried in a hazardous waste dump similar to the one at Wilsonville. Later a school and housing subdivision was built on the dumpsite. Now ooze believed to be highly poisonous and carcinogenic is bubbling out of the ground in this populated area. Women living there have suffered 50 percent more miscarriages than would be expected. And there is an abnormally high incidence of birth defects among children. Their future is permanently clouded. The lives of people may be harmed just because they have for years lived on top of a chemical dump.

There is nothing currently in law to keep the people of Wilsonville from suffering the same fate. At Wilsonville hundreds of steel drums of benzine, pesticide residue, PCB leftovers, and other substances are buried on the edge of a residential area.

My bill would correct weaknesses in the Solid Waste Disposal Act of 1976. It was my hope that this legislation would receive prompt consideration so as to eliminate or minimize the potential hazards that chemical wastes possess to human and animal life.

Under my bill hazardous wastes could not be buried near residential areas, and any so located would have to be moved. Property on which hazardous wastes were buried would have to be dedicated to public ownership.

Regulations of such sites is today totally inadequate.

The situation is critical as the tragedy at Niagara Falls obviously shows. Too much time has already elapsed and the clock continues to run on Wilsonville.●

NUCLEAR NONPROLIFERATION ACT OF 1978

HON. JONATHAN B. BINGHAM

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Thursday, August 17, 1978

● Mr. BINGHAM. Mr. Speaker, the Nuclear Nonproliferation Act of 1978, which it was my privilege to sponsor, gave impetus to many important and necessary processes. One of these was the U.S. sponsored international nuclear fuel cycle evaluation (INFCE). Hopefully, this international evaluation—the first of its kind—will result in a consensus as to which new technologies and institutions can best help to provide security against the spread of nuclear weapons in the years ahead.

In forging such a consensus, sober but imaginative thought will be required, not only by the United States but by all participating governments. An example of such thought was recently provided by Dr. Joseph Nye, Deputy to the Under Secretary for Security Assistance, Science and Technology, in a July 12 speech before the Uranium Institute in London. In his speech, Dr. Nye discusses not only a possible framework for a more proliferation-resistant world, but also details the technological possibilities now being pursued by the United States in increasing the efficiency of the existing light water power reactor. Among Dr. Nye's other points, two of the most important are: First, that plutonium does not provide a solution to the short- and mid-term energy security problems which we and the world at large now face, and second, that if we fail now to fashion responsible and credible solutions to the proliferation risks posed by advanced nuclear systems, we may be deprived of their use altogether in the future as a result of public fears and hostility.

I am sure that those who have worried in the past that the U.S. nonproliferation policy was insufficiently attentive to the energy needs of other countries will find Dr. Nye's speech balanced, conciliatory, and free from dogmatism and exhortation. His remarks encourage us, however, to think more critically about the prospects for the future and about the complex trade-offs that necessarily must be made.

I insert herewith the final section of Dr. Nye's address:

URANIUM AND THE ROLE OF PLUTONIUM

U.S. policy is based [among other considerations] on . . . the need to keep perspective in balancing energy and military security problems. Plutonium does not provide a solution to the short and mid-term energy security problems, while its dispersal and utilization before the international system has learned how to cope with it threatens to add to the world's security burden. Other technologies on the other hand do not *now* commit us to political problems we don't know how to deal with. For these reasons, the United States Government has opposed plutonium recycle in thermal reactors, which offers only marginal (if any) economic or energy security benefit. Diminished dependence on uranium imports can be accomplished more economically and safely through modest national stockpile programs.

At the same time, we have not opposed breeder reactor R&D programs because of the greater range of uncertainty surrounding estimates of their energy costs and benefits. A key element in this evaluation is the question of probable uranium resources. And since no one knows the answer to that question with certainty, we must be sure that we weigh the risks of being wrong from both the energy and the military security point of view.

Essentially, nations are making energy and economic security bets about the availability of uranium and its likely price on the one hand versus the capital costs of the breeder reactor on the other. There are large uncertainties in the breeder capital costs and fuel cycle costs. If we consider the range of these estimates, we see that the lower priced breeder would compete with present LWR's using uranium oxide priced at about $60/pound; while the more expensive breeder would compete with uranium oxide priced at about $200/pound. The improved LWR would compete at even higher uranium prices. We do not know *now* what the competitive costs will be, but it does raise the following questions. Will the capital costs of the breeder escalate as has occurred with many high technology projects during the commercialization process? Will uranium reserves be exhausted and prices increase rapidly? Or will more resources be found as higher prices stimulate further drilling?

No one can answer these questions with certainty. Yet given long lead times in high technology R&D projects, decisions must be made before all the facts are known. In order to maximize our area of common interest, we should strive for a situation in which nations can place different long term energy bets without jeopardizing each other's security interests. We ask those who bet on breeders to include security costs which they impose on others, particularly safe fuel cycles, in their economic calculations. At the same time, they can rightly ask us for greater assurance on fuel supplies, and we are presently exploring bilateral and multilateral fuel assurance options. Then each nation can bet as it wishes on the economics of the breeder without imposing the political costs of its actions on others.

We ask those who choose to go ahead now with the breeder to include the following factors in their decisionmaking process: First, avoidance of the temptation to reduce per unit capital costs by premature exports. The commercialization of the breeder (and reprocessing) should be limited to situations where it has compelling advantages. Economies of scale arguments dictate that only the largest nuclear programs could satisfy such a condition for commercialization. Second, fuel cycle facilities should be designed to make their misuse difficult and time-consuming, even though such design, as in the case of hot fuel fabrication, may involve additional cost. Third, efforts should be made to minimize flows of cold plutonium or fuels with high concentrations of fissionable materials even if this adds to transport costs. Fourth, multinational institutional arrangements should be utilized where there are compelling reasons to proceed with new technology. While such arrangements could produce benefits in economic efficiency, such steps would be desirable even if they led to a net cost.

Measures that would make these sorts of compromises possible are currently under discussion in INFCE. Certainly the way the U.S. will respond to requests for transfers for reprocessing of U.S. origin spent fuel will depend on the extent to which other countries have made serious efforts to recognize and take proliferation concerns into account. At the same time, we are ready to take their energy security concerns into account.

PROSPECTS FOR STABILITY AFTER INFCE

The United States sees INFCE as a cooperative international effort to evaluate the role of nuclear power technology in an international context and help develop an objective appreciation of the non-proliferation, economic, and other implications or different fuel cycle approaches. INFCE provides a two-year period in which nations can re-examine assumptions and find ways to reconcile their overlapping but somewhat different emphasis on the use of nuclear energy. While INFCE has a technical cast, it is part of the political process of laying a basis for a stable international regime to govern nuclear energy through the end of the century.

A stable international regime should build upon and reinforce the previous accomplishments of the Atoms for Peace Program, the IAEA and the NPT. Even if all new institutions are not under the jurisdiction of the IAEA, they should be consistent with it, and help to reinforce the safeguards system that has separated peaceful and military uses of nuclear energy in the past. The IAEA should be envisaged as the center of the institutional system.

A stable regime should be designed to minimize the global distribution of weapons usable materials and vulnerable points in the fuel cycle, while adequately meeting the energy security needs of all countries. One can visualize five basic norms for a strengthened international regime: (1) full scope safeguards; (2) avoidance of unnecessarily sensitive facilities; (3) use of diversion resistant technologies; (4) joint control of sensitive facilities; and (5) institutions to insure the availability of the benefits of nuclear energy.

The first norm—full scope safeguards—is basic to the existing international regime that we are trying to reinforce. It is increasingly accepted that full scope safeguards provide a credible assurance of peaceful intent, without interference with research or power programs. The second norm says countries should avoid sensitive facilities that involve weapons-usable materials unless they can be shown to be economically necessary. While allowing a range of interpretation, this norm rules out certain activities when they are clearly economically indefensible. This does not reserve sensitive facilities only to existing sites, but it does emphasize the shared interest of members of the international community in minimizing the vulnerable points in the global fuel cycle, and thus reducing

the burden upon the international safeguards system.

The third norm—use of technology that is as proliferation resistant as possible or appropriate in a particular institutional situation—appears to be attracting support. A number of interesting ideas have been suggested in the past years. While still too new to judge fully, such ideas indicate the value of continuing the search. At the front end of the fuel cycle, France has been investigating chemical enrichment techniques that ideally could increase the difficulty of producing weapons-grade material. The proponents of CIVEX reprocessing for a breeder system have suggested processes and stipulated a useful set of criteria for terrorist proofing against which their technical suggestions can be judged.

These criteria are:

1. No pure plutonium in storage.
2. No pure plutonium at any intermediate point.
3. No way to produce pure plutonium by simple process adjustment.
4. No way to produce pure plutonium without equipment modifications.
5. No way to carry out equipment modifications with facilities and components normally on site.
6. No way to carry out the required equipment modifications without plant decontamination or entry into extremely high radiation fields.
7. Length of time required for successful diversion should be such that adequate time is available for national and/or international responses.

In the area of research reactors, both France and the U.S. are developing high density fuels that will provide sufficient neutron flux at lower levels of enrichment to cover nearly all experiments for which most research reactors are used. In short, developments and explorations in technology can help to create an environment for a stable regime, though it should be remembered that technical fixes alone do not solve the problem of proliferation.

The fourth and fifth norms suggest the need to develop two types of institutions, both of which are included in the INFCE terms of reference. First we need to explore the characteristics of institutions to deal with the possibilities of effective joint control. Where sensitive facilities are economically essential and difficult to safeguard nationally, we should examine together forms of multinational ownership and management which might help to reinforce the effect of international safeguards. The political costs of abrogating an arrangement that involves a number of states would be added to the costs of dismissing IAEA inspectors. Criteria and procedures can be developed for "effective multinationality" which requires the involvement of a number of states while inhibiting replication or dissemination of the sensitve technology to national facilities.

Finally, we need to develop institutions to implement the principle of assurance of benefits. Supply assurances, fuel trusts and international spent fuel repositories are good examples. We are already making progress in discussions of a fuel trust, and President Carter has announced wilingness to make a substantial commitment. Essentially this could be a stockpile of fuel to be released to countries which have all their facilities under safeguards, have a clean safeguards record, and have chosen not to develop sensitive facilities on a national basis. By relieving the burden on the world safeguards system, these actors deserve special recognition and help with their potential energy security problem. Such a fuel trust need not be unduly large to accomplish its purpose of reinforcing the reliability of the uranium market by reducing political risks. Complementary bilateral and multilateral assurance measures can also contribute to this goal.●

MILLER INVESTIGATION OF IMPACT OF LONGSHOREMEN ACT ON SMALL BUSINESS

HON. GEORGE MILLER

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Thursday, August 17, 1978

● Mr. MILLER of California. Mr. Speaker, a great crisis has been brewing over the last several years in the recreational boat and marina industry which threatens not only the future of these small businesses, but also the millions of boat owners who utilize them. In my own district, the cities of Richmond, Martinez, and Pittsburg have all constructed new marinas for use by the citizens of Contra Costa County, and throughout the country. Other cities and private interests have similarly invested large amounts of money into such projects.

Now, the future of these marinas, and the future of the small, recreational boat business in general, is in serious jeopardy. This crisis has been precipitated by the decision of a Department of Labor bureaucrat who, without any justification in law, decided to apply the Longshoremen and Harbor Worker's Act to the small boat industry. Overnight, insurance rates skyrocketed without any corresponding increase in injuries among employees. In some areas, rates rose by as much as 400 percent, forcing businesses either to pay the higher rates—and correspondingly increase their prices to boatowners—or close down.

Working conditions in the small boat business, and at marinas, make wholly inappropriate the application of insurance rates which were designed for large scale, injury-prone shipbuilding and repair yards. Assistant Secretary of Labor, Daniel Elisberg, who as a Senate staff person participated in the drafting of the 1972 amendments to the Longshoremen's Act, recently acknowledged this disparity before the Subcommittee on Compensation, Health, and Safety, of which I am a member. Mr. Elisberg told the subcommittee:

> There have been relatively few injuries reported by this industry. During the three months July–September, 1977, when we conducted a survey, only 158 such injuries were reported nationwide, of which only 62 involved lost time from work. In February, there were 24 lost time injuries reported; in March, 44; and in April, 28.

For the sake of comparison, I would like to point out that there were 171,300 injuries in all occupations covered by the Longshoremen's Act throughout the Nation in 1976. Given the infinitesimal injury rate in the recreational and marina businesses, it strikes me as nothing short of preposterous to impose the high rates of the LHWA, which were designed for hazardous occupations, to these small scale firms.

The U.S. District Court for the Northern District of California reached a similar conclusion earlier this year. In the case, Boating Industry Associations, and others, against Ray Marshall, the court found no legal justification for applying the 1972 amendments to recreational boat builders and marinas. The court ordered the Department of Labor to rescind notice 21 and instructed the Federal Government to declare—

> That it is no longer the official position of the Labor Department that the LHWA applies to recreational boat builders and marinas.

Together with 31 House and Senate colleagues, I wrote to the Secretary of Labor and requested that he accept the ruling of the district court and not file an appeal. Unfortunately, the Labor Department has decided to pursue the appeal.

It was because of the obvious failure of either the courts or the bureaucracy to address the concerns of small businessmen and their millions of affected customers that I introduced H.R. 8878 last year. This bill would remove small boat builders and marinas from coverage under LHWA if the workers do not work over the navigable waters of the United States, and if the workers are covered by State workman's compensation laws. Despite a great deal of testimony before the Subcommittee on Compensation, Health and Safety, it now appears unlikely that H.R. 8878 will be enacted this year. For boatmen in California, the problem will take on even more serious overtones because the State legislature has not renewed the coverage of these yards under the State fund. For many builders and marinas, the future appears extremely bleak.

I am very disappointed that enactment of H.R. 8878 will have to be delayed. For many months, I discussed this legislation with business and labor organizations, Members of Congress, representatives of the Department of Labor, and others. I do not believe that the specific provisions of this bill would cause any of these interests any significant problems. Yet promises of cooperation and good faith have apparently gone by the board, and the penalty will be unjustifiably paid by small boatmen.

In order to establish a sound empirical base for next year's action on this legislation, I intend to request the General Accounting Office to begin immediately an investigation of the legislative history and fiscal impacts of notice 21 on small recreational boat builders and marinas. I also am requesting the GAO to investigate the ripple effect of notice 21 with respect to the closure of yards increases in mooring, launching and storage fees for boatowners, and other related cost increases which are passed along to those who patronize marinas and recreational boat yards. GAO will, in addition, be asked to compare the injury rates in small businesses with the rates in larger shipbuilding establishments in order to determine whether there is any rational basis for imposing the high LHWA rates on small employers.

In addition, I will ask the GAO to investigate whether evidence exists to determine if insurance companies are exploiting notice 21 in order to impose unjustifiably high rates for recreational boat makers and marinas.

Mr. Speaker, this investigation will lay important groundwork for legislative action in the next session. I intend to pursue the policy of H.R. 8878 because it is

evident to me that the Longshoremen and Harbor Worker's Act has been seriously misinterpreted and misapplied by the Department of Labor. The effects of notice 21 are being felt by employers, workers, and customers alike. This unreasonable, and legislatively unjustified policy, represents a very serious sword over the heads of the entire recreational boating industry which must be corrected. I am hopeful that, armed with additional evidence of the ill-wisdom of this interpretation, the Congress will move more expeditiously next year.●

BOSWORTH MUZZLING

HON. JOHN B. ANDERSON

OF ILLINOIS

IN THE HOUSE OF REPRESENTATIVES

Thursday, August 17, 1978

● Mr. ANDERSON of Illinois. Mr. Speaker, yesterday the chairman of the Economic Stabilization Subcommittee (Mr. MOORHEAD of Pennsylvania) sent me a copy of a letter he received from the President's principal economic adviser, Charles Schultze, in response to charges that the director of the Council on Wage and Price Stability, Barry Bosworth, had been muzzled by the administration. Chairman MOORHEAD also placed a copy of the Schultze letter in yesterday's CONGRESSIONAL RECORD at page 26561.

Both Mr. Schultze and Chairman MOORHEAD insist that the Council on Wage and Price Stability continues to be free of "all political and bureaucratic pressures," even though any future comments by Mr. Bosworth on pending wage negotiations must be cleared by a new "coordinating committee" on wage negotiations, to be chaired by Labor Secretary Marshall. How now downed COWPS can be free of political and bureaucratic pressures when its findings are filtered through a political-bureaucratic censorship board is beyond me.

At this point in the RECORD I include the text of a letter I wrote yesterday to Chairman MOORHEAD raising certain questions which have not been satisfied by the Schultze letter. I seriously hope the Economic Stabilization Subcommittee will take a hard look at this rather than simply swallowing whole the administration's weak defense. The letter follows:

HOUSE OF REPRESENTATIVES,
Washington, D.C., August 16, 1978.

Hon. WILLIAM S. MOORHEAD,
Chairman, Subcommittee on Economic Stabilization, Committee on Banking, Finance and Urban Affairs, Washington, D.C.

DEAR BILL: Thank you for showing me the courtesy of sending me a copy of Charles L. Schultze's letter to you on the Bosworth muzzling charge along with an advance copy of your press release.

I certainly would not presume to suggest any changes or additions to your press release. I would, however, be interested in knowing whether your apparent acceptance of and agreement with the Schultze explanation indicates that you consider your inquiry closed.

I ask this because it seems to me a number of facts have yet to be ascertained and a number of questions answered. Have you asked for and received a copy of the specific instructions, if any, given to Bosworth and others regarding their future statements on pending wage negotiations? Have you received from Secretary Marshall, who will be chairing the new "coordinating committee," any written information on the specific responsibilities of the committee and how it will operate? Have you asked Director Bosworth whether he thinks the required clearance of his statements on pending wage contracts with the "coordinating committee" will in any way undermine his ability to function as intended? What, for instance, would happen if the COWPS staff studied a pending wage matter and found it had great inflationary potential, and yet the "coordinating committee" refused to permit COWPS to make this finding public? Why has the Administration's top liaison with labor, Landon Bulter, been placed on the "coordinating committee?" Does his presence indicate that all future statements on pending wage negotiations must also be cleared by organized labor as well as the coordinating committee? How can Chairman Schultze (and you in your release) insist that COWPS will continue to be free of political and burcaucratic pressures when it is at the same time conceded that future COWPS statements must be approved by a political and bureaucratic "coordinating committee?"

In reading Chairman Schultze's letter I have no problem with the Administration attempting to "coordinate" its policies with respect to pending wage contracts. Obviously, the Administration should speak with one voice on its approach, strategy, and role, if any, on specific negotiations. But policy must be distinguished from economic findings. To subordinate the findings to the policy and, if they're not consistent, to suppress the findings, would be dishonest. To take an example closer to House and home, it would be like asking the Congressional Budget Office to report on the inflationary impact of a particular bill, then concealing that report if it were not consistent with the policy embraced by the committee in reporting that bill.

I would again remind you that the chief justification for creating the Council on Wage and Price Stability was to have an "independent" inflation monitoring capability within the Administration that could serve as an early warning system and focus government and public attention on inflationary situations. It was never intended to be an economic policy-making or policy advisory board in the sense that the Council on Economic Advisers is. It is essentially an inflation fact-finding and whistleblowing board and, to the extent that its findings are filtered through a political/bureaucratic "coordinating committee," its principal mission is jeopardized if not destroyed.

In view of the above comments and questions I hope you will see fit to pursue this matter further through public hearings and additional inquiries of the Administration on the matters I have raised.

With warm personal regards, I am

Very truly yours,

JOHN B. ANDERSON,
Member of Congress.●

IMPROVING THE CLIMATE FOR INVESTMENTS, ESPECIALLY FOR SMALL BUSINESS

HON. JOHN J. LaFALCE

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Thursday, August 17, 1978

● Mr. LAFALCE. Mr. Speaker, one of our most deeply troubling economic problems is the inadequate level of investments in the private sector. This is certainly not a new phenomenon, but it has been worsening in recent years.

Investment decisions are made on the basis of many considerations, including labor costs, transportation possibilities, communications, energy supplies, and local taxes. However, the general trend of investments is less flexible and is dependent on fewer variables. Among these, one of the most crucial is Federal tax policies for businesses; and it is quite clear that existing Federal business taxes have not been encouraging investments in the private sector. I might add at this point that it is all too often forgotten that without investments, the private sector may dry up and wither away.

The House's passage on August 10 of H.R. 13511, the Revenue Act of 1978, is a welcome first step toward rectifying this lamentable situation. This bill contains a number of provisions which will directly affect the supply of equity capital and will indirectly induce more investments in the private sector. They should form the basis of future measures which could further improve the climate for investments in this country.

The Revenue Act has four provisions which provide investment-related tax relief to industry. First, it lowers the corporate normal tax rate on taxable incomes above $100,000 from 48 percent to 46 percent, which could free hundreds of millions of dollars for reinvestment in corporations and industries. Second, it allows more flexibility in the use of the investment tax credit by businesses, makes the 10 percent credit permanent (under current law, it would revert to 7 percent in 1981), and extends the credit to rehabilitation expenditures for existing buildings used for business activities. Third, it allows use of the full credit on pollution control facilities which are amortized over 5 years and have actual useful lives of at least 5 years. Presently, only one-half of the investment may be covered. Fourth, it increases from $5 million to $10 million the limit on capital expenditures made over a 6-year period financed with industrial development bonds.

This bill also contains a number of provisions that are of special interest to small businesses. First and foremost, it introduces the long-overdue concept of a progressively graduated corporate income tax for incomes below $100,000. The following chart shows the new system and compares it to current tax rates:

Taxable income	New rate (in percent)	Current rate (in percent)
Less than $25,000	17	20
$25,000–$50,000	20	22
$50,000–$75,000	30	48
$75,000–$100,000	40	48

This momentous change is directly targeted at the equity problems which many small business owners have been confronting.

Further, certain changes have been made to the subchapter S provisions of the tax code. The subchapter S election permits owners to utilize the corporate form for business purposes, while still being taxed as if they had not incorporated. This election has been used by

many small businesses, but certain technical problems have caused a great deal of confusion and litigation, which has increasingly limited the effect of this provision. This bill corects some of these problems by: First, increasing the number of permitted shareholders in the companies; second, changing the eligibility rules with respect to shareholders who are husband and wife; and third, greatly simplifying the manner of making the election.

Another provision liberalizes the provision which allows individuals to deduct capital losses on certain venture capital investments against ordinary income. Finally, it expands the additional first-year depreciation allowance for both the percentage and the maximum dollar amount. This last change is specifically and solely targeted to small businesses.

The bill contains numerous provisions that will be of considerable assistance to owners of small businesses. As chairman of the Small Business Subcommittee on Capital, Investment, and Business Opportunities, I strongly applaud these changes which I have long backed; and I will work along these lines to further assist small businesses in retaining their very noteworthy and indispensable place in the American economy.

The Revenue Act affects the amount of equity capital available for new investments by cutting taxes on capital gains by $1.9 billion and setting a maximum tax rate on capital gains of 35 percent, instead of the present 49 percent. In addition, the bill employs the concept of indexing the capital gains tax, which means that the capital gains to be taxed would be those realized after the cost of an asset is adjusted for increases in the rate of inflation. These represent the first step in a complete reappraisal of the complicated relationship between the level of taxation on capital gains and the level of investments.

Mr. Speaker, all of these provisions can only work to improve the presently mixed climate for investments which are vital for the continued health of our economy.●

ENCROACHMENTS ON FREEDOM OF THE PRESS

HON. PHILIP M. CRANE

OF ILLINOIS

IN THE HOUSE OF REPRESENTATIVES

Thursday, August 17, 1978

● Mr. CRANE. Mr. Speaker, "were it left to me to decide whether we should have a government without newspapers or newspapers without a government, I should not hesitate for a moment to prefer the latter." Though Thomas Jefferson declared his choice close to 200 years ago, he could very easily be standing here today addressing you, my distinguished colleagues. M. A. Farber sits in jail today, the victim of the latest judicial trespass into constitutionally protected areas. Twenty-six States boast shield laws, yet many have been weakened by interpretation and provide little or none of the thrust originally intended; in the Farber case, the judge required the production of privileged information, the New Jersey shield law notwithstanding. As a result of the recent Zurcher decision, law enforcement officers, armed with search warrants, can make surprise searches of newsrooms looking for information on possible crimes by third parties. In regard to freedom of the press, judicial restraint is foreign indeed, and we the citizens stand to lose the most should this trend not be halted.

Because of the recent encroachments on the freedom of the press, specifically the Farber affair, and the accompanying threats to our individual liberties and well-being, I am introducing today a bill to protect this constitutionally enumerated freedom. By prohibiting the courts from issuing search warrants and subpenas on journalists, this bill insures that their right to pursue their profession, the gathering of news information, shall not be abridged.

That the Founding Fathers recognized the need for a vital press is well-documented, and Thomas Jefferson's devotion to this principle needs little expansion. Others joined the cry. In the Annals of Congress, James Madison asserted:

> If we advert to the nature of republican Government, we shall find that the censorial power is in the people over the Government, and not in the Government over the people.

Even so Federalist a leader as Alexander Hamilton recognized the rightness of this cause. In the oft quoted People against Croswell case, he affirmed:

> The liberty of the press is the right to publish with impunity, truth, with good motives, for justifiable ends though reflecting on government, magistracy, and individuals.

The message set forth was clear: An adversary relationship between the press and the Government is not only acceptable, it is absolutely necessary in a democratic system of Government. The ballot box demands a knowledgeable electorate; no more reliable source of information exists than a free press.

Recognizing the essentiality of free speech, members of the court have echoed these sentiments in more recent times as well. In the late 1930s, the court elevated freedom of the press and freedom of speech to a "preferred position," with the burden of proof clearly laid upon the Government to show the unconstitutionality of an utterance or printed word. In the 1961 case of Konigsburg against State Bar of California, through a dissenting opinion that would prevail with time, Mr. Justice Hugo Black declared that he—

> . . . did not subscribe to the doctrine that permits constitutionally protected rights to be "balanced" away whenever a majority of this Court thinks that a state might have interest sufficient to justify the abridgement of those freedoms . . . I believe that the First Amendment's unequivocal command that there shall be no abridgement of the rights of free speech and assembly shows that the men who drafted our Bill of Rights did all the "balancing" that was to be done in that field.

Those who doubt the desirability of such a bill are likely to raise two concerns. First, what empowers the national Congress to place such restrictions on courts at the lower levels of Government? Clearly, the very authority Congress exercised in the 1964 Civil Rights Act limiting the States' powers to set qualifications for voting and the 1965 Civil Rights Act limiting the powers of the States to discriminate on the basis of sex and race in employment allows the National Legislature to step into his realm. Freedom of the press involves dissemination of information and necessitates a marketplace of ideas involving interstate exchange—interstate commerce. To fetter such intercourse to State boundary lines prevents the free and general discussion of public matters absolutely crucial to prepare the people for intelligent exercise of their responsibilities and rights as citizens.

The second concern is still more fundamental. People, especially those in public office, are likely to describe the dangers of press abuse. Indeed, the fear of a zealot press has been present throughout history. Many can cite example of misrepresentations, reports of less than the whole story, and outright lies. I have been the victim of such print at times. However, I return to the Constitution and Thomas Jefferson to explain that this risk is one that must be taken to insure that our basic liberties are not usurped. Only in the cases of freedom of the press and religion does the Constitution specify that Congress shall make no law to abridge. The press is the only constant and vigilant watchdog of the Government, the overexpansion of which our Founding Fathers so feared. Yes, the abuses by the press have occurred, yet I would argue that abuses by the Government have been more numerous and more egregious in nature.

In my own lifetime, in fact, in my children's lifetimes, those events called to mind by the key words "Watergate" and "the Pentagon Papers" brought to light the dangers of uncircumscribed power in the hands of those in office. Without a press free to disseminate information and expose wrongdoing, there is no restraint. Those who look to the Supreme Court for guidance and support in a clear interpretation of the Constitution come back with a list of decisions that caused the Wall Street Journal to dub it "the imperial Court." it is clearly time for Congress to get actively involved in this debate.

The legislation that I introduce today reflects the pure, straightforward, and absolute terms found in the first amendment. No journalist must respond to search warrant or subpena regarding the production of journalistic property. Essentially, this bill insures him the absolute confidentiality of sources, the unqualified freedom to gather news, and the uncircumscribed ability to distribute this information.

The essentiality of a free press to the control of Government interference in our lives is absolute. This need transcends the problems that have arisen in the past and those likely to occur in the future. As the rights of the press are usurped, so endangered are those very liberties which are the lifeblood in our American society. Without full exchange of information, our actions as citizens become shallow and we risk being mis-

directed. Examine the tenuous situation created by recent restrictions on the freedom of the press and the ramifications in our democratic society. After such study, I urge my colleagues to join me in this effort to insure that we travel no further down the path to restricted press and expanded Government.●

THE COMMON HERITAGE ON LAW OF THE SEA

HON. ROBERT W. EDGAR

OF PENNSYLVANIA

IN THE HOUSE OF REPRESENTATIVES

Thursday, August 17, 1978

● Mr. EDGAR. Mr. Speaker, at the recent meetings of the United Nations Conference on the Law of the Sea in Geneva, the Nepal delegation introduced a most interesting proposal. It took the form of 10 treaty articles, which would establish a "Common Heritage Fund" as part of the comprehensive Law of the Sea treaty on which the Conference has been working for 4½ years. On August 11, I introduced a resolution, House Resolution 1312, which would put the House on record as supporting the establishment of a common sense heritage fund. I am inserting below the text of the resolution for the benefit of my colleagues. To help explain the proposal, I am also inserting an article written by Dr. John J. Logue which appeared in the March issue of WORI Report entitled "Nepal 'Common Heritage Fund' Proposal Aims to Revive Sharing in Sea Conference." Dr. Logue is director of Villanova University's World Order Research Institute.

I believe that Nepal's proposal deserves our attention. For with it, Nepal is trying to revive the concept which inspired the calling of the giant Law of the Sea Conference, the concept that a substantial portion of the oceans and their resources should be regarded as "the common heritage of mankind."

What Nepal proposes is that a substantial amount of ocean mineral wealth, as much as $3 to $5 billion a year in the near future, be paid into a common heritage fund and used for four purposes. At least 70 percent of the revenues would be used to assist Third World development. The remaining revenues could be used to protect the marine environment, to assist in the transfer of marine technology to Third World countries, and to help the work of the United Nations, especially in the area of peacekeeping.

Nepal proposes that the source of the fund's revenues would be specified contributions from the exploitation of seabed mineral resources by coastal states. The seabed minerals in question would include those offshore as well as those in the deep ocean. In his background paper, Upadhyay argued that some offshore sharing was essential. He said that this was so because the overwhelming proportion of presently exploitable seabed mineral wealth is within the proposed 200-mile exclusive economic zone (EEZ) and because most of that offshore wealth will go to a very few nations, most of them rich.

I think Members will find Dr. Logue's article of considerable interest. They may be especially interested in his statement that, in his view, a generous common heritage fund would make it easier to secure agreement on other issues which have been troubling the Conference, especially the issue of the nature and powers of the International Seabed Authority. I might add that Dr. Logue is a close student of the law of the sea and has attended all seven sessions of the Law of the Sea Conference.

NEPAL COMMON HERITAGE FUND PROPOSAL AIMS TO REVIVE SHARING IN SEA CONFERENCE

The landlocked country of Nepal had introduced a major proposal for revenue sharing in the deadlocked United Nations Conference on the Law of the Sea. It is an attempt to revive the concept which inspired the convening of the giant Conference, the concept of ocean mineral wealth as "the common heritage of mankind." It comes at a time when there is pessimism about the future of the four-year old Conference as it moves toward its seventh working session to be held in Geneva from March 28 to May 12 (or 19).

The Nepal proposal would establish a generously financed "Common Heritage Fund" (CHF) as a key part of the comprehensive law of the sea treaty on which the Conference is working. The Fund's revenues, which might reach as much as three billion dollars a year in the near future, would be used principally to assist the development plans of low income states. Smaller amounts could be used to protect the marine environment, assits the transfer of marine technology to developing countries and to assist the work of United Nations, especially in peacekeeping.

At the Conference's February 6–17, "intersessional" meeting in New York, Nepal's UN Ambassador, Shailendra K. Upadhyay, circulated the text of ten treaty articles concerning the Fund. Carefully drafted, the Nepal proposal would require coastal states to contribute a certain percentage of the net revenues from their 200-mile "exclusive economic zones" (EEZ's) to the Fund. The amount contributed would depend on the size of those revenues and on the per capita income of the coastal state. The largest per capita payments would go to the poorest states. (Some sample figures are given below.)

Upadhyay believes that his country's proposal might make it easier for the delegates to reach agreement on the question which has stalled the Conference for more than two years, the nature and powers of the proposed International Seabed Authority (ISA). He feels that best way to revive the Conference is "to bring the Common Heritage back to life." In a background paper which he circulated with his CHF proposal he said:

"Future generations will judge the Law of the Sea Conference by its success or failure in implementing the Common Heritage principle. They will judge it especially by its success or failure in seeing that a substantial portion of ocean mineral wealth is used to build a just and peaceful world society.

"Unfortunately in the more than ten years since it was enunciated by Ambassador Pardo in the fall of 1967, the Common Heritage principle has suffered from misinterpretation, from attrition and from neglect. As the concept of the economic zone increased in popularity son.e nations insisted, wrongly and tragically in our view, that the economic zone and the Common Heritage were mutually exclusive. That idea makes a cruel hoax of the concept of the Common Heritage. For the overwhelming proportion of ocean mineral wealth and of marine species are found within the economic zone. And under traditional international law all that area, except for a narrow territorial sea, was traditionally regarded as res nullius, no one's property or as res communis, i.e. common property."

Upadhyay stressed that a very few nations would get most of the world's economic zone: ". . . only twenty-five nations would gain control of 76 percent of the world economic zone Out of these twenty-five nations, thirteen are developed nations like U.S.A., Australia, New Zealand, Canada, U.S.S.R., Japan, Norway and South Africa. These thirteen developed nations will acquire 48 percent of 76 percent of the world economic zone, while the developing twelve among the lucky twenty-five will only get 28 percent of the same. It will make the rich richer and the poor poorer, thus making the task of the establishment of the New International Economic Order well nigh impossible."

SOME DETAILS OF THE PROPOSAL

The Nepal proposal establishes institutions to govern the Fund and provides guidelines for determining the revenue to be paid into the Fund and the way in which those revenues are to be disbursed. (The following outline borrows to some degree from Richard Hudson's excellent study, 'Three Scenarios Revisited: The Law of the Sea, Ocean Mining and the New International Economic Order," available from the Center for War/Peace Studies, 218 E. 18th Street, New York, N.Y. 10003 for $1. That study includes the text of the Nepal proposal and a very valuable table indicating how much each of 129 nations and territories can expect from each billion dollars of development revenues disbursed by the Fund.)

Governance of the Fund.—A 36-member CHF Board of Governors would be the Fund's executive. Key decisions would require the consent of the one nation-one vote Assembly of the ISA. The Board would, in effect, have three chambers. The first, with eighteen members, would be based on geographical regions. The second, with nine members, would be drawn from "net contributors." The third, also with nine, would be elected from "net recipients." Substantive resolutions would need the votes of two-thirds of the Board to succeed. They would also require a majority within each of the three chambers.

Income of the Fund. This would come from three sources: revenues earmarked by the ISA from the international area; revenues from the continental margin where it extends beyond 200 miles; revenues from the EEZ itself. However the EEZ would be the major source of revenues and it is the major concern of the Nepal proposal. Two alternative plans, A and B, are offered for determining the amount the coastal state is required to contributed from its EEZ. Each would depend upon the per capita income of the coastal state as well as on the amount of the net revenues from mineral exploitation within the zone. ("Net revenues shall be defined as the difference between the cost of bringing the minerals to the surface and their selling price. The term cost shall include operating costs and amortization costs but not national royalties and taxes.")

Plan A developed out of the August 1976 *Barba Negra* proposal by which Ambassador Upadhyay was an original sponsor. That proposal was subsequently endorsed by leading internationalists such as Thor Heyerdahl, Jan Tinbergen, Maurice Strong, Lord Wilberforce, Charles Yost and Congressman Don Fraser. In the first five years of its operation the percent of net revenues required would vary from ½ to 10 percent, depending on per capita income, and, after that, from 1 to 20 percent. In hardship cases the Board and Assembly could reduce the required contributions of individual states by as much as one half. The great majority of Third World nations would "pay in" only ½ percent the first five years and one percent after that. And the great majority of them would receive much more than they would pay in.

Plan B tries a different approach. It focuses on this situation at the time the treaty comes into force. Production which is ongoing at that time will be required to make a very small contribution (0.1 percent-1.0 percent depending on per capita GNP) to the Fund. The contribution from areas under lease but not yet in production will be much higher (1 to 10 percent) once production starts. The contribution from deposits undiscovered at that point will be even higher (2 to 20 percent) once those deposits come into production. (See below "A Note on Amounts to be Contributed.")

Disbursement of Revenues from the Fund.—The ingenious system for disbursing the Fund's development revenues insures that the poorest states get the largest per capita amounts from the Fund. Roughly speaking, the nations which include the lowest tenth, in per capita income, of the world's population would get forty percent of the annual disbursement, the next lowest tenth would get thirty-two percent, the next lowest tenth would get sixteen percent, then eight, then four percent. Naturally the amount received would depend on population as well as on per capita income. However no state could receive more than fifteen percent of the total annual disbursement of the Fund for development purposes. The following figures (from Hudson's table) illustrate what certain countries might expect as their share of each billion dollars disbursed by the Fund.

AMOUNT TO BE RECEIVED FROM EACH BILLION DOLLARS OF CHF DEVELOPMENT FUNDS BY REPRESENTATIVE NATIONS

Country	GNP/cap	Population (millions)	Disbursement (millions)
Bangladesh	$70	72.5	$77.6
Mali	80	5.3	5.7
Burma	90	28.9	30.9
Zaire	100	22.9	24.5
Tanzania	108	14.0	15.0
India[1]	110	610.1	[1] 150.0
Kenya	151	12.1	5.9
China	170	852.1	[1] 150.0
Bolivia	200	5.2	1.1
Egypt	240	34.9	7.7
Philippines	262	39.0	8.6
Honduras	282	2.7	.6
Syria	320	6.7	1.5
Peru	335	14.5	3.2
Angola	390	5.8	1.3
Colombia	426	22.5	5.0
Turkey	435	36.4	5.4
Jamaica	741	1.9	.2
Mexico	750	52.4	5.8
Singapore	1,268	2.2	2

[1] As indicated above, no nation may get more tham 15 percent of total annual disbursement.

A NOTE ON AMOUNTS TO BE CONTRIBUTED

It is more difficult to give precise figures for the amount which representative countries would be required to contribute to the Fund each year. The following are examples of these difficulties. First, no contribution would be required from the revenues from the first twelve miles offshore, i.e. the territorial sea. However we are not aware of studies which indicate, country by country, the percent of production outside 12 miles. It would certainly vary widely. Second, it is clear that net revenues would be substantially higher in some areas, e.g., the Persian Gulf, than others, e.g. the North Sea. Third, where, as in the United States, price controls keep prices below the world market there would tend to be lesser net revenues. Fourth, relevant to Plan B, whether an oilfield is in production, or leased but not in production, or undiscovered will depend on just when the treaty becomes operative.

During the first 5 years the basic yardstick for contirbutions would be one percent for every $300 of per capita annual income or major fraction thereof. However those with per capita incomes of more than $6000, a handful of states, would pay the same rate as those with $6000, i.e., twenty percent. It bears repeating that during the first five years that the treaty is operative the contribution percents would be cut in half. And they could be cut in half again for hardship cases.

The following are very rough estimates of the annual contributions of major contributors under Plan A. While they are based on Hudson's data, they have been adjusted, rather arbitrarily, to reflect some of the factors indicated above. They are, to use American slang, "guesstimates."

Plan A: Rough Estimate of Annual Contribution to CHF Revenues by Leading Producers During First Year of Treaty

(In millions of dollars)

Saudi Arabia	$500
U.S.A.	500
United Arab Emirates	140
Norway	90
Qatar	80
Australia	80
United Kingdom	80
Iran	8
Nigeria	5
Egypt	3

Note that the first six are very high income nations and the last two low income nations. It is assumed, arbitrarily, that the U.K. may qualify as a "hardship case" because of balance of payment and other difficulties and the figures are therefore 50 percent less than they would otherwise be. We do not have a table for Plan B. However it appears that the average required contribution of the states listed above would be about one-eighth of the above figures, with some above and some below that amount.

It will take further studies to have good rough estimates of what future years may bring from the two categories where the contribution would be high: Areas under Lease but not yet in Production (high income U.S.A. would have to contribute 10 percent of these net revenues); Deposits Undiscovered at Time Treaty Comes into Force (high income U.S.A. would have to contribute 20 percent of these net revenues). However the contribution required from Ongoing Production is quite low (high income U.S.A., though in the highest bracket, would only have to give one percent of these net revenues. And low income Bangladesh (see below) would only have to give one tenth of one percent of revenues in this category.)

SOME REFLECTIONS ON THE NEPAL PROPOSAL

In our view Nepal is to be congratulated for launching this bold and imaginative proposal. The first reactions to it within the Conference have been cautious but "interested." Ambassador Upadhyay hopes to have it on the agenda of the spring session in Geneva and of the meeting of the Group of 77 (developing nations) which precedes that session.

Because the proposal is a detailed one it should be relatively easy for states to calculate how it will affect them. The studies it has—or will—give rise to should be very helpful in this regard. (See especially the Hudson study referred to above.) Third World countries may be pleasantly surprised not only by how much they get under the plan—and get by right rather than by charity—but also by how little, if any, most would have to contribute.

A rich nation like the United States may at first consider half a billion dollars a heavy burden—but is it? It is about one tenth the 1948 appropriation for the Marshall Plan, one of the best investments in peace and prosperity the United States ever made. Indeed it is closer to one twentieth (or one thirtieth) that appropriation if one remembers the toll that inflation has taken in the last thirty years. And the resulting Common Heritage Fund would make a major contribution not only to Third World development but also to peace and the preservation of the marine environment. It should also be remembered that in exchange for this relatively small contribution coastal states, including the United States, will be getting clear title to immense mineral riches, i.e. thirty trillion dollars, minus these required contributions. The United States gets by far the largest economic zone—and probably the richest as well.

The authorization of some seabed funding for the United Nations and for UN peacekeeping is important practically and symbolically, especially as the UN approaches its very important Special Session on Disarmament. And, within the Law of the Sea Conference, this imaginative attempt to revive the common heritage principle could have a very positive effect. It is hard to find a delegate in the Conference who is not distressed by the undercutting of the common heritage principle by "realism." Perhaps we are naive, but we believe the delegates when they tell us they are disappointed and they wish that something could be done. The Nepal proposal offers them an opportunity to put new wind into the sails of the Conference.

Let us hope they will grasp it!

RESOLUTION

Whereas the vitally important United Nations Conference on the Law of the Sea is now well into its fifth year; and

Whereas impatience with the progress of the Conference has helped precipitate further unilateral claims to ocean resources and jurisdiction by a number of coastal States; and

Whereas recent marine disasters have underlined the need for an international treaty to protect the oceans' ecological system, to preserve marine species and to reconcile the many competing uses of the marine environment; and

Whereas the development of effective international institutions to deal with important aspects of the ocean problem will help build experience in and sentiment for world community and world peace; and

Whereas the trillions of dollars of ocean mineral wealth, almost all of which was traditionally regarded as "common property" or as "no one's property" could provide a major source of assistance to Third World development, to peacekeeping, and to the protection of the oceans against the growing menace of marine pollution; and

Whereas the Delegation of Nepal recently introduced a proposal into the Law of the Sea Conference which would establish a Common Heritage Fund which would use a significant share of those revenues for those very worthwhile objectives: Now, therefore, be it

Resolved, That it is the sense of the House of Representatives that—

(1) the United States should continue to work to achieve agreement on a comprehensive and broadly supported law of the sea treaty;

(2) such a treaty should assure the protection of such traditional law of the sea freedoms as freedom of navigation and freedom of research while, at the same time, providing protection for the marine environment and for marine species threatened with depletion;

(3) an international seabed or ocean authority should be established to regulate the exploitation of deep ocean minerals in an equitable manner, with appropriate roles for private, national, and international entities;

(4) a significant portion of ocean mineral revenues, both offshore and in the deep ocean, should be regarded as "the common heritage of mankind" and used in a "Common Heritage Fund" to assist developing nations, to fight pollution and to assist in some measure, the work of the United Nations, especially in the area of peacekeeping; and

(5) the House of Representatives welcomes the recent initiative of Nepal in proposing the establishment of such a fund.●

CIVIL SERVICE REFORM AND THE HATCH ACT CONTROVERSY

HON. EDWARD J. DERWINSKI

OF ILLINOIS

IN THE HOUSE OF REPRESENTATIVES

Thursday, August 17, 1978

● Mr. DERWINSKI. Mr. Speaker, I regret that we have run into a delay in the passage of civil service reform legislation. This is certainly a long overdue step that we must take on behalf of the general public.

The bill, which may be brought to the floor early in September, possesses a sound, basic structure of civil service reform, but is encumbered by provisions to repeal the Hatch Act.

I wish to insert a letter I received from Prof. Dwight A. Ink, director of the office of sponsored research and continuing education of the college of public affairs/school of business administration at American University here in Washington. His letter focuses on the subject of civil service reform in relation to the Hatch Act controversy:

THE AMERICAN UNIVERSITY,
Washington, D.C., August 16, 1978.

Hon. EDWARD J. DERWINSKI,
Speaker of the House of Representatives, U.S. House of Representatives, Washington, D.C.

DEAR MR. DERWINSKI: As a long time careerist in the Federal government and Executive Director of President Carter's Personnel Management Project, I would like to personally urge most strongly that revision of the Hatch Act not be added to the Civil Service Reform Legislation.

If one were supportive of the Hatch Act revision, it would be a poor strategy because this action would combine both the opposition to changing the Hatch Act and the opposition to Civil Service Reform, thus jeopardizing any action.

However, many of us who have devoted our careers to public service see a more basic set of problems. We believe that in practice this rider would result in the following:

1. Weakened protection of the careerist from many types of subtle political pressures, against which the bill's safeguards are largely unenforceable.

2. Increased careerist political activity, undermining our merit principles. One recalls the resourcefulness of a recent Administration attempting to politicize the career service, and how the Watergate leaders chafed under the Hatch Act restrictions.

3. Increased partisan activity permitted under the Act, causing incoming political leaders to question whether an employee can campaign or run for office in the opposite party and yet energetically carry out Administration policies.

4. Weakened presidential accountability because he must depend upon large numbers of employees who have actively and publicly campaigned against him.

5. Increased danger of federal programs, particularly grants and contracts, being maladministered by partisan employees to influence elections.

6. Temptation for some union leaders to shift attention from the welfare of public employees to the use of employees as pawns in political campaigns.

In summary, I believe this proposed change fails to consider adequately the employee's right to be protected from political pressure and it fails to meet the public's right to impartial execution of the laws.

Sincerely,

DWIGHT A. INK, *Director.*●

TEACH THE EXPENSIVE COLLEGE A LESSON

HON. MARJORIE S. HOLT

OF MARYLAND

IN THE HOUSE OF REPRESENTATIVES

Thursday, August 17, 1978

● Mrs. HOLT of Maryland. Mr. Speaker, it is no secret that the costs of higher education have soared in recent years. Parents and students are alarmed at the situation, but may not completely realize that inflation is not the sole cause of the rising costs of post-secondary education. A concurrent problem is the steady decline of the quality of education at our colleges and universities. We are simply not preparing our young adults for managing their own lives. In a recent column in the Washington Post, Nicolas von Hoffman cites the program at St. John's College, in Annapolis, as a good example of what a nonelective college can do to provide a well-rounded education. He also examines reasons, other than inflation, that are causing the spiralling expenses of higher education:

DON'T RAISE THE MONEY—TEACH THE EXPENSIVE COLLEGES A LESSON

(By Nicholas von Hoffman)

This summer the Advertising Council is putting on a vehement scare campaign to get people to give to the college of their choice. Our colleges and universities are broke, or so the message goes, and unless they get mucho dinero, great thoughts will go unthunk with a concomitant drop in our exports and our life expectancy. No commercials are to be heard imploring colleges and universities to do their part.

Yet even the extravagant medical industry doesn't run its hospitals on a nine-month year. The nine-month school year originally came about so that students could work on the family farm. With less than 5 percent of our population engaged in agriculture, pots of money could be saved for parents and public if our colleges were to adopt the normal work calendar of this society. It would mean that college might take three years instead of four. No small saving when a year's study at a local multiuniversity can cost $5,000 plus.

A year's work for a year's pay has always been resisted by higher education, just as it has ignored its own proclivity to offer too many courses. "Despite the drop in enrollment on many campuses the size of catalogs virtually doubled and the number of courses with less than five students in them also proliferated," writes Gerald Grant and David Riesman (see "The Perpetual Dream: Reform and Experiments in the American College," University of Chicago Press 1978, $15, and worth it.)

Nor after decades of complaint and ridicule has our higher education disciplined itself out of offering the most costly diddleybop to indolent students looking for gut courses. Thus Grant and Reisman have caught some of the profs teaching "such hobbies as Chinese gourmet cooking, harpsichord making, and indeed, astrology."

Such nonsense isn't new, but it expanded enormously during the 1960s Gold Flow into higher education. New colleges were founded and old colleges changed so that students could do anything they wanted and it was called learning, just as faculty could do anything they wanted and it was called teaching.

"The most important change was the virtual or complete abolition of fixed requirements in many departments and of mandatory distribution requirements, including class attendance and the time, mode, and kinds of credits needed to secure a baccalaureate degree," is how the two sociologists in education sum up what happened.

In due course there were complaints from dissatisfied customers. "I have never read anything by Sigmund Freud or Karl Marx. I know nothing about the history of Africa, the history of Latin America or the history of Asia. I have not come within a quarter mile of a test tube since I took chemistry in my senior year in high school," writes Jonathan Kaufman, who graduated from Yale in June.

In practice there is no waiting line to get into St. John's College, Annapolis, where Mr. Kaufman would not only have been required to learn chemistry, but also to read Plato in Greek. There are no electives at St. John's. There it is supposed that the teachers know more than the students and therefore should prescribe the course of studies.

It's a buyer's market of higher education where there are more places than there are students to fill them. Colleges like St. John's lose out to schools where you can get a B.A. by spending four years in a TM group and graduate summa cum laude by cultivating organic radishes. But even schools with sufficient fame and prestige so as not to have to fish for customers have not been able to save money and improve quality by offering fewer and better courses to bring forth from adolescent flesh the fully rounded educated person promised in so many college brochures.

Harvard and Yale both are cutting back on electives and insisting their students take at least a few classes leading to that much talked-about condition of well-roundedness. It won't be the first time efforts have been made to reverse higher education's adherence to the fragmentation and miscellany of the elective system. But it's not just the student-customers who oppose significant change; the specialized departments and their competition for the same students make any general, core curriculum impossible.●

DOMESTIC SUGAR PROBLEMS

HON. E de la GARZA

OF TEXAS

IN THE HOUSE OF REPRESENTATIVES

Thursday, August 17, 1978

● Mr. DE LA GARZA. Mr. Speaker, since the President signed the Food and Agriculture Act of 1977 on September 29, 1977, section 902 has not been implemented accordingly with the intent of this Congress. There have been numerous delays and administrative problems that have occurred in the sugar price support program.

Today I am submitting this bill to require the administration to make storage space available for 1978 crop sugar.

Millions of tons of foreign sugar have been dumped into this country since the passage of the Food and Agriculture Act of 1977 because of the faulty administration of the law. This has depressed the domestic price of sugar to such an extent that domestic sugar has gone under loan rather than move into the marketplace.

This bill would do two things. First, it would accelerate the maturity date on 1977 crop sugar to August 31, 1978, or the date of enactment of this bill, whichever is earlier. Second, it would require the Secretary to move this sugar out of producing areas within 30 days so that

producers will have a place to store the sugar that will be produced by the current crop of cane and beets.●

SEUFFERT BAND CELEBRATES 80TH ANNIVERSARY

HON. JOSEPH P. ADDABBO

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Thursday, August 17, 1978

● Mr. ADDABBO. Mr. Speaker, on August 20 the Seuffert Band will celebrate its 80th anniversary, having been founded by George Seuffert, Sr., in 1898. That date also marks the 50th anniversary of George Seuffert, the son of the founder, as its conductor. George F. Seuffert joined local 802 of the American Federation of Musicians on his 16th birthday, and shortly thereafter conducted his first free concert with the Seuffert Band.

The Seuffert Bank, consisting of 48 of New York City's finest professional musicians, has provided the people of New York with a continuing series of the finest free concerts in the United States. During the past 50 years, Dr. Seuffert has conducted an average of 30 free public concerts a year—for a total of at least 1,500 programs. As audiences range from 8,000 to 12,000 people for each concert, an aggregate of 1,500,000 people have heard the Seuffert Band under George's baton.

George served in the USMC during World War II. He returned home to teach in the public schools of New York City for 36 years. He is still a member of the faculty of Fordham University, where he has directed the Fordham Band for the past 27 years.

During George's tenure with the board of education, he developed an enthusiasm for the All City High School Chorus. As music consultant to the then mayor, John Lindsay, he prevailed upon the mayor to use their services at all important city functions. Since that time, this great chorus, under the inspired direction of John L. Moltey, director of music for the board of education, has musically greeted all distinguished visitors to New York City. Its most recent appearance at city hall marked the occasion of President Carter's historic visit on August 8, 1978.

The city of New York has presented George with its highest cultural award, the coveted Handel Medallion; the National Arts Club presented him with their Medal for Music; and the West German Government awarded him the Officer's Cross of the Order of Merit.

The Seuffert Band and its conductor, George F. Seuffert, have provided the people of the city of New York an outstanding service and are to be commended on the band's 80th anniversary, and George F. Seuffert's 50th anniversary. If any of my colleagues are in Queens, N.Y., on this Sunday, August 20, come to Forest Park for an enjoyable afternoon of wonderous music.●

FISHER-CONABLE BILL DESERVES PROMPT CONSIDERATION

HON. ROMANO L. MAZZOLI

OF KENTUCKY

IN THE HOUSE OF REPRESENTATIVES

Thursday, August 17, 1978

● Mr. MAZZOLI. Mr. Speaker, currently, taxpayers may not receive tax deductions for their charitable contributions if they do not itemize deductions on their income tax returns.

Increases in the standard deduction in the past several years have drastically reduced the number of taxpayers who itemize their deductions. Consequently, there has been a substantial reduction in charitable giving in these same years.

Charitable and nonprofit organizations estimate that their contributions have declined $5 billion because of the reduction in the number of persons now itemizing their deductions.

Our distinguished colleagues, the Honorable BARBER CONABLE and the Honorable JOSEPH FISHER, have introduced legislation to correct this serious problem. Their bill, H.R. 11183, would allow taxpayers to receive a tax deduction for their charitable contributions whether or not they itemize their deductions.

I had hoped that the House Ways and Means Committee would include the Fisher-Conable proposal in the Revenue Reform Act of 1978. Unfortunately, that was not the case.

The Senate can still add this laudable proposal to its version of the Revenue Reform Act. However, the outlook for Senate approval of the Fisher-Conable measure is uncertain at best.

Americans can ill-afford to forego the good work done by American charitable organizations. It is, therefore, imperative that H.R. 11183 be expeditiously ushered into the statute books.

I commend to the attention of my colleagues the following articles which appeared, respectively, in Time magazine and the Washington Post. These articles offer a good explanation of the need for the enactment of the Fisher-Conable bill.

[From Time Magazine, May 22, 1978]

THREAT TO AN AMERICAN TRADITION

(NOTE.—John W. Gardner, the founding chairman of Common Cause and formerly Secretary of Health, Education, and Welfare, sees danger in certain proposals that have come forth lately from various tax reformers to eliminate or reduce the charitable contributions that Americans can deduct from taxable income. He stated his case recently at a United Way conference in a speech on which this essay is based:

"These Americans are a peculiar people. If, in a local community, a citizen becomes aware of a human need which is not being met, he thereupon discusses the situation with his neighbors. Suddenly a committee comes into existence. The committee thereupon begins to operate on behalf of the need and a new community function is established. It is like watching a miracle, because these citizens perform this act without a single reference to any bureaucracy, or any official agency.")

Just so, 150 years ago, Tocqueville described a unique feature of the American system. It is the spontaneous working of a creative public spirit. Out of this fundamental national trait have come such vitally important institutions as libraries, museums, civic organizations, great universities, the United Way, the Little Leagues, the Salvation Army, symphony orchestras, garden clubs, historical societies, adoption services, hospitals, religious organizations, Alcoholics Anonymous, the 4-H clubs. Indeed, this American spirit reaches into almost every field of human interest. Tied to another powerful American tradition—that of private given for public purposes—the volunteer spirit has released incredible human energy and commitment in behalf of community all over the country.

Yet in the next two or three years the Federal Government may destroy this feature of the American system. The destruction could be accomplished silently and invisibly—in the name of tax reform. The threat lies in proposals that would reduce directly and indirectly, the charitable contributions Americans itemize as deductions from taxable income. And there are even those who, with the intent of simplifying the tax code, would eliminate such deduction entirely. With due respect to the reformers, the alarm should be shouted: Our tradition of private giving for public purposes is endangered by some of their good intentions.

Up till now, Government tax policy has deliberately fostered that tradition. The deductibility of charitable gifts is based on the idea that it is good for a great many people, independently, privately, to contribute to charitable, religious, scientific and educational activities of their choice. Such giving supports the American pluralism that allows all kinds of people to take the initiative in all kinds of activities. In reality, the tradition that has produced the innumerable institutions that are sometimes called the nonprofit sector lies at the very heart of our intellectual and spiritual strivings. The deductibility of charitable donations has been only an expression of that larger philosophy.

Now there is a new school of thought with a very different view. It holds that a deductible dollar donated, say, to a school for blind children, would have found its way into the federal treasury—if it had not been deductible. That dollar is therefore to be regarded as Government money—and labeled a "tax expenditure." This new doctrine began innocently enough with a concern about the multiplicity of existing tax loopholes. It made sense to calculate the amount of benefits granted by the Government through allowable deductions—as, say, certain industrial tax credit.

So the term "tax expenditure" was invented as a convenient way to describe such an amount. Some tax-simplification theorists just have not given much thought to the implications of applying that term to voluntary charitable donations. But there is another type of theorist we have to cope with: the Government-knows-best type, who positively resents the freedom of the tax-deductible gift. His argument is to eliminate the deductibility of that dollar given to the school for the blind, take the money into the treasury and, if the school needs money, let Congress and the federal agencies appropriate it.

Such a doctrine makes the head ache. The American people have been remarkably resourceful in launching activities to serve their communities. They freely give $30 billion a year and contribute God knows how many billion more in nonmonetary services. Now Americans are told that Congress and the Government bureaucracies could do a better job.

Somehow the available evidence on Government efficiency (speaking with the respect of one who served two tours of duty in Government) does not drive one toward that conclusion. But apart from the question of efficiency, if Government pre-empted "charitable" functions, what outlet would be left

for personal caring and concern? Can anyone believe that a manual of regulations from Washington would unlock the miraculous energy which has been so impressive since the days of Tocqueville?

The truth is that the present charitable deduction is not adequate to bring out the best of which Americans are capable. Even recent increases in the standard deduction—five in the last eight years—decreased the number of taxpayers itemizing deductions from almost 50 percent in 1970 to less than 25 percent today. The result damaged the voluntary sector. Contributions to public charities decreased, with losses recently estimated at $5 billion. In 1977 alone, greater use of the standard deduction could cost voluntary American institutions some $1.3 billion. It is estimated that only 16 percent of taxpayers will itemize deductions (and thus have an added incentive to make charitable donations) if the Carter Administration's tax reform proposals are enacted.

What would result if the new antideduction doctrine ever were in force is not pleasant to contemplate. As it is, the trend is already running against voluntarism. The only way to reverse this trend is to amend the tax code to allow all taxpayers to deduct charitable gifts whether they itemize or not. This change alone would eliminate a twofold danger: first, that denying most Americans any encouragement to give will bring more Government into their lives; second, that charitable giving will become the province of only the wealthy.

The Government will best contribute to the health of the society if it actively furthers the vitality of the private, voluntary sector. We must wake up to the fact that the government of a gigantic, tumultuous society cannot be administered entirely by a conventional, centralized, top-down governmental hierarchy. Local levels of government and local private institutions are going to have to figure out how they can collaborate to make things work in the community. The old American trait of voluntary activity and giving is indispensable to that end.

Finally, it is not easy to make a blanket defense of private giving; after all, it consists of so many unrelated, unofficial, unclassifiable activities. Yet that diversity is one of the qualities that make it beautiful. It is an area in which freedom survives and flourishes. Let's keep it that way.

[From the Washington Post]

TAX BREAKS, WITH CHARITY

(By George F. Will)

Reps. Barber B. Conable Jr. (R-N.Y.) and Joseph L. Fisher (D-Va.) want to allow taxpayers to deduct charitable contributions even if they take the standard deduction. Like much tax legislation, this proposal to extend the charitable deduction to the large majority of taxpayers who do not itemize deductions seems, on the surface, dry as dust. But it touches fundamental political issues.

It would mean a revenue loss to government. But recent tax changes have meant an even larger loss to institutions dependent on contributions. And the administration's tax-reform proposals would mean new losses.

The standard deduction has been increased five times in eight years and the percentage of taxpayers itemizing deductions has been halved. Thus, charitable giving has fallen substantially short of what otherwise would have been expected. Organizations estimate they lost $5 billion in contributions in eight years.

In 1970, only 52 percent of taxpayers took the standard deduction. The 1977 increase in the standard deduction increased from 69 to 75 the percentage of taxpayers who would benefit from using it. And the administration's proposals to decrease deductions would increase to 83 the percentage of taxpayers who would benefit from taking the standard deduction.

Government usually does not intend some of the significant consequences of its actions. The government had no intention of penalizing the charities when it raised the standard deduction. It has raised the standard deduction primarily to simplify the task of paying taxes for more and more citizens. If the administration's tax proposals are enacted, only 17 percent of taxpayers would itemize deductions and, therefore, have a deduction incentive for charitable giving.

This would injure some kinds of organizations more than others, because wealthy people and less affluent people tend to contribute to different kinds of organizations. The wealthy favor cultural institutions such as universities, museums and orchestras. Less affluent people tend to favor churches and United Funds, and those are the organizations that will suffer most if the Conable-Fisher plan is rejected.

Professor Martin Feldstein, a Harvard economist, estimates that the proposal would increase charitable giving 12 percent ($4.1 billion) annually over giving under present laws. The revenue loss to government would be less than that ($3.6 billion). And the money would be directed to worthwhile social purposes more surely than if it had been put at the government's disposal.

In addition, there is strong evidence of a correlation between the level of charitable giving and the level of participation in charitable activities . . . Conable-Fisher proposal would have a multiplier effect on contributions of time and energy to the voluntary associations that do much of society's work.

In 1835, de Tocqueville noted that Americans "are forever forming voluntary associations. . . . At the head of any new undertaking, where in France you would find the government or in England some territorial magnate, in the United States you are sure to find an association." The expansion of the welfare state has altered the role of such associations. But because of the remoteness, clumsiness and other shortcomings of the modern state, voluntary associations are especially important today as sources of experiment, free choices and personalized caring.

The Conable-Fisher proposal is evidence of a new political division, a division less along party lines than along institutional lines. On one side are antistatist legislators and voluntary associations. On the other side are executive branch bureaucracies and dependent constituencies that have a stake in the expansion of statism.

The Conable-Fisher proposal resembles the proposal to permit families to subtract from tax payments the amount paid in tuitions, up to $500 per student. This tax credit would stimulate private competition with state education. Hence it is opposed by statists within government, such as Joseph Califano, secretary of health, education, and welfare, and statists outside of government, such as Albert Shanker, head of a teachers union, who says the proposal would engender conflict "of the kind created by the Civil War."

Such hyperbole indicates the fear and loathing that statists have for measures that would mitigate the tendency of government to expand at the expense of private voluntary associations. The Conable-Fisher proposal, like the tuition tax credit, would cause government to nurture, for a change, the pluralism that governments tend to diminish. It is a timely example of how to enhance the stature, without expanding the size, of government.●

POLITICAL REFORMS

HON. JOHN B. ANDERSON

OF ILLINOIS

IN THE HOUSE OF REPRESENTATIVES

Thursday, August 17, 1978

● Mr. ANDERSON of Illinois. Mr. Speaker, although our legislative session is drawing to a close, I believe Members always seek to be as aware as possible of public sentiment on various issues. A concise summary of public opinion on six political reforms was presented in the August edition of the Reader's Digest. Although the congressional public financing proposal which the Gallup poll presents to the pubic differs from the idea recently debated by the House, I believe it shows that the concept of congressional public financing is supported by well over half of the American people. I feel even more would be supportive if a survey would ask if they favored a proposal which matched some small individual contributions with money from a voluntary check-off fund.

The article follows:

[From the Reader's Digest, August 1978]

SIX POLITICAL REFORMS MOST AMERICANS WANT

In conducting thousands of surveys on almost every conceivable issue for nearly half a century, I have learned three significant things about our fellow Americans. One is that the judgment of the American people is extraordinarily sound. Another is that the public is almost always ahead of its leaders. The third is that the electorate has become better educated and more sophisticated politically than ever before.

This is why I am so disturbed by the disillusionment Americans have expressed, through our surveys, with the workings of the political system. Too many Americans regard politics as a "dirty business." In a poll last year evaluating honesty and ethics in 20 occupations, U.S. Senators and Congressman stood 10th and 13th, respectively, on the list. In an earlier poll, two out of three persons interviewed believed that some legislators had won election by employing "unethical and illegal methods" in their campaigns; even today, only one third of those polled approved of the way Congressmen were doing their jobs. Two out of three American parents would not like to see their children enter politics as their life's work.

Disgust with politics has not, however, diminished Americans' faith in their country. In the latest Gallup surveys, three citizens out of four give the United States a "highly favorable" rating, with only about 2 percent rating it unfavorably; and 68 percent expressed, in an earlier poll, confidence in the nation's future. But what the surveys also make abundantly clear is that the public wants the political health of the nation improved. Here is what the polls show on six major proposed political reforms:

Reform 1. By 60 percent, with 30 percent opposed and 10 percent undecided, Americans favor a resolution offered by freshman Senators John Danforth (R., Mo.) and Dennis DeConcini (D., Ariz.) that would limit the tenure of representatives in Congress to a maximum of 12 years. That means no more than two six-year terms for Senators and six two-year terms for members of the House.

U.S. Presidents have been limited to two terms since 1951, and a 12-year restriction for U.S. legislators was advocated by Harry S. Truman and Dwight D. Eisenhower. Stated

Eisenhower: "Each man so serving would tend to think of his Congressional career as an important and exciting interlude in his life, a period dedicated to the entire public rather than as a way of making a living. The members would probably give more attention to national good and less to their personal political fortunes."

One major advantage of the plan is that it would tend to make ability, rather than length of service, the criterion in filling committee chairmanships. Another is that it would bring in younger men and women, perhaps more in tune with the will of the people than those who have been following the same mental routines for decades. There are those who argue that it might deprive the nation of the services of individuals of extraordinary talent, and government is so complex that years are required for a legislator to familiarize himself with it. But room would also be made for individuals of equal, or greater, talent, who might otherwise never get to Congress.

Reform 2. Sums spent on election campaigns average at least $100,000 for those seeking seats in Congress. A candidate must either be wealthy or look for contributions, which may come from those seeking legislative favors. In a poll last year, 57 percent (32 percent opposed and 11 percent undecided) of Americans advocated that the government provide a fixed amount of money for Congressional election campaigns, and contributions from all other sources be prohibited (the ban to include use of the candidate's personal funds). The additional cost to taxpayers would be an estimated $2 per adult citizen. It could be the bargain of the century.

Would government funding of campaigns encourage a horde of minor, frivolous candidates? Perhaps, but the problem has been dealt with successfully in Great Britain. There, candidates must put up a substantial money deposit, which must be forfeited if they do not draw at least 12.5 percent of the vote.

Reform 3 would end the chaotic system of nominating Presidential candidates in state-by-state primaries or by state and national conventions. Sixty-eight percent of the voters favor (with 21 percent opposed and 11 percent undecided) a nationwide primary, to be held on the same day in all 50 states, in which voters would choose the Presidential candidates for their parties by popular vote.

This proposal has had overwhelming support for nearly a quarter-century. Under the present system, many citizens are denied the opportunity to vote for the candidate of their choice because not all candidates enter all state primaries. And at political conventions the party "pros" often pay little attention to the popular will.

Reform 4. The seemingly interminable Presidential campaigns, which stretch over the better part of a year (from the first primaries in January to the November elections), exhaust the candidates, thoroughly bore the electorate—and end up changing few votes. By a majority of 68 percent to 21 percent (with 11 percent undecided), Americans would like to shorten the campaign period. They favor advancing election day to September, and holding the inauguration in November of the election year to allow an incoming President more time to prepare his recommendations for the opening of Congress in January.

Reform 5. Probably the least popular political institution in America is the Electoral College, with its "unit rule" whereby a candidate who wins a plurality in a state gets all of that state's votes. The public has favored doing away with the Electoral College since the first survey was taken on this issue in 1948. In a 1977 poll, 75 percent approved amending the Constitution to provide direct popular election of the President (14 percent were opposed and 11 percent undecided).

Such a bill actually passed the House of Representatives by a lopsided margin in 1969—only to be filibustered to death by Senators who felt that it would diminish their states' power. But the Electoral College system makes possible the election of a President who receives fewer popular votes than his opponent. This has occurred three times (John Quincy Adams, Rutherford B. Hayes and Benjamin Harrison), and almost happened again in 1968 and in 1976.

Reform 6. Perhaps the most controversial innovation Americans advocate is the right to be consulted on important legislation. By a majority of 57 to 21 percent (with 22 percent undecided), in a recent Gallup poll, they supported a proposal introduced by Senators James Abourezk (D., S.D.) and Mark Hatfield (R., Ore.) that would allow Americans to initiate federal legislation when a group of voters equal to three percent of the number who voted in the last Presidential election sign a petition requesting such a vote. Although the procedure would be new to the federal government, it is a familiar practice in almost half the states.

The initiative—or the threat of invoking one—should expedite passage of legislation bottled up in Congress for years. Were the measure in effect now, our Gallup surveys indicate that:

Mandatory busing to achieve racial balance in schools would be abolished by 65 percent of the voters.

The Equal Rights Amendment for Women (ERA) would be approved by a majority of 57 percent, including more men than women.

Tough gun-control laws requiring the licensing of all firearms carried outside the home would be enacted by 77 percent, including a large majority of gun owners.

Achieving the reforms referred to in this article would necessitate amending the Constitution in some cases. The customary procedure requires passage of each amendment by two thirds of each House of Congress, then three fourths of the states must approve. It is unlikely, however, that many Congressmen or Senators would approve legislation diminishing their powers and curtailing their continuance in office.

A surer way to get the proposals considered by the nation, as President Eisenhower pointed out, is through the alternate method of amendment prescribed by the Constitution—a constitutional convention, which can be assembled at the request of two thirds of the states. (The amendments would also have to be ratified by the legislatures of three fourths of the states. However, they require only a simple majority vote to be passed at the constitutional convention itself.)

Amending the Constitution that has served the nation so well is not a step to be undertaken lightly, and some suggest that a constitutional convention might itself carry risks. But the measures described here, in my opinion, would help restore the kind of government that the framers of that document actually had in mind—a government that owes nothing to political bosses, pressure groups or campaign contributors, guided by the will of the people.●

NEW MEXICO MEN CROSS ATLANTIC IN BALLOON

HON. MANUEL LUJAN, JR.

OF NEW MEXICO

IN THE HOUSE OF REPRESENTATIVES

Thursday, August 17, 1978

● Mr. LUJAN. Mr. Speaker, it is with a great deal of pleasure that I rise to inform my colleagues of a victory in mankind's quest to conquer nature and the unknown.

Three New Mexico men, all of whom I am lucky to count among my friends, have accomplished something which for 119 years has defeated every attempt. These three have crossed the Atlantic in a balloon.

The names of Maxie Anderson, Ben Abruzzo, and Larry Newman will now join the likes of Sir Edmund Hillary, the Wright brothers, and Neil Armstrong.

The accomplishment of a goal which has been a dream in the minds of men for many decades serves as a glimmer of hope during times which tend to dampen the human spirit. Whenever human beings overcome great odds through determination and hard work we all win because we all feel a sense of elation and sharing in the victory. It helps us to realize that even in our mundane worlds there is the possibility to reach out and grab the gold ring.

To these brave adventurers who have given us an opportunity to smile during the dog days of August I say congratulations and thank you. And, I ask my colleagues to join me in raising three cheers for the victors.●

BALTIMORE VARIETY CLUB GROUP RAISES FUNDS FOR PEDIATRIC CANCER CARE

HON. CLARENCE D. LONG

OF MARYLAND

IN THE HOUSE OF REPRESENTATIVES

Thursday, August 17, 1978

● Mr. LONG of Maryland. Mr. Speaker, on September 11, the Ladies' Auxiliary of Tent 19 (Baltimore) of Variety Clubs International will present a fashion show and luncheon.

Special guests will include award-winning fashion designer Oscar de la Renta, actor Tony Randall, and Variety Clubs' International President Eric Morley.

The dedicated efforts of Chairwoman Shirley Howard and the auxiliary indicate that this event will be a sell-out, with over 600 in attendance, to raise funds for a pediatric oncology isolation unit at the Johns Hopkins Hospital. This luncheon is the first in a series of major fund-raising events planned by Tent 19 to finance construction of a special isolation unit for children undergoing chemotherapy and other treatments to combat cancer.

The fashion show will honor Mr. de la Renta for his contributions to American couture. Mr. Morley and Mr. Randall are widely known for their active role in supporting the charitable activities of Variety Clubs International.

The outstanding work of Variety Clubs International's 15,000 men and women is well known. Their aid, focused on the needs of children, supports birth defects research, pediatric cancer research and care, services for the physically and mentally handicapped child, and childhood nutrition programs throughout the world.

My best wishes go to the Ladies' Auxiliary and Tent 19 for a successful fund-

raising effort for their most worthy cause, and my congratulations to the many private citizens and businesses who have contributed time and energy toward the success of this event. The Baltimore community thanks Mr. de la Renta, Mr. Randall and Mr. Morley for their support.●

END OVERREGULATION OF INDUSTRY

HON. EDWARD J. DERWINSKI

OF ILLINOIS

IN THE HOUSE OF REPRESENTATIVES

Thursday, August 17, 1978

● Mr. DERWINSKI. Mr. Speaker, if we are to achieve such noble goals as a balanced budget, reduction in taxes, and the diminishment of the bureaucracy, one of the steps that we must take is deregulation of overregulated industries.

The Chicago Sun-Times, in their lead editorial of August 15, directs attention to the over regulation of the trucking industry. The editorial follows:

FREE THE CHAINED TRUCKERS

In the business community at large, it's always open season for taking potshots at government regulation. Not so in the trucking industry. The American Trucking Assns. and the 2.3 million-member teamsters union positively revel in the embracing security of their federal chains.

And why not? Under solicitous laws and the mollycoddling of the Interstate Commerce Commission, the $30-billion-a-year trucking industry is free to prosper through restrained competition and the power to set its own rates immune from antitrust law.

At the public's expense.

Jerry Ford tried to change all that by lifting some of the regulations, but he was beaten around the curve by congressional friends of the truckers and teamsters. Now, in the next few weeks, Jimmy Carter will be called upon by his staff to decide whether his White House should submit similar legislation to the next Congress.

We say he should.

Our argument was spoken for us by Stanley E. Morris of the President's budget office, who said: ". . . the past regulatory practices of the ICC have been carried out in an unfair, highly costly and highly litigious fashion. This administration is a firm believer that in cases such as this, competitive principles can be a better regulator than the government."

And a current proof of that is the ongoing deregulation of the airline industry, which is thriving under unprecedented passenger loads stimulated by liberated and, thus, reduced fares. It's the best kind of treatment for an inflation-bedeviled economy.

The laws protecting truckers were born in the chaos of the Great Depression to protect a young industry. They authorize the ICC to regulate truckers' entry into the business, the routes to be served, the commodities to be transported and the rates to be charged (in co-operation with the truckers' own regional rate bureaus).

Foes of deregulation say the existing rules ensure security and stability in the industry, that loosening them would cause excessive competition, leading to bankruptcies that would reduce service.

But the American economic system did not acquire its muscle under a security blanket. It grew strong by the tug and shove of competition, which enforced the delivery of the best service at the lowest cost. That kind of market rewards the deserving consumer as well as the deserving entrepreneur.

We can't know what kind of specific legislation Carter might propose, if indeed he proposes any. But, in principle, we're in favor of a strong dose of free enterprise for the captains of the wheeled fleets. The best of them will like it.●

CONGRESSMAN RUDD VERSUS THE METRIC CONVERSION ACT

HON. HENRY J. HYDE

OF ILLINOIS

IN THE HOUSE OF REPRESENTATIVES

Thursday, August 17, 1978

● Mr. HYDE. Mr. Speaker, our distinguished colleague from Arizona, ELDON RUDD, has introduced legislation to repeal the Metric Conversion Act. In so doing he has performed a most valuable service in alerting us to the problems inherent in this entire concept. Columnist Bob Greene has written an interesting article in the August 16, 1978, Chicago Tribune about our colleague and this issue, and I commend it to the Members' thoughtful consideration:

REPEAL BILL COULD PUT METRICS 6 FEET UNDER

(By Bob Greene)

WASHINGTON.—There is wonderful news for all you members of WAM!, and that news is right here in Washington.

WAM!—which stands for We Ain't Metric!, the vigilant anti-metric organization founded by this column—has found a true national hero.

He is a Congressman. His name is Eldon Rudd, and he is a Republican from Arizona.

Rep. Rudd has introduced legislation in the House of Representatives that would repeal the Metric Conversion Act. The Metric Conversion Act is the horrible law passed by Congress in 1975—the law that brought the foreign and unwanted metric system to our shores.

And now, hand in hand with WAM!, Rep. Rudd is trying to send that sinister system back where it belongs.

"It is wrong to impose the metric system on America," Rudd said. "Our system of measures has never been a problem in the history of this country. We already have a system that has done a magnificent job for us. My bill is intended to preserve that system that has worked so well."

A word of explanation for those who are unfamiliar with WAM!:

WAM! was started by this column because we believe America does not want the metric system. WAM! is a voluntary organization; there are no dues, and anyone who hates the metric system is automatically a member. Our reasons for opposing the metric system are simple: We don't like it; we don't want to learn it. We Ain't Metric!

Since the founding of WAM! was announced here, thousands of persons from all over the United States have written to express their support and approval. But to be a member of WAM!, you do do not have to write. All you have to do, as already stated, is hate the metric system.

That surely makes Rep. Rudd a member in good standing. And Rep. Rudd surely makes the hearts of all other WAM! members glad.

"I first got interested in this whole question fairly recently," Rep. Rudd said. "I looked at my mail, and a great many people were very much against the idea of this country going metric. And after thinking about it, I decided that I was against the idea too."

Rep. Rudd, of course, was going through the phenomenon that all WAM! members have gone through at their moment of truth—the seething anger and bitter resentment at the thought of the metric system being crammed down our throats.

But the congressman was in a better position than the rest of us. He could do something about it.

"I have introduced House Resolution 12881—the Metric Repeal Bill," Rep. Rudd said. "The focus of this bill is to repeal the Metric Conversion Act, an act that is not needed or supported by the American people."

Rep. Rudd said that support for his bill in Congress has not been overwhelming.

"There are so many congressmen trying to pass so many bills," he said, "and it doesn't look as if we may get this bill into law this session."

Well, maybe. But with WAM! behind a plan, great things can happen. Last year WAM! members were so outraged by plans for highway traffic signs to be converted to metric that we barraged the Department of Transportation with protest letters—and as a result, the Federal Highway Administration backed down and announced that the road signs would remain miles-per-hour.

And now is our chance to do it again.

"I will welcome any support I can get on this bill," Rep. Rudd said. "Anyone who is in favor of getting the Metric Conversion Act repealed should write to his or her senators and representatives in Washington, and ask their congressmen to support H.R. 12881, the Metric Repeal Bill."

Rep. Rudd was an agent for the Federal Bureau of Investigation for 20 years before going to Congress, and said that his travels around the world convinced him of the futility of the metric system.

"I spent a good deal of time in countries that used the metric system, and I never did get the hang of it," he said. "There is nothing wrong with the system we have.

"The people who are standing up for the metric system are people who want to impose a European culture on our Nation. Many of these people were born and raised in European nations, and they think that the system they lived by is the system we should have here. But they are wrong.

"Those who favor the metric system say we need to have it to keep up with the rest of the world. But the United States has never had any problem keeping up with the rest of the world. We've led the world for at least 150 years. We've accomplished all the great things we have for all these years because people in this country have freedom of choice."

And now, Rep. Rudd said, we have the opportunity to exercise that choice.

"I will keep introducing this bill as long as I am in Congress," he said. "If it doesn't pass this session, I'll introduce it again next session. As long as people want to get rid of the metric system, I'll keep this bill going.

Brave words. Strong words. WAM! members, your duty is clear. Write to your senators and representatives. Tell them that if they don't vote for H.R. 12881, they won't be going back to Congress. This is our chance. The metric system is on the ropes. We can knock it out.●

POPE PAUL VI

HON. THOMAS B. EVANS, JR.

OF DELAWARE

IN THE HOUSE OF REPRESENTATIVES

Thursday, August 17, 1978

● Mr. EVANS of Delaware. Mr. Speaker, the world has lost an invaluable force for peace and understanding with the passing of Pope Paul VI.

Since 1963, Pope Paul worked tirelessly to promote peace in many corners of the world. In October 1965, Paul VI jour-

neyed to the United Nations in New York to deliver his famous "Never Again War" speech with a fervor which surprised many of the assembled delegates. He worked for an end to conflicts in Southeast Asia, Nigeria, Northern Ireland, the Middle East, and other areas, and he used the diplomatic offices of the Vatican in a relentless effort toward international harmony.

Pope Paul VI also strove to bring the church to the people. As the first Pope to leave Italy since 1809, Paul VI took his message to such diverse points as Latin America, the Philippines, the Holy Land, India, Portugal, Turkey, Columbia, Switzerland, Uganda, the Far East, and the United States. His commitment to humanity was worldwide, and nothing better demonstrated this commitment than his desire to bring his message personally to so many millions of people.

Pope Paul also did much to promote interreligious cooperation and harmony. He met with leaders of Protestant and Orthodox faiths, and generally tried to further the spirit of ecumenical cooperation.

The world now awaits the election of a new Pope. But whomever it is, the new Pope will benefit greatly from the work of Paul VI. Pope Paul presided over a difficult period in the history of the church and of the world. It is a tribute to his work that he accomplished so much during so turbulent a time.

People everywhere shall miss his kind and gentle work on behalf of all mankind.●

DAILY BREEZE CELEBRATES 50 YEARS OF OUTSTANDING JOURNALISM

HON. ROBERT K. DORNAN

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Thursday, August 17, 1978

● Mr. DORNAN. Mr. Speaker, the Daily Breeze, a highly esteemed newspaper in my district, is celebrating its golden anniversary as a Copley newspaper.

In 1928, when Col. Ira C. Copley purchased the paper, it was published in the basement of a bank building with a circulation of less than 3,000. Today the Daily Breeze, boasts a daily paid circulation of 87,000, has its own building located on a 5-acre site, and ranks at the top nationally in terms of advanced publication technology.

The Daily Breeze has succeeded in achieving a blend of world and national affairs while continuing to maintain its detailed coverage of the events of California's South Bay area. Because of its recognized accuracy in reporting and strong dedication to a policy of respectable journalism, it has earned a reputation as an outstanding publication by its subscribers and all of us who have had the pleasure of dealing with the paper's staff.

Mr. Speaker, I ask you and my colleagues in this 95th Congress to join me in commending and congratulating the entire 450-person staff of the Daily Breeze, from the editor to the young men and women who deliver the paper to our homes. It is because of their tremendous individual and group effort that the Daily Breeze has become the outstanding credit to the southern California area that it is today.●

HUMAN RIGHTS AND CAPTIVE NATIONS IDEOLOGY

HON. EDWARD J. DERWINSKI

OF ILLINOIS

IN THE HOUSE OF REPRESENTATIVES

Thursday, August 17, 1978

● Mr. DERWINSKI. Mr. Speaker, during the past two Captive Nations Week observances, much national discussion centered on the relationship between a human rights policy and captive nations ideology. As a result of the discussion, it has been made amply clear that human rights is indeed "old hat" for captive nations ideology. Not only this, in advancing the ideology, there is a wholesome pressure on the advocates of human rights to expand their advocacy to the third and broadest sphere of human rights, namely national rights. The point was again underscored in the recent 20th Captive Nations Week observance.

Reflecting this theme are further evidences of the 20th observance which I wish to insert at this point: (1) Proclamations by Mayor Gilbert R. Gunn of Sunnyvale, Calif.; Governor Jerry Apodaca of New Mexico; Mayor Marvin Randle of Irving, Tex.; (2) the syndicated column by Robert Morris on Captive Nations Week; (3) articles in the Chicago Sun-Times and St. Louis Post-Dispatch of July 16; (4) a report in the July 21, China Post; (5) and a note in the July 25 Philadelphia Inquirer:

CITY OF SUNNYVALE CALIFORNIA

PROCLAMATION

Whereas the imperialistic politics of Russian Communists have led to the subjugation and enslavement of the people of Poland, Hungary, Czechoslovakia, Romania, East Germany, Bulgaria, China, North Korea, Albania, Vietnam, Cuba, Cambodia, Laos and others; and

Whereas the desire for liberty by the overwhelming majority of peoples in these nations constitutes a powerful deterrent to any ambitions of Communist leaders to initiate a major war; and

Whereas the freedom loving peoples of the captive nations look to the United States as the citadel of human freedom and human rights; and

Whereas the Congress of the United States by unanimous vote passed Public Law 86-90 establishing the third week in July each year as Captive Nations Week and invites people to observe such a week with prayers, ceremonies, and activities; expressing their support for the just aspirations of the captive nations:

Now therefore, I, Gilbert R. Gunn, Mayor of Sunnyvale do hereby proclaim the week of July 16-22, 1978, as Captive Nations Week in Sunnyvale, and call upon our citizens to join with others in observing this week by dedicating their efforts for the peaceful liberation of oppressed and subjugated peoples all over the world.

GIL GUNN, *Mayor.*

PROCLAMATION BY JERRY APODACA, GOVERNOR, STATE OF NEW MEXICO, SANTA FE, N. MEX.

Whereas, the imperialistic politics of Russian Communists have led, through direct and indirect agression, to the subjugation and enslavement of the peoples of Poland, Hungary, Lithuania, Ukraine, Czechoslovakia, Latvia, Estonia, Byelorussia, Romania, East Germany, Bulgaria, Mainland China, Armenia, Azerbaijan, Georgia, North Korea, Albania, Idel-Ural, Serbia, Croatia, Slovenia, Tibet Cossackia, Turkestan, North and South Vietnam, Cambodia, Cuba, Laos, and others; and

Whereas, the desire for liberty and independence by the overwhelming majority of peoples in these conquered nations constitutes a powerful deterrent to any ambitions of Communist leaders to initiate a major war; and

Whereas, the freedom-loving peoples of the captive nations look to the United States as the citadel of human freedom and human rights and to the people of the United States as the leaders in bringing about their freedom and independence; and

Whereas, the Congress of the United States by unanimous vote passed Public Law 86-90 establishing the third week in July each year as Captive Nations Week and inviting the people of the United States to observe such week with appropriate prayer, ceremonies, and activities; expressing their sympathy with and support for the just aspirations of the captive nations;

Now, therefore, I, Jerry Apodaca, Governor of the State of New Mexico, do hereby proclaim the week of July 16 through 22, 1978, as: "Captive Nations Week" in New Mexico, and call upon all citizens to join with others in observing this week by offering prayers and dedicating their efforts for the peaceful liberation of oppressed and subjugated peoples all over the world.

Done at the Executive Office this 14th day of July, 1978 witness my hand and the great seal of the State of New Mexico.

JERRY A. APODACA,
Governor.

Attest:

ERNESTINE D. EVANS,
Secretary of State.

OFFICE OF THE MAYOR, CITY OF IRVING—PROCLAMATION

Whereas: The imperialistic politics of Russian Communists have led, through direct and indirect aggression, to the subjugation and enslavement of the peoples of Poland, Hungary, Lithuania, Ukraine, Czechoslovakia, Latvia, Estonia, Byelorussia, Romania, East Germany, Bulgaria, Mainland China, Armenia, Azerbaijan, Georgia, North Korea, Albania, Idel-Ural, Serbia, Croatia, Slovenia, Tibet, Cossackia, Turkestan, North Vietnam, Cuba, Cambodia, South Vietnam, Laos and others; and

Whereas: The desire for liberty and independence by the overwhelming majority of peoples in these conquered nations constitutes a powerful deterrent to any ambitions of Communist leaders to initiate a major war; and

Whereas: The freedom loving peoples of the captive nations look to the United States as the citadel of human freedom and human rights and to the people of the United States as the leaders in bringing about their freedom and independence; and

Whereas: The Congress of the United States by unanimous vote passed Public Law 86-90 establishing the third week in July each year as Captive Nations Week and inviting the people of the United States to observe such week with appropriate prayer, ceremonies and activities; expressing their sympathy with and support for the just aspirations of the captive nations.

Now, therefore, I, Marvin Randle, Mayor

of the City of Irving, Texas do hereby proclaim the week of July 16–22, 1978, as "Captive Nations Week" in Irving, and call upon our citizens to join with others in observing this week by offering prayers and dedicating their efforts for the peaceful liberation of oppressed and subjugated peoples all over the world.

MARVIN RANDLE, *Mayor.*

AROUND THE WORLD—CAPTIVE NATIONS WEEK

(By Robert Morris)

I am hoping that the fury engendered by the 1978 Moscow trials will ignite a burning interest in the observance of the twentieth Captive Nations Week. Last year despite President Carter's professed espousal of human rights, the national rights of the peoples in bondage, an integral category thereof, were virtually passed over in silence.

Dr. Lev E. Dobriansky, the most articulate spokesman for the Captive Nations, regularly lists the nations now enslaved with the dates of their captivity and the mere chronology is informative.

As he has pointed out the indicator which he calls the list with the dates, infuriates Moscow because it refreshes people's memories and enables them to readily relate to today's evolving takeovers. i.e Angola, Ethiopia, Mozambique and Rhodesia. It also exposes the true nature of the USSR, as a combine of conquered peoples rather than, as President Carter erred again in his Annapolis speech, is referring to it as a "nation."

The indicator expels the misconception that the Captive Nations are essentially the East European bloc. Armenia, Azerbaijan, Georgia, the Ukraine were all absorbed in 1920. Then came the Far Eastern Republic and Turkestan in 1922, Mongolia in 1924 and Estonia, Latvia and Lithuania in 1940. The litany goes on and on to Laos in 1975 and now stands ready to include Mozambique, Angola, Ethiopia and Afghanistan.

Captive Nations Week helps those who would be interested to keep their eye on the ball. It should engender concern about Angola, Mozambique, Namibia and Rhodesia where once again United States policy is affirmatively pushing peoples onto the Captive Nations list.

As I look at the indicator I am reminded of how many nations U.S. policy has caused to move into Captivity. It is demonstrably true of China, Cuba and Yugoslavia. F.D.R.'s assent to the creation of speres of influence during World War II was responsible for Poland, East Germany, Romania, Bulgaria, Hungary and Czechoslovakia being absorbed.

All together there are thirty nations enchained and the four of five more that I have mentioned are sliding down into dungeondom.

The liberty—spiritual and political—of these human beings, our brothers and sisters, should be of great concern to every sector of our society, led by our churchmen.

I believe that is truly a measure of our decline as a civilization that this exciting spiritual institution—Captive Nations Week—evokes barely a yawn from the leaders of our nation.

MANTOLOKING, N.J.

[From the Chicago Sun-Times, July 16, 1978]

ADDRESSES DALEY PLAZA CROWD—DISSIDENT PRAISES CARTER ON RIGHTS

(By Larry Ingrassia)

There are "tens of thousands" of political prisoners in Russia for their stance on human rights, former Soviet Army Gen. Pyotr Grigorenko said Saturday.

The exiled dissident applauded President Carter's support of other human rights activists in the Soviet Union and called for U.S. sanctions to put pressure on Russian officials.

Speaking through an interpreter at a Captive Nations Day celebration at the Daley Plaza, Grigorenko reminded the audience that recently convicted Soviet dissidents Anatoly Shcharansky and Alexander Ginzburg are not alone.

"Not just those you read about, but tens of thousands are now in prison who support this fight for human rights," the general said.

Grigorenko was stripped of his citizenship and barred from returning to the Soviet Union last March after being permitted to leave to visit a stepson in New York.

But he told the crowd of several hundred: "The people of the Soviet Union are arising and I believe I will yet return to a free Ukraine." Many in the crowd were fellow Ukrainians and did not have to wait for the interpreter to applaud this declaration.

Grigorenko said he was pleased that Carter "has taken a hard line" toward the persecution of Shcharansky and Ginzburg. Both received lengthy prison terms.

He added that the United States "should use sanctions of government to fight this" but did not elaborate. Western nations also should demand that the 1975 Helsinki accord—which included guarantees of human rights—should be nullified unless the Soviets and other Eastern bloc nations stop prosecuting political dissidents, he said.

Grigorenko accused the Soviet Union of "merciless genocide" against the people of the Ukraine and other nationalities within the U.S.S.R. National identity as well as human rights is a major concern of the dissidents, he said.

"Every expression in favor of human rights or national identity is punished by imprisonment," Grigorenko added.

Grigorenko was a leader of the so-called Helsinki Human Rights Group in Russia along with Ginzburg and Shcharansky. A World War II hero, he rose to the rank of major general before his criticism of Soviet officials led to a demotion. He later spent two terms in psychiatric hospitals for his outspoken support of human rights.

U.S. Rep. Henry J. Hyde (R-Ill.), who spoke before Grigorenko, called on Carter to adjourn the strategic arms limitation talks because of the "contemptuous" Soviet attitude in proseculting Shcharansky and Ginzburg.

"SALT is as important to the Russians as it is to us," Hyde contended.

He also called for a hard-nosed attitude toward the expansion of Soviet influence in Africa. The United States could have thwarted a "Marxist take-over" in Angola if Congress had approved military aid, he said.

The Captive Nations group seeks the end of Communist rule throughout the world.

[From the St. Louis Post Dispatch, July 16, 1978]

SUFFERING AND TEARS BEHIND THE IRON CURTAIN

The battle against communism cannot be fought on a military level, according to a Lutheran pastor who spent 14 years in prison for aiding Christians in Communist Romania.

"The only thing that can conquer Communists is sainthood," the Rev. Richard Wurmbrand said in a speech Sunday opening Captive Nations Week. "We need not anti-Communist fighters, but saints."

Commenting on the softness of American life, the Rev. Mr. Wurmbrand said, "We can't even understand the toil and suffering of others . . . All the suffering and tears should not belong to those behind the Iron Curtain."

Captive Nations Week, which has been proclaimed by Congress for the last 28 years to remind Americans of imprisoned countries, should not even exist, he said. "We should always remember our fellow brothers in faith. Captive Nations Week should be 52 weeks a year."

Those who do not remember their brothers in prison will fare no better than Communist torturers at Judgment Day, the Rev. Mr. Wurmbrand predicted.

In prison, he said, "not a night passed that prisoners did not pray for America—its churches, its youth, its people, its president."

After he was ransomed from Romania by a group of Norwegians and came to America, "I was sure I would hear a prayer or reminder of those in Romania with 50-pound chains at their feet. I have rarely heard a mention," he said.

Christians have a responsibility to share the suffering of the imprisoned people in captive nations, he said.

The minister heads an organization that smuggles Bibles and Christian literature into Communist countries. He was arrested in 1948 for his underground ministry to captive Romanians and to Soviet soldiers in the invasion force.

He was released twice and rearrested for continuing his work. After his third release, he left Romania and founded Christian Missions to the Communist World, whose U.S. affiliate is Jesus to the Communist World Inc.

Captive Nations Week activities here are directed by the St. Louis group Free Friends of the Captive Nations.

[From the China Post, July 21, 1978]

TAIPEI RALLY TO MARK CAPTIVE NATIONS WEEK

A mass rally with over 3,000 people taking part, including high ranking government officials, foreign distinguished guests, foreign envoys and representatives from all walks of life, will be held at the Sun Yat-sen Memorial Hall in Taipei this morning to commemorate the 1978 Captive Nations Week.

Dr. Ku Cheng-kang, honorary chairman of the World Anti-Communist League, will chair the rally.

Premier Y. S. Sun will also make a speech at the rally.

Other speakers at the rally will include U.S. Congressman John Ashbrook; Chairman of the National Center of Independents and Farmers of France Bertrand Motte; Vice-President of the Supreme Court of the Ivory Coast, Georges Creppy; Japanese Diet Member Taikan Hayashi: the publisher of "Replica" in Saudi Arabia, Sheik Mohammed Salahuddin; and the Counselor of State Council of Uruguay, Willy Patocchi.

The Taiwan Provincial mass rally to mark the week will also be held in Taichung this morning, to be attended by some 2,000 people. The rally will be presided over by Tsai Hung-wen, speaker of the Taiwan Provincial Assembly.

[From the Philadelphia Inquirer, July 25, 1978]

NATIONAL AND INTERNATIONAL NEWS IN BRIEF NOTES

Fifty thousand persons attending a Taipei, Taiwan, rally to mark the end of Captive Nations Week adopted a resolution strongly criticizing the normalization of relations between the United States and Peking. . . .●

TRIBUTE TO STACY "STAC" ALDRICH—OUTSTANDING BOY SCOUT

HON. JOHN H. ROUSSELOT

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Thursday, August 17, 1978

● Mr. ROUSSELOT. Mr. Speaker, I was recently made aware at a board of directors meeting of the San Gabriel Valley Council of the Boy Scouts of America that last year, on November 10, 1977, their medal of merit was awarded to a young man who lives in the city of Baldwin Park which is in the 26th Congressional District of California which I serve. Because I am extremely proud of

the distinguished conduct of my constituent, Stacy "Stac" Aldrich, I am bringing to the attention of my colleagues in the U.S. House of Representatives, and placing in the public record, the statement on the medal of merit award which describes the remarkable act of bravery which Stac performed.

THE MEDAL OF MERIT

For outstanding service putting into practice Scout skills and ideas is awarded by the Boy Scouts of America upon the recommendation of the National Court of Honor on November 10, 1977 to Stacy "Stac" Aldrich.

While on his way home from school in Baldwin Park, California, on May 13, 1976, Star Scout Stac Aldrich, 12, spotted a five-and-a-half foot long snake crawling toward a young boy playing on the ground. Acting without regard to his own safety, Stac struck the snake with his fist and suffered two puncture wounds on his hand when the snake turned on him. His action saved the boy, five-year-old Larry Green, from harm. Stac was hospitalized for observation but suffered no ill effects. His quick, courageous action reflected great credit upon him and his Scout training.●

THE REGIONAL DEVELOPMENT ACT OF 1978

HON. PHILIP E. RUPPE

OF MICHIGAN

IN THE HOUSE OF REPRESENTATIVES

Thursday, August 17, 1978

● Mr. RUPPE. Mr. Speaker, today I am introducing a bill which would update, clarify, and consolidate under one act, title V of the Public Works and Economic Development Act, and the Appalachian Regional Development Act. This is a reform that is long overdue. Further, this legislation would extend the life of the Appalachian and Title V Commissions through 1985, and reestablish the Title V Commissions as independent of the Department of Commerce.

In 1965 Congress demonstrated its support of regional commissions by enacting the Appalachian Regional Development Act. Subsequently, Congress also enacted title V within the Public Works and Economic Development Act which created other regional commissions outside of the Appalachian Regional Commission. These acts have highlighted the Federal Government's increased recognition that Federal programs affecting State and local areas must display greater sensitivity to regional, State and local needs.

The Title V Commissions and their counterpart, the Appalachian Regional Commission, were established through the voluntary support of the participating States. The Commissions, such as the Upper Great Lakes Regional Commission, are planning commissions that provide technical and supplemental grant assistance for regional development and represent State and local concerns at the Federal level. The Upper Great Lakes Regional Commission, for example, has been a particularly effective agency to my constituents in Northern Michigan.

To date, nine commissions have been established, including the Appalachian Regional Commission under a separate act. Because of the success of these existing commissions, 17 more States have filed applications to form seven new regional commissions in just the past 2 years. This demonstrates a general consensus among State governments that a regional approach to economic development has been effective.

The legislation I have introduced maintains State initiatives in commission organization, emphasizes the key role sub-State districts play in the overall regional development process, and reaffirms the importance of supplemental grant and aid programs.

During recent years it has become apparent that revisions of title V are necessary in order to conform to changing economic conditions. These changes are not only needed for revising the Title V Commissions, but have also been recognized as beneficial for the Appalachian Regional Commission by both the Appalachian Regional Commission itself and the Regional Commission Task Force established within the Department of Commerce.

Incorporated within the Department of Commerce, the Title V Commissions have found themselves the victims of cost-cutting initiatives and political manipulation which has blunted the effectiveness and ability of the Commissions to fully realize their goals. The result of these actions has been a drastic reduction in funding levels authorized under the Public Works and Economic Development Act, and has limited the Commissions' ability to coordinate important projects of interest to various levels of State government.

The effectiveness of the Appalachian Regional Commission has been due largely to its superior funding, its highly placed position within the Federal Government, and its inter-governmental planning and policy coordination system which reaches from the local level to the White House. However, Appalachian Regional Commission officials also realize the benefits to be gained by updating the legislation and consolidating their status with Title V Commissions.

My legislation, by granting independence to the title V commissions, would provide the commissions with the necessary authority and status to insure their increased effectiveness in the future.

Suggestions have been made to move toward a State block-grant system and place greater emphasis on urban concerns. Such a system would eventually result in the ignoring of multi-State and rural concerns, the initiation of increased expenditures, and be irresponsible toward the expressed interest of the States in maintaining a regional commission concept.

This bill will provide the commissions with greater direction and a mandate backed by the funding necessary for the commissions to play their intended role in economic development. The authorization levels would not increase above the present level of $250 million for the first 3 years, and would only be gradually increased up to a maximum of $500 million in order to permit the expansion and establishment of present and new commissions.

At a time when Congress is faced with demands for less Federal interference, a streamlining of Federal agencies and commissions, and a demand for a better return on each tax dollar, the title V commissions have proven their worth even though meagerly funded. In comparison to the LPW and CETA programs, this regional commission is a bargain and, best of all, it is also responsive to State and local needs without an overbearing Federal bureaucracy.

The present legislation covering the title V and Appalachian Regional Commission will expire next year. This act is too important to be left for last minute consideration. Congress should become familiar with the revisions of this act now, and that is why I have introduced my proposal at this time.

I am hopeful that the appropriate committee can schedule oversight hearings on this legislation before Congress adjourns in mid-October. This legislation deals with an issue that has received the active consideration of all 50 States and the U.S. Commonwealths this year, and should be a priority issue for the Congress as well.●

HUMAN RIGHTS VIOLATIONS IN THE SOVIET UNION

HON. WILLIAM S. MOORHEAD

OF PENNSYLVANIA

IN THE HOUSE OF REPRESENTATIVES

Thursday, August 17, 1978

● Mr. MOORHEAD of Pennsylvania. Mr. Speaker, I wish to again comment on human rights violations in the Soviet Union. Human rights arise from a fundamental respect for the simple dignity inherent in all people. As the Declaration of Independence said with eloquent reserve, "We hold these truths to be self-evident, that all men are created equal, that they are endowed by their Creator with certain unalienable rights, that among these are life, liberty, and the pursuit of happiness . . ." Simply put, human beings, wherever they are in the world, should be accorded certain essential rights simply because they are people.

All countries say they provide their citizens with such essential human rights. As we know, many nations say one thing and do another. The Soviet Union is one such country, as the recent trials of Anotoly Scharansky and Alexander Ginzburg demonstrate. Scharansky and Ginzburg are Jewish activists. They are asserting their rights of free speech, of freedom of religion, and the opportunity to emigrate, as protected by articles 50 and 52 of the Soviet Constitution and the Helsinki agreement.

What do Scharansky and Ginzburg get for exercising their purported rights, as "guaranteed" by the Soviet Government? Jail. The Russians say human rights are well and fine—but do not rock the boat. Dissent is not allowed. Liberty is a lovely word—but do not do anything the Government disapproves. The individual is in complete control of his life—unless the Soviet State decides—arbitrarily and capriciously—that the individual has done something wrong and then so much for individual life.

Human rights are precious. They are more than just words. They mean some-

thing. They mean that human beings have the opportunity to do certain things, notwithstanding whatever the governments of this world do or do not want. They mean that human beings have innate value and respect and dignity, and that this must be recognized and indeed cherished by others. They mean that governments are to serve and protect the interests of their citizens, and not the reverse. They mean that human beings have culturally evolved above the stone man mentality where there were no rights, only individual will where the strongest survived and dominated.

The city council of Pittsburgh recently passed a resolution concerning the recent trials in the Soviet Union, condemning the trials and urging the release of Scharansky and Ginzburg. I wholeheartedly agree with it. I ask unanimous consent to have this resolution printed in the RECORD.

RESOLUTION No. 795

Whereas, Americans of various races, religions, and political persuasions share a profound belief that mankind, through natural instincts, seeks freedom of thought and deed, and that in this blessed land of America, we believe in freedom as essential in asserting the supremacy of Human Rights; and

Whereas, Jewish human rights activists Anotoly Scharansky and Alexander Ginzburg were tried and convicted in the Soviet Union on charges of treason and espionage, such charges causing shock and dismay among the free peoples of the world; and

Whereas, the tenor and severity of the charges against the two defendents indicates they may not have received a fair and equitable trial in an air of suspicion and hostile attitudes toward Jews living in the Soviet Union; and

Whereas, President Carter, indignant concerning the obvious renunciation of the men's civil and human rights, personally has denied that Mr. Scharansky ever worked for the Central Intelligence Agency, one of the allegations against him; and

Whereas, American officials have warned the Soviets repeatedly that the nature of the trials of both Mr. Scharansky and Mr. Ginzburg and any harsh sentences against them could seriously damage American-Soviet relations;

Now, therefore

Be it resolved that the Council of the City of Pittsburgh on behalf of the freedom loving citizens of the City of Pittsburgh does hereby join with the Pittsburgh Conference on Soviet Jewry in condemning this display of anti-Semitism on behalf of the Soviet Union;

And, be it further resolved that we urge President Carter and American officials to remind leaders of the Soviet Union of their commitment to extending Human Rights to all their citizens, and to urge the USSR to dissolve these unreasonable charges and release these men from custody so they may rejoin their families and pursue their rights to freedom of thought and expression.●

CROSSING THE ATLANTIC BY BALLOON

HON. HAROLD RUNNELS

OF NEW MEXICO

IN THE HOUSE OF REPRESENTATIVES

Thursday, August 17, 1978

● Mr. RUNNELS. Mr. Speaker, last night three men from New Mexico achieved a goal that has eluded aviation enthusiasts since 1859. Ben Abruzzo, Max Anderson, and Larry Newman did what no one else has ever done before—they completed a crossing of the Atlantic Ocean by balloon.

The three New Mexicans began their flight in a balloon called the *Double Eagle II* last Friday evening from Presque Isle, Maine. Last night they passed over the Irish port town of Louisburgh, County Mayo, the first persons to ever soar from the North American Continent to Europe in a balloon.

I am proud to report the men are still airborne. They were passing over England this morning, and in their words and hoping to "follow in the footsteps of Lindbergh and fly direct to Paris."

Not only are Ben Abruzzo, Max Anderson, and Larry Newman the first persons to ever complete a trans-Atlantic journey by balloon, they have set a new endurance record for unpowered balloon flight. Yesterday they surpassed the old record of 107½ hours and they are still going.

I would like to point out that the New Mexico men have succeeded in their adventure after 17 previous attempts to cross the Atlantic by balloon have failed. In fact, two of the men, Mr. Abruzzo and Mr. Anderson, made an unsuccessful attempt last year, but they have come back to triumph. As they crossed the Irish coast to officially complete their crossing they radioed to observers, "We are on top of the world."

There are some who would say a balloon crossing of the Atlantic means little, that it will not open the way to a new enterprise as the flight of Charles Lindbergh did or have any lasting effect in this complex world of ours other than a few lines in a book somewhere. But I believe those people are missing the point. The flight of the *Double Eagle II* was never intended to do that.

Instead, it is a reaffirmation of the fact that ordinary men can confront the elements, find a challenge and conquer it, and doing that is justification in itself. That is what this balloon flight across the Atlantic Ocean was all about and I am proud that three men from New Mexico were able to meet this challenge and overcome it.●

JUDGE FRED S. LUCERO

HON. NORMAN Y. MINETA

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Thursday, August 17, 1978

● Mr. MINETA. Mr. Speaker, today I rise in honor of a man who has ably served the people of Santa Clara County for many years: The Honorable Fred S. Lucero, judge of the superior court.

On August 31 Judge Lucero will be honored at a dinner by the woman's alliance. This multiethnic organization was created to help low-income minority women, especially those victims of domestic violence.

They believe, as I do, that Judge Lucero brought to the superior court bench a fresh sensitivity to the problems women have, especially in the area of family law.

Judge Lucero began his career in the Santa Clara County Public Defender's Office. During his 13 years in that organization he held many of the top positions. He was the supervising attorney, juvenile court division and later the senior felony trial attorney. He was eventually made assistant public defender in 1972.

In November 1976, Judge Lucero was appointed to the superior court bench in Santa Clara County. Since his appointment, Judge Lucero has served as the supervising judge in family court. In this capacity he has worked with the bar association, other members of the bench and various community groups to improve the administration of justice in the critical field of family law. He is now also a member of the executive committee of the superior court.

Mr. Speaker, I ask you and my colleagues to join with me and many of the fellow Santa Clara County residents in thanking Judge Lucero for the great contribution he has made to the administration of justice.

Further, let us all wish him the best of luck and success in all his future endeavors.

FUSION FOR ENERGY

HON. CARL D. PURSELL

OF MICHIGAN

IN THE HOUSE OF REPRESENTATIVES

Thursday, August 17, 1978

● Mr. PURSELL. Mr. Speaker, I would like to take this opportunity to express my thanks to the Baltimore Sun for its candid editorial regarding fusion.

I have been plugging fusion—sometimes in a lonely atmosphere—and now we have gained some allies. Fusion does have a great opportunity for success. I submit this article for the RECORD:

[From the Baltimore Sun, August 16, 1978]

FUSION'S UNLIMITED PROMISE

As Congress's effort to adopt comprehensive energy legislation verges on collapse, the most heartening energy news is not the Texaco discovery of natural gas off the New Jersey coast. It is a successful scientific experiment in Princeton, N.J.

Though scientists dislike the usually misleading word "breakthrough," fusion energy researchers cannot disguise their joy at the results of the Princeton experiment: Using magnetic lines of force in a doughnut-shaped containment chamber called a "Torus," they produced a "plasma" with a temperature of 60 million degrees.

Not only does that get them closer to the 100-million degree temperature needed for actual fusion, it verifies that physical laws work, as earlier anticipated, at such high temperatures. "We can predict with confidence now," said one administrator, "that when we get a larger machine at Princeton [scheduled for completion in 1981] we can achieve actual controlled fusion in an experimental setting."

Fusion is the ultimate form of energy, the source of the sun's light and heat, the reaction that makes the hydrogen bomb work. But containing it for peaceful generation of electricity is a formidable task. Two experimental approaches are being taken: magnetic reactors like the Princeton one, and "inertial" techniques in which fuel is compressed and heated with laser, electron or heavy-ion beams. The latter technique may render container walls radioactive, but it will create no dangerous radioactive isotopes, such as the bone-seeking strontium 90 produced in conventional fission reactors. Moreover, there is

no danger in fusion of an inadvertent explosion. And heavy hydrogen fuel can be extracted cheaply from seawater in almost infinite quantities. Both approaches are promising—the magnetic one more so at the moment.

Commercial use of fusion, if it comes, is so far off (the current target date being about 2025) that other energy avenues for the interim must be explored. Scientists believe judicious increases in the federal fusion budget could hasten fusion's development. Yet the Carter administration has actually cut the modest budget. The promise is for unlimited energy, enough to make not only the Texaco find seem paltry but even to render Arab petroleum reserves of minor importance. With the success of the Princeton experiment, the promise is significantly nearer fulfillment. It is time for the administration to review its attitudes toward the fusion energy budget.●

AN ANALYSIS OF OUR FOREIGN POLICY

HON. JOHN J. RHODES

OF ARIZONA

IN THE HOUSE OF REPRESENTATIVES

Thursday, August 17, 1978

● Mr. RHODES. Mr. Speaker, I want to bring to the attention of my colleagues an astute analysis of our past foreign policy under Democrat administrations by Robert J. Pranger, director of foreign and defense policy studies of the American Enterprise Institute for Public Affairs.

Mr. Pranger notes that for 80 years Democrat Presidents have wavered between quiescence and emergencies. He also points out the dangers of such vacillation in the current nuclear age. He notes that Mr. Carter seems to be continuing this unfortunate policy, with his utopian rhetoric on human rights being undermined by cutbacks in our defenses.

In this perilous world, Mr. Pranger's tracing of our foreign policy history should remind us of past mistakes, and impel us to take precautions against repeating those blunders.

Text of Mr. Pranger's article is as follows:

THE DEMOCRATIC PARTY'S UNSTEADY FOREIGN POLICY LEADERSHIP IN THE TWENTIETH CENTURY: QUIESCENCE AND EMERGENCY

The Democratic Party's record in foreign affairs during this century, while not precisely fitting the "party of war" description, nonetheless might be called "the party of two foreign policies," neither policy sufficient for preventing war, because both are unsteady in their application. On the one hand, from Wilson to Carter, the Democrats have espoused quiescence in foreign policy: our major problems are domestic ones and these should be given top priority. On the other hand, this same party has been the ruling party in the White House during the onset of all major emergencies in our foreign relations since 1900. And this is precisely the problem with the foreign policy of the Democratic party: it is not so much warlike as unstable, vacillating between quiescence and emergency. Indeed, the two extremes of the pendulum are related. First comes inattention to foreign affairs, then comes the explosion. Every Democratic president in this century has started his term with promises to keep the nation from excessive foreign adventures by concentrating on domestic ills, or at least to de-emphasize the military aspects of our international commitments, and yet eventually each has led us into some new major international emergency.

Roosevelt's first inaugural words, "We have nothing to fear but fear itself", came less than two months after Hitler became Chancellor. By 1937 Franklin D. Roosevelt was talking about "quarantining" dictators. In 1940 we were engaged in lend-lease assistance to Great Britain. Yet, in all this period our own military buildup was minimal and we were caught off-guard at Pearl Harbor. Despite some advance warning to American public opinion, December 7 was an enormous shock for which no one, including Roosevelt, was prepared. History repeated itself in Korea in 1950, Cuba in 1962, Vietnam in 1965—in each case under a Democratic president. Are we due for another such shock under President Carter, but now under conditions of nuclear parity with the Soviet Union?

President Carter's current vacillating policy toward the Soviet Union might be contrasted with the confidence and firmness of his Republican predecessors over the past eight years. From 1969 until 1977 detente was firmly coupled with defense. Now detente is in trouble and so is our defense. Any sense of compatibility between negotiations and strength, typical of the 1972 Nixon-Brezhnev summit, has been lost. In January 1977, as President Ford left office, the United States and Soviet Union were on the verge of a SALT II agreement, but our nation was also embarking on its first real increase in defense spending in recent years. After all, the Soviet Union saw nothing incongruous about strengthening itself militarily while negotiating on nuclear arms control. Why should we?

President Carter proceeded along a more adventurous course by announcing his highly idealistic human rights policy, confusing the SALT negotiations by his abortive March 1977 proposal (applauded by conservatives in his party), meanwhile cutting the Ford defense budget programs (applauded by liberals in his party). The B–1 bomber was not an issue in SALT, but surely helped shore up confidence in our national defense.

President Carter cancelled the B–1 program. Improvements in our land-based missiles were provided for in the 1978 Ford defense budget, but these were delayed in the Carter approach to defense. Not an issue in SALT, the neutron warhead has been at least temporarily shelved by the Carter administration. And an expanded naval shipbuilding program in the last Ford defense budget was severely trimmed by President Carter one day after he had delivered a hard-line speech in Winston-Salem. The pendular swings between quiescence and emergency, typical of his Democratic predecessors, seem part of the Carter foreign policy as well, only now, rather than coming in historical sequence, we find the two themes jumbled together in obvious confusion.

Defense preparedness is not linked by the Carter administration to a long-term diplomatic process for stabilizing world affairs and lessening tensions. Despite the numerous historical lessons from international politics about the importance of military power as an adjunct for sound and reliable negotiations, President Carter's approach seems consistent with his party's tradition, if in a somewhat exaggerated way: he believes in a utopian vision of a world without military conflict, and yet when disappointed he petulantly exhorts us to see this same world in terms of emergencies and Soviet expansion. He offers conflict or cooperation, either one or the other. His speech at Annapolis on 7 June of this year highlights this. Rather than rest secure with the idea that the world, as we know it, will have both competition and cooperation, he offers the Soviet Union (and presumably ourselves) a choice. In the world we have experienced in this century is there really such a choice, or do we have to live with contradictions? Must we strain for moral absolutes in world affairs, or can we settle for limited virtures bought at great sacrifice?

[Perhaps this is the most striking feature of Democratic Party foreign policy in this century, the fact that it eschews a foreign policy of inevitable constraints and ambiguities for international programs of stark alternatives.] Wilson the dove became the flaming hawk. Unprepared at Pearl Harbor after negotiating without strength, Roosevelt was outraged after being suddenly betrayed by the militarily powerful Japanese. Having drawn defense lines that effectively excluded Korea from our defense commitments in early 1950, Truman moved the nation to emergency footing when South Korea was suddenly attacked from the north in mid-year. With his stirring and highly idealistic inauguration speech still very much on the public mind, Kennedy became embroiled in the tawdry Bay of Pigs episode in 1961 and then in a near-war with the Soviet Union over Cuba in 1962. President Johnson turned a deaf ear on Republican proposals in early 1964 that our escalating involvement in Vietnam be subject to full national debate, only to call for major armed commitment in 1965.

Such inconstancy coupled with a tendency to deal in absolutes—quiescence and emergency, idealism and disillusionment—give an appearance of unsteadiness in world affairs. More than appearance, however, this unsteadiness has proved quite real. Ad hoc reaction has become an established tradition in Democratic Party foreign policy, and President Carter does not seem able to break the spell of this tradition. If anything, his inexperience has only exaggerated it. While the "war party" label may be a bit strong, if stated bluntly, the Democratic Party should be held responsible for its failure to establish long-term stability in our conduct in world affairs during this century. Under the present administration we have become unpredictable and problematic for ally and adversary alike. In place of a steady improvement in our defense and in our relations with the Soviet Union, carried on simultaneously and without fear of contradiction, this administration has substituted confusion in both areas by emphasizing unreal choices between utopia and instability. The vision of a new world order has been juxtaposed to a fear of inexorable Soviet expansion. One has been attributed to Secretary Vance, the other to Dr. Brzezinski, but the problem is much deeper in Democratic Party history than this.

One might ask why the Democratic Party has displayed such unsteadiness. Why should Wilson proudly campaign in 1916 on the slogan "He kept us out of war," and then bring the country to war-time emergency footing scarcely a year later? Why should Roosevelt, having promised no American involvement in Europe's war during the 1940 campaign, be faced with a surprise attack on Pearl Harbor in late 1941? Why should President Carter, who took then-President Ford to task in their second presidential debate in 1976 for starting a new Vietnam in Angola, now cry alarm over Soviet and Cuban expansion in Africa? Have such turnabouts—and others like them under Truman, Kennedy and Johnson—been mere historical accidents? Europe was at war in 1916 and we were already involved on the high sea in this war. By November 1940 we stood as a de facto ally of Great Britain in the struggle against Hitler, and were deadlocked in unproductive negotiations with militaristic Japan. And surely Brezhnev and Castro had come to a meeting of minds on Africa before the November 1976 presidential election. The tides of world affairs do not operate according to four-year presidential cycles. Quite the contrary, new Presidents find themselves in the stream of world history stretching back long before their arrival in office and

reaching ahead beyond the end of their tenure.

Then why such unsteadiness in the Democratic Party? Why the pendular swings between quiescence and emergency in its foreign policy? Why the absence of prudent statemanship that combines the long-term with the immediate, negotiation with strength? Why the tendency toward impulsive reaction and sudden shifts? One explanation has to do with the Democratic Party intelligentsia, its ideolgical elite, which is more utopian in orientation than is the intellectual vision of the Republican Party. This might be attributed to a contrast between liberals and conservatives, but even foreign policy conservatives in the Democratic Party—witness President Johnson and his party supporters during Vietnam—seem prone to unsteadiness. For utopians, the world is a lesson in abstraction, a form of moral geometry that can be set right by pure reason. In turn, what's wrong with the world is most often seen by this intelligentsia as the result of ignorance or deliberate falsification. The idea that reason itself is limited to finite programs, and only with great difficultly, seems defeatist. Also, the notion that reasonable persons may differ is alien. Out of such idealism, of course, comes a belief in progress through expanded reason. Quite naturally, the realities of life soon catch up with this utopian vision: expansion of reason may bring forth more learned arguments, but not necessarily their resolution. Or reason may never prove expansive enough to keep up with the nonrational and irrational forces of history, from explosion of populations to the need for people to live—and governments to govern—by myth as well as by scientific thought.

A second explanation for unsteadiness in Democratic Party foreign policy has something to do with the party's voting constituencies. Since the advent of Wilson's "New Freedom" in 1912, the Democratic Party has been highly biased toward domestic affairs rather than international politics. So much "unfinished business" (the utopian bias again!) seems to be present in our own country, it is argued, that we should turn toward internal reform before trying to save the world. Or perhaps worse still, we should try to transfer the lessons of our own reform to the wider world by vigorously spreading democracy. Even the Johnson realists, such as Secretary of State Rusk, were prone to argue the merits of our involvement in Vietnam on the ground that we were fighting to save free elections there. And now we appear embarked on a policy of preaching human rights to a world where the very concept has been used by some nations to enslave millions.

The combination of a utopian intelligentsia and a voting base heavily committed to domestic reform has been central to the identity of the Democratic Party in this century. This identity has not equipped the Democrats for steady foreign policy leadership. So perhaps it is time to drop the war party label for the Democrats, changing it instead to the "unsteady party" in foreign policy. President Carter is now at an unprecedented low point in the polls after 18 months in office. Part of his sagging popularity can be traced to his handling of foreign affairs. Once again the wisdom of the American public seems confirmed. But is this a problem for President Carter alone, or a judgment on his party as well? I think the latter.

The record of the first nearly 80 years of our twentieth-century history and of six Democratic presidents who have served the nation in this period would seem to indicate that unsteadiness in foreign policy is an endemic problem for the Democratic Party. Its tendency to traffic in utopian ideals about world affairs, its pendular swings between quiescense and emergency, its bias toward domestic reform to the neglect of long-term foreign policy planning, its transfer of ideas about domestic policy to the more complicated international arena, and its propensity to pose the problems of humanity as stark alternatives all have made the Democratic Party an unreliable resource for national leadership in foreign policy. This problem has by no means been confined to the liberal sector of the party, but extends to some of its more conservative elements as well. Given American responsibilities for worldwide stability, affecting ourselves and others, this unsteadiness could lead to great calamity in this nuclear age. The weakness appears to be a trait of the Democratic Party itself no matter who leads it.

Wilson, Roosevelt, Truman, Kennedy and Johnson all operated either in a world environment without atomic weapons or with American nuclear superiority. If quiescence led to national emergency, the consequences for the American public were never disastrous. There were large numbers of casualties among brave combatants from this country, of course, and so the responsibility for not having long-term foreign policy programs that combine negotiations and strength has been great. In this sense, the "party of war" label pasted on the Democratic Party has some validity. Yet, today the stakes for the American public are much vaster. Our own civilian population is now under the sign of nuclear holocaust in this age of nuclear parity between the United States and Soviet Union. President Carter is the first leader of his unsteady party to serve in this era of full-fledged nuclear parity where Soviet power may even surpass that of the United States during his tenure in office.

Under conditions of nuclear parity we cannot afford bad foreign policy, and I associate such faulty policy with unsteadiness or a failure to combine negotiations to reduce the danger of war with the strength to make these negotiations last in an international order where lawful authority is still weak. Has President Carter inherited his party's propensity to engage in unsteady foreign policy? If he has and cannot find a cure, then the American public could suffer terribly before the end of his term. At the very least, he must resort to a bipartisan foreign policy which will give stability to his own inherited tendencies toward unstable policies. Given the difficulties he seems to be having in accomplishing this, it may well be safer to propose another alternative: the Republican Party should be elevated by the American people into a genuine majority party, first with substantial gains in Congress in the 1978 Congressional elections including majority status in the House of Representatives, and then to the Presidency in 1980. Parties do make a difference in this country, no less in foreign than domestic policy. The record of the two parties since 1900 has been steadiness in foreign policy by the Republicans, unsteadiness in the Democratic Party.●

RECOMMENDATION BY REPRESENTATIVE JOHN WYDLER TO USE THE BARNWELL NUCLEAR FUEL PLANT

HON. FLOYD SPENCE

OF SOUTH CAROLINA

IN THE HOUSE OF REPRESENTATIVES

Thursday, August 17, 1978

Mr. SPENCE. Mr. Speaker, the House Science and Technology Committee has released a report entitled "Oversight of European Nuclear Energy Development" prepared by my good friend and colleague, JOHN WYDLER, the committee's distinguished ranking minority member.

I urge my colleagues to obtain a copy of the report and read the account of how European nations are accelerating their nuclear power development while the United States pauses to question commercial nuclear fuel reprocessing. Of particular interest to me is Mr. WYDLER's recommendation dealing with the Barnwell nuclear fuel plant in my district in South Carolina. He recommends:

The United States should reinstate the plan to reprocess light water reactor fuel at the Barnwell Nuclear Fuel Plant under modern safeguards. This country should develop a comprehensive plan for nuclear waste management, civilian and military, which recognizes that fact that nuclear reprocessing cannot be indefinitely deferred.

In the report's summary of findings is the statement:

Our present policy on the breeder and reprocessing ignores the advances which have been made in safeguards technology as well as the chief mechanism for implementing these safeguards, namely, the International Atomic Energy Agency.

Finally, Mr. WYDLER's report on his discussions with officials of the IAEA should cause us all to be concerned about the administration's nuclear policy when he notes "* * * the world is developing a mistrust of American reliability because of our shifts in Atomic policy. Ironically, this policy causes more countries to get into the reprocessing an enrichment field, leading to more, not less nuclear proliferation."

THE GOOD SAMARITAN ACT

HON. CARL D. PURSELL

OF MICHIGAN

IN THE HOUSE OF REPRESENTATIVES

Thursday, August 17, 1978

● Mr. PURSELL. Mr. Speaker, it is with great pleasure that I reintroduce today, the Good Samaritan Act along with 17 cosponsors. I first introduced this bill (H.R. 10740) on February 2, 1978, in response to a great concern voiced by one of my constituents.

Basically, the Good Samaritan Act encourages on-the-scene emergency medical care aboard aircraft by relieving physicians, registered nurses, and aircraft employees from civil liability for damages resulting from any act or omission in rendering such care. This bill will provide the necessary legal protection for the aforementioned people, so that they will be encouraged to assist airline passengers who experience medical problems during a flight.

The inspiration for this legislation is Dr. Melvin Reinhart of Ann Arbor, Mich. Several years ago, Dr. Reinhart was on an airline flight on which another passenger suffered a heart attack. He was very disturbed that basic medical equipment was not available to him and the other doctors on board, to assist the stewardess in caring for the heart patient. The doctor promptly began efforts to require airlines to carry basic medical supplies on their planes.

Through contacts with the Federal Aviation Administration, it was learned that such equipment was not available on the airlines because their stewardesses and pilots, and doctors and nurses who were on board, could be held per-

sonally and legally liable in suits growing out of the emergency care.

Thus, we now have the vehicle to protect these people in this legislation.

The Air Line Pilots Association and the Flight Attendants Association—those people who will be affected by this legislation—have strongly endorsed the bill, and are actively working for its passage.

I urge all of my colleagues to look favorably on this legislation as I intend to keep up my efforts to enact this bill.●

CLEVER SCHEME TO PAY FOR QUIETER PLANES

HON. PAUL SIMON

OF ILLINOIS

IN THE HOUSE OF REPRESENTATIVES

Thursday, August 17, 1978

● Mr. SIMON. Mr. Speaker, one of the great public raids of our time is being perpetrated by the airlines, a raid that makes Jesse James look like a symbol of virtue and rectitude.

This morning's Washington Post carries an excellent article by Hobart Rowen about that Treasury raid. I am inserting it in the RECORD at this point.

The obligation of the House is clear. We should defeat the legislation. And if it should pass the House and Senate the President should veto it.

If the airlines are interested in a Government guarantee on some long-term loans because of the noise standards, I would agree to that. I might agree to a gradual imposition of the air standards so that as the new planes come on line we will be heading in a responsible direction.

But multibillion treasury raids I shall oppose.

"CLEVER SCHEME" TO PAY FOR QUIETER PLANES

(By Hobart Rowen)

If the airlines have their way, every time you buy a ticket for a flight in this country, 25 percent of the taxes you pay would go directly to them to buy $3.3 billion worth of new aircraft and equipment. And every time you go abroad, $10 would go from your pocket to the airlines' treasuries—it wouldn't even go first to Uncle Sam—to finance their new equipment.

This rip-off is part of a clever scheme concocted by the airlines to have the public pay for the less noisy planes they are supposed to acquire. It is a lovely make-work project for the aircraft manufacturers. And among the more interesting aspects is that airline fares could be reduced by the amount of this bonanza to the industry if administration officials and congressional leaders have the guts to oppose the scheme.

Wage-price watchdog Barry Bosworth wrote a private internal memorandum to the Office of Management and Budget on Sept. 18, 1977, exposing the plan. But he has not been allowed to go public with it. The details of the proposed "Treasury raid" were first publicized by Rep. Gene Snyder (R-Ky.).

Here's what has happened: The airlines now collect, to pay for air-safety measures, an 8 percent tax on domestic tickets, 5 percent on domestic air freight, and a fixed $3 fee on each foreign departure.

Those monies go into a trust fund financing airport safety measures, including the salaries of personnel and the detection equipment used in the pre-boarding routines. But the money collected is said to be more than needed, suggesting that the 8 percent tax ought to be lowered to about 6 percent and the other charges accordingly. Wouldn't a 25 percent reduction in airline taxes be a nice anti-inflationary gesture?

But no. The airlines, required by a 1976 Federal Aviation Administration regulation to use less noisy aircraft after 1984, saw an opportunity to make the public pick up the check. Instead of lowering the tax bill by about $3.3 billion, the airlines' lobby has had two measures (H.R. 8729 and H.R. 11986) introduced in Congress.

They would divert 2 points of the 8 percent passenger tax (25 percent) and 2 points of the 5 percent freight charge (that's 40 percent) into a kitty to finance new planes. The $3 departure tax would be upped to $10, with all of it going to the airlines. And a brand-new 5 percent surcharge would be placed on international cargo—all going to the carriers.

So far, these measures appear to be moving with little opposition through the House Public Works and Ways and Means committees.

In 1976, the FAA estimated that the airlines could modify their planes to conform to anti-noise requirements for a total cost of $950 million. "Retro-fitting" a Boeing 727 by installing sound-absorbent material costs only about $225,000. A new plane can run to $12 million.

But if the airlines can squeeze $3.3 billion out of an unsuspecting public, they will have acquired all new equipment, by putting up barely over half of the total cost, estimated at $7 billion. You and I will pay for the rest.

If the airlines get away with this bad precedent, then the public should expect to be the victim—through taxes—of the cost of meeting any environmental standard.

But the devious nature of this particular proposal is extraordinary. The tax is sneaky, because it is already on the books for another purpose. Without publicity, the "raid" would have taken place, and no one would be the wiser.

This gift to the airlines ought to be vigorously contested by the Carter administration. Instead, it is keeping quiet, in the hopes that it will get some congressional votes as a trade-off for an airline regulation reform bill.

Privately, Carter aides hope to get the House bills weakened in the Senate. But if the White House really wants to control inflation, and be convincing in denials that it has muzzled Bosworth (whose jawboning has offended George Meany), it can do so easily. It can unleash Bosworth and others for an active role in whipping an inexcusable handout to the airline industry at the taxpayers' expense.●

NO LAUGHING MATTER

HON. DAN ROSTENKOWSKI

OF ILLINOIS

IN THE HOUSE OF REPRESENTATIVES

Thursday, August 17, 1978

● Mr. ROSTENKOWSKI. Mr. Speaker, it appears that we have finally reached the end: the end of decency, responsibility, and respectability.

Today, in theaters across the United States, a movie is being shown to the American public. Burt Reynolds is cast in the lead role, and he also produced and directed the film. I am referring to the movie. "The End."

"The End" is a gross and obscene degradation of not only Polish people, but also people of every ethnic heritage. This movie has senselessly inflicted injury on an entire race of people. Under the guise of entertainment, Mr. Reynolds has recklessly and maliciously slurred those of us who are fiercely proud of our heritage.

"The End" has no socially redeeming value. In fact, it has no artistic value either. I found the plot at best mediocre, the theme nihilistic, the acting shoddy, and the direction nonexistent. I do not consider myself a movie critic, but the only thing this movie accomplishes is insulting one's intelligence. The only redeeming value of "The End," and the one value the motion picture industry places above all others, is its boxoffice pull.

I have patiently endured years, really a lifetime, of Polish jokes. My patience is at the end. I cannot abide ethnic slurs. I am shocked, outraged, and demoralized by "The End." This movie is a bad and cruel Polish joke.●

CONGRESSIONAL OVERSIGHT IMPROVEMENT ACT

HON. JOHN E. MOSS

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Thursday, August 17, 1978

● Mr. MOSS. Mr. Speaker, I am pleased to at this time introduce legislation which would aid Congress in effectively exercising its oversight responsibilities. Joining me in the sponsorship of this bill are 20 Members who are chairmen or ranking minority members of investigative committees or who are otherwise intimately aware of the need for this legislation.

We believe that vigorous congressional oversight is an essential part of regulatory reform. Oversight by the people's representatives is needed in order to determine whether administrative agencies are faithfully executing laws consistent with sound public policy and the legislative intent behind our laws.

The U.S. Supreme Court has long recognized the powers of Congress in this regard. In the landmark case of Watkins against United States, the court explained:

The power of the Congress to conduct investigations is inherent in the legislative process. That power is broad. It encompasses inquiries concerning the administration of existing laws as well as proposed or possibly needed statutes. It includes surveys of defects in our social, economic or political system for the purpose of enabling the Congress to remedy them. It comprehends probes into departments of the Federal Government to expose corruption, inefficiency or waste. 354 U.S. 178, 187 (1957).

But the powers of Congress are continuously being challenged and are becoming increasingly more costly and burdensome to defend, especially as our legislative schedule becomes more crowded. This much-needed bill would do two things.

First, it establishes an Office of Congressional Legal Counsel in order to defend the powers of Congress whenever those powers are challenged. Establishment of this Office enables the Congress to further preserve its status as a coequal branch of Government by not having to rely on the Justice Department, an arm of the executive branch, to defend Congress.

This bill would not result in increased spending. It could even save money. At present, the Justice Department assigns six lawyers to represent Congress on a full-time basis. The use of expensive law firms has still been needed, costing hundreds of thousands of dollars a year.

The number of occasions when one or both Houses of Congress is a party to litigation has grown during the past decade. Congress is now participating in from 15 to 20 court cases per year.

The work of this Office would be controlled by a bipartisan leadership committee which would use a two-thirds vote for all resolutions. The full House would also have to approve these resolutions.

The second part of this legislation, providing for civil court enforcement of congressional subpenas, is equally sound. Presently, the only means available for enforcement of congressional subpenas are contempt proceedings instituted with a resolution by either House involving a criminal action prosecuted by the executive branch or using the common law method of trial before the bar of the Houses.

Contempt proceedings have become much too cumbersome for a Congress already burdened with a crowded legislative schedule. Civil court enforcement of our subpenas would place these proceedings in a forum which is eminently experienced in such activities, the courts. This provision would not replace contempt proceedings, but it would provide an attractive alternative to them.

Both of these measures are included in S. 555 which passed the Senate earlier by a margin of 85 to 5. Both provisions have received equally strong support in the legal community. The New York City Bar Association has endorsed these proposals, concluding in a recent report, "We favor the establishment of an Office of Congressional Legal Counsel and the granting of civil jurisdiction to congressional subpenas."

For the reasons outlined above, we are proud of this carefully crafted legislative answer to problems that have long plagued Congress. Let me introduce, Mr. Speaker, the distinguished colleagues who join me in sponsoring this bill: Mr. KASTENMEIER, Mr. MANN, Mr. GORE, Mr. HUGHES, Mr. EDWARDS of California, Mr. DERWINSKI, Mr. CORCORAN, Mr. DRINAN, Mr. RAILSBACK, Mr. LENT, Mr. PREYER, Mr. NIX, Mr. LEVITAS, Mr. ADDABBO, Mr. CONYERS, Mrs. CHISHOLM, Mr. RINALDO, Mr. WAXMAN, Mr. HARRIS, and Mr. MARKS.●

HAROLD S. ROSEN

HON. NORMAN Y. MINETA

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Thursday, August 17, 1978

● Mr. MINETA. Mr. Speaker, it gives me great pleasure to rise today in honor of a man whom I have come to know over the past few years, and for whom I have a tremendous amount of respect and admiration: Mr. Harold S. Rosen.

On Friday, September 1, Mr. Rosen is to be honored by the city of San Jose on his retirement as deputy city manager.

Mr. Rosen has served the city of San Jose for the last 5 years as deputy city manager. In the previous 12 years he served the county of Santa Clara as director of personnel and chief negotiator.

Mr. Rosen was the first director of personnel for the State of Colorado and for 5 years served as a consultant to the Philippine Government and several local and State governments.

Mr. Rosen has not only benefited this community as a fine administrator but has contributed to the academic world as author of a number of articles and pamphlets on various labor relations subjects. Further, Mr. Rosen has been a lecturer and instructor at the University of San Francisco, University of California, Berkeley and San Jose State University.

Just a few of Mr. Rosen's other credits include serving as manpower consultant to the National League of Cities/U.S. Conference of Mayors, faculty member of the Mayors Leadership Institute, U.S. Conference of Mayors, and he is currently on the California League of Cities Labor Relations Task Force.

Harold Rosen is an asset to any community and I am proud to say he is a part of San Jose.

Mr. Speaker, I ask you and my colleagues to join with me in thanking Harold Rosen for his dedication to San Jose and wishing him the best of luck and success in all his future endeavors.●

IF YOU CANNOT STAND THE HEAT

HON. BILLY LEE EVANS

OF GEORGIA

IN THE HOUSE OF REPRESENTATIVES

Thursday, August 17, 1978

● Mr. EVANS of Georgia. On January 11, 1978, Sccretary Joseph Califano proposed to launch a nationwide antismoking campaign which would require $30 million to operate in the first year alone.

Last Thursday, August 10, Dr. Gio Batta Gori, Deputy Director for cancer cause and prevention at the National Cancer Institute, reported that the average daily smoker of some of the current brands of low tar and nicotine cigarettes faces no more extra risk of death than someone who smoked only two cigarettes a day before 1960.

I feel that Mr. Califano is using the power and prestige of his office as Secretary of HEW to dictate against contradictory statements to his previously announced plans of mandating a total ban on smoking in the United States.

Mr. Califano should not be allowed to repress, contradict, and condemn scientific findings which have evolved through one of the most well-funded, well-staffed, and well-equipped research efforts in the history of the United States simply because those findings are opposite to what he would like them to be.

I am very sorry that this 14-year effort on the part of learned and knowledgeable scientists have stepped on the toes of a lawyer who has no scientific training and who through political process was appointed Secretary of HEW.

To Mr. Califano I direct the following—If you cannot take the heat, get out of the kitchen. If you cannot accept documented, scientific evidence which happens to be contrary to your personal belief, and if you launch a vendetta against the scientist who produced this research by pressuring his superiors to fire him by threatening to withhold funding, then I have but one demand—resign, for the betterment of the scientific community of this country and the people in it. ●

MIDLOTHIAN COUNTRY CLUB

HON. MARTY RUSSO

OF ILLINOIS

IN THE HOUSE OF REPRESENTATIVES

Thursday, August 17, 1978

● Mr. RUSSO. Mr. Speaker, this year we have the pleasure to commemorate the 80th anniversary of an outstanding institution dedicated to the object for which it was formed 80 years ago—that being, pleasure, recreation and the promotion of outdoor sports. This organization is the Midlothian Country Club of Chicago.

The game of golf, at the turn of the century, gathered momentum as a social and recreational sport rapidly in the Chicago area. By 1900, there were 26 golf clubs, and among them was the Midlothian, organized on January 22, 1898. The man credited as founder of the club is George R. Thorne, who, at that time, was head of Montgomery Ward and Co. Many prominent people in Chicago's history were among the original members of Midlothian Country Club, including Reuben Donelly, J. E. Stack, O. B. Taft, Richard Fitzgerald and A. Montgomery Ward. The oldest active member today is Mr. Jennings Stansberry, and the oldest senior member is Dr. Earle Pronger who joined the club in 1937. The club is fortunate to have quite a few members of 30 years or more. They are: Mr. Eugene A. Barreet, Dr. Leon DePree, Mr. Pierre DeMets, Mr. Stanley Heidenrich, Mr. George T. Howe, Mr. Wesley Miller and Mr. Roy L. Proctor.

The country club, designed by Herbert James Tweedie, the foremost golf architect of his day, boasts some of the finest facilities in Chicago's South Side. There is a beautiful Championship 18-hole Golf Course, Par 71. At one time, it possessed the only railroad owned exclusively by a country club, which consisted of a small locomotive with two coaches and a crew of four. It made 14 trips daily and ran until 1929. Through the naming of the train's depot after the club, the surrounding area became known as Midlothian.

Throughout its 80-year history the Midlothian Club has been host to many fine events, such as the prestigious U.S. Open in 1914, with the immortal Walter Hagen defeating Chick Evans for the championship. Three Western Opens were held at the club—one in 1901, won by Lawrence Anchterlance, and others in 1969 and 1973, both won by Billy Casper. The Hagen Invitational in 1939, and the Women's Amateur in 1907, 1911 and 1915 were other important tournaments held at the club.

Today, Chicago Baseball Charities annually sponsor the Hutch Tournament at the club which nets a fine profit for the Cancer Society. Other events include a husband-wife tournament and a caddie day, where caddies are given the opportunity to compete. Prizes, games and a dinner are provided to thank the caddies, and in a small way show appreciation for them. Midlothian was also the scene of a "swim for heart" marathon, a fund raising event for the Heart Association. Children, sponsored for a specific amount per lap, earned approximately $1,400.

It is a pleasure to find an organization so dedicated to charitable causes, and the promotion of family recreation while remaining nonprofit. And today I would like to commend the club for its 80 years of service to the community.●

REV. HENRY L. PINCKNEY: OUTSTANDING RELIGIOUS AND COMMUNITY ACTIVIST

HON. LOUIS STOKES

OF OHIO

IN THE HOUSE OF REPRESENTATIVES

Thursday, August 17, 1978

● Mr. STOKES. Mr. Speaker, I rise on this occasion to pay tribute to one of the leading citizens of Cleveland, Ohio, Rev. Henry L. Pinckney. A year ago, Mr. Speaker, I had the pleasure of informing my colleagues in the House of some of Reverend Pinckney's outstanding contributions to the city of Cleveland, especially in the black community and low-income areas. At that time, I cited his work with the Glenville Task Force on Education and also his establishment of a hot supper program at his church, the Glenville United Presbyterian Church, where 50 children receive free meals throughout the year. In 1974, he established a sandwich, fruit, and milk program which enabled 450 children in Glenville social service agencies to receive free lunches.

In 1975, Mr. Speaker, Reverend Pinckney negotiated with the Council on Economic Opportunity for creation of the first senior citizens program in Glenville. He was one of the organizers of the Glenville Concerned Parents Organization and in 1973, received the Council on Economic Opportunity's Award for outstanding service in Glenville.

Mr. Speaker, in addition, in 1974, Reverend Pinckney was president of the distinguished organization, the Greater Cleveland Interchurch Council and served as moderator of Presbytery of the Western Reserve, comprised of 61 United Presbyterian churches in greater Cleveland, with total membership of 33,000. Reverend Pinckney was active in the Kathryn Tyler Neighborhood Center, on the board of Neighbors Organized for Action in House, chairman of Glenville Community Center and served as volunteer chaplain at Forest City Hospital. His church is fiscal agent for a juvenile action program, counsels youths, and provides them with programs.

Mr. Speaker, Reverend Pinckney has a distinguished educational background. He received his B.S. degree, cum laude, in elementary education from South Carolina State College under the GI bill and his divinity degree from Johnson C. Smith College where he was on the dean's list during all semesters and the winner of the National Presbyterian Scholarship for 2 years.

Mr. Speaker, the reason that I am reciting some of Reverend Pinckney's accomplishments in our city is due to the fact that he has decided to leave Cleveland after years of outstanding service. He has been called to Atlanta, Ga., to assume duties. No doubt, his absence will be a considerable loss to his parishioners, his friends, and the community. Reverend Pinckney has provided inspiration, guidance, and comfort to thousands of citizens, both young and old, black and white, rich and poor. He has won the respect and admiration of all those who know him.

At this time, Mr. Speaker, I ask that my colleagues join me in paying tribute to the distinguished Reverend Pinckney and to wish him success in his future endeavors. In closing, I would like to share with you and my colleagues a quote by Reverend Pinckney which summarizes his high religious principles and deep commitment to humanity:

A church is the only institution that relates to personal and spiritual being and makes people concerned citizens who have to love themselves and their neighbors. It is an experience on people working together and sharing responsibilities.

I am certain that I speak for the citizens of Cleveland when I say thank you, Reverend Pinckney, for a job well done.●

FLORENCE MALONE—SUPER CITY CLERK

HON. JERRY M. PATTERSON

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Thursday, August 17, 1978

● Mr. PATTERSON of California. Mr. Speaker, Florence Malone, city clerk for the city of Santa Ana, Calif., is suspending her distinguished career of public service on September 15, 1978. Mrs. Malone has served as the Santa Ana city clerk for nearly 10 years and has provided examplary service to every elected official and every city employee during that time. Her professionalism, dedication, and devotion have not only guided and inspired the staff, but have endeared her to everyone with whom she works. There are none in the city family who have been more conscientious or knowledgeable of the intricacies and interworkings of the city of Santa Ana.

Florence has a diversity of experience that few can claim. Her public service includes, in addition to Santa Ana, the cities of La Puente and Monterrev Park, and the school district of Rowland Heights. She has worked for the Social Security Administration, Boeing Aircraft, and has even used her many talents while working for the Pinkerton Detective Agency.

Florence and her husband, Ben, are the parents of five children and have five grandchildren. Upon her retirement from the city, the Malones will make their home in Vista, Calif., where Florence will expand her experience even further by studying law. It has been my good fortune to have worked with Florence for several years when I was the mayor of Santa Ana, and I count her as a special friend. It is with a great deal of pride and affection that I urge my colleagues to join me in paying tribute to a super city clerk and a truly fine lady—Florence Malone.●

DEDUCTION FOR RETIREMENT SAVINGS

HON. HELEN S. MEYNER

OF NEW JERSEY

IN THE HOUSE OF REPRESENTATIVES

Thursday, August 17, 1978

● Mrs. MEYNER. Mr. Speaker, I am today introducing a bill to amend the Internal Revenue Code of 1954 to increase the amount allowable as a deduction for retirement savings.

I would like to discuss both the need for, and the specifics of, this legislation.

Before 1974, a worker not covered by a payroll retirement plan really had no place to go if he or she wanted a plan. Then, with the enactment of the Employee Retirement Income Security Act of 1974, these "pension-less" people finally had someplace to turn.

Specifically, individuals not covered with a company pension plan can open an Individual Retirement Account (IRA), which allows them to take a tax deduction of 15 percent of earned income up to $1,500 a year for retirement savings, and to defer the tax liability on their contributions to these plans until they actually start drawing their pensions.

With IRA's American workers have the opportunity to supplement their eventual social security income to provide for dignity and economic stability in their retirement years. In addition, IRA's encourage savings and provide reinvestment capital to stimulate our sagging economy.

There is, however, a problem: The $1,500 limit on contributions to an IRA is too low. The $1,500 limit on IRA contributions was first proposed in December 1971 and became a part of the 1974 Employee Retirement Income Security Act.

Since that time, the cost of living has risen 51 percent—a fact that, in itself, should bring the current limit to $2,265 a year. Unlike limits for contributions to corporate retirement plans, the IRA limit is not subject to cost-of-living adjustments.

It would make sense to adapt the IRA program to allow it to provide real dollars for people who are going to draw on their plans 20 or 30 years down the road. And this is precisely the reason I have introduced legislation to enact a new ceiling for IRA's. The first thing my bill would do is establish a new ceiling or $2,300 for contributions to IRA accounts, effective January 1, 1978. And

then, it proposes that future increases in the IRA contributions limit be tied to yearly cost-of-living adjustments.

Whatever reductions in revenues to the U.S. Treasury this bill would cause would be more than offset by the economic benefits of increased private savings and investment. Moreover, small business owners and operators—who represent the kind of individuals who most need a protected pension plan, deserve the opportunity to insure themselves retirement years that are economically stable. As much as anyone else, they deserve real dollars, not inflation-eaten dollars, when they retire. ●

BLACK YOUTH: A LOST GENERATION

HON. CHARLES B. RANGEL

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Thursday, August 17, 1978

● Mr. RANGEL. Mr. Speaker, I rise to call to the attention of the chair and this distinguished body an article in the August 7, 1978 issue of Newsweek magazine entitled "Black Youth: A Lost Generation?" The people at Newsweek, especially the team of reporters who worked on the article, deserve commendation for excellent journalism and service.

As pleased as I am about Newsweek's professional, journalistic product, I am even more disturbed, even frightened, at what I read. The despair, frustration, helplessness and, yes, creeping defeat of a generation, perhaps two, of black youngsters are being captured in vivid description and detail on those pages. It is a sad situation, my colleagues, and has threatening implications for the future. Something must be done.

You will hear no clarion call from me, today, for more social experiments, poverty programs or increase welfare. I do not seek to make the case for helping those youngsters by appealing to your sense of social justice. But I will make the case for help for you, for the country, for the taxpayer, based solely on economics, on cost.

The question is relatively simple: What will it cost to help get them into the job market today as compared to what it will cost to ignore them tomorrow?

To assist us all in answering this question, I plan to call for the General Accounting Office to launch an investigative study to determine future expense to the taxpayer, stemming from the costs of penal institutions, health care, welfare, courts, insurance premiums, business losses and human lives so detailed in the Newsweek article.

[From Newsweek, Aug. 7, 1978]

BLACK YOUTH: A LOST GENERATION

NOTE.—You are cutting off an underclass which is not needed, not employable . . . You must create out of this underclass, or their children at least, human beings who fit into modern America, who are needed, who are productive, who have a value. This is what the question is about.—Gunnar Myrdal, updating "An American Dilemma," 1968.

(Sometimes I sleep late, then go hang out. Play ball all day. That ain't cool—it's gettin' me nowhere, I know. I go lookin' for work when I hear where somebody's hirin'. But it just ain't the jobs for somebody like me. What you expect?—Ronnie Dozie, 18, assessing his life as a black dropout in Detroit, 1978.)

Ten years later—ten years after the riots and the Great Society and a time of unprecedented black advancement—America is in danger of losing that generation of children Myrdal warned us about. Some competent observers believe that it may be lost already. The slums of the nation's aging and blackening cities have bred a population of young people for whom the norms of existence are unemployment, crumbling neighborhoods, fatherless homes, failing schools and dependency on the dole—or crime—as a means of survival. Many escape by sheer bootstrap effort, but more are caught in the demoralizing, dead-end life around them. "A lot of black kids simply feel they don't count, and they don't," says the black psychiatrist Alvin Poussaint. "In terms of what makes this society run, they're expendable."

The statistics of the workplace bear witness to that bleak conclusion. The unemployment rate among black teen-agers has exploded from one and one-half to nearly three times the white rate since the middle 1950s, and has hovered near 40 per cent for the past three years. Some analysts believe that the numbers overstate the gravity of the problem, and that most young blacks seeking jobs find them in their 20s anyway. But others argue that the reality in the big-city slums is a fact worse than the figures—that joblessness among the black young there is on a runaway curve untouched by economic recovery, poverty programs, affirmative action or the emergence of a large and growing black middle class. If the real numbers were fed into a computer, says Diana Durham of the National Urban League, "the projection would read 'riot'."

What the black young indeed have left is the power to disrupt, in a degree frightening not only to whites but to their own parents; in this, they are at once the symbol and the end product of the malaise of America's cities. Yet even the fieriest of insurrections of the '60s have sputtered out into the random, one-to-one street violence of the '70s. The spark of rebellion, like the will to succeed, must fight for life among young people growing up black in America—a world in which half of all black children are born out of wedlock, two in five live in fatherless homes, two in five grow up in poverty, and one in three is supported by welfare. The too-common alternatives are for the young to reproduce the failures of their elders: for boys to slide into crime or hustles—which a recent study in Watts calls the major single source of income for ghetto youth—and for girls to bear their own out-of-wedlock babies in their teens.

The will to succeed has nevertheless survived. Perhaps a fourth of black America has scrambled above what the government considers the intermediate income line—$16,236 a year for a family of four—and has established a secure and stable toehold in the middle class. The black young stay in school longer—two-thirds finish high school where three-fourths dropped out a generation ago—and more often stick at their books against the lure of the streets and the derision of their peers. They seek out work, often against the most discouraging odds; a crowd of 120,000, heavy with minorities, lined up overnight for 55,000 government-funded summer jobs in New York City. "These people will work," says Detroit dropout Ronnie Dozie, sweeping one hand across his neighborhood panorama of ranshackle tenements and litter-clogged alleys. "They'll work. I know they want something out of life besides this."

The problem remains that the work is not there, in spite of the revival of the economy since the 1975 recession and the renewed interest of the Federal government under Jimmy Carter. The Administration has, in the new vogue phrase, targeted in on youth unemployment with a series of imaginative new programs—among them a multicity experiment at guranteeing government-paid work for the young poor if they agree to stay in school. But these programs have not perceptibly improved the lot of black teen-agers; their unemployment rate still hung above 37 per cent in June, despite a dramatic dip in the over-all national rate. Their plight, moreover, has resisted national solutions in the past, in part simply because they are relatively few in number—perhaps 400,000 are out of work by current official estimates—and are scattered in ghettos across the country.

Other public and private institutions, combat-fatigued and underfunded, have had little better luck finding or creating work for unskilled, semiliterate young black men and women who may not even know how to dress for a job interview or fill out a rudimentary application form. It is indeed arguable that the single most hopeful force working in their favor is a demographic accident—the end of the postwar baby boom that doubled the number of black teenagers, from 1.2 million to 2.4 million, between 1960 and 1975. The sheer size of their generation inflated rates of unemployment street crime, drug addiction and family disintegration in that period; now, the big-city crime rate has begun turning down, and some analysts believe the other numbers will follow.

But there is otherwise small ground for cheer either in the anomie of the slums or the flow of history outside—the flight of industry to the suburbs and the Sun Belt, the rising competition of white women and the elderly for what work remains, the enduring irrationality of a welfare system that penalizes work and family stability. The rate of unwed motherhood and broken homes have, like teen-age joblessness itself, taken on a breakaway life of their own; the new generation of black children who will reach adolescence in the 1990s will be smaller, but a majority will have been born out of wedlock, raised for at least part of their lives by only a single parent, and propelled into a high-skill 21st-century economy. "Many black kids at 13 or 14 are already obsolete," says Douglas Glasgow of Howard University's School of Social Work, and at least some of the trends that make them obsolete are accelerating.

Some hopeful countercurrents have germinated in the black community itself, like flowers poking up through the cracks in the city pavement; one is a growing revival of the gospel of self-help, notably—but by no means exclusively—in the mod ministry of the Rev. Jesse Jackson of PUSH, for People United to Save Humanity. But the resources for self-help in the black slums, never large, have got smaller with the slackening of public and private financial aid since the 1960s, and the gospel rings faintly for those of the young already acquiescent in their defeat. "We're going to slowly disappear—get doped up or put in jail or shot," says Ellery Thomas, a Detroit ghetto 15-year-old. "Something's goin' to happen to all of us, 'cause, see, for us right now all the stuff in the street—dope, guns, fast money—we see people makin' tops doin' that every day. We're gonna want a piece of the rock too. Nobody wants to walk around poor."

SITUATIONS WANTED

Larry Callahan, 19, left his sister's apartment in Atlanta's Grady Homes housing project early one morning to see about a job. The woman he spoke to at a Federal job office directed him to the Atlanta Urban League office. A woman there told him to talk to a

man at the Indian Springs condominium complex in suburban Atlanta. Larry borrowed the bus fare but then got on the wrong bus. Determined, he walked 45 minutes in the rain to make the appointment—but the man he was to see wasn't there yet. "He showed up at 5:45." Larry recalls. In the end, Larry was told that government funding for the maintenance job he sought hadn't come through yet. Call back, the man said, and Larry has been doing just that for six months. "I really thought I had that job," he says. "But it turned out the same way they all do, a loser."

Larry has been losing a lot lately. When he graduated from high school last year, he stepped right into a $4.25-an-hour maintenance-trainee job that a friend had told him about. He never thought he would make that much right away, he says. "It was like a dream come true." But it didn't last. Two and a half months after Larry was hired, the company moved out of Atlanta. Since then, he's been making the rounds several mornings a week, following up tips. "I've got applications out all over town," he tolu NEWSWEEK's Vern E. Smith.

Work is nothing new for Larry. He's been at it since he was 8—when he cut up beans in a neighborhood cafe. Now, when he's short on bus fare or job leads, Larry spends time baby-sitting for his 7-year-old niece, umpiring softball games at the Boys' Club or playing pinball in a neighborhood soda shop. "I've got to keep active," he explains. "I have a friend who got into trouble. He'll be on probation until 1980. The trouble thing ain't me."

That he has stayed straight is attributable, in part, to a solid upbringing—although even there, Larry has had his share of problems. When he was 11, his mother died, and he went to live with his grandmother. Larry now divides his time between her place and the apartment of one of his sisters. "Without them I never would've made it," he says. "I've told them I'm going to do something good for them before I leave here." His father dropped out of the picture early on. "He lives in Atlanta somewhere," the youth says disdainfully. "I've seen him on the street and tried to flag him down but he keeps on like he didn't see me. I had a bottle in my hand once. I started to throw it, but then I told myself, 'No'."

If he can get a job to pay his way, Larry would like to take up plumbing at a trade school. He thinks he is being turned down for jobs mainly because he is unskilled, not because he is black. "Everywhere I go I see signs saying 'equal opportunity employer,' but they look at some blacks and say they just ain't got the skill. I just want to have me a good job with decent pay. Everybody keeps saying hang loose, hang loose. But it's hard to hang loose living like this."

Hanging loose, for the Larry Callahans, is too often all there is to do. They are part of what James W. Compton of the Chicago Urban League calls a glut of young, big-city blacks "who have no skills, are not getting and job experience, and probably are not developing life-styles that include any work at all." That a majority, like Callahan, keep trying is testimony to the hardihood of the American dream even in those urban barrens where it has most vividly failed. A minority, unsurprisingly, give up. One day recently, a young black man grabbed Sue Ann Berry Freeman, a Berkeley youth worker, in the street and begged her for money. Another panhandling derelict, she thought—until she recognized him as an ex-client with a wasted 150 IQ.

Even the numbing unemployment figures are an inadequate measure of conditions in the slums. The view of some revisionist students is that they are not quite so catastrophic as they look—that they are statistically shaky to begin with; that they are swollen by the children of the baby boom; that they count some young people who are actually working "off the books"; that the jobless rate in any case is halved among blacks in their early 20s, and halved again after they turn 25. But there remains little doubt that the numbers, however inexact, are bad and have got worse at a rate far exceeding that among the white young. Some analysts believe that they are in fact worse than they look: the Urban League's Vernon Jordan argues that, when you add in the underemployed and people who are too discouraged even to look for work, the real unemployment rate for black teen-agers may approach 60 per cent.

The causes are numerous, and intractably interwoven. Age and color both count against the black young in the job market, and so do the feral stereotypes they conjure up among whites and middle-class blacks. Technology, even in such everyday forms as automatic elevators and ditch-digging machines, makes old-fashioned sweat labor obsolescent. Blacks have been moving to the suburbs in quickening numbers, but jobs have moved farther and faster; there are now more in Chicago's suburbs than in the city. The black young pay further for the most benignly intended customs and public policies—for minimum-wage rises that price them out of jobs; for the surge of women into the labor market, and relief of the elderly from mandatory retirement at 65; for the demand for credentials like high-school diplomas, without regard to whether a particular job really requires one.

Neither do the disabilities of growing up in the ghetto travel well where the jobs are. Schooling in the slums has improved far more in quantity than in quality. Fedco Food, a black-run New York supermarket chain, aggressively hires black youths, but a majority of the 2,000 it screens for 250 jobs every year flunk out on a single three-R-level test question—"If three cans cost 39 cents, how much does one can cost?" Police records are easily acquired and hard to live down; on some blocks in some cities, most of the black boys have one, for offenses ranging from hustling "herb"—marijuana—to burglary and robbery.

Even the elementary etiquette of job hunting, bred into the white and black middle class from early childhood, can be a distant and frightening mystery for a teenager in Harlem or Watts. "You have to tell them, 'You don't go looking for a job with sneaks on, your shirt out and cornrows in your hair'," says Carver Leach, a Washington youth-work supervisor. " 'You put on a shirt, tie and coat, and real shoes, and you press your pants. Don't lean over the desk, take your hat off, state your name fully and slowly.' You've got to tell them all these things, because a lot of them don't know, and they come back from an interview angry 'cause the white ——— didn't hire them."

A corollary to the revisionist view of the problem is that short, intermittent periods of unemployment may even be good for young blacks—an off-the-job education in seeking and finding work. If so, practice does not quite make perfect; unemployment among blacks in their early 20s, though greatly reduced, remains at a depression-level 20 percent. The view, in any case, is not widely shared by makers of public policy, who still cleave to the traditional view that jobs are the simplest and most effective way to begin helping the ghetto poor. It is held in even lower regard among blacks beset by the costs of joblessness among their children—the retarded hopes and ambitions of those who survive it, the tug of the street and the dole for those who do not.

TRAPS OF POVERTY

The world of Patricia Davis was crowded and chaotic. She lived with her mother, five younger brothers and sisters and her mother's sometime boyfriend in a two-bedroom apartment in the vast, palm-treed ghetto of south-central Los Angeles. Her life revolved around school and friends, an always-on TV set and a blaring stereo. But when she was down, she would sit by herself in the garage to think about things—about other kids she knew getting into trouble with the law, about what she really wanted for her life. Sometimes she would talk to adult friends, including her grandmother who lived around the corner. But Patricia felt she needed something else, something of her own. So she had a baby.

The decision was easy—and almost traditional. Patricia's mother, Beverly, was only 17 when she had Patricia by a husband from whom she was divorced after half a dozen years. Patricia's grandmother was 16 and unmarried when she had Beverly. In fact, when Patricia looked after tots in a child-care center last summer, her mother warned her about the temptations of maternity. "If you work there, you're going to have a baby." Patricia ignored the warning. She was seeing a boy named Theodore Johnson, who had just graduated from her school. She called him "Theedie," they made love, and Patricia took a chance. "I didn't take no birth control," she told NEWSWEEK's Martin Kasindorf. "Secretly, I wanted to have a baby. It was something to keep me happy, I guess. I wanted to start a life of my own."

Her mother was mortified. "I wanted her to get rid of it," Beverly Davis says. "I wanted her to get an abortion." Instead, Patricia borrowed money from her grandmother to go to Houston, where her father lived. But his drinking got on her nerves, she grew homesick and soon returned to L.A. to attend "pregnant school"—a program for young mothers and mothers-to-be where child-rearing techniques are taught along with schoolwork. Last spring, two months before junior-year finals and Patricia's seventeenth birthday, Taneshia Patrice Johnson was born.

Lately, Patricia's mother has reconciled herself to the situation. An electronics assembler in a bus factory, she is "on the county"—receiving welfare aid—for her six children and new granddaughter as well. Theodore, a liquor-store cashier, often visits his daughter and occasionally contributes money for the child's support. He has asked Patricia to marry him several times, but she refused. "I said I'm not ready yet," she says. "I tell him to give me time. I have to get everything straight."

In the peculiar psychology of the welfare cycle, Patricia would now like to get "on the county" herself—as a mark of independence. But she doesn't mean to be a "welfare queen," she says, and has vainly sought summer employment at a Zodys discount department store, a Jack-In-The-Box fast-food shop and an optician's office. What she would really like to be is an assembler, like her mother. What is certain is that she wants to be somebody—and despite all the odds, she believes that Taneshia will help. "Having the baby pushes me forward to do something better," she says. "You know, like, hey, I gotta make it for me and my baby. I want to graduate so my baby can see me. She'll be in the audience saying, 'There go my mommy'." Yet Patricia has already conceded that Taneshia's fate may ultimately be the same as hers, her mother's and her grandmother's. "One day she might feel like I do," she says, "and want something of her own to be dependent on her." And the cycle would begin once again.

The Patricia Davises, multiplied by the tens of thousands, are the prisoners of what Harvard's Dr. Poussaint calls a "doll syndrome"—babies having babies and coming prematurely into an adulthood mired in poverty, dependency and broken homes. The folk notion that welfare is what tempts them is mostly myth; in a community where nearly half the children are born out of wedlock and none are counted "illegitimate," Pous-

saint observes, "it makes you feel like somebody to have a baby call you 'mama'." But welfare remains the most common outcome. Nearly a fourth of all black families and a third of all black children depend in some measures on it—and some still unmeasured fraction of them may be turning into a permanent and hereditary welfare class.

The social tragedy hidden in those figures is the continued rise in the percentage of black families headed by women, from 25 percent when Daniel Patrick Moynihan wrote his famous 1965 report on the problem to 35 percent now. As a consequence, fewer than half of all black children live with both parents—compared to 85 percent of white youngsters—and two in five grow up fatherless and poor. One outcome of the doll syndrome is the dole syndrome—a life drifting on and off welfare and a long and frequently losing struggle to keep the cycle from repeating itself. "There's nothing my mother can tell me," says Dee, a Chicago welfare daughter who became a welfare mother six years ago, at 15. "If she were so smart, why was she stuck with seven children and no man?"

The consequences can be devastating. Fathers disappear, encouraged by welfare laws in 24 states that still deny checks to poor two-parent families. Children start shopping, fixing meals, even hustling extra money at 5 or 6—an education in life at the expense of being a child. Boys grow up with no role models except those they find on the street corner—and sometimes no concept of work as a way of life. "I don't have no heroes," says Marcus, a bravado slum kid of 15 in Detroit. "See, I live in a houseful of women—my grandmother, my mom, two aunts, and they all have daughters—and I won't look up to them." So he has become his own hero, prowling the streets with his hair done up in a net, a derby atilt on his head, and a .22-caliber "bop gun" stuck in his waistband. When a grownup asked him what he expects to be doing at 20, he answered implishly: "Three years in jail."

The schools have been powerless to help manchildren like Marcus; he bumped along for years on that conveyor-belt system known euphemistically as social promotion—"See, I can just *sit* there and pass"—and when he was expelled last winter for fighting, it seemed to him pointless to go back. The statistics of black education are in some respects profoundly hopeful: blacks now are nearly as likely as whites to finish high school, are more likely than whites to perform *above* grade level and are going on to college in growing numbers. Thirty-four states have tried, moreover, to brake the conveyor belt by requiring students to pass competency tests in the three R's for promotion or graduation.

But staying power has far outstripped achievement in ghetto schools where pupils and teachers share a mutual expectation of failure; where students commonly disrupt because they are not coping; where maintaining order has sometimes supplanted schoolwork as the first priority. More blacks than whites perform *below* grade level as well as above—29 percent of the girls and 42 per cent of the boys in their teens. Magical teachers and experimental teaching sometimes waken their dormant possibilities; at Detroit's Kettering High, for one example, a 32-year-old ex-football player named Luther Campbell has coaxed good work out of a small problem class with nothing but the daily newspaper for his text. It remains a Sisyphean labor. He sparked one of his 16-year-olds to a bleak bit of poetry—"Communities get worn and turn into ghettos/It's hardly fit for living but that's how it go's . . ." The poem still hangs on the classroom bulletin board. The poet has dropped out.

The problem remains that the ghetto young see little in school directly relevant to their own survival, and less reward at the bottom line. In St. Louis, Jimmie Harris, 23 and unemployed, ticked miserably down his list of credentials—high-school and technical-school diplomas, a Job Corps certificate, an Army discharge—and said: "This stuff doesn't mean a thing out there." His case is at least arguable in a society in which white high-school dropouts are still more likely to find work than black high-school graduates. It is, in any case, a view widely held in the ghetto. "Why," asked a young hustler on Chicago's South Side, "should I waste my time going to school so I can end up with a $13,000-a-year job at the post office? Hell, man—I can *steal* that much."

THE MEAN STREETS

Times were hard—but not all that hard—for Gary Weaver growing up on Wharton Street in the shabby heart of black South Philadelphia. His mother drew welfare to supplement her job as a waitress and always managed to hold things together for Gary and his two brothers and sister. "We were poor, but not poor poor," Gary says, shrugging. "I've got no beefs." Yet he and some friends walked into a store two years ago and killed the owner for little more than pocket money, police say. Gary Weaver is now in jail, awaiting his second trial for murder, and those who know him best can only shake their heads and blame "the street."

Gary was a tall, unexceptional kid partial to Bally shoes, Pierre Cardin shirts and a girl named Rosetta. His father was a spit-and-polish cop who left home when Gary was 1 but came around periodically to see the boy and take him on fishing trips down in Jersey. Following his parents' example, Gary tried to work hard—he spent summers collecting trash around city parks and baby-sitting—and he attended a special high-school program for the disadvantaged. He couldn't read a word when he entered the program, but by the end he was doing well enough to consider a job as truck driver or construction worker. "I thought he would amount to something," laments a school official, Tammy Williams.

But Gary couldn't find a full-time job, and at 18 he finally gave himself up to the risky changes of the street. He rose past noon to dribble, pass and shoot away the summer days in a nearby schoolyard, then play cards and shoot dice into the night. He stayed high on marijuana and sold "nickel bags" ($5 each) for spending money. He got busted once for mugging, but the case was thrown out. "You get awful bored sometimes on the street," Gary told Newsweek's Tony Fuller. "There's just not that much to do."

One idle Sunday morning two years ago, Gary and three pals thought of something. The police reconstructed it this way: the foursome sauntered to The Drugstore, a variety shop across the street from Gary's house where he had bought candy since childhood. "Hello, kids," said Joseph Cohen, 65, the white proprietor. Suddenly, one of the four lowered the protective iron grate over the front door and then helped the others drag Cohen into a back room where they tied a venetian-blind cord around his neck and hung him from a metal shelf. "Please don't, I'm your friend," Cohen cried, but they stuffed a pillow over his face—and stabbed him repeatedly in the chest until the knife blade broke. One of the youths found another knife and buried it hilt-deep in the old man. Then they ran off with $128. "We thought we needed the money," Gary told Newsweek. He insists that he stood lookout during the stabbing, but admits that all four youths agreed that Cohen should be killed because he would recognize them.

All four were arrested and Gary gave the police a statement that was tantamount to a confession. They were tried together, convicted and sentenced to life in prison, but the convictions were overturned last year because Pennsylvania's joint-trial statute was found unconstitutional. Gary is awaiting retrial in Holmesburg prison, a humid, aging place as bleak as his future. "I'm responsible for what I did," he admits with little apparent emotion. "I don't blame anybody else. It was something that happened." He still spends a lot of time playing basketball—it's about all there is to do in jail—but sometimes he simply sits in his cell, overcome by the knowledge that "things could have been different." Or he writes long letters to Rosetta, talking about how—if he ever gets out of jail—he wants to marry her and move down South to work the land. "Just a little bit of land," he writes, "where it's real quiet and there's no street and no trouble."

In the big-city black slums, the street tugs constantly at the Gary Weavers, and trouble is never far distant. Their world is one in which two-thirds of the men work in blue-collar or menial jobs—when they work at all—and in which the wealth most conspicuously displayed has been earned outside the law. The temptations are obvious, contagious and often irresistible. "You ask a little white boy what he wants to be," says James Taylor, a June high-school graduate in Detroit, "and he may say some kind of big-time executive. You ask a little black child the same question, and he may say, 'I want to be a pimp'." Or a fence, or a numbers banker, or, most profitable of all, a drug dealer: one apprentice currently circulating in Oakland, Calif., is said to be pocketing $200 a week running narcotics—at age 10.

The specter of black crime has made the ghetto young, guilty or innocent, the objects of fear in middle-class America—an anxiety unrelieved by the facts that most of it happens in the ghetto and that the appalling statistics have at last started down. Black youth, in fact, do account for a vastly disproportionate share of arrests for teen-age crimes of violence—52 per cent nationwide—and, as a result, police records are ten times as commonplace among the ghetto young as in the middle-class world around them. But if the jails are full of the failures, the streets are thick with the ones who got away. New York City's Vocational Foundation Inc. calculated that the odds against a juvenile's doing time in city jails for a major felony were 100 to 1, and concluded: "There is simply no clear pattern of rewards for good behavior and penalties for bad."

Crime flows from the emptiness of slum life as well as from its poverty. The ghetto is full of young people who never leave their neighborhoods and never see the world outside except on TV. It is a place, as well, where careers in crime are born on whims simply because nothing else is happening. "I was with one of my partners," says James S., a child of Watts, "and he said, 'Are you down for snatchin' a purse?' I wasn't thinkin', so I just snatched it." He got caught that time, but progressed anyway from purse-snatching to gang-fighting to burglary—and now a stretch in a California youth prison at 15.

But the most powerful temptation is the obvious one for young people raised on the dole and commonly unemployed: crime pays. "We're in the position," says Barbara Burk-Tatum, a Boston youth-service administrator, "of talking about diplomas and minimum-wage jobs to kids who've been making a hell of a lot more hustling—and tax-free, too." It is low-risk, high-yield work, accessible even to grade-school-age entrepreneurs dealing "loose joints"—single marijuana cigarettes—for a dollar apiece on a stairwell landing. The Watts study conducted by research economist Paul Bullock reached the conclusion that victimless crimes alone—the

street traffic in drugs, bets, numbers and women—constituted "probably the greatest single source of market income for young men in the central city."

The temptation seems unlikely to fade for the young blacks caught, unemployed and sometimes unemployable, in the backwash of the mainstream economy. "I hate to wake up some mornings," says Eugene Franklin, a 21-year-old dropout in the St. Louis slums. "I ain't got no gig, and even if I had one, it wouldn't be payin' nothin'—by the time I got a check it'd be gone. So you'd rather take your chances hustlin' on the streets. You got to do *somethin'* to stay alive." The siren song is a powerful one in the asphalt wastes of the nation's inner cities; it is the dismal suspicion of some social scientists that it is too often the best and brightest of the ghetto young who answer it—and the misfits who have the will and the courage to resist.

BREAKING THROUGH

Linda Carmichael has lived all her 18 years in a gritty South Side Chicago tenement staked out by winos, junkies and petty hustlers. She has done four years in a high school whose academic reputation is a bad joke and whose students, all black, come from the poorest families in the city. She has watched playmates exhaust their youth—and their potential—while still in their mid-teens. Yet she herself has survived, even triumphed. Pretty and petite, Linda graduated fourth in her class of 360 last June, one of a handful of bona fide honor students, and, come fall, she will fulfill a family and personal dream when she packs off to tiny Luther College in Decorah, Iowa—the first in her family to seek higher education. "Linda is a classic over-achiever," says Luke Helm, assistant principal at DuSable High. "She has done much better than anyone had any reason to expect."

The motivation in Linda's case is plain. "Her aim is to get the hell out of the ghetto," says Helm—and Linda agrees. "I've wanted to go to college since I was in grade school," she explains. "As long as I can remember, I would look at the people on the street who didn't go to school, and I knew I didn't want to be like them." She gives all the credit to her father, a restaurant-chain cook, and mother, a school-lunchroom attendant—both Southern-born with old-time values and a gift for nurturing ambition in the rockiest ghetto soil. "My parents are always there," she says. "Whenever I had something bothering me, I could always come to them."

Having a family to fall back on, it seems, helped her to achieve independence. When she was 15, Linda got tired of asking her parents for money and decided to get a part-time job. She listened to rejections for two years before being signed on as a salesclerk in Wieboldt's department store downtown. After school she took the train to work five afternoons a week, then dragged herself home to plow through homework on the bed she shares with her sister. (Her two brothers share the other bedroom; her parents sleep on a small sofa in the room that serves as living room, dining room and kitchen.) Only then did she go out with friends, stubbornly refusing liquor and pot in favor of milk and pop. Predictably, her discipline has provoked resentment from some of her peers—"some people tell me I think I'm smart," she shrugs—and passing regrets by Linda herself. "There were times when I got tired of all the work. I wanted to be out partying and goofing off like everyone else," she confesses. "But I'd start thinking about all those people on the streets with nothing to look forward to, and where would I be without school. That kept me going." Her goals now include a degree in physical therapy, a job in which she can help other people—and enough money to help her parents buy a home of their own. Says Linda: "It's something they've always wanted."

She finds it odd that so few of her peers see things her way. "What makes me happiest is seeing people trying to do things for themselves," she says. "I'm saddest when I see so much crime—people trying to get too much vengeance back on the world. We can't help it because we are darker than other people, and we can't make up for what happened hundreds of years ago." But in fact, making up for that lost time is what Linda's life is all about. She is, like others before her, a believer, determined to make a way where there is none. "The problem with our people is that some of us just give up too easily," she told NEWSWEEK's Sylvester Monroe. "I feel I've accomplished a lot—more than my mother and father had the opportunity to do. I'm proud of myself."

It is pride, finally, that raises the Linda Carmichaels up from under—pride and grit and a stubborn resistance to the pull of the street. The strivers who stay at their books and fight free of the downward spiral of poverty do so against formidable discouragements—the simple difficulty of finding a quiet place for study, the competing necessities of bringing in money and helping keep a household together; the demoralization of the schools and the demoralizing opposition of the dropouts and the flunk-outs they leave behind. "There's no program for achievers," says Dale Hines, a black Los Angeles gang-control cop who made it out himself. "If they fail, there's programs. If they're a thug or a crook, there's programs. For them—nothing. Everybody beats up on them."

For a privileged middle-class minority of the black young, that struggle was fought and won a generation ago or more. "I know I'm very fortunate," says Bridgett Gidron, 18, the daughter of a self-made and successful black Cadillac dealer who bought his family a future in the moneyed New York suburbs. "The only ghetto experience I've had was driving through the South Bronx once or twice on the way into the city." For those who live there, the process blacks call "getting over"—finding work, finishing school, scuffing to a life better than one's parents led—can be a lonely labor. "Over here," says Raymond Noble of his life as a striving eleventh grader in Boston, "are people who don't know me; over there, people who don't like me; behind me, people who are making fun of me and want to beat me down."

Still, for a majority of the black young, the struggle goes on, and it has lately found a rousing cheerleader in Jesse Jackson and his "Excel" campaign. Jackson's self-help revivalism has flourished in direct proportion to the failure of old-style, megabuck Federal programs to dent the problem and the flickering of the nation's will to keep trying.

He brings his ministry into a school, rousing assemblies with his exhortations ("No one can save us from us but us") and leaving "contracts" in which children, parents, and teachers all pledge to do better. The suspicion lingers that the program is stronger on theater than on follow-up, but after a promising beginning in ten Chicago schools, it is expanding into Kansas City and Los Angeles.

What has faded is the millenarian dream of the 1960s that Washington could drown the sorrows of the ghetto in ten-figure appropriations and twelve-point programs. Some worked—the Job Corps, for one useful if expensive example—but others suffer from bad design and inflated expectations. The real promise of Carter's billion-dollar, 250,000-job cluster of programs under the new Youth Employment and Demonstration Projects Act may indeed be its rifle-shot targeting and its conscious modesty of ambition—to see what, if anything, really helps. The new wisdom, in Washington and in the street, is that at least some of the answers may be surprisingly cheap and close to hand—lowering the minimum age for drivers' licenses and beauticians' papers, relaxing laws and regulations that bar minors from working nights or operating heavy machinery, creating a new credential for young people who complete a ninth-grade education.

But the rescue of a generation in the ghetto is not an easy or an inexpensive labor, and the battle-worn men and women in the front lines commonly despair of America's will even to try. They spend their days in discouraging struggle against conditions that, for the children of the big-city black slums, are demonstrably worse—much worse—than they were before the riots of a decade ago. What they really fear among their charges is something even more destructive than rioting: the surrender of a generation to its own defeat.●

THE CRIMINAL JUSTICE ASSISTANCE ACT OF 1978

HON. JOHN CONYERS, JR.

OF MICHIGAN

IN THE HOUSE OF REPRESENTATIVES

Thursday, August 17, 1978

● Mr. CONYERS. Mr. Speaker, it is not difficult to understand the widespread dissatisfaction with the Law Enforcement Assistant Administration. LEAA has spent nearly $6 billion with little or no impact on the rate of crime, the fear of victimization, or the sense of injustice experienced by persons—especially minorities and the poor—who come into contact with the criminal justice system.

In the 10 years since the creation of LEAA, criminal justice expenditures have escalated fourfold from $5 billion to about $20 billion. To quote the Attorney General's own study group on LEAA:

> The increase in personnel and funds have not had a significant impact on the crime rate . . . They have not stemmed the rise in the backlog of the Nations courts, nor have they curbed the over-population of the Nation's correctional institutions.

For the most part, LEAA funds have been funneled into the burgeoning criminal justice budgets, with very little experimentation or innovation resulting. Typically LEAA-funded programs consist of hiring more policemen, building detention centers, conducting police training and public relations, and purchasing communications and computer equipment.

The problem with LEAA is not simply that the agency needs to be administratively streamlined and redtape eliminated, nor is the solution to be found in increased appropriations. An entirely new policy direction is needed for the Federal role in financing State and local innovation in crime fighting and delinquency prevention.

In proposing legislation for restructuring LEAA, I am very aware of several political and institutional realities. Local law enforcement agencies want Federal money with as few restrictions as possible. This was true in 1968 when LEAA was created and it is no less true today. These are the same agencies that were

criticized 10 years ago for failing to devise new crime-fighting strategies, which was an important part of the rationale for creating LEAA. However, the block grant approach of the Safe Streets Act yielded too much to local discretion and did not clearly delineate the nature of the criminal justice improvements to be funded. As a result, there has been great confusion and uncertainty as to what constitutes an "improvement," with the result that the traditional criminal justice agencies and programs have dominated the funding process and been able to resist change. Finally, the planning, evaluation, and statistics components of the LEAA funded system at all governmental levels generally, with a few notable exceptions, have been unproductive.

After 10 years, the General Accounting Office is still unable to evaluate LEAA's overall program:

> . . . We determined that there is very little feedback of valid and reliable evaluation information to policymakers . . . on the relative effectiveness . . . of funded LEAA and state programs. . . . As a consequence, decisions and policies made at the state and local levels regarding continued federal funding or assumption of costs by states or localities are frequently unaffected by the results of evaluations which have been conducted.

The ability of State and local planning agencies to engage in "comprehensive planning" is undermined by several operational realities: By vagueness in the LEAA authorizing statute; by the State, regional and local LEAA mandated supervisory boards whose members are usually composed of the leading criminal justice practitioners, all of whom understandably want a generous piece of the pie for their institutions, agencies and constituencies; and by the planning organizations' lack of control or even influence over the budgets of line agencies.

Since LEAA funding only accounts for about 3 percent of total criminal justice expenditures, it is misleading to conceive of this program as a fiscal relief measure. Distributing LEAA funds merely to increase criminal justice agency budgets dilutes the potential impact of what little LEAA funds exist. Instead, the Federal Government should establish program priorities, and then having demonstrated the effectiveness of specific projects within these priority areas, provide incentives to get the States and localities to adopt them.

The legislation I am introducing would address many of these problems by designating three national priorities as fundable criminal justice program areas:

Neighborhood-based community anticrime efforts;

Alternatives to traditional incarceration; and

Programs to prevent juvenile delinquency.

Ten years of LEAA experience and 6 years of hearings on LEAA before my Subcommittee on Crime has convinced me that merely pumping more dollars into the existing law enforcement and criminal justice apparatus will not stem the crime problem. Involving people in their neighborhoods and communities in law enforcement efforts to reduce crime is the only way we are going to significantly impact on juvenile and adult crime problem. This vitally important ingredient of crime prevention—community participation—is most in need of Federal assistance at this time.

I find it deplorable in principle and practice that the United States has one of the highest incarceration rates in the industrialized world, exceeded only by South Africa. Prisons are by far the most expensive, inhumane, and counterproductive remedies to crime and, moreover, are unnecessary for the vast majority of offenders who are nonviolent. Postimprisonment recidivism rates of 60 percent and higher suggest that prisons produce more and worsened criminal behavior and certainly fail to help the offender become a positive and contributing member of society. Therefore, one of the priorities of my bill is Federal financing of alternatives to prisons, jails and detention facilities, of alternatives to including community service orders, restitution, 24-hour supervision in the community, group homes, and more extensive use of fines.

Youth and young adults under the age of 22 now account for about one-half of all arrests. The crime problem is in many ways a juvenile and youth crime problem. My legislative proposal for restructuring LEAA designate as a priority prevention programs aimed specifically at preventing juvenile crime: programs to strengthen families; educational programs that encourage juveniles to remain in school; youth service bureaus; and incentives to reduce the number of juveniles who are incarcerated. Since this legislation designates juvenile delinquency as a national priority area, there would be no need for a separate office of juvenile justice and delinquency prevention within LEAA. Hence, the Juvenile Justice and Delinquency Act of 1974 would be repealed.

Within each of these categories, States and localities would still retain ample discretion to allocate funds on whatever percentage basis selected. There would be no earmarking. In addition to formula grants to the States and localities, the new Bureau of Criminal Justice Assistance (formerly LEAA) would manage a special emphasis discretionary program, funding exemplary programs to improve the quality and fairness of the criminal justice system and reduce the reliance on the justice system as a whole.

Formula grants would initially be allocated among the States on the basis of population. Within each State, funds would be divided between the States and localities on the basis of some equitable formula to be developed in the course of hearings to restructure LEAA. States and localities could fund up to 100 percent of the cost of each project selected under the formula or special emphasis program.

In order to facilitate local implementation, larger units of local government and combinations of smaller units could apply to the State planning agency for a miniblock grant—that is, one grant for the entire 3-year authorization reflecting all project activity, thus lending more stability to the funding process than the submission of individual grant applications and guaranteeing localities a certain fixed amount of funds. The requirement for an annual State plan would be eliminated, and in its place, a 3-year plan would be substituted. The appropriate population levels to qualify for a mini-block grant will be established only after hearings have been conducted to consider various alternatives.

State and local planning units would be able to secure Federal planning dollars, but such funds would be derived from that jurisdiction's formula grant allocation. Unlike the administration's bill, there would be no separate planning appropriation and no match requirements. Planners must justify their share of formula funds in competition with action programs. Hopefully, this will insure that only those jurisdictions seriously interested in planning will undertake such efforts.

A separate community anticrime program would be established, in addition to the formula grant program, to provide both technical and grant assistance to community groups. These funds would enable communities to help define and alleviate the crime problems facing them, as well as apply for and manage community anticrime funds. Twelve percent of the overall Federal assistance would be provided to support these efforts.

Like the administration's bill, my proposal would create both a separate research institute and statistics bureau within the Department of Justice. Unlike their proposal, our National Institute of Justice would be concerned solely with criminal justice research (excluding civil matters) and would be governed by a 12-man policy board of presidential appointees designed to insulate the Institute from the political pressures of the Justice Department. The Institute would also be required to evaluate the effectiveness of programs funded by the Bureau of Criminal Justice Assistance and the Bureau of Justice Statistics. The Bureau of Justice Statistics would be responsible for both civil and criminal statistics, and would also be governed by a policy board, as opposed to an advisory board under the administration's plan.

The current LEAA civil rights provisions would be retained and strengthened to include a preaward compliance review, with the understanding that additional resources would be assigned to civil rights compliance efforts.

There is no provision in my bill for the Law Enforcement Education program (LEEP) due to the likelihood that this program will be transferred to the proposed Department of Education. In a similar vein, the public safety officers' death benefits program will be transferred to the Department of Labor, which seems to be a more appropriate agency to administer this program.

LEAA has been such a wasteful program that we ought to proceed cautiously in authorizing funds for another 3 years. By focusing on the block grant program, Congress can maintain more accountability over how Federal assistance is spent, as well as prioritize an ample

amount of funds for criminal justice experiments at the State and local levels of government. Since we reject the assumption that Federal funds must be equally distributed among all components of the criminal justice system, there is no justification for appropriating huge sums of Federal tax dollars.

Mr. Speaker, if the primary function of LEAA is to distribute funds to the criminal justice system, then there are simpler and most cost-effective methods than working through the LEAA bureaucracy. Specific revenue sharing would be one such method. My colleagues should be aware, however, that a recent Brookings study concluded that most general revenue sharing funds spent on public safety go towards the maintenance of existing law enforcement programs (for example, primarily personnel and equipment costs). I am opposed to this approach, but if this is what Congress really wants, then we at least ought to be frank with the public.

On the other hand, if the primary goal is to use Federal funds to support truly innovative programs, then a smaller program with specific objectives, to be carefully evaluated by Federal and State researchers, would seem more desirable. My proposal is designed to accomplish this very task.

Mr. Speaker, for the RECORD, I offer the following section-by-section analysis of the "Criminal Justice Assistance Act of 1978":

The analysis follows:

SECTION-BY-SECTION ANALYSIS—TITLE I

Section 101 amends Title I of the Omnibus Crime Control and Safe Streets Act as follows:

"Sec. 101. The Declaration and Purpose Clause in section 101 sets forth the following purposes of the Criminal Justice Assistance Act of 1978: (1) support community anti-crime efforts; (2) provide for alternatives to incarceration; (3) encourage the development of basic and applied research directed towards methods for the prevention and reduction of crime; (4) develop and conduct programs to prevent delinquency, divert juveniles from the traditional juvenile system, and provide critically needed alternatives to institutionalization; (5) encourage the collection and analysis of statistical information concerning crime, juvenile delinquency, civil disputes, and the operation of the justice system; (6) reduce the reliance on the criminal justice system as a means of social control; and (7) reduce the number of people under the control of the criminal justice system.

PART A—BUREAU OF CRIMINAL JUSTICE ASSISTANCE

Sec. 102. Section 102 creates a new Bureau of Criminal Justice Assistance within the Department of Justice. The Bureau shall be headed by an Administrator appointed by the President with the advice and consent of the Senate. The duties and functions of the Administrator are specified herein.

Sec. 103. Section 103 creates within the Bureau an Office of Community Anti-crime Program. The Office shall dispense technical assistance and grants to nonprofit community groups in crime prevention programs.

Sec. 104. Section 104 authorizes the Administrator to make grants to the states for the following purposes: (1) community anti-crime projects; (2) projects to prevent juvenile delinquency; divert juveniles from the traditional juvenile justice system; and provide critically needed alternatives to institutionalization; (3) alternatives to incarceration; and (4) planning projects at the state, regional, and local levels of government.

All planning funds are match-free and shall be derived from the formula allocation to the states and units of local government. Formula grant funds shall be allocated annually among the states according to their respective populations.

Sec. 105. Section 105(a) requires that each state establish a Criminal Justice Coordinating Council for the purpose of preparing a state application and reviewing, accepting, or disapproving applications for formula funds made by other state agencies and units of local government. Several other duties are specified, including the preparation of an annual report, the provision of technical assistance, and the auditing of formula grant projects.

Subsection (b) provides for the establishment of a Criminal Justice Council by state law and specifies the composition of its membership. Representatives of the general public would comprise a majority on the Council.

Sec. 106. Section 106 provides for the allocation of formula grant funds within each state between state agencies and local units of governments. Following further testimony and research concerning various allocation options, a specific allocation formula will be inserted.

Sec. 107. Section 107 requires that each state desiring formula funds shall submit an application to the Bureau for all anticipated activities over the period which appropriations are authorized (3 years). State agencies, units of local government, and combinations of such units desiring formula funds shall also file an application with the Criminal Justice Council. Larger units of local government and combinations of smaller units of local government may submit a single three-year application to the Council (mini-block) and such application shall be deemed approved unless the Council finds that the application is inconsistent with Federal law or the priorities established in Section 104. Testimony will be taken on what the appropriate population level for mini-block eligibles should be.

Local government units would have the option of establishing their own criminal justice offices to administer formula funds, and planning grants would be available to support the activities of such offices. The members of local planning offices must be broadly representative of criminal justice and other local government agencies, with at least a majority consisting of members of the general public.

All applications under this part must provide citizens adequate information concerning the nature and scope of proposed programs, including public hearings and the opportunity to participate in the development of applications. Grant recipients would be required to file an annual performance report concerning the impact of their activities.

Sec. 108. Section 108 establishes procedures for the approval of applications submitted by the states to the Bureau of Criminal Justice Assistance. No formula funds could be spent for the purchase of equipment of hardware, or the payment of personnel costs unless such expenditures were incurred as an incidental and necessary part of the program. Construction projects and salary increases would be ineligible to receive such funds as well as projects which have been demonstrated to be ineffective. The Bureau would be required to suspend funding for an approved application that has failed to conform to the statutory objectives of this Act as evidenced by the content of the annual performance report or based on an evalaution of the project.

Sec. 109. Section 109 grants authority to each Criminal Justice Coordinating Council to review formula grant applications submitted by units of local government. Each Council must suspend funding to an outgoing project that has failed to conform to the requirements or statutory objectives of this title as evidence by the annual performance reports or other such evaluations.

Sec. 110. Section 110 sets forth requirements for the provision of special emphasis grants to any public or private entity. Such grants and technical assistance may be designed to (1) improve the quality and fairness of the criminal justice system; (2) reduce the reliance on the criminal justice system as a means of social control; (3) reduce the number of persons under the jurisdiction of the criminal justice system; (4) train criminal justice personnel and citizens who have demonstrated concern in criminal justice; (5) fund innovative projects which have the approval of the National Institute of Justice; and (6) identify, evaluate, and distribute models of successful projects assisted under this part.

PART B—NATIONAL INSTITUTE OF JUSTICE

Sec. 201. Section 201 establishes a National Institute of Justice within the Department of Justice.

Sec. 202. Section 202 creates a Board to establish the policies and priorities of the Institute. The Board shall consist of twelve members appointed by the President with the advice and consent of the Senate. All Board members shall serve until their successors are appointed and have qualified. Various duties and powers of the Board are specified herein, including the composition of the Board, the terms of office of each member, and the authority to create formal peer review procedures.

Sec. 203. Section 203(a) provides that the Institute shall be headed by a Director appointed by the President with the advice and consent of the Senate. The Director shall have demonstrated significant expertise in justice research, shall have final authority over all grants and contracts awarded by the Institute, and shall carry out the policies and priorities established by the Board.

Subsection (b) sets out the responsibilities of the Institute. The Institute shall have the authority to make grants and conduct research designed to identify the causes of criminal behavior, develop methods of preventing and reducing crime, improve the quality and fairness of the criminal and juvenile justice systems, insure citizen access to and participation in crime prevention, and devise alternatives to incarceration and the criminal justice system in general.

Among other responsibilities the Institute shall evaluate the effectiveness of programs funded by the Bureau of Criminal Justice Assistance and the Bureau of Justice Statistics.

Subsection (c) authorizes the Director, with the approval of the Board, to request and obtain relevant information from any Federal agency.

Sec. 205. Section 205 requires that recipients of grant assistance provide, whenever feasible, money, facilities, or other services to carry out the purposes for which the grant is sought.

PART C—BUREAU OF JUSTICE STATISTICS

Sec. 301. Section 301 establishes within the Department of Justice a Bureau of Justice Statistics.

Sec. 302. Section 302 creates a Board to establish the policies and priorities of the Bureau. The Board shall consist of twelve members appointed by the President with the advice and consent of the Senate. All Board members shall serve until their successors are appointed and have qualified. Various duties and powers of the Board are specified, including the composition of the Board, the terms of office of each member, and the authority to create formal peer review procedures.

Sec. 303. Section 303 provides that the Bureau shall be headed by a Director ap-

pointed by the President with the advice and consent of the Senate. The Director shall have demonstrated significant expertise in statistical programs, shall have final authority over all grants and contracts awarded by the Bureau, and shall carry out the policies and priorities established by the Board.

Sec. 304. Section 304 authorizes the Bureau to enter into grants, contracts, or cooperative agreements designed to improve civil and criminal justice statistics. The Bureau is required to collect, analyze, disseminate, and maintain accessible data systems concerning the prevalence and attributes of crime, juvenile delinquency, and civil disputes at the Federal, state and local levels. Other functions of the Bureau are specified, including the mandate to collect statistics relating to criminal victimization, white-collar crime, civil disputes, and the processing of criminal, juvenile and civil cases.

Among other powers, the Director shall have the authority to request and obtain relevant information from any federal agency.

Sec. 305. Section 305 requires that recipients of grant assistance provide whenever feasible, money, facilities, or other services to carry out the purposes for which the grant is sought.

PART D—ADMINISTRATIVE PROVISIONS

Sec. 401. Section 401 authorizes the Administrator of the Bureau of Criminal Justice Assistance and the Directors of the National Institute of Justice and the Bureau of Justice Statistics, respectively, to establish such rules as are necessary to carry out their functions under this title.

Sec. 402. Section 402 provides general authority under this title for the appropriate Bureau or Institute to terminate, reduce or otherwise limit funds to recipients of assistance under this title who have failed to comply with any provisions of federal law. All recipients of such action shall be entitled to adequate notice, hearing, and appeal procedures.

Sec. 403. Section 403 prohibits the transfer of duties of both Bureaus and the Institute elsewhere in the Department of Justice unless specifically authorized by Congress.

Sec. 404. Section 404 provides both Directors and the Administrator with the authority to select, employ, and compensate personnel pursuant to existing civil service provisions.

Sec. 405. Section 405 authorizes the appropriate Bureau or Institute to reimburse other federal agencies for work performed under this title.

Sec. 406. Section 406 permits both Bureaus and the Institute to obtain the services of experts and consultants in accordance with Title 5, United States Code.

Sec. 407. Section 407 prohibits the discrimination or denial of employment on the basis of race, color, religion, national origin, or sex in connection with any programs funded under this Title.

Before approving any grant or contract in excess of $200,000.00 the appropriate Director or Administrator shall conduct a pre-award review to determine compliance with this section.

Should any program be found in violation with this section, the appropriate Bureau or Institute shall suspend further payment of any funds following proper notice and hearings. Procedures relating to cause of action, notice, appeal, hearings, attorney fees, and resumption funds are included herein.

Sec. 408. Section 408 requires the Administrator of the Bureau of Criminal Justice Assistance to report annually to the President and to the Committees of the Judiciary of both the House and Senate on activities pursuant to this title.

Sec. 409. Section 409 permits the appropriate Bureau or Institute to maintain such records as it may require recipients of assistance under this title. It authorizes the appropriate Bureau or Institute to obtain access for the purpose of audit and examination to any records of grant recipients. Similar provisions are provided for the General Acounting Office.

Sec. 410. Section 410(a) prohibits any federal employee or recipient of assistance under this title from revealing any research or statistical informaiton furnished under this title which is identifiable to any person, other than the purpose of the research. Such information shall be immune from legal process unless the person furnishing such information consents. An exception is granted to legislative bodies.

Subsection (b) requires the appropriate Bureau or Institute to assure the security of all criminal history information collected, stored, or disseminated through assistance under this title. Such information shall be kept reasonably current and shall contain, wherever feasible, disposition date where arrest data is present. A fine of up to $10,000 is provided for violation of this section.

Sec. 411. Section 411 permits any member of the public to inspect all records of recipients of grants, contracts, or cooperative agreements which relate to the performance of that grant, contract, or agreement under this title.

Sec. 412. Section 412 authorizes the Institute or appropirate Bureau to accept the voluntary and uncompensated services of qualified individuals.

Sec. 413. Section 413 prohibits the expenditure of any assistance under this title for land acquisition.

Sec. 414. Section 414 permits the Administrator to waive state liability with respect to Indian tribes, and pursue appropriate legal remedies concerning enforcement of the grant provisions contained in this title.

Sec. 415. Section 415 authorizes sums to be appropriated for fiscal years ending September 30, 1980, September 30, 1981, and September 30, 1982. Of the sum appropriated for Sections 103, 104, and 110, 10 percent is authorized for the Office of Community Anticrime Program; 60 percent for formula grants to states and localities (including planning funds); and 30 percent for special emphasis grants. Fifteen million dollars is specifically authorized for the National Institute of Justice; and forty million dollars for the Bureau of Justice Statistics. Sums appropriated for any fiscal year shall remain available until expended.

Sec. 416. Section 416 defines the following terms used in this title: 'state,' 'unit of local government,' and 'criminal justice.'

PART E—CRIMINAL PENALTIES

Secs. 501, 502, 503. Sections 501, 502, and 503 continue to effect prior sections 651, 652, and 653 of the Omnibus Crime Control and Safe Streets Act, as amended, relating to the criminal misuse of funds received from the Bureau of Criminal Justice Assistance, the National Institute of Justice, or the Bureau of Justice Statistics."

Sec. 102. Section 102 amends Section 5314 of Title 5, United States Code, to provide for the schedule of compensation for the Administrator of the Bureau of Criminal Justice Assistance, the Director of the National Institute of Justice, and the Director of the Bureau of Justice Statistics. This section also deletes several administrative positions under the Law Enforcement Assistance Administration.

Sec. 103. Section 103 repeals Titles I and II of the Juvenile Justice and Delinquency Prevention Act of 1974, as amended.

Sec. 104. Section 104 authorizes the Attorney General to make such rules as to assure the orderly termination of programs eliminated by this title and the orderly transition to activities initiated by this title.

TITLE II

Secs. 201, 202, 203, 204, 205, 206. Sections 201, 202, 203, 204, 205, and 206 transfer the provisions of the Safe Streets Act that pertain to the public safety officers' death benefit program to the Department of Labor.●

MEMBERS EXPLANATION OF VOTE AGAINST H.R. 13511

HON. CHRISTOPHER J. DODD

OF CONNECTICUT

IN THE HOUSE OF REPRESENTATIVES

Thursday, August 17, 1978

● Mr. DODD. Mr. Speaker, I am making this statement on behalf of the following Members: Mr. STARK, Mr. NOLAN, Mr. MARKEY, Mr. GARCIA, Mr. DELLUMS, Mr. BRODHEAD, Mr. EDWARDS of California, Mr. CLAY, Mr. WEISS, Ms. MIKULSKI, Mr. MOFFETT, Mr. CLAY, Mr. GORE, Mr. PHILLIP BURTON, Mr. WEAVER, Mr. DIGGS, Mr. DRINAN, Mr. SOLARZ, Mr. BONIOR, Mr. STUDDS, Mr. HARRINGTON, Mr. MAGUIRE, Mr. REUSS, Ms. CHISHOLM, Mr. RICHMOND, and Mr. CORNELL.

On August 10, the House passed H.R. 13511, a tax reform bill that we cast our votes against. Where others could approve of a tax bill that rejects the entire concept of tax equity by providing the greatest amount of tax relief to those who need it the least, we could not. Where other Members could ignore the lack of any provision that would soften the dual blow of inflation and increased social security taxes, we could not. To say that H.R. 13511 is a tax reform bill is a hoax. To say that it is a tax regression bill that opens loopholes for the very rich even wider than before would be a far more accurate description.

The final passage of H.R. 13511 will do little to lessen the load for the lower and middle-income earners who represent 87 percent of the taxpayers in this country, but for the wealthiest in our society the results will be more than satisfactory. The bill allots 96 percent of the benefits from capital gains tax reductions to taxpayers earning over $50,000, the top 2 percent of all taxpayers. Over 75 percent of these reductions will go to persons with incomes in excess of $100,000. In short, the vast majority of Americans are being shortchanged.

As approved, H.R. 13511, when coupled with social security tax increases scheduled to take effect in 1979, will actually result in tax increases for most people. It is an undisputed fact that the social security tax is levied most heavily on workers in the lower and middle-income brackets. This legislation offers no genuine relief to these groups, and the scheduled rise in social security taxes will exacerbate the inequities already evident. For example, the net increase in the tax bills of people making between $20,000 and $30,000 a year will rise from between $83 to $261. These figures belie the arguments by proponents of H.R. 13511 that the bill is a tax cut measure for the middle-income wage earner.

Although the administration compromise can hardly be viewed as a cure all for our economic ills, the House would

have been much better off passing the Corman-Fisher amendment that offered a far more equitable distribution of tax cuts. For instance, a typical family of four with $20,000 of income would have received a $228 tax cut under Corman-Fisher, but only a $146 cut under the House bill. It would have provided 38 percent of the tax cuts to those earning less than $20,000, while H.R. 13511 gives only 25 percent of its relief to that group.

To make matters worse, the new law in some cases would impose a miniscule tax of only 5 percent on an investment gain of up to $800,000. The Corman-Fisher plan lowers the maximum capital gains tax rate to 35 percent as in H.R. 13511, while insuring that the superrich do not escape their fair share of taxes. More specifically, the tax bill provides three-quarters of its capital against tax reductions to those earning over $100,000 a year or more, and repeals the present minimum tax. It replaces that minimum tax with a "microminimum" tax that is of little real significance and which will allow huge gains to remain untaxed. The Corman-Fisher proposal would have created a new, more meaningful minimum tax to insure that windfall gains of more than $800,000 would be taxed at a rate of 17.5 percent.

The Corman-Fisher approach was a selective one that sought to provide a more valid distribution of tax cuts along with incentives to spur capital formation. Furthermore, it retained the business tax reductions of the committee bill and the homeowners' relief provisions while still maintaining the integrity of our tax system: That everyone contributes according to his or her ability to pay. The legislation that the House has approved ignores tax equity, ignores the effects of inflation, and ignores reform. Its attention is directed toward the theory that as the rich get richer the not-so-rich will benefit from whatever may "trickle down" to them.

It is time that Congress recognized the need to relieve tax pressure at its source: At the low- and middle-income levels where the need is greatest. It should be obvious by now that American taxpayers do not want hand-me-downs. That is what the tax bill is offering, and that is what we are opposing.●

PERSONAL EXPLANATION

HON. ABNER J. MIKVA

OF ILLINOIS

IN THE HOUSE OF REPRESENTATIVES

Thursday, August 17, 1978

● Mr. MIKVA. Mr. Speaker, I was unable to take part in two rollcall votes on Tuesday, August 8, 1978.

Had I been present, I would have voted as follows:

Rollcall 661, Mitchell amendment, that sought to reduce total appropriations not required by law by 1 percent, yea; rollcall 662, Harkin amendment, that sought to reduce total appropriations not required by law by 2 percent, yea.●

INDICTMENT OF FORMER FBI OFFICIALS

HON. BOB WILSON

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Thursday, August 17, 1978

● Mr. BOB WILSON. Mr. Speaker, a short time ago, I spoke to my colleagues about the Justice Department's indictments of three former FBI agents. I commended to their attention a resolution adopted by the Society of Former Special Agents of the FBI. I would now like to put forward to you the following policy statement which that society has also adopted. It presents a forceful argument and is well worth reading. I recommend it to each of my colleagues.

POLICY STATEMENT BY BOARD OF DIRECTORS, RE: INDICTMENT OF FORMER FBI OFFICIALS

NEW INDICTMENT DEPLORED

The 7,400 members of the Society of Former Special Agents of the FBI, Inc., are shocked by the unjustified, unconscionable, and unprecedented action of the U.S. Department of Justice in obtaining Federal indictment against three former top officials of the FBI, as a result of the performance of their official duties to investigate the terrorists and bomb-throwers of the Weatherman underground.

Our Society members, all of whom served honorably in defense of the United States, consider the indictment on April 10, 1978, of former Acting Director L. Patrick Gray III, former Acting Associate Director W. Mark Felt, and former Assistant Director Edward S. Miller to be a travesty of justice.

We affirm that any criminal prosecution of FBI Agents for actions taken totally without criminal intent, while performing their duties with honor and determination to protect the country from criminals and subversives, is completely unwarranted. None of these officials obtained personal gain or profit. They acted to protect the country, to prevent terrorism, and to apprehend Federal fugitives.

FBI INVESTIGATED TERRORISTS

These dedicated FBI men, now charged with criminal offenses, firmly believed they were discharging responsibilities imposed on the FBI by our government. They utilized long-standing investigative procedures which had been condoned or approved by the Congress, Attorneys General and Presidents, going back to World War II.

The FBI acted shortly after the Capitol of the United States and numerous other facilities in our country had been bombed by the Weatherman underground in the early 1970's. At that time the FBI was expected and urged by government officials and the citizens of our nation, to take whatever steps were necessary to stop the terrorist activities of the Weatherman organization.

The indictments, based on actions taken five years ago (December 1972 to May 1973) resulted from the conclusion by certain attorneys in the Criminal and Civil Rights Divisions of the Department of Justice that these prior acts were deemed to be illegal. These actions were taken by the FBI during a time of national crisis. No statutory guidelines existed. As a matter of fact, such guidelines are still nonexistent and, on the very day that Gray, Felt, and Miller were arraigned on the April indictment, the Attorney General was testifying before Congress regarding future guidelines for the very same investigative techniques utilized by the FBI to investigate the Weatherman underground.

To now deem criminal those good faith actions taken years ago by Special Agents is a gross miscarriage of justice and the height of hypocrisy. Our Society is convinced that such ill-conceived attempts to prosecute FBI employees will be regarded by the American public as abhorrent to our nation's sense of fair play and justice.

AMERICAN INTELLIGENCE ERODED

Current attempts to press criminal charges against former FBI officials are a tragic blow to the effectiveness of the Bureau. FBI morale has been devastated. The efficiency of all intelligence—FBI, CIA, NSA, DIA, Secret Service, and others—in the performance of their mission to protect and defend the United States from its enemies has been seriously eroded. All branches of law enforcement are affected.

Our Society fears that these criminal charges, declaring illegal those actions which were taken years ago, will benefit only foreign enemies, domestic subversives, and criminals. The vulnerability of the United States to political terrorism, hostage kidnapping, skyjacking, and extortion, now rampant in Europe, North Africa, and parts of South America, is greatly enhanced by these unfair prosecutions. They have the effect of shackling and handcuffing our intelligence community. Who will be responsible tomorrow if the present wave of terrorism comes to America, and our government or industrial leaders are the victims of political kidnapping or assassination?

FBI HARASSED AND PERSECUTED

Attorney General Griffin B. Bell and others now or formerly in the Department of Justice have been investigating FBI procedures for five years. They have caused grand juries in New York City and the District of Columbia to obtain testimony from more than 120 Agents and former Agents over a 3-year period. They waited until one month before the normal statute of limitations would have run in May 1978, before obtaining the Gray, Felt, and Miller indictment. The tactics of the Department of Justice in prolonging the investigation of FBI procedures are tantamount to harassment and persecution.

Unauthorized leaks to news media, by representatives of the Department of Justice, of confidential information regarding restricted grand jury testimony, and the public release of names and unsubstantiated charges of misdeeds by FBI Agents, have prejudiced their right to a fair trial. This is contrary to the American code of justice, which proclaims all citizens to be innocent until proven guilty in a court of law. Our Society insists that these malicious leaks of restricted information be fully investigated by the Department of Justice and appropriate action taken with regard to responsible individuals.

In his press release, April 10, 1978, the Attorney General admitted publicly that "one or more Justice Department attorneys failed to make full disclosure." He further stated that "the possibilities of the involvement of Justice Department attorneys in one or more of the alleged failures to disclose will be investigated fully by the Department." Our Society urges that a full and complete investigation be conducted of present and former Department of Justice attorneys and officials regarding their knowledge and approval of FBI investigative procedures.

KEARNEY INDICTMENT TERMINATED

On April 7, 1977, John J. Kearney, former Supervisor of Squad 47, New York City Division of the FBI (which Squad was responsible for the investigation of the Weatherman underground) was indicted by the Federal Grand Jury for the Southern District of New York. He was charged in a 5-count indictment with illegal wiretapping, obstruction of the mail, and conspiracy. Two of the counts were thrown out by U.S. District Judge Kevin J. Duffy, and the conspiracy count was under serious attack. Through

Inspection and Discovery Motions, Kearney's attorneys obtained voluminous records from the Department of Justice files regarding the Department's knowledge of and policy for handling wiretapping and mail-opening investigations. These documents periled the government's case and delays in the prosecution of Kearney occurred for over one year.

The Federal District Court in the Southern District of New York, on motion of the Department of Justice, dismissed all remaining charges against former FBI Agent John Kearney on April 10, 1978.

In a news release from the Attorney General's office the day the nolle prosique was issued, it was stated that Kearney had been under investigation or indictment for more than 33 months. The conclusion of the Department of Justice was "that it would be in the interests of justice for this case now to be dismissed," and added, "to allow the Kearney prosecution to continue under these circumstances would violate basic tenets of fair and equal justice."

This conclusion was reached belatedly. Kearney's 25-year career of distinguished FBI service had been besmirched, his reputation subject to public attack, his current employment jeopardized, his physical health impaired, and his freedom imperiled by threat of fine and imprisonment.

DEPARTMENT REFUSAL TO PAY LEGAL COSTS

The Department of Justice steadfastly refused to provide legal counsel for Kearney's defense. Kearney was forced to obtain his own attorneys and obligated himself to pay over $158,000 in defense counsel fees. Our Society, realizing the devastation being wrought on Kearney's family finances, paid all his criminal attorney fees through its Special Agents Legal Fund.

On August 2, 1977, the Society's Board of Directors passed a Resolution calling for the dismissal of the Kearney indictment and reimbursement by the Department of Justice of the legal expenses for Kearney's private counsel. This Resolution was disseminated to the President, the Attorney General, members of Congress, and the media.

It took almost three years for justice to run its course and for John Kearney to be completely vindicated. The Department of Justice, as late as April 27, 1978, still refused to pay his legal expenses.

OTHER FBI AGENTS THREATENED

Kearney, Gray, Felt, and Miller are not the only present or former FBI Agents called before Federal Grand Juries, interrogated by Department of Justice attorneys, and threatened with criminal prosecution.

Approximately 120 other FBI Agents have been similarly investigated and required to obtain private counsel to defend themselves from Department of Justice threats of Federal criminal prosecution for investigating the Weatherman underground. The cumulative legal fees were staggering. These beleaguered FBI Agents faced serious financial problems. Again our Society, through its Special Agents Legal Fund, provided in excess of $150,000 in attorney fees, to insure their adequate legal representation.

In the previously mentioned cases (Kearney, Gray, Felt, Miller), the Department of Justice instituted criminal proceedings. Regarding J. Wallace La Prade, former Assistant Director of the New York Division of the FBI, the Department of Justice announced, in its April 10, 1978, public press release, that it was initiating "administrative disciplinary proceedings" for his conduct in the performance of his official duties in connection with the Weatherman underground investigation.

The Department of Justice subsequently announced that as many as 68 other FBI Agents were being considered for disciplinary action, ranging from censure to dismissal, because of their investigation of the Weatherman. On June 13 the Department of Justice made public, for the first time, the names of 30 present and former FBI Agents which it listed as "unindicted conspirators."

Our Society firmly believes that the Department of Justice has pilloried the FBI long enough!

CONGRESSIONAL RESOLUTIONS

Our Society has taken cognizance of the opposition of many members of the United States Congress to the indictment of Kearney, Gray, Felt, and Miller. Many members of the House of Representatives and the Senate have spoken out in the Congressional Record and elsewhere against the Department of Justice action.

Of special significance are two Resolutions now before Congress. The first, introduced by Senator S. I. Hayakawa (R-Cal.), designated as S.Con.Res. 85, May 10, 1978, urges the Attorney General to seek dismissal of the Gray, Felt, and Miller indictments. Similarly, Representative Leo C. Zeferetti (D-N.Y.) introduced H.Con.Res. 619, which concludes: "It is astonishing that we can grant amnesty to the draft dodgers of the period, consider upgrading the dishonorable discharge of those who deserted during the war, talk of normalizing relations with Cuba and Vietnam, and still prosecute FBI Agents on such charges. I respectfully suggest that the Congress urge that these indictments be dismissed and that we continue to form guidelines for the future conduct of intelligence personnel."

Our Society commends Senator Hayakawa and Representative Zeferetti for the courageous and forthright stand they have taken, and has observed increasing support in Congress for these companion Resolutions.●

RAY VILLA—A MAN FOR THE PEOPLE

HON. JERRY M. PATTERSON

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Thursday, August 17, 1978

● Mr. PATTERSON of California. Mr. Speaker, Ray Villa, executive director of the Orange County Operation SER program, has received many honors during his long and distinguished career of public service. However, none will be more meaningful than the one to be bestowed upon him at a ceremony on August 27, 1978, by the Santa Ana League of Latin American Citizens—"The Ray Villa Scholarship.'

Ray Villa has helped and inspired countless American citizens of Latin descent, and it is only fitting that this scholarship be established in his name. As director of operation SER, Ray has been instrumental in perhaps the most successful training and employment program in Orange County.

A former Santa Ana city councilman and owner of a successful insurance business, Ray has been a tireless worker in community service projects throughout his career in Santa Ana. His dynamic leadership has provided guidance to many programs that may have otherwise floundered. He has constantly advanced the cause of the disadvantaged and given them hope.

I urge my colleagues to join me in paying tribute to a man who has devoted his life to helping others; a man who is respected by all segments of the community; and a man who richly deserves this honor—Ray Villa.●

IMPORTED FARM LABOR

HON. EDWARD W. PATTISON

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Thursday, August 17, 1978

● Mr. PATTISON of New York. Mr. Speaker, the growing of apples is an important part of my district's economy, particularly along the Hudson River in Columbia County. The apple industry is constantly changing, with new growth and harvesting methods continually being tried. But one factor that defines the economics of harvesting is that apples are still picked by hand. So far, no one has devised a method of picking apples mechanically without bruising the fruit.

In the past, much of the community postponed other duties and did the harvesting. Schools in the area let out so the children could participate. Today, however, the world is a different place. Like it or not, our present culture is not particularly suited to the demands of applegrowing. Although pickers can earn very good wages during the season, the season doesn't last long. Even if they wanted to, workers employed in stores and factories can't leave their jobs for 8 weeks of harvest.

Why not hire those receiving welfare to pick apples? First of all, the vast majority of welfare recipients are aged, blind, disabled, or children. They can't pick apples. Second, those on welfare who are able-bodied but unemployed often simply lack the strength and skills required, or the motivation. That may be a shame, but that is one major reason they are on welfare. They are human beings and society should direct its attention to helping them by training, education, and incentive that can help them become productive citizens. But in general, with individual exceptions, welfare recipients simply don't make very good, reliable applepickers.

Consequently, applegrowers face a yearly dilemma: How to get the crop picked? For years, the answer has been to hire migrant U.S. laborers as well as to import a number of foreign pickers, generally from Jamaica. Jamaicans are considered good pickers: The wages are far higher than in their country, and because their culture does not put agricultural workers on the bottom of the social scale, they are highly motivated and reliable.

Under current law, in order to import pickers, the growers are annually put through a most maddening process. Job requests are filed with the Labor Department for both domestic and foreign workers at least 80 days before the harvest begins. The Labor Department must give priority to U.S. workers; many of the job orders are filled with migrants and Puerto Ricans, all of whom are U.S. citizens. Sixty days is allowed for recruitment, which is done by both the growers and the Labor Department. Only if not enough U.S. workers are available, will Labor certify the temporary employment of foreign workers. Uncertainty is the major problem: Uncertainty about whether or not, when, and how many of the requested number of workers will be

certified, about how many of the recruited domestic laborers will arrive, and about how many will stay until the end of the harvest. However, there is no uncertainty about the need to pick the apples when they ripen.

To witness the frustration, anger and confusion of a grower that desperately seeks new pickers for crops that are already ripe because his request for foreign workers was rejected by the Labor Department and because many of the domestic workers never arrived as promised or left after 3 days—makes one ask why we are making it so difficult for an earnest and hardworking farmer or small businessperson to survive.

This is an issue of national policy, the rules of which are defined by our laws. I do want the jobs of U.S. workers protected and decent living and working conditions of temporary agricultural labor insured. However, the present situation which makes harvesting a nearly impossible task for so many growers every year, is not good public policy.

An op-ed piece by S. Steve Karalekas and Thomas J. Bacas in the Washington Post of August 11, 1978, discusses the issue in some detail. I invite my colleagues to take a few minutes to read the article so that they will understand the problem. The article follows:

[From the Washington Post, Aug. 11, 1978]

IMPORTED FARM LABOR: A MATTER OF SURVIVAL

(By S. Steven Karalekas and Thomas J. Bacas)

With 7 million Americans unemployed, it should be no problem to find 3,800 workers willing to harvest the East Coast apple crop, in 1975, however, the State of Vermont sent "call-in" postcards to all 28,812 residents drawing unemployment or welfare benefits, inviting them to accept employment in Vermont's apple orchards. The effort produced 19 apple pickers. In 1976, apple growers and the Department of Labor conducted an expensive and intensive 10-day recruitment campaign in New York City to obtain workers for the apple orchards in the Hudson Valley, less than 25 miles away. Only 75 New Yorkers, out of an estimated 500,000 unemployed, signed up for the apple-picking jobs, only 12 arrived at the orchards, and none of those 12 lasted on the job more than a week. Without the use of temporary foreign labor, most of Vermont's and New York's apples would have been lost. The belief that there is an army of unemployed Americans eager to pick apples or harvest other crops, however, is a major fallacy underlying Ronald Goldfarb's distorted description of the foreign labor certification program ["Imported Farm Labor: How Growers Manipulate the System," op-ed, Aug. 2]. It is by no means the only one.

Goldfarb portrays the secretary of labor engaging in a "minuet of malfeasance" with "powerful farm owners," "sidestepping" the immigration laws and stamping on the rights of unemployed American workers. It is not clear what law Goldfarb has in mind. The Immigration and Nationality Act specifically provides that foreign workers may be temporarily admitted into the United States when not enough qualified American workers are willing to accept a particular job or class of jobs. Congress recognized that, at times, not enough qualified American workers are willing to fill certain jobs and that American employers facing such labor shortages would suffer severe economic injury unless foreign workers were admitted on a temporary basis. The law recognizes both the need to give priority to American workers and the equally compelling need to provide growers access to foreign labor markets when not enough willing American workers are available.

The East Coast apple growers, mostly small, family-owned enterprises, would find Golfarb's portrayal laughable if their struggles with the secretary of labor were not so expensive. They have often had to resort to expensive, time-consuming litigation against the secretary of labor over the administration of the foreign labor certification program; last year, they were forced to bring five separate lawsuits. They were successful in all five. Only days before the 1977 apple harvest was to begin, they again had to sue to require the secretary of labor to certify their need for temporary foreign workers. A federal court ordered the secretary either to produce enough American workers to pick the apples or to allow temporary foreign workers into the country. The secretary's lawyers argued in court that there were at least 3,000 American workers immediately available to harvest the apples. When the secretary could produce only 60 American workers, approximately 3,800 foreign workers were allowed into the country.

Since World War II, American farmers have experienced a shortage of American workers willing to harvest crops. Some farmers have been able to solve their problem by substituting machines for people. Farmers who grow labor-intensive crops, like apples, however, have faced real problems.

They have had to contend with a federal government that devotes virtually all its training and employment funds to getting people out of agricultural work. They have had to compete with generous unemployment compensation and welfare benefits. (There is no provision for cutting off an individual's public welfare benefits for refusing to accept temporary agricultural work.) They have encountered the social reality that no parent in the United States is raising his child to become an agricultural worker. And they have had to deal with complex federal regulations that make nationwide recruitment a difficult exercise at best.

Despite Goldfarb's contentions, the foreign labor certification program is designed to extend every possible protection to the American worker. An American farmer may not hire any temporary foreign worker if enough qualified American workers accept his job offers. Before he is permitted to bring in temporary foreign workers, he must engage in nationwide recruitment efforts. Contrary to Goldfarb's contention that growers often wait until the "last minute" before attempting the recruit American workers, the secretary of labor's regulations require a grower to begin his recruitment efforts at least 60 days before the harvest season begins. Most apple growers file their requests for workers more than three months before the harvest season.

The American farmer seeking temporary foreign workers also must offer wages and working conditions that substantially exceed those offered by farmers not using offshore workers. For example, he must pay a wage rate 30 to 40 cents per hour higher than the prevailing farm wage rate in his area, provide free housing, pay the worker for his transportation expenses from his home to the place of employment regardless of distance, and provide insurance and other benefits. Only if the farmer does not obtain enough American workers can he obtain temporary foreign workers, and he must offer the same benefits to foreign workers that were offered to American workers.

In 1977, only 15,281 foreign workers were certified to work on American farms, approximately 0.004 percent of the total U.S. labor force. Moreover, those foreign workers merely supplement the American work force. For example, only 20 percent of the apple pickers used by the East Coast apple growers in 1977 were foreign workers. Rather than depriving Americans of jobs, the foreign labor certification program actually *gives* employment to many American workers. For example, many Americans work in packing houses and related jobs that are dependent upon the apple harvest.

While it does appear anomalous for the United States to allow the importation of temporary foreign workers when there are millions of Americans unemployed, the problem does not result from the growers' "manipulation of the system." Both Goldfarb and the secretary of labor must come to grips with the reality that there are some jobs that Americans no longer care to accept. Goldfarb would make a more useful contribution if he were to suggest changes in our system that would encourage unemployed Americans, especially those drawing welfare benefits and unemployment compensation, to accept the available jobs that go begging.●

SELF-DETERMINATION FOR PUERTO RICO

HON. BENJAMIN A. GILMAN

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Thursday, August 17, 1978

● Mr. GILMAN. Mr. Speaker, July 25 of this year marked the 80th year of Puerto Rico's association with the United States. It also marks the 26th anniversary of the founding of the Commonwealth of Puerto Rico. The significance of Puerto Rico and of her relationship to the United States during this period has called world attention to the progress she has made in liberty, prosperity and economic freedom.

In the period after World War II, political reforms to abolish the remains of colonialism came rapidly with the full consent and support of the United States. In 1952, Puerto Rico approved a constitution under which she became, in terms of international government, a self-governing commonwealth associated with the United States. The attainment of commonwealth status was of great importance to Puerto Rico not only politically and economically, but also culturally, permitting its people to retain and even strengthen their native culture of Spanish derivation and also their identity as Puerto Ricans.

In recognition of the rights of the Puerto Rican people, a fundamental part of American policy toward the commonwealth since its beginning has been their right of self-determination. As stated by President Carter in his Presidential Proclamation to the People of Puerto Rico on July 25, 1978:

> The United States remains fully committed to the principle of self-determination for the people of Puerto Rico. President Eisenhower made that commitment in 1953, and this has been the position of all U.S. Administrations since that time. We continue to regard it as the fundamental principle in deciding Puerto Rico's future.
>
> My Administration will respect the wishes of the people of Puerto Rico and your right to self-determination. Whatever decision the people of Puerto Rico may wish to take—statehood, independence, commonwealth status or mutually agreed modifications in that status—it will be yours, reached in accordance with your own traditions, democratically and peacefully.

The current freely elected Governor of the Commonwealth, Carlos Romero

Barcelo, has taken steps to exercise this self-determination by his commitment to begin the plebiscitary process by 1981 on the future status of Puerto Rico.

The debate about the future of Puerto Rico and its form of government has been complicated by perennial attack on the United States by Cuba. Since its establishment, the Cuban dictatorship has sought to use the Puerto Rican nation and its people as a political tool to attack the United States. Cuban attempts to have the status of Puerto Rico scrutinized by the United Nations have been repeatedly rejected by that body on the grounds that relations between the Commonwealth and the Federal Government are an internal matter.

It is quite possible, however, that when the United Nations General Assembly Decolonization Committee meets during the last week of August 1978, it may vote to place Puerto Rico on its list of non-self-governing territories. Due to a decided increase in anti-American hue during the last year, the committee may approve a Cuban proposal that Puerto Rico, despite its Commonwealth status, should be considered as a colony of the United States.

This effort will be to place Puerto Rico on the list of territories governed by article 73 of the United Nations Charter ("Declaration on Non-Self-Governing Territories"). It is important to note that Puerto Rico was removed from this list by a vote of the General Assembly in November 1953 following the advent of Commonwealth status. As stated by the U.N. resolution removing Puerto Rico, the General Assembly:

Recognize(d) that, in the framework of their Constitution and of the Compact agreed upon with the United States of America, the people of the Commonwealth of Puerto Rico have been invested with attributes of political sovereignty which clearly identify the status of self-government attained by the Puerto Rican people as that of an autonomous political entity.

Governor Romero has announced that he will take the courageous and unprecedented step of participating in the U.N. debate to represent the legitimate rights of the Commonwealth and people of Puerto Rico. It is anticipated that he will make at least three points: First, Puerto Rico is a Puerto Rican matter and not a Cuban one; second, President Carter's reaffirmation of self-determination is to be applauded; and third, the matter of Puerto Rico is one whose ultimate destiny will be decided by Puerto Rico and the United States without any outside interference.

The past 26 years have been ones of growth and progress for Puerto Rico, economically, socially, and politically. While much remains to be accomplished, the successes of this unique democracy have been an example to that area of the Western Hemisphere, serving to demonstrate the strength and vitality of her people. Governor Romero is to be congratulated and supported in his efforts to continue this progress and protect the rights of self-determination for the people of Puerto Rico.

The Government and the people of the United States must help in this effort to continue this great experiment and protect it from being subverted as a propaganda tool for foreign interests. In honor of the 26th anniversary of Puerto Rico's Constitution Day, the American people salute and stand beside that nation in defense of her rights to self-determination.●

GOVERNMENT AND THE AMERICAN FARMER

HON. PAUL FINDLEY

OF ILLINOIS

IN THE HOUSE OF REPRESENTATIVES

Thursday, August 17, 1978

● Mr. FINDLEY. Mr. Speaker, recently an article appeared in the Quincy Herald-Whig, written by one of the Midwest's outstanding agricultural journalists, Keith Wilkey, which pretty well summarizes the history and growth of the Federal Government interacting with American agriculture. I found it to be an interesting article, and I encourage my colleagues to read the following clipping keeping in mind the enormous impact that Government has today on the role of the American farmer.

NO MIDDLE GROUND FOR GOVERNMENT AND FARMERS

There has been a complete generation of farmers that has never known anything but government farm programs. They perhaps haven't participated personally in these practices, but throughout their farming career, a sort of partnership between government and farmers has existed. It has been a way of life.

But it wasn't always so. The first government assistance for farmers was seriously proposed just 50 years ago this month.

Speaking in West Branch, Iowa, his birthplace, Republican presidential nominee Herbert C. Hoover, on August 21, 1928, proposed the creation of a federal farm board to deal with the low commodity prices and surplus stocks of grain farmers.

Hoover was elected and was successful in getting through Congress the Agricultural Marketing Act, and signed it into law on June 15, 1929. The Federal Farm Board was created as a result of this legislation.

Both the Farm Board and other organizations, plus the administration felt that a businessman should head the newly created agency. Money was not appropriated as a direct subsidy to agriculture, but as a revolving fund: $500 million was placed at the disposal of the Farm Board to stabilize prices.

With the revolving fund, the Farm Board was authorized to buy various farm commodities then in surplus condition, to be released to the market when supplies diminished, and consequently the price improved.

The Farm Board had hardly started when the stock market crash of October 29, 1929, occurred. The general economy gradually fell to pieces. Farmers had produced most of their crops on credit and could not sell them. The panic in farm prices paralleled the panic in business and industry.

The Farm Board made loans to wheat and cotton farmers, which helped momentarily, but the ferocity of the depression whirlwind could not be withstood.

As prices declined, surpluses increased. The Farm Board asked for a 30 percent voluntary crop reduction for the 1932 crop. But the '32 crop was bigger than ever.

With the election of 1932, all farm programs then in effect came to an end. The Farm Board was all but disgraced as the members, puzzled by the savageness of the depression, returned to their homes.

America has never experienced another similar depression. Many strong men actually feared the U.S. economic and political system would fall. Passions were high and fear stalked the land. Those in government, like those in the private sector, wanted to help, but no one was sure just what to do.

At the time the Farm Board and its principles were ridiculed. But every farm program the government has had has been actually a continuous program, under different names, administered by both Democratic and Republican administrations and Congresses, has employed the principles of the Federal Farm Board of 1929.

Government purchases of commodities, done today by the Commodity Credit Corporation (CCC), the present day Farm Board, works reasonably well during times of price stability and/or price rises.

In a plummeting market, such as was experienced in the early 1930's, these practices cannot function, for the orderly processes of marketing are virtually immobilized.

The Farm Board was like all its successors, including the Food and Agriculture Act of 1977. Either the government enters and becomes directly involved with market agriculture, or it stays out.

Such philosophy has been argued by government leaders and others from 1928 to 1978. The wisdom of government action is as much a matter of controversy today as 50 years ago.●

FULL EMPLOYMENT NEEDED NOW

HON. AUGUSTUS F. HAWKINS

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Thursday, August 17, 1978

● Mr. HAWKINS. Mr. Speaker, I want to comment briefly about what appears to be a mysterious phenomenon, one which I hope will end very quickly. This mysterious phenomenon—entirely without rational explanation—is a slowdown in manifest determination, through national policy, to deal with the problem of unemployment and even to continue 6-percent unemployment as a hedge against inflation. On March 16, 1978, this House approved the Humphrey-Hawkins bill, the "Full Employment and Balanced Growth Act of 1978," by a majority in the neighborhood of 100 votes. This approval was not lightly undertaken. It was preceded by years of careful consideration and public discussion of the bill. It includes months of negotiations between representatives of the President and representatives of my office and the late Senator Hubert Humphrey's office, culminating in complete agreement about every word and comma in the bill, and the unqualified endorsement of President Carter.

On the Senate side, two committees, the Committee on Human Resources and the Committee on Banking, Housing, and Urban Affairs voted to bring the bill to the Senate floor.

While there is speculation in some quarters—which I do not share—that the bill may not even be disposed of by the Senate at this session of the Con-

gress, commonsense dictates action not apathy.

I must emphasize that what I am saying here today involves no criticism of the other body nor of any Member, since I understand the nature of the Congress overwhelming legislative responsibility. But I am also equally concerned about the approximate 1 month of vigorous congressional activity before adjournment now scheduled for early October, and the question of scheduling the full employment bill for Senate action before adjournment.

Both Houses of the Congress therefore, in my judgment, have a serious responsibility for coming to grips with the formulation of a national economic policy on employment, and for promoting prompt enactment of the "Full Employment and Balanced Growth Act of 1978," which fundamentally addresses this issue.

For all of these reasons, I have been searching for an explanation for the deterioration of congressional interest in bringing this important piece of legislation to enactment and to effective operation which was so manifest earlier this year, and even much earlier.

Certainly, no rational explanation can be found in ignoring the current and foreseeable unemployment situation in the United States. Full-time unemployment as officially measured was 6.2 percent in July 1978, or higher than the average for the first 6 months of 1978. This 6.2-percent rate of unemployment occurred, not during a year of recession or during early stages of recovery, but instead occurred after more than 3 years of a so-called recovery movement. This 6.2-percent rate of unemployment should be compared with 4.1 percent in 1956, 2 years after the recession year 1954, 5.5 percent in 1959, 1 year after the 1958 recession, and 4.9 percent in 1973, 3 years after the 1970 recession. These comparisons hardly indicate that we have made even a tolerable economic recovery. Indeed, the 6.2-percent unemployment rate in July 1978, and the average rate only slightly below that during the first 7 months of 1978, was higher than the unemployment rate of only 5.5 percent in the recession year 1954, only 4.9 percent in the recession year 1970, and only 5.6 percent in the recession year 1974.

Nor is the apparent disappearance of adequate concern about unemployment justified by other measurements of economic trends, nor by informed—and troubling—forecasts as to our economic future. In real terms, total national production was about 5 percent higher in 1977 than in 1976. But in the first quarter of 1978, it was the same as in the fourth quarter of 1977.

Now after a brief resumption of a high growth rate, a slowdown is in process again. Most reliable forecasts indicate a real economic growth rate of somewhere between 2.5 and 3.5 percent during the next year or so, with substantial chances of another absolute recession before the end of 1979. Viewing the tendency of the five most recent recessions to be of increasing severity, it appears that under current national economic policies and those now under active consideration, we may suffer an unemployment rate of 7 to 9 percent or even higher before the end of 1979.

We have heard recently that inflation has supplanted unemployment as our No. 1 domestic problem. Even if this were the case, it would have nothing whatsoever to do with the imperative need to achieve more satisfactory and comfortable results regarding the reduction of unemployment. This is urgent because an official rate of 6.2 percent imports a true unemployment rate of almost 9 percent, and especially in that the unemployment rate of 6.2 percent means an unemployment rate above 15 percent for all teenagers and coming perilously close to 40 percent for black teenagers. How long can this continue, without progressive alienation, increased human demoralization, and dangerous recurrences of civil disturbance?

Equally foolhardy is the deviously promoted campaign to misrepresent the need and public demand for genuine tax relief, or reform, as an excuse to irresponsibly cut Government expenditures for high priority domestic needs in order to shift the tax burden from those already undertaxed to those in the middle- and low-income brackets.

But the entire proposition that inflation has supplanted unemployment as our No. 1 domestic problem is absolutely unsupportable. It is unsupportable because the evidence has increased year by year and month by month that tremendous idleness of human power willing and able to work, and tremendous idleness of plant and other production resources, are at the heart of the inflationary problem itself. The empirical evidence during the past quarter century that more unused resources mean more inflation, and that less unused resources mean less inflation has by now become so weighty that it was the accepted view of those Members of this House who spoke when the "Full Employment and Balanced Growth Act of 1978" was approved by the House. It is also the accepted view, on the record, of the two Senate committees who have concurrent jurisdiction regarding the proposed legislation.

The most recent experience is all in the same direction. The scarcities and other evils generated by high idleness of human power and other production powers, the hurtful effects upon productivity growth under these conditions, have increasing inflationary impacts when they have continued for many years. The reappearance of double-digit inflation, after an intolerable rate of inflation even before that, has occurred with the pronounced slowdown in the real rate of economic growth. Concurrent with these factors is the most recent evidence that unemployment is not really being reduced and in fact is moving upward again. Most forecasts, which are projecting dismal predictions about real economic growth and about unemployment, indicate that there will be little or no relief from an intolerably high rate of inflation. The only real road to the reduction of inflation is the reduction of unemployment and of other idle resources.

The size of the Federal deficit, especially as it impacts on employment, is a matter of special concern, to those of us who are advocates of a full employment economy, so it is encouraging to note that the deficit has moved sharply downward in the recent past, and is likely to be even lower in the next fiscal year. But everyone who looks at the facts knows that this reduction in the deficit is not due to skillful management of the Federal budget, nor to cuts in spending, nor to restraint thus far with regard to some of the excessive tax cuts which may be on the way.

Everyone who looks at the facts knows that the huge deficits occurred because of abysmally low economic performance and extremely high unemployment; that the deficits have been reduced, though not enough, because we have now been in a recovery movement, although a sadly insufficient one, for about 3 years; and that the deficit will rise again and hit new peaks if forecasts about another recession and an accelerating upward movement in unemployment are borne out by actual developments.

Finally, the mysterious disappearance of adequate pressures for immediate enactment of the "Full Employment and Balanced Growth Act of 1978" cannot be attributed to some brilliant and sudden discovery that the provisions of the act are no longer adjusted to current and foreseeable economic conditions. No such claim has come from any creditable source. To the contrary, the only opposition to the proposed act comes from those who have opposed it, over the years, and whose unsupportable pleas were overruled by this House when it approved the Humphrey-Hawkins bill on March 16, 1978. More than this, there is more evidence every day that the core features of the Humphrey-Hawkins bill are even more needed now than previously—if that be possible.

Everyone is talking and writing about the intensification of our current difficulties in the formulation of national economic policies, but most of the explanation of these tend to be sensational and superficial.

There are complaints that the President and the Congress are at odds over this issue, but this is partly because we do not have the provisions of the Humphrey-Hawkins bill which would establish systematic and periodic procedures for bringing the administration and the Congress closer together. We complain that we do not seem to be heading anywhere as an economically viable nation, but this is because we have not adopted nor even expressed the definite goals which enactment of the Humphrey-Hawkins bill would establish. We all know that, through recent enacted legislation and currently pending legislation, we are moving in conflicting directions simultaneously. Thus we continue to take one jump in the dark after another, because we have not adopted and put into operation the one piece of legislation which would make so powerful a contribution toward development and application of a consistent, unified, and comprehensive national economic

policy. Until we have such legislation, we will not be able to effectively measure the pros and cons regarding success or failure of legislation already put into effect, and thus we will continue to make the same blunders in 1979 and 1980 that we have been making during the past decade and longer.

On top of all this, in the international economic arena the dollar is going to you know where in a handbasket. We have not stopped to consider that the most fundamental of all reasons for this is the poor performance of the U.S. economy, and the inability of others to discern what our evolving national ecomic policies are going to be because we appear not to know what they were last year, what they are now or what they will be in the future.

This House should be proud of the fact that it has made available to the Congress, the President and the American people the opportunity, through enactment of the Full Employment and Balanced Growth Act of 1978, to think more clearly about national economic policies, to act more wisely, and to achieve improved results. I hope that all those who have spent so much time and effort toward enactment of the Humphrey-Hawkins bill will formidably reassert and dramatically intensify their efforts to demand congressional passage of this bill during the days immediately ahead, so that the opportunity which this House made available when it approved the Humphrey-Hawkins bill will be translated into achievement.●

PASSAGE OF THE TUITION TAX CREDIT BILL BY THE SENATE

HON. LAWRENCE COUGHLIN

OF PENNSYLVANIA

IN THE HOUSE OF REPRESENTATIVES

Thursday, August 17, 1978

● Mr. COUGHLIN. Mr. Speaker, it gives me great pleasure to comment today on the passage of the tuition tax credit bill by the Senate on Tuesday night. Many of us in both the House and the Senate, who have worked long and hard for the chance to provide middle-income families with the educational assistance they so desperately need and want, can feel a real sense of accomplishment in the passage of tuition tax credit measures by both the House and the Senate.

I first began my efforts on behalf of education tax credits eight years ago in the 91st Congress with the introduction of a bill which would have provided income tax credits for higher education. Eighty-seven of my colleagues joined me in cosponsoring the same bill in the 92d Congress, and during the same year I first sponsored a bill which included parents of students attending elementary and secondary schools. In the following Congress, the number of cosponsors of some form of tuition tax credits for higher education rose to 103, and I am pleased to say that during this session, over 250 Members sponsored 170 bills to provide some form of tuition tax relief before passing the tuition tax credit bill on June 1, 1978 by the overwhelming vote of 237 to 158. The Senate, before strongly approving the tuition tax credit bill by a 65 to 27 vote Tuesday, had passed some form of education tax relief six times since 1967.

I hope that President Carter now realizes the irrefutable popularity of tuition tax credits, and reconsiders his threat to veto this fair and sensible bill. He can certainly see that this concept is the will of the Congress by looking at the substantial margins by which both the House and the Senate passed the bills. He cannot deny that tuition tax credits are also the will of the people, as shown by both a recent Harris poll showing that a 65 to 25 percent majority of Americans support tuition tax credits, and by the recent trend seen throughout the country of support for lower taxes.

I personally regret that the tuition tax credit bill passed by the Senate does not include an education tax credit for parents of children in elementary and secondary schools. The conferees will face a great challenge in attempting to reconcile the differences between the two bills, and I truly hope that a suitable compromise can be reached expeditiously.●

EQUAL RIGHTS AMENDMENT

HON. JOSEPH L. FISHER

OF VIRGINIA

IN THE HOUSE OF REPRESENTATIVES

Thursday, August 17, 1978

● Mr. FISHER. Mr. Speaker, the House has passed a resloution to extend the ratification time limit for the equal rights amendment. I am a long-time supporter of the ERA. I voted for the extension resolution and against the Railsback amendment allowing for recission by a State which has previously ratified the ERA. I would like to set forth my reasons for voting as I did. Much has been said about matters of extension of time, rescission of ratification and the like. On these matters I will say more later but let me address first what I feel is the central issue.

The central issue to me—one which has been overshadowed in the recent months of debate—is the equal rights amendment itself, and the meaning behind it. There are those who have said that the amendment is unnecessary, that any inequities that still exist—and there are many—can be settled individually by court case or by legislation. I say that these people are missing the central point.

The greatest thing that this country really had going for it in the 1770's was a philosophy, a fundamental belief that every person had the same inalienable rights as every other person. This was a philosophy that was quite new to the rest of the world. The United States wrote its Declaration of Independence around that principle. Our ancestors went to war because of that principle. They tried to base our Government upon that principle.

The philosophy with which we started is contained in our basic Government document—the Constitution. Any statement reaffirming the principle of equal rights should be included in that document as well. Piecemeal legislation and individual court decisions simply will not have the same symbolic importance.

We have heard in the last few months, many arguments opposing the extension resolution. Much has been said about the constitutionality of an extension of the time limit. The argument is that Congress retains only those powers specifically conferred upon it by the Constitution, and that since the Constitution does not expressly state that Congress can extend the deadline it set on this amendment, such an extension is unconstitutional. Well, I thought about this point, and it seems to me that if this is true, then the imposition of any time limit at all must also be unconstitutional, since the Constitution does not specifically confer upon the Congress any power to set ratification time limits.

Much also has been said about rescission, the argument being that if the time limit were extended, then rescission must be allowed in order to be fair to those States that have changed their minds. I feel that the responsibility the amendment process involves must be taken seriously by each State, and the sanctity of a ratification must be preserved. If there is a question about the validity of a particular State's ratification, then that matter should be decided by the Congress sitting at the time of the last ratification required for passage.

In summary, Mr. Speaker, I believe the House has taken the proper course. The equal rights amendment should become a part of the Constitution, and States such as my own should be given more time to consider it. The full Virginia General Assembly has never voted on the ERA. Now they have time to do so.●

FEDERAL TRADE COMMISSION REPORTS

HON. JOHN E. MOSS

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Thursday, August 17, 1978

● Mr. MOSS. Mr. Speaker, last year, I called to the attention of the House a U.S. district court order upholding the Federal Trade Commission's line of business and corporate patterns reports. Those two report forms seek financial information that will enable the Commission to compile a large economic data base concerning industry concentration, diversifications, expenditures, and profitability. These data are valuable to the Commission, the Congress, and the public for aiding antitrust investigations, setting economic and antitrust policy, and making investment decisions.

In recent years, detailed financial information about various industries has become unavailable as smaller industries have been acquired by giant conglomerates. I have therefore enthusiastically supported the Commission's programs to obtain this information, and I and other

Members of Congress have strongly opposed past efforts to deny appropriations for the Commission's efforts.

Accordingly, I am pleased to note that the district court's enforcement of the line of business and corporate patterns reports was recently affirmed by the court of appeals. Unfortunately, because of continued resistance by a minority of the companies involved, the Commission has not yet received reports from all respondents. I look forward to the time when this protracted delay is terminated and the Congress can receive and employ the Commission's published reports and analyses of this information.●

BUSINESS COMMUNITY COOPERATION TO IMPROVE EDUCATION IN NEW ORLEANS, LA.

HON. LINDY BOGGS

OF LOUISIANA

IN THE HOUSE OF REPRESENTATIVES

Thursday, August 17, 1978

● Mrs. BOGGS. Mr. Speaker, I would like to share with my colleagues news of an innovative effort in my district to improve primary and secondary education through the assistance and cooperation of the New Orleans business community.

In response to studies which show that poor education is a detriment to local economic development, the New Orleans/River Region Chamber formed a business task force on education. Recently the task force agreed to conduct a management assistance study of the New Orleans public schools, and the agreement is a real landmark in cooperation between business and education.

The task force will not produce "just another study" which will gather dust after the press releases are issued. Local leaders in business, education, and the city government have pledged to continue to work together to implement the findings and recommendations of the study to improve education for the area's children.

Other communities may wish to study the example of the New Orleans Business Education Task Force, and therefore I include in the RECORD a summary of the plans and progress of the management assistance study.

BTF TO IMPLEMENT STUDY OF NEW ORLEANS PUBLIC SCHOOLS

Martin C. Miler and Floyd W. Lewis, representing the Business Task Force on Education, Inc. (BIF), today signed an agreement with Drs. Mack J. Spears and Gene A. Geisert, president and superintendent of the Orleans Parish School Board, to implement a Management Assistance Study of the New Orleans Public Schools. Miler is the BTF chairman, and Lewis is chairman of the BTF's Management Assistance Team.

The study will be the first of its kind in the country between a public school system and the business community where senior officers are loaned from local business and industry to design and carry out the project. These volunteers will be recruited by Walter J. Amoss, Richard W. Freeman. Jr., T. R. Fiddler and G. Frank Purvis, Jr., all BTF members.

The study, expected to begin shortly and require eight to ten weeks for completion, will examine revenues and cash management, extramural resources, budget development and control, financial and audit systems, facilities management and maintenance, and long-range planning and evaluation. Members of the school staff will work with the loaned executives in each of the study areas.

The BTF, organized to strengthen elementary and secondary education in Orleans Parish, is composed of 31 chief executives of business and industry. Important to the BTF effort is a thorough understanding of the resources now available to the New Orleans Public Schools, how those resources are being managed and used, and the efficiency of such management and use. The study is designed to provide this understanding, and will enable the BTF, in cooperation with the New Orleans Public Schools, to develop methods for improving efficiency of the use and existing resources, in the event a need for this should be indicated, and to work for the identification and acquisition of additional resources as needed.

Miler, chairman of the Board of Hibernia National Bank in New Orleans, also presented the five year goals of the BTF, which are:

1. To create an active, viable constituency within the business community and the total community that would support educational improvement, especially in the public school system;

2. Systematically review and delineate the financial needs of the school systems, seeking additional modes of support if such funds are needed and justifiable;

3. Provide sound business advice and expertise to the public and non-public schools for improving educational services and programs;

4. Seek out and help redirect federal and state support, as available, to strengthen the financial base of the local school systems;

5. Assist in improving the economic strength and competitiveness of New Orleans by insuring that high school graduates possess the requisite basic skills needed to participate effectively and productively in the labor force.●

DAWNE NAPUAMOHALAONAONAA-MEKAWEHIWEHIONAKUAHIWIA-NENAAWAWAKEHOOMAKAKE-HOAALAKEEAONAAINANANIA-KEAOHAWAIIKAWANAAO LEE

HON. CECIL (CEC) HEFTEL

OF HAWAII

IN THE HOUSE OF REPRESENTATIVES

Thursday, August 17, 1978

● Mr. HEFTEL. Mr. Speaker, what's in a name? If Shakespeare had known Dawne N. Lee of Honolulu, he wouldn't have asked.

It is a pleasure to include the following article from The Honolulu Advertiser for the enjoyment of my colleagues. As you will see, in Dawne's case, there's a great deal in a name.

A TRIBUTE TO THE RECORDHOLDER FOR THE LONGEST CHRISTIAN NAME IN THE WORLD

(By Beverly Creamer)

People laughed 11 years ago when longtime Hawaii musician William K. "Billy" Lee gave his new daughter an enormously long Hawaiian middle name that means something about the blossoms smelling good in Hawaii.

"She's going to get writer's cramp," people told him.

There were no less than 102 letters in her middle name. It wasn't until that baby Dawne N. Lee, was eight years old that she finally mastered the delicate art of just saying the thing.

"My father taught me," she says.

Even today, at 11, she can't spell it yet.

"I can just say it," she says. "My friends at school keep asking "what was your middle name again?" One of them memorized it. It took a week."

But today Billy Lee, now 73 and the one who concocted that typically Hawaiian middle name and tagged his youngest child with it, is having the last laugh.

For as far as anyone knows, Dawne's middle name is the longest Christian name in the world.

And because of that Dawne has been invited to appear on Japanese television on a program roughly equivalent to "What's My Line."

She and her parents, Billy and Agnes, have received an all-expenses paid trip to Japan from the Nippon Television Network, Japan's national TV network. They leave Aug. 20.

"We're practicing now for her to do the hula over there," says an excited Billy. "And I'm prepared to do one or two songs too."

Lee is also the father of the late Kui Lee, popular and beloved Hawaii singer and songwriter who died of cancer in 1966. Kui was the youngest child of Lee's first marriage. Dawne is the youngest of his second.

It all happened, apparently, because of the Guinness Book of World Records.

Dawne's middle name (and we'll tell you what it is any minute now) has been listed in it for a number of years as the longest Christian name in the world, even though they didn't spell it right, says Billy.

It has been misspelled in every edition but Lee never bothered to have it corrected because he figured "the damage is already done." He still doesn't know how the Guinness people got it.

Anyway, the people at Nippon TV saw her name in the 1977 edition and late last year decided to trace Dawne. They sent a representative, Tsugio Saotome, to Hawaii to find her.

And that's where it got complicated. "Saotome went all over Honolulu asking people if they knew Dawne Lee and her family, chuckles Billy. No one could help him so he turned to the governor for help.

Al Miyasato, one of Gov. George Ariyoshi's administrative assistants, entered the picture.

"The guy couldn't speak English at all and naturally they sent him to me," says Miyasato, the only person in the governor's office who speaks fluent Japanese.

"He walked in with this book in his hand, the Guinness Book of World Records."

Miyasato got in touch with the state Department of Health's Bureau of Vital Statistics to see if someone there could track Dawne. And that's where everyone got lucky.

"The deputy registrar over there knows me and knew my baby had that long name because they struggled to get it on her birth certificate," says Billy, picking up the story.

"They made one error too," he muses. "They left an 'a' out."

With the knowledge of whose child Dawne N. Lee was, Miyasato sent the Nippon TV representative over to the Lee home on Aala Street.

"He came in a taxi cab frantic as heck," remembers Billy. "His hair was disheveled, he looked like he had been beat up. He had this overcoat on.

"We brought him up here and gave him a beer and let him rest first. Then I sang a couple of songs for him and Dawne did one or two hulas."

Over his beer and dinner that night the Nippon TV man heard the Lee life story and how Billy had once spent two years

as a traveling musician cum baseball player with a Hawaiian band in Japan. (Billy still speaks Japanese.)

That was from 1925 to 1927 and Lee played his drums, sang and even danced hula for Madame Tenkatsu's magic show extravaganza.

Billy had to dance the hula because the Japanese police refused to let his wife do it. "The Japanese considered that immoral back then," he chuckles. (On the side the band played baseball.)

A few months after the Nippon TV representative returned to Japan, the Lees were officially invited to Japan. But along with that invitation came a request for a full explanation of Dawne's long middle name.

Billy has a whole story for it.

It all came to him, he says, the night Dawne was born, just before midnight Feb. 21, 1967 at Kaiser Foundation Medical Center.

He had left his wife and new baby at the hospital and gone to the Ilikai for a snack. Afterwards, maybe 4:30 a.m., he was walking home across the YMCA grounds in Waikiki.

"A very slight breeze was blowing and I smelled the sweet fragrance of flowers... ginger, mock orange . . . and the dew on the grass," he says. "And it was close to dawn."

So they named the new baby Dawne. But then it took Billy another 20 minutes or so to come up with the rest.

For that he pulled from his boyhood memories of what it was like smelling the flowers as he hiked through Hawaii's valleys and mountains. *Voila,* his daughter's name was born:

"The abundant beautiful blossoms adorning the mountains and valleys begin to fill the air with their fragrance throughout the breadth and width of the glorious Hawaiian islands at dawn."

In Hawaiian, it goes like this, and it has been broken down into syllables for easy reading though it really should be run all together.

"Na-pua-mohala-onaona-a-me-ka-wehi-wehi-o-na-kuahiwi-a-ne-na-awawa-ke-hoomaka-ke-hoaala-ke-ea-o-na-aina-nani-akea-o-hawaii-i-ka-wanaao."

How they're ever going to say that on Japanese television is anybody's guess.●

A SALUTE TO A DISTINGUISHED AMERICAN

HON. THOMAS P. O'NEILL, JR.

OF MASSACHUSETTS

IN THE HOUSE OF REPRESENTATIVES

Thursday, August 17, 1978

● Mr. O'NEILL. Mr. Speaker, I want to take this opportunity to pay a special tribute to one of America's most respected and admired soldiers, Col. Lloyd L. "Scooter" Burke. With great honor and distinction, Scooter Burke gave 34 years of dedicated service to the Army of the United States.

Scooter Burke has recently retired after 11 years as the Army's Chief Liaison Officer for the House of Representatives. It was in this capacity that I became acquainted with him. Through his untiring efforts to strengthen the efficiency and support assistance of the Army's service operation in the House, the Army Liaison Office has become an integral part of every Member's constituency service. The importance of the Army Liaison Office is measured by the fact that all members—freshmen and seniors alike—must rely on the liaison office to help them cut the redtape of the Pentagon bureaucracy to assist their constituents with their problems.

Those of us who were privileged to work with Scooter Burke over the years quickly learned to admire and appreciate his competence, diligence, and resourcefulness in directing an active and responsive service organization. He has earned the gratitude of all the Members of the House of Representatives who have called upon the services of his office, just as he won the admiration, support, and respect of all the soldiers who served under him on the battlefield.

I know I speak for all the members of the House of Representatives who have known Scooter Burke in expressing our sincere gratitude and appreciation for a job well done. To Scooter and his family, I wish them every success in the years ahead.●

LABOR REFORM

HON. JOHN H. ROUSSELOT

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Thursday, August 17, 1978

● Mr. ROUSSELOT. Mr. Speaker, despite the recommittal by the Senate of H.R. 8410, the so-called "Labor Reform Act," there is still a chance that the issue will be reconsidered before the end of this 95th Congress. It is unfortunate, in my judgment, that a "labor reform" bill should be used to facilitate the organization of employees when there are real issues affecting the civil rights of labor union members which are not addressed by H.R. 8410.

Douglas Caddy is a noted attorney and authority on labor law who has written several books, including one on labor union political activity entitled "The Hundred Million Dollar Payoff." Doug Caddy has recently written a thoughtful article on the subject of labor law reform entitled "Can Organized Crime Be Eliminated From Labor Unions?" which appeared in the July 1, 1978, edition of Human Events.

I urge my colleagues to read this article because it contains many interesting facts which may alter the perspective from which Members may view the issue of labor law reform. The following are some pertinent excerpts:

CAN ORGANIZED CRIME BE ELIMINATED FROM LABOR UNIONS?

(By Douglas Caddy)

For years prominent law enforcement officials have propagandized the public on innumerable occasions, without their statements ever being challenged, that organized crime is attempting to take over organized labor. Recently, for example, one Justice Department prosecutor with experience in the area declared: "Organized crime in labor is probably the most serious problem in the criminal field It overrides everything else. I can name four national urions now in the hands of hoodlums. And [the Department of] Labor is not doing the job of getting at them."

Are these dire assessments true or are they merely the stuff put out for public consumption to keep law enforcement budgets generously funded?

Strangely, after years of public rhetoric on hoodlum penetration of labor unions, Congress only recently got around to holding an inquiry into the subject when the Senate Permanent Investigations subcommittee sponsored two days of hearings in April. (*Organized Crime Labor Racketeering Investigations*. Hearings before the Permanent Subcommittee on Investigations. Committee on Governmental Affairs, U.S. Senate, April 24–25, 1978. Available in late summer. Single copies free from the committee, Room 101, Russell Senate Office Building, Washington, D.C. 20510.)

Sen. Sam Nunn (D.-Ga.), who chaired the hearings, set the tone in his opening remarks:

"The dollars paid into union treasuries and pension and other benefit plans by rank-and-file union members should be as safe as money in the bank and have to be protected against exploitation by criminals. . . .

"The purpose of these hearings is to seek clarification, to inform the Senate of the magnitude of the organized crime labor-management racketeering problem as seen not only by the Department of Justice but by the Labor Department as well."

Ranking Minority member Sen. Charles Percy (R.-Ill.) in his opening statement articulated his concerns:

"In the 1950s this subcommittee, under the distinguished chairmanship of the late Sen. John McClellan (D.-Ark.), launched a massive three-year investigation into corrupt practices in labor-management relations. That investigation resulted in passage of the historic Landrum-Griffin Act, which gave the Department of Labor a key role in eliminating organized crime from the unions, mandated by law.

"It is now all too apparent that labor-management racketeering has not disappeared in the 20 years since those hearings."

What is at stake in organized crime's inroads into the union movement? A key witness before the subcommittee, Justice Department official Robert Stewart (from whom more will be heard later), zeroed in on this:

"What we have here today is the exact same problem as in the 1950s involving many of these exact same suspects, but the problem has become infinitely more difficult because of the financial sophistication which has been developed to circumvent the labor reform legislation. And the prize today is some $40 billion in benefit fund assets which are not adequately protected because the government does not have the legislative tools and the investigative and prosecutorial resources to enforce the regulatory legislation which is in the statute books."

No one who sat through the two days of hearings or who has read the hearings' transcripts of the testimonies of 11 Justice Department and four Labor Department officials can fail to come to one inescapable conclusion: The U.S. government program to ferret out organized crime in organized labor is a bust, a massive failure, mere bark and no bite, only a cream puff, and taken as a whole, is virtually non-existent. This, after decades of rhetoric and budgets of millions to fight crime.

As witness Stewart declared in his testimony:

"The unfortunate reality of today is that little or no progress has been made to control labor racketeering over the past 20 years, despite some good legislation. The same schemes and the same forces and the same tyranny dominate the field of labor racketeering today as they did during the original McClellan Committee hearings.

"If no progress is made in the next 20 years and if the present rate of improvident

investments and outright looting continues, this nation will face a benefit fund default of catastrophic proportions. The statutory framework to protect the assets of organized labor is generally sound . . . but those laws are not being obeyed in either letter or spirit in far too many cases and they will not be obeyed in the future unless there is a drastic improvement in the government's enforcement capabilities."

At the core of the failure of the government's anti-crime program lies a serious defect, a loophole, in the Landrum-Griffin Act: The Act places the power to enforce the law in the Labor Department, not the Justice Department. Observed Percy at the hearings:

"There are persistent indications that the Labor Department has deliberately shied away from taking an aggressive role in ferreting out the corrupt and venal persons—interested only in personal gain and power—who hold sway over certain unions to the detriment of the rank-and-file.

"In light of this, suggestions voiced over the last few months before congressional committees that the Labor Department would all but end its participation in the Organized Crime Program are almost unbelievable. . . ."

Responsibility within the Labor Department for fighting crime lies in the Office of Labor-Management Standards Enforcement. By statute, Compliance Officers located in this office have the primary investigatory responsibility to enforce key criminal labor laws. Yet, Deputy Atty. Gen. Benjamin Civiletti, testifying before the Senate subcommittee, complained that when the Justice Department last year conducted a survey of its Strike Forces, "we could only find 44 Labor Department employes working in the Strike Forces. Most of them were not full time, and we estimated they were working about 28 man-years, as the Labor Department would measure them."

The Justice Department's Strike Forces, recently increased to 15 with the addition of New Orleans, are its principal anti-crime tools. The Strike Force concept is that attorneys from the Justice Department, from the inception of a criminal investigation, work with the investigative agents from the various federal agencies charged with conducting criminal investigations. Thirteen different agencies participate in the Strike Force Program, including Labor Department Compliance Officers.

Sen. Nunn was critical of Labor's poor record of participation. The Senate committee's "staff inquiry shows that over the last four years there has been an erosion of the [Labor Department's] support. Strike Force attorneys interviewed by the staff have complained that the manpower made available by the Labor Department has declined to a point where many labor-management racketeering cases cannot succeed because no one is available to work them."

Percy echoed his fellow senator, pointing out:

"The Strike Forces, almost out of desperation, have turned to the FBI for help. The FBI has responded well, but is far more limited in its access to the underlying evidence of corruption—the union's financial records—and has little experience in this complex area of investigation."

A big difference exists in the powers of an FBI agent and a Compliance Officer in union crime cases. As Civiletti observed, "Compliance Officers have contacts in the labor movement who can and do provide such information. The FBI does not have authority to obtain access to records kept by labor unions without a grand jury subpoena. Compliance Officers have such authority."

A graphic indication of the low priority of the Labor Department in combatting crime, although mandated by Landrum-Griffin to do so, is its budget request for FY 1979 which asked for only 15 Compliance Officers to be assigned to Strike Forces. This is a ridiculous number from a government agency supervising the expenditure of $25 billion annually. When that extremely low, almost purposely insulting, figure became public, key senators reacted with alarm. So, according to Sen. Nunn, "On March 9, 1978, Senator Percy and I wrote to Atty. Gen. Bell expressing the subcommittee's concern that such a reduction [to 15] in Labor Department manpower might seriously impair the Justice Department's capability to pursue criminal violations of the labor laws."

For every action there's a reaction and the Nunn-Percy letter produced just that. On April 13, about two weeks before the Senate hearings were to start, Secretary of Labor Ray Marshall announced that the Justice and Labor Departments were about to conclude a new agreement concerning the Labor Department's participation in the Organized Crime Program. The next day, April 14, Marshall sent a letter to Atty. Gen. Bell indicating his intention to submit a revision in the FY 1979 budget to reflect an increase, to a total 125 Compliance Officers assigned to combat crime.

Clearly, Secretary Marshall's turnabout was a response to pressure being exerted by Senators Nunn and Percy. Even now, there are many who doubt that Marshall will remain true to his word in increasing the number to 125. "My enthusiasm is guarded," Percy said, "because, to date, participation by the Labor Department in the Organized Crime Program has been little more than a numbers game—some even consider it almost a charade."

Even if Labor Department personnel are beefed up, there still exist statutory and bureaucratic demands on these same personnel which will undercut their effectiveness.

For example, it is required by statute that challenges to union elections be resolved by the Labor Department within 60 days, so Compliance Officers working with Strike Forces are frequently called away on emergency assignments to resolve election disputes. This has obviously been disruptive when these Compliance Officers were conducting a complex labor-management racketeering investigation which often takes many months to complete, and which had to be shelved pending the resolution of the election dispute.

Another problem has been the rotational system imposed by the Department of Labor on its employes. Every 18 months a Compliance Officer is rotated out of the Strike Forces into another assignment. This has meant his replacement spends considerable time catching up.

Finally, a third problem exists in the Labor Department's practice of accounting assignments in man-years rather than men actually assigned. Assigning three men, one-third time to a Strike Force for a year is not as effective in conducting investigations as assigning one man full-time for a year.

The Senate hearings were unique in that among the witnesses were the heads of nine Strike Forces. If awards were given for public drama to witnesses at congressional hearings, these nine would be among the top contenders. Their testimonies thoroughly shocked the audience and alarmed the senators. When they had finished, Percy exclaimed that "in my 12 years in the Senate this has been one of the most valuable sessions I have had and some of the finest witnesses we have ever had. . . ."

Before the Strike Force heads began to testify, Nunn set the stage:

"We have encouraged each of the Strike Force attorneys to make a frank, candid assessment of their own individual districts and we have not asked them to get all of their opinions signed off for by the Justice Department.

"Once you do that, you have to go through OMB [Office of Management and Budget] and then have a never-ending process. So what we encouraged, frankly, is their own candid assessment of the situation. We did not ask them to speak officially for the Justice Department, but rather their individual views."

Deputy Attorney Gen. Civiletti, present at the testimony, admitted that even he had not read the prepared statements of the Strike Force heads.

* * * * *

What, then, can be concluded from these hearings into organized crime labor racketeering, the first such congressional investigation since the Landrum-Griffin Act was passed 19 years ago?

1. From the day Landrum-Griffin was enacted, under both Republican and Democratic administrations, the Department of Labor has sought to protect the labor movement, not necessarily the union member. A key part of this strategy has been to ignore its mandate to protect labor unions from corruption by organized crime. A successful investigation and prosecution of union corruption may take up to three years to complete. Yet there has been steadily weakening Labor Department participation in Justice Department Strike Force efforts against labor racketeering.

2. Since Congress passed legislation insuring pension funds, the task of investigating labor racketeering has become even more demanding. If organized crime can obtain control and use the vast assets of pension funds, amounting to tens of billions of dollars, the pension funds will eventually go bankrupt and the taxpayers will pick up the tab for funding organized criminal activity.

3. The Labor Department should fulfill is promise to commit a minimum of 125 Compliance Officers to ferreting out corruption. These men should be accounting-type fraud investigators and should be allowed to remain in their posts, without being rotated, until their jobs are done.

4. Should the Labor Department fail to commit adequate skilled manpower to this task (and its record over the past 20 years would seem to predict failure), then legislation should be passed transferring enforcement authority to the FBI and the Criminal Division of the Justice Department.

5. The Criminal Division of the Justice Department should be authorized to hire 50 to 70 additional prosecutors for its labor racketeering program.

6. Federal law should be amended to outlaw extortion by making it a felony for a union official to receive payments from two or more employers simultaneously or within a three-month interval; to forbid convicts from heading any union employment; to prohibit payment of attorney's fees or additional salaries or benefits to union officers accused or convicted of felonies; to forbid deprivation of a union member's rights by violence (the federal government's inquiry into the abduction and presumed murder of Hoffa ludicrously had to be based on a one-year misdemeanor).

7. The Labor Department should cease emphasizing civil actions over criminal prosecutions. The only way to ferret out corruption is through the criminal process. But the Labor Department has instead chosen the civil action route, which takes much longer, is less effective and allows the defendants to use union treasury funds to pay for their legal defense.

Thus, for example, the Labor Department last February with great fanfare filed civil suit against the trustees of the Teamsters Central States Pension Fund. In doing so, it gave the Justice Department only one day's notice. Observed Deputy Atty. Gen. Civiletti to the senators, "We did not have an opportunity . . . to fully study this suit, the persons against whom the suit was going to be brought, and whether or not the suit in time was premature and should be combined with

some other remedy relief sought or some other activities or should except out some individual defendants who may have been cooperating in the criminal investigation."

Such civil suits can only complement, not substitute for criminal prosecutions.

Jimmy Carter, at the 1976 Democratic convention, declared:

"We can end the double standard of justice in America. . . I see no reason why big-shot crooks should go free while the poor ones go to jail." To which all honest Americans still say, "Amen, brother," but must now wonder when their born-again President in the White House will begin to practice what he has preached.

Mr. Speaker, the article also contains revealing and intriguing excerpts from the testimony of members of Justice Department task forces. Members who are following the labor reform issue closely may wish to obtain copies of the full text of the Caddy article as well as of the hearings themselves.

AN EVALUATION OF THE SPECIAL SESSION ON DISARMAMENT

HON. ROBERT F. DRINAN

OF MASSACHUSETTS

IN THE HOUSE OF REPRESENTATIVES

Thursday, August 17, 1978

● Mr. DRINAN. Mr. Speaker, earlier this year I participated as a congressional adviser at the United Nations special session on disarmament, a conference with implications which go far beyond the session's 31-page final document.

Participants in the special session did not expect that nuclear disarmament would be an immediate result. Nor were they simply giving lipservice to the urgent need for international arms limitation agreements. The goals of the conference, and the criteria by which it should be evaluated, are the discovery and discussion of means by which different sovereign states view the arms race and the prospect of disarmament.

Evaluated on the basis of its own expectations, the special session was highly successful. It revealed the views not only of the superpowers who have the potential to destroy the world through nuclear holocaust, but also of the nonnuclear states who fear a forced dependence on the nuclear powers.

In providing a forum for discussion of these diverse views, the special session reflected the dynamic nature of the current political world order. Because a nuclear war would affect the entire human race, nonnuclear nations are rightfully becoming increasingly unwilling to accept the position of powerless "have-nots." This positive development, which was a constant theme in the discussions and decisions of the special session, reinforced the principle that each state is important in political decisions on arms control and disarmament.

I believe that the special session on disarmament demonstrated the usefulness of continuing, multilateral discussions on disarmament. I also believe that it helped to establish the spirit necessary to foster a SALT II agreement. I commend to the attention of my colleagues the following fine article on this subject by J. Bryan Hehir in the August 19, 1978, issue of America, the national Catholic weekly. Father Hehir, a member of the Vatican delegation to the United Nations special session on disarmament, evaluates the "modest but real" accomplishments of the session.

TOWARD A WORLD WITHOUT WEAPONS

(By J. Bryan Hehir)

HOW JUDGE THE RECENT U.N. SPECIAL SESSION ON DISARMAMENT? ITS ACHIEVEMENTS WERE MODEST BUT REAL, AS IN OTHER CONFERENCES WHERE GLOBAL CONCERNS COMPETE WITH POLITICAL RIVALRIES

The Special Session of the United Nations devoted to disarmament (S.S.D.) closed on June 30, concluding six weeks of debate, which produced a 31-page final document. The S.S.D. was the largest gathering in history devoted to the topic; it attracted several heads of state, although neither President Carter nor Chairman Brezhnev were among them. Pope Paul VI addressed a special message to the S.S.D. During the session, nongovernmental organizations (N.G.O.'s) played a sustained and significant role, climaxed by a special day set aside for N.G.O.'s to address the General Assembly. Among the N.G.O.'s, religious organizations, representing all the major world religions, made a substantial contribution officially and through the special participation of key N.G.O. representatives, such as Homer Jack (World Conference on Religion and Peace), Barry Hollister (Quakers) and Alan Geyer, all of whom were instrumental in publishing (throughout the S.S.D.) the informative and widely read Disarmament Times. These dimensions of S.S.D. were all important, deserving more attention than this article can provide, yet they do not address the central question: How evaluate the S.S.D.?

To answer this question it is necessary to establish criteria of evaluation for sessions of this type. Within the United States, two kinds of evaluation, mirror images of misperception, need to be resisted: those who expected nothing and those who expected everything from S.S.D. The first view, reflected often in passing comments in the media, is a species of self-fulfilling prophecy. U.N. sessions are by nature long, wordy, monotonous and ultimately unproductive. Supposedly a hard-headed and realistic view, such a position is often superficial and narrow. It fails to assess in any rigorous fashion what the capabilities of the United Nations are; such an omission, in turn, deprives the analysis of any nuanced perspective for sorting out the real themes of the meeting from the symbolic rhetoric that inevitably surrounds a gathering like S.S.D. The second view, expecting too much, similarly distorts the analysis by failing to assess what the United Nations can do on an issue as central to states as security and armaments. Expecting too much leads to disappointment because unrealizable objectives, when not fulfilled, overshadow the more modest results that are attained.

In setting forth these positions, the intent is not to contend with caricatures but to illustrate how expectations govern evaluation. At its present stage of development, the United Nations should be evaluated in terms of modest expectations. "Modest" does not mean "minimalist," but it does imply a careful calculus of how an organization of sovereign states (not a superstate) must deal with an issue as complex and as deeply rooted in the doctrine of sovereignty as the arms race. Such a modest perspective is able to acknowledge that a special session of the United Nations produces the following results: It highlights a key question facing the international community; it forces governments, through a process of peer pressure, to confront the problem and declare their intentions; it provides a comprehensive framework for review; and it concludes with a systematic response to the problem.

At the same time, a modest view will acknowledge from the beginning that it would be highly unlikely for any state to move in a U.N. session significantly beyond positions it had taken in more specific and detailed bilateral or multilateral negotiations (SALT or the Non-Proliferation Treaty). The atmosphere of the United Nations can provide a different framework for issues, but it provides neither a mechanism for coercion nor incentives for political conversion. Given these limits of a modest perspective, it is the burden of this essay to ask whether even modest achievements should be credited to the S.S.D. The S.S.D. can be tested by its relationship to other U.N. conferences on particular global issues, by its final product and by its linkage to other arms-control forums.

SPECIAL SESSIONS AND THE S.S.D.

The significance of examining the S.S.D. in relationship to similar meetings is that it isolates two characteristics that these sessions have in common. First, they are the only forum where problems that are not only transnational but universal in scope are examined by an assembly that is universal in its makeup. The S.S.D. is particularly illustrative; no one doubts that if the nuclear "moment of truth" ever comes, it will have implications for the entire human community (through direct attack, fallout, disruption of the minimal degree of political order that exists). Yet the forums in which the arms question is debated and decided are seldom broadly representative (e.g., SALT, Mutual Balanced Force Reductions).

Second, in the other specialized U.N. conferences (Environment 1973, Food 1974, Population 1974, New International Economic Order 1976), there has been a double agenda under review. On one level, the debate is about the specific technical issue at stake in the session (trade, arms, prices); on a second level is the pervading question of political order in the globe today. The political-order issue has pervaded these global discussions, seldom surfacing in specific terms but always shaping the nature of the debate. Whether it is the claims of "The 77" in the N.I.E.O. debate, or "The Non-Aligned" in the S.S.D., the unifying theme is the prevailing pattern of political order and the inability of those on the margin of power to influence key decisions that affect their states.

To ignore this topic of political order, more precisely this challenge to the present order, is to render an abiding dimension of a special session unintelligible. The case in the S.S.D. that illustrates the point is nonproliferation of nuclear weapons. This question split the assembly more decisively than any other issue precisely because it always involved more than the specific technical issues about proliferation. At stake in the proliferation debate is the way in which possession of nuclear weapons reflects prevailing patterns of political order, bestows major-power status and legitimates a division of the globe into (nuclear) haves and have-nots.

This distinction should not be overplayed in terms of its ultimate significance in world politics; it could be argued that Japan and West Germany, nonnuclear states, exercise greater influence through economic power than Britain, France or China wield with their nuclear stockpiles. At the same time, the distinction does make a difference, especially for those states devoid of either military or economic status. The nonaligned states view the Non-Proliferation Treaty (N.P.T.) of 1968 as discriminatory on two counts. First, the treaty binds the nonnuclear states to a commitment to forego nuclear weapons in return for a pledge from nuclear states "to pursue negotiations in

good faith on effective measures relating to cessation of the nuclear-arms race at an early date and to nuclear disarmament" (Article VI). In the judgment of the nonnuclear states, the promised negotiations have proceeded too slowly and have thus far produced peripheral results. Almost all support a SALT II treaty, but they also see it as very limited and very late. Second, nonnuclear states see existing and foreseen restrictions on the transfer of nuclear technology and access to nuclear energy as a barrier to future economic development. (In this regard, the apparent unanimity of the developing countries in their quest for nuclear energy stood in striking contrast during the S.S.D. to the position of several U.S.-based groups, which link nuclear disarmament to prohibitions on uses of nuclear energy.)

The topic of political order, however, was confined to conflict over nonproliferation. On a limited but critical point, the major achievement of the S.S.D. was realized in the area of political order. This was the decision to change the international negotiating structure on disarmament. The decision involves expanding the membership of the Conference of the Committee on Disarmament (C.C.D.) and rotating the chairmanship of the C.C.D. among all member states rather than confining it to the superpowers. The move is admittedly an incremental and bureaucratic outcome of six long weeks of negotiation. At the same time, it does institutionalize a major objective of the nonaligned states that were the moving forces behind the S.S.D. The new C.C.D. opens the arms control-disarmament debate on a regular basis to those who have neither the political prestige nor the military capacity to influence the nuclear actors. The new framework for C.C.D. has motivated France to return to the Geneva disarmament negotiations and, in time, is expected to bring the Chinese into the discussion for the first time. The Chinese were active participants in S.S.D. and are expected to continue their participation in some regular fashion. A long-term result of bringing all the nuclear powers around the negotiating table, and of giving representative nonnuclear states a voice and a stake in future disarmament negotiations is a modest but crucial gain in political order. Recognition of this step, however, is not a sufficient evaluation of the S.S.D.; the specifics of the document need to be assessed.

THE PRODUCT OF THE S.S.D.

The final product of the S.S.D. was the document adopted by consensus on the last day of the session. The document has four parts: an introduction; a declaration of principles; a program of action; and a concluding section on machinery for future disarmament negotiations. The introduction, which provided a synthetic review of the arms race, and the declaration of principles expressed an existing consensus and were relatively uncontested in the session. The section on machinery, restructuring the Conference of the Committee on Disarmament in Geneva and establishing a U.N. Commission on Disarmament to follow through on the S.S.D., were the successes of the session. Both were procedural rather than substantive in nature, but on international questions procedural measures can in time produce substantive results.

If the machinery section is the place to look for progress in S.S.D., the Program of Action illustrates the present limits of the United Nations as a disarmament forum. The final version of the Program of Action resembles an agenda more than a program; all points of disagreement were deleted. The result is that the Program of Action is minimalist in tone and content.

The Program of Action was potentially the most substantive part of the document, containing proposals for nuclear and conventional disarmament, a comprehensive test ban (C.T.B.), the establishment of nuclear free zones and zones of peace, nonproliferation and the establishment of links between disarmament and development. Although all these topics are mentioned in the final document, the tone is either descriptive or exhortatory, not analytical or programmatic.

The intrinsic limits of the S.S.D., when it came to specific action items on the disarmament agenda, were evident on the topics of both nuclear and conventional disarmament. When it dealt with "the nuclear package" (SALT, C.T.B., nonuse of nuclear weapons), the session was confronted by the desires of the nonnuclear states for significant moves and the determination of all the nuclear states to keep their negotiating options open (e.g., by confining them to bilateral forums like SALT, or the three-power talks on C.T.B.). The dynamic of the S.S.D. nuclear debate, evident from the opening general statements through the final week of intense, private negotiations, involved the nonaligned and nonnuclear states (e.g., Sweden and Norway) trying to apply political and moral pressure on the nuclear powers, with the latter ready to concede marginal points, but not to make qualitatively new moves. The end product of this diplomatic minuet is a series of statements in the Program of Action that urge conclusion of ongoing nuclear-arms control measures and reassert the imperative of ultimately eliminating nuclear weapons from the arsenals of states.

On the conventional arms front, the dynamic and product of the S.S.D. was not much different. Lincoln Bloomfield and Harlan Cleveland, in a study prepared prior to the S.S.D., note that 80 percent of global military expenditures are for conventional armaments, and military spending by developing countries has been growing at 10 percent a year for the last 20 years. Although the intense political struggle in the Middle East accounts for much of this growth rate, these statistics illustrate how the pattern of debate shifted in the S.S.D. when the agenda changed from nuclear to conventional disarmament. In the conventional debate, it was often the nonaligned and/or the developing nations whose military expenditures were under scrutiny. Their response was not unlike that of the nuclear states; those under scrutiny moved to protect their freedom to decide. This strategy was illustrated in the resistance of the nonaligned states to any proposal linking nuclear and conventional disarmament. Their position was that such a principle distracted attention from the central problem of the arms race, nuclear arms. While the assertion contains some truth, it also serves to parry sustained analysis of the conventionel arms race, including the galloping arms trade involving both industrialized and developing nations. The reluctance to focus on conventional arms control produced the same modest language and proposals that one finds in the nuclear section of the Program of Action.

A third problem that illustrated the difference between the S.S.D.'s capacity for identifying central aspects of the arms race and its capability to address those problems was the relationship of disarmament and development. This abiding concern of the United Nations (and of Paul VI, who, in his message to the S.S.D., cited again the scandal of "the crying disproportion between the resources in money and intelligence devoted to the service of death and the resources devoted to the service of life") received much attention, yet produced little action in the S.S.D. Here again, evaluation of the session should not devalue too rapidly the explicit consensus reiterated at the S.S.D., that a link should and does exist between these two major themes of world politics. But the final conclusion of the S.S.D. on disarmament and development was simply to urge the Secretary General to initiate a study on the potential contribution disarmament can make to the establishment of a new international economic order and to report the findings to the General Assembly.

BEYOND THE S.S.D.

The essential limitation that constrained the Program of Action on every front is the fact that individual states still control the decision making on disarmament. Consequently, even in the face of an interanational problem, being dealt with in an international assembly, it is not possible to take concerted action that jumps over or beyond the politics and policies of the individual states. The decisive conclusion to be drawn from this is not how bad the prospects for disarmament are at present, but how essential concerted action is within key states. No state, including the Soviet Union, is more crucially located in the disarmament drama than the United States. What are the prospects for the post-S.S.D. agenda?

First, it is significant to see how arms control and disarmament have again become visible and viable topics. The last major political and moral debates about disarmament were the A.B.M. decision in 1968 and the Partial Test Ban Treaty in 1963. Just after the latter was signed, the United States began the disastrous slide into Vietnam. Almost all parties concerned about the morality of the use of force were consumed in the bruising Vietnam debate. The discussions in the last 18 months picked up the thread of an argument that had been in abeyance for at least a decade. Although the advocacy of arms control stalled, the arms race did not; we return, therefore, to the old questions faced with qualitatively new problems.

Those problems are illustrated, although not exhausted, by the SALT II debate, which is now upon us and will certainly intensify in the next several months. Viewed against the background of the disarmament agenda, SALT II appears as a rather limited arms-control measure. Yet the very problematic status of achieving a SALT II agreement that will be ratified by the Senate manifests the complexity and difficulty of taking even incremental steps toward disarmament. Some measure of the obstacles facing SALT II ratification can be made by comparing it with the recent ratification debate over the Panama Canal treaties. The intrinsic problem of ratification, guaranteeing 67 votes, is aggravated in SALT II by the increased complexity of the problem.

The content of the Panama Canal debate (as opposed to the rhetoric and myth) was exhausted after the first few weeks. The SALT II debate involves technological, strategic and political problems that admit of honest intellectual differences. In my view, a sound and compelling case can be made for a SALT II agreement that caps the nuclear race quantitatively and qualitatively, and opens the way to the "deep cuts" in the arms race that are promised in SALT III. But this case will have to be *made* in the Senate and with the wider public; it cannot be assumed to be evident.

Making the case for SALT II in the public debate is a task that invites participation by the church. One of the principal functions of the traditional moral doctrine on war was to help set the terms of public debate on the morality of the use of force. As we enter the heart of the SALT II debate, there is no well-defined, visible constituency for arms control and disarmament measures. The cultivation of an informed constituency of conscience that could be relied upon to stand for and speak for SALT II and beyond is a political and moral necessity. To call for such a constituency is not to envision that most Catholics will grasp the technical intricacies of the SALT II debate. Such an

expectation borders on fantasy. It is possible, however, to build an atmosphere of public opinion that sustains a climate favorable to a sound SALT II treaty. Shaping such an ambit of opinion within which the technical policy choices can be made is a contemporary exercise of the church's teaching ministry, which is worthy of the vision of Vatican II's "Gaudium et Spes" and John XXIII's "Pacem In Terris."

The religious participation in the S.S.D. was a beginning. The forms of participation varied from a broadly representative presence in the Mobilization for Survival program, to the specifically Catholic liturgy sponsored by Pax Christi, to the religious service for S.S.D. delegations conducted by the Holy See Mission to the United Nations. This superbly planned and inspiring Pax Christi liturgy, concelebrated by Bishops Gumbleton, Dozier, Sullivan, Kelly and Bettatzi (Pax Christi International), was complemented by the blend of political realism and moral urgency in the Holy Father's message presented by Archbishop Agostino Casaroli. Both of these events provide hope that in the post-S.S.D. period, the church can draw upon the resources of faith and moral insight to shape a constituency of conscience that can address the political and ethical dimensions of the nuclear era.

Over 20 years ago, Romano Guardini wrote that the essential problem that the "post-modern world" faces is whether we can develop the moral insight to control and direct the power we have created. Nothing symbolizes this cosmic question more clearly than the nuclear arms race. The S.S.D. vividly portrayed how the future of the human family rests upon the race between moral wisdom and technological power. As the United States moves from S.S.D. to SALT II, the political will of the nation will be tested. Under no less scrutiny, however, will be the moral wisdom of the church.

[The Rev. J. Bryan Hehir, *associate secretary of the U.S.C.C. Department of Social Development and World Peace, was a member of the Vatican delegation to the U.N. Special Session on Disarmament.*]●

HARLEM CELEBRATES MARCUS GARVEY MONTH

HON. CHARLES B. RANGEL

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Thursday, August 17, 1978

● Mr. RANGEL. Mr. Speaker, in honor of the contributions Marcus Garvey has made to blacks in America, a number of black communities around the country are paying tribute to Marcus Garvey this month. Special ceremonies were held in my district, during which the borough president proclaimed the month of August 1978 to be Marcus Garvey month in the borough of Manhattan. I should like to present excerpts from the proclamation for inclusion in the CONGRESSIONAL RECORD:

Whereas, few men in history have done as much to arouse the identity of an oppressed people as Marcus Garvey, and

Whereas, Marcus Garvey, who by his willingness to dream new things and meet the adversity of his time head-on has set a high example for people of every race and creed to follow, and

Whereas, Marcus laid the groundwork for the principle which Martin Luther King would later make clearer to us all that "injustice anywhere is a threat to freedom everywhere," and

Whereas, the philosophy Marcus Garvey helped set in motion—that of self-help, self-respect and economic self-determination—are precepts which must be realized now more than ever.

For many black Americans living in my district, the message of Marcus Garvey has reawakened their pride and instilled a sense of dignity and purpose. Children are discovering Garvey for the first time, and adults are rediscovering him. His legacy has meaning not only for black Americans, but white Americans as well.●

INTERNATIONAL TRADE PROBLEMS

HON. BUTLER DERRICK

OF SOUTH CAROLINA

IN THE HOUSE OF REPRESENTATIVES

Thursday, August 17, 1978

● Mr. DERRICK. Mr. Speaker, our country's problem in international trade, including the enormous deficits that we have been running for some time, the fact that many of our trading partners are unwilling to take steps necessary to open their doors to our products while we continue to be flooded with those manufactured under conditions that are illegal here, raises further serious questions for this country.

Indeed, our present policies in today's world seem totally passé. A clear example of this appeared in the August 7, 1978, edition of Forbes magazine, entitled "Thinking the Unthinkable." It was written by E. M. Bernstein, a former high Treasury official and one of the key founders of the post-World War II International Monetary Fund. Mr. Bernstein's observations should cause all of us to ponder most seriously the current direction we are taking in our international trade matters.

I ask unanimous consent for the article to be inserted in the RECORD at this point.

[From Forbes magazine, Aug. 7, 1978]

THINKING THE UNTHINKABLE

Since the Germans and Japanese are unwilling to take the painful measures needed to bring their trade with the U.S. into better balance, what is to be done? Simply permitting the dollar to decline in value against the yen and the deutschemark seems not to have done the trick. From Edward M. Bernstein, the sage of Bretton Woods and a lifelong advocate of free trade, comes this reluctant proposal: Raise U.S. tariffs.

Says Bernstein, now 73 and author of Washington-based analytical reports on monetary affairs read by central bankers and economic officials throughout the world: "A uniform U.S. tariff on imports of, say, 10% might be beneficial."

This from a man who is no narrow-minded protectionist mouthing propaganda from the American Iron & Steel Institute. He played a key role in formulating the U.S. postwar liberal trade policy.

Sure, he acknowledges, oil is an enormous problem that cannot be ignored. True, our faster economic growth vis-à-vis Europe and Japan has hurt. Oh yes, less inflation in this country would help and success of the current Geneva trade talks would be a good thing.

But to Bernstein the principal problem in our dismal trade picture is this: "A lot of countries look upon us as a depression market where they can sell that part of their output that cannot be absorbed by their home markets." Dumping? "Let's call them 'unfair' trade practices," says Bernstein with a wry smile. "We must be diplomatic about these things."

Bernstein reels off a dismal—and convincing—set of statistics. Since the fourth quarter of 1975, our current account (which includes trade and investment income) has deteriorated by nearly $50 billion a year, a staggering sum.

Between 1975–1977, domestic spending on goods increased $189 billion. Of that, nearly 29% was supplied by increased imports. "Such a proportion is unprecedented in our history," says Bernstein. Last year U.S. output of goods increased only 7%, yet imports from Western Europe zoomed 36% and imports from Japan almost 47%. In the first half of 1978, our current account deficit with Japan just about equaled that with the OPEC countries.

Concludes Bernstein: "There's no way to account for these extraordinary increases by the normal patterns of trade. It appears some countries are behaving like the mercantilists of old," whose philosophy was to get a trade surplus regardless of the methods.

Oil? "Between the first quarter of 1977 and first-quarter 1978, our deficit with OPEC was reduced by $1.1 billion as imports fell by 11.9%. By contrast, our trade balance with Western Europe fell from a large surplus to a deficit and our deficit with Japan increased by 160%."

Bernstein chuckles at Japan's and Europe's finger-wagging at the U.S. "They blame the dollar's troubles on energy and say we should reduce imports of oil. They say we should lower our rate of inflation and thus become better exporters. That's what they would like us to believe."

Bernstein doesn't think the U. S. can get rid of its deficits through more exports alone. "Politically, other countries are unwilling to accept the increase in U.S. exports it would take to put our trading account into balance." Nor will Germany and Japan, moreover, willingly undergo the domestic economic disruption that would arise from cutting back exports to this country.

Volatile exchange rates and unfair trade practices are why we have to consider something like 10% tariffs, says Bernstein.

"This is not protectionism where you have different rates for different products. This would be a tax on *all* imports." What if Europe and Japan put a similar levy on U. S. imports? "I don't mind that at all," responds Bernstein. He argues that the hurdles will affect Japan and Germany far more than the U.S.

A man with intimate knowledge of international finance, Bernstein maintains that the costs of a continuing import flood in lost U. S. production far exceed what we'd lose by erecting a 10% tariff.

The reason the U.S. has been rather tolerant so far is that employment in this country has grown significantly during this period. But for a variety of reasons, including a coming slowdown in our economy, he feels that this safety valve will be shut off and that the U.S. government will be under growing pressure to slow down those imports. Bernstein has never believed the much-touted virtues of floating exchange rates. "The experience of the recent past does not encourage the view that falling exchange rates will of themselves, in all circumstances, result in a marked change in the trade balance."

He devoutly hopes that the devalued dollar will really turn things around, but if it doesn't, he says, we should be ready to get tough.●

MOBILE HOME DISCRIMINATION

HON. LARRY PRESSLER

OF SOUTH DAKOTA

IN THE HOUSE OF REPRESENTATIVES

Thursday, August 17, 1978

● Mr. PRESSLER. Mr. Speaker, in South Dakota, many low- and middle-income people simply cannot afford the cost of housing.

Mobile homes provide shelter for over 10 million Americans. In South Dakota, more than 55,000 people live in mobile homes.

Since mobile homes provide important home ownership opportunities for so many Americans, I am concerned that reasonable financing is available to those Americans who cannot afford, or do not wish to purchase, nonmobile homes.

Persons who wish to purchase a mobile home have a hard time getting mortgages. Congress recently approved extended mortgage loan maturity terms for mobile homes. This new provision allows potential purchasers of mobile homes longer mortgage repayment periods.

At present, the FHA will insure mortgages on nonmobile homes for up to 30 years and for a maximum of $60,000. However, FHA guarantee loans on mobile homes are limited to only 12 or 15 years, up to $16,000 for single wide, and $24,000 for double-wide homes. Although the price of a mobile home is far less than that of a conventional home, these limitations make it impossible for many individuals to own their own homes. This inequity in financing opportunities represents a grave injustice to these people.

In passing the Community Development Act of 1977, this Congress included a provision authorizing the Secretary of Housing and Urban Development to extend loan maturity terms from 15 to 23 years for loans made to finance double-wide homes. Unfortunately, the Federal Home Loan Bank Board, which is responsible for governing loan activities of federally chartered savings and loan associations which invest in mobile home loans, has not yet revised its regulations to include the longer maturity terms.

Today's mobile homes are built according to HUD regulations and are certainly durable enough to last the 15 and 23 years proposed by the Congress as maturity terms for FHA-insured loans. The 50 to 60 percent rise in mobile home prices over the past 8 years makes it nearly impossible for many families to afford the high monthly payments on mobile home loans. It is essential that the Federal Home Loan Bank Board and HUD extend the length of maturity terms if these families are to be able to afford suitable housing.

In an effort to correct this situation, I have worked throughout this Congress to lengthen the maturity terms of federally insured mobile home loans. After voting in favor of the Community Development Act of 1977, I have contacted Secretary Harris of HUD on numerous occasions to express my support for extending the maturity terms. I have also encouraged my constituents to express their views directly to HUD.

In addition, I recently supported the Housing and Community Development Act amendments, which provide annual rental assistance payments to low-income mobile home owners who rent the space on which their mobile homes are located. At present, rental fees in many trailer parks are too expensive for mobile home owners to afford. Without this legislation, the mobile home will no longer provide an opportunity for low-cost, respectable housing for many Americans.

I believe we must put an end to this injustice to owners of mobile homes. It is certainly time for the Department of Housing and Urban Development to extend the maturity terms of FHA-insured loans for mobile homes so that savings and loan associations will be able to adequately service the great number of mobile home owners wishing to borrow money. An extension of these terms is the first step toward equal opportunity regardless of type of housing. I urge my colleagues to join me in this effort.●

CAMBODIAN REFUGEES

HON. STEPHEN J. SOLARZ

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Thursday, August 17, 1978

● Mr. SOLARZ. Mr. Speaker 15,000 Cambodian exiles have been languishing for 3 years in refugee camps in Thailand. Having escaped from the atrocities of the Khmer Rouge, these refugees find themselves with little hope of permanent resettlement. Through no fault of their own, the vast majority are ineligible to enter the United States under the terms of the current Indochinese parole program which gives preference to refugees with relatives in the United States or with close ties to the U.S. Government.

While these Cambodian refugees are only about 10 percent of the total Indochinese refugee population, I believe that the unspeakable sufferings they have endured give them a special claim on our emergency immigration procedures. Reliable sources indicate the 1 million Cambodians have been ruthlessly murdered and another 1 million have died due to the deliberate deprivation of food and medical care by the leaders of so-called Democratic Kampuchea. The Khmer Rouge, upon seizing control of the country in 1975, sought to destroy all vestiges of the previous government and culture of Cambodia. The cities, towns, and villages were abandoned and the survivors of the waves of terrorism were forced into labor camps.

In the Congress we have passed resolutions expressing our outrage at what has occurred in Cambodia and calling upon the governments of the world to pressure the leaders of Democratic Kampuchea to stop the slaughter. But now it is time to go further. Now it is time for us to reach out to those 15,000 victims if an Asian holocaust who have been able to escape and to offer them the chance for a new life in a new homeland.

Forty years ago the innocent victims of a European holocaust could find no place of refuge. Today, we have the opportunity to open our doors to these few Cambodian survivors and demonstrate in a most concrete way that the United States remains committed to assisting the innocent victims of war and terrorism and that we will not remain silent in the face of the moral atrocity that continues in Cambodia today.

Today, I am proud to be introducing with 50 of my colleagues a resolution that calls upon the Attorney General to exercise his powers under section 212(d)(5) of the Immigration and Nationality Act to grant a special parole over the next 2 years for those Cambodian refugees who desire to come to the United States.

By offering this special parole to the Cambodian refugees, we will give these victims of the worst human catastrophe since Nazi Germany the opportunity to establish new lives in a free society—a goal they have already risked their lives to achieve. For the penalty for attempting to flee Cambodia is death.

Like the other Indochinese who have come to the United States under the parole authority, the Cambodians are hard working and willing to make the necessary adjustments. Already 95 percent of these Indochinese refugees are employed and they have become good citizens and loyal Amerians.

In recent testimony before the Subcommittee on Asia and Pacific Affairs, of the International Relations Committee, Albert Shanker, president of the American Federation of Teachers, endorsed the proposal for a special parole for the Cambodian refugees. A large number of church and civic groups have also expressed their support, and have urged the President to call upon the Attorney General to announce such a parole as a humanitarian gesture.

On August 3, Senator DOLE introduced a sense of the Senate amendment to H.R. 12934 calling upon the Attorney General to grant a special parole for these Cambodian refugees. The amendment was adopted by voice vote. Senator KENNEDY, in the debate, commented favorably upon the amendment:

I think it is a clear reflection of humanitarian concern. I think it is desirable and worthwhile.

Mr. Speaker, I insert the text of the resolution at this point in the RECORD.

H. CON. RES. 701

Resolved by the House of Representatives (the Senate concurring),

Whereas the United States Government is committed to the maintenance of internationally recognized human rights;

Whereas the President of the United States has called Cambodia the worst violator of human rights in the world and has pledged assistance from the United States to Cambodian refugees in Thailand;

Whereas the House of Representatives has requested that the President cooperate with other nations in an effort to end the flagrant violations of internationally recognized human rights in Cambodia;

Whereas the fifteen thousand Cambodian refugees in Thailand are subject to debilitating living conditions and constant fear

of border raids, and have not received offers of resettlement from other nations;

Whereas the Indochinese parole program recently announced by the Attorney General will not apply to most of the Cambodian refugees in Thailand;

Whereas Indochinese refugees already admitted in to the United States have become meaningful contributors to United States society, without depriving United States citizens of employment opportunities; and

Whereas it is the policy of the United States to encourage the nations of the world to accept Indochinese refugees for resettlement: Now, therefore, be it

Resolved by the House of Representatives (the Senate concurring), That it is the sense of Congress that

(1) the Government of the United States should give special consideration to the plight of refugees from Democratic Kampuchea (Cambodia) in view of the magnitude and severity of the violations of human rights committed by the Government of Democratic Kampuchea (Cambodia); and

(2) the Attorney General should exercise his authority under section 212(d)(5) of the Immigration and Nationality Act to parole into the United States—

(A) for the fiscal year 1979, 7,500 aliens who are nationals or citizens of Democratic Kampuchea (Cambodia) and who are applying for admission to the United States; and

(B) for the fiscal year 1980, 7,500 such aliens.●

WHERE THE "INS" AND THE VISITORS EAT IN THE NATION'S CAPITAL

HON. FORTNEY H. (PETE) STARK

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Thursday, August 17, 1978

● Mr. STARK. Mr. Speaker, noted English poet William Cowper once remarked that "No man can be a patriot on an empty stomach." After hours of walking through the museums, the Mall and the monuments, sightseers love their country, but would also love a bite to eat.

An article has recently come to my attention that describes some of the better cafes and cafeterias that tourists can cure their hunger blues. I commend it to my colleagues' attention so that they might share it with their visiting constituents.

[From the New York Times, Nov. 6, 1977]

WHERE THE INS AND THE VISITORS EAT IN THE NATION'S CAPITAL

(By Alice Shabecoff)

(Alice Shabecoff, consumer affairs writer for the Department of Housing and Urban Development, is a bureaucrat who likes to eat well.)

Compassion impels me to share with the foot-weary sightseer my inside advice on the best places to eat in the area around Washington's Mall. Between the White House and Capitol Hill are not only the thickly touristed Smithsonian museums but also an alphabet soup of Government agencies, commissions and departments, the I.C.C., the F.A.A., H.E.W., H.U.D., I.R.S.

We bureaucrats, disdaining the brown-bag lunch, have through years of gastronomic self-interest ferreted out the delectable cafes and restaurants in the vicinity. On my confident way to such a spot, I often pass tourist families walking blocks to find something to eat or waiting in line with bedraggled patience for dried-out hamburgers at overcrowded cafeterias.

Let me help these sightseers find quiet spots with good food or mammoth places where prices are low and seats always available. Some of these are museum cafes overlooked by many tourists, while others are cafeterias in Government buildings, open but unknown to the public. The restaurants that follow are limited to those around the Mall or easily accessible to it, in descending order of eating pleasure or of convenience.

The uncontested jewel, both for atmosphere and cuisine, in my mind is the cafeteria in the courtyard formed by the architectural marriage some years ago of the National Collection of Fine Arts (8th and G Streets N.W.) and the National Portrait Gallery (7th and F Streets N.W.). It is called Patent Pending because the present galleries incorporate the old Patent Office Building.

The cafeteria, run by a young graduate of the Ecole de Cuisine Fracaise, in Dijon, offers a menu of whimsy, variety and excellence. Choose Tomatoes Alice B. Toklas ($1.65)—half of a scooped-out tomato is stuffed with chick peas vinaigrette, the other half with dill egg salad. Or try their Courtyard Salad ($1.55), with fresh mushroom slices, tiny cauliflowers and pieces of tomato on a bed of salad greens, under a subtle but spicy yogurt-based dressing. Their nitrite-free hot dogs are prepared as a Bulldog ($1.25, covered with homemade chili and sliced onions), a Krautdog ($1.15, groaning with sauerkraut and kosher pickles) and a Hot Diggity Dog (95 cents, usual trimmings plus pepperoncini). Soups (lentil, zucchini or corn chowder) at 85 cents for big bowls, can be paired with sandwiches for a fine lunch. The best-selling dessert is homemade apple pandowdy, 85 cents.

A tray may be taken outdoors or to one of two vaulted rooms, which are hung with paintings and elegantly carpeted. The table centerpieces are small brown crocks holding parsley bouquets. Each table has a jar of Dijon mustard, a reminder of the chef's credentials. The quiet outdoor courtyard is set with small tables among modern sculpture, two fountains and towering elms.

Lunch is served weekdays from 11:00 A.M. to 3:30 P.M.; Saturday and Sunday, 11:30 to 4:00 P.M.

If you are on the Mall, you have the extra delight of getting to the National Portrait Gallery by free shuttle service on a red double-decker bus. The vehicle, presented a few years ago by an anonymous donor, had been used on the streets of Norwich, England. Now every half hour between 10:30 A.M. and 5 P.M., seven days a week, it leaves from in front of the National Museum of History and Technology (13th Street and Constitution Avenue N.W.). Free fans are given out as souvenirs.

On a small triangle of land adjacent to the National Gallery of Art (Fourth Street and Constitution Avenue N.W. entrance). . . . [stands an I. M. Pei designed building. It houses the] . . . overflow from the National Gallery of Art collection, as well as special exhibitions. An underground arcade links this new museum to the existing National Gallery, and already in operation in this arcade is the Mall's second-ranking restaurant.

Pei's architectural skill dispels any closed-in feeling. A sculpture of large triangular crystals, at ground level, creates the skylight in the restaurant's ceiling. One wall is a wide expanse of window well, looking out on the cascade of an Islamic-style waterfall. Called a "chadar," it has water flowing down narrow cuts in the wall.

Planters divide the room in half. To the right is a buffet, offering prosaic fare for the hamburger/hot dog generation, plus a carving board for meats (hot corned beef sandwich for $2.10). To the left, nearest the waterfall, is the elegantly set cafe, where one sits at a marbel-topped pedestral table to be waited upon courteously by uniformed waitresses. The menu has become more cosmopolitan since J. Carter Brown, the museum's director, brought in professional culinary consultants James Beard was one, and a Beard choice appears on each menu, which changes with the season. A recent menu included shrimp crepe with Mandarin sauce and a garden salad for $3.25, and poached salmon with cucumber marinade for $4.25. Private-label Spanish wine is 80 cents a glass. Hot fudge sundaes tempt in the summer-time, and pastry is served from a cart.

Another peaceful place for good food is the Refectory in the Capitol itself. It is on the ground level in the north wing, the Senate side, of the Capitol Building. The Refectory, which serves the general public, consists of a series of small rooms with tiled floors and vaulted ceilings. The waitresses wear dresses from the 1870's period, an atmosphere the restaurant captures nicely. "Good, simple, natural foods" is promised on the menu, and the promise is kept. Children will especially like the hefty Uncle Samburger ($2.25) or hot roast beef with mashed potatoes and gravy ($2.50). Salad platters included chef's salad, fruit and cheese, and cold cuts. And here's a chance to try the famous Senate bean soup (45 cents a bowl), which is hearty and delicious. For dessert, hot Southern pecan pie (75 cents) is recommended for everyone except dieters.

The same word of caution applies to the Refectory as to all eating places in the Capitol, Senate or House. Avoid the standard lunch hour. The Refectory, with its limited capacity, often has long lines from noon to 1 P.M. The other places in these buildings are supposed to serve staff only from noon to 1:30 p.m. Children and adults with cameras or other tourist trappings might be turned away, especially if the restaurants are crowded. Over in the south wing (House side) of the Capitol, in the basement, is a small, pleasant cafereria where a good selection of standard items (steak sandwich, $1.25, roast beef sandwich, $1.10, hamburger, 60 cents, or tacos, 65 cents each) is available.

The Senate dining room in the Dirksen Building, B level, is marble-pillared and enormous. The food is bland but acceptable. Hamburgers (80 cents) or hot dogs (65 cents), along with a changing main course, such as shrimp fried rice ($1.25), are offered. A takeout shop, which might inspire picnics by the fountain at the foot of the Capitol, is also in this building. The House of Representatives restaurant is in the basement of the Longworth building (the middle one of the three House office buildings). The restaurant's odd architecture boasts stone walls and curtained fake French windows. Like the Senate cafeteria, it has standard fare with substantial main courses. Someone well-versed in nutritional controversy has noted in red on the menu wherever sugar has been added to an item—Harvard beets, for example.

Carry-out shops are found in each of the three House office buildings. They offer basic hot and cold sandwiches (75 cents to $1), hoagies for $1, and good soups at 40 cents a cup. An ideal place for a picnic is the fountain courtyard of the Rayburn Building (lowest on the Hill).

A fine secret I would now like to share with Washington visitors is the cafeteria in the penthouse of the new Health, Education and Welfare building, on Independence Avenue between First and Second Streets S.W. It's a nice alternative when the lines in the House office building's cafeterias are too long for tired souls to bear. The cafeteria is an immense room, with a white ceiling that cantilevers into outdoor balconies, with views of the House, Senate, Capitol and reflecting pool.

The food, though not inspired, is passable. Lunch is offered from 11:30 A.M. to 1:30 P.M.

As with all agency buildings, breakfast is served, from 8 to 9 A.M., and is a bargain—compared with hotel breakfast prices—bacon at 14 cents a portion and hash browns for 20 cents. (Across the street, by the way, is the U.S. Botanic Garden Conservatory, Maryland Avenue S.W., quiet, lush, beautiful and worth a visit.)

One of the best lunches in town, analyzed bureaucratically on a cost-benefit ratio, is the buffet in the Museum of Natural History, available to members of the Smithsonian Associates. (Membership may be obtained for individuals, couples or families. For more information, write to Smithsonian Associates, Reception Center, 1000 Jefferson Drive S.W., Washington, D.C. 20560.) The buffet is smorgasbord, with roast beef sliced to order, surrounded by other main dishes (fried chicken, shrimp quiche), soup, salad and bread, for $3.95. This is, however, not an insider's place, so avoid rush-hour traffic between noon and 1.30 P.M. Breakfast is available during the summer.

For sheer splendor nothing can surpass picnicking between the Henry Moores and the Alexander Calders in the courtyard of the Hirshorn Museum. The Hirshorn is Washington's rotund repository of contemporary art, at Independence Avenue and Eighth Street S.W. The courtyard, now closed, will reopen in the spring.

A block away is the Air and Space Museum, the Smithsonian's newest and most popular attraction. On the third floor at the east end is a pleasant glass-walled dining room. Its ordinary food is presented on a revolving counter while prospective diners stand and choose what appeals—somewhat like airline passengers retrieving items from a rotating baggage counter. It is jammed. If there are crowds when you want to eat, I suggest you simply retreat across the street, to the monolithic NASA building (Seventh Street and Independence Avenue S.W.), and make use of their basement cafeteria. Outside NASA is a sunken playground with wooden climbing structures for kids and benches for parents.

A cafeteria in the basement of the Smithsonian History and Technology Museum has sandwiches (roast beef, $1.35, hot dog, 85 cents) on one side of the room and hot dishes (fried chicken, $1.39, baked whitefish, $1.49) on the other. The immense undistinguished room is enlivened by a wall of Horn & Hardart Automat windows in marble and cut glass. Alas, it's an exhibit, displayed as an antique, and the pies inside are plastic. A nostalgia for the good old days of Automat, and its atmosphere, architecture and food, does not speak particularly well for today's menu.

Every day of the week, except Monday, you are likely to find these cafeterias mobbed, the rows of guard rails lined by families with glazed eyes and sore feet. If the lines are truly discouraging, you can always hop across the street to the Interstate Commerce Commission building where, in the basement, you can get a roast beef platter for $1, or a chicken salad for 75 cents. No crowds here, and you have a chance, while on your way through the corridors, to see bureaucracy at work. The Justice Department and I.R.S. buildings, across the street from the Natural History Museum, also have cafeterias they admit only government workers or visitors with passes.

BEAN SOUP

Here is the recipe for the famous Senate Restaurant Bean Soup: Take two pounds of small Michigan Navy beans, wash and run through hot water until beans are white again. Put on the fire with four quarts of hot water. Then take one and one-half pounds of smoked ham hocks, boil slowly (approximately three hours) in covered pot. Braise one chopped onion in a little butter and, when light brown, put into bean soup. Season with salt and pepper, then serve. (Do not add salt until ready to serve). Eight portions.●

TUITION TAX CREDIT

HON. ROMANO L. MAZZOLI

OF KENTUCKY

IN THE HOUSE OF REPRESENTATIVES

Thursday, August 17, 1978

● Mr. MAZZOLI. Mr. Speaker, as we draw near a House-Senate conference on tuition tax credit, worries are being expressed that this bill will only contribute to the decline of the public school system. In his recent column in the Washington Post, James Kilpatrick stresses that the bill will not signal a Government commitment to private schools and will not lead to the diminishment of its commitment to a strong and excellent system of public education. Mr. Kilpatrick's article is well worth reading.

HYSTERICS ON TUITION TAX CREDITS

(By James J. Kilpatrick)

Opponents of tuition tax credits are in a bad way. They have come down with spavins, heaves, and hysterics. Consider, if you please, this splendid denunciation from Sen. Ernest F. Hollings of South Carolina:

"This proposal would turn our education on its head, benefit the few at the expense of the many, proliferate substandard segregation academies, add to the federal deficit, violate the First Amendment, and destroy the diversity and genius of our public schools."

And after that, the skies would fall, the planet would tilt on its axis, and tidal waves would engulf South Carolina as far inland as Columbia, Camden and Kershaw. Cows would be born with two heads, and sea serpents would swarm in the Santee River.

The senator has a full head of steam. Tuition tax credits are "horrendous." The idea is budget-busting: In just three years, the annual cost would approach $1.1 billion. The scheme is blatantly unconstitutional. More than that, it is undesirable. The *Washington Post,* breathing heavy approval of the senator's hyperbole, adds some bombast of its own: "This bill is a fundamental assault on the public schools. Any vote for it in the Senate is a threat to the public school system."

There, there, one would like to say to these fever victims, dry your eyes; stop sobbing. Simmer down! Let us take things one at a time.

What is proposed is an amendment to the Tax Code that would permit parents to take a tax credit of up to $250 for every dependent in college, or up to $100 for every dependent in an accredited non-public elementary or secondary school. In terms of administrative burdens, the plan is clean, clear-cut, and could be put into effect by a simple declaration on a Form 1040. A qualifying taxpayer would have the same right to the credit that he has to deduct the interest on his mortgage in computing net taxable income.

By contrast, the administration's idea is vastly to enlarge the existing program of BEOG's—Basic Educational Opportunity Grants. The two approaches could not be more diametrically opposite. Mr. Carter's plan involves applications, approvals, disapprovals, rules and regulations, eligibility standards, the whole bureaucratic swamp. And it would have precisely the same billion-dollar impact on the deficit that tuition tax credits would have.

Now, is the tax credit approach "blatantly unconstitutional"? On this score, one lawyer's judgment is as good as another's. The Supreme Court is so divided on state tuition plans that the nine justices have gone off in six different ways. A good argument can be made that Congress has full authority under its 16th Amendment power "to lay and collect taxes on incomes from whatever sources derived."

On this point, senators and editors would do well to read the Supreme Court's opinion of May 4, 1970, in *Walz* vs. *Tax Commission of New York.* With only Mr. Justice Douglas dissenting, the Court upheld New York's law granting tax exemption to churches. True, the effect of relieving "believers" of a tax burden, as Douglas said is to impose an additional burden on "nonbelievers," but the majority found "no genuine nexus between tax exemption and an establishment of religion." Neither is there a nexus between a tax credit and an establishment of religion.

It is a curious manifestation of the critics' hysteria that they believe tax credits would "destroy" or even "threaten" the public school system. This is palpable nonsense; but even if the charge contained a grain of truth, the proper response would be to this effect—that something must be grossly wrong with our public schools if they could be threatened or destroyed so easily.

Senator Hollings is mistaken when he asserts that "the government's duty to the public is to provide public schools." The government's duty is to provide educational opportunities toward the end that children grow up to be responsible adults. It is immaterial—or it should be immaterial—whether these opportunities are provided in public, private, parochial, permissive, or highly disciplined schools. It is the end product that is the state's concern.

The senator is right on one point, and those of us who support tuition tax credits should give it careful thought. Federal aid involves federal control. Just as Congress has put conditions on other provisions of the Tax Code, so a future Congress could condition tuition tax credits in terms of certified teachers and courses of study. It is something to think about, but that peril is a way down the road.●

JAMES GRANT BOLLING

HON. JOE MOAKLEY

OF MASSACHUSETTS

IN THE HOUSE OF REPRESENTATIVES

Monday, August 14, 1978

● Mr. MOAKLEY. Mr. Speaker, I wish to join my friend from Louisiana (Mr. LONG) in expressing my profound shock and sorrow on learning of the untimely death of Jim Bolling.

All of us who knew Jim share the terrible loss DICK BOLLING has suffered and I wish to join their many friends in expressing deep sympathy in this difficult hour.

DICK BOLLING has lost at once a loving wife, a trusted adviser, devoted friend, and tireless aide. And the Congress has lost a woman whose contributions to this institution are known to us all. Although she rarely sought a headline or even notice in the House, she worked with steady dedication for many years to make the House worthy of the affection which she and her husband gave it.

Few men or women elected to Congress have had the impact that Jim Bolling did, from no official capacity, in reforming Congress and bringing the organization and procedure of the House into line with the democratic concepts of our time.

Mr. Speaker, all of us will miss Jim Bolling. We will miss her strength, her courage, her wisdom, and her vision. For myself and my wife, Evelyn, I express my deepest sympathy to DICK BOLLING and his family and to join the House in mourning their loss.●

TRIBUTE TO DAVID NEWBY

HON. DAVID W. EVANS

OF INDIANA

IN THE HOUSE OF REPRESENTATIVES

Thursday, August 17, 1978

● Mr. EVANS of Indiana. Mr. Speaker, it is with great pleasure that I bring to my colleagues' attention the achievements of David Newby, a constituent of mine. Too often the youth of our country are criticized. It is refreshing to encounter a young person who exemplifies such virtue and determination. My congratulations to Dave Newby and to the Order of DeMolay for their outstanding choice.

The son of Harry and Gloria Newby, 9 Almond Court, Plainfield, David has been a leader at Plainfield High School, at Boys State and Boys Nation, in local and international DeMolay and in Boy Scouts.

"My parents were a constant source of encouragement and inspiration," said National Merit finalist Newby, bound for Wabash College on a Lilly scholarship to study political science.

"I've always enjoyed self-expression," said Newby, the senior class president who was active in speech, debate, drama, wrestling, and even played tenor sax in the pep band.

He went to the State finals in improvisations and acted in several plays and a musical in high school.

Newby, past master counselor of the Plainfield Order of DeMolay, has been named "Indiana DeMolay of the Year," "International DeMolay of the Year" and received the International Distinctive Service Award of the Order of DeMolay.

Newby says the backbone of the organization is its precepts or Seven Cardinal Virtues of its members: love of parents, reverence, courtesy, comradeship, fidelity, cleanliness, and patriotism.

"DeMolay is a fraternity like Elks, Eagles or Masons, open to anyone 13 to 20 years old of any race or religion, with a belief in God and good standing in the community.

"But when you get down to brass tacks, it's basically a boys' club, a civic service organization," said Newby The 20-member Plainfield chapter made nearly $400 last year in their 36-hour "Euchre-a-thon," which paid for an assortment of new chairs for the Hendricks County Home for the Aged.

The Plainfield native said when he was 14 years old he became interested in the Muscular Dystrophy Association's Labor Day fundraiser. He helped the Plainfield group begin annual operation of the MD donations fishbowl in downtown Indianapolis. Last year the group collected and bagged more than $50,000, he said. He has held many offices on the local, State, and international level.

In June 1977, more than 950 delegates to Hoosier Boys State elected Newby governor. From the week-long mock State government session on the Indiana State University campus, the political hopeful journeyed to Washington, D.C., for 1977 Boys Nation.

Newby was elected to enter the American Academy of Achievement, and was inducted with leaders in entertainment, sports, service, and journalism fields. Erma Bombeck, John Sirica, Gen. Omar Bradley and Adm. Stansfield Turner were among those inducted with the Plainfield youth.

An active member of Boy Scout Troop 304, Plainfield, Newby achieved the rank of Eagles several years ago. "The most rewarding scouting experiences have been traveling to scout jamborees and to Philmont scout camp," he said. Newby has been lay Sunday speaker at Zion Evangelical United Church of Christ, Indianapolis, where he also serves as an usher.●

RECODIFICATION OF FEDERAL CRIMINAL LAWS

HON. CHARLES E. WIGGINS

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Thursday, August 17, 1978

● Mr. WIGGINS. Mr. Speaker, the Subcommittee on Criminal Justice has drafted and reported to the full Committee on the Judiciary a bill to begin the process of modernizing and updating Federal criminal laws. The chairman of the subcommittee, JAMES R. MANN, on behalf of all of the members of the subcommittee, has today introduced the subcommittee's bill.

There are two basic ways to go about modernizing Federal criminal laws. One way is to do everything at one time in an omnibus reform bill. The other way is to work individually on discrete areas of the criminal law and process several bills—in other words, to modernize on an incremental basis.

The Subcommittee on Criminal Justice unanimously believes that the latter way is the most appropriate method. That belief is underscored by a letter written to the subcommittee chairman by Prof. Harold Norris, of the Detroit College of Law. Besides teaching law, Professor Norris has been involved in recodifying his own State's criminal laws, as well as in rewriting its constitution. Consequently, he is in an excellent position to evaluate how best to approach recodification. Professor Norris concludes that the subcommittee's approach is the best approach.

I am insertng the full text of Professor Norris' letter so that all my colleagues will have the benefit of his comments.

WEST BLOOMFIELD, MICH., *August 8, 1978.*

HON. JAMES R. MANN,
Rayburn House Office Building,
Washington, D.C.

DEAR MR. MANN: Thank you for seeing me recently to discuss the House Criminal Justice Subcommittee's work on the new Federal Criminal Code. I am aware of the time constraints upon Members of the House of Representatives and appreciate your fitting me into your crowded schedule.

As you may recall, we discussed during our meeting the criticism leveled at your Subcommittee by the Washington Post and by the New York Times for the Subcommittee's refusal to reform the Code in an omnibus package along the lines of S. 1437. My experiences in code reform have led me to conclude that the more limited approach that you advocate is to be preferred.

In 1961, I served as a delegate to the Michigan Constitutional Convention, and in 1965 as Counsel to the Committee on Constitutional Revision of the Michigan Legislature. In 1967 and again in 1977, I served on the State Bar of Michigan Special Committee to Revise the Michigan Criminal Code. In these capacities, I devoted a considerable amount of time to the manner in which revision should be undertaken. As a professor and a student of law, the omnibus approach had initial appeal for me, since it would result in a symmetrical document that would be neat, streamlined, and intellectually satisfying. Unfortunately, this manner of proceeding, I soon concluded, was impractical and ill-suited to the reform of laws that are complicated and impact upon significant civil and political rights. What I have read of S. 1437 confirms that judgment.

Because of the enormous scope of S. 1437, it is difficult to highlight and focus upon the serious issues it raises and the pervasive and permeative effect its redrafted provisions will have upon our system of criminal justice. Its size also militates against the proper education of the legislators who have the right and responsibility to know what they are enacting into law. I suspect that only a few Members of the Senate had the time and assistance to acquire a secure grasp of the bill's provisions at the time of its passage.

The June 27, 1978, draft of the Criminal Justice Subcommittee is a small but positive step toward the reform of our Criminal Code. I commend you for your approach, although I had hoped that you would hold new hearings on the sentencing provisions rather than report the draft to the full Committee on the Judiciary. Sentencing is among the most delicate of the areas to be revised and yet, it is a subject upon which much possibility for consensus exists, since many believe some form of structuring of judicial sentencing is needed.

Your bill is an important beginning, and we are all in your debt for your thoughtful and deliberate work.

Sincerely,

HAROLD NORRIS,
Professor, Detroit College of Law.●

DIGESTIVE DISEASES INFORMATION CENTER

HON. TIM LEE CARTER

OF KENTUCKY

IN THE HOUSE OF REPRESENTATIVES

Thursday, August 17, 1978

● Mr. CARTER. Mr. Speaker, I call to the attention of my colleagues the fact that a new, philanthropically supported, information center has been established to bring to the attention of the American public facts about digestive diseases: Opportunities for cure and care, as well as for prevention; opportunities for improvement in public and professional education; and opportunities for new areas of biomedical research. It will be known as the Digestive Diseases Information Center, and will be located at 6410 Rockledge Drive, No. 208, Bethesda, Md. 20034. The president of the center will be Fred

Kern, Jr., M.D., professor of medicine and head of the division of gastroenterology at the University of Colorado Medical Center.

I believe that such a program is necessary now. Too little information has been given to the public in the past; too little research has been supported; too little concern has been shown for the sufferers of these diseases.

On March 2 of this year, in my testimony before the National Commission on Digestive Diseases (which, by the way, was created through legislation I coauthored and supported). I said that the Commission had a unique opportunity to help shape the future direction and organization of our national resources for digestive diseases.

At that time, I testified that one out of every nine Americans is affected by chronic or recurrent digestive diseases—in other words, over 18 million Americans have such a condition. Digestive diseases are the second most frequent cause of visits to physicians.

The list of serious problems of digestive diseases could go on and on, but I would like to indicate a few here, because my colleagues might not be aware of them:

Digestive diseases account for one of every 10 deaths in the United States; if deaths due to cancerous tumors of the digestive system are included, digestive disease ranks as the third most common cause of death in the United States.

One of every three surgical procedures is performed for a digestive disease.

One of every six men who miss work do so because of a digestive disease complaint. Digestive disease is the second ranking cause of disability among workers in the United States.

Over 2 million people have digestive disease problems affecting their capacity to work; of these 2 million, almost 25 percent are totally disabled.

Ten percent of all personal health expenditures are for digestive diseases-related problems.

In 1973, annual economic loss from digestive diseases was calculated at $16.5 billion. That was over 10 percent of the annual economic cost from all diseases.

Digestive disease is the leading reason for hospitalization of people aged 45 to 64, and the second ranking reason at other ages.

These are not simply assertions of facts—they are facts, supported by data supplied by the National Center for Health Statistics of the Public Health Service. Recently, in a study published by the Institute of Medicine of the National Academy of Sciences reporting on the "Current Burden of Illness in the United States," Rice, Feldman, and White reported that in terms of direct economic costs of illness, digestive diseases represented 14.7 percent of the total, with only one category of illness being higher, that of the diseases of the circulatory system.

Of course, persons in rural areas suffer these diseases as well as those in urban areas; however, it is likely in most cases that their care will be poorer, because of the lack of medical facilities and personnel, as well as the lack of continuing education for those who deliver care.

Mr. Speaker, the new Digestive Diseases Information Center has laid out an ambitious program for itself, including publications of factsheets on the diseases, newsletters, a campaign to educate science writers, a campaign for professional and lay education, and the placement of articles about digestive diseases in national magazines, labor, and industry publications. The Center also hopes to involve radio and television.

It is my understanding that the Center will rely upon private, not Government funding for its work, and although it will not become a voluntary health organization in the sense of seeking members, establishing chapters around the country, and developing broad-based fund drives, it will support and enhance the work of those voluntary groups already in the field. This kind of effort to support like-minded groups, and to coordinate efforts, is to be strongly commended. I wish the Center great success.

Finally, Mr. Speaker, I want to indicate my support for the Natinal Digestive Disease Commission. Ever since the legislation to initiate the Commission was passed 18 months ago, a dedicated band of more than 25 outstanding individuals have worked hard, traveling at considerable inconvenience in effort and time to all geographic areas of the Nation, to learn of the experiences, information and insights of patients, researchers, physicians, nurses, and many others. These commissioners have worked hard, and soon will send the Congress a full report on their findings and recommendations. I am looking forward to receiving them.●

CONGRESSMAN DRINAN'S 25TH ANNIVERSARY IN PRIESTHOOD

HON. MICHAEL HARRINGTON

OF MASSACHUSETTS

IN THE HOUSE OF REPRESENTATIVES

Thursday, August 17, 1978

● Mr. HARRINGTON. Mr. Speaker, my irrepressible colleague from Massachusetts (Mr. DRINAN) has celebrated an anniversary recently which ought to be cause for some celebration in our delegation. We have known for quite some time of BOB's longstanding liaison with all causes liberal and humane. And there has been always assumed a "meaningful relationship" between BOB and the Law, with a capital L. It is also no secret among the well connected in Massachusetts circles that BOB DRINAN has turned what was once an occasional filing with partisan politics into a living arrangement which we all hope will continue for many years. But the anniversary I refer to today, Mr. Speaker, is a celebration which gives shape and coherence to all of these various indiscretions. We celebrate this year, in celebrating BOB DRINAN's 25th anniversary of entering the priesthood, the fact that for the past 25 years, he has been running in the black, which is a lot more than we can say for the rest of the U.S. Government.

Having now jeopardized my standing with the church, the Jesuit order, and St. John's Prep in Danvers, Mr. Speaker, I would like to bring to my colleagues' attention a tribute paid more deferentially to BOB DRINAN by William Leonard, a member of BOB's fellowship. I recommend it to my colleagues, and include it in the RECORD:

SERMON AT THE 25TH ANNIVERSARY CELEBRATION OF THE ORDINATION OF FR. ROBERT F. DRINAN, S.J.

Many of us remember vividly that sunny June day in 1953 whose silver anniversary we are observing today. The celebrant of the Mass was the same, though perceptibly younger. Dr. Frank, whose absence today is such a pull on our heartstrings, was here with Helen and Catherine. A legion of friends crowded the pews. The eloquence of the then-bishop of Worcester filled the church. And we all rejoiced and gave thanks to God for a new priest. The day was bright with gladness and immense promise. Was it all twenty-five years ago? As Pogo said, "They don't make years the way they did when I was a boy. In those days they made a year that would last." And what a quarter-century it has been; the age of Sputnik the age of Aquarius; the stormy sixties and the sorrowful seventies; Vietnam and Watergate; Vatican II, the "new morality," liturgical changes, resignation of priests, departure of nuns, closing of parochial schools . . . I am reminded of the story about the young English officer, just out of military academy, who was drilling his company for the first time near the cliffs of Dover. "Forward march!" he shouted, and the troops swung off. But then he couldn't remember any other commands. The company drew closer and closer to the edge of the cliff, and at last the sergeant spoke up: "Do say something, sir, if it's only to say goodbye."

And what have all of us been doing during these twenty-five years? Let me make an immense, sweeping simplification and put it this way: we have been trying to become converts. Under all the goings and comings, the growing up, the marrying, the rearing of children, the pursuit of a career, the coping with sorrow and loss, we have been trying, against the drag of the flesh and the perverse blindness of self-seeking, to realize how profoundly we are loved by our God and to respond adequately to that love. This is conversion; a turning away from the idols, a turning toward God.

If we were ever fully converts, what would we be? In the first place, we would be adult, mature disciples—not blown about by every word of doctrine, not riders of an emotional roller-coaster. We would be conscious of our consecration as the holy people of God, and unwavering in our loyalty to it. We would be enthusiastic, because of our conviction that our world has been loved and redeemed by God. We would be realistic, because we would have assessed accurately the forces arrayed against us, but optimistic, because of our confidence in the mercy and power of him who can bring good out of evil. We would be endlessly grateful for what we have been given: life, light, hope, love.

But, over and above this full humanity in a personal sense, we would—if we were wholly converted—be alert to the will of God for the coming of His kingdom. Solid centers ourselves, we would know we are called to go out, to give ourselves to others in love, to humanize the world and make life livable for our fellows. We would be men and women for others, bent on imitating our Master, Jesus Christ, who came to serve, not to be served. We would be striving not only to alleviate the misery and unhappiness of individuals in our immediate acquaintance, not only to resist the forces of injustice and oppression, but to reform the structures of our society which bring about and perpetuate injustice.

Where does the priest fit into all this? He must collaborate, like any Christian, in his own conversion. But his particular grace,

the grace of Holy Orders, is given not for himself but for others. He is to spend and be spent for the building up of community on the Earth. He is to lead the voices of men and women as they speak to God, but he must also make it possible as far as he can for them to speak to one another. He is called to be a bridge across which God will come to men and men will go to God, and across which, also, men can walk into one another's hearts. Painfully conscious of his own frailty and fallibility, an ordinary believer like anyone else, he must be sympathetic with doubts, uncertain about problems, modest in giving advice, and yet, as commissioned ambassador and courier, he must speak in the name of him who came to cast fire on the Earth; he must make us uncomfortable; he must dispense a new hunger, a new thirst. There are better things to be done than we are doing now for God and for our brothers and sisters.

And if unjust structures in our society are to be reformed, if the elderly, the destitute, the oppressed, the powerless are to have an advocate, where better than in the halls where the country's laws are framed, where public policy is debated and established? Fr. Drinan's proudest priestly title may be seen one day to have been not professor, not dean, not doctor of laws, but representative, a priestly office, indeed, as we know from the Letter to the Hebrews, a Christ-like office. When I examine the congressional committees and subcommittees on which he serves I find that their concerns are these: civil rights, the administration of justice, consumer affairs, environment, energy and long-term care of the aging. Are these not worthy concerns for one who would imitate natural resources, the housing, health, and in our day the Good Shepherd, the author of the parable of the Good Samaritan?

And when I look over the titles of his books and of the organizations in which he is active I find an absorption in kindred matters: the war in Vietnam, family law, the right to be educated, civil liberties, religion and the courts, bread for the world, retarded children, the rights of black people, and—this seems to me singularly appropriate in a disciple of the Jewish Christ—a profound dedication to the sufferings of Jews in Soviet Russia and to the struggle for survival of the tiny nation of Israel. I turn from a consideration of Fr. Drinan's preoccupations in the last twenty-five years to the document of the Second Vatican Council on the Church in the Modern World and I find an extraordinary consonance of ideals and objectives. I read over Father General Arrupe's exhortation to us Jesuits, asking us to become "men for others," and I find it a summary of Fr. Drinan's ministry, carried on with courage, hope, humor, inflexible purpose, and a store of energies that I can only envy.

A man I know was talking recently about a certain priest. "He's a good preacher," he said, "but he has a slight speech defect. He can't stop talking." Lest you put me in the same category, I shall conclude by telling two very short stories. The first concerns a letter I received from a good friend, a Protestant minister whose theology is Calvinist, at a time when I was experiencing a good deal of misunderstanding and opposition. After assuring me of his sympathy and giving me generous encouragement, he said, "Bill, never forget who is the true judge of men. I think Calvinists and Jesuits especially need to be told that."

I read recently that a priest's vocation is to seek the greatest possible making present of God in the world, and I was reminded of an incident that took place a few years ago, when I was visiting Georgetown University in Washington. It was Holy Thursday, and I went over to Dahlgren Chapel to join the community in the solemn liturgy of the day. We were all assembled, vested and waiting in the sacristy for the signal to begin when the door flew open and the Congressman representing the Fourth District of Massachusetts, fresh from the debates of the Congress and the business of his office, burst in, flung off his jacket, vested swiftly in alb and stole, and joined the line of priests now moving toward the altar. The next time I saw him he was helping to distribute Holy Communion. An unusual vocation? A unique vocation? Yes, but an unusual priest, even a unique priest. Today we give thanks both to God, who called, and to Fr. Drinan, who answered.●

THE CONVINCING CASE AND NEW INFORMATION ON WHY THE 1980 OLYMPIC GAMES SHOULD BE MOVED OUT OF THE SOVIET UNION

HON. JACK F. KEMP

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Thursday, August 17, 1978

● Mr. KEMP. Mr. Speaker, during the past year and a half, I have addressed the House on a number of occasions on what the Soviets have up their sleeves for the 1980 summer Olympic games now scheduled to be held there. But new information, reinforcing the points I have made, continues to come to me, much of it from the International Monitoring Committee, and I feel compelled to bring that new information to the attention of my colleagues. It strengthens the summary case against the event remaining in the Soviet Union.

The Soviet Union has forfeited its privilege of hosting the games. Examine the continuing violations of human rights in the Soviet Union, the indications that it intends to exclude the athletes of certain countries with which it has major political differences, its refusal to guarantee freedom of the press for coverage of the games, and the nature of its training of athletes, and you will have a convincing case for removing these games from the Soviet Union.

Let me elaborate on this case, both referring to my prior RECORD remarks for anyone wishing to research the matter further and bringing in new information.

HUMAN RIGHTS

There is little doubt but that the Soviets intend to forcefully clear out all of the "dissidents" from the geographical areas surrounding the location of the games' events: not just Moscow, but also Tallinn, Kiev, and Minsk. They intend to remove them not only for the period of the games but in advance of and immediately following, in order that athletes, spectators, camera crews, and correspondents will not be able to meet with or interview them.

"The Vigil," a publication of the Washington Committee for Soviet Jewry, has brought us new information on this point:

CLEANSING MOSCOW

For many months now, Soviet Jews have been telling us that they have information that the authorities intend to "cleanse" Moscow of all activists for Jewish emigration and dissidents so that no dissenters will be visible during the Moscow Olympics of 1980. Their predictions are becoming more and more plausible each day, as one by one leaders of the Jewish movement are sentenced to exile. The court case against two American reporters and an article in the newspaper criticising a third are further evidence that the Soviets are attempting to raise a smoke screen on information about refuseniks and dissidents emanating from the USSR, so that they will be free to perform their acts of tyranny in the darkness.

Vladimir Slepak, Ida Nudel and Josef Begun have been sentenced to five, four and three years exile, respectively. Slepak and Nudel were major factors in the transmittal of information regarding Soviet Jews to the West.

There are still those in Moscow who transmit information to the West, but the major figures cannot perform this function and the information, especially that which comes from the provinces and the Prisoners of Conscience, has already begun to taper off.

The Kremlin, beginning two years before the Olympic games, is attempting to divert the West from news of oppressive actions closer to the 1980 starting gun, to avoid adverse publicity then. They probably reason that no one will connect arrests of Soviet Jews and attacks on Western newsmen two years in advance of the 1980 Olympics. We must take seriously what the Soviet Jews have told us—their worst predictions are coming true. History has shown that the Kremlin acts in this way when foreign visitors are in their country. During the visits of President Nixon in 1972 and 1974, Soviet Jews were rounded up and put in prison for two weeks and, this past April, after visiting Congressmen met with Jews in Moscow and Leningrad, English speaking refuseniks were sent out of Kiev on work details to prevent them from meeting with the Congressmen.

Jim Gallagher, the Moscow correspondent for the Chicago Tribune, has also provided additional evidence of this in a very recent column:

[From the Chicago Tribune, July 27, 1978]

OLYMPICS' FIRST EVENT: CRACKDOWN ON DISSIDENTS

(By Jim Gallagher)

Moscow.—Orlov, Ginzburg, Shcharansky, Whitney, and Piper will not be competing in the 1980 Olympics here, but you can score them as casualties of the competition.

Western observers following the action from the sidelines say that Soviet concern about the image of the games was part of the motivation for recent moves against the five, three local dissidents and two American correspondents.

The Soviets are determined that the Olympics two years hence will reflect nothing but glory on this city and society. Well-organized games in a well-behaved city will lend credence to the Communist contention that a brave new world is being built here.

On the other hand, the worldwide attention attracted by the Olympics makes them a potential source of great embarrassment to the Soviets, who worry that dissidents will demonstrate for the TV cameras and that foreign journalists will file on all the shortcomings here.

In the view of some experienced and knowledgeable westerners here, the current campaign against human rights activists, as well as efforts to isolate and intimidate the foreign press, stem in no small way from a determination to keep the games from turning into a fiasco.

Yuri Orlov, Aleksander Ginzburg and Anatoly Shcharansky—members of the Helsinki watch group set up to monitor the denial of human rights in this country—were sentenced in the past weeks to long terms of prison and hard labor.

Their trials were the latest engagements in an 18-month crackdown on the dissident

movement, during which almost all of its leaders have been jailed, banished to Siberia, or stripped of their citizenship and exiled abroad.

There were several reasons for the crackdown: to curtail anti-Soviet criticism at last year's Belgrade conference on human rights, to show President Carter that his campaign on behalf of dissidents is counterproductive, and to throw a bone to the hardliners here while continuing to pursue a policy of detente.

Not least important, the observers maintain, was the desire to defuse the dissident movement well in advance of the 1980 competitions, thus allowing time for the bitterness to subside before the games get under way.

"There are still, people around who might stage protests in conjunction with the Olympics," one western diplomat said. "For example, there's a group of Jewish women whose families have been denied permission to emigrate to Israel and who have become somewhat militant in the last six months or so.

"And there are some nationalist extremists, such as in Georgia, who could conceivably use the occasion as an excuse for violence. But by and large the leadership here was saved itself a big headache by sweeping the dissident under the rug at this time. My guess is that by 1980 the whole furor will be forgotten."

The Soviets are also concerned about the hundreds of newsmen who will visit Moscow during the Olympics, a prospect that many officials here must find appalling.

Based on what they know about their own newsmen sent abroad, they fully expect that the Olympic press corps will consist largely of propagandists and provocateurs.

To make matters worse, the hectic atmosphere of the games will make it impossible to impose on the visiting newsmen anything like the scrutiny and supervision that full-time correspondents here must put up with all the time.

Thus, the possibility that, in between the high hurdles and the platform dives, journalists will be interviewing the few dissidents remaining at large (such as Nobel Peace Prize winner Andrei Sakharov), snooping into the realities of life here, and writing stories about the backwardness of Soviet society.

No doubt the Soviets are searching for some way to put a leash on all this enterprise. The slander suit against Whitney and Piper should be seen in this context.

Craig Whitney of the New York Times and Hal Piper of the Baltimore Sun were found guilty of civil slander for reporting that friends and relatives of a Georgian dissident doubted the authenticity of his televised confession admitting anti-Soviet conduct.

The two Americans refused to take part in the proceedings, arguing that the results were a foregone conclusion and the real intent of the litigation was to make other foreign newsmen here reluctant to cover dissident stories and thereby risk court action.

U.S. Ambassador Malcolm Toon said the "principal motive" of the suit was "to get the message across to you people (American journalists) that unless you confine your quotations to statements made by Soviet officials, you run a serious risk of being tried for libel and slander."

Eventually the court ordered Whitney and Piper to publish retractions, but both they and their newspapers have flatly stated that the order will not be complied with.

"Sure the Soviets want to limit the contract of the full-time press corps with dissidents and the like," a knowledgeable American living in Moscow said. "But at the same time they're sending a message to all those reporters who will drop in for a few weeks during the Olympics. 'Want to get out without any trouble? Then stick to sports.'

"The regular reporters here may shrug off the suit as just the latest attempt to intimidate western newsmen. But don't you think this will have a chilling effect on the sports writers and other one-time hotshots who will be here in 1980?"

We know what is in the mind of the Soviet leadership with respect to human rights. We know that from the recent "kangaroo court" trials and sentencing of Anatoly Shcharansky and Alekrandr Ginzburg and of other brave men and women seeking to assure Soviet compliance with the terms of the Helsinki agreements which it signed and to which it bound itself. And we know that in light of what the Soviets must have known would be the impact upon consideration of the Olympic games. (July 10, 1978, 20029; July 17, 1978, 21243–4; July 21, 1978, 22247.)

REFUSAL TO GUARANTEE FREEDOM OF THE PRESS FOR COVERAGE OF THE GAMES

There can be no doubt but that the Soviets do not intend to guarantee freedom of the press for coverage of the games. There is much evidence on this point.

The Soviets are trying to rewrite the Olympic rules governing the admission and activities of news correspondents, in order to permit them to thereafter exclude in conformity with those rewritten rules, "hostile reporters and newspapers, radio and television stations that are established to destroy the spirit of peace and friendship between the people and the principles of the Olympic movement." That is a direct quote from the "Daily World," the official organ of the Communist Party of the United States, referring to an action of the Soviet Olympic Committee. (July 10, 1978, 20029.)

The Soviets want to exclude Radio Free Europe and Radio Liberty specifically. But it goes beyond those two. Such a precedent could be used against anyone who writes or otherwise reports unfavorably about Soviet training, or the conditions under which reporters covering the events must function—such as writing or reporting about the lack of freedom and restraints on human rights, or even any poor Soviet performance in the game.

We also know that the Soviet Ambassador to the United States, Anatoly F. Dobrynin, at a recent news conference here, refused to give assurances of freedom of the press during the games coverage. (July 10, 1978, 20029.)

We know also of the recent trials in Moscow of 2 American newspaper correspondents, and we know of the growing harrassment of foreign business representatives, diplomats, and newspersons in general.

These matters and their relevance to the Olympic games have not escaped the attention of the world's press, as this June 29 editorial from the Washington Post illustrates:

SPIRAL OF SHIN-KICKING

We are angered as journalists and troubled as citizens by the Soviet Union's apparently unprecedented decision to bring civil slander charges against two American correspondents in Moscow—for reporting they had been told that a dissident's televised "confession" to a charge of anti-Soviet agitation had been falsified. It is an escalation in kind of the "normal" intimidation practiced on the foreign press. It represents an evident effort at censorship. It is a plain violation of the Soviet government's Helsinki pledge to permit journalists to do their professional work. Further, it substantially adds to the queasiness many people feel over Moscow's hosting of the 1980 Olympics. Just what controls do the Russians plan to impose on the Olympic press?

That is, unfortunately, not all. When the United States last month arrested and held on high bail two Soviet spy suspects (rather than simply expelling them in the usual manner), the Kremlin tersely stated that "two can play at this game" and locked up an American businessman in Moscow. Quiet diplomacy has since gotten all three of these men out of jail, perhaps as prelude to a swap that, however distasteful from a legal standpoint, has a certain political rationale. Just as American officials were hoping that this upward spiral of shin-kicking had been halted, however, the suits were filed against the correspondents of the Baltimore Sun and The New York Times. Between the announcement of the suits on Tuesday and the actual bringing of them Wednesday, Secretary of State Cyrus Vance raised the matter with the Soviet ambassador. The Soviet government nontheless chose to proceed.

Protests are important but, we fear, inadequate. Timely reciprocal action to protect the integrity of the American news-gathering process in Mocow is called for. There should be no action taken against Soviet correspondents for what they write: That is not the American way and, anyway, the American judicial system does not lend itself to the Soviet sort of political manipulation. But retaliatory action should be taken to restrict the ability of Soviet journalists in Washington to do their professional work. For journalistic and other reasons, Moscow values the license to rub shoulders and roam that its correspondents enjoy amply here. While the specter of judicial intimidation hovers over American journalists in the Soviet Union, that license for Soviet press representatives in America should be abridged.

SOVIET POLITICIZATION OF THE OLYMPIC GAMES

The attempted politicization of the 1980 Summer Games by the Soviet Union was predictable. Why the International Olympic Committee did not face that reality at the time of its decision is beyond me, for they cannot be totally blind to Soviet actions over the past six decades.

This politicization has been most obvious in a combined Soviet and certain Third World countries campaign to exclude the athletes of certain countries, most notably Israel, from participation. The targeted countries, which cannot come as a surprise either, are those with whom Moscow and those Third World capitals have had the most intense political, philosophical, differences.

This attempt is now indirect, but unless it is checked it will be direct when the Olympics are actually held. The indirect campaign's shape is one of trying to make those targeted countries ineligible for participation in Moscow under existing or rewritten Olympics rules.

Israel could be vulnerable to an ineligibility because it belongs to only a few of the winter sporting events. (A country must belong to no less than five to be eligible.) And attempts have already been made to exclude Israel from the European and Asian regional games and

from the soccer, basketball, yachting, chess events. The New York Times, as recently (July 1, 1977, 22083; August 2, 1977, 26222–3; September 14, 1977, 29206–7.) The New York Times, as recently as June 7, carried an article about Israel being excluded from participation in the forthcoming Eighth Asian Winter Games. (July 10, 1978, 20029.)

When the athletes from throughout the world are arriving in the Soviet Union in the summer of 1980, the Soviets—either on their own motion or through their Third World surrogates—could move to deny Israel's admission on the grounds of "racism," equating Zionism with racism, as they have tried to do already, and could try to enforce that, knowing that it would be too late for the other countries to do anything less drastic than completely withdrawing in protest. This is what happened to the Republic of China at the last minute in 1976 in Montreal, and the World reaction and national withdrawals in protest never came. (August 2, 1977, 26222.)

SOVIET TRAINING

The founders of the modern games wanted individual athletes to compete against individual athletes, not countries against countries. The games were intended to transcend traditional national rivalries, to give athletes irrespective of nationality or persuasion, that guaranteed right to participate. Implicit in this was participation on equal ground.

The Soviets do not believe in training according to this spirit. Soviet athletes are subsidized. They receive benefits, luxurious according to Soviet standards, which others do not receive. They are not only trained in sports but they are indoctrinated in politics. If they succeed, they are national heroes; if they fail, they are disgraced and their "perks" taken away. All of this happens under the watchful eye of the First Chief Directorate and the Second Chief Directorate of the KGB, responsible for foreign and internal operations, respectively.

Anvone having any doubts about the realities of Soviet training should read the Jack Anderson and Les Whitten column in the RECORD of July 10, 1978, pages 20028–9.

THE PROPAGANDA BONANZA

The Soviets intend to use the Olympics, in violation of the spirit in which these games are supposed to be held, for a propaganda blitz the likes of which have not been intended in amateur sports since the 1936 Olympics in Nazi Germany. I have addressed myself to this important parallel between the 1936 games in Germanv and the 1980 games in Moscow. (April 21, 1977, 11612; July 1, 1977, 22092; July 21, 1978, 22248; August 2, 1978, 24047–8.)

The Soviets intend to use the games for the maximum political benefit of the Soviet Union and the maximum ideological benefit of Marxism-Lenninism.

How will that be facilitated, beyond the Soviet athletes?

NBC's $72-plus million contract with the Soviets for television rights for the coverage contains provisions for the showing in America of approximately 15 Soviet-produced, 1-hour television spots, through LBA Associates, the company of Lothar Bock, a West German publicist who handles pro-Soviet public relations in the West. NBC will also show Soviet produced vignettes, of half-a-minute to 1 minute, during the actual coverage of the games, vignettes showing smiling athletes, happy villagers and dancing school children. We cannot expect to see examples of Soviet failures, their crimes against humanity, violations of human rights, the massive weapons buildup or evidence of their aggressive international policies (April 21, 1977, 11612; April 29, 1977, 12892–3).

GROWING WORLDWIDE REACTION

Because the Soviets have been so blatant, their actions have aroused worldwide indignation.

The International Monitoring Committee for the 1980 Olympics, under the direction of Irene Manekofsky, Ernie Shalowitz, and Irv Losman, has now organized in the United States, France, England, Canada, Holland, and Israel. They are gathering signatures on a worldwide basis for moving the Olympics, preferrably to Montreal where there are adequate and new facilities. (August 2, 1978, 24047.)

AFL-CIO president, George Meany, has refused to serve again as the honorary chairman of the U.S. Olympic Committee for labor (July 21, 1978, 22247–8).

The Valley Forge Roadrunners Association, a chapter of a nationwide joggers association, has even run a relay from Valley Forge, a symbol of freedom throughout the world, to Washington in support of removing the games.

Editorial comment in the world's most influential papers has been clearly in opposition to the Soviets politicizing the event and any refusals of admission of countries, athletes, or newspersons.

Much has happened in Congress too. My colleague from Massachusetts (Mr. DRINAN) has introduced a resolution calling for a boycott of the games, a point to which I will return. My colleague from New York (Mr. GREEN) has forwarded two letters cosigned by a bipartisan group of House Members to Olympic officials, requesting the 1980 games be moved out of the Soviet Union. My colleague from Colorado (Ms. SCHROEDER) has helped organize staff meetings with leaders in this struggle. I have introduced sense of Congress legislation, now cosponsored by 32 colleagues, to move the games from the Soviet Union.

BOYCOTT OR REMOVAL

I wish to close my remarks today on this point of Congress most appropriate—and effective—response to this problem. Which is preferable: a boycott or a removal? I have several thoughts.

First, there are alternative sites to Moscow.

Second, there is still time to do this.

Third, a boycott would hurt our outstanding athletes, because while they might voluntarily remove themselves from the games, athletes of other countries probably would not.

Fourth, a boycott is an event which happens at the time of the event, and is subject to all the last minute confusion and reluctance (July 21, 1978, 22247).●

THE SACCHARIN CONTROVERSY

HON. CLAUDE PEPPER

OF FLORIDA

IN THE HOUSE OF REPRESENTATIVES

Thursday, August 17, 1978

● Mr. PEPPER. Mr. Speaker, as chairman of the House Select Committee on Aging I have followed the saccharin controversy with some concern. I pointed out at the outset of public debate on this issue that the elderly would be sorely affected by a proposed ban on saccharin, particularly those who suffer from diabetes and other chronic illness in which weight control is a necessary element.

When Congress, in its wisdom, adopted legislation imposing an 18-month moratorium on a proposed Food and Drug Administration ban, I felt that the bill would provide an opportunity for further study and would prevent hasty regulatory action based upon only preliminary information and suspicion.

During the past year evidence has mounted which demonstrates that the benefits of saccharin outweigh the risk. In particular, two recent scientific reports have added confirmation to this view. One was the epidemiological study by Drs. Irving I. Kessler and J. Page Clark, which appeared in the Journal of the American Medical Association. In this study, hospital bladder cancer patients were compared with a control group. The conclusion of the researchers was that—

> Neither saccharin nor cyclamate is likely to be carcinogenic in man, at least at the moderate dietary ingestion levels reported by the patient sample.

Of special significance was a 700-page study done by FDA's own scientist. Dr. Morris Cranmer, director of the National Center for Toxicological Research, reviewed results of 19 animal studies of saccharin as well as 36 human studies from around the world and said:

> The cancer risk of the carbohydrates that saccharin replaces are several hundred times greater than the cancer risk from saccharin.

Prior to the release of these studies, we learned that the prestigious British medical journal, the Lancet, had also reviewed the Canadian rat studies which prompted the FDA to consider a saccharin ban. Lancet said the meaning of the tests was "unclear," and that the case against saccharin is "unimpressive." Similarly, the Swiss Association for Nutrition declared that fear of saccharin carcinogenicity was "not justified" and a report by Dr. D. Schmahl of the German Cancer Research Institute indicated that even diabetics who use saccharin lifelong have no reason to believe that cancer will develop as a result of their saccharin consumption.

FDA Commissioner Donald Kennedy, who once said that it is "virtually certain that saccharin is a human carcinogen" has not, to my knowledge, publicly commented on any of the foregoing studies which tend to run counter to his earlier views. Of course, the machinery set in motion by the saccharin moratorium bill

continues to produce more information. A $1.4 million epidemiological study is being carried out by the National Cancer Institute and the Committee for a Study on Saccharin and Food Safety Policy of the National Academy of Science has invited all interested parties to present their views on subjects relevant to food safety policy at an open meeting to be held here September 7. The information gathered here, and at a previous NAS meeting on saccharin held June 19, will lead to a report to Congress from the investigating NAS committee. I am confident that the accumulated data will lead to a wiser regulatory policy.

Mr. Speaker, the public—which produced quite an outcry at the start of the saccharin ban debate—has fortunately been able to learn of the scientific studies which contradict the original FDA viewpoint. Through articles like the one written by columnist Richard Spong, which appeared in the August 5 Miami Herald, people have been able to read about the opposing views of credentialed scientists and thus become better informed. Therefore, I ask that the article by Mr. Spong appear in the RECORD following my remarks:

[From the Miami Herald, Aug. 5, 1978]

COUNTERATTACK AGAINST "CARCINOGENS"

(By Richard Spong)

It was Alexander Woollcott, if memory serves, who once mourned that everything he enjoyed was "illegal, immoral, or fattening." If the pudgy Town Crier were with us today he would have to amend that to "unconstitutional, unlicensed, or carcinogenic."

First they made us cut down on sugar and salt and tobacco. Then they banned our hair and deodorant sprays, and warned us that there could be arsenic in our toothpaste. They told us to throw away the children's nighties and made us patronize a speakeasy delicatessen if we wanted rare roast beef. They took away the meat tenderizer and told us not to fry our hamburgers in a pan or broil them over charcoal. Having scared the Old Ned out of us about sugar they tried to take away our artificial sweeteners. They swiped our Red Dye No. 2 and warned us not to stay too long in the noonday sun. They tried to sanitize our ice cream—we lucked out on that one—and to take the nitrites out of our bacon, and on that the jury is still out.

A good deal of this they did because some rats up in Canada got bladder tumors. Even though, as *Science* magazine observed in the midst of the saccharin controversy: "Many scientists point out that when it comes to bladders, rats are a special breed."

Well, by a nice coincidence, "they"—meaning mainly the U.S. Food and Drug Administration but also all the other do-gooders who have been sticking their long noses into practically everything most of us get a kick out of—are about to be challenged on two fronts.

First came a series of impressive reports that indicate that saccharin in diet drinks might in fact be less dangerous to your life expectancy than excess weight. Back in February, Dr. Bernard Cohen of the University of Pittsburgh suggested that whereas one diet drink daily for life might reduce life expectancy by two days, a 45-year-old male who was 20 pounds overweight might be cutting a full year and a half off his normal life span.

Then last month one of FDA's own, Morris Cranmer, director of the FDA's National Center for Toxological Research, said in a report to Commissioner Donald Kennedy that the use of saccharin might actually—in some cases—tend to reduce the expectancy of cancer. "Chronic caloric restriction inhibits the formation of many types of tumors," Cranmer wrote, "decreasing the incidence and delaying the time at which tumors appear."

And just the other day Dr. Irving Kessler of the University of Maryland School of Medicine reported in the Journal of the American Medical Association on an interesting study made on more than 1,000 hospital patients in the Baltimore area. "Our findings suggest that ingestion of NNS (nonnutritive sweetener), at least at the moderate levels reported by the patient sample," wrote Dr. Kessler, "is not associated with an increased risk of bladder cancer. It is concluded that neither saccharin nor cyclamate is likely to be carcinogenic in man."

Add the three reports up and they seem to be saying: 1) Saccharin users are likely to live longer than fat people; 2) Saccharin users are less likely to get tumors than are fat people, and 3) Saccharin and cyclamates in modest amounts probably don't cause cancer in man, anyway.

Comes now Dr. Elizabeth Whelan, Harvard School of Public Health graduate and researcher and her newly founded American Council on Science and Health. Mrs. Whelan says her outfit will provide a "voice of reason" when it comes to chemicals and food. She makes no bones about opposing Ralph Nader's Health Research Group, which, says Mrs. Whelan "has had a monopoly on the ear of the press on health issues" and has "given a biased representation on chemicals and human health."

"Anybody who says saccharin is injurious is an idiot," Teddy Roosevelt declared back in 1907. A good many congressmen and 80 per cent of the American people—according to one food-industry poll—think T.R. was absolutely right.

One of my less dedicated chums has suggested that this whole cancer kick would fade away like an old soldier if somebody would come up with a study implying that newsprint was carcinogenic. Which somebody probably will. ●

BALANCE(S) OF POWER SERIES BOOK III E—SUB-SAHARAN AFRICA

HON. JOHN B. BRECKINRIDGE

OF KENTUCKY

IN THE HOUSE OF REPRESENTATIVES

Thursday, August 17, 1978

● Mr. BRECKINRIDGE. Mr. Speaker, in my last selection dealing with the military balance in regional perspective, the problems posed in the Horn of Africa were viewed in the context of Soviet strategic objectives in Africa as a whole. Today's article views the military balance interior to the Horn from the national perspective of Kenya.

The article, "The Military Balance in East Africa: A Kenyan View," shows trends of military buildup and increasing prospects for confrontation among the nations of diverse ideological, political and economic persuasions in sub-Saharan Africa.

The author, Maj. J. R. Kibwana, of the Kenyan Navy, conveys the concerns which we Americans must share in recognition of the need to defend ourselves and our allies against unpredictable military exploitation of turmoil in this developing area of the world.

This article, which first appeared in the fall 1977 Naval War College Review, follows:

THE MILITARY BALANCE IN EAST AFRICA: A KENYAN VIEW

(By Maj. J. R. Kibwana, Kenya Navy)

The past 5 years have seen a dramatic increase in the level of military buildup in the East African states of Somalia, Ethiopia, Sudan, Uganda, Tanzania and Kenya—a development that has, in certain cases, led to an extravagant diversion of very scarce human and financial resources. To understand this shift from that postulated by a great many African statesman during those palmy days in the early independence period, when any military expenditure was viewed with great abhorrence, a brief overview of the history of the relevant armed forces is appropriate.

With the exception of the Tanzania military forces, which were rebuilt completely from scratch after the 1964 mutiny, and the Ethiopian forces, the rest of the East African Armed Forces were a legacy of the colonial regimes. They were essentially police instruments geared to internal security roles and frontier defense, external security having been the responsibility of the colonial power. As could be expected, therefore, the size, composition and doctrine of these forces were unimpressive, to say the least. Ill-formed and incipient, they had scant capacity to project military power effectively to their own borders, let alone sustain operations beyond them.

This, then, was the situation with regard to the military forces of the newly independent states of Somalia, Sudan, Uganda, Tanzania and Kenya in the early 1960's. Lacking an industrial base with which to support themselves and hampered by financial and technological constraints, these institutions depend almost entirely on the former metropoles for military equipment, logistics, training and certain specialized supporting services. The overall effect of this continued dependence on the excolonial power was stultifying in most cases, since any planned expansion or modernization of these forces was subtly tempered by the former metropoles' own perception of the military requirements of that particular country vis-a-vis their own political economic or overall global strategic interests.

Little or no opposition over this overt limitation of arms supplies to their countries was voiced by the respective political leaderships. This was hardly surprising, considering that at this time civil-military relations were not particularly happy. An authoritarian military regime was in power in the Sudan; short-lived abortive military coups d'etat had erupted in December 1960 in Ethiopia in December 1961 in Somalia, and there had been the Tanzanian, Ugandan and Kenyan mutinies of January 1964.

Against this background, the notion of any military expansion was viewed with great hostility and in certain extreme cases even the abolition of the armed forces was advocated.[1] Several other factors were also contributory to this continuing relationship with the former metropoles:

A general ignorance, albeit excusable, among African politicans (who had successfully followed the advice to seek first the political kingdom) not only of the function of the armed forces, but even in the vaguest terms, of their equipment, organization and capabilities.

The external threat to national independence was viewed not so much in military

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Footnotes at end of article.

terms as in politicoeconomic terms—the neo-imperialist threat.

The benefits of standardization accruing from a single source of supply of military hardware in terms of costs in maintenance and training.

Up to the beginning of the 1970's, the external political relations within East Africa were more or less stable. There had been general public acceptance of the three principles of coexistence. That no consideration—historical, geographical or ethnic, could permit any African State to claim sovereignty over another, or part of its territory; that colonial boundaries were fixed, and that self-determination was the only criterion for any change. This doctrine had been embodied in the Charter of the Organization of African Unity (OAU) enjoining all signatories to respect "the sovereignty and territorial integrity of each member state and for its inalienable right to independent existence." [2]

However, the early 1970's heralded in almost all these countries difficulties of varying severity in the political, administrative and economic spheres, some of which were influenced by external forces and others arose from pressures of rapid development on weak economies.

The facade of African unity and coexistence began, therefore, to show signs of cracks as each country began to reexamine its national interests vis-a-vis regional considerations. Differences stemming from dormant ideological convictions or unsatisfactorily defined borders now manifested themselves by giving rise to growing hostilities between individual countries. These difficulties sometimes culminated in the sort of border skirmishes that occurred between Ethiopia and Somalia.

The situation was further exacerbated by internal upheavals and subversion by political, ethnic or occasionally religious minorities, often supported from outside. In this regard, Kenya had to contend with the "Shiftra" [3] insurgents supported by Somalia, while Ethiopia had the problem of the Eritrean separatist movement and the Sudan experienced a major rebellion by the Christian minority in the south. All these problems brought into sharp focus the need for military self-sufficiency at the national level in these affected countries.

Other factors that led to a great deal of attention being paid to the military establishment were:

The painful realization of the African countries of their inability to participate effectively in major strategic military questions affecting the continent and more specifically the liberation of Southern Africa. This was particularly true of Tanzania, which had to face harassment and intrusion at here southern border by Portuguese forces in Mozambique.

Pressure from the military elite, as in the case of Sudan, Somalia and Uganda, which had military governments. It is a peculiar phenomenon of the military governments to expand their armed forces independently of external threats. A study of military expenditures of these countries over the period immediately preceding a coup d'état bears this fact out.[4] With these regimes, the flourish of jet aircraft, the rumble of heavy tanks, artillery, etc., were sure symbols of power and authority.

With the initial goodwill of coexistence now eroded and the restraining influence of the ex-metropoles severed, all of these neighboring countries sought to improve their military capabilities according to their own perception of national security issues. More often than not, however, the relative sizes of their armed forces and their defense budgets indicated the importance placed by individual governments on the role of military power in their relationships with neighbors.

It should be noted here that even prior to this situation, the then level of military expenditures was a burden that these countries could ill-afford. Indeed, the subsequent military expansion would not have been possible without the assistance of foreign powers in the provision of military hardware as grant aid or on easy credit terms. Such arms transactions were, in most cases, out of all proportion to the defense needs of the recipient states and, in fact, tended to perpetuate the vicious circle of an arms "walk" in the region.

For instance, the U.S. aid to Ethiopia during the 1960's and early 1970's had a perceptible influence on Somalia's acceptance of military assistance from the Soviet Union (amounting to about U.S. $32 million) and the subsequent Soviet military presence in that area.[5] On the other hand, this sharp increase in Somalia's military strength was itself viewed by Kenya as a real threat to her national security, necessitating a reassessment of her own defense forces.

Kenya's Armed Forces policy in the first decade of independence was directed towards fashioning a cohesive and balanced military force commensurate with the perceived needs and priorities of the new nation. It was according to the government's defense policy, "not considered necessary to build up massive and unnecessarily large armed forces which would be an extravagant and wasteful drain on the country's scarce economic resources."

In pursuance of this policy, the armed forces were kept at a low level, consisting of a 7,500-man army, an 800-man air force and a small 350-man navy.[7] In comparison with her neighbors, this was modest, both in terms of numerical strength and in terms of military expenditure which remained in the area of 1–2 percent of the Gross National Product.

However, as could be expected, Kenya could not remain unresponsive in the light of an escalation of arms by her neighbors, made possible by assistance on a lavish scale from the Soviet Union and the People's Republic of China. A brief overview of the military situation in these countries is given to illustrate Kenya's security problem at this time relative to the countries with which she shares her lengthy and permeable borders:

SOMALIA

Since its formation in 1960, the Somali National Army has expanded from 5,000 to a formidable well-armed force of 23,000 men in 1975.[8] For a country with a population of only 3,150,000, the size of the force is quite out of proportion to its defensive needs. This situation is viewed with extreme suspicion by Kenya, in view of Somalia's irredentist claim to the North Eastern province of Kenya, and one can only assume that the level of Somalia military preparedness is linked to its continued policy of settling the border issues in one way or another.

ETHIOPIA

Although the Ethiopian Armed Forces are relatively large (a total figure of 44,800 in 1975.[9]) they are not considered excessively large for a population of 27,430,000, with potential enemies at almost every point around her circumference. Indeed, it was Ethiopia's vulnerability to concerted action by the Eritrean Liberation Front and the Somali dissidents in the east, not to mention the hostile regime in the Sudan, that led to an extensive modernization of the armed forces with assistance in the form of equipment, financial credits, grants and training from the Western countries, principally the United States. Furthermore, the governments of Ethiopia and Kenya signed a mutual defense agreement in July 1963 as a result of this common threat.

Nevertheless, the relations (from Kenya's point of view) with the present turbulent military regime are uncertain, and the treaty may not be much of an assurance to Kenya in the future.

SUDAN

Although the Sudanese Armed Forces are formidable at 48,600 men for a population of 17,870,000 relations between Kenya and Sudan are amicable to the point where Kenya administers roughly 30,000 square miles of Sudanese territory under mutual agreement. The length of the common border is under 100 miles and the chances of conflict between these two countries are remote.

UGANDA

With the assumption of power by the military regime of General Idi Amin in 1971, the Ugandan Forces underwent a rapid expansion from 6,000 to the present level of 21,000 men.[11] The continuing instability in Uganda under the flamboyant leadership, often predisposed to military adventurism and bullyism,[12] has emerged as one of the more serious threats to Kenya's security. With the current relative imbalance in the arms level between these two countries, one would well visualize a situation where a limited armed conflict could ensue, perhaps as a result of an effort by the military regime to provide distraction from some severe internal crisis.

TANZANIA

The Tanzanian Armed Forces were completely rebuilt from scratch following the 1964 mutiny and have grown steadily through the years to the present level of 14,600, a modest size for a country of a population of 15,110,000.[13] Relations with Tanzania, once one of Kenya's closest associates, at the moment are cool, largely owing to diametrically opposed ideological philosophies, especially in the economic field. However, political and diplomatic agreements appear to be the future means of resolving conflicts between these two countries.

It is against this background of superior forces of her neighbors in a period of strained relations, that Kenya must examine her capabilities to offer credible deterrence. Even using the yardstick of effectiveness and numbers rather than the old yardstick of size and numbers of units as a measurement, Kenya's security appears to be wanting. It appears, for instance, that Somalia is the strongest naval power in East Africa, with Ethiopia second, Tanzania third and Kenya fourth. It seems prudent at this time for Kenya to pursue a modest expansion program of its armed forces and to acquire more advanced equipment to redress this imbalance. Indeed, it is desirable that this situation be addressed now rather than permitting it to develop to a point where the outcome of a possible conflict would be a humiliating and costly defeat.

The pattern of military development in East Africa to date indicates that the arms buildup will increase. Against this background must be viewed the increasing tendency to resort to force in civil conflicts, the emergence if violent military regimes and the impotence of the OAU in solving disputes. One other factor likely to assume a new dimension in the future is the commitment by OAU member states to a policy of confrontation in the liberation of South Africa.[14] The policy of the 1960's of not to "build up Armed Forces which are extravagant and a drain on the country's scarce resources" [15] becomes redundant. Rather, it should be accepted that the goals of economic development and social justice can only be expected where an atmosphere of security and stability exists. No price is too high for us where the preservation of the independence, liberty and freedom of the Kenyan people is concerned.

FOOTNOTES

[1] Dr. Julius K. Nyerere, *Observer*, 30 August 1964.

[2] Article III, Paragraph 3 of the Charter of the Organization of African Unity.

[3] Shiftra—a term meaning bandit, used to describe the dissident of Somali ethnic region who sought to break away from Kenya and join Somalia in the 1960's.

[4] U.S. Arms Control and Disarmament Agency, *World Military Expenditures* (Washington, D.C.: 1971), vp.

[5] M.J.V. Bell, *Military Assistance to Independent African States*, The Adelphi Papers, No. 15 (London: Institute for Strategic Studies, 1964), p. 14.

[6] Kenya, Ministry of Defense. *Ministry of Defense, Annual Report 1970–71*, p. 2.

[7] Irving Kaplan, et al., eds., *Area Handbook for Kenya*, 2nd ed. (Washington: American University. Foreign Area Studies, 1976), p. 399.

[8] *The Military Balance, 1975–1976* (London: International Institute for Strategic Studies, 1975), p. 43.

[9] *Ibid.*, p. 41.

[10] *Ibid.*, p. 37.

[11] *Ibid.*, p. 44.

[12] John Worrall, "Mounting Dangers for Latest U.S. 'Ally' in Africa," *U.S. News & World Report*, 2 August 1976, p. 49 .

[13] *Ibid.*, p. 44.

[14] OAU Doc. CM/Res. 271(XIX), July 1967.

[15] *Ministry of Defence Annual Report 1970–71.*●

JAMES GRANT BOLLING

HON. THOMAS P. O'NEILL, JR.

OF MASSACHUSETTS

IN THE HOUSE OF REPRESENTATIVES

Monday, August 14, 1978

● Mr. O'NEILL. Mr. Speaker, it is with great sadness that I join my colleagues in expressing my profound sympathy to DICK BOLLING for the loss of his beloved wife, James Grant Bolling.

"Jim" Bolling was a loyal and steadfast friend to me and my wife, Millie, for nearly two decades. The entire O'Neill family will greatly miss her.

I remember Jim as a woman of great warmth and dignity, with a heart filled with compassion and concern for all people. A superb individual, she possessed a marvelous and unique sense of humor, a rhetorical wit, a gifted and incisive mind, and astute political instincts that earned superlative points on everyone's poll. I have admired and loved Jim for the courage to stand up and be counted for her convictions and beliefs, and for her fearless outspokenness as an advocate of justice and that which is best for America.

I think it was highly fitting that the House of Representatives passed this week the extension of the equal rights amendment which, to those of us who knew and admired Jim Bolling, will be viewed as a memorial tribute to her efforts on behalf of women. No one devoted more natural talent, energy and resourcefulness to the causes in which she believed than Jim Bolling. To her way of thinking, right would always triumph—with some forceful assistance from its friends.

Jim and DICK BOLLING made a competent partnership, both in public and private: a partnership marked by mutual courage, intelligence, strength of character, moral fortitude, and indomitable spirits that never gave in to defeat. To Jim and DICK BOLLING defeats were only temporary setbacks that spurred them forward with renewed vigor and determination to meet a brighter and victorious tomorrow. Jim provided firm and resolute encouragement to her husband, and perhaps no other Member's spouse ever shared a greater sence of the agonies and the ecstacies that a public office holder experiences; no spouse ever followed the political and legislative process in greater detail than Jim Bolling; no spouse could perform with finer brilliance or effectiveness in political Washington than Jim Bolling; no other spouse had a better understanding of political pragmatism and realism than Jim Bolling; and no other spouse did more for congressional colleagues and their families than Jim Bolling.

Some of the Members of the House have described Jim Bolling as a member without portfolio. I would simply say that she was all of that and more—she was a parliamentarian without portfolio, a clerk, a sergeant at arms and, a chaplain without portfolio. She understood the "ins and outs" of a congressional office, recognized the role that the politics of personalities plays in determining the success or failure of legislation, and knew when and how to direct Members and staff to effect a particular legislative result.

Jim Bolling was as beautiful a human being as she was bright and talented. She was realistic, pragmatic, hard-nosed and, darned tough—no one could be more immovable if she believed in something based on principle and conviction. Yet she could be as soft as a kitten when someone needed her help and assistance, advice, or friendship. Whether that someone was a constituent, a staff employee, Congressman, Senator, or Presidential adviser, Jim Bolling responded immediately and compassionately as the caring and thoughtful person she was.

A confidante, adviser, consultant, and advocate, Jim Bolling truly was DICK BOLLING'S best friend. I know how deeply proud of Jim DICK was, and I realize how difficult her loss is to DICK.

I join my colleagues in honoring Jim Bolling's memory. My wife Millie and I extend sincerest sympathy to our good friend, DICK BOLLING, to his family, and to Jim's family for their deep and irreplaceable loss.●

PERSONAL EXPLANATION

HON. ROMANO L. MAZZOLI

OF KENTUCKY

IN THE HOUSE OF REPRESENTATIVES

Thursday, August 17, 1978

● Mr. MAZZOLI. Mr. Speaker, I was unavoidably absent for one rollcall on August 14, 1978.

Had I been present, I would have voted "no" on rollcall No. 234, the Young of Florida amendment to prohibit indirect aid to Vietnam.●

PRIVATE DEVELOPMENT IN THIRD WORLD COUNTRIES

HON. RICHARD NOLAN

OF MINNESOTA

IN THE HOUSE OF REPRESENTATIVES

Thursday, August 17, 1978

● Mr. NOLAN. Mr. Speaker, very often neither Members of the Congress nor the general public fully appreciate the continuing benefit resulting from wisely used private contributions to development in Third World countries. I would like to call the attention of my colleagues to a report of a very successful training project for rural youth still going on in Dahomey (formerly Benin) under financing by the American Freedom From Hunger Foundation.

Rural youth in some 200 clubs have been helped in getting their own agricultural enterprises started by this project, and are still being assisted as a result of a revolving fund created by loan repayments. When training can be linked with supply of simple tools and equipment, the training has a practical application. In this instance, a relatively small amount of money has been made to go a long way in rural development.

The project has been carried out on behalf of the American Freedom From Hunger Foundation by the Food and Agriculture Organization of the United Nations, working through its Freedom From Hunger Campaign Action for Development headquarters in Rome.

Mr. Speaker, I would like to quote from a letter from Mr. Herbert J. Waters, president of the Foundation, who has kindly called my attention to this project report:

As you will see from the progress report prepared by Mr. M. Archaimbault, the FAO expert who is supervising the project, an investment of $78,698 by the American Freedom from Hunger Foundation in 1972 to give agricultural training to rural youth in what was then Dahomey, is continuing to benefit rural youth in 200 clubs through creation of a rotating fund from which the young club members can borrow to purchase oxen, ploughs, harrows, and hand tools, paying back the loans out of subsequent crops. We like the concept of converting from on-time grants to the revolving loan fund, training young people in how to manage loans—as the report indicates, the young people themselves decided what to buy, how much to borrow, and how to repay it. The fact that these small agricultural loans were responsibly accepted by youth groups, who managed to avoid incurring debts beyond reasonable limits, is attested to by the fact that a balance of $22,378.55 is still available for relending in the revolving fund.

Mr. Speaker, I believe Mr. Waters and the American Freedom From Hunger Foundation deserve being commended for this project, one of many they have assisted with around the world.

I hope my colleagues will read the report from FAO describing the success of this project and that it may inspire

enough support for similar efforts among rural youth in other countries.

The report follows:

FOOD AND AGRICULTURE ORGANIZATION OF THE UNITED NATIONS

TRAINING PROJECT FOR RURAL YOUTH IN BENIN: TF/BEN.15(FH)

(Progress report on project by M. Archaimbault)

TF/BEN/15/FH. Phase II—Agricultural training for rural youth

Source of funds: American FFH Foundation.

Object of fund: To give agricultural training to rural youth in Benin.

Credit available: $78,698.

Interest accrued 1970–76: $11,145.

Total: $89,843.

Present state of account	Mar. 3, 1977	Available Dec. 31, 1977
Expenditure prior to Dec. 31, 1976	$62,331	
Code 4242.53.60 equipment	18,633	$14,123.84
Code 4242.53.70 leases	1,500	1,468.50
Code 4242.53.80 grants or bursaries	4,000	3,999.88
Code 4242.53.90 P.S.C., 14 percent	3,379	2,786.33
Subtotal 1977	27,512	22,378.55
Total	89,843	

BACKGROUND

This fund was requested by the project BEN/72/027 as a follow-up to the phase I fund which had made it possible to purchase the equipment needed for 200 Clubs over the period 1968–72. In his report to the Government of Dahomey (now Benin) in 1974, entitled "Agricultural Extension Work", the expert mentioned a number of achievements attributable to the FFH loans:

20 houses with tiled roofs.
27 brick houses still under construction.
140 sheds of straw or thatch.
25 wells.
17 cisterns or tanks.
18 grass-drying huts.
5 tobacco-drying huts.
28 3½-ton silos.
10 pigsties.
30 henhouses.
15 cowsheds.

A certain amount of equipment was also bought including vehicles, photographic apparatus, slide projectors, cassette recorders, etc.

It was because this fund had made it possible for the FAO expert's activity to achieve such success that the FFH was asked to seek support for a second phase.

In 1973–74 the Clubs were further improved by the purchase of tiles to replace the thatched roofs of their premises, of cement to lay floors which could be kept clean and hygienic or for erecting parpeng walls of reinforced soil, of netting for henhouses, of shelters for small animals and gardens, and of hand tools for field and garden work.

At the beginning of 1975, purchases with these loans came to a halt when the first Project Manager left, and for two years the fund was not used. In the meantime there was a change of government, and agricultural policy underwent a radical alteration. It was then decided that the balance left in the Fund should be used to form a rotating fund as a source of agricultural credit for rural youth.

There were two main reasons for this: 1) the first was to do away with the earlier policy of making free gifts on the grounds that young people ought in future to get whatever they need as easily as possible, but never gratis; 2) the second was more particularly to train young people in how to manage loans—that is to say, it was for the young people themselves to decide what to buy, how much to borrow, and how to repay it. Agricultural loans were readily and responsibly accepted by youth groups, who managed to avoid incurring debts beyond reasonable limits.

There was yet another point considered. Thanks to the rotating fund, the Government was gradually able to dispense with foreign aid, since repayments by earlier groups made it possible to grant loans to new groups in process of formation.

PRESENT SITUATION

On this premise, 40 oxen were bought along with the necessary ploughs, harrows, etc. Youth groups who wanted to work the land with animal traction then nominated a drover and an assistant drover to do a fifteen-day training course at an ox-driving centre which was also financed by FFH.

At the conclusion of this course, the two young men returned to their group with their couple of oxen, their cart and their plough. The group had to repay the initial outlay in five annual instalments, beginning after a delay of one year.

Just for the moment there are some administrative and financial difficulties which have to be overcome if the CARDER* agents are to receive their annual grants and to clear them with the rotating fund's bank account. It looks however as if this problem may now be solved with the creation of CNAC (Centre National d'Appui aux Clubs), since the director of this centre also handles the account.

All these procedures may appear somewhat lengthy and drawn out to western minds but it must be understood that Benin is still looking for a way outside the classic or traditional western patterns and that every innovation has to be discussed at great length before it can be applied.

SETTLEMENT OF RURAL YOUTH AT BANIKOARA

Thanks to a United Nations volunteer, two youth groups are now settling in methodically in such a way as to grasp the cost of an operation and its specific difficulties. These two groups of a dozen youths, full of vigour, are doing an excellent job in clearing the land and bringing it under cultivation by working full time on their joint holding and on their own farms.

They work a four-year rotation of crops on well defined pieces of land, with fertilizers and sowing in drills. They have a couple of oxen, a plough or harrow and a small cart. The oxen are kept in a cowshed of straw or thatch, and their manure is used in the garden.

At the present time, the young men are fitting up large henhouses for producing more eggs and also table birds which are rare in this region. They are proposing to improve the size of the birds by cross-breeding them with pedigree cocks introduced for the purpose.

SETTLEMENT OF RURAL YOUTH IN THE ATACORA

Five youth groups in the Atacora have also been equipped with oxen, carts and ploughs. These groups have been carefully selected and trained by the CARDER of Atacora; but it is still too early to form any final judgement on the settlement and whether it will in fact work. It would seem that the mobility of the extension agents which had strongly influenced the agricultural supervision of the rural youth is now at last becoming more stable.

It would nonetheless be advisable to make full allowance for the tastes and aspirations of the basic trainers; some have considerable talent for training rural youth and quickly establish a relationship with them, but others are more interested in other aspects of agriculture.

Young people respond very quickly towards anyone who will lend a patient and sympathetic ear to their problems. They are quick to carry out any work programme which is clearly explained to them, especially if the results show their elders that they are now reliable and credible members of the village community, able to take a full and intelligent part in its councils and affairs, and are no longer irresponsible children.

The roles of the basic trainer and of the delegate to rural youth are therefore of crucial importance for the success or failure of a group of rural youth. It would be a very good thing if during their first year on the job these men could be given a good supplementary course in teaching methods, so as to be able to discharge their functions among the young people more satisfactorily in and after their second year.

The UNDP/FAO project, with the support of the FFH project, should see to it that this teacher training can be found a place among all the other activities of the Centre National d'Appui aux Clubs (C.N.A.C.) and of the Centre Régional d'Appui aux Clubs which is to be established at Natitingou.

RESETTLEMENT OF YOUNG PEOPLE OF THE AYOU CLUB

In accordance with the government's instructions, the young members of the Ayou pilot club, who had been established individually, have now agreed to work together on a communal plot of ground.

Before starting to clear this new plot, they have appealed to the rotating fund to equip them with axes, picks or mattocks, hoes, rakes and ropes, etc . . . , they have now been supplied with these tools and must repay the cost of them out of the proceeds of the next crop year.

They have furthermore sent two of their numbers to the training course for draught oxen, and have been given an outfit which will be used mainly for transport during their first years. In their second year they should be able to cultivate plots of land entirely destumped.

These young people, however, do need a store place of their own, independent of the 4D Club's, and help in improving their living accommodation. It would be as well for the Atlantic CARDER to make abundantly clear its interest in this club and in the young farmers who should become a model for all rural youth to follow.

RECOMMENDATIONS

1. The FFH Fund has rendered, and still continues to render, great service to rural youth in Benin. If there has been some slowing down of expenditure in the course of the last three years, this should be regarded as an indication of the Government's concern not to waste foreign aid on new structures which have not yet achieved full stability or become fully operational.

2. To use the FFH Fund as a rotating fund for rural youth is an excellent way of enabling young people to become aware of the value of the means put at their disposal. For the moment, however, the procedures for repaying the loans and of refunding the central account is still operating rather uncertainly. It is to be hoped that the Director of CNAC will take on this responsibility as soon as possible.

3. A certain number of government loans are still made available to CARDER for de-

* CARDER—Centres d'action régionale pour le développement rural.

velopment projects which also affect rural youth. It is much to be hoped that all the help and support given to rural youth will be made in the same way through the same channels and centralized by one single agency. It is CNAC which should be responsible for harmonizing all the loans and for judging whether free gifts are opportune or not in certain special cases.●

THE UNITED STATES MUST ACT AGAINST THE SOVIET UNION'S NEW ANTI-JEWISH CAMPAIGN

HON. NORMAN F. LENT

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Thursday, August 17, 1978

● Mr. LENT. Mr. Speaker, I am deeply disturbed by two articles which appeared in the Christian Science Monitor August 16 detailing the launching of a major new Soviet propaganda attack against Jews and Zionism, along with the sentencing of still another courageous Soviet dissident. These accounts, which I request be reprinted in full at the conclusion of my remarks, show clearly that the Kremlin leaders have not been influenced by U.S. protests against their disregard for human rights. In fact, the Soviet officials are becoming even more reckless and callous in their bigoted propaganda attacks, and in their total disregard for human rights of their citizens of Jewish faith.

Mr. Speaker, these articles should convince our reluctant White House and State Department officials that far stronger action must be taken to curb the Kremlin-led campaign of brutality and oppression.

The most disturbing of the Christian Science Monitor articles was titled "Soviets Renew Verbal Assault on Jews, Zionism." This article details what the reporter calls an "unprecedented" Soviet attack on "Jewish controlled capitalism" and "Zionist terror." Using language that is straight out of Hitler's Nazi Germany, two of the most important weeklies in the Soviet Union have printed the most inflammatory kind of charges and allegations. This kind of brutal racial denunciation—under government sponsorship and encouragement—is truly alarming. We can never forget what happened the last time a dictatorship blind to human rights used its propaganda machine to assault the world with such blatant phrases of bigotry.

We must never let that happen again.

At the same time, the Christian Science Monitor reports the sentencing of Soviet dissident Alexander Podrabinek. He drew 5 years in "internal exile" (that is, Siberia or the Soviet North) for compiling a list of some 200 Soviet citizens who had been sent to mental hospitals as punishment for their political activities. Podrabinek is the latest in the long list of Soviet dissidents who have been sent to prison or into exile for so courageously trying to call attention to Soviet violations of the Helsinki accords on human rights.

Last month, after the sentencing of Anatoly Scharansky, his courageous wife, Avital came to Washington to discuss the tragic case with Members of Congress. I had the great pleasure of meeting this resolute woman. She told us the time for words is past—it is now time to act. But little action has been taken since her visit. In fact, in recent weeks, President Carter has approved the sale of valuable oil drilling equipment to the Soviet Union.

It is time to stop such favored treatment of the Soviets. Many of us in the Congress have recommended actions which President Carter could take. As a first move, the President must suspend exports of new technology to the Soviets until the Kremlin leaders can demonstrate why they should benefit from such favoritism. We must shift the 1980 Olympic Games from Moscow. We should suspend the SALT II talks. There are further actions in the diplomatic field, in the many scientific exchanges now going on, and in all areas where the Soviets seek our expertise, cooperation or dollars which are open to the President. The important thing is action.

Helpless hand wringing in the face of the Kremlin's ugly racist attitudes has no effect. We must show the Soviet leaders their cruel, inhuman actions will lead only to painful results for them. This is the only language the Soviets understand, and it will be effective, if the actions are taken now.

Mr. Speaker, I urge my colleagues to read the full text of the alarming articles which are reprinted here.

[From the Christian Science Monitor, August 16, 1978]

ANOTHER DISSIDENT MUFFLED

(By David K. Willis)

In defiance of Western criticism, the Soviet Union has sentenced an able, energetic leader of the younger generation of dissidents here to five years in internal exile in its latest crackdown on political opposition at home.

Alexander Podrabinek, a vigorous, dark-haired 25-year-old, will serve his exile in a remote part of Siberia or the Soviet north. His sentence came Aug. 15 at the end of a one-day trial in Elektrostal, an industrial city 40 miles last of Moscow, which was off limits to foreigners and Western correspondents.

Mr. Podrabinek is exactly the kind of up-and-coming opponent the authorities here dislike most.

For three years he researched allegations that Soviet officials consign political prisoners to psychiatric hospital wards as punishment. A former medical orderly, he is a member of the monitoring committee on the Helsinki human-rights accords and has formed a subgroup devoted to psychiatric abuses.

LOBBYING FOR PRISONERS

Mr. Podrabinek lobbied on behalf of prisoners in wards, issued statements, talked to Western correspondents, and established a reputation for intelligence and industry.

He compiled a manuscript of 265 pages circulated among dissidents here. It found its way to Amnesty International in London last summer—and let to worldwide condemnation of Soviet practices.

Amnesty said the manuscript, entitled "Punitive Medicine," contained documented details of about 200 cases and the names of some 100 Soviet doctors who had sat on consigning commissions.

Largely at the urging of Mr. Podrabinek's preface, the World Psychiatric Association passed a resolution at its conference in Honolulu last September censuring the Soviets.

Mr. Podrabinek is the latest in a long list of leading Soviet dissidents who have stood trial recently. The charge: defaming the Soviet state. About 20 activists have been arrested or tried since the Helsinki group was set up by Dr. Yuri Orlov in the summer of 1976.

As a result of his five-year sentence, Mr. Podrabinek will be out of Moscow and away from world headlines until well past the 1980 Olympic Games in Moscow.

One of the aims behind the current crackdown against prominent dissidents is to remove as many activists as possible from Moscow before they can try to use the games as a forum for more headlines—either by using contacts here or by trying to get in touch with some of the 300,000 foreigners expected to attend the games.

Mr. Podrabinek's name is less well known than those of activists Anatoly Scharansky, Mr. Orlov, or Vladimir Slepak. Although he is Jewish (his name in Russian means "assistant to the rabbi"), he has never sought to emigrate.

He has said that the KGB (secret police) told him that, if he, his brother Kirill, and his father (his mother has passed on) agreed to emigrate to Israel, charges pending against his brother would be dropped. But all three refused and decided to stay.

SOVIETS RENEW VERBAL ASSAULT ON JEWS, ZIONISM

(By Paul Wohl)

On the heels of the recent treason and espionage trials oi Jewish dissidents the Soviets have launched an unprecedented offensive against "Jewish controlled capitalism," and "Zionist terror."

This new Soviet propaganda line seeks to intimidate the remaining Soviet Jews and blacken the reputation of the capitalist West in the eyes of the third-world countries while scoring political points with the Arabs.

The new propaganda is carried by two of the Soviet Union's most important weeklies—by Nedelya, the Sunday supplement of Izvestia, and by the popular illustrated weekly Ogonyok with a circulation of 2 million.

A long two-part article entitled "The most Zionist of businesses" was published in Ogonyok on July 18 and 29. Its author, Lev Alexandrovich Korneyev, is a scientific associate of the Institute for the Study of Asian and African Countries, which is affiliated with the Academy of Sciences.

SUBJECT: ARMS TRADE

His approximately 6,000-word "Study" deals with an alleged Jewish stranglehold over the world's multibillion weapons trade, "the most Zionist of businesses which pays the dividends of blood collected by the cosmopolites of the lord of hosts."

Not even in Stalin's day did the Soviet use this kind of terminology. The famous "Doctors Murderers" of Stalin's last year had largely Jewish names. They were accused of trying to poison high members of the Politburo but were not explicitly singled out as Jews.

Mr. Korneyev's "Study" has the earmarks of a Nazi pamphlet in academic disguise, complete with scores of footnotes and hundreds of figures culled from reputable publications and quotes from the Business Week, the New York Times, The Christian Science Monitor and, last but not least, Lenin.

In his conclusions Mr. Korneyev writes: "A main feature of the expansionist aspira-

tions of the big Jewish bourgeoisie is its fast growing financial might thanks to the monopoly of Jewish capital on an international scale and its constant search for new sources of profit."

ZIONISM ACCUSED

"By following the line of expansion inherent in the capitalist system, Zionism strives to lay its hands on the military-industrial complex as the most profitable business sphere."

In his second article Mr. Korneyev attempts to analyze what he views as the interlocking structure of Jewish or Jewish-controlled monopolies of the armament industry, their links to Zionism, and the profits they derive from "the industry of death."

The first article deals particularly with what Mr. Korneyev calls "one of the world's principal financial empires (Lazard Frères), founded and controlled by Jewish bankers, Kuhn Loeb, the Rothschilds etc. . . . Tell me who your banker is and I shall tell you who you are. . . ." Another sample of Mr. Korneyev's prose is his reference to "Goldwater linked to the Jewish-Sicilian Mafia."

"It is true," writes Mr. Korneyev soothingly, that "not all Jews living in the capitalist world are Zionists nor are all supporters of Zionism Jews," but essentially the writer sees Zionism active "in secret, never in the open."

In his second article Mr. Korneyev writes: "It is difficult to determine the share of the national wealth in the West which belongs to the bourgeoisie of Jewish origin."

Mr. Korneyev's conclusion points in the same direction: "The activities of espionage, subversion, and terror of the Zionist International and their secret services seek to build up centers of tension in many parts of the world; to undermine good-neighborly relations among peoples, and to create a nauseous international climate."

Two weeks after the publication of Mr. Korneyev's "study" in Ogonyok, Nedelya No. 29 of July 17 to 23 carried an article by Mr. Korneyev called "Terror a Weapon of Zionism."

This article dealt with an alleged "pogrom" led by "Rabbi Kahane Jewish Defense League against the seminary of the Russian Orthodox Cathedral of the Trinity in Jerusalem . . . an Arab city seized by the Israelis.

"This barbarous pogrom by Zionist fascist bandits became possible only because of the subversive terrorist activities of the ruling circles of Israel." ●

THE PENDING CETA AMENDMENTS WILL NOT RESOLVE THE PROBLEMS IN THAT PROGRAM

HON. JACK F. KEMP

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Thursday, August 17, 1978

● Mr. KEMP. Mr. Speaker, I had originally intended not to address the House on the legislation to amend the Comprehensive Employment and Training Act—CETA, the Federal Government's largest public service jobs program.

But after a thorough review of my files on this program and the abuses within it and after its withdrawal from the active agenda of the House until later at least the August recess, I have concluded that there is time to convince Members of what is wrong with the program and what ought to be done about it. It is toward those ends that I have decided to offer these remarks.

The CETA program rests upon the wrong premises, and if the premises are wrong, how can we expect the conclusions to be right?

One premise is that a job-creating dollar spent by Government goes farther in creating permanent jobs and expanding the economy than does a job-creating dollar in the private sector.

Why is it, I ask CETA supporters, that all the billions of dollars Government has spent on jobs creation have left us with unemployment levels nearly as high as they were at the depths of the 1974 recession.

Why is it, I ask, that all this Government spending has not created the prosperity they predicted? In fact, that spending has worsened the inflation which makes prosperity impossible to attain.

Another premise is that those unemployed who should be helped first by the program are those least likely to be employed. Think about that. It is exactly opposite of what it should be.

If we are to reduce total unemployment through this program—and then keep unemployment down without having to rely on its continued funding—we should help those first who are most likely to be thereafter employed in the private sector. Most likely, not least likely: that should be our focus.

To reduce unemployment, you must start by giving those people on the margin of employment or unemployment the first help. That gets them into a private sector job that they can keep, allows that CETA money to then be used to hire another unemployed person, and thereby reduces total unemployment most rapidly. Then you must work through the harder cases, eventually ending up with the very hardest.

In the process of lowering unemployment—taking tax consumers and helping them become tax generators—you will have done more to help the private sector of the economy create even additional jobs. That will help create the "snowball" effect faster in jobs creation and economic revitalization.

As the principal sponsor of the CETA reforms of 1977, H.R. 4734, and antecedent legislation of prior Congresses, I have followed closely the conceptual and specific problems in the program.

Buffalo has been particularly hard hit by scandals in CETA. GAO investigations, one which took 2 years, did little more than say the problems were being taken care of. Less than a month after that GAO final report, another series of CETA scandals hit the newspapers as a result of their own first-rate investigations, the Buffalo Evening News and the Buffalo Courier-Express. The Department of Labor—Washington, regional, and local offices—did not uncover these wrongdoings. Neither did GAO. It was the dollar-conscious and resourceful local newspapers and the U.S. attorney's office in Buffalo which did.

But Buffalo is not alone. Everywhere I travel I read of CETA scandals. You can start right here in the District of Columbia. Or Atlanta, Boston, New York City, Philadelphia, Gary, Phoenix, or unfortunately many other major cities. The newspapers and air waves are full of the accounts.

Yet we are told by the Department of Labor that these cases are "less than 1 percent" of the CETA program. I do not believe that. It may be that the number of local projects in which there are known scandals, ones so bad that they hit the newspapers, are only 1 percent of the total number of projects, but that 1 percent is just the tip of the iceberg. If the Department of Labor did not find the newest Buffalo area scandals, how can we assume they have found them elsewhere?

Take the District of Columbia, for example. The D.C. City Council's flagrant use of CETA funds to hire personal aides hit the newspapers, but the replacement of non-CETA employees and the rehiring of CETA-funded ones at a D.C. children's museum this summer has gone unnoticed in the press. There are probably hundreds, if not thousands, of these examples nationally.

Then you have the reality that the Department of Labor calculates the Buffalo CETA program as only one program in trouble. It does not total the inconceivable number of separate and distinct abuses which have grown out of that one program since its initiation. Let me give you some representative headlines from the Buffalo Evening News and Buffalo Courier-Express about that one program over just the past 90 days:

"Thefts Tied to CETA Are probed."

"Probe of CETA Staff, 'Sting' Thefts Widens; Supervisor Suspended."

"CETA Workers Charged in Theft of Food Stamps."

"'Sting' Net May Catch More CETA Workers."

"Worker Blasts Officials of CETA Projects Unit: Resigns, Charges Program's Ruin."

"Phony Health Survey Data Linked to CETA Workers."

Those headlines all occurred following a May 5 one, "GAO Says CETA Fund Control OK." As a matter of fact, they started within 23 days after that May 5 headline.

This is some kind of 1 percent, Secretary Marshall.

The situation has become so hopelessly enmeshed in controversy, and has taken the program so far off course, that both Buffalo papers felt compelled last weekend to reign it in.

On August 11, the Buffalo Courier-Express editorialized against its continuation:

CETA'S HOPES STILL UNREALIZED

The handwriting was on the wall from the inception nearly five years ago of the federal Comprehensive Employment and Training Act (CETA). It was the type of program in which the cards appeared to be stacked against its success. On March 6, 1976, we commented in this space: "As it stands now, this tawed, patchwork CETA program has been largely a waste and futility, full of pregnant but unfilled promise."

There is some evidence that this sense of disillusionment has spread to Congress. On Wednesday, the House, debating the four-year, $11-billion extension of the agency that administers the program, voted to cut funding by $1-billion (enough to hire about 100,-

000 public-service jobs) and to reduce the wages for CETA jobs, the aim being to discourage CETA employes from staying too long in their public jobs rather than seeking work in the private sector.

The CETA program has never lived up to the high hopes that it initially generated. It is not enough just to provide jobs—often makework jobs—by propping up the public payroll at a time when the public clearly wants to move in the other direction, away from increasing a bloated bureaucracy. As Rep. Jack F. Kemp, R-Hamburg, has said, the CETA program's fault was that it limited local governments to the creation of tax-consuming, rather than tax-creating, jobs.

Those congressmen, mayors, county leaders and governors who have pushed for more funds for this much-abused program must bear the main responsibility for pushing people into a blind alley.

It would be sad, of course, if there were substantial job cuts among the thousands of CETA workers employed by Buffalo and Erie County. It's a devasting thing for people to lose their jobs; we wish it could be avoided. But CETA administrators have clearly failed in moving to convert what was supposed to be temporary public-service employment into permanent, private-sector work.

And on August 12, the Buffalo News supported last week's House action in reigning in CETA and admonished the Senate to follow suit:

CORRECTING CETA DEFECTS

For months Washington has displayed justified concern over the growth, direction and more than occassional abuses of the huge national CETA program, which costs about $11 billion and employs 725,000 people in public service jobs.

President Carter and key congressional committees which had studied the Comprehensive Employment and Training Act program had urged reforms. They want greater involvement by private business in training, stricter safeguards against waste and corruption, and curbs against the mere shuttling of government workers from local to federal CETA payrolls.

The House has now approved such changes. But it has also gone beyond them, trimming the program's overall size and cost in ways that seem to us desirable.

In the last two or three years, the number of job slots has ballooned from about 300,000 to 725,000, an expansion that looks questionable in a period not of economic decline but expansion. So a cutback on the order of 100,000, as approved by the House, should not be ruinous. Indeed, President Carter has favored a gradual job cutback later on. Half of the $1 billion trimmed from the job programs designed to counter recession, moreover, would be rechanneled into youth employment projects and job plans involving business.

Also reasonable were House votes to lower CETA pay ceilings (to $12,000 from $15,000) in high-wage areas and average wages (to $7000 from $7800). These jobs should clearly be considered temporary, tiding people over during hard times or providing useful training. Obviously, earnings levels should not be so lucrative as to discourage a search by CETA employees for permanent jobs elsewhere. Lower earnings levels, in addition to strengthening the incentives for moving on, would lighten the financial burdens of CETA for taxpayers.

We believe there is a place for public-service job programs in training workers and easing the dislocations and hardships caused by recession. But CETA has mushroomed too fast and grown too large. And it is but one way to create jobs. Its skyrocketing costs even work against another, more effective way to stimulate job creation in the private sector—tax reductions. The House has now acted to counter such drawbacks in CETA, and we hope the Senate, where similiar legislation is pending, will do likewise.

There is also growing evidence, Mr. Speaker, of what this program has really become. A massive Federal dollars program for State and local governments and politicians. Perhaps one of the largest patronage programs in history. A program designed to funnel an ever-increasing portion of this administration's take of tax dollars from the people to that constituency from which they see 1980 votes coming? They might be in for a surprise as to where those votes are going to go.

Along that line, let us look at the CETA program in Massachusetts. I offer the following article by Warren T. Brookes, a specialist in economic affairs and a columnist for the Boston Herald American, a man for whom I have the highest professional regard and personal respect:

MASSACHUSETTS EXAMPLE—CETA: CAN GOVERNMENT REALLY "CREATE" JOBS?

(By Warren T. Brookes)

Given the exorbitant levels of unemployment, particularly among inner-city minority youth, one can only wish President Carter well in his ambitious plans to create one million additional jobs through the CETA (Comprehensive Employment and Training Act) programs.

Unfortunately, the history of nearly all such Government jobs programs is anything but reassuring.

They almost always succeed, not in generating additional jobs, but simply transferring jobs from the private sector to the public.

In the process some marginal workers lose private jobs, while other marginal workers gain public jobs, but the net effect is almost always negative.

If you don't believe this, you need only realize that since CETA started in the early 1970s, unemployment among urban teen-age minorities has risen steadily to record levels, despite a CETA budget which has also risen steadily to nearly $11 billion in 1978.

There is, of course, a perfectly rational and non-ideological explanation of why this is happening.

Since the government produces no wealth of its own, it must finance CETA-type jobs by taking the money from the private sector, either by taxes, borrowing, or inflation.

When it does this, the money it takes nearly always comes, not from the major established industrial corporations whose incomes can compete with the government securities' 7-8 per cent interest rates, but from the marginal businesses which cannot compete for capital against Uncle Sam.

The result is that the very industries that have always supplied the most employment to marginal workers (unskilled inner-city youth in particular) are precisely those who are squeezed out by government deficit spending and borrowing.

Thus, the CETA jobs program turns out to be nothing more than an expensive transfer program, taking jobs away from one group of marginal workers in the private sector and giving them to another group in the public sector—and in the process destroying part of the nation's permanent private productive job base.

Furthermore, the CETA program directly competes against the marginal inner-city businesses by paying salary levels that are between 40 and 60 per cent above the going wages for unskilled factory work, and 80 per cent above the minimum wage.

Small wonder that economists are now telling Congress that CETA is having a very adverse effect on private industry in the very place where it is needed most—urban centers.

There is no better example of this "faustian" exchange than Massachusetts. Between July 1974 and January 1978, the Massachusetts economy had a net loss of about 6,000 non-agricultural jobs (not counting seasonal adjustments).

But during that period, government employment (state and local) rose by 23,500 jobs (mostly CETA) while the state's private sector actually lost 26,700 jobs.

In other words, during the four-year period when the state put on about 23,000 CETA workers, it lost more private jobs than it gained in government.

What is troubling about all this is the degree to which the CETA program in Massachusetts (as esewhere) is being accelerated, almost entirely in the public sector.

As of April 1978, the state had a total of some 45,000 CETA jobs of which about 13,000 were in the private sector (as training under Title I) and some 32,000 were in state and local government (Title II and IV).

This represents a spectacular growth of more than 22,000 CETA jobs "created" since May 1977—in only 10 months, and all but a tiny fraction of that growth has been in government employment.

The following table tells the story of just how quickly state and local government in Massachusetts have been putting on CETA workers:

CETA employment (public service)
May 1977 to March 1978

	May 1977	March 1978	Percent change
State government	5,841	18,159	210
Boston (city)	1,221	3,207	163
Springfield	820	2,196	167
Worcester	468	1,764	277
N. Bedford-F. River	402	2,106	424
Lowell	392	1,143	191
Entire State	9,954	31,424	216

In just 10 months the state government has put on 12,318 new CETA workers—while Boston has added nearly 2,000, and other cities a proportionate amount. All of these government entities are now carrying bloated bureaucracies as a result.

Since the average pay scale of these jobs is about $10,000 (80 percent above the minimum wage), it is not surprising that marginal urban businesses all over the Commonwealth are suddenly feeling competitive heat.

Testifying before a congressional subcommittee in March, Dr. James Howell, Chief Economist for the First National Bank of Boston, reported that in 41 New England cities "there has been an 18 percent reduction in absolute manufacturing capital spending from 1972-74," and he warned that it was going to get much worse, as more inner-city businesses could not compete with CETA.

As he told us, "How can you get 18-year-olds to take $7,000 or $8,000 factory jobs when they can work on CETA jobs doing light office work at $10,000?"

He pointed out that in fiscal 1978, of the $37 million spent on CETA in Boston, over $27 million was spent just on padding the Boston city bureaucracy, and only $1.4 million had actually gone for on-the-job training in the private sector.

This year, the CETA program in Massachusetts will cost federal tax payers between $350 and $400 million—enough to provide the investment capital for 20,000 or more permanent tax-productive private jobs.

Instead, all but a handful of this money is gong to make the state and local bureaucracies larger—and to make our politicians

more powerful; to hide the real size and cost of our government.

Indeed, the only employment that is really growing in Massachusetts (long term) is government employment, at the state and local level, and largely through CETA.

In Boston, for example, over the last year, total seasonally adjusted employment grew by less than 2,000 jobs, and virtually all of that growth was in CETA jobs, working for City Hall.

Small wonder that a lot of congressmen in Washington are beginning to take another hard look at the whole CETA operation. Sen. Edward Kennedy to his credit has introduced an amendment to the CETA Act designed to strengthen and expand the Title I private sector portion of it, with $75 million in new funding premised on performance rather than body count. It is a useful effort, should be supported, and may help to change CETA's present dismal performance.

Other measures are designed to curb the excessive use of CETA by state and local governments are just another form of revenue sharing, with CETA employes simply taking the place of regular government employes, but local politicians are fighting this all the way to the White House.

But none of these measures deals with the fundamental fact that government employment almost never adds to the nation's job base—it merely transfers people from productive private sector jobs to the public payroll; as such it reinforces the wrong trend.

And in the process, more and more marginal urban businesses are going down the tube in the credit crunch with Uncle Sam, leaving more and more inner-city youth jobless and hopeless.

As Dr. Howell told Congress, "The CETA program is actually making it more difficult than ever before for business to operate in the central cities."

In other words, like so many government programs it is probably doing more harm than good.

If there is any doubt on the administration's intent to keep the program in place whether there is an unemployment need or not, I ask them to look at a recent Washington Star, article, entitled "Marshall Vows To Continue Full Public Jobs Program." I quote:

Labor Secretary Ray Marshall said today the Carter Administration has no plans to reduce the number of public jobs in spite of dramatic improvement in the employment situation in the last 18 months.

If there is one thing which ought to be clear to every public official in this country, it seems it would be the rapidly growing dissatisfaction with the burden of total taxes.

Proposition 13 in California, the Jarvis-Gann amendment, was but one of many, many indications of public dissatisfaction with tax rates, burdens and incidences. That dissatisfaction is directed at all levels of government too—Federal, State and local. And the rejection of higher taxes on one hand is not intended as an invitation to raise them on the other. Tax reductions should not be pea and shell games with the public seeing the lowering of taxes one place offset by an increase in another.

Yet this is what some would have happen, and those "some" are mostly those who were the losers in the proposition 13 fight. And the losers in all the other referendums, initiatives, propositions, and constitutional amendments, including those on bonds, with the same result.

An example of this is the attempt being made by certain mayors and other officials in California right now to shift positions and persons discharged or in danger of being discharged, as a result of proposition 13 or legislation enacted pursuant to its mandate, to CETA payrolls. Thus, instead of being paid from State or local funds, those positions and persons would be paid from Federal funds. No reduction in the total tax burden upon the people, mind you, just a shift of that burden, moving the pea from one shell to another.

We cannot allow this to happen. We cannot allow it to happen in California with the CETA program. We cannot allow it to happen elsewhere as the prairie fire of tax rate reductions and tax limitations sweep this country in the coming months.

If this legislation gets to the Senate, I hope a Member of that body will offer the following amendment to it, an amendment which I would have offered had it not been for the time pressure of my efforts to amend the Revenue Act to include individual income tax rate reductions of about 33 percent over the next 3 years:

(1) No funds authorized in this Act or appropriated pursuant to it may be used to pay the salary or expense of any position or person which would have been otherwise terminated or discharged from an agency of government or any other entity described in this Act as a result of reductions in work force or payroll cost caused by fiscal restraint or reorganization arising either from propositions, referendums or initiatives, the defeat of bond issues, or the amending of constitutions determined by public ballot or from legislation enacted pursuant thereto.

Mr. Speaker, H.R. 12452 should be defeated.

The CETA bill should be defeated. This public service jobs program should be eliminated and replaced with jobs creation in the private sector. The tax dollars, taken from the American taxpaying people and businesses to pay for the program, should be returned to those taxpayers, so they can save and invest those dollars, thereby creating more jobs in the private sector, more total jobs than CETA can create, and help restore the economy.

SMALL BUSINESS AND SCIENTIFIC AND TECHNOLOGICAL INNOVATION

HON. JOHN B. BRECKINRIDGE

OF KENTUCKY

IN THE HOUSE OF REPRESENTATIVES

Thursday, August 17, 1978

● Mr. BRECKINRIDGE. Mr. Speaker, I take this opportunity to address my colleagues on the subject of small business' role in the scientific and technological innovative process—a process essential to our continuing industrial leadership and national defense—which also was recently the subject under consideration by an unusual joint hearing of the House and Senate Small Business Subcommittees—one of which I am privileged to chair.

A review of a number of government and outside studies and recommendations—including the OMB commissioned Rabinow Report released last week at the Small Business Subcommittee public hearing—shows that Federal agencies in effect discriminate against small businesses in awarding research and development contracts, despite that fact that small businesses are far more innovative and cost effective than large corporations.

In summarizing the studies that have analyzed this program, let me first say that subcommittee testimony, and massive evidence compiled by the many studies, suggests that we have studied this problem to death—that what we need now is action.

In 1966 a blue ribbon panel—commissioned by the Department of Commerce to study the contributions of small business to the development of science and technology—concluded that small business is responsible for over one-half of the scientific and technological innovations that have taken place in this century, a finding that was a matter of common knowledge in the scientific community.

Since that time, numerous studies and panels have arrived at the same conclusion: in our society small business is the *sine qua non* to the creative, innovative process that lies at the heart of scientific and technological advancement and therefore, the growth and expansion of our economy and the increase of employment in the private sector.

However, Richard S. Morse, an observer of research and development trends and a former university professor, government official and corporate manager, warned our joint House-Senate hearing that:

Since 1967 almost every action taken by both the executive and legislative branches of our government has resulted in a further deterioration in the climate for technological innovation in the United States.

It is ironic that small businesses have been receiving about 3½ percent of all Government research and development contracts when these same companies have been historically responsible for more than 50 percent of all American inventions and innovations

In his study entitled "Federal Support of Research and Development Activities in the Private Sector", Edwin Mansfield stated that:

Small firms play a large, perhaps disproportionately large, role in conceiving major new ideas and important inventions.

The National Science Foundation's study, Industrial Research and Development and Innovation, quantifies Mr. Mansfield's statement, saying:

On the basis of a sample of major innovations introduced to the market between 1953 and 1973, small firms (up to 1,000 employees) were found to produce about four (4) times as many innovations per research and development dollar as medium-sized firms (1,000 to 10,000 employees) and about twenty-four (24) times as many as large firms (over 10,000 employees). The total number of innovations produced by small firms was greater than for large firms, and both produced more than medium-sized firms.

Another important aspect of the relationship between small business and

technological innovation is this: Small high technology firms create far more jobs than low technology firms. Accordingly, a Massachusetts Institute of Technology study concluded that small high technology firms increased employment at a rate of forty (40) percent between 1969 and 1974, geometrically creating 25,558 new job opportunities.

Another study, conducted by Data Resources, Inc., supported this conclusion and included some other interesting economic data, stating:

. . . employment in U.S. high technology industries grew almost nine times as fast as that in low technology ventures during the period between 1950 and 1974, while output grew almost three times as fast. Prices, by contrast, rose for high technology products at only a sixth of the rate for low technology ones.

In an analysis conducted for the Senate Small Business Committee, the American Electronics Association found that these small, innovative companies registered a growth rate in employment of 23.7 percent compared to older, larger companies' rate of 3.2 percent for the 5 years under study.

I have been exploring and describing, Mr. Chairman, outside studies showing small business accounts for more than one-half of all inventions and innovations.

I would like to further comment on the previously mentioned, 1977 study prepared by the White House Office of Management and Budget. The findings are just as astonishing as the knowledge is appalling that the recommendations have not been carried out by the Executive branch. The inter-agency study, headed by Jacob Rabinow, informed the President that "Small firms have compiled a striking record of innovation in the private sector." The Rabinow Report also found that "The ratio of innovations to sales is about one-third greater in smaller firms . . . the cost per R. & D. scientist or engineer is almost twice as great in firms over 1,000 employees than in firms with less than 1,000 employees . . ." The report concluded that "Small firms are inadequately used" in the Federal Government's acquisition of $26 billion worth of research and development, and that "our country will lose significantly high technology capabilities in the absence of a concerted effort to increase small business research and development awards."

Given this well-documented, undeniably impressive account of small business' achievements in jobs creation, cost efficiency, innovation and development, it is passing strange to me that—one year after the study was completed and the recommendations were made—OMB did not see fit to publish the Rabinow Report nor to implement through the departments and agencies its recommendations. The Federal Government continues its discrimination in awarding research and development contracts to small business, even though it has been known for at least a decade—and documented again by the 1977 Rabinow Report—that a disproportionately large share of Federal research and development funds go to large corporations who deliver significantly fewer results.

While the amount of Federal dollars invested in research and development has increased from $8.7 billion in 1960 to over $20 billion in 1976, the amount of Federal research and development contracts going to small business has hovered around 3½ percent. It makes absolutely no sense that small business receives such a paltry amount of the funds earmarked for a function that it performs best.

But let us consider the other side of the coin; although historically the United States has been blessed with more than its share of entrepreneurs who have developed entire new industries through their genius, testimony presented before last week's joint House-Senate hearing indicates this may not always be true. Problems ranging from Government regulations and indifference to the increasing difficulty of raising capital, adversely affect the process of technological innovation by small business throughout the country.

Consider capital availability. Richard Morse testified that—

Investment liquidity, the increased capital gains tax, and reduced incentives for management represent the three most important factors which now influence the financing of new enterprises.

Dr. Frank Press, Director, Office of Science and Technology Policy, concurred saying:

Data suggest that small firms are encountering difficulties in entering the public markets to obtain venture capital. The number of public issues of common stock by small new companies has declined from nearly 650 to 1969 to 1 in the first half of 1975; the issues for small companies engaged in technologically intensive activities declined from 204 to 0.

It is obvious that without capital—be it from the private sector or from government research and development contracts—a small company will not get started, will die young or will ultimately merge with large corporation.

However, the spirit of entrepreneurship is still alive in the United States, and scientific and management talents are continually available as indicated by testimony received before a year-long series of hearings on The Future of Small Business, which I initiated in March as Chairman of the House Small Business Subcommittee on Antitrust, Consumers and Employment.

To further underline the importance of small business to our economy, and more particularly that of innovative, high technology entities, our hearings show that an analysis of the Fortune 1000 largest corporations verifies that it is small business that is creating jobs for our expanding work force, showing that the first 500 largest firms increased their employment by only 0.15 percent for the years 1969 to 1976 while the second 500 increased their work force by only 2.8 percent. Simply speaking, the Fortune 1000 generated less than 1 percent of just over 14 million new jobs created during that period. Excluding the increase in Government employees, 98 percent of the increased employment from 1969 to 1976 came from the remaining smaller business. The above-mentioned Massachusetts Institute of Technology's study of 16 innovative, high technology companies, showed that they created 25,558 new jobs in the period from 1969 to 1974.

Despite the irrefutable, dynamic achievements of small business, and federally sponsored studies recommending specific actions, the bureaucracy continues to refuse to address itself to our greatest tool in fighting inflation and unemployment: our small business community and its multifaceted potentials. We continue by taxation, regulation, paperwork and a multitude of disincentives to deny and disencourage entrepreneurial initiatives. By our actions, and inaction, small business rapidly approaches becoming an endangered species.

Mr. Speaker, the Congress of the United States must act now to recreate a national environment—in cooperation with our industry and our academic community—in which our small innovative high technology companies can flourish, new enterprises can be generated and new jobs created.

The following is a March 10, 1977, memorandum from the Office of Management and Budget, testifying to the overwhelming importance of small business to the innovative process. Included are several attachments in the form of reports summing up the countless contributions small business has made to the advancement of science and technology in this century. It is my hope that with the wider dissemination of this information—especially the Rabinow Report—the unwitting if not unconscionable discrimination by the Federal Government against small businesses in awarding research and development contracts will finally end after going uncorrected for more than a decade. For truly the role of small business in the scientific and technological innovative process is vital to not only our Nation's economic well being but to its national defense posture as well. ●

THE SHROUD OF TURIN

HON. ROBERT K. DORNAN

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Thursday, August 17, 1978

● Mr. DORNAN. Mr. Speaker, in the late 19th century, the alleged conflict between the articles of religious faith and the principles of modern science was elevated to dogma. In the late 20th century, the dogma may turn out to be as laughable as phrenology. But consider this point. Could there be any greater manifestation of the power of Providence to a doubting, secularized world than the provision of 2,000-year-old evidence that could only be discerned with modern man's most advanced technology?

The Shroud of Turin, said to be the burial shroud of Christ Jesus himself is a remarkable item. Seventy-five years of research has yielded positive scientific findings. Further exciting scientific work

is to be done this year. All the results thus far, virtually all parties agree, are awesomely impressive. I recommend a recent article by Mr. Harold Lewis of the National Enquirer on the subject. This holy shroud goes on exhibit for only the fourth time in this century between the dates of August 27 to October 8, 1978.

The Western World may be in for a most miraculous scientific and historical announcement.

NEW EVIDENCE PROVES THIS IS THE SHROUD THAT COVERED CHRIST

"If I were asked in a court of law to stake my professional reputation on the validity of the Shroud of Turin, I wou'd answer very positively and firmly that it's the burial cloth of Christ—and that it is Jesus whose figure appears on the shroud."

That's the stunning declaration of top pathologist Dr. Robert Bucklin after thorough examination of a life-sized photograph of the Holy Shroud—the ancient cloth which legend says covered the body of Christ.

Dr. Bucklin revealed in a exclusive Enquirer interview that not only did he conclude the shroud was genuine—he also was able to arrive at the expert opinion that Christ:

Probably died of a combination of heart failure and asphyxiation.

Died within three hours of being nailed to the Cross.

Dr. Bucklin's detailed examination—made while he was chief medical examiner of Travis County, Tex.—came at the request of David Rolfe, the producer-director of the new documentary film on the shroud, "The Silent Witness."

Rolfe told the Enquirer: "Dr. Bucklin is one of the world's leading pathologists, and his international reputation prompted me to ask him to carry out an investigation."

Rolfe added that while other experts, including NASA scientists, have presented evidence to show the shroud is not a fake, "the most startling evidence of all is that uncovered by Dr. Bucklin."

According to Dr. Bucklin, the markings on the Shroud of Turin "are so clear and so medically accurate that the pathological facts which they reflect concerning the suffering and death of the man depicted are, in my opinion, beyond dispute."

The man had been savagely beaten—as Jesus was—and the beating instrument was used "in a flicking fashion in such a way as to pull out bits of skin," revealed the expert, now clinical professor of pathology at the University of Southern California in Los Angeles.

"There was a particular whip used at the time of Christ which could have inflicted those injuries. The thongs had the ends weighted with heavy balls made of metal or bone."

The number of strokes "was . . . more than 120."

On the figure's shoulder blades the investigator found two strange areas in which the skin had been badly cut and bruised. "These were caused by a heavy object resting across the back," he concluded. "It's easy to imagine a beam that at the time of Pontius Pilate was put across the shoulders and tied. Marks of this beam can be seen on the left and upper right shoulder blades."

But the most convincing of the evidence, said the expert, is a series of odd bloodstains on the forehead and scalp.

"These wounds correspond to a crown of thorns—and probably more than any others identify the man as Jesus Christ. The Gospels state clearly that the soldiers invented this torture for Christ alone," he said.

"A forger would have shown the wounds as a circlet, as all artists did. Instead the whole head is covered, suggesting a rough clump of thorns."

Dr. Bucklin said he also found a puncture-type wound on the left wrist. "Christ was nailed through the wrist—not through the hand. If the nail had gone only through the palm of the hand, it wouldn't have supported the weight of the body."

In addition, the heel of the left foot is elevated higher than the right, "suggesting that the left foot was on top of the right instep and that a single spike was used to impale the two feet together. Suspended only by the arms, the victim would die too quickly. So the feet were nailed to provide the support necessary to extend the agony."

Finally, there is the evidence of an apparent wound in the side, he said. Jesus had such a wound, inflicted by a Roman soldier's spear just before His death on the Cross.

"In my opinion the most likely cause of death was asphyxia (suffocation) . . . exhaustion and the postural change it brought about producing cardiac failure and fluid around the lungs," he concluded.

"It would be reasonable to assume that it took three hours for death to take place.

"All the medical evidence uncovered is all borne out in some way in accounts in the Bible. There is nothing that's inconsistent."

Dr. Joseph Jachimczyk, chief medical examiner for Harris County, Tex., said: "Dr. Bucklin is board-certified in anatomical, clinical and forensic pathology. His integrity cannot be challenged." ●

BALANCE(S) OF POWER SERIES, BOOK IV–C (ii)—SOVIET STRATEGIC DOCTRINE AND NUCLEAR WAR

HON. JOHN B. BRECKINRIDGE

OF KENTUCKY

IN THE HOUSE OF REPRESENTATIVES

Thursday, August 17, 1978

● Mr. BRECKINRIDGE. Mr. Speaker, yesterday I inserted the first half of Professor Pipes' analysis of Soviet military doctrine—"Why the Soviet Union Thinks It Can Fight and Win a Nuclear War"—into the CONGRESSIONAL RECORD as part of the continuing study of Soviet intentions and doctrine—Book IV of the Balance(s) of Power Series.

Today's insertion is the second half of Professor Pipes' article, in which he reviews the chief differences between Soviet and American interpretations on nuclear war and corresponding doctrines. As in the earlier article, the conclusions are sober and compelling for all Americans concerned with deterrence and security in the nuclear age. I offer this article in the hope that our security will be enhanced through a serious and comprehensive understanding of the nature and intentions of our chief antagonist.

Professor Pipes' conclusion follows:

We know surprisingly little about the individuals and institutions whose responsibility it is to formulate Soviet military doctrine. The matter is handled with the utmost secrecy, which conceals from the eyes of outsiders the controversies that undoubtedly surround it. Two assertions, however, can be made with confidence.

Because of Soviet adherence to the Clausewitzian principle that warfare is always an extension of politics—i.e., subordinate to overall political objectives (about which more below)—Soviet military planning is carried out under the close supervision of the country's highest political body, the Politburo. Thus military policy is regarded as an intrinsic element of "grand strategy," whose arsenal also includes a variety of non-military instrumentalities.

Secondly, the Russians regard warfare as a science (*nauka*, in the German sense of *Wissenschaft*). Instruction in the subject is offered at a number of university-level institutions, and several hundred specialists, most of them officers on active duty, have been accorded the Soviet equivalent of the Ph.O. in military science. This means that Soviet military doctrine is formulated by full-time specialists; it is as much the exclusive province of the certified military professional as medicine is that of the licensed physician. The civilian strategic theorist who since World War II has played a decisive role in the formulation of U.S. strategic doctrine is not in evidence in the Soviet Union, and probably performs at best a secondary, consultative function.

Its penchant for secrecy notwithstanding, the Soviet military establishment does release a large quantity of unclassified literature in the form of books, specialist journals, and newspapers. Of the books, the single most authoritative work at present is unquestionably the collective study, Military Strategy, edited by the late Marshal V. D. Sokolovskii, which summarizes Soviet warfare doctrine of the nuclear age.[10] Although published fifteen years ago, Sokolovskii's volume remains the only Soviet strategic manual publicly available—a solitary monument confronting a mountain of Western works on strategy. A series called "The Officer's Library" brings out important specialized studies.[11] The newspaper Krasnaia zuezda ("Red Star") carries important theoretical articles which, however, vie for the reader's attention with heroic pictures of Soviet troops storming unidentified beaches and firing rockets at unnamed foes. The flood of military works has as its purpose indoctrination, an objective to which the Soviet high command attaches the utmost importance: indoctrination both in the psychological sense, designed to persuade the Soviet armed forces that they are invincible, as well as of a technical kind, to impress upon the officers and ranks the principles of Soviet tactics and the art of operations.

To a Western reader, most of this printed matter is unadulterated rubbish. It not only lacks the sophistication and intellectual elegance which he takes for granted in works on problems of nuclear strategy; it is also filled with a mixture of pseudoMarxist jargon and the crudest kind of Russian jingoism. Which is one of the reasons why it is hardly ever read in the West, even by people whose business it is to devise a national strategy against a possible Soviet threat. By and large the material is ignored. Two examples must suffice. *Strategy in the Missile Age*, an influential work by Bernard Brodie, one of the pioneers of U.S. nuclear doctrine, which originally came out in 1959, and was republished in 1965, makes only a few offhand allusions to Soviet nuclear strategy, and then either to note with approval that it is "developing along lines familiar in the United States" (p. 171), or else, when the Russians prefer to follow their own track, to dismiss it as a "ridiculous and reckless fantasy" (p. 215). Secretary of Defense McNamara perused Sokolovskii and "remain unimpressed" for nowhere in the book did he find "a sophisticated analysis of nuclear war."[12]

The point to bear in mind, however, is that Soviet military literature, like all Soviet literature on politics broadly defined, is written in an elaborate code language. Its purpose is not to dazzle with originality and sophistication but to convey to the initiates messages of grave importance. Soviet policy-makers may speak to one another plainly in private, but when they take pen in hand they in-

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Footnotes at end of article.

variably resort to an "Aesopian" language, a habit acquired when the forerunner of today's Communist party had a function in the Czarist underground. Buried in the flood of seemingly meaningless verbiage, nuggests of precious information on Soviet perceptions and intentions can more often that not be unearthed by a trained reader. In 1958–59 two American specialists employed by the Rand Corporation, Raymond L. Garthoff and Herbert S. Dinerstein, by skillfully deciphering Soviet literature on strategic problems and then interpreting this information against the background of the Soviet military tradition, produced a remarkably prescient forecast of actual Soviet military policies of the 1960's and 1970's.[13] Unfortunately, their findings were largely ignored by U.S. strategists from the scientific community who had convinced themselves that there was only one strategic doctrine appropriate to the age of nuclear weapons, and that therefore evidence indicating that the Soviets were adopting a different strategy could be safely disregarded.

The predisposition helps explain why U.S. strategists persistently ignored signs indicating that those who had control of Soviet Russia's nuclear arsenal were not thinking in terms of mutual deterrence. The calculated nonchalance with which Stalin at Potsdam reacted to President Truman's confidences about the American atomic bomb was a foretaste of things to come. Initial Soviet reactions to Hiroshima and Nagasaki were similar in tone: the atomic weapon had not in any significant manner altered the science of warfare or rendered obsolete the principles which had guided the Red Army in its victorious campaigns against the Wehrmacht. These basic laws, known as the five "constant principles" that win wars, had been formulated by Stalin in 1942. They were, in declining order of importance: "stability of the home front," followed by morale of the armed forces, quantity and quality of the divisions, *military equipment*, and, finally, ability of the commanders.[14] There was no such thing as an "absolute weapon"—weapons altogether occupied a subordinate place in warfare; defense against atomic bombs was entirely possible.[15] This was disconcerting, to be sure, but it could be explained away as a case of sour grapes. After all, the Soviet Union had no atomic bomb, and it was not in its interest to seem overly impressed by a weapon on which its rival enjoyed a monopoly.[16]

In September 1949 the Soviet Union exploded a nuclear device. Disconcertingly, its attitude to nuclear weapons did not change, at any rate not in public. For the remaining four years, until Stalin's death, the Soviet high command continued to deny that nuclear weapons required fundamental revisions of accepted military doctrine. With a bit of good will, this obduracy could still have been rationalized: for although the Soviet Union now had the weapon, it still lacked adequate means of delivering it across continents insofar as it had few intercontinental bombers (intercontinental rockets were regarded in the West as decades away). The United States, by contrast, possessed not only a fleet of strategic bombers but also numerous air bases in countries adjoining Soviet Russia. So once again one could find a persuasive explanation of why the Russians refused to see the light It seemed reasonable to expect that as soon as they had acquired both a stockpile of atomic bombs and a fleet of strategic bombers, they would adjust their doctrine to conform with the American.

Events which ensued immediately after Stalin's death seemed to lend credence to these expectations. Between 1953 and 1957 a debate took place in the pages of Soviet publications which, for all its textural obscurity, indicated that a new school of Soviet strategic thinkers had arisen to challenge the conventional wisdom. The most articulate spokesman of the new school, General N. Talenskii, argued that the advent of nuclear weapons, especially the hydrogen bomb which had just appeared on the scene, did fundamentally alter the nature of warfare. The sheer destructiveness of these weapons was such that one could no longer talk of a socialist strategy automatically overcoming the strategy of capitalist countries: the same rules of warfare now applied to both social systems. For the first time doubt was cast on the immutability of Stalin's "five constant principles." In the oblique manner in which Soviet debates on matters of such import are invariably conducted, Talenskii was saying perhaps, after all, war had ceased to represent a viable policy option. More important yet, speeches delivered by leading Soviet politicians in the winter of 1953–54 seemed to support the thesis advanced by President Eisenhower in his United Nations address of December 1953 that nuclear war could spell the demise of civilization. In an address delivered on March 12, 1954, and reported the following day in *Pravda*, Stalin's immediate successor, Georgii Malenkov, echoed Eisenhower's sentiments: a new world war would unleash a holocaust which "with the present means of warfare, means the destruction of world civilization." [17]

This assault on its traditional thinking—and, obliquely, on its traditional role—engendered a furious reaction from the Soviet military establishment. The Red Army was not about to let itself be relegated to the status of a militia whose principal task was averting war rather than winning it. Malenkov's unorthodox views on war almost certainly contributed to his downfall; at any rate, his dismissal in February 1955 as party leader was accompanied by a barrage of press denunciations of the notion that war had become unfeasible. There are strong indications that Malenkov's chief rival, Khrushchev, capitalized on the discontent of the military to form with it an alliance with whose help he eventually rode to power. The successful military counterattack seems to have been led by the World War II hero, Marshall Georgi Zhukov, whom Khrushchev made his Minister of Defense and brought into the Presidium. The guidelines of Soviet nuclear strategy, still in force today, were formulated during the first two years of Khrushchev's tenure (1955–57), under the leadership of Zhukov himself. They resulted in the unequivocal rejection of the notion of the "absolute weapon" and all the theories that U.S. strategists had deduced from it. Stalin's view of the military "constants" was implicitly reaffirmed. Thus the re-Stalinization of Soviet life, so noticeable in recent years, manifested itself first in military doctrine.

To understand this unexpected turn of events—so unexpected that most U.S. military theorists thus far have not been able to come to terms with it—one must take into account the function performed by the military in the Soviet system.

Unlike the United States, the Soviet government needs and wants a large military force. It has many uses for it, at home and abroad. As a regime which rests neither on tradition nor on a popular mandate, it sees in its military the most effective manifestation of government omnipotence, the very presence of which discourages any serious opposition from raising its head in the country as well as in its dependencies. It is, after all, the Red Army that keeps Eastern Europe within the Soviet camp. Furthermore, since the regime is driven by ideology, internal politics, and economic exigencies steadily to expand, it requires an up-to-date military force capable of seizing opportunities which may present themselves along the Soviet Union's immense long frontier or even beyond. The armed forces of the Soviet Union thus have much more to do than merely protect the country from potential aggressors: they are the mainstay of the regime's authority and a principal instrumentality of its internal and external policies. Given the shaky status of the Communist regime internally, the declining appeal of its ideology and the non-competitiveness of its goods on world markets, a persuasive case can even be made that, ruble for ruble, expenditures on the military represent for the Soviet leadership an excellent and entirely "rational" capital investment.

For this reason alone (and there were other compelling reasons too, as we shall see); the Soviet leadership could not accept the theory of mutual deterrence.[18] After all, this theory, pushed to its logical conclusion, means that a country can rely for its security on a finite number of nuclear warheads and on an appropriate quantity of delivery vehicles; so that, apart perhaps from some small mobile forces needed for local actions, the large and costly traditional military establishments can be disbanded. Whatever the intrinsic military merits of this doctrine may be, its broader implications are entirely unacceptable to a regime like the Soviet one for whom military power serves not only (or even primarily) to deter external aggressors, but also and above all to ensure internal stability and permit external expansion. Thus, ultimately, it is *political* rather than strictly strategic or fiscal considerations that may be said to have determined Soviet reactions to nuclear weapons and shaped the content of Soviet nuclear strategy. As a result, Soviet advocates of mutual deterrence like Talenskii were gradually silenced. By the mid-1960's the country adopted what in military jargon is referred to as a "war-fighting" and "war-winning" doctrine.

Given this fundamental consideration, the rest followed with a certain inexorable logic. The formulation of Soviet strategy in the nuclear age was turned over to the military who are in complete control of the Ministry of Defense. (Two American observers describe this instiution as a "uniformed empire." [19]) The Soviet General Staff had only recently emerged from winning one of the greatest wars in history. Immensely confident of their own abilities, scornful of what they perceived as the minor contribution of the United States to the Nazi defeat, inured to casualties running into tens of millions, the Soviet generals tackled the task with relish. Like their counterparts in the U.S. Army, they were professionally inclined to denigrate the exorbitant claims made on behalf of the new weapon by strategists drawn from the scientific community; unlike the Americans, however, they did not have to pay much heed to the civilians. In its essentials, Soviet nuclear doctrine as it finally emerged is not all that different from what American doctrine might have been had military and geopolitical rather than fiscal considerations played the decisive role here as they did there.

Soviet military theorists reject the notion that technology (i.e., weapons) decides strategy. They perceive the relationship to be the reverse: strategic objectives determine the procurement and application of weapons. They agree that the introduction of nuclear weapons has profoundly affected warfare, but deny that nuclear weapons have altered its essential quality. The novelty of nuclear weapons consists not in their destructiveness—that is, after all, a matter of degree, and a country like the Soviet Union which, as Soviet generals proudly boast, suffered in World War II the loss of over 20 million casualties, as well as the destruction of 1,710 towns, over 70,000 villages, and some 32,000 industrial establishments to win the war and emerge as a global power, is not to be intimidated by the prospect of destruction.[20] Rather, the innovation consists of the fact that nuclear weapons, coupled with intercontinental missiles, can by themselves carry out

Footnotes at end of article.

strategic missions which previously were accomplished only by means of prolonged tactical operations:

Nuclear missiles have altered the relationship of tactical, operational, and strategic acts of the armed conflict. If in the past the strategic end-result was secured by a succession of sequential, most often long-term efforts [and] comprised the sum of tactical and operational successes, strategy being able to realize its intentions only with the assistance of the art of operations and tactics, then today, by means of powerful nuclear strikes, strategy can attain its objectives directly.[21] In other words, military strategy, rather than a casualty of technology, has, thanks to technology, become more central than ever. By adopting this view, Soviet theorists believe themselves to have adapted modern technological innovations in weaponry to the traditions of military science.

Implicit in all this is the idea that nuclear war is feasible and that the basic function of warfare, as defined by Clausewitz, remains permanently valid, whatever breakthroughs may occur in technology. "It is well known that the essential nature of *war as a contination of politics does not change with changing technology and armament.*" [22] This code phrase from Sokolovskii's authoritative manual was certainly hammered out with all the care that in the United States is lavished on an amendment to the Constitution. It spells the rejection of the whole basis on which U.S. strategy has come to rest: thermonuclear war is not suicidal, it can be fought and won, and thus resort to war must not be ruled out.

In addition (though we have no solid evidence to this effect) it seems likely that Soviet strategists reject the mutual-deterrence theory on several technical grounds of a kind that have been advanced by American critics of this theory like Albert Wohlstetter, Herman Kahn, and Paul Nitze.

1. Mutual deterrence postulates a certain finality about weapons technology: it does not allow for further scientific breakthroughs that could result in the deterrent's becoming neutralized. On the offensive side, for example, there is the possibility of significant improvements in the accuracy of ICBM's or striking innovations in anti-submarine warfare; on the defensive, satellites which are essential for early warning of an impending attack could be blinded and lasers could be put to use to destroy incoming missiles.

2. Mutual deterrence constitutes "passive defense" which usually leads to defeat. It threatens punishment to the aggressor after he has struck, which may or may not deter him from striking; it cannot prevent him from carrying out his designs. The latter objective requires the application of "active defense"—i.e., nuclear preemption.

3. The threat of a second strike, which underpins the mutual-deterrence doctrine, may prove ineffectual. The side that has suffered the destruction of the bulk of its nuclear forces in a surprise first strike may find that it has so little of a deterrent left and the enemy so much, that the cost of striking back in retaliation would be exposing its own critics to total destruction by the enemy's third strike. The result could be a paralysis of will, and capitulation instead of a second strike.

Soviet strategists make no secret of the fact that they regard the U.S. doctrine (with which, judging by the references in their literature, they are thoroughly familiar) as second-rate. In their view, U.S. strategic doctrine is obsessed with a single weapon which it "absolutizes" at the expense of everything else that military experience teaches soldiers to take into account. Its philosophical foundations are "idealism" and "metaphysics"—i.e., currents which engage in speculative discussions of objects (in this case, weapons) and of their "intrinsic" qualities, rather than relying on pragmatic considerations drawn from experience.[23]

Since the mid-1960's, the proposition that thermonuclear war would be suicidal for both parties has been used by the Russians largely as a commodity for export. Its chief proponents include staff members of the Moscow Institute of the USA and Canada, and Soviet participants at Pugwash, Dartmouth, and similar international conferences, who are assigned the task of strengthening the hand of anti-military intellectual circles in the West. Inside the Soviet Union, such talk is generally denounced as "bourgeois pacifism." [24]

In the Soviet view, a nuclear war would be total and go beyond formal defeat of one side by the other: "War must not simply [be] the defeat of the enemy, it must be his destruction. This condition has become the basis of Soviet military strategy," according to the *Military-Historical Journal*.[25] Limited nuclear war, flexible response, escalation, damage limiting, and all the other numerous refinements of U.S. strategic doctrine find no place in its Soviet counterpart (although, of course, they are taken into consideration in Soviet operational planning).

For Soviet generals the decisive influence in the formulation of nuclear doctrine were the lessons of World War II with which, for understandable reasons, they are virtually obsessed. This experience they seem to have supplemented with knowledge gained from professional scrutiny of the record of Nazi and Japanese offensive operations, as well as the balance sheet of British and American strategic-bombing campaigns. More recently, the lessons of the Israeli-Arab wars of 1967 and 1973 in which they indirectly participated seem also to have impressed Soviet strategists, reinforcing previously held convictions. They also follow the Western literature, tending to side with the critics of mutual deterrence. The result of all these diverse influences is a nuclear doctrine which assimilates into the main body of the Soviet military tradition the technical implications of nuclear warfare without surrendering any of the fundamentals of this tradition.

The strategic doctrine adopted by the USSR over the past two decades calls for a policy diametrically opposite to that adopted in the United States by the predominant community of civilan strategists: not deterrence but victory, not sufficiency in weapons but superiority, not retaliation but offensive action. The doctrine has five related elements: (1) preemption (first strike), (2) quantitative superiority in arms, (3) counterforce targeting, (4) combined-arms operations, and (5) defense. We shall take up each of these elements in turn.

Preemption. The costliest lesson which the Soviet military learned in World War II was the importance of surprise. Because Stalin thought he had an understanding with Hilter, and because he was afraid to provoke his Nazi ally, he forbade the Red Army to mobilize for the German attack of which he had had ample warning. As a result of this strategy of "passive defense," Soviet forces suffered frightful losses and were nearly defeated. This experience etched itself very deeply on the minds of the Soviet commanders: in their theoretical writings no point is emphasized more consistently than the need never again to allow themselves to be caught in a surprise attack. Nuclear weapons make this requirement especially urgent because, according to Soviet theorists, the decision in a nuclear conflict in all probability will be arrived at the initial hours. In a nuclear war the Soviet Union, therefore, would not again have at its disposal the time which it enjoyed in 1941–42 to mobilize reserves for a victorious counteroffensive after absorbing devastating setbacks.

Given the rapidity of modern warfare (an ICBM can traverse the distance between the USSR and the United States in thirty minutes), not to be surprised by the enemy means, in effect, to inflict surprise on him. Once the latter's ICBM's have left their silos, once his bombers have taken to the air and his submarines to sea, a counterattack is greatly reduced in effectiveness. These considerations call for a preemptive strike. Soviet theorists draw an insistent, though to an outside observer very fuzzy, distinction between "preventive" and "preemptive" attacks. They claim that the Soviet Union will never start a war—i.e., it will never launch a preventive attack—but once it had concluded that an attack upon it was imminent, it would not hesitate to preempt. They argue that historical experience indicates outbreaks of hostilities are generally preceded by prolonged diplomatic crises and military preparations which signal to an alert command an imminent threat and the need to act. Though the analogy is not openly drawn, the action which Soviet strategists seem to have in mind is that taken by the Israelis in 1967, a notably successful example of "active defense" involving a well-timed preemptive strike. (In 1973, by contrast, the Israelis pursued the strategy of "passive defense," with unhappy consequences.) The Soviet doctrine of nuclear preemption was formulated in the late 1950's, and described at the time by Garthoff and Dinerstein in the volumes cited above.

A corollary of the preemption strategy holds that a country's armed forces must always be in a state of high combat readiness so as to be able to go over to active operations with the least delay. Nuclear warfare grants no time for mobilization. Stress on the maintenance of a large ready force is one of the constant themes of Soviet military literature. It helps explain the immense land forces which the USSR maintains at all times and equips with the latest weapons as they roll off the assembly lines.

Quantitative superiority. There is no indication that the Soviet military share the view prevalent in the U.S. that in the nuclear age numbers of weapons do not matter once a certain quantity had been attained. They do like to pile up all sorts of weapons, new on top of old, throwing away nothing that might come in handy. This propensity to accumulate hardware is usually dismissed by Western observers with contemptuous references to a Russian habit dating back to Czarist days. It is not, however, as mindless as it may appear. For although Soviet strategists believe that the ultimate outcome in a nuclear war will be decided in the initial hours of the conflict, they also believe that a nuclear war will be of long duration; to consummate victory—that is, to destroy the enemy—may take months or even longer. Under these conditions, the possession of a large arsenal of nuclear delivery systems, as well as of other types of weapons, may well prove to be of critical importance. Although prohibited by self-imposed limitations agreed upon in 1972 at SALT I from exceeding a set number of intercontinental ballistic-missile launchers, the Soviet Union is constructing large numbers of so-called Intermediate Range Ballistic Missile launchers (i.e., launchers of less than intercontinental range), not covered by SALT. Some of these could be rapidly converted into regular intercontinental launchers, should the need arise.[26]

Reliance on quantity has another cause namely, the peculiarly destructive capability of modern missiles equipped with Multiple Independently-targettable Reentry Vehicles, or MIRV's. The nose cones of MIRVed missiles, which both superpowers possess, when in mid-course, split like a peapod to launch several warheads, each aimed at a separate target. A single missile equipped with three MIRVs' of sufficient accuracy, yield, and reliability can destroy up to three of the enemy's missiles—provided, of course, it catches them in their

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silos, before they have been fired (which adds another inducement to preemption). Theoretically, assuming high accuracy and reliability, should the entire American force of 1,054 ICBM's be MIRVed (so far only half of them have been MIRVed), it would take only 540 American ICBM's, each with three MIRV's, to attack the entire Soviet force of 1,618 ICBM's. The result would leave the United States with 514 ICBM's and the USSR with few survivors. Unlikely as the possibility of an American preemptive strike may be, Soviet planners apparently prefer to take no chances; they want to be in a position rapidly to replace ICBM's lost to a sudden enemy first strike. Conversely, given its doctrine of preemption, the Soviet Union wants to be in a position to destroy the largest number of American missiles with the smallest number of its own, so as to be able to face down the threat of a U.S. second strike. Its most powerful ICBM, the SS–18, is said to have been tested with up to 10 MIRV's (compared to 3 of the Minuteman–3, America's only MIRVed ICBM). It has been estimated that 300 of these giant Soviet missiles, authorized under SALT I, could seriously threaten the American arsenal of ICBM's.

COUNTERFORCE

Two terms commonly used in the jargon of modern strategy are "counterforce" and "countervalue." Both terms refer to the nature of the target of a strategic nuclear weapon. Counterforce means that the principal objective of one's nuclear missiles are the enemy's forces—i.e., his launchers as well as the related command and communication facilities. Countervalue means that one's principal targets are objects of national "value," namely the enemy's population and industrial centers.

Given the predominantly defensive (retaliatory) character of current U.S. strategy, it is naturally predisposed to a countervalue targeting policy. The central idea of the U.S. strategy of deterrence holds that should the Soviet Union dare to launch a surprise first strike at the United States, the latter would use its surviving missiles to lay waste Soviet cities. It is taken virtually for granted in this country that no nation would consciously expose itself to the risk of having its urban centers destroyed—an assumption which derives from British military theory of the 1920's and 1930's, and which influenced the RAF to concentrate on strategic bombing raids on German cities in World War II.

The Soviet high command has never been much impressed with the whole philosophy of countervalue strategic bombing, and during World War II resisted the temptation to attack German cities. This negative attitude to bombing of civilians is conditioned not by humanitarian considerations but by cold, professional assessments of the effects of that kind of strategic bombing as revealed by the Allied Strategic Bombing Surveys. The findings of these surveys were largely ignored in the United States, but they seem to have made a strong impression in the USSR. Not being privy to the internal discussions of the Soviet military, we can do no better than consult the writings of an eminent British scientist, P.M.S. Blackett, noted for his pro-Soviet sympathies, whose remarkable book "Fear, War and the Bomb," published in 1948–49, indicated with great prescience the lines which Soviet strategic thinking were subsequently to take.

Blackett, who won the Nobel Prize for Physics in 1948, had worked during the war in British Operations Research. He concluded that strategic bombing was ineffective, and wrote his book as an impassioned critique of the idea of using atomic weapons as a strategic deterrent. Translating the devastation wrought upon Germany into nuclear terms, he calculated that it represented the equivalent of the destruction that would have been caused by 400 "improved" Hiroshima-type atomic bombs. Yet despite such punishment, Nazi Germany did not collapse. Given the much greater territory of the Soviet Union and a much lower population density, he argued, it would require "thousands" of atomic bombs to produce decisive results in a war between America and Russia.[27] Blackett minimized the military effects of the atomic bombing on Japan. He recalled that in Hiroshima trains were operating forty-eight hours after the blast; that industries were left almost undamaged and could have been back in full production within a month; and that if the most elementary civil-defense precautions had been observed, civilian casualties would have been substantially reduced. Blackett's book ran so contrary to prevailing opinion and was furthermore so intemperately anti-American in tone that its conclusions were rejected out of hand in the West.

Too hastily, it appears in retrospect. For while it is true that the advent of hydrogen bombs a few years later largely invalidated the estimates on which he had relied, Blackett correctly anticipated Soviet reactions. Analyzing the results of Allied saturation bombing of Germany, Soviet generals concluded that it was largely a wasted effort. Sokolovskii cites in his manual the well-known figures showing that German military productivity rose throughout the war until the fall of 1944, and concludes: "It was not so much the economic struggle and economic exhaustion [i.e., countervalue bombing] that were the causes of the defeat of Hitler's Germany, but rather the armed conflict and the defeat of its armed forces [i.e., the counterforce strategy pursued by the Red Army.]" [28]

Soviet nuclear strategy is counter*force* oriented. It targets for destruction—at any rate, in the initial strike—not the enemy's cities but his military forces and their command and communication facilities. Its primary aim is to destroy not civilians but soldiers and their leaders, and to undermine not so much the will to resist as the capability to do so. In the words of Grechko:

The Strategic Rocket Forces, which constitute the basis of the military might of our armed forces, are designed to annihilate the means of the enemy's nuclear attack, large groupings of his armies, and his military bases; to destroy his military industries; [and] to disorganize the political and military administration of the aggressor as well as his rear and transport.[29]

Any evidence that the United States may contemplate switching to a counterforce strategy, such as occasionally crops up, throws Soviet generals into a tizzy of excitement. It clearly frightens them far more than the threat of Soviet cities posed by the countervalue strategic doctrine.

Combined-arms operations. Soviet theorists regard strategic nuclear forces (organized since 1960 into a separate arm, the Strategic Rocket Forces) to be the decisive branch of the armed services, in the sense that the utlimate outcome of modern war would be settled by nuclear exchanges. But since nuclear war, in their view, must lead not only to the enemy's defeat but also to his destruction (i.e., his incapacity to offer further resistance), they consider it necessary to make preparations for the follow-up phase, which may entail a prolonged war of attrition.

At this stage of the conflict, armies will be needed to occupy the enemy's territory, and navies to interdict his lanes of communications. "In the course of operations (battles), armies will basically complete the final destruction of the enemy brought about by strikes of nuclear rocket weapons." [30] Soviet theoretical writings unequivocally reject reliance on any one strategy (such as the *Blitzkrieg*) or on any one weapon, to win wars. They believe that a nuclear war will require the employment of all arms to attain final victory.

The large troop concentrations of Warsaw Pact forces in Eastern Europe—well in excess of reasonable defense requirements—make sense if viewed in the light of Soviet combined-arms doctrine. They are there not only to have the capacity to launch a surprise land attack against NATO, but also to attack and seize Western Europe with a minimum of damage to its cities and industries after the initial strategic nuclear exchanges have taken place, partly to keep Europe hostage, partly to exploit European productivity as a replacement for that of which the Soviet Union would have been deprived by an American second strike.

As for the ocean-going navy which the Soviet Union has now acquired, it consists primarily of submarines and ground-based naval air forces, and apparently would have the task of cleaning the seas of U.S. ships of all types and cutting the sea lanes connecting the United States with allied powers and sources of raw materials.

The notion of an extended nuclear war is deeply embedded in Soviet thinking, despite its being dismissed by Western strategists who think of war as a one-two exchange. As Blackett noted sarcastically already in 1948–49: "Some armchair strategists (including some atomic scientists) tend to ignore the inevitable counter-moves of the enemy. More chess playing and less nuclear physics might have instilled a greater sense of the realities." [31] He predicted that a World War III waged with the atomic bombs then available would last longer than either of its predecessors, and require combined-arms operations—which seems to be the current Soviet view of the matter.

Defense. As noted, the U.S. theory of mutual deterrence postulates that no effective defense can be devised against an all-out nuclear attack: it is this postulate that makes such a war appear totally irrational. In order to make this premise valid, American civilian strategists have argued against a civil-defense program, against the ABM, and against air defenses.

Nothing illustrates better the fundamental differences between the two strategic doctrines than their attitudes to defense against a nuclear attack. The Russians agreed to certain imprecisely defined limitations on ABM after they had initiated a program in this direction, apparently because they were unable to solve the technical problems involved and feared the United States would forge ahead in this field. However, they then proceeded to build a tight ring of anti-aircraft defenses around the country while also developing a serious program of civil defense.

Before dismissing Soviet civil-defense efforts as wishful thinking, as is customary in Western circles, two facts must be emphasized.

One is that the Soviet Union does not regard civil defense to be exclusively for the protection of ordinary civilians. Its chief function seems to be to protect what in Russia are known as the "cadres," that is, the political and military leaders as well as industrial managers and skilled workers—those who could reestablish the political and economic system once the war was over. Judging by Soviet definitions, civil defense has as much to do with the proper functioning of the country during and immediately after the war as with holding down casualties. Its organization, presently under Deputy Minister of Defense, Colonel General A. Altunin, seems to be a kind of shadow government charged with responsibility for administering the country under the extreme stresses of nuclear war and its immediate aftermath.[32]

Secondly, the Soviet Union is inherently less vulnerable than the United States to a

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countervalue attack. According to the most recent Soviet census (1970), the USSR had only nine cities with a population of one million or more; the aggregate population of these cities was 20.5 million, or 8.5 per cent of the country's total. The United States 1970 census showed thirty-five metropolitan centers with over one million inhabitants, totaling 84.5 million people, or 41.5 per cent of the country's aggregate. It takes no professional strategist to visualize what these figures mean. In World War II, the Soviet Union lost 20 million inhabitants out of a population of 170 million—i.e., 12 per cent; yet the country not only survived but emerged stronger politically and militarily than it had ever been. Allowing for the population growth which has occurred since then, this experience suggests that as of today the USSR could absorb the loss of 30 million of its people and be no worse off, in terms of human casualties, than it had been at the conclusion of World War II. In other words, all of the USSR's multimillion cities could be destroyed without trace or survivors, and, provided that its essential cadres had been saved, it would emerge less hurt in terms of casualties than it was in 1945.

Such figures are beyond the comprehension of most Americans. But clearly a country that since 1914 has lost, as a result of two world wars, a civil war, famine, and various "purges," perhaps up to 60 million citizens, must define "unacceptable damage" differently from the United States which has known no famines or purges, and whose deaths from all the wars waged since 1775 are estimated at 650,000—fewer casualties than Russia suffered in the 900-day siege of Leningrad in World War II alone. Such a country tends also to assess the rewards of defense in much more realistic terms.

How significant are these recondite doctrinal differences? It has been my invariable experience when lecturing on these matters that during the question period someone in the audience will get up and ask: "But is it not true that we and the Russians already possess enough nuclear weapons to destroy each other ten times over" (or fifty, or a hundred—the figures vary)? My temptation is to reply: "Certainly. But we also have enough bullets to shoot every man, woman, and child, and enough matches to set the whole world on fire. The point lies not in our ability to wreak total destruction: it lies in intent." And insofar as military doctrine is indicative of intent, what the Russians think to do with their nuclear arsenal is a matter of utmost importance that calls for close scrutiny.

Enough has already been said to indicate the disparities between American and Soviet strategic doctrines of the nuclear age. These differences may be most pithily summarized by stating that whereas we view nuclear weapons as a deterrent, the Russians see them as a "compellant"—with all the consequences that follow. Now it must be granted that the actual, operative differences between the two doctrines may not be quite as sharp as they appear in the public literature: it is true that our deterrence doctrine leaves room for some limited offensive action, just as the Russians include elements of deterrence in their "war-fighting" and "war-winning" doctrine. Admittedly, too, a country's military doctrine never fully reveals how it would behave under actual combat conditions. And yet the differences here are sharp and fundamental enough, and the relationship of Soviet doctrine to Soviet deployments sufficiently close, to suggest that ignoring or not taking seriously Soviet military doctrine may have very detrimental effects on U.S. security. There is something innately destabilizing in the very fact that we consider nuclear war unfeasible and suicidal for both, and our chief adversary views it as feasible and winnable for himself.

SALT misses the point at issue so long as it addresses itself mainly to the question of numbers of strategic weapons: equally important are qualitative improvements within the existing quotas, and the size of regular land and sea forces. Above all, however, looms the question of intent: as long as the Soviets persist in adhering to the Clausewitzian maxim on the function of war, mutual deterrence does not really exist. And unilateral deterrence is feasible only if we understand the Soviet war-winning strategy and make it impossible for them to succeed.

FOOTNOTES

[12] *Voennaia strategiia* (Moscow, 1962). Since 1962 there have been two revised editions (1963 and 1968). The 1962 edition was immediately translated into English; but currently the best version is that edited by Harriet Fast Scott (Crane-Russak, 1975) which renders the third edition but collates its text with the preceding two.

[11] To date, twelve volumes in this series have been translated into English and made publicly available through the U.S. Government Printing Office.

[12] William W. Kaufmann, *The McNamara Strategy* (1964), p. 97.

[13] Garthoff's principal works are *Soviet Military Doctrine* (1953), *Soviet Strategy in the Nuclear Age* (1958), and *The Soviet Image of Future War* (1959). Dinerstein wrote *War and the Soviet Union* (1959).

[14] Cited in J.M. Mackintosh, *The Strategy and Tactics of Soviet Foreign Policy* (London ,1962), pp 90–91, emphasis added.

[15] Articles in the *New Times* for 1945–46 cited in P.M.S. Blackett, *Fear, War and the Bomb* (1949), pp. 163–65.

[16] We now know that orders to proceed with the development of a Soviet atomic bomb were issued by Stalin in June 1942, probably as a result of information relayed by Klaus Fuchs concerning the Manhattan Project, on which he was working at Los Alamos, *Bulletin of the Atomic Scientists*, XXIII, No. 10, December 1967, p. 15.

[17] Dinerstein, *War and the Soviet Union*, p. 71.

[18] I would like to stress the word "theory," for the Russians certainly accept the *fact* of deterrence. The difference is that whereas American theorists of mutual deterrence regard this condition as mutually desirable and permanent, Soviet strategists regard it as undesirable and transient: they are entirely disinclined to allow us the capability of deterring them.

[19] Matthew P. Gallagher and Karl F. Speilmann, Jr., *Soviet Decision-Making for Defense* (1972), p. 39.

[20] The figures are from Grechko, *Vooruzhonnye sily*, p. 97.

[21] *Metodologicheskic problemy voennoi teorii i praktiki* ("Methodological Problems of Military Theory and Practice") (Moscow, Ministry of Defense of the USSR, 1969), p. 288.

[22] V.D. Sokolovskii, *Soviet Military Strategy* (Rand Corporation, 1963), p. 99, emphasis added.

[23] See, e.g., *Metodologicheskie problemy*, pp. 289–90.

[24] Gouré et al., *The Role of Nuclear Forces*, p. 9.

[25] Cited *ibid.*, p. 106.

[26] I have in mind the SS–20, a recently developed Soviet rocket. This is a two-stage version of the intercontinental SS–16 which can be turned into an SS–16 with the addition of third booster and fired from the same launcher. Its production is not restricted by SALT I and not covered by the Vladivostok Accord.

[27] Blackett, *Fear*, p. 88. As a matter of fact, recent unofficial Soviet calculations stress that the United States dropped on Vietnam the TNT equivalent of 650 Hiroshima-type bombs—also without winning the war: *Kommunist Vooruzhonnykh Sil* ("The Communist of the Armed Forces"), No. 24, December 1973, p. 27, cited in Gouré et al., *The Role of Nuclear Forces*, p. 104.

[28] Sokolovskii, *Soviet Military Strategy* (3rd edition), p. 21

[29] A.A. Grechko, *Na strazhe mira i stroitel'stva Kommunizma*, ("Guarding Peace and the Construction of Communism") (Moscow, 1971), p. 41.

[30] *Metodologicheskie problemy*, p. 288.

[31] Blackett, *Fear*, p. 79.

[32] On the subject of civil defense, see Leon Goure, *War Survival in Soviet Strategy* (1976).●

CONGRESSMAN DON PEASE'S VOTING RECORD

HON. DONALD J. PEASE

OF OHIO

IN THE HOUSE OF REPRESENTATIVES

Thursday, August 17, 1978

● Mr. PEASE. Mr. Speaker, it seems that the average citizen has no reasonable way to check the voting record of his or her representative. Lacking the resource material, the time, and the expertise needed to wade through the CONGRESSIONAL RECORD or other publications, citizens are left pretty much at loose ends. For this reason, I have assembled this complete record of all the votes I cast in the 95th Congress from January 4, 1977, through July 1, 1978. My constituents have a right to know how I voted and I want to accommodate them.

My votes are tabulated in such a way that each issue is described in language which can be easily understood. Each item in the list begins with the rollcall number of the vote, followed by a description of the question on which the vote was taken. This is followed by my own vote on the issue, either "yes," or "no," or "DNV" (did not vote). Finally, the vote of the entire House of Representatives on the issue is indicated by "passed" or "failed," followed by yea-nay totals:

VOTING RECORD

(2) Election of the Speaker of the House. O'Neill, 290; Rhodes, 142. voted for O'Neill.

(3) To bar amendments to Rules of the House for 95th Congress. Yes. Passed, 261–140.

(4) Rules of the House for 95th Congress. Yes. Passed, 256–142.

(9) Authorize the President to establish a 90-day emergency natural gas program. Yes. Passed, 367–52.

(10) Approve Journal of Feb. 1 proceedings. Yes. Passed, 413–2.

(11) Emergency Natural Gas Act: 90-day emergency allocation program; 180-day emergency purchase program; delete ceiling price on gas purchased from intrastate suppliers for interstate markets. Yes. Passed, 336–82.

(12) To adopt rule on resolution to create a Select Committee on Assassinations. Yes. Passed, 265–145.

(13) To eliminate language defining scope of investigation of Select Committee on Assassinations. No. Failed, 165–237.

(14) To reestablish until March 31, 1977, the Select Committee on Assassinations. Yes. Passed, 237–164.

(15) To approve journal of Feb. 2 proceedings. Yes. Passed, 329–3.

(16) Emergency appropriation ($6.4 million) for Department of Interior's Southwestern Power Administration. Yes. Passed, 341–5.

(17) To approve fishing agreements between U.S. and Bulgaria, Romania, East Germany, Poland, the Soviet Union, and the Republic of China. Yes. Passed, 353–35.

(18) To approve journal of Feb. 9 proceedings. Yes. Passed, 364–3.

(19) To direct Committee on Standards of Official Conduct to conduct an inquiry to determine whether Members of the House, their immediate families or their associates have accepted anything of value from the South Korean government or its representatives. Yes. Passed, 388–0.

(20) To raise ceiling on Small Business Administration loans and investments in FY 1977 from $6 billion to $8 billion. Yes. Passed, 381–0.

(22) To adjourn from Feb. 17 to Feb. 21. No. Failed, 109–224.

(23) Reduced air fares for the handicapped and the elderly. Yes. Passed, 403–0.

(24) To authorize medal to Marian Anderson in recognition of her distinguished career. Yes. Passed, 398–4.

(25) Budget Resolution: To adjust revenue and spending levels downward, assuming permanent tax cuts instead of expenditures for job programs. No. Failed, 148–258.

(26) Budget Resolution: Set spending ceiling and revenue floor for FY 1977. (Spending, $419.1 billion; revenue, $348.8 billion.) Yes. Passed, 239–169.

(27) To adopt rule on public jobs bill (Locale Public Works Capital Development and Investment Act of 1977). DNV. Passed, 384–6.

(28) To require that 65 per cent of funds for public works projects go to states based on number of unemployed in the state, and that 35 per cent of funds be set aside for states with unemployment rates in excess of 6.5 per cent. Yes. Failed, 187–201.

To base public works funds allocation on number of unemployed in state in relation to national rate. No. Passed, 229–158.

(30) To make $6 billion available for public works projects on which construction could begin within 90 days. Yes. Passed 295–85.

(31) To extend arrest and police authority of fish and wildlife enforcement officials. Yes. Failed, 206–136. (Two-thirds required).

(33) To approve fishing agreements between U.S. and Spain, Japan, South Korea, and European Economic Community. Yes. Passed, 377–18.

(34) Depository Institutions Amendments of 1977 on interest rate regulation, federal credit unions, Federal Reserve Banks. Yes. Passed, 401–4.

(36) To close debate on H. Res. 287 a new code of financial ethics for the House of Representatives. Yes. Passed, 267–153.

(37) To remove provision of ethics bill abolishing unofficial office accounts and instead, increase official expense allowance. No. Failed, 187–235.

(38) To remove ethics code restriction on Members' outside income. No. Failed, 79–344.

(39) Code of financial ethics, strengthening financial disclosure requirements, prohibit unofficial office accounts and lame duck travel, and restrict franking privilege and outside earned income. Yes. Passed, 402–22.

(41) To provide $200 million authority for disaster relief activities made necessary by severe weather in eastern U.S. Yes. Passed, 411–4.

(42) To restore $81.6 million to budget for long lead time funds for Nimitz-class nuclear aircraft carrier. No. Failed, 161–252.

(43) To restore to budget $371 million for converting U.S.S. Long Beach nuclear cruiser to anti-aircarrier cruiser. No. Failed, 137–269.

(44) Conference report (House-Senate compromise) on Third Budget Resolution calling for spending ceiling of $417.4 billion, revenue floor of $347.7 billion. Yes. Passed, 226–173.

(46) To consider (adopt rule) on Kennedy Center Act Amendments. Yes. Passed, 292–22.

(47) To reduce funds for Kennedy Center repairs from $4.7 million to $3.3 million. No. Failed, 101–213.

(48) Kennedy Center repairs. Yes. Passed, 239–78.

(50) To reestablish committe to study need for sports legislation. No. Failed, 75–271.

(51) To accept resignation of Rep. Henry B. Gonzales as chairman of Select Committee on Assassinations. Yes. Passed, 296–100.

(52) To close debate on Tax Reduction and Simplification Act. Yes. Passed, 208–181.

(53) To phase out $50 rebates for persons earning more than $25,000 per year; to provide $50 payments to recipients of social security and veterans benefits. Yes. Passed, 312–103.

(54) Tax Act: To provide flat standard deduction of $2,400 for single persons and $3,-000 for married couples. Yes. Passed, 386–29.

(55) To provide tax credit of 40 per cent on the first $4,200 of wages paid a new employee who represents actual increase in employer's payroll. Yes. Passed, 341–74.

(56) Tax Act: To substitute permanent tax cut in seven lowest brackets for $50 tax rebates. No. Failed, 194–219.

(57) Tax. Act: Final passage providing $12.7 billion in tax cuts and payments in 1977, change standard deductions, etc. Yes. Passed, 282–131.

(59) To end debate on resolution establishing Select Committee on Ethics. Yes. Passed, 242–175.

(60) To establish Select Committee on Ethics to issue interpretive regulations for new code of financial ethics. Yes. Passed. 410–1.

(61) To recommit Judiciary Committee funding and earmark $300,000 to investigate subversive activities. No. Failed, 159–249.

(62) To consider Supplemental Housing Auth. Act. Yes. Passed, 411–0.

(63) Supplemental Housing: to increase Section 8 contract term from 20 to 30 years. Yes. Passed, 323–87.

(64) Supplemental Housing: Equal number of men and women on the National Commission on Neighborhoods: Yes. Passed 249–157.

(65) Supplemental Housing: To eliminate provision creating Commission on Neighborhoods. Yes. Passed, 243–166.

(66) Supplemental Housing: Additional authority of $378 million for Section 8; $19.6 million for public housing; $10 million for urban homesteading. Yes. Passed, 380–30.

(67) To raise overall loan limit of Small Business Administration. Yes. Passed, 355–1.

(68) To prohibit importation of chrome from any nation which violates the human rights provisions of U.N. charter. No. Failed, 153–246.

(69) To delay for 3 days effective date of Rhodesian Chrome bill. No. Failed, 160–236.

(70) To allow prohibition on importation of Rhodesian Chrome. Yes. Passed, 250–146.

(72) To allow and evaluate 90-day test televising of House proceedings. Yes. Passed, 398–10.

(73) To consider (adopt rule) on Economic Stimulus. Appropriations. Yes. Passed, 333–71.

(74) To reduce countercyclical aid from $632.5 million to $250 million. Yes. Failed, 183–225.

(75) To prohibit public works funds for projects unless at least 10 per cent of those employed had lived in area 30 days and been unemployed for at least 30 days. No. Failed, 165–245.

(76) Economic Stimulus Appropriations. $23.3 billion. Yes. Passed, 281–126.

(77) To consider (adopt rule) on Supplemental Appropriations for FY 1977. Yes. Passed, 331–58.

(78) Supplemental Appropriations: $200 million for emergency assistance to low-income families to help with fuel bills. Yes. Passed, 233–170.

(79) Supplemental Appropriations: To bar use of funds for salaries and expenses in connection with military pardon program. No. Passed, 220–187.

(80) Supplemental Appropriations: To delete International Development Association funds. No. Failed, 171–234.

(81) Supplemental Appropriations: $27.92 billion, for various departments and programs. Yes. Passed, 306–98.

(82) To consider (adopt rule) on National Aeronautics and Space Administration (NASA) Authorization Act. Yes. Passed, 389–0.

(83) To authorize $4.05 billion for NASA, FY 1978. No. Passed, 338–44.

(84) To authorize $275 million for expanding public library services (two years). Yes. Passed, 368–1.

(85) Unemployment Extension: To bar amendments to the rule. Yes. Passed, 213–164.

(86) To consider (adopt rule) on Emergency Unemployment Compensation Extension Act. Yes. Passed, 236–141.

(87) To extend Federal Supplemental Benefits (Unemployment Act) and reduce by one-half maximum number of FSB weeks. Yes. Passed, 327–63.

(89) To amend Vocational Education Technical Amendments to remove $25 million limit on federal funds for state administration and no limit on local administration of vocational educational programs. Yes. Passed, 396–1.

(90) Resolution protesting the lack of freedom of emigration from the Soviet Union. Yes. Passed, 400–2.

(92) To consider (adopt rule) on Common Situs Picketing. Yes. Passed, 297–112.

(93) Common Situs: To limit right to picket a common site to employees of persons "primarily engaged in the construction industry on the site." No. Passed, 212–209.

(94) Common Situs: To exempt employers using "fast-track" or phased method of construction. No. Failed, 181–241.

(95) Common Situs: To exempt certain residential builders. No. Passed, 252–167.

(96) Common Situs: To require strike be approved by a majority of all workers affected, including union and non-union. No. Failed, 115–304.

(97) Common Situs: Sarasin Substitute (similar to original bill). Yes. Passed, 246–177.

(98) Common Situs: Final passage, to permit picketing of an entire construction site even if the dispute was with one employer on the site. Yes. Failed, 205–217.

(99) To approve Journal of March 23. DNV. Passed, 386–3.

(100) To authorize $85 million for Federal Aviation Administration. Yes. Passed, 402–6.

(101) To authorize $868 million for National Science Foundation. Yes. Passed, 378–29.

(102) To authorize $89.7 million supplemental funds for State Department activities. Yes. Passed, 292–114.

(104) To create Select Committee on Congressional Operations. Yes. Passed, 211–147.

(106) To provide that governmental reor-

ganization plans become effective only if both House and Senate approve the plan. No. Failed, 87–329.

(107) To renew for three years the President's authority to submit reorganization plans to Congress, to become effective within 60 days unless rejected by either house. Yes. Passed, 395–22.

(109) To consider (adopt rule) bill to continue the Select Committee on Assassinations. No. Passed, 285–124.

(110) To withdraw authority given Assassinations Committee to bring, defend, or intervene in lawsuits. No. Passed, 223–195.

(111) To go into secret session to continue consideration of Assassinations Committee resolution. No. Failed, 185–226.

(112) Final passage, to continue Select Committee on Assassinations. No. Passed, 230–181.

(113) To approve section of H. Res. 393 authorizing additional funds for House leadership offices. Yes. Passed, 276–128.

(114) To authorize additional funds and personnel for House majority and minority leadership offices. Yes. Passed, 276–122.

(115) Strategic and Critical Materials Stockpiling Act Amendments. Yes. Passed, 373–24.

(116) To extend for one year authorizations for national cancer program; heart, blood vessel, lung and blood program, etc. Yes. Passed, 385–4.

(117) To increase authorization for home health services demonstration and training programs. Yes. Passed, 322–69.

(118) To extend for one year authorizations for grants to states for material and child health and cripped children, services, etc. Yes. Passed, 376–4.

(119) To restore to VA authorization to provide medical services on a fee basis to certain veterans outside VA facilities. Yes. Passed, 402–0.

(120) To authorize $30 million (two years) for VA grants to states to construct veterans homes and nursing homes. Yes. Passed, 399–0.

(121) To change effective date of sick pay excusion to Jan. 1, 1977, for taxpayers who wish to claim old sick pay exclusion. Yes. Passed, 404–0.

(122) To adopt conference report on extending Federal Supplemental Benefits Program through Mar. 31, 1978, and reduce number of FSB weeks from 26 to 13. Yes. Passed, 406–2.

(123) To consider (adopt rule) on Debt Collection Practices Act. Yes. Passed 347–44.

(124) To amend Consumer Credit Protection Act to regulate debt collectors' activities, including a prohibition on harassing and intimidating consumers and making false or misleading representations. No. Passed, 199–198.

(125) To authorize $20 million for earthquake disaster relief activities in Romania. Yes. Passed, 322–90.

(126) To authorize grants to states to help local and state educational agencies provide career education programs in elementary and secondary schools. Yes. Passed, 398–14.

(127) To protect petroleum franchisees from concellation. Yes. Passed, 404–3.

(128) To consider (adopt rule) on Federal Water Pollution Control Act Amendments. Yes. Passed, 348–60.

(129) To authorize $18.2 billion (three years) for municipal wastewater treatment works. Yes. Passed, 361–43.

(130) To approve journal of April 5 proceedings. Yes. Passed, 373–8.

(131) To consider (adopt rule) on Increased U.S. Participation in International Banking Agencies. Yes. Passed, 366–15.

(132) To require U.S. opposition to international banking loans for production of palm oil, citrus and sugar. No. Passed, 216–145.

(133) To provide withdrawal of U.S. funds from international banking agencies if the agencies provided financial aid to Cuba. Vietnam, Laos or Cambodia. No. Failed, 165–189.

(134) To increase to $5.2 billion (four years) U.S. participation in several international development lending institution. Yes. Passed, 194–156.

(135) To permit tax deductible business use of residence for day care services. Yes. Passed, 320–1.

(136) To approve journal of April 18 proceedings. Yes. Passed, 367–4.

(137) To amend Federal Rules of Criminal Proceedure, changing language relating to secrecy of grand jury proceedings, cases tried by juries of less than 12 persons, and cases tried without a jury. Yes. Passed, 376–3.

(138) To authorize $288 million for research, development and demonstration projects of Environmental Protection Agency Yes. Passed, 358–31.

(139) To consider (adopt rule) on Export Administration Act Amendments. Yes. Passed, 399–2.

(140) To extend Export Administration Act through FY 1979. Yes. Passed, 364–43.

(142) To adopt conference report on FY 1977 supplemental appropriations of $29 billion. Yes. Passed, 264–142.

(143) Supplemental appropriations: $12.5 million for Uniformed Services University of the Health Sciences (trains doctors for the armed services). No. Passed, 250–162.

(144) Supplemental appropriations: $20 million to reimburse local governments for snow removal costs in emergency areas. Yes. Failed, 124–279.

(145) To approve journal of April 21 proceedings. Yes. Passed, 326–8.

(146) Defense: To prohibit procurement of Airborne Warning and Control System aircraft. Yes. Failed, 135–222.

(147) To allow Treasury Department to earn interest on its idle tax and loan accounts by investing in interest-bearing securities. Yes (11–0). Passed, 384–0.

(148) Defense: To deactivate 17,000 troops stationed overseas and reduce total force by 50,000. No. Failed, 86–301.

(149) Defense: To place all future enlistees under congressional retirement plan. No. Failed, 148–247.

(150) Defense: To prohibit use of funds to advertise the review program for less-than-honorable discharges. No. Passed, 291–96.

(151) Defense: To authorize $35.9 billion for military procurement, research and development; to set active duty troop level at 2,090,425. Yes. Passed, 347–43.

(152) To consider (adopt rule) First FY 1978 Budget Resolution. Yes. Passed. 400–1.

(153) Budget Resolution: To increase revenue target by $900 million (Third 1977 Budget Resolution), by assuming deletion of business tax credits contained in Tax Reduction Act of 1977. Yes. Failed, 109–302.

(154) Budget Resolution: To reduce targets for budget authority and outlays by $7 million by assuming deletion of funds for recent pay raise for Members of Congress, (Cancel cost-of-living raise). No. Passed, 236–179.

(155) To resolve into committee of the whole House to consider First Budget Resolution. Yes. Passed 409–0.

(156) Budget Resolution: To transfer $7.95 billion from defense spending to reduce the national debt. No. Failed, 64–344.

(157) Budget Resolution: To increase target for budget authority for defense by $4.15 billion and target for defense outlays by $2.3 billion. No. Passed, 225–184.

(158) Budget Resolution: To affirm previous vote to increase defense targets. No. Passed, 218–185.

(159) Budget Resolution: To transfer $6.5 billion from military spending into spending for domestic programs. Yes. Failed, 102–306.

(160) Budget Resolution: To increase budget authority by $249 million for Law Enforcement Assistance Administration. No. Passed, 224–179.

(161) Budget Resolution: To increase budget authority and outlays by $500 million in veterans' benefits and services. Yes. Passed, 329–73.

(162) Budget Resolution: to reduce authority and outlays in natural resources by $100 with the intention of striking funds for water projects. Yes. Failed, 143–252.

(163) Budget Resolution: To produce outlays by $23 billion; deficit by $18 billion; assume permanent 10 percent across-the-board tax cut for individuals. No. Failed, 150–250.

(164) Budget Resolution: to reduce outlays target by $55 billion; increase revenue targets by $11 billion; install 10 percent tax cut. No. Failed, 131–271.

(165) Budget Resolution: Final passage, to set new budget at $505.7 billion; outlays at 466.7 billion; revenues at $398.1 billion; deficit at $69.6 billion. No. Failed, 84–320.

(166) To approve journal of April 27 proceedings. Yes. Passed, 329–13.

(167) To approve conference report, $318 supplemental appropriation for Section 8 housing. Yes. Passed, 355–47.

(168) Funding ($2.5 million) for Assassinations Committee. No. Passed, 213–192.

(169) To consider (adopt rule) on strip mining bill. Yes. Passed, 340–58.

(170) To resolve into committee of the whole. Yes. Passed, 309–1.

(171) To ban strip mining in Western alluvial valleys. Yes. Passed 170–149.

(172) To require $300 million from Outer Continental Shelf oil leasing be diverted to pay for abandoned strip mine reclamation. No. Failed, 85–226.

(173) Motion to recommit Surface Mining Control and Reclamation Act. No. Failed, 83–228.

(174) Passage of strip mining bill. Yes. Passed, 241–64.

(175) Appropriations for U.S. territories. Yes. Passed, 379–3.

(176) To authorize $31.1 million for San Luis reclamation project. Yes. Passed, 377–14.

(177) To authorize $1.6 billion for Energy Research and Development Administration. Yes. Passed, 360–30.

(178) Veterans Administration Medical Facilities Acquisition Act, requiring tighter congressional oversight. Yes. Passed, 373–19.

(179) To permit state legislators to deduct away-from-home expenses in connection with legislative duties in 1976–77. Yes. Passed, 372–6.

(180) To extend Defense Production Act for two years. Yes. Passed. 385–3.

(181) To provide $440,000 for expenses of Select Committee on Congressional Operations. Yes. Passed, 262–131.

(182) To extend Export-Import Bank authority to coincide with new fiscal year; require consideration of human rights in authorizing loans; congressional review of nuclear-related loans (introduced by Neal). Yes. Passed, 281–126.

(183) To strike language from Public Works Employment Act which would require spending money previously allocated for water resources projects. Yes. Failed, 108–302.

(184) Final passage, Public Works Employment Act (jobs bill). Yes. Passed, 335–77.

(185) To consider (adopt rule) on U.S. Railway Association Authorization, for FY 1978. Yes. Passed, 409–0.

(186) To require feasibility reports on verifying arms control agreements. No. Passed, 259–148.

(187) To authorize $14.6 million for Arms Control and Disarmament Agency. Yes. Passed, 395–15.

(188) To authorize $13 million for administrative expenses of U.S. Railway Assn. Yes. Passed, 358–50.

(189) To adopt rule on Foreign Relations Authorizations. Yes. Passed 391–23.

(190) To provide $20.1 billion budget authority for economic stimulus package. Yes. Passed, 326–87.

(191) To reduce authorization for U.N. Ambassador's office. No. Failed, 91–318.

(192) To reduce U.S. contribution to United Nations. No. Failed, 149–257.

(193) To change language of Foreign Relations Authorization to require that any new Panama Canal treaty must "protect the vital interests of the United States," instead of "prohibiting use of funds for negotiations to surrender or relinquish the Panama Canal." Yes. Passed, 220–182.

(194) To prohibit use of foreign relations funds to negotiate any aid for Vietnam. No. Passed, 236–131.

(195) $1.68 billion for foreign relations operations. State Department, etc. Yes. Passed, 285–111.

(197) Budget Resolution: To increase defense spending targets by $8 billion in authorizations, $2 billion in outlays. No. Failed, 176–233.

(198) Budget Resolution: To increase defense authorizations by $2 billion, outlays by $1 billion. No. Failed, 184–223.

(199) Budget Resolution: To increase defense authorizations by $1 billion, outlays by $1 billion. No. Failed, 190–214.

(200) Budget Resolution: To reduce defense authorizations $1.15 billion and outlays target by $300 million. Yes. Failed, 88–315.

(201) Budget Resolution: To increase authority and outlays for veterans' benefits by $175 million, with intention to provide new pension for World War I veterans. No. Passed, 282–100.

(202) Budget Resolution: To increase defense spending targets $3 billion and outlays $2 billion; decrease budget authority and outlays targets for interest on national debt by $2.1 billion; and increase revenue target $3.3 billion. No. Failed, 85–306.

(203) Budget Resolution: To reduce outlays by $24 billion and the deficit by $21 billions and give across-the-board 10% tax reduction for individuals. No. Failed, 150–240.

(204) Budget Resolution: Final passage, setting spending limit at $464.5 billion. Yes. Passed, 213–179.

(205) To consider (adopt rule) on Housing and Community Development Act Amendments. Yes. Passed, 280–4.

(206) To establish Eleanor Roosevelt National Historical Site at Hyde Park, N.Y. Yes. Passed, 337–43.

(207) To authorize $1.1 billion through 1982 for programs under Education of the Handicapped Act. Yes. Passed, 376–2.

(208) To extend deadline for Civil Rights Commission report on age discrimination. Yes. Passed, 379–0.

(209) Higher Education Technical Amendments. Yes. Passed, 382–1.

(210) To authorize funds and continue appointment of counsel to represent the House and its Commerce Committee in court case, U.S. versus AT&T. Yes. Passed, 246–143.

(211) To recommit resolution dismissing the election of Rep. Gammage. No. Failed, 126–260.

(212) To dismiss the election contest against Rep. Mikva. Yes. Passed, 272–107.

(213) To dismiss the election contest against Rep. Pursell. Yes. Passed, 371–8.

(214) To approve journal of May 9. Yes. Passed, 381–12.

(215) To prohibit Alaskan pipeline oil from being exported for two years. No. Passed, 240–166.

(216) To increase authorization and extent Tinicum National Environmental Center. Yes. Passed, 374–32.

(217) To authorize U.S. contribution to International Commission for Conservation of Atlantic Tunas. Yes. Passed, 407–2.

(218) To authorize $13.5 million for Commercial Fisheries Development Act for FY 1978–80. Yes. Passed, 402–9.

(219) To strike dual formula for allocating Community Development Block Grants. No. Failed, 149–261.

(220) To approve journal of May 10. Yes. Passed, 386–12.

(221) To require 25% of Urban Development Grant funds go to communities under 50,000 population. Yes. Passed, 279–129.

(222) To delete sanctions against communities which refuse to participate in flood insurance programs (Housing and Community Development Act). No. Passed, 220–169.

(223) Final passage, reauthorizing for three years the Housing and Community Development block grants. Yes. Passed, 369–20.

(224) To adopt rule (consider) International Development and Food Assistance Act. Yes. Passed, 380–14.

(225) To reduce U.S. funds by $25.8 million to international development agencies. No. Passed, 233–171.

(226) To remove tobacco as an agricultural commodity eligible for export financing under P.L. 480 program. Yes. Passed, 229–178.

(227) To prohibit aid to Vietnam and Cuba under P.L. 480 program. No. Passed, 288–119.

(228) To authorize $1.68 billion for international development and international disaster assistance. Yes. Passed, 252–158.

(229) To consider (adopt rule) on Intergovernmental Antirecession Assistance Act. Yes. Passed, 390–3.

(230) To resolve into Committee of the Whole. Yes. Passed, 322–0.

(231) To base countercyclical fund on state and local effort, instead of unemployment rates. No. Failed, 127–216.

(232) To extend countercyclical aid program and revise formula. No. Passed, 243–94.

(233) To authorize $560,000 for National Committee on Atmosphere and Oceans. Yes. Passed, 387–6.

(234) To extend funding authority for Seal Beach National Wildlife Refuge. Yes. Passed, 384–4.

(235) To increase authorization for Canal Zone Biological Area. Yes. Passed, 245–141.

(236) To extend voluntary insurance program of Fisherman's Protective Act. Yes. Passed, 239–151.

(237) To adopt conference report, Tax Reduction and Simplification Act, providing tax cuts in FY 1977, 1978 and 1979. Yes. Passed, 383–2.

(238) To add Intergovernmental Antirecession Assistance Act to the tax bill. No. Passed, 252–134.

(240) Final passage, to create a Young Adult Conservation Corps and other youth employment measures. Yes. Passed, 334–61.

(241) To extend and fund Drug Enforcement Administration. Yes. Passed, 393–1.

(242) To authorize $67 million for Securities and Exchange Commission Yes. Passed, 375–22.

(243) To authorize $10 million for water resources planning and management. Yes. Passed, 397–2.

(244) To authorize $5.9 million for U.S. Water Resources Council. Yes. Passed, 390–6.

(245) To authorize continued funding for 18 river basin projects. Yes. Passed, 310–89.

(246) To authorize survey of Medicine Bow National Forest. Yes. Passed. 371–26.

(247) To allow Secretary of Transportation to provide aviation insurance to cover losses from riots, civil disorders, hijackings and similar acts. Yes. Passed, 388–8.

(248) To authorize "such sums as necessary" for the administration of federal disaster programs in fiscal year 1978. Yes. Passed, 393–5.

(249) To authorize $2.5 million a year for administration of Deepwater Port Act. Yes Passed, 387–6.

(250) To authorize feasibility study of installing solar energy equipment in House of Representatives buildings. Yes. Passed, 368–29.

(251) To authorize $225 million for fiscal year 1977 and "such sums as necessary" in 1978 to make loans and grants to drought-affected areas. Yes. Passed, 395–2.

(252) To adopt conference report. First fiscal year 1978 Budget Resolution, including an outlays target of $460.95 billion. Yes. Passed, 221–177.

(254) To consider (adopt rule) on National School Lunch and Child Nutrition Amendments. Yes. Passed, 388–10.

(255) To limit number of children in each State who could participate in summer feeding program to 200% of children ages 5–17 in families with poverty-level incomes. No Failed, 180–218.

(256) To limit number in local summer feeding program to local number eligible to reduced-price meals in regular school programs. No. Failed, 192–216.

(257) To give local school districts choice of cash or commodities for school lunch programs. No. Failed, 138–272.

(258) Final passage, to extend the summer feeding program of School Lunch Act, revising provisions to control fraud and abuse. Yes. Passed, 393–19.

(259) To consider (adopt rule) on International Security Assistance for FY 1978. Yes. Passed, 359–48.

(260) To consider (adopt rule) on Federal Employees Political Activities Act. Yes. Passed, 348–60.

(261) To assert federal employee's right to refrain from forming, joining, or participating in any organization or group which encourages political activity. No. Passed, 259–144.

(262) To prohibit job referrals by Members of Congress, etc., for job applicants seeking employment with Civil Service. Yes. Failed, 153–248.

(263) To limit debate on Federal Employees Political Activities Act. No. Failed, 169–237.

(264) To prohibit federal employees from running for federal or full-time state or local offices. No. Failed, 143–266.

(265) To prohibit intimidation or coercion of federal employees by an employee organization in regard to political activity. No. Passed, 229–168.

(266) To delete language from Political Activities bill relating to criminal penalties for extortion. No. Failed, 73–319.

(267) To rise from consideration of Political Activities Act. Yes. Passed, 326–84.

(268) To extend Juvenile Justice and Delinquency Prevention Act for three years. Yes. Passed, 389–5.

(270) To extend for three months the Privacy Protection Study Commission. Yes. Passed, 387–3.

(271) To increase by 6% the disability compensation to veterans and for dependency and indemnity compensation to their survivors. Yes. Passed, 393–0.

(272) To increase disability compensation for some veterans who have suffered loss of paired extremities. No. Passed, 385–7.

(273) To extend automobile assistance allowance to disabled veterans of World War I. No. Passed, 386–11.

(274) To authorize $10.54 million for U.S. Commission on Civil Rights for FY 1978. Yes. Passed, 365–34.

(275) To allow closed conference meetings on Military Procurement Authorizations for FY 1978. Yes. Passed, 273–114.

(276) To delete $700,000 for military education and training programs in Argentina and prohibit arms sales to that country. No. Failed, 187–200.

(277) To resolve into Committee of the Whole to consider International Security Assistance. Yes. Passed 400–0.

(278) To delete $100 million for Southern Africa Special Requirements Fund (International Security). No. Failed, 204–208.

(279) To delete requirements for "majority-ruled" for receiving funds from Southern Africa Special Requirements Fund. Yes. Passed, 238–173.

(280) To reduce authorized ceiling for FY 1978 military sales by $102.8 million. No. Failed, 139–260.

(281) To recommit International Security Assistance bill with instructions to permit the President to lift arms embargo against Turkey. No. Failed, 150–256.

(282) International Security: To authorize $3.2 billion in U.S. grant military assistance, foreign military credit sales and guarantees, and security supporting assistance. Yes. Passed. 242–163.

(283) To consider (adopt rule) on Clean Air Act Amendments. Yes. Passed, 383–1.

(284) To resolve into Committee of the Whole to consider Clean Air Act Amendments. Yes. Passed, 269–1.

(285) To permit governors to grant variances in clean air standards for stationary sources such as power plants. Yes. Failed, 170–237.

(286) To permit governors, after public hearings, to grant variances so new or modified sources (industries and power plants) could exceed allowable limits for sulfur oxide and particles for 5 percent of days of the year. No. Passed, 237–172.

(287) To postpone new compliance provisions for areas that have not attained health standards for clean air, until 60 days after EPA's required one-year study of non-attainment policy. No. Failed, 162–242.

(288) To resolve into Committee of the Whole to consider Clean Air Act Amendments. Yes. Passed, 380–55.

(289) To modify auto emissions standards. Yes. Failed, 190–202.

(290) To put off standards for auto hydrocarbon emissions until 1980 and allow higher emissions of carbon monoxide and nitrogen oxides. Yes. Passed, 255–139.

(291) Final passage. Clean Air Act Amendments. Yes. Passed, 326–49.

(292) Peace Corps Authorization (rule). Yes. Passed, 333–2.

(293) Marine Mammal Protection, porpoise quota amendment. Yes. Passed, 244–109.

(294) Marine Mammal, porpoise kill penalties. No. Failed, 158–194.

(295) Marine Mammal Protection, final passage. Yes. Passed, 334–20.

(293) Peace Corps Authorization, final passage. Yes. Passed, 305–43.

(297) Rule on Department of Energy. Yes. Passed, 346–2.

(298) To establish National Energy Board. No. Failed, 83–277.

(299) To strike authority to regulate well head price of natural gas. No. Passed, 236–119.

(300) To remove DOE oversight of individual leases. Yes. Failed, 170–180.

(301) To allow congressional veto of DOE regulations. No. Passed, 200–125.

(302) Resolve into Committee of the Whole. Yes. Passed, 313–0.

(303) Prohibit DOE employees from taking jobs in private regulated industry. Yes. Failed, 146–184.

(304) "Sunset" date of 1982 for DOE. No. Passed, 202–126.

(305) Final passage, Department of Energy. Yes. Passed, 310–20.

(306) To increase Federal Crop Insurance Corp. stock limit from $100 million to $150 million. Yes. Passed, 377–5.

(307) To appraise soil and water conservation resources and develop long-range policy for orderly development. Yes. Passed, 365–16.

(308) To extend Federal Energy Agency through FY 1978 and give FEA authority to require power plants to convert to coal. Yes. Passed, 272–111.

(309) To exempt Members of Congress from the taxes of states and localities other than those from which they were elected. Present. Passed, 294–83.

(311) To repeal language in Military Construction bill relating to Davis-Bacon Act on projects to which it would not otherwise apply. No. Failed, 76–298.

(312) To authorize $3.5 billion for FY 1978 for military construction and family housing. Yes. Passed, 351–24.

(313) To resolve into Committee of the Whole to consider Federal Employees Political Activities Act. Yes. Passed, 371–26.

(314) To bar use of organization funds for political purposes, etc. No. Failed, 131–277.

(315) To clarify language pertaining to use of dues. Yes. Passed, 266–139.

(316) To eliminate all exceptions under which persons in restricted categories may participate in political campaigns. No. Failed, 56–344.

(317) To define extortion as including coercion through use of authority and the use of fear or violence. No. Failed, 190–219.

(318) To prohibit federal employees from soliciting campaign funds from fellow employees. Yes. Failed, 156–251.

(319) Final passage, Federal Employees Political Activities Act of 1977. Yes. Passed, 244–164.

(320) Conference report authorizing $4.7 million for Kennedy Center repairs. Yes. Passed, 291–90.

(321) To provide $7.52 budget authority for Treasury Department, Postal Services, Executive Office of the President, and various independent agencies. Yes. Passed, 359–45.

(322) To prohibit SST operations at New York unless SST met FAA noise standards for subsonic aircraft. No. Failed, 128–274.

(323) To provide $5.9 billion budget authority for Department of Transportation and related agencies. Yes. Passed, 391–11.

(324) To consider (adopt rule) on Victims of Crime Act. Yes. Passed, 213–79.

(325) To consider (adopt rule) on Interior Appropriations for FY 1978. No. Passed, 332–65.

(326) To increase funding for Energy Research and Development Administration. Yes. Failed, 145–251.

(327) Final passage, to appropriate $9.5 billion for Department of the Interior and related agencies. Yes. Passed, 395–7.

(328) To consider (adopt rule) on Legal Services Corp. Act Amendments. Yes. Passed, 352–52.

(329) To prohibit legal service attorneys from engaging in political activity or running for public office. No. Failed, 178–198.

(331) Conference report to extend Export Administration Act. Yes. Passed, 306–41.

(332) To prohibit use of State Department funds for U.S. diplomatic personnel assigned to Cuba or the Swiss Embassy in Cuba. No. Failed, 139–206.

(333) To resolve into Committee of the Whole to consider State-Justice-Commerce-Judiciary appropriations. DNV. Passed, 354–2.

(334) To increase LEAA authorization from $500 million to $704.5 million. No. Failed, 172–210.

(335) To appropriate $7.62 billion for State-Justice-Commerce-Judiciary. Yes. Passed, 353–42.

(336) To authorize $900,000 for investigation of past and prospective changes in world economy. Yes. Passed, 324–79.

(337) To make changes in Supplemental Security Income benefits, etc. No. Passed, 335–64.

(338) Public Works: To delete funding for 16 water projects. Yes. Failed, 194–216.

(339) Public works: To provide $10.2 billion in budget authority for FY 1978. Yes. Passed, 356–54.

(340) To consider (adopt rule) on HUD and related agencies appropriations. Yes. Passed, 370–20.

(342) HUD: To require 75% of new low income housing units be for elderly and handicapped. No. Failed, 183–214.

(343) HUD: To strike provision preventing Comprehensive Planning Grant funds from going to cities of over 50,000. No. Failed, 156–248.

(344) To prohibit use of VA funds to adjudicate claims or pay benefits to persons whose military discharges have been upgraded under President's Special Discharge Review program. No. Passed, 273–136.

(345) HUD: To reduce total budget authority by 1% for nonentitlement programs. No. Failed, 169–237.

(346) HUD: Final passage, $70.23 billion for HUD, NASA, Veterans Administration. DNV. Passed, 374–32.

(347) To resolve into Committee of the Whole to consider Labor-HEW appropriations. Yes. Passed 342–4.

(348) Labor-HEW: To reduce funding for OSHA. No. Failed, 162–231.

(349) Labor-HEW: To reduce total appropriations by $563.5 million, affecting 11 health, education and elderly programs. No. Failed, 72–334.

(350) Labor-HEW: To prohibit HEW from requiring the busing of students beyond the schools nearest their homes. No. Passed, 225–157.

(351) To insist on human rights considerations in activities of International Banking Agencies. No. Failed, 161–200.

(352) Labor-HEW: To prohibit use of federal funds to pay for abortions. No. Passed, 201–155.

(353) To consider (adopt rule) on Agriculture Appropriations. Yes. Passed, 352–5.

(354) Agriculture: To prohibit use of funds for subsidy payments to sugar processors. No. Failed, 119–272.

(355) To direct House conferees to insist on "sunset" clause for Department of Energy. No. Passed, 228–179.

(356) Agriculture: To reduce appropriation for food stamp program by $673 million. No. Failed, 154–262.

(357) Agriculture: $12.7 new budget authority for agricultural, rural development, and domestic and international food programs. Yes. Passed, 380–35.

(358) Military Construction: To consider (adopt rule). Yes. Passed, 404–0.

(359) Military Construction: To provide new budget authority of $2.8 billion for military construction and family housing. Yes. Passed, 391–16.

(360) To consider (adopt rule) on Foreign Assistance Appropriations. Yes. Passed, 349–41.

(361) Foreign Assistance: To cut $31 million from the $120 million for the UN Development Program. No. Failed, 182–232.

(362) Foreign Assistance: To delete $50 million for development of Sahel region of Africa. No. Failed, 160–255.

(363) Foreign Assistance: To delete $100 million for the Southern African Special Requirements Fund. No. Failed, 199–209.

(364) Foreign Assistance: To prohibit use of $700,000 earmarked for training military forces in Argentina. Yes. Passed, 223–180.

(365) Foreign Assistance: To prohibit use of funds from being used directly or through multilateral lending institutions in Uganda, Cambodia, Laos or Vietnam. No. Passed, 295–115.

(366) Foreign Assistance: To prohibit payment of reparations to Vietnam. Yes. Passed, 359–33.

(367) Foreign Assistance: To resolve into Committee of the Whole. Yes. Passed, 382–5.

(369) To reduce U.S. contributions to the International Development Association by $477 million to $473 million. No. Failed, 175–233.

(370) Foreign Assistance: Motion to limit debate. Yes. Failed, 171–220.

(371) Foreign Assistance: To reinstate funds for military assistance for Nicaragua. No. Passed, 225–180.

(372) Foreign Assistance: To oppose international loans to expand sugar production, palm oil, or citrus crops. No. Passed, 209–179.

(373) Foreign Assistance: To prohibit use of funds for trade or assistance to Cuba. No. Passed, 274–112.

(374) Foreign Assistance: To reduce funds by 5 per cent. No. Passed, 214–168.

(375) Foreign Assistance: Final passage, $7 billion for foreign aid, international lending institutions, and operations of State Department. Yes. Passed, 208–174.

(376) Defense Appropriations: To consider (adopt rule). Yes. Passed, 337–1.

(378) Defense: To delete $65 million for Lance missile. Yes. Failed, 123–226.

(379) To resolve into Committee of Whole to consider Legal Services Corp. Act. DNV. Passed, 359–1.

(380) Legal Services: To reduce authorization from $238.7 million to $175 million. No. (8–2–1). Failed, 158–221.

(381) Legal Services: To require Office of Management and Budget to approve any budget request made by the corporation. No. Failed, 160–223.

(382) Legal Services: To prohibit corporation-funded lawyers from becoming involved in school desegregation cases. No. Passed, 208–174.

(383) Legal Services: To terminate funding for Legal Services Corp. on Sept. 30, 1979. No. Failed, 166–214.

(384) Legal Services: To prohibit legal services attorneys from providing legal assistance in cases involving homosexual rights. No. Passed, 230–133.

(385) Legal Services: Motion to recommit with instructions. No. Failed, 154–213.

(386) Legal Services Corp.: To authorize $492 million for two years. Yes. Passed, 267–103.

(387) To approve journal of June 27. DNV. Passed, 377–15.

(388) To deny the Oct. 1, 1977, cost-of-living adjustments to persons, including Members of Congress, who received pay raises on March 1. Yes. Passed, 397–20.

(389) Defense Appropriations: To delete $1.5 billion for the production of five B–1 bombers. Yes. Failed, 178–243.

(390) To reduce production of A–10 attack aircraft from 144 to 96 planes. No. Failed, 122–299.

(392) Legislative Appropriations: Adoption of the rule. Passed, 279–139.

(393) Legislative: To rescind March 1 pay raise for Members of Congress, the Vice President, White House staff and other executive branch officials. No. Failed 181–241.

(394) Legislative: To provide salary expense funds for the Joint Committee on Defense Production. Yes. Failed, 172-244.

(395) Legislative: To delete $55 million for extension of the west front of the Capitol building. Yes. Failed, 204–212.

(396) Legislative Appropriations: Final passage, $928.8 million for operation of the legislative branch and related agencies and extension of the Capitol building. Yes. Passed, 250–161.

(397) Defense Appropriations: To resolve into Committee of the Whole. Yes. Passed, 399–1.

(398) Defense: To delete $26 million for development of a new engine for F–14 fighter. No. Failed, 122–282.

(399) Defense: To delete provision to phase out civilian technicians employed by the National Guard. Yes. Passed, 288–119.

(400) Defense: To prohibit use of funds to review the status of MIAs in Southeast Asia. No. Failed, 160–246.

(401) Defense: To strike prohibition against military retirees receiving both retirement pay and salary for a federal job. No. Passed, 219–174.

(402) Defense Appropriations: Final passage, $110.6 billion in new budget authority and transfers from other accounts. Yes. Passed, 333–54.

(403) To designate week of Sept. 18 "National Lupus Week." Yes. Passed 297–3.

(404) To authorize memorial to 56 signers of the Declaration of Independence. Yes. Passed, 302–3.

(405) To consider (adopt rule) Indian Claims Filing Extension. DNV. Passed, 299–0.

(406) Veterans: To extend eligibility for specially adapted housing grants to veterans who have lost one upper and one lower extremity. Yes. Passed, 403–0.

(407) Veterans: To provide 7 percent cost-of-living increase in VA benefits and other beneficial adjustments. Yes. Passed, 403–0.

(408) To extend for two years the limit under which the Federal Government, as trustee for the Indians, may file suit for monetary damages. Yes. Passed, 331–69.

(409) Defense: To adopt conference report, $36.1 billion for Military Procurement and Research and Development. No. Passed, 350–40.

(410) To prohibit subsidies for shipment of grain to the Soviet Union in U.S. ships. Yes. Failed, 143–251.

(411) To authorize $553.6 million for maritime programs, including subsidies for vessel construction and operation. Yes. Passed, 355–40.

(412) To consider (adopt rule) National Consumer Cooperative Bank Act. Yes. Passed, 339–55.

(413) Consumer Bank: To resolve into Committee of the Whole. Yes. Passed, 349–1.

(414) Consumer Bank: Substitute to establish a two-year pilot. Yes. Failed, 170–228.

(415) Consumer Bank: To terminate the Act on Dec. 31, 1982, transferring loans and contracts to another agency. No. Passed, 203–196.

(416) Consumer Bank: To establish a National Consumer Cooperative Bank to make loans at market interest rates to consumer cooperatives. Yes. Passed, 199–198.

(417) To establish a permanent Select Committee on Intelligence. Yes. Passed, 227–171.

(418) To consider (adopt rule) Federal Mine Safety and Health Act. DNV. Passed, 359–11.

(419) To resolve into Committee of the Whole to consider Mine Safety Act. Yes. Passed, 298–3.

(420) Mine Safety: To keep Interior Secretary as administrator of the Act and retain safety enforcement in Interior, instead of Labor, Department. No. Failed, 112–227.

(421) Mine Safety: Substitute bill, transferring to Labor Department, etc. No. Failed, 151–188.

(422) Mine Safety: To permit states to administer non-coal mine health and safety programs. Yes. Failed, 165–169.

(423) Mine Safety: Final passage, transferring to Labor Department, combining coal and non-coal standards, setting mandatory dollar penalties for violations. Yes. Passed 244–88.

(424) To authorize $8.1 million for Federal Election Commission. Yes. Passed, 382–22.

(425) To proclaim Thanksgiving week "National Family Week." Yes. Passed, 400–3.

(426) To direct Department of Commerce to determine the paperwork burden of the 1974 agricultural census and take steps to reduce it by 40 percent. Yes. Passed, 401–9.

(427) To increase salaries of director and deputy director of Office of Management and Budget. No. Passed, 253–158.

(428) To approve additional supergrade positions for Administrative Office of the U.S. Courts. No. Failed, 189–224.

(429) To authorize 100 additional hearing examiners (administrative law judges). Yes. Passed, 284–131.

(430) To reduce time federal employee must serve to retain life and health insurance benefits during retirement. No. Passed, 373–37.

(431) To adopt conference report, $6.2 billion in new budget authority for Department of Transportation. Yes. Passed, 397–14.

(432) To adopt conference report, $7.7 billion in new budget authority for State-Justice-Commerce-Judiciary. Yes. Passed, 326–85.

(433) Conference report, $69.5 billion in new budget authority for Department of Housing and Urban Development and independent agencies, including Veterans Administration. Yes. Passed, 379–30.

(434) To strike from HUD appropriations $20.7 million for Jupiter Orbiter Probe. No. Failed, 131–280.

(435) HUD: To insist on House language prohibiting use of VA funds to adjudicate claims or pay benefits to individuals receiving upgraded discharges under President's program. No. Passed, 251–160.

(436) Conference report authorizing $4 billion for National Aeronautics and Space Administration. Yes. Passed, 379–29.

(437) Conference report authorizing $3.7 billion for military construction and family housing. Yes. Passed, 370–34.

(438) Conference report establishing a Young Adult Conservation Corps. Yes. Passed, 356–58.

(439) To consider (adopt rule) Agricultural Act of 1977. Yes. Passed, 367–38.

(440) To approve journal of July 19, 1977. Yes. Passed, 386–12.

(441) Conference report to authorize funds (61.9 million) for water resources research and saline water conversion. Yes. Passed, 401–1.

(442) Conference report, extending and authorizing $3.4 billion for federal health services, biomedical research, and health planning and resources development programs. Yes. Passed, 401–6.

(444) Farm: To set the payment limitation for wheat, feed grains, rice and cotton at $20,000. No. Failed, 183–230.

(445) Farm: To prohibit non-farm corporations from receiving payments on farm production. Yes. Failed, 199–207.

(446) Defense: To allow closed meetings on Defense Appropriations when classified information is under consideration. Yes. Passed, 376–0.

(447) Conference report, authorizing $1.65 billion for international development and food assistance. Yes. Passed, 254–158.

(448) Conference report, authorizing $3.2 billion for international security assistance and foreign military sales. Yes. Passed, 262–147.

(449) Farm: To limit to $50,000 the annual payments sugar producers could receive under any farm program. No. Failed, 167–241.

(450) To establish a federal-state program to regulate coal surface mining and require the reclamation of mined lands. Yes. Passed, 325–68.

(451) To resolve into Committee of the Whole to consider Agricultural Act. Yes. Passed, 352–4.

(452) Farm: Establish standards for the milk content of ice cream. Yes. Passed, 363–11.

(453) Farm: To establish a mandatory grain reserve of up to $5 million tons. Yes. Failed, 141–223.

(454) Conference report, $10.3 billion in public works and energy research appropriations. Yes. Passed, 318–61.

(455) To consider (adopt rule) Black Lung Benefits Reform Act. Yes. Passed, 306–83.

(456) Conference report, $990 million for activities of the Legislative Branch and related agencies. Yes. Passed, 252–152.

(457) Conference report, to recede from disagreement with Senate amendment providing $225,000 for Joint Committee on Defense Production. Yes. Failed, 160–250.

(458) Farm: To reduce peanut price supports from Agricultural Act level of $420 per ton. Yes. Failed, 207–210.

(459) Farm: To provide that Title I of the

P.L. 480 program give priority to financing food and fiber commodities, thus restoring tobacco to the program. Yes. Passed, 260–151.

(460) Farm: Conference report appropriating $12.7 billion for agricultural, rural development, food stamp, domestic and international food programs. Yes. Passed, 377–33.

(461) To resolve into Committee of the Whole to resume consideration of Agricultural Act. Yes. Passed, 410–4.

(462) Farm: To bar use of food stamps to buy foods designated by Secretary of Agriculture as having negligible nutritional value, such as chewing gum, ice cubes, carbonated beverages, etc. No. Failed, 185–227.

(463) Farm: To limit food stamp expenditures in 1978 to $5.6 billion. No. Failed, 168–248.

(464) Farm: To set limit of food stamp program expenditures at $5.85 billion for FY 1978; $6.16 billion for FY 1979; $6.19 billion for FY 1980; and $6.24 billion for FY 1981. No. Passed, 242–173.

(465) Farm: To exempt strikers from Kelly amendment (barring food stamps for strikers) if they had households with children under age 16. No. Failed, 152–266.

(466) Farm: To exclude strikers' households from Kelly Amendment if they contained children under 16, or disabled or elderly dependents. No. Failed, 190–227.

(467) Farm: To bar strikers from food stamp program unless the household was eligible before strike. No. Failed, 170–249.

(468) Farm: To restore to the bill the purchase requirements provisions of the current food stamp program. No. Failed, 102–317.

(469) Farm: To provide for government recovery of excess allocation of food stamps. No. Failed, 149–262.

(470) Farm: To resolve into Committee of the Whole to consider Agricultural Act. Yes. Passed, 386–4.

(472) Farm: To require USDA to implement any additional work/workfare projects which state agencies request. No. Failed, 159–255.

(473) Farm: To eliminate purchase requirement and tighten eligibility standards for food stamps. Yes. Passed, 320–91.

(474) Farm: To delete establishment of a wheat and wheat foods research and nutrition education program. Yes. Passed, 300–109.

(475) Farm: To add sugar beets and sugar cane to list of commodities eligible for government price supports. Yes. Passed, 246–165.

(476) Farm: To provide price supports of up to 13.5 cents a pound for sugar beets and sugar cane for 1977. Yes. Failed, 173–238.

(477) Farm: Motion to recommit Agricultural Act with instructions to set payment limitation of $30,000 for wheat, feed grains, rice and sugar. No. Failed, 201–210.

(478) Farm: Final passage, Agricultural Act extending major commodity programs for four years, etc. Yes. Passed, 294–114.

(479) To approve Journal of July 28. Yes. Passed, 342–18.

(480) To adjourn from Aug. 5 to Sept. 7. Yes. Passed, 320–54.

(481) To establish two positions on Capitol Police Force. Yes. Passed, 383–2.

(482) To extend several programs of HUD, including Farmers Home Administration rural housing program. DNV. Passed, 383–2.

(483) To bar amendments and close debate on the rule on National Energy Act. Yes. Passed, 231–156.

(484) To consider (adopt rule) National Energy Act, permitting one day of debate. Yes. Passed, 238–148.

(485) To affirm vote on the rule, National Energy Act. Yes. Passed, 254–120.

(486) To consider (adopt rule) Fair Labor Standards Amendments. Yes. Passed, 331–44.

(487) To resolve into Committee of the Whole to consider National Energy Act. Yes. Passed, 365–12.

(488) To adopt rule on conference report, Department of Energy Organization Act. Yes. Passed, 294–115.

(489) Energy: Motion to recommit conference report, No. Failed, 157–257.

(490) Energy: Conference report, to establish a cabinet-level Department of Energy. Yes. Passed, 353–57.

(491) Energy: To reconcile differing versions of the utility weatherization program reported by the Commerce and Banking committees. No. Passed, 217–205.

(492) Energy: To direct Department of Transportation to study the fuel savings potential of off-highway recreational vehicles and recommend efficiency standards. Yes. Passed, 212–210.

(493) Energy: To direct DOT to study energy saving potential of increased bicycle use. Yes. Passed, 252–166.

(494) Energy: To extend Davis Bacon Act to construction work funded by grants for energy conservation in municipal buildings. Yes. Passed, 265–161.

(495) Energy: To authorize $65 million in grants to state and local government for implementing energy-saving maintenance. No. Passed, 317–105.

(496) Labor, HEW: Conference report, to appropriate $60.2 billion for Labor-HEW Related Agencies. Yes. Passed, 337–82.

(497) Labor-HEW: Amendment to conference report stating that none of the bill's funds shall be used to perform abortions except where the life of the mother would be endangered, etc. No. Passed 238–182.

(498) Energy: To resolve into Committee of the Whole. Yes. Passed, 404–5.

(499) Energy: To remove price controls from new on-shore natural gas as of April 30, 1978. Yes. Failed, 199–227.

(500) Energy: To delete provision extending federal antitrust jurisdiction to the siting of fossil fuel electric generating plants. No. Passed, 257–160.

(501) Energy: To delete the van pooling program for federal employees. No. Passed 232–184.

(502) Energy: To resolve into Committee of the Whole. Yes. Passed, 378–3.

(503) Energy: To impose additional 5-cent-a-gallon gasoline tax—half going for mass transportation, half for improving bridges, roads and highways. No. Failed, 82–339.

(504) Energy: To increase gasoline tax by four cents a gallon in two stages. No. Failed, 52–370.

(505) Energy: To permit oil and gas producers to recover part of their oil equalization taxes if they invested more than 25% of gross production in the exploration and, production. No. Failed, 198–223.

(506) Energy: To transfer all revenue from crude oil equalization tax in 1978 to Social Security Trust Fund. No. Failed, 190–226.

(507) To provide $302,499 for investigations and studies by the permanent Select Committee on Intelligence. Yes. Passed, 342–10.

(508) Energy: To increase the earned income credit instead of providing rebates and tax credits for the crude oil equalization tax. DNV. Failed, 175–232.

(509) Energy: To delete exemptions from the oil and gas users tax that were provided for new plants which are exempt from the coal conversion program. Yes. Passed, 221–198.

(510) Energy: Anderson substitute for National Energy Act. No. Failed, 147–278.

(511) Energy: To delete the federal van pooling program. No. Passed, 239–180.

(512) Energy: To recommit National Energy Act with instructions to delete crude oil equalization tax. No. Failed, 203–219.

(513) Energy: Final passage, National Energy Act, providing tax credits for converting boilers to coal and weathering homes. It also increased the price of natural gas, set a national policy for regulating electric utilities, required efficiency labeling of appliances and cars, and set a program for fuel conservation in federal facilities. Yes. Passed, 244–177.

(516) To adopt conference report on defense appropriations ($109 billion in new budget authority). Yes. Passed, 361–36.

(518) Amendment to conference report to delete $1.4 billion to build five B–1 bombers. Yes. Passed, 202–199.

(520) Budget resolution: To reduce outlays ceiling by $52 billion and increase revenue floor by $8 billion to achieve a balanced budget. No. Failed, 169–230.

(522) Budget: To reduce revenue floor by $175 million to provide tax credit for tuition of full-time college and vocational school students. Yes. Passed, 311–76.

(523) Budget: To reduce budget authority ceiling by $109 million and outlays ceiling by $108 million to reduce U.S. food commodity support programs for South Korea. No. Failed, 181–205.

(524) Budget: To lower budget ceiling $144 million and outlays ceiling $110 million to reduce U.S. military and economic aid to S. Korea. No. Failed, 102–268.

(525) Budget: Adoption of the Second FY 1978 Budget Resolution setting outlay ceiling at $459.5 billion and a projected deficit of $61.6 billion. Yes. Passed, 199–188.

(526) To consider (adopt rule) ERDA National Security Authorization for FY 1978. Yes. Passed, 348–0.

(527) To consider (adopt rule) ERDA Civilian R&D Authorization for FY 1978. Yes. Passed, 338–14.

(528) To consider (adopt rule) Federal Banking Agency Audit Act. Yes. Passed, 312–47.

(529) To consider (adopt rule) Age Discrimination in Employment Act Amendments. Yes. Passed, 362–0.

(530) To consider (adopt rule) Earthquake Hazards Reduction Act. Yes. Passed, 350–3.

(531) To consider (adopt rule) National Climate Program Act. Yes. Passed, 348–2.

(532) To authorize $210 million for national earthquake hazards reduction program. No. Passed, 229–125.

(533) To establish a federal National Climate Program Office to develop a climate prediction program. Yes. Passed, 282–60.

(535) To authorize $302 million for salaries and expenses of Nuclear Regulatory Commission. Yes. Passed, 396–2.

(536) To designate 16 areas containing 1.2 million acres in western U.S. for inclusion in the National Wilderness Preservation System. Yes. Passed, 380–18.

(537) To require VA to review any discharge upgraded under President's Special Discharge Review Program before extending benefits to the veteran. Yes. Passed, 321–75.

(538) To increase educational assistance allowances for all veterans' educational programs by 6.6 per cent. Yes. Passed, 397–0.

(539) To authorize special incentive pay for VA physicians and dentists. Yes. Passed, 397–1.

(540) To repeal requirement that VA make random inspections of mobile homes purchased with VA loans. Yes. Passed, 394–1.

(541) To increase liability of persons who cause oil spills and establish $200 million fund to pay for clean-up and damages caused by oil pollution. Yes. Passed, 332–59.

(542) To authorize cost-of-living increases under the Retired Servicemen's Family Protection Plan. Yes. Passed, 391–0.

(545) To adopt conference report on Second FY Budget Resolution setting an outlay ceiling of $458.8 billion and projecting a deficit of $61.3 billion. Yes. Passed, 215–187.

(546) Minimum Wage: to Delete indexing minimum wage to the average production worker's wage. No. Passed, 223–193.

(547) Minimum Wage: To establish Minimum Wage Study Commission to study the effects of increases in minimum wage, the indexing procedure, youth subminimum wage, etc. Yes. Passed, 301–118.

(548) Minimum Wage: To reinsert into

bill the indexing provision. Yes. Failed, 169–227.

(549) Minimum Wage: To retain 50% tip credit. Yes. Passed, 264–161.

(550) Minimum Wage: To continue exemption for seasonal, recreational and theme parks. Yes. Passed, 241–183.

(551) Minimum Wage: To allow employers to pay 85% of minimum wage to youths under 19 for first six months. Yes. Failed, 210–211.

(552) Minimum Wage: To allow Secretary of Labor to waive minimum wage between June 1 and October 15 for children under age 12 in hand harvested agriculture, under certain protective conditions. No. Passed, 282–132.

(553) Minimum Wage: To increase enterprise threshold and expand definition of small businesses to include all businesses. No. Failed, 118–289.

(554) Minimum Wage: To increase enterprise coverage threshold to $500,000, but retain existing definition of small business. No. Passed, 221–183.

(555) Minimum Wage: Final passage, increasing minimum wage to $2.65 in 1978; $2.85 in 1979, and $3.05 in 1980. Yes. Passed, 309–96.

(557) To adopt conference report on Food and Agriculture Act, extending food stamp and Food for Peace Programs for four years, new payment limits for commodities, new target prices and loan levels, revising allotment, set-aside and disaster payments. Yes. Passed, 283–107.

(558) Conference report, to increase U.S. participation in International Banking Agencies. Yes. Failed, 153–230.

(559) To provide $323.5 million in federal payments and $1.4 billion from D.C. treasury for the District of Columbia government for FY 1978. Yes. Passed, 298–64.

(561) To permit filing for black lung benefits with Labor Department for only one year after the bill took effect. No. Failed, 108–268.

(562) To prohibit miners from collecting compensation on other disabilities while they are receiving total disability payments for black lung disease. Yes. Failed, 106–268.

(563) To permit mine operations to question a black lung claim based solely on X-rays by the claimant's physician. Yes. Failed, 136–242.

(564) Final passage, to establish an industry-financed Black Lung Disability Insurance Fund to pay all claims filed after June 30, 1973. Yes. Passed, 283–100.

(565) To consider (adopt rule) Increasing the Temporary Debt Limit. Yes. Passed, 284–96.

(566) To increase the debt limit to $775 billion from $700 billion. Yes. Failed, 130–201.

(567) To approve journal of Sept. 19 proceedings. Yes. Passed, 383–17.

(568) To increase district office spaces allowance from 1,500 to 2,500 square feet. Yes. Passed, 215–193.

(569) To cut ERDA funds for Clinch River Project from $150 million to $17 million to close out the project. No. Failed, 162–246.

(570) To cut ERDA funds for Clinch River Project to $17 million and delay project for one year. Yes. Failed, 129–277.

(571) To consider (adopt rule) Medicare-Medicaid Antifraud and Abuse Amendments. Yes. Passed, 374–6.

(572) To consider (adopt rule) Nuclear Antiproliferation Act. Yes. Passed, 388–0.

(573) To consider (adopt rule) Federal Insecticide, Fungicide and Rodenticide Act. Yes. Passed, 383–10.

(574) To resolve into Committee of the Whole House. Yes. Passed, 390–1.

(575) To require private industry to pay part of construction costs of Clinch River Breeder Reactor demonstration project. Yes. Failed, 196–206.

(576) To earmark $28 million to purchase four megawatts of solar photovoltaic equipment for the Federal Government and to provide $10 million to develop mass production techniques for photovoltaic equipment. Yes. Passed, 227–179.

(577) To approve journal of Sept. 21 proceedings. Yes. Passed, 283–6.

(579) To approve journal of Sept. 22 proceedings. Yes. Passed, 332–14.

(580) To authorize $6.6 billion for ERDA civilian research and development programs, including $150 million for Cinch River project. Yes. Passed, 317–47.

(581) To amend Medicare and Medicaid to establish stricter penalties for fraud and abuse, etc. Yes. Passed, 362–5.

(582) To raise the mandatory retirement age for private workers to 70. Yes. Passed, 359–4.

(583) To establish separate retirement funds for D.C. police, firefighters, teachers, and judges, etc. Yes. Passed, 348–21.

(584) To restate the charter of George Washington University. Yes. Passed, 363–4.

(585) To appropriate estimated cost of water and sewer service provided by D.C. to Federal Government. Yes. Passed, 375–1.

(586) To prohibit use of any loans in D.C. Borrowing Authority for acquisition of land or beginning construction of a convention center without prior congressional approval. No. Failed, 187–196.

(587) To extend until October, 1979, the D.C. interim authority to borrow funds from the U.S. Treasury to finance capital improvements. Yes. Passed, 266–119.

(588) D.C. Pretrial Detention Amendments: To include armed robbery as a crime for which defendants could be denied bail and be detained pending trial. No. Passed, 346–43.

(589) To extend Child Abuse Prevention and Treatment Act and strengthen protective and treatment services. Yes. Passed, 375–12.

(590) To express the sense of Congress that the Postal Service should not reduce the frequency of mail delivery service. Yes. Passed, 377–9.

(592) Second on a motion to pass Black Hills Claim. Yes. Passed, 376–19.

(594) To reject Senate language on abortion (exemptions to the ban on federal funding of abortions in cases of rape, incest, where mother's life is endangered, and certified as "medically necessary"). Yes. Failed, 164–252.

(595) To consider (adopt rule) Status of Indochina refugees. Yes. Passed, 390–22.

(596) To increase the authorization for staff allowances of former presidents from $96,000 to $150,000 per year for 30 months following termination of funds under Presidential Transition Act. (⅔ required). No. Failed, 211–203.

(597) To allow Court of Claims to determine the Sioux claim that the U.S. took the Black Hills in violation of the Fifth amendment. No. Failed, 173–239.

(598) To direct a five-year study of nine areas in Montana for possible inclusion in the National Wilderness Preservation System. (⅔ required). Yes. Failed, 256–155.

(599) To direct GAO audits of Internal Revenue Service and the Bureau of Alcohol, Tobacco and Firearms. Yes. Passed, 402–5.

(601) To establish a 16-member Select Committee on Population to study causes and effects of changes in world population of U.S. options on global population policies. Yes. Passed, 258–147.

(602) To give Select Committee on Assassinations power to defend lawsuits and make certain applications to courts. Yes. Passed, 290–112.

(603) To consider (adopt rule) on Increasing Temporary Debt Limit. Yes. Passed, 312–96.

(604) To increase the temporary debt limit to $700 billion. Yes. Passed, 213–202.

(605) To establish safeguards against U. S. nuclear fuel exports being diverted and used in nuclear weapons or explosive devices. Yes. Passed, 411–9.

(607) To resolve into Committee of the Whole to consider H.R. 6566. Yes. Passed, 361–7.

(608) To prohibit use of any funds in Energy Research and Development Administration National Security Authorizations for production or deployment of neutron weapons. Yes. Failed, 109–297.

(609) To authorize $2.67 billion for ERDA's national security nuclear energy programs. No. Passed, 330–78.

(610) To approve recissions of $21.09 million in appropriations for foreign military credit sales and $75 million for Federal Buildings Fund. Yes. Passed, 403–1.

(611) To resolve into Committee of the Whole to consider H.R. 7010, Victims of Crime Act. Yes. Passed, 377–17.

(612) To compensate only victims of crime older than age 62. No. Failed, 133–253.

(613) To approve journal of Sept. 29 proceedings. Yes. Passed, 317–11.

(614) To reduce to 25 percent from 50 percent the amount the federal government would contribute to state programs for victims of crime. Yes. Passed, 216–144.

(615) To require eligible states to insure that proceeds from articles, interviews or statements by an individual formally accused or convicted of a crime be put into an escrow fund for benefit of the victim or survivors if the accused is found guilty. No. Passed, 245–113.

(616) Final passage, to provide federal assistance to state victim compensation programs and federal compensation to victims of violent crimes in federal enclaves to cover medical bills and lost wages. No. Passed, 192–173.

(617) To increase staff allowance for former presidents from $96,000 a year to $150,000. Yes. Passed, 262–95.

(619) To require president to present a plan for transferring the functions of Council on Wage and Price Stability to other federal agencies. No. Failed, 178–215.

(620) To extend Council on Wage and Price Stability for two years. Yes. Passed, 251–145.

(622) To adopt amended Senate bill increasing the temporary debt limit to $752 billion. Yes. Passed, 223–194.

(623) To close debate and bar amendments to National Labor Reform Act. Yes. Passed, 267–152.

(624) To consider (adopt rule) H.R. 3410, National Labor Reform Act. Yes. Passed, 291–128.

(625) Conference report, reauthorizing Community Block Grants, etc. Yes. Passed, 384–26.

(626) To resolve into Committee of the Whole to consider Labor Reform Act. Yes. Passed, 384–5.

(627) Labor reform: To delete provision which directed NLRB to promulgate regulations to insure that employees have equal opportunity to obtain information pertaining to unionization from organizers and employers. No. Failed, 168–247.

(628) Labor reform: To insure employers the right to present their side of a unionization argument whenever and wherever union representatives present their views. Yes. Passed, 406–8.

(629) Labor reform: To permit judicial review of NLRB's failure to implement or promulgate regulations within a reasonable period of time. No. Passed, 246–174.

(630) Labor reform: To increase time limit for holding representational elections from 15 days to 28 days. No. Failed, 185–229.

(631) Labor reform: To increase, under certain conditions, the time limit for representational elections from 15 days to 25 days. Yes. Passed, 418–0.

(632) Labor reform: To strike provision permitting the Labor Secretary to prohibit

government contracts for three years with companies or unions that willfully violate NLRB orders. No. Failed, 111–301.

(633) Labor reform: To grant Labor Secretary authority to remove or reduce the period of time a company or union is barred from receiving federal contracts because of violations or NLRB orders. Yes. Passed, 394–8.

(634) To approve Journal of Oct. 5 proceedings. Yes. Passed, 364–16.

(635) To consider (adopt rule) Marine Protection, Research and Sanctuaries Authorization. Yes. Passed, 388–2.

(636) To close debate, bar amendments to the rule on Navigation Development Act. No. Passed, 241–169.

(637) Labor reform: To delete provision which would authorize NLRB to award employees compensation for lost pay due to an employer's refusal to bargain on the first contract. No. Failed, 162–250.

(638) Labor reform: To recommit Labor Reform Act with instructions to change election set-aside provisions. No. Failed, 139–279.

(639) Labor reform: Final passage, National Labor Reform Act, setting limits within which elections must be held, strengthening penalties for ignoring NLRB orders or violating labor laws, and authorizing NLRB to summarily affirm Administrative Law Judge decisions in unfair labor practice cases. Yes. Passed, 257–163.

(641) To recommit conference report appropriating $6.8 billion for foreign economic and military assistance programs. Yes. Passed, 273–126.

(642) To table request for a conference on Fair Labor Standards Act amendments. No. Failed, 138–266.

(643) To consider (adopt rule) House Administrative Reorganization. Yes. Failed, 160–252.

(644) To recede from the abortion language House had adopted in the conference report on Labor-HEW Appropriations. Yes. Passed, 209–206.

(645) To add to Hyde amendment abortion language, which prohibited federal funding for abortions except when mother's life was endangered, a second exception for medical procedures necessary for prompt treatment of forced rape or incest. No. Passed, 263–142.

(646) To authorize $561 million for research and development of cruise missile program and $151.6 million for F–14A aircraft and parts. DNV. Passed, 347–37.

(648) To adopt conference report establishing stricter penalties for Medicare and Medicaid fraud. Yes. Passed, 402–5.

(649) Amendment to strike from Federal Trade Commission Amendments the section authorizing class action suits. No. Passed, 281–125.

(650) Motion to recommit FTC Amendments with instructions to provide for congressional review and veto of FTC regulations. No. Passed, 272–139.

(651) To authorize $133 million for FTC and make certain changes in its enforcement of rules and orders. Yes. Passed, 279–131.

(652) To authorize replacement of locks and Dam 26 on Mississippi River. Yes. Passed, 331–70.

(653) To approve Senate compromise abortion language which dropped the "medically necessary" exception. Instead, would have prohibited federal funding of abortions except in cases where the mother's life is endangered, in cases of rape or incest, and in cases where "the mother or fetus would suffer serious health damage." Yes. Failed, 163–234.

(654) To adopt conference report on Export-Import Bank Amendments. (Neal bill). Yes. Passed, 281–62.

(655) Resolution to disapprove President Carter's proposal for reorganization of the Executive Office of the President. No. Failed, 20–350.

(656) To authorize General Accounting Office to audit the Office of the Comptroller of the Currency, the Federal Deposit Insurance Corporation, and non-monetary policy functions of the Federal Reserve System. Yes. Passed, 336–24.

(657) To authorize $11.8 million for marine protection programs. Yes. Passed, 359–1.

(659) To prohibit HEW from implementing, for 18 months, the FDA's proposed ban on saccharin. Yes. Passed, 376–23.

(660) To revise law governing customs procedures and penalties for customs violations. Yes. Passed, 386–11.

(661) To make numerous clarifying, conforming, clerical and technical changes to provisions of the Tax Reform Act of 1976. No. Passed, 268–128.

(662) To exempt disaster payments for the 1977 wheat, feed grains, upland cotton and rice crops from the 1977 payment limitations ($20,000 per crop, $55,000 for rice). No. Passed, 265–127.

(664) To provide for a five-year Agriculture Department study of nine areas in Montana for possible inclusion in the National Wilderness Preservation System. Yes. Passed, 315–103.

(665) To appropriate $6.8 billion for foreign aid programs, international financial institutions, and State Department operations (conference report). Yes. Passed, 229–195.

(666) To allow the president to waive the prohibition of direct aid to Mozambique and Angola under certain conditions. Yes. Failed, 188–219.

(667) To strike from a House-passed bill restriction reducing aid to the Philippines. No. Failed, 160–254.

(669) To consider (adopt rule) Energy Transportation Security Act. No. Passed, 249–167.

(670) To define as "fair and reasonable rates" in Cargo Preference Bill as those no more than 50% higher than world market rates for carrying oil. Yes. Passed, 253–167.

(671) Final passage, Cargo Preference Bill, which would require that U.S.-flag ships carry 9.5% of imported oil by 1982. No. Failed, 165–257.

(672) To provide $9.1 million to build model intercultural centers at Georgetown and Tufts universities. Yes. Passed, 215–202.

(673) To delete language which would prohibit spending appropriated funds for the Clinch River Breeder Reactor project unless authorization bill was enacted. Yes. Passed, 252–165.

(674) To instruct conferees on Legal Services Corp. Act amendments to insist on prohibiting LSC-paid lawyers from handling cases on the desegregation of any elementary or secondary school or school system. No. Passed, 230–186.

(676) Minimum wage: To adopt conference report to increase minimum wage in steps to $3.35 by 1981. Yes. Passed, 236–187.

(677) To authorize $6.2 billion for civilian energy research and development programs. Yes. Passed, 336–52.

(678) To increase supplemental appropriations for Small Business Administration disaster loans by $675 million. No. Passed, 318–102.

(679) To end debate on adding $1.4 billion for B–1 bomber in Supplemental Appropriations bill. No. Passed, 212–187.

(680) Motion that the Committee rise from consideration of Supplemental Appropriations. Yes. Failed, 190–215.

(681) To add $1.4 billion to supplemental appropriations for production of five B–1 bombers. No. Failed, 194–204.

(682) Motion that the Committee rise from consideration of Supplemental Appropriations bill. No. Failed, 169–205.

(684) To order a second to a motion to suspend the rules and pass H.R. 7442, Utility Pole Attachments. Yes. Passed, 389–7.

(685) To permit expenditure of up to $30 million per year for three years to acquire more land for the Appalachian Trail. Yes. Passed, 409–12.

(686) To make it a federal offense to use children under age 16 in the production of pornographic materials, with penalties up to 10 years in prison, a $10,000 fine, or both. Yes. Passed, 420–0.

(687) To permit accredited law school libraries to serve as depositories of government publications. Yes. Passed, 397–20.

(688) To extend the effective date of several provisions of the Tax Reform Act of 1976. Yes. Passed, 411–5.

(689) To authorize acquiring suitable U.S. built mariner-class vessels in exchange for vessels in the National Defense Reserve Fleet that are scheduled for scrapping. Yes. Passed, 412–3.

(690) To increase from 50% to 80% the federal contribution for operating expenses of commuter rail services that have been adversely affected by the Regional Rail Organization Act. Yes. Passed, 308–106.

(691) To implement treaties with Mexico and Canada to permit transfer of convicted prisoners. Yes. Passed, 400–15.

(692) To instruct House conferees to agree with Senate provisions that imposed criminal penalties for the transportation, sale, or distribution of pornographic material depicting children. Yes. Passed, 358–54.

(693) To provide $7.2 billion supplemental budget authority for various departments and programs, including $4.5 billion for EPA construction grants, $1.4 billion for SBA disaster loans, and $80 million for Clinch River Breeder Reactor. Yes. Passed, 313–98.

(694) To authorize $253.6 million for Environmental Protection Agency research and development programs. Yes. Passed, 353–19.

(696) To consider (adopt rule) Social Security Financing Amendments. Yes. Passed, 265–153.

(697) Social security: To delete provision requiring social security coverage of federal, state, and local government employees, etc. in 1982 and instead require a study recommending by Jan. 1980 a fair plan of universal coverage. Yes. Passed, 386–38.

(698) Social security: To affirm the action taken on the previous vote. Yes. Passed, 380–39.

(699) Social security: To raise social security payroll tax rates faster than the bill required in order to permit more gradual increases in the taxable wage base. No. Failed, 136–281.

(700) Social security: To delete provision granting the Social Security System standby authority to borrow from the federal general revenues whenever trust fund reserves drop below 25% of annual outgo. No. Failed, 196–221.

(701) Social security: To eliminate the minimum benefit from the social security program. Yes. Failed, 131–271.

(703) Social security: To resolve into Committee of the Whole House for consideration of H.R. 9346. Yes. Passed, 405–3.

(704) Social security: To phase out outside earnings ceiling (the maximum annual wage that a beneficiary age 65 to 72 may earn without losing any benefits) by 1982. No. Passed, 268–149.

(705) Social security: Motion to recommit with instructions to mandate social security coverage for federal employees. No. Failed, 57–363.

(706) Social security: Final passage, to raise social security payroll taxes by increasing the taxable wage base for employers and employees, beginning in 1978, and increasing employer and employee tax rates, beginning in 1981. Yes. Passed, 275–146.

(707) To adopt conference report to transfer administration of coal and non-coal mining health and safety programs from Interior Department to the Labor Department. Yes. Passed, 376–35.

(708) To adopt conference report, extending the Summer Food Program through FY 1982 and revising it in order to control fraud and abuse. Yes. Passed, 386–17.

(709) To authorize the Speaker of the House to devise and implement a system for closed circuit broadcasting of House floor proceedings to offices and committees. Yes. Passed, 342–44.

(710) To consider (adopt rule) Bankruptcy Law Revision. Yes. Passed, 358–11.

(711) To resolve into Committee of the Whole House to consider Bankruptcy Law Revision. Yes. Passed, 329–2.

(712) To delete provisions of Bankruptcy Law Revision which would establish an independent bankruptcy court system. No. Passed, 182–158.

(713) Motion that the committee rise from consideration of Bankruptcy Law Revision. Yes. Passed, 268–62.

(716) To make domestic raisins subject to the federal marketing order. Yes. Passed 396–7.

(717) To extend Regulation Q through Dec. 15, 1978, set guidelines of the Federal Reserve Board to follow in determining monetary policy, etc. Yes. Passed, 395–3.

(718) To extend until April 30, 1978, Federal Reserve Bank authority to purchase U.S. obligations of up to $5 billion directly from the Treasury. Yes. Passed, 388–14.

(719) To extend the Select Committee on Ethics until the end of the 95th Congress, or completition of its official business. Yes. Passed, 385–22.

(720) To express the sense of the House that the Government of Korea should extend full and unlimited cooperation to the House investigation of whether Members of the House accepted anything of value from the Korean Government or its agents. Yes. Passed, 407–0.

(721) To denounce acts by the Government of South Africa which suppress expression and violate individual human rights. Yes. Passed, 347–54.

(722) To recommit conference report on Maritime Authorization with instructions to insist that anti-rebate provisions take effect immediately instead of eight months after enactment. No. Failed, 166–231.

(723) To expedite EPA's registration and reregistration of pesticides. Yes. Passed, 368–21.

(725) To second motion to suspend rules and pass Congressional Salary Deferral. Yes. Failed, 167–233.

(726) To uphold religious right to refrain from joining unions. Yes. Passed, 400–7.

(727) To increase the interest rates charged by Small Business Administration (SBA) from 3 percent to 5 percent on disaster loans between $40,000 and $250,000. (Two-third required). Yes. Failed, 234–170.

(728) To make employees of House Beauty Shop eligible for employee benefits. No. Passed, 273–131.

(729) To express the sense of the House that the President should appoint a 15-member Commission on World Hunger. Yes. Passed, 364–38.

(731) To permit the District of Columbia government to disburse the proceeds of revenue bonds to private colleges and universities in D.C. Yes. Passed, 403–0.

(732) To adopt conference report authorizing $2.6 billion for ERDA's nuclear weapons program. No. Passed, 336–69.

(734) To prohibit Overseas Private Investment Corp. from making any loans or guaranteeing or insuring any borrowings of the National Finance Corp. of Panama without prior congressional approval. No. Failed, 188–215.

(736) To require that at least 50% of all Overseas Private Investment Corp. insurance, reinsurance guarantees and financing activities go to U.S. small business. No. Passed, 285–111.

(738) To adopt rule on Labor-HEW Conference roport. Yes. Passed, 361–9.

(739) To concur in Senate compromise abortion language. Yes. Failed, 172–193.

(740) To consider (adopt rule) Continuing Appropriations for FY 1978. Yes. Passed, 344–5.

(742) To approve journal of Nov. 5 proceedings. Yes. Passed, 184–14.

(747) To authorize $325 million (5 years) to help state and local educational agencies provide career education programs in elementary and secondary schools. Yes. Passed, 372-20.

(748) To resolve into Committee of the Whole House to consider H. Res. 827, Disapproving Reorganization Plan No. 2. Yes. Passed, 387–2.

(749) To disapprove plan to consolidate U.S. Information Agency and Bureau of Educational and Cultural Affairs into a new International Communications Agency. Yes. Failed, 34–357.

(751) To concur in Senate compromise abortion language. Yes. Failed, 183–205.

(753) To close debate and prohibit amendments on a motion to recommit Supplemental Appropriations bill to conference. No. Failed, 125–270.

(754) To recommit Supplemental Appropriations to conference with instructions to increase funding for Amtrak to $18 million. Yes. Passed, 256–141.

(755) To affirm the vote on Amtrak appropriations. Yes. Passed, 258–138.

(756) To order the previous question, thereby closing debate and barring amendments to a motion to instruct conferees on Social Security Financing Amendments. Yes. Passed, 214–181.

(757) To instruct conferees to insist on phasing out the outside earning provisions of Social Security Financing Amendments by 1982. No. Failed, 183–209.

(759) To provide an additional $10,000 in FY 1977 for foreign travel on official business relating to the investigation of Korean-American relations. Yes. Passed, 366–2.

(761) To express sense of Congress that any national health planning guidelines should recognize and take into account the special problems of rural health care, to assure quality health care for rural residents. Yes. Passed, 357–0.

(762) To consider (adopt rule) Continuing Appropriations for FY 1978. Yes. Passed, 331–21.

(763) To further limit abortion language already voted on by requiring that rapes be forced, that incidents of rape or incest be reported promptly, for abortions to be federally funded. Yes. Failed, 170–200.

(764) To concur to a Senate amendment to conference report, Supplemental Appropriations, to provide $200 million for the Community Services Administration's Crisis Intervention Program. Yes. Passed, 182–181.

(765) To concur in a Senate amendment to rescind $462 million for production of two B–1 bombers. Yes. Failed, 166–191.

(767) To adopt conference report on H.R. 9418, which repealed an existing requirement that medical schools had to reserve positions in their third year classes for ratios of Americans studying in medical schools abroad. Yes. Passed, 344–0.

(768) To extend Legal Services Corporation for three years. Yes. Passed, 236–110.

(769) To consider (adopt rule) Continuing Appropriations for FY 1978. Yes. Passed, 251–86.

(770) To concur in Senate compromise language on abortion requiring that rape and incest be reported "promptly" to qualify as exception to prohibition of federal funds for abortion. Yes. Failed, 171–178.

(771) To consider (adopt rule) ERDA Civilian Authorization for FY 1978. Yes. Passed, 329–18.

(772) To adopt conference report, authorizing $64 million for operations of the Securities and Exchange Commission. Yes. Passed, 348–2.

(773) To adopt conference report making it illegal for a SEC-registered corporation or other domestic concern to bribe a foreign official, etc. Yes. Passed, 349–0.

(774) To consider (adopt rule) Continuing Appropriations for FY 1978. Yes. Passed, 240–109.

(775) To amend compromise abortion language so the final version stipulated that exceptions permitted federally funded abortions only for cases where childbirth would cause a woman "severe and long-lasting" health damage "when so determined by two physicians," and for "medical procedures necessary for the victims of rape and incest, when such rape and incest have been reported promptly to a law enforcement agency or public health service." Yes. Passed, 181–167.

Congressman Pease missed the following votes at the end of the session because he was holding public meetings in the Fifth District. He had either paired or announced in advance his intention to vote "yes" on each of the five following rollcalls.

(776) To approve the journal of Dec. 7 proceedings. Yes. Passed, 284–14.

(777) To adopt rule conference report on Clean Water Act. Yes. Passed, 326–6.

(778) To adopt conference report on Clean Water Act, authorizing $25.7 billion, including $24.5 billion for sewage treatment construction grants for FY 1978 through 1982. Yes. Passed, 346–2.

(780) To adopt rule on conference report, Social Security Financing Amendments. No. Passed, 178–175.

(782) To adopt conference report, Social Security Financing Amendments. The bill raised social security payroll taxes by increasing the rates and taxable wage base for both employers and employees, beginning in 1979. It also stabilized the system's benefits structure, provided equal treatment for women, and increased the outside earnings ceiling in steps to $6,000 by 1982. Yes. Passed, 189–163.

VOTING RECORD OF CONGRESSMAN DON J. PEASE, 2ND SESSION, 95TH CONGRESS

(2) Clarify authority granted for warrantless search and seizure under Fish and Wildlife Improvement Act. No vote. Passed, 215–131.

(3) Fish and Wildlife Improvement Act. No vote. Passed, 292–59.

(5) To authorize State Department to acquire a statute of General George G. Marshall. Yes. Passed, 351–22.

(6) To grant divorced or separated spouses of federal employees rights with regard to civil service pensions. Yes. Passed, 369–7.

(7) To give retirement credit for interned Japanese-Americans. No. Passed, 366–12.

(8) To increase the federal loan guarantee for fishing vessels from 75% to 87.5% of actual costs. Yes. Passed, 309–68.

(10) To permit federal tax court judges who had chosen to be covered by the tax court pension system to revoke that decision before those benefits began to accrue. Yes. Passed, 399–1.

(11) To authorize appropriations for the Administrative Conference of the U.S. Yes. Passed, 292–103.

(12) To make it a federal offense to use children under age 16 to produce or distribute pornography. Yes. Passed, 401–0.

(13) To adopt the rule on the Outer Continental Shelf Lands Act Amendments. Yes. Passed, 247–158.

(15) To make pre-lease drilling subject to appropriations acts if done at federal expense, to prohibit dual-leasing and to authorize alternative bidding systems. No. Failed, 187–211.

(16) To eliminate dual leasing, prohibitions against joint bidding, compulsory compliance with states' clean air standards, lease cancellation provisions and OSHA's jurisdiction over OCS. No. Failed, 143–229.

(18) To authorize funding for the Office of Rail Public Counsel. Yes. Passed, 318–44.

(19) To require Conrail to assume bankrupt railroads' obligations to pay medical and life insurance premiums for former employees of railroads who retired before Conrail took over the railroads. Yes. Passed, 314–50.

(20) To allow supplemental or charter all-cargo carriers to qualify for new air cargo certificates immediately instead of waiting one year. Yes. Passed, 403–0.

(21) To delete Interior Department authority for core and test drilling and for geological and geophysical exploration. Yes. Passed, 328–77.

(22) To strike provision that a lessee is entitled to recover his investment less any revenues he may have received from that investment if the Interior Department cancels his lease. No. Passed, 208–194.

(23) To limit the use of new bidding systems to at least 10% of newly leased areas, but not more than 30%. No. Failed, 196–207.

(24) To require that new bidding systems be used for at least 20% of newly leased acreage, but not more than 50%. No. Passed, 219–188.

(25) To resolve into the Committee of the Whole House for consideration of Bankruptcy Law Revision. Yes. Passed, 405–4.

(26) To strike provisions of the bill establishing an independent bankruptcy court system and making bankruptcy judges federal life-term judges. No. Failed, 146–262.

(27) To provide discretionary authority for Justice Department to review proposed OCS lease sales for possible antitrust implications. Yes. Passed, 241–162.

(28) To strike provisions in OCS bill requiring random selection of tracts to be used under the new bidding system. Yes. Passed, 225–174.

(29) To approve the Journal of the last day's proceedings. Yes. Passed, 368–21.

(30) To strike provisions in OCS bill to establish documentation, registry, and manning requirements for vessels and rigs operating on the OCS. Yes. Failed, 118–280.

(31) To require that all building and rebuilding of vessels, platforms and rigs for the OCS be performed in the U.S. No. Failed, 201–208.

(33) To stipulate that 20% of OSC revenues, up to a maximum of $200 million per year, be shared with the coastal states most directly affected by offshore development. No. Passed, 279–120.

(34) To exempt states which receive OCS revenue sharing funds from existing requirements that they have federally approved Coastal Zone Management Plans. No. Failed, 159–230.

(35) Passage of the Outer Continental Shelf Lands Act Amendments. Yes. Passed, 291–91.

(36) To increase ceilings for FY 78 and FY 79 on federal matching funds under Medicaid for Puerto Rico, the Virgin Islands, and Guam and to provide automatic increases at the same rate as the Consumer Price Index after that. Yes. Passed, 253–106.

(37) To adopt the rule on Chattahoochee River Recreation Area. Yes. Passed, 323–41.

(39) To direct the Secretary of Agriculture to take appropriate action to prevent collusive practices in bidding for publicly owned timber. Yes. Failed, 136–239.

(40) To establish an advisory Committee on Timber Sales Procedure to be appointed by the Secretary of Agriculture. No. Passed, 295–78.

(42) To authorize 145 new federal judgeships, 110 in U.S. district courts and 35 in the U.S. circuit court of appeals. Yes. Passed, 319–80.

(43) To adopt the rule on the Office of Consumer Representation Act. Yes. Passed, 271–138.

(44) To approve substitute bill that would have established an Office of Consumer Counsel in each of 23 departments and major agencies. No. Failed, 93–313.

(46) To resolve in Committee of the Whole for consideration of Office of Consumer Representation Act. Yes. Passed, 377–25.

(47) To extend to all agencies the requirement that the President be notified 30 days before the Office of Consumer Representation sought judicial review of an agency action. No. Failed, 195–219.

(48) To remove exemption for labor injunction suits, certain proceedings of the National Labor Relations Board and activities of Federal Mediation and Conciliation Service. No. Failed, 138–274.

(49) To remove exemption for proceedings of the Agriculture Department, Conservation Service, Farmers Home Administration and Federal Crop Insurance Corporation. Yes. Failed, 105–309.

(50) Passage of Office of Consumer Representation Act. Yes. Failed, 189–227.

(52) To recommit the Redwood National Park Amendments. No. Failed, 116–274.

(53) To expand Redwood National Park in California by 48,000 acres. Yes. Passed, 328–60.

(54) To designate 1.3 million acres in the western U.S. for inclusion in the National Wilderness Preservation System. Yes. Passed, 333–44.

(55) To resolve into Committee of the Whole for consideration of Black Hills Claim. Yes. Passed, 337–17.

(56) To direct House conferees to insist upon merit selection of district court judges. Yes. Passed, 321–19.

(57) To resolve into the Committee of the Whole for consideration of the Chattahoochee River Recreation Area Act. Yes. Passed, 325–7.

(58) To make land acquisition conditional upon a State of Georgia agreement to take over ownership and operating expenses of the area by June 30, 1978. No. Failed, 119–230.

(59) Passage of the Chattahoochee River Recreation Area Act. Yes. Passed, 273–79.

(60) To limit the number of commissioned officers in the three military branches. Yes. Passed, 351–7.

(62) Black Lung Benefits Reform Act—to establish eligibility requirements and procedures for applying for black lung disability payments. Yes. Passed, 264–113.

(63) To facilitate development of commercial aquaculture facilities in the U.S. through creation of a National Aquaculture Development Plan and loan guarantees. No. Passed, 234–130.

(65) To authorize $250 million out of Highway Trust Fund for 100% federal share grants to states to repair potholes and other road damages caused by severe winters. Yes. Passed, 274–137.

(66) To authorize the President to call separate White House Conferences on the Arts and Humanities. Yes. Passed, 341–65.

(67) To extend the Alcohol and Drug Abuse Education Act through FY 1983. Yes. Passed, 409–0.

(68) To authorize $5 million for Hubert H. Humphrey Institute of Public Affairs at the University of Minnesota. Yes. Passed, 356–53.

(71) To table motion to rescind $462 million for production of two B–1 bombers. No. Failed, 172–244.

(72) To rescind $462 million in FY 78 supplemental appropriations for B–1 bombers. Yes. Passed, 234–182.

(73) To adopt the rule on IMF Supplementary Financing Facility. Yes. Passed, 386–15.

(76) To limit salaries of representatives to the IMF Supplementary Financing Facility. Yes. Passed, 253–141.

(77) To authorize the U.S. to invest $1.8 billion in the IMF Supplementary Financing Facility. Yes. Passed, 267–125.

(78) To prohibit OPIC loans or guarantees to the National Finance Corporation of Panama unless approved by House resolution. No. Failed, 166–199.

(79) To prohibit OPIC from insuring or financing any project to establish or expand production or processing of palm oil, sugar, or citrus crops for export. No. Passed, 191–167.

(80) Overseas Private Investment Corporation—to extend OPIC through FY '80, strengthen its development mandate, eliminate direct under-writing with private insurance companies, encourage concentration on countries with per capita income of $520 or less. Yes. Passed, 191–165.

(81) To adopt rule on Grazing Fee Moratorium Act. Yes. Passed, 302–1.

(82) To adopt rule on Wichita Indian Tribal Lands Act. Yes. Passed, 295–6.

(83) To place a one year moratorium on increases in public lands grazing fees. Yes. Passed, 257–47.

(84) To delete waiver of *res judicata* and *collateral estoppel* and provide for transfer of claims to Court of Claims when the Indian Claims Commission expires. Yes. Passed, 293–1.

(85) To authorize the Wichita Indian Tribe to file its land claims against the U.S. government with the Indian Claims Commission. Yes. Passed, 226–68.

(87) To allow D.C. voters to initiate laws and disapprove Council acts by referendum. Yes. Passed, 321–24.

(88) To amend D.C. Home Rule Charter so the D.C. voters can recall elected officials. Yes. Passed, 350–4.

(90) To abolish diversity of citizenship as a basis for federal court jurisdiction. No. Passed, 266–133.

(91) Federal Trade Commission Amendments of 1978. Yes. Failed, 146–255.

(92) To authorize funds in Fiscal Years 1979, '80 and '81 for activities of the American Folklife Center in the Library of Congress. Yes. Passed, 306–80.

(94) To adopt rule on D.C. Representation in Congress. Yes. Passed, 386–21.

(95) To resolve into the Committee of the Whole for consideration of D.C. Representation in Congress. Yes. Passed, 369–15.

(96) To resolve into the Committee of the Whole for consideration of D.C. Representation in Congress. Yes. Passed, 394–12.

(97) To propose a constitutional amendment to provide D.C. with voting representation in Congress (two senators and the number of representatives to which it would be entitled by population). Yes. Passed, 289–127.

(99) To approve the Journal of the last day's proceedings. Yes. Passed, 304–20.

(100) To provide $400,000 for Veterans Affairs Committee investigations and studies during the second session of the 95th Congress. Yes. Passed, 336–1.

(101) To provide $275,000 for D.C. Committee investigations and studies during the second session of the 95th Congress. Yes. Passed, 318–15.

(102) To provide $49,500 for Rules Committee investigations and studies during the second session of the 95th Congress. Yes. Passed, 321–13.

(104) To approve the Journal of the last day's proceedings. Yes. Passed, 331–11.

(105) To designate May 3, 1978 as Sun Day to promote and call attention to the possibilities of solar energy. Yes. Passed, 348–7.

(107) To extend through FY79 the authority of the Commissioner of Education to waive certain provisions regarding the use of grants for 13 school districts which participated in National Institute of Education's study of ESEA Title I, so that demonstration projects could be continued. Yes. Passed, 404–0.

(108) To adopt the rule on Increasing the

Temporary Debt Limit Act. Yes. Passed, 285–115.

(110) To eliminate the need for separate debt ceiling legislation. Yes. Passed, 277–132.

(111) To increase the temporary debt ceiling to $824 billion effective through March 1, 1979. Yes. Failed, 165–248.

(112) To authorize Southwestern Power Administration to purchase $13.1 million in electric power to fulfill its delivery contracts. Yes. Passed, 353–50.

(113) To provide $2 million for Transportation Committee investigations and studies during the second session of the 95th Congress. Yes. Passed, 399–1.

(115) To agree to a motion that the House dispense with further proceedings under the call of the House. Yes. Passed, 372–34.

(116) To approve the Journal of the last day's proceedings. Yes. Passed, 377–26.

(117) To table a motion to reconsider the vote approving the previous day's Journal. Yes. Passed, 313–91.

(118) To order the previous question and thus close debate on adoption of the rule on the Full Employment and Balanced Growth Act (Humphrey-Hawkins Bill). Yes. Passed, 371–36.

(119) To adopt the rule on the Full Employment and Balanced Growth Act. Yes. Passed, 349–58.

(120) To agree to a motion to table a motion to reconsider the vote adopting the rule on the Full Employment and Balanced Growth Act. Yes. Passed, 368–29.

(121) To resolve into the Committee of the Whole for consideration of the Full Employment and Balanced Growth Act (Humphrey-Hawkins bill). Yes. Passed, 364–32.

(123) To approve the Journal of the previous day's proceedings. Yes. Passed, 386–15.

(125) To require the President to include in the annual economic report specific price stability goals and policies and programs with which to achieve the goals. Yes. Passed, 277–143.

(126) To mandate a specific goal of reducing inflation to 3% by 1983. No. Failed, 198–223.

(127) To require the President in the annual economic report to use two sets of employment statistics: one to measure all employment and one to count workers in public service employment programs as still unemployed. Yes. Passed, 239–177.

(128) To add to the economic goals in the bill a goal of 100% parity of income for farmers at the marketplace by 1983. No. Passed, 264–150.

(129) To approve rescissions of $40.2 million in appropriations for the military assistance program, $10.1 million in borrowing authority for the Federal Home Loan Bank Board and $5 million in appropriations for contributions to international peacekeeping activities. Yes. Passed, 318–0.

(131) To order a second on a motion to suspend the rules and pass a bill to increase the interest rate on U.S. retirement plan bonds and U.S. individual retirement bonds. Yes. Passed, 372–1.

(132) To suspend the rules and authorize the Civil Service Commission to conduct a 3-year experiment for executive branch employees with flexible and compressed work schedules. Yes. Failed, 242–141 (two-thirds vote required).

(133) To establish a uniform federal policy on part-time employment and require federal agencies to establish part-time career employment programs. Yes. Passed, 294–84.

(134) To provide Congress with the opportunity to review proposed changes in the level of national postal services before they take effect. Yes. Passed, 371–6.

(135) To require $300,000 to be allocated to internal security functions of the Judiciary Committee. No. Failed, 161–216.

(136) To reduce the Select Committee on Assassinations' funding to $600,000. Yes. Failed, 182–198.

(137) To provide $2.5 million for investigations and studies of the Select Committee on Assassinations for the second session of the 95th Congress. No. Passed, 204–175.

(139) To agree to a motion that the House dispense with further proceedings under the call of the House. Yes. Passed, 331–72.

(140) To agree to a motion that the previous day's Journal be read in full. No. Failed, 99–301.

(141) To approve the Journal of the last day's proceedings. Yes. Passed, 371–29.

(143) To order a second on a motion to suspend the rules and pass the Absaroka-Beartooth Wilderness Act. Yes. Passed, 380–20.

(144) To order a second on a motion to suspend the rules and pass the Travel Expenses of Government Officials Paid by Private Foundations Act. Yes. Passed, 387–2.

(145) To order a second on a motion to suspend the rules and pass the Home Production of Beer and Wine Act. Yes. Passed, 383–3.

(146) To suspend the rules and pass the Absaroka-Beartooth Wilderness Act. Yes. Passed, 405–7.

(147) To suspend the rules and pass Travel Expenses of Government Officials Paid by Private Foundations Act. Yes. Passed, 372–38.

(148) To adopt the conference report expanding the Redwood National Park in California by 48,000 acres. Yes. Passed, 317–60.

(150) To approve the Journal of the last day's proceedings. Yes. Passed, 387–15.

(151) To agree to a motion to resolve into the Committee of the Whole for consideration of Full Employment and Balanced Growth Act (Humphrey-Hawkins bill). Yes. Passed, 380–19.

(152) To add the specific goal of a balanced budget by 1983 and mandate the President to pursue policies consistent with that goal. No. Failed, 205–215.

(153) To declare that one of the purposes of the Act was achievement of a balanced budget consistent with achievement of the unemployment goals enumerated in the bill. Yes. Passed, 411–3.

(154) To agree to a motion to end debate at a specified time on Title I and all amendments thereto to Full Employment and Balanced Growth Act. Yes. Passed, 237–170.

(155) To add to the bill the goal of a permanent reduction in individual federal income taxes by 10% per year for three years, accompanied by a 1% reduction in corporate taxes annually for three years and an increase in the corporate surtax exemption to $100,000. No. Failed, 194–216.

(156) To agree to a motion to resolve into the Committee of the whole for consideration of the Full Employment and Balanced Growth Act. Yes. Passed, 379–8.

(157) To add to the section on national priority programs the implementation through financial assistance of programs already established by law as major national priorities, such as the removal of architectural barriers to the handicapped. Yes. Passed, 398–0.

(158) To omit the following persons from unemployment statistics used for purposes of the Act: persons unemployed because of strikes, those unemployed less than 4 weeks, persons not seeking full-time jobs, persons who voluntarily left their jobs, and those who have been hired but have not started work. No. Failed, 199–204.

(159) To strike the enacting clause and thus kill the Full Employment and Balanced Growth Act. No. Failed, 106–310.

(160) To require the President, in carrying out the Act, to consider the impact of all provisions of the U.S. Code and Code of Federal Regulations on the national economy. No. Failed, 114–296.

(161) To strike the provisions of the bill which would have required the Joint Economic Committee to submit its own concurrent resolution to Congress each year with congressional goals for employment and economic growth. Yes. Passed, 259–153.

(162) To terminate the Act on September 30, 1983 unless Congress extends it beyond that date. No. Failed, 196–216.

(163) To accept a substitute bill that would have set national goals by 1983 of 4% unemployment, 3% inflation, 100% parity in farm prices, reduced tax levels and a balanced budget and prohibit the use of public service jobs to meet the unemployment goal. No. Failed, 137–376.

(164) Passage of the Full Employment and Balanced Growth Act (Humphrey-Hawkins bill). Yes. Passed, 257–152.

(166) To approve consideration of a bill to expand educational grant and loan programs for middle-income students by $1.2 billion. No. Failed, 156–218.

(167) To authorize funds for an investigation and study of Korean-American relations by the International Relations Committee. Yes. Passed, 367–13.

(168) To adopt the rule on Postal Service Act Amendments. Yes. Passed, 387–0.

(170) To condemn the kidnapping of Aldo Moro and to call upon the President to instruct the U.S. Representative to urge the United Nations to consider the subject of terrorism and sponsor proposals for solving the problem. Yes. Passed, 398–0.

(171) To adopt the rule on the Public Debt Limit Extension. Yes. Passed, 314–80.

(172) To extend the existing temporary debt limit of $752 billion through July 31, 1978. Yes. Passed, 233–172.

(174) To make in order an amendment to begin partial public financing of House election campaigns. Yes. Failed, 198–209.

(175) To adopt conference report which abolishes compulsory retirement for most federal employees and raises the mandatory retirement age for non-federal workers from 65 to 70. Yes. Passed, 391–6.

(176) To resolve into the Committee of the whole for consideration of Postal Service Act Amendments. Yes. Passed, 364–2.

(177) To appropriate $300 million in FY78 for the Federal Disaster Assistance Administration to spend in connection with disasters declared as a result of severe winter weather. Yes. Passed, 393–4.

(178) To adopt the rule on Shipping Act Amendments on 1978. Yes. Passed, 365–33.

(179) To resolve into the Committee of the Whole for consideration of Shipping Act Amendments of 1978. Yes. Passed, 365–33.

(180) Passage of Shipping Act Amendments of 1978 stiffening penalties for illegal rebates in the shipping industry and strengthening enforcement. Yes. Passed. 390–1.

(181) To request conference on Senate amendments diverting 31 million acres of wheat, corn, soybeans and cotton from production, increasing target prices and loan rates for wheat, corn and cotton and instituting a system of flexible parity. Yes. Passed, 332–63.

(182) To table a motion to instruct the House conferees to support the Senate amendment providing a flexible parity program of graduated target prices for wheat, corn and cotton in 1978. Yes. Passed, 224–167.

(183) Call of the House. Present.

(184) To provide for the establishment of the Friendship Hill National Historic Site in Pennsylvania. Yes. Passed, 351–6.

(185) To provide recognition of the services of General Thaddeus Kosciuszko. Yes. Passed, 358–0.

(186) To designate the Oregon National Historic Trail and Travelway as a unit of the National Trails system. Yes. Passed, 353–4.

(187) To provide for the establishment of the Lowell National Historic Park in Massachusetts, two-thirds vote required. Yes. Failed, 228–132.

(188) Call of the House. Present.

(189) To order a second to clarify the au-

thority for employment of personnel in the White House. Yes. Passed, 239–147.

(190) To clarify authority for employment of personnel in the White House, two-thirds vote required. Yes. Failed, 207–188.

(191) To resolve into the Committee of the Whole to consider the Postal Act. Yes. Passed, 386–4.

(192) To prohibit the Postal Service from setting parcel post rates at levels which undercut rates of private delivery services. No. Failed, 147–257.

(193) To require that rates for each class of mail bear not only the direct but the indirect cost incurred in providing the service. Yes. Passed. 292–112.

(194) Call in Committee. Absent.

(195) To provide a mechanism for Congressional review of Postal Rate Commission decisions on postal rates. No. Failed, 180–218.

(196) To resolve into the Committee of the Whole to consider the Postal Service Act. Yes. Passed, 386–1.

(197) To require the Postmaster General to submit a report to the Congress by February 1 of each year detailing by function the expenditure of public service funds during the preceding fiscal year, and the proposed expenditure of public funds for the fiscal year in which the report is submitted. No. Passed, 203–189.

(198) Bill to establish congressional review of postal rate decisions, increase congressional oversight of U.S. Postal Service and abolish the Board of Governors of the Service. Yes. Passed, 384–11.

(199) To provide for federal regulation of participation by foreign banks in U.S. financial markets. Yes. Passed, 367–2.

(200) Call of the House. Present.

(201) To authorize appropriations to carry out the Marine Mammal Protection Act of 1972 during fiscal years 1979, 1980 and 1981. Yes. Passed, 380–5.

(202) To extend the voluntary insurance program provided by Section 7 of the Fishermen's Protective Act of 1967 until October 1, 1981. Yes. Passed, 365–14.

(203) To authorize appropriations to carry out conservation programs on military reservations and public lands during fiscal years 1979, 1980, and 1981. Yes. Passed, 377–8.

(204) To authorize appropriations for Fishery Conservation and Management Act of 1976 during fiscal years 1979, 1980 and 1981. Yes. Passed, 329–55.

(205) To authorize appropriations for the Council on Environmental Quality for 1979, 1980 and 1981. Yes. Passed, 307–76.

(206) To amend the Small Business Act and the Small Business Investment Act of 1958. Yes. Passed, 310–72.

(207) Call of the House. Present.

(208) To amend certain provisions of law relating to land claims by the U.S. in Riverside County, California. Yes. Passed, 390–14.

(209) To reinstate the Modoc, Wyandotte, Peoria and Ottawa Indian Tribes of Oklahoma as federally supervised and recognized. Yes. Passed, 368–33.

(210) To increase the authorization of appropriations under the Act of December 22, 1974. Yes. Passed, 361–43.

(211) To provide for establishment of the Lowell National Historical Park in Massachusetts. Yes. Passed, 326–76.

(212) Conference Report on Overseas Private Investment Corporation. Yes. Passed, 216–185.

(213) Call of the House. Present.

(214) Conference Report on bill to permit marketing orders to include provisions on marketing promotion, including paid advertisement, of raisins and distribution among handlers of the pro rata costs of such promotions. No. Failed, 150–268.

(215) Resolution to provide for consideration of bill to improve the basic work week of firefighters in executive agencies. Yes. Passed, 374–5.

(216) To improve basic work week of firefighters in executive agencies. No. Passed, 241–129.

(217) Call of the House. Present.

(218) Resolution to provide for consideration of the bill to clarify the authority for employment of personnel in the White House. Yes. Passed, 395–1.

(219) To reduce total number of employees authorized at level II from 25 to 15, at level III from 25 to 20 and at GS 18 from 50 to 40. Did not vote. Failed, 180–215.

(220) To require the President to submit to Congress a new authorization request for Executive office personnel and related expenses within 1 year of assuming office. Yes. Failed, 171–232.

(221) To prohibit any employees funded under this bill from seeking to influence state legislatures on proposed constitutional amendments. No. Failed, 85–320.

(222) Bill to clarify authority for employment of personnel in the White House. Yes. Passed, 265–134.

(223) Motion to close conference meetings on national energy bill. No. Failed, 6–371.

(224) To entitle delegates in Congress from Guam and Virgin Islands to make nominations for appointments to Merchant Marine Academy. Yes. Passed, 357–1.

(225) To improve operations of the national sea grant program and to authorize appropriations for 1979 and 1980. Yes. Passed, 341–23.

(226) To authorize appropriations for 1979 and 1980 for the National Advisory Committee on Oceans and Atmosphere. Yes. Passed, 317–47.

(227) To authorize appropriations for the U.S. Coast Guard for fiscal year 1979. Yes. Passed, 357–13.

(228) Call of the House. Present.

(229) Bill to reorganize the executive branch and increase its economy and efficiency by establishing Offices of Inspector General in various departments. Yes. Passed, 388–6.

(230) To authorize funds for the Hubert Humphrey Institute of Public Affairs and the Everett Dirksen Congressional Leadership Center. Yes. Passed, 267–127.

(231) To direct the Secretary of the Interior to purchase and hold certain lands in trust for Zuni Indian Tribe of New Mexico. Yes. Passed, 347–48.

(232) To increase the authorization for the National Science Foundation by $3.2 million for the recommission and conversion of the deep sea vehicle, Glomar Explorer, to a deep sea drilling vessel. No. Failed, 111–291.

(233) To reduce the National Science Foundation authorization by $6 million for biological, behavior and social sciences. No. Failed, 174–229.

(234) To authorize appropriation for National Science Foundation. Yes. Passed, 364–37.

(235) Resolution to provide for consideration of bill to regulate lobbying and related activities. Yes. Passed, 379–15.

(236) To expand scope of the geographic exemption to permit communication by individuals on behalf of organizations in the area where the individual works as well as where he/she resides. No. Failed, 195–212.

(237) To require any registered lobbying organization to report all lobbying solicitations, such as mass mailings, made by or paid for by the organization or its unregistered affiliates. Yes. Passed, 245–161.

(238) Call of the House. Present.

(239) To resolve into the Committee of the Whole. Yes. Passed, 369–15.

(240) To table motion to reconsider vote resolving into Committee of the Whole. Yes. Passed, 362–26.

(241) To require the reporting of executive branch lobbying by any department, agency or the White House. No. Failed, 44–350.

(242) To require any registered organization spending at least 1% of its total annual income on lobbying activities to disclose the name and address of any organization contributing $3000 or more during a given year to the reporting organization. Yes. Passed, 251–135.

(243) Motion to limit debate on bill to regulate lobbying activities. No. Failed, 158–215.

(244) Resolution providing for consideration of bill to authorize appropriations to NASA for research and development. Yes. Passed, 332–0.

(245) To establish a program offering 100% insured and guaranteed "Bridge" loans to meet payments on outstanding loans due between January 1, 1977 and December 31, 1979 and to provide operating loan financing to farmers and ranchers. Yes. Failed, 151–215.

(246) Bill to provide an economic emergency loan program to farmers and ranchers to extend the Emergency Livestock Credit Act. Yes. Passed, 347–23.

(247) To resolve into Committee of the Whole for consideration of bill to authorize appropriations for NASA. Yes. Passed, 387–3.

(248) To authorize appropriations for NASA for research and development. Yes. Passed, 345–54.

(249) To prohibit the Peace Corps use of funds in the Central African Empire. No. Failed, 169–228.

(250) To authorize supplemental appropriations for the Peace Corps in fiscal year 1978 and FY 79. Yes. Passed. 297–102.

(251) Resolution to disapprove Reorganization Plan #1 submitted by the President. No. Failed, 39–356.

(252) Concurrent resolution denouncing government of Cambodia for its disregard of basic human rights. Yes. Passed, 388–0.

(253) On approving the Journal. Yes. Passed, 382–9.

(254) Bill to authorize appropriations for FY 79 under the Arms Control and Disarmament Act. Yes. Passed, 332–74.

(255) To require the GAO to conduct a study of lobbying communications by federal, state and local governmental units and associations of elected state or local officials to determine if such groups should fall within scope of lobbying bill. Yes. Failed, 197–211.

(256) To remove lobbying communications that deal only with the existence or status of a legislative matter from the provisions of the lobbying bill. Yes. Passed. 207–188.

(257) Bill to regulate lobbying and related activities. Yes. Passed, 259–140.

(258) To resolve into the Committee of the Whole to consider bill authorizing appropriations for environmental research, development and demonstrations for FY 79. Yes. Passed, 384–5.

(259) Bill to authorize appropriations for environmental research, development and demonstrations for FY 79. Yes. Passed, 367–33.

(260) To make supplemental appropriations for U.S. Railway Association for FY 78. Yes. Passed, 202–196.

(261) Call of the House. Present.

(262) To authorize appropriations to carry out the Central, Western and South Pacific Fisheries Development Act until the end of FY 83. Yes. Passed, 326–23.

(263) To establish a Hubert H. Humphrey Fellowship in Social and Political Thought at the Woodrow Wilson International Center for Scholars at the Smithsonian Institution. Yes. Failed, 219–137.

(264) To extend the authority of the Federal Reserve banks to buy and sell certain obligations. Passed, 278–77.

(265) Resolution providing for consideration of bill to authorize actions for redress in cases involving deprivations of rights of institutionalized persons. Yes. Passed, 320–20.

(266) Call in Committee. Present.

(267) To remove prisons, jails and other adult correctional institutions from coverage under the bill. Yes. Passed, 227–132.

(268) Call of the House. Present.

(269) Bill to create a solar and renewable energy sources loan program within Small Business Administration. Yes. Passed, 375–17.

(270) Bill relating to the settlement between the U.S. and the Ak-Chin Indian community of certain water right claims. Yes. Failed, 138–256.

(271) Resolution to provide consideration of Securities Investor Protection Act of 1970. Yes. Passed, 384–10.

(272) To certify the report of Claude Powell's contempt of Congress to the U.S. Attorney for criminal contempt. Yes. Passed, 367–16.

(273) To resolve into the Committee of the Whole to consider fiscal year 1979 budget. Yes. Passed, 383–4.

(274) To reduce the total budget authority by $13 billion, new budget authority by $21.4 billion, outlays by $13 billion, federal revenues by $3.2 billion and public debt level by $9.8 billion. No. Failed, 197–203.

(275) To increase by $2.4 billion the budget authority for national defense. No. Failed, 142–262.

(276) To transfer $4.8 billion in budget authority and $2.8 billion in outlays from the national defense category to employment and economic development programs. Yes. Failed, 98–313.

(277) To decrease federal revenue target to $440 billion to be accomplished through a $25 billion cut in income taxes, $3.2 billion cut in social security taxes, $1 billion for tuition tax credits and $500 million in miscellaneous tax reductions. No. Failed. 163–239.

(278) To increase budget authority by $1 billion and outlays by $844 million for veterans programs. Yes. Passed, 362–33.

(279) To add $435 million in budget authority and $390 million in outlays, for youth and older American employment programs. No. Failed, 123–265.

(280) To reduce budget authority and outlays by $255 million for FY 79 accommodating a reduction in pay raise increases for federal workers from 6% to 5.5%. Yes. Failed, 172–210.

(281) To approve the Journal. Yes. Passed, 360–13.

(282) Resolution waiving points of order against conference report on bill to permit marketing orders to include provisions on marketing promotion, including paid advertisement, of raisins and distribution of pro rata costs of the promotion among handlers. Yes. Passed, 241–148.

(283) Conference report on raisin marketing bill. Yes. Passed, 212–182.

(284) To reduce revenues by $635 million to permit a primary, secondary and postsecondary education tuition tax credit. Yes. Passed, 199–173.

(285) To reduce revenues by $500 million for a higher and vocational education tax credit and to extend the credit for primary, secondary, and postsecondary education. Yes. Passed, 227–136.

(286) Call of the House. Present.

(287) To authorize appropriations for certain insular areas of the U.S., two-thirds vote required. No. Failed, 203–170.

(288) Concurrent resolution relating to Americans missing in action. Yes. Passed, 369–0.

(289) Joint resolution making an urgent supplemental appropriation for the disaster loan program of Small Business Administration for FY 78. Yes. Passed, 346–23.

(290) To resolve into the Committee of the Whole to consider First Budget Resolution for FY 79. Yes. Passed, 380–3.

(291) To reduce by $3.15 billion funding for HEW programs. No. Passed, 198–189.

(292) To provide that revenues collected by Panama Canal Company and Canal Zone government be placed in the federal treasury and be subject to appropriation procedure and House oversight. No. Passed, 231–170.

(293) To provide a 2% across-the-board cut in all budget authorities and outlays. No. Failed, 195–203.

(294) To reduce outlays by $195.4 million and budget authority by $178.2 million. No. Failed, 196–196.

(295) To resolve into the Committee of the Whole to consider the First Budget Resolution for fiscal year 1979. Yes. Passed, 392–4.

(296) To reduce budget authority and outlays by $56 million to delete funds for Food for Peace for South Korea. No. Failed, 146–254.

(297) To provide for continuation of temporary tax cut enacted in 1975. No. Failed, 45–352.

(298) To reduce budget authority from $568.2 billion to $521.4 billion and outlays from $501.4 billion to $464.6 billion, and increase revenues from $443.3 billion to $464.4 billion to eliminate the deficit. No. Failed, 170–226.

(299) To reduce budget authority and outlays by $3.15 billion for HEW programs. No. Failed. 192–205.

(300) First Concurrent Budget Resolution for fiscal year 1979. Yes. Passed, 201–197.

(301) Approve the Journal. Yes. Passed, 377–15.

(302) Resolution denouncing the assassination of Aldo Moro. Yes. Passed, 398–0.

(303) To reduce authorization of Foreign Assistance Act for population and health planning by $20 million, American schools and hospitals abroad by $17 million, international organizations and programs by $1.3 million, economic support assistance for South African countries by $20 million and to cut the $300,000 for the U. N. trust on South Africa. No. Failed, 183–213.

(304) To terminate agricultural aid to countries not making reasonable progress toward eliminating agricultural disincentives. No. Failed. 141–236.

(305) To limit aid to Panama to 25% of the revenues it receives from the Canal. No. Failed. 187–187.

(306) Call of the House. Present.

(307) Motion to consider International Development and Food Assistance Act of 1978. Yes. Passed. 300–6.

(308) To delete tobacco and tobacco products from Food for Peace program. Yes. Failed. 126–189.

(309) To prohibit only "direct" aid for Vietnam. Cambodia, Uganda and Cuba. Yes. Failed. 148–155.

(310) Call of the House. Present.

(311) To provide for maritime satellite services. Yes. Passed. 350–0.

(312) To cut 5% across-the-board to less developed countries except in food and nutrition programs. No. Passed. 200–172.

(313) International Development and Food Assistance Act of 1978. Yes. Passed. 225–148.

(314) To create the Humphrey Fellowship at the Smithsonian Institution. Yes. Passed. 222–152.

(315) To fund and name the U.S. Fire Administration. Yes. Passed. 360–11.

(316) To order a second on a bill to amend the IRS code to allow certain private foundations to hold more public utility stock. Yes. Passed. 334–16.

(317) To improve programs for senior citizens. Yes. Passed. 361–6.

(318) To amend the IRS code to allow certain private foundations to hold more public utility stock, two-thirds vote required. No. Failed. 218–145.

(319) Approve the Journal. Yes. Passed. 348–12.

(320) To extend and create new community programs under the Rehabilitation Act of 1973. Passed. 383–12.

(321) Motion to table D.C. appropriations bill. No. Failed. 190–199.

(322) Approval of a Senate amendment to D.C. appropriations bill requiring Congressional approval of Washington Civil Center. Yes. Passed. 199–183.

(323) Resolution providing for consideration of bill to authorize FY 79 appropriations for Department of Energy national security programs. Yes. Passed. 378–0.

(324) Motion to resolve into Committee of the Whole. Yes. Passed. 355–4.

(325) To delete language authorizing funds for neutron bomb at President's certification of need. Yes. Failed. 90–306.

(326) To provide Congressional veto on production of neutron bombs. Yes. Passed 318–46.

(327) To project a fiscal year 1979 budget deficit of $50.9 billion, $7 billion below deficit in House-passed resolution. Yes. Passed. 201–198.

(328) Resolution providing for consideration of bill to allow temporary increase in public debt limit. Yes. Passed. 320–77.

(329) Bill to raise public debt limit. Yes. Failed. 167–228.

(330) Resolution providing for consideration of Alaskan Lands bill. Yes. Passed. 354–42.

(331) Call in Committee. Present.

(332) Call in Committee. Absent.

(333) Call of the House. Present.

(334) Resolution to support the Soviet dissidents. Yes. Passed. 399–0.

(335) To reduce number of acres in Alaskan Land bill by 5 million. No. Failed. 141–251.

(336) To eliminate 41 million acres from wilderness. No. Failed. 119–240.

(337) To resolve into the Committee of the Whole. Yes. Passed. 280–8.

(338) To continue mineral assessment programs on Alaskan public lands and order President to provide a procedure to evaluate mineral exploration and extraction allocations. No. Passed. 157–150.

(339) Motion to recommit the Alaskan Lands bill. No. Failed. 67–242.

(340) Alaskan Lands bill. Yes. Passed. 277–31.

(341) Call of the House. Present.

(342) Resolution to disapprove action by the Commissioner of Education in consolidating advisory councils as proposed by Commissioner's annual report. No. Passed. 269–109.

(343) To authorize the Secretary of Agriculture to provide cooperative forestry assistance to the States. Yes. Passed. 373–2.

(344) To authorize the Secretary of Agriculture to carry out forest and rangeland renewable resources research. Yes. Passed. 373–3.

(345) To provide for expanded forest and rangeland extension program. Yes. Passed. 377–7.

(346) To remove the limitation on the authorization under the Volunteers in the National Forests Act of 1977. Yes. Passed. 378–5

(347) To extend the period of eligibility for veterans readjustment appointments for Vietnam War Veterans. Yes. Passed. 388–0.

(348) Concurrent resolution approving the extension of non-discriminatory treatment to Hungarian products. Yes. Passed. 209–173.

(349) Resolution providing for consideration of bill to authorize military construction at installations for FY 79. Yes. Passed. 377–1.

(350) Bill to authorize certain construction at military installations in FY 79. Yes. Passed. 363–18.

(351) To increase ship mortgage guarantee loan program to $10 billion. No. Failed. 126–241.

(352) Call of the House. Present.

(353) To establish the Aboriginal Hawaiian Claims Settlement Study Commission, two-thirds vote required. DNV. Failed. 210–194.

(354) To establish a commission on domestic violence. No. Failed, 201–205.

(355) To provide a special rule to include display magazine sales as income. Yes. Passed, 358–50.

(356) To amend IRS code with respect to treatment of amounts paid to relatives for purposes of credit of expenses for household and dependent care services needed for gainful employment. Yes. Passed, 363–44.

(357) Resolution expressing concern over a unilateral action of the European Economic Community. Yes. Passed, 470–0.

(358) To reimburse certain expenses by the states under the Social Security Act. Yes. Passed, 377–25.

(359) To prohibit funds paid for any item of wage costs paid to Transportation Institute, Joint Maritime Congress or American Maritime Officers Service. No. Failed, 168–227.

(360) To prohibit funds paid for wage costs for training expenses of new entrants into maritime industry. No. Failed, 111–289.

(361) To prohibit funds paid to subsidize grain shipments to Russia. Yes. Failed, 180–218.

(362) Bill to authorize fiscal year 1979 appropriations for maritime programs of Commerce Department. Yes. Passed, 326–82.

(363) Resolution providing for consideration of bill to authorize FY 79 Defense Department appropriations. Yes. Passed, 330–71.

(364) Call of the House. Present.

(365) To earmark $29.2 million for continued research and development of a wide-bodied cruise missile carrier. Yes. Failed, 107–297.

(366) To delete $1 billion for construction of Trident submarine. Yes. Failed, 115–287.

(367) To delete $8.1 million authorized for a Gulfstream II jet for the Marine Corps. Yes. Passed, 266–136.

(368) To delete $2.1 billion for CVN Nimitz-class nuclear aircraft carrier and replace it with funds for a smaller CVV conventionally powered carrier. Yes. Failed, 139–264.

(369) To delete funds for nuclear aircraft carrier. Yes. Failed, 106–293.

(370) To earmark $29,200,000 for development of wide-body strategic cruise missile carrier. Yes. Failed, 145–246.

(371) To prohibit any funds being used to withdraw troops below 26,000 level from South Korea. No. Failed, 142–247.

(372) Bill to authorize FY79 appropriations for Defense Department. Yes. Passed, 319–67.

(373) Call of the House. Present.

(374) Resolution reaffirming NATO commitment. Yes. Passed, 370–0.

(375) Resolution providing for consideration of federal flexitime bill. Yes. Passed, 360–0.

(376) Resolve into Committee of the Whole to consider flexitime bill. Yes. Passed, 338–2.

(377) Federal flexitime bill. Yes. Passed, 288–57.

(378) Call in Committee. Present.

(379) To require that petition or complaint regarding alleged violation of individuals' civil rights be filed with a court. Yes. Passed, 178–109.

(380) Approve the Journal. DNV. Passed, 318–14.

(381) Call of the House. Yes.

(382) To withhold certain types of aid to South Korea for testimony of Kim Dong Jo. Yes. Passed, 321–46.

(383) To rename two lakes now completed as Glenn Cunningham Lake and Standing Bear Lake. Yes. Passed, 369–0.

(384) To rename West Point Lake Project on the Chattahoochee River as R. Shaefer Heard Park. Yes. Passed, 359–4.

(385) Resolution providing for consideration of bill to authorize FY79 appropriations for State Department and other agencies. Yes. Passed, 363–10.

(386) Call in Committee. Present.

(387) To delete authorization for Commission on proposals for a Center for Conflict Resolution. No. Passed, 237–135.

(388) To delete authorization for Institute for International Human Rights. No. Passed, 202–164.

(389) To prohibit any funds in bill being used to implement new Panama Canal treaties. No. Passed, 203–163.

(390) Bill to authorize FY79 appropriations for State Dept. and other federal agencies. Yes. Passed, 240–124.

(391) Call of the House. Present.

(392) Resolution providing for consideration of tuition tax credit bill. Yes. Passed, 294–97.

(393) To make private, non-profit elementary and secondary schools tuition expenses eligible for tax credit. Yes. Passed, 209–194.

(394) To increase tuition allowable for credit from 25% to 50%, but not more than $100. No. Failed, 142–261.

(395) To provide tax deferral of $1000 of tuition expenses after FY77, $1500 after FY81 and $2000 after FY85. No. Failed, 155–239.

(396) Bill to provide federal tuition tax credit. Yes. Passed, 237–158.

(397) Resolution to provide for consideration of Export-Import Bank authorization. Yes. Passed, 364–4.

(398) Resolution to provide for consideration of bill to extend certain elementary, secondary and other education programs for five years. Yes. Passed, 339–13.

(339) To resolve into Committee of the Whole to consider Export-Import Bank bill. Yes. Passed, 314–13.

(400) Call in Committee. Present.

(401) To allow Export-Import Bank to extend credit to South Africa so long as credit can be extended to Angola, Cambodia, Vietnam or any Communist country. No. Failed, 157–190.

(402) To resolve into Committee of the Whole to consider Export-Import Bank bill. Yes. Passed, 318–3.

(403) To delete language prohibiting Bank's participation in transactions with South Africa. No. Failed, 116–219.

(404) To delete language that would have permitted the Bank to extend credit to People's Republic of China. Yes. Passed, 179–138.

(405) To provide the Secretary of Transportation with authority to transport Coast Guard employees to and from certain places of employment. Yes. Passed, 336–0.

(406) To implement the protocol relating to intervention on high seas in cases of marine pollution by substances other than oil. Yes. Passed, 344–1.

(407) To provide additional authorization for operating programs under the Federal Water Pollution Control Act. Yes. Passed, 338–9.

(408) Resolution providing for consideration of Boundary Waters Canoe Area Wilderness Bill. Yes. Passed, 339–1.

(409) To amend the bill with substitute removing national recreation area from bill and redesignating it as a mining protection area, liberalizing the restrictions on motor boat use within BWCA, and permitting use of motor boats on an increased number of lakes. Yes. Passed, 213–141.

(410) Boundary Waters Canoe Area Wilderness Bill. Yes. Passed, 324–29.

(411) Resolution providing for consideration of bill authorizing FY79 appropriations for certain insular areas of the U.S. Yes. Passed, 344–2.

(412) Bill to authorize FY79 appropriations for certain insular areas of the U.S. Yes. Passed, 292–54.

(413) Call of the House. Present.

(414) To provide for payments to local governments based upon the acreage of the National Wildlife Refuge System within their boundaries. Yes. Passed, 340–28.

(415) To amend the North Pacific Fisheries Act of 1954. Yes. Passed, 368–0.

(416) To establish a conservation program for the living marine resources of the Arctic and Southern Oceans. No. Passed, 268–103.

(417) Resolution providing for consideration of bill to authorize FY79 appropriations for intelligence and intelligence-related activities. Yes. Passed, 322–48.

(418) To require Attorney General to notify House and Senate intelligence-related committees of the admission of any alien he believes is excludable under the Immigration and Naturalization Act. No. Failed, 60–132.

(419) Bill to authorize FY79 appropriations for intelligence and intelligence-related activities. Yes. Passed, 323–43.

(420) Resolution providing for consideration of bill providing financial assistance to New York City. Yes. Passed, 339–21.

(421) Approve the Journal. Yes. Passed, 331–15.

(422) To authorize the printing as a House document the folder "The United States Capitol." Yes. Passed, 349–24.

(423) To authorize the printing of additional copies of Volume II of the Senate hearings "Korean Influence Inquiry." No. Passed, 329–50.

(424) Resolution providing for consideration of bill making FY 79 appropriations for Treasury Department, U.S. Postal Service, Executive Office of the President and other independent agencies. Yes. Passed, 376–1.

(425) To restore $4.2 million to the bill for implementation of new BATF firearms regulations. No. Failed, 80–314.

(426) FY79 Appropriations bill for Treasury Department, U.S. Postal Service, Executive Office of the President and certain other independent agencies. No. Passed, 297–98.

(427) Call in Committee. Present.

(428) To reduce by $28 million the fiscal year 1979 appropriation to OSHA. No. Passed, 201–179.

(429) To resolve into Committee of the Whole to consider bill to provide financial assistance for New York City. Yes. Passed, 382–3.

(430) To conform bill to the Congressional Budget Act. Yes. Passed, 401–0.

(431) To recommit bill for financial assistance to New York City to provide for a 3-year extension of the New York Seasonal Financial Act of 1975 and provide $2 billion in loan assistance for 1979, $1.5 billion in 1980 and $800 million in FY81. No. Failed, 109–291.

(432) Bill to provide financial assistance to New York City. Yes. Passed, 247–155.

(433) To reduce the Labor-HEW appropriations by $1 billion for FY79. Yes. Passed, 290–87.

(434) Resolution for urgent supplemental appropriation for the black lung program under the Department of Labor for FY78. Yes. Passed, 237–72

(435) Resolution providing for consideration of bill making FY 79 appropriations for Department of Transportation and related agencies. Yes. Passed, 309–16.

(436) Call of the House. Present.

(437) Resolution condemning gross human rights violations in Uganda and urging the President to impose a trade ban. Yes. Passed, 377–0.

(438) To increase the authorization of appropriations under the Toxic Substances Control Act, two-thirds vote required. No. Failed, 190–188.

(439) To prohibit the use of funds for implementation of regulation requiring installation of air bags in cars. No. Passed, 237–143.

(440) To allow funding to continue for research and development of occupant restraint systems. Yes. Failed, 180–194.

(441) FY 79 Appropriations Bill for Department of Transportation and related agencies. Yes. Passed, 347–25.

(442) Resolve into the Committee of the Whole to consider FY 79 Labor-HEW appropriations bill. Yes. Passed, 383–5.

(443) To delete language that restricts the use of federal funds for abortions except where the life of the mother would be endangered by carrying the fetus to term. No. Failed, 122–287.

(444) To replace restrictive abortion language with compromise language agreed to in 1977 prohibiting federal funds for payment for abortions except in cases of reported rape, incest or where severe and long lasting physical health damage to mother would result from carrying fetus to term, as determined by two physicians. Yes. Failed. 198–212.

(445) To prohibit funds in the bill to implement or enforce racial quotas by HEW or Labor Departments. No. Passed, 232–177.

(446) To reduce the Labor-HEW appropriations bill by 2 percent No. Passed, 220–181.

(447) To reduce the Labor-HEW appropriations bill by $28 million earmarked for OSHA. No. Failed, 184–216.

(448) FY 79 Appropriations Bill for Departments of Labor and HEW, and related agencies. Yes. Passed, 338–61.

(449) To resolve into Committee of the Whole to consider FY 79 Legislative Appropriations. Yes. Passed, 344–2.

(450) To resolve into Committee of the Whole to consider FY 79 appropriations for Departments of State, Justice and Commerce, Judiciary and related agencies. Yes. Passed, 368–6.

(451) To prohibit any funds for payment of expenses of maintaining American mission in Cuba. No. Passed, 241–158.

(452) To reduce funding for Legal Services Corporation by $30 million. Yes. Failed, 200–203.

(453) To prohibit the Legal Services Corporation from using any of its funds to support or defeat legislation pending before the Congress or state legislatures. No. Passed, 264–131.

(454) FY 79 Appropriations bill for Departments of State, Justice, Commerce, the Judiciary and related agencies. Yes. Passed, 359–34.

(455) To reduce by 5% the funding of the Legislative Appropriation for FY 79. Yes. Passed, 220–168.

(456) To prohibit funds to buy new color television cameras to broadcast House proceedings without prior House approval. No. Failed, 133–249.

(457) To prohibit funds being used to televise House proceedings if cameras will not be controlled by House employees. Yes. Passed, 235–150.

(458) To prohibit funds to provide wall calendars, U.S. Historical Society calendars, USDA yearbooks, plants from Botanical Garden and shipping trunks unless reimbursement is made. Yes. Passed, 214–159.

(459) FY79 Legislative Appropriation. Yes. Passed, 279–90.

(460) Call of the House. Present.

(461) Resolution providing for consideration of bill making appropriations for public works for water and power development and energy research in FY 79. DNV. Passed, 317–82.

(462) To reduce funding level in bill by $49 million for three water projects. Yes. Failed, 108–284.

(463) To prohibit funds in bill being used for five water projects. Yes. Failed, 142–234.

(464) To resolve into Committee of the Whole to consider bill making appropriations for public works for water and power development and energy research in FY79. Yes. Passed, 300–4.

(465) To prohibit funding for production of neutron warheads. Yes. Failed, 67–259.

(466) To reduce by 3% the funding of the bill making appropriations for public works water and power development and energy research in FY79. No. Failed, 93–228.

(467) FY79 Appropriations for public water and power development and energy research. Yes. Passed, 263–59.

(468) To reduce by 2% the funding in the bill making appropriations for military construction for the Department of Defense for FY79. Yes. Passed, 278–13.

(469) To resolve into Committee of the Whole to consider bill making appropriations for HUD and other independent agencies for FY79. Yes. Passed, 347–4.

(470) Call in Committee. Present.

(471) To reduce funding for EPA abatement and control and enforcement programs to FY78 levels plus 7%. No. Failed, 173–211.

(472) To reduce by 2% the funding in HUD and Independent Agencies Appropriations bill, for FY79. Yes. Failed, 156–222.

(473) FY79 HUD and Independent Agencies Appropriations. Yes. Passed, 332–47.

(474) Resolution calling for consideration of bill making appropriations for Department of Interior and related agencies in FY79. DNV. Passed, 353–27.

(475) Limit funds Economic Regulatory Administration may use to pay expenses of parties intervening in proceedings before them to $100,000. Yes. Failed, 190–221.

(476) To strike language prohibiting use of funds to pay the expenses of parties intervening in regulatory proceedings before Economic Regulatory Administration. No. Failed, 126–282.

(477) To provide a 2% reduction in bill making appropriations for Department of Interior and related agencies in FY79. Yes. Failed, 198–211.

(478) FY79 Interior Appropriations Bill. Yes. Passed, 356–50.

(479) Resolution calling for consideration of bill to extend authorization of appropriations under Rail Passenger Service Act for one year. Yes. Passed, 375–25.

(480) Call of the House. Present.

(481) To resolve into Committee of the Whole to consider the bill making appropriations for Department of Agriculture, Rural Development and related agencies programs for FY79. Yes. Passed, 369–5.

(482) To reduce funding for food stamp program by $290,200,000. No. Failed, 194–201.

(483) To prohibit Food for Peace assistance to South Korea. No. Passed, 273–125.

(484) To reduce by 2% appropriations to Department of Agriculture, Rural Development and related agencies in FY79. Yes. Failed, 189–201.

(485) FY78 Agriculture Appropriations bill. Yes. Passed, 326–59.

(486) To delete nuclear concepts from inclusion in any technical assessment of a potential solar powered satellite program. No. Passed, 267–96.

(487) Call of the House. Present.

(488) To strike provisions of bill requiring Amtrak to buy American products in those instances where the cost exceeds $100,000. Yes. Failed, 93–207.

(489) To require a discontinuance hearing for any passenger train receiving a federal subsidy exceeding $100 per passenger over any successive 3-month period. No. Failed, 119–186.

(490) To require approval of the U.S. Special Trade Representative of any purchase of foreign products by Amtrak when Secretary of Transportation determines that "Buy American" requirement would not be in the public interest. No. Failed, 121–178.

(491) To extend for 1 year the authorization for appropriations for Amtrak. Yes. Passed, 204–89.

(492) Resolution providing for consideration of bill to extend federal laws pertaining to housing, community and neighborhood development and preservation and related programs. Yes. Passed, 282–5.

(493) To authorize reserve enlisted members of the Army and the Air Force to retire within 20 years of service. DNV. Passed, 283–35.

(494) To revise the rule for recalculation of military retired or retainer pay to reflect later active duty performed between October 1, 1963 and October 1, 1973, DNV. Passed, 292–30.

(495) To allow federal employment preference to certain employees of the Bureau of Indian Affairs & Indian Health Service who are not entitled to benefits of or have been adversely affected by certain federal laws allowing employment preference to Indians. DNV. Failed, 118–204.

(496) Resolution providing for consideration of bill making changes in some park and recreation areas. DNV. Passed, 311–2.

(497) Bill to extend authorization for Civil Rights Commission for 5 years. DNV. Passed, 303–16.

(498) Approve the Journal. Yes. Passed, 326–11.

(499) Motion to refer presidential veto to Post Office and Civil Service Committee on bill to improve the basic work week of firefighters of executive agencies. No. Passed, 279–109.

(500) To order a second on bill to increase disability compensation rates for disabled veterans and to increase rates of dependency and indemnity compensation for their survivors. Yes. Passed, 378–1.●

LEGISLATION TO CURTAIL CARTELS

HON. ALBERT GORE, JR.

OF TENNESSEE

IN THE HOUSE OF REPRESENTATIVES

Thursday, August 17, 1978

● Mr. GORE. Mr. Speaker, today I am introducing legislation, along with the Honorable JOHN MOSS, which will help prevent the spread of international cartels and stem participation by American corporations in cartel activities.

The need for this legislation is painfully evident in the energy industry. A cartel controls world oil and prices and in effect controls the very fiber of the U.S. economy. Hearings before the Oversight and Investigations Subcommittee, chaired by the Honorable JOHN MOSS, uncovered a sophisticated uranium cartel that successfully manipulated a sevenfold increase in uranium prices between 1972 and 1975.

Our antitrust jurisdiction and our regulatory powers do not generally cross our borders. Yet, the United States can minimize the adverse impact on U.S. commerce by limiting participation by American firms in international cartels and by applying pressure through normal trade channels to prevent cartels from forming. My four-part legislation would require U.S. companies to report any solicitation of cartel activities, give new presidential authority to impose economic sanctions on foreign nations participating in cartels, require the special trade representative to enter into negotiations to amend international trade agreements restricting cartels, and strengthen the application of present antitrust law.

BACKGROUND

In 1972, uranium producers and uranium exporting countries were faced with a world glut of uranium supply and organized a cartel to stabilize prices. The

cartel secretly set up a formal headquarters in Paris and began dictating prices to the world market. The elaborate scheme of bid rigging and market allocation was so successful that uranium prices sky-rocketed from $6 per pound in 1972 to $41 per pound in 1975. The cartel went so far as to direct its members to submit differing bids to preserve the appearance of a competitive market.

There is no doubt that the cartel existed. There is also no doubt that one of the active participants in the cartel was the Gulf Oil Co. through its Canadian subsidiary, Gulf Minerals Canada Ltd. The controversy is over the cartels' impact in the world market and particularly in the United States. The United States has little control over the corporations of France, South Africa, or Australia, but it is imperative that we assert our antitrust jurisdiction when international cartel activities are dictated by a parent firm in the United States.

The Gulf Oil Corp., invoking the "Act of State" doctrine as a defense, contended that the Canadian Government forced them to join the cartel. Yet, after listening to Gulf's defense during three sets of hearings, it became less and less clear whether the Canadian Government coerced Gulf to join the cartel or whether Gulf urged the Canadian Government to ask them to join the cartel. I think the answer to who was pushing who is plainly seen in Gulf's internal memos. Gulf, aware that any disclosure of their role could make them vulnerable to either United States or Canadian antitrust laws, asked the Canadian Government to set up a wall of insulation that they could use to fall back on as a future legal defense, should one become necessary. In one instance, a Gulf official drafted a letter, which was ultimately signed by the Canadian Assistant Deputy Minister of Energy, Mines, and Resources, requesting Gulf to participate on the operating committee of the cartel. Clearly, Gulf's role was more than passive.

Gulf also insisted that the cartel did not affect U.S. commerce. To the contrary, evidence uncovered in the hearings demonstrated that a number of U.S. utilities, including the Tennessee Valley Authority, were forced to pay cartel prices for their uranium. TVA alone bought 20 million pounds of uranium in 1974 at cartel rigged prices from members of the "club." Similarly Duke Power, Commonwealth Edison, and Carolina Power & Light also bought uranium from cartel members during the active period of the cartel.

Mr. Speaker, Gulf was not the only U.S. firm to be asked to join the cartel. A similar offer was also extended to Getty Oil, through an Australian subsidiary. Yet, while Gulf's attorneys determined that their participation did not violate U.S. antitrust laws, Getty's attorneys believed that there were severe antitrust implications. In addition, it is very ironic to note that Gulf's partner in Canada, a German firm, declined to join the cartel because of strict German antitrust laws. Yet, Gulf sought to evade U.S. law by seducing the Canadian Government into "requiring" Gulf's participation; allowing Gulf the "Act of State" doctrine as a defense.

Clearly the United States and its captive consumers need a stronger hand in dismantling cartels. Our present policy is one of indifference which merely encourages cartel activity. The United States needs to take a tougher stance to discourage cartel activities. I believe this legislation, had it been law, would have minimized the impact of the uranium cartel, if not prevented it altogether. It can be an important deterrent to future cartel activities.

At this point I include the following:

BILL SUMMARY

SECTION 1

Gulf's internal discussions lead me to the conclusion that Gulf would not have participated in the cartel if they had been required to report their activities to the federal government.

Section 1 requires that any U.S. firm or subsidiary of a U.S. firm that engages in, or is requested to engage in, restrictive business practices report this information to the Federal Trade Commission. The FTC has the expertise to vigorously enforce this provision through its administrative procedures, without the necessity of going through lengthy court proceedings. In turn the FTC would notify the Attorney General, the Secretary of State, and the Special Trade Representative. Failure of the corporation to report any evidence of cartel activity would result in a civil penalty of $1 million and a $25,000 civil penalty for each corporate officer involved in the failure to report.

This section will not inflict further burdensome regulations—it is merely a simple reporting requirement. However, the penalty is stiff enough and the coverage broad enough to encourage U.S. firms to inform U.S. authorities of cartel activities in which they are asked to join.

SECTION 2

Section 2 calls on the President to take the necessary and appropriate steps to initiate negotiations on a new international agreement, in the form of an amendment or protocol to the General Agreement on Tariffs and Trade, that would obligate member countries to adopt legislation to control cartel and monopoly activity that affects international trade. There have been many attempts to introduce such an obligation into international law, and some legal scholars have suggested that there might be an implied obligation in the GATT.

The failure of such attempts is due in large measure to a lack of American leadership, and the efforts of multinational firms to frustrate efforts that reduce their ability to extract monopoly rents. The Charter of Havana (that would have established the International Trade Organization as a sister organization to the International Monetary Fund and the World Bank Group) included sections which would have obliged each country to control "restrictive business practices" which affect international trade. In today's highly interdependent world, that can be logically construed to mean an obligation to adopt wide-scale antitrust policies that would have the effect of increasing the wealth and economic efficiency of all countries that participate in international trade.

The Common Market has in principle adopted such a policy in regard to trade among its members, as evidenced by sections 85, 86, and 87 of the Treaty of Rome. However, their policies regarding trade with nonmembers leave much to be desired. During the investigation of the international uranium cartel, we found that large multinational firms were able to manipulate supposedly sovereign governments in order to win approval and support for their cartel activities. New international agreements are needed so that all member states will bear an international obligation to maintain the integrity of free markets. Failure to curtail specific cartel activities such as price-fixing, market splitting, production limiting, etc. should be considered an international delinquency. The GATT would provide an appropriate forum, since it has undertaken most of the functions once envisioned for the ITO and still represents the most important international agreement regarding trade. It should not be the only avenue of approach. The OECD has from time to time also suggested a tightening of policy regarding restrictive business practices.

SECTION 3

Section 3 strengthens the President's authority to deal with other nations that allow and encourage cartel activities to persist, distorting the flow of trade and robbing consumers in all countries. This amendment to section 301 of the Trade Act of 1974 would allow the President to impose trade sanctions on countries which permit their own nationals and/or require American nationals, real or juridical, to operate or participate in cartels and cartel activities that adversely affect American trade or international commerce. These sanctions would be similar to those available for use in retaliation for explicit violations of the GATT. These sanctions may include punitive tariffs, embargoes, licensing requirements and other such sanctions as are permitted for restrictive trade practices.

This legislation will serve notice on our industrialized trading partners that we will no longer tolerate government condoned cartels and monopolies that serve to distort the balance of trade in their favor through artificial manipulation of markets, prices, and production.

SECTION 4

Section 4 would disallow the use of the federal "Act of State" doctrine as a defense for firms that participate in cartels sponsored or condoned by foreign governments. Simply put, activities in violation of this act and the anti-trust laws of the United States by U.S. firms or firms that engage in U.S. commercial activity would be triable even though condoned or sponsored by a foreign government. Under the Act of State doctrine, the public acts of foreign governments cannot be adjudicated in U.S. courts. U.S. firms that participate in cartel activities have often pleaded that they did so at the request of the foreign government or a state trading agency.

The "Act of State" doctrine is unique to Anglo-American jurisprudence, and was originally formulated prior to the emergence of modern economic laws and the complexities of international trade and foreign direct investment. Multinational firms that participate in foreign cartels do so for their own enrichment, usually as an active partner of the foreign government if not as actual instigator of the cartel. The abuse of the Act of State doctrine in circumstances not in existence at the time of its origin is a glaring loophole that has long outlived its usefulness.●

PERSONAL EXPLANATION

HON. WILLIAM LEHMAN

OF FLORIDA

IN THE HOUSE OF REPRESENTATIVES

Thursday, August 17, 1978

● Mr. LEHMAN. Mr. Speaker, earlier today I met with HUD Secretary Patricia Harris and several of my Miami constituents to discuss urban redevelopment efforts in Miami. Because this meeting

took place at the Secretary's office, I had to miss the vote on the conference report on H.R. 13467, supplemental appropriations for fiscal year 1978. Had I been present, I would have voted in favor of the conference report.●

CAPTIVE NATIONS WEEK

HON. EDWARD J. DERWINSKI

OF ILLINOIS

IN THE HOUSE OF REPRESENTATIVES

Thursday, August 17, 1978

● Mr. DERWINSKI. Mr. Speaker, during the third week in July, we commemorated the 20th anniversary of Captive Nations Week. Contrary to the impressions and illusions of some of our analysts, this observance is not a ritual for mourning or mere commemoration of lost once-free nations, but rather it is a period for reexamination of our foreign policy. In short, Captive Nations Week reminds us of the cumulative past in order to understand the meaning and significance of the present.

I wish to conclude my remarks with the following:

First. Proclamations by Governor Richard A. Snelling of Vermont; and Mayor Richard E. Olson of Des Moines, Iowa;

Second. A letter of rebuttal appearing in the August 4, Washington Post;

Third. An interview appearing in the July 30th Manion Forum, South Bend, Ind.; and

Fourth. Articles in the China Post of July 24, on the Week in Free China:

STATE OF VERMONT EXECUTIVE DEPARTMENT

A PROCLAMATION

Whereas, the imperialistic policies of international communism have led, through direct and indirect aggression, to the subjugation and enslavement of many peoples throughout the world; and

Whereas, the desire for liberty and independence by the overwhelming majority of peoples in these conquered nations constitutes a powerful deterrent to any ambitions of Communist leaders to initiate a major war; and

Whereas, the freedom loving peoples in the captive nations look to the United States as the citadel of human fredom and to the people of the United States as the leaders in bringing about their freedom and independence; and

Whereas, the Congress of the United States by unanimous vote passed Public Law 86–90 establishing the third week in July each year as Captive Nations Week and inviting the people of the United States to observe such a week with appropriate prayer, ceremonies and activities; expressing their sympathy with and support for the just aspirations of captive peoples;

Now, therefore, I, Richard A. Snelling, Governor of the State of Vermont do hereby proclaim the week beginning July 16 through July 22, 1978, as "CAPTIVE NATIONS WEEK" in Vermont, and call upon the citizens to join with others in observing this week by offering prayers and dedicating their efforts for the peaceful liberation of the captive nations.

PROCLAMATION

Whereas, the imperialistic politics of Russian Communists have led, through direct and indirect aggression, to the subjugation and enslavement of the peoples of Poland, Hungary, Lithuania, Ukraine, Czecho-Slovakia, Latvia, Estonia, Byelorussia, Romania, East Germany, Bulgaria, Mainland China, Armenia, Azerbaipan, Georgia, North Korea, Albania, Idel-Ural, Serbia, Croatia, Solvenia, Tibet, Cossackia, Turkestan, North Vietnam, Cuba, Cambodia, South Vietnam, Laos and others; and

Whereas, the desire for liberty and independence by the overwhelming majority of peoples in these conquered nations constitutes a powerful deterrent to any ambitions of Communist leaders to initiate a major war; and

Whereas, the freedom loving peoples of the captive nations look to the United States as the leaders in bringing about their freedom rights and to the people of the United States as the leaders in bringing about their freedom and independence; and

Whereas, The Congress of the United States by unanimous vote passed Public Law 86–90 establishing the third week in July each year as Captive Nations Week and inviting the people of the United States to observe such week with appropriate prayer, ceremonies and activities; expressing their sympathy with and support for the just aspirations of the captive nations;

Now, therefore, I, Richard E. Olson, Mayor of the City of Des Moines, Iowa, do hereby proclaim the week of July 16 to July 22, 1978, as "Captive Nations Week" in Des Moines, and call upon our citizens to join with others in observing this week by offering prayers and dedicating their efforts for the peaceful liberation of oppressed and subjugated peoples all over the world.

[From the The Washington Post, Aug. 4, 1978]

"CAPTIVE NATION'S FANTASY"

(By Walter B. Smalley)

I found Stephen Rosenfeld's confession about how he felt about "Captive Nations" in the 1960s and how he feels now very interesting (op-ed, July 14). Also, he concludes that the United States dare not provoke Soviet power at this time.

Unfortunately, Mr. Rosenfeld does not go on to point out how the one-time, lone resistance to Soviet power by Yugoslavia among communist-oriented nations in Europe has grown into general resistance all over the world. Communism is still all-powerful, but it is no longer a monolith controlled by Moscow. Red China is at Russia's back, and to its front are all the Eurocommunist nations and political parties making it clear to Moscow that it no longer rules the roost. True, Mother Russia has Cuba's Castro aiding and abetting the Russians in Africa, but just how far can Castro go?

The "captive nations" fantasy may be just that, but let Mr. Rosenfeld look at the reverse side of the coin. Moscow has overplayed its hand. There is more fact than fantasy in the rumblings of discontent. The dangerous dream of which Mr. Rosenfeld speaks with such knowledge could be more dangerous to the Russians than he dares to believe possible.

THE UNCHANGING MARXIST-LENINIST IDEOLOGY "COMMUNISTS . . . . WILL ALWAYS STRUGGLE FOR WORLDWIDE TRIUMPH"

(By Joseph Sheftick)

Dean Manion: Another Captive Nations Week has come and gone. Its annual observance, during the third week of every July, was established by the unanimous vote of Congress in 1959, and the first annual Presidential Proclamation of its observance was made unequivocally and immediately by President Eisenhower.

The then reigning Russian Communist Dictator Nikita Khrushchev was shocked and surprised at this anti-Communist unanimity in Congress and the enthusiastic public response of the American people from coast to coast. Khrushchev saw the great potentialities of this American expression of faith in God, human freedom, and national self-government. He feared that its exploitation might prove to be the handwriting on the wall for the Kremlin dictatorship. He went to work immediately to dilute and dissolve our anti-Communism, by subversion in this country, and iron-fisted police state methods in all of the countries that Communism had captured at the end of World War II.

Unfortunately, Khrushchev and his successors have had great success in their campaign for the dilution and dissolution of our once all but unanimous anti-Communist dedication. The success of this Kremlin effort was climaxed on May 20, 1977, when the new President of the United States presumed to speak for the American people when he proclaimed that we had "lost our inordinate fear of Communism."

But there were informed and alarmed people in this country who have kept the anti-Communist spirit of our first Captive Nations Week alive. One of them is Dr. Joseph Sheftick, President of the American Council of Captive Nations. A few weeks ago, Dr. Sheftick brought a big audience of American Legionnaires in Washington to their feet cheering his passionate eloquent appeal for the defense of our country by the revival of knowledgeable anti-Communism in America. Immediately thereafter, our friend Captain Frank Manson, Foreign Relations Counselor for the American Legion, interviewed Dr. Sheftick for this broadcast which you will hear today.

Now here is Captain Manson.

Captain Manson: Dr. Poseph Sheftick, welcome to the Dean Manion Forum.

The American Legion was most fortunate to have you as one of our speakers in Washington. You received tremendous applause and all of the members of the Foreign Relations Commission requested copies of your speech on Communism. Why do you think that the response was so great? Why do you think it happened that way?

Dr. Sheftick: There was a statement made one time by Theodore Roosevelt in answer to a question asked by General Douglas MacArthur on why the American people responded so favorably and with great inspiration to words spoken by Theodore Roosevelt. He responded, "I say what is in the hearts and minds of the people before it is on their lips."

So, I felt that the response to the speech that I gave to the American Legion was due to the fact that I told them about the victory that is necessary to bring Communism to an end, to establish a decent world, that we must overcome this evil that brings so much suffering to all people. This is what is in the hearts of the American people.

Captain Manson: I must say that you got a tremendous response and I thought that it would be valuable to reach a much wider audience through the Manion Forum. So, I am going to ask you some of the questions that came up in the course of your speech.

As you know, we are striving here in the United States to coexist with the Soviet Union, to establish mutual supporting trading policies, to have all sorts of sports, music and cultural exchanges. Dr. Sheftick, do you think that it is possible to coexist side by side—capitalism and Communism?

Dr. Sheftick: As I study the theory of Marxism-Leninism by reading many speeches, proclamations and statements made by Communist leaders throughout the world, and by reviewing the World Marxist Review, I have come to the understanding that it is the idealogy of Marxism and Leninism that gives them their power, their conviction and their determination of world conquest.

As I look to the United States and the Free World, there is no understanding of the motivation of this Marxist-Leninist principle by which Communist live, breathe and act upon. Therefore, it is not possible for the

Free World, for capitalism, for democracy, for humanity to live in coexistence with Communism.

Captain Manson: Dr. Sheftick, being the Devil's Advocate now, you know that on the Manion Forum we feel strongly as you do that Communism is evil, but what we need to do is go one step further and explain why. What is the problem?

Dr. Sheftick: Again, it is the attitude of the Communists, centering in this ideology. For example, let us examine a statement made in a Communist magazine on the Leninist course of foreign policy. This was sponsored by the Communist Party of the Soviet Union. They said, "The ideological struggle retains all of its sharpness and acquires even greater significance. Communists will never give up their ideas and principles. They have always struggled and in the future, will always struggle for worldwide triumph." This is the problem.

Captain Manson: It is the idea that they will never surrender the ideology. Is that it—the nub of it?

Dr. Sheftick: That is the nub of it. That is what is going on in the world and it is the motivation of the Soviet Union's foreign policy.

Unfortunately, in our government, those who lead our government, the Congress, I have yet to find those who understand that it is the ideology that is the problem. Since they don't understand the ideology and don't understand the firm belief and conviction that the leaders of the Communist world have in this ideology and in their struggle for world conquest, we will always react or act according to the Communist's desire rather than have a positive foreign policy based on our own initiatives and democratic principles.

Captain Manson: Your thought is then that there is no way that these two systems—capitalism and Communism—can coexist.

COEXISTANCE IS IMPOSSIBLE

Dr. Sheftick: There is no way. They tell us that. They leave us no choice. They say that it is impossible for capitalism and Communism to live side by side. Their theory, their ideology states this, and states it openly.

Since the beginning of Marxism, all Communist leaders, including Lenin, Stalin, Khrushchev, Mao, and even Castro, just 90 miles from our shores, tell us time and time again that it is inevitable that capitalism will be destroyed and that Communism will be the conqueror. I pray that our leaders would listen and understand the words. This is not just rhetoric from the Communist leaders. They truly believe it.

Captain Manson: I know that you are dedicating your life to trying to get across to the American people the very thing you are saying here. At this point in time, how would you say we are doing? Are we winning or losing?

Dr. Sheftick: Unfortunately, it is a sorrowful situation to see that our direction in the past year has worsened. Communism has advanced more and more. It is reaching out now even into our back yard in the Panama Canal situation.

Captain Manson: If I understand the present strategy of the Administration, particularly Zbigniew Brzezinski, his theory is that you can split off these various Communist parties from the mother party in Moscow, and that eventually they will dissipate and that they will converge or merge with other systems. I believe this is the theory they are working on. Is that correct?

Dr. Sheftick: Yes, in fact, I recently read in the Washington Post, of all papers, that we seem to have been getting a positive response from the Eastern European countries. They said we now have good relations with Poland, Hungary, Romania and all of the Captive Nations. There are just a few exceptions of hard core nations like Czechoslovakia and East Germany. They are hoping to increase trade and cultural exchanges with these other Captive Nations countries in order to woo them away from the international Communist Party movement.

This will never take place. Communist ideology says that this kind of thinking is false. It is on a pseudo foundation, it is a bad tactic for the West to use because it will never be able to woo these countries away from Communism and convert them to capitalism. The Communist is truly convinced of the truth, the historical value and significance of Marxist-Leninist principles. This is the difference.

Captain Manson: We have had a few cases in the United States where people have defected. I am sure you are familiar with some of them. Whittaker Chambers was one, as you will remember, and there have been others. Do you believe that these people really sometimes see the light and turn back to capitalism?

Dr. Sheftick: I think that it is possible for people to change their mind. But, again, we have to deal with the true ideologist, the true Communist, one who has lived under Communism and lives and breathes Leninism. There is a difference. I have never met a Communist who denies this. They always reiterate Marxism-Leninism, Marxism-Leninism.

Captain Manson: They do. They keep that going all the time.

Dr. Sheftick: Men who act as traitors or agents for Communist countries have been convinced that maybe capitalism isn't so good, so they move over and try to help a Communist nation. They oscillate back and forth. But this is not the true ideologist.

Captain Manson: Looking at the situation as you evaluate it at the moment, where is the front line, the battle line, between Communism and capitalism?

Dr. Sheftick: I would love to tell you because the American people must know where the line is. It is here in the United States. This country is determining the future destiny of all the nations in the world by its response, by its relationship to, and its method of relating to Communism. We are deciding the destinies of millions of people. The front line is here.

If we don't take a strong position against Communism, if we don't stand up and say that Communism is wrong, a wrong way of life, that Christian ideals and a God-centered way of life, is the best way for people to live by, to experience happiness and joy, then the destiny of other nations is weakened.

Captain Manson: Now, who is we? Are you talking about the President of the United States and the leaders in Congress? Is that who you regard as "we," or are you talking about all of us?

Dr. Sheftick: I'm talking about everyone, the leaders, the people. This war began in, I would say, in 1848 when Karl Marx issued the Communist Manifesto and asked the working people of the world to unite and to throw off the chains of capitalism. He called for all people to unite.

This is not just a national battle or race or societal battle, it is an individual battle for the mind of everyone. We must all confront Communism, recognize what it is, what it preaches, what it teaches, what its goals and purposes are, and fight against it.

Captain Manson: I know that you have a young son in your family. What sort of a world do you think he and children like him are going to live in, the way things are going?

KHRUSHCHEV'S PREDICTION

Dr. Sheftick: This is really a big question in the minds of parents. I was shocked several years back when Khrushchev visited our country and said that the American people should not be angry or fear the fact that their grandchildren would live under Communism or socialism. Khrushchev said that he pursued the process of detente, but without giving up Marxism and Leninism principles.

Every parent should ask themselves, what kind of world are my children going to live in? Is it going to be one which is dominated by Communism, one in which they will have to live under Atheistic principles that deny God, that deny the basic liberties and dignity that comes as a child of God?

Captain Manson: I suppose that it comes down to the fact that we have to ask ourselves, are we really a nation under God, or are we not? Is that what it comes down to?

Dr. Sheftick: Yes. I think that if our people would really look at the history of our nation, they would realize the very definite, special and close relationship that exists between God and America. In our Declaration of Independence, it states that all of our rights are guaranteed by God, are endowed by our Creator, and those are the rights of life, liberty and the pursuit of happiness.

Thomas Jefferson expressed this opinion at the time of the Revolutionary War when he said, "Can the liberties of a nation be secure when we have removed the conviction that these liberties are the gift of God? Indeed, I tremble for my country when I reflect that God is just and that his justice cannot sleep." So, we can see the very definite relationship and the feeling of the men who led the American Revolution, that they were motivated by God and felt a very definite, close relationship with God.

In our Pledge of Allegiance, we find that it states, "one nation under God, indivisible, with liberty and justice for all." On our currency is stamped, "In God We Trust."

Captain Manson: You know that the American Legion's motto is "God and Country." I suppose that if we didn't have God, we wouldn't have a country.

Dr. Sheftick: Exactly. I am so impressed by the Legion's motto. It even shows the priority, that God really should come first in our lives. If God does come first, then our country and our way of life will truly be a happy and joyful one.

Captain Manson: Speaking of God, do you think, do you see that there is any way that religions can coexist with Communism?

Dr. Sheftick: No. When we see the strategy of Communists, when they take over a country, when they first took over Russia, they abolished the Russian Orthodox Church. When Mao brought Communism to China, they outlawed Confucianism. In Viet Nam and Cambodia, Buddhism was outlawed. In Tibet, the Dalai Lama had to leave his people and escape into India because of religious persecution.

If we allow the Communists to take over America, you can be sure that they will wipe out Christianity as well as our way of life.

Captain Manson: Dr. Sheftick. I'd like to end this broadcast on an optimistic note. Do you see any way that we can have victory? Can capitalism have victory over Communism?

Dr. Sheftick: Yes, very definitely. The most important thing that we have to do is recognize what the problem is in the world and the problem facing our country. It is Communism. There is no doubt that it is the ideology of Communism.

We must teach our children, friends and associates that ideology is the motivating force behind the Communist movement. We must show the people of the world that Atheism is not the right way, and that the ideology of Communism is wrong, that there is a God and that a God-centered way of life is the right way and the best way.

Captain Manson: So, Communism is an attack on God. That is really what it is all about?

Dr. Sheftick: Too many of us haven't yet realized that Communism is the enemy of man and, most importantly, it is the enemy of God.

Captain Manson: Thank you very much, Dr. Joseph Sheftick, for coming to the Manion Forum. I'm sure that you had an ap-

preciative group here just like you did before the American Legion gathering.

Dean Manion: Thank you, Captain Manson, for bringing us this timely and appropriate message from Dr. Sheftick. And thank you, Doctor, for your continuing fight for God and country, by spreading the truth about the Atheistic evil of Communism.

[From the China Post, July 24, 1978]

RALLY CLIMAXES CAPTIVE NATIONS WEEK

Songs and dances filled the air at the Taipei Municipal Stadium last week as the 1978 Captive Nations Week activities climaxed in an evening rally the theme of "Strive in Unity."

Some 50,000 people from all walks of life packed the stadium waving the flags of the World Anti-Communist League, cheering, and applauding while distinguished guests gave their speeches and students demonstrating their performances.

The evening rally was opened with an address by Dr. Ku Cheng-kang, honorary chairman of the World Anti-Communist League, after a song entitled "To the Memory of President Chiang Kai-shek" was sung.

Distinguished guests included U.S. Representative Delwin Clawson, John Ashbrook, chairman of National Center of Independents and Framers of France Bertrand Motte, and Vice President of the Supreme Court of the Ivory Coast Georges Creppy also gave speeches at the rally.

In his address, Dr. Ku urged unity, will power and strength among all Chinese to oppose Communism and slavery to overthrow the Communist tyranny and recover the mainland of China.

"Push the human rights campaign behind the Chinese mainland's Iron Curtain and save all the 800 million compatriots," Dr. Ku said.

"To bring about an early victory of our struggle against slavery," Dr. Ku said, "We must smash Peiping's international united front schemes, and stop Washington's move towards 'normalization' with the Chinese Communists."

He added Washington's "China card playing" will harm the free world and produce serious consequences.

The evening performance started with the release of thousands of balloons in red, yellow, blue and green colors into the sky.

The programs included a horse riding demonstration, dragon and lions dances, and gymnastic and other performances by associations and middle and primary school students.

The performance ended with a fireworks display.

Chiang Cheng-tao, a freedom fighter, and world renowned singer Dalia Kucenas from the United States also sang at the evening rally.

The evening rally also adopted messages to U.S. President Carter, U.S. Senators and Representatives and the U.S. National Conference of State Legislators.

U.S. Representative Delwin M. Clawson: He noted at the evening rally that "The right of each individual to make his own decisions from among many alternatives should be available to all mankind."

He pointed out that Communism cannot allow men to think freely, nor can it exist where men are free to choose an individual and independent way of life.

U.S. Representative John M. Ashbrook: Congressman Ashbrook told the rally that the majority of the American people is on the side of the Republic of China and its people. He said we have to win the freedom not only for ourselves but also for future generations.

Every people loves their country, their home and longs for liberty, he added.

Bertrand Motte, Chairman of the National Center of Independents and Farmers of France: Motte noted that the Republic of China is a model for free countries, and has an astonishing economic growth and progress under it free system.

He said the achievement of the Republic of China bring hope to the free world, and human rights and dignity should not be given up.

Georges Creppy, Vice President of Supreme Court of Ivory Coast: The final victory will be on the side of the free world in its war with the Communism, Creppy noted.

'Down the Communism, down the Communism." he called to people at the rally.

He said glory belongs to the people and the government of the Republic of China.

FREE WORLD ASKED TO HELP AFRICAN COUNTRIES RESIST COMMUNISM

Georges Creppy, vice president of the Supreme Court of the Ivory Coast urged the Free World yesterday to give the African countries a helping hand to ensure their security, as violence and wars are going on in the continent, brought about by the moves of Communist China and the Soviet Union.

He said that he was worried about the future of Africa when commenting on the expansion of Communist power in the region.

In a press conference participated in by five distinguished guests at the 1978 Captive Nations Week, Georges Creppy said the problems facing the African countries today concerned with security and ignorance of the true face of Communism.

He pointed out that some people have a wrong idea in thinking that Africa is an undeveloped land where any system can be adapted.

U.S. Representative John Ashbrook told the press that the upcoming visit to mainland of China by Ronald Reagan has nothing to do with politics.

Nor in his opinion does it mean any change in Reagan's support for the Republic of China.

Congressman Ashbrook, however, noted that several mass-circulation liberal newspapers and weekly magazines are influenced by the propaganda of Communist China.

"People cannot avoid making mistakes. The same is true of countries, including the United States", said the U.S. Congressman.

Bertrand Motte, chairman of the National Center of Independents and Farmers of France said in the press conference that Communist parties in Europe are still in a minority.

He considered it is impossible that Communist parties in France, Italy and Spain will become dominate in their countries.

He also pointed out that the Communist party in Italy has brought violence, robbery, kidnaping and killing to the country.

Willy Patocchi, counselor of the Uruguay State Council, warned that the Communists have stepped up their penetration into South American countries recently.

He said democracy is the best system, but it should be carried out in various forms to fit in with various backgrounds and the character of various nations.

CAPTIVE NATIONS WEEK RALLY CABLES CARTER

U.S. President Carter was told yesterday that the human rights campaign and efforts to set the captive people free are inseparably related, in a message sent by the 1978 Republic of China Captive Nations Week "Strive in Unity" evening rally. The message read "Because of the Communist trampling on human rights, peoples behind the Iron Curtain of East and West, particularly those on the Chinese mainland, are harshly treated in chains."

It stated that diplomatic recognition of such a regime (Communist China) would amount to an open statement that the Chinese Communists can continue their enslavement of the 800 million innocent individuals.

TO U.S. SENATORS

In its message to U.S. Senators and Representatives, it said "We furthermore request all Americans to see that if the U.S. and the Republic of China stick together, both will benefit; if they are separated, both will suffer. We therefore sincerely hope that the U.S. will abide by her treaty obligations and defense commitments for the ROC so as to safeguard the common security of the entire Asian-Pacific region."

In the message to the U.S. National Conference of State Legislators, it said, "We, the rally participants, ardently hope that all of you will continue to uphold your righteous stand and make the public exert its influence so that Mr. Carter and the Congress will resolutely decide to maintain America's alliance and mutual defense relations with the Republic of China, reject all Chinese Communist offers, review the U.S. policy towards Peiping." ●

PRESS PROTECTION ACT OF 1978

HON. JOHN B. ANDERSON

OF ILLINOIS

IN THE HOUSE OF REPRESENTATIVES

Thursday, August 17, 1978

● Mr. ANDERSON of Illinois. Mr. Speaker, in my judgment, the recent Stanford Daily decision by the Supreme Court threatens a fundamental tenet of our democracy—that of a free press. The 5-to-3 decision exposed news offices to surprise police searches for and seizures of evidence that might be related to a crime in which neither the newspaper nor any of its employees were involved. This ruling effectively upholds the use of search warrants which may be obtained if a law enforcement official can show probable cause that a group or individual may possess evidence of a crime. Thus, the Court's ruling encourages surprise searches of news offices, allowing officers to go through file after file until they come across the object of their search.

As expected, reaction from newspaper editors and professional organizations has been bitter, and their disapproval has been unanimous. Gene Cryer, executive editor of the Rockford Newspapers in my hometown of Rockford, Ill., noted:

> * * * the Court has given police agencies a fishing license to inspect confidential files without providing the possessor of those records the opportunity to object in a court of law.

Attorneys for the Stanford Daily argued that free speech considerations justified an exception to the Court's construction of the fourth amendment search and seizure clause, but the Court rejected this reasoning. In essence, the Court said that the first amendment does not exempt the press from unannounced third-party searches.

Mr. Justice Stewart disagreed with the majority and in his dissent he wrote:

> Perhaps as a matter of abstract policy a newspaper office should receive no more protection from unannounced police searches than, say, the office of a doctor or the office of a bank. But we are here to uphold the Constitution. And our Constitution does not explicity protect the practice of medicine or the business of banking from all abridgement by government. It does explicity protect the freedom of the press.

I agree with Mr. Justice Stewart and was deeply distressed by the majority's decision. The Court's holding reflects an almost callous indifference to the unique protections afforded the press in the first amendment. Apparently the Court believes that if the framers of the fourth amendment had wanted to give special protection to the press, they would have incorporated those protections into the fourth amendment.

Furthermore, the Court naively tossed aside cogent apprehensions concerning the possible abuses of the search warrant procedure. Keep in mind that a law officer does not have to convince the court that a newspaper's officials or employees are involved in a crime. Nor must the police give prior notice that they will be searching news offices. Under these circumstances, the potential for abuse is almost limitless. One might wonder whether Americans might ever have read the Pentagon papers if this ruling had been in effect earlier this decade.

Fortunately, the majority decision expressly invited legislative relief, and for this reason, I am today introducing legislation designed to protect the press from these unreasonable searches.

Specifically, my bill would prevent any person acting under color of law from conducting any search or seizure of the premises of persons engaged in the gathering or dissemination of news, without an adversary court proceeding. Such a proceeding would give news operations the opportunity to contest the search and seizure of its documents, files and other materials.

My bill provides an exception to the requirement of an adversary court proceeding prior to the search. This exemption requires law enforcement officials to show probable cause that a newspaper's officials or employees have committed or are committing a criminal offense. In such cases, the police would be required to meet the strict standards set up by the Court in interpreting the fourth amendment.

Additionally, the bill provides civil and criminal remedies for violating its proscriptions. Any person affected by an unlawful search or seizure pursuant to the prohibitions of the bill could sue in State or Federal court to obtain damages or injunctive relief. The court is further authorized to award appropriate relief including punitive damages up to $10,000 per willful violation.

The bill would also permit the court to award reasonable attorney fees to the prevailing party other than the United States. Similar provisions exist in the Civil Rights Act of 1964, and other laws, and under these statutes, the prevailing plaintiff ordinarily would recover its attorney fees unless special circumstances rendered the award unjust.

Finally, the bill provides a criminal sanction in addition to civil remedies. Any person acting under color of law who willfully violates the bill's proscriptions could be prosecuted and fined up to $10,000.

Mr. Speaker, many of our colleagues have displayed their strong support for some type of remedial legislation. All of the bills which have been introduced as a result of the Stanford Daily decision address the situation but vary in their scope and approach. Today, I am adding my voice to this ever-expanding body, and while I realize it may be too late in this Congress to consider such legislation, it is my sincere hope that action can be taken as early as possible in the 96th Congress.

At this point, I would like to insert a copy of the bill in the RECORD.

H.R. 12952

A bill to secure and protect the freedom of the press from unwarranted intrusions by persons acting under color of law.

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That this Act may be cited as the "Press Protection Act of 1978".

SEC. 2. Notwithstanding any other provision of law or any rule or other authority to the contrary, it shall be unlawful for any person acting under color of law, without a prior adversary court proceeding, to search any place or seize any things in the possession, custody, or control of any person engaged in the gathering or dissemination of news for the print or broadcast media unless such search or seizure is conducted pursuant to a warrant issued by a court upon probable cause that such person has committed or is committing a criminal offense.

SEC. 3. (a) Any person aggrieved by a violation of this Act may commence a civil action in an appropriate United States district court or State court at any time not later than three years after the alleged violation occurred or terminated, or one year after the discovery of such alleged violation, whichever is later.

(b) In any civil action under this section, the court, if it finds a violation of this Act, shall award such relief as may be appropriate, including general damages, equitable or declaratory relief, and punitive damages not to exceed $10,000 for each willful violation.

(c) In any civil action under this section, the court, in its discretion, may allow the prevailing party (other than the United States, or an agency, officer, or employee thereof) reasonable attorney fees as part of the costs, and the United States (and any agency, officer, or employee thereof) shall be liable for such costs.

SEC. 4. Any person acting under color of law who willfully violates this Act shall be fined not more than $10,000.●

HOW TO REDUCE JET NOISE COMPARATIVELY PAINLESSLY

HON. GLENN M. ANDERSON

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Thursday, August 17, 1978

● Mr. ANDERSON of California. Lately there have appeared some articles in Washington area newspapers which, using distorted logic and incomplete facts, have attacked legislation currently pending which will effectively and efficiently reduce jet aircraft noise which presently batters those living in the vicinity of our airports, both large and small.

However, there have been some newspapers which have printed editorials correctly stating the purpose of the bill and how it will reduce noise at no cost to the general taxpayer and at only very little additional cost to some users of commercial air transportation on international flights. One such newspaper is the Independent Press-Telegram published in Long Beach, Calif. It is with pleasure that I share with those of you who do not subscribe to this fine paper their editorial of Sunday, August 13, which is as follows:

HOW TO REDUCE JET NOISE COMPARATIVELY PAINLESSLY

As residents around Long Beach Airport, Orange County Airport and many other fields well know, aircraft noise continues to be a major problem in the jet age.

To overcome this problem, the Federal Aviation Administration has adopted anti-noise standards and has ruled that no person shall operate an aircraft in the United States after 1984 that does not meet these standards.

In the case of the airlines, the ruling applies, retroactively, to aircraft such as the Boeing 707 and 727 and the Douglas DC-8 and early DC-9, which were approved by the federal government for noise standards when first purchased.

Airlines have three options with such aircraft: to add soundproofing material to present engines, to replace the old engines with engines that meet the new standards, or to purchase new aircraft which meet the standards.

Such action will be required on nearly 1,600 aircraft, about two-thirds of the operating fleets, and the industry estimates it will cost about $8 billion to bring them into conformity.

Two measures to help bring about this noise reduction—H.R. 8729, the Airport and Aircraft Noise Reduction Act, and H.R. 11986, the Noisy Aircraft Revenue Credit Act—are now before the House of Representatives, and may come up for discussion this week. Both should be approved.

Basically, the bills would do two things: provide funds for airports to acquire land for buffer zones between the field and adjacent residential property, and provide funds through a 2 percent excise tax on the users of air transportation to help airlines retrofit, reengine or replace aircraft to meet noise limitations.

At present, the federal government imposes an 8 percent passenger ticket tax and a 5 percent freight waybill tax. Revenue from both goes into the Airport and Airways Development Program fund, which helps airports install safety features such as lighting and radar, or lengthen runways.

The fund currently has a $3 billion surplus. Consequently, sponsors of the legislation, including Rep. Glenn Anderson, D-Long Beach/Harbor City, propose to reduce the tax on the passenger ticket to 6 percent and on the freight waybill to 3 percent and then add a 2 percent excise tax to each to build up a fund within the Treasury Department to finance the noise-abatement work.

Airlines could draw only on money their service had generated, and then only within certain limits. Purchase of a new aircraft which meets noise limit standards, for example, would be eligible for 25 to 40 percent reimbursement, less the value of the aircraft replaced.

Because the 2 percent excise tax would be taken from revenue now going into the special Airport and Airways Development fund, there would be no increase in cost to the general taxpayer. There would be no cost to the airline customer because the tax on passenger tickets and freight waybills would be reduced in proportion.

Passage of the two bills also would stimulate aerospace industry employment. Anderson estimated replacement of the 707s and DC-8s alone would directly create 23,000 new jobs and at least another 22,000 indirect jobs.

But most important, it will make feasible a comparatively rapid replacement of noisy jet aircraft with planes which meet federal anti-noise standards—to the relief and well-being of those who live near airports.●

SENATE—*Monday, August 21, 1978*

(Legislative day of Wednesday, May 17, 1978)

The Senate met at 9:30 a.m., on the expiration of the recess, and was called to order by Hon. KANEASTER HODGES, JR., a Senator from the State of Arkansas.

PRAYER

The Reverend Dr. Robert B. Harriman, director, the Presbyterian council for Chaplains and Military Personnel, Washington, D.C., offered the following prayer:

Heavenly Father, we thank Thee for continuingly raising up from among the people those who have dedicated themselves within the halls of government. We pray now for those who serve within this Senate. Grant wisdom to discern Thy will so that they may be wise in all their judgments. Open eyes and minds to see and comprehend that which is right. Grant health and energy for arduous tasks and long hours of deliberation. Give patience and thoroughness in efforts to understand the complex and difficult. Deliver them from words or action which would foster prejudice or encourage division. May desire for the Nation's welfare surpass any self-seeking or narrow-visioned concern for a privileged few. Let no deception destroy trust, but rather may honesty firmly establish confidence. When we are right, keep us from gloating pride. When we are wrong, may our admission be followed by correction.

We pray for all entrusted with the guidance and welfare of the Nation. May those engaged in creating, administering, and judging our laws be so led by Thy wisdom that they shall faithfully lead the people in ways of righteousness and peace. Through Jesus Christ our Lord. Amen.

APPOINTMENT OF ACTING PRESIDENT PRO TEMPORE

The PRESIDING OFFICER. The clerk will please read a communication to the Senate from the President pro tempore (Mr. EASTLAND).

The assistant legislative clerk read the following letter:

U.S. SENATE,
PRESIDENT PRO TEMPORE,
Washington, D.C., August 21, 1978.

To the Senate:

Under the provisions of rule I, section 3, of the Standing Rules of the Senate, I hereby appoint the Honorable KANEASTER HODGES, JR., a Senator from the State of Arkansas, to perform the duties of the Chair.

JAMES O. EASTLAND,
President pro tempore.

Mr. HODGES thereupon assumed the chair as Acting President pro tempore.

RECOGNITION OF LEADERSHIP

The ACTING PRESIDENT pro tempore. Under the previous order, the majority leader, the Senator from West Virginia, is recognized.

THE JOURNAL

Mr. ROBERT C. BYRD. Mr. President, I ask unanimous consent that the Journal of the proceedings be approved to date.

The ACTING PRESIDENT pro tempore. Without objection it is so ordered.

THE ARGUMENTS AGAINST A DEEP TAX CUT NOW

Mr. ROBERT C. BYRD. Mr. President, the serious problems that could befall the American economy if a very deep tax cut were enacted in fiscal year 1979 were examined in an article by Seymour Zucker which appeared in the August 7, 1978 issue of Business Week. The author provides data suggesting that a tax cut over the next 3 years on the order of $124 billion would not pay for itself through increasing the tax base. To the contrary: The deficit would soar to $100 billion by 1983, according to one study cited by Mr. Zucker. At the same time, the rate of inflation would be almost 2 percentage points higher with such a cut by 1982. The weight of the economic evidence is against a very deep tax cut at this moment in our economic recovery.

Mr. President, I ask unanimous consent that the article, "The Fallacy of Slashing Taxes Without Cutting Spending," be printed in the RECORD.

There being no objection, the article was ordered to be printed in the RECORD, as follows:

THE FALLACY OF SLASHING TAXES WITHOUT CUTTING SPENDING

(By Seymour Zucker)

Arthur B. Laffer first drew the curve on a napkin in a Washington restaurant back in 1974. It popped into his head as he was trying to persuade an aide of former President Ford that U.S. tax rates were so high that they were stifling economic growth. Lower tax rates, he maintained, would send employment and investment soaring to the point where tax revenues would actually rise, despite the lower rates. Laffer has been preaching that gospel ever since. And the Laffer curve—which purports to show the perverse effects of a high tax rate on government revenues—is being advanced as the economic rationale for the Kemp-Roth bill, the biggest tax-cut proposal in history.

Riding in the wake of Proposition 13, which cut California property taxes by 60%, Kemp-Roth is picking up strong support, especially among congressional Republicans. No one expects it to pass this year, but it stands a good chance of becoming the key domestic issue in the Republican congressional campaign in November and could also play a role in the Presidential election in 1980. The bill, introduced by Representative Jack Kemp (R.-N.Y.) and Senator William V. Roth Jr. (R.-Del.), would reduce everyone's taxes over the next three years by one-third, thus costing about $124 billion in tax revenues. Its sponsors are pushing the Laffer argument that the tax cut will generate an economic boom of such proportions that in a few years the government will recoup all the initial revenue loss and then some. The reason: The huge tax cut will spark the incentive to work and invest, thus increasing the tax base. The effect is to shrink the deficit without cutting government spending by as much as a nickel.

Elementary. Laffer may have sold some politicians, but not his fellow economists. The economics profession—including some leading Republican economists who support Kemp-Roth—think Laffer would have done well to leave the napkin behind for the waiter to dispose of. They see huge deficits and a rip-roaring inflation if Kemp-Roth is enacted without offsetting cuts into expenditures. To Harvard's Martin Feldstein, the theoretical principal that at some point reducing rates actually increases tax revenues "is something we teach in the first week of the course in public finance." The critical empirical question is to determine when the tax schedule gets into that range, he notes.

"The Laffer curve is more or less a tautology," says conservative economist George J. Stigler of the University of Chicago, where Laffer taught before going to the University of Southern California in 1976. "It has to be right at some level. If enterprise is not discouraged at 95%, then move it to 105% and Laffer would be right by definition." But in Stigler's view, Laffer has failed to show that the current tax structure—where the highest rate on earned income is 50%—has such an adverse effect on incentives that reducing rates would actually increase revenue. "Laffer is no longer a very serious scholar," says Stigler. "He is playing the role of a propagandist, and as such he is performing some service. But I would not base a $125 billion tax cut on his work."

Feldstein and Stigler are not alone in their criticism of Laffer. Alan Greenspan, chairman of the Council of Economic Advisers under President Ford, favors Kemp-Roth—with some changes—because he holds that the only way to cut the growth of government spending is to cut taxes. So he says: "I'm for cutting taxes, but not for Laffer's reasons. I don't know anyone who seriously believes his argument."

Just how far off base is Laffer on the tax-revenue effects of Kemp-Roth? Otto Eckstein, president of Data Resources Inc., has run the Kemp-Roth proposal through DRI's huge computer forecasting model. Assuming that it takes effect in 1979 and that there are no compensatory spending cuts, the DRI model shows that the deficit will grow progressively worse. By 1983, the red ink in the budget—including additional interest payments—will increase to a mind-numbing $100 billion. So rather than recouping the entire tax cut, as Laffer argues, DRI finds that the Treasury gets only about $25 billion of it.

OVERWHELMING EVIDENCE

To be sure, economists agree that a tax cut would increase total demand and national income and thus partly offset the initial revenue loss. But to offset the effect of lower tax rates fully, total income would have to rise by some four times the original amount of the cut. And the evidence is overwhelming that no cut in taxes could generate a rise in spending and income of that size. A $10 billion tax cut, for example, produces roughly an extra $15 billion of gross national product. The current marginal tax rate against total GNP works out to 25%, so the $15 billion creates $3.75 billion in new taxes—thus recovering barely a third of the initial

$10 billion. And under Kemp-Roth, which would cut into the marginal rate itself, the outcome would be worse.

Laffer argues that this kind of calculation greatly underestimates the stimulative effect of the tax cut, because it ignores the impact of the cut on the incentives to work and save. This incentive effect unleashes a sharp increase on the supply side because more people are willing to work, save, and invest. But virtually no one else sees the magic. For example, Herbert Stein, CEA chairman under President Nixon, claims there is no evidence that the supply responses are anywhere near the magnitude necessary to prevent revenues from falling.

Stein's analysis stands in stark contrast to the Laffer contention that the tax revenues will flow back within a few short years. Using the most favorable assumptions about the response of workers and savers to the lower tax rates, he concludes that it would take "about 30 years to regain the revenue level that would have been achieved without the tax cut."

RUNAWAY INFLATION

Laffer also maintains that Kemp-Roth not only will increase real output but should actually have a dampening effect on inflation. "Excessive money growth has long been recognized as a cause of inflation. It is equally true, however, that too few goods will also cause prices to rise." So as the economy booms, more goods will be produced, and this he believes, will result in lower prices.

To be sure, Laffer is correct that Kemp-Roth would increase real output—at least in the short run. Eckstein's model shows that the economy in a few years would be booming, with unemployment falling below 5%. But inflation would be on the march. By 1982, for example, the rate of inflation would be almost 2 percentage points higher than without the cut, he calculates. And even this scenario may be overly optimistic. Econometric models have been notorious for underestimating inflation. More important, the model assumes that monetary policy is neutral even in the face of accelerating inflation. But as the deficit soars and inflation really gets rolling, the monetary authorities will have no choice but to tighten the monetary vise. And that means that capital spending and housing get clobbered, and the economy goes tailspinning into recession. So even the spurt in real growth generated by Kemp-Roth may be short-lived.

Laffer and other proponents of Kemp-Roth point to the Kennedy tax cuts of 1962 and 1964 as examples of how sharp reductions in tax rates can generate sustained bursts of economic growth. But their claims have been dismissed as wildly excessive by none other than Walter W. Heller, CEA chairman under Kennedy and Johnson. Heller fought hard for the Kennedy tax cuts, and he would dearly love to take credit for engineering the above-average economic growth that took place between 1962 and 1967. The beneficial effects of those cuts—about $12 billion, or $36 billion in today's prices—were on the demand side, not on the supply side, he holds. The key difference between the early 1960's and now is that the current inflation rate hovers near the double-digit level, compared with about 1.5% then. A tax cut—even one of only $36 billion—carries with it the danger of fueling an inflation from which the nation will take years to recover.

ENERGY ACCOMPLISHMENTS

Mr. ROBERT C. BYRD. Mr. President, less than 5 years ago the OPEC cartel imposed an oil embargo on our country. Although the serious shortage of oil we experienced ended after 5 months, the energy problems highlighted by the embargo have endured. The OPEC action told the American people in no uncertain terms that our national security as well as our energy supplies could be threatened.

Since the beginning of this decade the Congress has worked to establish a practical energy policy. We have addressed the issue in a methodical manner. Step-by-step, congressional efforts have produced many important laws to contend with the energy problem.

The 95th Congress was not yet a month old on February 2d when it passed the Emergency Natural Gas Act of 1977 (Public Law 95-2). That law gave the President authority to allocate certain natural gas supplies to help alleviate the shortage which occurred during that fearsome winter.

On March 1, 1977, President Carter transmitted to the Congress a proposal for the creation of a Department of Energy. By August, the legislation was on his desk. Congress made clear its intention that the Department would serve as the central instrument through which energy policy would be implemented. Due to the size of the Department itself and the complexity of energy issues, this is a difficult task. Yet it is an absolutely vital job which cannot be shunned.

There has been a great deal of action in the Congress on other energy-related legislation. It is clear from the titles of many of these bills that they address the energy problem directly. But there are other pieces of legislation, such as the Housing Amendments of 1978, which contain energy-related programs of great importance.

I believe these significant pieces of legislation should be recognized.

I, therefore, ask unanimous consent that a list of energy-related legislation that has been enacted by the 95th Congress or is in conference or has passed the Senate, although not having passed the House, be printed in the RECORD.

There being no objection, the list was ordered to be printed in the RECORD, as follows:

ENERGY MEASURES—95TH CONGRESS

ENACTED

Alcan Pipeline (H.J. Res. 621, P.L. 95-158).
Clean Air (H.R. 6161, P.L. 95-95).
Deepwater Ports Extension (H.R. 6401, P.L. 95-36).
Department of Energy (S. 826, P.L. 95-91).
ERDA Nonnuclear Authorization, 1977 (S. 36, P.L. 95-39).
ERDA Nuclear Authorization (S. 1339, P.L. 95-183).
ERDA Nuclear/Nonnuclear Authorization—Civilian (S. 1340, P.L. 95-238).
Export Control—Arab Boycott (H.R. 5840, P.L. 95-52).
FEA Authorization (S. 1468, P.L. 95-70).
Mine Safety (S. 717, P.L. 95-164).
Natural Gas Emergency (S. 474, P.L. 95-2).
Petroleum Marketing Practices (H.R. 130, P.L. 95-297).
Public Works—Energy Research Appropriation (H.R. 7553, P.L. 95-96).
Radiation Exposure (S. 266, P.L. 95-236).
Small Business Energy Loans (H.R. 11713, P.L. 95-315).
Strategic Petroleum Reserve Plan No. 1 (S. Res. 429-S, agreed to disapprove resolution).
Stripmining (H.R. 2, P.L. 95-87).
Stripmining Program Authorization (S. 2463, P.L. 95-343).
Urgent Power Supplemental Appropriation (H.J. Res. 227, P.L. 95-3).
Nuclear Nonproliferation Act (H.R. 8638, P.L. 95-242).
Emergency Agricultural Act (H.R. 6782, P.L. 95-279)—Gasohol program.

IN CONFERENCE

Coal Conversion (H.R. 5146-S, agreed to July 18, 1978).
Energy Conservation (H.R. 5037).
Energy Taxation (H.R. 5263).
Military Construction Authorization, 1979 (H.R. 12602—Conf. rep. filed).
Natural Gas Pricing (H.R. 5289).
Outer Continental Shelf (S. 9—Conf. rep. filed).
Public Utility Rate Reform (H.R. 4018).
Public Works Energy Research Appropriations, 1979 (H.R. 12928—Conf. rep. filed).
H.U.D. Authorization (S. 3084)—Solar and home insulation programs.
Agriculture Appropriations (H.R. 13125)—Energy conservation programs.
Water Resource Projects—Waterway User Fee—Fuel Use Taxes.
International Development Assistance (H.R. 12222)—Bilateral assistance for energy resource development.
Military Construction Authorization—solar, geothermal, and utilities systems programs.
Interior Appropriation (H.R. 12932)—Energy production, supply, and regulation programs.
Energy and Water Development (Public Works) (H.R. 12928)—Energy research project.

PASSED SENATE, NOT HOUSE

Alaska Pipeline Destruction (S. 1496).
Educational Institution Energy Savings Grants (S. 701—Provisions are now in energy conservation bill).
ERDA Nuclear Authorization—Civilian/Military (S. 1341).
ERDA Synthetic Fuel Loan Guarantee Program (S. 37).
Natural Gas Pipeline Safety (S. 1895).
Oil Shale Commercialization (S. 419).
Pipeline Destruction (S. 1502).
Rate Discrimination (S. 2249).
Endangered Species (S. 2899)—Possible exemptions for certain energy supply projects.

INSPIRATIONAL PORTRAITS

Mr. ROBERT C. BYRD. Mr. President, a portrait of one of our greatest Presidents, Abraham Lincoln, hangs in the Senators' dining room. President Lincoln has achieved a worldwide esteem in the generations since his death. His memory is universally admired. Thus, it is appropriate that his portrait is hanging in the Senators' dining room.

Since Abraham Lincoln was the first Republican President, I know our Republican colleagues take special pride in the presence of his portrait in our dining room. However, an American of Mr. Lincoln's caliber transcends all party labels ultimately. His portrait is a genuine inspiration to all Members of the Senate.

Mr. President, it is appropriate to place the portrait of a Democratic President in the Senators' dining room, as well. He should be, like President Lincoln, a man admired by the members of both parties, who has significantly influenced national and international events through his courageous actions and decisions.

Such a man was President Harry S. Truman. In the few short years since his death, President Truman's renown and prestige have grown enormously. Among

Democrats and Republicans alike, his sagacity, character, decisiveness, and ability have received increasing recognition and acclaim. Abroad, our friends and allies give credit to President Truman for halting the post-World War II advance of communism in Europe that threatened to engulf the entire continent if unchecked; moreover, President Truman's policies helped to restore economic and political health and stability to the war-shattered nations of the non-Communist world. Harry S. Truman is a man in whom all Americans can take pride. In addition, he is a man in whom Senators can take special pride, for he served with notable distinction in the Senate, before becoming Vice President and President of the United States.

Mr. President, a portrait of President Truman will be placed in the Senators' dining room as a source of inspiration and challenge to the members of both of our great and historic political parties represented in the Senate.

ORDER OF BUSINESS

Mr. ROBERT C. BYRD. Mr. President, I have no further need for my time. I ask if the Senator from Wisconsin would like some of it.

Mr. PROXMIRE. I would like it, but I have 15 minutes under an order.

Mr. ROBERT C. BYRD. Would the Senator like my remaining time, also?

Mr. PROXMIRE. I would, if the Senator would like to give it to me.

Mr. ROBERT C. BYRD. Mr. President, how much time do I have left?

The ACTING PRESIDENT pro tempore. Six minutes.

Mr. ROBERT C. BYRD. I yield it to the Senator from Wisconsin if he wishes to use it.

RECOGNITION OF LEADERSHIP

The ACTING PRESIDENT pro tempore. Under the previous order, the Senator from Tennessee is recognized.

Mr. BAKER. Mr. President, I use my time only long enough to say I have no use for my time and no request for time under the standing order. I ask the Senator from Wisconsin if he would like some of it.

Mr. PROXMIRE. I think I shall have enough with that of the majority leader. I thank the distinguished minority leader.

SPECIAL ORDER

The ACTING PRESIDENT pro tempore. Under the previous order, the Senator from Wisconsin is recognized for not to exceed 15 minutes in his own right. He has additional time if needed.

INFLATION—AN UNPRECEDENTED PEACE-TIME PROBLEM—WHY WE SHOULD CUT $25 BILLION FROM THE PRESIDENT'S BUDGET

Mr. PROXMIRE. Mr. President, I rise today to address the Nation's No. 1 problem; namely, rampaging inflation. Somehow, Congress has not gotten the message. We are following policies, especially spending policies, that aggravate inflation. We are doing almost nothing to reduce inflation. And it is our primary, fundamental, elementary, crucial problem.

THE PROBLEM

Inflation is having a devastating effect.

Millions of Americans with fixed incomes or relatively fixed incomes are unable to cope with their economic problems. Their costs for food, shelter, heat, light, clothing, and transportation are going up and have been going up faster than the rise in their incomes. They are therefore suffering from a decline in their living standards in real terms.

Young people are unable to afford to buy a house and must postpone having a family.

Two or more people in many families are now at work just to make ends meet.

Elderly persons are in dire straits as they have to make their fixed incomes cover large costs and thus must either use up their savings, borrow from their children, or get aid from welfare or public sources. To many who have worked hard and have been self-sufficient, this is a demeaning state of affairs. Here they are, at the end of a productive and self-sufficient life, now thrown on welfare or required to borrow when, under ordinary circumstances, the plans they have made and the estates they have built would carry them through in a self-respecting way.

We are seeing the collapse of the dollar abroad, due almost entirely to the doubts raised by our inability to combat inflation.

And what is the Government doing about inflation? Consider: In the past year or the past year and a half, we have seen an explosion of jobs and employment. So, is the Federal Government restraining spending, running a surplus, to stem inflation? No, it is deeply in the red, with a deficit this year in the neighborhood of $50 billion. To those who believe in countercyclical economic policies, this is a great blow to both theory and belief. Many have justified government deficits in times of recession and depression on grounds that we should and would run surpluses in periods of relative prosperity and recovery. But we are now finding that in periods of recovery and high levels of employment the deficits are unprecedented in the history of the country.

John Maynard Keynes, if he walked on the floor, the person some people have blamed for the spending in the thirties and forties, would be aghast at what this Congress is doing. He would not believe it. Here we are, following a policy of big deficits at a time when unemployment is dropping sharply and inflation is worsening.

Men and women employed in our stores, factories, and mines, who ordinarily would be willing to limit their demands for wages and conditions to reasonable levels, are finding that, merely to make up for the inflation of the past, let alone to get an increase in real income, they must make demands which appear to be excessive but which in fact fall short of keeping pace with their costs.

HISTORICAL FIRST

Furthermore, this is an unprecedented situation in the peacetime history of our country. From the Bureau of Labor Statistics and the Joint Economic Committee I have gathered the facts on the rise in consumer prices in our modern history, namely since 1850 or for almost 130 years. It shows nothing like the increase of 100 percent during this 10-year period if it continues at its present rate.

Here is what it shows by decades: in the 1850's, consumer prices rose by a total of 10.6 percent, or slightly more than 1 percent a year.

During the 1860's, a wartime decade, the Civil War, the bloodiest decade in our history, they went up by 47 percent or an average of 4.7 percent a year. Almost all of it was in the period 1862 to 1865. In the last half of that decade, prices actually dropped by over 15 percent, or 3 percent a year.

What did prices do in the 1870's? Did they rise?

In the 1870's, prices dropped 25 percent or 2.5 percent a year.

And in the 1880's, did they rise?

In the 1880's, and the 1890's, prices were down by 3 percent in each decade.

From 1900 to 1910 they rose by 33 percent, or an average of 3.3 percent a year.

During World War I a tremendous war, one of the biggest in our history, they rose 100 percent, but the big push was in the war years and immediate postwar years from 1916 to 1920.

And in the 1920's?

From 1920 to 1930 the year by year declines outpaced the increases by 20 percent.

And in the 1930's?

The decade of the 1930's showed an 18-percent decrease, admittedly the period of the Great Depression offset only by some rises at the end of the decade.

The World War II decade showed a 7.3 percent annual increase, or an average equal to the inflation which we face in peacetime today. This, of course, was at a time when we were pouring as much as 50 percent of our GNP into our war effort, so, of course it was inflationary.

In the 1950's, even with the Korean war, we suffered only a 20-percent increase or an average of 2 percent a year. Today that would be considered a form of heavenly reprieve.

In the 1960's, with Vietnam, there was a 32 percent rise or 3.2 percent per year.

But thus far in the 1970's, we have seen price rises of 58 percent or 8 percent per year.

In summary, we are a country which historically has been a relatively stable price level which, year in and year out, decade by decade, has risen little more than the average statistical margin of error.

Yet this year and in this decade, we are seeing peacetime inflation rates in

excess of those we have faced historically in wartime.

That is the magnitude of the problem.

Mr. President, I might point out that it is getting worse because even our top policy advisers in the administration cannot seem to get a grip on it. In January of this year the Secretary of the Treasury predicted 1978 inflation, 6.1 percent. In July he readjusted it to 7.2 percent. In August, only a week ago, he said it would be 8 percent for this year. Every month, the Secretary of the Treasury has given out a higher estimate of inflation.

NEED DRASTIC ACTION

Mr. President, I proposed that Congress, during its proceedings on the first budgetary resolution to reduce the ceiling on the President's budget by $25 billion.

That is the kind of dramatic and vigorous action which would send a message both to those here at home and abroad that we mean business on the anti-inflation front. We should still do it.

WHY IT IS NECESSARY

Such action is necessary and desirable for a number of reasons.

First, there is no other anti-inflation program in sight. Neither the President nor Congress, business or labor favor wage or price controls. They do not work. They are counterproductive. No one wants them. They are not going to happen.

Second, certain other alternatives are simply not adequate. The move to limit hospital and medical costs, even if started, would not solve the problem. It may be a good step, but it is very limited. An increase in both Government and private productivity is highly desirable but insufficient to stop inflation now. We should make Government more efficient, cut out excessive paperwork, and reduce regulation, but everyone knows that will take a very long time to achieve if it is achieved at all.

Some very able and public spirited and qualified persons are advocating a tax-based incomes policy or TIP under which employers and employees who forego wage and cost increases would be rewarded through the tax system. TIP, however, is complicated. There is yet no concensus supporting it, and it would take far longer both to pass and for its results to occur than the time we have. TIP is a last desperate act. It could be compared to the life jacket or log thrown to a man drowning at sea and surrounded by sharks. It is a frail answer but not to be downgraded at a time of desperation.

VALIANT INDIVIDUAL EFFORTS

Third, some very responsible persons here in Congress have made valiant efforts to deal with the inflation and budgetary problems. But the forces in favor of spending and increases are so overwhelming that they have been fortunate to hold their own.

I want to pay tribute to the Senator from Maine (Mr. MUSKIE) and the Senator from Oklahoma (Mr. BELLMON) who as chairman and ranking minority member of the Senate Budget Committee have not only held the line but reduced the budget level somewhat in face of overwhelming odds. Without them things would indeed be very much worse.

The Senator from Washington (Mr. MAGNUSON), as chairman of the Senate Appropriations Committee, has brought in a series of money bills whose totals are below the requests. That has not been easy.

The Senator from Delaware (Mr. ROTH) has stood on the Senate floor and proposed general cuts time after time in the face of the withering fire of other Senators who wish to preserve the present levels of spending or raise them.

And the Senator from Virginia (Mr. HARRY F. BYRD, JR.) has been our Horatius at the Bridge or the Dutch Boy with his finger in the dike as he has questioned bill after bill to determine if it is within the budget restraints. He has been the watch dog of the Senate on this issue.

In spite of all those efforts, and they are good efforts, and these Senators certainly deserve commendation, nevertheless, this is not the kind of vigorous, effective action to hold down the spending that we need.

We have done little more than to hold our own. It is now time to act and act decisively.

It may seem to be a cruel and callous thing to cut programs—for health, education, food stamps, and other worthy efforts. Some will think such actions lack understanding or are mean and base acts. That might be true except for the crisis we face over these unprecedented rises in prices. They must be brought to a stop. We must act. A $25 billion budget cut is the best way to do it.

WHY A $25 BILLION GENERAL CUT

It will be said, it is one thing to propose a general cut of $25 billion but another thing to be specific.

Let me answer that.

First, when we propose general cuts it is said we should cut the particular. When we propose particular cuts, those favorable to the program rise in its defense. One is criticized for doing it either way.

Second, a $25 billion cut in a $500 billion budget, while a dramatic cut which would send a message to the country, is still only a 5-percent cut. As one who has presided over the hearings for the budget requests of 40 or more departments and agencies of the Government, I do not believe there is a single one which could not be cut 5 percent and have a leaner, better, more efficient program.

Third, while I believe we should first set a ceiling of $475 billion and then force the various committees in Congress and the executive agencies to keep within the overall total, I am delighted to propose areas where cuts could be made. Here is a list as openers.

SPECIFIC LIST

Congress could start out by cutting back or cutting out the third Senate Office Building. We could also put a cap on our employees and actually reduce the number through attrition.

HOW TO SAVE $640 MILLION NOW—ABOLISH LEAA

Attorney General Bell's dramatic reversal of his earlier decision to work for the abolition of the Law Enforcement Assistance Administration (LEAA) dramatizes exactly why Federal spending is on a one-way escalator: up-up-up.

At a time when this administration cries out for some way to hold down spending increases, one of its top leaders throws in the sponge in his fight against what he himself has identified as a wasteful program that should be abolished. This is a great disappointment to me, and, I am sure, to the American taxpayer.

And at a time when the inflation rate is soaring into double digits, Mr. Bell suddenly favors pouring $825 million into the discredited LEAA program rather than saving $640 million through its abolition.

I refer, of course, to the Attorney General's flip-flop at last week's Senate hearing on the fate of LEAA. Instead of fighting to disband this spendthrift and sorry agency, Mr. Bell is caving in to those thousands of law enforcement officials who now have been hooked on the multi-million dollar Federal 'fix' and, rather than kick their wasteful habit, want to squander millions more of the taxpayers' money on LEAA's continued existence.

Last year, Attorney General Bell sent President Carter a memorandum, still not made public, recommending that LEAA be abolished. While not taking a position at that time on the other recommendations in the memo, I strongly urged the President to accept Mr. Bell's recommendation on the abolition of LEAA.

I have long advocated that LEAA be abolished. I was one of only two U.S. Senators to vote against LEAA's reauthorization in 1976.

Why? Because LEAA failed miserably to meet its responsibilities for reducing crime and improving the criminal justice system.

LEAA has spent over $6 billion since its inception in 1969. But over that same time span, according to the latest FBI statistics, the crime rate has increased an alarming 43 percent. Clearly, LEAA has been woefully ineffective in trying to solve the problem of crime and violence in America.

One example can illustrate LEAA's inept and wasteful approach to crime reduction. Earlier this year, I gave LEAA my "Golden Fleece" award for a $2 million prototype police car. Because its load of problems exceeded even its load of gadgets, plans for field testing the model car were halted. But this welcome relief came only after $2 million had been drained from the Federal Treasury to pay for this goldplated disaster.

Unfortunately, LEAA has done no bet-

ter in its efforts to improve the criminal justice system. Consider these facts:

State and local courts, with few exceptions, remain overloaded;

Jails and prisons remain run-down and overcrowded; and

Many legal procedures, including sentencing, probation, and parole, remain sorely in need of reform.

Again, one example can illustrate LEAA's ill-conceived and wild-spending approach to improvement of our criminal justice system. Last year, I gave LEAA another one of my "Golden Fleece" awards, this time for spending nearly $27,000 to determine why inmates want to escape from jail. Since it should be obvious to one and all why someone in jail would want to get out, this expenditure was, in my view, a flagrant waste of the taxpayers' money.

Finally, I should point out that the public's perception of the crime problem has worsened during the life of LEAA.

A Gallup poll earlier this year, for example, found that 20 years ago, less than 1 urban dweller in 20 mentioned crime as the city's most important problem, but today 2 in 10 cite crime as the most important problem, with the proportion rising to 4 in 10 in central city areas of the Nation's largest cities.

What all this adds up to is the plain and simple truth that LEAA has failed in its mission.

LEAA is not the answer to this Nation's crime problem. It has not worked. And it has cost the taxpayers billions of dollars.

In the face of this overwhelming evidence, how can Attorney General Bell possibly support the continuation of LEAA, much less favor a 25-percent increase in its budget?

Mr. Bell was right the first time—LEAA should be abolished.

Instead of increasing the Law Enforcement Assistance Administration (LEAA) by 25 percent as the Attorney General has proposed, we should abolish it as he has previously proposed to the President. He was right to begin with and wrong now. Instead of raising the funds to $825 million we should stop the program and save the $640 million it costs.

We should support the President's veto of the military procurement bill and stop the nuclear attack carrier (CVN–71). That ship will cost $2.4 billion. Its aircraft will add another $1.5 to $1.8 billion. Its nuclear escort ships would add another $8.7 billion. There is then the manpower and operating costs. Over 30 years the full costs of the CVN, not counting its escorts, would be $30 billion in uninflated dollars. Yet as our former colleague, the Senator from Missouri, Mr. Symington, said, sinking a big carrier is like hitting a bull in the butt with a bass fiddle.

There is scarcely an agency which could not be cut. There is the big project foreign aid at the State Department which has been a failure.

The Defense Department is pouring out billions in military aid at a time when it should be cut and when it is often used by one ally to fight another ally instead of using it as a shield against the Russians.

The shipbuilding and ship claims scandal is another area where defense funds could be saved.

We pour out massive subsidies for public works, reclamation projects, mineral stockpiles, sugar and wool, and highways, to name only a few.

At HEW there are massive medicaid excesses, more money than can effectively be used at the Institutes of Health, and inefficiency and waste in welfare. A cut in the budget would force us to come to grips with these problems.

And who is to say that the Post Office is run efficiently? Could we not improve our housing programs through better administration? Why not target the funds we now have to the area of great need and cut back on the money we give to affluent communities and areas through general revenue sharing or the community development program?

NASA's space shuttle is absolutely cost-ineffective. It cannot be justified, but we rush ahead with it in any case.

We all know certain education programs could be cut. Impacted aid is only the first that comes to mind.

The National Endowments for the Arts and Humanities have been given a 20-percent increase in funding this year alone and in the past they have seen 33- and 50-percent increases routinely.

Why should college students from well-to-do families draw food stamps? And they do.

Perhaps these programs could be justified in normal times. But these are not normal times. We suffer from the highest inflation rate in our peacetime history.

We should act. We should cut the ceiling on the President's budget by $25 billion. That action would send a message to both those at home and abroad that finally we mean business.

Mr. President, one of the outstanding economists in the country, Paul McCracken, is also a man who understands Keynesian economics, is at the University of Michigan, and served as President Nixon's Chairman of the Council of Economic Advisers.

Mr. President, I ask unanimous consent that an article from the Wall Street Journal for Friday, August 18, by Mr. Paul McCracken entitled "The Cosmetic War on Inflation," which adds detail and substance to many of the points I have tried to make in general, be printed at this point in the RECORD.

There being no objection, the article was ordered to be printed in the RECORD, as follows:

THE COSMETIC WAR ON INFLATION
(By Paul W. McCracken)

Barry Bosworth's basic trouble is that he has been right. And the rewards in our Babylon on the Potomac for those who insist on speaking the obvious about such unpleasant matters as inflation are not much different from those in ancient times who were disengaged from their heads for bringing to the King bad news from the wars. In Washington, success in Fighting Inflation apparently consists not in such quaint and straightforward things as reducing inflation but in producing pyrotechnics and cosmetics which will persuade the citizenry that there is progress where none in fact is really occurring. Indeed, the danger is not so much that the citizenry will be confused, having themselves demonstrated a considerable capacity for clearheadedness, as that managers of policy will mislead themselves.

The fact is that we are not gaining ground against inflation. While the monthly figures will bounce one way or the other, and we might have a few good readings now, there are persuasive reasons for expecting the basic rate of inflation to continue rising. For one thing the underlying trend since the beginning of 1976 has been upward. It is, of course, true that speaking about a "trend" during a 2½-year period will make the careful statistician wince, and food prices have given the CPI a bad upward push. But a 2½-year period contains 30 monthly observations, and some subgroup of prices (about half of them, in fact) will always be rising more rapidly than the average.

UPWARD, EVER UPWARD

Moreover, the underlying "trend" in labor costs per unit of output during the last two years has also been upward. Apart from erratic quarter-to-quarter wobbles, the underlying rate of increase in unit labor costs has itself been rising about a half a percent per quarter—a track which would bring us to double digit rates by 1979.

And it is not easy to make a persuasive case that labor costs will be rising less rapidly. For one thing we are not getting anything like the gains in productivity, to offset the impact of wage increases on costs, that the economy has historically delivered. Quarterly gains in output per man hour (annualized) have averaged a 1.6% annual rate in 1976, 1977, and thus far in 1978, and even with the strong second-quarter gain in real output, productivity in the nonfarm private sector rose at the rate of only 0.6% per year. In fact, these sluggish gains in productivity now extend back for a decade, strongly indicating that a fundamentally unfavorable structural problem has emerged in the economy.

If there were reason to expect a moderating trend in the rate of wage increases during the year ahead, that would provide some reason for optimism about the price level. This trend is more apt also to be perverse. Next year will give us a heavy schedule of collective bargaining, and this means a disproportionate share of wage increases will be the large first-year, front-loaded adjustments. And the probability that the average size of the overall packages negotiated will be enlarged further is also uncomfortably high.

All of this might, of course, be consistent with a declining rate of inflation. Some major items that consumers buy might experience a sharp decline in their prices—though if this were food, while one part of government tried to take credit for progress against inflation another part would be busy viewing with alarm the low level of farm prices.

Rising labor costs also might not fully express themselves in the price level if profit margins were to be squeezed further. Reported profits are now double those of a decade ago, and they have increased almost 50% in the last five years. Here is, however, an illustration of the extent to which inflation itself can confuse facts. With a proper accounting for current costs, which conventional procedures fail to do, true profits after taxes are up only one-third from those of a decade ago, which means that in real terms they are down. While some businessmen prefer the comfort of the misleading conventional figures on profits, they

could be expected to keep a short leash on their capital budgets if profit margins were to decline further.

After all of the rhetoric about inflation's being the dominant economic problem, a view which surveys show consumers share emphatically, we are losing ground.

What is the problem?

The problem is that our strategy for reducing the rate of inflation is, to borrow an apt phrase from D. H. Robertson, "a grin without a cat."

While there is plenty for the profession to be humble about when it comes to the economics of inflation, there is one conclusion that is supported both by logic and the facts of historical experience. The rate of inflation will not come down so long as pressures of demand pushing on supplies are strong enough so that higher prices and higher wages have no adverse effect on sales volume and employment. Indeed, holding prices and wages below these market-clearing levels by some sort of brute force or ad hoc process would produce the queue-line economy.

The rate of inflation will embark on a downward trend when the result of posting inflationary price increases or extracting excessive wage increases is a painful loss of sales and employment. Ours is the only major industrial country that has not yet mustered the will to face this basic fact of economic life. And the OECD secretariat now projects the 1978 rise in U.S. labor cost per unit of output in manufacturing to be above the average for the "Big Seven" countries, and significantly lower than the increases projected only for the U.K. and Italy.

That we have not really been willing to bite this bullet is indicated by the demand management (fiscal and monetary) policies that have been deployed. The upward pressure the budget (fiscal policy) exerts on the economy is equal to the rise in expenditures plus the revenue value of any net reduction in tax rates) which indirectly has an expansive effect by increasing after tax incomes). In the period from 1958 to 1965, when the price level was quite stable, this measure of "fiscal pressure" averaged about 1% of GNP. Since 1965 it has been 2% to 3%, and would be close to 3% in 1978–79.

This same fear of facing fundamentals seems to be evident for monetary policy. With the emergence of rates of monetary expansion during the first quarter consistent, if sustained, with more discipline on the price-cost level, nervous protests were heard about the adverse effects on the economy. Those protesting presumably were calling for more rapid rates of monetary expansion (which is the only way the Federal Reserve could relieve pressures on interest rates), which would set the stage for a more rapid and inflationary expansion, which would in the end produce the even higher interest rates that are always the accompaniment of higher rates of inflation.

ANOTHER PART OF THE PROBLEM

A part of our problem is that we have also been reluctant to be realistic about how high the economy's operating rate could be pushed before pressures would begin to build. With the unemployment rate at 6% and the operating rate in manufacturing at only 84% of capacity (according to the Federal Reserve), plenty of slack seemingly remains available to assure that more demand would translate into employment and output rather than higher prices and costs.

This is far too simplistic. After a decade in which the economy's operating rate has been low, the capacity situation and labor markets are uneven, and bottlenecks are bound to develop at lower average operating rates than after a sustained period adjusted to performing closer to overall capacity. This is particularly evident in the labor market, where lack of skilled and experienced labor may impede that expansion of output which would provide jobs to those who are unemployed.

There is empirical evidence that the economy is in the pressure zone now. The proportion of companies reporting slower deliveries is now in the range reached in late 1972, or 1969, or 1965–66. And the incidence of help-wanted advertising is now higher relative to the labor force than at all cyclical peaks during the last decade (including, even 1969).

When we are unwilling to face the fundamental realities of the economy and prefer to deal with symptoms and cosmetics, we should not be surprised that we are losing ground against inflation. Washington should not be confused about this. The citizenry is not.

Mr. PROXMIRE. Mr. President, Dr. McCracken points out in his article:

The upward pressure the budget (fiscal policy) exerts on the economy is equal to the rise in expenditures plus the revenue value of any net reduction in tax rates (which indirectly has an expansive effect by increasing after tax incomes). In the period from 1958 to 1965, when the price level was quite stable, this measure of "fiscal pressure" averaged about 1% of GNP. Since 1965 it has been 2% to 3%, and would be close to 3% in 1978–79.

Dr. McCracken points out that our anti-inflation war is like a "grin without a cat." There is just no substance to it.

THE GENOCIDE CONVENTION AND THE ENDANGERED SPECIES ACT

Mr. PROXMIRE. Mr. President, in one of the more interesting debates of this session, the Senate a few months ago reconsidered the Endangered Species Act. That act was very much in the public eye, because of a recent Supreme Court decision. When it seemed likely that the construction of a certain dam would destroy the habitat of the snail darter and lead to its extinction, the Court ruled, and rightly so, that the construction of the dam be halted.

Mr. President, I have consistently supported legislation to prevent the destruction of animal and plant species, and I am happy to say that Congress has once again shown its concern by reauthorizing the Endangered Species Act. But I cannot help but notice a certain ironic inconsistency in our actions.

Mr. President, is it not ironic that, on the one hand, we have consistently voted to protect the existence of groups of animals and plants, and yet for 30 years we have refused to ratify a treaty that would protect the existence of groups of human beings? That is what the genocide treaty would do. It would prevent the extermination of an entire group of people, the way Hitler tried to exterminate the Jews in Europe and, of course, the way the Cambodians are being exterminated and the Ugandans are being exterminated. Yet, we have not ratified that treaty.

The Genocide Convention has enjoyed the support of every President since Truman. Over the years, it has garnered the signatures of 83 nations. As soon as possible, we should add another signature to that multitude. We should ratify the Genocide Convention.

But ratification is not enough. The convention is written so that each party outlaws genocide within its own state, and then the convention binds it to uphold that law. Once again, is it not a grave inconsistency that, although we have laws to prohibit the genocide of wildlife, there is no domestic law that prohibits the genocide of human beings? Of course, we have laws against murder. But genocide is a crime more insidious than murder. The cold, premeditated destruction of human beings simply because they belong to a national, ethnic, racial, or religious group is an entirely detestable act. Genocide is the gravest crime of which man has shown himself capable.

The route we must take is clear. We must eliminate the inconsistency that allows us to protect wildlife and not human life. We must make it domestic law and international law that genocide is a punishable crime.

CONGRESSMAN OBEY'S MASTERFUL WORK IN THE HOUSE

Mr. PROXMIRE. Mr. President, a bright, young Congressman from Wisconsin has done a superb job in an unpopular cause in the House this year.

I happen to disagree with him on the issue, but that does not dampen my enthusiasm for the remarkably able work he has done. Congressman DAVID OBEY has gone to work on behalf of the President's embattled foreign aid program, and thanks in a big way to him, the program seems headed for success in the House.

Yesterday, the Milwaukee Journal published an article reporting on the astonishing job Congressman Obey has done in this regard, and I ask unanimous consent that it be printed at this point in the RECORD.

There being no objection, the article was ordered to be printed in the RECORD, as follows:

CARTER LAUDS OBEY FOR VICTORY ON FOREIGN AID

(By Frank A. Aukofer)

WASHINGTON, D.C.—In the humid early morning hours one day last week, Rep. David R. Obey went to Bob Beckel's home for a celebration. Obey had some drinks, played his harmonica and listened to Willie Nelson records.

A few hours later, Beckel went to work at the White House and dropped in to see President Carter. He walked in grinning.

"Dave Obey did a magnificent job on that," the president commented. "We owe him a great deal."

Carter was talking about House approval the previous day of a foreign aid bill totaling nearly $7 billion. It was a hard fought, major victory for the beleaguered administration, and Obey, by all accounts, put it together.

Beckel is a special assistant to the president for congressional relations, specializing in foreign policy.

"He was the single biggest key to our suc-

cess," Beckel said of Obey. "We just never expected to emerge with a bill that was even viable this year, and here we've wound up with the best foreign policy bill to emerge from the Congress in over a decade."

Foreign aid is never popular, especially in an election year. Moreover, Obey—the second ranking Democrat on the foreign operations subcommittee of the House Appropriations Committee—was in the awkward position of bucking his own chairman.

Subcommittee Chairman Clarence Long (D-Md.) wanted to cut $584 million from the bill, but Obey managed to defeat him with a substitute to cut just $25 million.

Earlier, to almost everyone's surprise, administration forces narrowly (203 to 198) beat an amendment that would have prohibited indirect U.S. aid, through international banks, to Cambodia, Uganda, Laos and Vietnam.

Last year, a similar amendment passed 295 to 115, but was later knocked out in conference committee. In defeating the amendment this time, Obey and other administration backers turned around nearly 100 votes.

William P. Dixon, one of two U.S. directors at the World Bank, said the defeat of the amendment was critically important because the bank could not accept money under such restrictions. If it did, he said, every one of the bank's 133 member countries could wind up enacting political restrictions.

DATES TO JANUARY

Dixon, a former Milwaukee lawyer and aide to Rep. Henry Reuss (D-Wis.), ran Carter's Wisconsin campaign in 1976. Along with Carter aides, Dixon worked to drum up support for the foreign aid bill. He, too, called Obey the key to victory.

Obey's involvement dates back to January, when he met with Carter to start planning an approach to the bill.

In February, he produced a memorandum for Vice President Mondale, outlining a strategy and the sort of bill he thought was possible.

"That became the basic document for our strategy," Beckel said. "We met virtually on a weekly basis. He did all the strategy; he led the battle in the subcommittee and the full committee, and then on the House floor."

Obey said the final bill came out about the way he expected, except that the administration—in defeating the restriction on indirect aid to the four countries—won more than he thought it would.

"The administration did a superb job on this one," Obey added. "They pulled in the business groups and unions like the steelworkers and church groups. We were 100 votes down on the bank amendment when we started our count."

SUPPORT IS NEW

The bill did end up with restrictions on indirect aid to Cuba and Vietnam, but Obey said he expected those provisions would be eliminated in conference committee with the Senate.

Obey said this was only the second foreign aid bill he had even voted for, but that this was because foreign aid is changing.

"It used to be fundamentally military aid," he said, "with a big share to military dictatorships. This bill is prudent financially. We made a 20% cut across the board in military training and military credit sales. . . .

"I think it's important to remember that the per capita cost, the cost to every person in the country, is about 57 cents a week—the price of a pack of cigarettes. I think that's a pretty small price to pay for the stability and influence it buys in a world in which 70 million people are starving every year. It's morally essential."

Besides, Obey said, the money does not go directly overseas. He said studies had shown that 80% of it was spent in the U.S. providing jobs for U.S. workers.

WISCONSIN SUPPORT FOR PRESIDENT CARTER

Mr. PROXMIRE. Mr. President, the big political story this year has been the fall in the popularity of President Carter. But in the last few days there has been some interesting evidence of new support for the President.

The Milwaukee Journal, generally considered one of the outstanding papers in the country, published an editorial recently calling for a letup in the carping criticism of the President and pointing to some of his accomplishments.

The Milwaukee Sentinel, which often has been critical of the President, this Sunday led off with an editorial headed "Carter Shows Grit, Astuteness in Veto," in praising the President's veto of the military authorization bill to stop the aircraft carrier.

Mr. President, I ask unanimous consent that both editorials be printed in the RECORD.

There being no objection, the editorials were ordered to be printed in the RECORD, as follows:

LET'S GIVE CARTER MORE ELBOW ROOM

A national magazine reports that Washington is beginning to hear talk of a public backlash against criticism of President Carter by congressmen and the media. It's about time.

The president has been subjected to relentless scrutiny and to ridicule far out of proportion to the rebukes he has earned. And he has received scant recognition for the things he has done right. The treatment isn't just crippling him politically. It is also diminishing the office of president, interfering with the passage of needed legislation and impairing America's ability to command respect abroad.

Of course, Carter has made mistakes, as we have noted many times in these columns. But all presidents err and some have made far more serious blunders than has Carter.

He has not led the country into war or even into any foolish foreign adventure. In fact, contrary to the usual criticism of his foreign policy, he hasn't done badly overall in dealing with other nations.

Nor has he precipitated an economic recession. Business expansion has continued and unemployment has dropped sharply since he took office.

No major scandals have marred his administration. Bert Lance's publicized transgressions took place before he became Carter's budget director. Moreover, Lance's banking manipulations were nothing on the order of Spiro Agnew's felonious tax evasion or Richard Nixon's complicity in the obstruction of justice. Carter's chief mistake was to keep defending Lance ("Bert, I'm proud of you") after Lance's actions were obviously indefensible. Yet Carter is not the only president ever to let loyalty to a friend interfere with good judgment.

Moreover, despite all that has been said about broken promises, Carter is still roughly pursuing the course that he charted in his campaign. Changing circumstances have caused him to abandon some goals, but no president should be too inflexible to adapt to change and reality. To be sure, Carter has had limited success getting his programs through Congress, but Congress seems more to blame for that than the president.

Carter is often depicted as incompetent, but the charge is off the mark. Old Washington hands such as Democrat Clark Clifford and Republican Melvin Laird rank Carter as very bright. He masters both essentials and details very quickly and remembers what he has learned. Inexperienced in the ways of Washington? Yes. Too tolerant of a poorly organized staff? Yes, until recently. But incompetent? No.

Yet Carter's approval rating in the public opinion polls have plummeted lower than President Ford's did after his untimely pardon of Nixon. Even Nixon's popularity ratings did not drop below Carter's present ranking until Watergate became very heavy.

Carter's depressed popularity can be partly attributed to a variety of factors—a collection of small and moderate mistakes by the president and his aides; a collapse of voters' exaggerated expectations (which candidate Carter had unduly inflated), general malaise in a public that is not galvanized by any crisis or overriding issue.

These things, however, do not fully explain Carter's image problem. Part of the trouble must be blamed on commentators who pick at him incessantly without mentioning his strong points; on congressmen who won't say a kind word about him even when they agree with his policies; on Washington veterans who still resent his presumptuous capture of the White House without their advice or help.

Of course, some of that friction was inevitable. Carter won by running against the system and could scarcely expect the establishment to flock to him immediately. But he has been in Washington 19 months now. It's time for the regulars to quit freezing him out.

As Lyndon Johnson liked to say of himself, Carter "is the only president you've got." Barring tragedy, he is likely to be the only one until at least January, 1981. Although those who seriously disagree with him on policy are entitled to oppose him, even they should permit him some elbow room. It isn't simply unkind or impolite to subject a president to undeserved derision. It is also foolish.

So far, Carter has been remarkably cool under attack, but sooner or later the unfair needling may get to him. It might even begin to affect his judgment, to push him in dangerous directions.

Even if Carter keeps his composure, the essential stature of his office can be withered by unbalanced criticism. We do not yearn for a revival of the imperial presidency, but the pendulum may have swung so far that presidential authority—a crucial element of leadership—has become too fragile.

In any case, it's certainly time to quit cuffing Carter around just for the heck of it. He deserves better, and the country cannot afford to have another crippled presidency.

CARTER SHOWS GRIT, ASTUTENESS IN VETO

In terms of both policy and politics, President Carter made a smart move in attempting to sink congressional plans for a nuclear powered aircraft carrier which he opposed.

In order to do so, Carter had to take the dramatic step of vetoing the entire $37 billion defense procurement authorization bill. Congress now has the choice of giving in to the president or holding up this substantial part of the defense budget.

It looks as if the president will be a winner in this battle, as well he should be. If Congress tries to hold up other vital defense

funding by insisting on spending an extra $700 million (the approximate difference in cost between the nuclear craft and the conventionally powered carrier Carter preferred) members had better think up some good excuses for the voters before election time.

Some critics are already berating Carter for creating still another confrontation with Congress. That isn't the case. The president worked hard to obtain a compromise on the issue before it came to a vote in the House, advocating the conventionally powered flattop instead of the nuclear ship. Despite his pleas, however, the proposal met defeat by an unexpectedly large margin.

Carter's basic contention is that the supercarrier is too vulnerable and that future Navy policy should involve the use of smaller and more varied vessels. As commander in chief of the armed forces, he should have a strong say on this matter and the veto was his only recourse if his policy was to survive.

The situation, as many have noted, also offers the president an opportunity to come off as a strong chief executive by challenging a belligerent Congress on a major issue.

Congress, with its obstinate refusal to bend to compromise, played right into Carter's hands. And in using the veto as a trump card, in this instance, the president shows not only strength, but a degree of political astuteness which should gain him some congressional respect in the future.

QUORUM CALL

Mr. PROXMIRE. Mr. President, I yield back the remainder of my time, and I yield the floor.

I suggest the absence of a quorum.

The ACTING PRESIDENT pro tempore. The clerk will call the roll.

The assistant legislative clerk proceeded to call the roll.

Mr. PROXMIRE. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

COMMITTEE MEETING AUGUST 23

Mr. PROXMIRE. Mr. President, I ask unanimous consent for the Subcommittee on Energy, Nuclear Proliferation and Federal Services to hold a business meeting on Wednesday, August 23, 1978, at 2:30 p.m., for the purpose of marking up S. 3411, S. 3412, and S. 1493.

S. 3411 and S. 3412 deal with the GAO, and S. 1493 deals with energy impact assistance.

I understand that this matter has been OK'd on both sides of the aisle.

The ACTING PRESIDENT pro tempore. Without objection, it is so ordered.

COMMITTEE MEETING

Mr. PROXMIRE. Mr. President, I ask unanimous consent that the East Asian and Pacific Affairs Subcommittee of the Committee on Foreign Relations be authorized to meet during the session of the Senate today to hold a hearing on the current situation in Indochina.

This matter has been approved on both sides of the aisle.

The ACTING PRESIDENT pro tempore. Without objection, it is so ordered.

QUORUM CALL

Mr. PROXMIRE. Mr. President, I suggest the absence of a quorum.

The ACTING PRESIDENT pro tempore. The clerk will call the roll.

The assistant legislative clerk proceeded to call the roll.

Mr. HATCH. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

REPRESENTATION OF THE DISTRICT OF COLUMBIA IN CONGRESS

The ACTING PRESIDENT pro tempore. Under the previous order, the hour of 10 a.m. having arrived, the Senate will now resume consideration of House Joint Resolution 554, which will be stated by title.

The legislative clerk read as follows:

A joint resolution (H.J. Res. 554) proposing an amendment to the Constitution to provide for representation of the District of Columbia in Congress.

Mr. HATCH. Mr. President, I ask unanimous consent that Dan Livingston, of my staff, have the privilege of the floor during the pendency of this bill and any votes thereon.

The ACTING PRESIDENT pro tempore. Without objection, it is so ordered.

Mr. KENNEDY. Mr. President, I ask unanimous consent that Tom Southwick be accorded the privileges of the floor.

The ACTING PRESIDENT pro tempore. Without objection, it is so ordered.

Mr. HATCH. Mr. President, we were privileged last week to hear from the proponents of House Joint Resolution 554, who eloquently spoke of their commitment to "human rights" for the residents of the District of Columbia. I would like to respond to some of the points raised in regard to this important question now facing us.

Many of the proponents of what is, in my view, a poorly drafted amendment, employ the phrase "taxation without representation" to illustrate the injustice which residents of the District supposedly endure. This phrase is obviously intended to cause Americans today to draw a parallel between the conditions in the Colonies at the time of the Revolutionary War and the present situation in Washington. Although a noble battle cry in the struggle for our national independence, for the purpose of this debate it serves to lay yet another blanket of rhetoric upon an issue already obfuscated by emotional slogans.

To compare the status of the American colonies in British Parliament in the 18th century to the status of the District of Columbia today is to sidestep the constitutional problems created by the proposed amendment, the problems which stem from the fact that the District of Columbia simply does not possess the attributes of statehood required by our federal system. Moreover, such an analogy ignores the special provisions which have been made to attend the needs of the people of the District of Columbia. The District is the only city in the United States with a committee of the House of Representatives and a subcommittee of the Senate wholly devoted to its needs. Far from a neglected and oppressed distant land, it is rather the seat of an ever expanding and prospering National Government.

I do not know whether "prospering" is the correct word because we certainly have a Government that is tremendously in debt right now. By September of 1979, we will be in debt $86.9 billion. The interest against that debt is more than the whole Federal budget was back around 1945, just the interest against that debt which today is about $56 billion a year. People think we owe that interest only to ourselves, but of course we owe it to banking institutions and to other lenders all over the world, including many American citizens.

I was just reading today in the Wall Street Journal about how our dollar is indebted throughout the world and how much we owe to foreign banking concerns which have been purchasing our dollars in order to bolster the American dollar because of the profligacy of our Federal Government in this Federal welfare mentality that we have right here in Washington, D.C.

So, as I have said, far from a neglected and oppressed distant land, the District of Columbia is rather the seat of an ever-expanding and, if not prospering, at least money-manufacturing National Government and reaps millions upon millions of dollars in benefits as a result. Many of our Senators and Representatives reside here as well and are thus as acutely aware of the problems of the District as they are of the areas they were elected in.

In terms of per capita spending by the Federal Government, the District received nearly four times that of any other State except Alaska. New York City is the only city to receive more in Federal aid. Clearly, this is a city whose residents have not been ignored by the Government which resides within its boundaries. Thus, the situation which gave rise to the phrase "Taxation without representation" is in no way comparable to the one we are now discussing.

I might also add that, when the early colonists complained about taxation without representation, they were governed by a distant land, governed by people who did not really care for them, governed by an imperialist parliament which literally did not take into consideration their needs and taxed without any representation in that parliament.

Mr. President, I ask unanimous consent that the time under control of Senator SCOTT be transferred to me until he arrives.

The ACTING PRESIDENT pro tempore. Without objection, it is so ordered.

Mr. HATCH. In fact, this city is one

of the best kept and most well financed cities in the world today as a result of the taxes from people all over this country, certainly not here, because only about 29 cents of the taxes here on every dollar pay for the needs of the District of Columbia.

Those who favor House Joint Resolution 554 have accused opponents of being motivated by fear of the "four toos" that the Senators in the District might be "too liberal, too urban, too black, and too Democratic." Such rhetoric completely ignores the serious constitutional flaws which this amendment contains.

Mr. President, I suggest that attaching motives to your opponents which they do not possess undermines the serious purpose of what I hope will be a meaningful debate.

On the other hand, I think there is no question that this is a Federal enclave and a large percentage of residents within the District of Columbia do receive their income and support either directly or indirectly from the Federal Government and indirectly from taxpayers throughout this country.

The District is the only city in the United States with a committee, as we have said, of the House of Representatives and a subcommittee of the Senate wholly devoted to its needs.

As I have repeatedly stated, I am in favor of giving every American citizen the right to vote. There has been no sentiment expressed on my part or on those of my distinguished colleagues who have risen in opposition to this amendment to the effect that those Americans who live within the Federal enclave should not be allowed to participate in our electoral process. As you know, they do except in the area of electing Senators and a Congressman who can vote. The problem, however, lies in the nature of the amendment that is before us, rather than in the intent. My objections stem entirely from the poorly-drafted provisions of House Joint Resolution 554 and the new problems these poorly drafted provisions would create.

In addition, I have lots of problems with the fact that this amendment attacks the very basic foundation of our Federal Republic.

When our Founding Fathers established this country, they were concerned about the strength of a central form of government. They were concerned about putting too much power in a monarch or too much power in a select few people who might govern us, and so they wanted to diffuse this power by establishing various States, 13 at the beginning of this country, and these various geographical entities would determine, through representatives sent to Washington, the limits of that power in Washington. And if the representatives did not determine and circumscribe the limits of the central form of government, then two other ways we have provided for doing it.

No. 1, the Executive, who himself could circumscribe the central form of government, and a number of Presidents of the United States have done just that by not allowing the Federal Government to expand to such unprecedented dimensions as we have today. A number of them have done just the opposite, and we have had, in essence, 42 of the last 46 years of one-philosophy rule, and that is building bigger and bigger and greater and greater government in Washington, D.C.

That was contrary to the ideals of the early Founding Fathers who were afraid of too central a government, and were reacting against too much monarchial control, and so in addition to the President and Congress, they established the Supreme Court of the United States which itself has been continually expanding the power of the Federal Government but on occasion curtailing that power as it should.

As I have said before, the proposed amendment treats three different kinds of voting procedures—electing Members of Congress, electing the President and Vice President of the United States, and ratifying amendments—as one and the same, allowing residents of the District to participate in direct election of the latter two items, privileges which no Americans now possess, including the residents of the District of Columbia. In other words, the District, unlike the States, has no legislature, and the resolution now before us would seem to give District residents the right to ratify or reject constitutional amendments by direct election or direct ratification.

No other citizen in this country has that right. Although section 2 of this amendment vaguely speaks of "The exercise of the rights and powers by the people of the District and as shall be provided by the Congress," it is not at all clear which politcal body would exercise those powers.

If ratification is determined "by the Congress" the Congress suddenly has new power to ratify the amendments it proposes in direct contradiction to the explicit language of article IV of the Constitution.

Similar problems arise with the question of electoral votes which are always cast in the form of electors chosen by State legislatures. Again the District has no State legislature. Congress does not possess the authority to appoint electors, so we must assume that this proposed amendment would endow District voters with the right to choose the President and Vice President by direct popular vote, which no other State can now do.

There are those in Congress today and in the Senate today who would like to have direct election of the President, in spite of the fact that our electoral college system, our system of electing the President, has worked well ever since the beginning of this country, and there are arguments that can be made for direct election of the President.

But the fact of the matter is that as of right now we do not have that, and I think there are very good reasons why we do not have it. I, for one, hope we never have it, because I do believe that our Founding Fathers, in their infinite wisdom, and I believe they were inspired in formulating the Constitution, but in their infinite wisdom, decided to have the electoral college.

All I can say is that as the Federal Government is the single largest interest group in the District, the Senators representing this city would be little more than spokesmen for that interest. They would not face the competing interests which are found in the States themselves, which must be balanced against the national interest.

I would again like to emphasize the fact that my objection has nothing whatever to do with whether Senators from the District would be "too liberal," "too urban," "too black," or "too Democratic." My objection simply focuses on the fact that this amendment ignores the intent and, I think, the intent was a wise one, of the framers to have the seat of the National Government in a neutral enclave, and it would obviously lead to further overrepresentation of an expanding Federal bureaucracy.

When the Founding Fathers decided we would have a representative form of government rather than a monarchical form of government or a super strong central form of government, which, it seems to me, we are now evolving into, and to which this proposal would give even more impetus, that they did so because they realized that the States themselves are geographical entities with diverse populations, many cities with differing intents and viewpoints, residing in counties with diverse interests such as agricultural, mining, manufacturing, and so forth, and that there would be a diversity of representation from each State rather than a solidarity of representation.

In hardly any State in our country today is there a complete solidarity of viewpoint politically, philosophically, morally, ethically, or otherwise.

So when a Senator comes back here to represent his State and his country, this Senator represents a diversity of interests, and he has to balance those diversities of interests in order to be a good Senators. He has to think of all the problems, not just, if he is liberal, establishing a stronger central form of government, establishing a greater bureaucracy, to interfere with all of our lives which is, of course, the hallmark of those, it seems to me, who are called "liberals" today.

They have been the people who have saddled us with this almighty Federal Government that is telling us what to do, when to breathe, how to act, what to fish for, what kinds of plants to establish, and you can go on and on and on.

The Federal Government has interfered so much that the cost of living has escalated to the point where I wonder how people who live on the average income in our society get by. Sometimes I think there is a dividing line where many people feel it is better to be on welfare, better to be on transfer payments, than it is to get out and work, even though

they can have a job and are capable of working.

Not too long ago I met a man who runs a series of dry cleaning shops in this area. He has his people trained, they are essential to his business. It is a year-round business. It is not just a seasonal business. But every spring about 15 percent of his employees in this area just quit.

Now, ordinarily when you quit a job you are not entitled to transfer payments. You are not entitled to unemployment insurance. You are not entitled to some of these benefits that we so often take for granted today.

But these people get them because nobody is going to reject them. Nobody is going to make them stand up and be counted.

He goes down to the unemployment office and says, "Look, I need all these people, I can give them jobs, I will keep them working, and they will be paid well. Why should they just quit and still go on relief or welfare or unemployment compensation?"

He has received some very deaf responses; deaf ears are turned to him, and that is because of some of the liberal central government mentality that continues to demean many citizens in our society by keeping them on welfare and taking away their responsibilities and their obligations to work, and the self-esteem which comes from it.

I remember not too long ago we were arguing about the minimum wage and what we wanted to do was to have a youth opportunity wage differential to give at that time 42 percent of our young black youth an opportunity to work. What we were going to do was allow employers, as an incentive to hire these young people, pay 85 percent of the prevailing minimum wage which, of course, has been expanded from last year, from $2.30 an hour to $2.65; the first of this year $2.90, then $3.15, and then $3.35 an hour. All it would do would be to give them the right, as an incentive, to hire, to pay 85 percent of the prevailing minimum wage for a 6-month period. That bill was shot down in the United States Senate.

Three years ago I filed a bill called the job opportunity bonus bill. That bill is to give people who are structurally unemployed, basically unemployable people, the opportunity of working. What it would do would be to give any employer, as an incentive, a job opportunity bonus at the end of a year if he will employ the structurally unemployed people for a year or better and train them. At the end of that year the employer would be entitled to a job opportunity bonus of between $2,500 and $4,000.

People say, "Well, are you not using the Federal Government to do that?" That is right. But the fact is it will not cost us a dime because we will be taking these people off unemployment rolls, these people who are formerly unemployable, and giving them opportunities to get out and work, and giving them opportunities that they otherwise would not have because, as you know, when a young person is unemployed for 2 years he then becomes unemployable.

You know I am finding that the liberals here in the Congress are not interested in this type of solution because they owe an obligation and fealty, it seems to me, to certain special interest groups that want to keep the marketplace, as they want to keep the employment marketplace, completely monopolized by their particular groups, and not allow the competition that can arise in a free enterprise system, in a free economic system, that is allowed to work as this system should be allowed to work.

Well, I do support the idea of the District of Columbia residents having the right to vote for representation. I do not think that is the issue that needs to be debated. I think they ought to have that right.

But, on the other hand, I notice that some of the liberals here in Congress who know darned well that this amendment has almost no chance at all of being ratified by 38 States—it will be ratified by a number of States, but I think almost anybody would admit it has a very difficult time being ratified by 38 States. It is a good political issue, I suppose, if you can convince people that the four "too's" really are accurate.

I suppose that instead of solving the problem as it could be solved by either retrocessing to Maryland and allowing Maryland to make that decision—I suspect that Maryland would make the decision. I suspect the people would be glad to have these citizens paying taxes into Maryland and participating in Maryland. But nobody will know until they are given the opportunity, which could occur in a matter of a few years rather than the 7 years it would take here, if at all, and the odds are it will not be at all.

So for all the liberality, for all of the desire to give District citizens a right to vote, this simply is not the way to do it. It is a nice political approach, but it is not the way to do it.

I suggested that if you do not like the retrocession idea then why do we not consider allowing the residents of the District of Columbia voting anywhere they want to? They can vote in the State of their choice or if we think that is unconstitutional or unsound let us give District of Columbia citizens the right to vote in the State of their last residence or the residence of their ancestors.

Mr. President, these are issues that I think could be resolved. I think we could have them resolved in a very short period of time, rather than in the lengthy period of time, probably without success, that this approach involved.

Nevertheless, as I say, there is a seeming lack of interest among the liberals to have a short term, good approach that would solve these representation problems for the residents of the District of Columbia.

I think it is pretty important to note that Washington, D.C., is steadily decreasing in population. As a matter of fact, it appears that the number of blacks is decreasing, in proportion to the number of whites, to the point where some are indicating that the proportions will be about 50–50, blacks and whites, probably by the year 1990, certainly by the year 2000. I do not know whether that is true or not, but there is an argument which can be made along those lines.

I think it is important for people to realize that Congress has, through its committees, the committee in the House and the subcommittee in the Senate, made great clinical efforts to keep the District of Columbia in line from a spending standpoint, especially since this Government spends about a billion dollars a year for the District of Columbia, for Washington, D.C.

Let me give you some illustrations. Actually to be appropriated for fiscal year 1979 for the District of Columbia, the appropriations bill demands $1,364,781,500. That is what it is going to take. We have a temporary commission on financial oversight of the District of Columbia that costs us $3 million a year. We have a $238 million Federal payment to the District of Columbia, $10,300,000 for payment in lieu of reimbursement for water and sanitary sewer services furnished the facilities of the U.S. Government; $9,900,000 for repayment of RFK Stadium bonds, added by the Senate committee. As to the division of the money, it has provided for payments such as $1,287,291,500 for general operating expenses, including $265,961,200 for public safety, $283,605,400 for education, $18 million for recreation, $283 million for human resources, $78 million for transportation, $72 million for environmental services, $69 million for personal services, $323,000 for settlement of claims and suits, $120 million for repayment of loans and interest, and $77 million for capital outlays.

The provisions of oversight which Congress has exercised on the District of Columbia are as follows:

First. All vouchers covering expenditures of paid by check issued by designated disbursing official; second, when amount is specified for particular purpose, amount to be considered maximum amount for that purpose; third, funds, when authorized or approved by Mayor, to be used for privately owned conveyances used on official business at 13 cents per mile (but not to exceed $45 per month) for automobiles and at 8 cents per mile (but not to exceed $30 per month) for motorcycle, except that 113 (including 18 for veneral disease investigators) such automobile allowances at not more than $715 per year.

Fourth, funds to be used for travel expenses and dues to organizations concerned with District of Columbia Government work when authorized by Mayor; fifth, no funds to be used in any way with regulation or order of Public Service Commission regarding installation of meters in taxicabs, and so forth; sixth, no funds to be used for payment of rates for electricity for street lighting in excess of 2 cents per kilowatt-hour.

Seventh, funds to be used for payment of any judgment entered by any court against District of Columbia Government except requiring payment for electricity for street lighting at rates in excess of 2 cents per kilowatt-hour; eighth, funds to be used for public assistance from District of Columbia; ninth, funds available for obligation only in fiscal year 1979; tenth, no funds to be used to pay for chauffeur or driver for any District of Columbia officer or employee, except for Mayor, chief of police, and fire chief with $12,000 per year limit on such payment.

Eleventh, pay for overtime or temporary positions may not exceed 4.5 percent of total funds; twelfth limit on authorized travel and per diem costs outside District of Columbia, Maryland, and Virginia to be $225,000; thirteenth, sets personnel ceilings as follows: (a) 37,239 full-time employees appointed to permanent, authorized positions and (b) temporary or part-time employees limited by month to same so employed in same month last fiscal year; fourteenth, no funds to be used for partisan political activities, except school buildings may be used by any community group during nonschool hours; fifteenth, provide annual District of Columbia budget for fiscal year 1980 to be sent to Congress by February 1, 1979; sixteenth, no funds to pay employees whose names and salaries are not available for public inspection.

Seventeenth, no funds to be used for publicity or propaganda, and so forth, dealing with lobbying legislation before Congress or any State legislature; eighteenth, no funds to be used to supplement salary of CETA employee if effect is to provide salary in excess of GS–9, step 1, level (added by Senate committee); nineteenth, no funds to be used to supplement salary of CETA employee if that employee has been CETA employee for total period in excess of 24 months (added by Senate Committee).

Twentieth, no funds to be used to supplement salary of CETA employee who works for an elected official or who works on city council committee staff (added by Senate committee); twenty-first, no funds to be used to supplement salary of CETA employee hired subsequent to passage of bill if that CETA employee is to be assigned to any agency of city government that already has CETA employees in number in excess of 10 percent of its appropriated employment base, except not applicable to agencies with 10 or fewer employees (added by Senate committee); and, twenty-second, provide last four provisions dealing with CETA employees to become inoperative on date of enactment of CETA Amendments of 1978.

This is an incredible degree of control which Congress, both the Senate and the House of Representatives, exercises over the District of Columbia. Why have they wanted to do this? Is it because Congress is vicious, and just wants to mistreat D.C. citizens?

The reason that Congress keeps all these controls is that it has got to. But where do the controls go when you have two Senators and a Representative from a city?

The Founding Fathers never intended cities to become States. They never intended a city to have two Senators. As a matter of fact, the reason why we have Senators is so that they can represent geographical areas with diversity of interests, and represent the whole country as well, so that we have a chance of having people of diverse philosophical interests here in the Senate, and it is not all one point of view, so that we will have true and effective debate in the U.S. Senate. Not cities. It is ludicrous to say that New York will now have a right to argue that it should have Senators. My goodness, why is that so ludicrous? There are 8 million people in New York, or approximately that many, better than 10 times the number of people in this city. I am sure a lot of their boys got shot up in the wars, also.

Why should New York City not have Senators so its citizens can have their interests represented? It is ludicrous to argue that, and yet is it, in light of this amendment? If the Founding Fathers intended cities to have Senators, they would have provided for that. They did not intend them to have Senators; they intended geographical States, with diversity of interests, to have Senators, so that we would have diversity of interests in the U.S. Senate.

That is a tremendous difference.

Some have said here on the floor of the Senate that those who argue against ratifying this amendment giving the District representation in the Congress do so out of a fear that the new Senators may be black. I, for one, would like to see more black Senators here. I do not think it would hurt this body one bit. As a matter of fact, it would be a good thing for this country. Those fears are without justification. Besides, there is no certainty that D.C. Senators will always be nonwhite. Even if blacks are elected, there is no reason to believe that they would not represent the District's white population, which is increasing.

Granting voting representation to the District would demonstrate, it seems to me, this Nation's commitment to equality in human rights. And yet, if the District were to have two voting Senators, without, at the same time, having the attributes of statehood, I think it would be a denigration of the rights of the sovereign States throughout this country. That is something to think about.

It would be contrary to the intent of the framers of the Constitution, as it was the intent of our Founding Fathers, that the seat of the National Government be located in a special area, set aside for that purpose only, outside the jurisdiction of any State, secure from harassment and free of entangling interests. Accordingly, they made provision for the establishment of a Federal district over which the Congress would have exclusive legislative authority and plenary power.

Clause 17 of article I, section 8, was referred to by James Madison in Federalist No. 43 as follows:

> The indispensable necessity of complete authority at the seat of government carries its own evidence with it. It is a power exercised by every legislature of the Union, I might say of the world, by virtue of its general supremacy. Without it not only the public authority might be insulted and its proceedings interrupted with impunity, but a dependence of the members of the general government on the State comprehending the seat of the government for protection in the exercise of their duty might bring on the national councils an imputation of awe or influence equally dishonorable to the government and dissatisfactory to the other members of the Confederacy. This consideration has the more weight as the gradual accumulation of public improvements at the stationary residence of the government would be both too great a public pledge to be left in the hands of a single State. . . .

It is apparent that the District was not intended by the framers to be a "State" in the same as sense as the members of the Union. This would have created another sovereign power in the Nation's Capital which might come in conflict with the Federal Government on some issues. Those elected to represent the residents of the District would place the needs and concerns of Washington, D.C., paramount to the national interest. Giving to District residents the voting leverage in the Congress would enable them to put undue pressure on the Congress.

Because of the framers' notion that the Federal Government should have exclusive jurisdiction over the District, they did not consider the need for representation in the Congress for the residents of the Nation's Capital. Their failure to provide for representation once the District was established as the seat of government was not entirely an accident of history. It was anticipated that the people of Washington could have what Madison in Federalist No. 43 termed "a municipal legislature for local purposes, derived from their own suffrages." On the other hand, representation in the Congress was a privilege exclusively reserved to the States. Had they thought of representation in the Congress the Founding Fathers would probably have rejected it, to prevent the kind of local influence, control and conflict that they wished to avoid in a National Capital.

GRANTING THE DISTRICT FULL REPRESENTATION "AS THOUGH IT WERE A STATE" WOULD VIOLATE THE CONSTITUTION AND WORK A QUALITATIVE CHANGE UPON OUR FEDERAL SYSTEM

The provisions of the Constitution dealing with the Congress and the electoral system make clear that only States can have full representation in the National Legislature. Article I and the 17th amendment use the word "State" in reference to membership in the Senate and the House of Representatives. There is no language to suggest that the District or any political entity other than a State would qualify for voting representation in either Chamber.

The courts have held that the District is a "State" for some purposes and not

for others. No less a constitutional expert than Chief Justice John Marshall held that the term "State" as used in the first and second articles of the Constitution referred only to members of the Union and did not include the District. Subsequent Supreme Court decisions have not overruled that view.

For purposes of representation in the Congress, the District cannot be considered a "State" since it lacks the powers common to States. It is totally unlike these distinct political entities which are independent and sovereign members of the United States.

Under article I, section 8, clause 17, the Congress has the power of "exclusive legislation" over the affairs of the District. Congressional authority over the District is equivalent to that of a State legislature over a State. The Congress can exercise all the police and regulatory powers which a State or municipal government possesses. Even though the District, under home rule, exercises many of the powers of a State—for instance, it can tax and spend, legislate and execute laws, prosecute criminals, administer justice, and the like—it is completely dependent upon the Congress for many things, including its budget and appropriations for the operation of the city. The Congress can, for instance, veto the decisions of the city council. It could even abolish the city government altogether, if it so desired, as it did in the 1870's after some 50 years of home rule. So long as clause 17 of article I, section 8, is in effect and the District remains the seat of the Federal Government, the people of the District will not have the complete right to structure their own government as they like or to legislate on purely internal affairs as they see fit.

Therefore, the District lacks the necessary indicia of sovereignty which would make it a "State" within the meaning of the Constitution. To give it full representation in the Congress and treat it "as though it were a State" would not make it so. The proposed amendment would merely introduce a new political entity within the federal system, a unique creature having rights heretofore accorded only to a State, and, in fact, as we pointed out, rights in addition to those that citizens of States have.

To allow the District to elect a U.S. Representative and two Senators without also elevating its status to that of a State is to treat as a State an area which lacks the essential elements of a sovereign State. To create a "pseudo-State" or "quasi-State" and grant it full representation would do violence to the Constitution and undermine the nature of the federal system in our Republic.

It should be noted that, except for the 13 original States, the only areas which have achieved voting representation in Congress have done so by becoming States pursuant to the congressional power to create new States under article IV, section 3, clause 1 of the Constitution.

I could go on and on, but, Mr. President, I ask unanimous consent that we have a quorum call, with the time proportionately divided between the two parties.

Mr. KENNEDY. I object.

The ACTING PRESIDENT pro tempore. The objection is noted.

Mr. HATCH. I suggest the absence of a quorum.

The ACTING PRESIDENT pro tempore. The clerk will call the roll.

The legislative clerk proceeded to call the roll.

Mr. HATCH. I ask unanimous consent that the order for the quorum call be rescinded.

The ACTING PRESIDENT pro tempore. Without objection, it is so ordered.

Mr. HATCH. I ask unanimous consent that we have a quorum call, with the time to be divided proportionately.

Mr. KENNEDY. Well, it is 1 to 3 in terms of the time.

Mr. HATCH. Then it would be 1 to 3.

Mr. KENNEDY. I should certainly agree to that tomorrow, but just today, with 2 hours versus the 6 hours——

Mr. HATCH. Is it 1 to 3 both days?

Mr. KENNEDY. Yes. I should be glad to do it tomorrow, but we can get to a de minimis situation where the other side has hours and we are changing off minutes.

Mr. HATCH. Let us divide it proportionately, but in any event, I ask unanimous consent that the proponents of the amendment not be reduced below an hour, an hour total time today. In other words, we shall charge it proportionately right now and——

The ACTING PRESIDENT pro tempore. Is there objection?

Mr. MELCHER. Will the Senator inform me on what amendment it is?

Mr. HATCH. What we are going to do is have a quorum call. I have asked unanimous consent to have a quorum call divided proportionately, but that, in any event, the time of the proponents of the amendment not go below an hour on this quorum call.

The ACTING PRESIDENT pro tempore. Is there objection? Without objection, it is so ordered.

The clerk will call the roll.

The legislative clerk proceeded to call the roll.

Mr. MELCHER. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The ACTING PRESIDENT pro tempore. Without objection, it is so ordered.

Mr. MELCHER. Mr. President, would the manager grant me some time?

Mr. HATCH. I yield 20 minutes to the distinguished Senator from Montana. If he needs more, I will give it to him.

The ACTING PRESIDENT pro tempore. The Senator from Montana.

Mr. MELCHER. I thank the Senator for yielding me the time.

Mr. President, as I said Thursday, I think there is a paramount issue here that is so basic that there should not be much argument over it. That paramount issue is whether or not some citizens of this country can be denied the right of voting for representation in both the House and the Senate.

I have long felt that the framers of the Constitution erred, made a grievous mistake, in requiring that residents of the District not be allowed to vote. It seems a very profound contradiction of many fine concepts on individual liberty, individual justice, and individual citizen's rights we find throughout the Constitution.

So I am very much in favor of ending that wrong. However, it occurs to me there are a number of ways to correct it that have always been available to the Congress, to correct a contitutional flaw, and I consider this a rather grevious constitutional flaw.

I wonder if the Senator from Massachusetts would accommodate me by expressing his opinion on a point or two concerning the historic aspects of this constitutional requirement, or constitutional prohibition, against citizens of the District voting.

Would the Senator yield to me for answering some questions?

Mr. KENNEDY. I am delighted, to the best of my ability.

What I would like to do is yield, though, on the time of either the Senator from Montana or the Senator from Virginia, since there is a three-to-one time differential. Otherwise, if we are going to get into a dialog or discussion, I would be restrained just to respond briefly.

The ACTING PRESIDENT pro tempore. All time on colloquy is being charged to the Senator from Montana's 20 minutes.

Mr. MELCHER. I thank the Chair and I thank the Senator from Massachusetts for agreeing to the colloquy.

Would the Senator agree with me that the Constitution as drawn and accepted had this basic flaw: the prohibition against residents of the District being able to vote for representation in the Congress?

Mr. KENNEDY. The Senator is correct, but it is more an oversight than a prohibition.

Mr. MELCHER. I thank the Senator.

If the framers of the Constitution had not made that error, what would have been the outcome if the District of Columbia had been treated in the Constitution fairly and without that prohibition? What would be the consequence right now?

Mr. KENNEDY. Where would they have voted?

Mr. MELCHER. No. If the Constitution had not prohibited the residents of the District from electing Representatives to the House and operating in the procedure then provided in the Constitution for election of Senators, what would have been the effect precisely? Where would somebody that lived on the other side of the Potomac be voting on now, and where would the resident of the District on this side of the Potomac be voting for House members and Senators?

Mr. KENNEDY. That has to be answered in the context of the history of the period.

The history of the District of Columbia, as I pointed out in the debate last week, began with the Philadelphia

mutiny in 1783, when soldiers from the Continental Army besieged the Continental Congress in Philadelphia. Later at the Constitutional Convention in 1787, the Founding Fathers decided to create a separate Federal district, under the exclusive control of Congress, in order to protect the seat of government.

In the First Congress in 1790, the geographical site was discussed. There was a debate over whether the site was going to be in the northern part of the country or in the South. An accommodation was made under which a southern site was chosen, in return for the agreement of the southern States to allow the Federal Government to take over the debts owed by the States from the Revolutionary War. As a result, Maryland and Virginia ceded certain lands to the Federal Government, from which the site of the District of Columbia was chosen. The two portions are shown on the map at the back of the Senate Chamber.

If we were asking about the understanding at the time Article I was written, there was no understanding, since no site for the capitol had been chosen.

The founders simply did not address the question of whether or not the residents of the capital area would have a vote in the House or Senate. It was an oversight.

The question was asked earlier whether there was a flaw in the Constitution. I would say, "yes," but I believe it was more in the context of a historical oversight. Now, 200 years later, we are dealing with a completely different situation.

Mr. SCOTT. Mr. President, will the distinguished Senator from Montana yield briefly?

Mr. MELCHER. I will yield briefly after making this comment, then perhaps the Senator will want to comment with us.

That does not seem to answer the question I asked: What if there were no prohibition in the Constitution of residents voting for representation in the Congress.

Now I yield to the Senator from Virginia because I suspect he would like to discuss this.

Mr. SCOTT. Mr. President, I want to clarify the allocation of time. If this were a compromise arrived at in which the sponsors of the bill have 5½ hours, if the distinguished Senator from Massachusetts responds to questions I would expect them to be charged against his time because he willingly entered into this agreement, and, to me, if we decide the time we have with the distinguished Senator from Massachusetts, when we had only 5½ hours at the beginning of today's session, for 2 days, we will not have the time we need for the opposition to speak.

So that was the understanding.

Mr. MELCHER. Mr. President, if the Senator will allow me to inform him of what transpired prior to his walking onto the floor, I asked the Senator from Massachusetts whether he would be willing to answer these questions because I think they are pertinent to the whole debate.

I also asked for time, was given 20 minutes, and additional time if I felt it were necessary.

Mr. SCOTT. Mr. President, of course, the distinguished Senator from Montana can use his 20 minutes as he sees fit. After the lapse of 20 minutes, I would ask that the Chair allocate the time in the manner that was agreed upon.

Mr. MELCHER. Mr. President, if I am going to participate in this debate, I would just as soon participate in it on my own terms. I think it is very appropriate that the Senator from Massachusetts, who only has one-third the amount of time that the opposition has, be able to reserve his time. I prefer to use this time on my own, in drawing out what I think are some pertinent points and the basic point that should be debated on this issue. The Senator from Massachusetts has been very kind in agreeing to this.

(Mr. ZORINSKY assumed the chair.)

Mr. KENNEDY. The Senator from Montana, who has followed this debate and has discussed it with enormous interest and with great seriousness, wanted to enter into a dialog. I indicated that I could respond to his questions, but a fuller examination, which I think the Senator from Montana deserves, would take additional time.

We can do it in whatever way the Senator desires, and I will be glad to proceed now to respond to any questions.

Mr. MELCHER. I thank the Senator.

My question is this: If there were not a prohibition in the Constitution against the residents of the District voting for representation, what precisely would be the case with respect to their voting today?

Mr. KENNEDY. The Senator asks a very hypothetical question. He asks, if the Founding Fathers had not created a Federal district, what would they have done instead? I do not know. Perhaps the Capital could have been located in Philadelphia or now as it was for temporary periods at the beginning.

If the Senator is going to ask what else might have been in the minds of the Founding Fathers at the time they did the drafting, he will have to answer me as to whether at that time they anticipated the Capital was going to be somewhere else, in Philadelphia or in New York.

Mr. MELCHER. I will be delighted to answer.

Mr. KENNEDY. Let me complete my question.

If the answer is that it was going to be located in Philadelphia or New York City or Boston, then I imagine that the people who lived in that area would be represented in the House of Representatives and in the Senate of the United States. But it is impossible to determine what else might have been in the minds of the Founding Fathers, if they had not created a Federal district. I suspect that, if they had picked on very populated location, the people in the Capital area would have been given the right to representation in the House and Senate. But that is just a guess. In fact, they left the site open, for Congress to decide a few years later.

Mr. MELCHER. My answer to it—and I invite the Senator to respond to my answer if he disagrees—is this: The Senator says, "What if it had been Philadelphia for the Capital?" My answer is that whether New York, Philadelphia, or the District became the Capital, if there were not a constitutional prohibition against those residents voting for House Members and for Senate Members, they would be voting just exactly the way the people of New York and Philadelphia are voting today; and that is the way they would be voting today in the District of Columbia if there had not been a constitutional prohibition.

Does the Senator disagree with that?

Mr. KENNEDY. It is all speculative. We do not know who they thought would have been representing the people in the Louisiana Purchase area. Would they have been represented in the Congress of the United States? Who is going to be able to say today, looking back to then, how many States actually would have been developed in that area, or how congressional representation would have been worked out. It had to be developed over the years.

What we are talking about is the evolution and development of a federal system. We cannot take the relationship as it exists today, and relate it back to 1787. We cannot say that in their magnificent wisdom, the Founding Fathers—who drafted the greatest document for the protection of individual rights and liberties ever known—intended that the 700,000 people in the District of Columbia in 1978 were not going to vote. We cannot say that, therefore, we should not be overriding their decision. They simply did not, and could not, foresee what 200 years were to bring. As I understand the Senator's question, it is a hypothetical question, and it can only be answered with additional questions.

Mr. MELCHER. I still go back to the same point: It is a prohibition against the residents of the Capital City voting. If such a prohibition had not been in the Constitution—and the Senator from Massachusetts has agreed with me that such a prohibition was wrong at the time and should not have been in there—if the Constitution were silent, rather than the prohibition, obviously wherever the Capital City was, wherever the Federal city was, the residents would be voting, as they do in other cities, for their Representatives and their Senators.

Does the Senator not agree with me?

Mr. KENNEDY. As I have said, it was basically an oversight. The Founding Fathers, at the time they drafted the Constitution, did not understand what the nature of the district was going to be. There was no decision, at the time of the drafting of this, about where the Capital was going to be. It was only several years afterward that the States of Virginia and Maryland actually ceded the land.

And even in the period 1790 to 1800, when the District was being set up as the seat of government, the citizens continued to vote in Maryland and Virginia elections. They voted in that manner in the Presidential election of 1800. But on the date specified for the Federal takeover in the 1790 act—the first Monday in December, 1800—they lost their status as citizens of the States of Maryland or Virginia, and they lost their right of representation. In 1801, there was an immediate outcry by the people against this loss of rights. But they were only two small communities—Georgetown and Alexandria, with populations of about 5,000 each—far too small to be a State or even a congressional district. Their protests were of no avail. But the historical point is that it was not until 1800 that they actually lost out as their right to representation, long after the Constitution was ratified.

At the time of this oversight in 1787, the intent of the Founding Fathers was to deal with the issue presented in Philadelphia, in 1783, when dissident soldiers invaded the Continential Congress and demanded payment. They were attempting to deal with the issue of the right of Congress to protect itself and to protect the capital.

We cannot stretch that point, or suggest they foresaw the fact that, at some time farther down the road, years later, land would be added and rights would be lost.

Mr. MELCHER. The Senator uses this word "oversight" in connection with the Constitution and this prohibition against the residents of the District voting.

Why does the Senator want to use the term "oversight"? "Oversight" would mean something you forgot, something you did not think of.

Mr. KENNEDY. That is correct.

Mr. MELCHER. As I read it, it is explicit, it is a prohibition against those residents voting. That is not forgetting something. That is being firm and saying, "We envision that they are not going to vote."

Does the Senator read the Constitution differently than I do on that point?

Mr. KENNEDY. No. I think any reading of the debates at the Constitutional Convention would not support the Senator's point. There is no specific prohibition. The prohibition arises indirectly, because the Constitution said that States were to be represented by the House and Senate.

Mr. MELCHER. I do not want to go into the debates. I want to go into the principle in the Constitution that we have to live with.

Mr. KENNEDY. The Senator is asking me what the Founding Fathers were thinking. It is my position that it was an oversight. There was no District of Columbia, no large city, no 700,000 people. There is nothing in the constitutional debates or discussions that would indicate anything other than that. There is nothing in there that said, "Look, we will prohibit people who live in the District from participating in the affairs of our country." There is absolutely nothing to indicate that. As a matter of fact, there are important statements to the contrary.

In Federalist 43, Madison refers to the District in this way: He speaks of the fact that the people "will have had their voice in the election of the government which is to exercise authority over them." That is consistent with the view that they should be represented in Congress.

That is what the Founding Fathers were talking about.

. . . as they will have had their voice in the election of the government which is to exercise authority over them; . . . .

Mr. MELCHER. Meaning in the District.

Mr. KENNEDY. Meaning in the Congress and Senate of the United States. That is what those words mean, I say to the Senator. It is a government over them if you can draft them and send them to Vietnam and can make them pay their taxes. These Founding Fathers had been out fighting a revolution. Madison uses the words " * * * as they will have had their voice in the election of the government which is to exercise authority over them; * * *" which suggests a right to be represented.

Mr. MELCHER. I agree completely with the Senator from Massachusetts.

Mr. KENNEDY. That is good.

Mr. MELCHER. We are in agreement on that.

Does the Senator not read a prohibition against that very thing in the Constitution as it was drafted and adopted and is before us today?

Mr. KENNEDY. There is no specific prohibition. They never even thought about this aspect of the District. It was too remote in the future. They were settling the immediate problems.

Mr. MELCHER. In relationship to the seat of the Government where the Federal enclave was and those residents were not to be allowed to vote.

Mr. KENNEDY. No. I do not agree.

Mr. MELCHER. If the Senator does not read it that way why do we want to amend the Constitution?

Mr. KENNEDY. They were talking about the functions of the Government, the institutions of the House and the Senate of the United States, the building of the Capital and their security. We are talking now about the 700,000 people who have bakery shops, supermarkets, and mom and pop stores. Through the accident of being born here or living here and paying taxes here and sending their sons and daughters to war. They should be entitled to vote.

Mr. MELCHER. I agree.

Mr. KENNEDY. That was never foreseen.

The PRESIDING OFFICER. The 20 minutes yielded to the Senator from Montana have expired.

Mr. KENNEDY. It was never foreseen.

Mr. MELCHER. I ask the Senator to yield me another 15 minutes.

Mr. SCOTT. I am glad to yield an additional 5 minutes to the distinguished Senator and regret due to the limitation of time not being able to yield more at this time.

The PRESIDING OFFICER. The Senator from Montana has 5 additional minutes.

Mr. MELCHER. I thank the Senator.

What the Senator states is in perfect agreement with what I espoused, that the people regardless of where the district was going to be, regardless of what you call it, should have the right to vote. Who knows? What if the capital had been in Philadelphia or New York? They would never sell the idea that some enclave within that city would not be allowed to vote. The same is true here in these circumstances in this enclave.

We talk about ceding the land from Virginia to the District and from Maryland to the District. That part that was ceded from Virginia went back to Virginia and those people, of course, have their full voting rights. That part that was ceded from Maryland for the District is still separate. But it would not make any difference if there were not a prohibition within the Constitution. Those people would be voting just the way the rest of the people in Maryland are voting today and they would have been voting in Maryland throughout all the time since the creation of the District.

The Senator from Massachusetts and I do not disagree on the basic concept, but what the Senator from Massachusetts does not agree on is that having that historic background, if the Constitution had not had the prohibition in there, these citizens in the District would be voting in Maryland today as they should have been all during this time. The Senator from Massachusetts agrees with me. There is a flaw in the way the Constitution was drafted. He agrees with me on that point. But what he cannot conceive is that if that flaw had not existed—and to waltz around the point as this being something no one had thought of, no one had conceived there would be so many people living around the Nation's Capital at this time when they drafted the Constitution, that does not mean anything—if that prohibition had not been written into the Constitution, they would have been voting.

We are amending the Constitution because of that prohibition. If it were necessary just to correct some flaw that Congress had made, we would correct that by law by changing the statute. But we are amending the Constitution because it is a constitutional prohibition. I say that the proposition should never have started. The people were denied the right to vote. I say that the correction should be made. Part of the correction was made when part of the District was ceded back.

I now say that a complete correction of that law in the Constitution could be made as if it had never begun in the first place, as if there had never been a constitutional prohibition against those people living here to vote. They would have been voting in Maryland all that time. That correction can be made now.

Does the Senator find fault with that argument?

Mr. KENNEDY. I will respond.

I do find fault with the argument to be very specific.

Mr. MELCHER. I reserve the remainder of my time because I deeply want to listen to the fault of the argument.

The PRESIDING OFFICER. The Senator has 1 minute remaining.

The Senator from Massachusetts.

Mr. KENNEDY. Mr. President, the argument which is made by my friend and colleague from Montana is basically the retrocession argument, which we debated during the past several days. The Founding Fathers established a Federal district. It is quite clear from a reading of the Constitution, as well as the circumstances of the time, that they did not anticipate where the district would be located, what the population of the district would be, or any other factor.

The fact of the matter is that the site of the Nation's Capital was originally swampland and marshland. That was 200 years ago. The argument of the Senator from Montana is, "Well, because it was Maryland swampland and marshland 200 years ago, now we should give it back to Maryland," even though the Maryland Senators and Maryland legislators, the Maryland people, say that this is an unacceptable situation. They understand that the country has changed after 200 years. There has been the development and the fashioning here of an entirely unique and separate entity, a community of 700,000 people, which is no more associated today with Maryland than it is with Virginia, or Montana, or any other State.

The Senator's point is an entirely different thing from the historical background of the retrocession to Virginia in 1846. That was accomplished with the consent of Virginia. There had been no Federal buildings located there. Partly, that fact is attributable to the embarrassment felt by George Washington who had gone outside the scope of the 1790 Act to locate the site of the Capital near Mount Vernon. So he decides not to use Virginia for any functions of the Federal Government. The Virginia retrocession was also involved in the creation of the State of West Virginia. The slaveholding eastern part of the State needed the votes of Alexandria to offset the abolitionist western part of the State. But the retrocession made no difference—in 1863 after the Civil War had begun, West Virginia entered the Union as a separate State.

The retrocession of Virginia is an entirely different historical development.

It is not a precedent in 1978. The lack of congressional representation for the District was an oversight in 1787, and that oversight should be remedied by separate congressional representation for the District now, not by trying to fit the District back into Maryland.

In addition, of course, the concept of political participation has changed a great deal over the years. Women could not vote in 1787. Slavery still existed, and slaves could not vote. So it is hardly surprising that no thought was given to the possible future representation of the District. Probably, if you had asked the Founding Fathers, they would have said, "Let us wait and see how the capital develops."

Mr. MELCHER. Mr. President, will the Senator yield?

Mr. KENNEDY. If I may finish briefly. On this issue, clearly the action of the founders was an oversight. For almost 200 years, they have been denied what Madison felt, at least from his writings, was their rightful voice in the election of the Government which was to exercise authority over them.

They could not have known what this place where we meet today would have actually looked like. Who knows whether it would have become farm and agricultural land? Who knows whether it would have been a community of 50,000 or 500,000? But the reality is that, 200 years later, it is 700,000 people, who are denied their effective voice in the House and Senate of the United States.

Mr. MELCHER. Mr. President, will the Senator yield?

Mr. KENNEDY. I withhold the remainder of my time. Yes, I yield.

The PRESIDING OFFICER. Who yields time? Does the Senator wish to use the remaining 1 minute of his time?

Mr. MELCHER. No, the Senator yielded to me on his own time.

Mr. KENNEDY. I withheld the remainder of my time.

Mr. SCOTT. I will yield 4 minutes to the Senator, and the Senator has 1 minute, so he has 5 minutes.

Mr. MELCHER. The Senator uses the term "oversight" with respect to women not being able to vote in the Constitution as if that were an oversight. That was very deliberate. Slaves could not vote. There was no oversight. That was very deliberate. They were prohibited from voting.

Abigail Adams, I think, wrote to her esteemed husband, who came from a very auspicious State, something which the Senator from Massachusetts shares——

Mr. KENNEDY. The Senator is quite incorrect. That is not what the Constitution provided. It left the qualifications for voting to the States. That was an issue for the States to decide.

Mr. MELCHER. To which point is the Senator referring?

Mr. KENNEDY. The right of slaves to vote.

Mr. MELCHER. Slavery.

Mr. KENNEDY. And the right of women to vote.

Mr. MELCHER. Women, correct. It would not permit them to vote by constitutional mandate, by saying the States cannot deny that right. The Constitution was deliberate on that, and said that the Federal Government is not of a nature to enforce the right of voting for women, for slaves and, thirdly, for those people who live in what became the District of Columbia, the seat of Government.

It is not an oversight, it was a deliberate act, a prohibition.

The question of retrocession is not the argument that I am making. I am not asking for retrocession. Retrocession involves land. I do not think that is practical to give the District back or to force Maryland to accept the District back. What I am talking about is the question which we have had come up in other areas of Federal ownership.

If you live out here at Andrews in the State of Maryland, an Air Force base, the Federal Government owns it. It is there and they run it. If your residency is there, that is where you claim residency, you vote in Maryland.

What this Federal enclave is is not, however, the same as other Federal enclaves of any nature. This is a prohibition against voting for those people who reside in this particular Federal enclave.

The Senator from Massachusetts dares to treat that deliberate prohibition as some sort of an oversight. It was a deliberate prohibition. I happen to think it was wrong at the time and still wrong now. If that mistake had not been made in the Constitution, the people within the District would be voting in Maryland just as the people in Andrews, which is in Maryland, just outside the District line, a Federal ownership, where they vote in Maryland if that is their residency.

I think this correction should be made, but I do not think that we owe it to the people of the District to give them such power, with two Senators, which they would not have had if we had not had that prohibition in the Constitution. I know of other areas that would like to have a Senator of their own.

I have often thought that Exxon probably would love to have one of their own Senators. But we have never found favor with that sort of concept.

I think we ought to make a correction to this historic flaw in the Constitution without overdoing it and to recognize that if that prohibition had not existed from the adoption of, the time of the adoption of, the Constitution, regardless of where the land was ceded for this Federal enclave for the purpose of the seat of the Government, regardless of where it occurred, the people in there, who live in that area, would be voting in the State in which they lived.

It is perfectly fair and proper that the District should have its own representatives in the House of Representatives, and it follows that it is also perfectly fair that the residents of the District be treated just like the residents anywhere else in this country, where they live on Federal property, that they have the right of residency, the right of voting for Senators in that particular State.

I think it is pretty simple.

The PRESIDING OFFICER. The Senator's 5 minutes have expired.

Mr. MELCHER. I thank the Chair and I thank the Senator from Massachusetts for engaging in colloquy, and I thank the Senator from Virginia for granting me the time.

Mr. SCOTT. Mr. President, I regret the necessity of having to limit the allocation of time to the distinguished Senator from Montana. In fact, we have 5½ hours for both today and tomorrow, and in the event that we use the entire 5½ hours today, or use 5 hours, we would have little or no time to utilize tomorrow.

The agreement which was worked out, however, whereby other Senate business has intervened between the debates on

the proposed constitutional amendment to provide full congressional representation for the District of Columbia, has afforded an opportunity over the weekend to probe more deeply into history.

During the Constitutional Convention there were suggestions that there be proportional representation in both Houses of the Congress but the smaller States were dissatisfied with this suggestion and a 5-to-5 deadlock developed between the States. Therefore, the problem was referred to a committee of 11 to effect a compromise. This compromise resulted in the recommendation that each State should have equal representation in the Senate with representation in the House based upon population.

We turn, therefore, to article I, section 3 of the Constitution which provides "the Senate of the United States shall be composed of two Senators from each State, chosen by the legislature thereof, for 6 years; and each Senator shall have one vote." This was subsequently changed in 1913 upon ratification of the 17th amendment to provide for the direct election of Senators.

We should recall, Mr. President, that ours is a Federal Government, composed of the several States, that only States are represented in the Senate, each having two Members, that in order for the District of Columbia, under our system, to have representation in the Senate, it would have to either be a State or be treated as a State.

Just as States are represented in the Senate, people of the States are represented in the House. It would be as equally violative of the Federal principle to admit voting representation in the House from political entities which are not States as to admit nonstate membership in the Senate. Argument could be made that since no State may be deprived without its consent of its equal suffrage in the Senate, an amendment providing for Senators from the District of Columbia could not be made effective without ratification by all 50 States. The contention is that the admission of two Senators from the District would dilute the power of a State. But this dilution would affect all of the States equally, so that none would be deprived of its equal Senate suffrage.

It would appear that admission of Senators from the District would no more deprive a State of equal suffrage in the Senate than would the admission of any new State into the Union.

We might consider, however, the position of our two most recently admitted States. Both Alaska and Hawaii were territories of the United States and as territories they did not have representation in the Senate.

Today, not only does the District of Columbia have a nonvoting delegate in the House but so does Guam, Puerto Rico, and the Virgin Islands. In the event the District of Columbia was given two Senators could not an argument be made that Guam, Puerto Rico, and the Virgin Islands are equally entitled to have two Senators to represent them in the Congress?

Every Senator is aware that during the 19th and 20th centuries, American citizens left the States of their residence and migrated into new lands, which were subject to the jurisdiction of the United States but were not States.

As migration into these areas increased, they were organized into territories, but at no time did the American citizens residing in the territories elect voting members of the Congress; not until the territory was admitted as a State did it have that representation.

As residents of territories the most representation any enjoyed was that of a single territorial delegate who had no vote. Yet, I am not aware of any widespread belief that the people of the territory were discriminated against because they had no direct voting representation in Congress.

In large part they had left the States where they enjoyed direct voting representation in Congress, willingly surrendering the right of direct voting representation for other advantages they sought in the West. By analogy, the large majority of the residents of the District of Columbia are not native Washingtonians but citizens who willingly left their States in order to live at the seat of Government, surrendering the advantages of direct voting representation for other advantages considered by them to be important.

Some, of course who have retained a legal domicile elsewhere vote by absentee ballot in the States from which they came. Be that as it may, direct representation in the Congress by a voting Member has never been a right of U.S. citizenship. Instead the right to be so represented has been the right of citizens of the States. The design of the Federal Union is a union of States.

No power is conferred upon the Congress, Mr. President, more important than that of proposing amendments to the Constitution. None should be exercised with greater care or vision. Inasmuch as the Constitution is the foundation upon which our Federal Government rests, it would appear that deference should be given to the existing structure of Government and it should not be changed unless there is a compelling reason for the change. The Constitution is a declaration of broad governmental powers and should not be utilized, in my judgment, to meet temporary situations.

Our present system is buttressed on our faith in federalism—independent States join together as a union. This system has served us well and should be altered only for the most persuasive of reasons. If the District of Columbia were given two Senators it would be in a position not afforded any other city in the Union. It would also be in a position not afforded any territory of the United States. So, perhaps we should look once again at the District of Columbia while it was once known as the territory of Columbia, its official designation long ago was changed to the District of Columbia.

The District is unique. It is unlike a territory in its status and characteristics in that it is not an ephemeral subdivision of the outlying dominion of the United States, nor is its government temporarily transitory or impermanent, but rather it is a selected area set apart for the enduring purpose of the Federal Government and it is the capital and permanent seat of the Government of the United States, wherein all of the supreme departments of the Government permanently abide and in which all offices attached to the seat of Government are required to be exercised except as otherwise provided by law.

In article I, section 8 of the Constitution, it is provided that—

> The Congress shall have power . . . to exercise exclusive legislation in all cases whatsoever, over such district (not exceeding ten miles square), as may, by cession of particular States, and acceptance of Congress become the seat of Government of the United States . . .

The Founding Fathers' insistence on having as the seat of Government a place over which the Congress would have exclusive jurisdiction and control as you know was due in part to a soldiers' mutiny which threatened the Continental Congress meeting in Philadelphia and the failure of either the city or State to protect the Members. The District of Columbia was choseen as the permanent seat of Government so decisions affecting the entire Nation could be made free from undue influence of any State and immume from harassment or political entanglement.

Mr. President, a few minutes ago during the dialog between the distinguished Senators from Montana and Massachusetts, the question of Madison's remarks was brought up. The distinguished Senator from Massachusetts referred to No. 43 of the Federalist Papers prepared by Madison. Let me just read the paragraph in question in its entirety.

> The indispensable necessity of complete authority at the seat of government carries its own evidence with it. It is power exercised by every legislature of the Union, I might say of the world, by virtue of its general supremacy. Without it not only the public authority might be insulted and its proceedings interrupted with impunity, but a dependence of the members of the general government on the State comprehending the seat of the government for protection in the exercise of their duty might bring on the national councils an imputation of awe or influence equally dishonorable to the government and dissatisfactory to the other members of the Confederacy. This consideration has the more weight as the gradual accumulation of public improvements at the stationary residence of the government would be both too great a public pledge to be left in the hands of a single State, and would create so many obstacles to a removal of the government, as still further to abridge its necessary independence. The extent of this federal district is sufficiently circumscribed to satisfy every jealousy of an opposite nature. And as it is to be appropriated to this use with the consent of the State ceding it; as the State will no doubt provide in the compact for the rights and the consent of the citizens inhabiting it; as the inhabitants will find sufficient inducements of interest to become willing parties to the cession; as they will have had their voice in the election of the government which is to exercise authority over them; as a municipal legislature for local purposes, derived from their own suffrages, will of course be allowed them; and as the authority of the legislature of the State, and of the inhabitants of the ceded part of it, to concur in the cession will be derived from the whole people of the State in their adop-

tion of the Constitution, every imaginable objection seems to be obviated.

Mr. President, I did feel that rather than just to recite a portion of this, the entire paragraph should be read.

Washingtonians are undoubtedly in a far superior position than any territory of the United States. They have authority to elect their own school board, their city council, mayor, participate in Presidential elections, and have a nonvoting delegate in the House of Representatives. Citizens of the District of Columbia in fiscal year 1977 contributed $275.9 million toward Federal grants and received $942.1 million in return. The Library of Congress has confirmed that the Federal Treasury collected only 29 cents for every dollar it provided the city. The per capita income is the second highest in the Nation. The Federal Government employs almost 40 percent of the work force on the city of Washington and an additional 25 percent work in industries servicing the Government. It would appear to be comparable to a "company town" with virtually everyone dependent upon Government for his or her livelihood.

If this proposed resolution were passed and ratified by three-fourths of the States, it would insure the election of Senators sympathetic to the desires and concerns of big Government; Senators who would promote the welfare of Government agencies; Senators who would be under no compulsion to consider the needs of any competing interest such as farmers, miners, manufacturers, or other business and industrial activities as exist throughout the various States. I wonder if the Congress saw fit to move the seat of Government to a more central geographic location if States in the Middle West would not be glad to cede territory for a Federal City with all the benefits that accrue to the city and if the people of the District of Columbia would not raise a hue and cry against moving the capital to another location.

It seems unreasonable, Mr. President, to provide the benefits of statehood to the people of the District of Columbia without corresponding liabilities. Washington even today is a city with decreasing population, a city of less than 700,000 people at the present time but with a news media espousing the views of city residents and Members of Congress being dependent upon the Washington media as a major source of knowledge of events and developments.

Mr. President, I think this has been illustrated in the last few days by the views that have been in the media.

In the event there were two Senators from the District of Columbia, would it not be reasonable to assume that their thoughts and actions would permeate the news most readily available for consumption by the Congress. Two Senators for the city of Washington, in my judgment, would not be in the national interest and would inevitably lead to the kinds of pressure that the framers of the Constitution wanted to avoid when they provided for a Federal City.

Washington is not a State but a city, exceeded in population by 10 other American cities. There is no basis under the Federal concept of government for electing Senators from the District of Columbia. Senators are representatives of their States and the city of Washington is not a State.

Of course, all of us are concerned for the welfare of the people of the Nation's Capital, all of us want a capital city of which we can be proud; all of us represent the people of the District of Columbia, as well as the people of our constituent States.

But our concern for the welfare of the people of the city should not detract from the realization that the welfare of the entire Nation is paramount, and it was concern for the general welfare of the country that caused the Constitutional Convention in 1787 to adopt the Federal City concept. It was a wise decision made by our Founding Fathers. It has served us well for almost 200 years. I see no pressing reason to depart from it now.

In reviewing the House Joint Resolution 554—and that is the resolution before us, Mr. President, because we bypassed the Senate Judiciary Committee, where a Senate bill was pending. We have done this at a time when the chairman of the Senate Judiciary Committee is out of the country. But from looking at the House resolution, it appears there is no provision for the filling of vacancies in the event the proposal should be adopted and the District of Columbia should become entitled to two Members of the Senate. The 17th amendment to the Constitution, providing for the direct election of Senators, provides that the legislature of any State may empower the executive thereof to make temporary appointments until the people fill the vacancy by election as the legislature may direct. Of course, the Congress has exclusive legislative jurisdiction over the District of Columbia and we might well assume that the Congress would have authority to authorize the executive to make temporary appointments but, once again, Washington is a city, not a State, with an elected city council, an elected chairman of the council and an elected mayor. Would the city council authorize the mayor to appoint a Senator or would the Senate authorize the mayor of a city to appoint a Senator? It would appear that the latter would be true or the Senate itself could, acting in its capacity as the legislature for the District of Columbia, appoint someone from the District to serve in the Senate until such time as the people of the District of Columbia could elect a Senator. This adds some confusion to the proposal to provide for two Senators for a city that is not ordinarily present under our constitutional concept of having Senators represent States rather than cities.

The resolution also provides, both in the preamble and in the body of the resolution, that the proposed amendment to the Constitution shall only be valid when ratified by the legislatures of three-fourths of the several States within 7 years from the date of submission by the Congress. The equal rights amendment had a similar provision but a proposal to extend it for an additional period is now upon the Senate Calendar. Almost everyone in the country believes in equality between the sexes, but many have reservations as to the practical effect of ratification of the equal rights amendment and, not knowing its full ramifications, are fearful to vote for ratification. I submit, Mr. President, that in the event the proposal before us were adopted by the Senate, there would be many handicaps to obtaining ratification by the necessary three-fourths of the States. State legislatures are not likely to favor the expansion of the size of the Senate to allow a city to have the same voting strength in both the House and Senate possessed by sovereign States.

Taxpayers could well oppose giving residents of the District, many of them Government employees—and I speak, Mr. President, as one who has been a Government employee for 38 years—preferential treatment to that afforded other cities. Indeed, the city of Washington is a unique city. It is the seat of Government, its business is government. The question would naturally arise as to whether the present membership of the House of Representatives would remain at 435 or whether an additional two House Members would be added for the benefit of the city of Washington. State legislatures would question having 102 Senators and whether this would, in fact, diminish the effectiveness of the Senators from their own States. Opposition would arise from concerns about a number of constitutional provisions.

I believe, Mr. President, it will serve the national interest for the Senate to reject this proposal and not ask the States to resolve this matter, imposing even greater division among the States than presently exists over the equal rights amendment. Mr. President, I should like to review some of the proposed amendments, including two of my own, but I see that the distinguished Senator from North Carolina is presently on the floor and I shall forgo that at the present time and just take a minute or so to conclude my remarks.

At this time, Mr. President, I am not sure whether to bring up two printed amendments that I have. One would permit the States, under their police power, to pass upon the whole question of abortions, as has been the case in the past, under a State's police power, under its right to regulate the health and morals of the people, or whether to bring up the proposed amendment in which tenure would be provided for Federal judges, rather than lifetime appointments that they now enjoy.

We speak of serving during good behavior, but for practical effect, that is lifetime tenure. This can be decided later today or perhaps tomorrow. Nevertheless, with the restriction on time, let me yield the floor at this time so that other Senators will have an opportunity to discuss the pending issue. To me, the issue is so important to the States we represent that every Member of the Senate should have an opportunity to comment on the resolution if he so desires.

Mr. President, I yield such time as he may consume, not exceeding 20 minutes, to the distinguished Senator from North Carolina.

Mr. HELMS. Mr. President, I thank the able Senator from Virginia for yielding and I thank the Chair for recognizing the Senator from North Carolina.

Mr. President, we are assembled in a virtually empty Chamber. If I count correctly, there are five Senators in this Chamber, one of whom is presiding, on a Monday morning, 1 minute before noon, to discuss what surely is one of the most obvious political charades in recent years.

The political boat is loaded with Presidential candidates seeking the support of black citizens on this issue. I am speaking candidly, Mr. President, but I do not want to speak harshly. Still, the facts deserve to be laid out for what they are. I dare say that there is not a Senator in or out of this Chamber who really believes that this constitutional amendment will be ratified by the requisite number of States. Last week, I was talking to my able former colleague from North Carolina, the distinguished Sam Ervin, Jr., about this proposition. The Senator chuckled and said, "Well, Jesse, I guess it is good politics for anybody running for President."

That is precisely what it is—politics. Whether it is good politics or whether it is bad, I shall not attempt to pass judgment. But I say again, Mr. President, there is not a Member of the Senate who, deep in his heart, really believes that this proposed constitutional amendment will be ratified by the requisite number of States.

(Mr. HATHAWAY assumed the chair.)

Mr. HELMS. So what are we doing? The Senate is conducting a charade. There is no way the Senator from North Carolina—or any Senator—can cast a completely intellectually honest vote on this proposition. If he votes for it, he is voting for something that is not wise. If he votes against it, he risks falling prey to the false predicate that was laid down in the beginning of this debate. The assumption is that if we do not support this proposition we are against blacks, we are against liberals, we are against Democrats, and probably against apple pie.

Let me say again, Mr. President, this is a charade. If it were not a charade, this proposal would have gone through the normal processes of the Senate. But instead of going through the committees, it was virtually bludgeoned onto the Calendar. This maneuver ought to be regarded for what it is. The black citizens of the District of Columbia and the black citizens across America should not be deluded by this bit of gamesmanship. Everyone knows that this amendment is not going to be ratified by the requisite number of States.

Of course whether I will be proved right or whether I will be proved wrong will occur far in the distant future—7 years from now. But I say again, I do not believe that one Member of the U.S. Senate today, deep in his heart, feels that this proposed amendment will, indeed, be ratified by the requisite number of States.

The Senate had an opportunity last week to assure representation for the people of the District of Columbia. The distinguished Senator from Montana (Mr. MELCHER) proposed an amendment that made sense. I supported that amendment because I favor the concept of District of Columbia representation.

I think any Senator who is truly worried about the civil rights of the residents of the District of Columbia should have been an enthusiastic supporter of that Melcher amendment, which was defeated last week.

Mr. President, if we examine House Joint Resolution 554, we can see that it is deeply—deeply—flawed in both concept and execution. House Joint Resolution 554, as it stands, distorts the meaning and purpose of Senate representation. In fact, it dilutes the guarantee of article V to the Constitution, which is supposed to protect the equal suffrage of each State in the Senate.

It is obvious that if the 50 States have equal representation, the adding of two more Senators who do not represent a State cheapens the representation and dignity of the States themselves. We all know the inflation that results for the dollar when we expend the money supply to pay the Federal deficit. This proposal is inflation of the vote in the Senate.

Indeed, article V says specifically that "no State without its consent shall be deprived of its equal suffrage in the Senate" as a result of the amendment process.

Now, this being the case, Mr. President, the prospects of this proposed amendment, as it stands, of ever being approved by ratification by the requisite 38 States is remote, to say the least.

In the first place, I reiterate that three-fourths of the States will never approve the dilution of their constitutional rights. We could well end up with another ERA situation. As a matter of fact, Mr. President, if anybody thinks that the battleground across this country today in connection with the equal rights amendment has been heated, just wait until this amendment comes up in the State legislatures around the country. The ERA battle will have been a cakewalk compared to this one, and I think every Senator knows that.

So what are we doing? Are we advancing Presidential campaigns? I say again: The political boat is getting mighty loaded with candidates who are obviously or reportedly running for President in 1980.

Mr. President, we ought to level with the citizens of the District of Columbia and those citizens across the country who view this as a vote against or for their race. We ought to be intellectually honest enough to tell them, "This is not going to do it because this proposed amendment will not be ratified by the requisite number of States."

I am hearing from people all over this country who resent this proposition's having been converted into a racial issue. It is not a racial issue.

Mr. SCOTT. Will the Senator yield briefly at that point?

Mr. HELMS. I am delighted to yield to my friend from Virginia.

Mr. SCOTT. Mr. President, when the provision for the District of Columbia to be the seat of government or for a Federal city concept was developed, as I recall the black situation, it was later determined by the Dred Scott decision, that blacks were not citizens and, therefore, could not vote.

There was no black problem.

Then the suggestion has been made that the city is too urban. The city was not urban at the time that the Founding Fathers at the Constitutional Convention made this decision, or that three-fourths of the States ratified the Constitution.

Then, it was not too liberal at that time. As I recall, George Washington was elected by all of the people, not by any political party.

There is a fourth issue that has been raised, too Democratic.

Well, there were no political parties at that time in this country, as I recall again, the first President being elected by all of the people, and only later that the question of partisan politics arose.

So I rise to agree with the statement of the distinguished Senator from North Carolina. This decision was made, without these factors being considered, and I believe it is a false issue to be raised at this time.

Mr. HELMS. I thank the Senator.

Obviously, it is a charade. That is why the Senator from North Carolina came to this floor this morning because, frankly, I have heard enough of the pious pretense that proponents are doing something to protect the "human rights" of the residents of the District of Columbia. It is time to identify this political charade for what it is.

I mentioned the ERA a moment ago. As the distinguished occupant of the Chair knows, there is an issue looming in the Senate to extend the period of ratification for the equal rights amendment.

At the end of the 7-year period designated for this amendment, House Joint Resolution 554, we can bet our boots there will be an effort to extend that period for ratification, also, because nobody believes that this constitutional amendment will be ratified by the States.

The proponents of the amendment will be back here in 6 or 7 years, asking for an extension; and this process is going to drag on, in agony. It is going to deny the hope to the black citizens who have been assured that, yes, we are going to do this for you.

However, let us assume that all that were not so and that the Senate went along and approved this seriously flawed House Joint Resolution 554. Where would the next pressure come from? Puerto Rico? Guam? The Virgin Islands? The Pacific Trust Territories? You can count on it, Mr. President.

This resolution has so many defects of a constitutional nature that its enactment and ratification will invite unending litigation because of the serious omissions in this legislation—omissions that show clearly that it was drafted without thought as to all the constitutional implications.

Then, too, the proponents of this measure talk about the 700,000 population of the District of Columbia. But I do not recall that anybody has been able to

identify the untold thousands of residents of the District who maintain their legal residencies and vote in various States. Are we really talking about two Senators from 700,000 population, or are we talking about two Senators for 600,000 population, or are we talking about two Senators for 500,000 population? What are we really talking about? The answer to that is that nobody seems to know or care what we are talking about. There is just a mad scramble for political advantage. That is what it boils down to.

If this amendment were approved, any State could challenge—and I jolly well expect that many will challenge—the constitutionality of the process in the Supreme Court of the United States. Article V says that no State, without its consent, shall be deprived of equal suffrage. If one State withholds its consent, that State will have grounds to challenge the adoption of the amendment in the court. And we might as well count on it.

So the constitutional ramifications of this amendment are so complicated and so unjust and so improper that surely we have to realize the fact that this amendment has little chance of ratification by the required 38 States.

I do not like to be in the position of having to come here to say these things this morning. I would much have preferred to stay out of it. But I have read and I have listened to specious arguments to the point that I have had my fill. Somebody needs to speak out. Whether or not I am heeded, I want it on the record that I said this morning, Monday, August 21, 1978, that this amendment is not going to be ratified by the requisite number of States, and that the proponents of this amendment know it.

Mr. President, it is very clear to the Senator from North Carolina that any Senator who is sincere about the voting rights of the residents of the District of Columbia should have supported the Melcher amendment. There was the Senate's opportunity to show good faith to the residents of the District of Columbia. Then was when we had the chance to do something. But the Melcher amendment was tabled, Mr. President. Every Senator who voted to table that amendment was voting against realistic and fair representation for the people of the District of Columbia.

Mr. President, I ask unanimous consent that the rollcall vote on the tabling of the Melcher amendment be printed at this point in the RECORD, so that it will be clear in the future which Senators voted affirmatively to table the Melcher amendment, and kill hope for a realistic constitutional amendment.

There being no objection, the vote was ordered to be printed in the RECORD, as follows:

ROLLCALL VOTE NO. 329 LEGISLATIVE

YEAS—52

Bayh, Bellmon, Bumpers, Robert C. Byrd, Case, Chafee, Chiles, Church, Clark, Cranston, Culver, Danforth, Dole, Durkin, Eagleton, Glenn, Griffin, Hart, Haskell, Hathaway, Heinz, Hodges, Hollings, Huddleston, Humphrey, Inouye, Javits, Kennedy, Leahy, Magnuson, Mathias, Matsunaga, McGovern, Metzenbaum, Morgan, Muskie, Nelson, Packwood, Ribicoff, Riegle, Sarbanes, Sasser, Schmitt, Schweiker, Sparkman, Stafford, Stevenson, Stone, Talmadge, Thurmond, Weicker, and Williams.

NAYS—33

Allen, Bartlett, Bentsen, Burdick, Harry F. Byrd, Jr., Cannon, Curtis, DeConcini, Domenici, Ford, Garn, Gravel, Hansen, Hatch, Paul G. Hatfield, Hayakawa, Helms, Jackson, Laxalt, Long, Lugar, McClure, Melcher, Nunn, Pell, Proxmire, Randolph, Roth, Scott, Stevens, Tower, Wallop, and Zorinsky.

NOT VOTING—15

Abourezk, Anderson, Baker, Biden, Brooke, Eastland, Goldwater, Mark O. Hatfield, Johnston, McIntyre, Moynihan, Pearson, Percy, Stennis, and Young.

So the motion to lay on the table UP amendment No. 1664 was agreed to.

Mr. HELMS. Mr. President, the Melcher amendment, for the first time would have given full representation in the House of Representatives to the people of the District of Columbia. Furthermore, it would have given senatorial representation to the people of the District of Columbia by allowing them to vote in the State of Maryland for two senatorial candidates—that is all those except the undetermined number of residents of the District of Columbia who maintain their official residences in the various States of the Union.

I repeat: This proposition, Mr. President, is a charade. It is misleading the black citizens—not only of the District of Columbia but also the black citizens of North Carolina and all other States. That is why I am here speaking this morning, because I want it a matter of record that they were put on notice as to what is going on.

The Melcher amendment, which was rejected by the Senate last week, would have given senatorial representation to the people of the District of Columbia. It would have allowed them to vote in the State of Maryland for senatorial candidates. But more important than that, it would not have diluted the representation of the 50 States by giving representation to an entity that is not a State.

So we go back to the question of who is next if the Senate makes the mistake of approving this proposed constitutional amendment. Guam? Puerto Rico? How much further would the proponents go in diluting the representation of the existing 50 States? I say again that the Melcher amendment, which was defeated last week by this body, would not—would not—have diluted the representation of the 50 States by giving representation to an entity that is not a State. No State could claim under article V of the U.S. Constitution that its right to equal suffrage had been diluted, had the Melcher amendment been approved.

The PRESIDING OFFICER. The Senator's time has expired. Who yields time?

Mr. SCOTT. Mr. President, I am glad to yield an additional 5 minutes to the distinguished Senator from North Carolina.

The PRESIDING OFFICER. The Senator is recognized for 5 minutes.

Mr. HELMS. I thank the Senator.

Mr. President, had the Melcher amendment been approved, no precedent would have been set for further dilution by granting representation in the Senate to the Virgin Islands or Guam, or any other entity.

In addition, the Melcher amendment would have made it possible for the District of Columbia to be truly self-governing with respect to these rights and these powers.

Finally, the Melcher proposal would have based the District's vote in the electoral college upon population, based upon the number of Representatives. It is plain, therefore, that the Melcher amendment would have gone much further to restore civil rights to the people of the District of Columbia than the original proposal that is now before us.

As the vote was proceeding last week on the Melcher amendment, I found myself wondering, where are the Senators who are so worried about civil rights of the residents of the District of Columbia? Why were they not rushing forward to support the substitute of the Senator from Montana? Why did they not support a proposal that could reasonably be expected to be ratified by the requisite number of States? Why did they support the preposterous idea that entities which are not States should be entitled to the privileges of States?

Mr. President, I thank the able Senator from Virginia for yielding time to me.

Let me say, in conclusion, that I have not intended to reflect unkindly upon any Senator who disagrees with me, but I think that, in the rush of the politics-as-usual process, there has been a little slippage in terms of intellectual integrity. My point here is: At least let us level with the residents of the District of Columbia who believe or who have been led to believe that, if the Senate approves this measure, the citizens of the District of Columbia will be well on their way to obtaining representation in the Senate.

I say again that I cannot believe there is one Senator who belongs to this body today who truly believes that the requisite number of States will ratify this amendment.

I thank the Senator from Virginia.

Mr. SCOTT. Mr. President, the distinguished Senator from Idaho (Mr. MCCLURE) is on his way to the Chamber.

I suggest the absence of a quorum and ask unanimous consent that time not be charged against either side.

The PRESIDING OFFICER. Is there objection.

Mr. KENNEDY. I object.

The PRESIDING OFFICER. Objection is heard.

Who yields time?

Mr. SCOTT. Mr. President, I suggest the absence of a quorum.

The PRESIDING OFFICER. On whose time?

Mr. SCOTT. On my time.

The PRESIDING OFFICER. The clerk will call the roll.

The second assistant legislative clerk proceeded to call the roll.

Mr. SCOTT. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. SCOTT. Mr. President, we have a number of amendments to the joint resolution presently before us, and there is

one that I was thinking about that has not been put in writing, but I have asked that it be drafted. That would be an addition to section 2, and it would eliminate some uncertainty as to who would appoint a Senator from the District of Columba in the event that a vacancy should occur.

We know that under the Constitution the Governor, the chief executive of the State, may make an appointment if he is authorized by the State legislature to make an appointment. And certainly if he is not authorized why he cannot do it.

The question arises, then, what is the legislature of the District of Columbia?

We have in article I, section 8 of the Constitution that exclusive legislative jurisdiction resides in the Congress of the United States. That would mean both Houses of Congress. So, both Houses of Congress under the Constitution will have to decide whether or not the mayor of the District of Columbia would have the authority to make an appointment to the Senate from the District of Columbia in the event a vacancy should occur. In the absence of some provision in this proposed constitutional amendment, it could well be argued that the City Council for the District of Columbia, being comparable to the State legislature, could decide who should be appointed or whether or not the Mayor should have the power to make appointments to the Senate in the event of a vacancy.

So I am having an amendment prepared that would clarify this.

I hope that the distinguished Senator from Massachusetts might give consideration to this and perhaps we could agree to accept an amendment for the purpose of clarification.

We have a number of other amendments, Mr. President, and I believe that some of them are good amendments. I know that the distinguished Senator from Idaho (Mr. McCLURE), who I am told is on his way to the Chamber, has 21 different amendments. He does not propose to offer all of these amendments, but, as I understand, he intends to propose some of the amendments and certainly it is a question for him to decide how many, if any, of the amendments he will offer.

He has time under the bill to take 20 minutes for each of seven amendments that he indicated, during the compromise we worked out, he would offer.

This amendment that I spoke of a few minutes ago that I have is with regard to the abortion question. This abortion question is something that has taken an awful lot of time of the Senate. We have debated it pro and con. The Senate has been fairly evenly divided. Frankly, I voted on both sides, on one side on most occasions and on the opposite side on another occasion.

Now, I did that just to resolve the question so that we could terminate the debate that was taking up so much time in the Senate.

I can see some merit on both sides of the abortion question. But my proposed amendment would not address this bill to the merits of this question. It provides this, after the preface:

The power to regulate the circumstances under which pregnancy may or may not be terminated is reserved to the respective States and territories of the United States.

That is where it did reside prior to a Supreme Court decision of a few years ago.

I believe this is an appropriate amendment, Mr. President. Under our dual system of sovereignty, the Federal Government, being a Government of limited power, has only the power that is expressly given to it or may reasonably be implied from the powers expressly given, and the powers not given to the Federal Government are reserved to the States and to the people.

It is under this concept that those things that are closest to the people, the question of marriage and divorce, the question of property rights, there are so many things that under the police power of the States are reserved to the people of the respective States.

AMENDMENT NO. 3467

(Purpose: To propose an amendment to the Constitution relating to the termination of pregnancy)

Mr. SCOTT. Mr. President, I call up my amendment No. 3467 and ask for its immediate consideration.

The PRESIDING OFFICER. The clerk will report the amendment.

The legislative clerk read as follows:

The Senator from Virginia (Mr. SCOTT) proposes an amendment numbered 3467.

The amendment is as follows:

At the end of the joint resolution, add the following:

SEC. 2. The following article is proposed as an amendment to the Constitution of the United States, to be valid only if ratified by the legislatures of three-fourths of the several States within seven years after the date of final passage of this joint resolution:

"ARTICLE —

"The power to regulate the circumstances under which pregnancy may or may not be terminated is reserved to the respective States and territories of the United States.".

Amend the title so as to read: "Joint resolution proposing amendments to the Constitution to provide for representation of the District of Columbia in the Congress, and to reserve to the States the power to regulate the circumstances under which pregnancy may or may not be terminated.".

Mr. SCOTT. Mr. President, I ask for the yeas and nays on this amendment.

The PRESIDING OFFICER. Is there a sufficient second? There is not a sufficient second.

Mr. SCOTT. Mr. President, since there is not a quorum, I ask that time not be charged against either side and I suggest the absence of a quorum until we can get a sufficient number of Senators on the floor.

The PRESIDING OFFICER. Is there objection? The Chair hears none, and it is so ordered.

The clerk will call the roll.

Mr. KENNEDY. Reserving the right——

Mr. SCOTT. Mr. President, I renew my request.

The PRESIDING OFFICER. Is there a sufficient second? There is a sufficient second.

The yeas and nays were ordered.

Mr. SCOTT. Mr. President, I have no desire to prolong the debate on this amendment. I do not know whether the distinguished Senator from Massachusetts desires to discuss it or not. I am ready to vote on it.

Mr. KENNEDY. Mr. President, I ask unanimous consent that it be in order to have the yeas and nays on a tabling motion in just a minute.

The PRESIDING OFFICER. Is there objection? The Chair hears none and it is so ordered.

Mr. KENNEDY. I ask for the yeas and nays.

The PRESIDING OFFICER. Is there a sufficient second? There is a sufficient second.

The yeas and nays were ordered.

Mr. KENNEDY. Mr. President, this amendment would kill the District of Columbia representation amendment. I think the Members of this body, as we have seen from past votes, are divided as to what the proper policy on this issue should be. This amendment is really not appropriate as an add-on amendment.

As I mentioned previously, the only time that any constitution amendments were ever considered en bloc was at the time of the submission of the Bill of Rights to the States. Since that time, historically, amendments have been considered individually, one at a time, and it seems to me to be a sound historical precedent.

If the Senator wishes to address this issue, he ought to do so in and of itself. For the reasons I have mentioned here I will move to table his amendment.

Mr. SCOTT. Mr. President, will the Senator withhold his motion temporarily?

Mr. KENNEDY. I will withhold it, reserving the right to the floor. I will yield for a brief comment from the Senator.

Mr. SCOTT. Mr. President, this is an amendment that was considered by the subcommittee of the Senate Judiciary Committee. It failed to carry by an equal vote. The members of the subcommittee were equally divided. So it is a matter that has been under consideration. It was during the 94th Congress that it was considered in the Judiciary Committee.

The matter we have before us today we have had no vote on in the Judiciary Committee. So I think there is more credence to the offering of this amendment than to the amendment that is presently before us, which is a House version of a joint resolution rather than a Senate resolution.

I appreciate the distinguished Senator's delaying his motion to table so that I might have time to speak on this.

Mr. KENNEDY addressed the Chair.

Mr. THURMOND. Mr. President, will the Senator yield me just 2 or 3 minutes?

Mr. KENNEDY. I yield 3 minutes to the Senator from South Carolina.

Mr. THURMOND. Mr. President, I rise in opposition to this amendment being considered at this time and would favor a tabling motion for this reason: I agree with the able and distinguished Senator from Virginia concerning the merits of this amendment. I think he has put his finger right on the question concerning

the solving of the abortion matter from the Federal standpoint.

His amendment reads this way:

The power to regulate the circumstances under which pregnancy may or may not be terminated is reserved to the respective States and territories of the United States.

Mr. President, I was disappointed when the Supreme Court handed down a decision on this question. I was disappointed that they took jurisdiction of this question. The word "abortion" is not even found in the Constitution of the United States. Therefore, the Federal Government really had no jurisdiction in this field, because the Constitution is clear that matters not specifically delegated to the Federal Government are reserved to the States.

Abortion has not been so delegated. Therefore, it is reserved to the States. But since the Supreme Court entered this field anyway, then I feel we should pass an amendment to turn it back to the States. I thoroughly agree with the merits of this amendment as proposed by the distinguished Senator from Virginia.

However, Mr. President, this is a very important question. It is one that ought to stand on its own merits. It is one that should be considered separately, and I am not too sure whether it is offered here to stop the proposed amendment or to be considered on its own merits.

At any rate, whatever the purpose is, I agree with the distinguished Senator from Virginia on this amendment, but I do not think this is the place to offer it. I think he ought to offer it separately and let it be considered separately. I would support it if that is the case. I will vote to table it because I think the amendment is being offered at the wrong time.

Mr. KENNEDY. Mr. President, I thank the Senator from South Carolina for his comments.

As the Senator from Virginia pointed out, the vote was evenly divided in the Subcommittee on The Constitution. I think the issue also divides the Senate.

This amendment for D.C. representation has been overwhelmingly accepted by the House of Representatives. This is the next-to-final action that has to be taken on that issue. If it is approved by the Senate, it goes to the States for ratification.

Therefore, because of the reasons I mentioned earlier, I renew my motion to table the amendment of Mr. SCOTT.

The PRESIDING OFFICER. The question is on agreeing to the motion of the Senator from Massachusetts to lay on the table the amendment of the Senator from Virginia.

The yeas and nays have been ordered and the clerk will call the roll.

The legislative clerk called the roll.

(Mr. GLENN assumed the chair.)

Mr. ROBERT C. BYRD. I announce that the Senator from South Dakota (Mr. ABOUREZK), the Senator from Alabama (Mrs. ALLEN), the Senator from Minnesota (Mrs. HUMPHREY), the Senator from Minnesota (Mr. ANDERSON), the Senator from Indiana (Mr. BAYH), the Senator from Arkansas (Mr. BUMPERS), the Senator from North Dakota (Mr. BURDICK), the Senator from California (Mr. CRANSTON), the Senator from Iowa (Mr. CULVER), the Senator from Arizona (Mr. DECONCINI), the Senator from Mississippi (Mr. EASTLAND), the Senator from Montana (Mr. HATFIELD), the Senator from Hawaii (Mr. INOUYE), the Senator from Louisiana (Mr. JOHNSTON), the Senator from New Hampshire (Mr. MCINTYRE), the Senator from Rhode Island (Mr. PELL), the Senator from Maryland (Mr. SARBANES), the Senator from Tennessee (Mr. SASSER), the Senator from Illinois (Mr. STEVENSON), and the Senator from Georgia (Mr. TALMADGE) are necessarily absent.

I also announce that the Senator from New Hampshire (Mr. DURKIN) is absent on official business.

I further announce that, if present and voting, the Senator from Minnesota (Mrs. HUMPHREY) would vote "yea."

Mr. BAKER. I announce that the Senator from Oklahoma (Mr. BELLMON), the Senator from Rhode Island (Mr. CHAFEE), the Senator from Kansas (Mr. DOLE), the Senator from New Mexico (Mr. DOMENICI), the Senator from Utah (Mr. GARN), the Senator from Michigan (Mr. GRIFFIN), the Senator from Oregon (Mr. HATFIELD), the Senator from Pennsylvania (Mr. HEINZ), the Senator from Maryland (Mr. MATHIAS), the Senator from Illinois (Mr. PERCY), the Senator from Vermont (Mr. STAFFORD), and the Senator from Alaska (Mr. STEVENS), are necessarily absent.

I further announce that, if present and voting, the Senator from Oregon (Mr. HATFIELD), would vote "yea."

The result was announced—yeas 48, nays 19, as follows:

[Rollcall Vote No. 332 Leg.]

YEAS—48

Bentsen	Hollings	Nunn
Brooke	Huddleston	Packwood
Byrd, Robert C.	Jackson	Pearson
Cannon	Javits	Proxmire
Case	Kennedy	Randolph
Chiles	Leahy	Ribicoff
Clark	Long	Riegle
Danforth	Lugar	Schmitt
Ford	Magnuson	Sparkman
Glenn	Matsunaga	Stennis
Gravel	McGovern	Thurmond
Hart	Melcher	Wallop
Haskell	Metzenbaum	Weicker
Hathaway	Morgan	Williams
Hayakawa	Moynihan	Young
Hodges	Muskie	Zorinsky

NAYS—19

Baker	Eagleton	Nelson
Bartlett	Goldwater	Roth
Biden	Hansen	Schweiker
Byrd, Harry F., Jr.	Hatch	Scott
	Helms	Stone
Church	Laxalt	Tower
Curtis	McClure	

NOT VOTING—33

Abourezk	Domenici	Johnston
Allen	Durkin	Mathias
Anderson	Eastland	McIntyre
Bayh	Garn	Pell
Bellmon	Griffin	Percy
Bumpers	Hatfield, Mark O.	Sarbanes
Burdick	Hatfield, Paul G.	Sasser
Chafee	Heinz	Stafford
Cranston	Humphrey	Stevens
Culver	Inouye	Stevenson
DeConcini		Talmadge
Dole		

So the motion to lay on the table amendment No. 3467 was agreed to.

(Later the following proceedings occurred:)

Mr. EAGLETON. Mr. President, I ask unanimous consent that on vote No. 332, amendment No. 3467, my vote be recorded as being "no" rather than "aye."

Mr. ROBERT C. BYRD. Reserving the right to object, the Senator knows I am not going to object, but for the record, the Senator has stated that this would not change the outcome. He did vote and, under the rule, the Senator can change his vote, if he has voted.

So, I have no objection.

The PRESIDING OFFICER. Without objection, it so ordered.

(The above rollcall vote reflects the foregoing order.)

Mr. KENNEDY. Mr. President, I move to reconsider the vote by which the motion to lay on the table was agreed to.

Mr. METZENBAUM. Mr. President, I move to lay that motion on the table.

The motion to lay on the table was agreed to.

The PRESIDING OFFICER. Who yields time?

UP AMENDMENT NO. 1691

(Purpose: To authorize a State to rescind its ratification prior to adoption of the proposed constitutional amendment)

Mr. McCLURE. Mr. President, I send an amendment to the desk and ask for its immediate consideration.

The PRESIDING OFFICER. The amendment will be stated.

The assistant legislative clerk read as follows:

The Senator from Idaho (Mr. McCLURE) proposes an unprinted amendment No. 1691.

Mr. McCLURE. Mr. President, I wonder if we can have order so that Members can hear the amendment?

The PRESIDING OFFICER. May we have order in the Senate? Will the people wishing to converse please retire to the cloakrooms or the lobbies? The Senator's point is well taken. Will all those not conversing please take their seats or retire to the cloakrooms?

The clerk will state the amendment.

The assistant legislative clerk read as follows:

On page 1, line 9, after "Congress" insert "(but no such ratification by a legislature shall continue to be effective or counted toward the necessary number of ratifications on and after the date of a rescission by the legislature of that ratification, unless this article of amendment has been adopted prior to the date of that rescission)".

On page 2, line 16, after "submission" insert "(but no such ratification by a legislature shall continue to be effective or counted toward the necessary number of ratifications on and after the date of a rescission by the legislature of that ratification, unless this article of amendment has been adopted prior to the date of that rescission)".

UP AMENDMENT NO. 1692

Purpose: To prohibit a State from rescinding its ratification of the proposed constitutional amendment.

Mr. McCLURE. Mr. President, I ask unanimous consent to withdraw that amendment and submit another amendment which I now send to the desk and ask for its immediate consideration.

The PRESIDING OFFICER. Is there objection?

Will the Senator please use his microphone?

Mr. McCLURE. I ask unanimous consent to withdraw that amendment and submit another amendment which I have sent to the desk and ask the clerk to report.

The PRESIDING OFFICER. Is there objection? Without objection it is so ordered. The amendment will be stated.

The assistant legislative clerk read as follows:

The Senator from Idaho (Mr. McCLURE) proposes an unprinted amendment numbered 1692.

On page 1, line 9, after "Congress" insert "(but no such ratification once made by a State legislature shall be subject to rescission)".

On page 2, line 16, after "submission" insert "(and no such ratification once made by a State legislature shall be subject to rescission)".

Mr. McCLURE. Mr. President, I presented the amendment in that manner so that the Senate could see the alternative that might be presented to us for consideration. As you know, Mr. President, we are involved at this moment in a nationwide debate with respect to the equal rights amendment. One of the debates concerning that equal rights amendment is whether or not a State legislature, once having ratified the proposed amendment, has the right to rescind that ratification, and if they have taken the action to rescind the ratification which they had earlier made, will that be honored by the Congress in the computation of whether or not there have been a sufficient number of States ratifying the amendment.

The first amendment which I offered and then withdrew said very clearly that the States would have the right to consider the second time and change their mind by rescinding a prior ratification. I have withdrawn that amendment.

Mr. SCOTT. Will the distinguished Senator yield for a unanimous-consent request?

Mr. McCLURE. I am very happy to yield to my distinguished friend.

Mr. SCOTT. Mr. President, I am advised that under the previous unanimous-consent agreement, the time allotted to me, only a few minutes remains of that time. I have talked with the distinguished majority leader and the distinguished Senator from Massachusetts, the floor manager of this proposal. I ask unanimous consent, as to 30 minutes of the time that is allocated to me for tomorrow, that I be permitted to utilize it today. Also, Mr. President, I ask unanimous consent that the distinguished Senator from Massachusetts yield 10 minutes to the Senator from Montana (Mr. MELCHER) and I would yield 20 minutes to Mr. MELCHER of the time that is allotted to us respectively so that Senator MELCHER would have a total of 30 minutes.

The PRESIDING OFFICER. Is there objection? Without objection, it is so ordered.

Mr. SCOTT. I thank the distinguished Senator.

Mr. McCLURE. Mr. President, after having withdrawn the amendment which would have clearly stated that the States had the right to rescind a prior ratification of this amendment, I submitted the amendment that says the alternative, that says the States do not have the right to rescind. People to whom I have been talking and with whom I have discussed the matters pending on this bill are afraid that the submission of either of these amendments will inevitably get involved in the debate over the equal rights amendment, and it is not my purpose to do that.

I know that in discussing the question of rescission, it is inevitably involved in our thinking and we certainly cannot avoid some consideration of this other issue. But I think, as we prepare to submit a constitutional amendment to the people of the United States for action by the State legislatures, that we ought to be as clear as we can be about what we intend at the time we submit it to the State legislatures. We should not wait until a period of time has expired and we are confronted with a specific case as to whether it will aid or prejudice the passage of an amendment or whether it will put more or less pressure upon a given State legislature. We ought to make the decision now as to what it is that we intend to do. What is it that we, as the Congress of the United States, have in mind? What are the rules under which we will determine whether or not that amendment has been ratified?

It is my judgment, Mr. President, that one of the issues which must be considered as we go through this proposed amendment is whether or not we will recognize the right of a State to take a second look. The arguments must inevitably follow the following line: Those who do not wish a State to have that right must inevitably say that, the States once having acted, the Constitution provides that they have the right to act to approve a constitutional amendment, but the Constitution does not specifically say that they have the right to remove that approval.

The argument on the other side of that issue is one of equity and fairness, as well as a construction of the Constitution which says that, certainly, if a legislature can consider and reject an amendment and then reconsider and reject an amendment, and reconsider and reject an amendment, and reconsider and then ratify it and that stops the reconsiderations, it is a one-way street. People who believe in equity and fairness, as well as a proper construction of the Constitution, will say that the State legislatures cannot be constrained in their opportunity to consider, reconsider, and reconsider whatever actions they may wish to take during the time limited by the submission to them and up until the time that the ratification has been certified as having been adopted by the total number of States required by the Constitution to ratify a proposed amendment to the Constitution.

Mr. President, my purpose in offering the amendment is to give the Senate the opportunity to go on record now as to what they desire to do with respect to the question of rescission as it relates to this specific amendment. It is not my deside to try to prejudice the debate over whether or not rescission should be allowed in the equal rights amendment. Every amendment is submitted separately to the people of the United States. Each one is submitted under the rules and subject to the considerations in each individual proposal.

The equal rights amendment was submitted under one resolution; this proposal is being submitted under another. It is not necessary, under the Constitution, that what we decide on this particular proposal is necessarily binding upon the other proposals. It certainly, however, will have some effect upon the considerations by future Congresses and, perhaps, by the courts with respect to the right of the States to reconsider not just the actions that they took in rejecting a proposed amendment, but also the right to reconsider the action taken by a State legislature in supporting the proposed amendment.

Mr. President, I reserve the remainder of my time.

Mr. KENNEDY. Mr. President, as I understand it, we are under the previous time agreement. Am I correct? Twenty minutes for the proponents of the amendment, 10 minutes for the opposition?

The PRESIDING OFFICER. That is correct.

Mr. KENNEDY. I yield myself 5 minutes.

Mr. President, I am at somewhat of a loss to understand the reasoning of the Senator from Idaho. First of all, he has an amendment that permits the rescission; then he withdraws that and submits an amendment to prohibit rescission. He is the sponsor of both amendments, so I am really not quite sure what the strategy is on an issue of very great importance to the Constitution, as well as to the intent of the Founding Fathers.

If we are serious about this particular amendment, and I am sure the Senator is, I think that any fair interpretation of the constitutional and legal history would indicate that the language reflects the law of the land at the present time. I am satisfied to that effect, having given it study as a member of the Committee on the Judiciary. We reviewed the issues and the constitutional arguments that were made to the committee on the issue of rescission. Of course, the issue of rescission as it applies to this amendment is quite a bit different from the same issue as it applies to the equal rights amendment.

Nonetheless, I believe, Mr. President, most of the testimony that the Committee on the Judiciary has heard on this issue would be that the language of this amendment currently is the law of the land. Since it is the law of the land, it does not seem to me that this particular amendment is required to be included. Another reason, of course, would be that its acceptence by us it would require acceptance by the House of Representatives or a conference, and from what we have seen over the period of the last few days, perhaps an extended comment by Members of the Senate if a conference report were to be voted upon.

I feel, Mr. President, that this amendment is merely a restatement of the current law. I do not think it is necessary,

nor do I think it is desirable, so I shall oppose the amendment and, at the appropriate time, make a motion to lay it on the table. I do not know whether the Senator wants additional time to speak on it. I do not want to foreclose that opportunity. If he does not, I intend, at an appropriate time, to make such a request.

Mr. McCLURE. I had hoped the Senator would not offer a motion to table, although I recognize that he has the right, under the rules of the Senate, to do so. Aside from his own sense of strategy, I could appeal to his sense of fairness in allowing us to have a vote on the issue, rather than a vote on the motion to table.

Unlike the Senator from Massachusetts, however, I do not believe that the law of the land is set on this issue. I think any careful reading of the precedents that apply would indicate that the issue is in doubt. The courts have not been clear on that issue. They have not ever ruled in clear fashion on that issue, and it will undoubtedly be the subject of court challenges if, as a matter of fact, there is a rescission that is not recognized by the Congress unless the Congress at this time, as a part of this submission, says it cannot be rescinded, which I think would lay to rest the possibility of court challenges.

But it is my understanding of the law that it is not well set, that in all likelihood the courts would be asked to rule as they have not clearly ruled in the past and that they might again be pushed back into the Congress for decision, which I would view as the most likely result under the current precedents and current rulings of the Supreme Court and the inferior courts of the land.

It is my purpose to avoid having it bounced back to the Congress at some future date, at a time when we would be not involved purely with the constitutional issue of whether or not rescission should be permitted.

But we get involved in all kinds of side and extraneous issues that deal with which States have rescinded, which are likely to, which legislatures can be called upon to reverse their actions in favor of or against a particular amendment.

I think as a matter of policy we ought to state what it is we intend to do.

Mr. President, I do not desire to prolong the debate. But it is my intent to ask for the yeas and nays on the amendment. There are not a sufficient number of Senators on the floor at the moment. I wonder if the Senator from Massachusetts would join with me in getting a sufficient number on the floor that we might get the yeas and nays on the amendment.

Mr. KENNEDY. Yes, but I would just like to make a final comment.

Mr. President, on the question of rescission, which the Judiciary Committee has examined in some considerable detail, I was hopeful my colleague would withdraw this amendment, and the chairman of the Constitutional Rights Subcommittee would be able to join us on the floor at this time, but he is unable to do so.

Nevertheless, the overwhelming opinion of leading constitutional authorities on the issue of rescission is that the issue of rescission is resolved in article V of the Constitution.

The issue of rescission is clearly resolved in article V. If we are going to alter and change article V to any extent, then I think we ought to follow the constitutional process that has been established. We will then have an opportunity in the committees of both the House and the Senate to address that issue.

If this amendment is a restatement of the existing law, it is really unnecessary. I have studied the issue of rescission, and this is my own personal view.

So I do suspect we will probably see this issue presented to us in a different form in several minutes, and the argument will be on that issue again.

For those reasons, Mr. President, I can understand a Senator introducing both sides of the amendment, figuring there must be a majority on one side or the other and, if it is on one side or the other, it may very well be the death of the amendment. I do not conclude that is the motivation of the Senator from Idaho, although I do think if we end up with a complete 180 degrees on the next amendment, that there may be those who feel that way.

But I intend to make a motion to table.

Mr. President, I ask for the yeas and nays on a motion to table.

Mr. ROBERT C. BYRD. Mr. President, I ask unanimous consent it be in order to order the yeas and nays on the motion to table.

The PRESIDING OFFICER. Is there objection?

Without objection, it is so ordered.

Mr. KENNEDY. I ask for the yeas and nays on the motion to table.

The PRESIDING OFFICER. Is there a sufficient second? There is a sufficient second.

The yeas and nays were ordered.

Mr. KENNEDY. Mr. President, I move to lay on the table UP amendment No. 1692 of the Senator from Idaho.

Mr. McCLURE. I yield back the remainder of my time.

Mr. KENNEDY. I yield back the remainder of my time.

The PRESIDING OFFICER. All time having been yielded back, the question is on agreeing to the motion to lay on the table UP amendment No. 1692 of the Senator from Idaho.

The yeas and nays have been ordered and the clerk will call the roll.

The assistant legislative clerk called the roll.

Mr. ROBERT C. BYRD. I announce that the Senator from South Dakota (Mr. ABOUREZK), the Senator from Alabama (Mr. ALLEN), the Senator from Minnesota (Mr. ANDERSON), the Senator from Arkansas (Mr. BUMPERS), the Senator from North Dakota (Mr. BURDICK), the Senator from California (Mr. CRANSTON), the Senator from Iowa (Mr. CULVER), the Senator from Arizona (Mr. DECONCINI), the Senator from Mississippi (Mr. EASTLAND), the Senator from Montana (Mr. HATFIELD), the Senator from Minnesota (Mrs. HUMPHREY), the Senator from Louisiana (Mr. JOHNSTON), the Senator from New Hampshire (Mr. McINTYRE), the Senator from Maryland (Mr. SARBANES), the Senator from Alabama (Mr. SPARKMAN), the Senator from Georgia (Mr. TALMADGE), and the Senator from Indiana (Mr. BAYH) are necessarily absent.

I also announce that the Senator from New Hampshire (Mr. DURKIN) is absent on official business.

I further announce that, if present and voting, the Senator from Minnesota (Mrs. HUMPHREY) would vote "yea."

Mr. STEVENS. I announce that the Senator from Oklahoma (Mr. BELLMON), the Senator from Rhode Island (Mr. CHAFEE), the Senator from Kansas (Mr. DOLE), the Senator from Utah (Mr. GARN), the Senator from Michigan (Mr. GRIFFIN), the Senator from Oregon (Mr. HATFIELD), the Senator from Pennsylvania (Mr. HEINZ), the Senator from Maryland (Mr. MATHIAS), the Senator from Illinois (Mr. PERCY), and the Senator from Vermont (Mr. STAFFORD) are necessarily absent.

The result was announced—yeas 67, nays 5, as follows:

[Rollcall Vote No. 333 Leg.]

YEAS—67

Baker	Haskell	Nelson
Bartlett	Hatch	Nunn
Bentsen	Hathaway	Packwood
Biden	Hayakawa	Pearson
Brooke	Hodges	Pell
Byrd, Harry F., Jr.	Hollings	Proxmire
Byrd, Robert C.	Huddleston	Randolph
Cannon	Inouye	Ribicoff
Case	Jackson	Riegle
Chiles	Javits	Roth
Church	Kennedy	Sasser
Clark	Laxalt	Schmitt
Curtis	Leahy	Schweiker
Danforth	Long	Stevenson
Domenici	Lugar	Stone
Eagleton	Magnuson	Thurmond
Ford	Matsunaga	Tower
Glenn	McGovern	Wallop
Goldwater	Melcher	Weicker
Gravel	Metzenbaum	Williams
Hansen	Morgan	Young
Hart	Moynihan	Zorinsky
	Muskie	

NAYS—5

Helms	Scott	Stevens
McClure	Stennis	

NOT VOTING—28

Abourezk	DeConcini	Heinz
Allen	Dole	Humphrey
Anderson	Durkin	Johnston
Bayh	Eastland	Mathias
Bellmon	Garn	McIntyre
Bumpers	Griffin	Percy
Burdick	Hatfield, Mark O.	Sarbanes
Chafee	Hatfield, Paul G.	Sparkman
Cranston		Stafford
Culver		Talmadge

So the motion to table the amendment (UP No. 1692) was agreed to.

Mr. KENNEDY. Mr. President, I move to reconsider the vote by which the motion to lay on the table UP amendment No. 1692 was agreed to.

Mr. BAKER. I move to lay that motion on the table.

The motion to lay on the table was agreed to.

UP AMENDMENT NO. 1693

(Purpose: To grant to the people of the District authority to decide how the rights and powers conferred shall be exercised)

Mr. McCLURE. Mr. President, I have

an amendment which I send to the desk and ask for its immediate consideration.

The PRESIDING OFFICER. The amendment will be stated.

The assistant legislative clerk read as follows:

The Senator from Idaho (Mr. McCLURE) proposes an unprinted amendment numbered 1693.

On page 2, line 9, beginning with the comma, strike out all through "Congress." in line 10 and insert a period and the following: "The Congress shall grant to the people of the District the power and authority to establish a mechanism by which the people shall exercise those rights and powers.".

Mr. McCLURE. Mr. President, the purpose of this amendment is to provide clarification and eliminate ambiguities in section 2 of House Joint Resolution 554.

Mr. KENNEDY. Mr. President, does the Senator have an extra copy of the amendment?

Mr. McCLURE. Yes.

Mr. KENNEDY. I thank the Senator.

Mr. McCLURE. I might just mention parenthetically to the Senator from Massachusetts that I talked with him last week and said I would try to get copies of all of these amendments printed in the RECORD. I do apologize to him for failing to have done that on Friday of last week. But we were somewhat involved in a little matter known as the natural gas deregulation bill and the President had a greater call on my time.

The purpose of the amendment is to provide clarification and to eliminate the ambiguity in section 2 of House Joint Resolution 554, in accordance with the intention of the framers of the joint resolution.

The House Judiciary Committee report on this resolution states, and I quote from that report:

Section 2 provides that the people of the District shall exercise the rights and powers conferred by the article and that the Congress, consistent with its power of exclusive legislation (art. I, sec. 8, cl. 17), shall determine the mechanism by which the people of the District exercise those rights and powers. The language of section 2 was chosen to insure that, for example, Congress itself would not ratify constitutional amendments on behalf of the District, set district lines, fill vacancies or choose electors for the offices of President and Vice President; such decisions would be made by the people of the District, but consistent with its article I power the Congress would determine the structure by which those determinations would be made.

The last phrase of section 2—

and as shall be provided by the Congress—

Read together with the first part of the sentence, implies that the exercise of the foregoing "rights and powers" must be made jointly with the "people of the District" and Congress, each holding veto power over the other. The effect of this language might be, for example, that Congress would be required to vote twice on the ratification of a constitutional amendment, first in discharging its constitutional role under article V in proposing an amendment and a second time as a sort of legislative body—since the District lacks a State legislature—endorsing the action taken by the "people of the District" under the proposed amendment.

I think it is obvious that it would be ridiculous to expect ratification of an amendment that starts out with one affirmative vote, because Congress having voted to submit it also votes to affirm it on behalf of the people of the District.

The intent of section 2 was apparently to provide that Congress may enforce the proposed article by appropriate legislation as has been provided in other constitutional amendments.

The intent of section 2 was apparently to provide that the Congress may enforce the proposed article by appropriate legislation, as has been provided in other constitutional amendments. However, the language of House Joint Resolution 554 is unclear on this point and is so ambiguous that it does not accomplish its intended purpose. Such poor draftmanship and ambiguity do not belong in a proposed amendment to the Constitution.

My amendment would prevent confusion in interpretation and assist in the proper execution of the amendment if it is adopted. It would enable Congress to adopt future enabling legislation to provide the District with the necessary authority and power to carry out the purposes of the amendment.

Mr. President, I think it is obvious that the amendment is needed to clarify what the House of Representatives in its report said was the intention of the amendment but which the amendment does not on its face accomplish.

Mr. President, I urge the adoption of the amendment and urge the managers of the proposed legislation to consider seriously the issue that has been raised, and I hope that they will agree with the amendment.

Mr. President, I reserve the remainder of my time.

Mr. President, I ask unanimous consent that it be in order to ask for the yeas and nays at this time.

The PRESIDING OFFICER. The yeas and nays on what?

Mr. McCLURE. On this amendment.

Mr. KENNEDY. On this amendment, and I also ask that it be in order that the yeas and nays be in order for a tabling motion as well.

The PRESIDING OFFICER. Without objection, is is so ordered.

Mr. McCLURE. Mr. President, I ask for the yeas and nays on the amendment.

The PRESIDING OFFICER. Is there a sufficient second? There is a sufficient second.

The yeas and nays were ordered.

The PRESIDING OFFICER. Is there a sufficient second on the motion to table? There is a sufficient second.

The yeas and nays were ordered.

Mr. KENNEDY. Mr. President, the amendment of the Senator from Idaho, as I understand it, would provide that Congress shall grant to the District the power and authority to establish the mechanism by which the people shall exercise their rights and powers under the amendment.

In effect, what he is doing is to give the District the power to implement the provisions of the amendment. For example, the District would divide the boundaries of the various congressional districts, the filling of vacancies, and other matters that would be related to representation in Congress and other issues under the amendment. House Joint Resolution 554 gives Congress the power to decide these questions in future legislation.

Under the language in the current amendment, the power over these matters is retained in the Congress of the United States. The language of section 2 states:

The exercise of the rights and powers conferred under this article shall be by the people of the District constituting the seat of government and as shall be provided by the Congress.

The intent of the section is to require all such issues to be resolved by future legislation enacted by Congress. Such legislation is to provide for appropriate participation of the people of the District. But within that general mandate, the power of Congress would be plenary, by contrast, the Senator's amendment would confer this power on the District itself, and eliminate the oversight of Congress.

That is an unwise step to take in the amendment. What the Senator seeks could be accomplished by statute, later, after the amendment is adopted. For the purpose of this amendment, it would be wise to retain that authority and that power in the Congress of the United States.

I welcome the confidence that the Senator from Idaho has in the ability of the people of the District to make these judgments. By the amendment, he suggests that the people in this community ought to be able to make the regulations and rules implementing the amendment. In effect, the Senator's amendment is a proposal for home rule.

But it does seem, because of the particular nature of the Federal district, to be desirable at this time to retain the final authority in the Congress of the United States, and to decide these questions in the future by legislation, rather than turn over blanket authority in advance.

So, Mr. President, I will offer a motion to table after the Senator from Idaho has made whatever additional comments he would like to make.

Mr. McCLURE. Mr. President, I understand what the Senator from Massachusetts is saying. I hope people will understand that the junior Senator from Idaho, who has been trying to say all along throughout all of this debate and the comments that have been made outside of this Chamber with respect to the pending resolution, that I want the people of the District of Columbia to have full voting representation in the Congress of the United States. That is what the people on the other side of the issue have been saying, too.

Now, curiously enough, when I offer an amendment that says that we are really going to make it full voting representation, these sponsors of the resolution say:

Oh, but we don't trust them quite that much. We have to control what they do

under this amendment. We cannot let them have full rights under this amendment. We have to retain in the Congress the right to direct how they exercise their voting rights.

That seems to me to be so totally absurd as to be beyond the realm of intelligent debate. If we really want to give the people of the District of Columbia full voting rights that other people in this country enjoy, as the junior Senator from Idaho does want to give them, then we should not condition that upon saying, "All right, but we in Congress are going to continue to control how you do it." I do not think that is what the people of the District want. That is certainly not what the junior Senator from Idaho wants.

If we are going to give them a full right to vote, they ought to have the full control over the way in which they vote. I do not believe Congress ought to retain that right, on the one hand, while, on the other hand, saying, "We are giving you the same representation, the same right to vote, as everyone else in the United States has."

I think on the face of it the resolution as submitted to us by the House of Representatives is ambiguous because it does imply that Congress can retain, if it wishes, unto itself the right to do what other citizens throughout the country can do on their own behalf. What an absurdity it would be if, as a matter of fact, Congress should submit an amendment to a resolution for an amendment to the Constitution of the United States and, at the same time, say, "We are retaining the rights on behalf of the people of the District of Columbia to determine whether or not it will be approved."

That is exactly what I understand the import of the argument against the amendment to be.

I do not think that is what the resolution is intended to say. It is clear from the House report that the managers on the part of the House did not intend to say that. They intended to say the opposite. They realized they had not said it clearly in the language of the amendment, so they went to the trouble of writing in the report what it was they meant.

All I am trying to do is on the face of the resolution and the amendment what is clearly the intention of the House of Representatives and what is clearly the intention of the junior Senator from Idaho, and what I believe to be clearly the intention and desire of the people of the District of Columbia.

I am sorry that the managers of the bill have not seen fit to adopt the amendment. While I understand, if indeed they do not wish to, the motion to table will be made, I assume, that as things have been going, the motion to table will probably be agreed to. I hope not.

Mr. President, if the Senator is prepared to offer the motion to table I will be prepared to yield back the remainder of my time.

Mr. KENNEDY. I just want to make a brief comment. If the Senator from Idaho will refer to the Constitution, if he looks at the 18-year-old vote amendment, the XXVI amendment. The amendment states:

> The right of citizens of the United States, who are eighteen years of age or older, to vote shall not be denied or abridged by the United States or by any State on account of age.

Section 2 says:

> The Congress shall have power to enforce this article by appropriate legislation.

Or, take the XV amendment which says:

> The right of citizens of the United States to vote shall not be denied or abridged by the United States or by any State on account of race, color, or previous condition of servitude.

Section 2 says:

> The Congress shall have power to enforce this article by appropriate legislation.

Then in the XIX amendment, giving the women the right to vote, it says the same thing. The fact of the matter is in instance after instance, that has been the basic boilerplate language of constitutional amendments. Congress is given the power to enforce the new constitutional rights. There might never have been a voting rights act if Congress had not been given the power to enforce the XV amendment. Unless Congress retained that kind of authority and power, the job could not be done. It is boilerplate language which has been accepted time and again to secure the effective implementation of constitutional rights. It has been the case in instance after instance in the approval of various constitutional amendments to insure that what has been supported by two-thirds of the Members of Congress and three-quarters of the States, will actually be implemented. Congress has retained this authority, and it has properly done so.

That is the reason for it. There will always be the opportunity to turn those powers back at any time in the future. But in terms of the fashioning and shaping of this particular constitutional amendment, we have accepted what has been boilerplate language in past constitutional amendments. The language is not identical to the language used before, but that is the clear intent.

Mr. McCLURE. Mr. President, I do not mean to prolong the debate, but I must respond to my friend from Massachusetts by pointing out that the language he has referred to in other amendments is not the language which appears in this joint resolution. The language that he quotes is different from the language in the joint resolution.

The second thing that must be pointed out is that the power he was talking about is not the right to write the statute on behalf of the people, but the right of Congress to enforce the provisions. There is a vast difference between enforcing the provisions and actually doing it for them on their behalf.

If, as a matter of fact, it had been simply the desire of the framers of the resolution to enforce the provisions, they would have said so. But, curiously, they did not do that, and I have to assume that that difference was not casual or inadvertent if, as a matter of fact, it is being argued now that my amendment is inappropriate. Because there seems to be a conscious desire to withhold from the people of the District the right to vote the way they want to vote, or the right to set the lines the way they want to set them.

It seems to me that was not the intention of the people in the House of Representatives, who went to very great pains in committee to write in their report precisely the opposite. As a matter of fact, then, there is a difference between the language in the joint resolution as before the Senate and the language of other ratifications of other amendments, that contain the enforcement provision which this one does not contain, but this one contains, rather curiously, the lack of either that language, and apparently the intention on the part of some, though certainly not this Senator and I think not the House of Representatives, to imply that Congress has the right to retain to itself the power to tell the people of the District of Columbia how it will come out, and the power in the Congress of the United States to vote on behalf of the District of Columbia on constitutional amendments.

Mr. President, if the Senator is prepared to make his motion to table, I would be prepared to yield back the remainder of my time.

Mr. KENNEDY. Just this further point, Mr. President——

Mr. McCLURE. I then reserve the remainder of my time.

Mr. KENNEDY. Mr. President, section 2 of this amendment reads as follows:

> The exercise of the rights and powers conferred under this article shall be by the people of the District constituting the seat of government, and as shall be provided by the Congress.

The word "and," which is the eighth word from the end, means "in such manner." As a matter of drafting expertise, I think "in such manner" might have been preferable to the word "and"; but, this is the clear intent, and it was also the intent of the House of Representatives in approving the amendment.

In response to the merits of the argument of the Senator from Idaho, the Senator is quite correct that the language is different from the language I read about retention of the power by Congress to enforce the various other constitutional amendments; but the sum and substance of the language in the joint resolution is the same. It should be interpreted in the same way. It retains authority in Congress to insure that the rights conferred by the amendment are actually implemented in the way they should be. By contrast, the Senator's amendment would turn over all such power to the District.

Congress could act by statute to carry out the Senator's amendment. Congress could delegate all its powers of implementation to the District. But we should not lock such a rule into the amendment itself. Previous constitutional amendments have retained the final authority over implementation for Congress. It is desirable in this case also.

Mr. BAYH. Mr. President, will the Senator permit one observation?

Mr. KENNEDY. I yield——

Mr. BAYH. A couple of minutes would be fine.

The PRESIDING OFFICER. The Senator from Massachusetts has 1 minute remaining.

Mr. KENNEDY. I yield 3 minutes on the bill.

The PRESIDING OFFICER. Time cannot be taken off the bill on these amendments.

Mr. BAYH. I do not think anything I want to say is of great importance, anyway.

Mr. KENNEDY. I ask unanimous consent to yield 3 minutes on the bill.

The PRESIDING OFFICER. Is there objection? Without objection, the Senator from Indiana is recognized for 3 minutes on the bill.

Mr. BAYH. I would just like to point out to our distinguished colleague from Idaho, that I think the thrust of the argument of the Senator from Massachusetts is absolutely on square with everything we have heard in the hearings process over a rather lengthy period of time.

This matter is not a new one to come before Congress; however, it is a new one to actually reach the floor with this degree of legislative history behind us.

The thrust of this is to understand that on this partcular kind of process, the mechanisms of the process must rest with the District. Like all other constitutional amendments, if indeed the State or the District refuses to exercise what is the reasonable intent of the amendment in question, then Congress has the opportunity to have the final word.

By the implementation of this, the election process and all matters of that nature, as the distinguished Senator from Massachusetts has pointed out, shall stay with the District.

Mr. KENNEDY. Mr. President, if I have any further time, I am prepared to yield it back.

Mr. McCLURE. I yield back the remainder of my time.

Mr. KENNEDY. Mr. President, I move that the amendment be laid on the table.

The PRESIDING OFFICER. The question is on the motion to lay on the table the amendment (No. UP 1693) of the Senator from Idaho (Mr. McCLURE). The yeas and nays have previously been ordered, and the clerk will call the roll.

The second assistant legislative clerk called the roll.

Mr. ROBERT C. BYRD. I announce that the Senator from South Dakota (Mr. ABOUREZK), the Senator from Alabama (Mrs. ALLEN), the Senator from Minnesota (Mr. ANDERSON), the Senator from Arkansas (Mr. BUMPERS), the Senator from North Dakota (Mr. BURDICK), the Senator from California (Mr. CRANSTON), the Senator from Arizona (Mr. DECONCINI), the Senator from Mississippi (Mr. EASTLAND), the Senator from Montana (Mr. HATFIELD), the Senator from Minnesota (Mrs. HUMPHREY), the Senator from Louisiana (Mr. JOHNSTON), the Senator from New Hampshire (Mr. MCINTYRE), the Senator from Mississippi (Mr. STENNIS), and the Senator from Georgia (Mr. TALMADGE) are necessarily absent.

I further announce that the Senator from New Hampshire (Mr. DURKIN) is absent on official business.

I further announce that, if present and voting, the Senator from Minnesota (Mrs. HUMPHREY) would vote "yea."

Mr. STEVENS. I announce that the Senator from Rhode Island (Mr. CHAFEE), the Senator from Kansas (Mr. DOLE), the Senator from Michigan (Mr. GRIFFIN), the Senator from Oregon (Mr. HATFIELD), the Senator from Pennsylvania (Mr. HEINZ), the Senator from Maryland (Mr. MATHIAS), and the Senator from Illinois (Mr. PERCY) are necessarily absent.

I further announce that, if present and voting, the Senator from Oregon (Mr. HATFIELD) would vote "yea."

The result was announced—yeas 50, nays 28, as follows:

[Rollcall Vote No. 334 Leg.]

YEAS—50

Bayh	Hathaway	Nunn
Bentsen	Hodges	Pell
Biden	Hollings	Proxmire
Brooke	Huddleston	Randolph
Byrd, Robert C.	Inouye	Ribicoff
Case	Jackson	Riegle
Chiles	Javits	Sarbanes
Church	Kennedy	Sasser
Clark	Leahy	Sparkman
Culver	Magnuson	Stafford
Danforth	Matsunaga	Stevenson
Eagleton	McGovern	Stone
Ford	Metzenbaum	Thurmond
Glenn	Morgan	Weicker
Gravel	Moynihan	Williams
Hart	Muskie	Zorinsky
Haskell	Nelson	

NAYS—28

Baker	Hansen	Pearson
Bartlett	Hatch	Roth
Bellmon	Hayakawa	Schmitt
Byrd, Harry F., Jr.	Helms	Schweiker
Cannon	Laxalt	Scott
Curtis	Long	Stevens
Domenici	Lugar	Tower
Garn	McClure	Wallop
Goldwater	Melcher	Young
	Packwood	

NOT VOTING—22

Abourezk	Dole	Heinz
Allen	Durkin	Humphrey
Anderson	Eastland	Johnston
Bumpers	Griffin	Mathias
Burdick	Hatfield, Mark O.	McIntyre
Chafee		Percy
Cranston	Hatfield, Paul G.	Stennis
DeConcini		Talmadge

So the motion to lay on the table UP amendment No. 1693 was agreed to.

Mr. ROBERT C. BYRD. Mr. President, I move to reconsider the vote by which the amendment was laid on the table.

Mr. KENNEDY. I move to lay that motion on the table.

The motion to lay on the table was agreed to.

UP AMENDMENT NO. 1694

(Purpose: To retrocede the District of Columbia to the State of Maryland, except for lands owned by the United States)

Mr. McCLURE. Mr. President, I have an amendment which I send to the desk and ask for its immediate consideration.

The PRESIDING OFFICER (Mr. MOYNIHAN). The amendment will be stated.

The second assistant legislative clerk read as follows:

The Senator from Idaho (Mr. McCLURE) proposes unprinted amendment No. 1694.

On page 2, strike out lines 2 through 10 and insert the following:

"SECTION 1. Except as provided in section 2, the lands comprising the District constituting the seat of the government of the United States on the day before the day on which this article is ratified are retroceded to the State of Maryland.

"SEC. 2. Section 1 shall not apply to lands owned by the United States on the day before the day on which this article is ratified and such lands shall, on and after the day on which this article is ratified, comprise the District constituting the seat of the Government of the United States.

Amend the title so as to read: "Joint Resolution proposing an amendment to the Constitution to retrocede to the State of Maryland all lands within the District of Columbia except lands owned by the United States.".

Mr. McCLURE. Mr. President, this amendment would provide for full retrocession. We touched on this discussion of the retrocession and part of its aspects in the Melcher amendment, but this would provide a complete and full retrocession of all of the area within the District to the State of Maryland except for a small Federal enclave for the seat of the Federal Government.

Mr. President, I offer an amendment which would provide for full retrocession. This proposal would cede back to the State of Maryland the entire District except for a small Federal enclave for the seat of the Federal Government.

The precedent for such action was the District's prior retrocession of lands originally granted by Virginia, constituting the area around the modern city of Alexandria, to the Commonwealth in 1846. That was accomplished by statute; this retrocession would be made by constitutional amendment, thereby requiring the ratification of three-fourths of the State legislatures and avoiding the problems, constitutional or otherwise, inherent in other proposals such as House Joint Resolution 554.

Returning the populated portion of the District to Maryland would afford the residents of the District full voting representation in the Congress through the election of U.S. Representatives and Senators from the State of Maryland.

Retaining a "Federal enclave" would satisfy the provisions of the Constitution and the intention of the framers concerning the seat of government.

Residents of the retroceded area would be able to vote for a Governor, members of the State legislature, and local government officials on the same basis as other residents of Maryland.

Residents of the District would attain, through full retrocession, the full political rights enjoyed by all other citizens of the United States.

Full retrocession can be accomplished without violating the spirit of the Constitution or impairing the Federal system.

The mere fact that the people of the District and Maryland have expressed no interest in this approach is no argument against it. Attention has focused on other constitutional amendments primarily. It is not surprising that District politicians would prefer to have their own U.S. Representatives and Senators. The Constitution should not be arbitrarily amended for every purpose, however questionable. Retrocession is a more reasonable ap-

proach which should be thoroughly examined and discussed before an attempt is made to radically change the Constitution, as House Joint Resolution 554 would do.

Mr. President, I see my colleague from Maryland on the floor and he is on his feet. I assume he will have some comments he wishes to make. Rather than continue my discussion of the amendment at this point, Mr. President, I reserve the remainder of my time.

Mr. KENNEDY. Mr. President, I yield 5 minutes to the Senator from Maryland.

Mr. SARBANES. Mr. President, let me say at the outset that it is gratifying to the people of the State of Maryland that some Members of the Senate now seem so anxious to retrocede one or another part of the District of Columbia, one way or another to the State of Maryland. This has all occurred now that we are confronted with the issue of whether the people of the District of Columbia ought to be given direct representation in the House of Representatives and the Senate of the United States. These proposals have not heretofore been advanced as positive propositions viewed as a reasonable or desirable thing to do. They appear on the scene as a negative diversion; to seek in effect to preclude giving voter representation to the residents of the District of Columbia.

I must say that it is in this perspective that I see this proposal, as I do other similar proposals which have been made. The Members are going to have to face this representation issue squarely. There are reasonable arguments for having a Federal district for the National Capital; in fact if it were proposed to do away with the Federal district altogether, we would then, perhaps, be hearing, from the same people that are putting forward the limited retrocession proposals, the arguments why a National Capital district is desirable and ought not to be completely done away with. The proposals we have had, none of which is complete retrocession, all carry with them inherent problems. This one, which would exclude from retrocession, all land owned by the Federal Government—which I understand amounts to about 40 percent of the present District of Columbia, involves exclusive property that is not contiguous, that is interspersed with private or other public property throughout the District—this proposal would result in an absolute hodge-podge of alternating geographical areas which would result in an impossible situation in terms of trying to make government work.

Very frankly, I think we ought to face squarely the representation issue. If Senators do not want residents of the District of Columbia to be represented in the National Legislature and want them to continue to be disenfranchised, then they ought to put forward the underlying arguments for that position, not divisionary proposals, and let that basic position be accepted or rejected.

But the various retrocession proposals are but a diversion to try and shift the focus and the attention of Members of this body from the central underlying issue.

This amendment does not really move away from that diversionary approach. The exception which it contains for federally owned property is, of course, one that makes the whole proposition utterly unworkable.

The only logical proposition, which would be to retrocede all of the territory, then carries with it problems involving the arguments, reasonable arguments, which can be made as to why there ought to be a Federal district.

I just think Members ought to face that situation and face what is at stake in House Joint Resolution 554, which is to enfranchise 700,000 of our citizens who have been denied representation in the National Legislature of our country, even though they have, of course, been given representation with respect to the choice of the national Executive.

The PRESIDING OFFICER. Who yields time?

Mr. McCLURE. Mr. President, I know how troubling this is to elected representatives in the State of Maryland, not just the Senators from the State of Maryland, but the other Congressmen, the Governor, and, indeed, the political structure of both parties within the State of Maryland.

But, it seems to me, if we are talking about establishing for the people of the District of Columbia their full civil rights, we ought to be attempting to do exactly that when we have the opportunity to do so.

The proposal before the Senate in the form of the House resolution does not do that. It does not grant them the same rights that every other citizen of the United States exercises. It grants them some of the rights that other citizens of the United States exercise. Only by retrocession or by the creation of the 51st State could we give the people of the District of Columbia the same voting rights, the same civil rights, that every other citizen of the United States enjoys.

I know that it is troubling to people who are more concerned about the political structure of the State of Maryland than they are the civil rights of the residents of the District to accept that change. But the fact remains that if they are to get the same right to vote for Senators and Representatives, a Governor, a State legislature, that every other citizen of the United States enjoys, it must be either by statehood or by retrocession.

Mr. SCOTT. Will the Senator yield?

Mr. McCLURE. I am happy to yield to the Senator from Virginia.

Mr. SCOTT. Mr. President, I certainly support the amendment by my distinguished colleague from Idaho. But I would point out, and I know he is aware of this, that there are other American citizens who do not have representation in the Senate.

Only States have representation. There is Puerto Rico. The people of Puerto Rico are citizens of the United States. They do not have a Senator. They have a Delegate. The people from the Virgin Islands, from Guam, have a nonvoting Delegate. The incorporated territories of the United States have this.

The question would logically follow, if we give two Senators to the District of Columbia and we want to be fair to all American citizens, would it not, that we should have two Senators from Puerto Rico, two Senators from the Virgin Islands, and two Senators from Guam?

It seems logical to the Senator from Virginia that we would increase this body by eight Senators rather than two.

Mr. McCLURE. I thank the Senator from Virginia for pointing out that additional argument that can be made with regard to fairness to all people who are under the umbrella of U.S. citizenship.

But, Mr. President, the argument can be even more pointedly focused on the people of the District of Columbia and on the political system in the State of Maryland because I am told very often by various people that we cannot do this because the State of Maryland does not want it.

It was hinted early in the debates on this measure that those of us who were opposed to it are somehow racist. I think my colleague from Massachusetts said that we do not want them to be voting because they are too black and too liberal.

Well, I can tell my friend that I have never opposed voting rights on the basis of either, although I certainly do oppose people who are liberal on their policies. But I have never opposed anybody on the basis of his race, and I shall not do so.

But if, as a matter of fact, there is a resistance to full civil rights for the people of the District of Columbia, if there is any racism in that argument, the racism lies in the political structure of the State of Maryland, not in those who are opposed to investing the people of the District of Columbia with some right which no one else in the United States enjoys.

Mr. SARBANES addressed the Chair.

Mr. McCLURE. Then denying them other rights which every other citizen of the United States presently enjoys.

Mr. SARBANES. Will the Senator yield?

Mr. McCLURE. I will yield briefly.

Mr. SARBANES. I do not think the Senator, because of a sensitivity which he seems to have to the criticisms which have been made, apparently, of him, and perhaps others who oppose this amendment, should then seek to ascribe to the people of the State of Maryland or its political leaders motives completely absent and not present.

The Senator may speak as to his own motivation, but I do not think, out of some sense of apparent resentment on that matter, he should seek to ascribe to the people and the leaders of my State a motivation which is completely absent.

Mr. McCLURE. I understand what the Senator is saying. But I did not see the Senator on his feet when those other suggestions were being made about the motivations of other people.

I understand what he is saying. I just want to get the motivation question, this issue question, in the proper context.

Those who may oppose——

Mr. SARBANES. That is exactly the reason I rose, in an effort to get it into the proper context.

Mr. McCLURE. I understand.

Mr. SARBANES. I appreciate the Senator now seeking to do that and I would hope he would do that.

Mr. McCLURE. I understand what the Senator is saying.

Mr. SARBANES. Has the Senator from Maryland made any charge about either the Senator from Idaho's motivation or that of the people of the State of Idaho?

Mr. McCLURE. I cannot answer that question. I have not heard it myself.

Mr. SARBANES. Certainly, speaking for this Senator, there has been no such charge, and I would be prepared to assert, knowing the character and the quality of my distinguished colleague from the State of Maryland, that there has been no such charge in his instance, either.

Mr. McCLURE. I thank the Senator for his contribution and I understand his concern about the remarks I have made.

I make those remarks out of the strong conviction that people who have tried to inject race as the motivation on either side in these issues ought to have that pointed out, that they are appealing to the emotions and not to the intellect of the voters of this country and of this body.

Mr. SARBANES. If the Senator has that sensitivity, it seems to me the reasonable way to have approached it would have been to deny the presence of such motivation in his instance, if that allegation were made, but not to go beyond that and cast a similar aspersion on the people of my State and on the political leaders of my State. There is no basis for the Senator undertaking to do that.

Mr. McCLURE. Mr. President, I understand the concern of my friend from Maryland.

I am not going to yield further to him at this time on my time to beat that dead horse.

I do want to reiterate that if we are going to invest the people of the District of Columbia with their full civil rights, in absolute equality with every other citizen of this country, we cannot do it and do not do it under the resolution which has been brought to the floor. But we can and would do it under the amendment which the Senator from Idaho has offered. The fact that, for whatever reason, it may be disturbing to the people of Maryland should not be the overriding concern of the Members of this body. If, as a matter of fact, the overriding is concerned, as I think it should be, with the rights of the individual residents of the District of Columbia, then let us address that squarely. Let us not slide around the issue by injecting other issues, such as denial of due process, denial of voting rights, denial of the fact that racism may be a quotient in the arguments and the emotions in this debate.

The Senator from Idaho is as dedicated as any other to the notion that the exclusion of the voting rights of the people of the District is an anachronism from an earlier age, that the reasons it may have existed and may have been valid at an earlier time no longer exist, that the people who vote in the District of Columbia and reside in the District of Columbia do not universally and uniformly work for the Federal Government.

As a matter of fact, I suspect there is a higher number who live in Maryland and in Virginia who work for the Federal Government than the residents of the District itself. Those patterns have shifted over the years. But certainly that, as a major motivation, is no longer reason to deny to the people who live here the full rights of citizenship.

The pending resolution, brought to the floor of the Senate not through the regular processes of the committees in the Senate but directly from the House and directly to the floor of the Senate, would deny the people of the District of Columbia full voting rights, full civil rights—and I think they should have them. There is no reason why the Senate cannot redress that wrong, rather than create two other wrongs by passing the pending resolution.

Mr. BAYH. Mr. President, will the Senator yield?

Mr. McCLURE. Mr. President, before yielding, how much time do I have remaining?

The PRESIDING OFFICER. The Senator has 7 minutes remaining.

Mr. McCLURE. I yield briefly to the Senator from Indiana.

Mr. BAYH. Has the Senator given consideration to how the citizens of the District would be treated in the area of reapportionment as provided under the Constitution? Would their numbers be added to the numbers of the people of Maryland in the reapportionment after the next census?

Mr. McCLURE. Under the amendment I have suggested, the desire of the people of the District as to their separate representation would be accomplished by granting them representation in the House of Representatives as though they were a State, granting them the right to have their Senators voted upon statewide, as all other citizens of this country have their Senators voted upon.

Mr. BAYH. I thought the Senator's amendment just struck section 2, lines 2 through 10.

Mr. McCLURE. This simply corrects an error in the resolution, from my viewpoint.

Mr. BAYH. The Senator is familiar with the fact that the language in the constitution talks in terms of reapportionment within the bounds of the given States. Does the Senator suggest that he is creating some sort of non-State entity, which would not qualify them, under the present language, for reapportionment?

Mr. McCLURE. The Senator is correct. But this would not conform exactly in that respect to the treatment in other areas of the country. It would preserve the identity of the District for the reapportionment and the representation in the House of Representatives.

Mr. BAYH. I thank the Senator.

Mr. President, is there additional time?

Mr. KENNEDY. Mr. President, how much time do I have remaining?

The PRESIDING OFFICER. The Senator from Massachusetts has 6 minutes.

Mr. McCLURE. Mr. President, I reserve the remainder of my time.

Mr. KENNEDY. I will take 2 or 3 minutes. I will be glad to yield to the Senator, and then I would like to make a concluding comment. I yield 3 minutes to the Senator.

Mr. BAYH. Mr. President, I have two basic concerns about this kind of resolution.

One is a set of constitutional concerns as to the reapportionment question, which I just raised. The other is the question of qualification, that is, how the qualifications for voters would be established for the House of Representatives, when the Constitution says that the qualifications must be the same as the qualifications for the most numerous branch of the State legislature?

That concern puts the District of Columbia in a no man's land. Would that mean that Annapolis would establish the criteria for the voters in the District? What about where a candidate should come from? Would it be possible for someone who lived in the District of Columbia to serve in the House of Representatives? Suppose Annapolis said you had to live in Maryland, as a right to qualify voters?

I say this because it seems to me that we are establishing a rule here in which we would put into the Constitution something that would create a very confusing situation.

In addition, I think a good case could be made relative to article 4, section 3, and the only precedent we have is retrocession to Virginia, when it was ruled at that time that the State had to determine, under the Constitution, whether or not they could accept that property.

I say to my colleagues that I look at it a little differently from the way the Senator from Idaho looks at it. I think he is giving away part of my property in Indiana. In Indiana we have 5.5 million people who feel that the District of Columbia is part of their Capital; and they want us to find a way in which the people who live here can vote without, in essence, giving away the city. I guess I feel he is doing that. I know he does not.

I hope we will turn this down and support the resolution which is ably supported by the Senator from Massachusetts and the Senator from Maryland.

Mr. MELCHER. Mr. President, will the Senator from Idaho yield?

Mr. McCLURE. I yield to the Senator from Montana.

Mr. MELCHER. I thank the Senator for yielding.

I hardly think this poses the problem that the Senator from Indiana conjectures. The question of voting within a State on a Federal enclave has been addressed many times. A person who lives at Andrews Air Force Base, in the State of Maryland, is not denied his voting rights. In many other instances where one lives on Federal property, he is eligible to vote in that State, and it has been found by the courts that he is eligible to vote in that State.

So we are not really going into unplowed ground or some never-never land that has not been tried and tested before.

The Senator from Idaho, as I understand, would leave the city as it is for that purpose, to exercise those functions, and would allow the residents within the ceded portion of the District to have the opportunity to participate in the procedures granted to other citizens of Maryland.

I would rather that the debate on the Senate floor would be factual as to the case and factual as to what has happened before in a similar instance. It certainly has happened before in similar instances.

Mr. BAYH. Mr. President, will the Senator yield?

Mr. McCLURE. I yield briefly.

Mr. BAYH. I hope the Senator from Montana does not suggest that just because one disagrees with him, one uses the wrong facts.

I ask this of the Senator from Idaho: Who does he think would prescribe the qualifications for people who vote in the District of Columbia when the Constitution says "the most numerous branch of the State Legislature"? Would it be possible for the legislature in Annapolis to prescribe residency qualifications that, in essence, state you could not vote unless you lived in the State in question, which the Constitution says you have the right to do?

That means they could establish residency provisions to vote in Maryland in order to serve in the Senate or in the House, which would deny anybody who lived in the District the chance to do that.

That is the concern I have. I do not know where you would finally come down on that, but I point out that those requirements exist in the Constitution today; they are factual in the Constitution today.

Mr. McCLURE. Mr. President, there is no doubt that the pending resolution before the Senate—not my amendment—contains virtually the same list of uncertainties and ambiguities which my friend has mentioned. I sought to cure some of that ambiguity by the amendment I offered just before this one, which was rejected when a tabling motion by the Senator from Massachusetts was approved by the Senate.

The Senate did not want to resolve those ambiguities. The Senate wanted to leave it within the power of Congress to deal with those ambiguities, and that is where it resides now.

So my friend from Indiana may raise the question of uncertainty, but the question of uncertainty resides in the language of the resolution, not the language of the amendment of the Senator from Idaho.

Mr. President, again we have two choices if we really want to give the residents of the District of Columbia their full civil rights. We must choose either statehood for the District or allow them to vote in a State which does exist because the ambiguities to which the Senator makes reference, the other constitutional provisions that make references to State control and State authority in certain instances over voting by the residents of the State apply equally to the pending resolution.

To simply allow them to have a Senator and a Representative does not lay to rest the other issues which the Senator from Indiana has raised.

Do I understand from the faint tapping at the desk that my time may have expired?

The PRESIDING OFFICER. The Senator's time has expired.

Mr. McCLURE. I thank the Chair.

Mr. KENNEDY. Mr. President, I yield myself 3 minutes.

Mr. President, it seems to me that the argument of the Senator from Idaho would have some consistency if he were suggesting that we substitute a statehood proposal that would effectively conform with what I gather to be his desire at least presented here in the Senate this afternoon. But the fact of the matter is——

Mr. McCLURE. Mr. President, will the Senator yield on that point?

Mr. KENNEDY. I only have 3 minutes.

Mr. McCLURE. Will the Senator yield only briefly?

Mr. KENNEDY. I yield for 15 seconds.

Mr. McCLURE. I have that amendment. If this one is defeated I will offer it.

Mr. KENNEDY. Fine.

Mr. McCLURE. And I hope the Senator will support it.

Mr. KENNEDY. Then we will have a chance to debate and I will not make it now.

Mr. President, home rule and representation for the District of Columbia in Congress have moved along two tracks over the history of our Nation. We should not confuse these two different concepts.

The Senator from Idaho says that we are not doing all the things that we could do for a State. Therefore, he says, the more limited step of providing the citizens of the District of Columbia with the right to elect their own Members of the House and the Senate should not be accepted. That is effectively what his amendment would do, and it is for those reasons that I move to table it.

Mr. President, I ask for the yeas and nays.

The PRESIDING OFFICER. Does the Senator yield back his time?

Mr. KENNEDY. I yield back the remainder of my time.

The PRESIDING OFFICER. Is there a sufficient second? There is a sufficient second.

The yeas and nays were ordered.

The PRESIDING OFFICER. The question is on agreeing to the motion to lay on the table UP amendment No. 1694 of the Senator from Idaho.

On this question, the yeas and nays have been ordered, and the clerk will call the roll.

The second assistant legislative clerk called the roll.

Mr. ROBERT C. BYRD. I announce that the Senator from South Dakota (Mr. ABOUREZK), the Senator from Alabama (Mrs. ALLEN), the Senator from Minnesota (Mr. ANDERSON), the Senator from Arkansas (Mr. BUMPERS), the Senator from California (Mr. CRANSTON), the Senator from Arizona (Mr. DECONCINI), the Senator from Mississippi (Mr. EASTLAND), the Senator from Montana (Mr. HATFIELD), the Senator from Minnesota (Mrs. HUMPHREY), the Senator from Louisiana (Mr. JOHNSTON), the Senator from New Hampshire (Mr. MCINTYRE), and the Senator from Georgia (Mr. TALMADGE) are necessarily absent.

I further announce that the Senator from New Hampshire (Mr. DURKIN) is absent on official business.

I further announce that, if present and voting, the Senator from Minnesota (Mrs. HUMPHREY) would vote "yea."

Mr. STEVENS. I announce that the Senator from Kansas (Mr. DOLE), the Senator from Michigan (Mr. GRIFFIN), the Senator from Oregon (Mr. HATFIELD), the Senator from Maryland (Mr. MATHIAS), and the Senator from Illinois (Mr. PERCY) are necessary absent.

The result was announced—yeas 47, nays 35, as follows:

[Rollcall Vote No. 335 Leg.]

YEAS—47

Bayh	Haskell	Muskie
Bentsen	Hathaway	Nelson
Biden	Heinz	Pearson
Brooke	Hodges	Randolph
Byrd, Robert C.	Hollings	Ribicoff
Case	Huddleston	Riegle
Chafee	Inouye	Sarbanes
Chiles	Jackson	Sasser
Church	Javits	Sparkman
Clark	Kennedy	Stafford
Culver	Leahy	Stevenson
Danforth	Magnuson	Stone
Eagleton	Matsunaga	Thurmond
Ford	McGovern	Weicker
Glenn	Metzenbaum	Williams
Hart	Moynihan	

NAYS—35

Baker	Hansen	Pell
Bartlett	Hatch	Proxmire
Bellmon	Hayakawa	Roth
Burdick	Helms	Schmitt
Byrd, Harry F., Jr.	Laxalt	Schweiker
	Long	Scott
Cannon	Lugar	Stennis
Curtis	McClure	Stevens
Domenici	Melcher	Tower
Garn	Morgan	Wallop
Goldwater	Nunn	Young
Gravel	Packwood	Zorinsky

NOT VOTING—18

Abourezk	Durkin	Humphrey
Allen	Eastland	Johnston
Anderson	Griffin	Mathias
Bumpers	Hatfield, Mark O.	McIntyre
Cranston		Percy
DeConcini	Hatfield, Paul G.	Talmadge
Dole		

So the motion to lay on the table UP amendment No. 1694 was agreed to.

Mr. ROBERT C. BYRD. Mr. President, I move to reconsider the vote by which the motion was agreed to.

Mr. KENNEDY. I move to lay that motion on the table.

The motion to lay on the table was agreed to.

ORDER OF PROCEDURE

Mr. ROBERT C. BYRD. Mr. President, under the order entered last week, the Senate was to have turned to the Federal aid highways bill today at no later than 3 o'clock p.m. I ask unanimous consent——

The PRESIDING OFFICER. Will the Senator kindly suspend? The majority

leader has the floor; will the Senate please be in order?

The Senator from West Virginia will kindly proceed.

Mr. ROBERT C. BYRD. I thank the Chair.

Mr. President, I ask unanimous consent that the resumption of debate on the highway bill be delayed temporarily, that the Senate proceed to the consideration of one more amendment by Mr. McCLURE, and the Senator from Virginia (Mr. HARRY F. BYRD, JR.), I think, wants 5 minutes on the D.C. Representation Act, and Mr. MELCHER wishes to speak also this afternoon.

Mr. MELCHER. I would take 10 minutes for my allotment.

Mr. SCOTT. Mr. President, will the Senator yield briefly?

Mr. ROBERT C. BYRD. Yes.

Mr. SCOTT. I have two amendments that I would like to take 5 minutes on, not to offer them, but so that the Senate would know of the two amendments I intend to offer tomorrow.

Mr. ROBERT C. BYRD. Very well. Mr. President, I ask unanimous consent that Senator McCLURE be recognized to offer his amendment.

Mr. McCLURE. Mr. President, did I understand that the Senator from Virginia (Mr. HARRY F. BYRD, JR.) wishes to present his statement at this time?

Mr. ROBERT C. BYRD. Very well.

Mr. McCLURE. And that I would then be recognized to offer my amendment?

Mr. ROBERT C. BYRD. Very well. I ask unanimous consent that after the Senator from Virginia (Mr. HARRY F. BYRD, JR.) is recognized to make his statement, the Senator from Idaho (Mr. McCLURE) be recognized to offer his amendment, that Mr. MELCHER then be recognized for his statement, and that Mr. SCOTT then be recognized for his statement, after which the Senate turn to the consideration of the military construction conference report, on which there be 10 minutes to be equally divided between Mr. HUDDLESTON and Mr. STEVENS, and that after the conference report, the Senate return to the consideration of the highway bill.

Mr. McCLURE. Mr. President, the amendment I shall offer will be one which would grant statehood to the District of Columbia.

Mr. ROBERT C. BYRD. That would require a rollcall vote.

Mr. McCLURE. That would probably require a rollcall vote.

Mr. ROBERT C. BYRD. I ask unanimous consent that it be in order to order the yeas and nays on the amendment of the Senator from Idaho.

The PRESIDING OFFICER. Without objection, it is so ordered. The yeas and nays are not mandatory, unless requested.

Mr. ROBERT C. BYRD. Does Senator McCLURE wish for the yeas and nays on his amendment?

Mr. McCLURE. I ask for the yeas and nays.

The PRESIDING OFFICER. Is there a sufficient second? There is a sufficient second.

The yeas and nays were ordered.

Mr. KENNEDY. Mr. President, I ask unanimous consent that it be in order at this time to order the yeas and nays on a motion to table the McClure amendment.

The PRESIDING OFFICER. Is there objection? Without objection, it is so ordered.

Mr. KENNEDY. I ask for the yeas and nays.

The PRESIDING OFFICER. Is there a sufficient second? There is a sufficient second.

The yeas and nays were ordered.

Mr. ROBERT C. BYRD. Now, Mr. President, I renew my unanimous-consent request.

The PRESIDING OFFICER. Is there objection?

Mr. RANDOLPH. Mr. President, reserving the right to object, and I shall not object, it is a little difficult for me to put together the time frame here as to when the highway bill will be resumed for debate and, hopefully, passage.

Mr. ROBERT C. BYRD. Mr. President, that would probably be, if all time is taken on Mr. McCLURE's amendment, in approximately 1 hour and 10 minutes.

Mr. MELCHER. Mr. President, reserving the right to object——

Mr. ROBERT C. BYRD. No, I beg the Senator's pardon. It would be 1 hour and 35 minutes.

Mr. RANDOLPH. Very well. I thank the Senator.

Mr. MORGAN. Mr. President, I wonder if we could have an agreement that it not be before 4:30.

Mr. ROBERT C. BYRD. That would be perfectly agreeable. It will work out that way anyway, but I will include that in the request.

Mr. BAKER. Mr. President, reserving the right to object, I wonder if the majority leader could give us some idea on how long we may stay on the highway bill after we turn to that later today, and at what time might we expect to adjourn or recess for the night.

Mr. ROBERT C. BYRD. I cannot accurately assess that situation, may I say to my distinguished friend the minority leader. I would hope we would be prepared to stay in late, however, so we might finish the highway bill tonight.

Mr. BAKER. It is the majority leader's intention to finish the highway, if possible?

Mr. ROBERT C. BYRD. I would hope so. I would hope we could finish with it, because we have a very full day tomorrow, with the D.C. representation amendment, so that Senators would not have to be in next Monday or Tuesday. As Senators will recall, when the original schedule was announced earlier this year, the holiday was to begin at the close of business next Tuesday. That will probably mean we will have to be in late every day this week, with the likelihood of a Saturday session, but if we accomplish our work that we have targeted, we will not have to be in next Monday and Tuesday.

Mr. HUDDLESTON. Mr. President, will the Senator yield?

Mr. ROBERT C. BYRD. Mr. President, was the request granted?

The PRESIDING OFFICER. Is there objection to the request of the Senator from West Virginia? Without objection, it is so ordered.

Mr. HUDDLESTON. Will the Senator yield?

Mr. ROBERT C. BYRD. I yield the floor.

Mr. HUDDLESTON. Mr. President, I ask unanimous consent that Tim Dudgeon, of my staff, be accorded the privilege of the floor during the consideration of the highway bill, when called up.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. KENNEDY. Mr. President, I make the same request for Mr. Conley, of Senator NELSON'S staff, during the consideration of the D.C. representation measure.

The PRESIDING OFFICER (Mr. SASSER). Without objection, it is so ordered.

The Senate will be in order.

The Senator from Virginia (Mr. SCOTT) is recognized.

Mr. SCOTT. Mr. President, I yield 5 minutes to my distinguished colleague from Virginia.

Mr. HARRY F. BYRD, JR. Mr. President, may we have order?

The PRESIDING OFFICER. The Senate will be in order.

Mr. HARRY F. BYRD, JR. Mr. President, Washington, D.C., is a city. It is a Federal city. Its interest, its economics, its future are tied to the Federal Government.

It has none of the characteristics of a State. It is not a State, nor was it ever meant to be.

It was planned as the seat of the Federal Government, and for nearly 200 years it has served that purpose well.

In area, only two States of the 50 have less than 5,000 square miles. Rhode Island, being the smallest, has approximately 1,200 square miles.

Washington, D.C., has an area of 67 square miles.

Under the Constitution, Members of the House of Representatives represent people divided into congressional districts, with each congressional district at the present time representing roughly 500,000 persons.

But in the Senate, Senators represent States. California with 22 million population has two Senators; Wyoming with 400,000 population has two Senators.

Under the Constitution, only States are permitted to have Senators. Although New York City has a population of 8 million, 10 times greater than Washington, it is not entitled to a Senator.

I see no justification for the pending legislation which would give Washington, D.C., two representatives in the U.S. Senate. This legislation would not confer statehood on Washington, D.C., but would grant it representation in the Senate if it were a State.

I think the pending legislation is wrong in principle and dangerous in precedent.

Will this lead, as it well could, for a demand for two Senators for Puerto Rico whose residents are citizens of the United States? Or Senators for Guam and for the Virgin Islands whose residents likewise are citizens of the United States?

Washington, D.C. is not a State, it is a city. A fine city, but still a city.

There is no diversity of interest, there is no rural population, there are no small towns, there is no agricultural area.

In brief, Washington, D.C., is a densely populated city of 690,000 persons in a 67-square-mile area.

I shall vote against giving two Senators to Washington, D.C., which action would simultaneously distort the Constitution, set a dangerous precedent of city representation, and diminish the influence in the Senate of each of the 50 States.

Mr. President, how much time do I have remaining?

The PRESIDING OFFICER (Mr. HODGES). The Senator has 2 minutes remaining.

Mr. HARRY F. BYRD, JR. I yield that additional 2 minutes to the Senator from Montana (Mr. MELCHER) when his time comes to speak.

Mr. MELCHER. I thank the Senator.

The PRESIDING OFFICER. Under the previous order the Senator from Idaho is recognized to offer his amendment.

UP AMENDMENT NO. 1695

(Purpose: To grant statehood to the District of Columbia)

Mr. McCLURE. Mr. President, I send an amendment to the desk and ask for its immediate consideration.

The PRESIDING OFFICER. The amendment will be stated.

The assistant legislative clerk read as follows:

The Senator from Idaho (Mr. McCLURE) proposes an unprinted amendment numbered 1695.

On page 2, strike out lines 2 through 10 and insert the following:

"Section 1. The District constituting the seat of government of the United States is hereby admitted into the Union as a State of the United States on an equal footing with the other States in all respects.

"SEC. 2. The Congress shall have power to enforce this article by appropriate legislation.

Mr. McCLURE. Mr. President, during the debate on the previous amendment, which would have retroceded the non-Federal Government in the District to the State of Maryland so that the people of the District might have the opportunity to have full civil rights, it was argued by the distinguished Senator from Massachusetts that we should instead grant them statehood, or at least that that would be more logically consistent.

Without conceding the fact as to where logical consistency might lie as between those two alternatives, certainly the arguments raised by the Senator from Indiana with regard to the difficulties of interpretation and application of voting rights as though they are a State without granting statehood is inherent to the pending resolution granting voting rights without statehood and would be completely solved by granting statehood.

(Mr. SASSER assumed the chair.)

Mr. McCLURE. This, at least, Mr. President, would be logically consistent with the stated thrust and purpose of the sponsors and floor managers of this House Joint Resolution 554.

In my opinion, this is the only way to provide a permanent solution to the issue of extending the full rights of political participation to all citizens of the District and at the same time avoid the insurmountable constitutional objections that mar other proposals, including House Joint Resolution 554.

While statehood is possible by means of a simple majority vote in both Houses of Congress, under article IV, section 3, any attempt to admit the District to the Union as a State without amending the Constitution would pose major legal problems. For one thing, statehood by legislative enactment would abrogate the "exclusive legislation" power of the Congress over the District under article I, section 8, clause 17. Moreover, article IV, section 3, clause 1 makes the consent of the legislatures concerned a prerequisite for forming new States. When Maryland ceded lands to the Federal Government for establishing the District of Columbia, it consented only to the creation of a Federal district, not the creation of a new State. Thus, to make the District by congressional enactment alone would violate that provision of the Constitution.

Under amendment XXIII the District has three votes in the electoral college, that is, no more than the number of electors accorded to the least populous State. however, it could be entitled to as many as four electors, according to the most recent census. Amendment XXIII would become a virtual dead letter since the District would cease to exist. Such a change in the Constitution should be made by amendment, rather than by legislation.

Granting statehood to the District would not only guarantee to D.C. residents voting representation in both Houses of Congress, under article I of the Constitution. They would also be able to participate in the process of ratification of proposed amendments to the Constitution, article V; they would be entitled to as many electors for President and Vice President as they have Senators and Representatives, article 2, section 1; they would be assured of territorial integrity and protection against absorption into other States, article IV, section 3; and they would have complete legislative control over internal matters, free of congressional veto. All congressional authority over the District now provided in article I, section 8, clause 17 would be effectively turned over to the people of the District acting through their elected representatives in a State legislature.

This amendment would not only assure to D.C. residents equal citizenship rights with other Americans; it would grant to the District complete self-government according to the wishes of its own people, without Federal interference. It would free the Federal Government of the responsibilities of providing special treatment for the District at a tremendous expense to other U.S. citizens. The people of the District would not only enjoy the rights and powers of statehood, they would also assume the full burden and responsibilities of citizens of a State of the Union. No longer would District citizens be considered second-class Americans or be victims of "taxation without representation."

Full representation is consistent with the principles of democracy upon which our Nation was founded. Statehood would attest to our commitment to equality and freedom for all American citizens and our concern for guaranteeing human rights thoughout the world.

Mr. President, I reserve the remainder of my time.

Mr. BAYH. Mr. President, I have listened to my good friend and distinguished colleague from Idaho struggling with how this business of representation for the people of the District, some 750,000 of them, can be accomplished. I know he is sincere about this desire. But I say with all respect that it seems to me he is making it an overcomplex issue, a more difficult one to resolve than it really need be.

First of all, those of us who are supporting and have supported for some time the right of representation for the District citizens, have said from the beginning that the District of Columbia is a unique part of the United States of America. It is a unique bit of geography. It is a capital city. For reasons that have already been thoroughly discussed, basically size and security, our Founding Fathers established it to be separate and different from States early on.

Just as this unique characteristic exists, it seems to me that there is no need to go the statehood route in providing representation for the citizens of the District.

As I said earlier, I guess as a Senator from Indiana I hate to see us taking the Nation's Capital from 500,000 Hoosiers. It is part ours. I do not see why the District should be a State because it is, indeed, the Nation's Capital.

As I said earlier, there is no need to go the statehood route in order to resolve the inequities which exist here.

I will not belabor the Senator or the Senate with some of the distinctions between means of approaching statehood and the thrust of the Senator's remarks. The question of statehood is very much up in the air in the District of Columbia.

There is a core of support for statehood here. But nothing approaching the clear majority wishes of the people for representation short of statehood, the majority support for the very resolution which we now have before us.

I say to my good friend from Idaho, it seems to me, if one gets into the whole fundamental study of government, we can see why the approach recommended by the Senator from Massachusetts, the Senator from Indiana and the rest of us in this resolution is more appropriate to the need than statehood.

We have three levels of government, and we are all aware of this, local government, State government, and National Government. The District of Columbia, very clearly, is a local government. It is a city. It has a city structure. Imperfect as it is, it is chosen by the people of this city. The city government controls the confines, the geographic limits of this city, which also happens to be the Nation's Capital.

So there is adequate government, there is representation. Some say it is inadequate, and you could make a good case of that. But at least, there is a participation in the representative process at the local level. I see no reason to have a State government, which would cover the same identical geographic description as the local government. That would be an absolute duplication of governmental responsibilities.

There is no other State in the United States that has a city which covers the total geography of the State; yet we would be establishing one if we went along this particular route.

No, it seems to me that what we are after here is not to create a State level of bureaucracy to deal with problems that are already dealt with by the local government, but to see that the citizens of the District are fully represented at the national Government level. They have the right to vote for the President now, as of the 23d amendment. What we are saying is give the citizens of the District the right to vote for and be represented in this body and our other body, the House of Representatives, to have the chance to affect the outcome of national decisions, national decisions that affect the lives of the people who live here.

Mr. McCLURE addressed the Chair.

Mr. BARTLETT. Will the Senator yield?

Mr. McCLURE. I am happy to yield to the Senator from Oklahoma.

Mr. BARTLETT. Mr. President, I ask unanimous consent that Edward King of my staff may be accorded the privilege of the floor during any vote on this bill and the transportation bill. I further ask that this request not interfere with the dialog that the Senator from Idaho is having.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. McCLURE. Mr. President, I shall be very brief. I suspect we can either terminate the debate at this moment or debate for the next week. We cannot adequately cover the subject in a few brief moments and to attempt to cover it in much less than a week, in all of its ramifications, must be an exercise in frustration.

Let me respond to my friend from Indiana in this way: It seems to me that the arguments that have been used by the Senator in opposition to my amendment are really the arguments that the opponents of the resolution have been using. All of the arguments that have been raised against statehood are equally applicable against House Joint Resolution 554. I do not understand the distinction that says they are to be granted full voting rights without voting responsibilities. The effort to establish in people rights unassociated with responsibilities has been proven to be destructive of individual fiber, and it certainly is destructive of government structure as well.

It seems to me that this is really the crux of part of the dilemma, that there is the effort to invest the District of Columbia with all the rights of statehood with none of the responsibilities of statehood. It seems to me that has led us into the impasse of trying to find a way to give them something without giving them everything. We end up saying we are going to give them full civil rights, but we do not give them full civil rights; we give them some civil rights.

My friend from Indiana has indicated that this would be taking something away from the people of Indiana, because they own this Capital City. There are two answers to that. First of all, we could, by legislation, construct a Federal enclave within the city, which would then be a State, and allow them to have statehood and full rights and responsibilities of citizenship under statehood; at the same time, guaranteeing to the people of Indiana their sole share of the hold on the city as a seat of Government.

At the same time, my friend from Indiana is saying that we must pass the resolution granting representation in order to give them their rights as citizens, but whatever tenuous hold the people of Indiana have on the seat of Government is sufficient reason to deny them full rights as citizens.

I wonder if, really, the people of Indiana want to deny the people of the District of Columbia their right to full citizenship, full participation, full civil rights under the Constitution in exchange for, or as the price of, a tenuous hold on some nebulous concept of the Nation's Capital. I do not think the rights of citizenship are to be sold or bartered for such a small consideration as is implied by that statement.

Mr. President, if the Senator from Indiana is prepared to yield back the remainder of his time, I shall yield back the remainder of my time.

Mr. BAYH. I should like to respond.

Mr. McCLURE. Then I shall reserve the remainder of my time.

Mr. BAYH. I should like to say that, although the Senator from Indiana may not be as articulate as the Senator from Idaho, I should hate to see his argument used as my own argument against the resolution, as a cosponsor of the resolution.

I think what we are trying to do here is to say that whenever there is a process of Government that affects the lives of people, the people affected ought to have a right to have some influence on that process. We have wrangled over several things; some of them have been voted up and some have been voted down here this year.

About all the things we have discussed are going to affect the lives of the citizens of the District, but they will not have any representative here to help resolve that problem. That is what we are after. Inasmuch as there are not State responsibilities as far as the citizens of the District of Columbia are concerned, I do not know that we ought to give them States rights. What we are after is to see that they are represented in this form of Government which affects their lives, as far as taking their sons in war and taking their taxes in times of peace.

Mr. WALLOP. Will the Senator yield for a question?

Mr. BAYH. I am glad to yield. I do not know how much time I have; this is a one-sided apportionment. I am not complaining, but recognizing the facts of life.

Mr. WALLOP. I just have one question, on hearing what he is saying and the Senator from Idaho is saying. How do we square what the senior Senator from Virginia asked rhetorically: What do we now do, granting this on this basis, about the citizens of American Samoa, of Puerto Rico, or the Virgin Islands, who are subject to draft, who have all the other problems, whose sons go to war and other things? How do we now say they are not entitled to voting representation on the same basis that the District is?

I really ask that in all sincerity.

Mr. BAYH. I must say that I have asked myself that same question as the chairman of the committee that handles constitutional questions. I frankly believe, if the Senator from Wyoming is asking the Senator from Indiana, I think they are entitled to have a chance to vote for President. Whether they should be represented in Congress or not depends upon the size of the entity involved and the disposition of the people involved.

The fact of the matter is, we have a distinction here. We do not have any other territory urging to be heard as a State. We have had territories that have asked to be included in this direct popular vote amendment so they will have a chance to vote for President. Frankly, I think they ought to be. From a practical standpoint, I do not think there is any way of including them in there.

If the Senator would address himself to the real distinction, in all but Puerto Rico, there is a real distinction of size. That was one of the distinctions that caused the Founding Fathers to treat the District differently than they did other States.

Another distinction is that they are not a contiguous part of the United States. You could say the same thing about Alaska and Hawaii, but there again, you get into distinct size situation, with the exception of Puerto Rico.

If the time comes when the people of Puerto Rico can, by unanimous vote, decide that issue and then petition us and ask us to accept them, then I think we have a real question that we must deal with. Frankly, I would say we either have to fish or cut bait. I am not for having territories against their will.

Mr. BARTLETT. Will the Senator yield?

Mr. BAYH. Yes.

Mr. BARTLETT. As I understand it, the distinguished Senator from Indiana said that the citizens of the District need representation and need to have a person or two in this body representing them. As I understand it, at the present time, they are represented by all Members of this body and they are represented by specific Senators who serve on the District Committee.

My question is, If this resolution is passed and ratified by the States and becomes part of our Constitution and our basic law, then does it also provide that this extra representation that the Dis-

trict still has by virtue of having its own subcommittee here, by having the entire Senate and the House responsible for much of the care of its own citizens, is it written into this resolution that the District will no longer receive this extra representation they now have?

Mr. BAYH. I must say to my friend from Oklahoma, I do not think they have extra representation. I do not see how we can say the people in the District are represented by the Senator from Indiana, the Senator from Oklahoma, the Senator from Wyoming, and other places.

It is like saying the Senator's State can be represented by Senators from Texas or mine can be represented by Senators from Illinois.

Mr. BARTLETT. Let me say to the fine Senator from Indiana, that in the first 2 years I was here I was on the District Committee. I felt that I did a halfway decent job of representing the District, at least I tried to.

The PRESIDING OFFICER. The time of the Senator from Indiana has expired.

Mr. BAYH. Will someone else yield me some time to respond?

Mr. SCOTT. Mr. President, I yield myself time on the bill.

The PRESIDING OFFICER. Under the unanimous-consent agreement, there is no provision which would allow the Senator to do that without unanimous consent.

Mr. McCLURE. Mr. President, I ask unanimous consent the Senator from Virginia may yield himself time on the bill.

The PRESIDING OFFICER. Is there objection?

Without objection, it is so ordered.

Mr. SCOTT. Mr. President, I had 18 minutes some time ago, and I agree with the ruling of the Chair.

But I just want to say to my distinguished friend from Wyoming, the questions he posed were discussed by the junior Senator from Virginia in some detail earlier this morning when we had almost an empty Chamber.

I have asked my staff to prepare copies to put on every Senator's desk, and it will be available later in the afternoon.

It addresses itself to these very questions and to the various States where they did have Senators and went into the territories throughout the 19th and 20th centuries.

Mr. President, I just thought I should clarify that.

Mr. BAYH. Mr. President, I ask unanimous consent to have 5 minutes on the bill to respond to some of these questions, if I might, only to the questions which were posed.

Mr. BARTLETT. Would the Senator from Idaho yield 2 minutes to the Senator from Indiana to respond to my question?

Mr. McCLURE. Mr. President, I understand he asked for 5 minutes on the bill, and I have no objection.

The PRESIDING OFFICER. Is there objection to the Senator from Indiana having 5 minutes on the bill?

Without objection, it is so ordered.

Mr. BAYH. I appreciate that.

I do not want to unnecessarily belabor the Senate, but I think we all want these questions out on the table so we can make a decision.

I say, after hearing the remarks of my friend from Virginia, that if this has any relevance to people leaving other States and going out into the territories, is to ignore the fact that when enough of them got out there they could become a State.

I say to my my friend from Oklahoma, with all respect to the kind of service he represented as a member of the District Committee, that I had the distinction of being the chairman of the Appropriations Subcommittee of the District. So we both had that responsibility and we tried our best.

But it is contrary to the basic premise of the Democratic principles of our society to suggest we can ever be fully represented, but not from the constituency being represented.

Try as we will, it seems to me the people who live here have a right to determine how their representatives are going to be chosen, and if they do not like them, get rid of them and send us other representatives.

I say to my good friend from Oklahoma, they cannot do this.

Mr. BARTLETT. Let me say to my good friend from Indiana, the point I was making was that if this resolution is ratified into the Constitution as basic law, then the District, in addition to two Senators and some Representatives, will have the District subcommittees representing the District. They will also have responsibilities of the Congress to the District in addition to what is normally a responsibility of the Congress to the other States.

So what we are creating is a hybrid State, sort of a hybrid super State, which is different from going out to the territories, as the Senator was talking about earlier.

The original colonies, when they conveyed sovereignty to the National Government, also conveyed the right to extend that sovereignty by extending statehood, but not for this kind of hybrid super State.

Mr. BAYH. I think we should say super city, not super State. Because in the District, the Federal City, if one wants to address himself to the reason why there would be a District of Columbia Committee, it seems to me they have an entirely different issue than saying the people of the District can be adequately represented by Senators and Congressmen they do not choose, cannot effect, cannot get rid of, cannot have, and whose views may be entirely different on the issues than all of the people who actually live here and are affected by the taxation, war-making, and all those kinds of things.

The District of Columbia Committee, I assume, will continue to exist as long as the Congress feels there is a need to address special attention to the aspects of the District government which are unique. Because of the fact that it is the Nation's Capital, large parts of the territory are, indeed, consigned to the Federal Government. They cannot be taxed. The large percentages of the District's revenues are assessed for police and fire, for protecting Federal properties, and providing some of the regalia and pomp and circumstance of the foreign dignitaries that are part of the National Capital, not of the city of Washington, D.C.

Mr. BARTLETT. But this could be done with other committees.

But what the Senator sets up here is extra representation and also a hybrid State that does not have the responsibilities a State has.

Mr. BAYH. May I ask the Senator a question, would he support this resolution if we do away with the District Committee in the House and Senate?

Mr. BARTLETT. No, and I have other reasons for it.

But I am giving the Senator one argument based on what he was saying earlier about representation, because what we are doing is creating a hybrid State. It is not a hybrid city or supercity.

I think, if we were, New York City could later on look forward to better representation or direct representation as a supercity, because they certainly qualify, I believe, to a greater extent, because of their large population, than does Washington, D.C.

Mr. BAYH. I do not think I will persuade my friend from Oklahoma by making the same argument a third time when I have not the first two times.

I respect his judgment, but I respectfully disagree with his conclusions.

Mr. BARTLETT. I do not think I will persuade my good friend to change his amendment.

Mr. McCLURE. Mr. President, how much time do I have remaining on this amendment?

The PRESIDING OFFICER. The Senator from Idaho has 10 minutes remaining.

Mr. McCLURE. Mr. President, I do not expect to use all that time.

Let me respond to only two points that have been raised in the colloquy since I last addressed the Senate.

One, the argument that the Senator from Wyoming had raised with respect to the territories, invalid because of the size.

On size, I do not see anything in the Constitution that deals with the question of size. If the question of size were involved, Rhode Island would not have equal representation in this body with Alaska or Texas.

Certainly, size is not a matter that was addressed in the Constitution of the United States.

The Constitution addressed two principles: one was the representation of States within this body and the other was the representation of individuals in the other body. The pending resolution before us does not do either of those things correctly. It does not grant representation in this body as a State. It does not give full rights and responsibilities to the citizens of the District of Columbia with regard to statehood. It does not give them full civil rights as individual citizens of this country.

The pending resolution that they have

asked us to adopt simply creates, as the Senator from Oklahoma has suggested, a city-State, a new entity, different from any other that this country has known. It is being done under the guise of presenting to the people of the District their full civil rights, and it fails to do that.

There are only two means by which full civil rights can be granted to the residents of the District, and the Senate had better face up to that. One is by retrocession, so that they can vote within an existing State, the State of Maryland, which ceded the territory in the first place—and, incidentally, where the residents voted for the first several years after the creation of the District; and the second is the creation of another State, invested with all the rights, the duties, the responsibilities, and the full civil rights of its residents as citizens of this country. This resolution does neither.

The Senate has rejected the amendment I offered, which would have allowed them to exercise all those full civil rights within the State of Maryland; so I have offered this amendment, to allow them to exercise all their full civil rights, at the same time accepting all their full responsibilities as a State. To do less is unfair and unequal treatment with respect to all the other States and all the citizens of the other States. It does not achieve equity and equality. It creates a new inequity and a new inequality.

Mr. President, I yield back the remainder of my time.

The PRESIDING OFFICER. All time is yielded back. The question is on agreeing to the amendment.

Mr. BAYH. Mr. President, I move to table the amendment of the distinguished Senator from Idaho. I think the yeas and nays have been called for already.

The PRESIDING OFFICER. The Senator from Indiana is correct.

The question is on agreeing to the motion to table the amendment. On this question the yeas and nays have been ordered, and the clerk will call the roll.

The assistant legislative clerk called the roll.

Mr. ROBERT C. BYRD. I announce that the Senator from South Dakota (Mr. ABOUREZK), the Senator from Alabama (Mrs. ALLEN), the Senator from Minnesota (Mr. ANDERSON), the Senator from Arkansas (Mr. BUMPERS), the Senator from California (Mr. CRANSTON), the Senator from Arizona (Mr DECONCINI), the Senator from Mississippi (Mr. EASTLAND), the Senator from Montana (Mr. HATFIELD), the Senator from Minnesota (Mrs. HUMPHREY), the Senator from Louisiana (Mr. JOHNSTON), the Senator from New Hampshire (Mr. MCINTYRE), and the Senator from Georgia (Mr. TALMADGE) are necessarily absent.

I further announce that, if present and voting, the Senator from Minnesota (Mrs. HUMPHREY) would vote "yea."

Mr. STEVENS. I announce that the Senator from Kansas (Mr. DOLE), the Senator from Michigan (Mr. GRIFFIN), the Senator from Oregon (Mr. HATFIELD), and the Senator from Illinois (Mr. PERCY) are necessarily absent.

I further announce that, if present and voting, the Senator from Oregon (Mr. HATFIELD) would vote "yea."

The result was announced—yeas 67, nays 17, as follows:

[Rollcall Vote No. 336 Leg.]

YEAS—67

Bayh	Hart	Muskie
Bellmon	Haskell	Nelson
Bentsen	Hathaway	Nunn
Biden	Hayakawa	Pearson
Brooke	Heinz	Pell
Burdick	Hodges	Proxmire
Byrd, Harry F., Jr.	Hollings	Randolph
	Huddleston	Ribicoff
Byrd, Robert C.	Inouye	Riegle
Case	Jackson	Sarbanes
Chiles	Javits	Schweiker
Church	Kennedy	Sparkman
Clark	Leahy	Stafford
Culver	Long	Stennis
Curtis	Lugar	Stevenson
Danforth	Magnuson	Stone
Durkin	Mathias	Thurmond
Eagleton	Matsunaga	Tower
Ford	McGovern	Weicker
Glenn	Melcher	Williams
Goldwater	Metzenbaum	Young
Gravel	Morgan	Zorinsky
Hansen	Moynihan	

NAYS—17

Baker	Hatch	Sasser
Bartlett	Helms	Schmitt
Cannon	Laxalt	Scott
Chafee	McClure	Stevens
Domenici	Packwood	Wallop
Garn	Roth	

NOT VOTING—16

Abourezk	Eastland	Johnston
Allen	Griffin	McIntyre
Anderson	Hatfield, Mark O.	Percy
Bumpers		Talmadge
Cranston	Hatfield, Paul G.	
DeConcini		
Dole	Humphrey	

So the motion to lay on the table UP amendment 1695 was agreed to.

Mr. KENNEDY. Mr. President, I move to reconsider the vote by which the motion to lay on the table was agreed to.

Mr. ROBERT C. BYRD. I move to lay that motion on the table.

The motion to lay on the table was agreed to.

The PRESIDING OFFICER. Under the previous order, the Senator from Montana is recognized for 10 minutes.

Mr. MELCHER. I thank the Chair.

Mr. President, earlier today we discussed whether or not the situation wherein the Constitution does not provide for D.C. voting for the House and Senate, whether it was deliberate or whether it was an oversight, whether it was a prohibition or whether it was something that slipped through.

Well, it certainly was not——

The PRESIDING OFFICER. The Senate is not in order. The Senate will be in order. Senators will confine their conversations to the cloakrooms. The Senator from Montana.

Mr. MELCHER. The Constitution, I think, is extremely clear on this, and I see little reason for prolonging discussion on whether or not it was a deliberate prohibition. The clause of article I, section 8, that deals with the District is clause 17. It mentions that "The District shall not exceed 10 miles square."

It mentions that it will not exceed 10 miles square, and that it will be a Federal district, the seat of the Government.

The Constitution is explicit on who gets membership in the House of Representatives. It says very simply that Representatives "shall be apportioned among several States according to their respective numbers," according to their population.

The District is not a State. It has no representation in the House. The District is not a State and it has no representation in the Senate, because the language of the Constitution says that each State will have two Senators.

There is little reason to quibble over whether that is an oversight, as the Senator from Massachusetts chooses to say, or whether it is deliberate. I maintain it was a deliberate, a conscious, decision.

I have no reason at all not to want the remedy to be applied now, and I have voted for it on previous occasions. I voted for it in 1976 in the House of Representatives, where it failed.

But representative government should be provided for the District, and it should be done now. There should be a remedy and it should be a proper remedy.

The Senator from Massachusetts, my friend Senator KENNEDY, argues for a special deal for the District in order to enlarge the Senate, to provide equal representation for the District on the basis of not making a mistake but on the basis of just saying in this special instance they may have two Senators.

On that point I disagree. There are other remedies available to us that are more proper and are more likely to succeed.

(Mr. METZENBAUM assumed the chair.)

Mr. MELCHER. If there is any merit to the argument that the opponents of the constitutional amendment believe that the District is either one or more of these: too liberal, too democratic, too black, or too urban, I do not think there is much merit to it. But if there was merit to that argument, would not the converse be true? In order to give the District representation in the Senate then it would be an opportunity for more liberalism, more Democrats, more blacks, and more urban?

I would discount either argument. I would not uphold either argument. In fact, I disagree with either argument.

How are the State legislatures going to view this? Jefferson said that a State represents both expansiveness and diversity. Our procedure here will be, if it is approved by a two-thirds vote, that the State legislatures look at it where three-fourths of them must ratify. What is going to be their view of it? I think the States, or at least many States, will view this constitutional amendment pretty much in the same light as Jefferson envisioned it. He envisioned the makeup of the Senate to be different, to allow for a truly bicameral type of legislature, a legislature where the House is represented on the basis of population and the Senate is represented on the basis of States to properly reflect the expansiveness and the diversity of the States.

The legislatures, if the Senate will bear with me, are debating this issue of whether or not that legislature or those legislatures should approve this constitutional amendment if it is presented to them. The legislators will argue un-

doubtedly on the question of whether or not the District, having two Senators would dilute the Senate by how much to their particular State? Will not the argument be made in many cases that a State that is primarily interested in agriculture, which is its basic industry, along with all of its other interests, along with all of its diversity, will not the argument be made in the legislature of such a State that two Senators from the District will cancel out their States' two Senators' vote on a question, for instance, of farm prices? Will not the aspects of a farm State's Senators' representing a basic industry in their State be different from the District's two Senators who represent no diversity in terms of agriculture within the District? Will they not be voting on, perhaps, the side of what seems to be consumerism to, say, farm prices should be lowered?

What about other issues, such as mining or forest products or what about the basic argument of rural interests versus urban interests? Of course, there is a difference that will have to be debated by each individual State legislature.

It is a rather compelling argument that the State legislature could view that very seriously in terms of the basic industry to recognize that, perhaps—no certainty but, perhaps—the District's two Senators would view it entirely contrary to the interests of that basic industry or several basic industries within a State?

So I say to my colleagues that a better remedy should be found that can get the overwhelming approval of the Senate and assure its rapid ratification among the 50 State legislatures to at least three-fourths, and then by that process to rapidly allow the enfranchisement of the District residents in both the House and in the Senate.

For that reason I offered on Thursday the amendment that would treat the District on the question of population exactly as they wish to be treated, exactly on the basis of population as if they were a State, recognizing the validity of the bicameral situation where diversity and expansiveness are indicative of a State and should be represented here in a different light in the Senate.

I call for the voters of the District to vote in Maryland for their Senators as if they were residents of Maryland. That was exactly the case the way it was here in the District prior to 1800, when in 1800 the United States accepted the ceded land from the State of Maryland.

From that point on, article I, section 8, clause 17 forbade, and the residents that were here at that time were no longer permitted to vote for their Representatives for the House of Representatives, or for their Senators for the Senate.

I think that was an error. I think it was a fault within the Constitution itself, one that should be corrected and corrected properly, in the manner I have described.

I yield 30 seconds to the Senator from Wyoming.

Mr. HANSEN. Mr. President, I appreciate——

The PRESIDING OFFICER. The time of the Senator from Montana has expired.

Mr. MELCHER. Mr. President, I have 2 additional minutes yielded to me by the Senator from Virginia.

The PRESIDING OFFICER. The Senator is correct.

Mr. MELCHER. I yield 30 seconds to the Senator from Wyoming.

Mr. HANSEN. Mr. President, I would like to associate myself with the remarks made by the distinguished Senator from Montana. I think he is eminently accurate and fair in his assessment.

I think the proposition he has offered to the Senate makes good sense. It would seem to me to achieve all of the rights it is heard in both bodies of this Congress that residents of the District of Columbia are yearning for, without incorporating in it the shortcomings that would flow from the kind of proposal we are faced with now.

I hope very much that the proposition as it now seems to be before the Senate will not be adopted. I thank the Senator from Montana.

Mr. MELCHER. Mr. President, I reserve the remainder of my time.

The PRESIDING OFFICER. The Senator's time has expired.

PROPOSED AMENDMENTS BY MR. SCOTT

Mr. SCOTT. Mr. President, the 17th amendment provided that when vacancies happen in the representation of any State in the Senate, the executive authority of such State shall issue writs of election to fill such vacancies, provided that the legislature of any State may empower the executive thereof to make temporary appointments until the people fill the vacancy by election, as the legislature may direct.

Mr. President, under the joint resolution before, House Joint Resolution 554, there is no provision for the filling of vacancies. We know that under article I, section 8 of the Constitution, Congress has exclusive legislative jurisdiction over the seat of Government, but that we have passed an act within the past several years delegating a portion of our legislative jurisdiction to the Council of the District of Columbia, subject to the right of Congress to override any decision that might be made by the City Council of the city of Washington.

So there is doubt, under this joint resolution, as to whether the legislature that is spoken of in the 17th amendment, the legislature of the State—if we apply that to the District of Columbia, are we talking about the U.S. Congress, both bodies of Congress, or are we talking about the City Council of the District of Columbia?

Mr. President, in order to clarify this, I send to the desk two amendments and ask that they be received and printed. It is not my intention to call up these amendments today, but I want them to be before the Senate so that Senators will know the purpose.

Mr. ROBERT C. BYRD. Mr. President, will the Senator yield?

Mr. SCOTT. Certainly.

Mr. ROBERT C. BYRD. Does the Senator intend to ask for a roll call vote on either or both of those?

Mr. SCOTT. It is my intention tomorrow, at the proper time, to ask for roll call votes on the amendments.

Mr. ROBERT C. BYRD. Would it be possible for the Senator to begin on those amendments in the morning, to lay them down at the close of business today?

Let me say it this way: Will it be possible to lay them down now, as we prepare to move off this bill, so that it would be possible to go to them in the morning?

Mr. SCOTT. You know, some of us Members of the Senate are late people, some of us are early people. Some of us get up at 6 o'clock in the morning, and some get up late and stay up late. I frequently do not go to bed until 1 o'clock, so I am one of the late people.

I would prefer not to do that, because I do not know—I believe the distinguished Senator is going to convene the Senate at 10 o'clock in the morning?

Mr. ROBERT C. BYRD. Perhaps we can get Mr. MCCLURE, then, to lay down an amendment. Let us leave it at that.

Mr. KENNEDY. Maybe we ought to find out whether he is an early one or a late one.

Mr. SCOTT. Mr. President, as long as we are speaking in a somewhat humorous vein, let me say that when I come back to the floor of the Senate in a few minutes I will have a patch over one of my eyes. I hasten to say that has nothing to do with the business pending before the Senate. Over the weekend, I was riding on a lawnmower, and I got a piece of bark from a tree in one of my eyes. It is gone now, but there is a little scratch on there, and the doctor is going to put a patch over it. I just thought I would explain to the Senate that it has nothing to do with the matter before the Senate.

Mr. BAYH. Mr. President, will the Senator yield?

Mr. SCOTT. I would rather complete my explanation of these amendments. If the distinguished Senator wants to talk about my eye, I am happy to yield.

Mr. BAYH. I thank the Senator. I am talking about your health. When you say, "It is gone now," are you talking about the bark, or your eye?

Mr. SCOTT. I hope it is the bark.

Mr. HANSEN. Can the Senator from Virginia tell us whether that will improve his vision?

Mr. SCOTT. I hope so.

If I may continue here for a moment—Mr. President, the amendments that I have sent to the desk are offered on behalf of myself and the distinguished Senator from Wyoming (Mr. WALLOP).

The first amendment would provide a new section 3 in the joint resolution before us that says that when vacancies happen in the representation of the District of Columbia in the Senate or the House of Represenatives, the Mayor of the District of Columbia shall issue writs of election to fill such vacancies, except that the Council of the District of Columbia may empower the Mayor thereof to make temporary appointments until the people of the District of Columbia fill the vacancies by election, as the Council of the District of Columbia may direct.

Then it provides technical changes to renumber the paragraphs.

In other words, the first amendment would put the District of Columbia, insofar as the appointment of Senators to fill vacancies is concerned, on the same level with the legislatures and the executives of the States.

The second amendment that would be offered is to add to section 2, which now reads:

The exercise of the rights and powers conferred under this article shall be by the people of the District constituting the seat of government, and as shall be provided by Congress.

It does not indicate which shall be superior, the Congress or the people of the District of Columbia. I would add a phrase to make it read thusly:

SEC. 2. The exercise of the rights and powers conferred under this article shall be by the people of the District constituting the seat of Government and to the extent not in conflict with the people of the District of Columbia as shall be provided by the Congress.

The proponents of this joint resolution seem to want to give the people of the District of Columbia authority to elect the Senators and it seems to me that it should be clarified so that Congress will be taken completely out of the picture insofar as the selection of Senators for the District of Columbia is concerned. These are both clarifying amendments. They do not add to the substance of the joint resolution, but they do clarify some inconsistencies or some vagueness in the joint resolution.

Mr. President, I yield back the remainder of my time.

Mr. President, for purposes of clarification, I yield back the remainder of my time allocated for today.

Mr. KENNEDY. Mr. President, as I understand with the agreement of the Senator from Virginia we have concluded the discussion on District of Columbia representation today and will now move, as the leader mentioned, to the Federal-Aid Highway Act. That is my understanding.

The PRESIDING OFFICER. It is in order to proceed for 10 minutes on the conference report on military construction.

TIME-LIMITATION AGREEMENT—OUTER CONTINENTAL SHELF CONFERENCE REPORT

Mr. ROBERT C. BYRD. Mr. President, I ask unanimous consent that there be an overall time limitation on the OCS conference report to be equally divided as follows: 15 minutes under the control of Mr. JACKSON; 15 minutes under the control of Mr. HANSEN; 10 minutes under the control of Mr. BARTLETT at such time as the conference report is called up. That is on the Outer Continental Shelf.

The PRESIDING OFFICER. Is there objection? The Chair hears none, and it is so ordered.

Mr. ROBERT C. BYRD. I thank the Chair and the Senators.

MILITARY CONSTRUCTION APPROPRIATIONS, 1979—CONFERENCE REPORT

Mr. HUDDLESTON. Mr. President, I submit a report of the committee of conference on H.R. 12927 and ask for its immediate consideration.

The PRESIDING OFFICER. The report will be stated.

The legislative clerk read as follows:

The committee of conference on the disagreeing votes of the two Houses on the amendments of the Senate to the bill (H.R. 12927) making appropriations for military construction for the Department of Defense for the fiscal year ending September 30, 1979, and for other purposes, having met, after full and free conference, have agreed to recommend and do recommend to their respective Houses this report, signed by all of the conferees.

The PRESIDING OFFICER. Without objection, the Senate will proceed to the consideration of the conference report.

(The conference report is printed in the House proceedings of the RECORD of August 15, 1978.)

Mr. HUDDLESTON. Mr. President, this conference agreement provides $3,880,863,000 in new budget authority for fiscal year 1979 military construction and family housing programs of the Department of Defense. This amount is $83,883,000 below the bill as it passed the Senate, and $35,976,000 above the House level. It is, in total, $372,137,000 below the original budget estimate, a reduction of almost 9 percent.

I ask unanimous consent that a table displaying these comparisons by appropriation be printed in the RECORD immediately following my remarks.

The PRESIDING OFFICER. Without objection, it is so ordered.

(See exhibit 1.)

Mr. HUDDLESTON. Although this year's House and Senate bills were only $119 million apart, there were actually more than 200 items and over $750 million in disagreement. Considering this difference, of course, neither House was able to sustain all of the items contained in its bill. On balance, however, I believe that the conference agreement represents a fair compromise which I do not hesitate to endorse.

In the interests of time, I do not plan to address the details of the agreement; the conference report was printed in full in the CONGRESSIONAL RECORD of August 15. I do, however, wish to again call the attention of my colleagues to the fact that new fiscal year 1979 appropriations constitute a $372 million, or almost 9 percent, decrease to the budget request. I emphasize this point because, during floor debate on the Senate bill, I argued that a proposed 2-percent general reduction was not only inappropriate, but unnecessary in light of probable conference outcome. I think we have a case in point here which members might bear in mind for future bills.

At this point, I would like to publicly commend my House counterpart, the Honorable GUNN MCKAY of Utah, whose spirit of cooperation materially expedited what would have otherwise been a difficult conference. And, while it almost goes without saying, I owe a considerable debt to my colleague from Alaska (Mr. STEVENS) for his untiring support as ranking minority member of our subcommittee. He has played a direct and active role in the formulation of this bill, and I thank him.

In conclusion, Mr. President, I urge that the Senate adopt the conference agreement on military construction appropriations for fiscal year 1979.

EXHIBIT 1

COMPARATIVE STATEMENT OF NEW BUDGET AUTHORITY

	Budget authority					Conference compared with—			
	Enacted, fiscal year 1978	Estimates, fiscal year 1979	House, fiscal year 1979	Senate, fiscal year 1979	Conference, fiscal year 1979	Fiscal year 1978 enacted	Fiscal year 1979 estimate	House bill	Senate bill
Planning and design	219,812,000	198,450,000	186,450,000			−219,812,000	−198,450,000	−186,450,000	
Military construction, Army	461,369,000	814,500,000	628,644,000	712,053,000	711,509,000	+250,140,000	−102,991,000	+82,865,000	−544,000
Military construction, Navy	390,556,000	771,600,000	683,695,000	806,124,000	760,145,000	+369,589,000	−11,455,000	+76,450,000	−45,979,000
Military construction, Air Force	348,586,000	584,100,000	461,703,000	519,984,000	483,264,000	+134,678,000	−100,836,000	+21,561,000	−36,720,000
Military construction, Defense agencies	53,009,000	164,900,000	183,280,000	173,780,000	194,880,000	+141,871,000	+29,980,000	+11,600,000	+21,100,000
(Transfer, not to exceed)	(20,000,000)		(20,000,000)	(20,000,000)	(20,000,000)		(+20,000,000)		
Military construction, Army National Guard	46,400,000	46,800,000	43,500,000	52,200,000	52,200,000	+5,800,000	+5,400,000	+8,700,000	
Military construction, Air National Guard	40,300,000	38,100,000	35,800,000	44,750,000	44,750,000	+4,450,000	+6,650,000	+8,950,000	
Military construction, Army Reserve	44,390,000	29,300,000	26,900,000	37,100,000	37,100,000	−7,290,000	+7,800,000	+10,200,000	
Military construction, Naval Reserve	20,300,000	18,900,000	16,600,000	21,850,000	21,850,000	+1,550,000	+2,950,000	+5,250,000	
Military construction, Air Force Reserve	10,200,000	11,200,000	8,900,000	13,000,000	13,000,000	+2,800,000	+1,800,000	+4,100,000	
Total, military construction	1,415,110,000	2,479,400,000	2,089,022,000	2,380,841,000	2,318,698,000	+903,588,000	−160,702,000	+229,676,000	−62,143,000

	Budget authority					Conference compared with—			
	Enacted, fiscal year 1978	Estimates, fiscal year 1979	House, fiscal year 1979	Senate, fiscal year 1979	Conference, fiscal year 1979	Fiscal year 1978 enacted	Fiscal year 1979 estimate	House bill	Senate bill
Family housing, defense	1,457,138,000	1,689,350,000	1,688,615,000	1,701,605,000	1,679,865,000	+222,727,000	−9,485,000	−8,750,000	−21,740,000
Portion applied to debt reduction	−115,840,000	−119,200,000	−119,200,000	−119,200,000	−119,200,000	−3,300,000			
Total, family housing	1,341,298,000	1,570,150,000	1,569,415,000	1,582,405,000	1,560,665,000	+219,367,000	−9,485,000	−8,750,000	−21,740,000
Homeowners assistance fund, defense	1,500,000	5,000,000		1,500,000	1,500,000		−3,500,000	+1,500,000	
Grand total, new budget (obligational) authority	2,977,720,000	4,253,000,000	3,844,887,000	3,964,746,000	3,880,863,000	+903,143,000	−372,137,000	+35,976,000	−83,883,000

Mr. HUDDLESTON. If there is to be a response from the other side of the aisle, Mr. President, I will yield at this point.

Mr. STEVENS. Mr. President, the distinguished chairman of our subcommittee, Mr. HUDDLESTON, has provided us with the details of the conference agreement on the fiscal year 1979 military construction appropriations bill.

The conferees diligently reviewed the items in disagreement and have appropriated $3.8 billion for military construction in fiscal year 1979. I think it is commendable on the part of the committees of both the House and Senate that this bill is about $372 million under the President's budget and yet still provides for the necessary construction as requested by the Defense Department.

I would like to thank our able chairman (Mr. HUDDLESTON) for his leadership in getting this bill through the Senate as well as for his mood of cooperation when we went to conference. Under his leadership and with the cooperation of the House subcommittee chairman, Mr. MCKAY, we were able to settle the differences without major difficulty.

The military construction appropriations bill for fiscal year 1979 is a sound bill. I urge adoption of the conference report by the Senate.

Mr. HUDDLESTON. Mr. President, I move the adoption of the conference report.

Mr. STEVENS. Mr. President, I have been requested to ask for the yeas and nays. I previously indicated I thought it would not be necessary, but there has been a request on our side. I do ask for the yeas and nays.

The PRESIDING OFFICER. Is there a sufficient second? There is a sufficient second.

The yeas and nays were ordered.

The PRESIDING OFFICER. Do the Senators yield back the remainder of their time?

Mr. STEVENS. I yield back the remainder of my time.

Mr. HUDDLESTON. I yield back the remainder of my time.

The PRESIDING OFFICER. The question is on agreeing to the conference report. The yeas and nays have been ordered and the clerk will call the roll.

The legislative clerk called the roll.

Mr. CRANSTON. I announced that the Senator from South Dakota (Mr. ABOUREZK), the Senator from Alabama (Mrs. ALLEN), the Senator from Minnesota (Mr. ANDERSON), the Senator from Arkansas (Mr. BUMPERS), the Senator from Arizona (Mr. DECONCINI), the Senator from Mississippi (Mr. EASTLAND), the Senator from Montana (Mr. HATFIELD), the Senator from Arkansas (Mr. HODGES), the Senator from Minnesota (Mrs. HUMPHREY), the Senator from Louisiana (Mr. JOHNSTON), the Senator from New Hampshire (Mr. MCINTYRE), and the Senator from Georgia (Mr. TALMADGE) are necessarily absent.

I further announce that if present and voting, the Senator from Minnesota (Mrs. HUMPHREY) would vote "yea."

Mr. STEVENS. I announce that the Senator from Kansas (Mr. DOLE), the Senator from Michigan (Mr. GRIFFIN), the Senator from Oregon Mr. HATFIELD), and the Senator from Illinois (Mr. PERCY) are necessarily absent.

I further announce that, if present and voting, the Senator from Illinois (Mr. PERCY) and the Senator from Michigan (Mr. GRIFFIN) would each vote "yea."

The result was announced—yeas 83, nays 1, as follows:

[Rollcall Vote No. 337 Leg.]

YEAS—83

Baker	Gravel	Nelson
Bartlett	Hansen	Nunn
Bayh	Hart	Packwood
Bellmon	Haskell	Pearson
Bentsen	Hatch	Pell
Biden	Hathaway	Proxmire
Brooke	Hayakawa	Randolph
Burdick	Heinz	Ribicoff
Byrd, Harry F., Jr.	Helms	Riegle
	Hollings	Roth
Byrd, Robert C.	Huddleston	Sarbanes
Cannon	Inouye	Sasser
Case	Jackson	Schmitt
Chafee	Javits	Schweiker
Chiles	Kennedy	Scott
Church	Laxalt	Sparkman
Clark	Leahy	Stafford
Cranston	Long	Stennis
Culver	Lugar	Stevens
Curtis	Magnuson	Stevenson
Danforth	Mathias	Stone
Domenici	Matsunaga	Thurmond
Durkin	McGovern	Tower
Eagleton	Melcher	Wallop
Ford	Metzenbaum	Weicker
Garn	Morgan	Williams
Glenn	Moynihan	Young
Goldwater	Muskie	Zorinsky

NAYS—1

McClure

NOT VOTING—16

Abourezk	Eastland	Hodges
Allen	Griffin	Humphrey
Anderson	Hatfield, Mark O.	Johnston
Bumpers		McIntyre
DeConcini	Hatfield, Paul G.	Percy
Dole		Talmadge

So the conference report was agreed to.

Mr. ROBERT C. BYRD. Mr. President, I move to reconsider the vote by which the conference report was agreed to.

Mr. METZENBAUM. I move to lay that motion on the table.

The motion to lay on the table was agreed to.

Mr. HUDDLESTON. Mr. President, there are amendments in technical disagreement. Since they are not controversial, I ask unanimous consent they be considered en bloc.

The PRESIDING OFFICER. (Mr. MUSKIE). Without objection, it is so ordered. The clerk will state the amendments in disagreement.

The legislative clerk read as follows:

Resolved, That the House recede from its disagreement to the amendment of the Senate numbered 3 to the aforesaid bill, and concur therein with an amendment as follows:

In lieu of the matter inserted by the said amendment, insert: "1983: *Provided*, That of this amount, not to exceed $64,400,000 shall be available for study, planning, design, architect and engineer services, as authorized by law, unless the Secretary of Defense determines that additional obligations are necessary for such purposes and notifies the Committees on Appropriations for both Houses of Congress of his determination and the reasons therefor".

Resolved, That the House recede from its disagreement to the amendment of the Senate numbered 5 to the aforesaid bill, and concur therein with an amendment as follows:

In lieu of the matter inserted by said amendment, insert: "1983: *Provided*, That of this amount, not to exceed $46,300,000 shall be available for study, planning, design, architect and engineer services, as authorized by law, unless the Secretary of Defense determines that additional obligations are necessary for such purposes and notifies the Committees on Appropriations of both Houses of Congress of his determination and the reasons therefor".

Resolved, That the House recede from its disagreement to the amendment of the Senate numbered 7 to the aforesaid bill, and concur therein with an amendment as follows:

In lieu of the matter inserted by said amendment, insert: "1983: *Provided*, That of this amount, not to exceed $52,000,000 shall be available for study, planning, design, architect and engineer services, as authorized by law, unless the Secretary of Defense determines that additional obligations are necessary for such purposes and notifies the Committees on Appropriations of both Houses of Congress of his determination and the reasons therefor".

Resolved, That the House recede from its disagreement to the amendment of the Senate numbered 8 to the aforesaid bill, and concur therein with an amendment as follows:

In lieu of the sum proposed in said amendment, insert "$194,880,000".

Resolved, That the House recede from its disagreement to the amendment of the Senate numbered 9 to the aforesaid bill, and

concur therein with an amendment as follows:

In lieu of the matter proposed by said amendment, insert: "designate: *Provided further*, That of the amount appropriated, not to exceed $9,400,000 shall be available for study, planning, design, architect and engineer services, as authorized by law, unless the Secretary of Defense determines that additional obligations are necessary for such purposes and notifies the Committees on Appropriations of both Houses of Congress of his determination and the reasons therefor".

Resolved, That the House recede from its disagreement to the amendment of the Senate numbered 15 to the aforesaid bill, and concur therein with an amendment as follows:

In lieu of the sum proposed in said amendment, insert "$1,679,865,000".

Resolved, That the House recede from its disagreement to the amendment of the Senate numbered 17 to the aforesaid bill, and concur therein with an amendment as follows:

In lieu of the sum proposed in said amendment, insert "$33,446,000".

Resolved, That the House recede from its disagreement to the amendment of the Senate numbered 20 to the aforesaid bill, and concur therein with an amendment as follows:

In lieu of the sum proposed in said amendment, insert "$1,399,400,000".

Mr. HUDDLESTON. Mr. President, I ask unanimous consent that the Senate concur in the amendments of the House to the amendments of the Senate as stated by the clerk.

The PRESIDING OFFICER. Without objection, it is so ordered.

The motion was agreed to.

FEDERAL-AID HIGHWAY ACT OF 1978

The PRESIDING OFFICER. The Senate will now resume the consideration of S. 3073, which the clerk will state by title.

The second assistant legislative clerk read as follows:

A bill (S. 3073) to amend title 23, United States Code, to authorize Federal-aid highway programs through fiscal year 1980, and for other purposes.

The Senate resumed the consideration of the bill.

Mr. CHILES. Mr. President, on Friday I had the opportunity to read an opening statement of the Senator from Texas on the highway bill. It was one of the most incisive and precise statements that I have ever read. I was very much impressed with it. I think it is the kind of statement that this body really needs to hear.

The Senator from Texas stood in the Senate Chamber last Friday and felt moved to make a statement that I think will be of great help to this body. I merely wish to call the attention of all Senators to the speech to make sure they were alert and listening. I certainly associate myself with the remarks.

Mr. ROBERT C. BYRD. Mr. President, if the Senator from Kentucky will allow me, I also want to express appreciation to the Senator from Texas. He did well to stand on his feet, even, last Friday. He had a terrible sore throat, yet he stood here all day and disposed of 19 or 20 amendments on Friday.

I thank the Senator from Kentucky.

Mr. BENTSEN. I thank the distinguished Senator from Florida.

Mr. BARTLETT. I ask unanimous consent that the amendment submitted by me and Mr. BELLMON, amendment No. 3513, be withdrawn.

The PRESIDING OFFICER. Is there objection to withdrawing the amendment? Without objection, it is so ordered.

AMENDMENT NO. 3507

The PRESIDING OFFICER. The pending business is the amendment of the Senator from Kentucky (Mr. HUDDLESTON).

Who seeks time?

Mr. HUDDLESTON. Mr. President, would the Chair indicate how much time there is and how it is divided?

The PRESIDING OFFICER. There are 21 minutes of the Senator from Kentucky and 45 minutes of the Senator from Texas.

Mr. BENTSEN. Let me say to the Senator from Kentucky, we wanted to get along as far as we could on Friday. If the Senator would like some more time I can give him some of my time.

Mr. HUDDLESTON. It is my opinion right now that this will be adequate time.

Mr. BENTSEN. If the Senator finds he wants more time, we will rediscuss it.

Mr. HUDDLESTON. I regret I was not here on Friday. I had the distinct understanding the amendment would not be called up until today.

Mr. BENTSEN. I do not know who the Senator had the understanding with. It was not with this manager of the bill.

Mr. HUDDLESTON. That is correct. It was not with this manager of the bill.

Mr. President, I am extremely pleased to join with the distinguished chairman of the Senate Environment and Public Works Committee, Senator RANDOLPH, and our other colleagues in introducing this most important amendment to S. 3073, the 1978 Federal-Aid Highway Act. Our amendment, if adopted, will address a critical situation with respect to the adequacy of our Nation's highway system and the increasing amount of energy supplies that this system must carry.

No one can argue that highways play a major role in the energy transportation system. The establishment of the program called for in our amendment should serve as the first plank in the development of such a system. Though I will place the emphasis in this statement on the importance of our highways in transporting coal, the amendment before us makes it clear that routes used for transportation of not only coal but also uranium, oil, and gas, as well as related resource recovery and exploration equipment used to increase national energy supplies would be eligible for the program.

Particularly in coal-producing regions, the Nation's extensive road and highway network allows trucks to extend the reach of railroads and waterways. The effort to meet projected increases in energy production will place unprecedented demands upon our highway system. There will undoubtedly be major challenges with respect to construction of new routes to carry energy supplies and perhaps more importantly to the reconstruction and maintenance of the existing impacted highway network.

We all know that a truly significant problem exists. As long as 5 years ago the Kentucky Department of Transportation made an assessment of the needs in the Commonwealth and came up with projections that have held true through today; the Appalachian Regional Commission completed a review of the problems in January of this year; the Department of Interior has issued a very detailed national energy transportation "atlas"; the U.S. Department of Transportation in a "preliminary assessment report" to the Secretary of Transportation has at long last noted the Federal Government's responsibility in this area. The following are quotes from the DOT's preliminary assessment:

There's every indication that coal road problems will become even more severe in the future unless existing federal policies are altered.

Coal road problems could well become so severe as to become a bottleneck on coal production.

Present apportionment formulas for federal highway aid do not recognize that many states have significant special needs attributable to coal production.

Immediate consideration should be given to the establishment of a coal roads and highways program to assure that near term highway transportation problems will not seriously hamper coal production.

Unless reconstruction and repair of the energy impacted routes is undertaken quickly, there will undoubtedly be bottlenecks in coal deliveries to the Nation's consumers.

In addition to the possibility that there will be bottlenecks for consumers, it should be pointed out that implementation of an energy impacted road program would provide a most valuable aspect for the population of producing regions. It is the men, women, and children who inhabit these regions that must employ the energy-impacted road system as their lifeline to the rest of the world. It is the energy-impacted road system that carries other industrial goods to and from these regions. It is the energy-impacted road system, now in a tragic state of disrepair, that carry the youth of the region to and from their schools. To be sure, the Nation as a whole benefits by increased energy supplies. However, there are just as certainly immediate negative impacts which are evident in several regions. Several legislative proposals have been introduced in an effort to offset social and economic boomtown situations, however, no one has yet adequately addressed the physical deterioration of the roads and accompanying safety problems in these areas. Our amendment is an attempt to do that. We feel that the short-term relief offered in this amendment will prevent further deterioration of our highway network as well as provide the basis for the development of an overall energy transportation system.

I believe certain facets of our amendment merit close attention. First, in an effort to make certain that States are shouldering their fair share of the costs involved, we have asked that they con-

tribute a 30-percent matching share for each project which is approved.

Additionally, to be absolutely sure that overloaded trucks do not contribute to further damage to the highways involved, we have mandated that the State enforce applicable vehicle weight limitations to the satisfaction of the Secretary of Transportation in order for that State to be eligible. We have placed this language in the amendment to emphasize our desire to see vehicle weight laws strictly enforced. Our language is an addition to the very effective language already in section 126 of S. 3073.

To assure that our Nation's energy producing capabilities will not be stifled, because of a lack of transportation capabilities, we urge that Senators join us in supporting this amendment.

Mr. President, the amendment we are addressing is really very simple in nature. It is designed to meet a very desperate need that exists in much of the Nation and which will undoubtedly exist in much more of the Nation as we seek to meet our energy requirements in this country.

The President has called for, and all energy experts have confirmed, that if we are to meet our energy problems in the short term, it will be necessary to increase vastly the production and utilization of coal. To achieve that requires a number of things. It cannot be done simply by Government fiat or Presidential decree. Getting coal out of the ground is a consideration. Further, once it is taken out of the ground in environmentally acceptable ways, it has to be transported to the points where it is to be used.

A very important chain in that transportation link is the highways over which that coal must be transported, whether it is transported to the ultimate user by highway or whether it is transported to a rail center, where it then is transported by rail, or whether it is transported to a river port, where then it is carried by barge.

The fact is that already we are seeing that this vastly increased production is placing an unbearable strain upon the roads and highways over which coal must be transported.

I point out that we are not talking only about coal. This amendment has been referred to variously as a coal-haul amendment or coal-road amendment. Actually, we are talking about energy resources of any kind. We are talking about the need for opening up new oilfields and new gasfields. We are talking about the need to recover uranium and transport it to markets.

So what we have had is a situation that is now becoming intolerable in certain areas of the country and certainly will grow much worse, in which the addition of the many extra tons of energy that have to be transported has deteriorated the highway system, has made the highways extremely hazardous for other citizens who must use the same highways, and has impaired seriously the ability to move the coal from the place it is produced to the place where it is going to be used.

As I pointed out, the President has indicated that the national interest requires that we have this greatly increased production and utilization of coal and other resources. So the national interest is involved, and in my judgment it is in the national interest that the highways and roads be available to transport the coal from the production areas to the areas where it is consumed.

I know there have been arguments that this is an amendment that affects only a few States because only a few States benefit, according to one school of thought. That is not true, because the entire Nation benefits from the production and utilization of energy resources, wherever they may come from.

If we look at our State of Kentucky—and we are a major coal-producing State, the largest in the United States right now—we produce the coal that goes all over the United States, virtually. Incidentally, we produce the coal that provides the electricity to light and heat and cool this very building we are standing, in because the Potomac Electric & Power Co. is a customer of Kentucky coal. The coal has to be transported here.

As far back as 1970, we were supplying 8.4 million tons of coal per year to the State of Michigan to heat and light the homes there; 6.4 million tons for the same purposes in Georgia; 9.9 million for North Carolina; 7.2 million for Florida. Alabama and Mississippi also receive coal produced in Kentucky, as does Wisconsin.

So we are not talking about a regionalized problem. We are talking about the national interest and the way best to serve that interest and what the national interest dictates the Federal Government's participation and share should be in providing the means of moving these energy supplies from production to consumption.

It also has been argued that this is a problem that the individual States should solve, that the States where production occurs are not doing enough. I cannot speak for all the States that produce coal or oil or uranium, or whatever energy supply is necessary, but I know that in Kentucky we addressed this problem some time ago.

The Department of Transportation in the State of Kentucky, in 1974, completed an extensive coal-haul study entitled "Kentucky Coal and Its Transportation Impact."

We established a coal severance tax in Kentucky. The current rate is 4.5 percent of the value of the coal being produced; the minimum tax of 50 cents a ton.

In 1974, an industrial haul-road program was established and funded with $22 million, the primary purpose being to reconstruct certain essential haul roads. An energy road fund has been established in Kentucky for the purpose of concentrating money on the repair of coal-haul roads. This program was funded in the 1976–78 biennium with $25 million.

A new program has been established, called "The Resource Recovery Road Program," which enabled bonds to be sold for the construction and reconstruction of critical resource recovery roads in the Commonwealth. Kentucky Highway 80 was the first project under which this program has been funded with $212 million worth of funds, more than twice what we are asking for on an annual basis in this bill for the entire Nation.

A special appropriation of $30 million was made last year in Kentucky for extremely critical road damage due to floods, coal hauling, and winter damage.

The completion of the Daniel Boone Parkway, which extends to the heart of the eastern Kentucky coalfields, was accomplished with a funding level of $110 million of State funds.

For 1978 through 1980, the resource recovery roads program has authorized 15 major projects, with funding of $240 million.

The 1977–78 fiscal year resurfacing budget for the Kentucky Department of Transportation has increased from $7 to $8 million, and the budget has been increased from $8 to $13 million for 1978–79.

The point is, Mr. President, that Kentucky is doing what it can. Kentucky is doing, and already has committed, much more than this amendment is asking the entire Nation to do to meet this critical problem.

We recognize, as has been argued, that perhaps this problem exists, because the States have allowed overweight trucks on these roads. Certainly, overweight trucks have exacerbated the problem, but that in itself is not the total problem. It is the number of trucks that are traveling. Also, even if the surface of the road were not damaged, we still would have an almost impossible situation, as the large number of trucks necessary to transport the increased fuel production is in frequent conflict, constant conflict, with the need of the citizens in the area to use those roads. The idea that this is somehow an amendment that will benefit only coal producers, and that they should be carrying this burden, should be dispelled by the fact that it is the citizens in the area who are faced with the hazardous task of traveling these roads in order to get from place to place.

I point out that this amendment recognizes the overweight problem and mandates that the State must enforce weight limits in order to participate in the funding made available here.

This amendment does not ask for new funds, any spent beyond what the bill calls for. It simply asks for a category of energy impact roads where the Federal Government will participate on a 70–30 percent sharing basis to help areas of this country provide the means of transporting energy whether it is coal, oil, gas, or uranium from the area of production to the area of consumption.

I think it is vital. It is vital to the Nation's effort to produce energy that it needs and utilize that energy here in the short term as we try to find alternate sources and try to reduce our dependence on energy from abroad.

So I believe, Mr. President, that upon consideration of this amendment by Members from whatever section of the country, whether they are depending on the importation of energy from some other section of the Nation, or whether they are in fact the major producing

areas of this energy, it is in the interests of each section that we provide the method to get the coal or get the energy to where it needs to be used in the most efficient, most effective, most cost-effective way. I know that we need to consider all of our energy problems in this country. We really do need a comprehensive transportation policy for the country, taking into account all the various modes. But our immediate need, and certainly this will not be contrary at all to the overall and comprehensive plan, is to make sure that we can move what is necessary to move so that it can be utilized in the most efficient and effective way.

This amendment is designed to accomplish that short-term need.

Mr. President, I yield at this point to the Senator from West Virginia who I believe is ready to make some remarks.

Mr. RANDOLPH. Yes, if agreeable.

How much time, may I inquire, is allotted to the able Senator from Kentucky?

The PRESIDING OFFICER. The Senator has 8 minutes remaining.

Mr. RANDOLPH. I thank the Chair.

The PRESIDING OFFICER. Who yields time?

Mr. BAYH addressed the Chair.

Mr. RANDOLPH. Will the Senator yield?

Mr. HUDDLESTON. I yield such time as the Senator from West Virginia may require.

The PRESIDING OFFICER. The Senator from West Virginia is recognized.

Mr. RANDOLPH. Did the Senator want unanimous consent?

I yield to my colleague from Indiana.

Mr. BAYH. I want a couple minutes after the Senator from West Virginia. I wish to join him in supporting the amendment which we coauthored with the Senator from Kentucky.

Mr. RANDOLPH. I wish to be notified at the end of 5 minutes, if it will be agreeable to the Chair.

Mr. President, I thank the knowledgeable Senator from the leading coal-producing State of the Nation. A West Virginian finds it a little difficult to say that Kentucky is the leader, but we are very close in production. We vary back and forth in the volume of production. The amendment under consideration, as the able manager of the bill, Senator BENTSEN, has indicated was discussed for a considerable time on Friday.

I am always reluctant to oppose the chairman of the Transportation Subcommittee. As the chairman of the full committee, I try to work constantly with the subcommittee, and in this case it is difficult for me to work for an amendment with which he is in disagreement.

I hope, perhaps, that there might be an inclination on the part of the manager of the bill for our committee to perhaps accommodate this need not because it is offered by the Senators from coal-producing States, but because there is the need, a very real need, to formulate not only an energy policy but a transportation policy also. The means of moving the coal from mine to the market, to the consumers of this abundant fossil fuel is as important as is the production of the coal.

The magnitude of the problem in certain areas of our country is almost staggering, as we attempt to look at it. We do know that there will be an increased production of coal and other energy supplies. Frankly that means that we are not against other forms of energy that will come along later, but now, now is the time when the coal must be moved from, of course, the miles to the marketplace.

This has meant an unprecedented use of our highway system and in the several States, not just Kentucky and West Virginia. The roads, of course, have deteriorated by the coal hauling which has been absolutely necessary, and we are also faced with the fact that at the present time there is a strike which is now in its 6th week which affects the Norfolk and Western, one of the greatest, perhaps the greatest, rail hauler of coal in the country.

As we think of the construction of roads and the reconstruction of roads, it is not wrong for me to say that I think the immediacy of the problem can only be met by, let us say, a substantial sum of money, not an excessive sum of money.

The PRESIDING OFFICER (Mr. CULVER). The Senator's 5 minutes have expired.

Mr. RANDOLPH. I have no further statement to make except to say that I do hope and I know the manager of the bill will give careful consideration to his position on behalf of the reported bill from the Senator from Texas.

Mr. BENTSEN. Mr. President, I yield such time as he desires to the Senator from Maine.

Mr. MUSKIE. Mr. President, a little later in the debate on this pending measure I will make a more extensive statement with respect to the budget implications of the Highway Act.

For the moment, I regret that I find myself in opposition to the amendment of my good friend and colleague from Kentucky, Senator HUDDLESTON, and my colleague, the chairman of my committee, my good friend, Senator RANDOLPH, who, as chairman of the Public Works Committee, is proceeding in very responsible fashion from the point of view of the budget resolution with respect to the pending bill.

But the amendment of my good friend from Kentucky, Senator HUDDLESTON, simply creates budget problems and it is my responsibility as budget chairman to point them out. His proposal would add funding of $100 million per year from the Highway Trust Fund for energy-impacted roads. The bill reported by the Public Works Committee is a fiscally responsible bill as I will say at greater length later. The reported bill is consistent with the budget resolution for fiscal 1979, but there is very little leeway to increase the authorizations. The Senate already approved a $75 million increase for bridges, as was pointed out by Senator RANDOLPH, using up what little room there was. Therefore, Mr. President, I must oppose further add-ons to this bill.

Furthermore, Mr. President, to accept this special program is to create a "wedge" for future increases which it is difficult to estimate. A report from the Appalachian Regional Commission projects needs of $4 billion to $5 billion to rehabilitate and redesign these roads to carry heavy coal trucks. Mr. President, the reason we have the problem of energy-impacted roads is clear—energy traffic involves very heavy loads, often exceeding statutory weight limits as Senator HUDDLESTON has suggested. Hearings earlier this year before the Oversight Subcommittee of the House Ways and Means Committee showed that in many places coal trucks were consistently in excess of legal weights. Senator BENTSEN's subcommittee also heard testimony on the inadequacy of State weight enforcement.

Mr. President, if it is true as seems the case, that a principal reason for coal road deterioration is inadequate enforcement of truck weight limits, then if we remove from the States the major burden of repairing the damage, would we not also be removing the incentive for them to improve their policing of truck weight limits? Indeed, might not the problems caused by overweight trucks become even more severe if the Federal Government assumes the major cost for repairing the damage caused to local roads?

Before we create a special-purpose highway program, taking user taxes collected from across the country to pay for road improvements unique to a few areas, I think other alternatives should be explored. For example, the committee bill has several provisions which would strengthen enforcement of weight limits, and these provisions properly address the problem at its source. Further, it seems to me also pertinent to recognize that increased extraction of coal generates employment, profits, and State collection of severance taxes, presenting alternative funding sources. In addition, we already have a special program for Appalachian highways for which more than $2 billion has been appropriated from general funds since 1965.

I urge the Senate, therefore, Mr. President, considering the potential magnitude of the program that may be generated by this wedge, and considering the tightness of present budget considerations, to resist adding further authorizations to the highway bill, and to vote against this amendment.

Mr. BENTSEN. I thank the distinguished Senator. Mr. President, I yield myself 10 minutes.

I, too, Mr. President, oppose the amendment, and I must say with some regret because of my high esteem for the Senators from Kentucky and from West Virginia. But my friend, the Senator from Maine, has referred to what has been done for Appalachia before. If the people of West Virginia and the people of Appalachia really knew and understood what the chairman of the committee has done for Appalachia they would duplicate Mount Rushmore in Appalachia with Senator RANDOLPH at the head of that team.

I do not begrudge them any of it. I think it is well deserved, and it has helped that area immensely, and it should be so understood by everyone here.

But, Mr. President, I would like to dispel the notion that we are talking about anything here other than a program for coal-damaged roads. The sponsors of this amendment have attempted to broaden its appeal by referring "energy-impacted" highways; by not limiting its scope to coal-haul roads. This is little more than a smokescreen. According to a study by the Department of Transportation, once a program like this is implemented, noncoal-producing States will be left holding an empty bag. By and large, energy-impacted roads are coal-haul roads.

This amendment would target its funds to the restoration and repair of existing roads damaged by energy transportation and development. The Department of Transportation study indicated that 95 percent of the energy damaged roads are in seven Appalachian States; 60 percent of the needs are in Kentucky alone. If these funds are distributed on the basis of current needs, as we assume they would be, only 5 percent would be left for the rest of the Nation after these seven States have taken their share. Its obvious we are really talking about coal-haul roads. There is not much oil, uranium, or natural gas in Appalachia. Furthermore, because the Western coal-producing States have not permitted their coal roads to deteriorate, they also would be left out of the picture as the amendment is drafted.

It should be understood that this amendment will address a regional problem at best, one which has arisen primarily because these States have been lax in enforcing their own State laws on highway weight limitations. It is common knowledge that overweight trucks pose the greatest threat to the life and durability of road surfaces. When you consistently permit trucks to exceed a road's designed weight limitations, you quickly destroy it.

The State of Kentucky, which would be the primary beneficiary of this amendment, has not enforced its own weight limitations on coal trucks. Trucks weighing as much as 130,000 pounds—which is 50,000 pounds over the interstate weight limit and two or three times the limit of most primary and secondary roads—have been permitted to abuse these highways with virtual impunity from the law. The Governor of Kentucky, testifying before the Public Works Committee, apologized for the situation by saying,

". . . Local courts are understandably reluctant to restrict the activities of their best, sometimes only, industry."

Well, Mr. President, I am equally reluctant to reward those same local courts for their unwillingness to enforce the law. Although the sponsors of this amendment have attempted to cast this as a national problem, it is really a regional problem brought on by the negligence of their own local law enforcement officials.

Furthermore, the same States that would benefit from this amendment are already the target of special highway assistance—assistance which is not available to other States. Thirteen years ago we were singling out Appalachia for special treatment because it was distressed. We created a new program—the Appalachian Development Highway System—and authorized the construction of 2,350 new miles of highways and 1,000 miles of access roads. Since then, we have added an additional 550 highway miles and 400 miles of access roads. By 1981, when the present funding for the Appalachian Highway System expires, these seven States will have received over $2 billion in extra Federal highway assistance. Even the $100 million price tag on this amendment looks small in comparison to the special Federal assistance they are already receiving.

Although the Appalachia Highway System was created to promote economic development in the region, the funds from this program have greatly assisted these States in providing for coal transportation. This point was clearly made by the distinguished senior Senator from West Virginia and the Governor of Kentucky in hearings held by the Public Works Committee in 1976

Now, today, we are being asked to target the same region for special assistance because it is growing, because the area is developing its resources and destroying its roads in the process. If this amendment is accepted, Appalachia will continue to receive one pool of Federal funds because it is underdeveloped, and a second pool of funds because it is developing and cannot keep up with the rapid growth of its major industry.

Mr. President, when you have an $8 billion kitty like the highway trust fund, it is tempting to think that you can grab off a hundred million here and a hundred million there without destroying the integrity of the fund. Well, that just is not so. There is no fat in the highway trust fund and there is no fat in this highway bill. We are working off a Federal gasoline tax that has not been raised in 19 years. We are trying to do the best we can with the limited funds we have. We are trying to serve national needs while providing State and local governments the flexibility to address their own peculiar needs. We cannot afford to divert substantial chunks of money into special categories to address regional problems.

I am sympathetic to the problem of coal-haul roads; I understand the importance of these roads to the economy and prosperity of millions of Americans.

There exists a remedy to the coal-haul road problem, but the answer is not found in this amendment. We all realize that the easiest solution to any local problem is to turn to Uncle Sam for help, but in this case it would not be fair to those States which have stretched thin their Federal highway dollars to meet their own special needs.

The answer to the coal-haul road problem lies in the judicious use of a combination of existing resources including:

Their regular Federal highway assistance, which provides the flexibility to shift funds to address regional problems such as this,

Their special Federal highway assistance from the Appalachian development highway program, and

Their revenues from severance taxes and other energy-related income. In a study released Friday by the Department of Transportation, the severance tax is recommended as the most appropriate source of revenues for repairing energy-related road damage.

Finally, this problem can never successfully be addressed until coal producing States like Kentucky get their acts together and begin enforcing their own State weight laws. As long as these States permit coal trucks to operate with impunity from the law, the plight of coal-haul roads will persist. But clearly, this is a local problem, and one that cannot be solved by throwing Federal money at it.

Mr. President, I join the good people of Kentucky in commending their junior Senator for his imaginative solution to a very serious local problem. If he succeeds with this amendment, I am sure other Members of this body will attempt to follow his lead, and rush forth with their own amendments to address the special problems of the States they represent. We can look forward to the establishment of a patchwork of Federal programs for coal-haul roads in Kentucky and Appalachia, grain-haul roads for the plains States, timber-impacted roads for the Pacific Northwest, and citrus-impacted roads for Florida and the lower Rio Grande valley of Texas.

Each region of the country has its own unique economic climate and specific transportation requirements. But rather than establishing individual categories to address each of these special problems, the committee has attempted to develop an extremely flexible highway program that gives each State the ability to apply its Federal assistance to addressing its own peculiar transportation needs. The bill we have reported to the Senate includes several changes designed to even further increase the flexibility of the progam. It consolidates 6 special funding categories, and provides for up to 50 percent transferability from one category to another. Our efforts in this area have been applauded by all participants in the highway program; from the Department of Transportation to the State and local governments that are recipients of the funds.

But the amendment offered by the Senator from Kentucky would fly directly in the face of the reforms we have accomplished in this bill. It would establish yet another special category to address a particular regional problem; and would do so at the expense of program flexibility and at the expense of every other region of the country.

Therefore, I urge the defeat of this amendment.

Mr. BAYH. Mr. President, what is the time situation? I ask my friend from West Virginia for some time as a cosponsor of this amendment. Will he yield me 3 minutes?

Mr. President, I hesitate to take issue

with my distinguished friend from Texas not only because I respect him but I know how difficult it is to fill the role which he now fills with such admiration, inasmuch as I had the good fortune to have a similar capacity some time ago, and I want to salute him for the prudent way in which he has ironed out all of the problems and presented them to us. My cosponsoring of this amendment in no way reflects my attitude toward him or the good work he has done as the chairman of the subcommittee.

I think it is important for us to look at the impact of this amendment as one that goes beyond Appalachia. There are some who may like to think of southern Indiana as part of Appalachia. I do not know whether that is a compliment or an indictment. I accept it either way. But we produce a good chunk of coal down in that part of our State, and it just so happens that I was down in that part of the State this last weekend.

The road conditions between the present mine operations and the points of distribution are almost impossible to describe. I think "chuckhole" is the most often used word in the vocabulary of most Hoosiers. And I think we need to understand that this is going to get worse in those areas where coal is presently being produced.

I notice from the report that we produced 23 million tons of coal, and the Department suggests that it will be 27 million tons by 1985, but the State feels it will be 50 million tons. So the problem is going to get worse, much worse, instead of better.

When I think of this bill, I think in terms of the importance of the contribution the coal conservation bill and the coal conservation effort are going to make to the solution of our energy problems. We have to find a way to get all possible uses of oil and gas off those short commodities and on to coal. We have a bill to accomplish that, which hopefully will be passed by Congress and signed into law.

If we are going to do something about the shortage of oil and something about the shortage of natural gas, we had better see that the line between the production and the end use of coal is a strong one. Right now we find the roads breaking down. It is going to get worse instead of better, and as I see it, this amendment is an important part of the energy package, to see that the pipeline of distribution from miner to user is a strong one.

The condition of our roads as they now are cannot be tolerated. We have to do something about strengthening them. I think the whole country will benefit by this amendment, not just the particular States involved in coal production.

Mr. FORD. Mr. President, could I have 3 minutes?

Mr. BENTSEN. Mr. President, what is the time situation?

The PRESIDING OFFICER. The Senator from Kentucky has utilized the time available to him. There is 31 minutes remaining on the side of the Senator from Texas.

Mr. BENTSEN. I am happy to give the Senator from Kentucky 5 minutes of my time.

Mr. HUDDLESTON. I would like to have about 10 minutes, but half of it belongs to my colleague.

Mr. FORD. I will take 3.

Mr. BENTSEN. How much time remains?

The PRESIDING OFFICER. Thirty-one minutes.

Mr. BENTSEN. All right. I give 10 minutes of my time to the Senators from Kentucky.

Mr. HUDDLESTON. I yield my colleague 3 minutes.

Mr. FORD. Mr. President, I ask to be notified when 3 minutes have expired.

The PRESIDING OFFICER. The Senator from Kentucky (Mr. FORD) is recognized for 3 minutes.

Mr. FORD. Mr. President, I rise in support of the Huddleston amendment, but before addressing it, would like to make clear a few points about my State.

Mr. President, I represent the State with the largest coal production in the Nation. Kentucky now mines 147 million tons of coal annually with over 200 million tons annually projected in the future. We have both low and high sulphur coal: coal for now, coal for later, coal for use in synthetic solvent refining, coal for liquefaction, coal for gasification. Kentucky can meet existing environmental standards in all of these categories and can help keep the country supplied with energy for years to come.

Over the past decade, the amount of coal mined in Kentucky has more than doubled. As a result of this upsurge in production, the State's coal-haul road system has been subjected to excessive demands. Existing roads are not adequate to sustain their increased burden and all of the Kentucky highway system—Federal, State and local, have suffered extensive damage.

For the sake of the Nation, the President has asked Kentucky to double current coal production by 1985. At best, this will be a difficult task, but we believe we can handle the production part of this equation provided that we have an effective energy delivery system.

The amendment before us would earmark $100 million annually of the Highway Trust Fund for reconstruction and repair of roads impacted by energy transportation. When spread among energy producing States, this money will amount to only a drop in the bucket. But, it is a start and a desperately needed one at that.

In a "Dear Colleague" letter sent 2 weeks ago, the managers of the bill wrote of their opposition to the Huddleston amendment because it, and I quote:

> • • • diverts funds from throughout the nation to utilize them for a problem in a limited number of states.

End quote. A limited number of States.

Mr. President, since when has the energy crisis been a limited problem? Opponents of the amendment act as though it is the responsibility, even the privilege, of energy-producing States to tear up their land, destabilize their communities, and ruin their highways so that the rest of the country can drive cars and keep warm in winter. They seem to think it is quite fair that the citizens of these States foot the bill for road repair and reconstruction so that the rest of the country can have energy.

I do not agree.

The energy problem is everyone's problem and it is not right to ask the citizens of the energy-producing States to assume responsibility for the interests of an entire Nation.

I would remind the managers of the bill that it is not the people of the Southwest who bear the full cost of transporting natural gas to the rest of the Nation. It is all the people of America who share the cost of gas transmission lines.

I am sure the Senator from Texas will say they are producing the natural gas and oil, but you have to take into consideration that the rest of the country pays for that transportation, and it is included in their charges.

I would remind the managers of the bill that it is not the people of New England who bear the full cost of the entitlement program that fuels that region's energy. It is all the people of America who share the cost of that program.

We will be asked, why give money to the ARC, when many of the Appalachian States have had 100 percent Federal funds? I remind the managers of the bill that a lot of these roads being torn up were built with 100 percent State money. There is some 50–50 money being spent, also some 70–30. I do not agree that any of it is 100 percent Federal funds; there is also State money. The State of Kentucky raised over $100 million last year for its road program. Since 1959, they have put $1 billion into Appalachia, but that is much less than we are working on, for our State, in the amount of $100 million a year.

They are trying to blame the State for not enforcing the Federal speed limit. There may be other States which might be interested to know that Kentucky has passed a judicial reform bill, and it is now in place. We now have district judges. The county judges do not handle these cases, and I have a press clipping today showing where the district judges are doing an excellent job, the court procedure has been accelerated, and we have tried our best to eliminate the problem we are being accused of here today.

So, Mr. President, I think, as we try to do the job, the next thing is gasification, liquefaction. These things will come from coal, and they will be the items we will lean on to help this country solve its energy problem.

We are grateful to the other States for natural gas, and we are grateful to the other States for oil, but I hope you will allow those States which have coal to produce it and be able to transport it.

In closing, I would like to point out to my colleagues that the energy crisis is upon us and that the demand for national energy sources will only increase. We are on the verge of reaching consensus here in the Congress on a national energy policy, but to increase our domestic energy supply without maintaining the mechanisms to move that energy to the

people would be a totally meaningless act.

I urge the adoption of the amendment.

Mr. METZENBAUM. Mr. President, will the Senator yield for a unanimous-consent request?

Mr. BENTSEN. I yield.

Mr. METZENBAUM. I ask unanimous consent that Rick Sloan and Rick Wilson of my staff be accorded the privilege of the floor.

The PRESIDING OFFICER. Without objection, it is so ordered.

Several Senators addressed the Chair.

The PRESIDING OFFICER. The Senator from Texas has the floor.

Mr. DURKIN. Mr. President, a parliamentary inquiry.

The PRESIDING OFFICER. The Senator will state it.

Mr. DURKIN. What is the time situation?

The PRESIDING OFFICER. Twenty-seven minutes remains on the amendment. It is in the possession of the Senator from Texas.

Mr. BENTSEN. Mr. President, I yield 10 minutes to the Senator from Rhode Island.

Mr. CHAFEE. Mr. President, if I may respond briefly to the comments of the Senator from Kentucky, it appears that under this amendment the money can only go to those roads in the Federal-aid system. Second, it can only go for the repair of roads which have incurred a substantial increase in use and subsequent deterioration as a result of the transportation of coal. In other words, we are talking in the past tense.

The Secretary of Transportation has come up with a survey of those roads that qualify, and the Western States do not qualify under the survey by the Secretary of Transportation. The only States that qualify are the States primarily in the Appalachian region. That is why the Senator from Texas has been talking about the Appalachian situation particularly.

It seems to me the points to be made, Mr. President, are that in this area where we are primarily going to give the aid for these roads, the Appalachian area—since 1965 that area has received $3 billion for authorized Federal-aid roads, in addition to the national highway program from the Trust Fund, which the rest of the Nation has not participated in at all. In other words, the area we are talking about has received a substantial bonanza from the Federal Government in the form of $3 billion. That is point 1.

Point 2 is that when you have coal in an area, you are getting something out of it. The State is getting a very substantial return in the form of taxes and in the form of jobs that come with mining of the coal. I wish we had a bonanza like that in our State. Unfortunately, we do not. Sometimes when you have a bonanza like that, some problems come along with it.

We are asking only that all these problems, in other words, the construction and repair of roads, over which the coal is hauled, not be turned over to the Federal Government; that the local communities in the State carry them; that these problems not be turned over to the highway trust fund to carry that burden from which the States have a dividend returned.

So, Mr. President, I think this $100 million is something that should not come from the income of the highway trust fund. It is going beyond what we expect of the fund. It is something very, very special for an area which is already receiving a form of benefit because they have the coal.

Mr. President, I hope the amendment would be defeated.

Mr. HUDDLESTON. Mr. President, I will respond to the statements which have been made. First of all, as to the budget implications, it is somewhat difficult to get hard and fast figures on the estimate of the trust fund, but we do have from the Secretary of Transportation, the Honorable Brock Adams, a table which suggests that the revised fiscal year 1979 estimates are $9.1 billion.

The bill we are dealing with is in the neighborhood of $8 billion. So it would seem that there certainly is a likelihood that there is enough flexibility there to accommodate this modest increase we are talking about at the present time.

The distinguished Senator from Maine made the point that if the Federal Government assumes this responsibility, it will take the burden off the States and decrease their incentive for doing what they can and ought to do.

I think I dispelled that notion by pointing out that the State of Kentucky alone is already spending several times what we are asking the entire Nation to spend on this particular problem. There is no thought that this approach is going to take care of all of the need. As the distinguished Senator has pointed out, many of these roads are off the Federal system and the States and counties are hard pressed to meet the needs there at the present time.

The suggestion has been made that already the Federal Government is doing enough through the Appalachian program, the Appalachian Regional Commission. But I would point out that the need there and the programs there were developed before the doubling of coal production became a national mandate. Those roads are set for other purposes, a wide variety of things—economic development—and are not necessarily applicable to the kinds of roads we are talking about at the present time.

The Department of Transportation study, which has been quoted as saying that 75 percent of the need exists in the Appalachian area, was a 1975 study and did not take into account the new energy development which is going to be necessary in the vast areas of the West where the production of coal, the production of oil, and the production of other energy resources will certainly be accelerated in the coming year. There will be a need there, too.

My colleague from Kentucky (Mr. FORD) has already addressed the weight limit problem. I would point out again that the amendment we have before us mandates that the States enforce the weight limits that are in effect.

In talking about the regional concept, I am delighted that the Senator from Indiana, a State which is outside of the Appalachian Regional Commission, and the chairman of the Subcommittee on Appropriations, is a cosponsor and has spoken in favor of this bill. Other cosponsors are from Montana and South Dakota. Those are certainly areas far away from the few States which comprise the Applachian region of this country.

Let me say finally that we are talking about a situation that exists now, a need which exists now, and conditions which can only get worse day by day and hour by hour as we try to meet our energy needs.

I have read the study by the Department of Transportation. It makes some suggestions for meeting the current need, short-term suggestions. Well, aside from being illegal, they are also somewhat impractical when they suggest that we take from the reclamation fund, established by the Surface Mining Act, funds to build and construct these necessary energy impacted roads.

As I say, the Department of the Interior was quick to point out that that is not within the scope of the legislation, it is not a priority. They will not have enough funds to come close to meeting the reclamation needs, much less meet these critical needs which exist at the present time.

The study did say that in the long term a national severance tax ought to be considered as providing the necessary funding for this kind of a need. I think that is worthy of consideration. But that cannot be done overnight. By the time that kind of legislation could be enacted, and that kind of program put into place, we would be so hopelessly far behind there would be no chance of ever catching up. In the meantime, our ability to move energy resources will be severely restricted.

This is the manner in which we can address this problem immediately. The need is there and has been demonstrated. It is my judgment that there is enough flexibility in the highway trust fund to supply these modest amounts without any undue hardship, without any great budget impact. It seems to me it is appropriate to move now to address this problem before it gets so totally out of hand that we will not be able to ever, ever catch up with it.

Mr. MELCHER. Will the Senator yield me 2 minutes?

Mr. HUDDLESTON. I will yield if I have 2 minutes remaining from the time the manager of the bill so generously gave me a moment ago.

The PRESIDING OFFICER. The Senator has 2 minutes.

Mr. HUDDLESTON. I yield 2 minutes to the Senator.

Mr. MELCHER. I thank the Senator.

I would hope that no argument against the amendment would be lodged when a question of safety is involved. We had a discussion during the D.C. representation debate concerning the number of lives of D.C. residents lost during the Vietnam war. That is an argument which carries a lot of weight.

In my own county in Montana we have 30 miles of road where we have had over 30 lives lost in the last 20 years. It is a situation which should not continue to exist. It should be corrected. The amendment offered by the Senator from Kentucky, which I am delighted to cosponsor, addresses a problem where a 30–70 matching fund can be arrived at for critical needs.

We have such a critical need. If the amendment is adopted, I would hope that the Secretary of Transportation would look at our need. The State can make the 30 percent. We have scratched around trying to find where we could draw up some more money and we simply have not been able to come up with it, even though safety is involved and it is a very serious situation in that regard.

I think the amendment is a meritorious amendment and I think in the light of the vast needs which have been described, the Senate should adopt the amendment. I thank the Senator for yielding.

Mr. CHAFEE. How much time remains, Mr. President?

The PRESIDING OFFICER. The Senator from Texas has 18 minutes remaining.

Mr. BENTSEN. I yield 3 minutes to the Senator from Rhode Island.

Mr. CHAFEE. I would like to make one point, if I might, Mr. President. It is terribly important to look at the language of the amendment with which we are dealing. The Secretary of Transportation has said that seven Appalachian States account for over 98 percent of the reported backlog needs. The Senator from Montana may hope that his State is going to get something out of this, but it is very clear that they are not going to get anything. If they do get something, it will be so small it will not amount to very much.

Over 98 percent of this amount is for roads to be used for coal hauling, with the Appalachian States again reporting the greatest needs.

Mr. MELCHER. Will the Senator yield?

Mr. CHAFEE. If I might continue, please.

That is a quote from the Secretary of Transportation. The point we are making here, Mr. President, is that, first of all, this proposal that we have before us presents a fiscal issue, in that there is already a question whether there is going to be adequate funding for the highway programs that are already in place.

Second, it is very clear that the Appalachian States that are going to receive this money have already received some $3 billion extra, outside of what the rest of the Nation gets, for roads.

Finally, to suggest that States that have roads that are hauling coal get nothing out of it seems to me to be a very odd suggestion. Obviously, the States are receiving a return in the form of taxes and jobs. To ask the Federal Government to step in and cover this as an added bonus seems to me to be stretching it a little far.

I thank the Senator.

Mr. MELCHER. Will the Senator yield?

Mr. BENTSEN. For a question? Yes, without losing the floor.

Mr. MELCHER. The question I should like to propound is, is not the study that the Senator from Rhode Island referred to based on the previous amendmcnt and not the amendment before us, which deals, in a broader concept, with energy?

Mr. BENTSEN. I did not get the question.

Mr. MELCHER. The Senator from Rhode Island referred to a study undertaken by the Secretary of Transportation, which was based on the narrow concept of coal-hauling roads.

Mr. BENTSEN. That is not correct.

Mr. MELCHER. That is not correct?

Mr. BENTSEN. No, it is energy-impacted roads. That is why it is my judgment and the judgment of the Senator from Rhode Island that the Senator will get little or nothing from it.

Mr. MELCHER. The point of my question was, was the study based and applied to the other amendment of the Senator from Kentucky and not to the broader concept of the amendment that we are looking at today, at this time?

Mr. BENTSEN. The information was based on replies from the States themselves. The States were surveyed regarding the impact on highways from all forms of energy production. The Department of Transportation assimilated the information that came out of the survey. It reported that all repair needs were associated with coal haul roads. Based on the needs described in the report 60 percent of the funds generated by this amendment would go to Kentucky, 95 to 98 percent to seven Appalachian States. I would say the Senator's State would get little, if anything.

Mr. DURKIN. Will the Senator yield?

Mr. BENTSEN. If I may make my comments now, please; I have yielded quite a bit today.

Mr. President, in recent years the Federal Government has assumed a responsibility for providing financial assistance to communities and regions of the country that are suffering from social and economic decline. Although many of our efforts in this area have been costly. We have decided that it is in the national interest to focus Federal assistance on economically disadvantaged areas.

But Senator HUDDLESTON'S amendment would do just the opposite; it would direct Federal assistance to a part of the country that is on the threshold of economic development and prosperity. Instead of giving aid to declining communities, it would award Federal funds to areas that are facing tremendous economic growth—the type of growth that every other State would like for itself.

In Texas, we are familiar with both the benefits and problems that come with rapid development of energy resources. And although there is no question that the discovery of oil brought with it a bundle of problems, I doubt, if many Texans would want our "black gold" to go away. The growth of the oil industry in Texas brought with it a period of unprecedented economic growth and prosperity. With the increase in State revenues from the expanded economic activity and severance taxes, Texas has managed to maintain the lowest per capital tax burden in the Nation.

The black gold of the 1980's, however, will not be oil, but coal. We have had our shot at prosperity, and wish Kentucky well with its promising future. Our only regret is that when we struck it big at spindletop, we did not have the inventiveness to appeal to the U.S. Senate for special impact assistance.

Mr. President, each day the Members of this body must make difficult decisions on how to allocate limited Federal resources among a wide variety of worthy programs. Given the tremendous competition for Federal assistance, I think it would be irresponsible to embark on a new course of directing Federal tax dollars to developing areas with growth-related problems, but also which have expanding resources for addressing those problems.

I do not argue that coal-haul roads are not a serious problem, but I do not think that declining communities should see their tax dollars directed to solving the problems of States which are expecting unprecedented growth and new prosperity.

I yield back the remainder of my time.

Mr. HEINZ. Mr. President, will the Senator yield?

The PRESIDING OFFICER. All time having been yielded back and all time on the amendment therefore having been used, it is now in order——

Mr. HEINZ. Mr. President, I ask for 1 minute on the bill.

The PRESIDING OFFICER. Does time remain on the bill? Who is in charge of the time?

Mr. BENTSEN. Mr. President, we have debated this thing now for 2 days. We would like to get to a vote, if we can.

Mr. HEINZ. I ask for 30 seconds on the bill.

Mr. BENTSEN. For 30 seconds on the bill, I yield to the distinguished Senator from Pennsylvania.

Mr. HEINZ. I thank my distinguished colleague. I shall take 29 seconds to commend the Senator from Texas and 1 second to commend similarly Senator HUDDLESTON and Senator RANDOLPH.

Mr. President, transporting energy-related materials is only one of a number of complex demands which have been placed on our highway system. I congratulate the distinguished chairman of the Subcommittee on Transportation (Mr. BENTSEN) and the capable ranking minority member of the subcommittee (Mr. CHAFEE) for the commitment and effort they have made, along with all of the members of the committee, to present the Senate with the well-focused, balanced legislation we are considering today. But that does not mean that the legislation is perfect. Indeed, when the question of matching this Nation's energy priorities with our transportation system is concerned, I believe we are making a grave mistake. Our amendment seeks to correct this shortsighted error.

Mr. President, I commend the Senator from West Virginia (Mr. RANDOLPH), and the Senator from Kentucky (Mr. HUDDLESTON) for the diligence and dedication which they have shown in the

development of the energy impact road rehabilitation program which would be established by the amendment we are considering. This amendment addresses a problem not only of West Virginia, Kentucky, and Pennsylvania, but of States throughout the Nation whose roads are presently deteriorating because of increased usage of them to transport coal and other energy-related materials.

The need for this energy impact road rehabilitation program was dramatically pointed to in a report entitled "Transporting the Nation's Coal—A Preliminary Assessment," which was published by the Department of Transportation earlier this year. The report stated:

Significant increases in coal truck traffic on the nation's highways and particularly on Appalachian roads (will require) new roads to be built and increased maintenance on the existing network.

A separate report issued by the Appalachian Regional Commission indicated coal-hauling trucks in the region now travel over 6,800 miles of roadway and 900 bridges that were not designed for such heavy traffic. This same report estimated that, by 1980, more than 8,500 miles of roadways and between 1,100 and 1,300 bridges will be unsafe for coal-hauling purposes.

The problem of coal transportation affects more than just Appalachian States. By 1985, increased production of coal west of the Mississippi River and in the South will place new demands on our national transportation system, especially on our roads. I stress the immediacy of the problem. There is no doubt that our Nation will eventually depend heavily on coal. Without adequate transportation to move it, energy plans will be impeded. All States, even if they do not produce coal themselves, will be affected. The DOT report indicated that while rail, water, and pipeline problems are either addressed by existing legislation or will not be severe, highway inadequacies will be a significant problem. The report recommends "immediate consideration" of a coal road and highway program. If Congress does not act to establish a program this year, our inadequate coal road system may prevent us from transporting the amounts of coal which we must produce in order to meet our energy needs without spending billions of dollars annually on foreign oil.

I have seen the deplorable conditions of roads which are extensively used to transport coal. Approximately 1 year ago today, I inspected coal haul roads in Cambria County, Pa. These deteriorating roads are a threat to public safety. It was possible to crumble the pavement with your bare hands. Similarly unsafe, unacceptable conditions exist in other counties throughout Pennsylvania and the Nation. We must act now to provide assistance for the repair of these roads. The residents of Cambria County and other counties should not be forced to sacrifice their safety, their roads, and their own wages as increased taxes for road repair to produce the energy which all Americans need.

Mr. President, this amendment will help us realize two goals: First, maintaining and improving highways which will be used to transport the increased amounts of coal which we must produce in order to meet the energy needs of a strong, growing economy and second, protecting the public safety by repairing roads which are presently in unacceptably bad condition because of heavy, necessary use by coal trucks. These are worthy objectives and I urge my colleagues to support this amendment.

Mr. McGOVERN. Mr. President, I appreciate this opportunity to join with my colleagues, Senator HUDDLESTON and Senator RANDOLPH, in introducing this important amendment.

I am especially pleased at the success of our efforts to expand this proposal to include assistance for roads rapidly deteriorating from not only coal production but also uranium, oil and gas development. This modified amendment is also designed to allow State and local governments flexibility to designate those areas within their jurisdiction as facing the most critical needs for road impact aid.

The necessity of this program is well established in the numerous energy impact aid proposals that Congress has attempted to legislate, some of them with full support of the administration.

However, the vast majority of programs presently being considered by Congress concern the serious social and economic impacts being faced by energy boomtowns and not with the transportation dilemma created by resource development. In order to fully present this issue, I would like to briefly discuss the relationship between resource development and energy impacts.

Over the past decade, States throughout the Nation have experienced dramatic increases in energy resource production in an attempt to alleviate potential national energy shortages through increased development of our conventional fuels. I firmly believe this production, in conjunction with rapid development of our renewable energy resources, is essential to assure adequate short-term energy supplies and to reduce our dependence on imported fuels.

Yet, due to the rapid expansion of domestic energy production and the accompanying population increases, hundreds of communities in the heart of these developments have experienced wide ranging impacts, straining their capacity to provide minimum essential services.

One of the key problems is that energy developments often locate in rural areas. Consequently, any increase in population and traffic creates some strain on community services and transportation.

While several legislative proposals have been introduced to offset socio-economic impacts experienced by boomtown communities, virtually no proposals for impacted and deteriorating roads and highways have received similar consideration.

A key issue at stake is that impacted roads may not be eligible for any of the pending energy impact assistance programs. Most of these roads do not fall within community boundaries and roads obviously do not experience population increase, a major requirement for much of the proposed impact assistance.

The majority of the affected roads were never designed to accommodate the weight and frequency of travel of drilling rigs, seismic trucks, coal trucks, and exploration rigs. Critics of this proposal contend that if State vehicle weight limit laws were properly enforced, these road deterioration problems would not exist.

This is not true.

If weight limit laws were enforced without special overweight vehicle permits, we would have little energy production and would jeopardize our future national energy needs.

For example, many States allow a maximum weight on State roads of 90,000 pounds, and between 70,000 and 80,000 pounds on interstates. Consequently, under the law, heavier loads may and do travel on the more poorly constructed highways. However, the average weight of drilling rigs in South Dakota is well over 100,000 pounds, while the oil, water, and cement vehicles used to service oil wells are generally between 50,000 and 70,000 pounds.

Additionally, while some of these vehicles may be marginally within the legal limit, the frequency of their travel on these roads contributes substantially to their rapid deterioration. It is not unusual for cement and water trucks to make 120 to 180 trips to each producing oil well.

The Buffalo oilfield in South Dakota is a comparatively small oilfield and has over 45 producing wells alone. The frequency and weight of oil related vehicles on roads near major oilfields is staggering. The county in which this field is located has estimated that road repairs stemming from existing resource development could amount to over $500,000. This amendment at least would make some assistance available to these seriously impacted areas.

With regard to coal transportation, several companies are now finding it cheaper and faster to ship western coal for short hauls by truck rather than in coal unit trains. Several companies in South Dakota are now contracting for truck shipments from the coalfields in northeastern Wyoming. Coal trucks weigh as much as 75,000 pounds and it takes several truckloads of coal to transport the same amount in one rail hopper car. Many trucks in my region use the more poorly constructed non-interstate routes to transport coal shipments.

South Dakota has already documented serious road impacts due to increasing coal truck shipments from northeastern Wyoming and North Dakota, and such shipments are anticipated to increase greatly in the near future.

The administration and other critics of this amendment have stated that the proposal would result in trust fund revenues flowing to only a few States, primarily Kentucky and West Virginia. Under the modified amendment, expanded to include several energy resources and resource recovery equipment, the benefits would flow to a large

number of States, including Colorado, Wyoming, New Mexico, Utah, Idaho, Montana, North Dakota, South Dakota, Texas, Louisiana, Indiana and Illinois, as well as the Eastern coal States and other Northern and Western energy producing States.

Additionally, the administration has opposed this amendment based on the need to keep a lid on the expenditures from the highway trust fund. I am well aware of and sensitive to that need.

It would be folly to increase expenditures that may cripple the trust fund. However, we are not requesting a massive or crippling amount of revenue. We are not legislating handouts to a few communities. We are attempting to legislate a fair and equitable proposal to assure adequate and safe transportation on these roads. I believe this proposal is essential to assure adequate and safe transportation on these roads.

I am also aware that the Department of Transportation would appreciate additional time to study the problem. The Department was scheduled to release a study on this dilemma over a year ago, and today it is still not available. However, we do have studies conducted by several States and local governments conclusively documenting the severity of deteriorating road conditions.

Additionally, while we do not have the Department's study, we do know that the problems have grown worse and they will continue to worsen unless we take immediate action. Several counties in South Dakota have already attributed a number of accidents to the deteriorating conditions on roads in energy development areas.

I do not believe we can afford to further jeopardize human lives for the sake of a long overdue agency study. It is imperative to act now to assure the safety to those who travel these highways and to facilitate the energy development in these areas.

The PRESIDING OFFICER. The vote now occurs on agreeing to the amendment of the Senator from Kentucky.

Mr. BENTSEN. Mr. President, I ask for the yeas and nays.

The PRESIDING OFFICER. Is there a sufficient second? Evidently, there is a sufficient second.

The yeas and nays were ordered.

The PRESIDING OFFICER. The yeas and nays have been ordered. The clerk will call the roll.

The assistant legislative clerk called the roll.

Mr. CRANSTON. I announce that the Senator from South Dakota (Mr. ABOUREZK), the Senator from Alabama (Mrs. ALLEN), the Senator from Minnesota (Mr. ANDERSON), the Senator from Arkansas (Mr. BUMPERS), the Senator from Arizona (Mr. DECONCINI), the Senator from Mississippi (Mr. EASTLAND), the Senator from Montana (Mr. PAUL G. HATFIELD), the Senator from Minnesota (Mrs. HUMPHREY), the Senator from Louisiana (Mr. JOHNSTON), and the Senator from Georgia (Mr. TALMADGE) are necessarily absent.

Mr. STEVENS. I announce that the Senator from Kansas (Mr. DOLE) and the Senator from Michigan (Mr. GRIFFIN) are necessarily absent.

I further announce that, if present and voting, the Senator from Michigan (Mr. GRIFFIN) would vote "nay."

The result was announced—yeas 37, nays 51, as follows:

[Rollcall Vote No. 338 Leg.]

YEAS—37

Baker	Inouye	Percy
Bayh	Javits	Randolph
Byrd, Robert C.	Kennedy	Riegle
Case	Long	Sarbanes
Chiles	Lugar	Sasser
Cranston	Magnuson	Schweiker
Domenici	Mathias	Scott
Durkin	Matsunaga	Sparkman
Ford	McGovern	Stennis
Glenn	Melcher	Stone
Gravel	Metzenbaum	Williams
Heinz	Morgan	
Huddleston	Nelson	

NAYS—51

Bartlett	Hansen	Nunn
Bellmon	Hart	Packwood
Bentsen	Haskell	Pearson
Biden	Hatch	Pell
Brooke	Hatfield, Mark O.	Proxmire
Burdick	Hathaway	Ribicoff
Byrd, Harry F., Jr.	Hayakawa	Roth
Cannon	Helms	Schmitt
Chafee	Hodges	Stafford
Church	Hollings	Stevens
Clark	Jackson	Stevenson
Culver	Laxalt	Thurmond
Curtis	Leahy	Tower
Danforth	McClure	Wallop
Eagleton	McIntyre	Weicker
Garn	Moynihan	Young
Goldwater	Muskie	Zorinsky

NOT VOTING—12

Abourezk	Dole	Humphrey
Allen	Eastland	Johnston
Anderson	Griffin	Talmadge
Bumpers	Hatfield, Paul G.	
DeConcini		

So the amendment (No. 3507) was rejected.

Mr. BENTSEN. Mr. President, I move to reconsider the vote by which the amendment was rejected.

Mr. CHAFEE. I move to lay that motion on the table.

The motion to lay on the table was agreed to.

UP AMENDMENT NO. 1696

(Purpose: Relating to the continuation of certain establishments serving Interstate motor vehicle users)

Mr. METZENBAUM. Mr. President, I call up my amendment which is at the desk.

The PRESIDING OFFICER (Mr. MATSUNAGA). The amendment will be stated.

The legislative clerk read as follows:

The Senator from Ohio (Mr. METZENBAUM) proposes an unprinted amendment numbered 1696.

Mr. METZENBAUM. Mr. President, I ask unanimous consent that reading of the amendment be dispensed with.

The PRESIDING OFFICER. Without objection, it is so ordered.

The amendment is as follows:

At the appropriate place in the bill, insert the following:

SEC. . Section 111 of title 23, United States Code, is amended by adding at the end thereof the following new sentence: "Nothing in this section, or in any agreement entered into under this section, shall require the discontinuance, obstruction, or removal of any establishment for serving motor vehicle users on any highway which has been, or is hereafter, designated as a highway or route on the Interstate System (1) if such establishment (A) was in existence before January 1, 1960, (B) is owned by a State, and (C) is operated through concessionaires or otherwise, and (2) if all access to, and exits from, such establishment conform to the standards established for such a highway under this title.".

Mr. BENTSEN. Mr. President, may we have order, so that the Senator can be heard?

The PRESIDING OFFICER. The point is well taken. The Senate will be in order. Members will cease conversations. Authorized staff will retire to the rear of the Chamber.

Mr. METZENBAUM. Mr. President, this amendment will preserve existing service plazas on the Ohio Turnpike, the Kentucky Turnpike, and several other State turnpikes which soon will become a part of the interstate highway system. This amendment has been approved by the Department of Transportation and by the Office of Management and Budget. I have also been told that this amendment is acceptable to the committee.

This amendment will not require any new Federal funds. Instead, it is designed to protect the substantial investment that taxpayers have already made for service plazas on State turnpikes that were built before 1960 and which predated the development of our national interstate highway system. These plazas have been serving the public safely for 20 years. But unless this amendment is approved, those service plazas, which are worth millions of dollars, must be torn down because of one provision in the existing law.

Under the present law, title 23, section 111, all Federal interstate highways must be free of commercial service plazas in order to become eligible for 90 percent Federal improvement funds. In Ohio, this means that 16 service plazas that now operate along the Ohio Turnpike must be torn down before that road can become part of the interstate highway system.

According to the Ohio Turnpike Commission, the 16 plazas along the 241-mile Ohio Turnpike were originally constructed at a cost of $16 million. Since that time another $25 million worth of construction has taken place at those plazas. The commission estimates that it would cost taxpayers today more than $50 million to duplicate those facilities. Those plazas employ 2,000 people and generate about $6 million a year for the State in rental fees. But all of this would be lost if this amendment is not approved. This would be a tremendous and unnecessary waste of taxpayers dollars. The present law was never intended to eliminate the existing State-owned service areas. It was intended to prevent unsightly and possible unsafe commercial development along the interstate highways. This amendment would preserve the integrity of our interstate roads without forcing us to lose these needed service plazas along State turnpikes.

Mr. President, I point out that this is not an idle threat. The State of Kentucky Turnpike Commission has already been informed by the Federal Highway

Administration that access to one service plaza along I–65, formerly the Kentucky Turnpike, must be eliminated to conform with title 23. The Ohio Turnpike Commission has already announced its intention to remove tolls from the Ohio Turnpike by 1981 and allow it to become part of the Interstate Highway System. Ohio would face the same problems that Kentucky has already encountered unless this amendment is accepted.

This amendment would preserve only those service plazas that were constructed before 1960 and which are owned by the State. It will not allow new commercial development. It will also help other States, possibly including Maine, West Virginia, and others, which may decide to remove their turnpike tolls in the future. This amendment will prevent the unnecessary and wasteful destruction of existing service plazas that have been serving the driving public for the past two decades. I urge my colleagues to support this amendment.

Mr. BENTSEN. Mr. President, the manager for the majority on this measure has discussed this amendment with the Senator from Ohio and finds that it improves the proposed legislation and that it should be accepted, subject to the comments of the minority manager.

Mr. CHAFEE. The minority has the same position as the majority on this, Mr. President.

Mr. METZENBAUM. I appreciate that.

Mr. President, I yield back the remainder of my time.

Mr. BENTSEN. I yield back the remainder of my time.

The PRESIDING OFFICER. All time having been yielded back, the question is on agreeing to the amendment offered by the distinguished Senator from Ohio.

The amendment was agreed to.

UP AMENDMENT NO. 1697

Mr. MORGAN. Mr. President, I send an amendment to the desk.

The PRESIDING OFFICER. The amendment will be stated.

The legislative clerk read as follows:

The Senator from North Carolina (Mr. MORGAN) proposes an unprinted amendment numbered 1697.

Mr. MORGAN. Mr. President, I ask unanimous consent that reading of the amendment be dispensed with.

The PRESIDING OFFICER. Without objection, it is so ordered.

The amendment is as follows:

On page 10, after line 25 add the following new subsection:

"(c) Section 101 of title 23, United States Code, is further amended by adding at the end thereof the following new subsection:

"'(f) It is hereby declared to be the national policy that annual authorizations for programs to be financed from Highway Trust Fund be closely related to anticipated annual receipts accruing to the fund in order that the decision on appropriate program levels and the decision on sources of revenue to finance the program be made in conjunction with each other.

"'It is further declared that whenever authorizing legislation provides for growth in program levels, such growth should be consistent with (1) the rate of growth of revenues from existing sources, (2) the ability of States responsibly to obligate increased Federal funds, and (3) a sound overall Federal fiscal policy.'"

Mr. MORGAN. Mr. President, I am submitting an amendment to the Highway Assistance Act to insure that the highway trust fund remains on a fiscally sound basis in the years ahead. Ever since its creation in 1956, the highway trust fund has been on sound financial footing. My amendment would insure that this continues to be the case.

The fiscal integrity of the Federal highway assistance program is today under serious assault. There is a move afoot in the House of Representatives to violate the most simple principles of sound fiscal management. Simply stated the House wants to authorize expenditures far beyond the revenues which can reasonably be expected to be available to the trust fund from the Federal gasoline excise tax. The unsound practice has been dubbed "anticipatory financing." "Anticipatory financing" is a new word for deficit spending; let there be no doubt about that. To extend deficit spending to the highway assistance program at a time when the economy is already reeling under the impact of massive Federal deficits is the height of irresponsibility.

Congress has tried the route recommended by the House of Representatives. Several years ago this Congress increased social security benefits without a corresponding increase in taxes. The result of this folly was that last December we faced the prospect of a bankruptcy of the social security system. To cover the benefits we had voted before, we had to vote a major tax increase. If we do not take positive action today to stem the tide of misdirected generosity, we will face the same problem we faced last December. We must not embark upon an expanded spending program unless we are willing to increase taxes to pay for the additional services.

I commend the Highway Subcommittee of the Environment and Public Works Committee for reporting to the Senate a bill which sets expenditure levels near the levels of expected revenues. If the pressures for increased spending I have felt are any indication, the members of this subcommittee are to be congratulated for their adherence to the principles of fiscal responsibility.

Unfortunately, the House of Representatives has not shown similar restraint. Although the exact totals have not been agreed upon, all indications are that the House will send to conference a bill spending several billion a year more than will be available from the excise tax. Reasonable predictions place the revenues available from the gasoline excise tax at about $8 billion per year. The Senate bill authorizes about $8 billion a year, but the House wants to authorize around $11 billion a year. This $3 billion a year shortfall between expenditures and revenues will bankrupt the trust fund by the early 1980's. To pay for this $11 billion a year expenditure, Congress will have to raise taxes or use general revenues to prevent the bankruptcy of the highway trust fund. Passage of this amendment will set the Senate clearly on record in opposition to this departure from the principles of sound fiscal management.

I emphasize that this amendment does not establish a ceiling on highway expenditures. It only requires that expenditures not exceed revenues over the period of the program. If Congress sees fit to increase taxes in order to spend more on the highways, then Congress should explicitly and clearly do so. We should not spend the money and then be put in a position where we have to increase taxes. We in this country must return to the tradition that public services must be paid for by taxes. In my view there is no better way to separate the wheat from the chaff in Federal spending than to link the decision to spend with the decision to tax. I think we would all be much more realistic in our evaluation of the value of Federal programs if we had to explicitly and clearly levy a tax for each expenditure.

The highway trust fund has been one of the few parts of the Federal budget that has remained on sound fiscal footing over the years. Organized around a "pay as you go" user fee system, the highway trust fund has served us well since its creation 20 years ago. I think it would be a national tragedy of the first magnitude if we destroyed the soundness of this institution for the sake of short-term expediency. At a time when the public is awakening to the consequences of Federal fiscal irresponsibility, the Senate should go firmly on record against new spending that we are not willing to pay for. I hope that my colleagues will reaffirm the fiscal integrity of the highway trust fund by agreeing to this amendment.

Mr. MUSKIE and Mr. BENTSEN addressed the Chair.

The PRESIDING OFFICER. The Senator from Texas.

Mr. BENTSEN. I yield such time as he may desire to the Senator from Maine, the chairman of the Budget Committee.

The PRESIDING OFFICER. The Senator from Maine is recognized.

Mr. MUSKIE. Mr. President, the Senate has before it S. 3073, the Federal-Aid Highway Act of 1978. I shall take a few minutes to comment upon the major budgetary aspects of this legislation, particularly as they relate to the spending targets which Congress established in the first budget resolution for fiscal year 1979.

As reported in the Senate, S. 3073 provides highway program authorizations for fiscal years 1979 and 1980 of $8.4 billion each year. The bulk of these authorizations, $7.9 billion in fiscal 1979 and $7.8 billion in fiscal 1980, provide contract authority from the highway trust fund, and thus represent direct spending authorizations not requiring appropriations except for liquidation. The balance of the authorizations are for appropriated highway programs, some of which are funded from the trust fund and some from the general fund.

I am pleased to be able to report to the Senate that these reported authorizations are consistent with the budget

resolution for fiscal 1979. Further, the spending pattern established by the bill suggests that highway spending through fiscal 1983 also will be consistent with the 5-year targets set forth in the report on the first budget resolution. I feel I must warn the Senate, however, that very little leeway exists to increase the reported authorizations.

Mr. President, I take this opportunity to compliment the Committee on Environment and Public Works, and particularly its distinguished chairman, Senator RANDOLPH, its ranking minority member, Senator STAFFORD, and its excellent Transportation Subcommittee, led by Senators BENTSEN and CHAFEE, for the exceptionally fine job they have done in writing this 1978 highway bill. Rarely in the time I have been in the Senate—and never in the time I have served as chairman of the Budget Committee—have I seen a Senate committee approach such a difficult task in a more deliberate, objective and fiscally responsible manner. It is because of their efforts that S. 3073 is such a responsible piece of legislation, and one which the Senate can be proud to support.

I base my compliments for this legislation and for its authors on three major features of S. 3073—its budget totals which are consistent with the congressional budget; its rejection of policy changes which could lead to an unnecessarily expanded role for the Federal Government in highway development and maintenance; and its preservation and protection of the fiscal integrity of the highway trust fund.

First, as I have indicated, S. 3073 is within and totally consistent with the congressional budget. The reason for this is not blind good fortune. Rather it is that the Public Works Committee intended that to be the result and consciously worked to achieve it. In the early months of this year the committee's members were faced with two proposals, both representing significant departures from current Federal highway policy. On the one hand, the administration proposed only a moderate increase in highway spending for fiscal year 1979, but recommended substantial policy changes which if enacted would create pressures to increase Federal highway spending significantly in the future. The leadership of the House Public Works Committee, meanwhile, was proposing to increase Federal highway spending by billions of dollars per year, starting immediately.

Exerting its independence and drawing upon its own substantial knowledge and resources, the Public Works Committee charted its own course and drafted legislation that represents its own more realistic and viable judgment of the appropriate future of Federal highway assistance. The committee carefully assessed the need for increased Federal financial assistance, and concluded that some increase above the administration's request is warranted. It wisely rejected, however, the excessive multibillion-dollar increase proposed in House legislation. The committee then reported its recommendation to the Committee on the Budget, which concurred and included similar budget targets for highway spending in the first budget resolution approved by the Congress. Thus, the fact that S. 3073 is consistent with the congressionally approved budget is no accident. Rather it is because of the good judgment and effective leadership of the Committee on Environment and Public Works.

A second reason to compliment the authorizing committee relates to the policy direction the reported bill establishes. The Department of Transportation's proposal submitted to the Congress in January contained a number of policy changes which, if enacted, would seem certain to result in a new and significantly expanded role for the Federal Government in highway spending. These proposals included: Extension of eligibility for Federal assistance under the urban highway program to all urban roads; extension of eligibility for assistance under the small urban and rural grant program to any public road; expansion of eligibility under the special bridge program to bridges off as well as on the Federal-aid highway systems; and, perhaps most significant of all, a further increase in the Federal share of noninterstate projects from the current 70 to 80 percent.

Wisely, the Senate Committee chose to reject most of these proposals. The only one which it incorporated into S. 3373 is the one that would open Federal assistance for bridge repair and replacement to bridges not on a Federal-aid system. I remain somewhat concerned about the implications of the precedent this provision establishes, but for now I accept the recommendation of the Public Works Subcommittee which has studied this issue more thoroughly than I, and which has concluded that this new policy is necessary in order to deal with a unique and serious problem. I would not, however, that while the Senate bill as reported included a reasonable authorization of $450 million to fund this expanded bridge program, this amount already has been increased to $525 million on the Senate floor, so that the authorization now exceeds the maximum amount which DOT says can responsibly be obligated in fiscal 1979. And if this is not sufficiently frightening, the House bill as reported provides a $2 billion authorization for fiscal 1979.

I strongly urge the Senate conferees to stand firm against any further increases to the bridge program above the Senate figure. Further, I believe that the Senate should take the House's proposed authorization level as a warning of what could happen to this program if we are not careful. Clearly, the program warrants continued examination to assure that what is intended to be a limited expansion of eligibility for Federal assistance does not produce undesired and unintended financial impacts on the Federal budget.

While I am on this topic of questionable policy changes, I would note also that while the Senate authorizing committee has prudently rejected the Transportation Secretary's proposal to increase the Federal matching share to 80 percent, its House counterpart has not. This means that the provision will be an important issue in conference, and I would therefore like to take this opportunity to encourage the Senate conferees to hold fact to the Senate position that the Federal share should remain at 70 percent. Were it to increase to 80 percent, it would be certain to stimulate significant increases in Federal highway spending in the near future. This is because of the increased leverage it provides to program beneficiaries.

To be more specific, $1 billion of State and local spending on noninterstate products currently can produce $2.3 billion in matching Federal expenditures. With an increase in the Federal share to 80 percent, however, that same $1 billion could produce $4 billion of matching Federal expenditures. Thus, what looks like a 10-percent change could increase Federal expenditures by 74 percent without an additional cent of State and local spending.

Such a shifting of the highway spending burden to the Federal Government is not warranted, particularly when State and local governments are, collectively, in a much more liquid financial position than is the Federal Government. Further, I would remind the Senate that it has been only 5 years since we increased the Federal share on noninterstate projects from 50 to 70 percent. The push for that increase also came from the House, and as I recall it, the principal argument was that Federal spending on the interstate system was about to drop sharply, and it was therefore necessary to increase noninterstate spending in order to preserve prevailing overall highway spending levels. Of course, no such sharp reduction in interstate spending ever materialized. Total Federal highway spending rose steadily, and is projected to continue to do so. In the face of this, however, the House is now proposing yet a further increase in the Federal matching share. If they were consistent in their approach, they should be suggesting instead that the Federal share be returned to its previous 50 percent level.

Mr. President, the third reason—this is really the point I wanted to get at in connection with Senator MORGAN'S amendment—I see for complimenting the Public Works Committee is that its reported bill preserves the fiscal integrity and fundamental soundness of the Highway Trust Fund. It does this by preserving a policy which has long prevailed in the management of the Federal highway program, that there should be a basic equality of projected trust fund expenditures and receipts.

This is pretty fundamental. But the House-reported bill proposes to ignore this established policy, and to provide annual expenditure authorizations for programs financed from the trust fund at levels which exceed projected trust fund receipts by more than $3 billion per year!

Those critical of former Redskins coach George Allen's financial management skills claim that "he was given an unlimited budget and he exceeded it." Well, considering what the House is doing with the 1978 highway bill, I would

say that in comparison George Allen looks like Ebenezer Scrooge.

Were the new policy proposed in the House bill to be enacted, CBO projects that the highway trust fund would be broke by fiscal 1985. At best, there would be an excessive accumulation of unfunded liabilities mortgaging several years of future revenues. More likely, the cash would be exhausted and the program seriously disrupted.

Financial calamity could be avoided only by one of four means, none of which would be acceptable. One option would be for Congress to again surrender the power of purse to the executive branch by allowing the President to protect the trust fund by impounding highway funds. Or, the Congress could temporarily suspend all or a significant portion of Federal highway spending. Or, it could enact sharp increases in highway excise taxes to finance the "unexpected emergency," which in fact was entirely predictable. Or, it could use appropriations from the general fund to bail out the trust fund.

If this sounds familiar, it is for the simple reason that it is very similar to the financing mess in which we find ourselves in the case of the social security program and its trust fund.

Mr. President, I believe the Senate must do its best to assure that the House cannot "social securitize" the Federal highway program and highway trust fund.

Further, I believe we can strengthen the conference position of the Senate by stating in statutory language the policy implicit in the Senate bill's responsible approach to managing the highway trust fund. The amendment offered by Senator MORGAN does this. It provides simply that trust fund spending policy and revenue policy should be consistent, and that significant alterations to one cannot responsibly be considered without considering compatible alterations in the other.

Overwhelming approval of the bill before us, amended to include the policy statement proposed by Senator MORGAN, will demonstrate to the House the Senate's concern that the fiscal integrity of the trust fund be protected. I therefore urge my fellow Senators to vote in favor of the amendment offered by Senator MORGAN and for the Senate bill as thus amended.

Mr. BENTSEN. Mr. President, I appreciate the remarks of the distinguished chairman of the Budget Committee and those of my able friend, the Senator from North Carolina. In reading his amendments, it is a very sound statement of principle in budget fiscal prudence, one that we have tried very much to comply with, and it has not been easy. But I believe it is a contribution to the legislation and I for one am pleased to accept it subject to the comments of the minority manager of the bill.

Mr. CHAFEE. Mr. President, first, I ask unanimous consent that Patty White of Senator HAYAKAWA's staff, and Donna Maddox of Senator PERCY's staff have the privileges of the floor during the consideration of this measure and the votes thereon.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. CHAFEE. Mr. President, I would like to join with the Senator from North Carolina in support of this amendment. It sets forth a philosophy to which we can adhere in the future. So I join with my colleague from Texas in support of this amendment.

Mr. BENTSEN. I yield back the remainder of my time.

Mr. MORGAN. I am willing to yield back the remainder of my time, but to strengthen the hand of the conference committee, some of those who support the amendment with whom I have talked feel that a rollcall vote would be helpful in that committee and, for that reason, I ask for the yeas and nays.

The PRESIDING OFFICER. Is there a sufficient second?

There is a sufficient second.

The yeas and nays were ordered.

Mr. RANDOLPH. Mr. President, will the Senator from North Carolina add me to his amendment as a cosponsor?

Mr. MORGAN. I would be happy to.

The PRESIDING OFFICER. The question is on agreeing to the amendment of the Senator from North Carolina. The yeas and nays have been ordered, and the clerk will call the roll.

The legislative clerk called the roll.

Mr. CRANSTON. I announce that the Senator from South Dakota (Mr. ABOUREZK), the Senator from Alabama (Mrs. ALLEN), the Senator from Minnesota (Mr. ANDERSON), the Senator from Arkansas (Mr. BUMPERS), the Senator from Arizona (Mr. DECONCINI), the Senator from Mississippi (Mr. EASTLAND), the Senator from Alaska (Mr. GRAVEL), the Senator from Montana (Mr. HATFIELD), the Senator from Minnesota (Mrs. HUMPHREY), the Senator from Louisiana (Mr. JOHNSTON), and the Senator from Georgia (Mr. TALMADGE) are necessarily absent.

Mr. STEVENS. I announce that the Senator from Kansas (Mr. DOLE), the Senator from Michigan (Mr. GRIFFIN), and the Senator from North Dakota (Mr. YOUNG) are necessarily absent.

I further announce that, if present and voting, the Senator from Michigan (Mr. GRIFFIN) would vote "yea."

The result was announced—yeas 86, nays 0, as follows:

[Rollcall Vote No. 339 Leg.]

YEAS—86

Baker	Garn	Mathias
Bartlett	Glenn	Matsunaga
Bayh	Goldwater	McClure
Bellmon	Hansen	McGovern
Bentsen	Hart	McIntyre
Biden	Haskell	Melcher
Brooke	Hatch	Metzenbaum
Burdick	Hatfield, Mark O.	Morgan
Byrd, Harry F., Jr.	Hathaway	Moynihan
Byrd, Robert C.	Hayakawa	Muskie
Cannon	Heinz	Nelson
Case	Helms	Nunn
Chafee	Hodges	Packwood
Chiles	Hollings	Pearson
Church	Huddleston	Pell
Clark	Inouye	Percy
Cranston	Jackson	Proxmire
Culver	Javits	Randolph
Curtis	Kennedy	Ribicoff
Danforth	Laxalt	Riegle
Domenici	Leahy	Roth
Durkin	Long	Sarbanes
Eagleton	Lugar	Sasser
Ford	Magnuson	Schmitt
Scott	Stevenson	Schweiker
Sparkman	Stone	Weicker
Stafford	Thurmond	Williams
Stennis	Tower	Zorinsky
Stevens	Wallop	

NAYS—0

NOT VOTING—14

Abourezk	Eastland	Johnston
Allen	Gravel	Talmadge
Anderson	Griffin	Young
Bumpers	Hatfield, Paul G.	
DeConcini	Humphrey	
Dole		

So the amendment (UP amendment No. 1697) was agreed to.

The PRESIDING OFFICER. The Senator from Texas.

Mr. BENTSEN. Mr. President, I yield for a unanimous-consent request to the Senator from Vermont.

Mr. LEAHY. Mr. President, I ask unanimous consent that Susan Branigan of my staff may have the privilege of the floor for the rest of the evening, throughout the debate and votes.

The PRESIDING OFFICER. Without objection, it is so ordered.

UP AMENDMENT NO. 1698

(Purpose: Terminating the Highway Trust Fund)

Mr. KENNEDY. Mr. President, I send an unprinted amendment to the desk in behalf of myself and the Senator from Connecticut (Mr. WEICKER).

The PRESIDING OFFICER. The amendment will be stated.

The second assistant legislative clerk read as follows:

The Senator from Massachusetts (Mr. KENNEDY, for himself and Mr. WEICKER), proposes an unprinted amendment numbered 1698.

Mr. KENNEDY. Mr. President, I ask unanimous consent that further reading of the amendment be dispensed with.

The PRESIDING OFFICER. Without objection, it is so ordered.

The amendment is as follows:

At the end of the bill, insert the following:

HIGHWAY TRUST FUND

SEC. 146. Effective after September 30, 1978—

(1) the Highway Trust Fund is terminated and the amount in such Fund, including any obligations held in such a Fund, shall be covered into the general fund of the Treasury;

(2) any outstanding appropriations from, or obligations of, such Trust Fund shall be paid from such general fund;

(3) any authorizations for appropriations to be made from such Trust Fund shall be considered to be authorizations for appropriations from such general fund; and

(4) section 209 of the Highway Revenue Act of 1956 is repealed.

The PRESIDING OFFICER. The Chair inquires of the Senator from Massachusetts whether this is the amendment on which there has been an agreed time limitation of 1½ hours.

Mr. KENNEDY. The Chair is correct. I yield myself 7 minutes.

Mr. BENTSEN. Mr. President, will the Senator yield for a question?

Mr. KENNEDY. I yield.

Mr. BENTSEN. The manager of the bill would inquire how long the Senator expects us to be here.

Mr. KENNEDY. I do not know how long my colleague and cosponsor (Mr. WEICKER) wishes to speak, but this is an

issue which has been before the Senate many times. I do not think it will require more than 10 minutes on my part to explain the amendment. It is well understood, I think; the Members are familiar with the subject matter.

Mr. BENTSEN. Would the Senator care to agree to limit the time?

Mr. KENNEDY. As soon as my cosponsor arrives, I would be glad to inquire how much time he would require; but for my part, I would be more than willing to cut it in half. I do not intend to take a long time.

Mr. President, I yield myself 7 minutes. First of all, I wish to express my appreciation to the managers of the bill, the Senator from Texas (Mr. BENTSEN) and the Senator from Rhode Island (Mr. CHAFEE), and to the Senator from West Virginia (Mr. RANDOLPH) and the Senator from Vermont (Mr. STAFFORD) and the other members of the committee for the accommodations they have made to a number of different suggestions and recommendations that have come before the committee. They have, I think, been extraordinarily responsive and helpful to those of us who have followed this issue.

Their attitude has made a very important and significant difference in the whole development of transportation, in my State and in other parts of the country. The interstate transfer provisions, for example, the reduced number of highway categories, the ability to transfer within various road categories, have, I think, given greater flexibility and insured important accommodations of different interests in the field of transportation.

I am very much appreciative of the reception with which a number of these ideas have been received by my colleagues on the committee.

The amendment that we offer today, myself and the Senator from Connecticut, is an amendment which we have offered, each congress for a period of 8 years, since 1970. It would abolish the highway trust fund.

The highway trust fund and the funds which it keeps from the general revenues make an enormous impact on our budget. Income to the highway trust fund is around $10 billion a year. Expenses are over $8 billion.

The total cost for the Interstate Highway System is now projected to be $104.3 billion.

This enormous amount of money should not be reserved to one mode of transportation or to transportation as a whole regardless of conditions. Rather, funding should be subject to the regular authorization and appropriations process. If that process is good enough for our national defense, if it is good enough for our health expenditures, if it is good encugh for our education programs, it shouid be good enough for highways.

Flexible funding is especially important now:

The most essential parts of the interstate system have been completed. Of a total system of 42,500 miles, 91.9 percent—39,050—have been finished. Another 1,432 miles are under construction, leaving less than 2,000 which have not yet been started.

Meanwhile, the drawbacks of private auto transportation have become of greater concern. The private auto uses far more energy than public transportation. The average auto uses over three times the energy of a bus, over twice the energy of light rail systems like trolleys, and over twice the energy of commuter rails.

The private auto creates more pollution. The private auto requires a great investment of our lands, including downtown areas and farm lands.

And, a separate fund for any construction project—which is the primary mission of the highway fund—is dangerous to the economy as a whole. The costs of construction have been rising the fastest in the last couple of years and have been a primary factor in the inflation rate. It was for this reason that the Senate voted last month to take $600 million out of the authorization for federally subsidized housing. We should also be able to control construction expenditures here.

The Congressional Budget Office in a report issued in March clearly called for the liquidation of the highway trust fund. It said:

> The existing financing practices have several serious shortcomings and relatively few strengths. Current Federal practices are not conducive either to coordinated policy making or to sound fiscal control, and they are highly uneven in their treatment of different modes. By far the most significant practical advantage of the current system is that it already exists.

CBO concluded:

> The option of no trust funds appears to be the most promising of those reviewed here because it substantially strengthens the ability of the Congress to make policy and to exercise fiscal control. By placing all modes on an equal and flexible footing, the Congress would increase its coordination of transportation policies through both the authorizing and appropriating committees.

Mr. President, for these reasons, I am hopeful that the amendment will be accepted by the Senate. It seems to me that for reasons of good transportation policy, for reasons of sound expenditure policy, and for reasons of prudent economic policy; for all these reasons, this particular amendment deserves to be accepted.

Hopefully those who support this amendment recognize that there must be important support for automotive transportation, and certainly the importance of trucking and trucking transportation is fundamental to the commerce of this Nation.

We believe those resources ought to be devoted to both the completion of the system and providing within the States, within the rural areas and the urban areas of this country, the kinds of transportation services which are absolutely essential for the American people. This definitely includes a strong component for roads. But our transportation funding should be put in the context where the committees themselves can view other alternative means of transportation and make final judgments on what should be authorized and what should be appropriated in the different forms of transportation. I would hope this amendment would be accepted.

Mr. President, before I yield such time as the Senator from Connecticut desires, I would like to make special mention of a few of the valuable features of the bill now before us.

For many years I have introduced highway legislation along with the distinguished Senator from Connecticut (Mr. WEICKER).

In this legislation we have recommended many changes in the way the Federal Government assists in the construction and operation of roadways. We have advocated the consolidation of many aid categories, the establishment of the interstate transfer provision and the elimination of the trust fund form of funding.

In many of these areas we have been successful in convincing others that the Federal-aid system should be changed. When the administration introduced its bill reauthorizing expenditures from the highway trust fund, Senator WEICKER and I introduced an act, S. 2953, the Highway and Public Transportation Improvement Act of 1978, which incorporated a series of amendments in that bill.

Mr. President, Senator BENTSEN and Senator CHAFEE for the Transportation Subcommittee of the Environment and Public Works Committee, and Senator RANDOLPH and Senator STAFFORD for the full committee have given thoughtful consideration to different transportation needs and to the effect of our transportation policies on energy and the environment. I am pleased to see that many of our ideas have been incorporated in S. 3073, the bill before us today.

I would like to enumerate some of the proposals that we made in our bill which have also been incorporated into the committee bill.

We consolidated a number of existing highway programs into four Federal-aid systems, the interstate, primary, urban and small urban and rural. We allowed great transferability of funds among the system. The committee also consolidated down to four transit categories and it too allows the transferability of up to 50 percent of the funds in one category to another category.

The committee also showed its dedication to the concept of flexible transit planning by setting the Federal match for an interstate transfer at 90 percent of the cost. Previously, the Federal match was set at the match for the mode into which the funds were being switched. This was usually 80 percent of the total cost.

Our next amendment restored the sentence to section 103(e)(4) which the administration took out of its proposed bill which says that any funds transferred from an interstate project would be a supplement to and not a substitute for money due under UMTA. We certainly do not want to penalize those who make the decision to switch funds from highways to mass transit. Yet, deleting this sentence might suggest that DOT has the authority to do so. We want to allow a State to transfer money but without the sentence DOT might be able to force the State into merely choosing whether to forsake a highway.

We also restored to the act another provision involving the obligation to match funds for those projects transferred between 1973 and 1976, between the time when the interstate transfer provision was first put in and the 1976 amendments to the Highway Act. Under the 1973 interstate transfer amendment the Federal Government undertook a contractual obligation to fund the Federal share of any transferred project. Under the 1976 amendments, subsequent transferors were not guaranteed that the Federal Government would continue to provide its share till completion. The administration bill took the contractual obligation off of the Federal Government for the projects switched between 1973 and 1976. But, the Federal Government should maintain its terms after a State has irretrievably committed to a transfer.

In both of these areas, the Environment and Public Works Committee maintained current law, so that interstate transfer funds remain a supplement to UMTA funds and not a susbtitute for them and so that the Federal commitment to meet its transfer obligations remains as strong as ever.

S. 2953 also changed the law to allow a State to impose a toll on Federal aid system highways for purposes of managing peakload demands. The Clean Air Act allows use of such tolls in nonattainment areas, where air pollution is too great. But the Highway Act currently disallows such tolls. The purpose of these tolls is to set a price on the use of the road equal to the external costs that the use produces at peak hours.

The committee now allows States and metropolitan areas in nonattainment areas to impose tolls in order to help reduce air pollution.

Finally, Mr. President, on the floor last Friday, the committee accepted an amendment which repeals section 142(k) of the act. This section would terminate interstate transfer projects if a mass transit trust fund were set up. But, the section could not assure us of the size of the mass transit fund, the conditions under which it would operate, or that localities which have switched funds would in any way be reimbursed for the interstate transfer funds they would no longer be allowed to invest in alternative projects. I was glad to see this amendment accepted.

The committee has made some important improvements in this act. I thank the committee for the careful review it has given in reauthorizing the Federal-Aid Highway Act.

Mr. President, I still believe that the funding mechanism that we use for our transportation expenditures should be changed. The current system of financing freezes congressional review. We should abolish the Highway Trust Fund.

I yield to the Senator from Connecticut.

The PRESIDING OFFICER. The Senator from Connecticut is recognized.

Mr. WEICKER. I thank the Senator from Massachusetts.

I rise to support the amendment.

In reminiscing a moment ago with my staff, I noted that it has been 9 years since the Senator from Massachusetts and I first proposed this principle in the form of an amendment or one bill or another. For 9 years we have been defeated. I do not know what the result will be this evening. I have a feeling it might adhere to past historical patterns.

I think it has to be pointed out that certainly life in this country and around the world has very much changed within that period of time. And yet the highway trust fund is still with us in basically its original form.

I have read a great deal as to the concern of the administration as it relates to the failure of this Nation to adopt any sort of an energy program. Yet in its initial presentation to the country and the Congress, the administration's energy program specifically skirted around the issue of mass transit and public transportation, as a conservation measure. That is still the case today. Not just so far as the administration is concerned, but also the Congress.

There is nothing that we can do that would further the cause of conservation more than to make available to the citizens of this country transportation other than the automobile. Yet that has not been the will of the Congress, nor has it been the will of the President.

I realize that this is not the forum for legislation to discuss the production side as a solution to the energy crisis. It is, however, the forum to discuss the demand side, the consumption side.

The Senator from Massachusetts and I have, for 9 years, put forth the idea that there are means with which to move about this Nation other than the automobile.

We do not insist that you take a subway or that you take a train or that you take a bus. What we are saying is that, in the resolution of our transportation difficulties, at least, let us have the option to decide what is the best solution. Right now, the best solution is a highway, because you can be guaranteed 90 percent Federal dollars if you adopt a highway solution. Well, that is not good traffic engineering; it is good politics. In my State of Connecticut, we have almost totally completed our highway system, but we desperately need bus transportation. None of our cities is big enough for mass transit rail, but we need mass transit bus. Indeed, as the population centers shift to many of the cities of the South and Southwest and the West, believe me, what will be demanded there is rail facilities in order to move people about.

Today, in Los Angeles, Calif., they are stuck with the automobile, period. There is nothing else that they can do, even though it chokes them to death; not just in the sense of the early morning commuter hour, but in the sense of their bodies. They are getting choked to death.

It is not a situation we have to live with.

Mr. President, I am pleased to have joined with the Senator from Massachusetts (Mr. KENNEDY) in offering this amendment to abolish the highway trust fund. Since the trust fund was created 22 years ago, the needs of our society have been drastically affected by changing energy, safety, and environmental considerations. In 1956, energy was plentiful and cheap. In 1978, our national security is threatened by heavy reliance on insecure sources of foreign oil. In 1956, air pollution alerts were virtually unheard of.

Today, auto emissions are among the main pollutants in our cities and are considered the cause of millions of illnesses annually. In 1956, our road system was obviously deficient. Today, the Interstate System is 92 percent complete and we have the finest highway system in the world. Yet our Federal transportation programs continue to allocate funds according to the priorities of 22 years ago. The stumbling block here is the highway trust fund, and the problem we face is this:

The revenues flowing into the fund tend to become the driving force for allocations of transportation dollars rather than having Congress, together with the States and localities, set our transportation needs. If the fund generates $10 billion of revenue, then it is easy for Congress to spend that $10 billion. The process should operate the other way around: Congress should review the transportation needs and provide funding up to the levels it considers appropriate. This is how we act on all other programs and how we should act on transportation.

The trust fund tends to operate like an automatic pilot which pumps billions of dollars into a separate and sacred pool; the levels of revenue are arbitrary and bear no logical relation to the need for further highway construction. I am not trying to stop highway construction or maintenance or bridge repair, or any other highway programs, and so forth. All this amendment is trying to do is to give Congress a chance to exercise its proper responsibility in reviewing annual transportation funding needs through the appropriations process. We may decide that even more money is needed for roads or repairs or bridges. But whatever is decided, I would rather Congress make that decision than have it dictated by the arbitrary mechanism of a trust fund.

Senator KENNEDY and I first introduced this kind of amendment back in 1973. This Nation's economic situation has changed dramatically since then, and I am talking here in an energy context. At that time, our transportation program—legitimately perhaps—focused on the automobile and its needs. Our dependence on the automobile is almost total: 90 percent of all urban travel is by car or truck. More than 4 out of 5 American families own cars. Of the 18 million barrels of oil that this Nation consumes per day, cars and trucks burn up nearly 45 percent or over 8 million barrels. The message here is clear: as a nation we have to try and balance our transportation system. Energy considerations, along with environmental and safety considerations, need to be given a higher visibility in the overall transportation equation. I repeat: This does not necessarily mean less money for highways. It may mean more coordinated intermodal planning so that we do not

duplicate our spending by building both a new road and a new mass transit system in the same corridor. But whatever the final decisions on spending, we should not put ourselves in the straitjacket of the trust fund which reduces the flexibility we need to move funds to those areas of greatest need.

Mr. President, there are too many sacred cows already clogging up the Halls of Congress. The highway trust fund is one sacred cow which has been milked for too long by highway interests. It is ready for the slaughter. But let us make this a mercy killing—we do not want to strangle our highway programs because our Nation needs a strong road system and will need it as far into the future as we can see. But let us give ourselves the flexibility and control we need here in the Congress to make our transportation system more balanced and more responsive to the needs of this Nation as we enter the 1980's.

My purpose in taking the floor at this moment to support this amendment is to ask that we do the unusual. That is to apply a little logic, a little common sense to a problem, a little grasp of the facts as they exist today in the year 1978, rather than as they existed at the end of World War II. I am afraid that 9 years of frustration will not end here this evening, but it really makes no sense to continue a system in 1978 that was based on 1946 and 1947 facts. I shall be more than delighted to debate any of the advocates of the highway trust fund as to why it is that we have to continue with this mechanism rather than applying the regular appropriation and budgetary process to the needs as they come before us in a highway sense.

The fact is that logic cannot sustain their arguments any longer. Facts cannot sustain their arguments any longer. So the only thing that they raise is a trust fund concept, with all the fiduciary obligations that go along with that. Purely and simply today, it is insane, it is illogical, and it is a payoff to the lobbying groups. It certainly cannot be explained in terms of supplying a logical transportation system to the United States of America.

I yield the floor, Mr. President.

The PRESIDING OFFICER. Who yields time?

Mr. CHAFEE. Mr. President, I should like to speak in favor of the amendment. Who is in control of the time?

Mr. KENNEDY. I yield the Senator whatever time he needs.

Mr. CHAFEE. Five minutes will be plenty, Mr. President.

It seems to me that, in running any kind of government, those in charge of the government, be they Congress or the State legislatures or whatever government it might be, should be able to take all the money into a common pool and then decide what their top priorities are for spending that money, what the needs of the State are or, as in this case, of the Nation, that should be met. The trouble with restricted funds is that those funds do not take their position in line, seeking their priority. Such funds work with a set amount of money—in this case, some $8 billion. Whether the program covered by the restricted fund is the top priority of the Nation is not considered. All that is considered is that the fund has x dollars and they can spend x dollars, on the program under the fund, roads in the instance.

Mr. President, I feel strongly that the amendment of the Senators from Massachusetts and Connecticut is a good one. It would force all that money to go into a common fund. Then the President, through the OMB and the Congress, could decide on whether, that year, the highest priority of the Nation indeed was to spend it on highways. Perhaps it might be, in that particular year, that it could be better spent on other programs. Or at least, the total amount may not be needed. But these funds are beyond the reach of Congress as to whether they should be spent in this particular manner or that particular manner, and they have to be spent on highways. I agree with the amendment of the Senators from Connecticut and Massachusetts.

The PRESIDING OFFICER. Who yields time?

Mr. BENTSEN. Mr. President, in this changing world of ours, an uncertain world, it is very comforting and helpful to know that there is a certain sense of order, a certain discipline; that every 2 years we are going to have a highway bill, and every 2 years we are going to have an amendment to end the highway trust fund; and that the Senator from Massachusetts and the Senator from Connecticut will make their very able and impassioned speeches to carry out that initiative. Fortunately, in each instance, logic has prevailed in this body and the amendment has been defeated.

Let me say to my friend from Connecticut, who talks about this hulk of a highway trust fund, this inflexible hulk. Much has been done, because of the initiative of the Senator from Connecticut and the Senator from Massachusetts, insofar as adapting this trust fund to the needs of the people: The great fight that they made in 1973 on the urban trust fund, allowing that to go to mass transit.

Let me say that I think that time has overcome the idea of ending the trust fund because, as the Senator from Connecticut has said, times have changed. We have found, through our experience, that there are very few areas that are really adaptable to rail mass transit; that you really have to have concentrations along population corridors for it to work.

The Interstate Highway System, Mr. President, is one of the great public works achievements of this century; it is of enormous significance to every citizen and every business in this country. The highway trust fund has always been essential to the success of this program. To abolish the trust fund would be to gut the highway program.

Over time, we have developed new additions to our transportation needs. We have given special lanes for buses going out the Shirley Highway. Nothing has the psychological impact of having a fellow driving on a freeway at 16 miles an hour, breathing the fumes of a car in front of him, then having a bus go by in a special lane, with some fellow sitting there reading a newspaper and grinning at him as he goes by. Those kinds of things have been proving themselves as we go along.

We have seen a situation where, to develop just the needs of the highways and hold them to the 1975 standards of use, between now and 1990, we will need $21.8 billion. But we can forsee only $16.9 billion that will be available to it. When it comes to the question of priorities and trying to fulfill those priorities, we are not going to have enough money in the trust fund to accomplish that.

We do have a "user pays" principle that we are using here. One of the interesting things about this particular program that sets it apart from some other Government programs is that this one happens to work. It has been effective. But we are now having a study made by the Department of Transportation to be sure that we are really fairly allocating that cost, that the user who burns up those highways is the one who pays the full share of the cost.

Mr. President, the most persuasive arguments in favor of abolishing the trust fund have been overtaken by events. Trust fund termination is an issue whose time has come and gone.

For example, it has become apparent that the all-too-familiar "either/or" mentality that pitted highway transportation against mass transit in the past has largely disappeared. During our extensive deliberations on S. 3073 both sides to this controversy came to recognize that these modes are not inherently competitive, but are in fact complementary. This is especially true when we have a national commitment today to reduce air pollution and to save energy.

We have seen that only a limited number of metropolitan areas possess the population density to support nonhighway mass transportation. In other areas, mass transportation must take the form of multipassenger motor vehicles which traverse the regional road and highway network. Any significant departures in small urban and rural public transportation will depend on good roads and highways.

Now, Mr. President, opponents of the trust fund have long maintained that it serves as a straitjacket inhibiting Federal flexibility in meeting national transportation requirements. This argument may have had relevance in the past, but recent legislative developments have demonstrated the enormous adaptability of this funding concept in responding to our ever-changing pattern of highway-related needs.

Consider, for example, some of the innovations contained in the 1973 Federal-Aid Highway Act. The act broke with past practice by permitting the transfer of highway funds for the purchase of buses, for the construction of bus lanes, highway traffic control devices, bus passenger loading facilities, and fringe parking lots to serve mass transportation passengers. The 1973 act, for the first time, permitted urban areas to substitute a mass transit project for an unwanted interstate segment. Contingent on approval by the Secretary of Transportation.

The 1976 act gave the trust fund even greater flexibility. It authorized financing for the resurfacing rehabilitation of interstate and other Federal-aid routes; it gave urban areas the ability to reject an unwanted interstate segment and use equivalent funds for mass transit projects or a noninterstate highway, if they so desired.

Clearly, there is a great deal of flexibility in the highway trust fund; it is not some "incredible hulk" that stands in the path of legislative innovation. And let me point out that S. 3073, the bill before the Senate today, continues this process of flexibility and innovation.

We worked hard at it. We have even included a program now to encourage the use of bicycles.

It provides trust fund financing for capital improvements to facilitate State enforcement of weight limits; for projects to encourage the use of carpools and vanpools; and for programs to encourage the use of bicycles.

It is also argued, Mr. President, that the trust fund stands as an obstacle to effective congressional control over expenditures. This argument is without merit. There is nothing in the trust fund that requires highway authorizations to keep pace with revenues. Congress has always been free to provide authorizations that fall short of revenue levels. We have generally not done so, because highway needs have generally far exceeded revenue generated by the fund. But neither, Mr. President, have we made it a practice to provide authorizations that exceed revenues. In this respect the trust fund has operated as a cap on highway expenditures.

During this decade Congress has also moved to control highway spending. The Congressional Budget and Impoundment Control Act of 1974 eliminated funding commitments in advance of appropriations, or contract authority, for those Federal highway programs not funded by the trust fund. As a result, programs like highway beautification, territorial highways, and safer off-svstem roads must now await appropriations before obligations can be incurred.

Two years later, in 1976, Congress took another step toward controlling highway expenditures. The DOT Appropriations Act, for the first time, imposed an overall limitation on obligations for the Federal aid program. In subsequent acts, both overall and specific program limitations have been utilized.

In this manner, Congress has evolved a mechanism for controlling highway spending, and the trust fund has not been an obstacle. And finally, Mr. President, the Senate today, at this very moment, has total control over highway expenditures for the coming 2 years. We are recommending $8.3 billion a year. If the Senate feels the figure is too high or too low, the legislation can be amended.

I mentioned earlier in my remarks that the concept of "user pays" has been fundamental to the trust fund. I said this is a principle worth preserving; it is also a principle worth improving. We have sought to improve it by directing the Secretary of Transportation to undertake a study of the design, construction, rehabilitation, and maintenance costs for Federal aid highways occasioned by the use of vehicles of different specifications and the proportional share of such costs attributable to each class of persons and vehicles using the highways. We want to make sure that each highway user is paying his fair share of the construction and maintenance costs.

Mr. President, perhaps the strongest argument in favor of retaining the trust fund is that it is urgently needed to finance outstanding highway needs. Typically, highway-related projects have long leadtimes. The ability to enter into obligations without waiting for appropriations allows State agencies to plan their programs far in advance and make the necessary financial arrangements. To abolish the trust fund would be to replace a proven, effective program with uncertainty—uncertainty that we can ill afford.

The fact of the matter is that we are living within the constraints of revenues generated from the trust fund, revenues that simply are not commensurate with the magnitude of our highway needs.

What is the measure of these needs? First and foremost is the completion of the Interstate System, which is now 90 percent finished at current funding levels, certain segments may not be open to traffic before the end of the century. With current rates of inflation, the outstanding 10 percent could cost as much as the 90 percent of the system already completed.

S. 3073 contains a number of important provisions designed to accelerate interstate completion; this has been one of our priority objectives, and it is an objective that can only be frustrated if the trust fund were to be terminated at this time. I think it is safe to assert that such an action would delay interstate completion by at least a decade.

We have an enormous investment—over $100 billion—in the Interstate System, an investment that must be protected. You protect a highway network through maintenance, and maintenance costs money, a lot of money. More money than we have available. A recent FHA study estimates that there is a $2.3 billion backlog of work in this area.

Many of the bridges in this country are critically deficient or functionally obsolete. Many of our bridges, both on and off the Federal-aid system, are downright dangerous. S. 3073, with revenue from the trust fund, devotes $450 million to bridge repair and replacement; that is a 250 percent increase over last year.

What I am saying, Mr. President, is that we have a job to do; an important job. We must complete the Interstate System as rapidly as possible and we must maintain what we have built.

Take away the trust fund and you will inhibit—perhaps cripple—our ability to do the job.

For these reasons, I strongly urge rejection of the Kennedy amendment.

Mr. RANDOLPH. Will the Senator yield?

Mr. BENTSEN. I am glad to yield to the chairman of the full committee.

Mr. RANDOLPH. Mr. President, I urge the Senate to reject the amendment to terminate the highway trust fund offered by the distinguished Senator from Massachusetts, my friend Senator KENNEDY and the able Senator from Connecticut (Mr. WEICKER). I stress that the trust fund has proved a valuable as well as a flexible asset in meeting the highway needs of the Nation over more than 20 years.

It has afforded financing for the greatest public works program ever undertaken by any country in any age—the construction of the Interstate Highway System. I am sure we recognize that this task is not yet completed. This is not the time to terminate the existance of the mechanism which has been responsible for the monumental accomplishment already achieved in this program.

We must also remember that the priority accorded interstate construction—a justified priority, I add—has obscured a number of other pressing highway needs. I speak of such needs as bridge replacement and rehabilitation, roadway resurfacing and repair and highway safety. I repeat, we should not terminate a financing source which has proven itself equal to the task of addressing needs of the magnitude of our highway transportation system.

Mr. BENTSEN. I fully agree with the observations of the chairman. It is through his leadership that we have been able to further the highway program and develop our mobility.

Mr. President, I see that my colleague from Vermont desires to speak and I will reserve the remainder of my time. I yield to the Senator from Vermont.

Mr. STAFFORD. Will the distinguished manager yield me a couple of minutes?

Mr. BENTSEN. I am delighted to yield 5 minutes if the Senator desires it.

The PRESIDING OFFICER. The Senator from Vermont is recognized for 2 minutes.

Mr. STAFFORD. Mr. President, I will start by saying that I do take some comfort from the fact it has been pointed out earlier that the highway trust fund is one of the few funds in the Federal Government in which in the past income has equaled outgo. This Senate has just voted unanimously to emphasize its commitment to having income and outgo in the highway trust fund equal in the future.

I think that is a very worthwhile thing and something that we should keep in mind with the rest of the future history here in the U.S. Congress.

Mr. President, I also take the position on the amendment of the distinguished Senator from Massachusetts and his colleague from Connecticut that I was one of those who helped bring about the change in the Federal highway trust fund in the summer of 1973 when we had a very long committee of conference with the House, and I was one of those who held out to open up the highway trust fund to give urban areas an option as to whether they spent their urban systems highway trust fund for highways or for other mass transit, rail or bus.

So I believe that that was a good time to make that change and open up the trust fund to that degree.

But I do not believe, Mr. President, that the time has come to abolish the trust fund and turn that money into the general fund of the Treasury as proposed by the distinguished authors of the amendment.

Mr. President, I agree with much the distinguished minority floor manager has said with one exception: I believe it is a least one step too early—too early, Mr. President—to abolish the highway trust fund.

The 92 percent of the system is open to traffic, but only 26 percent is essentially complete. There remain 1,891 miles that still require major improvements. And well over 2,000 miles of so-called "essential gaps" remain to be completed.

With this large a portion of interstate work still to be done, it seems premature to abolish the funding mechanism created to do the job. By 1982, under the terms of this bill, States will have to decide which interstate routes to complete and which to withdraw.

By 1982 a substantial amount of work on essential gaps will have been finished. We will be turning our attention even more to rehabilitation needs. Such a change in emphasis should necessitate less assurance of long term funding than was needed to undertake the Interstate System.

At the time we next consider highway legislation I think it will be clear that we can consider ending the trust fund without doing damage to the highway program. At present however, I think we should continue to make flexible the use of trust funds while continuing to earmark user taxes for completion of the Interstate System.

Mr. President, I yield the remainder of my 2 minutes, if I have any, back to the manager of the bill and I yield the floor.

Mr. WEICKER. Mr. President, I intend to be brief. I do not know whether my distinguished colleague, the Senator from Massachusetts, expects to speak any further on the matter and I am quite prepared to go to a roll call vote.

Mr. President, I ask for the yeas and nays on this amendment.

The PRESIDING OFFICER (Mr. SARBANES). Is there a sufficient second? There is a sufficient second.

The yeas and nays were ordered.

Mr. WEICKER. Mr. President, there are several points that I think are worthy of response, insofar as they have been raised. First of all, let us understand this.

I drive, at the present time, an automobile. That is just about all that is left for me to do with the exception of airplane travel. Therefore, I pay the Federal tax on gasoline.

I want it understood, as a member of the motoring public, that I am not paying my Federal tax for highways. I am paying my Federal tax to move—to move—and many times I would prefer moving in something other than an automobile.

We are prisoners of the system.

But I daresay, of course, as to anybody that pays the user taxes, that that phrase is a favorite expression of the lobbying which is also behind maintaining the trust fund. For some reason or another, everybody that drives an automobile appears, by that phrase, to be part of their organization. I am not. I would far prefer to take a bus.

In many areas of my own State and in many other areas of the Nation bus systems are not available. Indeed, in the State of Connecticut, which is relatively small geographically—the third smallest in the country—the bus systems existant in the year 1978 are probably one-half of what they used to be 20 years ago.

This is within a time when we are supposed to be geared toward mass transit.

We had far better bus systems in the State of Connecticut 20 years ago.

So let us get that point clear. The highway lobby, as it is represented by tire manufacturers, automobile manufacturers, cement manufacturers, asphalt manufacturers, and truckers, does not represent me when I pay my tax at the gas pump. They represent their own special interests.

I, like most Americans, want to be able to move in the safest and most expeditious way.

Now we get to the point raised, since I have mentioned buses, and it has been mentioned by the distinguished Senator from Texas: The bus lanes are not the issue. The fact is that if a State wants to go ahead and enhance its bus service, it cannot use Federal funds to purchase that equipment. Make clear that all that is there is the highway, not the means to travel across it, and certainly not an enhanced bus system.

Mr. President, may we have order?

The PRESIDING OFFICER. The Senate will be in order.

Mr. WEICKER. Finally—and then I will conclude by an attempted exercise in logic and fact and subject it to the forces of irrelevancy—here we are in a day and age when gasoline is scarcer in supply and more expensive insofar as the product is concerned, when we know from statistics that, since the Arab oil embargo, we have become more and more dependent on the automobile. These are the facts, not the opinions of this Senator. We continue to vote through legislation that causes the United States to become more dependent on the automobile, by virtue of where the Federal dollars go. Mind you, this is not something being imposed upon us by the OPEC cartel. This is not something being thrust upon the United States of America. This is something America is doing to itself. The Federal dollars should go where the crises exist.

Yes, we need more rail systems. Yes, we need more mass transit systems, and we need more buses. We might very well need better airports, and so forth. But none of these options is available to the American public, because Congress insists that, regardless of the energy crisis, we will continue to feed the taxpayers' dollar to those who control this particular form of energy. In that sense, nothing has changed since 1946, and it is the reason why we cannot change anything that has occurred since 1974.

I yield the floor.

SEVERAL SENATORS. Vote! Vote!

Mr. BENTSEN. Mr. President, I yield such time as he may require to the senior Senator from Texas.

Mr. TOWER. Mr. President, I have discovered that everybody is ready to vote; therefore, I will be extremely brief.

My good friend from Connecticut proceeds on the assumption that if alternative transportation were available, all the people who travel by highway would travel by some other means. I think that is not supportable by verifiable data.

I further note that goods and services move along the highways, and this benefits the people; and the better our highways are, the more expeditiously these goods and services are going to move over these highways. Therefore, I see nothing in the argument of the distinguished Senator from Texas that I think would lie strongly against the maintenance of the highway trust fund.

Mr. WEICKER. Mr. President, I should like to respond to the two distinguished Senators from Texas—Senator TOWER and Senator BENTSEN.

Mr. TOWER. I apologize to everybody here for starting this.

[Laughter.]

Mr. WEICKER. Contra to what has been the traditional, popular view of my section of the country, I always have responded very favorably to the pleas of both distinguished Senators from Texas when it comes to the production side of our energy crisis. So far as the consumption side is concerned, not only do I disagree, but I would suggest that perhaps the time has come on this matter that you start voting contra to what had been the subsidy interests of your constituency; and, believe me, when we both do that, we will have a solution to the energy crisis.

SEVERAL SENATORS. Vote! Vote!

Mr. BENTSEN. Mr. President, if the proponents are ready to yield back their time, I am ready to yield back the remainder of my time.

The PRESIDING OFFICER. Is all time yielded back?

Mr. KENNEDY. I yield back the remainder of my time.

Mr. BENTSEN. Mr. President, I ask for the yeas and nays.

The PRESIDING OFFICER. The question is on agreeing to the amendment. On this question the yeas and nays have been ordered, and the clerk will call the roll.

The assistant legislative clerk called the roll.

Mr. CRANSTON. I announce that the Senator from South Dakota (Mr. ABOUREZK), the Senator from Alabama (Mrs. ALLEN), the Senator from Arkansas (Mr. BUMPERS), the Senator from Arizona (Mr. DECONCINI), the Senator from Mississippi (Mr. EASTLAND), the Senator from Montana (Mr. HATFIELD), the Senator from Minnesota (Mrs. HUMPHREY), the Senator from Hawaii (Mr. INOUYE), the Senator from Louisiana (Mr. JOHNSTON), the Senator from Tennessee (Mr. SASSER), the Senator from Georgia (Mr. TALMADGE), and the

Senator from Minnesota (Mr. ANDERSON) are necessarily absent.

Mr. STEVENS. I announce that the Senator from Kansas (Mr. DOLE), the Senator from Michigan (Mr. GRIFFIN), and the Senator from North Dakota (Mr. YOUNG) are necessarily absent.

I further announce that, if present and voting the Senator from Michigan (Mr. GRIFFIN) would vote "nay."

The result was announced—yeas 10, nays 75, as follows:

[Rollcall Vote No. 340 Leg.]

YEAS—10

Brooke	Kennedy	Proxmire
Chafee	Mathias	Weicker
Cranston	Pell	
Javits	Percy	

NAYS—75

Baker	Hansen	Moynihan
Bartlett	Hart	Muskie
Bayh	Haskell	Nelson
Bellmon	Hatch	Nunn
Bentsen	Hatfield, Mark O.	Packwood
Biden	Hathaway	Pearson
Burdick	Hayakawa	Randolph
Byrd, Harry F., Jr.	Heinz	Ribicoff
Byrd, Robert C.	Helms	Riegle
Cannon	Hodges	Roth
Case	Hollings	Sarbanes
Chiles	Huddleston	Schmitt
Church	Jackson	Schweiker
Clark	Laxalt	Scott
Culver	Leahy	Sparkman
Curtis	Long	Stafford
Danforth	Lugar	Stennis
Domenici	Magnuson	Stevens
Durkin	Matsunaga	Stevenson
Eagleton	McClure	Stone
Ford	McGovern	Thurmond
Garn	McIntyre	Tower
Glenn	Melcher	Wallop
Goldwater	Metzenbaum	Williams
Gravel	Morgan	Zorinsky

NOT VOTING—15

Abourezk	Eastland	Johnston
Allen	Griffin	Sasser
Anderson	Hatfield, Paul G.	Talmadge
Bumpers	Humphrey	Young
DeConcini	Inouye	
Dole		

So the amendment (UP No. 1698) was rejected.

Mr. BENTSEN. Mr. President, I move to reconsider the vote by which the amendment was rejected.

Mr. RANDOLPH. I move to lay that motion on the table.

The motion to lay on the table was agreed to.

Mr. GRAVEL and Mr. MAGNUSON addressed the Chair.

UP AMENDMENT NO. 1699

(Purpose: To provide for a study concerning urban blight)

Mr. MAGNUSON. Mr. President, I send an amendment to the desk and ask for its immediate consideration.

The PRESIDING OFFICER. The clerk will report the amendment. Will the clerk suspend momentarily so that we can have order in the Chamber? Will the Senator suspend for a moment until we obtain order? Will Members please clear the well.

The clerk will report.

The assistant legislative clerk read as follows:

The Senator from Washington (Mr. MAGNUSON) proposes an unprinted amendment numbered 1699.

Mr. MAGNUSON. Mr. President, I ask unanimous consent that further reading of the amendment be dispensed with.

The PRESIDING OFFICER. Without objection, it is so ordered.

The amendment is as follows:

On page 29, after line 19 insert the following new section and redesignate the following sections accordingly:

"SEC. 123. The Secretary shall conduct a study of the potential for reducing urban blight adjacent to federal-aid primary and interstate highways located in central business districts, which shall include but not be limited to the following—

(a) a catalogue and evaluation of adverse impacts on adjacent land use;

(b) development of a list of potential ways that these adverse impacts could be eliminated or reduced;

(c) estimates of potential increases in value of adjacent land and air rights resulting from reduction of adverse highway impacts together with estimates of potential costs of highway improvements and related measures needed to reduce adverse impacts;

(d) an assessment of the feasibility of using air rights and adjacent land after the improvements are completed to contribute to urban employment, recreational opportunities, low and moderate income housing, and commercial, retail, institutional and higher income residential development;

(e) the development of financing proposals, including legislative proposals, involving all appropriate levels of government and private capital where appropriate, which would finance improvements identified as desirable;

(f) such other matters as the Secretary shall deem appropriate.

Mr. MAGNUSON. Mr. President, this amendment would require the Federal Highway Administration to conduct a thorough study of the potential benefits and costs of special projects that would bring certain blighted areas adjacent to urban freeways into more productive use. In many urban areas of our Nation, we have built elevated or otherwise dominant freeways, and they have brought us both significant benefits and in some cases significant costs in terms of blight and decay to areas that are immediately adjacent to them. These blight areas of our cities could possibly be brought back to more productive use, contributing to the revitalization of urban life and adding to the urban tax base. This amendment is intended to help identify the benefits and costs of such projects, and also to identify potential financing mechanisms to carry them out.

Mr. President, in the city of Seattle in my State we have examples of both the problem of urban freeway related decay and an example of some of the possible ways in which local jurisdictions, together with the Federal Government, can act to alleviate that decay. We have an elevated freeway along the city's waterfront that has caused substantial blight in what would otherwise be valuable properties nearby. On the other hand, we also have recently completed a park—called Freeway Park—which has covered over a depressed freeway in the center of the city with a public facility that not only is an asset to all who use it, but has also led to the revitalization of an entire area. It has led to significant interest in further private development in adjacent properties, which will assist in providing more housing, a greater urban tax base, and so forth.

Mr. President, I am informed that there are several other cities in the Nation which have similar problems and which could also benefit from the study that would be required by this amendment. San Antonio, Boston, and San Francisco have elevated freeways similar to Seattle's, and could benefit from this study. I am hopeful that the study results will lead to the development of a program that is addressed to this need.

I am informed that the committee is aware of this amendment and is prepared to accept it.

Mr. BENTSEN. Mr. President, the manager for the majority has studied the amendment and is ready to accept it, subject to the comment of the manager for the minority.

Mr. STAFFORD. We would be glad to accept it for the minority.

Mr. BENTSEN. Mr. President, I yield back the remainder of my time.

Mr. MAGNUSON. I yield back the remainder of my time.

The PRESIDING OFFICER. All time is yielded back, and the question is on agreeing to the amendment of the Senator from Washington.

The amendment was agreed to.

Mr. MAGNUSON. I thank the Senator.

UP AMENDMENT NO. 1700

(Purpose: Amendment to essential gaps language)

Mr. KENNEDY. Mr. President, I have an amendment which I send to the desk.

The PRESIDING OFFICER. The clerk will report the amendment.

The assistant legislative clerk read as follows:

The Senator from Massachusetts (Mr. KENNEDY) proposed an unprinted amendment numbered 1700.

Mr. KENNEDY. Mr. President, I ask unanimous consent that further reading of the amendment be dispensed with.

The PRESIDING OFFICER. Without objection, it is so ordered.

The amendment is as follows:

On page 15, insert after the word "Code" in line 20 the following: "and shall also include those routes in urbanized areas which are on the Interstate System on the date of enactment of the Federal-aid Highway Act of 1978, which were constructed prior to 1960 without Federal highway funds, which are substandard with reference to the standards for the Interstate System adopted by the Secretary under section 109(b) of this title, and which are, prior to September 30, 1982, jointly determined by the Governor and the local governments concerned to be a route which is essential to the sound functioning of the Interstate System in such urbanized area.

Mr. KENNEDY. Mr. President, I had an opportunity to talk with the manager of the bill as well as the ranking member on this. This amendment adds to the definition of essentiality to include gaps within city areas that were built before 1960, that were so important to the State involved that they were built completely with local and State funds and which are now substandard according to Interstate System criteria.

This would permit certain parts of the Interstate System, if they can meet these factors, to be eligible for funding under the essential gap category.

Mr. BENTSEN. Mr. President, the manager of the bill for the majority has examined the amendment and feels it is a good amendment, makes a contribution and helps the transportation needs in that State, and we will be pleased to

accept the amendment on behalf of the majority.

Mr. CHAFEE. Mr. President, on behalf of the minority, we have examined the amendment and agree with it and recommend its adoption.

Mr. KENNEDY. I yield back the remainder of my time.

Mr. BENTSEN. I yield back the remainder of my time.

The PRESIDING OFFICER. All time being yielded back, the question is on agreeing to the amendment of the Senator from Massachusetts.

The amendment was agreed to.

UP AMENDMENT NO. 1701

(Purpose: To authorize use of highway funds for rail operations in non-highway areas)

Mr. GRAVEL. Mr. President, I send to the desk an amendment and ask for its immediate consideration.

The PRESIDING OFFICER. The clerk will report the amendment of the Senator from Alaska.

The assistant legislative clerk read as follows:

The Senator from Alaska (Mr. GRAVEL) proposes an unprinted amendment numbered 1701.

Mr. GRAVEL. Mr. President, I ask unanimous consent that further reading of the amendment be dispensed with.

The PRESIDING OFFICER. Is there objection? The Chair hears none, and it is so ordered.

The amendment is as follows:

At the end of the bill insert a new section as follows:

RAIL OPERATION PROJECTS IN NON-HIGHWAY AREAS

SEC. 146. (a) Chapter 1 of title 23, United States Code, is amended by adding at the end thereof the following section:

"157. Rail operation projects in non-highway areas

"The Secretary may approve for Federal financial assistance from funds apportioned under section 104, projects to provide such assistance for the operation of those portions of a publicly or privately owned railroad serving an area not served by a highway, and on which portions, automobiles are transported for the purpose of linking highways or other transportation modes receiving Federal financial assistance from funds apportioned under such section.

Any such approval shall be subject to the conditions that—

"(1) fares or other charges made in such operations shall be under the control of a Federal or State agency or official; and

"(2) all revenues derived from operation of such portions shall be used to pay for the cost of construction or acquisition of the railroad (including equipment) involved in such operation, debt service thereon, and actual and necessary costs of operation, maintenance, repair, and replacement.

"(b) A project authorized by this section shall be subject to and carried out in accordance with all provisions of this title, except those provisions which the Secretary determines are inconsistent with this section.".

(b) The analysis of chapter 1 of title 23 is amended by inserting at the end thereof the following:

"157. Rail operation projects in non-highway areas.".

Mr. BENTSEN. Mr. President, will the Senator yield for a question?

Mr. GRAVEL. I would be happy to yield.

Mr. BENTSEN. Because of the lateness of the hour is the Senator ready to accept a limitation on time somewhat less than that which had been ordered? I believe the Senator talked about 30 minutes, 15 minutes to each side.

Mr. GRAVEL. I think that would be more than adequate, and I would be happy to agree to that time limitation. I would be happy to agree to 15 minutes to each side. I ask unanimous consent that there be such time limitation.

The PRESIDING OFFICER. Is there objection? The Chair hears none, and it is so ordered.

Mr. GRAVEL. Mr. President, I would like to have the yeas and nays.

The PRESIDING OFFICER. Is there a sufficient second for the yeas and nays? There is a sufficient second.

The yeas and nays were ordered.

Mr. GRAVEL. Mr. President, it is my intention to call for a vote unless there can be some persuasive argument propounded by the managers of the bill as to why this amendment I am offering is not reasonable. It does not cost a dime. All it speaks to is the flexibility of a highway program within a State. Of course, flexibility in government cannot be a bad thing. So I am waiting with bated breath as to why the managers of the bill chose not to accept this amendment.

Mr. President, today I am offering an amendment which would allow States to use Federal-aid highway funds for rail operations in those areas of the country where no highway exists.

Additionally, the amendment requires that those portions of a railroad to receive such funds must be used for the transporting of automobiles between linking highways or other transportation modes receiving Federal-aid highway funds. Highway dollars are apportioned to the States, who must decide which highways projects should receive attention each year. Federal-aid system apportionments can be used for all expenses incidental to the construction or reconstruction of a highway—surveying, mapping, rights-of-way acquisition, and improvements which directly facilitate and control traffic flow, such as grade separation of intersections, widening of lanes, channelization of traffic, traffic control systems, and passenger loading and unloading areas in Alaska, however, the majority of communities are unconnected by the highway system. It will be some time before Alaska's transportation system reaches the level of advancement now enjoyed by systems throughout the continental United States.

In many areas, Alaskan citizens must rely on whatever single mode of transportation is available, be it airplane, ferry, train, or automobile. They often do not have the option of choosing between flying or driving or catching the train. For this reason, I am asking that the State be allowed to use Federal-aid highway moneys for the operation of those portions of a railroad, publicly or privately owned, in an area not served by a highway—areas where the railroad could be the only means to travel in and out.

The rail service of particular need is the Portage-Whittier section of the Alaska railroad. The Alaska railroad is presently the only method of transportation between these two communities. The ferry docks at Whittier, and a highway leads out of Portage. Automobiles are transported to and from Whittier via the ferry and are then transported by train in and out of Portage where a highway leads to Anchorage.

My amendment would give the State the flexibility to use highway funds to insure that passengers traveling by automobile will continue to be able to take the train from Portage to Whittier. At present, the train operates every day in the summer and will operate three times per week this winter. There is no increase in the bill's authorization level; more flexibility is simply granted for use of the funds already authorized.

There are relatively few areas of the country where this amendment could actually be applied. Most localities throughout the country are connected to some form of highway system. This would allow only those areas of the country not served by a highway to use the available Federal-aid highway funds on a rail system if such rail system transports automobiles. This provision would not subsequently apply if a roadway were later constructed into the region. Such construction would require recission of such funding.

A similar precedent was established in 1970 when States were allowed to apply highway funds for use on marine highway facilities. Alaska now has 773 miles of ferry routes included in its Federal-aid primary system. By granting this flexibility in 1970, Alaska has been able to use highway dollars on the marine highway rather than undertaking the expensive construction of bridges and roadways connecting the many islands of southeast Alaska. The ferry system also operates in Prince William Sound and down to Kodiak Island. Granting this flexibility to the Portage-Whittier shuttle would again prove to be a much more cost-effective alternative.

Many aspects of Alaska's transportation system, although limited, are quite multimodal. In 1977, 7,332 passengers and 1,659 motor vehicles boarded the ferry liner, the Bartlett, which serves the port of Whittier. Eight thousand four hundred and sixty-eight passengers and 1,862 motor vehicles disembarked the Bartlett at Whittier. In arriving or departing Whittier, these individuals and vehicles had to use the railroad. The marine highway system and rail system truly complement eath other at present and I would like to continue to encourage this concept. When the Environment and Public Works Committee was considering the urban transportation planning section of this bill, the need to include various objectives in such planning was discussed. As a result, the bill now before us includes the language declaring it to be "national transportation policy to encourage and promote the development of transportation systems embracing various modes of transportation that will serve the States and local communities efficiently and effectively * * *"

I would suggest that adoption of my amendment would contribute to the achievement of such goals.

ALASKA AND THE FEDERAL-AID HIGHWAY SYSTEM

In all the 586,400 square miles of Alaska, only 6,430 miles of Federal-aid highway exist. Much of that remains unpaved; only this summer will the Alaska highway paving begin and interior Alaska will be connected to southeast, which contains Juneau, by more than a dusty gravel road. This is only one indication of how far Alaska is below the standards expected and demanded by U.S. citizens in the other 49 States.

Alaska was simply not included when the first Federal Aid Highway Act was passed in 1916 and it continued to be excluded for 40 years, although Alaska paid all Federal taxes throughout those years. In 1956, Alaska was asked to pay further taxes on tires, trucks, trailers, and gasoline to pay for highways throughout the lower 48. Finally, in 1956, however, Alaska was given one-third the amount it should have been entitled to as a public domain State. This inequitable arrangement continued for 3 years until statehood.

In 1959, the Bureau of Public Roads within the Department of Commerce estimated that if Alaska had received equitable treatment for all those years, it would have received $575 million. As it was, Alaska was 50 years behind the rest of the Nation in development of its highway system.

As Alaska undertook the huge task of developing a highway system, the general policy was to build as many highways as possible with the minimal funds available. For this reason, the existing highway system is still built to minimum standards and is finding it difficult to meet the needs of a developing State with increased population and economic activity. It is only recently that Alaska and her abundance of resources have been recognized as important to States throughout the United States. More strain than was ever anticipated was placed on the highway system with construction of the Alaska oil pipeline and the State has suffered accordingly.

The Department of Transportation has issued a draft study on the impact of the pipeline on Alaska roads which attributes $40 million of repair on Alaska roads directly to construction of the pipeline. From 1972–75 (the time of the study), motor vehicle traffic increased by 68 percent in the State. It has increased by another 84 percent since then. On the pipeline routes studied, total truck equivalent wheel loadings increased an average of 170 percent. Alaskan roads were not constructed to absorb this much increased traffic in such a short time and they are requiring the extra attention.

Alaska receives 96 percent Federal funding on highway projects usually assigned 70 percent.

Alaska receives 96/4 ratio because 96.4 percent of its lands is held by the Federal Government. There are only four States which do not receive more than 70 percent due to this adjustment for Federal land.

This percentage will decrease after passage of D–2 next year when more land is transferred into national parks, national forests, and national monuments—land which is not included when calculating this ratio for clause A States, such as Alaska.

Alaska was given funds in committee for maintenance of interstate mileage which it does not have.

Alaska is the only State in the Union without Interstate mileage. It already receives Interstate construction money for use on its primary and secondary roads. It is only reasonable that it receive the funds to maintain the roads built with the construction money.

Alaska was discriminated against in the past, which is why there is no Interstate mileage and less than 10,000 miles of road—paved and unpaved—in a State of 586,000 square miles. Only 4,102 miles of Federal-aid highway.

For every $1 Alaska contributes to the highway trust fund, it receives $9.77.

This is a misleading figure. Ratios do not build highways, dollars do. Roads must still connect our 430,000 people and across much more land area than any other State. The population centers are separated.

Alaskans pay a larger per capita Federal income tax than any other State—$3,011. No other State comes close. These go into general Treasury moneys which fund many highway programs. For example, outdoor advertising control, territorial highways, parkways, Indian reservation roads, forest development roads and trails, park roads and trails.

What this amendment says is the State of Alaska or any State, if they have a unique situation of a community that cannot be reached by air and cannot be reached by highways and is only reached by railroad, that you can use highway moneys to help the transportation of vehicles over that railroad system for the part in question.

When and if in the future you can reach this community by air or by highways, then there is a rescission, and you cannot do that with these funds. That is the only flexibility involved.

Let me tell you the community which is affected. It is a community by the name of Whittier, Alaska. It sits in the bowl of Prince William Sound. There is no way to have an airport because it is almost all vertical ground.

It has 2,000 people. It used to be a military base, and it is a port where you bring in materiel into this port and it goes onto the railroad and goes into Anchorage and then out to Fairbanks.

There is a tunnel into this town so there are no roads into the town. All you have is a railroad tunnel. We have a ferry system that goes through all of the Prince William Sound area, hits Valdez and Cordova, and Seward, and then Whittier, and tourists and cars get off the ferry and then drive immediately onto railroad flatcars and then are brought into a place called Portage or taken off of the flatcars and they then drive their way on up to Anchorage or Fairbanks or the Alcan Highway, whatever they choose to do.

So all I am asking for is, because of this unique situation—and we have many unfortunate unique situations in Alaska, because it is a unique part of our national geography—all we are asking for is not any extra money to do this, and I am prepared to put any kind of limitations on this exception that might be reasonable to effect the proposition—one of the possible things we might be able to do is take wood and go inside this trestle and build a wooden highway so cars can drive in and out.

We are not talking about a lot of trains a day—at most, in peak season, one or two a day, and in winter two or three times a week. But it becomes quite a burden; if you come in with a ferry and leave your car, you have to wait two or three days to get out.

That reasonable people cannot come forward with reasonable employment of government resources to transcend these natural difficulties strikes me as odd.

That, essentially, is my amendment. It does not add one single sou to the budget, and when this unique situation disappears, the exception would disappear. I do not know what could be a more reasonable request.

I reserve the remainder of my time, waiting to see the logic of the managers of the bill in opposing what I consider to be a most reasonable amendment to accommodate the many thousands of visitors to my State and those who live in my State.

Mr. BENTSEN. Mr. President, I rise in opposition to the amendment of my good friend from Alaska.

Alaska is a unique State, and we have recognized that time and time again before our committee and before the Senate. Let me give you a few examples of that.

Over the 20-year life of highway trust fund, Alaska has received $9.46 in return for every dollar it has contributed. That, I submit, is not a bad investment for Alaska. It is a rate of return almost 10 times better than that received by the average State; no other State can even approach Alaska in this regard.

Let us also understand that S. 3073 already contains a provision, inserted by Senator GRAVEL in committee, that would further increase Alaska's already disproportionate share of the trust fund dollar. Under this legislation, Alaska will receive $1.25 million in interstate maintenance money, despite the fact that there is not 1 mile of interstate highway in Alaska. Senator GRAVEL has convinced the committee of the wisdom of counting ferry miles for maintenance purposes; if he were to succeed in passing this amendment, so as to also include rail miles, Alaska would receive more interstate 3R funds than eight States; States like West Virginia and Vermont and Delaware.

I acknowledge that rail transportation is particularly important in Alaska. That fact alone argues in favor of a well-maintained system. It does not, however, present an adequate justification for the use of highway trust fund revenues to maintain Alaska's rail system.

Users of the Alaska railroad pay fees for use of the system, but they do not contribute to the highway trust fund. If revenues from the railroad are insufficient to cover operating costs, then the people of Alaska can determine whether they should increase the fees or subsidize the railroad from State funds.

I see no good reason for making the Alaska Railway a ward of the Federal

Government, especially at the expense of the highway trust fund.

Mr. CHAFEE. Mr. President, I would like to stress a couple of the points that the Senator from Texas has made.

Alaska has no interstate roads; yet it receives interstate funds. Currently Alaska has received $16.8 million in interstate construction funds, although it has no interstate mileage, and this money can be used for primary, secondary, or urban roads.

As has been mentioned, this authorization has been used not only for good road needs, but extended to include the purchase of ferries. There has not been a limit on where they can go with this.

Under this amendment, the money would not go for the purchase of railroads or the construction of railroads, but for the operation of a railroad. Mr. President, I share with the chairman of the subcommittee the view that that is just going too far. The purpose of the primary highway program is to provide Federal assistance chiefly for needs of the Nation's major highways, and I join in opposition to the amendment.

Mr. BENTSEN. Mr. President, if the proponent of the amendment is prepared to yield back his time, I am prepared to yield back the remainder of mine.

Mr. GRAVEL. No, I am not prepared to yield back the remainder of my time.

I might say that neither one of you has addressed yourself to this amendment. You make a big case as to what I got in committee and what Alaska is receiving. Let me tell you, we pay twice as much tax per capita as anyone else in the United States. Many times we get put upon by saying Alaska is getting so much of this and so much of that.

We do not have interstates in Alaska. All you have to do is drive the roads to find out we do not have any interstates.

It is not my fault that Alaska is one-fifth the size of the United States, and that it costs us more to build roads than anyone else.

You give me all the ratios you want, but let me tell you, ratios do not build roads, dollars build roads. If you want to build a road from Anchorage to Fairbanks, it costs a lot more than it costs to build a road from Dallas or Houston to San Antonio, by a big factor.

I do not think you can argue what you have given me and not address yourself to what the amendment does. It does not cost anybody one penny. All it is saying is that in Alaska we get a little flexibility because we have an unusual situation. You have not responded to that argument.

So often we are quick to beat on the bureaucracies because they are inflexible, unresponsive, and have rigor mortis. But what about what is being demonstrated here? I am not asking for anything. If you want to limit it to one community, you can limit it. But here is a community that cannot get an airport because of the configuration of its location; you cannot get a highway to it; all it has is a railroad tunnel, and you people are all upset because of the principle that you cannot use highway moneys to fix up the inside of this railroad tunnel.

You have not addressed yourselves to the simpleness of this amendment, except to say how much Alaska is getting. Alaska is not getting all that much.

I would remind my colleagues that we were left out of the highway funds all through our territorial days, and at one time were were authorized $70 million of highway money, but we were rescinded 2 years ago, and now you have a program to pay for everybody else's highways, but you say we are getting too much money. I admit the numbers do look unusual on a per capita basis, because unfortunately when you measure distances in Alaska in numbers of people, these are very unusual numbers, and there is nothing I can do about it.

Mr. LONG. Mr. President, will the Senator yield for a question?

Mr. GRAVEL. I yield.

Mr. LONG. Am I to understand that if the Senator's amendment is agreed to, Alaska would not get $1 of additional revenue?

Mr. GRAVEL. Not one penny more.

Mr. LONG. Do I understand also that Alaska has no interstate highways?

Mr. GRAVEL. That is correct.

Mr. LONG. Then, if Alaska has no interstate highways and it cannot benefit from that program, would it not stand to reason that whatever money might be made available should be made available the way the Alaskans think they can use it?

Mr. GRAVEL. I thank my colleague for making a very simple point. That is all we are asking, and I am prepared to limit it to just this one community. In fact, the amendment limits it to the extent that if the community later develops a road where you can get to it, you rule out the money in conjunction with the railroad.

You have to see this community. You can get in and out of it by railroad three times a week in the wintertime. That means you walk out. Or if you have a friend on the railroad, you ride out on the railroad car, you know the kind I mean, a little bus-like thing. This is preposterous, to make life so inflexible to these people. For what? I do not see the principle involved.

Mr. LONG. The Senator and I are together. I heard Alaska was using some money for a ferry boat rather than building a bridge. My impression was that if you had a choice, you would build a bridge. But if you cannot find enough money for a bridge, you would have a ferry boat. I cannot understand why Alaska would be using a ferry boat, when anyone would prefer a bridge if you had the money to built it with.

Mr. GRAVEL. We have ferries because the cost of building roads are preposterous and the cost of building bridges is preposterous. We do not get any extra money for the ferries. This charge that because we use highway moneys for ferries violates something is ridiculous. We get money through a formula like anybody else, and we choose to use it for ferries because it is preposterous to build roads.

In the bill, and this is something really unusual for Alaska—well, it is not in this bill. Hopefully, we hope to use hover craft to be able to use the Yukon River for a ferry system that will stop us from building roads, so that we would not have to build an expensive road. We cannot afford it and we know it.

We come in asking for the same kind of formula anybody else has, but we ask for flexibility in using the money. What we are fed up with is a reference that we are ripping off something that, one, we do not deserve, and, two, it is unfair we are getting it. That is the argument we have just heard.

There was no addressing this amendment that is trying to help out 2,000 people—well, it is more than 2,000 people because this is part of our tourist system when people come in on tours and come into this community, get off the ferry, and then have to get on a train, put their cars on flat cars, and come out.

I cannot understand why anybody would be opposed to flexibility in governmental action so people can do something intelligent.

It would be different if I were standing here asking for money to do this which really altered principle, which was mixing railroads with roads. I am not. I am being very precise in this amendment saying if you have a community anywhere in the United States that meets the criteria of Whittier, then you ought to have this intelligent flexibility.

I hope my colleagues will vote for me. There is such a thing as opposing an amendment because it should be opposed and there is a reasonable argument for opposing it. But when there is rigor mortis and you oppose it just because you do not want to pick up the amendment, then I think there is something vitally wrong in the legislative process.

Mr. MATSUNAGA. Will the Senator yield?

Mr. GRAVEL. I yield.

Mr. MATSUNAGA. I rise in support of the amendment because I find Alaska's situation is very much like the situation in Hawaii. We are not connected to the mainland United States. We find ourselves uniquely situated as noncontiguous States, both Alaska and Hawaii. As the Senator has stated, he is not asking for additional funds, but he is simply asking that those funds allocated to Alaska be allowed to be used for the improvement of railroad service to provide access to this town of 2,000 people.

May I pose this question to the Senator from Alaska: As I understand it, that railroad is used by tourists from other States of the Union. Is that correct?

Mr. GRAVEL. Very much so, and this would provide a convenience to those people from Texas, Rhode Island, and Louisiana who come to Alaska in the summertime, and Hawaii.

Mr. MATSUNAGA. So, in fact, the proposal does affect interstate commerce.

Mr. GRAVEL. Very much so.

Mr. MATSUNAGA. Would it, in fact, promote better relations between Alaska and the other States of the Union?

Mr. GRAVEL. I would hope it would with the State of Texas as we have a considerable number of Texans who come to Alaska.

Mr. MATSUNAGA. I thank the Senator.

Mr. GRAVEL. I want to add that whenever one stands here from Alaska and pleads flexibility with respect to highways, our highways in Alaska minimally cost $300,000 a mile. Now you can begin to believe that we try to find new ways of moving people.

Mr. BENTSEN. Will the Senator yield?

Mr. GRAVEL. I would be happy to yield.

Mr. BENTSEN. My concern is precedent in the user tax. If the Senator will limit this to Whittier, I would be happy to talk to the minority manager to see if we can accept the amendment.

Mr. GRAVEL. I would be happy to do that.

Mr. BENTSEN. And we would vitiate the yeas and nays?

Mr. GRAVEL. Yes.

Mr. BENTSEN. The manager from the minority is agreeable to that.

Mr. GRAVEL. I will yield back the remainder of my time and work out the language.

The PRESIDING OFFICER. Does the Senator from Alaska seek to modify his amendment?

Mr. GRAVEL. I do, but I will need a few minutes to find a location.

The PRESIDING OFFICER. Is there objection to vitiating the yeas and nays which have been ordered on the amendment?

Hearing no objection, it is so ordered.

Mr. GRAVEL. I would consider this a technical amendment. If the body would be willing, I will ask unanimous consent that the exclusion in this amendment be to Whittier, Alaska, because of its unusual arrangement. There is probably no other city in the United States which could meet this requirement. We could then treat this as a technical amendment.

Mr. BENTSEN. The manager of the bill is agreeable to that.

The PRESIDING OFFICER. The Senator now has the right to modify his amendment, and it will be so modified when we receive the modification.

Mr. BENTSEN. Mr. President, I ask unanimous consent that the following members of the Committee on Environment and Public Works be added as cosponsors of the pending measure, S. 3073: Senators RANDOLPH, MUSKIE, GRAVEL, BURDICK, CULVER, HART, MOYNIHAN, HODGES, STAFFORD, BAKER, MCCLURE, DOMENICI, CHAFEE, and WALLOP.

The PRESIDING OFFICER. Without objection, it is so ordered.

UP AMENDMENT NO. 1701, AS MODIFIED

Mr. GRAVEL. Mr. President, I send my modification to the desk.

The PRESIDING OFFICER. The modification will be stated.

The legislative clerk read the modification.

The amendment, as modified, is as follows:

At the end of the bill insert a new section as follows:

RAIL OPERATION PROJECTS IN NON-HIGHWAY AREAS

Sec. 146. (a) Chapter 1 of title 23, United States Code, is amended by adding at the end thereof the following section:

"157. Rail operation projects in non-highway areas

"The Secretary may approve for Federal financial assistance from funds apportioned under section 104, projects to provide such assistance for the operation of those portions of the Alaska Railroad from Whittier to Portage, Alaska for the purpose of linking highways or other transportation modes receiving Federal financial assistance from funds apportioned under such section. Any such approval shall be subject to the conditions that—

"(1) fares or other charges made in such operations shall be under the control of a Federal or State agency or official; and

"(2) all revenues derived from operation of such portions shall be used to pay for the cost of construction or acquisition of the railroad (including equipment) involved in such operation, debt service thereon, and actual and necessary costs of operation, maintenance, repair, and replacement.

"(b) A project authorized by this section shall be subject to and carried out in accordance with all provisions of this title, except those provisions which the Secretary determines are inconsistent with this section.".

(b) The analysis of chapter 1 of title 23 is amended by inserting at the end thereof the following:

"157. Rail operation projects in non-highway areas.".

The PRESIDING OFFICER. Is all time yielded back?

Mr. GRAVEL. I yield back the remainder of my time.

Mr. BENTSEN. I yield back the remainder of my time.

The PRESIDING OFFICER. The question is on agreeing to the amendment, as modified.

The amendment, as modified, was agreed to.

The PRESIDING OFFICER. Are there further amendments to title I?

If not, the Senator from Nevada is recognized to call up title II of the bill.

UP AMENDMENT NO. 1702

(Purpose: To add Highway Safety (S. 2541) as Title II of the Highway Aid bill)

Mr. CANNON. Mr. President, I send to the desk S. 2541, to be designated as title II of the bill S. 3073, pursuant to the unanimous-consent agreement entered into on August 15.

Mr. BENTSEN. Mr. President, would it be in order to ask unanimous consent that title I be agreed to?

The PRESIDING OFFICER. The Chair will inform the manager that title I does not have to be agreed to. The Senate has now moved on to title II of the bill.

Mr. BENTSEN. And there would be no further amendment to title I, as I understand it?

The PRESIDING OFFICER. Under the unanimous-consent agreement, no further amendments to title I are in order, the Senate now having moved on to title II.

The clerk will state the amendment.

The legislative clerk read as follows:

The Senator from Nevada (Mr. CANNON) proposes an unprinted amendment numbered 1702.

Mr. CANNON. I ask unanimous consent that further reading of the amendment be dispensed with.

The PRESIDING OFFICER. Without objection, it is so ordered.

The amendment is as follows:

On page 58, immediately after line 7, insert the following:

TITLE II—HIGHWAY SAFETY

SEC. 201. Chapter 4 of title 23 of the United States Code is amended to read as follows:

"Chapter 4.—HIGHWAY SAFETY

"Sec.
"401. Authority of the Secretary.
"402. Highway safety programs.
"403. Apportionment.
"404. State highway safety agency.
"405. Local programs.
"406. Program submission and approval.
"407. Federal share payable.
"408. Federal agency assistance.
"409. Indian programs.
"410. Highway safety research and development.
"411. National Highway Safety Advisory Committee.
"412. Authorization of appropriations.

"§ 401. Authority of the Secretary

"The Secretary is authorized and directed to assist and cooperate with other Federal departments and agencies, State and local governments, private industry, and other interested parties, to increase highway safety. For the purposes of this chapter, the term 'State' means any one of the 50 States, the District of Columbia, Puerto Rico, the Virgin Islands, Guam, and American Samoa.

"§ 402. Highway safety programs

"Each State shall have a highway safety program designed to reduce traffic deaths and injuries by identifying the causes of motor vehicle accidents, by adopting measures to reduce the frequency and severity of accidents, and by evaluating the effectiveness of such measures. As part of its highway safety program, each State shall achieve uniformity in the collection of data related to highway safety through compliance with standards to be issued by the Secretary on such subjects as driver licensing, vehicle titling and registration, theft prevention, and traffic records. Each State shall also achieve uniformity in laws and practices that affect interstate motorists, through compliance with standards to be issued by the Secretary on such subjects as the rules of the road, traffic control devices, and highway design, construction, and maintenance. As part of its highway safety program, each State shall also consider guidelines which the Secretary is authorized to issue on all aspects of highway safety, including traffic safety education, motorcycle safety, pedestrian safety, emergency medical services, traffic adjudication systems, vehicle inspection and maintenance, pupil transportation, and identification of high accident rate locations. The Secretary shall develop the standards and guidelines specified in this section in cooperation with the States, their political subdivisions, appropriate Federal departments and agencies, and such other public and private organizations as the Secretary deems appropriate.

"§ 403. Apportionment

"(a) Funds authorized to be appropriated to carry out section 402 of this chapter shall be used to aid the States to conduct the highway safety programs approved in accordance with section 406 of this chapter. Funds authorized to be appropriated to carry out section 402 shall be subject to a deduction not to exceed 5 percent for the necessary costs of administering the provisions of the section, and the remainder shall be apportioned among the several States. Such funds shall be apportioned 75 percent in the ratio which the population of each State bears to the total population of all the States, as shown by the latest available Federal census, and 25 percent in the ratio which the public road mileage in each State bears to the total public road mileage in all States. For the purposes of this section, the term 'public road' means any road under the jurisdiction of and main-

tained by a public authority and open to public travel. Public road mileage as used in this subsection shall be determined as of the end of the calendar year preceding the year in which the funds are apportioned and shall be certified to by the Governor of the State and subject to approval by the Secretary. The annual apportionment to each State shall not be less than one-half of 1 percent of the total apportionment, except that the apportionments to the Virgin Islands, Guam, and American Samoa shall not be less than one-third of 1 percent of the total apportionment.

"(b) Notwithstanding the apportionment specified by subsection (a) of this section, up to 25 percent of the funds to be appropriated for any fiscal year may be separately apportioned by the Secretary to the States for carrying out high priority safety programs, including expanded enforcement of the 55 mile per hour speed limits and programs to increase safety belt use, in accordance with an apportionment formula to be determined by the Secretary.

"(c) On October 1 of each fiscal year, the Secretary shall apportion the highway safety funds in accordance with subsection (a) of this section, at which time the funds shall be available for obligation under the provisions of section 406.

"(d) Sums apportioned to a State for its highway safety program shall continue to be available for obligations in that State for a period of 3 years after the close of the fiscal year for which such sums are authorized and any amounts remaining unexpended at the end of such period shall lapse.

"(e) Nothing in this chapter authorizes the appropriation or expenditure of funds for highway construction, maintenance, or design (other than design of safety features of highways to be incorporated into standards).

"§ 404. State highway safety agency

"Each State shall provide that the Governor shall be responsible for the highway safety program and shall administer the program through a highway safety agency which shall have the authority, facilities, and organization to carry out the highway safety program to the satisfaction of the Secretary.

"§ 405. Local programs

"(a) Each State shall authorize its political subdivisions to develop and carry out local highway safety programs within their jurisdictions as a part of the State highway safety program if such local highway safety programs are approved by the Governor and are in accordance with this chapter, and shall assist political subdivisions in identifying highway safety problems and developing measures to reduce the frequency and severity of accidents.

"(b) Each State shall provide that from the Federal funds apportioned under section 403 to such State for any fiscal year, not less than 40 percent shall be expended by the political subdivisions of such State in carrying out local highway safety programs developed by the political subdivisions in accordance with subsection (a) of this section.

"(c) The Secretary is authorized to waive the requirement of subsection (b) of this section, in whole or in part, for a fiscal year for any State whenever he determines that there is an insufficient number of local highway safety programs to justify the expenditure in such State of such percentage of Federal funds during such fiscal year.

"§ 406. Program submission and approval

"(a) In each fiscal year, the State highway safety agency shall submit to the Secretary for his approval a proposed highway safety program for the ensuing fiscal year together with a projection of future highway safety efforts. The program shall describe the highway safety activities to be undertaken by the State with such specificity as the Secretary may require. The Secretary shall promptly review the State's compliance with the program development process specified by section 402 of this chapter and its compliance with the uniform requirements issued pursuant to such section. He may approve the program in whole or in part, on the basis of his review. His approval of the program, or portions of the program, shall be deemed a contractual obligation of the Federal Government for the payment of its proportional contribution thereto, subject to the availability of funds.

"(b) Concurrent with the obligation of Federal funds, the Secretary shall enter into a formal Federal-Aid agreement with the State. Such agreement shall designate the Federal, State, and local pro rata shares required for the execution of the program.

"(c) The Secretary shall not withhold approval of a State's program in its entirety except upon a finding that the State is failing to make reasonable progress toward implementation of the requirements specified in section 402, considered as a whole, or upon a finding that the State's performance has been substantially deficient in identifying highway safety problems, developing countermeasures, and evaluating results.

"§ 407. Federal share payable

"(a) Except as provided in section 409 of this chapter the Federal share payable on account of any program shall not exceed 70 percent of the total cost of such program.

"(b) The Secretary may, in his discretion, from time to time as work progresses, make payments to any State for the Federal share of costs incurred by the State or its subgrantee.

"(c) The Secretary may advance to any State, out of existing appropriations, the Federal share of costs incurred. Such advance financing shall be through letter of credit in conformity with United States Treasury Department regulations.

"(d) Such payments or advances of Federal funds shall be made to such official or officials or depository designated by the State and authorized under the laws of the State to receive public funds of the State.

"(e) The aggregate of all expenditures made during any fiscal year by a State and its political subdivisions for carrying out the State highway safety program shall be available for the purpose of crediting such State during such fiscal year for the non-Federal share of the cost of any program under this chapter without regard to whether such expenditures were actually made in connection with such program, except that if any funds apportioned under section 403 are to be expended by the State for the planning and administrative functions of the State highway safety agency, the State shall provide matching funds for such functions of at least 20 percent of the total funds so expended.

"§ 408. Federal agency assistance

"The Secretary may make arrangements with other Federal departments and agencies for assistance in the preparation of uniform requirements for the highway safety programs contemplated by section 402 and in the administration of such programs. Such departments and agencies are directed to cooperate in such preparation and administration, on a reimbursable basis.

"§ 409. Indian programs

"For the purpose of the application of this chapter on Indian reservations, the terms 'State' and 'Governor of a State' includes the Secretary of the Interior; and the term 'political subdivision of a State' includes an Indian tribe except that, notwithstanding the provisions of section 405(b) of this chapter, 95 percent of the funds apportioned to the Secretary of the Interior after the date of enactment of this chaper shall be expended by Indian tribes to carry out highway safety programs within their jurisdictions.

"§ 410. Highway safety research and development

"(a) The Secretary is authorized to use funds appropriated to carry out this subsection to carry out safety research which he is authorized to conduct by section 307(a) of this title. In addition, the Secretary may use the funds appropriated to carry out this section, either independently or in cooperation with other Federal departments or agencies, for making grants to or contracting with State or local agencies, institutions, and individuals for (1) training or education of highway safety personnel, (2) research fellowships in highway safety, (3) development of improved accident investigation procedures, (4) emergency service plans, (5) demonstration projects, and (6) related activities which the Secretary deems will promote the purposes of this section.

"(b) In addition to the research authorized by subsection (a) of this section, the Secretary, in consultation with such other Government and private agencies as may be necessary, is authorized to carry out safety research on the following:

"(1) The relationship between the consumption and use of drugs and their effect upon highway safety and drivers of motor vehicles.

"(2) Driver behavior research, including the characteristics of driver performance, the relationships of mental and physical abilities or disabilities to the driving task, and the relationship of frequency of driver accident involvement to highway safety.

"(c) The research authorized by subsection (b) of this section may be conducted by the Secretary through grants and contracts with public and private agencies, institutions, and individuals.

"(d) The Secretary may, where he deems it to be in furtherance of the purposes of section 402 of this chapter, vest in State or local agencies, on such terms and conditions as he deems appropriate, title to equipment purchased for demonstration projects with funds authorized by this section.

"(e)(1) In addition to the other demonstration programs authorized by subsection (a) of this section, the Secretary shall make grants each fiscal year to those States which develop the most innovative approaches to highway safety problems in accordance with criteria to be devised by the Secretary in consultation with the States, their political subdivisions, appropriate Federal departments and agencies, and private sector organizations.

"(2) There are authorized, to carry out the purposes of paragraph (1) of this subsection, not to exceed $5,000,000 for the fiscal year ending September 30, 1980, not to exceed $10,000,000 for the fiscal year ending September 30, 1981, and not to exceed $15,000,000 for the fiscal year ending September 30, 1982.

"§ 411. National Highway Safety Advisory Committee

"(a)(1) There is established in the Department of Transportation a National Highway Safety Advisory Committee, composed of the Secretary or an officer of the Department appointed by him, the Federal Highway Administrator, the National Highway Traffic Safety Administrator, and thirty-five members appointed by the President, no more than four of whom shall be Federal officers or employees. The Secretary shall select the Chairman of the Committee from among the Committee members. The appointed members, having due regard for the purposes of this chapter, shall be selected from among representatives of various State and local governments, including State legislatures, of public and private interests contributing to, affected by, or concerned with highway safety, including the national organizations of passenger cars, bus, and

truck owners, and of other public and private agencies, organizations, or groups demonstrating an active interest in highway safety, as well as research scientists and other individuals who are experts in this field.

"(2)(A) Each member appointed by the President shall hold office for a term of three years, except that (i) any member appointed to fill a vacancy occurring prior to the expiration of the term for which his predecessor was appointed shall be appointed for the remaider of such term, and (ii) the terms of office of members first taking office after the date of enactment of this section shall expire as follows: Twelve at the end of 1 year after the date such committee members are appointed by the President, 12 at the end of 2 years after the date such committee members are appointed by the President, and 11 at the end of 3 years after the date such committee members are appointed, as designated by the President at the time of appointment, and (iii) the term of any member shall be extended until the date on which the successor's appointment is effective. Any member appointed by the President who is not a Federal officer or employee and who has served on the Committee for 3 years shall not be eligible for reappointment as a member of the Committee during the 1 year immediately following the last year during which he served as such a member.

"(B) Members of the Committee who are not officers or employees of the United States shall, while attending meetings or conferences of such Committee or otherwise engaged in the business of such Committee, be entitled to receive compensation at a rate fixed by the Secretary, but not exceeding $100 per diem, including traveltime, and while away from their homes or regular places of business they may be allowed travel expenses, including per diem in lieu of subsistence, as authorized in section 5703 of title 5 of the United States Code for persons in the Government service employed intermittently. Payments under this section shall not render members of the Committee employees or officials of the United States for any purpose.

"(b) The National Highway Safety Advisory Committee shall advise, consult with, and make recommendations to, the Secretary on matters relating to the activities and functions of the Department in the field of highway safety. The Committee is authorized (1) to review research projects or programs submitted to or recommended by it in the field of highway safety and to recommend to the Secretary, for prosecution under this title, any such projects which it believes show promise of making valuable contributions to human knowledge with respect to the cause and prevention of highway accident; and (2) to review, prior to issuance, requirements proposed to be issued by order of the Secretary under the provisions of section 402 of this chapter and to make recommendations thereon. Such recommendations shall be published in connection with the Secretary's determination or order.

"(c) The National Highway Safety Advisory Committee shall meet from time to time as the Secretary shall direct, but at least once each year.

"(d) The Secretary shall provide to the National Highway Safety Committee from among the personnel and facilities of the Department of Transportation such staff and facilities as are necessary to carry out the functions of such Committee.

"§ 412. Authorization of appropriations

"(a) There is authorized to be appropriated, for carrying out the provisions of section 402 of this chapter (relating to highway safety programs), by the National Highway Traffic Safety Administration, out of the Highway Trust Fund, $175,000,000 for the fiscal year ending September 30, 1979, $175,000,000 for the fiscal year ending September 30, 1980, $200,000,000 for the fiscal year ending September 30, 1981, and $200,000,000 for the fiscal year ending September 30, 1982.

"(b) For carrying out the provision of section 402 of this chapter (relating to highway safety programs), by the Federal Highway Administration, funds shall be provided in accordance with provisions of section 151 of this title.

"(c) There is authorized to be appropriated, for carrying out the provisions of section 411 of this chapter (relating to highway safety research and development), by the National Highway Traffic Safety Administration, out of the Highway Trust Fund $50,000,000 for the fiscal year ending September 30, 1979, $50,000,000 for the fiscal year ending September 30, 1980, $50,000,000 for the fiscal year ending September 30, 1981, and $50,000,000 for the fiscal year ending September 30, 1982.".

SEC. 3. Section 154 of title 23 of the United States Code is amended by adding at the end thereof the following new subsections:

"(e) Each State shall certify to the Secretary before January 1 of each year that it is enforcing all speed limits on public highways in accordance with this section. The certification statement shall consist of such data as the Secretary determines by rule is necessary to support the statement for the 12-month period ending on September 30 before the date the statement is required, including data on the percentage of motor vehicles exceeding 55 miles per hour on public highways with speed limits posted at 55 miles per hour in accordance with criteria to be established by the Secretary.

"(f)(1) For the 12-month period ending September 30, 1979, if the data submitted by a State pursuant to subsection (e) of this section show that the percentage of motor vehicles exceeding 55 miles per hour is greater than 60 per centum, the Secretary shall reduce the State's apportionment of Federal-aid highway funds under each of sections 104(b)(1), 104(b)(2), and 104(b)(6) of this title in an aggregate amount of up to 5 percent of the amount to be apportioned for the fiscal year ending September 30, 1981.

"(2) For the 12-month period ending September 30, 1980, if the data submitted by a State pursuant to subsection (e) of this section show that the percentage of motor vehicles exceeding 55 miles per hour is greater than 50 percent the Secretary shall reduce the State's apportionment of Federal-aid highway funds under each of sections 104(b)(1), 104(b)(2), and 104(b)(6) of this title in an aggregate amount of up to 5 percent of the amount to be apportioned for the fiscal year ending September 30, 1982.

"(3) For the 12-month period ending September 30, 1981, if the data submitted by a State pursuant to subsection (e) of this section for that year show that the percentage of motor vehicles exceeding 55 miles per hour is greater than 40 percent, the Secretary shall reduce the State's apportionment of the Federal-aid highway funds under each of sections 104(b)(1), 104(b)(2), and 104(b)(6) of this title in an aggregate amount of up to 5 percent of the amount to be apportioned for the fiscal year ending September 30, 1983.

"(4) For the 12-month period ending September 30, 1982, and for each succeeding twelve-month period thereafter, if the data submitted by a State pursuant to subsection (e) of this section for that year show that the percentage of motor vehicles exceeding 55 miles per hour is greater than 25 percent, the Secretary shall reduce the State's apportionment of Federal-aid highway funds under each of sections 104(b)(1), 104(b)(2), and 104(b)(6) of this title in an aggregate amount of up to 10 percent of the amount to be apportioned for the fiscal year ending September 30, 1984, and for each succeeding fiscal year thereafter.

"(g) The Secretary shall promptly apportion to a State any funds which have been withheld pursuant to subsection (f) of this section if he determines that the percentage of motor vehicles in such State exceeding 55 miles per hour has dropped to the level specified for the fiscal year for which the funds were withheld.".

SEC. 4. There are authorized to be appropriated, for carrying out sections 307(a) and 410 of title 23, United States Code (relating to highway safety research and development), by the Federal Highway Administration, out of the Highway Trust Fund, $10,000,000 for the fiscal year ending September 30, 1979, $10,000,000 for the fiscal year ending September 30, 1980, $10,000,000 for the fiscal year ending September 30, 1981, and $10,000,000 for the fiscal year ending September 30, 1982.

The PRESIDING OFFICER. Under the agreement, the amendment now before the Senate is agreed to as original text and will be called title II.

Will the Senator suspend until we have order in the Chamber? Will Senators clear the aisle and take their seats?

The PRESIDING OFFICER. On this title, there is a 1-hour time limit. Who yields time?

Mr. CANNON. Mr. President, I yield myself 5 minutes. I have no intention of asking for the yeas and nays on this amendment, but I cannot insure that someone else may not ask for them.

The PRESIDING OFFICER. The Senator from Nevada is recognized for 5 minutes.

Mr. CANNON. Mr. President, I have offered S. 2541, the Highway Safety Act of 1978 as title II of S. 3073. Title II provides the authorizations for funding of the various States' highway safety programs. Pursuant to Senate Resolution No. 4, the Senate Committee on Commerce, Science, and Transportation has been designated the jurisdictional responsibility for highway safety matters.

As my colleagues know, the Highway Safety Act was passed as a response to the increasing carnage on our Nation's highways, which spiraled to more than 53,000 highway deaths per year in 1966. Since the institution of this program, although vehicle miles traveled and number of registered motorists have continued to increase, the death toll has decreased during the last decade.

In order to accelerate this trend, S. 2541 provides a number of important changes to the Highway Safety Act, which the committee believes will significantly strengthen this legislation. These changes are an outgrowth of a comprehensive review of the Highway Safety Act mandated in 1976 by the Congress. Howard Dugoff, Deputy Administrator of the National Highway Traffic Safety Administration, discussing this review of the Highway Safety Act stated:

> The report's principal recommendations which is incorporate in S. 2541, is that the time has come to shift the emphasis of the program away from compliance with standards and towards the development by the states of methods to identify their own most pressing safety problems and to develop their own specific solutions. . . . In view of the greater sophistication and experience of the states in highway safety, insistence on nationwide uniformity and standards no longer serves the remedial purposes these standards once served in the past.

The Senate Commerce, Science, and Transportation Committee, responding

to the need to allow the States to play a larger role in developing their own highway safety programs to meet their specialized needs, reduced the areas and number of mandatory highway safety standards required under the Highway Safety Act. The committee determined that highway safety standards should be continued as mandatory standards only in the following two circumstances:

First, in those areas of data collection and analysis in which uniformity is critical, such as traffic records, drivers licensing, and vehicle registration;

Second, in those areas where uniform rules of the road and uniform traffic control devices should be required in order to facilitate safe interstate driving.

However, in order to provide greater flexibility to the States in identifying their own needs and solutions and to assist the States in responding to their unique highway safety problems, the committee accepted the Department of Transportation's recommendations and changed a number of previously mandatory highway safety standards into guidelines for the States.

This action to change mandatory standards into guidelines received broad support in the committee's hearings. The American Association of Motor Vehicle Administrators, for example, stated:

> The AAMVA feels that one of the most significant provisions of S. 2541 is the one which would permit states substantially more flexibility in administering their highway safety programs by moving away from mandatory highway safety program standards. We are convinced that the states are able to draw from their own experience—experience gained in the decade that the Highway Safety Act has been in effect—and identify their own problems, devise their own remedies, and to evaluate the results.

The Highway Users Federation also supported this approach by stating:

> The bill wisely provides that each state be permitted to identify their priorities and develop accident countermeasures, in accordance with their specific needs. . . . We believe that the states and communities have developed sufficient administrative and technical skills to carry out a flexible program effectively.

The National Association of Governors' Highway Safety Representatives and Citizens for Highway Safety also supported the guidelines approach.

Mr. President, allowing certain mandatory safety standards to become guidelines does not mean that these programs where appropriate will not continue to be emphasized. Under the provisions of the Highway Safety Act, each State is required to develop a highway safety program designed to reduce traffic deaths and injuries by identifying the major causes of motor vehicle accidents in their particular State and by targeting measures to reduce the frequency and severity of accidents to meet their special needs.

The States, in developing these plans, are to take careful cognizance of the guidelines promulgated by the Secretary of Transportation. It was at the specific request of the National Association of Governors' Highway Safety Representatives that each of these guidelines was to be specifically made a part of the act.

The Secretary of Transportation is directed to evaluate each State's safety program and may "approve the program in whole or in part." The Secretary cannot disapprove a State program merely because it does not meet a specific guideline but only if the program clearly fails to provide adequate highway safety protection.

The guideline approach does not place a State in a straitjacket where it must emphasize a long set of standards whether these standards meet the primary safety needs of that particular State or not. The States, by being required to identify their own priority highway safety needs, will provide the context for an evaluation of their own safety programs.

The committee's actions in regard to the modification of certain mandatory safety standards into highway safety guidelines is, as Howard Dugoff, Deputy Administrator of NHTSA, pointed out in our hearings, merely the completion of a long-term trend by the Congress. Mr. Dugoff stated:

> In our view, S. 2541's treatment of the standards continues a process that has been underway for some time. The Highway Safety Act of 1976 began the move away from the requirement of the strict compliance with the uniform standards by reducing the sanctions which could be imposed for noncompliance with the standards and by making it clear that the Secretary did not have to insist on compliance with every element of every standard. S. 2541 carries the process a step further—an appropriate step further.

The committee believes that providing the States added flexibility in the highway safety area will lead to a more innovative and invigorated program. The States deserve the opportunity to develop their own programs to meet their own special needs, and the fiction that all expertise in the highway safety area resides in Washington, if it ever had currency, should be dispelled once and for all.

To carry out the purposes of the Highway Safety Act of 1978, the committee has provided for a slight increase in the level of authorizations for the various highway safety programs.

Furthermore, the authorizations have been designed to permit a concentration of effort on innovative and high-priority safety programs to be developed and carried out by the States. S. 2541 provides $175 million for fiscal year 1979, $175 million for fiscal year 1980, $200 million for fiscal year 1981, and $200 million for fiscal year 1982 to carry out the purposes of section 402 of the act relating to the authorization of funding of State highway safety programs.

The Secretary of Transportation is provided discretionary authority to provide up to 25 percent of the funding appropriated for the section 402 State highway safety programs to assist the States in carrying out the so-called high-priority highway safety projects.

Although there is no limitation placed on the States in developing other high-priority programs, the Highway Safety Act specifically lists State programs to encourage automobile safety belt use and to expand the enforcement of the national maximum speed limit as high-priority safety programs.

S. 2541 also authorizes the Secretary of Transportation to facilitate highway safety research and development through the National Highway Traffic Safety Administration and the Federal Highway Administration. Continuing research and development in the highway safety area is critical if we are to improve our ability to avoid unnecessary deaths and injuries on our highways.

Also, S. 2541 provides a new program to encourage innovative highway safety programs within the States. This program replaced the incentives grant program that had been previously instituted by the Highway Safety Act. The American Association of Motor Vehicle Administrators strongly supported this new approach stating:

> Incentive grants were one of the methods proposed in the Highway Safety Act in 1973 as a positive means of offsetting the negative concepts inherent in funding sanctions. However, states have found that decreases in traffic fatalities and mileage death rates are not necessarily appropriate measures of a States overall commitment to highway safety. The incentive program has beeen controversial from the outset and has evolved into a virtual lottery for the funding that has been appropriated. Therefore, our Association supports the concept of authorizing the Secretary of Transportation to award grants for innovative approaches to highway safety problems to supplant the incentive programs.

The legislation also provides a program for increased enforcement of the 55 mph national maximum speed limit. It has been shown that the maximum national speed limit not only saves energy, but lives as well. The legislation provides for graduated minimum standards to measure the effectivness of States speed limit programs. The Secretary of Transportation is directed to reduce the States apportionment of its noninterstate highway construction funds in the amount of up to 5 percent in fiscal year 1981 through 1983 and up to 10 percent in fiscal year 1984 and all succeeding fiscal years, in the event that a State does not meet the minimum compliance goals of the 55 mph speed limit.

To assist the States in meeting these minimum standards. The compliance standards have been delayed for a year and the final compliance level has been lowered from 85 percent, as originally provided to a 75 percent compliance level beginning in 1982. Furthermore, the Secretary of Transportation is directed to promptly apportion to a State any funds which have been withheld due to failure to meet the percentage requirements if subsequently the Secretary determines that the percentage of motor vehicles in such State exceeding 55 miles per hour has dropped to the level specified for the fiscal year for which the funds were withheld.

The 55 mph maximum national speed limit has imposed a new and significantly increased enforcement responsibility on the State agencies charged with assuring compliance. Therefore, the committee has provided a funding mechanism to assist the States in carrying out this important program. The Department of Transportation has reported that their studies demonstrate that to an ever increasing degree motorists are ignoring the 55 mph maximum speed

limit. If the Federal Government does not provide assistance to the States in order to enforce these provisions, it is likely that the life saving and energy saving protections of the speed limit will be seriously diminished.

The International Association of Chiefs of Police have strongly argued that the States will need assistance from the Federal Government if they are to be able to meet these requirements. Mr. Richard L. Burke, the general chairman of the International Association of Chiefs of Police, has stated:

The national maximum speed limit program will fail if the required Federal assistance is not forthcoming." Thus, State police organizations strongly support authorizations of funding to assist the States in carrying out their 55 mph maximum speed limit enforcement programs as provided in our legislation. Joe Howell, Vice President for Government Relations of the All State Insurance Company, has also written in support of this need for funding stating, "Without adequate Federal assistance to the States, it is unlikely that this program can accomplish the needed results.

There is no question in regard to the safety impact of the 55 miles per hour maximum speed limit. Vincent L. Tofany, President of the National Safety Council testified at our hearings that:

The National Safety Council was one of the most ardent proponents of the 55 mph speed limit when it was initially proposed. Council studies in 1974 and 1975 after the speed limit became national—demonstrate conclusively that speed reduction accounted for more than half of the fatality reductions.

But if the 55 miles per hour program is allowed to become a mockery, which is ignored by the vast majority of motorists, then its salutary effects will be completely destroyed. These provisions will assist in assuring its adequate enforcement.

Mr. President, I believe that S. 2541 provides the basis for a well balanced and strengthened highway safety program. I strongly urge my colleagues to lend it their support.

Mr. President, I now yield to the Senator from New Mexico, minority manager on this subject.

Mr. SCHMITT. Mr. President, I want to congratulate the Committee on Commerce and its distinguished chairman (Mr. CANNON) for their action on this measure. There is no question, as the distinguished Senator from Nevada has said, that the Federal Government and the States must work together and share the responsibility to the people of their States to seek ways to make our highways more safe. Thousands die on the highways each year, and many, many more are injured. It has always troubled this Senator to see the care with which we treat, for example, our activities in space in order to prevent the loss of even one life and yet continue to allow, as the Senator has indicated, in 1977, 49,200 persons killed and 1,900,000 injured on our highways.

Mr. President I feel, as I am sure all Americans feel, that this toll of death and injury on our highways is totally unacceptable.

I believe that if the people of this country, the States, and the Congress work together, there is no question that we can make great progress in reducing these far too great numbers.

In 1966, Congress enacted the Highway Safety Act. This act directed the Secretary of Transportation to issue standards for State highway safety programs. The amount of Federal funding a State received under this program depended upon its compliance with the standards issued by the Secretary. As a result, the States have developed a framework for their highway safety programs which has helped to reduce highway fatalities and injuries.

States are now seeking more flexibility for their highway safety programs. The National Highway Traffic Safety Administration has been most responsive to the recommendations that the Highway Safety Act be amended to allow for such flexibility. The Senate Committee on Commerce, Science, and Transportation has worked with the National Highway Traffic Safety Administration to develop a bill which has the support of the National Safety Council, the Highway Users Federation, Citizens for Highway Safety, the American Driver and Traffic Safety Education Association, and many State transportation departments.

S. 2541, the Highway Safety Act of 1978, will strengthen State highway programs by encouraging States to identify and pursue programs which are most suitable for their needs.

The bill requires each State to have a highway safety program to reduce traffic deaths and injuries. However, the areas in which uniformity through compliance with Federal standards is required is restricted to those areas for which State-by-State uniformity is essential.

Mr. President, I cannot emphasize that particular aspect of this bill too much.

Apportionment of Federal funds under S. 2541 is the same except for two important differences. One difference is that the Secretary is not allowed to withhold funds for a State highway program if he approves the program in whole or in part. The prior act allowed the Secretary to reduce a State's apportionment if the State did not have an approved program or was not implementing the approved program.

Another difference is that S. 2541 allows the Secretary to apportion up to 25 percent of the funds appropriated to the States for carrying out high priority safety programs.

S. 2541 requires that States apportion funds to its political subdivisions and that they assist their political subdivisions in the effective use of funds.

The bill provides authorization for appropriations for highway safety research and development. It also authorizes appropriations allowing the Secretary to make grants to those States which develop the most innovative approaches to highway safety problems.

S. 2541 is a progressive step in highway safety and reflects the Federal Government's responsiveness to the individuality of the States. I urge the Senate to approve this measure.

Mr. President, I want to thank Senator FORD, who is chairman of the Consumer Subcommittee which held hearings on this bill, and Senator RIEGLE, who, in particular, was active in hearings on this bill, for their efforts.

I thank the Senator from Nevada for yielding.

AMENDMENT 1703

(Purpose: To delete section 3 of the bill relating to the 55 m.p.h. speed limit. To clarify that appropriations for grants relating to innovative highway safety problem resolution are from the Highway Trust Fund)

Mr. CANNON. Mr. President, I send to the desk two technical amendments and ask that they be stated and treated en bloc.

The PRESIDING OFFICER. The amendment will be read.

The legislative clerk read as follows:

The Senator from Nevada (Mr. CANNON) proposes an unprinted amendment numbered 1703

Strike all from page 17, line 17, through page 20, line 11, and on page 20, line 12, strike "4" and insert "202".

On page 12, line 24, insert immediately after "subsection," the following "out of the Highway Trust Fund".

Mr. CANNON. Mr. President, the first technical amendment would effectuate the colloquy which Senator RANDOLPH and I held earlier regarding the deletion of the provisions from the second title (relating to highway safety) of the 55-mile-per-hour national maximum speed limit enforcement standards. This deletion is requested by the committee due to the fact that an identical provision is already contained in title I. This deletion will, therefore, avoid duplication.

The second technical amendment to the Highway Safety Act is offered in order to clarify that authorizations for appropriations from the Highway Safety Act for grants to States for innovative safety programs in section 410(e)(2) of the act would be derived from the highway trust fund. This amendment would conform these provisions to the rest of the act.

The PRESIDING OFFICER. Is all time yielded back?

Mr. CANNON. I yield all time back on the amendments.

Mr. SCHMITT. Mr. President, I yield back the time of the Senator from New Mexico.

The PRESIDING OFFICER. The question is on agreeing to the amendment.

The amendment was agreed to.

Mr. CANNON. Mr. President, I am prepared to yield all time back on title II.

Mr. SCHMITT. Mr. President, I yield back my time, also.

The PRESIDING OFFICER. Are there further amendments to title II? There being no further amendments, the bill is automatically set aside.

● Mr. HATHAWAY. Mr. President, I very much appreciate the work of the Committee on Environment and Public Works with regard to the authorization measure for Federal-aid highway programs through fiscal year 1980, the Senate report of which is now pending.

I particularly appreciate the efforts of the committee with respect to section 139 which authorizes a discretionary bridge fund from which the Secretary may pro-

vide assistance for costly, high traffic volume bridges over major waterways.

As the committee acknowledged in its report language, a prime example of the need for this discretionary fund is the drawbridge across the Fore River between Portland and South Portland, Maine. The present bridge has four traffic lanes and provides the major transportation link between Portland, Maine's largest city, and the cities and towns to the south and southwest.

The Fore River under the bridge is an important commercial waterway. Tankers carrying the vast majority of petroleum products for the State pass through the navigation opening in the bridge for offloading at receiving docks upriver and subsequent distribution throughout the State. The navigation opening in the bridge consists of two bascule leaves which are raised to create a maximum horizontal opening of 98 feet. This clearance restricts the size of the vessels which can navigate the upper portion of the Fore River. The heavy traffic through the narrow passage in the bridge has resulted in many collisions with damages to the bridge structure and to ships. Each collision brings problems and causes prolonged delays for vehicular traffic across the bridge, including ambulances and emergency equipment.

The threat of oil spills and the potential for permanent closing of the bridge and blockage of the channel providing almost all of the petroleum products consumed in Maine are of great concern. Collision with the bridge or malfunctions in the drawbridge have already caused extensive traffic congestion. Each time the bridge is closed for repairs approximately 30,000 vehicles daily are detoured.

The Portland bridge was included on the inventory of structurally deficient and functionally obsolete bridges prepared by the U.S. Department of Transportation. Officials in the Maine Department of Transportation, and the communities of Portland and South Portland have recognized the need for a new high-level bridge which can accommodate the increased volume of both vehicular and ship traffic. The lack of funding for the project has been the major concern of those faced with replacing the bridge. Present estimates for replacement costs have been as high as $70 million.

I am hopeful that the discretionary fund established under section 139 will enable the communities of Portland and South Portland to address a problem which otherwise might be beyond their financial capability.●

BIKEWAY PROGRAM

● Mr. PACKWOOD. Mr. President, today the Senate will enact new legislation to correct two longstanding defects in U.S. transportation policy. Not only have we not encouraged bicycle use as an alternative to energy guzzling cars, we have not developed, to any significant extent, the means for bicycle safety.

Countless cycling deaths and injuries are caused each year, because of this country's past failure to plan ahead for safe bicycle use. Only today the Washington Post reported two additional fatalities caused by car/bicycle collisions.

The bicycle program, section 134 of S. 3073, of the Federal Aid Highway Act of 1978 is a significant advance in U.S. transportation alternatives. It creates for the first time in our history a commitment to expanded use of bicycles and bike safety.

In brief, the Secretary of Transportation would accept applications from State and local governments for deserving projects to advance bicycle use. Seventy percent of approved projects would be funded by the Federal Government and 30 percent would come from the applicant. The $20 million authorized under this plan would be available only for bikeway projects, not highways or other transportation.

Several people deserve our gratitude for this provision. First, the members of the Senate Environment and Public Works Committee who unanimously accepted the concepts of my original bill, S. 1495. Second, I would like to thank the 23 cosponsors of that bill who have continually helped me gain support for the plan. They are Senators ABOUREZK, BELLMON, CASE, CHAFEE, DOMENICI, DURKIN, GRAVEL, HART, MARK HATFIELD, HATHAWAY, JAVITS, JOHNSTON, LEAHY, MCGOVERN, MOYNIHAN, PELL, RIBICOFF, SARBANES, SPARKMAN, STAFFORD, STEVENS, STONE, and THURMOND.

More importantly, I should thank the many cycling enthusiasts of Oregon to whom I dedicate this new measure. The State has spent 1 percent of its highway budget on bikeways for several years now and with this Federal legislation the benefits of that expenditure could be tripled.

I ask that the bicycle program, section 134 of S. 3073, be printed at this point.

The material follows:

BICYCLE PROGRAM

SEC. 134. (a) Not more than one year after the date of enactment of this Act, the Secretary shall publish guidelines for the submission of applications for grants under subsection (b) of this section. Such guidelines shall include, but are not limited to, information on—

(1) improvements to elements of existing transportation systems such as roads and shoulders, traffic control devices, and transit vehicles, which improvements enhance the safety of bicycling and enourage the use of bicycles as a means of transportation; and

(2) design criteria for bikeways, including criteria for pavements, adequate widths, sight distances, lighting and maintenance, and appropriate design speeds and grades.

(b) The Secretary is authorized to make grants to States and to political subdivisions thereof for projects and programs which (1) are consistent with guidelines published pursuant to subsection (a), or (2) prior to publication of such guidelines, reflect current state of the art design or educational standards, and which can reasonably be expected to enhance the safety and use of bicycles.

(c) The Federal share of any project or program for which a grant is made under subsection (b) shall not exceed 70 per centum.

(d) Grants made under this section shall be in addition to any sums available for bicycle projects under section 217 of title 23, United States Code.

(e) There is authorized to be appropriated to the Secretary to carry out subsection (b), for each of the fiscal years ending September 30, 1979, and September 30, 1980, $20,000,000 out of the Highway Trust Fund, to remain available until expended.

(f) Section 109(f) of title 23 United States Code, is amended by adding after the words "median strips", the following: "accommodation of bicycle and pedestrian traffic,".

(g) Section 109 of title 23, United States Code, is amended by adding a new subsection as follows:

"(l) The Secretary shall not approve any project which reduces bicycle or pedestrian access to or use of routes for travel from one place to another to any greater extent than access to motorized vehicles is reduced unless the project includes or unless there already exists a safe, direct, and convenient alternative route for bicyclists and pedestrians.".

(h) Section 217 (a) of title 23, United States Code, is amended to read as follows:

"(a) To encourage energy conservation and the multiple use of highway rights-of-way, including the development, improvement, and use of bicycle transportation and the development and improvement of pedestrian walkways on or in conjunction with highway rights-of-way, the States may, as Federal-aid highway projects or in conjunction or connection with other Federal-aid highway projects, construct new or improved lanes, paths, or shoulders; traffic control devices; shelters; and parking facilities to serve bicycles and persons using bicycles, and pedestrian walkways. Sums apportioned in accordance with paragraphs (1), (2), and (6) of section 104 (b) of this title shall be available for bicycle projects and pedestrian walkways authorized under this section and such projects shall be located and designed pursuant to an overall plan which will provide due consideration for safety and contiguous routes.".

(i) Section 217(d) of title 23, United States Code, is amended to read as follows:

"(d) The Secretary shall establish by regulation, design and construction standards for bicycle projects authorized under this section including criteria for pavements, adequate widths, sight distances, lighting, appropriate design speeds and grades, and provisions for adequate maintenance to be set forth in the project agreement entered into pursuant to section 110 of this title. No motorized vehicles shall be permitted on trails and walkways authorized under this section except for maintenance purposes and, when snow conditions and State or local regulations permit, snowmobiles.".●

THE ESSENTIAL GAP PROGRAM OF THE FEDERAL HIGHWAY ADMINISTRATION (FHWA) AND S. 3073

● Mr. INOUYE. Mr. President, my distinguished colleagues, I would like to bring an issue of great importance to my State, the 50th State of the United States, Hawaii, to the attention of the chairman of the Transportation Subcommittee of the Environment and Public Works Committee, Mr. LLOYD BENTSEN of Texas.

The executive branch of Hawaii's State government recently completed a review of Federal laws and regulations, in response to my request and that of Governor Ariyoshi, which may be discriminatory toward Hawaii.

One of the programs targeted, as a result of this study, is the interstate gap program of the Federal Highway Administration (FHWA), under the Federal-aid Highways Act of 1976.

Although this matter is thoroughly discussed in a memorandum from the State director of transportation, Dr. Ryokichi Higashionna, to the State director of the department of budget and finance, Ms. Eileen Anderson, I would like to highlight a few pertinent items from this document and I ask that the document,

itself, be made a part of the RECORD at the appropriate place.

Section 102(b) of the Federal-aid Highway Act of 1976 requires that at least 30 percent of the interstate apportionments made to each State for each of the fiscal years ending September 30, 1978 and 1979, be expended for the construction of intercity portions. These portions are intended to close what are termed, "essential gaps." The objective of this provision is to expedite the construction of gaps on a basic system of interconnected interstate routes to accommodate long-distance interstate travel in order to provide a continuous system.

The report to the Congress, dated October 1976, on the interstate gap study prepared by the Federal Highway Administration (FHWA), indicated that Hawaii does not have essential segments on its interstate system. The report determined this on the basis that—

All interstate routes in Hawaii were excluded from consideration in this report, since they are not connected to the continental portion of the Interstate System.

I believe that this action on the part of the Federal Highway Administration is blatantly unfair. I do not agree with this criteria as I believe, along with Hawaii's officials, that insularity alone should not automatically preclude Hawaii from qualifying for essential segments.

Mr. BENTSEN. Mr. INOUYE, it is my understanding that this matter could then be resolved administratively by the Federal Highway Administration. That is, FHWA officials could simply make a determination in-house that Hawaii could qualify for funding under the essential gap program. Is that not correct?

Mr. INOUYE. Mr. BENTSEN, it is my understanding that responsible officials in the State of Hawaii have appealed to the FHWA to add the uncompleted portions of H–1 and H–3 to the subject gap program and that their appeals have been rejected by the FHWA.

Their principal reason for the rejection is that the gap program is to complete interstate rather than intrastate gaps.

FHWA has stated that it will hold its position on rejection based on their initial interpretation of section 102(b) of the Federal-aid Highway Act of 1976. They have suggested, in fact, that any further appeal would best be made through Hawaii's congressional delegation.

Mr. BENTSEN. Mr. INOUYE, for the record, if Hawaii were a contiguous State, do you believe that it would qualify for funding under the essential gap program?

Mr. INOUYE. Yes, I believe that it would for several reasons.

In regard to the unconstructed portions of Interstate Routes H–1 and H–3 the reasons are as follows:

A. H–1: Pearl Harbor Interchange to Kahauiki Interchange (Middle Street).

One. This is the last remaining link on H–1 to be implemented. Portions of it are under construction now, and others will be ready for construction soon.

As indicated in the "Report to Congress" of October 1976, page 1, last paragraph, titled "Route Selection and Criteria," some of the principal criteria are:

A. Connecting routes to major transportation terminals such as International seaports, airports . . .

B. In urban areas portions already open to traffic or portions with the highest probability of early completion or the least unconstructed mileages . . .

I believe that this section of H–1 more than meets these two criteria. In addition, there are other pertinent reasons:

Second. The completion of this final "link" will also relieve the heavily congested traffic that currently exists on Moanalua Road. Moanalua Road, is the only other major facility that parallels H–1, which interconnects Leeward and central Oahu with Metropolitan Honolulu.

Third. With the center of population being shifted toward central Oahu (which is consistent with the city's growth policy), closing of this essential gap will provide the needed service to the motorists between leeward and central Oahu, and urban Honolulu.

Fourth. This "link" has the potential of providing multimodal service. In the high occupancy vehicle (HOV) context and specifically in terms of the pending action to dedicate exclusive HOV lanes from Kunia Interchange all the way to the vicinity to Aiea, the essentiality of this link cannot be overstated. This would be particularly relevant should the fixed guideways system not materialize for whatever reasons.

B. H–3 TRANS-KOOLUA SECTION

First. This is the portion that was delayed for many years. The final environmental impact statement (EIS) is now being finalized, and the State will be ready for preparation of construction plans immediately after approval of the EIS.

With Hawaii (specifically Oahu) being the defense center of the Pacific, the completion of H–3 will be vital in that it will provide the most direct connection with the major military installations of Schofield Barracks, Hickham Air Force Base, Pearl Harbor Naval Shipyard, and the Kaneohe Marine Corps Air Station, as well as with the CINCPAC Headquarters in Camp Smith.

Second. Completion of H–3 will relieve the present congestion on Pali and Likelike Highways.

Third. H–3 will provide the mass transit capability. Pali and Likelike Highways lack the flexibility for such a transportation mode.

Fourth. Windward Oahu will continue to develop, because the Oahu general plan permits further development.

Fifth. H–3 will provide the needed intercity connectivity between the two major population centers—Metropolitan Honolulu and Kailua-Kaneohe.

Based on the above reasons, I feel that the exclusion of Hawaii from the essential gap program may not be fair from the standpoint of application of the FHWA's own criteria, as well as the potential of delaying needed transportation services to our citizens.

In addition, the situation, from the standpoint of the State government, may be much more critical if the final 1978 highway-transit legislation continues to contain the stipulation that 50 percent of the interstate apportionment will be based on cost to complete essential gaps.

Mr. BENTSEN. Well, I can see your point about H–1 and I think that the Federal Highway Administration should make an about-face on its determination, because it appears that it does discriminate against Hawaii solely on the basis of its uniqueness as an island State and a noncontiguous State. In addition, it is my understanding that FHWA officials have approved as essential gaps every other route connecting cities with major airports.

With regard to your points about H–3 and the justification for its consideration as an essential gaps based on, I believe, national security reasons, we will have to have the FHWA look into the matter further.

I thank the Senator for bringing these matters to my attention.●

● Mr. HOLLINGS. Mr. President, in matters of fundamental justice and human rights involving the citizens of our Nation, there should be no left or right, liberal or conservative. But today, under the Constitution and laws of the United States there exists an injustice, a denial of democracy so blatant that it can no longer be ignored. Over 700,000 Americans living in the District of Columbia have no voice in the decisions of the U.S. Senate and House of Representatives.

This should not be a Democratic issue or a Republican issue. It should be an American issue. At least 115 nations of the world have elected national legislatures. Virtually without exception, they do not discriminate against residents of their capital cities with respect to representation in the national legislature. Of 17 nations with Federal systems of government, only 3 have capital cities unrepresented in the legislature and one of these, Nigeria, is currently formulating plans to provide representation. That leaves only Brazil and the United States in the position of denying their citizens a basic tenet of liberty.

This very sad commentary on the political rights of Americans in the Nation's Capital needs to be corrected without delay.

The goal I favor is full voter representation in Congress for the District of Columbia—two Senators and two Representatives based on the area's current population. The proposal has been endorsed by both parties and national polls show strong support for this action across the country. A look at the alternative brings home the necessity of passage of this bill.

Enfranchisement of the District was not an issue our Founding Fathers had to face. They could hardly foresee that the sparsely settled marshy area along the Potomac River selected in 1800 for our National Capital would one day be home to over 700,000 people. In the late 1700's, there were only a few thousand residents, who came to Washington on short-term basis while keeping their voting rights in their native States.

But today, the District of Columbia pays more Federal taxes than 19 of our States and more per capita than the residents of 47 States. District citizens have fought and died in all the Nation's wars. They have endured both taxation and conscription without representation.

Yet, what do the opponents of this amendment offer the District residents in lieu of full voting representation? They want to carve up the area and "return" the non-Federal land to Maryland. But the District has not been a part of Maryland since 1800. Its people do not identify with Maryland. They want and deserve representation in their own right, not as an artificial combination in a State with which they have no historical attachment.

Thanks to the dedicated efforts of bipartisan supporters in the House of Representatives, the U.S. Senate has an opportunity to renew our commitment to the fundamentals upon which our Nation was founded. Two hundred years ago, Edmund Burke warned Parliament that:

> Taxation without representation is injustice and oppression. It brought on the American Revolution and gave birth to a free and mighty nation.

Perhaps we need to pause and reflect on these words of wisdom as we have a chance to once again end injustice and oppression in the capital of freedom.●

HIGHWAY BRIDGE REPLACEMENT

● Mr. CULVER. Mr. President, I would like to ask Mr. RANDOLPH, the distinguished chairman of the Committee on Environment and Public Works and author of the special bridge replacement program to clarify for the record the legislative intent concerning the use of funds under this program to replace structures that accommodate both vehicular and railroad traffic.

The No. 2 priority for replacement in the State of Iowa under the special bridge replacement program is the bridge at Keokuk. The Federal Highway Administration considers this bridge—which is only 17 feet, 10 inches wide—to be functionally obsolescent for vehicular traffic. The Iowa Department of Transportation (IDOT) is in the final stages of selecting a consultant for preliminary planning of a new bridge and will soon undertake the necessary environmental impact statement study. IDOT's timetable calls for construction of a new bridge to begin in 1981.

IDOT has entered into an agreement with the city of Keokuk to allow continued use of the present bridge as a railroad crossing. This is possible since the bridge, although obsolete for motor vehicle traffic, is capable of accommodating railroad traffic in an effective and orderly fashion.

There has been concern that special bridge replacement funds might not be used to construct a new replacement bridge if the existing one is to remain in use. The special bridge replacement program was instituted to enable States to replace their worst structurally deficient or obsolete bridges. the Federal Highway Administration program manual, Transmittal 50, August 7, 1974, states:

> Whenever a deficient bridge is replaced by a new bridge under the special bridge replacement program the deficient bridge will be closed to vehicular traffic at the earliest possible date following the opening of the replacement bridge.

These guidelines clearly indicate that only vehicular traffic must be phased out on the existing bridge. Nothing in these guidelines, or the legislative history of the special bridge replacement program, suggests that an existing bridge must be closed to nonvehicular traffic such as railroads.

The continued ability of the Keokuk bridge to safely and efficiently accommodate railroad traffic is unquestioned. The Senate's consideration of the Federal-aid highway legislation provides a good opportunity to reaffirm that a new bridge can be constructed with special bridge replacement program funds while the existing structure can remain open to railroad traffic.

I would appreciate the thoughts of the distinguished chairman of the Committee on Environment and Public Works on this subject.

Mr. RANDOLPH. Mr. President, I say to the distinguished Senator from Iowa (Mr. CULVER) that he raises an important question. Under the special bridge program, we have not addressed the issue of joint use bridges. It is not the intent under this program to force the closing of a bridge which could be used for a nonhighway transportation mode.

The Keokuk bridge certainly should not be closed when it can be used for rail transportation across the Mississippi River.●

ORDER OF PROCEDURE

Mr. ROBERT C. BYRD. Mr. President, there will be no more rollcall votes today. There will be rollcall votes beginning early tomorrow on the District of Columbia representation amendment, however.

ROUTINE MORNING BUSINESS

Mr. ROBERT C. BYRD. Mr. President, I ask unanimous consent that there now be a period for the transaction of routine morning business, and that Senators may speak during routine morning business for up to 5 minutes each.

The PRESIDING OFFICER. Without objection, it is so ordered.

MESSAGES FROM THE PRESIDENT

Messages from the President of the United States were communicated to the Senate by Mr. Chirdon, one of his secretaries.

REPORT ON INTERNATIONAL TRANSFERS OF TECHNOLOGY—MESSAGE FROM THE PRESIDENT—PM 212

The PRESIDING OFFICER laid before the Senate the following message from the President of the United States, together with an accompanying report, which was referred to the Committee on Foreign Relations:

To the Congress of the United States:

I transmit herewith the report on international transfers of technology required by section 24(c) of Public Law 95–92, the International Security Assistance Act of 1977.

JIMMY CARTER.

THE WHITE HOUSE, *August 21, 1978.*

COMMUNICATIONS

The PRESIDING OFFICER laid before the Senate the following communications, together with accompanying reports, documents, and papers, which were referred as indicated:

EC–4211. A communication from the Acting Director, Defense Security Assistance Agency, reporting, pursuant to law, on the Navy's proposed Letter of Offer to Iran for Defense Articles estimated to cost in excess of $25 million; to the Committee on Armed Services.

EC–4212. A communication from the Deputy Assistant Secretary of Defense (Installations and Housing), reporting pursuant to law, on five construction projects to be undertaken by the Air National Guard; to the Committee on Armed Services.:

EC–4213. A communication from the Deputy Assistant Secretary of Defense (Installations and Housing), reporting, pursuant to law, on a construction project to be undertaken by the Naval and Marine Corps Reserve; to the Committee on Armed Services.

EC–4214. A communication from the Acting Secretary of the Navy, transmitting a draft of proposed legislation permitting ten persons, citizens and subjects of the Kingdom of Saudi Arabia to receive instruction at the United States Naval Academy, and for other purposes; to the Committee on Armed Services.

EC–4215. A communication from the Acting Secretary of the Navy, transmitting a draft of proposed legislation to amend title 10, United States Code, to remove the statutory restriction on the strength and distribution in grade of officers designated for limited duty on the active lists of the Navy and the Marine Corps; to the Committee on Armed Services.

EC–4216. A communication from the Secretary of Transportation, transmitting, pursuant to law, a report entitled "Highway Needs to Solve Energy Problems"; to the Committee on Environment and Public Works.

EC–4217. A communication from the Secretary of Agriculture, reporting, pursuant to law, on review of primitive areas in the National Forest System and appropriate areas for redesignation to Class I where air quality related values are important attributes of the area; to the Committee on Environment and Public Works.

EC–4218. A communication from the chairman, Agricultural Technical Advisory Committee for Trade Negotiations on Dairy, transmitting, pursuant to law, the committee's report on the Agreement on Trade Matters Between the United States and the United Mexican States, signed in Washington, D.C., on December 2, 1977; to the Committee on Finance.

EC–4219. A communication from the Assistant Secretary (Legislative Affairs), Department of State, transmitting, pursuant to law, project performance audit reports prepared by the International Bank for Reconstruction and Development (IBRD), the Group of Controllers' evaluation reports by the Inter-American Development Bank (IDB), and post-evaluation reports by the Asian Development Bank (ADB); to the Committee on Foreign Relations.

EC–4220. A communication from the Assistant Administrator for Legislative Affairs, Agency for International Development, Department of State, transmitting, pursuant to

law, notification of an increase in the funding level of the proposed 1978 Caribbean Regional program; to the Committee on Foreign Relations.

EC–4221. A communication from the Assistant Administrator for Legislative Affairs, Agency for International Development, Department of State, transmitting, pursuant to law, notification of an increase in the funding level of the proposed fiscal year 1978 program in Guyana; to the Committee on Foreign Relations.

EC–4222. A communication from the Acting Assistant Legal Adviser for Treaty Affairs, Department of State, transmitting, pursuant to law, international agreements other than treaties entered into by the United States within 60 days after the execution thereof; to the Committee on Foreign Relations.

EC–4223. A communication from the Deputy Assistant Secretary, Policy, Budget, and Administration, Department of the Interior, reporting, pursuant to law, modification to a system of records for personnel research records, Interior OS–98, published April 14, 1978; to the Committee on Governmental Affairs.

EC–4224. A communication from the Assistant Secretary for Administration, Department of Housing and Urban Development, transmitting, pursuant to law, a report on a Privacy Act System of Records; to the Committee on Governmental Affairs.

EC–4225. A communication from the Comptroller General of the United States, transmitting, pursuant to law, a report entitled "Import Duties and Taxes: Improved Collection, Accounting, and Cash Management Needed," August 21, 1978; to the Committee on Governmental Affairs.

EC–4226. A communication from the Comptroller General of the United States, transmitting, pursuant to law, a report entitled "U.S. Economic Assistance for Israel," August 18, 1978; to the Committee on Governmental Affairs.

REPORTS OF COMMITTEES

The following reports of committees were submitted:

By Mr. LONG, from the Committee on Finance, with an amendment and an amendment to the title:

H.R. 1337. An act to amend the Internal Revenue Code of 1954 with respect to excise tax on certain trucks, buses, tractors, et cetera (Rept. No. 95–1127).

By Mr. CANNON, from the Committee on Commerce, Science, and Transportation, without amendment:

H.R. 13235. An act for the relief of James Thomas Lantz, Jr., David D. Bulkley, and Arthur J. Abshire (Rept. No. 95–1128).

EXECUTIVE REPORTS OF COMMITTEES

The following executive reports of committees were submitted:

By Mr. ROBERT C. BYRD (for Mr. EASTLAND), from the Committee on the Judiciary:

William E. Pitt, of Utah, to be U.S. marshal for the district of Utah.

(The above nomination from the Committee on the Judiciary was reported with the recommendation that it be confirmed, subject to the nominee's commitment to respond to requests to appear and testify before any duly constituted committee of the Senate.)

INTRODUCTION OF BILLS AND JOINT RESOLUTIONS

The following bills and joint resolutions were introduced, read the first time and, by unanimous consent, the second time, and referred as indicated:

By Mr. RIEGLE:

S. 3438. A bill for the relief of Sonia Maria Alvarado Marin and Maria Virginia Alvarado Marin; to the Committee on the Judiciary.

By Mr. CHAFEE:

S. 3439. A bill to amend the Controlled Substances Import and Export Act to exercise more fully the jurisdiction of the United States; to the Committee on the Judiciary.

By Mr. LAXALT:

S. 3440. A bill to transfer the administration of Ruby Lake National Wildlife Refuge, Nevada, in the State of Nevada; to the Committee on Energy and Natural Resources.

By Mr. ZORINSKY (for himself, Mr. ANDERSON, Mr. ABOUREZK, and Mr. MELCHER):

S.J. Res. 155. A joint resolution to increase the price support for milk, wheat, corn, soybeans, and cotton to not less than 90 per centum of the respective parity prices therefor, and for other purposes; to the Committee on Agriculture, Nutrition, and Forestry.

STATEMENTS ON INTRODUCED BILLS AND JOINT RESOLUTIONS

By Mr. CHAFEE:

S. 3439. A bill to amend the Controlled Substances Import and Export Act to exercise more fully the jurisdiction of the United States; to the Committee on the Judiciary.

CONTROLLED SUBSTANCES IMPORT-EXPORT ACT AMENDMENTS OF 1978

● Mr. CHAFEE. Mr. President, I was astounded to discover that loopholes in U.S. drug laws have prevented U.S. authorities from prosecuting nearly all drug smugglers apprehended beyond the territorial waters of the United States. This has opened the door to the safest and most lucrative smuggling techniques now used by international drug runners.

One of the primary reasons we find ourselves in this situation is that Congress left gaps in the law when it passed the Controlled Substances Import and Export Act in 1970 (Public Law 91–513).

Under that law, the United States has authority over any individual apprehended within the U.S. territorial waters which extend 3 miles off our coast. We also have criminal jurisdiction over American citizens or anyone aboard an American-owned vessel on the high seas if it can be proved that there was intent to smuggle contraband into the United States. But because intent is difficult to prove in a court of law, there are few successful prosecutions in such cases.

We do not, however, have jurisdiction over U.S. citizens or foreign nationals who simply possess drugs in international waters. While the law permits seizure of contraband and seizure of vessels transporting it, there are virtually no prosecutions of individuals apprehended for smuggling on the high seas.

Mr. President, today I am introducing S. 3439, the Controlled Substance Import and Export Act Amendments of 1978, a bill which will bring many of these international smugglers under jurisdiction of U.S. criminal law for the first time. No longer will drug runners be able to lurk outside the arbitrary line of a 3- or 12-mile territoral line and operate with inpunity.

I think most Americans would be amazed to know the magnitude of these smuggling operations. There is a well-organized, well-financed multibillion dollar a year industry in the import of illicit drugs. We are not talking any more about kids who drive across the border to Mexico and come back with a few pounds of marihuana and cocaine stuffed under the floorboards of their van.

We are now seeing a new kind of smuggling operation involving full scale, commercial freighters known as "mothership." These vessels range from 100 to 300 feet in length. Their primary cargo, loaded on the coast of Colombia, is commonly 50 to 60 tons of marihuana and smaller, though valuable, quantities of cocaine. The vessels are usually registered in a foreign country, and some of them, while not officially registered, fly the flags of a number of nations. The crews are usually of South American nationality.

Typically, these "motherships" take one of several routes from Colombia, between or around the Carribean Islands, to the United States. They remain carefully outside the 12-mile Customs enforcement zone, and thereby, outside U.S. criminal jurisdiction. At various designated points along the coast, anywhere from Brownsville, Tex., to the tip of Maine, the "motherships" rendezvous with smaller, faster boats which pick up portions of the cargo and run them back to shore. The runner boats are usually owned and operated by U.S. citizens and easily blend in with the thousands of pleasure craft and fishing boats along our coastline.

Obviously, Mr. President, the slim risk of being caught and prosecuted does not deter many individuals from the enormous profits that are made from a successful operation. Despite the fact that U.S. drug enforcement officials have confiscated more than 3.1 million pounds of marihuana during the first three-quarters of fiscal year 1978—twice as much as was seized all last year—there has been no noticeable effect on its price at the retail level. And U.S. officials estimate that they intercept only about 10 percent of the flow.

In testimony presented before a House Subcommittee on July 27, 1978, Stuart Seidel, Assistant Chief Counsel for the U.S. Customs Service, commented on the new style of operation:

> There are several factors accounting for this new trend by the marijuana smuggler—the continuing Mexican eradication program has made the Colombian marijuana more attractive, the use of large vessels enable the smuggler to transport vast quantities of the bulky marijuana relatively cheaply, the extensive Southeastern coastline offers easy, undetected access to the United States, and gaps and inadequacies in our present law make successful prosecutions difficult. Thus, smuggling by vessel has become the new modus operandi of the drug smuggler.

It is interesting to note that as recently as 1976, marihuana seizures along our Mexican border accounted for 60 percent of the total seizures made by Customs in the United States. By 1978, however, that figure dropped to a mere 7 percent, while seizures in the Gulf and Southeastern Atlantic equaled 89 percent of the national total. It is also interesting that, while the actual number of seizures

of heroin, cocaine, and marihuana have decreased in the first three-quarters of fiscal year 1978 from the same time a year ago, the quantities seized have increased dramatically.

No other single incident has illustrated this trend more vividly than the August 6, 1978 seizure of a stateless vessel called the "Heidi". The vessel, 165 feet in length, contained a record 225,469 pounds of marihuana. The crew members, all South Americans, will simply be deported and given a free plane ride back home.

In a coordinated enforcement action called Operation Stopgap earlier this year, the U.S. officials confiscated 900,000 pounds of Colombian marihuana, 33 vessels, 6 aircraft, 18 land vehicles, 3 hydraulic presses and $15,000 in cash in a 45-day period. The brilliant success of Operation Stopgap is only dimmed by the fact that of the 220 persons apprehended, only 4 have been or will be prosecuted—all Americans arrested in U.S. territory. The rest have been deported. Some of these individuals, Mr. President, have been apprehended five times before under similar circumstances. They are sent home and they are back up here on the next boat.

So, what does all this mean? What are we being called upon to do about it?

I do not have any visions about ridding the world of heroin, cocaine, marihuana, and other contraband. But I do think that we in Congress have the responsibility to bring the individuals who manufacture, possess or distribute illegal drugs for import to the United States, both our citizens and foreign nationals, as far within the grasp of U.S. criminal law as possible.

The legislation I have introduced will accomplish a large part of that objective. I am also happy to be a cosponsor of a bill by Senator CULVER which takes other important steps in that direction.

My bill has been carefully worked out over the past 6 weeks with officials of the U.S. Customs Service and with the Senate Legislative Counsel, and I would like to take a moment to outline its provisions.

DEFINITIONS

My bill first adds new definitions to the opening section of the Controlled Substances Import and Export Act. In its current form, the act fails to include the broadest possible definition of a "vessel under the jurisdiction of the United States," and herein lies one of its major weaknesses.

My language would bring under U.S. jurisdiction the following:

First. Any vessel documented under laws of the United States, or owned in whole or in part by a citizen or corporation of the United States;

Second. Any vessel on the high seas registered in a foreign country if that country authorizes the United States to assert jurisdiction;

Third. Any vessel without nationality;

Fourth. Any vessel within U.S. customs waters, which currently extend 12 miles off shore, or within a U.S. customs enforcement area which may be established pursuant to the Anti-Smuggling Act of 1935 (49 Stat. 517);

Fifth. Any vessel which is a hovering vessel, described in the Tariff Act of 1930 as a vessel which is kept off the U.S. coast, either inside or outside customs waters, if it is reasonable to believe that it is being or may be used for smuggling; and

Sixth. Any vessel which flies more than one flag and thereby loses the right to claim any nationality under article 6 of the Convention on the High Seas.

TRANSPORTATION

Section 3 of my bill tightens the Controlled Substances Import and Export Act by adding a prohibition against transporting illegal drugs into or within U.S. customs waters. This accompanies the current provision against importing contraband into U.S. territory.

POSSESSION

Section 4 of my bill is perhaps the key provision. For the first time, it makes possession of illicit drugs on board any vessel, aircraft or vehicle that is subject to jurisdiction of the United States a Federal offense, regardless of where it may be located.

UNLAWFUL TRANSFER

Section 5 makes it unlawful for any person to transfer a controlled substance to any vessel under jurisdiction of the United States or any vessel bound for the United States.

UNLAWFUL IMPORTATION

Section 6 makes it illegal to manufacture, possess or distribute any controlled substance intending or knowing that it will be unlawfully imported into the United States.

PENALTIES

Section 7 simply brings the new factors introduced by my bill—the transportation, the transfer from one vessel to another, and the possession of controlled substances—under the penalties of the existing law. In the case of narcotic substances, it calls for the person committing a violation to be imprisoned up to 15 years, or fined $25,000, or both.

Mr. President, I believe my bill presents the most complete set of amendments to the Controlled Substances Import and Export Act yet devised for the purpose of closing loopholes in the law which inhibit the prosecution of professional, large-scale drug smugglers. I strongly urge the Senate to adopt my proposal along with others which are being developed for a coordinated approach to the growing problem of international drug trafficking.

I ask unanimous consent that the text of my bill be printed in the RECORD.

There being no objection, the bill was ordered to be printed in the RECORD, as follows:

S. 3439

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,

SHORT TITLE

SECTION 1. This Act may be cited as the "Controlled Substances Import and Export Act Amendments of 1978".

DEFINITIONS

SEC. 2. Section 1001(a) of the Controlled Substances Import and Export Act is amended by adding at the end thereof the following:

"(3) The term 'high seas' includes all parts of the sea included in such term by Article 1 of the Convention on the High Seas, done on April 29, 1958.

"(4) The term 'vessel of the United States' means—

"(A) any vessel documented under the laws of the United States, or numbered as provided by the Federal Boat Safety Act of 1971;

"(B) any vessel owned in whole or in part by the United States, by any citizen of the United States, or by any corporation created by or under the laws of the United States, or by or under the laws of any State, territory, district, commonwealth, or possession thereof; or

"(C) any vessel of United States nationality within the meaning of Article 5 of the Convention on the High Seas, done on April 29, 1958.

"(5) The term 'vessel subject to the jurisdiction of the United States' includes—

"(A) any vessel without nationality;

"(B) any vessel assimilated to a vessel without nationality in accordance with the provisions of paragraph (2) of Article 6 of the Convention on the High Seas, done on April 29, 1958;

"(C) any vessel within the customs waters, as defined in section 401 of the Tariff Act of 1930, of the United States and any vessel within a customs enforcement area established pursuant to section 1 of the Act entitled 'An Act to protect the revenue of the United States and provide measures for the more effective enforcement of the laws respecting the revenue, to prevent smuggling, to authorize customs-enforcement areas, and for other purposes', approved August 5, 1935 (49 Stat. 517);

"(D) any vessel on the high seas registered in a foreign country if such country authorizes the United States to assert jurisdiction on such vessel for the purposes of enforcing this title;

"(E) any vessel of the United States; or

"(F) any vessel which is a hovering vessel within the meaning of section 401 of the Tariff Act of 1930.".

UNLAWFUL IMPORTATION OR TRANSPORTATION

SEC. 3. Section 1002 of the Controlled Substances Import and Export Act is amended—

(1) by amending the heading to read as follows:

"IMPORTATION OR TRANSPORTATION OF CONTROLLED SUBSTANCES";

(2) in subsection (a), by striking out "It shall be unlawful to import into the customs territory of the United States from any place outside thereof (but within the United States), or to import into the United States from any place outside thereof," and inserting in lieu thereof "It shall be unlawful for any person within or without the United States to import or transport into the customs territory of the United States from any place outside thereof, or for any person within or without the United States to import or transport into the United State from any place outside thereof,";

(3) in subsection (b), by striking out "It shall be unlawful to import into the customs territory of the United States from any place outside thereof (but within the United States), or to import into the United States from any place outside thereof," and inserting in lieu thereof "It shall be unlawful for any person within or without the United States to import or transport into the customs territory of the United States from any place outside thereof, or for any person within or without the United States to import or transport into the United States from any place outside thereof,"; and

(4) by adding at the end thereof the following:

"(d) It shall be unlawful for any person within or without the United States to aid or facilitate the commission of any offense de-

scribed in subsection (a) or (b) of this section.".

POSSESSION ON BOARD VESSELS, AIRCRAFT, OR VEHICLES

SEC. 4. Section 1005 of the Controlled Substances Import and Export Act is amended—

(1) by amending the heading to read as follows:

"POSSESSION ON BOARD VESSELS, AIRCRAFT, OR VEHICLES";

(2) by inserting immediately after "customs territory of the United States," the following: "or on board any vessel or aircraft, or on board any vehicle of a carrier, subject to the jurisdiction of the United States, wherever such vessel, aircraft, or vehicle is located,".

UNLAWFUL TRANSFER

SEC. 5. The Controlled Substances Import and Export Act is amended by inserting after section 1005 the following:

"UNLAWFUL TRANSFER

"SEC. 1005A. It shall be unlawful for any person outside the United States to transfer a controlled substance from any vessel to a vessel bound for the United States and for any person within or without the United States to transfer any such substance from any vessel to a vessel subject to the jurisdiction of the United States.".

MANUFACTURE, DISTRIBUTION, OR POSSESSION FOR PURPOSES OF UNLAWFUL IMPORTATION

SEC. 6. Section 1009 of the Controlled Substances Import and Export Act is amended—

(1) by striking out in the heading "MANUFACTURE OR DISTRIBUTION" and inserting in lieu thereof "MANUFACTURE, DISTRIBUTION, OR POSSESSION";

(2) by inserting in the first sentence immediately after "schedule I or II" a comma and the following: "or to possess a controlled substance in schedule I or II aboard a vessel subject to the jurisdiction of the United States"; and

(3) by striking out in the second sentence "manufacture or distribution" and inserting in lieu thereof "manufacture, distribution, or possession".

PROHIBITED ACTS—PENALITIES

SEC. 7. Section 1010 of the Controlled Substances Import and Export Act is amended—

(1) by striking out "imports or exports" and inserting in lieu thereof "imports, transports, or exports" in paragraph (1);

(2) by striking out "or" at the end of paragraph (2); and

(3) by striking out paragraph (3) and inserting in lieu thereof the following:

"(3) contrary to section 1005A, transfers from one vessel to another a controlled substance, or

"(4) contrary to section 1009, manufactures, distributes, or possesses a controlled substance.".

By Mr. LAXALT:

S. 3440. A bill to transfer the administration of Ruby Lake National Wildlife Refuge, Nevada, to the State of Nevada; to the Committee on Energy and Natural Resources.

● Mr. LAXALT. Mr. President, today, I am introducing legislation which will transfer management authority of the Ruby Lake National Wildlife Refuge, Nevada, from the U.S. Fish and Wildlife Service to the State of Nevada's Fish and Game Department. A recent permanent restraining order issued by the U.S. District Court, District of Columbia, prohibiting the use of powerboats unless they are 10 horsepower or less in the Ruby Lake Wildlife Refuge has compelled me to take this action.

Mr. President, this decision to severely restrict recreational boating activities at the refuge, resulted from the environmental impact assessment on boating at the Ruby Marshes completed by the U.S. Fish and Wildlife Service. The EIA maintained that boating is adversely affecting the nesting canvasback and redhead ducks with conflicts occurring during site selection, initial and renesting attempts, and the brooding period. Since that time, Mr. President, my eastern Nevada constituents as well as myself, have been wrangling constantly over the past several years with the U.S. Fish and Wildlife Service over regulations sharply restricting recreational powerboating on the Ruby Marshes.

At this point, I would like to point out that all Nevadans agree that the wildlife at the Ruby Marshes should be protected, and that the Fish and Wildlife Service, after listening to State and local concerns, had drawn up regulations that would have protected the wildlife and its habitat and still allowed some recreational opportunities for my eastern Nevada constituents. Additionally, my discussions with people who have long experience with the Ruby Marshes, and whose judgment I have always considered to be sound, has led me to the opinion that this proposed action is taken without justification or valid scientific supporting data. Information provided to me about waterfowl populations at the Ruby Marshes reveals that waterfowl production has not been adversely impacted by the recreational usage as claimed.

The Fish and Wildlife Service released figures which prove that there has been no significant interference with waterfowl production. Waterfowl production figures prepared by the then Ruby Marsh Wildlife Refuge manager during January 1976, show that the redhead and canvasback duck production has increased 209 percent over the 10-year period 1964 to 1974. Mr. President, I ask that the Ruby Lake National Wildlife Refuge waterfowl production figures be printed in the RECORD at the end of my statement.

Further, Mr. President, I directed my staff to research this matter. A book was brought to my attention entitled "Ducks, Geese, and Swans of North America". It is a textbook written by Frank C. Belrose, a research associate in the Illinois National History Survey and author of more than 60 articles and papers devoted to waterfowl, makes some pertinent points.

The book, sponsored by the Wildlife Management Institute, maintains there are only about 900 canvasbacks breeding in Nevada, of about 10,000 breeding in the intermountain region. Although the text is no more specific, a chart in the book, which breaks down breeding population areas to locations of 5,000 canvasbacks, areas less than 5,000 are "minor breeding areas". The book shows eastern Nevada with "less than 5,000", thus the Ruby Marshes barely qualifies as a "minor breeding areas."

Concerning redheads, the book says that only "minor breeding populations occur in the Ruby Mountains of eastern Nevada." This indicates fewer than 1,000 birds. Here again, the accompanying charts in the text indicates the Ruby Marshes as only a "minor breeding area."

Further, it was brought to my attention that the duck population figures used by the U.S. Fish and Wildlife Service and others are highly misleading and are a result of airplane flights over the marshes, which the birds were eyeballed by "trained" observers. Consequently, as a result of this research I could not support the conclusions of the U.S. Fish and Wildlife. I feel the Environmental Impact Assessment is biased. It is without adequate factual data upon which a sound decision for a policy change can be based, and it is without solid evidence of any need for such a change.

Mr. President, the restraining order prohibiting the use of powerboats unless they are 10 horsepower or less will practically eliminate boating at the Ruby Marshes. It will eliminate use of the marshes by women, small children, disabled people, and senior citizens who do not want to risk the hazard of small boat usage or the physical strain of rowing.

As I previously mentioned, Mr. President, the Fish and Wildlife Service has persisted in this campaign to restrict recreational boating at the Ruby Marshes for the past several years, and the recent maneuver in the district court is obviously, at least to me, a result of a collusion between the U.S. Fish and Wildlife Service and the defenders of wildlife. Quitely frankly, my eastern Nevada constituents and I did not expect the Fish and Wildlife Services to perform a very admirable job of defending our interests in the Washington court, which has proved to be the case.

Almost every one of my eastern Nevada constituents that I have talked to in regard to this matter is seriously concerned about the recreational loss that will be suffered. They are not only disturbed, but angry about this action which will deny them access to one of the two areas within reasonable travel time providing them with water recreational activities. It is obvious to me that eastern Nevadans want the policies regarding the management of the Ruby Marshes to be in terms of a multiple-use concept. I, as their elected representative, am concerned with their desires, and wish to go on record at this time supporting policies and procedures that will develop a multiple-use concept at the Ruby Marshes.

At this point, I would like to point out that on a national scale the Ruby Marshes are not significant in size. On the local level, however, the Ruby Marshes is extremely significant in view of the lack of sufficient water resources for recreational use in the area. It contains only 37,631 acres, which is insignificant when compared to the total refuge system. And of these 37,631 acres, boating is allowed in the 7,000-acre south sump. Powerboating is effectively permitted on only about 3,500 acres, with 30 acres used as a ski pond. Mr. President, I cannot believe this could cause any serious disruption of the whole marsh or disrupt waterfowl populations.

Let me assure my colleagues, Mr. Pres-

ident, that my eastern Nevada constituents are interested in the wildlife and the waterfowl aspects of the Ruby Marshes and are not attempting to harm the wildlife or reduce the production of waterfowl. Rather, we mutually believe that the Ruby Marshes can accommodate wildlife habitats, waterfowl production, powerboat fishing, and recreational boating without an impact of serious consequences on the wildlife and waterfowl.

Mr. President, the EIA used for the district court's restraining order was inconclusive as far as determining the effects of boating recreational use on duck production and brood survival at the Ruby Marshes. The EIA gave no consideration to the fact that fluctuations in nesting and brood survival are also related to weather conditions, food availability, predator loss, and alternative routes. It is also my understanding that the majority of canvasback and redhead nesting is completed by the time powerboating is allowed and becomes popular at the Ruby Marshes. There is just a lack of solid evidence that can positively identify boat disturbances as the cause of canvasback and redhead nesting or brood failure. Thus, Mr. President, it is my view that the court's decision was prejudiced and not based on adequate information.

Mr. President, the legislation I am now introducing will insure that the problems of the Ruby Marshes will be dealt with by Nevadans who are familiar with these problems. In my view, the Nevada Department of Fish and Game is well qualified to deal with these problems rather than Washington bureaucrats. There is no doubt in my mind that both ducks and eastern Nevada sportsmen will benefit from this proposal to transfer authority for managing the Ruby Marshes to the State of Nevada.

Mr. President, I sincerely hope that the committee and the Senate will act expeditiously on this legislation. I ask unanimous consent that the bill be printed in the RECORD.

There being no objection, the table and bill were ordered to be printed in the RECORD, as follows:

RUBY LAKE NATIONAL WILDLIFE REFUGE WATERFOWL PRODUCTION

Year	Redheads	Canvasbacks	Total other ducks	Coots
1938	(1)	(1)	(1)	(1)
1939	(1)	(1)	(1)	(1)
1940	(1)	(1)	(1)	(1)
1941	(1)	(1)	(1)	(1)
1942	2,000	2,500	7,660	7,500
1943	1,000	3,000	5,514	9,000
1944	800	3,500	4,150	2,000
1945	800	5,000	4,150	2,000
1946	400	200	1,550	200
1947	(1)	(1)	(1)	(1)
1948	100	150	1,150	1,500
1949	200	100	600	500
1950	694	587	1,320	793
1951	600	700	1,245	500
1952	600	500	1,365	800
1953	1,000	800	1,830	3,000
1954	600	700	1,310	1,200
1955	450	500	1,190	1,000
1956	450	400	1,110	1,000
1957	379	340	983	3,290
1958	622	556	1,124	3,870
1959	500	800	4,145	3,000
1960	1,800	1,050	2,640	6,500
1961	500	150	3,225	2,000
1962	90	28	1,190	2,500
1963	500	1,000	2,030	5,170
1964	300	800	2,200	6,000
1965	1,100	600	1,980	4,000
1966	1,170	850	4,395	8,000
1967	1,000	750	3,860	6,500
1968	900	2,500	4,300	7,000
1969	1,860	1,220	2,780	3,000
1970	2,635	2,550	2,680	7,500
1971	1,687	1,778	3,274	1,739
1972	3,870	2,350	7,110	4,400
1973	2,000	2,255	4,410	1,790
1974	1,280	2,035	3,035	3,670
1975	800	1,200	1,430	2,500

(1) No data.

S. 3440

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That on or before the expiration of the twelve-month period following the date of submission to the Secretary of the Interior of an application by the State of Nevada requesting the Secretary of the Interior to take such action as may be necessary to transfer to the State of Nevada all control and jurisdiction over tne area comprising Ruby Lake National Wildlife Refuge, Nevada, the Secretary of the Interior shall transfer such control and jurisdiction over such Wildlife Refuge to the State of Nevada and such refuge shall be administered by such State agency as may be designated by the Governor of the State of Nevada, and in accordance with the applicable laws of the State of Nevada.

SEC. 2. The following laws and conventions shall not be applicable to Ruby Lake National Wildlife Refuge, Nevada:

(1) Act of September 28, 1962, as amended (16 U.S.C. 460k);

(2) Endangered Species Act of 1973;

(3) Migratory Bird Conservation Act;

(4) Migratory Bird Treaty Act;

(5) Chapters 5 and 7 of title 5, United States Code;

(6) Fishery Conservation and Management Act of 1976;

(7) Marine Mammal Protection Act of 1972;

(8) Minnesota Valley National Wildlife Refuge Act;

(9) National Wildlife Refuge System Administration Act of 1966;

(10) Executive Order Numbered 7923, dated July 7, 1938;

(11) Convention for the Protection of Migratory Birds of August 16, 1916;

(12) Convention for the Protection of Migratory Birds and Game Mammals of February 7, 1936; and

(13) Convention for the Protection of Migratory Birds and Birds in Danger of Extinction, and Their Environment of March 4, 1972.

By Mr. ZORINSKY (for himself, Mr. ANDERSON, Mr. ABOUREZK, and Mr. MELCHER):

S.J. Res. 155. A joint resolution to increase the price support for milk, wheat, corn, soybeans, and cotton to not less than 90 per centum of the respective parity prices therefor, and for other purposes; to the Committee on Agriculture, Nutrition, and Forestry.

● Mr. ZORINSKY. Mr. President, today I am introducing a joint resolution to dictate price supports of at least 90 percent of parity for several major commodities.

Congress long ago gave the Secretary of Agriculture authority to raise price support loan levels to 90 percent of parity for wheat, corn, soybeans, cotton, and milk. Until the Agricultural Act of 1949, as amended, he has the necessary authority to adjust Commodity Credit Corporation loan levels to keep pace with inflation and increasing costs of production. However, the administration has chosen not to use this authority. Instead the President and Secretary Bergland have elected to maintain inadequate and outdated price supports for these vital commodities.

The American Agriculture Movement has worked tirelessly during this past year to convince Congress and the American consumer that the survival of the family farm depends upon higher prices for their produce. The movement's efforts were in many ways successful. They have publicized the plight of American agriculture. They have won public backing for higher farm prices. Surveys conducted this spring by a national pollster indicated that most American consumers would be willing to pay a few more cents for basic food stuffs so that the farmer could receive an adequate price for his goods. The AAM gained Senate approval of a scheme to provide farmers with 100 percent of parity.

Nevertheless, farm prices remain abysmally low. The administration has done nothing to raise price support levels. American farmers still wonder how they can scrape together enough cash to eke out a living one more year.

Today, Mr. President, I raise once again the need for more realistic price supports. America's farmers cannot afford to let this critical issue die. At the request of the American Agriculture Movement I am introducing this joint resolution, which parallels a resolution introduced in the House by Congressman RICHARD NOLAN of Minnesota.

There is little need to reiterate here the arguments in favor of parity prices. It suffices to say that the cogent reasons presented by our Nation's farmers only a few months ago are the same today. Despite the claims of the Carter administration, grain, cotton, and milk prices remain depressed. Production costs continue to climb well above current prices.

American farmers want and need parity prices. They deserve them. The economic health of the Nation and one of our largest and most productive industries depends on more realistic price supports. We have delayed long enough. We now should hasten to support the hand that feeds us.●

ADDITIONAL COSPONSORS

S. 2388

At the request of Mr. JAVITS, the Senator from Montana (Mr. MELCHER), the Senator from California (Mr. HAYAKAWA), and the Senator from Indiana (Mr. BAYH) were added as cosponsors of S. 2388, a bill to amend the Internal Revenue Code of 1954 to provide for the exclusion from gross income of certain employer educational assistance programs.

S. 3285

At the request of Mr. TOWER, the Senator from Idaho (Mr. MCCLURE) was added as a cosponsor of S. 3285, a bill to amend the Internal Revenue Code by extending the investment tax credit to certain agricultural structures.

AMENDMENT NO. 3241

At the request of Mr. FORD, the Senator from South Carolina (Mr. HOLLINGS), the Senator from Texas (Mr. BENTSEN), the Senator from Montana (Mr. MELCHER), the Senator from Missouri (Mr. DANFORTH), and the Senator from New Hampshire (Mr. DURKIN) were added as cosponsors of amendment No. 3241, intended to be proposed to S. 3229, a bill to amend title 39 of the United States Code to improve the organizational structure of the U.S. Postal Service, and for other purposes.

AMENDMENT NO. 3409

At the request of Mr. PERCY, the Senator from Ohio (Mr. METZENBAUM), the Senator from Idaho (Mr. CHURCH), and the Senator from Colorado (Mr. HASKELL) were added as cosponsors of Amendment No. 3409 intended to be proposed to S. 991, to prevent the transfer of child nutrition programs from USDA to the Department of Education.

AMENDMENT NO. 3458

At the request of Mr. MUSKIE, the Senator from Indiana (Mr. BAYH), the Senator from New Mexico (Mr. DOMENICI), the Senator from Tennessee (Mr. SASSER), and the Senator from North Carolina (Mr. MORGAN) were added as cosponsors of Amendment No. 3458 intended to be proposed to S. 2441, a bill to amend the Urban Mass Transportation Act of 1964.

SENATE RESOLUTION 431

At the request of Mr. PERCY, the Senator from Oklahoma (Mr. BELLMON) was added as a cosponsor of Senate Resolution 431, the Lee Metcalf Fair Employment Relations Resolution.

AMENDMENTS SUBMITTED FOR PRINTING

CIVIL SERVICE REFORM ACT OF 1978—S. 2640

AMENDMENT NO. 3514

(Ordered to be printed and to lie on the table.)

Mr. PELL submitted an amendment intended to be proposed by him to S. 2640, a bill to reform the civil service laws.

● Mr. PELL. Mr. President, the Senate will soon be considering S. 2640, the Civil Service Reform Act of 1978. Legislation to modernize the civil service is long overdue, and I support this bill. I believe, however, that the Foreign Service should be exempted from its provisions just as the uniformed military services, the intelligence agencies, and the FBI are. I am, today, submitting an amendment to accomplish that objective; and I ask unanimous consent that the text of my amendment as well as an analysis of it be printed in the RECORD immediately following my remarks.

The Foreign Service is an "excepted service" established originally under the Rogers Act of 1924 and now governed by the Foreign Service Act of 1946, as amended. The centerpiece of S. 2640 is the creation of a new Senior Executive Service (SES), a governmentwide senior management pool consisting of civil servants above GS–15 or its equivalent, which in the Foreign Service is FSO–3. In the case of the Foreign Service, the SES would be superimposed on an existing personnel structure that is totally different from the Civil Service. Such an action, I submit, would do severe damage to the Foreign Service and undermine the conduct of American diplomacy.

The fundamental difference between the Foreign Service and the civil service is that the former is a vertically oriented career service organized along the lines of the military services with a comparable rank structure with grades equivalent to second lieutenants and ensigns on up to to four-star generals and admirals. The Foreign Service, along with the military services, operates on the basis of a rank-in-person system with mandatory rotation among jobs on a worldwide availability basis and with recruitment at the bottom and advancement up the career ladder as the individual officer's experience and performance merit it. The civil service, on the other hand, is organized laterally on the basis of categories such as "senior management"; and its personnel are recruited to fill a particular job in a particular location. Advancement is accomplished in the civil service's rank-in-job structure by applying for and obtaining a higher ranked position.

The SES would embody a rank-in-person system allowing—but not mandating as does the Foreign Service—periodic reassignments, and then only at the senior levels. This is a step forward as compared with the present civil service system, but there is no need to impose it on an already existing Foreign Service system which employs these concepts at all grade levels.

Not only is there no need to superimpose the SES on the Foreign Service, but to do so would destroy the unified nature of the Foreign Service and thus weaken it as a tool for the conduct of our country's diplomacy.

The pursuit of our national objectives in the area of foreign policy requires a Foreign Service system which trains people in diplomacy throughout their careers, which provides essential experience in service abroad, and which can count on the availability of professionally trained and experienced personnel to senior positions in Washington and abroad. This, of course, requires the availability of senior positions to be filled by personnel who spend their professional lives developing the necessary skills and experience to assume senior responsibilities. If, in addition to political appointees, another non-Foreign Service route to the top in the foreign affairs field is created, I fear that much of the incentive for able people to enter and then to put up with the many hardships of Foreign Service life would disappear.

A decrease in opportunities for Ambassadors would be particularly harmful. In recent years, about 70 percent of our Embassies have been headed by career Foreign Service officers, and the remaining 30 percent by political appointees. Application of the SES system to the Foreign Service could further reduce the percentage of Ambassadorships held by Foreign Service officers. Such a reduction would not only reduce the incentive for people to enter and remain in the Foreign Service, but it would also further dilute the ranks of professionally trained and experienced diplomats holding Ambassadorships. That, in my view, would be harmful to the conduct of American diplomacy.

It could be argued that for every lost opportunity for ambassadorships or senior posts in the Washington foreign affairs agencies a new opportunity would be opened elsewhere in the Government for Foreign Service personnel entering the SES. Once, however, a Foreign Service officer is appointed to a position in another agency under the SES system, there is no guarantee that he will ever return to his parent foreign affairs agency; thus his or her skills could be lost forever to the Department of State, the International Communication Agency, or the Agency for International Development. I favor assignments of Foreign Service personnel to other agencies, but it would be better, in my view, to continue with the present system whereby a certain number of Foreign Service officers are detailed to other agencies for a specific, limited period of time and then return to Foreign Service positions.

In addition to the SES, other provisions of S. 2640 should not apply to the Foreign Service, because comparable provisions already apply to the Foreign Service under the Foreign Service Act of 1946. These other provisions of S. 2640 relate to merit system principles, prohibited personnel practices, personnel oversight, grievance handling, and adverse actions. My amendment would exempt the Foreign Service from these provisions as well.

Mr. President, the need for a disciplined and unified Foreign Service is as strong today as it was when the Foreign Service Act of 1946 was passed. Unless the Foreign Service is exempted from S. 2640, it would face the same problem that would confront the military services if their senior ranks above colonel and Navy captain were put into a separate organization. A disciplined service has to be a unified service. The congressional founders of the Foreign Service realized that, and my amendment will serve to keep intact the structure which they considered so important to the conduct of our foreign relations.

There being no objection, the amendment and analyses were ordered to be printed in the RECORD, as follows:

ANALYSIS OF AMENDMENT TO S. 2640

(1) On page 133, line 21, immediately before the semicolon, insert ", the Foreign Service of the United States".

ANALYSIS

This amendment excludes the Foreign Service from the chapter on merit system principles, prohibited personnel practices, and General Accounting Office responsibilities. The Foreign Service has its own merit system, personnel practices, and oversight under separate statute and regulations directed toward the special needs and responsibilities of the Service. The Foreign Service is a rank-in-person system requiring different approaches to achievement of merit and

other personnel objectives than those based upon a rank-in-job system such as the Civil Service.

(2) On page 167, after line 7, insert the following new section:

"S. 1208. Exception for the Foreign Service

"This chapter shall not apply to the Foreign Service of the United States.".

ANALYSIS

This section would except the Foreign Service from the authority of the Merit Systems Protection Board and Special Counsel since the Foreign Service has its own such body (the Board of the Foreign Service) and officer (Director General of the Foreign Service) to oversee personnel policies and practices. This includes disciplinary authority (section 637 of the Foreign Service Act) and a special grievance system for protection of employees (sections 691–694 of the Foreign Service Act).

(3) On page 175, line 15, strike out ", and" and insert in lieu thereof:

"; or"

"(D) an individual whose position is in the Foreign Service of the United States; and".

ANALYSIS

This amendment would exempt the Foreign Service from the adverse action provisions of the bill carrying a penalty of suspension for 30 days or less. The Foreign Service differs from the Civil Service both in what may constitute adverse actions and in procedures for initiating and appealing them. Under section 637 of the Foreign Service Act separation for cause procedures include a hearing and other special steps designed for the Service. In addition, the provisions of the bill would duplicate remedies available to the Service through the statutory grievance system designed for it.

(4) On page 178, line 14, strike out the period and insert in lieu thereof:

"; or

"(5) whose position is in the Foreign Service of the United States.".

ANALYSIS

The first amendment excludes members of the Foreign Service from the Senior Executive Service. The second is consequential to the first. The Foreign Service is by law an excepted, rank-in-person service already, but it is subject to special requirements and has its own oversight body, disciplinary provisions, and performance incentives which make inclusion of some of its members in the Senior Executive Service undesirable. The inclusion of top Foreign Service officers in the Senior Executive Service, for example, would disrupt the Foreign Service promotion system, which is designed to move people from entry level to the top through competition with their peers in the Foreign Service.

(5) On page 203,

(a) at line 2, immediately after "position", insert: "(other than a position in the Foreign Service of the United States)".

(b) at line 17, strike out "Except for a position in the Foreign Service" and capitalize "the" immediately after the deleted phrase.

ANALYSIS

The first amendment excludes members of the Foreign Service from the Senior Executive Service. This makes the exception at line 17 unnecessary, so the second amendment deletes it. The Foreign Service is by law an excepted, rank-in-person service already but it is subject to special requirements and has its own oversight body, disciplinary provisions, and performance incentives which make inclusion of some of its members in the Senior Executive Service undesirable. The inclusion of top Foreign Service officers in the Senior Executive Service, for example, would disrupt the Foreign Service promotion system, which is designed to move people from entry level to the top through competition with their peers in the Foreign Service.

(6) On page 258, line 13, immediately after "individual" insert "(other than an individual in the Foreign Service of the United States)".

ANALYSIS

This amendment excepts individual members of the Foreign Service from the categories subject to personnel research and demonstration projects under the direction of the Office of Personnel Management.

These provisions are directed toward improvement of the Civil Service System, and their application to members of the Foreign Service is inappropriate.●

ELEMENTARY AND SECONDARY EDUCATION AMENDMENTS OF 1978—S. 1753

AMENDMENT NO. 3515

(Ordered to be printed and to lie on the table.)

Mr. HEINZ submitted an amendment intended to be proposed by him to S. 1753, a bill to extend the Elementary and Secondary Education Act of 1965, and for other purposes.

● Mr. HEINZ. Mr. President, today I am submitting an amendment to S. 1753, the Elementary and Secondary Amendment of 1978. This amendment seeks to educate our children to employ energy conservation measures in their normal daily activities.

The energy problem facing our Nation today will only worsen as time passes. In the face of our growing dependence on foreign sources and our dwindling supplies, the uncontrollable American appetite for energy must be addressed. I believe it is essential that we instill in our children during their early, formative years the importance of conserving our precious resources whenever possible.

Youngsters can be taught to be less wasteful of energy at home, in the classroom, at play. They can be taught to close the door while the air conditioner is running; to turn out the light when leaving a room; to conserve water. There are hundreds of practical, useful energy saving measures that can be taught to our children. Energy conservation measures can also be woven into regular high school coursework in such classes as home economics and drivers' education. For example, I am aware of high school students in Delaware County, Pa., who have been taught to do energy audits of existing buildings. It has also been demonstrated that young people taught to drive using energy efficient techniques repeatedly exceed the EPA mileage estimates for miles per gallon of gasoline.

The amendment I introduce today would place specific emphasis on use of the discretionary fund of the Commissioner of Education for the purpose of making grants and contracts to develop curricula and disseminate information on energy conservation and to train personnel to teach energy conservation subject matter to elementary and secondary school children.

I believe the adoption of this amendment, which addresses one of the most critical concerns of our Nation today, will help to insure that our Nation's energy supplies will be used in the wisest, most efficient way.

Mr. President, I ask unanimous consent that the text of my amendment be printed in the RECORD.

There being no objection, the amendment was ordered to be printed in the RECORD, as follows:

AMENDMENT No. 3515

On page 134, between lines 15 and 16 insert the following:

"(c) The Commissioner is also authorized, from the amount available for the purpose of this section, to make grants and enter into contracts for the development of curricula, and the dissemination of information relating to the improvement of teaching energy conservation to elementary and secondary school children and for the training of personnel to teach energy conservation to such children. In carrying out the provisions of this subsection, the Commissioner shall use to the maximum extent practicable materials developed by the Department of Energy, the Community Services Administration, and the Department of Housing and Urban Development.

On page 134, line 16, strike out "(c)" and insert in lieu thereof "(d)".●

AMENDMENT NO. 3516

(Ordered to be printed and to lie on the table.)

Mr. HEINZ submitted an amendment intended to be proposed by him to S. 1753, supra.

● Mr. HEINZ. Mr. President, the amendment which I submit today to the Elementary and Secondary Education Act amendments, S. 1743, is intended to insure that television programs developed under title VI, the Emergency School Aid Act, be of high quality.

I am aware that over the past several years the Office of Education has been successful in the production and development of children's television programs under this act. A recent report from the Office of Education indicated that more than 400 hours of children's television programing have already been produced. This is a sincere effort on the part of OE to employ the most effective medium of instruction in this country to eliminate or prevent segregation and discrimination. It is my intention by this amendment to see that this fine effort continues.

We are all aware that television is having a tremendous impact on our children today. TV competes with us for the attention of our children. TV entertains them; TV instructs them; and TV sometimes misinforms them.

Every week young children in this country spend an average of 23 hours watching TV, and according to a 1976 report, black children watch TV more than white. Much of that time is spent with "adult" rather than "children's" shows. And I am concerned about the unknown effects TV is having on our children.

Our school systems do a fine job of teaching children to comprehend and critically evaluate what they read in books. Book reports are a regular part of a fourth grader's learning activities. But our children are not taught to critically analyze or interpret what they see and hear on TV. I am concerned that TV is

teaching our children that most problems can be solved by violence, and those that are not can be solved by guessing the "Secret Square" and winning a lifetime of prizes.

Considering that TV plays such a crucial role in shaping the emotional and intellectual development of our children, we have a duty to seek and stimulate the highest quality in TV developed and supported by the Government on our children's behalf. TV can be sensitive to the special needs and vulnerabilities of those whom we seek to strengthen.

Mr. President, I hope that by adding the words "high quality" to this section of ESEA, the Office of Education will be encouraged to continue in its quest for excellence in the use of this incredibly effective learning tool.●

AMENDMENT NO. 3517

(Ordered to be printed and to lie on the table.)

Mr. HEINZ submitted an amendment intended to be proposed by him to S. 1753, supra.

AMENDMENT NO. 3518

(Ordered to be printed and to lie on the table.)

Mr. GLENN submitted an amendment intended to be proposed by him to S. 1753, supra.

● Mr. GLENN. Mr. President, the amendment which I now submit to S. 1753, the Elementary and Secondary Education Act Amendments, would insure that individual not be permitted to unfairly benefit from several duplicative educational assistance programs. In short, it would insure that the tuition tax credit, which the Senate has just recently passed, be reduced by the amount of direct Federal higher educational grant assistance.

My amendment would have the same effect as a provision included in the Senate-passed tuition tax credit bill. However, since the House-passed tuition tax credit bill specifically provided that there not be an offset, it cannot be assumed that the Senate conferees will be successful in retaining that provision. With the Senate passage of both the tuition tax credit and the expanded college grant program, there would be an opportunity to double-dip if both bills are subsequently enacted without an offset provision. I believe that we must insure that double-dipping cannot take place. Therefore, I am offering my amendment in order to provide the Senate with an additional opportunity to enact an offset provision.●

AMENDMENTS NOS. 3519 AND 3520

(Ordered to be printed and to lie on the table.)

Mr. ROBERT C. BYRD (for Mr. ABOUREZK) submitted two amendments intended to be proposed to S. 1753, supra.

Mr. ROBERT C. BYRD. Mr. President, on behalf of Senator ABOUREZK, I submit two amendments intended to be proposed by him to S. 1753, the Elementary and Secondary Education Amendments of 1978.

I ask unanimous consent that a statement by Senator ABOUREZK be printed in the RECORD, together with the text of the amendments and a section-by-section analysis.

There being no objection, the statement, amendments, and analysis were ordered to be printed in the RECORD, as follows:

STATEMENT OF SENATOR JAMES ABOUREZK

INDIAN EDUCATION AMENDMENT

Before long, we will have the opportunity to consider and vote on the bill, S. 1753, the bill extending the Elementary and Secondary Education Act of 1965. I, along with the Ranking Minority Member of the Select Committee on Indian Affairs which I chair, intend to offer a floor amendment to S. 1753 in the form of an additional Title V.

Our proposed amendment contains important provisions designed to constructively address the present deficiencies in Indian educational programs administered by the Departments of the Interior and Health, Education, and Welfare by implementing long-needed reforms, and by providing the direction and support necessary to realize the attainment of equal educational opportunity for all Indian children. A general description of the bill follows:

Part A amends P.L. 81–874, an HEW program commonly referred to as the Impact Aid Act, by directing that regulations be esbtablished to guarantee local parental and tribal involvement in the education of their children provided by local public schools, a responsibility they specifically desire. Regretfully, such guarantees are needed in those instances where Indians have heretofore been ignored or otherwise restricted from equal participation in the development of educational policies and programs in public schools. In conjunction with this are provisions increasing the resources with which public schools can improve the quality of education they offer to Indian children who reside on non-taxable trust land by increasing the entitlement formulas as applied to such children.

Part B would direct that Interior's Bureau of Indian Affairs establish and implement uniform educational standards and policies in all its schools. It requires the BIA to bring all its educational facilities into compliance with health and safety codes, streamlines the BIA's administrative functions with regard to education, and establishes a uniform and objective formula to equitably distribute funds directly to the schools for their local operations. It states the overall BIA educational policy to be that of facilitating Indian control of Indian education and establishes a special education personnel structure designed to increase local control, responsibility, and accountability for the daily operation and management of educational programs. Finally, Part B requires an annual report to Congress on the status of Indian education, sets up a management information system, and calls for a program to encourage the recruitment of Indian educators.

Part C contains several amendments to existing HEW programs, the purposes of which are to generally improve and perfect these programs administered by the Office of Indian Education.

Without doubt, Mr. President the quality of educational programs being offered to Indian children today is simply and unjustifiably bad. Despite the special relationships existing between the Federal government and Indian tribes, and the resulting Federal trust obligations to provide for Indian educational services, being Indian has meant accepting less than equal educational opportunity. The American Indian Policy Review Commission, established by Congress in 1975, found that—

a. Indians are substantially less educated than non-Indians;

b. education provided to Indians is often irrelevant to their needs and culture;

c. Indians in public schools often fall 2 to 3 years behind non-Indians in achievement levels; and

d. the majority of Indian people have no mechanism for input in the education of their children.

The Commission's special Task Force on Indian Education further found that estimates of Indian dropouts from both BIA and public schools ranged from 25 percent to 75 percent.

In a recently released Issue Brief on Indian Education, the Congressional Research Service of the Library of Congress (Issue Brief No. IB 77111, updated 07/21/78) states that an estimated 360,000 Indian children (including Alaska Natives) received elementary and secondary instruction while enrolled in one of four school systems during the 1975–76 school year. These four school systems include:

The BIA (Bureau of Indian Affairs) Federal Indian school system that enrolled approximately 43,000 Indian students;

The public school systems operated by the various States that enrolled over 300,000 Indian students;

A small, but growing number of previously private "contract schools" operated by Indian-controlled school boards, under agreement with the BIA, that enrolled about 3,000 Indian students; and

Various mission and other private schools that enrolled an estimated 12,000 Indian students.

Within the past 10 years, various studies and reports have expressed dissatisfaction with the direction and quality of the Indian education effort in the United States and have offered various suggestions for improvement. In general, such studies and reports have found that the education opportunities and attainments of Indian students have remained below national averages and that assimilation of the Indian student into the majority society has been overemphasized at the expense of cultural heritage. In 1969, the Senate Special Subcommittee on Indian Education in a summary report, Indian Education: A National Tragedy—A National Challenge, sharply criticized both Federal and public school efforts in Indian education and made 60 specific policy, administrative, and programmatic recommendations. The following year, the USOE-supported National Study of American Indian Education evaluated the various sources of problems in Indian education and the kind of education that Indians want. The National Study also included recommendations in areas such as the Federal responsibility in Indian education, strengthening the Indian curriculum, improving career development programs and teacher recruitment, selection, and training, and Indian school finance. In 1972 and again in 1977, the GAO (General Accounting Office) reported that the BIA needed to improve the quality of its Federal Indian schools to meet the needs of Indian students. Also in 1977, the American Indian Policy Review Commission, established by Congress in 1975 to conduct a 2-year, comprehensive study of the Indian relationship with the Federal Government, issued a final Report on Indian Education that detailed the background of the Federal and State involvement in Indian education and criticized the existing education delivery system as inadequate to meet the needs of Indian people. . . .

With respect to the quality and efficiency of the BIA education system, CRS states that:

In 1975–76, the BIA operated 188 schools that enrolled approximately 45,600 students. Of this total enrollment, about 43,000 were elementary and secondary Indian students attending 144 day schools and 71 boarding schools. In addition, 2,600 postsecondary Indian students were enrolled in three BIA postsecondary schools: Haskell Indian Junior College, the Institute of American Indian Arts, and Southwest Indian Polytechnic Institute.

Despite the efforts of a number of BIA teachers and administrators, the BIA educa-

tion record has been marked over the years by the lower than average achievement and retention rates that characterize Indian education in general. For example, the National Study of American Indian Education reported on a 1968 study of Indian achievement in several BIA schools that found that Indian students scored below the national norm at all grades tested (2, 3, 4, and 5).

The BIA has defined "Indian education" in terms of a process designed to fill the gap between Indian and non-Indian cultures. However, a recent GAO report, Concerted Effort Needed to Improve Indian Education (Jan. 17, 1977), concluded that the BIA education system ". . . has not been designed to fill the gap." Specifically, the GAO report and other investigations found that the BIA education effort appears hampered by a number of administrative and organizational problems, including:

Lack of a comprehensive, up-to-date education policy and strategy designed to meet the various educational needs of Indian students in all BIA schools. (Current BIA educational goals and objectives were last revised in 1953.)

An inadequate management information system for pupil and staff accounting, curriculum assessment, and financial management.

Lack of a BIA-funded program for the handicapped and inadequate counseling resources.

A slow and cumbersome teacher recruitment and replacement process that can take from 2 months to over a year to replace a full-time classroom teacher.

Lack of policy direction and leadership from the BIA central office, due, in part, to constant turnover in the position of Director of Education with 15 different individuals holding this position between 1966 and 1976.

Division of responsibility within BIA that places school construction as well as maintenance and repair outside of the Office of Indian Education and beyond the direct control of a local BIA school principal.

Some also argue that the BIA education effort has been hindered by an overall lack of sufficient funds in recent years, whereas others stress that available funds have been used inefficiently . . . .

With regard to the degree of Indian attainment in the public schools, CRS states that: the largest number of school-aged Indian children, over 300,000 in 1975–76, were enrolled in the elementary and secondary public schools operated within the States. As in the case of the BIA schools, Indian students in the public schools are also characterized by lower achievement and high dropout statistics. The 1966 Coleman report (On Equality of Educational Opportunity), for example, found that Indian children achieved at a lower level than white children at all grade levels tested (grades 1, 3, 6, 9, and 12) and at an increasing rate of underachievement. While accurate dropout statistics for Indian students in the public schools are difficult to obtain, recent Indian dropout estimates from several States with concentrations of Indian students have ranged from 25 percent to over 50 percent.

Of the 300,000 Indian students in public schools in 1975–76, approximately 145,000 were from tribes federally recognized as eligible for special educational assistance from the BIA in addition to any other special educational services from the USOE. The remaining 155,000 Indian students in the public schools in 1975–76 were eligible for special educational services from the USOE, but not from the BIA because (1) they came from tribes not recognized by the Federal Government through treaty or other agreement; (2) they were of less than one-quarter degree Indian blood, or (3) they lived in areas, such as some large cities, not presently served by the BIA.

Financial support for the education of Indian students in the public schools is derived from local, State, and Federal sources. Because of the tax-exempt status of Indian land, many school districts with concentrations of Indian students living on Federal Indian reservations derive less school revenue from local property taxes than is the average for the State. In these cases, the State and Federal revenue sources combine to provide a significant majority of the funds for such Indian-land school districts. For many school districts, however, the number of Indian students is a small proportion of the total student body or the amount of the tax-exempt Indian land is insignificant. In these cases, the relative proportions of the local, State, and Federal contributions will more likely reflect the Statewide pattern. . . .

And finally, CBS addressed the question of the effectiveness of the Indian Education Act by stating that: in comparison with the BIA, the USOE contribution to programs that directly or indirectly benefited elementary and secondary Indian students in the public schools in FY76 was an estimated $150 million (out of the USOE total of $211 million for all Indian aid)—or about five times the BIA contribution level from the JOB program. Most of this total in USOE public school assistance resulted from three formula grant programs: P.L. 81–874 impact aid ($58.5 million), ESEA Title I ($43 million), and Part A of the Indian Education Act ($35 million).

The P.L. 874 impact aid program provides financial assistance to local educational agencies in areas affected by Federal activities. In FY76, P.L. 874 distributed approximately $739 million in general school maintenance and operations revenue to over 4,300 public school districts. In that year, about 85,000 students living on tax-exempt Indian lands in 630 school districts were claimed for the purposes of P.L. 874 with most of this total associated with federally recognized reservation lands.

The ESEA Title I program authorizes financial assistance to school districts to meet the special educational needs of educationally disadvantaged children. Indian children in the public schools participate in the ESEA Title I program to the extent to which they attend Title I target schools and need the special educational services provided.

The Indian Education Act (P.L. 93–318, Title IV, as amended) consists of three principal programs: Part A—Grants to local educational agencies, Part B—Special programs and projects, and Part C—Special programs relating to adult education. In FY 76, the Indian Education Act (IEA) received a total appropriation of $57.1 million, the largest portion of which went to Part A—$35 million. The Part A program authorizes formula grants for planning, developing, and operating supplementary programs designed to meet the special educational needs of Indian children in the public schools. In its supplementary purpose, the USOE-administered Part A program is similar to the BIA-administered JOM supplementary assistance program. Unlike JOM, however, the Part A program is governed by a statutory definition of the term "Indian" which includes students from nonfederally recognized tribes or living in areas, such as many large cities, not served by the BIA. Thus, in 1976, over 300,000 public school Indian students were counted as eligible for entitlements under the Part A program, but only 145,000 of such public school Indian students were recognized for assistance by the BIA under the JOM program.

A 1977 GAO report on the Indian Education Act, Indian Education in the Public School System Needs More Direction from the Congress (March 14, 1977), noted problems in identifying and selecting Indian children under the Part A program, in assessing their special educational needs, and in targeting Part A funds to meet such special needs. Among its recommendations to improve the Part A program, the GAO suggested that USOE strengthen the program regulations and guidelines governing Indian eligibility and that Congress provide a clearer definition of the Indian children to be served. GAO also recommended that USOE improve its monitoring of LEA's (Local Educational Agency) needs assessment under the program and that Congress more precisely determine what are the "special educational needs of Indian children." In addition, GAO suggested that USOE establish measurable program goals by which to judge the effectiveness of Part A projects . . .

Our amendment is designed to begin the process of constructively addressing this overwhelming litany of problems which has been documented repeatedly.

It does not, however, address the merits or demerits of the proposed transfer of BIA educational programs to a new Department of Education as contained in S. 991 presently awaiting floor action. The provisions contained in our amendment represent long-needed internal reforms in both HEW and Interior Indian education programs. In our best judgement, passage of our amendment would not bias in any way the overall question of where these various Indian education programs should be located.

The House recently passed H.R. 15, its companion measure to S. 1753, which contains a major section on Indian education, Title XI. Presently, S. 1753 contains no such provisions. Our proposed amendment is quite similar to Title XI of H.R. 15, but differs in what we feel are some significant and necessary respects. The House Education and Labor Committee built an extensive record on two comprehensive Indian education bills which were subsequently incorporated into the ESEA reauthorization bill as one separate title. In any future conference on S. 1753 and H.R. 15, it is clear that the Senate will have no basis upon which to respond to the House Indian education provisions unless our parallel amendment to S. 1753 is accepted by the Senate.

It is my conviction that, in its consideration of this amendment to S. 1753, the Senate has a rare opportunity to constructively address the many serious problems which have so plagued the government's administration of Indian education services. I, along with Senator Bartlett, urge our colleagues to support our proposed Amendment in the form of an additional Title V to S. 1753.

We are also submitting two amendments to the Adult Education Act which we feel would go a long way toward filling the tremendous educational needs of adult Indians. One would allow the USOE to survey and evaluate needs of all Indian adults, not just those residing on reservations. The other amendment would authorize USOE to make grants for the development and establishment of educational services and programs specifically designed for Indian adults. The present legislation provides for demonstration projects in this area. Our amendment would broaden this part of the legislation and allow for service-type programs.

AMENDMENT NO. 3519

On page 355, strike out lines 1 through 23.

On page 356, line 1, strike out "Part C" and insert "Part B".

On page 377, after line 16, insert the following new title:

TITLE V—INDIAN EDUCATION

PART A—ASSISTANCE TO LOCAL EDUCATIONAL AGENCIES

AMENDMENT TO PUBLIC LAW 874

SEC. 501. (a) Effective with respect to fiscal years beginning on or after the date of enactment of this Act, section 3(d)(2) of the Act of September 30, 1950 (Public Law 874, Eighty-first Congress), is amended by adding at the end thereof the following new subparagraph:

"(D) The amount of the entitlements of any local educational agency under this section for any fiscal year with respect to children who, while in attendance at such agency, resided on Indian lands, as described in clause (A) of section 403(1), shall be the amount determined under paragraph (1) with respect to such children for such fiscal year multiplied by 125 per centum.".

(b) Effective with respect to fiscal years beginning on or after the date of enactment of this Act, section 5(a)(2) of the Act of September 30, 1950 (Public Law 874, Eighty-first Congress) is repealed and section 5(a)(1) of such Act is redesignated section 5(a).

(c) Effective with respect to fiscal years beginning on or after the date of enactment of this Act, section 5(b) of the Act of September 30, 1953 (Public Law 874, Eighty-first Congress), is amended by designating the existing provisions as paragraph (1) and adding the following paragraph:

"(2)(A) Payments of entitlements under section 3(d)(2)(D) of this Act shall be made only to local educational agencies which have, within one year of the date of enactment of this paragraph, or when local educational agencies are formed after such date of enactment, within one year of their formation, established such policies and procedures with respect to information received from the Indian parents and tribes as required by this paragraph and which have made assurances to the Commissioner, at such time and in such manner as shall be determined by regulation, that such policies and procedures have been established. The Commissioner shall have the authority to waive this one-year limit for good cause, and in writing to the Indian parents and tribes.

"(B) Each local educational agency shall establish such policies and procedures as are necessary to insure that—

"(i) Indian children claimed under section 3(a) participate on an equal basis in the school program with all other children educated by the local educational agency;

"(ii) applications, evaluations, and program plans are adequately disseminated to the tribes and parents of Indian children claimed under section 3(a); and

"(iii) tribes and parents of Indian Children claimed under section 3(a) are—

"(I) afforded an opportunity to present their views with respect to the application, including the opportunity to make recommendations concerning the needs of their children and the ways by which they can assist their children in realizing the benefits to be derived from the educational programs assisted under this paragraph;

"(II) actively consulted and involved in the planning and development of programs assisted under this paragraph; and

"(III) afforded a general opportunity to present their overall views on the educational program and the degree of parental participation allowed.

"(c) (i) Any tribe, or its designee, which has students in attendance at a local educational agency may file a written complaint with the Commissioner regarding any action of a local educational agency taken pursuant to, or relevant to, the requirements of subparagraph (B) of this paragraph.

"(ii) Within ten working days from receipt of the complaint, the Commissioner shall—

"(I) designate a time and place for a hearing into the matters relating to the complaint at a location in close proximity to the local educational agency involved, or, if the Commissioner determines there is good cause, at some other location convenient to both the tribe, or its designee, and the local educational agency;

"(II) designate a hearing examiner to conduct the hearing; and

"(III) notify the affected tribe or tribes and the local educational agency involved of the time, place, and nature of the hearing and send copies of the complaint to the local educational agency and the affected tribe or tribes.

"(iii) The hearing shall be held within thirty days of the designation of a hearing examiner and shall be open to the public.

"(iv) The complaining tribe, or its designee, and the local educational agency shall be entitled to present evidence on matters relevant to the complaint and to make recommendations concerning the appropriate remedial actions. Each party to the hearing shall bear only its own costs in the proceeding.

"(v) Within thirty days of the completion of the hearing, the hearing examiner shall, on the basis of the record, make written findings of fact and recommendations concerning appropriate remedial actions (if any) which should be taken. The hearing examiner's findings and recommendations, along with the hearing record, shall be forwarded to the Commissioner.

"(vi) Within thirty days of his receipt of the findings, recommendations, and record, the Commissioner shall, on the basis of the record, make a written determination of the appropriate remedial action, if any, to be taken by the local educational agency, the schedule for completion of the remedial action, and the reasons for his decision.

"(vii) Upon completion of his final determination, the Commissioner shall provide the complaining tribe, or its designee, and the local educational agency with copies of the hearing record, the hearing examiner's findings and recommendations, and the Commissioner's final determination. The final determination of the Commissioner shall be subject to judicial review.

"(viii) In all actions under this subparagraph, the Commissioner shall have discretion to consolidate complaints involving the same tribe or local educational agency.

"(D) If the local educational agency rejects the determination of the Commissioner, or if the remedy required is not undertaken within the time established and the Commissioner determines that an extension of the time established will not effectively encourage the remedy required, the Commissioner shall immediately withhold payment of all moneys to which such local agency is entitled under section 3(d)(2)(D) until such time as the remedy required is undertaken, except where the complaining tribe or its designee formally requests that such funds be released to the local educational agency.

"(E) This paragraph is based upon the special relationship between the Indian nations and the United States and nothing in it shall be deemed to relieve any State of any duty with respect to any citizens of that State.".

(d) Effective with respect to fiscal years beginning on or after the date of the enactment of this Act, section 5(c)(2) of the Act of September 30, 1950 (Public Law 874, Eighty-first Congress), is amended by redesignating clauses (B) through (F) as clauses (C) through (G) and by adding after clause (A) the following new clause:

"(B) to each local educational agency which provides free public education for children who reside on Indian land, as described in clause (A) of section 403(1), which equals 75 per centum of the amount to which such agency is entitled under section 3(d)(2)(D);".

PART B—BUREAU OF INDIAN AFFAIRS PROGRAMS

STANDARDS FOR THE BASIC EDUCATION OF INDIAN CHILDREN IN BUREAU OF INDIAN AFFAIRS SCHOOLS

SEC. 511. (a) The Secretary, in consultation with the Assistant Secretary of Health, Education, and Welfare for Education, and in active consultation with Indian organizations and tribes, shall carry or cause to be carried out by contract with an Indian organization such studies and surveys, making the fullest use possible of other existing studies, surveys, and plans, as are necessary to establish and revise standards for the basic education of Indian children attending Bureau schools and Indian controlled contract schools (hereinafter referred to as contract schools). Such studies and surveys shall take into account factors such as academic needs, local cultural differences, type and level of language skills, geographical isolation and appropriate teacher-student ratios for such children, and shall be directed toward the attainment of equal educational opportunity for such children.

(b)(1) Within fifteen months of the date of enactment of this Act, the Secretary shall propose minimum academic standards for the basic education of Indian children, and shall distribute such proposed standards to the tribes and publish such proposed standards in the Federal Register for the purpose of receiving comments from the tribes and other interested parties. Within eighteen months of the date of enactment of this Act, the Secretary shall establish final standards to all the tribes and publish such standards in the Federal Register. The Secretary shall revise such standards periodically as necessary. Prior to any revision of such proposed revision to all the tribes, and publish such proposed revision in the Federal Register, for the purpose of receiving comments from the tribes and other interested parties.

(2) Such standards shall apply to Bureau schools, and, subject to subsection (e), to contract schools, and may also serve as a model for educational programs for Indian children in public schools. In establishing and revising such standards, the Secretary shall take into account the special needs of Indian students, and shall place a special emphasis on the support and reinforcement of the specific cultural heritage of each tribe.

(c) The Secretary shall provide alternative or modified standards in lieu of the standards established under subsection (b), where necessary, so that the programs of each school shall be in compliance with the minimum standards required for accreditation of schools in the State where the school is located.

(d) A tribal governing body, or the local school board if so designated by the tribal governing body, shall have the local authority to waive, in part or in whole, the standards established under subsections (b) and (c), where such standards are deemed by such body to be inappropriate or ill-conceived, and shall also have the authority to revise such standards to take into account the specific needs of the tribe's children. Such revised standards shall be established by the Secretary unless specifically rejected by the Secretary for good cause and in writing to the affected tribes or local school board which rejection shall be final and unreviewable.

(e) The Secretary, through contracting procedures, shall assist school boards of contract schools in the implementation of the standards established under subsections (b) and (c), if the school boards request that such standards, in part or in whole, be implemented. The Secretary shall not refuse to enter into a contract with respect to any contract school on the basis of failure to meet such standards. At the request of a contract school board, the Secretary shall provide alternative or modified standards for the standards established under subsections (b) and (c) to take into account the needs of the Indian children and the contract school.

(f) Subject to subsections (d) and (e), the Secretary shall begin to implement the standards established under this section immediately upon the date of their establishment. Within one year of such date, and at

each time thereafter that the annual budget request for Bureau educational services is presented, the Secretary shall submit to the appropriate committees of Congress a detailed plan to bring all Bureau and contract schools up to the level required by the applicable standards established under this section. Such plan shall include, but not be limited to, detailed information on the status of each school's educational program in relation to the applicable standards established under this section, specific cost estimates for meeting such standards at each school, and specific time lines for bringing each school up to the level required by such standards.

(g) There are hereby authorized to be appropriated such sums as may be necessary, for academic program costs, in order to bring all Bureau and contract schools up to the level required by the applicable standards established under this section.

NATIONAL CRITERIA FOR DORMITORY SITUATIONS

SEC. 512. (a) The Secretary, in consultation with the Assistant Secretary for Health, Education, and Welfare for Education, and in active consultation with Indian organizations and tribes, shall conduct or cause to be conducted by contract with an Indian organization, a study of the costs applicable to boarding arrangements for Indian students provided in Bureau and contract schools, for the purpose of establishing national criteria for such dormitory situations. Such criteria shall include requirements as to adult-child ratios, needs for counselors (including special needs related to off-reservation boarding arrangements), space, and privacy.

(b) Within fifteen months of the date of enactment of this Act, the Secretary shall propose such criteria, and shall distribute such proposed criteria to the tribes and publish such proposed criteria in the Federal Register for the purpose of receiving comments from the tribes and other interested parties. Within eighteen months of the date of enactment of this Act, the Secretary shall establish final criteria, distribute such criteria to all the tribes, and publish such criteria in the Federal Register. The Secretary shall revise such criteria periodically as necessary. Prior to any revision of such criteria, the Secretary shall distribute such proposed revision to all the tribes, and publish such proposed revision in the Federal Register, for the purpose of receiving comments from the tribes and other interested parties.

(c) The Secretary shall begin to implement the criteria established under this section immediately upon the date of their establishment. Within one year of such date, and at each time thereafter that the annual budget request for Bureau educational services is presented, the Secretary shall submit to the appropriate committees of Congress a detailed plan to bring all Bureau and contract boarding schools up to the criteria established under this section. Such plan shall include, but not be limited to, predictions for the relative need for each boarding school in the future, detailed information on the status of each school in relation to the criteria established under this section, specific cost estimates for meeting such criterial at each school, and specific time lines for bringing each school up to the leval required by such criteria.

(d) There are hereby authorized to be appropriated such sums as may be necessary in order to bring each school up to the level required by the criteria established under this section.

REGULATIONS

SEC. 513. The Secretary shall establish such regulations as are necessary to carry out sections 511 and 512 within eighteen months after the date of enactment of this Act.

STUDIES

SEC. 514. There are hereby authorized to be appropriated no more than $1,000,000 for any fiscal year beginning after the date of enactment of this Act to carry out the studies conducted under section 511 (a) and section 512 (a).

FACILITIES CONSTRUCTION

SEC. 515. (a) The Secretary shall immediately begin to bring all schools, dormitories, and other facilities operated by the Bureau or under contract with the Bureau in connection with the education of Indian children into compliance with all applicable Federal, tribal, or State health and safety standards, whichever provide greater protection, and with section 504 of the Vocational Rehabilitation Act (29 U.S.C. 31), except that nothing in this section shall require termination of the operations of any facility which does not comply with such provisions and which is in use on the date of enactment of this Act.

(b) Within one year of the date of enactment of this Act, and at each time thereafter that the annual budget request for Bureau educational services is presented, the Secretary shall submit to the appropriate committees of Congress a detailed plan to bring such facilities into compliance with such standards. Such plan shall include, but not be limited to, detailed information on the status of each facility's compliance with such standards, specific cost estimates for meeting such standards at each school, and specific time lines for bringing each school into compliance with such standards.

(c) Within six months of the date of enactment of this Act, the Secretary shall submit to the appropriate committees of Congress, and publish in the Federal Register, the system used to establish priorities for school construction projects. At the time any budget request for school construction is presented, the Secretary shall publish in the Federal Register and submit with the budget request the current list of all school construction priorities.

(d) There are hereby authorized to be appropriated such sums as may be necessary to carry out subsection (a).

BUREAU OF INDIAN AFFAIRS EDUCATION FUNCTIONS

SEC. 516. (a) The Secretary shall vest in the Assistant Secretary for Indian Affairs all functions with respect to formulation and establishment of policy and procedure, supervision of programs, and expenditure of Federal funds for the purpose of Indian education. Such functions may not be further delegated to an official other than a Deputy Assistant Secretary for Indian Affairs, or the Director of the Office of Indian Education Programs of the Bureau (hereinafter referred to as the "Office") and shall be governed by the provisions of this Act, any other provision of law to the contrary notwithstanding. The Director of the Office may be authorized to redelegate such functions to personnel under his direction and supervision.

(b) The Director of the Office shall direct and supervise the operations of all personnel involved with the provision of educational services by the Bureau. Nothing in this Act shall be construed to require the provision of separate support services for Indian education.

(c) Education personnel located in Bureau agencies, who are under the direction and supervision of the Director of the Office in accordance with the first sentence of subsection (b), shall—

(1) monitor and evaluate Bureau education programs, and

(2) provide technical and coordinating assistance in areas such as procurement, contracting, budgeting, personnel, and curriculum.

However, in the case of boarding schools located off reservation operated by the Bureau, education personnel located in area offices of the Bureau shall provide such services, under the direction and supervision of the Director of the Office.

(d) For the purpose of this section the term "functions" includes powers and duties.

IMPLEMENTATION

SEC. 517. Within six months after the date of enactment of this Act, the Secretary shall establish and publish in the Federal Register the policies and procedures which are necessary to implement the transfer of functions made under section 516.

ALLOTMENT FORMULA

SEC. 518. (a) The Secretary shall establish, by regulation adopted in accordance with section 528, a formula for determining the minimum annual amount of funds necessary to sustain each Bureau or contract school. In establishing such formula, the Secretary shall consider—

(1) the number of Indian students served and size of the school;

(2) special cost factors, such as—

(A) isolation of the school;

(B) need for special staffing, transportation, or educational programs;

(C) food and housing costs;

(D) overhead costs associated with administering contracted education functions; and

(E) maintenance and repair costs associated with the physical condition of the educational facilities;

(3) the cost of providing academic services which are at least equivalent to those provided by public schools in the State in which the school is located;

(4) the cost of bringing the school up to the level of the standards established under sections 511 and 512; and

(5) such other relevant factors as the Secretary determines are appropriate.

(b) Notwithstanding any other provisions of law, Federal funds appropriated for the general local operation of Bureau and contract schools, shall be allotted pro rata in accordance with the formula established under subsection (a), except that, in the case of any such school which is located in a school district of a local educational agency which receives from Federal funds under other provisions of law an average payment per Indian child attending such school in that district which is higher than the amount which would be received by such Bureau or contract school under such formula for each Indian child attending such school, the payment to be received by that school under this section for each such child shall be equal to such average payment for an Indian child in public school in that district.

(c) Notwithstanding subsection (b), the Secretary may provide funds for the general local operation of Bureau and contract schools where necessitated by cases of emergencies or unforeseen contingencies not otherwise provided for under subsection (b). Whenever the Secretary makes funds available under this subsection, the Secretary shall report such action to the appropriate committees of Congress.

UNIFORM DIRECT FUNDING AND SUPPORT

SEC. 519. (a) Within six months after the date of enactment of this Act, the Secretary shall establish, by regulation adopted in accordance with section 528, a system for the direct funding and support of all Bureau and contract schools. Such system shall allot funds, in accordance with section 518, and shall provide each affected school with notification of its approximate allotment not later than the end of the school year preced-

ing the year for which the allotment is to be made.

(b)(1) In the case of all Bureau schools, allotted funds shall be expended on the basis of local financial plans which shall be prepared by the local school supervisor in active consultation with the local school board for each school, and the local school board for each school shall have the authority to ratify, reject, or amend such financial plan, and expenditures thereunder, and, on its own determination or in response to the supervisor of the school, to revise such financial plan to meet needs not foreseen at the time of preparation of the financial plan. The supervisor of the school may appeal any such action by the local school board to the superintendent for education of the Bureau agency, and the superintendent may, for good cause and in writing to the local school board, overturn the action of the local school board.

(2) A local school board shall have financial plan authority under paragraph (1) unless the tribe affected (or in the case of a school serving several tribes, all the affected tribes), by formal action of the tribal governing body, determines that such board shall not have such authority. In the case of such a determination, the tribal governing body (or in the case of a school serving several tribes, all the affected tribal governing bodies) shall have such authority.

(c) In the exercise of its authority under this section, a local school board may request technical assistance and training from the Secretary, and he shall, to the greatest extent possible, provide such services, and make appropriate provisions in the budget of the Office for such services.

POLICY FOR INDIAN CONTROL OF INDIAN EDUCATION

SEC. 520. It shall be the policy of the Bureau, in carrying out the functions of the Bureau, to facilitate Indian control of Indian affairs in all matters relating to education.

EDUCATIONAL PERSONNEL

SEC. 521. (a)(1) Chapter 51, subchapter III of chapter 53, and chapter 63 of title 5, United States Code, relating to the appointment, promotion, removal, leave, and classification of civil service employees, shall not apply to educators or to education positions (as defined in subsection (m),.

(2) Paragraph (1) shall take effect one year after the date of enactment of this Act.

(b) Not later than the effective date of subsection (a)(2), the Secretary shall prescribe regulations to carry out this section. Such regulations shall govern—

(1) the establishment of education positions,

(2) the establishment of qualifications for educators,

(3) the fixing of basic compensation for educators and education positions,

(4) the appointment of educators,

(5) the discharge of educators,

(6) the entitlement of educators to compensation,

(7) the payment of compensation to educators,

(8) the conditions of employment of educators,

(9) the length of the school year applicable to education positions described in subsection (m)(1)(A),

(10) the leave system for educators, and

(11) such other matters as may be appropriate.

(c) (1) In prescribing regulations to govern the qualifications of educators, the Secretary shall require—

(A)(i) that lists of qualified and interviewed applicants for education positions be maintained in each agency and area office of the Bureau from among individuals who have applied at the agency or area level for an education position or who have applied at the national level and have indicated in such application an interest in working at the agency or area level; and

(ii) that a list of qualified and interviewed applicants for education positions be maintained in the Office from among individuals who have applied at the national level for an education position and who have expressed interest in working in an education position anywhere in the United States;;

(B) that a local school board shall have the authority to waive on a case-by-case basis, any formal education or degree qualifications established by regulation pursuant to subsection (b)(2), in order for a tribal member to be hired in an education position to teach courses on tribal culture and language and that subject to subsection (d)(2)(A), a determination by a school board that such a person be hired shall be followed by the supervisor; and

(C) that it shall not be a prerequisite to the employment of an individual in an education position at the local level that such individual's name appear on the national list maintained pursuant to subsection (c)(1)(A)(ii) or that such individual has applied at the national level for an education position.

(2) The Secretary may authorize the temporary employment in an education position of an individual who has not met the certification standards established pursuant to regulations, if the Secretary determines that failure to do so would result in that position remaining vacant.

(d)(1) In prescribing regulations to govern the appointment of educators, the Secretary shall require—

(A)(i) that educators employed in a school (other than the supervisor of the school) shall be hired by the supervisor of the school unless there are no qualified applicants available, in which case the vacant position shall be filled at the national level from the list maintained pursuant to subsection (c)(1)(A)(ii),

(ii) each school superviser shall be hired by the superintendent for education of the agency office of the Bureau in which the school is located, and

(iii) educators employed in an agency office of the Bureau shall be hired by the superintendent for education of the agency office;

(B) that before an individual is employed in an education position in a school by the supervisor of a school (or, with respect to the position of supervisor, by the appropriate agency superintendent for education), the local school board for the school shall be consulted, and that subject to subsection (d)(2), a determination by the school board that such individual should not be so employed shall be followed by the supervisor (or with respect to the position of supervisor, by the agency superintendent for education); and

(C) that before an individual may be employed in an education position at the agency level, the appropriate agency school board shall be consulted, and that, subject to subsection (d)(3), a determination by such school board that such individual should or should not be employed shall be followed by the agency superintendent for education.

(2)(A) The supervisor of a school may appeal to the appropriate agency superintendent for educaton any determination by the local school board for the school that an individual be employed, or not be employed, in an education position in the school other than that of supervisor. Upon such an appeal, the agency superintendent for education may, for good cause and in writing to the local school board, oveturn the determination o fthe local school board with respect to the employment of such individual.

(B) The superintendent for education of an agency office of the Bureau may appeal to the Director of the Office any determination by the local school board for a school that an individual be employed, or not be employed, as the supervisor of the school. Upon such an appeal, the Director of the Office may, for good cause and in writing to the local school board, overturn the determination of the local school board with respect to the employment of such individual.

(3) The superintendent for education of and agency office of the Bureau may appeal to the Director of the Office any determination by the agency school board that an individual be employed, or not be employed, in an education position in such agency office. Upon such an appeal, the Director of the Office may, for good cause and in writing to the agency school board, overturn the determination of the agency school board with respect to the employment of such individual.

(4) Any individual who applies at the local level for an education position shall state on such individual's application whether or not such individual has applied at the national level for an education position in the Bureau. If such individual is employed at the local level, such individual's name shall immediately be forwarded to the Secretary, who shall, as soon as possible but in no event in more than thirty days, ascertain the accuracy of the statement made by such individual pursuant to the first sentence of this subparagraph. If the individual's statement is found to have been false, such individual, at the Secretary's discretion, may be disciplined or discharged. If the individual had applied at the national level for an education position in the Bureau, the appointment of such individual at the local level shall be conditional for a period of ninety days, during which period the Secretary may appoint a more qualified individual (as determined by the Secretary) from the list maintained at the national level pursuant to subsection (c)(1)(A)(ii) to the position to which such individual was appointed.

(5) Except as expressly provided, nothing in this section shall be construed as conferring upon local school boards, authority over, or control of, educators.

(e)(1) In prescribing regulations to govern the discharge and conditions of employment of educators, the Secretary shall require—

(A) that procedures be established for the rapid and equitable resolution of grievances of educators; and

(B) that no educator may be discharged without notice of the reasons therefor and opportunity for a hearing under procedures that comport with the requirements of due process.

(2) The supervisor of a Bureau school may discharge (subject to procedures established under subsection (e)(1)(B)) for cause (as determined under regulations prescribed by the Secretary) any educator employed in such school. Upon giving notice of proposed discharge to an educator, the supervisor involved shall immediately notify the local school board for the school of such action. A determination by the local school board that such educator not be discharged shall be followed by the supervisor. The supervisor shall have the right to appeal such action to the superintendent for education of the appropriate agency office of the Bureau. Upon such an appeal, the agency superintendent for education may, for good cause and in writing to the local school board, overturn the determination of the local school board with respect to the employment of such individual.

(3) each local school board for a Bureau school shall have the right (A) to recommend to the supervisor of such school that an educator employed in the school be discharged, and (B) to recommend to the superintendent of education of the appropriate agency office of the Bureau and to the Direc-

tor of the Office, that the supervisor of the school be discharged.

(f) Subject to the authority of the Civil Service Commission to determine finally the applicability of chapter 51 of title 5, United States Code, to specific positions and employees in the executive branch, the Secretary shall determine in accordance with subsection (a)(1) the applicability or inapplicability of such chapter to positions and employees in the Bureau.

(g)(1) The Secretary shall fix the basic compensation or annual salary rate for educators and education positions at rates comparable to the rates in effect under the General Schedule for individuals with comparable qualifications, and holding comparable positions, to whom chapter 51 is applicable.

(2) Each educator employed in an education position in Alaska shall be paid a cost-of-living allowance equal to 25 per centum of the rate of basic compensation to which such educator is entitled.

(3) The Secretary may pay a postdifferential not to exceed 25 per centum of the rate of basic compensation, on the basis of conditions of environment or work which warrant additional pay as a recruitment and retention incentive.

(h) Any individual—

(1) who on the date of enactment of this Act is holding a position which is determined under subsection (f) to be an education position and who elects under subsection (n)(2) to be covered under the provisions of this section, or

(2) who is an employee of the Federal Government or the municipal government of the District of Columbia and is transferred, promoted, or reappointed, without break in service, from a position under a different leave system to an education position,

shall be credited for the purposes of the leave system provided under regulations prescribed pursuant to subsection (b)(10), with the annual and sick leave to his credit immediately before the effective date of such election, transfer, promotion, or reappointment.

(i) Upon termination of employment with the Bureau, any annual leave remaining to the credit of an individual within the purview of this section shall be liquidated in accordance with sections 5551(a) and 6306 of title 5, United States Code, except that leave earned or included under regulations prescribed pursuant to subsection (b)(10) shall not be so liquidated.

(j) In the case of any educator who is transferred, promoted, or reappointed, without break in service, to a position in the Federal Government under a different leave system, any remaining leave to the credit of such person earned or credited under the regulations prescribed pursuant to subsection (b)(10) shall be transferred to his credit in the employing agency on an adjusted basis in accordance with regulations which shall be prescribed by the Civil Service Commission.

(k) An educator who voluntarily terminates employment with the Bureau before the expiration of the existing employment contract between such educator and the Bureau shall not be eligible to be employed in another education position in the Bureau during the remainder of the term of such contract.

(l) In the case of any educator employed in an education position described in subsection (m)(1)(A) who—

(1) is employed at the close of a school year,

(2) agrees in writing to serve in such a position for the next school year, and

(3) is employed in another position during the recess period immediately preceding such next school year, or during such recess period receives additional compensation referred to in subsection (g)(2) or (g)(3), section 5533 of title 5, United States Code, relating to dual compensation, shall not apply to such educator by reason of any such employment during a recess period for any such receipt of additional compensation.

(m) For the purpose of this section—

(1) The term "education position" means a position in the Bureau the duties and responsibilities of which—

(A) are performed on a school-year basis principally in a Bureau school and involve—

(i) classroom or other instruction or the supervision or direction of classroom or other instruction;

(ii) any activity (other than teaching) which requires academic credits in educational theory and practice equal to the academic credits in educational theory and practice required for a bachelor's degree in education from an accredited institution of higher education; or

(iii) any activity in or related to the field of education notwithstanding that academic credits in educational theory and practice are not a formal requirement for the conduct of such activity; or

(B) are performed at the agency level of the Bureau and involve the implementation of education-related programs other than the position of agency superintendent for education.

(2) The term "educator" means an individual whose services are required, or who is employed, in an education position.

(n)(1) This section shall apply with respect to any individual hired after the effective date of subsection (a)(2) for employment in an education position and to the position in which such individual is employed. Subject to paragraph (2), the enactment of this Act shall not affect the continued employment of any individual employed immediately before the effective date of subsection (a)(2) in an education position, or such individual's right to receive the compensation attached to such position.

(2) Any individual employed in an education position immediately before the effective date of subsection (a)(2) may, within five years of the date of enactment of this Act, make an irrevocable election to be covered under the provisions of this section.

MANAGEMENT INFORMATION SYSTEM

SEC. 522. The Secretary shall establish within the Bureau, within one year after the date of the enactment of this Act, a management information system, which shall provide information to all agency and area offices of the Bureau, and to the Office. Such information shall include but shall not be limited to—

(1) student enrollment;

(2) curriculum;

(3) staff;

(4) facilities;

(5) community demographics; and

(6) student assessment information.

BUREAU EDUCATION POLICIES

SEC. 523. Within one hundred and eighty days of the date of enactment of this Act, the Secretary shall develop, publish in the Federal Register, and submit to all agency and area offices of the Bureau, all tribal governments, and the appropriate committees of the Congress, a draft set of education policies, procedures, and practices for education-related action of the Bureau. The Secretary shall, within one year of the date of enactment of this Act, provide that such uniform policies, procedures, and practices shall be finalized and promulgated. Thereafter, such policies, procedures, and practices and their periodic revisions, shall serve as the foundation for future Bureau actions in education.

UNIFORM EDUCATION PROCEDURES AND PRACTICES

SEC. 524. The Secretary shall cause the various divisions of the Bureau to formulate uniform procedures and practices with respect to such concerns of those divisions and relate to education, and shall report such practices and procedures to the Congress.

RECRUITMENT OF INDIAN EDUCATORS

SEC. 525. The Secretary shall institute a policy for the recruitment of qualified Indian educators and a detailed plan to promote employees from within the Bureau. Such plan shall include opportunities for acquiring work experience prior to actual work assignment.

ANNUAL REPORT

SEC. 526. The Secretary shall submit to each appropriate committee of the Congress a detailed annual report on the state of education within the Bureau and any problems encountered in the field of education during the year. Such report shall contain suggestions for improving the Bureau educational system and increasing local Indian control of such system.

RIGHTS OF INDIAN STUDENTS

SEC. 527. Within six months of the date of enactment of this Act, the Secretary shall prescribe such rules and regulations as are necessary to ensure the constitutional and civil rights of Indian students attending Bureau schools, including their right to privacy under the laws of the United States, their right to freedom of religion and expression and their right to due process in connection with disciplinary actions, suspensions, and expulsions.

REGULATIONS

SEC. 528. Regulations required to be adopted under sections 516 through 527 of this Act shall be deemed rules of general applicability prescribed for the administration of an applicable program for the purposes of section 431 of the General Education Provisions Act and shall be promulgated, submitted for congressional review, and take effect in accordance with the provisions of such section.

DEFINITIONS

SEC. 529. For the purpose of this title—

(1) the term "local educational agency" means a board of education or other legally constituted local school authority having administrative control and direction of free public education in a county, township, independent, or other school district located within a State, and includes any State agency which directly operates and maintains facilities for providing free public education;

(2) the term "Commissioner" means the Commissioner of Education;

(3) the term "Secretary" means the Secretary of the Interior;

(4) the term "Bureau" means the Bureau of Indian Affairs of the Department of the Interior;

(5) the term "local school board", when used with respect to a Bureau school, means a body, the members of which are appointed by the governing bodies of any affected tribes, or if so designated by such tribes, elected by the parents of the Indian children attending the school; and the number of such members shall be determined by the Secretary in consultation with such tribes;

(6) the term "agency school board", means a body, the members of which are appointed by the governing bodies of any affected tribes, or if so designated by such tribes, elected by the parents of the Indian students in Bureau schools under such agency; and the number of such members shall be determined by the Secretary in consultation with such tribes;

(7) the term "supervisor" means the individual in the position of ultimate authority at a Bureau school;

(8) the term "financial plan" means a plan of services to be provided by each Bureau school;

(9) the term "Indian organization" means any group, association, partnership, corpo-

ration, or other legal entity owned or controlled by a federally recognized Indian tribe or tribes, or a majority of whose members are members of federally recognized Indian tribes; and

(10) the term "tribe" means any Indian tribe, band, nation, or other organized group or community, including any Alaska Native village or regional or village corporation as defined in or established pursuant to the Alaska Native Claims Settlement Act (85 Stat. 688) which is recognized as eligible for the special programs and services provided by the United States to Indians because of their status as Indians.

PART C—AMENDMENTS TO VARIOUS EDUCATION ACTS

EXTENSION OF PROGRAMS FOR THE EDUCATION OF INDIAN CHILDREN

SEC. 531. (a) Section 810 (g) of the Elementary and Secondary Education Act of 1965 is amended by striking out "July 1, 1978" and inserting in lieu thereof "October 1, 1983".

(b) Section 303 (a) (1) of the Act of September 30, 1950 (Public Law 874, Eighty-first Congress) as added by the Indian Education Act, is amended by striking out "October 1, 1978" and inserting in lieu thereof "October 1, 1983".

(c) (1) Section 422 of the Indian Education Act is amended by striking out "each of the three succeeding fiscal years" and inserting in lieu thereof "each of the succeeding fiscal years ending prior to October 1, 1983".

(2) Section 423 (a) of such Act is amended by striking out "each of the three succeeding fiscal years" and inserting in lieu thereof "each of the succeeding fiscal years ending prior to October 1, 1983".

(3) Section 442 (a) of such Act is amended by striking out "October 1, 1978" and inserting in lieu thereof "October 1, 1983".

CULTURALLY RELATED ACADEMIC NEEDS

SEC. 532. (a) Section 302(a) of the Indian Elementary and Secondary School Assistance Act is amended—

(1) by striking out "special educational needs of Indian students" and inserting in lieu thereof "special educational and culturally related academic needs of Indian students"; and

(2) by striking out "these special educational needs" and inserting in lieu thereof "these special educational or culturally related academic needs, or both".

(b) Section 304 of such Act is amended by striking out "special educational needs" each place it appears in paragraphs (1) and (2) and inserting in lieu thereof "special educational or culturally related academic needs, or both".

DEMONSTRATION PROJECTS

SEC. 533. Section 303 of the Indian Elementary and Secondary School Assistance Act is amended by adding at the end thereof the following new subsection:

"(c) In addition to the sums appropriated for any fiscal year for grants to local educational agencies under this title, there is hereby authorized to be appropriated for any fiscal year an amount not in excess of 10 percentum of the amount appropriated for payments on the basis of entitlements computed under subsection (a) for that fiscal year, for the purpose of enabling the Commissioner to make grants on a competitive basis to local educational agencies to support demonstration projects and programs which are designed to plan for and improve education opportunities for Indian children, except that the Commissioner shall reserve a portion not to exceed 25 per centum of such funds to make grants for demonstration projects examining the special educational and culturally related academic needs that arise in school districts with high concentrations of Indian children.".

PARENT COMMITTEES

SEC. 534. Section 305(b) of the Indian Elementary and Secondary School Assistance Act is amended—

(1) by inserting "(including persons acting in loco parentis other than school administrators or officials)" after "Indian children" in paragraph (2)(B)(i) and after "children participating in the program" in paragraph (2)(B)(ii);

(2) by inserting ", including the hiring of personnel," after "policies and procedures" in parag.aph (2)(C); and

(3) by striking out the period at the end of paragraph (2)(C) and inserting in lieu thereof a semicolon and by adding at the end thereof the following new paragraph:

"(3) provides that the parent committee formed pursuant to paragraph (2)(B)(ii) will adopt and abide by reasonable by-laws for the conduct of the program for which assistance is sought.".

ALLOCATION ADJUSTMENTS

SEC. 535. Section 307(b) of the Indian Elementary and Secondary School Assistance Act is amended to read as follows:

"(b) In the case of any fiscal year in which the maximum amounts for which local educational agencies are eligible have been reduced under the first sentence of subsection (a), and in which additional funds have not been made available to pay in full the total of such maximum amounts under the second sentence of such subsection, the Commissioner may reallot, in such manner as he determines will best assist in advancing the purposes of this title, any amount awarded to a local education agency in excess of the amount to which it is entitled under section 303(a) and subsection (a) of this section, or any amount which the Commissioner determines, based upon estimates made by local education agencies, will not be needed by any such agency to carry out its approved project.".

TRIBAL SCHOOLS

SEC. 536. Notwithstanding any other provisions of law, any Indian tribe or organization which is controlled or sanctioned by an Indian tribal government and which operates any school for the children of that tribe shall be deemed to be a local educational agency for purposes of section 303(a) of the Indian Elementary and Secondary School Assistance Act (title III of Public Law 874, Eighty-first Congress) if each such school, as determined by the Commissioner, operated by that tribe or organization provides its students an educational program which meets the standards established under section 111 for the basic education of Indian children, or is a school operated under contract by that tribe or organization in accordance with the provisions of the Indian Self-Determination and Education Assistance Act.

AMENDMENTS TO TITLE VIII OF THE ELEMENTARY AND SECONDARY EDUCATION ACT OF 1965

SEC. 537. (a) Section 810(c)(1)(E) of the Elementary and Secondary Education Act of 1965 is amended by inserting "and gifted and talented Indian children" after "handicapped".

(b)(1) Section 810(c)(1)(F) of the Elementary and Secondary Education Act of 1965 is amended to read as follows:

"(F) early childhood programs, including kindergarten;".

(2)(A) Section 810(d) of the Elementary and Secondary Education Act of 1965 is amended—

(i) by striking out "children" in paragraphs (1) and (2) of such section and by inserting in lieu thereof "students" each time it appears; and

(ii) by inserting after "teachers" a comma and the following "administrators".

(B) The section heading of section 810 of the Elementary and Secondary Education Act of 1965 is amended to read as follows:

"IMPROVEMENT OF EDUCATIONAL OPPORTUNITIES FOR INDIAN STUDENTS"

(c) Section 810 (e) of the Elementary and Secondary Education Act of 1965 is amended to read as follows:

"(e)(1) The Commissioner is also authorized to make grants to and contracts with public agencies, State educational agencies in States in which more than five thousand Indian children are enrolled in public elementary and secondary schools, Indian tribes, Indian institutions, Indian organizations, or to make contracts with private institutions and organizations, to establish, on a regional basis, information centers to—

"(A) evaluate programs assisted under this part, under the Indian Elementary and Secondary School Assistance Act, under section 316 of the Adult Education Act, and other Indian education programs in order to determine their effectiveness in meeting the special educational and culturally related academic needs of Indian children and to conduct research to determine those needs;

"(B) provide technical assistance upon request to local educational agencies and Indian tribes, Indian organizations, Indian institutions, and parent committees created pursuant to section 305 (b) (2) (B) (ii) of the Indian Elementary and Secondary School Assistance Act in evaluating and carrying out programs assisted under this part, under section 316 of the Adult Education Act through the provision of materials and personnel resources; and

"(C) disseminate information upon request to the parties described in subparagraph (B) concerning all Federal education programs which affect the education of Indian children including information on successful models and programs designed to meet the special educational needs of Indian children.

"(2) Grants or contracts made pursuant to this subsection may be made for a term not to exceed three years (renewable at the end of that period subject to the approval of the Commissioner) provided that provision is made to ensure annual review of the projects.".

(d) Section 810 (f) of the Elementary and Secondary Education Act of 1965 is amended by inserting "(1)" after "(f)", by redesignating clauses (1), (2), (3) and (4) as clauses (A), (B), (C), and (D) respectively, and by adding at the end thereof the following:

"(2) The Commissioner shall not approve an application for a grant under subsection (e) of this section unless he is satisfied that the funds made available under that subsection will be so used as to supplement the level of funds from State, local, and other Federal sources that would, in the absence of Federal funds under this subsection, be made available by the State or local educational agency for the activities described in this subsection, and in no case will be used so as to supplant those funds.".

(e) Section 810(g) of the Elementary and Secondary Education Act of 1965 is amended by inserting "(1)" after "(g)" and by adding at the end thereof the following:

"(2) For the purpose of making grants under subsection (e) of this section there are hereby authorized to be appropriated $8,000,000 for each of the fiscal years ending prior to October 1, 1983. The sum of the grants made to State educational agencies under subsection (e) of this section shall not exceed 15 per centum in any fiscal year of the sums appropriated for that year.".

(f) Section 306(a) of the Indian Elementary and Secondary School Assistance Act is

amended by inserting "estimated to be" after "equal to the amount".

TEACHER TRAINING AND FELLOWSHIPS

SEC. 538. (a) The first sentence of section 422(a) of the Indian Education Act is amended by striking out "children" and inserting in lieu thereof "people".

(b) Section 423(a) of the Indian Education Act is amended—

(1) by striking out "less than three, nor"; and

(2) by striking out "professional or graduate degree in engineering, medicine, law, business, forestry, and related field" and inserting in lieu thereof "postbaccalaureate degree in medicine, law, education, and related fields or leading to an undergraduate or graduate degree in engineering, business administration, natural resources, and related fields.".

On page 20, in the Table of Contents, strike out part B and item section 321.

On page 20, in the Table of Contents, redesignate part C as part B.

On page 21, in the Table of Contents, insert after item Sec. 409, the following:

TITLE V—INDIAN EDUCATION

PART A—ASSISTANCE TO LOCAL EDUCATIONAL AGENCIES

Sec. 501. Amendment to Public Law 874.

PART B—BUREAU OF INDIAN AFFAIRS PROGRAMS

Sec. 511. Standards for the basic education of Indian children in Bureau of Indian Affairs schools.
Sec. 512. National criteria for dormitory situations.
Sec. 513. Regulations.
Sec. 514. Studies.
Sec. 515. Facilities construction.
Sec. 516. Bureau of Indian Affairs education functions.
Sec. 517. Implementation.
Sec. 518. Allotment formula.
Sec. 519. Uniform direct funding and support.
Sec. 520. Policy for Indian control of Indian education.
Sec. 521. Educational personnel.
Sec. 522. Management information system.
Sec. 523. Bureau education policies.
Sec. 524. Uniform education procedures and practices.
Sec. 525. Recruitment of Indian educators.
Sec. 526. Annual report.
Sec. 527. Rights of Indian students.
Sec. 528. Regulations.
Sec. 529. Definitions.

PART C—AMENDMENTS TO VARIOUS EDUCATION ACTS

Sec. 531. Extension of programs for the education of Indian children.
Sec. 532. Culturally related academic needs.
Sec. 533. Demonstration projects.
Sec. 534. Parent committees.
Sec. 535. Allocation adjustments.
Sec. 536. Tribal schools.
Sec. 537. Amendments to title VIII of the Elementary and Secondary Education Act of 1965.
Sec. 538. Teacher training and fellowships.

Amendment No. 3520

On page 352, between lines 15 and 16, insert the following:

"SEC. 311. (a) (1) Section 314(a) (4) of the Act (as redesignated by section 307) is amended by striking out "on Indian reservations" and inserting in lieu thereof "among Indians".

"(2) Section 314 of the Act (as redesignated by section 307) is amended by redesignating subsections (b), (c), and (d) as subsections (c), (d), and (e), respectively, and by inserting immediately after subsection (a) the following new subsection:

"(b) The Commissioner is also authorized to make grants to Indian tribes, Indian institutions and Indian organizations to develop and establish educational services and programs specifically designed to improve educational opportunities for Indian adults."

On page 352, line 16, strike out "Sec. 311." and insert in lieu thereof "(b)".

On page 352, line 16, strike out "(d)" and insert in lieu thereof "(e)".

SECTION-BY-SECTION ANALYSIS

PART A—ASSISTANCE TO LOCAL EDUCATIONAL AGENCIES

Amends P.L. 81–874 (Impact Aid) by establishing a new method of computing entitlements and making payments for children educated in public schools who live on Federal Indian trust property, and by conditioning the payment of such entitlements on the establishment by local school districts of policies and procedures which will ensure the equal participation of Indian children in educational programs and the increased participation of the parents of Indian students and of Indian tribes in the education process.

Section 501(a) amends section 3 of the Act by adding a new paragraph 3(d)(2)(D) under which the entitlement for an Indian "A" child would be an amount equal to the regular entitlement for an "A" child times 125 per centum.

Section 501(b) repeals section 5(a)(2) of the Act. This section, added in 1974, requires local educational agencies, as a part of their application for impact aid funds, to provide assurances that Indian children will participate on an equal basis with non-Indian children in educational programs. The need for this section is superseded by the addition of strengthened provisions under the amendment to section 5(d) below.

Section 501(c) amends sections 5(b) of the Act. Under the amendment, payment of entitlements under section 3(d)(2)(D) shall be made only to local educational agencies (LEA's) which have established policies and procedures to guarantee that (1) Indian children will participate on an equal basis in educational programs, (2) applications, evaluations, and program plans are adequately disseminated to tribes and parents of Indian children, and (3) tribes and parents are afforded an opportunity to make recommendations concerning the needs of Indians students, are actively consulted and involved in the planning and development of educational programs, and have the opportunity to present their overall views on the educational program and the degree of parental participation. The amendment also provides an administrative complaint process whereby the tribe, or its designee, may seek remediation of any action taken by an LEA pursuant to or relevant to the above requirements. If, after the complaint procedure, the Commissioner determines that remedial action by the LEA is required and if the LEA does not undertake the remedial action as required, the Commissioner is required to withhold payments of entitlements under section 3(d)(2)(D) until such time as the remedial action is undertaken, unless the complaining tribe, or its designee, formally requests release of the funds to the LEA.

Section 501(d) amends section 5(c)(2) of the Act to provide that in case appropriations are not sufficient to pay the total amount of entitlements under the Act, an LEA will receive 75% of the amount of its entitlement under section 3(d)(2)(D) in the second tier P.L. 874 payments, effectively guaranteeing 100% payments to schools for all Indian children.

PART B—BUREAU OF INDIAN AFFAIRS EDUCATIONAL PROGRAMS

Section 511 provides for the establishment of standards for the basic education of Indian children in Federal Indian schools.

Under section 511(a), the studies and surveys necessary to establish these standards are to be undertaken by the Secretary of the Interior (Secretary) within the Bureau or by contract with an Indian organization and in consultation with the Assistant Secretary of HEW and Indian tribes and organizations. The studies will take into account academic needs, local cultural differences, type and level of language skills, geographic isolation, and appropriate teacher-student ratios for Indian children, and will be directed toward the attainment of equal educational opportunity for Indian children.

Under section 511(b), the Secretary is required to establish proposed standards based on these studies within fifteen months and to distribute the proposed standards to tribes and other parties for comment. Within eighteen months, the Secretary is required to establish final standards, to distribute and publish the standards, and to revise the basic standards as necessary (after notice and comment from the tribes and interested parties). The basic standards will apply to BIA schools, as modified by subsections (c) and (d), and to Indian schools under contract with BIA, subject to subsection (e).

Subsection (c) provides for modified standards where necessary to meet minimum standards required for accreditation of schools by the State within which the school is located.

Subsection (d) gives Indian tribes, or local school boards if so designated by the tribe, the authority to modify the basic standards to take into account specific needs of the tribe's students, subject to the final authority of the Secretary to approve modified standards.

Subsection (e) provides for the implementation of the basic standards in contract schools to the extent requested by the contract school board.

Subsection (f) provides for the speedy implementation of the basic standards in conjunction with a detailed implementation plan which will be submitted annually to Congress indicating the progress made toward implementation of the standards in each Bureau and contract school, the cost estimate for implementing the standards, and a schedule for complete implementation.

Subsection (g) authorizes the appropriation of such sums as are necessary to implement the academic program required under the basic standards.

Section 512 requires the Secretary, through BIA or by contract with an Indian organization, and in consultation with the Assistant Secretary for HEW and with Indian tribes and organizations, to conduct a study for the purpose of developing national criteria to govern dormitory situations in Bureau and contract schools. The criteria are to be established after notice and comment by the tribes and other interested parties within eighteen months and in the same manner as the standards established under section 511. The criteria must include requirements as to adult-child ratios, needs for counselors, space, and privacy and will apply to dormitory situations in Bureau and contract schools. The Secretary will implement the criteria in conjunction with a detailed implementation plan submitted annually to Congress. Such sums as are necessary to implement the criteria are authorized to be appropriated.

Section 513 requires the Secretary to establish within eighteen months regulations to carry out the studies and implement the standards and criteria established under sections 111 and 112.

Section 514 provides an authorization of up to $1 million for any one fiscal year to conduct the studies under sections 111 and 112.

Section 515(a) mandates the Secretary to bring all schools, dormitories, and facilities operated by or under contract with the BIA which are related to the education of Indian children, into compliance with all applicable Federal, Tribal or State health and safety laws (whichever provides the greatest protection) and with section 504 of the Vocational

Rehabilitation Act, but facilities now in use which are not in compliance are not required to be closed.

Section 515(b) requires the Secretary to transmit to Congress an annual report of the present status and projected costs for compliance.

Section 515(c) requires the Secretary to submit to Congress the system used to establish construction priorities for Bureau schools, along with current lists of those priorities.

Section 515(d) authorizes the appropriations of such sums as are necessary to bring Bureau and contract school facilities into compliance with the health and safety laws under subsection (a).

Section 516 reorganizes the responsibility for education within the Bureau of Indian Affairs. Primary responsibility for the formulation of educational policy and expenditure of funds for education at the present time is under the Area Directors.

Under section 516(a) the functions, powers, and duties of the Secretary with respect to the operation and supervision of Indian education would be carried out by an Assistant Secretary for Indian Affairs or the Director of the Bureau's Office of Indian Education Programs, subject to the authority of the Assistant Secretary for Indian Affairs and the Secretary, and through Bureau employees under the supervision and control of the Director.

Under section 516(b), all Bureau personnel involved with the provisions of educational services are placed under the direction and supervision of the Director. However, separate support services for education are not intended.

The responsibilities of education personnel in the agency and area offices are set forth in section 516(c).

Under Section 517, the Secretary is required to implement the transfer of responsibility for education programs under 516 by regulation within six months.

Section 518 and 519 provide for the uniform funding and support of Bureau and contract schools in accordance with a formula based upon the minimum annual amount of funds necessary to sustain each Bureau or contract school. The allotment formula will take into consideration factors including, but not limited to, (1) the number of Indian students served and size of the school, (2) special cost factors involved in the operation of the school, (3) the cost of providing academic services which are at least equivalent to those provided by public schools in the State in which the school is located, and (4) the cost of bringing the school up to the level of the standards established under sections 511 and 512. Each school is to be allotted the same proportion of the funds appropriated for the general local operation of Bureau and contract schools as its minimum need (determined under the above formula) bears to the total minimum need for all schools. However, in the case of a school located in a school district containing a public school which receives from Federal funds under other provisions of law an average payment per Indian student which is higher than the Bureau or contract school's per student allotment, the school's allotment per student will be equal to the average payment per Indian student received by the public school.

In addition, the Secretary is authorized to provide for necessary funding for schools in case of emergencies or unforeseen contingencies not otherwise provided for by these sections. The allotted funds will be paid directly to Bureau and contract schools and expended in the case of Bureau schools, on the basis of a local financial plan. The financial plan is to be prepared by the local school supervisor in active consultation with the local school board (or the affected tribe(s)). The local board (or affected tribe(s)) has authority to ratify, revise, or reject the plan, unless the agency superintendent for education overturns, in writing and for good cause, the local school board's decision. In the exercise of their authority under section 519, local school boards may request and receive necessary technical assistance and training from the Bureau.

Section 520 re-emphasizes the intent of the Indian Self-Determination and Education Assistance Act and would direct that the Bureau support efforts taken by Indians toward self-determination or control over their education programs.

Section 521 provides that the competitive service provisions of the civil service laws (Title 5, United States Code) shall be inapplicable to persons employed in education positions within the Bureau after twelve months of enactment of this Act. Persons employed in education positions prior to the effective date would not be affected unless they elect inclusion under subsection (n) within five years of the date of enactment of this Act. Civil service retirement and employee benefits would not be affected in any way by the Act. Not later than the effective date of section 521(a), the Secretary is required to prescribe regulations governing the employment of persons in education positions within the Bureau including (1) the establishment of education positions, (2) the establishment of qualifications for educators, (3) the fixing of basic compensation for educators and education positions, (4) the appointment of educators, (5) the discharge of educators, (6) the entitlement of educators to compensation (7) the payment of compensation to educators, (8) the conditions of employment of educators, (9) the length of the school year applicable to education positions, (10) the leave system for educators, and (11) such other matters as may be appropriate.

Under section 521(c), a local school board may waive any formal degree qualifications established by the Secretary under section 521(b) in order for a tribal member to be hired to teach tribal culture and language. The Secretary may also authorize the temporary employment of educators not meeting the qualifications established under regulation where failure to do so would result in the position remaining vacant.

Under section (d), the local and agency school boards are given a voice in the hiring of educators at the local and agency levels. Local school supervisors are generally responsible for hiring educators in the Bureau schools, in consultation with the local school boards. However, the local school board's decision on the hiring of educators in the school is final, unless the agency superintendent for education overturns, in writing and for good cause, the local school board's determination. Similar procedures apply with respect to the hiring of local school supervisors and agency education personnel.

Under section 521(e), educators may be discharged only after notice and opportunity for a hearing. The local school supervisor may discharge educators employed in Bureau schools for cause (and in compliance with due process) only after giving notice to the local school board. The local school board has final authority to prevent the discharge, unless the agency superintendent for education overturns, in writing and for good cause, the local school board's decision.

Under section 521(f), subject to the Civil Service Commission's final authority to determine the applicability of the competitive service laws to specific positions and employees, the Secretary shall determine which positions within the Bureau are education positions covered by this Act.

Section 521(g) requires the Secretary to fix the basic compensation for education positions under this Act at rates comparable to the rates under the General Schedule for comparable positions under the competitive service classification, provides for an additional cost-of-living allowance for educators employed in Alaska, and authorizes a post differential not to exceed 25 per centum of the basic compensation.

Section 521(h) through 521(j) are transfer provisions protecting accrued employee leave rights.

Section 521(k) prevents an educator who voluntarily terminates employment with the Bureau before the expiration of his or her employment contract from being employed in another education position in the Bureau during the remainder of the term of the contract.

Section 521(l) makes section 5533 of Title 25, prohibiting Federal employees from receiving dual compensation, inapplicable to educators receiving additional compensation under subsection (g) or receiving compensation from outside employment during summer recess.

Section 521(m) defines the terms "educator" and "education position."

Section 522 requires the Secretary to establish a management information system including student enrollment, curriculum, staff, facilities, community demographics, and student assessment information with respect to the Bureau's education programs.

Section 523 requires the Secretary to promulgate, after dissemination to Congress, the tribes, and interested parties, policies, practices, and procedures to govern education-related action by the Bureau.

Section 524 requires the various divisions of the Bureau to establish uniform practices and procedures with respect to the concerns of those divisions which relate to education.

Section 525 requires the Secretary to institute a policy for the recruitment of Indian educators.

Section 526 requires the Secretary to submit an annual report on Indian education to the Congress.

Section 527 requires the Secretary to prescribe rules and regulations necessary to ensure the civil and constitutional rights of Indian students.

Section 528 provides that regulations required to be adopted under sections 116 through 117 shall be promulgated, submitted for congressional review, and take effect in accordance with the provisions of section 431 of the General Education Provisions Act.

Section 529 contains definitions of terms used in the Act.

PART C—AMENDMENTS TO VARIOUS EDUCATION ACTS

Section 531 provides for a simple five year extension of various Indian education programs administered by DHEW.

Section 532 adds "culturally related academic needs" to the needs to be addressed by LEA's with funds received under this part.

Section 533 provides authorization for the development of demonstration projects.

Section 534 provides that those persons serving in the role of "parent" (in loco parentis) will be eligible to serve on advisory committees overseeing the functioning of these programs. This section also grants additional input to the advisory committees into the hiring of personnel paid for with Indian Education Act funds and requires advisory committees to adopt and abide by by-laws.

Section 535 allows adjustments in the allocation of funds under this program where the funding would otherwise revert back to the U.S. Treasury unused.

Section 536 qualifies contract and alternative schools for the entitlement program funded under the Indian Education Act, as well as the 10 percent set aside competitive program.

Section 537 amends Title VIII in order to

improve the educational opportunities of Indian students.

Section 538 amends Title IV of the Indian Education Act for the purpose of clarification.

EXCISE TAX ON CERTAIN TRUCKS, BUSES, TRACTORS, ETC.—H.R. 1337

AMENDMENT NO. 3521

(Ordered to be printed and to lie on the table.)

Mr. LONG submitted an amendment intended to be proposed by him to H.R. 1337, an act to amend the Internal Revenue Code of 1954 with respect to excise tax on certain trucks, buses, tractors, et cetera.

STATE-TAX CREDIT AGAINST FEDERAL SLOT MACHINE TAX

● Mr. LONG. Mr. President, the Internal Revenue Code imposes an annual occupational excise tax on slot machines or other coin-operated gaming devices of $250 per machine. If a State imposes a similar tax, the State tax is credited dollar-for-dollar against the Federal tax, except that under present law, the credit for State tax paid cannot exceed 80 percent of the Federal tax.

The availability of the State-tax credit facilitates the raising of revenues through State taxes on slot machines. Under State law in Nevada, an amount equal to the State-tax credit is used for educational purposes. Under that law, the first $5 million is earmarked for capital improvements in the University of Nevada system, including the community colleges. Funds in excess of $5 million go to the State Distributive School Fund, which, under Nevada law, is the principal mechanism for distributing State assistance to local school districts. If the credit is increased to 95 percent, the additoinal amounts made available would be used for the payment of interest and amortization of principal for construction costs of educational facilities of the University of Nevada.

In light of these considerations, the Finance Committee has concluded that it is desirable to raise the limitation on the State-tax credit from 80 to 95 percent of the Federal tax. The increased limitation will apply for years ending June 30, 1979, and June 30, 1980.

In addition, the committee amendment I am submitting today repeals the Federal occupational tax on slot machines, et cetera (imposed by section 4461 of the Code) for years beginning after June 30, 1980. The Treasury Department does not oppose repeal of the tax in view of the increase in the maximum State-tax credit made by the amendment.●

REVENUE LAW TIMING REQUIREMENTS—H.R. 7320

AMENDMENT NO. 3522

(Ordered to be printed and to lie on the table.)

Mr. LONG submitted an amendment intended to be proposed by him to H.R. 7320, an act to revise miscellaneous timing requirements of the revenue laws, and for other purposes.

PUBLIC CHARITY STATUS OF CERTAIN LONG-TERM CARE ORGANIZATIONS

Mr. LONG. Mr. President, this committee amendment I am submitting today excludes from private foundation status, for purposes of the foundation excise tax rules and the charitable deduction income tax rules, certain tax-exempt charitable organizations which have continuously operated since May 26, 1969, facilities for the long-term care of elderly persons, needy widows, children, or permanently and totally disabled persons.

The Internal Revenue Code defines the term "private foundation" to mean any charitable, educational, religious, or other organization described in section 501(c)(3), other than certain specified categories of organizations. These categories (known as "public charities") include churches, schools, hospitals, or certain medical research organizations, certain other organizations which receive specified "public" support, and organizations which are "supporting" organizations to other public charities. For this purpose, under Treasury regulations, the term "hospital" does not include "convalescent homes or homes for children or the aged, nor does the term include institutions whose principal purpose or function is to train handicapped individuals to pursue some vocation." Thus under present law, a privately endowed long-term care organization (such as an orphanage) may not qualify as a public charity.

Public charities are not subject to the private foundation excise taxes. In general, the rules relating to income tax deductions by individuals for contributions to public charities or to private operating foundations are more favorable to the donor than the rules relating to the deductibility of contributions to private nonoperating foundations."

The Finance Committee has concluded that privately endowed charitable organizations which operate long-term care facilities as their principal functional purpose perform public functions and are subject to public attention to the same extent as privately endowed schools, hospitals, hospital-affiliated medical research organizations, and so forth, which are treated under present law as public charities on the basis of their charitable functions. Also, imposition of the annual foundation excise tax on the net investment income of these organizations reduces the amount of such income available for operation of long-term care facilities.

Accordingly the committee amendment excludes from private foundation status an organization, described in section 501(c)(3) of the Code, which, on or before May 26, 1969, and continuously thereafter to the close of the taxable year, operates and maintains as its principal functional purpose facilities for the long-term care, comfort, maintenance, or education of permanently and totally disabled persons, elderly persons, needy widows, or children. The amendment applies retroactively to January 1, 1970.

It is understood that the committee amendment would benefit the Sand Springs Home in Oklahoma and approximately 26 other identified homes around the country. Any other long-term care organization meeting the requirements of the amendment also would be treated under the amendment as a public charity, but only if the organization has operated qualifying long-term care facilities continuously since May 26, 1969.

REVOCATION OF ELECTION OF RETIRED PAY FOR TAX COURT JUDGES—H.R. 8811

AMENDMENT NO. 3523

(Ordered to be printed and to lie on the table.)

Mr. LONG submitted an amendment intended to be proposed by him to H.R. 8811 an act to amend sec. 7447 of the Internal Revenue Code of 1954 with respect to the revocation of an election to receive retired pay as a judge of the Tax Court.

INVOLUNTARY CONVERSION OF SPECIAL USE VALUATION PROPERTY

● Mr. LONG. Mr. President under present law, certain real property used as a farm for farming purposes or in a closely held trade or business may be valued for Federal estate tax purposes by reference to its actual use ("special use valuation"), rather than at its fair market value determined on the basis of highest and best use.

To assure that special use valuation property continues to be used for farming or for other closely held business uses, a recapture rule is provided. In general, this rule results in recapture of the estate tax benefit of the special valuation if the heir disposes of the property or changes its use within 15 years of the death of the decedent (or, if earlier, prior to the death of the heir). The purpose of this recapture rule is to prevent the heir from having the property valued for a special use for estate tax purposes, but then obtaining a higher value by sale or change of use.

Under present law, this recapture rule applies to special use valuation property which is involuntarily converted (such as by condemnation) even if the proceeds of the conversion are reinvested in property used for the same special use.

The Finance Committee has concluded that application of this recapture rule to an involuntary conversion produces an unfair and unnecessarily harsh result in cases where the heir reinvests proceeds in farm or other special use real property. In such a case, the heir's use of the conversion proceeds to acquire property for the same special use is consistent with the basic policy of the recapture rule, and the interruption in the 15-year holding period is not a voluntary act by the heir.

Accordingly the amendment I am submitting today provides that if an involuntary conversion of qualified real property takes place, no recapture of the estate tax benefit will occur if the property is replaced by other real property of at least equal value to be used for the same use. If qualified real property is replaced by property of lesser value, the recapture will apply only in the propor-

tion that the excess of the amount realized in the conversion over the amount reinvested bears to the amount realized on the conversion.

These rules generally give the heir the same time to make a qualified replacement as is permitted under the present income tax involuntary conversion rules; that is, 2 years from the date of the conversion. The amendment also provides that the recapture period (generally, 15 years) will be extended for an additional period equal to the period of any discretionary extensions of time, beyond the normal 2-year period, granted by the IRS for reinvestment. However, any such extension of the recapture period will apply only to the replacement property.

Present law also provides that the basis of "carryover basis property" generally is adjusted by the amount of Federal and State estate and inheritance taxes attributable to appreciation. Although the purpose of the recapture tax is generally to place the estate (and the heir) in essentially the same position as if special use valuation had not been elected, no adjustment is provided under current law for any portion of the recapture tax imposed upon the disposition of special use valuation property.

The Finance Committee has concluded that this result is unduly harsh even in cases where the involuntarily converted property is not fully replaced. Consequently, the amendment provides that if qualified real property subject to an involuntary conversion is carryover basis property, its basis will be increased for Federal income tax purposes in an amount equal to the recapture tax imposed with respect to any appreciation element in the portion of the differential between fair market value and special use value which has been subjected to recapture. These adjustments to basis are to be made on a property-by-property basis.

The following example illustrates the operation of these basis adjustment rules in the case of carryover basis property. Assume that one parcel of special use valuation property is involuntarily converted within the recapture period and that none of the conversion proceeds are reinvested. As of the applicable estate tax valuation date, the fair market value of the property is $1 million and its special use valuation (at which it was included in the decedent's estate) is $700,000. The heir's basis in the property (prior to any adjustment by reason of the involuntary conversion) is $600,000 and the amount of the recapture tax imposed by reason of the involuntary conversion is $129,000. Under these assumptions, all of the recapture tax is attributable to the appreciation element in the differential between the fair market value and the special use value, and thus the basis of the property is increased by $129,000 (from $600,000 to $729,000).

However, if in the example described above, the heir's basis were $800,000 rather than $600,000, then only two-thirds of the recapture tax would be attributable to the appreciation element in this value differential, and the basis of the property would be increased by $86,000 (from $800,000 to $886,000).

The amendment provides that an adjustment resulting from an involuntary conversion is treated as having been made immediately before the property was involuntarily converted. Thus, the adjustment will result in a reduction in the amount of gain (or an increase in the amount of loss) realized on the involuntary conversion.

If the involuntarily converted property is replaced by property of at least equal value to be used for the same use, no recapture tax would be imposed and hence no basis adjustment would be made.

Since this committee amendment would correct technical oversights in the 1976 Tax Reform Act, it would apply to involuntary conversions after December 31, 1976 (the effective date of the estate tax changes for special use property made by the 1976 act).●

DISTRICT OF COLUMBIA REPRESENTATION—HOUSE JOINT RESOLUTION 554

AMENDMENTS NOS. 3524 AND 3525

(Ordered to be printed and to lie on the table.)

Mr. SCOTT (for himself and Mr. WALLOP) submitted two amendments intended to be proposed by him to House Joint Resolution 554, a joint resolution proposing an amendment to the Constitution to provide for representation of the District of Columbia in the Congress.

NOTICES OF HEARINGS

COMMITTEE ON THE JUDICIARY

● Mr. ROBERT C. BYRD. Mr. President, for Mr. EASTLAND and on behalf of the Committee on the Judiciary, I desire to give notice that a public hearing has been scheduled for Friday, August 25, 1978, at 9:30 a.m., in room 2228, Dirksen Senate Office Building, on the following nominations:

Patricia J. E. Boyle, of Michigan, to be U.S. district judge for the eastern district of Michigan vice Damon J. Keith, elevated.

Julian A. Cook, Jr., of Michigan, to be U.S. district judge for the eastern district of Michigan vice Lawrence Gubow, deceased.

Any persons desiring to offer testimony in regard to these nominations shall, not later than 24 hours prior to such hearing, file in writing with the committee a request to be heard and a statement of their proposed testimony.

This hearing will be before the full Judiciary Committee.●

ADDITIONAL STATEMENTS

JACK ANDERSON RETRACTS

● Mr. CURTIS. Mr. President, there are no exceptions to the command "Thou shalt not bear false witness." It applies to all persons. There is no immunity either for members of the press or for politicians.

When falsehoods are spoken or written, they often do great damage. Such was the case with one of our very distinguished men of the Foreign Service, the Honorable Turner B. Shelton.

Ambassador Shelton is an honest and dedicated patriot. He represented the U.S. Government with fairness and honesty and in the best interest of our country. He was our Ambassador to Nicaragua from 1970 to 1975. Ambassador Shelton has rendered distinguished service at several foreign posts including Russia, where he negotiated the cultural exchange, and in Hungary and in the Bahamas.

There are those in our country, and some of them are in government, who have extreme, critical views of Nicaragua, and they seem to prefer that Nicaragua have a "Castro-type Communist government." They fail to speak or write objectively about Nicaragua and the facts relating to that country. This group disregards the questions as to whether or not a country is a dependable friend of the United States. All of this resulted in false and damaging statements being made and written about Turner B. Shelton. After Mr. Shelton's return from Nicaragua, he was under consideration for another post. The falsehoods that were published about him did influence some Members of the Senate and some members of the Committee on Foreign Relations. The result was that this country was deprived of the services that Ambassador Shelton could render, and Ambassador Shelton was treated most unfairly by the publication of these falsehoods and was damaged materially.

Among those who wrote things about Turner B. Shelton that were untrue was the well-known columnist Jack Anderson. I am happy to report that Jack Anderson has retracted his statement. Jack Anderson has admitted that he was wrong. Mr. President, I shall submit for the RECORD that portion of Jack Anderson's column relating to Ambassador Shelton which appeared in the Washington Post on Saturday, August 12, 1978. I commend Jack Anderson for making this retraction. It is unfortunate that a good man was wrongfully damaged by falsehoods, and it is too bad that Turner B. Shelton had to bring a lawsuit against Jack Anderson before this retraction was made.

The article above of August 12, 1978, follows:

ARTICLE BY JACK ANDERSON

Shelton Revisited—The U.S. ambassador to Nicaragua from 1970 to 1975 was Turner B. Shelton. Commencing in 1973, we did a series of articles critical of the ambassador. We have concluded that, to be totally fair to Ambassador Shelton, the following should be added to the record.

Our criticism of Ambassador Shelton was based upon his close relationship with President Somoza, but in light of additional facts we are now convinced he was merely carrying out the Nixon administration's policy in Nicaragua.

On Dec. 22, 1972, a devastating earthquake struck Nicaragua. We reported that the Sheltons were primarily concerned with their own personal problems.

We are now persuaded that the ambassador and his wife were deeply concerned about the devastation. The ambassador worked tirelessly for six days and nights with little more than a few hours sleep and refused to let a broken arm slow him down.

For their efforts, the embassy received a special commendation from the State Department and White House. He also received from President Somoza the highest award of Nicaragua.

After leaving Nicaragua, Shelton became diplomat-in-residence at the Naval War College in Newport, R.I. He retired on March 31, 1977. He is now a successful international consultant representing the interest of U.S. firms abroad.

We did not agree with the Nixon administration's policy toward Nicaragua. Perhaps this influenced our attitude toward Shelton. His 30 years with the government included notable achievements and the Distinguished Service Award. He played a leading role in negotiating the first U.S.-Russian cultural exchange program.●

CZECHOSLOVAKIA

● Mr. STEVENSON. Mr. President, 10 years ago the Soviet Army marched into Czechoslovakia and brutually suppressed the beginnings of liberal and humane government in that unhappy country.

In the brief period of Czechoslovakia's true independence between the two world wars, Americans developed a profound respect for the people of Czechoslovakia. Their courageous and purposeful efforts to build a democracy in their ancient land earned the admiration of peoples everywhere. The Soviet takeover after World War II effectively stifled the growth of democracy in Czechoslovakia for a generation. So it was understandable that, in 1968, after years when liberty in Czechoslovakia was in eclipse, people in the West were encouraged by the signs of a loosening of the repressive controls characteristic of the Czech regime.

Those hopes were destroyed by the raw application of Soviet force, and we salute the courageous leaders of Czechoslovakia who reminded their fellow countrymen and all of us that the longing for freedom cannot be extinguished.

Even though repression has been the rule in Czechoslovakia since 1968, the Charter 77 group has managed to raise its voice to insist that the Czech Government honor its commitment to the principles of the Helsinki Accord. In doing so, the Charter 77 group has once again demonstrated the persistence of the human spirit in its demand for freedom and decency. As Americans, we should bear in mind the heroic efforts of those who put their own safety in jeopardy to achieve freedom for all and conduct our foreign policy in such a way as to enhance the opportunity for freedom and justice for the people of Czechoslovakia.●

GOLD MEDALLION—GOOD ECONOMICS

● Mr. TOWER. Mr. President, I recently joined Senator HELMS in sponsoring a bill which would require the Treasury to sell the first 1.5 million ounces of gold it sells after the date of enactment in the form of gold medallions. After this, the amount of gold minted into medallion form would be adjusted to meet demand.

This bill, the Gold Medallion Act of 1978, would not in anyway limit the amount of gold sold by the Treasury, only the form in which it is sold. Currently U.S. gold is auctioned off in bars which weigh 400 ounces apiece and are valued at about $70,000. Very few citizens can afford to make such a purchase. As a result, very little U.S. gold is sold to Americans. This should not be interpreted to mean that Americans do not want gold. More than 1.6 million ounces of the precious metal were imported last year—from Austria, Mexico, and South Africa—in the form of bullion coins. The American people have clearly demonstrated that they want to own gold, and their Government is clearly demonstrating a reluctance to let them buy it. For this reason, I have become a cosponsor to Senator HELM's Gold Medallion Act.

It is not my purpose here to make an empassioned speech on the American people's right to own American gold, although I believe very strongly in that right. It is not my purpose to bemoan the present situation whereby Americans must buy their gold abroad or not buy it at all. What I wish to do here is to examine, as thoroughly as possible, the economics of this bill; to ask the question, is this bill economically sound?

First of all, does the United States need, in the economic sense of the word, this bill? According to a statement issued by Grover C. Criswell, Jr., president of the American Numismatic Association, the answer is yes. All U.S. gold sales have been aimed at the bulk purchaser; gold bars are sold by weight at the current price of gold, usually to foreign banks. Meanwhile, Americans are importing bullion coins, and paying the current price of gold plus about 8 percent, which is the premium charged for bullion coins by the countries that issue them. Thus, we see gold leaving the country and we see gold coming into the country, in roughly the same quantities. Yet the gold coming into this country costs 8 percent more than the gold leaving it. Clearly this is not helping our balance-of-payments situation any.

The Gold Medallion Act would insure that, instead of leaving the country, this 8-percent premium would remain at home. Even if the Treasury receives less than an 8-percent premium for U.S. medallions, this would mean substantial additional Federal revenues, with the Government standing to gain an estimated $20 million from the sale of 1.8 million ounces at $170 an ounce. Of course, since the price of gold is most likely to be more than $170 an ounce by the time this bill could be enacted, the Government's profits would probably be even higher.

We must also consider the beneficial domestic results derived from utilizing these profits at home. The multiplier effect is, of course, lost when money is spent abroad.

Demand for small gold medallions in the United States is already assured, and may increase in the wake of the Gold Clause Freedom Act, a bill authored by Senator HELMS, cosponsored by myself, and signed into law in October of 1977. As more and more people begin to write contracts stipulating that they be paid in gold, the need for gold in small quantities will skyrocket. Gold medallions issued by the United States would provide the ideal medium of exchange for these contracts, and as a result the Government would profit.

Now, I am sure that many of you will agree that with the Federal debt the way it is now, the Government cannot afford to turn down a profit—be it ever so small in comparison with the debt itself.

So how much would these impressive little medallions cost to produce? Not much. Since the medallions would be made of the 0.900 fine gold which constitutes the bulk of the Treasury's stock, no time and money need be wasted in further refining. Also, it is much easier and cheaper to mint a gold medallion than to create the cupro-nickel sandwich of which our coins are made. The average medallion would probably cost only about 5 cents to manufacture, plus the costs of any added security which might be needed. For special medallions, of course, the cost of production would be much higher, and this cost would be passed along to the purchaser in the form of a large premium.

Gold medallions would cost little to manufacture, and promise an opportunity for considerable profit. Economically they are highly feasible.

I find that I must make one point on the ethics of our present method of selling gold. Foreign banks may be buying our gold, while our own citizens want to but are effectively prevented. This is a grave injustice. The Gold Medallion Act of 1978 is an opportunity for us to amend this injustice. Too rarely, we find, do ethics and good economics walk hand-in-hand, but this is the case with this unique bill. I hope that all in the Senate will join me in supporting it.●

A MODERATE'S VIEW ON TAX CUTS

● Mr. JAVITS. Mr. President, the United States can no longer afford to ignore the seriousness of the economic problems that face our Nation today. The No. 1 culprit is inflation, and this condition threatens the very social fabric of our Nation, breeding a divisiveness and an economics of selfishness among the American people.

A manifestation of this emerging trend over proposition 13, where the American taxpayers in their frustration and anger have struck out at public spending, only to encourage those we can least afford to harm—the poor and the disadvantaged.

A recent article in the Wall Street Journal by David P. Eastburn, president of the Federal Reserve Bank of Philadelphia, specifies in a highly perceptive way some of our Nation's major economic ailments and offers some equally timely changes. In his article, Mr. Eastburn urges us to transcend the traditional barriers presently dividing liberal and conservative doctrines in the field of economics and to work toward the creation of a cohesive social and economic policy that will restore the public's confidence and rally its support.

I share Mr. Eastburn's concern about the insidious nature of inflation, and I believe, with him, that we should avoid

a radical "meat-ax" approach to cutting taxes and choose the "scalpel" approach for specificity and responsibility—an approach that considers the full implications and the social as well as the economic costs. Also I concur in his recommendation that we reexamine the role of Government in fostering or hampering economic growth. Mr. Eastburn very astutely weighs the trade-offs involved in managing an economy of the magnitude of ours and reaffirms our urgent need for sound anti-inflationary fiscal and monetary policies.

Mr. President, I commend this article to my colleagues and ask that it be printed in the RECORD.

The article follows:

[From the Wall Street Journal, Aug. 16, 1978]

MEAT AX APPROACH TO CUTS CAN BE AVOIDED

(By David P. Eastburn)

As the wave of tax-slashing proposals sweeps the nation, economic liberals find themselves with their backs to the wall. Those of us who would use economic policy consciously to alleviate poverty and economic distress (as good a description of liberal economics as any) see the tide of sentiment moving strongly against us. What course should an economic liberal seek?

First, how to deal with the Proposition 13 syndrome? To the extent that the meat-ax approach to taxes is directed deliberately to cutting public services to the poor and disadvantaged, it is, of course, deplorable. But a case can be made for shrinking the size of government that is perfectly consistent with the liberal view. It is that beyond some point intervention by government can hamper the economy so severely as to slow economic growth.

Edward Dennison, a senior fellow at the Brookings Institution, has calculated, for example, that government regulations have cut deeply into productivity growth during the 1970's. He estimates that in 1975 pollution and safety regulations alone reduced the average growth rate in productivity by about one-fifth. Productivity growth is a key element in maintaining economic growth. And since economic growth has been responsible for most of the remarkable reductions of poverty achieved in the past quarter of a century, it is clear that excessive government intervention can be counterproductive to the objectives of liberal economics. What is "excessive," of course, is a matter of judgment. Mine is that we are operating in the danger zone.

But the solution is not to apply the meat ax. Surely the process of government has not become so bankrupt that we cannot still confront the many needs before us and sort out the priorities.

Congress has made good progress in recent years in improving the budgetary procedure. There is new awareness in the Executive Branch of the need to overhaul regulations. These are sensible, selective approaches to limiting the scope of government which still can encourage the private sector to grow and yet leave room for directing some of the taxpayer's dollars to meeting social needs.

Perhaps the proposal most deplorable to liberals is the Steiger plan to slash the capital gains tax. If the motive is simply to give a windfall to the already rich, the proposal is, of course, reprehensible. But there can be honest debate about the effect of the capital gains tax on economic growth. The science of economics is not far enough advanced to tell us exactly what the effect of a cut may be, but it certainly is in the direction of encouraging growth.

Similarly, the tendency recently to stress the importance of other kinds of tax relief for investment—liberalized depreciation allowances and the like—can be perfectly consistent with the liberal view. The "trickle-down" theory may be anathema to the social activist, but in the longer run it may further his cause better than a tax policy that always favors the consumer. What we need to do, obviously, is to make a careful tradeoff between the immediate benefit of such tax changes for the well-to-do and the ultimate welfare of the disadvantaged. Evidence of the past quarter of a century is that there is long-run paydirt in policies that encourage investment. They are not inimical to liberal economics.

The real culprit is inflation. I firmly believe the current taxpayer revolt would not exist were it not for the widespread frustration about inflation. It has been observed that the most insidious thing about inflation is that it tears at the fabric of society, and we are now seeing this happen.

The cry throughout the land is "Hey, what about me?" Group is pitted against group; everybody is out to get his; generous impulses are stifled. I have visions of angry hordes of middle-income consumers in California marching from the supermarket to balloting places to vote for Proposition 13.

What all this tells me is that the best way for those of a liberal persuasion to achieve their ends is to join the fight against inflation. Too often in the past liberals have been identified as being concerned with poverty and economic distress, conservatives with inflation. It is not that simple. Economists don't understand as much as they would like about the connections between the two phenomena and they need to keep working at the problem, but the lesson of the real world is that unless we get inflation under control we are not going to have sufficient public support to deal with economic distress.

This line of thought tells me, too, that we can't look for much success in efforts to talk down inflation. Once people come to feel they are on their own, that the only course is to look out for their own interests, appeals to self-sacrifice for the general good are not likely to be heeded. New approaches are needed and should be tried. One that holds promise is the TIP proposal to give tax benefits to businesses with a good record in holding down inflation. Extreme believers in the free market fear that the plan would interfere in its operation. On the contrary, I see the plan as harnessing market forces to fight inflation. Administrative problems are great but probably not insuperable. Liberals should give vigorous support to TIP.

However, this solution at best is sometime in the future and in any case cannot do the whole job. Given this fact, the most fruitful course is to pursue anti-inflationary fiscal and monetary policies—hold down government spending and keep the money supply from growing too fast.

This kind of action often is not identified with the traditional liberal economic view, but, I suggest, is the most promising route to the liberal goal. Liberals can join at least one hand with monetary and fiscal conservatives with a clear conscience that they are being true to their economic and social ideals.●

NADER ANTI-NUKE CONFERENCE, OCTOBER 6–8

● Mr. GRAVEL. Mr. President, I think it is fair to say that Ralph Nader and I disagree on many energy issues. But there is at least one issue we agree on, and that issue is nuclear power. We both recognize the environmental and economic burden of nuclear power on America and the world.

I am pleased that Ralph Nader is organizing another national gathering of citizens who are trying to prevent proliferation of radioactive wastes. I hope the gathering, to be held in Washington, D.C., October 6 through 8, 1978; will help give Congress the message that there is a rapidly growing constituency of people determined to hasten the demise of unsafe nuclear power and substitute the sensible alternatives like greater energy efficiency and solar energy.

Mr. President, I ask that Ralph Nader's invitation to "Critical Mass '78" be printed in the RECORD.

Mr. President, I also ask that two recent articles from the Washington Post be printed in the RECORD. These articles relate the efforts of Princeton University's plasma physics lab in trying to arrive at resolution of problems concerned with the commercial production of electricity from fusion. Fusion shows great promise for the future, in that it is nonpolluting, nonradioactive, and draws its source of fuel from seawater.

The material follows:

CRITICAL MASS '78

DEAR FRIENDS: Four years ago nearly a thousand citizens gathered to apply their talents, skills and resources on the menace of nuclear power. Since then the safe energy citizens' movement has steadily grown—but so too have the challenges.

When Critical Mass '74 was convened in November, 1974, thirty-six safe energy alliances had not yet formed. New York City and New London, Connecticut had not yet instituted an across-the-board ban on the transportation of radioactive materials. There had not been one hundred and fifty cancellations or postponements of nuclear reactor orders. Robert Pollard and Ronald Fluege had not yet resigned under protest from the U.S. Nuclear Regulatory Commission. Dale Bridenbaugh, Gregory Minor, and Richard Hubbard had not yet decided to quit their high level engineering positions at General Electric. Dr. Thomas Mancuso and Dr. Alice Stewart had not yet released their findings about the cancer-causing risks of low level radiation. State and local officials had not yet demanded "veto power" over the siting of radioactive waste repositories. The geologists at the U.S. Geological Survey had not yet released their reservations about burial of deadly nuclear wastes in geologic salt formations. And Congress had not yet abolished the secretive Joint Committee on Atomic Energy, which authored so much of the nation's pro-nuclear legislation. It is an awesome set of developments that has propelled public awareness about the risks of atomic energy.

Nevertheless there remain many important challenges today—challenges which will be examined and confronted at Critical Mass '78. The nuclear industry, chafing under the burden of mushrooming self-generated costs, the international uranium cartel, and operating difficulties, is moving toward a massive federal/taxpayer bailout. There is also great resistance within the industry to tighter radiation standards. Energy Secretary James Schlesinger wants to accelerate the licensing of nuclear plants despite the attendant safety risks and curb public participation under the guise of a public participation provision. The Department of Energy is considering New Mexico as a site for an ill-conceived radioactive waste repository. And no federal agency is devising a solution for the tons of uranium mill tailings that

pollute the West. . . . Finally, the prospect for a devastating reactor accident still hangs menacingly over the nation.

This year Critical Mass '78 hopes to bring both the new and old issues and the new and old activists together. As the citizens' movement builds momentum and as the nuclear industry faces a crossroads, it is time for all concerned citizens to meet in an educational forum to exchange information, strategies, and skills, about atomic energy, and its alternatives. I hope you join us for Critical Mass '78—it's an opportunity to show that a Critical Mass of people can make the Critical Difference.

Yours,

RALPH NADER.

[From the Washington Post, Aug. 20, 1978]

TAMING FUSION'S FURY

(By Thomas O'Toole)

It all began with Project Matterhorn in 1951. The search for energy from thermonuclear fusion—clean, cheap and without limits, its supply of fuel nothing more than the deuterium found in the earth's seawater.

So optimistic were the scientists who started Matterhorn that they spoke of producing power in five years. Buzz words were: "Burnup by Christmas," meaning they hoped to demonstrate fusion's scientific feasibility by matching the temperature of the sun the first year.

So relaxed was the program in 1951 that its name was chosen because Princeton University's Dr. Lyman Spitzer, Jr., the project's first director, was a mountain climber. A picture of the Matterhorn hung in his laboratory.

Two years later, the dream had dimmed but not by much. The scientists realized that the world of plasma physics where gas behaves like solids and liquids was more complex than they suspected but by then they had built a machine at Princeton to test their understanding of the physics.

The machine was called the Stellerator and some of its builders fully expected to reach fusion temperatures of 100 million degrees centigrade the first time they turned it on. When the day came to test it, the lights were turned out in the Stellerator laboratory so everybody could get a good look at the superheated gas when it ignited and the Age of Fusion began.

Somebody pushed the button that started the machine. There was a sudden, blinding flash. Not from fusion, however. The magnetic coils built into the machine to insulate the hot gas and keep it away from the walls of the machine all burned up because of a massive short circuit.

It's taken them 27 years but the scientists who labor at fusion research are beginning to understand its physics and tame its special fury. It has not been easy. While there have been no more short circuit explosions like the one that struck Princeton 25 years ago, there have been countless small but embarrassing failures along the way. What began as a cakewalk up the Matterhorn has become what the Department of Energy's Dr. Edwin Kintner calls the "greatest technological challenge man has ever undertaken."

A TURNING POINT

On July 24, a piece of that challenge was met. On that day, a younger team of Princeton scientists than the group which started the charge up the Matterhorn reached a milestone which may mark a turning point in technological history.

What the Princeton team did was achieve a temperature of at least 60 million degrees in a machine that might be described as a test-tube grandson of the old Stellerator. The temperature measurements which can be made on the Princeton device have a limit of 60 million degrees. Some scientists believe the real temperatures reached on July 24 at Princeton were upwards of 80 million degrees.

Even 60 million degrees is four times as hot as the interior of the sun. It's true the 60-million mark wasn't sustained for any longer than a 20th of a second, but sustainment time is beside the point. The highest temperature reached in a fusion device like the Princeton machine before July 24 was a paltry 26 million degrees.

"We'd been hoping to get up to 35 million degrees this time," said Dr. Melvin B. Gottlieb, director of Princeton's plasma physics laboratory, "but we went sailing right by it. We saw the temperatures go to 45 million, 50 million, 55 and then 60. It was amazing."

What's the importance of the Princeton achievement? Well, it's a little like breaking the sound barrier for the first time. The scientists have proven they can do it. There's nothing magic about 60 million degrees except that once a fusion device gets through 44 million degrees the heat is so high that the fusion reaction where light elements combine to form a heavier element begins to sustain itself.

The deuterium inside the machine is now so hot it has become a plasma, a gas whose electrons have been stripped away. When that happens, the gas is left with positive and negative charged particles moving at random. So rapid does that motion become that it's almost impossible to slow it down and cool the gas off again. It's like a runaway truck, moving down the steepest of hills.

THE MAGIC NUMBERS

Princeton's Dr. Gottlieb insists that what took place in his laboratory July 24 is not a breakthrough and perhaps it isn't. Gottlieb says that fusion will not be demonstrated until a plasma reaches a confirmed temperature of 100 million degrees for at least one second. These are the magic numbers scientists have talked about for the last 27 years. At those temperatures and for that span of time, more energy is pumping out of the fusion device than must be pumped in. Eureka!

The Princeton Large Torus, as Gottlieb's infernal machine is called, is the forerunner of a much bigger machine now being built at Princeton which will surely demonstrate sustained fusion for the first time. As intricate as fusion physics are, one thing about it is simple. Build a bigger machine and you go to higher temperatures and longer fusion times. It is an axiom of plasma physics.

Why did it take 27 years to prove the power of fusion? To begin with, the physics proved to be a lot more difficult than anybody imagined. Princeton's Gottlieb explains it this way: "People always ask me why we can't solve the fusion question if we put a man on the moon. And I always say that getting to the moon didn't involve any new principles, it was just a question of engineering the machinery to get there. In the fusion business, we're running up against new concepts every day and trying to put together the engineering at the same time."

Engineering the equipment to reach higher temperatures than the sun has turned out to be a task of backbreaking magnitude. Just one part of that job was developing magnets that had enough force to contain plasma at temperatures of millions of degrees. After all, those temperatures melt anything they touch so that any machine built to withstand those temperatures had to have a mechanism that kept the hot gas from touching the walls of the machine.

Magnets can do that because the plasma is electrically charged. The field built up by the magnets along the walls of the machine wrap around the plasma like a great big cloak, keeping all but a tiny fraction of the gas from touching the walls. Put another way, the magnetic fields act like the insulating layer in a thermos bottle and help to keep the heat from escaping.

It took 27 years for the scientists involved to learn what Gottlieb calls the "kitchen tricks" of the business that make fusion work. Start with the "heaters" that raise the temperature of the gas to plasma-like heats. The heaters used in the Princeton experiment are what engineers call "neutral beam injectors," which are a brand new family of devices developed at the Oak Ridge National Laboratory for the purpose of lighting the fires of fusion.

The neutral beams are ingenious "guns" that fire high energy charged particles right into the fusion machine. Along the way, the charged particles pass through a gas cell that strips half of them of their charge so that they're neutral when they enter the machine's magnetic field.

Charged particles would be trapped by a magnetic field. Neutral particles with no charge on them fly through magnetic fields as if they're not there. The result of a steady stream of high speed neutral particles striking a gas like deuterium is that they collide with such force that they get charged again, heating the gas to enormous temperatures in fractions of a second.

The real "kitchen trick" that Gottlieb and his team used last month was to scrub the walls of the fusion machine and make them squeaky clean.

If that sounds oddly unscientific, consider this. It turns out that when an unheated gas first enters a fusion machine some of it escapes the magnetic field and clings to the walls of the machine. When the gas contained by the magnetic field is heated, the gas clinging to the walls tends to cool everything down and slow the fusion reaction. For years, scientists didn't understand this. And their response was to pump more gas into the machine to try to raise the temperature. This slowed down the reaction too, spoiling the experiment.

"It sounds so simple, except a lot of people have been struggling with it and after you've done it you say: 'Why didn't we do it a long time ago?'" Gottlieb said. "Now everybody will be doing it within the year or maybe less."

AN ERRANT MEMO

An enduring irony of the Princeton achievement of last month is that it does nothing to speed up the U.S. program to develop fusion as an energy source.

It proves that fusion is possible but it cuts not one month from the plan to generate electricity from fusion by 2005 and have a commercial network of fusion electric plants in place by 2025.

It doesn't save a penny of the money that's needed to develop fusion either. It's cost more than $2 billion already and it's going to take at least another $15 billion to make the first kilowatt of electricity from fusion.

"I keep on saying to people that if somebody invents a new energy system it will take at least 20 years before there's a 5 percent market effect," Gottlieb said. "You can't make changes in a hurry even if you know how to do it and we don't know how to do it yet."

The politics that followed the Princeton achievement are curious and deserve at least a mention. When the Department of Energy was notified of the 60-million-degree milestone, a mixed reaction ensured. The fusion people were ecstatic, drafting what the federal government calls an "early warning memorandum" for cabinet and agency heads to explain what had happened. Curiously, the memo never reached the White House, presumably the place such memos are aimed at.

There was discussion inside the Energy Department about whether to hold a press conference to announce the achievement. Top management did not want a press con-

ference. They worried that Congress might demand an increase in the fusion budget request, anethema in this year of a forecast balanced budget.

There's another reason Energy Department sources say top management looked askance at the fusion achievement. Energy Secretary James R. Schlesinger believes in the "economics of scarcity," meaning he preaches energy economy because all our fuels are in scarce supply.

Fusion? All fusion does is tell the world that we have all the energy we'll ever need.

[From the Washington Post, Aug. 15, 1978]

LAB FEAT TERMED FIRST STEP TOWARD LIMITLESS ELECTRICITY

(By Thomas O'Toole)

The attainment of a temperature of 60 million degrees for a half second in a Princeton University laboratory was described yesterday as the first step toward a limitless supply of electricity for the entire world.

"We're going to make it, we're going to demonstrate the scientific feasibility of fusion," Dr. Melvin B. Bottlieb, director of Princeton's Plasma Physics Laboratory, said at a press conference held at the Department of Energy. "We're on schedule and we're very confident we will demonstrate fusion . . ."

Gottlieb said the demonstration of fusion could come as early as 1981 or 1982, when the Tokomak Fusion Test Reactor under construction at Princeton will begin to operate. This is a machine twice the size of the laboratory device used at Princeton to achieve fusion temperatures of 60 million degrees.

"We need to reach temperatures of 100 million degrees to demonstrate fusion," Gottlieb said. "There is no reason we cannot reach those temperatures in the next machine, which is a larger machine than we're now operating."

He said the attainment of a 60-million-degree temperature in the present Princeton machine came sooner than he or anybody else expected.

"It took us seven years to go from 5 million degrees to 25 million degrees," he said. "It has taken us six months to go the last 35 million degrees and reach the 60-million-degree mark. The results came in much better than we anticipated."

The most encouraging result of the Princeton achievement is that the 60-million-degree mark was reached without the hot hydrogen-deuterium gas mixture "clumping" together in swirls that would tend to cool the gas and spoil the fusion reaction.

"The fear was that the hot gas would clump up and leave cold spots that would slow down the fusion reaction," Gottlieb said. "To our great joy, we found out that this is not so."

He said this means that the larger machine now being built can be equipped with a much thicker magnetic field to insulate the hot gas and raise its temperature to the desired 100-million-degree mark.

"The invisible layers of magnetic field that confine the gas can be increased in scale in the bigger machine," he said. "The insulation that the magnetic field provides can be steadily improved upon in the next machine."

Calling the attainment of the 60-million-degree mark "extremely gratifying," Gottlieb declined to describe it as a scientific breakthrough.

"Breakthrough is not a scientific term," he said. "I have always avoided the word and I will continue to avoid it."

The way he described it, the Princeton Large Torus machine that achieved the 60 million degrees did so two weeks ago. He gave credit for the achievement to the use of a technique called "neutral beam injection" to help heat the gas confined inside the machine.

The 60-million-degree temperature is more than twice the temperature previously reached by the Princeton machine, a mark it make in December. The new record temperature is four times hotter than the interior of the sun.

The opposite of nuclear fission—the basis for today's nuclear power plants—where heavy atoms like uranium are broken apart to release energy, fusion is the combining of light atoms like hydrogen with an accompanying discharge of energy.

Fusion is clean, producing no radioactive wastes to be disposed of. It is limitless, drawing its fuel from seawater from which the light elements like hydrogen and deuterium (a heavy isotope of hydrogen) can be extracted.

John M. Deutch, director of energy research for the Department of Energy, cautioned yesterday that the Princeton achievement does not change the national timetable for the commercial production of electricity from fusion. He reiterated that the first fusion plant would not be built before 2005 and that fusion would not be commercial before 2025.

"The first fusion reactor won't be seen before the first decade of the next century and it could be another 20 years before fusion goes commercial," Deutch said. "We're talking about a developmental budget of $10 billion or more which we have no assurances that the engineering difficulties involved in generating electricity from fusion will be overcome."●

THE COSMETIC WAR ON INFLATION

● Mr. TOWER. Mr. President, inflation is the most serious economic problem facing this Nation today. It is literally robbing Americans of their income, frustrating efforts to provide jobs, and undermining confidence in the U.S. dollar.

The problem of inflation was addressed by Paul W. McCracken, former Chairman of the Council of Economic Advisers, in an article appearing in the August 18 issue of the Wall Street Journal. In the article, Professor McCracken states that:

The fact is that we are not gaining ground against inflation.

He goes on to say that:

After all the rhetoric about inflation's being the dominant economic problem . . . we are losing ground.

His observations regarding the role of fiscal and monetary policies in causing inflation were particularly insightful. He writes:

That we have not really been willing to bite this bullet is indicated by the demand management (fiscal and monetary) policies that have been deployed. The upward pressure the budget (fiscal policy) exerts on the economy is equal to the rise in expenditures plus the revenue value of any net reduction in tax rates (which indirectly has an expansive effect by increasing after tax incomes). In the period from 1959 to 1965, when the price level was quite stable, this measure of "fiscal pressure" averaged about 1% of GNP. Since 1965 it has been 2% to 3%, and would be close to 3% in 1978–79.

This same fear of facing fundamentals seems to be evident for monetary policy. With the emergence of rates of monetary expansion during the first quarter consistent, if sustained, with more discipline on the price-cost level, nervous protests were heard about the adverse effects on the economy. Those protesting presumably were calling for more rapid rates of monetary expansion (which is the only way the Federal Reserve could relieve pressures on interest rates), which would set the stage for a more rapid and inflationary expansion, which would in the end produce the even higher interest rates that are always the accompaniment of higher rates of inflation.

I wish to submit the complete article for the RECORD.

The article follows:

THE COSMETIC WAR ON INFLATION

(By Paul W. McCracken)

Barry Bosworth's basic trouble is that he has been right. And the rewards in our Babylon on the Potomac for those who insist on speaking the obvious about such unpleasant matters as inflation are not much different from those in ancient times who were disengaged from their heads for bringing to the King bad news from the wars. In Washington, success in Fighting Inflation apparently consists not in such quaint and straightforward things as reducing inflation but in producing pyrotechnics and cosmetics which will persuade the citizenry that there is progress where none in fact is really occurring. Indeed, the danger is not so much that citizenry will be confused, having themselves demonstrated a considerable capacity for clearheadedness, as that managers of policy will mislead themselves.

The fact is that we are not gaining ground against inflation. While the monthly figures will bounce one way or the other, and we might have a few good readings now, there are persuasive reasons for expecting the basic rate of inflation to continue rising. For one thing the underlying trend since the beginning of 1976 has been upward. It is, of course, true that speaking about a "trend" during a 2½ year period will make the careful statistician wince, and food prices have given the CPI a bad upward push. But a 2½-year period contains 30 monthly observations, and some subgroup of prices (about half of them, in fact) will always be rising more rapidly than the average.

UPWARD, EVER UPWARD

Moreover, the underlying "trend" in labor costs per unit of output during the last two years has also been upward. Apart from erratic quarter-to-quarter wobbles, the underlying rate of increase in unit labor costs has itself been rising about a half a percent per quarter—a track which would bring us to double digit rates by 1979.

And it is not easy to make a persuasive case that labor costs will be rising less rapidly. For one thing we are not getting anything like the gains in productivity, to offset the impact of wage increases on costs, that the economy historically delivered. Quarterly gains in output per man hour (annualized) have averaged a 1.6% annual rate in 1976, 1977, and thus far in 1978, and even with the strong, second-quarter gain in real output, productivity in the non-farm private sector rose at the rate of only 0.6% per year. In fact, these sluggish gains in productivity now extend back for a decade, strongly indicating that a fundamentally unfavorable structural problem has emerged in the economy.

If there were reason to expect a moderating trend in the rate of wage increases during the year ahead, that would provide some reason for optimism about the price level. This trend is more apt also to be perverse. Next year will give us a heavy schedule of collective bargaining, and this means a disproportionate share of wage increases will be the large first-year, front-loaded adjustments. And the probability that the average size of the overall packages negotiated will be enlarged further is also uncomfortably high.

All of this might, of course, be consistent with a declining rate of inflation. Some major items that consumers buy might experience a sharp decline in their prices—

though if this were food, while one part of government tried to take credit for progress against inflation another part would be busy viewing with alarm the low level of farm prices.

Rising labor costs also might not fully express themselves in the price level if profit margins were to be squeezed further. Reported profits are now double those of a decade ago, and they have increased almost 50 percent in the last five years. Here is, however, an illustration of the extent to which inflation itself can confuse facts. With a proper accounting for current costs, which conventional procedures fail to do, true profits after taxes are up only one-third from those of a decade ago, which means that in real terms they are down. While some businessmen prefer the comfort of the misleading conventional figures on profits, they could be expected to keep a short leash on their capital budgets if profit margins were to decline further.

After all of the rhetoric about inflation's being the dominant economic problem, a view which surveys show consumers share emphatically, we are losing ground.

What is the problem?

The problem is that our strategy for reducing the rate of inflation is, to borrow an apt phrase from D. H. Robertson, 'a grin without a cat."

While there is plenty for the profession to be humble about when it comes to the economics of inflation, there is one conclusion that is supported both by logic and the facts of historical experience. The rate of inflation will not come down so long as pressures of demand pushing on supplies are strong enough so that higher prices and higher wages have no adverse effect on sales volume and employment. Indeed, holding prices and wages below these market-clearing levels by some sort of brute force or ad hoc process would produce the queue-line economy.

The rate of inflation will embark on a downward trend when the result of posting inflationary price increases or extracting excessive wage increases is a painful loss of sales and employment. Ours is the only major industrial country that has not yet mustered the will to face this basic fact of economic life. And the OECD secretariat now projects the 1978 rise in U.S. labor costs per unit of output in manufacturing to be above the average for the "Big Seven" countries, and significantly lower than the increases projected only for the U.K. and Italy.

That we have not really been willing to bite this bullet is indicated by the demand management (fiscal and monetary) policies that have been deployed. The upward pressure the budget (fiscal policy) exerts on the economy is eqiual to the rise is expenditures plus the revenue value of any net reduction in tax rates (which indirectly has an expansive effect by increasing after tax incomes). In the period from 1958 to 1965, when the price level was quite stable, this measure of "fiscal pressure" averaged about 1% of GNP. Since 1965 it has ben 2% to 3%, and would be close to 3% in 1978–79.

This same fear of facing fundamentals seems to be evident for monetary policy. With the emergence of rates of monetary expansion during the first quarter consistent, if sustained, with more discipline on the price-cost level, nervous protests were heard about the adverse effects on the economy. Those protesting presumably were calling for more rapid rates of monetary expansion (which is the only way the Federal Reserve could relieve pressures on interest rates), which would set the stage for a more rapid and inflationary expansion, which would in the end produce the even higher interest rates that are always the accompaniment of higher rates of inflation.

ANOTHER PART OF THE PROBLEM

A part of our problem is that we have also been reluctant to be realistic about how high the economy's operating rate could be pushed before pressures would begin to build. With the unemployment rate at 6% and the operating rate in manufacturing at only 84% of capacity (according to the Fderal Reserve), plenty of slack seemingly remains available to assure that more demand would translate into employment and output rather than higher prices and costs.

This is far too simplistic. Aftr a decade in which the economy's operating rate has been low, the capacity situation and labor markets are uneven, and bottlenecks are bound to develop at lower average operating rates than after a sustained period adjusted to performing closer to overall capacity. This is particularly evident in the labor market, where lack of skilled and experienced labor may impede that expansion of output which would provide jobs to those who are unemployed.

There is empirical evidence that the economy is in the pressure zone now. The proportion of companies reporting slower deliveries is now in the range reached in late 1972, or 1969, or 1956–66. And the incidence of help-wanted advertising is now higher relative to the labor force than at all cyclical peaks during the last decade including, even 1969).

When we are unwilling to face the fundamental realities of the economy and prefer to deal with symptoms and cosmetics, we should not be surprised that we are losing ground against inflation. Washington should not be confused about this. The citizenry is not.●

SCIENTIFIC MERIT OF NASA'S LUNAR SAMPLE ANALYSIS PROGRAM

● Mr. STEVENSON. Mr. President, the HUD-Independent Agencies Appropriation Act for fiscal year 1979, as passed by the Senate, contained a cut of $5.7 million from the NASA appropriation for lunar sample analysis. Since $5.7 million was the total amount earmarked for this activity, the cut effectively terminates this research.

The lunar sample analysis program is extraordinarily productive and useful. Not only is it important to our understanding of the Sun and its effect on Earth's environment but it has had a significant impact on major engineering programs in the Department of Energy, as discussed in a letter I have received from Dr. Milton Blander of Argonne National Laboratory.

The scientific community agrees that the lunar sample analysis program is a research activity of major importance that has brought distinction to U.S. science. NASA has done an outstanding job in administering this activity.

The conference committee on H.R. 12936 will meet soon. I urge the conferees to agree to the restoration of a significant portion of the $5.7 million for NASA's fiscal year 1979 lunar sample analysis program.

Mr. President, I ask that a number of letters written to me by scientists expressing concern over this reduction be printed in the RECORD.

The material follows:

THE ENRICO FERMI INSTITUTE,
Chicago, Ill., Aug. 3, 1978.

Hon. ADLAI E. STEVENSON III,
Chairman, Science Technology and Space Committee, Committee on Commerce, Science and Transportation, U.S. Senate, Washington, D.C.

DEAR SENATOR STEVENSON: I am deeply concerned upon learning that the Senate Committee has voted to eliminate the entire budget for lunar sample analysis ($5.7 million) from the NASA budget. Few endeavors have brought as much distinction to U.S. science as the lunar program and the analysis of the samples returned from the moon. Several of the best scientists have in the past years and will continue in the future to uncover some of the most significant facts about our earth and the solar system. A sudden cut of this exciting program constitutes, in my view, a serious blow to the scientific community, to NASA and to the scientific enterprise of the country as a whole.

I am seriously concerned with the consequences for our institutions in Illinois. At the University of Chicago's Enrico Fermi Institute three excellent faculty members, Professors Edward Anders, Robert Clayton and Anthony Turkevich, all members of the National Academy of Sciences, have made outstanding contributions to the field of lunar research. Their efforts would be severely cut back if the lunar samples analysis program were removed from NASA's budget.

I would greatly appreciate your efforts to restore this budget cut and to insure the continuing success of this outstanding program.

Sincerely,

PETER MEYER,
Director.

PALOS PARK, ILL.,
August 2, 1978.

Senator ADLAI STEVENSON,
Senate Office Building,
Washington, D.C.

DEAR SENATOR STEVENSON: This letter concerns the Senate appropriation bill for NASA and in particular a 5.7 million dollar item for lunar sample analysis which is in danger of being eliminated. Teams working on lunar sample analysis generally also do research on meteorites (funded I believe, from a separate budget category) so that appropriations for lunar samples impacts on research on all extra-terrestrial materials and a cut in the lunar sample budget would ultimately put most meteorite research in jeopardy. I am employed in the Chemical Engineering Division of the Argonne National Laboratory and am partly supported for about 25 percent of my time as the principal investigator on a grant from NASA for research on meteorites. One of my coinvestigators at Argonne is L. Fuchs. Most of my other research is on energy related fundamental chemistry. The purpose of this letter is to describe two specific instances of where fallout from our research on meteorites has had a significant impact on major engineering programs within the DOE.

The first instance relates to the high temperature battery under development in a multimillion dollar program at the Argonne National Laboratory, General Motor Corporation, the Atomics International Division of Rockwell International Corporation, Gould Incorporated, and Eagle-Picher Corporation. This high temperature battery employs a lithium aluminum alloy as one electrode, an iron sulfide as the other and molten lithium chloride-potassium chloride as the electrolyte. The potential uses of this battery are for motor vehicle (largely automobile) propulsion and central electrical power storage. During the operation of this battery a peculiar phase was formed, later

labelled as "J" phase, which impeded the operation of the battery and decreased its ability to perform up to expectations in a major way. This phase was later identified as the mineral djerrfisherite which had been first discovered and characterized by my meteorite coinvestigator, L. Fuchs in an earlier investigation of meteorites. His earlier characterization and later help was an important cornerstone of the battery related research on this material which all led to measurements (some within my group under DOE funding) to define the chemistry of this material and to devise ways to eliminate it in the operation of the battery. Early tests indicate that performance of laboratory cells has improved 60 percent when our suggestions for eliminating this phase based on our research are used.

A second instance concerns my own work on condensation from a hot "solar gas" to form complex silicates, sulfides and metal phases. The computer program we used for this work was originally a NASA program for the calculation of rocket performance. We adapted and modified it for calculating the possible formation of meteoritic material from a solar nebula. Our modifications of this NASA program, made under our NASA contract for our meteorite research, has generalized the computer program so that it became useful in three DOE programs at the Argonne National Laboratory. It is now in use in our programs on power generation with a magnetohydrodynamic (MHD) generator, on the fluidized combustion of coal, and in a program on energy conservation in industrial electrolytic processes. In the MHD program, it is an important tool for minimizing a major economic factor in the loss of potassium seed and in the coal program it is used to calculate and prevent the formation of corrosive deposits. In the conservation program, it is used to deduce more energy efficient methods for metal (*e.g.* aluminum) production. I anticipate many other uses for this computer program (which parallel the uses of the program for meteorites). For example, the disposition of the pollutants lead and cadmium from coal combustion can be deduced and would be important in the elimination of these contaminants from flue gases.

Overall, these are only two examples of which I am aware. I am certain that there are other examples where research on extraterrestrial materials has aided in applied programs.

I hope that the funding for lunar sample analysis will not be eliminated. It has been a major example of the extremely high quality of American science and, has far surpassed the quality of analogous research in the USSR. Lunar (and meteoritic) research is still very vital. It is getting us closer to understanding our beginnings over four billion years ago and in addition has provided fallout which is an aid in some of our more practical goals.

Sincerely,

(Dr.) MILTON BLANDER,
Senior Scientist and Group Leader, Chemical Engineering Division, Argonne National Laboratory.

CHICAGO, ILL., *August 3, 1978.*

Senator ADLAI STEVENSON,
Senate Office Building,
Washington, D.C.

DEAR SENATOR STEVENSON: This letter is to request your intervention in every way possible to reverse the action of the Senate Appropriations Committee which deleted a $5.7 million appropriation for continuation of lunar sample research in NASA.

This is an extraordinarily grave matter. The action proposed is tantamount to the destruction of one of the best managed, most active and productive research programs in the U.S. This program enjoys extensive and active international involvement and support.

To remove this research activity from NASA will emasculate some of the most creative and productive teams of scientists and create major financial difficulties for their laboratories. In addition, it will seriously affect other scientists and laboratories since the already short NSF funds for earth (and planetary) science will have to be even further subdivided.

The present exciting and enthusiastically supported research program on lunar samples is beginning to help us understand the system we live in and the planet we live on, their origins and evolution. The lunar samples are not only relics of the distant past; they have also monitored the behavior of the sun. Lunar sample research is vital to an organization such as NASA. These samples provide ground truth information for many of the measurements related to fly-bys and spectroscopic observations of objects in the solar system.

Man's utilization of space will be significantly dependent on exploitation of the moon as a base and a materials resource. We must take advantage of the lead time provided by the availability and study of lunar material to acquire the knowledge that will be necessary for this next step by man into space.

Sincerely yours,

GEORGE W. REED, Jr.,
Senior Scientist,
Argonne National Laboratory.

UNIVERSITY OF CHICAGO,
Chicago, Ill., August 3, 1978.

Senator ADLAI STEVENSON III,
The Russell Senate Office Building,
Washington, D.C.

DEAR SENATOR STEVENSON: I am writing to you about the Proxmire Subcommittee's recommendation that 5.7 million dollars for lunar sample analysis should be deleted from the NASA budget and that lunar sample research should be carried out from now on by the NSF but that no new funds should be provided the NSF for this purpose. At the very least, this will result in a drastic reduction in the amount of money available for lunar research, a productive program already operating on a bare-bones budget. Inasmuch as the understanding of the origin and evolution of the planets is the fundamental scientific rationale for NASA's exploration of the solar system and studies of samples returned from distant plants are the most direct means of attaining this understanding, these recommendations are yet another step toward the total emasculation of the United States space program.

My own research is funded by NASA, but from a different program, that which deals with the study of meteorites. As the 1974 recipient of the Geochemical Society's F. W. Clarke Medal in Cosmochemistry, the study of the composition of the universe, I can tell you that the techniques developed in and the scientific return from the lunar sample program have had a major, positive effect on upgrading the quality of scientific research in my field. In addition, deletion of the above funds would close down NASA's lunar sample curatorial facility to which the NSF has turned for the delicate sample preparation techniques required in the study of the Antarctic meteorites which were recovered in two recent, highly-publicized expeditions funded by the NSF.

Some scientists are actively studying possible missions to return samples from Mars around 1990. How will those laboratories best equipped to retrieve the maximum information from those samples exist from now until then? Recent events have taught us the hard way that it is very diffcult to resurrect a high-technology program once it has been dismantled. It is my opinion that Skylab would not be in danger of plummeting prematurely to Earth if the manpower and technology gathered together during the Apollo era were still intact today.

Surely the United States, which spends billions annually on cigarettes, cosmetics and pet food, can afford 5.7 million dollars in the same period to continue the systematic scientific investigation of the lunar rocks which were obtained at a cost of over 20 billion dollars to the U.S. taxpayer. For the past few years, I have sat on the sidelines, watching in frustration budgets in various areas of scientific research dwindle or remain level in the face of a scientific inflation rate which far exceeds that of the consumer price index. The effect on American science is now visible. There are fewer laboratories. There is lower productivity in many of the remaining ones. Most disturbing of all, there is a growing hesitation on the part of U.S. scientists to commit sizeable fractions of their research budgets to exciting, pioneering ventures at the forefront of science because these are the risky ones, where the chance of failure is much higher than in those activities which have always worked in the past. I am sorry I have not written you a letter such as this in the past to urge you to do what you can to increase funding of scientific research.

Each year, I read more and more articles by Russian, German, Japanese, English and French scientists, the quality of whose research is relentlessly pursuing and overtaking our own. Did you know that Germany may very well send a spacecraft to rendezvous with and study Halley's Comet when it returns spectacularly in 1986, but that the U.S. will not because of budgetary constraints on NASA? The loss of U.S. scientific prestige in that event would be very great, but not as devastating as that which would accompany cessation of research on lunar samples.

For countless centuries, man has struggled to understand the universe and its origins. I hope it will not be said in the future that the United States, by these and other actions of the Senate, was instrumental in curtailing efforts to achieve this noble goal. I also hope I can count on your understanding of the importance of these issues and on your courage and leadership ability to stand up in the Senate and fight for what you believe in.

Yours sincerely,

LAWRENCE GROSSMAN,
Associate Professor of Geochemistry.

ENRICO FERMI INSTITUTE,
Chicago, Ill.

Senator ADLAI STEVENSON,
Russell Senate Office Building,
Washington, D.C.

DEAR SENATOR STEVENSON: I have recently learned of Sen. Proxmire's motion in the subcommittee of the senate appropriations committee to eliminate portion of the annual NASA budget dealing with the analysis of lunar and extra-terrestrial samples. I was more than alarmed to hear of this for several reasons that I wish to mention.

The past decade of research in the lunar and planetary sciences has rapidly increased our rather meager knowledge of the theories of solar system and planetary formation. In particular, the past few years have provided us with some of the most fascinating data to date. The techniques that have been developed to enable us to formulate these theories have all been a result of work brought about from the lunar program. It would be tragic at this time to cut off the research at just the time when we are at the point of developing the techniques to understand these complex problems. I might point out that we have not examined anywhere

near the total amount of samples that have been returned from the Apollo missions, due primarily to the great amount of caution and extreme care that not only NASA but all the scientific researchers have applied to the work. Sen. Proxmire has argued that $39 billion dollars have already been spent on the lunar missions and further spending should be eliminated. I believe that this is irrational in that the amount of money spent yearly to study these lunar samples is quite small, not only with respect to the $39 billion but also other budgets. It would seem a great waste considering that large initial cost to not derive full benefit from the program and to get our money's worth so to speak by learning as much as we can from the samples that we went for in the first place.

The NASA lunar and meteorite program has been in the past and still remains an exciting program, not only from the research itself but from the standpoint of the International collaboration that the program has allowed for. The work that is now being carried out by these scientists is of the highest caliber and has evolved into this state from this cooperation among scientists of all parts of the world.

Shifting of funding to NSF would be damaging from two standpoints, first, NASA is a mission oriented agency and as such is best equipped to oversee the research. It would be quite wasteful to throw away all the years of planning and work that has been invested in the Lunar and planetary science institute and shift the funding agency to one which has no expertise in the field. Secondly, the removal of the current NASA funding would require all the presently funded institutions to apply to the NSF. Overburdening of these funds would have the effect of squeezing out many of the smaller institutes funded by both NASA and the NSF. Many of these schools rely on these funds to support both student and faculty research. Certainly the effect would be felt on students who might be considering studying in the life sciences but could not afford to do so without funding. With the growing concern of environmental and energy issues the need for people highly trained in these areas is crucial. Removal of funds that allows us to train these people will result in a direct drop in the number of scientists that may be trained.

I hope that the Senate will act favorably on this issue and the work will continue to be carried on in the Lunar and Planetary sciences at the highest level. I thank you for your time in reading this hastily written letter and hope that we might count on your support.

Sincerely,

Dr. MARK H. THIEMENS,
Research Associate.

UNIVERSITY OF CHICAGO,
Chicago, Ill., August 3, 1978.

Senator ADLAI STEVENSON,
Russell Senate Office Building,
Washington, D.C.

DEAR SENATOR STEVENSON: I wish to express dismay at the action of Senator Proxmire's subcommittee of the Senate Appropriations Committee in deleting the lunar sample analysis program from the NASA budget.

It should be emphasized that the program is first-rate on scientific grounds. The subject of study is important and timely. The international community of scientists involved is a dedicated, productive group of scholars of high calibre. The record of research over the last nine years is vast and impressive in its quality. The prospect of work yet to be done is stimulating and exciting.

When President Kennedy in 1961 set a national goal to put a man on the moon within the decade, his motivations were political, not scientific. Many members of the scientific community were dubious about the value of such a program, myself included. However the fantastic success of the Apollo program clearly served its purpose admirably: to demonstrate American technological superiority to the world at large. But once the engineering feat had been accomplished, the task of reaping the maximum scientific benefit from the returned lunar samples fell to researchers, both here and abroad, most of whom had their backgrounds in the terrestrial earth sciences. New laboratory techniques were developed, new high standards for excellence of experimental methods were established, new patterns for collaborative research and for rapid communication and publication evolved. The prestige of American science in the international community has been greatly enhanced by this program.

A useful measure of the health and vitality of the lunar program is given by the Lunar Science Conferences, held annually in Houston. The excitement of these meetings has not waned over their nine occurrences. They are an annual *must* for about a thousand scientists. The well edited Proceedings volumes from these meetings run to almost 4000 pages a year. The scope of the conferences has evolved so as to include all of solar system science, including the moon, the planets and meteorites.

What lies ahead for research with lunar samples? At the very least one should be aware that a substantial fraction of the lunar samples have not yet been studied at all. These include a number of important core samples collected on the early missions when the pressure of succeeding missions precluded the possibility of the careful opening and dissection of these very important specimens. Furthermore, our understanding of the moon has progressed very considerably since 1970, and powerful new techniques have been developed, so that detailed study of samples from the early missions is necessary to realize their full value. I must emphasize that lunar sample analysis is not a routine application of established techniques to a large number of similar samples. New techniques are continually developed which allow us to address new scientific questions.

Not all aspects of lunar sample studies refer to the moon. Many take advantage of the fact that the moon has been a collector of particles from its space environment for over four billion years. For example, in my laboratory we measure the atoms of nitrogen implanted into grains in the lunar soil from the solar wind. By measuring soils taken from deep cores, we can measure properties of the sun back to two or three billion years ago. The results show a surprising large variation in the relative abundances of the two isotopes of nitrogen, reflecting the nuclear processes which have gone on in the sun. The most important conclusion from this is that we do not yet know how the sun works. This is an obvious case in which lunar sample studies have impact in broader areas of science, and in areas of practical human concern.

Another example of cross-fertilization from lunar sample research to other fields is the development of a new method for the determination of the ages of rocks. This technique, requiring very precise measurements of the isotopes of the rare elements samarium and neodymium, was applied first to lunar rocks in 1975. It has subsequently become one of the most important methods of studying the geological evolution of the crust and mantle of the earth.

Should the study of lunar samples be under the jurisdiction of NSF rather than NASA? From the points of view of the quality and effectiveness of proposal review, and of accessibility to the broad scientific community, I see no major difference. From my experience both as a proposal writer and a proposal reviewer for both agencies, I believe that the NASA lunar science program has a higher average quality than the NSF geochemistry program. However, NASA must determine which scientists have access to lunar samples, and must make that judgment on the basis of scientific proposals. It seems unnecessarily cumbersome to require one agency to evaluate proposals for sample allocation and another to evaluate the sample proposals for funding.

In summary, the lunar sample research program is a thriving, important area of science which makes a major contribution to American scientific prestige in the world. The United States has brought the world into the age of space exploration. Termination of a significant part of this venture could only be read as a signal that we have lost interest in exploring the nature of man and his environment.

Sincerely yours,

ROBERT N. CLAYTON,
Enrico Fermi Institute, Department of Chemistry, Chairman, Department of the Geophysical Science.

ENRICO FERMI INSTITUTE,
Chicago, Ill., Aug. 3, 1978.

Hon. ADLAI E. STEVENSON III,
Chairman, Subcommittee on Science and Space, U.S. Senate, Russell Senate Office Bldg., Washington, D.C.

DEAR MR. CHAIRMAN: I respectfully request that you seek to restore funds for the lunar sample analysis program ($5.7 million) that were deleted from the NASA budget by the Senate Appropriations Committee. I am enclosing my July 27 letter to Senator Magnuson, giving some reasons why this program should be continued. I shall not repeat the arguments in that letter, but focus on two crucial points: why the lunar sample is worthwhile and why it should be continued under NASA rather than NSF auspices.

(1) The lunar sample program has revitalized several areas of the earth sciences. Faced with the challenge of these priceless samples, lunar scientists have improved their instruments and skills by orders of magnitude, with a corresponding gain in information. These advances are now spreading through the earth sciences, often through the medium of young people trained in the lunar program. Having reached the paradoxical state where we have better data on lunar than on terrestrial rocks, many lunar scientists now spend part of their time on terrestrial rocks, applying lessons learned from the Moon to the Earth and thus directly contributing to the earth sciences.

(2) The lunar sample program has brought much distinction to U.S. science. Our world leadership in planetary science, geochemistry, and cosmochemistry is confirmed by every yardstick: professional honors, citations in foreign books and journals, U.S. contributions at international meetings, recognition by the Russians (as mentioned in my letter to Senator Magnuson), etc. A sign of the vitality of the program is the continuing participation of foreign scientists, selected by NASA peer review but funded by their own governments.

(3) The program has brought many scientific and cultural benefits, and will bring more. I think we will be a better and wiser people if we know our past: not only the origins of our nation but also the origins of mankind, life, our planet, and the solar system. The Moon holds many clues to these questions. (a) It differs chemically from the Earth, for reasons that are not yet fully understood. (b) It provides "ground truth" for the understanding of other small planets, such as Mars, Mercury, asteroids, moons of Jupiter and Mars, etc. (c) It contains a record of radiations and objects that struck the Moon since its formation: cosmic rays, par-

ticles from the Sun, meteorites, late building blocks of the planets, etc.

Let me offer two examples from my own work that illustrate the nature of lunar research. My group, consisting of 3 Ph.D.'s analyzes lunar rocks for 20 rare elements, using an exceedingly sensitive and precise but slow and expensive method: neutron activation analysis. We have learned to recognize meteoritic debris in lunar samples by its chemical signature (traces of noble metals, which are rare in pristine lunar rocks but are abundant in meteorites). Of special interest to us are the 20–100 mile bodies that fell on the Moon in the last stages of its formation, and produced the dark scars on the Moon's face. Many more such bodies must have fallen on the primitive Earth, but their traces have been wiped out by geological activity. Some of these bodies presumably were planetesimals (building blocks of the planets) and hence of great importance to an understanding of the planets.

By studying some 200 lunar samples over 5 years, we gradually recognized that 8 different bodies were represented, that 7 of them were unlike any present-day meteorites, and that they apparently fell in the order of their composition: the most Moon-like first, and the least Moon-like last. Obviously, nature is trying to tell us something about the orbits of these bodies, and how they varied with chemical composition. This, in turn, relates to the question why the planets all differ in chemical composition—one of the most basic questions in planetary science. Lunar samples contain at least part of the answer, and if we want to find it, my group will have to be funded to continue this work, and a couple of other groups should also be funded to keep me honest.

Lunar samples can also lead us to the same question by a different route. Combining ideas derived from meteorites and lunar samples, we showed in 1974 how to calculate the complete bulk composition of the Earth and Moon from only 6 chemical clues. This was an improvement over the traditional, trial-and-error method, which gave less complete results from a much greater body of data. Colleagues at other institutions tested our model and found that it came close to the mark, though in need of further tinkering. Encouraged by the success, we now are on the second try of a similar model for Mars, based on a few scraps of data returned by Viking. This model soon will be tested by us and others. If it survives, it will guide future research by making predictions, putting unrelated facts into a framework, extracting more information from a given number of facts, and allowing us to skip pointless experiments. We'll learn more about Mars with less effort and expense than we could without such a model. But this model could not have been conceived without earlier work on meteorites and lunar samples.

(4) The lunar program has brought various practical benefits, as some of my colleagues will report to you. I shall mention two examples from my own work on meteorites, an equally abstruse kind of extraterrestrial material. In 1959, I concluded that the diamonds in certain rare meteorites were made from graphite by high-speed impact; within a few months, two colleagues had duplicated the process in the laboratory and taken out a patent. A chemical company now uses this process to make industrial diamonds.

Between 1963 and 1973, my coworker B. Hayatsu worked on the origin of organic compounds in meteorites. We concluded from simulation experiments that these compounds had formed from carbon monoxide and hydrogen, with clay as a catalyst. Hayatsu now works at the Argonne National Laboratory on coal liquefaction, and found that clay is an excellent catalyst for this process. Unlike the previously used metallic catalysts, clay is not poisoned by the abundant sulfur in Illinois coal, but works even better when sulfur is present.

Let me now turn to the second question, why NASA rather than the NSF should administer the lunar program.

(5) We are not afraid to let the NSF "evaluate (our proposals) competitively with other applications for funding for basic research in the geological sciences", as long as it is done under a strict merit system. The initial selection of lunar sample PI's in the 1960's was strict enough, and the group has been pruned annually since 1970, by a tougher and more thorough peer review than that of the NSF. A number of people rejected by the lunar program are in fact being funded by the NSF.

However, the dumping of the lunar program onto the NSF, without an increase in funds, means that two groups previously funded at $29.8 million suddenly have to scramble for $24.1 million, which is a 19% cut. At this point a difference in research techniques becomes crucial. Geology, using its traditional tools of pick, hammer and microscope, is a low-budget operation; whereas isotope geochemistry, using the tools of physics (mass spectrometers, radiation detectors, etc.) is as expensive as physics. The NSF usually avoids measuring two such fields by the same yardstick, and separates expensive research fields (high energy physics, oceanography) from low-cost fields. But if this principle is breached in the present case, by forcing both groups to compete for the same 81% of their former funding, the temptation will be strong to sacrifice 50 high-cost lunar scientists for the sake of 200 low-cost geologists, or to slash the larger budgets to the point where the research groups are crippled.

(6) NASA is here to stay, as even Senator Proxmire seems to concede. And NASA has a long, unfortunate history of putting its priorities where the money is: 99% for engineering and 1% for science. Scientists have fought this trend in the 60's and early 70's, and though the situation has greatly improved in recent years, it would be unwise to free NASA of this potential swarm of gadflies Hare-brained schemes, such as mining of asteroids and orbital power stations, still need to be opposed, and such opposition is likely to be better-informed and more vigorous if it comes from scientists with a stake in NASA's program and image. In a positive vein, advice on worthwhile missions will also be better-informed and more freely given by scientists supported by NASA.

Let me conclude by paraphrasing a remark by Carl Sagan. We will be remembered as the generation that explored the solar system. Do we also want to be remembered as the generation that decided after spending $30 billion on a brilliant engineering feat that it couldn't afford $5.7 million to extract the scientific message from the lunar rocks that the astronauts returned?

Yours sincerely,

EDWARD ANDERS,
Professor of Chemistry.

CHICAGO, ILL., *Aug. 3, 1978.*

Sen. ADLAI STEVENSON,
Russell Senate Office Building,
Washington, D.C.:

Request that you introduce a Senate floor amendment restoring 5.7 million dollars to the NASA 1978–79 appropriations when the HUD-independent agencies appropriation bill (H R 12936) reaches the floor these funds were in the presidents budget for lunar sample studies and were deleted by the Senate appropriation committee.

Funds are vital to the University of Chicago's major program of basic research in physics and geochemistry and to basic understanding of exterrestrial phenomena would be glad to have the opportunity to discuss this with you personally if you need further material or justification for supporting this proposal.

HANNA HOLBORN GRAY,
President, University of Chicago.

PASADENA, CALIF., *Aug. 5, 1978.*

Hon. ADLAI A. STEVENSON III
Russell Senate Office Building,
Washington, D.C.:

I was sorry to hear that the Senate Appropriations Committee deleted the 4.7 million dollar appropriation for the analysis of lunar samples from the NASA budget. Senator Proxmire's suggestion that the geological branch of the NSF should now support this research would basically represent a 25% cut of the budget of this branch for those researches they are now funding. This seems to me a highly unwise move in the light of the importance of maintaining a high level of research on the problems pertaining to earth sciences whose researches include, earthquake prediction, studies on origins of ore deposits, coal, petroleum, and other natural resources, I therefore urge you that the 5.7 million dollars deleted from the NASA budget for the analysis of lunar samples be put back in the NASA budget and the proposed transfer of the financial responsibility for the analysis of these lunar samples to the NSF be avoided.

SAMUEL EPSTEIN,
Vice-President and President-Elect of the Geochemical Society, California Institute of Technology.

STANFORD, CALIF., *Aug. 4, 1978.*

Mr. ADLAI E. STEVENSON III,
Chairman, Subcommittee Science and Space, Russell Senate Office Building, Washington, D.C.

The proposed transfer of the budget for the lunar sample analysis program from NASA to NSF may have an unintended impact on important NSF programs in Earth science, especially if the combined funding for the lunar research, geology, geochemistry, and geophysics is substantially reduced. As president of the American Geophysical Union I am especially aware that the Earth science research funded by NSF provides the intellectual basis for many important applications including the prediction of earthquakes and other natural hazards and the global search for mineral resources. If the lunar analysis program is transferred to NSF, I hope that it can be done in a way that maintains the vigor of the lunar program without curtailing other important NSF programs in Earth science.

ALLAN COX,
President, American Geophysical Union.

PASADENA, CALIF., *August 2, 1978.*

Senator ADLAI E. STEVENSON,
Russell Senate Office Building, Washington, D.C.

DEAR SENATOR STEVENSON: The proposed deletion of the funds for the research on luner and extra-terrestrial material from the 1978–79 budget of NASA and NSF causes me great concern, the study of these samples is the ultimate scientific reward of the luner missions and a vital part of future explorations of our space environment. It has contributed tremendously to the understanding of our own planet as well as the solar system as a whole. This knowledge is essential not only to the possible future use of the space but also to the continuing effort of assessing man's position in the universe. This type of research is not a one time job but progresses with improving technology. It cannot be substituted by any other work. For a great nation like the U.S. it is definitely a lack of foresight to wipe out an entire field for the reason of saving an already pitifully

small amount of supporting funds, for these reasons I urge you to vote against this deletion.

TYPHOON LEE,
Robert R. McCormick Postdoctoral Fellow University of Chicago.●

THE IMBALANCE IN LABOR RELATIONS

● Mr. LUGAR. Mr. President, the recent filibuster against the labor reform bill was part of an effort to halt the increasing imbalance in labor relations in favor of powerful unions. Fortunately for the welfare of the country, of small businesses, and ultimately, of labor as well, the filibuster was successful.

The labor movement has been an important and necessary political force in the struggle for fair, humane working conditions and benefits. Its accomplishments have been great. It still has much to do.

But this struggle—because of its great success—now imposes different obligations upon labor organizations. The rights of the uninvolved public, and the economic welfare of the Nation as a whole must figure in the calculations of today's labor leaders.

Mr. President, I wish to call to the Senate's attention an excellent article that appeared recently in the Evansville, Ind., Press, written by Elizabeth Brewster of that city.

Ms. Brewster, although she has just graduated from high school, writes with an understanding and perceptiveness beyond her years. I would hope that other citizens of all ages will give her essay thoughtful consideration.

I salute her for a significant contribution to the public debate on a most important issue, and I commend the Evansville Press for affording her the opportunity to express her views.

The article follows:

BRINGING BALANCE TO LABOR RELATIONS

(By Elizabeth Brewster)

The precarious balance of power between American labor groups and American management interests currently seems to be topped in favor of the labor unions, a situation that provides little chance for either side to achieve its goals.

Labor unions are obviously an integral, necessary part of the American labor scenario, as they have been since their first rise to power in the 19th-Century industrial revolution.

Early attempts at organization of workers were usually the laborers' only response to the notoriously unhealthy working conditions and insufficient wages. The need for some type of worker representation then was obvious and urgent; today, labor unions still serve a vital purpose in protecting the rights of many American workers.

The need for protection of these laborers' rights, however, does not rationalize the abuse of power sometimes attempted by various unions.

Strikes, walk-outs and work slowdowns are usually viable and reasonable means of protesting contract settlements or working conditions. When these methods of dissent seriously interfere with the welfare of uninvolved American citizens and violate federal laws, however, the unions may be considered guilty of techniques akin to the 19th-Century management's "shut-out" and "blacklisting" tactics.

This lopsided balance of power can also wreak havoc with economic conditions. The current Washington strategy of combating inflation depends a great deal on keeping wage increases comparatively low during the next several years.

Yet the ever-rising wage demands of many unions seems to bluntly defy this economic plan. The rank-and-file members of a number of these unions seem oblivious to the fact that most additional money they so fervently demand may eventually spur price increases of consumer goods.

Most of the unions also seem unwilling to be the first "victim" of economic policy that could ultimately increase the purchasing power of its members.

This occasional disregard for public economic welfare gives every union an uncomplimentary image to the public, and diverts attention and enthusiasm from their ultimate goal: Betterment of workers' conditions.

Just as the oppressive industrial giants of the 19th Century eventually found themselves labeled as the "bad guys," so, too, will today's labor unions which are single-mindedly employing every dramatic tactic in their arsenal. Most likely, they will be regarded quite unsympathetically by future onlookers.

The perpetual power play between labor unions and management, nevertheless, is not inevitably headed for disaster. A genuine spirit of cooperation and compromise in both labor negotiations and everyday working interactions would do a great deal to improve the relationship.

The realization, too, that in a fair compromise neither side can be completely satisfied is a needed replacement for the current negotiating attitudes of belligerent stubbornness.

Negotiations between labor and management too often seem weighted down in favor of one side or the other, but the addition of cooperation and realistic attitudes could be the necessary elements to keep the balance of power from toppling.●

THE DAY OF SHAME

● Mr. WILLIAMS. Mr. President, on this 10th anniversary of the Soviet invasion of Czechoslovakia, I would like to express my personal repugnance for government sanctioned oppression. In current times, when human rights are extremely vital to our Nation's foreign policy, it saddens me to be reminded on this occasion that there are countries which refuse to recognize the right of each individual to personal and political freedom.

The people of Czechoslovakia were awakened early in the morning of August 21, 1968 by Soviet and Warsaw Pact troops, tanks, and guns. These people, who had been striving for a more democratic state, were forced by thousands of alien soldiers to accept the repressive standards of Communist rule. The people of Czechoslovakia, before that time, had made great strides toward the implementation of many aspects of democracy in their country. In fact, according to a contemporary Western report, many of those who were considered to be the more radical of Czechoslovakian reformers: "dreamed of making that country a genuine democracy, with different political parties that would have the right to contest for power. In their view, Czechoslovakia should become a country in which Communists could be voted out of power if the people wished to do this."

Mr. President, these efforts of the so-called "radical" reformers were, in my mind, directed toward a truly noble goal. Nevertheless, the Soviet Union refused to accept the legitimate aspirations of these courageous people. Instead, they denied many of those so-called "radicals" the opportunity to express their aspirations for a more representative government.

The tragic events of 10 years ago should serve as a consistent reminder to all Americans that we have an obligation to support the freedom of people everywhere. There are millions of individuals whose daily lives still focus around a continuous struggle with Communist oppression. They live under governments which refuse to recognize their inherent rights to freedom and personal dignity.

As Americans, we are privileged to be able to promote the cause of freedom by protesting the plight of any people who are systematically denied justice by their own governments. Too many countries, like Czechoslovakia, have reluctantly fallen under totalitarian domination since World War II. This anniversary of the shameful day that the Soviet Union crushed the budding liberalization there should add to our resolve that we will remain free.

And, in the enjoyment of our freedom, we must let the world know that we feel implicated in the fate of those who are oppressed. Our expressions of hope and indignation can hasten the day when the torch of freedom will once again shine in Czechoslovakia and other enslaved nations.●

TENTH ANNIVERSARY OF SOVIET INVASION OF CZECHOSLOVAKIA

● Mr. ZORINSKY. Mr. President, today we recall with sorrow the Soviet invasion of Czechoslovakia. On August 21, 1968, the Soviet Union brutally occupied Czechoslovakia and brought to an end a brave experiment in independence. Threatened by a breath of freedom, the Soviet Union crushed the attempt of the Czechoslovakian people to fashion their own institutions of government free of external influence.

Ten years have neither softened the harshness of that first blow nor the continuing oppression with which the Soviets exercise their dominance over the Czechoslovak nation. August 21 rightly is called the "Soviet Day of Shame." The Soviet Union has violated the letter and the spirit of the United Nations Charter and the Helsinki Final Act. Such flagrant violations deserve the condemnation of free peoples everywhere.

Aspirations for freedom have survived in Czechoslovakia and are expressed in Charter 77, a manifesto by Czechoslovakian citizens appealing to their government to observe the principles of the final act and the Czechoslovak Constitution. I applaud this call for the sovereign right of self-determination. Our national commitment to basic human rights demands no less.

Earlier this month, I proudly joined a number of my colleagues in cosponsoring

Senate Resolution 526, observing the 10th anniversary of the Soviet invasion of Czechoslovakia. Senate Resolution 526 expresses the sense of the Senate that the President should use the influence and leverage of his office to end the continuing intervention in Czechoslovakia by the Soviet Union. Today, I join Americans of Czech and Slovak descent—and all Americans—in condemning again the Soviet occupation of Czechoslovakia and expressing support for the brave people of that nation.●

TENTH ANNIVERSARY OF THE INVASION OF CZECHOSLOVAKIA

● Mr. MOYNIHAN. Mr. President, today, August 21, 1978, marks the 10th anniversary of the Soviet invasion of Czechoslovakia.

This year must bring many memories to the peoples of Czechoslovakia—some that are inspiring, and some that are grim. But it is equally an occasion for Americans to reflect upon the influence our ideas have had throughout the world, and on the challenges those ideas encounter in the world today.

Sixty years ago the modern nation state of Czechoslovakia was created out of the ruins of the Austro-Hungarian empire and the chaos of World War I. Its creation was principally the work of Czech and Slovak patriots and statesmen, most notably a man of brilliance and great character, Thomas Masaryk. But we should remember that those who accomplished this remarkable work were greatly influenced by the precepts of democratic self-determination whose most eloquent international advocate was our own President, Woodrow Wilson. Moreover, like our own country, the Czechoslovak Republic was a nation composed of diverse ethnic groups—not only Czechs and Slovaks, but Germans, Hungarians, Ukrainians, Gypsies, and Jews. For 20 years, until outside powers destroyed it, the Republic enabled these peoples to live together in unprecedented harmony and liberty.

In 1938, 40 years ago, their accomplishment was cruelly destroyed. Hitler's armies occupied the Sudetenland, and the rest of Czechoslovakia was yielded to the Axis powers at the Munich conference. Czechoslovakia was abandoned with a remarkable combination of cowardice and hauteur best expressed in Neville Chamberlain's remark that Czechoslovakia was a "far away country about which we know little." It was a remark which sometimes finds echoes in our own time.

Hitler's defeat brought only the briefest respite for the peoples of this nation. Both Czechs and Slovaks rose against the German occupations in 1944 and 1945, but received little aid from the Allies, largely because the Soviet Union preferred to "liberate" these areas itself. A coalition government ruled the country for a short period after the war, but local Communists, directed by Soviet agents and aided by the massive presence of the Red Army, overthrew the constitutional government in 1948—30 years ago. Again, the democracies turned their backs on our Central European cousin. Russia, the Big Four conceded, had a right to her own buffer zone: a bizarre concession to the outrageous contention that the West harbored designs against the Soviet Union.

But Czechoslovakia's democratic traditions did not die. Ten years ago today they reappeared in the heresy of "Socialism with a human face," and the call for political pluralism, a prospect which panicked the Soviet leadership and precipitated the Soviet invasion. That invasion, justified by the remarkable pretext that the Soviets were protecting the country from "West German revanchism," brought about nothing less than a thoroughgoing reimposition of totalitarianism on Czechoslovakian society. The Dubcek coalition was completely purged. Five Soviet divisions were permanently stationed on Czechoslovak soil. And, most important, pro-Soviet Czechoslovak Communists reimposed ideological and political controls in all spheres of life.

Nevertheless, today, 10 years after the ruthless invasion of Czechoslovakia, the Czechoslovak people's commitment to freedom remains an unbroken force. This fact is a powerful rebuke to the enemies of freedom, and to the cynics who believe that those who would resist totalitarianism are quixotically seeking to impose their own democratic values upon an indifferent world. It is also a tribute to the enduring power of that tradition of democratic internationalism which shaped the best of our own Nation's foreign policy in the years since World War II. The spirit of freedom in Czechoslovakia endures among the workers, who have joined in protests against oppression and foreign domination. It is evident among the religious groups: Roman Catholic clergy have spoken out bravely against religious persecution, as have priests of the Protestant Church of the Czech Brethren, Lutherans, Jewish leaders, and Seventh-day Adventists. But perhaps the best-known evidence of Czechoslovak desire for liberty is the group which calls itself "Charter 77," a group which now has some 1,000 public supporters, and describes itself as:

> . . . a free, informal and open community of persons of varying convictions, religions and professions, joined together by the will to work individually and collectively for respect for civil and human rights in our country and in the world—those rights which are granted to man by the two codified international covenants, by the Final Act of the Helsinki conference, by numerous other documents opposing war, the use of force and social and intellectual oppression, and which have been expressly and succinctly stated in the UN Universal Declaration of Human Rights.

The current Czechoslovak regime's utter contempt for basic human rights was displayed when, at the very moment its delegates were discussing compliance with the Helsinki accords in Belgrade, it was convicting three of the Charter 77 signers—the playwright, Vaclav Havel; the actor, Pavel Landovsky; and worker, Jaroslav Kukal—for "anti-Czech" activities. All this was done even though the Chartists took great care to draft their statement so that it would conform to the letter of their country's written laws. On June 6, 1978, almost 40 of those associated with the Charter 77 Movement were arrested in order that no evidence of the Czechoslovak desire for liberty would be visible to Chairman Brezhnev during his visit to the country.

Mr. President, these good people depend on the interest and concern of the West to keep their movement alive. We have not always been faithful to them in the past. Today, as negotiations go forward on mutual and balanced force reductions in Europe, this anniversary should remind us that our interests in seeing fewer Soviet troops in Eastern Europe arise not merely from military and strategic considerations, but also from political and humanitarian concerns. Soviet troops in Czechoslovakia pose a threat to Western European security, but their presence is also a brutal imposition on the freedom of the Czechoslovakia peoples themselves. As long as the troops remain, so will oppression and domination.

Mr. President, I have recently received from my friend and colleague, Dr. Jiri Horak, the statement of the Council of Free Czechoslovakia, adopted by them on August 1 of this year. I ask that this statement, the appeal of an extraordinary group of Czechoslovak democrats-in-exile, be printed in its entirety in the RECORD.

The statement follows:

AN APPEAL: END THE OCCUPATION OF CZECHOSLOVAKIA

On the tenth anniversary of the invasion and occupation of Czechoslovakia by the armed forces of the Soviet Union we appeal to all the peoples of the world and the United Nations to support the demand of the Czechoslovak people for the immediate withdrawal of all Soviet forces from the territory of their Republic.

On August 21, 1968, the Soviet army invaded and occupied Czechoslovakia. On August 28, 1968, the Soviet Communist Party leaders forced Czechoslovakia's kidnapped leaders in Moscow under duress to sign a communique sanctioning the temporary occupation of the Czechoslovak Republic.

This act of aggression was in violation of the Czechosovak-Soviet Treaty of Friendship and Alliance of 1943, of several agreements among the Allied Powers on liberated Europe, of Article 2 of the Charter of the United Nations, and of the Soviet government's own declaration of October 30, 1956. The Soviet Union invaded Czechoslovakia on the pretext that the country was to be protected against a nonexistent "West German revanchism."

The continuing occupation of Czechoslovakia is in violation of the agreement between the governments of Czechoslovakia and the Soviet Union of October 16, 1968, according to which Soviet armed forces were to be stationed in Czechoslovakia only provisionally. In this document to the Soviet Union acknowledged that its forces had entered Czechoslovak territory only temporarily and undertook to withdrew them as soon as the situation in Czechoslovakia had been normalised. Since then Czechoslovak as well as Soviet Communist leaders have declared on numerous occasions that

conditions in Czechoslovakia have been normalized. But the country continues to be occupied.

The occupation also violated the provisions of the Final Act of Helsinki. But above all else it continues to violate the three principles which the Soviet Union itself has recognized as essential for the peace, stability, and prosperity of Europe:

The principle of the sovereignty of all European states and nonintervention in their internal affairs.

The principle of the independence of all states including the right of self-determination.

The principle of the renunciation of the use of force against any state.

The Soviet invasion and occupation of the Czechoslovak Republic have dangerously upset the military balance that had existed in Europe since the end of the Second World War. They violate wartime agreements about the deployment of Allied forces in Continental Europe. Czechoslovakia was to have neither Western nor Soviet troops on its territory. The occupation of Czechoslovakia keeps Soviet forces in the heart of Europe in such numbers that the military balance along the dividing line between East and West is heavily weighted in Soviet favor.

It is therefor imperative not only for Czechoslovakia's sovereignty, independence, and freedom but also for the peace, stability, and prosperity of Europe that the Soviet Union withdraw its armed forces from the territory of the Czechoslovak Republic.

This appeal is backed by documents in which the Soviet Union has committed itself to evacuate the territory of the Czechoslovak Republic, and by Czechoslovak citizen's to declarations of protest against the occupation of their country and resolutions demanding its end. The Charter 77 movement in Czechoslovakia and Czechoslovak exiles' endorsement of Petition 78 bears witness to the determination of all Czechs and Slovaks to see their Republic rid of Soviet occupation forces and once more sovereign, independent, and free.

In submitting this appeal, we speak for the Czechoslovak exiles who left their country after the coup d'état of 1948 as well as for those who had to leave when Czechoslovakia was invaded by the Soviet army in 1968. We are absolutely certain that, speaking in their names, we speak for all Czechs and Slovaks. We believe that a new European order based on the principles of true sovereign equality, independence, self-determination, nonintervention, and renunciation of the use of force would be a great step toward satisfying the hopes, aspirations, and interests of all the European peoples.

COUNCIL OF FREE CZECHOSLOVAKIA.
WASHINGTON, D.C., *August 1, 1978.*●

CZECHOSLOVAKIA: AUGUST 1978

● Mr. EAGLETON. Mr. President, yesterday marked the 10th anniversary of the Soviet invasion of Czechoslovakia. On August 20, 1968, Soviet tanks and troops moved into Prague in a massive effort to "rehabilitate" the Communist government of Alexander Dubcek. Dubcek's movement toward liberalization and reform so threatened the Soviet Union's ideological hold that they retaliated with their own particular brand of crisis management—force.

It is tragic and yet predictable that the Soviets move in this pattern. Their totalitarian system cannot tolerate much flexibility in the area of human rights or civil liberalties, for it shakes the very foundation upon which the Soviet oppressive regime is built. Whenever the Soviets have perceived that their influence is on the wane, whether domestically or internationally, they have tightened their control. We have seen it most recently with the Scharansky-Ginsburg trials, and as we look back into history we see the trend evolving.

And yet, Mr. President, in spite of the pressure tactics used by the Soviets, the 1968 invasion of Czechoslovakia has strengthened the push for human rights in Eastern Europe and the Soviet Union. In an excellent article in yesterday's Washington Post, Tad Szulc points out that the invasion of Czechoslovakia received almost unanimous condemnation from Communist leaders outside Eastern Europe.

Since 1968, the trend of Communist parties outside the Soviet Union has been toward self-reliance—less dependence on Moscow and more independent action. This is not to say that communism is no longer a force to be dealt with, but that the Soviet Union's tactics of force and brutality do not always produce the desired effect. As Tad Szulc states in his article:

Communism, of course, will not go away in our time as a major political force in the world. But Czechoslovakia has probably done more to change its system of international relationships than any other single contemporary event.

Mr. President, the reforms Alexander Dubcek initiated in the Prague Spring of 1968 were stilled by the sheer weight of Soviet force, but the spirit of Prague Spring still smolders in the consciousness of hundreds of thousands of Czechs, despite the presence of some 80,000 Soviet troops.

In 1977, a group of Czech citizens rekindled the human rights movement by issuing Charter 77, presenting the Husak government with a bold statement regarding the necessity to improve human rights in Czechoslovakia. Charter 77 outlines some 12 areas in which the Czech Government violates the most basic human rights—freedom of expression, freedom of religion, right of assembly, right to strike, the right to leave one's country, to name a few. The necessity for such a document is hard for us to fathom, because we take these basic rights for granted. It is a testimony to the spirit and strength of the Czechs that they have been able to keep their hopes alive during 10 years of Soviet occupation.

Mr. President, I ask that Tad Szulc's article, "The Legacy of Prague," be printed in the RECORD.

The article follows:

THE LEGACY OF PRAGUE—INVASION DEEPENED IN COMMUNIST WORLD

(By Tad Szulc)

At precisely 11 p.m. on August 20, 1968, Soviet and Warsaw Pact armies crossed the borders of Czechoslovakia in a land and aerial invasion designed to stamp out that country's experiment in "Marxism with a Human Face." It was a watershed event in terms of Soviet power politics, aimed at preventing any change in the ideological status quo in Moscow's zone of influence and blocking Marxist evolution wherever possible.

Now, a decade later, it is evident that while the Soviet Union remains faithful to the "Brezhnev Doctrine," invoked as a justification for invading Czechoslovakia to preserve ideological orthodoxy, it has paid a heavy price for this surgical stroke. The international Communist movement has been further splintered, dissent in Eastern Europe as well as in the Soviet Union has risen to new heights forcing last month's Moscow trials, and China has been propelled into a new relationship with the United States.

On the plus side for the Kremlin, the Prague invasion became a precedent for "invitations" for outside military intervention of the type the Russians and the Cubans are currently practicing in Africa. The "fraternal assistance" against the Prague government of Alexander Dubcek had been "requested" by pro-Soviet Communist conservatives whom the Kremlin called Czechoslovakia's "authentic" leaders.

In other words, the events of 1968 are having a continuing impact on the world scene today.

First, the invasion established the proposition that Moscow will never tolerate a peaceful evolution of the Communist system within its zone of influence at home or in Eastern Europe. The Russians had invaded Hungary in 1956, but the issue there was the ouster from power of the Communist Party—not its transformation—and the abandonment of the Warsaw Pact. In the sense that Marxism still aspires to being a living, changing philosophy suited to new generations, the fundamental ideological test was Czechoslovakia.

As far as the Kremlin is concerned, Marxism-Leninism in its present form is an immutable dogma not open to dissent or experimentation; as recent events prove, there has been no meaningful change in it in the last decade, despite internal and external pressures. This concept is obviously linked to the national interest of the Soviet state, which includes absolute control over domestic nationalisms. What if the example of reforms in Prague, which included certain autonomy for Czech minorities, had given ideas of change to the nascent Soviet dissidence or to the Ukrainian, Georgian, Lithuanian, Tatar or other minorities?

Although the intervention was meant to paralyze Marxist liberalization, ironically, it served to strengthen Soviet dissent, and, gradually, to reawaken it in part of Eastern Europe. The desire for change simply could not be killed.

To be sure, Andrei Sakharov, the nuclear scientists, had issued his manifesto calling for internal Soviet change the year before the invasion and writers Yuli Daniel and Alexander Ginzburg were already in jail. But the Prague invasion resulted in unprecedented public protests in Moscow and the consequent imprisonment of several activists. And the wave of dissent kept gathering power after August, 1968, climaxing in this summer's trials when, once more, the Politburo concluded that any ideological challenge was unacceptable. A direct line connects the events of the summer of 1968 and the summer of 1978.

RIFTS IN THE FAMILY

Within the international Communist movement, the invasion has had consequences that cannot yet be fully measured. Yugoslavia in 1948, Albania in the early 1950s, and China in the late '50s had broken away altogether from the Moscow center of communism. In the early 1960s, Romania had embarked on an independent foreign policy, including close ties with the runaway Chinese. Palmiro Togliatti, leader of the Italian Communist Party in the mid-'60s, had begun developing novel notions about Marxist evolution.

Then the Prague invasion forced another historic divide in Communist movements. Yugoslavia and Romania mobilized their forces and were ready to fight if Brezhnev

decided to use the momentum of Prague to put communism in order on their territories. The Italian Communist Party denounced the invasion openly and began moving toward what became known as Eurocommunism. So did the Spanish party, still exiled but quite important. The French party, rich in Stalinist traditions, split over Czechoslovakia and began its own shift away from Moscow's leadership. So did the smaller Western European parties.

Significantly for the future, of all the important world Communist figures outside Eastern Europe only Cuba's Fidel Castro applauded the invasion. China, of course, condemned it and even North Vietnam was strangely ambiguous about it.

When the Kremlin succeeded in organizing the 1969 conference of world Communist parties in Moscow, it was clear that the international movement was rent asunder over Czechoslovakia. The Kremlin has not even tried to convoke another such global conclave since 1969, fearing new and deeper rifts that would be certain to become public.

In the ensuing years, the divisions inevitably acquired greater depth. It took the Soviets two years to prepare the conference of European Communist parties that was finally held in East Berlin in June 1976. For the first time, Moscow had to negotiate a consensus document with foreign parties rather than impose it. In the end, the Berlin declaration was issued without the signatures of any of the Communist leaders. Unwilling to risk a public breakdown, Brezhnev had to go along with a text setting forth, in effect, the independence of individual parties from Moscow and their right to seek power and influence in their own way.

Traveling through Eastern Europe late in 1976, I was told that while the Soviet and most of the parties in the immediate zone of Moscow's control did not consider the Berlin text to be binding on them—and that they interpreted it in their own way—Western European Communists along with Yugoslavia and Romania would clearly insist on the new freedom of maneuver.

Western European parties have not broken altogether with Moscow—the Italian party, for example, still supports Soviet foreign policy in a broad context—and they may not do so in the foreseeable future. But they are no longer committed to such articles of faith as international proletarian solidarity and each is evolving in its own way in terms of modern Marxism. The strong Spanish party, for one, this year took the surprising step of eliminating the name and concept of Leninism from its official documents and pronouncements.

Communism, of course, will not go away in our time as a major political force in the world. But Czechoslovakia has probably done more to change its system of international relationships than any other single contemporary event.

FROM CHINA TO AFRICA

Prague 1968 has changed other situations, too, in myriad ways. In my conversations with Chinese diplomats after Henry Kissinger's first trip to Peking in 1971, I was told that the invasion of Czechoslovakia was one of the key elements in China's decision to open a relationship with the United States. The invasion, coincidentally or not, was followed by armed Soviet-Chinese border clashes in 1969, and Peking must have drawn its own conclusions from these sequential events.

Czechoslovakia also put an irrevocable end to the timidity of the non-Communist Left in the West in criticizing Soviet actions of this type as well as Moscow's internal repression. The 1956 Budapest bloodbath had led to protests by leftist intellectuals in Western Europe, but they died down. After Czechoslovakia, these voices became strong and clear and they keep gaining in resonance The French protest generation of May 1968 has produced the "new philosophers" of the mid-'70s, many of them shedding their former Marxist convictions and becoming articulate anti-Communists. Gulag, immortalized by Solzhenitsyn, is now the symbol of oppression for much of the Western European intellectual Left.

The mechanics of the Brezhnev Doctrine, however, also work in other directions, again stressing the historical fallout of Prague. Fidel Castro, the man who praised the 1968 invasion, has borrowed from the Soviet example the concept of "invitation" to justify his military involvement in foreign countries.

This Communist legalism was invoked to provide an excuse for the Cuban intervention in Angola in 1975 and Ethiopia in 1977, where American policy created the conditions for such interventions. In the first instance, the Cubans moved to support one faction that "invited" them against two others in the developing civil war. As for Ethiopia, how and by whom the invitation was issued are mysteries, although the ruling junta doesn't deny, after the fact, that the Cubans and the Russians were asked to come. Today Havana remains open to an "invitation" from Rhodesia's Patriotic Front, if events warrant it, or to related invitations from Zambia, Tanzania or Mozambique.

A decade after Soviet tanks entered Prague, the Brezhnev Doctrine remains intact in all its aspects, a challenge to the West as it is to Marxist reformers.●

AMERICA'S DEFENSE POSTURE

● Mr. HARRY F. BYRD, JR. Mr. President, a great deal of attention has been given in recent months to the state of our Nation's defense.

Growing Soviet military capabilities combined with a perception of declining U.S. military strength have led many analysts to conclude that our future security is in danger unless prompt corrective actions are taken.

Adm. Thomas F. Connolly, a distinguished naval officer with long experience in matters of national security, has recently written a thoughtful article on this matter which raises serious concerns as to our Nation's future security.

This article appeared in the summer issue, 1978, of Wings of Gold.

I ask that this article be printed in the RECORD.

The article follows:

AMERICA: FIRST AND LEADING OR SECOND AND SUBORDINATE?

(By VADM Thomas F. Connolly, USN (Ret)

The future of naval aid depends obviously on the future of the United States. In the summer of 1978, as the American ship of state steams steadily toward a darkening horizon, the quality and adequacy of our American defenses, and the will of our people to either opt for first place and leadership or settle for second and a subordinate role to the USSR, become uppermost.

What is the bottom line in mid-1978? It is, plainly and bluntly, that since the Department of Defense came into being in 1948, the U.S. has won nothing, only lost. Large numbers of our young men have been killed, billions of dollars spent. Today, inferior in military forces and capabilities—particularly seapower—for an "island" nation short on energy and other resources, the U.S. stands in mounting risk to the power and intentions of an adversary. These words may be denounced. But there won't be many with honest tongues and knowledge of warfare who will deny that Soviet military strength has become very formidable while U.S. strength is spread far too thin, with marginal quantities of modern weapons, back-up aircraft and other armaments. Any notion that once conflict is at hand the nation can build to superior strength, as was done in WWII, is unrealistic. We face a situation we should never have let happen—where through our military weakness, temptations are presented for Soviet aggression in forms and degrees of their choosing.

Solzhenitzyn has warned that WWIII has been taking place and the USSR is winning. It can be noted also that professional military officers have long advised the political leadership of the growing dangers. Today top-level attention appears to be accorded strategic nuclear missile ratios and the preponderant Soviet/Pact forces in Western Europe. More likely Soviet initiatives are in other areas: subversion of Middle East oil governments; further penetration of Africa; and control, or threat of control, of the flow of vital resources and of commerce. And wherever and whenever those Soviet initiatives become reality, the first line of contact will be the U.S. Navy, with naval air, as in countless times in the past, in front.

In sum, economic harassment and weakening of the West by raising the uncertainty of resource availabilities, of investment, new business ventures and on-going commercial arrangements. These are the very strengths of the West. The possibilities for mischief and evil-doing provided by Soviet military power and their Cuban, African, and Asian surrogates are many indeed. Until we show the Soviets again that they will not be successful in aggression because we have the means and will to oppose their aggression we must expect a succession of reverses. Many will rise to say that such things will not be done by the Soviets. That view needs proving. The business of our government is to ensure that they cannot happen. Our fate and future must not be left to chance or the Kremlin. This is not a call to armed conflict but a call to be strong again—to deter Soviet venturism with credible military power, not concession followed by concession. For it is undeniably true that the risk of conflict rises as our differences shrink, tempting the USSR to actions which they would never try in the face of strength and will.

Since 1961 systems analysis as used by Defense has been a principal factor in the steady decline of United States military capabilities. Ostensibly on the basis of "cost/effectiveness," costs were cut using the McNamara formula which was to cut procurement, cut people, cut operations. U.S. forces have become even smaller; ships, aircraft, weapons fewer; combat and war-fighting experience less a part of selection and decision. The analysts working at a level just below the Secretary of Defense and above all the military departments, predictably had too much leverage as well as the last word so that civilian management of military matters has become total in everything that counts.

Secretaries of defense, budget directors and presidents have found the work of their analysts very useful in producing yearly budgets that fitted not military requirements but politically constructed dollar quotas. Part of the takeover process was to portray, and regard, military professionals as improperly or incompletely educated and, so, incompetent for the tasks of national defense. Once the trend of downward Defense and upward social welfare and other programs was established the process became self-fulfilling. The analysts cannot be saddled with all the blame. Top government officials have known over the past several

years that USSR military power was rising fast and, as well as any, they knew the U.S. was not putting enough dollars into national security or paying enough attention to it. Ours has become a government driven by pressure groups. During and after Vietnam pressures were away from defense expenditures. Government leaders found it hard—too hard—to press for required defense.

It is certain that moves to let the U.S.S.R. reach military superiority have been supported by some government planners on the premise that this would avoid war and convince the Soviets they had nothing to fear from the United States. Whatever, America's military decline and its international decline remain singular consequences of taking the military professional corps out of the arenas where requirements of national security are really formulated and decided. These are arenas into which different minded performers have made their way since the days when American military strength and standing were high. Only in the Congress do the cognizant military professionals testify as expert witnesses. But here also the process is a dissimulation: the military witnesses are required to adhere to the Administration budget, designed by civilians in the Pentagon and the White House. Congressional committees are thus denied hearing how the military leaders really view national security needs. If committee members ask the right questions in the right ways and call for a purely personal professional answer, they can hope for guarded responses that try to suggest but don't declare how deeply concerned the military corps of the U.S. have become. The procedure is justified on the basis of avoidance and substitution. Of course, the Secretary of Defense talks with the Joint Chiefs. But that has meant very little in budget matters for a long time. Changes, perhaps, but increases no.

Now the United States task is to rebuild military capabilities to cope with those of the U.S.S.R. Priority should be accorded naval and air power at sea where Soviet interdiction capabilities are so great. This means an increase in U.S. capabilities that can deal with the many Soviet missile systems. Navy-wise, it means CVNs, AEGIS cruisers, and SSNs for the battle groups, F–14s, E–2Cs, A–6Es and A–7Es for the carrier decks. It does not mean building V/STOL ships before we develop worthwhile V/STOL aircraft from existing decks. It particularly means the advanced AWG–9 and advanced PHOENIX missile, and it means CILOPing the best fighter-weapon system in the world—the F–14. Overall, it means more broad naval capabilities—not equipments tailored for "low threat" situations.

Planning and funding the steps will be very difficult: the opponents of a stronger defense are well intrenched. Prodigious effort—or shock—is needed just to reverse the downward course of U.S. arms. The Secretary of Defense believes, as he recently told the House Armed Services Committee, that his department, i.e. the defense establishment of the United States, is as well run as any governmental department, which is so if you drop out the bottom line: not capable of protecting and preserving the United States as we know it and as the great majority of Americans want it to remain.

The Congress has constitutional responsibility for providing military strength to meet all national security needs. The Congress also has investigative powers. At this urgent moment of our history, it seems that a joint committee of the Senate and House should determine the true state of preparedness of the U.S. to protect and preserve the nation. It is a time for honest realism, for a political, bipartisan determination of the nation's security. That having been done, established procedures of the Congress will undertake required actions.

It is certain that the Department of Defense must be reconstructed. There are too many well-meaning amateurs in high office for short periods with more responsibility than their knowledge and competence justify. Often they come with missions other than to build and maintain a national defense second to none. Senior military officers (not just the Chairman) should have key parts in national security planning and defense program formulation. Their views should not be set aside by the military sector of OMB. Too much accord and attention are paid to scholars regarding national security. Scholars almost never reckon with power or the kinds of men who acquire and use it. In general, scholars abhor power of all kinds and call for solutions that are "reasonable" which have been honored in the breach in every century including this one. The world today is alive with unrest and urges to action. Trouble—big trouble—lies in store. The workable formula for the U.S. to become militarily powerful again, and then reasonable. The Administration chooses to play a game of placating which is dangerous and almost certainly will be unsuccessful.

Unless our Defense efforts are reformed and revitalized on realistic national security lines the American dream can well end up being the West wing of an all Soviet condominium.●

WADE D. MOODY

● Mr. EAGLETON. Mr. President, it gives me great honor to pay special tribute to an outstanding Missourian, who recently received the Department of Commerce's Thomas Jefferson Award. Wade Moody of Pattonsburg, Mo., was honored for his unusual and outstanding achievements for volunteer weather observation. Mr. Moody was honored for making timely and accurate weather observations and for taking river stage readings under extreme and hazardous conditions. As Pattonsburg is subject to flash floods, unusual efforts were required to collect weather information on numerous occasions. In this day and age when everyone wants to be paid for their efforts, it gives me great pleasure to acknowledge the deeds of a man willing to give freely of his time.

The Thomas Jefferson Award was originated in 1959 for the National Weather Service to honor volunteer weather observers for their outstanding achievements. It is the highest award the National Weather Service presents to volunteers. The award is named for Jefferson because the statesman-scientist made an almost unbroken series of weather observations from 1776 to 1816.

Missouri citizens should be proud of Wade Moody, and his efforts to keep them informed.●

HUNTING AND FISHING IN ALASKAN CONSERVATION AREAS

● Mr. MARK O. HATFIELD. Mr. President, for several weeks now the Senate Committee on Energy and Natural Resources, on which I serve, has been grappling with the so-called d–2 issue, attempting to deal responsibly with legislation to designate lands of national interest as parks, wildlife refuges, national forests, wilderness, and other protective designations.

As with any legislation of broad national interest, a certain amount of misinformation is bound to be circulated. One of the arguments opponents of the d–2 legislation have used is its impact upon hunting and fishing. Some would have us believe that all areas designated for protection will be closed to hunting and fishing. This is clearly not the case. While national parks and monuments have been and will continue to be closed to hunting, they are not closed to fishing. In the case of wilderness outside of parks and monuments, and in the case of wildlife refuges, national forests and wild and scenic rivers, hunting and fishing would be allowed to continue.

A recent editorial in the Oregon Journal accurately points out that "Congress has no intent to forbid hunting in new wilderness areas or other preserves it sets aside" outside parks and monuments. I believe this editorial puts the hunting issue in proper perspective, and I ask that it be printed in the RECORD.

The editorial follows:

[From the Oregon Journal, July 22, 1978]

LIES ABOUT ALASKA

An editor at The Journal who is also an avid hunter, fisherman and outdoorsman returned to work after a two-week visit to Alaska in rapture and livid rage.

He talked happily about a memorable Inside Passage ship ride and his visits to the Kenai Peninsula and the Arctic west coast. His anger was reserved for stories he heard from fellow hunters about how the Alaska land bill now under study in Congress would ban hunting in most of the state.

Another effort by the do-gooders in Congress to lock up recreation lands only for the Sierra Club backpack types, he was told by irate residents up north, who like to take float planes, ski planes, snowmobiles and motor boats into the remote reaches of the great state.

The editor and the people he spoke with are victims of one of the larger lies associated with the emotional debate concerning federal "national interest lands" legislation which now is before the Senate Energy and Natural Resources Committee.

That panel is considering its own version of a similar bill which was unanimously passed by the House a few weeks ago. The legislation would set aside new wilderness areas in Alaska (where there currently are only 75,000 acres of official wilderness on the books), as well as create new national parklands, wildlife refuges and other conservation zones on federal lands in the state.

Aside from a ban on hunting in national parks, similar to one which exists in national parks in the "Lower 48" (and Hawaii), Congress has no intent to forbid hunting in the new wilderness areas or other preserves it sets aside, according to reliable analysts of the bill from both sides of the issue.

Congress has, in fact, taken special care so far to recognize the unique subsistence culture of natives and non-natives in Alaska, and gives them hunting rights even in national parklands in some cases.

Contrary to Lower 48 wilderness restrictions, where persons using motorized vehicles are severely punished, the "traditional" motorized conveyances Alaskans have long found necessary generally still will be allowed by recreationists, in all the new areas.

There have been few land issues which have inflamed Americans as much as those arising from Alaska, from the time Seward's folly in 1867 brought critics down on that wily Interior secretary for paying too much,

to the present fights over the oil pipeline, distribution of lands and federal preservation policies.

Hunting, certainly, is but one of the issues involved in the current legislative battle. If the lie about locking out hunters and fishermen is understood to be misleading propaganda, it also should be seen as the least controversial issue Congress must decide.●

ALI BHUTTO AND PAKISTAN'S FUTURE

● Mr. McGOVERN. Mr. President, I am among several Members of the Senate who have been involved in humanitarian efforts to prevent the execution of former President Zulfikar Ali Bhutto of Pakistan. Those efforts have included direct appeals to the present government of that country—appeals the government says it will not heed.

More recently, former U.S. Attorney General Ramsey Clark has traveled to Pakistan to witness the legal proceedings involving Mr. Bhutto. Beyond the humanitarian issues involved, Mr. Clark has made a careful evaluation of the destabilizing internal consequences that would flow from the execution of a most popular leader in Pakistan.

Mr. Clark's report appears in the August 19 issue of the Nation magazine. I think this thoughtful study will be of interest to everyone who has followed developments in South Asia, and I therefore ask that it be printed in the RECORD.

The study follows:

THE TRIAL OF ALI BHUTTO AND THE FUTURE OF PAKISTAN

(By Ramsey Clark)

Rarely has a criminal proceeding held such potential to alter history as does the trial of Zulfikar Ali Bhutto. Its impact can reach beyond the fate of a man and the unity of a nation to affect fundamentally economic, political and military power worldwide. The Supreme Court of Pakistan is now considering an appeal from his conviction for murder and the sentence of death. Its decision is expected in the very near future. Executions are carried out immediately following final judgment in Pakistan.

The idea of Pakistan, nurtured by a poet, Allama Iqbal, and consummated by a statesman, Mohammed Ali Jinnah, was fragile from conception. To bind a political union of widely differing, proud and often warring people by a single tie, the religion of Islam, was a unique experiment. The dream of Pan Islam fitted neatly with desires of the Islamic populations of British India to be independent of the majority Hindu population when "freedom came at midnight" to the subcontinent of Asia. The result was a new nation of East and West Pakistan divided by 1,000 miles of land mass.

The West contained four distinct regions with diverse and sometimes hostile populations: the dominant Punjab, the North West Frontier Province, the Sind and Baluchistan. The traumatic separation from India in 1947 split both Punjab in the west and Bengal in the east between India and Pakistan, resulting in waves of migrating millions and recurring massacres. Pakistan, containing the poorest areas of the former colony, was cut off from markets, industry and the continuity of government administration, all primarily located in India.

Movements for political separation were powerful forces throughout the new nation from its birth. A bloody civil war began in East Pakistan in March 1971. Four months after the India-USSR treaty of August 1971, India invaded East Pakistan and in two weeks crushed West Pakistan forces, ending the war. East Pakistan seceded and became Bangladesh. It contained the majority of the population of the former nation and an even greater majority of its poverty and problems. Henry Kissinger's "tilt" to Pakistan at that time probably deterred India from invading and partitioning the West.

Separatist movements were not limited to tensions between East and West. Within the West there were, among others, a Baluchistan Liberation Movement sometimes based in Iraq and a Pakhtoonistan movement involving both Baluchistan and the North West Frontier—giving rise to the possibility of a new nation in the event of the breakup of Pakistan, a nation that would include Afghanistan and most of Pakistan west of the Indus, excluding the Sind and Punjab forming a corridor hundreds of miles wide from the Soviet Union to the Arabian Sea. The movements have involved guerrilla warfare countered by martial law and military casualties that may exceed those of the war in the East.

Bhutto came from a wealthy land-owning family in the very poor Sind. Graduated from the University of California at Berkeley and with a law degree from Oxford, he was Minister of Commerce for Pakistan at 30 and Foreign Minister when 33. He resigned as Foreign Minister in protest against military government policies in 1966, having established good relations for his country with China. He was imprisoned briefly in 1968 by President Ayub Khan for criticizing the government.

Founding the grass-roots Pakistan Peoples Party, Bhutto became the dominant political figure in the West by 1970. After the war in which East Pakistan was lost, he became President in 1972 (the first civilian chief of state in more than twenty years) and then in 1973, the first elected Prime Minister. Presenting himself as a democrat, a Socialist, a Populist and reformer, he initiated programs for land reform, economic development, social services, family planning, a strong Pakistan Peoples Party, internal security, Moslem leadership and international prominence based on nonalignment.

It is conceded by friend and foe alike that Bhutto is keenly intelligent, popular and charismatic. On the international scene he was called on to mediate in Cyprus, Korea and elsewhere. He assisted in preliminary contacts that led to President Nixon's visit to China. He negotiated difficult prisoner exchanges with India and Bangladesh, restored relations with Bangladesh, and eased tensions with India.

The United States expressed its strong disapproval of his role in calling for a Third World Summit, fearing concerted action by poor countries. President Carter urged Bhutto to abandon plans for a nuclear reprocessing plant France agreed to build in Pakistan. (India has had the bomb since 1974.)

Within the nation, he helped bring about the adoption of a new written Constitution in 1973 which some saw as a foundation for democratic government protecting human rights and securing economic justice. Economic policies stimulated growth despite difficult international problems including rising energy costs. Agriculture, health, education and housing were major concerns for his government and some progress was made.

But his years in power were in most ways the worst of times. He assumed office in the aftermaths of a humiliating military defeat, the severing of the nation, loss of most of its population to Bangladesh and the psychological and physical impairment of the dominant power in the society—the Army. Floods (including those of 1973 which were called the worst natural disaster in the area's history), earthquakes and other calamities befell the people during those years.

And above all there was the random violence, gun-running, guerrilla skirmishing, constant tension and high risk of revolution or invasion caused by political, tribal, cultural and international ambitions for power and dominance in surviving Pakistan and its very different parts. The Shah of Iran strongly supported Bhutto's efforts to contain the separatist movements. The Shah has no interest in seeing another state arise capable of dominating the strategic Persian Gulf, particularly a Baluch state that could lay claim to the loyalty of Iran's own sizable Baluch population. (Within Iran live one-third of the Baluch people.) World powers, principally the United States, the USSR and China are also keenly interested in Pakistan.

Growing instability was addressed with tough military and police measures. While parliamentary government endured, there were political arrests and detentions numbering in the thousands, martial law for whole cities and provinces at times, and a growing Federal Security Force not greatly concerned for life and liberty. Amnesty International, among others, protested human rights violations in a well-documented 1976 report.

The first six months of 1977 were difficult. Bhutto's popular appeal seemed to slip badly with turbulence and the harsh government reaction to it. He called elections which were held in March and the surprisingly strong showing of his party brought immediate outcries of vote fraud by other parties. Hundreds of protests and demonstrations, including some by women and children, led to violence and deaths and brief periods of martial law in major cities. Conditions were reminiscent of Chile before the *golpe* in 1973. Though most observers concede Bhutto candidates actually received a clear majority, probably 60 percent of the votes, a settlement among the parties that might have restored relative calm had not been reached by July, and new elections were planned for October.

On July 5, 1977 there was a bloodless military coup. General Zia ul-Haq, who had attended advanced command courses in the United States and the United Kingdom between 1972 and 1975, assumed government power as Chief Martial Law Administrator. The stated purpose was to stop the "drift toward political chaos." But drastic police measures were taken which created doubt as to General Zia's purpose. Severe penalties were immediately promulgated by fiat. Martial Law Order 12 provided for preventive detention and it was used liberally. Martial Law Regulation 11 of July 5 declared simply: "No one shall, either directly or indirectly, participate in any political activity. Maximum punishment 5 years Rigorous Imprisonment, fine and/or whipping not to exceed 10 stripes." Martial Law Regulation 13 provided the same punishment for any form of communication critical of the Armed Forces or "calculated to create alarm or despondency amongst the public."

Public executions and floggings were authorized and carried out. The amputation of a hand was made legal punishment. General Zia says, "it is the humiliative rather than the punitive aspect of flogging which is important." He tells one that the death penalty and life imprisonment were not deterrents to criminal conduct but the threat of flogging was. His new Law Minister A. K. Brohi says floggings are necessary to control the people and asks what do you do with a "mad dog." He defends stoning women to death for adultery and is the principal government spokesman justifying these cruel, inhuman and degrading punishments as being ordained by the law of Islam.

Bhutto was arrested on the night of the

coup and held for several weeks. Most of the high officials in his administration have been confined. Leaders of the Pakistan Peoples Party were also arrested. Many are still in prison, joined this year by leaders of other parties. Bhutto, released to campaign for the October elections, was greeted by enormous crowds. In early September he was arrested and charged with ordering the murder of a minor political figure in November 1974. General Zia publicly spoke of documentary evidence establishing Bhutto's guilt. Released on *habeas corpus* by a court, he was promptly rearrested under both military and civil process and has been detained virtually incommunicado since September 17, 1977.

While he was originally to be tried by a military court, it was decided he should be tried before five members of the High Court in Lahore. The two justices who had granted his writ of *habeas corpus* were excluded. The presiding judge was acting Chief Justice by appointment of General Zia; he was also an old enemy who had heard Bhutto's case when he was arrested in 1968. He should have been disqualified.

The murder charge, if believed, takes the case out of politics. Officials in the Zia government assure you this is a routine murder case. (Ferdinand Marcos of the Philippines, a master at authoritarian deceit, has used an ordinary murder charge to convict and condemn Benigno Aquino, a major political opponent, to death.)

This murder charge, while the most serious that can be made, was not taken seriously at first. The allegations themselves are so inherently improbable. The murder rate in Pakistan is high enough to make Houston seem peaceful. This assault was said to have been an attempt to kill a man named Ahmad Raza Kasuri, a dissident in the Pakistan Peoples Party. On June 3, 1974 Bhutto had become irritated with Mr. Kasuri on the floor of Parliament and expressed his feelings sharply, but not threateningly. This incident is the prosecution's case for a motive. Others had spoken far more sharply, even threateningly, including Kasuri himself who said of another group, "Time had come for their being killed."

Kasuri's father was apparently killed by automatic gunfire which hit a moving car occupied, according to the evidence by Kasuri, his father, mother and an aunt, near Lahore shortly after midnight on November 11, 1974. Kasuri, who had no way to knowing who fired, or ordered the shooting, immediately blamed Bhutto and used the charge politically.

In 1972 he had claimed nine attempts had been made on his life for which he had blamed another politician. He claimed three attempts were made on his life in 1974. An investigation of the death of Kasuri's father was closed in 1975 without charges being brought. From 1975 through June 1977 Kasuri sought through intermediaries to establish friendly relations with Bhutto, obtained a meeting with the Prime Minister and returned to the party.

Shortly after the coup, two members of the Federal Security Force were arrested, questioned and confessed to the shooting. Masood Mahmud, Director General of the FSF, was taken into protective custody on July 5, 1977, and on August 14 wrote General Zia making "a clean breast of the misdeeds of the Federal Security Force under the orders of Bhutto." He later confessed to ordering the assault on instructions from Bhutto. His testimony is the only evidence directly linking the Prime Minister to the murder. It is more than suspect. He says Bhutto threatened him and made him personally responsible for "taking care" of Kasuri, commanding him to instruct a subordinate, Mian Muhammed Abbas, to "produce the dead body of Ahmad Raza Kasuri or his body bandaged all over." The body was never produced, of course. Abbas confessed, and then retracted, then on July 10, 1978 his lawyer again filed a confession before the Supreme Court.

The trial was not fair. The acting Chief Justice's conduct would make Judge Julius Hoffman in the Chicago 7 trial a model of decorum. He publicly commented on Bhutto's "guilt" outside the courtroom before conviction. His prejudice is spread through his 145-page decision. Even there he could not restrain himself from characterizing Bhutto, who did not present a defense, as a "compulsive liar," "unruly," "hurling threats as well as insults on us."

As one illustration, before the defense abandoned the case, Bhutto's lawyers had cross-examined Masood Mahmud, the prosecution's second witness. He was asked whether he had caused police to hold a Mrs. Ibrat while "rats were let loose in her shalwar and its ends tied." The purpose obviously was to examine the credibility and character of the witness. The acting Chief Justice, in referring to this cross-examination, wrote: "It appears that these questions were put to prove that P.W. 2 (Mahmud) was well-qualified from the point of view of the principal accused (Bhutto) to be appointed as Director General of the Federal Security Force."

The evidence presented against Bhutto, even if believed, would not support a verdict of guilt. The prosecution case was based entirely on several witnesses who were detained until they confessed, who changed and expanded their confessions and testimony with each reiteration, who contradicted themselves and each other, who, except for Masood Mahmud, were relating what others said, whose testimony let to four different theories of what happened, who were contradicted by ballistics and other physical evidence and who were absolutely uncorroborated by an eyewitness, direct evidence, or physical evidence.

There were records showing that one of the FSF officers who allegedly fired the shots was in Karachi at the time, but no defense evidence was presented on this. Each of these witnesses had an urgent motive to inculpate the Prime Minister, each alleged that he resisted and protested but was forced by threat and command to participate in the shooting. That Kasuri remained alive in spite of the alleged fury of the Prime Minister did not seem to affect belief that his murder was ordered. Kasuri himself was shown to be a highly erratic, untruthful and opportunistic politician of no standing who sought favor from Bhutto until his overthrow.

Critical stages of the trial were conducted in camera. Comments and rulings by the court and conflicts between counsel and the court caused Bhutto to discharge his attorneys and boycott the trial before the prosecution completed its case.. The remaining prosecution witnesses were not cross-examined, no defense case was presented and Mr. Bhutto was unrepresented during the concluding, critical phases of the trial.

All five defendants—Bhutto, the two FSF officers who allegedly fired the shots and their two superiors who were charged with participating in carrying out the order allegedly communicated by Masood Mahmud—were sentenced to hang, Mahmud, who alone testified that Bhutto ordered the acts, was pardoned. Efforts of the other four defendants to involve Bhutto and justify their conduct did not save them, at least not yet.

The decision of the High Court is full of errors of fact and law. Its characterizations of evidence show its bias. There was no objective effort to determine fact.

The case is now on appeal in the Supreme Court of Pakistan at Rawalpindi. There from Saturday through Wednesday each week, the nine justices engage in a meticulous review of the trial record. They are impressive men, learned in the law and skillful in their examination of the trial transcript, counsel and each other. The Chief Justice Anwar ul-Haq questions most frequently, but all participate in a lively manner.

The Court has maintained some judicial power. In an important decision in Bhutto's wife Nusrat's application for a writ of *habeas corpus*, the Court boldly declared that precedents suspending judicial power under similar circumstances through the law or necessity were in error. But no writ was issued and Mrs. Bhutto remains incommunicado in custody, though not charged with any crime.

The Supreme Court of Pakistan is not in an easy position. The Chief Justice was selected by General Zia who had removed his predecessor. Four of his associates were appointed by General Zia. Everyone is looking for political motivation. Each justice has the rule of law in Pakistan, his professional reputation, his personal future, perhaps his own freedom and life before him in this case. The decision will be historic. It is due within weeks now.

We shall see whether the world sits quietly by and watches if Ali Bhutto is executed. Just 51 years old, he moved impressively on the international stage for nearly two decades. Many viewed him as a "scholar statesman," a phrase used by Kasuri in 1976. Political vengeance can be dressed up as a pure criminal trial. Such a method defames former leaders and dissipates support for them. It is not a happy or humane precedent. Even a commutation of the death sentence by the Supreme Court or by General Zia will only diminish the personal tragedy and perhaps temper political significance of this method of destroying democratic institutions.

For Pakistan and Islam, the execution of Bhutto would have devastating effects. If an election were held today, most concede that Bhutto would win overwhelmingly. He is the one leader with broadly based popular support in Pakistan. His prosecution and his mistreatment in prison, where no foreign observer has been permitted to see him or examine conditions of his confinement, have created new and greater public sympathy for him. Even some soldiers have openly expressed their view that the charges were fabricated.

Martial law does not sit easy on the people. Public lashings of members of the press (more than eighty have been arrested) and of many poor people has caused a bad reaction, so that General Zia was quick to observe in mid-July that there had been no lashings for four months. Still, even government-controlled daily papers report sentences of imprisonment and lashing by military courts presided over by a major or a colonel. The Law Minister, who believes in the law of the lash and says both Islam and the people demand it, doesn't seem to hear even supporters of General Zia say that the floggings, executions and theatened amputations are causing greater unrest and alienation. Both at home and abroad the Draconian punishments have greatly damaged the nation and its religion.

The execution of Bhutto would be extremely destabilizing. Rioting, even civil war, is a possibility. The military is not of a single mind. Eighty percent of the soldiers are from Punjab, which creates hostility in Sind, Baluchistan and the North West Frontier. A foreign power with a suitacase full of money might easily establish another General.

Poor Pakistan with its staggering human problems, hunger, violence, illiteracy, illness, population growth, underdeveloped economy, fragile confederation of dissimilar and warring people needs help. A haunting part of the planet running from the Arabian Sea coast to Nanga Parbat in the Himalayas, most

of its more than 70 million people live in staggering want.

But foreign interest in Pakistan may prove its greatest problem and peril. It is the wrong country, in the wrong place, at the wrong time. And it will not be left alone.

To Afghanistan it is tempting because it contains many people of common tribe and culture in the Frontier and Baluchistan. It also offers access to the sea, the chance to realize a greater Afghanistan and a vast increase in power. To Iran it presents a threat on a long border with a large common population of Baluchs and the threat of encirclement by hostile forces from the Arabian Sea to the Turkish border, along with the possibility of strategic domination by the USSR of the Persian Gulf, the Arabian Sea, the Middle East.

To India the prospect of the disintegration of Pakistan offers the chance to consolidate Punjab, to return to British India's borders geographically, along with the elimination of an enemy, control over a wide buffer to the Soviet Union. These are historical and regional concerns.

To China, the Soviet Union and the United States, Pakistan is of the greatest strategic importance. From the days of the wars with the Ottoman Empire, Czarist Russia sought warm-water ports. Pakistan has hundreds of coastal miles on the Arabian Sea, dominating, with Oman, the entrance to the Persian Gulf. Control of Pakistan would directly increase Soviet power over Middle East oil, magnify its influence with India, give it access to the Indian Ocean and to East Africa and greatly contribute to the encirclement of China. With the new, stronger Soviet influence in Afghanistan, destabilization in Pakistan holds enormous meaning.

China, with a common border and open highway from Sinkiang to Karachi, may see Pakistan as a key to containing Soviet influence and holding a protected position throughout the subcontinent and Southeast Asia. With Pakistan controlled by the Soviets, China would be cut off on the west, and India, Burma and Thailand would be more vulnerable to influence by the USSR.

The United States may see in the balance the Middle East and its vast oil reserves, along with greatly altered influence in southern Asia and eastern Africa. People in Pakistan speak of CIA activity in establishing Zia. They name names. It is believable to many. After all, is not Iran—"we helped restore the Shah to his throne," William Colby says—the CIA's proudest achievement?

Whatever the cause, the United States is again in the position of supporting a military dictatorship, harsher in its public pronouncements than any, even claiming religious authority for its harsh rule.

General Zia may have greater difficulty maintaining himself in power than Marcos or Generals Pinochet or Park or the neighboring Shah. He is unknown. He is inexperienced. He has not been judged effective by international observers. He presides over historic dimension and contemporary turbulence. He rules by the threat of the lash with absolute authority. He postpones elections.

And he may execute Ali Bhutto.

The role of the United States should be clear by now. We cannot live other nations' lives for them. We can only live by our own principles and believe that right may make might.

We should stand for life and implore with all our moral suasion a commutation of the death sentence. We should stand for justice and urge freedom, or—if the facts warrant prosecution, which I have not seen—a new and fair trial for Ali Bhutto. We should stand for democracy and urge popular elections in Pakistan at the earliest date by which all parties and candidates can be fairly preserved and voting honestly monitored. We should urge an immediate end to martial law and cruel, inhuman and degrading punishments.

We should stand for humanity and send massive economic aid, assuring delivery to those in greatest need—offering food, independence in food production, health care, education, an expanding, independent economy, decent housing and human dignity for all the people of Pakistan. It is to these issues that our imagination, energy and foreign policy should be addressed.●

AND NOW A WORD ABOUT YOUR SHAMPOO

● Mr. LAXALT. Mr. President—

Today, consumers are greeted with an unending variety of shampoos and conditioners. Shampoo for dry hair or oily hair, for damaged hair or tinted hair. To help you decide what's best for you, the Food and Drug Administration has a reprint from its magazine, the *FDA Consumer*. It's called *And Now a Word About Your Shampoo*. For a free copy . . .

My office received a press release the other day from GSA, from which I took the above quote. At first I thought I was being subjected to some sort of joke, but as I read on, I realized that the Federal Government was indeed concerned about the welfare of my hair, and wanted to make sure that I used the right shampoo when I was moved to wash my hair.

I was relieved to learn that the bureaucracy has analyzed, and published the results of its analysis, not only the various sorts of shampoos available on the market, but after-shampoo conditioners, additives in shampoo, their respective functioning in hard and soft water, and a host of other little known facts about keeping my hair soft and shiny. I was told in the press release, for example, that I should not look toward protein or other additives to feed my hair, or make my hair alive, since my hair is dead and cannot be fed.

I was told, in addition, that I would need to use a special after-shampoo conditioner to mask the problems caused by the use of dyes, bleaches, waving, or straightening mixtures, or from the intense heat used to curl or straighten my hair strands. Mr. President, I am certainly glad to know these things about my shampoo problems, and am equally glad to know that the Federal Government has taken it upon itself to use its resources to come to grips with these acute problems of our society. I am sure, as well, that the voters in California who voted for proposition 13 would be equally happy to know how their tax dollars are being spent.

I wonder, Mr. President, if they will ever learn.

I ask that the GSA press release be printed, in full, in the RECORD:

AND NOW A WORD ABOUT YOUR SHAMPOO

"Rapunzel, Rapunzel, let down your long hair." Now we all know what her hair looked like, but what about her shampoo? Actually, choosing a shampoo in the days of yore was probably a lot easier.

Today, consumers are greeted with an unending variety of shampoos and conditioners. Shampoo for dry hair or oily hair, for damaged hair or tinted hair. To help you decide what's best for you, the Food and Drug Administration has a reprint from its magazine, the *FDA Consumer*. It's called *And Now a Word About Your Shampoo*. For a free copy, send a postcard to the Consumer Information Center, Dept. 566F, Pueblo, Colorado 81009.

Ever wondered if a shampoo can give your hair shine, smoothness and body, just as well as an after-shampoo conditioner? According to the FDA, probably not. It's difficult to produce a shampoo that is strong enough to clean well, but mild enough to leave natural oils on the hair.

The conditioners in shampoos are not normally adequate to cover damage that may result from the use of dyes, bleachers, waving or straightening mixtures, or from intense heat used to curl or straighten the hair strands. You'll usually need special after-shampoo conditioners to mask these problems.

Know what the labels "for use on normal, dry or oily hair" means? different formulas are controlled by altering the strength or amount of the synthetic detergent and conditioning additives in the shampoo. So, by picking the one that matches the condition of your hair, you can feel a difference.

On the other hand, don't look toward protein or other additives to "feed your hair" or "make the hair alive". This can't be done, since hair is dead tissue.

And, what's in a baby shampoo? Baby shampoos are usually made from relatively stingless and non-irritating synthetic detergents. They don't normally contain added ingredients, like perfumes, which can irritate the eyes.

Today, most shampoos are made with synthetic detergent, not soap. The main advantage of synthetic detergent is its functioning in hard water. Although soap works well to remove dirt and grease from surfaces, in hard water the soap forms a gummy material called "soap scum". The familiar ring in the bathtub is formed of these deposits. Synthetic detergents, on the other hand, do not react to the degree of hardness in the water, and scum deposits do not form on your hair.

When you order a copy of And Now a Word About Your Shampoo (free), you'll also receive a copy of the free Consumer Information Catalog. It lists more than 200 selected free or low-cost publications from the federal government. The Catalog is published quarterly by the Consumer Information Center of the General Services Administration.

Note to editors: Please check with us if you plan to use this material after November 15, 1978, so we can be sure we have adequate stock to meet your readers' requests.●

LET'S NOT TORPEDO OUR NAVY

● Mr. HARRY F. BYRD, Jr. Mr. President, the balance of naval power has been shifting. The Soviet Navy in recent years has become a true "blue ocean navy" and has increased substantially its capabilities to threaten U.S. control of the seas.

Former Secretary of the Navy, J. William Middendorf, has recently written an excellent article in the August edition of Reader's Digest concerning the current state of our Navy and its needs in the future.

His thoughtful analysis describes clearly the threats our Nation faces. He also prescribes the actions necessary to reverse the harmful trend of the naval balance.

So that my colleagues may have the benefit of his views, I ask unanimous

consent that the article be printed in the RECORD.

There being no objection, the article was ordered to be printed in the RECORD, as follows:

LET'S NOT TORPEDO OUR NAVY

(By J. William Middendorf II)

Since retiring as Secretary of the Navy last year, I have been haunted by the feeling that my obligation to the American people won't be fully discharged until I deliver a final word, my own view of our ability to continue to safeguard our freedom. As a private citizen, I have no ax to grind, save the ax all Americans ought to be grinding—that we maintain the military posture it takes to deter war, to ensure our vital interests, to protect freedom and to prevail if war comes.

That is the posture we began keeping in the early 1950s and which for several years now has been in serious decline. Indeed, so severe is the decline that I fear we are fast approaching a time of testing such as the United States has never had to endure. Unless we move fast on a Naval rebuilding program, I'm convinced that the next ten years will see the end of U.S. ability to deter and prevail, with all the grave consequences that implies for free people everywhere.

We've had warnings:

During the 1973 Middle East War, the Soviet navy was quickly able to double its Mediterranean fleet to 96 ships on station. And this wasn't even an all-out effort by the Soviets. Against it, we went all out to reinforce our Sixth Fleet to a peak strength of 66 units. The Soviets were armed with deadly anti-ship cruise missiles, a weapon not then in our own inventory. Knowledgeable professionals differ as to who would have prevailed in a Soviet-American shoot-out. Fortunately, we didn't have to find out, but Moscow's boldness during that crisis brought us to the brink of World War III.

Huge Soviet navy war games were held in 1970 and 1975. Called Okean (Ocean) 70 and Okean 75, they are full of ominous meaning for the future. In Okean 75, hundreds of Soviet air, surface and undersea combatants were deployed over the world's seas with intelligence collectors, oilers, repair ships and merchant convoys and put through intensive, coordinated maneuvers. It was the the greatest show of naval strength in history.

Five major shipyards in the U.S.S.R. produce submarines—with six more building large surface ships. All these huge yards have been expanded and modernized in the last five years, to produce a steady stream of new ships.

STRATEGIC THREAT

In short, there has been an alarming shift in the balance of naval power and the abilities of the Soviet and American navies to perform their different missions. Though many of our ships are superior in quality and our sailors are more experienced, the Soviet navy now is more than triple the size of our fleet and its overall effectiveness is increasing.

Our way of life depends on the unimpeded flow to us of essential raw materials and energy—we now import *all* our rubber, chromite, cobalt and manganese ore and *half* our oil. Ninety-nine percent of our overseas trade is carried by ship. Our survival depends upon a Navy competent to keep open the sea lanes, pose a believable deterrent and enable us to support our allies in the event of war.

By contrast, the U.S.S.R. is relatively self-sufficient in raw materials and energy. The Soviet Union can support itself and provide most of its allies with economic and military aid without crossing a major body of water. A truly peaceful Soviet government would be content with adequate coastal-defense forces—the kind of naval force the Kremlin kept until 15 years ago. Since then, it has sought to create a navy of such speed and devastating fire power (at the expense of cruising range) that it can overwhelm any U.S. Naval force. It has created a "first strike" navy.

This explains the enormous Soviet naval buildup of the past decade and a half. The Kremlin became aware in the late 1950s that without a blue-water navy it could not influence world events. The Soviets were embarrassed at their impotence in 1956 when a British and French naval expedition invaded Suez; and in 1958, when the U.S. Navy moved strong forces into the eastern Mediterranean to discourage communist interference in Lebanon's disorders. The last straw was the 1962 Cuban missile crisis, when a U.S. Naval blockade and the threat of overwhelming American nuclear retaliation forced the U.S.S.R. to remove nuclear missiles it had been installing in Cuba.

But now the U.S.S.R. boasts the world's largest strategic (long-range, nuclear-ballistic-missile-carrying) submarine fleet. The Soviets have launched 60 such boats in the past ten years. Their Delta Class submarine—27 operational and more abuilding—is the world's largest. Each is poised to fire 4200-mile-range missiles.

That distance exceeds by some 1700 miles the range of our most advanced submarine-based missile, the Poseidon. It also approximates the range of our new Trident I missile, which won't reach the water until close to 1980. The Delta Class missile now makes it possible for the Soviet strategic submarine force to attack virtually every city in the United States from the U.S.S.R.'s home waters.

The Soviet force also includes 33 Yankee Class boats, each fitted with 16 1300-mile missiles, and 30-odd older nuclear- and diesel-powered boats, each carrying a number of 350- and 650-mile nuclear missiles. Against this, the United States has a ballistic-missile firing submarine fleet of 41 relatively old Polaris and Poseidon boats.

SHRINKING MARGIN

The Soviet navy's commander in chief, Adm. Sergei Gorshkov, has vowed publicly to achieve a navy that is second to none. Is he achieving this goal?

Recently retired Chief of Naval Operations Adm. James L. Holloway III has delivered a sobering assessment to Congress: we retain "a slim margin of superiority." The Chief of Naval Operations four or five years from now may not be so optimistic, since that "slim margin" is represented by our 13 aircraft carriers. In 1976, the Soviets deployed their first, the 45,000-ton *Kiev*. A second *Kiev*-class carrier is nearing completion and a third is under construction. We probably can expect to see more and perhaps larger carriers joining Soviet fleets through the 1980s.

Although Gorshkov's carriers do not yet give him the long-range striking power ours provide, he has 1250 land-based naval aircraft, of which 30 are the new supersonic Backfires. These have at least a 5000-mile range, and pose a terrible threat to our Mediterranean and Pacific fleets. They could also menace any Naval force that we might bring into the Indian Ocean to shore up a Red-threatened oil-rich state.

The Russians also have tried to offset our superiority in aircraft carriers by arming scores of surface ships and submarines with deadly anti-surface-ship cruise missiles. There is frightening evidence that they are developing a new guidance technology, which will enable a missile-firing ship or submarine to stand off at a distance, find a target ship with over-the-horizon radar, and fire a weapon that will streak at 2000 m.p.h. 50 to 60 feet above the sea, underneath our search radar.

Our scientists have been developing a weapons system to counter this threat. It's called Aegis, and we know it will find incoming Soviet missiles 30 to 40 miles out and blow them up. But at the earliest, it will be 1981 before the system can be deployed on the first ship.

SOVIET SQUEEZE

In addition to a strategic submarine force twice the size of ours, the Russians now have by far the world's largest attack submarine fleet, well over 200 boats, for anti-shipping and anti-submarine purposes. Imagine what the Soviet attack force could do in the event of war! Nazi Germany, which began World War II with 57 submarines, primitive by today's standards, very nearly succeeded in severing our Atlantic supply lines, sinking some 14 million tons of Allied shipping. Clearly, the lesson has not been lost on the Soviets.

Against the U.S.S.R.'s huge surface and undersea forces we can deploy a total of 82 attack submarines.

The Russians also have more of all kinds of surface combatants than we have: more cruisers, more destroyers and other escort types; they vastly outnumber us in small (less than 1000-ton) attack boats. Yet these are fast, maneuverable and hard to hit. Equipped with new nuclear-tipped missiles, they pack a lethal wallop. The Soviets now are also moving to gain an advantage with amphibious ships that carry marines and their arsenals, including tanks, into beaches. They have some 100 such ships. We have 63, and we would need 48 of these to embark a single Marine amphibious force.

The Soviet navy has the world's largest naval-mine-warfare force, the world's largest inventory of naval mines and a capable anti-mine-warfare force. It also has the world's largest fleet of intelligence collectors—so-called "spy ships." Approximately 50 are deployed all over the globe—many posing as merchant or fishing vessels.

With their modern, powerful navy, the Soviets are showing the flag in more and more places, doing their best to influence events. During the Angolan war, Soviet naval units were deployed offshore in a show of support for their Cuban proxies. They now cruise regularly in many of the world's major seas. (A Soviet task force has come within 25 miles of Hawaii, and another has entered the Gulf of Mexico.) Thep have obtained the use of port facilities in the Indian Ocean, the Mediterranean, on the west coast of Africa and in the Caribbean. It is obvious that the Kremlin employs its naval forces in support of an ambitious foreign policy targeted at controlling the world's raw-material sources.

I don't think most Americans, including many in Congress, really grasp what a tough fix we are in, or will be in soon. If present trends continue, for example, it wouldn't surprise me to awaken some morning to the news that the Soviets have annexed the warm-water ports of northern Norway, which they have long coveted. Or to be told by Moscow that "the situation must be stabilized" by the Soviets in some politically troubled oil-rich state which is important to our survival.

U.S. RESPONSE

We are in this fix for a lot of reasons, including old, discredited theories that the Russians are as interested as we are in arms control and disarmament. Powerful voices in this country continue to urge that we disarm unilaterally, insisting that the Russians will then disarm, too. In fact, we have long been unilaterally disarming. Among other things, we have halved the size of our Navy—we now have 458 ships, against nearly 1000 ten years ago.

But the main reason we are in this fix is that during the 1960s, while the Soviets were working hard to develop the mightiest

military posture in world history, we were pouring our resources into the Vietnam war. We neglected our defenses, none more than our Naval component. By the end of the 1960s we were confronted with block obsolescence, large numbers of ships built in the 1940s and 1950s that were not worth expensive restoration.

Currently, our Navy is smaller than at any time since two years before Pearl Harbor. Yet the Carter Administration has just cut in half the Navy's five-year shipbuilding plan! Congress will be gravely risking our survival if it allows this to happen.

We simply must rebuild the Navy. That doesn't mean refurbishing obsolete ships. We need a modern, self-sufficient Navy that can operate in distant areas without having to rely on overseas bases.

Admiral Holloway has estimated that the balanced Naval force we need comes to about 600 ships. In preparing this force, we must understand that, from the time initial plans are prepared for Congressional approval, it takes eight years to get a Trident submarine to sea, ten years to float an aircraft carrier. And weapons technologies improve so rapidly that when we build certain new systems, we have to hope that they won't be obsolescent in ten years.

But we have no choice. We must understand that our freedom is not preordained, and that without a strong defense we won't be able to keep it. So much time has been lost already that, even if we start now, we are in for some rough and scary sailing in the years directly ahead.●

THE HILL'S MANGLING OF AN ERA ISSUE

● Mr. GARN. Mr. President, Prof. Walter Berns is an eminent scholar, and we are fortunate to have his abilities directed toward an issue as important as extension of a ratification period for a proposed constitutional amendment. Yesterday, the Washington Star ran an article by Professor Berns entitled "The Hill's Mangling of an ERA Issue." I recommend Dr. Bern's article to our colleagues and every person concerned with the processes of Constitutional law and American government. It is a fine piece of thinking and writing and both Professor Berns and the Star should be commended for their contribution to this vital debate.

The article follows:

THE HILL'S MANGLING OF AN ERA ISSUE

(By Walter Berns)

Unable to secure the approval of the constitutionally required three-fourths of the states during the congressionally stipulated seven-year period, the advocates of the Equal Rights Amendment are now engaged in the attempt to persuade the Congress to extend that period to 14 years. This proposed extension raises constitutional issues, involving fundamental principles of American government, that have never been decided—and can scarcely be said even to have been considered—by the Supreme Court. There is in fact very little constitutional law on the mode of amendment of the Constitution, and if the full House and then the Senate follow the disgraceful example of the House Judiciary Committee in its recent consideration of the extension resolution, there will be very little constitutional principle.

The reasons for the lack of constitutional law are not hard to identify.

First, there have been few cases to reach the courts. Prior to the ERA, 32 amendments had been proposed, and of these 26 were adopted, most of them quickly and without great argument. The first 10 amendments, for example, were ratified in a body by nine states within nine months of their submission by Congress in September 1789, and, after Virginia got around to acting, by the required three-fourths of the states by the end of 1791; and the 26th and most recent amendment (respecting 18-year-old voting) was ratified within a year.

Second, in the few cases to reach the courts, the Supreme Court has tended to say that the issues raised in them are political (hence to be decided with finality by the Congress) rather than justiciable; this has the effect of further reducing the number of cases. (This relative lack of law and dispute is reflected in the fact that in the annotated Constitution a mere five and a half pages of text are required to set forth the law of Article V, the amending article, whereas 236 pages are required to set forth the law of the 14th Amendment alone.)

Thus, the Court has never ruled directly on the questions of whether Congress may extend the ratifying period, whether a state may rescind its ratification of an amendment and whether a state (*viz.*, Illinois) may require an extraordinary legislative majority to pass a ratification proposal.

Nor has it ever addressed the fundamental question underlying these questions: Who are the people of the United States who, in principle, possess the sovereign power of the United States?

We do know that no state may rescind its ratification of the Constitution as a whole. South Carolina was the first to try to do this. Its Ordinance of Secession of Dec. 20, 1860, took the form of a declaration by the people of the state rescinding the ordinance adopted by "them" on the "23rd day of May, in the year of our Lord 1788, whereby the Constitution of the United States was ratified"; but Lincoln demonstrated the absurdity of this when, in his First Inaugural, he pointed out that if one state may secede from the others, the others, with the same propriety, may secede from the one. This would follow, he said, unless the seceders make the point that the one, because it is a minority, may rightfully do what the others, because they are a majority, may not rightfully do.

"These politicians are subtle and profound on the rights of minorities," he said. "They are not partial to that power which made the Constitution, and speaks from the Preamble, calling itself 'We, the People.'" Lincoln's view of this constitutional issue was upheld not by the Supreme Court (which, as it was then constituted, would probably have upheld South Carolina) but by the armies of Grant, Sherman, Thomas and others less famous.

Congress' lack of respect for constitutional principle is not so readily explained or condoned. A few weeks ago the House Judiciary Committee voted 19–15 to recommend adoption of what it was pleased to call a joint resolution extending, by some three years, the period during which the states may ratify the Equal Rights Amendment. The full House approved the extension last Tuesday by a 233–189 vote. This so-called House Joint Resolution 638 is not a concurrent resolution (for it would then have no binding effect); nor is it an act of Congress in the sense of Article I, section 7 (for it would then require the president's signature); nor is it, in the usual sense, a resolution adopted under the authority of Article V, authorizing Congress to propose amendments to the Constitution (for then it would require passage in both houses by two-thirds majorities). It is, instead—if it is anything that can be described in constitutional terms—an Article V resolution in an unusual sense, in fact, in an extraordinary and wholly unprecedented sense.

The power to enact this resolution was discovered in the fact that the time requirement, prescribing the period within which states may ratify the ERA, was placed not in the text of the amendment itself but in a separate clause, from which the committee jumped to the convenient conclusion that, whereas a two-thirds vote is needed to propose an amendment, only a simple majority is needed to change the time period for ratification of the amendment. Setting and changing the time period are "subsidiary matters of detail," the committee suggested.

This solved one of its problems, left unsolved the problem of the missing presidential signature, and opened up the possibility that the power could be used—or from the committee's point of view, misused—by others. For, if the power to set a time limit is one belonging exclusively to Congress, "to be disposed of by a simple majority of each House," and if "Congress retains authority to review the [time] limit should the circumstances so warrant," then it would seem to follow that Congress, by simple majorities, may extend the ratification period, or, "should the circumstances so warrant," contract or shorten it.

After all, some circumstances would warrant extensions and others contraction, and it is conceivable that, last year for example, a majority of the House and Senate, being disturbed by a possibility of street battles between the advocates and opponents of the ERA, could have concluded that domestic tranquility depended on a quick resolution of the issue and, therefore, that the time period should be shortened to six or even five years. This the committee could not allow; it had to find a formula that would permit Congress to extend but not to contract the time period.

To this end, it said, quoting Justice Department testimony, that the 92nd Congress had determined that "the States should have at least seven years within which to consider the equal rights amendment," and, again, that "the States should have at least seven years within which to consider ratification of this amendment." In saying this the committee was not telling the truth, but it was serving its partisan purpose.

A joint resolution shortening the time period would amount to a change of the original time clause, but a resolution extending the time period would not be a change; after all, a ratification period of 10 years and three months (but not one of five years or six) is "at least" seven years. So that was that, and we can conclude from it that, since every resolution resolves something, this new-order joint resolution was intended to be a handy device for resolving awkward constitutional doubts.

At one point in its report, the committee quotes Article V of the Constitution and then, quite gratuitously, says this: "The language of article V thus requires a two-thirds vote for action by Congress in proposing an amendment and in calling a convention in response to the applications of two-thirds of the State legislatures."

This is, of course, nonsense. Article V does not say that (two-thirds of the states having applied for a convention) a convention shall be called only if two-thirds of both houses of Congress agree; it says a convention shall be called. The Judiciary Committee apparently has its eye on the attempts now being made to have the states call for a convention to propose amendments putting limits on the taxing or spending powers or reversing the Supreme Court's decision in the abortion cases. Having broken the rules in its effort to promote the ERA, the committee seems to be serving notice that it stands ready to break them again when and if necessary.

The Judiciary Committee's performance should also serve to confirm the judgment that the Supreme Court has erred when it has suggested that the issues involved in amending the Constitution should be resolved mainly by the Congress. In fact, how-

ever, the Court has not abnegated in favor of Congress to the extent suggested by some members of Congress.

Contrary to the Judiciary Committee, the Court did not say that the question of what constitutes a reasonable time for ratification may be settled by Congress "in such a manner as 'the public interests and changing conditions may require.'". It did say this: "Of the power of Congress, *keeping within reasonable limits* to fix a definite period for the ratification we entertain no doubt." (*Dillon* v. *Gloss*, 256 U.S. at 375–6. Emphasis supplied.) And it did not suggest that Congress is completely free to determine what is a reasonable period.

The issue in this 1921 case (one of only two or three in which the Court has addressed itself to questions involving the mode of amending the Constitution) was simply whether Congress was entitled to impose a seven-year limit on state ratification of the 18th Amendment, and, in the course of upholding the power and this use of it, Justice Van Devanter, speaking for a unanimous Court, said this:

"We do not find anything in the Article which suggests that an amendment, once proposed, is to be open to ratification for all time, or that ratification in some of the states may be separated from that in others by many years and yet be effective. We do find that which strongly suggests the contrary. First, proposal and ratification are not treated as unrelated acts, but as succeeding steps in a single endeavor, the natural inference being that they are not to be widely separated in time. Secondly, it is only when there is deemed to be a necessity therefor that amendments are to be proposed, the reasonable implication being that when proposed they are to be considered and disposed of presently. Thirdly, as ratification is but the expression of the approbation of the people and is to be effective when had in three fourths of the states, there is a fair implication that it must be sufficiently contemporaneous in that number of states to reflect the will of the people in all sections at relatively the same period, which, of course, ratification scattered through a long series of years would not do."

This seems reasonable. To argue that an amendment once proposed "is to be open for ratification for all time" is to indicate a willingness to accept consequences that ought to be unacceptable. It would mean, for example, that the amendment, proposed in 1861, that would have forbidden the abolition of slavery is still viable and only awaits the ratification of three-fourths of the states to become the fundamental law of the land.

To argue in this fashion is, moreover, to be blind to the fact that the Constitution is made by us, the people; and that "we, the people," each of us possessing one vote, can only speak in the voice of the majority, and that the majority, because it is subject to changes over time, must be ascertained at a particular time.

The Constitution is fundamental law precisely because it arises out of the will of the people. This will is expressed when the people act in their constituting capacity; it is in this capacity that the people perform, in Hamilton's words, the "solemn and authoritative act" of writing or amending the Constitution. In this capacity, and only in this capacity, the people have the right to "alter or abolish the established Constitution whenever they find it inconsistent with their happiness." This, Hamilton says, is the "fundamental principle of republican government."

In a profound sense, "we, the people of the United States" are always the same people, possessing the same power today that we possessed and exercised in 1787–8, the power, as Hamilton puts it, to declare our will in a constitution. But this will can change from time to time, and whether it has changed can be ascertained only by eliciting the views of—or by attempting to gain the constitutional consent of—the individual Americans comprising the American people at any particular time.

On a question of constitutional amendment, it will not do to elicit the votes of James Madison, Jimmy Carter, and of persons who, because they have not yet been born or naturalized, are not part of this people. Jimmy Carter is, but the others are not. The interests of our future generations should be weighed and the counsel of our forebears should be considered, but their votes may not be counted simultaneously. "We, the people" are a continuing body whose membership is constantly changing. Because this is so, we can act constitutionally only at particular points of time. To ignore this is to presume the right to govern the people without the consent of the people.

Justice Van Devanter was also correct when he said that "proposal and ratification are not to be treated as unrelated acts, but as succeeding steps in a single endeavor." This was the mode of the Constitution's adoption and this mode should, to the extent possible (and within the limits prescribed by the people in Article V), serve as the model for its amendment.

Submission of the proposed Constitution was followed immediately by a vigorous debate between its advocates and its opponents, surely the most enlightened and still enlightening debate ever to engage the attention of and to involve a people. They were being asked to give their consent to a form of government, and the purpose of the debate was to foster an enlightened consent; or, stated otherwise, it was to ensure that the will of the people, to be embodied in a constitution, be an enlightened will, expressed after due deliberation.

The importance of this is obvious because, enlightened or unenlightened, the will of the people is the source of our fundamental law. Hamilton began the debate in the first *Federalist* by pointing out that it had been "reserved to the people of this country, by their conduct and example, to decide the important question, whether societies of men are really capable or not of establishing good government from reflection and choice, or whether they are forever destined to depend for their political constitutions on accident and force." Whether choice is made after reflection depends in part on whether ratification follows closely on proposal; the longer the period, the greater the possibility that, in Madison's words, "the passions [and] not the reason, of the public [will] sit in judgment."

These considerations lead to the following conclusions:

(1) A 14-year ratification period is too long; even a seven-year period allows too great a distance between proposal and ratification, reflection and choice.

(2) This objection can be met if, rather than extending the period, Congress again considers whether to propose an Equal Rights Amendment and, after deliberate debate, if it decides to do so, again submits it to the people.

(3) This necessarily means that the people of each state must again consider whether to accept or reject it; there is here no question of whether a state may rescind a previous ratification; until the proposed amendment is again submitted to a state there is (after the expiration of the original seven-year period) no constitutional business before it. Nothing could be more improper or, indeed, more unconstitutional, than to allow votes for ratification to be accumulated from the past and the future as well as from the present generations of the people. There is no way of knowing whether such an accumulation is the contemporaneous will of the people and, therefore, it is not the will of the people.

Finally, it would seem to be improper for any state to require extraordinary majorities to ratify a constitutional amendment. Constitutions arise properly out of the will of the people, each person possessing one vote, which leads ineluctably to the right of the majority to decide.

That majority may decide to limit its power to amend the Constitution. This is what the American majority ("We, the people") did in 1787–8 when (in Article I, section 9, for example) it placed limits on the legislative power, and, in Article V, out of respect for the federal system, it modified the right of the majority to amend the Constitution by assuring, by means of the three-fourths requirement, that the majority will be geographically or regionally distributed.

When, however, the majority does not itself modify the majority principle, that principle that must be respected. Thus, neither Congress nor the states may require extraordinary majorities to ratify an amendment, which means a federal court clearly erred in upholding a state requirement that the ERA needs a three-fifths majority for ratification in the Illinois legislature.

I hope it is clear that the Supreme Court has erred whenever it has suggested that the mode of constitutional amendment is not a subject to be governed by constitutional law. The right of the people to alter or abolish the established Constitution is, as Hamilton correctly says, the "fundamental principle of republican government," but that right may be exercised only in a "solemn and authoritative" manner; the principle governs both the right and the manner of its exercise.

The definition of fundamental principle is not among the powers of any legislative body. Indeed, the right of the Supreme Court to expound the fundamental law governing the American people—a right no longer in question among us—is at least as evident in the case of the amending article as in the case of any other provision of the Constitution, and not simply because legislatures, and especially the House Judiciary Committee have demonstrated their inability to act in a "solemn and authoritative manner." ●

THE SLIDING DOLLAR

● Mr. HARRY F. BYRD, JR. Mr. President, Hobert Rowen, Washington Post staff writer, had an excellent piece in Sunday's Post analyzing the decline in the value of the U.S. dollar.

In the past few years the dollar has lost about half of its value against the West German mark, 55–60 percent against the Swiss franc and 35–40 percent against the Japanese yen.

This is a staggering drop.

In the last several weeks, I have consulted with economists and others involved in international finance and most agree that the sharp drop in the value of the dollar results from a lack of confidence in the way the United States is handling its own financal affairs—its inability or its unwillingness to get a grip on inflation.

As Mr. Rowen points out "inflation remains the key to the dollar crisis."

I ask to have printed in the RECORD Mr. Rowen's piece, headined "The Dollar's Slide: What it Means".

The article follows:

THE DOLLAR'S SLIDE: WHAT IT MEANS

(By Hobert Rowen)

For months, headlines have been blaring the saga of the dizzying decline of the U.S. dollar: "Dollar Drops Again Against the Japanese Yen." Or, "Dollar Hits New Low

Against West German Mark: Gold Hit New High." Or, "Tourists on Holiday Find Their Dollars Buy Less and Less."

What has happened to the once almighty dollar to account for a loss in the past few years of about half of its value against the West German mark, 55 to 60 percent against the Swiss franc, and 35 to 40 percent against the Japanese yen?

The answer is relatively simply, and it's the same one that often applies to a decline in the price of any commodity; and oversupply. There are too many dollars in the hands of foreigners—or at least more than they want to hang on to.

Experts estimate that individuals and central banks of governments abroad hold about $600 million, much of it pumped abroad to pay for accumulated U.S. balance of payments deficits. Over the years, when this country has bought more goods and spent more money abroad than it takes in from foreign sales and investments, and the gap has been covered by printing additional dollars.

The United States has the advantage of being able to do this because the dollar has been not only the chief reserve currency but also the world's chief transactions currency.

As Britain's chief economics official in Washington, William Ryrie, said recently, "The United States does not have to find foreign currency to pay for a deficit in its balance of payments if it has one. The U.S. pays in dollars. The rest of us pay in dollars, too, but we cannot print them."

When there is too much of a currency outside the country that issued it, the people who hold it start to lose confidence.

"They naturally start to dump them," Henry Kaufman, chief economist of Salomon Bros., New York, said in an interview.

"All you have to do is to create some question marks or fears about the dollar, and if you loosen a fraction of that sum—say just 10 to 20 percent—you have enormous amounts of money that want to get out of dollars into other currencies," Kaufman said.

The situation has become increasingly tense in the past few weeks, with inflation rates in the United States soaring far over those of its major trading partners, West Germany and Japan.

Compared with a 10.4 percent U.S. rates in the first six months, the Japanese inflation rate is 4 percent, and the West German rate is less than 3 percent.

The failure of the economic summit meeting in Bonn in July to come directly to grips with the dollar problem was a great disappointment in financial circles.

In little more than a month since then, the dollar has drifted down 3 to 4 percent against major European currencies and 8 percent against the yen. Such changes over a relatively short time are characterized by veteran market observers as near-chaotic.

Interviews of officials, bankers, businessmen and others here and abroad indicate that the slide of the dollar has reached crisis proportions and that this carries with it a threat to the international monetary system and to world economic stability.

President Carter implicitly recognized that last week by directing Secretary of the Treasury W. Michal Blumenthal, working with Federal Reserve Bank Chairman G. William Miller, to recommend new actions to set the dollar on a steadier course.

But no one—here, in Bonn, Tokyo or New York—thinks that there are any simple solutions.

"Gauging when the critical point will come is beyond any of us," said Robert V. Roosa, partner of Brown Brothers Harriman, in New York.

In a strictly technical sense, it is clear that the dollar already has dropped too far too quickly, and hence is now undervalued. It would tend to rise naturally, economists say, if the U.S. government made a believable effort to control inflation and reduce its massive $30 billion trade deficit.

But the accumulation of worries, the panic psychology of markets "and the natural reaction of holders of assets to seek diversification in the face of steady decline," nonetheless is pushing the dollar further down, Roosa said.

It remains unclear whether the Carter administration, with an unsteady record so far of managing the U.S. economy, can do anything that will restore confidence. A boost in the Federal Reserve Board's discount rate on Friday was welcomed by the markets, but they are looking for much more.

Roosa, under secretary of the treasury in the Kennedy administration, confesses that a year ago he would have thought that if the dollar reached the low rate it is currently at, "we would already be in the midst of a great crisis. The fact that it has happened in wave-like spasms has in part conditioned the rest of the world to it."

The dollar has been in a steady decline for more than a year, but the Carter administration has been reluctant to take decisive action to stop it.

A cheaper dollar has some advantages for the United States. It makes American exports less costly. This not only helps reduce the staggering American trade deficit, but also stimulates U.S. production, sales and jobs.

But it also adds to inflationary pressures at home by boosting the price of foreign goods and making foreign travel more expensive—as tourists paying $3 for a cup of coffee in Japan or West Germany have found out.

Beyond that, however, there are serious problems of economic policy management created for the United States, and this has helped push Carter into seeking new solutions. These problems can be summarized this way:

To protect the dollar and stem the decline, the Federal Reserve is pushing interest rates higher. This provides incentive for dollar-holders abroad to keep their dollars rather than dump them. But such a policy threatens economic recovery at home.

A continued slide of the dollar could induce the Organization of Petroleum Exporting Countries (OPEC) to raise the price of oil again. This would be a new deflationary force and could trigger a world-wide recession.

If the dollar dips far enough, this would lower American prestige and political influence abroad. The dollar's role as an international "reserve currency" has already been challenged by others, and a new slide could accelerate the trend.

A dollar decline transfers wealth from the United States to foreign holders. Dollars accumulated abroad are a claim against U.S. wealth. Foreigners today hold about $120 billion in Treasury securities. This transfers $9 billion a year in interest to them.

The reasons for the dollar's difficult situation are many and complex. But most experts agree that the weakness stems from a combination of the rising U.S. rate of inflation and the enormous trade deficit, which last year added some $20 billion to the $600 billion already in foreign hands.

A subtle overlay to these basic reasons is the almost unanimous belief in European, Japanese and other financial centers that the Carter Administration has shown some incompetence in handling its economic problems. Its failure to mount a successful anti-inflation program and to persuade Congress to pass an energy conservation program are viewed with amazement and consternation in Europe.

A cheaper dollar, of course, means that other currencies, like the mark and the yen, become more expensive. This makes goods produced in the countries of the mark and the yen less competitive in world markets.

But if countries like West Germany and Japan choose to halt the decline of the dollar by intervening to prop it up, that action leads to a boost in their own domestic money supply—hence, a new inflationary threat to them.

So their demands have been for greater U.S. intervention, by which this country would assume the major burden of responsibility for protecting the value of the dollar.

Steadfastly, the Carter administration has refused the kind of massive intervention that would "peg" the dollar at any fixed rate or range. It believes that such an action would be useless in the face of $600 billion sloshing around in European hands.

Roosa flatly predicted that the dollar will continue to be "battered" in world currency markets because of the huge supply of dollars abroad. He said the dollar, which at the end of the week was worth only 1.65 Swiss francs, could decline to a 1-to-1 ratio, with additional but less spectacular declines against other currencies.

"Until there is a sustained, clear turn in the Japanese current account surplus, I don't see anything stopping [the appreciation] of the yen," Roosa said.

He suggested that the yen—which at the end of World War II and for many years later was 360 to the dollar—could move to 150 to the dollar. Less than three years ago, the yen was over 300 to the dollar.

Kaufman, one of the leading observers of financial markets, said in an interview that merely improving the trade position of the United States would not solve the dollar problem.

"It would help," Kaufman said, "but it won't solve it. The problem goes beyond the current account and relates to the capital account—the international financing role of the dollar."

In effect, Kaufman says, the United States has played the role of international banker and suddenly the international banker's currency doesn't appear to be very sound, eroding at a double-digit rate.

In the past, Kaufman pointed out, when a major reserve currency—like the pound sterling—appeared threatened, the central bank of that currency's country interest rates considerably, which quickly aborted any dumping.

"But that is very difficult to do in a modern society," Kaufman observed. The tradeoff for high interest rates is usually a depression of business activity and more unemployment at home.

He noted that Miller in the past few months had given markets the impression that the Fed would ease interest rates in the United States or at least not "overstay" tight money.

"The symbol of preserving the integrity of the dollar internationally tends to be in the discount rate," Kaufman observed. But Miller actually voted against the majority of his board in a July boost in the discount rate, from 7.0 to 7.25 percent, something that jarred the markets.

"It was an enormous disturbance in the foreign exchange markets," Kaufman said. Banker David Rockefeller confirmed this assessment, noting that "Miller's vote suggested that he didn't have control" of Federal Reserve policy.

Since then Miller has said that he made a mistake. He voted with the majority on Friday to raise the discount rate to 7.75 percent, citing international as well as domestic reasons.

There have also been signs that the administration was weak in controlling infla-

tion. In an effort to mollify AFL–CIO President George Meany, President Carter took an action widely interpreted as muzzling his wage-price aide, Barry Bosworth.

"There is no anti-inflation program in place," Kaufman said, "and foreigners recognize that."

What are the answers to the problem?

In groping for a response, the administration tends to fall back on its complaint that Congress has ignored the energy legislation, which it considers critical, interest rates, as the Federal Reserve action last week demonstrated, are moving higher. A more positive intervention policy, perhaps with greater U.S. resources marshaled for the day-to-day operations, is also possible. Other nations, like West Germany and Japan, although reluctant to do so, may take on more of the reserve currency responsibility.

But inflation remains the key to the dollar crisis. It remains to be seen whether the Carter administration can mount a stronger anti-inflation effort through traditional means like tighter control of budgets, or supplemental measures involving direct or indirect limits on wage and price increases.●

NOTICE CONCERNING NOMINATION BEFORE THE COMMITTEE ON THE JUDICIARY

● Mr. ROBERT C. BYRD. Mr. President, the following nomination has been referred to and is now pending before the Committee on the Judiciary:

Andrew L. Metcalf, Jr., of Michigan, to be U.S. marshal for the western district of Michigan for the term of 4 years vice Marvin G. Washington, term expired.

For Mr. EASTLAND, and on behalf of the Committee on the Judiciary, notice is hereby given to all persons interested in this nomination to file with the committee, in writing, on or before Monday, August 28, 1978, any representations or objections they may wish to present concerning the above nomination with a further statement whether it is their intention to appear at any hearing which may be scheduled.●

ROTH-KEMP TAX CUTS

● Mr. ROTH. Mr. President, with the tax debate shifting from the House to the Senate, Members of the Senate will soon be given the opportunity to vote on my proposal for substantial across-the-board tax rate reductions.

The $16 billion tax "cut" recently approved by the House is really not a tax cut at all. Because it fails to offset the new social security tax increases and the automatic tax increases caused by inflation, virtually every American taxpayer will face a tax increase next year if this bill is enacted.

I believe we need a real tax cut to offset these huge increases and reduce the total tax burden on the working men and women of this country. The Roth-Kemp tax rate reduction bill is just such a tax cut—one that can restore incentive to our stagnant economy, creating real economic growth and meaningful new jobs.

Mr. President. Mr. Jude Wanniski, a well-known political economic commentator, has produced a series of short papers discussing the Roth-Kemp bill and the Hansen-Steiger capital gains reduction bill. The first paper deals with the basic theory behind our tax cuts, while the second paper responds to some of the tax cuts critics, including Walter Heller.

These two papers are extremely relevant to the tax cut debate, and I urge my colleagues to study these two excellent papers. Mr. President, I ask that these two papers be printed in the RECORD following my remarks.

The material follows:

THE THEORY BEHIND TAX CUTS

INTRODUCTION: THE PROBLEM

In the last decade, the U.S. economy has experienced a combination of problems unique in our history: stagnation and inflation.

The productivity of the economy has fallen steadily since the late 1960s. The value of the U.S. capital stock, as measured by the stock market, is roughly one-third its value (in real, non-inflated terms) compared to February 1966. And the purchasing power of the U.S. dollar has fallen by roughly two-thirds in the 1970s.

Conventional economic wisdom has no solution to this malaise. It argues that inflation can only be decreased through austerity. Stagnation can only be overcome by inflation.

THE DIAGNOSIS AND WHY HANSEN-STEIGER, ROTH-KEMP

Consider the axiomatic phrase: "Inflation is too much money chasing too few goods." It is the key to understanding the twin problems of inflation and stagnation. Traditional political economists can end inflation by producing less money, but stagnation remains. Or they can end the stagnation problem by encouraging greater production of goods, but inflation remains as long as money is being created at a greater pace.

The challenge for the political economist is to find a way to both increase the supply of goods and restrain the creation of money. The Hansen-Steiger, Roth-Kemp tax cut amendments are part of that strategy.

TWO STEPS TO CONVENTIONAL ECONOMIC STRATEGY

I. Conventional economic strategy has been to attempt an increase in the supply of goods by:

(a) increasing government spending on goods, or by

(b) lowering "taxes" on the private sector, which leaves consumers more money to spend on goods.

These methods necessarily mean deficit financing by government and a consequent rise in interest rates.

II. The next conventional step is to increase the money supply in an attempt to drive down interest rates. But the increased supply of money leads to an increase in the general price level. Economic strategy, under both Democratic and Republican administrations, has been trapped by this paradox, unable to find a simultaneous solution to stagnation and inflation.

ENTER THE PROGRESSIVE TAX SYSTEM

I. To make this dilemma even more difficult, conventional economic strategy must also face up to the inherent problem of the progressive tax system.

II. Progressive income taxes came into being in the early part of this century. You can think of the progressive system simply as a sliding scale, with lower rates at one end progressing up to higher rates at the other. With tax progressions on both capital and labor, a rise then in the general price level induced by excessive money creation forces the price of both capital and labor to go, if you will, sliding up the progressive tax scale to higher rates of taxation.

III. Capital and labor then trade the same goods and services in the marketplace, but at the higher price level they must pay higher marginal tax rates, giving a greater share of their production to government.

IV. With capital and labor paying in more to government (keeping a smaller share of what they produce) they are discouraged from increasing, or sometimes even maintaining, their present levels of production. This is the linkage conventional economic theory is reluctant to face: an increase in the supply of money, intended to drive down interest rates, instead pushes capital and labor into higher tax progressions, eroding incentives to produce, and simultaneously giving us inflation and stagnation.

THE NIXON ECONOMICS AND THE NEED FOR HANSEN-STEIGER

This phenomenon of stagnation began to unfold in earnest in 1969, not because of excessive money creation, but through an explicit reduction of production incentives. In that year, President Nixon agreed to a sharp increase in the marginal tax rate on capital gains, to almost 50 percent from 25 percent. This sharp reduction in the rewards to capital for undertaking new, high-risk enterprise brought on the recession of 1969–70.

In 1971, the Nixon Administration attempted to pull out of the recession by encouraging sharp increases in the money supply. But this increased the pace at which both capital and labor have been driven into higher tax progressions.

Today, in 1978, the Hansen-Steiger bill would merely redress this primary error of economic policy by returning to the level of capital-gains tax rates of 1969.

A COMPLEMENT TO HANSEN-STEIGER

The Roth-Kemp bill merely complements this process; its tax cuts are meant largely to offset the adverse impact of inflation on the real rates of taxation paid by capital and labor. It does this by reducing marginal tax rates on personal incomes by one-third over a three year period.

The Roth-Kemp tax cuts are commonly described as a "drastic" measure. Yet to fully offset the adverse impact of the inflation of the 1970s would take an immediate and whopping increase of more than 60 percent in personal income thresholds, while leaving the tax rates themselves frozen. Compared to this, Roth-Kemp is merely a modest attempt to get back to a sense of reasonableness in Federal income taxation. And, of course, because the cuts are phased in over the next three years, the adjustment they make, all the while, would be offset by continuing inflation.

THE NATURE OF THE CRITICISM OF ROTH-KEMP

The critics of Roth-Kemp operate with at least one basic flaw: they fail to treat inflation as a special problem in an environment of progressive tax systems. As a result, they fail to distinguish between average taxes and marginal tax rates. For the conventional economic theorist, the world is made up of stable prices, and a given tax rate has no dynamic economic effect; therefore, the individual, in conventional thinking, cannot be inflated into higher tax brackets.

Let me illustrate this fallacy in thinking with the following:

An economy can thrive even with a marginal tax rate of 100 percent, if the income at which the rate is encountered is very high, say $1 million per day (in other words, government would confiscate 100 percent of any amount earned above $1 million per day). But if money loses so much of its value that $1 million can only purchase a loaf of bread, all production would stop after the baker had sold his first loaf each day; the government would confiscate all subsequent loaves as income tax. Average "taxes" collected by the government would collapse to near zero even as marginal tax rates climbed to near total confiscation.

THE LAFFER CURVE

The instrument we use to examine this dynamic effect is the Laffer Curve, which applies the law of diminishing returns to tax rate policy. The Laffer Curve merely enables us to think in dynamic, rather than static, terms when we consider the effects of inflation on marginal tax rates.

The Curve does not speak to "average" tax rates, which have no relevance in determining individual economic actions. The Curve applies to individual economic activity, in which each individual faces a different marginal tax rate.

In spite of this, critics of the Laffer Curve and of Roth-Kemp insist on speaking of average taxes, average savings rates, and average incomes in their economic analysis.

The foremost critic of Roth-Kemp, Prof. Walter Heller, makes what might seem to be a powerful case against the legislation by accepting, as all economists do, the validity of the Laffer Curve, and then arguing that the point of diminishing returns on the Curve has not been reached. He does so by focusing entirely on average taxes.

But remember, in the baker example, average taxes can drop toward zero as individuals are pushed toward the highest marginal rates. Clearly, it should not be an objective of economic policy to reduce average taxes, which can be done by impoverishing the economy via confiscatory marginal rates. Yet this is what Mr. Heller mistakenly believes to be the theory behind Roth-Kemp.

THE NATURE OF THE CRITICISM OF HANSEN-STEIGER

Criticisms of the Hansen-Steiger capital gains proposal are social, not economic. The Carter Administration opposes the measure on the grounds that it benefits the rich. Treasury follows this by asserting that the lower rates will cost $2 billion in revenue flow.

The response from the economics profession as a whole—liberal and conservative—has been to reject the Treasury prediction, which assumes lower rates will have zero impact on production incentives. Economists may disagree on how powerful an effect Hansen-Steiger would have in expanding the U.S. production and tax base, but literally all conservative economists—those associated with the Republican Party—agree the Hansen-Steiger tax rate reduction will finance itself in the first year by several times $2 billion by an increase in revenues from all sources.

And liberal economists, who may disagree with Hansen-Steiger on social grounds, by and large—publicly or privately—accept the potency of this measure on output and revenues.

ANALYSIS NUMBER TWO

My second paper for the Republican Conference (A Response to the Critics: Walter Heller, et al) will confront some of the specific criticisms Prof. Heller and others have raised about Roth-Kemp.

Again, the failure to distinguish between average and marginal tax rates distorts any economic analysis of Hansen-Steiger, Roth-Kemp. The criticisms are further flawed by being static rather than dynamic. That is, the critics assume the impact of a tax rate cut will come only on the demand side of the economy, by increasing consumption. A dynamic analysis would take into account the increase in the economy's incentives to expand capacity itself, either in quantity terms or quality terms—more goods or better goods.

A RESPONSE TO THE CRITICS

As mentioned in the concluison of Analysis Number One (The Theory Behind Tax Cuts), the foremost critic of Roth-Kemp, Prof. Walter Heller, makes what might seem to be a powerful case against the legislation by accepting, as all economists do, the validity of the Laffer Curve, and then arguing that the point of diminishing returns on the Curve has not been reached. He does this by focusing entirely on average taxes.

In his July 12 essay in the Wall Street Journal, Mr. Heller asks:

"Have the tax pressures increased sharply since the mid-1960s and perhaps brought us closer to the breaking point? Comparative figures assembled regularly by the OECD show total U.S. taxes at 27.3 percent of GNP in 1966 and 29.6 percent in 1976, hardly enough of an increase for tax cuts to trigger much bigger responses today than in the mid-60s. Besides, with top income tax rates at 50 percent and 70 percent instead of 91 percent, there is less tax disincentives to remove."

The confusion here is between averages and margins. Individuals do not face average tax rates, they face marginal rates (that is, the percent government will tax on any additional $1 earned). In fact, if progressive marginal rates are unnecessarily high, their lowering could produce higher average taxes to the benefit of everyone.

WEST GERMANY AND INDIA

This brings to mind the critics who continually ask why West Germany is now doing so much better economically than the United States and yet allows a greater percentage of its national income to flow through its government (*i.e.*, average taxes in West Germany are higher than in the U.S.).

The answer is that West Germany's marginal tax rates are lower than in the United States (50 percent at the top, no capital gains tax rate at all).

India is in almost the exact opposite position. India taxes at such an extraordinarily high marginal tax rate (67 percent at $12,000), only a dribble of revenues are available for state spending. Only 9 percent of India's GNP is spent by the national government. Marginal rates are high, average taxes very low.

HAVE DISINCENTIVES BEEN REMOVED?

Professor Heller's point that "there is less tax disincentives to remove" because tax rates were brought down since 1964 is only partly true. The tax burden today would probably be intolerable had rates not been brought down in 1964.

What Mr. Heller fails to recognize is that individuals pay "taxes" by calculating rates multiplied by income thresholds. Although tax rates have come down some since 1964, income thresholds during this time have more than doubled through inflation alone. Moreover, Mr. Heller fails to note the huge bite on capital gains added since 1964, which pushed effective marginal tax rates on investment income back toward the 91 percent level.

FAULTY VIEW OF SAVINGS

The propensity to view the economy as a collective, in which an "average" has meaning, extends to Prof. Heller's view of "savings." The supply-oriented economists, led by Laffer, argue that lower federal income tax rates will so expand production that a temporary fall in revenues, should one occur, would easily be financed through an expansion of savings.

Yet, in his June 28 testimony before the Joint Economic Committee of Congress, Mr. Heller asks:

"Why, in the face of Laffer's assertions, has 'Denison's law' held true through thick and thin for the past 100 years or so? Edward F. Denison of Brookings has found that U.S. gross private domestic saving has been virtually invariant year-in and year-out in the face of high taxes, low taxes, or virtually no taxes."

Again, Professor Heller fails to recognize that "average" saving rates need not increase at all in order that savings as a whole increase. He would agree that everything produced is either consumed now or saved for future consumption. If high marginal tax rates are discouraging production, both consumption and savings are held back. If those unnecessarily high tax rates are eased, inviting greater production, both consumption and savings incrase.

In other words, as the so-called economic pie increases, the slice saved for the future can remain the same proportionate size, in accordance with Denison's Law. But its absolute size increases.

Denison found that the savings rate has remained constant at 16 percent of the total pie. His "Law" is meaningless because it is a static tool, not a dynamic one. Observe that by increasing the radius of an 8-inch pie to 10 inches, a 25 percent increase, the slice that is 16 percent of the total expands to 50 square inches from 32, a 56 percent increase.

THE PROHIBITIVE RANGE

As a graphic depiction of the "law of diminishing returns," the Laffer Curve simply states an eternal verity. There is a point at which adding an extra straw will break the camel's back. Professor Heller appears to accept this notion, but then argues that the point has not been reached:

"And even if there was something to the Laffer thesis, who is to say that we are in a high enough tax zone to produce those dire effects of higher rates and delightful effects of lower rates that Laffer postulates?"

Having, in effect, accepted the Laffer Curve, Mr. Heller cannot logically argue that we are not in the prohibitive range (where tax cuts will yield additional revenues) unless he is also prepared to argue that we are in the productive range (where tax rates can be raised to produce dramatic revenue gains). Instead, Prof. Heller completes his remarks by recommending a "moderate cut of $15 or $20 billion (or even $25 billion if monetary policy tightens a lot) . . ."

In the demand-oriented world of Professor Heller, there is no need to specify where the $25 billion in tax cuts should be made, as long as there is an additional $25 billion that can go into consumer demand for goods and services. The quickest way to do this, which is the advice President Carter got last year, is through tax rebates, an idea the supply-oriented economists say is counter-productive, having no incentive effects at all.

LAFFER'S UNCERTAINTY

In his July 12 essay in the Wall Street Journal, Professor Heller quotes Professor Laffer as having told Newsweek: "There's more than a reasonable probability that I'm wrong." The statement does not accurately reflect Laffer's belief that there is a very high probability he is right, but that there is no way for a single mind to know precisely the optimum point on the Curve. Determining that point comes through competition in the political marketplace.

THE MELLON TAX CUTS

In the 1920s, Treasury Secretary Andrew Mellon found himself in a similar position of defending his proposals for sharp tax rate reductions. Mellon used an analogy which is as valid in today's environment as it was earlier this century.

Henry Ford, he said, could produce 1,000 automobiles and charge $1 million each, or he could product 1,000,000 automobiles and charge $1,000 each. Ford revenues would be the same in each instance. Ford, though, is pushed to finding the optimum point because he has competition. The result is the maximum number of units at the lowest possible price.

The public sector, Mellon continued, has the same range of alternatives in selecting the optimum tax rates, which is the "price" it charges for public goods and services. By its nature, though, the public sector has no competition, but is monopolistic. Political

leaders must find the optimum point on the Curve by internal competition. As in the economic marketplace, tension is between price and volume.

If the one political party stresses tax rate reduction when rates are in the prohibitive range of the curve, as was the case in Mellon's time, that party would be expected to win more elections. And vice versa. If another party goes in the opposite direction, ignoring the need for tax relief when tax rates are in the prohibitive range, that party would be expected to lose more elections.

The point is, it is inappropriate to ask Laffer or any other single economist where exactly we are on the Laffer Curve. That point is determined through political competition, based, of course, on the advice of political economists. And, today, virtually all supply-side economists have concluded there is a very high probability tax rates have been inflated into the prohibitive range, and can be reduced with no revenue loss or with self-financing.

IF LAFFER IS WRONG

Professor Heller concludes, in his July 12 essay in the Wall Street Journal, that if Laffer is wrong, he may be leading the Republican Party "over the cliff."

What will occur if Laffer is wrong?

Treasury estimates that Roth-Kemp has a first year cost of $20 billion in receipts. That combined total, notice, is lower than the $25 billion Professor Heller said he would accept if money were kept tight. Under absolutely static conditions, in which there is no supply response in the economy to the lower tax rates, the worst possible condition would be an increase in the federal deficit by $20 billion.

ROTH-KEMP AND INFLATION

With federal expenditures constant, this would mean the American people would finance $20 billion more in federal outlays with bonds and $20 billion less in taxes. Individuals, in aggregate, would produce and consume the same amount of goods and services in this static world, but interest rates would be marginally higher. This reflects the fact that the future economy would have to produce $20 billion more in goods and services that would have to be taxed out of the productive sector to pay off the additional bonds.

There is, even in this worst case, no direct "inflationary" effect. Inflation, which is a decline in the monetary standard (in this case the dollar), results from excessive money creation in the absence of restraint.

Professor Heller's further criticism of Roth-Kemp is as follows:

(1) Unlike the 1960s, we are now in an inflationary environment. Where the Kennedy tax rate reduction worked exactly as planned, a similar strategy today will not work.

(2) Roth-Kemp would quickly cause inflation by bringing about capacity bottlenecks. Utilization rates in today's economy are low, but only low enough to respond to a one-year tax cut, not the three-year reductions of Roth-Kemp.

Again, this is a static approach that assumes the impact of Roth-Kemp will come only on the demand side, increasing consumption, with no increase in the economy's incentives to expand capacity itself, either in quantity terms or quality terms.

THE SPENDING ISSUE

Roth-Kemp has attracted support from economists who are not supply-oriented. These theorists believe the proposal surely will lose revenues, but this will force government into greater prudence.

The difference here is a matter of intention and not final results. In the dynamic scenario envisioned by the supply-side economists, passage of Hansen-Steiger, Roth-Kemp will lead to sizeable reductions in public expenditures for social-support programs. But this would be a natural process that unfolds as a result of economic expansion.

In other words, individuals now being supported wholly or partly by the government "safety net" of welfare payments, food stamps, unemployment benefits, medicaid, etc., will be drawn into the expanding private sector from the attraction of lower marginal tax rates. They not only stop drawing resources from the productive economy through tax/spending transfer payments. They become contributors to the treasuries of federal, state and local governments.

THE ADMINISTRATION'S STATIC SPENDING PROJECTIONS

There is an implied forecast in the Carter Administration budget that nothing can be done to reverse the process by which American citizens are forced to turn to social-support transfers.

Indeed, the administration appears to make straight-line projections along an upward slope for social spending. The vision of the future is one or more people cramming into the safety net, fewer people in the productive sector. Thus, spending projections are as static as revenue projections.

Yet the Carter budget office plans on benefitting from inflation. The budget forecasters assume annual rates of inflation in excess of 6 percent in the next five years, and then calculate an increased revenue flow to the treasury as a result of an upward shift of the entire work force into higher tax brackets. Again, they give zero allowance for the continuing disincentive effects of this process.

If President Carter is wrong, as a result of the counsel he is getting, the 6 percent inflation he assumes over the next five years will accelerate the economic contraction of the last dozen years. Incentives to production will continue to collapse, the tax base will shrink, and revenues will decline in real terms even as they climb in inflated terms. The safety net will be crammed with even more numbers of Americans demanding transfer payments in order to survive.

THE DYNAMIC SCENARIO

On the other hand, supply-side economists expect the reverse situation to occur with passage of Hansen-Steiger and Roth-Kemp:

(1) an increase in real revenues through expansion of the tax/production base; and

(2) reduction in transfer payment expenditures at federal, state and local levels as individuals become ineligible for such payments by virtue of being elevated into more rewarding private sector employment.

CAN FEEDBACKS BE EXPECTED?

Excluding Social Security, social-support transfers at all levels of government are now roughly $220 billion. The number will, of course, continue to expand, if only nominally through inflation, with a high probability of expansion in real terms if tax bases are not adjusted downward to permit economic expansion. In three years, the phase-in of Roth-Kemp, the number would go to $260 billion merely by a 6 percent inflation and to $290 billion if there is also a 2 percent increase in real terms.

If Hansen-Steiger, Roth-Kemp bring about the expected economic expansion, government transfer payments would shrink.

If they shrink by one-third, government outlays are reduced by almost $100 billion per year.

If they are reduced by one-sixth, outlays fall by $50 billion.

If a tenth of transfers are eliminated, the number falls by $29 billion per year.

These are precisely the kinds of calculations made by liberal Keynesians in support of government spending programs, i.e., $100 billion "Marshall Plans" for urban renewal. The point, though, is that there are such feedback effects—in either spending programs or tax rate reductions—and it is reasonable to assume they will go a long way toward financing the Hansen-Steiger, Roth-Kemp measures.

TREASURY'S FALLACY

Treasury estimates Roth-Kemp would lose $98 billion in revenues over the three-year period. Treasury's argument is based on the fallacy that says the $20 billion cost of the first year's tax reduction can be set against current revenue projections, with the assumption that revenues will continue to expand in the second and third years, both nominally and in real terms, to reach $98 billion.

In other words, the government is inflating the work force into higher tax brackets in order to produce greater revenues, and then complaining that Roth-Kemp will cause a loss to Treasury from that inflated income stream.

IN CONCLUSION

The upshot is that the supply-side economists believe with absolute certainty that the Republican tax program will have a dynamic effect on both revenues and spending. That is, when Treasury so assertively concludes the measures would lose a hard $100 billion over three years, supply-side economists are certain this dire prediction will not be the case.

Almost no economist of any persuasion would disagree on this point. There would be some economic expansion that would both increase revenues above the projected Treasury path and there would also be a reduction in spending for social-support programs below the projected Treasury path.

Professor Laffer and the supply-side economists believe there is a high probability the combination of higher revenues and lower spending would finance the tax cuts entirely. And even if a short-term revenue shortfall should occur at the federal level, which remains a possibility, they believe the total increase in national savings will more than cover this amount. As a result, there would be no crowding-out of private capital by Treasury borrowings.

Insofar as this reduces pressure on the monetary authority to be excessive in its money creation, the effect of the Hansen-Steiger, Roth-Kemp amendments would be to retard inflationary forces. There would be less money chasing more goods, a simultaneous blow against the twin problems of stagnation and inflation.●

THE ROCKFORD AND DECATUR AND THE PEORIA TO QUINCY, ILL., CORRIDOR

Mr. PERCY. Mr. President, while the Senate is considering S. 3073, the Federal-Aid Highway Act of 1978, I want to bring to the attention of my colleagues a program which is of critical importance for the completion of two Illinois road projects—the priority primary program. Several years ago, Congress authorized the Secretary of Transportation to provide funds for the priority primary program which would include "projects of unusually high cost which require long periods of time for their construction."

H.R. 11733, the Surface Transportation Act of 1978, contains $125 million of the Federal-aid primary authorization for the priority primary program for fiscal year 1979–82. In addition, the House Public Works Committee's report on H.R. 11733 mentions several projects, including new four-lane highways between Rockford and Decatur and Peoria and Quincy, as being worthy of receiving these funds. However, S. 3073 as reported from the Committee on Environment

and Public Works eliminates this very important program. I believe this program should be continued.

The State of Illinois has been aggressive in dealing with its 11,000-mile primary road program by widening, repairing, and resurfacing whenever necessary and possible. Thus, the demands on the State's primary apportionment are of such magnitude that the State is unable to funnel significant sums into priority projects, such as the Rockford to Decatur and the Peoria to Quincy corridors, without curtailing work on other worthwhile and needed road projects. The priority primary program provides additional assistance to States to help finance their priority projects.

For ever 30 years, the Rockford to Decatur route, presently known as U.S. 51, has been the subject of discussion and study. For years, this route was considered part of the recommended Interstate System, only to be dropped from the system in the final analysis.

Cutting through the center of the State, this new four-lane highway would improve connections between several important communities: Bloomington to Decatur, South of LaSalle-Peru to Bloomington and Rockford to South LaSalle-Peru. In addition, Route 51, when completed, would also act as a connector for five existing interstate routes, I–90, I–80, I–44, I–74, and I–72. Over the next 15 years, traffic is expected to reach 20,000 vehicles per day on the Rockford to Decatur highway.

Although over $67 million has been spent on design, engineering, and construction work on this route, the remaining estimated cost to complete this 156-mile stretch of highway ranges from $360 to $415 million, depending on final design. And at the current pace of construction, the people living along this route have at least 10 more years in which to wait before this route will be completed. Clearly, this route meets the criteria for priority primary funding due to its high cost and lengthy construction time.

Frankly, the people living in the communities which this highway would affect, such as the city of Rockford, the second largest populace area in the State, are running out of patience, as I am. Mayor McGaw and residents of the area have expressed to me their frustration over the congestion caused by an inadequate highway system. The priority primary program would certainly help to accelerate work on this vital route.

One very important consideration is that a wide variety of commercial and industrial enterprises are located in and around these communities. Certainly, the early completion of this project will help to expand the market potential of the area, and would bolster the economies of the cities and surrounding rural areas.

Another project in Illinois in need of special priority primary funds is the Peoria to Quincy segment of the Chicago-Kansas City Highway. For over two decades, this freeway has been under discussion. Under the Federal-Aid Highway Act of 1973, the Department of Transportation was authorized to conduct a study of the feasibility of constructing this highway. Although the Department's report concluded that this route was feasible, special funding was not available. As recently as 1977, the Department of Defense called for upgrading of the Chicago-Kansas City corridor as a part of the Nation's strategic highway corridor network.

The critical Illinois segment of this highway is located between Quincy and Peoria. At the moment, these two cities are connected only by two-lane highways. The narrow pavement, the deficient bridges and the insufficient capacity of certain sections of these highways demands attention.

Although State and Federal funds for this project have amounted to $33 million, an additional $388 million will be needed to complete construction of this four-lane highway.

The proposed 172-mile highway will wind through areas which are rich in agricultural production and coal resources. Along or near the route are important communities, such as Peoria, Macomb, Canton, and Quincy, where numerous manufacturing companies are located.

As the economic resources of the area are further developed, employment is expected to increase 27 percent by the year 2000. The highways in the area are inadequate to meet the area's future growth potential. Without priority primary funding, it will be many years before this highway can be completed.

It is essential that sufficient funds be provided to expedite construction of these four-lane highways between Rockford and Decatur and between Peoria and Quincy. These projects are not only a priority to the State of Illinois, but also they are an important transaction link to all communities which the highways will connect.

The bottom line of the discussion is that Government must sometime induce economies to expand in ways that are tested safe and sure to provide help. Our investment in an interstate highway system bears out this philosophy. The highway improvements I have described, as well as others across this country, will provide a means for the economies of the cities and surrounding rural areas to expand and to be strengthened. Strong, expanding economies mean more jobs.

Because the priority primary program is contained in H.R. 11733 and not in S. 3073, I urge members of the House-Senate conference committee on the highway bills to include the priority primary program in the final bill reported from conference. This program would serve as an important additional source of funding for the two major Illinois highway projects. The conference can accomplish results satisfactory to Illinois and other States concerned with completing vital transportation routes. I will continue to work with members of the Illinois delegation, and will work with members of the House-Senate conference, to accomplish this end.

Today, I have talked with Senator RANDOLPH, the distinguished chairman of the Environment and Public Works Committee, regarding Illinois' primary highway needs. Most importantly, we discussed specifically the urgent need for new four-lane highways between Rockford and Decatur and Peoria and Quincy. Chairman RANDOLPH assured me that he will take our concerns to conference.

AERIAL BRIDGES TO ISRAEL OPENED

Mr. PERCY. Mr. President, on August 16, 1978, Israel and the United States signed a new aviation agreement that is of direct benefit to the citizens of both countries. It is a historic agreement because it will lead to lower fares, and facilitate travel between the United States and our most important ally in the Middle East by providing for direct service to Israel from four new U.S. cities, including Chicago in my own State of Illinois.

Signing the agreement was Warren Christopher, Deputy Secretary of State, and Simcha Dinitz, the Ambassador of Israel to the United States. Both were instrumental in reaching this agreement. I ask unanimous consent to include their remarks in the RECORD at the close of my statement.

As a result of this landmark agreement:

First. Air fares to Israel will drop 28 percent—to the lowest level ever in terms of consumer purchasing power. Citizens of the United States of every religious affiliation will now be able to comfortably afford a journey to the hallowed places of Judaism and Christianity. For Israeli citizens, trips to the United States will now be within their financial reach. Already El Al-Israel Airlines has received approval to offer a $545 roundtrip fare between New York and Tel Aviv, effective September 1, 1978. It is anticipated that the fare will be further reduced to between $449 and $499 beginning November 1, 1978.

Second. Tourism to Israel will increase: This agreement will help Israel achieve its goal to doubling by 1983 the current level of 1 million annual tourists. An anticipated 16,600 new hotel rooms will have to be constructed to meet the increased demand. These tourists will be contributing acutely needed hard currencies to the Israeli economy.

Third. Increased access to Israel: Wide-bodied direct service on El Al will now be available from Chicago, Los Angeles, Miami, and one additional U.S. city to be named later. Under the 1950 agreement which preceded this agreement, El Al could only serve New York. It is expected that service between Chicago's O'Hare International Airport and Tel Aviv and Los Angeles and Tel Aviv, will begin sometime in the spring of 1979, perhaps as early as April. The Chicago flights will probably operate twice a week and stop in Montreal en route to Tel Aviv, according to El Al officials.

Fourth. A new U.S. flag carrier to fly to Israel: On August 16, 1978, National Airlines filed an application with the Civil Aeronautics Board to begin flights three times a week from Miami to Tel Aviv beginning next April. TWA is currently the only U.S. flag carrier flying to

Israel. The National flights will operate through various intermediate points in Europe. The flights will operate between: Miami-Amsterdam-Tel Aviv, Miami-Paris-Tel Aviv, and Miami-Paris-Zurich-Tel Aviv. Service between Miami and the first European intermediate point will be via DC–10 jumbo jet. Passengers will deplane at the European point to make a convenient connection to a smaller National Boeing 727 for the final leg to Israel. National has proposed a $600 roundtrip advance purchase excursion fare during the off-peak season, which is $100 below the lowest fare offered before the signing of this agreement. The new service would also be less restrictive.

An aerial bridge has now been built from principal cities in the United States to Israel which will further cement the close people-to-people ties that bind our two nations.

Fifth. Unlimited charter flights: The agreement opens up Israel to unlimited charters from anywhere in the United States. Before the signing of the agreement, charters were only permitted by the Israeli Government to operate from California, Oregon, and Washington State. I am appending to my remarks a press release from the Civil Aeronautics Board announcing that, because of the agreement, it is dropping a requirement that El Al receive U.S. approval before conducting an on-route charter flight to the United States. The Board also added El Al to the list of 46 foreign airlines receiving blanket off-route charter authority. El Al will now be able to operate charters from any airport in the United States.

Sixth. Israel may purchase U.S.-built airplanes: Because of the increased service to the United States, El Al is now considering the purchase of additional U.S.-manufactured Boeing 747 jumbo jets and intermediate range aircraft for its European routes such as the Lockheed L–1011 or the McDonnell-Douglas DC–10.

By successfully negotiating this agreement, the executive branch and particularly President Carter should be commended for placing the interests of consumers as its top priority. The entire United States delegation merits the highest praise. I am grateful that our Government has forcefully indicated that it is just as interested in guaranteeing planes of peace flown by El Al, TWA, and National as in selling planes of war.

On the Israeli side, Ambassador Dinitz headed an extremely able Israeli negotiating team. Adding his personal support and good judgment to the making of this new procompetitive agreement was Mordechai Ben-Ari, executive chairman of El Al-Israel Airlines. Mr. Ben-Ari has been increasingly identified as an outspoken advocate of lower fares and lessened government regulation of international aviation. I am including in the RECORD an insightful article in the August 1978 issue of Airline Executive on Mr. Ben-Ari and Mr. Mordechai Hod, El Al president.

Even though Israel is a very small nation, it has taken a leadership role in international air pasenger and air freight operations. An example of this leadership was the creation in June 1976, of Cargo Air Lines, Ltd., by Mr. Hod. I am including for the RECORD an article on CAL that appeared in the July 17, 1978, issue of Aviation Week & Space Technology.

Also present at the signing was Secretary of Transportation Brock Adams who is the architect of new proconsumer guidelines for U.S. negotiators participating in bilateral air transportation negotiations. This policy is expected to be formally promulgated in the very near future. Secretary Adams was quoted as stating at the signing that—

What this (agreement) means to the traveler is more flights at lower costs from more cities. That is what the Carter Administration's international aviation policy is all about—and this agreement is an outstanding example of how it can benefit two great nations.

I would also like to underscore the role of my colleague, Senator DICK STONE, who was instrumental in bringing direct service to Miami and Israel by both El Al-Israel Airlines and Miami-based National Airlines. I am attaching his remarks on the occasion of the signing for the RECORD.

I would also particularly like to thank six outstanding and respected leaders of the Chicago Jewish community who, at my invitation, traveled at their own expense to Washington, D.C., to observe the signing. They include:

Mr. Ralph Bell, president, Zionist Organization of Chicago.

The Honorable Maurice Berlinsky, former mayor of Joliet, Ill.; with Ms. Stephanie Ann Krockey, his granddaughter;

Rabbi Seymour Cohen of the Anshe Emet Synagogue in Chicago;

Mr. Saul Silverstein, chairman of the Community Council of Jewish Organizations;

Ms. Lorel Pollack, chaiman, Chicago Action for Soviet Jewry; and

Mr. James P. Rice, executive vice president, Jewish United Fund and the Jewish Federation of Metropolitan Chicago.

Each of them is a credit to the State of Illinois because of their unremitting dedication to the State of Israel and because of their significant contributions to community and civic affairs.

Now that this historic agreement has been signed, I would like to relate an aspiration expressed by Mr. Ben-Ari for the time when peace comes between Israel and its Arab neighbors. At that time, Mr. Ben-Ari experessed the hope that El Al-Israel Airlines will join with the airlines of the neighboring Arab States to form the Middle East Airline System. Within the Middle East system, Tel Aviv might well serve as a connecting hub between intercontinental flights to the Middle East and short range flights within the region. It is my fondest hope that the day when Mr. Ben-Ari's dream might be realized is not too far off.

Mr. President, I ask unanimous consent that the material to which I referred be printed in the RECORD, together with other pertnent material.

There being no objection, the material was ordered to be printed in the RECORD, as follows:

CAB LIFTS RESTRICTIONS ON EL AL CHARTERS AS BILATERAL PROTOCOL IS SIGNED IN WASHINGTON

WASHINGTON, D.C. August 16.—The possibility of low-fare air transportation between the United States and Israel became a reality today as the Civil Aeronautics Board moved to implement a protocol signed between the two governments.

Between 1963 and 1976, the Israeli government refused to accept passenger charter flights from anywhere in the United States. In 1976, they relaxed their policy somewhat, allowing U.S.-originating charters from the west coast.

Under the protocol relating to the U.S.-Israel bilateral air services agreements signed today in Washington, the Israeli government accepts unlimited charter flights between any U.S. city and Israel. This opens to all American cities the possibility of low-cost charter flights to Israel.

The Board today therefore vacated a 1973 order (73–2–99) requiring El Al to apply to the Board for a statement of authorization to conduct any on-route passenger charters between Israel and the U.S. In addition, the CAB today added El Al to the list of 46 foreign airlines granted blanket off-route charter authority.

On-route charters are those which are conducted between cities named in a bilateral agreement. Off-route charters involve cities not specified in the agreement.

CAB Chairman Alfred E. Kahn hailed the protocol as another milestone in international aviation, "providing low-cost scheduled and charter service for travelers to Israel and the Middle East and new opportunities for our airlines."

The protocol adds four as-yet-unnamed American cities to El Al's foreign air carrier permit, expanding its scheduled service. Trans World Airlines currently is the only U.S. carrier offering scheduled air service between the United States and Israel. Under the terms of the protocol, the United States is free to designate other U.S. airlines to provide scheduled and charter service between the two countries.

After August 1, 1979, a fare filed by an airline for scheduled U.S.-Israel service can be disapproval only if both governments agree, thus allowing true price competition.

The original bilateral air services agreement between the United States and Israel was signed in 1950.

EL AL SEEKS CHANGES TO GROW AND COMPETE

(By Holly Saunders)

The former and current presidents of El Al are planning for extensive restructuring of Israel's flag carrier in order to face problems "coming from both sides of the ocean."

The current president, Mordechai Hod, was appointed in November 1977. Although new to the commercial airline business, the retired general is a veteran of aviation. Born in Israel in 1926, Hod became an Israel Air Force fighter pilot in 1950 and was a commanding officer during the Six-Day War and the War of Attrition. During the Yom Kippur War he was aviation advisor to Israeli commanding officers.

In 1973 Hod was appointed assistant to the Defense Minister and was in charge of security matters. He was instrumental in the formation of Carog Airlines Ltd., (C.A.L.), a company designed to transport agricultural produce in co-operation with the Israel Growers Association. C.A.L. became operational in June 1976 and Hod was appointed general manager. He held that post until he became president of El Al.

The former president, Mordechai Ben-Ari, now has extended his leadership of El Al to become executive chairman of the board. At this position he is responsible for the policies and direction of the entire corporate structure of the carrier and its subsidiaries.

Both Hod and Ben-Ari agree that the current international air transport system, as well as El Al, have to be restructured in order to respond to the economic and political problems that lie ahead.

"Complete freedom of the skies", at least on routes to the U.S., is Ben-Ari's answer to some of El Al's problems. Hod agrees.

Hod believes theoretically that increased competition and lower fares should generate more traffic and result in increased profitability. But the El Al president doesn't believe that the theory can apply to El Al on the North Atlantic unless current constraints are relaxed.

The carrier's New York-Tel Aviv route comprises about 40% of its total revenue. El Al carries 80% of all traffic that moves on the route but the carrier's yield on the North Atlantic is the lowest in the industry, partly because of its high costs. In addition, 95% of that traffic is pleasure oriented moving on group and discount fares. El Al's North Atlantic yield during the 1976/77 fiscal year was only 4.3 cents, compared to Trans World's 4.58 cents.

That situation, coupled with the fact that New York is El Al's only U.S. gateway, places the carrier at a competitive disadvantage under the current system. In addition, Hod argues that El Al has the burden of being its country's only international carrier. El Al must, for national commercial and political reasons, maintain service to many areas—such as Scandinavia and Mexico—even if the economics are questionable. This does not allow El Al to emphasize service on the North Atlantic the way it would like and therefore diminishes that route's possibilities for profitability.

"This is the first time we have faced such a situation," said Hod, who attributes the low yields to the Carter Administration's consumer mindedness which has allowed prices to go down while expenses continue to increase.

Ben-Ari is even more critical of the U.S. position. He said the U.S. operates under the "disguise of freedom," but in fact dictates terms to other countries on the basis of "country-of-origin" rules. He adds that the U.S. policy eventually could provide "new vistas if brought to its logical conclusion"—deregulation.

"International civil aviation is one of the most regulated international businesses," Ben-Ari said recently. "The rules are based on sovereignty of the skies and on the fact that each country regards its air traffic as a national treasure, like oil, like minerals."

El Al's 5-year performance

Year	Pass. flown	Pass./km. flown (millions)	AS Km (millions)	Load factor	Total rev.'s $U.S. (millions)
1973–74	756,888	3609.3	5449.9	66.2	166.6
1974–75	743,109	3556.4	5253.8	67.7	193.3
1975–76	767,745	3443.2	5286.1	65.1	195.0
1976–77	960,256	4496.1	6678.2	65.9	262.0
1977–78	1,098,852	4899.4	7097.1	69.0	360.0

The El Al chairman has come to the conclusion that the only way international carriers can continue to grow both in revenues and in traffic is through an open skies approach to international air transportation.

"Today, we have reached a stage of maturity where the current system no longer works," he argues. "The only alternative to complete regulation is deregulation."

When asked how the U.S. would compete in an open skies environment, Ben-Ari admitted that it may result in fewer U.S. carriers in the marketplace, especially U.S. supplements. He believes they would have to obtain scheduled rights, merge with a scheduled carrier or be forced out of business.

In recent negotiations with the U.S., the Israelis won four additional gateways—probably Miami, Los Angeles, Boston and Chicago. Two points will be awarded immediately and two a year from now when a new fares articles will be instituted prohibiting either country from taking unilateral action, and allowing third countries to match low fares. Blind sector beyond rights were given to El Al from all U.S. points to Asia and South America and from one U.S. point—probably Miami—to Mexico. Charter rules also were liberalized.

On other horizons, President Hod said negotiations are expected "in the near future" for routes to Brazil and Argentina. He also wants to extend routes to the far east to Bangkok via Teheran. An estimated 25,000 Israelis fly from Tel Aviv to Bangkok on Air France and Alitalia. The president says this traffic should belong to El Al. Bangkok represents a good future market for Israel as a direct route, a crossroads and an around the world point, especially if the carrier is given fifth and sixth freedom rights from the U.S. and Bangkok.

In an attempt to foil low-fare concepts such as the Laker Skytrain, Ben-Ari is proposing a new fare structure for the industry. It would be a three-tiered concept offering services tailored to how much the passenger pays.

"We are selling for the price of a Volkswagen, the service of a Cadillac," said Ben-Ari. The passengers paying Cadillac prices are being discriminated against because they must travel under the same conditions as passengers paying 25–50 percent less, he added.

The three-tiers would be deluxe, business and holiday. The deluxe class would offer service superior to current first class service and the fare would be increased. Business class would be based on a 34-inch pitch seating configuration with service features "identical" to those presently being offered in first class.

Holiday class would be offered to passengers at approximately 50% discounts off current economy class fares. Seat pitch would be reduced to 32 inches and there would be no-frills service.

"Our seeking of complete freedom of the skies and a new milieu of international air transportation coupled with this new concept of service in the aircraft, . . . will bring El Al into a new era of growth and future development," predicts the chairman.

El Al is considering the purchase of a medium range, widebody aircraft which represents a luxury that, until now, the airline could not afford. Front runners for selections are the Airbus Industrie A300 and the Lockheed L–1011–400.

Previously, all aircraft in the El Al fleet had to operate on all routes with reasonable efficiency. Departing from this philosophy, the new aircraft is being selected specifically to serve European routes, which contribute 50% of El Al's revenue.

The airline eventually will have three types of aircraft. Medium to short range widebodies for the European sector, long range 747s, which the chairman says are the best aircraft ever produced, and something in between which will solve the need for long and medium range routes with relatively low traffic density.

El Al also plans to expand its cargo operations, concentrating on agricultural produce. From September to May of this year, El Al flew 50,000 tons of agricultural produce. In the next two to three years, El Al plans to fly 200,000 tons of produce on what will become their "skytrain" operation. A large portion of the increased tonnage is expected to be diverted sea freight. If El Al is successful at diverting this sea traffic, in three years it is estimated the figure will rise to 400,000 tons per year.

To accommodate this projected growth, the airline has added a Boeing 747C, El Al's sixth 747, and has a 747F scheduled for delivery in March 1979.

Beginning in 1984, the airline will replace its ten 707–420s—some of which are eighteen years old—in two stages. The aircraft to replace the 707s is likely to be the Boeing 777. The existing El Al fleet is exclusively Boeing. Although the chairman says it is desirable to have a one-manufacturer fleet, it is not mandatory. Ben-Ari also said that if the Boeing 767 existed today, El Al would have no hesitation about choosing it for their European routes. And if a Boeing equivalent of the supersonic transport ever develops, El Al would be at the top of the waiting list, according to Arnold Sherman, former public relations director and now director of operations in Athens.

In 1977, the country's thirtieth year, Israel reached the one million tourists mark for the first time. Overall tourism has been increasing at an annual rate of between 22 percent-28 percent. A rapid decline in U.S. tourism occurred in 1977, dropping from an annual growth rate of 50 percent in 1976 to 32 percent in 1977, because of budget fares to other parts of the world. Currently, even charters in Israel can't compete with some international discount fares. Until the holiday class fare is in effect, the entire Israeli tourist package is still too expensive because of comparatively high air fares, even though land arrangement prices are reasonable.

TOURISM DOLLARS NEEDED

Economically, Israel needs the dollars generated from tourism, and is making an organized effort to expand and improve this industry. The Ministry of Commerce, Industry and Tourism is encouraging conventions and conferences to promote business traffic to Israel which currently accounts for only 5 percent of El Al's traffic. Israel accommodates approximately 70 conventions yearly, but with lower air fares, officials believe this figure could double within a few years.

The government has developed a package of incentives to encourage foreign and domestic inventors to develop business and hotels in Israel. With a 50 percent inflation rate, it is difficult to attract investors, but the government is offering tax exemptions, long-term, low interest rate loans and grants of up to 12 percent of investment cost to desired investors. The government will pick up 50 percent of the total research and development expenses and offers academic incentives as well. The average Israeli salary is $375 monthly which means labor costs are relatively low.

Hotel construction was frozen in the aftermath of the 1973 Yom Kippur War but is now being encouraged. By 1983 Israel plans to accommodate an anticipated two million tourists who will require 40,000 hotel rooms, an increase of 16,000 over the current 23,400. Under the holiday fare package, an individual passenger will receive a 24 percent discount off 5-star hotel rates and plans are underway to make more economy class hotels available.

One cannot mention tourism with respect

to Israel without addressing the seriousness of the political situation, which directs the country's economy. El Al's main national task is to provide a link to the outside world in times of war and peace—not to make a profit. While the outbreak of war has not stopped El Al from flying, it has of course lowered the profitability of the airline and decreased tourism. But in Israel, and at El Al, profitability is not a condition of operation—El Al planes will fly.

The economics of peace could mean an extreme shift in the national budget. Currently one-third of Israel's budget goes toward defense, one-third for paying back loans from other countries, and the other third is in the national reserve—used for such services as education, future investment and other social services.

Whatever political changes the country faces, economic changes are inevitable, and Israel wants to be in control. Israel is gearing up for expanding its influence in the international marketplace by increasing exports, expanding tourism and developing industry and productivity while at the same time it is trying to hold in check in "diseases of the western society," says Meir Amit, Minister of Industry, Commerce and Tourism.

El Al "did not cost the Israeli taxpayer one penny" last year, and it provided Israel with one of the most important economic entities in the country, according to Chairman Ben-Ari.

El Al is the second biggest exporter in the state of Israel, accounting for 6 percent of all exports and 3 percent of the gross national product. It employs over 5,000 people, and although just one-seventh the size of Pan Am and only six-sevenths of an airline (operations cease on the Sabbath from sundown Friday to sundown Saturday—operating only six days out of seven), El Al still broke even for 1977–78 and turned over $360 million revenue. Says Ben-Ari, "we are going to be an airline with $1 billion turnover by the end of the next decade."

This is not a small achievement and did not happen without problems, which unfortunately, still trouble the airline in 1978. Serious labor difficulties have plagued El Al in the past few years, and although talks are underway, a resolution is not in clear sight.

TRADE UNION CONFLICTS

There are conflicts of interest between the trade unions, resulting in the threats of strikes and wildcat strikes. Each work group has its own trade union and until recently negotiated contracts separately. Splinter groups refused to accept the discipline of the national labor union, the Histradrut, so the "will of the national interest has not been imposed," an El Al official said.

El Al management has made some progress by setting up an airline counsel where each trade union is represented. The counsel negotiates for all member unions with the management. El Al officials stressed the fact that they are "going forward" with these group negotiations. They added that a "proper solution . . . (would be found) . . . if possible with the consent and the agreement with our labor representation, if impossible, by other means."

International terrorism continues to represent a serious threat to the security of El Al and all international airlines, believes Ben-Ari. "We are mistaken when we think that the present silence is an end to terrorism in civil aviation," he said.

Ben-Ari has submitted detailed proposals to IATA in an attempt to alert airlines and governments to the "clear and present danger of international terrorism" and to achieve greater organization to combat this potential threat to "the very existence of civil air transport."

Ben-Ari's policy of "active defense" is based on two firm rules: foil the attack before it can take place and do not rely on only one method of security—such as baggage screening. These rules, along with his assertion that what has been done thus far is far from sufficient, is Ben-Ari's prescription for combating this crucial situation.

Ben-Ari was president of El Al during the first terrorism attacks and is painfully aware of the nature of the beast. El Al security probably the most thorough of any carrier in the world and it is the application of these policies that have made it so.

CONGLOMERATE STRUCTURE

The appointment of Mordechai Ben-Ari as executive chairman of the board allows him to oversee the entire infrastructure of El Al which has grown into a conglomerate.

The parts are:

Teshet: A wholly owned subsidiary of El Al specializing in aviation and tourist services including international hotel management, marketing outlets, ground handling services for passengers and cargo, and kosher food plants in the U.S., U.K. and Israel. The objectives of Teshet are to own and manage non-flight activities of El Al.

El Al Charter Services, Ltd.: A new wholly owned subsidiary specializing in marketing charters between Israel and Europe.

Arkia Inland Airlines: Owned 50% by El Al, and 50% by the national labor union, the Histradrut, Arkia is the country's domestic carrier, founded in January 1950, offering scheduled and charter service to all parts of Israel.

El Al is currently negotiating for an agreement with the Israel Agricultural Boards of Production and Marketing, the owners of Cargo Airlines Ltd., for 50% ownership of C.A.L.

C.A.L. is a non-scheduled, non-IATA cargo airline which carried 36,259 tons of agricultural and industrial exports and 22,260 tons of miscellaneous imports in 1977. Anticipated growth in 1978 is 58,000 tons of exports and 36,000 tons of imports. C.A.L. currently leases one 747F from El Al, one 747–100F from Flying Tiger Line and operates one 747B, one 707B, and one DC–8–63 leased from various international companies on a short-term basis. The fleet planned for 1979 consists of four 747Bs and other narrow body aircraft including DC–8s and 707s.

An interministerial committee has been developed to oversee El Al's operations to make certain that these potentially conflicting activities remain "kosher." This committee will submit recommendations regarding the advisability of expanding El Al's power to own subsidiaries. The committee serves as an impartial third-party in evaluating such issues as whether El Al or Arkia should serve certain charter routes. The ministries involved are the Ministry of Finance, the Ministry of Transportation and the Ministry of Commerce, Industry and Tourism.

"I am confident in the basic principle of efficiency, of economy, by having all the means in one hand, and exploiting them in a co-ordinated way," states Ben-Ari, ". . . Using on the other hand the specialization required for the various fields of activities, under central planning and co-ordination, is the milieu which gives . . . the possibility to every one of the components of this conglomerate to compete one with the other, but all of them against foreign countries, and at the same time to assure the lowest possible cost per production unit."

With this guiding philosophy and the restructuring plans, the Hod/Ben-Ari team is confident of El Al's future, in 1978 and beyond.

[From the Aviation Week and Space Technology, July 17, 1978]

C.A.L. BUILDS MIDEAST-EUROPE ROUTES

(By David A. Brown)

TEL AVIV.—Israeli all-cargo airline, C.A.L., is establishing a network for cargo routes between Europe and the Middle East with the expectation that Israel will become the area's major distribution and transshipment center if a Middle East peace agreement is reached.

In the meantime, the carrier, formed less than two years ago, is aggressively pioneering airborne export of Israeli agricultural produce and the import of European industrial goods.

At the same time, it has worked to solve the traditional air cargo problem of backhaul cargo and has reduced the nonproductive mileage flown by careful route selection.

C.A.L.—for the Cargo Air Lines Ltd.—was formed in June, 1976, by Gen. Mordechai Hod, retired air force chief of staff and now president of El Al Israel Airlines (AW&ST Dec. 2, 1977 p. 31). It began operation in November 1976.

The airline was formed in response to needs of the Israel Agricultural Boards of Production and Marketing for a way to transport perishable agricultural products from Israel to European markets quickly in order to eliminate the need for expensive refrigerator shipping.

This provided substantial, although seasonal, westbound traffic and it was hoped that by providing the capacity and frequent service, sufficient eastbound cargo could be attracted to cut freight costs by making full use of the capacity available and keeping utilization of the aircraft at a high level.

Since the export cargo volume is seasonal and C.A.L. has to adjust its capacity over a wide range to compensate for this, the carrier leases all of its aircraft.

Peak season is from mid-October through mid-May, when Israeli agricultural exports are heavy and it is during this period that C.A.L. carries about 70% of its annual volume of cargo. During the months from mid-May to October, the carrier drops its capacity to about a third that of the peak period.

In planning its routes, C.A.L. decided that the most efficient course to follow was to have one point in Europe to which most cargo could be trucked and processed through a central warehouse. This saved on flight costs to additional cities and permitted the carrier to work all its customers' cargoes together to insure a full load on every eastbound flight.

Site selected for this terminal was Cologne/Bonn airport in West Germany, where traffic was relatively light and where the airport administration was anxious to get additional business.

Airport officials have invested more than $5 million in cargo facilities for air carrier use and as a result have seen the total cargo moving through the airport rise to 70,000 tons in 1977, the majority of which was carried by C.A.L.

C.A.L. also uses Munich for about a fifth of its total eastbound traffic and operates occasionally on demand to Rome, Paris, Marseille, Amsterdam and Brussels.

The carrier established agreements with European trucking firms to distribute cargo from Cologne and Munich to the rest of Europe, since it is almost as fast—and about four times cheaper—to truck goods from Munich or Cologne as it is to fly them to a second destination.

Produce destined for Britain, for example, is flown to Cologne and trucked to London, resulting in one-day service from Israel.

During 1977, C.A.L.'s first full year of operation, the airline flew 240 million revenue ton/kilometers, carrying 58,000 tons of cargo in and out of Israel. Forecast for 1978 is 380 million revenue ton/kilometers with 58,000 tons being exported from Israel and 36,000 tons being imported.

C.A.L.'s fleet for 1977 consisted of a 747 leased from Flying Tiger, one leased from El Al, the cargo half of a 747 leased from El Al, a DC–8–63 leased from Trans International, a Boeing 707 leased from TAP of Portugal and a 707 leased from El Al.

All were wet leases except the Flying Tiger

aircraft, which was dry-leased and operated by El Al crews.

For the coming heavy season, beginning next October, the airline plans to lease two 747C combis from El Al and a 747F freighter from El Al after it is delivered in the early spring, a 747 from Flying Tiger and three smaller aircraft. El Al also will provide backup service with a 747F when needed.

C.A.L. plans to operate the 747s on a cargo shuttle basis to Cologne and Munich and the smaller aircraft to other destinations as needed.

In addition to serving the route between Europe and Israel, C.A.L. is engaged in planning and developing routes to other countries with the dual purpose of expanding its service now and establishing a network that will permit it to play a role in transshipment by air of goods from Europe to all the Middle East if an overall peace settlement is reached.

Initially, these efforts have centered on carrying agricultural produce from nearby nations, such as Greece, Turkey and Cyprus, to Europe and providing a backhaul cargo by carrying industrial goods from Europe to Iran. This leaves only the relatively short leg from Teheran to Tel Aviv as an unproductive route segment.

Future expansion is planned along a line from Europe to Hong Kong, via Israel, Iran, India and Thailand. Planning studies indicate that there should be sufficient cargo in both directions along this basic route to permit a high-capacity, low-rate cargo operation to be profitable.

C.A.L.'s future, however, is being pinned heavily on a peace settlement opening up virtually all of the Middle East to it and economic studies already show that transshipment of goods to Saudi Arabia via Tel Aviv could cut shipment costs by as much 50%.

As an example, to ship 100 tons from Europe to Riyadh at present requires about 48 hr. of 707 time. If this shipment could be combined with others, shipped to Tel Aviv on a 747 and transshipped to Riyadh by 707, large reductions in cost could be made by cutting to a minimum the distance the aircraft have to fly empty.

By routing goods from Europe to Saudi Arabia via Tel Aviv, for example, nonproductive flight time could be cut from the present Riyadh-Europe segment for a 707 to only the Riyadh-Tel Aviv segment, while at the same time taking advantage of the lower cost of shipping from Europe to Tel-Aviv on the more efficient 747.

At present, C.A.L. estimates that it has a constant backlog of 400–500 tons in its warehouse at Cologne bound for Israel, which permits continual high loads on the eastbound route. This is accomplished by concentrating all or at least most of the cargo from Europe to Israel at one or two points for onward shipment by air, according to Gilon Zohar, C.A.L. vice president-commerce.

The reverse situation also is possible in the Middle East, C.A.L. officials believe, by concentrating the cargo at Tel Aviv for onward shipment to Europe.

Cost advantages of this can be significant. C.A.L. estimates that it can carry aluminum from Europe to Tel Aviv for 13 cents per kilo. The lower deck of the 747 is well-suited for heavy material shipment, C.A.L. believes.

Such concentration also has other advantages. C.A.L. has an agreement with the Cologne/Bonn airport officials that provides a reduction in the operating costs of all flights out of the airport if the carrier flies more than 400 flights per year. This will permit C.A.L. to operate out of Cologne for only about one-third of the cost of operating from Amsterdam.

By leasing its aircraft, C.A.L. also has been able to operate with a relatively small staff. It has only about 60 employes, including those which are based in Cologne.

C.A.L. also is seeking to profit from sideline activities it has entered as a result of its airfreight needs.

Car carrier designed by C.A.L. is manufactured for it by Trans Equip Inc. of Los Angeles, with the airline receiving a royalty on carriers sold to other users.

Statement on the Signing of the US-Israel Civil Aviation Agreement

(By Senator Richard Stone)

As Chairman of the Senate Foreign Relations Subcommittee on Near Eastern and South Asian Affairs, it was a great pleasure to witness the signing of the newly revised United States-Israel Civil Aviation Agreement. This event ushers in an exciting new era of air transportation between our two countries.

I am particularly pleased that Miami, Florida, will be one of four additional gateway points for direct flights to and from Israel. The people of Florida have long sought this service and I want to congratulate this Administration for bringing this agreement to a successful conclusion.

On Wednesday afternoon (August 16), National Airlines formally filed an application with the Civil Aeronautics Board requesting permission to provide three flights a week between Miami and Tel Aviv, beginning in April 1979. National plans to offer low, discount fares on these flights.

I made repeated attempts with the previous Administration to secure this type of agreement but all those efforts were unsuccessful. On January 28, 1977, only one week after President Carter took office, I wrote him asking for the granting of additional landing rights in the United States and for Miami in particular. As you can tell, this Administration wanted to get the job done.

Significant fare reductions have already been announced and approved by both governments. Because United States domestic carriers have applied for service to Israel, the spirit of this long-needed revised agreement is taking shape. I want to congratulate President Carter, the State Department and the White House officials who worked tirelessly along with Ambassador Dinitz and his staff at the Embassy of Israel. This is a great breakthrough benefitting the people of both our countries. It was a long time coming, and will be appreciated for a long time.

National Airlines

MIAMI.—National Airlines requested authority today from the Civil Aeronautics Board to fly from Miami to Switzerland and Israel.

The airline proposed to serve Zurich and Tel Aviv as an extension of its nonstop flights to Paris and Amsterdam.

Present direct service from the U.S. to Israel is available only from New York, Chicago and Boston. The Miami flights would provide the first direct service from the South.

In a schedule proposed for the summer of 1979, National said it would operate one flight weekly each between Miami-Amsterdam-Tel Aviv, Miami-Paris-Tel Aviv, Miami-Paris-Zurich-Tel Aviv, and Miami-Paris-Zurich.

The airline said it will provide direct online connections at Miami for most of the Florida cities it serves, plus New Orleans, Houston, Los Angeles and San Francisco.

National pointed out that the U.S.-Israel and U.S.-Switzerland markets currently are served primarily by foreign flag airlines.

El Al, the Israeli airline, carries about 90 per cent of the U.S.-Israel traffic. Trans World Airlines, the only American carrier with authority to Zurich, currently does not schedule flights to that city, leaving Swissair with the only service from the U.S.

National believes there is tremendous potential for developing business and vacation travel from the Sun Belt states to Switzerland. Florida has emerged as a major banking center, for example, a factor which should contribute to strong business traffic on the route.

The airline also noted that it expects to participate in large group movements of passengers wishing to visit Israel as part of organized tours.

National reminded the CAB that it had initially proposed extension of European services to Tel Aviv and Zurich in the Transatlantic Route Proceeding nearly five years ago.

Another reason cited for the request was "radically improved air relations" with Israel. A more liberal aviation treaty between the U.S. and Israel is expected to be signed today.

The agreement will enable the U.S. to make multiple designations of U.S. airlines to Israel. Israel, in exchange, has been granted rights to four new U.S. cities. One of them—Miami—was prominently mentioned during the negotiations as a likely point for new services by El Al.

The filing noted that Miami/Fort Lauderdale contributed nearly 10,000 passengers to the Tel Aviv market in 1976, with other National points in Florida responsible for an additional 3,000. The airline's on-line Florida cities and across the southern tier of states accounted for 56,000 passengers between the U.S. and Tel Aviv-Zurich combined during the same period.

Remarks at Signing Ceremony for U.S.-Israel Aviation Agreement

(By Deputy Secretary of State Warren Christopher)

Mr. Ambassador, Members of Congress, Secretary Adams, and Distinguished Guests:

I am pleased to welcome you to the signing of the new aviation agreement between the U.S. and Israel.

This agreement is a major step forward in the U.S. Government's new pro-competitive aviation policy. The agreement includes three significant provisions designed to expand air service between our two countries and to make available to consumers the benefits of increased competition.

First, Israeli airlines will be able to serve four additional U.S. cities of their own choosing, and U.S. airlines are permitted to serve Israel from all cities in the U.S.

Second, unlimited charter service by airlines of both countries is permitted, subject only to the requirement that charter fights conform to the charter rules of the country in which they originate.

Third, airlines are permitted to compete freely in offering lower air fares, unless the governments of both countries disapprove the fare. This third provision requiring disapproval of both countries to block a lower fare is an innovation in international aviation agreements that we feel can be highly effective in stimulating new low fare offerings.

Taken together, these three provisions symbolize the new commitment to competition in U.S. Government aviation policy. I think it is fair to say that this agreement, and several others negotiated in the past year, are breaking new ground in international aviation.

We hope and believe airlines of both countries will take advantage of the opportunities offered by this agreement. We also hope that the principle of enhanced competition embodied in this agreement will be increasingly reflected in other international aviation agreements.

Remarks by His Excellency Simcha Dinitz

After long, difficult, but successful negotiations, the United States and Israel have finally reached an agreement which is the most liberal air agreement ever signed.

This agreement expresses the mutual desire of both countries to facilitate the expan-

sion of international air transportation by making it possible for airlines to offer the travelling and shipping public a variety of service options at the lowest and most competitive fares.

This agreement provides for unlimited rights for charter flights from both countries and gives Israel the right to operate through four additional cities in the United States.

Since 1950 when the bilateral air agreement between the United States and Israel went into effect, Israel has tried to expand its services in the United States. After 28 years we are now entering a complete new era in the aviation relations between our two countries.

For Israel the new agreement opens the gates for expansion of the air traffic between our two countries, thus promoting tourism and facilitating more intimate relations between the people of the United States and Israel. It will also provide El Al Israel Airlines with the opportunity and the challenge to expand its activities in this country.

The list of the people who took part in the efforts to achieve this agreement is very long and we are grateful to all of them. We would like to thank Mr. Styles, the chairman of the U.S. delegation, and all the members of his delegation who worked very hard to get this agreement. We would also like to thank Undersecretary Cooper and Assistant Secretary Katz who directed this effort.

To our many friends in the executive and legislative branch of the government who have been helpful in bringing about this agreement, our thanks and gratitude.

We are confident that the new opportunities created by this agreement will work for the benefit of our two countries and for the benefit of the individual traveler. This individual, is after all, the cornerstone upon which the bridge of friendship and understanding between our two countries is built, stretching over ocean and seas to unite people of common purpose and common destiny.

TRIBUTE TO EDWARD DURELL STONE

Mr. PERCY. Mr. President, on Sunday, August 6, 1978, Edward Durell Stone, one of the great American architects of the 20th century, died in New York. Few modern architects have had the influence of Mr. Stone, whose diverse projects included the Museum of Modern Art and the General Motors Building in New York, the U.S. Embassy in New Delhi, the Standard Oil Building in Chicago, and the Kennedy Center for the Performing Arts in Washington.

Mr. Stone felt that the desire of every good architect was "to imbue a building he designs with beauty." This desire was incorporated in all his works as he often used marble, ornate grilles, rich woods, and windows in creating elegant and effective structures. He took much pride in his works, particularly as he felt they were greatly enjoyed by the general public. He took pleasure in telling friends, when speaking of the General Motors Building in New York, that "every taxi driver in New York will tell you it's his favorite building."

One of Mr. Stone's most well-known projects is the Kennedy Center for the Performing Arts in Washington, D.C. As the Nation's center for the arts, the Kennedy Center is visited by millions of people each year. Many come to enjoy a symphony, opera, or play performed in one of the Kennedy Center's three beautiful theaters. Countless others visit the Center, one of the Capital's largest tourist attractions, to view its magnificent Halls of States and of Nations or to revel in its spectacular overlook of the Potomac. Mr. Stone was pleased to see the Center become, in his words, the "cultural focus for the city of Washington," saying that it gives him "great joy to see the throngs of people truly enjoying the facilities provided."

On August 11, 1978, the Washington Post published an editorial about Mr. Stone and his contributions to our American architectural heritage. Mr. President, I ask unanimous consent that the Washington Post's editorial on Edward Durell Stone be printed in the RECORD.

There being no objection, the editorial was ordered to be printed in the RECORD, as follows:

[From the Washington Post, Aug. 11, 1978]

EDWARD DURELL STONE

If Edward Stone had designed no building in Washington other than the John F. Kennedy Center for the Performing Arts, he still would be regarded as one of the city's important architects. As it is, Mr. Stone also designed the Georgetown University Law School and the National Geographic Building—a work architecturally superior to the Kennedy Center in most ways. But the Kennedy Center was his major effort here, and his major legacy. And the fact of its success as a place for art, if not as a thing of beauty, testifies to how fully Mr. Stone understood this city, and the arts as well.

The Kennedy Center is so much a part of Washington now that it's odd to think back to the late '50s and early '60s, when its existence was up for grabs. First the "national cultural center" was to consist of "several 300- to 400-seat rooms" in addition to three enormous main theaters. It was to be 900 feet long, and to cost $50, no $61, no $75 million. There was congressional clamor. Then the price was slashed to $30 million, and the architectural plans reduced accordingly—just in time, of course, for the price to more than double. At one point in 1962, Mr. Stone changed his design to a cluster of separate buildings. To top everything, there was a barrage of 11th-hour attacks on the proposed site of the center: It would overwhelm the city's memorials; it would be inaccessible to those without cars; it would be better located downtown.

Mention those arguments to those who led the attacks in 1964 and 1965, and the hackles rise even now. The most deep-seated worry was not that the cultural center would dwarf the national monuments, but rather that it would become a national monument in itself, and thus not be a place where a fluid culture thrives. Observe the center coldly today, and you understand the concern—which was shared by The Post at the time. There it squats—all 630′ x 300′ x 100′ of it—a short way from the Lincoln Memorial, which it imitates poorly.

Yet Mr. Stone understood what he was doing with the Kennedy Center, perhaps far better than anyone imagined. The building is colossal, but it is also clever. Its size is broken into manageable units for the eye. The grey and white marble on the terrace is patterned in squares and rectangles, so as not to shoot down in one infinite path. The doors are high as well as wide. The trees and fountains flourish in their own compartments. And there's the location itself. No cultural center in the country has a more beautiful view. Nor is there a more pleasant place to stand during intermission or after a performance than on that terrace below which the Potomac miraculously becomes the Thames.

The Kennedy Center is not a beautiful building, but as a place of performance it is a beautifully functional one. Mr. Stone did build beautiful buildings—notably the pavilion at the Brussels World's Fair, and New York's Museum of Modern Art—but the beautiful, the special buildings stopped after his famous American embassy in New Delhi (some say just before it), and, like Orson Welles, he became a celebrity at about the same time heset aside the original force of his talent. Yet he was always a serious artist. He spoke sincerely of the need to convey "courage" and "dignity" in buildings, and he condemned "the colossal mess we've made of this country" with true rage. As for the Kennedy Center, he undertook the task as a national trust and sought to create a place where one can enjoy the arts wholeheartedly. That he did.

LEAA AND THE COURTS

Mr. THURMOND. Mr. President, I bring to the attention of my colleagues certain observations by Mr. Ralph N. Kleps with regards to the U.S. Law Enforcement Assistance Administration (LEAA) grants in the area of federally financed court improvement projects.

Mr. Kleps is presently a judicial consultant since his retirement as court administrator of the California Supreme Court. Speaking before the Conference of State Chief Justices, he notes that LEAA grants have been the most important catalyst for improvement in the judicial system in the past decade. He points out that LEAA funds have been wisely used by the courts to institute organizational and management changes and also to promote education and research.

However, Mr. Kleps warns that Federal aid often leads to Federal dictation and bureaucracy and suggests that State courts be vigilant of this fact.

Later this week, the Senate Criminal Laws Subcommittee will resume its LEAA reauthorization hearings. One of the central issues will focus on whether LEAA aid to State courts can be effected without Federal domination or control of them. Mr. Kleps' survey will help build the record on this crucial point.

An account of Mr. Kleps' observation is included in the following article from the Barre, Vt., Times-Argus. Mr. President, I ask unanimous consent that this article be printed in the RECORD.

There being no objection, the article was ordered to be printed in the RECORD, as follows:

[From the Barre (Vt.) Times-Argus, Aug. 1, 1978]

COURTS "LAST BASTION" AGAINST BUREAUCRACY

(By Judy Polumbaum)

BURLIGTON.—Courts are "perhaps the last bastion" against the encroachment of federal power into state affairs, a former California court administrator declared Monday.

Judges nonetheless have reason to be wary of federal assistance to state court systems, Ralph N. Kleps told the Conference of Chief Justices at the Radison Hotel here.

Kleps, a freelance judicial consultant since retiring from the administrative job last year, has completed a survey of federally financed court improvement projects in all 50 states.

He said the study indicates U.S. Law Enforcement Assistance Act (LEAA) grants have been "the single most powerful impetus for improvement" in the past decade.

And while a few court projects were undertaken in response to pressure from Washington, "those isolated instances do not add up to federal domination," Kleps observed.

But programs like LEAA which are

"oriented toward accommodating change through the federal bureaucracy" contain the seeds of federal dictation, he suggested.

Kleps advised the justices, "Beware of the Trojan horse," and added: "Federal aid is acceptable, but federal financial coercion is not."

The Californian's remarks followed a two-hour discussion Monday afternoon concerning pending federal legislation to restructure the LEAA.

The chairman of the judicial gathering here, Ohio Chief Justice C. William O'Neill, said state judges fear the legislation would dilute their control over the use of federal funds for the courts.

In the past, said O'Neill after the session, justices criticized LEAA because courts had a hard time competing for funds over law enforcement agencies and other groups "with political muscle."

Their criticism of LEAA reforms advanced by the administration of President Carter and in Congress revolve around a provision to funnel federal money directly to large cities.

The measure is "in line with present trends" regarding financing for urban areas, O'Neill remarked. But it is worrisome to judges, who believe "the judicial system ought to be organized on a statewide basis, he said."

Details of proposed LEAA changes, contained in an administration-backed Senate bill called the Justice Systems Improvement Act of 1978, were presented to the chief justices Monday by Walter Fiederowicz, a deputy associate attorney general in the Justice Department.

The bill, introduced at a White House ceremony July 10, is expected to go through numerous amendments and changes as it travels through congressional committees. Another version is expected to surface in the House, and a third version has been introduced in both the House and Senate by the American Bar Association.

Fiederowicz said the Senate proposal would create a National Institute of Justice to consolidate research, and a Bureau of Justice Statistics to bring together data. A third agency would handle the allocation of LEAA funds.

For the first time, Fiederowicz said, cities of 100,000 or more and counties or jurisdictions of 250,000 or more would be able to apply for LEAA grants.

In the past, only states have been eligible to receive the money. The states in turn have allocated the funds to local law enforcement agencies and to the courts.

LEAA has provided states with $6 billion in the past 10 years. The new Senate's proposal would provide $3.3 billion over the next four years. During the past decade, Vermont has received almost $1 million.

Kreps noted police and sheriff's departments awarded LEAA money have "tended to go overboard on hardware," particularly on uncoordinated computer systems.

But in the courts, he said, LEAA funds "have gone into organizational and management changes, into education, and into research."

Suggesting that federal assistance will continue to be useful to state courts, Kreps urged the justices to help frame guidelines for federal participation in court reform.

He said he would favor pushing for demonstration grants, technical aid, establishment of an independent judicial research foundation and the assurance that all projects be negotiated through the leadership of the state court systems.

THE CALENDAR

Mr. ROBERT C. BYRD. Mr. President, I ask unanimous consent that the Senate proceed to the consideration of Calendar orders Nos. 1043 and 1044.

Mr. BAKER. Mr. President, reserving the right to object.

The PRESIDING OFFICER. Reservation is heard.

The Senator from Tennessee.

Mr. BAKER. Mr. President, I will not object. Calendar orders Nos. 1043 and 1044 are clearly on our calendar. We have no objection to proceeding to their consideration and their adoption.

The PRESIDING OFFICER. Without objection, it is so ordered.

FEDERAL DISTRICT COURT ORGANIZATION ACT OF 1978

The Senate proceeded to consider the bill (S. 3375) to amend title 28 of the United States Code to make certain changes in the places of holding Federal district courts, in the divisions within judicial districts, and in judicial district dividing lines, which had been reported from the Committee on the Judiciary with amendments as follows:

On page 2, line 11, strike "(b)" and insert "(c)";

On page 3, at the beginning of line 4, strike "and";

On page 3, line 4, after " "McHenry," " insert "and "Pierce,";

On page 5, line 15, strike "Tomkins" and insert "Tompkins";

So as to make the bill read:

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,

SHORT TITLE

SECTION 1. This Act may be cited as the "Federal District Court Organization Act of 1978".

PLACES OF HOLDING COURT

SEC. 2. (a) The last sentence of section 97 (a) of title 28, United States Code, is amended to read as follows:

"Court for the Eastern District shall be held at Ashland, Catlettsburg, Covington, Frankfort, Jackson, Lexington, London, Pikeville, and Richmond.".

(b) The last sentence of section 104(a)(1) of title 28, United States Code, is amended to read as follows:

"Court for the eastern division shall be held at Aberdeen, Ackerman, and Corinth.".

DIVISIONS WITHIN JUDICIAL DISTRICTS

SEC. 3. (a) Section 98(c) of title 28, United States Code, is amended to read as follows:

"Western District

"(c) The Western District comprises the parishes of Acadia, Allen, Avoyelles, Beauregard, Bienville, Bossier, Caddo, Calcasieu, Caldwell, Cameron, Catahoula, Clairborne, Concordia, Jefferson Davis, De Soto, East Carroll, Evangeline, Franklin, Grant, Iberia, Jackson, Lafayette, La Salle, Lincoln, Madison, Morehouse, Natchitoches, Quachita, Rapides, Red River, Richland, Sabin, Saint Landry, Saint Martin, Saint Mary, Tensas, Union, Vermilion, Vernon, Webster, West Carroll, and Winn.

"Court for the Western District shall be held at Alexandria, Lafayette, Lake Charles, Monroe, Opelousas, and Shreveport.".

(b) Section 114 of title 28, United States Code, is amended—

(1) in paragraph (2), by striking out "Sheridan, Steele, Stutsman, and Wells" and inserting in lieu thereof "Steele, and Stutsman";

(2) in paragraph (3), by striking out "Bottineau," "McHenry," and "Pierce,"; and

(3) by amending paragraph (4) to read as follows:

"(4) The Northwestern Division comprises the counties of Bottineau, Burke, Divide, McHenry, McKenzie, Mountrail, Pierce, Renville, Sheridan, Ward, Wells, and Williams.".

JUDICIAL DISTRICT DIVIDING LINES

SEC. 4. (a) Section 89 of title 28, United States Code, is amended—

(1) in the first paragraph of subsection (a), by inserting "Madison," immediately after "Liberty,"; and

(2) in the first paragraph of subsection (b), by striking out "Madison,"

(b)(1) Section 93 of title 28, United States Code, is amended to read as follows:

"§ 93. Illinois.

"Illinois is divided into three judicial districts to be known as the Northern, Central, and Southern Districts of Illinois.

"Northern District

"(a) The Northern District comprises two divisions.

"(1) The Eastern District comprises the counties of Cook. De Kalb, Du Page, Grundy, Kane, Kankakee, Kendall, Lake, La Salle, McHenry, and Will. "Court for the Eastern Division shall be held at Chicago.

"(2) The Western Division comprises the counties of Boone, Carroll, Jo Daviess, Lee, Ogle, Stephenson. Whiteside, and Winnebago.

"Court for the Western Division shall be held at Freeport and Rockford.

"Central District

"(b) The Central District comprises the counties of Adams, Brown, Bureau, Cass, Champaign, Christian, Coles, De Witt, Douglas, Edgar, Ford, Fulton, Greene, Hancock, Henderson, Henry, Iroquois, Knox, Livingston, Logan, McDonough, McLean, Macon, Macoupin, Marshall, Mason, Menard, Mercer, Montgomery Morgan, Moultrie, Peoria, Piatt, Pike, Putnam, Rock Island, Sangamon, Schuyler, Scott, Shelby, Stark, Tazewell, Vermilion, Warren, and Woodford.

"Court for the Central District shall be held at Danville, Peoria, Quincy, Rock Island and Springfield.

"Southern District

"(c) The Southern District comprises the counties of Alexander, Bond, Calhoun, Clark Clay, Clinton, Crawford, Cumberland, Edwards, Effingham, Fayette, Franklin, Gallatin, Hamilton, Hardin, Jackson, Jasper, Jefferson, Jersey, Johnson, Lawrence, Madison, Marion, Massac, Monroe, Perry, Pope, Pulaski, Randolph, Richland, St. Clair, Saline, Union, Wabash, Washington, Wayne, White, and Williamson.

"Court for the Southern District shall be held at Alton, Benton, Cairo, and East Saint Louis.".

(2) Section 133 of title 28, United States Code, is amended by striking out the item relating to Illinois and inserting in lieu thereof the following:

"Illinois:	
"Northern	12
"Central	2
"Southern	2".

(c) Section 112 of title 28, United States Code, is amended—

(1) in the first paragraph of subsection (a), by inserting "Columbia," immediately after "Clinton,", by inserting "Greene," immediately after "Fulton.", and by inserting "Ulster," immediately after "Tompkins"; and

(2) in the first paragraph of subsection (b), by striking out "Columbia,", "Greene," and "Ulster,".

EFFECTIVE DATE

SEC. 5. (a) The amendments made by this Act shall take effect one hundred and eighty days after the date of this Act.

(b) Nothing in this Act shall affect the composition or preclude the service of any grand or petit juror summoned, empaneled, or actually serving in any judicial district on the effective date of this Act.

The amendments were agreed to.

The bill was ordered to be engrossed for a third reading, read the third time, and passed.

Mr. ROBERT C. BYRD. Mr. President,

I ask unanimous consent to have printed in the RECORD an excerpt from the report (No. 95–1121), explaining the purposes of the measure.

There being no objection, the excerpt was ordered to be printed in the RECORD, as follows:

PURPOSE OF THE AMENDMENT

The purpose of the proposed legislation is to provide an additional place of holding court in the Eastern District of Kentucky and the Northern District of Mississippi; to change the divisions within the Western district of Louisiana and the District of North Dakota; and to change the judicial district dividing lines in Florida, Illinois, and New York. The changes made by this bill are intended to improve the effective administration of justice in the Federal courts in these States.

STATEMENT

The proposed legislation affecting the boundaries and places for holding court by Federal District courts is intended to promote the efficient and equitable administration of justice and to serve the needs of litigants, jurors, witnesses, lawyers, judges and other participants in the judicial process.

Kentucky

Section 2(a) of the bill adds Ashland as a designated place of holding court in the Eastern District of Kentucky. Ashland is approximately 10 miles away from Catlettsburg which is one of two places in the Eastern District of Kentucky where a U.S. judge and a full-time magistrate presently have their chambers. The courthouse at Catlettsburg dates from 1910–11. Its space and facilities are grossly inadequate to carry on the business of the court with efficiency, safety, and convenience to all litigants, witnesses, officials of the court and members of the public. Not only is there inadequate space for the judge's chambers, the magistrate's office, law clerks and secretaries, but there is no space where jurors can be sent to wait while proceedings are conducted in the courthouse out of their presence, there are no witness rooms and no space for counsel to consult with clients. In addition, the building presents serious fire safety hazards. It has no fire escapes and only a small elevator and narrow stairs at one end of the building for egress from the second, third, and fourth floors. The overcrowded conditions and the physical layout of the building also complicate security efforts. The U.S. marshal's holding cell is inadequate and there is no separate holdover space for women or juvenile prisoners.

Besides the courthouse, the town itself has insufficient support facilities. Catlettsburg is the county seat of Boyd County with a population of approximately 3,200. In contrast, Ashland has a population of approximately 30,500. Catlettsburg has no hotel or motel facilities available for witnesses, litigants, and jurors, nor does it have restaurant facilities which could be used for a sequestered jury. In fact, the prevailing practice today is for litigants, jurors and members of the bar who are attending sessions of court in Catlettsburg to spend the night in Ashland and travel each day to the court. For these reasons, the committee believes that the administration of justice and the convenience of parties and public would be better served by designating Ashland as a place for holding court.

Mississippi

Section 2(b) of the bill adds as an additional place for holding court in the Eastern Division of the Northern District of Mississippi. The State of Mississippi is divided into two judicial districts, denominated as the Northern and Southern Districts. The Eastern Division of the Northern District consists of 13 counties in the northeastern corner of the State of Mississippi and extends in a north-south direction of approximately 140 miles. The principal place of holding court for this division is Aberdeen, Miss., which is located approximately 60 miles from the southern boundary of the division. Ackerman, Miss., which is also designated as a statutory place of holding court in the eastern division, is approximately 91 miles southwest of Aberdeen. However, no trials are held at Ackerman, which was included in the statute primarily as a location where chambers are provided for a circuit court judge from the State of Mississippi. The designation of Ackerman was required since section 142 of title 28 of the United States Code specifies that the General Services Administration can provide court quarters only at places where regular terms of court are authorized by law to be held.

The city of Corinth is located in the extreme northern part of the Eastern District, approximately 85 miles north of Aberdeen. Corinth has a population of approximately 15,000 residents and is a principal commercial center in that part of the State. Litigants and counsel from 5 of the 13 counties can more conveniently attend court located at Corinth than at Aberdeen, which is the sole place of holding court. One of the judges of the court is a resident of Corinth. Since the closest Federal courthouse is at Aberdeen, 85 miles away, the judge must spend 4 hours of travel time for each trip from his residence to the court chambers at Aberdeen. If Corinth is designated as an official place for holding court, the Government Services Administration, pursuant to section 142 of title 28, United States Code, would be authorized to provide chambers for the judge at Corinth. It is not proposed to provide a courtroom at Corinth. The committee is advised that the Federal post office building at Corinth has vacant space on the second floor of the building which at relatively small expense can be remodeled to provide suitable chambers for the judge. These chambers will be used by the judge for study, research and preparation of orders and opinions. The judge will also hear motions and conduct certain pretrial and post-trial proceedings at Corinth in cases where the parties and their counsel are located closer to Corinth than they are to Aberdeen.

The change proposed by this bill was approved by the Judicial Conference of the United States on April 7, 1976.

Louisiana

The Western District of Louisiana is one of 36 judicial districts operating under a statutory division scheme. Section 98(c) of title 28 designates the parishes to be included within the six divisions of the Western District and the cities within the district where court is to be held. In contrast, in nonstatutory divisions, Congress designates the cities where court is to be held but leaves the geographical limits of each division to be determined by local rule, according to the workload generated by the several parishes and the problems peculiar to the area.

The committee believes the Western District of Louisiana is better suited to a nonstatutory division system. Caseloads in the existing statutory divisions vary significantly and in some cases the designated place of holding court is not convenient for the parishes which it serves. The problems cannot permanently be remedied by realining the parishes in the present statutory divisions since changes in population and caseload may require additional changes in the future.

The elimination of divisions provided for by section 3(a) is in conformity with the general policy of the Judicial Conference favoring consolidation of district court divisions, and has been approved by all interested parties.

North Dakota

The State of North Dakota constitutes a single Federal judicial district comprised of four divisions. The divisions approximate quadrants and are accordingly designated as the Northwestern, Northeastern, Southeastern, and Southwestern Divisions.

Bottineau, McHenry and Pierce Counties lie in the northcentral part of the State of North Dakota. They form the extreme western and northern part of the Northeastern Division of the judicial district in which court is held only in Grand Forks on the far eastern border. The distance from Bottineau, the county seat of Bottineau County, to Grand Forks is 192 miles. The corresponding distance from Towner, county seat of McHenry County, is 165 miles, and from Rugby, county seat of Pierce County 146 miles.

In the Northwestern Division court is held in Minot which lies near the eastern border of that division. All of the above mentioned counties are significantly closer to Minot than Grand Forks. Placing Bottineau, McHenry, and Pierce Counties in the Northwestern Division would reduce travel to the Federal courthouse from the county seat of each county by 113, 120 and 82 miles respectively.

Sheridan and Wells Counties lie in the central part of the State. They form the extreme northwestern part of the Southwestern Division. In the Southeastern Division court is held in Fargo on the far eastern border of the division. Consequently, it is necessary to travel 201 miles from McCluskey, county seat of Sheridan County, and 173 miles from Fessenden, county seat of Wells County, to the Federal courthouse in Fargo. Aligning Sheridan and Wells Counties with the Northwestern Division would reduce the mileage to the Federal courthouse by 117 miles when traveling from McCluskey and 83 miles when traveling from Fessenden.

The committee believes that the interest of the Government, litigants and members of the bar of the counties affected would be served by reduction in travel distance and time. There would also be a saving for the Government in the mileage fee paid to jurors who are called to jury service from these five counties.

The realinement set forth in section 3(b) of the bill has been approved by the lawyers in the counties affected, the Federal District judges for the District of North Dakota and the Judicial Conference of the United States.

Florida

Florida is divided into three judicial districts. Under present law, Madison County, Fla., is included in the Middle Judicial District of Florida, with Jacksonville as the place designated for holding court. On its eastern border, Madison County is 86 miles from Jacksonville and on its western border it is 133 miles from Jacksonville. Section 4(a) of the bill would amend title 28 of the United States Code by removing Madison County from the Middle Judicial District of Florida and including it in the Northern Judicial District. The effect of such an amendment would be to reduce the average distance which Madison County litigants, attorneys, jurors and witnesses must travel to the nearest federal district court. On its eastern border, Madison County is 66 miles from Tallahassee, the place designated for holding court in the Northern Judicial District. On its western border, it is only 29 miles from Tallahassee. Section 4(a) of this bill has met with no opposition, and would greatly benefit the citizenry of Madison by making the federal district court more accessible.

Illinois

The primary thrust of section 4(b) of the bill is directed at replacing the existing Eastern and Southern Districts of Illinois with new Central and Southern Districts which more accurately reflect the makeup of the State.

Under present law, Illinois has three judicial districts—one covering the northern quarter of the state and two covering the

eastern and western sections of the State. These latter two are deceptively called the Southern and Eastern Districts. Parts of the Eastern District are located south of the Southern District and the present Southern District encompasses the western part of Illinois and lies in the central, not the southern, portion of the state.

The present Southern and Eastern Districts run counter to the natural east-west flow of commerce in Illinois which imposes inconvenience and economic hardship upon those who use the courts. In addition, under the current district structure counties such as Madison and St. Clair which have nearly identical social, cultural, and economic ties and which are both essentially part of the East St. Louis metropolitan area, are placed in different judicial districts.

The proposed districts would divide the state of Illinois logically in an east-west manner, uniting areas of common economic activity and interest. These districts would take into account the flow of commerce in the state, the convenience of users of the courts, and the population of the included areas. The new districts would encompass all the counties now included in the existing Eastern and Southern Districts, except Kankakee County, which would be placed in the existing Northern District to more evenly distribute the population in each District.

The proposed changes would not involve the construction of any additional court facilities or other major expenditures. However, the changes will necessitate a conforming amendment to the omnibus judgeship bill. The judgeship bill which is currently pending in conference includes an additional judgehip approved by both the House and the Senate for the existing Eastern District. The Committee intends that the judgeship for the existing Eastern District be assigned to the new Central District created by this bill.

The reorganization of the three districts in Illinois has been endorsed by judges in all three districts as well as the Circuit Council for the Seventh Circuit.

New York

Under present law, the counties of Columbia, Greene, and Ulster are included within the Southern Judicial District of New York, with New York City the place designated for holding court. This creates a burden on those who must use the U.S. District Court. Geographically, Albany is situated much closer to these three counties. Accordingly, the people of Greene and Columbia counties have centered their lifestyles around Albany and not New York City. They work there, utilize services offered there, and are required to conduct state and other federal business in Albany.

Section 4(c) of this bill would place the counties of Columbia, Greene and Ulster in the Northern Judicial District of New York, having Albany as the place designated for holding court. The addition of these 3 counties has been approved by the judges of the Northern Judicial District of New York and lawyers in the counties affected have indicated their support of this legislation.

Mr. ROBERT C. BYRD. Mr. President, I move to reconsider the vote by which the bill was passed.

Mr. BAKER. I move to lay that motion on the table.

The motion to lay on the table was agreed to.

TRANSPORTATION OF COAST GUARD EMPLOYEES

The bill (H.R. 185) to amend section 2632 of title 10, United States Code, to provide the Secretary of the department in which the Coast Guard is operating with the authority to transport Coast Guard employees to and from certain places of employment, was considered, ordered to a third reading, read the third time, and passed.

Mr. ROBERT C. BYRD. Mr. President, I ask unanimous consent to have printed in the RECORD an excerpt from the report (No. 95-422), explaining the purposes of the measure.

There being no objection, the excerpt was ordered to be printed in the RECORD, as follows:

PURPOSE OF THE LEGISLATION

The purpose of the bill is to provide the Secretary of the department in which the Coast Guard is operating with the authority to transport Coast Guard employees to and from their places of employment whenever the Secretary determines that it is necessary for the effective conduct of the affairs of his department. The bill would extend the authority, which presently exists for the Secretary of a military department, to the Secretary of the department in which the Coast Guard is operating.

BACKGROUND

One of the many missions with which the Coast Guard is charged involves the maintenance of a comprehensive aids to navigation network. That network includes the long-range radio and navigation (loran) system which is maintained to serve the navigation needs of the Armed Forces, as well as the needs of maritime and air commerce.

The problem to which the bill is addressed has arisen because of the construction of the loran stations necessary to operate the system. Because site selections are based upon a site's freedom from electromagnetic interference and upon a site's location with respect to the loran-C network, therefore, some sites are, and others necessarily will be, located in remote areas of the United States where adequate community support for Coast Guard personnel is not, or will not be, readily available. For example, one loran station is being constructed near Searchlight, Nev. However, the nearest town offering adequate community support for Coast Guard personnel accompanied by their families is Boulder City, Nev., which is 55 miles from the station site. Adequate public transportation is not available between the station site and Boulder City. Under current law, personnel would be required to drive their own vehicles 110 miles each working day. A similar situation exists at a loran station near Kodiak, Alaska.

The alternatives to providing transportation are to require personnel to drive their vehicles or to make the sites unaccompanied duty stations, which would work a hardship on the personnel and adversely affect crew morale. Providing transportation to and from the station sites is the most reasonable and cost-effective resolution of the problem. Although the cost of the proposed legislation will vary at each station, it is modest. The cost of operating a vehicle at any station would be approximately $10,000 for the first 5 fiscal years following enactment.

There is, therefore, a need to relieve the restrictions found in 31 U.S.C. 638a, which impose limitations on the use of federally owned passenger vehicles for home-to-work transportation of employees.

EXPLANATION OF THE LEGISLATION

This legislation would, by amending section 2632 of title 10, United States Code, specifically authorize the type of transportation authority desired. This, in turn, would nullify the restrictions of 31 U.S.C. 638a, by providing specific authority for the action.

Section 2632 of title 10 currently authorizes the Secretary of a military department to provide assured and adequate transportation for persons employed in his department to and from their places of employment whenever the Secretary determines that it is necessary for the effective conduct of the affairs of his department. Although the Coast Guard is an armed force, it is not a military department under the definition of section 101 of title 10. The bill would amend section 2632 of title 10 by including language affecting the Coast Guard and extending section 2632 authority to include the Secretary of the department in which the Coast Guard is operating.

Mr. ROBERT C. BYRD. Mr. President, I move to reconsider the vote by which the bill was passed.

Mr. BAKER. I move to lay that motion on the table.

The motion to lay on the table was agreed to.

COMMITTEE MEETINGS

Mr. ROBERT C. BYRD. Mr. President, I ask unanimous consent that the Constitution Subcommittee of the Committee on Judiciary be authorized to meet during the session of the Senate on Tuesday, August 22, 1978, to hold a hearing on the Citizens Privacy Protection Act.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. ROBERT C. BYRD. Mr. President, I ask unanimous consent that the Energy, Nuclear Proliferation and Federal Services Subcommittee of the Committee on Governmental Affairs be authorized to meet during the session of the Senate on Wednesday, August 23, 1978, to hold a markup session on S. 1493, energy impact assistance and S. 3412, retirement benefits for GAO's Comptroller General.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. ROBERT C. BYRD. Mr. President, I ask unanimous consent that the Health and Scientific Research Subcommittee of the Committee on Human Resources be authorized to meet during the session of the Senate on Wednesday, August 23, 1978, from 4 p.m. until 6 p.m. and Thursday, August 24, 1978, from 3 p.m. until 5 p.m. to hold a markup session on S. 2755, the Drug Regulation Reform Act.

The PRESIDING OFFICER. Without objection, it is so ordered.

SPECIAL ORDERS FOR TOMORROW

Mr. ROBERT C. BYRD. Mr. President, I ask unanimous consent that on tomorrow, after the two leaders have been recognized under the standing order, Mr. LEAHY be recognized for not to exceed 15 minutes and that the Senate then resume consideration of the District of Columbia representation measure.

The PRESIDING OFFICER. Without objection, it is so ordered.

TIME LIMITATION AGREEMENT—S. 2570

Mr. ROBERT C. BYRD. Mr. President, I ask unanimous consent that at such time as Calendar Order No. 821, S. 2570, the CETA bill, is called up and made the pending business, there be a time agreement on it as follows: 4 hours on the bill, equally divided, between Mr. NELSON and Mr. JAVITS, 1 hour on any amendment in the first degree, 30 minutes on any amendment in the second degree, 20 minutes on any debatable motion, appeal, or point of order, if such is made to

the Senate for its consideration, with one exception, that there be a time limitation on an amendment by Mr. BELLMON of 2 hours, and that otherwise the agreement be in the usual form.

The PRESIDING OFFICER. Without objection, it is so ordered.

The text of the agreement follows:

Ordered, That when the Senate proceeds to the consideration of S. 2570 (Order No. 821), a bill to amend the Comprehensive Employment and Training Act of 1973 to provide improved employment and training services, to extend the authorization, and for other purposes, debate on any amendment in the first degree (except an amendment to be offered by the Senator from Oklahoma (Mr. BELLMON), on which there shall be two hours; shall be limited to one hour, to be equally divided and controlled by the mover of such and the manager of the bill; debate on any amendment in the second degree shall be limited to 30 minutes, to be equally divided and controlled by the mover of such and the manager of the bill; and debate on any debatable motion, appeal, or point of order which is submitted or on which the Chair entertains debate shall be limited to 20 minutes, to be equally divided and controlled by the mover of such and the manager of the bill: *Provided*, That in the event the manager of the bill is in favor of any such amendment or motion, the time in opposition thereto shall be controlled by the minority leader or his designee: *Provided further*. That no amendment that is not germane to the provisions of the said bill shall be received.

Ordered further, That on the question of final passage of the said bill, debate shall be limited to 4 hours, to be equally divided and controlled, respectively, by the Senator from Wisconsin (Mr. NELSON) and the Senator from New York (Mr. JAVITS): *Provided*, That the said Senators, or either of them, may, from the time under their control on the passage of the said bill, allot additional time to any Senator during the consideration of any amendment, debatable motion, appeal, or point of order.

ORDER OF PROCEDURE

UNANIMOUS-CONSENT AGREEMENT

Mr. ROBERT C. BYRD. Mr. President, I ask unanimous consent that upon the disposition of Calendar Order No. 686, House Joint Resolution 554, the D.C. voting representation joint resolution, the Senate proceed to the consideration of Calendar Order No. 821, S. 2570, the CETA bill, on which there is already a time agreement, and that several amendments by Senator DOMENICI be disposed of.

Following the disposition of the several Domenici amendments, that Mr. DOMENICI may lay down an amendment dealing with fraud, which would be disposed of on Wednesday morning, August 23; that following the disposition of that amendment, the CETA bill be temporarily laid aside and the Senate proceed to the consideration of Calendar Order No. 787, S. 1753, the Elementary and Secondary Education Act; that after the opening statements, Mr. DOMENICI be recognized to call up some amendments; that after those amendments and other amendments have been disposed of, the Senate, no later than 2 o'clock p.m. on Wednesday, proceed to the consideration of any of the following bills from the Finance Committee: Calendar Order Nos. 721, 728, 849, 1024, 1025, 1032, 1033, and 1034; and that upon disposition of these measures the Senate return to the consideration of either Calendar Order No. 787, the Elementary and Secondary Education Act, or Calendar Order No. 821, the CETA bill, whichever in the opinion of the majority leader should be taken up and resumed at that time.

Mr. BAKER. Mr. President, reserving the right to object, and I will not object, as our colleagues might infer, this schedule of events is a matter that has been discussed by the distinguished majority leader and myself and others and, of course, much of the day today.

I believe it is a good schedule and I will not object to it. On the contrary, I express my gratitude to the majority leader for arranging it in this way, much of the content of this request was at the request of the minority leader on behalf of the Members on this side of the aisle.

I would ask the majority leader if there is any intention to try to spell out the consideration of other items for the balance of this week after this consent order is entered?

Mr. ROBERT C. BYRD. I would like, if it is at all possible, to proceed, depending upon the progress made, at least, to lay down the civil service reform bill before we go out for the holiday and, of course, it is understood there is not a time agreement on that measure.

It is understood also, when we return from the holiday, the natural gas conference report will be called up, but not until after the second concurrent budget resolution has been disposed of, which under the law must be enacted by September 15.

Mr. PERCY. Mr. President, will the majority leader yield?

Mr. ROBERT C. BYRD. I yield.

Mr. PERCY. Mr. President, I have discussed this matter with Senator RIBICOFF. We express deep appreciation to the joint leadership, with whom we have discussed this matter earlier today, for the decision to lay down the civil service reform measure before we recess on Friday.

Mr. ROBERT C. BYRD. We may not recess on Friday.

Mr. PERCY. Either one or both of us will be prepared to give opening statements whenever we do recess, Friday or Saturday, whenever it may be.

Mr. ROBERT C. BYRD. Or Monday or Tuesday.

Mr. PERCY. Or Monday or Tuesday.

Subject, of course, to privileged conference reports, and so forth. I have talked, I believe, with everyone on the minority side of the aisle.

Certain Senators will not enter into time limitations, on principle, on any legislation now. They have assured the Senator from Illinois that there will be no undue delay in this case, unless Hatch Act reform is attempted to be tied to this legislation—and there they would expect extended conversation and discussion—or, with respect to the labor-management section, title VII, if an attempt is made in the Senate to move us closer toward the House provision, which gives greater power to unions and would take away what some of our colleagues on the minority side feel would be an infringement of the Government's right and to carry as a principle into the collective bargaining process certain things reserved for management prerogatives today. In that event, they would expect to oppose strongly such provisions.

But if the bill can be kept pretty much along the lines as reported by the Governmental Affairs Committee, Senator RIBICOFF and I would expect expeditious movement of that measure.

I thank the leadership and express deep appreciation for their scheduling this matter so that we can anticipate moving ahead with it.

Mr. ROBERT C. BYRD. I thank the Senator.

Mr. BAKER. Mr. President, I have no further reservation.

The PRESIDING OFFICER. Is there objection? The Chair hears none and the unanimous-consent request is agreed to.

ORDER FOR CONVENING OF THE SENATE AT 9:30 A.M. TOMORROW

Mr. ROBERT C. BYRD. Mr. President, the hour for convening the Senate on tomorrow, I believe, already has been set, has it not?

The PRESIDING OFFICER. The hour already has been set at 9 a.m.

Mr. ROBERT C. BYRD. Mr. President, I ask unanimous consent that the hour be changed to 9:30 a.m.

The PRESIDING OFFICER. Without objection, it is so ordered.

RECESS UNTIL 9:30 A.M. TOMORROW

Mr. ROBERT C. BYRD. Mr. President, if there to be no further business to come before the Senate, I move, in accordance with the order previously entered, that the Senate stand in recess until 9:30 a.m. tomorrow.

The motion was agreed to; and at 8:25 p.m. the Senate recessed until tomorrow, Tuesday, August 22, 1978, at 9:30 a.m.

EXTENSIONS OF REMARKS

SENATE COMMITTEE MEETINGS

Title IV of the Senate Resolution 4, agreed to by the Senate on February 4, 1977, calls for establishment of a system for a computerized schedule of all meetings and hearings of Senate committees, subcommittees, joint committees, and committees of conference. This title requires all such committees to notify the

Office of the Senate Daily Digest—designated by the Rules Committee—of the time, place, and purpose of all meetings when scheduled, and any cancellations or changes in meetings as they occur.

As an interim procedure until the computerization of this information becomes operational the Office of the Senate Daily Digest will prepare this information for printing in the Extensions of Remarks section of the CONGRESSIONAL RECORD on Monday and Wednesday of each week.

Any changes in committees scheduling will be indicated by placement of an asterisk to the left of the name of the unit conducting such meetings.

Meetings scheduled for Tuesday, August 22, 1978, may be found in Daily Digest of today's RECORD.

MEETINGS SCHEDULED

AUGUST 23

9:00 a.m.
Finance
To continue hearings on H.R. 13511, proposed legislation to reduce income taxes.
2221 Dirksen Building

Select on Indian Affairs
To hold a business meeting on pending calendar business.
5110 Dirksen Building

9:30 a.m.
Commerce, Science, and Transportation
Aviation Subcommittee
To continue hearings on S. 3363, proposed International Air Transportation Competition Act
235 Russell Building

Energy and Natural Resources
To continue mark up of proposed legislation designating certain Alaska lands as national parkland.
3110 Dirksen Building

Environment and Public Works
To hold a business meeting on pending calendar business.
4200 Dirksen Building

Human Resources
To continue hearings on S. 2645, proposed National Art Bank Act.
4232 Dirksen Building

Judiciary
Administrative Practice and Procedure Subcommittee
To hold joint hearings with Select Small Business Committee on S. 1974 and S. 3330, to improve Federal rulemaking practices.
424 Russell Building

Select Small Business
See joint hearing with Committee on Judiciary Subcommittee on Administrative Practice and Procedure.

10:00 a.m.
Banking, Housing, and Urban Affairs
To hold joint hearings with the Committee on Governmental Affairs on S. 2750, proposed Consolidated Banking Regulation Act.
3302 Dirksen Building

Governmental Affairs
To resume joint hearings with Judiciary Subcommittee on Citizens and Shareholders Rights and Remedies on S. 3005, to broaden the rights of citizens to sue in Federal courts for unlawful governmental action.
2228 Dirksen Building

Governmental Affairs
See joint hearings with Committee on Banking, Housing, and Urban Affairs.
Governmental Affairs
Permanent Subcommittee on Investigations
To hold hearings with regard to the widespread nature of arson-for-profit, including evidence of the role of organized crime.
1114 Dirksen Building

Judiciary
Citizens and Shareholders Rights and Remedies Subcommittee
See joint hearings with Committee on Governmental Affairs.
Judiciary
Criminal Laws and Procedures Subcommittee
To resume hearings on bills to provide Federal assistance to State and local criminal justice (S. 28, 1245, 3216, 3270, and 3280).
1318 Dirksen Building

2:30 p.m.
Government Affairs
Energy, Nuclear Proliferation, and Federal Services Subcommittee
To mark up S. 1493, to provide financial and technical assistance to States, local governments, and Indian tribes, to manage impacts caused by energy deretirement and survivor benefits for Comptrollers General.
3302 Dirksen Building

3:00 p.m.
Select Ethics
To hold an open and closed business meeting.
EF-100, Capitol

AUGUST 24

8:00 a.m.
Energy and Natural Resources
To hold hearings on S. 3418, proposed Pacific Northwest Electric Power Planning Act.
3110 Dirksen Building

9:00 a.m.
Finance
To continue hearings on H.R. 13511, proposed legislation to reduce income taxes.
2221 Dirksen Building

9:30 a.m.
Commerce, Science, and Transportation
Aviation Subcommittee
To continue hearings on S. 3363, proposed International Air Transportation Competition Act.
235 Russell Building

Governmental Affairs
See joint hearings with Committee on Banking, Housing, and Urban Affairs.
Human Resources
To hold hearings on the following nominations to be Members of the Federal Mine Safety and Health Review Commission: Jerome R. Waldie, of Maryland, Richard V. Backley, of Virginia, Marian Pearlman Nease, of Maryland, Frank F. Jestrab, of North Dakota and A. E. Lawson, of Pennsylvania.
4232 Dirksen Building

Judiciary
Administrative Practice and Procedure Subcommittee
To resume hearings on S. 1449, proposed Grand Jury Reform Act.
2228 Dirksen Building

10:00 a.m.
Banking, Housing, and Urban Affairs
To continue joint hearings with the Committee on Governmental Affairs on S. 2750, proposed Consolidated Banking Regulation Act.
3302 Dirksen Building

Foreign Relations
To mark up S. 2053, proposed Deep Seabed Mineral Resources Act.
4221 Dirksen Building

Governmental Affairs
Permanent Subcommittee on Investigations
To continue hearings with regard to the widespread nature of arson-for-profit, including evidence of the role of organized crime.
5110 Dirksen Building

Judiciary
Antitrust and Monopoly Subcommittee
To resume hearings on restrictive entry policies in the interstate trucking industry.
6226 Dirksen Building

Judiciary
Constitution Subcommittee
To resume hearings on S. 3164, proposed Citizen's Privacy Protection Amendment.
5110 Dirksen Building

AUGUST 25

8:00 a.m.
Energy and Natural Resources
To continue hearings on H.R. 13511, proposed Pacific Northwest Electric Power Planning Act.
3110 Dirksen Building

9:00 a.m.
Finance
To continue hearings on H.R. 13511, proposed legislation to reduce income taxes.
2221 Dirksen Building

Human Resources
To consider S. 2910, to establish programs to assist in preventing unwanted initial and repeat pregnancies among adolescents; S. 3116, to provide Federal assistance to States through formula and project grants for preventive health programs; and S. 3205 and 3309, to extend certain existing refugee assistance programs and to provide assistance to new refugees.
4232 Dirksen Building

9:30 a.m.
Judiciary
To hold hearings on the nominations of Theodore McMillian, of Missouri, to be U.S. circuit judge for the eighth circuit; Harold A. Baker, to be U.S. district judge for the eastern district of Illinois; Mariana R. Pfaelzer, to be U.S. district judge for the central district of California; and Richard S. Arnold, to be U.S. district judge for the eastern and western districts of Arkansas.
2228 Dirksen Building

10:00 a.m.
Banking, Housing, and Urban Affairs
To hold hearings on S. 2843, to provide for the striking of gold medallions, and on gold sales by the Department of the Treasury.
5302 Dirksen Building

AUGUST 28

9:30 a.m.
Finance
Taxation and Debt Management Subcommittee
To hold hearings on miscellaneous tax bills (H.R. 810, 4030, 5099, S. 2771, 1611, 3049, 3176, and 3345).
2221 Dirksen Building

10:00 a.m.
Governmental Affairs
Permanent Subcommittee on Investigations
To resume hearings with regard to the widespread nature of arson-for-profit, including evidence of the role of organized crime.
3302 Dirksen Building

Judiciary
Administrative Practice and Procedure Subcommittee
To resume hearings on the FBI Charter as it concerns undercover operations.
2228 Dirksen Building

AUGUST 29

10:00 a.m.
Governmental Affairs
Permanent Subcommittee on Investigations
To continue hearings with regard to the widespread nature of arson-for-profit, including evidence of the role of organized crime.
3302 Dirksen Building

Judiciary
Administrative Practice and Procedure Subcommittee
To resume hearings on the FBI Charter as it concerns undercover operations.
2228 Dirksen Building

SEPTEMBER 7

9:00 a.m.
Commerce, Science, and Transportation
To hold hearings on the following nominations to be Members of the Board of Directors of the U.S. Railway Association: W. K. Smith, of Minnesota, to be Chairman; Stanton P. Sender, of the District of Columbia; Nathaniel Welch, of Georgia; James E. Burke, of New Jersey; and Robert G. Flannery, of California.
6226 Dirksen Building

10:00 a.m.
Commerce, Science, and Transportation
To hold oversight hearings on the lengths of motor tractor trailers.
235 Russell Building

SEPTEMBER 8

10:00 a.m.
Commerce, Science, and Transportation
To hold hearings on S. 2970, proposed Truck Safety Act.
235 Russell Building

SEPTEMBER 14

10:00 a.m.
Judiciary
Administrative Practice and Procedure Subcommittee
To resume hearings on the FBI Charter and its overall policy.
2228 Dirksen Building

SEPTEMBER 19

9:00 a.m.
Judiciary
Constitution Subcommittee
To resume hearings on S. 1845, to prevent unwarranted invasions of privacy by prohibiting the use of polygraph type equipment for certain purposes.
6226 Dirksen Building

9:30 a.m.
Human Resources
Labor Subcommittee
To hold hearings on S. 3060, proposed National Workers' Compensation Standards Act.
4332 Dirksen Building

SEPTEMBER 20

9:30 a.m.
Human Resources
Labor Subcommittee
To continue hearings on S. 3060, proposed National Workers' Compensation Standards Act.
4232 Dirksen Building

SEPTEMBER 21

9:00 a.m.
Judiciary
Constitution Subcommittee
To resume hearings on S. 1845, to prevent unwarranted invasions of privacy by prohibiting the use of polygraph type equipment for certain purposes.
5110 Dirksen Building

SEPTEMBER 22

9:30 a.m.
Human Resources
Labor Subcommittee
To resume hearings on S. 3060, proposed National Workers' Compensation Standards Act.
4232 Dirksen Building

CANCELLATIONS

AUGUST 23

10:00 a.m.
Energy and National Resources
Public Lands and Resources Subcommittee
To hold hearings on several pending land conveyance bills.
3110 Dirksen Building

AUGUST 25

10:00 a.m.
Judiciary
Criminal Laws and Procedure Subcommittee
To resume hearings on S. 3270, proposed Justice System Improvement Act, and related bills.
2228 Dirksen Building

SENATE—*Tuesday, August 22, 1978*

(Legislative day of Wednesday, August 16, 1978)

The Senate met at 9:30 a.m., on the expiration of the recess, and was called to order by Hon. ROBERT MORGAN, a Senator from the State of North Carolina.

PRAYER

The Reverend Dr. Robert B. Harriman, director, the Presbyterian Council for Chaplains and Military Personnel, Washington, D.C., offered the following prayer:

Great Creator of the universe, we thank Thee for majestic mountains, fertile fields, and far-stretching forests. For the richness of the Earth and wealth of its waters, we are grateful. May we not be inept stewards of our wealth or inconsiderate of following generations. As the Members of this Senate are aware of our heritage, may they be led in all their deliberations to do those things which preserve our inheritance and insure, for all who shall follow, an even stronger and more fruitful nation. May Thy presence be felt whenever they are gathered in consultations and deliberations which affect this Nation, and other nations of the world. May theirs be a vision to see beyond these shores and beyond this day, for Thou dost will that all nations of the Earth should live together in peace and harmony.

May all who are engaged in the affairs of Government, from the President to the least conspicuous public servant, be blessed with Thy wisdom, warmed by Thy love, and led by Thy righteousness. So shall we know that "Blessed is that nation whose God is the Lord." In Thy name we pray. Amen.

APPOINTMENT OF ACTING PRESIDENT PRO TEMPORE

The PRESIDING OFFICER. The clerk will please read a communication to the Senate from the President pro tempore (Mr. EASTLAND).

The assistant legislative clerk read the following letter:

U. S. SENATE,
PRESIDENT PRO TEMPORE,
Washington, D.C., August 21, 1978.

To the Senate:

Under the provisions of rule I, section 3, of the Standing Rules of the Senate, I hereby appoint the Honorable ROBERT MORGAN, a Senator from the State of North Carolina, to perform the duties of the Chair.

JAMES O. EASTLAND,
President pro tempore.

Mr. MORGAN thereupon assumed the chair as Acting President pro tempore.

RECOGNITION OF LEADERSHIP

The ACTING PRESIDENT pro tempore. The majority leader, the Senator from West Virginia, is recognized.

THE JOURNAL

Mr. ROBERT C. BYRD. Mr. President, I ask unanimous consent that the Journal of the proceedings be approved to date.

The ACTING PRESIDENT pro tempore. Without objection, it is so ordered.

Mr. ROBERT C. BYRD. Mr. President, I have no need for my time today, and I yield it back.

RECOGNITION OF LEADERSHIP

The ACTING PRESIDENT pro tempore. The Senator from Tennessee is recognized.

Mr. BAKER. Mr. President, I have no requirement for my time under the standing order and I yield it back.

ROUTINE MORNING BUSINESS

Mr. ROBERT C. BYRD. Mr. President, I ask unanimous consent that there be a brief period for the transaction of routine morning business, that Senators may be allowed to speak up to 5 minutes therein, and that the period not extend beyond 10 a.m. today.

The ACTING PRESIDENT pro tempore. Without objection, it is so ordered.

Is there morning business?

WHERE IS THE OPPOSITION TO THE GENOCIDE CONVENTION?

Mr. PROXMIRE. Mr. President, for 11 years, I have addressed the Senate about the United Nations Genocide Convention. Every day that we are in session, I urge my colleagues to ratify this important treaty.

Why? Because I believe the treaty is a crucial human rights document. It

protects the most fundamental of human rights—the right to live. The treaty upholds the moral and ethical values of our country. It is in the best interests of the American people, and it is in the best interests of humanity.

The Senate is well aware of my ardent support for the Genocide Convention. But what have we heard from the opposition? Where are the opponents to the Genocide Convention? Whose voice is calling upon us to reject the treaty?

Is there Presidential opposition to the treaty? Certainly not. Every President since Truman has supported the treaty. Truman, Eisenhower, Kennedy, Johnson, Nixon, Ford, and Carter have all urged the Senate to ratify the U.N. convention.

Are interest groups lobbying against the treaty? Hardly. The American Bar Association, the American Civil Liberties Union, the National Conference of Christians and Jews, the AFL–CIO, and many more organizations have all passed resolutions in favor of the treaty.

What about our allies? Eighty-three nations have acceded to the treaty. All of our major NATO and SEATO allies are parties to the convention. We stand alone among the free Western nations.

Has the Senate Foreign Relations Committee failed to report the convention? Just the opposite. The committee has favorably reported the convention four times: in 1970, 1971, 1973, and again in 1976.

Mr. President, it seems that the only opposition to the Genocide Convention is within the Senate itself. For 30 years we have debated the treaty, while across the country and around the world more and more people have recognized the treaty's importance and voiced their support. The time has come for the Senate to join them.

Mr. President, the opposition to the treaty is small and silent. The support is overwhelming. I call upon my colleagues to ratify the Genocide Convention.

EXIMBANK LOANS $66 MILLION TO TRINIDAD CORPORATION

Mr. PROXMIRE. Mr. President, I call to the attention of my colleagues a communication I have received from the Export-Import Bank pursuant to section 2(b)(3)(i) of the Export-Import Bank Act of 1945, as amended, notifying the Senate of a proposed Eximbank loan to assist in financing the export from the United States of goods and services to be used in the construction of a plant to manufacture anhydrous ammonia in Trinidad and Tobago. Section 2(b)(3)(i) of the act requires the Bank to notify the Congress of proposed loans or financial guarantees in an amount of $60 million or more at least 25 days of continuous session of Congress prior to taking final action on such proposals. Upon expiration of this period, the Bank may give final approval to the transaction unless the Congress adopts legislation to preclude such approval.

In this case, the Bank proposes to extend a direct credit of $66,170,000 to Fertilizers of Trinidad and Tobago, Ltd. (FERTRIN), which is a joint venture owned by the Government of Trinidad and Tobago and Amoco International Oil Co., to assist in the export from the United States of goods and services to be used in the construction of a plant to manufacture anhydrous ammonia to be located at Point Lisas in Trinidad and Tobago. The Eximbank credit will cover 42.5 percent of the total cost of U.S. goods and services to be exported from the United States. The Eximbank loan would bear interest at the rate of 8⅜ percent per annum and be repayable in semiannual installments over an 8-year period commencing January 5, 1982.

Mr. President, I ask unanimous consent that the letter from Eximbank pertaining to this transaction be printed in the RECORD.

There being no objection, the letter was ordered to be printed in the RECORD, as follows:

EXPORT-IMPORT BANK
OF THE UNITED STATES,
Washington, D.C., August 15, 1978.

Hon. WALTER F. MONDALE,
President of the Senate,
U.S. Capitol,
Washington, D.C.

DEAR MR. PRESIDENT: Pursuant to Section 2(b)(3) of the Export-Import Bank Act of 1945, as amended, Eximbank hereby submits a statement to the United States Senate with respect to the following transaction involving U.S. exports to Trinidad and Tobago.

DESCRIPTION OF TRANSACTION

Purpose

Eximbank has received a request from Fertilizers of Trinidad and Tobago Limited (FERTRIN) to assist in financing the export from the United States of goods and services of U.S. manufacture or origin required by FERTRIN for the construction of a new plant to manufacture anhydrous ammonia (Plant). The Plant is to be constructed at Point Lisas in Trinidad and Tobago and is one of several projects being developed to take advantage of the extensive natural gas reserves in the area.

The Plant will consist of a two train, 2,086 metric ton per day ammonia plant, plus ancillary equipment and systems. Construction is expected to be completed by mid-1981. The total costs of the Plant are estimated to be $250,000,000 of which 75% will be provided in the form of borrowings and 25% will be provided by equity contributions to FERTRIN from its two owners, the Government of Trinidad and Tobago (GOTT) and Amoco International Oil Company (Amoco).

Of the total estimated costs of the plant, $155,700,000 represents the costs of U.S. goods and services. To meet the request of FERTRIN, Eximbank is prepared to extend a direct credit of $66,170,000 to FERTRIN to assist in financing the export from the United States of the U.S. goods and services required for the Plant. Additional financing will be provided by private lenders.

Identity of the parties

FERTRIN is a joint venture incorporated under the laws of Trinidad and Tobago for the purposes of the Plant and is owned 51% by GOTT and 49% by Amoco. Amoco is a subsidiary of Standard Oil Company of Indiana.

GOTT and Amoco will enter into a cash deficiency and completion agreement with FERTRIN and Eximbank and the other lenders to the Plant whereby GOTT and Amoco will undertake, in proportion to their respective ownership interests in FERTRIN, to make up all cash deficiencies of FERTRIN required to complete the Plant and to cover all cash deficiencies in the operating costs of the Plant, including debt service to the lenders, until such debt has been paid in full. The undertaking of Amoco will be supported by a back-up undertaking of its parent company, Standard Oil Company of Indiana.

Nature and use of goods and services

The principal U.S. goods and services to be exported from the United States for use in the construction and operation of the Plant will be piping and valves, tankage, piling, insulation, a boiler, heat exchangers, pumps and compressors, condensers, seawater pumps, refrigeration equipment, a demineralization plant, switchgear, transformers, instruments and engineering, design and construction services. It is anticipated that a wide range of suppliers located throughout the U.S. will provide the U.S. goods and services. The estimated value by category of the U.S. goods and services is set forth in Annex I to this letter.

The Pullman-Kellogg Division of Pullman Incorporated, Houston, Texas, has been designated as the prime contractor for design, engineering and construction. Technical leadership of the Plant will be provided by Amoco during the design, construction and start-up phases and for the first ten years of operation under a proposed technical assistance agreement.

EXPLANATION OF EXIMBANK FINANCING

Export financing support

The Eximbank credit of $66,170,000 will facilitate the export of $155,700,000 of United States goods and services. Although FERTRIN has indicated its preference to effect its procurement in the U.S., it has also made clear that, if Eximbank financing is not available, procurement can be accomplished from foreign sources. Any foreign procurement would be supported by the official export credit agencies of the exporting countries.

Impact of imports on the U.S. economy

The anhydrous ammonia to be manufactured by the Plant will be exported for agricultural and industrial use throughout the world. Approximately one-half of the anhydrous ammonia from the Plant is expected to be marketed in the United States. In evaluating the impact of these imports on the U.S. domestic economy, Eximbank has addressed itself to whether the net economic benefit to the United States resulting from Eximbank's financing of U.S. goods and services for the Plant is positive or negative. The net economic benefit measures the benefits gained by the U.S. from the jobs supported by the sale of U.S. goods and services to the Plant as well as any benefits gained from importing into the U.S. some of the output of the Plant, as compared to the potential costs to the U.S. of such imports. The economic analysis made in response to this issue strongly supports Eximbank assistance for the Plant.

U.S. suppliers estimate that the exports, excluding already manufactured components, would support the employment of some 2,200 American workers. Annual shipments of spare parts of approximately $5 to $7 million would support another 50 jobs a year (or a total of 400 jobs for the eight year repayment period of the Eximbank credit). The total favorable job impact should therefore, reach approximately 2,600 jobs. Given the potential competition for this order from Europe and Japan, these jobs would very probably be lost to the U.S. if Eximbank financing support were not available.

The potential for adverse economic impact depends on the state of the world food and fertilizer markets in the mid and late 1980's when the Plant's output is expected to come on to the market. There currently is a substantial amount of excess ammonia capacity worldwide. Absent unusual incidents such as a drought, both the U.S. and world surpluses are projected to last into the early 1980's.

In times of a surplus, high cost producers are forced either to lose money or to shut down production. In this environment, producers who receive gas at a cost-of-extraction price have a decisive advantage. Only those U.S. producers who have long-term gas-purchase contracts entered into before 1970 have access to such low-priced gas. Other U.S. producers generally must pay approximately $2.00 per 1,000 cubic feet of gas (MCF). The Plant, however, will be able to purchase natural gas at a cost of $.25 per MCF and therefore be able to produce and sell ammonia in the U.S. at a price substantially less than that feasible for the U.S. producers. If there is still a surplus of ammonia during the peak years for the Plant (1985 to 1990), the product from the Plant probably would displace U.S. production. The present consensus forecast by experts in the field, however, calls for balanced markets by the mid-1980's; hence, there should be little or no adverse impact from the Plant. In such a situation, the net economic benefit to the U.S. would be a favorable job impact of over 2,000 jobs.

In addition, even if one assumes the worst situation, that is, the world surplus will continue throughout the 1980's and each imported ton of ammonia from the Plant will displace a ton of U.S.-produced ammonia, Eximbank's support will provide a net economic benefit to the U.S. of approximately 500 jobs. In the worst situation, the Plant would displace some 350,000 tons of U.S. ammonia production, or approximately 1.0 to 1.5% of expected U.S. ammonia capacity in the mid-1980's. This volume approximates the annual production of one 1,000 ton/day ammonia plant, which generally employs some 115 workers. As very few plants can profitably operate below 50 to 60% capacity, 350,000 tons of imports would probably put the workforce of slightly more than two plants out of work. Hence, the worst-case annual adverse employment impact is about 250 jobs. Using the projected production figures for 1981–89 and assuming a worst-case situation for each year, the total potential jobs displaced could come to some 2,100. As indicated below, however, even assuming the worst case, Eximbank's support produces a net economic benefit to the U.S. of approximately 500 jobs:

Jobs Supported

Year:	
1979	1,100
1980	1,100
1981	0
1982	50
1983	50
1984	50
1985	50
1986	50
1987	50
1988	50
1989	50
Total	2,600

Jobs supported

Year:	
1979	0
1980	0
1981	125
1982	225
1983	250
1984	250
1985	250
1986	250
1987	250
1988	250
1989	250
Total	2,100

If one assumes more likely conditions prevailing in the 1980's, Eximbank financing assistance supports over 2,000 U.S. jobs and offers the following other potential benefits for the United States:

The 350,000 tons of product imports would free 13.5 billion cubic feet of natural gas in the United States for higher priority uses. This volume of gas would heat a Northern city of 100,000 people through an entire winter.

Lower cost fertilizer enhances the price competitiveness of U.S. agricultural exports without impairing the financial health of America's farmers.

Lower cost food inputs could help alleviate some domestic inflationary pressures.

In sum, even in the worst-case situation Eximbank financing for the Plant should produce a net employment benefit to the U.S. Assuming a more realistic case, the employment benefits to the U.S. improve markedly. In addition, irrespective of the employment situation, Eximbank financing for the Plant offers other significant economic benefits to the U.S.

With or without Eximbank support and with or without U.S. procurement, FERTRIN is determined to construct the Plant. If Eximbank refuses to provide support for the U.S. goods and services, the Plant will be supplied by foreign exporters who will be supported by the official export credit agencies of the exporting countries.

The financing plan

Commercial banks are prepared to extend financing for this transaction without an Eximbank guarantee for a term not to exceed 7 years. In this transaction, there is a total term of approximately 11 years consisting of a three-year construction period and an eight-year repayment period. Thus, private financing is inadequate to meet the total financial requirements of the transaction and the Eximbank credit is necessary in order to generate sufficient financing for the U.S. exports.

The financing plan for the total U.S. goods and services of $155,700,000 is as follows:

	Percent of U.S. costs	Totals
Cash payment	15.0	$23,360,000
Eximbank credit	42.5	66,170,000
Private credits not guaranteed by Eximbank	42.5	66,170,000
Total	100.0	155,700,000

The Eximbank credit will bear interest at the rate of 8⅜%, payable semiannually. A commitment fee of ½ of 1% per annum will be charged on the undisbursed portion of the Eximbank credit. The financing will be repaid in 16 semiannual installments beginning January 5, 1982. The first eight installments will be applied to repayment of the private financing and the final eight installments to repayment of the Eximbank credit.

Sincerely,

JOHN L. MOORE, Jr.

ANNEX I

FERTRIN—ESTIMATED COSTS OF U.S. GOODS AND SERVICES

Estimated U.S. costs including contingency and escalation

Major items:	(*In millions*)
Piping and valves	$12.14
Tankage	3.43
Piling	2.65
Insulation	3.11
Boiler	2.18
Heat exchangers	9.65
Plate type (exchangers)	4.67
Pumps and compressors	3.89
Condensers	0.78
Seawater pumps	5.92
Refrigerator equipment	1.56
Demineralization plant	3.42
Switchgear and transformers	3.11
Instruments	3.58
Engineering and design	28.86
U.S. supervision and construction technicians	15.54
Other	51.21
Total	155.70

EXIMBANK FINANCIAL ASSISTANCE—SPAIN

Mr. PROXMIRE. Mr. President, I call to the attention of my colleagues a communication which I have received from the Export-Import Bank pursuant to section 2(b)(3)(iii) of the Export-Import Bank Act of 1945, as amended, notifying the Senate of a proposed direct loan in the amount of $8,000,000 and a financial guarantee of $9,000,000 to assist the export of nuclear fuel enrichment services required for reloads 1 and 2 of the Lemoniz I nuclear powerplant in Iberduero, Spain. Section 2(b)(3)(iii) of the act required the Bank to notify the Congress of proposed loans or financial guarantees involving nuclear exports, at least 25 days of continuous session of the Congress prior to taking final action on the proposal. Upon expiration of this period, the Bank may give final approval to the transaction unless the Congress adopts legislation to preclude such approval.

In this case, the Bank proposes to extend a direct loan in the amount of $8,000,000 and a financial guarantee in the amount of $9,000,000 for a total of $17,000,000, to assist in the purchase of U.S. services to be used for nuclear fuel enrichment in conjunction with the operation of the Lemoniz I nuclear powerplant in Spain. The proposed credit will cover 85 percent of the total cost of U.S. goods and services for the project. The loan will bear interest at 8 percent per annum, and be repaid in five semiannual installments.

Mr. President, I ask unanimous consent that the letter from Eximbank pertaining to this transaction be printed in the RECORD.

There being no objection, the letter was ordered to be printed in the RECORD, as follows:

EXPORT-IMPORT BANK
OF THE UNITED STATES,
Washington, D.C., August 15, 1978.

Hon. WALTER F. MONDALE,
President of the Senate, U.S. Capitol, Washington, D.C.

DEAR MR. PRESIDENT: Pursuant to Section 2(b)(3)(iii) of the Export-Import Act of 1945, as amended, Eximbank hereby submits a statement to the United States Senate with respect to the following transaction involving the export of U.S. services to Spain:

A. DESCRIPTION OF TRANSACTION

1. Purpose

On January 20, 1972, Eximbank authorized a direct credit of $143,614,000 to Iberduero, S.A. to facilitate Iberduero's purchase of goods and services from the United States for export to Spain for the construction and initial operations of Lemoniz I and II Nuclear Power Plants and the initial core fuel load located near Bilbao. On June 9, 1977, Eximbank also authorized a direct credit of $3,200,000 to Iberduero to facilitate financ-

ing the U.S. costs of fabrication services of nuclear fuel reloads for Iberduero's Lemoniz I Nuclear Power Plant (reloads one and two) and Lemoniz II Nuclear Power Plant (reload one). Iberduero has now requested and Eximbank is prepared to provide financial assistance of $17 million in the form of a credit of $8 million and a guarantee of private loans of $9 million for the purchase of nuclear fuel enrichment services required for reloads one and two of Lemoniz I Nuclear Power Plant.

Exports of the enrichment services will be made within the framework of the bilateral "Agreement on Atomic Energy: Cooperation for Civil Uses" between the United States and Spain, and the trilateral agreement among the U.S., Spain and the International Atomic Energy Agency, relating to application of IAEA Safeguards. Both of these Agreements became effective on June 28, 1974, following consideration by the Congress under the provisions of Section 123 of the Atomic Energy Act of 1954. Prior to export, licenses must be obtained from the Nuclear Regulatory Commission with respect to individual sales of the enrichment services.

The nuclear fuel enrichment will be provided by the Energy Research and Development Agency of the Department of Energy at ERDA's Oak Ridge, Tennessee, facility pursuant to a fixed commitment, long-term contract with DOE. Under the contract DOE is to provide enrichment services over the operating lifetime of the Lemoniz I Nuclear Power Plant. Since this nuclear power facility has suffered delay in completion. Iberduero would take delivery of the fuel reloads sometime before they are needed. However it is to Iberduero's advantage to take the enrichment services in accordance with the schedule of annual enrichment services in its contract with DOE in order to avoid very substantial cancellation penalties. Furthermore Iberduero will avoid an interruption of power generation by taking delivery of the reload fuel when available.

2. Executive branch approval

In accordance with established procedures, Eximbank requested through the Department of State the views of the Executive Branch on the proposed transaction. State's Bureau of Oceans and International Environmental and Scientific Affairs advised that the Executive Branch has no objection to Eximbank's proceeding with this transaction.

3. Identity of the borrower

Iberduero, S.A. was created in 1944 as a result of a merger of two electric utility companies. Headquartered in Bilbao, it is the largest electric utility and one of the largest privately owned industrial enterprises in Spain. The utility accounts for more than 20 percent of Spain's electricity sales.

B. EXPLANATION OF EXIMBANK FINANCING

1. Reasons

The Eximbank credit of $8 million and guarantee of $9 million will facilitate the export of $20 million of U.S. goods and services. Eximbank perceives no adverse impact on the U.S. economy from the export of these goods and services. This transaction will have a favorable impact on employment for United States workers, as well as on the United States balance of trade. The material to be exported is not in short supply in the United States.

2. The financing plan

The total cost of the United States goods and services to be purchased by Iberduero is $20 million which will be financed as follows:

	Amount	Percent of U.S. costs
Cash	$3,000,000	15
Eximbank credit	8,000,000	40
Private loans guaranteed by Eximbank	9,000,000	45
Total	20,000,000	100

(a) Eximbank charges

Disbursements under the Eximbank credit will bear interest at the rate of 8.0 percent per annum, payable semiannually. A commitment fee of .5 percent on the undisbursed portion of the Eximbank credit, a guarantee fee of .75 percent on the disbursed portion of the private loans guaranteed by Eximbank and a .125 percent guarantee commitment fee on the undisbursed portion of the private loans guaranteed by Eximbank will be charged, all fees payable semiannually.

(b) Repayment terms

The Eximbank credit and the private loan, which total $17 million, will be repaid by Iberduero in five semiannual installments on a pari passu basis.

Sincerely,

JOHN L. MOORE, Jr.

Mr. PROXMIRE. Mr. President, I yield the floor.

SPECIAL ORDER

The ACTING PRESIDENT pro tempore. Under the previous order, the Senator from Vermont (Mr. LEAHY) is recognized for not to exceed 15 minutes.

Mr. ROBERT C. BYRD. Mr. President, will the Senator yield to me for a unanimous-consent request?

Mr. LEAHY. I yield.

SUSAN B. ANTHONY DOLLAR COIN ACT OF 1978

Mr. ROBERT C. BYRD. Mr. President, I ask unanimous consent that the Senate proceed to the consideration of Calendar Order No. 1042.

The ACTING PRESIDENT pro tempore. The bill will be stated by title.

The assistant legislative clerk read as follows:

A bill (S. 3036) to amend the Coinage Act of 1965 to change the size, weight, and design of the one-dollar coin, and for other purposes,

The ACTING PRESIDENT pro tempore. Is there objection to the present consideration of the bill?

There being no objection, the Senate proceeded to consider the bill, which had been reported from the Committee on Banking, Housing, and Urban Affairs with amendments as follows:

On page 1, line 9, strike "8.5" and insert "8.1";

On page 1, line 10, strike "(a)";

On page 2, line 2, after "Anthony" insert a comma and "and shall bear on the other side a design which is emblematic of the symbolic eagle of Apollo 11 landing on the moon";

On page 2, beginning with line 5, strike through and including line 10;

So as to make the bill read:

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,

SECTION 1. This Act may be cited as the "Susan B. Anthony Dollar Coir Act of 1978".

SEC. 2. Section 101(c)(1) of the Coinage Act of 1965, as amended (31 U.S.C. 391(c)(1)), is amended by striking out "1.500" and inserting in lieu thereof "1.043" and by striking out "22.68" and inserting in lieu thereof "8.1".

SEC. 3. The one-dollar coin authorized by section 101(c) of the Coinage Act of 1965, as amended by section 2, shall bear on the obverse side the likeness of Susan B. Anthony, and shall bear on the other side a design which is emblematic of the symbolic eagle of Apollo 11 landing on the moon.

SEC. 4. Section 203 of the Act of December 31, 1970 (31 U.S.C. 324b), is amended by striking out "initially" and by inserting "(d)" after "section 101".

SEC. 5. Until January 1, 1979, the Secretary of the Treasury may continue to mint and issue one-dollar coins authorized under section 101(c)(1) of the Coinage Act of 1965, as such section was in effect immediately prior to the date of enactment of this Act.

● Mr. PROXMIRE. Mr. President, last week the Committee on Banking, Housing and Urban Affairs unanimously reported out the Susan B. Anthony Dollar Coin Act of 1978. This legislation is the result of a comprehensive review of our coinage system conducted during the previous administration by Research Triangle Institute. During the last days of the 94th Congress, former Secretary of the Treasury William E. Simon made a similar recommendation for a smaller dollar coin, based on the Institute's findings; however nothing was done by either branch of Government until early spring of this year.

S. 3036 is identical to the administration's draft legislative proposal submitted to the Congress with the exception of the design change, which I shall touch on shortly. First, attention should be paid to the bill's primary focus—namely the authorization of a newer, smaller dollar coin, one much smaller and lighter than the present one. Just as Ford Motors went back to the drawing board because of Edsel and subsequently developed the successful Mustang, the bill before us would permit the Treasury to take its "Edsel" off the market and come out with a better product for wider usage by the American public.

The present dollar coin has never had a significant role in our coinage system because of its cumbersome size and the ready availability of smaller substitutes. Since 1971, when the Treasury reissued the dollar coin into our coinage system after a production hiatus of approximately 35 years, public demand has averaged less than 1 percent of total coinage outflow. The basic rationale for a smaller, lighter coin is to increase the flexibility of consumer transactions and offer substantial cost savings to the U.S. Government. The current Eisenhower dollar coin costs about 8 cents each to produce by the U.S. Mint compared to the cost for the proposed Anthony coin which would be 3 cents each. This is a

savings of greater than 60 percent per coin compared to the existing coin. Based on the mint's current production volume of 90 million dollar coins annually, the Anthony coin would save $4.5 million per year. With increased production generated by successful circulation, the savings would multiply.

Finally, Mr. President, S. 3036 corrects a historical omission that is long overdue. For the first time in our history, the likeness of an American woman would be depicted on a U.S. circulating coin. All of our present coins now bear the likenesses of American Presidents; Eisenhower, dollar coin; Kennedy, half dollar; Washington, quarter; Roosevelt, dime, Jefferson, nickel; and Lincoln, penny.

The committee's decision to approve the Susan B. Anthony Dollar Coin Act is consistent with all similar legislation passed by the Congress during this century. What has changed in this instance is the tradition of a modern democracy honoring only its males on its circulating coinage. The administration's recommended return to the more traditional liberty head symbol because it could not decide on a suitable American woman to grace the coin is not only anachronistic but—in the committee's view—would shortchange more than one-half of the American electorate.

The Anthony Coin Act is supported by a coalition of major womens' organizations which, for the first time in my memory, endorse the same legislative issue wholeheartedly. I speak of the National Organization of Women, the League of Women Voters of the United States, and the Daughters of the American Revolution. Given the fact that the right to vote is the centerpiece of any democracy, and it was the 19th amendment to the U.S. Constitution (known as the Anthony amendment) which gave women that right, the committee concurred that the new coin should commemorate the American woman who made that right possible: namely, Susan B. Anthony.

Mr. President, I urge my colleagues to support this legislation.●

● Mr. WILLIAMS. Mr. President, I support S. 3036, the Susan B. Anthony Dollar Coin Act.

There are, of course, several important practical reasons for my support of S. 3036. The smaller, lighter coin which the bill calls for would be more convenient for consumers to use than the present dollar coin. Furthermore, if the Treasury Department projections are correct, the new coin will result in considerable production cost savings over both the present dollar coin and the dollar bill.

But beyond the convenience and cost factors involved, Mr. President, I strongly support the bill's commemoration of a great American woman, Susan B. Anthony's work for women's suffrage laid the foundation for passage of the 19th amendment to the Constitution. This was a necessary step toward the achievement of a society in which all Americans can join in the rights, as well as the responsibilities, of citizenship. Anthony's courage and perseverance on behalf of a just cause represent the best in our national character. Her impact on women's rights—and, in a larger sense, human rights—is still very much in evidence today.

Mr. Pesident, I urge my colleagues to give this bill their enthusiastic support.●

The amendments were agreed to.

The bill was ordered to be engrossed for a third reading, read the third time, and passed.

Mr. ROBERT C. BYRD. Mr. President, I move to reconsider the vote by which the bill was passed.

Mr. BAKER. Mr. President, I move to lay that motion on the table.

The motion to lay on the table was agreed to.

Mr. ROBERT C. BYRD. Mr. President, I ask unanimous consent to have printed in the RECORD an excerpt from the report (No. 95–1120), explaining the purposes of the measure.

There being no objection, the excerpt was ordered to be printed in the RECORD, as follows:

HISTORY OF THE LEGISLATION

S. 3036 to authorize a new dollar coin was introduced in the Senate on May 3, 1978, by Senator William Proxmire, chairman of the Committee on Banking, Housing and Urban Affairs, and cosponsored by Senators Williams, Cranston, McIntyre, Morgan, Riegle, and Lugar of the committee. With the exception of section 3 requiring the likeness of Susan B. Anthony to appear on the face of the new coin, S. 3036 is identical to the administration's legislative recommendation submitted to the Congress on April 17, 1978. The design proposed in the administration's draft bill called for a stylized liberty head on the face of the coin and a soaring eagle design on its reverse side.

A hearing was held on July 17, 1978, to receive testimony from Hon. Mary Rose Oakar, Patricia Schroeder, and Jim Leach of the U.S. House of Representatives; Ms. Stella B. Hackel, Director, Bureau of the Mint; and representatives of the banking, retail, and vending machine industries.

The committee met in open markup session on August 1, 1978, and unanimously approved S. 3036, with two amendments which are herewith reported.

NATURE AND PURPOSE OF THE LEGISLATION

S. 3036 authorizes the minting and issuance of a new circulating dollar coin which would be slightly larger than a quarter and approximately one-third the weight of our present dollar coin. The legislation would also, for the first time in our history, provide for the likeness of an American woman to appear on the face of the coin.

The committee unanimously agreed to an amendment by Senator Garn to continue the Apollo Eleven design on the reverse side of the coin. This design presently appears on the current dollar coin and is emblematic of the symbolic eagle of the Apollo Eleven landing on the moon. The committee also unanimously agreed to a technical amendment, recommended by the administration, to change the size of the new coin from 8.5 grams to 8.1 grams. This change is to accommodate some of the leading coin equipment manufacturers who advised the Secretary of the Treasury that a slightly lower weight coin would facilitate high-speed coin handling.

Mr. ROBERT C. BYRD. Mr. President, I thank the distinguished Senator from Vermont, and I ask unanimous consent that the time that has been utilized not be charged against him.

The ACTING PRESIDENT pro tempore. Without objection, it is so ordered.

Mr. LEAHY. I thank the majority leaders.

THE FINAL CHAPTER ON ERNEST FITZGERALD'S WHISTLEBLOWING

Mr. LEAHY. Mr. President, later this morning the Senate will consider the nomination and promotion of over a hundred military officers. I will be supporting all of those nominations because I believe that all of the candidates in whom I had an interest are qualified for their promotions.

As many of my colleagues know, I had opposed earlier consideration of one of these nominees, Gen. Hans Driessnack, because I felt that serious allegations remained unresolved regarding his possible role in a reprisal campaign against our Nation's most famous whistleblower, A. Ernest Fitzgerald. I am now prepared to let the nomination go forward because of two developments. First, I know of no concrete evidence which proves that this individual participated in activity to discredit or smear Mr. Fitzgerald. The case is over 10 years old, people's memories have faded, important principals in the case have died and, of course, the Air Force never kept a record of who was coordinating which aspects of the improper, if not illegal, anti-Fitzgerald activity which followed his disclosure of the C5–A cost overruns.

Second, I now believe that 10 years and four administrations after Fitzgerald's original C5–A testimony, we now have an administration prepared to come to Fitzgerald's assistance. I have received assurances from the White House that beginning immediately, the White House Personnel Office will meet with Mr. Fitzgerald in a sincere and sustained effort to find an appropriate position in the Government where his extensive and unique abilities can be effectively used.

This means that the final chapter on Ernest Fitzgerald's whistleblowing case may have been reached. Even after the Civil Service Commission ruled that Mr. Fitzgerald had been removed improperly from his position and forced the Air Force to reinstate him, Fitzgerald never received assignments commenserate with his ability. I now believe, based on the commitment of the Carter administration to find an appropriate position for Fitzgerald, that he will secure a challenging job which will call for his special talents for protecting against the wasteful expenditure of tax dollars.

It is time for Mr. Fitzgerald to get on with his career I believe that the Carter administration is committed to see that happen. I would also like to point out that this is the fourth administration, two Democratic and two Republican, to be involved in the Fitzgerald case. This is, however, the first administration which has finally taken the action to restore justice and equity and to redress

the mistreatment Fitzgerald has received from the Federal Government.

President Carter should be commended for recognizing that the rights and needs of a single Federal employee deserve strong support and protection. There has been some criticism expressed that the President's comprehensive Civil Service Reform Act which is currently pending before the Congress is an "anti-employee" package. This is not true. The decision to search for a useful job for Mr. Fitzgerald is indicative of this administration's very sincere, very real commitment to all competent, hard-working, dedicated Federal employees.

I share in President Carter's goal of an effective and efficient Federal bureaucracy. Passage of the President's civil service reform proposal is a critical step toward achieving that goal. Finding Mr. Fitzgerald a position commensurate with his abilities is another.

Justice has been a long time coming for Ernest Fitzgerald. It has been nearly a decade since he last held an important job. His legal fees to defend against the Government's improper attempt—I emphasize that, Mr. President, the Government's improper attempt—to fire and discredit him are approaching $500,000. And although I believe that the attention he will now receive from the White House is something he deserved 10 years ago, I am pleased to see that it has finally come.

I would also like to speak for a moment about other whistleblowers in the Federal Government and about those who take reprisal actions against them. Just as I felt it was absolutely necessary to withhold consideration of one of the nominations we will vote on today because of "whistleblower" overtones, so shall I continue to act in the future. Federal employees should know that if they are subjected to reprisals or harassment for coming forward and disclosing acts of governmental waste, mismanagement, corruption or abuse, they can count on my support. And to any Federal employee—civilian, military, executive appointee, or whomever—who takes part in a reprisal or harassment campaign against a whistleblower, I have a message for you, too. I will use whatever means are at my disposal to insure that no one who acts against a whistleblower benefits from such action. I will still be interested long after the original publicity of a whistleblowing event has faded from the public's limelight.

For too long, one of the most serious problems confronting a whistleblower was the reprisal which waited many months or years down the road. When it finally came, there was no one there to help the Federal employee. The press, the Congress, and the public had all moved on to other issues and other stories. No one was interested in putting the time or trouble into protecting the employee who was finally hearing "the other shoe" fall. Well, I do intend to be here and I do intend to help.

Just as some Federal employees have made life difficult for whistleblowers, I will make life difficult for those who take illegal or improper action against an employee who has exposed improper governmental actions. The difference will be that my action will be public, it will be loud, it will be legal, and it will be proper and, I hope, it will be effective.

A. Ernest Fitzgerald will get a new job. Those who were responsible for coordinating the reprisal action against him will probably go unpunished. But I promise Mr. Fitzgerald and I promise all other Federal employees that those responsible for reprisals will not be forgotten and that they will have to contend with one angry, albeit junior, U.S. Senator if they or anyone else takes similar action in the future.

Mr. President, I yield back the remainder of my time. I yield to the majority leader.

EXECUTIVE SESSION

Mr. ROBERT C. BYRD. Mr. President, I thank the distinguished Senator.

I believe the Executive Calendar is now clear. The hold on my side of the aisle on one of the nominees has been lifted. I ask unanimous consent that the Senate proceed to the consideration in executive session of nominations beginning with U.S. Air Force and going through page 12.

Mr. BAKER. Mr. President, reserving the right to object—and I will not object—the items identified by the majority leader are cleared on our Executive Calendar, which include those nominations for the Air Force, the Army, the Navy, and one nomination for the Department of Justice, which are all of the nominations from page 2 through page 12 of the Executive Calendar, and we have no objection to proceeding to their considerations and their confirmation.

U.S. AIR FORCE

The assistant legislative clerk proceeded to read sundry nominations in the U.S. Air Force.

Mr. ROBERT C. BYRD. Mr. President, I ask unanimous consent that the nominations be considered and confirmed en bloc.

The PRESIDING OFFICER (Mr. LEAHY). Without objection, the nominations are considered and confirmed en bloc.

NOMINATION OF GEN. WINFIELD SCOTT, JR.

Mr. STEVENS. Mr. President, as in executive session, one of the nominations that the Senate has considered today is that of Maj. Gen. Winfield Scott, Jr., USAF to become Lieutenant General.

General Scott is the new commander of the Alaskan Air Command and I support the confirmation of his nomination. At this time I would like to have printed in the RECORD correspondence with the Department of Defense on this matter.

I am most pleased to thank the distinguished Secretary of Defense and his deputy for carrying out the commitment that was made to Alaska that the commander of the Alaska Air Command will, in fact, be a three-star general.

I ask unanimous consent that the two letters be printed in the RECORD at the conclusion of my remarks.

There being no objection, the letters were ordered to be printed in the RECORD, as follows:

THE SECRETARY OF DEFENSE,
Washington, D.C., January 5, 1978.

Hon. TED STEVENS,
U.S. Senate,
Washington, D.C.

DEAR SENATOR STEVENS: Thank you for your letter of November 22, 1977, concerning the Alaskan Air Command reorganization.

The reorganization referred to in your letter consists of a realignment of certain functions and personnel from the Headquarters to the 21st Composite Wing. Concurrently, the 21st Composite Wing will assume management responsibilities for 13 Airborne Control and Warning Squadrons. Both the Alaskan Air Command and the 21st Composite Wing will continue to be headquartered at Elmendorf Air Force Base. This reorganization will not result in a reduction of the total number of United States Air Force military or civilian personnel authorizations in Alaska or at Elemendorf Air Force Base.

I wish to assure you that the reorganization will not in any way diminish the authority of the Alaskan Air Command. Lieutenant General Boswell will continue as Commander and current plans are for his eventual replacement to also be a Three Star General.

I trust this information will provide you with the reassurance you have requested. Should you desire more information, please let me know.

Sincerely,

C. W. DUNCAN, Jr.,
Deputy.

NOVEMBER 22, 1977.

Hon. HAROLD BROWN,
Secretary of Defense, U.S. Department of Defense, Washington, D.C.

DEAR MR. SECRETARY: As you may know, I requested a United States Air Force briefing on the reorganization of the Alaskan Air Command. Attending the meeting in my Washington, D.C. office were the head of the Alaskan Air Command, Lt. General Marion Boswell; the Deputy Director of Air Force Legislative Liaison, Brigadier General William Mullins; and the Chief of Air Force Senate Liaison, Colonel Eugene Poe.

As outlined to me during the briefing, the reorganization of the Alaskan Air Command consists of a restructuring of the Headquarters into a strictly managerial organization with its support personnel being reassigned to the 21st Composite Wing. Additionally, both of these units will continue to be headquartered at Elmendorf Air Force Base, Alaska, under the command of Lt. General Boswell. I was also told that General Boswell's eventual replacement would also be a Three Star General.

I have also been assured that these changes will not diminish the authority of the Alaskan Air Command. Nor will these actions result in reduction of the total number of United States Air Force military or civilian personnel in Alaska. It is my understanding that Alaskan Air Command officials believe that the reorganization of the 21st Composite Wing can be accomplished by the reassignment of the Headquarters' support personnel. I was also reassured that this reorganization will serve to enhance the management posture of the Alaskan Air Command.

I was reassured that those stars would stay there when the Alaska Command was disestablished. Without 3 stars, the contingency plans are meaningless.

Based on these assurances from the Air Force, I have not opposed the reorganization. However, during the briefing, I stressed the importance of the Alaskan Air Command to my State and my strong objection to any attempts to curtail its authority. Our strategic location demands an effective air defense force.

Please let me know if my understanding of this reorganization is accurate. I look forward to hearing from you on this important matter. Thank you for your assistance.

With best wishes,

Cordially,

TED STEVENS,
U.S. Senator.

U.S. ARMY

The assistant legislative clerk proceeded to read sundry nominations in the U.S. Army.

Mr. ROBERT C. BYRD. Mr. President, I ask unanimous consent that the nominations be considered and confirmed en bloc.

The PRESIDING OFFICER. Without objection, the nominations are considered and confirmed en bloc.

U.S. NAVY

The assistant legislative clerk proceeded to read sundry nominations in the U.S. Navy.

Mr. ROBERT C. BYRD. Mr. President, I ask unanimous consent that the nominations be considered and confirmed en bloc.

The PRESIDING OFFICER. Without objection, the nominations are considered and confirmed en bloc.

DEPARTMENT OF JUSTICE

The assistant legislative clerk read the nomination of William E. Pitt, of Utah, to be U.S. marshal for the district of Utah for the term of 4 years.

The PRESIDING OFFICER. Without objection, the nomination is considered and confirmed.

Mr. ROBERT C. BYRD. Mr. President, I ask unanimous consent that it be in order to move en bloc to reconsider the vote by which all the nominations were confirmed.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. ROBERT C. BYRD. I make that motion.

Mr. BAKER. Mr. President, I move to lay that motion on the table.

The motion to lay on the table was agreed to.

Mr. ROBERT C. BYRD. Mr. President, I ask that the President be immediately notified of the confirmation of the nominees.

The PRESIDING OFFICER. Without objection, it is so ordered.

LEGISLATIVE SESSION

Mr. ROBERT C. BYRD. Mr. President, I ask unanimous consent that the Senate return to legislative session.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. ROBERT C. BYRD. Mr. President, is the Senate still in the period for the transaction of routine morning business?

The PRESIDING OFFICER. Yes, the Senate is.

Mr. ROBERT C. BYRD. I thank the Chair, and I yield the floor.

S. 3441—INDEPENDENT LOCAL NEWSPAPER ACT OF 1978

Mr. MORGAN. Mr. President, I desire to introduce a bill.

The PRESIDING OFFICER. The bill will be received and appropriately referred.

Mr. MORGAN. Mr. President, I am pleased today to be introducing the "Independent Local Newspaper Act of 1978," a proposal which I believe will go a long way toward assisting in the preservation of independent newspapers in this country. This will be accomplished by providing tax relief to certain newspapers and thereby an incentive for independent, local newspapers to remain community papers.

Congressman MORRIS UDALL has introduced and hearings have been held on a companion bill in the House of Representatives. Some 75 cosponsors have joined Congressman UDALL and they represent every area of the country and every political persuasion. It is a good bill and has attracted much support among Members of the House and from the newspaper community. It is a bill which has been subjected to review and adapted to meet criticisms. It is a bill which can assist independent papers.

Let me say a few words about the reasons this bill is needed and about the mechanics of the proposal.

A few years ago, newspapers were considered primarily as a community service. Now, as we all know, there is money to be made in newspapers and much emphasis is being placed on the business end of the enterprise. The "chain" approach to ownership, where one newspaper buys out another and eventually a string is owned and controlled by one person or one company has been around for some time. It is only in recent years that the impact of newspaper acquisitions come to our attention. Today, there are about 1,775 daily newspapers in this country.

Only 650—I repeat, 650—are independent locally owned. The rest of the papers are parts of chains.

With 72 percent of all daily circulation and 78 percent of all Sunday circulation controlled by chain-owned papers, the chances are very good that when you pick up a newspaper in my own State, in the city of Wilmington, N.C., or Hendersonville, N.C., or Lexington, N.C., there is a good chance that there will be quite a bit of news and editorial comment from New York City or the New York City area. The reason is simple. The New York Times owns all of these papers, plus others.

Now, I am not suggesting that there is anything sinister in the works and I am cognizant that the chain newspapers, by pooling resources, are able to provide some valuable services. Many small local papers are not up to snuff and are not a pride to the industry. There is something to be considered, however, in the concentration of the printed media that we are witnessing today.

In the last few years, newspaper acquisitions have averaged 40 or 50 a year. With this type of trend, in about 10 years, we could be facing a situation where 15 or 20 chains control most of the newspaper circulation in this country.

Mr. President, for myself, and I believe that others share my concern, I am afraid of what can happen. We must maintain a free and independent press in this country. Of all the industries and businesses in this country, only one is mentioned by name in the Constitution—the press. It is the right to a free press which I believe can quickly become threatened by corporate acquisition and concentration.

The ability of a local editor to express his anger or pride, free from any publisher, whether he be right or wrong from our perspective is a precious thing indeed. The political process which we enjoy in this country is very much founded on the freedom of the press to disagree, to debate and to take different sides on an issue. The public must be informed and to my mind the newspapers of the United States have done an admirable job in providing information and generating opinion. There must also be freedom of information, a freedom from concentrated editorial supervision and from a controlled press.

I do not want to go on too long with my reasons for desiring a preservation of a free and American press, which is not dominated by domestic chains or foreign investments. I do want to note that one reason that so many papers have been sold to chains and transferred from community control to editors from other cities or other States is our current estate tax laws.

At present, one of the major problems for independent papers which are run by one individual or by a small group of individuals is the payment of estate taxes. Simply put, when someone dies owning a share in a newspaper, that interest must be valued by the Internal Revenue Service. At present most newspapers calculate their worth at 15 times their yearly income. If a paper brings in $500,000 a year, then it should be worth $7.5 million.

The problem has been that with chains willing to pay 40 or 50 or even 60 times yearly earnings for a paper, the IRS has been valuing newspapers at a level which prohibits the payment of estate taxes. The result is that when an owner dies, or before his death, there is every incentive to sell the paper, make a profit and put his estate in order. The result has been a dramatic reduction in the number of independent newspapers.

What I am proposing today is a tax measure to assist—and I repeat, assist—independent newspapers in remaining independent. There is no cure-all in this proposal and since it is voluntary there is no guarantee that every independent paper will take advantage of this new tax mechanism.

The "Independent Local Newspaper Act of 1978" would allow independent newspapers to establish a trust for the payment of their estate taxes. A newspaper could establish a trust into which 50 percent of the paper's income could be placed annually, for the sole purpose of paying estate taxes which accrue on the

transfer on death of the newspaper owner. There is no reduction in the estate tax burden under this bill.

Independent newspapers are defined as publications which are not part of a chain and which have all of their publishing offices in a single city, community or metropolitan area, or as of October 31, 1977, had all its publishing offices within one State. The exception representing an in-State chain in operation before October 31, 1977, a classification which represents some 178 papers or 10 percent of all the dailies in the United States. No stock may be traded on the securities market for a paper to qualify.

The bill is divided into two parts. The first permits the creation of a trust by an independent paper for the purpose of paying the estate tax attributable to the owner's interest in the business. The trust must have an independent trustee and be invested only in U.S. obligations. The value of the trust cannot exceed 70 percent of the value of the owner's interest in the business. The newspaper income diverted to the trust is deductible from income of the paper and the owner—a form of relaxation on the double taxation on corporation dividends that we now have. On death the trust is excluded from the gross estate of the owner. Deductions for transfers from the business to the trust are limited to 50 percent of the business profits.

The second part of the bill provides for a deferral of the estate tax liability, if elected by the heir, to pay for tax liability not covered by the trust. Interest would be charged on the tax liability, while the coverage of section 6166 of the current code would be extended to cover estates which involve newspaper trusts.

I would like to briefly address some of the potential criticisms of this bill. I feel that this may assist in our consideration of this measure.

It is true that there are certain departures from existing laws and certain innovative provisions in this bill. This I do not deny. There is some deal of complexity represented by the independent newspaper bill and there is always resistance to newness, but I personally feel that this bill is needed and that it should be favorably considered by the Senate. While tax consequence may be difficult to calculate, I think it is a fairly simple matter to understand this bill—it sets forth the option for local newspaper to set up trust to prepay their estate taxes.

Next, I have heard it said that there are some benefits here that are extraordinary and create too great an inequality in the law. I think on reflection that this is not the case. There are certainly benefits to this proposal. Deducting 50 percent of income derived from a newspaper business is a definite attraction, just as I hope it will be. There must be some incentive to divert 50 percent of your income to a trust in order to pay estate taxes and I believe that the deduction is warranted.

There is also a penalty in the bill to deter abuse. The newspapers do deserve some special attention. I am afraid that those who may cry special interest legislation may be rudely awakened one day if they find that we have no independent press in which they may place their charges. Yes, there is some special attention for newspapers here and our Constitution approves just such attention for the press.

There may be concern that the heir is receiving a benefit that normally would be treated as income; that is, the discharge of an obligation to the Internal Revenue Service. Again, I plead guilty and I remain convinced that this is mandated by conditions that exist today.

If there is concern that a trust can be set up by any paper which meets the test of "independent local newspaper" and that some of the largest daily papers in this country will be allowed to establish a trust, then I believe that the focus is being drawn away from the key issue—maintaining some degree of independence among the press. In addition, while revenue loss is difficult to calculate, a rough estimate which I have received is that we are talking about some $10 million a year. This is just a preliminary figure and I am naturally concerned about any revenue loss, but in this case, I feel that it is in line with my basic views on fiscal conservatism to advocate this optional tax relief for local papers.

Finally, some have suggested that eventually every business interest would seek an option of prepaying taxes and because of this we should give careful review to comprehensive reform. My answer is simply this. The press stands alone in both the history and in the laws and in the fabric of this Nation. This tax relief is limited to this special institution and we should not be afraid to protect it. I would favor a comprehensive review but that should not prevent the enactment of this bill into law.

Let me say, Mr. President, that the need for this legislation is pressing. Newspaper acquisitions are continuing and I ask unanimous consent to have printed in the RECORD an article from last year which appeared in U.S. News & World Report, for the review of the Senators of the concentration in the newspaper business. I could go on detailing my concerns and explaining the technicalities of this bill, but I want to cut this short and allow the Senators to review the bill, to study its provisions, and consider the policy that it embraces. In the legislative session, I recognize that time is short; I am confident that many community-based, independent newspapers feel the very same way. I am confident that this bill can be taken up this session and enacted into law and I thank the Senate for considering it at this late date.

There being no objection, the article was ordered to be printed in the RECORD, as follows:

[From U.S. News & World Report, Aug. 15, 1978]

AMERICA'S PRESS TOO MUCH POWER FOR TOO FEW?

Far-reaching changes are under way in America's once-unchallenged empires of the printed word—newspapers, magazines and books—as they seek their niche in the electronic age.

Great and venerable publishing houses are under pressures of many kinds to give up their independence and join chains or conglomerates for a safer existence alongside goods and services ranging from rental cars to rugs.

Inroads are becoming apparent in quality, too.

Many publishers, in trying to keep up with changes in reader tastes and interests, are turning more to gossip, shock and scandal—often at the expense of solid information.

There is growing concern that the publishing business, long considered essential to an informed citizenry, is losing its diversity and that growth of corporate empires in publishing is making "the bottom line" of profit margins the supreme factor in the industry—to the detriment of excellence and responsibility to the public.

What will happen ultimately to the quality of opinion and factual information reaching American readers cannot yet be foretold. This, however, is becoming clear:

Chains, whose holdings are rooted in one field of publishing, and conglomerates, whose business interests run the industrial gamut, will continue to grow. A broker specializing in newspaper stocks says: "Further concentration of ownership is inevitable. The trend in the communications business is no different than in any other."

The wave of publishing acquisitions, which began in the early 1960s, continues with such instances as these:

CBS, Inc., recently added a second paperback-publishing house—Fawcett—to its TV, magazine and book-publishing enterprises.

Time, Inc., publisher of magazines and books, and owner of a TV station, a TV production company, a film-distribution and production company and a cable-television system, has announced it is buying the Book-of-the-Month Club.

Capital Cities Communications, Inc., which owns newspapers, television stations and specialty newspapers such as Women's Wear Daily, added the Kansas City Star and Morning Times to its holdings.

The tens of millions paid for these and other publishing properties generate optimism about the economic future of the print media. That, however, is tempered by concern about the social consequences of such transactions.

Says James Hoge, editor-in-chief of the Chicago Sun-Times and the Chicago Daily News: "All the good will in the world by conglomerates who say they will establish op-ed pages (pages of diverse opinions opposite the editorial page), and run a lot of letters to the editor is just not the same as a number of different voices owned by different groups."

Some students of U.S. publishing fear that the day will come when a few giant corporations dominate the printed word—much as the three major networks reign over TV.

Already some newspaper chains have begun to absorb others, and papers like the New York Times and the Washington Post, both part of communications conglomerates, are exercising tremendous influence on the news judgment of editors everywhere. This, in turn, shapes public opinion around the nation. The influence of the Times and Post is multiplied by their supplementary news services, which many papers use.

These developments, say some critics, could degenerate eventually into Orwellian control by a handful of powerful magnates over what Americans read and think.

Against that frightening conjecture stand other factors.

Corporations in print communications don't want to risk Government intervention—and the merger trend has already attracted the attention of some in Congress. Representative Morris Udall (Dem.), of Arizona, wants to include book and newspaper publishing in a proposed study of industrial concentration by a blue-ribbon commission.

An even more significant factor is working

against the specter of media magnates exercising almost absolute control over information: Publishing corporations are less interested in political power than in profits.

As some students of America's media see things, however, it is precisely this emphasis on the bottom line that should be of greatest concern because it can lead to putting profits ahead of both quality and public service.

George Gerbner, dean of the Annenberg School of Communications at the University of Pennsylvania, notes: "There is a more rigorously market-oriented editorial climate today than in the past. The concern with sales used to be tempered by a personal commitment by an independent owner to what he wanted to say or do with the publication."

That commitment, he says, now is less and less in evidence.

Even among persons involved in conglomerates, a few are uneasy about the trend. One is Arthur Ochs Sulzberger, chairman and president of the New York Times Company.

Sulzberger feels that purchase by the Times can improve the quality of a newspaper, but he adds: "I like little, independent papers. I think it's a strength of America. . . . If somebody were to blow the whistle on newspaper acquisitions and say that it's going to be the rules of the game, I'm going to keep the New York Times in the newspaper-acquisition business."

Most people in the chain and conglomerate businesses express no such qualms. They feel that their growth is a good—and necessary—development. John R. Purcell, president of the CBS/Publishing Group and formerly a top executive in the Gannett newspaper chain, says: "Fragmentation of the media plays into the hands of big government. As long as there is a centralized big government, there is a need for a powerful and financially able free press."

But Washington Post media critic Charles Seib takes a different point of view. In a recent column, he asked this question: "Just how firmly can the executives of the communications empires exert control over the news and editorial product before the concept of a free press, as it was understood by the writers of the First Amendment, disappears?"

NEWSPAPERS: PROFITS—AND QUALITY, TOO?

Chains and conglomerates are the most powerful forces in the newspaper business.

Some chains are improving the quality of the papers they buy—adding staff and additional news services. Knight-Ridder, for example, has turned the Philadelphia Inquirer into one of the nation's well-rated newspapers. And some of the foremost newspapers in the country—the New York Times, the Washington Post, and the Los Angeles Times—are flagships of communications conglomerates.

But the high quality these newspapers achieve is rooted largely in family tradition—in some cases going back almost a century. And critics fret that chains and conglomerates lacking such a tradition can homogenize a product to the point of removing it from local concerns and controls.

These worries center mostly on the daily newspapers—the segment of the publishing industry most directly affected by the enormous growth of audience and revenues for television, the twentieth-century "wonder child."

Between 1973 and 1976, weekday circulation for dailies fell from 63.1 to 60.9 million, through a slight rise is now visible. A survey by the University of Chicago's national opinion research center shows a 7 per cent dip since 1972 in the number of people who say they read a paper daily.

Most editors see TV as the primary cause of the circulation dip. But Leo Bogart, executive vice president and general manager of the Newspaper Advertising Bureau, believes that the key reasons lie elsewhere—the changing composition of central cities, an upheaval in the mores of youth, and suburbanization. The fact that suburban dailes and weeklies are doing well while many urban dailies struggle for readership lends some credence to Bogart's argument.

New approaches. Against that broad background of U.S. social change, newspaper editors and publishers are looking for new formulas to counteract declining circulation. The readership problem is particularly acute among young adults who were raised on TV. They are reading magazines and books in larger numbers than their share of the population, but not newspapers.

To reach nonreaders, editors are consciously moving toward more entertainment—human-interest stories, gossip and even "soap opera" fiction. There's also a trend toward more service features, such as consumer tips and advice on taxes and investments. These changes are often made at the expense of national and international news that many newspapers now regulate—except for a few of the most important stories—to two or three-paragraph summaries.

In seeking readers who are absorbed in their inner selves rather than in the life of the external community, newspapers are also adding features dealing with such topics as psychology, self-improvement and dream analysis.

Many papers are segmenting their audiences with zoned editions aimed especially at covering suburban news once seldom found in a metropolitan daily.

More capital is going into making newspapers visually attractive to a generation used to television's imagery. Says Chicago Tribune Editor Clayton Kirkpatrick: "A newspaper to be successful must be dedicated to . . . not only print content, but graphics as well." Publisher Otis Chandler of the Los Angeles Times and Executive Editor Benjamin Bradlee of the Washington Post see their newspapers becoming more like newsmagazines, offering depth and variety in a visually attractive package.

The 10 biggest chains in the newspaper business

Of 1,762 daily newspapers in the U.S., 1,047 are part of group-ownership arrangements. Here are the 10 largest newspaper chains, ranked by circulation.

Group	Number of papers	Circulation [1]
Knight-Ridder Newspapers, Miami	32	3,598,562
Newhouse Newspapers, New York City	29	3,300,757
Tribune Co., Chicago	8	[2] 3,099,120
Gannett Newspapers, Rochester	73	2,850,000
Scripps-Howard Newspapers, Cincinnati	17	1,911,791
Dow Jones & Co., New York City	14	1,856,667
Times Mirror Co., Los Angeles	4	1,767,798
Hearst Newspapers, New York City	8	1,503,000
Cox Newspapers, Atlanta	14	1,201,370
New York Times Co., New York City	10	1,040,198
Total		22,129,263

[1] Daily except Sunday; latest available figures supplied by companies.

[2] Editor and Publisher, July 1977.

NOTE.—With a total circulation exceeding 22 million, these 10 chains comprise more than one-third of total daily newspaper circulation in the U.S.

The New York Times, whose daily circulation fell from 884,000 to 828,000 between 1970 and 1975, is publishing three magazine-style sections—Weekend, Living and Home—in a drive to increase weekday circulation and advertising. Circulation has risen to about 866,000.

Some critics contend these sections diminish the quality of Times news coverage, but Executive Editor A. M. Rosenthal says the space given to coverage of news events has increased by 7.5 per cent since the "new" New York Times was launched. He insists that "we have added tomatoes to the Times's soup" though, he says, many other papers are adding water to their soup, diluting its quality.

The current leader of the trend away from conventional coverage of the news is Rupert Murdoch, the Australian publisher who purchased the New York Post several months ago and is busily converting it into an American version of his successful papers in Australia and Britain, which offer a racy melange of some "hard news"—and lots of shock, gossip, human-interest features and sex.

Murdoch has gone further than most, but he is not alone. Many papers have instituted "people" columns containing gossipy tidbits about the famous and not-so-famous. Some journalists are writing more intimately about the private lives of public figures, in what some critics see as journalistic voyeurism. The Washington Star prominently features a gossip column that is the first thing many readers in the nation's capital turn to.

Wrong direction? Such moves are generating worry within the profession and on the outside. Erwin Knoll, a former reporter and now editor of the Progressive, a political magazine, warns: "If newspapers keep on the current track, they risk self-destructing as useful vehicles of information and analysis. What they're doing to hold on to readers is trivialize the news." Contrarily, George Reedy, Nieman professor of journalism at Marquette University and press secretary to President Lyndon Johnson, says: "The purpose of papers is to carry on a dialogue, not to perform an educational function. Too many in the press forget that."

Whatever judgment is passed on newspaper trends, they are paying off—circulation problems notwithstanding.

Chains and conglomerates whose stock is publicly traded averaged after-tax profits of 10 per cent last year, a figure many industries would envy. And increasingly these groups, along with a few privately owned publishing houses, are dominating the newspaper industry.

In 1960, chains and conglomerates controlled 30 per cent of the nation's newspapers and had 46 per cent of its newspaper readership. Today they own 59 per cent of the newspapers, accounting for 71 per cent of readership.

Furthermore, about 97 per cent of the 1,544 cities in which dailies are printed are one-owner towns—and critics make the point that a monopoly publisher can put out an inferior product if so inclined. Murdoch, who is branching out with his own U.S. print conglomerate built around the Post and New York magazine, describes a newspaper monopoly as "a license to steal money forever."

Many owners of newspaper monopolies also own local TV stations, but a recent court ruling—being appealed to the Supreme Court—could force them to divest themselves of their television stations.

The pressure on independent owners to sell to chains can be unrelenting. Barry Bingham, Jr., editor and publisher of the family-owned Louisville papers, says he is contacted so often by would-be buyers that his secretary made up a stamp that says "Nothing for sale" for response to such inquiries.

But independent owners like the Binghams are a vanishing breed. In many family-owned newspapers, the younger generation is uninterested in the paper, so the owner sells to a chain. Or he sells because he lacks

the capital for computerization and other new technology to slash production costs. Encouragement to sell also comes from tax laws that allow the new owner to depreciate the plant and equipment from scratch, while also allowing the seller to avoid the problem of estate taxes that might force his heirs to sell anyway.

Unwittingly, Congress may have made it even more difficult to maintain family-owned businesses in passing the Tax Reform Act of 1976. Or so says Bingham, who adds: It means that family businesses will have to go public because there is no way to turn them over. If the person who owns the controlling interest dies, you have to scrape together a fantastic amount of money to pay the taxes."

Going public. Some publishers are getting more capital by selling stock publicly. This, some fear, will make them more vulnerable to "bottom line" pressure in order to pay the dividends that stockholders look for.

New York Times President Sulzberger, however, insists that a family can control a newspaper if it wants to, even though the stock is publicly traded. The Times keeps a majority of voting stock in family hands; publicly traded nonvoting stock can be sold by heirs to pay estates taxes and still keep control of the Times in the family.

Publishers like Sulzberger and Bingham feel that maintaining family control is the best way to make sure that quality does not become secondary to profits. Bingham says that if a chain took over his papers, which have an after-tax profit of only 3 per cent, it would likely turn first to the newsroom as a place to cut costs—hurting the quality.

John Seigenthaler, publisher of the independently owned Nashville Tennessean, stated the problem of publicly owned stock recently: "Does anybody think that our industry won't ultimately suffer setbacks which will require cutbacks, and won't stockholders insist on cutbacks in non-income-producing areas, which means news and editorial expenditures?"

Opinions differ on the magnitude of a more subtle problem—maintaining local editorial control in a newspaper belonging to a chain or conglomerate.

While the best chains do not dictate editorial policy, some critics insist that local executives are under subtle pressure to conform to what top management expects. Against that view, heads of chains say that only weak editors operate that way. Yet they acknowledge that a desire to please the boss can make a newspaper unduly bland and cautious. And homogenization, some admit, can creep in simply because of the tendency in a large corporation to try in one operation what has worked in another.

Says Sidney Gruson, executive vice president in charge of affiliated companies of the New York Times Company: "I think there is a tendency to sameness of coverage by people in a newspaper chain." Disagreeing, Allen H. Neuharth, president and chief executive of the Gannett chain, states that "a paper must be tailored to fit its community." But he concedes that a chain-owned newspaper can lose touch with its community if publishers are shuttled in and out. He adds: "I happen to think publishers and editors who move are the ones who do a good job. I would rather have a good person in a community for three years than a hack for 30."

MAGAZINES: THE SPECIALIZATION GAME

Trivia, gossip, sex and leisure currently make up the "hot" subjects for today's magazines—and many are including material that would have shocked the sensibilities of average readers a few years ago.

Such publications as *People* and sex-oriented *Hustler* have grown at a spectacular rate. In just a few years the circulation of *People*, which is long on photos of celebrities and short on text, has exceeded the 2-million mark and continues to climb. That success story has prompted the New York Times company to launch an imitation, *US*. Explained Gruson: "The magazine was conceived by the head of our magazine division as appealing to the TV generation."

Looking at it more bluntly, Editor Robert Stein of *McCall's*, says that such magazines reflect what television has done to people's attention spans and reading habits.

The example of *People* is only one measure of the magazine industry's flourishing state, over all.

Between 1950 and 1976, circulation of major magazines jumped from 147.3 million to almost 255 million. Between 1975 and 1976, their advertising pages, increased 17 per cent. Last year alone, 336 new magazines were started, according to *Folio*, the industry's magazine.

Not all is rosy. Lewis H. Lapham, editor of *Harper's* magazine, says: "It is hard to get people to read a general magazine and to a lot of people, especially the affluent, that is threatening." *Harper's*, along with some other serious journals, has experienced a circulation decline in recent years.

Many magazines, however, think they have found the magic formula for success. While newspapers continue to strive to reach audiences with a wide range of interests, magazines are aiming increasingly at specialized audiences. Whether a person is a devotee of golf, tennis, UFO's, psychology or CB's, there is something for him—or her—on the magazine rack.

General-interest and mass-circulation magazines like *Collier's* and *Look*, to take just two examples, are defunct—items of nostalgia from a time when magazines had huge audiences across the nation almost to themselves. Now TV has assumed that role, and magazines are tending to narrow, not enlarge, their focus.

While magazines are going in diverse directions to find their own audiences, all are waging a vigorous fight against a common problem: soaring costs of production.

Postal rates have skyrocketed in recent years. Paper costs are way up, too. In that cost squeeze, magazine publishers increasingly are turning to their readers to foot a growing share of the burden. According to the Magazine Publishers Association, only 30 per cent of magazine revenue came from circulation in 1966. Ten years later that figure had jumped to 45 per cent. It soon will reach 50 per cent.

Magazine editors regard this as healthy. They feel that it makes them more stable financially and less subject to fluctuations in advertising. The readers who have remained with them through price increases are regarded as committed to their product—a selling point with advertisers.

Today, however, some magazines are shifting emphasis from subscription to newsstand sales—though gradually—thereby circumventing the troublesome postal system and bringing in more circulation revenue. This is putting a premium on magazine covers featuring celebrities or "hyped up" stories to promote sales in such outlets as supermarkets.

If postal rates keep increasing, magazines can be expected to put even more emphasis on newsstand sales, and perhaps move toward developing alternative means of delivery. Some magazines already are experimenting with new methods—such as delivery by newspaper carriers.

Of the three major print media, magazines appear to be moving toward conglomerates the least, perhaps because there are so many magazines. At last count over 10,000.

Nonetheless, the magazine industry has been affected by the chain and conglomerate trend. CBS owns more than 60 magazines catering to specialized interests. The New York Times Company produces seven, including three abroad. Time, Inc. publishes five, including one of the three major newsmagazines. Of the other major newsmagazines, *Newsweek* is owned by the Washington Post Comany, which also owns TV stations and other newspapers. *U.S. News & World Report*, which also has newsletter and book divisions, is employe-owned.

The president of one independent magazine, the New Yorker's George J. Green, says he fears that the freedom his magazine gives writers and editors would suffer if it were absorbed into a large corporate structure. His view: "You can't maintain your character if you become part of a conglomerate."

BOOKS: BOOM AND TAKEOVER

The book business, once regarded as a cottage industry, is a big business, and getting bigger.

Hardback publishers are buying paperback firms. Companies with movie and TV interests are buying both hard and paperback houses. As a result, the number of major independent book companies is in decline, although there are still many small publishers around.

The acquisition trend is generating concern among some in publishing, who fear that quality is becoming less important than whatever the public will buy in volume.

Says literary agent Georges Borchardt: "Corporate publishing is very much run by people with balance sheets. They think of a book as something to balance out. . . . If you go to a young editor with a manuscript, he might feel like publishing it, but he won't because he's afraid of losing his job."

Borchardt and other critics acknowledge that good books do eventually get published but, says one observer of the industry: "The quality of editing goes down as pressure builds to get products into the market quickly."

Roger W. Straus, Jr., president and chief executive officer of Farrar, Straus & Giroux—an independent publisher of hardcover books—bemoans the publication of "phony books" to turn a quick profit.

Says he: "I cry for the trees that have been chopped down to make the paper for these books." He sees a "loss of quality" in book publishing because big corporate publishers are reluctant to take on a book that might sell only several thousand copies.

The heads of publishing firms owned by conglomerates deny this. Richard Snyder, president of Simon & Schuster, which is owned by Gulf & Western, says that the additional money from a large conglomerate enables him to take more risks. Gulf & Western's sales last year totaled 3.39 billion dollars. Its holdings include Paramount Pictures, Consolidated Cigar, Schrafft Candy and Madison Square Garden.

Writers' lament. The Authors Guild, an organization that represents 5,000 writers, is concerned about the acquisition of independent publishers by large firms like Gulf & Western, fearing it will reduce the market for writers. The Authors Guild has called for Government action.

The Antitrust Division of the Justice Department, however, sees no immediate threat to competition from the mergers, except in the case of mass-market paperbacks, where concentration of ownership is increasing markedly.

The Department is looking into the recent CBS, Inc. purchase of Fawcett, which has two paperback lines, Crest and Gold Medal. CBS already owned Popular Library. Justice was also interested in the desire of the Times Mirror Company, parent firm of the Los Angeles Times, to acquire the Random House publishing division of RCA. If the deal had gone through, Times Mirror, which already owns New American Library paperbacks, would have added Ballantine paperbacks. Franklin Murphy, chairman of the board of Times Mirror, says money differences killed

the deal, but that the antitrust issue was a potential cause of concern.

The interest of movie makers and TV corporations in book publishing is, quite simply, economic. In itself, publishing "trade" hardbacks for the general public is not very profitable. Pretax profits in the industry averaged only 1.7 per cent last year. But the sale of paperback rights and possible movie-book tie-ins or a TV series-book package could prove highly profitable. Also, movie scripts could easily be turned into books, reversing the traditional pattern of making books into movies. A novelized version of the movie "Star Wars" is now a successful paperback.

Hardback houses are also interested in acquiring paperback companies because of the economic advantages. While a hardback may lose money, that loss can be recouped through paperback sales.

Publisher Straus says that an independent hard-cover publisher is at a disadvantage in negotiating with an author if he has no paperback subsidiary. An integrated company can easily come up with the money to make an offer on both the hard and softcover rights to a book. An independent publisher has to find a paperback partner in such a venture.

TV has had a substantial effect on the book industry, and most of those in publishing feel that the results are positive. Television increases reader interest in books. Series like "Roots" and "Rich Man, Poor Man" boost sales of the books on which the series were based.

Television talk shows are major vehicles for promoting books, although some editors are not enthusiastic about the kinds of books that lend themselves to such promotion. They tend to be "how to" books and some nonfiction, rather than serious literary works.

Book clubs, mail-order sales and textbooks are less visible, but highly lucrative, parts of the book industry, which has had a steady increase in dollar volume in recent years. The number of books sold has remained relatively constant, but few publishers express concern about this development.

Just how big a business books have become is demonstrated by the large sums of money paid for rights to some best sellers. Bantam Books, for example, paid $1,850,000 for paperback rights to "Ragtime." This reflects the need for paperback houses to have a "big book" on the stands every month—thereby enabling them to get book distributors to carry other, less-attractive titles they publish.

As paperback publishers become bigger, they have begun to initiate book projects rather than simply buying the rights to hardcover books. The day may be coming, some in the business say, when paperbacks virtually replace hardbacks, with only libraries and a few bibliophiles buying the more expensive editions.

THE LARGEST BOOK PUBLISHERS

Ranked by annual revenues (latest available figures)—

*Hard-cover**

Random House (owned by RCA).
Doubleday.
Harper & Row.
Simon & Schuster (Gulf & Western).
Little, Brown (Time, Inc.).

Paperback

Bantam (owned by IFI International).
Dell (Doubleday).
Fawcett (CBS).
Pocket Books (Gulf & Western).
New American Library (Times Mirror).
Avon (Hearst).

Source Book Distributing and Marketing 1976–1980 published by Knowledge Industry Publications.

THE FUTURE: OPTIMISM, BUT . . .

Book publishers and others in publishing generally are optimistic in foreseeing the future of the print media.

Lee Hills, board chairman of the Knight-Ridder chain, observes: "Print is referable, it is there to reread at your convenience. Print is preservable; you can clip, save and file it. Print is convenient, so you may read what you want, at the speed you want, and when you want it. Print is portable. . . . With print, the reader is in control. He can skip. He can go back. He can observe, he can turn the page or section. It is intimate communication."

As critics see it, print does, indeed, have a special role to play as a disseminator of serious information. But they ask many questions:

Will publishing play that role or will it—as some fear—focus more and more on entertainment at the expense of solid information in an attempt to rival television? Will the quest for profits by ever-larger and more-powerful chains and conglomerates lead publishers to try to appeal to the lowest common denominator? Or will a reasonable balance be struck between profits and quality?

Some analysts of the publishing industry argue that print must carve out a role different from that of TV to remain vigorous—but they ask whether conglomerates and chains concentrating on short-term profits see the industry's problems from that perspective.

Looking ahead, sociologist Richard Maisel has concluded that in a postindustrial society, those communications media that appeal to a mass audience will decline while "specialized communications directed to a smaller, more homogenous audience" will grow.

There are signs that this is happening in the print media, as some general-interest newspapers struggle while specialized magazines thrive. Yet many in publishing see a serious implication in this: If the U.S. becomes a society getting its information from fragmented and specialized sources, where is the information glue coming from to hold the broad society together? And they point out this:

Historically, the nation's writers, editors and publishers have been able to transmit information relatively free of Government pressure. Now, as costs keep going up in a technological age, they are increasingly under another kind of pressure: for bigger profit margins—at the expense, in some instances, of quality and their primary mandate to keep the public informed.

In that developing situation, the content of the nation's newspapers, magazines and books in the years ahead will say much about the condition of the publishing industry—and of American society as well.

(This special report was compiled and written by Associate Editor Alvin P. Sanoff.)

TV NETWORKS: CENTERS OF NEWS POWER

The concentration of power that so many fear lies ahead in publishing already is the norm in television. Three networks dominate the entertainment and information medium that has reshaped American society.

TV is the primary source of news for many Americans whose view of the world is shaped by the networks, ABC, CBS and NBC, all divisions of major conglomerates. The responsibility that falls on network shoulders is awesome, considering that 64 per cent of Americans say they get most of their news from TV and a majority find it the most believable news medium, according to a study for the Television Information Office conducted by The Roper Organization.

The networks as a whole spend about 10 per cent of their revenues on news and public affairs—218 million dollars last year out of net revenue of 2.1 billion, according to figures compiled by the Federal Communications Commission.

News is a smaller part still of the three conglomerates of which the networks are a part: RCA—owner of NBC; CBS, Inc., and the American Broadcasting Companies, Inc. Revenues of the three conglomerates came to almost 9 billion dollars last year. The firms rank 31, 102 and 170 respectively in the Fortune 500 list of the largest U.S. industrial firms.

The three conglomerates earned a total of 822.7 million dollars last year, before taxes, and network earnings accounted for about 36 per cent of that sum.

In addition to their network interests, all three conglomerates own TV stations and AM and FM radio stations, many of which are located in the largest and most influential markets in the country.

They are also in a variety of other businesses. RCA's holdings include Hertz car rentals, Banquet frozen foods, Coronet carpets, defense contracts, television manufacturing and Random House book publishers.

CBS is involved in everything from toys to tools. Its holdings include: Creative Playthings, X-acto tools, Steinway pianos, Holt, Rinehart & Winston book publishers, three paperback-book lines, Columbia Records and a number of magazines.

American Broadcasting Companies, Inc., owns amusement parks, more than 250 movie theaters, ABC records, leisure magazines such as High Fidelity and Modern Photography, and Word, Inc., a religious music and book-publishing firm.

The wide-ranging business interests of the networks' parent corporations has raised some concern about whether economic interests might come into conflict with network news coverage.

But John R. Purcell, president of the CBS/Publishing Group, says news coverage is unaffected by his employer's other interests.

PLAYING IT STRAIGHT

He points out that CBS ran "The Guns of Autumn," a documentary critical of hunting that proved financially damaging to the company because some angry advertisers pulled their ads out of Field & Stream magazine, which is owned by CBS.

Purcell also said that a recent CBS television-news segment took a critical look at the educational-publishing industry, mentioning CBS's Holt, Rinehart & Winston by name.

Says Purcell: "I thought the segment was poor investigate reporting. . . . It made me mad as the head of a major publishing group. But it made me proud to work for a company with two divergent opinions."

Mr. PERCY. Mr. President, I am pleased to join my colleague from North Carolina (Mr. MORGAN) in introducing the Independent Local Newspaper Act of 1978.

I have been concerned by the growing trend toward concentrated ownership in the news reporting field. Independent local newspapers are a strong American tradition. They provide independence of thought, recognition of local interests and healthy competition which must be allowed to continue.

Between 1954 and 1974 the number of daily newspapers remained at approximately 1,770, but during that period the percentage of dailys that were part of chains increased from 27 percent to 55 percent. Furthermore, during this period the number of U.S. cities with competitive daily newspapers fell from 117 to 55.

Regrettably, the impact of estate taxes on independently owned newspapers has been in large part responsible for this trend. Faced with substantial estate tax bills, which may be based on an inflated potential resale value, heirs to the owners of independent papers are

*Excludes textbooks.

often forced to sell their interest to pay the taxes due.

The estate tax changes we enacted in the 1976 Tax Reform Act have been of some assistance, but not enough. At that time we extended the period for payment of estate taxes from a maximum of 10 years to a maximum of 15 years and reduced the interest rate of the taxes due from 7 to 4 percent. However, to qualify for this relief, the business must meet both the test of being closely held and account for a set percentage of the decedent's estate. Those that do not meet these strict tests remain subject to the pre-1976 rules. A forced sale is often the result.

The legislation we are introducing today expands the relief provided by the 1976 act. Many of us had hoped and worked to make the 1976 estate taxes broader—for family farms as well as family businesses—and this legislation is a first step in that direction.

Briefly, the bill allows a local newspaper business to establish an estate tax payment trust, the assets of which are invested in U.S. obligations, for the purpose of funding the estate tax attributable to the interest of the individual owners in the newspaper. The trust assets would be limited to the amount necessary to pay the estate tax. Contributions, disbursements, and the assets of the trust would be free from taxation as long as the trust conformed to the requirements set out. In addition, in those cases where the trust funds are not sufficient to pay the estate tax due, the existing 15-year period during which some estate taxes must be paid is broadened by repealing the percentage restrictions.

This legislation does not prevent the acquisition of an independent newspaper by a chain. It leaves the decision to sell in the hands of the owners of such papers and their heirs. It protects them from being forced into a decision to sell by Government tax policy. It is unquestionably in the national interest that the tradition of the independent press be preserved. Federal tax law should not be allowed to create a result contrary to this national interest.

COMMITTEE MEETINGS

(The following proceedings occurred later in the day.)

Mr. LEAHY. Madam President (Mrs. HUMPHREY). I ask unanimous consent that the Commerce, Science, and Transportation Committee be authorized to meet during the session of the Senate today to conduct hearings on the International Air Transportation Competition Act of 1978.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. LEAHY. Madam President, I ask unanimous consent that the Permanent Subcommittee on Investigations of the Governmental Affairs Committee be authorized to meet during the sessions of the Senate on Wednesday, August 23, and Thursday, August 24, to conduct hearings on "arson for profit" legislation.

Mr. SCOTT. Madam President, reserving the right to object, has this been cleared on our side of the aisle? I am not familiar with these matters. I do not want to object to any unanimous-consent requests, but I think they should be cleared.

Mr. LEAHY. I assumed that they had. It was handed to me.

Mr. SCOTT. I withdraw my reservation.

Mr. LEAHY. Senator BAKER has initialed them.

The PRESIDING OFFICER. Without objection, it is so ordered.

COMMITTEE MEETING DURING SESSION OF THE SENATE ON THURSDAY, AUGUST 24, 1978

Mr. LEAHY. Mr. President, I ask unanimous consent that the Foreign Relations Committee be authorized to meet during the session of the Senate on Thursday, August 24, to mark up S. 2053, deep seabed bill, and to consider Senate Joint Resolution 154, concerning U.S. invitation for nations to participate in the international petroleum exposition to be held in Oklahoma.

Mr. SCOTT. Mr. President, reserving the right to object——

Mr. LEAHY. Mr. President, this has been cleared on both sides.

Mr. SCOTT. With the assurance of the distinguished Senator from Vermont that it has been cleared on our side, I have no objection.

The PRESIDING OFFICER. Without objection, it is so ordered.

COMMITTEE MEETING DURING SESSION OF THE SENATE ON WEDNESDAY, AUGUST 23, 1978

Mr. LEAHY. Mr. President, I ask unanimous consent that the Committee on Rules and Administration be authorized to meet during the session of the Senate on Wednesday, August 23, 1978, to hold a hearing on John Warren McGarry as a member on the Federal Election Commission.

I advise the Senator from Virginia that this has been initialed by the distinguished minority leader.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. LEAHY. I thank the Senator from Virginia.

(Routine morning business transacted and additional statements submitted are printed later in today's RECORD.)

CONCLUSION OF MORNING BUSINESS

The PRESIDING OFFICER. Is there further morning business? If not, morning business is closed.

REPRESENTATION OF THE DISTRICT OF COLUMBIA IN CONGRESS

The ACTING PRESIDENT pro tempore (Mr. MORGAN). Under the previous order, the Senate will now resume the consideration of House Joint Resolution 554, which the clerk will report.

The assistant legislative clerk read as follows:

A joint resolution (H.J. Res. 554) proposing an amendment to the Constitution to provide for representation of the District of Columbia in Congress.

Mr. ROBERT C. BYRD. Mr. President, I believe that Senators were expecting to start on this measure at 10 o'clock a.m.

I yield the floor. I believe Mr. MCCLURE is going to proceed to call up an amendment.

The ACTING PRESIDENT pro tempore. The Senator from Idaho is recognized.

UP AMENDMENT NO. 1704

(Purpose: To permit the people of the District of Columbia to vote for Senators from Maryland)

Mr. McCLURE. Mr. President, I send an amendment to the desk and ask for its immediate consideration.

If the clerk will withhold, I have sent the wrong amendment.

The ACTING PRESIDENT pro tempore. The amendment will be stated.

The assistant legislative clerk read as follows:

The Senator from Idaho (Mr. MCCLURE) proposes an unprinted amendment numbered 1704.

On page 2, line 3, strike out "Congress" and insert "House of Representatives".

On page 2, line 6, after the period insert the following: "For purposes of representation in the Senate, the District constituting the seat of the government of the United States shall be treated as though it were part of the State of Maryland.".

Mr. LEAHY. Mr. President, will the Senator yield for a unanimous-consent request?

Mr. McCLURE. I am happy to yield to the Senator from Vermont.

Mr. LEAHY. Mr. President, I ask unanimous consent that Martin Franks of my staff be given the privileges of the floor during all debate and votes today.

The ACTING PRESIDENT pro tempore. Without objection, it is so ordered.

Mr. McCLURE. Mr. President, yesterday the Senate considered several possible alternatives to the pending joint resolution with respect to representation of the people of the District of Columbia in the Congress of the United States. The Senator from Montana (Mr. MELCHER) earlier offered an amendment that was a combination of different adjustments which would have permitted representation for the District, and that amendment was turned down by the Senate on a motion to lay on the table.

Yesterday I offered an amendment which would have granted full retrocession, thus giving the people of the District full civil rights in all of their ramifications, entirely equal with those of every other citizen of the United States, by ceding the area which was first ceded to the United States by the State of Maryland for the seat of government back to the State of Maryland, so that the residents of this area could enjoy full representation and full civil rights; and that measure was also rejected by the Senate on a motion to lay on the table.

There are only two ways by which the people of the District of Columbia can have full voting representation and equal rights with every other citizen of the United States. One is by allowing

them to again be citizens of a State of the Union by receding the area to the State of Maryland. The Senate said no. The other of the two methods which might give the citizens of the District full and complete civil rights, as every other citizen of the United States enjoys them, would be to create a new State within the territory now encompassed by the District of Columbia. I offered that amendment yesterday after the retrocession amendment had failed. Again, the Senate turned that proposition down.

So the Senate has clearly, on those occasions, said it is not the intention of the Senate to grant full civil rights to the people of the District of Columbia. It was interesting to note that the Senator from Massachusetts (Mr. KENNEDY), in arguing against the first of the amendments, said that Congress must retain some authority, thereby denying to the people of the District of Columbia their full rights.

It was interesting to note that the other managers of the bill in regard to statehood said that the people of the District of Columbia were not entitled to exercise their full civil rights, but somehow, as the Senator from Indiana had indicated in his debate on these matters, the people of Indiana have such a right in the Nation's Capital that the people of the District must enjoy less than full civil rights, that there must be a limitation on their right to exercise the powers and duties of citizenship that other citizens of this country enjoy.

The Senate agreed with Senator KENNEDY and Senator BAYH in those instances, and repudiated the amendment which would have, in effect, negated that argument and granted to the people of the District of Columbia all of the rights that every other citizen of the United States enjoys.

This amendment which I now offer is a sincere attempt to find a way by which the people of the District can have the rights which they should enjoy, which the Senate has said is the limit of the rights that the Senate will grant to them, at the same time receiving the essential character of representation in the Congress of the United States that was established in the Constitution when the Constitution was formed.

I do not need to belabor the subject of the big State-small State compromise that was the foundation of this Republic—a union of sovereign States with each State having its rights protected by equal representation in one body of the Congress, and the protection of individual rights by granting equal representation in the other body of the Congress of the United States.

The pending joint resolution would trample that constitutional principle into the dust. It would, for the first time, break what has been heretofore an unbroken chain of support for the concept that we are in this body representatives of the States whose people have given us the honor of representing those States in this body of Congress, and it would, for the first time, say that a city is entitled to such representation—not a State, but a city.

I have another amendment which I shall offer later that will attempt to make equal for other cities what is being done for this city. Suffice it to say for the purpose of this amendment that the sponsors of the joint resolution are saying that this city alone, among all other cities of the United States, should be treated differently—should be treated differently by giving them more representation in the Congress of the United States than any other city in the United States.

Mr. President, the difficulty that many of us have with the proposal before us is simply that, the destruction of the constitutional principle of State representation within this body.

There are a lot of ramifications that flow from the destruction of that principle. I do not want to get back into the old arguments of States rights versus Federal rights, but certainly if there are such things as States rights to be protected, then we do not want to destroy the principle that States and States alone as entities are represented in this body, the States and their people are represented in this body, as State entities. It is not individuals who are represented but the individuals as a State, as a group of people comprising a political unity called a State.

Now we are asked to destroy that constitutional principle in one instance.

The sponsors of the resolution indicate that only in this one instance, and only because of special circumstances, do they intend to destroy that principle, or to bend that principle, to the expediency of this moment.

There have been those who tried to characterize the motives of those of us who oppose the pending joint resolution as saying that we do not want the people of the District to have representation. I think it should be abundantly clear by this time that at least the junior Senator from Idaho, who does oppose the pending joint resolution, does want full, equal representation for the people who live here in the District of Columbia. We have traced the evolution of the restriction on the exercise of full political rights by the people resident within this District upon several occasions in this body in this debate, but it might be instructive to just visit that for a moment again.

When the Nation was formed they decided that they ought to have some neutral ground for the Nation's Capital. The people who were sitting in Constitutional Convention were confronted with breaches of the peace and threats against their security as they deliberated what should be done with the formation of this union.

They decided because of that it was necessary to have neutral ground so that the Federal Government, the Federal Government alone, not hostage to the desire of the State in which they might be meeting, could maintain the security of the Nation's Government, not dependent upon the State or city government but dependent upon their own resources to guarantee the security of the deliberations of the national legislative body.

They therefore decided to try to create a district out of some area of the United States where the Nation's Capital could be founded.

Again in the kind of compromise that led to the large State-small State compromise in the representation in two Houses of the Congress, they sought to avoid the question of whether or not that Nation's Capital would be located in a Northern State or a Southern State and compromised that by putting it across the State boundaries of a Northern State and a Southern State, putting part of it in the State of Maryland and part in the State of Virginia, or perhaps I should properly say by taking some of the territory from each of those States to create the District of Columbia.

It was in that manner that the District of Columbia was formed and the States of Virginia and Maryland ceded that property to the Federal Government for the seat of the Federal Government.

Because it was to be neutral ground, not subservient to any State, not dependent upon any State to provide the security for the Nation's legislative body, and because they distrusted the influences upon the Federal Government by those who might work for the Federal Government thus rendering the climate less than completely objective, they decided at a later date to deny to the people of the District of Columbia the right to vote for President, Vice President, Senators, and Representatives in the Congress. That was done some time after the constitutional act which created the District of Columbia in the first place.

It should be noted that for several years after the District was created, the residents of the District voted in the States from which that territory had been ceded.

I have noted, as several others have, that over a 100 years ago the State of Virginia came to the Federal Government and said, in effect:

> You are not using the territory we ceded to you. There is no prospect that you are going to use the territory that was ceded to the Federal Government. We want it back.

The Congress of the United States agreed with that proposal and ceded the portion of the District of Columbia, which was in the State of Virginia originally back to that State.

I might more technically and properly say that from the high water mark on the Virginia side of the Potomac it was ceded back to Virginia, thus not completely ceding back that which had been ceded by the State of Virginia to the Federal Government for the seat of government.

Let me remind those who may be interested in what is happening here that the right of voting within the District of Columbia was not removed by the Constitution; it was removed by statutory enactment several years after the District had been created. I reiterate that the people who resided in the territories that had been ceded by Virginia and Maryland voted in their respective States for

some time after the District was created.

We are told now that Maryland does not want the District back; that it would upset their political balances in the State of Maryland if indeed this block of voters was inserted back into their voting territory.

Well, I understand their concern. But is that concern of the politicians in Maryland to control what is done with respect to a constitutional principle? Are we to destroy or bend or adapt a constitutional principle to the mere political expediency of a group of politicians in Maryland? I think the other 49 States have a right to resent that kind of a trampling of the Constitution to conform to the narrow political desires of one State.

I ordinarily try to cooperate in protecting what a State wants done within their territory. I believe very strongly in the concept of States rights. I believe very strongly in the concept of protecting the States against the encroachment of the Federal Government into what is their rightful domain. The Federal Government should be carefully limited to the exercise of those powers specifically delegated to the Federal Government under the Constitution, the Federal Government not rightfully exercising any other, because all the rest of the powers were, under the Constitution, reserved to the States and to the people.

But in this instance the correction that was sought in ceding the territory back to Maryland was no more than putting it back as it was at the time the Constitution was passed, and before it had been changed not by the constitutional amendment but by statutory enactment.

Mr. President, I think it is quite likely that if this Congress passes no constitutional amendment dealing with representation, that the people of the District might well go to court to assert their right to vote. If they go to court to assert their right to vote, there is precedent that would say the court would uphold that right to vote and they would be allowed the right to vote in the State of Maryland, as they did before the change was made in the early 1800's that denied them that right to vote in the State of Maryland.

I have already offered an amendment which would strike the existing proposal in House Joint Resolution 554 and substitute for it the retrocession, a full retrocession of the areas not occupied by the Federal Government back to the State of Maryland for all purposes. The people of the District then would be permitted to vote for a Governor, to vote for legislative members in the State legislature, to vote for Members of the House of Representatives, and Members of the Senate, as every other citizen of the United States can do within any of the 50 States.

They would vote for the President and presidential electors as every other citizen of the United States is allowed to do within the 50 States. But that was rejected by the Senate—again on narrow political grounds. Political expediency is controlling the action of the Senate, not principle; because if the principle is to give the people of the District the opportunity to vote and to give them the full exercise of civil rights, we would have adopted either full retrocession to Maryland or, in the alternative, confronted the problem squarely by granting statehood to the District, rather than doing what is being proposed in this resolution.

The pending amendment, Mr. President, would attempt to take us from where we are and do the best we can now do with a situation that the Senate has not already considered and rejected. I would have much preferred it had full retrocession passed. But the Senate, in its judgment, turned that proposal down.

The amendment which I have now offered is a partial retrocession in an effort to give to the people of the District as much right as we can under the situation which remains before us for consideration without destroying the constitutional principle of State representation in the Senate. This amendment, Mr. President, would simply retrocede—excuse me, I should not use that term. It does not retrocede the territory to Maryland; it would allow the people in the District of Columbia to vote for Senators as though they were voting citizens of the State of Maryland.

In all other respects, the situation would be as it exists now or as is otherwise provided under the pending resolution. They would vote for representatives within the District of Columbia to represent them in the House of Representatives. They would, under my amendment, vote for the Senators of their choice in the State of Maryland, and the State of Maryland would have jurisdiction over that voting process so far as the Senators were concerned. In all other respects, they would be granted the representation that the pending resolution gives them; they would retain all other rights as citizens of the District, as now provided under the Constitution and other statutes of the State of Maryland.

Mr. President, may I inquire of the Chair how much time I have remaining?

The ACTING PRESIDENT pro tempore. The Senator has 1 minute remaining.

Mr. McCLURE. Mr. President, I reserve the remainder of my time.

Mr. President, I suggest the absence of a quorum, to be taken from the time of the opposition to the amendment.

The ACTING PRESIDENT pro tempore. Is there objection? If not, the clerk will call the roll.

The second assistant legislative clerk proceeded to call the roll.

Mr. McCLURE. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The ACTING PRESIDENT pro tempore. Without objection, it is so ordered.

Mr. McCLURE. Mr. President, I ask unanimous consent that Senator MORGAN may be added as a cosponsor of my amendment.

The ACTING PRESIDENT pro tempore. Without objection, it is so ordered.

Mr. McCLURE. Mr. President, I reserve the remainder of my time.

The ACTING PRESIDENT pro tempore. Who yields time?

Mr. LEAHY. Mr. President, first, I appreciate the courtesy of the Senator from Idaho in calling a quorum and luring me back onto the floor.

Mr. President, the matter before us is really another variation of the amendment offered yesterday on retrocession. I think the distinguished Senator from Massachusetts (Mr. KENNEDY) made the argument very, very well and very properly on that. D.C. has not been a part of Maryland since 1790, when it was ceded to the District of Columbia. Virginia was retroceded in 1846, but had never been used for the Federal city.

If you look at precedents, look at the precedent of the 23d amendment, approved in 1961, which gave the District of Columbia the right to vote in Presidential elections, three electoral votes on its own right—not as part of Maryland, not as part of Virginia, not as part of any other area—but three electoral votes for the District of Columbia as one proud, independent entity. The legislative history never even suggested that the District of Columbia should vote through Maryland and I think the two Senators from Maryland have made very, very clear their own feelings here.

This issue was never raised in the House. I really think it would make about as much sense to let the District of Columbia vote in the State of Vermont, and quite frankly, Mr. President, I am not overly eager to have that particular sword of Damocles hanging over not so much the Green Mountains but my own head. I think that that would not make sense. For that reason, I move to lay the amendment on the table.

I ask for the yeas and nays.

The ACTING PRESIDENT pro tempore. Does the Senator yield back all of his time?

Mr. McCLURE. Mr. President, before that, I think I have a little less than a minute remaining.

The ACTING PRESIDENT pro tempore. The Senator is correct.

Mr. McCLURE. Mr. President, the amendment that I have offered would grant to the residents of the District the rights of citizenship and representation available to other Americans while avoiding the insurmountable constitutional hurdles associated with House Joint Resolution 554 and other proposed remedies.

In all other respects the District would retain its unique status as a Federal enclave subject to exclusive congressional control under article I, section 8, clause 17. The purpose of the framers in establishing the seat of National Government in an independent Federal entity would not be altered by this proposal.

Mr. President, I hope the amendment is adopted.

Mr. LEAHY. Mr. President, I stand here, in a way, feeling that I am in a unique position. I represent the most rural State in the United States, the State of Vermont. We do not have one single urban area, by Federal standards. Yet I am here arguing to give this identity to a virtually exclusively urban area. I can state a number of reasons. The

charts show the District of Columbia has more people than 7 States, pays more taxes than 11 States, had more deaths in Vietnam than 10 States. It is a matter of simple justice, Mr. President.

I cannot imagine any Vermonter, denied this type of basic representation, who would not be prepared to lead a revolution against such a situation. Certainly, this Vermonter, at least, would help, in a surrogate fashion, that kind of revolution for the people of the District of Columbia. It is absolutely essential that they be given the same rights as Vermonters, or North or South Carolinians, or Virginians, Marylanders, or people from Rhode Island or people from California, or anywhere else.

Mr. President, I will be making a motion to table. I will be asking for the yeas and nays. But I would hope we could get a few Senators on the floor prior to doing that.

Mr. President, I suggest the absence of a quorum, but I ask unanimous consent it be on my time on this amendment.

The PRESIDING OFFICER (Mr. RIEGLE). Under the precedents of the Senate, the Chair advises that the Senator no longer has sufficient time.

Mr. LEAHY. How much time do I have?

The PRESIDING OFFICER. If the Senator will yield back his time and suggest the absence of a quorum——

Mr. LEAHY. Then, Mr. President, I make a motion to table the amendment of the Senator from Idaho and I ask for the yeas and nays.

The PRESIDING OFFICER. Does the Senator yield back his time?

Mr. LEAHY. I yield back my time.

The PRESIDING OFFICER. Is there a sufficient second? There is a sufficient second.

The yeas and nays were ordered.

The PRESIDING OFFICER. The question is on agreeing to the motion to lay on the table UP amendment No. 1704 of the Senator from Idaho. The yeas and nays have been ordered and the clerk will call the roll.

The legislative clerk called the roll.

Mr. CRANSTON. I announce that the Senator from South Dakota (Mr. ABOUREZK), the Senator from Alabama (Mrs. ALLEN), the Senator from Minnesota (Mr. ANDERSON), the Senator from Arkansas (Mr. BUMPERS), the Senator from Mississippi (Mr. EASTLAND), the Senator from Colorado (Mr. HART), the Senator from Montana (Mr. HATFIELD), the Senator from Kentucky (Mr. HUDDLESTON), the Senator from Hawaii (Mr. INOUYE), the Senator from Louisiana (Mr. JOHNSTON), the Senator from Hawaii (Mr. MATSUNAGA), the Senator from Ohio (Mr. METZENBAUM), the Senator from Tennessee (Mr. SASSER), the Senator from Mississippi (Mr. STENNIS), and the Senator from Georgia (Mr. TALMADGE) are necessarily absent.

Mr. STEVENS. I announce that the Senator from New Jersey (Mr. CASE), the Senator from Kansas (Mr. DOLE), and the Senator from California (Mr. HAYAKAWA) are necessarily absent.

The result was announced—yeas 46, nays 36, as follows:

[Rollcall Vote No. 341 Leg.]

YEAS—46

Bayh	Haskell	Muskie
Biden	Hatfield,	Nelson
Brooke	Mark O.	Packwood
Byrd, Robert C.	Hathaway	Pearson
Chafee	Heinz	Percy
Chiles	Hollings	Randolph
Church	Humphrey	Ribicoff
Clark	Jackson	Riegle
Cranston	Javits	Sarbanes
Culver	Kennedy	Sparkman
Danforth	Leahy	Stafford
Durkin	Magnuson	Stevenson
Eagleton	Mathias	Stone
Ford	McGovern	Thurmond
Glenn	McIntyre	Williams
Griffin	Moynihan	

NAYS—36

Baker	Gravel	Proxmire
Bartlett	Hansen	Roth
Bellmon	Hatch	Schmitt
Bentsen	Helms	Schweiker
Burdick	Hodges	Scott
Byrd,	Laxalt	Stevens
Harry F., Jr.	Long	Tower
Cannon	Lugar	Wallop
Curtis	McClure	Weicker
DeConcini	Melcher	Young
Domenici	Morgan	Zorinsky
Garn	Nunn	
Goldwater	Pell	

NOT VOTING—18

Abourezk	Hart	Matsunaga
Allen	Hatfield,	Metzenbaum
Anderson	Paul G.	Sasser
Bumpers	Hayakawa	Stennis
Case	Huddleston	Talmadge
Dole	Inouye	
Eastland	Johnston	

So the motion to lay on the table UP amendment No. 1704 of the Senator from Idaho was agreed to.

Mr. LEAHY. Mr. President, I move to reconsider the vote by which the motion to lay on the table UP amendment No. 1704 was agreed to.

Mr. KENNEDY. I move to lay that motion on the table.

The motion to lay on the table was agreed to.

UP AMENDMENT NO. 1705

(Purpose: To grant the same rights and powers to cities having a population greater than the District of Columbia)

Mr. McCLURE. Mr. President, I have an amendment I send to the desk and ask for its immediate consideration.

The PRESIDING OFFICER. The amendment will be stated.

The second assistant legislative clerk read as follows:

The Senator from Idaho (Mr. McCLURE) proposes an unprinted amendment numbered 1705.

On page 2, line 5, strike out "shall" and insert "and the cities of New York, New York, Chicago, Illinois, Los Angeles, California, Philadelphia, Pennsylvania, Houston, Texas, Detroit, Michigan, Baltimore, Maryland, Dallas, Texas, San Diego, California, San Antonio, Texas, and Indianapolis, Indiana, shall each".

On page 2, line 9, after "government" insert "and of the cities enumerated in section 1".

Amend the title so as to read: "Joint Resolution proposing an amendment to the Constitution to provide representation in the Congress for the District of Columbia and certain cities.".

Mr. McCLURE. Mr. President, I ask unanimous consent that it be in order to request the yeas and nays on the amendment.

Mr. KENNEDY. Mr. President, I ask unanimous consent that it be in order to ask for the yeas and nays on a tabling motion.

The PRESIDING OFFICER. Is there objection to the requests of the Senator from Idaho and the Senator from Massachusetts?

Without objection, it is so ordered.

Mr. McCLURE. I ask for the yeas and nays.

Mr. KENNEDY. I ask for the yeas and nays.

The PRESIDING OFFICER. Is there a sufficient second? There is a sufficient second.

The yeas and nays are ordered on both the amendment and the motion to table should there be one.

Mr. LUGAR. Mr. President, will the Senator yield?

Mr. McCLURE. I yield to the Senator from Indiana for a unanimous-consent request.

Mr. LUGAR. I thank the Senator from Idaho.

Mr. President, I ask unanimous consent that the privilege of the floor be accorded to David Gogol, of my staff, during debate on this resolution.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. McCLURE. Mr. President, this amendment may be regarded by some as simply frivolous, and I will confess that this is not the approach which I would have preferred to take.

But this amendment, Mr. President, would establish for other cities in this country the same degree of representation which the Senate seems bent upon voting for this city.

Mr. President, I offer an amendment which would grant the same rights and powers to cities having a population greater than Washington, D.C., as House Joint Resolution 554 would provide to the District of Columbia.

This amendment would grant to the residents of New York City, Chicago, Los Angeles, Philadelphia, Houston, Detroit, Baltimore, Dallas, San Diego, San Antonio, and Indianapolis full voting representation in the Congress and the right to participate in the amendment ratification process as if each of these cities were a State.

Mr. President, I wonder if we could have order.

The PRESIDING OFFICER. The Senator makes a good point. The Senate is not in order. The Chair asks to maintain order in the Chamber so that the Senator from Idaho can be heard.

The Senator from Idaho.

Mr. McCLURE. I thank the Chair.

The District of Columbia is no more than a city itself and thus, should not be granted representation in the House and Senate, in my opinion.

Although it could not have been foreseen by the Founding Fathers, Washington, D.C. has developed into a large commercial city and, except for a small Federal enclave, the District consists only of that urban center. The framers did not intend that cities should be given representation in the Congress; in fact, they specified in the Constitution that only

"States" should have a voice in the Senate and the House.

Even if one believes that the District should have representation in the Congress, it does not follow that the city of Washington should be able to elect its own Senators and Congressmen. To permit that would be to make a radical and qualitative change in our federal system.

If the Nation's Capital, with its roughly 700,000 inhabitants and 69.7 square miles, can elect its own Members of Congress, it is logical to give every other city in the United States of equivalent size and area the same rights of representation. The District has been steadily losing population in recent years (down from 802,178 in 1950), while many of the 11 cities which are larger than Washington, which are New York, Chicago, Los Angeles, Philadelphia, Houston, Detroit, Baltimore, Dallas, San Diego, San Antonio, and Indianapolis, continue to grow. Moreover, those cities are not heavily dependent on the Federal Government for their continued prosperity or even their existence. The seven least populous States, which are Alaska, Wyoming, Vermont, Delaware, Nevada, North Dakota, and South Dakota, each of which is smaller than the District, are increasing in population while the District is declining. In view of the fact that the District already receives special treatment from the Congress and has its own special committee in the House and subcommittee in the Senate to look after its problems and interests—the only city or State to be so favored—it would seem that entities of greater size are in greater need of representation than the District.

The fact that the residents of other U.S. cities can already elect representatives to Congress is irrelevant; they must share their Senators with the rest of the people in the State. If the District of Columbia were granted representation, its residents would have Senators who would share with no other people and would speak only for the interests of the District.

It would be unjust to permit residents of the District to be thus enfranchised to an extent greater than the people of, say, New York or Indianapolis. That would amount to overrepresentation of the District and its inhabitants in Congress, to the detriment of the States and other citizens of the United States.

Mr. President, I might just note that the 11 cities that I have enumerated in this amendment have populations greater than that of the District of Columbia. I do not need to go into all of the populations statistics of each of the 11, but I might just point out that they range from the 700,000 in the District of Columbia to New York City with nearly 10 million residents, and those 10 million residents do not have their own separate Senators. They share them with the rest of the residents of the State of New York. Or perhaps it might be characterized that the rest of New York is dominated by New York City and they are deprived of equal representation in the same manner that the people in Maryland want to avoid having to share their Senators with the District of Columbia.

I might also note just for the record the States which are smaller in population than is the District of Columbia:

Alaska, Wyoming, Vermont, Delaware, Nevada, North Dakota, and South Dakato, according to the U.S. Bureau of Census as of July 1, 1976.

Mr. President, it seems to me that if we are going to take this step to give the inhabitants of this city that kind of special representation, then we ought to grant to every other city of equal or greater size an equal representation or we will have gone from the wrong of lack of representation here in the District to the greater wrong of unequal representation of other larger cities.

Mr. President, I think it can also be argued that the District of Columbia is primarily a city of bureaucrats, a city which has its own special interests, a city of people who desire to have the Federal Government do things on their behalf much more uniquely than any other city. They should be less represented, not overrepresented, in the Congress of the United States.

Mr. President, I started out by saying some may think this is a frivolous amendment. I am deadly serious about the principle that is involved in granting to some people in the United States a greater degree of representation than anyone else.

I only regret that the Senate has not seen fit to treat the people here in exactly the same manner they are treated everywhere else in the United States. But the Senate has rejected my efforts to see that they get their fair, equal, and full civil rights treatment to which I think they are entitled.

Mr. President, I reserve the remainder of my time.

Mr. KENNEDY. Mr. President, I yield myself 7 minutes.

Do I understand correctly that the Senator would permit the named cities to be considered as States for purposes of this amendment?

Mr. McCLURE. In exactly the same manner as it is proposed to treat the District of Columbia.

Mr. KENNEDY. Well then, what would happen in terms of congressional representation, representation in the House of Representatives?

Mr. McCLURE. They would receive the same representation that is provided for in the resolution for the District of Columbia.

Mr. KENNEDY. On top of what they already have, or in place of it?

Mr. McCLURE. In place of what they already have.

Mr. KENNEDY. Since the District has 690,000 people, under the census they are entitled to one or two congressional districts. I do not know of any city that is listed here that would have less than that. So——

Mr. McCLURE. As a matter of fact, I would say to the Senator the cities listed here are all larger in population than is the District of Columbia.

Mr. KENNEDY. That is right. But in terms of congressional districting for all of these major cities, therefore, you may be varying the size of their current congressional districts. Would they have more or less representation?

Mr. McCLURE. I think that would be the effect.

Mr. KENNEDY. So the Senator is reducing the number of congressmen in every one of these cities.

Mr. McCLURE. Marginally, slightly, perhaps.

Mr. KENNEDY. So there could be under the Senator's amendment a significant reduction in the number of Congressmen.

Mr. McCLURE. Mr. President, will the Senator yield?

Mr. KENNEDY. Yes.

Mr. McCLURE. That, of course, depends on the formula and the allocation against the 435-Member seating provided by statute. I do not know what the mathematics would be, very frankly, but it would treat them exactly as the District of Columbia would be treated.

Mr. KENNEDY. Beyond that, Mr. President, the significant difference is that each of these major cities in the amendment is already represented in the U.S. Senate by Members of the U.S. Senate currently serving here, and there are many distinguished ones. That is the dramatic difference.

What we are trying to do is permit the residents of the District of Columbia to have the same type of representation that New York, Chicago, Los Angeles, Philadelphia, Houston, Detroit, Baltimore, Dallas, San Diego, San Antonio, and Indianapolis have. They are not permitted that right now.

It is imperative as a matter of fairness and justice to accord to the residents of the District of Columbia the same rights and privileges and guarantees that the rest of the citizens have in this Nation.

The other cities are already represented in the Senate and the House. By the comment of the Senator from Idaho, they might even wind up with less representation under the amendment. It seems to me to be an unwise amendment.

If the Senator wants to make any additional comment I would welcome it and, at the appropriate time, would make a motion to table.

Mr. McCLURE. Let me respond only to this part of the arguments of the Senator from Massachusetts. He has completely avoided facing the issue. The issue is whether or not the residents of this District are to be granted a status and a representation that no other city has.

My amendment would give the other cities of equal or greater size precisely the same treatment that would be accorded to the District of Columbia under the pending resolution.

I say to the Senator, in regard to the number of Representatives who might serve that city under my amendment, that would be governed under article I of the Constitution according to the decennial census, and while we might speculate as to its effect with respect to the current decennial census, it would have the same effect precisely in the District or any other cities following the decennial census of 1980. So there would be no reduction in their representation according to population following the 1980 census as compared to the people in the District of Columbia.

Mr. President, the cities have been listed in the amendment, but again I would mention that New York City, with a population numbering somewhat less than 10 million; the city of Chicago with over 3 million; the city of Los Angeles with nearly 3 million; Philadelphia with slightly less than 2 million; Detroit, Mich., with 1,335,000; Houston, Tex., 1,326,000; Baltimore, Md., with 851,000; San Diego with 773,000; San Antonio with 773,000; and Indianapolis with 725,000 residents, all being cities with greater populations than that of the District of Columbia, these cities just happen to fall in the following geographical distribution: New York 1, Illinois 1, California 2, Pennsylvania 1, Texas 3, Michigan 1, Maryland 1, and Indiana 1.

Maybe the people who are opposing this amendment do not want those people to have full representation, to have full equal rights, in those cities.

Mr. KENNEDY. Mr. President, each of those cities has representation. I speak for Boston, I speak for Springfield, I speak for Lowell and Lawrence, and New Bedford and Fall River, Mass. I speak for all of them. The greater Boston area, has 3 million people, 800,000 in the 22 wards in the city. And in the U.S. Senate, when the rollcall is called this afternoon, I will be here to speak for each of the cities, and so will my colleague, Senator BROOKE.

I challenge anyone who supports this amendment to say that either Senator JAVITS and Senator MOYNIHAN do not speak for New York; or that any other Senators do not speak for any of the other cities.

When we call the roll this afternoon, there will be two Members of the Senate who will use with pride and with privilege their opportunity to speak for the people and the people's interests when the roll is called. At that time there will be 700,000 voices that will be mute. But the citizens who live here in the District of Columbia will have no voice. That is the difference.

Mr. President, there is also the uniqueness of the District, which has developed over the past 200 years. We have debated this point at length in recent days. These people here are denied representation. In any of the States, all they needed to acquire a voice in Congress and in the Senate of the United States, was a vote of the majority of the Members of the Senate to obtain statehood. But here we are requiring the people of the District of Columbia to get a two-thirds vote of both Houses and three-quarters of the people of the States.

Mr. SCOTT. Madam President, will the Senator yield, on my time?

The PRESIDING OFFICER (Mrs. HUMPHREY). The Senator from Virginia has no time.

Mr. KENNEDY. How much time do I have remaining, Madam President?

The PRESIDING OFFICER. The Senator from Massachusetts has 5 minutes.

Mr. KENNEDY. I will be happy to yield, without losing my right to the floor.

Mr. SCOTT. That, of course, will be charged to my time also.

Mr. KENNEDY. I was going to make a motion to table, but I will be glad to yield for a brief question.

Mr. SCOTT. My comments are that there are more than 3 million people of the country of Puerto Rico that also are citizens of the United States, and who speaks for them here in the Senate? Is it not a fact that there is no one except those who represent the States, no one here who was elected to represent the cities? Senators represent their States and all the people of their States, whether they are rural, urban, or suburban.

Our Government was founded as a Union of States. If this proposal is adopted, we are departing from the Federal concept of the Union of States. If we are going to depart from it, would it not be reasonable to give the citizens of Puerto Rico also, with more than 3 million people, representation in the Senate, if we are going to be consistent? Then maybe Guam and the Virgin Islands.

Mr. KENNEDY. Is the Senator indicating that if he had been here in the Senate when Alaska and Hawaii were admitted, he would have voted against those States?

Mr. SCOTT. Of course I would not have.

Mr. KENNEDY. Can the Senator tell me the difference? I will tell the Senator what the difference is between those States and Puerto Rico.

Mr. SCOTT. Go ahead.

Mr. KENNEDY. The fact of the matter is that the people of Puerto Rico voted for commonwealth status, not statehood. That is the kind of representation they wanted. That is their arrangement with the Federal Government. They chose that status.

The people of Alaska and Hawaii wanted statehood and wanted to come here, and I am delighted that they are here.

If someone represents a rural State, I welcome the fact that they are part of the Union. The fact is that the people of Puerto Rico have indicated, when offered the opportunity to choose, that they prefer commonwealth status.

Mr. SCOTT. It is my understanding that the present Governor was elected Governor with full knowledge that he favored statehood. It is also my understanding that in the last Presidential election, only 31 percent of the adult population of the District of Columbia voted. So how keenly do they want it? How keenly are they interested in having representation in the Senate?

Mr. KENNEDY. I am surprised that the level reached 31 percent. They know that their voice is muted here in the Congress of the United States. They do not have full rights as Americans. They have no voice, in Congress. As gifted as Congressman FAUNTROY is, he is a nonvoting delegate.

I also question the accuracy of that figure. It may be an artificially low figure because the percentage is based on the total voting age population. Yet many District persons retain their voting residence in other States, because they cannot vote here.

We are talking about the uniqueness of the District of Columbia. If at any time the 3 million people of Puerto Rico indicate that they want to be part of the U.S. Congress and Senate, we will make the decision on statehood. But we will not require two-thirds of the House and the Senate to agree, and we will not require three-quarters of the States to ratify it. Does the Senator agree with me on that?

Mr. SCOTT. I agree completely with the Senator that the District of Columbia is unique. It is the Federal City. It was constituted as a Federal City, so that Congress could deliberate free from influences from the various States.

When we look at the papers that the distinguished Senator has laid on each Senator's desk, the Washington Post's "Human Rights in the Capital" the Washington Post's "Open Letter to the United States Senate," the Washington Star's "The Day of Decision," we have an awful lot of pressure right now on the Congress of the United States.

The PRESIDING OFFICER. The time yielded to the Senator has expired.

Mr. KENNEDY. Will the Senator, then, yield 2 minutes of his time?

Mr. SCOTT. I am willing to do it. I am not quite sure it is in order.

Mr. KENNEDY. Just a minute and a half.

The PRESIDING OFFICER. The Senator could ask unanimous consent.

Mr. KENNEDY. I ask unanimous consent that my other time be able to be used on this.

The PRESIDING OFFICER. Is there objection? Without objection, it is so ordered.

Mr. KENNEDY. We are talking about the uniqueness of the District of Columbia. It was not so unique when those 18-year-old boys got draft cards and were sent to Vietnam. It was not unique then. No one was saying, "Well, it is the Federal district; under the Constitution, you are somehow special, you get to go to Vietnam and fight over there and die."

It is not unique when it comes to paying taxes. They pay more taxes than many States. It is not unique in that way.

No, Mr. President, it is not unique in those ways; and yet they have no voice in the decisions which are made on those vital issues.

Madam President, I move to table the amendment.

The PRESIDING OFFICER. Does the Senator from Idaho yield back the remainder of his time?

Mr. McCLURE. Madam President, how much time do I have remaining?

The PRESIDING OFFICER. The Senator has 8 minutes remaining.

Mr. KENNEDY. I had four, but I am glad to have the Senator use what he has.

Mr. McCLURE. I beg the Chair's pardon?

The PRESIDING OFFICER. The Senator from Idaho has 8 minutes remaining. Debate is not in order on a motion to table.

Mr. KENNEDY. I withhold it, Madam President.

Mr. McCLURE. Let me respond only that certainly the purpose of my amendment is to give equality of treatment to

the people of the District of Columbia and other people similarly situated within the United States. I have tried to do that under earlier amendments that would have granted them full civil rights within the District of Columbia. The Senate has refused to allow them to have full civil rights within the District of Columbia. I now seek to give to the citizens in other cities the same rights which this joint resolution would grant to residents of the District, no more and no less. It does not seem to me that if we are going to depart from the constitutional principle of State representation in the Congress, particularly in the Senate, if we are going to depart from that principle in one instance, that we can do justice to other citizens of our country without applying it equally to them.

I would hope, Madam President, that Senators would not just out of hand reject the amendment because it happens not to suit the political conditions, or the political desires of those who are supporting the joint resolution.

Madam President, if the Senator from Massachusetts is ready to make his motion to table, I would be prepared to yield back the remainder of my time.

Mr. KENNEDY. Yes.

Mr. McCLURE. Madam President, I yield back the remainder of my time.

Mr. KENNEDY. Madam President, I move that amendment No. UP 1705 be laid on the table.

The PRESIDING OFFICER. The question is on agreeing to the motion to lay on the table UP amendment 1705. The yeas and nays have previously been ordered, and the clerk will call the roll.

The assistant legislative clerk called the roll.

Mr. CRANSTON. I announce that the Senator from South Dakota (Mr. ABOUREZK), the Senator from Alabama (Mrs. ALLEN), the Senator from Minnesota (Mr. ANDERSON), the Senator from Arkansas (Mr. BUMPERS), the Senator from Iowa (Mr. CULVER), the Senator from Mississippi (Mr. EASTLAND), the Senator from Montana (Mr. HATFIELD), the Senator from Kentucky (Mr. HUDDLESTON), the Senator from Hawaii (Mr. INOUYE), the Senator from Louisiana (Mr. JOHNSTON), the Senator from Ohio (Mr. METZENBAUM), the Senator from Hawaii (Mr. MATSUNAGA), and the Senator from Tennessee (Mr. SASSER) are necessarily absent.

Mr. STEVENS. I announce that the Senator from New Jersey (Mr. CASE) and the Senator from Kansas (Mr. DOLE) are necessarily absent.

The result was announced—yeas 79, nays 6, as follows:

[Rollcall Vote No. 342 Leg.]

YEAS—79

Baker	Church	Hansen
Bartlett	Clark	Hart
Bayh	Cranston	Haskell
Bellmon	Curtis	Hatch
Bentsen	Danforth	Hatfield, Mark O.
Biden	DeConcini	Hathaway
Brooke	Domenici	Heinz
Burdick	Durkin	Helms
Byrd, Harry F., Jr.	Eagleton	Hodges
Byrd, Robert C.	Ford	Hollings
Cannon	Glenn	Humphrey
Chafee	Goldwater	Jackson
Chiles	Gravel	Javits
Kennedy	Nunn	Sparkman
Laxalt	Packwood	Stafford
Leahy	Pearson	Stennis
Long	Pell	Stevenson
Magnuson	Percy	Stone
Mathias	Proxmire	Talmadge
McGovern	Randolph	Thurmond
McIntyre	Ribicoff	Tower
Melcher	Riegle	Wallop
Morgan	Roth	Weicker
Moynihan	Sarbanes	Williams
Muskie	Schmitt	Young
Nelson	Schweiker	Zorinsky

NAYS—6

Garn	Lugar	Scott
Hayakawa	McClure	Stevens

NOT VOTING—15

Abourezk	Dole	Johnston
Allen	Eastland	Matsunaga
Anderson	Hatfield, Paul G.	Metzenbaum
Bumpers	Huddleston	Sasser
Case	Inouye	
Culver		

So the motion to lay on the table UP amendment No. 1705 was agreed to.

Mr. KENNEDY. I move to reconsider the vote by which the motion to lay on the table was agreed to.

Mr. SCOTT. I move to lay that motion on the table.

The motion to lay on the table was agreed to.

Mr. KENNEDY. Madam President, may we have order so the Senator from Virginia may be heard?

The PRESIDING OFFICER. The Senate will be in order.

Mr. SCOTT. Madam President, I yield such time as he may consume, not exceeding 20 minutes, to the distinguished Senator from Mississippi (Mr. STENNIS).

Mr. STENNIS. Madam President, let me say in the beginning to my colleagues that, in my humble opinion, there has not been a more serious and more grave matter to come before this body. I think there has not been a more far-reaching matter come before this body in a long time.

I do not speak, Madam President, with any wisdom or anything of that kind. I do not speak with any great learning, I do not claim any learning in government or anything of that nature. But I do speak from experience, experience in this body and experience in the State governments, in the State legislature and other branches of State government. I believe I have somewhat of a feel for the Constitution of the United States and some knowledge of the history of almost 200 years that we have lived with and under, including right on down to the present time.

This is an innovation in this bill, the idea of giving power and privileges and strength to any unit of goverment without corresponding responsibilities. It is unsound, in my humble opinion, and will not work and will bring about trouble. I really cannot reconcile myself to that concept of giving to any group—any group—within the United States the power of representation on this floor, in this unique body, without the corresponding responsibilities and obligations of a State government that go with it.

I believe I feel that, after all, the Senate is the stabilizing branch of our truly great Government.

I personally feel that we are living in a time of increasing pressures, political pressures, mounting in size and volume and political strength.

Week after week, year after year, those of us that have been here can feel it. We can feel it coming. Some governmental body in the lineup has got to be at least partly removed from the immediate effects of that mounting political pressure.

I speak with all deference to the groups we now have, the State employees, the county employees, with mounting plans of action on their representatives. That was unthinkable or unheard of until recently. I understand it is growing faster than any other group.

I am not trying to discredit any group. It is just a fact of life.

This body can be well warned, as we know now, in part, that more and more of those pressure groups are coming. Say what we will, it is a threat to our system of government, the elected legislative branch.

There must be some kind of insulation protection—or whatever word we wish to use—from the immediate reaction of those that are holding the office. That is where the 6-year term comes in.

But the very idea now of not creating a State, if we are going to have this thing happen, I think it would be far better to create the District of Columbia into a State with its responsibilities and burdens. If we kept an enclave of just a little area here, if any, but without the responsibilities and burdens of State government, the people, the voters and those that they elect and select to come here, will not have the background, they will not have the same sense of obligation, and it will be harder for them to work with the ones already here. I can feel that. I can see how these things will come out.

If we are going into this for the District of Columbia, what about Puerto Rico? I am not advocating anything for them. I understand that perhaps they do not favor statehood now. But when and if they do, how are we going to turn them down? It has been a territory all these years.

I remember a more conservative political party in 1948 that early advocated statehood for Puerto Rico.

That was just an illustration. What about the others?

So I think, in addition to the change in the form of groups that can send representation here, we are further called upon to expand and extend this body, by no means perfect, but it works mightily well as a whole, extend its obligations, extend its nature, stretch it out further and further from the sound basis upon which it rests.

I could refer here, and I am not trying to take up time, I think we have gotten into a situation here where we are in a hole, so to speak.

I do not believe we can meet our obligation by merely passing this on to the States to decide, although it is inconceivable to me that three-fourths of our States, as required by the Constitution, will approve the idea of sending representation here to this body, equal to

their own—equal to their own—and thereby changing the whole system.

It does change it at its foundation level, and puts those States in competiton, so to speak, with the District of Columbia, which has no obligation, as such, of government to carry on.

I just do not believe, if it goes to the States, a person representing a rural area, we will say, a rural area of his State, can possibly see enough compatibility—enough compatibility—between his constitutents and those that are here in the District as to make him willing to let those people, so far removed from his problems, play a part in passing laws under which his people will have to live.

That is no reflection on the people here. But the persons who elect Senators to this body from the District are not going to know one iota, the voter will not know, 9 out of 10 will not know, one iota of the problems that go with farming, or agriculture in any of its phases, forestry, land care, and a host of other things.

They will not know and they have not had a chance to know very much about industry, small industry, medium-sized industry, heavy industry. They do not know and will not know, they have not had a chance to know, of all the problems that go with many of the ways of making a living.

After that is all said and done, that is what the average person has to think about every morning when he gets up. It does not make any difference whether he lives in the West, South, East, or where. He has the responsibility of making a living for his family. It is an economic problem.

We find there are no Senators here, unless it should be that greatly respected State of Rhode Island that we would have to call more or less urban because its area is small and has filled in with people that almost live in towns, but all the rest of them have knowledge of and a direct obligation to people living outside of the cities, to people living in the villages and little crossroads towns, the rural areas, and all the problems that go to make a living there.

Say what we will, unless we have the means of making a living now on the farm, on the land, it is a hard go.

Some of our very finest citizenship training comes through that kind of life.

I just back off from the idea of having people here who have not felt and do not have knowledge of those kinds of problems—not just rural areas but also small towns, small factories, small industry, and a host of other things that go along with that.

A person in here from the District could not have much knowledge of schools, the problems that go with schools, little schools, medium schools, schools scattered in various areas. All they possibly could know would be what the experiences were here, in this very fine city.

I have lived in this city virtually every day of the year for a good number of years, and I have no complaint about it, myself. I have a complaint about restructuring our system of government here merely for the fact of extending the franchise a little further to these District of Columbia people.

The citizens of New York have a small iota of representation in this body compared to the citizen from, say, Utah, a sparsely populated State. There is no such thing as equality in this representation. Now there is an attempt here to dig at the very foundation of this body—that is what this proposal does—simply in order to give these people, fine as they may be, a fraction more of representation here.

We have the local government. I think Mayor Washington has done a mighty good job, judging from contacts I have had with him, observation and otherwise, and I have been a resident taxpayer here for a number of years.

The representation here by the nonvoting delegate is worthwhile, and he renders a service. There is no necessity of just pushing in here and giving these people not just equal representation, but it works out far beyond equality. They get a premium, they get a prize, without any obligations to go with it.

I believe it is the beginning of the crumbling of the system we have. This body, with all its deficiencies—and I am not proud of every aspect of it—has a better chance to stand when the storms come than any other group in our Government.

I have other matters to which I could refer. It is not anything like prejudice or not wanting them to have some representation; but, after all, no one has to live here. No one is being punished, unless they are prisoners, by having to stay here.

We have to have a body that can take care of the massive, growing volume of legislation in this Federal City, and it has to have some kind of insulation—I do not say protection, but insulation—from the pressures of the times.

It is inconceivable to me that a State legislator could approach this picture here with knowledge of how the States fit into the economy and how his or her constituents fit into the Federal regulations of the economy, and I think that will continue. It has gone too far, in my opinion, but I do not think it would change. I just feel that he will be convinced that he is giving up almost everything in return for nothing, you might say, insofar as the handling of the affairs of the Government of the United States of America is concerned. It has its worldwide obligations, which are growing, not lessening; becoming more troublesome, not more peaceful; and the challenges of our economy are much more severe on other parts of this country than in this fine city.

I repeat that the serious problem that the average person has of making a living for his family is the thing that confronts him all the time, every day, and he has to look to this Federal Government for a great deal of guidance and control with respect to that economy. I think these smaller groups in the economy have nothing they can spare in influence. We know that they are rather near the bottom of the totem pole. And when I say making a living, I mean getting out and digging and earning your own way. They have the problem of getting out and making a living, making ends meet. That is what comes home and stays on the doorstep of our citizenry throughout the Nation.

I do not hear of any complaint from the people of California because they do not have anything like equal representation here, numerically, with respect to what a smaller State has, wherever that smaller State is. The matter is understood, and things move along.

Things work out in this body in a marvelous way, but it is becoming more difficult. The pressures are becoming more numerous and greater and more intensified.

The PRESIDING OFFICER. The Senator's 20 minutes have expired.

Mr. STENNIS. I thank the Senator for yielding time to me. I would like to have more time during the day.

Mr. SCOTT. Madam President, I would be glad to yield more time now, or later, to the distinguished Senator.

Mr. STENNIS. I thank the Senator. That is all right.

Mr. SCOTT. Madam President, I appreciate very much the remarks the Senator has made. I feel that we all know and love and respect the distinguished Senator from Mississippi. He has served in our body for 31 years. He was an attorney for a long period of time; he has been a prosecuting attorney; he has been a trial judge. He was elected to the U.S. Senate in 1947. I feel that he knows as much about this body as any other Member of the Senate. So I am especially pleased that he takes the time to address himself to the problem before us.

I understand, Madam President, that the distinguished Senator from Vermont (Mr. LEAHY) would like to propound some unanimous-consent requests.

Mr. LEAHY. If the Senator will yield to me for that purpose.

Mr. SCOTT. I yield.

(Mr. LEAHY's request for certain committees to meet is printed earlier in today's RECORD.)

UP AMENDMENT NO. 1706

(Purpose: To provide representation for the District of Columbia in the House of Representatives)

Mr. SCOTT. Madam President, I call up an unprinted amendment and ask for its immediate consideration.

The PRESIDING OFFICER. The amendment will be stated.

The assistant legislative clerk read as follows:

The Senator from Virginia (Mr. SCOTT) proposes unprinted amendment numbered 1706.

Mr. SCOTT. Madam President, I ask unanimous consent that the reading of the amendment be dispensed with.

The PRESIDING OFFICER. Without objection, it is so ordered.

The amendment is as follows:

On page 2, beginning with line 3, strike out all through line 12 and insert in lieu thereof the following: "House of Representatives, the District constituting the seat of government of the United States shall be treated as though it were a State.".

On page 2, line 13, strike out "Sec. 4." and insert in lieu thereof "Sec. 2.".

Mr. SCOTT. Madam President, the real crux of this resolution is in the first section, and it reads as follows:

For purposes of representation in the House of Representatives, the District constituting the seat of government of the United States shall be treated as though it were a State.

The amendment would provide the citizens of the District of Columbia the number of Representatives in the House of Representatives to which they would be entitled if the District were a State. It also eliminates three provisions of the pending resolution.

First, it does not gives the Disrtict two Senators. Second, it does not permit the District to participate in the process of ratifying constitutional amendments as if it were a State. Finally, it retains in force the 23d amendment to the Constitution dealing with the electoral college.

This amendment is not a weakening amendment, so proponents of House Joint Resolution 554 can vote for this. In fact, it strengthens the chances of the District of Columbia having voting representation in Congress for the first time.

As Senators know, at the present time we do have an elected delegate from the District of Columbia. We also have an elected delegate from Puerto Rico, the Virgin Islands, and Guam. The delegates can vote in committee but they cannot vote in the Hall of the House of Representatives.

The District of Columbia Congressmen would be Congressmen, not delegates, with all the rights that Congressmen from any State would have.

Representation in the House of Representatives only as proposed by my amendment would preserve the unique status of the District as a Federal enclave, holding the seat of Government of the Nation which was the clear intent of the framers of the Constitution.

I believe that it would eliminate the controversial and ambiguous language found in section 2 of the pending resolution. That is the question of what constitutes the legislature that would decide such questions as whether or not the chief executive of the District of Columbia could appoint Senators, whether that would be the legislature of the District of Columbia, or whether it would be the Congress of the United States because under article I, section 8 of the Constitution Congress has exclusive legislative jurisdiction over the District of Columbia subject to such exceptions as have been delegated.

We must remember that we are considering an amendment to the Constitution of the United States, the fundamental law of the land. We should be very cautious when we propose to add language to alter provisions of that great and historic document.

This amendment offers the people of the District their best chance for representation in Congress.

In my judgment House Joint Resolution 554 just simply goes too far. Three-fourths of the States are highly unlikely to ratify it. I believe we will have much more controversy than we had over the ERA amendment.

It proposes to make the District look like a State, to place it on an equal or superior position to other States—that is what the resolution presently before us does, not my amendment—to put it on a superior footing to other States, and to award it virtually all the attributes of the State without asking it to accept the full burdens and responsibilities of statehood. That strikes me as being unnecessary and unfair to the remaining members of the Union. It is virtually a certainty that the resolution before us will not be acceptable to the necessary three-fourths of the State legislatures even if it should be passed by the Senate and signed by the President.

Madam President, the House membership, as you know, is based on population. So there is no conflict in having this representation with the Constitution. But the State representation is entirely a different matter because the Senate is composed of representatives of the States and the city of Washington is not a State. The Senate membership is not based on population in any way. It is based on the fact that each State shall have two Members of the Senate.

Madam President, I have no further comments at this time.

Mr. LEAHY. Madam President, I ask unanimous consent that Terry Cronin of Senator DURKIN'S staff, be accorded the privilege of the floor during votes and deliberations throughout the day today.

The PRESIDING OFFICER. Without objection, it is so ordered.

The Senator from Massachusetts.

Mr. KENNEDY. Madam President. this reaches the heart of the issue that is before the Senate. Those of us who support this amendment do not do so just because we want to give something special to the District of Columbia or grant some favor. We are trying to end an injustice.

What we are trying to do is to put the people of the District of Columbia on the same footing for the House of Representatives and for the Senate of the United States as other areas in this country. The District of Columbia exceeds several States in population. The residents of the District pay taxes. They fought the war in Vietnam.

This amendment is basically flawed, Madam President, in that it provides some representation, but not full representation.

The people in the District of Columbia can vote for the President of the United States, but they cannot vote for Congress and the Senate. Now the Senator from Virginia is saying, they can vote for the President of the United States and the House of Representatives, but not for the U.S. Senate.

I can appreciate the sense of gradualism that has been part of this whole movement, but it certainly does not meet the objective of this constitutional amendment. Therefore, I intend to move to table the amendment unless the Senator wishes to make additional comments. If he does, I shall withhold that then.

The PRESIDING OFFICER (Mr. ZORINSKY). The Senator from Virginia.

Mr. SCOTT. Mr. President, this is the only thing I wish to mention. I hear the distinguished Senator speak of the people of the District of Columbia who fought and died in wars. That is true of people throughout our territories. I feel sure that there were people from Puerto Rico, with a population of more than 3 million people, who also fought in wars for this country, and certainly I have nothing but kind thoughts and commendations.

But I think that is something that is outside of the constitutional matters that we are considering.

I am sympathetic with the views and am agreeable with the views that the distinguished Senator has stated, but I just think this is sort of an emotional appeal that is being made rather than something that goes to the merits of this case.

Mr. President, I ask for the yeas and nays on my amendment.

The PRESIDING OFFICER. Is there a sufficient second? There is a sufficient second.

The yeas and nays were ordered.

Mr. KENNEDY. Mr. President, I ask unanimous consent that it be in order now to ask for the yeas and nays on a motion to table.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. KENNEDY. I ask for the yeas and nays on the motion to table.

The PRESIDING OFFICER. Is there a sufficient second? There is a sufficient second.

The yeas and nays were ordered.

Mr. KENNEDY. Mr. President, the only point I make is that it was also an emotional argument when they talked about taxation without representation. That was an emotional argument. But it was not just an emotional argument. It was also true.

The same thing happens to be true here. The issue affects the fundamental issues upon which this Nation was founded. The people deserve to have a voice and a vote on matters of taxation and matters of life and death. The people of the District of Columbia do not have that right.

Mr. SCOTT. Mr. President, will the Senator yield just briefly?

Mr. KENNEDY. I yield without losing my right to the floor.

Mr. SCOTT. Mr. President, it is my understanding—and this has been verified by the Library of Congress—that the District of Columbia contributes 29 cents for every dollar it receives in Federal taxes. That is not taxation without representation.

Mr. KENNEDY. Mr. President, I move to table the amendment.

The PRESIDING OFFICER. The question is on agreeing to the motion of the Senator from Massachusetts to lay on the table the amendment of the Senator from Virginia. The yeas and nays have been ordered, and the clerk will call the roll.

The second assistant legislative clerk called the roll.

Mr. CRANSTON. I announce that the Senator from South Dakota (Mr. ABOUREZK), the Senator from Alabama (Mrs. ALLEN), the Senator from Min-

nesota (Mr. ANDERSON), the Senator from Arkansas (Mr. BUMPERS), the Senator from Mississippi (Mr. EASTLAND), the Senator from Montana (Mr. HATFIELD), the Senator from Kentucky (Mr. HUDDLESTON), the Senator from HAWAII (Mr. INOUYE), the Senator from Louisiana (Mr. JOHNSTON), the Senator from Tennessee (Mr. SASSER), and the Senator from Georgia (Mr. TALMADGE) are necessarily absent.

Mr. STEVENS. I announce that the Senator from Arizona (Mr. GOLDWATER) is necessarily absent.

The result was announced—yeas 60, nays 28, as follows:

[Rollcall Vote No. 343 Leg.]

YEAS—60

Bayh	Griffin	Muskie
Bellmon	Hart	Nelson
Bentsen	Haskell	Packwood
Biden	Hatfield,	Pearson
Brooke	Mark O.	Pell
Byrd, Robert C.	Hathaway	Percy
Case	Heinz	Proxmire
Chafee	Hollings	Randolph
Chiles	Humphrey	Ribicoff
Church	Jackson	Riegle
Clark	Javits	Sarbanes
Cranston	Kennedy	Sparkman
Culver	Leahy	Stafford
Danforth	Magnuson	Stevenson
DeConcini	Mathias	Stone
Dole	Matsunaga	Thurmond
Durkin	McGovern	Weicker
Eagleton	McIntyre	Williams
Ford	Melcher	Young
Glenn	Metzenbaum	
Gravel	Moynihan	

NAYS—28

Baker	Hatch	Roth
Bartlett	Hayakawa	Schmitt
Burdick	Helms	Schweiker
Byrd,	Hodges	Scott
Harry F., Jr.	Laxalt	Stennis
Cannon	Long	Stevens
Curtis	Lugar	Tower
Domenici	McClure	Wallop
Garn	Morgan	Zorinsky
Hansen	Nunn	

NOT VOTING—12

Abourezk	Goldwater	Johnston
Allen	Hatfield,	Sasser
Anderson	Paul G.	Talmadge
Bumpers	Huddleston	
Eastland	Inouye	

So the motion to lay on the table UP amendment No. 1706 was agreed to.

Mr. SCOTT. Mr. President, I yield such time as he may consume, not exceeding 20 minutes, to the distinguished Senator from Mississippi (Mr. STENNIS), and then yield to him additional time for the purpose of allocating it to Senators WALLOP and SCHMITT during my absence from the floor.

Mr. ROBERT C. BYRD. Will the Senator yield to me for a question?

Mr. SCOTT. Yes.

Mr. ROBERT C. BYRD. Does the Senator know how many amendments remain on his side of the aisle?

Mr. SCOTT. Mr. President, I do not know. I have two amendments of my own. It may be that there will be no further amendments, but I am not in a position to say that at this time. I do not know what other amendments there are. I do know there are numerous amendments, but I do not know whether they will be offered or not. My inclination or my judgment is that very few of them will be offered. What I am attempting to do now is to go downstairs and eat some lunch.

Mr. ROBERT C. BYRD. I would like to have some lunch. I usually do without, or I get a bowl of soup in my office. But that is neither here nor there. I am just trying to find out how many amendments remain. If the Senator is in a position to determine this a little later, what I am saying is it might be that we could go off this measure for an hour or 2 and do some other work and come back to it, say, at 5 o'clock, and allow an hour for debate between that and 6, if it were agreeable with the distinguished Senator.

Mr. SCOTT. Let me say to the distinguished majority leader that I will attempt to find out. I am not sure whether I will be able to, but at least I will try.

Mr. ROBERT C. BYRD. I thank the Senator.

The PRESIDING OFFICER. The Senator from Mississippi.

Mr. STENNIS. Mr. President, I have already had the privilege of speaking briefly this morning. Let me assure the membership who are here I am not here to try to take up some time. I have not written a speech just to kill time. I have what I think are some fundamental points. I know they are fundamental to me. I want to accommodate the leadership and every individual Senator. But I think these things ought to be said with as much emphasis as we know how to say them. I have put down some points ad seriatum.

I feel that if this matter should pass and be submitted to the legislatures of the various States, there ought to be something in the RECORD for the membership there who may want to look and see how different Senators feel about this thing, what they think will be the effect of it, and how it will work for Nebraska, California, Alabama, and Maine, as well as for the District of Columbia.

I am surprised that this proposal has this much support, to meddle with one of the blood cells, the very foundation of our system of government, particularly this unique body, the U.S. Senate.

No unit of Government has taken any more body blows than has the U.S. Senate. No body has absorbed more crises and calamitous situations for the country; no body has stood up more times to be counted on the whole during tumultuous times as has this body.

I read a demonstration of that the other night, when one President of the United States lacked only one vote of being found guilty on impeachment charges before this body. That was well over 100 years ago. One vote made the difference, but that left the Presidency still standing. This writer thinks that that is the vote that turned history. Otherwise, the Presidency itself would have rapidly deteriorated with the ensuing years.

That was a critical time for our country, as I see it, not those years that led to the most unfortunate of all wars, not those 4 years of that conflict between brother and brother, but those so called reconstruction years when finally the people did pull things back together, under the leadership of the President. The office itself was saved and the President remained as the leader of the Nation for a while. Things finally pulled themselves around and we got together and moved on into the greatest era any nation has ever had. And we have withstood other tests since that time, though maybe not quite as grave.

As I said before, we are here from all different groups, representing all different kinds of people, different States, where the economy varies, but we have an understanding of the system and of each other. Then there are things that bind us together. I think more than anything else it is the economy. I thank God that it is still the concern of most every American, this matter of making a living. That is the thing that holds us together.

We pull for an economy where everyone will have a chance to make a living. I hope we go back and retrain some of our citizens whom I think we have neglected in not emphasizing that enough, that every able-bodied person is expected to eventually earn his own way. Therefore, he has to be trained to do something worthwhile and constructive. That catches on with the youth if it is emphasized enough.

We have not emphasized it enough lately, I think. It was emphasized when I was coming along, when many of you were. We did not fail to get the lesson, either.

What I am leading up to now is, here we propose to bring in an altogether different kind of Senator, elected, chosen by people that all live in a city—a very prosperous city. It did have the highest per capita income of any government unit or any State in the Nation. If it is not at the top now, it is very close to it, with all these fine people who work for the Government guaranteed an increase, automatically, in salary if the economy goes up and so forth, guaranteed almost certainly against inflation.

You send from that constituency, send in a person here. He is going to be a product of their thinking without the variety of ways of making a living and ways of living and somebody—Idaho, Utah, Mississippi—somewhere, many will be adversely affected in their way of making a living when we create these policies in the economy. There are many close votes here, many close votes in committees, many in full committee, many close votes on the floor of this body.

I think one of the most important votes we have ever had here—two that I remember—just one vote decided this matter. And they are coming in here without any knowledge of life or problems of those who live in small villages, those who live out on the land—poor land, rich land, middle-type land, anything else—without any knowledge of the problems of little towns, being city government, or small cities—just the large city. That is all they know, without a—well, there may be one or two; I do not know of them, but without any industry, you might say, relatively speaking, in this fine group of 700,000 people, without a small industry, without a large industry or anything in between that is appreciable.

What about out in the West? You know, the most important assignment I ever had in the Senate was the Appropriations Committee, rivers and harbors, water resources—harbors, dams, irrigation, flood control—creating mighty wealth. I mean by that the total production of those projects caused by wealth and was divided up among the landowners and the people, a better standard of living and the paying of more taxes.

All those kinds of things go to make up the economy. If these two men come in, how are they going to stand on many other matters?

How do they stand on soybeans? I just happened to think of soybeans. They will not know top, side, nor bottom, where to go or where to stop or where to stand on soybeans and other agricultural commodities. I mean this. I see these pivot votes in these committees and subcommittees and on this floor, year after year, many, many times over. That is no discredit, but we are going into a venture here with the District of Columbia—give them two Senators but no responsibilities of statehood to go with it, no responsibilities of any kind. Why not just give it to Pittsburgh, let them have more equality or more representation?

That is the first city I thought about there. There is no such thing as having absolute equality of citizenship, anyway, in selecting Senators. The Constitution deliberately made it so that there would be unequal representation, so there is nothing sacred here that is being violated. This is the system of government we have, ladies and gentlemen, and it has virtues and values and strength because of these fundamentals.

Now we open the door one time and we shall have to open it again. We shall have to open it again.

Let us not say, well, if it is that bad, the States will turn it down. We have no basis to perform our responsibilities by saying, well, let the States correct my error. I respectfuly submit, we are in grave error here—grave error—in making this change.

My goodness alive, let it be our firm, solid, best opinion, at least, and if that goes contrary to what I advocate, then, at least, the system has worked. But let us not say, well, here, we will not bother about that; the States can take care of the situation.

I believe this, that if the States get into the facts in passing on their responsibilities, they are going to say that we are not wanting to punish anyone in being short on the privileges that go with American citizenship; we are not wanting to take away anything that belongs to another; but, at the same time, we are interested in protecting ourselves; we have to know more about this thing and we are going to protect ourourselves.

Our economy is so bound up in what the Congress does. Presidents come and go, but the continuity of Government is through the legislative branch, the Congress. And you know we pass on grave matters of the economy here every day—too many, I think. Too many, but, at the same time, it is a part of our life and of all those segments of this great economy we have. The Government is in it and I think will continue to be in it and will be controlling.

So there is nothing in the way of economic advantages or anything like that the people in the District are missing. It is this political power without obligation of statehood that goes with it, and it is political power that rightly belongs to someone else under the Constitution, intended that way.

They had quite a debate about this matter as to what State, if any State, the Capital was going to be located in. I am not a stranger to that record, what record there is, of the Constitutional Convention. They argued back and forth as much on that as anything else, and they finally reached a decsion that it would not be in any State.

In think, Mr. President, that justice can be done, good can be done on this matter of citizenship without our having to surrender one of the basic structures of our form of government.

I know this, in one form or another, has been up before. It shows a concern that is an honest concern. But ways have been found to partly meet these situations already, and I am sure other ways can be found and will be found. But I say to my colleagues, let us not set the precedent of going altogether out of bounds here and bestow statehood, in effect, upon the District of Columbia and then in the next Senate say, "No, we didn't mean what we said, we take it back."

That language in here says "shall be considered for these purposes as a State."

We know that is hocus-pocus of a kind that does not say in bad faith, but that is trying to have the cake and eat it, too.

So if we really are going to do this thing and entitle it to representation here, let us make it a State. I would not advocate making it an outright State, but that is the only way we can do it and make it consistent.

Another thing, why do they have to have two Senators? Who figured that one out?

If they have to have someone here that has the power to vote, one Senator representing 700,000 people is more representation than many of the States—some of which belong to the original 13—have here.

Take Massachusetts. Quality makes up for some things, but they have only two good Senators. But New York, long time the most populous State in the Nation, only two Senators for 21 million people, I believe it is about that many, or more now. Two Senators. High quality, but representation on a per capita basis.

California now being a little more populous, I think illustrates the same principle.

So, why two Senators for these 700,000 people? Who did that? Who said, "No, two." I do not know.

But if it is not a State and it does not have a population more than this, I cannot see any conceivable basis for saying they will have two Senators.

The PRESIDING OFFICER. The Senator's 20 minutes have expired.

Mr. STENNIS. I thank the Chair.

Mr. SCOTT. Mr. President, I am glad to yield further time to the Senator.

Mr. STENNIS. I have another point and I will go into that later.

Mr. SCOTT. Mr. President, again I thank the Senator for his comments, the remarks he made about the Senate representing the States and referring to the population of the States.

My own State of Virginia has between 5.1 million and 5.2 million with two Senators. Each of us represent approximately 2.6 million people.

AMENDMENT NO. 3525, AS MODIFIED

(Purpose: To provide a means for filling vacancies in the representation of the District of Columbia in the Congress)

Mr. SCOTT. Mr. President, I call up my amendment No. 3525, as modified, and ask for its immediate consideration.

The PRESIDING OFFICER. The amendment will be stated.

The legislative clerk read as follows:

The Senator from Virginia (Mr. SCOTT), for himself and Mr. WALLOP, proposes an amendment numbered 3525, as modified.

The amendment is as follows:

On page 2, between lines 10 and 11, insert the following new section:

"SEC. 3. When vacancies happen in the representation of the District of Columbia in the Senate or the House of Representatives, the Mayor of the District of Columbia shall issue writs of election to fill such vacancies, except that the Council of the District of Columbia may empower the Mayor thereof to make temporary appointments to the Senate until the people of the District of Columbia fill the vacancies by election as the Council of the District of Columbia may direct.".

On page 2, line 11, strike out "SEC. 3." and insert "SEC. 4.".

On page 2, line 13, strike out "SEC. 4." and insert "SEC. 5.".

Mr. SCOTT. Mr. President, the modification in the printed amendment only adds the words on page 2 after "empower the mayor thereof to make temporary appointments," the words "to the Senate", because as drawn he would have had the authority to make interim appointments to both the Senate and House. That would be contrary to the Constitution and this is a clarifying amendment.

I hope that after a reasonable time to debate the matter, the distinguished Senator from Massachusetts will not move to table. In fact, I hope that he will accept this amendment because it is an amendment that will remove some of the ambiguities that are in the resolution that is now before us.

The first portion of the resolution before us grants representation in the Congress, full congressional representation, to the District of Columbia. The second would provide for participation in the election of the President and the Vice President. The same that is true today, I believe, under the 23d amendment.

But we have not discussed the third phase, to any extent I am aware.

According to article V of the Constitution, it is necessary for three-fourths of the State legislatures to ratify a proposed constitutional amendment.

Mr. KENNEDY. If the Senator will yield, does the Senator have a copy of the amendment?

Mr. SCOTT. Yes. The amendment should be on every Senator's desk. It is amendment No. 3525 and the only modification is adding the words "to the Senate" on page 2.

Mr. KENNEDY. I thank the Senator.

Mr. SCOTT. Mr. President, I do not believe we have discussed the third phase to any extent, but, according to article V of the Constitution, it is necessary for three-fourths of the State legislatures to ratify a proposed constitutional amendment that has been approved by two-thirds of the Members of both Houses of the Congress.

At the present time, we have 50 States, of course. That means that it is necessary to have 38 States to ratify it. But in the event the District of Columbia is treated as a State and in the event the District of Columbia would be counted, that would make 51 States, counting the District of Columbia as a State, and three-fourths of 51 would mean we would have 39 States that would be necessary for ratification.

This is not a crucial point, but it is a matter that I believe is worthy to at least be considered.

The second section of the joint resolution before us refers to the exercise of the rights and powers conferred under this article shall be by the people of the District constituting the seat of government as shall be provided by the Congress.

Now, that is subject to a second amendment that I would offer because by the people of the District constituting the seat of Government as shall be provided by the Congress, does the Congress under article I, section 8, having exclusive legislative jurisdiction, does it make the decision or do the people of the District of Columbia acting through their Council?

This raises a number of questions, but when we look at the 17th amendment to the Constitution, we find that when vacancies happen in the representation of any State in the Senate, the executive authority of such State shall issue writs of election to fill such vacancies.

Now, that is whether it is the House or the Senate. But the further words are provided:

Provided, That the legislature of any State may empower the executive thereof to make temporary appointments until the people fill the vacancies by election as the legislature may direct.

Are we talking about the legislature of the District of Columbia, the City Council, which has been delegated some legislative authority? Are we speaking of the Congress of the United States, which has exclusive legislative jurisdiction, except as to the extent that it has been delegated?

I would modify that for the purpose of clarification, so that in each instance the people of the District of Columbia or the legislature of the District of Columbia would be the ones to make it rather than the Senate. If we are going to treat the District of Columbia, for the purpose of representation, as if it were a State, then it seems reasonable to me to add this. Otherwise, we have some very vague things in this joint resolution. If we should act favorably upon this, the State legislatures are going to raise these questions.

I know that we have two bodies of Congress, and I know that there is some concern about one body not accepting the bill in exactly the same way as the other body prepares the bill. I know that it is necessary to go to conference when that is not done. But it is much easier to go to conference now and work out an imperfection, to work out a clarification in a bill, than it is to send it to the legislatures of the 50 States for their consideration.

So my amendment would add a section 3:

When vacancies happen in the representation of the District of Columbia, in the Senate or the House of Representatives, the Mayor of the District of Columbia shall issue writs of election to fill such vacancies, except that the Council of the District of Columbia may empower the Mayor thereof to make temporary appointments to the Senate until the people of the District of Columbia fill the vancancies by election, as the Council of the District of Columbia may direct.

Then it just renumbers the other paragraphs.

Mr. President, it seems unreasonable to me for those who have expressed such concern about the people of the District of Columbia making decisions with regard to voting rights and human rights to retain something in a joint resolution that is as uncertain as this. This would specify that the legislature, insofar as this bill is concerned and the representation in Congress is concerned, would be the City Council; that they could empower the mayor to make interim appointments to the Senate.

Mr. President, I yield such time as he may consume to the distinguished Senator from Wyoming.

I might add that the distinguished Senator is a cosponsor of the amendment.

Mr. WALLOP. I thank my friend and colleague, Senator SCOTT.

I shall add my remarks to those of the Senator from Virginia. I hope that, by encouragement, the sponsors and the floor managers might think very carefully about accepting this amendment, partly from the standpoint of consistency and partly because I hate to see the Senate subside into a level where it refuses to think any longer about the subject matter before it and does not take seriously the arguments that are being made.

The Senator from Massachusetts knows that I am not enthusiastic about the form of the joint resolution presently before us. There are several other preferable variations with respect to enfranchising the people of the District of Columbia. Be that as it may, we now have House Joint Resolution 554 as the document upon which we will vote.

I hope that, in the interest of consistency and of the arguments that can be made in its behalf, the amendment might be considered seriously by the floor mangers, as an amendment which those who support this measure in the House would not find difficult in accepting.

Mr. President, during the course of the debate on House Joint Resolution 554, many amendments have been offered which would have provided alternative means for insuring the residents of the District of Columbia with representation in Congress. Without exception, the proponents of the measure have voiced strong opposition to these amendments, fearing that any significant substantive change in House Joint Resolution 554 would undermine its chances for timely approval by this Congress.

The amendment offered by the Senator from Virginia (Mr. SCOTT), and me will effect an important change in House Joint Resolution 554, but one which proponents and opponents alike should support as an improvement to the proposed constitutional amendment. This amendment fills the void left by House Joint Resolution 554 with respect to procedures for filling vacancies in the House and the Senate caused by the untimely deaths of the Senators and Representative(s) of the District of Columbia or for other reasons.

Section 1 of House Joint Resolution 554 provides that the District of Columbia shall be treated as though it were a State for purposes of representation in Congress. It makes no provision for the filling of vacancies in either the House of Representatives or in the Senate in the event of the death or the resignation of the elected members from the District. Our amendment fills that gap. In short, the amendment vests the local government of the District of Columbia—the Mayor and the City Council—with the constitutional authority to fill vacancies in District seats in Congress without either the influence of, or interference from, Congress.

There is clear and unmistakable need for this amendment. Article I, section 2, clause 4 of the Constitution provides:

When vacancies happen in the representation from any State, the executive authority thereof shall issue writs of election to fill such vacancies.

The 17th amendment to the Constitution provides:

When vacancies happen in the representation of any State in the Senate, the executive authority of such State shall issue writs of election to fill such vacancies: *Provided*, That the legislature of any State may empower the executive thereof to make temporary appointments until the people fill the vacancies by election as the legislature may direct.

House Joint Resolution 554, by its very terms, does not make the District of Columbia a State for purposes of filling vacancies in Congress. Thus, the provisions of the Constitution cited above would not apply, and there would be no explicit guidance for filling seats left vacant by the untimely passing of the representatives and senators from the District of Columbia.

The other concern is that if I were a citizen of the District of Columbia, already concerned that I am not represented, I would not want to have my Senators and Representatives chosen by the Congress of the United States.

It would be irresponsible for this body to talk around the problem without ad-

dressing and solving it. The amendment we offer will avert future legal and constitutional questions should this proposed amendment be ratified and a vacancy in a District seat occur between scheduled elections.

A case in point: At present, Congress can veto any actions taken by the City Council. If the City Council were to appoint a Representative or a Senator to fill a vacancy in the House or Senate, respectively, would not Congress have veto power over the appointment? I suggest that it would. And under section 2 of House Joint Resolution 554, would not Congress be able to provide by legislation for a special election contrary, perhaps, to the wishes of the citizens of the District? Would not Congress be in the extraordinary position of influencing the selection of the District's congressional representatives? We seek to avoid this objectionable result by providing that the District, alone, shall fill vacancies in congressional seats. The Mayor and City Council of the District of Columbia shall provide for the interim replacement and subsequent general elections to fill vacancies. They shall do so free from Congress influence and not subject to Congress veto power.

Mr. President, I compliment the distinguished floor manager on the means, manner, and method by which he has defended this proposition in the Chamber. With respect to this amendment, I would call attention to the fact that he introduced the Senate version of House Joint Resolution 554, Senate Joint Resolution 65, on May 15, 1977 for himself, Mr. BAYH, Mr. BROOKE, and Mr. Humphrey. In that proposed amendment, they provided a section 2 which specifically relates, as does this amendment, to the problem of the replacement of Senators and Representatives in the event of vacancies in congressional seats from the District of Columbia. Their language was not dissimilar from ours, which says simply that when vacancies happen in the representation of the District in either the Senate or the House of Representatives the people of the District shall fill such vacancies by election.

The floor manager, sponsors, and other proponents of House Joint Resolution 554 have recognized the need to make provisions for filling vacancies in congressional seats for the District of Columbia. They have offered language on this point in Senate Joint Resolution 65. I suggest that the language of our amendment is a slight improvement over theirs in that it deals with the two distinctions that are found in the existing Constitution of the United States for the replacement of Members of the House of Representatives and Members of the Senate and I suggest it would be consistent with their previously stated positions to support this amendment.

Mr. President, in addition, I compliment the Senator from Virginia for drafting this. I think it is not a frivolous amendment in any way.

I also was stated as a cosponsor on another amendment of his, of which I generally approved. For the reason that I want to focus on this particular problem—the filling of vacancies in District of Columbia seats—I wish to ask unanimous consent that I may be permitted to withdraw as a cosponsor of amendment No. 3524 at this time.

The PRESIDING OFFICER. Is there objection?

Without objection, the Senator's sponsorship is withdrawn.

Mr. SCOTT. I thank the Chair.

Mr. WALLOP. I thank the Chair.

The Senator is proud and pleased to associate himself on amendment No. 3525 of the distinguished Senator from Virginia.

I hope seriously that the proponents will view this argument seriously and not move the Senate to a posture of cutting off further thought on the proposition before us because the thought is too serious and whatever we do here will last 100, 150, or 200 years. It seems to me the only responsible way to approach it.

I thank the Senator from Virginia for yielding to me.

Mr. KENNEDY. Mr. President, may I ask a question of the Senator from Virginia?

In section 3, line 3, when the amendment says "when vacancies happen," just when does this apply?

Mr. SCOTT. An incumbent Senator could die. That would be it. He could resign. We have had that within the Senator's recollection.

But under the same circumstances as appointments can be made by the Governor of a State upon authorization by the legislature of a State, and I believe that that is specified in article I of the Constitution. Let me just find it here.

Mr. WALLOP. The Senator is correct. In answer to the question posed by the Senator from Massachusetts, may I refer you to article I, section 2, clause 4, and the 17th amendment of the Constitution. Both of these constitutional provisions use the language "when vacancies happen."

Mr. SCOTT. Yes. The 17th amendment would be the preferable place. Let me find the 17th amendment and respond to the Senator. The second paragraph of the 17th amendment says:

> When vacancies happen in the representation of any state in the Senate,"

The word "happen" is used in the existing Constitution—

> The executive authority of such state shall issue writs of election to fill such vacancies provided that the legislature of any state may empower the executive thereof to make temporary appointments until the people fill the vacancies by election as the legislature may direct.

My amendment would only change the joint resolution to make it in compliance with the position of all of the States insofar as the filling of vacancies are concerned. We do not know just who will fill the vacancies because as the distinguished Senator knows under article I, section 8 full legislative power is vested in Congress. Would Congress, unless this amendment is adopted, authorize the Mayor of the District of Columbia to make the appointment, or would the City Council of the city of Washington authorize the Mayor to make the appointment?

This amendment says that the City Council of the city of Washington may authorize the Mayor to make an appointment to fill the vacancy and it clarifies it, and we do not have the uncertainty. That is the purpose of the amendment.

Mr. KENNEDY. Let me ask a second question. Does this language apply immediately after this amendment is ratified by the States? Under the language, vacancies would exist, but there has not been an election. Can the Senator specify whether his language would apply under that circumstance? Should not the first action be an election, instead of an appointment to fill the vacancy?

Mr. SCOTT. I would assume and for the——

Mr. KENNEDY. There would be vacancies in the representation in the Senate and the House of Representatives.

Mr. SCOTT. For the purpose of legislative history——

Mr. KENNEDY. The Senator offers the amendment to end the confusion of language in our constitutional amendment, and here on the face of his amendment, there is a confusion of language in the form of it.

Mr. WALLOP. Mr. President, will the Senator yield to me for 1 second?

Mr. SCOTT. I am glad to yield.

Mr. WALLOP. I suggest there is no more complication than there was in the Senator's own resolution. The unique problem for the moment between ratification and the first election would probably be best dealt with by appointments made in accordance with this amendment. However, if that is particularly troublesome. I am sure that language could easily be inserted in the amendment such that it would take effect only after the first elections.

Mr. KENNEDY. I do not know whether the Senator wishes to offer that as a perfecting amendment. I was listening to my friend from Virginia and the Senator from Wyoming talking about how our language was subject to different interpretations and how they were going to resolve these different interpretations. And then they offer an amendment which is subject on its face to different interpretations.

Mr. SCOTT. Mr. President, if the Senator will——

Mr. KENNEDY. Do I not have the floor, Mr. President?

The PRESIDING OFFICER. The Senator from Massachusetts has the floor.

Mr. SCOTT. I was asking if the Senator will yield.

Mr. KENNEDY. Just let me make a brief comment.

Mr. SCOTT. All right.

Mr. KENNEDY. And then I will be glad to yield.

This amendment is offered to deal with what will happen when vacancies occur. But there has been no amendment offered to establish the elections in the first place. It seems to me we are putting the cart before the horse. How will the District of Columbia establish the various congressional districts? How will it hold the first elections? There

should be at least a sense of order in offering amendments to clarify such details. The amendment deals with what is going to happen if there is a vacancy after an election.

It was for these reasons, Mr. President, that the issues were left for future action by statute. These issues can be resolved by subsequent legislation implementing the amendment.

Some kind of statute similar to this amendment may very well be agreed to in the future. It is not necessary that it be attached to the constitutional amendment.

But the legislative history ought to be very clear that the type of question about how the elections are going to be held, how vacancies are going to be filled, can be easily answered by statutes in the the future.

The PRESIDING OFFICER. The Senator from Virginia.

Mr. SCOTT. What this amendment is attempting to do is to make the some provisions that are presently in the Constitution with regard to the States apply to the District of Columbia. There is nothing in the Constitution that refers to the first election of the Senators that the distinguished Senator mentions. I would assume that it would not be necessary or even desirable to have the mayor appoint the first Senators from the District of Columbia.

Mr. KENNEDY. Mr. President, will the Senator yield?

Mr. SCOTT. If the Senator will let me complete my statement—it seems reasonable to me that once you have your Senators who are elected by the people, and then death occurs or somebody resigns, as has happened in this body since I have been in the Senate, and you have an emergency situation and you do not want a vacancy in the Senate, until the District of Columbia actually has some Senators they are in no worse position by waiting a short period of time and letting the people elect the original Members of the Senate, in no worse position than they are today.

I am glad to yield to my friend from Wyoming.

Mr. WALLOP. I thank my colleague.

I would like to direct a couple of questions to the Senator from Massachusetts along these lines. First, if what the Senator says about filling vacancies is actually true, why did Congress bother to pass the 17th amendment, to use this very same constitutional amendment procedure for filling vacancies in Senate seats?; second, why is it now so poisonous to the Senator from Massachusetts to entertain an important amendment as this one is when it was the Senators' own language in his own proposal that was introduced in the Senate, Senate Joint Resolution 65?

You know, it does not strike me that this will in any way, affect the likely outcome of the vote that will take place this evening. It is not proposed by this Senator as threatening that vote. It really is in all honesty trying to deal with an apparent problem in H.J. Res. 554.

Mr. KENNEDY. Well, Mr. President, I certainly grant the sincerity of my colleagues from Wyoming and from Virginia.

But I still say the language included in the amendment before us is vague. I understand what the Senator is trying to do, but the language is vague because it reads "when the vacancies happen." Does a vacancy happen after ratification by the States, but before the first election?

Mr. WALLOP. Mr. President, will the Senator yield?

Mr. KENNEDY. If I can just finish in reply to the comment of the Senator. The 17th amendment is a different situation, because in the 17th amendment we were moving to the direct election of Senators, at a time when the State legislatures chose the Senators. So we had sitting Senators at that time. That is quite a different situation.

Under the 17th amendment, State legislatures chose the Members of the Senate. We did have Senators who were serving and meeting their responsibility for the Senate. So it made sense to speak of vacancies.

In issues raised by the amendment are important ones, but they can be worked out satisfactorily by statute. It is not necessary to write them into the constitutional amendment. This amendment would require a conference with the House of Representatives, and I do not think such a charge is justified.

Mr. WALLOP. I assure the Senator that is not the intent of this Senator. I would work with him to see that such result did not take place.

But I wonder how——

Mr. KENNEDY. I yield to the Senator on his time.

Mr. WALLOP. I will ask the Senator one more question, if I may.

Mr. KENNEDY. Yes, just if the Senator could use his time.

Mr. SCOTT. I am glad to yield to the distinguished Senator.

Mr. KENNEDY. The other Senator has twice as much time as I have.

Mr. WALLOP. The only thing I would ask is why, when the proposed amendment would close a gap in the resolution with respect to filling vacancies, would the proponents of House Joint Resolution 554 move to table and defeat it? Surely the proponents who advocate enfranchising the District of Columbia voters do not wish to retain the authority to exercise the congressional veto power over the City Council of the District.

It just seems to me that is the worst kind of duplicity this Senate and Congress can involve itself in.

Mr. KENNEDY. The movement toward providing the right to representation has been a gradual and evolving process. I think important progress has been made. We have not resolved all the issues or all of the problems. The questions that have been raised here by the Senators can be resolved by statute. They do not need the constitutional amendment process.

Mr. WALLOP. I just have to disagree with the Senator. No one, and nobody, has construed the 17th amendment as being vague——

Mr. KENNEDY. Regular order, Mr. President.

Mr. WALLOP. Regular order? The Senator has the floor.

Mr. KENNEDY. The Senator has the floor and asks for the regular order.

The issues and questions on future elections can be worked out with the local authorities and Congress. It can be done by statute.

The irony is that those who say we are not granting enough authority to the District of Columbia are the same persons who are voting time after time and day after day against even providing them with the right to vote in the Congress and in the Senate of the United States.

Therefore, I move to table the amendment and I ask for the yeas and nays.

Mr. ROBERT C. BYRD. Mr. President, will the distinguished Senator withhold his motion?

Mr. KENNEDY. I withhold the motion.

Mr. ROBERT C. BYRD. I ask unanimous consent that the Senator from Massachusetts be recognized at the hour of 2 p.m. to make his motion to table.

The PRESIDING OFFICER (Mr. MELCHER). The Chair would inquire to table what?

Mr. KENNEDY. The amendment which is before us.

Mr. WALLOP. Mr. President, I suggest the Senator does not have the floor for the purpose of moving to table the amendment but only to make a response to the question of the Senator from Wyoming, to answer his question.

Mr. SCOTT. Mr. President, could we resolve this question by permitting me to yield to the distinguished Senator from New Mexico who desires to speak on the matter and, I think that would give us some time and we would be right at the hour of 2 o'clock? Certainly the Senator has a right—I am sorry that he takes the position that he does—but he has the right to offer a tabling motion, and I will support his right to a rollcall vote at a later time.

Mr. KENNEDY. Mr. President, I ask unanimous consent that it be in order to ask for the yeas and nays on the motion to table at this time.

The PRESIDING OFFICER. Is there objection? Without objection, it is so ordered.

Mr. KENNEDY. I ask for the yeas and nays.

The PRESIDING OFFICER. Is there a sufficient second?

Mr. SCOTT. Mr. President, I ask unanimous consent that it be in order to ask for the yeas and nays on my amendment.

The PRESIDING OFFICER. We have not resolved the question of whether there is a sufficient second. Let us see if there is.

There is a sufficient second.

The yeas and nays were ordered.

Mr. SCOTT. Mr. President, I ask unanimous consent that it be in order to ask for the yeas and nays on my amendment.

The PRESIDING OFFICER. The Senator has that right.

Mr. SCOTT. Mr. President, I ask for the yeas and nays on my amendment.

The PRESIDING OFFICER. Is there a sufficient second? There is a sufficient second.

The yeas and nays were ordered.

Mr. SCOTT. Mr. President, I yield the Senator from New Mexico such time as he may consume, not exceeding 20 minutes.

Mr. KENNEDY. Mr. President, a parliamentary inquiry.

The PRESIDING OFFICER. The Senator will state it.

Mr. KENNEDY. Do I understand that I will be recognized at 2 o'clock?

The PRESIDING OFFICER. There is a unanimous-consent request to that effect pending. Is there objection?

Mr. SCOTT. Mr. President, let me personally assure the Senator from Massachusetts that he will be recognized after the distinguished Senator from New Mexico finishes his remarks.

The PRESIDING OFFICER. Is the request withdrawn?

Mr. ROBERT C. BYRD. Yes.

The PRESIDING OFFICER. The request is withdrawn. The Senator from New Mexico is recognized.

AMENDMENT NO. 3505

(Purpose: To correct a typographical error in the twenty-fifth amendment)

Mr. SCHMITT. Mr. President, I call up my printed amendment No. 3505.

The PRESIDING OFFICER. There is an amendment pending at this time. It would require unanimous consent. Does the Senator ask unanimous consent to have his amendment considered now?

Mr. SCHMITT. Mr. President, I ask unanimous consent that the pending amendment be temporarily set aside, and the Senate proceed to the consideration of this amendment.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. SCHMITT. Mr. President, this amendment 3505 which I have sent to the desk is to correct a typographical error, and the humor of that will be apparent momentarily.

The PRESIDING OFFICER. The clerk will state the amendment.

The assistant legislative clerk read as follows:

The Senator from New Mexico (Mr. SCHMITT) proposes an amendment numbered 3505:

On page 2, after line 12, insert the following:

"SEC. 4. The twenty-fifth article of amendment to the Constitution of the United States is amended by striking out 'department' in the second paragraph of section 4 and inserting in lieu thereof 'departments' ".

On page 2, line 13, strike out "SEC. 4" and insert "SEC. 5".

Mr. SCHMITT. Mr. President, on July 6, 1965, the Congress proposed to the States a constitutional amendment which, on February 10, 1967, was ratified as the 25th amendment. This amendment contains four sections. Section 1 states that the Vice President becomes President upon the death or removal of the President. Section 2 provides for the nomination and confirmation of a Vice President whenever there is a vacancy in that office. Section 3 provides for the Vice President to assume the duties of the President should the President declare that he is unable to discharge the powers and duties of his office. Section 4 is probably the most important and potentially the most controversial. This section provides for the removal of a President who is found to be unable to discharge his duties.

Since the ratification of the 25th amendment, section 2 has been invoked twice. Two Vice Presidents have been nominated by the President and confirmed by the Congress. Neither section 3 nor section 4 has yet been invoked. I hope, Mr. President, that it never becomes necessary to invoke these provisions. There is, however, a problem with section 4 in that it contains a typographical error which could, if uncorrected, pose some problems. Let me read the first paragraph of section 1.

Whenever the Vice President and a majority of either the principal officers of the executive officers of the executive departments or of such other body as Congress may by law provide, transmit to the President pro tempore of the Senate and the Speaker of the House of Represenatives their written declaration that the President is unable to discharge the powers and duties of his office, the Vice President shall immediately assume the powers and duties of the office as Acting President.

It is clear that the framers of this amendment intended that the Vice President and the majority of the Cabinet must make this determination, unless Congress decides otherwise.

The second paragraph, however, reads:

Thereafter, when the President transmits to the President pro tempore of the Senate and the Speaker of the House of Representatives his written declaration that no inability exists, he shall resume the powers and duties of his office unless the Vice President and a majority of either the the principal officers of the executive department or of such other body as Congress may by law provide, transmit within four days to the President pro tempore of the Senate and the Speaker of the House of Representatives their written declaration that the President is unable to discharge the powers and duties of his office.

The difference, Mr. President, is that paragraph 2 refers to the "principal officers of the executive department" rather than "departments" as in paragraph 1. The intent of the framers was clearly that the Cabinet be considered in both cases. The typographical error, not detected until after ratification, could change the meaning in the second paragraph. It may be argued in the future that it was not an error but the intent of the framer.

Mr. President, while this provision of the Constitution may never be invoked, and I hope it will never be necessary to do so, I for one would not want any problems with interpretation should it become necessary. The courts would probably rule that the framers of this provision intended that the Cabinet should be involved in the decision-making and not some other body such as the senior staff of the White House. The White House could be considered the executive department and the senior staff could be considered the principal officers. Should it become necessary to invoke this provision, it would be a crisis situation. I would not want to open the process to unnecessary court challenges as to the intent of the framers.

It is for this reason, Mr. President, that I propose this amendment to House Joint Resolution 554. While I do not intend to introduce a joint resolution proposing a separate amendment to the Constitution to correct this error, if the Congress is considering an amendment, this correction could be added. This amendment would strike the word "department" in the second paragraph of section four of the 25th amendment and insert in lieu thereof "departments."

Let me emphasize that this amendment will not change any of the provisions of House Joint Resolution 554. It would not add or detract from the issue which we are discussing. Whether the District of Columbia should have congressional representation will stand or fall on its own merits. What I am proposing, Mr. President, is more in the nature of a technical amendment to the 25th amendment.

Mr. President, I hope that the Senate will adopt this amendment to this joint resolution and to every joint resolution proposing a constitutional amendment until the error in the 25th amendment is corrected.

Mr. President, there has been some concern expressed by Senators that the adoption of the amendment of the Senator from New Mexico would potentially force the entire D.C. representation back to the House of Representatives for their approval. The precedents, coincidentally, in this matter were set in the consideration of the 25th amendment, which the Senator from New Mexico is attempting to correct.

The House agreed to the conference report on this amendment on June 30, 1965. The Senate agreed to the conference report on July 6, 1965. Therefore, it would obviously be in order for this additional amendment provided here on the floor of the Senate to be treated and agreed to by the House in conference rather than requiring any vote by the full House.

Ratification, by the way, of the 25th amendment was completed on February 10, 1967, a delay of slightly under 2 years.

I might also add that if, in fact, it was desired to submit the amended joint resolution to the full House, there is, of course, precedent for that being done also, particularly, for example, in the consideration of the 22d amendment dealing with two terms for a President. In that case, that amendment passed the House on February 6, 1947. The Senate amended the proposed article. The amended article was passed by the House, as amended, on March 24, 1947, and subsequent ratification took place February 27, 1951.

Mr. President, I reserve the remainder of my time.

Mr. LEAHY. Mr. President, the Senator from New Mexico raises an interesting point on the issue of a typographical error. I for one, having seen that point raised, would want to go back and review the Constitution very carefully and see whether there might be other typographical errors, or what may appear at least to me as typographical errors. Having found any, assuming I did, I would much prefer to go to the Judiciary Committee and the Subcommittee on Constitutional Law and ask them to look into it in some detail.

I have just checked briefly with Senator BAYH on the matter that the distinguished Senator from New Mexico has raised. I can see much merit in the point he has raised here. I understand, however, that the hearing record perhaps runs into thousands of pages on that constitutional amendment; that the transcript of the proceedings and the records of the proceedings are voluminous and have been locked away for the last 10 years.

I understand from Senator BAYH that he is perfectly willing to have the subcommittee go back into the issue, dig out the material, and find out, indeed, if there was a typographical error, and then determine how best that typographical error can be corrected, if indeed there is one.

I would suggest to the Senator from New Mexico, that being the case, that the best way to handle it would be to let the Judiciary Committee go back through it. I do not think it would come down to any kind of ideological battle if there is a typographical error, but, rather, the sole question would be how best to correct it. I would hope that the Senator from New Mexico might withdraw his amendment and allow the Judiciary Committee, and Senator BAYH's subcommittee, to make some kind of determination, I would assume working with the Senator from New Mexico, first, is there a typographical error, and, second, should there be a typographical error, what is the best way to correct it?

Mr. SCHMITT. I appreciate the comments of the distinguished Senator from Vermont. It is my personal understanding, after having talked with the Senator from Massachusetts, that he had no problems with this amendment. Certainly to this Senator's knowledge, I think the Senator from Vermont will find, after conducting his own research, that this is the only known typographical error in the present official version of the Constitution. I do not think he will find any other errors if he looks. Any other errors, so-called, would be errors of substance rather than errors of a typographical nature.

I would submit to the Senator, based upon all the research that my staff and I have been able to do on this, there is, I believe, universal agreement that this is, in fact, a true typographical error. I think there is universal agreement among the legal profession that although there is no question as to the way the courts would rule in terms of legislative history surrounding the 25th amendment, that, nonetheless, there is an opening for a court test at a time when the Nation will be undergoing a very, very severe crisis. That potential I believe should be put to zero by a clear and unequivocal correction of the error which has existed. It is not something that this Senator discovered. It is something that many people have known about for some time. It is only my intention to assist the courts in having a clear and correct Constitution in front of them for any future consideration.

Mr. LEAHY. May I ask the Senator from New Mexico, based on his examination, if there are other ways of correcting a typographical error rather than adding it as an amendment to the matter before us now? My concern, of course, is that any amendment sends this matter back to conference at a time when we are facing the possibility of a recess of the Congress in mid-October, along with all the other matters presently before us. I wonder if it is a matter that can be settled somewhat more easily somewhere else. I agree with the Senator that it should be corrected. If it can be corrected somewhere else, this Senator from Vermont would much prefer that.

Mr. SCHMITT. This Senator would also prefer that, yet we are all dependent upon our own research, and I have found no indication in that research that there is any other constitutional means by which we can correct a typographical error. It appears it has to be corrected by another amendment to the Constitution. Unless some other accommodation can be worked out, I intend to offer this amendment to all other substantive amendments that are coming before this body. I think it is something we have to do.

Although it is highly unlikely that section 4 of the 25th amendment will ever be required, nevertheless at the time it is required it needs to be as clean as possible in terms of any court test of that amendment.

Mr. LEAHY. Again might I recommend to my friend from New Mexico that the amendment is now at hand and perhaps he should allow Senator BAYH and his subcommittee to look into the matter to try to determine another vehicle rather than this one as the way of correcting this, or to handle it as a matter solely by itself.

Mr. BAYH. Will the Senator yield?

Mr. LEAHY. I yield.

Mr. BAYH. I appreciate the astute observation of our distinguished friend from New Mexico. If he and my friend from Vermont insist, of course, we can hold hearings on this matter, but I believe, as the sponsor of that 25th amendment, I can remember rather vividly what happened. I can speak with some authority. We do not need to hold hearings to assess whether that is a mistake or not. It is a mistake. In fact, since the Senator is rightly concerned that there not be any misinterpretation of this, it is my humble judgment that that can be accomplished without cranking up the process of subsequently amending the Constitution to add an "s". We were talking about "departments." If one examines the document that passed the House and the Senate, it has an "s" on it.

If one looks at the legislative history and, of course, if it ever got to the Court and the matter were contested, the Court would look to the documents on their face as they passed the bodies, not look at the typographical error, in the judgment of the Senator from Indiana; and if, indeed, they were concerned about there being some ambiguity, then they would look to the legislative history. The legislative history is replete with a number of instances where the Senator from Indiana and others who were involved in that particular issue at the time discussed at length the reasoning for the Cabinet and who should be included in the Cabinet, and we enumerated it in some detail, to point out that we are talking about more than one department.

I should say to my friend from New Mexico, he has raised this in a manner which makes it impossible for us to reinforce our judgment on that. I do not know whether he has had a chance to look at the legislative history to see the debates that did take place, but I am certain that he will find that there are a number of instances where that matter is very clearly stated.

(Mr. HART assumed the chair.)

Mr. SCHMITT. Mr. President, I believe that we have certainly continued, by this colloquy, to assist the courts in their interpretation, should they be forced to interpret. But I must repeat that it is not this Senator's intention to force a court to interpret. I am trying to make sure that, in what is obviously going to be, if it ever occurs, a time of great trial, of great uncertainty, of crisis in this country, should we ever come to the point of needing to use section 4 of the 25th amendment, in fact, it does not have any potential for a court test, because that is the last thing the country will need under those circumstances.

I would also add, in a comment on the suggestion of the Senator from Vermont that maybe we ought to correct this by a separate amendment process: I think that not only would be unlikely that we would do so for a typographical error; it also, probably obviously, is completely unnecessary, because a noncontroversial correction of the Constitution should be able to be introduced on any amendment and certainly be a conference process.

I would see no possibility whatsoever that that would cause any significant delay in the consideration by Conference of House Joint Resolution 554 before the adjournment of the 95th Congress.

I do think that if the Senators—and I particularly wish the Senator from Massachusetts had not left the floor, because it was with him that I carried on my discussion—if the distinguished Senators on the committee would agree that when there is a Senate-initiated constitutional amendment under their jurisdiction and during their tenure in the Senate, they would agree to include this error on that amendment—I realize that part of the concern—and I understand that concern—is that we would force the present joint resolution back to the House or back to conference and there would be some delay. I am sympathetic with their concerns on this. If I could have some

kind of commitment from the committee that they would, on some other resolution initiated by the Senate, add this particular correction, then I would be happy to withdraw the amendment from further consideration.

Mr. BAYH. Let me just say, Mr. President, that I should be glad to consider that. We have other vehicles moving through here that might have less of a chance of being involved in a controversy at the end of the session. I think, realistically, that the Senator from New Mexico realizes that that is a problem right now. It is rather clear, at least to the Senator from Indiana, having been involved in that, that we are talking about a mistake. There is no question about that.

I think that, on reading the legislative history and the floor debates, where we go into some detail as to what "cabinet" means, what "executive departments" mean, there can be no question in any court's minds as to what this means. But I understand the concern of the Senator from New Mexico.

(Mr. MELCHER assumed the chair.)

Mr. SCHMITT. I am not quite sure I understand the remarks of the Senator from Indiana. I should be happy to consider it. This seems to be such a noncontroversial issue that some kind of amendment to include it on the next Senate-initiated joint resolution for a constitutional amendment would be appropriate. I was hoping that the Senator from Massachusetts—who, we anticipate, will be chairman of the Committee on the Judiciary next year, unless I am as successful as I hope to be in the 1978 campaign for my other colleague—that he would make that kind of commitment. This Senator would feel very secure about alleviating this potentially very serious situation at some time in the future.

Mr. BAYH. Will the Senator yield?

Mr. SCHMITT. I am happy to yield.

Mr. BAYH. Perhaps the Senator should get the permission of the Senator from Massachusetts, but I think I know him well enough, having been his colleague all this time and having been chairman of the subcommittee that has jurisdiction on this matter, that I think our minds would be of the same notion that certainly, as the Senator with primary responsibility for holding hearings in the initial stages, I would be glad to pledge efforts to add this to another constitutional amendment, if that sits well with the Senator from New Mexico.

Mr. SCOTT. Will the Senator yield?

Mr. SCHMITT. I shall yield. I want to thank the Senator from Indiana on that commitment.

I do yield.

Mr. SCOTT. Of course, I shall not be here during the next Congress, but I have served as ranking minority member on the subcommittee with the Senator from Indiana and I say to my friend from New Mexico that the distinguished Senator from Indiana runs the subcommittee. If one gets assurance from him, that is as good as an assurance from the prospective future chairman of the full committee, because the distinguished Senator from Indiana will hold hearings—I am satisfied he will. There is friendship and cooperation between the prospective chairman and the chairman of the subcommittee. I did not hear exactly what the Senator from Indiana said, whether he had made an unequivocal commitment or not, but if he did, I assume that the Senator can depend on it.

Mr. SCHMITT. I think the commitment was as unequivocal as any Senator is capable of making it, which always leaves a little bit of room for equivocation. I would do the same if I were in his shoes.

I do see the Senator from Massachusetts here. I think the committee obviously, on an amendment as noncontroversial as this one, would, under a Senate-initiated constitutional amendment, be almost certain to include it so that it would not cause any delay in the consideration of that amendment on the floor of the Senate or of the House.

I realize that that is the concern of the managers of the bill. I do not know whether the Senator from Massachusetts would like to add his second to that of the Senator from Indiana or not.

Mr. KENNEDY. Mr. President, I think the Senator from New Mexico has served a very important purpose. I understand that the Senator has the commitment of the chairman of the Subcommittee on the Constitution to address this issue. I shall certainly work very closely with the Senator from Indiana to see that this flow is remedied. I should be glad to work with the Senator from New Mexico.

Mr. SCHMITT. I am happy to hear that from the Senator from Massachusetts and I thank the Senator from Vermont for yielding. I withdraw the amendment.

The amendment was withdrawn.

Mr. SCHMITT. Mr. President, I yield the floor to the distinguished Senator from Virginia.

AMENDMENT NO. 3525, AS MODIFIED

Mr. SCOTT. Mr. President, we were discussing amendment 3525, as modified. I want to restate that what we are attempting to do is clarify the provisions of the joint resolution now before us, 554, so that we shall know that the legislature referred to is the Council of the city of Washington, rather than the Congress of the United States, and that we are following the language of the 17th amendment that applies to the States of the Union.

While I am opposed to the resolution, it just seems to me if we are going to have a resolution to be submitted to the 50 States for their consideration, we should have as little ambiguity as possible, and that is what I have attempted to do.

I am quite willing to have a vote at this time. I understand that the distinguished Senator from Massachusetts desires to move to table. I believe it is close enough to 2 o'clock for him to make his motion at this time.

The PRESIDING OFFICER. The Senator from Massachusetts.

Mr. KENNEDY. Mr. President, I move to table the amendment.

The PRESIDING OFFICER (Mr. SPARKMAN). The question is on agreeing to the motion to lay on the table amendment No. 3525, as modified, by the Senator from Virginia (Mr. SCOTT). The yeas and nays have been ordered and the clerk will call the roll.

The assistant legislative clerk called the roll.

Mr. CRANSTON. I announce that the Senator from South Dakota (Mr. ABOUREZK), the Senator from Alabama (Mrs. ALLEN), the Senator from Minnesota (Mr. ANDERSON), the Senator from Mississippi (Mr. EASTLAND), the Senator from Montana (Mr. HATFIELD), the Senator from Kentucky (Mr. HUDDLESTON), the Senator from Louisiana (Mr. JOHNSTON), and the Senator from Georgia (Mr. TALMADGE) are necessarily absent.

Mr. STEVENS. I announce that the Senator from Arizona (Mr. GOLDWATER) is necessarily absent.

The result was announced—yeas 69, nays 22, as follows:

[Rollcall Vote No. 344 Leg.]

YEAS—69

Bayh	Glenn	Metzenbaum
Bellmon	Gravel	Moynihan
Bentsen	Griffin	Muskie
Biden	Hart	Nelson
Brooke	Haskell	Nunn
Bumpers	Hatfield,	Packwood
Burdick	Mark O.	Pearson
Byrd,	Hathaway	Pell
Harry F., Jr.	Heinz	Percy
Byrd, Robert C.	Hodges	Proxmire
Cannon	Hollings	Randolph
Case	Humphrey	Ribicoff
Chiles	Inouye	Riegle
Church	Jackson	Sarbanes
Clark	Javits	Sasser
Cranston	Kennedy	Schweiker
Culver	Leahy	Sparkman
Danforth	Long	Stevenson
DeConcini	Magnuson	Stone
Dole	Mathias	Thurmond
Domenici	Matsunaga	Weicker
Durkin	McGovern	Williams
Eagleton	McIntyre	Zorinsky
Ford	Melcher	

NAYS—22

Baker	Helms	Stafford
Bartlett	Laxalt	Stennis
Chafee	Lugar	Stevens
Curtis	McClure	Tower
Garn	Morgan	Wallop
Hansen	Roth	Young
Hatch	Schmitt	
Hayakawa	Scott	

NOT VOTING—9

Abourezk	Goldwater	Johnston
Allen	Hatfield,	Talmadge
Anderson	Paul G.	
Eastland	Huddleston	

So the motion to lay on the table amendment No. 3525, as modified, was agreed to.

Mr. BUMPERS. Mr. President, I move to reconsider the vote by which the motion to lay on the table amendment No. 3525, as modified, was agreed to.

Mr. KENNEDY. I move to lay that motion on the table.

The motion to lay on the table was agreed to.

Mr. LEAHY. Mr. President, I ask unanimous consent that David Julyan, of my staff, be accorded the privilege of the floor throughout the remainder of today during votes and deliberations.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. MELCHER. Mr. President, I ask unanimous consent that Wayne Mehl and Ben Strong, of my staff, be accorded the privilege of the floor during the further consideration and votes on this resolution.

The PRESIDING OFFICER. Without objection, it is so ordered.

Who yields time?

Mr. SCOTT. Mr. President, I ask the Chair's indulgence for one moment.

The PRESIDING OFFICER. The Chair recognizes the Senator from Virginia.

AMENDMENT NO. 3524

(Purpose: To assure the right of the people of the District of Columbia to implement provisions relating to representation in the Congress)

Mr. SCOTT. Mr. President, I call up my amendment No. 3524 and ask for its immediate consideration.

The PRESIDING OFFICER. The amendment will be stated.

The legislative clerk read as follows:

The Senator from Virginia (Mr. SCOTT) proposes amendment numbered 3524.

On page 2, line 9, immediately after "and", insert a comma and the following: "to the extent not in conflict with the people of the District of Columbia,".

Mr. SCOTT. Mr. President, before Senators leave, I advise them that I only intend to take 5 or 6 minutes on this amendment, and I do ask for the yeas and nays on the amendment.

The PRESIDING OFFICER. Is there a sufficient second?

There is a sufficient second.

The yeas and nays were ordered.

Mr. KENNEDY. Mr. President, I ask unanimous consent that it be in order to ask for the yeas and nays on a motion to table.

The PRESIDING OFFICER. Without objection, it is so ordered.

Is there a sufficient second?

There is a sufficient second.

The yeas and nays were ordered.

Mr. SCOTT. Mr. President, my amendment is a very minor one. It is somewhat akin to the amendment that was just tabled. I think the amendment that was tabled was a good amendment. I believe that it tended to remove some vagueness that is in the resolution before us, and I realize that the floor manager of the bill does not want to accept any amendment, good or bad, because he does not want to go to conference on this resolution.

But I say to Senators that, if we have vague proposals to submit to the 50 States, there will be a whole lot more disagreement among the 50 States than if we go to conference on a minor amendment and get an agreement in the conference.

The chances of actually having an amendment become law is going to be greater if that amendment is unclear or is vague.

All the proposed amendment does that is before us right now, this amendment No. 3524, is on page 2 add a few words to section 2.

Section 2 of the joint resolution now before us reads as follows:

The exercise of the rights and powers conferred under this article shall be made by the people of the District of Columbia constituting the seat of Government, and as shall be provided by the Congress.

That leaves a little doubt. Is the decision made by the people of the District of Columbia or is the decision made by Congress?

We all know that under article I, section 8, exclusive jurisdiction rests with Congress. Yet certain legislative authority has been delegated to the City Council of the city of Washington.

This amendment is very much like the other, but not as important an amendment and not as long an amendment. It merely adds the words: "to the extent not in conflict with the people of the District of Columbia,".

So section 2 would read:

The exercise of the rights and powers conferred under this article shall be by the people of the District constituting the seat of Government—

And here is the insert—

and, to the extent not in conflict with the people of the District of Columbia—

End of insert—

as shall be provided by the Congress.

In other words, if we are going to give the people of the District of Columbia the right to elect two Senators, it seems to me we should not have any vagueness as to whether decisions are made by Congress or by the City Council.

To me it is a relatively unimportant amendment. I thought the other one was much more important. I believe we are going to have a lot of conflict among the 50 States by not agreeing to the prior amendment. I think this is also a good amendment. It does relieve some uncertainties, some ambiguity, but I see no point in my discussing the matter further. I am willing to have an immediate vote on the amendment or on a motion to table in the event the distinguished Senator from Massachusetts desires to pursue his motion to table.

Mr. KENNEDY. Mr. President, the Senator is quite correct. We considered the substance of this amendment yesterday in a previous amendment by the Senator from Idaho.

In many of the amendments ratified by the States, the power to implement those amendments was retained by the Congress, and for very good reasons. It would be unwise to guarantee the right to vote, for example, by a constitutional amendment, and then fail to give Congress the power to implement it, as we did with the Voting Rights Act. In the shaping of this proposed amendment, we retain the power to implement it in the Congress of the United States.

The Senator from Virginia would transfer that power to the District.

I believe that the power to implement this amendment should be retained in Congress. The implementation will be by statute. It will take a majority of the House of Representatives and the Senate of the United States. That is the sound way to do it. That is the appropriate way to do it.

We are not interested in cluttering up the Constitution with possibilities that may or may not occur in the implementation of the amendment. It seems to me to be wise policy.

Again, those who are offering amendments say we are not going far enough in showing confidence in the people of the District of Columbia in the management of their own affairs. Yet they make arguments, as we have heard in recent days, that we are going too far in giving them Members of Congress and Members of the Senate, or not giving them the responsibilities of statehood.

The current language I think is appropriate to this amendment. It is sound, and it follows constitutional precedents. Therefore, I move to——

Mr. SCOTT. Will the Senator withhold that?

Mr. KENNEDY. I withhold that.

Mr. SCOTT. Mr. President, there has been some discussion that prior to final summation of the arguments for or against passage of the resolution we go to some other business.

I wonder if Senators on either side of the aisle who might want to speak to any extent against the resolution would see me during the rollcall and let me know. Otherwise, I am inclined to agree with whatever manner the distinguished majority leader wants to handle the time for the next couple of hours.

I just make that request and before the Senator from Massachusetts makes his motion to table.

Mr. KENNEDY. Mr. President, I move to table the amendment.

Mr. ROBERT C. BYRD. Mr. President, I want to thank the distinguished Senator from Virginia for his consideration.

The PRESIDING OFFICER (Mr. GRAVEL). The question is on agreeing to the motion of the Senator from Massachusetts to lay on the table the amendment of the Senator from Virginia. The yeas and nays have been ordered, and the clerk will call the roll.

The legislative clerk called the roll.

Mr. CRANSTON. I announce that the Senator from South Dakota (Mr. ABOUREZK), the Senator Minnesota (Mr. ANDERSON), the Senator from Mississippi (Mr. EASTLAND), the Senator from Montana (Mr. HATFIELD), the Senator from Kentucky (Mr. HUDDLESTON), the Senator from Louisiana (Mr. JOHNSTON), and the Senator from Georgia (Mr. TALMADGE) are necessarily absent.

Mr. STEVENS. I announce that the Senator from Arizona (Mr. GOLDWATER) is necessarily absent.

The result was announced—yeas 76, nays 16, as follows:

[Rollcall Vote No. 345 Leg.]

YEAS—76

Bayh	Eagleton	Lugar
Bentsen	Ford	Magnuson
Biden	Glenn	Mathias
Brooke	Gravel	Matsunaga
Bumpers	Griffin	McGovern
Burdick	Hart	McIntyre
Byrd, Harry F., Jr.	Haskell	Melcher
Byrd, Robert C.	Hatfield, Mark O.	Metzenbaum
Cannon	Hathaway	Morgan
Case	Hayakawa	Moynihan
Chafee	Heinz	Muskie
Chiles	Hodges	Nelson
Church	Hollings	Nunn
Clark	Humphrey	Packwood
Cranston	Inouye	Pearson
Culver	Jackson	Pell
Curtis	Javits	Percy
Danforth	Kennedy	Proxmire
DeConcini	Laxalt	Randolph
Dole	Leahy	Ribicoff
Durkin	Long	Riegle
		Roth

Sarbanes	Stafford	Weicker
Sasser	Stevenson	Williams
Schweiker	Stone	Young
Sparkman	Thurmond	Zorinsky

NAYS—16

Allen	Hansen	Stennis
Baker	Hatch	Stevens
Bartlett	Helms	Tower
Bellmon	McClure	Wallop
Domenici	Schmitt	
Garn	Scott	

NOT VOTING—8

Abourezk	Goldwater	Huddleston
Anderson	Hatfield,	Johnston
Eastland	Paul G.	Talmadge

So the motion to lay on the table amendment No. 3524 was agreed to.

Mr. LEAHY. Mr. President, I move to reconsider the vote by which the motion was agreed to.

Mr. KENNEDY. I move to lay that motion on the table.

The motion to lay on the table was agreed to.

Mr. SCOTT. Mr. President, I yield such time as he may consume, not exceeding 15 minutes, to the distinguished Senator from California (Mr. HAYAKAWA).

The PRESIDING OFFICER. The Senator from California.

Mr. HAYAKAWA. Mr. President——

Mr. SCOTT. Mr. President, may we have order in the Chamber, so that the distinguished Senator can be heard?

The PRESIDING OFFICER. The Senate will be in order. Senators will please cease their conversations or take them to the cloakrooms, so that the Senator from California may be heard.

The Senator from California.

Mr. HAYAKAWA. Mr. President, apropos of the legislation before us on voting rights for the District of Columbia, I would like to review in capsule form some facts about the growth of the District of Columbia.

It was a relatively obscure small town except for legislative purposes, and its first great spurt of growth came during the Civil War.

From that time on it was a much larger small town, but still a small town.

Then came World War I and the town grew very much larger. Then came the stock market crash of 1929, throwing the whole country into a huge depression. Then came the Roosevelt administration to do something about the depression. From 1933 onward we have had this enormous proliferation of the District of Columbia as the center of government and, therefore, as the center of population.

Washington continued to grow during the New Deal, and then on top of that came World War II. That again meant an enormous increase in the size of Washington, D.C., the number of people needed here, the number of administrative agencies, the number of procurement agencies, the number of military agencies, and so on. After that came the Korean war and the Vietnam war. Each of these added enormously to the population and the tasks in Washington, D.C.

Each of these required, as I say, not only additional legislators and all their staffs, but additional lawyers, additional lobbyists, additional people to implement the outcome of legislation and, of course, thousands upon thousands of bureaucrats and their families.

Most recently we have had the energy crisis. As soon as we had the energy crisis then, of course, we had the Department of Energy, with its $10 billion annual budget and its enormous bureaucracy.

In other words, there is a kind of fundamental conflict of interest between the District of Columbia and the 50 States if the 50 States undergo war, depression, a disaster of any kind. If a disaster is large enough, Washington automatically prospers. It is a fundamental conflict of interest, and disasters in the 50 States are, of necessity, and historically it is a fact, bonanzas for the District of Columbia.

Try to look at all this, then, from the point of view of the owner of property in the District of Columbia, the owner of an apartment building, a department store, a chain of grocery stores, a restaurant, a hotel. What would you want your Congressmen and Senators to do?

Well, actually, if, let us say——

The PRESIDING OFFICER. Will the Senator suspend? I hope Senators will show respect for their colleague while he is addressing the Senate.

Mr. HAYAKAWA. I thank the Chair.

As I was saying, Mr. President, suppose you were the owner of property in the District of Columbia, the owner of an office building, a department store, an apartment building, a restaurant, a chain of grocery stores, a hotel. What would you want your Congressmen and Senators to do? You would want, ultimately, of course, to see to it that the population of District of Columbia would continue to increase. Suppose there was some threat that it might be decreased? Suppose there was a measure before the House to dismantle the enormous HEW, the Department of Health, Education, and Welfare, and perhaps reduce its bureaucracy by half and send that other half out into the States, or fire them altogether? Suppose someone else were to propose a reduction of HUD or the Department of Energy so that these were cut in half?

These would be disasters from the point of view of Washington, but they would be a tremendous blessing to the rest of the country.

In other words, as I say, there is a fundamental conflict of interest between the welfare of Washington and the welfare of the rest of the States. Putting it as briefly as possible, the more disasters there are in the 50 States, the more prosperity there is in Washington, D.C. As a Congressman or Senator from the District, one would have to vote against any shrinkage of the District's economy if they have the best interests of their constituency at heart.

If they have the best interests of their constituency at heart, they would want more bureaucrats in Washington, more economists, more environmentalists, more lawyers, and more lobbyists to fight all of them.

So, fundamentally, as I say, the better things are for Washington, the worse things are for the rest of the country.

Let me repeat what I said a day or two ago when I emphasized the fact that the District of Columbia produces no wealth. We have no shoe factories or automobile factories; we have no fields of corn or wheat; we have no chicken farms; we have no cattle ranges; we have no mineral resources or stands of timber. The District of Columbia produces no wealth. It lives entirely on taxes imposed upon other States.

The distinguished Senator from Mississippi, whom I am happy to see on the floor, made this point earlier today, that there is no economic base for Washington other than the tax collected from other people.

Economically, the relationship between the District and the rest of the country is parasitical. Although the District of Columbia produces no wealth, Washington wallows in wealth. We have the highest salaries for comparable tasks in this city than anywhere else in the country. Nowhere else except in Alaska is the cost of living so high. The entertainment industry, the restaurant business, all sorts of subordinate or ancillary businesses are booming. Who pays for all this? The working people of Pennsylvania, California, Mississippi, Arkansas, Maine, South Carolina, Idaho, New Mexico—we are all paying for this. We are all paying tribute to this great Capital.

I shall not dwell upon the difficult constitutional problems presented by the legislation before us, by the proposal that the District of Columbia should have representation as a State in the Union. These constitutional problems have been adequately presented by others on this floor.

I would like to add, however, that the Founding Fathers foresaw these difficulties and, therefore, very carefully wrote into the Constitution that the District of Columbia should not have the powers of a State.

I believe, Mr. President, that this whole matter of race that has been dragged into this question is a red herring. The question is not whether the people here are predominantly white or predominantly black. By gosh, if Washington, D.C., were 85 percent Japanese-Americans I would still vote against the voting rights with the kind of legislation envisioned by the Senate at the present time.

It is entirely a question, in one respect, of economics, and, in another respect, of the Constitution and the intent of our Founding Fathers to create an enclave that does not have, because it is a nonproductive entity, the possibilities of pressure that any State has to have as a State. Since this is not a State, and was never intended to be, we should not treat it as such. I urge my colleagues to vote against this highly unconstitutional and highly pernicious piece of legislation. I thank the Chair.

The PRESIDING OFFICER. Who yields time?

Mr. SCOTT. Mr. President, the distinguished Senator from New Mexico did request 5 minutes' time, but I do not see him in the Chamber.

Mr. President, I am glad to yield to the distinguished majority leader.

ORDER OF PROCEDURE

Mr. ROBERT C. BYRD. Mr. President, I ask unanimous consent that the pending measure be set aside temporarily until no later than the hour of 4 p.m. so that the Senate can take up the CETA bill in the meantime and dispose of some amendments.

I yield to the distinguished Senator from Hawaii.

Mr. MATSUNAGA. I wonder if the good Senator from Massachusetts would yield me 10 minutes to speak on this measure.

Mr. KENNEDY. Yes, I am happy to yield.

Mr. ROBERT C. BYRD. Would the Senator be content with 8 minutes?

Mr. MATSUNAGA. Seven minutes will be fine.

Mr. SCOTT. Mr. President, reserving the right to object, and I do not intend to object, I wonder if the distinguished majority leader would indicate how the time would be allocated after we reconvene and make that part of his unanimous-consent request?

Mr. ROBERT C. BYRD. I frankly have not been keeping up with the time.

An hour on each side at 4 p.m. How will that be?

Mr. SCOTT. Would the time that the distinguished Senator from Montana has reserved be a portion of my time or would it be equally divided between the Senator from Massachusetts and myself?

Mr. ROBERT C. BYRD. The suggestion has been made that, when the Senate goes back in at 4, the time be equally divided, 1 hour to each side, on representation for the District.

Mr. SCOTT. Mr. President, if the time that is reserved at the present time by the Senator from Montana would be equally divided, and he does have 20 minutes at this time, so we would have 50 minutes left, I would have no objection.

Mr. ROBERT C. BYRD. Very well. That would give the Senator from Montana 20 minutes and each side would have 50 minutes remaining.

The PRESIDING OFFICER. Is there objection? Without objection, it is so ordered.

UNANIMOUS-CONSENT AGREEMENT ON DISTRIBUTION OF TIME

Mr. ROBERT C. BYRD. Mr. President, I ask unanimous consent that, immediately following the remarks of the distinguished Senator from Hawaii, the Senate turn to the consideration of the Comprehensive Employment and Training Act and proceed with consideration of that measure until no later than 4 p.m. today, at which time, it will return to the D.C. representation amendment; that, at that time, Mr. MELCHER have 20 minutes, Mr. SCOTT have 50 minutes, and Mr. KENNEDY have 50 minutes, unless there is additional time and unless the Senate goes back on the representation amendment before 4 p.m.; in which case, such additional time will be equally divided between Mr. KENNEDY and Mr. SCOTT.

The PRESIDING OFFICER. Is there objection? Without objection, it is so ordered.

The Senator from Hawaii is recognized.

REPRESENTATION OF THE DISTRICT OF COLUMBIA IN CONGRESS

The Senate continued with the consideration of the joint resolution.

Mr. MATSUNAGA. Mr. President, I rise in support of House Joint Resolution 554, a resolution proposing a constitutional amendment which would grant the District of Columbia full voting representation in the Congress, and, at long last, grant to the citizens of our Nation's Capital a full and equal voice on all issues of national concern.

Mr. President, some people may wonder why a Senator from Hawaii—a State nearly 5,000 miles away from Washington, D.C.— should feel so strongly that the District of Columbia should be granted full representation in the Congress as to speak in its behalf. For me, Mr. President, I stand in this historic Chamber in support of this resolution for the same basic reasons that I stood with the people of Hawaii two decades ago when they struggled to achieve statehood—for full voting representation in the Congress and equal rights as American citizens.

Mr. President, I believe that it is appropriate for me to speak on this matter at a time when Hawaii celebrates its 19th anniversary of its admission to the Union. As my colleagues know, we in Hawaii, prior to statehood, suffered the same injustices which the residents of the District of Columbia now suffer. We had virtually no voice in the Congress of the United States. We had a Delegate in the House of Representatives, who, like the Delegate from the District of Columbia, could not vote on the floor of the House. He had no effective voice, because he could not vote. We were not permitted in Hawaii to vote to elect the President and the Vice President of the United States. Even in the matter of running our local affairs, we were not entitled to elect our own Governor.

The residents of the District of Columbia, who are American citizens, subject to all the obligations of citizenship, do not have voting representation in the Congress. Only since 1964, with the ratification of the 23d amendment to the Constitution, have District residents—some three-quarters of a million citizens—been entitled to vote to elect the President and Vice President of the United States. Only since 1971, with the enactment of the District of Columbia Delegate Act, which I strongly supported as a Member of the other body, have the people of the District been represented in the House by a nonvoting Delegate. I might add that the distinguished Delegate from the District of Columbia, my good friend, WALTER E. FAUNTROY, has, since April 1971, vigorously represented his constituency as a nonvoting Delegate. However, his limited status in the Congress denies to the District what is at the very foundation of this Nation—full participation in the democratic process.

Mr. President, I have listened very carefully to the arguments being presented by the opponents of this resolution. Not once, to my knowledge, has any opponent of House Joint Resolution 554 denied the fact that some three-quarters of a million residents of the District of Columbia are being denied representation in their national legislature. This fact cannot be denied, it cannot be amended, nor will it just fade away. It is in my judgment, a glaring contradiction of the high principles of American democracy which we should no longer tolerate and no longer endure and ignore.

Mr. President, I do not have to remind my colleagues that a citizen's right to be represented in the Congress of the United States is no less precious than his right to free speech, free assembly, his right to privacy, and his right to due process under the law. The right of the people to be represented is the foundation of our constitutional form of government.

Accordingly, Mr. President, I do not believe that the Founding Fathers, the framers of our Constitution, intended to deny the citizens of the Nation's Capital equal representation in the Congress and equal participation in the democratic process. To believe that this was their intention would, in my judgment, be contrary to the simple concept of representative government which is the cornerstone of our Constitution. I am sure that the existence of a large, permanent population supporting all three branches of the Federal Government and living in the District of Columbia was not anticipated by the Founding Fathers. I might point out, however, that the framers, men of great wisdom without a doubt, built into the Constitution a process through which the Congress and the States could amend that document so that we could meet circumstances unforeseeable in their time.

I would like to add one final note, Mr. President. I have, in speaking on this issue today, indicated that my State of Hawaii, prior to becoming a State, suffered the same injustices now suffered by the District of Columbia. The people of Hawaii, who were eager to share in the benefits of statehood and participate equally in our democratic government, overcame all obstacles to admission to the Union. One of the primary reasons why we overcame them was the great record of service which the members of the 100th Infantry Battalion and the 442d Regimental Combat Team, of which both Senator INOUYE and I were members, many of whom were Japanese-Americans from Hawaii, established in World War II.

With respect to the people of the District of Columbia, they, too, have proudly and honorably fought in defense of our country. As the distinguished Senator from Massachusetts (Mr. KENNEDY) pointed out in the opening day of debate, 237 citizens of the District lost their lives in the Vietnam war. In effect, the District sacrificed more lives in that war than 10 other States. However, while every State during the Vietnam period had a voice in the decisions that affected the lives of thousands of their citizens who went to war, the District of Columbia had no such representation, no such voice in the Congress.

Mr. President, it behooves us as a nation and as a people dedicated to the protection of the rights and liberties of every individual, to remedy this in-

justice. We have before the Senate today a chance to set in motion the constitutional process that will allow us to do just that. We must no longer deny or ignore our responsibility to the three-quarters of a million citizens of the District of Columbia. We must no longer withhold from them the fundamental right of equal representation in the Congress, particularly at a time in the history of our Nation when that legislative body holds such a profound and growing influence on so many aspects of American life.

For this resolution to come this far and to fail in the Senate would be, in my judgment, unconscionable. Indeed, Mr. President, future Americans will little note, nor long remember what we say in this Chamber today; but if we do not find the courage to rise above political pressures, abandon partisan politics, and vote to send this important constitutional amendment to the States for ratification, they will never forget the injustice that we did here.

Mr. President, I reserve the remainder of my time.

● Mr. HASKELL. Mr. President, I would like to add my support to this very vital issue affecting both the human and civil rights of over three-quarters of a million citizens of these United States.

The enactment of House Joint Resolution 554 is essential to provide fair representation to the residents of the Nation's Capital. This is truly an amendment whose time has come.

During these past few days of floor debate on this issue some have argued that it was not the intent of our Founding Fathers to allow the citizens of the "Federal city" the right to vote. I must strongly question this reasoning; the framers of the Constitution established the ground rules for a new nation in 1776, they provided us with the principles, the basic ingredients needed to shape the future. They had no crystal ball, they could not foresee the Washington, D.C., that exists today; a city with a population larger than 10 States, whose residents have fought and died in every war since the War for Independence, and a city whose residents pay over a billion dollars annually in taxes to the Federal Treasury.

The basic principle of our Founding Fathers was representative democracy. What could be more consistent with that goal than the enfranchisement of the 760,000 citizens of Washington, D.C., into our Federal legislative process?

I will cast my vote today in favor of this amendment with two very important beliefs of our Founding Fathers in mind; "governments are instituted among men, deriving their just powers from the consent of the governed," and "no taxation without representation." I interpret this to mean that all citizens of these United States who pay taxes, who fight in our wars, and who carry the same burdens of citizenship, should have fair and equal representation in the Congress.

I believe it is time to put an end to the existing inequity within the democratic process. If we pass this amendment today our work will not be over, for we must encourage our State legislators back home to see the issue as clearly as we have and to speedily approve the measure within their legislative bodies.

This is an important day for not only the residents of the District of Columbia but for all of us, because the passage of this amendment today will provide an example of the adaptability of the democracy to the needs of the people. It is, in short, a tribute to the vitality of our governmental process.●

● Mr. BURDICK. Mr. President, I am in opposition to House Joint Resolution 554. I am in favor of representation for the District, but the resolution we are about to vote on providing for the election of two Senators from the District of Columbia would result in an unequal and unfair distribution of congressional power. Therefore, I am compelled to vote against House Joint Resolution 554.

The history of the Constitutional Convention shows that the Founding Fathers approved a two-Chamber legislature for a reason. The Members of the House of Representatives were to represent the people as individuals, and the Members of the House were to be elected proportionate to the population. The Senate, on the other hand, derives its powers from the States, as political and coequal societies, and these are represented on the principle of equality in the Senate. This was a compromise between the large populous States and the more sparsely settled agricultural States.

Applying these principles, we find that Washington is entitled to be represented in the House of Representatives proportionate to its population. This entitles Washington to two representatives on the basis of present population. The city of Washington does not qualify for representation in the Senate, because it is not a State, nor does it have the land mass or diversity that would qualify it for a State. It could well be argued, if the resolution is approved, that the New Yorks, the Chicagos, and the Detroits should likewise be represented by two Senators.

The citizens of Washington should have representation in the Senate, and this can be accomplished by annexing the District to the State of Maryland. When the District was formed, it was carved out of Virginia and Maryland. A portion of the District which composed about one-third of the area of the original District was reunited with Virginia in 1840. The citizens of that area now vote in Virginia. This is a precedent for the remaining two-thirds of the original District to rejoin the State of Maryland. Then the citizens of the District will have all the voting rights of the citizens of Maryland.

If this resolution should pass, the citizens of Washington would have a disproportionate voice in the Nation's affairs, which is greater than any other State. I cannot support a proposition that provides for this unequal representation.●

COMPREHENSIVE EMPLOYMENT AND TRAINING ACT AMENDMENTS OF 1978

The PRESIDING OFFICER (Mr. HOLLINGS). Under the previous order that the pending measure be set aside, the Senate will proceed to the consideration of S. 2570, the CETA bill.

The bill will be stated by title.

The assistant legislative clerk read as follows:

A bill (S. 2570) to amend the Comprehensive Employment and Training Act of 1973 to provide improved employment and training services, to extend the authorization, and for other purposes.

The PRESIDING OFFICER. Is there objection to the present consideration of the bill?

There being no objection, the Senate proceeded to consider the bill, which had been reported from the Committee on Human Resources with an amendment in the nature of a substitute.

Mr. MELCHER. Mr. President, I ask unanimous consent that Mary Gereau of my staff be granted privilege of the floor throughout this bill and the District bill and the votes thereon.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. JAVITS. Mr. President, I ask unanimous consent that Jim O'Connell of my staff be granted privilege of the floor during debate and voting on this bill.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. DOMENICI. Mr. President, I ask unanimous consent that Letitia Chambers and Eileen Winkelman of my staff be granted privilege of the floor.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. NELSON. Mr. President, I ask unanimous consent that the following staff members be granted privileges of the floor during consideration of S. 2570, the Comprehensive Employment and Training Act Amendments of 1978: Scott K. Ginsburg, Joan Hunziker, Babette Polzer, Stephanie Smith, Craig Polhemus, Marianne Anders Benson, A. Bradley Mims, Tom Lindsley and Martin Jensen.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. NELSON. Mr. President, I introduced legislation (S. 2570) with Senators WILLIAMS, JAVITS, HATHAWAY, RIEGLE, KENNEDY, and CRANSTON on February 23, 1978, on behalf of the administration to revise and extend the programs authorized by the Comprehensive Employment and Training Act of 1973 (CETA). This legislation was thoroughly considered by the Senate Human Resources Committee, and was unanimously reported favorably to the Senate by the committee on May 15, 1978.

S. 2570 reauthorizes the CETA programs for a period of 4 years except for certain youth programs which are reauthorized only through 1980. This legislation contains many of the initiatives set forth in the administration's bill as well as other necessary amendments to the CETA programs.

The CETA legislation authorizes a number of separate programs. CETA programs include: grants to prime sponsors—generally units of local and State governments—for comprehensive employment and training services including public service jobs; the Job Corps; youth programs; and the National Manpower Commission. Each of these programs now

is authorized by the CETA legislation. The legislation pending before the Senate, S. 2570, includes two major initiatives requested by the administration: a 2-year $400 million initiative to increase the involvement of the private sector in endeavors relating to employment and training activities for economically disadvantaged persons, and a $200 million demonstration program to test the efficacy of various employment programs for welfare recipients. Both programs were requested by President Carter.

THE PRIME SPONSOR SYSTEM

Prime sponsors are units of State and local government responsible for administering CETA programs within their communities. States may act as balance-of-State prime sponsors for smaller areas within their boundaries that are ineligible to become prime sponsors. Cities or counties with populations of 100,000 or more are eligible to become sponsors. Any combination of units of general local government may be designated as a prime sponsor so long as it includes any unit of general local government which has a population of 100,000 or more. Any unit of general local government or any combination of such units without regard to population, which in exceptional circumstances is determined by the Secretary to have a special capacity for carrying out CETA programs within certain labor markets, or rural areas with high unemployment may serve as a prime sponsor. Finally, the act provides that a limited number of concentrated employment program grantees which serve rural areas with high unemployment and have demonstrated special capabilities for carrying out employment and training programs in these areas may be designated as prime sponsors.

The number and distribution of prime sponsors among the various categories for the current and preceding 3 fiscal years is indicated below:

	Total	Cities	Counties	Consortia	Rural CEP's	Balance of States	States consortia
Fiscal 1975	403	58	156	134	4	51	
Fiscal 1976	431	62	175	140	4	50	
Fiscal 1977	444	55	179	145	4	51	
Fiscal 1978	447	67	187	138	4	43	8

Since its inception in 1973, CETA has become a major Federal program that significantly impacts on the Nation's economy. In fiscal year 1978 it is estimated that $9.9 billion will be spent on CETA programs: $2.5 billion will be spent on comprehensive employment and training programs other than public service jobs; $1.2 billion will be spent on youth programs; $5.9 billion will be spent on public service jobs program; and $320 million will be spent on the Job Corps.

For fiscal year 1979, the President has requested approximately $10.8 billion for the CETA programs, and it is estimated that $11.4 billion will be expended. This money will be spent as follows: $3.1 billion for comprehensive employment and training programs; $1.9 billion for youth programs; $6.1 billion for public service jobs programs; and $326 million for the Job Corps. A more detailed analysis has been prepared of the previous and proposed authorization levels and the appropriations under the CETA legislation, and it will be included in the RECORD at the conclusion of my remarks.

CONSIDERATION OF LEGISLATION

The Senate Human Resources Subcommittee on Employment, Poverty, and Migratory Labor held 8 days of hearings on the reauthorization of CETA. The subcommittee held 5 days of hearings in Washington, D.C., and 3 days of field hearings.

The subcommittee received testimony from congressional and administration witnesses, from public and private interest groups including representatives of counties, Governors, labor unions, community-based organizations, client groups, vocational education organizations, as well as from the Chairmen of the U.S. Civil Rights Commission and the National Commission for Manpower Policy. Witnesses from the Chamber of Commerce, the Business Roundtable, the Committee for Economic Development, and the Chrysler Institute testified before the subcommittee concerning their views on the role of the private sector in CETA.

During the hearings several specific areas of concern were raised by a number of these witnesses. Testimony focused on the need for greater targeting of resources on structurally unemployed persons, abuses relating to the administration of CETA funds, the need to increase private sector involvement in CETA and facilitate the transition of CETA participants into regular public employment and private sector jobs, and the importance of maintaining a countercyclical public service jobs programs.

S. 2570, as reported by the Human Resources Committee, addresses each of these concerns as well as many issues which have been raised about the CETA programs.

PROGRAMS FOR THE STRUCTURALLY UNEMPLOYED

A major focus of the committee's reauthorization of CETA is the increased emphasis on employment and training programs for hard-core unemployed persons.

The decline in unemployment during the past 19 month has reduced the overall unemployment rate. The Bureau of Labor Statistics reported that the overall unemployment rate on January 1977, was 7.4 percent. The unemployment rate in July 1978, was set at 6.2 percent, representing a reduction of 1.2 percent unemployment over this time period. The unemployment rate among adults—aged 20 and older—was 7.4 percent in January 1977; it now stands at 5.7 percent. Among adult men, the unemployment rate in January 1977, was 5.8 percent; it now stands at 4.1 percent.

Despite these declines in unemployment, the problem of structural unemployment—especially among minorities and youth—remains. Individuals in this situation face special difficulties in obtaining meaningful employment even in the best of economic circumstances.

An examination of the July figures makes clear that the unemployment rate, which is a national average, conceals vast differences among subgroups of the population.

The unemployment rate for blacks and other minorities was 12.5 percent in July, more than double the 5.3 percent level for all whites. Adult black males experienced an 8.4 percent unemployment rate; 11.6 percent of adult black women were out of work.

Women had a more difficult time finding work than men did. The adult female unemployment rate was 6.5 percent, compared with 4.1 percent for men.

Teenagers faced the worst unemployment problems of all. The unemployment rate for those aged 16-19 was 16.3 percent, as against a 6.2 percent rate for everyone 16 and over. The 16.3 percent rate represents a good deal of deterioration from the situation in June, when 14.2 percent of youths were jobless.

The expansion of employment programs for the hard-core unemployed—those who are economically disadvantaged because they have difficulty in obtaining and retaining a job—was supported at the subcommittee hearings by the administration, public and private interest groups, economists, community-based organizations, client groups, and the business community. The reduction of structural unemployment was a primary focus of the legislation proposed by the administration to amend CETA and is consistent with the goal President Carter set forth in the 1978 annual employment and training report of the President to reduce "structural elements of general unemployment" over the next 3 years.

In its third annual report to the President and the Congress, The National Commission for Manpower Policy also recommended that:

> CETA should serve primarily as an employability development machanism to assist the structurally unemployed to improve their prospect for regular employment and to increase their earnings.

This strong public and private sentiment for expanding opportunities for the hard-core unemployed is reflected in title II of S. 2570—comprehensive employment and training services.

Title II, part B, provides comprehensive services economically disadvantaged persons, including job search, outreach, supported work programs, education and institutional skill training, on-the-job training, work experience, and a whole array of employment services. These

services are now provided under title I of current law.

The formula distribution of funds for these services also parallels current law. The formula provides: of the amount available for distribution by formula, 50 percent is allocated to each State on the basis of the State's manpower allotment for the preceding fiscal year compared to the sums received by all States for these activities in that year; 37½ percent is allocated to States on the basis of the relative number of unemployed persons residing within the State compared to the number in all States; and 12½ percent is allocated to each State on the basis of the relative number of adults in low-income families residing within the State compared to the total number in all States. Not less than $2 million is to be set aside for distribution to the U.S. Trust Territories, Guam, the Virgin Islands, American Samoa, and the Northern Marianas.

Under current law, 80 percent of funds available for these activities is distributed by formula. S. 2570 provides that 85 percent of the funds available for these title II activities is to be distributed by formula. Of the remaining amount, 5 percent is to be available for vocational education assistance; 1 percent is to be available for operation of the State employment and training councils; 1 percent is to be available for States to establish linkages between prime sponsors and educational agencies providing training programs; 4 percent is to be available for the Governors' coordination and special services responsibilities under section 105; and, the remainder of funds is to be available for discretionary distribution by the Secretary of Labor.

These title II activities require as a condition of eligibility that the participant be economically disadvantaged. Eligibility for these programs is limited to persons who are underemployed, unemployed or in school youth, and who are also economically disadvantaged. Economically disadvantaged persons are defined as individuals whose income or whose family income annualized over the preceding 6 months does not exceed 70 percent of the BLS lower living standard income level; persons whose families receive cash welfare payments under a Federal, State, or local welfare program; a foster child on behalf of whom State or local government payments are made; or, in cases permitted by regulations of the Secretary, an individual who is or was institutionalized in a prison, hospital, or similar institution and faces employment barriers as a result of that institutionalization, or is a client of a sheltered workshop.

Title II, part D, authorizes a public service employment and training program for economically disadvantaged persons who have been unemployed for 12 weeks or more.

Wages authorized for public service employment positions have been limited to minimize the possibility of attracting workers from low wage jobs to CETA positions. This wage limitation also will serve to maximize the number of persons who will be able to participate in the program. The maximum wage a person may receive for a public service employment position under title II is $10,000, adjusted upward to $12,000 in high wage areas. Contrary to present law, prime sponsors may not supplement wages under the title II public service jobs program.

Salary limitations will help to prevent the use of CETA funds to finance highly paid skilled or professional positions. It is the committee's intent that the title II public service jobs program primarily be used to finance entry level positions for persons who, due to a lack of education, training, work experience, or other employment barriers, are unable to obtain unsubsidized employment.

Under the title VI countercyclical public service jobs program, a participant may receive a maximum wage of $14,400 in a high wage area. This includes limited supplementation of $2,400 by the prime sponsor paid from local resources. The disparity in wages between public service employment performed under titles II and VI is necessitated by the fact that prime sponsors are expected to serve two discrete client groups. Under title II, structurally unemployed persons with few job skills will be served. Under title VI, countercyclically unemployed persons who have employment skills but who cannot find a job because of economic conditions are to be served. Countercyclically unemployed persons generally have work experience and job skills which make them capable of holding a more skilled job than a structurally unemployed person. Thus a higher total wage is available to persons holding a title VI public service employment job.

For public service employment for the structurally unemployed under part D, the committee adopted a different allocation formula than for public service employment under title VI.

The committee bill provides that 85 percent of the funds available for part D are to be distributed by formula. Not less than 2 percent is to be allocated to Native American entities. The remaining amount is available to the Secretary for his discretionary distribution to prime sponsors and Native American entities.

Of the amount distributed by formula, funds are allocated to prime sponsors in the following manner: one-third on the basis of the relative number of unemployed persons who reside in areas within the jurisdiction of each applicant as compared to the number of unemployed persons who reside in all such areas in all States; one-third on the basis of the relative excess number of unemployed persons—the number in excess of 4½ percent—who reside in areas within the jurisdiction of the applicant as compared to the excess number of unemployed persons who reside within the jurisdiction of all prime sponsors; and one-third to prime sponsors on the basis of the number of unemployed persons residing in areas of substantial unemployment—an area with an unemployment rate equal to or in excess of 6½ percent—within the jurisdiction of the prime sponsor compared to the number of unemployed persons residing in all areas of substantial unemployement.

In the past, CETA participants have shuffled through one CETA program after another without the benefit of knowing what employment prospects they can expect upon termination from the CETA programs. To change this situation, S. 2570 requires that an employability plan be developed for each title II participant. This is expected to help guide the prime sponsor and the participant to select the most appropriate array of services for each participant. The individual's interests, skills, career objectives, as well as the supportive services necessary for each participant should be considered in formulating the plan. Participants should be provided with a realistic assessment of the likelihood of obtaining regular public employment or private sector employment upon completion of CETA services.

The committee bill also requires that appropriate training and supportive services accompany all work experience and public service employment programs under title II. A training requirement is important to assure that CETA positions are not simply "make work" projects, but actually provide the individual with a marketable skill. The supportive services requirement will provide prime sponsors with an important tool for helping structurally unemployed persons become better prepared for labor force participation. Often a person is unemployed because he needs job-related services which he cannot afford. For example, transportation, child care, or career guidance services may be significant impediments to employment for persons who are unable to find work. These are the kind of services which are authorized to assist hard-core unemployed persons to become prepared for work.

The preparation of the structurally unemployed for regular public or private employment is neither an easy nor an inexpensive process. However, such an investment benefits both society and the individual. The attainment of self-sufficiency for economically disadvantaged persons not only decreases the need for public assistance, but also enhances the human resources available to many families and communities.

COUNTERCYCLICAL JOBS PROGRAM

In many areas of the country, the current public service jobs programs have been very controversial. A variety of reasons account for this. Some prime sponsors have used CETA positions to return political favors or to create extremely high salaried professional and administrative positions. The substitution of Federal manpower dollars for local revenues used to support regular municipal employees is another problem that has been brought to the attention of Congress and the public. Indeed, a recent study by the Brookings Institute estimated that there is a substitution of CETA funds for State and municipal revenues at an average rate of about 20 percent. In other instances, public service jobholders have engaged in "make work" jobs, and are not receiving the kind of job training or valuable job experience that makes the Federal expenditures worthwhile.

Despite these current problems, the

Human Resources Committee voted to retain a countercyclical job program which is contained in title VI of S. 2570. The committee believes that a countercyclical employment program is necessary to deal with unpredictable economic conditions that may bring about the situation in which many workers lose their jobs and are in need of employment.

Some areas of the country have not fully recovered from the recent economic slump and need a residual public service jobs program to assist them in their efforts to reduce unemployment. Indeed, witnesses pointed out at hearings on the CETA program that the dual problems of structural and countercyclical unemployment are intricately related. It was noted by these witnesses that it is not possible to solve the problem of structural unemployment when more skilled and experienced workers also are seeking gainful employment.

Given this background, two points respecting the current and proposed countercyclical jobs programs should be made. First, the current public service jobs programs, as well as the other CETA jobs programs such as the youth employment programs, have assisted in reducing unemployment. Second, the committee bill—S. 2570—significantly modifies the current public employment programs to attempt to eliminate many of the problems confronting the CETA programs.

Mr. President, the CETA programs have been responsible for assisting thousands of workers to return to work. Some 750,000 persons were employed in the public service jobs programs as of March 1978. This represented a buildup from a level of 310,000 in January 1977. During the comparable period of time, the unemployment rate declined from 7.4 percent in January 1977, to 6.2 percent this past July. This reduction in unemployment occurred at the same time that an additional 5 million persons joined the labor force.

Though the exact impact CETA has had upon this declining unemployment rate is difficult to measure, Secretary Marshall and other prominent economists have credited the public service jobs programs as a "critical factor" in this reduction. Secretary Marshall also has stated that in order to keep unemployment under 6 percent during 1979, a full-scale public service jobs program is needed.

This legislation reported to the Senate by the Human Resources Committee provides the authority for a countercyclical—title VI—and a structural—title II—public service jobs program.

The title II and title VI programs each authorize appropriations of "such sums as may be necessary." This will allow the Budget and Appropriations Committees, in conjunction with the Human Resources Committee, to establish the appropriate levels for public service jobs depending upon future economic circumstances. However, S. 2570 provides that the first $3 billion to be spent on public service jobs is to be used for the title II public service jobs for the structurally unemployed. This will insure that Federal resources are applied first to structural employment problems, which have proven to be severe under all economic circumstances.

Eligibility for the title VI program is restricted to persons who have been unemployed 45 days or longer and whose family income over the preceding 3 months, which when annualized, does not exceed 85 percent of the lower living standard income level as compiled by the Bureau of Labor Statistics. Program participation is limited to 1 year within a 5-year period, though it may be extended for a period of no more than 6 months in areas of high unemployment. Under current law, a person may participate in CETA programs for an undefined period.

S. 2570 also changes current law by restricting the total wages which may be paid to a title VI participant. Current law does not impose any restrictions on the total wage that can be paid to a public service jobholder. A maximum Federal wage base of $10,000 is provided in S. 2570, which can be adjusted up to a level of $12,000 on the basis of a wage index. Thus, high wage areas will have a higher Federal wage base than low wage areas. Supplementation of the Federal wage base by local resources equivalent to 10 percent of a prime sponsor's title VI allocation is authorized. However, no individual may have his Federal base salary supplemented by more than 20 percent. Thus, in the highest wage areas, the maximum wage a title VI participant may receive is $14,400—a maximum Federal wage of $12,000 plus the maximum local supplement of $2,400.

In 1976, the Congress adopted a provision to the CETA statute that established a national average wage for public service jobholders of $7,800 per year. The purpose of this national standard is to maximize the number of persons served by the CETA programs.

S. 2570 continues to provide for a national average wage standard, while also providing that local area average wages may be adjusted on the basis of a local wage index.

S. 2570 provides that federally supported wage rates for public service jobholders under both titles II and VI may not exceed a national average of $7,800 per year. This national average is adjustable to an area-by-area basis in accordance with an area wage adjustment index. This wage adjustment index is to be determined by comparing average wages in regular public or private employment in a given area with the average of such wages in all such areas. This will assure that the average wage paid in any area of the country is not excessively high compared to wages paid for regular private or public sector employment in that same area.

The Committee bill retains the same formula for title VI as the one used for title VI in the current law, except that 85 percent rather than 90 percent of all funds available are to be distributed by formula.

S. 2570 provides that not less than 85 percent of the amount available for title VI is to be allocated to prime sponsors in accordance with the following formula: 50 percent is allocated on the basis of the relative number of unemployed persons who reside in areas within the jurisdiction of each prime sponsor compared to the number of unemployed persons who reside in all such areas in all States; 25 percent is allocated on basis of the number of unemployed persons residing in areas of substantial unemployment—areas with an unemployment rate equal to or in excess of 6½ percent—within the jurisdiction of the prime sponsor compared to the number of unemployed persons residing in all areas of substantial unemployment; and, 25 percent on the basis of the relative excess number of unemployed persons—the number of unemployed persons in excess of 4½ percent—who reside within the jurisdiction of the prime sponsor compared to the total excess number of unemployed persons who reside within the jurisdictions of all eligible prime sponsors.

The Secretary must reserve an amount of not less than 2 percent of the sums available for title VI for Native American entities. The Secretary may use the remaining amount in his discretion to assist prime sponsors and Native American entities.

S. 2570 contains a number of provisions intended to prevent substitution. It expressly prohibits the hiring of a CETA participant when any other person is on layoff from the same or a substantially equivalent position, and it provides that CETA jobs must be in addition to those that would be funded by a State or municipality. Time limitations on program participation, limitations on wages and supplementation, as well as restricted eligibility requirements for purposes of public service employment, also will help to prevent substitution. Further, current law provides that funds expended for title VI may be used for both activities of an unlimited duration and projects which are 12 months in length. Testimony received by the committee indicates that projects tend to reduce the rate of fiscal substitution. Thus, the committee bill provides that all public service employment under title VI is to be only in projects. The projects are to be of limited duration, but may be extended beyond 12 months upon review by the prime sponsor at least once a year, in accordance with regulations issued by the Secretary.

The practice of substituting Federal manpower dollars for local resources also will be curtailed significantly by the elimination of the "sustainment jobs" provisions which were enacted as part of the 1976 CETA amendments.

Under the provisions of the 1976 CETA amendments, all public service employment positions funded in addition to

those positions existing on June 30, 1976, approximately 260,000 positions—are to be filled by persons who meet strict eligibility criteria, and these jobholders also are to be employed in 12-month projects. Generally, persons are qualified for these positions if their previous annual family income is no more than 70 percent of the BLS lower living standard budget and if they have been unemployed for at least 15 weeks, or if they are receiving public assistance. One-half of the vacancies below the June 30, 1976, sustainment level created by attrition also are required to be filled by persons who meet the strict eligibility criteria set forth above.

The remaining 50 percent of the jobs below the June 30, 1976, sustainment level, as well as another 50,000 public service employment positions under title II of the current CETA law, however, can be filled by persons who are unemployed for a very short period of time—15 days in areas having at least 7 percent unemployment rate, or by persons who have been unemployed for at least 30 days in an area with an unemployment rate of less than 7 percent. Moreover, prime sponsors are not required to employ these persons in projects of limited duration. These positions are the "sustainment jobs."

S. 2570 would eliminate these "sustainment jobs" provisions from the CETA law. This means that all positions which become available either by attrition or by new program dollars would have to meet the targeted eligibility criteria of the new title VI program.

Current law provides that no more than 15 percent of public service employment funds may be used for administrative expenses, training and other supportive services. This has led to the situation in which not enough resources have been available for training and supportive services because administrative expenses have taken up a disproportionate amount of the total funds available for all of these services. S. 2570 therefore provides that no more than 10 percent of public service employment funds under title VI may be used for administrative expenses, and an additional amount of funds of no more than 10 percent may be used for training, supportive services and similar skill development services. The committee believes that these provisions will enhance the ability of public service employees to receive the various kinds of services they need to become employed in regular public or private employment.

Mr. President, the implementation of these various program reforms will improve the countercyclical jobs programs. It is important that such a program be available to deal with national economic downturns generally as well as to assist those areas of the country whose local or regional economies are in distress. The various program reforms set forth in S. 2570 will help assure that a countercyclical jobs program is available and that the program that is available is sensitive to the past experiences of the CETA program.

PROGRAM ABUSES

Mr. President, CETA has been the subject of some controversy because investigations by the Justice Department and the Labor Department have revealed such statutory violations as political favoritism, fraud, financial conflicts of interest, and nepotism. Though such abuses have not been pervasive, neither have they been limited to a few isolated instances.

The Secretary of Labor in response to this situation has taken strong affirmative steps to investigate and impede such practices. Last April, Secretary Marshall established the Office of Special Investigations, which, among other functions, is charged with special investigative and auditing responsibilities relating to CETA programs. Additionally, the administration proposed a series of amendments to increase the Department's ability to take appropriate and swift preventive action to curb program abuses. The committee bill includes most of these recommendations.

S. 2570 provides that CETA funds may be terminated in emergency situations without a hearing so long as one is held thereafter within 30 days; the Secretary of Labor may take direct action against a subgrantee or subcontractor of a prime sponsor while a recipient who receives financial assistance directly from the Secretary concurrently will be held responsible for the actions and omissions of its subgrantees and subcontractors; no person may be discriminated against or otherwise penalized for filing a complaint or cooperating in an investigation; the Secretary may make use of State and local agencies, especially law enforcement agencies, to monitor and enforce the provisions of the act; the Secretary is directed to publish regulations against such abuses as nepotism, conflicts of interest, and kickbacks; recipients are required to keep adequate records and make them promptly available to the Secretary as the Secretary directs, and the Secretary is given authority to subpena books and witnesses in cases of investigation; this legislation establishes that it is a Federal offense to embezzle CETA funds, to engage in kickbacks, and similar schemes, or to obstruct CETA investigations; and the legislation also provides bonding for officers, directors, agents, and employees of CETA recipients who handle funds or property in the administration of the CETA programs.

Taken together the provisions adopted by the committee will protect the integrity of CETA funds from fiscal mismanagement or unscrupulous individuals who would abuse the program at the expense of both the public and those persons for whom it is the purpose of the act to assist.

The committee has placed time limitations upon the duration for which a person is eligible for CETA assistance. The bill provides that the longest period of time during which an individual may participate in the various CETA programs is a total of 2½ years within a 5-year period.

Work experience is restricted to a total of 1,000 hours per year, except for in-school youth, and a total of no more than 2,000 hours of work experience may be performed by a person within a 5-year period.

The committee continues the limitation in current law which restricts participation in institutional or classroom training programs to 2 years within a 5-year period.

An individual may hold a public service employment position under title II for no longer than 18 months. An individual may hold a public service employment position under title VI for no longer than 12 months. These time limitations may be extended for 6 months in areas of high unemployment as determined by the Secretary.

The 2½-year program participation restriction and the limitation on public service employment will eliminate long-term employment by any individual in the CETA programs. These limitations will enable program participants to receive appropriate Federal manpower assistance while emphasizing the transition from CETA programs into regular public or private employment.

PRIVATE SECTOR PARTICIPATION

CETA program linkages with private employers is viewed by employment specialists as a useful opportunity for increasing the transition of CETA participants to unsubsidized employment. Notwithstanding this belief, and despite the fact that most employment opportunities originate in the private as opposed to the public sector, the private sector has played a limited role under CETA. In fiscal year 1977, less than 10 percent of federally assisted employment and training programs involved private business.

Under the Manpower Development and Training Act (MDTA), the predecessor to CETA, the Department of Labor made substantial investments in the private sector, primarily through the use of on-the-job training programs. Program follow-up studies from MDTA indicate that a high percentage of trainees were retained by employers after training was completed. With this background, the committee agreed to make a major recommitment to the role of the private sector in CETA programs.

Under a new title VII, Private Sector Opportunities for the Economically Disadvantaged, opportunities for low income persons to work for a private employer while receiving on-the-job training will be greatly expanded. This initiative is similar to that proposed by the Carter administration. It is intended to integrate the private sector in the development and implementation of CETA programs with the goal of increasing private employment opportunities for low income persons.

Under this initiative, a prime sponsor is authorized to establish a Private Industry Council composed primarily of labor and business leaders, including representatives of small and minority-

owned businesses. The primary function of these councils is to secure contract pledges from private employers to hire economically disadvantaged persons. On-the-job training is the kind of activity authorized by title VII, though a wide range of other employment services may be provided. Among its various functions, the Private Industry Council will be responsible for advising the prime sponsor on ways of increasing private sector linkages in other CETA programs.

An authorization of $400 million is provided for fiscal year 1979 and such sums as may be necessary for fiscal year 1980.

Private employers have frequently stated that they are the last group to be consulted on national employment policies, but the first group solicited as a source of jobs for the Nation's structurally unemployed. It is the purpose of title VII to interject the expertise and energy of the business community into the mainstream of federally assisted employment programs. The combined resources of the Federal Government and the American business community should create an effective partnership for developing solutions to the problem of structural unemployment.

The committee also authorized two smaller private sector demonstration projects to test the efficacy of employment vouchers and employer incentive bonuses. Both programs are targeted on the economically disadvantaged population. These programs should provide useful information about the impact of vouchers and incentive bonuses upon factors such as the rate of displacement created by employment subsidies, the population obtaining employment as a result of such subsidies, the retention rate of participating employees beyond the duration of the training subsidy, and the types of and degree to which various business and industries utilize such subsidies. A further explanation of these amendments is included in the more detailed explanation of the committee bill.

YOUTH PROGRAMS

In recognition of the epidemic employment problems facing the Nation's youth, the committee bill places a strong emphasis on youth programs. S. 2570 authorizes the Job Corps, summer youth program, youth incentive entitlement pilot projects, youth community conservation and improvement projects, youth employment and training programs, and the Young Adult Conservation Corps.

JOB CORPS

The Job Corps was originally enacted under the Economic Opportunity Act of 1964. This program provides intensive, primarily residential, courses of education and employment services to economically disadvantaged young men and women between the ages of 14 and 22 years.

The purpose of the Job Corps is to assist young adults in achieving their career objectives. All Job Corps members are persons who are not in school, unemployed, and need additional education, vocational training, counseling, and other services to help them obtain employment, return to school or enlist in the Armed Forces.

This year more than 24,000 persons will enroll in Job Corps programs across the country. The Department of Labor is in the process of expanding this program so that it can serve twice as many persons.

SUMMER YOUTH PROGRAM

The summer youth program is targeted on economically disadvantaged youth who are 14 to 21 years of age. Summer training and employment opportunities will be available this year to some 1,072,000 youth. The young people who participate in these programs perform a variety of useful tasks including city clean up projects, community gardening projects, and conservationist practices.

To alleviate the structural employment barriers confronted by youth, the Congress enacted the Youth Employment and Demonstrations Projects Act last year. The four programs authorized by this legislation serve different aged youth in a variety of employment and training situations.

YOUTH INCENTIVE ENTITLEMENT PROJECTS

The youth incentive entitlement pilot projects provides grants to selected prime sponsors to serve all economically disadvantaged youth ages 16–19 who reside within their jurisdiction.

The program is designed to aid youth to complete high school while pursuing part-time employment and training opportunities. Eligible youth are guaranteed a year-round, part-time job or training position conditioned upon their remaining in school. Participants also are offered counseling, academic tutoring, and other services.

As of June 30, 1978, 27,768 youth were enrolled in this program.

YOUTH COMMUNITY IMPROVEMENT PROGRAM

The youth community improvement program is designed to develop the vocational potential of jobless youth through well-supervised work of tangible benefit to the community.

Services are available to unemployed youth 16 through 19 years of age. A preference is given to out-of-school youth with the severest handicaps in finding employment.

Youth are employed on community-planned projects lasting up to 1 year. Supervision is by skilled tradesmen who are good instructors and sensitive to the needs of youth. To assure that the youth get individual attention, no more than 12 persons are assigned to each supervisor. Community-based organizations such as YMCA's, the Red Cross, and other private nonprofit agencies design the projects. Schools are asked to grant credit for employment experience, thus encouraging youth to return to school and complete their education. As of June 30, 1978, 17,402 persons were enrolled in this program, youth community improvement programs.

YOUTH EMPLOYMENT AND TRAINING PROGRAM

The youth employment and training program is designed to enhance the jobs prospects and career preparation of low-income youth who have the severest problems in entering the labor market.

As of June 30, 1978, 163,935 youth between ages 14 and 21 years of age were enrolled in this program. With the exception of 10 percent of the available positions, jobs and training opportunities are available only to youth from families with income at or below 85 percent of the lower living standard.

Youth employment and training programs provide for institutional and on-the-job training, work experience, vocational education, public employment opportunities, employment counseling, and other employment related services.

At least 22 percent of each prime sponsor's funds must be used for in-school-youth programs carried out with local educational agencies. Arrangements are flexible, and the educational agencies may contract with junior colleges, post-secondary schools, and other community agencies serving low-income or in-school youth. School-based counselors advise in-school program participants as to the relevance of their career and educational programs.

YOUNG ADULT CONSERVATION CORPS

The Young Adult Conservation Corps is a program designed to give young people experience in various occupational skills through productive work on conservation and other projects on Federal and non-Federal lands and waters.

Youth ages 16 to 23 years of age may participate in this program. The program is open to all youth regardless of their family income. As of June 30, 1978, 20,663 persons were enrolled in this program.

Young adult conservation corps programs are operated under a tripartite agreement between the Department of Labor (DOL), Agriculture (USDA), and Interior (USDI). Enrollees are involved in all types of conservation work: preservation, management, and improvement of vegetation and wildlife; development, rehabilitation, and maintenance of recreational facilities; prevention and control of insects and disease; and natural disaster damage control and cleanup.

This program provides for nonresidential projects to which enrollees commute and residential camps that provide food daily and are given work assignments, lodging, and supportive services 7 days a week, 24 hours a day, and from which work projects are assigned.

Mr. President, at this point I ask unanimous consent to present in the RECORD a more detailed statement which discusses the committee's bill, S. 2570, a section-by-section analysis of the bill, and several tables relating to the program activities and funding levels of the various CETA programs.

There being no objection, the material was ordered to be printed in the RECORD, as follows:

S. 2570—FISCAL YEAR 1979

[In thousands of dollars]

CETA title	Authorization	Budget authority	Estimated outlays
Title I: Administrative provisions			
Title II:			
Comprehensive services	Open ended	[1] 2,026,700	2,042,003
PSE	$3,000,000,000	(1)	
Title III (pts. A and B): [2]			
Migrant farmworkers	Not less than 5 percent of the 85 percent allocated to prime sponsors for comprehensive services under title II.	[3] 81,068	84,068
Indians and native Americans	Not less than 4.5 percent of the 85 percent allocated to prime sponsors for comprehensive services under title II.	[3] 64,854	62,854
Other national programs	Open ended [2]	69,200	69,200
Migrant and Indian initiatives	do [2]		25,000
STIP/HIRE	do [2]		275,000
Program support	do [2]	43,910	43,910
Welfare demonstrations		200,000	125,000
Title IV:			
Youth employment programs (pt. A)	Open ended	713,996	879,694
Job Corps (pt. B)	do	296,000	325,509
Summer youth (pt. C)	do	740,200	763,300
Young Adult Conservation Corps (pt. D)	do	216,900	306,540
Title V: National Commission for Employment and Training Policy	$3,000	(4)	3,000
Title VI: PSE	Open ended	[1] 5,955,286	6,103,922
Title VII: Private sector opportunities for the economically disadvantaged		400,000	250,000
Total		10,808,114	11,356,000

[1] Reflects administration's request for the inclusion of all PSE in title VI.
[2] Not more than 20 percent of the amount appropriated, excluding any amount available for carrying out title II–D and VI, shall be available for carrying out title III.
[3] Additional funding would be required to fulfill the statutory set-asides.
[4] The Commission receives funding from a variety of sources, though most of its resources are provided by the Department of Labor. The remaining amount is provided by various government agencies and private foundations.

CETA FUNDS

[In thousands]

CETA title	Authorization	Fiscal year 1977 Appropriation	Fiscal year 1977 Actual outlays	Fiscal year 1978 Appropriation	Fiscal year 1978 Estimated outlays
Title I	Open ended	$1,880,000	$1,756,209	$1,880,000	$2,034,000
Title II—PSE	do	1,540,000	495,957	(1)	1,069,000
Title II (pts. A and B),[2] migrant farmworkers	Not less than 5 percent of the 80 percent allocated to prime sponsors under title I.	63,200	60,921	75,200	71,200
Indians and Native Americans	Not less than 4 percent of the 80 percent allocated to prime sponsors under title I.	50,560	57,610	60,160	60,160
Other national programs	Open ended [2]	74,600	89,048	70,700	70,700
Migrant and Indian initiatives	do [2]	(3)	(3)	37,000	12,000
STIP/HIRE/DVOP	do [2]	370,000		100,000	75,000
Program support	do [2]	53,370	60,531	44,870	49,894
Summer youth employment	do [2]	595,000	574,994	756,000	704,000
Title III (pt. C), youth employment demonstration programs	do [2]	766,667	4	(1)	400,965
Title IV, Job Corps	Open ended except for the reservation.[3]	274,100	201,584	417,000	320,028
Title V, National Commission for Manpower Policy	Open ended	(4)	7,000	(4)	2,610
Title VI—PSE	do	6,847,000	2,340,409	(1)	4,873,500
Title VII, administrative provisions					
Title VIII, YACC	Open ended	233,333	40	(1)	143,653
Total, CETA fiscal year 1978 appropriations		12,736,830	5,631,307	3,440,930	9,884,100

[1] Fiscal year 1977 appropriation provides funding for these programs for fiscal year 1977 and fiscal year 1978.
[2] Not more than 20 percent of the amount appropriated, excluding any amount in excess of $250,000,000 for title II, is available for carrying out title III pts. A and B and title IV.
[3] Funded from title I Secretary's discretionary funds in fiscal year 1977.
[4] The Commission receives funding from a variety of sources, though most of its resources are provided by the Department of Labor. The remaining amount is provided by various Government agencies and private foundations.

ONBOARD ENROLLMENT IN EMPLOYMENT AND TRAINING PROGRAMS—END OF QUARTERS, 1974–78

	Total enrollment[1]	Comprehensive Employment and Training Act												
		Title I					Title II	Title III[3]						
		Total[2]	Classroom training	OJT	PSE	Work experience		Indians	Migrants	Title IV Job Corps	Title VI	Government grant	Work incentive program	Title IX, older workers
1974:														
Sept. 30	370,800	105,000	20,300	4,100	1,400	62,900	11,700	(4)	(4)	19,300		(4)	225,400	9,400
Dec. 31	617,500	286,700	66,600	13,400	4,100	163,200	56,000	5,600	(4)	19,300		16,500	224,200	9,200
1975:														
Mar. 31	1,000,500	462,200	124,300	28,100	11,500	225,800	143,900	10,600	10,300	20,800	101,800	14,400	227,300	9,200
June 30	1,102,700	513,800	111,400	37,900	19,500	265,000	136,800	20,000	42,000	20,700	110,800	13,700	236,200	8,700
Sept. 30	1,110,700	449,900	131,600	36,900	23,000	155,700	83,300	18,100	94,500	20,100	212,600	22,300	196,800	13,100
Dec. 31	1,202,000	495,000	141,500	36,800	20,500	207,300	62,300	15,600	74,300	19,500	267,000	27,800	227,600	12,900
1976:														
Mar. 31	1,323,700	574,500	173,600	41,500	22,900	232,400	57,500	15,200	54,500	21,000	287,000	41,300	259,500	13,200
June 30	1,244,700	505,300	159,500	43,500	22,700	186,400	94,500	13,800	70,200	21,000	205,900	42,500	278,200	13,300
Sept. 30	1,181,900	364,400	144,300	34,300	15,700	116,200	245,300	10,800	147,700	20,500	43,800	29,100	305,700	14,600
Dec. 31	1,228,100	411,800	147,800	32,700	12,800	181,900	242,600	10,100	191,300	19,300	28,800	25,000	283,600	15,600
1977:														
Mar. 31	1,219,400	474,100	182,700	43,800	11,400	214,000	62,300	10,200	77,400	20,900	220,500	31,400	305,700	16,900
June 30	1,314,300	461,800	183,200	53,600	12,700	163,700	71,100	7,600	89,700	21,100	291,900	33,600	320,200	17,300
Sept. 30	1,390,500	367,200	161,500	48,400	8,700	127,800	92,400	16,800	74,600	21,600	431,200	23,100	334,900	28,700
Dec. 31	1,479,000	434,400	173,000	48,100	7,600	183,900	107,500	17,800	(4)	21,500	504,000	20,300	337,900	35,600
1978: Mar. 31	1,634,200	470,900	253,500	53,100	6,600	184,800	127,200	(4)	(4)	23,600	605,600	23,500	346,000	37,400

[1] Total enrollment does not include apprentices. There were 245,900 registered apprentices as of June 30, 1977.
[2] Totals include participants enrolled in other activities.
[3] Estimated.
[4] Information not available.

YOUTH EMPLOYMENT AND DEMONSTRATION PROJECTS ACT PROGRAMS END-OF-MONTH ENROLLMENT

Month (1978)	January	February	March	April	May	June
Youth Employment and Training Programs (YETP)	18,917	50,014	88,771	122,928	154,635	163,935
Youth Community Conservation and Improvement Projects (YCCIP)	1,807	5,569	10,645	12,073	15,251	17,402
Youth Incentive Entitlement Pilot Projects (YIEPP)	(1)	(1)	8,712	15,566	22,000	27,768
Young Adult Conservation Corps (YACC)	8,159	9,598	11,409	12,851	16,540	20,653
Total	(1)	(1)	119,537	163,418	208,426	229,758

[1] Is not available.

SECTION-BY-SECTION SUMMARY ANALYSIS

Section 1—Short Title

This section provides that the act, with a table of contents, may be cited as the "Comprehensive Employment and Training Act."

Section 2—Statement of Purpose

This section provides that it is the purpose of the act to provide job training and employment opportunities for economically disadvantaged, unemployed or underemployed persons by establishing a flexible, coordinated and decentralized employment and training program.

TITLE I—ADMINISTRATIVE PROVISIONS

Part A—Organizational provisions

Section 101—Prime Sponsors

Subsection (a) defines eligible prime sponsors as: (1) a State, (2) any unit of general local government with population of 100,000 or more, (3) any combination of units of general local government which includes an otherwise eligible unit, (4) units or combination of units of general local government, in rural areas without regard to population, which have high unemployment, and there is a special need for services within the area, as determined by the Secretary (5) certain existing concentrated employment program grantees, designated by the Secretary, serving areas with high unemployment, and (6) units previously designated as prime sponsors, whose populations have decreased below 100,000, but have demonstrated their effectiveness to administer programs and still have that capability.

Subsection (b) provides that a State or a unit of general local government shall not qualify with respect to any area within the jurisdiction of a geographically smaller eligible prime sponsor unless the smaller unit has not submitted an approvable plan.

Subsection (c) provides that prime sponsors must submit a notice of intent to apply for prime sponsorship by a date prescribed by the Secretary, and the Secretary shall designate those that qualify as prime sponsors.

Subsection (d) provides that State prime sponsors shall make appropriate arrangements for appropriate area planning bodies to serve subareas within the State prime sponsor area.

Section 102—Authority of Secretary To Provide Services

This section provides that the Secretary may provide services to any area not served by a prime sponsor, to any area where the prime sponsorship has been revoked by the Secretary, or to any area where a plan has not been approved.

Section 103—Comprehensive Employment and Training Agreement and Annual Plans

Subsection (a) provides that the Secretary may not provide financial assistance unless the prime sponsor submits a comprehensive employment and training plan consisting of a comprehensive employment and training agreement and an annual employment and training plan. The agreement serves as the basic charter and includes descriptions of local labor markets, basic operational information, and the procedures used by the prime sponsor to insure that conditions of this act are met.

Subsection (b) provides that prime sponsors must submit an annual employment and training plan which describes programs and services to be provided to the eligible population. Such information includes changes in the local labor market, the performance and placement goals for the program year, changes in the administrative design of the program, and a description of the relationship between and the efforts to coordinate programs under this act to other employment and training programs operating in the area.

Section 104—Review of Comprehensive Employment and Training Plans

Subsection (a) provides that a prime sponsor's plans must be submitted for comment, at least 45 days before being submitted to the Secretary, to specific offices or organizations specified in the section. The plan must also be made available for review to specified other groups and to the general public.

Subsection (b) provides that the prime sponsor shall consider any comments or recommendations received, and transmit to the Secretary comments and recommendations of the Governor, the State employment and training council, and the prime sponsor planning council.

Subsection (c) provides for the Secretary to review each prime sponsor's comprehensive employment and training plan to assure that it meets the requirements of the act, the regulations, and other applicable law.

Subsection (d) provides that the Secretary shall disapprove any plan not satisfying the review under subsection (c), provided that the prime sponsor has at least 30 days to remedy any defect.

Section 105—Governor's Coordination and Special Services Plan

Subsection (a) provides that any State seeking financial assistance under this act shall submit a Governor's coordination and special services plan to the Secretary.

Subsection (b) details what shall be included in the Governor's plan.

Subsection (c) provides that the Secretary shall only approve the Governor's plan if it meets the requirements of this subsection.

Section 106—Complaints and Sanctions

Subsection (a) provides that each prime sponsor shall establish and maintain a grievance procedure for handling complaints from participants, subgrantees, contractors, and other interested persons. It also provides that the Secretary shall promulgate regulations to insure that recipients establish formal hearing processes so that determinations as to the merits of complaints are made within 60 days. It also provides for secretarial investigations of the complaint, with a determination within 120 days.

Subsection (b) provides that the Secretary shall revoke a prime sponsor's plan and terminate financial assistance provided that prior notice and opportunity for a hearing are given, if the Secretary determines that the prime sponsor maintained a pattern or practice of discrimination. The Secretary may revoke the plan or terminate financial assistance if the prime sponsor has incurred unreasonable administrative costs, failed to give due consideration to continued funding of programs of demonstrated effectiveness, failed to give due consideration to the eligible population in areas of chronic or concentrated unemployment, materially failed to expend funds in a reasonable period of time or violated several other conditions.

Subsection (c) authorizes the Secretary, after a finding that a recipient has failed to comply with the act or regulation, to terminate or suspend, in whole or in part, financial assistance to the recipient, and where appropriate, take such corrective actions as ordering the repayment of misspent funds, withholding future funding, and taking direct legal action against recipients, subgrantees, subcontractors and operators under nonfinancial agreements, or ordering the recipient to take legal action to recover misspent funds or protect the integrity of the program. Furthermore, it provides that the Secretary may, in emergency situations, immediately terminate or suspend assistance, in whole or in part, provided that an opportunity for a hearing is given to the recipient within 30 days.

Subsection (d) authorizes the Secretary to protect persons who either make complaints or testify against a recipient from actions by the recipient.

Subsection (e) provides that nothing in this act precludes a person who alleges a violation of the act or regulations from instituting a civil action.

Subsection (f) provides that the Secretary may withhold funds otherwise payable under the act in order to recover amounts expended in any fiscal year in violation of any provision of the act.

Subsection (g) provides the Secretary with the authority to make arrangements to use appropriate State and local government personnel with reimbursement, to carry out the provisions of this section and section 134.

Subsection (h) provides that prime sponsors and other recipients receiving funds directly from the Secretary remain responsible and liable despite the right of direct action by the Secretary against subcontractors and subgrantees.

Section 107—Judicial Review

This section provides that a recipient's right of review is in the courts of appeal if the recipient is dissatisfied with the Secretary's action in finally disapproving a plan, withholding funds, or taking an action with respect to a sanction.

Section 108—Reallocation

Subsection (a) authorizes the Secretary to reallocate funds from one recipient to another if the former is unable to use such allocated funds within a reasonable period of time.

Subsection (b) provides that the Secretary will give 30 days advance notice to the prime sponsor, the Governor and the general public, during which time comments may be submitted to the Secretary. After considering any comments, the Secretary shall notify the Governor and prime sponsor of any decision to reallocate funds, and publish such decision in the Federal Register. In allocating funds, the Secretary shall first give priority to prime sponsors within the same State, then to prime sponsors within other States.

Section 109—Prime Sponsor's Planning Council

This section provides that each prime sponsor shall establish a planning council and

sets forth the composition and requirements for such council.

Section 110—State employment and training council

This section provides that each State shall establish an employment and training council and sets forth the composition and requirements for such council.

Section 111—Consultation

This requires the Secretary of Labor to consult with the Secretaries of Health, Education, and Welfare, with respect to services of a health, education, and welfare character, and other Federal officials as appropriate.

Section 112—Authorization of appropriations

Subsection (a) provides for a such sums as may be necessary authorization of the act, for titles II, III, and IV, parts B and C, title VI, and title VII, through fiscal year 1982; title IV, part A and D and title VII are authorized through 1980.

Subsection (b) provides that appropriated funds shall remain available for obligation in the succeeding fiscal year and obligated funds may be expended during a period of two years after obligation.

Subsection (c) provides authority for forward funding for programs under this act.

Subsection (d) provides that the funds available for carrying out title III shall not exceed 20 percent of the amount appropriated for the act (excluding any amount made available for carrying out title II–D and title VI) and that of the funds available for title III, the Secretary shall transfer not less than $3 million nor more than $5 million to the National Occupational Information Coordinating Committee.

Part b—General provisions

Section 121—Conditions Applicable to All Programs

This section contains the provisions applicable to all programs, including nondiscrimination, protection of employed workers, employee benefits, occupational safety and health, and prohibitions on political and sectarian activities.

Section 122—Special Conditions Applicable to Public Service Employment

This section provides conditions applicable to the public service employment program, including wage rates, protection of employed workers, and duration of employment.

Section 123—Special provisions

This section contains special provisions applicable to programs under this act.

Section 124—Wages and allowances

This section provides that basic wages and allowances will be paid to enrollees.

Section 125—Labor Standards

This section governs the applicability of the Davis-Bacon Act.

Section 126—Definitions

This section defines terms used in the act.

Section 127—Secretary's Authority and Performance Standards

This section provides the Secretary with the authority to issue rules, regulations, and guidelines for the administration of the act. It also provides that the Secretary shall assess the adequacy of each prime sponsor's proposed performance and placement goals in accordance with performance standards which recognize that performance varies with the local situation. It further provides the Secretary with the authority to enter into contracts, grants, and agreements, as deemed necessary to carry out the act.

Section 128—Reports

This section provides for an annual report by the Secretary and periodic reports by each prime sponsor.

Section 129—Services and Property

This section authorizes the Secretary to accept gifts in the name of the Department.

Section 130—Utilization of Services and Facilities

This section authorizes the Secretary to utilize services and facilities of other Federal and State agencies.

Section 131—Interstate Agreements

This section gives the consent of Congress to interstate agreements required by this act subject to the approval of the Secretary.

Section 132—Prohibition Against Political Activities

This section provides that no program funded under this act may involve political activities and states that State and local government employees whose principal employment is in connection with programs financed under this act, and who are covered by the Hatch Act, must comply with the provisions of that act.

Section 133—Nondiscrimination

This section prohibits discrimination on the basis of race, color, religion, sex, national origin, age, handicap, political affiliation, or citizenship, and provides appropriate remedies in cases where discrimination has been found to have taken place.

Section 134—Records, Audits, and Investigations

This section requires each recipient of financial assistance to maintain records on participants and programs and keep such records for the Secretary's inspection. It further provides that the Secretary may investigate any matter deemed necessary to insure that no violations of the program have occurred.

Section 135—Bonding

This section provides that all employees of recipients of financial assistance who handle funds under this act be bonded, and that the Secretary establish the amount and other bonding requirements by regulation.

TITLE II—COMPREHENSIVE EMPLOYMENT AND TRAINING SERVICES

Part A—Financial assistance provisions

Section 201—Purpose of Program

This section provides that it is the purpose of this program to provide comprehensive employment and training opportunities throughout the Nation. The programs shall include the development and creation of training, upgrading, retraining, education, and other services needed to enable individuals to secure and retain employment at their maximum capacities so as to increase their earned income.

Section 202—Allocation of Funds

Subsection (a) provides that 85 percent of the funds available for parts A, B, and C will be allocated to prime sponsors according to the following formula: 50 percent—previous year's allocation (for fiscal year 1979 this would apply to the fiscal year 1978 title I allocation); 37.5 percent—total unemployment; 12.5 percent—low-income adults; and not less than $2 million shall be allocated among Guam, the Virgin Islands, American Samoa, the Trust Territory of the Pacific Islands and the Northern Marianas).

Subsection (b) provides that 5 percent of the funds available for parts A, B, and C shall be used only for supplemental vocational education assistance.

Subsection (c) provides that 1 percent of the funds allocated under parts A, B, and C shall be available to the Secretary for paying the costs of the State employment and training council, except that no State shall receive less than $50,000.

Subsection (d) provides that 1 percent of the funds available under title II shall be available to the Governor for linkages with educational institutions and agencies.

Subsection (e) provides that 4 percent of the funds available under parts A, B, and C shall be available for Governor's coordination and special services programs.

Subsection (f) provides that the remainder of the funds shall be used at the Secretary's discretion for purposes that include providing 90 percent of the previous year's funds, continuing support for rural concentrated employment programs, continuing funding of programs of demonstrated effectiveness, and for encouragement of consortia where they demonstrate advantages.

Section 203—Conditions for Receipt of Financial Assistance

This section provides that a prime sponsor may only receive financial assistance upon submission of a satisfactory comprehensive employment and training plan, that not more than 5 percent of the prime sponsor's funds may be used for upgrading and retraining programs (part C), and that public service employment and work experience shall be combined with training and supportive services.

Section 204—Supplemental Vocational Education Assistance

This section provides that the Secretary shall make grants to Governors to provide financial assistance, through State vocational education boards, to provide needed vocational education services, and that the funds only be used for providing services to participants in programs under this title in accordance with an agreement between the State vocational education board and the prime sponsor

Section 205—Participant Assessment

This section provides that each prime sponsor shall assist each individual receiving assistance under the title in establishing a personalized employability plan in order to determine which program activities are appropriate for that individual. It also provides that an assessment of each person's need for training and supportive services shall be made at the time of entrance to a program and reviewed periodically.

Part B—Services for the economically disadvantaged

Section 211—Description of Program

This section lists the types of services and activities which may be provided under this title, including job search assistance, education and institutional skill training, on-the-job training, supported work programs and activities, the development of labor market information, necessary supportive services, and any programs authorized by part A of title III, title IV, and title VII of this act.

Section 212—Limitation on Use of Funds

This section provides that no prime sponsor receiving funds under this title shall use funds allocated for parts A, B, and C for public service employment.

Section 213—Eligibility for Participation

This section provides that a person must be economically disadvantaged and unemployed, underemployed, or in school, in order to participate in the programs authorized by this part.

Section 214—Services for Youth

This section provides that services for youth under this part shall be designed to assist eligible youth in overcoming the particular barriers to employment experienced by youth and provides that the Secretary shall insure that each prime sponsor's plan include programs and services for eligible youth.

Section 215—Services for Older Workers

This section provides that services for older workers under this part shall be designed to assist eligible participants in overcoming the particular barriers to employment experienced by older workers and provides that the Secretary shall insure that each prime sponsors' plan include programs and services for older workers.

Part C—Upgrading and retraining

Section 221—Occupational Upgrading and Retraining

This section provides that prime sponsors may conduct occupational upgrading programs, including supportive services, through agreements with public and private employers, pursuant to regulations of the Secretary, for individuals operating at less than their full skill potential, primarily those in entry level positions or positions with little normal advancement opportunities. Further, prime sponsors may also conduct retraining programs, directly or through agreements with public and private employers, pursuant to regulations of the Secretary.

If either upgrading or retraining programs concern jobs covered by collected bargaining agreements, such programs shall have the concurrence of labor organizations representing the employees in those jobs.

Part D—Public service employment opportunities for the economically disadvantaged

Section 231—Statement of Purpose

This section provides that it is the purpose of this title to provide economically disadvantaged persons who are unemployed with transitional employment in jobs providing needed public services, and related training and services to enable such persons to move into unsubsidized employment or training.

Section 232—Authorization

This section provides that there are authorized to be appropriated such sums as may be necessary for fiscal year 1979 and the three succeeding fiscal years. Further, the section provides that from the sums appropriated under this act for any fiscal year for public service employment under this part and title VI, the Secretary shall first make available $3 billion for carrying out this part for such fiscal year.

Section 233—Financial Assistance

This section provides that the Secretary shall provide financial assistance to prime sponsors under this part for transitional public service employment and that not less than 90 percent of the allocated funds used by a prime sponsor shall be used for public service employment wages, benefits, training, and supportive services. The remainder of the funds are available for administrative and other allowable costs.

Section 234—Allocation of Funds

This section provides that of the funds made available for this part, 2 percent shall be made available to Native American entries described in 302(c)(1)(A) and 85 percent shall be made available to be allocated to prime sponsor. The prime sponsors shall be allocated in accordance with the following formula:

33⅓ percent on the relative number of sponsor's area;

33⅓ on the excess number of unemployed in the prime sponsor's area; and

33⅓ percent on the relative number of unemployed in areas of substantial unemployment.

The remainder of funds not so allocated is to be used by the Secretary for discretionary purposes.

Section 235—Expenditure of Funds

This section provides that funds available under this part shall only be available for public service employment activities or projects carried out by project applicants as defined in section 126 or activities set forth in section 211.

Section 236—Prime Sponsors and Program Agents

This section provides that the provisions of section 606 with respect to prime sponsors and program agents shall apply to this part.

Section 237—Eligibility

This section provides that to be eligible a person must be unemployed for at least 12 weeks and be economically disadvantaged. The section also restates that the provisions of section 122(i) with respect to duration apply to this part.

Section 238—Wages

This section provides that no person shall be paid wages at a rate in excess of $10,000 per year, adjusted upward for an area by the ratio that the local wage rates bear to the national average, but not by more than 20 percent; and shall be paid in accordance with the hourly wage of section 124. The section further provides that persons in public service employment under this part may not have their wages supplemented.

TITLE III—SPECIAL FEDERAL RESPONSIBILITIES

Part A—Special national programs and activities

Section 301—Special Programs and Activities

This section provides that the Secretary shall use funds available under this title to provide additional employment and training services to segments of the population who are in particular need of them because they have particular disadvantages in the labor market, including offenders, persons of limited English proficiency, handicapped individuals, single parents, displaced homemakers, youth and older workers.

Section 302—Native American Employment and Training Programs

This section provides for employment and training programs for native Americans, Alaskan Natives and Hawaiian natives. To carry out these programs, the Secretary shall reserve not less than 4.5 percent of the funds allocated under section 202(a)(1).

Section 303—Migrant and Seasonal Farmworkers Employment and Training Programs

This section provides employment and training programs for migrant and seasonal farmworkers. To carry out this program the Secretary shall reserve not less than 5 percent of the funds allocated under section 202(a)(1).

Section 304—Job Search and Relocation Assistance

This section provides that the Secretary may provide job search and special relocation assistance. Job search assistance is available for economically disadvantaged, unemployed, and underemployed persons. Relocation assistance is available only to involuntarily unemployed persons who cannot reasonably be expected to secure full-time employment in the community in which they reside and have a bona fide offer of employment.

Section 305—Veterans Information and Outreach

This section provides that the Secretary, in consultation with the Secretary of Health, Education, and Welfare and the Administrator of the Veterans' Administration, shall provide for an outreach and public information program for veterans.

Part B—Research, training, and evaluation

Section 311—Research

This section provides that the Secretary shall establish a comprehensive program of employment and training research and for experimental, demonstration, and pilot projects, including a variety of welfare demonstration programs.

Section 312—Labor Market Information and Job Bank Program

This section provides for the development of a comprehensive system of labor market information on a national, State, local or other appropriate basis and for the development of a computerized job bank.

Section 313—Evaluation

This section provides that the Secretary shall provide for the continuing evaluation of all programs conducted under this act and for studies of the comparative effectiveness of programs under this act and those under title IV–C of the Social Security Act (work incentive program).

Section 314—Training and Technical Assistance

This section provides for technical assistance to prime sponsors by the Secretary of Labor in consultation with the Secretary of Health, Education, and Welfare and other appropriate officials.

Section 315—National Occupational Information Coordinating Committee

This section authorizes the National Occupational Information Coordinating Committee to use the funds available under section 112(d) in giving special attention to the labor market information needs of youth.

Section 316—Evaluation and Incentive Grants

This section provides that a prime sponsor may volunteer for an evaluation of its title II program by the Secretary of Labor. The Secretary awards funds to these prime sponsors who do well.

Section 317—Voucher Demonstration Projects

This section provides for a demonstration program of employment and training vouchers for use with private employers by economically disadvantaged persons who are unemployed or underemployed.

TITLE IV—YOUTH PROGRAMS

Part A—Youth employment demonstration programs

Section 401—Statement of Purpose

This section establishes pilot, demonstration, and experimental programs to explore methods of dealing with youth employment and training, but it is explicitly not its purpose to provide make-work.

Subpart 1—Youth incentive entitlement pilot projects

Section 411—Entitlement Pilot Projects Authorized

This section authorizes the Secretary to enter into arrangements with selected prime sponsors to demonstrate the efficacy of guaranteeing employment to economically disadvantaged youth who are aged 16–19 and in school, or are willing to return to school for the purpose of obtaining a diploma or seek a high school equivalency certificate.

Section 412—Employment Guarantees

This section details the eligible employment opportunities and training or combination thereof which shall be part-time up to an average of 20 hours per week during the school year and may be full-time up to an average of 40 hours per week during the summer.

Section 413—Selecting Prime Sponsors

Subsection (a) provides that the Secretary shall take into consideration the extent to which the selected prime sponsors devote funds available under title II and part C of this title for the entitlement program. The Secretary shall not select any prime sponsor failing to submit specified information and assurances.

Subsection (b) provides that in approving incentive entitlement projects, the Secretary may test a variety of approaches such as subsidies to for-profit employers, arrangements with unions for apprenticeship training, alternative administrative mechanisms, the addition of economically disadvantaged youth between 19 and 25 who have not received their high school diploma, the inclusion of career counseling, outreach, on-the-

job training, and apprenticeship, and the inclusion of adjudicated youth.

Section 414—Special Provisions

This section lists examples of eligible employment and prohibits funds from being used to provide public service previously provided by a political subdivision or local educational agency in the area served.

Section 415—Reports

This section provides that the Secretary is required to submit an interim report on December 31, 1978 and a final report on March 15, 1979, to Congress on the projects funded under this section.

Subpart 2—Youth community conservation and improvement projects

Section 421—Statement of Purpose

This section provides the purpose of subpart 2 is to establish a program of community conservation and improvement projects to provide work and training opportunities for eligible youths for a period not to exceed 12 months.

Section 422—Definitions

This section defines terms for purposes of subpart 2.

Section 423—Allocation of Funds

Subsection (a) of this section provides that funds for subpart 2 shall be allocated so that not less than 75 percent shall be allocated among the States on the basis of the relative number of unemployed persons within each State as compared to all States. No State would be allocated less than one-half of 1 percent, and one-half of 1 percent would be allocated in the aggregate for Guam, the Virgin Islands, American Samoa, the Northern Marianas Islands, and the Trust Territory of the Pacific Islands.

Subsection (b) provides that of the funds for subpart 2, there would be made available 2 percent for projects for native American eligible youth, and 2 percent for projects for eligible youths in migrant and seasonal farmworker families.

Subsection (c) provides that the remaining subpart 2 funds are to be allocated as the Secretary deems appropriate.

Section 424—Community Conservation and Improvement Youth Employment Program

This section authorizes the Secretary of Labor to enter into agreements with eligible applicants to pay the costs of community improvement projects to be carried out by project applicants employing eligible youths and appropriate supervisory personnel.

Section 425—Project Applications

Subsection (a) of this section provides that project applicants shall submit applications for funding of projects under this subpart to the appropriate eligible applicant.

Subsection (b) requires that project applicants provide descriptions and assurances with respect to projects.

Section 426—Proposed Agreements

Subsection (a) of this section provides that any eligible applicant desiring funding under this subpart shall submit a proposed agreement to the Secretary and shall make available to the Secretary all project applications approved by the eligible applicant and by any program agent in the area served by the eligible applicant.

Subsection (b) provides that the proposed agreement shall describe the method of recruiting youths and a description of job training and skill development opportunities.

Subsection (c) provides for review of all project applications by the prime sponsor's planning council prior to being submitted to the Secretary.

Section 427—Approval of Agreements

Subsection (a) of this section provides that the Secretary may approve or deny on an individual basis any of the project applications submitted by an eligible applicant.

Subsection (b) provides that assurances must be satisfactory to the Secretary that programs will permit in-school youths to coordinate their jobs with classroom instruction and, to the extent feasible, permit youths to receive credit from the appropriate educational agency, postsecondary institution, or particular school involved.

Section 428—Work Limitation

This section provides that no eligible youth shall be employed for more than 12 months in work financed under this part, except as provided by the Secretary.

Subpart 3—Youth employment and training programs

Section 431—Statement of Purpose

This section sets forth the purpose of part C to establish comprehensive programs to enhance the job prospects and career opportunities of young persons.

Section 432—Programs Authorized

This section authorizes the Secretary to provide financial assistance to enable eligible applicants to provide employment opportunities and appropriate training and supporting services for eligible participants.

Section 433—Allocation of Funds

Subsection (a) provides: (1) 75 percent of the funds available for such subpart shall be allocated by formula to prime sponsors; (2) 5 percent of the total amount available for part A shall be allocated by formula to Government for special statewide services; (3) not less than 2 percent of the total amount available for part A shall be made available for native American programs (deducting funds available under subpart 2 for native American projects); (4) not less than 2 percent of the total amount available for part A shall be made available for migrant and seasonal farmworker programs (deducting funds made available under subpart 2 for migrant and seasonal farmworkers programs); and (5) the remainder of the funds available for subpart 3 shall be available for the Secretary's discretionary projects.

Subsection (b) provides that the allocated funds will be distributed as follows:

37.5 percent—total unemployment.

37.5 percent—total number residing in areas of substantial unemployment—(unemployment in excess of 6.5 percent).

25 percent—total low-income.

Subsection (c) provides that the amounts available for the Governors will be used for the activities listed in the section.

Subsection (d) provides that not less than 22 percent of the funds allocated to each prime sponsor are to be used for in-school youth programs operated under joint agreements between the prime sponsor and the local education agency or agencies in the prime sponsor area.

Section 434—Eligible Applicants

This section provides that eligible applicants are prime sponsors, sponsors of native American programs under section 302(c)(1), and sponsors of migrant and seasonal farmworkers programs under section 303.

Section 435—Eligible Participants

This section, provides that an eligible youth is (1) unemployed, underemployed, or in school and 16–21 years, inclusive (or if authorized by regulations, 14–15 years), and (2) from families with incomes at or below 85 percent of the BLS lower living standard budget. The section further provides that 10 percent of the funds for this subpart may be used to fund programs which include youth from all economic backgrounds.

Section 436—Conditions for Receipt of Financial Assistance

Subsection (a) of this section provides that the Secretary shall not provide financial assistance to an eligible applicant unless it has provided specific descriptions and assurances.

Subsection (b) provides for establishing a youth council to make recommendations to the prime sponsor's planning council with respect to the planning and review of activities under subparts 2 and 3.

Subsection (c) provides that no work experience for in-school youth program shall be entered into unless an agreement has been made between the prime sponsors and a local education agency. Each agreement shall be administered, under contracts with the prime sponsor, by a local educational agency or agencies or a postsecondary educational institution or institutions. Certain assurances are required to be set forth in the agreement.

Section 437—Review of Plans by Secretary

This section provides that provisions of section 102, 106, and 107 of the act apply to programs and activities under section 482.

Section 438—Secretary's Discretionary Projects

This section provides that the remainder of the funds are available for the Secretary to use to support innovative and experimental programs to test new approaches for dealing with the unemployment problems of youth and to enable eligible participants to prepare for, enhance their prospects for, or secure employment in occupations through which they may reasonably be expected to advance to productive working lives.

Section 439—Youth Employment Incentive and Social Bonus Program

This section provides that the Secretary shall carry out in no more than ten areas of high youth unemployment, a program to provide bonuses of up to $2,500 per youth to employers who employ at least 5 youths for 1 year, who prior to employment are economically disadvantaged, unemployed, and have no significant previous employment.

Subpart 4—General provisions

Section 441—Authorization of Appropriations

This section provides that of the funds available for carrying out part A:

15 percent are for subpart 1.

15 percent are for subpart 2.

15 percent are for subpart 3.

Section 443—Special Conditions

This section sets forth maintenance of effort, labor standards, participant protections, and similar requirements.

Section 444—Special Provisions for Subparts 2 and 3

This section provides that appropriate efforts shall be made to insure that youths participating under subparts 2 and 3 shall be youths experiencing handicaps in obtaining employment, and it further provides the Secretary with authority to reallocate funds under subparts 2 and 3.

Section 445—Academic Credit, Education Credit, Counseling and Placement Services and Basic Skills Development

This section provides that the Secretary make efforts to encourage academic credit for activities under the act, and provide appropriate counseling and placement services to facilitate transition.

Section 446—Disregarding Earnings

This section provides that earnings by a youth under this part be disregarded for family income determinations under other Federal or federally assisted programs.

Part B—Job Corps

Section 450—Statement of Purpose

This section states that it is the purpose of Job Corps to assist young persons who need and can benefit from this unusually intensive program.

Section 451—Establishment of the Job Corps

This section provides that there is established with the Department of Labor a Job Corps.

Section 452—Individuals Eligible for the Job Corps

This section provides that an eligible youth is one who: (1) requires additional training, education, or intensive counseling; (2) is currently living in a deprived environment; and (3) has the capabilities to be a Job Corps enrollee.

Section 453—Screening and Selection of Applicants—General Provisions

This section authorizes the Secretary to prescribe certain specific standards and procedures for the screening and selection of Job Corps enrollees.

Section 454—Screening and Selection—Special Limitation

This section provides that no individual can become a member of Job Corps unless there is reasonable expectation that the person can participate successfully in group situations. It further provides that a person on probation or parole may be selected only if such selection is satisfactory to those individuals supervising that person and does not violate applicable laws and regulations.

Section 456—Job Corps Centers

This section provides that no individual may be enrolled for longer than two years (except as authorized by the Secretary), that enrollment in Job Corps does not relieve a person from military obligations, and, except for good cause, an enrollee will be assigned to a center nearest the enrollee's home.

Section 456—Job Corps Centers

This section provides for the establishment of Job Corps centers.

Section 457—Program Activities

This section details the activities and training which may be offered at a Job Corps center.

Section 458—Allowances and Support

This section details the basic, readjustment, and dependent allowances that may be provided to a Job Corps enrollee.

Section 459—Standard of Conduct

This section provides that Job Corps standards of conduct shall be provided and enforced, and that dismissal can result from violations of the standards.

Section 460—Community Participation

This section provides that the Secretary shall encourage and cooperate in activities to establish a mutually beneficial relationship between Job Corps centers and nearby communities. This includes the establishment of community advisory councils to facilitate joint discussion of common problems and planning programs of mutual interest.

Section 461—Counseling and Job Placement

This section provides that the Secretary shall counsel and test each enrollee at regular intervals and make every effort to place the enrollees in jobs in the vocation for which the enrollee was trained.

Section 462—Evaluation and Developmental Projects

This section authorizes the Secretary to undertake experimental, research, or demonstration projects in order to promote better efficiency and effectiveness in the program.

Section 463—Advisory Boards and Committees

This section authorizes the Secretary to make use of advisory boards and committees in connection with the operation of Job Corps.

Section 464—Participation of the States

This section provides that the Secretary shall take action to facilitate the participation of States in the Job Corps program, including entering into agreements with States to assist in the operation or administration of Job Corps center.

Section 465—Application of Provisions of Federal Law

This section provides that Job Corps enrollees will not be deemed Federal employees for all purposes, including hours of work, rates of compensation, leave, unemployment compensation, and Federal employee benefits, except they shall be deemed employees for the following purposes: title II of the Social Security Act, workers' compensation, tort claims, and income tax.

Section 466—Special Provisions

This section provides that the Secretary shall take immediate steps to achieve an enrollment of 50 percent women, consistent with economy, administrative practice, and the needs of the population to be served and that all studies, evaluations, proposals, and data produced or developed with Federal funds become the property of the Federal Government.

Section 467—General Provisions

This section contains general conditions applicable to the administration and operation of the program.

Section 468—Utilization of Funds

This section provides that funds from title II and part C of title IV which are used for the Job Corps program, may be used in accordance with the provisions of this part.

Section 469—Secretarial Reports

This section provides that the Secretary of Labor shall submit a report on Job Corps to Congress by March 1 of each year.

Part C—Summer youth program

Section 480—Establishment of Program

This section provides for the establishment of a summer youth employment program, which shall provide eligible youth with useful work and sufficient basic education and institutional or on-the-job training to assist these youths to develop their maximum employment potential and to obtain employment not subsidized under this act.

Section 481—Eligible Sponsors

This section provides that program sponsors will be those prime sponsors qualified under title I and Native American entities described under section 302(c)(1).

Section 482—Financial Assistance

Subsection (a) provides that 95 percent of the funds shall be allocated to prime sponsors and the remainder shall be used at the Secretary's discretion.

Subsection (b) provides that unused funds for the previous year will be added to the amount available for allocation.

Subsection (c) provides that 95 percent of the funds will be allocated in the following manner to prime sponsors:

50 percent on the basis of the previous year's allocation.

37.5 percent on total unemployment.

12.5 percent on the total number of low-income adults.

In no case shall a prime sponsor receive a lower allocation than in the previous year. Out of the discretionary funds, funds for Native American entities shall be allocated on the relative number of Native American youths 14–21 years, inclusive; and funds for Guam, the Virgin Islands, American Samoa, Northern Mariana Islands, and the Trust Territory of the Pacific Islands shall be equal to the same percentage of total funds as in the previous year.

Section 483—Secretarial Authority

This section provides authority for the Secretary to issue such regulations, rules, and guidelines as are necessary.

Part D—Young adult conservation corps

Section 490—Statement of Purpose

This section sets forth the purpose of part D, which is to establish a Young Adult Conservation Corps to provide youth employment in conservation and other work on Federal and non-Federal public lands and waters.

Section 491—Establishment of Young Adult Conservation Corps

This section provides for the establishment of a Young Adult Conservation Corps to carry out projects on Federal or non-Federal public lands and waters. The Secretary of Labor is to administer this part through interagency agreements with the Secretaries of the Interior and Agriculture, who are to have responsibility for the management and program of each Corps center.

Section 492—Selection of Enrollees

Subsection (a) of this section provides that enrollees of the Corps shall be selected by the Secretaries of the Interior and Agriculture only from candidates referred by the Secretary of Labor.

Subsection (b) provides that membership in the Corps shall be limited to unemployed individuals who are 16 to 23 years old, inclusive.

Subsection (c) provides that the Secretary of Labor shall make arrangements for obtaining referral of candidates for the Corps from the public employment service, prime sponsors, and sponsors of native American and migrant programs under the act, the Secretaries of the Interior and Agriculture, and such other agencies and organizations as the Secretary of Labor deems appropriate. The Secretary of Labor shall undertake to have an equitable proportion of candidates referred from each State.

Subsection (d) provides that in referring candidates from each State, preference shall be given to rural and urban areas within the State which have substantial youth unemployment, including areas having unemployment rates of 6.5 percent or greater.

Subsection (e) provides that no individual may be employed in the Corps for a total period of more than 12 months.

Section 493—Activities of the Corps

Subsection (a) of this section provides that, consistent with each inter-agency agreement, the Secretary of the Interior or Agriculture, as appropriate, shall determine the location of each residential or nonresidential campsite, in consultation with the Secretary of Labor. This subsection lists types of conservation and natural resource work which may be performed.

Subsection (b) provides that the Secretaries of the Interior and Agriculture shall undertake to assure that projects are consistent with the Forest and Rangeland Renewable Resources Planning Act of 1974, as amended by the National Forest Management Act of 1976 as well as such other standards as each Secretary shall prescribe consistent with the provisions of Federal law.

Subsection (c) provides that, to the maximum extent practicable, appropriate projects shall be highly labor intensive, be projects for which work plans can be readily developed, be able to be initiated promptly, be projects likely to have a lasting impact both as to the work performed and the benefits to the youths participating, provide work experience to participants in skill areas needed in work on projects, be located where existing residential facilities are available, and be similar to activities of persons employed in seasonal or part-time work for specified Interior and Agriculture Department agencies.

Subsection (d) provides that the Secretaries of the Interior and Agriculture may provide for such transportation, lodging, subsistence, medical treatment, and other appropriate services, supplies, equipment, and facilities. Wherever economically feasible, existing but unoccupied or underutilized Federal, State, and local government facilities, and equipment of all types (including military facilities and equipment) shall, where appropriate, be utilized for purposes

of the Corps work camps with the approval of the Federal agency, State, or local government involved.

Subsection (e) provides that where appropriate, the Secretary, in conjunction with the Department of Health, Education, and Welfare, shall make suitable arrangements to have academic credit awarded by educational agencies for competencies derived from work experience obtained through programs under this part.

Section 494—Conditions Applicable to Corps Members

Subsection (a) of this section provides that members of the Corps shall not be deemed Federal employees except for purposes of the Federal Employees Compensation Act, the Federal Tort Claims Act, title II of the Social Security Act, the Internal Revenue Code, and 5 U.S.C. 5911 relating to allowances for quarters.

Subsection (b) provides that the Secretary of Labor shall, in consultation with the Secretaries of the Interior and Agriculture, establish standards for rates of pay (which shall be at least the minimum wage rate set forth in section 6(a)(1) of the Fair Labor Standards Act); for reasonable hours and conditions of employment; for safe and healthful working and living conditions.

Section 495—State and Local Programs and Special Projects

Subsection (a) of this section provides that, consistent with interagency agreements with the Secretary of Labor, the Secretaries of the Interior and Agriculture may make grants or enter into arrangements to carry out projects under this part with any State agency or institution, any unit of general local government, any public agency or organization, or any private nonprofit agency or organization which has been in existence for at least 2 years.

Subsection (b) provides labor protections including maintenance of effort provisions applicable to the State and local projects.

Subsection (c) provides for reserving 30 percent of the funds appropriated for the State and local projects.

Section 496—Secretarial Reports

This section requires that a report on the activities of the Corps be submitted to Congress no later than February 1 of each year.

Section 497—Antidiscrimination

This section provides that the Corps will be open to youth from all parts of the country of both sexes and youth of all social, economic, and racial classifications.

Section 498—Transfer of Funds

This section provides that the funds necessary to carry out this program will be transferred from the Secretary of Labor to the Secretaries of the Interior and Agriculture according to their interagency agreements.

Section 499—Authorization of Appropriations

This section authorizes such sums as may be necessary for fiscal year 1978 and 2 succeeding fiscal years.

TITLE V—NATIONAL COMMISSION FOR EMPLOYMENT AND TRAINING POLICY

Section 501—Statement of Purpose

This section provides that the National Commission for Employment and Training Policy will have the responsibility for advising the President and Congress on national employment and training issues.

Section 502—Commission Established

This section provides for the establishment of the National Commission for Employment and Training Policy and states what the composition of the Commission is to be, and how it is to operate.

Section 503—Functions of the Commission

This section describes the functions of the Commission.

Section 504—Reports

This section provides that the Commission shall report at least annually to the President and the Congress.

Section 505—Authorization of Appropriations

This section authorizes $3 million for fiscal year 1978 and such sums for the 3 succeeding fiscal years.

TITLE VI—PUBLIC SERVICE EMPLOYMENT PROGRAM

Section 601—Statement of Purpose

This section states that it is the purpose of this title to provide eligible persons who are unemployed with transitional employment in jobs providing needed public services in qualifying areas.

Section 602—Authorization

This section provides that such sums as may be necessary are authorized for fiscal year 1979 and 3 succeding fiscal years.

Section 603—Financial Assistance

Subsection (a) provides that not less than 80 percent of the funds allocated are to be used for public service employment wages and benefits; not less than 10 percent of the funds shall be expended for training and employability counseling and services for persons under this title. The remainder may be used for administrative and other allowable costs.

Subsection (b) provides that in filling teacher positions in elementary and secondary schools each prime sponsors will give special consideration to unemployed persons with previous teaching experience who are certified in the prime sponsor's State.

Section 604—Allocation of Funds

Subsection (a) provides that not less than 2 percent of the amounts authorized shall be available for programs to be carried out by native American entities.

Subsection (b) provides that not less than 85 percent of the funds shall be allocated to prime sponsors in the following manner:

50 percent—total unemployment in the prime sponsor area.

25 percent—number of unemployed persons residing in areas of substantial unemployment (unemployment of at least 6.5 percent).

25 percent—number of unemployed persons in excess of 4.5 percent in the prime sponsor area.

Subsection (c) provides that the remainder is available at the Secretary's discretion.

Section 605—Expenditure of Funds

Subsection (a) provides that funds under this title shall be used for projects which are no longer than 12 months in duration, except that a program may be extended where the project has demonstrated its effectiveness.

Subsection (b) provides that each project applicant shall submit an application to the appropriate program agent or prime sponsor and shall contain such information as is required by regulation.

Subsection (c) provides for expenditure of the 10 percent of funds for training and employability counseling available under section 603.

Section 606—Prime Sponsors and Program Agents

This section provides that financial assistance is available to prime sponsors, native American entities described under section 302(c)(1)(A), and program agents.

Section 607—Eligibility

This section provides that a person, in order to be eligible, must be unemployed for at least 45 consecutive days and have a family income not exceeding 85 percent of the BLS lower living standard budget; it limits individual participation to 12 months after September 30, 1978 (subject to a waiver provision of the Secretary).

Section 608—Wages

This section provides that no person employed in public service employment under this title may be paid at a rate in excess of $10,000, adjusted upward by the ratio which local wage rates bear to the national average.

Section 609—Wage Supplementation

This section provides that participants in programs under this title may have their wages supplemented, but (1) the total amount of funds used to supplement wages may not exceed the equivalent of 10 percent of the prime sponsor's allocation under the title, and (2) the total wages paid to any participant may not exceed an amount equal to 20 percent of the maximum federally supported wages for the prime sponsor area.

TITLE VII—PRIVATE SECTOR OPPORTUNITIES FOR THE ECONOMICALLY DISADVANTAGED

Section 701—Statement of Purpose

This section provides that it is the purpose of this title to demonstate the effectiveness of a variety of approaches to increase the involvement of the business community in employment and training activities under this act, and to increase the private sector employment opportunities for persons who are economically disadvantaged and unemployed or underemployed.

Section 702—Allocation of Funds

Subsection (a) provides that financial assistance will be available to each prime sponsor—95 percent of the funds are allocated according to the title II–A formula, and the remainder is available for prime sponsors who join together to establish a single private industry council and native American entities described under section 302(c)(1)(A).

Section 703—Conditions for Receipt of Financial Assistance

This section provides the requirements a prime sponsor must meet in order to receive assistance under this title.

Section 704—Private Industry Councils

This section provides for the establishment of private industry councils (a majority of whose members will be from the business sector), and provides that the council shall participate with the prime sponsor in the development and implementation of programs under this title.

Section 705—Program Activities

This section describes the types of activities that can be carried out in order to demonstrate the purposes of this title.

Section 706—Report

This section requires the Secretary to report to Congress by March 1, 1980, on an evaluation of the activities conducted under this title, and any accompanying legislative recommendations.

Section 707—Authorization of Appropriations

This section provides that there are authorized to be appropriated $400,000,000 for fiscal year 1979 and such sums for fiscal year 1980.

Section 3—Criminal Provision

This section provides for criminal penalties for theft or embezzlement of CETA funds, improper inducement, and obstruction of investigations.

Section 4—Transitional Provision

This section provides that, in order for an orderly transition from the current program to the requirements contained in these amendments, the Secretary may provide financial assistance in the same manner and on the same conditions as currently provided until April 1, 1979.

Section 5—Reports

This section provides that the Secretary shall submit by February 1, 1979, recommendations on improvements in the Wagner-Peyser Act. The Secretary shall also develop

methods to ascertain annual energy development and conservation employment impact data by type and scale of energy technologies used and present such data to the Congress, OMB, the Department of Energy, and the Department of HUD.

Section 6—Assistance to Plant, Area, and Industry-Wide Labor-Management Committees

This section provides for the establishment of joint labor-management committees on plant, area, and industry-wide bases to improve labor-management relationships, job security, and organizational effectiveness under the direction of the Federal Mediation and Conciliation Service.

Section 7—Repealer

This section repeals section 104 of the Emergency Jobs and Unemployment Assistance Act of 1974, Public Law 94-563.

Section 8—Assistant Secretary

This section provides that the Department of Labor shall have an additional Assistant Secretary, and that the current Deputy Undersecretary for Legislation and Intergovernmental Relations may fill the Assistant Secretary's position without confirmation.

COMMITTEE BILL (S. 2570)—ORGANIZATION OF TITLES

S. 2570 restructures the Comprehensive Employment and Training Act Amendments of 1973 as follows:

TITLE I

Title I of the current CETA law authorizes a nationwide program of comprehensive employment services including institutional training, on-the-job training, work experience, public service employment, job counseling, testing, and placement services.

Title I of S. 2570 authorizes most of the administrative and general provisions applicable to the CETA programs.

TITLE II

Title II of the current CETA law authorizes a program of transitional public service employment and other employment services in areas with an unemployment rate of at least 6.5 percent for 3 consecutive months.

Title II of S. 2570 provides for services authorized by Title I of the current CETA law. It further authorizes an upgrading and retraining program as well as a transitional public service employment program for the structurally unemployed.

TITLE III

Title III of the current CETA law authorizes national employment programs for special target groups such as youth offenders, older workers, persons of limited English-speaking ability, Native Americans, migrant and seasonal farmworkers, and others with particular labor market disadvantages. The Secretary of Labor is authorized to undertake research, demonstration, and evaluation programs. Title III authorizes the Summer Youth Program and the Youth Employment and Demonstration Projects Act of 1977, except for the Young Adult Conservation Corps which is authorized in title VIII.

Title III of S. 2570 also authorizes services for groups with particular employment problems as well as research, demonstration, and evaluation programs. The Committee bill further authorizes a voucher program, welfare demonstration project, and incentive programs for prime sponsors who administer exemplary programs. Youth programs authorized by the current title III are placed in Title IV under the Committee bill.

TITLE IV

Title IV of the current CETA law authorizes the Job Corps, a program of intensive education and employment services for disadvantaged youth, to be carried out primarily in a residential setting.

Title IV of S. 2570 authorizes youth programs including the Job Corps, Summer Youth Program, Youth Employment and Training Program, Youth Incentive Entitlement Pilot Projects, Youth Community Conservation and Improvement Projects, and Youth Adult Conservation Corps.

TITLE V

Title V of the current CETA law authorizes the National Commission for Manpower Policy, an advisory group that has been assigned responsibilities for examining the Nation's employment needs and goals and advising the Secretary of Labor on national employment issues.

Title V of S. 2570 authorizes and reconstitutes the Commission. The Commission is renamed the National Commission for Employent and Training Policy.

TITLE VI

Title VI of the current CETA law authorizes a countercyclical public service employment program.

Title VI of S. 2570 also authorizes a countercyclical public service employment program; however, various provisions of the program have been modified substantially.

TITLE VII

Title VII of the current CETA law authorizes most of the administrative and general provisions applicable to CETA.

Title VII of S. 2570 authorizes a new private sector program. The primary purpose of this initiative is to create private sector jobs for economically disadvantaged persons.

TITLE VIII

Title VIII of the current CETA law authorizes the Young Adult Conservation Corps, which provides employment to youth in conservation and other projects of a public nature on Federal and non-Federal public lands and waters.

S. 2570 does not authorize a Title VIII. The Young Adult Conservation Corps program is authorized by Title IV.

Mr. NELSON. Mr. President, I ask unanimous consent that a letter to me as chairman from Mr. Marshall, the Secretary of Labor, be printed in the RECORD.

There being no objection, the letter was ordered to be printed in the RECORD, as follows:

U.S. DEPARTMENT OF LABOR,
Washington, D.C., August 21, 1978.

Hon. GAYLORD NELSON,
Chairman, Subcommittee on Employment, Poverty, and Migratory Labor, U.S. Senate, Washington, D.C.

DEAR MR. CHAIRMAN: This letter is to express the views of the Department of Labor with respect to S. 2570, the "Comprehensive Employment and Training Amendments of 1978." The Department strongly supports passage of this bill which would reauthorize the Comprehensive Employment and Training Act of 1973 (CETA) for another four years, while making important changes in the design and management requirements of the programs conducted under the umbrella of CETA.

S. 2570 makes significant improvements in CETA. The bill targets CETA towards those most in need by imposing strict income and unemployment eligibility tests. It limits the length of time any individual can stay in a CETA program so as to eliminate substitution of CETA workers for permanent workers, to increase the number of persons who can be served, and to increase the transition from CETA into regular jobs.

S. 2570 also places strict limitations on the Federal wages that can be paid PSE workers and the amount by which local jurisdictions can supplement the Federal base. This will assure that CETA jobs are not more attractive than career-type jobs in the private economy.

The bill also increases the authority of the Secretary to eliminate fraud and abuse in the CETA program by giving him increased regulatory authority and by allowing him to directly attack violations of CETA by subgrantees and subcontractors of prime sponsors if the prime sponsor takes no action.

S. 2570 simplifies the paperwork burden on prime sponsors. Prime sponsors will have to provide in their comprehensive employment and training plans each year only the information that had changed from the previous year. In addition the information required of prime sponsors has been limited to that information that is necessary for the Secretary to determine that the program is being conducted efficiently, effectively, and in conformance with the Act's requirements and purposes.

We strongly support the passage of S. 2570. CETA has met the needs of this Nation for a program that will train the structurally unemployed so that they can have marketable skills. At the same time it has served the Nation well in a time of economic crisis by providing employment to those persons who were countercyclically unemployed.

Under the proposed legislation, an increased emphasis would be placed on training as a component of any public service employment. Special programs would be conducted to help individuals facing special disadvantages in the labor market—such as the elderly and the young, the handicapped, displaced homemakers, and those of limited English-speaking proficiency. The Job Corps and the summer youth proggram would be extended, as would the youth programs that are experimenting with methods for improving the unsatisfactory unemployment situation of this Nation's young adults.

In addition, title VII of the bill would introduce into CETA a major new attempt to involve the private sector in the design and implementation of programs. Under the new Private Sector Opportunities for the Economically Disadvantaged program, the private sector of the economy would work with prime sponsors to create opportunities for the economically disadvantaged in private industry. This program represents a critical effort to create permanent, career-type jobs in the private sector for those who are not in the mainstream of the economy.

We understand that Senator Bellmon intends to offer a series of amendments to S. 2570 that would increase the integration of CETA with State public assistance offices, would increase services to those on public assistance, and would make clear the eligibility for public service employment of those families receiving aid under title IV (Aid to Families with Dependent Children) and title XVI (Supplemental Security Income) of the Social Security Act. We support the purpose of these amendments and hope they will be adopted.

The amendments also include a proposal to eliminate the requirement that before any funds can be made available for title VI countercyclical PSE, $3 billion must be available for title II structural PSE. We support this amendment. As we have seen in the past, the needs of the economy for structural or countercyclical PSE job opportunities change over time. We do not believe that the authorizing legislation should lock CETA into so rigid a formula. We believe it would be preferable to leave the amounts for title II and title VI to the flexibility of the budget and appropriation processes.

Finally, we are opposed to any amendment that may be offered to remove the Young Adult Conservation Corps (YACC) from the jurisdiction of the Labor Department. The current arrangement, whereby the Department makes referrals to the Departments of Agriculture and the Interior for the program and also promulgates certain regulations within our specific expertise and jurisdiction,

has created a strong and smoothly run program. We believe that this program stability and the benefits generated by the central coordination of all employment and training policies in the Department of Labor are essential to maintain.

The Office of Management and Budget advises that there is no objection to the submission of this report from the standpoint of the Administration's program.

Sincerely,

RAY MARSHALL,
Secretary of Labor.

Mr. NELSON. Mr. President, the distinguished Senator from New York (Mr. JAVITS), who is the ranking minority member, and I have worked on this legislation over a period of years and along with the rest of the committee and staff in great detail this year.

I yield the floor.

Mr. JAVITS. Mr. President, as the ranking minority member of both the Human Resources Committee and its Subcommittee on Employment, Poverty and Migratory Labor, I urge my colleagues, on both sides of the aisle, to give their support to S. 2570, the Comprehensive Employment and Training Act Amendments of 1978.

Thanks to the leadership of our chairman, the Senator from New Jersey (Mr. WILLIAMS) and our subcommittee chairman, the Senator from Wisconsin (Mr. NELSON), the bill reported by our committee reflects a continuation of the strong spirit of bipartisan collaboration that has long characterized congressional action on manpower legislation. We have been working with the White House, Secretary Marshall and Assistant Secretary Green in framing the CETA bill, and the result is that we bring to the Senate a bill that truly deserves the affirmative vote of a substantial majority of our colleagues.

The experience of the CETA program since its enactment in 1973 has not been without its share of problems. We have had the whole issue of the categorization of programs, and the philosophical debate over whether CETA should be administered like a manpower revenue-sharing program or whether the balance should be more in favor of somewhat more centralization of administration. There have been some serious problems, including "fiscal substitution," that is, the use of Federal funds to finance what local governments could have financed with their own resources; inadequate training of the structurally unemployed; inadequacy of private sector involvement; underrepresentation of the unemployed poor in the program; sometimes excessive wages; participant ineligibility; low rates of transition to unsubsidized employment; and the tendency of some CETA participants to remain in the program for too long. The Human Resources Committee has been very much aware of these and other expressed concerns and, in cooperation with the administration, has worked hard to remedy the defects of the program as much as possible. The provisions of S. 2570 will ameliorate the problems with which we have all been properly concerned.

But I do not wish to dwell unnecessarily upon the negative today; it is not a time for recrimination. CETA and the prime sponsor network it established have done a commendable job in dealing with the problem of unemployment and have facilitated our transition to a decentralized employment and training delivery system in our country. Our prime sponsors, on the whole, deserve much credit for taking on the administration of Federal manpower programs and for helping make CETA work, even though the near catastrophic recession of 1974–75 occurred almost immediately after CETA took effect on July 1, 1974. Their exemplary performance in the economic stimulus buildup last year, when the PSE program was expanded from 310,000 to 725,000 job slots in less than 1 year, went largely unheralded, except by those of us who appreciate the speed with which the employment-generating effects were felt.

Much of the credit for the sharp improvement in the unemployment situation in recent months should be given to CETA and our prime sponsor network. Our committee's decision to maintain our decentralized CETA system for an additional 4 years should properly be interpreted as a vote of confidence in our prime sponsors.

On balance, therefore, Mr. President, the pluses have far outweighed the minuses in CETA and, for the most part, the minuses do not reflect major inherent defects in the concept of a decentralized, decategorized approach.

In my judgment, the committee has left no stone unturned in meeting its responsibility to make the necessary statutory changes to improve the operation of the CETA programs, and presents to the Senate what I believe is a tight, 4-year bill. We have addressed every major issue in this multifaceted law and have recommended language which we believe will make a significant contribution in relieving the burden of unemployment in our country and in remedying the problems that have characterized the operation of these programs.

Mr. President, before describing the major provisions of the committee bill, I wish to discuss the organization of S. 2570.

STRUCTURE OF THE BILL

The Human Resources Committee recommends that several major changes be made in the organization of the Comprehensive Employment and Training Act.

Title I of the existing law, enacted in December 1973, establishes the principal administrative arrangements for our decentralized manpower delivery system and contains authority for the conduct by prime sponsors of comprehensive employment and training programs. Approximately $2 billion is appropriated for title I, to fund about 430,000 annual slots, in round figures.

The Human Resources Committee adopted the administration's proposal that, in the interests of streamlining the CETA grant mechanism and reducing the excessive burden of paperwork under which our prime sponsors have labored, title I be redesigned to contain only the administrative provisions. The committee bill, therefore, transfers all of the present administrative provisions of CETA to title I and proposes to establish a single grant application procedure for for prime sponsors. In addition, the general provisions applicable to all programs—for example, wage standards—are transferred from title VII of the existing law to the new title I. This new format should help simplify the local administration of CETA programs by reducing the redundancy that has often characterized separate application and reporting procedures under each title.

In this connection, Mr. President, I point out that the committee has modified the administration proposal in respect of the staff of local planning councils. The administration bill would have required prime sponsors to appoint an "independent" staff "solely accountable" to the planning council. The committee was concerned that this approach might fractionalize the planning process so S. 2570 requires prime sponsors only to provide a full-time staff which is "responsible for serving the council." The staff may be affiliated with the local prime sponsor, therefore, and may be accountable in its work to the prime sponsor and the council.

The committee also adopted the administration's proposal to transfer the program authority for comprehensive employment and training services from title I of existing law to title II of the new bill.

Title II of the present law, also enacted in 1973, authorizes establishment of a transitional public employment program in areas of substantial unemployment (ASU). About $1.125 billion is currently appropriated for title II, to provide some 125,000 positions per year. The administration proposed originally to consolidate all authority for public service employment into a revised title VI—the existing countercyclical jobs title. Under that plan, public employment programs now authorized under title II and title VI of existing law would have been combined into a single new title VI, and the new title II would have contained only authority for the comprehensive manpower services outlined above.

I had a number of serious reservations about this plan, including the fact that the proposed consolidated title VI would have reduced targeting on the long-term unemployed and would not have channeled any more funds into areas of high unemployment. In addition, I had made up my mind some time ago and, indeed, proposed in my own CETA bill (S. 2435) that Congress needs to delineate more clearly between Federal jobs programs for the structurally unemployed and those for the cyclically unemployed. To the extent that it is possible to distinguish between these two types of unemployed—and the experts, at places such as Brookings, seem to think it is—we ought to design our remedial programs accordingly. Thus, I proposed, as I had in S. 2435, that a new public service employment program, targeted specifically at the structurally unemployed—defined as the low-income, long-term unemployed—be written into title II of the committee bill. Title VI could then remain as our temporary, counter-

cyclical unemployment program. I felt this to be the only way we could take account adequately of the significant differences in the problems and the employment and training needs of the structurally and cyclically unemployed.

The Human Resources Committee shared these concerns and, consequently, S. 2570 proposes establishment of a special new public service employment program for the economically disadvantaged, in a new part D of title II. The key features of title II–D are: First, targeting on those individuals who are unemployed 12 or more weeks and who are in families with incomes at or below 70 percent of the BLS lower living standard budget; second, a heavy emphasis on training and employability development for the structurally unemployed; and third, a somewhat more targeted allocation formula, to provide increased Federal assistance to those areas which have high concentrations of the eligible unemployed.

The allocation formula in title VI of the committee bill is the same as that in title VI of the existing law, to wit: 50 percent is allocated on the basis of relative "total unemployment" in the prime sponsor area; 25 percent is allocated on the basis of the relative number of unemployed persons in "areas of substantial unemployment" (ASU) in the prime sponsor's jurisdiction; and 25 percent is allocated on the basis of relative "excess unemployment" (numbers of unemployed over 4½ percent of the prime sponsor labor force).

The allocation formula recommended by the committee for the new PSE program in title II-D is only slightly different from that of title VI, to wit: precisely the same formula factors: total unemployment, ASU unemployment, and excess unemployment but a change in their relative weights. Instead of 50–25–25, as in title VI, we have recommended 33⅓–33⅓–33⅓ for title II–D. In other words, compared with title VI, the formula in II–D gives equal weight to total unemployment, ASU unemployment and excess unemployment. In addition, the amendment offered in committee by the Senator from Massachusetts (Mr. KENNEDY) and I, would change the time frame used in computing ASU unemployment, after fiscal year 1979, from the highest consecutive 3 months unemployment in a particular year to the annual average number of unemployed persons in the areas of substantial unemployment.

For the new public service employment program for the economically disadvantaged in title II, therefore, the committee opted to recommend that the same weight be placed on the severity of unemployment in an area as is placed on total unemployment.

I might add, Mr. President, that there were a number of options before the committee that would have produced a drastic geographic redirection of CETA funds. Some would have had the committee make CETA a symbol of the "frostbelt-sunbelt" controversy. The committee concluded, however, that some form of unemployment characterizes almost all prime sponsor areas and that, since the existing formulas in titles I and VI do enable the unemployed to be assisted wherever they reside, even though CETA funds are spread very thinly over the country, they should not be altered at this time.

With respect to the new public service employment program for the structurally unemployed, however, the committee did feel that in allocating funds some distinction should be made among the types of unemployment in an area—frictional, seasonal, cyclical and structural—and that, among these, relatively greater weight should be placed upon severe structural unemployment.

In recognition of the high priority the committee places upon the public service employment program for the structurally unemployed, S. 2570 provides that no funds may be appropriated for title VI PSE until at least $3 billion (or about 350,000 slots) has been appropriated for title II–D.

Title VI of the committee bill, in contrast to title II–D, deals with the unique and serious unemployment problems of those persons thrown out of work during a period of economic recession.

Mr. President, there could not be a more propitious time for Senate consideration of title VI. I do not wish to sound like a harbinger of doom, but we must acknowledge the possibility that our country may slip into another recession in 1979. The sudden resurgence of inflation to an annual rate in excess of 7 percent has tempered what can be done through conventional stimulative policies to reduce further the national unemployment rate. Moreover, exceptionally slow or stagnant economic growth in the remainder of this year and next may cause the unemployment rate to move back up to 7 percent or higher. If this scenario transpires, and many economists anticipate just that, or worse, CETA must be ready to step into the breach to afford short-term employment opportunities, in my judgment, to at least 25 percent of the unemployed in excess of the number unemployed at a 5-percent unemployment rate. In round figures, if the rate moves up to 7 percent or 7 million unemployed, we will need at least 500,000 temporary jobs for the cyclically unemployed.

The committee has designed title VI specifically to deal with this problem. Those eligible would include persons unemployed for at least 45 consecutive days and whose incomes are at or below 85 percent of the BLS lower living standard budget. It is true that these requirements are somewhat looser than those of title II–D, which are heavily targeted at the hardest hit of the structurally unemployed, but the committee had in mind the recession situation, which calls for a different approach. The committee felt that in the recession situation, when the "working poor" sometimes taste unemployment for the first time in their lives, it would be unfair to stipulate that persons who had been earning $9,000 per year, as opposed to $7,500, would be ineligible unless they waited another month.

Mr. President, another organizational improvement the committee proposes is to consolidate all authority for youth employment programs in title IV. Presently, the Summer Program for the Economically Disadvantaged, and the new youth programs enacted last year in the Youth Employment and Demonstration Projects Act, are in title III. Job Corps, which is a comprehensive program for unemployed youth is authorized in title IV. And the Young Adult Conservation Corps, also enacted last year as part of YEDPA, is authorized in title VIII. Under the committee bill, all of these programs, which together account for some $2.2 billion per year in budget authority would be authorized under title IV.

Mr. President, I would like now to turn to some of the specific provisions of S. 2570.

ELIGIBILITY

Mr. President, the committee bill proposes to improve the targeting of all CETA programs at those individuals who are most in need of Federal employment and training assistance. Under current law, all of the unemployed, underemployed and disadvantaged are eligible to participate in CETA programs and, consequently, the poor have not always been given first priority. In fiscal year 1977, for example, while 78 percent of title I participants were economically disadvantaged, only 49 percent and 67 percent, respectively, of title II and VI participants were disadvantaged. Sections 213, 237, and 607 of S. 2570 would require that all CETA participants in titles II and VI be economically disadvantaged, that is, be members of families whose earnings are below the lower living standard budget of the Bureau of Labor Statistics—70 percent of this standard (or about $7,500) for titles II and III and 85 percent (or about $9,000) for title VI.

The effect of these provisions will be to recast CETA as a jobs and training program for those situated at the lower ranges of family income. The committee has heeded the counsel of the distinguished minority leader (Mr. BAKER) the Senator from Oklahoma (Mr. BELLMON) and others, including this Senator (my own bill, S. 2435 proposed similar targeting) who urged that we try to target CETA more sharply at the structurally unemployed. Beginning in October of this year, it will be possible to characterize CETA as an employment program for the poor and near poor—those on whom the burden of unemployment is most oppressive. It is my hope that prime sponsors will do everything possible to implement these new requirements as swiftly as is consistent with prudent program management.

I might note, in concluding this section of my statement, Mr. President, that I am deeply concerned about the mismatch that may occur between the funding formulas of CETA and the new eligibility criteria. S. 2570 would, as I have just explained, sharply target CETA programs at the hardest-to-employ (in terms of low income and length of unemployment) without making the corresponding changes in the funding formulas, because of data inadequacies, and so forth. I would hope the Department would monitor this potential prob-

lem very carefully—including insuring that prime sponsors are enrolling only those persons who satisfy the eligibility criteria. In addition, the Department will need to be prepared to reallocate funds from those areas which have difficulty locating enough eligibles to those areas that have large concentrations of eligible persons. I, for one, will watch this very closely and do all I can to see that Federal funds are directed to those areas most in need.

WAGES

Related to the subject of participant eligibility are the questions of CETA wage levels and the duration of individual participation in CETA programs. The committee is well aware that there have been instances of high-wage CETA jobs in some areas, even though the Federal maximum has been $10,000 under existing law. Prime sponsors have been free to supplement the Federal contribution with local funds without limit, and the result has been that wages in some CETA-supported slots exceed $20,000 per year. The principal effect of this phenomenon, in my judgment, is that some prime sponsors, in trying to maximize the potential service benefits to themselves, have created too many CETA positions in the higher wage-higher skilled jobs, for which the structurally unemployed can not always qualify.

The question of CETA wage levels, therefore, requires that a decision be made on whether CETA is to be principally a program to supplement municipal services or a program of jobs and training for the hard-to-employ. There is some trade-off between these objectives because if the former objective is to be emphasized, the law must permit prime sponsors to pay wages high enough to attract and maintain persons who are qualified to perform such local public services. If the latter consideration is to be given the highest priority, however, then the wage levels must themselves serve as the automatic allocative mechanism for discouraging the more highly skilled from competing for available CETA positions. Thus, the wage standards can be the principal device for insuring that those most in need of Federal employment and training assistance are given priority for assistance in CETA programs.

At the same time, however, those wage levels need to be high enough, one, to enable participants to have access to meaningful employment so they can obtain useful work experience from their participation in these programs and, two, to take account of the near 30 percent inflation that has occurred since 1973. Furthermore, we must be careful not to create a situation in which there is a chance that local "equal pay for equal work" standards might be vitiated by placing lower wage workers into higher wage classifications, thus encouraging displacement of existing personnel. All of this is further complicated by the fact that wage levels vary considerably from region to region in the United States, so what may be appropriate in one area may be insufficient in another.

The Human Resources Committee grappled with all these considerations in its deliberations on S. 2570 and I believe it has formulated what is a generally acceptable approach. First, the maximum federally assisted CETA wage provided for in the committee bill is $10,000, adjusted upward to reflect area wage levels by an appropriate area wage index. The extent of the adjustment is limited to no greater than 20 percent of the Federal maximum, or $2,000. Thus, the maximum Federal wage in a title II or title VI PSE position, in even the highest wage areas of our country, would be $12,000 per year.

This does not mean, however, that every PSE jobholder would earn $12,000, even in the highest wage areas of our country. The committee bill requires that prime sponsors maintain in their jurisdiction an average CETA Federal wage no greater than $7,800 per year, as adjusted upward by the index referred to above. In the high wage areas, therefore, while some jobholders could earn $12,000 per year in Federal funds, an average PSE wage of about $9,300 would have to be maintained. This would serve to self-limit the number of higher wage CETA jobs that would be available in a given locality.

SUPPLEMENTATION

In addition, the Human Resources Committee considered the question of permissible wage supplementation with non-Federal funds. The committee received testimony ranging from those who would allow prime sponsors to use their own funds to supplement Federal wages without restriction to those who would place a blanket prohibition on all local supplementation. Guided by our desire to limit wage levels in order to facilitate greater targeting of CETA jobs, the committee agreed to place strict limitations on wage supplementation. First of all, supplementation is prohibited in title II public service employment. The committee felt that since extra training and support services would be mandated in the jobs program for the structurally unemployed—title II–D—the total cost per job would be excessive if supplementation were also permitted. Also, since title II–D jobholders could be assigned to regular job classifications, that is, not restricted to separate 1-year projects, we wished to insure that, to the maximum extent possible, positions be reserved for the hardest-to-employ.

Supplementation is permitted in title VI, under strict limitations. The total amount of non-Federal funds which can be used by a prime sponsor to supplement wages of jobholders may not exceed an amount equivalent to 10 percent of the title VI CETA grant allocated to the prime sponsor. Moreover, the wage of a particular job may not be supplemented by more than 20 percent of the maximum federally supported wage. Thus, if a prime sponsor is in a high-wage area and can pay a maximum Federal wage of $12,000, it may supplement CETA wages with non-Federal funds, but by no more than 20 percent, or $2,400. Some title VI jobholders in high wage areas could earn up to $14,400, therefore, when Federal and non-Federal funds are combined. The number of such jobholders would, of course, be limited both by the 10 percent of allocation restriction and by the requirement that an average wage of $7,800, adjusted, be maintained by the prime sponsor, though the value of non-Federal supplements is not included in the calculation of the area's average Federal wage.

The restrictions on supplementation do not apply to those currently in PSE positions, since this would constitute a change in a term of their employment and could lead to drastic wage cuts.

LENGTH OF PARTICIPATION

A corollary of the wage issue is the matter of participation duration. There have been instances where CETA enrolees have remained on the program for long periods of time—some, we are told, have been enrolled since the Emergency Employment Act of 1971. In many cases this has occurred because conditions of very high unemployment in an area have left few alternatives to CETA. In at least as many instances, however, the incentives to transition out of CETA and into other employment have not been great enough.

S. 2570 deals with this issue in section 122(i) (2) and (3), respectively, where participation in PSE is limited to 78 weeks in any 5-year period for new employees and to 52 weeks for those on board as of October 1, 1978. Existing CETA workers will be given 1 more year of participation, therefore, while new enrollees will be allowed to remain in the program for a year and a half. Under title VI, participation is limited to 1 year for all enrollees.

Our committee was cognizant of the possibility, however, that in areas of severe unemployment it might be improvident to force enrollees off the CETA program and into an uncertain labor market. For this reason, section 122(i)(4) provides the Secretary of Labor with authority to waive the limitation on participation and grant an extension of up to 6 months for individuals. The authority to grant 6-month extensions to prime sponsors in exceptional circumstances would enable them to maintain either existing or new enrollees beyond the expiration dates. It is my expectation that in granting these waivers, the Secretary will take account of the unusual unemployment problems of our cities, and that he will be alert to the possibly severe disruption of essential services that could result if all existing CETA employees are summarily dismissed on October 1, 1979. We need a weaning process here and I believe the waiver authority gives us sufficient flexibility.

EDUCATION-WORK LINKAGES

As some of my colleagues know, the late Senator Humphrey and I collaborated last year to draft a new program in our Youth Employment bill, which was enacted ultimately in Public Law 95–93, to initiate a new partnership between prime sponsors and local education agencies in improving the transition of youth from school to work. I feel just as strongly today, indeed I am encouraged by the experience we have had with this program throughout our country so far.

The very brief experience chronicled in the March 1978 report of the De-

partment, "Youth Initiatives," and in the first interim report of the National Council on Employment Policy indicates that a new spirit of collaboration has been initiated between prime sponsors and local education agencies; these separate human development systems are working together as never before at the local level, jointly to design and administer programs to strengthen the linkages between the classroom and the workplace. I am hopeful that these "collaborative processes", as former Labor Secretary Wirtz calls them, will enable us to build better bridges between the world of education and the world of work to improve the transition of the youth of our country from school to work.

I understand, Mr. President, that there has been some confusion over our intent with respect to the role of community colleges in the 22 percent setaside program of section 433(d). Let me say first that it was never my intent to exclude the postsecondary institutions from participation in programs administered pursuant to agreements between local education agencies and prime sponsors. In fact, it was my expectation that community colleges would be included in some of the programs operated pursuant to these agreements. However, we did not intend that prime sponsors should negotiate agreements with postsecondary institutions, for the simple reason that it was our judgment that poor youths enrolled in secondary schools deserved greater priority for Federal assistance than youths enrolled in postsecondary institutions. After all, most community college students are high school graduates and have embarked already upon career tracks. Given the extremely limited funding available for this program and the fact that there are some 15,000 school districts in the United States, one can understand that we did not wish to have excessive dilution of the impact of this new program. Were prime sponsors given the opportunity to negotiate with community colleges as well as local education agencies, secondary school youth—many of whom may drop out of the school systems permanently—might not be assisted. So the emphasis clearly was, and continues to be, on the relationship between prime sponsors and local education agencies in the 22 percent setaside program of title IV.

In the bill before us today, however, we have tried to enhance the involvement of all educational institutions, including postsecondary institutions, in the development, review and implementation of CETA programs. I wish to pay tribute, in this regard, to Senators WILLIAMS, NELSON, CRANSTON, RIEGLE, and CHAFEE, all of whom supported my efforts to extend the opportunities for improved education—work linkages in the committee bill. There are a number of specific new provisions which should be highlighted at this point.

Most prominent among these is the 1 percent setaside of title II, found in section 202(d). This provision would make available to State Governors an amount equivalent to 1 percent of the total appropriation for title II for the purpose of encouraging cooperative arrangements between prime sponsors and educational institutions. There is so much that can be accomplished in alleviating the problems of unemployment and underemployment in our country if collaboration processes between these agencies can be encouraged.

Frequently we hear criticism from manpower officials that educational institutions do not adequately prepare people for work; that today's curricula are not relevant enough to labor market conditions. Educators reply that some CETA manpower programs' participants receive little training and employability development. They go on to complain that PSE is often a temporary stop-gap measure, lacking in much long-run value to the CETA participants. Is it not apparent that manpower agencies and educators need to be working partners and to learn from each other?

My own view of this is that State Governors—the chief elected officials of the State—are in the best position to nudge the manpower and educational systems together. In so many ways, such as incentive grants for joint programs, in-service programs and conferences and technical assistance the Governor can be the catalyst for initiating a new partnership between prime sponsors and educational institutions. Indeed, my own proposal for the 1-percent setaside is complemented by the provisions of section 105(b)(1) of the committee bill, which provide that coordination of employment, training and education programs shall be a new function of Governors in CETA programs, and shall be described in the Governor's Coordination and Special Services Plan submitted to the Secretary.

Beyond these innovative provisions, title I of S. 2570 includes language in section 103, which requires prime sponsors to consult with and involve educational agencies in the development and implementation of CETA programs; and in section 104, which directs prime sponsors to make their proposed comprehensive employment and training plans available to educational agencies and institutions for their review and comment. In short, it is the intent of our committee that prime sponsors take affirmative action to involve educational institutions—local education agencies, postsecondary institutions, vocational education agencies, and so forth—in the planning, development and implementation of their CETA programs.

This does not mean, of course, that educational agenices will have any presumptive role in the delivery of services to eligible participants. But, prime sponsors will have to take a hard look at the ability of educational institutions to provide the kind of training and employability development so desperately needed in today's labor markets.

TRAINING IN CETA

In this connection, Mr. President, I wish to discuss very briefly what the committee has done in mandating that we have more training in our CETA programs. This has long been a major personal concern of mine—to wit, that participants in PSE and non-PSE activities do not receive enough training. I share the view that we should not raise unrealistic expectations by operating training programs in fields and areas where no jobs are likely to materialize. This practice is unfair to participants and indeed, is dishonest.

But we cannot ignore the fact that 4 million new jobs were created in 1977 and over 1.5 million new jobs in the first 4 months of this year. So the jobs are there, in many cases, but our workers need the skills that are required to get and keep these jobs. Even in our cities, where unemployment is so shocking, there is demand for skilled clerical and service employees, for example.

It appears that there have been some reasons for the neglect of training, especially in PSE programs. Under existing law, 85 percent of the funds allocated to prime sponsors had to be used for wages—so little was left over for administration, overhead, training and supportive services such as counseling. And in the big buildup of 1977, pirme sponsors were under some pressure to place people on projects as quickly as possible. This left little time for prudent labor market planning or for the design of appropriate supplemental training programs.

The Human Resources Committee, on the recommendations of Senator NELSON and I, has taken several steps to insure that training is afforded CETA participants. First, training will be a mandated part of the title II–D program, "Public Service Employment for the Economically Disadvantaged." Every participant placed in a PSE slot under title II–D must be given appropriate training. Second, title II–D PSE programs must be designed, according to the statement of purpose in section 231, "to provide * * * transitional employment * * * to enable persons to move into employment or training not supported under this act."

In other words, Mr. President, PSE programs shall be designed to transition persons into unsubsidized employment, so prime sponsors will be required to operate those kinds of programs which improve the chances that participants will transition into permanent employment opportunities.

We intend title II–D to be a springboard into unsubsidized employment, therefore, and we have reinforced that intent by limiting enrollee participation to 18 months.

Title II–D, will become, I hope, like a "work/training-study program" for the structurally unemployed. I would like to see prime sponsors fund those kinds of programs in which the structurally unemployed spend, for example, two-thirds of their time on the job and one-third learning the necessary skills in classrooms or other modes. This is why it is so essential that educational institutions and community based organizations be involved in the design and implementation of title II–D as well as the rest of title II. These organizations can help prime sponsors design employment programs that emphasize the training aspects; they can insure that the idea of job preparation through work/study becomes a reality for people of all ages. Why

should we not experiment with PSA programs that entail part-time work and part-time learning, particularly for single heads of households? In my judgment, if we can have a jobs programs that has training built into it, which we do not now have, CETA will work far more effectively and it can become a permanent part of our country's human resources development strategy. Just think of the impact a work/training program of this kind could have on our welfare population.

In short, Mr. President, I think we can lay to rest once and for all the allegation of "make-work," and so forth by establishing this new work/training-study program in which the principal thrust is employment, but the principal objective is employability development and labor market preparation. I might add in this connection, Mr. President, that prime sponsors will not be required to place enrollees into projects in title II–D PSE because we wish to maximize the transition potential of this program and because it is unlikely that the low income, long-term unemployed are substitutable for regular personnel.

The third thing we have done in the committee is to give our prime sponsors the wherewithal they need to implement the training aspects that would be mandated in the bill. Section 233(b) of S. 2570 provides that not less than 90 percent of the funds allocated to prime sponsors be used for wages, training and supportive services. In other words, we have transferred training funds from the 15-percent pot in which they have been included historically, to the same pot where wages are provided for. Thus, training funds are given equal weight with wage funds in title II–D, PSE, in order to make possible a significant expansion of training and education.

Indeed, this is precisely the recommendation made by the National Commission for Manpower Policy in its recent interim report to Congress on "Job Creation Through Public Service Employment":

> Since the Commission looks upon PSE as providing temporary employment opportunities for the structurally unemployed, their transition into regular jobs must be the goal. While the length of time enrollees should spend on a PSE position may have to be adjusted in light of conditions in the local labor market, the proposed assignment should be in the range of twelve to eighteen months. Limits on the duration of participation in a PSE job are needed to enable a larger number of people to participate, to encourage enrollees to search for unsubsidized positions, and to limit job displacement.
>
> While a PSE position for this stipulated period may provide the support essential to some workers to facilitate their transition into regular employment, the Commission believes that for other workers with inadequate competences or obsolete skills, it is essential that they be afforded the opportunity to acquire new skills to improve their prospects of obtaining regular jobs. In order to improve the prospects of successful transition, the Commission recommends (4) that local sponsors be required to provide remedial education and skill training to enrollees in need of such assistance, and that they be directed to involve local employers more actively in the planning of local PSE programs so that they can contribute to designs aimed at improving transition.

INVOLVING THE PRIVATE SECTOR

This discussion of job training and of preparation for unsubsidized employment brings me to the next important part of the committee bill—title VII, "Private Sector Opportunities for the Economically Disadvantaged." Mr. President, I wish to be absolutely clear about one thing in this respect: I believe this proposal—to engage the private business community more directly in the development and operation of our training programs for the hard-to-employ—could not be more timely or more creative. I have advised the President personally that this may be the most important thing we do in CETA this year, and he deserves credit for proposing the idea this year.

I have long been identified in the Senate as the principal advocate of business-government partnerships to deal most effectively with many of our domestic social problems. Just last November, in a speech in New Orleans before the U.S. Conference of Mayors, I said:

> I believe a private-public partnership needs to be re-established so that the long term unemployed can be given training and a real chance at lifelong careers. And in late 1976, the late Senator Humphrey and I teamed up on a proposal in our youth employment bill, S. 170 to establish a program called "Youth Opportunities in Private Enterprise."

This program, like that described in title VII of S. 2570, was designed to foster improved cooperation between the public and private sectors in the development of job opportunities and would have encouraged prime sponsor local governments to fund on-the-job training programs in which for-profit employers and community based organizations were involved.

The key concept of title VII and of the proposals I have authored in this connection is that our Federal employment and training programs must concentrate both upon the supply side of the labor market, that is, upon skills development, education and training, and upon the demand side of the labor market—that is, upon the hiring and training decisions of individual firms.

It is true that OJT and private sector placement are going on in our CETA programs; we do not suggest here today or in our bill that prime sponsors or nonprofit community based organizations bear the responsibility for the lack of greater business community involvement. As Labor Secretary Marshall has pointed out, there has been a "missing link" in our CETA programs and we have not had the funds or the authority to marshal adequately the resources of the business community in training and placing the unemployed.

Since Senator NELSON has already explained in detail the provisions of title VII of S. 2570, and since I discussed these myself at great length on May 25 in a Senate speech following the White House meeting called by the President, I will not describe title VII at this point. But I do wish to underscore the role of community based organizations and local education agencies in the private industry councils that prime sponsors will establish under title VII.

The PIC's, as they are called, will have the responsibility of encouraging businesses to become involved in CETA training programs; the PIC's will promote OJT, for example, and will be the prime sponsor's direct link to the private sector. Heretofore, prime sponsors have not had at their disposal a link with the private business sector. There were various organizations, of course, that had greater or lesser success in private sector job development, but these did not exist in every area. Now every prime sponsor will be required to designate a PIC—which may be either an existing organization or an organization newly formed for this purpose, or may be a group of persons selected individually by the prime sponsor—which will be an operational entity promoting, fostering, and facilitating private sector participation.

There are two things that remain to be clarified about title VII. The first is that activities conducted under title VII, particularly OJT, should in no way displace similar activities being conducted under title I by other organizations. We have to be careful, amid all the fanfare about title VII, that we do not undercut implicitly or otherwise, the solid OJT programs now operated under title I. We would not like to see the PIC's, for example, competitively promoting OJT contracts among the same employers now engaged by prime sponsors or their grantees.

In this connection, I want to reassure my colleagues that the PIC's will not undercut the prime sponsors' role in CETA. Section 703(a)(b) and section 704(c) together provide that a condition of financial assistance under title VII will be that the prime sponsor and the PIC shall develop jointly the private sector initiatives program to be operated under title VII; that no activity will be funded which does not have the approval of both the prime sponsor and the PIC; and that the proposed plan for activities to be conducted under title VII shall be jointly agreed to before it is submitted to the Secretary by the prime sponsor. Some had expressed the concern, on the basis of the introduced bill that, in effect, there was no prime sponsor for title VII. The committee has addressed this concern directly through the new language of section 703(a) which reaffirms the preeminent role of the prime sponsor in the overall CETA plan while providing the opportunity for a relationship of collegiality and comity in the mutual consideration and approval of title VII activities.

This brings me to my next point, Mr. President, the role of CBO's and LEA's on the private industry councils. While in committee I was unsuccessful in mandating that these organizations be represented on the PIC's, I did succeed in obtaining language in section 704 which permits their representatives to be appointed by prime sponsors. This is an important provision because many community-based organizations (CBO) and local education agencies (LEA) have a demonstrated record of effectiveness in working with the private sector to obtain

employment and training opportunities for the disadvantaged.

I was very concerned that in the original title VII as sent up by the President CBO's and LEA's seemed to be overlooked and I feared they might interpret our actions as a vote of no confidence in what they have been doing. They are responsible for much of the OJT that takes place today and, in any event, do not deserve to be faulted because there is not more OJT. The Urban League, OIC, SER, VERA, and the other voluntary associations can teach us so much about placing and preparing the disadvantaged for employment in the private sector and, thus, should not be overlooked in title VII. I hope prime sponsors will take advantage of what CBO's and LEA's have to offer to help the PIC's succeed in what will be a difficult enterprise: getting the disadvantaged into regular employment. Indeed, there is no question in my mind but that the two institutions are indispensable to the success of title VII.

COMMUNITY BASED ORGANIZATIONS

Mr. President. this brings me to another subject of great importance. S. 2570 proposes significantly to enhance the role of community-based organizations in local CETA programs. I was a strong supporter of the amendment offered by Senators SCHWEIKER and RANDOLPH to direct that in selecting program operators prime sponsors give special consideration to community based organizations of demonstrated effectiveness. These organizations have a special relationship to the poverty community CETA is intended to serve and, thus, are well situated to reach the disadvantaged. This is a particularly valid consideration in the minority communities—black and Hispanic—where the Opportunities Industrialization Centers OIC's and Urban League affiliates, for example, have had such great success. Our committee intends that prime sponsors take a very hard look at the CBO's and consider carefully whether other competing program operators have the same capabilities and effectiveness that characterize the CBO's of our country.

I might add at this point that I do not believe prime sponsors have utilized adequately the services of community development corporations. The CDC's are authorized under title VII of the Economic Opportunity Act and are included in the definition community-based organizations in section 125(1) of this bill. CDC's like Bedford-Stuyvesant restoration in Brooklyn, N.Y., are private enterprise oriented, and can provide valuable private sector work experience for the unemployed, especially minority youth. Also, they are located in special impact urban and rural poverty areas and thus are situated where the endemic problems of minority unemployement are most debilitating. I hope the Department of Labor will encourage prime sponsors to use the CDC's capacity for providing private sector training opportunities as the vital bridge—intermediaries—to unsubsidized employment for disadvantaged minorities.

RETIREMENT

Another important subject that warrants attention today is the question of the appropriateness of using CETA funds for contributions to PSE workers' retirement systems. The Subcommittee on Employment, Poverty, and Migratory Labor heard a great deal of testimony on this subject, which was precipitated by recent regulations prohibiting the use of CETA funds for this purpose.

The problem, of course, is that few federally funded public service employees can be expected to remain in their positions long enough to vest and thus qualify for benefits, hence the use of CETA funds can become, in effect, revenue sharing for municipal pension funds. On the other hand, current law does provide that CETA jobholders are entitled to the same benefits received by regular personnel of the same employer. Prime sponsors find themselves between the rock and a hard place, therefore, because they are required to make contributions to retirement funds on behalf of PSE workers but cannot use CETA funds for that purpose. Section 121(o) of S. 2570 deals with the problem by authorizing the Secretary of Labor to issue regulations providing for the use of CETA funds for contributions to retirement systems, where those contributions bear a reasonable relationship to the costs of providing retirement benefits to CETA participants. In other words, the contributions permitted must be based upon some actuarially sound estimate of the benefits that will accrue to CETA participants.

This provision of the committee bill is central to the amendment the managers have worked out with a number of Senators and which the committee will accept. The amendment provides that local governments may classify CETA workers as temporary personnel for purposes of determining the appropriate retirement coverage, if any, and that allowable Federal costs shall be as provided for in section 121(o), to wit: based on the cost of providing retirement benefits to participants. In addition, existing CETA employees are "grandfathered in," and CETA funds may continue to be used for retirement contributions as long as they remain in the program. Thus, the test of "reasonable relationship of retirement costs to participant benefits" would apply only to participants enrolled after July 1, 1979.

PROGRAM FOR OFFENDERS

Mr. President, I also wish to touch upon the new provisions in title III, section 301(b)(2). which I sought, which directs the Secretary of Labor to conduct a special program to provide employment and training assistance for offenders.

In my judgment, we have really missed the boat in this vital area, and the statistics on the rate of recidivism in our country are evidence of that fact. We must make a major effort to provide special training programs to enable offenders to become productive members of society. A criminal record is such a great obstacle to regular employment that many offenders find it so difficult to believe that employers share the view that they have paid their debt to society. And this barrier is compounded by the fact that most ex-offenders lack marketable job skills. Small wonder it is that many ex-offenders resort to crime again when they are unable to find employment.

I hope Secretary Marshall will get squarely behind this program and encourage prime sponsors to submit innovative proposals in this area. My knowledge of present programs, like those operated by the Vocational Foundation in New York City and the supported work program, which receive really de minimis amounts of money, indicates that the benefits to society can be enormous relative to the economic, social, and human costs of crime. In my judgment, it would be appropriate for the Department to seek at least $5 million for the offenders program for fiscal year 1980 and to begin gearing up for that level by using as much of the fiscal year 1979 appropriation for title III as can be made available.

CETA-ES RELATIONSHIP

Mr. President, the relationship between CETA prime sponsors and State employment security (ES) offices has been a strained one since CETA was enacted in 1973. The employment service was left in somewhat of an anomalous position by CETA because its enactment brought about a major restructuring of our manpower delivery system. The then-existing networks of Federal-State-local relationships were severely disrupted as the decentralized-decategorized system was put in place. There have been many suggestions to deal with this situation, most notably the very gifted and provocative proposal of Representative BILL STEIGER. Others have suggested that it would be prudent to assign functional responsibility for delivery of specific services to CETA and to ES—employability development to the former and job development to the latter.

The Subcommittee on Employment, Poverty, and Migratory Labor studied many of the suggestions that have been put forward but decided in the end that it would be premature to mandate any consolidation of CETA and ES at this time. I have been persuaded that, to a greater or lesser extent, cooperation between prime sponsors and the Employment Service seems to be evolving quite naturally around the country and that the necessary accommodations are being made to achieve a working relationship. Furthermore, I suspect that some tension between these two agencies may be healthy, particularly in a decentralized system.

In any event, the committee decided not to take any action that would mandate a linkage between CETA and ES. The committee has directed the Secretary to report to Congress on the need, if any, for reform of the Wagner-Peyser Act, and plans to take up that legislation next year. While the Secretary of Labor will be making recommendations for legislation, the committee intends that the Department utilize available expertise in and out of Government in studying the Wagner-Peyser Act. I raised my concern in committee about the idea of the Department studying and reporting on itself, especially in respect of a matter as important as the CETA-ES relationship. I would hope the Department

would also contract for a study of the Wagner-Peyser Act to be done by some of the institutions which have an expertise in this area, such as Brookings, the Urban Institute, the National Academy of Sciences or one of the other expert groups. Alternatively, the Human Resources Committee might contract for such a study to be done. Then the committee will have the best possible expertise available to it in its deliberations on this matter next year.

LABOR-MANAGEMENT COMMITTEES

Mr. President, finally I wish to discuss today the provisions of section 6 of the committee bill, which would establish authority for the Federal Mediation and Conciliation Service to conduct a program in encouraging and assisting plant, industry, and area-wide labor-management cooperative committees.

I had been almost a lone voice in this "desert" for many years, Mr. President, in proclaiming the benefits that could redound to our country if we would begin to consider some innovative means to enlarge the commonality of interests which are outside of collective bargaining between labor and management. The collective bargaining process is, of course, our principal means for joint determination of the terms and conditions of employment. But there is a need for a new, supplemental dimension in labor-mangement relations in our country, to wit; a forum in which an ongoing dialog could be established, to discuss and involve workers in matters not addressed normally in the framework of collective bargaining. I refer to problems in the workplace—alcoholism, drug abuse, work hazards, continuing education, culture and the arts, recreation, group activity, participation in plant decisionmaking and working life values.

With the proper safeguards to protect the collective bargaining process, joint labor-management cooperative committees can do much to harmonize the relationship between labor and management in the workplace—and stabilize the labor relations climate—in a particular area and bring out new values. This in turn can help to improve employee morale, reduce tensions in the workplace and foster local and regional economic development.

I understand, Mr. President, that some have expressed concern about the fact that the proposed administering agency for this program is FMCS and not the Labor Department and its Labor-Management Services Administration or the Commerce Department. I wish to make clear that the decision of the committee to go instead with FMCS was a considered one and, I think, eminently justified. There are three criteria which are indispensable to the successful administration of this program, to wit: First, experience with labor-management committees; second, a reputation for absolute impartiality between business and labor; and third, a field staff of professionals who know and understand the local conditions under which these committees may operate. The Federal Mediation and Conciliation Service satisfies all three of these prerequisities. I hope the judgment of the Human Resources Committee will be sustained by the Senate and that we will be able to get this innovative program underway soon.

Mr. President, I hope my statement will bring about a better understanding of the concepts of the committee bill. Programs funded under the Comprehensive Employment and Training Act will be of even greater importance in the coming years, Mr. President, particularly if we are facing limits on what we are able to do in reducing unemployment through direct aid and budgetary policy. It may very well be that we have reached the phase where further reductions in unemployment will require much greater use of CETA's targeted structural and countercyclical employment and training programs.

The CETA bill reported by the committee meets this challenge and that of severe and prolonged structural unemployment—especially in our cities and among minorities. We may well encounter this situation—or worse—in the coming months and years. I commend S. 2570 to the Senate.

Mr. WILLIAMS. Mr. President, it is with great pleasure that I welcome the Senate's decision to proceed to the consideration at this time of S. 2570, the Comprehensive Employment and Training Amendments of 1978.

As chairman of the Committee on Human Resources, I can assure you that the road to this point has been long and hard and studded with controversy. There have been innumerable difficult decisions that had to be made, and there will be more in the days ahead as the Congress moves toward enactment of this important legislation.

But I am greatly encouraged by the signs of gathering consensus that the CETA program is valuable to the Nation, that it should be reauthorized, and that the committee's bill is a solid effort to strengthen the program and refocus it on the most pressing needs of today and of the months ahead.

The administration of President Carter has endorsed the bill with minor changes that we are prepared to accept. The State and local officials who comprise the system of CETA prime sponsors that operate the program have stated their support. Several of my colleagues have prepared amendments to further strengthen the bill and have offered their support for the legislation as so amended.

Mr. President, we owe a special debt of gratitude for their tireless and inspired work on this legislation to the distinguished chairman of the Subcommittee on Employment, Poverty, and Migratory Labor (Mr. NELSON) and the distinguished ranking minority member of the subcommittee and the full committee (Mr. JAVITS). Their expert and determined leadership has made it possible to bring before the Senate a very complex and meaningful bill which I believe has earned the overwhelming support of our colleagues.

Over its 5-year history, CETA has become one of the Federal Government's most important programs. It is one of the cornerstones of a new and thriving partnership that engages the cooperation of the Congress, the administration, and State and local governments in common effort to meet national priority needs. But more important, it has become a basic tool for helping unemployed and disheartened citizens find a meaningful and satisfying place for themselves in a working nation. Each year, more than 4 million Americans are provided the chance for job training or temporary employment under the CETA program.

From the standpoint of the Nation's economic health, CETA has been vital in the recovery from the worst recession in 40 years. The system of State and local prime sponsors was in its infancy when that recession began 4 years ago. We asked them to make it their first priority to provide jobs for workers who were thrown out of work by the economic contraction. The original priority of providing training and job development for the chronically unemployed had to be compromised in the economic emergency.

Under the extremely difficult circumstances, the prime sponsors performed well. They developed thousands of public service work projects, the overwhelming bulk of which contributed demonstrably to their communities. At the same time, they tended to the skill development needs of the chronically unemployed, provided hundreds of thousands of summer jobs for youth each year, and developed new and imaginative youth employment and training programs for dealing with the Nation's most severe unemployment problems.

Mr. President, with S. 2570 we are requesting that the prime sponsor system readjust its focus to meet the needs of the chronically unemployed in a recovering economy. Training and employability development, which are more pertinent to this challenge, would be greatly emphasized under this legislation. And the participation of private business would be specifically expanded in an effort to convert new skills into permanent employment in the private sector.

Critics of the program, becoming all the more disenchanted with reports of abuses of CETA funds, have leveled their sights on this legislation. The criticism of abuses has been well deserved, although it is important to bear in mind that misuse of funds constitutes a small percentage of the overall CETA effort.

But abuse must be rooted out, and the committee has taken strong steps to insure that it is. The bill mandates greater accountability over the management of funds by prime sponsors, their program agents, and subcontractors. New anti-abuse and fraud amendments were added by the committee to improve audit procedures, provide for ready access by the Secretary of Labor to prime sponsor records, and provide criminal penalties for obstructing investigations.

Another area of major concern has been the substitution of CETA workers for regular employees of public and nonprofit bodies and for providing services that customarily had been provided with other financial resources. The committee has dealt with this concern, as well.

The bill would tighten eligibility requirements for public service employment, place restrictions on the maximum

level of Federal wages paid to participants, limit the amount by which wages may be supplemented by local funds, restrict participation to long-term unemployed persons, and require termination of employment of participants to insure that CETA jobs provide only temporary employment.

A new provision added in committee requires an assessment of each participant's employment and training needs upon entry into CETA, and the development of a personalized employability plan. The responsibility of the prime sponsors and program agents would be to develop the participant's employability through a mix of services designed especially for that individual.

In an effort to target program services on special groups most in need, the bill contains a number of demonstration programs with limited authorizations so that different approaches to the problems can be explored in model programs.

The achievement of long-term economic objectives and lower unemployment rates depends partly on the success of policies to reduce structural unemployment. How well the structural aspects of unemployment are reduced will determine how far we can go in reducing unemployment without risking a new round of inflation.

AN INFLATION HEDGE

S. 2570 is a tool not only for cutting unemployment but also for ameliorating the inflation rates that threaten to steer the economy into another recession.

The economic report of the President, released this year, reinforced the critical role of CETA in economic policy:

> Reaching a low rate of unemployment without initiating increases in the rate of inflation will require effective structural programs as well as overall monetary and fiscal policy. Programs that increase access to jobs for groups with high unemployment not only serve the interests of economic justice, but help us avoid the excessively tight labor markets and inflationary pressures that might otherwise arise in a period of high unemployment.

The Committee for Economic Development, an independent group of businessmen, released a report in which a clear consensus emerged that "unemployment and underemployment are costly both to society and to the economy." The CED study recommended that—

> Government programs to train and provide jobs for the hard-to-employ, including public service employment, must continue to play a major role in national manpower policy.

The business group welcomed "recent increased emphasis by both Congress and the administration on direct measures to deal with the unemployment problems of hard-hit groups, particularly disadvantaged youths and veterans."

Assistant Secretary of Labor for Policy, Evaluation, and Research, Arnold Packer, in testimony before the Joint Economic Committee, explained the importance of CETA to the Nation's economy:

> During a time of increasing risk of accelerating inflation, targeted employment and training programs can play an important role. First, since PSE jobs targeted to the structurally unemployed do not attract workers with skills likely to be in short supply, it is less inflationary to expand PSE employment by increasing aggregate demand through a tax cut or other form of macro stimulus. Second, successful training programs increase the pool of skilled workers from which firms may draw, and thus help to eliminate labor market bottlenecks and inflationary wage pressure in the private sector.

The activities proposed in this legislation would utilize this tremendous human resource through training, skill development, public service employment, location of jobs for special groups with very high unemployment rates, and improved coordination of information for career choices by new entrants in the labor force.

ABUSE PREVENTION

Abuses in CETA programs are manageable and would be reduced substantially under the committee's amendments. Secretary Marshall has noted that out of 450 local prime sponsors and 2,800 subgrantees, the Department received and investigated 203 allegations of improper activities inolving the CETA system last year. The Department's investigations concluded that, at a minimum, well over 95 percent of the agencies that administer the CETA program are operating effectively.

In the past, the major problem for the Department's investigative actions was in getting timely access to CETA records. These proposed amendments would make destruction of CETA records, as an effort to thwart an investigation or audit, a criminal offense.

In order to provide the most effective review and investigation of potential program abuses, the Department of Labor has consolidated the functions of audit and investigation into one permanent Office of Special Investigations. Their ability to effectively monitor and investigate the CETA programs has been greatly enhanced as a result, and new resources are being brought to bear in order to minimize the administrative problems involved in such a large, decentralized system.

SUBSTITUTION CONTROL

Two key provisions of the current law are designed to prevent substitution of Federal CETA funds for local revenues to maintain services and pay regular employees. One prohibits local governments from using CETA funds for regular services that would be provided customarily by local governments in the absence of CETA; the other prohibits the hiring of CETA employees to displace regular civil service employees or to fill job openings created by layoffs or termination of regular workers. CETA employees are to provide services that would not otherwise be provided, and their place on the public payroll is to supplement, not to supplant, regular public employee positions.

Most of the abuses of the program cited in previous studies occurred under the original version of PSE enacted in 1975. The level of substitution decreased measurably after the 1976 amendments which required that jobs be of 1-year duration in projects of demonstrable public benefit, and that participants be long-term, low-income unemployed or welfare recipients.

Assistant Secretary of Labor Ernest Green stated before the committee that the Department's experience with the project approach has substantially reduced the incidence of substitution. The new criteria were of greater consequence, tighter eligibility requirements reduced the number of public employees who might qualify, and the projects provided services outside the scope of regular public services.

The committee amendments in S. 2570 assure further control over the drain of substitution. Low-income persons at or below 70 percent of the lower-living-standard budget become the target group. New limitations on the length of participation and the level of wages received by participants will encourage a transition into unsubsidized employment.

WELFARE PREVENTION

In addition to the committee bill's general new focus on efforts to assist the poor and disadvantaged, title III authorizes the Secretary to conduct demonstration and experimental programs to test and analyze a variety of employment and training alternatives to public assistance and other forms of income assistance for employable persons.

The committee bill, in addition, would expand program eligibility to new groups receiving or eligible for public assistance. The bill includes specific new definitions of "economically disadvantaged," "under-employed persons," "unemployed persons," and the "low-income level" which expand services to welfare recipients, foster children, families with income below the poverty level, and institutionalized persons in sheltered workshops, prisons and hospitals.

The committee bill refocuses CETA resources on training and employability development for the hard-core unemployed. It would be the framework of public policy for introducing individuals into a structured work environment who would otherwise be passed over by the private sector and provides an opportunity—and for many the only opportunity—from which welfare-prone individuals could subsequently advance to steady unsubsidized jobs.

A new section was added to the committee bill—section 205—that requires an assessment of each participant's employment and training needs upon entry into CETA, and the development of a personalized employability plan. The primary responsibility of the prime sponsor would be to develop the participant's employability, rather than merely to employ.

Under title II, comprehensive employment and training services for the disadvantaged, the committee bill adds a new section—section 214—to explicate services for youth. Combined with the new programs authorized under the Youth Employment and Demonstration Projects Act of 1977 (YEDPA), CETA services to youth would provide a broad range of alternatives to a future cycle of welfare dependence.

PRIVATE SECTOR INITIATIVES

Another important addition in the committee bill is a new title VII to es-

tablish demonstration programs for increasing private sector involvement in employment and training programs for the economically disadvantaged. It would develop greater opportunities for a direct transition into private sector employment with a chance for advancement.

In its recent study, the Committee for Economic Development (CED), said that a clear consensus has emerged that the private sector must step up efforts to train and employ the disadvantaged because "unemployment and underemployment are costly both to society and to the economy." They welcomed recent increased emphasis by both Congress and the administration on direct measures to deal with the unemployment problems of hard-hit groups, particularly disadvantaged youths.

The CED report also stated to its members that the principal stress of public policy should be on developing productive jobs rather than on paying people for not working They noted that the chronically jobless usually receive transfer payments such as unemployment insurance, welfare payments, and food stamps and concluded that putting them into productive work in the private sector could lessen some inflationary Government expenditures.

The White House has already received the commitment of business and industry leaders to participate in title VII activities.

Mr. President, we cannot allow ourselves to lose sight of the purposes of this act. We cannot close our eyes to the human faces of unemployment and discouragement that daily stand in line at the unemployment office or wait to buy food stamps. We should not forget to count the ones whose unemployment benefits—meager amounts in State after State—are about to run out. Their worry and despair continues to grow as joblessness lingers on.

This is not an imaginary picture of the future. This is the way things are now for millions upon millions of American families who are lost in the monthly statistics, computer projections, and economic analyses.

For the 6.2 million American workers now unemployed, the situation is too critical to wait for future improvement in the economy. For them, what counts is a chance for a job or the chance to acquire skills that will land a job.

Today's economy, troubled as it is, cannot be compared fully to the rickety structure that fell apart in 1929 to create the Great Depression. We have unemployment insurance, social security, protection for savings accounts, and public assistance programs that were not there in the 1930's.

But the important point is that there are nearly as many individuals out of work today, and we are doing less to help them get a job.

Our commitment to the unemployed must be reaffirmed. The Federal Government has a duty to stimulate economic expansions, but it also has a responsibility to directly create new job and training opportunities for those who can find no other productive work. I see no alternative for taking up the slack while the Government experiments with new and unfamiliar economic remedies.

Any threat to cut our commitment to jobless Americans runs the risk of destroying the progress already made in putting America back to work. Secretary Marshall warned on July 25 that to base a change in CETA policy on the popular notion that unemployment has declined so much that we no longer need a large-scale public service jobs program "is a very dangerous misconception." He added that unemployment cannot be kept under 6 percent next year without a full-scale PSE program. Marshall declared that—

To begin to dismantle the CETA program now is like disbanding your army in the middle of a war just because you have won an important battle.

I am confident that we are not prepared to backtrack on that commitment. We must hold to our conviction that our Nation must provide for those in need or be prepared to suffer not only future economic stagnation, but stagnation of the spirit as well.

Mr. NELSON. Mr. President, I realize we only have until 4 p.m. and then this legislation is to be set aside. Senator DOMENICI has some amendments which we have explored with him and which we are prepared to accept.

I understand, first, the distinguished Senator from Maine wishes 30 seconds.

Mr. HATHAWAY. I thank the Senator.

I am waiting for Senator WALLOP to come to the Chamber.

Mr. NELSON. All right.

I yield the floor to the Senator from New Mexico.

Mr. DOMENICI. Mr. President, first, I thank not only Senator NELSON and Senator JAVITS, but also the majority and minority leaders for accommodating me this afternoon. I have had a genuine interest in this bill. If we had not proceeded in this manner, I might not have been able to participate. I am most appreciative.

UP AMENDMENT NO. 1707

Mr. DOMENICI. Mr. President, I send to the desk an unprinted amendment and ask for its immediate consideration.

The PRESIDING OFFICER. The amendment will be stated.

The assistant legislative clerk read as follows:

The Senator from New Mexico (Mr. DOMENICI) proposes unprinted amendment numbered 1707.

Mr. DOMENICI. Mr. President, I ask unanimous consent that the reading of the amendment be dispensed with.

The PRESIDING OFFICER. Without objection, it is so ordered.

The amendment is as follows:

On page 254, line 14, strike lines 14–17 and insert the following:

"(1)(A) To coordinate programs under this Act with existing vocational education programs.

"(B) To provide needed vocational education services.

"(2) To coordinate the utilization of funds under this Act and the Vocational Education Act of 1963 to enhance economic growth and development in the State.

"(3) To develop linkages between vocational education, education, and training programs under this Act and private sector employers.

"(4) To provide technical assistance to vocational education institutions and local education agencies to aid them in making cooperative arrangements with appropriate prime sponsors.

"(5) To provide information, curriculum materials, and technical assistance in curriculum development and staff developments to prime sponsors.

Mr. DOMENICI. Mr. President, this amendment will more specifically define the role of the State boards of vocational education in using funds under section 204 of CETA.

As we all know, our present CETA and vocational education programs have served our Nation very well for the most part. However, expansion of employment opportunities under these two programs can be improved if we can achieve better coordination between CETA prime sponsors and vocational education program administrators. Better coordination will go a long way toward minimizing duplication of effort and insuring that these two valuable programs no longer work at cross purposes.

Better technical assistance must be provided to vocational and local educational agencies so that they can make more efficient use of CETA funds. Furthermore, adequate information on curriculum materials, technical assistance in curriculum development, and staffing—must be provided to prime sponsors. My amendment, if implemented, will achieve both goals.

This amendment addresses the need to coordinate the use of funds under the Comprehensive Employment and Training Act and the Vocational Education Act of 1963. Improved coordination will enhance economic growth and development throughout the Nation. Furthermore, my amendment envisions the establishment of definite links between CETA, vocational education, and private sector employers.

Duplication of effort by CETA and vocational education program sponsors is a waste of precious resources and simply must be eliminated. My amendment will not only provide coordination between these two programs but it will also harness the creative potential of the private sector in our efforts to provide meaningful training and employment opportunities for Americans who need them.

Mr. President, I hope the managers of the bill will see the wisdom of my amendment and accept it and work for its retention in conference.

It is my understanding that this amendment is acceptable to the managers of the bill.

Mr. NELSON. Yes. We have looked at the amendment and it clarifies the issue as to the role of vocational education. It properly states our intended objective in the bill.

I have no objection to it.

Mr. JAVITS. Mr. President, I have no objection to the amendment. We too have considered it and we think it is helpful with respect to the bill and its fundamental purpose.

The PRESIDING OFFICER. Do Senators yield back their time?

Mr. DOMENICI. I yield back my time.

Mr. JAVITS. I yield back my time.

The PRESIDING OFFICER. Does the Senator from Wisconsin yield back the remainder of his time?

Mr. NELSON. Mr. President, I yield back the remainder of my time.

The PRESIDING OFFICER. The question is on agreeing to the amendment of the Senator from New Mexico.

The amendment was agreed to.

Mr. DOMENICI. Mr. President, I move to reconsider the vote by which the amendment was agreed to.

Mr. JAVITS. I move to lay that motion on the table.

The motion to lay on the table was agreed to.

Mr. DOMENICI. Mr. President, I am not going to offer an amendment on the eligibility criteria. Most of those goals are covered by CETA. However, I wish to briefly discuss a concern.

Mr. President, my research and study of the present CETA eligibility criteria convinces me that the present standards mitigate against broad scale participation in the CETA program, by single individuals particularly, women and elderly persons. During the past few weeks, my staff and I have looked at eligibility criteria contained in various Federal employment programs, but were unable, due to time constraints and the complexity of the subject, to come up with a well-thought-out and equitable set of eligibility standards which could be applied to women and the elderly.

I am very pleased, therefore, that the Human Resources Committee has, at my suggestion, included language in S. 2570 authorizing the National Commission on Employment Policy to conduct a study of present CETA eligibility requirements and their impact upon women and older persons. Although our present eligibility criteria have proved adequate for most segments of our population, which are tied to 70 percent of the Bureau of Labor statistics lower living standard budget, they must be reviewed and revised with a view toward facilitating increased participation in the CETA program by women and the elderly. Arriving at an equitable formula will be a difficult task which will warrant all the time, expertise, and attention that the National Commission on Employment Policy can render. Again, I am most pleased that language authorizing this study is being incorporated into S. 2570 and I look forward to the positive recommendations I know the Commission will produce.

Mr. President, the distinguished Senator from Florida (Mr. CHILES), and I presented many ideas, including our own bill, as a format to the Human Resources Committee. I am most appreciative for the consideration they gave to many of our ideas.

Although the Human Resources Committee agreed to include extensive report language in this bill outlining the voucher demonstration project authorized under CETA, this language was inadvertently omitted from the committee report.

I am pleased that the committee agreed to include detailed descriptions of the voucher plan in the opening statements the managers have presented here to the Senate.

The provisions authorize the Secretary to demonstrate the efficacy of providing vouchers to unemployed or underemployed persons who are economically disadvantaged. These are important provisions, and I thank the floor managers for including language in their statements which will clarify this matter for the Secretary. I hope, we will be able to get some tax language passed in the new tax reform bill that will make these tax deductions work so that the package can be put together.

Mr. President, although the Senate Human Resources Committee agreed to include extensive report language on S. 2570 outlining the voucher demonstration project authorized under CETA, this language was inadvertently omitted from the committee report. I am pleased that the committee agreed to include a detailed description of the voucher plan in the opening statement of the floor managers on the CETA reauthorization bill now under consideration.

This provision authorizes the Secretary to demonstrate the efficiency of providing vouchers to unemployed or underemployed persons who are economically disadvantaged. The vouchers will serve to subsidize, temporarily, a CETA trainee's first experiences in the private job market. Two years after enactment of the 1978 CETA amendments, the Secretary shall report on the effectiveness of the voucher demonstration project and make appropriate legislative recommendations to Congress.

Mr. President, S. 2805, the Comprehensive Education and Training Act amendments which I introduced with Senator CHILES contained a voucher program similar to the one in S. 2570. I am pleased that the Human Resources Committee has decided to test the voucher system as one tool to increasing employment opportunities among economically disadvantaged persons. As a strong proponent of increased private sector involvement in the CETA program, I am anxious to see this demonstration project implemented. This approach appears to me to be an excellent way to encourage private sector employers to hire CETA-trained personnel whose previous employment record might not qualify them for entrance into the labor market at the prevailing minimum wage.

The voucher demonstration language which is now included in the floor managers' statement will serve to strengthen linkage, cooperation, and coordination between CETA and the private sector. I look forward to the role these provisions will play in strengthening Federal efforts to reduce hard core structural unemployment.

I understand the distinguished senior Senator from Florida (Mr. CHILES) is here. I very much appreciate the leadership he has taken with reference to this CETA bill. In particular, I appreciate Senator CHILES' work on the older workers provisions in the bill.

Mr. President, recent hearings on retirement, work, and lifelong learning, conducted by the Senate Special Committee on Aging, focused extensively on the employment needs of older Americans. In increasing numbers, today's healthier and more energetic senior citizens desire to remain productive for longer and longer periods of time. The Congress must begin to accommodate these seniors by making Federal employment programs more responsive to their needs to remain in or reenter the work force.

In his testimony during these hearings, Secretary Marshall indicated that Labor Department efforts to provide increased work opportunities to older Americans are already underway. However, Labor's CETA program has potential for older workers that has not yet been realized. According to the Civil Service Commission, there is conclusive evidence of age discrimination in CETA. This is a severe underutilization of potentially a productive segment of our society.

I am very pleased that the Human Resources Committee has incorporated into the Comprehensive Employment and Training Act amendments to the older workers program Senator CHILES and I have proposed. It is hoped that this section of the bill will accomplish the following goals:

First. Assist older workers to develop employment skills which will enable them to remain in or reenter the work force;

Second. Ease the transition of older workers from one occupation to another within the labor force, and from nonparticipation to participation in the labor force;

Third. Provide outreach, orientation, counseling, and placement assistance to potential older workers;

Fourth. Provide assistance to employers as they implement flextime, work sharing, and other innovative work arrangements;

Fifth. Help to overcome sex stereotyping in employment practices. This provision will especially benefit the displaced homemaker;

Sixth. Coordinate services for older workers with services provided by senior centers, area agencies on aging, and State agencies on aging; and

Seventh. Enable CETA prime sponsors to contract with State and area agencies on aging and other public and private nonprofit organizations for services to older workers.

One of the most persistent criticism of the CETA program has been its failure to provide additional job opportunities to older workers. By providing an older workers program which is geared to the needs of this large and growing segment of the population, we seek to address what is becoming a major economic problem in this country. It is critical that we provide suitable work modes for an aging work force.

In closing, Mr. President, let me say that over the past 5 years the CETA program has become a viable partnership among all levels of government—Federal, State, and local. We have learned a great deal from the experiences of the last 5 years. Senator CHILES and I have sought to build upon this foundation with our older workers program and

we believe our efforts will significantly expand the effectiveness of this vital program.

Mr. President, I would like to ask the floor managers of the bill a few questions with regard to the older workers provisions.

Do the managers believe that the age discrimination in employment amendments, which will become effective January 1, 1979, will eliminate the discrimination found in CETA by the Civil Rights Commission?

Mr. NELSON. Mr. Arthur Flemming of the Civil Rights Commission, testified on that point, and he testified that they had found discrimination in CETA and other Federal programs based on age and sex. We are satisfied that if the law is complied with as now drafted that that discrimination that was found by them will be eliminated.

Mr. DOMENICI. I thank the distinguished Senator.

The Senator from Florida had some questions on this same subject.

Mr. CHILES. Mr. President, if I might ask the distinguished chairman, frequently, older women, who have become displaced homemakers, have limited or no employment skills. How can we insure that the special employment needs of displaced older homemakers are met in the regular CETA program under titles II and VI, as well as in the new title III categorical section?

Mr. NELSON. Under section 122(c)(3)(A) we provide that special emphasis will be given to displaced homemakers for public service employment jobs in titles II and VI, as well as in the new title III categorical sections.

Mr. CHILES. I thank the distinguished Senator for that answer.

Many older workers are not desirous of full-time employment. Their needs are for part-time work, work sharing, and flexitime arrangements. How can the CETA program help fill the older workers' needs for innovative work modes?

Mr. NELSON. Titles II and VI provide for alternative work schedules to be provided to meet the need that the Senator raises.

Incidentally, we also, as you know, reported or will be reporting shortly from the Human Resources Committee the flexitime bill that would provide a number of alternative working arrangements to workers in the Federal Government. These alternative working arrangements are intended to assist a number of worker groups including older Americans.

Mr. CHILES. Would it be advisable to recruit qualified seniors into the actual administration of CETA programs throughout the country? Could recruitment of older personnel into the CETA program itself insure a heightened sensitivity to the employment needs of the older worker?

Mr. NELSON. Well, I have no doubt that there are a good many senior citizens who are well qualified to assist in the actual administration of CETA programs. But that is a managerial question for the prime sponsor, I think, to decide and not for us to try to mandate in the management or running of a local program by a prime sponsor.

Mr. CHILES. But the Senator's opinion would be that that could be beneficial to the program?

Mr. NELSON. I think it could be, and I think there are programs that are using qualified senior citizens now in the management side of these programs.

Mr. CHILES. I thank the distinguished chairman.

Mr. President, now that the age discrimination in employment amendments have been enacted, we must begin to focus on ways to make our Federal employment programs more responsive to the needs of senior citizens. The CETA program, which has a tremendous capability to fill the employment needs of older Americans, is an appropriate place to begin to remove the barriers seniors face as they attempt to enter or reenter the work force.

The older workers provisions which Senator DOMENICI and I have incorporated into the CETA reauthorization bill stress not only the importance of assistance in the development of employment skills, but also outreach, orientation, counseling, and placement services to potential older workers. Furthermore, by enabling CETA prime sponsors to contract with State area agencies on aging and other public and private nonprofit organizations, our provisions will dramatically increase older worker participation in the CETA program.

With regard to senior citizen employment, the need, for the most part, is not full-time jobs. Older Americans are more interested in innovative work modes, like work-sharing and flextime arrangements. Our older workers provisions provide assistance to employers as they implement the kinds of alternative work styles for which seniors are best suited.

The following are other important components of the CETA older workers program:

First. Career training to facilitate the transition of older workers from one occupation to another;

Second. Elimination of barriers to employment presently facing older women who have become displaced homemakers; and

Third. Job placement assistance to overcome age stereotyping and age discrimination.

I believe that our older workers program represents a comprehensive attempt to facilitate the entrance or reentrance of senior citizens into the labor force. These provisions, if vigorously enforced, will insure increased utilization of the as yet often untapped resources of our older Americans.

I yield to the distinguished Senator from New Mexico.

Mr. DOMENICI. I thank the Senator from Florida.

UP AMENDMENT NO. 1708

Mr. President, I have an unprinted amendment which I send to the desk in behalf of Senators CHILES, BELLMON, MCCLURE, BROOKE, and BARTLETT, and I ask for its immediate consideration.

The PRESIDING OFFICER. The clerk will report.

The assistant legislative clerk read as follows:

The Senator from New Mexico (Mr. DOMENICI), for himself and others, proposes an amendment numbered 1708.

Mr. DOMENICI. Mr. President, I ask unanimous consent that further reading of the amendment be dispensed with.

The PRESIDING OFFICER. Without objection, it is so ordered.

The amendment is as follows:

On page 190, line 5, insert the following: delete "and" and add the following new subsections:

Page 190 1.7, insert the following:

(11) Include a detailed description of record keeping procedures which will allow the Secretary to audit and monitor the prime sponsor's program, concerning eligibility of participants and propriety of participant selection procedures and practice;

(12) Include a detailed description of procedures for the monitoring and auditing of any subgrantees or subcontractors; and page 190, line 6, redesignate (11) as (13)

Page 244, after line 17, insert the following:

"(f) In the annual report required under subsection (a), the Secretary shall report on the monitoring and auditing activities of the Department, on administrative changes made or proposed to improve such activities, and on actions taken under section 106, and shall make any necessary proposals for legislative action."

Page 383, line 3, at the beginning of the line, insert:

"knowingly hires an ineligible individual or individuals,"

Page 197, line 11, insert the following new section:

"Section 106 (a) There is hereby established in the office of the Secretary a division for monitoring and compliance. This office shall monitor and audit program recipients with regard to eligibility of participants, abuses in participant selection, and any other violations or improprieties."

Page 197, line 11, redesignate section (a (1) as (b).

Mr. DOMENICI. Mr. President, this amendment addresses the issue of fraud in the CETA program. Instances of fraud and abuse within the CETA program have received widespread coverage in the press in recent months.

When this program was first enacted, I remember telling the senior Senator from New York (Mr. JAVITS) that we had experimented with a pooling of the old job-training programs in the city of Albuquerque when I was its mayor. I expressed the hope that we would pool all of the job-training programs. The focal point of CETA was to let it be run by State governments and local prime sponsors.

What has happened now is that there are those around the country who are beginning to say, "You see, we told you the States could not run these programs." That is simply not true. They run them as well as the Federal Government. But they must be more careful. They must vigorously follow the rules set down in this bill with reference to favoritism, nepotism, and political opportunism. The contractors and subcontractors that are used in the field by the prime sponsors are not adequately monitored. If these sponsors do not perform the work expected of them, if they create sham corporations, if they are guilty of abusing the tax dollars and the confidence of the American people then we

have failed to administer this vital program in a prudent and appropriate manner.

We need a national system to monitor prime sponsors, subcontractors, and contractors. In this manner, the fraud and abuse we have found can be eliminated. Although I do not think the abuse is as rampant as the initial stories indicate, I still feel we must put in the bill language with some real teeth for a system of national and local monitoring and auditing. Ultimately we must strengthen the sanctions against nepotism and favoritism in this bill.

Basically, my amendment sets up a monitoring system, and extends the criminal penalties that are already in the bill to the contractors and subcontractors. Mr. President, I remain committed to the concept that local governments and local prime sponsors can manage this program better than the Federal Government. I would hope that the State and local sponsors would get behind my amendment and help to fully implement as promptly as possible.

Mr. President, instances of fraud and abuse within the CETA program have received widespread coverage by the press in recent months. It is extremely unfortunate that a program like this, with its great potential for combating structural unemployment, has been subject to fraud and mismanagement. However, there are many fine and effective programs being administered under CETA. Not all of the taxpayers' dollars are being misused or spent for frivolous purposes.

However, the problem of abuse in some States is very real—and definite steps must be taken to eliminate fraud and management of CETA funds. I am proposing an amendment to the CETA reauthorization bill designed to eliminate misuse of CETA dollars. My proposal allows the Secretary of Labor to audit and monitor prime sponsor programs. Emphasis is placed upon the importance of thorough auditing and monitoring of subgrantees and subcontractors. My amendment further requires the Secretary to report on the monitoring and auditing procedures undertaken by his department, to note any noncompliance actions taken under section 106, and to propose legislative remedies to the Congress, if necessary. In addition, this amendment provides for the establishment of a monitoring and compliance division within the Office of the Secretary of Labor to report on any abuses in participant selection, and other violations or improprieties.

I believe my fraud and abuse amendment represents a comprehensive attempt to ferret out fraud and abuse within the CETA program. These provisions, if vigorously enforced, will eliminate many imperfections in the CETA program and eradicate the misuse of Federal dollars. At the same time we can insure that CETA's positive role in reducing hardcore unemployment is retained.

This amendment to control fraud focuses on strict monitoring of the participant selection process making it a criminal offense to knowingly hire an ineligible participant. In addition, this auditing of prime sponsors and subcontractors will focus on the provisions already included by the committee in section 123(h) to control and eliminate nepotism, conflict of interest, kickbacks, political patronage, and other fraudulent behavior.

Mr. CHILES. Mr. President, will the Senator yield?

Mr. DOMENICI. I yield to the Senator from Florida.

Mr. CHILES. I just wish to associate myself with the Senator's remarks and say I am delighted to be a cosponsor of the amendment to monitor fraud and abuse in the CETA program. I think it adds a lot to the bill. Many of us know that CETA has done some good and important work and there is much to be done, especially with structural unemployment, with the problems of disadvantaged workers who need training and trying to deal with some of the problems like older Americans who cannot get work. I am particularly pleased that the thrust of this bill as reported by the committee is to redirect the program to the problems of the hardest persons to employ. One reason that the program has lost public credibility is that we have pushed local governments to hire more people than they can absorb. We have the feeling on the part of people that CETA is the biggest ripoff program that ever came down the pike. We have all seen the horror stories, and certainly there have been too many of them. There have been all the problems that the Senator from New Mexico has raised.

Unless we can assure the people that those things can be stopped, that it is not going to be used by someone as the favorite tool to put his relatives on the payroll or for political patronage or for out-and-out stealing, unless we can assure people of that, there will not be a CETA program. And there should not be, unless it can be run on a better basis and eliminate many of the problems that have come up in the past.

I think setting in motion this kind of effort to investigate fraud and abuse is exactly what we need to do. We have given the Secretary a very broad requirement, not just to investigate strict violations of the law, but to investigate any improprieties in the selections of participants, even if they technically fit the eligibility requirements. That will let us get at problems like the hiring of relatives. I have gone a step further and asked the chairman of the Appropriations Committee to send its new investigations unit into some of these areas and tell us just how the fraud and abuse is occurring, so that we can take corrective action from the Appropriations side. I think the amendment would be helpful to the bill, and I urge my colleagues to support it.

Mr. DOMENICI. I thank the Senator.

Mr. NELSON. Mr. President, I am agreeable, as manager of the bill, to this amendment. I understand that if we can agree to yield back the time and vote by a quarter to four, we can vote today. Is there anyone who needs time on the amendment?

Mr. BROOKE. I do. I have an amendment to the amendment, but I will be very brief.

Mr. NELSON. Mr. President, I yield to the Senator from Washington for a unanimous-consent request.

Mr. JACKSON. Mr. President, I ask unanimous consent that Mike Harvey of my staff be given the privilege of the floor for today.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. JAVITS. Mr. President, I thoroughly approve of this amendment. I shall vote for it, and believe the sooner we get to a vote, the better.

I shall enlarge my remarks similarly, on the assurances respecting the advantages, many of which are written into the bill. I approve the work, thoroughly endorse it, and will support it.

The PRESIDING OFFICER. The Senator from Massachusetts.

UP AMENDMENT NO. 1709

(Purpose: To provide for an Office of Management Assistance)

Mr. BROOKE. Mr. President, I send an amendment to the desk.

The PRESIDING OFFICER. The amendment is not in order until time on the principal amendment is either consumed or yielded back.

Mr. DOMENICI. I yield back the remainder of my time on my amendment.

Mr. NELSON. The amendment, since it is a perfecting amendment, is acceptable. I yield back the remainder of my time.

Mr. BROOKE. Mr. President, I rise in support of the amendment offered by my distinguished colleague, Senator DOMENICI. For I believe this amendment would contribute to the diminishment of inconsistencies which may be found in the CETA program.

However, I do wish to state at the outset that it is my opinion that CETA has served as a positive step toward meeting the needs of the unemployed, the underemployed, and the economically disadvantaged. And, I believe that on the whole, CETA has functioned well and must be considered as an integral part of any program to reach the goal of full employment.

Yet, there are some serious flaws within the existing CETA program. And, I believe that the amendment now being considered, in conjunction with the perfecting amendment which I intend to introduce, will help to insure the delivery of effective and efficient employment and training services.

Indeed, the need for this legislation and these amendments have arisen, in part, from the tremendous burden which has been placed on the CETA program by the creation of three-quarters of a million public service jobs. The rapid expansion of these jobs programs has resulted in inadequate resources being devoted to the supervising, auditing, and monitoring of prime sponsor CETA programs. And, this inadequacy has contributed to the widespread suspicion of fraud and abuse.

Therefore, the division for monitoring and compliance, as set forth in the

Domenici amendment, is designed to assist in the Federal oversight of instances where fraud and abuse may be found. This amendment, coupled with the existing provisions in the bill, will aid in promoting economy and efficiency in program operations.

My perfecting amendment would establish an Office of Management Assistance to enable the Department of Labor to offer complete management and technical advice to prime sponsors where needed, and particularly when recommended by the Division for monitoring and compliance. This office would also be responsible for providing technical assistance to prime sponsors, when requested. Certainly, this will have a salutory effect on the CETA program in general.

Mr. President, I submit that these amendments and this bill will serve to provide substantive and substantial improvement in the CETA programs, while helping to curb and eliminate instances of fraud and abuse. I am hopeful that a majority of my colleagues will join me in adopting these sorely needed amendments.

I have discussed this with the proponent of the amendment and the floor manager (Mr. NELSON) and I understand it is acceptable. Is that correct?

Mr. NELSON. Mr. President, does the Senator from New Mexico wish the yeas and nays?

The PRESIDING OFFICER. The amendment will be reported.

The assistant legislative clerk read as follows:

The Senator from Massachusetts (Mr. BROOKE)—

Mr. BROOKE. Mr. President, I ask unanimous consent that further reading of the amendment be dispensed with.

The PRESIDING OFFICER. Without objection, it is so ordered.

The amendment is as follows:

At the end of the amendment add the following:

On page 249, between lines 6 and 7, insert the following new section:

"OFFICE OF MANAGEMENT ASSISTANCE

"SEC. 135. The Secretary shall establish, in the office of the Secretary, an Office of Management Assistance and shall assign to such office such especially qualified accountants, management specialists, and other professionals as may be necessary and available to provide management assistance to any prime sponsor—

"(1) seeking the service of such office on its own initiative to assist it in overcoming problems in the management, operation, or supervision of any program or project under this Act; and

"(2) identified, pursuant to a complaint investigation, internal audit, or audit or investigation conducted by the Division of Monitoring and Compliance, as not being in compliance with any important requirement of this Act of regulations issued thereunder, or of the comprehensive employment and training plant. Service under this section may be provided on a reimbursable or nonreimbursable basis, as determined by the Secretary, and shall be allocated in a manner to assure equitable but effective distribution of such services. The Secretary shall periodically publish any proposals for corrective action made by the Office which may be useful to other prime sponsors.

On page 249, line 8, strike out "SEC. 135." and insert in lieu thereof "SEC. 136.".

On page 178, in the Table of Contents, redesignate "SEC. 135." as "SEC. 136." and insert after "SEC. 134." the following:

"SEC. 135. Office of Management Assistance.".

Mr. JAVITS. Mr. President, we have not seen the amendment until this moment, but I understand what it does is provide for an office to do what the basic amendment proposes.

Mr. BROOKE. That is absolutely correct.

Mr. JAVITS. I am thoroughly for it.

Mr. NELSON. We have looked at the amendment, and are satisfied with it.

Mr. BROOKE. Will the Senator from New Mexico accept the amendment?

Mr. DOMENICI. I accept the amendment. I have looked at it. I think it is a welcome addition.

The PRESIDING OFFICER. Do Senators yield back the remainder of their time?

Mr. DOMENICI. I ask for the yeas and nays on my amendment, as amended.

The PRESIDING OFFICER. First we have to act on the Brooke amendment.

Mr. DOMENICI. I thought we had.

The PRESIDING OFFICER. Without objection, the amendment is agreed to.

The question is on agreeing to the amendment of the Senator from New Mexico, as amended. The yeas and nays have been requested. Is there a sufficient second? There is a sufficient second.

The yeas and nays were ordered.

The PRESIDING OFFICER. The question is on agreeing to the amendment (UP No. 1708), as modified. The yeas and nays have been ordered, and the clerk will call the roll.

The assistant legislative clerk called the roll.

Mr. CRANSTON. I announce that the Senator from Mississippi (Mr. EASTLAND), the Senator from Montana (Mr. HATFIELD), the Senator from Kentucky (Mr. HUDDLESTON), the Senator from Louisiana (Mr. JOHNSTON), the Senator from Louisiana (Mr. LONG), the Senator from Rhode Island (Mr. PELL), and the Senator from Georgia (Mr. TALMADGE) are necessarily absent.

Mr. STEVENS. I announce that the Senator from Arizona (Mr. GOLDWATER) and the Senator from Virginia (Mr. SCOTT) are necessarily absent.

The result was announced—yeas 91, nays 0, as follows:

[Rollcall Vote No. 346 Leg.]

YEAS—91

Abourezk	Curtis	Hollings
Allen	Danforth	Humphrey
Anderson	DeConcini	Inouye
Baker	Dole	Jackson
Bartlett	Domenici	Javits
Bayh	Durkin	Kennedy
Bellmon	Eagleton	Laxalt
Bentsen	Ford	Leahy
Biden	Garn	Lugar
Brooke	Glenn	Magnuson
Bumpers	Gravel	Mathias
Burdick	Griffin	Matsunaga
Byrd, Harry F., Jr.	Hansen	McClure
	Hart	McGovern
Byrd, Robert C.	Haskell	McIntyre
Cannon	Hatch	Melcher
Case	Hatfield, Mark O.	Metzenbaum
Chafee		Morgan
Chiles	Hathaway	Moynihan
Church	Hayakawa	Muskie
Clark	Heinz	Nelson
Cranston	Helms	Nunn
Culver	Hodges	Packwood
Pearson	Sasser	Stone
Percy	Schmitt	Thurmond
Proxmire	Schweiker	Tower
Randolph	Sparkman	Wallop
Ribicoff	Stafford	Weicker
Riegle	Stennis	Williams
Roth	Stevens	Young
Sarbanes	Stevenson	Zorinsky

NAYS—0

NOT VOTING—9

Eastland	Huddleston	Scott
Goldwater	Johnston	Talmadge
Hatfield, Paul G.	Long	
	Pell	

So the amendment (UP No. 1708), as amended, was agreed to.

Mr. JAVITS. Mr. President, I move to reconsider the vote by which the amendment was agreed to.

Mr. NELSON. I move to lay that motion on the table.

The motion to lay on the table was agreed to.

The PRESIDING OFFICER. The Senate will be in order.

REPRESENTATION OF THE DISTRICT OF COLUMBIA IN CONGRESS

The PRESIDING OFFICER. The Senate will now resume consideration of House Joint Resolution 554.

The Senate continued with the consideration of the joint resolution.

The PRESIDING OFFICER. Who yields time?

Mr. HATHAWAY. Will the Senator from Massachusetts yield to me?

Mr. KENNEDY. Mr. President, what is the time situation?

The PRESIDING OFFICER. The Senator from Massachusetts has 47 minutes; the Senator from Virginia has 47 minutes. The Senator from Montana has 16 minutes.

Mr. KENNEDY. I yield to the Senator from Maine.

INTELLIGENCE AND INTELLIGENCE-RELATED ACTIVITIES AUTHORIZATION ACT, 1979—CONFERENCE REPORT

Mr. HATHAWAY. Mr. President, I submit a report of the committee of conference on H.R. 12240 and ask for its immediate consideration.

The PRESIDING OFFICER (Mr. HARRY F. BYRD, JR.). The report will be stated.

The legislative clerk read as follows:

The committee of conference on the disagreeing votes of the two Houses on the amendment of the Senate to the bill (H.R. 12240) to authorize appropriations for fiscal year 1979 for intelligence and intelligence-related activities of the United States Government, the Intelligence Community Staff, the Central Intelligence Agency Retirement and Disability System, and for other purposes, having met, after full and free conference, have agreed to recommend and do recommend to their respective Houses this report, signed by all of the conferees.

The PRESIDING OFFICER. Without objection, the Senate will proceed to the consideration of the conference report.

(The conference report is printed in the House proceedings of the RECORD of August 2, 1978.)

The PRESIDING OFFICER. The

question is on agreeing to the conference report.

Mr. BAYH. Mr. President, will the Senator from Massachusetts yield 1 minute to me?

Mr. KENNEDY. I yield 1 minute.

The PRESIDING OFFICER. The question is on agreeing to the conference report. Does the Senator wish to speak on the conference report?

Mr. BAYH. Yes.

Mr. President, I wish to alert the Senate to the fact that this is a critical measure involving the resolution of differences that exist between the House and the Senate on the intelligence and intelligence-related activities authorization bill. The Intelligence Committee is indebted to the Senator from Maine for the leadership he provided as chairman of the subcommittee that went through the entire hearing process on the authorization. If the oversight of the Senate is to mean anything, it is the oversight capacity we bring to the expenditure of moneys in this area. I wish it were possible, but because of security, it is not, to have seen the Senator from Maine ask the probing questions and help us guide our judgments as we arrived at our final decisions. I salute him for his effort and hope the Senate will support this measure.

Mr. HATHAWAY. Mr. President, I thank the distinguished chairman of the committee for his very kind remarks and wish to return the compliment and praise him for the leadership he has afforded me and the committee.

I would like also to take this opportunity to thank our distinguished vice chairman, Senator GOLDWATER, the other members of the committee, and the many staff members, all of whom devoted a great deal of time and dedication to this very important task.

Mr. BAKER. Mr. President, I am sorry, but I was not on the floor at the time the conference report was called up and made the pending business. I should like just a moment, if I may, so, for the moment, I suggest the absence of a quorum.

The PRESIDING OFFICER. On whose time?

Mr. BAKER. Whose time do we have, Mr. President? Who is in charge on this measure?

The PRESIDING OFFICER. The Senator from Massachusetts, the Senator from Virginia, and the Senator from Montana.

Mr. BAKER. Mr. President, I am advised it has been cleared on this side. I withdraw my request for the quorum.

The PRESIDING OFFICER. The question is on agreeing to the conference report.

The conference report was agreed to.

REPRESENTATION OF THE DISTRICT OF COLUMBIA IN CONGRESS

The Senate continued with the consideration of House Joint Resolution 554.

The PRESIDING OFFICER. Who yields time?

Mr. KENNEDY. Mr. President, we are prepared to move to a vote, unless there is a——

Mr. SCOTT. Mr. President, we have a number of speakers and I am sure the distinguished Senator from Massachusetts has some speakers, also.

If the Senator from Mississippi is prepared, Mr. President, at this time I would be glad to yield 10 minutes to him.

The PRESIDING OFFICER. The Senator from Mississippi.

Mr. STENNIS. Mr. President, I say to the Members of the Senate that I have had a chance heretofore to speak to give my views and my analysis of this situation. But there are some who are here now and I will take just a few minutes of the Senator's time to go into this matter.

Mr. President, it is always a serious matter to amend the Constitution of the United States. It is very clear that the entire Congress has a positive, affirmative duty here to pass on these matters.

A two-thirds vote is required and three-fourths of the States. So it certainly brings it down to the people, involving virtually all of their representatives in legislative bodies.

But on this amendment, Mr. President, even though it is designed in good faith to meet a situation here, whereby the inhabitants of this District do have less than full privileges of voting, they are certainly not without considerable privilege of voting. They stay here in the District of their own choice, and there is a special reason.

Beginning way back, the wisdom of the Founding Fathers has proven sound for almost these 200 years now when they decided that the Central Government's primary operation would not be located in any State—not any State. They tried to see which State and agreed it not be in a State, but would be in a separate area, conclave, I do not think the District name came in until later.

But, anyway, it was agreed it be a separate piece of ground, so to speak, in which those who chose to live there would have a different status in relation to the Government.

As I understand, there is nothing written on it, but George Washington was delegated to select the site. He did. It was here and it is here.

What attribute in human nature has proven sounder and what principle of human nature has changed less in these 200 years than the one here with reference to an atmosphere and an independence for the central operation of the Federal Government?

The larger it has grown, the more that attribute and that privilege to the Government is needed.

Now, just to meet a situation here, the District already has a mayor, and so forth, and we will not repeat all that now, but just to meet a situation of these people that have a little different situation, but they do not have to stay, to meet that we are going to open the doors of the Senate and let men be sworn here as Members. No one has ever approached that rostrum—no one ever has, and I hope they never do—except as they are representatives of some State in this Union.

We are lowering the guard. We are taking down the gates. We are lessening the requirements. We are increasing the privileges, really, by lessening the requirements to get in here, in the first place, and become Members of this body that legislate for the entire Nation.

Two Senators, not one. Not one. These people help elect the President and the Vice President, have a mayor, and so forth, now. They are going to send in, under this, two Senators.

As I say, who thought up the idea of giving them two? One. One is a whole lot more than nearly all other 700,000 people in the Union have. But this particular group is going to have two Senators.

That is enough to dominate here over and over again in many close votes. Consumer against producer, agricultural, or raw material as against consumer. Many close votes.

I just think it is fundamentally unfair to the rest of the States, to the people in the other States, to the State governments. There are no State governments involved here in the District now under this amendment. No responsibilities. No obligations. Nothing to carry out or live up to. Not a thing in the world.

Here comes a gift on the morning breeze, because it is popular. Two Senators to be sworn in at the bar, and for the first time they ever have been except representing the State.

So we are turning this thing around. I believe that people will sense it. They will sense it at many levels of our State government.

I do not believe any man can go home and say, "I did something for you today"—talking to his own constituents—"I diluted your votes in the Senate. I made it less likely—less likely—that your vote would count for more, it will count for less."

I do not believe that the agricultural people, for instance, as an illustration, with all of their problems—and they have to come here for special programs—I just do not believe that they are going to think this is fair to them. It upsets the equilibrium. It takes away their chances to get Senators who understand their problem. There is no manufacturing here, as someone has said already; no appreciable industry. It is slight. Most of them make their living working for the Government or are in the services or are in an establishment such as a store. They are elsewhere, but they are not here.

I believe that we not only are tearing down the groundwork of our system which has worked so well with all these problems, but also, we open the door to a multiude of new problems and new demands and all kinds of possibilities, with all kinds of problems. We had better stay within the boundaries and stick here to the groundwork as laid out and has been proved sound over and over, and work at these problems some other way. There must not be a surrender.

We have no power, no right to give away, under these conditions. the power of our States, the prerogatives of our people. We should be as generous as we can to these people in the District, and we have the same duty to our own constituents.

I hope that in every State legislature this debate will be pursued with vigor by the State legislators, considering the ideas that have been advanced here, pro

and con, but particularly those that relate to their problems at home.

I thank the Senator from Virginia for yielding me time.

Mr. LEAHY addressed the Chair.

The PRESIDING OFFICER. Who yields time?

Mr. KENNEDY. Mr. President, I yield 4 minutes to the Senator from Vermont.

Mr. LEAHY. Mr. President, I have been told that the first person who went to the guillotine said that if it were not for the honor, he would have been happy to have passed up the occasion. Following the distinguished Senator from Mississippi, especially when I am on the other side of the issue, I feel that way.

There is no Member of the U.S. Senate whom I hold in greater esteem or greater fondness than my distinguished friend from Mississippi. I think every Senator will agree that no other Member of the Senate holds a higher regard for the Senate as an institution than does the Senator from Mississippi.

Mr. President, I come from a rural State, and a great deal has been said here today about the feelings of rural States. No State is more rural than the State of Vermont. Vermont was the 14th State to join the Union. Perhaps, typical of Vermont nature, we stood there a while and made sure the other 13 were going to make it, and then we joined on.

My family has been in Vermont for well over a century. I was born there. It is my home. It is the place I live. It is a way of life. It is a way of life that I would never trade with anyone else, anywhere. I cherish that way of life. I cherish what we have done in Vermont.

Mr. President, when I came down here, I had the honor—some have described it other ways—of being apponted chairman of the Subcommittee on Appropriations for the District of Columbia. I became far more involved with the city than I ever might have otherwise; and perhaps I might have thought otherwise about the way I am going to vote tonight, had I been faced with it the day I arrived in the District of Columbia.

There is no question in my mind, having served in that capacity for 2 years now, that I will vote for this constitutional amendment; because I do not see it as a case of rural versus urban. We have had too much of that. We have seen too many Federal programs that come out with a bias, because we look at them as rural versus urban.

I am absolutely certain that is not a situation that will occur, because of what we will see here. The population of the District is half again as large as that of Vermont. In rural areas as well as urban areas, we recognize simple justice.

Quite frankly, when I look at this city—this beautiful city, the seat of our Government, the city that my eldest son was born in—I feel as a Vermonter. What we can do here is show simple justice, overdue justice. Because of that, this Senator, who comes from a rural State, will vote without any hesitancy for this constitutional amendment.

Mr. KENNEDY. Mr. President, I understand that the Senator from Oklahoma has an amendment, and I would be glad to yield 4 minutes to him.

Mr. BARTLETT. I thank the Senator.

UP AMENDMENT NO. 1710

(Purpose: To prohibit the establishment by Congress of any committee or subcommittee with jurisdiction over legislative matters applicable to the District of Columbia)

Mr. BARTLETT. Mr. President, I send and unprinted amendment to the desk.

The PRESIDING OFFICER. The amendment will be stated.

The legislative clerk read as follows:

The Senator from Oklahoma (Mr. BARTLETT) proposes an unprinted amendment numbered 1710:

On page 2, after line 16, add the following section:

SEC. 2. Upon ratification by the requisite number of states of the Amendment to the Constitution as set forth in section 1, neither the Senate nor the House of Representatives shall permit, under its rules, the operation of any committee, subcommittee, or other committee which shall have as its continuing deliniated purpose the primary or secondary jurisdiction for the consideration of legislative matters applicable solely to the District of Columbia.

Mr. BARTLETT. Mr. President, the proponents of the resolution argue that the residents of the District do not receive adequate representation and say that in order to have adequate representation, they need two Senators and the appropriate number of Representatives to represent them.

When the Founding Fathers established the Constitution and submitted it to the Colonies, they established the States as all being equal and the District as being separate and unique. What is proposed would create a hybrid State or a hybrid city, however one looks at it—sort of a super city or a super State—which would have the prerequisites of the District as it now has them and also would have the voting representation that a State has, without having the responsibilities of a State.

One of the perquisites that the District has is to have representation by the entire Senate and House of Representatives. In order for that representation to be able to zero in on the problems of the District, there are created in both bodies special committees and subcommittees on authorization and appropriation, and Senators and House Members who are particularly interested in the District generally serve on those committees. I had the pleasure of serving on the District Committee for 2 years, and I enjoyed it very much.

I feel that the present arrangement provides adequate representation for the District. But with this resolution possibly passing and being submitted to the States and possibly being ratified, I think it is important to decide whether or not the District should have the representation it now has with the present committees and subcommittees and two Senators ard two Representatives.

So the purpose of this proposal is to add to the resolution, not to the constitutional amendment, to the resolution a section which would say:

Upon ratification by the requisite number of states of the Amendment to the Constitution as set forth in Section 1, neither the Senate nor the House of Representatives shall permit, under its rules, the operation of any committee, subcommittee, or other committee which shall have as its continuing delineated purpose the primary or secondary jurisdiction for the consideration of legislative matters applicable solely to the District of Columbia.

The PRESIDING OFFICER. The Senator's 4 minutes have expired.

Mr. KENNEDY. I yield a minute to the Senator from Indiana.

Mr. BAYH. Mr. President, the Senator from Oklahoma and the Senator from Indiana discussed this issue yesterday, and I understand his feeling on this. But I must say with all respect I think he overlooks what we are trying to accomplish with this resolution.

We are not trying to make the District of Columbia a State. We are trying to give the people who live here the right to be heard when national issues are decided in this body.

We had committees in the House of Representatives and the Senate to deal with District problems as those problems are part of our Capital City to suggest that the District is represented by a handful of Senators and Congressmen who do not live here is to ignore the fact that more often than not—perhaps that is an extreme case—but let me say on many instances the majority of the people of those District of Columbia committees do not vote the way the people of the District would vote if they were given the opportunity to.

So let me suggest, with all respect, the District committees are needed to provide that important framework to deal with the Federal City question. This amendment which we address ourselves to is to give the people of the District the right to be heard on issues of national importance that affect their everyday lives.

Mr. SCOTT. Mr. President, I am glad to yield not in excess of 5 minutes to the distinguished Senator from Alaska.

Mr. STEVENS. Mr. President, I had a prepared statement but in view of the statement just made by my good friend from Indiana, the State of my birth, I am constrained to make other remarks.

The Federal City has no land. It faces no resource problems. It does not have the diversity in population that exists in other States. On what basis should the people of the District of Columbia be given the voting rights of a State without actually becoming a State?

Mr. BAYH addressed the Chair.

Mr. STEVENS. If the Senator has his own time I will be glad to yield to him, otherwise I must use all of mine.

The residents of the District of Columbia are American citizens, and we have offered a way for them to vote just as we offered a way for those people who were in the original portion of the District when that portion was ceded to the State of Virginia, the State represented by the distinguished occupant of the chair (Mr. HARRY F. BYRD, JR.).

Why should those of us from the West be continually plagued, and I certainly am plagued now, by people who do not understand what it means to represent geography as well as people. After all, the Senate as an institution was designed to represent States. The House of Representatives was to represent population.

If it is a question of District residents voting, then they should vote in Maryland. If it is a question of the District becoming a State, then let us put that question before the Senate and before the people of the United States fairly. The Senator wants to call the District of Columbia something different than a State. He wants to give them voting representation here in the Senate as though they were a State.

I say that would be the first step, Mr. President, toward the decline of the American system.

Mr. MATHIAS. Mr. President, will the Senator yield for a question?

Mr. STEVENS. I do not know if the distinguished Senator has any time. I have 5 minutes and I intend to use it all.

Mr. KENNEDY. I yield 2 minutes to the Senator from Maryland to have whatever colloquy that he engages in.

Mr. MATHIAS. I shall pose a question to the distinguished Senator from Alaska. The Constitution of the United States says in article I that the Congress is:

> To exercise exclusive legislation in all cases whatsoever over such district (not exceeding ten miles square) as may, by cession of particular states and the acceptance of Congress, become the seat of the Government.

How can we discharge that constitutional mandate in the light of the amendment that is proposed by the Senator from Oklahoma? That is my question to the Senator from Alaska.

Mr. STEVENS. Let me answer my good friend from Maryland in this way: I am preparing an amendment to once again raise the question of moving the capital out toward the center of the country where those people would welcome it and might be more willing to vote in the adjacent States, without seeking to become a State as the people of the District of Columbia are seeking. This is the seat of the Government. And Senators say that they represent States who have just as much interest in the public land in Alaska as we do. We from Alaska have just as much interest in the seat of Government, the District of Columbia, as do the residents of the District of Columbia.

They are not entitled to any greater consideration as citizens of the United States and are citizens of Alaska. And the citizens of Alaska fought for statehood; they fought for equal rights in this body. They did not come into the Union to see their rights diluted by giving two Senators to a city that is the seat of Government.

If this area is tired of being the seat of Government, if it does not wish to vote in Maryland and not have the seat of Government moved, I would be happy to suggest the Capitol be moved. We went through it once in the forties. I would be more than happy to go through it again. And I shall propose it next year. Let us move the Capitol. Let us build a Federal City in which nobody lives, in which there are just buildings and the seat of Government. Let us make Washington, D.C., a historical monument, another part of the Park Service, if you will. So many people are interested in making much of my State a national park. I will be delighted to assist in making this a national park so everybody in the world will come and see how we ran the Government of the United States for the first 200 years.

But this is nonsense. It is absolute nonsense to say that because they are residents of the Federal City they should have greater rights, greater rights, not equal rights, greater rights than the people of a State. I oppose this because I think it is a step toward the downfall of our Government as we saw the downfall of the Grecian Government for those who are familiar with history. I shall oppose this every time it comes up, Mr. President.

Mr. BAYH. Mr. President, will the Senator yield me 30 seconds?

Mr. KENNEDY. I yield 30 seconds.

Mr. BAYH. Mr. President, as a member of the Appropriations Committee that tried whenever possible to help the Senator from Alaska to get resources for his railroad and other things, I understand a little bit about the financial problems they have in Alaska. But I think we also need to understand that there are many financial problems imposed upon the District of Columbia because the National city is here, the fire, the police protection, all of the regalia that goes with the pomp and circumstance of a National city that is imposed on this Capital City and the District residents and why we need those two separate committees.

Mr. BARTLETT. Mr. President, it is my understanding that the Senator from Maryland has 1 minute. May I ask him to yield to me 30 seconds?

Mr. MATHIAS. I will yield 30 seconds to the Senator from Oklahoma.

Mr. BARTLETT. I will say this in response to his remarks earlier and his question that the matter can be handled very well by the standing committees, in other words, if it is a building project in the District, they can go to Public Works or if it is a matter of appropriations it will go to the general Appropriations Committee but there will not be a subcommittee specially for these particular issues, thoughts, and interests of the District.

Mr. MATHIAS. I have great respect for the view of the Senator from Oklahoma. But let me say that it is a tough job now to integrate all of the thinking, all of the planning, all of the action that deals with the city of Washington and with the elected officials of the city of Washington and to try to make the city move forward and to keep the budget under control and to appropriate the necessary amount of money, and I think to spread that through 16 committees would create utter chaos.

Mr. BARTLETT. You are going to have two full-time Senators for the District.

Mr. KENNEDY. Mr. President, I move to table the amendment of the Senator from Oklahoma and I ask for the yeas and nays.

The PRESIDING OFFICER. Is there a sufficient second? There is a sufficient second.

The yeas and nays were ordered.

Mr. KENNEDY. Furthermore, I ask unanimous consent that the time for the vote be charged equally to the Senator from Virginia and the Senator from Massachusetts.

The PRESIDING OFFICER. Is there objection? The Chair hears none, and it is so ordered.

The question is on agreeing to the motion of the Senator from Massachusetts to lay on the table the amendment of the Senator from Oklahoma. The yeas and nays have been ordered, and the clerk will call the roll.

The legislative clerk called the roll.

Mr. CRANSTON. I announce that the Senator from Mississippi (Mr. EASTLAND), the Senator from Louisiana (Mr. JOHNSTON), the Senator from Montana (Mr. HATFIELD), and the Senator from Kentucky (Mr. HUDDLESTON) are necessarily abent.

Mr. STEVENS. I announce that the Senator from Arizona (Mr. GOLDWATER) and the Senator from North Dakota (Mr. YOUNG) are necessarily absent.

The result was announced—yeas 63, nays 31, as follows:

[Rollcall Vote No. 347 Leg.]

YEAS—63

Abourezk	Hart	Muskie
Anderson	Haskell	Nelson
Bayh	Hatfield, Mark O.	Pearson
Bentsen	Hathaway	Pell
Biden	Heinz	Percy
Brooke	Hollings	Proxmire
Bumpers	Humphrey	Randolph
Burdick	Inouye	Ribicoff
Byrd, Robert C.	Jackson	Riegle
Case	Javits	Roth
Chiles	Kennedy	Sarbanes
Church	Leahy	Sasser
Clark	Long	Sparkman
Cranston	Magnuson	Stafford
Culver	Mathias	Stevenson
Danforth	Matsunaga	Stone
Durkin	McGovern	Talmadge
Eagleton	McIntyre	Thurmond
Ford	Melcher	Williams
Glenn	Metzenbaum	Zorinsky
Gravel	Moynihan	
Griffin		

NAYS—31

Allen	Domenici	Nunn
Baker	Garn	Packwood
Bartlett	Hansen	Schmitt
Bellmon	Hatch	Schweiker
Byrd, Harry F., Jr.	Hayakawa	Scott
Cannon	Helms	Stennis
Chafee	Hodges	Stevens
Curtis	Laxalt	Tower
DeConcini	Lugar	Wallop
Dole	McClure	Weicker
	Morgan	

NOT VOTING—6

Eastland	Huddleston
Goldwater	Johnston
Hatfield, Paul G.	Young

So the motion to lay on the table UP amendment No. 1710 was agreed to.

Mr. KENNEDY. Mr. President, I move to reconsider the vote by which the motion was agreed to.

Mr. EAGLETON. I move to lay that motion on the table.

The motion to lay on the table was agreed to.

Several Senators addressed the Chair.

The PRESIDING OFFICER. Who yields time?

Mr. SCOTT. Mr. President, I yield 5 minutes to the Senator from Utah (Mr. HATCH) to make a point of order.

Mr. KENNEDY. Before the Senator does that, I yield 10 seconds for a unanimous-consent request.

Mr. CHILES. Mr. President, I ask unanimous consent that Russell King of

Senator TALMADGE's staff be accorded the privilege of the floor.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. CANNON. I make the same request in behalf of Frankie Sue Del Pappa.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. KENNEDY. And for Janet Harrell of Senator HASKELL'S staff.

The PRESIDING OFFICER. Without objection, it is so ordered.

The Senator from Utah is recognized for 5 minutes.

Mr. HATCH. I yield for a unanimous-consent request to the Senator from Maryland.

Mr. MATHIAS. Mr. President, I ask unanimous consent that Riley Temple of my staff have the privilege of the floor during the remainder of the day.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. CHAFEE. The same request for Miss Nancy Barrow of my staff.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. HOLLINGS. I ask unanimous consent that Mike Copps of my staff be accorded the privilege of the floor.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. HATCH. Mr. President, I rise to make the point of order that House Joint Resolution 554, the pending joint resolution, is not in order in that it violates article V of the Constitution by specifying a method for adoption by the States without providing, in accordance with the last proviso of article V, that each of the 50 States must consent to the proposed amendment because the proposed amendment would affect the equal suffrage of each State in the U.S. Senate.

In other words, by bringing in a non-State and giving it two Senators, the express language of article V is violated.

We passed out a sheet to everybody expressing exactly what this point of order says. It is underlined in red at the bottom of article V. That proviso says:

No State, without its Consent, shall be deprived of its equal Suffrage in the Senate.

I have been making the point that the problem with this resolution is that it is constitutionally defective, because what it is trying to do is create a quasi-State out of a city, out of a District, or a political subdivision contrary to the Constitution. In order to do that under article V you have to have the consent of the States, not only 38 States ratifying but the consent to dilute their suffrage, their equal suffrage, State equal suffrage, if you will, from all 50.

(Mr. ANDERSON assumed the chair.)

Mr. HATCH. In other words, this joint resolution would allow a city or a political subdivision not a State to have a new class of suffrage which, by necessity, deprives the 50 States of the "equal suffrage" granted by the express language of article V above. Under the precedents, I might say that the constitutional points of order must be submitted to the Senate, and they are debatable.

The point I am making is that here we have a quasi-State being created, and before you can dilute Maryland or New York or California or Alaska or Utah or Georgia or any other State—before you dilute their equal rights of suffrage—you are going to have to have the consent of all 50 States. That is what the Founding Fathers set this up for, that States have Senators because of diversity of politics, diversity of geography, diversity of the cities, towns and counties, diversity of beliefs, and, of course, diversity of manufacturing, agriculture, mining, and so forth.

This is no small matter. It is one of the most important and momentous constitutional decisions any of us can make. If we deny the express language of the Constitution here today, I think we will find that the Supreme Court of the United States will call this unconstitutional anyway.

I do not see how any sitting U.S. Senator can ignore the express language in article V when it says, "no State, without its Consent, shall be deprived of its equal Suffrage in the Senate."

Mr. President, I reserve the remainder of my time.

Mr. President——

The PRESIDING OFFICER. The Senator's point of order will not lie until the time on the joint resolution has expired at 6 p.m.

The Senator from Massachusetts.

Mr. HATCH. If the Senator from Massachusetts will yield, I want to ask for the yeas and nays on my point of order.

The PRESIDING OFFICER. The point of order does not lie until the end of the time. It would take unanimous consent to order the yeas and nays.

Mr. KENNEDY. I reserve the right to object and also hope the Senator will include in his unanimous-consent request, unanimous consent to permit the yeas and nays for a tabling motion and that it be in order at the present time.

Mr. HATCH. I ask unanimous consent to ask for the yeas and nays and unanimous consent that the Senator from Massachusetts can move to table my point of order, which is a constitutional point of order under the rules.

Mr. SCOTT. Mr. President, reserving the right to object, if the vote could come after 6 o'clock, I have no objection, but I am constrained to object unless that is included in the unanimous-consent request.

Mr. HATCH. I do not care when the vote comes as long as it comes before the final vote on the joint resolution.

The PRESIDING OFFICER. The point of order will not lie until 6 p.m. and the vote will not occur until such time.

Several Senators addreseed the Chair.

The PRESIDING OFFICER. The Senator from Massachusetts.

Mr. KENNEDY. Mr. President, I yield myself 1 minute.

The point the Senator from Utah makes is basically a conflict in logic. What he is saying is that the amendment is unconstitutional, when actually what we are considering is a constitutional amendment. It fails in terms of the logic. How can a constitutional amendment be unconstitutional?

But in any event, the amendment does not violate article V. The Senator's point of order has been raised occasionally, but it has been rejected by virtually all constitutional lawyers. For example, Prof. Charles Alan Wright, from the State of Texas, testified explicitly at the hearings that article V is not violated by this amendment. If you follow the logic of the Senator's argument, going back to the Thirteen Original States with 26 Senators, every time we added an additional State to the Union, we diluted the suffrage of the older States and violated that particular provision. Clearly we have not.

We have expanded the Senate to 100 Members from the 50 States. If this objection did not lie for the expansion of the Senate since the time of the original 13 States, it must fail at the present time.

Article V means only that States are to be treated on equal terms in the Senate. It was a result of the big State-small State compromise at the Constitutional Convention in 1787. The House of Representatives was to be based on population, and the Senate was to represent the States. Article V was included to prevent the Senate from being shifted to a population basis of representation.

Now, Mr. President, I move to table the Senator's point of order and ask for the yeas and nays.

The PRESIDING OFFICER. The point of order is not in order until 6 o'clock and, therefore, the motion to table is not in order until the point of order is made.

Mr. HATCH. A parliamentary inquiry, Mr. President.

The PRESIDING OFFICER. The Senator will state it.

Mr. HATCH. Has the Chair ruled that the yeas and nays have been ordered on the point of order and the motion to table by the distinguished Senator from Massachusetts?

The PRESIDING OFFICER. No.

Mr. HATCH. I ask unanimous consent that it be in order to order the yeas and nays on my point of order and on the motion to table.

The PRESIDING OFFICER. Is there objection?

SEVERAL SENATORS. Objection.

The PRESIDING OFFICER. Who yields time?

Mr. HATCH. A parliamentary inquiry.

The PRESIDING OFFICER. Who yields time?

Mr. KENNEDY. I yield 15 seconds.

Mr. HATCH. When can I request the yeas and nays? At 6 o'clock?

The PRESIDING OFFICER. When the point of order is submitted.

Mr. HATCH. How will the point of order be submitted?

The PRESIDING OFFICER. By the Presiding Officer.

Mr. HATCH. Have I not submitted the point of order at this time?

The PRESIDING OFFICER. The point of order cannot be made until 6 o'clock.

Mr. HATCH. In other words, I can order the yeas and nays at 6 o'clock?

The PRESIDING OFFICER. That is correct.

SEVERAL SENATORS. A parliamentary inquiry, Mr. President.

The PRESIDING OFFICER. Who yields time?

Mr. HATCH. I yield time to myself.

Mr. METZENBAUM. I ask if the Senator from Massachusetts will yield to me.

Mr. KENNEDY. I yield 15 seconds.

Mr. METZENBAUM. I ask whether or not we can have a rollcall vote on a parliamentary inquiry until such time as the Chair has ruled.

The PRESIDING OFFICER. The rollcall vote will be on the point of order submitted to the Senate. Who yields time?

Mr. KENNEDY. I yield to the Senator from South Dakota.

The PRESIDING OFFICER. May we have order in the Chamber?

Mr. McGOVERN. Mr. President, I want to just take a couple of minutes to express my personal appreciation to Senator KENNEDY, Congressman FAUNTROY, and all the others who have led this fight for full representation for the people of the District of Columbia.

Second, as one who has been privileged to live in this city, the site of our National Capital, during most of the last 22 years, I want to express my appreciation to the people of the District of Columbia.

There have been some unflattering comments during the debate here on the Senate floor.

Mr. KENNEDY. Mr. President, may we have order?

The PRESIDING OFFICER. May we have order in the Chamber?

Mr. McGOVERN. One of the Senators has referred several times to a Washington columnist who described the District of Columbia as an enclave surrounded on four sides by reality. But I know that the columnist, who takes pride in his own, continues to live in Washington and to enjoy its cultural, political, and economic assets.

I think it is the most inspiring and one of the most diverse, if not the most beautiful, of all of our major cities.

I might just add on a personal note, Mr. President, its people exercised unusually good political judgment, even in the dark days of the 1972 Presidential contest when most of the rest of the Nation was confused. The District of Columbia and the Commonwealth of Massachusetts stood out as two shining pillars of wisdom and foresight, which has been fully vindicated by history. [Laughter.]

On that basis alone, the voters of the District of Columbia are entitled to full representation in this body. [Laughter.]

Mr. President, may I have one additional moment to make a more serious point?

Mr. KENNEDY. I yield 30 seconds.

The PRESIDING OFFICER. May we have order?

Mr. McGOVERN. The transcendent issue, to me, in this entire debate, Mr. President, is whether or not we are going to be faithful to the rallying cry with which this country began, "No taxation without representation." We know that the people of the District of Columbia pay taxes, they have offered their sons in time of war, they have supported the Nation. They are entitled to full representation in the Congress of the United States.

I thank the Senator from Massachusetts for yielding time.

The PRESIDING OFFICER. Who yields time?

Mr. SCOTT. Mr. President, I yield 3 minutes to the distinguished Senator from North Carolina (Mr. MORGAN).

Mr. MORGAN. Mr. President, I agree fully that the residents of the District of Columbia are entitled to representation, but I do no agree that the residents of a district that is composed entirely of one medium-sized city are entitled to two representatives in the U.S. Senate.

I cosponsored with Senator McCLURE this morning an amendment which would have given the District full representation in the House of Representatives and allowed its residents to vote in the Maryland election for the Senate, as they did during the first decade of the District's existence—as I think they really have the legal right to do today, because when a State cedes property to the Federal Government, it cedes police power but does not cede other political power. Residents have that right.

I am for that kind of representation, but I do not believe that two Senators who would represent no farmers, no rural citizens, no manufacturing, no heavy industry, no mining, should be in the Senate. I think it will destroy or do damage to our Federal system.

Mr. President, this is not a new question. Shortly after the right to vote was taken away from the District, in about 1800, a similar amendment to the one that may be adopted today came up in 1801. It was raised again in 1803. It was raised in the 1880's. It is not a new question.

The PRESIDING OFFICER. May we have order?

The Senator from North Carolina may proceed.

Mr. MORGAN. Mr. President, I say that I think the distinguished Senator from Massachusetts, when he said in his opening statement that some of us would oppose this amendment because the Senators would be either too liberal or too black, did an injustice to those of us who are opposing it. For 175 years, this amendment was not adopted and the District was not predominantly black until the 1960's and it will not be predominantly black in 10 years. I think this amendment does harm to our constitutional system.

The PRESIDING OFFICER. The Senator's 3 minutes have expired.

Who yields time?

UP AMENDMENT NO. 1711

(Purpose: To Elect House Members from the District and for Senators, the District residents shall vote as if residents of Maryland)

Mr. MELCHER. Mr. President, I yield such time as I may consume. I have an amendment at the desk, Mr. President, I ask for its immediate consideration.

The PRESIDING OFFICER. The amendment will be stated.

The assistant legislative clerk read as follows:

The Senator from Montana (Mr. MELCHER) for himself and Mr. MORGAN, proposes unprinted amendment No. 1711.

Mr. MELCHER. I ask unanimous consent that further reading of the amendment be dispensed with.

The PRESIDING OFFICER. Without objection, it is so ordered.

The amendment is as follows:

Strike all after the resolving clause and insert the following:

That the following article is proposed as an amendment to the Constitution of the United States, which shall be valid to all intents and purposes as part of the Constitution when ratified by the legislatures of three-fourths of the several States within nine years from the date of its submission by the Congress:

"ARTICLE —

"SECTION 1. For purposes of representation in the House of Representatives, the District constituting the seat of government of the United States shall be treated as though it were a State. For purposes of representation in the Senate, the District constituting the seat of the government of the United States shall be treated as though it were part of the State of Maryland. For the purposes of ratification and initiation of constitutional amendments, the District constituting the seat of the government of the United States shall be treated as though it were a State.

"SEC. 2. The exercise of the rights and powers conferred under this article shall be by the people of the District constituting the seat of government, and as shall be provided by the Congress.

"SEC. 3. The twenty-third article of amendment to the Constitution of the United States is amended by striking out ', but in no event more than the least populous State'.

"SEC. 4. The Congress shall have power to enforce this article by appropriate legislation.

"SEC. 5. The Governor of the State of Maryland shall consult with the District government prior to either implementing changes in the law governing the election of Senators, or making a temporary appointment to fill a vacancy in Maryland's representation in the Senate.

"SEC. 6. This article shall be inoperative unless it shall have been ratified as an amendment to the Constitution by the legislatures of three-fourths of the several States within nine years from the date of its submission.".

Mr. MELCHER. Mr. President, this is a very similar amendment to the amendment I offered on Thursday. It follows the same basic rules that I espoused then, which has long been my feeling toward the residents of the District of Columbia.

I have always supported voting rights for the District and I voted for a constitutional amendment, while a Member of the House in the last Congress, very similar to this one.

There is no question in my mind that it is very easy to allow the District to have two House Members. It fits in, fits in with everything we conceive in our bicameral government. It is right. It is absolutely right. I view the Constitution in this regard to have been flawed, to have been in error during all of these years. So I would preserve—not preserve, I would give back to the District what is theirs, what should always have been theirs—the right to vote.

But when we come to the question of the Senate——

Mr. STENNIS. Mr. President, may we have order so we may hear?

The PRESIDING OFFICER. Let us have order.

Mr. MELCHER. But when we come to the Senate, Mr. President and my colleagues, it is a different situation to say that the District of Columbia is the same as a State. It flies in the face of Jefferson's words when he said a State has both expansiveness and diversity. Those very words are the background of what we have heard so often in the past few days on how a State is interested in various industries—whether it is mining or agriculture or timber products or what-have-you. That is the diversity of a State. The Senate is different in representation because of that diversity, to give the opportunity to have a balance. No words here in the Senate, no words here in Washington, are going to change the fact that the District is not, in any sense of the word, comparable to a State in diversity.

I have sympathy with the argument that the District has been wronged. I have sympathy with the argument that the District has provided more than their share of lives lost in Vietnam. But our job here is to be fair to the District and to the States.

I note that the editorial in the Washington Post is highly in favor of the resolution and immediate adoption by two-thirds vote of the Senate of this constitutional amendment. It does not see the issue in the proper light, it only discusses the issue in terms of people having a right to vote. On that point, I agree and I have long agreed. My amendment, similar to the amendment that I had on Thursday, would give to the District that right, the right to elect their own House Members—two, just as many as in my State and the right to vote in Maryland as if they were residents of Maryland, for their Senators.

The Senators from Maryland, speaking for their constituents, say, "Hold on; we don't know about that. That is a different thing."

But it was not a different thing for the residents of the District on this side of the Potomac prior to the year 1800, when they did vote in Maryland. And if the constitutional error had not been made, if that wrong had not been done in the Constitution, it is exactly the way the residents of the District would be today. I cannot see anything wrong with that concept, but I do understand it is something less than having two Senators from the District. In my view, to correct a wrong does not mean you have to add two Senators for a small area, contrary to all of the rest of the 50 States, which are States.

I would preserve, Mr. President, that part that Jefferson spoke so well. I do not believe this is necessarily a political argument. I do not see this resolution, if two-thirds of the Senate approve it tonight, when it is faced by each State legislature, that they will view it as a Republican issue or Democratic issue; I do not see that.

I think they will look at it in respect to their State and what it does to them.

If the argument is made that those two Senators may cancel out the two Senate votes we have in the Senate from our State, it is a rather compelling argument to say "no."

I say to the Senate tonight, having long wanted to right this wrong in the Constitution, I encourage Senators, not only on the merits of my amendment, but for the sake of the District people themselves, to support it. Under the terms of the resolution, if it is not approved by the necessary 38 States within 7 years, it is done. It is over with. And if it is not approved, the District is still without representation, in the House or in the Senate.

On the other hand, if my amendment is accepted, it will easily pass the two-thirds vote and, in my judgment, would rapidly be ratified by almost every State. So the District then would have their proper representation.

Mr. President, I withdraw my amendment.

I do so because I do not want to take up any time for voting now. But I inform the Members of the Senate I will call for a vote at the proper time, at 6 o'clock.

Mr. McCLURE. Will the Senator yield?

The PRESIDING OFFICER. Who yields time?

Mr. MELCHER. I yield 30 seconds.

Mr. McCLURE. I thank the Senator for yielding.

Mr. President, I rise in strong support of the amendment which the Senator from Montana has offered. I think it would accomplish the objectives which I have at various times tried to reach on this matter on this floor. I hope other Members will give it serious consideration. I hope it will pass.

The PRESIDING OFFICER. Who yields time?

May we have order?

Mr. GRAVEL. Will the Senator yield?

Mr. KENNEDY. I yield 4 minutes to the Senator from Alaska.

Mr. GRAVEL. Mr. President, many years ago I came out very clearly in support of——

Mr. KENNEDY. Mr. President, the Senate is still not in order.

The PRESIDING OFFICER. May we have order?

The Senator from Alaska.

Mr. GRAVEL. Mr. President, I had come out very much in support of voting rights for the District of Columbia population.

In the last few weeks, starting last week, I had some serious second thoughts about that subject, and I still do. For that reason, I have asked for some time so that I might express those second thoughts and the reasons behind them.

I want to really put one thing aside. There is no question in my mind that the most important thing of all is representation for the Americans who live in the District. Representation equal to anybody else in the United States.

When I say that, I put aside the argument which affects my State, that it is likely the individuals that would be elected to the Senate would be voting against the Alaskan position on d-2 land, would be voting against strong views I hold with respect to oil and energy, with respect to minerals and land.

I also think of a secondary consideration which is the bias that these two people will have toward the implementation of more government rather than more implementation through the private sector.

I think both of those arguments are very strong ones and very persuasive arguments, and in some degree, may operate against my own State's interest.

But let me say very clearly that the most important thing under our system is the equal right of representation. That is what our system is all about. So, if that is not preeminent, then there exist some serious flaws.

So, where did my doubts come in? I question the method of arriving at this kind of representation. I think the way to do it is not the way we are doing it. I think the way to do it is through retrocession.

I think what is going to happen by passing this is that we are going to see very serious destabilization take place throughout the Nation, because in the next 7 years people are going to have to go from State to State and fight this issue, and, unfortunately, it may not be handled as sophisticatedly as it has been handled here by the leadership on both sides of this issue in the Senate.

So I think this will have somewhat of an unfortunate, negative effect in the Nation.

I have a fear this may sap the strength of the civil rights movement because I do not think this is the most important thing the civil rights movement can do in this country.

I think the most important thing they can do is raise the economic stakes for their minorities because the numbers are there, rather than the numbers here in the District.

The PRESIDING OFFICER. The time has expired.

Mr. GRAVEL. Would the Senator yield me an additional 2 minutes, please?

Mr. KENNEDY. Two minutes.

The PRESIDING OFFICER. The Senator from Alaska is recognized for 2 minutes.

Mr GRAVEL. The problem is, how do we get to retrocession?

If this amendment was defeated, we could turn around and put in a bill. Bills do not pass this body unless they have constituencies, and the tragedy with respect to retrocession is that there is no constituency for it today, but there is tactical convenience. But no constituency.

Maryland does not want it and the District does not want it. The leadership of the District is bent upon possible membership in this body.

Certainly, I would not fault them, they express the same emotion I have expressed time and time again.

So, without a constituency, if this amendment were to fail, there is no way we can get to retrocession in a reasonable fashion except to go through the period of 7 years, or how long it takes until the people of the District were

to succeed under this particular vehicle or fail and retreat back to what would be a more normal approach, because, quite obviously, being a part of Maryland where they could vote for State senators, vote for State representatives, vote for Governor, vote for Senators, vote for Congressmen, is a lot more normal than the abnormality that will be created in this regard.

But I think the case that these people are entitled to the same rights as any other human beings in the United States, and that is representation, which is the touchstone of our society, is overshadowing in all this.

For that reason, and the thoughts I have had, the difficulty I had wrestling with the issue, I come down with what I consider an imperfect decision, but a decision nevertheless, to vote for D.C. representation.

Mr. BIDEN. Will the Senator from Massachusetts yield me 60 seconds?

Mr. KENNEDY. How much time remains, Mr. President?

The PRESIDING OFFICER. May we have order?

The Senator from Massachusetts has 9 minutes. The Senator from Virginia has 14.

The Senator from Delaware.

Mr. BIDEN. Mr. President, I agree with the bottom line of the Senator from Alaska. I think his logic is very valid. I do not understand the logic of some who have spoken here today. I understand the political logic of the Senator from Montana, but I do not understand the constitutional logic.

We are all saying, "Taxation without representation is not warranted."

Well, it seems to me the way to say that is, "Taxation without full representation."

It seems to me there is only one of two ways we can go. We can either say the District has no representation in either House, because unless they have it in both Houses they do not have full representation. We either say they have it in neither House or they have it in both Houses.

I do not quite understand those who stand up and offer amendments and say they want them represented in the House but not in the Senate, so they can be represented in the Congress, because there is no logic in that.

Mr. President, I yield the rest of any time I have.

The PRESIDING OFFICER. Who yields time?

Mr. RANDOLPH. Will the Senator yield?

Mr. KENNEDY. I yield 30 seconds to the Senator from West Virginia.

Mr. RANDOLPH. I will need 1 minute.

Mr. KENNEDY. One minute for Fayette County and Logan County.

Mr. RANDOLPH. And Randolph County, too.

Mr. KENNEDY. And for Randolph County.

Mr. RANDOLPH. Mr. President, I will vote for the resolution to submit to the States the opportunity of approving or disapproving full congressional representation for the citizens of the District of Columbia.

This is a procedure which gives to the States, through their elected representatives, the responsibility to decide constitutional changes. It is a procedure in the best tradition of our democratic system.

I authored constitutional amendment No. 26 for 18-year-old voting. It was passed by Congress. It was ratified by the States more quickly than any other constitutional amendment—only 90 days.

District of Columbia representation, in my judgment, is a very similar issue. We are attempting to provide a body of citizens with the right of franchise.

The PRESIDING OFFICER. Who yields time?

Mr. KENNEDY. I yield to my colleague from Massachusetts 1½ minutes.

Mr. BROOKE. Mr. President, my enthusiastic endorsement of House Joint Resolution 554 is based primarily on fundamental concepts of liberty and justice, but my support and interest are also intensely personal, for my roots are in Washington, D.C.

I was born and raised here. I attended and graduated from Shaw Junior High School, Dunbar High School, and Howard University. For as long as I can remember, I have fought, along with family and friends and colleagues, to attain the goal of providing for the citizens of the District of Columbia the same rights and privileges that older citizens throughout the Nation have enjoyed.

Mr. President, there is no self-government in the power to tax one, to imprison one, and to send one to war is not in one's self, but in those to whom one has voluntarily confided as one's representative.

Those statements were made back in 1916, and here we are in 1978 still trying to give this basic right of representation to the people of the District of Columbia.

I hope and pray that my colleagues will go along with this and pass this measure by an overwhelming vote and give the citizens of the District of Columbia a right they have so long been denied.

Mr. SCOTT. I yield myself 5 minutes.

Mr. President, I will sum up my opposition to the resolution.

Ours is a Federal Government, a union of States, one of dual sovereignty. The Senate is composed of two Senators from each of the 50 States. The District of Columbia was constituted the Federal city, neutral territory, a place where Congress could legislate in the national interest, free of pressure, free of local intrigue or local politics.

Washington is a city, not a State. Its principal business is government. It has no farming; it has no mining; it has little, if any, manufacturing. It has few of the diversified interests that the States have.

If the city of Washington is given two Senators, the local media will work in tandem with those two Senators to further the interests of government, the only major industry in the city.

The city of Washington is unique, being an area ceded by sovereign States as a Federal city.

We are not a national Government, although each year we appear to be reducing the rights of the States and becoming more centralized. This is merely another step in that direction.

The measure before us has not been considered by the Senate Judiciary Committee. We have a House resolution before us. Hearings were held by a subcommittee, but action by the committee was short-circuited by bringing up the House bill during the absence from the country of the chairman of the Senate Judiciary Committee.

All amendments we have offered to the proposal, those which would have provided voting rights for the people of the District through retrocession, even technical perfecting amendments, have been tabled.

Providing Senate representation to a city, to any political entity other than a State, sets a bad precedent. Puerto Rico has more than 3 million people; the District of Columbia has less than 700,000. Will Puerto Rico be the next area under consideration for two Members of the Senate? Will Guam be next? Will the Virgin Islands be next?

Mr. President, I feel very strongly that we should reflect upon the effect that this will have upon our own States, upon our representation of those States. We should consider whether or not it is in the national interest as well as in the interests of the people of the District of Columbia.

I reserve the remainder of my time.

The PRESIDING OFFICER. Who yields time?

Mr. GRIFFIN. Mr. President, will the Senator from Massachusetts yield?

Mr. KENNEDY. How much time remains, Mr. President?

The PRESIDING OFFICER. The Senator from Montana has 9 minutes, and the Senator from Virginia has 11 minutes. The Senator from Massachusetts has 5 minutes.

Mr. KENNEDY. I yield 30 seconds.

Mr. GRIFFIN. Mr. President, taxation with representation is bad enough. But taxation without representation is a disgrace—particularly in the Nation's Capital.

For nearly 180 years, the District of Columbia has been a Federal enclave. It never was meant to be—and should cease to be—a Federal fiefdom.

This once-tiny settlement in the Potomac swamps has grown as the Founding Fathers never could have imagined. By 1970, the population of the District of Columbia was three-quarters of a million people—greater than that of 10 States. Among them, those States are represented in Congress by a total of 34 Senators and Representatives; the District of Columbia has none, even though some 150 proposals to change that have been introduced in Congress during the last 90 years.

Numerous press accounts in recent months have recited that the issue of full D.C. representation in Congress was never put to a vote in either House until 1976. That is not quite true.

On March 10, 1971, during Senate consideration of the constitutional proposal to lower the voting age to 18, Sen-

ator KENNEDY offered an amendment that would have extended full voting representation to the District of Columbia.

That proposal was tabled on a vote of 68 to 23. I was one of those in the minority that day.

Only since 1961 have D.C. residents been able to vote for President; only since 1971 have they had a nonvoting delegate to the House of Representatives; only since 1975 (after a hiatus of more than a century) have they been able to elect their mayor and city council.

In only one other country in the world—Brazil—are residents of the capital city denied representation in their national legislature.

Even though residents of Washington are denied the privileges of citizenship, it is noteworthy that they are more than meeting the obligations of citizenship.

District of Columbia residents pay more than $1 billion a year in Federal taxes—which is more than paid by 11 States; last year, per capita taxation in Washington was $491 more than the national average—which is a heavier individual tax burden than all but one State, Alaska.

During the unpopular Vietnam war, 237 D.C. residents gave their lives in the service of their country—a grim total that was higher than casualty figures for 10 States and was fourth-highest per capita of any jurisdiction in the Nation.

I submit, Mr. President, that it is a dark shadow on the citadel of democracy for the United States to tax any of its citizens, or send any of its sons off to war, without giving them a voice in shaping the policies that affect them.

As I listened to the eloquent remarks of our esteemed colleague from Massachusetts (Mr. BROOKE), I was struck by the poignant irony of his presence among us.

Senator BROOKE was born and raised in Washington, D.C.; he attended Howard University, not far from this Capitol. Yet, had he continued to make his home in the District of Columbia, he could not have been a U.S. Senator—and this Nation would have been deprived of his distinguished, dedicated service during the past 12 years.

It was one of Senator BROOKE's predecessors from Massachusetts—the great Daniel Webster—who summed up the mission of America in a speech more than 150 years ago: "One country, one constitution, one destiny."

Mr. President, if we are to fulfill that mission as a united people, we can no longer keep the residents of the District of Columbia in subjugation as second-class citizens. It is time they joined the rest of us as full citizens of the United States and as full partners in the pursuit of our common destiny.

The PRESIDING OFFICER. Who yields time?

Mr. KENNEDY. Mr. President, I yield 2 minutes to the Senator from South Carolina.

Mr. THURMOND. Mr. President, I support the amendment. In the first place, I think it is a fair thing to do. We are advocating one-man, one-vote. We are advocating democratic processes in this country.

We have more than 700,000 people in the District of Columbia who do not have voting representation. I think it is nothing but right that we allow these people that representation.

We are advocating democratic processes all over the world. We are holding ourselves up as the exemplary Nation that others may emulate in ideas of democracy. How can we do that when three-quarters of a million people are not allowed to have voting representation in the capital city of this Nation?

If we propose this amendment, and that is what we are doing, it still has to be ratified by the States. If the people in the States do not like the amendment, they will not ratify it. If they do like the amendment, they will ratify it. If they do ratify it, then that is what the people want. So we will leave it to the States, after we act here. The States will have the power to make the final decision.

I hope the amendment is passed.

The PRESIDING OFFICER. Who yields time?

Mr. SCOTT. Mr. President, I yield 3 minutes to the distinguished Senator from Mississippi (Mr. STENNIS).

The PRESIDING OFFICER. The Senate will be in order.

Mr. STENNIS. Mr. President, I want to call the attention of the Senate to the matter raised here by Senator HATCH, which I think may come up in the way of a point of order, and refer to article V of our Constitution.

We have heard talk here about representation and equal representation and the right to representation. Those things are fundamental and very good, but the question is, how, under our present Constitution?

It is clear from the framework of the entire Constitution that representation in this body comes by being a State and comes by that method alone. Nothing else is contemplated. Nothing else, so far as I know, ever has been proposed. It takes a State to be the vehicle to bring two Senators in here.

That is the whole plan, and that matter is clearly nailed down here in article V of the original Constitution. When this whole matter held up the Constitutional Convention for days and weeks and the Constitutional Convention was almost a collapse this method was worked out that States would have representation in this body. States, nothing else. Nothing else is mentioned or contemplated, and that representation would be two to each State and it would never be changed without the consent of that State.

It is true we have admitted other States here in our decades, and they came in with representation. This time you are not admitting a State. You are not proposing a State. There is no State. All there is in this resolution is nonState, or a Not-State, n-o-t. There is no actual State in it.

How in the world, even by this proposal, could you create here an imaginary something and give it two Senators and bring them in here with a membership that dilutes and changes voting strength as well as the nature of this constitutional body, the U.S. Senate? And I hope that point of order will be sustained.

I thank the Senator from Virginia.

The PRESIDING OFFICER. Who yields time?

The Senator from Montana.

Mr. MELCHER. Mr. President, we have long established, I hope, that the overwhelming majority of this Senate believes in representative government and believes that it belongs to the District. I do not think that is the question that is being argued. As I understand the debate, and it is positively my side of the argument, the question is, does the District get two Senators? No other city in the United States has been granted that. But is the situation here so unique that this is the only resolution of the problem? I do not believe so.

If we remember that the residents who lived here on this side of the Potomac before 1800 voted in Maryland, and if Senators agree with me and I hope a vast majority of them will agree with me, the Constitution was wrong in prohibiting voting rights for residents of the District. If Senators believe with me on that, then I ask them to pay attention to my amendment, because it will correct it. It will correct it just as other cities and other States get their representation through their Senators elected in that State. It will not turn back the property. Maybe retrocession should be accomplished sometime. I do not know. But it is not here now. I am talking about retrocession of the land. I am talking about having the privilege of voting for Senators in the State of Maryland just as the residents who were here prior to 1800 had that same opportunity of senatorial representation then.

Mr. President, this is a symbolic vote as I take it it is being interpreted. Let it be dealt with on the basis of the merits and on the basis of complete fairness for this institution, this Senate, and all the 50 States, including the people in the District of Columbia.

Mr. President, I reserve the remainder of my time.

The PRESIDING OFFICER. Who yields time?

Mr. SCOTT. Mr. President, I yield 2 minutes to the Senator from Idaho (Mr. MCCLURE).

The PRESIDING OFFICER. May we have order?

The Senator from Idaho.

Mr. MCCLURE. Mr. President, I thank the Senator for yielding his time to me and I am grateful for the opportunity to present at least a portion of the case to more Members than have attended at most of the debate during the course of the debate on this issue.

Mr. President, the Senator from Montana is exactly right. There is no justice in creating in the District a status that is inferior to all of the other States. The citizens of the District under this proposal will not have their full civil rights. They will have a part of it. At the same time they will be given two Senators without being a State, which is a different right than the citizens of any other city in the United States enjoy.

Mr. President, it was not the Constitution of the United States that deprived the people of the District of Columbia the right to vote in the State of Maryland. That was done by statute. For sev-

eral years, after the District was formed and ceded by the State of Maryland to this Federal Government, the residents of the District both in Virginia and in Maryland continued to vote in their respective States.

That right to vote was taken away as a matter of a statutory enactment.

The only reason that it is not possible to give them that right by statutory enactment that they exercised until the early 1900's is because the people of Maryland do not want them to have the right to vote in Maryland. They do not want them to have the right to vote for Senators in Maryland. They do not want them to have the right to vote for a Governor in Maryland. We can right that historic injustice without creating another injustice by adopting the amendment of the Senator from Montana, which I hope we will do.

The PRESIDING OFFICER. Who yields time?

Mr. SCOTT. Mr. President, I yield 2 minutes to the distinguished Senator from Utah (Mr. HATCH).

The PRESIDING OFFICER. The Senator from Utah.

Mr. HATCH. Mr. President, as I said earlier in the debate, I intend to raise a point of order at the expiration of the time, and I expect to be recognized and ask for the yeas and nays thereon.

The point of order is that article V of the Constitution says that no State without its consent shall be deprived of its equal suffrage in the Senate. In other words, the Founding Fathers and those who formed this Government literally when they started did not want the States to be diluted by larger States.

As a matter of fact, what we are saying here is that although we can add States which themselves will have two Senators and do it properly and constitutionally, that does not dilute or diminish or deprive equal suffrage in the Senate.

But if, as here we have a quasi-State, a city, if you will, a political entity, that is not a State and clearly not a State, and we give them two Senators, that does dilute, that does diminish, that does deprive the States of equal suffrage in the Senate in violation of the Constitution.

There are no precedents on this. The only precedent there is the Constitution and the language is explicit. I do not see how we can ignore the language.

The PRESIDING OFFICER. The Senator's time has expired.

Mr. HATCH. I thank the Senator from Virginia.

The PRESIDING OFFICER. Who yields time?

Mr. SCOTT. Mr. President, if we look at article I of the Constitution we find that the Senate of the United States shall be composed of two Senators from each State chosen by the legislatures thereof.

Then we turn to the 17th amendment, and we find the same language except "elected by the people thereof for 6 years, and each Senator shall have one vote."

But if we look at article II, section 8, we find that—

> Congress shall have power to exercise exclusive legislation in all cases whatsoever over such district not exceeding ten miles square as may by cession of particular States and acceptance by Congress become the seat of government of the United States.

That is the purpose of the District of Columbia, the seat of Government of the United States. We are a Federal Union, with the seat of Government in Washington, D.C. That is the way, in my judgment, the Founding Fathers wanted it. That was what Madison said in No. 3 of the Federalist Papers. That is the way, in my judgment, which has proven wise over the years, and should not be changed today.

The PRESIDING OFFICER. Who yields time?

Mr. MELCHER. I yield 3 minutes to the Senator from Massachusetts.

Mr. KENNEDY. I yield a minute to the Senator from Kansas.

The PRESIDING OFFICER. The Senator from Kansas.

Mr. DOLE. Mr. President, in one minute I can tell you this issue was addressed in Kansas City, Mo., in 1976 in the Republican platform. It is right there. It says:

> We support giving the District of Columbia voting representation in the U.S. Senate and House of Representatives.

That is the Republican platform. We fought over it, we traveled across the country saying, "Look at our platform." Our leaders said, "Look at the platform," and pointed to it with pride as an excellent expression of Republican ideals and principles.

The time has come for action, and if this platform means anything it means the Republican Party supports this resolution.

Mr. President, on Saturday I announced my support for House Joint Resolution 554 at a meeting with D.C. Republican leaders who support voting representation for the District. There are convincing reasons to support this measure which compel me to vote "yes." The absence of voting representation for the District in Congress is an anomaly which the Senate can no longer sanction. It is an unjustifiable gap in our scheme of representative government—a gap which we can fill this afternoon by passing this resolution.

Many of my distinguished colleagues have raised important issues regarding the nature of our Federal Republic and the representation of States in the U.S. Senate. I appreciate having the benefit of their discussion. However, it is my view that we can recognize the District as a State for purposes of representation without damaging the fabric or structure of our democracy. In fact, granting effective representation to three-quarter million people will strengthen our system of democracy by extending the benefits of representation and by giving residents of the District a stake in our system of legislative participation.

It seems clear that the framers of the Constitution did not intend to disenfranchise a significant number of Americans by establishing a Federal District. I believe that the framers would have found the current situation offensive to their notions of fairness and participatory government.

REPUBLICAN PLATFORM—1976

Two years ago the Republican Party took a clear and unequivocal stand in favor of D.C. voting representation. The 1976 platform states:

> We support giving the District of Columbia voting representation in the U.S. Senate and House of Representatives. . . .

As delegate, platform committee member, and temporary chairman of the convention, I helped write that platform. As Vice Presidential nominee, I helped carry its message to the American people.

I consider its principles and policies to be representative of the thinking of Republicans on most issues. Its D.C. plank represented a clear commitment to voters in the District of Columbia—a commitment which I will not lightly cast aside.

Republicans rallied to that platform in great numbers. Our most distinguished leaders enthusiastically adopted it as an excellent expression of Republican principles and ideals. By all accounts, it was a platform that conservatives could be proud of.

I am particularly proud of my party for adopting this plank because the conventional wisdom is that, for the near future, Democrats would be favored to win these new seats.

The Republican Party supported D.C. voting representation because it was just, and in justice we could do nothing else. We supported full rights of citizenship because from the first—from Lincoln forward—we have supported the full rights of citizenship for all Americans.

THE HEALTH OF OUR DEMOCRACY

The health of any democracy depends on a general willingness to put aside narrow partisan concerns in favor of improving the system and extending its benefits to others. Whether we are amending the constitution, regulating elections, or judging Senate election contests, we must place fairness ahead of party. I would hope that Members from both sides of the aisle will do this in the future on other fundamental issues with partisan ramifications.

In addition to narrow partisan concerns, there are other considerations which we must put aside in the face of more important considerations.

Throughout our Nation's history more and more Americans have been enfranchised by the system. As we sought to eliminate economic discrimination, race discrimination, and sex discrimination, we extended the right to vote—to meaningfully participate in congressional elections—to an increasingly larger number of people. First, nonlandowners were given the right to vote during the first half of the last century. Later came former slaves, women, and 18-year-olds.

Today we are being asked to end our discrimination against people who happen to live in the District of Columbia. I realize that some are concerned about diluting the power of their States as a result. But in every instance where more Americans were brought into the electoral system in the past, the segment of our population that had 100 percent of

the voting power was asked to give up some of that power to someone else in the interest of improving our system of democracy. This is no time to reverse that trend—this is no reason to oppose this bill.

THE BURDENS AND BENEFITS OF CITIZENSHIP

The reasons for granting voting representation in Congress are compelling. District residents pay taxes, fight wars, and cope with Federal regulation just as other American. The burdens of citizenship are borne by them just as much as they are by our constituents.

Generally, they also participate in the advantages of citizenship, including the protections of the bill of rights. However, there is something missing, and we are being called upon to rectify that today. In a democracy, nothing is so fundamental as the right to vote and the right to representation, and I see no good reason why that basic principle should not apply to the District as well as to our respective States.

The District of Columbia is not just a plot of land full of big white buildings and people who have come here temporarily to work for the Federal Government. Rather, it is home to almost three-quarters of a million people, who should be granted congressional representation just as the citizens in all of our States are.

I thank the distinguished Senator from Massachusetts.

The PRESIDING OFFICER. Who yields time?

Mr. KENNEDY. I yield a minute to the Senator from Indiana.

Mr. BAYH. Mr. President, it seems to me that the question here is not trees or cows or factories; the question is representation. The question is one of full representation. It gets right down to whether you should have representation in the U.S. Senate or not. And if we believe in full representation we have to understand the unique contribution that the Senate makes in the governmental process.

The PRESIDING OFFICER. May we have order?

Mr. BAYH. The citizens of the District are entitled to be represented when we decide on treaties to determine war and peace; they are entitled to be represented when we fight the great battles, like we did over qualifications of a Supreme Court justice; they are entitled to representation when you try a President for impeachment.

The only way you are going to get that full representation is by giving the District citizens two U.S. Senators. That is why I think we ought to support this measure, because that is the only way you are going to give them full representation. If we are going to do the job, let us go all the way. Let us not go halfway.

The PRESIDING OFFICER. Who yields time?

Mr. KENNEDY. Mr. President, I yield myself 1 minute.

The PRESIDING OFFICER. The Senator from Massachusetts.

Mr. KENNEDY. Mr. President, many in this body are sensitive about the pride and traditions of the Senate and its long historical record as an institution in which only States are represented.

I understand that tradition. I have served here for 16 years now, and I yield to no one in my respect for this great body and my pride in its work.

Some of the greatest debates in this Chamber have involved the admission of new Members to this body. There was the Missouri Compromise of 1820, and the Compromise of 1850, which almost succeeded in saving the Union from civil war.

The growing pains of the Nation were clearly reflected in the growing pains of the Senate.

A few steps from here we can see the small restored Chamber in which the early Senate met.

We grew from a body of 26 Senators at the beginning to 100 Senators today.

In a sense, the wheel has come full circle. For decades in the 19th century, the admission of Mountain and Western States to the Union was delayed, because Eastern Senators feared the impact of new voices from the West with a different philosophy. But the Senate was enriched, and our Nation was enriched by the admission of those States.

And now, similar arguments of opposition are heard against the acceptance of the District in the Senate.

But the District has waited longer than any State ever had to wait—100 years since the first such amendment was introduced by Senator Henry Blair of New Hampshire.

We have been an institution with a tradition of representation of States. But that tradition is in obvious conflict with what I think is a higher tradition of our Nation, the right of self-government, the right of representation in our democracy.

Over the years, we have also established another tradition—the tradition of amending the Constitution to enlarge our democracy and broaden the participation of the people in their Government. Six of the last twelve amendments have broadened this right of participation.

The 15th amendment outlawed racial restrictions on the right to vote. The 17th amendment provided for direct popular election of Senators. The 19th amendment was the womens suffrage amendment. The 23d amendment gave the District the right to vote for President. The 24th amendment outlawed the poll tax.

In recent days, we have gone over the case in detail for representation in the House and Senate for the people of the District of Columbia:

They have more people than seven States. They pay more Federal taxes than 11 States. They lost more sons in Vietnam than 10 States. Almost every other foreign democracy gives representation to its capital city in the legislature.

In 1961, we went part way; we gave the District the right to vote for President. Now it is time to do the rest of the job, by giving the people of the District a voice in the Congress.

This issue has come a long way. And it has been a long wait—almost 100 years since the first constitutional amendment was proposed.

At a time when our Nation is speaking out eloquently on human rights around the world, we must also recognize that civil rights and human rights begin at home.

Victor Hugo wrote in 1852:

> Greater than the tread of mighty armies is an idea whose time has come.

Mr. President, representation in Congress for the District of Columbia is an idea whose time has come, and the Senate should welcome the representatives of the District into our Chamber.

Mr. SCOTT. Mr. President, how much time remains?

The PRESIDING OFFICER. One minute.

Mr. SCOTT. I yield 1 minute to the distinguished Senator from Texas.

The PRESIDING OFFICER. The Senator from Texas.

Mr. TOWER. Mr. President, I have listened with great interest to the debate on House Joint Resolution 554, and I have had a number of conversations with individauls, both here and in Texas, who have strong feelings on this issue. In fact, I have been the subject of a good deal of lobbying on this bill, and while I share the genuine concern of those who seek to assure full voting particpation to citizens of the District of Columbia, I am not convinced that the pending resolution is a justifiable means of accomplishing that purpose.

In terms of voting representation, House Joint Resolution 554 confers upon the District a unique sort of "quasi-State" status. In my view, this presents complex challenges to the Constitution, and directly contravenes the intent of the Founding Fathers in this regard.

A reading of article I of the Constitution, under clause 17, section 8, clearly demonstrates the purpose of the framers in seeking to preserve as a separate Federal enclave that territory housing the seat of our Nation's Government. In this section, the Constitution provides for the establishment of a Federal district over which "Congress shall have power * * * to exercise exclusive legislation in all cases whatsoever."

By refusing to create a separate and sovereign State in this instance, the framers emphasized the need to provide insulation for the Federal Government against the potential conflicts arising out of local needs and interests. In Federalist No. 43, James Madison discusses "the indispensable necessity of complete authority at the seat of government" and points out that—

> This consideration has the more weight as the gradual accumulation of public improvements at the stationary residence of the government would be both too great a public pledge to be left in the hands of a single state. . . .

The interests of the District of Columbia are well represented in the Congress by a full committee in the House and a subcommittee here in the Senate. In addition, the citizens of the District elect a nonvoting delegate to the House, and he has become a very effective proponent of District needs and interests in House committee proceedings and floor debate.

No other city and, in fact, no other State in the Union, is entitled to such special attention here in Congress, and it is difficult for me to accept proponents'

arguments that the District is a stepchild when it comes to Federal legislation. In addition, I think it is well to bear in mind that the District is heavily supported by Federal tax dollars. In fiscal year 1977, for example, the District received a total of $749,740,600 in Federal funds—and this is exclusive of the payments for Metro. I understand that the fiscal year 1979 appropriations for the District of Columbia are well over a billion dollars.

I hardly think that these figures indicate a lack of Federal concern for the District. Only New York City, with its 8 million inhabitants, receives more financial assistance from the Federal Government. Considering the fact that three Texas cities—Houston, Dallas, and San Antonio—are larger than the District, maybe we are the ones getting shortchanged in this deal.

Another problem I have with the pending resolution concerns the position of District residents vis-a-vis citizens of other States in terms of the manner in which they exercise their voting rights. For example, section 1 of the resolution would treat three different voting procedures—that of electing Members of Congress, electing a President and Vice President, and ratifying constitutional amendments—as though they were identical processes. In fact, they are not.

Only Senators and Members of the House are elected by the people directly in the various States. In the case of constitutional amendments, it is the State legislatures who decide whether or not to ratify, but the District, of course, does not have a State legislature, since it is not a State. Therefore, we could have a situation where District citizens could vote directly on ratification—a privilege which no other voter in any of the States would have. On the other hand, you could have the decision made right here in Congress, which is the ultimate "government" for the District. In that case, Congress would have two votes on each proposed amendment; one vote to send the measure to the States, and one for the District.

Just yesterday, my colleague from Idaho, Senator McCLURE, attempted to amend this resolution to eliminate some of the confusion on this very point. Unfortunately, the amendment was tabled, which simply underscores, in my view, the proponents' unwillingness to accommodate logic and equity in dealing with this issue.

Finally, Mr. President, I must take issue with the idea of giving full representation to a constituency which reflects no other State in terms of diversity of interests, either geographical or economic. There is very little manufacturing here, certainly no great agricultural interests, no vast wilderness to protect and no production of energy resources. What we are talking about here is a one-industry town, and that industry is the Federal Government itself. Nearly 60 percent of the District's population is employed in some Government-related occupation, and I daresay there are a great many others whose livelihoods depend on the Federal community.

It seems to me that what we are doing here is giving the Federal bureaucracy itself voting representation in the Congress. At a time when most Americans decry the size and scope of the Federal Government and its activities, we are seeking to enfranchise those whose interests may be best served by the continued growth of Government.

Mr. President, we will soon be voting on House Joint Resolution 554, and I do not intend to consume a great deal of the Senate's time here. I hope that my colleagues will consider carefully the serious flaws in the pending resolution, and that it will be defeated.

Mr. President, I think the question here is a very fundamental question. It was the intent of the framers of the Constitution that the Senate should be represented by each State equally, because it was the concept that the Senate would represent each State as a corporate entity.

If we adopt this resolution and submit this amendment, and if it is subsequently ratified, it will mean that we have fundamentally altered the nature of the American federation, and we will open the door, in my view, to other types of amendments that will change not only the original intent of the founders but to change the entire character of the Federal Republic.

For that reason, and for that reason if no other, this proposed amendment should be rejected.

The PRESIDING OFFICER. Who yields time?

Mr. MELCHER. Mr. President, I yield myself such time as I may consume, and I will be very brief.

I only take this time now to remind the Members of the Senate that at the appropriate time, following 6 o'clock, I will ask that my amendment, which I have withdrawn, be called up, and that a vote occur immediately, and asking for the yeas and nays at that time.

The arguments of all of the proponents for the constitutional amendment as it is presented to us are compelling and they touch my heart.

But the responsibility of the Senate in a bicameral form of government, the form of government that we have, is to allow a difference in representation for the diversity that we find in a State.

The amendment I offer will provide the opportunity for the residents of the District to vote for their Senators. I would say that no one should interpret the remarks made here as indicating that the Senators from Maryland are incapable of wise, prudent, forceful, and good representation for all of the people in this area, just as they represent Prince Georges County, where I live, and the vast area that surrounds us on this side of the Potomac.

They do a fine job. The area of the District fits within those confines and I hope my amendment will prevail.

● Mr. SCHMITT. Mr. President, I cannot support the constitutional amendment to grant the District of Columbia full voting representation in Congress. Representation in the Congress of the United States is a unique privilege; however, it was clearly the intent of the Founding Fathers, an intent fully supported by history up to this time, that with the privilege of representation must come the responsibilities of statehood.

Article I, section 3 of the Constitution, under which all present States have labored together, reads in part as follows:

> The Senate of the United States shall be composed of two Senators from each *State* (emphasis added).

It does not provide for any exceptions. Specifically, there is no exception for the representation of groups of people except as they are organized into States. The special interests of groups of people are clearly provided by Representatives in the House of Representatives but, again, in a manner dependent on organization as a State. This is provided for in article I, section 2 which reads in part as follows:

> The House of Representatives shall be composed of Members chosen every second Year by the People of the several *States* (emphasis added).

The holding of elections for both Senators and Representatives is the duty and the right of the States. Article I, section 4, clause 1 states:

> The Times, Places and Manner of holding Elections for Senators and Representatives shall be prescribed in each State by the Legislature thereof.

Amendment X states that—

> The powers delegated to the United States by the Constitution, nor prohibited by it to the States, are reserved to the States respectively, or to the people.

It is clear that the framers of the Constitution understood rights and duties in terms of States, not individuals.

What we have before us today is clearly contrary to both the intent and the word of the Constitution. It is in no American's long term interest to exaggerate the special privileges of our city any more than is absolutely necessary. Such an action will only create resentments and other pressures from other areas for special treatment.

The issue should be statehood for the District of Columbia or, better yet, the rejoining of the District with Maryland for political representation within the bounds provided by the Constitution. I have supported both such proposals for presentation to the 50 States for ratification. I am truly sorry these proposals have been defeated.

Finally, Mr. President, those of us from the West understand from our own struggles for statehood the yearnings of the residents of the District of Columbia. However, those yearnings must be directed toward obtaining the responsibilities as well as the privileges of being part of a State. I do not believe the 50 States will accept anything less.

By passing an amendment that has no chance of ratification by the necessary number of States, we will delay indefinitely the development of an acceptable method for the political representation of the people of the District. This is just as unfair to the District as the proposed amendment is unfair to the 50 States.●

● Mrs. HUMPHREY. Mr. President, today we are debating an historic issue which is at the very heart of our demo-

cratic system—representative government. The resolution before the Senate is designed to give the District of Columbia full voting representation in the Congress. Clearly, the issue merits the very thoughtful consideration it is receiving. But, the time has come for the Senate to work its will in a final vote on this resolution proposing a constitutional amendment.

One fundamental question is involved in this vote: Shall we continue to deny over 700,000 residents of the District of Columbia the basic privilege enjoyed by all other American citizens to elect the women and men who control their Government?

Taxation without representation was one of the principal reasons our forefathers revolted against England. Residents of the District of Columbia see this same issue at stake in the debate over this resolution today.

Residents of the District pay over $1 billion annually in Federal taxes. But who represents them in the Senate? Who looks out for their interests and votes on issues of importance to them? There are some who would answer that we all do. But we must honestly admit that on any issue where the interests of residents of the District of Columbia and of our respective States are in conflict, we generally will give priority consideration to the views of our own constituents.

The alternate proposal for retroceding non-Federal land within the District to the State of Maryland would not have solved the problem, and the Senate's action yesterday to table this amendment recognized, in part, that additional problems would have been created. I need only mention such matters as District representation in the Maryland Legislature, District representation in the electoral college as provided for in the 23d amendment, and Federal jurisdiction over District activities as deemed necessary by the special nature of our Federal city.

Beyond all this, however, is a more important issue—people. Not land, not legislative control, but people. The issue is what is required to guarantee to all American citizens the right to have a meaningful and effective voice in the workings of their Government?

Mr. President, 29 years ago, Hubert Humphrey was a freshman Member of the Senate. At that time, he advocated home rule for the District on this very floor. The issue of home rule, granted by the Congress to the District with reservations in 1974, is not so far removed from congressional representation that his statement in advocacy of that bill would not be appropriate now. At that time, he said:

> I believe the first thing which should be done by the Congress is to give as much power as possible to the people of the District of Columbia. I submit that when we are dealing with (700,000 people), they should not be dealt with lightly. . ."

When Hubert reiterated his position in 1973, he went on to say:

> That this greatest of all democracies withholds from the citizens of its Capital City the right to elect their government leaders is hypocrisy of the first order and a source of increasing embarrassment to our Nation.

I urge my colleagues to reaffirm their support for our system of government by voting in favor of House Joint Resolution 554.●

● Mr. HOLLINGS. Mr. President, I rise today in support of bringing government of the people, by the people, and for the people to the nearly 700,000 residents of the District of Columbia. Thomas Jefferson said,

> It is an axiom in my mind that our liberty can never be safe but in the hands of the people themselves.

The constitutional amendment we propound today is the logical, and necessary, culmination of those great principles of liberty and democracy for which Jefferson and his generation fought. And for which the sons and daughters of America, including many from this Nation's capital, have fought so many times since.

The principle of democracy is not secure when the vote of any citizens is denied. Yet today, more than 200 years since the founding of an independent America, there exists right outside the wall of this building a denial of democracy so great as to be a denial of ourselves. And because it exists just outside these walls, it exists inside, too—right here in the U.S. Senate where you will look in vain for any Senator representing the needs and convictions of 700,000 people.

The issue we confront today is not one of comparing the size of Washington with the size of other cities. Nor can the issue be avoided by irrelevant arguments that perhaps New York, Chicago, or Los Angeles will also deserve their own Senators and Congressmen if Washington is so treated. Those other cities have representation. Who is going to argue that our distinguished colleagues Mr. JAVITS and Mr. MOYNIHAN do not directly represent the cities of their State? Who would argue that the voice of Chicago or Los Angeles or any other city cannot be heard within this Chamber? Surely any such contention merits nothing but ridicule.

Mr. President, all the facts and statistics have been cited in behalf of our approving sending this amendment to the States.

We know the District contributes more taxes to the Federal Government than do 19 of our States.

We know that the overwhelming majority of other nations which have elected legislatures do not discriminate against residents of their capital cities concerning representation in their respective national legislatures.

These points, and many more, have been made again and again, and they are points which cannot be gainsaid.

But far more than any of these, we confront foursquare an issue that goes to the heart and soul of America. The citizen who pays his taxes, supports his government, and marches off to die in his Nation's wars has a right—an inalienable right—to full representation. "Taxation without representation is tyranny," said the great patriot, James Otis. So also, would come the refrain from a thousand battlefields around the world, is death.

The right to representation is fundamental. It is basic. Without it, the promise of America is mocked. We must not discuss this in any careless or callous fashion. This is no perfecting amendment nor private relief bill. It is relief from a denial that has kept hundreds of thousands—and over the years, millions—from enjoying their most basic rights as citizens of America. The sad fact is that these people, these residents, of Wahington, D.C., are not citizens. They cannot be citizens until they possess democracy's greatest prize—representative government. This is an absolute right that must be absolutely granted, and until it is, we are blighted and blemished. We have fought around the globe to make the world safe for democracy. Now we must bring democracy home.●

● Mr. BAKER. Mr. President, as I have previously indicated, I will support the constitutional amendment before the Senate today providing for full voting representation in the Congress for the District of Columbia.

By now the arguments for and against this amendment are familiar to all of us, and as usual, there is merit in both sides of the debate.

But I have concluded that we simply cannot continue to deny 700,000 American citizens their right to equal representation in the national Government, that this basic right is a bedrock of our Republic that cannot be overturned.

The District of Columbia is not a State. It was conceived as a special Federal enclave over which no State government would have control. But the District is more than a city: the fact that the District casts three electoral votes in Presidential elections, as no city in America does, is proof enough of this.

It does not matter that residents of the District pay more Federal taxes per capita than residents of 49 States in the Union—although they do. It does not matter that the District's residents have fought in every American war since its creation, or that the District's casualty level in the Vietnam war was greater than that of 10 States—although it was. It does not matter that the population of the District exceeds that of seven States—although it does.

What matters is that the people of the District of Columbia are American citizens who have a right to be heard in the Congress of the United States, a right not only to a voice but a vote.

The 1976 platforms of both major political parties endorsed D.C. representation. The basic principles on which the Nation was founded insist on it, and I urge my colleagues to join me in voting for passage of this amendment.●

● Mr. WEICKER. Mr. President, I voted in favor of House Joint Resolution 554, a constitutional amendment that would provide voting representation for the District of Columbia. Indeed, I have long advocated that the citizens of the District should have full voting representation in the Congress.

However, I would like to make it very clear that I think that the Congress is

avoiding the central issue in the debate over representation. The issue is whether the District of Columbia should be a State—with all the attendant privileges, as well as, I might add, all the headaches which statehood entails.

Article I, section 8, clause 17 of the U.S. Constitution empowers Congress "to exercise exclusive legislation in all cases whatsoever over such district (not exceeding 10 miles square) as may by cession of particular States, and the acceptance of the Congress become the seat of the Government of the United States." The question of the representation of District residents received little express attention during the course of the drafting of this clause, as the District's small size and the proximity of its residents to Congress made the problem of representation less than pressing for our forefathers. Indeed, James Madison, writing in The Federalist No. 43 in 1788, assumed that District residents would receive adequate informal representation by Senators and Congressmen residing in the District.

Times have changed since 1787. The District of Columbia is no longer a hamlet with a population under 14,000. The latest census places the District's population in excess of 700,000, which is larger than the population of seven States. Clearly, it is time to provide the citizens of the District with representation in the Congress. To do so, the Constitution must be amended. Indeed, that is the beauty of our Constitution—it is a flexible, growing document that has thrived for nearly 200 years.

But it would not continue to be a viable document if it is amended in knee-jerk fashion. And believe me, what we are doing here today is amending the Constitution in a knee-jerk fashion. We are responding to pressures which make our actions in providing for a constitutional amendment politically attractive. Sure, we can go home and say to our constituents that we believe in the tenets of the Constitution and make sure that all Americans are represented in Congress by voting for this amendment. We made sure that there was no taxation without representation.

However, we just are not telling the truth. What we have done is the politically expedient thing—not the right thing. We have changed the Constitution to embrace a few people. We have not amended the Constitution to further the rights of all Americans.

If my colleagues will look to the 26 present amendments to the Constitution and to the proposed 27th amendment, they will see that only one amendment does not deal with the rights of all Americans. That is the 23d amendment, which provides for Presidential electors for the District of Columbia. Each of the other amendments applies to all Americans—not just to those confined in a finite geographical region.

What we have done today is to take the first step to carving out another exception to the Constitution. I do not argue that as far as the District of Columbia is concerned we are going to have to deal with the Constitution—as the Constitution itself makes explicit provision for the District. What I object to is altering the Constitution each time something has to be done concerning the District. Who knows for what the next "politically expedient" carving out will be? But mark my words, there will be one unless we face up to the issue before us.

What we must do is amend the Constitution to provide for statehood for the District. Until we do that, the District of Columbia will not truly enjoy full rights.

Mr. President, I will shortly introduce an amendment to the Constitution which will provide for full statehood for the District of Columbia. This amendment would entitle the District to the representation it needs and deserves. It would also make it stand on its own two feet.

Mr. President, the States have 7 years to act on the amendment to provide voting representation for the District of Columbia. That gives Congress time to address the underlying issue head on. That issue is the one of statehood for the District. If we Senators fail to perform our duties and avoid the underlying issue by thrusting the decision of the status of the District upon the people of the country, then I reserve the right to campaign actively in Connecticut against the ratification of the amendment to provide voting representation for the District.●

● Mr. STONE. I support full representation for the District of Columbia in the U.S. Congress. I have considered this issue very carefully, taking into account constitutional arguments and fundamental fairness.

The nature of the District of Columbia as a political entity today is quite different from what it was when it first became our Nation's capital in the 19th century. Today it has more residents than seven States and an active, independent political life. No constitutional purpose is served by exclusion of the District of Columbia from full representation, and I do not believe that is the intent of the Constitution.

The District of Columbia is not a State, but it is treated like a State already for other purposes. For example, its residents share the burden of Federal taxes; enjoy the right to trial by jury; and Congress regulates commerce between the District and the States as it does for interstate commerce.

The concept of representation for members of a nation's capital district is not new. In fact, in most other countries, West Germany, the capital's residents have full representation in the national legislature.

Fundamental fairness demands that the District have full representation in Congress. Its residents paid more in 1975 in Federal income taxes than the residents of 14 other States. Its population exceeded that of 10 States in the last census. And, in 1976 its per capita Federal income tax payment was $77 higher than the national average. The residents of only seven States paid more per capita in Federal income taxes. What's more, District of Columbia residents have served fathfully and in disproportionately high numbers in our major wars, demonstrating a commitment and loyalty to the United States not reciprocated with a full voice in the Senate and House.

I believe that a denial of full representation in the national legislature to residents of the District of Columbia is a denial of their share of the birthright that belongs to all U.S. citizens—that of electing Members of Congress to express their views and to represent them in national debate on issues that have a major impact on their lives and welfare.●

Mr. MELCHER. I yield the additional minute I have remaining to the majority leader.

Mr. ROBERT C. BYRD. Mr. President, the Constitutional framers in 1787 provided that States have Senators to represent them in this body. But the framers also foresaw that that Constitution would be a living document which could respond to change, and they provided for that change by the first few words of article V which says, in part:

> The Congress, whenever two-thirds of both Houses shall deem it necessary, shall propose Amendments to this Constitution . . .

Not to just portions of this Constitution, not just articles of this Constitution, not just article II of this Constitution, but "to this Constitution."

The objection is going to be made here by the distinguished Senator from Utah that House Joint Resolution 554 is proposing something that is unconstitutional because it would give to an entity that is not a State representation in this Senate and would thereby dilute the representation of the 50 States that are represented in this Senate.

To state the obvious, however, what House Joint Resolution 554 proposes is a constitutional amendment, and since by definition a constitutional amendment cannot be unconstitutional, the suggestion that House Joint Resolution 554 is unconstitutional is a contradiction in terms and a fatal flaw in the logic of those who make this very curious objection.

Mr. HATCH. Mr. President, will the Senator yield?

Mr. ROBERT C. BYRD. In any event, it is too late in history to argue that granting representation in Congress to the District of Columbia would deprive any State of its equal suffrage in the Senate. Since the ratification of the Constitution by the original 13 States, 37 additional States have come into the Union. As a result, the suffrage of the original 13 States has been diluted nearly fourfold, and yet no one seriously argues that any of the older States has been deprived of its equal suffrage in the Senate by the admission of new States.

I hope that the point of order will not be sustained, and that the Senate, if the constitutional point of order is submitted to it, will vote down the point of order.

The VICE PRESIDENT. The Senator from Massachusetts has 2 minutes remaining. The Senator from Massachusetts.

Mr. ROBERT C. BYRD. The Senator from Massachusetts yielded me his time. That is why I kept going.

Mr. KENNEDY. I yielded the time for the Senator.

The VICE PRESIDENT. There are 2

minutes remaining for the Senator from Massachusetts.

Mr. HATCH. Mr. President, will the distinguished majority leader yield for a question?

Mr. ROBERT C. BYRD. Yes.

Mr. HATCH. Will the Senator yield for a question?

Mr. ROBERT C. BYRD. Yes.

Mr. HATCH. On the Senator's point that this is a constitutional amendment and, thereby, stand in and of itself, you have article V which says that "no State without its consent, shall be deprived of its equal suffrage in the Senate."

Mr. ROBERT C. BYRD. Yes, but I have the floor, and let me answer the Senator.

Mr. HATCH. Let me ask the question.

Mr. ROBERT C. BYRD. No, the Senator has asked his question.

Mr. HATCH. I would like to ask a question.

Mr. ROBERT C. BYRD. The Senator from West Virginia does not yield. The Senator from West Virginia has already answered that question. The constitutional authors provided by article V the very vehicle by which the people themselves would amend the Constitution. I say let us give it to the people to make their decisions.

I have already answered the question about dilution of equal suffrage in the Senate, and the Senator begs the question when he wants me to go over that again.

Mr. HATCH. Would the Senator yield for another question?

Mr. ROBERT C. BYRD. Yes.

Mr. HATCH. Is it not true that when it says "no State without its consent," includes all 50 States and not just 38?

Mr. ROBERT C. BYRD. Well, but the Senator seeks to evade the point here.

Mr. HATCH. No, I do not.

Mr. ROBERT C. BYRD. No State is being deprived of its equal suffrage in the Senate. Once this amendment is submitted to the people according to article V, and three-fourths of the States ratify that amendment, no State is denied its equal suffrage.

To argue that is to argue that the 13 original States were denied their equal suffrage when 37 additional States were admitted to the Union.

Mr. HATCH. Not at all. Will the Senator yield again for one more question? If the 12 States did not——

SEVERAL SENATORS. Regular order! Regular order!

The VICE PRESIDENT. The time has expired.

Mr. HATCH. Mr. President, if the time has expired, may I make my point of order?

The VICE PRESIDENT. The Senator will state his point of order.

Mr. HATCH. I make the point of order that House Joint Resolution 554, the pending joint resolution, is not in order in that it violates Article V of the Constitution by specifying a method for adoption by the States without providing, in accordance with the last proviso of Article V of the Constitution that each of the 50 States must consent to the proposed amendment, because the proposed amendment would affect the equal suffrage of each State in the U.S. Senate. In other words, by bringing in a non-State and giving it two Senators, the express language of Article V, which reads:

No State, without its Consent—

The VICE PRESIDENT. The Senator will state his point of view.

Mr. HATCH. I am stating it:

shall be deprived of its equal Suffrage in the Senate.

Therefore, I submit that a point of order should lie that this joint resolution is not in order, because of that reservation.

The VICE PRESIDENT. Under the uniform practices of the Senate, whenever a question of constitutionality is raised, it is submitted to the Senate.

Mr. ROBERT C. BYRD. Mr. President, I move to table the point of order, and I ask for the yeas and nays.

The VICE PRESIDENT. Is there a sufficient second?

Mr. HATCH. Mr. President, a parliamentary inquiry.

The VICE PRESIDENT. The Senator will state his inquiry.

Mr. HATCH. On a point of order made on a constitutional amendment, is it proper, since there is absolutely no precedent, and since the rules state that that point or order must be submitted to the Senate, to move to table?

The VICE PRESIDENT. It is within the rules.

Mr. HATCH. Then I ask for the yeas and nays.

Mr. ROBERT C. BYRD. It has been ordered.

The VICE PRESIDENT. Is there a sufficient second? There is a sufficient second.

The yeas and nays were ordered.

The VICE PRESIDENT. The question is on agreeing to the motion to lay on the table the point of order raised by the Senator from Utah. On this question, the yeas and nays have been ordered, and the clerk will call the roll.

The legislative clerk called the roll.

Mr. CRANSTON. I announce that the Senator from Mississippi (Mr. EASTLAND) and the Senator from Georgia (Mr. TALMADGE) are necessarily absent.

Mr. STEVENS. I announce that the Senator from Arizona (Mr. GOLDWATER) is necessarily absent.

The result was announced—yeas 65, nays 32, as follows:

[Rollcall Vote No. 348 Leg.]

YEAS—65

Abourezk	Glenn	Metzenbaum
Anderson	Gravel	Moynihan
Baker	Griffin	Muskie
Bayh	Hart	Nelson
Bentsen	Haskell	Nunn
Biden	Hatfield, Mark O.	Packwood
Brooke	Hathaway	Pearson
Bumpers	Heinz	Pell
Byrd, Robert C.	Hollings	Percy
Case	Huddleston	Proxmire
Chafee	Humphrey	Randolph
Chiles	Inouye	Ribicoff
Church	Jackson	Riegle
Clark	Javits	Sarbanes
Cranston	Kennedy	Sasser
Culver	Leahy	Sparkman
Danforth	Magnuson	Stafford
DeConcini	Mathias	Stevenson
Dole	Matsunaga	Stone
Durkin	McGovern	Thurmond
Eagleton	McIntyre	Weicker
Ford	Metcalf	Williams

NAYS—32

Allen	Hatfield, Paul G.	Roth
Bartlett	Hayakawa	Schmitt
Bellmon	Helms	Schweiker
Burdick	Hodges	Scott
Byrd, Harry F., Jr.	Johnston	Stennis
Cannon	Laxalt	Stevens
Curtis	Long	Tower
Domenici	Lugar	Wallop
Garn	McClure	Young
Hansen	Melcher	Zorinsky
Hatch	Morgan	

NOT VOTING—3

Eastland	Goldwater	Talmadge

So the motion to lay on the table the point of order was agreed to.

Mr. ROBERT C. BYRD. Mr. President, I move to reconsider the vote by which the motion to lay on the table was agreed to.

Mr. KENNEDY. Mr. President, I move to lay that motion on the table.

The motion to lay on the table was agreed to.

UP AMENDMENT NO. 1711

(Purpose: To elect House Members from the District and for Senators the District residents shall vote as if residents of Maryland)

Mr. MELCHER. Mr. President, I have an amendment at the desk and I ask for its immediate consideration.

The PRESIDING OFFICER. The amendment will be stated.

The legislative clerk read as follows:

The Senator from Montana (Mr. MELCHER) for himself and Mr. MORGAN, proposes an unprinted amendment numbered 1711.

Strike all after the resolving clause and insert the following:

That the following article is proposed as an amendment to the Constitution of the United States, which shall be valid to all intents and purposes as part of the Constitution when ratified by the legislatures of three-fourths of the several States within nine years from the date of its submission by the Congress:

"ARTICLE —

"SECTION 1. For purposes of representation in the House of Representatives, the District constituting the seat of government of the United States shall be treated as though it were a State. For purposes of representation in the Senate, the District constituting the seat of the government of the United States shall be treated as though it were part of the State of Maryland. For the purposes of ratification and initiation of constitutional amendments, the District constituting the seat of the government of the United States shall be treated as though it were a State.

"SEC. 2. The exercise of the rights and powers conferred under this article shall be by the people of the District constituting the seat of government, and as shall be provided by the Congress.

"SEC. 3. The twenty-third article of amendment to the Constitution of the United States is amended by striking out '*, but in no event more than the least populous State*'.

"SEC. 4. The Congress shall have power to enforce this article by appropriate legislation.

SEC. 5. The Governor of the State of Maryland shall consult with the District government prior to either implementing changes in the law governing the election of senators, or making a temporary appointment to fill a vacancy in Maryland's representation in the Senate.

"SEC. 6. This article shall be inoperative unless it shall have been ratified as an amendment to the Constitution by the leg-

islatures of three-fourths of the several States within nine years from the date of its submission.".

Mr. KENNEDY. Mr. President, the effect of adoption of this amendment would be to defeat it.

The VICE PRESIDENT. The Senator is advised that the amendment is not debatable.

Mr. KENNEDY. I move to lay the amendment on the table and I ask for the yeas and nays.

The PRESIDING OFFICER. Is there a sufficient second? There is a sufficient second.

The yeas and nays were ordered.

The PRESIDING OFFICER. The question is on agreeing to the motion to lay the amendment on the table. The yeas and nays have been ordered. The clerk will call the roll.

The assistant legislative clerk called the roll.

Mr. CRANSTON. I announce that the Senator from Mississippi (Mr. EASTLAND) and the Senator from Georgia (Mr. TALMADGE) are necessarily absent.

Mr. STEVENS. I announce that the Senator from Arizona (Mr. GOLDWATER) is necessarily absent.

The result was announced—yeas 60, nays 37, as follows:

[Rollcall Vote No. 349 Leg.]

YEAS—60

Abourezk	Griffin	Metzenbaum
Anderson	Hart	Moynihan
Baker	Haskell	Muskie
Bayh	Hatfield,	Nelson
Bentsen	Mark O.	Packwood
Biden	Hathaway	Pearson
Brooke	Heinz	Percy
Bumpers	Hollings	Randolph
Byrd, Robert C.	Huddleston	Ribicoff
Case	Humphrey	Riegle
Chafee	Inouye	Sarbanes
Church	Jackson	Sasser
Clark	Javits	Sparkman
Cranston	Kennedy	Stafford
Culver	Leahy	Stevenson
Danforth	Lugar	Stone
Dole	Magnuson	Thurmond
Durkin	Mathias	Weicker
Eagleton	Matsunaga	Williams
Ford	McGovern	
Glenn	McIntyre	

NAYS—37

Allen	Hansen	Nunn
Bartlett	Hatch	Pell
Bellmon	Hatfield,	Proxmire
Burdick	Paul G.	Roth
Byrd,	Hayakawa	Schmitt
Harry F., Jr.	Helms	Schweiker
Cannon	Hodges	Scott
Chiles	Johnston	Stennis
Curtis	Laxalt	Stevens
DeConcini	Long	Tower
Domenici	McClure	Wallop
Garn	Melcher	Young
Gravel	Morgan	Zorinsky

NOT VOTING—3

Eastland	Goldwater	Talmadge

So the motion to lay UP amendment No. 1711 on the table was agreed to.

Mr. ROBERT C. BYRD. Mr. President, I move to reconsider the vote by which the motion to table was agreed to.

Mr. KENNEDY. I move to lay that motion on the table.

The motion to lay on the table was agreed to.

Mr. ROBERT C. BYRD. Mr. President, after the disposition of House Joint Resolution 554, there will be a rollcall vote on the Outer Continental Shelf conference report. There is a time agreement on that matter of 40 minutes, which will not be taken.

Mr. President, I ask for the yeas and nays on the adoption of the joint resolution.

The VICE PRESIDENT. Is there a sufficient second? There is a sufficient second.

The yeas and nays were ordered.

Mr. ROBERT C. BYRD. Mr. President, I ask that the clerk repeat each name as the Senator responds.

SEVERAL SENATORS. Regular order.

The VICE PRESIDENT. If there be no further amendment to be offered, the question is on the third reading of the joint resolution.

The joint resolution (H.J. Res. 554) was ordered to a third reading and was read the third time.

The VICE PRESIDENT. The joint resolution having been read the third time, the question is, shall the joint resolution pass?

The yeas and nays have been ordered and the clerk will call the roll.

Mr. ROBERT C. BYRD. Mr. President, I ask that there be order after the vote is announced.

The legislative clerk called the roll.

Mr. CRANSTON. I announce that the Senator from Mississippi (Mr. EASTLAND) is necessarily absent.

The yeas and nays resulted—yeas 67, nays 32, as follows:

[Rollcall Vote No. 350 Leg.]

YEAS—67

Abourezk	Gravel	Moynihan
Anderson	Griffin	Muskie
Baker	Hart	Nelson
Bayh	Haskell	Nunn
Bentsen	Hatfield,	Packwood
Biden	Mark O.	Pearson
Brooke	Hathaway	Pell
Bumpers	Heinz	Percy
Byrd, Robert C.	Hollings	Proxmire
Case	Huddleston	Randolph
Chafee	Humphrey	Ribicoff
Church	Inouye	Riegle
Clark	Jackson	Sarbanes
Cranston	Javits	Sasser
Culver	Kennedy	Sparkman
Danforth	Leahy	Stafford
DeConcini	Lugar	Stevenson
Dole	Magnuson	Stone
Durkin	Mathias	Talmadge
Eagleton	Matsunaga	Thurmond
Ford	McGovern	Weicker
Glenn	McIntyre	Williams
Goldwater	Metzenbaum	

NAYS—32

Allen	Hatch	Roth
Bartlett	Hatfield,	Schmitt
Bellmon	Paul G.	Schweiker
Burdick	Hayakawa	Scott
Byrd,	Helms	Stennis
Harry F., Jr.	Hodges	Stevens
Cannon	Johnston	Tower
Chiles	Laxalt	Wallop
Curtis	Long	Young
Domenici	McClure	Zorinsky
Garn	Melcher	
Hansen	Morgan	

NOT VOTING—1

Eastland

The VICE PRESIDENT. On this vote there are 67 yeas and 32 nays. Two-thirds of the Senators present and voting having voted in the affirmative, the resolution is passed.

Mr. KENNEDY. Mr. President, I move to reconsider the vote by which the resolution was passed.

Mr. ROBERT C. BYRD. I move to lay that motion on the table.

The motion to lay on the table was agreed to.

Mr. ROBERT C. BYRD. Mr. President, I ask that there be order in the Senate. May we have order in the galleries and in the aisles of the Senate? May we have order in the Senate? There is still work to be done.

The PRESIDING OFFICER (Mr. MATSUNAGA). The Senate will be in order. Visitors in the galleries will keep silence. Senators will cease conversation. Authorized staff will please retire to the seats designated in the rear of the Chamber. Visitors in the gallery will please keep silence as they move out.

Mr. ROBERT C. BYRD. Mr. President, I yield to the distinguished Senator from Washington so that he may call up a conference report.

Mr. JACKSON. Mr. President, I yield to the Senator from Massachusetts.

Mr. KENNEDY. Mr. President, I want to praise the enormous contribution that Members of this body and outside groups have made in achieving this historic moment.

Mr. CULVER. Mr. President, may we have order in the Senate?

The PRESIDING OFFICER. The Senator will cease until there is order in the Senate. Senators will retire to the cloakroom if they wish to carry on conversations.

Mr. KENNEDY. Mr. President, this success would not have been achieved but for the extraordinary efforts of the majority leader of the United States Senate and his great skill not only in parliamentary tactics but also in persuasion, in the eloquence of his voice, and in the very hard and dedicated work that he performed in explaining this issue to many of the Members.

Senator CRANSTON, who is also our whip, made a very important contribution and was of enormous help to all of us who supported this proposal.

Senator BAYH, who is the chairman of the Subcommittee on the Constitution which held the hearings, has been one of the clearest and most forceful advocates of this constitutional amendment. All of us in this body know the very great achievements that he has made in the area of constitutional rights.

Senator LEAHY, who is the chairman of the District of Columbia Appropriations Subcommittee, and Senator EAGLETON, the chairman of the District of Columbia Subcommittee in the Governmental Affairs Committee brought to this debate long experience in dealing with the District of Columbia affairs, and their help and support was invaluable.

Senator HOLLINGS, of South Carolina, was a very early supporter of this proposal and was of great value.

On the other side of the aisle, Mr. President, I express my appreciation to the leader of the Republican Party, Senator BAKER; my colleague in the U.S. Senate, Senator BROOKE, who has been a long-time supporter and spoke so eloquently this afternoon; Senator MATHIAS, a member of the Judiciary Committee and a strong supporter. Senator THURMOND, who is a member of the Judiciary Committee, took great interest in

the consideration of this measure. Senator DOLE spoke strongly in favor of it and his support was very much appreciated in recent days. Senator GOLDWATER spoke in favor of it at a very early time, and was most helpful in launching it on the right foot when it reached the Senate last March.

Mr. President, I also praise the strong statement that President Carter made in support of this proposal. All of us know that, as the Chief Executive of this country, his support for this issue, and for human rights everywhere, has raised the consciousness of the Nation and the world on these issues. Vice President MONDALE was also tireless in his support for this proposal; as a former Member of this body, he was thoroughly familiar with the issue and provided effective help in recent months. Their assistants, Dan Tate, Bob Thompson, Jim Dyke, and Bob Malson, were of enormous help.

I also praise WALTER FAUNTROY whose name leads all the rest, Mr. President, in working so effectively for this amendment. I also commend his able staff, Johnny Barnes and Eldridge Spearman, who were of such great help.

Another key group was the Self-Determination for District of Columbia Coalition, led by Sterling Tucker, Dick Clark, Elena Hess, and Melanie Woolfton. I also commend the Leadership Conference on Civil Rights, especially Clarence Mitchell and Joe Rauh, as well as Walter Washington, the Mayor of this city. Voters also did outstanding work, and I commend both Cathy Dealy and the National League, and Meg Aylward, and the D.C. League.

But most of all, I commend the 700,000 people of the District of Columbia, who have waited so long for this action.

Finally I express my respect for those who were in opposition, the leader of the opposition, the Senator from Virginia, Senator SCOTT, and also Senator HATCH, Senator MCCLURE, Senator BARTLETT, Senator MELCHER, and all who took great interest in this issue and offered their amendments. Their efforts were thoughtful and constructive, and helped to bring to the Members of the Senate the important questions raised by the amendment. The record made during these days will be of great value, hopefully, to the States that will make the ultimate decision as to whether this amendment becomes part of the Constitution.

The Senate now sends this measure to the several States. It will be the people's representatives in those States who will make the ultimate and final determination.

I am very hopeful that their decision will be made in behalf of human rights and on behalf of the civil rights of the people of this District. I am indeed grateful to all the Members who saw the merits of this measure and supported it with their votes.

I thank the Senator.

The PRESIDING OFFICER. The Senator from Washington has the floor.

Mr. ROBERT C. BYRD. Mr. President, will the Senator yield the floor?

The PRESIDING OFFICER. The Senator from Washington has the floor.

Mr. JACKSON. Mr. President, I ask unanimous consent that this time not come out of my time. We have 40 minutes on the conference report.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. ROBERT C. BYRD. Mr. President, will the Senator yield to me?

Mr. KENNEDY. Yes.

The PRESIDING OFFICER. The Senator from West Virginia.

Mr. ROBERT C. BYRD. Mr. President, I thank the distinguished Senator for his kind remarks. He has mentioned everyone but himself and he, in my judgment, is entitled to more credit than any other single individual for the success of the effort that has been made, and I pay him much plaudits and salute him for his diligence, untiring efforts, and able leadership in this historic event.

I also express my compliments to those who opposed the amendment. They conducted a very substantive debate. It was of a very high degree and it was an honorable, dedicated, and sincere effort on their part, and they are entitled to plaudits as well.

Mr. BAKER. Mr. President, will the Senator yield to me briefly?

Mr. KENNEDY. Yes, if I may just take 10 seconds, Mr. President, to mention the two members of my staff, Carey Parker and Peter Parham, and Fred Williams of Senator BAYH's staff, whose assistance was valuable to me and to those who supported this. I also praise the efforts of Natasha Pearl, a high school student who graduated from Woodrow Wilson High School in the District this year, who worked hard for this amendment with youth groups which bodes well for the concern of our leaders of tomorrow on these basic issues of democracy. I yield to the Senator from Tennessee.

Mr. BAKER. Mr. President, I will not take long. I rise to express my congratulations to those who prevailed and my compliments to those who fought valiantly——

Mr. STENNIS. Let us hear the leader.

Mr. BAKER (continuing). In opposing this.

The PRESIDING OFFICER. The point of order is well taken. The Senate will be in order.

The Senator from Tennessee.

Mr. BAKER. Mr. President, especially I express my appreciation to the distinguished senior Senator from Massachusetts for his leadership in this role; of course, to the majority leader; but especially also to those Members of the Senate on this side of the aisle who expressed their view in support of the resolution early and effectively; and I am thinking particularly of the distinguished Senator from South Carolina, who was probably more instrumental than anyone else in this Chamber excepting only the managers of the bill, in seeing that this measure reached this point of development; the distinguished Senator from Arizona, Senator GOLDWATER, who added impetus to the effort; the distinguished Senator from Kansas (Mr. DOLE) without whose assistance I very much doubt that this measure could have prevailed; and the many others on this side.

It is an issue that sharply divided this side of the aisle. I note that the votes on the Republican side were divided evenly, 19 and 19, which is some measure of the conflict within the Senate surrounding this historic issue.

But most especially, Mr. President, I express my appreciation to the distinguished Senator from Virginia (Mr. SCOTT) for agreeing to manage this resolution on behalf of the opposition. As the second ranking member of the Judiciary Committee, he expressed the point of view of those in opposition effectively, cogently, and consistently over a long period of time. I offer him my congratulations for a job well done as I do all of those who participated in this debate.

I thank the Senator from Massachusetts.

Mr. SCOTT. Mr. President, will the Senator yield?

The PRESIDING OFFICER. The Chair will advise the Senator that the Senator from Washington has the floor. The Senator from Washington (Mr. JACKSON) has the floor.

Mr. JACKSON. Mr. President, I ask unanimous consent that all of the preceding comments not come out of my time. Our 40 minutes will soon be gone.

The PRESIDING OFFICER. Without objection, it is so ordered.

Does the Senator from Washington still yield to the Senator from Massachusetts?

Mr. JACKSON. Yes, I yield as long as it does not come out of my time now or previously.

The PRESIDING OFFICER. The Senator from Massachusetts.

Mr. KENNEDY. I ask unanimous consent to be able to proceed for 30 more seconds.

The PRESIDING OFFICER. Without objection.

Mr. KENNEDY. Mr. President, finally, I give strong praise to the chairman of the Republican National Committee, Bill Brock, who was of great help and value, and also to John White, chairman of the Democratic National Committee, who worked effectively to achieve this victory.

The PRESIDING OFFICER. The Senator from Virginia.

Mr. SCOTT. Mr. President, I congratulate the distinguished Senator from Massachusetts and all those who worked with him.

I would like to commend every Senator here whom he did not mention. I think he mentioned the vast majority of the Senate.

The Senate has worked its will as far as proposing a constitutional amendment is concerned. Now it is up to the States to make the decision as to whether or not they will ratify the proposal presented by the Senate.

Naturally, I am disappointed in the result. But this is the type of government that we have in which we conduct our business in an orderly way.

I thank all of those who worked on this side of the aisle in order to enable us to obtain 32 votes, two short of the necessary number by which the resolution would have been rejected.

The PRESIDING OFFICER (Mr. HODGES). The Senator from Washington.

OUTER CONTINENTAL SHELF LANDS ACT AMENDMENTS OF 1978—CONFERENCE REPORT

Mr. JACKSON. Mr. President, I submit a report of the committee of conference on S. 9 and ask for its immediate consideration.

The PRESIDING OFFICER. The report will be stated.

The assistant legislative clerk read as follows:

The committee of conference on the disagreeing votes of the two Houses on the amendment of the House to the bill (S. 9) to establish a policy for the management of oil and natural gas in the Outer Continental Shelf; to protect the marine and coastal environment; to amend the Outer Continental Shelf Lands Act; and for other purposes, having met, after full and free conference, have agreed to recommend and do recommend to their repective Houses this report, signed by a majority of the conferees.

The PRESIDING OFFICER. Without objection, the Senate will proceed to the consideration of the conference report.

(The conference report is printed in the House proceedings of the RECORD of August 10, 1978.)

Mr. JACKSON. Mr. President, Senate approval of the conference report before us today on S. 9, the Outer Continental Shelf Land Act Amendments of 1978 will culminate 5 years of effort by the Congress to establish a modern national policy for the development of OCS oil and gas resources.

During those 5 years, OCS reform legislation has passed the Senate three times by substantial margins, twice in the face of strong opposition by previous administrations. Fortunately, S. 9 enjoys strong support by the Carter administration. Last summer this bill passed the Senate by a vote of 60 to 18. The conference report was approved by seven of the eight Senate conferees and has already been adopted by the House of Representatives by a vote of 338 to 18.

S. 9 strikes a balance between oil and gas development and potentially adverse economic, social and environmental impacts that accompany it. It goes a long way toward alleviating the public's fears that were spawned by the disastrous Santa Barbara Channel blowout 9 years ago and by other environmentally destructive oil spills, primarily from tankers, which followed. Offshore oil and gas exploration and development can now proceed on schedule in an atmosphere of business certainty and environmental security toward the goal of providing increased domestic energy supplies under these new policies.

Mr. President, the major provisions of the conference report provide for:

The establishment of national policy guidelines for OCS development;

Separation of the decision process between exploration and development;

Revision of the leasing process with the addition of new bidding alternatives that must be utilized;

Increasing the role of coastal States in Federal OCS decisions;

Establishment of absolute liability of oil spill damage with payment for a liability fund;

Improvement of safety standards; and

Establishment of a fund to pay for damage to commercial fishing vessels and gear resulting from OCS development activities.

S. 9 represents good, sound policy for the management of the public's resources.

Mr. President, the Outer Continental Shelf is America's best hope for finding additional oil and gas resources and reducing our dependence on foreign oil. The Federal Government is charged with the responsibility of managing this resource for the best interests of all the public. There is no question but that this significant reform legislation, S. 9, will aid in the attainment of our vital national energy and environmental goals.

I urge my colleagues to adopt the conference report, and thus clear the legislation for Presidential approval.

The PRESIDING OFFICER. Who yields time?

Mr. JACKSON. I yield to the Senator from Wyoming.

Mr. HANSEN. Mr. President, as ranking minority member of the Committee on Energy and Natural Resources I rise in support of the conference report and the bill. I want to make it clear that even though I voted against the Senate bill, I have decided to support the conference report since it represents what I consider to be an acceptable compromise and an important policy decision by the Congress.

Mr. President, for some years now OCS leasing has been delayed because of concern that political pressure from States which are adjacent to new leasing areas would force the congress to dictate new directions in OCS leasing policy. The department has been asking the Congress for several years to address these issues. Thus the bill that is before us now represents the definitive congressional statement on what new directions, if any, the Congress has decided to take.

The conference report that is before the Senate today, Mr. President, can best be characterized as steady as you go. It sets only a slight change in course in a policy sense. I think that is good. Since our OCS development efforts in the Gulf of Mexico have been so successful, we should build on that record. We may have made some mistakes early in the program but they have been corrected. In my view we should build on that record. To a large degree this bill does just that.

I would hope as well, Mr. President, that the resolution of these issues by the Congress will remove the uncertainty which has plagued the OCS leasing program for years and lead the way to an aggressive and expedited OCS leasing and development program.

It seems to me, Mr. President, that the most important portions of this conference report are the decisions that have been made by the conferees on the major policy issues.

On Federal exploration, the conferees removed specific authority contained in the Senate bill for the Federal Government to undertake exploratory activities. The bill instead retains the neutral language of the 1953 act. Any exploratory work the Secretary of the Interior wishes to begin will have to be approved in advance by the Congress through the usual authorization and appropriation process.

The dual leasing authority in the Senate bill was similarly dropped from the conference report as was the mandate for on-structure drilling programs contained in the House bill.

The use of new or alternative bidding systems by the Secretary has been restricted to a level which will permit a reasonable test of these systems, hopefully without disrupting the necessary investment flow into the offshore area.

The conferees worked a long time on the clean air provisions of the House bill. They agreed that offshore operations should not prevent the attainment of onshore ambient air quality standards. The conferees instructed the Secretary of the Interior to promulgate regulations which will control those emissions to the degree specified in the conference report.

The conferees also made a wise choice on the very complicated issue of manning and crewing of offshore facilities by Americans. Under the conference report, manning and crewing requirements on foreign vessels and platforms will track exactly the manning and crewing requirements that U.S. operators have to live with in foreign waters.

The conferees also resolved a major dispute over pipeline competition by requiring that the development of pipeline systems in the newly developed areas be completed using sound competitive principles and assuring that all potential shippers are treated fairly.

Because of the very important role of existing lines in the Gulf of Mexico, the conferees were firm that this area be exempted from these requirements. There was no suggestion in the conference or in the conference report that the Federal Energy Regulatory Commission reexamine exemptions for gathering lines or apply these new conditions to existing pipelines in the Gulf of Mexico. Of course, for all new lines established in new producing areas, all of these new requirements would apply.

This conference took a long time, Mr. President, to work through these issues. They are important and far-reaching issues and these are very significant decisions this conference has reached. I am pleased that it is possible for me to concur in nearly all of them.

As in any bill, however, Mr. President, there is a down side. Let me elaborate briefly.

Over the past 3½ years, while this bill has been pending before the Senate and House, I have on numerous occasions indicated strong disagreement with the regulatory climate that has been developing regarding the production of oil and gas on the Outer Continental Shelf. It was my feeling then, and it is my feeling now, that the regulatory procedures which currently govern OCS operations are excessive. They slow down and in-

hibit efforts to develop oil and gas to meet our energy needs and ultimately cost the consumer far more than the benefits realized from those regulations.

It should be clear to all concerned, Mr. President, that the regulatory tangle we are currently facing is not a product of the bill we are considering today. It is a regulatory approach which has grown like a cancer within the bureaucracy in recent years. This growth in regulatory requirements has been fed by concerns expressed by people living near new leasing areas which might be oil and gas producing areas if discoveries are made. As bureaucrats usually do, they tried to address these concerns by making more paperwork.

Because of the high level of safety already practiced in OCS operation, I must point out to my colleagues that these new regulations have made only a very marginal, if any, improvement in the safety of offshore operations. The experience in the Gulf of Mexico is convincing evidence that the regulatory approach of the past is more than adequate to prevent despoliation of beaches, of near-shore habitat, of tidelands, or other coastal environmental areas. Twenty thousand wells or more have been drilled in the Gulf of Mexico and the coastline is still producing the traditional seafood of the area at record rates. More regulations will not mean safer operations, they only lead to delay, litigation, and higher costs.

To find out what the Secretary absolutely needed to carry out a safe and efficient leasing and development program on the OCS, I wrote to the Secretary of Interior just before the Conference started asking him what provisions in either the House amendment or the Senate bill represented new authority, other than that contained in the 1953 OCS Act, which he needed to handle offshore operations problems. The response I received from the Secretary indicated that only three provisions were necessary. One was the authority for the Secretary to cancel a lease and to provide compensation to the lessee subsequent to cancellation. Second, the Secretary felt he needed authority to apply sanctions against any State employee who released privileged information that was provided by a Federal agency. Third, the Secretary felt he needed statutory authority to establish funds to compensate fishermen who had fishing gear damaged as a result of offshore operations and to pay for cleaning up oil spills resulting from OCS operations. It should be pointed out that all three of these are provided for in the conference report. I think they are good ideas and I have supported each of them from the outset of this conference.

But I feel constrained, Mr. President, to point out to my colleagues that this bill also represents a ratification of the regulatory system that has developed over the years within the Department of the Interior. We have literally written into this statute all of the regulatory authority now being exercised by the Secretary of Interior. This aspect of the bill gives me great concern since, as I mentioned previously, the current regulatory approach is far too burdensome both on the producing industries and on the oil and gas consumer.

Therefore, I would hope that the President and Secretary would draw the line on further regulations. I would hope that they would take the current system and say that this is as far as we will go. From now on we will make these regulations work; we will make them work faster; we will make them work more efficiently; we will reduce the burden on the producing industries and on the public.

The fastest way to develop new oil and gas resources is to remove regulatory and market paraphernalia which stymie the abilities of the private sector to provide for the energy needs of Americans. The free market has worked in the past and there is no reason it cannot work now. But since the Congress does not seem to be in such a frame of mind of late, the second best way to discover oil and gas in this country is to streamline the regulatory approach and to expedite the process of identifying areas for leasing, issuing the leases and granting permits so that whatever oil and gas we find will be brought to shore as soon as possible. I would hope that the Secretary would see this as an absolute mandate from the Congress. I urge support for the conference report.

I yield to the Senator from Oklahoma.

The PRESIDING OFFICER. The Senator from Oklahoma.

Mr. BARTLETT. Mr. President, although there is no doubt in my mind that the conference report on the Outer Continental Shelf Lands Act Amendments of 1978 will shortly be adopted by this body and signed into law by the President, I would like to state for the record why I did not sign the conference report and why I do not intend to vote for it.

The House and Senate OCS conferees are to be congratulated for their successful efforts in greatly improving on a bad piece of legislation. The conference report represents a dramatic improvement over the Senate-passed OCS bill. However, that is not sufficient justification to sign the conference report or to vote for the bill.

The bill is not needed. Past and present Interior Department Secretaries under the broad grant of authority delegated to them under the original 1953 act have promulgated hundreds of pages of OCS regulations which are, for the most part, merely replicated in this bill.

But, more importantly, the most serious cause of delays in the OCS program to date has been the series of vexatious environmental suits which have delayed a number of OCS lease sales. I am referring to the NEPA lawsuit filed on November 1, 1971, attempting to block a Gulf of Mexico lease sale; the suit filed on December 14, 1973, to block the MAFLA OCS lease sale; the suit filed in August 1974 to prevent the southern California lease sale; the 1974 suit to halt the Gulf of Alaska lease sale; the March 9, 1976, suit against the already delayed Gulf of Alaska lease sale; the suit filed on February 11, 1976, that halted the Middle Atlantic OCS lease sale; the suit filed on February 1, 1977, to block the Lower Inlet OCS lease sale; and most recently the suit of January 17, 1978, which halted the proposed Georges Bank lease sale. This list does not include the countless number of suits that have been filed in various State courts.

The Secretary of the Interior and many of the major sponsors of the bill in both the Senate and House have argued that with the enactment of this legislation the environmentalists will be so appeased and pleased that there will be no more lawsuits the purpose of which is to slow down or stop OCS development. I believe such statements could not be farther from the truth.

All suits to date have challenged the adequacy of the environmental impact statements prepared in anticipation of OCS lease sales. This bill allows such suits to continue.

Additionally, it allows even more NEPA suits by mandating a second EIS statement at least once in each frontier area between the completion of the exploration phase and commencement of the development and production phase. I predict we will see a rash of new lawsuits challenging environmental impact statements filed before the development and production phase.

On top of that, Mr. President, section 23 of the bill opens the door to a plethora of other citizen suits challenging not only environmental impact statements but any other action the Secretary or lessees take to which the litigants are opposed. Thus, instead of cutting back on OCS lawsuits, this bill will foster a growth of delay-causing lawsuits that has never been experienced before in the history of the administration of the OCS Lands Act since 1953.

In title I of the bill mention is made, with some qualification, of the need to expedite OCS development. I, of course, agree that we as a Nation do need to expedite OCS development. However, I believe that in fact this will slow down OCS development by:

First, instigating a mass of delay-causing lawsuits;

Second, expanding the regulatory burden on the offshore industry;

Third, increasing the number of bureaucrats in numerous agencies which manage the OCS program;

Fourth, increasing to a point of no return the extent of local and State government agency involvement in what used to be a purely Federal program; and

Fifth, as a result of the compounding effect of these four major obstacles to progress, the cost of developing offshore oil and gas will skyrocket with attendant inflationary effects—all of which will have to be borne by American consumers at the same time they are forced to pay through the nose for increasing amounts of imported oil.

For these reasons, Mr. President, I intend to vote against the bill.

Mr. President, how much time do I have remaining?

The PRESIDING OFFICER. The Senator has 8 minutes remaining.

Mr. BARTLETT. Mr. President, I yield back my 8 minutes.

● Mr. WEICKER. Mr. President, on

August 10, 1978, the Senate and House filed the conference report on S. 9 (H.R. 1614), the Outer Continental Shelf Lands Act Amendments of 1977.

I would like to commend my colleagues that served on the OCS conference for completing a most difficult task.

When the OCS amendments become law, this Nation will have taken an important step in the wise exploration and development of offshore oil and gas, and to assure that environmental safeguards are met.

This legislation provides a balance between economic and environmental concerns and will allow this country to pursue offshore energy production in a systematic way. I believe that we must get on with energy production, and the untapped offshore oil and gas reserves offer a great new promise for this country to meet increasing pressure to become energy self-sufficient. Increased production of offshore oil and gas is not going to achieve this self-sufficiency but will add significantly to our reserves.

Among my main concerns regarding this legislation is the conflict that will inevitably arise between offshore oil and gas development and the fishing industry.

Some of the most potential oil resources are in rich fishing grounds particularly George's Bank off New England.

George's Bank is one of the most productive fishing grounds in the world as well as spawning grounds for many commercially important species.

A survey of fishing vessels made in 1977 shows that 739 vessels fish George's Bank.

The New England fishing industry lands in excess of $150 million worth of fish annually.

A total of 15.6 million acres of George's Bank was made available for nomination to lease by the Bureau of Land Management in 1975. Estimates of undiscovered recoverable oil and natural gas for this area are conservatively 0.9 billion barrels and 4.4 trillion cubic feet respectively, and could be much more.

The great push for oil and gas development on George's Bank and other areas of the Continental Shelf, along with increasing activities of the fishing industry will cause problems particularly snagged and damaged fishing gear resulting from oil related debris.

The OCS amendments of 1977 include title IV, the fishermen's contingency fund which I introduced in committee and was subsequently introduced by Congressman STUDDS on the House side.

The fund is designed to help fishermen deal with damages to their gear and vessels caused by oil and gas development. Basically, title IV provides for payment to a fisherman to replace his damaged goods when he shows reasonable proof that it was caused by debris or some other reason as a result of OCS activities.

The conferees have made a fair compromise between the Senate and House versions of the fund, and I believe the fishing industry as well as the oil companies will benefit from their work.

The OCS amendments also include language that would mandate the Secretary of Commerce in cooperation with the Coast Guard and the National Institute of Occupational Safety to conduct studies related to diving safety.

These studies are intended to address those areas that are not considered by present studies.

Many of the largest U.S. diving companies have the most sophisticated experimental diving systems in the world and are capable of developing their own tables and physiological safeguards.

I believe these companies are presently doing an excellent job of researching and developing diving safety techniques on their own. The intention of the studies as set forth in the OCS amendments is not to duplicate their efforts but to fill gaps in existing research. It is the Government's job, I believe to study such things as the cause and effects of bone necrosis which is presently plaguing the industry with high insurance rates. There is very little known about the prevention of bone necrosis and over a long period of time it can be debilitating to its victims. Other studies involving shallow water air saturation diving and excursions are also necessary.

I believe that these studies will be useful to the commercial industry and to diving in general.

Mr. President, it is my firm belief that the oceans will provide us with numerous more resources in the future. The Outer Continental Shelf Lands Act Amendments of 1978 will set a precedent in how we handle the development, utilization, and environmental protection aspects of other resources from the sea. We should, therefore, watch the results of this legislation carefully.●

● Mr. JOHNSTON. Mr. President, may I ask my good friend and chairman of the Energy and Natural Resources Committee, Senator JACKSON from Washington, a question I have concerning the conference report on S. 9, the Outer Continental Shelf Lands Act Amendments of 1978?

It is my understanding that when the conferees acted on the issue of the grandfathering of certain exploration activities from the new requirements to be imposed by our amendments to section 11 of the OCS Lands Act, the intent was clear that delays in current, ongoing exploration activities were to be mitigated to the fullest extent possible.

That is, by specifically providing that those exploration activities conducted pursuant to existing leases on which drilling permits had been issued or for which exploration plans had been approved prior to 90 days after the date of enactment of these amendments shall be considered in compliance with the requirements of this act. The conference also intended that the Secretary of the Interior consider those plans submitted to him up to and through such 90-day period under existing regulations and not unduly delay such consideration while awaiting the development of new regulations. The reason for this is as much to encourage industry to submit exploration plans as they are prepared in the normal course of business without the need for delay while awaiting the promulgation of new regulations. We do not want the Secretary "dragging his feet" on plans which have undergone detailed analysis and costly preparation based upon existing valid regulations or arbitrarily to return to exploration plans he received prior to promulgation of any new regulations when the exploration plans conform to existing regulations. Is it not your understanding that the conferees intended to avoid such delays whenever possible?

Mr. JACKSON. I believe that my colleague from Louisiana has correctly stated the intent of the conferees on this point. The conferees were vitally interested in making sure that undue delays in all phases of OCS resource development be kept to an absolute minimum. At the same time, however, the conferees did recognize that the Secretary could require additional information from lessees or could require a revised exploration plan, although our intent to prevent undue delays was clear.●

● Mr. McCLURE. Mr. President, I am pleased that the conference committee in consideration of the Outer Continental Shelf Lands Act Amendments of 1978, agreed on language of documentation, registration, and manning requirements in section 30 of the new sections of this act.

This section protects the opportunity for Americans to obtain and keep jobs for the purpose of finding and producing energy resources on the Outer Continental Shelf. Minimum standards for vessels, rigs, platforms, other rigs and structures, should make a positive contribution toward safe and environmentally sound operations on OCS areas. There is enough flexibility in this provision, while protecting job opportunities, to serve notice on foreign nations that the United States intends to take a balanced approach toward manning requirements consistent with actions of other nations under similar circumstances where American workers are involved.●

● Mr. MUSKIE. Mr. President, great concern has been expressed about the potentially great impact that activities on the Outer Continental Shelf may have on the air quality of adjacent States. It is undisputed that OCS-related activities will increase onshore air pollution levels.

In response to anticipated exploration off of the southern California coast, EPA has issued a notice of determination that the Clean Air Act, and all regulations promulgated thereunder, apply to activities on the Outer Continental Shelf when such activities could affect the air quality of an adjacent State.

All requirements under the Clean Air Act are thus applicable to OCS activities. This includes attainment and maintenance of ambient air quality standards when the State affected has not yet achieved those standards. It includes prevention of significant deterioration requirements when the State affected has air quality better than the ambient

standards. It includes compliance with all new source performance standards promulgated by EPA which apply to an OCS facility. It includes compliance with all State air quality requirements authorized to be established by the Federal clean air law. It includes all permit requirements applicable prior to construction of a facility with a potential air quality impact on a State. It includes all enforcement authority required to be exercised by the Administrator of the Environmental Protection Agency.

In short, exploration, development, and production activities on the Outer Continental Shelf are no different than any other source of pollution; they are regulated to the extent they interfere with the efforts of a State to comply with the Federal mandate to clean up its air or to keep its air clean, and to the extent EPA has promulgated new source standards for OCS activities. As one of the principal authors of the Clean Air Act, I can say that without question the law is intended to regulate any OCS activity which may affect the onshore air quality of a State, and EPA's notice of determination implements this congressional intent.

Mr. President, the conference report on the Outer Continental Shelf Act contains language which in my opinion reinforces the Clean Air Act to activities on the Outer Continental Shelf.

The bill requires that the Secretary of the Interior promulgate regulations to insure that exploration, development and production activities comply with "national ambient air quality standards pursuant to the Clean Air Act, to the extent that activities authorized under this act significantly affect the air quality of any State."

The role of the Secretary is only to insure that exploration plans and development and production plans provide for compliance with all statutory requirements of the Clean Air Act, and regulations promulgated pursuant to it.

The regulations of the Secretary of the Interior are in addition to the requirements under the Clean Air Act. They supplement the Clean Air Act; they are not a substitute for the Clean Air Act.

Such provisions for compliance with the Clean Air Act are required in the plans whenever OCS activities may have a significant effect on an adjacent State's air quality, whether it is better or worse, than the ambient air quality standards. The determination of significant air quality effect will be made by the Environmental Protection Agency to fulfill its mandatory responsibility under the Clean Air Act. The Secretary will then carry out his duties under the Outer Continental Shelf Act based on EPA's air quality evaluation of proposed OCS activities.

The Secretary's role is primarily in the nature of a procedural safeguard, not one of promulgating substantive clean air regulations or one of enforcement of the Clean Air Act. The Administrator of EPA retains responsibility for implementing the clean air law. Even if the Secretary fails to exercise his responsibility under the Outer Continental Shelf Act, the applicability and enforceability of the Clean Air Act is not affected.

I would like to direct an inquiry to the distinguished chairman of the Energy Committee (Mr. JACKSON): Would the Senator describe the role of the Secretary as a supplemental one, to assure that provision is made for compliance with clean air requirements?

Mr. JACKSON. Yes, the language of the Outer Continental Shelf Act is not intended to affect the present applicability of the Clean Air Act to OCS activities, or the primary responsibility of the EPA Administrator to enforce such requirements. The Secretary is expected to consult closely with EPA and to rely on its technical expertise when incorporating clean air requirements into exploration plans and development and production plans and when analyzing the air pollution impact of OCS activities.●

● Mr. HOLLINGS. Mr. President, I would like to speak to the conference report on S. 9, the Outer Continental Shelf Lands Act Amendments.

Praise certainly is in order for the tremendous efforts of the Committee on Energy and Natural Resources, the House OCS Committee, and their respective chairmen, Senator JACKSON and Congressman MURPHY. The time and energy devoted to producing this compromise stretches over several years. The chairmen and their committees deserve recognition for coming out with this hard-fought compromise.

Today I would like to speak to one particular part of the conference report on S. 9, the amendments to the Coastal Zone Management Act of 1972, as amended; for here we have an unusual situation which bears complete explanation for the record.

This conference report contains amendments to the Coastal Zone Management Act of 1972. As such, it includes matters which are within the exclusive jurisdiction of the Senate Committee on Commerce, Science, and Transportation under rule XXV of the standing rules of the Senate. The Committee on Energy and Natural Resources has no claim whatsoever to that jurisdiction, and this is readily conceded by that committee.

The Energy Committee took up these amendments to the Coastal Zone Management Act within the context of the OCS amendments solely with the permission of, and on the basis of an agreement with, the Commerce Committee. The agreement, which is part of the record for July 14, 1977, is basically this. My colleague from Louisiana, Senator JOHNSTON, had an interest in amending the formula grant segment of the coastal energy impact fund. The amendments were ones in which the Commerce Committee could concur substantively. Therefore, in the interests of expediting the OCS amendments as well as the amendment of the Coastal Zone Management Act, the Commerce Committee agreed to permit the Energy and Natural Resources Committee to take up the amendments in this manner, rather than request referral. Furthermore, the agreement laid to rest any further disagreement between my colleague from Louisiana and myself over what the formula grants were or were not originally intended to do.

Everyone has proceeded with this understanding in good faith. The Senate version of the OCS Lands Act amendments passed the Senate with commensurate action on the House side; a conference was held and we now have before us the conference report.

Now that we are voting on the conference report, the agreement for handling the coastal zone amendments in this manner has reached its natural conclusion, and any consideration of the Coastal Zone Management Act of 1972, as amended, reverts exclusively to the Committee on Commerce, Science, and Transportation as laid out in the Senate Rules.

Relations between our two committees have been very fine for some years now, and I certainly want to see that continue. And while I may seem to be stressing this jurisdictional matter unnecessarily, I and my colleagues on the Commerce Committee would rather see this matter settled clearly so that there is no room for misunderstanding. Too many times we see in the Senate the confusion and bad feelings that can be caused over jurisdictional issues, and I for one do not want that to be the case between these two committees.

On the issue of the handling of the coastal zone amendments in the OCS bill, the chairman of the Energy and Natural Resources Committee, Senator JACKSON, worked in good faith with us and did what he could to try and keep the spending down in the amendments. I certainly have no complaints here. On the contrary, Senator JACKSON was in a difficult position and made a point of consulting with me frequently. I do not by this mean to say that I am in total agreement with all the changes that were ultimately made, but Senator JACKSON was a man of his word. He and his colleagues, balancing the need to complete this legislation after years of effort, made the compromises that they believed were necessary to get the job done. I want to recognize Senator JACKSON'S efforts in this regard, as well as those of Senator JOHNSTON.

I have with me a copy of the agreement reached here on the floor last year, and I ask that it be printed in the RECORD.

The agreement follows:

Mr. President, the amendment is the culmination of a lot of work in consultation with members of the Committee on Commerce, with members of the States that are affected by the offshore drilling and prospective offshore drilling.

I yield to my distinguished friend from Washington.

Mr. MAGNUSON. Of course, the Senator from Louisiana, I want the record to show, realizes that this is a matter which is in the clear jurisdiction of the Committee on Commerce.

Mr. JOHNSTON. Yes, Mr. President.

Mr. MAGNUSON. And I joined with him in the amendment because I do think that if it had been sent to the Commerce Commit-

tee, they would have approved the modified amendment and passed it right back.

Senator HOLLINGS, myself, and others, have agreed to it to save time. But I want the record to show that this is establishing absolutely no precedent at all on the jurisdiction of the Commerce Committee on coastal zone management matters. Under the reorganization of the Senate, we have clear jurisdiction and I am sure the Senator from Louisiana realizes that.

Mr. JOHNSTON. Mr. President, the Senator from Washington is correct. It has clear jurisdiction over that act. The Energy Committee makes no claim on that jurisdiction.

What this amendment represents is the culmination of about 3 years of negotiations on this particular amendment, which will now be culminated and consummated and we will make no further claim on the coastal zone management bill.

Mr. MAGNUSON. I want the record also to show, if the Senator will yield, that there was some suggestion made by the Senator from Louisiana to me and others that 2 years ago we made some kind of agreement on this type of amendment, as to jurisdiction.

I do not quite recall what we did. I recall the Senator from Louisiana was quite provoked at one time that we could not get an agreement.

But since that time, we have had a reorganization, regardless of this, and, clearly, we have had an awful fight to keep coastal zone management in the proper committee. We held hearings on it, worked on it for years. Now it is clearly there.

I am glad to join with the Senator in this matter to expedite what I think will be a good amendment.

I wish the Senator would yield also to my colleague from South Carolina.

Mr. JOHNSTON. Yes.

Mr. HOLLINGS. I thank the distinguished chairman, the Senator from Washington, and my colleague, the Senator from Louisiana.

Actually, the Senator from Louisiana and I sat in conference together when we were marking up that impact fund. I chaired that conference and I understood the misgiving that the Senator from Louisiana had because, in a sense, we had temporary agreement at one time—generally speaking, this same kind of approach that the Senator now submits in the form of his amendment. At no time was there any question about the jurisdiction.

I am glad we can accommodate our distinguished friend from Louisiana who has led the way, along with the Senator from Alaska and myself and the Senator from Washington, on the institution of the coastal energy impact fund.

Mr. President, I join the chairman of the Committee on Commerce, Science, and Transportation, Senator MAGNUSON, in cosponsoring the amendment offered by the distinguished junior Senator from Louisiana.

Although this amendment, by directly affecting the Coastal Zone Management Act of 1972, clearly falls within the jurisdiction of the Commerce Committee alone, the committee has agreed to make an exception in this one case, in order to address some of the problems being encountered in coastal States experiencing impacts from Outer Continental Shelf oil and gas activity. I am pleased to join in this agreement to enable the coastal zone management program to be more responsive to needs growing from OCS activity in our fragile and invaluable coastal areas. As I understand it, this amendment will enable coastal States, through the coastal zone management program, to deal with impacts from both frontier areas that will be leased and coming into production, as well as some of the problems already existing from current OCS activity. I feel that this is a sound compromise, and I fully endorse it.

Mr. JOHNSTON. Mr. President, I thank the Senator from Washington and the Senator from South Carolina, along with the distinguished chairman of my committee, for the many hours of work in helping us get this worked out so amicably and so helpfully.

Mr. MAGNUSON. Mr. President, the bill now before the Senate, S. 9—the Outer Continental Shelf Lands Act Amendments of 1977—contains matters which are within the exclusive jurisdiction of the Senate Committee on Commerce under the new jurisdictional rules recently adopted by the Senate. Section 506 of that bill contains an amendment to the Coastal Zone Management Act of 1972, as amended. That legislation is solely within the jurisdiction of the Committee on Commerce under rule XXV of the standing rules of the Senate, as recently amended. The Committee on Energy and Natural Resources has no claim whatsoever to that jurisdiction.

While members of the Energy Committee concede this jurisdiction, they desire this amendment without action in the Committee on Commerce. I consider this process highly unusual, particularly since it does not provide our committee with an ability to examine thoroughly this amendment or the substitute which Senator JOHNSTON now desires to offer.

But in the spirit of compromise I am willing to lay aside the jurisdiction issue if Senator JOHNSTON changes his amendment such that no coastal State is harmed in his attempt to aid his State of Louisiana. As shown to me, his original substitute amendment would have deprived certain west coast States of impact aid which they would receive under the present terms of the coastal energy impact program. This is the very reason I raised the jurisdictional issue. I have asked him to change his substitute amendment to insure that other States are not harmed.

Under his original proposal, the funding authorization for formula grants under the Coastal Energy Impact Program (CEIP) would be changed from an 8-year, $50 million per year level to a 4-year, $100 million per year level. This creates great uncertainty for those States which are on the far end of the Outer Continental Shelf leasing program, namely the west coast States. Under this proposal, my own State of Washington would lose in excess of $2 million.

I propose to continue the 8-year authorization, but to raise it to $75 million per year. This seems to be far more equitable to all States.

Coastal States will have to show actual need for these funds before they can qualify and appropriations for the CEIP must be approved by Congress. So this is not an unreasonable proposal.

The other parts of Senator JOHNSTON's amendment have, I understand, the blessing of the administration. Since the Commerce Committee has not had time to analyze the ramifications of the changes to section 308(b)(4), the committee reserves the right to reexamine these changes if we feel it is necessary.●

Mr. JACKSON. Mr. President, I am prepared to yield back the remainder of my time.

Mr. HANSEN. I yield back the remainder of my time.

The PRESIDING OFFICER. The Senator from Alaska.

Mr. JACKSON. I yield such time as he may need to the Senator from Alaska.

Mr. STEVENS. I shall not delay the Senate, Mr. President, except to say that 70 percent of this land is off my State, and I find very interesting the distinctions that are made in terms of the treatment of this oil as compared to the oil that is produced on the North Slope of Alaska.

For instance, the fee to create a compensation fund that is established under this conference report is 3 cents a barrel. When the Alaska oil pipeline compensation fund was determined the fee per barrel for that compensation fund was 5 cents a barrel.

I also find the amendment that we placed in the bill at the time it passed the Senate which would have separated exploration and development so that we could have cited specific determinations of the effect of offshore development in the highly productive fishery zone off my State has been deleted.

For these reasons, therefore, I shall oppose the bill and join the Senator from Oklahoma in voting against it.

SEVERAL SENATORS. Vote! Vote!

Mr. JACKSON. Did the Senator want the yeas and nays?

Mr. BARTLETT. I ask for the yeas and nays.

The PRESIDING OFFICER. Is there a sufficient second? There is a sufficient second.

The yeas and nays were ordered.

The PRESIDING OFFICER. Is all time yielded back? All time having been yielded back, the question is on agreeing to the conference report. The yeas and nays have been ordered, and the clerk will call the roll.

The assistant legislative clerk called the roll.

Mr. ROBERT C. BYRD. Mr. President, this is the last rollcall vote today.

Mr. CRANSTON. I announce that the Senator from Mississippi (Mr. EASTLAND), the Senator from South Dakota (Mr. ABOUREZK), the Senator from Minnesota (Mr. ANDERSON), the Senator from Colorado (Mr. HART), the Senator from Louisiana (Mr. JOHNSTON), and the Senator from Georgia (Mr. TALMADGE) are necessarily absent.

Mr. STEVENS. I announce that the Senator from Nebraska (Mr. CURTIS), the Senator from Arizona (Mr. GOLDWATER), the Senator from Nevada (Mr. LAXALT), the Senator from Kansas (Mr. PEARSON), and the Senator from North Dakota (Mr. YOUNG) are necessarily absent.

The result was announced—yeas 82, nays 7, as follows:

[Rollcall Vote No. 351 Leg.]

YEAS—82

Allen	Griffin	Morgan
Baker	Hansen	Moynihan
Bayh	Haskell	Muskie
Bentsen	Hatfield, Mark O.	Nelson
Biden	Hatfield, Paul G.	Nunn
Brooke	Hathaway	Packwood
Bumpers	Hayakawa	Pell
Burdick	Heinz	Percy
Byrd, Harry F., Jr.	Helms	Proxmire
Byrd, Robert C.	Hodges	Randolph
Cannon	Hollings	Ribicoff
Case	Huddleston	Riegle
Chafee	Humphrey	Roth
Chiles	Inouye	Sarbanes
Church	Jackson	Sasser
Clark	Javits	Schweiker
Cranston	Kennedy	Scott
Culver	Leahy	Sparkman
Danforth	Lugar	Stafford
DeConcini	Magnuson	Stennis
Dole	Mathias	Stevenson
Domenici	Matsunaga	Stone
Durkin	McClure	Thurmond
Eagleton	McGovern	Wallop
Ford	McIntyre	Weicker
Garn	Melcher	Williams
Glenn	Metzenbaum	Zorinsky
Gravel		

NAYS—7

Bartlett	Long	Tower
Bellmon	Schmitt	
Hatch	Stevens	

NOT VOTING—11

Abourezk	Goldwater	Pearson
Anderson	Hart	Talmadge
Curtis	Johnston	Young
Eastland	Laxalt	

So the conference report was agreed to.

Mr. ROBERT C. BYRD. Mr. President, I move to reconsider the vote by which the conference report was agreed to.

Mr. JACKSON. I move to lay that motion on the table.

The motion to lay on the table was agreed to.

The PRESIDING OFFICER. The Senator from Washington.

Mr. JACKSON. Mr. President, I want to express my appreciation to our staff for their outstanding contribution in making this first legislation since 1953 affecting the Outer Continental Shelf.

Mike Harvey, general counsel of the committee, is the individual who is, indeed, knowledgeable in this field affecting the Outer Continental Shelf public land law. I must say, and I know that members of the staff and members of the committee will agree, that his knowledge in this field is encyclopedic.

I must point out that his wise counsel and help made possible, really, after all of the efforts that had been made to no avail in the past, the updating of the law affecting the Outer Continental Shelf.

He has been ably assisted on our side by associate counsel, R. D. Folsom, who worked long and hard.

I want to point out that Dave Swanson, on the minority side, worked as a part of the team. I want to say to my colleagues that this matter from a professional standpoint could not have been handled better. There has not been any partisanship in terms of doing the professional work of the committee. I commend Dave Swanson and my distinguished colleague and ranking member on the minority side, the able Senator from Wyoming (Mr. HANSEN).

The PRESIDING OFFICER. The Senator from Wyoming.

Mr. HANSEN. Mr. President, let me express my appreciation and gratitude to the chairman of the Energy and Natural Resources Committee (Mr. JACKSON) and to the staff, as he has already done. I join with him in saying we have seen a very professional job performed by the staff. I certainly echo the laudatory things he said about all members. I want to particularly note the contribution made by the minority staff, Mr. Swanson, whose knowledge and expertise I believe has been invaluable as a complementing force to that provided by the majority side.

I would like to say that I had the feeling that this bill was unnecesary in the first place, but, nevertheless, it is the will of the Congress that we have a new bill. I think everything considered, we can be proud of the job that has been done in drafting the OCS bill, which has gone to conference and which the Senate has now approved.

The PRESIDING OFFICER. The Senator from West Virginia.

EDUCATION AMENDMENTS OF 1978

Mr. ROBERT C. BYRD. Mr. President, I ask unanimous consent that the Senate now proceed to the consideration of Calendar Order No. 787, S. 1753.

The PRESIDING OFFICER. The bill will be stated by title.

The assistant legislative clerk read as follows:

A bill (S. 1753) to extend the Elementary and Secondary Education Act of 1965, and for other purposes.

The PRESIDING OFFICER. Is there objection to the present consideration of the bill?

There being no objection, the Senate proceeded to consider the bill which had been reported from the Committee on Human Resources with an amendment in the nature of a substitute.

Mr. PERCY. Mr. President, I ask unanimous consent that Lucinda Oliver and Barbara Block of my staff be granted the privilege of the floor during debate and votes on S. 2570, the Comprehensive Employment and Training Act Amendments of 1978.

The PRESIDING OFFICER. Without objection, it is so ordered.

ROUTINE MORNING BUSINESS

Mr. ROBERT C. BYRD. Mr. President, I ask unanimous consent that there now be a period for the transaction of routine morning business, not to extend beyond 30 minutes, with statements therein limited to 5 minutes each.

The PRESIDING OFFICER. Without objection, it is so ordered.

MESSAGES FROM THE PRESIDENT

Messages from the President of the United States were communicated to the Senate by Mr. Chirdon, one of his secretaries.

EXECUTIVE MESSAGE REFERRED

As in executive session, the Presiding Officer laid before the Senate a message from the President of the United States submitting the nomination of William H. Luers, of Illinois, to be Ambassador Extraordinary and Plenipotentiary of the United States of America to Venezuela; to the Committee on Foreign Relations.

REPORTS OF COMMITTEES

The following reports of committees were submitted:

By Mr. CHILES, from the Committee on Governmental Affairs, without amendment:

S. 3259. A bill to authorize the permanent establishment of a system of Federal Information Centers (Rept. No. 95–1129).

By Mr. ABOUREZK, from the Select Committee on Indian Affairs, without amendment:

S. Res. 544. An original resolution waiving section 402(a) of the Congressional Budget Act of 1974 with respect to consideration of H.R. 11092, a bill to amend the act of December 22, 1974 (88 Stat. 1712) relating to the Navajo and Hopi Indian Relocation Commission. Referred to the Committee on the Budget.

S. 3184. A bill to designate the Indian Health Facility in Ada, Okla., the "Carl Albert Indian Health Facility" (Rept. No. 95–1130).

By Mr. ABOUREZK, from the Select Committee on Indian Affairs, with an amendment:

S. 2358. A bill to declare that the United States holds in trust for the Pueblo of Zia certain public domain lands (Rept. No. 95-1131).

By Mr. ABOUREZK, from the Select Committee on Indian Affairs, with amendments:

S. 2588. A bill to declare that the United States holds in trust for the Pueblo of Santa Ana certain public domain lands (Rept. No. 95–1132).

By Mr. ABOUREZK, from the Select Committee on Indian Affairs, without amendment:

H.R. 8397. An act to provide that a certain tract of land in Pinal County, Ariz., held in trust by the United States for the Papago Indian Tribe, be declared a part of the Papago Indian Reservation (Rept. No. 95–1133).

By Mr. NUNN, from the Committee on Armed Services, without amendment:

H.R. 3532. An act to amend chaper 639 of title 10, United States Code, to enable the Secretary of the Navy to change the name of a publication of the Naval Observatory providing data for navigators and astronomers (Rept. No. 95–1134).

H.R. 7161. An act to amend title 10, United States Code, to allow nationals, as well as citizens, of the United States to participate in the Junior Reserve Officers' Training Corps program (Rept. No. 95–1135).

H.R. 8471. An act to authorize the Governor of the State of Wyoming to exhibit the nameplate, ship's bell, and silver service of the U.S. ship *Wyoming* without restriction as to the place of such exhibition (Rept. No. 95–1136).

By Mr. NUNN, from the Committee on Armed Services, with amendments and an amendment to the title:

S. 3373. A bill to amend title 10, United States Code, to authorize the Secretary of Defense to provide transportation to the Girl Scouts of the United States of America in connection with international world, friendship events or troops on foreign soil meetings, and for other purposes (Rept. No. 95–1137).

By Mr. NUNN, from the Committee on Armed Services, with an amendment:

H.R. 3702. An act to amend title 10, United States Code, to make certain changes in the Retired Serviceman's Family Protection Plan and the Survivor Benefit Plan as authorized by chapter 73 of that title, and for other purposes (Rept. No. 95–1138).

EXECUTIVE REPORTS OF COMMITTEES

The following executive reports of committees were submitted:

By Mr. SPARKMAN, from the Committee on Foreign Relations:

Mary S. Olmsted, of Tennessee, now Ambassador Extraordinary and Plenipotentiary of the United States to Papua New Guinea, to serve concurrently as Ambassador Extraordinary and Plenipotentiary of the United States to Solomn Islands.

(The above nomination from the Committee on Foreign Relations was reported with the recommendation that it be confirmed, subject to the nominee's commitment to respond to requests to appear and testify before any duly constituted committee of the Senate.)

POLITICAL CONTRIBUTIONS STATEMENT

Nominee: Mary S. Olmsted.
Post: Honiara, Solomon Islands.

Contribution, amount, date, and donee:
1. Self: None.
2. Spouse: (No spouse).
3. Children (No children).
4. Parents: Mr. and Mrs. George C. (Zadia S.) Olmsted (Deceased more than four year).
5. Grandparents: Mr. and Mrs. Henry T. (Mary S.) Olmsted (Deceased more than four years). Mr. and Mrs. John A. (Sarah R.) McDonald (Deceased more than four years).
6. Brothers and spouses: Mr. and Mrs. John M. (Loretta S.) Olmsted. None.
7. Sisters and spouses (no sisters).

By Mr. SPARKMAN, from the Committee on Foreign Relations:

The following-named persons to be representative and alternate representatives of the United States to the 22d Session of the General Conference of the International Atomic Energy Agency:

Dale D. Myers, of Virginia, Representative;

Gerard C. Smith, of the District of Columbia, Alternate Representative; and

Roger Kirk, of the District of Columbia, Alternate Representative.

(The above nominations from the Committee on Foreign Relations were reported with the recommendation that they be confirmed, subject to the nominees' commitment to respond to requests to appear and testify before any duly constituted committee of the Senate.)

By Mr. ROBERT C. BYRD, from the Committee on the Judiciary:

Tyree A. Richburg, of Alabama, to be U.S. marshal for the southern district of Alabama.

(The above nomination from the Committee on the Judiciary was reported with the recommendation that it be confirmed, subject to the nominee's commitment to respond to requests to appear and testify before any duly constituted committee of the Senate.)

Mr. NUNN. Mr. President, from the Committee on Armed Services, I report favorably the nominations of Maj. Gen. Howard Mac Lane, U.S. Air Force, to be lieutenant general; and Vice Adm. Harry D. Train II, U.S., Navy, to be admiral; and Adm. Isaac C. Kidd, Jr., U.S. Navy, age 58, for appointment to the grade of admiral on the retired list. I ask that these nominations be placed on the Executive Calendar.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. NUNN. In addition, there are 1,325 for promotion in the Regular Army of the United States, to be lieutenant colonel and below, list beginning with Rudolph E. Abbott; and there are 78 for reappointment and appointment in the Regular Army of the United States, in the grade of colonel and below, list begining with Frederick T. Abt; and there are 12 in the Navy, to be permanent and temporary commanders and below, list beginning with Keith E. Burtner. Also, there are 28 chief warrant officers, W–2, in the Navy, for promotion to the grade of chief warrant officer, W–2, list beginning with Denis R. Boudreau; and there are 448 in the Navy and Naval Reserve, for temporary and permanent promotion to captain and below, list beginning with Leon E. Ackart. Also, there are 2,199 in the Navy for temporary promotion to the grade of lieutenant, junior grade, list beginning with William C. Absher; and there are 14 chief warrant officers, W–1, in the Navy, for temporary promotion to the grade of chief warrant officer, W–2, list beginning with Paul A. Anderson. Since these names have already appeared in the CONGRESSIONAL RECORD and to save the expense of printing again, I ask unanimous consent that they be ordered to lie on the Secretary's desk for the information of any Senator.

The PRESIDING OFFICER. Without objection, it is so ordered.

(The nominations ordered to lie on the Secretary's desk were printed in the RECORD on July 24 and July 28, 1978, at the end of the Senate proceedings.)

INTRODUCTION OF BILLS AND JOINT RESOLUTIONS

The following bills and joint resolutions were introduced, read the first time and, by unanimous consent, the second time, and referred as indicated:

By Mr. MORGAN (for himself, Mr. BAKER, Mr. SASSER, Mr. MAGNUSON, Mr. HODGES, Mr. INOUYE, Mr. PERCY, and Mr. MATHIAS):

S. 3441. A bill to amend the tax laws of the United States to encourage the preservation of independent local newspapers; to the Committee on Finance.

By Mr. BUMPERS (for himself and Mr. HODGES):

S. 3442. A bill to name a certain Federal building in Jonesboro, Arkansas, the "E. C. 'Took' Gathings Building"; to the Committee on Environment and Public Works.

By Mr. ANDERSON:

S. 3443. A bill for the relief of M. Javier Rivera; to the Committee on the Judiciary.

By Mr. MARK O. HATFIELD (for himself, Mr. EASTLAND, Mr. HANSEN, Mr. MCCLURE, Mr. YOUNG, Mr. CURTIS, and Mr. LAXALT):

S. 3444. A bill to repeal the Color of Title Act; to establish standards and procedures whereby certain persons in adverse possession of public lands may acquire legal title thereto; and for other purposes; to the Committee on Energy and Natural Resources.

By Mr. JACKSON:

S. 3445. A bill for the relief of Marian Law Shale Holloway, Adeline Mary Gill Charles, and Eliza Shale Carstens; to the Committee on Energy and Natural Resources.

STATEMENTS ON INTRODUCED BILLS AND JOINT RESOLUTIONS

By Mr. MORGAN (for himself, Mr. BAKER, Mr. SASSER, Mr. MAGNUSON, Mr. HODGES, Mr. INOUYE, Mr. PERCY, and Mr. MATHIAS):

S. 3441. A bill to amend the tax laws of the United States to encourage the preservation of independent local newspapers; to the Committee on Finance.

(The remarks of Mr. MORGAN when he introduced the bill appear elsewhere in today's proceedings.)

By Mr. BUMPERS (for himself and Mr. HODGES):

S. 3442. A bill to name a certain Federal building in Jonesboro, Arkansas, the "E. C. 'Took' Gathings Building"; to the Committee on Environment and Public Works.

E. C. "TOOK" GATHINGS BUILDING

● Mr. BUMPERS. Mr. President, today I am introducing a bill to name the Federal Building in Jonesboro, Ark., the "E. C. 'Took' Gathings Building." Took Gathings is a member of what I hope is not a vanishing breed—Arkansas public servants who have played a vital role in our Nation's history. He served as First District Representative in the House of Representatives from January 1939 to January 1969. In so doing, he served through five Presidencies and three wars.

As ranking member of the House Agriculture Committee, he was in a position to look after the interests of Arkansas farmers, a task he performed well. At a time when cotton was Arkansas' most important crop, he chaired the Cotton Subcommittee. Not content to remain in Washington, Took traveled across the country and was an effective spokesman for cotton.

He was born on November 3, 1903, in Prairie, Miss., and attended public schools in Arkansas. After receiving his law degree from the University of Arkansas at Fayetteville, he was admitted to the Arkansas Bar and practiced law. In 1935 he was elected to the Arkansas State Senate. Only 4 years later the people of Arkansas sent him to Congress.

After his retirement from the House, he and Tolise, his wife, moved back to West Memphis, Ark., where he set up a law practice. Mr. President, Took is still going strong. It is only fitting that a facility providing Federal services should be named after him. I urge expeditious action by the Senate.●

By Mr. MARK O. HATFIELD (for himself, Mr. EASTLAND, Mr. HANSEN, Mr. MCCLURE, Mr. YOUNG, Mr. CURTIS, and Mr. LAXALT):

S. 3444. A bill to repeal the Color of Title Act; to establish standards and procedures whereby certain persons in adverse possession of public lands may acquire legal title thereto; and for other purposes; to the Committee on Energy and Natural Resources.

● Mr. MARK O. HATFIELD. Mr. President, today I am introducing legislation aimed at providing relief for unsuspecting landowners who find themselves in conflict with the Federal Government over property resurveys. Each year, when Government land is resurveyed, many people run the risk of unexpectedly being labeled as trespassers, with no means to refute the charge. My proposal is aimed at resolving the inequities which have fallen upon these landowners.

Although this is a problem felt by the Congress, the courts and Federal agencies, its most basic impact is the personal suffering of an unintentional trespasser. When a dispute with the Federal Government arises, these people face difficult and sometimes heartbreaking problems under current law.

As an example, I would like to share with my colleagues the problems faced by Mr. and Mrs. Noel McClure of Blue River, Oreg. About 26 years ago, the couple bought their house and a small parcel of land near the Willamette National Forest. Over the next quarter of a cen-

tury, they made a home for themselves there. Adding a carport and machine shed, planting flowers and shrubs, they improved the site and were later joined by their son and his family. After years of working, they decided to retire at this location.

They paid little attention to resurveys of nearby land until a letter from the Forest Service arrived. They were not near the National Forest as they had believed, the Forest Service said, but in it. According to the new surveys, they did not actually own the land they had purchased, improved, and lived on for those 26 years. To make matters worse, the Forest Service now wanted this land back.

About this time, the McClures, as well as several of their neighbors who were faced with the same problems, contacted me. In turn, I asked for a review by the Forest Service and by special permit, renewed annually at a cost to the McClures, the couple will be allowed to remain in their home. But when they move or die, the property will revert to the Government.

For the McClures, this situation is very trying at the least. They cannot will the property to their son, nor can they sell it to him. If they decide to relocate somewhere nearer to medical facilities, they will not have the benefits of a house sale to help with the move. Under the law as it exists today, they are without a home and without a means to clarify their status as landowners.

Mr. President, the roots of the present problem are long and set deep into American history. In the first place, nearly all lands, public and private, in the original 13 States were surveyed by metes and bounds. Under this age-old system, each tract of land was set out by arbitrarily establishing some point in the boundary of the property as a starting point and then reciting the courses (or directions) and distances from point to point around the tract. Surveyors took notes as property was measured, creating land descriptions which are incomprehensible to the layman and useless even to the expert unless tied to the land by some identifiable monument such as a boundary stone, a distinctive tree, or a unique river bend. The surveying tools of the time were highly erratic magnetic compasses and chains and tapes—rarely standardized, stretchable, and subject to wear.

The inadequacies and complexities of the metes and bounds system were recognized even during the colonial period, and this soon led to changes in American survey techniques. In 1785, the Continental Congress designated the rectangular survey as the sole acceptable method of surveying any public lands which might thereafter be acquired. This system prevails even today as the official method of Government survey. Gradually but implacably, a uniform surveyor's grid of 1 mile by 1 mile square with sides running north and south and east and west has been laid out on most of the public lands.

Theoretically, under the rectangular system, any given tract of surveyed land "can readily, easily, and briefly be described and distinguished from all other tracts;" and boundary lines and corners, even if obliterated, can usually be retraced. In actuality, rectangular surveys, like metes and bounds surveys, are often the source of property disputes.

When the use of the rectangular system was instituted, surveying was not as much a science as an art—and it was a young art at that. Surveying tools and techniques were crude and often inaccurate. The same magnetic compass which introduced errors into metes and bounds surveys was used in all early rectangular surveys. The reliable solar compass used by modern surveyors did not even exist at the time much of the public domain was being surveyed.

Fraudulent and slipshod surveying and recording undoubtedly occurred. Field surveyors worked long hours for low wages with crude instruments. They often found themselves knee deep in mud or snow, tortured by flies and mosquitoes, and frightened by the very wilderness they had come to map.

As Vernon Carenstan points out in his book on the history of public lands, "(P)erhaps no one had a right to expect the task (of surveying) to be done well: the remarkable thing was that it was done at all, that the whole machinery did not collapse."

The job of surveying the public lands is yet to be completed. According to the BLM's own statistics, at the close of the 1975 fiscal year, 405,027,320 acres of federally owned property in the United States remained to be surveyed. Of the unsurveyed land, 77 percent, or nearly 314 million acres, lies in Alaska. The remaining acres are located exclusively in 11 Western States.

Arizona has about 11 million acres of public land still unsurveyed; California has 9.2 million acres; Colorado, 3.7 million; Idaho, 8.8 million acres; Montana, 9.0 million acres; Nevada, 19.5 million acres; North Dakota, 4.7 million acres; Oregon, 2.8 million acres; Utah, 8.9 million acres; Washington, 6.3 million acres; and Wyoming, 6.7 million acres. In States like Nevada, where the Government holds 86 percent of all real property, the fact that Federal surveys are unfinished means that much of the land area of the State is unsurveyed.

It is the law that before the United States has conveyed lands, it may make as many surveys of a tract of public lands as it desires and the last accepted survey will control. It is also the law, however, that once property rights are acquired on the faith of a Government survey, that survey, even if erroneous, becomes controlling.

By statute, property rights once vested in bona fide private owners and claimants cannot be affected by subsequent resurveys which change the boundaries of the public lands. The essential rule of a resurvey, is, therefore, to follow the steps of the first survey. The clear duty of the retracting surveyor is to determine what the first surveyor did, not what he should have done.

Because of the complex detective work a surveyor must perform in order to reestablish lost boundary lines, the task of resurveying the public lands is not likely to be accomplished quickly.

Because many original surveys were not properly or uniformly conducted, recreating them may not always be possible, regardless of the diligence of BLM surveyors. The Government and private landowners are certain to disagree in some instances on just where a boundary originally lay. Because of this, resurveys can beexpected to create nearly as many problems as they solve.

Due to the expanse of public land across the country, many honest disputes can develop between the Government and private citizens. Although the exact size of the unintentional trespass problem is difficult to judge, one observer, commenting on the findings of the Public Land Law Review Commission, termed it not severe, but substantial nonetheless.

For anyone who has paid full value for land they thought was theirs, made valuable improvements, mortgaged it, met tax assessments against it and become emotionally attached to it, the problem can only be termed harsh.

To remedy this situation, the bill I am proposing would go beyond the sharply limited relief currently available to a narrowly defined group of people. In place of existing law, I am proposing a procedure which would allow innocent trespassers enough aid to resolve their disputes with the Federal Government.

In general terms, this legislation would provide that:

First. Claimants who meet the requirements for color of title do not have to purchase the land from the Government as currently required under law.

Second. Claimants must have held the land in good faith and in peaceful adverse possession for at least 20 years while making valuable improvements on the land. In the absence of work on valuable improvements, the land would have to be held for at least 30 years.

Third. The Secretary is not always required to transfer a specific portion of land if it is needed by the Government for other purposes.

Fourth. All mineral rights are reserved to the United States.

Fifth. The actions of the Secretary are expressly made subject to judicial review.

Congressional interest in balancing public and private interests has been a recurrent theme in public land policy over the years, and I believe my proposal closely follows this tradition. Land, after all, is one of our most important material resources, whether private or public. Central to this legislation is the fundamental belief that both public and private interests need to be protected.

Obviously, the bill is aimed at providing a large measure of help for private parties. At the same time, it was carefully drafted to incorporate important safeguards for public domain. By reserving all mineral rights, the possibility of using the provisions for land speculation are greatly reduced. Yet another impor-

tant protective measure is available to the Secretary in cases where public land must be retained. Under those circumstances, the Secretary has the authority to keep the land and offer the claimant a comparable piece of property or a cash payment equal to the value of the property plus improvements.

Mr. President, existing laws also carry the same safeguards for the public incorporated in my proposal, but there are district limits on the aid available to unintentional trespassers. The Quiet Title Act of 1972, while a very important statute for many, does not help those people who technically do not have good title because of surveying errors discovered in recent resurveys. Another useful statute, the Color of Title Act, does provide some relief of victims of surveying errors, but again its aid is limited.

Based on review of these laws and a recognition of the real problems encountered by innocent landowners who run afoul of Government resurveys, I believe the legislation I am proposing today represents an important tool in reestablishing equity to such situations. We should not underestimate the magnitude of the problem we are addressing here. Public land accounts for over one-third of our total land surface, encompassing large areas in both the Eastern and Western reaches of the Nation. In order to insure that we remedy the problems confronting many private landowners, I hope that this legislation will serve as a starting point for Senate action.

Mr. President, I would like to make one final point concerning my proposal. When survey problems for several families in the community of Blue River first became apparent, students and faculty at the University of Oregon law school were quick to respond to my request for help in researching the situation. One student in the Environmental Law Clinic, Mary Fiebing, played a crucial role in writing this legislation. Her thorough background studies and careful drafting of the bill were immense aids to me. It does no good to talk about the difficulties facing many landowners following resurveys when Federal law lacks the necessary tools to be of assistance. Ms. Fiebing helped focus attention on the problem and then helped immensely in working out possible solutions. And I want to again thank her for the time and effort.

So that my colleagues may review this proposal in detail I ask unanimous consent that the text of the bill be printed in the RECORD.

There being no objection, the bill was ordered to be printed in the RECORD, as follows:

S. 3444

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That as used in this Act, the term—

(1) "Secretary" means the Secretary of the Interior;

(2) "qualified person" means—

(A) any individual who is authorized to hold title in the State in which the property is located.

(B) any partnership or association, each of the members of which is within the purview of clause (A) of this paragraph; or

(C) any corporation organized under the laws of the United States or of any State thereof, and authorized to hold title to real property in the State in which the property is located;

(A) land owned by the United States, including land permanently or temporarily withdrawn, withheld or reserved from private appropriation and disposal, as well as land available for private appropriation and disposal, but excluding land dedicated to Indian reservations;

(B) any interest of the United States in land, other than a security interest or water right;

(4) "color of title" means a written instrument which gives the semblance or appearance of title but is not title in fact;

(5) "good faith" means a good faith at the time of acquisition of color of title.

PETITIONS FOR GRANT OF PATENT

SEC. 2. (a)(1) Any qualified person who believes he has a valid claim under color of title to an interest in public land, and meets the standards as provided in Section 2(b) of this Act, may file a petition for a patent thereto with the Secretary.

(1) Application under this Act may be made for government-surveyed land. If unsurveyed, the petition shall include a description sufficiently complete to identify the location, boundary, and area of the land, and, if possible, the approximate description or location of the land by section township and range. If unsurveyed land is claimed, final action will be suspended until the plat of survey has been officially filed.

(3) Each petition shall include information relating to all record and nonrecord conveyances, and to all nonrecord claims of title affecting the land. The statements of record conveyances must be certified by the proper county official or supported by an abstract of title. The petitioner may be called upon to submit documentary or other evidence relating to conveyances or claims.

(b) A patent shall be granted to a tract, a portion of a tract, or an interest in a tract claimed if the petitioner, his ancestors, or grantors have held said tract in good faith and in peaceful adverse possession under color of title for at least twenty (20) years and have made valuable improvements thereon, or reduced a portion thereof to cultivation. Discovery of a defect in title after acquisition of title, but short of twenty years of adverse possession, shall not defeat a petition for grant of patent under this Act.

(c)(1) Within a reasonable time after receipt of a petition for grant of patent, the Secretary shall determine the sufficiency of the petition and any supporting documentary evidence. If the Secretary determines that the petition and any supporting evidence is insufficient, and adjudicatory hearing shall be held regarding the claim according to appropriate procedures set forth in Sections 554, 556, and 557 of Title 5, United States Code.

(2) If the Secretary determines the petition is sufficient, initially or upon completion of a hearing held pursuant to subsection (c)(1) above, he shall issue a patent for the interest claimed, up to and including a fee simple, in an area of public land not to exceed fifty (50) acres upon the payment of not more than $1.25 per acre.

(3) If the tract claimed is in excess of 50 acres, the Secretary may:

(A) determine which particular portion of the land, not exceeding 50 acres, shall be patented, based on existing improvements and public need for the land, or

(B) in his discretion, issue grants in excess of 50 acres upon a finding that such excess acreage is not needed for public purposes and will be put to active use by the petitioner. This grant shall be made available upon payment of $1.25 per acre.

(4) Where land claimed under this Act has been withdrawn, withheld, or reserved in aid of a function of a Federal department or agency other than the Department of the Interior, or of a State, county, municipality, water district, or other local governmental subdivision or agency, the Secretary may issue a patent thereto only with the consent of the head of the governmental unit concerned and under such terms and conditions as such unit head may deem necessary.

(5) If the Secretary determines that a petition is sufficient but (A) the consent required by subsection (c)(4) above is not given or terms and conditions imposed on such consent are unacceptable to the petitioner, or (B) the particular land claimed is needed for public purposes, the Secretary shall either issue the petitioner a patent for a comparable tract of Federal land upon payment by the petitioner of $1.25 per acre, or pay the petitioner the fair market value of the land or interest in land claimed, including any improvements placed upon such land by the petitioner, his ancestors or grantors. A petitioner who qualifies for a patent under this Act, but is denied title to the particular tract claimed under this subsection, shall have the option of electing monetary compensation over a patent to substitute land.

(6) If a petitioner is to be given monetary compensation for lands claimed, improvements thereon, or both, as allowed under this subsection, the Secretary shall cause the land or improvements, or both, to be appraised, said appraisal to be on the basis of the value of the and or improvements, or both, exclusive of mineral interests, at the time of such appraisal.

(7) No patent for substitute land and no monetary compensation shall be granted until arrangements satisfactory to the Secretary have been made for termination of the petitioner's occupancy of the land claimed.

(8) The mineral interests of the United States in any land to which patent is issued under this Act shall be reserved to the United States, and shall be subject to sale, lease, and disposal under applicable leasing and mineral land laws. No right of surface ingress or egress is reserved to the United States.

CONFLICTING CLAIMS

SEC. 3. No patent shall issue under this Act for any tract to which there is a conflicting claim adverse to that of the petitioner, unless and until such claim shall have been finally adjudicated in favor of such petitioner.

JUDICIAL REVIEW

SEC. 4. Any final action of the Secretary under this Act, including appraisals under Section 2(c)(7), shall be subject to judicial review by the United States court of appeals for the circuit in which the property claimed is located upon the filing in such court within 60 days from the date of such action of a petition by any aggrieved person. A copy of the petition shall be forthwith transmitted by the clerk of the court to the Secretary or other officer designated by him for that purpose. Upon the filing of the petition, the court shall have jurisdiction to review the action in accordance with Chapter 7 of Title 5 of the United States Code and to grant appropriate relief as provided in such chapter.

RULES AND REGULATIONS

SEC. 5. The Secretary is hereby authorized to make such rules and regulations as are necessary to carry out the provisions of this Act.

AUTHORIZATION OF APPROPRIATIONS

SEC. 6. There are hereby authorized to be appropriated such sums as may be necessary to implement the provisions of this Act.

COLOR OF TITLE ACT

SEC. 7. The provisions of this Act are intended to be supplemental to, an not intended to supersede or replace, the provisions of the Color of Title Act (43 U.S.C. 1068 et seq.).

By Mr. JACKSON:

S. 3445. A bill for the relief of Marian Law Shale Holloway, Adeline Mary Gill Charles, and Eliza Shale Carstens; to the Committee on Energy and Natural Resources.

● Mr. JACKSON. Mr. President, the bill I am introducing today for the relief of Marian Law Shale Holloway, Adeline Mary Gill Charles and Eliza Shale Carstens, corrects a mistake made by the Bureau of Indian Affairs in erroneously approving a purported sale of property.

The individuals, or their estates, who are named in this relief bill, would be compensated by approximately $14,000 as a result of this erroneous conveyance. I ask unanimous consent that a letter from the Department of the Interior explaining this situation be printed in the RECORD.

I urge my colleagues to support this bill.

There being no objection, the letter was ordered to be printed in the RECORD, as follows:

U.S. DEPARTMENT OF THE INTERIOR,
Washington, D.C., August 10, 1976.

Hon. HENRY M. JACKSON,
Chairman, Committee on Interior and Insular Affairs, U.S. Senate, Washington, D.C.

DEAR MR. CHAIRMAN: Your Committee has requested the views of this Department on S. 3537,, a bill "For the relief of Marian Law Shale Holloway, Adeline Mary Gill Charles and Eliza Shale Carstens."

We recommend that the bill be enacted.

S. 3537 would authorize and direct the Secretary of the Interior to pay, out of any money appropriated to the Department of the Interior, to Marian Law Shale Holloway, Adeline Mary Gill Charles, and Eliza Shale Carstens (or to their estates) such sums as he determines each is legally and equitably entitled to as compensation for losses (including reasonable attorney fees) resulting from his "erroneous approval of purported conveyances" of some 18.75 acres of trust land located on the Quinault Indian Reservation in Washington and more specifically described in the bill. Section 2 would provide a standard prohibition against the payment of more than ten percent of the funds appropriated for said payments for the services of any agent or attorney in connection with this claim.

The trust land in question was validly conveyed in 1931 by Harry Shale to his wife, Eliza Shale. In 1951, Bureau of Indian Affairs officials, acting on behalf of the United States and the Secretary of the Interior, inadvertently and erroneously approved a purported sale of the same trust land from Harry Shale to the United States in trust for Marian Law Shale Holloway. Ms. Holloway, who is a Quinault Indian, paid $5,000 for the land from funds held in trust for her by the Bureau of Indian Affairs on behalf of the United States and the Secretary of the Interior.

In 1953 and 1955, the Bureau of Indian Affairs inadvertently and erroneously approved purported sales by Ms. Holloway of two two-acre portions of the land involved in the purported 1951 sale for which she received a total of $2,400. The purchasers in these purported sales were also Quinault Indians who utilized trust funds in their purchases.

The mistake of the 1951 approval was not discovered until 1968, some twelve years after the death of Harry Shale. Mr. Shale's estate has been probated and proceeds distributed so that no recourse is available against him or his estate for his purported sale of the land in 1951 which he had previously sold in 1931 to his then wife, Eliza Shale.

As indicated below, we believe that the United States owed Ms. Holloway and the 1953 and 1955 Quinault purchasers the duty of assuring that they would obtain clear titles prior to approving the purchases and sales of the restricted land involved and prior to approving the related expenditures of trust funds. Under the provision set out in 25 U.S.C. 379, such purchases and sales require the approval of the Secretary of the Interior (or his delegate) who has set up a procedure by which such sales can be made (25 CFR 121.22 to 121.31).

Pursuant to the statutory provision set out in 25 U.S.C. 5, the Secretary has established a system to maintain land records and title documents (25 CFR 120.1). These land records are maintained by the Secretary on behalf of the United States and are the only title records of Indian land. As such, they are relied upon by Indian people and by all persons who have transactions with Indians related to trust lands.

We do not mean to imply that a duty to maintain these land records is owed by the United States to everyone who deals with Indian people. However, it is inescapable that the United States, acting through the Secretary of the Interior and his delegates, has an obligation to maintain these records as part of its trust responsibilities in approving sales of trust land and in approving the expenditure of trust funds for such land. We believe that this trust responsibiltiy was breached by approval of the deeds and sales of restricted land in each of the three purported sales (1951, 1953, and 1955) and by the approval of the expenditures of trust funds in connection with each such sale.

Any right of action relating to those purported sales, Ms. Holloway or the 1953 and 1955 purchasers may have had to sue the United States is apparently now barred by the statute of limitations (25 U.S.C. sec. 2401 and sec. 2501). However, we understand that a suit (*Holloway* v. *United States*—USDC, W.D. Wash.—Civil No. 40–7167) is being held in abeyance to give the plaintiff the opportunity to appeal to the Congress for relief.

We believe that the erroneous approval by the Bureau of Indian Affairs (on behalf of the United States) of the purported 1951 sale to Ms. Holloway and the related expenditures of her trust funds justifies the United States providing compensation. Similarly, the erroneous approvals of the purported 1953 and 1955 sales and the related expenditures of the purchasers' of trust funds, justifies the United States providing compensation to those purchasers. Ms. Holloway's losses were lessened by the 1953 and 1955 sales and her compensation should be adjusted accordingly. Therefore, compensating the 1953 and 1955 purchasers would not increase the total compensation paid by the United States.

The amount of compensation due Ms. Holloway would be the sum of (1) the $5,000 she paid for the land in 1951 plus interest compounded at the interest rates and intervals which would have applied if the funds had stayed in trust until the purported 1953 sale, plus (2) the interest calculated on the balance of such trust fund at the time of the purported 1953 sales less the $2,000 received by Ms. Holloway at that time with such interest compounded at the rates and intervals which would have applied if the funds had stayed in trust until the purported 1955 sale, plus (3) the interest calculated on the balance of such trust fund at the time of the purported 1955 sale less the $400 received by Ms. Holloway at that time with such interest compounded at the rates and intervals which would have applied if the funds had stayed in trust until the date the compensation is paid by the United States to Ms. Holloway. In addition, S. 3537 would allow her to receive compensation for reasonable attorney fees which she has incurred as the result of the erroneous approval by the Secretary.

The purported 1953 sale was to Adeline Mary Gill Charles (Quinault Allottee No. 1094) and the purported 1955 sale was to Eliza Shale Carstens (Quinault Allottee No. 918). The amount of compensation to be paid to each of these persons would be calculated in the same manner as described above for Ms. Holloway.

If the payments are calculated as set out above and are paid this calendar year, we estimate the total to be about $14,000.

It should be noted that Eliza Shale Carstens, the purchaser of the two acres in the purported 1955 sale was also the purchaser (Eliza Shale) of the entire 18.75 acres in the valid 1931 sale. However, we do not feel that this fact alters the justification for compensation to her for her loss of funds due to the Bureau of Indian Affairs approval of both the 1955 sale and the related expenditure of her trust funds.

In line with section 1(b) of S. 3537, the payment to each of the three parties would be in full satisfaction of all claims they may have against the United States in connection with the approvals of the purchases and sales and the expenditures of trust funds and they would be required to execute releases to that effect and such other documents as may be necessary to clear any cloud on the title to the land in question. In addition, the 1953 and 1955 purchasers would be required to execute releases for any claims they may have against Ms. Holloway in connection with the purported 1953 and 1955 sales.

Information available in the Office of the Area Geologist, Menlo Park, California, shows that the acreage in question is located within an area which has been classified valuable prospectively for oil and gas. Exploratory drilling has produced indications of oil and gas but, as yet, no producible quantities have resulted.

The Office of Management and Budget has advised that there is no objection to the presentation of this report from the standpoint of the Administration's program.

Sincerely yours,

RONALD G. COLEMAN,
Assistant Secretary of the Interior.●

ADDITIONAL COSPONSORS

S. 2502

At the request of Mr. ABOUREZK, the Senator from North Dakota (Mr. BURDICK) and the Senator from Colorado (Mr. HASKELL) were added as cosponsors of S. 2502, a bill to authorize the States and the Indian tribes to enter into mutual agreements and compacts respecting jurisdiction and governmental operations in Indian country.

SENATE RESOLUTION 519

At the request of Mr. ANDERSON, the Senator from Massachusetts (Mr. BROOKE) was added as a cosponsor of Senate Resolution 519, expressing the sense of the Senate that the 1980 Summer Olympic Games be held at a site outside the Soviet Union.

SENATE RESOLUTION 526

At the request of Mr. DOLE, the Senator from New York (Mr. MOYNIHAN) and the Senator from Florida (Mr. STONE) were added as cosponsors of Senate Resolution 526, commemorating the 10th anniversary of the invasion of Czechoslovakia.

SENATE RESOLUTION 544—ORIGINAL RESOLUTION REPORTED WAIVING CONGRESSIONAL BUDGET ACT

Mr. ABOUREZK, from the Select Committee on Indian Affairs, reported the following original resolution, which was referred to the Committee on the Budget:

S. RES. 544

Resolved, That pursuant to section 402(c) of the Congressional Budget Act of 1974, the provisions of section 402(a) of such Act are waived with respect to consideration of H.R. 11092, a bill to amend the Act of December 22, 1974 (88 Stat. 1712) relating to the Navajo and Hopi Indians Relocating Commission. This waiver is necessary because the Commission estimates that during fiscal year 1979 it will relocate approximately 500 families of the estimated 1,100 Navajo and Hopi families to be relocated from areas of the joint use area partitioned to the respective Navajo and Hopi Tribes of which the relocatees are not members. H.R. 11092 increases the authorization of appropriations for the operation of the Commission from $500,000 a year to $1 million a year. In anticipation of enactment of H.R. 11092 the House and Senate Committees on Appropriations have reported out appropriations bills which increases the appropriations for the operation of the Commission (by $490,000 and $430,000 respectively) over and above the $500,000 presently authorized by the Act of December 22, 1974. The existing authorization for the Commission's operating expenses is insufficient for the Commission's enormous task in relocating the estimated 500 families and fulfilling their other duties under the law during fiscal year 1979. The increased authorization will enable the Commission to hire the additional personnel needed to adequately carry out their activities.

H.R. 11092 passed the House of Representatives April 11, 1978, however, the Senate Select Committee was not able to take action on the bill until well after May 15, 1978, because of ongoing research and investigation of other issues related to the implementation of the relocation efforts.

AMENDMENTS SUBMITTED FOR PRINTING

COMPREHENSIVE EMPLOYMENT AND TRAINING ACT AMENDMENTS—S. 2570

AMENDMENT NO. 3526

(Ordered to be printed and to lie on the table.)

Mr. SCHWEIKER submitted an amendment intended to be proposed by him to S. 2570, a bill to amend the Comprehensive Employment and Training Act of 1973 to provide improved employment and training services, to extend the authorization, and for other purposes.

AMENDMENT NO. 3527

(Ordered to be printed and to lie on the table.)

Mr. BELLMON (for himself, Mr. NELSON, Mr. JAVITS, Mr. MUSKIE, Mr. RIBICOFF, Mr. BAKER, Mr. CHILES, Mr. BARTLETT, Mr. DECONCINI, Mr. DOMENICI, Mr. HATCH, and Mr. DANFORTH) submitted an amendment intended to be proposed by them, jointly, to S. 2570, supra.

● Mr. BELLMON. Mr. President, I submit an amendment to S. 2570 and ask that it be printed. I ask unanimous consent the amendment and a section-by-section description of the amendment be printed in the RECORD.

There being no objection, the amendment and description were ordered to be printed in the RECORD, as follows:

AMENDMENT NO. 3527

On page 182, line 14, after "rehabilitation" insert a comma and the following: "public assistance".

On page 185, line 9, insert after "shall" a comma and the following: "in coordination with units of general local government,"

On page 189, line 7, after "agencies" insert a comma and the following: "public assistance agencies".

On page 190, line 23, strike out the word "or".

On page 190, line 23, before the period insert a comma and the following: "or are public assistance recipients".

On page 195, lines 3 and 4, after "education" insert a comma and the following: "State and local public assistance agencies".

On page 204, line 5, after "agencies" insert a comma and the following: "public assistance agencies".

On page 206, between lines 14 and 15, insert the following:

"(iii) one representative of the State public assistance agency;

On page 206, line 15, strike out "(iii)" and insert in lieu thereof "(iv)".

On page 206, line 19, strike out "(iv)" and insert in lieu thereof "(v)".

On page 206, line 21, strike out "(v)" and insert in lieu thereof "(vi)".

On page 207, line 18, after "rehabilitation" insert a coma and the following: "public assistance".

On page 218, line 21, before the period insert a comma and the following: "and to eligible persons who are public assistance recipients or who are eligible for public assistance but not receiving such assistance".

On page 243, line 20, strike out "and" the first time it appears.

On page 243, line 21, insert before the semicolon a comma and the following: "and public assistance recipient status".

On page 244, between lines 11 and 12, insert the following: "(6) an estimate of the savings realized in public assistance, food stamps, housing assistance, medical assistance and other programs due to the increased employment of recipients of benefits under those programs as a result of the employment and training services provided under this Act."

On page 260, between lines 19 and 20, insert the following:

"SERVICES FOR PUBLIC ASSISTANCE RECIPIENTS

"SEC. 216. (a) Services for public assistance recipients under this part shall be designed to assist eligible participants in overcoming the particular barriers to employment experienced by such recipients, including lack of basic educational or vocational skills, insufficient preparation for the personal adaptations necessary for labor force participation, inability to find or successfully apply for employment, inability to obtain transportation to employment opportunities, medical problems, inability to obtain satisfactory child care, and lack of appropriate job opportunities.

"(b) The Secretary shall insure that each prime sponsor's plan for serving eligible public assistance recipients under this part includes provisions for—

"(1) coordinating services assisted under this part with other programs assisted under this Act;

"(2) coordinating services assisted under this Act with services provided by State and local public assistance agencies;

"(3) assisting public assistance recipients to develop skills necessary for taking advantage of opportunities to enter or re-enter the labor force, including, but not limited to—

"(A) outreach, assessment and orientation to the local labor market and to occupational and training opportunities available in the community;

"(B) counseling, placement assistance, and job placement;

"(C) technical assistance to employers for establishing flexi-time, child-care, job sharing, and other innovative arrangements suited to public assistance recipients;

"(D) activities to overcome sex and welfare status stereotyping in job placement and development; and

"(E) other activities designed to increase labor force participation rates among eligible participants who are able and willing to work but have been unable to secure employment.

On page 263, delete lines 19 through 23.

On page 263, line 15, strike out "(a)".

On page 388, between lines 12 and 13, insert the following:

"(c) The Secretary shall develop information relating to the number of individuals who have attained 16 years of age and who are members of a family with an income which is equal to or less than 70 percent, 85 percent, and 100 percent of the lower living standard income level for the jurisdiction of each prime sponsor. The Secretary shall prepare and submit, not later than one year after the date of enactment of the Comprehensive Employment and Training Act Amendments of 1978, to the President and to the Congress a report on the information required by this subsection.

On page 267, line 3, insert "(1)" after "person".

On page 267, line 4, strike out "twelve" and insert in lieu thereof "fifteen".

On page 267, line 5, before the period insert a comma and the following: "(2) or who is, or whose family is receiving aid to families with dependent children provided under a State plan approved under part A of title IV of the Social Security Act, or who is receiving supplemental security income benefits under title XVI of the Social Security Act".

On page 268, line 5, after "older workers" insert a comma and the following: "public assistance recipients,".

On page 292, line 7, after "agencies" insert a semicolon and the following: "State and local public assistance agencies".

On page 294, line 2, strike out "and".

On page 294, between lines 2 and 3, insert the following:

"(L) assurances that special efforts will be made to recruit youth from families receiving public assistance, including parents of dependent children who meet the age requirement of this subpart; and

On page 294, line 3, strike out "(L)" and insert in lieu thereof "(M)".

On page 301, line 20, before the comma insert a comma and the following: "a description of arrangements with public assistance agencies on the employment of youth from families receiving public assistance, including parents of dependent children".

On page 314, line 10, after "organizations" insert a comma and the following: "public assistance agencies".

On page 353, line 25, after "service" insert a comma and the following: "public assistance agencies".

On page 374, line 25, beginning with the word "a", strike out through line 5 on page 375 and insert in lieu thereof a hyphen and the following:

"(A) an individual—

"(i) who has been unemployed for at least 10 out of the 12 weeks immediately prior to a determination under this section,

"(ii) who is unemployed at the time the determination is made, and

"(iii) whose family income does not exceed 85 per centum of the lower living standard income level based on the three-month period prior to the individual's application for participation; or

"(B) an individual—

"(i) who is, or whose family is, receiving aid to families with dependent children provided under a State plan approved under part A of title IV of the Social Security Act, or who is receiving supplemental security income benefits under title XVI of the Social Security Act,

"(ii) who has been unemployed for at least 10 out of 12 weeks immediately prior to the determination under this section, and

"(iii) who is unemployed at the time the determination is made.".

On page 178, in the Table of Contents, after item "Sec. 215" insert the following new item:

"Sec. 216. Services for Public Assistance Recipients.".

SECTION-BY-SECTION DESCRIPTION OF AMENDMENT TO S. 2570

The following are brief descriptions of the content and purposes of the various changes the Amendment would make to S. 2570, the Comprehensive Employment and Training Amendments of 1978:

1. Sec. 2 This would add "public assistance" to the list of programs in the statement of purpose with which there is to be maximum feasible coordination of plans, programs, and activities.

The Statement of Purpose in the bill already provides for CETA activities to be coordinated with "economic development, community development and related activities such as vocational education, vocational rehabilitation and social service programs." Adding public assistance to the list of program with which CETA activities are to be coordinated will recognize that public assistance recipients are among the groups most in need of CETA services, and that coordination between CETA and public assistance agencies will help assure more effective responses to the employment-related needs of these recipients.

2. Sec. 101(d): This would require State prime sponsors, in making arrangements for area planning bodies to serve subareas within the State prime sponsor's area, to coordinate such arrangements with units of general local government.

This change will help assure that local governments will have some voice regarding groupings of local jurisdictions for purposes of sub-area planning. This provision would apply whenever balance-of-state prime sponsors organize new sub-area planning councils or change arrangements that now exist.

3. Sec. 103(a)(7): This would require a prime sponsor in its employment and training agreement to provide for utilizing (with or without reimbursement) services and facilities available from public assistance agencies.

The bill already specifies that employment and training agreements shall provide for utilization in CETA programs, to the extent appropriate, of the services and facilities of state employment services, vocational rehabilitation agencies, local education agencies, and a number of other types of agencies. Adding state and local public assistance agencies to the listing of agencies whose facilities and services are to be considered in developing the agreements will emphasize the high priority Congress intends the CETA planning and delivery system to give to the employment needs of public assistance recipients. This change will help assure that prime sponsors consider public assistance agencies as a potential resource for referral of candidates for training and public service employment, and as potential deliverers of various services needed by such recipients who participate in CETA programs.

4. Sec. 103(b)(3): This would add public assistance recipients to the list of groups which are experiencing severe handicaps in obtaining employment; prime sponsors would have to specify intended services for such persons in their annual plans.

Although many prime sponsors have treated the employment and training of public assistance recipients as a high priority, this has not been the case in all parts of the country. This provision will give a very clear signal to prime sponsors that they are to address specifically in their annual plan the steps they will take to help public assistance recipients overcome handicaps which prevent them from being employed. These handicaps include educational deficiencies, lack of skills, lack of work experience, race and sex discrimination, family responsibilities, and many other problems.

It is not expected that CETA prime sponsors can solve all these problems by themselves, but by working imaginatively with public assistance recipients and other agencies serving these recipients, prime sponsors can contribute much to helping many of the recipients to become self-sufficient.

5. Sec. 105(b)(1): This would add state and local public assistance agencies to the list of agencies whose services are to be addressed by the Governor's Coordination and Special Services Plan.

This change will help assure that state-level CETA planning takes into account the work registration, counseling, training and other activities provided to employable recipients of public assistance by the agencies which provide cash assistance, food stamps, medical services and related services to these recipients. The specific inclusion of these agencies in the Governor's CETA coordination responsibilities will help provide more effective linkages of the various services needed by these recipients.

6. Sec. 109(b): This would add public assistance agencies to the list of persons and organizations which are to be represented on the local planning council.

It will help assure that the provision of employment and training opportunities to public assistance recipients is given an appropriate priority in the CETA prime sponsor's planning and operational activities.

7. Sec. 110(a)(3)(D)(iii): This would add a "representative of the State public assistance agency" to the membership of the State Employment and Training Council.

Again, the purposes are to assure that state-level CETA planning places appropriate priority on responding to the employment and training needs of public assistance recipients, and to promote effective coordination of CETA services and other services and benefits delivered by public assistance agencies.

8. Sec. 110(b)(3)(A): This would add public assistance programs to the listing of programs which the State Employment and Training Council is to assess in determining the extent to which a consistent, integrated, and coordinated approach is being used in meeting the employment needs of the State.

This change recognizes the important relationships which exist between the objectives of public assistance programs and CETA and other programs. It will help assure that state employment and training councils take an active role in integrating public assistance and other programs, together with CETA, into an effective, comprehensive approach to employment problems, as opposed to fragmented, uncoordinated and inefficient approaches.

9. Sec. 122(c)(I): This would provide special consideration in filling public service employment jobs to public assistance recipients and persons eligible for public assistance.

This change will emphasize that public assistance recipients and persons eligible for public assistance are a high priority group for CETA public service jobs, and that persons in this group shall receive special consideration in filling such jobs. The Department of Labor's implementing procedures will specify the precise ways in which this provision is to be implemented. Implementing actions can include:

Establishing PSE positions which are especially well-suited for public assistance recipients and eligibles.

Developing working arrangements with state and local social service agencies to help public assistance recipients and eligibles solve transportation, child care and other problems.

Considering public assistance recipients and eligibles for PSE vacancies before such vacancies are advertised more widely.

It is expected that this and other changes included in this amendment will result in a substantial increase in the hiring in PSE positions of public assistance recipients and eligibles. The Department of Labor will be expected to monitor carefully the implementation of these provisions and to take appropriate actions to improve the performance of any prime sponsors which fail to respond to this priority.

10. Sec. 128(d)(2): This would require the Secretary in his annual report to Congress to include in the cross-tabulation of participant characteristics "public assistance recipient status".

This requirement will help enable the Congress to assess how well the CETA system carries out the directions being given in this legislation regarding increased services to public assistance recipients.

11. Sec. 128(d)(6): This would add a requirement that the Secretary include in his annual report to Congress an estimate of the savings in public assistance, Food stamps, medical assistance and other programs resulting from participation in CETA of recipients of such benefits.

This information will be especially useful in helping Congress assess the overall costs of CETA and the efficiency of possible future changes in eligibility standards.

It is expected that the Labor Department's estimates will address savings related both to persons currently participating in CETA employment and training, and to those who were former participants who have now obtained continuing employment.

12. Sec. 216—Services for Public Assistance Recipients: This would add a provision describing services for public assistance recipients; it would parallel those sections in title II which describe services for youth and older workers.

Addition of this section will emphasize the priority attention public assistance recipients are to receive in the planning and delivery of services under Title II. This section cites a number of the particular barriers to employment experienced by public assistance recipients. It then directs the Secretary of Labor to insure that each prime sponsor's plan includes appropriate provisions for assisting public assistance recipients to enter or reenter the labor force, and for coordinating CETA services with services provided by state and local public assistance agencies.

13. Sec. 232: This would delete a provision which directs the Secretary of Labor to first make available from those funds appropriated for public service employment under titles II and VI, $3,000,000 for title II–D.

Deletion of the provision in question will permit Congress to appropriate funds under Title VI, without having first to provide a minimum amount under Part D of Title II. The sponsors of this amendment strongly support the Human Resources Committee's efforts to reorient CETA public service employment from the objective of reducing counter-cyclical unemployment to the employment of persons unemployed for structural reasons. This change is not intended to impede that reorientation; rather it is in-

tended to reserve to the appropriations process the Congressional decisions on the levels and mix of funding for public service jobs.

14. Sec. 237: This would make recipients of public assistance under titles VI–A and XVI of the Social Security Act (AFDC & SSI) categorically eligible for services under title II–D, notwithstanding the required weeks of unemployment.

Additionally it would increase the number of weeks which a person must be unemployed, for purposes of determining eligibility, from 12 weeks to 15 weeks.

These changes will tighten the eligibility standards for the public service jobs provided under Title II, D, so that persons who qualify for these jobs will either be recipients of Federal welfare benefits or unemployed for more than 15 weeks, whose family incomes are below 70% of the BLS lower standard. These changes are appropriate given the focus of Title II D on persons who are unemployed for structural reasons.

15. Sec. 301(a)(1): This would add "public assistance recipients" to the list of target groups who the Secretary must serve in title III.

This will help assure that the employment and training needs of public assistance recipients are addressed by the Department of Labor in the special national programs and the research, training and evaluation activities conducted under Title III. It is particularly appropriate that Congress express to the Department of Labor its intent that employment and training needs of public assistance recipients be dealt with in all relevant activities under Title III, given the new authorization in Section 311(f) for demonstration projects related to employment of public assistance recipients and potential recipients.

These new special demonstration projects should be additions to, rather than replacements of, other activities under Title III addressing the employment needs of public assistance recipients.

16. Sec. 413(a)(1)(D): This would direct the Secretary, in selecting prime sponsors to administer Youth Incentive Entitlement projects, to assure that the prime sponsors have consulted with state or local public assistance agencies, among others, prior to submitting their proposals.

This change recognizes that unemployment of youth in public assistance families is one of the serious problems those families face. Increased contact between prime sponsors delivering youth incentive programs and public assistance agencies can help assure that youth from welfare families have maximum opportunity to compete for available work and training.

17. Sec. 413(a)(4)(L): This would direct the Secretary, for purposes of the Youth Incentive Entitlement Projects, to select only those prime sponsors who provide assurances that special efforts will be made to recruit youth from families receiving public assistance, including parents of dependent children who meet the age requirements of this subpart.

This change, along with the preceding one, will convey clearly the intent of Congress that special efforts be made to recruit youth from public assistance families for available Youth Incentive Program opportunities. The specific reference to parents who meet the age definition of the Youth Incentive Program appropriately recognizes that many teenage parents receive public assistance as heads of households, and that provision of employment opportunities to such parents can help them avoid long-term dependence on public assistance.

18. Sec. 426(b)(1): This would require eligible applicants, in submitting proposals for the Youth Community Conservation and Improvement Projects to describe the methods they intend to use to coordinate with public assistance agencies concerning the employment of youth from public assistance families.

As with the changes relating to the Youth Incentive Program, this change is intended to increase contacts between public assistance agencies and Youth Community Conservation and Improvement Projects, so that a greater number of the YCCIP slots are filled by youth from public assistance families than would otherwise be the case.

19. Sec. 436(a)(3): This requires prime sponsors as a condition of financial assistance to provide assurances that there is coordination with public assistance agencies in the implementation of Youth Employment and Training programs.

This change complements those already discussed and emphasizes the need for close coordination between prime sponsors and public assistance agencies on the employment-related needs of youth from public assistance families.

20. Sec. 492: This would direct the Secretary of Labor to make arrangements for obtaining the referral of candidates, for purposes of the Young Adult Conservation Corps, from public assistance agencies in addition to public service employment agencies, prime sponsors, and the sponsor of Native American entities.

This change recognizes that referrals by public assistance agencies of candidates for the Young Adult Conservation Corps can help assure that an appropriate portion of the Corps resources are focused on youth from families experiencing the most serious economic difficulties.

21. Sec. 607: This would make recipients of public assistance under titles IV–A and XVI of the Social Security Act (AFDC & SSI) categorically eligible for title VI jobs, not withstanding the required weeks of unemployment.

Additionally it would modify the number of required weeks of unemployment, for purposes of determining eligibility, from 45 days to 10 out of 12 weeks. No change would be made in the income eligibility standard included in the reported bill of 85 percent of the BLS lower living standard.

The lengthening of the required period of unemployment recognizes that the public service jobs made available under Title VI should be reserved for people who have tried and been unable to obtain unsubsidized jobs for an extended period. The ten out of twelve weeks standard proposed for Title VI, rather than the standard of 15 weeks unemployment proposed for Title II D, recognizes the counter-cyclical purposes of Title VI.

Retaining categorical eligibility for recipients of Federal public assistance benefits (as under current law) recognizes that families in this group have almost no resources to live on, and that they have generally been unemployed for much more than ten weeks before they began receiving public assistance.

22. S. 2570 Sec. (5)(c): This would direct the Secretary of Labor to develop within one year after enactment of this legislation, information as to the number of individuals 16 years of age and older whose families' incomes are at or below 70 percent, 85 percent, and 100 percent of the lower living standard, in each CETA prime sponsor's jurisdiction.

Availability of this information would enable the Congress to direct more precisely the distribution of CETA and other resources intended to alleviate unemployment and poverty.●

AMENDMENTS NOS. 3528 THROUGH 3531

(Ordered to be printed and to lie on the table.)

Mr. PERCY submitted four amendments intended to be proposed by him to S. 2570, supra.

● Mr. PERCY. Mr. President, I am today submitting four amendments to S. 2570, the bill to amend and extend the Comprehensive Employment and Training Act of 1973. I ask unanimous consent that the text of these amendments be printed in the RECORD.

There being no objection, the amendments were ordered to be printed in the RECORD, as follows:

AMENDMENT NO. 3528

On page 204, insert immediately before the period at the end of line 23 the following: ", including efforts to reduce and eliminate artificial barriers to employment.".

AMENDMENT NO. 3529

On page 230 at line 15, insert the following new paragraph and redesignate the succeeding paragraphs and references thereto accordingly:

"(1) the term 'artificial barriers to employment' refers to limitations in the terms and conditions of employment which are not directly related to the individual's qualifications to perform the duties required by the employment position."

AMENDMENT NO. 3530

On page 278, at line 17, after the word "processes," insert the following: ", including programs designed to eliminate artificial barriers to employment;".

AMENDMENT NO. 3531

On page 313, at line 18, after the words, "public employment service" and before "other youth programs" insert the following: "the courts of jurisdiction for status and youthful offenders,".

On page 314, at line 14, after "public employment service system;" add the following: "and the courts of jurisdiction for status and youthful offenders.".

CIVIL SERVICE REFORM—S. 2640

AMENDMENT NO. 3532

(Ordered to be printed and to lie on the table.)

Mr. LEAHY submitted an amendment intended to be proposed by him to S. 2640, a bill to reform the civil service laws.

NOTICES OF HEARINGS

SPECIAL COMMITTEE ON AGING

● Mr. CHURCH. Mr. President, the Special Committee on Aging will continue its hearings on "Retirement, Work, and Lifelong Learning" on September 8 at 10 a.m. in room 5110, Dirksen Senate Office Building. Representatives of national organizations on aging will testify at that time.●

SUBCOMMITTEE ON TAXATION AND DEBT MANAGEMENT

● Mr. HARRY F. BYRD, JR. Mr. President, the Subcommittee on Taxation and Debt Management of the Finance Committee, will hold a hearing on August 28, 1978, on miscellaneous tax bills.

The hearing will be held on Monday, August 28, 1978, at 9:30 a.m. in room 2221, Dirksen Senate Office Building.

The following legislation of general application will be considered in addition to legislation previously announced in the CONGRESSIONAL RECORD of August 18, 1978.

S. 3441, sponsored by Senators MORGAN, BAKER, SASSER, MAGNUSON, HODGES, INOUYE, PERCY, and MATHIAS, a bill to

assist independent, local newspapers (nonchain newspapers) and in-State newspaper chains in existence before October 31, 1977, to pay their estate taxes by providing the option of creating an estate tax trust. It is estimated that the bill will involve a revenue loss of $10 million annually.

Requests to testify.—Persons who desire to testify at the hearing should submit a written request to Michael Stern, staff director, Committee on Finance; room 2227, Dirksen Senate Office Building, Washington, D.C. 20510, by no later than the close of business on Thursday, August 24, 1978.

Written testimony.—Senator BYRD stated that the subcommittee would be pleased to receive written testimony from those persons or organizations who wish to submit statements for the RECORD. Statements submitted for inclusion in the RECORD should be typewritten, not more than 25 double-spaced pages in length and mailed with five copies by September 8, 1978, to Michael Stern, staff director, Committee on Finance, room 2227, Dirksen Senate Office Building, Washington, D.C. 20510.●

H.R. 11445 CONFERENCE

● Mr. NELSON. Mr. President, I wish to announce that the Senate Select Committee on Small Business and the Committee on Small Business of the House of Representatives will hold a conference on H.R. 11445 (the SBA authorization legislation) on Thursday, September 7, at 1 p.m. in room EF-100 in the Capitol.

In case of unfinished business, Tuesday, September 12 (9:30 a.m. in the same room) has been held open for continuation purposes.●

ADDITIONAL STATEMENTS

"SING A SIGN": A MUSICAL IN SIGN LANGUAGE, CARRIED BY PUBLIC BROADCASTING

● Mr. RANDOLPH. Mr. President, many of my colleagues will recall the recent premiere of "Sing a Sign," a musical in sign language, sponsored by the American Speech and Hearing Association. It was cosponsored by Gallaudet College and by the Bureau of Education for the Handicapped in conjunction with the American Telephone and Telegraph Corp.

This musical entertainment, the first nationally televised musical in sign language, expresses the often overlooked capability of deaf people to communicate effectively in the hearing world. The production will help to promote the building of a bridge of understanding and respect between the world of the hearing and the world of the deaf.

I ask that an article in the current issue of the magazine of the American Speech and Hearing Association concerning this program be printed in the RECORD.

The article follows:

PUBLIC BROADCASTING'S "SING A SIGN"

The American Speech and Hearing Association served as host at a gala Congressional premiere of Sing a Sign, the first nationaly televised musical in sign language. The program, aired over most Public Broadcasting Stations (PBS) May 20, received accolades from reception attendees, including Senators Jennings Randolph of West Virginia and Robert Dole of Kansas.

THE PROGRAM

Sing a Sign was written and produced by Susan Smith, who, previous to developing Sing a Sign, had produced a series of Emmy-nominated public service announcements at a Washington, D.C. television station.

Upon the suggestion of a principal at a school for the deaf, Smith developed the program, which features young deaf and hearing singers, dancers, and actors. Her husband Rip agreed to direct the special program.

The Smiths, who both hear, prepared for Sing a Sign by attending classes for hard-of-hearing students at Gallaudet College in Washington. The couple learned sign language and taped 14 public service announcements featuring deaf children. The series of announcements won an Emmy nomination resulting in I Hear Your Hand, a full-scale experimetal musical with deaf and hearing people. I Hear Your Hand served as the pilot for Sing a Sign, which PBS ordered as a result of the first program.

YOUNG CAST SPARKLES

Presented by PBS affiliate WETA-TV in Washington, the musical's talented group of performers includes Susan Davidoff, who holds the title of Miss Deaf America; Rita Corey, star of the National Theatre of the Deaf; and Bernard Bragg, renowned deaf mime.

Other performers are Vince DiZebba, Donna Gadling, Ogden Whitehead, Roney Johnson, Martie Stephens, Tracy Tuttle, and David MacFarlane. Musical numbers included "Fantasy," "All Kinds of People," "Just the Way You Are," "Little Arrows," "Candle on the Water," and "Welcome to My World."

Sing a Sign is "a dream come true for me," said Smith, who has long wanted to do a program as a showcase for the talents of deaf performers, to promote better understanding between deaf and hearing people, and to call attention to sign language, which she views as "an effective form of creative expression."

ASHA INVOLVEMENT

The premiere of *Sing a Sign*, held at the Dirksen Senate Office Building on May 16, was sponsored by ASHA and cosponsored by Gallaudet College and the Department of Health, Education, and Welfare's Bureau of Education for the Handicapped in conjunction with the American Telephone and Telegraph Corporation, the financial sponsor of *Sing a Sign*.

Guest of honor at the reception was West Virginia Senator Jennings Randolph, who was hailed by ASHA President Katharine G. Butler as "a good friend to handicapped Americans and to those of us who devote our professional energies to the rehabilitation and education of the handicapped."

Butler cited the 1973 Rehabilitation Act and the Education of All Handicapped Children Act of 1975 as "two of the landmarks of the Senator's distinguished legislative career." The former statute, she pointed out, assures equal treatment under federal law for all handicapped Americans, while the 1975 enactment guarantees a free and appropriate public education for all handicapped children.

"In each instance," Butler said, "Senator Randolph has helped to see to it that those of us who devote our professional energies to the rehabilitation and education of the handicapped have the research, training, and service-delivery support we need to do our job well."

In his speech, Randolph credited ASHA as being "extremely supportive of our efforts over the years to enact legislation that promotes full and productive involvement by handicapped citizens in the life of this nation."

Remarks were also presented by Senator Dole, ASHA Executive Secretary Kenneth O. Johnson, Susan Smith, and members of the *Sign a Sign* cast.●

DEATH OF JOMO KENYATTA

● Mr. ROTH. Mr. President, it was with great regret that I learned this morning of the death of Jomo Kenyatta, the President of Kenya.

Mr. Kenyatta will be long revered not only as the father of his country, but also as one of the greatest black African leaders of this century.

Rising from a humble background, he became the leader of anticolonialist forces in Kenya and ultimately that nation's first President in 1963.

Under his leadership, Kenya has been characterized by stable rule, racial harmony, and economic growth sparked by a healthy and prosperous private sector. The contrast between Kenya and such neighboring countries as Ethiopia and Uganda is stark.

Mr. Kenyatta has made Kenya one of the most influential nations in the Third World and an important site for international organizations.

A leader like Jomo Kenyatta will be hard to replace. I am hopeful, however, Kenya will find an heir who will maintain the successful economic and social policies of Mr. Kenyatta.●

REPORT OF STUDY MISSION TO VIETNAM

● Mr. KENNEDY. Mr. President, the Judiciary Committee met this morning to receive the report of its special study mission which recently returned from Vietnam. The study mission—composed of Archbishop Philip Hannan of New Orleans; Dr. Jean Mayer, president of Tufts University, Medford, Mass.; Dr. LaSalle Leffall, president-elect of the American Cancer Society, Washington, D.C.; Ms. Mildred Kaufman, chairman of the food-nutrition section of the American Public Health Association; and Mr. Jerry Tinker of my staff—visited Vietnam for 1 week beginning on July 31.

Their immediate objective was to facilitate the family reunion of several children and their mothers separated from their families in the United States. However, like the study mission that the committee sent to Southeast Asia last year, the team this year also reviewed for the committee the many urgent humanitarian problems that remain in the aftermath of the Indochina war.

For the record, I would like to take this opportunity to introduce their findings and recommendations offered at this morning's hearing. For their report tells us that "people problems" continue to fester in Southeast Asia. Refugees are still on the move from Indochina, even as millions displaced by years of war struggle to return to their war-scarred homes and lands. Relief and rehabilitation needs have grown among orphans, refugees and malnourished men, women, and children.

There are the urgent problems of family reunion among thousands of families separated by the chaos of Vietnam in 1975—wives and husbands, and children and parents who remain apart after more than 3 years. There are the problems of tracing the missing, especially accounting for those members of our armed services still listed as missing-in-action in Indochina.

These humanitarian issues were the focus of the study mission that traveled to Southeast Asia at my request 2 weeks ago. Their mission serves to remind us that the international community, and especially the United States, faces many humanitarian problems in Southeast Asia—caused by the dislocations of war, the mounting pressure of refugee movement, and the ravages of drought and natural disaster which, together, have produced serious food shortages and critical health needs in many areas.

Mr. President, the United States cannot stand aloof from these humanitarian problems, not only because of our long involvement in the region, but also because these issues impinge deeply upon the concerns and lives of many in America, as well as involve our Nation's interest in peace and stability in Southeast Asia.

Over the past 2 years, the United States has joined with other countries in pledging help to the displaced persons in Southeast Asia—and we must continue to keep our door open to thousands of homeless refugees who need and who seek our help. But at the same time we cannot neglect the vast human needs that continue within Indochina, especially the growing food shortages that threaten the lives of so many.

One of the finest traditions of the American people is to respond to humanitarian needs wherever they exist, and wherever we can be of help. The following report of the study mission to Vietnam will help us better understand how we, as a nation, can today fulfill our humanitarian traditions in Indochina.

Having contributed so heavily to the years of war, we must not now fail to pursue policies and programs that will contribute to peace and relief in Southeast Asia, and respond to new opportunities for a reconciliation and normalization of relations between the American people and the people of Vietnam.

Mr. President, I ask that the prepared statements of the study mission submitted to the Judiciary Committee this morning, as well as the summary of their recommendations, be printed in the RECORD.

The statements follow:

SUMMARY OF RECOMMENDATIONS BY THE STUDY MISSION SENT TO VIETNAM BY SENATOR EDWARD M. KENNEDY, AUGUST 1978

The United States has both a profound humanitarian and foreign policy interest in developments in Southeast Asia, not only because of our long involvement and concern with the people of the area, but also because of our Nation's interests in the peace and stability of the region. Given this historic and long-term involvement, and the many immediate humanitarian issues that touch the lives of both the Vietnamese and American people, the Study Mission offers the following recommendations to the Committee:

1. United States Involvement in Southeast Asia: It would be a tragic lost opportunity if our Nation today failed to respond to the recent overtures of the government of Vietnam to normalize our relations and to renew our involvement, in a constructive and positive way, with the people and government of Vietnam. Indeed, we have arrived at an historic decision point in our foreign policy towards Southeast Asia—where we now have an opportunity to do through peaceful means what we sought to do for so long through war: to protect United States national interests in Southeast Asia by assuring Vietnam's independence from the domination of any outside power

Peace and stability in Southeast Asia has been the objective of our Nation's foreign policy for nearly three decades, and it is today the urgent desire of the Vietnamese—as stated directly to the Study Mission by Prime Minister Pham Van Dong. The normalization of our relations with Vietnam, and the involvement of our diplomacy in that country, will help assure that Vietnam remains independent of either Russia or China. And it will help assure that Vietnam will continue it policy of peaceful relations with the five countries of the Association of Southeast Asian Nations (ASEAN).

2. Reconciliation and Normalization of Relations with Vietnam: The President should be commended for his Administration's early efforts to pursue a policy of reconciliation and normalization of relations with Vietnam. These efforts deserve the full support of Congress and the American people, for such a policy is clearly in the interests of both the United States and Vietnam, and of all parties concerned with the future of Southeast Asia.

The Vietnamese have now given every indication that they are prepared to immediately establish diplomatic relations with the United States, and to resolve all outstanding issues between our two countries through that diplomatic process—with no preconditions mentioned. Vietnamese officials at the highest levels expressed the view that they understood that normalization was a process, and that steps towards reconciliation would assist the normalization process. In their turn, they have responded in good faith to a number of humanitarian issues of concern to the American people—new initiatives on the MIA issue, and the beginning of a policy to promote family reunification. In our turn, the United States should contribute to the process of reconciliation by being mindful of the humanitarian issues of immediate concern to the Vietnamese people—humanitarian food assistance, relief and rehabilitation needs, and medical problems.

3. Food and Related Humanitarian Assistance to Vietnam: Serious humanitarian problems persist in Vietnam. Families dislocated by the recent war are still returning to their villages or resettling in other areas of their country in an effort to normalize their lives. Some crippled and maimed, some orphans and widows, and many thousands of other war victims still need help and concern. Farm land and battered villages are still being renewed. And housing, schools, medical facilities, markets and whole villages are still being rebuilt in the war-ravaged countryside. In short, recovery is still underway.

Adding heavily to the humanitarian problems resulting from the recent war, are the current food shortages in Vietnam. These documented shortages—brought on by the dislocations of the war and by devastating drought and other natural disasters—threaten the health and nutrition of thousands of people in many areas.

The United States can no longer stand aside and ignore the humanitarian problems of the Indochina Peninsula and the international appeals in behalf of suffering and needy people in Vietnam. This is contrary to the humanitarian traditions of our country and to the active support the American people have always given to the provision of humanitarian assistance to people in need throughout the world.

At an early date, the United States should respond to the serious food and related humanitarian assistance needs of the Vietnamese people. This matter should be pursued apart from any ongoing bilateral discussions with either country over future diplomatic consular, and economic relations.

A number of steps should be taken:

(a) In response to international programs by several United Nations agencies, the International Red Cross, and others, the United States should immediately make available, to the Vietnamese people, food and related assistance under international auspices.

(b) The United States should also provide such assistance under the international disaster relief provisions of present law, as we previously have done in the case of many other disasters including those in the Sahel. Romania, Italy, and elsewhere.

(c) The United States should immediately provide ocean freight reimbursement to American voluntary agencies, which purchase food and other supplies or receive donations in kind from the American people for shipment to Vietnam.

4. Cambodian Refugees in Vietnam: The United States should immediately respond to the urgent relief needs among refugees have for Cambodia refugees in Thailand. The United Nations High Commissioner for Refugees has already made an emergency contribution of $500,000, and has under active consideration a special appeal for Cambodia refugees in Vietnam—who now number over 200,000 with an additional 100,000 ethnic Vietnamese displaced by the recent border conflict. There is also an outstanding appeal of the International Committee of the Red Cross, to which the United States has yet to respond.

Preliminary estimates indicate that the UNHCR program will run at least $20 million or more for one year. A comparable program in Thailand and Southeast Asia for refugees from Indochina—for care and maintenance of some 150,000 Indochinese refugees, plus transportation costs—has risen from an appeal of $18.3 million early this year, to a $25 million appeal this past June. The United States has contributed over half the funding for the Southeast Asian program of UNHCR, and we should be equally forthcoming in support of its program for Cambodians in Vietnam. The needs are just as real, and the refugees are similar. A pledge of $10 million now from the United States would greatly assist the UNHCR's efforts to respond to the problem of Cambodian refugees in Vietnam.

5. Trade Embargo against Vietnam: To facilitate the ability of the United States to respond to the many humanitarian needs in Vietnam, and to promote the process of reconciliation and normalization of relations between our two countries, the President should allow the trade embargo against Vietnam to lapse. Whatever the merits of the previous Department of State position that the trade embargo will be lifted as a consequence of normalized relations, the Vietnamese today view the embargo as a punitive act carried over from a previous Administration, and a stumbling block to the process of reconciliation. From both the standpoint of America's international trade, as well as our diplomatic posture, the imposition of a trade embargo against Vietnam today is harmful to our national interests, and costly to our balance of payments overseas.

6. Family Reunion Problems: Vietnamese authorities have clearly stated their intention to begin the process of facilitating on humanitarian grounds, outstanding family reunion cases to the United States—even prior to the establishment of formal diplo-

matic and consular relations. The resolution of these family reunion problems between the United States and Vietnam will inevitably be a long-term process, involving time-consuming details and the activities of individual case workers. However, the Study Mission was assured that in the context of the process of reconciliation with the United States, the government of Vietnam would act in good faith on all humanitarian family reunion cases brought to its attention.

Although this question is clearly a long-term, consular problem, which would be greatly facilitated by consular relations between the United States and Vietnam, the Vietnamese have nonetheless indicated a sincere willingness to start the process now.

7. Promoting People-to-People Contact with Vietnam: Since 1975 there have been no real contacts between the United States and Vietnam—culturally, educationally, or scientifically. As part of the reconciliation process, the United States should promote people-to-people contacts, and facilitate communications between our two countries. After three decades of intensive contact with the Vietnamese people, and contributing substantial sums to the development of southern Vietnam's social, medical, educational, and economic systems, we should not today ignore these strong ties. They are ties which will help both our peoples look to the future rather than to the tragedies of the past.

The Study Mission will submit to the Committee a series of specific recommendations which will serve to facilitate closer contacts between the people of the United States and Vietnam, and between private voluntary agencies, foundations, and public and private institutions in our country and similar groups in Vietnam. It is time to build bridges to the people of Vietnam, after too many years of conflict and war.

8. Responding to the Needs of Refugees in Southeast Asia: While visiting Thailand, the Study Mission received up-dated information for the Committee on the continuing problem of Indochinese refugees in Southeast Asia. Clearly, the United States has a continuing responsibility to offer resettlement opportunities to a reasonable number of Indochinese refugees. Given the demonstrated need over the past several years to maintain some flexibility in this regard, the Attorney General should exercise his parole authority on a continuing basis and without a specified number of entries into the United States.

As the Committee's Study Mission report noted last year, the number of entries for Indochinese refugees should respond to the ebb and flow of their movement and demonstrated resettlement needs, and not to some arbitrary quota which, inevitably and sometimes needlessly, is always immediately filled. Especially for refugees in Thailand, the principal, but not exclusive, criteria for parole eligibility should be the traditional American concern for family reunion. Given the special nature of the "boat people" problem, however, a more general humanitarian criteria should apply to these refugees. The current criteria, left-over from the evacuation in 1975, are no longer appropriate or useful.

A formula for this purpose should be worked out in consultation with this Committee and in the context of the number of refugee entries from other areas of the world, where people also have legitimate claims upon the attention and concern of the United States.

Since 1975, public debate in the United States and our ad hoc national response to the refugee problems in Thailand and Southeast Asia have stressed parole programs and the resettlement of refugees in the United States. As a nation, we do have continuing responsibilities in this regard. But we must not focus on resettlement in the United States to the exclusion of other important alternatives for the refugees. We must finally be more balanced in our policy and approach.

As the Committee's report noted last year: "The time is past due for the United States to encourage and promote more actively the local settlement of refugees in the host countries, especially Thailand. Thailand is prepared to move in this direction, in the context of general rural development which would also benefit its own citizens. The United States must be prepared, diplomatically and financially, to join others in the international community in lending strong support to such local resettlement efforts.

"American policy must also acknowledge the possibility of voluntary repatriation among certain refugees, especially among Lao nationals in Thailand. Voluntary repatriation will only become a viable and humane option for certain numbers of refugees if there is a general agreement among all parties concerned and if real assurances are given for their care and protection when they return. Should voluntary repatriation occur at some future time, it should be carried out under international auspices."

Finally, the Study Mission concurs in the view that the United States should more fully support the United Nations High Commissioner for Refugees in all of his efforts to find durable solutions for the mounting refugee problem in Southeast Asia. We should also lend our full diplomatic support to his stated objective of involving a "wide number of countries" in meeting the on-going problem of the refugees. In this connection, the United States should continue its support of the Intergovernmental Committee for European Migration, the private voluntary agencies, and others directly involved in meeting the humanitarian needs of the refugees.

OPENING STATEMENT OF ARCHBISHOP PHILIP M. HANNAN, ARCHDIOCESE OF NEW ORLEANS, LOUISIANA, AND MEMBER OF STUDY MISSION TO VIETNAM

Mr. Chairman, I wish to preface my brief opening remarks with an expression of my deep gratitude for the opportunity provided by you and the Committee to serve on a Mission that secured a notable humanitarian result and which gives promise of producing other significant results in the future. I personally applaud your efforts, and appreciate the opportunity to serve on your Study Mission.

As you know, we traveled to Vietnam for one full week, arriving in Hanoi on July 31st, departing Saigon, now called Ho Chi Minh City, on August 7th. We spent two and a half days in Hanoi, principally meeting with officials of the Government of the Socialist Republic of Vietnam, including Prime Minister Pham Van Dong, Vice Foreign Minister Phan Hien, who was our host, and other senior ministers in the Ministries of Agriculture, Health, and State Planning.

In addition, we traveled freely for four days in southern Vietnam, staying in Ho Chi Minh City. Without hindrance, and with complete freedom, we walked the streets of Saigon, and we traveled to Tay Ninh and Long An provinces, and to Vung Tau district. We visited a broad range of institutions, both public and private, involved in relief and rehabilitation problems which persist in the aftermath of the war, and which understandably occupy the concern of the Vietnamese government and several international and United Nations agencies. We traveled to within a mile of the Cambodian border—close enough to hear repeated artillery shelling—in order to view firsthand the plight of Cambodian refugees now in Vietnam—who are under the mandate of the United Nations High Commissioner for Refugees.

Altogether, we had a brief, but intensive, tour of the contemporary scene in Vietnam, and we were received warmly and openly by all levels of society and government. We were treated with candor and honesty. For example, on a trip to one of the "new economic zones" on the outskirts of Ho Chi Minh City we were shown what was admittedly a "model" new agricultural zone. But what was refreshing was their ready admission that it took them over three years of hard and difficult work to achieve their good results—and that the first year was an absolute "disaster." They were candid in their assessment of the many problems involved in even the best of intentioned programs sponsored by the new government—especially in implementing the functionally sound, but obviously difficult, concept of creating new economic zones.

Within this framework, Mr. Chairman, of friendly discourse—where we reviewed the many issues that remain between our two countries—we were given nearly all the information that we asked for and we saw everything that time would allow.

As you know, Mr. Chairman, the immediate objective of our Mission was accomplished—namely the agreement by Vietnamese authorities to recognize and facilitate the reunion of families between the United States and Vietnam, who have been separated since 1975. Prime Minister Pham Van Dong gave solid evidence of his good faith and adherence to this statement by the release of 29 persons with American family ties, who accompanied us on our return to the United States, where they were reunited with the other members of their families. We were assured that preparations for the reunion of other families were being made by the same authorities who were responsible for the arrangements for the release of this original group. The United Nations High Commissioner for Refugees, his representative in Vietnam, Mr. Andres Johnson, and representatives of the International Red Cross, stand ready to help, and are continuing their efforts in behalf of family reunion cases.

The Prime Minister was very cordial in receiving the Study Mission and spent nearly an hour discussing with us the matters of mutual concern. During the discussion he frequently stated the desire of the government of Vietnam for better relations with private, humanitarian groups in the United States and for a normalization of relations between our two countries. He also took the opportunity to speak of the humanitarian needs of Vietnam and their appreciation for the interest and help offered by various groups and nations. We assured the Prime Minister of our interest, and the interest of the American people, in the welfare of the people of Vietnam. I expressed my personal view that all mankind is a family of nations and that we must be of mutual benefit to each other, respecting the rights and dignity of individuals and nations. The Prime Minister said that he fully agreed with this statement.

The Study Mission was afforded an opportunity to see the needs of Vietnam which are evident and notable Humanitarian needs include food and many urgently needed supplies, for hospitals and other institutions. There is no doubt of the severe need in Vietnam for food and other materials basic for the welfare of the people and the development of the country.

With renewed gratitude for inviting me to participate in this Study Mission and with the hope that this report may be of some service, we appreciate the opportunity to appear before the Committee this morning.

TESTIMONY BY DR. JEAN MAYER

Inasmuch as my colleagues will testify concerning the refugees and the medical and hospital situation in Vietnam, I will con-

fine my remarks to two other areas: the state of Vietnamese agriculture and their food supply, and the situation of their academic institutions.

In the course of the mission and at the request of Ambassador Sol M. Linowitz, Chairman of the President's Commission on World Hunger, of which I have the honor to be Vice Chairman, I took the opportunity to examine with members of the government the food and agriculture situation in Vietnam. In addition to prolonged discussions with all relevant high officials, from the Prime Minister on down, I spent considerable time at the Ministry of Agriculture and at the State Planning Committee, as well as at the main agricultural academic institutions. I may say that all the officials with whom I talked exhibited a pragmatic and completely candid attitude in their desire for improved relations with the United States. This was true both in larger meetings conducted through interpreters in English and Vietnamese, and in one-to-one private conversations conducted in French.

It appears to me that their food and agriculture problems are severe, particularly in view of their exploding population, which increases 3 percent a year—one of the highest rates in the world. It is further complicated by the presence of some 300,000 refugees from Cambodia. It is noteworthy that this was freely brought up by every official as a matter of the gravest concern. They told me that instruction in birth control is lagging, and that the situation is further aggravated by an acute shortage of birth control devices. The Minister of Health and several other ministers expressed the hope that with outside assistance they could undertake the manufacture of inexpensive, reliable materials for condoms, which are the preferred form of contraception in Vietnam.

As to agriculture, the targets of the five-year plan are not being met. Government ministers and officials readily conceded that unless considerable foreign aid becomes available the gap between actual and planned production figures will increase. The Chinese have suspended all aid. Aid from the Soviet Union and Eastern Europe is seriously inadequate to meet Vietnamese needs. The World Bank has approved a 60-million dollar loan to Vietnam for an irrigation project to be administered through the International Development Association, and FAO is also giving some aid. The Vietnamese feel that much more is urgently needed—and that only the United States can give food and agriculture assistance on the scale required.

The 1977 rice crop fell far short of meeting their needs. This year's winter and spring crop, the first and smaller of the two yearly harvests, is already in. It represents an increase of between 400,000 and 500,000 tons over the 1977 crop. The main, summer and fall, crop was planted over 3.4 million hectares. The weather has been favorable, and this crop, too, is expected to be better than last year's. However, the Minister of Agriculture told me that extremely heavy insect infestation over the southern MeKong Delta has all but ruined crops over some 200,000 hectares because of an acute shortage of insecticides. At best, the 1978 rice crop will probably total about 16 million tons. While this does not mean starvation, it does mean the Vietnamese will be short by about 1.5 million tons of the basic requirements for their population.

Herbicides and fungicides, as well as insecticides, are urgently needed. In fact, Vietnam appears to be very short of every agricultural need—with the exception of good soils and a hard-working peasantry. In some areas, they told me, there is even a shortage of hand tools and buffaloes! They badly need tractors, for areas now under cultivation and to open areas in the New Economic Zones. They are, the Minister told me, acutely short of fertilizers. Nitrogen fertilizers (they are used to urea) are unavailable. The minimum need is placed at one million tons, but they could use even more. They need potash, a minimum of 200,000 tons. They need phosphate. While in some areas of the country raw material for the manufacture of some phosphate fertilizer is available (apatite), they need both the technology and the machinery to exploit it.

Ironically, the fertilizer problem is particularly urgent because of assistance programs the U.S. conducted during the war in South Vietnam. We introduced and vigorously pushed the replacement of native varieties of rice by IR8, a "miracle" crop which provides high yields if vigorously fertilized but otherwise produces mediocre crops. Over 600,000 hectares were planted with IR8. This particular turn of events is one of the contributing factors in the overall shortage.

The Vietnamese officials told me that they badly—and immediately—need food assistance. While at this point there is no famine, rations are skimpy. Any serious deterioration of the weather would bring about a tragic situation. The Vietnamese government would very much appreciate food assistance from the United States. They would prefer rice, because it is their staple food, but they would gladly also receive corn (maize), wheat, potatoes, and even manioc (which is low in protein and nutritionally far less desirable).

If we decided to send food to Vietnam, the method and timing of shipments would be crucial. Because of the destruction and shortages caused by the war, their transportation system is extremely limited. Trucks and railroad equipment are in very short supply, and there are fewer every day because spare parts are unavailable, both for American and Chinese equipment. It was emphasized to me that by dividing deliveries among the various harbors of South, Central and North Vietnam commodities would be easier to deliver. Spreading shipments over the course of the year would facilitate distribution. It would be important to the handling of wheat, if much of the assistance were in that form, as milling facilities in Vietnam are extremely limited. (Conversely, aid could be delivered in the form of flour, though, again, storage facilities would not be adequate for the amounts required if deliveries were made all at once.)

Beyond food assistance, the Vietnamese would welcome assistance in agricultural machinery, agricultural implements, and, above all, as I said, agricultural chemicals. All the officials I saw, including the Prime Minister, also emphasized that they would welcome the installation in Vietnam of U.S. machinery and chemical plants, "provided it is done with full respect for the sovereignty of Vietnam and with advantage for both parties." That formula was ritualistically recited by all those officials—the Prime Minister, Minister of Agriculture, Chairman of the State Planning Committee, members of the Foreign Trade Commission, and the Deputy Foreign Affairs Minister—who discussed this area with me. The same welcome and the same qualifications were expressed in repeated statements of interest in resuming collaboration with U.S. multinational oil companies for the exploration and exploitation of offshore oil resources. Indeed, they stated that they would welcome immediate discussion with representatives of American industry for the development of joint ventures (though examination of their actual present capabilities would suggest that third-party financing is necessary for any sizable matching of capital investment by Vietnam).

I also had the opportunity to talk with government officials, including the Prime Minister and the Minister of Education, Health and Agriculture about the situation of Vietnamese universities and technical schools, and to visit the Universities of Hanoi (including the Polytechnic Institute) and the University of Ho Chi Minh City (including its medical school).

From these conversations and my own observations I can report that the universities are isolated and destitute. In the libraries, the collections of scholarly and technical journals stop in 1975, except for some Russian journals, useless in a country where French, and, in the Southern area, English, are the only foreign languages widely known. Chemical reagents, which came from China and the United States, are unavailable. Russian help is negligible, not to say farcical. In the Polytechnic Institute it has consisted of a limited number of secondhand pieces of electrical equipment, most of them not in working order. The unavailability of foreign exchange precludes using UNESCO as an intermediary to buy books and equipment abroad. The professors, North and South, feel completely cut off from outside civilization and anxiously asked me what discoveries had been made in the past three years "in all fields." The beginning of the coming academic year is looked at with dread by the medical schools, which feel unable to properly prepare for the teaching of basic sciences in the face of a shortage of textbooks, journals, reagents, instruments and animal feeds.

Whatever decisions we make in other matters, I believe—as an academician and a scientist—that we should act to lift the isolation of Vietnamese universities, at the very least by sending them journals, reprints and books. The free flow of ideas and current information can only be in the interest of the free world.

After the bitter conflict between our two countries, the question can be asked—and is by many Americans—why should the United States provide direct food and agriculture assistance, particularly at a time of inflation and retrenchment here at home? The Vietnamese have their own answer. As a high official of the Foreign Ministry said to me, "Two of the countries we feel closest to, both of which have helped us, are France and Japan, both of which we have fought during my lifetime. We would hope that we could work even more closely with you. You have been so generous to Japan after World War II. We hope that you would assist us, too." And then he added, after a pause, "Of course, the Japanese had the good taste to lose the war."

This is a complex foreign policy issue to which I would not attempt to offer a definitive answer—even if I had one. But let me argue that there does seem to be merit, from the point of view of our own national interest, in giving such aid. One objective in the Vietnamese war was to keep South Vietnam from Communist domination. Our other major concern was to prevent the monolithic spread of communism throughout Asia. Communist Vietnam is now a fact of international life. The question is to what extent it acts as an independent power with whom we can initiate useful relationships? I think we have an opportunity at this point to bolster the independence of Vietnam by giving another source of help besides the Soviet Union. They very much desire it. The Vietnamese have a very strong sense of historical continuity. The Prime Minister said to us, "Whenever in our 4,000-year history Vietnam has been dependent on one large friend it has been a disaster for us." With help from European-community nations very small, with the disagreement with China severe and growing, with a war-like situation on the Cambodian border, the Vietnamese regard normalization of relations with the United States as a prime national need.

It is admittedly difficult for our government and for our citizens to approach this

matter so soon after the conclusion of the war. Yet the national interest may dictate that we do so in a pragmatic manner, as a matter of our own desire to maintain maximum influence over political developments in Asia. In the longer run, doing what is morally the right thing in feeding hungry people anywhere in the world has generally proven to be politically advantageous and a source of added influence and respect for our country.

If I may digress for a moment, I would like to mention something I learned, almost accidentally, in my conversations with Vietnamese scientists and health officials. There is some epidemiologic evidence—which at this point is reasonably good—that the chemicals used during the war in defoliation and crop destruction campaigns may have caused an increase in congenital malformations which is being seen in areas where these agents were used. On the other hand, the Vietnamese feel that the evidence is not conclusive. I have been struck by the fact that while they mentioned it as a strong possibility they certainly did not want to emphasize it until absolutely certain of their facts—an attitude which is both interesting and commendable. Reflection on the use of herbicides for both crop destruction and crop interdiction leads me to the following idea which I would like to place before this body. Whatever the final evidence shows, we do know that attempts to starve the Vietcong into surrender proved to be futile, as have similar attempts throughout history. As a weapon of war, starvation acts preferentially against noncombatants, and against the weakest of these. Young adult men are the most resistant to starvation. It is the elderly, pregnant and nursing women, and most especially the children, who suffer and die. Soldiers can, and do, requisition whatever supplies they need to fight on—and they can always justify their action by the nobility of their cause. Wars are won on the battlefield.

The French lost the Franco-Prussian War at Sedan and Metz, in the Loire Valley and on the Swiss border, while children died by the hundreds in the Siege of Paris. In our own Civil War, the South did not surrender because of Sherman's devastating March to the Sea, but because Lee was defeated at Gettysburg and Vicksburg. Malnutrition killed scores of noncombatants in Berlin and Vienna during the Allied blockade in the First World War, but the German armies never lacked for food. Russian children died by the thousands during the siege of Leningrad in World War II, but the Red Army kept enough food and strength to eventually break out and join the advancing Allied relief force. The Nigerians put down the Biafran rebellion by the weight of their arms and numbers, not through starvation. Hunger was used as an instrument of terror by one side, of propaganda by the other, while children, mothers, and old people died.

The use of hunger as a weapon of terror or coercion is not only morally indefensible—if this were not reason enough—it is militarily ineffective. I would like to propose that the United States take the lead in introducing and supporting before the nations of the world an international convention which would outlaw the use of starvation as a weapon of war and as a means of pressure or punishment against individuals in small or large population groups. It is a fundamental violation of the Rights of Man.

As for the immediate situation, I believe that it is very much in our interest, ethically as well as politically, to normalize our relations with Vietnam and to give them aid in the area of food and agriculture as well as in the areas of health and education. This will not only reestablish our moral authority in Asia, but also give us an opportunity to succeed in one of the objectives for which we fought the war, namely to insure the independence of Vietnam from China and from Russia, and give us some means of influencing events in Southeast Asia. It may also give us a chance to engage in mutually profitable ventures, particularly in the agriculture and chemical areas, but possibly in the oil area as well. Meditation on the war in Vietnam and its aftermath suggests that we ought to do it.

REPORT OF VISIT TO VIET NAM—AS A MEMBER OF A SPECIAL DELEGATION TO STUDY NEEDS FOR HUMANITARIAN ASSISTANCE

On behalf of the American Cancer Society and the medical profession, I would like to express my sincere thanks to Senator Edward M. Kennedy for the opportunity to be a member of the delegation to study humanitarian needs in Viet Nam. The visit was most stimulating and informative. Having had the opportunity to speak with several public health officials and physicians and to visit hospitals and clinics, I believe that my observations and recommendations are founded on reliable information. Further, I hope that this report will be helpful in proving that humanitarian assistance in the area of health care is urgently needed.

HEALTH CARE

These impressions were gained by visits to hospitals, clinics and social rehabilitation centers, and interviews with public health officials, professors, surgeons and physicians in Viet Nam, a country of 50 million people that is now 3 years into post war reconstruction. Health care delivery is organized on 4 levels: 1) the communal level; 2) the district level; 3) the provincial level and 4) the central level. There are about 8 physicians per 10,000 population. The Ministry of Health plans to increase the number of clinics, hospital beds and physicians in order to provide better health care for the people. At the communal health level, 4 types of care are given: 1) first aid; 2) family planning; 3) preventive services and 4) health education. These are staffed in 90% of cases by auxiliary doctors—persons who have received 2–3 years of training after secondary school in contrast to the M.D. who has received a minimum of 7 years education beyond secondary school. At the district level, health care is provided primarily in hospitals of 100–200 beds. The care delivered there is primarily medical with only minor surgery being performed. At the provincial level, practically all medical, surgical and obstetrical care is rendered in hospitals of 500–1000 beds. Central level hospitals, as those in Hanoi and Ho Chi Minh City, provide advanced level care for their areas in addition to managing difficult cases from the provinces and performing major cancer and heart surgery. All university hospitals, medical research departments and the faculty of medicine are under control of the Ministry of Health. There are 6 medical schools with about 10,000 students. Students are chosen for university study after rigorous examinations. Some dental care is provided at the district and provincial levels. There are 2 dental schools and 2 pharmacy schools. There is no formal school of nursing. Medical, surgical and obstetrical units train their own nurses to meet their particular needs. A better system of nursing education is urgently needed. Vietnamese officials responded favorably to the suggestion that facility exchange programs could be of definite value to them and wanted to pursue this idea further. Public health officials spoke fervently for the need of well organized programs in family planning. With a birth rate of approximately 3% per year, the population increase continues to exceed food production, thus making worse the current problem of inadequate food production. More detailed information concerning medical care is available in the Scrimshaw Commission Report of 1973.

The 2 major health problems are: 1) epidemic diseases as diarrhea, tuberculosis, skin infections, venereal diseases (cholera and plague have almost disappeared) and 2) Malaria—which is present in approximately 40 percent of the population. These medical problems are worse in the South. The average life expectancy is 58 years. Although epidemic diseases and malaria are the most common illnesses in Viet Nam, the public health authorities are noting an increase in cardiovascular diseases and cancer. The most common cancers in men are: 1) lymphoma; 2) hepatoma and 3) gastric cancer, and in women: 1) breast and 2) uterine cervix. The cancers are usually diagnosed late and thus patients present with advanced disease. Screening for liver cancer has not been cost effective. In one study, only 2 cases were found in 1000 patients examined. Treatment for cancer consists of surgery, chemotherapy and immunotherapy. There is no radiotherapy available.

Professor Ton That Tung, the leading surgeon in Viet Nam, has had great experience with liver tumors. He has called to our attention the increased incidence of hepatomas in Viet Nam and believes that this may be related to the use of defoliants during the war. Dioxin, 2,3,7,8-TCDD, a chemical impurity of the 2,4,5 T herbicide which was repeatedly and massively used in Viet Nam during the war, is a very toxic agent that may be disseminated by avian or aquatic fauna. It has been shown experimentally to be teratogenic, mutagenic and carcinogenic. Its carcinogenicity appears to be much greater than known carcinogens as benzopyrene and methylcholanthrene. Professor James R. Allen, Chief of the Department of Pathology at the University of Wisconsin, stated in a letter to Professor Tung that the Wisconsin researchers had observed that there was a significant increase in hepatocellular carcinomas in rats who received a diet containing 5 parts per billion to 5 parts per trillion of Dioxin over a period of 18 months. The Vietnamese researchers ascribe an important, but as of yet undetermined, role to Dioxin for the increased incidence of hepatomas. Further studies are being conducted to clarify the role of this agent. The average life expectancy for patients with hepatomas who receive conventional treatment is 6 months. Professor Tung and his associates have studied the use of immunotherapy in patients with hepatomas. To be most efficacious, the immunotherapy (BCG or LH1), should be combined with hepatic artery ligation or partial hepatectomy to reduce the tumor burden. The immunotherapy must be prolonged (1 to 2 years) and improved survival rates have been noted with such combination therapy. Because of economic factors, diagnosis and treatment must be rendered as cheaply as possible. For example, the diagnosis of hepatoma is made primarily by physical examination and not by serum levels of alpha fetoprotein. During our visit with Professor Tung, we saw several patients who had been treated for hepatomas, two of whom were alive and well more than 6 years after therapy. Professor Tung has achieved some fairly impressive results in liver tumors with surgery and the immunostimulant LH1—a drug developed from traditional medicine. A tour of the Viet Duc Hospital (where Professor Tung works) revealed that patients are receiving good medical care though many of the refinements seen in American hospitals were missing.

There is a Department of Social Rehabilitation that is concerned with: 1) prostitutes; 2) drug addicts; 3) juvenile delinquents; 4) amputees; 5) beggars and 6) orphans. It was estimated that there were 300,000 prostitutes, ages 14–30, in South Viet Nam at the end of the war 3 years ago. Today there are thought to be about 25,000 prostitutes. This Department seeks to rehabilitate these young

women and return them to society capable of performing productive work. They are examined; treated for any venereal disease (64% have syphilis); reeducated (especially informing them that they should not feel ostracized from society by their previous bad experiences); taught a new profession and then returned to their families as better members of society. The physicians often lack antibiotics to treat the venereal diseases. An active program has been developed for the treatment of drug addicts by 3 modalities: 1) acupuncture; 2) traditional medicine and 3) exercises. Addicts remain at the drug treatment center for 10–14 days. They then undergo reeducation and training for a vocation. At the end of the war there were 1,100,000 people unemployed in Ho Chi Minh City. In the last 3 years, work has been found for 700,00 persons leaving almost 400,000 still unemployed. However, the rate of unemployment is still much too high. There are several orphanages with many children. They are given total care here including food, clothing, shelter, medical care and education. As they become older, they learn different trades as barbering and carpentry. Great attempts are made to place them in foster homes but much needs to be done in this area.

We visited a medical clinic in a new economic zone (NEZ) in the South which served 800 families (about 4,000 persons) and was staffed by a physician, an auxiliary physician and 12 nurses—2 of whom were midwives. The population is primarily young and the 2 most common health disorders were: 1) respiratory infections and 2) skin diseases—especially eczema. A dentist comes once a week to provide dental care. Because of the predominant young age of the population the physician sees little cardiovascular disease or cancer. Assignment of physicians for varying periods of time is made to the various clinics by the Ministry of Health. A hospital is being constructed to provide district level care for the people of this NEZ and some surrounding communities. However, construction has been delayed because of a shortage of building materials. The clinic physician usually has adequate medicines for the types of diseases he commonly treats but related to us the overall shortages of medicines and equipment in the clinics and hospitals of Viet Nam.

A visit to Saigon Hospital, a 250 bed hospital specializing in trauma care, revealed a dedicated staff but again a marked shortage of supplies and equipment. There was an acute shortage of X-ray film, and some medicines as metronidazole (Flagyl—used in the treatment of amebiasis) and antibiotics. Much of the equipment and surgical instruments is outmoded.

For example, the instruments esp. the lenses used in eye surgery are more than 25 years old. All members of the staff requested aid for the hospital especially X-ray film, operating room lights, medicines and equipment.

We visited 2 refugee camps—one in Tay Ninh province with 5,000 persons and the other with 9,000 persons. Most refugees were Cambodians (Kampucheans) but there were a few Chinese, Chums and Vietnamese. Each refugee—man, woman and child—received a 13 Kg ration per month—the same as the native Vietnamese people receive. In our interviews with various refuges, they recounted numerous tales of terror and barbarism committed by the present Cambodian government. Many people have been killed, tortured and maimed. There are no schools, no churches (many were burned) and no freedom. The work is very hard and arduous. They must get up at 3:00 a.m. and work until 8:00 p.m. with only a small break for lunch. Among the refugees are all levels of Cambodian society—peasants and intellectuals. The refugees applauded the efforts of the Vietnamese government in providing them food, clothing, shelter and medical care. We saw no obvious cases of malnutrition. All refugees appeared to be adequately fed and all had been in the camp for at least 7 months. Each camp has an auxiliary doctor and several nurses to deliver health care. A certified physician visits the camps once per week to examine seriously ill patients. Those patients requiring additional care are transferred to district or provincial hospitals. The refugees seemed overjoyed to see us and were happy when speaking about the American and Vietnamese people. They showed their anger and bitterness only when speaking about the atrocities in Kampuchea.

Having spoken with several persons—government officials, physicians, nurses, patients, I was convinced that much is needed to provide better health care for the people of Viet Nam. Among the more urgent needs are: 1) medicines—especially medicines for specific diseases, as venereal diseases, malaria, tuberculosis, amebiasis; 2) medical equipment and supplies of all types—especially X-ray film, operating room lights and modern diagnostic and surgical equipment; 3) teaching materials and scientific journals for hospitals and materials; 4) effective family planning programs and materials; 5) faculty exchange programs between medical schools of both countries; 6) a well organized nursing school program. It seems that some of these recommendations could be implemented fairly soon and easily. Such implementation would do much to show the people of Viet Nam in a most tangible way the concern and interest of the United States. In this category for early disposition are: 1) scientific journals and books to the 6 medical schools and the hospital of Professor Ton That Tung; 2) X-ray film and operating room lights to Saigon Hospital in Ho Chi Minh City; 3) medicines, as antibiotics, antimalarial drugs, antituberculous drugs, and amoebicidal drugs. The other recommendations would take longer to implement.

REPORT OF MS. MILDRED KAUFMAN

An adequate supply of nutritious foods available and accessible to all of the people at reasonable cost is essential for a healthy, productive and stable society, and for the physical and mental growth and development of their children. Recent reports from Vietnam have indicated serious food shortages with associated problems of hunger and malnutrition. This was a major focus for the study mission during our visit from July 31 to August 7, 1978. On this fast paced trip, using information from briefings and limited personal observations, I summarize impressions of the food and nutritional needs of the people of Vietnam. No anthropometric biochemical or dietary study data were available to validate these observations. You should also be aware that my frame of reference is my professional experiences with urban and rural public health nutrition programs in the United States.

FOOD RATIONS

Briefings by Vietnamese government officials cited natural disasters (floods and drought) during recent growing seasons which have reversed Vietnam's previously favorable food production to current food shortage estimated at from 1,000,000 to 2,000,000 tons per year. Basic staple foods are being rationed. The minimum ration for adults and children made up of rice, maize, manioc and wheat (used in noodles and bread) is currently 13 kilograms per month providing about 1500 calories per day largely as carbohydrate. Increases to 17 kilograms per month (2,000 calories per day) and 21 kilograms per month (2400 calories per day) were quoted for those doing physically active work. All these calorie allowances would generally be considered marginal for high labor intensive activity levels, even estimating that some additional foods are purchased on the open market.

Meat, fish and eggs are also rationed but repeated probing did not elicit the amounts of the ration for these animal protein rich foods. Public health authorities stated that supplemental foods were provided in the ration allowances for invalids and for pregnant and lactating women. These supplemental rations include meat, fish sauce (a dietary staple in Vietnam) and sugar. For babies who cannot be breastfed (orphans, etc.) condensed milk is provided for artificial formula. It was stated that some milk is produced in Vietnam but not nearly enough for the needs of their children. Despite requests made by Mr. Tinker and me for a visit to a government food ration store, especially in Ho Chi Minh City, this visit was not arranged. Questions persist regarding the quality, variety and prices of foods at the government food stores, their continuing availability as well as the equity of their distribution to the population. Also of concern is the rationale for food and nutrition policy decisions related to the ration system.

Additional foods are available for purchasing on the open market. No food markets were visited in Hanoi and little food vending was observed on the streets. In Ho Chi Minh City, and Vung Tau we briefly visited the central market and observed many small food vendors along the streets. They were selling a myriad of tropical fruits, green vegetables, dried beans, seafood and fish, pork and poultry. No milk or dairy products were seen in these markets. Prices of foods in the open market were difficult to determine but appeared exorbitant in relation to the income quoted for the average worker of 60 dong per month. In the Vung Tau Market 10 eggs were being sold for 7 dong.

At the model New Economic Zone visited at Ten Dong, where pineapple was being grown for export, families had their own garden plots planted with banana trees, tropical fruits, tomatoes and vegetables. At a home we visited, there we saw the small fish pond. Chickens and ducks were foraging in the area. We were told that families grew these food items for their own use and could sell them in the free market. Along the roads in rural areas, we saw some pigs.

Vietnam is a lush tropical country with tremendous potential for food production. Travelling through the countryside, the visitor is impressed with the intensive cultivation of all available land with rice, maize, manioc and sweet potatoes along with tropical fruits and many green vegetables. The long seacoast and fresh water ponds provide sources for fish and seafood. The fermented fish sauce is a basic component of the diet.

Food in the markets, being sold by street vendors and in cultivation, would appear to be excellent sources of all of the major nutrients except calcium from dairy products. However, the observer questions the availability and accessibility of these foods in the diet of the city people because of their cost in relation to income. Rural families able to grow some of their own food can be better fed than city people. Stated government policy is to decrease the population in Ho Chi Minh City, and officials are pressuring families to move from cities to new economic zones, particularly those people who fled from the country to cities during the war.

Food, farm equipment, seeds fertilizer and insecticides were cited by officials as urgent needs with the goal of self sufficiency in food supply by 1980. In the Departments of Agriculture and Public Health, persons who spoke with us indicated concern for the insufficient supplies of milk. A new program mentioned by Vice Minister of Foreign Affairs, Mr. Han Mien and confirmed in Mr. Tinker's conversation with the Indian Ambassador is the importation of milking water buffaloes from India to supply milk as well as animals for traction.

EVIDENCES OF MALNUTRITION

In the July 31, 1973 report based on March 10, 1973 visit to North Vietnam, Dr. Nevin Scrimshaw stated, "As a consequence of their very strong emphasis on preventive medicine, on immunization and on maternal and child health care at the level of the family, we found essentially no evidence of malnutrition and were impressed by the general health of the population." It would appear that the nutritional status of the population has deteriorated since 1973. The "Report of Public Health Work in the Socialist Republic of Vietnam in 1977" published by the Ministry of Public Health states on page 24, "Nutrition has for many years been the focus of our attention in child health care work. There are clear cases of undernourishment due to economic under-development and aggravated by the sequels of war in protein and calorie deficiencies, and even numerous cases of marasmus. We have studied the constituents of different kinds and of complete food powders made of cereal flour and fish as substitutes, as the raising of milch cows in our country is still limited." In the absence of any nutritional assessment or anthropometric data, I tried to carefully observe the men, women, and children in the streets, in the institutions and working in the fields. I was impressed that obesity, the major nutritional problem in the U.S. does not exist in Vietnam. Everyone appeared physically active.

In rural areas, people were observed working in the fields from early morning to dark, including during the midday when we were told that it was too hot for farm work. Almost no mechanical farm equipment was seen. Human labor was aided by water buffalo and oxen. In the cities there were few cars, with transportation chiefly on foot or bicycle. Bicycles dominate the streets of Hanoi and Ho Chi Minh City, sometimes with families of two parents plus two or three children on one bicycle. In response to questions regarding the price of a bicycle, we calculated the cost to be comparable in the same proportion to family income, as is a car for working people in the U.S.

The people appear extremely lean and wiry with not very well developed musculature, reaffirming the low calorie level of the available rations for a population performing hard physical work. At the hospitals and outpatient clinics, many we saw appeared emaciated. Most children and adults were short in statute, suggesting growth retardation. The best nourished group seen were the children of government workers in a day care center in Hanoi, which serves three meals daily.

At the briefing at the Department of Public Health in Hanoi, officials stated that malnutrition was more of a problem in the south than in the north. They attributed this to food shortage and the high birth rate. Several clues indicate that severe malnutrition exists particularly in high risk groups such as pregnant women and children. Dr. Ton That Tang, Professor of Surgery, Vietnam East German Friendship Hospital in Hanoi, discussed his concerns about the nutritional interrelationships with susceptibility to infection, citing infectious diseases as the major public health problem in Vietnam. In Ho Chi Minh City, we visited the Hospital for the Rehabilitation of Malnourished Children where 250 orphans from age one month to three years receive care. There we were shown a scrapbook of "before and after" pictures of children successfully treated for kwashiorkor and marasmus. We saw some of these rehabilitated children as well as several recently admitted infants with kwashiorkor. There were also children at this center who were profoundly mentally retarded. At the hospital visited in Ho Chi Minh City, a young woman ophthalmologist who had post graduate medical training in Australia and spoke excellent English, asked me as we walked through the hospital, "What are the nutritional treatments for eye diseases?" I replied that xeropthalmia was a severe vitamin A deficiency disease leading ultimately to blindness, but that I had never seen it. She shook her head vigorously saying, "yes, I see it." There was no opportunity to probe further, as we were hurried off to our next appointment. From friends in Chapel Hill who had worked in Vietnam previously, I understand that xeropthalmia had not previously been a problem in Saigon.

At the Cambodian refugee camps in Tay Ninh Province, we were informed that the refugees under the care of the Vietnamese government received the same 13 kilograms per month ration. As a group the refugees appeared to look better than many of the people observed on the streets and in the institutions. The stories of the refugees, about the hardships endured in walking long distances to reach Vietnam, would suggest that they had arrived eight to twelve months before we saw them in seriously depleted nutritional status. This speculation was confirmed in conversation with Mr. Anders Johnson, on the staff of the U.N. High Commission for Refugees who had visited these camps shortly after the refugees had arrived. Therefore, the nutritional rehabilitation observed with the limited ration appears remarkable. Refugees with whom we conversed in French said that they were "getting enough to eat." These refugees are sharing and straining the limited supplies of food available in Vietnam.

PUBLIC HEALTH PROGRAMS AND SERVICES

The public health program described by officials at the state planning commission and at the Ministry of Public Health in Hanoi, is essentially described in detail in the report of Dr. Nevin Scrimshaw's study mission to North Vietnam in 1973. The 1977 Annual Report of the Ministry of Health provided to us at the conclusion of our visit, clarified details. The well organized health system integrates free preventive and curative medical care in a plan to serve all workers; it now is said to cover 90% of population. Organization is at four levels: (1) communal village or "grassroots" with a health station for primary care, normal deliveries and preventive health education, staffed with auxiliary doctors, nurses, midwives and family health workers and serving 4,000 to 6,000 people; (2) district level serving 100,000 to 200,000 population provides a 100 to 200 bed hospital and medical doctors along with a public health office, pharmacy and other senior staff who provide in-service training for communal level health workers and leadership in sanitation and epidemiology; (3) provincial level provides 500 to 1,000 bed general and specialized hospital care and public health service for hygiene, epidemiology, maternal and child health and rehabilitation. At this level are the schools for training mid-level health workers including vocational level nurses and midwives who provide family planning services and prenatal care. Some mental health services are provided but mental health is said not to be a serious problem; (4) at the central or governmental level is the Ministry of Health, University Hospital with faculty of medicines, pharmacy and public health for training personnel and research. A system of triage is used to direct patients into the appropriate level of care according to their needs. There is limited dental care at the district level. Dentistry was stated to be not too well developed and there was an obvious need for more dental care.

Priority health programs discussed were eradication of the infectious diseases which are the major causes of death and include cholera, plague, malaria, dengue fever, tuberculosis, leprosy and venereal diseases; family planning to reduce population growth, the highest in the world, from 3% to 2% per year: maternal and child health (in 1976 maternal mortality rate was 0.9, infant mortality rate 34.2); environmental sanitation; and health education. Rehabilitation centers for drug addicts and prostitutes and homes providing care for orphans are important related programs conducted by the Department of Social Welfare.

Health programs at all levels from the rural clinic visited in the New Economic Zone to the hospitals in Hanoi and Ho Chi Minh City, are providing dedicated health care attempting to combine modern medical practice with traditional medicine, but are seriously handicapped by shortages of drugs, vaccines, x-ray film and medical equipment. Training is jeopardized because the new medical textbooks and journals are not available. Both Dr. Tong in Hanoi and the physicians at the hospital in Ho Chi Minh City expressed the need for medical journals from the USA. The physicians also stated needs for more advanced education for professional nurses for the hospitals and public health. Dr. Tong recommended a national school for nurses. The woman ophthalmologist in Ho Chi Minh City said that the best prepared nurses are now being trained in Japan.

In questioning of several of the health officials regarding who taught mothers how to feed their children, it was stated that the nurses handled it. Persistent questioning did not identify any specific efforts to educate and guide the people in nutrition or wise use of scarce food supplies. As a Public Health Nutritionist, I was unable to identify any counterparts in public health work or dietitians in the large hospitals. Dr. Scrimshaw states in a report prepared for Nutrition Today published in July/August, 1973 from his 1973 visit to Hanoi, "There is no profession of dietetics or nutrition, however the assistant doctors often are given some training in this field." Dr. Tong expressed the need for a nutritionist in Hanoi. I was told that in Ho Chi Minh City, Dr. Duong Thi Guynh Hoa was a woman physician in the Public Health Service who was concerned with nutrition and maternal and child health. A conference was requested with her but she was unavailable. Later in Bangkok, I asked Ms. Margaret Crowley, Regional Home Economics and Family Development Officer, FAO of UN about her knowledge of current professional training in nutrition or of efforts in nutrition education for the public in Vietnam. Ms. Crowley knew of no organized national nutrition program. Ms. Crowley stated her strong conviction that food aid without public education on how to use foods provided is ineffective and wasteful, especially when foods provided are unfamiliar or unpopular.

RECOMMENDATIONS

1. Clearly there is an overall food shortage which requires short-term and long-term assistance in response to the obvious food needs and evidence of malnutrition among the population of Vietnam. The United States should live up to its humanitarian tradition and immediately move to assist in overcoming the one to two million ton food deficit this year. Food shortages threaten the health and productivity of a people industriously struggling to overcome the ravages of war on their society and coping with an influx of refugees coming to Vietnam from Cambodia. Long term assistance aimed to help Vietnam move toward self sufficiency in food supply would be provision of fertilizer, insecticides and farm equipment. Agricultural assistance should be appropriate to the needs, capabilities and practices of the Vietnamese farmers.

2. Special attention in a food aid program should be given to providing milk powder and other special protein-rich products such as CSM (corn-soya-milk) for the infants and young children, particularly for feeding programs for the many orphaned chil-

dren. Milk powder was stated to be in very scarce supply by both the representative of UNICEF with whom we spoke and the staff of the Hospital for Rehabilitation of Malnourished Infants. Contributing to an adequate supply of milk could tremendously improve the nutritional quality of infant and child feeding programs to prevent and treat malnutrition and be an investment in the physical and mental development of the children.

3. In cooperation with the UN agencies—UNICEF, FAO and WHO and private relief agencies a tracking system to monitor food aid would seem desirable to assure that foods are transported and stored to maintain their quality and that foods are targeted to reach those with the greatest nutritional needs, particularly children in the urban areas. It would also be important to determine that foods provided are acceptable to those receiving them and that they use the foods advantageously.

4. Technical assistance in nutrition and food science is needed to train public health workers and teachers in basic nutrition and appropriate use of food provided in the aid programs. During briefings, government officials stated that "the people prefer rice but could eat wheat and maize." Nutrition education initiatives would be essential to introduce changes in the staple foods in the diet as well as milk powder and milk from the milk producing water buffalo. The public health network with its emphasis on health education offers an excellent channel for nutrition education to all of the population.

5. Support needs to be provided to the family planning initiatives with supplies and technical assistance in order to reduce population growth from 3 percent to 2 percent or less per year. Control of population growth is important in reducing the increasing demand on limited food supplies. It is also desirable to reduce the stress of repeated pregnancies on women who are nutritionally depleted and are at high risk of producing more malnourished infants.

6. With malnutrition as an acute problem and deployment of food supplies as a critical issue, consideration should be given with the Vietnamese government to leadership training in nutrition and food sciences as basis for rational food and nutrition policy development. Academic training in nutrition and dietetics needs should be considered in Vietnam on a long range basis. More immediately, offering opportunities for training applied nutritionists, dietitians and nutrition educators in universities in the United States might be useful.

GENERAL OBSERVATIONS AND IMPRESSIONS

The officials with whom we spoke largely addressed the basic human needs of their people for food, medical supplies and equipment to help them achieve their goals of independence of self-sufficiency. Visitors must be impressed with how diligently the people of Vietnam are working and their generally stark standard of living. Officials cited Japan to be their model for future development. During a brief stopover in Japan en route home, I was amazed at the achievements in Japan in terms of nutritional status and child growth and development; health, sanitation; industrial development and prosperity; a dramatic contrast with what we observed in Vietnam.

I hope that we have been able to adequately convey a picture of the real human needs for immediate help of food, medical supplies and educational resources to people who are valiantly trying to help themselves. Major disruptions in the society in Vietnam are being addressed by the government including the care for large numbers of racially mixed children observed in the orphanage in Ho Chi Minh City, rehabilitation of the many drug addicts and prostitutes, as well as providing a haven for refugees from neighboring Cambodia.

I wish to thank Senator Kennedy and the Senate Judiciary Committee for the opportunity to participate in this study mission and Mr. Jerry Tinker for facilitating our travel. For me it has been a tremendous learning experience and hopefully an opportunity to contribute to an important humanitarian effort. Great appreciation must also be expressed to the government of the Socialist Republic of Vietnam for their warm welcome and gracious hospitality.

Submitted by:

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Associate Professor, Department of Nutrition, School of Public Health, University of North Carolina.●

THE FINAL HOURS OF THE KOREAN WAR

● Mr. GOLDWATER. Mr. President, what were the battlefield conditions like during the final hours of the Korean war? We are indebted to Mr. Charles A. Wahlheim, publisher of the Mesa, Ariz., Tribune, for a grisly picture of those conditions in one sector of the combat zone. On July 27, 1953, he was serving as chief of a 155-millimeter howitzer section in our forces and remembers vividly the events that transpired. In a recent editorial, he recounted that experience and used it as the basis of some observations on this country's current problems with the military situation that confronts us around the world.

I ask that this editorial be printed in the RECORD.

The editorial follows:

JULY 27, 1953

Twenty-five years ago today is more than a little memorable to me. I had spent over a year in Korea first as a forward observer for an artillery battery, later as a chief-of-section on a 155mm Howitzer. The last few months of the war had been intense, with both sides realizing an armistice was pending and, as a consequence, trying to position themselves on the most strategic locations.

At 10 a.m. on the morning of July 27, 1953, our firing battery was at the bottom of a ridge, firing nearly point blank. The battery commander called six of us together and told us to inform our troops a cease fire has been signed and that all firing would stop in 12 hours.

The day was grisly beyond belief, both sides unleashing everything they had at one another. Many young Americans died that day on that hill in front of me.

At 10 p.m. all guns were silent. The next morning we pulled back and a few days later I was headed for Pusan—and home—left with the thought of all who died those last 12 hours after the cease fire had been signed.

Besides personal nostalgia, Korea has a significant meaning for all of us. It was the first limited war for limited objectives, and I guess if you put aside the loss of 40,000 American boys, one could say it was successful as South Korea is still free. This new concept in warfare led us into the morass of Vietnam, and 50,000 American lives later we learned it is really impossible for this nation to fight a limited war for limited objectives.

If that is true, it leaves us with a few alternatives. Certainly atomic warfare is something none of us wishes to contemplate. So what do we do as a nation to stay the constant communist encroachment going on all over the globe?

It seems to me there is no simple solution short of this nation really waking up to the need to turn back to God and ask for His divine assistance, which probably we won't do. Aside from that we need to carefully identify who our friends are and assist them in being militarily strong.

I would particularly cite our position vis-a-vis Turkey, which sits right on the Russian border and has been a long-time adversary of Russia. Germany, although it sits in a precarious position with its Berlin dilemma, has to be the backbone of NATO.

Israel, South Korea and Japan, to name just a few others, need to have the capability of protecting not only themselves but acting as a deterrent in their general global areas.

Strategically I think that the neutron bomb should be developed as a deterrent against the massive tank forces of Russia and the cruise missile should be developed and its range not restricted as a solution to the problem of our aging and somewhat obsolete ballistic missile system.

More importantly, I think great care should be taken that our president doesn't negotiate a SALT agreement just for the sake of a SALT agreement. That could put us at the mercy of the Russians who, I am sure, have no intention of honoring whatever agreement they sign.

I think programs such as Radio Free Europe should be beefed up and expanded. They not only get the truth behind the iron curtain but keep the Eastern bloc nations stirred up enough that they require a lot of attention from the Russians.

A similar type of radio network probably should be set up in Africa in hopes of informing them and, hopefully, educating African nations as to the seriousness of the Russian and Cuban threat.

We can't fight limited wars. We can't fight all-out atomic wars, but assuredly we can't bury our heads in the sand and hope the threat of communism goes away.

It is unbelievable to me how quickly that 25 years went by, and I am not sure we will have a free country 25 years from now if all of us don't get active and let the people who run this country know how we feel and express our concern.

Not everyone can have the privilege of writing an editorial in the newspaper. But everyone can write his congressman or senator.

CHARLES A. WAHLHEIM,
Publisher.●

BILL HATHAWAY'S LEADERSHIP HELPS RESTORE MONEY FOR KEY AGRICULTURE PROGRAMS

● Mr. MUSKIE. Mr. President, my friend and colleague, BILL HATHAWAY, took the lead in the Senate last week in restoring money cut from this year's agriculture budget for the agricultural conservation program, the only major farm program in our region. I was happy to support his effort. His success in restoring $105 million for the program was responsible in terms of the congressional budget and in terms of sound farm policy. The careful, low key way he built support for his amendment is only the most recent example of why his legislative ability is so valued in the Senate.

I congratulate him for his leadership, and ask that an article on the subject from the Bangor Daily News of August 21 be printed in the RECORD.

The article follows:

MAINE AGRICULTURE—HATHAWAY SUCCEEDS IN RESTORING FULL FUNDING FOR AGRICULTURE PROGRAM

(By David Bright)

On Friday, July 28, Missouri Senator Thomas Eagleton came to Portland to boost the campaign efforts of Bill Hathaway. Eagleton was one of many in a long line of political types who've been to Maine for

Hathaway. The list is topped by President Jimmy Carter. It includes, among others, Secretary of Agriculture Bob Bergland and Ohio Senator John Glenn.

But less than two weeks after Eagleton was in Maine he and Hathaway were locked in strong debate on the Senate floor. On Eagleton's side were Carter, Bergland and Glenn, Rooting for Hathaway were many of the nation's farmers and a number of farm and conservation groups.

The issue was $105 million for conservation cost-sharing funds which Hathaway wanted restored to the Senate agriculture budget.

In the end Hathaway prevailed. How he did it is a story conservation and farm groups are still wondering about.

The money is for the Agricultural Conservation Program (ACP) of the USDA's Agricultural Stabilization and Conservation Service (ASCS). ASCS handles many of the cost-sharing, subsidy, emergency loan and similar farm programs. In the Northeast the ACP program is the only major farm program. It provides cost sharing from 50 to 90 percent for a number of conservation practices on farms. The program will give a farmer a maximum of $2,500 a year for such things as waterways, manure storage facilities, establishment of cover crops, assistance in strip-cropping and contour plowing.

Despite its popularity with farmers, the program has never been very popular among bureaucrats, presumably, says Hathaway staffer Charles Peck, because it's run by locally-elected farmers and not by the government.

Last year Carter recommended funding at $190 million for ACP and he became the first president since Truman to place ACP money in his budget. Every year since then Congress has been adding funds on its own.

The budget passed at the $190 million figure last year but this year Carter cut ACP to $100 million.

The House of Representatives rejected the Carter plan, however, and restored the full $190 million. But when the bill got to the Senate Appropriations Committee the ACP funds were cut back further to $85 million. Eagleton is the chairman of the subcommittee on agriculture.

The bill was still bottled up in the subcommittee when Hathaway's office began to hear concerns about it while making routine monthly calls to Maine farmers.

Private attempts to move the subcommittee failed and the Hathaway staff then began working with the staff of South Dakota Senator George McGovern, the Democrats' 1972 presidential nominee who had picked Eagleton as his running mate.

McGovern's office was also hearing complaints from farmers but decided not to go out front with the issue because McGovern had some other business he wanted to bring before the Senate and didn't want to get into a fight over ACP.

On July 27, the day before Eagleton was to come to Maine, Hathaway wrote to Senate Appropriations Committee Chairman Warren Magnuson, urging that the committee restore the $190 million.

The next step was meetings with the staff of Vermont Senator Patrick Leahy, a dairy farmer who serves on both the Senate Appropriations and Agriculture committees. When the Eagleton cut got to the full appropriations committee, Leahy tried several times to restore the $190 million. But the only other vote he could muster was that of Massachusetts Sen. Edward Brooke.

At that point Hathaway decided a gamble was in order. The bill was obviously going to a conference committee. If he left the issue alone the Senate conferees would be able to give ground and perhaps the funding could be raised. A halfway split would have funded ACP at $137 million. If Hathaway brought up his amendment and it failed, there would be a record of Senate disfavor and it would be a hard point to negotiate in conference. On the other hand, if Hathaway won, the budget would be secure as it could not be changed in conference.

In the balance was an extra $1.1 million for Maine.

It was determined that the gamble was worthwhile. With the assistance of Senate Majority Leader Robert Byrd, another who has campaigned for Hathaway in Maine, the amendment was scheduled for first thing in the morning, a time, aides say, when senators are more prone to be agreeable.

By the time the voting day arrived, most of the senators had been made aware of the controversy. The National Association of Conservation Districts had been lobbying hard on behalf of the program, as were other farm groups.

During the debate, Eagleton threatened that passage of the Hathaway amendment would result in a sure veto of the entire agriculture appropriations bill by President Carter. But Hathaway, using information he had requested from USDA as well as backup from Maine Senator Edmund Muskie's budget committee, showed that the budget could handle the increase and managed to ward off the arguments.

As the debate progressed, more and more senators added their names to the Hathaway-sponsored bill. By the time of the vote, Hathaway had been joined by McGovern, the only original co-sponsor, as well as Mississippi conservative John Stennis, Republican leader Robert Dole, a former vice presidential candidate, and eight others.

The final vote was 55 to 26 in favor of Hathaway's amendment. His staff, as well as lobbyists for some conservation groups, doesn't expect any presidential veto, especially since other cuts in the agriculture budget have made up the difference.●

THE CHALLENGE OF PRODUCTIVITY

● Mr. LUGAR. Mr. President, as Congress struggles with the issue of how best to stimulate growth in productivity in our Nation's economy, Eli Lilly & Co. provides a refreshing example of an enterprise that is meeting the challenge of productivity. This pharmaceutical firm headquartered in Indianapolis posted annual productivity gains averaging 9.2 percent per year over the past 10 years, compared with 2.3 percent for all U.S. manufacturers.

Lilly's remarkable record was detailed in column by John Felter, which appeared in the Indianapolis News on August 15, 1978. I ask that the article be printed in the RECORD:

PRODUCTIVITY: MAGIC IS IN MANAGEMENT

(By John Felter)

Productivity, the quarterly report on a business's output, is issued by U.S. Bureau of Labor Statistics and has an enormous effect on American lives.

In the Eli Lilly and Co. six-month report, corporate staff economist, Dr. John R. Virts, tries to bring some understanding to the complex term—productivity.

A simple definition, according to his "Viewpoint" article, is what a company gets from what it puts into a product.

For instance, output per employe for 1967 and 1977 are calculated in the following manner with the term "Index (1967=100)" as an arbitrary base (starting point).

Using the following figures as an example:

On sales of 100 in 1967 and 500 in 1977, divide a price index of 100 into the 100 for 1967.

Since prices have doubled from 1967, divide 200 into the 500 for 1977.

Dropping the zeros, this will leave 100 and 25.

If there are 10 employes in 1967 and 20 employes in 1977, divide the 100 by 10 and the 25 by 20.

The results will be the output per employe for 1967 (the base year) and the output per employe for 1977 (the given year).

Divide the output per employe for 1977 by the output per employe for 1967.

Presto, the index of comparison.

During the decade 1967–1977. Lilly's labor productivity was four times as great as that for the average of other manufacturers, according to Dr. Virts. He said, "Our estimates show that this trend of increasing Lilly productivity is continuing in 1978, and we believe that it will continue in the future."

When asked why the big difference in Lilly's and other manufacturing productivity, Dr. Virts said management, people, technology and capital are all represented in productivity.

Management must motivate employes, have the awareness of cost, and be able to use resources properly. He added, "It does not mean that anyone is working harder or longer, it means that it is efficient use. There must be a willingness to work and a sense of accomplishment, but no resentment."

The attitude of people is very important because a "rigid" environment might be created. If there are rules that establish the amount of output, like government regulations, union contracts, or unreasonable management, output can be hampered, according to Dr. Virts.

"The more educated the work force, the more possibility there is to get the people to work, but a company must have the technology along with the people," says Dr. Virts.

Another spokesman for Lilly said 36 percent of Lilly's 12,241 employes employed in the U.S. are college graduates: 2,760 with bachelor's; 915 with master's; and 588 with doctorates. An interesting fact is that Lilly has no union.

Dr. Virts said in "Viewpoint," "It (high productivity) has enabled the company to pay good wages to its employes."

The recent productivity report also agrees with Dr. Virts' statements. Second quarter output per employe costs jumped at an annual adjusted rate of 7.8 percent, slower than the first quarter's 17.4 percent increase. The first quarter's revised-productivity figure declined 4.6 percent and the second quarter reported a gain of .1 percent.

This means productivity declined because labor costs were high. Management, people, research or capital were not working as a total combination, as explained by Dr. Virts.

Research is important to productivity because new technology makes better use of time, according to Dr. Virts. As Dr. Virts watched his secretary, he said that the typewriter-recorder cartridge has increased efficiency enormously. "I can't even tell if she made any mistakes." He did say that Lilly spent $124.6 million on research in 1977.

And finally where does a company get capital?—Sales.

Lilly has supplied products to the public the prices of which have increased at a very modest rate compared with the Consumer Price Index as the second graph shows over the 1967-1977 period. The index of Lilly prices increased about one-fifth as much as consumer prices.

As an example, the stable Lilly prices and high productivity secure the type of capital that any company needs.

In conclusion, Dr. Virts said, "There is no single cause or simple explanation of productivity. Clearly, it is not just how hard people work or how fast machinery runs. It is these things plus the combination of technology, people, and their motivations."

The blending of employes; the use of effective management skills; and research and development play a vital role in productivity. This is the important challenge of business, according to Dr. Virts.●

PROPOSED ARMS SALES

● Mr. SPARKMAN. Mr. President, section 36(b) of the Arms Export Control Act requires that Congress receive advance notification of proposed arms sales under that act in excess of $25 million or, in the case of major defense equipment as defined in the act, those in excess of $7 million. Upon such notification, the Congress has 30 calendar days during which the sale may be prohibited by means of a concurrent resolution. The provision stipulates that, in the Senate, the notification of proposed sale shall be sent to the chairman of the Foreign Relations Committee.

In keeping with my intention to see that such information is immediately available to the full Senate, I ask to have printed in the RECORD at this point the two notifications I have just received.

The notifications follow:

DEFENSE SECURITY,
ASSISTANCE AGENCY,
Washington, D.C., August 18, 1978.

In reply refer to: I-6890/78ct
Hon. JOHN J. SPARKMAN,
Chairman, Committee on Foreign Relations, U.S. Senate, Washington, D.C.

DEAR MR. CHAIRMAN: Pursuant to the reporting requirements of Section 36(b) of the Arms Export Control Act, we are forwarding herewith, Transmittal No. 78-91, concerning the Department of the Navy's proposed Letter of Offer to Iran for other than major defense equipment, as defined in the International Traffic in Arms Regulations (ITAR), estimated to cost $350 million. Shortly after this letter is delivered to your office, we plan to notify the news media.

Sincerely,

ERICH F. VON MARBOD,
Acting Director,

TRANSMITTAL No. 78-91

[Notice of Proposed Issuance of Letter of Offer Pursuant to Section 36(b) of the Arms Export Control Act]

(i) Prospective Purchaser: Iran.
(ii) Total Estimated Value:

[In millions]

Major defense equipment [1]	$0
Other	350
Total	350

[1] As included in the U.S. Munitions List, a part of the International Traffic in Arms Regulations (ITAR).

(iii) Description of Articles or Services Offered: U.S. Armament Suite to equip twelve (12) frigates to be built in the Netherlands and FRG shipyards. The US suite for each ship consists of the following: MK 13 Mod 4 Guided Missile Launching System, HARPOON Cannister Launching System, VULCAN-PHELANX Close-In Weapon System MK 15 Mod O, MK 32 Above Water Torpedo Tubes.[2]

(iv) Military Department: Navy.

(v) Sales Commission, Fee, etc. Paid, Offered or Agreed to be Paid: None.

(vi) Date Report Delivered to Congress: August 21, 1978.

[2] Continuous Wave Illuminators (CWIs), Link 11 Modulator/Demodulator, and Super Rapid Blooming Off-Board Chaff Launching Systems.

DEFENSE SECURITY ASSISTANCE AGENCY,
Washington, D.C., Aug. 21, 1978.

In reply refer to: I-5803/78ct
Hon. JOHN J. SPARKMAN,
Chairman, Committee on Foreign Relations, U.S. Senate, Washington, D.C.

DEAR MR. CHAIRMAN: Pursuant to the reporting requirements of Section 36(b) of the Arms Export Control Act, we are forwarding herewith, Transmittal No. 78-94, concerning the Department of the Navy's proposed Letter of Offer to Saudi Arabia for other than major defense equipment, as defined in the International Traffic in Arms Regulations (ITAR), estimated to cost $800 million. Shortly after this letter is delivered to your office, we plan to notify the news media.

Sincerely,

ERICH F. VON MARBOD,
Acting Director.

TRANSMITTAL No. 78-94

[Notice of Proposed Issuance of Letter of Offer Pursuant to Section 36(b) of the Arms Export Control Act]

(i) Prospective Purchaser: Saudi Arabia.
(ii) Total Estimated Value:

[In millions]

Major defense equipment*	$0
Other	800
Total	800

(iii) Description of Articles or Services offered: Services to plan and perform initial management and initial operation and maintenance of the Saudi Naval Forces shore establishment. The facilities include two ship repair facilities, three supply activities, two naval bases, one training center and three communication stations.

(iv) Military Department: Navy.

(v) Sales Commission, Fee, etc. Paid, Offered or Agreed to be Paid: None.

(vi) Date Report Delivered to Congress: August 21, 1978.

*As included in the U.S. Munitions List, a part of the International Traffic in Arms Regulations (ITAR). ●

U.S. NAVY—A FLEET OF THE FUTURE OR OF THE PAST?

● Mr. GOLDWATER. Mr. President, is the U.S. Navy to be a fleet of the future or of the past? I believe this question is central to the debate going on concerning President Carter's veto of congressional plans to build a new nuclear-powered aircraft carrier. As the Members know, I plan to support the Executive veto because I feel the money that it would cost to build the new carrier could be better utilized for other phases of naval construction.

There are many facets to this problem and a recent article by Herschel Kanter, a senior fellow on a defense analysis staff of the Brookings Institution, illustrates many points that need clarification. I ask that this article be printed in the RECORD.

There being no objection, the article was ordered to be printed in the RECORD, as follows:

THE U.S. NAVY: FLEET OF THE FUTURE OR THE PAST?

(By Herschel Kanter)

This year, President Carter, in the first defense budget prepared by his Administration, greatly reduced the Ford Administration's shipbuilding program. Carter proposed to build seventy ships in the years 1979–1983 at a cost of $32 billion. The President included a new medium size 60,000 ton "midi" aircraft carrier in his five-year program but did not request any new carrier funds for 1979. Moreover, the President failed to submit his shipbuilding plan until mid-March instead of in January as Congress requires. President Ford, in his last defense budget before leaving office, had proposed a much larger five-year shipbuilding program providing for the construction of 158 ships in the years of 1978–1982, at a cost of $48 billion. Included in this total were funds for two midi carriers.

Not surprisingly, the Carter budget has been greeted with dismay and anger from top Navy officials, and from the Armed Services Committees in Congress. The result has been a bitter budget fight which has received a great deal of media attention. While a number of issues are involved in this dispute, the central one is the place of the aircraft carrier in the Navy of the future.

The House and Senate Armed Services Committees each have their own views on what role the carrier should play. (In particular, both committees have approved a large 90,000 ton Nimitz-class aircraft carrier not included in the program of either Ford or Carter.) The Carter Administration seems to have several views. It has regularly given conflicting signals about its position on aircraft carriers and their expensive escorts. As long as confusion about the aircraft carrier's role prevails, billions of dollars for unnecessary carriers, escorts, and aircraft may be requested and approved in the next few years. At the same time, other ships and aircraft needed to modernize the Navy will not be procured. A chance to save money and take advantage of new technology, and of Soviet weakness, will be lost.

BACKGROUND—THE AIRCRAFT CARRIER IN THE NUCLEAR AGE

Since the end of World War II, the Navy has been committed to the aircraft carrier as the most important component of its strength. This commitment has remained firm despite changes in Naval missions and conditions of combat which seem to mandate a shift away from carriers.

The first large aircraft carriers—the six 80,000 ton Forrestal ships—were built in the early 1950's to attack the Soviet Union with nuclear weapons as part of the strategic war plan. For this purpose it was necessary for the carriers to sail into Soviet home fleet waters, though they needed only to survive long enough for their planes to take off. They could perform this mission because of the Soviets low anticarrier capability.

In the mid-1960's, during the Vietnam war, the carrier was withdrawn from the strategic retaliatory mission, because the carrier's contributions to that mission were small compared to the TRIAD of bombers, ICBMs, and Submarine Launched Ballistic Missiles. But the role of the carrier, instead of being deemphasized, was changed to the projection of power ashore in limited wars. The carrier would be used, as Secretary of Defense McNamara described it, for the 90% of the world outside the Soviet Union which lies within 500 miles of sea coasts.

As the Vietnam War decreased in popularity it became necessary, in order to justify not only the large nuclear carrier but its sophisticated protective systems, for the Navy to stress again operations in Soviet home fleet waters and strikes against the Soviet homeland, at least against naval (and naval air) facilities. In testimony supporting the 1979 budget, the Chief of Naval Operations discussed the "important war plans option of Navy battle groups." These would be groups, he said, "consisting of carriers, surface combatants, and submarines operating together in mutual support with the objective of destroying Soviet air, surface, and submarine forces, [which] could by a concentration of force gain local maritime superiority in the eastern Mediterranean, Norwegian Sea, or Northwest Pacific, to the degree necessary to conduct strike operations into the Kola Pe-

ninsula, Black Sea, Vladivostok, or Petropovlosk areas."

This role, launching attacks against Soviet territory from the home waters of the Soviet fleet on the flanks of NATO is an expensive one. There are now thirteen carriers, three of which are to be retired in the next few years. Delivery of two ships now under construction, and modernization of six more built in the 1950's, will give the Navy twelve carriers until the turn of the century, if the Carter shipbuilding plan is carried out. The two new ships are the Nimitz-class carriers that are nuclear powered, carry 90–95 aircraft, and displace 90,000 tons. Each costs more than $2 billion. They are expensive because of their nuclear propulsion, and because the large modern aircraft they carry require special take-off and landing equipment, as well as expensive maintenance and supply systems aboard the carrier. Moreover, the carrier requires costly built-in protection to survive hits by cruise missiles, and special construction which allows for partial flooding of the ship in case of torpedo damage.

To survive in areas where Soviet air and submarine power can be brought to bear, the twelve carriers will be protected by large fast escorts—a total of about 100 cruisers and destroyers. New ones cost between $250 million and $1 billion, the most expensive carrying the new Aegis air defense system. Aegis will have the capability of tracking and shooting down large numbers of incoming missiles simultaneously. In addition, one or two of the new $500 million Los Angeles-class attack submarines may be attached to each carrier force to provide protection against submarine attack. Further, each carrier is protected against air attack by twenty-four F–14 aircraft, the most sophisticated air defense fighter in the U.S. inventory. The F–14 carries the Phoenix missile system that can intercept up to six incoming aircraft or missiles simultaneously. Each carrier may also carry a squadron of ten advanced antisubmarine fixed-wing aircraft and about twenty other support aircraft.

The total investment cost of each such carrier "task force" or "battle group" can run from $5 to over $7 billion, with fifteen year operating costs running about the same level. (See chart for sample task force.)

THE BATTLE OF THE 1979 BUDGET

The Navy's view of the proper role of the aircraft carrier, however, is not shared by some top civilian officials in the Defense Department. This was indicated by a draft internal Defense Department document, the Consolidated Guidance, which was leaked to the press. The early draft of the Guidance, prepared by the staff of the Secretary of Defense, concluded that the aircraft carrier had no role on the flanks of NATO in support of a land war in Western Europe.

Interestingly enough, despite its larger shipbuilding program, the Ford Administration had reached a similar conclusion in a National Security Council study. It then deleted the large Nimitz class carriers from its program opting instead for midi-carriers.

The leaked Guidance and the cuts from the Ford shipbuilding program set the stage for a funding battle. The Armed Services Committees have traditionally shared the Navy's commitment to the aircraft carrier. In fact, they had previously objected to the Ford Administration's plan to buy the midi-carriers, advocating larger 90,000 ton Nimitz class carriers. Not surprisingly, this year the Committees rejected the Carter program and its rationale. The Committees instead came up with a series of conflicting, costly proposals.

The House Armed Services Committee approved, and the House authorized, a $2 billion, 90,000-ton Nimitz nuclear aircraft carrier and a $1 billion nuclear cruiser, neither of which were requested by the administration. Funds were added for almost $500 million worth of additional F–14, F–18, and A–7 carrier-based aircraft. At the same time, funds for development of the vertical or short-take-off and landing (V/STOL) aircraft were deleted to eliminate a competitor of the large carrier.

The Senate Armed Services Committee, on the other hand, while it approved the Nimitz-sized carrier (though not the nuclear cruiser) also approved $115 million to convert a large amphibious helicopter ship to a V/STOL aircraft carrier and to provide initial funds for construction of a large new amphibious ship (costing eventually $400 million) to replace the converted ship. At the same time, it cut the research funds for V/STOL aircraft from $72.4 million to $50 million, which would slow down the V/STOL development program.

The Administration response to these increases has been somewhat contradictory. After it was leaked, the draft Guidance was modified to take into account the view of the Navy on the carrier's role. Further, to head off the large nuclear carrier mandated by the Armed Services Committees, the Administration has now said it would accept FY 1979 funds for a small midi carrier costing about $1.4 billion.

THE AIRCRAFT CARRIER AND ITS MISSION

The central question remains whether the mission of the aircraft carrier is important enough to justify spending billions of dollars for new carriers and their support ships and planes. It has been claimed that the aircraft carrier would play an important role in a non-nuclear NATO–Warsaw Pact war by delivering strikes against Soviet facilities on NATO's flanks. However, in recent years, the Soviet Union has built a formidable force to sink or disable the carrier in an initial attack. The force includes a fleet of surface ships and aircraft that fire cruise missiles, and submarines that fire cruise missiles and torpedoes. Moreover, any time the carrier moves near the Soviet Union an anti-carrier task force of submarines and surface ships is dispatched to shadow and target the carrier. Where this is impractical the cruise missile attacks are supported by satellite reconnaissance that can locate the carrier. Even if the carrier survives, its limited numbers of attack aircraft are unlikely to do much damage in a non-nuclear conflict, given the extensive Soviet air defenses in the key areas.

Perhaps the carrier would be more effective delivering nuclear strikes in a NATO-Warsaw Pact conflict. But there are two problems with such a mission. First, it seems dubious strategy to respond to an attack in Western Europe with "tactical" nuclear strikes against the Soviet Union proper unless one intends to escalate the war to a general nuclear exchange. Second, even if the U.S intends such a mission, there are less expensive weapons available.

The mission described above, land attacks against the Soviet Union or other parts of the world, is called "power projection" or "projection of power ashore." Other power-projection missions cited by the Navy as requiring carriers are raids against airfields and other military targets in Eastern Europe in defense of NATO's central front, support of amphibious landings in Norway, Turkey or Greece to regain captured territory, peacetime and crisis deployments in the Mediterrannean, Indian Ocean and Western Pacific, and air strikes against countries other than the Soviet Union.

Some of these other tasks should be considered in choosing naval forces, as the Navy has suggested. But defense against every possible contingency is not only unnecessary but impossible. Some territory, such as Northern Norway, is like Berlin in that it cannot be directly protected by U.S. military power, but is instead protected by the threat of U.S. retaliation elsewhere. In other cases, such as attacks on Greece or Turkey, it seems reasonable to plan on the use of land-based aircraft for defense. Finally, raids in support of the central front in Europe can be performed more efficiently by Air Force tactical aircraft.

The other major mission of the Navy's general purpose forces is "sea control." This entails controlling the use of the sea for various purposes: attacking land targets to assure the flow of military or economic shipping to U.S. allies, and the prevention of others from using the sea to our detriment. While most of the Navy's arguments in favor of aircraft carriers have been arguments in favor of power projection, the Navy also claims a sea control mission for carriers. The Navy has argued that if the carrier does not challenge the Soviets in their home fleet waters, then the Soviet Navy will be able to come out and disrupt the military and commercial sea lines of communication between the U.S. and its allies. Although not discussed by the Navy, one might also consider the possibility that the Soviet Navy would be able to search for U.S. ballistic missile submarines or to deliver nuclear-armed cruise missiles against U.S. or allied land targets.

Yet three of the four Soviet Navy fleets—the Northern, Baltic and Black Sea—must pass through narrow seas and straights to reach the open ocean. Even the fourth, the Pacific, has only part of its fleet in a base that has direct access to the open ocean, the rest also being in constricted waters. The U.S. has powerful ASW forces including nuclear submarines, patrol planes and mines to blockade those forces. Large allied naval forces have also been built up for the purpose of helping with this mission. Worse for the Soviet Navy, the U.S. has developed—according to recent newspaper reports quoting defense officials—listening devices and digital processing equipment which allow the Navy to identify and locate almost every Soviet submarine from the time it leaves port.

Investment cost of sample carrier task force for operations in or near Soviet home fleet waters

[In billions of dollars]

1 Nimitz-class nuclear aircraft carrier (CVN)	$2.0
1 Nuclear cruiser with Aegis air defense system (CGN)	1.0
1 Destroyer with Aegis air defense system (DDG–47)	0.5
4 Destroyers (DD–963)	1.0
1 Nuclear submarine (SSN–688)	0.5
90 Aircraft	1.5
Total	6.5

Note: Additions might include one nuclear submarine, deletions might include either one of the Aegis ships or two of the other destroyers.

Moreover, it seems unlikely that the Soviets would place high priority on attacking U.S.-European sea lines of communication if they thought the U.S. could threaten the Soviet strategic submarine force, since submarine launched missiles are the strategic reserve of Soviet intercontinental forces. Indeed, sea control is not the primary mission of the Soviet Navy. Their Navy has been structured for an anticarrier role and to contend with the American threat to the strategic reserve, whether or not exaggerated.

ALTERNATIVES TO NEW CARRIERS

For the tasks which the Navy should perform there are lower cost, more effective Naval alternatives to buying new large, or even midi-sized carriers. Existing aircraft carriers can be modernized and overhauled to extend the useful service life from thirty to forty-five years. Ford and Carter have both included such plans in their five-year ship building programs at a cost of $500 million per carrier. The functions of aircraft carriers with conventional aircraft could

also be taken over by new systems, less vulnerable to Soviet anticarrier defenses. These include vertical or short take-off and landing (V/STOL) aircraft on large number of platforms, cruise missiles on aircraft, surface ships and submarines, and greater use of land-based maritime aircraft.

One of the central problems faced by new carriers and their protecting task forces, for example, is that their huge cost has meant that only a limited number could be procured. The Soviets are able to devote large military resources to the destruction of each carrier. The risks of concentrating so much of the Navy's air power in such a small number of ships could be overcome by using V/STOL aircraft. This would allow the Navy to preserve its air superiority over the seas without risking one-sixth to one-third of its force in a single confrontation. It would also enable the Navy to continue peacetime and crises deployments of aircraft capable of attacking land targets, should this still be necessary. The development of V/STOL aircraft would allow the Navy to fly fixed-wing aircraft from the twelve 20,000 to 40,000 ton amphibious assault helicopter ships. These plus the existing carriers would give the Navy twenty-four flat decked aircraft carriers. Moreover, V/STOL aircraft would give as many as 100 additional ships the capability to support high performance aircraft. In time of emergency V/STOL planes, supported by containerized support systems could even be flown off merchant ships. Unfortunately, the new administration has expressed doubt about the technology and value of V/STOL aircraft, slowing down both the second generation Marine Corps V/STOL aircraft—the AV–8B—which would be available in the early 1980's, and the first generation of the Navy's conversion to V/STOL, which would not in any case be available until the 1990's.

This slow down is another confusing signal. Many of those in Congress who favored the Administration's planned change in the aircraft carrier's role, supported V/STOL as a way to increase the number of aircraft platforms. Their position has been weakened. On the other hand, the advocates of more large carriers have found their position strengthened by the Administration's coolness to V/STOL development.

Another substitute for the carrier, in some missions, is the cruise missile which has only recently received wholehearted support by the Navy. The land attack Tomahawk, fired from surface ships and submarines, would be a cheaper and more effective vehicle for limited nuclear strikes against Soviet naval facilities, should this mission prove necessary. Moreover, two other cruise missiles, the Harpoon with a range of 60 miles and a second version of the Tomahawk, with a range of over 300 miles, will be available to be fired against surface ships—another mission the Navy claims for the aircraft carrier.

Finally, land-based aircraft could provide defense for land bases and military shipping against raids by Soviet naval aviation using Backfire bombers. Proposals have been advanced for (1) new high performance interceptors flying at speeds of 2000 miles per hour which would be combined with advanced early warning radar aircraft or (2) transport type aircraft, equipped with advanced radars and weapons to shoot down aircraft and cruise missiles, that could fly out and remain on-station with multiple crews for as much as 24 hours. Aircraft of this type may be particularly attractive since they could also have ASW and anti-surface ship capability, and could therefore participate in the blockading of Soviet submarines and surface ships. They could also provide the air defense capability. In any case both of these approaches appear to be much less costly than buying carriers.

CONCLUSION

The large, or even the "midi" aircraft carrier, and its protection are no longer worth the cost as a weapon against land targets in the Soviet Union. Updating and operating the existing carrier force may be worthwhile for other missions, but promising alternatives to the carrier are also available. Despite strong evidence that a new carrier is not needed, the Congress seems likely to agree to spending up to $2 billion for one in 1979 as well as additional funds for escorts and other protection.

The large carrier, built originally for the strategic nuclear mission to which it made only a minor contribution, has caused the Soviets to react by building up its Navy, particularly its submarine and air arms. These forces have, in turn, become a potential threat to U.S. sea lines of communication with its allies.

To break this arms race, the administration might consider a clearer public statement on the missions of the carrier and removal of the tactical nuclear weapons they now carry. Deemphasis of the carrier in its role against land targets in the Soviet Union will probably not, in the short run, break the momentum of Soviet building programs. In the longer run, however, such a move would influence the Soviet Union to slow the build-up of its Navy as it sees the threat of the carrier diminish.●

PRELIMINARY NOTIFICATION PROPOSED ARMS SALES

● Mr. SPARKMAN. Mr. President, section 36(b) of the Arms Export Control Act requires that Congress receive advance notification of proposed arms sales under that act in excess of $25 million, or in the case of major defense equipment as defined in the act, those in excess of $7 million. Upon receipt of such notification, the Congress has 30 calendar days during which the sale may be prohibited by means of a concurrent resolution. The provision stipulates that, in the Senate, the notification of proposed sale shall be sent to the chairman of the Foreign Relations Committee.

Pursuant to an informal understanding, the Department of Defense has agreed to provide the committee with a preliminary notification 20 days before transmittal of the official notification. The official notification will be printed in the RECORD in accordance with previous practice.

I wish to inform Members of the Senate that three such notifications were received on August 21, 1978.

Interested Senators may inquire as to the details of these preliminary notifications at the offices of the Committee on Foreign Relations, room S–116 in the Capitol.

The notifications follow:

DEFENSE SECURITY ASSISTANCE AGENCY
Washington, D.C., August 21, 1978.

In reply refer to: I–6943/78ct.

DR. HANS BINNENDIJK,
Professional Staff Member, Subcommittee on Foreign Assistance, Committee on Foreign Relations, U.S. Senate, Washington, D.C.

DEAR DR. BINNENDIJK: By letter dated 18 February 1976, the Director, Defense Security Assistance Agency, indicated that you would be advised of possible transmittals to Congress of information as required by Section 36(b) of the Arms Export Control Act. At the instruction of the Department of State, I wish to provide the following advance notification.

The Department of State is considering an offer to a Near Eastern Country tentatively estimated to cost in excess of $25 million.

Sincerely,

ERICH F. VON MARBOD,
Acting Director.

DEFENSE SECURITY ASSISTANCE, AGENCY,
Washington, D.C., August 21, 1978.

In reply refer to: I–4564/78ct.

Dr. HANS BINNENDIJK,
Professional Staff Member, Subcommittee on Foreign Assistance, Committee on Foreign Relations, U.S. Senate, Washington, D.C.

DEAR DR. BINNENDIJK: By letter dated 18 February 1976, the Director, Defense Security Assistance Agency, indicated that you would be advised of possible transmittals to Congress of information as required by Section 36(b) of the Arms Export Control Act. At the instruction of the Department of State, I wish to provide the following advance notification.

The Department of State is considering an offer to a Near Eastern country tentatively estimated to cost in excess of $25 million.

Sincerely,

ERICH F. VON MARBOD,
Acting Director.

DEFENSE SECURITY ASSISTANCE, AGENCY,
Washington, D.C., August 21, 1978.

In reply refer to: I–6124/78ct.

Dr. HANS BINNENDIJK,
Professional Staff Member, Subcommittee on Foreign Assistance, Committee on Foreign Relations, U.S. Senate, Washington, D.C.

DEAR DR. BINNENDIJK: By letter dated 18 February 1976, the Director, Defense Security Assistance Agency, indicated that you would be advised of possible transmittals to Congress of information as required by Section 36(b) of the Arms Export Control Act. At the instruction of the Department of State, I wish to provide the following advance notification.

The Department of State is considering an offer to a NATO country tentatively estimated to cost in excess of $25 million.

Sincerely,

ERICH F. VON MARBOD,
Acting Director.●

INTEGRATED PEST MANAGEMENT

● Mr. LUGAR. Mr. President, integrated pest management is a promising technique for controlling weeds and insects, a critical element in producing food and fiber for our Nation and the world, without excessive use of chemical pesticides. Despite the significant economic and environmental benefits of IPM, it is not yet in use on a wide scale, and information on IPM is not yet available to many farmers who might be interested in this idea.

Mr. Phil Norman, the farm editor of the Louisville Courier-Journal, has written an excellent column focusing on a successful IPM experiment in Kentucky. Mr. Norman notes that similar programs are in operation on 55,000 acres in 20 Indiana counties. He points out that the key to integrated pest management is the employment of trained "scouts" to monitor crops and make accurate counts of pests present.

I have sponsored legislation which would include IPM jobs in CETA employment programs, and my proposal has been approved in the Human Resources Committee. I am confident that this provision will not only provide productive jobs for rural youth, but will promote the implementation of IPM techniques.

Bob Abrams, a pest-management supervisor at Purdue University, sums

up the IPM story in a quote from the Courier-Journal article:

Economically and environmentally, it's the only way to go.

I ask that the entire article be printed in the RECORD:

The article follows:

[From the Louisville Courier-Journal]

THE SCOUTS ARE THE STARS IN NEW PEST-MANAGEMENT PROGRAM

(By Phil Norman)

ELKTON, KY.—Eston Glover, a Todd County farmer, can't seem to say enough good things about Kevin Perry, a sophomore at Murray State University.

If it hadn't been for Perry, the struggling grain farmer said last week, he would have spent hundreds of dollars to spray his corn fields with unneeded insecticides.

A lot of his neighbors were spraying for corn bores, "and I was itchy," Glover said. But he said he got detailed reports from young Perry. And he was pleased to learn that his own fields didn't have enough insects to force him into a costly spraying program.

Perry is working this summer as a "pest-management scout"—a new kind of seasonal job that some farm leaders think will become an increasingly important part of American farm life.

He works for Glover and about 10 other farmers, visiting each of their fields once a week to count weeds, bugs and diseased or damaged plants in selected rows of corn, soybeans and other crops.

Perry and seven other young farm scouts are working with University of Kentucky scientists in a pilot project involving 50 farms in Todd County. The project is part of what some experts see as a promising new drive in the battle against a multitude of pest that each year seem to be destroying more of the nation's food before it ever leaves the fields.

The costs amount to more than $75 million in Kentucky corn fields alone, according to UK estimates. Weed damage to corn is estimated at $60 million, with damage from major insects placed at $12 million and pest-control costs at $4 million. Kentucky soybean yields are reduced by about $63 million a year as a result of weeds, UK pest-control spokesmen said.

The new approach is aimed mainly at letting farmers know when and where they should apply chemicals to kill the most weeds and insects at the least cost. And, by encouraging some farmers to spray less, or at least more judiciously, the program could also reduce environmental damage from toxic insecticides, according to some agricultural leaders.

The idea is simple, the leaders say. In an era of mechanized food production, many farmers don't have time to climb down from their tractors to make detailed inspections of their fields. But relatively inexpensive summer workers—the Todd County scouts get $3 an hour—might be able to do it for them.

And, they add, it really isn't such a new system, having been originated years ago in the cotton fields of the South. It is new, however, to many grain farmers who have been rapidly expanding their acreage and running into a succession of new weed and insect problems in recent years.

The U.S. Department of Agriculture (USDA) this year offered some money—a total of about $2.9 million—and services for "integrated pest management" programs in 33 states, including Kentucky and Indiana. The ground rules were that public funds would be used to train and supervise scouts but that the farmers themselves would have to pay the summer workers.

UK got about $30,000, which has been devoted largely to the project in Todd County, where a non-profit pest-management group has been organized by farmers. To meet the scout payroll, the farmers pay a one-time fee of $1.50 for each of the nearly 15,000 acres they have put in the program.

The program was showed off last week in a "press tour" of some Todd County farms, where several farmers expressed enthusiasm over the new system of spotting weeds, insects and plant diseases.

None was more enthusiastic than Glover, who said he has been farming only about three years and needs advice on raising his 600 acres of corn and soybeans.

Joining the program "has been a bigger help to me than anything I've done," Glover said. He added that "I can't say enough" for Young Perry. "He's an awful quiet boy, but he got out there and dug around, and if there was something wrong, he wrote it on the sheet."

Some larger farmers, including Laurence Teetes, who raises about 2,600 acres of corn and soybeans, also had praise for the student helpers.

"My operation is so large and intensive that you get in trouble before you know it," Teeter said. With the scouting reports, he added, "we see our problems as they develop and don't find all of a sudden we're in a crisis. . . . I kind of rely on my scout to plan (chemical) applications. We use low rates, and get the weeds when they're small."

It was noted that some of the scouts are agriculture students. Most underwent three days of special training at UK. And all work under the supervision of Marvin Davidson, the Todd County farm agent, and others from UK. The supervisors use the scouts' information to help farmers deal with pest and plant-disease problems.

Such experiments have been under way, in more limited ways, for the past few years. UK, for instance, has been involved in some alfalfa programs in which all costs were covered by public funds.

But Harley Raney, pest management coordinator at UK, said the Todd County program could inspire a major expansion of pest-management efforts in Kentucky. The program already is operating in a small way in Washington County, he said, and he hopes to see more counties become involved next year.

Expansion could mean programs run by private consultants as well as nonprofit corporations, Raney said. He said farmers probably would have to start paying the wages of supervisors in addition to those of the scouts. But the costs still shouldn't be more than $3.00 an acre, he said, and farmers in most years would gain more than that in increased yields or lower insecticide costs.

In some circumstances, Raney noted, scouting reports actually could lead farmers to use more pesticides. But he said the system should bring a reduction in the use of chemicals merely as "insurance" against possible problems.

A USDA spokesman, B. D. Blair, said scouting programs should mean more profits for farmers and should also be helpful in pest and plant-disease research across the country. He added that "most of us are convinced there also will be environmental gains."

Bob Abrams, a pest-management supervisor at Purdue University, said experimental scouting programs are being conducted on 55,000 acres in 20 counties in Indiana. No Southern Indiana counties are involved in the current effort, he said, but some are expected to be included next year.

A lot of farmers have been spending $6 to $8 an acre every year for soil insecticides, Abrams said. With scouting reports and advance planning, most farmers might have to make such applications only once every three years, he said.

"Economically and environmentally, it's the only way to go," Abrams said of the new pest-management approach.●

THE SITUATION IN CAMBODIA

● Mr. McGOVERN. Mr. President, in the last day or so a great deal of attention has been focused on my efforts to call attention to the ugly events which have been taking place in Cambodia, and to explore steps which might be taken to end these atrocities. In a few cases, ideas raised in the form of questions to State Department witnesses have been interpreted not as possibilities but as my recommendations. Therefore, I thought it might be useful to address the matter more fully.

Article 42 of the United Nations Charter authorizes the United Nations Security Council, in which the United States sits as a permanent member, to "take such action by air, sea, or land forces as may be necessary to maintain or restore international peace and security." That is the authority which I believe the Council should consider using with respect to Cambodia.

I have not recommended, nor would I support, any unilateral American intervention in Cambodia. Indeed, if the Security Council were to decide that a peacekeeping force could be useful, it would probably exclude forces from any of the major powers as it has done, for example, in the Middle East. Considering our own long and painful involvement in Indochina, as well as the risk of great power confrontation, I think that would be a prudent decision.

We cannot, however, claim leadership on the human rights issue without making a persistent effort to curb the monstrous activities of the Cambodian regime. We have recently had a widespread outcry in this country over the unjust prison terms that two Soviet dissidents will have to suffer. I have agreed with that protest and have taken part in it. But how much greater is the crime when an estimated 2 million innocent Cambodians are systematically slaughtered or starved by their own rulers. Certainly this genocidal conduct requires the attention of the world community. And certainly the United States, as a leading proponent of human rights, has an obligation to place it on the international agenda.

My thoughts on these matters are amplified in several documents which I will submit for the RECORD at the conclusion of my remarks. The first is a newsletter released on May 29 of this year in which I suggested that—

We must, at a minimum, speak out against these tragic events to demonstrate that our commitment to human rights is genuine. Beyond that, we should prevail upon international organizations such as the United Nations to exert themselves against Cambodia's conduct.

Subsequently, as an amendment to the State Department authorization bill, S. 3076, the Senate adopted language which I proposed—and which has been approved by the House-Senate conference, declaring in part that—

Congress urges the President to move aggressively to support multilateral action by the United Nations and other international

organizations, and to encourage bilateral action by countries having more extensive relations with Cambodia and Uganda, to bring about a lessening of such brutal and inhumane practices.

Finally, I have the transcript of an interview with Susan Spencer and Richard Threlkeld on the CBS Morning News program this morning, which amplifies my views on the concepts I raised in the Foreign Relations Committee meeting yesterday. In that interview I indicated:

What I am proposing is the same thing I proposed 15 years ago—that when there's a threat to the peace and security of an area, whether it's Southeast Asia or wherever, our obligation as a member of the United Nations is to bring that matter before the Security Council and call for appropriate action.

Mr. President, I ask that the materials I have described be printed in the RECORD.

The material follows:

THE NEW BARBARIANS: A CHALLENGE TO HUMAN RIGHTS

(By Senator GEORGE MCGOVERN)

Officials of the Carter Administration have frequently declared that human rights is the "centerpiece" of current American foreign policy. That is a commendable objective. It cannot be credible, however, unless special attention is paid to two regimes whose records on human rights are the most appalling in the world.

In human terms, it is clear that the costliest human rights violator is the present government of Cambodia under Pol Pot. Cambodia is a small country of only seven million people. Yet on the basis of refugee accounts it is reliably estimated that a minimum of 500,000 people—one in fourteen Cambodians—have died since Pol Pot came to power a little more than three years ago. The numbers lost to execution, starvation, and disease could range as high as two million.

Much of the slaughter of Cambodian innocents came during the forced evacuation of the capital city of Phnom Penh, which has shrunk from two million people down to about 20,000. People of every age, and regardless of health or capacity, were ordered to leave their belongings and migrate to the countryside in what has become known as a massive "death march." Those who refused, or who could not keep pace, were routinely killed—often beaten to death with hoes or shovels, presumably to avoid the "waste" of ammunition.

Pol Pot and his henchmen have attempted to hide these grisly events from the outside world. Only nine countries have been allowed to maintain embassies in Phnom Penh, and even those diplomats are literally kept prisoner in their missions. And while it declares itself "Marxist", the Cambodian government carries out a brutality which knows no ideology. While wiping out its own citizens, it has also launched a war against neighboring Vietnam.

The United States has no direct influence over Cambodia. There is no American aid or trade or diplomacy to cut off. But obviously we must, at a minimum, speak out against these tragic events to demonstrate that our commitment to human rights is genuine. Beyond that, we should prevail upon international organizations such as the United Nations to exert themselves against Cambodia's conduct. And we should also urge appropriate action by countries, such as the People's Republic of China, which could bring direct pressure to bear by virtue of their aid to Cambodia.

The other most blatant human rights offender—Uganda's Idi Amin—does not share the shyness about publicity practiced by Cambodia's rulers. Last year he actually boasted before the Organization of African Unity that "I have eaten my enemies before they could eat me." He was not speaking figuratively. While claiming to be a Moslem, Amin carries out animistic beliefs which include a practice of eating the organs or flesh of their victims in the conviction that they thereby acquire the power of those they kill. That is the basic, twisted religious philosophy of cannibalism.

Since Amin took over, an estimated 300,000 of Uganda's ten million people have been murdered. Many of those have suffered mutilation or ritual killings. Executions have been ordered on such grounds as that the victims wore glasses or had tin roofs on their houses—signs, in Amin's diseased mind, that they were agents of Western imperialism. It is beyond any doubt that Uganda is ruled by a genocidal madman.

In this case there is direct action which might well have an effect. American purchases of Ugandan coffee amount to over a third of Uganda's export earnings. Ordinarily we have to think twice about using economic boycotts as a weapon for enforcing human rights because it can have the effect of compounding the plight of the victims—adding an economic penalty to the physical danger they must already endure. But in this case a trade boycott is entirely appropriate. The poor Ugandan farmers do not see the returns from the coffee we buy; rather, Idi Amin uses the money to pay his hired killers. I have, therefore, joined with Senators Hatfield, Weicker and others in sponsoring a complete ban on American purchases of Ugandan coffee.

Beyond this, the Foreign Relations Committee has approved my amendment noting in both Uganda and Cambodia—

". . . governmental practices of such systematic and extensive brutality as to require special notice and continuing condemnation by outside observers."

The amendment also calls upon the President to "move aggressively" to support multilateral action against Cambodia and Uganda and to encourage bilateral action by countries that have more extensive relations with these gross violators of human rights. I am confident that the full Senate and the House will agree to these provisions.

Albert Einstein once observed that it is a dangerous world we live in, not so much because of those who would do evil, but because of those who would do nothing about them. In the 1930s and 1940s that was true about Hitler. I am convinced that it is also true of the monstrous governments in Cambodia and Uganda today.

FOREIGN RELATIONS AUTHORIZATION ACT, FISCAL YEAR 1979 (S. 3076)

ATROCITIES IN CAMBODIA AND UGANDA

SEC. 417. (a) Congress finds that reliable reports of events in Cambodia and Uganda attest to the existence of governmental practices in those countries of such systematic and extensive brutality as to require special notice and continuing condemnation by outside observers.

(b) Recognizing the limited direct influence of the United States in each such country, Congress urges the President to move aggressively to support multilateral action by the United Nations and other international organizations, and to encourage bilateral action by countries having more extensive relations with Cambodia and Uganda, to bring about a lessening of such brutal and inhumane practices.

(c) Not later than January 20, 1979, the Secretary of State shall transmit to the Speaker of the House of Representatives and the chairman of the Senate Committee on Foreign Relations a report describing fully and completely actions taken pursuant to subsection (b).

(d) It is the sense of the Senate that the President should—

(1) prohibit the export of military, paramilitary, and police equipment to Uganda;

(2) declare that the appropriate consular officer may not approve any visa application of any official or employee of the Government of Uganda for the purpose of military, paramilitary, and police training within the United States without the review of the appropriate official of the Department of State in Washington to determine that the Government of Uganda has demonstrated a proper respect for the ruel of law and for internationally recognized human rights; and

(3) instruct the permanent representative of the United States to the United Nations to submit to the United Nations General Assembly for its consideration a resolution imposing a mandatory arms embargo on Uganda by all members of the United Nations.

CBS MORNING NEWS (EXCERPT), AUGUST 22, 1978

SUSAN SPENCER. It's estimated that during the three years of Communist rule in Cambodia as many as two-and-a-half million people have starved to death or been executed. To the surprise of many, Senator George McGovern, a long-time dove, yesterday suggested that the only way to deal with the Cambodian sit—situation may be through military intervention. Senator McGovern is with us this morning, and I suppose the first thing that we need to find out is a little bit more of what you mean by that.

Senator GEORGE MCGOVERN [D-South Dakota]. Well, first of all, let me say I was opposed to sending in American troops to Southeast Asia in the 1960's. I'm still opposed to any kind of a repetition of that operation. It was a disastrous mistake in the '60's; it would be a disastrous mistake again. What I am proposing is the same thing I proposed 15 years ago—that when there's a threat to the peace and security of an area, whether it's Southeast Asia or wherever, our obligation as a member of the United Nations is to bring that matter before the Security Council and call for appropriate action. Here you have a situation where in a country of seven million people, possibly as many as a third of them have been systematically slaughtered by their own government. This wasn't done by the Vietnamese, by Ho Chi Minh or by anybody else; it was done by a band of murderers that's taken over that government. What I'm suggesting is that the United Nations has an obligation to respond in some way. We at least ought to raise the issue. Maybe nothing can be done, but even raising the query, forcing a debate before the Security Council, would indicate to the government in Cambodia, and others so inclined, that the international community has an interest in these matters.

SPENCER. You said, in the middle of your answer, maybe nothing can be done. What would make you think that any kind of international military operation would be successful?

Senator MCGOVERN. Well, there are various things that we ought to consider. I introduced a resolution earlier this year, which was passed into law, that calls on our government to explore, both through multilateral channels (that's shorthand for the United Nations) or through other nations that have influence in Cambodia, meaning China and other countries——

SPENCER. There aren't too many that have much influence——

Senator McGOVERN. We don't know to what extent any nation can influence events in Cambodia, but we're not going to know until we try. We've seen, over the last few months, an enormous hue and cry about the mistrial given to two citizens in the Soviet Union. I think it was proper that we spoke out against that. But we did that in the name of human rights. Now, if we're going to be consistent about our concern over human rights, how does one explain the fact that there has been an enormous outcry against two men's being sentenced, we think wrongly, for criticizing their government in the Soviet Union, and then we stand by idly with very little comment when two million people are slaughtered by their government in Cambodia?

SPENCER. How do you explain it?

Senator McGOVERN. I think we've tried to put that part of the world out of our minds. We had such a disastrous experience in Vietnam, I think it's very painful for Americans to think about this part of the world. I'm very encouraged that Congressman Montgomery's mission which is now in Vietnam is exploring with them the possibility of opening up trade and diplomatic and cultural exchange. I think that's all to the good. But meanwhile, in Cambodia, a few miles away, you have this horrible slaughter going on, and the tendency is just to close our eyes to it. It's that double standard that concerns me.

SPENCER. I know we have——[crosstalk]

THRELKELD. Senator, this is Dick Threlkeld in New York. The wires and the newspapers tended to pounce on your at least suggestion or inquiry yesterday about some kind of military intervention, I suppose because they—they saw some inconsistency with—with your being remembered as a peace candidate. Do you see an inconsistency there?

Senator McGOVERN. No, I don't see any inconsistency at all. First of all, let me say I have never been a pacifist. When Hitler was on the rampage, thirty or forty years ago, I was one of the first ones to volunteer. But I'm not suggesting that we send in American troops to Cambodia, any more than I favored that action in Vietnam fifteen years ago. Under Article 42 of the United Nations Charter, however, that body does have an obligation to deal with threats to the security, the peace of the world.

And here's a case where it seems to me the United Nations, at a time when Third World countries are in the majority, has an obligation to deal with one of their own members, one of their own states. I'm talking about a small underdeveloped country that has gotten out of control and is systematically slaughtering its own citizens. That's quite a different situation than we faced in Vietnam in the 1960's.

SPENCER. You mentioned that we should apply pressure. It seems, though, that the Vietnamese, who periodically are at war with Cambodia, have found that the Cambodian citizens, at least the villagers, seem to support the government. What lever do we have to break in—to break that?

Senator McGOVERN. I find it hard to believe that there's mass support for the Cambodian government.

SPENCER. I was—I was kind of going by Mr. Pike's testimony yesterday.

Senator McGOVERN. We really don't know an awful lot about it. Our intelligence sources aren't very good there. We've been cut off from contact. We're pretty much dependent on reports of foreign journalists and other dipjlomats in the area. But the evidence is that about nine men are controlling that government in Cambodia; that they don't have the loyal infrastructure out across the country that was true of Ho Chi Minh in Vietnam, where the late President Eisenhower said eighty percent of the people would have voted for him. Even in a free election, I can't believe that a government that has systematically killed off a third of its citizens is a government with strong support out in the countryside. In any event, let me stress that what I'm calling for here is an evaluation of this matter by the United Nations. Let's look into it, collect the intelligence that's available and then make a judgment whether it's feasible to send in an international peacekeeping force.

SPENCER. I'm sorry, we're out of time. Thank you very much for coming in this morning.

Senator McGOVERN. Thank you.●

LOW VISION NEED NOT MEAN DEPENDENCE

● Mr. CHURCH. Mr. President, the Senate Committee on Aging recently conducted a hearing on vision impairment among older Americans.

As I indicated in my opening statement, there is evidence of startling increases in vision loss among older Americans, who already account for more than the majority of such cases today. Witnesses testified that from four of the five leading causes of blindness—diabetic retinopathy, cataracts, senile mecular degenerations, and glaucoma—the chances of becoming blind increase dramatically with age.

This, coupled with the timing of the increase in our population of older citizens, means that in just about 20 years the population of severely vision-impaired older persons will be larger than the National Center for Health Statistics current count of severely vision-impaired persons of all age categories.

This means that we must start now to take a close look at existing and potential programs which serve our vision-impaired population. It also means that we must come to understand that low vision and even total loss of vision do not necessarily mean dependence.

In fact, one of the most heartening aspects of this hearing was the testimony given on just that point: Dr. Gerald Friedman, associate director of the Low Vision Rehabilitation Center in Boston, said:

One particular case is worth mentioning. It is an 87-year-old gentleman from rural Vermont. He has lived on his farm for 87 years. This man was referred to me for a low vision problem. He has about 20/200 vision.

When I was talking with this man he said, "Doctor, I want you to save my life." I was taken back slightly by this remark because in reviewing the medical history there was no life threatening disease present.

He said, I have lost my functional vision. I can't maintain my farm any more and I can't take care of my wife. His wife has severe arthritis and also has a visual problem.

By the way, the alternative they had for this man was to move them to a major city and place them in a nursing home.

With the low vision aid this man now can walk into town and do the shopping, pick up the mail, walk back to his little farm. He can do the cooking chores, he can read to his wife. He even drives around in a small tractor taking care of the farm. So the financial implications of this are also driven home. This aid was under $100. I don't think we have to think too much about what the cost would have been to maintain him and his wife in a nursing home for the rest of their lives.

Donald Wedewer, director of the Division of Blind Services in Florida, described a group from the retired senior volunteer program which works hand in hand with the State rehabilitation agency in providing group training in a community too small to have its own rehabilitation office.

It is clear that we must closely examine the priorities of present programs, because it is a fact that less than 10 percent of the total resources for help to vision-impaired persons is directed to the elderly. It is also clear that we should not repeat the previous errors of the "blindness system"—so well outlined in the classic "The Making of Blind Men"—that is, the creation of a new bureaucracy, more responsive to its own needs than to its clients.

The examples I relate, to my way of thinking, tell us that what we do need to create are innovative ways of helping people maintain their independence, and that whatever new programs we undertake should be keynoted not just by the program budget but by the ways in which their clients can make the program responsive to their needs and accountable for its performance.

Traditional patterns of service delivery are not marked by these characteristics. Perhaps this is why we have a maze rather than a service delivery system. Our witnesses gave us many examples of what happens to an older vision-impaired person lost in this maze. The director of the Center for Independent Living in New York, told us, for example, that there is usualy a 5-year span between the onset of vision impairment and referral to a rehabilitation system.

The committee was also told that much must be accomplished in the professional education of rehabilitation specialists, ophthalmologists, and optometrists. Many doctors feel that their duty is done when the case is diagnosed and treated. Fortunately, many others in this field know that this is not the case, and many low-vision clinics now have their own rehabilitation units.

It is also clear that we must, ourselves, be better informed about low vision and blindness. Chances are that, after age 40, we wear glasses. If we approach anything near our expected lifespan, we can expect some deterioration and, as an ever-increasing number of us move into our seventies and eighties, we may encounter a loss sufficient enough to need some training and low-vision aids to permit us to continue our independence.

The Senate Committee on Aging will soon publish a special health care status report which will comprehensively treat the issues I have outlined. Mr. President, I ask that my opening statement be printed in the RECORD.

The statement follows:

OPENING STATEMENT BY FRANK CHURCH, CHAIRMAN, U.S. SENATE SPECIAL COMMITTEE ON AGING, AT A HEARING ON VISION IMPAIRMENT AMONG OLDER AMERICANS

Today, the Senate Committee on Aging will take testimony on many issues related to vision problems and care for older Americans.

Our immediate goal is to examine issues related in one way or another to legislation intended to help visually impaired persons

to cope better with everyday life or to receive desperately needed care or devices.

But our additional goal is to draw from today's hearing and from other sources the information needed to put this one need of older persons into proper perspective, now and in the future.

We will, in the next few months, issue a "Health Care Status Report" on the subjects before us today.

We believe that this document will have direct relevance to all forthcoming discussions of a national health care plan for all age groups.

We also believe that it will be valuable in preparations for the 1981 White House Conference on Aging authorized in the 1978 Older Americans Act Amendments which the House and Senate have approved.

One of the issues which will certainly receive our careful attention is the limited role that Medicare has in helping older persons with vision problems.

Medicare is often called a leaky umbrella, providing important protection in many respects, but leaving big holes where other protection may be desperately needed.

I have gone further. I have called Medicare a program better designed to meet the needs of the young than the old, since it does a good job in providing protection against costly institutional charges and medical bills for short-term illness.

But when it comes to the widespread and sustained need of older persons for dentures, eyeglasses, hearing aids, and in-home services, Medicare falls short.

And so, we will ask questions about Medicare and vision loss.

But our purposes is much broader.

We will hear, during this morning's session, predictions about the startling increases which will soon occur in blindness and vision loss among older persons in this Nation, particularly among the very old.

A soon-to-be-released study by the Division of Social and Demographic Research of the American Foundation for the Blind states that there will be about 1.5 million older Americans with severe vision impairment by the year 2000, 80 percent of whom will be 75 years of age and older.

This means that in just about 20 years the population of severely visually impaired older persons will be larger than the National Center for Health Statistics 1971 count of severely vision impaired persons of all age categories.

Within recent months, we have seen much written about the "graying" of our population.

We talk about its impact on retirement income systems, work force projections, and even our educational system.

This hearing may help us make the additional point, rather emphatically, that we must also gear up to meet—far better than we are now doing—the special needs of those whose sight becomes less dependable with passing years, even to the extent of total loss.

And it will also help us make or explore other points:

Whether the many special programs to help the visually impaired fall into categorical traps, often producing despair or frustration, rather than assistance.

If the goal is to prevent dependency, what use is being made of models already provided, including the stimulating and heartening work to be described by one of our witnesses today, the Director of the New York Infirmary's Center for Independent Living?

Why has there been, as reported to this Committee, a 5-year gap between the onset of disability and the linking with any rehabilitation services?

What linkages should there be between existing therapy and rehabilitation opportunities and area agencies on aging under the Older Americans Act?

Whether, as in so many other "age-ist" attitudes toward older persons, there may be a tendency to "write-off" the older victim of vision problems as beyond help or concern.

Whether institutionalized patients are receiving adequate vision care. There is good reason to believe that many are not, and we want to know why.

I will close this brief statement by thanking the American Foundation for the Blind, the National Federation of the Blind, and the American Optometric Association for agreeing to provide this Committee, not only with additional background material, but with specific recommendations for legislative action.

I would also like to thank Senator Harrison Williams, Chairman of the Senate Committee on Human Resources, for expressing his personal interest in these proceedings and for taking such effective action. Senator Williams has introduced a bill to provide Medicare coverage for low vision services. The same is true of Senator Jennings Randolph, Chairman of the Subcommittee on the Handicapped and—like Senator Williams—a former member of the Senate Committee on Aging. The Senate today is scheduled to act on Senator Randolph's amendments to the Rehabilitation Act, which would provide rehabilitation services for older persons.

Our witnesses today are: Mr. August Colenbrander, Professor of Ophthalmology and Medical Director of the Pacific Medical Center's Low Vision Clinic; Dr. Gerald Friedman, Optometrist and Director of Retina Associates Low Vision Clinic in Boston; Dr. Douglas Inkster, Director of the New York Infirmary's Center for Independent Living; and Donald Wedewer, Director of the State of Florida's Division of Blind Services.

Before we begin, I want to take note of the special arrangement of the room. As you can see, this is not the usual formal hearing setting. I have asked for this arrangement because the problems of vision impairment are so linked that I want to encourage as much informal exchange among our witnesses as possible.

We are going to begin with Dr. Colenbrander who will help us set the scene by describing the leading causes of vision impairment. Then I would like to ask Dr. Friedman to let us use his low vision simulators so that we can more fully understand what these vision impairments mean on a very personal level.●

COMPLETION OF ESSENTIAL INTERSTATE HIGHWAYS

● Mr. DOLE. Mr. President, the directive of S. 3073 is to expedite the completion of the Interstate Highway System by placing a time limitation on construction and providing funds for replacement and maintenance of existing highway. The Senator from Kansas agrees with the need to complete this remaining highway system due to spiraling inflation costs and public demand for safer transportation roadway. But there exists in this proposal, Mr. President, a section that deals unfairly with 16 States, including the District of Columbia. This section is aimed at the so-called essential gap.

DESIGNATION AS "ESSENTIAL GAP"

An "essential gap," according to the Department of Transportation, is that section of highway that must be completed to provide a connected intercity system and therefore under this proposal will receive priority funding and the highest priority in the bill for completion. However, this bill makes a change in the present apportionment formula as to provide that 50 percent of the apportionment to be distributed to States based upon the cost to complete the "essential gaps" in each State. With this formula, 34 States will gain moneys to complete these sections of roadway with 16 States, including the District of Columbia, suffering losses. Kansas is one of those States that will suffer a loss and also one of those States with an "essential gap," although not designated as such by the Department of Transportation, located in its largest metropolitan area—Kansas City.

I–435 was projected by the Kansas Department of Transportation many years ago to serve as a major artery for the Kansas City Metropolitan Area. Kansas City International Airport was built accordingly. However, because Kansas, like many other States, has exhausted its funds for the fiscal year of 1978, this needed roadway cannot be finished.

In addition to lack of funding, the Department of Transportation have refused to designate the roadway as an "essential gap" because they believe that it does not constitute a vital connection to an intercity system.

RESULT IS ECONOMIC LOSSES

Mr. President, Kansas City has experienced a high growth rate in the past decade. As a consequence in all developing metropolitan areas, not only does physical radius of the area increase, but economic and social aspects of the city expand. This growth naturally allows growth of its services, therein transportational means in delivering those services must also grow. At this time, however, the transportation system of I–435 is incapable of accommodating the thousands that have not only decided to make Kansas City their home, but also those who occasionally visit and serve the city.

Mr. President, with delay in completion of this roadway, undoubtedly, delay will occur in delivery of these services to the metropolitan area. And the longer we wait to complete these spans of highway the more inflationary their costs will become. Economic loss will occur not only to those providing services to the citizens of the area but economic loss will be inflicted upon the taxpayer due to higher and higher construction costs for each year the project is delayed.

DEFINITION IRRELEVANT

In actuality, Mr. President, the definition of such an area is irrelevant. What is of importance here, as in many other metropolitan areas across the Nation, is the completion of such roadway that has been planned for so long, as in the case of Kansas City. For many areas, future building, such as airports, has been based on transportation ability, and as in the case of Kansas City, there is no alternative. The present apportionment formula would expedite completion of these vital links rather than subject them to inflation's constant rise.

The Senator from Kansas realizes that this may be a particular case in point. Nevertheless, there still remains many areas across the United States like that of Kansas City. I urge the Senate and

House conferees to reconsider the apportionment formula in this section of the proposal and to retain the present formula.●

GENOCIDE IN PARAGUAY

● Mr. ABOUREZK. Mr. President, the genocide of the Ache Indians of Paraguay is continuing, although recently we have heard little in the press about this tragic situation. Now Prof. Richard Arens and Survival International, a London-based organization concerned with the survival of tribal peoples, have issued a report on the untimely death of a Paraguayan priest who worked closely with the Ache Indians, Rev. Nicholaus d'Acunha. The manner of his death has raised some questions in light of his concern for the Ache Indians and the perseverance and zeal with which the Paraguayan authorities have been carrying out their program against these Indians. The Senate has already demonstrated its displeasure at Paraguay's human rights situation by cutting military aid, but we should note with care these firsthand reports about the continuing genocide practices against the Ache Indians who live in the forests of Paraguay. I ask that the report be printed in the RECORD.

The report follows:

REPORT

Survival International, which is a registered charity and based at 36 Craven Street, London WC2, have many people "in the field" who report regularly on the ways in which tribal peoples, particularly in South America, are being treated by various Governments.

One of their associates in Prof. Richard Arens, who is the Professor of Law at Temple University, Philadelphia, Pennsylvania 19122.

Survival International has received the following communication from Richard Arens. We thought you may find it of interest.

Bruce George, Member of Parliament, is actively engaged in raising the problems of the Indians, and wishes to be associated with Professor Arens' comments. He has already approached Mrs. Judith Hart, MP, to stop all British Government Aid to Paraguay.

(Priest who provided sanctuary to escaped Indian slaves and who sought to communicate further information on atrocities in Paraguay dies mysteriously.)

In a terse note, devoid even of a cursory expression of regret, the US State Department replied recently to the inquiry of Congressman Donald Fraser concerning the Rev. Nicholas d'Acunha, Roman Catholic priest in charge of the Mission of St. Augustine near Laurel in Paraguay. There was nothing mysterious about the disappearance of the priest said the State Department. He had died in October of 1977 "of natural causes", specifically a heart attack. A replacement priest, the note continued, had assumed the duties of Father d'Acunda.

Whatever the cause, the death of Father d'Acunha was most convenient to the Paraguayan government. It would seem that it was convenient to the executive branch of the US Government as well. Father d'Acunda was on a list of six witnesses submitted to the Congressional Committee presided over by Congressman Donald Fraser in hearings contemplated this spring but never held—on conditions of human rights in Paraguay.

Father d'Acunda had been called in to conduct burial services for some 30 Indians, shot down in a premeditated ambush in a Paraguan forest in 1974. This he explicitly told Professor Richard Arens in late August, 1977.

This information was essentially confirmed by the State Department in its letter to Congressman Fraser of a week ago although at the time in question (1974) the State Department was vigorously denying the existence of any man-hunts whatever in Paraguay. Father d'Acunha had reported that mass murder to the Paraguayan authorities. But there were no prosecutions although promises were made that man-hunts would be curbed.

Since that time, Father d'Acunda, who ran the only Indian Reservation that Professor Arens saw both with respect for the Indianness of its residents and with unremitting and effective concern for their physical welfare, would traverse the nearby countryside to tell those who would listen that the Church condemned as murderers those who killed Indians and that in fact any wilful mistreatment of an Indian was a mortal sin.

He did more. His enclave was a sanctuary to Indians from far and near who had escaped slavery and it was on his reservation that Professor Arens interviewed a number of former slaves who displayed the scars of their mistreatment.

Little of all this had passed unnoticed. On several occasions Father d'Acunha was threatened if he talked and threatened with his life. He told Professor Arens in late August 1977 that he anticipated the imminent resumption of man-hunts and that there were numerous other matters of flagrant Indian mistreatment that he wished to present in sworn form in a setting in which he was less likely to be overheard. Arens and Father d'Acunha then discussed the ways and means of contacting the US Embassy.

Arens recalls him as he left, a tall, vigorous and dedicated man, apparently in his early forties at the height of both his intellectual and physical powers. Within weeks, Survival International was informed that Father d'Acunha was dying of a heart attack. It was also informed that Father d'Acunha told the members of the Peace Corps who were present that he wished to sign a sworn statement as to atrocities committed against Indians. The ostensible representatives of the Peace Corps strongly counseled him against such action. Nor did they seek removal of the ailing Father d'Acunha to a hospital by helicopter which could easily have been made available through the intercession of the Embassy.

Mere incompetence or foul play?

When asked this question in Philadelphia, Professor Arens replied that of course he could not tell, "but that given the circumstances, one possibility was at least as likely as the other. What is clear," he continued, "is that men and women of good will throughout the world have been diminished by this death. The effort to aid Indians in Paraguay has been discouraged. And those most directly and tragically affected by Father d'Acunha's death are of course the dwindling forest Indians near Laurel, Paraguay, for whom Father d'Acunha literally gave his life."●

EMPLOYEE EDUCATION ASSISTANCE BILL—S. 2388

● Mr. BAYH. Mr. President, I am happy to cosponsor the employee education assistance bill, S. 2388, introduced by the Senator from Oregon (Mr. PACKWOOD) and the Senator from New York (Mr. JAVITS). This bill would amend the IRS Code to permit employees to exclude certain educational assistance programs from their gross incomes.

Mr. President, I am concerned about reports by eminent national organizations, such as the Carnegie Commission, that have pointed to a glaring blindspot in the financing of higher education in America; namely, that no support is being given to students, mostly adults, who participate in recurring or lifelong education. Even though college attendance among people 35 and older increased 50 percent between 1973 and 1975, existing Federal grant and loan programs have not been modified to assist these types of students. The Federal Government has not even made it easier for the private sector to provide assistance. At present, IRS rulings require employees to pay income tax on any educational support received from their employers which advances their careers or prepares them for a new position. Moreover, employers must withhold taxes from the salary of an employee when he or she does provide such continuing education opportunities. As a result, thousands of people are being denied the opportunity to advance—not because they are less able or less motivated, but because they cannot afford to.

Well, Mr. President, we cannot afford to continue our policy of downgrading the efforts of employees who wish to update their knowledge. America is becoming increasingly challenged, intimidated, and even frustrated by the ever-increasing complexity and enormity of the public policy problems that we, as a nation, are called upon to address. We live at a time, as well, where the speed of events and explosion of knowledge, sparked by enormous advances in technology, only additionally compound our domestic difficulties and toughen the competition for technical superiority abroad. These circumstances have created a demand for people with advanced training, and we must help to meet this demand if we are to meet our critical challenges.

Mr. President, continual access to higher education is not only a source of benefit to our society as a whole. It is also a form of personal opportunity and enrichment. The unfinished task of drawing millions of people—many from ethnic minorities—into the prevailing current of our society can only be fulfilled by providing equal access to our institutions. This idea of equal access underlay, in particular, the founding of hundreds of private colleges, the land grant movement, the establishment of public urban institutions, the GI bill, and the community college movement in the United States.

If the American dream of advancement through equality of opportunity is to be nothing but a cruel hoax on humanity, we must expand the tradition of educational opportunity. We should continue to create steppingstones to help those people who have been brought into the mainstream of American life in their efforts to forge ahead.

Finally, Mr. President, I believe it is counterproductive for the Federal Government to provide companies with the incentives it does for the ongoing research and development of technologies and systems while at the same time it restricts incentives for the continuing

education of those who undertake such projects. Encouraging steady capital investment is meaningless if we do not also contribute to the correctly conducted development of human skills.

Though measures such as the tuition tax credit for higher education, which I was pleased to support, will be helpful to some of these "new" students, we have to develop other ways to aid in the finance of lifelong and recurring education. It is our responsibility to insure that the Nation has the best educated citizenry possible; it is essential for our material progress, national security, cultural and intellectual advancement, and for the maintenance of our democratic institutions.

S. 2388 would reverse recent interpretations of IRS regulations that restrict employers from providing education assistance to their employees. It would allow employees to use employer-provided education assistance without the burden of having to pay tax on the tuition aid they receive. Any tax revenue loss would be made up by the additional earnings of those members of our workforce who take advantage of this legislation to enrich themselves. I urge my colleagues to support this important legislation.●

NATIONAL WATER RESOURCES POLICY

● Mr. WALLOP. Mr. President, a sound, comprehensive, and workable national water resources policy is a priority. However, the formulation and implementation of such a policy cannot be unilateral. To do so is a recipe for confrontation. The States, the Executive, and the Congress must all interact if such a policy is to be successful.

Soon I will introduce a Senate joint resolution to provide for State notification and congressional review of regulations which would implement certain new national water resources policies. Through the procedures which we seek to establish here, certain water policies initiated by the Executive will be channeled through Congress and the States to insure the interaction that is absolutely necessary to the successful implementation of any such policy of national scope and importance.

A brief review of the recent history of development of a Federal water resources policy will highlight the need for this procedure. For well over a year now, the Executive has been engaged in a comprehensive review of Federal water resources policy. The first few months of that study, conducted without participation by the public, the States, or Congress, resulted in the publication of July 15 and 25, 1977, of option papers in the Federal Register. The scope of these water policy option papers was well beyond the proper scope of an exclusively Federal policy study. They dramatically pointed to the need for increased State and congressional participation in the development of a national water resources policy.

The controversy which ensued was productive in that it fostered an increased level of necessary participation. However, the forum for policy development was still exclusively Federal, while the possible ramifications of the study would likely be felt most heavily by States and the individual water users.

Concerned with this disparity, the Senate, on October 5, 1977, agreed to Senate Resolution 284, which expressed the sense of the Senate that no new national water policy be implemented without congressional concurrence and review by the States.

The water resources policy study culminated in the President's announcement of a National Water Resources Policy on June 6, 1978. That policy basically contained only broad policy statements. However, it was generally conceded that the policy reflected the increased degree of public, State, and congressional participation in the process. It represented significant improvement over what had appeared to be the policy's initial direction a year before.

The President's general policy statement of June 6, was followed on July 12, 1978, by a series of more specific Executive memoranda to the heads of Federal agencies and departments. In most cases, these Executive memoranda directed agencies and departments to improve internal procedures, prepare legislative proposals for submission to Congress, and to further study particular areas of water policy which had been identified as posing special problems. However, in a few cases, the memoranda directed the immediate implementation of policies which would directly impact upon the American people. In these cases, the directives are directly contrary to the sense of the Senate as expressed in Senate Resolution 284.

The resolution will speak only to this last type of directive. It will not seek to block their implementation en bloc, but only to provide State and congressional review so that their implementation will have the benefit of comprehensive review, or will be quickly identified as a policy for which there is no concensus.

The potential impact of these policies is unknown. On July 10, 1978, the Subcommittee on Water Resources of the Committee on Environment and Public Works held hearings on national water policy. At that hearing, those in the executive branch charged with the implementation of those policies could not explain the meaning of the directives which they were charged with immediately implementing. Yet the implementation process goes forward.

Under the terms of our resolution, two specific types of policies would be subject to rule and regulation review and State notification. First, those which would impose additional burdens on those who contract for municipal, agricultural, and industrial water supply from Federal projects. Second, those which would impose additional burdens on those who receive or seek Federal grant or loan assistance for water supply and treatment works. The resolution would also require congressional and State notification of Federal legal actions which might extinguish or diminish rights to the use of water under the reservation doctrine.

Specifically, Congress would be provided 60 days in which to disapprove any rule or regulation which would implement the policies described above. If either House passed a resolution stating in substance that the House did not approve of the rule or regulation, it would cease to be effective. The provisions of section 1017 of the Impoundment Control Act of 1974, 31 U.S.C. 1407, would apply to the procedural requirements of such a resolution in either House.

The States would be provided with not less than 60 days notification before regulations to implement this limited portion of the policy could be promulgated.

Finally, our resolution would require the heads of Federal agencies or departments to notify Congress before instituting legal action which might extinguish or diminish rights to the use of water which have been perfected under State laws through the use of the doctrines of Federal or Indian reserved water rights. This does not represent a congressional affirmation of either doctrine or reserved rights. It does not seek to limit the powers of the Federal Government to claim or protect any of its property rights. It only seeks at this time to insure that Congress and the affected States will be informed of how the process of "inventory and quantification," which has been ordered, is progressing, and of the conflicts which may be generated by its implementation.

Mr. President, I wish to reemphasize that this resolution is not intended to put us at loggerheads with the executive branch on water policy. On the contrary, it seeks to establish a procedure through which policy on a limited number of issues will be implemented with full review so as to identify conflicts early. In this way we can insure that those policies which are implemented have had the benefit of wide review and consideration, and hopefully of concensus as well.●

SOLAR POWER SATELLITE DEVELOPMENT PREMATURE

● Mr. ABOUREZK. Mr. President, I recently received a letter from the National Taxpayers Union urging all Senators to oppose S. 2860, a bill that would commit the United States to the development and demonstration of solar power satellites. Although the bill only calls for $25 million this year, it is clearly the first step toward a program which could end up costing the taxpayer trillions of dollars. This mind-boggling amount would be spent to develop an energy system controlled by a massive industry-government coalition, which would be prone to all the bureaucratic and monopolistic abuses inherent in such systems. The satellites themselves would be very vulnerable to attack, and would need to be defended at great cost. They would also use dangerous microwaves to beam their energy to the Earth. Finally, and most disturbingly, their development would inevitably freeze money that would otherwise be available to small scale solar applications already available on Earth, and just waiting for a Government push to make them commercially feasible.

I ask that the letter be printed in the RECORD, and urge my colleagues to consider its contents carefully.

The letter follows:

NATIONAL TAXPAYERS UNION,
Washington, D.C., June 30, 1978.

Hon. JAMES ABOUREZK,
Energy and Natural Resources Committee, Senate Office Building, Washington, D.C.

DEAR MR. ABOUREZK: The National Taxpayers Union in behalf of its 60,000 members and affiliated state and local groups with a combined membership in excess of taxpayers, would like to take this opportunity to express our views on the House passed bill H.R. 12505 and the bill pending in the Senate, S. 2860

Passage of this bill would commit the nation's taxpayers to a $25 million tab in fiscal year 1979. Conservative estimates indicate capital investment reaching a staggering price tag of $2.5 trillion! It is unclear exactly what this bill is authorizing. The proponents of this legislation indicate that passage would commit the nation to a program plan to study the feasibility of utilizing solar energy to generate electricity for domestic purposes. This is not the first phase of this study. We respectfully point out that such a program has already been underway for some time by the Department of Energy and NASA. This program has already cost the nation more than $15 million since 1973, while the House voted recently to appropriate another $7.6 million to DOE and NASA for fiscal year 1979.

On the basis of the above figures alone it is obvious that this bill amounts to yet another attempt at allowing the aerospace industry to feed its voracious appetite from the federal trough. It is also obvious that once such a program gets started with taxpayers dollars it is virtually impossible to stop regardless of the results drawn from research studies. This conclusion can easily be drawn since we have already undertaken and funded such a program and are now being asked for another massive transfusion of taxpayer dollars to underwrite yet another program without seeing the results of the first study.

From a purely fiscal point of veiw, perhaps the most alarming facet of H.R. 12505 and S. 2860 is the commitment to the demonstration solar power satellite. This despite the fact, that no results from the previous ongoing study would warrant this gigantic outlay of taxpayer dollars. The green light to proceed with the construction of the satellite has been given in the language of the House bill and this simply cannot be justified without first seeing the results of the R and D studies.

The proponents have also been too quick to reach the conclusion that a solar powered satellite can substantially contribute to our questionable need for electricity before seeing any results from those studies that are already in progress. So it is obvious that some of those House members who favor H.R. 12505 are already committed to the construction of this satellite. The premature decision to build such a satellite would ultimately prove to be a giant boondoogle for the aerospace industry. H.R. 12505 comes at a time of a slow down in space programs and that industry has been desperately seeking new wells to slake its thirst. We will be irretrievably committed to gargantuan federal expeditures in the future. For once we buy the hardware connected with this research and have people working on it we will find the valve to the federal treasury permanently stuck in the "open" position.

The costs connected with this bill are truly mindboggling. Boeing estimates that the cost of a single launch vehicle would be $10 billion alone while the cost per satellite is in the oppulenet $26.5 billion neighborhood. These are just a sampling of the costs in terms of dollars; they do not reflect the potential dangers to the environment that are inherent in this program. While the use of solar energy is always viewed as benign, this bill would spawn a monstrous malignancy on the nation's already fiscally ill taxpayers.

We urge you to take a long hard look at this bill when it comes before you in this Committee.

Sincerely,

JILL GREENBAUM,
Legislative Representative.

SOVIET INVASION OF CZECHOSLOVAKIA IN 1968

Mr. THURMOND. Mr. President, 10 years ago this week Warsaw Pact forces led by the Red Army of the Soviet Union moved into Czechoslovakia to end the process of political independence which was taking place under the leadership of Alexander Dubcek.

Communism, which cannot stand the light of freedom and liberty, had to crush the program offered by Dubcek or see Czechoslovakia return to the days of pre-World War II. Thus, the Soviet Union moved its military forces in and also enginered the removal of Dubcek from power.

Mr. President, today the occupation continues because the Soviets know the Czech people still yearn for the rights they enjoyed many decades ago. The Soviets remain as colonial overlords to make sure Czechoslovakia does not break free from the Moscow style brand of communism.

It is important that we here in the Congress take public note of this situation although it may be ignored by the United Nations and ignored by the Communist states which signed the Helsinki accord. While the pressure of public opinion has never swayed the Communists such warnings may help prevent other states from falling prey to their message. The Czech people have not yielded, and I do not believe they will ever yield.

Mr. President, this is not merely a Czech tragedy, but one for the free world. We must continue to raise our voices until this tyranny ends.

THE COSMETIC WAR ON INFLATION

Mr. THURMOND. Mr. President, I commend to the attention of my colleagues an excellent article which appeared in the August 18, 1978, Wall Street Journal by Paul W. McCracken, titled, "The Cosmetic War on Inflation."

This article details the pressures underlying the critical problem of inflation in our complex society. It provides a perspective that can be tremendously helpful for us here in the Congress as we attempt to understand the act appropriately in dealing with this problem.

Particular concerns are expressed for the lack of needed gains in productivity to offset the impact of wage increases on costs, for profit margins that in real terms are down, and for the higher and higher prices that American consumers are paying each day for goods and services.

If we are to gain any ground against inflation, we must face up to the need to look very hard at excessive wage increases, to exercise some rational control over Government spending, and to enact that kind of legislation that will serve to improve the private sector business climate in order to achieve the required gains in productivity.

Certainly, these and other related economic matters should be in the forefront of our thinking and actions in the days and months ahead.

Mr. President, I ask unanimous consent that the attached article from the Wall Street Journal be printed at this point in the RECORD.

There being no objection, the article was ordered to be printed in the RECORD, as follows:

THE COSMETIC WAR ON INFLATION

(By Paul W. McCracken)

Barry Bosworth's basic trouble is that he has been right. And the rewards in our Babylon on the Potomac for those who insist on speaking the obvious about such unpleasant matters as inflation are not much different from those in ancient times who were disengaged from their heads for bringing to the King bad news from the wars. In Washington, success in Fighting Inflation apparently consist not in such quaint and straightforward things as reducing inflation but in producing pyrotechnics and cosmetics which will persuade the citizenry that there is progress where none in fact is really occurring. Indeed, the danger is not so much that the citizenry will be confused, having themselves demonstrated a considerable capacity for clear-headedness, as that managers of policy will mislead themselves.

The fact is that we are not gaining ground against inflation. While the monthly figures will bounce one way or the other, and we might have a few good readings now, there are persuasive reasons for expecting the basic rate of inflation to continue rising. For one thing the underlying trend since the beginning of 1976 has been upward. It is, of course, true that speaking about a "trend" during a 2½-year period will make the careful statistician wince, and food prices have given the CPI a bad upward push. But a 2½-year period contains 30 monthly observations, and some subgroup of prices (about half of them, in fact) will always be rising more rapidly than the average.

UPWARD, EVER UPWARD

Moreover, the underlying "trend" in labor costs per unit of output during the last two years has also been upward. Apart from erratic quarter-to-quarter wobbles, the underlying rate of increase in unit labor costs has itself been rising about a half a percent per quarter—a track which would bring us to double digit rates by 1979.

And it is not easy to make a persuasive case that labor costs will be rising less rapidly. For one thing we are not getting anything like the gains in productivity, to offset the impact of wage increases on costs, that the economy has historically delivered. Quarterly gains in output per man hour (annualized) have averaged a 1.6 percent annual rate in 1976, 1977, and thus far in 1978, and even with the strong second-quarter gain in real output, productivity in the nonfarm private sector rose at the rate of only 0.6 percent per year. In fact, these sluggish gains in productivity now extend back for a decade, strongly indicating that a fundamentally unfavorable structural problem has emerged in the economy.

If there were reason to expect a moderating

trend in the rate of wage increases during the year ahead, that would provide some reason for optimism about the price level. This trend is more apt also to be perverse. Next year will give us a heavy schedule of collective bargaining, and this means a disproportionate share of wage increases will be the large first-year, front-loaded adjustments. And the probability that the average size of the overall packages negotiated will be enlarged further is also uncomfortably high.

All of this might, of course, be consistent with a declining rate of inflation. Some major items that consumers buy might experience a sharp decline in their prices—though if this were food, while one part of government tried to take credit for progress against inflation another part would be busy viewing with alarm the low level of farm prices.

Rising labor costs also might not fully express themselves in the price level if profit margins were to be squeezed further. Reported profits are now double those of a decade ago, and they have increased almost 50% in the last five years. Here is, however, an illustration of the extent to which inflation itself can confuse facts. With a proper accounting for current costs, which conventional procedures fail to do, true profits after taxes are up only one-third from those of a decade ago, which means that in real terms they are down. While some businessmen prefer the comfort of the misleading conventional figures on profits, they could be expected to keep a short leash on their capital budgets if profit margins were to decline further.

After all of the rhetoric about inflation's being the dominant economic problem, a view which surveys show consumers share emphatically, we are losing ground.

What is the problem?

The problem is that our strategy for reducing the rate of inflation is, to borrow an apt phrase from D. H. Robertson, "a grin without a cat."

While there is plenty for the profession to be humble about when it comes to the economics of inflation, there is one conclusion that is supported both by logic and the facts of historical experience. The rate of inflation will not come down so long as pressures of demand pushing on supplies are strong enough so that higher prices and higher wages have no adverse effect on sales volume and employment. Indeed, holding prices and wages below these market-clearing levels by some sort of brute force or ad hoc process would produce the queue-line economy.

The rate of inflation will embark on a downward trend when the result of posting inflationary price increases or extracting excessive wage increases is a painful loss of sales and employment. Ours is the only major industrial country that has not yet mustered the will to face this basic fact of economic life. And the OECD secretariat now projects the 1978 rise in U.S. labor costs per unit of output in manufacturing to be above the average for the "Big Seven" countries, and significantly lower than the increases projected only for the U.K. and Italy.

That we have not really been willing to bite this bullet is indicated by the demand management (fiscal and monetary) policies that have been deployed. The upward pressure the budget (fiscal policy) exerts on the economy is equal to the rise in expenditures plus the revenue value of any net reduction in tax rates (which indirectly has an expansive effect by increasing after tax incomes). In the period from 1958 to 1965, when the price level was quite stable, this measure of "fiscal pressure" averaged about 1% of GNP. Since 1965 it has been 2% to 3%, and would be close to 3% in 1978–79.

This same fear of facing fundamentals seems to be evident for monetary policy. With the emergence of rates of monetary expansion during the first quarter consistent, if sustained, with more discipline on the price-cost level, nervous protests were heard about the adverse effects on the economy. Those protesting presumably were calling for more rapid rates of monetary expansion (which is the only way the Federal Reserve could relieve pressures on interest rates), which would set the stage for a more rapid and inflationary expansion, which would in the end produce the even higher interest rates that are always the accompaniment of higher rates of inflation.

ANOTHER PART OF THE PROBLEM

A part of our problem is that we have also been reluctant to be realistic about how high the economy's operating rate could be pushed before pressures would begin to build. With the unemployment rate at 6% and the operating rate in manufacturing at only 84% of capacity (according to the Federal Reserve), plenty of slack seemingly remains available to assure that more demand would translate into employment and output rather than higher prices and costs.

This is far too simplistic. After a decade in which the economy's operating rate has been low, the capacity situation and labor markets are uneven, and bottlenecks are bound to develop at lower average operating rates than after a sustained period adjusted to performing closer to overall capacity. This is particularly evident in the labor market, where lack of skilled and experienced labor may impede that expansion of output which provide jobs to those who are unemployed.

There is empirical evidence that the economy is in the pressure zone now. The proportion of companies reporting slower deliveries is now in the range reached in late 1972, or 1969, or 1965–66. And the incidence of help-wanted advertising is now higher relative to the labor force than at all cyclical peaks during the last decade (including, even, 1969).

When we are unwilling to face the fundamental realities of the economy and prefer to deal with symptoms and cosmetics, we should not be surprised that we are losing ground against inflation. Washington should not be confused about this. The citizenry is not.

THE TRAGEDY IN CAMBODIA

Mr. HELMS. Mr. President, I was pleased to read in this morning's Washington Post of the remarks of the distinguished Senator from South Dakota (Mr. McGOVERN), on the tragedy of Cambodia.

According to the Post, our distinguished colleague at hearings yesterday called for an international military force "to knock this regime out of power."

Mr. President, I wish to associate myself with the remarks attributed to Senator McGOVERN, as reported in this morning's paper. As long ago as March 1977, the Reader's Digest reported that 1.2 million men, women, and children in Cambodia were murdered by the new Communist regime in an effort to eliminate from Cambodian society any trace of freedom. Even today, millions of Cambodians are living in so-called new villages, after having been uprooted from cities and towns and even from their ancestral villages.

Perhaps at last a new consensus is developing in Congress that will recognize the outrages against human rights that have resulted from our failures in Vietnam. For even though Communist Vietnam may have avoided the stark horror of the mass genocide which has taken place in Cambodia, the construction of the new Communist society in South Vietnam has snuffed out the daily freedoms of the whole population, and thousands of innocent citizens have been likewise murdered or sent to "reeducation" camps from which they have never returned.

It is perhaps an irony that Cambodia and Vietnam are at war today, the one backed by the Chinese and the other backed by the Soviets. But there is little to choose from between the two societies. The mental anguish and suffering, the deliberate deprivation of basic human rights and family rights, the loss of freedom of religion, the confiscation of private property, the totalitarian control of thinking and ideology—all of these differ only in degree, not in kind.

If the United Nations is going to consider the problem of Cambodia, the U.N. should also consider the problem of Vietnam. I would hope, too, that the distinguished Senator from South Dakota would also turn his attention in that direction. Certainly everything that he said about Cambodia, would also apply to Vietnam. The Senator's deep concern for human rights in that part of the world has been evident for some time, and I know that his concern for freedom will compel him to express his concerns broadly.

Mr. President, once again I commend Senator McGOVERN for his remarks, and I ask unanimous consent that the article from the Washington Post be printed at this point in the RECORD.

There being no objection, the article was ordered to be printed in the RECORD, as follows:

STATE DEPARTMENT AGAINST INTERVENTION—McGOVERN BACKS ANTI-CAMBODIA ACTION

(By Don Oberdorfer)

Sen. George McGovern (D-S.D.) tangled with the State Department once again yesterday over military intervention in Indochina. But in a startling reversal of their roles from the past, this time McGovern advocated intervention and the State Department argued against it.

The topic was Cambodia rather than Vietnam, and McGovern made clear that he wasn't proposing that the United States send in the Marines. Nonetheless, he said, the reported "genocide" of Cambodians at the hands of their government justifies consideration of an international military force to "knock this regime out of power."

Deputy Assistant Secretary of State Robert B. Oakley, testifying for the Carter administration, quickly told McGovern that the option of military intervention is not being considered anywhere, except possibly in Hanoi, whose armed forces have engaged in recent waves of warfare with Cambodia.

The United States ability to influence events in Indochina is very limited, Oakley said at another point. From the experience of the 1960s "we've learned a lot about the level of appropriate U.S. involvement" and now the government is being very cautious.

Douglas Pike, a Foreign Service officer who

was a prominent government analyst of Indochinese communism during the 1960s, cautioned McGovern that a "quick, surgical takeout" of the Cambodian regime is probably impossible. Pike said the Vietnamese tried a "quick judo chop" against the Cambodian regime with 60,000 troops a year ago, but this "failed abysmally."

The government of Cambodia, which now calls itself Democratic Kampuchea, consists of nine people at the top, no regional organization that is discernible, and a communal structure "in the style of the 14th century" in villages throughout the land, Pike said. An invading force would have to take control of every village, he added, and such an enterprise of uncertain prospects would be "stepping deeper into the swamp."

In the exchange of views before a Senate Foreign Relations subcommittee, McGovern said there is a "a vast difference" between the current situation in Cambodia, where extreme oppression is taking place, and the situation in which the United States intervened in Vietnam. He said military intervention is justified only in the most extreme circumstances but that Cambodia "is the most extreme I've ever heard of. . . . Based on the percentage of the population that appears to have died, this makes Hitler's operations look tame."

Oakley declined to give an official estimate of the death toll in Cambodia because of a lack of precise information and the likelihood that an "official" figure would become a source of controversy and debate. "The U.S. government is confident that scores, probably hundreds of thousands of people, have been killed" since the communist takeover in 1975, he said.

McGovern, according to aides, has been deeply concerned for many months about the Cambodian situation, believing that it is in part a legacy of the Vietnam war. Earlier this year he sponsored an amendment to the State Department authorization bill calling for unspecified "multilateral action" by the United Nations and bilateral action by those nations with influence to end "brutal and inhumane practices" in that Asian nation. Aides said yesterday's hearing was the first time he suggested military intervention.

Oakley said U.S. intelligence agencies report that "scores of thousands" of troops on each side are engaged in the current battles between Vietnam and Cambodia, with aircraft, artillery and other modern weapons being used, especially on the Vietnamese side. Calling it "a major conflict," he said that Cambodia continues to fight very fiercely.

THE NOMINATION OF GEN. HANS H. DRIESSNACK AND HIS ROLE IN THE FITZGERALD CASE

Mr. PROXMIRE. Mr. President, the nomination of Maj. Gen. Hans H. Driessnack to be lieutenant general and Comptroller of the Air Force has raised a number of questions about his role in the firing of A. Ernest Fitzgerald. Since Mr. Fitzgerald was fired after appearing before my Subcommittee on Priorities and Economy in Government of the Joint Economic Committee, I have followed these questions with great interest.

As summarized in a Federal Times article of July 10, 1978, there appears to have been a number of contradictory statements made by General Driessnack and other Fitzgerald case participants. Specifically, the Federal Times article suggests conflict of testimony between Driessnack and Eugene Kirschbaum; Driessnack and General Crow; Driessnack and Gen. Joseph Cappucci; Driessnack and Vincent Sullivan (the Office of Special Investigations Agent); and Driessnack and Mr. Badin. Mr. President, I ask unanimous consent that the Federal Times article be printed in the RECORD at this point.

There being no objection, the article was ordered to be printed in the RECORD, as follows:

DID HE SMEAR FITZGERALD—GENERAL'S THIRD STAR HANGS ON WHISTLEBLOWER CASE

(By Sheila Hershow)

Before Maj. Gen. Hans H. Driessnack wins his third star and a promotion to Air Force comptroller, unresolved questions about his role in the 1970 firing of whistleblower A. Ernest Fitzgerald must be answered, two senators have said.

Sen. William Proxmire, D-Wis., has asked Sen. John C. Stennis, D.-Miss., chairman of the Senate Armed Services Committee, and Senate majority leader Robert C. Byrd, D-W. Va., to delay Driessnack's confirmation as lieutenant general until an "open" FBI investigation has been completed, a Proxmire aide said.

And Sen. Patrick J. Leahy, D-Vt., has said she will "request a roll-call vote on Driessnack's nomination and call for extended debate to precede such a vote." In a June 27 letter to Stennis, Leahy, sponsor of a bill to protect whistleblowers, wrote that it is important for federal employees to "know that anyone involved in a reprisal effort taken against a whistleblower will be punished and not promoted."

Proxmire, Leahy and the FBI have seen documents indicating that in 1969 Driessnack may have deliberately leveled false and defamatory charges against Fitzgerald in an attempt to discredit and ruin the GS–17 cost analyst who months earlier had told Congress about the $2 billion cost overrun on the Lockheed C5A.

According to a May 17, 1969 report of an interview with Driessnack by Air Force Office of Special Investigations agent Vincent Sullivan, Driessnack accused Fitzgerald of "untrustworthiness" because of his "many peculiar ways of operating." He suggested that Fitzgerald had helped his former company, Performance Technology Corporation, win an Air Force Systems Command contract. Driessnack's allegation that Fitzgerald might still hold stock in PTC and his remark that PTC may have "paid (Fitzgerald) off" sparked an extensive coast-to-coast OSI investigation.

Driessnack's conflict of interest charges were found to be groundless. But the OSI file on Fitzgerald was later shown to Proxmire's Joint Economic Committee—after that file had been stripped of information clearing Fitzgerald.

In a 1974 affidavit, Driessnack said that Sullivan's report on the interview quoted him "out of context" and distorted the "actual tone" of his comments. Driessnack also swore that OSI agent Sullivan initiated the interview, coming to Driessnack's home with "no notice of the visit."

"Beyond my role as an OSI interviewee, I played no part in any OSI or other investigation of Fitzgerald. I had no knowledge of any events in this connection beyond my own interview," Driessnack said in his affidavit.

This sworn statement, however, directly conflicts with the versions of events given—in some cases under oath—by at least five other Air Force officials.

These discrepancies are revealed in documents that have come to light in connection with Fitzgerald's nine-year legal battle to regain his former Air Force duties. The legal fees for Fitzgerald's marathon lawsuit have soared above $400,000.

While the Fitzgerald case dragged through the Civil Service Commission and the courts, Driessnack has advanced rapidly from the rank of colonel to two-star general and Air Force budget director. At no time during the past nine years have the questions about his part in the Fitzgerald matter been laid to rest.

It took Fitzgerald's lawyers three years to discover that Driessnack was actually the OSI informant, identified by the Air Force only as "T–1." Fitzgerald then attempted to include Driessnack in a lawsuit he brought against Air Force and other Nixon administration officials for conspiring to deprive him of his job in retaliation for his congressional testimony on the C5A.

But in 1974 U.S. District Court Judge Gerhard A. Gesell ruled that it was no longer "timely" for Fitzgerald to sue Driessnack. "It would be anomalous and unjust to allow [Fitzgerald] to begin an action against lesser fry merely because their identity and participation were earlier unknown," Gesell wrote.

The Senate Armed Services Committee also received a 1974 request to examine Driessnack's role in the Fitzgerald firing. On February 6, 1974, then-Sen. Harold E. Hughes, D-Iowa, asked that Driessnack's nomination to brigadier general be deferred until the matter had been probed.

In response to the panel's request, Driessnack prepared an affidavit that is in conflict with the recollections of other Air Force officials. There is no other on-the-record evidence that the committee looked further into Driessnack's 1968 actions. John C. Roberts, the committee's current general counsel, refused a *Federal Times* request for a list of witnesses questioned by the committee staff in 1974.

Driessnack's affidavit was entered into the Congressional Record May 7, 1974 and Driessnack was awarded his first star. But questions about the veracity of that sworn statement set off the current FBI investigation of Driessnack.

Using Air Force documents first made available to them last fall, Fitzgerald's lawyers argued that Driessnack's affidavit was doctored to play down his role in the OSI investigation of Fitzgerald. A draft of that sworn statement found in the files of the Air Force general counsel contains a subsequently deleted paragraph in which Driessnack acknowledged naming two other Air Force officials—Eugene L. Kirschbaum and Lt. Col. John Badin—as possible informants.

Driessnack further said that he drove Badin to Badin's OSI interview, "briefly relating the story of my own interview as we went, and, once there, I introduced Sullivan to Badin, thereby identifying Sullivan as the man who had interviewed me." This information does not appear in the signed affidavit.

Federal Times contacted Driessnack to discuss apparent contradictions between the signed and unsigned affidavits. "That's so old. Why are you looking into that?" Driessnack said. He asked for time to refresh his memory, and then refused all further interviews.

Brig. Gen. Harry J. Dalton, director of information for the Air Force, told this newspaper that the deleted paragraph contained accurate information. He said it had been removed from the final affidavit "on the advice of counsel" because it was irrelevant."

Walter A. Wilson, a lawyer in the Air Force's general counsel's office who worked on the Air Force's defense in the Fitzgerald suit, described the missing paragraph as a "sort of innocuous little bit of material" and

"not inconsistent" with Driessnack's sworn statement that his role in the OSI investigation was limited to that of an "interviewee."

In an interview last week, Donald E. Campbell, assistant U.S. attorney in charge of the Justice Department's major crimes division, said that the FBI had conducted "cursory interviews with a number of people" on the Driessnack matter and had found "no basis for a full-fledged perjury investigation." "I have to admit I know zilch about it," Campbell added.

But Campbell decided there may be grounds for further FBI investigation after Peter D. H. Stockton, a congressional investigtor, called his attention to discrepancies between Driessnack's 1974 affidavit and the statements of other Air Force officials who were involved in the Fitzgerald affair. In 1969 Stockton, who was then on the staff of the Joint Economic Committee, looked into the circumstances surrounding the controversial OSI investigation.

Among the inconsistencies are:

Contradictory statements by Driessnack and Kirschbaum. Kirschbaum, the OSI informant who became known as "T-2" Fitzgerald's former company PTC and the Air Force System Command. In a June 6, 1974 deposition, Kirschbaum swore that months before the OSI investigation Driessnack raised the possibility of a conflict of interest by Fitzgerald and Kirschbaum told Driessnack there "would be no conflict."

Driessnack's affidavit, however, contains a description of a meeting with Brig. Gen. Harold Teubner that occurred between Driessnack's session with Kirschbaum and his intreview with OSI. "I told General Teubner that I had never personally connected Mr. Fitzgerald's frequent contact with PTC to a conflict of interest." Driessnack swore, in apparent conflict with the Kirschbaum deposition.

Contradictory statements by Driessnack and Lt. Gen. Duward L. Crow. In a March 8, 1974 "litigation report" on the Fitzgerald case. Col. Jack C. Dixon in the office of the Judge Advocate General pointed to a discrepancy between draft affidavits by Driessnack and Crow:

"According to General Crow, Driessnack came [to a meeting with Crow that preceded the OSI interview] to report a conflict of interest [by Fitzgerald]."

"According to Driessnack, he was acting to correct a faulty news item concerning a matter under his direction."

In Driessnack's final affidavit, he swore the meeting with Crow was arranged by Teubner after Teubner raised the conflict of interest charge against Fitzgerald.

Contradictory statements by Driessnack and Brig. Gen. Joseph J. Cappucci. During the CSC hearings on the Fitzgerald case, Cappucci, who was director of OSI during the 1969 Fitzgerald investigation, said that Driessnack volunteered derogatory information on Fitzgerald.

In a 1969 affidavit, then-Joint Economic Committee investigator Stockton said that Cappucci told him that allegations by informant T-1 [Driessnack] had triggered the OSI probe.

But in his affidavit, Driessnack said that he played only a passive role in the OSI investigation of Fitzgerald.

Contradictory statements by Driessnack and OSI agent Sullivan. Sullivan's and Driessnack's versions of the OSI interviews are in stark contrast. Sullivan is dead.

In interviews with Federal Times, Cappucci, Sullivan's former boss, and Michael Ross, an OSI agent who worked with Sullivan on the Fitzgerald probe but who was not present at the Driessnack interview, described Sullivan as an experienced and careful investigator.

Interview reports prepared by Sullivan after his sessions with Kirschbaum (T-2) and Badin (T-3) do not contain personal attacks against Fitzgerald's character. But Sullivan quotes Driessnack who is "arrogant, untrustworthy and . . . does not respect the Air Force."

Contradictory statements by Driessnack and Badin. In a recent interview with Stockton, Badin said that Driessnack, at that time his boss, drove him to his OSI interview and briefed him about Driessnack's own interview with OSI, Stockton told Federal Times. This version of events exactly coincides with the paragraph deleted from Driessnack's 1974 affidavit.

Federal Times left telephone messages for Badin but he was unavailable for comment.

Air Force lawyer Walter A. Willson told this newspaper that the contradictions listed above and others revealed in the court documents are "minor." He pointed out that Sullivan "is dead and certainly there is no way to get any additional information about that conversation."

Asked to explain why so many officials claimed that Driessnack started the conflict of interest allegation against Fitzgerald—an allegation Kirschbaum has sworn Driessnack knew was untrue—Willson said that although Driessnack "knew about the PTC contract, knew about Fitzgerald's job and what it entailed, he did not know about Mr. Fitzgerald's private financial matters."

"What Driessnack was doing was raising that issue through the proper channels," Willson said.

According to a Proxmire aide, Proxmire will keep the hold on the Driessnack nomination until "all factual question are resolved" and the U.S. Attorney's office has determined there is no need for further FBI investigation.

Fitzgerald declined to comment on the Driessnack controversy. "Because of threats from the Justice Department to put me under a gag order. I don't want to say anything," he told Federal Times.

Mr. PROXMIRE. Mr. President, due to the seriousness of these allegations, I wrote the Attorney General asking that the Justice Department determine the factual basis of the allegaions, the status of any inerest in General Driessnack as a participant in the Fitzgerald case and for such other information as would be relevant to this matter. Mr. President, I ask unanimous consent that my letter to the Justice Department be printed in the RECORD at this point.

There being no objection, the letter was ordered to be printed in the RECORD, as follows:

WASHINGTON, D.C.,
July 5, 1978.

Hon. GRIFFIN B. BELL,
Attorney General,
Department of Justice,
Washington, D.C.

DEAR MR. BELL: The Senate has pending before it the nomination of Major General Hans H. Driessnack to be Lt. General and Comptroller of the Air Force. This nomination comes at a time when there are press reports and conflicting statements about General Driessnack's role in the controversy surrounding the firing of A. Ernest Fitzgerald.

Therefore, I am writing to you to determine the factual basis of the current allegations, the status of any interest in General Driessnack's prior statements or role in the Fitzgerald case and such other information you may find to be relevant to this general discussion.

I would be interested in having your answers to the following questions:

1. What is the current status of interest by the Justice Department, FBI and U.S. Attorney's Office in any matters relating to General Driessnack? Would you please provide a precise response as to whether or not an investigation or review of any matters relating to General Driessnack is currently underway or otherwise contemplated as well as the timetable for any such official review?

2. According to information contained in the July 10 issue of Federal Times, there is an apparent conflict in testimony and/or statements by General Driessnack and various other individuals associated with the Fitzgerald case. Is this apparent conflict of such interest to cause the Justice Department to undertake a review or investigation of possible perjury or other possible violations of the law?

3. In view of the Justice Department's role in defending individual's involved in the Fitzgerald case, how would you plan to insulate your Department against any internal conflicts in determining the responses to question number 2?

It is my hope that you will review the circumstances of these allegations carefully and respond in as conclusive and timely a fashion as possible. While I do not believe it would be fair to hold up General Driessnack's nomination for any substantial period of time without reason, I also believe that the Congress should be presented with a clear factual analysis of the intentions of the Department of Justice with regard to this matter. Some of the documents relating to the alleged conflicting testimony and alleged perjury are listed on an attachment.

Sincerely,

WILLIAM PROXMIRE,
U.S. Senator.

Mr. PROXMIRE. The Justice Department responded on August 3, 1978, declaring that the discrepancies noted in the Federal Times article were "more apparent than real." Each discrepancy lacked "prosecutive merit," according to Assistant Attorney General of the Criminal Division, Philip B. Heymann.

Mr. President, I ask unanimous consent that the response from the Justice Department be made a part of the RECORD at this point.

There being no objection, the letter was ordered to be printed in the RECORD, as follows:

WASHINGTON, D.C.,
August 3, 1978.

Hon. WILLIAM PROXMIRE,
U.S. Senate, Committee on Appropriations,
Washington, D.C.

DEAR SENATOR PROXMIRE: The Attorney General has referred your letter of July 5, 1978 to this Division for review and response. Subsequent to our receipt of your correspondence, we have reviewed the documents listed in the attachment to your letter as well as other documents, including reports of interviews prepared by the Federal Bureau of Investigation in connection with its investigation of General Driessnack based upon the complaint of A. Ernest Fitzgerald. As you are probably aware, that investigation was concerned with whether General Driessnack may have committed perjury in the deletion of certain statements in affidavits filed in a civil case and before the Congress. In a letter of July 7, 1978, the United States Attorney for the District of the District of Columbia, Early J. Silbert, informed Senator Stennis that the investigation had disclosed no criminal conduct and was closed. A copy of that correspondence is attached. We find

Mr. Silbert's reasons to be convincing and dispositive of that aspect of this matter.

We have, however, examined the documentary evidence listed above in relation to the article from the Federal Times by Sheila Hershow which accompanied your letter. That article sets out five alleged inconsistencies between the affidavits of General Driessnack and statements of various other Air Force officials. These discrepancies have been examined, and it is our opinion that most are more apparent than real, and that each lacks such substance as to possess any prosecutive merit. The following discussion is offered to explain the lack of prosecutive potential in each of the inconsistencies alleged in the Federal Times:

I. CONTRADICTORY STATEMENTS BY GENERAL DRIESSNACK AND EUGENE KIRSCHBAUM

The article quotes a Kirschbaum deposition of June 6, 1974 as stating that months before the Air Force Office of Special Investigations inquiry, General Driessnack raised the possibility of a conflict of interest by Mr. Fitzgerald to which Mr. Kirschbaum responded that there would be no such conflict.

General Driessnack's affidavit states, however, that after this meeting Driessnack told General Harold Teubner that he had never personally connected Mr. Fitzgerald's frequent contacts with his former employer to a conflict of interest.

These statements are not at all contradictory since Driessnack neither denies the Kirschbaum meeting nor attests, under oath, the accuracy of his statements to General Teubner. Moreover, an examination of the Teubner affidavit leads reasonably to the conclusion that the first discussion between Kirschbaum and Driessnack concerned the initial letting of the Air Force's contract with PTC (Fitzgerald's former corporation) at which time Fitzgerald's former employment with that corporation was discussed with respect to the possibility of a conflict of interest. Driessnack's later conversation with Teubner, however, apparently concerned Fitzgerald's activities after the contractual relationship existed. Thus, a reasonable explanation for the discrepancy would be a separation in Driessnack's mind of the potential conflict of interest before the contract between PTC and the Air Force from the allegation that Fitzgerald acted in a manner consistent with the existence of a conflict of interest after the contract was formed.

II. CONTRADICTORY STATEMENTS BY GENERAL DRIESSNACK AND GENERAL CROW

This contradiction, as noted in the Federal Times, is contained in a March 8, 1974 litigation report prepared by Colonel Jack Dixon, JAGC citing the affidavit of General Crow as stating that General Driessnack came to a meeting with General Crow to report a conflict of interest by Mr. Fitzgerald. The report then says that Driessnack states that he was acting to correct a faulty news item concerning a matter under his direction. The article also points to Driessnack's final affidavit which states that the meeting was arranged by Teubner after Teubner raised the conflict of interest charge against Fitzgerald.

An examination of these three documents disclosed no discrepancy between the Driessnack affidavit and any other information. The confusion seems to lie in the cursory characterization of Driessnack's version of events contained in Colonel Dixon's litigation report.

That portion of the memo which discusses the meetings between Driessnack and Teubner and Driessnack and Crow appears to be an analysis of Driessnack's civil liability under alternative theories of Driessnack's purpose. That is, the discussion considers whether Driessnack would be acting within the scope of his duties whether he was reporting a conflict of interest or reporting an erroneous news item.

In fact, Driessnack's version is consistent with Crow's on this point. Both agree that Driessnack and Teubner did meet with Crow to report a possible conflict of interest. Driessnack's affidavit characterizes his initial meeting with Teubner as being for the purpose of correcting the news item. Perhaps the confusion may also be attributed to one version of Driessnack's draft affidavit, paragraph 4, which states: "I did not consider myself to be reporting a conflict of interest when I went to General Crow." This statement was changed to substitute "General Teubner" for "General Crow" in a subsequent draft and in the final signed affidavit. Moreover, the context of the entire affidavit makes it clear that the reference to General Crow in the first draft was simply a mistake, since Paragraph 9 of Dreissnack's affidavit clearly characterizes the purpose of the meeting with General Crow as being to report a possible conflict of interest.

III. CONTRADICTORY STATEMENTS BY GENERAL DRIESSNACK AND GENERAL JOSEPH CAPPUCCI

This alleged disagreement appears simply to consist of a difference in interpretation as to the meaning of "passive". General Cappucci is and was of the opinion, based entirely on the remarks of Agent Vincent Sullivan, who is now deceased, that the inquiry of Fitzgerald was begun based upon some information obtained from Driessnack. Nothing in Driessnack's affidavit contradicts this. In fact, his recitation of meetings with Generals Teubner and Crow appears to be consistent with General Cappucci's impressions. Nor does Driessnack deny volunteering derogatory information concerning Fitzgerald in his affidavit. It should also be noted that Cappucci's characterization of Driessnack's "volunteering" of derogatory information is solely his conclusion based upon agent Sullivan's report. Finally, the Federal Times conclusion that Driessnack "said that he played only a passive role in the OSI investigation of Fitzgerald," appears to be without basis. An examination of the affidavit revealed no such statement.

IV. CONTRADICTORY STATEMENTS BY DRIESSNACK AND OSI AGENT VINCENT SULLIVAN

Agent Sullivan's death, of course, would make it impossible to verify any alleged inconsistency and would necessarily preclude the possibility of proof of perjury. However, the Federal Times article points to no inconsistency. That item merely quotes Sullivan's report as containing certain derogatory statements by Driessnack about Fitzgerald. No denial of these remarks was made by Driessnack.

V. CONTRADICTORY STATEMENTS BY DRIESSNACK AND BADIN

Again, the article points to a non-existent contradiction. This allegation, concerning the deletion of the paragraph in Driessnack's affidavit, is the same as that considered and disposed of by the United States Attorney's office.

Additionally, the Federal Times article alleges that "Kirschbaum has sworn that Driessnack knew (the allegation of conflict of interest) was untrue." This appears to be a mischaracterization of the Kirschbaum deposition which states only that before the Air Force contracted with PTC, Kirschbaum advised Driessnack that in his opinion no conflict of interest would exist on the part of Fitzgerald.

Based upon the above, this Division has determined that there is insufficient basis upon which to investigate General Driessnack for possible violations of perjury or other federal statutes. We therefore consider this matter to be closed.

With respect to the specific inquiries contained in your letter of July 5, 1978, the following is submitted:

1. The investigation and subsequent review of General Driessnack's activities is closed.

2. A review of the information contained in the *Federal Times* which was attached to your letter has led to the conclusion that there is insufficient reason to conduct any further investigation into General Driessnack's activities or statements in connection with the Fitzgerald matter.

3. In light of the closed status of this matter no insulation against internal conflicts within this Department seems necessary. Please be assured however, that the criminal aspects of this matter were handled by the Criminal Division without consultation with the Civil Division.

Thank you for your interest in this matter. I hope this response sufficiently answers your inquiries.

Sincerely,

PHILIP B. HEYMANN,
Assistant Attorney General,
Criminal Division.

WASHINGTON, D.C., *July 7, 1978.*

Hon. JOHN C. STENNIS,
Chairman, Armed Services Committee, U.S. Senate, Russell Senate Office Building, Washington, D.C.

DEAR MR. CHAIRMAN: This letter is in response to your request for the results of an investigation of an allegation of perjury against Major General Hans H. Driessnack, United States Air Force, conducted by the Federal Bureau of Investigation and this Office.

In April of this year, a complaint was made by a Mr. A. Ernest Fitzgerald to the FBI that General Driessnack had perjured himself in an affidavit of April 18, 1974, submitted in the civil matter of *A. Ernest Fitzgerald versus Robert C. Seamans, Jr., et al.** Mr. Fitzgerald provided the FBI with a copy of the April 18, 1974 affidavit signed by General Driessnack as well as an undated, unsigned draft affidavit by General Driessnack, obtained by Mr. Fitzgerald probably in September of 1977.** In particular, Mr. Fitzgerald complained that a statement in the signed affidavit amounted to perjury because it was contrary to facts set forth in the earlier unsigned affidavit. Specifically, Mr. Fitzgerald identified the false statement by General Driessnack in the signed affidavit as follows: "Beyond my role as an OSI interviewee, I played no part in any OSI or other investigation of Fitzgerald. *I had no knowledge of any events in this connection beyond my own interviews.*" (Emphasis added).

Paragraphs 14, 15, and 16 of the unsigned affidavit read as follows:

14. I did not discuss these matters again with General Crow, nor did I ever discuss them with the other defendants in this case. I was aware that two other sources, not defendants in this action, were also interviewed by the OSI. They were John Badin and Eugene Kirschbaum, the men I had named during my OSI interview as the persons most knowledgeable about the PTC/AFSC contract. In fact, about a month after my own interview, John Badin came to me and told me that an OSI agent named Sullivan was

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*Prior to April 1978, there had been no referral of this matter to this Office or the FBI even though the allegation was known by Fitzgerald's attorney and was brought to the attention of a federal district court judge as part of a motion for reconsideration which was denied.

**The affidavits dealt with matters occurring in 1968 and 1969.

waiting to interview him in the OSI office at Andrews Air Force Base. He said that Sullivan had indicated to him that I had given his name as a possible source in an inquiry into the PTC/AFSC contract. He asked me what this was about and whether I knew Sullivan and could confirm that he was from OSI. I drove Badin over to the OSI office, briefly relating the story of my own interview as we went, and, once there, I introduced Sullivan to Badin, thereby identifying Sullivan as the man who had interviewed me, and left. I never did discuss these interviews with Badin or Kirschbaum again until very recently. When the stories about the OSI broke in the newspapers in late 1969, I realized that OSI might have interviewed other people as well. I must add, however, that I did not connect the reports on T–1's information with my own interview until recently, because the memorandum distorted much of what I said.

15. I did not at any time fabricate or concoct reports concerning Fitzgerald and possible security violations or conflicts of interest. I never communicated any of my information to members of the Congress or of the White House staff, nor am I aware that any such communication was ever made.

16. Beyond my role as an OSI interviewee, I played no part in any OSI or other investigation of Fitzgerald. I had no knowledge of any events in this connection beyond my own interview. I was not and am not aware of any inquiry into Fitzgerald's personal life, nor did I ever knowingly misrepresent his character or background at any time. I had absolutely no connection with any effort to terminate Fitzgerald's position.

Paragraphs 14, 15 and 16 of the signed affidavit read as follows:

14. I did not discuss these matters again with General Crow, nor did I ever discuss them with the other defendants in this case after the OSI interview.

15. I did not at any time fabricate or concoct reports concerning Fitzgerald and possible security violations or conflicts of interest. I never communicated any of my information to members of the Congress or of the White House staff, nor am I aware that any such communication was ever made.

16. Beyond my role as an OSI interviewee, I played no part in any OSI or other investigation of Fitzgerald. I had no knowledge of any events in this connection beyond my own interview. I was not and am not aware of any inquiry into Fitzgerald's personal life, nor did I ever knowingly misrepresent his character or background at any time.

As can be seen from comparing the two documents, the information in the unsigned affidavit that General Driessnack was aware that John Badin was interviewed by an OSI agent approximately a month after his own interview and in fact drove Badin to the OSI office and introduced him to the OSI agent, was deleted from the final signed affidavit.*** It should also be noted that the statement in the second sentence of paragraph 16 complained about by Mr. Fitzgerald was contained in both the unsigned and signed affidavits.

Our investigation was limited to this specific complaint by Mr. Fitzgerald and we focused our investigation on determining whether General Driessnack was responsible for the deletion of the Badin information from the signed affidavit, and whether the second sentence of paragraph 16 was a false statement, and if so, whether General Driessnack made it consciously and willfully.

Our investigation revealed that General Driessnack was interviewed and debriefed by an attorney in the Air Force JAG Office who, based on this information, prepared the draft unsigned affidavit. A copy of this draft affidavit along with a litigation report was forwarded to the Department of Justice, Civil Division, on March 8, 1974. Subsequently, the JAG attorney, after consulting with an attorney at the Department of Justice and the General Counsel's Office of the Air Force, shortened the affidavit by deleting, among other items, the information about General Driessnack driving Badin to the OSI office for Badin's interview. Since the affidavit was drafted over four years ago, it was difficult for the attorneys involved to recall with certainty why the Badin information was deleted, although it was clear that the deletion was not made at the request of General Driessnack.

It appears from our investigation that no one, the attorneys or General Driessnack, focused on the alleged inconsistency of the second sentence of paragraph 16. Moreover, one of the attorneys interpreted the second sentence of paragraph 16 to mean that General Driessnack had no knowledge of the substance of any subsequent events, rather than no knowledge of subsequent procedural events such as other persons being interviewed by OSI. This interpretation appears consistent with the fact that included in the unsigned affidavit were the statements by General Driessnack that (1) he was aware that Badin and Kirschbaum were subsequently interviewed and (2) "I had no knowledge of any events in this connection beyond my own interview." In order to read these two statements consistently in the unsigned affidavit, it would seem that the second sentence of paragraph 16 was referring to something other than knowledge of subsequent OSI interviews.

In any event, our investigation has revealed no evidence to suggest that paragraph 16 of the signed affidavit represented a conscious or willful attempt on the part of General Driessnack to mislead or make a false statement. This is corroborated by the fact that the unsigned affidavit containing the Badin information was forwarded to the Department of Justice in March of 1974, thus making it quite clear that General Driessnack was not trying to hide the information.

Based on the above investigation, this matter has been closed by this Office.

Sincerely,

EARL J. SILBERT,
U.S. Attorney.

Mr. PROXMIRE. I might point out, Mr. President, that the Justice Department lawyers did not interview General Driessnack on any of these allegations. I find this procedure to be most unusual, particularly in light of some of the analysis from the Justice Department suggesting what General Driessnack's reasoning might be or what he might have argued under the circumstances. It would seem that the clearest and most direct way of obtaining such information would have been to interview General Driessnack. That the Justice Department did not, that they found it unnecessary, casts a good deal of doubt on the conclusions they reached.

When questioned by my staff on this matter, a Justice Department lawyer indicated that the Department does not seek testimony from principals in a case like this one and that it is not the purpose of the Justice Department to investigate to make a case—but only to review the record for evidence of perjury.

I find this attitude unresponsive to my letter request and not a valid technique to determine the truth.

Nonetheless, the Justice Department has closed this case, and I cannot in good conscience continue to oppose the nomination of General Driessnack in lieu of evidence of perjury or other wrongdoing.

Mr. President, President Carter twice has spoken of the Fitzgerald matter as a situation that "must never be repeated." But the Fitzgerald case remains to be settled. There have been four appeals court decisions, four district court decisions, and three Civil Service decisions involving the Fitzgerald matter. Mr. President, for those unfamiliar with the Fitzgerald controversy, I ask unanimous consent that a chronology be printed in the RECORD at this point.

There being no objection, the chronology was ordered to be printed in the RECORD, as follows:

PARTIAL CHRONOLOGY OF FITZGERALD LITIGATION

The following partial chronology highlights the key events in the eight years of litigation spawned by Mr. Fitzgerald's termination.

1. January 5, 1970.—Fitzgerald was terminated pursuant to an alleged "reduction in force."

2. January 20, 1970.—Fitzgerald submitted an appeal to the Civil Service Commission ("CSC").

3. May 4, 1971.—The CSC began closed hearings on the appeal and rejected Fitzgerald's request for open hearings. He sought and obtained an injunction againts the closed hearings, which was affirmed on appeal. *Fitzgerald* v. *Hampton*, 467 F.2d 755 (D.C. Cir. 1972).

4. September 18, 1973.—The CSC Chief Appeals Examiner issued a decision reinstating Fitzgerald with back pay, but denying him interest, costs, attorneys' fees and other damages.

5. December 10, 1973.—Fitzgerald was reinstated to the Air Force and simultaneously reassigned, over his protest, to a newly created position as Deputy for Productivity Management, which does not involve his area of specialty in cost analysis of major weapons systems acquisitions.

6. December 26, 1973.—Fitzgerald appealed his reassignment on the grounds that it was not in compliance with the CSC recommendation. The CSC denied the appeal without a hearing, and Fitzgerald appealed to the District Court, which remanded for hearings. *See Fitzgerald* v. *Hampton*. 383 F. Supp. 823 (D.D.C. 1974). The hearings were held in June, 1975.

7. January 25, 1974.—Fitzgerald filed suit for compensatory and punitive damages from various Air Force and Department of Defense officials and Alexander Butterfield.

8. October 9, 1974.—Judge Gesell granted summary judgment to defendants in Fitzgerald's damages action on the grounds that the statute of limitations had run. *Fitzgerald* v. *Seamans*, 384 F. Supp 688 (D.D.C. 1974). Fitzgerald appealed this decision in November, 1974.

9. June 18, 1976.—The CSC Chief Appeals Examiner found that Fitzgerald's 1973 reassignment was in compliance with the CSC recommendation.

10. August 10, 1976.—The June 18, 1976, decision was again appealed to the District Court (J. Bryant) and the appeal is currently awaiting disposition on cross-motions for summary judgment.

11. October 23, 1976.—Candidate Jimmy Carter pledged in Alexandria, Virginia, that "[t]he Fitzgerald case, where a dedicated civil servant was fired from the Defense Department for reporting cost overruns,

*** The unsigned affidavit also stated that General Driessnack was aware that Eugene Kirschbaum was subsequently interviewed by OSI.

must never be repeated." Quoted in Rushford, "The Perils of Bing A Whistle Blower," Washington Post at C 1 (November 27, 1977).

12. February 1, 1977.—Secretary of Defense Harold Brown advised Senator Proxmire during DOD appropriations hearings that he would consider Fitzgerald's case and then talk with Fitzgerald. Fitzgerald has received no communication from Secretary Brown to date.

13. February 23, 1977.—The Court of Appeals affirmed the summary judgment for Air Force and Department of Defense defendants, but remanded for further proceedings with respect to Butterfield and various unnamed White House ("John Doe") defendants on the grounds that Fitzgerald could not have known of White House involvement prior to the Watergate hearings in 1973. *Fitzgerald* v. *Seamans*, 553 F. 2d 220 (D.C. Cir. 1977). Mr. Fitzgerald promptly filed an amended complaint adding Haldeman as a defendant.

14. April 13, 1977.—Court of Appeals reversed District Court's award of attorneys' fees to Fitzgerald because of the absence of authorization. Court noted that District Court might be "correct" when it found that denial of fees "would make a mockery and a sham" of federal employee appeal rights, but nevertheless emphasized that "appellee's redress must come from the Congress, not the courts." *Fitzgerald* v. *U.S.C.S.C.*, 554 F. 2d 1186, 1190 (D.C. Cir. 1977).

15. September 14, 1977.—Department of Justice attorneys representing Butterfield and Haldeman in the damages action advised Judge Gesell of their intent to seek substantial costs and possibly attorneys' fees from Fitzgerald, if the action is eventually dismissed.

16. June 2, 1978.—Court of Appeals affirmed denial of Fitzgerald's request for $13,812.94 in interest on his back pay. Court noted its "sympathy" for Fitzgerald's position, but stated that, "[t]hough Fitzgerald undoubtedly deserves to be 'made whole' by his government, he may not recover interest in the absence of an explicit authorization. 'Additional remedies of this kind are for the Congress to provide and not for the courts to construct.'" *Fitzgerald* v. *Staats*, (D.C. Civil 76–2112, June 2, 1978), slip op. at 10 (citation omitted).

17. July 5, 1978.—After many months of discovery of White House documents, Fitzgerald filed a proposed second amended complaint adding Richard Nixon, Bryce Harlow and former Deputy Secretary of Defense David Packard as defendants to his damages action and noting that some injurious actions against him continue to the present date. Judge Gesell has not yet ruled on the motion for leave to amend the complaint.

Mr. PROXMIRE. Now, Mr. President, just what do we do about this unsolved problem? Are we going to let a fine civil servant continue to waste his talents by being shut up in a corner of the Pentagon with marginal responsibilities? If ever there was a situation that cried out for correction, this is it. And the current administration has no ax to grind. They should be able to look at the facts dispassionately and objectively.

I think it is time that Mr. Fitzgerald was offered another job more fitting to his talents. It appears clear that the Pentagon hierarchy is not going to restore him to his old level of responsibility. Therefore, I call on the President to find a post within the administration where Mr. Fitzgerald can once again serve the American taxpayer.

Mr. President, I ask unanimous consent that a recent newspaper article in the Washington Post pointing out the continuing difficulties of Mr. Fitzgerald be printed in the RECORD at this point.

(See exhibit 5.)

There being no objection, the article was ordered to be printed in the RECORD, as follows:

EXHIBIT No. 5

[From the Washington Post, November 27, 1977]

THE PERILS OF BEING A WHISTLEBLOWER

(By Greg Rushford)

Despite the lofty rhetoric, the syndrome of punishing those who expose waste and abuse is being repeated under the Carter administration—and against the same A. Ernest Fitzgerald who was fired in 1969 after revealing $2 billion in cost overruns associated with the Lockheed C5–A cargo plane.

Fitzgerald, who sued successfully to get back his job as civilian cost-cutting expert for the Air Force, certainly has not been encouraged to "save the government money." Working under many of the same people—including Defense Secretary Harold Brown—who were embarrassed by the C5–A affair, Fitzgerald has been shunted aside, given a $47,500 salary to do trivial work, kept away from big spending programs. The one new example of scandalous behavior he has helped bring to light—mismanagement of part of an $800 million logistics project that the Air Force pursued in defiance of Congress—has only resulted in making him more of a Pentagon pariah. He has been taken off even that project—which is still continuing, under a new name, not only in disregard of Congress order to end it, but also in the face of an Air Force recommendation that it be stopped.

So Fitzgerald now is suing the Civil Service Commission to make it enforce its 1973 directive that the Air Force restore him to his old job or one of equal responsibility; he currently is deputy for productivity, which he says "is my old deputy's job." And, faced with $400,000 in legal bills, he also is suing present and past government officials for $3.5 million for allegedly conspiring to ruin his career.

WORKING UNDER A CLOUD

If the Fitzgerald case proves anything, it is that Adm. Hyman Rickover was only too right when he said, "If you must sin, sin against God, not against the bureaucracy. God may forgive you, but the bureaucracy never will."

After the Civil Service Commission ruling, Fitzgerald reported back to work in October, 1973, to Assistant Air Force Secretary William Woodruff—and immediately learned that the old guard had not forgotten him, let alone forgiven him. Woodruff had worked on the Defense Appropriations subcommittee for Sen. Richard B. Russell of Georgia, the state where the C5-A was built. It was a phone call from Russell that originally prompted Brown—then Secretary of the Air Force—to chastize Fitzgerald for his November, 1968, testimony on the C5-A before Democratic Sen. William Proxmire's Joint Economic Committee.

According to Woodruff's notes on the 1973 meeting, subpoenaed in Fitzgerald's $3.5 million suit, Woodruff told Fitzgerald he could not "erase the clouds" hanging over the cost-cutter, adding: "You have to be aware that there are people who do not feel you were a good employee." Woodruff told Fitzgerald he would not be allowed near major weapons systems until he had demonstrated he intended to be a "good" employee. If Fitzgerald joined the team, Woodruff's notes continue, they could have a "new relationship" and Fitzgerald would receive "fair treatment." While he wa: proving himself, Fitzgerald would report to Woodruff through his deputy, Thomas Moran.

Moran; Fitzgerald pointed out, had worked for Robert Moot, the Defense comptroller who had attempted to prevent Fitzgerald from testifying before Sen. Proxmire ("Moot told me if I testified there would be 'blood on the floor,'" Fitzgerald states. "I didn't realize it would be mine.") But this did not change Woodruff's mind.

In an interview, Woodruff said that he would "stand by anything that is in my notes," but added that the note don't mention that when Fitzgerald returned another person "was doing his old work and doing it perfectly well."

Instead of mending his ways, Fitzgerald filed his Civil Service Commission suit and meanwhile went off to bureaucratic Siberia. Even from there, however, he managed to discover strange doings.

PROJECT MAX

In early 1974, Fitzgerald began to analyze a contract for a new computerized accounting system called "Project Max," which cost $41 million, a modest sum by Pentagon standards. Project Max was part of the $800 million Advanced Logistics System (ALS) the Air Force wanted to install to keep track of its aircraft repair program.

Fitzgerald found that Project Max discouraged high productivity. As he put it, it was a program for "justifying costs rather than controlling them," similar to the one used in the Lockheed case.

Meanwhile, although $200 million already had been spent on the overall logistics system, it became apparent in 1975 that the system would not work, and in December Congress ordered it stopped.

The appropriations committees told the Air Force to prepare plans for a new system and to keep them apprised of developments. No spending was authorized in the meantime unless "essential" to Air Force depots' missions.

Just as Fitzgerald had fought against C5–A overruns for several years inside the Air Force, so he also kept his case against Project Max within the system for more than two years, making recommendations to his superiors.

Then, last April, public revelations about Project Max created a storm. A Washington Post story, based on Air Force documents obtained by Reps. John Moss (D-Calif.) and Charles Rose (D-N.C.), disclosed that the Air Force had continued to spend funds to develop the $800 million logistics system which Congress had "terminated." Development of Project Max, the most visible part of the system, had continued without approval for nearly a year.

Among the documents that most angered Moss and Rose were notes written by Maj. Gen. Robert I. Edge, who had told other Air Force officials, "I'm not overly concerned about 'unapproved' work on Max." Edge, who was responsible for Air Force computer policies, warned instead about misleading explanations being prepared for Congerss to suggest that what the service was working on was really a new system.

His concern was not with the chairmen of the Senate and House appropriations committees, John McClellan and George Mahon. "Unlikely that either chairman will read lengthy attachments or understand them if they do," he wrote. But if the committee staffs took time to pour over the material, Edge warned, "stand by for further questions." He pointed out that the new system

sounded much like the old discredited one, and concluded with a question: "How much egg can we stand on our faces?"

History suggests the Pentagon has a remarkable capacity to attract egg to its face, and the Max affair splattered its share. Edge had to apologize publicly to the appropriations committees. He also said his quotation marks around the word "unapproved" meant that approval—albeit, questionable and belated—really had been given. It turned out that Project Max spending had continued without authorization until three days after the November, 1976, elections, when lame duck Air Force Secretary Thomas Reed finally had approved the outlays as "essential" to the Air Force depots mission.

But, using what a Pentagon study team called a "disturbing anomaly, the service considered "all system originally planned under the old ALS as now 'mission-essential.'" In other words, with Orwellian illogic the service merely defied Congress' decision to stop the old system.

The Air Force ultimately accepted Fitzgerald's criticisms of Max, but it did not send him any bouquets. He had not been a "good" employee. After struggling to persuade his superiors about Max, Fitzgerald acknowledges, he "cooperated" with congressional investigators by giving them the access to his files which they had requested. He also had been quoted publicly as saying the service's continued work on Max was "apparently illegal," that it was "pretty dark" to spend taxpayers'money in defiance of Congress.

Nor, astoundingly, has the service's own acceptance of Fitzgerald's criticisms—atop Congress' determination to stop the old system—prevented the Air Force from doing as it wishes. Although the Senate cut out funds for Max last summer, Gen. Charles Buckingham, Air Force comptroller, who was heading another group studying the Max issue, persuaded House conferees to insist on leaving in the money until his team completed its work. The Buckingham team did this last August—also recommending that Max be ended.

But, as Fitzgerald remarks, it has not been ended. Rather it has been given another name—the Actual Hour Accounting System—and spending is proceeding apace, Fitzgerald says. Fitzgerald refers to the Actual Hour Accounting System as "Son of Max," explaining that it "looks like Max, talks like Max, quacks like Max." It is based on the same idea of paying for whatever "actual" time is spent on a job, rather than setting reasonable standards for completing work. As Fitzgerald puts it, the Air Force is "sucking the bullet" rather than biting it.

WINNERS AND LOSERS

The lessons of all this, whether under the Nixon administration or a Carter administration that prides itself on management ability, seem evident. The cost-cutter is ostracized rather than rewarded, while those embarrassed by his efforts prosper.

Harold Brown, put on the spot in 1968 by Fitzgerald's C5–A disclosures, has become head of a Pentagon that is still defying Congress on "Son of Max" spending. Former Air Force Secretary Reed, who, after a year of unauthorized spending on Max, approved the outlays right before leaving office, was called into the Carter White House by energy chief James Schlesinger to help fashion Carter's energy policies.

Gen. Hans Driessnack, who sent Congress the logistic system information which Gen. Edge warned was misleading—and who had started a secret 1969 investigation of Fitzgerald on conflict-of-interest grounds which both the Air Force and the Civil Service Commission deemed to be unfounded—has been promoted to Air Force budget director.

Arnold Bueter, who was deputy Air Force comptroller in 1968, sharing responsibility for, among other things, payment records to Lockheed on the C5–A, has been promoted to principal deputy assistant secretary of the Air Force for financial management. He is now Fitzgerald's immediate boss. That doesn't make for a comfortable relationship. In the book he wrote before his reinstatement, Fitzgerald accused Bueter of castigating him for trying to document suspicions about overpayments to Lockheed.

Today, according to Fitzgerald, Bueter not only has rejected Fitzgerald's recommendations to stop "unapproved" spending on Max, but has used a variety of ways, like "disinviting me to meetings, cutting me off from memo distributions, to isolate me from Max." Bueter, he says, still has refused to stop equipment purchases for "Son of Max" despite the Buckingham report recommendation that Max be terminated, regardless of what it is called.

In a telephone interview, Bueter said, "I have no disagreement with Fitzgerald, but, as Fitzgerald perfectly well knows, the office of the Secretary of Defense has published a handbook which has directed the purchase" of the computer equipment. "A team is being assembled to review this necessity," he added. Asked if he plans to reassign Fitzgerald to his old job of overseeing major weapons systems, Bueter said he knows of "no initiatives in that direction."

Fitzgerald says that he is not only blocked these days from projects like Max or from major weapons systems, but that he is the target of "an organized bad-mouthing campaign to keep me discredited and isolated."

As one modest example, he cites the experience of a CBS-TV crew that filmed Fitzgerald in his Pentagon attic office after the Max story broke. CBS producer Charles Thompson recalls with irritation "a lieutenant colonel from the Air Force information office who barged into Fitzgerald's office during the filming, although I had asked him not to when making arrangements the day before We even filmed this fellow taking notes of our interview."

What was in the notes became clearer later. In the course of his lawsuit for damages, Fitzgerald discovered a memorandum on his CBS interview written to Gen. Harry J. Dalton Jr., the Air Force information chief. The memo reported Fitzgerald had told CBS that "both administrations (Ford and Carter) hope that I am an example that you can't get away with telling the truth."

Not true, says producer Thompson. "Fitzgerald said he had great hopes for the Carter administration, despite the fact the last two administrations—and he clearly meant Ford's and Nixon's, not Carters and Ford's—had tried to make an example of him. Don't you think [CBS reporter] Bruce Morton and I are competent enough reporters to pick up on a Fitzgerald attack on Carter?"

When asked about this, the lieutenant colonel, Terry Hemeyer, said he had entered Fitzgerald's office with the CBS crew "to be helpful" and said the film crew "did not ask me to leave, and I would have left the room had I been asked. I couldn't have taken notes because I didn't even have a piece of paper and a pencil with me." When informed the CBS crew had filmed him taking notes, Hemeyer said, "Oh." Then he added, "I don't recall, but regret any inaccuracies" that may have appeared in the memorandum.

VIEW FROM THE WHITE HOUSE

Fitzgerald's hopes for the Carter administration so far appear to be unfounded. The Carter White House has either been unwilling or incapable of doing anything about what is happening in the Pentagon, regardless of rhetoric about rewarding cost-cutters and improving federal management.

A written request to the White House for documents relating to any consideration given to Fitzgerald has gone unanswered since Sept 1.

Last February, Sen. James Abourezk (D-S.D.) wrote to President Carter to complain about the Air Force handling of testimony he requested from Fitzgerald on productivity in the Military Airlift Command. When Abourezk asked the Air Force to make Fitzgerald available as a witness, Gen. Charles C. Blanton, Air Force congressional liaison director, responded that Fitzgerald could represent himself—but not the Air Force. When Abourezk complained to the White House, Frank Moore, Carter's liaison with Congress, replied with a non-response. "In addition to the President knowing of your views, I am taking the liberty of forwarding a copy of your letter to Harold Brown so he will know of the particular problem your subcommittee encountered."

White House speechwriter James Fallows would say only that, after learning of Fitzgerald's current predicament, "I sent a memo with some recommendations to some people on the personnel side here." He added that he has received no response.

White House press official James Purks, after checking on how the White House planned to handle the Fitzgerald situation, reported what he termed "moderate success" in his quest: "I can tell you we are awaiting anxiously for the Civil Service Commission to come back to us with a program to protect whistle blowers." Asked for the current White House attitude toward Carter's campaign statement on Fitzgerald, Purks replied, "But in that statement we didn't say we'd intervene."

FREE ENTERPRISE, TAXES AND INVESTMENT

Mr. PERCY. Mr. President, back in April the Senate approved Senate Joint Resolution 128, calling on the President to proclaim July 1, 1978, as "Free Enterprise Day." The House of Representatives subsequently approved the same resolution and the President signed it, but the special day was unfortunately largely ignored throughout the country.

California voters, however, unwittingly put real meaning into that day when they passed proposition 13, for the effective date of the tax-cutting measure was also July 1. And the message California taxpayers were sending to their government representatives was that they preferred economic growth to the government's reallocation of income in a stagnant economy.

It was accidental that these 2 days coincided as they did but it is fortunate that this point has been reemphasized in this way. The message of proposition 13 needs to be understood by public officials not only in California but throughout the country. Tax cuts that encourage growth—free enterprise if you will—are seen as essential to our own national economic health. Lying at the base of this sentiment is the commitment that individuals and businesses can better determine economic priorities than can the Government.

The California "tax revolt" is a departure from many of the actions of government over the past decade. On the Federal level, one of the most economically detrimental tax code changes occurred in 1969 when the Tax Reform Act increased the maximum tax on capital gains to nearly 50 percent. The effect of this tax increase has been to dry up capital needed for the creation of new firms. It has also meant that established firms have had to turn increasingly to the cap-

ital markets to finance expansions that, before 1969, could have been financed through sales of stock.

It is regrettable that the President has not acknowledged this shortage of capital and the direct relationship between the capital gains tax, economic growth, and job creation. On June 26 at his press conference, President Carter said:

The American people want tax relief from the heavy burden of taxation on their shoulders. But neither they nor I will tolerate a plan that provides huge tax windfalls for millionaires and two bits for the average American.

Following this press conference, I wrote President Carter urging him to reconsider his implied veto threat. I view the capital gains tax cut as essential to our long term recovery. A partial cut will not do. We should reduce the tax to a maximum rate of 25 percent, beyond what the House of Representatives has already accepted, and as the original Steiger and Hansen bills proposed. I ask unanimous consent to print the text of my letter at the close of these remarks.

The PRESIDING OFFICER. Without objection, it is so ordered.

(See exhibit 1.)

Mr. PERCY. Mr. President, since the President made his June 26 statement, there has been evidence that the White House is willing to accept a cut in the taxation of capital gains. For example, on July 20, President Carter stated:

I will have to wait until the final tax package is placed on my desk after it has been considered and complete action from both Houses of Congress is concluded. At that time, I will decide whether or not that tax bill is in the best interests of our country. If it is not, I will veto it.

Mr. President, this last statement is a far cry from the rigid position President Carter took in June and I commend him for his apparent recognition that there is a great deal of merit in enacting a capital gains tax cut. Such a tax cut will benefit all Americans in the long run because it will give us a sounder economy and will lower the rate of inflation. If enacted in conjunction with other investment tax incentives—like a reduction in the maximum corporate tax rate, a permanent investment tax credit, a full investment credit for pollution control facilities and a tax reduction for middle income taxpayers—it will invigorate the economy and strengthen the hand of free enterprise. In short, Mr. President, these cuts will, like proposition 13 before it, give meaning to the oft-used phrase "free enterprise."

EXHIBIT 1

U.S. SENATE,
Washington, D.C., June 30, 1978.

The PRESIDENT,
The White House,
Washington, D.C. 20522

DEAR MR. PRESIDENT: I want to share my thoughts with you about the vital domestic issues of inflation, taxation and legislation to stimulate investment through lowering the taxation of capital gains and other measures. The proposals, introduced by Rep. William Steiger in the House and Senator Clifford Hansen in the Senate, would set the taxation of capital gains at the same level as in 1969.

I strongly support passage of this measure and urge you to reconsider your position and lend your offices to help move the bill through Congress.

I think that as former businessmen, we both appreciate the importance of capital formation in starting new companies and in employing workers in the private sector. When I joined Bell & Howell in 1938, it was a small company of less than a thousand workers and it would probably still be one today if we had not had access to venture capital markets. There was always a great deal of competition for that capital, but there was a plentiful supply of it then. Before I left the company, our U.S. employment increased to more than 10,000. Now, there is a serious scarcity of the type of money that helped us get off the ground.

Perhaps it would be helpful if I used just one specific case. A company in Chicago today has encountered a great deal of trouble in raising capital for new firms. Heizer Corp. is a business development company that helps get new businesses on their feet and then stays with them until they are stable. They have found that the 1969 tax change has virtually dried up investor interest in financing new companies. A small computer firm which they were helping actually had to go to Japanese and West German investors recently because no American investors would participate. The new firm, an IBM competitor, has highly capable executives but investors preferred other approaches to heavily-taxed capital investment.

This case does not appear to be unique. The Securities Industry Association certifies that in 1969, companies with net worth under $5 million made 548 stock offerings totaling $1.5 billion. Six years later, though, only four such offerings were made and they raised a total of only $16 million. Clearly something is seriously wrong.

The Small Business Administration is alarmed about this and, in a January, 1977 report, expressed that concern:

"In the face of clearly emerging needs and the documented benefits to the United States economy, a set of impediments have developed that are preventing smaller businesses from attracting the capital without which they cannot perform their traditional function of infusing innovation and new competition into the economy . . . A public policy that discourages the public from investing $1 billion a year of its savings in economic innovation, growth and the creation of jobs while it encourages the public to risk $17 billion a year in Government-sponsored lotteries, requires close and serious reexamination."

Larger businesses have also felt this capital pinch and many—especially those with low profits to earnings ratios—have been forced to go into debt to finance their own expansions. The consequence has been additional pressure on interest rates, bidding them up out of the reach of some small businesses and making government financing far more expensive than ever before.

Most of our major trading partners—and especially our two greatest competitors, Germany and Japan—do not even tax capital gains on portfolio investment. The individual savings rate is also higher in these two countries. Japanese save at triple the rate of Americans and the West Germans save at more than twice our pace. Of all the major industrial countries, the U.S. put the smallest percentage of GNP back into manufacturing capacity between 1965 and 1976. The country next in line was England, hardly a model for investment strategy.

During the time that our venture and investment capital has been drying up, the Federal Government entered into a new phase of regulation of the economy. These effects have been most evident in the environmental and safety areas and, according to the Council on Environmental Quality, private capital outlays for pollution abatement were $3.8 billion higher in 1975 than they would have been in the absence of the Federal requirements. Similar estimates of annual costs to business have been made for safety and health regulations, non-productive capital investment requirements exceeding 28% in many industries.

Many of these regulations protect and safeguard the consumer and worker and I have supported these when they were before Congress. The Federal Government must recognize the economic costs of these vast investments, however, and act to make sure that we do not lose our ability to generate a growing economy.

The effect of a capital shortage is also seen in our productivity rate, which, according to your 1978 Economic Report, has dropped from annual increases of about 2½% between 1950–1968 to about 1½% over the past decade. As you know so well, productivity and investment are closely related and when our productivity begins to sag, inflationary pressures are increased.

Government estimates of the costs of the Steiger-Hansen proposal have failed to take into account the economic changes that would spin off from the tax change. A model prepared by Data Resources, Inc. and based on the passage of the proposal, forecasts a startling increase of $100 billion in GNP between 1979 and 1983 (The firm's predictions show increases over the Treasury's own estimates). Investment itself would of course rise—by an estimated $46 billion—because the proposal encourages the realization of capital gains. The subsequent rise in the stock market will lower the cost of obtaining funds through equity financing, thus leaving more for actual investment. DRI found the employment effects of this invigorated economic activity to be particularly encouraging: in 1982, 520,000 new jobs would be created over what the Treasury predicts for that year. Finally, and from our standpoint an important consideration, Federal revenues would actually increase. By 1983, revenues would have jumped by $12.3 billion.

This would undoubtedly be made up in part by increased revenues from the capital gains tax. As you know, these revenues fell precipitously in 1970, after the present tax was enacted, and have only just recovered their 1969 level, albeit in inflation dollars.

The experience of the company previously mentioned proves that this model is on the right track. Since 1969, they have helped 24 companies get started, with an initial investment of $80 million. The results of this investment are truly impressive. The 1978 sales of these 24 firms exceed $1 billion and their pre-tax profits stand at $152 million. These businesses contribute annually $75 million in taxes to the Federal Government alone. As of March, they employed 20,000 workers. All of this has been costly, however, as the investment required to create a new, permanent job is over $13,000. It was fortunate that Heizer obtained its initial capital prior to 1969. It would be virtually impossible to accumulate that type of investment capital today, due in large part to the confiscatory nature of our tax laws.

Those tax laws have turned many Americans away from investing and have penalized middle income families who sell their homes. According to the Treasury Department, the two largest items accounting for capital gains are stocks and bonds and the sale of residences. What is more, in 1976, 62 percent of total net capital gains were realized by taxpayers with less than $50,000 income. A revitalization of the stock market will benefit all investors, regardless of income.

Since the 1969 change in the treatment of capital gains, the number of stockholders has dropped steadily so that today many Americans do not hold the types of investments that will ultimately yield capital

gains. In fact, the number of stockholders has dropped from 31 million in 1969 to 25 million today. Despite this decline, the overwhelming majority of stockholders are not what we would ordinarily consider wealthy.

In 1975, nearly three-quarters of individual stockholders earned less than $25,000 a year. In the past decade, the number of institutional investors has increased dramatically to the point that they now account for over one-third of all stock investors. Although these are big investors, they often represent moderate income Americans in the form of pension and profit-sharing plans and stock option programs. These are the people who ultimately benefit from increased investments and we should be aware than Federal tax policy discriminates against them in the long-run.

The Council on Wage and Price Stability reported this spring that "inflation in the housing sector has been a persistent problem over the past few years and is unlikely to dissipate wholly in the near future." Rising housing prices and interest rates have put a strain on would-be homebuyers, but the present capital gains tax has put the bite on existing homeowners who may want to sell their home and move into a smaller house or apartment. The average price of an existing home has skyrocketed from just over $22,000 in 1968 to nearly $54,000 today. A family that bought ten years ago and sells their home today could realize tens of thousands in one-time capital gains, even if they were low or middle income. A simple change in tax policy will help these homeowners immensely.

You have properly focused the nation's attention in recent months on the problems of inflation. I support your efforts in this direction but feel that one of the strongest weapons we have against spiraling wages and prices is investment which leads to increases in our productivity. It lies at the heart of solving inflation and I feel the passage of this provision, together with other investment tax incentives like a reduction in the maximum corporate tax rate, a permanent investment tax credit, a full investment credit for pollution control facilities and a tax reduction for middle income taxpayers, is essential to the nation's economic health.

I would like to urge you again to give full consideration to supporting these important economic steps toward a sound economy. I look forward to working with you and your economic advisors in this program that can improve the economic well-being of every American in a relatively short time.

Sincerely,

CHARLES H. PERCY,
United States Senator.

CIVIL SERVICE REFORM

Mr. STEVENS. Mr. President, Senator MATHIAS and I have recommended changes to the President's civil service reform proposal during the last several months. Although some of these proposals were accepted by the Senate Governmental Affairs Committee, there are significant improvements which should be made on the Senate floor. Senator MATHIAS mentioned some ideas in a recent speech at the annual convention of the American Federation of Government Employees in Chicago. I believe his comments are important to all personnel in the civil service and I ask that his complete speech be printed in the RECORD.

There being no objection, the speech was ordered to be printed in the RECORD, as follows:

THE DANGERS OF PROPOSITION 13 FEVER

(By Senator CHARLES McC. MATHIAS, Jr.)

I'm delighted to be here for the Annual Convention of the American Federation of Government Employees. As many of you know, I have a special place in my heart for federal workers. And for good reason. I think I have probably represented more federal employees for a longer time than any other member of the Congress.

Naturally then, I am concerned when the capabilities and the dedication of federal workers come under attack. And regrettably today there is a tendency to transform legitimate complaints about government regulation and waste into an indictment of the federal worker. This is as unfair as it is unsound.

But resounding through the corridors of the Capitol and across the land is the insistent chant of "Proposition 13." And a lot of people are swaying to its beat.

As you all know, Proposition 13 is a product of California's referendum system that gives voters a chance to express their views on various policy issues. Proposition 13 itself provides for a rollback of the real estate tax rate in California that will put pressure on government, at the state, county and local levels, to reduce costs. Its repercussions, however, go far beyond California.

When the voters of California opted for Proposition 13, they fired a modern day "shot heard round the world." Embattled taxpayers pricked up their ears and so did their representatives in the Congress.

Proposition 13 dramatizes a fact that has been apparent for some time now: taxpayers, faced by mounting inflation, are less and less willing to surrender their tax dollars. Last year Louis Harris and Assocites asked a group of taxpayers this question:

As far as you (and your family) are concerned do you feel you have reached the breaking point on the amount of taxes you pay?

The response was an overwhelming "Yes."

Seventy-two percent of those polled said they'd reached the end of their rope on taxes. Since then inflation has gotten worse and so has the situation. Proposition 13 may not actually herald a nationwide taxpayer revolt, but it's a clear danger signal. And members of Congress aren't going to ignore its implications.

As former Senator Norris Cotton used to say: "The boys are in such a mood that if someone introduced the Ten Commandments, they'd cut them down to eight."

I am as economy-minded as any of my colleagues, I think. Being careful with money is an inescapable state of mind for almost anyone who grew up during the Depression as I did. But I think we have to use some judgment about where and how we economize. If Proposition 13 fever leads to curtailing federal waste and upgrading federal efficiency, then I'm all for it. But if its brunt falls on the shoulders of government workers, if it means pay cuts and job cuts, if it translates into "last on, first off", then I think we'd better take another look at it.

It is simply unfair to use the argument of government inefficiency as an excuse to run roughshod over the basic rights of federal employees. But I'm afraid the trend is in that direction. Anti-government sentiment has been exploited to justify civil service reforms that jeopardize federal workers' rights and to put an unjust pay cap on federal workers' salaries. I am very concerned about both of these developments.

I don't quibble with the fact that the federal government is ripe for a major overhaul. But there's a right way and a wrong way to go about it. We had a great Marylander named H. L. Mencken who said that "for every problem there is a solution that is simple, easy and wrong." That is the kind of solution we want to avoid in responding to pressure for government economy.

Back in 1949, the first Hoover Commission found that:

. . . (t)he United States is paying heavily for a lack of order, a lack of clear lines of authority and responsibility, and a lack of effective organization in the executive branch. . . . We must reorganize the executive branch to give it the simplicity of structure, the unity of purpose and the clear line of executive authority that was originally intended under the Constitution.

To his credit, President Carter has recognized the need. But, in my opinion, many of the changes he proposes to make would endanger the impartiality of the civil service and hang a sword of Damocles over the head of every civil servant in the executive branch.

When the President announced his civil service reforms, he talked a lot about how difficult it is, under present law, to fire inadequate civil servants. In the name of reform, he went out of his way to create the most negative possible image of the civil servant.

In the process, President Carter's fancies outdistanced his facts. For example, he complained that in 1976 only 226 out of more than two million federal employees had been fired for incompetence and inefficiency. He said his plan would make it easier to prune the dead wood in the bureaucracy.

A couple of weeks later, thanks to some good investigative reporting by the *Washington Star*, Presidential Press Secretary Jody Powell had to recant for his boss. Powell acknowledged that the President's figure on firings had been way off the mark. In fact, there had been upwards of 17,000 dismissals for cause in 1976, said Powell, not just 226.

The President, it seems, "mis-spoke" a mouthful. And I can only wonder why, and worry about what motivated him to be so reckless with the image of the federal worker.

With all of this criticism of the Civil Service System, the pressure on the Congress to acquiesce in all the President's proposals has grown. To the extent that this campaign forces us to see and correct the flaws in our Civil Service System, it is healthy and I welcome it. But, to the extent that it stampedes us into hasty judgments that would prejudice basic job protections and legitimate employee rights, it is unhealthy and dangerous.

I've made no secret of my misgivings about the President's reform proposals and I'm not going to go into that in any detail. But I would like to say a few words about how this wave of anti-federal government feeling has made its way into the Senate.

When the Governmental Affairs Committee was considering the President's Civil Service Reform legislation, I asked the Committee to consider several changes in the bill—changes very like those recommended by AFGE. These included: the right of federal employees to have a hearing on the record before being taken off the payroll; placing the burden of proof on agencies in adverse action cases; applying basic elements of due process to the handling of career civil servants; awarding attorneys' fees to the prevailing party in adverse action cases; and the retention of grade and pay in reclassification and reduction in force cases.

Of all these proposed changes, only one—shifting the burden of proof on agencies—was incorporated into the legislation in Committee. None of my suggestions was radical or even new. But the temper of the Senate seems to be that anyone advocating even

these basic protections is simply soft on bureaucrats.

This attitude is dangerous. No one disputes that reform is necessary. But reform that smacks of a witch-hunt is worse than no reform at all. As a friend of mine remarked, "When Dr. Samuel Johnson said that 'patriotism was the last refuge of a scoundrel', he hadn't heard of reform."

Something that astounded me during the Committee's consideration of the "whistleblower" provisions of the bill was the Administration's apparent disregard of the employee's First Amendment rights. You may recall that this section provides protections to employees who expose illegalities or gross waste or mismanagement. Well, the Administration actually proposed that no protection be provided if an employee goes public within six months of his initial disclosure to a Specal Counsel. This provision would effectively silence the employee for the six-month period. Fortunately, Senator Muriel Humphrey and I did succeed in persuading the Committee to delete this section that was designed to place a "chilling effect" upon the employee's right of free speech.

The Civil Service Reform bill will be considered by the full Senate within the next several weeks. I have introduced amendments to the bill designed to protect the basic rights of federal employees which are inadequately safeguarded as the legislation now stands. I hope that I will be able to persuade my colleagues in the Senate that the protections I seek for federal workers will not infringe management's prerogatives, but rather will enhance the civil service by insuring that it can attract and keep the best talent available. I hope I will have your support in this.

I am equally disturbed by the pay cap and I voted against its extension to blue-collar workers. It seems to me the President and the Congress are guilty of forcing federal employees to bear the burden of the country's inflation problem unassisted.

In April when President Carter announced his plan to take the lead in breaking the wage-price spiral by holding federal pay increases to 5.5 percent, he simply turned his back on the comparability process. Instead, he decided to make federal workers the shock troops in the battle against inflaton. That might be all right if there were any reinforcements in sight. But I've scanned the horizon and as far as I can see the President's voluntary program of restraint in private sector wage adjustments hasn't even got any recruits.

Most principal settlements in the private sector have exceeded the 5.5 percent cap. The second quarter inflation rate, according to the Consumer Price Index, now stands at 11.4 percent. The short-term federal interest rate just climbed from 6.8 to 7.3. Before the end of the year it is expected to rise an additional percentage point. Home mortgage rates are at a whopping 9.4 percent and going up. Most private concerns are reporting record profits this year, but so far they've only given a polite nod to the voluntary program. Mr. Carter's example is just not working out.

To add insult to injury, in June the Senate extended the 5.5 percent pay cap to the federal blue-collar work force as well—which brings us back to the unfortunate side effects of Proposition 13.

Only 21 Senators voted against the pay cap. As I said, I was one of them and I don't regret my vote a single bit. What I do regret is that people either can't understand, or don't want to understand, that by holding the federal pay increase to 5.5 percent the President and the Congress are actually forcing federal workers to take a cut in pay. With inflation topping 11 percent, there's just no other way to read the situation.

One thing is certain: if we continue to take advantage of Federal workers; if we continue to expect them to make sacrifices for the public good; if we continue to heap abuse on their heads and if we persist in shortchanging them in relationship to the private sector, then pretty soon we simply won't be able to attract firstrate talent into government service as we have in the past.

And, when that day comes, all the reforms in the world won't amount to a hill of beans because there won't be anyone left in government with enough sense to carry them out.

In 1955, in the final days of the second Hoover Commission on Civil Service Reform, the late Herbert Hoover gave an interview in which he summed up his feelings about government. This is what he said:

Government cannot be any better than the men and women who make it function. Our greatest problem is to get the kind of men and women the government needs and to keep them in government . . .

We must make civil service so attractive, so secure, so free from frustrations, so dignified, that the right kind of men and women will make it a career. Then we can have the kind of government that the United States needs and should have.

To that I say, Amen.

We need efficient effective government. But we aren't going to get it by shortchanging the men and women who have devoted their lives to federal service. I vow to do all I can to reverse the trend of making a scapegoat of the Federal employee. I look forward to working with you in this effort.

AUTHORIZATION FOR TECHNICAL AND CLERICAL CORRECTIONS—S. 3375

Mr. STEVENS. Mr. President, I ask unanimous consent that the Secretary of the Senate be authorized to make technical and clerical corrections in the engrossment of S. 3375.

The PRESIDING OFFICER. Without objection, it is so ordered.

CIVIL SERVICE REFORM ACT

Mr. PERCY. Mr. President, while the majority leader is on the floor and so is the distinguished acting minority leader, because the Senator from Illinois wishes to protect every right of the distinguished Senator from Alaska, who has been extremely cooperative in moving us forward so that we could bring the Civil Service Reform Act to the floor, I should like to ask the majority leader what the proposed schedule might now be for civil service reform so a number of Senators involved in it can plan on being present. It is the understanding of the Senator from Illinois that the Senator from Alaska would prefer to have this legislation taken up around the 11th of September. Is that correct?

Mr. STEVENS. Yes. I have sent a letter to the distinguished majority leader and minority leader, pointing out that the days of the 7th, 8th, and 9th are involved in my State convention. I intend to be absent and I have a series of amendments, some of which have been agreed to and some of which have not. Though I am perfectly willing to enter into a time agreement, I hope the matter will not be completely disposed of on the days of my absence. I shall return on the 11th.

Mr. PERCY. For the information of the majority leader, the Senator from Illinois has a problem with the 11th in that he is addressing the State convention of the AFL–CIO and will not be returning until late that afternoon, on the 11th. The Senator from Illinois will be prepared to go ahead on the 12th, or will work it out with the chairman of the committee or the floor manager of the bill (Mr. RIBICOFF) to do it earlier if possible. I should like general advice from the majority leader as to when the majority leader feels we might aim for this. I know that he is anxious to move this forward expeditiously, taking into account that there are a number of Senators who have indicated an interest in the legislation and that it is a high priority item.

Mr. ROBERT C. BYRD. I am glad to have the information that both the Senator from Alaska and the Senator from Illinois have entered into the RECORD as to their own personal situations. I cannot give the Senators any statement at this time as to when the legislation will be taken up before the Senate. The dates which he has mentioned—to wit, 11th, 12th, 13th, and so on—are dates when I anticipate the Senate will have before it the natural gas conference report, which is a highly privileged matter and on which there will be some extended debate. I want that out so that the Senate will know it will not be an easy matter to schedule civil service reform at that particular point.

I am very eager to schedule the measure and want to dispose of it, but I have to point to the problem involved in the gas bill.

Mr. PERCY. I thank the distingushed majority leader.

ORDER TO RECESS UNTIL 9:30 A.M. TOMORROW

Mr. ROBERT C. BYRD. Mr. President, I ask unanimous consent that when the Senate completes its business today, it stand in recess until the hour of 9:30 a.m. tomorrow morning.

The PRESIDING OFFICER. Without objection, it is so ordered.

SPECIAL ORDER FOR TOMORROW

Mr. ROBERT C. BYRD. Mr. President, I ask unanimous consent that on tomorrow morning, after the two leaders have been recognized under the standing order, Senator PROXMIRE be recognized for not to exceed 15 minutes, after which the Senate will resume its consideration of the Elementary and Secondary Education Act.

The PRESIDING OFFICER. Without objection, it is so ordered.

PROGRAM

Mr. ROBERT C. BYRD, Mr. President, under the order previously entered, Mr. DOMENICI is to be recognized in the morning after opening statements to call up his amendments. On disposition of his amendments and other amendments, the Senate, no later than 2 p.m., will proceed to the consideration of certain bills that have been reported from the Committee on Finance.

Mr. President, I ask unanimous consent that I may be authorized at any time on tomorrow to proceed to the consideration of either the Elementary and Secondary Education Act or the CETA bill, or, at any time prior to the final disposition of any of the bills that have been reported out of the Finance Committee.

Mr. STEVENS. Reserving the right to object, it is my understanding that S. 1753 is the pending business. Is that not correct?

The PRESIDING OFFICER. The Senator is correct.

Mr. STEVENS. Is the distinguished majority leader asking for consent to set that aside for any other finance bill on the Calendar?

Mr. ROBERT C. BYRD. It will be set aside at 2 p.m. tomorrow for any of those finance bills. I can perceive a possible situation in which action could be completed on that bill, say, at 2:30 p.m.; or I can conceive of the possibility that once the Senate gets on one of those finance bills, it could get stalled. In that event, if the matter would be impossible of resolution in a reasonably short time, I should like the authority to go back to the Elementary and Secondary Education Act and/or CETA before the week is out so the Senate can complete action on those two bills this week.

Mr. STEVENS. Reserving the right to object again, I certainly do not object to those two matters. I wonder if the majority leader can tell us which of the Finance Committee bills on the calendar he refers to in connection with this consent agreement?

Mr. ROBERT C. BYRD. Yes; the consent order has already been entered for the following Calendar Orders Nos. 721, 728, 849, 1024, 1025, 1032, and 1034, to be called up tomorrow.

Mr. STEVENS. Mr. President, the distinguished majority leader does not seek to expand that list with reference to the Finance Committee bills on the calendar?

Mr. ROBERT C. BYRD. Not at all.

Mr. STEVENS. I have no objection.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. ROBERT C. BYRD. I thank the distinguished acting Republican leader. I do not anticipate having to use this authority. It is just to be used in the event the Senate should get stalled on one of those Finance Committee bills. I hope that, in that event, the Senate could complete action on the Elementary and Secondary Education Act and the CETA bill this week.

RECESS UNTIL TOMORROW AT 9:30 A.M.

Mr. ROBERT C. BYRD. Mr. President, I should like to have the Chair, which is presently being honored by the distinguished Senator from Arkansas, recess the Senate.

The PRESIDING OFFICER. Under the previous order, the Senate stands in recess until 9:30 a.m. tomorrow morning.

Whereupon, at 7:39 p.m. the Senate recessed until tomorrow, August 23, 1978, at 9:30 a.m.

NOMINATIONS

Executive nominations received by the Senate August 22, 1978:

DEPARTMENT OF STATE

William H. Luers, of Illinois, a Foreign Service officer of class 1, to be Ambassador Extraordinary and Plenipotentiary of the United States of America to Venezuela.

CONFIRMATIONS

Executive nominations confirmed by the Senate August 22, 1978:

DEPARTMENT OF JUSTICE

William E. Pitt, of Utah, to be U.S. marshal for the district of Utah for the term of 4 years.

The above nomination was approved subject to the nominee's commitment to respond to requests to appear and testify before any duly constituted committee of the Senate.

IN THE AIR FORCE

The following-named officer under the provisions of title 10, United States Code, section 8066, to be assigned to a position of importance and responsibility, designated by the President under subsection (a) of section 8066, in grade as follows:

To be lieutenant general

Maj. Gen. Hans Helmuth Driessnack, [redacted], U.S. Air Force.

The following-named officer under the provisions of title 10, United States Code, section 8066, to be assigned to a position of importance and responsibility designated by the President under subsection (a) of section 8066, in grade as follows:

To be lieutenant general

Maj. Gen. Lloyd Richardson Leavitt, Jr., [redacted], U.S. Air Force.

The following-named officer under the provisions of title 10, United States Code, section 8066, to be assigned to a position of importance and responsibility designated by the President under subsection (a) of section 8066, in grade as follows:

To be lieutenant general

Maj. Gen. Winfield Wayne Scott, Jr., [redacted], U.S. Air Force.

Lt. Gen. John P. Flynn, U.S. Air Force (age 55), for appointment to the grade of lieutenant general on the retired list pursuant to the provisions of title 10, United States Code, section 8962.

Lt. Gen. Lee M. Paschall, U.S. Air Force (age 56), for appointment to the grade of lieutenant general on the retired list pursuant to the provisions of title 10, United States Code, section 8962.

Gen. William J. Evans, U.S. Air Force (age 54), for appointment to the grade of general on the retired list pursuant to the provisions of title 10, United States Code, section 8962.

IN THE ARMY

The following-named officer under the provisions of title 10, United States Code, section 3066, to be assigned to a position of importance and responsibility designed by the President under subsection (a) of section 3066, in grade as follows:

To be lieutenant general

Maj. Gen. Eugene Priest Forrester, [redacted], U.S. Army.

The following-named officer under the provisions of title 10, United States Code, section 3066, to be assigned to a position of importance and responsibility designated by the President under subsection (a) of section 3066, in grade as follows:

To be general

Lt. Gen. Robert Morin Shoemaker, [redacted], Army of the United States (major general, U.S. Army).

The following-named officer under the provisions of title 10, United States Code, section 3066, to be assigned to a position of importance and responsibility designated by the President under subsection (a) of section 3066, in grade as follows:

To be lieutenant general

Maj. Gen. John Adams Wickham, Jr., [redacted], Army of the United States (brigadier general, U.S. Army).

The following-named officer under the provisions of title 10, United States Code, section 3066, to be assigned to a position of importance and responsibility designed by the President under subsection (a) of section 3066, in grade as follows:

To be lieutenant general

Maj. Gen. Robert George Yerks, [redacted], Army of the United States (brigadier general, U.S. Army).

Maj. Gen. La Vern E. Weber, [redacted], Army National Guard of the United States, to be reappointed as Chief, National Guard Bureau, for a period of 4 years beginning August 16, 1978, under the provisions of section 3015, title 10 United States Code.

The following-named officers for appointment in the Regular Army of the United States to the grade indicated, under the provisions of title 10, United States Code, sections 3284 and 3306:

To be brigadier general

Brig. Gen. James M. Thompson, [redacted], Army of the United States (colonel, U.S. Army).

Brig. Gen. Clyde W. Spence, Jr., [redacted], Army of the United States (colonel, U.S. Army).

Brig. Gen. Grayson D. Tate, Jr., [redacted], Army of the United States (colonel, U.S. Army).

Brig. Gen. Mary E. Clarke, [redacted], Army of the United States (colonel, U.S. Army).

Brig. Gen. James C. Pennington, [redacted], Army of the United States (colonel, U.S. Army).

Brig. Gen. Edward B. Atkeson, [redacted], Army of the United States (colonel, U.S. Army).

Brig. Gen. Robert W. Sennewald, [redacted], Army of the United States (colonel, U.S. Army).

Maj. Gen. Thomas P. Lynch, [redacted], Army of the United States (colonel, U.S. Army).

Maj. Gen. Harold F. Hardin, Jr., [redacted], Army of the United States (colonel, U.S. Army).

Maj. Gen. James F. Cochran III, [redacted], Army of the United States (colonel, U.S. Army).

Brig. Gen. Thomas D. Ayers, [redacted], Army of the United States (colonel, U.S Army).

Brig. Gen. Walter F. Ulmer, Jr., [redacted], Army of the United States (colonel, U.S. Army).

Brig. Gen. Richard X. Larkin, [redacted], Army of the United States (colonel, U.S. Army).

Brig. Gen. Robert L. Wetzel, [redacted], Army of the United States (colonel, U.S. Army).

Maj. Gen. Joseph N. Jaggers, Jr., [redacted], Army of the United States (colonel, U.S. Army).

Brig. Gen. Edmund R. Thompson, [redacted], Army of the United States (colonel, U.S. Army).

Brig. Gen. Frank P. Ragano, [redacted], Army of the United States (colonel, U.S. Army).

Maj. Gen. William J. Livsey, Jr., [redacted], Army of the United States (colonel, U.S. Army).

Maj. Gen. Alan A. Nord, [redacted], Army of the United States (colonel, U.S. Army).

Brig. Gen. Robert C. Gaskill, [redacted], Army of the United States (colonel, U.S. Army).

Brig. Gen. Elton J. Delaune, Jr., [redacted], Army of the United States (colonel, U.S. Army).

Brig. Gen. Robert L. Moore, [redacted], Army of the United States (colonel, U.S. Army).

Brig. Gen. Robert B. Solomon, [redacted], Army of the United States (colonel, U.S. Army).

Brig. Gen. David K. Doyle, [redacted], Army of the United States (colonel, U.S. Army).

The following-named officers for temporary appointment in the Army of the United States to the grade indicated under the provisions of title 10, United States Code, sections 3442 and 3447:

To be major general

Brig. Gen. Thomas D. Ayers, [redacted], Army of the United States (colonel, U.S. Army).

Brig. Gen. Walter F. Ulmer, Jr., [redacted], Army of the United States (colonel, U.S. Army).

Brig. Gen. Robert L. Wetzel, [redacted], Army of the United States (colonel, U.S. Army).

Brig. Gen. Jerry R. Curry, [redacted], Army of the United States (colonel, U.S. Army).

Brig. Gen. Elton J. Delaune, Jr., [redacted], Army of the United States (colonel, U.S. Army).

Brig. Gen. Fred K. Mahaffey, [redacted], Army of the United States (lieutenant colonel, U.S. Army).

Brig. Gen. Robert B. Solomon, [redacted], Army of the United States (colonel, U.S. Army).

Brig. Gen. John D. Bruen, [redacted], Army of the United States (colonel, U.S. Army).

Brig. Gen. Robert W. Sennewald, [redacted], Army of the United States (colonel, U.S. Army).

Brig. Gen. Richard X Larkin, [redacted], Army of the United States (colonel, U.S. Army).

Brig. Gen. Joseph T. Palastra, Jr., [redacted], Army of the United States (colonel, U.S. Army).

Brig. Gen. Mary E. Clarke, [redacted], Army of the United States (colonel, U.S. Army).

Brig. Gen. Edward B. Atkeson, [redacted], Army of the United States (colonel, U.S. Army).

Brig. Gen. Elvin R. Heiberg III, [redacted], Army of the United States (colonel, U.S. Army).

Brig. Gen. Richard D. Lawrence, [redacted], Army of the United States (colonel, U.S. Army).

Brig. Gen. Grayson D. Tate, Jr., [redacted], Army of the United States (colonel, U.S. Army).

Brig. Gen. Clyde W. Spence, Jr., [redacted], Army of the United States (colonel, U.S. Army).

Brig. Gen. James C. Pennington, [redacted], Army of the United States (colonel, U.S. Army).

Brig. Gen. Robert L. Moore, [redacted], Army of the United States (colonel, U.S. Army).

Brig. Gen. Howard F. Stone, [redacted], Army of the United States (lieutenant colonel, U.S. Army).

Brig. Gen. James J. Lindsay, [redacted], Army of the United States (colonel, U.S. Army).

Brig. Gen. John C. Bard, [redacted], Army of the United States (colonel, U.S. Army).

Brig. Gen. Richard D. Boyle, [redacted], Army of the United States (colonel, U.S. Army).

Brig. Gen. Robert C. Gaskill, [redacted], Army of the United States (colonel, U.S. Army).

Brig. Gen. David K. Doyle, [redacted], Army of the United States (colonel, U.S. Army).

Brig. Gen. James M. Thompson, [redacted], Army of the United States (colonel, U.S. Army).

Brig. Gen. Frank P. Ragano, [redacted], Army of the United States (colonel, U.S. Army).

The following-named Army National Guard of the United States officer for appointment to the grade of major general as a Reserve commissioned officer of the Army and to the grade of major general, Army of the United States, under the provision of title 10, United States Code, sections 593a, 3385, 3442, and 3447:

To be major general

Brig. Gen. Emmett Hudson Walker, Jr., [redacted]

The U.S. Army Reserve officers named herein for appointment as Reserve commissioned officers of the Army, under the provisions of title 10, United States Code, sections 593(a), 3371, and 3384:

To be major general

Brig. Gen. Forrest Anderson Abbott, [redacted]

Brig. Gen. Wilbur James Bunting, [redacted]

Brig. Gen. John Quill Taylor King, [redacted]

Brig. Gen. Robert Lorenzo Lane, [redacted]

Brig. Gen. Frederick Hebel Lawson, [redacted]

Brig. Gen. Thomas Lee Merrill, [redacted]

Brig. Gen. Harry Hart Treadaway, [redacted]

To be brigadier general

Col. Louis Holmes Ginn III, [redacted].
Col. James Paul Harley, [redacted].
Col. Daniel Bruce Johnson, [redacted].
Col. Angelo David Juarez, [redacted].
Col. Donald Edward Lehman, [redacted].
Col. William Barton Merryman, [redacted].
Col. Harley Lester Pickens, [redacted].
Col. Theodore R. Sadler, Jr., [redacted].
Col. Manila Grant Shaver, [redacted].
Col. Charles Morris Sirhal, [redacted].

The Army National Guard of the United States officers named herein for appointment as Reserve commissioned officers of the Army, under the provisions of title 10, United States Code, sections 503(a) and 3385:

To be major general

Brig. Gen. Robert Darrell Weliver, [redacted]

To be brigadier general

Col. Raymond Davis Atkins, [redacted].
Col. Colin Charles Campbell, [redacted].
Col. Richard Francis Corcoran, [redacted].
Col. Robert Stuart Davis, [redacted].
Col. Richard Daniel Dean, [redacted].
Col. George Henry Gray, [redacted].
Col. Theodore Ernest Herman, [redacted].
Col. Curtis Arthur Jennings, [redacted].
Col. Vincent William Lanna, [redacted].
Col. James Bracken Lee, [redacted].
Col. Charles Rodney Painter, [redacted].
Col. Anthony Louis Palumbo, [redacted].
Col. Donald Harry Remick, [redacted].
Col. Patrick Martin Roach, [redacted].
Col. Elmer Lewis Stephens, [redacted].
Col. Ansel Martin Stroud, Jr., [redacted].
Col. Herbert Thomas Taylor, Jr., [redacted].
Col. Edward William Waldon, [redacted].
Col. John Burl Webb, Jr., [redacted].

The Army National Guard of the United States officers named herein for appointment as Reserve commissioned officers of the Army, under the provisions of title 10, United States Code, sections 593(a) and 3392:

To be brigadier general

Col. Joaquin Balaguer-Rivera, [redacted].
Col. Joe Edmund Burke, [redacted].
Col. Charles Edward Hupe, [redacted].
Col. William John Jefferds, [redacted].

IN THE NAVY

The following-named officer, having been designated for commands and other duties of great importance and responsibility in the grade of vice admiral within the contemplation of title 10, United States Code, section 5231, for appointment while so serving as follows:

To be vice admiral

Rear Adm. Ronald J. Hays, U.S. Navy.

Rear Adm. Edward P. Travers, U.S. Navy, to be Director of Budget and Reports in the Department of the Navy for a term of 3 years pursuant to title 10, United States Code, section 5064.

Rear Adm. Carlisle A. H. Trost, having been designated for commands and other duties of great importance and responsibility in the grade of vice admiral within the contemplation of title 10, United States Code, section 5231, for appointment as vice admiral while so serving.

SENATE—*Wednesday, August 23, 1978*

(Legislative day of Wednesday, August 16, 1978)

The Senate met at 9:30 a.m., on the expiration of the recess, and was called to order by Hon. DENNIS DECONCINI, a Senator from the State of Arizona.

PRAYER

The Reverend Dr. Robert B. Harriman, director, the Presbyterian Council for Chaplains and Military Personnel, Washington, D.C., offered the following prayer:

Let us pray: Eternal God, Thou knowest how busy we become, the constant pressures of our concerns, and the burdens which must be borne. If, in the business of this day we forget Thee, please do not forget us. These who serve within this place are as busy as any and busier than most. Election to high and honorable position has brought an enormity of responsibility and countless pressures on body, mind, and spirit. They are asked to do the seemingly impossible, immediately. They are the target of opportunity for some who seek only personal gain, favored position, or unwarranted generosity.

The world gives ample evidence of injustice, poverty, weakness, repression, war, and hatred. And these have been asked to bring justice, wealth, strength, freedom, peace, and love. How great their task.

Our Father, we thank Thee for their dedication to achievement of high goals. May they neither delay in approaching difficult matters nor yield to the temptation of expediency.

So we also pray for our Armed Forces. In their readiness to protect, may they understand that peace is their profession.

These prayers for the welfare and harmony of this Nation are offered with expectation of Thy hearing, and our willingness to be a part of Thine answer. In Jesus' name. Amen.

APPOINTMENT OF ACTING PRESIDENT PRO TEMPORE

The PRESIDING OFFICER. The clerk will please read a communication to the Senate from the President pro tempore (Mr. EASTLAND).

The assistant legislative clerk read the following letter:

U.S. SENATE,
PRESIDENT PRO TEMPORE,
Washington, D.C., August 23, 1978.

To the Senate:

Under the provisions of rule I, section 3, of the Standing Rules of the Senate, I hereby appoint the Honorable DENNIS DECONCINI, a Senator from the State of Arizona, to perform the duties of the Chair.

JAMES O. EASTLAND,
President pro tempore.

Mr. DECONCINI thereupon assumed the chair as Acting President pro tempore.

THE REVEREND DR. ROBERT B. HARRIMAN

The ACTING PRESIDENT pro tempore. The Chair notes that Dr. Harriman is the director of the Presbyterian Council for Chaplains and Military Personnel, and would like the RECORD to so show.

RECOGNITION OF LEADERSHIP

The ACTING PRESIDENT pro tempore. Under the previous order, the majority leader is recognized.

THE JOURNAL

Mr. ROBERT C. BYRD. Mr. President, I ask unanimous consent that the Journal of the proceedings be approved to date.

The ACTING PRESIDENT pro tempore. Without objection, it is so ordered.

THE SENATE SCHEDULE

Mr. ROBERT C. BYRD. Mr. President, the Senate is progressing well with its schedule. I believe that it is entirely possible to achieve sine die adjournment by some time in mid-October, depending on the future progress that is made, and especially in connection with energy legislation, the tax cut legislation, the appropriation bills, and various expiring authorizations.

Today the Senate will be acting on CETA and the elementary and secondary education bill, and several small bills that have come out of the Finance Committee.

I would hope that upon the completion of these measures the Senate could go to the HEW appropriation bill, which is one of the three remaining appropriation bills tc be disposed of. It is a big bill and usually takes a couple of days, and has taken more than 2 days in time, but the chairman of the committee (Mr. MAGNUSON) wants very much to bring it up. He feels that it can be disposed of in a couple of days.

So I would hope that following the bills that have been laid out for today the Senate can proceed to the consideration of the HEW appropriation bill, finish it, lay down the civil service reform bill before we go out and not be in next week and have that bill as the underlying measure upon the return of the Senate after the holiday.

Mr. BAKER. Mr. President, will the Senator yield?

Mr. ROBERT C. BYRD. Yes.

Mr. BAKER. Mr. President, I thank the majority leader for his recitation.

I agree with him; the Senate has made good progress, and I share with him the hope we can adjourn as early in October as possible.

I am mindful of the fact that those of us running for reelection consider ourselves perishable commodities. We are anxious to provide against that uncertainty.

Mr. President, as I understand the suggestion made by the majority leader, it was that we finish with the matters now before us, or to be before us, that is to say, CETA and ESEA, then turn, I gather yet this week, to the HEW appropriation bill.

Mr. ROBERT C. BYRD. Yes, and we would also include the seven or eight small bills that would come out of the Finance Committee which have been scheduled already. Then we could turn to the HEW appropriation which has been on the Calendar for several days and, hopefully, complete action on them by the close of business Saturday, or before. Once we complete that action, lay down civil service reform, but with no action, we would then go out for the holiday.

Mr. BAKER. Mr. President, I thank the majority leader.

I will inquire on this side to see what sort of problems that would cause our Members. I would say, however, that based on earlier conversations with other Members, I had the impression that the HEW appropriation bill would not be up this week. So it may be difficult to do this.

I also gather the impression that there is a growing likelihood of a Saturday session. Would the majority leader give me further information in that regard?

Mr. ROBERT C. BYRD. Yes. There would be, and for this reason. I think it is necessary that we complete action on the HEW appropriation bill before we go out, because when we return, we are going to have the second concurrent budget resolution. We are then going to have the conference report on natural gas and that will require some several days, I assume. Then, when we complete that, we would want to take up the other two conference reports on energy, energy conservation, and the so-called utility rate reform, the conference report. We must complete action on those energy conference reports and if we do not do the HEW appropriation before we go out, it means that big bill on which there will probably have to be an extended conference, will be held up behind all this other energy legislation.

So I think it is very important that the Senate go to work on the HEW appropriation bill before we go out, which could very well necessitate a Saturday session this week.

Mr. BAKER. Mr. President, if the Senator will yield further, could the Senator give me any views on how long he thinks the eight so-called tax bills might take? There are no time limits on them, I understand.

Mr. ROBERT C. BYRD. No, there are not.

Mr. BAKER. There are amendments to at least some of them.

Statements or insertions which are not spoken by the Member on the floor will be identified by the use of a "bullet" symbol, i.e., ●

Mr. ROBERT C. BYRD. Yes.

In talking to Senator LONG and Senator CURTIS—I believe the distinguished minority leader and I were in discussion with those two Senators some time ago—it was indicated that it was not felt that it would take long to complete action on those eight bills. There would be an amendment or two anticipated to each, or some of the several, and so it would be hoped we could clean up those bills maybe today.

Mr. BAKER. Mr. President, I thank the majority leader.

This morning I will talk with those Senators on my side who I know will be interested in the HEW appropriation bill.

Of course, they are all interested, but I am referring to those who may be particularly interested in it, or may have amendments to offer, and I will try to communicate that information to the majority leader as soon as possible.

Mr. ROBERT C. BYRD. Yes.

Mr. BAKER. I fully understand the exigencies of time and pressure on him to try to move this as soon as possible. I will be in touch with him.

Mr. ROBERT C. BYRD. I thank the minority leader.

I hope to get started on that bill tomorrow, and I believe we can do it. It might require a late session today, but if we can get started tomorrow—I see heads shaking in a negative fashion, but I am very, very optimistic and very, very determined, may I say, to proceed with the HEW appropriation bill this week and complete action on it; and if not, to complete it next week.

I yield the floor.

Mr. BAKER. Before the Senator yields the floor, I should like one more word, if the Senator will yield, and I will do it on my time if he wishes.

The suggested agenda would be to try to complete CETA and ESEA today, as well as the eight tax bills today.

Mr. ROBERT C. BYRD. Yes.

Mr. BAKER. And then either to lay down tonight or to proceed in the morning, as the first order of business, with two of the HEW appropriation bills.

Mr. ROBERT C. BYRD. Yes.

Mr. BAKER. And to work on that Thursday and Friday, and if necessary, on Saturday.

Mr. ROBERT C. BYRD. And if necessary, next Monday and Tuesday; because I am absolutely determined, despite negative nods of the head, to finish action on this HEW appropriation bill before we go out, even if we have to be in next Monday and Tuesday. We just cannot have that bill hanging around here after we come back from the holidays, with the energy conference reports, and hope to adjourn in mid-October.

Mr. BAKER. I am sure that the negative shakes of the head were in resignation, not in disagreement.

Mr. ROBERT C. BYRD. May I say that the minority leader was not shaking his head.

Mr. BAKER. At least, not visibly.

Mr. ROBERT C. BYRD. No. I thank the minority leader.

Mr. BAKER. I thank the Senator.

SPECIAL ORDER

The ACTING PRESIDENT pro tempore. Under the previous order, the Senator from Wisconsin (Mr. PROXMIRE) is recognized for 15 minutes.

THE ELEMENTARY AND SECONDARY EDUCATION ACT: IT IS TIME TO CUT A SACRED COW DOWN TO SIZE

Mr. PROXMIRE. Mr. President, the Senate will today debate S. 1753, legislation to revise and extend the Elementary and Secondary Education Act.

As we all know, this legislation has long been considered a sacred cow. No single piece of legislation enjoys such immunity from criticism.

After all, who can vote against education for our youth?

Who can oppose legislation that brings Federal dollars to all our States, all 435 congressional districts, and nearly every city and town we represent?

Well, Mr. President, I rise today to tell the Senate that this bill, as presently written, is bad legislation.

It is bad national policy.

And it is fiscally irresponsible.

Here is why.

AUTHORIZATION LEVELS: A GRAND SLAM FOR BUDGET BUSTING

First, the authorization levels bear no resemblance to reality.

Mr. President, I am no babe in the woods. I fully expect the proponents of these programs to attempt to put as much pressure on the Appropriations Committee as they can muster to get their pet programs the highest appropriations possible. That is to be expected.

But these recommendations are not even in the ball park. In fact, when one gets to bat, it is a guaranteed grand slam for budget busting.

For this bill, the numbers tell the story.

For the next 5 fiscal years, 1979 through 1983, this legislation proposes a total authorization level of over $55 billion.

You heard it right—$55 billion!

And that figure does not include the numerous programs with indefinite authorizations, which could push that total even higher.

To get a clearer picture of how out of line these recommendations are, just look at the authorizations for fiscal 1979.

For the programs covered by this bill, President Carter requested approximately $5 billion in his budget.

The Senate and House Appropriations Committees, after careful review, approved—with some rearrangement—spending levels very near the Presidential request of $5 billion.

That figure represented all the expansion that we felt could prudently be undertaken.

If we had followed the recommendations in this legislation, we would have approved over $11 billion—an increase of well over 100 percent.

We have been faced with a consistent pattern of authorizing bills for education that bear no resemblance to reality. They merely make the tough decisions faced by the Appropriations Committee members all the harder.

Enough is enough.

It is time to cut this sacred cow down to size and reduce these authorization levels drastically during debate.

TRIGGER ON A LOADED GUN

Second, this authorization is a monument to the clever budgetary device of a trigger mechanism. A what? A trigger mechanism. You pull the trigger and all hell breaks loose.

Never heard on one? Well, in this bill they come in all shapes and sizes—a regular department store full.

Here is the simplest form.

First, combine a number of small programs into one title.

Then, require that none of the programs can be funded until all of them are funded at some specified minimum level.

You have now forced the Appropriations Committee to fund a whole host of programs that may be good, bad, or worthless, before we can even reach a particularly meritorious one.

This is not merely an attempt to usurp the powers of the Appropriations Committee to give these programs careful year-by-year review.

It is a trigger mechanism connected to a loaded gun. And where is that gun pointed? Right at the American taxpayers.

It is a blatant attempt to force us to fund every pet project of the educational establishment.

Whatever happened to the concept of judging each and every project or program on its merit, letting the chips fall where they may?

Whatever happened to the concept of Government responsible to the taxpayers?

And what of the Budget Act, and our high words about making the budget more controllable?

Trigger mechanisms push us in exactly the opposite direction.

They are an abdication of our responsibility to the taxpayers and to the budget process we have established.

They are wrong. Dead wrong.

Let us stop them now before we straitjacket ourselves for the next 5 years.

IMPACT AID

Mr. President, the third problem with this bill is impact aid.

Here is a classic example of a good program run amok.

Begun in 1950 as a modest relief program of $30 million, this program has literally exploded. And this bill recommends a whopping $1.4 billion in 1979 and nearly $2 billion in 1983.

The premise upon which this program is based remains sound. Federal installations, employing hundreds or thousands of men and women, flood local school systems with their dependents. If the parents live and work on tax-exempt Federal property, the school district faces a serious financial crunch in attempting to meet the expense of educating these children.

But over the years, the program has

been altered beyond recognition in two important ways.

First, the once narrow eligibility criteria have been broadened like an 8-lane expressway. We now have two classes of students: The (A) students we originally meant to help, whose parents live and work on Federal property; and now we have (B) students, whose parents work on Federal property or live on Federal property. And over the years, we even have subdivided these categories further, as more groups jumped on the Federal gravy train.

Second, the committee developed an elaborate trigger mechanism known as the tier system. If impact aid is not fully funded, the tier system forces the Appropriations Committee to split up funds for the different categories and subgroupings according to a mandatory percentage formula.

Not only does this tier system attempt to prevent the Appropriations Committee from exercising its review authority—which it does—but it also creates a Rube Goldberg bureaucratic device for determining each district's eligibility.

The committee report itself notes on page 91 that up to 32 different computations are necessary to determine a school district's entitlement and an additional 32 calculations may be necessary to determine the district's payment.

The implications of these changes are frightening.

Expanding eligibility has caused this program to grow like topsy.

Between 1951 and 1976, the number of (A) students has grown from 50,000 to over 360,000, while the number of (B) students has increased from 386,000 to over 2.1 million.

(B) students are the ones who, in most cases, work on Government property—work for the Senate, for example—and live where they pay taxes.

In addition, grave inequities have resulted. Because of the (B) student provisions, the suburbs of Washington, D.C., have been treated to a windfall bonanza. Fairfax County, Va.—the richest county in the country—had a 1970 median family income of $28,000, and very few tax-exempt Federal buildings but the county is the home of a large number of Federal employees. Despite the fact that these parents already pay property taxes, supporting the school systems their children attend, the county was eligible for $11 million in Federal support.

Eleven million dollars.

To put that in perspective, the entire State of Wisconsin receives only $3 million, and we have a median income of only $10,000—a far cry from the income of wealthy Fairfax.

So how does this bill deal with this morass?

In two ways—equally bad.

Not only did the committee reject the administration's proposal to eliminate eligibility for districts where Federal employees lived but did not work.

No, they were not satisfied to stop there, Mr. President.

The committee decided to continue the old politics of increasing eligibility. They now want to add the children of employees at federal owned postal facilities, property owned by foreign governments, and international organizations.

Where will it all end?

PROLIFERATING PROGRAMS

Finally, this bill significantly broadens the scope of existing programs and creates a whole new host of categorical programs so that everyone can get a piece of the action. In addition, the bill continues and even expands programs that simply are not working or do not belong in the Office of Education.

Let me cite just a few examples.

Bilingual education. Here is a program that has a fine purpose, to help assure equal educational opportunity to students with limited English-speaking ability.

But is it working? Not according to a $1.5 million evaluation conducted by the Office of Education itself.

The study of 1975 and 1976 bilingual education projects found that youngsters in the programs did not fare any better than students from similar backgrounds who were taught in traditional classes.

In fact, in some grades the students in traditional classes did slightly better in English than the students in the bilingual classes.

What is the committee's recommendation? Add $20 million for more evaluation and keep the authorizations increasing. From the current level of $160 million for 1978, the committee proposes $200 million for 1979 and increases reaching $400 million by fiscal 1983.

What is the logic here? Apparently, the worse the evaluation a program receives, the more money it receives.

A cut may well be in order here. But, at minimum, would it not make more sense to at least hold the line until we can be sure that this program can even be salvaged?

Special projects authority. The special projects authority of title III of the bill is fast becoming a grab bag for everyone's pet program. This bill reauthorizes three special programs: consumer education, metric education, and arts in education.

In addition, it creates six entirely new special programs: law-related education, correction education, youth employment, population education, health education, and biomedical sciences education.

These new authorities continue the proliferation of small Federal programs that burden local educators and the taxpayers.

And who do these programs benefit? Those school districts that can afford the art of "grantsmanship."

Ethnic heritage studies. Here is one of the smallest special interest programs in the Office of Education.

The administration has requested no funds for this program. It is being replaced by a new social history initiative under the Endowment for the Humanities. So why continue it here?

With the 20-percent increase in appropriations for the arts and humanities in this year's budget—continuing a long, long string of major increases—we can safely eliminate the authorization in this budget.

And the list goes on and on.

Mr. President, of all the great responsibilities facing this country there is none where the old adage that you cannot solve problems by throwing money at them has been more emphatically established than in education.

In the past few years we have vastly increased our Federal, State, and local spending for education. We now have more teachers, better paid teachers, more facilities and far better facilities, far more loans and grants and scholarships than ever before. We have had a whizbang Fourth of July explosion of billions of dollars for education and what has been the result?

Last night CBS in the first of three hour-long documentaries on the tragedy of American education told part of the story. The series is labeled: "Is Anyone Out There Learning?" The answer seems to be an emphatic no. One critic contended that HEW's motto should be changed to "Every day in every way we are getting dumber and dumber."

As the same critic points out at a time when precollege education costs a record $83 billion a year, 13 percent of all American 17-year-olds are functionally illiterate, and every year students are doing worse—not better, worse—on scholastic aptitude scores.

Mr. President, we have tried spending more money on education—oceans of money. The result is a nightmare of failure. The answer is not to pour even more down the rathole. It is time to stop and this bill is a good bill to stop on.

THE PROXMIRE PROPOSAL

Mr. President, there is still time for us to salvage this bill. Here are a few suggestions for starters:

First, we can cut the total authorization levels by 40 percent. This is not a Simon Legree suggestion. Just look at the disparity between authorization and appropriations levels.

This would also provide the committee with leeway for adjusting individual programs where further increases may actually be warranted.

Second, we must eliminate the complicated, budget-busting, trigger mechanisms.

Senator MAGNUSON, as chairman of the Appropriations Committee, and Senator MUSKIE, as chairman of the Budget Committee, have worked against incredible odds to make this budget process work. They have committed themselves to staying within the congressional budget and eliminating just these types of appropriations-forcing mechanisms. My hat is off to them.

But they cannot be expected to shoulder this burden alone. The Senate must give them its full support.

Third, while I have no illusions that we can eliminate coverage of the so-called (B) students under impact aid,

we can take several meaningful steps this year.

We must eliminate the proposal to extend impact aid to include Government-owned postal facilities.

We must accept the President's proposal to eliminate eligibility of school districts where Federal employees live but do not work. By accepting this provision, we would eliminate the most inequitable provisions of impact aid.

Finally, we need to hold the line on new categorical programs. Many of the new proposals under the title III special projects section are already covered by existing authorities.

The massive expansion of this section needs to be deleted.

CONCLUSION

Mr. President, my maiden speech before the Senate in 1957 was on the need for a strong policy of Federal support for education.

I am convinced today of that need, as I was 21 years ago.

The United States was the first country in the world to provide universal education for our children.

And that commitment to education has spearheaded our drive for equal opportunity.

But that concern—that commitment—cannot serve as a vehicle for special interest groups run rampant.

We can have a fiscally responsible bill. One that's good policy, too.

But only if we are willing to bite the bullet.

Mr. President, I ask unanimons consent that an article in yesterday's Wall Street Journal entitled "A Serious Look at the Education Slag Heap" be printed in the RECORD.

There being no objection, the article was ordered to be printed in the RECORD, as follows:

A SERIOUS LOOK AT THE EDUCATIONAL SLAG HEAP

(By Aram Bakshian, Jr.)

A great deal of ink and air time has been devoted to debunking the so-called myth of the melting pot. Ethnic Americans were never really assimilated, we are told—often by self-appointed ethnic spokesmen in search of new government and foundation grants.

Yet for all of the major immigrant groups that flooded into the United States in the second half of the 19th and the first half of the 20th centuries, there were two great melting pots—the American private sector, which provided an expanding job market for cheap labor, and our public elementary and secondary schools, which managed to impart a common language, a shared sense of citizenship, and the beginnings of an American ethos for immigrant groups as varied as Irish, Italians, Jews, Slavs, Greeks, Chinese, Germans, Japanese and even the occasional Armenian.

The achievement of America's public education system has been unique. No other society, in any era, has successfully turned millions of disparate, poor and often illiterate immigrants—few of whom had experienced the full rights and responsibilities of citizenship in their countries of origin—into full partners in a new society, sometimes in a single generation.

Yet there are increasingly disturbing signs that, for the two largest and least assimilated of America's ethnic minorities—blacks and Chicanos—the educational melting pot is turning into a slag heap. For these two minorities, who now compose a growing proportion of students in urban public schools, and for the shrinking percentage of white, middle class children whose parents have not yet fled to insulated suburbs or enrolled them in private schools, what H. G. Wells once called the "race between education and catastrophe" is being lost.

If CBS News is right—and the evidence marshalled in its impressive, three-part documentary on public education beginning tonight at 8 p.m. EDT is pretty overpowering—then HEW's motto should be changed to "Every day, in every way, we are getting dumber and dumber." At a time when pre-college public education costs a record $83 billion a year, 13% of all American 17-year-olds are functionally illiterate, and the decade-long plunge in scholastic aptitude scores continues. Clearly, the taxpayers aren't getting their money's worth and many young Americans are being short-changed in a way that may stunt them intellectually, emotionally and economically for life.

To CBS's credit, it has treated this potentionally sensational subject in extended detail rather than as a single, slick "60 Minutes" segment. CBS gives us a genuinely thoughtful if occasionally slow-moving three-hour presentation that makes for frequently depressing but invariably informative viewing. "Is Anyone Out There Learning?" is one of those all too rare reminders of the useful service network news can perform when it commits top dollars, talent and time slots to responsible in-depth reportage on important public issues.

Anchored by Walter Cronkite and backed by six correspondents in the field and a production force of 50, the report begins by focusing on a fairly representative urban school system, that of Denver. Denver's schools are neither the best nor the worst in the country. In medical terms they would probably qualify for a serious rather than critical listing, but they suffer from most of the current forms of educational malaise that have already ruined some larger, older city school systems: racial resistance to "White Anglo-Saxon cultural values" (such as reading, writing and arithmetic), busing, drugs, increasing absenteeism, lowered test scores, permissiveness (before the current superintendent took over, not a single student had been expelled in Denver for two years), and the crowning folly of "school promotion" (automatic passing of students at the end of each year, whether they have learned anything or not).

At the same time, and perhaps partially in reaction to all this, the curriculum has ballooned. Denver schools now offer 700 different courses. The result of more basket-weaving and less basic learning has been growing numbers of high school students with elementary school brains.

Why have so many parents ignored these trends and their children's obvious deficiencies until it is too late? In its second hour, tomorrow evening, CBS examines the problem of parent, student and teacher apathy along with other underlying causes of educational decline. Particularly to CBS's credit is its straightforward recognition of television itself as a major negative factor, both as a "time thief" eroding home reading and study patterns, and as a passive communication form that offers its viewers, especially undereducated youngsters, little active intellectual sitimulation.

Educational authorities and administrators of all stripes are heard from, ranging from HEW Secretary Joseph Califano, who lamely defends the status quo and advocates more of the same, to several local educators who have restored learning and civilized values to deteriorating schools. In its closing Thursday evening installment, CBS examines some of the latter's proposals for improving public education, cautiously and without any special pleading. The key to solving the problem, as perceived by both CBS and a national sampling of parent opinion commissioned for the program, is a return to fundamental learning skills—a greater effort to instill the necessary but unglamorous abc's that give youngsters the basic means of absorbing and communicating more complex learning. Specifics are examined.

What CBS fails to ask—much less to answer—is an even more basic question about the changed nature of both American education and American life. In an increasingly permissive welfare state, is it reasonable to expect backward groups to take much interest in education when, literate or not, they can look forward to a lifetime of state support and when, through debased grading practices, the high school diplomas they will receive are virtually worthless in the job marketplace?

We are now a country in which most middle class children routinely enjoy a level of unearned affluence and a range of temptations which only the children of the wealthy few were exposed to in the past, and in which disadvantaged children are born into ghettos where the state now guarantees a subsistence that only study and work used to provide. The result is both a more democratic society in the narrowly egalitarian sense, and one that carries within it the seeds of educational and moral decay. To the extent that our public schools reflect this greater social dilemma even three hours of excellent CBS News coverage can do little more than scratch the surface of the problem.

THE OPPOSITION TO THE GENOCIDE CONVENTION

Mr. PROXMIRE. Mr. President, in spite of an ever-broadening base of support, in spite of frequent violations of fundamental human rights, and in spite of its embodying a deeply and obviously just principle—in spite of all these things, Mr. President, the Genocide Convention has not received the ratification of the U.S. Senate. For 30 years now the Senate has held back its approval.

Why has the ratification been denied for so long? What compelling objections have persuaded the Senate not to accede to the treaty on any of the four occasions when it was reported?

To be fair, the opposition has offered several substantial objections over the years. Until recently, in fact, the American Bar Association opposed the treaty. Fortunately, so many years of discussion have brought out very clearly the nature of every objection, the arguments pro and con, and the facts. One by one, those who oppose the treaty have been won over. The American Bar Association is one of the more recent converts, and as the voice of the American legal profession they are a formidable and welcome ally.

But what about those objections? What led the opposition to hold out so long?

Some opponents objected to a clause defining genocide as "acts committed with intent to destroy, in whole or in

part, a national, ethnic, racial, or religious group, as such." They questioned whether the destruction of some very small part of a group, say, two or three individuals, would be construed as genocide under the treaty. Mr. Dean Rusk laid that objection to rest almost three decades ago when, as Deputy Under Secretary of State, he recommended that the United States sign the treaty with the reservation that an act is not genocide unless it involves a substantial part of the group. The reason is clear: To allow the wholesale destruction of a people to occur before taking action would be the grossest sort of folly.

Others objected to the treaty's definition of an action, "causing serious bodily or mental harm to members of the group," as an act of genocide. They thought the inclusion of "mental harm" left open the door to absurd claims. When President Nixon submitted the treaty for ratification in 1970, he recommended it with the understanding that "mental harm" meant "permanent impairment of mental faculties." Even then, some went so far as to ask whether a segregated school system providing unequal services to two racial groups might then qualify as genocide. Legal experts have pointed out that such court decisions as Brown against Board of Education proscribed segregation because it denies equal protection under the laws, and not because segregation may cause impairment of mental faculties.

Some even asked why any act other than outright killing of persons should be considered genocide. Mr. President, we need look no further than the example of Nazi Germany to see that genocide is a thing that gathers momentum slowly. This is a convention for the prevention as well as the punishment of genocide.

The Genocide Convention makes both states and individuals liable for the crime of genocide, and one of the most complex objections for a long time swirled around the question of whether U.S. citizens could be extradited for genocidal offenses, regardless of the protections of the Constitution or of U.S. law. It is now clear that our extradition treaties would still be in force and would prevent this kind of invasion of a U.S. citizen's rights. While he was Assistant Attorney General, Supreme Court Justice William Rehnquist presented a very able, lucid defense of the treaty against this objection.

Mr. President, I ask unanimous consent that a copy of his letter to Senator CHURCH during the 1970 hearings on the Genocide Convention be printed in the RECORD.

There being no objection, the letter was ordered to be printed in the RECORD, as follows:

MAY 8, 1970.

HON. FRANK CHURCH,
Chairman, Ad Hoc Subcommittee on the Genocide Convention, Committee on Foreign Relations, Washington, D.C.

DEAR MR. CHAIRMAN: This is in response to requests for information made by members of your subcommittee on the Genocide Convention during the hearings held on April 27, 1970.

POWER OF SECRETARY OF STATE TO REFUSE EXTRADITION

We were asked whether the Secretary of State could refuse to extradite a citizen of the United States if he thought the national interest was served by so refusing. It was assumed that genocide was an extraditable offense and that a legally adequate case had been demonstrated before a judicial officer.

The statutes of the United States are not directed to this issue but instead leave the answer to the text of the extradition treaty involved. 18 U.S.C. 3184. Some treaties do not distinguish between citizens and aliens and there is no provision for Executive discretion in such treaties concerning extradition of citizens.

On the other hand, under the laws of many countries the extradition of nationals of the requested state is prohibited or is non-obligatory. U.S. extradition treaties with such countries reciprocally provide either for discretion in the rendition of United States citizens or prohibit it. *E.g.*, Extradition Convention with Mexico. ("Neither of the contracting parties shall be bound to deliver up its own citizens under the stipulations of this convention, but the executive authority of each shall have the power to deliver them up. If, in its discretion, it be deemed proper to do so.") See 6 Whiteman, *Digest of International Law*, 865, 873–876.

SENATOR JAVITS' PROPOSAL ON ART. VI

Our view was solicited as to whether the following declaration would be considered as an understanding or as a reservation:

"That article VI shall not be understood to deprive the United States or any state thereof from, by law, declaring that acts similar to those described in this convention are crimes against the United States or of any State wherever committed."

From the discussion surrounding this proposal, we understand that its purpose is to ensure that nothing in Article VI shall affect the right of the United States to bring American citizens to trial for genocide before its own tribunals for acts committed outside this country.[1]

A reservation is a unilateral statement, however phrased or named, made by a state when signing or ratifying a treaty whereby it purports to exclude or modify the legal effect of certain provisions of the treaty. Vienna Convention on the Law of Treaties, Art. 2(1)(b). An understanding is designed to indicate the meaning that a party attaches to a treaty provision without changing its legal effect. Restatement (Second), *Foreign Relations Law of the U.S.* § 124 (1965). The question therefore is whether the proposed declaration would change the legal effect of Article VI.

Art. VI is the only provision in the Convention dealing with the place of trial. It provides that "Persons charged with genocide * * * shall be tried by a competent tribunal of the State in the territory of which the act was committed." This language could be read as permitting trials for genocide only in the state where the alleged genocide took place.

On the other hand, the negotiating history of the Convention indicates that Sen. Javits' proposal merely reflects the meaning of Article VI. The Report of the Legal Committee to the General Assembly is directly in point. It notes that Article VI was not meant to limit the right of a state to try its own nationals:

"The first part of article VI contemplates the obligation of the State in whose territory acts of genocide have been committed. Thus, in particular, it does not affect the right of any State to bring to trial before its own tribunals any of its nationals for acts committed outside the State."

This text was adopted by a vote of 20–8–6. (UN Doc. A/760 & Corr. 2 (Dec. 3, 1948)). On the basis of this negotiating record, the proposed declaration might be termed an understanding.

As in the case of a reservation, another state may object to an understanding. Each party has the option of deciding whether the statement, however designated, alters the legal effect of the Convention, whether it is compatible with the object and purpose of the Convention and whether it will be in treaty relations with the state making the declaration. *Reservations to the Genocide Convention* [1951] ICJ Rep. 15. Therefore, as a practical matter, the description that either the Senate or the Executive gives to a declaration is not conclusive.

EXTRADITION FOR INCITEMENT TO GENOCIDE

Question was raised by Senator Javits as to whether the United States would have to extradite a U.S. citizen to another country for trial on charges of incitement to genocide if the acts constituting the alleged incitement would be lawful under the First Amendment had they been committed in this country.

Generally speaking, the United States could refuse extradition in such a case. The acts charged, which form the basis for the extradition request, must constitute a crime under the laws of both the requesting and the requested state. We are informed by the Department of State that our extradition treaties specifically cover this. They provide typically that—

"surrender shall take place only upon such evidence of criminality as, according to the laws of the place where the fugitive or person so charged shall be found, would justify his commitment for trial if the crime or offense had been there committed."

This means that even if both parties to an extradition treaty agreed that a listed crime, such as genocide, were an extraditable offense, it would be necessary to show that the specific acts charged were considered criminal in the requested state. See 6 Whiteman, *Digest of International Law* 733–779 (1968). If the evidence presented by another country only showed acts which would be legal in the United States, surrender would not be required.

DEVELOPMENTS SINCE 1950 CONCERNING THE TREATYMAKING POWER AND THE FIRST AMENDMENT

Senator Javits asked that we list developments since 1950, when hearings were first held on the Convention, as they affect the treatymaking power and the First Amendment.

a. The treatymaking power

(1) On a general level, a vast increase has taken place since 1950 in the number of treaties being negotiated and ratified. Approximately two-thirds of the total number of treaties and agreements entered into by the United States since 1776 have been concluded since 1949.[2] Treaties have become an

[1] If a statement on this subject is thought necessary, the following might be considered as an alternative:

"The United States understands and construes Article VI of the Convention in accordance with the agreed language of the Report of the Legal Committee of the United Nations General Assembly that nothing in Article VI shall affect the right of any State to bring to trial before its own tribunals any of its nationals for acts committed outside the State."

[2] 1 Bevans, *Treaties and Other International Agreements of the U.S.* iii (1968).

accepted way of dealing with a wide variety of international problems.

(2) In the last few years the Senate has unanimously approved several treaties which, like the Genocide Convention, are considered human rights treaties. They are the Supplementary Convention on the Abolition of Slavery, the Slave Trade, and Institutions and Practices Similar to Slavery; and the Protocol Relating to the Status of Refugees. In 1968 the United States ratified amendments to the Charter of the Organization of American States which include extensive provisions concerning the economic, social, educational, scientific and cultural standards to be applied within each state. See Arts. 29–31, 43, 45, 47.

(3) The list of states ratifying the Genocide Convention has grown from 7 in 1950 to 75 today, thus emphasizing the view of the world community that genocide is both a matter of international concern and a proper subject for treaty negotiations.

The 1950 position of the Department of Justice—that under the treatymaking power the United States has complete authority to enter into the Genocide Convention—is therefore as valid today as it was then.

b. The First Amendment and "Direct and public incitement."

Art. III(c) of the Convention makes punishable "Direct and public incitment to commit genocide." In 1950 the Department of Justice expressed the view that such a provision would be consistent with the First Amendment. Developments since that time have not changed our position.

Drawing a line between speech which is permissible and that which is reprehensible is, in the Supreme Court's own words—a "thorny problem." *Carroll* v. *Princess Anne*, 393 U.S. 175, 180 (1968). Since 1950 Supreme Court decisions have increasingly emphasized the proposition that "advocacy of abstract doctrine" was constitutionally protected. *E.g., Yates* v. *United States*, 354 U.S. 298, 318, (1957). However, no court has questioned the proposition that incitement to crime can be punished. In *Brandenberg* v. *Ohio*, 395 U.S. 444 (1969), which has been cited by a number of witnesses at these hearings, the Supreme Court restated the principle underlying the decisions of the last twenty years—that the First Amendment protects advocacy of law violation except "where such advocacy is directed to *inciting or producing imminent lawless action and is likely to incite or produce such action.*" The carefully drawn words of the Convention requiring "direct and public incitement" are thus consistent with the views of the Supreme Court concerning free expression.

JURISDICTION OF U.S. COURTS RELATING TO THE CONVENTION

Senator Cooper posed several questions relating to whether the Federal courts might be able to pass on certain questions relating to the Convention if the United States became a party to it. (Our responses are concerned with possible jurisdiction and not with how the courts would dispose of these matters on the merits.)

(1) Whether the implementing statute was consonant with the Convention: It is possible that this question could be raised in a Federal court. If, for example, the definition of genocide in the implementing legislation were broader than that in the Convention, a court would have jurisdiction to hear a defendant's argument that there is no legal basis for the implementing statute.

(2) Whether reservations of understandings adopted by the Senate are constitutional: As noted during the hearings, the criminal provisions of the Convention are not self-executing. It is therefore improbable that the constitutionality of a reservation of understanding could be tested directly in Federal courts. It is more likely that tests would be made of the implementing legislation or of extradition treaties. (It is to be expected, of course, that any implementing legislation or any changes in extradition treaties will reflect understandings or reservations to this Convention which are adopted by the Senate.)

(3) Whether executive agreements on status of forces providing for jurisdiction over crimes committed by U.S. armed forces or civilians could be questioned if the Genocide Convention were ratified: The Federal courts have taken jurisdiction of the question of where jurisdiction lies to try offenders under status of forces agreements. *E.g., Wilson* v. *Girard*, 354 U.S. 524 (1957). If a person subject to a status of forces agreement alleged that the agreement had somehow been affected by the Genocide Convention the courts might pass on the question.

STATISTICS CONCERNING EXTRADITION

Statistics on the number of citizens and aliens extradited from the United States to other countries are not kept either by this Department, by the State Department or by the Administrative Office of the United States Courts. Moreover, this Department is unfortunately not in a position to compile such statistics for the subcommittee's use. Many extradition proceedings take place every year in this country in which this Department has no involvement at all. Our only role is to represent foreign governments in a limited number of instances where the United States has agreed to do so by treaty or where we undertake to do so on an ad hoc basis. In many cases foreign governments retain their own counsel and proceed under 18 U.S.C. 3184 in either local or Federal courts without going through this Department.

This Department's primary role in the extradition process is the securing of fugitives from abroad for trial for Federal offenses in the United States.

THE ATTORNEY GENERAL'S CONCURRENCE

A copy of the Attorney General's letter to the Secretary of State of January 26, 1970 concurring with the Secretary's judgement that there are no constitutional obstacles to United States ratification of the Genocide Convention is enclosed with this letter.

Sincerely,

WILLIAM H. REHNQUIST,
Assistant Attorney General,
Office of Legal Counsel.

Mr. PROXMIRE. Mr. President, I spoke earlier of formidable allies, and in legal matters there are no opinions more authoritative than those of members of our Supreme Court. But let me emphasize that the support for the Genocide Convention is as broad as it is deep. Over the years of discussion, the list of organizations favoring ratification has grown extremely long. Those who oppose the convention have dwindled in number.

Mr. President, every objection has been answered. There is no further reason to withhold our support. We must ratify the Genocide Convention.

Mr. HARRY F. BYRD, JR. Mr. President, will the Senator yield for a unanimous-consent request?

Mr. PROXMIRE. I am happy to yield to the Senator from Virginia.

PRIVILEGE OF THE FLOOR—S. 1753

Mr. HARRY F. BYRD, JR. Mr. President, I ask unanimous consent that Miss Joan O'Neill, of my staff, be granted the privilege of the floor during the consideration of the education amendments of 1978.

The ACTING PRESIDENT pro tempore. Without objection, it is so ordered.

EDUCATION AMENDMENTS OF 1978

The ACTING PRESIDENT pro tempore. Under the previous order the Senate will now resume consideration of S. 1753, which wil be stated by title.

The legislative clerk read as follows:

A bill (S. 1753) to extend the Elementary and Secondary Education Act of 1965, and for other purposes.

The Senate resumed the consideration of the bill.

ROUTINE MORNING BUSINESS

Mr. ROBERT C. BYRD. Mr. President, I ask unanimous consent that there be a brief period for the transaction of routine morning business of not to exceed 5 minutes with statements therein limited to 2 minutes each.

The ACTING PRESIDENT pro tempore. Without objection, it is so ordered.

S. 3446—AUTHORIZING GOLD MEDALS FOR AMERICAN BALLOONISTS

Mr. DOMENICI. Mr. President, I send to the desk a bill in behalf of myself, Senator SCHMITT, and Senator GARN, and ask unanimous consent that the bill be considered as having been read twice and the Senate proceed to the immediate consideration of the bill.

The ACTING PRESIDENT pro tempore. The bill will be stated by title.

The legislative clerk read as follows:

A bill (S. 3446) to authorize the President of the United States to present on behalf of the Congress a specially struck gold medal to Ben Abruzzo, Maxie Anderson, and Larry Newman.

The ACTING PRESIDENT pro tempore. Is there objection?

Mr. ROBERT C. BYRD. Mr. President, the distinguished Senator from New Mexico has cleared this measure on this side of the aisle, and I have no objection to proceeding with the second reading and move to third reading and immediate consideration of the bill and final passage.

Mr. DOMENICI. I thank the distinguished leader, and it has been cleared on this side of the aisle.

There being no objection, the Senate proceeded to consider the bill.

Mr. DOMENICI. Mr. President, I ask unanimous consent that Senator HATCH be added as a cosponsor and Senator DECONCINI be added as a cosponsor.

The ACTING PRESIDENT pro tempore. Without objection, it is so ordered.

Mr. DOMENICI. Mr. President, a week after three Albuquerque, N. Mex., men made aviation history by transcending the Atlantic Ocean in a helium-filled balloon, the world still stands in awe of and applauds their feat.

Ben Abruzzo, Maxie Anderson, and Larry Newman will rightfully take their places in history alongside such American pioneers as Charles Lindberg, the Wright brothers, JOHN GLENN, Neil Armstrong and Buzz Aldrin.

A proud United States of America and its representative government can express that pride in a variety of ways.

A fitting way, in my opinion, is for the U.S. Senate to unanimously pass a bill we introduce today, authorizing the President of the United States to present on behalf of the Congress a specially struck gold medal to each of these transatlantic pioneers.

In an age when America's prestige is faltering throughout the world, when problems beset us from every corner of the globe, these three Americans have given our pride a tremendous boost.

Once again we can boast that Americans can do something better and quicker and with more initiative than any other peoples. Our spirit of adventure and quest for challenges—both of which forged a great nation out of a wilderness—are embodied once again in the persons of Abruzzo, Anderson, and Newman.

This gold medal will symbolize much more than just the feat of three adventurers. It will say to free people everywhere that America and Americans still "can do."

The ACTING PRESIDENT pro tempore. The bill is open to amendment. If there be no amendment to be proposed, the question is on the engrossment and third reading of the bill.

The bill was ordered to be engrossed for a third reading, was read the third time, and passed, as follows:

S. 3446

Be it enacted by the Senate and House Representatives of the United States of America in Congress assembled, That (a) The President of the United States is hereby authorized to present, on behalf of the Congress, to Ben Abruzzo, Maxie Anderson, and Larry Newman, transatlantic balloonists, one gold medal each of appropriate design in recognition of their distinguished feat as aviation pioneers. For such purpose, the Secretary of the Treasury is authorized and directed to cause to be struck 3 gold medals with suitable emblems, devices, and inscriptions to be determined by the Administrator of the National Aeronautic and Space Administration with the concurrence of the Commission on Fine Arts, subject to the approval of the Secretary of the Treasury. There are authorized to be appropriated not to exceed $15,000 to carry out the provisions of this subsection.

(b) The Secretary of the Treasury may cause duplicates in bronze of such medal to be struck and sold at not less than the estimated cost of manufacture, including labor, materials, dies, use of machinery, and overhead expenses, plus 25 per centum of such cost of manufacture. The appropriation then current and chargeable for the cost of manufacture of such duplicate medals shall be fully reimbursed from the payment required by this section and received by the Secretary: *Provided,* That any money received in excess of the actual cost of manufacture of such duplicate medals shall from time to time be covered into the Treasury. Security satisfactory to the Director of the Mint shall be furnished to fully indemnify the United States for the payment required by this section.

(c) The medals provided for in this section are national medals for the purpose of section 3551 of the Revised Statutes (31 U.S.C. 368).

Mr. DOMENICI. Mr. President, I move to reconsider the vote by which the bill was passed.

Mr. ROBERT C. BYRD. I move to lay that motion on the table.

The motion to lay on the table was agreed to.

Mr. DOMENICI. Mr. President, I am very appreciative of the leader and those who have been so helpful in permitting us to accomplish this today. Since they will be arriving in the State of New Mexico soon, it was our intention that we be able to tell them this occurred in the Senate and was sent to the House of Representatives for their consideration.

Mr. ROBERT C. BYRD. Was the Senator referring to the leader or the balloonists who will be arriving in New Mexico?

Mr. DOMENICI. The balloonists. I will, but the majority leader will not, but the balloonists will.

Mr. ROBERT C. BYRD. I thank the Senator.

The ACTING PRESIDENT pro tempore. Is there further morning business?

ORDER FOR RECESS UNTIL 9 A.M. AUGUST 24, 25, 26, 28, AND 29, RESPECTIVELY

Mr. ROBERT C. BYRD. Mr. President, I ask unanimous consent that when the Senate completes its business today, tomorrow, Friday, Saturday, and Monday of next week, it stand in recess until the hour of 9 a.m. on tomorrow, Friday, Saturday, Monday and Tuesday of next week, respectively.

The ACTING PRESIDENT pro tempore. Is there objection? The Chair hears none, and it is so ordered.

Mr. ROBERT C. BYRD. The order, of course can be changed by unanimous consent, and I hope it will be in due time.

CONCLUSION OF MORNING BUSINESS

The ACTING PRESIDENT pro tempore. Is there any further morning business? If not, morning business is closed.

SPECIAL ORDERS FOR TOMORROW

Mr. ROBERT C. BYRD. Mr. President, I ask unanimous consent that on tomorrow, after the two leaders have been recognized under the standing order, Mr. GARN, Mr. MCCLURE, and Mr. DOLE be recognized for not to exceed 15 minutes each.

The ACTING PRESIDENT pro tempore. Without objection, it is so ordered.

EDUCATION AMENDMENTS OF 1978

The Senate continued with the consideration of S. 1753.

Mr. ROBERT C. BYRD. Mr. President, the Senator from New Mexico has some amendments to the elementary and secondary education bill. I am prepared to act on behalf of Mr. PELL. Mr. PELL is conducting a hearing and will be here shortly, but I am prepared to man the ramparts, ready the cannon fire amid dust and fog and smoke and shell until Mr. PELL arrives on the scene.

At the present, using my field glasses, I do not see any cavalry appearing on the horizon. The infantry must be obscured by the foliage of the trees. Birnam Wood may not reach Dunsinane after all.

I have seen some artillery preparing to open up.

Mr. DOMENICI. Mr. President, I have a couple of unanimous-consent requests, if the leader will accommodate me.

Mr. ROBERT C. BYRD. I yield the floor.

Mr. DOMENICI. Mr. President, I ask unanimous consent that Chris Brewster of Senator DANFORTH'S staff; Linda Richardson and Mary Ann Simpson of Senator STEVENS' staff; Letitia Chambers of my staff be granted floor privileges during the debate on this bill.

The ACTING PRESIDENT pro tempore. Without objection, it is so ordered.

Mr. DOMENICI. I thank the leader.

Mr. ROBERT C. BYRD. We are awaiting the arrival of Blücher and Grouchy, and as I look at my watch I see Blücher or Ney. [Laughter.]

Mr. President, I yield the floor.

Mr. DOMENICI. Mr. President, I ask unanimous consent that Everett Wallace of Senator BAKER'S staff be granted floor privileges during the debate on this bill.

The ACTING PRESIDENT pro tempore. Without objection, it is so ordered.

Mr. DOMENICI. My staff is on their way with the amendments, but we are also waiting for the managers of the bill.

Mr. ROBERT C. BYRD. The managers of the bill have indicated on this side that I can proceed.

Mr. HATCH. Mr. President, will the Senator yield for a unanimous-consent request?

Mr. ROBERT C. BYRD. Yes.

Mr. HATCH. I ask unanimous consent that Ron Docksai, of my staff, be accorded floor privileges during the debate on this bill.

The ACTING PRESIDENT pro tempore. Without objection, it is so ordered.

Mr. ROBERT C. BYRD. Mr. President, I ask unanimous consent that the following staff members of the Human Resources Committee be granted the priv-

ileges of the floor during the debate and votes on S. 1753, the Education Amendments of 1978: Jean Frohlicher, Richard Jerue, David Evans, Christine Fruggiero, Alexander Crary, Ann Price, Stephen Paradise, Franklin Zweig, Marcia McCord, John Doyle, Kathy Hoffman, Birdie Kyle, Thomas Altmeyer, Scott Ginsburg, Joan Hunziker, Brad Mims, Peter Parham, and Craig Polhemus.

The ACTING PRESIDENT pro tempore. Without objection, it is so ordered.

Mr. DOMENICI. Mr. President, in behalf of Senator JAVITS, I ask unanimous consent that the following staff members be granted the privileges of the floor during the debate on this legislation: Gregory Fusco and Kristi Hanson, of Senator JAVITS' staff; Sven Groennings, of Senator STAFFORD'S staff; Polly Gault, of Senator SCHWEIKER'S staff; Nancy Barrow, of Senator CHAFEE'S staff; and John Backer, of Senator HAYAKAWA'S staff.

The ACTING PRESIDENT pro tempore. Without objection, it is so ordered.

Mr. DOMENICI. Mr. President, I suggest the absence of a quorum.

The ACTING PRESIDENT pro tempore. The clerk will call the roll.

The second assistant legislative clerk proceeded to call the roll.

Mr. DECONCINI. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER (Mr. MCGOVERN). Without objection, it is so ordered.

Mr. DECONCINI. I ask unanimous consent that Romano Romani and John Mulkey of my staff be permitted privileges of the floor during the debate and votes on the pending legislation.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. DECONCINI. I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The second assistant legislative clerk proceeded to call the roll.

Mr. PELL. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. PELL. Mr. President, I am happy to bring before the Senate S. 1753, the Education Amendments of 1978. This bill extends through fiscal year 1983 programs of Federal aid to elementary and secondary education.

In considering this legislation the committee followed the recommendations of the administration and continued the categorical approach to elementary and secondary aid, targeting assistance on those children most in need. It was the committee's belief that, in a time of limited funds, programs should be tightly drawn, so that available aid can have the greatest educational impact.

At the same time, the Subcommittee on Education heard extensive testimony from educators and States that the paperwork which currently accompanies Federal programs is excessive and, in some instances, more costly than the aid applied for. This makes no sense.

Therefore, the committee bill cuts down dramatically on the paperwork and reporting involved in these programs. Where an annual application used to be required, the committee bill provides for one every 3 years. Where annual evaluations were required, again the paper was reduced by a third. Each reporting requirement was carefully scrutinized to make sure that it was not unnecessary.

In order to assure that paperwork will be reduced even further in the future, the education amendments establish a procedure for the publication of an annual plan for data and information collection from schools and institutions. For the first time, the local officials who must fill out endless Federal forms will have notice of all of the requirements of all Federal agencies with which they must comply within the year. They will be given an opportunity to comment, and to demonstrate that many of the requests are redundant or exceedingly burdensome. It is my hope that this procedure will have a significant impact on the reduction of paperwork in the area of education.

Another substantial concern in S. 1753 is the participation of nonpublic school children in their fair share of Federal programs. The administration proposed strengthening the existing rules concerning equitable participation in federally assisted programs, and a speeded-up appeals procedure when such services were not being provided.

While the committee adopted these provisions, there was concern that services to nonpublic school children were still inadequate. For that reason, I proposed a new title XII to the Elementary and Secondary Education Act which would make grants available to nonpublic schools for such things as books, equipment, guidance and counseling, health services, and transportation. The Comissioner of Education's discretion in this program would be minimal. If a nonpublic school submitted assurances that funds would be used according to the law, the Commissioner would make the grant without further regulations or involvement in the affairs of the private school. The bill authorizes $500 million for these services to private schoolchildren, and provides for an expedited test of the title's constitutionality.

I believe that the bill is, on balance, an excellent piece of legislation. In drafting it, the committee sought a middle ground between creating a myriad of new programs of Federal aid for narrow categorical interests and scrapping those programs now on the books which have been shown to work well. Much of S. 1753 is devoted to make them work even better for the next 5 years, and I hope it may be supported.

Mr. President, today the Senate takes up a bill which will be the most important piece of legislation dealing with elementary and secondary education considered by the 95th Congress—S. 1753, the Education Amendments of 1978. This bill is the product of 10 days of hearings by the Subcommittee on Education, Arts, and Humanities of the Committee on Human Resources. It was unanimously reported to the Senate on May 9, 1978.

In general, S. 1753 extends existing programs of Federal assistance to elementary and secondary education for 5 years, through fiscal year 1983. While the committee decided to retain the current categorical approach to education aid, an approach also recommended by the administration, it took numerous steps to simplify the requirements of current programs and to reduce the paperwork necessary for States and schools to participate. Indeed, simplification and paperwork reduction are two of the key features of the bill now before the Senate.

Since the bill is lengthy, I would like to summarize for my colleagues the major provisions of S. 1753.

Title I of the Elementary and Secondary Education Act.—This is the major Federal program of assistance to school districts enrolling children from low income families. It affects almost every school district in the country and this year has an appropriation of approximately $2.7 billion. Title I programs, designed at the local level to meet local needs, provide compensatory education to low-achieving children, to bring them up to the academic level of their peers. In the early days of title I, there was some concern that these programs were not successful in bridging that gap. However, recent studies have shown the successes of title I programs in improving children's reading and mathematics scores.

The committee bill rewrites title I to make it more comprehensible to the layman. Under S. 1753, all program requirements are apparent on the face of the law. They are not hidden in additional regulations or guidelines which local school officials may not be aware of. This change should do much to alleviate any confusion that currently exists over permissible uses of title I funds.

While the committee considered changes to the title I formula, which is based on the 1970 census count of children in poverty-level families, it decided to leave the formula basically unchanged. It decided that the survey of income and education was of sufficiently questionable statistical accuracy that it would be unwise to use it as the basis for distribution of Federal funds. The only formula change made by S. 1753 counts children receiving Aid to Families with Dependent Children above the current poverty level in full, rather than at the two-thirds level of existing law.

S. 1753 adopted two provisions for new title I programs which were proposed by the administration. The first authorizes a new program of incentive grants to States which have their own compensatory education programs. State dollars would be matched by Federal funds at the rate of 2 to 1, encouraging additional State focus on compensatory education.

The second new program proposed by

the administration provides for additional title I grants for counties enrolling a high level of low-income children—in excess of 5,000 or in excess of 20 percent of the children in the county. These funds are to be used for additional title I compensatory education programs, especially those focusing on the basic skills of reading, writing, and computation.

No State will receive less than 0.25 percent of the funds appropriated for the new concentration authority. Of the funds appropriated for title I programs, the first $400 million is to be applied to the concentration grants, the level of funding proposed in the President's budget.

Basic Skills—S. 1753 adopted the administration's proposals for a series of new authorities for the Secretary of Health, Education, and Welfare to provide assistance to States and local school districts for improvement of instruction in basic skills. Parents and private organizations may also participate in these programs, and the use of technology is encouraged.

In addition, the program of inexpensive book distribution, commonly known as Reading Is FUNdamental, is continued; the special mathematics program currently funded under the Emergency School Aid Act is also authorized to be continued under the new Basic Skills authority.

In response to widespread national concern that students are no longer performing adequately in the basic skill areas of reading, writing, and mathematics, the committee bill also authorizes grants to States which wish to implement educational proficiency standards. While the committee decided against proposing any Federal standards of educational competency, it believed that States and localities should be encouraged to develop their own proficiency standards and achievement tests against which to measure the competency of their own students.

Special projects.—S. 1753 provides for categorical assistance to State and local educational agencies for demonstration programs in metric education, arts in education, consumer education, environmental education—all currently authorized programs—plus new authorities for youth employment (proposed by the administration), law-related education, corrections education, health education, and population education. Each of these authorities has a separate authorization of appropriations, unlike existing law, where all the programs are linked together in a single authorization. In addition, there is a separate authorization of appropriations to the Commissioner for experimentation with new educational administrative methods, techniques, and practices, and for emphasis on national priority areas. He may also use up to 10 percent of the special project appropriations, not to exceed 10 percent of any individual program, for such experimentation.

Consolidation.—In 1974, the Congress consolidated categorical programs for books, equipment, guidance and counseling, and innovation. The consolidation has worked reasonably well, and S. 1753 continues the program, with modifications suggested in testimony to make it work more efficiently. Guidance and counseling programs are given a new part D of title IV, separating those activities from the instructional materials and school library resources, which continue to be authorized under part B. A new program of education of gifted and talented children is included as a new part E of the consolidated title, authorizing State-level programs and discretionary grants from the Commissioner.

S. 1753 also proposes the consolidation of State administrative funds for title I (compensatory education) and title IV (consolidation). Under existing law, funds for State administration must be separately accounted for, leading to extensive paperwork and, too often, managerial inefficiency.

If personnel, supplies, and equipment must be kept separate at the State department of education level, a chief State school official is essentially denied the ability to organize his own office in the manner he feels most efficient. S. 1753 seeks to give the States the flexibility to allocate administrative funds between the two programs in a manner that best meets each State's individual needs. The Federal interest is preserved in that States provide assurances that programs will be effectively administered.

Emergency School Aid.—S. 1753 extends the Emergency School Aid Act as part of the Elementary and Secondary Education Act. In general, the committee bill reflects suggestions made by the administration to add flexibility to the implementation of the program. It also adds a new category of school district eligible to participate in the program, a district which is planning for desegregation but which is not yet in the implementation phase of its plan.

Bilingual Education.—The committee heard widely varying testimony concerning the direction bilingual education should take in the future. S. 1753 does not propose substantial changes in the existing bilingual education authority; it adopts many of the recommendations made by the administration for program improvements.

Ethnic Heritage Studies.—S. 1753 continues this program through fiscal year 1982, and specifically extends the authority for the Advisory Council on Ethnic Heritage Studies.

Community Schools.—S. 1753 authorizes a new program for community schools, building upon the demonstration authority initially enacted in 1974. It would allow recipients of community school assistance to use those funds to match funds received under other community-based Federal programs.

Women's Educational Equity.—This title also builds upon the success of a demonstration authority originally enacted in 1974. Once sufficient appropriations levels are reached, funds under this program may be used to assist State and local educational agencies and institutions in meeting the requirements of title IX of the Education Amendments of 1972, relating to discrimination on the basis of sex.

Non-Public Educational Assistance.—The committee bill contains a new title XII of the Elementary and Secondary Education Act authorizing assistance to nonpublic elementary and secondary schools. Since 1965, most Federal programs of aid to elementary and secondary education have required that students in nonpublic schools participate on an equitable basis.

However, the National Institute of Education study on title I of the Elementary and Secondary Education Act shows that less than 4 percent of private school students living in title I districts receive title I services. Only 43 percent of the title I districts that contain nonpublic schools provide title I services to nonpublic school children. In addition, participating private school children receive an average of approximately 1 hour per week of compensatory education, compared with an average of 5½ hours per week for all title I children.

The administration proposed a number of amendments to existing programs to strengthen the requirements for equitable participation of nonpublic school children, including expedited appeals procedures when an inadequate level of services was being provided by a State or local school district. However, I did not believe that such measures were a sufficient response to the needs of students in nonpublic schools. For that reason, I proposed that title XII be added to the Elementary and Secondary Education Act. This suggestion was adopted by the Committee on Human Resources, and is now before the Senate.

Title XII will provide direct grants to nonpublic schools. These grants must be used solely for the benefit of nonpublic school students in the following ways: for the purchase of secular textbooks to be used by such students; for the purchase of standardized tests and scoring services for the use of such students; for the provision, within the nonpublic school, of speech and hearing diagnostic services to such students; for the provision of guidance and counseling services to such students; for the provision of necessary transportation of such students to and from the nonpublic school. In addition, grants may be used to provide secular, neutral, and nonideological instructional materials and instructional equipment for the use of nonpublic school students, so long as such materials and equipment cannot be diverted to religious use, cannot be affixed to the nonpublic school facility, and can be easily taken home by the nonpublic school student.

Applications would be made directly to the Commissioner of Education, who would have little discretion in deciding whether to fund the grant. If the nonpublic school made the proper statutory assurances, the Commissioner would be required to provide the assistance sought. S. 1753 contains an expedited procedure for determining the constitutionality of the title, which is based upon the services which courts, in the past, have upheld for nonpublic school children.

Impact Aid.—In general, S. 1753 continues existing law with respect to Public Law 81–874, commonly known as the impact aid law. The bill retains the current exclusion for eligibility for payments of children who live in one State and whose parents work in another. It also continues the reduced payment rate for children whose parents work in a county other than that in which they live. However, the bill amends this provision to cover school districts which are located in more than one county.

S. 1753 does increase payments for handicapped children of military personnel and Indians. In addition, it repeals the absorption provision contained in existing law, effective upon enactment. With respect to children living in federally assisted public housing, S. 1753 makes them eligible for assistance on the same basis as other federally connected children. It also adds to local entitlements property owned by foreign governments and international organizations and property owned by the U.S. Postal Service which is not subject to State or local taxation on behalf of public education.

S. 1753 also extends the construction program, Public Law 81–815, through fiscal year 1983, with amendments designed to reduce its paperwork.

Adult Education.—The education amendments extend adult education programs through 1983 and add a new program directed at the special educational needs of adult immigrants.

Indian Education.—S. 1753 extends the existing programs under the Indian Education Act unchanged through fiscal year 1983.

Teacher Centers.—The bill increases the authorization for teacher centers. It also provides that when appropriations for the program reach the level of $50 million, each State will receive at least $250,000 for teacher centers.

Paperwork.—S. 1753 provides for a new mechanism, through a Deputy Assistant Secretary for Education, for the reduction of the paperwork presently required in Federal education programs. Witnesses before the committee have repeatedly testified to the staggering amounts of paperwork that must be completed, much of it redundant or unnecessary. While Federal forms are currently cleared by the Office of Management and Budget, it appears that little attention is paid to the cumulative effect on a single State or school of the myriad pieces of paper associated with individual programs or research projects.

Under the committee bill, the Deputy Assistant Secretary of Education would be charged with assessing the necessity, or redundancy, of requests for data or information concerning educational institutions or programs. The Office of Management and Budget would be notified of the request for review of data collection proposals from agencies outside the Department of Health, Education, and Welfare, and would have the right to review the request directly if a significant data acquisition policy is involved. In addition, a Federal Education Data Acquisition Council, made up of public and agency representatives which deal with educational data or information, would advise the Deputy Assistant Secretary on the best means of reducing unnecessary paperwork.

So that States, school districts, and institutions may assess the total data burden which may be required of them in any given year, the bill requires the publication of a plan for data acquisition to be published by February 15 of each year. No other data may be required, unless an urgent need for the information exists. The Deputy Assistant Secretary is authorized to waive this provision in the case on nonburdensome individual studies.

Full implementation of this provision can make substantial inroads on the duplicative and unnecessary paperwork which currently accompanies many education programs.

National Assessment of Educational Progress.—S. 1753 establishes a statutory basis for the National Assessment of Educational Progress, which has been conducting studies of students' learning levels since the mid-1960's. This valuable effort has not only provided a national "snap-shot" of achievement levels in various subject areas, but has also assisted States and localities which are attempting to develop their own assessment measures. In authorizing the assessment program, the bill vests authority for the program in the National Institute of Education, which has mounted other efforts in the testing and assessment field under its basic authority.

I believe that the committee-reported bill is a good one. It represents a continuation of existing policy concerning categorical Federal aid to groups in special need, combining that approach with a constant attention to program simplification and streamlining. Given existing fiscal constraints, the bill does not propose large numbers of expensive new programs. Rather, in most cases, it seeks to assure that available funds for existing programs are used in the most efficient and effective manner, so that their effects are felt in the classroom. If program benefits do not reach students, our efforts are all in vain.

In developing this legislation, the committee worked closely with the educational community and with the administration. I believe I can fairly say that S. 1753 represents a pretty broad consensus of the direction that Federal aid to elementary and secondary education should take in the 5 years to come.

I urge my colleagues to support this most important legislation.

Mr. JAVITS. Mr. President, we inaugurate today action on a bill which I consider to be of very critical importance, and I am very pleased that our colleague from New Mexico (Mr. DOMENICI) has decided, notwithstanding his other engagements, to remain with us in the Senate long enough to express his particular concerns and to propose his particular amendment.

At a time of testing as to what we can and cannot do and what we should and should not do about education and the emphasis on the distinction between public and private schools, these ESEA amendments, which are normally a required renewal of the Federal program, become a matter of high national policy, and it is my deep conviction, Mr. President, that these amendments continue the critical role of the Federal Government in meeting established national educational priorities, and that the bill will strengthen what I believe to be the fundamental purpose of Federal aid to education: To wit, to provide high quality educational opportunity to all children in the United States.

We are targeting in this bill educational services to children who need them most, and we are stimulating State and local educational agencies to improve the quality of their educational programs.

Two overriding objectives guided the committee's review and revision of the elementary and secondary education programs: First, reduction of administrative burdens and paperwork; and second, increased participation of children in nonpublic schools within the framework allowable under the Constitution.

I believe we have made very material reductions in the administrative burden and in the paperwork. The committee bill deletes some application and reporting requirements and minimizes others. It also gives the Education Division of HEW greater powers to coordinate data collection among the various Federal agencies, in order to eliminate the duplicative and nonessential requests for local and State agencies to provide information. These are vital steps that streamline categorical programs without sacrificing categorical purposes.

Mr. President, we are very conscious of the fact that a very well-considered and what to me was a highly satisfactory resolution by the Senate of the problem of whether aid to nonpublic schools should be given under the tuition tax reduction program or whether it should continue to be given according to the Constitution of the United States under this program was decided affirmatively by the Senate for the latter point of view. This bill takes our responsibility into very real account in that regard, and we have, in my judgment, materially increased the participation of children in nonpublic schools in Federal aid within the framework allowable under the Constitution.

Testimony presented during ESEA hearings last year made the committee fully aware that the level of participation of nonpublic school children in the Federal education programs falls far below what is fair and desirable. While present law does call for equitable participation of these children, educational services funded by Federal dollars have not been extended to them to anywhere near the full extent permissible.

To remedy this situation, the committee added 20 new provisions to expand the requirements for involvement of nonpublic school children in the categorical programs. These provisions generally fall into three categories: First, required consultation between nonpublic school officials and public school officials in the

design of local funding proposals, to insure that the needs of nonpublic children are taken into consideration; second, assurance of alternative arrangements for services to nonpublic school children when the local public school system is unwilling to include such children in their federally funded services, or is prohibited from doing so by State law; and third, established procedures for representatives of nonpublic schools to achieve satisfactory resolution of complaints regarding insufficient participation in the Federal programs.

I believe that these additional safeguards can dramatically improve the level and quality of services extended to children in nonpublic schools.

Mr. President, each of the various programs reauthorized or initiated in the education amendments responds to an identified need for Federal leadership and support. I would like to highlight for my colleagues those provisions in the bill which I believe to be of particular importance.

GIFTED AND TALENTED CHILDREN

First, a provision for gifted and talented children, which in my case has been one of the central themes of my efforts here. It has been very gratifying to me and I believe very helpful to the operations of the educational system of our country, that the gifted and talented programs are growing and taking hold.

Mr. President, one of the most critical, and yet, least costly elements of this legislation is the new program authorized for the education of gifted and talented children.

This new gifted and talented program is based on the Gifted and Talented Education Act of 1978, S. 2792, which I introduced on March 15, and which was cosponsored by 8 members of the Human Resources Committee, including the chairman of the Education, Arts and Humanities Subcommittee, Senator PELL, and the chairman of the full committee, Senator WILLIAMS. The provisions of S. 2792 were incorporated into the Education Amendments of 1978 during markup of this legislation by the Human Resources Committee, and I should like to commend Senator STAFFORD, the ranking member of the Education Subcommittee, for his particularly excellent contributions to the development of this most crucial portion of the legislation.

I would be remiss if I did not also express my appreciation to the Council for Exceptional Children, which has rendered exemplary service in advancing education of the gifted, for its assistance in the development of these provisions of the bill. The council worked closely with the committee in the development of the gifted and talented provision, and its recommendations have contributed significantly to the soundness of this bill.

The time has come to give new emphasis to the education of the gifted and talented, who rank among our Nation's most precious and yet most neglected resources. This legislation represents that new step, through a modest expansion and significant refinement of the existing State and Federal role in the education of gifted and talented children. By utilizing the simple and efficient structure of title IV of ESEA, which has proven to be an excellent mechanism for the distribution of Federal education assistance to States and localities, we can provide the proper scope and direction to the education of these children.

The Federal effort to identify and educate gifted and talented children historically has been rather sporadic and inconsistent. The National Defense Education Act of 1958 was the first major legislative initiative to provide special assistance to the gifted and talented, but this assistance was limited to a small, albeit important, segment of the total gifted and talented population—those with outstanding scientific, mathematical, or technical abilities. Subsequent to NDEA, however, the Federal role in the education of gifted and talented children has been characterized by a series of fits and starts. In 1969, I authored a provision of the Education Amendments of 1969, mandating the U.S. Commissioner of Education to escalate the status of education of the gifted and talented, examine the role of Federal, State, and local assistance to these children, and recommend new programs to meet current and future needs. Not until the landmark study and report by the Commissioner of Education Sidney Marland in 1972, "Education of the Gifted and Talented," however, did Congress again take real notice that only a small proportion of these children were receiving services commensurate with their needs.

The Marland report pointed up glaringly that there exists a general opinion which is an illusion: That these children constitute an elite group, and will automatically, by the very nature of their outstanding abilities, attain ultimate success in their chosen fields. This pervasive assumption, however, does not take account of the fact that the talents of the gifted are frequently potential talents, which may only be made actual through a major effort to identify these children and to provide them with the necessary special instructional programs. The Marland report also showed a woeful lack of resources for gifted and talented children at all levels of Government, and a concomitant need for an increased Federal role to promote action to improve the identification and education of these children. The report further showed that if such children remain unidentified, peer pressure and absence of self-discovery could make these children not only forgo their abilities, but even suppress them and perform at lower than normal levels.

To begin to meet the needs of the gifted and talented, I initiated legislation which resulted in the gifted and talented program under the Special Projects Act, part of the Education Amendments of 1974. The concept behind these special demonstration educational projects, of which the gifted and talented was one, was to allow new ideas a period of gestation in which they could develop, prove their programmatic usefulness, and hence, reach fruition.

The Federal gifted and talented program has been successful in doubling the capacity of State education agencies to identify and serve gifted and talented children. Yet its $2.56 million current appropriation and its demonstration project status are insufficient. If the Marland report's "conservative" estimate of 2 million gifted and talented children in this Nation is correct, then Federal expenditures represent little more than $1 per gifted child. The Senate Labor/HEW Appropriations Subcommittee, at the urging of Senator CHILES, has seen fit to increase funding for this program to $5 million, and I hope my colleagues will follow his lead and support this small, but important increase.

The current Federal expenditure in the existing gifted and talented program assists, through competitive grants, nascent programs in slightly more than half the States. In addition, these funds support projects of educator and leadership training and a small though diverse range of demonstration projects sponsored by LEA's. In fiscal year 1977, 422 LEA's applied for such demonstration project funding through the Office of Gifted and Talented. Only 14 projects were funded, and these at minimal levels, less than $20,000 each. This means that more than 30 applications were received for each such project funded. Although some States supplement Federal assistance with their own funds, there nevertheless exists a great unsatisfied demand at both State and local levels for new legislative directions to meet both the present and future requirements of the gifted and talented.

This legislation, Mr. President, will give the education of the gifted and talented necessary impetus nationwide and will provide direction and coherence to a more broadly based program of State and local support. In hearings conducted by the Education Subcommittee on ESEA this spring, I stressed the need to give the ball a new spin, to provide that impetus for a new effort on behalf of the gifted and talented. This bill does precisely that, and does so within an already existing and efficient delivery system—the title IV consolidation framework constructed in the Education Amendments of 1974. By creating a new part E for education of the gifted and talented within the title IV consolidation, S. 1753 establishes the necessary and proper focus for this effort, and does not expressly create another categorical education program. By using the concepts of the title IV State plan and title IV–C allocation formula for the gifted and talented program, this new effort will be relatively simple to administer at all levels of government.

Thus, Mr. President, the issue here is not merely one of increased funding. Rather, the Federal role must be to offer direction and give coherence to a more broadly based program of State and local support for gifted and talented education. This new gifted and talented program will bring us more closely in line with the ideal Federal-State-local partnership which education in this country must be. Through the new part E, gifted and talented education will be strengthened both administratively and programmatically by acting within broad framework of title IV, which contains mechanisms for a flexi-

ble and efficient distribution of funds, without losing the identity of the program within a "catch all" statutory structure.

The details of the program operation and the views of the Human Resources Committee are contained in the committee report on S. 1753, No. 95–856, on pages 55 and 56. I hope that interested Senators will consult this document for a full description of this provision.

Mr. President, the ultimate benefits to our Nation which can accrue from this effort to identify and develop the talents of gifted children are incalculable. Although these benefits may not be immediate, the legislation can form the crux of our future policy. The fruits of this policy will be seen when our gifted children reach positions of leadership in their chosen fields, and perform in these positions to their maximum capacity, with wisdom and sensitivity. This legislation will enable us finally to fulfill our obligation to these children, and through them, to ourselves.

TITLE I—COMPENSATORY EDUCATION

Next, the compensatory education programs, in which we are, in my judgment, making some very material changes. Especially important are the grants for concentration in urban—and I emphasize that—as well as rural—which I equally emphasize—school districts, where low-income children represent an especial concentration.

Title I of the Elementary and Secondary Education Act (ESEA) is the single largest program of Federal education aid. It provides nearly $3 billion for compensatory services to children in low-income areas who show a need for special educational support.

The committee retained the program purpose and the target population for title I—providing compensatory services to children in poverty areas—characterized this program since its inception. The committee did, however, adopt a number of amendments which reorganize and clarify the statute, simplify and reduce the administrative and paperwork requirements, and increase the involvement of parents and parent advisory councils in the local school programs.

The committee bill also includes two new elements in the title I program: Incentive grants to encourage the use of State funds for compensatory education programs, and concentration grants to those school districts with the highest numbers and proportions of low-income students.

The committee was greatly aided in its deliberations on title I by the studies conducted by the National Institute of Education (NIE) pursuant to the 1974 Education Amendments. The NIE took a comprehensive look at the various aspects of title I, and its resulting reports on the distribution, use and effects of the funds provided a valuable resource and the basis for many committee amendments.

The NIE reports, as well as the testimony of numerous witnesses before the Education Subcommittee, confirmed that title I funds have been reaching their intended destination, to wit, children in areas of poverty, and that these children are performing better as a result of their participation in title I services. I was encouraged, as were the other members of the committee, by these reports from evaluators and practitioners. This information provided a solid foundation for the committee's amendments to strengthen and expand this far-reaching and vital program.

Also of great value to the committee were the recommendations for clarifying and simplifying the statute prepared by the Lawyers Committee for Civil Rights Under Law, many of which are incorporated into S. 1753. These recommendations were developed in response to a request by NIE and provided the framework for the committee amendments.

Because of the size and significance of title I in improving the educational progress of children all across the country, there has been considerable debate in past reauthorizations over the means by which the funds are distributed. The funding formula continues to be a central concern, with diverse regional interests competing to achieve a formula which they believe to be equitable for them. The committee sought a formula which would fairly balance the various needs and circumstances, and I believe that the funding proposals contained in the bill do meet this objective.

The committee bill perpetuates those elements of the formula which are currently satisfactory to certain regions. However, in an attempt to redress to some degree the inequities which have accrued over the past several years to other regions, and to major urban areas in particular, the committee expanded one element of the formula—the number of AFDC children counted for entitlement purposes—and added a new authority for "concentration grants."

Present law counts only two-thirds of the students in families whose income is above the poverty line due to AFDC payments. To partially remedy this undercount of poverty children, the committee bill permits all children in AFDC families above the poverty level to be counted in the formula.

The concentration grant provides $400 million in new funds for title I programs to those urban and rural school districts whose low-income children number over 5,000 or exceed 20 percent of the total. As originally proposed by the administration, this provision would narrowly target additional funds by closely matching concentrations of children in poverty with concentrations of title I dollars. The committee bill contains two revisions to this proposal which somewhat dilute the funds to large cities in order to include smaller cities and rural areas.

The first revision is a shift from the local school district to the county as the eligible funding unit; the second is the addition of a small-State minimum, which guarantees that all States receive at least 0.25 percent (equal to $1 million of the $400 million authorized) of the funds available for this provision. The small-State minimum will substantially raise the funding levels for 15 States.

While the committee felt that some broadening of the recipient base was essential, it also concluded that any further dilution of the funds would contradict the very purpose of the concentration grant.

Another new element in title I is the State incentive grant, also proposed by the administration. A matching grant of one Federal dollar for every State dollar expended for compensatory services is established to encourage States to develop their own compensatory education programs. This should result in more extensive State commitments to focusing supportive educational services on children disadvantaged by poverty.

The committee indicated its commitment to the new concentration and incentive grant provisions by assuring adequate funding levels for each. In S. 1753 we require that no less than $400 million be reserved for the concentration grants out of the total annual appropriation for title I, and that the State incentive grants be funded after the first year at levels not lower than the first year's appropriation.

To sum up the funding provisions:

The existing formula is modified to count all AFDC children above the poverty line; new funds are added for high poverty areas; and new State incentive grants are provided. These three elements taken together—and let me emphasize the importance of all three of them fitting together—comprise a funding package designed to reach children in need of compensatory educational services and to balance competing demands for formula equity. These provisions are a vast improvement to title I. I believe that full implementation of the funding amendments will produce a distribution of title I funds that is equitable for all regions of the country and for both urban and rural areas.

Aside from the funding provisions, the committee bill contains a number of amendments intended to facilitate the delivery of title I services. These provisions should simplify program administration at the local level and give added flexibility to program development. I would like to mention two of these amendments in particular.

The committee bill provides that title I money can be combined with State and local supplementary dollars to offer compensatory activities which benefit all children in a school when at least 80 percent of the children are from low-income families. This increases the flexibility of local school districts to provide services in schools with unusually high proportions of children in poverty.

The bill also revises a prohibition in current law which prevents title I teachers from performing certain noninstructional tasks which are carried out by all other teachers in a school. The prohibition is relaxed to permit title I staff to participate in routine responsibilities, such as lunchroom supervision, as long as such duties consume no more than 10 percent of an individual teacher's time.

The committee's amendments to title I are designed to enhance the quality of services to children, and thereby upgrade the quality of the children's learning. They are also the product of careful and thorough consideration of the funding effects throughout the Nation, and represent the committee's best efforts to devise a funding mechanism which fairly

and equitably integrates the interests of all concerned.

SPECIAL PROJECTS ACT

Then we have the special projects act, which is an idea that we have developed—I have the great honor to have been responsible for it originally—where we have a basket of experimental programs. We give the programs 5 years to mature; if they mature satisfactorily they become, like the gifted and talented children's program, regular programs; if not, they are dropped.

This is proving to be an extremely important aspect of our work.

The Special Projects Act is extended by S. 1753 with some major revisions. It contains funds for demonstration projects in special education areas which are not addressed by other Federal programs. Specific funding areas are designated, and the Commissioner is also given authority to fund projects in areas of his own selection which he determines to be of national interest.

Among the programs remaining in the act is the arts in education section. This is of particular interest to me, as it provides the only categorical support for the arts throughout all the Federal education legislation.

The purpose for the Special Projects Act remains valid—to reach into new areas and explore ways of improving or initiating educational programs. The programs for gifted and talented children, discussed earlier in my remarks, and for community education, each originated in this context and are each separately developed in S. 1753. The Career Education Act, which I cosponsored and the Congress enacted in 1977, also began as a small demonstration program in the special projects basket. Each of these programs proved to reach a national need of sufficient scope to deserve expansion of the Federal efforts.

EDUCATIONAL IMPROVEMENT, RESOURCES, AND SUPPORT

S. 1753 extends and revises title IV, the "consolidation" title of ESEA. I have described previously the addition of a new part E, which I sponsored, for programs for gifted and talented children. The committee bill also adds a new part for guidance, counseling, and testing programs. This part extends both the program authority which has been combined with library and learning resource funds under current law, and the provisions for guidance and counseling established in the 1976 Education Amendments. By disentangling the guidance and counseling authority from the library and learning resource authority, the committee has highlighted the importance of each as a separate area meriting Federal support.

EMERGENCY SCHOOL AID ACT

The committee amendments to revise and extend the Emergency School Aid Act primarily increase the flexibility to fund newly desegregating districts with the greatest need for Federal assistance. In this vein, the committee bill permits a single grant, for no more than 2 years' duration, to local school districts for developing desegregation plans.

Also notable is the committee's decision to extend the set-aside for integrated educational television programs for children. This provision has been of special value to children in New York State and elsewhere who have been viewing "Vegetable Soup," a series of highly successful and widely broadcast programs produced with ESAA funds by the New York State Education Department. This and other outstanding television programs supported by ESAA have made a significant contribution to the ESAA objectives of aiding school desegregation.

IMPACT AID

Mr. President, much public attention has been given to the impact aid program, usually focusing on alleged abuses such as aiding wealthy school districts in the suburbs of Washington, D.C. The recent report in a national news magazine showed an aerial photograph of a campus-like high school in Virginia. Such reporting is a great distortion, and ignores the purpose and the reality of this program.

Impact aid pays local school systems a percentage of their education costs to compensate for the presence of federally owned facilities—military and civilian—which do not pay any taxes. The percentages, which vary as to classes of installation, pay an amount far less than the potential assessable property tax on these facilities. Property tax is the primary support for local school systems. Federal property pays no such taxes, but has the impact of locating thousands of children in school districts with no tax base to pay for their education. This is not full compensation by the Federal Government, nor should it be. Federal facilities do bring economic benefits to the localities. But the impact aid program is a partial payment, averaging well below half of the per capita cost of education each Federal impact child, because no taxes are paid. Is it so wrong for the Government to pay for its impact?

Who gets the money? Much of the total, as designed in S. 1753, goes to schools with high numbers of military children and low-rent public housing children. Although military pay has been increased, the vast majority of military personnel with school-age children receive very modest incomes. The families who live in Federal low-rent housing are surely not wealthy. Special provisions are included for handicapped children of military and Indian families. Are these abuses? Are these "fat cats" receiving unwarranted Federal largess? I must say they are not.

Mr. President. Opponents say they want to reform impact aid. I have served in the Congress under seven Presidents; and each one took the position: "We must reform impact aid." In 1974, the law was changed and more carefully targeted on true needs, particularly by guaranteeing that public housing children would receive at least 25 percent of their calculated full entitlement.

I would like to point out that S. 1753, unlike the provisions of the House version (H.R. 15) before House floor action in July, does not restore payments to out-of-State children and does not increase the present reduced rate for out-of-county children. The committee bill preserves these 1974 changes, and this is comparable to H.R. 15 as amended on the House floor.

Objections have been raised to the so-called "tier system" which distributes funds among various classes of impact children. This system was devised to balance spending and pay higher rates to districts which have heavier impact and greater needs. Impact aid is a reimbursement program which supports the general education of children of special Federal impact. Unlike specialized Federal grants for disadvantaged or bilingual or handicapped children, it is not a separately and specially designed program within the general education system. Districts with impact aid children must provide their general education. It is quite unfair to subject them to great uncertainty or annual fluctuations in the support of their general program. Because it balances among various levels of impact and needs, and because it creates some stability in this reimbursement for the general education of Federal interest children, I believe we must maintain the tier system as in current law, as passed by the House and as recommended by the Human Resources Committee.

OPTIONAL CONSOLIDATION

The committee also considered—and this is a tribute to Senator DOMENICI and Senator BELLMON—a proposed experiment in optional consolidation. The committee considered a variety of means for weeding out excessive paperwork and administrative requirements in the existing education programs. The most comprehensive and far-reaching single proposal of this sort offered before the committee was the pilot project for S. 1780, the Optional Education Simplification Act, principally authored by Senators DOMENICI and BELLMON. The sponsors have devoted a great deal of time and effort to creating a new structure for Federal education aid which aims at resolving many of the paperwork and administrative complexities accompanying the programs in their current form.

We were considering very seriously an amendment to permit six States to launch a 5-year experiment in this regard, but the committee as a whole did not think that we were ready for that. So in lieu of the pilot project we have agreed to conduct a study of the effects that such a pilot project would have. The Education Testing Service of Princeton one of the leading education research organizations in the world, has offered its services to conduct this study. We take this very seriously. We believe that it will produce the necessary results to enable us, if valid, and I hope very much that it will be proven valid, to go forward with a pilot project which our colleagues, with great initiative and enterprise, have proposed to us.

Then we have the adult education program, which is showing fantastic results, one of the most creditable which we have before us.

ADULT EDUCATION

Mr. President, S. 1753 also includes amendments, which I offered during Human Resources Committee markup, to

the Adult Education Act of 1966. The Federal adult education program, originally part of the war on poverty, and which I sponsored in 1966, has afforded literally millions of Americans the opportunity to achieve economic and social advancement through its dual emphasis on improving basic literacy and providing high school equivalency.

In developing this reauthorization of the Adult Education Act, I have been assisted greatly by the suggestions of the National Advisory Council on Adult Education, the Department of Health, Education, and Welfare, the New York State Department of Education, and Agudath Israel of New York. While the program basically has been proven to be highly effective, this revision will provide for greater program effectiveness and greater motivation on the part of adults to enter and remain in the program.

Specifically, S. 1753 will improve the adult education program by, first, revising the purpose of the program to include both grade level reference and an emphasis on competence in basic skills; second, expanding the adult education delivery system to include businesses, labor unions, libraries, colleges, and community organizations; third, providing for arrangements to assist and expand participation to flexible course schedules and locations; fourth, adding a research development, dissemination, and evaluation authority at the Federal level; and fifth, providing new authority to implement programs to meet special adult education needs of immigrants.

Mr. President, the expanded purpose will provide Federal Government recognition of a major problem—that many adults cannot read or write sufficiently well to function adequately in our society. Simultaneously, assistance to adults who desire to attain educational credentials such as their high school diploma will continue. Certainly these two aims are complementary, since functional illiteracy and lack of high school diploma are highly related.

Furthermore, expansion of the delivery system at the local level will provide greater flexibility for participants and will make entry into the program more convenient and attractive. Significant numbers of adults not currently being served can be brought into the program by this expansion.

Part of the rationale for this expansion of the delivery system is that basic school-based adult education programs have not attracted high participation from certain segments of our society. Through this legislation, we intend that participation by underserved segments of the population be increased, so that they, too, may be able to fully participate in the fruits of our society.

Included in this reauthorization of the Adult Education Act is a small yet significant provision to meet special education needs of adult immigrants. In its review of the adult education program, the Human Resources Committee was impressed with the unserved needs discovered in its review of programs currently serving adult immigrants. The needs of immigrants differ somewhat from those of other program participants, and these needs often include programs of English as a second language. Immigrants participation and retention rates in programs offered by the existing school based provider system are exceedingly low. These services are not available from ESEA VII bilingual education programs, which serve only children.

To meet these unique needs, S. 1753 provides that not less than 50 percent of appropriations under the adult immigrant section be reserved for private nonprofit organizations. This section also provides that programs for adult immigrants are consistent with the quality criteria established within the State adult education plan. I believe, Mr. President, that this new program for immigrants can be highly successful, and that it will greatly strengthen the overall adult education program.

Finally, we have bilingual education and the national assessment of educational progress.

BILINGUAL EDUCATION

Federal aid for programs of bilingual education continues to be a vital factor in the education of large numbers of students across the country whose native or home language is not English. The committee bill recognizes a clear Federal responsibility to support local school district programs for such students and expands the funding authority to more closely reflect the growing need for assistance. I have long believed that this is a most critical need and strongly support the expansion provided in S. 1753.

NATIONAL ASSESSMENT OF EDUCATIONAL PROGRESS

S. 1753 acknowledges the valuable role of the national assessment of educational progress (NAEP) by providing a new and separate authority for the assessment under the aegis of the National Institute of Education. In recent years NAEP has surveyed the knowledge and skills of young people to develop a national profile of student learning. The new statutory authority for NAEP is drawn to preserve those qualities of the assessment which have earned it the widespread respect and support of the education community, most notably: Sensitivity to the difficulties in developing testing methods and in reporting test data; respect for State and local control; commitment to working cooperatively with educators at all levels; and the capability and commitment to disseminate widely their testing methods and results.

Mr. President, I wish to pay my tribute to Senator PELL and to the staff, to the extraordinary and gifted leadership which Senator PELL is giving in this field. In the Human Resources Committee, he is chairman of the subcommittee dealing with this particular subject. I also pay tribute to Senator STAFFORD, of Vermont, the ranking minority member of this particular subcommittee.

Mr. President, I yield the floor.

Mr. STAFFORD. Mr. President, I wish also to express my support for S. 1753, the Educational Amendments of 1978, which will extend the Elementary and Secondary Education Act and related programs. This bill reauthorizes and in many ways improves the basic legislation which provides assistance to our country's schools.

Most of what is before us is necessarily familiar to all of us, as the programs we propose to renew provide funds to 90 percent of this country's school districts. Yet this also is legislation whose intricacies require a 377-page bill and a 500-page accompanying report. Therefore, and to the certain relief of my colleagues, my comments will be brief and limited to selected highlighting.

The title I compensatory education program is the largest program of aid to elementary and secondary education. Nearly 6 million educationally disadvantaged children from low-income families benefit from title I services, three-quarters of which are instructional. We have strongly favorable evidence of the effectiveness of title I. One can readily imagine how much worse off the children and the schools would be without title I.

In addition to continuing this fundamentally important program, S. 1753 makes two significant changes in title I. One is to provide the incentive of a matching grant program for States which develop or increase their own programs of compensatory education which are similar to title I. The other, dubbed the "concentration funds," would provide $400 million to counties with high concentrations of children from low-income families. I find both of these changes very commendable. The greatest improvements we can make in title I are to encourage greater effort by the States and to reinforce targeting upon the areas of very greatest need, both urban and rural. Another improvement in this bill is new language to assure nonpublic school participation in title I.

In all parts of the country there has been an outcry about declining test scores in our schools. Title II, which is entirely new, addresses this problem. It authorizes grants and contracts which can develop and demonstrate the most effective methods of improving achievement in reading, mathematics, and written and oral communication. Title II also establishes a program of grants to implement educational proficiency standards and of technical assistance to develop achievement tests. In keeping with our constitutional tradition, it should be perfectly clear that the Federal Government is neither to specify the standards nor require the use of any particular test. The purpose of title II is to assist the States and local educational agencies. It is also to help the country by responding constructively to a national problem. It is important that test scores start going up again. Title II offers the potential of generating improvement in basic skills and educational proficiency across the country. It is a significant and constructive initiative.

I would like especially to mention the very promising new provisions for the education of gifted and talented children which have been inspired mainly by Senator JAVITS. For several years there has been a small pilot project for such children administered from Washington. As the program has matured and demonstrated its value under the Special

Projects Act, our Human Resources Committee has approved an expanded program under title IV, with three-fourths of the funds to flow directly to the States. Some provisions which I considered essential are included in the bill; namely, the assurance of a $50,000 minimum fund for each State and discretionary power left to each State to select both the kind of administering agency and the internal funding allocation it finds most suitable in light of its own needs. These provisions should make this program administratively appealing to all States. Our country has been much too slow in developing programs to meet the special needs of gifted and talented children, and I am very pleased by these provisions in title IV.

S. 1753 undoes a mistake made in title IV a few years ago when programs for instructional materials and school library resources were consolidated with programs for guidance, counseling, and testing. A great deal of unfortunate competition resulted between the "things" oriented and "people" oriented elements, yet both elements are of high priority. At the recommendation of all parties concerned, these elements have been separated. We need strong support for instructional materials and school library resources. We also need strong support for guidance, counseling, and testing.

An overarching concern has been the steady proliferation of burdensome paperwork. There has been steady complaint from school administrators about duplication and about repetitive annual applications. The committee has been responsive. For titles I and IV, which are the ones administered through State departments of education, there is provision for a single application. This and other sensible changes will cut down on the paperwork and simplify administration. These are important improvements and will be well-received by administrators.

There are many other fine features of this bill. It is the product of major effort by many members of the Committee on Human Resources, and especially by the chairman of the Subcommittee on Education, Arts and Humanities, Senator PELL. The overall effect will be to increase access to opportunity and to help the States and local educational agencies to improve the quality of our schools. These are effects we need for our young people and for this country's future. I urge my colleagues to support S. 1753.

Mr. DOMENICI. Mr. President——

Mr. JAVITS. First, if the Senator will yield, I ask unanimous consent that Dr. James Dockemy, of Senator THURMOND's staff, be granted the privileges of the floor during the consideration of S. 1753.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. DOMENICI. Mr. President, I thank Senator PELL, Senator JAVITS, and their staffs for their kindness in working with us on this bill and letting us work with them. Later on we will engage in a little more of a dialoge regarding the consolidation approach that the Senator from New York mentioned in his opening remarks.

First, Mr. President, I want to address a few remarks to bilingual education and then introduce a series of amendments on that subject before I move to a few other matters.

Mr. President, American education should afford to each and every person the essential entrance into the mainstream of American society; our education should provide social mobility, and extended opportunities because of the democratic ideals on which our society is based. The public school system in the United State is and should be an equalizing force in American society. And, adhering to this definition, every child, regardless of his family's background and wealth, should have the opportunity to gain an education. However, our students with limited English-speaking proficiency, usually represented by minorities, are not able to fully benefit from the public school education, because they often cannot perform effectively in the English language.

Bilingual education, a program in which the student is taught in his native language and in English concurrently until he is able to master the English language, greatly enhances the educational opportunities for students with limited English-speaking proficiency. Thus, bilingual education can afford its students entrance into the mainstream of American society.

The U.S. Office of Education estimates that at least 5 million children are in need of some type of assistance. A number of these speak English, but about 1.8 to 2.5 million children actually need bilingual education.

A high percentage of these children will drop out of school, because of their lack of proficiency in the English language. The survey of languages, conducted by the Bureau of the Census for the National Center of Education Statistics in July 1975, indicates that for the total population 19 years of age or older, 9 percent have completed only the eighth grade or less. However, 58 percent of those whose usual language is not English report that they have completed only the eighth grade or less. Furthermore, 68 percent of the total population ages 19 or older have completed the equivalent of high school or better. A mere 30 percent of the population who usually speak other languages had completed high school.

Other studies have concluded that, in certain Hispanic populations, 20 percent of the children never even enrolled in school.

And, surveys have concluded that the average number of years of school attended by Mexican-Americans is merely 7.1 years, while nonminorities complete an average of 12.1 years of schooling.

For those students with limited English-speaking proficiency who do remain in school, a 1971 U.S. Commission on Civil Rights report, "The Unfinished Education," indicates that 50 to 70 percent of Mexican-American students in the 4th, 8th, and 12th grades in the Southwest are reading below expectations for their respective grade levels. In contrast, only 24 to 34 percent of all nonminority students in these grades are reading below grade level. Numerous studies have indicated a relationship between poor reading ability and rate of dropout.

Even worse, as outlined in a 1970 report of the Civil Rights Commission, many minority children are assigned to special education classes for the mentally retarded. In one particular school district, the U.S. Office of Education estimated that 86 percent of the Hispanic students have been assigned to classes for the mentally retarded.

Finally, the survey of languages, previously cited, also indicated that, in addition to having less education, those groups with limited English-speaking proficiency participate in the labor market in relatively lower numbers, and have higher unemployment rates than those from English-speaking backgrounds.

Mr. President, a high percentage of children needing bilingual education are not able to perform at their academic best, because of their lack of proficiency in the English language. Clearly, the schools must build on the strengths, particularly the language strengths, the children possess. With the effective implementation of a bilingual education, these children are able to increase their proficiency in the English language, and therefore fully benefit from the public education system. For these millions of disadvantaged children, the Bilingual Education Act promises a fuller participation in a free society.

The Education Amendments of 1978, which include reauthorization of the Bilingual Education Act, have been reported by the Committee on Human Resources. Mr. President, allow me to briefly review some of the recommended changes that are very important in the continuation of the current program through fiscal year 1983.

Since the Bilingual Education Act presently serves less than 10 percent of the eligible bilingual children, the committee approved the authorization increase from the current $160 million for 1978, to $200 million for 1979; $250 million for 1980; $300 million for 1981; $350 million for 1982; and $400 million for 1983. This increase will not provide service for all eligible children, but will more than double the number of children who can be served.

Since, as reported by the committee, evaluations for bilingual projects have been inadequate for measuring program effect on student achievement, and have also been inadequate for identifying projects worthy of replication, the committee bill authorizes $20 million to carry out a strengthened research and development effort for 1979, and "such sums" for each year thereafter. I believe such a strengthened research effort is necessary.

In order to reach children with limited English proficiency most effectively, the Secretary is directed to prepare and, not later than September 30, 1980, submit to the Congress and the President a report identifying the approximate number of children with limited English-language proficiency in the Nation, by language and by State. Identification of the children in need of bilingual programs is a must if we are to provide

equal educational opportunity for all children.

Mr. Chairman, I am gratified that a number of the provisions in the committee bill are taken from S. 2807, which I introduced along with Senator HART, my able colleague from Colorado. While we are pleased with many of the amendments contained in S. 1753, particularly those which require the collection of data on the target population, we are convinced that additional information should be required in order to prepare the Congress for policy decisions concerning this program at the next reauthorization.

Therefore, we are offering several amendments which I feel are necessary if bilingual education is to be an integral part of the Federal effort to provide equal educational opportunity for all children. The first of these amendments, which I now send to the desk, directs the Department of Health, Education, and Welfare to prepare and submit to Congress a report detailing methods of phasing in and establishing a formula grant program to serve those students with limited English proficiency.

As I stated, a number of us have some concerns about bilingual education. Even with the generous add-on that the committee has provided in this bill, many of us are offering amendments which we feel are very necessary if bilingual education is to be an integral part of the Federal effort to provide equal educational opportunities for all children.

I now send to the desk, Mr. President, five amendments, which I will call up in the number 1 through 5 as stated thereon. I merely send them to the desk at this time.

UP AMENDMENT NO. 1712

(Purpose: To require the submission of a report to the Congress setting forth the methods of establishing a bilingual formula grant program)

The PRESIDING OFFICER. The amendment will be stated.

The second assistant legislative clerk read as follows:

The Senator from New Mexico (Mr. DOMENICI), for himself, Mr. HART, Mr. HATHAWAY, Mr. TOWER, and Mr. MCGOVERN, proposes an unprinted amendment numbered 1712.

On page 290, between lines 21 and 22, insert the following:

"(f) The Secretary shall prepare and submit to the President and to the Congress not later than December 31, 1981, a report setting forth the methods of converting, not later than July 1, 1984, the bilingual education program from a discretionary grant program to a formula grant program to serve students of limited English language proficiency. The study required by this subsection shall consider the findings of other studies required to be made under this section, and shall include cost estimates for the phasing in of the formula grant program.

On page 290, line 22, strike out "(f)" and insert in lieu thereof "(g)".

On page 291, line 5, strike out "(g)" and insert in lieu thereof "(h)".

Mr. DOMENICI. The first of these amendments directs the Department of Health, Education, and Welfare to prepare and submit to Congress a report detailing methods of phasing in and establishing a formula grant program to serve those students with limited English proficiency. This amendment does not ask HEW to recommend whether a formula grant program should be established; rather, it asks HEW to prepare a report detailing the methods of phasing in and establishing a program should Congress decide to consider that alternative at the next reauthorization. I stress the difference, Mr. President.

There are many who believe that this should become a formula grant program, and it is very difficult for any committee to come up with an approach to this. This amendment would not give HEW the option to weasel around as to whether or not this is a good approach. Rather, the amendment requires HEW to prepare the report detailing how this program might be phased in and established. Then, the policymakers for the people of this country, the Senate and the House, could decide whether or not they want to proceed with the formula grant approach for bilingual education.

I understand that the first of these amendments, which is cosponsored by a number of distinguished Senators, is acceptable to the managers of the bill.

Mr. PELL. The Senator from New Mexico is correct. I think the RECORD should show, as the Senator has already emphasized, that this is calling for a study and not moving into being a formula grant program, because if we moved today, even if we might like to do so, the cost would go into billions of dollars. We want to know where we are first. My own State of Rhode Island has particularly been a beneficiary of the bilingual program and we are strong supporters of it.

Personally, I hope the study shows the value of the program and the need to go into a greater enlargement of it on a formula grant program. Let the RECORD show that we have no objection.

Mr. DOMENICI. I thank the Senator.

Mr. JAVITS. There is one point I would like to have very clear with the Senator in connection with this amendment. That is that we do not presume what the Secretary will find. The language of the amendment would have some implication in that regard: It should not suggest that all the Secretary has to do is to deal with methods. The fact is he has to decide and give us a view. We may not go with him as we may not agree as to whether or not we should go for a discretionary grant or a formula grant.

With that understanding, that HEW has the right to make recommendations on that score as well, I have no objection to the amendment and to its acceptance. Is that agreeable to the Senator from New Mexico?

Mr. DOMENICI. I think we ought to discuss that a little more.

I might say to my good friend from New York, whose assistance I greatly appreciate, and whose expertise in this area I consider to be foremost, that I do not believe I want to leave that last colloquy in its present status. The purpose of this amendment is that the Secretary shall prepare and submit to the President and to the Congress a report setting forth the methods of converting the bilingual education program from a discretionary grant to a formula grant program. It does not let them at HEW decide whether that study is a good idea or not, but merely to make a recommendation as to how that might be carried out. What we do not want them to do is to send up a very flimsy report saying, "We have looked at it and it will not work." What we want them to do under this amendment is to send it to us no matter how difficult and complicated. They do not have the discretion to decide whether or not to do this study, which is to recommend a system for converting this discretionary program into a formula program. Maybe we have said the same things.

Mr. JAVITS. No, we did not say the same thing, because, while I understand that they are to set forth the methods of conversion, they also have the right to say, "We do not believe conversion is desirable, and these are our reasons; however, because you have asked for it, we herewith set forth the methods by which you could convert if you wish to."

The final decision would be ours. The word "decide" as the Senator used it is not appropriate. They do not have the power to decide; we do.

Mr. DOMENICI. That is correct.

Mr. JAVITS. So long as we understand that, and that is very clear, I believe that our mandate to them should include also whether or not they consider the conversion desirable and if so, why; if not, why not, as well as that they have the duty, and we will impose it, to give us the methods by which there would be a conversion if we choose to go that route.

I just do not want to foreclose them from the right to tell us they do not think it is a good idea and why.

Mr. DOMENICI. If this amendment is adopted and becomes law, in no event can they escape giving us their expert advice and study on how to convert it.

Mr. JAVITS. If we choose to go that route.

Mr. DOMENICI. That is right. We understand each other.

Mr. JAVITS. On that basis, it is acceptable.

Mr. DOMENICI. Does the Senator from Rhode Island agree?

Mr. PELL. There is no time limit, so I suggest the question be put.

Mr. JAVITS. We are ready to vote.

The PRESIDING OFFICER. The question is on agreeing to the amendment.

The amendment was agreed to.

Mr. DOMENICI. I move to reconsider the vote by which the amendment was agreed to.

Mr. JAVITS. I move to lay that motion on the table.

The motion to lay on the table was agreed to.

UP AMENDMENT NO. 1713

(Purpose: To strengthen the provision with respect to staffing in the Office of Bilingual Education)

Mr. DOMENICI. The second amendment that is already at the desk, but has not been called up is serially marked No. 2 for the clerk. It directs that the Commissioner shall insure that the Office of Bilingual Education be staffed with

sufficient personnel who are trained in or have experience in bilingual education.

The PRESIDING OFFICER. The amendment will be stated.

The second assistant legislative clerk read as follows:

The Senator from New Mexico (Mr. DOMENICI), for himself, Mr. HART, and Mr. TOWER, proposes an unprinted amendment numbered 1713.

On page 291, line 6, beginning with the word "is" strike out through the word "title" on line 7 and insert in lieu thereof the following: "is staffed with sufficient personnel trained, or with experience in, bilingual education to discharge effectively the provisions of this title".

Mr. DOMENICI. Mr. President, the current bill mandates that the Commissioner shall insure that the Office of Bilingual Education is adequately staffed to discharge the provisions of this title. My amendment simply adds to this provision, stating that the Office be staffed with professionals in the bilingual field. While such professionals may not have been available a few years ago, there are now sufficient and sufficiently trained personnel available to enable the Commission to hire trained and/or experienced staff. I do this only by way of clarification. I truly believe this is the intention of the committee in its appropriate section under bilingual education.

Many of my bilingual experts have found that there is a deficiency in the Office in terms of parity of knowledge between those in the field who have been running the bilingual programs, and those up here who have been administering them. I am merely adding to the bill. Staff the programs as indicated by the committee, but do it with peaople who have experience in bilingual education.

Mr. PELL. Mr. President, I have had an opportunity to peruse the amendment of the Senator from New Mexico. I think it is an excellent amendment. We are particularly fortunate in my part of the country; we have nine Federal bilingual programs going on now, mostly centered around the Portuguese language.

We have these experts in Rhode Island; we are particularly blessed that way. I hope they also exist in the rest of the country. I think the legislative history should show that this has been passed on a best-efforts basis, because there are some areas of the country where they will not have the same expert knowledge that they do in the Senator's State or in mine.

Mr. DOMENICI. I believe the Senator makes a good point. I was assuming that, because there are so many experts in the bilingual field in my State, I was assuming many available experts in every State. I accept the Senator's explanation. We are saying experts—if they are available.

Mr. PELL. There is one other thought here in the whole bilingual program. That is that we must be very careful that it does not tend to segregate the groups that are in it longer than would otherwise be the case. I have had experience of seeing a program in which, after the year or two that the students are in it, they know less English than when they started out.

From my viewpoint, the amendment would be acceptable. I do not know how my colleague feels.

Mr. JAVITS. Would the Senator yield?

Mr. DOMENICI. I am delighted to yield to the Senator from New York.

Mr. JAVITS. The Senator has a number of bilingual amendments, and I think the concept is important. The committee generally, and Senator PELL will correct me if I am wrong, has taken the position that the purpose of bilingual education is to end bilingual education; in short, to win children to the proposition that their mother tongue is English and that they should learn and study in the English language.

Mind you, I am very devoted to bilingual education. In short, I wish that we had, in our whole educational system, from the kindergarten up, the requirement that children learn a second language, whatever that might be—probably, in our country, it is most likely that it would be Spanish. But I do believe that the way to come at it is not this way; that is, by perpetuating the language inadequacy which occurs from parentage and the language spoken at home, but by dealing with it, first, by bringing the children into the total English realm, and then, like other children to whom English is the mother tongue, enabling them to learn a second language.

That is my philosophy. If we are on the same wavelength, because I think that really has to be the purpose of the elementary and secondary education Federal aid, then I am entirely with the Senator on this and probably his other amendments. What I am interested in is the fundamental thrust of what we are trying to do.

Mr. DOMENICI. Let me say to my good friend from New York that this amendment would insure that where there are bilingual experts, that kind of expertise should find itself in the Commissioner's office in Washington.

I do not think it is necessary that we conclude that we philosophically agree on bilingual education's future. I think the Senator would agree that if you have experts in bilingual education, even if it is an interim, transitory thing as he describes it, we ought to mandate that they be in this office and not have merely educators who know nothing about bilingual education here.

I do not know at this point whether I would be prepared to say to the Senator, only if I agree with his philosophy will he accept the amendment, therefore I agree with the philosophy. I am not prepared to do that, because that may not be the case. As we see this study that the previous amendment talked about and because my particular State has a cultural relationship to bilingualism, that may be completely different from others. I do not know that the philosophy should be agreed upon by this Senator at this point.

Mr. JAVITS. I think that is a fair statement, but I wish to make it very clear that, by accepting this amendment or raising no objection to it, I am in no way compromising my point of view, but I will fight for it and insist on it. Because whether it is New Mexico, which is contiguous to Mexico and has a very broad Spanish-speaking population, or whether it is in my State, which has an equally broad Spanish-speaking population, though they are mainly from Puerto Rico, I believe this is the right way to go.

People in this country have to recognize that they have to learn and speak English; that is the basic tongue. Our Federal aid, in my judgment, must be directed toward that end and we cannot confuse bilingualism with the fact that children ought to learn and know another language. While asserting that point of view and my own intention in raising no objection to the amendment, I have no objection to it.

Mr. DOMENICI. I thank the Senator from New York.

Mr. President, this is the amendment that we have been discussing since the adoption of the last amendment. I have nothing further to say on it. I believe it is acceptable to the managers of the bill.

The PRESIDING OFFICER. The question is on agreeing to the amendment of the Senator from New Mexico.

So the amendment (UP No. 1713) was agreed to.

Mr. DOMENICI. Mr. President, I move to reconsider the vote by which the amendment was agreed to.

Mr. JAVITS. I move to lay that motion on the table.

The motion to lay on the table was agreed to.

UP AMENDMENT 1714

(Purpose: To delete an exception relating to the prohibition on the use of funds under title VII and insert clarifying language)

Mr. DOMENICI. Now, the third amendment pending at the desk, Mr. President, is technical in nature. It clarifies the language in the bill which provides that the prohibition to supplant does not preclude a local education agency under court order from using funds under this title for activities directed by the court order or Lau plan. We have stricken, by this amendment, a clause under section 721(b)(2)(G) which we felt suggested that title VII funds could be used as a compliance tool in a Lau plan or in an order by the court. We have replaced it with language that allows districts under court order or implementing a Lau plan to compete for and use title VII funds.

I think this amendment is necessary to assure that title VII remains a competitive process and is not subject to use by the courts or the Office of Civil Rights as a compliance mechanism.

I believe that this has been discussed with the staff and with the managers of the bill. I think we probably start off with the same goal, but without this amendment a misunderstanding could result. These funds could lose some of their competitive nature, and could be used to meet compliance requirements under court order, and I do not believe that was ever the intention.

If that were the case, we could have a court order in one part of the Nation, and funds could conceivably be diverted from surrounding States to meet compliance obligations in one area.

I do hope this will be accepted by the managers.

It is not intended in any way to de-

tract from the court orders, rather it is designed to let these sections of the bill remain competitive even with court orders passing judgment on qualifications, criteria, eligibility, and the like.

Mr. HOLLINGS. Will the Senator yield for a unanimous-consent request?

Mr. PELL. I yield to the Senator.

Mr. HOLLINGS. Mr. President, I ask unanimous consent that during consideration of this bill Mike Copps, Ashley Thrift, Mike Joy, Ralph Everett, and Tom Polgar of Senator MORGAN'S staff, be granted privilege of the floor.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. PELL. Mr. President, I ask unanimous consent that Tom Dougherty of Senator GLENN'S staff be granted privilege of the floor during the debate and votes on this bill.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. PELL. Mr. President, in response to the question on the amendment raised by the Senator from New Mexico, I would say that I think it is acceptable. It makes explicit what is already implicit. I believe we should move ahead with it.

Mr. HAYAKAWA addressed the Chair.

Mr. DOMENICI. Did the Senator from California want to speak?

Mr. HAYAKAWA. I would like to make a unanimous-consent request, and would the Senator from New Mexico yield me 12 minutes? I would like to make a few remarks, but not to introduce an amendment.

Mr. DOMENICI. Let me say to my good friend from California, I have a couple more amendments on bilingual education. I would like to finish them so that their sequence remains intact, and then I will be pleased to see how that works out.

Mr. HAYAKAWA. Fine.

Mr. DOMENICI. But I would rather complete them, if the Senator does not mind.

Mr. HAYAKAWA. I thank the Senator.

Mr. President, I ask unanimous consent that Dr. John Backer of my staff be granted privilege of the floor during the debate on this measure.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. DOMENICI. Mr. President, I wonder if I might call up this amendment now and have the clerk read it. It is very short and I want to make sure the Senator from New York and the Senator from Rhode Island have the exact language.

The PRESIDING OFFICER. The amendment will be stated.

The second assistant legislative clerk read as follows:

The Senator from New Mexico (Mr. DOMENICI), for himself, Mr. HART and Mr. MCGOVERN, proposes an unprinted amendment numbered 1714:

On page 279, line 7, beginning with (1), strike out through "with" on line 9 and insert in lieu thereof the following:

"(1) preclude a local education agency from using funds under this title for activities carried out under".

Mr. JAVITS. Mr. President, I will tell the Senator what interests me. What interests me is whether the funds would be used for the purpose of complying with a court order, or whether they would be used for bilingual programs in a program which relates to the responsibilities imposed by the court but would still remain a bilingual program.

Mr. DOMENICI. Indeed.

What I am saying is that they could be used to comply, but I think the committee never intended that this kind of a grant be anything but competitive. Therefore, we do not want to leave the impression that a court can order this money around because they have found that there is a need for bilingual education in a certain part of the country. We know that. But we have always had this money competitive. Some are able to get it, some are not.

We just want to clarify, certainly, a court order may be in some respects met when it says there is a bilingual need here and it ought to be used.

If they succeed in their competition, it may, indeed, fulfill that particular court order.

But we do not want courts substituting for the competitiveness of bilingual programs because this is not that kind of program.

Mr. JAVITS. In other words, the courts cannot run the program, even though the program may result in greater or definitive compliance with all or a part of a court order?

Mr. DOMENICI. Precisely.

Mr. JAVITS. That is acceptable to me.

Mr. DOMENICI. I thank the Senator.

I move the adoption of my amendment.

The PRESIDING OFFICER. The question is on agreeing to the amendment of the Senator from New Mexico.

So the amendment (UP No. 1714) was agreed to.

Mr. DOMENICI. Mr. President, I move to reconsider the vote by which the amendment was agreed to.

Mr. JAVITS. I move to lay that motion on the table.

The motion to lay on the table was agreed to.

Mr. JAVITS. Will the Senator yield?

Mr. DOMENICI. I am delighted to.

Mr. JAVITS. Mr. President, I ask unanimous consent that Ed King of Senator BARTLETT'S staff, Karen Steidl of Senator YOUNG'S staff, Cindy Root of Senator TOWER'S staff, be granted privilege of the floor during consideration of this bill.

Mr. ROTH. If the Senator will yield, will he add Chris Warner of my staff to that list?

Mr. JAVITS. I make that unanimous-consent request.

The PRESIDING OFFICER. Without objection, it is so ordered.

UP AMENDMENT NO. 1715

(Purpose: To strengthen the development of bilingual education materials and to assure that the relative needs of various language groups are taken into account in the development of such materials)

Mr. DOMENICI. Now, Mr. President, the fourth amendment I have pending at the desk is an effort to upgrade the bilingual materials and to insure the relative needs of the various language groups are taken into account.

In current law, the NIE and the Commissioner are mandated to develop and disseminate instructional materials and equipment for use in bilingual education programs. However, the current committee bill does not continue that mandate and I believe it should be continued. I urge acceptance of the amendment.

The PRESIDING OFFICER. Does the Senator call up the amendment at this time?

Mr. DOMENICI. I call up the amendment.

The PRESIDING OFFICER. The amendment will be stated.

The second assistant legislative clerk read as follows:

The Senator from New Mexico (Mr. DOMENICI), for himself, Mr. TOWER, and Mr. HART, proposes an unprinted amendment numbered 1715:

The amendment is as follows:

On page 287, between lines 16 and 17, insert the following:

"(e) The Commissioner and the Director of the National Institute of Education shall, through competitive contracts with appropriate public agencies and private institutions and organizations, develop and disseminate instructional materials and equipment suitable for bilingual education programs. The quality of materials developed pursuant to this subsection shall be comparable to the quality of materials provided in classrooms for English dominant children. In the development of instructional materials for the purpose of this subsection, the availability of materials already in existence in private and public sources shall be taken into account and special attention shall be given to language groups for whom private organizations are unlikely to develop such materials."

On page 287, line 17, strike out "(e)" and insert in lieu thereof "(f)".

Mr. PELL. Mr. President, I have had an opportunity to go over the amendment. I think it is an excellent amendment, and I suggest to my colleagues that it be accepted.

Mr. JAVITS. Mr. President, I have one question.

The Senator from New Mexico uses in the second line of this amendment the word "competitive"—"through competitive contracts." I just want to be sure that that word does not have any statutory significance. Does the Senator mean an ultimate effect?

Mr. DOMENICI. Indeed.

Mr. JAVITS. I do not know what other procedures they otherwise would have to go through.

Mr. DOMENICI. There is no statutory meaning other than the word itself.

Mr. JAVITS. I have no objection.

The PRESIDING OFFICER. The question is on agreeing to the amendment of the Senator from New Mexico.

The amendment was agreed to.

Mr. DOMENICI. Mr. President, I move to reconsider the vote by which the amendment was agreed to.

Mr. JAVITS. I move to lay that motion on the table.

The motion to lay on the table was agreed to.

UP AMENDMENT NO. 1716

(Purpose: To provide more specific criteria for the approval of initial applications under title VII)

Mr. DOMENICI. Mr. President, I sent to the desk five amendments, and I be-

lieve we are now on the fifth amendment. I do not want to call it up yet. I want to discuss it for a moment. This amendment clarifies the term "historically underserved," which appears in section 721(b) of the committee bill. The phrase "historically underserved" in this section has been used to set a priority for new applicants, and it lacks definition.

We ask the question, who have been historically underserved? What does historically underserved mean?

The purpose of this amendment is to provide specific criteria to be considered in exercising this priority. That language is consistent with the provisions of the bill which direct that consideration be given to relative numbers of children eligible and to the relative need for such program.

I truly believe that the amendment is consistent with the bill, and merely will be more specific to make certain that the intention of the farmers of the bill is not departed from by those who administer it.

I call up the amendment.

The PRESIDING OFFICER. The amendment will be stated.

The second assistant legislative clerk read as follows:

The Senator from New Mexico (Mr. DOMENICI) proposes an unprinted amendment numbered 1716.

Mr. DOMENICI. Mr. President, I ask unanimous consent that reading of the amendment be dispensed with.

The PRESIDING OFFICER. Without objection, it is so ordered.

The amendment is as follows:

On page 280, line 5, before the period insert a comma and the following: "taking into consideration the relative numbers of such children in the schools of such local educational agencies and the relative need for such programs".

Mr. PELL. Mr. President, I have had a chance to go over this amendment. I believe that the term "historically underserved" is one that requires definition, and I believe we are correct in moving ahead with the acceptance of this amendment.

Mr. JAVITS. Mr. President, the term "historically underserved" applies not only in the area of which the Senator is speaking but also could apply—and I gather it is the purpose of the amendment—in many other areas.

For example, I believe that New York City, which has a population of almost 8 million, has about a million people who, generally speaking, are in this category of historically underserved.

So, with the understanding that this is a term of quality, nationally applicable wherever it is applicable, I find no objection.

Mr. DOMENICI. I am most appreciative. That is my intention, also.

Mr. President, in connection with this amendment I recognize the assistance of Senator HATHAWAY. He has statements in support of the clarifying amendment with reference to "historically underserved," and he has asked that they be made part of the record. I ask unanimous consent that his statements be printed in the RECORD.

The PRESIDING OFFICER. Without objection, it is so ordered.

STATEMENTS BY MR. HATHAWAY

I am pleased to be a cosponsor of the pending amendment of the Senator from New Mexico. It is a worthy amendment to the bilingual education provisions and I urge its adoption.

It would require that the Secretary submit to Congress by the end of 1981 a report on procedures necessary to convert this program from a discretionary grant program to a formula grant program.

In this way, Congress would be in a position to carefully consider such a proposal. At this point in time it is clear that there is a great unmet need for bilingual education. Currently 255,000 children are served by Federally funded Bilingual programs. But the estimated need ranges from 800,000 to 3.3 million for a shortfall of up to 10 to 1.

These factors were motivations behind my amendment to give priority in considering initial grants to areas and groups which have been underserved, and to move toward an equitable geographical distribution. As the Committee report notes, there is an unmet need for such programs in New England among Franco-Americans, and this is particularly true in the state of Maine.

I look forward to this amendment providing momentum to meet all of these unmet needs.

As the author of the language which the Senator from New Mexico proposes to amend, I would like to offer a couple of comments.

I believe his amendment is consistent with the language in the bill and in the accompanying report.

The statutory language is as follows:

"(3) In the consideration of initial applications from local educational agencies to carry out programs of bilingual education under paragraph (1) of this subsection, the Commissioner shall give priority to applications from local educational agencies which are located in various geographical regions of the Nation and which propose to assist children of limited English proficiency that have historically been underserved by programs of bilingual education. In approving such applications, the Commissioner shall, to the extent feasible, allocate funds appropriated in proportion to the geographical distribution of children of limited English proficiency throughout the Nation, with due regard for the relative ability of particular local educational agencies to carry out such programs and the relative numbers of persons from low-income families sought to be benefited by such programs.".

The accompanying report states:

"The committee further agreed to amend the Bilingual Education Act with respect to procedures to be utilized in the evaluation of initial grant applications for assistance under that Act.

"The amendment would require the Commissioner, in the consideration of initial applications from local educational agencies for bilingual education grant funds, to give priority to applications from such agencies located in geographical areas and proposing to assist children in need that have historically been underserved by programs of bilingual education. The amendment further requires that in approving such initial applications, the Commissioner shall to the extent feasible allocate funds in proportion to the geographical distribution of such children of limited English proficiency throughout the Nation with due regard for the ability of the local educational agency to carry out such a program, and the relative numbers of low income children sought to be benefitted.

"The committee strongly believes that effective bilingual education programs ought to be implemented to benefit all children in need of such services throughout the Nation. At the same time, it is recognized that budget realities preclude this goal from being immediately realized through Federal programs. Currently 255,000 children are served by federally funded bilingual demonstration grants. This is far short of the need, however, since the Committee has received estimates of children who could benefit which range from 800,000 to 3.6 million. Thus, the shortfall in program resources to program need could be between 1 to 3 and 1 to 10.

"Since it is not presently possible to establish federally assisted programs reaching all children in need of such assistance, the Committee believes that it is important to utilize scarce funds for demonstration programs and projects with a view toward stimulating interest and initiative among State and local educational agencies throughout the Nation which ultimately would lead to successful non-Federal programs.

"The Office of Bilingual Education is urged to continue its efforts to provide technical assistance to local educational agencies interested in applying for such assistance, and is encouraged to engage in active outreach programs to stimulate such interest. The Committee also takes notice of the potential need for bilingual education programs among Franco-Americans and Portuguese-Americans in New England, for Spanish speaking persons of Caribbean origin through the Northeast, and urges the Office of Bilingual Education to give appropriate attention to applications designed to meet this need.

"The committee stresses that this amendment is not intended to be used as a basis for redistributing funds to favor one language group over another exclusive of need. Projects grants should continue to be awarded according to the degree of need for assistance and the quality of the existing projects or future project proposals. It is anticipated that increased funding for title VII in future years will enable the Commissioner to reach regions and groups which have historically been underserved."

This language stresses that the relative numbers of children must be examined, relative need must be considered, and the overall quality of the application must be considered, with attention to the ability of the local educational agency to carry out the program.

The Senator's amendment further underlines these factors and I am pleased to support it.

The PRESIDING OFFICER. The question is on agreeing to the amendment of the Senator from New Mexico.

The amendment was agreed to.

Mr. DOMENICI. Mr. President, I move to reconsider the vote by which the amendment was agreed to.

Mr. JAVITS. I move to lay that motion on the table.

The motion to lay on the table was agreed to.

Mr. DOMENICI. Mr. President, does the Senator from California wish to speak on bilingual education?

Mr. HAYAKAWA. I do, and I would be grateful if the Senator from New Mexico would yield to me.

Mr. PELL. There is no time limitation.

Mr. JAVITS. The Senator simply can take the floor.

Mr. DOMENICI. I say to the Senator from California that I am delighted to yield at this point.

I have a number of additional amendments, but they are not on bilingual education, and I yield the floor at this moment.

Mr. JAVITS. Mr. President, I ask unanimous consent that Jerry Rosen, of Senator GRIFFIN's staff, may have the

privilege of the floor during the consideration of this measure.

The PRESIDING OFFICER. Without objection, it is so ordered.

The Senator from California is recognized.

Mr. HAYAKAWA. Mr. President, I rise today to offer some comments on so-called bilingual education. I have a life-long habit of not accepting words simply on the basis of their colloquial usage. I like to make certain that the meaning of any particular language can be clearly identified.

In this connection, the term "bilingual education" has been giving me some problems. Chances are that when one asks five educators for a definition, five very different answers will be given. According to one interpretation, it simply means the teaching of English to new immigrants. On the opposite side of the scale—and there is really a full scale of interpretations—bilingual education is a more or less permanent two-track educational system—involving the maintenance of a second culture and an emphasis on ethnic heritage. I ask myself, "How did we get into this confused state of affairs?"

The United States has always had minority groups with different languages and cultures, so there has always been the need for special educational assistance. Prior to the 1900's, in Pennsylvania, the Germans had public instruction in German for a brief period in the 1830's. In Cincinnati, Ohio, Indianapolis, Ind., Baltimore, Md., and New Ulm, Minn., there were German-English schools between 1880-87. Cities such as New York, Chicago, and Detroit set up special English classes for language minority immigrants as part of night school programs. Many immigrant organizations provided assistance to members of their groups. The Educational Alliance of New York City had a program in the 1890's to help Jewish immigrants by teaching them English, and later the Society for Italian immigrants and the Polish National Alliance set up similar classes. Although immigrant groups continued to establish native language schools for their children, the great majority of language minority children who were in school received no special consideration.

These schools, set up by immigrant groups, were set up to facilitate teaching them English; but sometimes they were schools set up specifically for the purpose of teaching the language of the immigrant group, the language of the country they came from. One thinks in this connection of the Chinese language schools and Japanese language schools, especially on the west coast, and there were the Hebrew schools in which Jewish children were taught.

Nevertheless, all these children made their way. They succeeded in their respective fields of endeavor, and many of them were later found among America's most prominent citizens.

I believe by about 1960, some important changes began to take place. A great number of Cuban refugees arrived, and this influx was subsequently enlarged by increasing numbers of Mexicans. As a result, prior to 1969, some 56 locally initiated bilingual programs were started, primarily in the Southwest. Congress got into the act in 1968, when it passed the first major Federal legislation concerning bilingual education, the Bilingual Education Act. There have been numerous amendments since that date. The latest one will be found in title VII of the bill which is presently before the Senate. Looking over the record, we find that we started in 1968 with an authorization of $15 million, that it was doubled in 1969, and that we are now considering authorizations in a magnitude of $400 million annually. For a generation which has gotten used to the generosities of the welfare state, this is, of course, a normal and desirable development. An oldtimer like myself, on the other hand, cannot help wondering why it was necessary for the Federal Government to become involved in a problem area which—left alone—had contributed so effectively to the American success story.

As a member of the Budget Committee, I have learned to deal with billions of dollars. So the amounts under discussion for this program will not cause me any sleepless nights. What I am concerned about, however, are the ambivalent aims of bilingual education. Let me quote from a statement of the Office of Education:

> Bilingual education means the use of two languages, one of which is English, as media of instruction. Both languages must be used as media of instructions for the same student population in a well organized program which encompasses part or all of the curriculum. Included in the concept of bilingual education is the study of the history and culture associated with the mother tongues. A complete program develops and maintains the children's self-esteem and a legitimate pride of both cultures.

I quote some more:

> Bilingual education does more than simply teach a child English so that he can then be assimilated into the Anglo school. Rather, it attempts to present and preserve certain aspects of the student's native culture as well as to introduce him to the English language and its culture.

Let me depart from my prepared text to comment on bilingual education as impinged upon my own family.

I have a niece who got much of her education in Japan. She was born there. Then at about high school age she came to this country, learned English without a bilingual school, and got her degree in San Francisco State, so she speaks English very well as well as Japanese.

She and her husband, who is a Nisei American-born Japanese, together were hired to teach in the bilingual program in San Francisco public schools. They are both trying to get out of it—I think one of them succeeded in doing so—because they both felt it was a waste of time after 3 or 4 years of experience in the bilingual program.

The children in the bilingual program are a curious mixture. Some are third-generation Japanese Americans. Many of them come from families in which the second-generation Japanese Americans no longer speak Japanese and therefore some of them are trying to discover cultural roots, and if they do learn some Japanese, they are able to speak to their grandmothers if the grandmothers are still alive. But they are a small portion of the classes.

Another group of the people in bilingual education are the children of officials of Japanese companies with headquarters or branches in San Francisco. To them, the instructor is not necessary. What they are requiring most of all is instruction in English and they do better when thrown into all-English language classes.

The third group are black and white children who have nothing to do with the Japanese culture or the Japanese language. They are just thrown in there because of affirmative action and racial balance requirements require that there be a certain number of blacks and a certain number of whites in the classroom. Why a large number of black children should have to learn Japanese because they go to San Francisco public schools I have never been able to figure out.

But this is what is happening and the results of this are, as I say, to my own niece and to her husband sufficiently unsatisfactory that my niece at least has gone on to get a master's degree in remedial reading in order to be able to get out of the bilingual program altogether.

In other words, to some of the participants in this program there are many, many ambiguities that were mentioned at the very beginning of my remarks when I said that there are no five educators who can agree upon what bilingual education means.

Mr. President, I cited the official position of the Office of Education, and I cannot help wondering how many of my colleagues concur with this approach. The fundamental issue was discussed in the Education Subcommittee, which eventually agreed to a change of language that seems to me symptomatic. The text in the present law stipulates that bilingual instructions are needed for children who "have difficulty speaking and understanding instruction in the English language." The new text eliminates this language, indicating that the instructions are needed for children who "have sufficient difficulty speaking, reading, writing, or understanding the English language to deny such individuals the opportunity to attain levels of proficiency comparable to others at their appropriate age and grade level."

I cannot help wondering what this means. This means, then, that, let us say, if you have fifth-grade arithmetic you have to have fifth-grade arithmetic taught to a part of the school population in English and to another part of the school population in Chinese or Spanish. Is the purpose of bilingual education to have a duplicate school system? There are many ambiguities here.

Mr. President, if there ever was an open-ended definition, in my judgment, here is one. Since the attainment of proficiency comparable to that of native Americans entails debatable value judgments, we are opening the door to a federally sponsored maintenance of a second culture.

That is what we are deliberately doing. And how many second cultures are we going to maintain? Chinese, Japanese, Korean, Spanish-American, Mexican? If the demands are great enough. There are, no doubt, many, many other linguist groups including American Indians and Vietnamese who are going to insist upon second language programs for themselves.

I believe we all grew up with the concept of the American melting pot, that is the merging of a multitude of foreign cultures into one. In this world of national strife, it is a unique concept. I believe everybody in this Chamber will agree that it had a fundamental impact on the Nation's greatness. We in this very Chamber represent simply dozens of ethnic heritages, and the Chamber is richer for this fact.

In the light of these new educational developments, I ask myself what are we trying to do with this bilingual education? Where do we want to go? Demographic research tells us that 10 or 20 years from now in some of our States, there will be a majority of individuals with Spanish background. If Spanish-speaking people become a majority, for example, in the State of California or in the State of Texas, what are we heading into? It seems to me that we are preparing the ground for permanently and officially bilingual States. From here to separatist movements on the order of the Province of Quebec would be the final step.

I ask these questions, Mr. President. I ask us to ask ourselves if this is the kind of development which we want to promote?

I thank the Chair.

Mr. DOMENICI addressed the Chair.

The PRESIDING OFFICER. Who seeks recognition? The Senator from New Mexico.

UP AMENDMENT NO. 1717

(Purpose: To delete an exception relating to the prohibition on the use of funds under title VII and to delete a reference to a prohibition on the priority of funding under that title)

Mr. DOMENICI. Mr. President, I send to the desk an unprinted amendment on behalf of myself, Senator BELLMON, and Senator TOWER, and ask for its immediate consideration.

The PRESIDING OFFICER. The amendment will be stated.

The assistant legislative clerk read as follows:

The Senator from New Mexico (Mr. DOMENICI), for himself, Mr. BELLMON, and Mr. TOWER, proposes an unprinted amendment numbered 1717.

Mr. DOMENICI. Mr. President, I ask unanimous consent that the reading of the amendment be dispensed with.

The PRESIDING OFFICER. Without objection, it is so ordered.

The amendment is as follows:

On page 279, line 6, beginning with the comma, strike out through "title" on line 16.

Mr. DOMENICI. Mr. President, this unprinted amendment clarifies district eligibility under the Emergency School Aid Act.

Fourteen poor school districts have gone through much turmoil as the result of mid-stream changes in ESAA eligibility requirements by the Department of Education.

Since 1972, it was Office of Education policy to provide funds under the Emergency School Aid Act to all eligible school districts including those which are unable, due to geographic location, to carry out a desegregation plan as mandated by the act.

In January 1977 the Office of Education issued a new interpretation of the Emergency School Aid Act which removed all Comprehensive Education Planned districts from consideration for funding.

Several States, including my own, parts of Oklahoma, parts of Texas, and part of California, were adversely affected by this reinterpretation of the ESAA law.

In March of this year a number of my colleagues joined with me in petitioning the Office of Education to protest this interpretation and request that these 14 very poor and isolated school districts be "held harmless."

The new interpretation amounted to a reversal in midstream of the longstanding Office of Education policy. Therefore, our "hold harmless" was granted.

However, the problem has not yet been resolved. The "hold harmless" is nothing more than a 1-year extension.

I am proposing clarifying language so that these 14 isolated and poor school districts will continue to receive the same ESAA assistance to which they were entitled in previous years.

I am reminded that the distinguished Senator from Oklahoma (Mr. BELLMON) is a cosponsor and he wanted to be on the floor.

I ask unanimous consent that a statement which he has be printed immediately following my remarks on this amendment.

The PRESIDING OFFICER. Without objection, it is so ordered.

● Mr. BELLMON. Mr. President, Senator DOMENICI's idea of an optional grant program for education represents a sound and positive approach to a very difficult problem. I am pleased to have been one of the original cosponsors of this legislation, which has received so much favorable comment.

The logic of consolidation is compelling. It provides a vehicle for the simplification and decentralization of administration of Federal programs. The bureaucratic burden under which educational programs usually suffer is thereby lessened. State and local educational agencies, rather than remote regional or Washington bureaucracies, are responsible for the basic decisions and program actions with which they must live. Instead of having a multitude of categorical programs, each with its own funding and administrative peculiarities, programs may be grouped logically for administrative ease.

Currently, the mass media are examining the bases for the failure of public education in many situations. It seems worthwhile to point out that we have increasingly given to school administrators, school boards, and teachers specific responsibilities for correcting social ills which cumulatively may exceed the capacity of the institution to deal with. One consequence is that compliance with the many, often overlapping and duplicative, requirements imposed by the Federal Government have crowded out some of the most essential functions of education. It is no wonder that school officials complain they can do little else but satisfy Federal requirements. A step in the direction of redressing this imbalance can be made through the amendment Senator DOMENICI is offering today.

Consolidation represents a potential turning point in the funding of Federal programs in education. For more than two decades, Federal Government initiatives created many programs of educational aid to the States and local education agencies until we now have more than 100 separately authorized program activities in the Office of Education.

Today, there is Federal Government support for about 7 percent of the total cost of elementary and secondary education. Most of that support flows through many narrow categorical programs. It is distributed through the States to local education agencies using formulas that contain such factors as school age population and income level of students' families. As responses to national problems, these remedies have grown into a web of administrative regulations and paperwork, causing school systems to devote more time and manpower to meeting Federal requirements and completing necessary paperwork. School administration has become more a matter of satisfying rigid requirements and shouldering administrative burdens than a creative process for insuring quality education to meet local needs and objectives.

Those who may be concerned that the consolidation approach will serve to reduce the Federal commitment to education need not worry. No State which exercises this option will lose money. Nor should there be any concern that consolidation will be used as an excuse to avoid responsibility for the special educational needs of particular groups, such as the disadvantaged and the handicapped. Special "hold harmless" and maintenance of effort requirements will insure that these obligations will continue to be met. Local educational agencies will be protected by provisions for flow-through of money. It will not be necessary for States to enact special legislation in order to exercise this option.

This approach seeks to group programs into clusters which are logically related in order to create several blocks. Flexibility within each category will allow States and localities to fashion educational programs more nearly in accord with needs than is now possible under categorical programing.

Consolidation will undoubtedly create anxieties among supporters of specific categorical grant programs. If a program is a legitimate priority within a State, it will undoubtedly continue to receive funding commitment under the consolidated approach. The proliferation of small categorical programs has caused local education agencies to expend, in

some cases, more time and effort applying for funds than the funds were worth. Consolidating the programs into a single competitive process at the State level will significantly reduce the cost in manhours.

An important feature of this new legislation will be the requirement of a participatory planning process within each State which chooses to receive its Federal funds in the consolidation grant. The views of interested citizens, constituent groups, local education agencies, units of local government and appropriate State agencies and organizations will be solicited in the process of developing a comprehensive State plan for the expenditure of this Federal money. The resulting proposed comprehensive State plan will have to be made available to all interested parties, and public comment on the plan accepted. The same publishing and comment requirements will apply to regulations issued by the States. These are powerful remedies for the often unthinking and unresponsive actions of distant bureaucracies.

Mr. President, I strongly support the Domenici amendment which would open up, on a limited basis, the educational system to new experimentation which can only have the refreshing effect of revitalizing the educational process. I hope this amendment will be accepted as a part of the elementary and secondary education bill.●

Mr. DOMENICI. It is my understanding that the managers of the bill have had an opportunity to review this and have some questions, but that they are leaning in the direction of accepting it. I do not know exactly where we are. Could we hear from them?

Mr. PELL. We have had a chance to look at it. We are not leaning in any direction; we are not leaning toward it or away from it—maybe a little more away from it because what it really does is to change the purpose of the basic bill, which is for integration in the community. These youngsters are in a totally geographically isolated area. They are isolated because of the geography, where they are, not because of the mores or customs of the community.

It is a unique situation I realize, I say to the Senator from New Mexico. I am not sure that this is the exact vehicle on which to put what is really a special purpose, special interest. There is nothing wrong with it at all, but it is of special interest to New Mexico, almost unique among the other States.

I am wondering if this is the right bill on which to append this legislation.

Mr. DOMENICI. I might say to my good friend that this is a very small fraction of the school districts. My understanding is we are talking about somewhere in the neighborhood of $1 million out of several hundred millions. There is no other way to solve the problem. The definition for all those years coming out of the regional office caused the entitlement, and the reliance. The districts are large in size, but small in number. The isolation makes it impossible for them to meet the new definition.

Mr. JAVITS. Mr. President, will the Senator yield?

Mr. DOMENICI. I would be delighted to yield.

Mr. JAVITS. The department is definitely opposed to this amendment, and I am inclined to agree with them. For one, although the Senator says there are few districts compared with all the districts in the United States, which run into the thousands, HEW estimates that 500 additional school districts would qualify under this particular amendment, and they feel that the cost for these additional districts could exceed the whole ESAA budget for 1979, to wit, $290 million.

Hence, if we accept the amendment we are wiping out the program in terms of what we allowed for it under this bill.

I am sympathetic to the problems but, after all, if those districts have disadvantaged children then they would qualify under ESEA title I. I certainly would be perfectly willing to be sure they qualified under that. If they have bilingual problems, they come under the bilingual education. But to throw them in under emergency school aid, which is intended to deal with unconstitutional segregation, I must say I cannot see how we can stretch that, especially in view of the estimates of the Department that it would take up everything you have got under the ESEA program. I have got to go by the estimate of the Department, so I cannot accept the amendment.

Mr. DOMENICI. I do not understand the Department's figure, and I would like to discuss that with the floor managers. It is our understanding that this interpretation has been costing slightly over $1 million in one part of the country.

Mr. JAVITS. Well, Mr. President, I am going to suggest the absence of a quorum. The Department is available. We can discuss it with them and get to the bottom of that or any other question.

Mr. DOMENICI. Mr. President, I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The assistant legislative clerk proceeded to call the roll.

Mr. PELL. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. PELL. Mr. President, I ask unanimous consent that we proceed to the amendment of Senator McGOVERN, and that we temporarily lay aside the amendment of the Senator from New Mexico, and when action is completed on Mr. McGOVERN's amendment that we revert to the amendment of the Senator from New Mexico.

The PRESIDING OFFICER. Is there objection?

Mr. DOMENICI. Reserving the right to object, we will revert back to the pending amendment of the Senator from New Mexico?

The PRESIDING OFFICER. That was part of the unanimous-consent request.

Without objection, it is so ordered.

UP AMENDMENT NO. 1718

(Purpose: To establish a National Commission on the International Year of the Child)

Mr. McGOVERN. Mr. President, I send an amendment to the desk on behalf of myself, Senator CRANSTON, Senator CULVER, and Senator MATHIAS, and ask that it be reported.

The PRESIDING OFFICER. The amendment will be stated.

The assistant legislative clerk read as follows:

The Senator from South Dakota (Mr. McGOVERN), for himself and others, proposes an unprinted amendment numbered 1718. On page 21—

Mr. McGOVERN. Mr. President, I ask unanimous consent that further reading of the amendment be dispensed with.

The PRESIDING OFFICER. Without objection, it is so ordered.

The amendment is as follows:

On page 21, the table of contents is amended by adding at the end thereof the following new material:

"TITLE V—INTERNATIONAL YEAR OF THE CHILD

"Sec. 501. Declaration of purpose of the International Year of the Child.
"Sec. 502. Establishment of a National Commission.
"Sec. 503. Functions of Commission.
"Sec. 504. Coordination and administration.
"Sec. 505. Waivers of certain other provisions of law.
"Sec. 506. Termination date.
"Sec. 507. Authorization of appropriations.".

At the end of the bill add the following new title:

"TITLE V—INTERNATIONAL YEAR OF THE CHILD

"DECLARATION OF PURPOSE OF THE INTERNATIONAL YEAR OF THE CHILD

"SEC. 501. The United Nations General Assembly, by a resolution approved at its thirty-first session, has designated the year 1979 as the International Year of the Child. This action was designed to focus national and international attention on various aspects of the needs of children and to encourage all nations, individually and in cooperation, to take appropriate and relevant actions to meet them. The General Assembly called upon member states and international organizations to participate fully in the International Year of the Child and to devote the year 1979 to efforts at the international, national and community levels to provide lasting improvements in the well being of children.

"ESTABLISHMENT OF A NATIONAL COMMISSION

"SEC. 502. (a) The President shall establish a National Commission on the International Year of the Child (hereinafter in this Act referred to as the "Commission"), and to appoint to the Commission not more than 25 members chosen from among citizens in private life.

"(b) The President shall designate a Chairperson and two Vice Chairpersons from among the members.

"(c) The President of the Senate and the Speaker of the House of Representatives may each designate two members of the Senate and the House of Representatives, respectively, to serve on the Commission, in addition to the members to be appointed by the President.

"FUNCTIONS OF THE COMMISSION

"SEC. 503. (a) The commission shall promote: (i) effective and significant observance in the United States of 1979 as the International Year of the Child (hereinafter in this Act referred to as the "Year"), with particular reference to the goals stated in Section 2; (ii) cooperation by the United States with UNICEF and other international organizations and with other nations to achieve

the objectives of the Year. To these ends, the Commission shall seek to stimulate within the United States a better understanding of, and actions to meet, the needs of children both in this and in other countries. Such needs would include, but not be limited to the social, health, educational, and developmental needs of children, as well as concern for the general condition and rights of children.

"(b) The commission shall keep informed of activities undertaken or planned by various organizations and groups in the United States and abroad in observance of the Year and shall consult with such groups and stimulate such activities and programs through community, civic, local, State, regional, national, Federal, international, private and professional organizations.

"(c) The Commission may conduct studies, inquiries, and hearings and hold meetings as it deems necessary. It may assemble and disseminate information, and issue reports and other publications. It may also coordinate, sponsor, perform, or oversee projects, studies, events, and other activities that it deems necessary or desirable for the observance of the Year.

"(d) The Commission shall make recommendations to the President on national policies in furtherance of the goals of the Year; and shall make a final report to the President on its work and recommendations, not later than March 31, 1980.

"COORDINATION AND ADMINISTRATION

"SEC. 504. (a) The commission is authorized to establish such subcommittees, the membership of which may include persons not members of the Commission, as it deems necessary to carry out the purpose of this Act.

"(b) Each agency of the executive branch of the Government is authorized: (1) to furnish to the Commission, upon request of the Chairperson of the Commission, such information, advice, and services, and funds as may be useful to the Commission for the fulfillment of its functions under this Act, and (2) to detail personnel to the Commission.

"(c) Each member of the Commission or any of its subcommittees, who is not a member of Congress may, while serving on business of the Commission, be compensated at a rate not to exceed the daily equivalent of GS–15 for each day they are engaged in the actual performance of duties.

"(d) The Commission may appoint such staff personnel as it considers necessary to carry out its duties under this Act without regard to the provisions of Title 5, United States Code, governing appointment in the competitive civil service, and without regard to Chapter 51 of and Subchapter III of Chapter 53 of such Title relating to classification and General Schedule pay rates, except that not more than two individuals so appointed may receive pay in excess of the annual rate of basic pay in effect for grade GS–15 of the General Schedule. Appointments shall be made without regard to political affiliation.

"(e) The Commission is authorized to accept and use services of voluntary and uncompensated personnel. Such personnel shall not be considered Federal employees for any purpose other than for purposes of Chapter 81 of Title 4, United States Code (relating to compensation for injury), and Sections 2671 through 2680 of Title 28, United States Code (relating to tort claims), and shall not perform the work of Federal employees.

"(f) Members or staff of the Commission or of a subcommittee thereof, shall be allowed travel expenses while attending meetings of the Commission or its subcommittees or otherwise engaged in the business of the Commission away from their homes or regular places of business, including per diem in lieu of subsistence, as authorized under Section 5703 of Title 5, United States Code, for persons in Government service employed intermittently.

"(g) The Commission is authorized to procure such temporary and intermittent services of experts and consultants as are necessary to the extent authorized by Section 3109 of Title 5, United States Code.

"(h) The Commission is authorized to accept, use, and dispose of contributions of money or property.

"(i) The Commission is authorized to enter into contracts with Federal and State agencies, private firms, institutions, and individuals for the conduct of research or surveys, the preparation of reports, and other activities necessary to the discharge of its duties.

"(j) The Commission may use the United States mails under the same conditions as other departments and agencies of the United States.

"(k) The powers granted the Commission by this Act shall be in addition to those granted by Executive Order 12053. The powers granted the Commission by Executive Order 12053 may be employed to fulfill the responsibilities of the Commission under this Act.

"(1) The Powers granted the Commission under this Act may be delegated to any member or employee of the Commission by the Commission chairperson.

"(m) Financial and administrative support services (including those related to budget and accounting, financial reporting, personnel, and procurement) shall be provided to the Commission by the General Services Administration, for which payment shall be made in advance, or by reimbursement, from funds of the Commission, in such amounts as may be agreed upon by the Chairperson of the Commission and the Administrator of the General Services Administration.

"WAIVERS OF CERTAIN OTHER PROVISIONS OF LAW

"SEC. 505. In order to expedite matters pertaining to the planning for, and work of, the Commission, the Commission is authorized to make purchases and contracts without regard to Section 252 of Title 41 of the United States Code, pertaining to advertising and competitive bidding, and may arrange for the printing of any material pertaining to the work of the Commission without regard to the Government Printing and Binding Regulations and any related laws or regulations.

"TERMINATION DATE

"SEC. 506. The Commission shall continue in existence until thirty days after submission of its final report to the President pursuant to Section 4(d), at which time it shall terminate, but the life of the Commission shall in no case extend beyond April 30, 1980.

"AUTHORIZATION OF APPROPRIATIONS

"SEC. 507. There are authorized to be appropriated, without fiscal year limitation such sums as may be necessary to carry out the provisions of this Act. Such sums shall remain available for obligation until expended.

No funds authorized hereunder may be used for lobbying activities."

Mr. McGOVERN. Mr. President, I have discussed this amendment with the distinguished manager of the bill and with Senator JAVITS, the ranking Member on the minority side. It is simply an authorization to permit the United States to participate as a full partner, along with more than 140 other countries, in the International Year of the Child.

UNICEF, which is charged with focusing the issues of health, education, hunger, drug abuse, child abuse, on children in particular, has wisely, in my opinion decided not to spend a great deal of money and time on a huge international conference for children's issues.

Instead, they have decided to focus on national and local efforts, encouraging each country to organize itself in the way most likely to contribute to one final effort.

The United States should continue its role as a pioneer in concern for children. If we can authorize this Commission today, very important measures will be taken that have never been taken before.

For example, we can, with the help of the over 200 national organizations which have joined in the effort, compile the first inventory of Federal and State programs on child neglect and abuse. We can coordinate our many separate efforts to educate children and parents on the evils of drug abuse. We can work with schools in all our communities to acquaint them with the programs available to help children.

Mr. President, a great deal of good can come from this effort. Our children deserve our best attentions, and this Commission will help focus that attention.

Under date of August 8, Mr. President, I received a letter from Miss Margaret Mead, the distinguished social scientist, strongly urging Congress to authorize the participation of the United States in the International Year of the Child, and to authorize the creation of a commission to make our part meaningful. I ask unanimous consent that the letter be printed in the RECORD.

There being no objection, the letter was ordered to be printed in the RECORD, as follows:

NEW YORK, N.Y.,
August 8, 1978.

HON. GEORGE MCGOVERN,
Chairman, Subcommittee on International Operations, Senate Foreign Relations Committee, Dirksen Senate Office Building, Washington, D.C.

DEAR GEORGE: This is to reinforce the importance of passing an authorization bill immediately so that the United States can begin to participate appropriately in the International Year of the Child. The Year of the Child is a culmination of the series of United Nations Conferences on substantive matters, which began with the Stockholm Conference on the Environment and was continued with the Bucharest Conference on Population, the Rome Conference on Food and Hunger, the Vancouver Conference on Habitat and Human Settlements, the recent Conference in Argentina on pure water, and the series of Conferences of the Law of the Seas.

Each of these conferences have suffered from restrictions on their scope. The Conference on the Year of the Child is designed to focus all of these issues on our children and those unconceived who will be born in the future. The United States has stood before the world as a pioneer in concern for children. The long series of White House Conferences on Children have pioneered in national, state and local concern for children. It is appropriate that the United States should play a major role in focusing the first International Year of the Child.

The UN agency that has been charged with particular responsibility is UNICEF, and it has appropriately refused to spend a large amount of money on a large international conference, so the focus will be more on national and local organizations. It is important to realize that many Americans do not distinguish between UNICEF and UNESCO. The hostilities engendered by UNESCO's treatment of Israel have slopped over into opposition to UNICEF's sponsorship of the International Year of the Child.

We are very late in getting started, but Mrs. Young has assembled a distinguished National Commission which held its inaugural meeting in the Rose Garden on June 28, and a second meeting on August 3–5. It can do nothing further until the Authorization bill is passed. Please exercise your well known concern for the well-being of the world's

children by expediting the passage of S. 3161 at once so that the United States can start to play a role in this world wide endeavor.

Sincerely yours,

MARGARET MEAD.

● Mr. CULVER. Mr. President, I join with the Senator from South Dakota (Mr. McGOVERN) in support of this amendment to S. 1753, the Elementary and Secondary Education Act Amendments of 1978, authorizing funds for the National Commission for the U.S. observance of the International Year of the Child, 1979. As chairman of the Judiciary Subcommittee on Juvenile Delinquency, I firmly believe this is an important amendment which should be adopted by the Senate.

I am privileged to have been named, along with my distinguished colleague from Maryland (Mr. MATHIAS), by the President to represent the U.S. Senate on the National Commission, which was created by Executive order on April 14, 1978. The purpose of the Commission is to promote, support, and evaluate Federal, State, local, and civic programs designed to enhance the education, health, nutrition, and welfare opportunities for children during the 1979 International Year of the Child. The National Commission will complete its work and go out of existence by April 1980.

Mr. President, we have all heard of the deplorable conditions under which a great many of our children are born. There are presently 1.5 billion young people under the age of 15 in the world. An estimated 300 million do not have enough to eat, and two-thirds of them suffer from a severe form of nutritional deficiency. Fully 15 million children under the age of 5 die each year. Those who survive face lives with little educational or employment opportunities and little prospect of existence above the subsistence level.

Conditions for some children are only marginally better in many industrialized nations. In the United States, for instance, it is estimated that 20 million children do not receive adequate health care, including primary care, complete immunization, and early treatment of mental illness. There are 8 million handicapped children, 45 percent of whom receive no services. Over 200,000 suffer from physical abuse. Between 250,000 and 300,000 children are in public and private residential institutions for special care as predelinquent, physically handicapped, dependent, neglected, or mentally ill individuals. These startling statistics demonstrate that in the area of child health, welfare, and justice we in this country have a long way to go.

I believe it is critical that the United States participate in the 1979 International Year of the Child. This vital program does not involve an expensive national or international conference. Rather, the year is to be one of action in each of the 144 participating nations. Already in the United States 180 private and public organizations have pledged to work with the National Commission in the development of effective programs for children. Nine Federal agencies have submitted 99 International Year of the Child projects, and more are planned.

The continuation of this work depends, however, on the congressional endorsement of full U.S. participation in the International Year of the Child through the enactment of this amendment. The Commission has been able to begin its work by using staff support and grants from several Federal agencies. However, under the provisions of current law a Federal commission cannot exist without congressional authorization for more than 1 year, nor, of course, can its work have a meaningful impact on policy without the support of the U.S. Congress.

Mr. President, the 1979 International Year of the Child marks the 20th anniversary of the United Nations Declaration on the Rights of the Child. We should recognize the fundamental importance in both developing and industrialized countries of programs benefiting children, not only for the well-being of the child but also as a part of broader efforts to accelerate economic and social progress.

The most valuable resource of the United States, as well as of other countries, is its youth. It is our obligation, therefore, to assure that children live in environments which will enable them to grow to their fullest potential. The U.S. participation in the Year of the Child would demonstrate our own commitment to effectively meeting the needs of our children.

Mr. President, I commend the dedicated efforts of the Senators from South Dakota (Mr. McGOVERN) and Maryland (Mr. MATHIAS) to authorize the National Commission, and I strongly urge the Senate to adopt this important amendment.●

Mr. PELL. Mr. President, I have had an opportunity to go over this amendment. I think it is an excellent one. It may not be a "motherhood" amendment, but it is a "childhood" amendment, and I recommend that the Senate accept it.

Mr. JAVITS. Mr. President, the ESEA bill has already passed the House, and this amendment is not in the House language. I am sympathetic to the amendment entirely, and have no objection to its adoption, but I wish to make it crystal clear that it will be in conference, and that the authors of the amendment must realize that while we will certainly contend for it—I believe in it myself—we will be taking our chances with the House when we seek to attach it to this bill. I have no objection to it, with that understanding.

Mr. McGOVERN. Mr. President, I appreciate the Senator's caution, but I know how persuasive he is with House conferees. so I am very hopeful he and Senator PELL will prevail. This is a matter that has strong support in the other body as well as here in the Senate.

Mr. President, I move the adoption of the amendment.

The PRESIDING OFFICER. The question is on agreeing to the amendment UP amendment No. 1718.

The amendment was agreed to.

Mr. McGOVERN. Mr. President, I move to reconsider the vote by which the amendment was agreed to.

Mr. JAVITS. I move to lay that motion on the table.

The motion to lay on the table was agreed to.

UP AMENDMENT NO. 1717

The PRESIDING OFFICER. Under the previous order, the Senate now reverts to the consideration of the amendment (UP No. 1717) offered by the Senator from New Mexico.

Mr. DOMENICI. Mr. President, does the Senator from Maine wish me yield to him? I have an amendment pending.

Mr. MUSKIE. Well, I would say to my good friend from New Mexico that since many of the issues in this bill have a budgetary impact, I do want to make an opening statement from the point of view of the Budget Committee early on, and I would like to do that as early as I can. May I inquire of the Senator as to how much longer he will take?

Mr. DOMENICI. I will say to my good friend from Maine that it will not take me over 5 minutes on this amendment. I have others, but on those I will defer to Senator MUSKIE and Senator HART, who has been waiting to offer an amendment.

Mr. HART. Mr. President, will the Senator yield?

Mr. DOMENICI. Yes.

Mr. HART. The amendment I am going to propose does not have budgetary impact. We have discussed it with the committee, and I believe that it will be acceptable. It will take only 2 or 3 minutes.

Mr. MUSKIE. If we can have the understanding that I can be recognized after the present amendment and Senator HART's amendment, I am under no compulsion as to time, and I am certainly willing to yield at this point for the disposition of those amendments.

Mr. BIDEN. Mr. President, may I make an inquiry of the Senator from New Mexico?

Mr. DOMENICI. I yield.

Mr. BIDEN. Assuming we move along the route just suggested, that the Senator from Colorado and the Senator from Maine speak to their issues, and we then go back to the amendments of the Senator from New Mexico, about how long does the Senator from New Mexico anticipate the remainder of his amendments would take? Does he have any idea?

Mr. DOMENICI. No more than 15 minutes, and probably less.

Mr. BIDEN. Fine. I would hope that at the end of that time, Senator ROTH and I would be able to be recognized to offer our amendment.

Mr. JAVITS. Mr. President, will the Senator yield to me on his amendment with Mr. ROTH.

Mr. BIDEN. Yes.

Mr. JAVITS. That will take considerable debate. I would not wish the Senator to assume that that would be dealt with quickly; I will have considerable to say about it, and I hope others do also.

Mr. BIDEN. I would hope so.

Mr. DOMENICI. Then, Mr. President, a parliamentary inquiry.

The PRESIDING OFFICER. The Senator will state it.

Mr. DOMENICI. Do I, then, correctly understand that we will proceed with mine, then I will yield 5 minutes to Senator HART for his amendment, and then

Senator MUSKIE will have the floor, after which the floor will revert to me?

Mr. BIDEN. And at that point, so we may have no misunderstanding, I would be recognized to offer my amendments?

The PRESIDING OFFICER. The Chair will state that it is the Chair's perception that a formal unanimous-consent request has not been propounded to the Chair, and at this point there is no agreement on the sequence. The Chair is prepared to entertain such a request if submitted. At the moment, the Senator from New Mexico, under the previous unanimous-consent agreement, has been recognized to deal with his amendment which is pending at the desk.

Mr. BIDEN. Mr. President, I propound that unanimous consent request: That the Senator from Colorado, then the Senator from Maine, then the Senator from New Mexico, and then the Senator from Delaware be recognized in that order.

Mr. HOLLINGS. Then, Mr. President, after the two Senators from Delaware, the Senator from South Carolina on his amendment to strike out title XII.

Mr. JAVITS. Mr. President, reserving the right to object, and I hope I shall not have to object, this bill will only be before us until 2:00, it is my understanding from the leadership.

Mr. HOLLINGS. We will just have to take our chances under the time agreement.

Mr. JAVITS. I wanted to notify my colleagues to that effect. Other Senators may have other time exigencies. Therefore, I believe I would have to object unless the unanimous consent request were modified so that it applies only to the consideration of this bill today—in other words, that it will not carry over tomorrow.

Mr. HOLLINGS. That would be satisfactory.

Mr. BIDEN. That would suit me, also. I have no objection.

Mr. JAVITS. If it is limited to the consideration of the bill today, I have no objection.

The PRESIDING OFFICER. Is there objection to the request of the Senator from Delaware? The Chair hears none, and it is so ordered.

Mr. DOMENICI. Mr. President, I send to the desk an unprinted amendment and ask——

The PRESIDING OFFICER. The Senator has an amendment pending at the desk.

Mr. DOMENICI. This is a modification.

The PRESIDING OFFICER. If the Senator wishes to modify the pending amendment, the Senator has the right to do so. The amendment will be so modified.

The amendment, as modified, is as follows:

At the appropriate place in the bill insert the following:

There is hereby authorized to be appropriated $1,200,000 for assistance to local educational agencies which are racially isolated as a result of geographic location of the school district of such agency, and which have adopted and are implementing, or will adopt and implement, a plan to aid schoolchildren in overcoming the educational disadvantage of minority group isolation,".

Mr. President, I move the adoption of the amendment.

The PRESIDING OFFICER. The question is on agreeing to the amendment (UP amendment No. 1718).

The amendment was agreed to.

Mr. DOMENICI. Mr. President, I will say quickly that I am appreciative of the suggestions of the floor managers. What we have done is create a free-standing amendment authorizing funding of up to $1.2 million for these isolated school districts using their isolation characteristics as the qualifier for them.

I understand that these changes will make my amendment acceptable to the managers. I am most appreciative of their assistance.

Mr. JAVITS. Mr. President, on the theory that this is another disadvantaged group of children——

Mr. DOMENICI. That is correct.

Mr. JAVITS (continuing). And as a free-standing amendment with a limited authorization, with its being attached to the emergency school idea, I have no objection to the amendment.

Mr. PELL. I agree with my colleague from New York. As I mentioned earlier in my remarks, I did not think that the point where it was originally proposed was the right section of the bill. I think it is attached to the right section now. It pertains to children who will remain isolated, no matter what we do, because of geography. For that reason, I have no objection to this amendment.

Mr. DOMENICI. I thank the Senators. I move adoption of the amendment.

The PRESIDING OFFICER. The question is on agreeing to the amendment, as modified, of the Senator from New Mexico.

The amendment, as modified, was agreed to.

Mr. DOMENICI. Mr. President, I move to reconsider the vote by which the amendment was agreed to.

Mr. JAVITS. Mr. President, I move to lay that motion on the table.

The motion to lay on the table was agreed to.

The PRESIDING OFFICER. Under the previous order, the Chair recognizes the Senator from Colorado for the purpose of calling up an amendment.

UP AMENDMENT NO. 1719

(Purpose: To strengthen the provisions relating to applications for bilingual education programs)

Mr. HART. I send two amendments to the desk and ask for their immediate consideration, and ask that it be in order to consider them en bloc.

The PRESIDING OFFICER. Is there objection to the unanimous-consent request that the amendments be considered en bloc?

Mr. JAVITS. I object temporarily.

The PRESIDING OFFICER. The clerk will state the amendments.

The assistant legislative clerk read as follows:

The Senator from Colorado (Mr. HART) proposes an unprinted amendment numbered 1719.

On page 276, strike out lines 17 and 18, and insert in lieu thereof the following:

"(2) be accompanied by documentation of such consultation and by the comments which the Council makes on the application; and

On page 282, line 8, before the period the first time it appears insert a comma and the following: "including objectives of section 703(a)(4)(E)(iii) and section 703(a)(4)(F)".

The PRESIDING OFFICER. Does the Senator renew his unanimous-consent request?

Mr. HART. Yes, Mr. President, I do.

The PRESIDING OFFICER. Is there objection?

Hearing no objection, the request is granted and the amendments will be considered en bloc. The Chair recognizes the Senator from Colorado.

Mr. HART. Mr. President, this amendment deals with the issue of bilingual education in connection with the series of amendments being offered by the Senator from New Mexico, most of which I cosponsor. Specifically, the amendment at the desk and under consideration now relates to the issue of parental involvement in the bilingual education process.

Mr. President, because of my own personal, longstanding interest in title VII of the Elementary and Secondary Education Act, I have followed the committee's activities and the evolution of this act and its implementation fairly closely. I am personally pleased to see that the proposed changes in title VII offered by the committee take a definite step forward in providing quality and equality of education for all children.

The amendment at the desk is designed to strengthen the language already proposed by the committee, and thereby insure that the intent of the legislative changes in the act are properly observed. Specifically, this amendment would strength the committee language relating to consultation with parental groups by requiring that a project application and annual refunding request be accompanied by some documentation that that kind of consultation with the parental organizations and groups has in fact taken place.

The amendment also contains a provision which will improve student performance by giving parents the opportunity to learn of their child's or children's progress or their lack thereof under this title. The amendment does not require any substantial increase in reporting, which would place an added burden on already-cramped staff, time, and resources.

This is a very important item, Mr. President, because I know of the committee's concern and the distinguished floor manager's concern about additional paperwork.

If there is anything about which we are all aware these days, it is that we do not want to add to the burden of people administering Federal programs forms and reports that already are mounting up almost to an unacceptable degree.

The changes I am proposing are designed to open avenues for parental involvement in areas such as program planning, priority setting, proposal development and submission, program implementation, personnel decisions, curriculum development and overall program design, implementation and

evaluation, and school and community relations.

Title VII of the Elementary and Secondary Education Act has required parent participation from the outset. However, experience in the area indicates that so-called parent involvement, in reality, is often an empty exercise. Parents are often informed of decisions after they have been made, or are not given sufficient information to permit their effective particpation. S. 1753 deals with this shortcoming by requiring local education agencies to consult with parent advisory committees during the preparation of grant applications and during actual project implementation.

It has been over a decade now since Congress recognized the importance of meeting the needs of linguistically different children through title VII. And, during this decade, personnel responsible for the schooling of linguistic minority children have been faced with increasingly complex demands and specifications for quality program design, and at times have heard strong criticism about the program's success. We must recognize the achievements that have already been made in title VII, and continue to work toward an even better program,

For years, educators and social scientists alike have stated that one of the greatest obstacles in the education of linguistic minority children is the lack of parental involvement in the educational process. The local school is the most significant place for the participatory process. Participation should devolve increased responsibility to the citizenry and should increase the quality of services. To have these results, the process must begin—but not end—with parents of children being served.

It is in that spirit, Mr. President, that I offer this amendment. I think it is in keeping with the purpose of the proposals of the committee. It merely makes more explicit the degree to which the parents are to be involved. It would not, as I have already indicated, increase paperwork burdens on those conducting these programs.

Mr. PELL. Mr. President, the objective is obviously good, to increase parental involvement. My question is, what is meant by documentation?

Mr. HART. What I mean is something greater than a mere listing of dates on which parents or parent groups were consulted. However, I do not mean that additional reports, or additional forms be filled out. I think a reasonable standard of documentation in the program application is one that shows that parent advisory groups have actually participated at every step of the preparation of those programs.

Mr. PELL. As the Senator knows, one of the objectives of this bill is to reduce the amount of paperwork which the school administrators and teachers have to fill out each year. The estimate of the President's Commission on Paperwork is $100 million a year that we are now spending on paperwork, et cetera. In this connection, would a new government form need to be printed?

Mr. HART. It is certainly not the intention of the proponent of this amendment to add any forms or additional reports but merely to incorporate in the reports and the proposals already being filed a strong indication, that parental groups have been involved in the process of filling out and developing those proposals.

Mr. PELL. There could be one further box for a checkoff in a form that already exists?

Mr. HART. That would certainly be one way to approach it. I have no specific solution, but I want it clear in the record that what is contemplated here is not additional forms or reports.

Mr. PELL. I thank the Senator.

Mr. JAVITS. Mr. President, I have no objection to taking this amendment, provided that the argument made, that it will involve no material additional paperwork, stands up in conference. We do not know what the Department or the other body may produce on that score. I think the idea of Senator HART is a very good one and I am glad to go with it, but I must take it with that understanding, subject to that reservation.

Mr. HART. I appreciate the position of the minority floor manager. I hope the record made today through the repeated assurances of the sponsors of this amendment will make it clear that we are in no way suggesting increased paperwork. It is my hope that the Department of Health, Education, and Welfare and those writing regulations and implementing this language will be clear on intent of Congress. Ways can be devised in the manner that have been suggested by the Senator from Rhode Island to incorporate this requirement without expanding the paperwork burden.

Mr. JAVITS. I can assure the Senator that, that being part of the Senate bill, I shall make every effort in that regard.

Mr. HART. I thank the Senator from New York.

Mr. President, I move adoption of the amendment.

The PRESIDING OFFICER. The question is on agreeing to the amendments, considered en bloc, offered by the Senator from Colorado.

The amendments were agreed to en bloc.

Mr. HART. Mr. President, I move to reconsider the vote by which the amendments were agreed to.

Mr. JAVITS. I move to lay that motion on the table.

The motion to lay on the table was agreed to.

ORDER OF PROCEDURE

The PRESIDING OFFICER. Under the previous order, the Chair recognizes the Senator from Maine.

Mr. HATCH. Will the Senator from Maine yield for a unanimous-consent request?

Mr. MUSKIE. I am happy to yield.

Mr. HATCH. Mr. President, I ask unanimous consent that the amendments I shall call up be put on the list immediately following Mr. HOLLINGS, who is the last in the order.

Mr. JAVITS. Mr. President, I did not hear the request.

Mr. HATCH. I am asking unanimous consent that my amendment be called up immediately after the last one on the list, so people will be put on notice.

Mr. JAVITS. Mr. President, again, I am compelled to object, unless that is confined to today. In other words, no unanimous consent on the order of recognition goes over after the consideration of this bill today.

Mr. HATCH. That is fine with me. I do not care. That can be part of the unanimous-consent request, that I follow immediately after Senator HOLLINGS.

Mr. JAVITS. If the Hollings amendment is not disposed of, the Senator will not be recognized and there will be no unanimous consent.

Mr. HATCH. No, wait, I expect my amendment to be called up, whether it is today or later. I just want to get on the list and be in order so I know about when my amendment is going to be called up.

Mr. JAVITS. But the order which the unanimous-consent agreement covers will cover only the consideration of the bill today.

Mr. HATCH. That is right.

Mr. JAVITS. The Senator, as I understand it, has several amendments. Could we have an idea as to what he intends to call up?

Mr. HATCH. I intend to call up three amendments at this time. I may not call up all three, but the most I shall probably call up are three amendments and one substitute. And if it is possible to have it on the order today, I shall try to call it up immediately today. If not, then I shall want to follow Senator HOLLINGS tomorrow or whenever——

Mr. JAVITS. No, that I will not agree to. I will not agree to follow anybody tomorrow. It is only effective today.

Mr. HATCH. All right, but I want to be able to call up my amendments whenever, today or after Senator HOLLINGS.

Mr. HOLLINGS. After my amendments?

Mr. HATCH. After the Senator's amendments.

Mr. HOLLINGS. After my amendment is disposed of?

Mr. HATCH. Correct.

The PRESIDING OFFICER. The unanimous-consent request, as the Chair now understands it, extends only to the sequence of recognition for the purpose either of debate, which is the case with the Senator from Maine, or of offering an amendment today.

Mr. JAVITS. That is during the consideration of the bill.

The PRESIDING OFFICER. During the consideration of the bill today, and it does not apply beyond the consideration of the bill on today.

Mr. HATCH. And my unanimous-consent request agrees with that.

The PRESIDING OFFICER. Is the request for an amendment of the Senator from Utah?

Mr. HATCH. I would like to be in sequence following Senator HOLLINGS as of today on any and all amendments and substitute that I have. If it does not come up today, then we shall work on it tomorrow.

Mr. PELL. Mr. President, reserving the right to object, I make the observation

that I think this is a good idea and I hope we can work through these this evening, if necessary, as late as might be required.

The PRESIDING OFFICER. Is there objection? Without objection, the unanimous-consent request is agreed to.

The Chair, under the previous order, has recognized the Senator from Maine for purposes of debate.

Mr. HATCH. I thank the distinguished Senator from Maine for yielding.

THE EDUCATION AMENDMENTS OF 1978

Mr. MUSKIE. Mr. President, the bill before us would modify and extend programs which represent the cornerstone of Federal aid to our Nation's elementary and secondary schools. It presumes, as did the first U.S. Commissioner of Education, that "education prevents being poor."

True to that principle, the Elementary and Secondary Education Act was originally enacted as flagship legislation at the inception of the Nation's war on poverty. Since the administration of Lyndon Johnson, the primary role of these Federal programs has been to improve the educational opportunities and achievements of the disadvantaged, the handicapped, those with limited English-language skills, Native Americans and other minorities.

Federal education resources are not only well matched to those in greatest need but they appear to have a positive impact as well. The Budget Committee has consistently supported the compensatory purposes characteristic of this Federal education policy.

S. 1753 would authorize $11 billion in fiscal year 1979 and would have a cumulative 5-year cost of $55.1 billion. If the authorized levels were fully appropriated, the cost of this bill would exceed the targets adopted by Congress in the first budget resolution and the ceilings as reported in the second resolution for the elementary and secondary education mission for function 500—education, training, employment and social services.

I know that the Labor-HEW Subcommittee of the Appropriations Committee fully intends to stay within its allocation under the first budget resolution. Certainly, the work of that subcommittee to date, under the able leadership of its chairman (Mr. MAGNUSON) is consistent with that allocation.

However, provisions in the bill before us would make it very difficult for the subcommittee to stay within its allocation. I am referring specifically to provisions which would provide unjustified expansion in the impact aid program.

These provisions, when coupled with the so-called tier system of funding for impact aid, would severely limit the discretion of the Congress to determine appropriate funding levels for this program.

The impact aid program was originally designed to provide Federal payments in lieu of taxes in jurisdictions which were highly impacted by the Federal presence. However, this bill would provide an expansion of this program which has no relation to the Federal burdens on local tax bases.

There have been consistent attempts to amend this legislation in the prior two administrations. The current administration proposed reforms that would result in savings of $76 million in fiscal 1979 and a cumulative savings of $1.1 billion through fiscal year 1983.

During full committee consideration of this bill, Senator BELLMON and I sent a letter to members of the Human Resources Committee urging that they adopt as many of the administration's reforms as possible.

Mr. President, I ask unanimous consent that a copy of that letter be printed in the RECORD at this point.

There being no objection, the letter was ordered to be printed in the RECORD, as follows:

COMMITTEE ON APPROPRIATIONS,
Washington, D.C., August 7, 1978.

Hon. HARRISON A. WILLIAMS, Jr.,
Hon. JACOB K. JAVITS,
U.S. Senate, Washington, D.C.

DEAR SENATOR WILLIAMS AND SENATOR JAVITS: We are writing to express our concern over several of the provisions contained in legislation reported by the Human Resources Committee for consideration this summer. Our concern centers around the proliferation of new and continued funding requirements which impinge upon the responsibilities of both the Appropriations and Budget Committees.

While we do not disagree with the policies implicit in each and every proposed funding requirement, there are many which directly impact upon the appropriations process by mandating certain levels or percentages of funds to be provided for various programs. These provisions will inevitably result in excessive appropriations. We believe that each program should be allowed to stand on its own merit and not have its funding directly or indirectly tied to funding levels for other programs. Congress, through its appropriations and budget processes, needs the flexibility to set funding levels which are consistent with the general economic conditions.

Some of the most troublesome provisions are included in the Education Amendments of 1978 (S. 1753). The House and Senate versions of the Education Amendments of 1978 contain 44 different appropriations-forcing mechanisms—19 of these are new. The bill includes automatic set-asides with mandatory appropriations levels for the new concentration grants and state incentive grants under ESEA Title I.

Of particular concern is the continuation of the tier system for Impact Aid. While we are sympathetic to payments in lieu of taxes in federally-impacted districts, continuation of the tier funding structure usurps the prerogative of the Appropriations Committee in funding proposed program expansion.

There are other provisions in S. 1753 that are also troublesome. Among these are the percentage set-asides for the Special Projects and the program for gifted and talented children, as well as the funding requirements for guidance and counseling.

The College Opportunity Act (S. 2539), the President's and the Human Resources Committee's alternative to the Higher Education tax credit, includes provisions that force the Appropriations Committee to choose between fully funding the $1.4 billion envisioned in the bill or reducing grants to current low-income recipients in order to supply grants for 1.5 million new middle-income recipients. The bill also includes increased mandatory funding provisions for two other programs: College Work Study and Supplemental Grants.

The Comprehensive Employment and Training Amendments of 1978 (S. 2570) as reported by the Human Resources Committee requires that at least $3 billion must be appropriated for public jobs under Title II (the new structural title), before any funds can be made available for public service employment under Title VI (the new countercyclical title). Although we may agree with the spirit of this requirement, there is no question that it would constrain the Appropriations Committee.

In order to insure that the Appropriations Committee retains its funding prerogatives, we are considering a series of amendments to eliminate many of these appropriations-forcing provisions to be offered when the bills reach the Senate floor.

We have been informed that the Administration is also opposed to these appropriations-forcing provisions and supports any efforts to modify or eliminate them.

We hope that you will give careful consideration to this matter and hope that we can reach an accommodation prior to the Senate consideration of these bills.

Sincerely,

MILTON YOUNG,
HENRY BELLMON,
WARREN G MAGNUSON,
EDMUND S. MUSKIE.

Mr. MUSKIE. However, Mr. President, this bill not only does not include any of the administration's proposed reforms, it reverses reforms made in 1974 and expands the eligibility of school districts for payments under this program. I will support amendments to limit eligibility in this program.

It is important to note, Mr. President, that the Human Resources Committee recommended none of these budget-busting changes in impact aid in its March 15 report to the Budget Committee. I know of no change since then in the nature of the Federal burden on local property tax bases which can explain the sudden need for this expansion.

Therefore, Mr. President, I intend to support amendments to delete any or all of these costly impact aid expansions. I intend to support the amendment offered by Senator EAGLETON and others, to reduce this expansion by approximately $222 million. Senator EAGLETON is to be congratulated for working out this compromise package of amendments. This is a step in the right direction, although it does not go far enough.

In addition, I am greatly concerned with the entitlement-like structure of the impact aid program.

The Education Amendments of 1974 greatly increased the complexity of the impact aid program by establishing an intricate payment procedure, the tier system. As a result of the tier system, 64 computations are required before a local school district knows how much money it will receive.

The formula for the distribution of funds to local education agencies contains a payment structure composed of three "tiers" and a requirement that the first and second tiers must be funded on an "all-or-nothing" basis. The Congress has little choice but to fully fund both tiers 1 and 2 and has done so since fiscal year 1976.

Coupled with the impact aid expansions which I have just discussed, this funding mechanism would result in at

least $235 million in additional appropriations being required. The 5-year cumulative cost of these amendments will almost certainly increase funding in the impact aid program by $2.1 billion over current law assumptions.

The President's reform proposal recommended elimination of the tier system for the allocation of funds. The committee rejected this recommendation, as it did all of the administration's recommendations on impact aid.

Senator MAGNUSON will offer amendments, which I have cosponsored, which would enhance congressional discretion over funding increases for the impact aid program.

This amendment would make funding for the most costly expansion—increased entitlements for public housing children at a cost of $117 million—subject to the discretion of the Appropriations Committee.

Senator EAGLETON'S and Senator MAGNUSON'S amendments in combination will halt the runaway growth in this program.

Mr. President, I am a cosponsor of amendments to be offered by Senator MAGNUSON to eliminate other provisions in this bill which have the practical effect of limiting congressional budgetary control.

For example, S. 1753 would authorize $400 million for the so-called concentration grants proposed by the President as part of his urban initiative. Unlike the House bill, which contains a separate authorization for this program, the Senate bill would reserve the first $400 million appropriated for title I for these concentration grants. Thus, unless the Congress wishes to reduce funding for the regular title I program, we will be virtually required to fully fund this new program.

The bill also authorizes a new program beginning in fiscal year 1980 of matching grants that would give States $1 in extra title I funds for every $2 they spend on their own compensatory programs. CBO estimates the cost of the provision to be $200 million annually. Funding for this program, as with the concentration grant provisions, must be provided first before the regular title I program can be funded. Once funded, it must continue to be funded at the preceding year's level.

Provisions such as these make the exercise of congressional discretion in its funding decisions virtually impossible. If we are ever to get control of the Federal budget, we must stop trying to lock in funding for each pet program.

Finally, Mr. President, this bill provides for a major expansion of Federal elementary-secondary education support to nonpublic schools. Funds for this major new program were not recommended in the Human Resources Committee's March 15 report and were therefore not assumed in the first budget resolution for fiscal year 1979.

This program seems unnecessary, given other provisions in the bill that would strengthen the participation of nonpublic schools in the existing elementary and secondary education programs.

For these reasons, Mr. President, I will support Senator HOLLINGS' amendment to delete this new program.

With that, Mr. President, I yield the floor.

Mr. JAVITS. Mr. President, before the Senator yields the floor, will the Senator yield to me?

Mr. MUSKIE. Yes, of course, I yield.

Mr. JAVITS. I have listened to the Senator with great interest. I also have read with great interest the views of the Senator and Senator BELLMON and the Appropriations Committee. They are entitled to the greatest respect.

We have had our staffs working with the staffs of Budget and Appropriations in an effort to resolve these problems. The reason I asked the Senator to let me say a word is that I would not wish for a moment to have it appear that Senator PELL, Senator STAFFORD, Senator WILLIAMS and I, in some cavalier way, disregarded it.

Of course, we did not. We took it seriously, this critical element of this measure.

I pledge myself to Senator MUSKIE, before we are through with the bill, to work it out satisfactorily, because we have the utmost regard for our colleagues and there is no desire whatever to steal a march on appropriations or on budget.

But we do realize the complexity of the problems which the Senator knows as well as I do: Impact aid is of critical importance to many Members of the House and the Senate.

The administrations have generally been against it, not only this one, but previous administrations. They do not like the idea.

We all, including me, think it essential to our communities, so we have to stand our ground.

I cannot expect the administration will cheer it, but I am certainly not going to get into any hostilities with the Appropriations or Budget Committees. We perfectly understand, the Appropriations Committee will decide to appropriate or not to appropriate. We perfectly understand the appropriations must be within the budget parameters.

All we say is that, if appropriated, it is our belief that these preferences are desirable, not unlike the hold harmless provision we have in many bills.

In other words, if the money is available, then the law would say it goes in the following priorities. We have, of course, the perfect power to change those priorities.

So I am glad for what the Senator said. But I did not wish to leave any impression we have just overlooked or disregarded his concern. On the contrary, we have taken it with deep seriousness. It is our purpose to try to achieve a practical solution with the Senator's committee, and with Senator YOUNG'S and Senator MAGNUSON'S committee, in order to deal with the problems which the Senator very properly raised.

Mr. MUSKIE. I appreciate the Senator's comments. They are consistent with his demonstrated respect for the budget process and the procedures which that reform act established.

The reason I spoke today was to make sure that all Members of the Senate were aware of these issues.

I should have indicated and, I am glad the Senator has stated that we are in consultation with the staffs, and eventually, personally, over these matters. I am very hopeful we can resolve our differences. I do appreciate the cooperative attitude that is being displayed.

I repeat that the reason I made these points now is so that the Senators would know what the problems are, and now they will also know that the managers of the bill and other interested Senators are applying themselves to the problem.

Mr. JAVITS. I thank my colleague.

The PRESIDING OFFICER. Does the Senator from Maine yield the floor?

Mr. MUSKIE. I yield the floor.

The PRESIDING OFFICER. Under the previous order, the Senator from New Mexico is now recognized to call up his amendments.

Mr. DOMENICI. Mr. President, might I first say to the distinguished Senator from Maine (Mr. MUSKIE) that I greatly appreciate the fact that the kind of discussion he has had with the Senate should come very early on.

Because my time schedule was not going to permit otherwise, the committee accommodated me in bringing up the bill this morning, so that I could offer my amendments and contribute what I had to contribute. That is why I was reluctant to yield prior to the time I did. But I do understand the responsibility and commend the Senator from Maine (Mr. MUSKIE) for his early-on analysis of this kind of bill, which I think the Senate needs. I could not yield sooner, and for that I apologize.

Mr. MUSKIE. No apology is necessary. I understood fully the Senator's problem. I found it perfectly consistent with what I wanted to do.

UP AMENDMENT NO. 1720

(Purpose: To amend the Elementary and Secondary Education Act of 1965 in order to add a new Title XIII to demonstrate the feasibility of reorganizing, simplifying, and consolidating certain elementary and secondary education programs in order to provide improved State and local administration of the programs, and for other purposes)

Mr. DOMENICI. Mr. President, I send to the desk an unprinted amendment.

The PRESIDING OFFICER. The amendment will be stated.

The legislative clerk read as follows:

The Senator from New Mexico (Mr. DOMENICI) proposed an unprinted amendment numbered 1720.

Mr. DOMENICI. Mr. President, I ask unanimous consent that reading of the amendment be dispensed with.

The PRESIDING OFFICER. Without objection, it is so ordered.

The amendment is as follows:

TITLE XIII—REORGANIZATION

SHORT TITLE

SEC. 2. This title may be cited as the "Reorganization and Consolidation Demonstration Project."

STATEMENT OF FINDINGS AND POLICY

SEC. 1201. (a) The need for simplification and consolidation of Federal education programs has been detailed by the education community in general, particularly State and local officials and school teachers and administrators. The number and complexity of Federal education laws has seriously undermined State and local ability to implement

Federal purposes. The complexity of Federal law has led therefore to an inefficient and sometimes ineffective Federal role. Educators have called for a public policy which eliminates the unnecessary burden of program fragmentation and excessive administrative requirements which cause program inefficiency and wasted time, effort, and funds that could be used to enhance program effectiveness.

(b) Congress finds that Federal education policy would be served by a five-year demonstration project to test the feasibility and assess the utility of program reorganization and consolidation to—

(1) promote program efficiency;

(2) reduce paperwork;

(3) reduce the amount of time expended by teachers and other educational personnel in administering Federal education programs;

(4) increase State and local flexibility while maintaining certain Federal purposes;

(5) coordinate Federal programs with each other and with State and local programs in order to increase the effectiveness of the education program in meeting the needs of the nation's school children.

STATEMENT OF PURPOSE

SEC. 1202. (a) It is the purpose of this Title to demonstrate the feasibility of consolidating and reorganizing certain programs of assistance to State and local educational agencies for elementary, secondary, vocational, and adult education into three broad categories:

(1) Special educational needs programs including programs authorized on the date of enactment of this Act—

(A) under subpart 1 of part A of title I and part B of title I of the Elementary and Secondary Education Act of 1965, those portions of subpart 2 of part A of the Elementary and Secondary Education Act of 1965 as relates to neglected and delinquent children and migratory children.

(B) under part B of the Education of the Handicapped Act as amended by Public Law 94–142, section 121 of the Elementary and Secondary Education Act of 1965, and under section 403 (a) (8) (B) of the Elementary and Secondary Education Act of 1965;

(C) under title VII of the Elementary and Secondary Education Act of 1965, section 708(c) of the Emergency School Aid Act, and subpart 3 of part B of the Vocational Education Act of 1963.

(2) Vocational education programs including programs authorized on the date of enactment of this Act—

(A) under the Vocational Education Act of 1963 and section 811 of the Elementary and Secondary Education Act of 1965 relating to consumer education;

(B) the Adult Education Act;

(C) a bonus grant for projects jointly sponsored by prime sponsors under the Comprehensive Employment and Training Act of 1973 and agencies conducting elementary and secondary, adult or vocational education.

(3) Special emphasis projects including programs authorized on the date of enactment of this Act under—

(A) parts B and C of title IV of the Elementary and Secondary Education Act of 1965;

(b) section 403 of the Education Amendments of 1974 relating to metric education, section 404 of the Education Amendments of 1974 relating to gifted and talented children, section 406 of the Education Amendments of 1974 relating to arts and education; the Environmental Education Act, the Alcohol and Drug Abuse Education Act, title IX of the Elementary and Secondary Education Act of 1965 relating to ethnic heritage, title V of the Higher Education Act of 1965 relating to the Teacher Corps, title VII of the Education Amendments of 1974 relating to the national reading improvement program (except sections 721 and 722).

(c) It is the further purpose of this Act to demonstrate the desirability of greater flexibility in the use of Federal educational assistance and to bring about a simplification of the categorical requirements contained in the provisions of law authorizing each such program.

STATE SELECTION

SEC. 1203. (a) The Commissioner shall select states for participation in the demonstration authorized by this title according to criteria and procedures set forth in subsection (b) of this section.

(b) For purposes of demonstrating the feasibility of the reorganization and consolidation authorized by this title, the Commissioner shall:

(1) develop procedures under which States may apply for consolidated funding;

(2) assure that States selected will represent various demographic characteristics such as size and educational governance;

(3) develop selection procedures, regulations, and select demonstration States no later than June 30, 1979;

(4) approve the application of not more than six States to provide a waiver of current requirements in order to implement the described demonstration;

(5) States and the associated local education agencies selected for the demonstration shall conduct planning for operation under consolidated funding for a period ending June 30, 1980.

(6) It is the intent of Congress that the demonstration of consolidation and simplification authorized by this title be completed by June 30, 1983.

(7) It is the further intent of Congress that if the consolidation effort initiated by this title is not adopted in whole or in part when Congress reauthorizes this Act beyond the termination date set by this title, that the Commissioner will establish orderly procedures for the termination of the program for States participating in the demonstration and the phase-in of regular administrative procedures.

APPLICABILITY TO EXISTING LAW

SEC. 1204. Except as provided in this title, no other provision of law authorizing a program consolidated under this title shall apply to the provision of financial assistance to a State selected for this demonstration which has a comprehensive State plan in compliance with the provisions of this title, with respect to the programs covered by that plan. All administrative regulations shall be consistent with the provisions of this Act for States participating in the demonstration.

PART A—SPECIAL NEEDS PROGRAMS

Subpart 1—Educationally Deprived Children

CHILDREN FROM LOW-INCOME FAMILIES

SEC. 1211. Each State selected to participate in the consolidation program authorized by this Act shall within the limits of available Federal funds, in the comprehensive State plan required under section 1246, provide for a program designed to—

(1) address the special educational needs of educationally deprived children in local educational agencies having high concentrations of children from low-income families, and through such local education agencies arrange to meet the needs of such children in private non-profit schools on an equitable basis unless prohibited by law;

(2) address the special educational needs of neglected and delinquent children in State operated programs.

EDUCATION PROGRAMS FOR MIGRATORY CHILDREN

SEC. 1212. Each State desiring to participate in the consolidation program authorized by this Act shall, in the comprehensive State plan required under section 1246, set forth within the limits of available Federal funds a program designed to address the special educational needs of migratory children of migratory agricultural workers and of migratory fishermen, including the preschool educational needs of such migratory children.

Subpart 2—Handicapped Children

EDUCATION PROGRAMS FOR HANDICAPPED CHILDREN

SEC. 1213. Each State selected to participate in the consolidation program authorized by this title and eligible for this subpart shall, in the comprehensive State plan required under section 1246, set forth a program designed to—

(1) provide special education and related services for handicapped children;

(2) meet the special educational needs of handicapped children for which the State agency is responsible;

(3) provide for curriculum improvements through special or innovative programs and projects for the education of handicapped children as authorized under part C of title IV of the Elementary and Secondary Education Act of 1965, and

(4) establish standards for educational programs for handicapped students.

APPLICABILITY: STATE ASSURANCES

SEC. 1214. (a) Each State selected to participate in the consolidation program authorized by this title may, in the comprehensive State plan required under section 1246, set forth a program providing for special education and related services for handicapped children aged three to five.

(b) Each State selected to participate in the consolidation programs authorized by this title and eligible for this subpart shall assure that—

(1) the State has in effect a policy that assures all handicapped children the right to a free appropriate education. The State plan shall—

(A) assure that services are provided to all such children;

(B) contain a description of the kind and number of facilities, personnel, and services necessary throughout the State to provide services;

(C) provide for continued efforts to identify, locate, and evaluate all handicapped children who are in need of services in order to maintain full service; and

(D) the State will comply with the provisions of section 615 of the Education of the Handicapped Act, relating to procedural safeguards or shall develop a similar procedure designed to protect the rights of children and their parents and guardians.

Subpart 3—Children with Limited English-Speaking Ability

BILINGUAL EDUCATION PROGRAMS

SEC. 1215. Each State selected to participate in the consolidation program authorized by this Title shall, in the comprehensive State plan required under section 1246, set forth—

(1) a program of instruction designed for children of limited-English language proficiency in elementary and secondary schools;

(2) a program designed to meet the needs of children who are from an environment in which the dominant language is other than English, and who because of language barriers and cultural difference, do not have equality of educational opportunity; and

(3) a program of instruction designed for adults of limited English language proficiency carried out in coordination with Adult Education Programs and Vocational Education programs;

(4) bilingual vocational training programs for persons of limited English language proficiency who—

(A) have completed or left elementary or secondary school and who are available for education by a postsecondary educational institution;

(B) have already entered the labor market and who desire or need training or retraining to achieve year-round employment, adjust to changing employment opportunities, expand their range of skills, or advance in employment; and

(5) a program of training to prepare instructors, aides, or other ancillary personnel for programs designed for persons of limited English proficiency.

Subpart 4—Distribution of Funds to Local Educational Agencies

DISTRIBUTION TO LOCAL EDUCATIONAL AGENCIES

SEC. 1217. (a) From the funds provided to a State attributable to section 1211 of this title for any fiscal year, the State shall allocate to each local educational agency in that State based on the number of students from low-income families at least the amount which each local educational agency would have received had the distribution of such funds been made under the provisions of law authorizing part A of title I of the Elementary and Secondary Education Act of 1965.

(b) From the funds provided to a State under section 1212 of this title for any fiscal year, the State shall allocate to local educational agencies having migrant education programs funds on an equitable basis taking into account the number of students eligible for such programs. A State may serve such students directly.

(c) From funds provided to a State attributable to section 1213 of this title (relating to education programs for handicapped children) for any fiscal year, the State shall allocate to each local educational agency and intermediate educational unit in that State an amount not less than the amount which each such local educational agency and intermediate educational unit would have received had the distribution of such funds been made under the provisions of law authorizing the program consolidated in that section.

(d) From the funds provided to a State attributable to section 1215 of this title (relating to bilingual education programs) for any fiscal year, the State shall distribute such amount on either a formula or a project grant basis taking into consideration the number and needs of students in that State who have limited English language proficiency.

TARGETING OF FUNDS

SEC. 1218 (a). All funds allocated to local education agencies under section 1217(a) shall be used to provide services to educationally deprived children.

(b) All funds allocated to local education agencies under Section 1217(b) shall be used to provide services to migrant children.

(c) All funds allocated to local education agencies under Section 1217(c) shall be used to provide services to handicapped children (and)

(d) All funds allocated to local education agencies under section 1217(d) shall be used to provide services to children with limited English language proficiency.

PART B—VOCATIONAL, ADULT AND CONTINUING EDUCATION AND EMPLOYMENT TRAINING

Subpart 1—Vocational Education

STATEMENT OF PURPOSE

SEC. 1221. It is the purpose of this part to assist States in improving planning in the use of all resources available to them for vocational education and employment training by involving a wide range of agencies and individuals concerned with education and training within the State in the development of the vocational education plans. It is also the purpose of this part to authorize Federal grants to States to assist them—

(1) to extend, improve, and, where necessary, maintain existing programs of vocational, homemaking and consumer education,

(2) to develop new programs of vocational education,

(3) to develop and carry out such programs of vocational education within each State so as to overcome sex discrimination and sex stereotyping in vocational education programs (including programs of homemaking), and thereby furnish equal educational opportunities in vocational education to persons of both sexes, and

(4) to provide part-time employment for youths who need the earnings from such employment to continue their vocational training on a full-time basis.

so that persons of all ages in all communities of the State, those in high school, those who have completed or discontinued their formal education and are preparing to enter the labor market, those who have already entered the labor market, but need to upgrade their skills or learn new ones, those with special educational handicaps, and those in postsecondary schools, will have ready access to vocational training or retraining which is of high quality, which is realistic in the light of actual or anticipated opportunities for gainful employment, and which is suited to their needs, interests, and ability to benefit from such training.

VOCATIONAL EDUCATION

SEC. 1222. (a) Each State selected to participate in the consolidation program authorized under this part shall set forth provisions for programs to carry out the purposes described in section 1221 in the comprehensive State plan required under section 1246, and provisions for consumer education.

(b)(1) Funds attributable to the program consoldiated by this section may be used for—

(A) vocational education programs;

(B) work study programs;

(C) cooperative vocational education programs operated by local education agencies with the participation of public and private employers;

(D) energy education programs for training of personnel in the areas of coal mining and solar energy;

(E) construction of vocational education school facilities if such facilities are not for individuals assigned as the result of delinquent conduct or in which students are segregated by race.

(F) support of full time personnel to perform duties described in section 104(b) of the Vocational Education Act of 1963;

(G) the provision of stipends, which shall not exceed reasonable amounts, as prescribed by the Commissioner pursuant to regulations, for students entering or already enrolled in vocational education programs, if such students have acute economic needs which cannot be met under work-study programs;

(H) placement services for students who have successfully completed vocational education programs;

(I) industrial arts programs where such programs will assist in meeting the purposes of this title;

(J) support services for women who enter programs designed to prepare individuals for employment in jobs which have been traditionally limited to men, including counseling as to the nature of such programs and the special problems which may be encountered by women in such programs, and job development and job follow-up services;

(K) day care services for children of students in secondary and postsecondary vocational education programs;

(L) vocational education for—

(i) persons who had solely been homemakers but who now, because of dissolution of marriage or other reasons, must seek employment;

(ii) persons who are single heads of households and who lack adequate job skills;

(iii) persons who are currently homemakers and part-time workers but who wish to secure a full-time job; and

(iv) women who are now in jobs which have been traditionally considered jobs for females and who wish to seek employment in job areas which have not been traditionally considered job areas for females, and men who are now in jobs which have been traditionally considered jobs for males and who wish to seek employment in job areas which have not been traditionally considered job areas for males;

(M) special programs for disadvantaged students in areas of the State having high concentrations of youth unemployment and school dropouts;

(N) research programs;

(O) exemplary and innovative programs;

(P) curriculum development programs;

(Q) provision of guidance and counseling services;

(R) provision of pre-service and in-service training;

(S) grants to overcome sex bias;

(T) consumer and homemaking education as described in section 150 of the Vocational Education Act of 1963; and

(U) research, demonstration, or pilot projects in consumer education as described in section 811(a)(1)(B) of the Elementary and Secondary Education Act of 1965.

(2) Not more than 20 per centum of the funds attributable to this section in any fiscal year may be used for purposes described in clauses (O) through (T) of paragraph (1) of this subsection.

(3) At least 35 per centum of the funds attributable to this section in any fiscal year shall be used to serve—

(A) persons who have academic or economic handicaps and who require special services and assistance in order to enable them to succeed in vocational education programs;

(B) handicapped persons; or

(C) persons of limited English language proficiency.

(c) State and local advisory councils for vocational education shall be appointed and shall operate according to the provisions of Section 105 of the Vocational Education Act of 1963.

Subpart 2—Adult and Continuing Education

SEC. 1223. (a) Each State selected to participate in the demonstration authorized by this title shall, as part of the comprehensive State plan described under section 1246, provide for a program designed to meet the needs for adult basic education, and neglected or delinquent children in adult correctional institutions.

(b) Programs in adult correctional institutions shall be coordinated with other educational programs provided for such persons.

Subpart 3—Education Projects Authorized Under Employment Training Programs

EDUCATION TRAINING PROGRAMS

SEC. 1224. (a) Each State selected to participate in the demonstration shall describe, in the comprehensive State plan required by section 1246, how the activities in the plan relate to employment and training programs conducted by the prime sponsors established under the Comprehensive Employment and Training Act of 1973, to assure a coordinated approach to meeting the vocation education and training needs of the area or community.

(b)(1) Any local education agency which engaged in the previous fiscal year in a cooperative training project with the prime sponsor serving the area in which the local education agency is located shall be eligible to receive a bonus grant equal to one-half the amount of funds the local education agency contributed to the project. Each grant received under this subsection shall be used for the same or other cooperative projects with the prime sponsor.

(2) The State shall accept applications for funds from local education agencies and shall certify to the Commissioner the amount of funds for which local education agenices in the State are eligible, which certification

shall accompany the plan required in section 1244(a)(4).

(3) There are authorized to be appropriated for each fiscal year ending prior to October 1, 1973, such sums as may be necessary to carry out the provisions of this section.

(4) If the sums appropriated for any fiscal year for making payments to States under this section are not sufficient to pay in full the amount to which each State is entitled under this section for such fiscal year, the amounts which all States may receive under this section for such fiscal year shall be ratably reduced. In case additional funds become available for making such payments for any fiscal year during which the preceding sentence is applicable, such reduced amounts shall be increased on the same basis as they were reduced.

SUBPART 4—DISTRIBUTION OF FUNDS TO LOCAL EDUCATIONAL AGENCIES

DISTRIBUTION TO LOCAL EDUCATIONAL AGENCIES

SEC. 1225. (a) From the funds provided to a State attributable to subparts 1 and 2 of this part for any fiscal year, the State shall allocate at least 80 per centum of such funds to local educational agencies and other eligible institutions in that State, based on enrollment and other criteria set forth in the comprehensive State plan required under section 1246.

(b) From the funds provided to a State attributable to subpart C of this part for any year, the State shall allocate all funds to local education agencies based on the certification furnished under section 1224.

PART C—SPECIAL EMPHASIS PROJECTS

Subpart 1—Libraries and Learning Resources

LIBRARIES AND SUPPORT SERVICES

SEC. 1231. (a) Each State selected to participate in the consolidation program authorized by the title shall carry out a program for making grants to local educational agencies, which program shall be described in the comprehensive State plan submitted under section 1246, provide for—

(1) the acquisition of school library resources, textbooks, and other printed and published instructional materials for the use of children and teachers in public and private nonprofit elementary and secondary schools; and

(2) the acquisition of instructional equipment (including laboratory and other special equipment, and audiovisual materials and equipment suitable for use in providing education in academic subjects) for use by children and teachers in elementary and secondary schools, and for minor remodeling of laboratory or other space used by such schools for such equipment.

(b) No personnel may be employed by a local educational agency with funds provided by this part.

Subpart 2—Special Curriculum Emphasis, Guidance and Counseling, Innovation, and Support Projects

SPECIAL PROJECT PROGRAMS

SEC. 1232. (a) Each State selected to participate in the consolidation program authorized by this title shall, in accordance with subsection (b), carry out a program for providing services and making grants to local educational agencies for—

(1) innovation and exemplary programs to stimulate and assist in the provision of vitally needed educational services not available in sufficient quantity or quality and to stimulate and assist in the development and establishment of exemplary elementary and secondary school programs (including the remodeling or lease of necessary facilities) to serve as models for regular school programs;

(2)(A) programs of counseling and guidance services for students in elementary and secondary schools, including—

(i) occupational, vocational guidance, personal social counseling, and information services,

(ii) pupil appraisal,

(iii) pupil motivation for academic success,

(iv) postsecondary placement assistance,

(v) research, evaluation, and followup activities, and

(vi) staff development;

(B) programs of testing students in elementary and secondary schools; and

(C) programs, projects, and leadership activities designed to expand and strengthen counseling and guidance services in elementary and secondary schools;

(3) demonstration projects by local educational agencies or private educational organizations designed to improve nutrition and health services in public and private nonprofit elementary and secondary schools serving areas with high concentrations of children from low-income families.

(4) the carrying out by such agencies in schools located in urban or rural areas, which have a high percentage of children from low-income families, and have a high percentage of such children who do not complete their secondary school education, of demonstration projects involving the use of innovative methods, systems, materials, or programs which show promise of reducing the number of such children who do not complete their secondary school education;

(5) strengthening the leadership resources of State educational agencies and assisting those agencies in the establishment and improvement of programs to identify and meet educational needs of the State;

(6) assisting and encouraging the use of the arts in elementary and secondary school programs;

(7) encouraging educational agencies and institutions to prepare students to use the metric system of measurement;

(8) advancing the education of gifted and talented children;

(9) programs, projects, and leadership for career education at elementary and secondary schools designed to—

(A) develop information on the needs for career education for all children,

(B) reassess the status of career education programs and practices including assessment of stereotyping career opportunities by race or by sex.

(C) provide for the demonstration of exemplary career education programs and practices by the development and testing of exemplary programs and practices using various theories, concepts, and approaches, and

(D) provide for the training and retraining of persons for conducting career education programs;

(10) activities to provide educational equity for women;

(11) establishing and supporting drug abuse and alcohol prevention and control projects, including projects for primary prevention and early intervention conducted in elementary and secondary schools;

(12) development of curriculum materials and dissemination of such materials in the elementary and secondary schools relating to the history, geography, society, economy, literature, art, music, drama, language, and general culture of any ethnic groups and the contributions of those ethnic groups to American heritage;

(13) strengthening the educational opportunities available to children in areas having high concentrations of low-income families, through improved programs of training and retraining for personnel eligible for the Teacher Corps including teachers, teacher aides, other educational personnel, teacher-interns, and volunteers who give instructional assistance in such areas through cooperative arrangements among State and local educational agencies and institutions of higher education for such training;

(14)(A) carrying out projects for schools having large numbers or high percentages of children with reading deficiencies, involving the use of diagnostic testing, individualized learning, innovative methods, systems, materials, bilingual materials when appropriate, vacation reading programs, or projects which show promise of overcoming such reading deficiencies, including projects for pre-elementary school children, and

(B) carrying out projects—

(i) to develop comprehensive programs and State leadership to improve reading proficiency and instruction in reading in the elementary schools of the State,

(ii) to arrange for and assist in the training of special reading personnel and specialists,

(iii) to furnish reading assistance and instruction to youths and adults who do not otherwise receive such assistance and instruction or to make grants for such reading academies to eligible institutions;

(15) environmental education activities at elementary and secondary education levels, including the development of curriculums (including interdisciplinary curriculums) in the preservation and enhancement of environmental and ecological balance, the dissemination of information relating to such curriculums and to environmental education generally, appropriate education training programs, and the planning of outdoor ecological study centers; and

(16) assistance to local educational agencies in strengthening the leadership resources of such agencies and to assist such agencies in the establishment and improvement of projects to identify and meet the educational needs of the schools of such agencies.

(17) special programs or projects for the education of handicapped and learning disabled children, if any such State selected for the demonstration is not eligible for assistance described in subpart 2 of Part A of this title.

(b) Each State program developed and carried out under subsection (a) of this section shall reflect the needs and priorities established by the local educational agencies in the comprehensive needs assessment conducted pursuant to section 1245(a).

Subpart 3—Distribution of Funds to Local Educational Agencies

DISTRIBUTION TO LOCAL EDUCATIONAL AGENCIES

SEC. 1233. (a) From the funds provided to a State attributable to clauses (1) and (2) of section 1231(a) of this title for any fiscal year, the State shall allocate to each local educational agency in that State an amount based upon enrollment any other relevant factor to be determined by the State such as tax effort, numbers or percentages, or both, of students whose education imposes a higher than average cost per child upon the State or local education agency, and the ability of the local education agency to finance public education. The formula for such distribution shall be included in the comprehensive State plan required by section 1246. The local educational agencies, based on needs of public and non-public school children, will be given sole discretion in determining how such funds will be divided among the various purposes described in section 1241.

(b) From the funds provided to a State attributable to section 1232 for any fiscal year, the State agency designated pursuant to section 1244(a)(1) shall allocate funds to local educational agencies in the State in accordance with criteria developed in the comprehensive State plan, after a consideration of the needs assessments required by section 1232(b) for the purposes described in such clauses. Amounts attributable to clauses (5) and (14)(B) of section 1232 be retained by the State for programs conducted by the State education agency. Funds at-

tributable to clause (17) shall be used only for the purpose stated in clause (17).

PART D—GENERAL PROVISIONS

RESERVATION OF FUNDS FOR CONSOLIDATED PROGRAMS

SEC. 1241. (a)(1) From the amounts appropriated for the fiscal year 1979 and for each fiscal year thereafter ending prior to October 1, 1983, to carry out programs consolidated by this Act, the Commissioner shall reserve an amount equal to the aggregate amount necessary to make allotments under section 1242 to States selected for the demonstration under this title with respect to programs covered by the comprehensive State plan for each such State.

(2) In reserving funds under this section, the Commissioner shall use formulas for the distribution of funds among the States in provisions of law authorizing programs consolidated by this title. Wherever State formulas do not exist for programs consolidated by this title, the Commissioner shall reserve the amount of funds for all such programs which bear the same ratio to such amount as the number of children aged five through seventeen in the States which choose the option to consolidate bears to the number of children in all States except that funds for bilingual education programs will be reserved in accordance with the criteria under section 1242(a)(4) of this title and funds for consumer education will be reserved in accordance with the criteria under section 1242(b)(2)(B) of this title.

(b) From the amount allotted to each State under section 1242, the Commissioner shall pay to each State selected for the demonstration authorized by this title an amount equal to the amount expended in that State in carrying out a comprehensive State plan adopted pursuant to this title.

ALLOTMENTS

SEC. 1242. (a)(1) From the amounts reserved under section 1241 to carry out part A of this title for any fiscal year, the Commissioner shall determine the amount attributable to subparts 1, 2, and 3 of such part for all States selected to participate in the demonstration.

(2) From the amount reserved under section 1241 to carry out part A of this title and determined attributable to subpart 1 for any fiscal year, the Commissioner shall allot to each State the sum of—

(A) an amount equal to the amount which each such State would be entitled under—

(i) subpart 1 of part A of title I of the Elementary and Secondary Education Act of 1965, for all local educational agencies within that State,

(ii) part B of title I of the Elementary and Secondary Education Act of 1965,

(iii) that portion of subpart 2 of part A of the Elementary and Secondary Education Act of 1965 as relates to neglected and delinquent children, and migratory children,

subject to section 144 of the Elementary and Secondary Education Act of 1965, in each case;

(3) From the amount reserved pursuant to section 1241(a) for part A of this title and determined attributable to subpart 2, for any fiscal year, the Commissioner shall allot to each State the sum of an amount equal to the amount to which each such State would be entitled under—

(A) part B of the Education of the Handicapped Act, including funds under section 619 for States that provide direct services;

(B) section 121 of the Elementary and Secondary Education Act of 1965; and

(C) section 403(a)(8)(B) of the Elementary and Secondary Education Act of 1965.

(4) From the amount reserved pursuant to section 1241 for carrying out Part A of this title and determined attributable to subpart 3 of such part for any fiscal year, the Commissioner shall allot to each State the sum of any amount which bears the same ratio to such amounts as the number of limited and non-English-speaking children aged five to seventeen in the State, as identified by the Bureau of the Census, bears to the number of such children in all States, for funds available under—

(A) title VII of the Elementary and Secondary Education Act of 1965;

(B) section 708(c) of the Emergency School Aid Act; and

(C) subpart 3 of part B of the Vocational Educational Act of 1963.

(b)(1) From the amounts reserved under section 1241 to carry out part B of this Act for any fiscal year, the Commissioner shall determine the amount attributable to subparts 1, 2, and 3 of such part for all States selected to participate in the demonstration.

(2) From the amounts reserved under section 1241 to carry out part B of this title and determined attributable to subpart 1 for any fiscal year, the Commissioner shall allot to each State an amount equal to the amount to which each such State would be entitled under—

(A) part A of the Vocational Education Act of 1963; and

(B) an amount equal to the amount which bears the same ratio to the amount attributable to consumer education as the number of children age fifteen to seventeen, inclusive, in each State bears to the number of such children in all States.

(3) From the amount reserved under section 1241 to carry out part B of this title and determined attributable to subpart 2 for any fiscal year, the Commissioner shall allot to each State an amount equal to the amount to which the State would be entitled under—

(A) the Adult Education Act;

(4) from the amount reserved under section 1241 to carry out Part B of this Act and determined attributable to subpart 3 for any fiscal year, the Commissioner shall allot to each State an amount equal to the amount to which each such State is entitled in accordance with the criteria under section 1224 of this title.

(c)(1) From the amounts reserved under section 1241 to carry out part C of this title and for any fiscal year, the Commissioner shall determine the amount attributable to subparts 1 and 2 of such part for all States selected to participate in the demonstration.

(2) From the amount reserved under section 1241 to carry out part C of this title and determined attributable to subpart 1 for any fiscal year, the Commissioner shall allot to each State an amount equal to the amount to which each such State would be entitled under part B of title IV of the Elementary and Secondary Education Act of 1965 (other than the amount attributable to guidance and counseling).

(3) From the amount reserved under section 1241 to carry out part C of this title and determined attributable to subpart 2 for any fiscal year, the Commissioner shall allot to each State an amount equal to the sum of the amount to which each State would be entitled under—

(A) part C of title IV of the Elementary and Secondary Education Act of 1965 less the 15 per centum set aside for handicapped education in section 403(a)(8)(B) of such title, if the State is eligible for part A, subpart 2, of this title. The 15 per centum set aside in section 403(a)(8)(B) shall be included in the allotment under this subsection for States not eligible under subpart 2 of part A.

(B) that portion of part B of title IV of such Act attributable to guidance and counseling; and

(C) an amount equal to the amount which bears the same ratio to the amount attributable to clauses (6) through (16) of section 1232(a), as the number of children age five to seventeen, inclusive, in such State bears to the number of such children in all States selecting to participate in the programs consolidated under title III of this Act.

(4) For the purpose of paragraph (3) of this subsection, the Commissioner shall determine the number of children age five to seventeen, inclusive, on the basis of the most satisfactory data available to him.

(d)(1) For the purpose of this section, "all States" means for any fiscal year all States selected to participate in the demonstration.

(2) For the purpose of subsection (b) of this section, the term "State" does not include Guam, the Virgin Islands, American Samoa, and the Trust Territory of the Pacific Islands.

(e) Any funds granted to a State under any program consolidated under this title prior to the consolidation which remain available for expenditure during the succeeding fiscal year pursuant to section 412(b) of the General Education Provisions Act, shall be available for use by that State during that year for the purpose for which they were originally granted or for carrying out the State's consolidated plan for that year under this title.

(f) Any expenditures made to close out any programs consolidated by this title may be included as administrative expenses under section 1244(c)(1) of this title.

PLANNING GRANTS

SEC. 1243. (a) Any State selected to participate in the consolidation program authorized by this title, shall, in order to prepare a consolidated plan in accordance with the provisions of this title, receive a one-year planning grant.

(b) The maximum amount of a grant which a State may receive under this section is equal to 1 per centum of the total allotment of that State under programs consolidated by this title, for the fiscal year for which the determination is made, except that no State shall receive less than $200,000 nor more than $1,000,000.

(c) There are authorized to be appropriated for fiscal year 1979 such sums as may be necessary to carry out the provisions of this section.

STATE ADMINISTRATION

SEC. 1244. (a) Each State selected to receive a grant for the consolidation program authorized by this Act for any fiscal year shall—

(1) designate the State educational agency and the State board for vocational education (if applicable) within the State to administer the financial assistance made available under this Act;

(2) develop and publish prior to implementation of the demonstration authorized by this title a four-year comprehensive State plan which—

(A) is developed in accordance with the procedures described in section 1245, and

(B) contains the provisions designed to meet the requirements of 1246.

(3) develop and publish an annual update of the comprehensive State plan, and

(4) submit to the Commissioner for his approval the comprehensive State plan or annual update in accordance with the provisions of this title.

(b) A State which receives a grant for the demonstration program authorized by this title for any fiscal year shall, in addition to the requirements of subsection (a)—

(1) provide for an audit of expenditures for each program year in accordance with generally accepted accounting principles, conducted, as determined by the State by—

(A) an auditor of the State, using certified public accountants, or

(B) a private certified public accountant

or auditing firm utilizing certified public accountants;

(2) provide for an annual evaluation of the implementation of the State's final comprehensive plan, and any amendment thereto, adopted under section 1245,

(3) submit to the Commissioner for his approval the procedures established by the State to carry out the provisions of clauses (1) and (2) of this subsection, with such supporting material as the Commissioner may require; and

(4) prepare and submit an annual report of that audit and evaluation which report shall include—

(A) such information as the Commissioner may reasonably prescribe consistent with the consolidation and provisions of this Act, and

(B) assurance that funds were expended in accordance with this Act and the comprehensive State plan.

(c) The Commissioner shall pay to each State for the proper and efficient administration of the consolidation program authorized by this title an amount, in one grant award, equal to 1 per centum of the aggregate of that State's allotment for the fiscal year for which the determination is made except that no State shall receive less than it received for the administration of programs consolidated by this Title in the previous fiscal year.

PROCEDURE FOR DEVELOPING THE COMPREHENSIVE STATE PLAN

SEC. 1245. Each State shall in the development of the comprehensive State plan establish procedures designed to assure that—

(1) a comprehensive assessment is conducted of the educational needs of the children of that State aged five to seventeen, inclusive, for educational services, the needs of children below aged five eligible for services under this Act, the needs of adults in that State for basic educational and continuing educational services, and for vocational education programs, the local labor market requirements, the current status of employment and the economy, the location of training facilities, and the needs of the individuals to be served. Particular attention shall be given to the identification of children with special educational needs, the services which the students are receiving, and the need for continued, additional, and related services for each of the programs specified in parts A, B, and C of this title,

(2) local education agencies will determine priorities for subpart 2 of part C of this title and for Part B as part of the needs assessment process,

(3) there is participation of interested citizens, local educational agencies, units of general local government, appropriate State agencies and organizations, and, if appropriate, prime sponsors under the Comprehensive Employment and Training Act of 1973, prior to and during the development of the comprehensive plan,

(4) the legislature of the State will be informed of the development of the procedures required by this subsection,

(5) as a part of the comprehensive planning process priorities will be established for the use of funds under section 1247,

(6) the use of funds for purposes described in parts A, B, and C of this title will be coordinated with the use of State and local funds extended for similar purposes,

(7) the use of funds for purposes described in parts A, B, and C of this title will be coordinated with each other and other Federal programs to avoid duplication of effort,

(8) the proposed comprehensive State plan or the annual update thereof will be submitted to the Commissioner and will be published at least ninety days prior to its effective date and such plan or update thereof will be available to interested parties and to local educational agencies within the State. Comment relating to such plan must be accepted for a minimum of forty-five days after such publication,

(9) a final comprehensive State plan, or annual update thereof, will be published and made available prior to its effective date together with a summary of the comments received,

(10) any amendment to the final comprehensive State plan prepared by the State educational agency or other agency designated pursuant to section 1244(a)(1) will be published as a proposed amendment on which the public may comment for a period of at least twenty days, and thereafter the final amendment, together with a summary of the comments received and the action taken on such comments will be published,

(11) regulations and rules established, amended, or repealed by that State will be established, amended, or repealed with the counsel of local education agencies and consistent with State administrative procedures and due process,

(12)(A) local education agencies may agree to join together and form consortium for the purpose of carrying out any of the programs authorized by this title, and

(B) such consortium will be considered as a local educational agency for the purpose of distribution of such funds.

PROVISION OF THE COMPREHENSIVE STATE PLAN

SEC. 1246. A comprehensive State plan meets the requirements of this section if that plan—

(1) sets forth the procedure used and the results of the needs assessments conducted pursuant to section 1245(a)(1);

(2)(A) sets forth the goals to be achieved under the plan, the basic program objectives and a description of the programs to be assisted in accordance with the provisions of parts A, B, and C;

(B) sets forth the type of individuals to be served in each such program together with the services or activities to be supported and the estimated enrollment for each such program;

(3) sets forth the policies and procedures to be followed by the State to assure that the distribution of funds under parts A, B, and C of this title to local educational agencies and other appropriate agencies and organizations within the State is in accordance with the provisions of each such part;

(4) contains a description of the organizational structure through which the program consolidated by this title will be administered;

(5) sets forth the procedures for monitoring activities of the local educational agencies within the State including a provision for technical assistance by the State to each such local educational agency;

(6) contains a description of the process that the State will use to insure that any local educational agency in the State which receives funds under this Act will annually develop or update a comprehensive plan for the use of such funds; that a program site advisory council will be established for programs pursuant to sections 1211 and 1216 to advise in the development of the plan for such programs; and that the plan will be made available to the public for comment in a manner consistent with the manner and provisions required for the comprehensive State plan under this title;

(7) provides, consistent with State law and practice, for audit of local educational agency expenditures under this title;

(8) sets forth procedures to assure that—

(A) the aggregate amount, or

(B) the amount of the average per-pupil expenditure, whichever is less, to be expended by the State and its local educational agencies from funds derived from non-Federal sources for the consolidation program under each Part of this title for any fiscal year will not be less than the amount so expended for the preceding fiscal year;

(9) sets forth procedures to assure that funds made available under this Act will be used so as to supplement the level of State and local funds expended for the purposes described in the plan and in no case to supplant such State and local funds;

(10) provides that funds pursuant to section 1311, 1313, and 1315 are used only for the excess costs of programs under those sections.

(11) provides that the only applications for funds for programs under this title in addition to the local comprehensive program plan which a local educational agency shall make to the State are for programs under the State plan which are competitive;

(12) sets forth procedures to be used by the State to eliminate unnecessary paperwork and duplication of informational requests in regard to local educational agency applications, evaluations, and reporting;

(13) provides due process procedures to be taken by the State in regard to a local educational agency which has failed to develop or implement a comprehensive program plan, including due process procedures for withholding of funds;

(14) provides a local educational agency appeal process within the State for any local educational agency which is dissatisfied with the State's action with respect to the State's compliance with substantive and procedural provisions of the Act.

SUPPLEMENTAL GRANTS

SEC. 1247. (a) The Commissioner shall make a grant, in accordance with the provisions of this section, to any State selected to participate in the demonstration program authorized by this title. The amount of the grant that each State shall receive for each fiscal year under this section shall be 10 per centum of the aggregate amount allotted to the State under section 1242 for the fiscal year preceding the fiscal year for which the determination is made, except that for fiscal year 1980 such maximum amount shall be equal to 10 per centum of the aggregate amount received by such State in fiscal year 1979 for the programs described in parts A, B, and C of this title. However, no State shall receive less than $300,000.

(b) The Commissioner shall pay to each State having an approved comprehensive State plan the amount to which the State is entitled under this section. The funds paid under this section may be used for any programs described in parts A, B, or C of this title.

(c) Funds received by a State under this section shall be distributed to local educational agencies in the following manner:

(1) Fifty per centum of such funds shall be distributed to the local education agencies within the State according to enrollment.

(2) Fifty per centum of such funds will be distributed to local education agencies according to criteria set forth in the comprehensive State plan required in section 1246.

(d) If the sums appropriated for any fiscal year for making payments to States under this section are not sufficient to pay in full the amount to which a State is entitled under this section for such fiscal year, the amounts which all States may receive under this section for such fiscal year shall be ratably reduced. In case additional funds become available for making such payments for any fiscal year during which the preceding sentence is applicable, such reduced amounts shall be increased in the same basis as they were reduced.

(e) There are authorized to be appropriated for fiscal year 1980 and for succeeding fiscal year ending prior to October 1, 1983, in addition to any amount reserved pursuant to section 1241, such sums as may be necessary to carry out the provisions of this section.

FEDERAL ADMINISTRATION

SEC. 1248. (a) The consolidated program authorized by this Act shall be administered

by a separate identifiable administrative unit to be designated within thirty days after the date of enactment of this Act by the Commissioner.

(b) The Commissioner shall establish procedures to eliminate all unnecessary paperwork in regard to information required of State and local educational agencies.

(c) The Commissioner shall establish procedures for approval of State plans submitted in accordance with section 1246 of this Act. In exercising his authority under this section, the Commissioner shall apply only the provisions of this Act.

(d) The Commissioner shall establish procedures to permit a local education agency to appeal to the Commissioner a State's final ruling on an appeal to the State by that local education agency under clause 14 of section 1246.

(e) Requests from State educational agencies for information concerning legality of State actions under this Act shall be answered by the Commissioner of Education within 45 days.

MONITORING AND TECHNICAL ASSISTANCE

SEC. 1249. (a) The Commissioner shall define the criteria which State monitoring activities required under Section 1246(5) shall meet. These shall include criteria to determine—

(1) the extent to which the programs described pursuant to section 1246(2)(A) have been implemented;

(2) the appropriateness and effectiveness of services provided to the individuals identified pursuant to the requirements of section 1246(2)(B); and the effectiveness of the procedures established pursuant to the requirements of all other subsections of section 1246.

(b) The Commissioner shall conduct annually such monitoring programs in each State selected to participate in the demonstration program authorized by this title as he deems appropriate. The monitoring program authorized by this section shall include—

(1) review of the development of the comprehensive State plan for compliance with the provisions of this title.

(2) review of implementation of programs for conformity with this title and with the comprehensive program plan.

(3) review of the monitoring activities of the State for compliance with subsection (a) of this section. Each State shall be notified in advance of monitoring visits. (c) Whenever as a result of monitoring activities conducted pursuant to this section, the Commissioner identifies areas of noncompliance, the Commissioner shall establish procedures with the appropriate State agency designated under section 1244(a)(1) for the necessary modifications.

(d) The Commissioner shall provide advice, counsel, and technical assistance upon request of State and local educational agencies.

(e) Monitoring activities carried out by the Commissioner or the State education agencies shall not require additional paperwork of the agencies under review.

EVALUATIONS

SEC. 1250. (a) The Commissioner after consulting and with the assistance of State agencies designated pursuant to section 1244(a)(1) shall prepare and design a model for evaluation of program effectiveness which will be consistent with the purposes of each program described in parts A, B, and C of this title. Evaluation of local educational agency programs should focus on the services provided for students, the number of students served by each program, and the effect or results of such services.

(b)(1) Each State participating in the demonstration authorized by this title shall be responsible for the use of that model in program evaluation of the demonstration authorized by this title. Such evaluation shall involve participation by local educational agencies of that State.

(2) An evaluation report consistent with the procedures established pursuant to this section and the State comprehensive plan shall be prepared annually by each local educational agency and submitted to the State agency designated pursuant to section 1244(a)(1).

(3) The annual State agency evaluation report prepared pursuant to this subsection shall be submitted to the Commissioner on such date as the Commissioner shall establish. The Commissioner shall analyze the State evaluations received under this paragraph and shall, not later than March 1 in the year succeeding the year in which the evaluations are submitted, prepare and submit to the Congress a report on such evaluations.

EVALUATION OF THE DEMONSTRATION

SEC. 1252. (a) The National Institute of Education shall undertake a thorough evaluation and study of the effectiveness of the reorganization and consolidation authorized by this title. Such evaluation shall include a comparision of the administration of Federal education funds according to the requirements of this title with the administration of those funds under applicable statutes prior to the consolidation.

(b) For purposes of this comparison, the Institute shall collect data from both those State agencies operating under the demonstration, and from a representative sample of LEAs within those States.

(c) The study required by this section shall include—

(1) an examination of the administrative burden at the State and local levels, to include an assessment of the extent to which operation under consolidation reduces duplication of effort and unnecessary paperwork;

(2) an examination of changes in the decision-making process for local program implementation, including the effect of the demonstration on the degree of coordination between and among Federal programs and local education services;

(3) an analysis of changes in the services provided to target populations, including the extent to which services shift among target groups or changes in the quantity and quality of services for particular target populations;

(4) the effects of the demonstration on the composition of target populations;

(5) the effects of the demonstration on the ability to monitor and evaluate the effectiveness of programs for separate target groups;

(6) the effects of the demonstration on state and local jurisdictions in relation to distribution of educational funds based on fiscal capacity, tax effort and educational need; and

(7) findings and recommendations with respect of (1)-(6) above.

(d) The Institute shall make an interim report to the President and the Congress not later than December 31, 1981 and shall make a final report thereto no later than 12 months after the date of submission of such interim report on the result of its study conducted under this section. Any other provision of law, rule, or regulation to the contrary notwithstanding, such reports shall not be submitted to any review outside the Institute before their transmittal to the Congress, but the President and the Commissioner of Education may make to the Congress such recommendations with respect to the comments of the reports as each may deem appropriate.

(e) The Institute shall submit to the Congress, within 120 days after enactment of this title, a plan for its study to be conducted under this section and shall not initiate research proposed to be conducted under that plan until 30 legislative days after such submission.

(f) There are authorized to be appropriated $500,000 for FY 1979, $2,000,000 for FY 1980, 1981, and 1982, and $500,000 for FY 1983 to carry out the provisions of this section.

ENFORCEMENT

SEC. 1253(a) (1) No payment may be made under section 1241(b) to any State that has failed to submit a comprehensive State plan as required by section 1244(a)(4).

(2) In the case of any State that has submitted a plan, if the Commissioner, after reasonable notice and opportunity for a hearing to the State, finds that the comprehensive fails to comply with the requirements of section 1245 and 1246, or the State has failed substantially to comply with any provision of that plan or parts A, B, or C, or has failed to inform the Commissioner of any substantial failure to comply with any provision of that plan or those sections, the Commissioner shall—

(A) reduce the amount otherwise payable to the State under section 1241(b) until he is satisfied that there is no such failure, but not in excess of 5 per centum of the amount payable to the State, or

(B) make no further payments to the State under section 1241(b) for all or any part of such funds until he is satisfied that there will no longer be any failure of the plan to comply with the requirements of sections 1245 and 1246.

(3) In the case of any State that has submitted the plan required by section 1244(a)(4), if the Commissioner after reasonable notice and an opportunity for a hearing to the State—

(A) disapproves, or withdraws his approval, of the procedures submitted under section 1244(b)(3), or

(b) finds that the State has substantially failed to comply with the procedures approved under section 1244(b)(3),

the Commissioner shall notify the State that further payments will not be made to the State under section 1244(b) until he is satisfied that there will no longer be any such failure to comply, and until he is so satisfied he shall make no further payments to the State.

(b)(1) If any State is dissatisfied with the Commissioner's final action with respect to any action taken under this section, the State may within sixty days after notice of that action, file with the United States court of appeals for the circuit in which the State is located a petition for review of that action. A copy of the petition shall be forthwith transmitted by the clerk of the court to the Commissioner. The Commissioner thereupon shall file in the court the record of the proceedings on which he based his action, as provided in section 2112 of title 28, United States Code.

(2) The findings of fact by the Commissioner, if supported by substantial evidence, shall be conclusive; but the court, for good cause shown, may remand the case to the Commissioner to take further evidence, and the Commissioner may thereupon make new or modified findings of fact and may modify his previous action, and shall file in the court the record of the further proceedings. Such new or modified findings of fact shall likewise be conclusive if supported by substantial evidence.

(3) Upon the filing of such petition, the court shall have jurisdiction to affirm the action of the Commissioner or to set it aside, in whole or in part. The judgment of the court shall be subject to review by the Supreme Court of the United States upon certiorari or certification as provided in section 1254 of title 28, United States Code.

(c) The Secretary and the Comptroller General of the United States, in the exercising of their authority under section 434(a)(2) of the General Education Provision Act may only audit activities undertaken with-

in the State with funds provided under this Act, and such other activities as are necessary to verify compliance with this Act.

CONSTRUCTION

SEC. 1254. Funds paid to a State under this Title shall be available for construction of any facilities for which funds would have been available for any program consolidated in this Title. For the purposes of this Title, the term "construction" means the erection, acquisition, alteration, remodeling or improvement of facilities, including the acquisition of land necessary therefor, and the cost of construction includes the cost of achitect's fees.

CIVIL RIGHTS REQUIREMENTS

SEC. 1255. (a) Funds made available under this Title shall be subject to title IV of the Civil Rights Act of 1964 (42 U.S.C. 1691–1686), title IX of the Education Amendments of 1972, and section 504 of the Rehabilitation Act of 1973 (29 U.S.C. 794).

(b) Whenever the Secretary of Health, Education, and Welfare determines, pursuant to the procedures applicable to any of the provisions in subsection (a) of this section, that one or more local educational agencies in a State are not in compliance with any of those statutory provisions, and none of the funds provided to that State under this title shall be made available to such local educational agencies during the period of non-compliance; and the allotment to that State under section 1241 for that period shall be reduced by the amount of such funds received by those districts in the fiscal year prior to the year in which determination of noncompliance was made.

PARTICIPATION OF NONPUBLIC SCHOOL CHILDREN

SEC. 1256(a) The State educational agency or agencies designated under section 1244 (a)(1) of any State and local educational agencies receiving a grant under this title shall provide that—

(1) to the extent consistent with the number of—

(A) children enrolled in private nonprofit elementary and secondary schools who reside in area of the State eligible to be served by programs assisted under this title, and

(B) children in Indian Tribal elementary and secondary schools in the State, who have need for the services provided by those programs.

Such children shall be given, after consultation with the appropriate private school officials, an opportunity to participate, on an equitable basis, in activities assisted under this Act; and

(2) title to and control of funds received under this Act and other property derived therefrom will remain in one or more public (including Indian Tribal government) agencies.

(b) The means by which the requirements in subsection (a) will be met within a State shall be set forth in the plan of the State adopted under section 1246.

(c) If a State is prohibited by law from providing for the participation of children enrolled in private nonprofit or Indian Tribal elementary and secondary schools or if the Commissioner determines, after affording notice and opportunity for a hearing, that a State has substantially failed to provide for such participation, he shall waive the requirements of subsection (a)(1) and he shall arrange, by contract or otherwise, for such children to receive, on an equitable basis, services similar to those provided under this title to public school children in the State. The cost of providing those services for any fiscal year shall be paid from the allotment of the State under section 1242.

DEFINITIONS

SEC. 1257. For the purpose of this title—

(1) The term "adult basic education" means education for adults above the age of sixteen whose inability to speak, read, or write the English language constitutes a substantial impairment of their ability to get or retain employment commensurate with their real ability.

(2) The term "area vocational education school" means any such school as defined in section 195(2) of the Vocational Education Act of 1963.

(3) The term "educationally deprived children" refers to those children deemed to be eligible under Section 103 of the Elementary and Secondary Education Act of 1965.

(4) The term "free appropriate education" means special education and related services which have been provided at public expense without charge and under public supervision and which meets the standards of the State education agency.

(5) The term "gifted and talented children" is used as defined in section 801(1) of the Elementary and Secondary Education Act of 1965.

(6) The term "handicapped children" means the children defined in section 602(1) of the Education of the Handicapped Act.

(7) The term "local education agency" means a public board of education or other public authority legally constituted within a State for either administrative control or direction of, or to perform a service function for, public elementary or secondary schools in a city, county, township, school district, or other political subdivision of a State, or such combination of school districts or counties as are recognized in a State as an administrative agency for its public elementary or secondary schools. Such term also includes any other public institution or agency having administrative control and direction or a public elementary or secondary school.

(8) The term "migratory children" refers to children who are eligible under section 122 of the Elementary and Secondary Education Act of 1965.

(9) The term "special education and related services means the programs defined in section 602(16) and (17) of the Education of the Handicapped Act.

(10) The term "State" includes, in addition to the several States of the Union and the District of Columbia, the Commonwealth of Puerto Rico, Guam, American Samoa, the Virgin Islands, and the Trust Territory of the Pacific Islands.

(11) The term "State educational agency" means the State board of education or other agency or officer primarily responsible for the State supervision for public elementary and Secondary schools, or, if there is no such officer or agency, an officer or agency designated by the Governor or by State law.

(12) The term "vocational education" means the programs defined in section 195 (1) of the Vocational Education Act of 1963.

(13) "Program of Bilingual Education" means the programs defined under section 703(a)(4) of the Elementary and Secondary Education Act.

(14) "Children and limited English language proficiency" refers to children who are eligible under section 703(a)(1) of the Elementary and Secondary Education Act.".

(15) The term "excess costs" means costs directly attributable to programs which exceed the average per pupil expenditure for the local education agency for pupils in the grade or grades included in such programs.

Mr. DOMENICI. Mr. President, I am certain that the managers of the bill recognize the amendment I sent to the desk, because it looks far more like a new education bill than an amendment. As a matter of fact, it is. I sent it to the desk because so many of my colleagues have helped in the development of this optional consolidation method which is envisioned by the bill. I feel constrained today to spend a little time talking about it, since we have all worked so hard on it. A number of my colleagues have given their views to me in writing today, to submit for the RECORD. Therefore, I may take considerable time. The committee members and the staff members will understand that I have spent a great deal of time trying to find some solutions to the problems I found in the field when I spoke to the administrators of our Federal aid to public education programs.

Basically, they are genuinely concerned with the increasing redtape, the growing relationship of detail between the U.S. Government, HEW and the independent school districts around the country, and with the States and their demands of education.

As the committee knows, the support for this measure is manifold. A great number of educators support it. The State legislatures and their associations around the country support it. I want to talk about it a little, so that we might have a dialog and see where we are.

Mr. President, on June 29, 1977, I introduced legislation on behalf of myself and my esteemed colleague Senator HENRY BELLMON from Oklahoma. Other cosponsors included Senator JENNINGS RANDOLPH from West Virginia, Senator WARREN MAGNUSON and Senator HENRY JACKSON from the State of Washington, Senator SAM NUNN from Georgia, Senator BOB PACKWOOD and Senator MARK HATFIELD from Oregon, Senator S. I. HAYAKAWA from California, Senator JOHN HEINZ from Pennsylvania, Senator HARRISON SCHMITT of New Mexico, Senator EDWARD ZORINSKY of Nebraska, Senator RICHARD LUGAR of Indiana, Senator STROM THURMOND of South Carolina, Senator CHARLES PERCY of Illinois, and the late Senators James Allen from Alabama and Lee Metcalf of Montana.

This legislation, S. 1780, is designed to reorganize, simplify, deregulate, and consolidate certain elementary and secondary education programs in order to provide improved State and local administration of the programs. Its purpose is to reorganize and consolidate a number of Federal education programs. Our goal in developing the bill was to improve State and local administration of Federal education programs as a means of improving the services to children reached by those programs.

The act permits greater flexibility in the use of funds, simplifies the categorical requirements, and places greater decisionmaking responsibility at the point of service delivery; that is, the local and State education agencies. Programs are reorganized and consolidated by educational functions and are specificallly targeted to the special needs of populations to be served. Participation in the consolidation is optional with States choosing either to administer programs according to this act or according to the current categorical legislation. It should be clear, therefore, that we do not offer a block grant in the customary usage of that term, but rather a carefully shaped consolidation of Federal programs which will insure more flexibility at the State and local levels while protecting the purposes and populations originally identified by the Congress.

Our approach simplifies administrative requirements and limits the data and documents which the Federal Government can require of States, and that States can require of local education agencies.

A multiyear program cycle for needs assessment and planning, with a single consolidated comprehensive program plan will lead to improved services for children and will allow for the coordination of Federal programs with each other, and with similar programs provided by State and local resources.

At this time I ask unanimous consent to insert in the RECORD a detailed outline of the bill's provisions and what we expected to accomplish in each section.

There being no objection, the summary was ordered to be printed in the RECORD, as follows:

SUMMARY OF S. 1780

Title I encompasses the special needs of high cost population. This title identifies three such populations and targets funds to each of the three. Part A of title V consolidates five for educationally disadvantaged children into one grant award. Funds derived from title I, parts A and B of the Elementary and Secondary Education Act of 1965 will flow through to local education agencies according to the low income formula established in part A of title I of the 1965 Act. Once the funds are in the local school district, they must be used for educationally deprived children. The local agency will determine how and where such services will be provided in the comprehensive planning process. Requirements for use of the funds include comparability, a prohibition against supplanting which applies to the entire act, and maintenance of effort which is applied by title to the entire act. Programs for migrant children, neglected and delinquent children and Follow Through programs are also included in this part.

Part B consolidates four programs which serve handicapped children. The provisions of this part guarantee the right of a handicapped student to a free appropriate education and maintain procedural safeguards which protect those rights. All funds in this part must be spent on excess costs for handicapped programs.

Part C consolidates three programs which provide services to persons of limited English-speaking proficiency. States can distribute the funds to locals on either a formula or a project grant basis depending on the nature and needs of the State's population of such children.

Title II, part A consolidates all vocational education programs. All funds pursuant to this part must be spent for vocational education, and a minimum of 75 percent of the funds must be distributed to local school districts or area vocational schools. Title II, part B provides for adult education.

Title II, part C provides a bonus for local education agencies which jointly fund training programs with a prime sponsor under the Comprehensive Employment and Training Act. The purpose of this provision is to provide an incentive to coordinate services available to the same clientele.

Title III consolidates programs that deal with specific curricular areas. Part A libraries and learning resources flows to the local education agencies and must be used to purchase equipment and materials. Part B funds will be distributed to local education agencies based on criteria developed in the comprehensive State plan. This part, which consolidates 12 different curriculum programs, will allow States and local school districts to determine priorities within the curricular areas which have been identified for special emphasis.

Title IV contains administrative and program requirements including prvision for a single needs assessment, a comprehensive four year state plan, and provision for program monitoring and fiscal auditing.

Mr. DOMENICI. Mr. President, it may be worthwhile to review the influences which prompted this proposal. Over the years, the Federal Government has focused its educational assistance to the States on the provision of educational opportunities for those with special needs. The Federal role has come to be one of identifying problems and possibilities which ordinarily do not receive sufficient attention by the Nation's educational establishment, and then providing the means and direction to address these needs. At the time of their initiation, many of these legislative efforts were unquestionably useful and served to insure that efforts were undertaken which were much needed. However, with the passage of time, and the proliferation of numerous and sometimes implicative categorical grant programs, other consequences have emerged which counter the appropriateness of such a specifically directed Federal effort. The Federal role has produced piecemeal legislation which now adds up to a crazy patchwork quilt of programs, each with varying requirements, guidelines, program cycles, reporting obligation, eligibility standards, and regulations which enormously confuse and confound the daily job of educating the Nation's children.

The reorganization which we propose will preserve the original Federal role while simplifying the Federal education effort through consolidation of 32 programs into 8 programs, and by streamlining administrative requirements.

S. 1780 was written with the help of educators and those interested in education from around the country. In initiating the legislation, Senator BELLMON and I sought out the opinions and help of hundreds of persons with knowledge and expertise in education, particularly those with local or State experience in Federal education programs. A draft of the bill was introduced in 1976 for the sake of discussion, in order to expand the already large number of persons involved in the open process of developing this bill.

Many educators from around the country have endorsed the measure, and several national organizations have expressed enthusiastic support for the concept, including: The National Conference of State Legislatures, the National Elementary School Principals Association, the National School Boards Association, the Council of Chief State School Officers, the Association for Supervision and Curriculum Development, the National Association of Secondary School Principals, and the American Association of School Administrators.

In May of this year an amendment was offered in the Human Resources Committee on behalf of myself, Senator BELLMON, and the bill's cosponsors Senators RANDOLPH and HAYAKAWA, to incorporate the principles contained in S. 1780 into a six-State demonstration project. That amendment narrowly failed in committee.

The amendment I have introduced today provides for such a six-State demonstration. The support for this proposal is quite strong around the country. I feel certain the votes exist in the Senate to pass this amendment today. I am concerned, however, since no similar provision exists in the House bill, that such a vote will produce a hollow victory, as the amendment would certainly be dropped in conference.

Mr. President, it has never been my intention to fight the committee on this issue. I have spent many, many hours on this bill, and I believe my proposal to be eminently sound from an educational point of view and in keeping with the congressional intent that created the Federal role in education. I have been deeply disappointed that the leadership of the committee did not give this bill, over the past year, the attention its cosponsors and I believe it deserves.

However, I am most pleased and delighted with recent committee action. At the suggestion of my esteemed colleague from New York, Senator JAVITS, and the respected committee chairman, Senator WILLIAMS, the committee determined it would undertake a major study of the proposal to demonstrate the reorganization and simplification contained in S. 1780.

I have seen a preliminary outline of the proposed study which Chairman WILLIAMS' staff has prepared. I am most pleased with the recommendations for this objective study which will be carried out by educational testing services and the Congressional Research Service. I would like to thank Senators WILLIAMS and JAVITS, and the committee for their efforts to insure that this innovative approach to Federal education programs receives the attention and consideration it deserves.

At this time, I would like to pose several questions to the managers of the bill and to the chairman of the Senate Human Resources Committee.

Mr. President, it is with a great deal of remorse that I find myself in a position in which the committee did not see fit to adopt this optional method. However, there are some provisions in this bill that I would like to discuss with Senator PELL and Senator JAVITS today.

I hope our discussion will insure an indepth evaluation of the approach contained in S. 1780. I want to generate discussion with a view toward a reconsideration of the idea next year, even though we are authorizing a 5-year bill today.

My reluctance in voting up and down on this amendment is as follows:

First, it is indeed a completely different approach from that which we have been following for years. I have great respect for the committee. They saw fit, after great deliberation, not to implement it, even as an optional system, this year. That is first.

Second, for some reason, the administration opposes this measure, even as an experiment or an optional approach involving five or six States. I do not understand that objection on the part of the administration. In many respects this demonstration would have moved our aid to education in the direction that the President of the United States would

like—that is, simplified, easier to administer, leaving as much decision as possible at the local level.

I think this would have been an excellent tool to measure this approach against the ever-growing categorical grant program that is before us today.

Mr. President, I ask unanimous consent to have printed in the RECORD statements by the Senator from Georgia (Mr. NUNN) and the Senator from Oklahoma (Mr. BELLMON), since they diligently helped with this new approach.

The PRESIDING OFFICER. Without objection, it is so ordered.

● Mr. NUNN. It is a pleasure for me to join with Senators BELLMON and DOMENICI in offering an amendment to the Elementary and Secondary Education Act that would authorize a six-State demonstration project for the consolidation of Federal educational programs. I am a primary sponsor of the legislation authorizing this optional program which these two distinguished Senators introduced last year. I have long felt that this optional consolidation approach would provide much needed flexibility in our Federal assistance programs to public education. I believe that the establishment of a six-State project on a pilot basis would give educational officials at the State and local levels, teachers, parents, the administration, and Congress the data needed to truly assess the benefits of this Congress. I have confidence that, given the opportunity, State and local educational agencies could more effectively utilize Federal funds without undue paperwork, technicalities, conflicting goals, and the general frustration that is associated with the Federal bureaucracy.

I feel that the primary purpose of Federal involvement in public education is welcomed by most people who are interested in equal educational opportunities for all our citizens. Certainly, Federal educational programs have had a tremendous impact on the efforts to bring quality education to our citizens with special needs. Unfortunately, this Federal participation in public education all too often results in Federal dominance.

Such dominance makes public education remote, with much of the decision-making powers removed from the hands of those who know the community and could more accurately address its needs. Instead of predominantly providing educational services to the individual region or community, the state and local educational officials must constantly address the never ending task of completing forms, meeting eligibility requirements and complying with exacting and often conflicting guidelines.

The amendment which we are offering today is based upon the careful deliberations of citizens from every segment of the educational community. This measure incorporates the suggestions and reflects the concerns of those who work with education on a daily basis. In formulating this bill, the problems of the past have been analyzed, and hopefully, the pattern for future Federal educational participation will be established.

My distinguished colleagues from New Mexico and Oklahoma have discussed the provisions of this amendment, and I do not feel that further explanation is needed. Mr. President, I would like to reiterate, however, the need for reform in our existing educational programs. It is my strong hope that Congress will act favorably this year on the proposed Department of Education Act which I feel will streamline the administration and end the fragmentation of our Federal education programs. I also believe that a cabinet-level Secretary of Education will provide Congress and the American people with a highly visible, responsible, Federal official who can be held accountable for the successes or failures of educational programs and policies at the Federal level.

However, this Department, in and of itself, will not solve all our problems. We must take further steps to insure that the primary responsibility for the education of our children will remain in the appropriate hands at the State and local levels, and not be dominated by Federal influence.

I believe that this amendment offers an opportunity to assess this proposal that could massively reform the structure of our Federal educational programs. Our State and local education agencies deserve the chance to develop their capabilities, to have flexibility in making decisions which affect their school and to respond to the concerns of the citizenry who foot the bill for public education. Our Nation's children also deserve to have educators who can devote more time to the learning process, who can focus on long-range educational goals without being blinded by a maze of paperwork and conflicting requirements, and who can make sensible adaptations to the specific needs of the area's citizens. This amendment would give six States the opportunity to pursue a new relationship with the Federal educational bureaucracy. I believe that this new relationship will be rewarding to us all.

I urge my colleagues on the Senate Education Subcommittee to give this proposal their most careful attention in the coming months. I fully believe that, after careful analysis of the goals and opportunities which this legislation presents, my colleagues will agree that this proposal offers sound and workable alternatives for Federal involvement in the education of our Nation's youth.●

● Mr. BELLMON. Mr. President, Senator DOMENICI's idea of an optional grant program for education represents a sound and positive approach to a very difficult problem. I am pleased to have been one of the original cosponsors of this legislation, which has received so much favorable comment.

The logic of consolidation is compelling. It provides a vehicle for the simplification and decentralization of administration of Federal programs. The bureaucratic burden under which educational programs usually suffer is thereby lessened. State and local educational agencies, rather than remote regional or Washington bureaucracies, are responsible for the basic decisions and program actions with which they must live. Instead of having a multitude of categorical programs, each with its own funding and administrative peculiarities, programs may be grouped logically for administrative ease.

Currently, the mass media are examining the bases for the failure of public education in many situations. It seems worthwhile to point out that we have increasingly given to school administrators, school boards and teachers specific responsibilities for correcting social ills which cumulatively may exceed the capacity of the institution to deal with. One consequence is that compliance with the many, often overlapping and duplicative, requirements imposed by the Federal Government have crowded out some of the most essential functions of education. It is no wonder that school officials complain they can do little else but satisfy Federal requirements. A step in the direction of redressing this imbalance can be made through the amendment Senator DOMENICI is offering today.

Consolidation represents a potential turning point in the funding of Federal programs in education. For more than two decades, Federal Government initiatives created many programs of educational aid to the States and local education agencies until we now have more than 100 separately authorized program activities in the Office of Education. Today, there is Federal Government support for about 7 percent of the total cost of elementary and secondary education. Most of that support flows through many narrow categorical programs. It is distributed through the States to local education agencies using formulas that contain such factors as school age population and income levels of students' families. As responses to national problems, these remedies have grown into a web of administrative regulations and paperwork, causing school systems to devote more time and manpower to meeting Federal requirements and completing necessary paperwork. School administration has become more a matter of satisfying rigid requirements and shouldering administrative burdens than a creative process for insuring quality education to meet local needs and objectives.

Those who may be concerned that the consolidation approach will serve to reduce the Federal commitment to education need not worry. No State which exercises this option will lose money. Nor should there be any concern that consolidation will be uesd as an excuse to avoid responsibility for the special educational needs of particular groups, such as the disadvantaged and the handicapped. Special "hold harmless" and maintenance of effort requirements will ensure that these obligations will continue to be met. Local educational agencies will be protected by provisions for flow-through of money. It will not be necessary for States to enact special legislation in order to exercise this option.

This approach seeks to group programs into clusters which are logically related in order to create several blocks. Flexibility within each category will allow States and localities to fashion educational programs more nearly in accord with needs than is now possible under categorical programming.

Consolidation will undoubtedly create anxieties among supporters of specific categorical grant programs. If a program is a legitimate priority within a State, it will undoubtedly continue to receive funding commitment under the consolidated approach. The proliferation of small categorical programs has caused local education agencies to expend, in some cases, more time and effort applying for funds than the funds were worth. Consolidating the programs into a single competitive process at the State level will significantly reduce the cost in man-hours.

An important feature of this new legislation will be the requirement of a participatory planning process within each State which chooses to receive its Federal funds in the consolidation grant. The views of interested citizens, constituent groups, local education agencies, units of local government and appropriate State agencies and organizations will be solicited in the process of developing a comprehensive State plan for the expenditure of this Federal money. The resulting proposed comprehensive State plan will have to be made available to all interested parties, and public comment on the plan accepted. The same publishing and comment requirements will apply to regulations issued by the States. These are powerful remedies for the often unthinking and unresponsive actions of distant bureaucracies.

I strongly support the Domenici amendment, which would open up, on a limited basis, the educational system to new experimentation which can only have the refreshing effect of revitalizing the educational process. I hope this amendment will be accepted as a part of the Elementary and Secondary Education bill.●

Mr. DOMENICI. Mr. President, I should like to ask the floor managers of the bill a couple of questions about this approach.

Am I correct that there is a study provided in this bill, and that it requires completion by the first day of January 1979?

Mr. PELL. That is correct.

I also compliment the Senator from New Mexico on his very real interest in this subject and the eloquent statement he made before the Subcommittee on Education, Arts, and Humanities during its hearings last year.

As the Senator knows, we did not adopt this proposal in the committee in large part because of uncertainties as to its potential impact both on States and the intended beneficiaries of Federal aid programs. However, we did agree to undertake the feasibility study of such a program and issue the report, as the Senator says, by January 1, 1979.

Mr. DOMENICI. I understand, that the study will not be conducted exclusively by HEW but rather by the Educational Testing Service at Princeton and by the Congressional Research Service. Is that correct?

Mr. PELL. That is my understanding.

Mr. DOMENICI. Let me ask either the chairman or the ranking minority member a question. As they know, this effort to simplify programs is of utmost importance to me and obviously to a number of other Senators who sponsored the effort. I wish to be certain that, when this study is completed, it will be considered by the committee. I know that the Elementary and Secondary Education Act is a 5-year bill. However, I am looking for assurances that consideration of this elementary and secondary proposal will not be put off next year on the basis that S. 1753 is a 5-year bill.

Mr. PELL. The Senator has my assurance that that will not be the reason that we would not consider it or act on it. There may be other reasons why we would not act on it.

Mr. DOMENICI. Indeed.

Mr. PELL. But we will not use that as a reason.

Mr. JAVITS. I join in that assurance.

Mr. DOMENICI. I thank the Senator from Rhode Island and the Senator from New York.

I personally feel very, very strongly about the bill. Ultimately, it was going to be an optional system and only six States would be chosen for the experiment. Senators all know that I feel very strongly that this will be one of the most exciting ways to measure the efficacy and capacity of the grant system as to its effectiveness, and to find something to measure it against. It is my hope that the committee will give every consideration to the approach. Obviously, the committee, with its educational expertise, will make improvements and changes. It is my hope that the bill will work its way through the committee process and that it might be reported next year.

Will either the ranking minority member or the chairman once again explain for me and for my many cosponsors how they treated this approach in the bill that is before the Senate?

Mr. PELL. It was considered by us and discussed. As I said earlier we did not incorporate it in the committee bill because we were uncertain of the potential impact both on the States and the intended beneficiaries of the Federal aid program. While program simplification is a laudatory goal we must not allow our concern with sheer simplicity to jeopardize benefits to those individuals, the handicapped, or others, which Congress singled out for special treatment.

Mr. President, I ask unanimous consent to print in the RECORD a letter addressed from the chairman and from the ranking minority member to Dr. Joan Baratz at the Educational Policy Research Institute, and also a document from the Library of Congress on the subject of consolidation of Federal programs.

There being no objection, the material was ordered to be printed in the RECORD, as follows:

COMMITTEE ON HUMAN RESOURCES,
Washington, D.C., August 7, 1978.

Dr. JOAN BARATZ,
Director, Educational Policy Research Institute, Washington, D.C.

DEAR DR. BARATZ: On May 5, 1978, the Committee on Human Resources voted to undertake a Committee study of a modified version of S. 1780, the Optional Educational Simplification Act, offered as an amendment to S. 1753, the Education Amendments of 1978, by Senators Jennings Randolph and S. I. Hayakawa. The Committe committed itself to undertaking this study within a six month period.

Accordingly, we are writing to officially request that the Education Policy Research Institute consider an analysis of the potential impacts of the Randolph-Hayakawa amendment on education programs. We believe that an objective study by an experienced and respected policy research organization would be of great help to the Committee. Our decision in this regard is also supported by Senator Claiborne Pell, Chairman of our Subcommittee on Education, Arts and Humanities, and Senator Robert T. Stafford, Ranking Minority Member of that Subcommittee.

We would appreciate your assistance in undertaking this study and hope that you will forward to us an outline of your approach to the study. We understand that our staff has discussed this matter with you and that agreement has been reached regarding many of the important aspects of the study design.

Your interest in our work is greatly appreciated and it is with great expectations that we look forward to your assistance.

With best wishes,

Sincerely,

HARRISON A. WILLIAMS, JR.,
Chairman.

JACOB K. JAVITS,
Ranking Minority Member.

EDUCATIONAL TESTING SERVICE,
Princeton, N.J., August 11, 1978.

Senator HARRISON A. WILLIAMS,
Russell Senate Office Building,
Washington, D.C.

DEAR SENATOR WILLIAMS: Joan Baratz, Director of ETS' Education Policy Research Institute has forwarded your request concerning a study of the potential impacts of the Randolph-Hayakawa amendment on education programs. We are pleased to be of assistance to the Committee on this matter.

I am enclosing a suggested work plan prepared by Dr. Baratz and Terry Hartle in cooperation with Committee staff. This study design indicates the scope of activities to be undertaken, the work schedule and the product to be delivered.

We look forward to working with the Committee on this important project.

Sincerely yours,

WILLIAM W. TURNBULL,
President.

Enclosure.

ANALYSIS OF POLICY IMPLICATION OF S. 1780 OPTIONAL EDUCATIONAL AND SIMPLIFICATION BILL OF 1977

(Prepared by Education Policy Research Institute of Educational Testing Service)

During deliberations on S. 1753, the Education Amendments of 1978, the Senate Committee on Human Resources considered a modified version of S. 1780, the Optional Educational and Simplification Bill of 1977, as an amendment to ESEA. The proposed amendment was voted down 8–5. It would have authorized the Commissioner to certify a demonstration consolidation of many federal education programs in no more than 6 states.

The Committee subsequently authorized "a study to determine the feasibility, assets, and liabilities of S. 1780 as a demonstration effort in public education policy" (S. Report No. 95–856, 95th Congress, 2nd Session at 116). A report of the study is to be issued by the Committee "not later than 6 months" following the filing of the report of S. 1753 in the Senate. (S. Report No. 95–1086 at 116). Since Senate Report No. 95–1086 was filed on May 15, 1978, the Committee is expected to issue a report of the study no later than November 15, 1978.

S. 1780, as introduced and as modified, proposes to consolidate several major and minor

federal education programs into three broad categories: special needs programs, vocational programs, and special emphasis programs. Set forth below is a list of existing programs which would fall under each of these categories. This list is not taken from S. 1780, but from the modified version of S. 1780 which was proposed as a new Title XII of ESEA (Reorganization and Consolidation Demonstration Project).

SPECIAL EDUCATIONAL NEEDS PROGRAMS

1. Subpart 1 of Part A of Title I ESEA (LEA grants).
2. Subpart 2 of Part A of Title I ESEA as it relates to state operated programs for: (a) neglected and delinquent children and (b) migratory children.
3. Part B of Title I ESEA (Special Incentive Grants).
4. Part B of the Education of the Handicapped Act (as amended by PL 94-142) (assistance for education of handicapped children).
5. Section 121 of Title I ESEA (programs for handicapped children).
6. Section 403(a)(8)(B) of Title IV ESEA (State plans for libraries, learning resources, educational innovation and support).
7. Title VII of ESEA (Bilingual education).
8. Section 708(c) of ESAA (Special programs and projects—minority children/language barriers/cultural differences).
9. Subpart 3 of Part B of VEA (Program improvement and supportive services).

NOTE: Headstart and Follow-Through were not included in the modified version.

VOCATIONAL EDUCATION PROGRAMS

1. The Vocational Education Act.
2. Section 811 of ESEA (Consumer education).
3. The Adult Education Act.
4. Grants for joint CETA/Vocational Education projects (Section 112 of CETA and VEA).

NOTE: Section 405 of the Education Amendments of 1974 (Community schools) was in S. 1780, but not in the modified version.

SPECIAL EMPHASIS PROGRAMS

1. Part B of Title IV ESEA (Libraries and learning resources).
2. Part C of Title IV ESEA (Educational innovation and support).
3. Section 403 of Education Amendments of 1974 (Metric education).
4. Section 404 of Education Amendments of 1974 (Gifted and talented).
5. Section 406 of Education Amendments of 1974 (Career education).
6. Section 409 of Education Amendments of 1974 (Arts and education).
7. Title V of HEA (Teacher Corps).
8. Title VII of Education Amendments of 1974 (except Sections 721 and 722) (National Reading Improvement Program).

NOTE: Section 408 of the Education Amendments of 1974 (Women's education equity was in S. 1780, but is lined out of our copy of the modified version). Other provisions in S. 1780, but not in modified version, include: Environmental Education Act, the Alcohol and Drug Abuse Education Act and Title IX of ESEA (Ethnic heritage).

In short, programs to be consolidated are from several major pieces of legislation: ESEA, VEA, ESAA, HEA and possibly CETA.

You have requested an analysis of the proposed consolidation that would examine both the broad issue of education program consolidation and specific issues related to the feasibility of a demonstration consolidation. The study would identify the implications of S. 1780 for federal education policy.

In our view such an analysis requires four separate activities:

1. Review of existing consolidations
2. Identification of policy issues.
3. Legal research on affected programs, and
4. Analysis of the feasibility impact, and policy implications of a demonstration consolidation.

The following paragraphs briefly review the analysis to be undertaken in each of these tasks.

Previous consolidation efforts. In recent years Congress has enacted several block grant programs that consolidated a number of categorical programs. These grants were designed to improve economy and efficiency, allow more administrative and policy decentralization, and strike a balance between the achievement of national purposes and the enhancement of recipient discretion. These objectives are reflected in the consolidated grants established by the: Comprehensive Employment and Training Act, Housing and Community Development Act, 1974 Amendments to the Social Security Act, the Vocational Education Act, and Title IV (Parts B and C) of the Elementary and Secondary Act.

Because each of these programs has been in place for several years, valuable lessons can be learned from a comparative analysis of the history, implementation and current operation of these grants. We propose to review these programs to determine how effective they have been in meeting their objectives. In addition, this review will identify policy issues that need to be considered in the consolidation of additional educational categorical programs.

In performing this review we will rely on a comprehensive literature search and interview congressional policymakers, federal and state program officers and interest group representatives.

Policy issues. Consolidating categorical programs portends significant administrative and financial changes for the federal role in education. Among the primary issues congressional leaders must address in considering grant consolidation are:

How will federal education goals be affected by a shift from categorical to a consolidated block grant?

How will the states allocate the consolidated money to local districts?

What choices can school administrators be expected to make given additional flexibility?

How will a consolidated grant affect state and local program administration?

Should expenditure constraints (e.g., maintenance of effort supplanting, comparability) provisions be included in consolidated grants?

What administrative provisions should be included to assure progress toward Federal goals that yet allow state and local level administrative flexibility?

What Federal and other monitoring and accountability provisions should be included?

Who will have responsibility for evaluating the impact of consolidated grant money on target populations?

In this study we will identify the policy issues that are raised by grant consolidation proposals such as S. 1780. The emphasis will be on raising all major issues that need consideration and presenting a range of potential solutions.

Legal analysis. To properly analyze the impact of S. 1780, it is necessary to review the legal requirements for each affected program. Among the issues that need to be considered are: (1) target populations/intended beneficiaries; (2) eligible applicants; (3) funds allocations provisions; (4) eligibility provisions; (5) planning/program design provisions; (6) evaluation requirements; (7) coordination requirements; (8) parent involvement/advisory council provision; (9) requirements for federal and state administration (e.g., application approval, monitoring, technical assistance, auditing and audit resolution, withholding and suspension, data and reporting requirements, and other accountability provisions; (10) requirements for local administration, e.g., recordkeeping and reporting, evaluation, etc. This analysis should also extend to the General Education Provision Act (GEPA).

The time and cost of investigating each program in such detail would be prohibitive. As a way of identifying the numerous legal issues that need to be addressed we will analyze the impact of S. 1780 on a single program, Title I of ESEA. This will, of course, require an analysis of GEPA as well as Title I and S. 1780.

Given that the Education Amendments of 1978 may result in significant changes in Title I, it will be inappropriate to begin this analysis until the Congress has completed its revisions of ESEA. If the Conference Committee does not complete its work in a timely fashion it may be difficult to meet the November 15 deadline for this activity.

Feasibility and impact study. A final component of this study will be to assess the feasibility and impact of a demonstration project to implement a consolidated block grant. This activity will require an analysis of the financial, administrative and political issues that would emerge in an experimental block grant program. Among the issues that need to be addressed are:

What incentives should be available to states who are willing to participate?

How long should the experimental program run to provide meaningful results?

What planning, monitoring and evaluation requirements will exist in experimental states?

What data will be necessary to evaluate the demonstration program at the federal and state levels?

What criteria should be used to select participating states?

What will be the relationship of OE program monitors to state and local officials participating in the experimental programs?

What are likely impacts or individual beneficiaries in demonstration states?

These and other issues that must be resolved before an experimental social program can be attempted will be identified and addressed.

Work Plan. This study will be undertaken by the Education Policy Research Institute (EPRI) of the Educational Testing Service (ETS). The study will be directed by Joan C. Baratz, Director of EPRI, and Terry W. Hartle, Associate Research Scientist. The EPRI staff members will work closely with the staff members of the Senate Human Resources Committee in undertaking this research.

A draft final report will be submitted to the Committee by November 15, 1978 for review and comment. The final report will be submitted by January 1, 1979.

[From the Library of Congress Congressional Research Service]

AUGUST 3, 1978.

To: Senate Committee on Human Resources
Attention: Franklin Zweig.

From: Education and Public Welfare Division.

Subject: Assistance to the Committee Concerning Pilot Consolidation of Federal Programs.

In response to our conversation and your request for a discussion of the ways in which CRS could work with the Committee in the conduct of the study concerning pilot consolidation of funding for Federal elementary and secondary education programs, the following activities seem to be most appropriate for CRS:[1]

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[1] Even though CRS has identified the resources required to conduct the following activities, the discussion must be considered as tentative because final clearance for certain budgetary items and operational procedures has not been received as of the date of this memorandum.

Activity 1. Issues Paper. The term consolidation means joining or bringing together, and the act of doing so results in the loss of the separate identification that characterized the previous units. Several issues related to changes in Federal, State, and local roles and functions will in all likelihood be involved in consolidation of education program. CRS suggests that an issues paper will be an important component in any serious discussion of the relative merits of program consolidation in education. The purpose of this paper will be to identify and discuss the issues that relate to the general concept of program consolidation of education programs with special emphasis on the unique delivery system for elementary and secondary education in America and the traditional role of the Federal Government in education programs.

Detailed issues have not been identified; however, the major issue areas will include the following—programmatic thrust, fiscal accountability, target populations, and administrative structure. Criteria for inclusion of an item as an issue will include Federal legislative requirements, program delivery system, and the interests of reference groups.

Activity 2. Background Paper on Previous Consolidation Efforts. CRS has completed previous projects on grant consolidation programs enacted by the Congress. These materials could be revised and presented in a format of value of this effort. This historical discussion of previous consolidation legislation would provide the Committee with a review of the evolution of previous consolidation efforts. For the past several years, the Advisory Commission on Intergovernmental Relations has been doing research in this area, and these efforts will provide much of the basic material for the paper.

Activity 3. Cross Matrix Analysis of Programs to be Consolidated. Since the proposed legislation provides for consolidation of several programs and since a consistency or universality in structure and program operation does not exist among programs, CRS suggests that each program be analyzed utilizing a pre-established set of common criteria. (Examples of such criteria include fiscal prerequisites such as maintenance of effort, comparability, and supplemental use of Federal funds; funding formulas, target population; program planning and evaluation procedures; parental and community participation; pupil and LEA eligibility requirements; and compliance submission.) This structured analysis would permit a visual comparison of the manner in which all involved programs would be affected on a selected set of criteria.

Activity 4. Symposium. The concept of program consolidation is not new and there is a reservoir of experience from previous legislation that has resulted in the consolidation of various programs. A few of these consolidations have been in effect sufficiently long for various amendments to have been enacted. CRS suggests that a symposium be convened consisting of the scholars who have studied the programs and are familiar with the concept, the congressional staff persons from the authorizing committees, and representatives of those field groups that might be affected by the program. (Further detail concerning this activity is contained in the attached prospectus.)

CRS would provide coordination and direction for the symposium; responsibility for logistics would be assigned to a private contractor. Invited scholars would provide the position papers for the symposium, and a transcript of the discussion would be made. These should provide additional insights into the problem beyond those contemplated in the first three activities proposed for CRS and the work to be done by the Education Policy Research Institute (EPRI). It is anticipated that CRS would reproduce the commissioned papers in the event that the Committee did not choose to include them in the study report.

Activity 5. Field Interviews. In addition to EPRI's plans to conduct interviews with various policy and bureaucratic persons in Washington, CRS staff members are of the opinion that interviews should also be conducted with staff members of State and local educational agencies, State legislators, and educational reference groups in several States. Even though the national spokespersons may favor the idea and the concept may appear to have support at the State and local level, in-depth State and local interviews might provide additional insights into potential implementation problems and school-level concerns. It is possible that the Committee could arrange for a cooperative effort in which CRS would design and field test the interview guide and the General Accounting Office (GAO) would conduct the field interviews. Depending upon capacity to meet the schedule, either CRS or GAO would analyze the data and prepare the report. The findings from this process should provide additional information that would be of value as consideration is given to program consolidation.

Activities for Educational Policy Research Institute (EPRI). If the Committee should desire for CRS to conduct the five activities outlined above, EPRI could conduct the four major activities outlined in its proposal. Some coordination would be desirable relative to the review of existing consolidations since CRS would be preparing a paper on this item. The issues paper to be prepared by CBS might provide background for the work of EPRI in its efforts to identify policy issues or the CRS paper might be deemed to provide sufficient coverage of that area. The in-depth examination of ESEA Title I would appear to be an activity independent of any of the work that might be done by CRS. This latter point also could be made for the feasibility study outlined in the EPRI proposal.

Potential Materials for the Committee Print. If the Committee should choose to have all of the previously discussed activities conducted, the Committee print[2] conceivably would include the following items:

1. Issues Paper (CRS)
2. Previous Consolidaton Efforts (CRS)
3. Background Papers for the Symposium (Coordinated by CRS)
   a. Historical Discussion of Block Grants
   b. History of Federal Block Grants in Other Programs
   c. S. 1780 in Historical and Theoretical Context
   d. Impact of Block Grants on Organization of State Educational Agencies
   e. Impact on Local Educational Agencies
   f. Impact on Local School Operations
4. Summary of the Discussion at the Symposium (CRS)
5. Cross Matrix Analysis of Program (CRS)
6. Policy Issues Discussion (EPRI)
7. Results of Interviews with Policy Makers and Interest Groups (EPRI)
8. Legal Analysis of ESEA Title I (EPRI)
9. Discussion of Findings from Field Interviews (CRS and GAO)

CRS Personnel. CRS anticipates that the team assigned to this major project would include Paul Irwin, K. Forbis Jordan, and Bill Sanda. Mr. Jordan would serve as team leader and would be in a position to draw from the expertise of persons in the Education Section as well as the total resources of CRS. If the CRS activities outlined in this discussion should be considered desirable by the Committee, the three persons on the team would be spending a major portion of their time on this project from September through December.

Following discussion with staff persons from the Committee, CRS understands that a project completion date of its activities on or before December 31, 1978 will be satisfactory.

CRS appreciates the opportunity to participate in a discussion of the manner in which the study might be conducted and looks forward to working with the Committee in a mutually acceptable manner.

K. Forbis Jordan.

[2] In the preparation of the Committee print, it is assumed that the various components would be identified with the organizations or persons who were responsible for the research and preparation of the documents.

Proposal for a Symposium

During the deliberations on S. 1753 (the Elementary and Secondary Educational Amendments of 1978), consideration was given to an amendment that would have provided for demonstration of consolidated Federal education programs in no more than six States. The amendment was defeated by the Committee, but the Committee voted that a feasibility, assets, and liabilities study be conducted by the Committee with a report being submitted within six months (S. Report No. 95–1086 at 116).

In view of the diversity of opinions on this subject, the range of knowledge of details of the proposal under consideration, and the importance of an understanding of the history of consolidation efforts in other programs, it would appear advisable to conduct a symposium during which the various issues could be examined in depth. This symposium would involve State and local officials; scholars familiar with the concept of the proposed legislation; and key staff members from the Senate and the House. Background and briefing papers will be commissioned and distributed in advance. The "Issues Paper" in Activity 1 would also be forwarded to participants. Major components of the symposium tentatively would include papers on items such as the following:

1. Background of Concept of Block Grants
2. History of Federal Block Grants in Other Programs
3. S. 1780 in Context
4. Impact of the Policy Choice on Organization of State Educational Agencies
5. Impact on Local Educational Agencies
6. Impact on School Operations

Logistics for the symposium, negotiations with the presenters, and actual conduct of the sessions will require a considerable amount of person time, and the topic suggests it may be advantageous to have CRS contract with a private agency to conduct the symposium. It is anticipated that the symposium would last for two days and would be in a captive setting to facilitate interaction among the participants. The contractor would provide meals and housing for the participants, travel for the out-of-town participants, support from the Institute, honoraria for the commissioned papers, and transcriptions of the proceedings.

Mr. JAVITS. Mr. President, if the Senator will yield to me, I think it should also be noted in this connection that a number of elements in the Domenici-Bellmon demonstration amendment are now in the committee bill, and they are as follows:

First. Consolidation of program applications and reports;

Second. Shifting from annual to multi-year program plans;

Third. Reducing and simplifying other reporting requirements; and

Fourth. Increased flexibility of State and local administration of title I.

In short, I simply amplify that the

statement of what the Senator and his cosponsors desire has not gone unheeded.

Mr. PELL. Mr. President, if the Senator will yield there, we point out also that I was too conservative in referring to the nonaction of the committee. We actually did take action, and had a rollcall vote on the amendment, which was turned down by 8 nays and 5 yeas.

Mr. DOMENICI. I am going to withdraw the amendment, obviously I am asking this institution to vote on a whole new approach to the educational system and I am a member of the committee. But let me just say this: I truly appreciate the commitment of the committee, the chairman, and the ranking minority member, and the many dedicated staffers who staff that committee.

I am firmly convinced that people are going to demand some very basic drastic changes in the present grant program.

I am not prepared to say that we have not improved it with some of the consolidations referred to. But I am prepared to say this: If the average citizens from the average school district in the United States knew how difficult it was for the superintendents and administrators of the public school system to participate in this Federal aid program, I believe they would be clamoring for change. The teachers, the administrators, the auditors, the budgetmakers, the State legislators, get more confounded every year with the complexity of the Federal Government's attempt to aid students with special needs. I know there is no miraculous cure, but I truly believe we should not be afraid to demonstrate another approach. The approach which we have been using is growing more complex in spite of legislative effort to make the programs easier, less complex and more responsive, it seems that by the time we are through in the guidelines and directives, we move farther away from our goal of simplification.

I greatly appreciate the consideration given to the new approach. I can say unequivocally that I have great confidence that the study will show positive results, especially if looked at from the standpoint. First, will it do as well as we are doing, and, second, is it apt to permit us to measure the efficiency and effectiveness of the present categorical grant program in our aid to education on the national level versus the States and school districts?

Having said that, Mr. President, I withdraw my amendment and I yield the floor.

Mr. ROTH addressed the Chair.

The PRESIDING OFFICER (Mr. NELSON). The Senator from Delaware.

UP AMENDMENTS NO. 1721

(Purpose: To insure equal protection of the laws with respect to the transportation of students)

Mr. ROTH. Mr. President, I call up my unprinted amendment.

The PRESIDING OFFICER. The clerk will report.

The legislative clerk read as follows:

The Senator from Delaware (Mr. ROTH), for himself, Mr. BIDEN, Mr. BARTLETT, Mr. HAYAKAWA, Mr. SCHWEIKER and Mr. DECONCINI proposes an unprinted amendment numbered 1721.

Mr. ROTH. Mr. President, I ask unanimous consent that further reading of the amendment be dispensed with.

The PRESIDING OFFICER. Without objection, it is so ordered.

The amendment is as follows:

At the end of the bill add the following new title:

TITLE V—EQUAL PROTECTION AND THE TRANSPORTATION OF STUDENTS COURT ORDERS: DISCRIMINATORY PURPOSE

SEC. 501. No court of the United States shall order directly or indirectly the transportation of any student on the basis of race, color, or national origin unless the court determines that a discriminatory purpose in education was a principal motivating factor in the constitutional violation for which such transportation is proposed as a remedy.

TYPE OF RELIEF ORDERED

SEC. 502 (a) In ordering the transportation of students, the court shall order no more extensive relief than reasonably necessary to adjust the student composition by race, color, or national origin of the particular schools affected by the constitutional violation to reflect what the student composition would otherwise have been had no such constitutional violation occurred.

(b) Before entering such an order, the court shall conduct a hearing and, on the basis of such hearing, shall make specific written findings of (1) the discriminatory purpose for each constitutional violation for which transportation is ordered, and (2) the degree to which the concentration by race, color, or national origin in the student composition of particular schools affected by such constitutional violation presently varies from what it would have been had no such constitutional violation occurred.

INTERDISTRICT TRANSPORTATION ORDERS

SEC. 503.(a) Any order by a district court requiring directly or indirectly the interdistrict transportation of any student on the basis of race, color, or national origin, shall be stayed until all appeals in connection with such order have been exhausted, except that any such stay may be vacated by a majority of a court of appeals panel composed of not less than three members, or a majority of the Supreme Court.

(b) In any case in which such order is stayed pursuant to subsection (a) of this section, any appeals that are to be taken from such order must be commenced by filing a notice of appeal with the clerk of the district court within ten days of the date of the entry of such order. The record on appeal shall be transmitted to the court of appeals within forty days after the filing of the notice of appeal and filed by the clerk of the court immediately upon receipt of the record. The appellant shall serve and file his brief within forty days after the date on which the record is filed. The appellee shall serve and file his brief within thirty days after service of the brief of the appellant. The appellant may serve and file a reply brief within fourteen days after service of the brief of the appellee, except for good cause shown, a reply brief must be filed at least three days before argument. The appeal shall be heard within fifteen days thereafter and a decision shall be rendered within forty-five days after argument. No extension of the time periods shall be allowed, except for extraordinary circumstances.

EFFECTIVE DATE

SEC. 504. (a) This title shall take effect with respect to any judgment or order of a court of the United States which is made after June 27, 1977 or which is made prior to such date but is not final or has not been effected by such date.

(b) No judgment or order of a court of the United States which is not yet final or which has not yet been effected on the day before June 27, 1977 shall remain in force or effect, unless the court has complied with the requirements of this title.

On page 21, in the table of contents, at the end thereof add the following:

TITLE V— EQUAL PROTECTION AND THE TRANSPORTATION OF STUDENTS

Sec. 501. Court orders; discriminatory purpose.
Sec. 502. Type of relief ordered.
Sec. 503. Interdistrict transportation orders.
Sec. 504. Effective date.

Mr. ROTH. Mr. President, the amendment my distinguished colleague from Delaware (Mr. BIDEN) and I are offering to this bill is S. 1651, legislation we offered last year to limit the use of busing as a remedy in school desegregation cases. The primary purpose of our amendment is to establish guidelines that are consistent with the U.S. Constitution regarding the circumstances under which courts may order the transportation of students on the basis of race, color, or national origin.

S. 1651 was the subject of extensive hearings by the Judiciary Committee in June and July of 1977 at which time we heard from legal scholars, sociologists, and other experts in support of the legislation. I am happy to say the full Judiciary Committee reported S. 1651 favorably last September by a vote of 11 to 6.

Our amendment codifies the recent Supreme Court decisions of Dayton Board of Education versus Brinkman, Village of Arlington Heights against Metropolitan Housing Development Corporation, Washington versus Davis and Milliken versus Bradley concerning equal educational opportunity under the 14th amendment to the Constitution. Our amendment is completely consistent with the recent actions of the High Court in the Austin, Indianapolis, Pasadena, and Omaha desegregation cases. We believe these cases signal the Court's readiness to accept a clear mandate of Congress establishing reasonable guidelines for court-ordered busing.

In summary, our amendment provides as follows:

First, it requires a court to find that "a discriminatory purpose in education" was a principal motivating factor in the constitutional violation for which busing is proposed as a remedy.

Second, courts would be required to determine the extent to which acts of unlawful segregation have caused a greater degree of racial segregation in a school or schools than would have otherwise existed, and student busing would be limited to eliminating the degree of racial segregation attributable to those proven unlawful acts.

Third, all Federal interdistrict busing orders would be stayed pending appeal. However, such stays could be vacated by a majority of the Supreme Court or a court of appeals panel of not less than three members.

Finally, our amendment would take effect with respect to any judgment or order not final or effected by June 27, 1977, the effective date of the amendment. Thus, in addition to prospective cases, the amendment would apply to cases in litigation on its effective date

In short, our amendment would establish clear guidelines for the Federal courts concerning the use of busing. In practice, it would require the court to determine the extent to which specified acts of unlawful discrimination by governmental officials have caused a greater degree of racial concentration in a school or school system than would have existed absent those acts. It would further require the court to limit remedial busing to that necessary to eliminate racial imbalance caused by those deliberate acts. In other words, courts would no longer be able, where only limited or isolated acts are proven, to order busing throughout the entire school district or between districts simply for the purpose of achieving racial balance.

Mr. President, in the name of educational quality, in the name of our color blind society, above all, in the name of our melting pot of neighborhood schools and our American families and schoolchildren of all races, creeds, and colors, I say to my colleagues: The time has come to put this issue of busing to rest.

At the heart of this issue lies a simple but incontrovertible fact: Both opponents and proponents believe busing directly affects the American ideal of human rights for all, the human rights of American families and communities to nurture and convey their culture to their children.

Why are we back on the Senate floor with another antibusing bill many of our colleagues ask us?

Because, Mr. President, the vast majority of Americans, black and white, in opinion poll after opinion poll, ask and deserve no less than simple human rights. These rights include not only the right to equal educational opportunity, but also the right to send their children to the neighborhood schools of their choice, the right to set the standards of educational quality for their schools, and the right to self-determination in their own lives and families and in their own neighborhoods and communities.

Local control over education is the history of this Nation and is guaranteed by the constitutional requirements of the 10th amendment, recently underscored by the Supreme Court in the National League of Cities versus Usery case. No tradition in this country is stronger than local control over schools, and no local governmental function in America is more traditional than education.

But in the past decade, the delicate line between the judiciary in the form of Federal district courts and the legislative branch in the form of local control over community schools has been dangerously blurred. In the guise of achieving a supposedly "ideal" racial mix in our schools even where no discriminatory intent has been found, the courts have reached deep into the once private confines of family life to engineer social change that separates families from their communities and children from their families.

The real tragedy is that, while the debate over busing continues, national attention and energy are diverted from the urgent problem of educating the Nation's youth. The quality of public education, as we are only too aware, has declined precipitously. School tests demonstrate that children no longer learn the basic skills that have sustained America's growth and development for two centuries. And the results of the Scholastic Aptitude Test taken by college-bound seniors have been steadily declining since 1963.

Mr. President, the results are now coming in on forced busing, and a threefold consensus is developing among local leaders, legal scholars, educators, sociologists, and, above all, the American people:

First, a broad majority of Americans, black and white, still oppose busing as a means of achieving equal educational opportunity for all. Opinion polls continue to show that public opposition to forced busing is deeply-felt and cuts across all races, colors and income levels.

Second, busing does not work. That is, busing provides neither higher educational quality for blacks and whites nor better relations between the races. In fact, busing has brought confusion, havoc and disruption to many of our Nation's best public school systems.

Finally, an emerging consensus of educators, sociologists, and legal scholars ranging from Dr. Nathan Glazer, professor of sociology at Harvard University, to Dr. David Armor of the Rand Corp., and including Dr. James S. Coleman of the University of Chicago, author of the landmark 1966 "Coleman Report" on equality of education in America, and Prof. Raoul Berger, of Harvard University, author of a recent masterwork of constitutional scholarship on the 14th amendment—this consensus concludes that forced busing, far from reducing the inequality of educational opportunity in the United States, has, in fact, had the exact opposite effect: Busing causes a white exodus from the public schools, sharpens the conflict among groups, and lowers the quality of education for all students, black and white.

I shall summarize the evidence on each of these conclusions.

AMERICANS OF ALL RACES, CREEDS, AND COLORS SUPPORT SCHOOL DESEGREGATION BUT OPPOSE FORCED BUSING

The vast majority of American people support a policy of desegregation. For example, the 1975 Harris survey showed that nationwide, 56 percent of Americans favored desegregation of public schools, and only 35 percent—still much too large—opposed it, with 9 percent unsure. Similarly, the 1977 National Opinion Center poll, showed 85 percent in favor of school desegregation and only 15 percent opposed.

But the important thing about both these polls was the consensus of opposition by both blacks and whites to forced busing to achieve school desegregation. The 1975 Harris poll showed only 20 percent of the Nation supported forced busing while 74 percent opposed it. The 1978 National Opinion Research Center poll showed a full 79 percent of the American people still opposed busing to achieve racial balance, while only 21 percent supported it. The polls also show that heavy public opposition to forced busing cuts across all races, creeds, colors and income levels.

BUSING DOES NOT WORK

Dr. James S. Coleman, professor of sociology at the University of Chicago, was the principal author of the "Coleman Report," a landmark study on equality of education and the effects of racial isolation in schools. On April 21, 1978, Dr. Coleman presented a paper on "School Desegregation and City-Suburban Relations" to a community college in Dearborn, Mich. In that paper, Dr. Coleman made the following observations concerning three major beliefs about segregation and integration:

> We have now come to a point at which it is possible to be sober, straightforward, and realistic about school desegregation in major metropolitan areas. There are three major beliefs about segregation and integration that have finally been shown to be incorrect.
>
> First, it was once assumed that elimination of school segregation due to official actions, whether dual school systems in the South or gerrymandering and other school district actions in the North, would eliminate all, or nearly all, racial segregation in schools. . . . But any knowledge of urban areas, and of the residential segregation that develops in urban areas along ethnic, income, and racial lines leads immediately to the recognition that most segregation, whether ethnic, or class, or race, in urban areas is due to residential patterns. . . . (W)hite exodus to the suburbs has produced a situation in which most of the largest central-city school systems are majority black, while the surrounding ring remains predominantly white. Such segregation did not arise by official action, unless one wants to argue that actions of the courts in instituting racial balance orders which resulted in whites leaving the city are "official segregating acts."
>
> Second, it was once assumed that integration would automatically improve the achievement of lower class black children. I hasten to say that it was research of my own doing that laid the basis for this assumption. . . . However, it has not worked out this way in many of the school desegregation cases since that research. A review of a large number of analyses of effects of desegregation on achievement has recently been carried out, showing no overall gains . . . thus, what once appeared to be fact is now known to be fiction.
>
> Third, it was once assumed that policies of radical school desegregation could be instituted, such as a busing order to create instant racial balance, and the resulting school population would correspond to the assignment of children to the school. It is now evident, despite the unwillingness of some researchers and others to accept the fact, that there are extensive losses of white students from large central cities when desegregation occurs in those cities. . . .
>
> There are many school policy makers and many courts still operating under the fiction that constitutionality requires racial balance that have not recognized this, so that there are still harmful school desegregation policies being implemented in American cities.

Dr. Coleman's observations are reinforced by Dr. David Armor, Rand Corp. social scientists, who in testimony before the Judiciary Committee on S. 1651 stated:

> There is no solid rigorous evidence that minority students will achieve more or get more educational benefits from going to a majority white school or a school that has a balanced racial and ethnic composition.

Black and white residents of many of our metropolitan areas do not need to read the conclusions of this preeminent

educator and this nationally recognized sociologist to know how badly our great urban school systems have suffered under forced busing. The names of affected cities are a litany of shame for our courts, the social engineers they listen to, and, above all, for the U.S. Congress that has so far turned its back on what the courts are doing to the neighborhood school in this country.

Americans in these cities do not need to be told busing does not work; they know it.

FORCED BUSING INCREASES INEQUALITY OF EDUCATIONAL OPPORTUNITY

Dr. Nathan Glazer and Dr. David Armor in testimony before the Judiciary Committee concluded that, contrary to hopes and expectations, mandatory busing neither improves minority educational achievement nor increases harmony between the races. In fact, they pointed out, the evidence increasingly shows busing can be socially counterproductive and educationally irrelevant. Dr. Glazer stated that a significant proportion of the racial concentration in our society is not attributable to unlawful Government action. Rather, he stated:

The general reality is racial residential segregation reflects the economic circumstances of blacks and whites, and on the average, blacks are still less economically affluent than whites. It reflects secondly, the general tendency of ethnic groups to concentrate for convenience; for access to family and friends; and for reasons of access to specific cultural, religious and commercial facilities which serve specific groups.

Dr. Armor has completed extensive research on the increased racial residential concentration that frequently results as a consequence of court-ordered busing. In a paper to be presented at the American Sociological Association meeting in San Francisco in September 1978, Dr. Armor concludes, quote:

In most cases the size of the effect (of desegregation on the flight of white affluent families out of the urban areas) is both large and long term, accounting for 30 to 60 percent of all white losses over extended periods following desegregation. *The white losses are such that, in many cases, the amount of desegregation—defined as minority exposure to whites—is declining, and for some districts has fallen below the pre-desegregation level.* (Emphasis added.)

Court ordered desegregation, coupled with normal demographic trends, is producing increasing ethnic and racial isolation in many larger districts. If this trend is to be stopped or reversed other remedies need to be considered. Given the strong public opposition to mandatory busing as well as to the current legal situation, the prospects for metropolitan desegregation appear limited. On the other hand, voluntary methods have worked well in some cases and may offer a more viable alternative in larger cities.

In sum, forced busing, far from achieving the goal of a desegregated society, in fact exacerbates urban residential segregation and increases inequality of educational opportunity.

A COLOR BLIND SOCIETY FOR ALL

Mr. President, I want to make it clear that I strongly support the goal of a society free from racial prejudice. I also strongly support the concept of quality education and the neighborhood school.

Mr. President, it is time that this Nation moves in new directions to obtain what we all want and that is a color-blind society. It makes no sense to continue along a path that neither provides quality education for our children, black or white, nor achieves desegregated schools. It is time we quit experimenting with the lives of tens of thousands of children that is achieving no meaningful good.

Mr. President, the American people look upon education as the means, the door to a better life, to success for the children. As the committee report points out, in reporting out favorably, our legislation—each generation has sought the best possible education for its children. In neighborhoods everywhere, the school has been the tie that binds an area into a community.

Public schools exist in a world in which confidence in Government is seriously eroded. Schools are a nerve, close to the surface of an anxious public, and the erosion of confidence rubs that nerve raw. The committee report on S. 1651 continues to point out that the parents of minority families are concerned about the quality of education provided their children. There is a crushing burden of evidence that the segregated schools of years ago were inferior schools and that this was a wrong that must be remedied.

Brown against Board of Education recognized equality of educational opportunity as a principle to which our Government must adhere, and it offered proof that courts were an avenue that could restore confidence in public institutions in general and public schools in particular. The Brown case opened a whole new field of law, and it is only now that we can see what equal opportunity means in a legal sense.

This is a diverse nation and the facts which underlie each court case are different. This makes the process of clarifying the law a time-consuming one. The status of public education in our Nation today dictates that Congress take note of the constitutional meaning which has emerged from these decisions.

Mr. President, that is exactly what this amendment intends to do. The principles adopted in our proposed amendment are simple ones with a long history in law.

First, our amendment will require that the court must find that officials intended to cause racial segregation of students before there has been a violation of the Constitution; and second, courts must order a remedy for the segregation that is limited to the extent of that violation.

Mr. President, I believe adherence to these principles, as the committee report points out, will help restore public confidence in schools and Government. I think it important that Congress does that. It is our responsibility, not that of the courts, to establish this type of school policy for the Nation and its children.

I yield back the floor.

Mr. BIDEN. Mr. President, I ask unanimous consent that the following staff members have the privilege of the floor during the consideration of this measure: Irene Emsellem, of Senator ABOUREZK's staff; Mark Gitenstein, Katrina Lantos, and Paul Laudicina, of my staff.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. BIDEN. Mr. President, I rise in support of the amendment offered by my colleague from Delaware.

Mr. President, the times they are a-changing and this time I believe it is for the better. After years of confusion and chaos in the field of school desegregation, it appears that the rule of reason will prevail and the job of educating our children can proceed in an atmosphere of freedom and harmony. The reason for my optimism in this regard is that the Supreme Court has finally begun to speak out in a clear and reasonable voice on the constitutional demands of the 14th amendment.

By introducing this legislation today, Senator ROTH and I hope to expedite the process of providing local judicial authorities with the guidelines that will enable them to comply with the requirements of the Constitution, as interpreted by the Supreme Court, in implementing school desegregation plans. As recent history has shown, such statutory guidelines are necessary.

In the years following the landmark decision in Brown against Board of Education some legislators and jurists interpreted the 1954 prohibition against racial discrimination as a universal command to compulsorily integrate society. To a large extent, the history of court-ordered busing is a prime example of understandable but misguided zeal.

But, as we all know, the road to hell is often paved with good intentions. What was meant to be utopia by fiat turned into disaster by decree.

Mr. President, it would be redundant for me to catalog here the dissension, strife, and alienation that excessive, and unwarranted court-ordered busing has created in our society. Unfortunately, we are all too familiar with its numerous manifestations. Constitutional and social reasons previously offered as justifications are no longer justified.

However, the prospect for the future is hopeful. For we seem to be entering a new age of reason in the arena of 14th amendment protections. My basis for saying this is some recent decisions by the Supreme Court.

In the areas of employment and housing discrimination, the Supreme Court has formulated a "discriminatory purpose" rule which in essence provides that a court cannot impose a remedy for alleged discrimination based upon evidence of discriminatory effect alone. The Court now requires that there be a finding that "a discriminatory purpose was a motivating factor in the constitutional violation for which the remedy is proposed." [*Washington* v. *Davis* 426 U.S. 229 (1976), *Arlington Heights* v. *Metropolitan Housing Corp.* 429 U.S. 252 (1977)]. In Arlington Heights the Court stated simply that:

Proof of racially discriminatory intent or purpose is required to show a violation of the equal protection clause, *Arlington Heights* v. *Metropolitan Housing Corp.* 429 U.S. 252 (1977).

This discriminatory purpose rule applies to school desegregation cases as well. The rule was stated as early as 1973 in the case of *Keyes* v. *School District No. 1* 413 U.S. 189 (1973).

The Court there wrote that plaintiffs:

Must prove not only that segregated schooling exists but also that it was brought about by intention State action at 198.

More recently the Court has restated and clarified this important principle in the 1977 school desegregation case, Dayton Board of Education against Brinkman:

The duty of both the District Court and of the Court of Appeals in a case such as this, where mandatory segregation by law of the races in schools has long ceased, is to first determine whether there was any action in the conduct of the business of the school board which was intended to, and did in fact, discriminate against minority pupils, teachers or staff.

In short, the Supreme Court has made it clear that unconstitutional racial discriminatiion cannot be found without a finding that the action was purposefully discriminatory. The thrust of our proposed legislation is to insure that lower courts do in fact, follow the mandate of the Supreme Court as outlined in the Dayton case.

The effect of our proposed amendment would be to codify this rule for busing cases.

Our measure provides a resolution of the dilemma facing our society, of reconciling the noble, yet superficially conflicting goals of eliminating deliberate segregation while preserving neighborhood schools.

Under our amendment the remedy of busing could still be used to right the wrong of deliberate segregation. However, neighborhood school communities could no longer be destroyed.

This would be accomplished by permitting busing as a remedy in school desegregation cases only when the Court has determined that a discriminatory purpose in education was a principle motivating factor in the constitutional violation for which busing is proposed as a remedy.

It is high time that we acknowledge that there is a fundamental difference between deliberate segregation and the natural growth of communities.

Our amendment limits the remedy of busing to deal with this difference.

Our amendment also incorporates the principle that the remedy must fit the wrong. All too often in the past certain Federal judges sought the drastic restructuring of school districts based on findings of isolated instances of discrimination. But that is not the law. Time and time again, the Supreme Court has said:

The nature of the violation determines the scope of the remedy. *Swann* v. *Board of Education* 402 U.S. 1 (1971) at 16.

In *Milliken* v. *Bradley* 418 U.S. 717 (1974), speaking of desegregation remedies, the court wrote that such remedies are

Necessarily designed, as all remedies are, to restore the victims of discriminatory conduct to the position they would have occupied in the absence of such conduct (at 746).

Our legislation mandates the use of this important rule in desegregation cases.

Mr. President, it has been said that there are only two precious gifts we can give our children: wings and roots. I believe that these two gifts are exemplified by education, our wings—and our home communities, our roots.

It is my deep hope that this bill will make both of these gifts more accessible to our children.

The legislation which Senator ROTH and I propose today is a reasonable and balanced effort to deal with the problem of involuntary busing.

Unlike some other congressional efforts in the busing area, we believe it is constitutional and will be followed by the courts.

As I indicated earlier, it is predicated on a series of Supreme Court decisions in which the Court has clarified the rules in racial discrimination cases.

The basic rule which the Court has applied is that a court may not impose a remedy for alleged discrimination based on evidence of discriminatory effect alone.

The Court now requires that there be a finding that:

A discriminatory purpose was a motivating factor in the constitutional violation for which the remedy is proposed.

In essence, the Roth-Biden amendment would provide legislation to incorporate that principle for busing cases, along with other important provisions.

First, it would require a court to find a "discriminatory purpose in education" behind any violation for which student transportation is proposed as a remedy.

Second, courts would be required to determine the extent to which acts of unlawful segregation have caused a greater degree of racial segregation in a school or schools than would have otherwise existed, and student busing would be limited to eliminating the degree of racial segregation attributable to those proven unlawful acts.

All Federal interdistrict busing orders would be stayed pending appeal. However, the stay could be vacated by a majority of the Supreme Court or a court of appeals panel of not less than three members. Finally, there requirements would apply both to orders issued after the date of enactment and to those which have not been put in effect by that date.

The bill would establish for the Federal courts clear guidelines concerning the use of busing.

In practice, it would require the Court to determine the extent to which specific acts of unlawful discrimination by governmental officials have caused a greater degree of racial concentration in a school or school system that would have existed absent those acts.

It would further require the court to limit remedial busing to that necessary to eliminate racial imbalance caused by those deliberate acts.

In other words, courts would no longer be able, where only limited or isolated acts are proven, to order busing throughout the entire district or between districts simply for the purpose of achieving racial balance.

Our amendment strikes at the heart of the injustice of court-ordered busing—in Wilmington, Del., and throughout the country.

It prohibits the Federal courts from disrupting our educational system under the guise of the Constitution where there is no evidence that Government officials intended to discriminate.

However, we believe that the amendment is both limited and reasonable.

It does not prohibit all busing orders. On the contrary, it goes only as far as the Supreme Court has gone in circumscribing busing orders. The legislation only goes that far because we want to stay completely within constitutional guidelines and because we want the bill to be adopted by the Senate, I sincerely hope that a majority of the Senate will support this measure as a reasonable solution to the problem of unnecessary busing.

It is the classic dilemma of a democratic legislative body such as the U.S. Senate to try and reconcile noble but apparently conflicting ideals.

Based on the firm belief that the first step in this process of reconciliation is an airing of different views, the Judiciary Committee held extensive hearings on S. 1651 last year.

The amendment introduced by Senator ROTH and me today is essentially the same as S. 1651 which was reported out of the Judiciary Committee last September.

There were two main issues which these hearings on this bill sought to address.

The first was the question of the bill's constitutionality. The committee has heard testimony on that issue from constitutional law experts across the country and across the political spectrum.

Although not all the witnesses supported the purposes of the bill, there has been remarkable agreement that its provisions are arguably constitutional.

These expert witnesses generally affirmed that the bill closely tracks and clarifies recent Supreme Court decisions in the area of the 14th amendment guarantees insofar as it requires a finding of discriminatory purpose before busing may be ordered to remedy an alleged constitutional violation.

And while they diverged on the desirability of enacting this bill, there was some agreement that it is—on the whole—a sound and moderate piece of legislation.

Needless to say, when men with such differing perspectives as Prof. Lino Graglia, a long-time opponent of busing, and Prof. Charles Abernathy, an equally long-time civil rights activist, can agree on the fundamental issue of constitutionality that must be seen as a strong endorsement of the bill's legal merit.

Perhaps most significant is Attorney General Bell's memorandum on the bill in which he agrees that the legislation can be interpreted so as to be constitutional.

The second issue focused on in the hearings was the social impact of busing on our communities.

We have learned from distinguished sociologists such as Nathan Glazer and David Armor that some Federal judges have ordered busing remedies which far exceed any proven or, indeed, any possible wrong.

This is so because they have either ignored or been unaware of data showing that some residential racial concentrations are not attributable to official action but to patterns of urban and ethnic development.

In other words, what was formerly thought of as the American "melting pot" may be more analogous to a "salad bowl" where all the component parts retain some individual identity.

This preservation of identity often is manifested by concentrations of racial or ethnic groups in certain residential areas.

While not all housing and school concentrations can be thus explained and factors such as income certainly play a part, many judges have discounted this factor entirely, to the detriment of individuals, groups, and society as a whole.

We have also learned that busing orders which are intended to promote integration may sometimes have the opposite effect.

Many parents who do not wish to relinquish control over their children's education leave the city and move to areas where their children can attend neighborhood schools.

The separation which results from this exodus is often far more extensive than what existed before the busing order and it cannot be cured by the judicial fiat.

Thus, what begins as an attempt to increase integration frequently ends up achieving the opposite result.

In the view of these sociologists, to the extent that S. 1651 will clarify what is and is not a proper circumstance for busing, it will help alleviate the problems that result when unwarranted and counterproductive orders are imposed.

Although I cannot fully catalog the valuable testimony presented to the committee, I can say that based on the evidence I am more convinced than ever that S. 1651 does represent a moderate and acceptable means of reconciling the worthy goals of eliminating unconstitutional segregation from our society while preserving the invaluable asset or our neighborhood communities and schools.

This bill, and the Roth-Biden amendment before the Senate now, limits busing to situations where an unconstitutional violation has been proven and where busing is appropriate.

It tailors the remedy to fit the wrong.

To most of us, these provisions seem to make good commonsense.

What these hearings have shown is that they also make good constitutional and social sense.

With the strong record established by these hearings Senator ROTH and I now hope to be able to persuade our colleagues that our amendment is a reasonable mechanism for coping with the inescapable problem arising out of court-ordered busing.

Mr. President, I would like to make some additional remarks on specific aspects of this legislation. I think the points made by Senator ROTH in his opening statement are very significant in two respects: One, they speak to the constitutionality of the legislation which we are proposing here today.

Second, they also address the social question on the merit of whether or not busing to achieve a racial balance is a socially worthwhile goal; whether or not it has more detrimental effect than a positive effect.

For the purposes of my remarks at this point, and I expect there will be a number of remarks on this legislation today, I am going to confine myself in this first round to speaking to the constitutionality of the Roth-Biden amendment to S. 1753.

Mr. President, I have been in the Senate for a little over 5 years now, and during that time we have had a number of amendments that have been characterized as antibusing. Some I do not think legitimately could be considered antibusing amendments, and others are very legitimate amendments. I think many of our colleagues have been somewhat disillusioned, and, if not disillusioned, confused, about the amendments which have been offered.

It seems every time there is a bill that comes forward which deals with education somebody on the floor of the Senate has an antibusing amendment. To steal a phrase from one of our counterparts in California, it's sort of become a buzz word when we say antibusing amendment. About 80 percent of our colleagues duck. They put their hands over their head and say, "Oh, Lord, no, not again."

I think that is in large part because over the past 6 years there have been some very frivolous amendments which have been offered with regard to busing. I think what has happened is that the eyes of our colleagues have been taken off this subject.

None of us tend to focus on issues in a very deep way unless one of two things occurs: either, in the first instance, it is a subject matter which comes before a committee of which we are a member, or, second, unless it is a matter which directly affects our State.

I guess maybe there is a third time we tend to focus very keenly, and that is when national sympathies and national concerns have risen to such a degree that it is the front page story of the newspapers of America from east to west.

Fortunately, we are not in the last situation I described, that is, where the front pages of the newspapers of America are reporting the issue of busing.

I do not have a single solitary doubt in my mind that if there were a busing order in every State in America affecting a significant portion of every State in America that this body would rise up almost instantaneously and deal with the issue in a constructive way. But, unfortunately for purposes of stopping the misguided policy on busing that we have been following in this country for the past decade, that situation does not exist.

With regard to the second point that I raised, whether people focus when it affects their particular State, it has not been directly focused in the majority of the States in America. Consequently, it is understandable that my colleagues, say, from the States of Idaho, Alaska, or Montana, are focusing more on mining problems than they are on this, just as I must honestly state that I do not pay nearly as much attention to issues of Federal lands and control of Federal lands as my colleagues from the Western States do. It is something I tend to have a staff memorandum written about. As I get off the elevator when a vote is to be cast after having read the memorandum, I ask whether or not the debate on the floor has altered the substance of the memorandum which has been written. If they say, "Yes," I ask how, or I have already made up my mind and I walk on the floor and vote.

The first instance is whether or not it is a subject matter of committees of which we are members. The fact of the matter is committees in the Senate have been judicious in their avoidance of dealing with this issue, which brings me to our bill. The bill that Senator ROTH and I wrote, to the best of my knowledge is the first substantive antibusing bill which has had the full consideration of the Senate Judiciary Committee, and which has been passed upon favorably.

That may seem like an insignificant point to the people listening to this debate, but the reason I mention it is that I think that that alone warrants our colleagues taking this amendment out of the overall category of frivolous antibusing amendments that deal with energy bills, the national debt, or all the other things we have heard argued about busing in the past.

I would like now, Mr. President, to speak specifically to what I believe to be the most critical issue that we must face on any antibusing amendment which comes before this Congress. That is the question of its constitutionality.

Mr. President, criticism of the Roth-Biden busing legislation does, and I believe should, focus on the constitutionality of our bill.

In essence critics of the bill contend that it is either unconstitutional, or if constitutional, unnecessary in that it would complicate school desegregation cases by causing additional litigation. The former position is characterized by Senator BROOKE and the NAACP in their testimony before the Judiciary Committee while the latter more cautious position is adopted by Attorney General Bell in his letter of July 26, 1977, to Chairman EASTLAND.

For the purpose of the argument at this point, we will rely upon the Attorney General's analysis of S. 1651 since the basic arguments and case law set out in that letter are similar or identical to that offered by Senator BROOKE, the NAACP, and other critics who take a less ambivalent position on the bill. To the extent that we rely upon arguments made by other opponents and proponents of the legislation, our source is the hearings of the Judiciary Committee conducted in July of last year. Incidentally, the Judiciary Committee rejected the opponents' arguments on these matters and reported the bill to the Senate on September 21, 1977.

I should note parenthetically that Senator ROTH and I could have brought up this bill and attached it to other amendments or to other pieces of legis-

lation that were not as appropriate as this piece of legislation. We would have much preferred to have this legislation voted on and disposed of last year. We would have liked very much to have it voted on and disposed of at the beginning of this year.

The fact of the matter is that the situation in the Senate precluded that and we were informed by the leadership on both sides that our amendment would not be permitted to be taken up on all fours at any time that they could see in the near future. Consequently, here we are, at the end of August, and I am sure the opponents will say, "Why is it that BIDEN and ROTH waited until now to bring up this legislation? Don't they know they are being disruptive? Don't they know that school is about to start? Do calendars run differently in Delaware than they do in other parts of the country?"

The answer is that the opponents of this legislation were the reason we could not bring it up before, because there was an indication that if we brought up our bill on its merits, flat out, not attached to anything else, there would have been an extended debate on the issue, which meant it flew in the face of other matters coming before the Senate, not the least of which were the Panama Canal treaties, labor law reform, energy legislation, and on and on.

Mr. ROTH. Will the Senator yield for a question?

Mr. BIDEN. Surely, I yield.

Mr. ROTH. Is it correct that when the two Senators from Delaware attempted to schedule the legislation for floor consideration, we were told that we could not expect that unless we could guarantee that cloture would be voted?

Mr. BIDEN. That is precisely correct. The leadership in this body on both sides of the aisle told us that directly. We also found that we obviously could not guarantee cloture. Quite frankly, I am not prepared to guarantee 50 votes today, let alone being able tc guarantee enough votes for cloture.

The reason I raise it now, again, is to try to lay the argument to rest before we get into this debate today so we can deal with the issue at hand. This amendment deserves to be treated as a significant, straight-up piece of legislation that is not frivolous, that has been considered by a committee, that has been considered by the full committee, that has had extensive hearings, and that has constitutional experts on both sides of the issue testifying as to its merit.

I'd like to return to the question of our amendment's constitutionality. Our first contention is that the Roth-Biden amendment is constitutional. The Attorney General does not, in his testimony or his letter, take the position that S. 1651 is unconstitutional. He simply raises concerns about the meaning and possible application of certain provisions of the bill which could—I emphasize "could"—lead to an unconstitutional result. In essence, Senator BROOKE and others assumed that the legislation will have that application and that the bill is unconstitutional on its face.

Mr. President, it is not my practice to speak about a Senator's comments with regard to legislation without his or her being on the floor of the Senate. The reason I mention Senator BROOKE, however, is in a complimentary sense. The distinguished Senator from Massachusetts has, in the main, made the strongest, most forceful argument against our position in the Judiciary Committee. Since I must speak to the arguments that were raised about the constitutionality of the bill, I must speak to the most articulate and the most forceful of those arguments which were made by the distinguished Senator from Massachusetts.

All the opponents of our bill point to a maximum eight possible areas of concern, where the bill could or would, depending upon their perspective, lead to an unconstitutional result.

Senator ROTH and I take the position that in all eight areas, the bill is constitutional and will be constitutionally construed. Our position is based not only upon our own analysis of the bill and the relevant Supreme Court cases, but also upon the testimony in favor of the constitutionality of the bill by constitutional law experts from the University of Texas, Georgetown, and Yale Law Schools.

I might add that the constitutional expert from Georgetown, Professor Abernathy, although testifying to the constitutionality of our bill, saying it was constitutional, did not support the bill. The reasons he did not support the bill were unrelated to the bill's constitutionality.

Now, let me take some of these points and I shall try not to delay my colleagues very long, because I imagine I shall have an opportunity to raise some, if not all, of these points throughout the remainder of the debate.

The first argument made concerns the "discriminatory purpose as a principal motivating factor" language in our legislation.

The heart of S. 1651 is the rule stated in the very first section of the bill, in essence requiring that busing cannot be ordered as a remedy unless:

> The court determines that a discriminatory purpose in education was a principal motivating factor in the constitutional violation for which such transportation is proposed as a remedy.

As the Attorney General's letter points out, most critics do not take issue with the requirement that a discriminatory purpose is a prerequisite to a constitutional violation. Indeed they all cite Brown against Board of Education as etablishing that principle and accept it as basic 14th amendment law.

However, opponents are concerned with the language that requires that discriminatory purpose be a "principal motivating factor" in the constitutional violation. For example, Senator BROOKE points out that "principal motivating factor" is nowhere explicitly mentioned in the two recent decisions in which the Supreme Court reminded the lower courts of the "discriminatory purpose" rule: *Washington* v. *Davis*, 426 U.S. 229 (1976) and *Arlington Hts.* v. *MHDC* 429 U.S. 252 (1977).

Senator BROOKE is correct. But, as Professor Abernathy from Georgetown pointed out in his testimony, the "principal motivating factor" rule is implicit in these and subsequent decisions. Indeed, the compelling argument in favor of the necessity of this legislation is the fact that the Supreme Court has never clarified the weight which must be given "discriminatory purpose" in determining whether a constitutional violation has occurred.

We agreed with Professor Abernathy and the Attorney General that, in order to be constitutional, this section must be interpreted consistent with Supreme Court decisions from which the rule implicitly arises.

Professor Abernathy states the position in a much more articulate way than I can, so I am going to take the liberty of quoting him from his testimony before our committee.

> The other requirement of section 1, that the discriminatory intent has been the "principal motivating factor" in an official's decision, is not explicitly sanctioned by *Davis* and *Arlington Heights*, although it draws some implicit support from the latter decision. In *Arlington Heights* the court noted that rarely could a plaintiff prove that race had been an official's "sole" or "predominate" motive, and therefore it required only that he show that race had been just one of many motivating factors.
>
> In a final footnote, however, and in a succeeding case, the court has left a defendant official free to prove that he would have reached the same decision even apart from his discriminatory motive. In effect, the principal motivating factor test as it is used in S. 1651 is also employed in *Arlington Heights*, although the burden of proof is on the defendant officials.
>
> Assuming that section 1 of S. 1651 retains the same allocation of burden of proof so as to conform to the demands of *Arlington Heights*, and I am told that that is Congress' intent, section 1 is constitutional. [Hearings, pp. 42–43]

On page 4 of his letter the Attorney General makes essentially the same point as Professor Abernathy:

> The provision could possibly be interpreted so as to secure its constitutionality, leaving on the State or local officials the burden of proving that racial factors were not the basis for their action.

Unfortunately the Attorney General goes on to debunk that position and the bill by contending that the litigative process would be "time consuming" and "unnecessary." Ironically, since our position, Professor Abernathy's, and the Attorney General's all spring from the same case law you could direct that same criticism at the present ambiguous state of Supreme Court case law. Since the burden of proof motivating factor rules are ambiguous there is going to be "time consuming" litigation whether this bill is passed or not. Indeed, we contend that the enactment of this bill might reduce the amount of litigation by clarifying the rule once and for all.

The second argument concerns the language discriminatory purpose "in education."

Opponents of the legislation contend that the requirement that the discriminatory purpose be "in education" is un-

constitutional because it excludes consideration of other unconstitutional official action, such as housing discrimination, outside the control of the school officials. The opponents contend that the Supreme Court in the Swann and other cases have held that school officials are not responsible for nor can the lower courts remedy through busing, the unconstitutional acts of nonschool officials.

However, opponents are rightfully concerned that the language could mean that nonschool officials and school officials could act in concert to frustrate school desegregation. Obviously that is not our intent. We agree with the Attorney General that the language should be interpreted in such a way as to permit the court to consider the interrelationship of other official action and school action. Perhaps Professor Winter of Yale Law School said it best in his testimony before the committee when he interpreted the language to cover the following hypothetical situations:

> If a sheriff in the suburbs outside Wilmington were to come along and not let blacks cross the border and the local authorities were to take action to stop blacks from moving into a town, you could show that one of the reasons they were doing that was to stop blacks from going to a school they wanted to go to, then clearly there is a remedy for that. [Hearings, p. 98]

We adopt the same interpretation of this language as does Professor Winter and the Attorney General.

We do not contend that our legislation would stop courts from enjoining that kind of activity, nor would we want it to. We do contend that our legislation of requiring "discriminatory purpose in education" is, in fact, constitutional.

(Mr. FORD assumed the chair.)

Mr. BIDEN. Mr. President, the third criticism pertains to the three-judge court provision. Senator ROTH has already spoken to that, so I will not belabor that point.

The fourth concern pertains to provisions requiring that the remedy must equal the wrong.

Section 3 of S. 1651, section 2 of the bill as reported by the committee and as proposed on the floor as an amendment to the education bill, requires that the busing order shall be:

> No more extensive . . . than reasonably necessary to adjust student composition . . . of the particular schools affected by the constitutional violation to reflect what the student composition would have been had no such constitutional violation occurred.

In general terms this language simply enacts the familiar rule of equity that a court is only empowered to put the plaintiff in the position he would have been had the wrong not occurred, no better no worse.

Although Senator BROOKE finds this provision defective because it is fraught with unspecified "legal and operational" problems, the Attorney General concedes that it simply recodifies existing law.

The fifth area concerns the school-by-school determination that the remedy is equal to the wrong.

Attorney General Bell is concerned about one aspect of the "remedy equal to the wrong" language contained in section 2. He interprets the reference to "particular schools" as meaning that the court must determine for each school subject to its jurisdiction the actual racial composition of each school had the violation not occurred. In Attorney General Bell's opinion this could, if misinterpreted, violate the Supreme Court's decision in Dayton because it might require a court to make a school-by-school determination despite the fact that the court had already found a constitutional violation which is by definition systemwide and despite practical difficulties (for example schools which have been closed or consolidated into new schools since the violation occurred).

The Attorney General concedes, however, that this language could simply be viewed as a codification of what the Supreme Court was saying in the Dayton case, that district courts must determine the:

> Incremental segregative effect these (constitutional) violations had on the racial distribution of the . . . school population as presently constituted, when that distribution is compared to what it would have been in the absence of such constitutional violations. The remedy must be designed to redress that difference . . . 45 U.S.L.W. at 4914.

We agree with the Attorney General and interpret the language of our bill as consistent with this Supreme Court rule. Obviously, we could not be asking judges to do the impossible but we are requiring that they, to the extent feasible, attempt to apply the Dayton rule down to each school rather than label a constitutional violation as "systemwide" without any serious attempt to determine whether it actually affected each school district.

The sixth area concerns written findings requirement.

The second half of section 3 of S. 1651 and section 2 of the proposed amendment to the education bill simply requires the judge to make written findings that the first section (requiring a constitutional violation) and the rule that the remedy meet the wrong (set out in the first half of this section) have been met.

We want to know that the court has viewed these interdistrict busing cases and all the other cases in a very particular manner. We want them to put it in writing. I do not think asking judges to put their rationale in writing is either unconstitutional or unwarranted.

Therefore it requires that before ordering busing he must make a factual finding of the constitutional violation consistent with section 1 and that the remedy meets that violation and goes no further, as set out in section 2.

The Attorney General, in analyzing this written finding section restates his concern that the "remedy equal the wrong" for particular schools be interpreted consistent with Dayton. We agree. We want it interpreted consistent with Dayton.

He goes on, however, to express an additional concern about this provision. In essence, the Attorney General contends that this provision could be inconsistent with the Supreme Court decision in *Green* v. *County School Board,* 391 U.S. 430 (1968), which in essence requires that even if a school board action on its face appears neutral but perpetuates segregation which was once officially sanctioned then the action is a violation. The Attorney General reasons that if the requirement of specific findings undercuts that doctrine it is unconstitutional.

The problem here is more fundamental. In our view that doctrine of continuous affirmative obligation to redress past discrimination is not what it once was. Our view is best summarized by Professor Abernathy, who has, incidentally, a background that is not one which would lend itself to readily take a position consistent with ours. He is a former civil rights lawyer. He says:

> Whether this provision comports with the Constitution depends upon which of two currently contending views wins over the minds of five Supreme Court Justices. One view holds that once a constitutional infection is discovered, the court, as physician, has a duty to cleanse the entire body, removing all vestiges of infection. The contending view takes a narrower perspective, arguing that a court-as-physician has the power and duty only to heal the one hurt discovered, not range over the patient's body and heal all of him.
>
> Historically the wider perspective has prevailed. Dissatisfied with the slow progress of school desegregation after *Brown* v. *Board,* the court exploded with anger in 1968 in *Green* v. *County School Board,* holding that freedom of choice desegregation plans—which removed all officially imposed discriminatory pupil assignments—were constitutionally inadequate. Rather, the court required not simply that officially intended school segregation be eliminated, but all school segregation.

Professor Abernathy goes on to explain how this Green position enjoyed its most unanimous and far-reaching impact in the famous Charlotte busing in 1971 where a systemwide busing order was approved regardless of the requirement of specific findings of violations for specific schools. However, by 1974 in the Detroit case and the Pasadena case in 1976 the Supreme Court was talking of "remedy equaling wrong" as the basic rule to be followed. Professor Abernathy goes on to conclude that the latter rule, the rule reflected in this bill, will prevail. We agree and, therefore, contend that this section of the bill, although not specifically sanctioned by any present case, would be upheld if it were presented to this Supreme Court.

The seventh issue I will address relates to the arguments against the stay provision in our bill.

Section 4 of our bill requires that any busing order could be automatically stayed until all appeals had been exhausted. The opponents were rightfully concerned that this provision could permit a stay even where the district court found a heinous constitutional violation that would never be reversed by a higher court. Therefore, the Judiciary Committee amended that section to permit a majority of a three man appeals panel or a majority of the Supreme Court to vacate such a stay. Section 3 of our proposed amendment to the education bill is consistent with the Judiciary Commitee version.

Finally, the Attorney General expresses concern about the last section of

the bill which would apply it to any busing order "not yet effected" or "not yet final." He reads this section with the prior section which authorizes stays and concludes that it might permit delays in cases where the district court finds a heinous constitutional violation which would never be reversed by higher courts. We feel that the special "escape clause" built into the stay provision by the Judiciary Committee (permitting a higher court to vacate the stay) cures this constitutional concern on the part of Attorney General.

I will conclude now by responding to the last argument. The argument was, "All right, ROTH, your bill may be constitutional; BIDEN, your bill may be constitutional; but even if it is, we don't think it is necessary, because it is going to confuse things."

In our view, the opponents of the Biden-Roth busing legislation make the case for its necessity, and make it very forcefully. At every turn, the opponents claim that when we provide for a rule or codification of the law consistent with the Supreme Court decisions, the litigation under the new statute will be time consuming and therefore unnecessary, because the result will simply be for the Supreme Court to uphold the statute.

In our view, the opponents have described exactly what the defect is with present Supreme Court decisions on busing. They are ambiguous; over time they appear inconsistent and they stimulate time-consuming litigation. The Biden-Roth bill, on the other hand, attempts to take all of the decisions of the last decade from Green County to Dayton, consolidate and codify them into a coherent Federal rule on busing.

We do not deny we have made choices between competing theories or approaches to the problem of busing, always choosing the more cautious approach. For example, we choose the Pasadena-Detroit line of cases over the Green County case. We apply the Washington-Arlington Heights "discriminatory purpose"/"principal motivating factor" rule to busing. In every case, however, where we make such a choice we do so in a manner that would clearly be upheld by this Supreme Court, as I hope we have demonstrated this morning.

In short, what we do in this legislation is exactly what Congress should have been doing all along in school desegregation—leading the Court and creating simple, coherent, enforceable Federal law in the area.

I might note that in the past when I have risen on this floor to offer amendments that relate to antibusing, I have been told that the reason we are in the mess we are in is that Congress has not spoken forcefully, that Congress has not spoken effectively, or Congress has not spoken at all, leaving it to the Federal courts to make the decision for us.

Now the same argument is being used—at least, it was in the testimony—against this legislation. I submit that you cannot have it both ways. If it is proper for the U.S. Senate to set down constitutional guidelines in any case, it is proper in this case. This proposed legislation is constitutional, and is necessary.

This is by its nature the legislative responsibility of this body. Under article III of the Constitution, the Supreme Court can only hear the cases presented to it. It cannot make a Federal code for busing. That is exactly the position in which we put the Court. If Congress acted 15 years ago, we would not be where we are now—if it had said clearly, "This is what we mean; this is how we think this issue should be handled."

If I had time—which I will not take—I could go back to the arguments made against the Biden One amendment in 1975, the first so-called antibusing amendment that passed the Senate and was written into law. They said, "Biden, you are confusing it." I want to clarify it, and Senator ROTH wants to clarify it. The clarification happens to be consistent with the Constitution and consistent with the feeling of an overwhelming majority of the people in this country.

We can and should do so. The Biden-Roth amendment accomplishes that goal without doing violence to the 14th amendment. To that extent our amendment tells school officials when they must face the disruption of busing and when they must not, in a way that the Supreme Court cannot. That is why Roth-Biden is not only necessary; it is essential for orderly public education consistent with the 14th amendment.

Mr. ROTH. Mr. President, will the Senator yield?

Mr. BIDEN. I yield to my colleague from Delaware.

Mr. ROTH. Not only does Congress have the right, but also, would the Senator agree that it has the responsibility to act in these circumstances?

Under section 5 of the 14th amendment, it is specifically provided:

> The Congress shall have the power to enforce by appropriate legislation the provisions of this article.

A careful reading of the recent book by Professor Berger of Harvard University, "Government by Judiciary," makes very clear that in many of these circumstances, Congress has not been living up to its full responsibility. Certainly here, with a matter of such tremendous importance nationwide, it seems to me only fair to say that we have not only the right but also the serious responsibility to establish national standards in this area for this country.

Mr. BIDEN. I agree with the Senator and further point out to our colleagues that I have not heard but two or three Senators in the Chamber stand up and say, "Do you know what? I think busing is a good idea. I think it works, and I think we should have more of it." I hear everyone stand up in this Chamber and say, "Although I do not like busing, although I do not think it is a good idea, I do not think we can alter the Constitution. We must let the court remedy constitutional wrongs."

We agree. We agree fully. But what we are saying here today is, we now have a clear-cut constitutional way of limiting the court. While we acknowledge that this amendment would not stop busing in all instances, we must restrict the Court's ability to order busing. In fact, I think the Court is looking for some guidance on this.

Look at what recently happened in Columbus. There is an order for a stay. The order is made to one judge who happens to have that jurisdiction. He denies the stay and an appeal is made to a second judge on the Supreme Court. He grants the stay. In a case in Wilmington there was an appeal for a stay that was made to Justice Brennan. Justice Brennan may or may not grant the stay. There will be a move to get the stay from another justice.

It seems to me the court is crying out and saying: "Look, we cannot write a code book. We cannot write a handbook. But what we can do is we can tell you what the basic principles are. You fill in the spaces."

This bill, I believe, fills in some of those spaces in a manner totally consistent with the Constitution of the United States of America.

Depending on what my colleague from Delaware wants, I am prepared now to answer questions, yield the floor, or proceed in any other manner with debate on our amendment.

Mr. PELL and Mr. BROOKE addressed the Chair.

The PRESIDING OFFICER. The Senator from Rhode Island.

Mr. PELL. Mr. President, I listened with great interest to the eloquent statements of the Senators from Delaware, who are truly a good partnership as well as being Senators from the same State.

However, as I have said to them privately, I do feel compelled to oppose this amendment and do intend to offer a tabling motion in 20 minutes or so.

My objections to this bill are, first, it limits busing to school districts where the court finds that a discriminatory purpose in education is the primary motivating factor for the pattern of segregation. But a court could not order busing to correct intentional discrimination in housing, for example, which also resulted in educational segregation.

Also, second, it is opposed by the Attorney General because, as he says, "Much confusion and time-consuming litigation will unnecessarily have been generated" by its provisions. Third, we already have exactly the same bill before us on the calendar as Calendar Order No. 404, which was reported out of the Judiciary Committee, which is really the committee to which it should have been referred and out of which it should have been reported.

For all of these reasons I find myself in opposition to the amendment.

Mr. JAVITS. Mr. President, will the Senator yield?

Mr. PELL. I yield to the Senator from New York.

Mr. JAVITS. Mr. President, I, too, shall be brief. I am strongly opposed to this amendment, and I shall support the motion to table for the following reasons:

I take my text from what was just said: "We would not be where we are now." We would not be where we are now because of what? The fact is that there is a greater measure of peace in respect of school desegregation than there ever was before. The fact is that the adoption of an amendment like this would do

exactly the contrary, and let me prove that to Senators.

The Attorney General of the United States opposes this particular amendment. One of his major reasons for opposing it is found on page 40 of the report on the bill, which was reported out of the Judiciary Committee. As Senator PELL has properly said, the Judiciary Committee is the appropriate forum for debating and settling this matter. That report shows that in a long list of cases—Alabama, California, Arkansas, Texas, Mississippi, Nebraska, Missouri, Ohio, Kansas, and so on—this particular amendment, because of its effect upon the decrees in school desegregation cases which for one reason or another may not have become completely final, will simply upset an existing situation.

The fact is that with all of our wrestling around we have come to some degree of accommodation between the proponents and opponents of this kind of legislation. And the thing to do now is to give it an opportunity to season and work, not to throw in new procedural safeguards as the proponents call it and new changes in the substantive law which will again completely upset the situation.

Let us remember with respect to these goals that are constantly talked about, that these civil rights are intended to protect minorities, and they are minorities, real minorities. So we cannot expect these goals to generate great popular waves of enthusiasm such as we see for tax cuts. As Justice Frankfurter said:

> These people are often not the most washed and the best dressed and the best educated and the most intellectual. That is why they most need our protection.

Mr. President, the Attorney General of the United States is no wild-eyed radical. He is opposed to this particular measure and he so stated in unequivocal terms, and this is cited in the report upon the bill to which I have referred.

I shall not take the time of the Senate with a long dissertation on the bill although I will do so if the motion to table fails. But I think these points which I have just made are critically important to us as Senators. The state of our national tranquillity will be contributed to by tabling this amendment rather than by agreeing to it.

The PRESIDING OFFICER. The Senator from Massachusetts.

Mr. BROOKE. Mr. President, let me first say that I have the greatest respect and admiration for both of my distinguished colleagues from the great State of Delaware who have introduced this amendment. But I think this is the most pernicious amendment that has been introduced in the whole area of quaranteeing equal educational opportunities for all Americans.

I do not even believe that my colleagues understand just how pernicious this amendment is. It does not direct itself to HEW, or to any other executive department agency. It directs itself to the Judiciary. The legislative branch of the Government would be telling the judicial system that it would be restricted in i's authority to fashion relief for constitutional violations.

As both Senators from Delaware are lawyers, they should understand that this goes far beyond anything that we have ever had before the Senate regarding desegregation remedies.

I must state at the outset that I have drafted 95 amendments to this amendment. But it is my understanding that the distinguished Senator from Rhode Island, who is the floor manager of this bill, intends to offer a motion to table the amendment offered by the two Senators from Delaware, Mr. ROTH and Mr. BIDEN.

I must state at the outset that I profoundly disagree with this amendment. My disagreement is based not upon emotional feelings about busing or the fact that many of our Nation's public schools remain illegally segregated nearly a quarter of a century after the Brown decision. Rather, I object to this amendment, because I believe it to be unconstitutional in purpose, substance and effect. I further believe that the bill is unnecessary and unworkable, and would, if enacted, generate public confusion, and further delay the already protracted process of school desegregation which, fortunately, is working in many parts of our Nation, primarily in the South.

The authors of this amendment contend that it is constitutional, because it conforms to the standards enunciated by the Supreme Court. Even if the specific provisions of the bill conformed to current constitutional standards regarding the use of student transportation to remedy illegal school segregation, which as I will demonstrate they do not, the bill would, nevertheless, violate the constitutional doctrine of separation of powers, and I think this is an issue which both the junior and senior Senators from Delaware should be very much concerned about. The legislation repersents a blatant congressional attempt to restrict the judiciary's power to remedy illegal segregation and vindicate constitutional rights.

Article III vests the judicial power of the United States—which extends to all cases in law and equity arising under the Constitution—in one Supreme Court, and such inferior courts as the Congress may establish. Because the right to attend nonsegregated public schools is guaranteed by the Constitution, a determination of what constitutes adequate and appropriate relief to remedy unconstitutional school segregation is the sole province of the judiciary. Judicial power resides in the judiciary, not the Congress. Because of its commitment, as a matter of policy and constitutional doctrine, to the separation of powers, Congress should not seek to restrict the Supreme Court's authority to fashion relief for constitutional violations.

Moreover, the legislation cannot be reconciled with the authority granted Congress by section 5 of the 14th amendment "to enforce by appropriate legislation the provisions of this article." The purpose and effect of this amendment—to limit the power of the Federal courts to remedy violations of the 14th amendment—is fundamentally negative and restrictive. As the Supreme Court noted in Katzenbach against Morgan which considered the constitutionality of a provision of the Voting Rights Act:

> Contrary to the suggestion of the dissent, post, p. 668, section 5 (of the 14th amendment) does not grant Congress power to exercise discretion in the other direction and to enact "statutes so as in effect to dilute equal protection and due process decisions of this court." We emphasize that Congress' power under section 5 is limited to adopting measures to enforce the guarantees of the Amendment; section 5 grants Congress no power to restrict, abrogate, or dilute these guarantees.

While Congress, in the exercise of its section 5 authority, could expand relief, it cannot withhold or deprive relief to the victims of discrimination prohibited by the 14th amendment.

Even if this amendment did not violate the doctrine of separation of powers, it would, nevertheless, represent a congressional encroachment on the power and integrity of the judiciary. This amendment attempts to fix standards to regulate the award of equitable relief in school desegregation cases. In so doing, it distorts the legal concept of equity. As the Supreme Court noted in Brown II, the 1955 decision on implementation of the constitutional prohibition against school segregation, an essential characteristic of equity is "a practical flexibility in shaping * * * remedies * * * " In the 23 years since Brown the Federal courts have refused to adopt a rigid set of remedial standards in school desegregation cases; rather, they have attempted to fashion remedies that were practically effective and sensitive in the light of the widely differing circumstances of local school districts. Legislative prescription of school desegregation remedies, no matter how well drafted, would circumscribe the power of the courts to provide equitable justice and would thereby rob the Constitution of its living strength.

Before turning to the specific provisions of this amendment, I want to say a few words about the character and import of the bill as a whole. The authors of the legislation aver that it is not designed to restrict constitutional rights, but rather to limit the use of court-ordered busing. Indeed, the bill does not attempt to define "constitutional violation" but only the circumstances under which student transportation may be used by Federal courts to cure unconstitutional school segregation. I believe, however, that the authors' distinction between rights and remedies is deceptive and illusory. Student transportation is just one of many remedies which the Supreme Court has found necessary to eliminate de jure school segregation. Although this amendment pretends to focus exclusively on remedies, it ultimately affects constitutional rights. Let us not deceive ourselves, "a right without a remedy is like a bell without a clapper"—hollow and empty.

Turning now to the substantive provisions of the amendment, section 1 provides:

> Notwithstanding any other provision of law, no court of the United States shall order directly or indirectly the transportation of any student on the basis of race, color, or national origin unless the court determines that a discriminatory purpose in education was a principal motivating factor in the constitutional violation for which such transportation is proposed as a remedy.

According to its authors, section 1 of

this amendment conforms to and clarifies current constitutional standards. They view the Supreme Court's recent employment decision in Washington against Davis and its housing decision in Arlington Heights against Metropolitan Housing Corp. as giving rise to what they appropriately describe as a "discriminatory purpose rule." While the authors of this amendment correctly recognize the existence of a "discriminatory purpose rule," they misperceive its origins. The rule is not new; it did not originate in the Court's recent decision in Washington and Arlington Heights; and it has long been applied in school desegregation cases. As the Supreme Court stated in Keyes against School District No. 1, a 1973 decision:

> We emphasize that the differentiating factor between *de jure* segregation and so-called *de facto* segregation . . . is *purpose* or *intent* to segregate. (Emphasis in original) 413 US 189 at 208.

A great deal more serious than their misapprehension of the origins and applicability of the discriminatory purpose rule to school desegregation cases is the authors' incorrect formulation of the rule. The authors contend that the Washington and Arlington Heights decisions support their "principal motivating factor" formulation of the discriminatory purpose rule. Neither of the decisions, however, employs such a narrow and restrictive standard. Quite the contrary, the Court stated in Arlington Heights:

> Davis does not require a plaintiff to prove that the challenged action rested solely on racially discriminatory purposes. Rarely can it be said that a legislature or administrative body operating under a broad mandate made a decision motivated solely by a single concern, or even that a particular purpose was the "dominant" or "primary" one. In fact, it is because legislators and administrators are properly concerned with balancing numerous competing considerations that courts refrain from reviewing the merits of their decisions, absent a showing of arbitrariness or irrationality. But racial discrimination is not just another competing consideration. When there is proof that a discriminatory purpose has been a motivating factor in the decision, this judicial deference is no longer justified. (Slip Opinion 75–06, p. 12, Jun. 11, 1977.)

Davis simply has no language supporting the "principal motivating factor" theory advanced by the authors of the legislation, and Arlington Heights is unequivocal in its rejection of that standard. Quite simply, the narrow and restrictive standard set out in this bill does not conform to, but rather conflicts with, current constitutional standards.

Finally, the standard set out in section 1 which effectively bans the use of student transportation to remedy constitutional violations unless the violation was motivated by "a discriminatory purpose in education" is constitutionally suspect.

In fact, the Supreme Court has never acknowledged any such limitation. Indeed, in 1975, the High Court summarily affirmed the decision of the three-judge court in the Wilmington case, Evans against Buchanan, which found an "interdistrct violation" on the basis of five separate factors unrelated to education. The Buchanan district court found that governmental housing policies had resulted "to a significant degree (in) the increasing disparity in residential and school populations between Wilmington and its suburbs in the past two decades." 393 F. Supp. at 438. Specifically, the court pointed to discriminatory practices, unrelated to education, in the following areas to support its finding of a constitutional violation: FHA mortgage policies; enforcement of racially restrictive covenants; publication of a discriminatory manual by the State Real Estate Commission; concentration of public housing in the city even though the Wilmington Housing Authority had jurisdiction to site units in part of the surrounding county; and the failure of the county housing authority to build any units since its creation in 1972.

Similarly, Justice Stewart concurring in the Detroit case, Milliken against Bradley, observed that "purposeful, discriminatory use of housing and zoning laws" may serve as a basis for ordering crossdistrict relief in school desegregation cases.

Thus it is misleading and inaccurate to assert, as the bill's proponents do, that section 1 of the bill is a simple restatement of the Supreme Court's jurisprudence as developed in recent cases.

The subsection 2(b)(1) requirement that the courts make specific written findings "of the discriminatory purpose for each constitutional violation for which transportation is ordered" is impossibly ambiguous. The bill gives no guidance as to the scope of the phrase "each constitutional violation." Given the fact that the Supreme Court has held that plaintiffs in school desegregation cases need not "bear the burden of proving the elements of de jure segregation as to each and every school * * * within the school system" (*Keyes*), the phrase cannot refer to segregation of individual schools.

Subsection 2(b)(2) requires the courts to make specific written findings of the "degree to which the concentration by race, color, or national origin in the student composition of particular schools affected by such constitutional violation presently varies from what it would have been in normal course had no such constitutional violation occurred." This requirement belies the dynamic complexity of segregation in our society. The Supreme Court has devoted considerable attention to the symbiotic relationship between residential and educational segregation and the fact that they interact, amplify, reinforce, and cause one another. Even when school and noneducational governmental officials are not consciously acting in concert, the effects of their actions are cumulative and reciprocal. To require the courts to disentangle the intricate web of residential and educational segregation, a web that has grown in complexity and scope over the years, is to mandate a futile exercise in pseudo precision.

Moreover, the futile, speculative procedure specified in this subsection—a veritable "chicken versus egg" inquiry into causation and blame—distorts the fundamental responsibility of Federal courts in school desegregation cases. Once a court has determined that educational officials have unlawfully segregated schoolchildren, its paramount concern must be the vindication of constitutional rights. The proper focus of judicial inquiry in hearings on remedial relief, therefore, is the practical effectiveness of the various school desegregation alternatives.

Finally, I would like to address sections 3 and 4 of the bill. These provisions, independently and taken together, violate the spirit of the Supreme Court's 10-year-old proclamation that the time for "all deliberate speed" has ended and the time for desegregation is now. Masquerading in the guise of due process, these provisions can only impede and delay the process of school desegregation. Sections 4 and 5 would provide recalcitrant school districts and scofflaw school officials with still another opportunity to spend hundreds of thousands of dollars on legal appeals designed to frustrate the constitutional rights of our children.

H. L. Mencken once said that—

> For every difficult and complex problem, there is an obvious solution that is simple, easy, and wrong.

Assuring equal educational opportunity for every child in America is, indeed, difficult and complex. Mr. President, the proposed legislation before this Senate is simple, easy, and wrong and I ask the Senate to reject it.

Mr. President, I want to briefly discuss with my friend, the junior Senator from Delaware, his earlier remarks about no one standing up for school busing. I do not believe that is true. School busing has been used to a great extent in this Nation for more than 50 years.

The vast majority of children in the schools, indeed, more than 65 percent, go to school by some form of transportation, rather than walking to school as many of us did in the old days. And less than 4 percent of these students are bused for the purposes of desegregation.

I believe it is also important to note that there has been more busing used in this country for purposes of segregation than has ever been used for the purposes of desegregation.

And, in many instances, as I said earlier, particularly in the southern part of this Nation, school desegregation is working because the people have allowed it to work—not school integration but school desegregation—and the Senator from Delaware knows that there is a very clear legal distinction between the two.

Mr. President, I fervently hope that the motion of the distinguished Senator from Rhode Island to table this amendment will carry. For this amendment is unconstitutional and would set a dangerous precedent for the Congress of the United States. Indeed I do not see how any lawyer or any student of the Constitution could ever vote for it. For it represents a congressional attempt to deny the Supreme Court remedies for relief that have long been established by constitutional authority.

Mr. President, having said that and because of the time constraints, I yield the floor.

Several Senators addressed the Chair.

The PRESIDING OFFICER. The Senator from Rhode Island.

Mr. PELL. Mr. President, I would like first to yield to the Senator from Delaware (Mr. BIDEN). I understand he has a remark or two, and then to the Senator from North Carolina (Mr. MORGAN).

The PRESIDING OFFICER. The Senator from Delaware.

Mr. BIDEN. Mr. President, I would like to take, at some point, 2 minutes to answer three or four of the arguments, but I would like to yield to Senator ROTH first, if I may.

The PRESIDING OFFICER. The Senator is retaining 2 minutes, and yielding to the senior Senator from Delaware?

Mr. BIDEN. Yes.

The PRESIDING OFFICER. The senior Senator from Delaware is recognized.

Mr. ROTH. Mr. President, I too, will be brief, but I want to make two or three points in answer to what the distinguished Senator from Massachusetts has said.

This Congress has been criticized, in years gone by, for not living up to its responsibilities, particularly in its relationship to the White House. I think one of the most serious charges that can be made against Congress is that we are likewise not living up to our responsibilities in relationship to the Supreme Court.

The courts are coequal, not supreme, to Congress and it is Congress, the elected body, that has the responsibility of establishing national policy. It is curious to me that the minute we talk about limiting remedies, we are infringing on the rights of the Supreme Court, but when many of us supported the legislation for civil rights, that was no encroachment on the Supreme Court.

It is time that Congress takes upon itself the responsibility that has been given to us under our Constitution. I speak, for example, of the 14th amendmend itself, which specifically provides that Congress has the responsibility "to enforce, by appropriate legislation, the provisions of this article."

So I cannot buy the argument that Congress should not act. As President Andrew Jackson said in 1832:

> It is as much the duty of the House of Representatives, of the Senate, and of the President to decide upon the constitutionality of any bill or resolution which may be presented to them for passage or approval as it is of the supreme judges when it may be brought before them for juricial decision. The opinion of the judges has no more authority over Congress than the opinion of Congress has over the judges, and on that point the President is independent of both. The authority of the Supreme Court must not, therefore, be permitted to control the Congress or the Executive when acting in their legislative capacities, but to have only such influence as the force of their reasoning may deserve.

In closing, however, Mr. President, I want to make one basic point. What is at stake here, what is important, is quality education for all children. We can no longer tolerate this experimentation with tens of thousands of children of every color, every race, every creed. The facts are showing that this experimentation of recent years is not working. It is not providing quality education for our children, and it is not providing a color-blind society, which we all desire.

All we are suggesting is that this route of busing is not the correct one, that we should seek other avenues of assuring quality education for all black and white children.

I thank the chair.

The PRESIDING OFFICER. The junior Senator from Delaware has 2 minutes, and then the Senator from North Carolina will be recognized.

Mr. BIDEN. Mr. President, I hope this motion will not be agreed to, so that we will be able to debate the constitutionality at some length later, but for now I wish merely to respond to one or two questions.

The Senator from New York said we should not disturb the situation, that we have peace now. I would like to recommend to him that he look into the situation in Ohio, with several cities about to be under order, and other cities in California. He said we are upsetting the situation, that it is harmonious. He can ask people out in Ohio in charge of the school systems if they think things are going smoothly in Dayton, Cleveland, or Columbus with all of this uncertainty and disruption.

The Senator from Massachusetts said we should not direct this at the judiciary. Mr. President, all the titles in the United States Code direct themselves at the judiciary. I think we must direct legislation at the judiciary.

Earlier the Senator from Rhode Island made the point that this bill is on the calendar. I say to the Senator, if there had been any hope that the bill would be brought up, we would not be here now. This is the point I made at the beginning. I hope we get an opportunity to argue it further, and I hope my friends in the Senate will not vote for the motion to table our amendment.

The PRESIDING OFFICER. The Senator from North Carolina.

Mr. MORGAN. Mr. President, I rise in opposition to the amendment offered by the distinguished Senators from Delaware, and in support of the proposed motion to lay on the table of the Senator from Rhode Island.

I think all of us would agree that busing of children across from one side of the city to another side is not desirable, and I think we all would agree that it is perhaps not the best way to provide a quality education for all of our children. But I think what the amendment would do would be, in fact, or certainly in effect, to perpetuate the dual standard that has existed in this country for a long time, partly because of laws and partly because of housing patterns—a standard that we are trying to rid ourselves of.

Busing in the South is working. As I mentioned, it is not desirable, but we are doing it in North Carolina. The original Charlotte versus Swan case was a North Carolina case. I was counsel for the State of North Carolina when that case was argued in the Supreme Court, and I opposed the busing order.

But it is now a fact, Mr. President, and we are doing it all over the South. What this amendment would do is say, in effect, that what we have done about ordering busing in areas of the country where it is now in existence under court order is all right, "but we are just not going to do it any more."

I think what we need to do is try to rid ourselves of these vestiges of segregation, regardless of whether they existed from State laws, as they did in my State, or whether they existed from housing patterns and real estate practices, as in States in the North and in the Midwest.

Once we have done that, Mr. President, I think we will all be willing to work together to try to find better ways of providing quality education for all of our children, regardless of what section of the country they live in, or what section of the State or what section of the city.

But I fear if we adopt this amendment and perpetuate this double system, we will never be willing to work together to find a way of providing good neighborhood schools for all of our children. The quickest way we can return to neighborhood schools, is to find a better way of providing quality education. I do not believe this is the way, Mr. President.

So I shall vote to table the amendment, and I hope my colleagues will do likewise.

● Mr. BAKER. Mr. President, I rise in support of an amendment offered by the distinguished Senators from Delaware to S. 1753, a bill to extend the Elementary and Secondary Education Act. The intent of this amendment is to limit the use of forced busing as the remedy in school desegregation cases.

I have long opposed forced busing as a means of desegregating school districts and have stated that our national goals of obtaining a good education for every child and assuring equal educational opportunities for all are not furthered by the judicial mischief of busing. The people of our Nation have overwhelmingly registered their opposition in pubic opinion polls and, even more convincingly, at the polls in State and national elections. This demonstration of the will of our citizens cannot be ignored or frustrated any longer, and I am hopeful that decisive legislative action can be taken now.

The effect of the pending amendment would be to prohibit the implementation of busing orders unless there was a finding of intentional discrimination. Moreover, the extent of the busing order could not exceed the scope of the problem as defined by the Court. And finally, pending busing orders would be stayed until the Court determined that the order was consistent with the language of this amendment.

I believe that this amendment represents a constructive first step toward a legislative solution to this troublesome and difficult issue. I urge my colleagues to support the amendment offered by the two distinguished Senators from the State of Delaware.●

● Mr. DECONCINI. Mr. President, I rise in support of the amendment offered by the distinguished Senators from Dela-

ware. I should also like to commend them for bringing into this forum what is one of the most controversial social policies of our day. Too many Americans would rather not deal with this issue; they would rather allow the Federal courts to make our vital political decisions. The two Senators from Delaware would restrict and limit the power of those same Federal courts to order busing in only those circumstances when discrimination was the purpose behind the establishment of school boundaries.

I believe, Mr. President, that the issue of busing is clearly and unequivocally a political question; and one that should be settled through traditional political structures like the Congress and State legislatures. That is one of the reasons why the Senate should give serious consideration to the present proposal.

The Senate should be aware that the Judiciary Committee did consider this legislation, and conducted a lengthy mark-up session where substantial compromises were made. The Judiciary Committee has ordered this bill reported and a majority of its members have endorsed its provisions. It is no argument that S. 1753 is not the proper vehicle for this measure. Each of us is well aware that the Biden-Roth bill will not be considered. We are in a situation where a small minority of the Senate can virtually prevent any piece of legislation from consideration by the majority.

It seems to me, Mr. President, that too many Federal judges have taken upon themselves the task of restructuring and reordering our society. Over a period of many generations certain housing and other patterns have evolved in our cities which clearly run counter to our present desire to see the integration of all peoples. Our Federal courts are engaging in some social engineering which is neither directly relevant to the question of discrimination, but which is—more importantly—terribly disruptive to the fabric of our society.

We simply cannot change the patterns in our cities and our societies overnight. We can and we have outlawed racial discrimination. We should continue to be ever vigilant to enforce these laws. But the busing decisions addressed by this legislation clearly fall outside the scope of the purposeful discrimination. Rather, they are part of lengthy evolution.

The correct approach to the matter of America's development into a harmonious, multiracial society in which all vestiges of inequality are obliterated is not through an artificial device such as busing. What we must correct are the patterns of overt discrimination and the patterns of clear deprivation which have led to the emergence of ghettos and blighted inner cities. The pattern in American society has always been to seek to raise all citizens to the highest level possible, not pull all citizens down to the lowest common denominator.

No one, Mr. President, has any quarrel with busing that is clearly designed to remedy intentional discrimination. Where discrimination is the motivating factor behind the establishment of school districts, busing is a proper remedy. But where the lack of balanced schools is simply the result of natural patterns of residential settlement, the Federal courts should be prevented from disrupting the harmony of neighborhoods and from disrupting the lives of our children. Who are we punishing for what crime? Are we punishing our children and their parents because of the failure of American society and American law over the last 200 years? Is this just? I cannot believe that a majority of Americans—black or white—would agree. In fact, all the evidence that is available suggests just the opposite. Most Americans—black and white—oppose forced busing.

Finally, Mr. President, there is the very immediate and real concept of the neighborhood and the neighborhood school that is at stake. Certainly, a pleasant neighborhood in which to live and raise one's children is part of the American dream. It is one of the things to which we aspire. Yet, through forced busing, we would deny this part of what our citizens desire because it has not yet been attained by all. That seems to be vindictive, at worst, and retrogressive, at best. No child should be forced to spend hours on a school bus to attend a strange school unless there is a compelling reason. And this legislation leaves the option of busing open if overt discrimination is, indeed, responsible.

I urge my colleagues to support the measure.●

Mr. THURMOND. Mr. President, I rise in support of the pending amendment to the Elementary and Secondary School Act Amendments, S. 1753.

This amendment is identical to a bill, S. 1651, that is now on the Senate Calendar and was reported by the Senate Judiciary Committee on August 1, 1977.

The primary purpose of the amendment is to establish guidelines that are consistent with the Constitution and the rulings of the Supreme Court which courts may order in the transportation of students on the basis of race, color or national origin.

Mr. President, the amendment provides for several prinicples to be followed by Federal courts. First, it would require a U.S. district court to find "a discriminatory purpose in education" behind any violation for which student transportation is proposed as a remedy.

Second, courts would be required to determine the extent to which acts of unlawful segregation have caused a greater degree of racial segregation in a school or schools than would have otherwise existed.

Third, student busing would be limited to eliminating the degree of racial segregation attributable to those proven unlawful acts.

Fourth, cases in which student busing is proposed as a remedy would have to be heard by a three-judge court.

Finally, the amendment requires Federal court busing orders to be stayed until all appeals are exhausted.

Since the decision of Brown against Board of Education in 1954, the courts have spoken a number of times and in some cases, with different voices on the issue of segregation. This amendment seeks to bring reason and order to an area of constitutional law that affects the lives of so many Americans.

The courts have, in recent years, departed somewhat from the Court's decision in Brown by saying that the Constitution only requires desegregation, it does not require school racial integration for its own sake. In *Washington* v. *Davis* (1976), the Supreme Court clearly rejected the view that even the location of a new school building could have a racial impact. An act is not unconstitutional solely because it has a racially disproportionate impact. The court must find that the action was purposefully discriminatory.

Mr. President, the requirement that a court find a principal motivating factor, which means that a discriminatory purpose must be an indispensable component of the decisionmaking process, in the action of a defendant, has been upheld as a valid test in the case of *Arlington Heights* v. *Metropolitan Housing Development Corporation* (1977). In other words, a decision by a local school board to close a school, move certain grades to another school, or locate a new school in a certain area of town, is not on its face racial discrimination.

Mr. President, I believe that in certain cases the courts have misinterpreted the mandate of Brown against Board of Education. Likewise, sociologists in this country have advocated positions that are not truly representative of the thinking of a majority of the American people. Both black and white Americans want a good education for their children. I share that desire. But, in many cases, the goal of gaining a racial mix becomes primary, and the education of our children becomes secondary. This should not be the case.

The amendment being offered by the Senators from Delaware seeks to provide a rational set of criteria for the courts to follow in judging circumstances under which the transportation of students can be achieved. It is an amendment that says in effect, the education of our children should come first, but if suspected constitutional violations occur in achieving that goal, then the courts need guidelines to follow in judging whether such actions in fact violate the Constitution.

This is not necessarily an antibusing measure. It does not prohibit the transportation of students in order to avoid racial segregation. It still permits such actions.

This amendment does not allow school officials or local governments to engage in conduct that would violate the law. It simply provides Federal courts with the principles set out by the Supreme Court for judging the constitutionality of actions by local school officials.

Mr. President, the people of South Carolina are all mindful of the requirements of the Federal laws with regard to racial discrimination in the public schools. But they are also vitally interested in seeing that their children get a good education. South Carolina has 90 percent of its children enrolled in public schools, which is about the same as the national average. Thus, the difficulties, the inconveniences, and sometimes, the frustrations of transporting students to schools outside of their neighborhoods is experienced by South Carolinians as well as most Americans. This amend-

ment would hopefully result in a more careful application of court ordered busing plans, thereby easing the frustrations and problems now experienced by many American families.

The hearings on S. 1651 in the Judiciary Committee support the argument that when busing orders go beyond what is required to correct any unlawful actions there is a counter-productive result. One consequence of court ordered busing is the so-called "white flight." Economically affluent white families flee the cities to escape the impact of busing orders. This result is not, according to recent research, due to latent racism but rather a strong belief in neighborhood schools as a concept worth supporting.

In addition, there is evidence that ethnic groups concentrate for convenience; for access to family and friends; access to religious, cultural and commercial facilities that serve specific groups. Court orders that unnecessarily disrupt these positive social conditions do not improve the educational opportunities of our children. This amendment seeks to limit the scope of these orders so that the negative social aspects will be reduced.

Finally, Mr. President, I want to commend the Senators from Delaware for bringing this amendment to the attention of the Senate. The bill, S. 1651, reported by the Judiciary Committee has been on the Senate Calendar since September of last year. This is an important issue to all Americans and even though the Senate may not see fit to adopt this amendment today, it does provide the opportunity for debate on a matter of interest to not only the people of South Carolina, but the Nation.

Mr. President, I urge my colleagues to adopt the amendment.

Mr. PELL. Mr. President, I move to lay on the table the pending amendment of the Senators from Delaware.

Mr. JAVITS. I ask for the yeas and nays.

The PRESIDING OFFICER. Is there a sufficient second? There is a sufficient second.

The yeas and nays were ordered.

The PRESIDING OFFICER. The Senator from West Virginia.

Mr. ROBERT C. BYRD. Mr. President, I favor the amendment, its content, and its substance. I also gave Senator BIDEN my proxy in reporting it to not foreclose any measure facing the Senate. But because of the workload and scheduling problems, in this instance I will support the motion to lay on the table.

Mr. BIDEN. Mr. President, will the Senator yield to add a cosponsor?

Mr. PELL. I yield.

Mr. BIDEN. I ask unanimous consent that the name of the Senator from Florida (Mr. CHILES) be added as a cosponsor of the amendment.

The PRESIDING OFFICER. Without objection, it is so ordered.

The question is on agreeing to the motion to lay on the table the amendment of the Senators from Delaware. The yeas and nays have been ordered, and the clerk will call the roll.

The assistant legislative clerk called the roll.

Mr. CRANSTON. I announce that the Senator from Minnesota (Mr. ANDERSON), the Senator from Mississippi (Mr. EASTLAND), the Senator from Louisiana (Mr. JOHNSTON), and the Senator from Louisiana (Mr. LONG), are necessarily absent.

The result was announced—yeas 49, nays 47, as follows:

[Rollcall Vote No. 352 Leg.]

YEAS—49

Abourezk	Hart	McGovern
Bayh	Haskell	McIntyre
Bellmon	Hatfield, Mark O.	Melcher
Brooke	Hatfield, Paul G.	Metzenbaum
Bumpers	Hathaway	Morgan
Burdick	Heinz	Moynihan
Byrd, Robert C.	Hodges	Muskie
Case	Humphrey	Nelson
Chafee	Inouye	Pearson
Church	Jackson	Pell
Clark	Javits	Percy
Cranston	Kennedy	Ribicoff
Culver	Leahy	Riegle
Durkin	Magnuson	Stafford
Eagleton	Mathias	Stevenson
Glenn	Matsunaga	Weicker
Gravel	McGovern	Williams

NAYS—47

Allen	Goldwater	Roth
Baker	Griffin	Sarbanes
Bartlett	Hansen	Sasser
Bentsen	Hatch	Schmitt
Biden	Hayakawa	Schweiker
Byrd, Harry F., Jr.	Helms	Scott
Cannon	Hollings	Sparkman
Chiles	Huddleston	Stennis
Curtis	Laxalt	Stevens
Danforth	Leahy	Stone
DeConcini	Lugar	Talmadge
Dole	McClure	Thurmond
Domenici	Nunn	Tower
Ford	Packwood	Wallop
Garn	Proxmire	Young
	Randolph	Zorinsky

NOT VOTING—4

Anderson	Johnston
Eastland	Long

So the motion to lay on the table UP amendment No. 1721 was agreed to.

Mr. BIDEN. Mr. President, I move to reconsider the vote by which the motion was agreed to.

Mr. JAVITS. I move to lay that motion on the table.

Mr. ROTH. I ask for the yeas and nays, Mr. President.

Mr. ROBERT C. BYRD. Mr. President, let us not have the yeas and nays on a motion to table. If we do, I hope it will be overwhelmingly agreed to. I am for the amendment, for the substance of it.

The PRESIDING OFFICER (Mr. CHILES). The motion is not debatable.

Mr. ROBERT C. BYRD. Mr. President, I ask unanimous consent to proceed for 30 seconds.

The PRESIDING OFFICER. Is there objection?

Mr. ROTH. Regular order.

The PRESIDING OFFICER. The objection is heard.

Is there a sufficient second? There is a sufficient second.

The yeas and nays were ordered.

The PRESIDING OFFICER. The question is on agreeing to the motion to lay on the table the motion to reconsider. The clerk will call the roll.

The legislative clerk called the roll.

Mr. CRANSTON. I announce that the Senator from Minnesota (Mr. ANDERSON), the Senator from Mississippi (Mr. EASTLAND), the Senator from Louisiana (Mr. JOHNSTON), and the Senator from Hawaii (Mr. INOUYE) are necessarily absent.

The result was announced—yeas 51, nays 45, as follows:

[Rollcall Vote No. 353 Leg.]

YEAS—51

Abourezk	Haskell	Melcher
Bayh	Hatfield, Mark O.	Metzenbaum
Bellmon	Hatfield, Paul G.	Morgan
Brooke	Hathaway	Moynihan
Bumpers	Heinz	Muskie
Burdick	Hodges	Nelson
Byrd, Robert C.	Humphrey	Pearson
Case	Jackson	Pell
Chafee	Javits	Percy
Church	Kennedy	Ribicoff
Clark	Leahy	Riegle
Cranston	Magnuson	Sarbanes
Culver	Mathias	Sparkman
Durkin	Matsunaga	Stafford
Eagleton	McGovern	Stevenson
Glenn	McIntyre	Weicker
Gravel		Williams
Hart		

NAYS—45

Allen	Goldwater	Roth
Baker	Griffin	Sasser
Bartlett	Hansen	Schmitt
Bentsen	Hatch	Schweiker
Biden	Hayakawa	Scott
Byrd, Harry F., Jr.	Helms	Stennis
Cannon	Hollings	Stevens
Chiles	Huddleston	Stone
Curtis	Laxalt	Talmadge
Danforth	Long	Thurmond
DeConcini	Lugar	Tower
Dole	McClure	Wallop
Domenici	Nunn	Young
Ford	Packwood	Zorinsky
Garn	Proxmire	
	Randolph	

NOT VOTING—4

Anderson	Inouye
Eastland	Johnston

So the motion to lay on the table the motion to reconsider was agreed to.

Mr. ROBERT C. BYRD. Mr. President, I yield briefly to the Senator from South Carolina.

Mr. HOLLINGS. I thank the distinguished leader.

UP AMENDMENT NO. 1722

(Purpose: To delete title XII relating to nonpublic educational assistance)

Mr. HOLLINGS. Mr. President, I call up my amendment.

The PRESIDING OFFICER. The amendment will be stated.

The second assistant legislative clerk read as follows:

The Senator from South Carolina (Mr. HOLLINGS), on behalf of himself, Mr. BELLMON, and Mr. HODGES, offers an unprinted amendment No. 1722.

Mr. HOLLINGS. Mr. President, I ask unanimous consent that reading of the amendment be dispensed with.

The PRESIDING OFFICER. Without objection, it is so ordered.

The amendment is as follows:

On page 318, beginning with line 12, strike out through line 9 on page 324.

On page 324, line 12, strike out "SEC. 113." and insert in lieu thereof "SEC. 112.".

On page 326, line 18, strike out "SEC. 114." and insert in lieu thereof "SEC. 113.".

On page 19 in the Table of Contents insert end quotation marks after item Sec. 1108.

On page 19 in the Table of Contents strike out item Sec. 112, title XII and items 1201 through 1207.

On page 19 in the Table of Contents redesignate items Sec. 113 and Sec. 114 as items Sec. 112 and Sec. 113, respectively.

Mr. HOLLINGS. Mr. President, I ask unanimous consent to have four opinions

printed in the RECORD. They find it is clearly unconstitutional, and that is why I move to strike item 12.

There being no objection, the material was ordered to be printed in the RECORD, as follows:

[From the Library of Congress Congressional Research Service]

JUNE 22, 1978.

From: American Law Division.

Subject: Constitutionality of Title XII of the Elementary and Secondary Education Act, As Proposed To Be Added by S. 1753, and Suggestions on Changes Needed To Render It Constitutional.

This is in response to your request for a brief memo analyzing the constitutionality of Title XII of the Elementary and Secondary Education Act, as proposed in S. 1753, and if it appears unconstitutional, for suggestions as to how it might be made constitutional. This memo will respond to these inquiries in order.

CONSTITUTIONALITY OF THE PROPOSED TITLE XII

Title XII, as proposed in S. 1753, would authorize $500 million each year from fiscal 1979 through fiscal 1983 for grants to nonpublic elementary and secondary schools. The grants could be used by the recipient schools only for the following purposes:

(1) secular textbooks (limited to those approved for use in public schools);

(2) standardized tests and scoring services (limited to those used in the public schools);

(3) diagnostic speech and hearing services on the premises of the nonpublic school;

(4) diagnostic psychological services on the premises of the nonpublic school;

(5) guidance and counseling services on the premises of the nonpublic school;

(6) secular instructional materials and instructional equipment; and

(7) transportation to and from nonpublic elementary and secondary schools. Sec. 1202(b).

The constitutional question that arises from this proposed grant program stems from the fact that a substantial majority of nonpublic elementary and secondary schools are church-related[1] and from the language of the First Amendment which provides that "Congress shall make no law respecting an establishment of religion or prohibiting the free exercise thereof. . . ." Application of this language, as interpreted by the Supreme Court in numerous decisions, to the proposed grant program suggests that it may be constitutionally infirm, in two respects, first, several of the purposes for which the grant funds could be used by the recipient schools would not appear to accord with the pertinent Supreme Court decisions. Secondly, the nature of the program as a direct grant program to predominantly religious institutions would appear to violate the excessive entanglement and, perhaps, the primary effect tests as these have been elaborated by the Supreme Court.

The compatibility of each of the possible uses for the grant funds with pertinent Supreme Court decisions would appear to be as follows:

(1) *Secular textbooks*—In several cases the Supreme Court has upheld programs in which the state purchases and loans to nonpublic schoolchildren such secular textbooks as are approved for use in the public schools. *Wolman v. Walter*, 433 U.S. 229 (1977); *Meek v. Pittenger*, 421 U.S. 349 (1975); *Board of Education v. Allen*, 392 U.S. 236 (1968). In every such program, however, ownership of the books has remained with the state and the direct beneficiaries have been the nonpublic schoolchildren and their parents rather than the schools. The textbook program in Title XII would be different: the schools would own the books, and thus the schools would be the immediate beneficiaries. Because a majority of the Court in *Wolman v. Walter*, supra, made clear their intention not to extend the rationale supporting the textbook loan program beyond the program itself, this purpose would not appear to be sufficiently limited to be constitutional.

(2) *Standardized tests and scoring services*—In *Levitt v. Committee for Public Education*, 413 U.S. 472 (1973), the Court held unconstitutional a program reimbursing nonpublic schools for, among other things, the costs of giving, compiling, and reporting the results of tests and examinations required by the state. In *Wolman v. Walter*, supra, the Court upheld a program providing standardized tests and scoring services to nonpublic schoolchildren. The provision in Title XII would appear to be more like the latter than the former, and thus likely would be constitutional.

(3) *Diagnostic speech and hearing services on the nonpublic school premises*—The Court has made clear that government cannot subsidize the functions of personnel likely to engage in religious proselytizing. Even when the subsidized function has been secular in nature—secular teaching, guidance counseling, psychological services, etc., the Court has perceived a danger that the personnel involved would become religious advocates because of the pervasively religious atmosphere of sectarian schools. *Lemon v. Kurtzman*, 403 U.S. 602 (1971); *Meek v. Pittenger*, supra. This has been true both when the personnel have been employed by the school itself and when they have been public employees. In *Wolman v. Walter*, supra, however, the Court found it constitutionally permissible for public personnel to provide diagnostic speech and hearing services on the nonpubic school premises, on the grounds that such functions are not closely related to the educational mission of the school and that the relationship between the diagnostician and the child is limited in nature. The employees providing the services sanctioned in *Wolman v. Walter*, supra, however, were public employees. Under Title XII the personnel would necessarily be hired by the sectarian school itself. Consequently, the danger that such employees would be religious advocates would seem to arise, and this use of the grants would not seem sufficiently limited to be constitutional.

(4) *Diagnostic psychological services on the nonpublic school premises*—In *Wolman v. Walter*, supra, the Court upheld diagnostic psychological services on the same rationale as diagnostic speech and hearing services. Again, however, the personnel involved were public. Under Title XII the personnel would be hired by the sectarian school itself, and consequently, the danger that such employees would be religious advocates would again seem to arise. Thus, this use of the grants would not seem sufficiently limited to be constitutional.

(5) *Guidance and counseling services on the nonpublic school premises*—The Court has upheld the provision at public expense of guidance and counseling services *off* the nonpublic school premises by public employees but has struck down the provision of such services *on* the sectarian school premises. Compare *Wolman* v. *Walter*, with *Meek* v. *Pittenger*, *supra*. Even where it has found the services constitutional, the Court has cautioned that such counselors cannot become too intimately involved in helping a student select particular courses in the school. Under Title XII this use of the grants would appear to have the infirmities both that the personnel would be employees of the sectarian school and not public employees and that the services would be provided on the nonpublic school premises.

(6) *Secular instructional materials and equipment—In Meek* v. *Pittenger*, supra, the Court struck down a program loaning secular instructional materials and equipment directly to sectarian schools, on the grounds that such loans would, given the interrelationship between secular and religious education in such schools, advance the school's religious mission. In *Wolman* v. *Walter*, supra, the Court struck down, for the same reason, a program loaning the equipment and materials to the students rather than to the schools. This use of the public funds provided under Title XII would not appear to be constitutional.

(7) *Transportation to and from school*—in *Everson* v. *Board of Education*, 330 U.S. 1 (1947) the Court upheld the provision at public expense of bus transportation between home and school for sectarian schoolchildren. In *Wolman* v. *Walter*, supra, the Court held unconstitutional the public subsidy of transportation for field trips by sectarian schoolchildren, both because the schools controlled such field trips and because they were an integral part of the educational experience. The language used in subsection 1202(b)(7) would appear to be broad enough to include field trips, and thus would seem to be unconstitutional.

In addition to these infirmities in the individual uses proposed for the grants, Title XII would seem to be constitutionally infirm in that it would provide direct grants to sectarian elementary and secondary schools. Every program considered by the Court which has provided funds or in-kind goods directly to sectarian elementary and secondary schools has been held unconstitutional. See *Lemon v. Kurtzman*, supra; *Levitt v. Committee for Public Education*, supra; *Committee for Public Education v. Nyquist*, 413 U.S. 756 (1973); *Meek v. Pittenger*, supra. Where the program has by its nature not been limited to secular uses only, as in the maintenance and repair grants in *Nyquist*, the Court has held the program to have the inevitable effect of advancing religion. Where the program has been nominally limited to secular uses, as in the subsidies for secular teachers in *Lemon*, the subsidies for tests in *Levitt*, and the loan of secular equipment in *Meek*, the Court has either held that the state surveillance necessary to be sure the restrictions to secular use are honored would give rise to excessive entanglement or that, because of the subordination of secular functions to the schools' religious mission, the programs would have a primary effect of advancing religion. Given the list of permissible uses for the grants in Title XII, both effects would appear likely: Excessive entanglement would likely result from monitoring the schools' use of the grants to be sure that the use restrictions were honored, and advancement of religion would likely be the result of at least the secular instructional materials and equipment and the transportation use, and perhaps also of the secular textbook use.

Possible Modifications of Title XII To Make It Constitutional

If the above analysis is correct, modifications are necessary both in the direct grant nature of the program and in several of the permitted uses. In the first instance, it would appear necessary that the grants be made not directly to the sectarian school but to public educational authorities. This would reduce the danger both that the grant as a whole would be found to advance religion and that excessive entanglement would be found to result from the necessary continuing audit

[1] The 1972 report of the President's Commission on School Finance estimated that about 93 percent of the children enrolled in nonpublic elementary and secondary schools are enrolled in church-affiliated institutions, most of which are Catholic. *Schools, People, Money: The Need For Educational Reform* (April 5, 1972), p. 53.

of the schools' use of the grants. Because of state constitutional limitations, a bypass provision comparable to that found in Section 130(b) of S. 1753 might also be included. The permitted uses would also need to be modified, as follows:

(1) *Secular textbooks*—This could be changed so that the public educational authority purchases and loans to nonpublic school students such secular textbooks as are approved for use in the public schools. The definition now in subsection 1202(c)(1) is permissible.

(2) *Standardized tests and scoring services*—To comport with *Wolman v. Walter*, supra, the public educational authority could provide the tests and scoring services in kind rather than by way of reimbursement or subsidy.

(3) *Diagnostic speech and hearing services*—Such services could be provided by public employees or persons under contract with the public educational authority, although it is permissible for such services to be provided on the nonpublic school premises.

(4) *Diagnostic psychological services*—This permitted use could be limited to services provided by public employees or persons under contract to the public educational authority, and can be provided on the nonpublic school premises.

(5) *Guidance and counseling services*—This use must, again, be limited to services provided by public personnel, and can be provided only off the nonpublic school premises, at religiously neutral sites not identified with the sectarian school. A qualification might also be added to make clear that counselors may not become engaged in planning and selecting particular courses in the sectarian school.

(6) *Secular instructional materials and equipment*—This use should be stricken altogether.

(7) *Transportation*—This use could be modified to assure that the subsidy flows to the parents or the students and is limited to transportation between home and school.

Several additional permitted uses for the grants might also constitutionally be added, as follows:

(1) Remedial and accelerated educational services and programming for handicapped children, provided by public personnel at religiously neutral sites off the premises of the sectarian school.

(2) Physical health services for nonpublic schoolchildren, such as physician, nursing, dental, and optometric services, provided by public personnel or persons under contract to the public educational authority, on or off the nonpublic school premises.

(3) Therapeutic speech, hearing, and psychological services, provided by public personnel or persons under contract to the public educational authority, at religiously neutral sites off the sectarian school premises.

Finally, a general proviso could be added that in no use of the grants should the benefits available to nonpublic schoolchildren exceed those available to public schoolchildren. That is, in every instance the disbursements made on behalf of nonpublic schoolchildren should have their equivalents in disbursements for public schoolchildren, and in no instance should the amount expended per pupil in nonpublic schools exceed the amount expended per pupil in public schools.

We hope the above is responsive to your request. If we may be of additional assistance, please call on us.

DAVID M. ACKERMAN,
Legislative Attorney.

DEPARTMENT OF JUSTICE,
Washington, D.C., August 22, 1978.

Hon. ERNEST F. HOLLINGS,
U.S. Senate,
Washington, D.C.

DEAR SENATOR HOLLINGS: You have asked for our views concerning the constitutionality of proposed Title XII of the Elementary and Secondary Education Act. Although our authority to give legal advice and opinions is limited by statute, see 28 U.S.C. §§ 511, 512, we are happy to give you our general comments on the proposed legislation.

Section 1202 of Title XII—Non-public Educational Assistance, would authorize the Commissioner of Education to grant funds to nonpublic elementary and secondary schools for the following purposes:

(1) secular textbooks, to non-public elementary and secondary school students which are approved by the State educational agency for use in public elementary and secondary schools in the State;

(2) standardized tests and scoring services for the use of non-public elementary and secondary school students which are in use in the public schools of the State;

(3) providing speech and hearing diagnostic services to pupils attending non-public schools, if such services are provided in the non-public school attended by the pupil receiving the services;

(4) providing diagnostic psychological service to pupils attending non-public schools if such services are provided in the non-public school receiving the services;

(5) providing guidance and counseling (A) to advise students of courses of study best suited to their ability, aptitude, and skills, (B) to advise students in their decisions as to the type of educational program they should pursue, the vocation they should train for and enter, and the job opportunities in the various fields, and (C) to encourage students with outstanding aptitudes and ability to complete a course of study necessary for admission to institutions of higher education;

(6) providing secular, neutral, and nonideological instructional materials and instructional equipment, which are incapable of being affixed to the non-public school facility and which are capable of portability from the school to the home by the students of the non-public school.

(7) providing necessary transportation to and from non-public elementary and secondary schools to non-public elementary and secondary school children.

As you may know, our Office has had several occasions in recent months to study the constitutional limits on aid to sectarian schools. Those limits are defined by the Establishment Clause of the First Amendment, which sharply curtails the extent to which government may provide such aid. Since we understand that the great majority of nonpublic elementary and secondary schools nationally are sectarian, proposed Title XII raises obvious questions under the Establishment Clause.

To withstand constitutional challenge, a legislative program providing assistance to sectarian schools must meet the three-part test developed in recent Supreme Court decisions:

First, the statute must have a secular legislative purpose; second, its principal or primary effect must be one that neither advances nor inhibits religion . . .; finally, the statute must not foster "an excessive entanglement with religion."

Lemon v. *Kurtzman*, 403 U.S. 602, 612–13 (1971). The Court has applied that test, in *Wolman* v. *Walter*, 433 U.S. 229 (1977), and *Meek* v. *Pittenger*, 421 U.S. 349 (1975), to two state-nonpublic school assistance programs similar to the program outlined in Title XII.

In *Meek*, the Court considered the validity under the Establishment Clause of a Pennsylvania statute authorizing various types of aid to nonpublic schools and students: loans of textbooks to nonpublic school students; loans of instructional material directly to nonpublic schools; and, provision of auxiliary services—remedial and accelerated instruction, guidance counseling and testing, speech and hearing services—to nonpublic schools on nonpublic school premises. The Court sustained only the textbook loan portions of the statute.

In *Wolman*, the Court reviewed an Ohio statute enacted shortly after and in light of the *Meek* decision. The Ohio statute authorized provision of the following services: a textbook loan program similar to that approved in *Meek;* standardized tests and scoring services; speech, hearing and psychological diagnostic services on nonpublic school premises; therapeutic and guidance services outside nonpublic school premises; purchase and loan to pupils or their parents of instructional materials and equipment; and, field trip transportation and related services. The Court held that only the latter two forms of aid violated Establishment Clause standards. In reaching those conclusions with respect to the services and equipment authorized under the Pennsylvania and Ohio statutes, the Court provided detailed guidance as to the extent of government aid to sectarian schools permissible under the Establishment Clause.

Based upon those decisions, it is our view that proposed Title XII fails to meet Establishment Clause standards in several respects. The principal constitutional flaw in the Title XII program is that it would provide grants directly to nonpublic schools. Although the Court has approved particular programs authorizing grants and loans to nonpublic school students and their parents, the Court has consistently indicated that direct grants to sectarian schools are constitutionally impermissible. See, *e.g., Wolman* v. *Walter*, 433 U.S. at 253; *Lemon* v. *Kurtzman*, 403 U.S. at 621.

Moreover, any program which authorizes direct government grants to sectarian schools raises serious problems of Church-State entanglement. Efforts by the Government to ensure secular use of the funds provided may result in the "comprehensive, discriminating, and continuing state surveillance" that the Establishment Clause prohibits. *Wolman* v. *Walter*, 433 U.S. at 254; *Lemon* v. *Kurtzman*, 403 U.S. at 619. Such a program also creates the potential for continuing political strife along religious lines. See, *e.g., Meek* v. *Pittenger*, 421 U.S. at 372.

In addition, in those instances where the Court has sustained the grant or loan of materials and services, the statutory program has provided equal benefits to both public and private school students. See, *e.g., Meek* v. *Pittenger*, 421 U.S. at 360 and n. 8, 362 n. 12. Although the report of the Senate Committee on Human Resources refers to "equitable participation" of nonpublic school students, see S. Rep. No. 95–856, 95th Cong., 2d Sess. 87 (1978), portions of Title XII focus solely on aid to private schools without regard to whether public school students are entitled to receive equivalent materials and services.

Finally, the guidance and counseling section of Title XII fails to observe the careful lines drawn by the Court with respect to those forms of aid, as it does not foreclose the possibility that these services may be provided on nonpublic school premises or by personnel employed by the nonpublic school or subject to its influence or control. *Wolman* v. *Walter*, 433 U.S. at 248; *Meek* v. *Pittenger*, 421 U.S. at 371–72.

In short, our review of recent Supreme Court interpretations of the Establishment Clause indicates that the proposed Title XII program of direct grants to nonpublic schools, if challenged in the courts after enactment, would be held to be unconstitutional. I hope that our comments are helpful to you.

Sincerely,

JOHN M. HARMON,
Assistant Attorney General,
Office of Legal Counsel.

DEPARTMENT OF HEALTH,
EDUCATION, AND WELFARE,
Washington, D.C., June 23, 1978.

Hon. HARRISON A. WILLIAMS, Jr.,
Chairman, Committee on Human Resources,
U.S. Senate, Washington, D.C.

DEAR MR. CHAIRMAN: In a colloquy between Senators Pell and Javits during the Human

Resources Committee mark-up of S. 1753, the Department was asked to state its views on the cost, administrability, and constitutionality of the Non-public Educational Assistance Act of 1978, which the Committee bill would include as a new title XII of the Elementary and Secondary Education Act of 1965.

Under this new program, the Commissioner of Education would be authorized to make grants directly to non-public elementary and secondary schools to be used to purchase the following materials or services:

(1) secular textbooks approved for use in public schools,

(2) standardized tests and scoring services,

(3) speech and hearing diagnostic services,

(4) diagnostic psychological services,

(5) guidance and counseling relating to educational and vocational decisions,

(6) secular, neutral, and non-ideological instructional materials and equipment,

(7) transportation to and from non-public schools.

Grants would be made upon an application containing assurances that funds received would be used only for the purposes of the new program. The new title contains no criteria for distributing available funds among eligible schools. There is no needs test or other device in the title to focus the programs on particular types of non-public schools. The only eligibility criteria are that a recipient school must be accredited or approved under State law and exempt from taxation as a nonprofit organization described in section 501(c)(3) of the Internal Revenue Code of 1954.

Because of the broad nature of the assistance authorized under the proposed new program, a definitive estimate of its cost is not possible. The authorization of appropriations in section 1207 is for $500,000,000 annually through fiscal year 1983. However, we cannot judge at this time whether that amount exceeds or falls short of the amount necessary to meet the reasonable needs of non-public schools for services that would be authorized under title XII.

We may be able to make some rough approximations of likely demand for appropriations under this program based on State experience with similar programs. In the Pennsylvania program which was the subject of the Supreme Court's *Meek* v. *Pittenger* decision, $17,560,000 was appropriated for school year 1973–74 for textbooks and instructional materials for that State's approximately 400,000 non-public school children (approximately $44 per child). For a similar Federal program, even without adjusting for inflation, we can assume that the cost for this portion of the activities authorized under the new program would be approximately $250,000,000 for the 5,000,000 non-public school children in the country. This figure, of course, represents the cost of only a portion of the uses of funds authorized by title XII.

In the Ohio program that was partly upheld and partly invalidated by the Supreme Court in *Wolman* v. *Walter*, $88,000,000 was appropriated for two years (1975 and 1976) for a range of services very similar to those that would be authorized under title XII. This represents approximately $175 per year for each of the 250,000 children enrolled in the non-public schools in Ohio. At that level of support, again without adjusting for inflation, the Federal program would cost roughly $875,000,000 annually.

We foresee serious problems in administering this new program. One of those would be the need to coordinate this program with similar State programs. Many States already provide some or all of the services that would be authorized under title XII. Transportation and texbooks are the items most frequently provided by the States for children in private schools. We would need to devise some means for determining what the legitimate needs are of private schools under the program to ensure that this assistance would not duplicate or supplant the efforts of the States. Moreover, the existence of such a Federal program would be a disincentive for States to create or broaden their own programs for assistance to non-public school children.

Another administrative problem is the sheer number of schools that would be eligible under the program. There are about 18,000 nonpublic schools that could receive grants under the program. If all eligible schools were to apply for assistance under this program, the processing of that number of grants would be an expensive and time-consuming task. Assuming that one-half a person-day would be needed to review each application, a staff of at least 80 persons would be required. That size staff would be sufficient to perform only minimal review and monitoring functions for the new program.

With regard to the constitutionality of the proposed new program, the Department of Justice has advised us, on the basis of its prior opinions concerning the Establishment Clause of the First Amendment and the Supreme Court's decisions in *Wolman* v. *Walter* and *Committee for Public Education* v. *Nyquist*, that it believes title XII would be held to be unconstitutional.

In view of the foregoing, the Department is opposed to the enactment of this legislation.

OMB advises that there is no objection to the presentation of these views, and that enactment of the non-public Educational Assistance Act would not be in accord with the President's program.

Sincerely,

DICK WARDEN,
Assistant Secretary for Legislation.

HARVARD LAW SCHOOL,
Cambridge, Mass., August 18, 1978.

Hon. ERNEST F. HOLLINGS,
U.S. Senate,
Washington, D.C.

DEAR SENATOR HOLLINGS: I am glad to respond to your invitation to express my opinion on the question whether the program of grants authorized by Title XII, as added by Section 112 of S. 1753, appears to be constitutional under recent Supreme Court decisions. The problem relates, of course, to various categories of grants to church-related elementary and high schools, including schools which impose sectarian qualifications for admission of students or appointment to the faculty, and schools whose purpose is to integrate religious and secular instruction.

As you know, problems of public aid in this area have come under intensive judicial review in recent years, beginning with *Lemon v. Kurtzman* and *Early v. DiCenso*, 403 U.S. 602 (1971), through *Committee for Public Education v. Nyquist*, 413 U.S. 756 (1973), *Sloan v. Lemon*, 413 U.S. 875 (1973), and *Levitt v. Committee for Public Education*, 413 U.S. 825 (1973), to *Meek v. Pittinger*, 422 U.S. 1049 (1975) and *Wolman v. Walter*, 97 S.Ct. 2593 (June 24, 1977). The *Wolman* case involved an Ohio program of state aid which appears to have served in some respects as a pattern for the new Title XII, with certain differences the significance of which becomes important to consider.

In general, the Court since its comprehensive consideration of the issues in the 1971 decisions has applied a three-part standard for judging the validity of public aid to church-related schools: the primary purpose must be secular; the aid must not in its effect directly and materially impede or advance the cause of religion; and there must be no undue entanglement of church and state in the administration or political aspects of the program. Applying these standards, the Supreme Court has held invalid a series of programs of public aid, including unrestricted grants, partial payment of salaries of teachers in secular subjects, loans and grants of instructional materials in secular subjects, partial tuition rebates and tax credits to parents. The Court has sustained certain forms of aid, namely, the loan of publicly adopted secular textbooks to students and the provision of various nonpedagogical services to students.

With this general background, let me turn to the specific categories of grants in the proposed Title XII.

TEXTBOOKS

Subsection (1) authorizes federal grants to religious and other nonpublic schools for secular textbooks "to . . . students." This authority goes beyond the decisions that have upheld the provision of textbooks in limited circumstances. Those precedents derive from the *Allen* case, 392 U.S. 236, decided in 1968, which sustained the loan of secular textbooks to students in nonpublic as well as public schools. *Allen* was based on an analogy to the bus-fares precedent, which had emphasized the distinction between benefit to the pupil and that to the religious school. The whole line of decisions thereafter, employing the three-pronged standard, has left the *Allen* case as an anomaly. The Court has been reluctant to overrule it but has limited it to its precise facts. It was followed in the *Meek* and *Wolman* cases, *supra*, where the textbook provisions were identical with those in *Allen*. Where there has been a difference the Court has distinguished *Allen*. In *Public Funds for Public Schools v. Marburger*, 417 U.S. 961, the Court in a per curiam opinion affirmed a district court decision striking down a textbook program that called for reimbursement of parents of nonpublic school children for the purchase price of secular books while public school pupils were only loaned such books. Moreover, as will be seen, the Court has refused to apply *Allen* in principle to the loan of instructional materials that are not textbooks. The result is, as the Court has frankly acknowledged, a "tension" between *Allen* and the line of later decisions on public aid. *Wolman*, p. 2607, n. 18. *Allen* has been followed as "a matter of *stare decisis*." *Ibid.*

Subsection (1) appears to be outside the shelter of *Allen* in three respects. First, it does not prescribe a loan of books to students but would authorize a use of funds for purchase by students. Second, it does not require that the books be owned by the public authorities. Third, it contemplates a grant of funds to religious schools, not a grant or loan in kind, and thus necessitates a degree of supervision over the use of the funds that raises problems of administrative entanglement not involved in *Allen* and its sequels. For these reasons, in my opinion, the textbook provision does not satisfy the strict and special criteria of validity that the Court has insisted on in the textbook cases.

INSTRUCTIONAL MATERIALS AND EQUIPMENT

The anomalous character of the textbook cases is shown by comparison with the rulings concerning other secular teaching materials, like maps, globes, charts, tape recorders, and science kits, the kind of portable equipment covered in subsection (6). These might seem more acceptable public provisions than textbooks, from the standpoint of possible use in religious instruction. And yet in *Wolman* in 1977 the Court refused to sanction these, even when merely loaned to the student. As in all the cases, the Court stressed the inseparability of the religious and secular components in the mission of religious schools: "Thus, even though the loan ostensibly was limited to neutral and secular instrumental material and equipment, it inescapably had the primary effect of providing a direct and substantial advancement of the sectarian enterprise." 97 S. Ct. at 2606.

I therefore conclude that subsection (6) is incompatible with governing Supreme Court law.

STANDARDIZED TESTS AND SCORING SERVICES

The authority to subsidize these appears to be supported by the *Wolman* case. In formulation, execution and evaluation the *public school system is in control,* and use for sectarian purposes is hardly possible.

SPEECH AND HEARING DIAGNOSTIC SERVICES

Subsection (3) differs from a corresponding provision upheld in *Wolman* in that here there is no requirement, as there was in *Wolman,* that the technician performing the services be employed by the State. The issue in *Wolman* was whether the performance of the services on the premises of the religious school would place "pressure on the public diagnostician to allow the intrusion of sectarian views." The Court held the risk to be minimal, distinguishing the case of a therapeutic relationship, where, it was held, following the *Meek* case, the subsidized services must be performed off the premises of the religious school. The validity of subsection (3) is thus not free from doubt, as it would be if it were limited to paying for the services of a publicly employed diagnostician.

DIAGNOSTIC PSYCHOLOGICAL SERVICE

Subsection (4) is possibly vulnerable for the same reasons as (3), and in somewhat greater degree, since the process is less mechanical and more open to the risk of sectarian indoctrination than speech and hearing diagnosis. Again, a requirement of public employment would probably avoid the problem.

GUIDANCE AND COUNSELING

Subsection (5) includes advice regarding both courses of study and career plans. These are so intimately related to the religious aspect of the school that public subsidy seems clearly impermissible. Indeed, in *Wolman* the Court indicated that even off-premise counselling of this kind would not be a legitimate object of public aid for religious-school pupils. As to "planning and selection of particular courses" the Court said: "We agree that such involvement with the day-to-day curriculum of the parochial school would be impermissible." 97 S.Ct. at 2604, n. 13. Subsection (5) is not compatible with the governing constitutional limitations on public aid.

The foregoing analysis has been based on decisions of the Supreme Court in the last decade. Account has not been taken, thus far, of dissenting views in the Court. In that regard, it should be noted that in *Wolman,* the most recent and most closely applicable case, there were Justices who would have taken a more permissive position regarding public aid, and others who would have taken a more restrictive position. In the first group, for example, the Chief Justice and Justices White and Rehnquist would have upheld the provision of instructional materials, and Justice Powell would have done so to the extent they were loaned to students by the State. On the other hand, Justices Brennan, Marshall and Stevens would have struck down the loan of textbooks and all the other forms of public aid (except perhaps diagnostic services by employees).

It should be remarked that the precedents have involved State, not Federal, aid. Since the mandate of the First Amendment is applicable expressly to the Federal government, and only by absorption into the Fourteenth against the States, it is not to be expected that the Court will approve more relaxed standards for the Federal government under the Establishment Clause.

I trust that this analysis will be of some service to you and your colleagues.

Sincerely,

PAUL A. FREUND.

COMMUNITY SCHOOLS

● Mr. CHURCH. Mr. President, many public programs are putting a greater emphasis on the role the community can play in the development and delivery of services. More and more focus is being placed on community health care. Neighborhoods are the center of new housing, health care, and social services proposals. Volunteer programs are being urged to involve the community as much as possible.

I have long thought that community support is essential for the success of such programs. This is why I became interested in community education, which had emerged in Flint, Mich., where the schools were "given to the community" after official school hours. Community residents, young and old, were encouraged to use the school facilities for an array of educational, recreational, and social services. Flint responded so positively that community schools soon flourished elsewhere in the Nation.

In 1971, I introduced legislation to create a federally assisted community schools program. This legislation was incorporated into the Elementary and Secondary Education Act and is now administered by the Office of Education.

Therefore, I was very pleased to join Senator WILLIAMS in sponsoring S. 2711 which creates an expanded community education program, a new title X for community schools under the Elementary and Secondary Education Act. The support that the chairman of the Human Resources Committee, Mr. WILLIAMS, and the chairman of the Subcommittee on Education, Mr. PELL, have given to community education is to be commended. I congratulate them for their leadership in seeing that the new title for community schools has become a significant part of the Elementary and Secondary Education Act.

The new title X reflects the interest and growth in community education that have occurred in recent years. Greater support is given to both State and local educational agencies to develop and expand their community education programs. This support is intended to assist the State and local agencies to coordinate with other educational, recreational, health, and social services to work together to serve the particular needs of the communities.

I was particularly pleased that the bill contains a section that encourages the coordination of community education with other programs. As chairman of the Senate Committee on Aging, I am well aware the importance that a comprehensive community education program can have for the elderly. New friends, new learning, recreational activities, nutrition, and health services encourage them to take an active reentry into community life and concerns.

Mr. President, community education gives people themselves a voice in deciding what services can meet their needs. This legislation encourages that concept and I urge the Senate to act favorably.●

REDUCTION IN RATE OF EXCISE TAX ON INVESTMENT INCOME OF PRIVATE FOUNDATIONS

Mr. ROBERT C. BYRD. Mr. President, under the order that already has been ordered, I ask the Chair to lay before the Senate H.R. 112, Calendar No. 721.

The PRESIDING OFFICER. The bill will be stated by title.

The second assistant legislative clerk read as follows:

A bill (H.R. 112) to amend the Internal Revenue Code of 1954 to reduce the excise tax on the investment income of private foundations from 4 percent to 2 percent.

The Senate proceeded to consider the bill.

Mr. LONG. Mr. President, I ask unanimous consent that during floor consideration of various Finance Committee bills this afternoon, the following Finance Committee staff members be permitted on the floor: Mike Stern, Joe Humphreys, Bob Cassidy, Bill Finan, Jack Curtis, Charles Bruce, Bill Galvin, George Pritts, Jim Heinhold, and Rick Johnston.

And the following Joint Committee on Taxation staff members: Bob Shapiro, Mark McConaghy, Don Ricketts, Carl Bates, Michelle Scott, Harold Hirsch, Alvin Geske, and Errol Halperin.

The PRESIDING OFFICER. Without objection, it is so ordered.

The following Senators requested the privilege of the floor for certain staff members; and, by unanimous consent, the requests were granted: Mr. PROXMIRE, Mr. MCINTYRE, Mr. GRAVEL, Mr. MOYNIHAN, Mr. HART, Mr. CHAFEE, Mr. THURMOND, Mr. HATHAWAY, Mr. BAYH, Mr. BARTLETT, Mrs. ALLEN, and Mr. KENNEDY.

The staff members are as follows: Howard Shuman, David Allen, Chester Finn, Peter Gold, Terry Johnson, Bill Donovan, Carey Parker, Tom Connaughton, Jim Magner, Jim Lochemy, Pam Melton, Sally Rogers, Deming Cowles, Jerry Gauche, Ed King, and Mike Rousch.

Mr. LONG. Mr. President, H.R. 112 reduces from 4 to 2 percent the rate of excise tax imposed annually on the net investment income of domestic private foundations, under section 4940 of the Internal Revenue Code.

The Tax Reform Act of 1969 enacted a 4-percent excise tax to be imposed on the net investment income of all private foundations. In each of the last 6 years, this tax had produced more than twice the revenue needed to finance the operations of the Internal Revenue Service with respect to all types of tax-exempt organizaions, including private foundations. Thus even after the tax is reduced from 4 to 2 percent, it will produce more revenue than the estimated cost of Internal Revenue Service operations with respect to all exempt organizations.

Under the charitable payout rules made applicable to private foundations by the 1969 act, the amount of this tax is subtracted from the minimum amount that such foundations must spend or grant for charitable purposes. Thus in many cases, the tax actually has reduced charitable expenditures. In these cases,

the reduction in the tax made by this bill will result in a corresponding increase in charitable expenditures or grants.

This experience with the tax since 1969 and its adverse impact on charitable expenditures has led the Finance Committee to conclude that it is appropriate to cut the tax rate in half for taxable years beginning after September 30, 1977.

Mr. President, the Senate approved a provision reducing the rate of this tax during its consideration of the 1976 Tax Reform Act. However, the House conferees did not at that time accept the provision. The House has now approved reducing the rate of this tax, and I urge the Senate likewise to adopt H.R. 112.

Mr. PROXMIRE. Mr. President, will the Senator yield?

Mr. LONG. I yield.

Mr. PROXMIRE. Was there a hearing on this bill?

Mr. LONG. Yes; there was.

Mr. PROXMIRE. Who is the primary beneficiary?

Mr. LONG. I do not think there is any primary beneficiary, because this involves all foundations.

Incidentally, I say to the Senator that I have no enthusiasm at all for the bill, but everyone else on the committee favors it.

Mr. PROXMIRE. I am asking some routine questions. I am sure I understand what the bill does. Was there a revenue loss estimated on this or not by the Treasury?

Mr. LONG. Yes. The revenue loss is estimated to be $2 million for fiscal year 1978 and over a 4-year period a decrease in budget receipts of $27 million a year.

Mr. PROXMIRE. $27 million?

Mr. LONG. This involves all foundations.

Mr. PROXMIRE. What is the Treasury's position on this?

Mr. LONG. They favor it.

Mr. PROXMIRE. I thank the Senator.

Mr. CURTIS. Mr. President, as the ranking minority member of the Committee on Finance, I support H.R. 112. This will would reduce the rate of tax on private foundation investment income from 4 percent to 2 percent. This bill is not opposed by the administration and similar legislation has previously been passed by the Senate.

Passage of this bill is particularly important, Mr. President, since it will reinstate a long-standing Federal policy of not subjecting charitable, educational, and similar organizations to a general revenue tax. As many of my colleagues will recall, the Tax Reform Act of 1969 subjected private foundations to substantial restrictions both with respect to their financial practices and their grant-making activities. The House version of the 1969 legislation also subjected foundations to limited income tax both for general revenue purposes and to fund audits of tax-exempt organizations by the Internal Revenue Service.

In 1969, the Finance Committee and the full Senate concluded that foundations should pay only an audit fee tax. However, the House-Senate conference rejected this approach and adopted the 4 percent tax that is now part of the Internal Revenue Code. Thus, for nearly 8 years, private foundations have been subject to a general revenue tax. As the Finance Committee's report on H.R. 112 points out, this tax has produced more than twice the revenue needed by the IRS for its activities with respect to tax-exempt organizations.

The Senate has addressed this issue in the interim period since 1969. Hearings were held by one of the Finance Committee's subcommittees and, as part of the Tax Reform Act of 1976, the Senate adopted a tax reduction provision which was virtually identical to that contained in H.R. 112, the bill which is now before us. The Senate version of the 1976 act also contained an amendment reducing the so-called "minimum investment return" percentage applicable to private foundations to 5 percent. Neither amendment was opposed by the then current administration, but the House conferees on the 1976 act would only accept one of the two foundation amendments. After considerable discussion, the tax reduction amendment was deleted from the 1976 act. However, the House conferees agreed that the tax reduction issue would be reexamined by the Ways and Means Committee at a later date. H.R. 112 is the product of that reexamination and I urge the Senate to once again indicate its support for the proposition that private foundations should not be subject to a general revenue tax. Audit fees are one thing, but a general revenue tax is an inappropriate and unwarranted departure from well-established Federal tax policies. Passage of H.R. 112 will return us to a more appropriate tax policy.

In closing, Mr. President, let me emphasize that this tax reduction bill will not permit foundations to retain funds that would otherwise be paid in taxes. As the Finance Committee's report points out, the tax on investment income reduces the amount which foundations are required to expend or distribute for exempt purposes. Consequently, a reduction in tax will produce a corresponding increase in the flow of foundation grants to our schools, hospitals, and other recipients of foundation support.

For all of these reasons, Mr. President, I support H.R. 112 and urge the Senate to pass it promptly.

● Mr. GRAVEL. Mr. President, as Chairman of the Finance Committee Subcommittee on Energy and Foundations, I was pleased to introduce S. 2204, the Senate companion bill to H.R. 112. Along with more than 50 of my colleagues here in the Senate I sought to reduce the tax on foundations from 4 percent to 2 percent. Reduction of the 4-percent tax on foundations to 2 percent will restore $30 million to charitable purposes. The tax on foundations reduces directly, dollar for dollar, the charitable distributions of foundations. Foundations are required to distribute for charitable purposes the greater of their net income or 5 percent of the value of their assets. Under this minimum payout requirement the law allows foundations to credit as a payout for charitable purposes the amount paid as tax. Thus, the tax directly reduces the amount which foundations are required to distribute for charitable purposes. A reduction in the tax will directly increase, by the exact amount of the tax reduction, the flow of funds from foundations for charitable purposes.

The 4-percent tax was requested by Treasury in 1969 to cover the costs of auditing foundations and enforcing compliance with the law. Prior to 1969 foundations were free from tax. The 1969 Tax Reform Act instituted restrictions on foundations and required Treasury to enforce these restrictions. Since then the Internal Revenue Service has audited nearly all U.S. foundations and found high compliance with the 1969 reforms. The Service has determined that the tax could be reduced to 2 percent while still covering the costs involved in auditing and enforcing the law with respect to foundations. Treasury has estimated the costs of supervising foundations at $10 million annually. But reducing the tax to 2 percent Treasury will still raise $30 million annually from foundations, more than enough to finance IRS supervision and enforcement.

Private philanthropy has traditionally served an important function in our Nation. The foundations have taken leadership roles in education, health services, housing, and community development. Foundations have the flexibility and independence to act where government cannot, to develop innovative and perhaps politically infeasible new ideas and programs. Once proven, these programs are often adopted by government agencies while the foundations go on to break new ground elsewhere.

The passage of H.R. 112 marks the culmination of a long process and I am pleased to see that the Senate has acted, as it has acted in the past, to encourage private philanthropy in America.●

AMENDMENT NO. 2251

(Purpose: To extend for 4 years the exclusion from gross income of amounts which represent a discharge of indebtedness under certain student loan programs)

Mr. LONG. Mr. President, I send to the desk an amendment and ask for its immediate consideration.

The PRESIDING OFFICER. The amendment will be stated.

The legislative clerk read as follows:

The Senator from Louisiana (Mr. LONG) proposes for himself and Mr. HASKELL an amendment numbered 2251.

SEC. . Subsection (c) of section 2117 of the Tax Reform Act of 1976 (relating to cancellation of certain student loans) is amended by striking out "January 1, 1979" and inserting in lieu thereof "January 1, 1983".

Mr. LEAHY. Mr. President, will the Senator yield for a unanimous-consent request?

Mr. LONG. I yield to the Senator from Vermont.

Mr. LEAHY. Mr. President, I ask unanimous consent that Michael Choakes, of my staff, be accorded the privilege of the floor during debates and votes throughout the remainder of the day.

The PRESIDING OFFICER. Without objection it is so ordered.

Mr. PERCY. Mr. President, will the Senator yield for the same purpose?

Mr. LONG. I yield.

Mr. PERCY. Mr. President, I ask unanimous consent that Lawrence Gersham, of my staff, be accorded the privilege of the floor.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. MOYNIHAN. Mr. President, will the Senator yield?

Mr. LONG. I yield.

Mr. MOYNIHAN. Mr. President, before we pass on this matter, I wish to cosponsor the measure, and I express my appreciation and very deep gratitude on behalf of the foundation officials, boards of directors, and recipients, I should think, around the country for the courtesy that the distinguished chairman and distinguished ranking minority member of the committee have shown in this matter.

As a cosponsor of this measure, I rise to speak in support of its passage. Private foundations have played a distinctive and invaluable role in our history—and in world history, for many of them are international in their scope—for the past half century. In one field after another, they have provided sustenance to important endeavors ranging from biomedical and agricultural research to art museums and symphony orchestras. They have supported advanced scholarship in many subjects and major research centers.

Their contributions to education, health care, and social welfare have been superb. Although less celebrated, the majority of foundations are small, community-centered organizations that have concentrated their good work on local needs and concerns.

Perhaps especially noteworthy is the record of private foundations as the vanguard of social progress, supporting major undertakings that were—particularly in their early days—inappropriate or politically impractical areas for Government to become directly involved with. Of these, surely the most significant is the civil rights movement, broadly described.

These endeavors have not been without controversy, and in some instances have not succeeded as well as their optimistic sponsors had hoped. But one of the distinctive features of private foundations—one so conspicuously lacking in Government agencies—is their capacity for learning from experience and for redirecting their efforts into promising pursuits.

Foundations have also provided sustained funding to other programs whose character was not conducive to funding by commercial institutions. Millions of children view Sesame Street which is in part funded by a grant from the Ford Foundation.

The taxation of investment income of foundations was not meant to be a revenue-raising measure, but was rather meant to provide the IRS with enough money to administer the tax laws applying to private foundations.

The experience of the IRS is that at the present 4 percent tax rate, it was collecting twice the money that it needed to administer this program. Besides raising revenue from a source that was never intended to provide it, this tax also reduced the amount of money that these foundations contributed to the various programs they funded, thus undermining their purpose.

I urge my colleagues to correct this inequity.

Mr. BENTSEN. Mr. President, will the Senator yield me a couple minutes?

Mr. LONG. I yield.

The PRESIDING OFFICER. The Senator from Texas.

Mr. BENTSEN. Mr. President, I fully support this measure which I have cosponsored in the past. I thank the chairman of the committee and the manager of the minority for their assistance on this.

The 4-percent excise tax was originally enacted to cover some of the auditing costs of foundations, and it was found to be excessive. The 2-percent proposal is much more in line with what is needed.

The 4-percent excise tax on investment income of private foundations was enacted 8 years ago. This tax has produced more than twice the revenue needed to finance the operations of the Internal Revenue Service with respect to tax-exempt organizations.

Because of the operation of the private foundations charitable distribution provisions, this tax reduces the minimum amount that private foundations are required to spend or grant for charitable purposes. In many cases, the tax actually has reduced charitable expenditures.

Because of the adverse impact of this tax on charitable expenditures, it is now appropriate to cut the tax rate in half.

Mr. President, this bill will help private foundations fulfill such important objectives as promotion of better health care and greater educational opportunities for all Americans. The 4-percent excise tax reduces the amount of funds available for such worthy public objectives.

I urge the Senate to reduce this excise tax from 4 to 2 percent.

Mr. GRAVEL. Mr. President, will the Senator yield?

Mr. LONG. I yield to the Senator from Alaska.

Mr. GRAVEL. Mr. President, as a prime sponsor of this legislation I obviously think it has great merit. I am very happy that we finally got it cleared to go to the other body.

I understand that there will be an unusual amendment proposed on it. I understand also that the chairman of the full committee will be opposing that effort pending action by Congress or a decision collectively going into next September.

I say to my colleagues who intend to put an amendment on this that here is something that is very meritorious. It is a technical correction to an injustice that has existed. It involves a considerable sum of money, $29 to $34 billion for the foundations which will permit them to get more money into research and other activities that the foundation money is used for.

There are several other type measures available of a tax nature.

The chairman of the full committee has been very provident in this, and we have a little cache in the Finance Committee where we hide these little measures and every so often when one is needed, the chairman reaches down in this little cache and pulls one out and we load a saddle on this little bill and sometimes it is an old dilapidated saddle, sometimes it is the most glorious silver saddle you have ever seen in New Mexico. It depends on the situation.

So I just caution my colleagues that I am for what they are trying to do, but I think there is going to be a point in time here where we should cut out what can be saved in an intelligent energy bill that is noncontroversial that will enhance the energy-solving problems in this country and put it on a piece of legislation, and I would be voting for that and speaking for it.

But I tactically, one, do not want to see this vehicle sacrificed for that cause, and that is what would happen in this point in time because what my colleague has done is he has a good thought but I do not think that all the bases have been covered and everyone brought in because we all want to be party to this effort, and I think that not only in this Chamber but on the Ways and Means Committee, so it would do us little value to send over to the House of Representatives something that is going to go to the Ways and Means Committee but they are not going to take up because they do not think it is time to move in this area.

Mr. HART. Mr. President, will the Senator yield?

Mr. GRAVEL. I am happy to yield.

Mr. HART. Obviously, we are discussing an amendment which has not been offered yet, so I think we should wait until the amendment is offered.

I only make two observations. One, there is never going to be a perfect vehicle, and someone who is going to be particularly a principal sponsor of the vehicle is going to object because it may jeopardize that vehicle. So someone is going to have the same complaint on any bill that comes up.

Mr. GRAVEL. If I could just speak to that one point briefly, we have bills in this little cache in the Finance Committee that no one objects to. I can assure the Senator the silkworm bill would be a great vehicle for this to ride on. That little silkworm will just crawl right across this Senate floor over to the House Ways and Means Committee and no one on the floor is going to fight his heart out for the silkworm bill. We have other bills just like that, I can assure the Senator. When we get something that affects all the foundations in the country we have ourselves a little bit of a bearcat on our hands.

I do not think the Senator does his cause any justice in that regard.

Now as to the Senator's second point——

Mr. BUMPERS. Mr. President, will the Senator yield?

Mr. GRAVEL. I yield to Senator Hart who had a second point he wished to make.

Mr. HART. Only it is important in these considerations not merely to have a vehicle that no one objects to but also to have a vehicle that some people want. Vehicles have a way of disappearing here. And then what is imperative on an issue of this sort is to save a vehicle that someone wants.

Mr. GRAVEL. Let me say to my colleague that he has a saddle bigger than the burro here because what he wants is more important than the foundation bill because once there is a consensus reached there is going to be a lot of support for this. In fact, individually, as I understand what would be proposed is not objectionable, but I think it would work better based upon a broader consensus of Congress, and I do not mean just this body or individual Members, but I think the bases have to be touched on the House side with the Ways and Means Committee, and the like.

So I did not want to debate the merits of what the Senator is proposing. I was merely making an appeal to keep this bill virgin because we were careful in the Finance Committee not to touch a line of this bill so that it would go back to the House of Representatives and be accepted immediately.

There will be nothing that we have to go to conference. So what my colleague is going to do is going to bring us to conference and we are back again with the brouhaha with energy. So he will not have advanced his situation by any time element.

So I hope that my colleague will reconsider the tactical advantage of adding energy matters to this foundation corrective legislation.

Mr. BUMPERS and Mr. LONG addressed the Chair.

The PRESIDING OFFICER. The Senator from Louisiana.

Mr. LONG. Mr. President, I shall explain briefly the amendment that I have offered here.

Incidentally, Mr. President, while the amendment bears my name, because I brought it to the desk, this is really the amendment of Mr. HASKELL, the Senator from Colorado.

I ask that his name appear on the amendment because it is his amendment that I offer on behalf of the committee.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. LONG. Mr. President, under certain student loan programs established by the United States and various State and local governments, all or a portion of the loan indebtedness may be discharged if the student performs certain services for a period of time in a certain geographical area pursuant to conditions in the loan agreement. In 1973, the Internal Revenue Service ruled on a situation in which a State medical education loan scholarship program provided that portions of the loan indebtedness are discharged on the condition that the recipient practices medicine in a rural area of the State. The Service determined that amounts received from such a loan program were included in the gross income of the recipient to the extent that repayment of a portion of the loan is no longer required. In 1974, the Service determined that this ruling would be applied only to loans made after June 11, 1973, the date of the 1973 ruling.

The Tax Reform Act of 1976 provided that in the case of loans forgiven prior to January 1, 1979, no amount shall be included in gross income by reason of the discharge of all or part of the indebtedness of the individual under certain student loan programs if the discharge was pursuant to a provision of the loan agreement under which all or part of the indebtedness of the individual would be discharged if the individual works for a certain period of time in certain professions in certain geographical areas or for certain classes of employers.

The committee amendment would provide a 4-year extension, through January 1, 1983. Under the amendment, loans forgiven prior to January 1, 1983, would not be included in the taxpayer's income.

The PRESIDING OFFICER. Is there further discussion of the amendment? The question is on agreeing to the amendment of the Senator from Colorado.

The amendment was agreed to.

AMENDMENT NO. 3521

(Purpose: To increase the credit for State-imposed taxes on coin-operated devices and to repeal the Federal tax on such devices)

Mr. LONG. Mr. President, on behalf of Senator LAXALT and Senator CANNON I send to the desk an amendment.

The PRESIDING OFFICER. The clerk will report.

The legislative clerk read as follows:

The Senator from Louisiana (Mr. LONG), on behalf of Senators LAXALT and CANNON, proposes a printed amendment numbered 3521.

Mr. LONG. Mr. President, I ask unanimous consent that further reading of the amendment be dispensed with.

The PRESIDING OFFICER. Without objection, it is so ordered.

The amendment is as follows:

At the appropriate place, insert the following new section:

SEC. . (a) Paragraph (2) of section 4464 (b) of the Internal Revenue Code of 1954 (relating to limitations on the credit for State-imposed taxes) is amended by striking out "80 percent" in the heading and text thereof and inserting in lieu thereof "95 percent".

(b) Subchapter B of chapter 36 of such Code is repealed.

(c)(1) Section 4402(2) of such Code (relating to exemptions from taxes on wagering) is amended to read as follows:

"(2) COIN-OPERATED DEVICES.—On any wager placed in a coin-operated device (as defined in section 4462 as in effect for years beginning before July 1, 1980), or on any amount paid, in lieu of inserting a coin, token, or similar object, to operate a device described in section 4462(a)(2) (as so in effect), or".

(2) Subsection (a) of section 4901 of such Code (relating to payment of occupational tax) is amended by striking out "or 4461 (a)(1) (coin-operated gaming devices)".

(d)(1) The amendment made by subsection (a) shall apply with respect to years ending June 30, 1979 and June 30, 1980.

(2) The amendments made by subsections (b) and (c) shall apply with respect to years beginning after June 30, 1980.

Mr. LONG. Mr. President, the committee approved the amendment and, as I say, this amendment was the amendment of Senator LAXALT on behalf of himself and his colleague from Nevada.

This committee amendment deals with the Federal excise tax on slot machines and other coin-operated gaming devices.

Under present law an annual tax of $250 is imposed upon each slot machine and gaming device. If a State imposes a similar tax, the State tax is a credit against up to 80 percent of the Federal tax. This State tax credit facilitates the raising of State revenue which, in Nevada, for example, is used to provide assistance to the schools.

This Federal tax contributes only about $6 million to the Treasury. Because of these considerations, the committee amendment raises the limitation on the State tax credit from 80 percent to 95 percent for years ending June 30, 1979, and June 30, 1980, and repeals this tax for years beginning after June 30, 1980.

The Treasury Department does not oppose the repeal of this tax.

Mr. CANNON. Mr. President, will the Senator yield?

Mr. LONG. I yield.

Mr. CANNON. During the 91st Congress I offered, together with my colleague, Alan Bible, legislation to provide that 80 percent of the Federal occupational taxes collected on coin-operated gaming devices be credited for similar taxes imposed by a State where the operation of such devices is legal.

This has been very important to us in Nevada. These taxes have been earmarked for education purposes.

The prevailing sentiment at that time was that Federal jurisdiction in the area of coin-operated gaming devices was primarily for oversight purposes and not for raising revenue. Therefore, I was extremely pleased when my proposal was agreed upon and signed into public law. My feeling at that time was that the credit figure should have been higher than 80 percent. Thus, I strongly urge support of this measure which would amend the Internal Revenue Code of 1954 to increase the limitation on the credit to 95 percent in 1979 and 1980, and to 100 percent after that.

I would like to point out that the Nevada Legislature enacted legislation to insure that proceeds resulting from the Federal credit be earmarked for the support of the State's public school system. I fully expect that this arrangement will continue if the proposed change is agreed upon by Congress.

The fact is the revenues from the taxes are extremely minor. In any event, I believe this proposed change is most reasonable. This provision was simply never intended as a revenue-raising measure.

Additionally, this change is entirely consistent with the findings and recommendations of the Commission on Review of the National Policy Toward Gambling, which recommended that State governments have sole jurisdiction for legalized gaming activity.

● Mr. LAXALT. Mr. President, I am pleased to support my distinguished senior colleague in his advocacy of this amendment. We have both worked long

and hard in this effort, and I wish to commend him for his labors.

Section 4461 of the code imposes a $250 annual tax on coin-operated gaming devices. In 1971, an amendment was added to allow an 80-percent credit for State taxes paid on these devices. I would, today, like the Senate to consider raising the credit level to 95 percent.

Moneys obtained from this credit have been very helpful to Nevada education and it is for this reason that I urge the Senate to expand it. Under State law, an amount equal to the credit is made available for education. The first $5 million is allocated to a fund earmarked for capital improvements in the University of Nevada system, including the community colleges. Funds in excess of $5 million go to the State distributive school fund, which, under Nevada law, is the principal mechanism for distributing State assistance to local school districts.

By Federal standards, the revenue losses associated with expanding the credit are rather small. But they are extremely important for education in my State. In 1977, the slot tax grossed $14 million, 80 percent, or $11.8 million, of which was offset by the State credit. Our estimates indicate that, at the 95-percent figure, $13.7 million would be available to the State, thus yielding an additional $2 million for Nevada education. In 1977, the State Legislature established a special Higher Education Capital Construction Fund in anticipation of an increase in the amount of the credit. Under this new Nevada law, the incremental gain from the increase in the credit would be specifically earmarked for the payment of interest and amortization of principal to defray construction costs for sorely needed continuing education and athletic facilities at the University of Nevada's Reno and Las Vegas campuses.

Mr. President, it is my understanding that some 15,000 students enrolled in about 475 continuing education programs at the university's fast-growing Las Vegas campus are now making do in borrowed classrooms or rented facilities off-campus with no permanent housing. It is my hope that the Senate will, today, help rectify this situation.

Mr. President, I urge favorable consideration of this matter.●

Mr. PROXMIRE. Mr. President, will the Senator yield?

Mr. LONG. Yes.

Mr. PROXMIRE. What is the revenue loss on this?

Mr. LONG. $6 million.

Mr. PROXMIRE. $6 million?

Mr. LONG. That is a loss to the State of Nevada. The point is that the Treasury's attitude about this matter is that it raises so little tax when you let the State have a credit for most of it that they would just prefer not to fool around with it.

Mr. PROXMIRE. But the loss is to the State of Nevada not to the U.S. Treasury?

Mr. CANNON. Mr. President, if the Senator will yield, the Treasury would not collect that $6 million. It would go to the State of Nevada, yes.

Mr. PROXMIRE. I see. But there is no opposition on the part of the Treasury?

Mr. LONG. The Treasury advocates the repeal of the tax because there would be so little revenue flowing to the Treasury that they would rather not fool with it. They do not oppose the amendment.

The PRESIDING OFFICER. The question is on agreeing to the amendment of the Senator from Nevada.

The amendment was agreed to.

UP AMENDMENT NO. 1723

(Purpose: To extend for one year tax treatment of certain small farming corporations)

Mr. BUMPERS. Mr. President, I send an amendment to the desk on behalf of myself, Mrs. ALLEN, Mr. SPARKMAN, Mr. MUSKIE, Mr. HATHAWAY, Mr. HODGES, and Mr. LUGAR, and ask for its immediate consideration.

The PRESIDING OFFICER. The will report.

The legislative clerk read as follows:

The Senator from Arkansas (Mr. BUMPERS) proposes an unprinted amendment numbered 1723.

Mr. BUMPERS. Mr. President, I ask unanimous consent that further reading of the amendment be dispensed with.

The PRESIDING OFFICER. Without objection, it is so ordered.

The amendment is as follows:

At the appropriate place in the bill, add the following new section:

"SEC. . Section 207(c)(2) of the Tax Reform Act of 1976, as amended by Section 404 of the Tax Reduction and Simplification Act of 1977, Public Law 95–30, is further amended by striking the date "December 31, 1977" in Section 207(c)(2)(B) and inserting in lieu thereof the date "December 31, 1978."

Mr. BUMPERS. Mr. President, the Tax Reduction and Simplification Act of 1977, Public Law 95–30, permits certain kinds of family farming corporations to continue to use the cash basis of accounting for tax purposes. Under this act, corporations in which two families own at least 65 percent of the stock, or in which three families own at least 50 percent of the stock and substantially all of the remaining stock is owned by employees, their families, or trusts for the benefit of employees may elect to use the cash basis. The general rule, as Members will recall, enacted into law by the Tax Reform Act of 1976, is that farming corporations must use the accrual basis. There are a number of exceptions to this rule, however, one of which is embodied in the act we passed last year.

This exception, however, was effective for 1 year only. It was made temporary in the expectation that President Carter's tax reform program, then in the process of being prepared, would address the issue of cash versus accrual accounting and resolve it on a permanent basis. The issue is now being resolved. As a matter of fact, the House has now passed H.R. 13511, which would solve this problem permanently by allowing certain categories of family farms, including those covered by Public Law 95–30, to continue to use the cash basis at their option.

In the meantime, however, the 1-year exception has expired. It applied only to taxable years beginning before December 31, 1977. In order to preserve the status quo and allow those corporations presently covered by the exception to continue to avail themselves of its provisions, an additional extension of 1 year is necessary. This period of time will undoubtedly be sufficient for the problems to be addressed and solved on a permanent basis, since the Senate plans to take up H.R. 13511 in the near future.

The amendment I propose would simply extend the family exception in Public Law 95–30 for 1 additional year. The exception would be available for any taxable years beginning before December 31, 1978. The Treasury Department does not oppose the amendment. I ask unanimous consent that a letter dated May 3, 1978, from Donald C. Lubick, then Acting Assistant Secretary of the Treasury for Tax Policy, be printed in the RECORD at this point.

There being no objection, the letter was ordered to be printed in the RECORD, as follows:

DEPARTMENT OF THE TREASURY,
Washington, D.C., May 3, 1978.

HON. DALE BUMPERS,
U.S. Senate,
Washington, D.C.

DEAR SENATOR BUMPERS: This is in response to your request for the Treasury's position regarding an additional two year postponement of the mandatory accrual accounting rules for certain large farming corporations.

For taxable years beginning after December 31, 1976 large corporations engaged in the business of farming are generally required to use an accrual method of accounting to compute taxable income. An exception is provided for farm corporations owned by members of the same family. Under the Tax Reform Act of 1976 this exception for the family farm corporations was restricted to corporations where 50 percent or more of the voting stock and 50 percent or more of all other classes of stock are owned by members of the same family. Under the Tax Reduction and Simplification Act of 1977, the family farm corporation exception was broadened to cover corporations where two families own at least 65 percent of the corporation's stock or where three families own at least 50 percent of the stock and substantially all of the remaining stock is owned by employees of the corporation, their families, or exempt retirement trusts established for the benefit of the employees.

The two-family and the three-family ownership exceptions were effective for one year, but legislation has been proposed to extend these exceptions for an additional two years. We do not oppose this legislation but recognize it only as an interim solution to alleviate certain competitive inequities suggested to exist by members of the poultry industry. These inequities would be permanently eliminated under the Administration's proposal discussed below.

The Administration has proposed the repeal of the exceptions for family farm corporations. Our proposal is based on the desire to require a more clear reflection of taxable income by all large farming corporations. We, of course, support the continuation of an exception from the accrual accounting rules for farm corporations with $1 million or less of gross receipts as a means of relieving small farmers from the administrative complexity of an accrual method of accounting. However, large farm corporations whether or not family owned, cannot fairly claim they lack access to the sophisticated accounting and recordkeeping procedures involved in the accrual method of accounting. In fact, many of these large corporations regularly use the accrual method of accounting for financial statement purposes.

We further believe that large farming corporations affected by the change from the cash method of accounting to the ac-

crual method of accounting will have the hardship of making the transition alleviated by the statutory provision currently included in section 447 which generally allows them to take the net adjustment which must be made into account over a ten year period.

Sincerely,

DONALD C. LUBICK,
Acting Assistant Secretary.

Mr. BUMPERS. Mr. President, hesitant as I am to offer this amendment on this particular bill, of which I am a cosponsor, it is a matter of great import to the poultry industry in which, as you know, my State is the leader across the country.

The matter is taken care of in the tax bill, H.R. 13511. This amendment would simply extend present law for 1 year, and it will eliminate a terrible discrimination against certain family farms in the country if the amendment is adopted.

I would urge its adoption. I have discussed this with the managers of the bill, and I will be happy to yield to my colleague from Maine.

Mr. HATHAWAY. Mr. President, I think it is a very good, worthwhile amendment. It does correct an inequity that was not considered at the time this bill was passed. The Committee on Finance is studying whether or not cash accounting or accrual accounting should apply to all farms. I think this 1-year extension is certainly equitable in this case. So that gives the committee a chance to study the whole problem of accounting on farms.

The PRESIDING OFFICER. Is there further discussion?

Mr. PROXMIRE. Mr. President, would the Senator from Arkansas yield?

Mr. BUMPERS. I would be happy to yield.

Mr. PROXMIRE. What is the revenue loss on this proposal?

Mr. BUMPERS. There is no revenue loss.

Mr. PROXMIRE. We would forego a revenue gain, is that not true?

Mr. BUMPERS. Not entirely. This bill was passed a year ago. This is an extension of the provision that was passed a year ago, and a similar provision is included in the House bill, the tax bill in the House, which is coming over here, hopefully, to be considered and passed by this body before the end of the session.

I am offering it today as a simple hedge against the possibility that that bill will not make it because of time constraints.

Mr. PROXMIRE. Is this the so-called chicken amendment? [Laughter.]

Mr. BUMPERS. It has been called by various names.

Mr. PROXMIRE. Well, the reason I asked it is does it single out industrial structures related to poultry production or treatment that do not apply to other industrial structures?

Mr. BUMPERS. No; that is not correct, Senator. In addition, the Treasury Department has given its endorsement, as the letter I put in the RECORD earlier indicates.

Mr. PROXMIRE. The Treasury Department supports the bill?

Mr. BUMPERS. Yes.

Mr. PROXMIRE. I thank the Senator.

● Mrs. ALLEN. Mr. President, I have joined with the distinguished Senator from Arkansas in offering an amendment to H.R. 112, inasmuch as I too believe that the serious inequity suffered by certain poultry producers as a result of the adoption of section 207 of the Tax Reform Act of 1976 (Public Law 94–455) ought to be corrected.

As Senators will recall, section 207 dealt with corporations engaged in farming and was designed to reduce the use of corporate farming operations for tax shelter purposes. To accomplish that purpose, section 207 forces agricultural corporations to use the accrual method of accounting. Appropriate exceptions were made to the section to permit relatively small-sized, family-controlled corporate farming operations to continue without coming under the new requirements set forth in the section. These exceptions recognize that many family-controlled small corporations are engaged in agriculture strictly for profit and are not utilized for sheltering of income earned from other nonfarm sources.

While there is probably general agreement in the Senate that the tax loopholes in corporate farming should have been closed, I doubt, Mr. President, that any Senator intended the result section 207 will have in actual fact when applied to certain owner-operated family corporations producing broilers and other poultry products.

It is my information that of the top 36 firms in the broiler industry, only two that were not publicly held were adversely affected by this provision. Thus, the impact of the provision penalized two firms in the entire industry. Surely, a provision which extracts such a discriminatory toll cannot pass for tax reform.

Mr. President, I am advised that the broiler industry is expanding at a rate of 5 to 7 percent annually. That fact alone makes the accrual method of accounting required by Public Law 94–455 undesirable. Stated simply, the accrual method would require a company to pay taxes on accounts receivable, cash on hand, and inventory so that taxes will fall due on accounts receivable which are increasing at a rate commensurate with the general increase in broiler production and income. On the other hand, the cash method of accounting, which was permitted to all broiler producers prior to the enactment of Public Law 94–455, required the payment of taxes only on in-hand cash earnings so that the projected growth aspect of the accrual method did not penalize the taxpayer.

The result, Mr. President, of forcing some broiler companies to go to the accrual method while allowing others to remain on the cash method will be simply to put at a tremendous competitive disadvantage certain family-owned operations which in actual character differ not one whit from other corporations which fit the formal exceptions set forth in section 207 of Public Law 94–455. Since the disadvantaged corporations are uniformly not corporations utilized for tax shelter purposes, do not see any reason that the inequity created should be allowed to go uncorrected.

I believe the seriousness of the situation merits adoption of the amendment proposed today by Senator BUMPERS in that it would delay the application of section 447 of the Internal Revenue Code for 1 year to permit time for permanent tax relief to prevent serious damage being done to companies involved as a result of the failure of Congress to foresee the full consequences of our earlier action.●

The PRESIDING OFFICER. The question is on agreeing to the amendment of the Senator from Arkansas.

The amendment was agreed to.

UP AMENDMENT NO. 1724

(Purpose: To allow a tax credit for certain residential energy conservation and alternative energy source expenditures)

Mr. HART. Mr. President, on behalf of myself and Senators MCINTYRE, PERCY, JAVITS, DECONCINI, MCGOVERN, MATSUNAGA, RIEGLE, BROOKE, GLENN, CLARK, PELL, HEINZ, THURMOND, WILLIAMS, DURKIN, INOUYE, and SPARKMAN, I send to the desk an unprinted amendment and ask for its immediate consideration.

The PRESIDING OFFICER. The clerk will report.

The legislative clerk read as follows:

The Senator from Colorado (Mr. HART) proposes an unprinted amendment numbered 1724.

Mr. HART. Mr. President, I ask unanimous consent that further reading of the amendment be dispensed with.

The PRESIDING OFFICER. Without objection, it is so ordered.

The amendment is as follows:

At the end of the bill, add the following new section:

SEC. . RESIDENTIAL ENERGY CREDIT.

(a) GENERAL RULE.—Subpart A of part IV of subchapter A of chapter 1 of the Internal Revenue Code of 1954 (relating to credits allowable) is amended by inserting after section 44B the following new section:

"SEC. 44C. RESIDENTIAL ENERGY CREDIT.

"(a) GENERAL RULE.—In the case of an individual, there shall be allowed as a credit against the tax imposed by this chapter for the taxable year an amount equal to the sum of—

"(1) the qualified energy conservation expenditures, plus

"(2) the qualified renewable energy source expenditures, plus

"(3) the qualified hydrogen energy expenditures.

"(b) QUALIFIED EXPENDITURES.—For purposes of subsection (a)—

"(1) ENERGY CONSERVATION. In the case of any dwelling unit, the qualified energy conservation expenditures are 20 percent of so much of the energy conservation expenditures made by the taxpayer during the taxable year with respect to such unit as does not exceed $2,000.

"(2) RENEWABLE ENERGY SOURCES.—In the case of any dwelling unit, the qualified renewable energy source expenditures are the following percentages of the renewable energy source expenditures made by the taxpayer during the taxable year with respect to such unit:

"(A) 30 percent of so much of such expenditures as does not exceed $2,000, plus

"(B) 20 percent of so much of such expenditures as exceeds $2,000 but does not exceed $10,000.

"(3) HYDROGEN ENERGY.—In the case of any dwelling unit, the qualified hydrogen energy expenditures are 20 percent of so much of the hydrogen energy expenditures made by the

taxpayer during the taxable year with respect to such unit as does not exceed $2,000.

"(4) PRIOR EXPENDITURES BY TAXPAYER ON SAME RESIDENCE TAKEN INTO ACCOUNT.—If for any prior taxable year a credit was allowed to the taxpayer under this section with respect to any dwelling unit by reason of energy conservation expenditures or renewable energy source expenditures, paragraph (1), (2), or (3) (whichever is appropriate) shall be applied for the taxable year with respect to such dwelling unit by reducing each dollar amount contained in such paragraph by the prior year expenditures taken into account under such paragraph.

"(5) MINIMUM DOLLAR AMOUNT.—No credit shall be allowed under this section with respect to any return for any taxable year if the amount which would (but for this paragraph) be allowable with respect to such return is less than $10.

"(c) DEFINITIONS AND SPECIAL RULES.—For purposes of this section—

"(1) ENERGY CONSERVATION EXPENDITURE.—The term 'energy conservation expenditure' means an expenditure made on or after April 20, 1977, by the taxpayer for insulation or any other energy-conserving component (or for the original installation of such insulation or other component) installed in or on a dwelling unit—

"(A) which is located in the United States, the Virgin Islands, or Guam,

"(B) which is used by the taxpayer as his principal residence, and

"(C) the construction of which was substantially completed before April 20, 1977.

"(2) RENEWABLE ENERGY SOURCE EXPENDITURE.—

"(A) IN GENERAL.—The term 'renewable energy source expenditure' means an expenditure made on or after April 20, 1977, by the taxpayer for renewable energy source property installed in connection with a dwelling unit—

"(i) which is located in the United States, the Virgin Islands, or Guam, and

"(ii) which is used by the taxpayer as his principal residence.

"(B) ITEMS INCLUDED.—The term 'renewable energy source expenditure' includes only expenditures for—

"(i) renewable energy source property, or

"(ii) labor costs properly allocable to the onsite preparation, assembly, or installation of renewable energy source property.

"(C) SWIMMING POOL, ETC., USED AS STORAGE MEDIUM.—The term 'renewable energy source expenditure' does not include any expenditure properly allocable to a swimming pool used as an energy storage medium or to any other energy storage medium which has a function other than the function of such storage.

"(3) HYDROGEN ENERGY EXPENDITURES.—

"(A) IN GENERAL.—The term 'hydrogen expenditures' means an expenditure made on or after April 20, 1977, by the taxpayer for hydrogen energy property and installation installed in connection with a dwelling unit—

"(i) which is located in the United States, the Virgin Islands, or Guam, and

"(ii) which is used by the taxpayer as his principal residence.

"(B) ITEMS INCLUDED.—The term 'hydrogen energy expenditures' includes only expenditures for—

"(i) hydrogen energy property, and

"(ii) labor costs properly allocable to the onsite preparation, assembly, or installation of hydrogen energy property, or to the modification of conventional property for the use of hydrogen as a fuel.

"(4) INSULATION.—The term 'insulation' means any item—

"(A) which is specifically and primarily designed to reduce when installed in or on a dwelling (or water heater) the heat loss or gain of such dwelling (or water heater),

"(B) the original use of which begins with the taxpayer,

"(C) which can reasonably be expected to remain in operation for at least 3 years, and

"(D) which meets the performance and quality standards, if any, which—

"(i) have been prescribed by the Secretary by regulations, and

"(ii) are in effect at the time of the acquisition of the item.

"(5) OTHER ENERGY-CONSERVING COMPONENT.—The term 'other energy-conserving component' means any item (other than insulation)—

"(A) which is—

"(i) a replacement furnace or boiler designed to provide more efficient energy utilization by improving heat generation or lowering heat losses,

"(ii) a furnace replacement burner designed to achieve a reduction in the amount of fuel consumed as a result of increased combustion efficiency,

"(iii) a device for modifying flue openings designed to increase the efficiency of operation of the heating system,

"(iv) an electrical or mechanical furnace ignition system which replaces a gas pilot light,

"(v) a storm or thermal window or door for the exterior of the dwelling,

"(vi) an automatic energy-saving setback thermostat,

"(vii) caulking or weather stripping of an exterior door or window,

"(viii) a heat pump which replaces an electric resistance heating system,

"(ix) meters which display the cost of energy usage,

"(x) a replacement fluorescent lighting system,

"(xi) an evaporative cooling device,

"(xii) an item (other than a fireplace) which is designed to use wood and peat as a fuel for space heating, the heating of water or cooking of food, or any combination thereof, including any controls, ducts, stovepipes, footing or other item (other than a chimney) necessary for the safe and efficient operation of any such item, or

"(xiii) an item of the kind which the Secretary specifies by regulations as increasing (by conversion or otherwise) the energy efficiency of the dwelling,

"(B) the original use of which begins with the taxpayer,

"(C) which can reasonably be expected to remains in operation for at least 3 years, and

"(D) which meets the performance and quality standards, if any, which—

"(i) have been prescribed by the Secretary by regulations, and

"(ii) are in effect at the time of the acquisition of the item.

In establishing regulations under this paragraph, the Secretary shall prescribe (i) guidelines setting forth the criteria which are used in the determination of whether an item is an energy-conserving component, and (ii) a procedure under which a manufacturer of an item may request the Secretary to specify or certify that item as an energy-conserving component.

"(6) RENEWABLE ENERGY SOURCE PROPERTY.—The term 'renewable energy source property' means property—

"(A) which, when installed in connection with a dwelling—

"(i) uses solar energy to heat or cool such dwelling or to provide hot water for use within such dwelling, or to produce electricity,

"(ii) uses wind energy for nonbusiness residential purposes,

"(iii) is necessary to distribute or use geothermal deposits (as defined in section 613 (e)) which provide geothermal energy to heat or cool such building or provide hot water for use within such building, or

"(iv) uses any other form of renewable energy which the Secretary specifies by regulations,

"(B) the original use of which begins with the taxpayer,

"(C) which can reasonably be expected to remain in operation for at least 5 years, and

"(D) which meets the performance and quality standards, if any, which—

"(i) have been prescribed by the Secretary by regulations, and

"(ii) are in effect at the time of the acquisition of the property.

"(7) HYDROGEN ENERGY PROPERTY.—The term 'hydrogen energy property' means property—

"(A) which, when installed in connection with a dwelling—

"(i) uses hydrogen as a fuel for the purpose of heating or cooling such dwelling or providing hot water for use within such dwelling, or

"(ii) is used in the electrolysis of water for the production of hydrogen,

"(B) the original use of which begins with the taxpayer,

"(C) which can reasonably be expected to remain in operation for at least 5 years, and

"(D) which meets the performance and quality standards, if any, which—

"(i) have been prescribed by the Secretary by regulations, and

"(ii) are in effect at the time of the acquisition of the property.

"(8) CONSULTATION IN PRESCRIBING STANDARDS.—Performance and quality standards shall be prescribed by the Secretary under paragraphs (4), (5), (6), and (7) only after consultation with the Secretary of Energy, the Secretary of Housing and Urban Development, and other appropriate Federal agencies.

"(9) WHEN EXPENDITURES MADE; AMOUNT OF EXPENDITURES.—

"(A) Except as provided in subparagraph (B), an expenditure with respect to an item shall be treated as made when original installation of the item is completed.

"(B) In the case of renewable energy source expenditures in connection with the construction or reconstruction of a dwelling, such expenditures shall be treated as made when the original use of the constructed or reconstructed dwelling by the taxpayer begins.

"(C) The amount of any expenditure shall be the cost thereof.

"(D) If less than 80 percent of the use of an item is for nonbusiness residential purposes, only that portion of the expenditures for such item which is properly allocable to use for nonbusiness residential purposes shall be taken into account. For purposes of the preceding sentence, use for a swiming pool shall be treated as use which is not for residential purposes.

"(10) PRINCIPAL RESIDENCE.—The determination of whether or not a dwelling unit is a taxpayer's principal residence shall be made under principles similar to those applicable to section 1034, except that—

"(A) no ownership requirement shall be imposed, and

"(B) the period for which a dwelling is treated as the principal residence of the taxpayer shall include the 30-day period ending on the first day on which it would (but for this subparagraph) be treated as his principal residence.

"(11) ENVIRONMENTAL RESTRICTIONS ON CERTAIN WOOD AND PEAT BURNING ITEMS.—No credit shall be allowed under subsection (a) for expenditures with respect to any item described in paragraph (5)(A)(xii) which are to be installed in any metropolitan or other area after the date on which—

"(A) the Administrator of the Environmental Protection Agency certifies to the Secretary that the emissions from such items would cause air quality in such area to be in violation of any Federal law, or

"(B) the Secretary of Agriculture certifies to the Secretary that additional consump-

tion of wood in connection with such items would endanger forests in that area.

"(d) SPECIAL RULES.—For purposes of this section—

"(1) DOLLAR AMOUNTS IN CASE OF JOINT OCCUPANCY.—In the case of any dwelling unit which is jointly occupied and used during any calendar year as a principal residence by 2 or more individuals—

"(A) the amount of the credit allowable under subsection (a) by reason of energy conservation expenditures or by reason of renewable energy source expenditures (as the case may be) made during such calendar year by any of such individuals with respect to such dwelling unit shall be determined by treating all of such individuals as one taxpayer whose taxable year is such calendar year; and

"(B) each of such individuals shall be allowed a credit under subsection (a) for the taxable year in which such calendar year ends (subject to the limitation of paragraph (5) of subsection (b)) in an amount which bears the same ratio to the amount determined under subparagraph (A) as the amount of such expenditures made by such individual during such calendar year bears to the aggregate of such expenditures made by all of such individuals during such calendar year.

"(2) TENANT-STOCKHOLDER IN COOPERATIVE HOUSING CORPORATION.—In the case of an individual who holds stock as a tenant-stockholder (as defined in section 216) in a cooperative housing corporation (as defined in such section), such individual shall be treated as having made his tenant-stockholder's proportionate share (as defined in section 216(b)(3)) of any expenditures of such corporation.

"(3) CONDOMINIUMS.—

"(A) IN GENERAL.—In the case of an individual who is a member of a condominium management association with respect to a condominium which he owns, such individual shall be treated as having made his proportionate share of any expenditures of such association.

"(B) CONDOMINIUM MANAGEMENT ASSOCIATION.—For purposes of this paragraph, the term 'condominium management association' means an organization which meets the requirements of paragraph (1) of section 528(c) (other than subparagraph (E) thereof) with respect to a condominium project substantially all of the units of which are used as residences.

"(e) BASIS ADJUSTMENTS.—For purposes of this subtitle, if a credit is allowed under this section for any expenditure with respect to any property, the increase in the basis of such property which would (but for this subsection) result from such expenditure shall be reduced by the amount of the credit so allowed.

"(f) CARRYOVER OF UNUSED CREDIT.—If the amount of the credit determined under this section for the taxable year exceeds the liability for the taxpayer for the tax under this chapter for the taxable year, the excess shall be carried over to each of the 2 taxable years succeeding that taxable year. The entire amount of the unused credit for an unused credit year shall be carried to the earliest of the 2 taxable years to which it may be carried, and then to the succeeding taxable year to the extent that it may not be added for a prior taxable year to which it might be carried.

"(g) TERMINATION.—This section shall not apply to expenditures made after December 31, 1985.".

(b) INSPECTION.—To the extent not presently authorized and utilized by an agency of the United States in the assessment and collection of income taxes, no procedure or practice which utilizes onsite inspection of the residence of an individual shall be employed to determine if that individual is entitled to a credit under section 44C of the Internal Revenue Code of 1954, as added by subsection (a), unless such procedure or practice provides that such inspection shall take place only with the written consent of such individual.

(c) TECHNICAL AND CLERICAL AMENDMENTS.—

(1) The table of sections for subpart A of part IV of subchapter A of chapter 1 of such Code is amended by inserting after the item relating to section 44B the following new item:

"Sec. 44C. Residential energy credit.".

(2) Subsection (c) of section 56 of such Code (defining regular tax deduction) is amended by striking out "credits allowable under—" and all that follows and inserting in lieu thereof "credits allowable under subpart A of part IV other than under sections 31, 39, 43, and 44C.".

(3) Subsection (a) of section 1016 of such Code (relating to adjustments to basis) is amended by inserting after paragraph (20) the following new paragraph:

"(21) to the extent provided in section 44C(e), in the case of property with respect to which a credit has been allowed under section 44C;".

(4) Subsection (b) of section 6096 of such Code (relating to designation of income tax payment to Presidential Election Campaign Fund) is amended by striking out "and 44B" and inserting in lieu thereof "44B, and 44C".

(e) EFFECTIVE DATE.—The amendments made by this section shall apply to taxable years ending on or after April 20, 1977.

Mr. HART. I ask unanimous consent that Peter Gold and Terry Johnson of my staff and Robin Carpenter of Senator McGOVERN's staff be afforded privileges of the floor during debate and rollcalls on the pending tax measures.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. HART. Mr. President, I ask for the yeas and nays on the amendment.

The PRESIDING OFFICER. Is there a sufficient second?

Mr. LONG. Might I ask the Senator not to insist on the yeas and nays on the amendment? We might be able to accept the amendment and, if that is the case, we can save some time.

Mr. HART. I wonder if we could get the yeas and nays, and if we can get them and then they are not necessary we can vitiate the order for the yeas and nays.

Mr. LONG. It takes unanimous consent to vitiate. If the Senator is not satisfied, we will order the yeas and nays.

Mr. BUMPERS. Mr. President, I ask unanimous consent that Richard Arnold of my staff be accorded the privileges of the floor during the consideration of this measure.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. DURKIN. Mr. President, I make the same request for Ed Tanzman, Harris Miller, and Bob Millen of my staff.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. HART. Mr. President, when President Carter introduced the National Energy Plan on April 20, 1977, the most popular and least controversial proposals were those providing tax credits for homeowners who invested in energy-conserving improvements and renewable energy resources.

The current impasse over the energy tax provisions of the national energy legislation has created hardships and disillusionment for homeowners who made energy-conserving improvements or invested in solar equipment in the belief that they would be eligible for the substantial Federal tax incentives proposed by the President. Continued inaction on these provisions has served only to undermine public confidence in the ability of the Congress to deal with our critical energy problems.

Of equal importance is the damaging effects that Congressional inaction has had on the growth and development of new industries engaged in the manufacture, installation and maintenance of renewable energy technologies.

A case in point is the solar energy industry. Many potential users of solar equipment have deferred purchases until it is clear that Congress will in fact adopt a National Energy Act with tax credits and other financial incentives for these systems. Consumers are also unsure as to whether these credits will be retroactive to April 20 of last year, or if the solar credit will be refundable to purchasers with low tax liabilities.

This ambiguous situation has had devastating effects on the solar industry. A recent survey of the solar energy industry in America conducted for the Department of Energy revealed that 14,000 solar units were manufactured and sold in the United States during the first 6 months of 1977, before and shortly after the President's energy message. In the 14 months since the President's energy announcement, only an estimated 22,000 solar units have been installed. The growth rate of this industry during the first 6 months of 1978 has slowed to an estimated 13.6 percent—a 40-percent decline from the same period just 1 year ago.

At the same time, the market share of "major" solar businesses—with annual sales of more than $1 million—has increased from 30 to 45 percent. The reason for this trend is all too clear. Small solar businesses are dependent upon continued growth for their survival. They must plow back earnings into new plant and equipment, which will permit them to realize the economies-of-scale. Only in this way will they be able to reduce the unit costs of these systems for consumers and remain competitive with the relatively few solar businesses with large capital resources.

Let me quote from a Washington Post article written by Mr. John McCombs, president of a small solar energy firm. Mr. McCombs wrote almost a year ago:

A lot of solar energy businesses across the country are sorry that they ever heard about the solar tax incentive proposed by President Carter on April 20. Ever since the announcement, their business has dropped off radically.

Solar firms were rushed by customers after the severe winter (of 1977), but after April 30, those customers said they would wait for legislation.

Everyone assumes that the national need for solar energy is great enough to be an incentive for people to become involved. However, as long as financing for solar companies is as difficult to obtain as it is, there will be far too few around to serve the demand for products and services when Congress finally acts.

Mr. President, it is a bitter irony that the solar flat plate industry in America fared better before the Federal Government attempted to implement a national solar commercialization strategy. Clearly, the indecisiveness of Congress on the tax provisions of the national energy legislation runs counter to our past efforts to promote a healthy and diversified solar energy industry.

Perhaps this situation could be understood if there were a legitimate reason for delaying the implementation of these programs. The fact of the matter is that the energy tax conference committee resolved virtually all of the differences between the Senate and House provisions before Christmas of last year, when the last substantive meeting of the energy tax conference took place. The sole reason for delay has been the decision to hold the solar and residential tax credits hostage in order to insure passage of a crude oil equalization tax (COET). Reaction to COET has been so negative, however, that its prospects must be regarded by everyone as extremely unpromising. Yet, there has been no attempt to reconvene the tax conference in order to report out these already agreed-to provisions, nor is such an attempt anticipated in the near future.

President Carter established a national goal of 2.5 million solar heated homes and businesses by 1985—a modest objective when compared to California's plan to construct or retrofit 1.5 million homes with solar equipment during the same period. To achieve the national goal, the solar collector industry—building on a base of 50,000 solar homes and businesses at the present time—will have to grow at an annual rate of approximately 65 percent. This is consistent with industry growth rates prior to the President's NEP announcement.

If, however, industry growth continues at its present pace—without the incentives provided by the national energy legislation—we can expect to have only 300,000 solar heated homes and businesses by 1985.

It has been said by critics that tax credits for homeowners who purchase solar equipment or make energy-conserving improvements are unnecessary, since they would only provide incentives to those who would make investments in any case. Experience has moved otherwise. For instance, in California and Arizona, States which provide significant tax incentives for residential use of solar energy, the number of installations have multiplied. California, which had only 25 solar-heated homes in 1976, expects to have 176,000 residential solar units within the next 3 years. Many solar businesses believe that sales in the four States which provide substantial incentives for the use of solar are the industry's only lifeline at the present time.

The Office of Technology Assessment (OTA) has stated:

> Without government help, solar energy is unlikely to make a significant contribution to U.S. energy supplies before the year 2000.

The energy offices of all 50 States have expressed the pressing need for implementation of these measures. In a recent telegram to the distinguished majority leader (Mr. BYRD) and House Speaker O'NEILL, they wrote:

> These credits are essential to the rapid development of solar energy and conservation. The delay in passing these credits has eroded the market for solar and conservation equipment, and strained the patience of homeowners across the country committed to installing energy-saving systems. If these credits are not passed, the vast energy savings economic development potential of solar and conservation will be delayed.

The difficulties experienced by the solar energy industry are by no means unique. Many companies attempting to develop wind, geothermal, alcohol fuels from renewable resources and other alternative energy technologies are in similar straits as a consequence of the Congressional impasse on the national energy legislation.

This amendment is based on the residential conservation and renewable resource credits of the original Senate energy tax bill. Modifications have been made only in instances where the House conferees have voiced objections to the Senate bill, for example, on the refundability of these credits.

Clearly, the cost of continued inaction is unbearable. While we all recognize the complexity and vital importance of many of the energy tax provisions which have not been agreed to in conference, the logical connection between these and other aspects of the energy tax bill has been strained in the 16 months during which Congress has debated this legislation. The predicament of the solar energy industry illustrates in a very poignant way that the arguments for considering the various tax incentives and disincentives as a package are, in some instances, proving counterproductive to the goals of the National Energy Act.

I yield to the Senator from New Hampshire.

Mr. MCINTYRE. Mr. President, I rise to support the amendment of the distinguished Senator from Colorado, and to add some explanations of my own as to why we are offering this amendment at this time.

Some of our colleagues may be asking why we are forcing this issue now. Why you might ask, do we not wait a little longer and allow the Finance Committee and the Ways and Means Committee of the House to complete their work and work out the details on this issue?

The main reason is that the energy tax conferees have already had nearly a year to work out their differences on this issue. But they decided to wait—to hold us all in suspense until the natural gas issue was settled. We have no guarantee yet—with just a few weeks remaining in the 95th Congress—that the natural gas issue will ever come to settlement.

However, we are willing to wait just that long. I am willing to wait only until the natural gas issues are settled, and the nautral gas section of the President's program is passed or defeated.

But the chairman of the Finance Committee is asking us for more than that. He is asking us to wait until after natural gas before we even see what kind of energy tax bill or energy tax amendments we will be voting on. Then we will be in the waning days of the session. Some will be necessarily absent because of campaigns being conducted. We will have to take it or leave it. The President will have to take it or leave it.

Some people are saying the crude oil equalization tax is dead. The Secretary of Energy told me, and several other Senators, that he believes it is dead. But no one seems to want to bite that particular bullet. In fact, Congressman ULLMAN, the chairman of the Ways and Means Committee in the House, has said that he will oppose passage of solar energy and energy conservation tax credits unless they are coupled to a crude oil equalization tax.

So the status of these tax credits in the energy tax conference is still highly uncertain, Mr. President. And we are proposing today to remove some of that uncertainty.

The reason that we want to remove some of that uncertainty is that we were in a very similar situation at the end of the last session. The House had passed solar and conservation credits, and the Senate had passed them as part of the tax cut bill H.R 10412. We had every assurance at that time, that the credits were safe, and that they would be passed as part of the tax cut. But they disappeared from the tax bill like change from a spendthrift's pocket, and we never saw the credits again.

We have similar assurances this time but little more than that. We have not seen any final action by the energy tax conferees. In fact, I have not yet seen a response to the letter that the Senator from Colorado (Mr. HART), the Senator from Illinois (Mr. PERCY), and I circulated, which was signed by 28 Senators in all, asking the energy tax conference to act upon the solar and conservation credits.

Passage of these credits is painfully urgent to the public and to the solar and conservation industries. We have left our public hanging, and we have left the solar and conservation industries out on a financial limb. They have made commitments of their time and resources based upon the promise of these credits a year and a half ago. And we have only to look again at the survey quoted by the Senator from Colorado (Mr. HART) to see just how disastrous this year-and-a-half delay has been for the solar industry. This disastrous market effect has been the direct result of our indecision—not just that of the energy tax conference, because the conferees are only acting in all our behalf—but of the Congress as a whole. The public knows that these credits are pending, and the public prudently is waiting to see if we come through with the promises made by President Carter and by both Houses of Congress in passing these credits in the first place.

So that my colleagues can better understand what it is that we are voting on today, I want to explain the importance of some provisions of this amendment.

First, one of the measures eligible for the credit is stoves which burn wood or

peat to heat homes. This provision was accepted by the Finance Committee on the Senate floor. As of this time, it has not yet been agreed to—nor has it been rejected—by the energy tax conference. I have several points to make regarding this amendment.

This credit would be the same amount as the residential conservation credit, a maximum of $400.

It has been stated that a tax credit for wood stoves favors only a few people, and it has been said also that this credit will be used primarily in New England. Neither of these assertions is true. I ask unanimous consent to have printed at this point in the RECORD some facts provided to me by John Lynn, president of Fisher Stoves International, the Nation's largest wood stove manufacturing firm. Fisher's headquarters, by the way, is in Oregon. That is a long way from New England.

There being no objection, the information was ordered to be printed in the RECORD, as follows:

1. Industry data indicates that total radiant fuel burning appliance sales could, with the assistance of a tax credit, reach between 1978 and 1985, a total of approximately 5.5 million units. During this eight-year period, total equivalent barrels of oil saved would be 432 million, at a total value of $6.8 billion using a 1978 base cost per barrel of $11.90 plus a 6 percent annual cost increase (compounded).

2. Surveys by manufacturers indicate sales are highest to those income groups most affected by inflation and rising taxes.

16 percent making less than $10M per annum.

44 percent making less than $15M per annum.

24 percent making less than $20M per annum.

10 percent making less than $25M per annum.

3. Manufacturer surveys indicate sales are to:

40 percent blue-collar.

25 percent white-collar.

15 percent retired.

5 percent unemployed.

4. Manufacturer surveys indicate sales go 28 percent to new construction and 72 percent existing facilities, with 76 percent of total sales to permanent residences.

5. 1977 sales data by four major manufacturers with approximately 50 percent of the national market show a diversity of sales as follows:

29 percent of unit sales were in 12 Western and Rocky Mt. states.

17 percent of unit sales were in 14 Central and Midwest states.

37 percent of unit sales were in 14 Southeastern states.

17 percent of unit sales were in 9 Northeastern states.

The same manufacturers show a diversity of manufacturing locations, i.e., 52 factories in 28 states.

6. Radiant solid fuel appliances are labor-intensive from a manufacturing aspect and are produced in many locations due to weight considerations and consequently open up many small business opportunities for component supply and fabrication.

7. A 1976 leaflet (No. 559) from the U.S. Department of Agriculture Forest Service advises that wood is much lower in irritating pollutants than most fuels, has low ash content and what ash remains can be used as fertilizer. They stress the renewable aspect of wood and if used as fuel would reduce the burdensome piles of wood waste riddling our environment in woodlands, rural dumps and wood processing plants.

8. Modern forestry practices in the U.S. have increased the timber supply nationwide. Sustained-yield management which utilizes the process of commercial thinning of "waste wood," has significantly increased the growth potential of forests. Department of Agriculture statistics show us that enough new wood growth occurs every year in the U.S. to heat 33 million homes (based on 5 cords of wood per home over a 150 day heating season). Many homes are heated entirely on 2½ to 3 cords per year.

9. A February 1978 report by Brookhaven National Laboratory under contract with DOE assessed implications of employment on conversion of approximately 8 percent of New England homes to wood burning and found that additional jobs created in the cutting and transportation of wood would create from 13,200 to 19,500 jobs reducing current unemployment by 3.4 to 6.5 percent. This only covered the direct employment impacts so secondary and tertiary effects have been ignored.

10. The State of Idaho already has tax incentives to encourage the use of solid fuel stoves and we understand Alaska has recently passed a similar bill.

11. A federally funded study by T. B. Reed of the Solar Energy Research Institute, Golden Colorado indicates biomass sources cost $1 to $5 per million BTU's versus solar energy costs in excess of $20 per million BTU's.

Numerous solar housing designs incorporate radiant solid fuel stoves as the backup and supplementary system.

12. The preliminary results of a study by L. D. Garrett of the Northeastern Forest Experimental Station in Burlington, Vermont, show airtight wood-burning stoves used as a secondary system, make significant contributions to reducing the primary system's electrical power consumption.

13. If the Federal Government encourages the use of solid fuel wood-burning stoves as a viable alternative to petroleum products, nuclear and electrical energy sources many consumers not covered by the tax credit will also seriously consider purchasing radiant solid fuel appliances resulting in even larger energy savings than projected.

Mr. McINTYRE. In addition, my staff has put together a thorough study of the wood stove tax credit and the potential for wood stoves to provide heat.

This study found that every region of the Nation, and nearly every State, has substantial surpluses of wood available for use as home fuel.

In addition, Alaska, and several States in the Southeast and Midwest, have supplies of peat that could be used to heat homes. Many people are already using these fuels.

So this is not, I emphasize, a regionally based credit. And its potential is substantial. My home State is not the biggest wood heating State in the Nation, but in New Hampshire alone, we used the equivalent of 30 to 60 million gallons of oil in wood to heat homes in 1976.

Nationwide, according to the U.S. Forest Service, enough wood grows every year to provide the equivalent of 226 million barrels of oil. That amount could be substantially increased through improved forest management.

Another important area covered by this amendment is energy conservation in homes. I know that many of my colleagues have been concerned about the potential for a shortage of insulation, and were worried that this credit might increase demand and send prices soaring.

I have received assurances from two of the biggest manufacturers of mineral wool insulation that they are substantially increasing their capacity. Those companies are U.S. Gypsum and Owens-Corning.

In addition, there are other kinds of insulation that can be used in a home. The U.S. Consumer Product Safety Commission has just issued a new Federal standard for cellulose insulation to protect homes from fire and corrosion.

And many other measures are eligible for the energy conservation tax credit, with the potential for saving the Nation hundreds of thousands of barrels of oil per day.

One of the most cost-effective of these measures is the replacement of an old oil burner with a new burner nozzle which is more efficient. New burner nozzles now on the market can improve the efficiency of existing oil heating systems 15 to 25 percent, according to studies by the U.S. Department of Energy. I emphasize that these high-efficiency burners are already on the market, and can be installed at a cost of $200 to $350 per home. At that price, they pay for themselves in less than 2 years with savings on oil consumption.

If half of the old oil systems in the Nation were fitted with new, more efficient burners, the Nation could realize a saving of 200,000 barrels of oil per day. This is a readily achievable goal if we provide these tax credits to consumers now, without waiting.

Mr. President, the figures I cited above are very compelling arguments for adopting solar and energy conservation tax credits for homeowners. I urge the adoption of this Hart-McIntyre amendment.

I thank the Senator for yielding.

(Mr. BENTSEN assumed the chair.)

Mr. PROXMIRE. Will the Senator yield?

Mr. HART. I yield to the Senator from Illinois.

Mr. PERCY. I thank my distinguished colleague for yielding. I join with my distinguished colleague from Colorado (Mr. HART), a leader in this field, and my distinguished colleague from New Hampshire (Mr. MCINTYRE).

I would like to say, however, to the distinguished chairman of the Finance Committee (Mr. LONG) and to the ranking minority member (Mr. CURTIS) that I was somewhat concerned at amending this particular bill. I think this bill is such a good idea that I would not want to jeopardize its chances to sail right through. I see no reason it cannot, because it fulfills a commitment that was made by the Finance Committee to the foundations of this country in 1969.

I think the chairman and ranking minority member will remember that the Senator from Illinois testified at that time. I recall a very heated colloquy the Senator from Illinois had with the then Senator from Tennessee, Senator Gore, who felt that foundations were the dead hand of the past and we should pronounce a death sentence on them. What the committee in its infinite wis-

dom worked out was a way to encourage foundations to expend their income and not accumulate it indefinitely. That device was the 4-percent tax.

The Senator from Illinois objected very strenuously to that tax. I thought first of all it would never cost 4 percent for the Internal Revenue Service to carry on its operations with respect to tax exempt organizations. My estimate was right. The cost is about half.

Second, the Senator from Illinios saw no reason why, as long as we do not charge other taxpayers specifically for the cost of operation of the Internal Revenue Service, that foundations should be charged.

I think at that time the commitment was made by the committee, the chairman and ranking minority member, that if, in fact, the cost was substantially less, the tax would be adjusted. All this bill does is in good faith make the adjustment to what is more accurately the cost involved. I commend the committee for honoring its word in that time and I wish to take this opportunity to express my support for the reduction of the excise tax placed on the net investment income of tax exempt private foundations from the present 4 percent to a more reasonable 2 percent. This bill before the Senate, H.R. 112, passed the House of Representatives February 28, 1978, and was reported out of the Senate Finance Committee May 9. I should note that this bill is essentially the same as S. 2204 which was introduced by my distinguished colleague, Mr. GRAVEL, and cosponsored by 41 Members of the Senate, including myself.

The 4-percent excise tax imposed on the net investment income of tax exempt private foundations by section 4940 of the Internal Revenue Code was included in the Tax Reform Act of 1969 as a compromise along with other measures to supervise these foundations. The thrust of these measures was to correct perceived abuses occurring in the 1950's and 1960's. The purpose of the excise tax is to defray the costs of the Treasury Department in supervising the compliance of these foundations with the Federal tax laws. However, the tax has produced revenues well in excess of the cost of supervision. The excess funds represent lost charitable activities which the foundations could have supported.

If we still believe in the noble purposes of foundations, we should not diminish their ability to act by imposing taxation of an amount greater than needed to supervise their activity. It is true that Government funding at all levels, particularly the Federal Government, is the dominant force in traditional areas of charity such as medicine, education, and income assistance. However, just because Government has become the main actor in these arenas does not mean that these private foundations do not have a continuing vital role. Often these private foundations can react more quickly to a pressing need than a political body can. Similarly, private foundations frequently provide the cutting edge in entering new fields of support for the public good when Government action would suffer from inertia and a timelag between the need and the support. The excessive 4-percent tax damages the very public interest for which tax-exempt status was granted these organizations.

The 4-percent excise tax limits the potential of private foundations to act in the public interest and should be reduced until the revenues collected come more closely to the costs of supervision. As can be seen from the table, revenues from this tax have been more than three times the costs of supervising foundations since the tax was first imposed:

[In thousands]

Fiscal year	Revenue from 4 percent tax	Internal Revenue Service costs		Fiscal year	Revenue from 4 percent tax	Internal Revenue Service costs	
		Foundations	All exempt organizations			Foundations	All exempt organizations
1968	----------	$1,600	$7,100	1973	$76,617	$12,300	$18,600
1969	----------	2,100	7,500	1974	69,802	12,200	21,100
1970	----------	3,500	11,000	1975	63,828	5,476	23,603
1971	[1] $24,589	8,600	15,400	1976	59,538	2,980	25,915
1972	56,045	12,900	19,300	1977	78,592	2,258	25,656

[1] Because of the interrelationship of the effective date of the tax and return filing dates for private foundations, this figure includes only a part of the revenue yield of the tax for its first full year of operation. It does not include taxes paid by foundations reporting their income on the basis of fiscal years ending February 28, 1971, through December 31, 1971. A number of the largest foundations were in this group.

Since the tax has brought in more than double the amount of funds needed to supervise the compliance of all tax exempt organizations, a reduction in the tax by half to 2 percent will provide more than ample funding for the supervisory activities of the Internal Revenue Service.

Amounts collected under the excise tax directly reduce the amount of funds private foundations must disburse under section 4942 of the Internal Revenue Code. Therefore for each dollar the excise tax is reduced, the charitable giving of these private foundations is increased by $1. Thus the tax is being paid out of the very dollars which would go toward charitable purposes. In essence the recipients of foundation support are paying the excise tax and bearing the incidence of the tax rather than the foundations themselves.

I believe the reduction of the excise tax to 2 percent is a needed step to help continue the charitable purposes of these foundations while still protecting the supervisory activities of the Internal Revenue Service. I urge that H.R. 112 be given the full support of the Senate.

With respect to the amendment now being offered to the bill, again I feel there should be no substantive controversy at all. We are in no way attempting to convince the chairman and ranking minority member of the Finance Committee of the wisdom of it. Indeed, it is a provision that they themselves have been leaders in initiating.

This amendment provides an incentive for us to create the cheapest and cleanest new source of energy this country can create: conservation of energy. It encourages every home dweller in this country to seal up his home and stop the terrible waste of energy. And its mechanism is one that has always seemed to work in the past: A tax incentive.

The committee saw fit to honor the fact that the President addressed the American people in April of 1977 and said we should move in this direction, we should conserve energy, and we should have a tax incentive. The committee saw fit in its legislation to make that tax incentive retroactive to April of 1977.

So we are not trying to convince the committee or the Senate of the wisdom of it. No one has doubted that a tax credit for solar energy equipment or residential conservation improvements is a good idea. The Senate and the House have passed them overwhelmingly twice. Those of us sponsoring this amendment simply feel that it is time that they be enacted into law.

It is time, because our hesitation in passing a solar tax credit is killing the solar industry. A year and a half ago, we were committed to getting that industry going. But now, because of the uncertainty in tax policy, the industry is in a very bad way. It is struggling to stay alive.

Mr. President, solar manufacturers from the State of Illinois have written to alert me to their critical situation. I received one letter from the president of a small solar firm in Illinois that started off, "The solar energy industry is dying."

I have received letters with the same message from other Illinois solar firms.

The Senator from Illinois, together with the Alliance To Save Energy, was at a conference on solar energy keynoted by Secretary Henry Kissinger, in Chicago a year and a half ago. We had scores of companies come and exhibit. Everyone was excited. We were moving ahead. A tax credit was going to be enacted and there would be incentive to move ahead.

Now, some of these companies are simply dying on the vine. They were encouraged by Congress, encouraged by the President of the United States, and encouraged by what they felt was a solid

public attitude. Yet, with uncertainty about this tax credit, the growth rate in sales of solar collectors is down over 40 percent from last year. That rate must increase, not decrease, if the solar energy industry is to survive.

There is good cause to pass the insulation tax credits now, too. Homeowners who, in good faith, insulated their homes have waited too long for their promised tax credits. I have received many, many irate letters, as others of my colleagues have, from constituents who have lost faith in us for that reason.

I need only point out that the Alliance To Save Energy has 240 Members of Congress as sponsors. For almost 2 years now, they have encouraged conservation of energy and encouraged investment in insulating materials—storm doors, storm windows—on the part of industry, homeowners, and everyone else. Yet there is still, in August 1978, no solar or conservation tax credit.

In conclusion, therefore, Mr. President, I respectfully hope that this amendment will be supported by the floor managers of this present bill. It would give us the opportunity to enact into law very soon something that was reported out long ago by the Senate of the United States.

Mr. President, I would like to establish some legislative history on an aspect of solar energy that gets much too little attention: passive solar. Studies have shown that passive techniques for capturing solar energy may be the most economical and may have the most widespread applications of any solar technique.

The amendment before us leaves the definition of qualifying passive solar equipment unsettled.

I trust that the Internal Revenue Service will consult with experts at the Department of Energy and will define passive solar equipment in such a way that all known passive techniques are given a fair tax credit.

Mr. President, I ask unanimous consent that remarks on solar energy by Gus Speth, a member of the Council on Environmental Quality, be printed in the RECORD. Mr. Speth made this excellent speech on Sun Day. I was honored to sponsor a Senate resolution, cosponsored by better than half my colleagues, endorsing Sun Day. I think it is appropriate to insert Mr. Speth's Sun Day remarks here, now that we are finally acting to put into law the tax credits we promised the millions of solar supporters on Sun Day.

There being no objection, the material was ordered to be printed in the RECORD, as follows:

OUR MOST IMPORTANT LEGACY: A SOLAR GIFT TO THE NEXT GENERATION

(By Gus Speth)

I'm honored to be here today to participate in this celebration. Sun Day is, more than anything, an expression of our hope for the future. With some luck and a lot of application, we can make it mark a turning point in our National life.

While the present is surely no guide to the future, it is as good a place as any to begin thinking about the future. In preparing these remarks, I chose at random a publication devoted to describing the present: the April 26 copy of The Washington Post.

On page 1, I find that the Virginia Electric and Power Company, the Nation's eighth largest private electric utility, has asked for a $246 million rate increase . . . an increase that would raise residential customer bills by about 20 percent. The company is, says a VEPCO official, in no financial condition to compete for new investment capital. Among the reasons for its financial plight are these: an investment in a Wyoming uranium mine that did not pan out; a $15 million dollar loss stemming from the cancellation of two nuclear power units, whose costs had escalated, in seven years, from $600 million to $2.8 billion; another $82 million needed for start-up financing of a completed nuclear plant whose operation has been opposed because it is located on a geologic fault; and another $8 million to store radioactive wastes from the company's present nuclear units. Unless the company can boost dividends, says VEPCO, it cannot attract the additional $2.1 billion it needs in the next three years for current construction of new energy facilities.

Also on page 1, I read that "unit labor costs"—a critical index of inflation—rose during the first quarter of this year at an annual rate of 18 percent, the fastest rate in 27 years. Among the reasons cited is "the impact of the coal strike" early this year.

On page 4 is a report that "key Democrats" are opposing a part of President Carter's energy package—a provision that would bring the price of natural gas up to its true market value. On page 7, I read that Canadian Eskimos have won a temporary injunction against mining around their aboriginal lands. Such development would, they claim, drive off the caribou herds on which they rely for food. On page 9 is a brief item about the Constitutionality of a California law that is holding up construction of a $3 billion nuclear plant. And on the same page, in nine lines of type, is a report that three pipeline workers in Oklahoma City have been killed, and another critically injured, by a natural gas leak occasioned by construction of a shopping center. And on page 22, finally, is a small tale about the leak of 120 gallons of heating oil from an Italian nuclear studies center into a stream used for irrigation and cattle drinking; firemen were called to pump the stream, and "authorities" issued orders not to use the polluted water.

To repeat, I chose that issue of the Post at random. Had I wished to, I could have found much more sensational stories: the break-up of the *Amoco Cadiz* off the coast of Normandy a few weeks ago, for example.

Yet I think it is not so much the sensational stories, those that capture the attention of the world, but the humble stories we forget as soon as we read them which suggest the hidden as well as obvious costs we pay for our energy-consumptive, hard path way of life. The modest accounts I have quoted—a huge capital demand here, an interruption in supply there, a conflict between energy and food in another place—seem small change when read individually . . . but their recurrence day after day, in place after place, add up to a cumulative bill that we cannot total entirely in dollars. Year after year in our quest for conventional energy, we have been spending our earth, pushing risk on the future.

And, by one view of the future, the wise and prudent course for us is to continue as we have—only faster. Those who urge this course assure us that, yes, yes, energy conservation and solar energy are nice ideas, and some day solar energy will be worthwhile. However, they say, solar is not "practical" today, and shows no signs of becoming so within any period of time that will be helpful to us. "Why not an Oil, Gas, Coal, and Nuclear Power Day?" the Mobil ad ran yesterday.

Well . . . it's my distinct impression that we have had oil, gas, coal, and nuclear power days. Indeed, we have had oil, gas, coal, and nuclear power decades. We have spent two of those resources foolishly, and face serious problems in boosting our use of the other two.

We now use oil and gas for 75% of our energy. Yet domestic production of both has been declining for most of this decade, and excessive imports of these fuels—$45 billion a year—are already hurting our economy.

Coal has many problems, but perhaps the central one that limits our long-term reliance on it—or on any other fossil fuel, for that matter—is the buildup of carbon dioxide in the earth's atmosphere. All combustion of coal and other fossil fuels produces CO_2. Natural processes that remove CO_2, such as photosynthesis and absorption by the oceans, cannot handle the increasing amounts released as our use of fossil fuels rises. Thus carbon dioxide accumulates in the atmosphere, where it can retard the radiation of heat from earth back into space, and raises the earth's temperature.

According to a recent Oak Ridge study, even a modest increase of 2 percent per year in the consumption of fossil fuel world-wide could raise the earth's temperature by ½ of a degree to 2½ degrees centigrade within the next 50 years. It is impossible to predict the exact consequences to climate and ecological systems of a few degrees' rise in temperature, but they could be extremely serious—quite possibly increasing the area of desert and arid land and producing large shifts of agricultural land patterns. A 1977 National Academy of Sciences study says: "It is not implausible that the atmospheric (CO_2) concentration occurring in AD 2150 to AD 2200 might be 4 to 8 times the pre-industrial level." Carbon dioxide levels this high could produce a six-degree centigrade increase in the world's mean air temperature. During the last Ice Age, average mid-latitude temperatures were no more than 5 to 10 degrees below current levels.

Clearly, ignoring the CO_2 issue and leaving it for the next generation to consider would be imprudent. The energy development strategies we promote in the years immediately ahead will affect energy supply patterns for several decades, and perhaps longer. Even though our understanding of the carbon dioxide issue is imperfect and we cannot yet be certain of its dimensions, we must include it as best we can in our calculations.

For its part, nuclear power is also subject to stubborn problems that limit its expansion. One of the most serious concerns is the actual and potential increase in the number of countries that have access to technology, materials, and facilities leading to a capacity for making nuclear weapons. The continued growth and diffusion of nuclear enhances the potential for the proliferation of nuclear weapons, not only among nations, but among subnational groups such as terrorist and separatist organizations. This is particularly the case if the nuclear industry here and abroad launches nuclear power development into a new phase involving the reprocessing of spent fuel and the use of plutonium in a fission economy.

Because of these unresolved questions, President Carter, more than a year ago, called for deferral of plans to commercialize the plutonium breeder reactor and asked for cancellation of the Clinch River Breeder Reactor project. He also announced his intention to defer reprocessing indefinitely and to accelerate research on alternate nuclear fuel cycles that do not involve direct access to weapons-grade materials. Of great significance, he committed the U.S. to a refashioning of its nuclear export policy, to assure

that atoms for peace would not become bombs for sale.

The President's non-proliferation program, I am convinced, will come to be viewed as one of the most historically significant contributions to world peace and stability in this half-century. Having promoted nuclear power around the globe for two decades, the United States could not ask other countries to refrain from further commitment to plutonium unless we ourselves submitted to the same restraints.

As many of you know, the struggle over cancellation of Clinch River goes on. Elements of Congress—courted by an intense industry lobby acting in its narrowest economic self-interest—continue to support both Clinch River and the Barnwell reprocessing plant. The President deserves the support of all of us in seeing to it that these dangerous and unnecessary projects are halted. The case for their cancellation has been strengthened further by the work of a group of energy experts at Princeton. They recently testified before the Joint Economic Committee of Congress that efficient use of uranium would mean nuclear fuel reprocessing would not be economical until the middle of the next century, and that breeder reactors would not be economical until 100 years from now.

Today, there may seem to be considerable momentum abroad behind the plutonium economy. But there is also the swifter motion of public opinion, increasingly aware of the hazards of a nuclearized world. The nuclear industry will be making a dreadful mistake if it continues to promote a vision of technology triumphant over public prudence. If that is the future, the current nuclear recession will give way to nuclear extinction—an extinction of an industry which will, if it comes to a choice, be preferred to the extinction of the common peace.

Given these problems—and others—of coal and nuclear, and our dwindling supplies of oil and gas, it's not surprising that all of us are turning again to examine the prospects for solar energy. The key questions are: does solar have to potential to become a major energy source? And, if so, how soon?

The first test should be environmental and social acceptability, and solar certainly passes this test. While not completely free of adverse environmental effects, solar technologies will have a much smaller impact than conventional hard technologies. Solar poses little risk to climate, and creates little direct air pollution, no radiation hazards, and no risk of nuclear weapons proliferation.

It offers important economic advantages: as the acknowledged leader in many forms of solar technology, the United States could develop an important export market here—at a time when our continuing trade deficit has led to the decline of the dollar abroad. Further, solar could make a substantial dent in our nagging unemployment problem: preliminary data to be published this summer indicate that capital investment in solar heating systems will generate between 2 to 5 times as many jobs as the same expenditure for central station electric power plants.

Solar differs from other energy sources in its utter democracy: it fall on all of us. Hence it is not subject to embargoes. Its potential is immense: in principle, with an average collection efficiency of only 15 percent—an efficiency we could achieve with present technologies—we could meet all of our current energy needs by using roughly one percent of our land area. One way of putting this figure into perspective is to realize that approximately 17 percent of our land area is now devoted to crops. On a less theoretical level, a recent study for the Department of Energy concludes that from the standpoint of resource availability and technology, it should be possible for California to operate in the year 2025 almost entirely on solar energy, even with major increases in population and per capita income.

Thus, the potential is there: solar can be a leading source of U.S. energy supply, not just a supplement. Indeed, from the standpoint of technology and resources, there appears to be no reason why solar energy cannot meet most of our needs.

The only remaining questions are those of time and money; how soon will solar energy in its various forms be economically feasible? Last fall, puzzled by the consistently grim predictions of some people and the seemingly excessive optimism of others, the Council on Environmental Quality undertook its own analysis of solar energy. We conducted an extensive literature review and held discussions with numerous solar experts inside and outside of government. Three weeks ago, we published our report.

We reach three basic conclusions in our report:

First, solar energy is already a serious option with some applications at or near commercial feasibility. Moreover, because rapid progress in solar economics is expected to continue, and the price of competing fuels is expected to rise, we can make competitive during the coming decade a variety of solar technologies for the production of heat, electricity and liquid fuels.

Second, if we today make a strong national commitment both to accelerated solar energy use and to energy conservation, it should be possible to meet a significant portion—we estimate a quarter—of U.S. energy needs through solar by the year 2000.

And third, for the period 2020 and beyond, we believe it is now possible to speak unblushingly of our country's becoming a solar society—a society, that is, in which solar is not a supplementary source of energy, but the primary source of energy. A national goal of providing significantly more than half of our energy from solar sources by the year 2020 is, in our view, realistic—provided that our commitment to that goal and to energy conservation is strong.

Our conclusions, then, are optimistic. While there are significant economic and institutional barriers still to be crossed, the prospects for solar energy are brighter than most imagine. Consider the following:

Solar collectors can now produce hot water at costs competitive with electric water heaters, and the use of solar for heating homes and buildings is expected to be widely competitive by 1985.

Photovoltaics (or "solar") cells, which produce electricity directly from sunlight and have powered satellites, were 50 times more expensive a few years ago than they are today. If photovoltaics continue to drop in price as the Department of Energy expects, they could become a major source of new electrical generating capacity in the 1990's.

Biomass—which includes forest, crop and animal residues as well as crops grown for their energy content—can be burned directly or converted to a full range of storable liquid or gaseous fuels, such as methane and alcohol. With appropriate government support, fuels from biomass can be economical on a large scale by the century's end.

Small-scale hydroelectric and wind systems are already a practical reality. Recent government studies indicate that with rapid development these two sources could provide more than ten percent of the Nation's electrical energy demand by the year 2000.

With all this possibility, where then do we go from here? There is obviously much to be done, but let me suggest two fronts on which we must move ahead rapidly.

First, it is very important to solar's future that Congress speed enactment of the National Energy Act. President Carter's National Energy Plan, submitted to Congress a year ago, was the first major national commitment to conservation and to renewable energy. It contains several provisions that will accelerate solar development, including:

An income tax credit for those who want to install solar in their homes;

Authority for the federal government to spend $100 million in purchasing solar equipment for its own use; and

Measures to make the competing fuels such as oil and natural gas more nearly reflect the costs of replacing them—their true cost to society.

Enactment of the solar tax credit would substantially expand the federal government's financial commitment to solar energy: it is estimated that in 1979, $100 million that the federal government would otherwise receive in taxes, would go to help finance solar facilities.

Enactment of the Administration's energy proposals would also help reduce an important barrier to the use of solar energy: the artificially low pricing of competing fuels.

In his National Energy Plan President Carter stressed as one of 10 basic principles this statement:

"Prices should generally reflect the true replacement cost of energy. We are only cheating ourselves if we make energy artificially cheap and use more than we can really afford."

Oil and gas, coal and nuclear are subsidized in varying degrees through price controls, through large tax breaks for utilities, and through unpaid environmental, health and national security costs. These factors have not only led to excessive energy use—they also discriminate directly against solar energy.

We must also move on a different front—one made possible by President Carter's action May 3 establishing a comprehensive cabinet-level review of the federal government's solar program. In his Golden, Colorado speech the President endorsed a solar future and called for a cooperative national effort to hasten its arrival. He directed that an additional $100 million in the Department of Energy budget be allocated to solar R&D. This action and the solar tax credits bring the President's 1979 solar budget up to $600 million, an increase of 50 percent over 1978. And to accelerate the federal solar effort, the President issued this directive:

"Today I am ordering a Domestic Policy Review by Cabinet departments and agencies, to begin work on development of a national solar strategy. Secretary Schlesinger will head this Cabinet-level Solar Policy Review. The job of this Committee will be to develop an over-all solar strategy for speeding the use of solar technologies—both by new programs and by improving existing federal programs.

"I am asking for the Committee's recommendations by September 1, to help me make my budget and legislative recommendations next fall."

This review—in which the public will be included—should be a major step in implementing the goals to which we are here today to lend our strong support.

In conclusion, let us note that the shift to large-scale reliance on solar energy will be demanding, and will not be easy. Nevertheless, if we commit our wills as well as our resources to the effort, the United States can probably become a solar society within the lifetimes of today's children. A solar world—with its promise of safe, infinitely sustainable energy—may be the most important gift this generation can leave behind us for the future.

Mr. HART. Mr. President, I yield to the Senator from Colorado to take up an amendment.

Mr. HASKELL. Mr. President, I thank my colleague very much.

The PRESIDING OFFICER. Does the Chair understand correctly that the Senator has yielded for the purpose of a colloquy?

Mr. HASKELL. Mr. President, the Senator has yielded to me, I assume, for the purpose of putting forth my amendment to the Senator's amendment. Is that correct?

Mr. HART. The Senator is correct.

Mr. HANSEN. Mr. President, a parliamentary inquiry.

The PRESIDING OFFICER. There is no control of the time. There is no time on the amendment, so the Senator can only yield for a question.

Mr. HART. I yield the floor.

● Mr. HATHAWAY. Mr. President, I am pleased to cosponsor this amendment because I have great sympathy for the financial burden of installing many of these new energy saving devices. There is an economic gamble in many of these investments. We should provide tax incentives for these investments.

I believe that the credits for solar property, for wood and peat burning stoves and for replacement oil burners and furnaces are essential items to assist in a shift from imported heating oil to alternative energy property and to more efficient utilization of the oil products which cannot presently be substituted.

I am delighted that the Senate has moved forward with some of these important and worthwhile residential credits for alternative energy property. We are beginning to fulfill the commitment which President Carter made to the American people when he submitted to the Congress his national energy plan.●

The PRESIDING OFFICER. The senior Senator from Colorado is recognized.

Mr. GRAVEL. A parliamentary inquiry.

The PRESIDING OFFICER. The Senator will state it.

Mr. GRAVEL. I understand that he will have an amendment to the amendment of the junior Senator from Colorado. Would other amendments to the amendment of the junior Senator from Colorado be in order?

The PRESIDING OFFICER. They would be in order after the disposition of the Haskell amendment to portions of the Hart amendment not touched by the Haskell amendment.

Mr. HANSEN. A parliamentary inquiry, Mr. President.

The PRESIDING OFFICER. The Senator will state it.

Mr. HANSEN. Mr. President, I am a little confused as to what the situation is. It is my understanding of the rules of the Senate that a speaker could hold the floor and would be permitted to yield for questions. Though I agree with the statement made by my good friend from Illinois, it hardly seemed to me that it conformed to what I understood would be the procedure that would be followed here. I raise the question because, not many days ago, I was on the floor and I think in a somewhat similar position to that of the Senator from Colorado, and the question was raised—it may have been raised by the majority leader, I do not recall. Anyway, it was raised and there were calls for regular order. The point was made that you cannot yield your time on this; that you can yield for a question.

The PRESIDING OFFICER. The Senator makes his point well and the Chair has reiterated that point just a moment ago, to state that the floor can only be yielded for a question.

Mr. HANSEN. I understood the Senator was going to offer an amendment.

The PRESIDING OFFICER. The junior Senator from Colorado (Mr. HART) has given up the floor and the senior Senator from Colorado (Mr. HASKELL) has been recognized.

Mr. HEINZ. Mr. President, I seek recognition from the Chair.

Mr. HASKELL addressed the Chair.

The PRESIDING OFFICER. The Senator from Colorado has the floor.

Mr. HASKELL. I yield to my colleague for a comment.

Mr. HART. Mr. President, there is no intention on the part of the sponsor of this measure to allocate time. I had a list here of Senators who asked me to yield to them. That is all I was doing to accommodate their wishes. I do not choose to hold the floor. There is nothing devious at all here. The Senator from Colorado is on the list.

Mr. HANSEN. I did not mean to imply any deviousness on the part of my friend from Colorado. It was a questioning of the procedure under which we seem to be operating.

The PRESIDING OFFICER. Let the Chair reiterate once again that the Chair has stated the very point the Senator from Wyoming is making. The Senator from Colorado now has the floor and it is understood is preparing to propose an amendment.

Mr. HASKELL. The Chair is correct.

Mr. President, if I can, I yield to the Senator from New Hampshire.

Mr. McINTYRE. Mr. President, I ask unanimous consent that Robin Carpenter of Senator McGOVERN's staff be granted privilege of the floor.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. HASKELL. Mr. President, I make the same request for Martin Zeller of my staff and Rob Liberatore.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. BROOKE. Mr. President, a parliamentary inquiry.

The PRESIDING OFFICER. The Senator will state it.

Mr. BROOKE. Mr. President, is there a time agreement on the Hart amendment?

The PRESIDING OFFICER. There is no time agreement on the Hart amendment.

Mr. BROOKE. If there is no time agreement, is not the amendment then open to debate?

The PRESIDING OFFICER. The Senator is correct.

Mr. BROOKE. Well, can a Senator make a statement or talk in support or even in opposition to the Hart amendment without even having to respond to a question from the Senator from Colorado?

The PRESIDING OFFICER. A Senator gaining recognition can speak for or against the amendment at length.

Mr. BROOKE. Well, the Senator from Colorado can yield to the Senator from Massachusetts or a Senator from any other State?

The PRESIDING OFFICER. For a question only, and if the point is raised when he has yielded otherwise, then the point will be well taken and the Chair would rule that he could not yield for that purpose.

Mr. BROOKE. The purpose I rise for is to find out if I could make a statement in support of the Hart amendment at any time during debate.

The PRESIDING OFFICER. If the Senator obtains recognition, he will be privileged to do so.

Mr. BROOKE. And it will not have to be granted by the Senator from Colorado?

The PRESIDING OFFICER. That is absolutely correct.

Mr. BROOKE. I thank the Chair.

The PRESIDING OFFICER. The Senator from Colorado.

UP AMENDMENT NO. 1725

(Purpose: To amend an amendment by Senator HART providing for tax credits for solar energy systems to include coverage of the credits to passive solar systems)

Mr. HASKELL. Mr. President, I send to the desk an amendment to the pending amendment and ask that it be stated.

The PRESIDING OFFICER. The amendment will be stated.

The assistant legislative clerk read as follows:

The Senator from Colorado (Mr. HASKELL) proposes an unprinted amendment numbered 1725 to the Hart unprinted amendment numbered 1724.

Mr. HASKELL. Mr. President, I ask unanimous consent that further reading of the amendment be dispensed with.

The PRESIDING OFFICER. Without objection, it is so ordered.

The amendment is as follows:

On page 5, lines 11, 12, and 13, strike all after "medium".

On page 9, lines 11, 12, and 13, strike section (i) and insert in lieu thereof the following:

"(i) uses solar energy, by means of an active solar system or a passive solar system, or a combination thereof, to heat or cool such dwelling or to provide hot water for use within such dwelling, or to provide electricity."

Mr. HASKELL. Mr. President, I compliment my distinguished colleague and his cosponsors for bringing this amendment to the floor of the U.S. Senate at this time.

I will just briefly explain the amendment which I propose to my distinguished colleague's amendment.

Basically, it would permit the credits for solar energy property to be available for passive as well as active solar systems. In the Senate Finance Committee, the original solar credit was proposed only for active systems. The Finance Committee, at my urging, expanded the definition of solar energy property to specifically include passive as well as active solar systems.

Mr. President, the so-called passive system has actually proved in many instances to be more cost effective than active systems and comprises a very large segment of the solar industry.

I hope that my distinguished colleague and the floor manager of the bill will see fit to accept this amendment.

I will briefly read from a letter which I wrote to the House and Senate energy tax conferees in July of this year.

The Senate conference report specifically states that the credit is eligible for both "'passive solar systems' as well as 'active solar systems'." Not to include passive systems which are often more cost-effective than active systems would be extremely detrimental to the commercialization of solar energy. The Solar Heating and Cooling Demonstration Act of 1974, administered by HUD, has already funded a number of passive and mixed passive and active systems.

Mr. President, I believe that this amendment would expand the credit to include most forms of residential solar energy. Indeed, I would endorse the statement of the distinguished Senator from Illinois, and also, although I was not on the floor, the statement of my distinguished colleague (Mr. HART), that leaving this business of credits up in the air has had a very adverse effect on the solar industry. As has been stated by others, we should do everything in this country that we possibly can to transfer as much of our energy resources as possible to solar systems. Indeed, the President of the United States, as the Senator from Illinois said, in April of last year, said the same thing.

So without further ado, I would be available for questioning.

Mr. PROXMIRE. Will the Senator yield for a question?

Mr. HASKELL. Yes.

Mr. PROXMIRE. Mr. President, as I understand it, the basic amendment offered by Senator HART——

The PRESIDING OFFICER. Does the Senator from Wisconsin seek recognition?

Mr. PROXMIRE. I am asking a question of the senior Senator from Colorado.

The PRESIDING OFFICER. The Senator from Wisconsin.

Mr. PROXMIRE. As I understand the amendment by the junior Senator from Colorado, it is an amendment which would put into effect a provision that already passed the Senate and the House, is that right?

Mr. HASKELL. Not exactly.

Mr. PROXMIRE. Well, pretty much?

Mr. HASKELL. The amendment of my colleague, as amended by my proposed amendment, would put through a provision that previously has been passed.

Mr. PROXMIRE. That was my question. Has the amendment offered by the senior Senator from Colorado to the junior Senator from Colorado's proposal, has that passed the House and the Senate?

Mr. HASKELL. It has passed—

Mr. PROXMIRE. The passive solar systems included in this?

Mr. HASKELL. It has passed the Senate, not the House.

Mr. PROXMIRE. I see.

Mr. HART. Will the Senator yield?

Mr. PROXMIRE. On that point, let me in revenue lost by expanding this to inask the distinguished Senator if he can tell us if there is a substantial difference clude passive solar systems and, if so, what it is?

Mr. HASKELL. I will have to ask the joint committee staff in a moment.

Let me say this to the distinguished Senator from Wisconsin——

Mr. LONG. I can answer the question.

Mr. HASKELL. If I could yield——

Mr. LONG. It does not involve any significant revenue loss.

Mr. PROXMIRE. I thank the Senator.

Mr. HART. Will the Senator yield for a question?

Mr. HASKELL. I certainly will.

Mr. HART. To clarify the language.

It is the Senator from Colorado's understanding that the occasion for the amending language being offered now was a Treasury Department interpretation of the bill which passed the Senate, which said that as written the credits would not apply to passive systems and, therefore, the language being offered by my colleague is to accommodate that interpretation by the Treasury Department and clarify the language that it was, in fact, our intent to expand the credits to passive systems.

Mr. HASKELL. My colleague is correct.

Let me say that the Treasury opposed, in the Finance Committee, including both passive and active systems, and after we got the bill through the Finance Committee and the Senate, the Treasury Department continued to take the same view that the bill did not include passive systems. But the report of the Senate Finance Committee, as I quoted before, specifically states that the credit, which I said to the Senator from Wisconsin, which passed the Finance Committee and passed on the floor of the Senate, is eligible for both passive as well as active systems. That is a quote from the Senate Finance Committee report.

So, although my colleague is correct as to the Treasury stated position, I think they are dead wrong.

Mr. PROXMIRE. If the Senator will yield for a question, is the Senator saying that the Treasury would oppose his amendment?

Mr. HASKELL. I am sure the Treasury would oppose my amendment.

Mr. PROXMIRE. The distinguished chairman of the committee argues that there is not much revenue loss. On what basis would the Treasury oppose this amendment?

Mr. HASKELL. That I do not know.

Mr. PROXMIRE. I thank the Senator.

Mr. HASKELL. I hope my colleague and the distinguished manager of the bill could accept this amendment.

Mr. HART. Mr. President, for the reason stated, my colleague from Colorado has offered a very helpful and constructive amendment. It was as a result of the language the Senate passed and which we incorporated in our amendment that the question was left open as to whether past assistance would qualify. I think the language being offered to my amendment clarifies that question and is beneficial and helpful.

It is my understanding that the floor manager is correct, that there is no substantial increase in lost revenues. Like my colleague, I cannot account for the Department's position on the matter. As the Senator from Wisconsin knows, there is confusion in the administration on some of these issues.

I hope the amendment will be adopted.

Mr. THURMOND. Mr. President, I rise today to announce my strong support for this amendment to H.R. 112, by Senator HART, other Senators and myself, providing for solar energy and conservation tax credits. These very important tax credits have been locked up in conference on H.R. 5263, the energy tax bill, for the past year. I feel it is important that we act on these tax credits, which have been agreed to by the conferees, as soon as possible.

Mr. President, congressional inaction on this matter is having a very detrimental effect on our Nation's fledgling solar industry. Consumers who were considering installation of solar heaters in their homes have not done so in large part because these tax credits have not been enacted into law. Consumers must know that these tax credits are a fact that they can depend on when they file their next tax returns before they will take any action.

Solar energy is simple, efficient, abundant, and environmentally safe. As we look to the future energy needs of our Nation, and as we seek solutions to our immediate long-range energy problems, we would be foolish not to act as expeditiously as possible to encourage the American consumer to utilize solar energy and to support the development of a thriving solar industry.

Mr. President, I strongly urge my distinguished colleagues to support this amendment, of which I am a cosponsor.

I am confident it is in the best interests of this country that we proceed expeditiously.

Mr. DECONCINI. Mr. President in considering the Energy Tax Act of 1977, the Senate included provisions for residential energy credits. These tax credits will help bring the costs of insulation, solar equipment, and other important energy savings components within reach for most homeowners.

Almost 25 percent of our domestic energy resources is consumed in heating and cooling residences. Yet, under present law, no special tax credit or deduction is allowed for installing insulation or other energy-conserving components in, or on, a taxpayer's residence.

Ironically, those who need insulation, or an energy-saving device the most, are those least able to pay for it. It has been estimated that 43 percent of those below the poverty line live in houses with little or no insulation.

There can be no doubt that a long delay in making these tax credits available will not only negate the potential energy savings, but contribute to the decline of a developing solar energy industry. It would severely limit technological advancement and destroy much of the potential for short range renewable resource utilization.

Mr. President, the amendment I am

cosponsoring offers the basic provisions of the energy tax bill dealing with residential energy credits as it was passed by the Senate. It is my understanding that the changes incorporated in this amendment are consistent with the compromises tentatively agreed to by the House and Senate conferees. It is also my understanding that an identical amendment will be offered in the House. And while I prefer the provisions originally passed by the Senate, I find the compromise represented by this amendment to be acceptable. Failure to act now could, quite simply, be self-defeating.

I urge my colleagues to consider this need to expedite the implementation of the energy tax credit and to support the adoption of this amendment.

Mr. President, I ask unanimous consent that Jim Magner, of my staff, have the privilege of the floor during the debate and vote on this issue.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. HANSEN. Mr. President, I support the amendment. I sponsored a similar amendment a year and a half ago, but my amendment was tabled.

I might note that the Senator from Colorado and the Senator from New Hampshire voted to table my amendment a year and a half ago.

I thought it might have been a good idea to try to insulate homes in the summertime, when you can have the windows open and the doors open and put insulation on. I compliment them for getting on with it while it is still August. We could have waited longer.

Senators might enjoy knowing the rationale for voting to table my amendment, which was voted upon on April 28, 1977.

This is what the record vote analysis contains:

Those favoring the motion to table contended:

It would be better to wait for the President's energy package (being sent up next week) which will contain its own insulation credit, a credit which will probably be stronger than the one offered in this amendment.

Those opposing the motion to table contended:

By adding insulation, we could save at least 30 percent of the energy which goes to heat our homes.

The President has urged prompt action in insulating homes, and the time to start is now, during the warm months.

There are significant financial incentives in insulation. American industry will be required to expand and create more jobs to carry out this program.

I might note, parenthetically, that one of the problems that we knew about last year, and which I suspect is still very real, is the inability of industry to supply a sufficient quantity of insulation material. I think we may be in a little better shape now than we were last year. The point was made that if we were to make this tax credit available, there would be such a demand for insulation as to result in the price going sky high.

I could infer—though perhaps I would be taking liberties—that the action we see here today must suggest that the President's energy package, the tax part of that package, to which sometims he has referred as being the centerpiece of his whole energy program, is not going to pass. I will not ask my friends from Colorado and New Hampshire if that is their conclusion. I simply join them in taking the action that I regret very much we did not take a year and a half ago.

Mr. McINTYRE. Mr. President, many of us, as we sort of regretfully expect the distinguished Senator from Wyoming to be leaving these halls, are only now becoming more and more aware of his great foresightedness and his great talent. I only wish I had been as wise as he back in those days when he offered that very good amendment that I voted to table.

Mr. BROOKE. Mr. President, first, I congratulate the distinguished Senator from Colorado (Mr. (HART), the distinguished Senator from New Hampshire (Mr. McINTYRE), and the distinguished Senator from Illinois (Mr. PERCY) for sponsoring this amendment, the solar insulation tax credit.

By enacting the solar and conservation tax credit, in my opinion, the Senate would be acknowledging what the rest of the world knows to be a reality.

The realities are, one, that the crude oil equalization tax proposed by the President is not the same tax as the one in the House- or the Senate-passed energy tax bill; two, that these distorted and ill-conceived bills, fortunately, are dead; and, three, that the newborn solar industry is in desperate, perhaps mortal, trouble. This is because the solar and insulation tax credits, which have universal support, were dragged down by the other tax proposals.

Since December of 1975, I have been trying to get conservation tax credits passed as separate legislation. Each year, my efforts were defeated, because we were told that the taxes had to be part of a package and that there were political considerations, or that the time was not just right.

Mr. President, if the time is not right now, there may never be a right time for the vast majority of producers of solar power equipment. Only a few giant firms will survive further political paralysis and delay. The momentum of movement to commercialize solar power is already faltering. The small business character of the industry is in jeopardy.

These important tax incentives have been held hostage to other legislation for too long. Solar power can and must become a commonplace feature of our energy system. No one knows exactly what proportion of our future energy needs can be met by solar power, but most optimistic projections say that maximum effort can make solar meet 85 percent of energy needs within 50 years.

Thus, we need to commit significant Federal expenditures to invest in promoting commercialization of the industry. The tax credit proposed today would be the first and most visible contribution by the Government toward developing the new sector of our economy. Affirmative action is essential. We cannot depend on business-as-usual to change our energy economy. Shortages, severe dislocation, and shortrun solutions would be our only payoff. We need to guide our energy developments so that we actively choose the economy and the lifestyles of the future.

And it is both exciting and important to realize that an energy supply with a significant solar base is going to involve a very different social system from one entirely dependent on coal or nuclear technologies. Such a system is going to be diverse. It will require individuals and communities to set up and manage part of their energy resources. And it will mean that technology will be used flexibly to meet rapidly changing individual needs and circumstances.

This dream of a heterogeneous, self-renewing resource base owned by many individual users is not, as some would claim, antitechnology or antibusiness. On the contrary, it will require a high level technological genius to invent equipment both sophisticated enough to make power and simple enough to be managed by the individual user. We are far from this breakthrough. And there is no question that central power generation and the building of central facilities will go forward as one part of the entire energy picture. Similarly, countless new industries will grow stronger. But the richness of a diverse economy and the satisfaction of small-scale enterprises will be allowed to flourish. And they are of value in and of themselves. I firmly believe that a good reason for subsidizing solar is not only its potential share of needed resource production, but also the kind of lifestyles its adoption will reinforce. They are values worth planning and paying for.

Mr. President, just now the power of the Sun seems to be infinite. The American people clearly want to follow up on that promise. Congress must not fail them.

It is for that reason that I rise to support this addition, and I ask unanimous consent that I be added as a cosponsor to this amendment if the distinguished Senator from Colorado will yield for that purpose.

Mr. HART. The Senator from Massachusetts is already a cosponsor.

Mr. BROOKE. I wished to be sure.

Several Senators addressed the Chair.

The PRESIDING OFFICER. The Senator from Pennsylvania is recognized.

Mr. HASKELL. Mr. President, a parliamentary inquiry.

The PRESIDING OFFICER. The Senator will state it.

Mr. HASKELL. What is the pending business, Mr. President?

The PRESIDING OFFICER. The amendment of the senior Senator from Colorado to the amendment of the junior Senator from Colorado is the pending business.

Mr. HASKELL. To clear things up, I move the adoption of my amendment to my colleague's amendment.

The PRESIDING OFFICER. The Senator made a parliamentary inquiry. The Senator from Pennsylvania has the floor.

Mr. HASKELL. Mr. President, will the Senator from Pennsylvania yield merely for the purpose of getting my amendment to my colleague's amendment adopted? Then we are back on my col-

league's amendment and then the Senator will proceed. I simply wish to clear up one step of a parliamentary procedure.

Mr. HEINZ. Mr. President, I do not know that I have seen the Senator's amendment yet.

Mr. HASKELL. It is satisfactory to my colleague and satisfactory to the floor manager.

Mr. HEINZ. Is it satisfactory to Senator HART?

Mr. HASKELL. It is satisfactory to Senator HART and satisfactory to Senator LONG.

So, will the Senator yield for that purpose and get one step out of the way?

Mr. HEINZ. I will yield and ask unanimous consent that I do not lose my right to the floor.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. HASKELL. I thank the distinguished Senator from Pennsylvania.

The PRESIDING OFFICER. The question is on agreeing to the amendment of the senior Senator from Colorado.

The amendment was agreed to.

Mr. HEINZ. Mr. President, I speak today both as a cosponsor of H.R. 112, the bill to reduce the excise tax on foundations before us, and as a cosponsor of Senator HART's amendment on residential energy credits.

Let me say very briefly that I think we all seek as a national goal and as a national priority an energy bill and a balanced energy bill, but the fact is that the President's plan and even the legislation that we passed or that we might get is not going to be very balanced.

The only thing that we can promise the consumers of the country, based on what I have seen brought back to this Chamber or what might come back, are either tax increases or higher prices.

I think the amendment of the Senator from Colorado does something—perhaps it is the exception to the rule—but does something for the consumer. Indeed, this is, I think, the best part of our energy bill, and I hope that my colleagues will join in adopting this amendment which for once, as a piece of our energy package, helps, not hurts, the consumer.

Mr. President, almost 1 year has passed since the Senate completed action on the energy tax portion of the National Energy Act. Unfortunately, in spite of diligent activity by the conferees, opposition to a few controversial segments of the bill will probably prevent the majority of the vital issues from being acted upon. The residential and solar energy credit programs are outstanding examples of widely accepted ideas that are in danger of being ignored because of their association and inclusion with other less popular proposals.

The Hart amendment would insure that tax incentives will be available to persons who employ new technology to take advantage of renewable energy sources or improve the insulation value of their residence to eliminate energy waste. Initial consumer response to the announcement of this proposal last year was very encouraging, and the proposal passed both House and Senate easily. However, as the energy tax provisions became bogged down in the legislative process and the prospects of receiving the proposed tax credits dimmed, interest in tapping this vast energy resource has stalled.

The potential savings of conservation practices by consumers have been demonstrated. The potential use of solar power has been demonstrated. By adopting this amendment we will enable consumers to realize the benefits of the potential that federally funded research has already demonstrated, while the Nation as a whole benefits from less dependence on foreign supplies of traditional energy sources.

The amendment we offer today seeks to incorporate the informal agreements reached by the Conference Committee staff. Individuals would be entitled to a 20-percent tax credit for the cost of qualified energy conservation expenditures up to a total of $2,000 per taxable year. In addition, investments in renewable energy resources would be entitled to a 30-percent tax credit for the first $2,000 of expenditures, plus 20 percent of costs that exceed $2,000 but do not exceed $10,000. These credits would be applicable to any expenditures made on or after April 20, 1977, for equipment installed in or on his principle residence the construction of which was substantially completed before April 20, 1977.

If the Senate fails to take advantage of this opportunity to pass legislation that includes tax incentives for residential energy conservation and renewable energy sources the progress made so far in the field of solar energy technology will be wasted. In the past year, the number of manufacturers of solar thermal collectors has fallen from 186 to 162, a decline of 13 percent, according to a survey taken by Anthony Adler for the Solar Energy Research and Education Foundation. In addition, the total number of medium-temperature and special collectors has declined by 13 percent over the past year. Clearly the initial enthusiasm for these alternative sources of energys has been suspended due to Congress inaction on the issue of tax credits.

In a time in which energy prices are becoming a greater proportion of the average citizen's budget, to ignore the chance to develop alternatives to this expensive energy is irresponsible. An analysis of the potential savings from this proposed program indicates that as much as 1.6 million barrels of oil per day could be saved or replaced by equipment purchased and installed through the incentive program that this amendment would institute.

Mr. President, I urge my colleagues to support our amendment.

The PRESIDING OFFICER. Who seeks recognition?

Mr. GRAVEL addressed the Chair.

The PRESIDING OFFICER. The Senator from Alaska.

UP AMENDMENT NO. 1726

(Purpose: To provide incentives for the use of alternative energy sources, and other purposes)

Mr. GRAVEL. Mr. President, I send to the desk an amendment to the amendment of the Senator from Colorado and ask for its immediate consideration.

The PRESIDING OFFICER. The amendment will be stated.

The assistant legislative clerk read as follows:

The Senator from Alaska (Mr. GRAVEL) proposes an unprinted amendment numbered 1726.

Mr. GRAVEL. Mr. President, I ask unanimous consent that the reading of the amendment be dispensed with.

The PRESIDING OFFICER. Without objection, it is so ordered.

The amendment is as follows:

On page —, line —, insert the following: at the end of the amendment add the following new sections:

ADDITIONAL PERCENTAGE FOR INVESTMENT CREDIT WITH RESPECT TO CERTAIN ENERGY PROPERTY

(a) IN GENERAL.—Subpart B of part IV of subchapter A of chapter 1 (relating to credits allowable) is amended by inserting immediately after section 46 the following new section:

"SEC. 46A. SPECIAL RULES RELATING TO CERTAIN ENERGY PROPERTY.

"(a) IN GENERAL.—In addition to the amount which is determined under section 46(a)(2), the amount of the credit allowed by section 38 for the taxable year determined under section 46(a)(1)(B) with respect to energy property shall include an amount equal to 10 percent of the qualified investment (as determined under section 46 (c) and (d)) in section 38 property which is, (or, for the purpose of applying section 46(d), will be) energy property.

"(b) DEFINITIONS.—For purposes of this section—

"(1) ENERGY PROPERTY.—The term 'energy property' means property—

"(A) which is—

"(i) cogeneration equipment installed in connection with an existing facility, but only to the extent that the cogeneration energy capacity of such facility is expanded,

"(ii) recycling equipment,

"(iii) shale oil equipment,

"(iv) geopressurized methane gas equipment, or

"(v) equipment for the application of heat by electricity generated by the use of an alternate substance (including other on-site property necessary to effect process changes for the use of such equipment) which will use neither oil nor natural gas, and which will replace equipment used in an existing industrial facility which uses oil or natural gas as a fuel,

"(B) which is an integral part of, or used in connection with, a building or other structure located in the United States,

"(C)(i) the construction, reconstruction, or erection of which is completed by the taxpayer after April 19, 1977, or

"(ii) which is acquired after April 19, 1977, if the original use of such property commences with the taxpayer and commences after such date, and

"(D) which has a useful life of 3 years or more.

"(2) CERTAIN TRANSPORTATION EQUIPMENT TREATED AS ENERGY PROPERTY.—A commuter van (as defined in section 46(c)(6)(B)), and equipment designed to reduce energy consumption added to existing motor vehicles primarily engaged in the commercial transportation of property, shall be treated as energy property. An electric motor vehicle used in the taxpayer's trade or business shall be treated as energy property.

"(3) COGENERATION EQUIPMENT.—The term 'cogeneration equipment' means equipment which—

"(A) produces steam, heat, or other forms of useful energy (other than electric energy) to be used for industrial (including water purification or desalinization), agricultural, commercial, or space heating purposes, and

"(B) also produces electric energy.

"(4) RECYCLING EQUIPMENT.—The term 'recycling equipment' means any equipment which is used exclusively in the recycling of solid waste (including not more than a nominal amount of virgin materials) or to sort and prepare such solid waste for recycling, and any equipment used in the conversion of solid waste into a fuel or into useful energy such as steam, electricity, or hot water.

"(5) SHALE OIL EQUIPMENT.—The term 'shale oil equipment' means equipment which is used to extract oil from oil-bearing shale rock.

"(6) GEOPRESSURIZED METHANE GAS EQUIPMENT.—The term 'geopressurized methane gas equipment' means equipment which is used to extract geopressurized methane gas (as defined in section 44G(d)(1)).

"(7) EXISTING.—The term 'existing' has the same meaning as in paragraph (4) of section 44F(b).

"(8) ALTERNATE SUBSTANCE.—The term 'alternate substance' means any substance other than—

"(i) oil and natural gas, and

"(ii) any product of oil and natural gas.

"(9) EQUIPMENT MUST MEET CERTAIN STANDARDS OF QUALITY.—Equipment qualifies under paragraph (1)(A) (i) or (ii) or paragraph (2) only if it meets the performance and quality standards (if any) which—

"(A) have been prescribed by the Secretary by regulations (after consultation with the Secretary of Energy), and

"(B) are in effect at the time of acquisition of the property.

"(10) SPECIAL RULE FOR PROPERTY FINANCED BY INDUSTRIAL DEVELOPMENT BONDS.—In the case of property which is financed in whole or in part by the proceeds of an industrial development bond (within the meaning of section 103(b)(2)) the interest on which is exempt from tax under section 103, '5 percent' shall be substituted for '10 percent' in subsection (a).

"(c) SPECIAL RULES.—

"(1) CERTAIN SECTION 48 RULES WAIVED.—For purposes of this section, the rules contained in section 48(a)(3) (relating to property used for lodging) shall be disregarded and the words 'its structural components' contained in section 48(a)(1)(B) shall be disregarded.

"(2) APPLICATION WITH SECTION 44F.—Property described in section 44F shall not be treated as property described in this section.

"(3) QUALIFIED INVESTMENT.—For the purpose of determining the taxpayer's qualified investment, the applicable percentage (for purposes of section 46(c)(1)) shall be 100 percent (without regard to the actual useful life of the item).

"(4) RECAPTURE RULES.—For the purpose of applying section 47 to energy property, a disposition of such property, or the conversion of such property into property which is not energy property, which occurs before the property has been in service for half its useful life shall be treated as having occurred before the close of the third year after the property was placed in service.

"(b) ALLOWANCE OF REGULAR PERCENTAGE FOR BUSINESS INSULATION PROPERTY.—Subsection (a) section 48 (defining section 38 property) is amended by adding at the end thereof the following new paragraph:

"(10) BUSINESS INSULATION PROPERTY.—For the period beginning on April 20, 1977, and ending on December 31, 1985, insulation shall be treated as meeting the requirements of paragraph (1) and paragraph (3) shall not apply to insulation. For purposes of the preceding sentence, the term 'insulation' means any item—

"(A) which is specifically and primarily designed to reduce when installed in or on an existing industrial or commercial building or existing industrial or commercial facility the heat loss or gain of such building or facility,

"(B) the original use of which begins with the taxpayer,

"(C) which can reasonably be expected to remain in operation for at least 3 years,

"(D) which meets the performance and quality standards (if any) which—

"(i) have been prescribed by the Secretary by regulations (after consultation with the Secretary of Energy), and

"(ii) are in effect at the time of the acquisition of the item, and

"(E) would not, but for this paragraph, be section 38 property.

For purposes of this paragraph, a building or facility will be treated as existing if it was placed in service before April 20, 1977.".

(c) CLERICAL AMENDMENT.—The table of sections for subpart A of part IV of subchapter A of chapter 1 is amended by inserting immediately after the item relating to section 46 the following new item:

"Sec. 46A. Special rules relating to certain energy property.".

(d) EFFECTIVE DATES.—The amendments made by this section shall apply to—

(1) property to which section 46(d) of the Internal Revenue Code of 1954 does not apply, the construction, reconstruction, or erection of which is completed by the taxpayer after April 19, 1977, but only to the extent of the basis thereof attributable to the construction, reconstruction, or erection after such date and before January 1, 1986.

(2) property to which section 46(d) of such Code does not apply, acquired by the taxpayer after April 19, 1977, and before January 1, 1986, and placed in service by the taxpayer before January 1, 1986, and

(3) property to which section 46(d) of such Code applies, but only to the extent of the qualified investment (as determined under subsection (c) and (d) of section 46 of such Code) with respect to qualified progress expenditures made after April 19, 1977, and before January 1, 1986.

SEC. 1033. PAYMENT IN LIEU OF CREDIT TO TAX EXEMPT ORGANIZATIONS.

(a) IN GENERAL.—In the case of a State or any political subdivision thereof, and in the case of any organization described in section 501(c)(3) of the Internal Revenue Code of 1954, or any electric utility cooperative described in section 501(c)(12), which is exempt from tax under section 501(a) of such Code for the taxable year, the Secretary of the Treasury shall pay to each such government, subdivision, or organization which files a claim during the calendar year in the form, manner, and at the time prescribed by the Secretary by regulations, an amount determined under subsection (b). Such payment shall be made as soon as possible after the receipt of such claim.

(b) AMOUNT OF PAYMENT.—The amount payable to a State, subdivision, or organization (hereinafter referred to as a "tax exempt entity") under subsection (a) for the calendar year shall be equal to the amount of credit which such tax exempt entity would, if it were liable for tax under chapter 1 of such Code, be allowed under section 44F of such Code with respect to its investment in alternative energy property and specially defined energy property and if such property were used in a trade or business.

(c) REPAYMENT.—If an entity which receives a payment under subsection (a) takes any action which would result in an increase of its tax under subpart B of part IV of subchapter A of chapter 1 of such Code if such entity were liable for tax under this chapter, then such entity shall be liable to the Secretary for an amount equal to the increased amount of tax which would be imposed under such subpart and such amount shall be collected as if it were the underpayment of a tax imposed under such chapter 1.

(d) TREATMENT AS OVERPAYMENT OF TAX.—For purposes of any law of the United States, including section 101 of the Treasury Department Appropriation Act of 1950 and title I of the Supplemental Treausry and Post Office Departments Appropriation Act, 1949, any payment made under this section shall be considered to be a refund of any overpayment of the tax imposed under chapter 1 of the Internal Revenue Code of 1954.

"(2) facilities for the on-site transportation, handling, storage, or treatment of coal, other raw materials, supplies, or any other materials in any preparatory process for the coal gasification or liquefaction process,

"(3) facilities for the on-site economic recovery, recycling, handling, storage, treatment, or utilization of byproduct materials or energy generated by the coal gasification or liquefaction process,

"(4) facilities for the on-site handling or transportation, or the increasing of the British thermal unit content per unit of volume, of synthetic gaseous or liquid fuels produced by the coal gasification or liquefaction process, and

"(5) other on-site facilities to the extent that such facilities are functionally related, and subordinate to, any facilities described in paragraphs (1) through (4).

For purposes of this section, the term 'synthetic gaseous or liquid fuels' means any gaseous or liquid product of a coal gasification or liquefaction process which can be used as a substitute for natural gas or oil regardless of its chemical composition or British themal unit content.".

(c) EFFECTIVE DATE.—The amendments made by this section shall apply with respect to obligations issued after December 31, 1977.

SEC. 1042. PERCENTAGE DEPLETION FOR PEAT, GEOTHERMAL DEPOSITS, AND GEOPRESSURIZED METHANE GAS.

(a) PEAT.—Section 613(b) (relating to percentage depletion rates) is amended—

(1) by inserting "peat (from deposits in the United States but only if used as a fuel or otherwise used to produce energy)," after "sodium chloride," in paragraph (4) thereof, and

(2) by inserting "(if paragraph (4) does not apply)" after "peat" in paragraph (6) thereof.

(b) GEOTHERMAL DEPOSITS AND GEOPRESSURIZED METHANE GAS.—

(1) APPLICABLE PERCENTAGE.—Section 613(b) (relating to percentage depletion rates) is amended by inserting after paragraph (7) the following new paragraph.

"(8) In the case of geothermal deposits located in the United States or in a possession of the United States, the percentages set forth in section 613a(c)(5) for calendar years shall apply to taxable years beginning in such calendar years, except that 10 percent shall be the applicable percentage for geopressurized methane gas (as defined in section 44G(d)(1)) extracted from brines withdrawn from such deposits."

(2) DEFINITION.—Section 613 (relating to percentage depletion) is amended by adding at the end thereof the following new subsection:

"(e) GEOTHERMAL DEPOSITS.—For purposes of this section, the term 'geothermal deposit' means a geothermal reservoir consisting of natural heat which is stored in rocks or in an aqueous liquid or vapor (whether or not under pressure). Such a deposit shall in no case be treated as a gas well for purposes of

this section or section 613A, and this section shall not apply to a geothermal deposit which is located outside the United States and its possessions."

(3) TECHNICAL AMENDMENTS.—

(A) Paragraph (1) of section 613(c) (defining gross income from the property) is amended by inserting "and other than a geopressurized methane gas well or a geothermal deposit" after "oil or gas well."

(B) Paragraph (1) of section 613(b) is amended—

(i) by inserting "and" at the end of subparagraph (A),

(ii) by striking out "and" at the end of subparagraph (B), and

(iii) by striking out subparagraph (C).

(c) EFFECTIVE DATE.—The amendments made by this section shall apply to taxable years ending after December 31, 1977.

SEC. 1043. OPTION TO DEDUCT INTANGIBLE DRILLING COSTS IN THE CASE OF GEOTHERMAL DEPOSITS AND GEOPRESSURIZED METHANE GAS.

(a) IN GENERAL.—Subsection (c) of section 263 (relating to intangible drilling and development costs in the case of oil and gas wells) is amended—

(1) by adding at the end thereof the following new sentence: "Such regulations shall also grant the option to deduct as expenses intangible drilling and development costs in the case of wells drilled in the United States (within the meaning of paragraph (1) of section 638), or any possession thereof, for any geothermal deposit (as defined in section 613(e)) or for any geopressurized methane gas (as defined in section 44G(d)(1)) to the same extent and in the manner as such expenses are deductible in the case of oil and gas wells.", and

(2) by amending the subsection heading to read as follows:

"(c) INTANGIBLE DRILLING AND DEVELOPMENT COSTS IN THE CASE OF OIL AND GAS WELLS AND GEOTHERMAL AND GEOPRESSURIZED METHANE GAS WELLS.—".

(b) MINIMUM TAX ON INTANGIBLE DRILLING COSTS IN THE CASE OF GEOTHERMAL AND GEOPRESSURIZED METHANE GAS WELLS.—

(1) Paragraph (11) of section 57(a) (relating to intangible drilling costs) is amended by striking out "oil and gas properties" each place it appears (including in the heading of subparagraph (C)) and inserting in lieu thereof "oil, gas, geopressurized methane gas, and geothermal properties".

(2) Clause (i) of section 57(a)(11)(B) is amended by striking out "oil and gas wells" and inserting in lieu thereof "oil, gas, geopressurized methane gas, and geothermal wells".

(3) Paragraph (11) of section 57(a) is amended by adding at the end thereof the following new subparagraph:

"(D) PARAGRAPH APPLIED SEPARATELY WITH RESPECT TO GEOTHERMAL PROPERTIES, GEOPRESSURIZED METHANE GAS PROPERTIES, AND OIL AND GAS PROPERTIES.—This paragraph shall be applied separately with respect to—

"(i) all oil and gas properties which are not described in clause (ii) or (iii),

"(ii) all properties which are geothermal deposits (as defined in section 613(e)), and

"(iii) all geopressurized methane gas properties.".

(4) Section 614 (relating to the definition of property) is amended by inserting "or geothermal and geopressurized methane gas wells" after "oil and gas wells" each place it appears.

(c) GAIN FROM DISPOSITION OF INTERESTS IN GEOTHERMAL OR GEOPRESSURIZED METHANE GAS WELLS.—

(1) Paragraphs (1) and (2) of section 1254(a) (relating to gain from disposition of interest in oil or gas property) are each amended by striking out "oil or gas property" each place it appears and inserting in lieu thereof "oil, gas, geopressurized methane gas, or geothermal property".

(2) Paragraph (3) of section 1254(a) (defining oil or gas property) is amended to read as follows:

"(3) OIL, GAS, GEOPRESSURIZED METHANE GAS, OR GEOTHERMAL PROPERTY.—The term 'oil, gas, geopressurized methane gas, or geothermal property' means any property (within the meaning of section 614) with respect to which any expenditures described in paragraph (1)(A) are properly chargeable."

(3) The section heading of section 1254 is amended by striking out "OIL OR GAS" and inserting in lieu thereof "OIL, GAS, GEOPRESSURIZED METHANE GAS, OR GEOTHERMAL".

(4) The table of sections for part IV of subchapter P of chapter 1 is amended by striking out "oil or gas" in the item relating to section 1254 and inserting in lieu thereof "oil, gas, geopressurized methane gas, or geothermal".

(5) Subsection (c) of section 751 (relating to unrealized receivables) is amended by striking out "oil and gas property" and inserting in lieu thereof "oil, gas, geopressurized methane gas, or geothermal property".

(d) APPLICATION OF AT RISK RULES TO GEOTHERMAL DEPOSITS AND GEOPRESSURIZED METHANE GAS.—

(1) Paragraph (1) of section 465(c) (defining activities to which at risk rules apply) is amended by striking out "or" at the end of subparagraph (C) and by inserting after subparagraph (D) the following new subparagraphs:

"(E) exploring for, or exploiting, geothermal deposits (as defined in section 613(e)), or

"(F) exploring for, or exploiting, geopressurized methane gas (as defined in section 44G(d)(1))".

(2) Paragraph (2) of section 465(c) is amended by striking out "or" at the end of subparagraph (C) and by inserting after subparagraph (D) the following new subparagraphs:

"(E) geothermal property (as determined under section 614), or

"(F) geopressurized methnane gas property (as determined under section 614),".

(e) EFFECTIVE DATE.—

(1) IN GENERAL.—The amendments made by this section shall apply with respect to wells commenced on or after April 20, 1977, in taxable years ending on or after such date.

(2) ELECTION.—The taxpayer may elect to capitalize or deduct any costs to which section 263(c) of the Internal Revenue Code of 1954 applies by reason of the amendments made by this section. Any such election shall be made before the expiration of the time for filing claim for credit or refund of any overpayment of tax imposed by chapter 1 of such Code with respect to the taxpayer's first taxable year to which the amendments made by this section apply and for which he pays or incurs costs to which such section 263(c) applies by reason of the amendments made by this section. Any election under this paragraph may be changed or revoked at any time before the expiration of the time referred to in the preceding sentence, but after the expiration of such time such election may not be changed or revoked.

SEC. 1058. DUTY ON BUILDING INSULATION MATERIALS AND RELATED MATERIALS.

(a) IN GENERAL.—Subpart B of part 1 of the Appendix to the Tariff Schedule of the U.S. (19 U.S.C. 1202) is amended by inserting immediately after item 911.16 the following new items:

" 911.17	Glass fibers in bulk: glass fibers in the form of mats, batts, blankets, felts, pads casings and boards, all the foregoing, of a density not over 25 lbs. per-cubic-foot, whether or no coded, impregnated or bonded with glue, plastics, or other substances or lines, backed or supported with paper, paper board, fabrics, or similar materials, or with metal mesh or foil; glass-fiber filter with or without their frameworks or supports; and article not specifically provided for, of glass fibers (provided for in item 540.71, part 3, schedule 5)	Free	No change	On or before 6/30/79.
911.18	Mineral wool, in bulk or in batts, blankets, or similar forms, whether or not lined, backed, or supported with paper, paper board, or similar materials (provided for in item 522.81, part 1, schedule 5)	Free	No change	On or before 6/30/79.
911.19	Boric Acid (provided for in item 416.10, Subpart B, part II, schedule IV)	Free	No change	On or before 6/30/79. ",

(b) EFFECTIVE DATE.—The amendment made by subsection (a) of this section shall apply with respect to articles entered, or withdrawn from warehouse for consumption, on or after the date of enactment of this Act.

SEC. 1060. INJECTION OF WATER TO ENHANCE CRUDE OIL RECOVERY.

Section 8(i)(2) of the Emergency Petroleum Allocation Act of 1973, as amended, is amended by adding the following new sentence at the end thereof: "Included in the count of the total number of wells on a property shall be all wells producing crude oil and all wells utilized for the purpose of injecting water and/or other materials into a producing reservoir for the purpose of enhancing crude oil recovery.".

Mr. GRAVEL. Mr. President, I retract my earlier requests to the Senator from Colorado that we try not to load this bill up. While I was speaking on that, I did not realize that the chairman of the committee had amendments that he was putting on. So far we have added on something for schools, we have added on something for slot machines, and we are doing a good job on energy. I think that is fine.

I only hope that this bill sees it all the way through Congress. We have seen a lot of bills that begin as a Christmas tree and just die.

Some of us feel very deeply about the foundations tax. It is a corrective measure. I hate to see the foundations tax reduction destroyed after the work that has been done. It has passed the House of Representatives. It has passed the committee. Now, obviously, it would pass

the Senate, but by using it as a workhorse it may die of heat prostration in the House.

But, since it is going to be a Christmas tree, I certainly will not stand back and see only a part of the energy package adopted.

The amendment that I have at the desk does exactly what Senator HART's package does, but on another side of the economy. The Finance Committee and the full Senate considered a whole host of matters with respect to energy and we passed them. So what I have done is that I have now taken from the Senate-passed bill the items that Senator HART has not taken up, and am now adding them to his amendment. So what we truly have is exactly the tax bill that passed the Senate with respect to the items I have added, and I will enumerate those items.

One is an additional 10 percent investment tax credit for alternate energy property and payment in lieu of credits for tax-exempt organizations. This goes with respect to recycling equipment, oil shale, nonoil or gas and electric equipment, with a useful life of at least 3 years. This is to give incentives for those items. Additionally there are payments in lieu of tax credits for tax-exempt organizations, such as electric co-ops.

The next item is a depletion allowance for geothermal that would start at 22 percent in 1978 and go down to 15 percent in 1983.

Then we have geopressurized methane, a depletion allowance of 10 percent for that and for peat. In addition to the credit we are going to have for the residential buyer to get a peat stove we are going to have a 10-percent depletion allowance for peat.

Mr. CURTIS. Mr. President, will the distinguished Senator yield for a question?

Mr. GRAVEL. I am happy to yield for a question.

Mr. CURTIS. Is it true that the Senator's amendment will add onto the amendment of the distinguished Senator from Colorado the entire energy tax bill that passed the Senate?

Mr. GRAVEL. I apologize. I did not hear the Senator.

Mr. CURTIS. Do I understand correctly that the Senator's amendment to the amendment of the distinguished Senator from Colorado embodies the entire energy tax bill that passed the Senate at an earlier date?

Mr. GRAVEL. That is exactly correct.

Mr. CURTIS. All of it?

Mr. GRAVEL. And to my knowledge all of this is not in controversy in the conference.

Mr. CURTIS. But it includes all of it.

Mr. GRAVEL. All of it.

Mr. CURTIS. I thank the Senator.

Mr. GRAVEL. All of it.

We sort of spotted areas he picked out and are putting in the remainder.

So if my colleague will yield——

Mr. HART. I would like to clarify that question. My understanding was to the contrary. The sum of the whole of the proposal being offered by the Senator, if it were still in controversy is in the conference and has not been approved; is that correct?

Mr. GRAVEL. No. I have other amendments, and I am having my staff scurry back to my office to get some more. But the amendments I have right here are exactly the pages that we took out of the bill and put onto a covering sheet, and you can go inspect it at the desk.

Mr. HART. The Senate bill in conference?

Mr. GRAVEL. To my knowledge these items are not in controversy in the conference. Let me finish reading them. For example, investment tax credits of 10 percent; depletion allowances for pressurized methane and peat.

The next item is to allow deduction for intangible drilling costs for wells drilled for geothermal and geopressurized methane. This is the same way we deal with oil wells. Why should we give oil an advantage over geothermal?

A further item is to suspend import duties on insulation materials until June 30, 1979. We received adequate testimony that there is a shortage. The impact of this I say to my colleague is $1 million in the Treasury. The committee passed it and it also passed the Senate.

The other item is a water injection enhancement of crude oil recovery. This includes in the number of wells on a property the wells used for water reinjection to enhance crude oil recovery. These are all items that have passed the Senate. These are items that are in conference and, to my knowledge—and I can only say to my knowledge, because I am not on the conference—well, I am on the tax part of the conference, and in the discussions we had in conference this was not the area of controversy.

Mr. HART. Mr. President, will the Senator yield for a question?

Mr. GRAVEL. I would be happy to.

Mr. HART. Were these items in the House-passed version of the bill?

Mr. GRAVEL. I think most of them were of one kind or another. I could not say with any preciseness, but I think the intent—in some cases, we may have been a little more creative in this regard, but I would say a lot of those elements were——

Mr. HART. I think it would be helpful to Senators to clarify that because I think there is also some disagreement and confusion on that. My understanding was that a number of these items were not in the House bill; there is controversy over in the House on them or at least not agreement.

Mr. GRAVEL. I would be happy to let it go overnight and give everybody a chance to reexamine what we are doing.

All I was doing was taking material out of the primary bill that passed the Senate. I do not know whether it passed the House, and if it did not I do not much care—the Senate passed on it, and our committee passed on it, and since we are sending them over one hell of a horse, let them worry about whether or not they like it when it gets there. I think these items are valid.

You have taken some things out of our work in the committee and I am just giving you the rest of what we did.

Mr. HART. Mr. President, will the Senator yield?

Mr. GRAVEL. I would be happy to yield.

Mr. HART. I think there is some logic to the amendment offered by the Senator from Colorado, the Senator from New Hampshire, and so on. This is a discrete package of two basic proposals which are defined primarily because of the element of homeownership and residential consumers.

The alternative energy supplies, particularly solar and the home insulation, obviously what the sponsors of this amendment did not try to do was to take every tax incentive or every provision in the Senate-passed bill or the House-passed bill or in the conference, and load it onto this amendment.

There was a conscious decision on the part of a number of Senators on both sides of the aisle and, particularly, those who were concerned about solar energy, to provide an opportunity for the Senate and the House to break those particular small portions of that bill out and give us a chance, to which the majority of both the Houses agree, to indicate to the American people and our constituents that we were now prepared to move on these noncontroversial items.

The Senator from Alaska, of course, is vastly expanding that step. To include, in my judgment at least, a number of controversial items, which may be objectionable to the House, and substantially change the character of the amendment before the Senate today. I think this is a very important distinction to make because it is not just a question of whether we have started down the path to breaking up the entire energy tax bill. I believe we have a chance here to pass an amendment to take a major energy step, and I am afraid if we adopt the procedure being suggested by the Senator from Alaska, that chance will evaporate almost instantaneously.

Mr. GRAVEL. Let me say to my colleague if we have a serious chance for passage of these amendments then let us do something for geothermal just as we are doing something in other areas. You are doing something for peat, and I want to do a little more for peat.

Mr. HART. No, the distinction is not the energy source.

Mr. GRAVEL. Let me finish with my colleague. If we have a serious chance to prevail on these amendments, let us do it.

The chairman of the full committee is prepared to accept your amendment and will accept mine. But, I sort of hear you telling me that you will not accept my amendment on your amendment when the chairman is prepared to accept it all. I get a little uptight about the argument the Senator is using in this regard which is, "Well, this is a nice little package that is going to be more acceptable."

I would suggest to my colleague that he is already in company with slot machines. I do not think it will hurt him too much more to be in company with a depletion allowance for geothermal, geopressurized methane, and peat.

So, if the present company does not

bother you, I would hope these fine things would not bother you either.

Mr. HART. Mr. President, will the Senator yield?

Mr. GRAVEL. I would be happy to yield.

Mr. HART. Obviously, the sponsors of the pending amendment had no choice one way or the other about slot machines or anything else. That was an action taken by the chairman on behalf of other Senators.

What I am talking about here are energy tax incentives, and we made a conscious decision in formulating this amendment not to include every possible energy source. It is not a question of doing something for peat and nothing for geothermal. It is a question of what can be done, as I think all of the Senators who sponsor this amendment believe, for the homeowners and the consumers regardless of what energy supply we are talking about, in order to provide those incentives without which the industry is being destroyed.

We do not in this amendment attempt to solve every energy problem. That is going to prove to be an impossibility, and one always has to make a decision about what you think is acceptable and what has a chance of passing. Now, there is a point beyond which, if everything gets put into this amendment, the whole purpose is defeated. That is all I am trying to say.

Mr. GRAVEL. Let me just answer my colleague by saying that I do not have much control either. I am the prime sponsor of this horse, and I was hoping to keep it clean so we can correct the deficiency in the foundation tax.

I am chairman of that subcommittee and I have lost control. I am only, therefore, trying to do exactly what the Senator is trying to do. Thus, I am not very sympathetic to the case he is making that maybe his stuff deserves a little more attention than mine which I think also, deserves a little bit of attention.

So I am very unsympathetic to that. I do not think these items are going to load down the Senator's proposal any more than it deserves to be loaded down. I think the Senator's proposal has merit. I stood on this floor back in 1971 fighting for solar energy and I could not get a cosponsor for it. So I feel very strongly about solar energy and I want to see it happen. But I want to see these other things happen, too.

I come from an oil State and I am here offering an amendment that will give an edge or at least give an equal edge, to other forms of energy. So I think this is a serious endeavor.

I just plead with my colleague, if he thinks his proposal has merit I would hope he would accord me the same courtesies that apparently the distinguished Senator from Louisiana is going to accord him.

And I, too, will accord the Senator courtesy because obviously I would be in a position to insist on a vote, since I am the prime sponsor of this bill. The chairman of the full committee merely exercised his privilege to jump up from there and carry this bill for me. I am not sure yet whether he is helping me or hurting me; I will only know in a month or so. I will leave the verdict out until I know.

But by the same token, I am prepared to say that I have seen the Senator from Louisiana do some interesting things where I have been opposed, and I am prepared to go ahead on his horse and ride it all the way.

I will cosponsor the Senator's amendment. But take the rest of the package, too, because it has equal merit. Not any more, but not any less.

Mr. HART. I think that is a decision for the Senate to make. I would hope we would be able to vote on it.

Mr. GRAVEL. Mr. President, I ask for the yeas and nays.

Mr. HART. Mr. President, I ask for the yeas and nays on my amendment.

The PRESIDING OFFICER (Mr. NUNN). Is there a sufficient second for the yeas and nays on the amendment of the Senator from Alaska? There is a sufficient second.

The yeas and nays were ordered.

Mr. HART. Mr. President, I ask for the yeas and nays on my amendment.

The PRESIDING OFFICER. At this point, it would require unanimous consent to get the yeas and nays on the Hart amendment.

Mr. LONG. I object to that, Mr. President. Let us vote on this one first.

Mr. HART. I did not make the unanimous-consent request, so there is nothing to object to.

Mr. GRAVEL. Mr. President, could I ask the Senator from Louisiana a question?

My question is, if my amendment fails, would you, as manager for the majority, be prepared to accept the amendment without a vote?

Mr. LONG. My reaction is, I have heard a lot of speeches here, and I know why the energy bill has not passed. I have been on that conference a long time. I stayed around here 6 weeks last year after everyone else went home trying to resolve that issue.

That was the last energy bill to pass. Everybody agreed it had more controversy in it than any other bill. It had the crude oil equalization tax in the House part, and that is what is holding up that measure, the crude oil equalization tax. The House does not want to yield on that.

We tried the crude oil tax with every different combination of things we could wrap up with it, to try to come up with something the Senate could agree to, and the House will not yield on it. It is a new experience for me to be on a conference on a bill for a solid year, and I have been here 30 years, but that is something that has to happen sometimes, I guess.

The House is not going to accept this, whether it be the Gravel amendment on the Hart amendment or we take the Hart amendment up separately. The House is not going to yield on it. When they get ready to yield on the crude oil equalization tax, the House will accord with us on all the other things that are in the energy package. But the House is going to want to have their handiwork along with our handiwork. If it would make the Senator feel better to put this on the bill, and feel that thus there might be some additional assurance that if the tax bill fails, perhaps we could put it on as a rider and perhaps the House would feel better about it. I am willing to go along with it, but then I am willing to accept the bill whether it has the Gravel amendment on it or the Hart amendment on it. I will vote for both, as far as I am concerned.

Mr. PROXMIRE. Mr. President, will the Senator yield?

Mr. LONG. I yield.

Mr. PROXMIRE. May I ask the Senator if what he is saying is that if the Gravel amendment and the Hart amendment pass, the House, in its judgment, will not accept it, and therefore the foundation bill, which I support and I presume the other Senators do, too, will be the victim?

Mr. LONG. No, I do not think so. I presume when we resolve the energy tax conference, that will settle this issue.

Mr. PROXMIRE. Well, that might be several years.

Mr. LONG. It has got to be resolved this year, for the simple reason that this Congress is going to expire.

Mr. PROXMIRE. So will the bill.

Mr. LONG. Well, it sounds to me like the classic case of Jarndyce against Jarndyce. It dragged on for generations. Finally the matter came to an end, and it was not decided; they simply ran out of court costs. The estate was finally consumed by the litigation over the generations that the case was in court, and finally the thing expired and came to an end. It was not decided or settled; it came to an end.

The Congress will come to an end, and the energy bill will be decided one way or the other. Every bit of it will be decided, either for or against. I have no doubt that before this Congress is over, we will have reached a conclusion on that energy tax bill we have been in conference on for a year. But that ought to come along behind the gas bill. That was the fifth of the five big bills, and everyone agrees it was the one that was most controversial. Finally we voted on one of them; the coal conservation bill has been voted on. We have four other bills to vote on, three out of the Energy Committee and one that we will bring to the Senate from the tax writing committees.

About at the time that the House concludes that they cannot resolve satisfactorily the crude oil equalization tax, then I will go ahead and settle the rest of it, because there are a lot of good things in that bill, like what the Senator is talking about here. We will resolve it; but being that the House will not agree to this until they are satisfied nothing can be done about the crude oil tax or anything like it, we will be in conference.

Mr. HART. Would the Senator's interpretation of what the House will do or not do be changed materially if the administration supported the efforts of the Senator from Colorado here today? The Department of Energy previously stated only that they have no objection to leaving the rest of the elements out. I do not want to overstate the administration's position, but it may indicate a significant change of policy or strategy on the part of the administration, and if the administration is willing to say to

Speaker O'NEILL and Chairman ULLMAN and others that they favor this position, I think perhaps the position of the chairman will not be the same.

Mr. LONG. What I hear, Senator, is this: The administration does not want to separate anything out of the conference, but if we are going to have to pass all of it piecemeal, they would have less objection to separating the solar part of it than anything else. That is my understanding.

Mr. HART. I think the Senator is correct, but the contact we have had with the Department of Energy today is that they are willing to go farther than that, and they have already authorized me to say they support this amendment.

What we are trying to do here—as opposed to the efforts of the Senator from Alaska—has already received the approval of the conference. I still have a misunderstanding with the Senator from Alaska as to whether the elements he is offering have been approved by the tax conference committee. Although the record is unclear on that, I think the record is clear that all the proposals put forward by the Senator from Alaska have not received conference approval.

Mr. GRAVEL. Mr. President, I do not know whether we are here with affidavits. I am asking my staff to determine whether his stuff has been approved by the conference. We do not know. We have the conference record; let us put it in the RECORD right now, and see what the conference did.

Mr. HART. Mr. President, I ask unanimous consent that it be in order to put the tax elements of the energy conference report in the RECORD at this point.

Mr. CURTIS. Mr. President, reserving the right to object, it is my understanding that the conference is not complete. We did not know about the report that was sent, and I am sure a number of conferees really intend to resist some of these tentative positions, should an adverse position be taken on some of those items not yet reached in conference.

There is nothing, to my knowledge, that indicates any finality or a decision on the part of the conference.

Does my chairman agree?

Mr. LONG. That is right. There is no conference report signed. We just agreed on certain things, but all that is subject to being reconsidered.

Mr. CURTIS. I dislike to object, but I hope my colleague will withdraw his request, because there is not any document signed by conferees.

Mr. LONG. I would have no objection to anyone making available whatever information there is, be it to the press, the minutes of the conference. That presents no problem. But I think the Senator from Nebraska is correct in saying that one cannot regard something that has been tentatively agreed to in a conference as final when the conference has not concluded its deliberations.

Mr. CURTIS. It is also true, Mr. President, that these notations are labeled tenative decisions. I think if it is admitted, it should not be admitted as evidence of an approval on the part of the conference.

Mr. HART. Mr. President, I withdraw the unanimous-consent request.

Mr. CURTIS. Mr. President, I seek recognition.

The PRESIDING OFFICER. The Senator from Nebraska.

Mr. CURTIS. I ask unanimous consent that Mr. Gerald Rosen, of Senator GRIFFIN'S staff, be granted the privileges of the floor for these several tax bills.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. CURTIS. Mr. President, there are many things in the energy tax bill in which I am very much interested. I hope we can soon enact the gasohol bill. It will add 10 percent to our motor fuel every place it is used.

I am also very much interested in the reduction of the tax on foundations, which is now 4 percent and action had been taken to make it 2 percent. It would be my hope that we would not have controversial amendments on this foundation bill.

So far as the Senator from Nebraska is concerned, I realize that in all legislative strategy or programming there is always a risk. So far as I am concerned, I am willing to trust the distinguished chairman of the Committee on Finance to contend for the Senate viewpoint in conference, and we have to trust to somebody the authority to work out the scheduling of these things.

I merely say that hoping that there can be restraint in what we add to these bills this afternoon.

Mr. MUSKIE. Mr. President——

Mr. DOMENICI. Mr. President——

The PRESIDING OFFICER. The Senator from Maine.

Mr. MUSKIE. Mr. President, I have listened with great interest to the discussion this afternoon concerning the amendment of Senator HART, and also the discussion proposing additions to the bill by Senator GRAVEL. I have been trying to sort out in my own mind the implications on the budget process in the approval by the Senate of these two proposals. These two proposals were part of the energy tax bill that the Senate approved a little less than a year ago.

I was not on the floor at the time because I was hospitalized, but that bill as it went to conference had a first-year cost in fiscal 1978 of $2 billion. The budget had allowed only $1 billion. So it was in violation of the budget resolution when it went to conference.

Now we are having pieces of that offered to the Senate this afternoon. I am sure I do not have figures in which I have final confidence as to the cost of these pieces. My best information is that the Hart amendment, by itself, would have a first full year cost of approximately $1 billion, and the cumulative projection through 1985 would be approximately $10 billion.

The Gravel amendment, which includes part but not all of another portion of that bill, represents a cumulative cost through 1985 of $19 billion.

Mr. GRAVEL. If the Senator will yield, I think there is a mistake in my amendment. My staff is clearing it up now. The $16 billion item is not in my amendment. My total cost is $2 billion to $3 billion. We will get the figures to the Senator.

Mr. MUSKIE. I am not trying to confirm or not confirm any figures. The point I am trying to make is that these proposals were part of the extended debate on the energy tax bill a little less than a year ago. They went to conference. The budget implications at that time were difficult to understand fully. There was disagreement about it, although we reached conclusions about those implications from the point of view of the Budget Committee. I suspect Senator LONG had a different view of those implications at the time.

I am simply pointing out the difficulty this afternoon of trying to put on a price tag and to evaluate the budget implications of these proposed amendments to an unrelated piece of tax legislation without the opportunity to make the kind of analysis that we did with the bill last fall.

Mr. HART. Will the Senator yield?

Mr. MUSKIE. I will just take a few minutes to finish my thought.

Second, I do not know what else is in Senator GRAVEL'S amendment, but I believe it may include payments to nontaxpayers, and, if so, may be subject to a point of order for reasons which were discussed on the floor of the Senate last week. Again, that is a point I have not had the opportunity to analyze, evaluate, or make a final, firm judgment about. I just find myself frustrated as chairman of the Budget Committee sitting here looking at the legislation which I did not expect to include these items, with the responsibility of advising the Senate on how it ought to proceed or what the Budget Committee's recommendations might be with respect to them.

This is not a new phenomenon with respect to tax bills. We have all experienced it. Those who have been here for 20 years have experienced it more than those who have been here 5 years. I suspect that 10 years from now we will still be experiencing it. I must say for myself, I am willing to sit here and continue to listen to debate, listen to attempts—and I am sure there will be such attempts—to reconcile these amendments with responsibilities of the budget process. Frankly, though I am fully sympathetic to Senator HART'S amendment, I am going to vote against any amendments to the pending legislation because I just find it impossible, with this state of affairs, to give the Senate any kind of thoughtful, responsible, and comprehensive judgment on what the impact on the budget process will be.

For example, here is a question: The energy tax bill which passed last year was considered within the budget limitations applicable to fiscal year 1978. Fiscal year 1978 is drawing to a close, as of October 1. The budget resolution for 1979 makes no provision for these tax proposals because an allowance was made in the 1978 fiscal budget. What, if anything, we need to do, I do not know, when Senator LONG comes back with a package that he and the House have been able to work out. It is something I have not worked out yet because I did not think I had to by this afternoon.

All I am saying is that when we approach a complicated piece of tax legislation in this fashion, we are just step-

ping so far outside the regular procedures or processes we have established that no one can have a clear judgment as to what the implications are from the point of view of the budget process.

I am happy to yield to my friend from Colorado.

Mr. HART. I believe I can answer the Senator's question. I do not think there is as much confusion on this issue as the Senator has indicated.

The calculations prepared by the Joint Committee on Taxation are as follows: In the Senate bill for the items named in this amendment, the figure involved there is $1,266,000,000. Again, as the Senator pointed out, the budget function there may have been for a previous year. I shall get back to that question.

The House bill for these items contained $748 million. The compromise in the conference, which is what is being offered to the amendment before us today, the Hart amendment, would cost $978 million, which is, of course, above the House provision by $230 million, but below the Senate version passed by some $300 to $400 million. That was largely as a result of a compromise on the question of refundability where the Senate receded in part from its position taken on the floor.

The principal point here, at least according to the calculations done by the Joint Committee on Taxation, is that the passage of the Hart amendment will amount to less authorization than the Senate originally passed as a result of that conference compromise, which is incorporated in the amendment.

As to the separate issue of what happens in the budget resolution, the Senator from Maine, as chairman of that committee, would be much more able to respond to this. What happens when a bill is carried over from year to year, as the energy package has been, I cannot say.

Mr. MUSKIE. I suspect, and this is off the top of my head, since I have had no opportunity to consider it, it may well be that since the Budget Act provides for the additional budget resolutions at any time that the national interest requires it, I suppose that an additional resolution is a conceivable option when Senator LONG is ready to come back to the floor; if we need additional action, that may be the vehicle for doing it.

The second point I make, referring to the figures, the figures of the Senator from Colorado are consistent with those that I have, roughly a billion dollars. The problem is that we are sending this over as a separate piece of legislation. I do not know whether the same conference committee will consider this bill or whether it will be another one, or how this bill will be handled in conjunction with the other one. We will have approved these provisions twice if the Senator's amendment is adopted and the bill as amended is passed. I suppose we can straighten it out when it all comes back to the Senate in some form. I am sure we are not going to pass the same program twice eventually.

But simply as a matter of orderly procedure, I simply cannot see this way of implementing this program. I do not believe that this program is going to become law on this bill.

Mr. PROXMIRE. Will the Senator yield?

Mr. MUSKIE. I suspect it is going to become law at some point and I shall support it when it becomes law, because I think it makes sense. But I think to do it this way is something that, as Budget Committee chairman, I ought to protest.

Yes, I yield.

Mr. PROXMIRE. As Budget Committee chairman, would the Senator feel that it might be a better proposition by the Senator from Colorado if he confined his amendment to what he has made a case for? There is an emergency need now for credit legislation for solar energy, not for insulation. The big cost of this amendment is in insulation. In insulation, they are operating at 100 percent of capacity, or close to it, in the production of insulation materials. This tax credit is simply going to be a bonanza for the people engaging in insulation production.

It will help them, but it will not increase the insulation.

Solar energy is different. The Senator from Colorado has made a case for it and made it well. However, that will have a much smaller budgetary impact, as I understand it, a fraction of the $978 million that the Senator says his amendment would cost now.

Perhaps the Senator from Maine would consider that as something that might be doable within budget constraints, perhaps not, I am suggesting that as a moderate compromise.

Mr. MUSKIE. My concern is not so much substantive as it is procedural, because the budget process was created to provide all the information that the Senate ought to have to evaluate proposals that have an impact on the budget, that have tax implications and spending implications. I just think that approaching proposals in this fashion, outside of the regular proceedings, deprives us of the kind of thoughtful, deliberative, comprehensive information we ought to have.

Mr. PROXMIRE. I understand.

Mr. MUSKIE. I do not challenge any Senator's right to use this approach. I understand what Senator Hart is doing. But I have watched these Christmas tree tax bills for so many years, I cannot imagine that anyone who has watched them can be blind to the birth of another one when it happens, or can be insensitive to the fact that they are really not productive in the long run and that they do generate some harm. I think some tax provisions have been written into the law that ought not to be in the law in the confusion generated by this kind of tax writing.

Maybe I am beginning the process of trying to resist Christmas-tree tax legislation. I was just sitting here, I was a bystander, and did not expect to get involved in this discussion. Then when we began to get involved in amendments that involved billions of dollars, I found I could not just sit on the sidelines; I had to speak.

Mr. McINTYRE. Will the Senator yield?

Mr. MUSKIE. Yes, I yield.

Mr. McINTYRE. The good Senator from Maine must realize that the Senator from New Hampshire and the Senator from Colorado are here this afternoon because we feel that these conservation provisions, the insulation and solar credits, have been held hostage too long. We think it is time that they be broken out. With all due respect to the budgetary process, and the Senator from Maine knows I have supported him time and time again, the fact remains that we are trying to highlight a part of the legislation that deserves to move. There is a consensus in both Houses that substantial parts of what we are talking about here today should already be law. The only way we have to make them law is to come down here and force the situation.

We recognize that it is not the most orderly way to do it, but I think the Senator from Colorado and other sponsors feel as I do, that it is high time this matter moved in the interests of the people of this country.

With all due respect to the people of Alaska, I do not feel that the Senator from Alaska has a situation with the urgency like that which faces the solar industry, with all due respect.

Mr. MUSKIE. May I say to my good friend from New Hampshire, there is no Member of this body for whom I have higher regard and affection. My good friend from New Hampshire has been here almost as long as I have, and I have campaigned in New Hampshire with him for the last 25 years, so I share his sense of urgency.

I certainly understand that the floor of the Senate is the place above all legislative bodies on the face of this planet for a Senator to protest when he does not like something that is going on. I certainly would not want to chill that right at all. But I would add that I have felt like kicking vending machines that did not produce after swallowing my quarter dozens of times in my life and it has not done one bit of good. I have always had to put another quarter in and often have lost that one, too.

If you want to kick this vending machine, I do not object, but I do not really think that it is going to produce this program that we so urgently need—and I agree with the Senator—in this fashion. We are just going to begin building another Christmas tree.

Senator LONG has devised, over the years, his own unique and innovative ways of dealing with Christmas trees, with Senator LONG ending up writing the final tax bill. The public interest, by and large, has been served by that system. But it seems to me that, although I can appreciate the motivation and I share completely the Senator's evaluation of the need of the program, as Budget Committee chairman, it is my business to point out whatever I think needs to be pointed out. It is the Senate's business to override the Budget Committee chairman if that is the Senate's wish.

Mr. HANSEN. Mr. President, I thank my distinguished friend from Maine.

I ask unanimous consent that Barbara

Washburn of Senator JAVITS' office and Sally Crossman of Senator STEVENS' staff be granted privilege of the floor during all of the debate and votes on these tax bills.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. HARRY F. BYRD, JR. Will the Senator yield for the same purpose?

Mr. MUSKIE. Yes, to my good friend from Virginia.

Mr. HARRY F. BYRD, JR. I ask unanimous consent that Edward Beck of my staff be granted privilege of the floor.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. MUSKIE. I yield to the Senator from Colorado.

Mr. HART. I, like my colleague from New Hampshire, think the fact this amendment has close to or over one and a half dozen sponsors——

Mr. MUSKIE. Beware of that.

Mr. HART (continuing). People on both sides of the aisle who have made their own decisions, that we have gone on long enough.

I share his frustration. I think a lot of us are frustrated by the inability of this vending machine to turn out an adequate program.

For some of us, I hope a majority, we will reach a decision today to move in a different direction.

Now, the Senator in his budget capacity objects on the grounds of orderly procedure, and I understand that.

But I think the orderly procedure was applied when first introduced and worked its way through the Congress. We have a significant piece of it here today, that both Houses agreed to. It has received informal conference approval. It was taken into consideration in the original budget process. It must become law, in the judgment of some of us, if we are to move in these important areas. Like many other pieces of legislation, it has worked its way through committee, worked its way through the Houses, worked is way through the conference committee, and it is just sitting there, a hostage to some very controversial petroleum pricing problems that some of us think will never be resolved, at least in this Congress.

So, for the Senator from Maine to say "Christmas tree," I think is to avoid a very important issue.

These provisions are not incentives for chili pepper growers, they are not incentives for slot machine owners, they are not incentives for some special interest here.

They are incentives to help solve the energy problems of this country.

Mr. MUSKIE. Will the Senator yield on that point?

Mr. HART. If the Senator will allow me, that is not, in my judgment, the Christmas tree approach.

I do not like to legislate by adding amendments of this consequence onto relatively insignificant tax bills, but something has to be done. I do not like to do it procedurally.

Mr. MUSKIE. If the Senator will yield—I guess I still have the floor.

No, I was not characterizing the substance of the Senator's amendment when I referred to the Christmas tree approach. I was characterizing the procedure which so often starts on the Senate floor.

Christmas trees often include a lot of meritorious proposals. So I am not denigrating the proposal. As a matter of fact, I support this form of incentive for conservation.

I just think, in the long run, we do ourselves a disservice using this type of procedure. Granted that the Senate is the one place in the parliamentary world where, when the Senate wishes to, it can abandon procedure in order to accomplish what it thinks ought to be accomplished. So I have lived with that, too.

Having made my point, I will not belabor it. The Senator understands it.

Unless the Senator from Alaska wanted to ask any questions, I will take my seat. I have made my point. I think I had a duty to make it.

Mr. GRAVEL. Could I ask this question?

I was just checking quickly the first year figures, which would have been this year had the bill passed last year, are less than second year figures.

I presume last year's budget resolution was for a period of time. Since we did not act on the bill, would it not be a proper inference that regardless of the size of this amendment that the costs are less what was projected for this year, because we never got to the second year?

Mr. MUSKIE. We would still be in the first year, I think.

Mr. GRAVEL. Would we?

Mr. MUSKIE. Until October 1.

Mr. GRAVEL. Well, obviously, this cannot take place——

Mr. MUSKIE. It could be last year, the best we can call is that last year's bill would have cost $2 billion in 1978, and $5 billion in 1979.

I do not know how much of that bill is encompassed in the combination of Senator HART's proposal and the Senator from Alaska's. So I am not going to make "guestimates" beyond those Senator HART provided, and any the Senator can provide, because I have no basis for independent evaluation, not having had an opportunity to make one or ask CBO to make one.

So whatever the Senator gives us as estimates, I assume they are the best he can get. I do not challenge that. It is simply that I do not yet have them, and I cannot provide the Senate with any, and I think that is an unfortunate situation.

Senator HART's figures, I think, are firmer because they are based on evaluation made by the Joint Committee on Taxation which certainly is a creditable source, although it is not CBO, and that is roughly a billion dollars for the first full year cost.

Mr. ROBERT C. BYRD. Vote!

Mr. GRAVEL. Mr. President, I would just like to speak to a point raised by the Senator from Wisconsin, which was an interesting point.

The plea is made for solar, and with respect to the West, or anywhere which is logical, I agree with that.

The plea is made, from me to my colleague from New Hampshire, that the cost that we have for the Hart amendment, is about, over a 5-year period, $10,500,000,000.

So the lion's share of that cost is in the credit.

Now, we do not have——

Mr. PROXMIRE. Credit for what? Not solar.

Mr. GRAVEL. No; not solar. Let me finish and I will explain.

The credit goes for furnace replacement, flue openings, caulking, wood peat stoves, insulation, heat pumps, fluorescent lighting, energy saving meters, and in some of this it was absolutely fantastic. I can recall the meter demonstration. It will save energy. It was not a high-cost item. As I recall, the high-cost item was insulation.

Now, this amendment which, of course, appeals to the consumer, and it is for the residence owner, has a lot of appeal. But when we go deeper, we find out, and I, for one, in committee was not terribly happy with the insulation credit because the prices are driven up. All the insulation that can be used is being used and this will not alter the dynamics of it. It looks like it might, but it will not.

In my amendment I am suspending import duties on insulation so that we can let more insulation material come into this country, because we do not have enough to go around.

So, we are giving credit here under this amendment, which has great virtue, to something that really does not need a credit, because there is not enough to go around. What the committee decided was to turn around and suspend tariff to get more into the country. That will help insulate more homes, to get more insulation in the hands of the workmen to fill in the studs. That will do something of value.

So I submit that prior to the budget discussion, the Senator from Colorado and I seemed to be parted on one particular issue, and that was that his had somewhat more virtue because it was agreed to by the conference. As was pointed out by the distinguished Senator from Nebraska, it obviously was a tentative agreement that we had and, subject to what other things were adopted. This was what we got down to on the list before everything fell apart.

So I submit that there is no extra merit to what the Senator is offering. It may have more sex appeal to talk in terms of what the Senator is going to give the homeowner, but in fact it is going to benefit some industrialist.

I submit that it is not very sexy to talk in terms of an investment tax credit for a producer who is going to dig holes for geothermal. But that may have a lot more impact on what is going to happen to energy in this country than caulking.

I suspect—and I cannot prove it, because I do not have the time—that the Senator's insulation credit, with all its sex appeal, costs more than what I am offering, which is $4.1 billion over the 5-year period, as opposed to the Senator's amendment, which is $10.5 billion.

So I submit that the Senate has acted on what the Senator is proposing and has passed it. The Senate has acted on

what I am proposing and has passed it. The chairman of the committee has indicated to both of us that he is prepared to accept both amendments.

So I find the Senator's opposition odd, in view of what I have just laid out here as to some of the elements contained in the Senator's amendment.

If I could do it, I would add gasahol to this amendment. It was left out inadvertently. We left out purposely the burner furnaces for large enterprises because the cost is horrendous and the marginal benefit is not as strong as some of these other items.

We are talking about an investment tax credit and the additional credit of 10 percent for cogeneration property. That means that if you have an enterprise that is already generating something and it has excess heat, you can take a credit for the extra costs of using that heat to generate electricity. You can get an investment tax credit of 10 percent to do that. That is an incentive to do it. That may be every bit as beneficial as caulking or heat pumps.

The next item we have in this 10 percent investment tax credit is a recycling amendment, which obviously will save energy and is provident.

Then, of course, there is oil shale equipment and nonoil or gas electric-generation equipment which has a useful life of at least 3 years. That is as reasonable as solar energy. That is as reasonable as anything the Senator has on his side of the bill.

What we are talking about is an investment tax credit similar to these other items that have tax credits.

So I do not know how one can play Solomon and think one proposal is not as meritorious as the other.

The other item in the part I am offering is a depletion allowance for geothermal, a depletion allowance for geopressurized methane, and an allowance for peat.

Pray tell me what the difference is, other than the sex appeal, to offer an investment tax credit for peat, when the Senator is offering an investment tax credit for a stove that can burn only peat or wood. Pray tell what the difference is in that regard.

I also am offering a deduction for intangible drilling costs for geothermal wells. Oil has that. Pray tell me what the difference is between offering an amendment providing a tax credit for furnace replacement or flue openings as opposed to allowing a similar type of tax advantage for drilling some geothermal wells. These wells which offer a great deal of potential, but are not being drilled because the incentives are not there.

So I submit that, if we are talking about an energy package that is going to have some suction and become law, I would like to see it become law with these items, which are every bit as virtuous as any items the Senator has in his proposal.

I say to the Senator that the only reason I think we are all up in arms over this is that it goes to the homeowner initially. Ultimately, it does not go to the homeowner. It goes to the person who will manufacture these new furnaces. It goes to the person who will manufacture the new flue openings. It will go to the industry that manufactures caulking. It will go to the insulation industry, which has more than it can say grace over right now. We should not be giving them a credit, it should be going to increase the credits.

So if my colleague insists that we go to a vote, I am prepared to vote. I hope it is agreed to, because I think it will be a fine turn of events to turn down one facet of a bill because it does not have quite the sex appeal and the vote-gathering appeal that the other process has.

In terms of equity, the Senate and the committee have done their work, and I think there is no reason to pull out selectively what we think is an advantageous provision.

So I am prepared to vote on this amendment at this point.

Mr. HART. Mr. President, the Senator from Alaska has referred to the amendment as my proposals. These are not my proposals or those of the Senator from New Hampshire or any of the other 18 or so cosponsors. These are the proposals accepted by the Senate and the House of Representatives and which have received solid acceptance in the conference committee.

The second fact of the agreement of the conference committee, I think, does distinguish the incentives of our amendment from those offered by the Senator from Alaska. The Senator from Alaska, unlike the information we have from the Joint Committee on Taxation, does not have the cost figures for the incentives he seeks to add.

Therefore, primarily by way of distinguishing his amendment from ours, and with all due respect to the Senator from Alaska, I move to table his amendment, and I ask for the yeas and nays.

Mr. GRAVEL. Will the Senator withhold?

Mr. HART. I withhold.

Mr. GRAVEL. I will be moving to table the Senator's amendment. Everything he does to me, I am going to do to him. Let us get that straight.

The PRESIDING OFFICER. Is there a sufficient second? There is a sufficient second.

The yeas and nays were ordered.

The PRESIDING OFFICER. The question is on the motion to table the amendment of the Senator from Alaska. On this question the yeas and nays have been ordered, and the clerk will call the roll.

The second assistant legislative clerk called the roll.

Mr. CRANSTON. I announce that the Senator from South Dakota (Mr. ABOUREZK), the Senator from Minnesota (Mr. ANDERSON), the Senator from Mississippi (Mr. EASTLAND), and the Senator from Louisiana (Mr. JOHNSTON) are necessarily absent.

The result was announced—yeas 53, nays 43, as follows:

[Rollcall Vote No. 354 Leg.]

YEAS—53

Bayh	Chafee	Domenici
Biden	Chiles	Eagleton
Brooke	Clark	Ford
Bumpers	Cranston	Glenn
Burdick	Culver	Goldwater
Cannon	DeConcini	Griffin
Hart	Laxalt	Percy
Haskell	Leahy	Proxmire
Hatfield, Paul G.	Lugar	Ribicoff
Heinz	Magnuson	Riegle
Hodges	McGovern	Sarbanes
Huddleston	McIntyre	Sasser
Humphrey	Melcher	Schmitt
Inouye	Metzenbaum	Schweiker
Jackson	Muskie	Stafford
Javits	Nelson	Stennis
Kennedy	Pearson	Stevenson
	Pell	Stone

NAYS—43

Allen	Gravel	Nunn
Baker	Hansen	Packwood
Bartlett	Hatch	Randolph
Bellmon	Hatfield, Mark O.	Roth
Bentsen	Hathaway	Scott
Byrd, Harry F., Jr.	Hayakawa	Sparkman
Byrd, Robert C.	Helms	Stevens
Case	Hollings	Talmadge
Church	Long	Thurmond
Curtis	Mathias	Tower
Danforth	Matsunaga	Wallop
Dole	McClure	Weicker
Durkin	Morgan	Williams
Garn	Moynihan	Young
		Zorinsky

NOT VOTING—4

Abourezk	Eastland
Anderson	Johnston

So the motion to lay on the table UP amendment No. 1726 was agreed to.

Mr. HART. I move to reconsider the vote by which the motion was agreed to.

Mr. ROBERT C. BYRD. I move to lay that motion on the table.

The motion to lay on the table was agreed to.

Mr. JAVITS. The apparent demise of the energy tax bill has created severe hardships for homeowners and industry who made energy-conserving improvements, or invested in solar technology under the impression that they would qualify for major Federal tax incentives included in the national energy plan, proposed on April 20, 1977.

Now, because of the inaction on the energy tax bill, consumers have held back their purchases of solar equipment. This has devastated the new solar industry. For example, the Solar Energy Industry Association reports that during the first 6 months of 1977, the solar flat-plate industry sold 14,000 units. In contrast, in the 14 months since the President's energy plan was introduced, only 22,000 units have been sold. Thus, the solar industry fared better before the administration set up its solar commercialization strategy which placed the industry in an untenable situation.

Over 80 percent of the businesses that manufacture, sell, install, or maintain solar energy and other renewable energy systems are categorized as small businesses. If these businesses cannot be assured of continued growth, they will be unable to bring down the unit costs of these new technologies and maintain their competitiveness with the larger and more diversified businesses.

The passage of these tax credits for the purchase of solar and other alternative energy equipment, and for insulation and other energy conservation materials, is of major importance to our Nation. This amendment provides the necessary incentive in the marketplace to spur on conservation and help develop alternative energy sources. There is no better way to accomplish this goal than to provide incentives to the American homeowner, so that we may achieve

broad-scale implementation of renewable resource technologies.

I support this amendment and hope the Senate will adopt it. Time is running out for action, and further delay injures consumer industry, and our Nation's energy supply.

Mr. President, I support the Hart-McIntyre-Percy amendment, and I hope the Senate will approve it.

UP AMENDMENT NO. 1727

Mr. GRAVEL. Mr. President, I send an amendment to the desk and ask for its immediate consideration.

The PRESIDING OFFICER (Mr. STONE). The clerk will report.

The assistant legislative clerk read as follows:

The Senator from Alaska (Mr. GRAVEL) proposes an unprinted amendment numbered 1727 to amendment numbered 1724.

Mr. GRAVEL. Mr. President, I ask unanimous consent that further reading of the amendment be dispensed with.

The PRESIDING OFFICER. Without objection, it is so ordered.

The amendment is as follows:

At the end of the amendment, add the following:

ADDITIONAL PERCENTAGE FOR INVESTMENT CREDIT WITH RESPECT TO CERTAIN ENERGY PROPERTY

(a) IN GENERAL.—Subpart B of part IV of subchapter A of chapter 1 (relating to credits allowable) is amended by inserting immediately after section 46 the following new section:

"SEC. 46A. SPECIAL RULES RELATING TO CERTAIN ENERGY PPROPERTY.

"(a) IN GENERAL.—In addition to the amount which is determined under section 46(a)(2), the amount of the credit allowed by section 38 for the taxable year determined under section 46(a)(1)(B) with respect to energy property shall include an amount equal to 10 percent of the qualified investment (as determined under section 46 (c) and (d)) in section 38 property which is (or, for the purpose of applying section 46(d), will be) energy property.

"(b) DEFINITIONS.—For purposes of this section—

"(1) ENERGY PROPERTY.—The term 'energy property' means property—

"(A) which is—

"(i) cogeneration equipment installed in connection with an existing facility, but only to the extent that the cogeneration energy capacity of such facility is expanded,

"(ii) recycling equipment,

"(iii) shale oil equipment,

"(iv) geopressurized methane gas equipment, or

"(v) equipment for the application of heat by electricity generated by the use of an alternate substance (including other on-site property necessary to effect process changes for the use of such equipment) which will use neither oil nor natural gas, and which will replace equipment used in an existing industrial facility which uses oil or natural gas as a fuel,

"(B) which is an integral part of, or used in connection with, a building or other structure located in the United States,

"(C)(i) the construction, reconstruction, or erection of which is completed by the taxpayer after April 19, 1977, or

"(ii) which is acquired after April 19, 1977, if the original use of such property commences with the taxpayer and commences after such date, and

"(D) which has a useful life of 3 years or more.

"(2) CERTAIN TRANSPORTATION EQUIPMENT TREATED AS ENERGY PROPERTY.—A commuter van (as defined in section 46(c)(6)(B)), and equipment designed to reduce energy consumption added to existing motor vehicles primarily engaged in the commercial transportation of property, shall be treated as energy property. An electric motor vehicle used in the taxpayer's trade or business shall be treated as energy property.

"(3) COGENERATION EQUIPMENT.—The term 'cogeneration equipment' means equipment which—

"(A) produces steam, heat, or other forms of useful energy (other than electric energy) to be used for industrial (including water purification or desalinization), agricultural, commercial, or space heating purposes, and

"(B) also produces electric energy.

"(4) RECYCLING EQUIPMENT.—The term 'recycling equipment' means any equipment which is used exclusively in the recycling of solid waste (including not more than a nominal amount of virgin materials) or to sort and prepare such solid waste for recycling, and any equipment used in the conversion of solid waste into a fuel or into useful energy such as steam, electricity, or hot water.

"(5) SHALE OIL EQUIPMENT.—The term 'shale oil equipment' means equipment which is used to extract oil from oil-bearing shale rock.

"(6) GEOPRESSURIZED METHANE GAS EQUIPMENT.—The term 'geopressurized methane gas equipment' means equipment which is used to extract geopressurized methane gas (as defined in section 44G(d)(1)).

"(7) EXISTING.—The term 'existing' has the same meaning as in paragraph (4) of section 44F(b).

"(8) ALTERNATE SUBSTANCE.—The term 'alternate substance' means any substance other than—

"(i) oil and natural gas, and

"(ii) any product of oil and natural gas.

"(9) EQUIPMENT MUST MEET CERTAIN STANDARDS OF QUALITY.—Equipment qualifies under paragraph (1)(A) (i) or (ii) or paragraph (2) only if it meets the performance and quality standards (if any) which—

"(A) have been prescribed by the Secretary by regulations (after consultation with the Secretary of Energy), and

"(B) are in effect at the time of acquisition of the property.

"(10) SPECIAL RULE FOR PROPERTY FINANCED BY INDUSTRIAL DEVELOPMENT BONDS.—In the case of property which is financed in whole or in part by the proceeds of an industrial development bond (within the meaning of section 103(b)(2)) the interest on which is exempt from tax under section 103, '5 percent' shall be substituted for '10 percent' in subsection (a).

"(c) SPECIAL RULES.—

"(1) CERTAIN SECTION 48 RULES WAIVED.—For purposes of this section, the rules contained in section 48(a)(3) (relating to property used for lodging) shall be disregarded, and the words 'its structural components' contained in section 48(a)(1)(B) shall be disregarded.

"(2) APPLICATION WITH SECTION 44F.—Property described in section 44F shall not be treated as property described in this section.

"(3) QUALIFIED INVESTMENT.—For the purpose of determining the taxpayer's qualified investment, the applicable percentage (for purposes of section 46(c)(1)) shall be 100 percent (without regard to the actual useful life of the item).

"(4) RECAPTURE RULES—For the purpose of applying section 47 to energy property, a disposition of such property, or the conversion of such property into property which is not energy property, which occurs before the property has been in service for half its useful life shall be treated as having occurred before the close of the third year after the property was placed in service.

(b) ALLOWANCE OF REGULAR PERCENTAGE FOR BUSINESS INSULATION PROPERTY.—Subsection (a) of section 48 (defining section 38 property) is amended by adding at the end thereof the following new paragraph:

"(10) BUSINESS INSULATION PROPERTY.—For the period beginning on April 20, 1977, and ending on December 31, 1985, insulation shall be treated as meeting the requirements of paragraph (1) and paragraph (3) shall not apply to insulation. For purposes of the preceding sentence, the term 'insulation' means any item—

"(A) which is specifically and primarily designed to reduce when installed in or on an existing industrial or commercial building or existing industrial or commercial facility the heat loss or gain of such building or facility,

"(B) the original use of which begins with the taxpayer,

"(C) which can reasonably be expected to remain in operation for at least 3 years,

"(D) which meets the performance and quality standards (if any) which—

"(i) have been prescribed by the Secretary by regulations (after consultation with the Secretary of Energy), and

"(ii) are in effect at the time of the acquisition of the item, and

"(E) would not, but for this paragraph, be section 38 property.

For purposes of this paragraph, a building or facility will be treated as existing if it was placed in service before April 20, 1977.".

(c) CLERICAL AMENDMENT.—The table of sections for subpart A of part IV of subchapter A of chapter 1 is amended by inserting immediately after the item relating to section 46 the following new item:

"Sec. 46A. Special rules relating to certain energy property.".

(d) EFFECTIVE DATES.—The amendments made by this section shall apply to—

(1) property to which section 46(d) of the Internal Revenue Code of 1954 does not apply, the construction, reconstruction, or erection of which is completed by the taxpayer after April 19, 1977, but only to the extent of the basis thereof attributable to the construction, reconstruction, or erection after such date and before January 1, 1986,

(2) property to which section 46(d) of such Code does not apply, acquired by the taxpayer after April 19, 1977, and before January 1, 1986, and placed in service by the taxpayer before January 1, 1986, and

(3) property to which section 46(d) of such Code applies, but only to the extent of the qualified investment (as determined under subsections (c) and (d) of section 46 of such Code) with respect to qualified progress expenditures made after April 19, 1977, and before January 1, 1986.

SEC. 1033. PAYMENT IN LIEU OF CREDIT TO TAX EXEMPT ORGANIZATIONS.

(a) IN GENERAL.—In the case of a State or any political subdivision thereof, and in the case of any organization described in section 501(c)(3) of the Internal Revenue Code of 1954, or any electric utility cooperative described in section 501(c)(12), which is exempt from tax under section 501(a) of such Code for the taxable year, the Secretary of the Treasury shall pay to each such government, subdivision, or organization which files a claim during the calendar year in the form, manner, and at the time prescribed by the Secretary by regulations, an amount determined under subsection (b). Such payment shall be made as soon as possible after the receipt of such claim.

(b) AMOUNT OF PAYMENT.—The amount payable to a State, subdivision, or organization (hereinafter referred to as a "tax exempt entity") under subsection (a) for the calendar year shall be equal to the amount of credit which such tax exempt entity would, if it were liable for tax under chapter

1 of such Code, be allowed under section 44F of such Code with respect to its investment in alternative energy property and specially defined energy property and if such property were used in a trade or business.

(c) REPAYMENT.—If an entity which receives a payment under subsection (a) takes any action which would result in an increase of its tax under subpart B of part IV of subchapter A of chapter 1 of such Code if such entity were liable for tax under this chapter, then such entity shall be liable to the Secretary for an amount equal to the increased amount of tax which would be imposed under such subpart and such amount shall be collected as if it were the underpayment of a tax imposed under such chapter 1.

(d) TREATMENT AS OVERPAYMENT OF TAX.—For purposes of any law of the United States, including section 101 of the Treasury Department Appropriation Act of 1950 and title I of the Supplemental Treasury and Post Office Departments Appropriation Act, 1949, any payment made under this section shall be considered to be a refund of any overpayment of the tax imposed under chapter 1 of the Internal Revenue Code of 1954.

"(2) facilities for the on-site transportation, handling, storage, or treatment of coal, other raw materials, supplies, or any other materials in any preparatory process for the coal gasification or liquefaction process,

"(3) facilities for the on-site economic recovery, recycling, handling, storage, treatment, or utilization of byproduct materials or energy generated by the coal gasification or liquefaction process,

"(4) facilities for the on-site handling or transportation, or the increasing of the British thermal unit content per unit of volume, of synthetic gaseous or liquid fuels produced by the coal gasification or liquefaction process, and

"(5) other on-site facilities to the extent that such facilities are functionally related, and subordinate to, any facilities described in paragraphs (1) through (4).

For purposes of this section, the term 'synthetic gaseous or liquid fuels' means any gaseous or liquid product of a coal gasification or liquefaction process which can be used as a substitute for natural gas or oil regardless of its chemical composition or British thermal unit content.".

(c) EFFECTIVE DATE.—The amendments made by this section shall apply with respect to obligations issued after December 31, 1977.

SEC. 1042. PERCENTAGE DEPLETION FOR PEAT, GEOTHERMAL DEPOSITS, AND GEOPRESSURIZED METHANE GAS.

(a) PEAT.—Section 613(b) (relating to percentage depletion rates) is amended—

(1) by inserting "peat (from deposits in the United States but only if used as a fuel or otherwise used to produce energy)," after "sodium chloride," in paragraph (4) thereof, and

(2) by inserting "(if paragraph (4) does not apply)" after "peat" in paragraph (6) thereof.

(b) GEOTHERMAL DEPOSITS AND GEOPRESSURIZED METHANE GAS.—

(1) APPLICABLE PERCENTAGE.—Section 613(b) (relating to percentage depletion rates) is amended by inserting after paragraph (7) the following new paragraph:

"(8) In the case of geothermal deposits located in the United States or in a possession of the United States, the percentages set forth in section 613A(c)(5) for calendar years shall apply to taxable years beginning in such calendar years, except that 10 percent shall be the applicable percentage for geopressurized methane gas (as defined in section 44G(d)(1)) extracted from brines withdrawn from such deposits."

(2) DEFINITION.—Section 613 (relating to percentage depletion) is amended by adding at the end thereof the following new subsection:

"(e) GEOTHERMAL DEPOSITS.—For purposes of this section, the term 'geothermal deposit' means a geothermal reservoir consisting of natural heat which is stored in rocks or in an aqueous liquid or vapor (whether or not under pressure). Such a deposit shall in no case be treated as a gas well for purposes of this section or section 613A, and this section shall not apply to a geothermal deposit which is located outside the United States and its possessions."

(3) TECHNICAL AMENDMENTS.—

(A) Paragraph (1) of section 613(c) (defining gross income from the property) is amended by inserting "and other than a geopressurized methane gas well or a geothermal deposit" after "oil or gas well".

(B) Paragraph (1) of section 613(b) is amended—

(i) by inserting "and" at the end of subparagraph (A),

(ii) by striking out "and" at the end of subparagraph (B), and

(iii) by striking out subparagraph (C).

(c) EFFECTIVE DATE.—The amendments made by this section shall apply to taxable years ending after December 31, 1977.

SEC. 1043. OPTION TO DEDUCT INTANGIBLE DRILLING COSTS IN THE CASE OF GEOTHERMAL DEPOSITS AND GEOPRESSURIZED METHANE GAS.

(a) IN GENERAL.—Subsection (c) of section 263 (relating to intangible drilling and development costs in the case of oil and gas wells) is amended—

(1) by adding at the end thereof the following new sentence: "Such regulations shall also grant the option to deduct as expenses intangible drilling and development costs in the case of wells drilled in the United States (within the meaning of pararaph (1) of section 638), or any possession thereof, for any geothermal deposit (as defined in section 613(e)) or for any geopressurized methane gas (as defined in section 44G(d)(1)) to the same extent and in the manner as such expenses are deductible in the case of oil and gas wells.", and

(2) by amending the subsection heading to read as follows:

"(c) INTANGIBLE DRILLING AND DEVELOPMENT COSTS IN THE CASE OF OIL AND GAS WELLS AND GEOTHERMAL AND GEOPRESSURIZED METHANE GAS WELLS.—".

(b) MINIMUM TAX ON INTANGIBLE DRILLING COSTS IN THE CASE OF GEOTHERMAL AND GEOPRESSURIZED METHANE GAS WELLS.—

(1) Paragraph (11) of section 57(a) (relating to intangible drilling costs) is amended by striking out "oil and gas properties" each place it appears (including in the heading of subparagraph (C)) and inserting in lieu thereof "oil, gas, geopressurized methane gas, and geothermal properties".

(2) Clause (i) of section 57(a)(11)(B) is amended by striking out "oil and gas wells" and inserting in lieu thereof "oil, gas, geopressurized methane gas, and geothermal wells".

(3) Paragraph (11) of section 57(a) is amended by adding at the end thereof the following new subparagraph:

"(D) PARAGRAPH APPLIED SEPARATELY WITH RESPECT TO GEOTHERMAL PROPERTIES, GEOPRESSURIZED METHANE GAS PROPERTIES, AND OIL AND GAS PROPERTIES.—This paragraph shall be applied separately with respect to—

"(i) all oil and gas properties which are not described in clause (ii) or (iii),

"(ii) all properties which are geothermal deposits (as defined in section 613(e)), and

"(iii) all geopressurized methane gas properties.".

(4) Section 614 (relating to the definition of property) is amended by inserting "or geothermal and geopressurized methane gas wells" after "oil and gas wells" each place it appears.

(c) GAIN FROM DISPOSITION OF INTERESTS IN GEOTHERMAL OR GEOPRESSURIZED METHANE GAS WELLS.—

(1) Paragraphs (1) and (2) of section 1254(a) (relating to gain from disposition of interest in oil or gas property) are each amended by striking out "oil or gas property" each place it appears and inserting in lieu thereof "oil, gas, geopressurized methane gas, or geothermal property".

(2) Paragraph (3) of section 1254(a) (defining oil or gas property) is amended to read as follows:

"(3) OIL, GAS, GEOPRESSURIZED METHANE GAS, OR GEOTHERMAL PROPERTY.—The term 'oil, gas, geopressurized methane gas, or geothermal property' means any property (within the meaning of section 614) with respect to which any expenditures described in paragraph (1)(A) are properly chargeable.".

(3) The section heading of section 1254 is amended by striking out "OIL OR GAS" and inserting in lieu thereof "OIL, GAS, GEOPRESSURIZED METHANE GAS, OR GEOTHERMAL".

(4) The table of sections for part IV of subchapter P of chapter 1 is amended by striking out "oil or gas" in the item relating to section 1254 and inserting in lieu thereof "oil, gas, geopressurized methane gas, or geothermal".

(5) Subsection (c) of section 751 (relating to unrealized receivables) is amended by striking out "oil and gas property" and inserting in lieu thereof "oil, gas, geopressurized methane gas, or geothermal property".

(d) APPLICATION OF AT RISK RULES TO GEOTHERMAL DEPOSITS AND GEOPRESSURIZED METHANE GAS.—

(1) Paragraph (1) of section 465(c) (defining activities to which at risk rules apply) is amended by striking out "or" at the end of subparagraph (C) and by inserting after subparagraph (D) the following new subparagraphs:

"(E) exploring for, or exploiting, geothermal deposits (as defined in section 613(e)), or

"(F) exploring for, or exploiting, geopressurized methane gas (as defined in section 44G(d)(1))".

(2) Paragraph (2) of section 465(c) is amended by striking out "or" at the end of subparagraph (C) and by inserting after subparagraph (D) the following new subparagraphs:

"(E) geothermal property (as determined under section 614), or

"(F) geopressurized methane gas property (as determined under section 614),".

(e) EFFECTIVE DATE.—

(1) IN GENERAL.—The amendments made by this section shall apply with respect to wells commenced on or after April 20, 1977, in taxable years ending on or after such date.

(2) ELECTION.—The taxpayer may elect to capitalize or deduct any costs to which section 263(c) of the Internal Revenue Code of 1954 applies by reason of the amendments made by this section. Any such election shall be made before the expiration of the time for filing claim for credit or refund of any overpayment of tax imposed by chapter 1 of such Code with respect to the taxpayer's first taxable year to which the amendments made by this section apply and for which he pays or incurs costs to which such section 263(c) applies by reason of the amendments made by this section. Any election under this paragraph may be changed or revoked at any time before the expiration of the time referred to in the preceding sentence, but after the ex-

piration of such time such election may not be changed or revoked.

SEC. 1053. DUTY ON BUILDING INSULATION MATERIALS AND RELATED MATERIALS

(a) IN GENERAL.—Subpart B of part 1 of the Appendix to the Tariff Schedule of the U.S. (10 U.S.C. 1202) is amended by inserting immediately after item 911.16 the following new items:

" 911.17	Glass fibers in bulk: glass fibers in the form of mats, batts, blankets, felts, pads casings and boards, all the foregoing, of a density not over 25 lbs. per-cubic-foot, whether or not coded, impregnated or bonded with glue, plastics, or other substances or lined, backed or supported with paper, paper board, fabrics, or similar materials, or with metal mesh or foil; glass-fiber filter with or without their frameworks or supports; and article not specifically provided for, of glass fibers (provided for in item 540.71, part 3, schedule 5).....	Free.	No change	On or before 6/30/79.
911.18	Mineral wool, in bulk or in batts, blankets, or similar forms, whether or not lined, backed, or supported with paper, paper board, or similar materials (provided for in item 522.81, part 1, schedule 5).	Free.	No change	On or before 6/30/79.
911 19	Boric Acid (provided for in item 416.10, Subpart B, part II, schedule IV).....	Free.	No change	On or before 6/30/79'.',

(b) EFFECTIVE DATE.—The amendment made by subsection (a) of this section shall apply with respect to articles entered, or withdrawn from warehouse for consumption, on or after the date of enactment of this Act.

SEC. 1060. INJECTION OF WATER TO ENHANCE CRUDE OIL RECOVERY.

Section 8(i)(2) of the Emergency Petroleum Allocation Act of 1973, as amended, is amended by adding the following new sentence at the end thereof: "Included in the count of the total number of wells on a property shall be all wells producing crude oil and all wells utilized for the purpose of injecting water and/or other materials into a producing reservior for the purpose of enhancing crude oil recovery.".

Part VII—Alcohol, Fuels Research and Demonstration Project of 1977

SEC. 1071. SHORT TITLE.

This part may be cited as the "Alcohol Fuels Research and Demonstration Project of 1977".

SEC. 1072. FINDINGS AND PURPOSE.

(a) The Congress hereby finds and declares that—

(1) domestic reserves of petroleum are finite and insufficient to meet current and foreseeable energy needs;

(2) it is desirable to achieve as rapidly as possible the capability of becoming independent of foreign sources of energy; and

(3) it is in the best interest of the Nation to rapidly investigate, develop, and employ technologies to economically produce and utilize domestic, nonpetroleum and nonnatural gas derived alcohol fuels as a substitute for, and as a supplement to, petroleum and petroleum products.

(b) The purpose of this part is, through a limited scientifically controlled, research and demonstration project which utilizes alcohol fuels (in lieu of or in combination with conventional petroleum-based fuels) in the operation of passenger vehicles, to provide Congress with information as to the economic, scientific, technological, and environmental feasibility of utilizing alcohol as a motor fuel on a large scale.

SEC. 1073. DEFINITIONS

For the purposes of this part—

(1) the term "alcohol fuel" means domestic ethanol and methanol of greater than 99 per centum purity derived from sources other than petroleum or natural gas;

(2) the term "United States" includes the District of Columbia, the Commonwealth of Puerto Rico, and the territories and possessions of the United States;

(3) the term "motor vehicle" means any gasoline-powered passenger sedan or station wagon designed for use on the Nation's highways;

(4) the term "blend" means a fuel mixture consisting of at least 10 per centum alcohol by volume;

(5) the term "Project Administrator" means the chief executive official of the project agency selected under section 1074; and

(6) the term "executive agency" means an executive agency as defined in section 105 of title 5, United States Code, and shall also include the United States Postal Service.

SEC. 1074. SELECTION OF A PROJECT AGENCY

(a) No later than six months after the date of the enactment of this part, the Secretary of Energy shall, applying the criteria specified in subsection (b), select an executive agency to conduct the research and demonstration project authorized by this part.

(b) The Secretary in his selection of the project agency, shall apply the following criteria:

(1) the agency annually purchases or leases (for a period of a year or more) more than one thousand five hundred passenger sedans or station wagons which are expected to be fueled and maintained at a common facility or facilities;

(2) the agency's vehicles operate in several different locations under different climatic conditions; and

(3) the agency is capable of collecting research and other data which the Secretary expects to collect under section 1075.

SEC. 1075. ESTABLISHMENT OF A RESEARCH AND DEMONSTRATION PLAN.

(a) No later than six months after the selection of a project agency, the Secretary of Energy, after consultation with the Project Administrator, shall establish a research and demonstration plan (hereinafter in this title referred to as the "plan") which shall include—

(1) the variety of motor vehicle models, types, and sizes to participate in the demonstration, which, to the extent feasible, shall represent a cross-section of motor vehicles;

(2) the modifications required in conventional automotive design to utilize the alcohol fuel;

(3) the appropriate method of mixing, storage, and delivery of fuel blend;

(4) the changes in motor vehicle maintenance or operation anticipated in utilizing the alcohol fuel;

(5) the research and other data, both base and comparatve, particularly with regard to vehicle emissions and performance, to be collected by the Project Administrator under the plan and to be transmitted to the Secretary pursuant to section 1076(d).

(b) The plan shall require that all alcohol used shall be produced and refined in the United States.

(c) Except as provided in subsection (b), the Secretary of Energy, after his adoption of the plan, and after consultation with the Project Administrator, may alter the plan from time to time to further the purposes of this part.

SEC. 1076. OPERATION OF MOTOR VEHICLES USING ALCOHOL FUEL.

(a) In accordance with the plan but in no case later than one year after the establishment of the plan, the Project Administrator shall require for a period not to exceed three years that at least one thousand of the motor vehicles purchased or leased (for a period of a year or more) during such period and expected to be fueled at pumps under his control shall be equipped to utilize alcohol-blended fuel. One hundred of these motor vehicles shall be equipped to utilize a fuel which is at least 90 per centum alcohol.

(b) The Project Administrator shall provide such storage and pumping facilities, and require that they be operated in such a manner, as to conform to the plan. The Project Administrator shall operate and maintain motor vehicles involved in the plan in the manner specified in such plan.

(c) Pursuant to section 1075(b), the Project Administrator shall not use alcohol which was produced or refined outside the United States or which is of petroleum or natural gas origin.

(d) The Project Administrator shall collect and transmit to the Secretary of Energy such research and other data as may be specified in the plan.

SEC. 1077. REPORT TO CONGRESS.

(a) The Secretary of Energy, no later than sixty days after the end of each fiscal year, concluding with the fiscal year ending September 30, 1981, shall submit to Congress interim reports on the progress during each such fiscal year of the demonstration project provided for in this Act.

(b) The Secretary, no later than five years after the date of the enactment of this part, shall submit a final report to Congress on the results of the research and demonstration project provided for in this part and shall include in such report an analysis—

(1) of the research and other data collected under the project, particularly with respect to the environmental impact of substituting alcohol fuel for conventional fuel;

(2) of the projected impact on foreign energy consumption of increased use of alcohol fuel in motor vehicles;

(3) of the technological and economic feasibility of increased use of alcohol fuel in motor vehicles;

(4) of the desirability and feasibility of further research, development, and demonstration projects and implementation programs in this area, particularly with respect to expanding the use of alcohol fuels in motor vehicles; and

(5) of technological, economic, cultural, and political problems hindering commercialization of alcohol fuels ready for further use.

(c) The term "Inland States" means those States other than a Northern Tier State and other than California in the continental United States.

(d) The term "crude oil transportation system" means a crude oil pipeline within and subject to the jurisdiction of the United States, and including, but not limited to, the port, terminal, tank farm, pumping stations, off-take points, and other related fa-

cilities, associated with moving volumes of Alaskan crude oil by pipeline to Northern Tier or inland States.

INVESTMENT CREDITS TO ENCOURAGE CONSERVATION OF, OR CONVERSION FROM, OIL AND GAS OR TO ENCOURAGE NEW ENERGY TECHNOLOGY

SEC. 1031. ADDITIONAL CREDIT FOR INVESTMENT IN CERTAIN ENERGY-RELATED DEPRECIABLE PROPERTY.

(a) ALLOWANCE OF CREDIT.—Part IV of subchapter A of chapter 1 (relating to credits against tax) is amended by inserting after section 44E the following new section:

"SEC. 44F. CERTAIN ENERGY-RELATED DEPRECIABLE PROPERTY.

"(a) GENERAL RULE.—There is allowed as a credit against the tax imposed by this chapter for the taxable year an amount equal to the sum of—

"(1) 15 percent of the qualified investment (as determined under sections 46(c) and (d)) in section 38 property which is (or, for the purpose of applying section 46(d), will be) alternative energy property, and

"(2) by hydroelectric power, including turbine and equipment up to (but not including) the electrical transmission stage, and including the dam structure.

Mr. GRAVEL. Mr. President, may we have order?

The PRESIDING OFFICER. The Senate is not in order.

The Senator from Alaska.

Mr. GRAVEL. I want to go over the ground once again since I think there was a lot of misunderstanding judging from statements made about how controversial these items are. They are not controversial. I do not know of any of them which are controversial.

I would like every Member to know that everything they just voted to table has already passed the Senate and is not in controversy. It primarily affects one part of the country, the West.

So what we are locked into, unfortunately, is the old producer-consumer dialog. We are not talking about increasing the price of oil or deregulation of oil or gas, so there is no reason for regionalism in this area.

The argument is made that this is too much weight for the Senator's original amendment, Senator HART's original amendment, to carry. What I have done is I have changed this. I have added gasahol which I inadvertently left out. I also added a good amendment which passed in committee and which I cosponsored, an investment tax credit for small hydro plants of 5 megawatts and less.

We received testimony that we can double the amount of hydrogeneration in this country. All we have to do is use the water that is around. A 10- to 20-foot head will provide for a 1- to 2-megawatt plant without violating any environmental standards. That is what the committee did.

So I, for one, resent somebody coming into the Committee on Finance work and pulling out a few sexy items and saying, "Boy, this we have to have or we are going to die."

The original argument was made that we need this for solar. Then we find out we have a couple of dogs in here, such as investment tax credit for insulation that we do not need. We were not happy about that in committee.

Let us be candid, it is in here, and it looks good for the homeowner to get an investment tax credit to insulate his house when the cost of insulation has just doubled. But, it has doubled, because there is not enough around. That is what is in the Senator's amendment.

The amendment you just tabled took off the tariff letting some material imports come in to lower the costs to the consumer. Who is really being fair to Mr. John Q. Public, somebody who is increasing the price or somebody who is lowering the price?

You know, I just do not understand how you can stand up here and vote for regionalism on a situation that, to my mind, is a little unfair. I am a member of the committee that worked hard on this part of the package and what this package contains. I thought gasahol had a lot of merit, and means jobs would be created in the farm area. We are probably not going to have a lot of gasahol in an oil State like Alaska, but the credit for the small hydroelectric plants, an investment tax credit for geothermal, an investment tax credit for recycling and cogeneration would help us. Now, cogeneration can affect any part of the country. Probably geothermal has an advantage for the Western part of the country. But I frankly got really upset over the fact that we always think in terms of only what is good from the homeowners' point of view, when in fact it is not the homeowners but the manufacturers who benefit, who get these credits.

I make an appeal to the body to vote for these issues; they are meritorious. You have voted for all of them before.

Do not make an issue that this stuff has not passed the House. It has simply not passed the House in this kind of form. The Senator has stated that his issue has passed the House, but it has not passed the House in that form. It has passed the House in another form, and it has not passed the conference committee, so those representations are inaccurate.

Mr. President, I would hope that I would be afforded the courtesy of an up-or-down vote on this issue on its merits. I would be prepared to afford any other Senator the opportunity to have an up-or-down vote on his issue on its merits. If there is some tactical reason why it has to be tabled, I would like to hear it.

Mr. HART. Mr. President, the issue that has tied up the Senate most of the afternoon, and I think rightly so, is very important to solving the energy problems of this country in the late 1970's.

The amendment fashioned by myself, the Senator from New Hampshire, and a dozen-and-a-half other sponsors was based on our collective judgment that the principal items in this amendment have the best chance of acceptance if broken away from the so-called energy package.

That judgment was based on the actions of the conference committee, as well as what seemed to us to be the overwhelming sentiment of both Houses. It is premised on our strong belief that the package approach has reached a stalemate which the country can not live with, where these measures were concerned, and I believe we have documented that case.

Mr. President, we are not attempting here to discuss the merits of the arguments being made by the Senator from Alaska. I voted for many of the things that he has mentioned. I had one of the first cogeneration bills introduced in Congress. I, along with many others, have advocated these kinds of incentives.

The issue is not whether you are for or against these things. The issue is whether you think there are a few areas we can agree on in both Houses and get a Presidential signature for, and do so expeditiously, not only to help the solar industry but also the homeowners and energy conservation.

I do not know, to use the language of the Senator from Alaska, what is sexy and what is not. All I know is that some things have broad support and others do not.

Mr. President, this amendment does not attempt to solve all of the energy problems in this country. That is what has tied Congress up for a year and a half. If we are to go back and examine everybody's idea about what the country ought to be doing in energy, we can start all over again. That is the problem we have with the proposal of the Senator from Alaska—that we would start all over again.

The Senate did pass many of these things. Some of them are having difficulty getting support in both Houses and in the conference. What we are trying to do is isolate the areas where we have agreement and can get them passed, as a very practical, pragmatic step.

Mr. President, my amendment has nothing to do with regionalism. It has nothing to do with one part of the country versus another. It has nothing to do, frankly, with an investment tax credit for insulation. There is no investment tax credit for insulation in the amendment of the Senator from Colorado.

So I would hope that Senators, in trying to resolve this matter and do so fairly and expeditiously, will not ask themselves whether they are good or bad proposals, and how you voted on them before. Ask yourself what has the best chance of being passed, so we can act on this measure, get it past the House, and get the President to sign it.

If everybody sticks to what he thought was a good idea a year or a year and a half ago, we are right back where we started from. Mr. President, I had no interest, in moving to table the Senator's amendment, in doing anything he seemed to think was a personal affront. It was an attempt to clarify where the principal proponents of the basic amendment stood and where the Senator from Alaska stood. That issue being clarified, hopefully, in the minds of most Senators, I am prepared to table again, but I would hope Senators would ask

themselves, "Will the vote I cast have incentives that Congress can move on?" And that the Senate would then proceed to vote on that basis.

Mr. GRAVEL. Mr. President, this amendment, which is an addition to the Senator's original amendment, does not have every possible incentive. We left off a number of incentives because they were too expensive.

Mr. President, could we have order, please?

The PRESIDING OFFICER. The Senate will be in order.

Mr. GRAVEL. Mr. President, the Senator is quite right; I used the expression "investment tax credit." It is not an investment tax credit, it is a credit for insulation, if a person goes out and insulates his home he gets a credit for 30 percent of the first $2,500. That amounts to $750 per home and then you get 20 percent of the next $7,500, up to $10,000, which amounts to $1,500.

The impact of that is that a person can insulate his home and receive that credit. But the point is that that fosters an abnormal demand upon insulation.

The price of insulation has skyrocketed. It has gone out of sight, because there is already an increased demand, with the increased cost of gas and heating oil, for people to insulate their homes. That demand is such that we cannot do anything more. This appears to be an outright gift to the homeowner, but the people who can get insulation will probably insulate anyway. Where it does become a gift is by creating an even greater demand which increases the price, since this is not a regulated product. So, obviously, we bring about windfall profits, and that is what this insulation credit does.

So we must understand the damage we are doing to the economy and the equities involved in this unusual amendment that Senator HART says must be acted on in all haste. The total cost of his package is in excess of $10.5 billion. The cost of this item alone is $4 billion. That is what the House reported out as their cost estimate for this item; so insulation credits are almost half of the whole cost. And as I stated before, the cost of my amendment, prior to gasohol and prior to the tax credit for small hydro, was $4.1 billion.

So here is an amendment that is supposed to have unusual virtue and merit. It has a $4 billion cost, and it is truly a ripoff in the area of insulation. It is not the best that our subcommittee did in that area, and it is most unfortunate that it is received as high priority.

Obviously solar is, but the solar credits are not a very costly item. Let me just say, as the prime sponsor of the bill that was originally violated and now continues to be violated, that I am asking for no more than the Senator from Colorado. I would submit that my proposal is considerably cheaper and will have a considerably larger benefit on the energy problems facing this country, albeit I will not be doing it through a credit to every single homeowner. He might think he has something extra, but in point of fact he does not. In point of fact, we have hoodwinked him because we have driven the cost of insulation up to a ruinous and preposterous level.

I want to correct the record, Mr. President. I was quoting the solar figures in the haste of dealing with this amendment. I share the concern of the Senator from Maine. I found out about this assault on my amendment late last night and did not give it credibility until lunchtime. So I have come here fast and furious.

The correct numbers in the amendment of the Senator from Colorado are 20 percent on the first $2,000 for conservation for a maximum of $400. So the figure that I gave of $750 is not correct. But the impact is still the same.

We received testimony that all of the insulation that can be used is being used so why go out and add a credit to it. It is just preposterous, particularly when that credit is going to cost $4 billion to the Treasury. All of the credits I am talking about, amount to somewhere between $4 billion and $4.5 billion.

That is what is preposterous. That is what the Senate has the opportunity of tabling. Since we want to have an opportunity to vote up or down on it, I ask for the yeas and nays on my amendment.

The PRESIDING OFFICER. Is there a sufficient second? There is a sufficient second.

The yeas and nays are ordered.

Mr. GRAVEL. I also ask unanimous consent that Mr. Hoffman of my staff be granted the privileges of the floor.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. CURTIS. Will the Senator yield for a question?

Mr. GRAVEL. I yield.

Mr. CURTIS. Will the Senator, by title, tell us what is included in this last amendment?

Mr. GRAVEL. I will repeat it again. The last item we put in is the item the Senator from Maine offered and I cosponsored, which is for small hydroelectric generation plants, for a small off-the-shelf plant of 1 to 5 megawatts.

Mr. CURTIS. What else?

Mr. GRAVEL. The Senator's gasohol proposal, which has been explained briefly. The other items: An investment tax credit which the committee passed and the Senate voted on. There appears to be no controversy on this. It is for a 10 percent investment tax credit for cogeneration. That means if you are already generating something and you can generate electricity as a by-product of that, then you get an investment tax credit for the cost of the additional facilities.

Next is a recycling, oil shale, and an additional tax credit for nonoil or gas generating equipment which has a useful life of more than 3 years. Obviously, that can apply anywhere. Then, the payment in lieu of a tax credit for tax exempt organizations, such as electrical co-ops.

The next is a depletion allowance for geothermal, for geopressurized methane, and for peat when it is used as a fuel.

The amendment allows a deduction—Mr. President, could we have order, please?

The PRESIDING OFFICER. The Senate will be in order.

Mr. GRAVEL. In response to the Senator's question, it allows the deduction of intangible drilling costs for wells drilled for geothermal or geopressurized methane.

This is an area which has lagged, and the reason why it has lagged is because we do not have the technology perfected. We have received testimony there is a possibility of heating half of the United States through these resources. What is more important, the paltry sum this will cost or the $4 billion which will go to the manufacturers as windfall profits on home insulation?

The last item is that this will suspend, rather than give a windfall to the manufacturers of home insulation, the tariff on home insulation and let foreign insulation come in so that it will depress the obscene levels now being charged for home insulation. So, I say to Senators who are up for election that you are subject to a charge by your opponent of voting for $4 billion to raise the cost of living when what you may have just voted to table would lower the cost of living to the homeowner who has to go out and insulate his home. That is what is involved.

It is to suspend the tariffs until June 30, 1979. It is not to suspend it permanently as we do not want to ruin the industry but we think they are making too much money and causing too much harm in the marketplace. So we are suspending the tariff.

That is what is in here for the homeowner.

Unfortunately, I think the primrose path has been heavily trodden today and I think there are some things that people may have voted against which they will be embarrassed about in the future.

I hope that answers the question of my colleagues as to what is in this amendment. I submit it is considerably more meritorious than Senator HART'S amendment although there are elements of his amendment which are extremely meritorious other than the insulation credits. I would be prepared to say that half of the cost of his amendment is meritorious and the other half is not.

Mr. LONG. Will the Senator yield?

Mr. GRAVEL. I yield.

Mr. LONG. Is the Senator willing to agree to end debate and vote on his amendment?

Mr. GRAVEL. Yes.

Mr. LONG. Mr. President, I ask that we proceed to vote on this amendment. I ask unanimous consent that we may proceed to vote.

Mr. GRAVEL. There are others who want to speak.

Mr. LONG. I ask unanimous consent that there be 5 minutes' limitation on each side.

The PRESIDING OFFICER. Without objection, it is so ordered.

Who yields time?

Mr. McGOVERN. Will the Senator from Colorado yield me a couple of minutes?

Mr. HART. I yield such time out of the 5 minutes as the Senator wishes.

Mr. McGOVERN. Mr. President, I rise in support of the amendment of Senator HART. I think it has great force and effect. It is a very simple, commonsense proposal that is needed to break the impasse holding back the development of solar energy, solar devices, and solar equipment in this country.

For some 16 months it has been hung up on the tax equalization proposal, which does not seem to be going anywhere at this point. Meanwhile, all across the country homeowners and businesses, who have been expecting since a year ago last April that the Congress was going to make available tax credits which would make possible the equipping of our homes and small businesses with solar equipment, energy conserving equipment, have been left in the lurch. And not only the homeowners and the businessmen have had to go without the tax credit that they expected, but also the companies, many of which are small companies, which are manufacturing this equipment, are faced with bankruptcy because the customers are not there due to the lack of tax credits.

In my own State, I know of several small companies that are considering closing their doors after waiting all these many months for tax credits that were indicated a year ago last April, that are tied up in the tax equalization impasse. What Senator HART and others, including myself, who have joined with him in this effort are trying to do is break out of this impasse and free the proposal that the President made in April of 1977, that tax credits be made available to homeowners and to businesses that want to install energy-saving equipment solar devices, so that we can move ahead on it.

I hope very much that the Senate will not jeopardize the passage of Senator HART's amendment here this afternoon. I think it is clearly in the national interest. It will save energy, it will encourage the development of a renewable source of energy; it will create new jobs; it will save some businesses that otherwise will have to close their doors. It is an excellent investment in the public interest.

I hope the amendment, when we vote on it a little later this afternoon, will be adopted.

Mr. HART. Mr. President, I am prepared to yield back the remainder of my time on this.

Mr. GRAVEL. Mr. President, I only add that the Senator from South Dakota may have thought he cosponsored something of great merit and he is right on solar. I am the first person in this body that suggested money for additional solar energy in this country and could not get any support in 1971 and 1972. I do not take a back seat on that. I think it is a great amendment.

The problem the Senator should know, though, is that of the $10.5 billion in the amendment he just cosponsored, there is $1.5 billion for solar, which is meritorious. But, there is $4 billion in there for insulation, where the market is totally saturated right now. All it is going to do is drive the price up. So the poor people in his area that have to insulate their homes, and his is a cold weather area like mine, are going to pay more for the insulation. That will be the result of this amendment.

My amendment is going to do the opposite; it is going to open up our markets to foreign insulation coming in. I think the Members should be put on notice, maybe to somebody's embarrassment later on: You are voting $4 billion to increase the market price of insulation. I tell you, if this passes tonight, you are going to see the price of insulation going up tomorrow. Businessmen are not fools. They will think this is coming. I hope it is not coming.

I want to address myself to another point the Senator from South Dakota made, that this is going to move this part of the energy tax bill. This is not going to advance the bill one iota. This is a Christmas tree, it is not going to be accepted by the House, and the Senator from Louisiana explained that very well. I think it may have a little pressure, but not much more than that.

This area is going to be settled through other devices, not by the device of jeopardizing this particular bill.

I might say it looks good right now. But, I think the debate on this issue may some day serve as a great embarrassment to a lot of Members of this body when it is really understood by the media and by the American public that they are going to pay more to insulate their homes in New Hampshire, South Dakota, Wisconsin, and Illinois as a result of this action. There is $1.25 billion in here for solar and $4 billion for insulation, which is going to do nothing more than drive the price up.

Mr. HART and Mr. McINTYRE addressed the Chair.

The PRESIDING OFFICER. The Senator from Alaska has the floor.

Mr. GRAVEL. I reserve the remainder of my time.

Mr. HART. Mr. President, I only want to reiterate one fact that there is nothing contained in the Hart amendment, which is not the amendment we will be voting on, which departs significantly from the Senate-passed bill.

The Senator from Alaska speaks about that in his own amendment, but we may vote on insulation credits and the Senate already made that decision. So this is not any novel approach.

I ask unanimous consent that my colleague from Colorado (Mr. HASKELL) be added as cosponsor to my amendment.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. HART. I yield to the Senator from New Hampshire.

Mr. McINTYRE. Mr. President, I want to put one bogeyman to sleep here. That is the matter of insulation. A very large manufacturer has indicated plentiful supplies of insulation to my office—a new plant coming on line in Texas and other places. On the next tax bill coming up, we can pass the Senator's good idea of suspending out import tariffs on insulation.

Mr. GRAVEL. That may be the Senator's opinion, that there is a new plant going in in his backyard. Does he know why? Because they are making so much money. The best way to expand supply of a product is to let the price rise. The price has risen inordinately. Now what we are going to do is jam it up higher. That is what this vote will do.

I did not say this is a novel approach. There is no question that we voted favorably on this thing. There are a lot of things we vote on in this body that are not all that delightful.

I am persuaded that when someone stands here and tells me there is a bill that has to be rushed onto this foundation tax bill because it is an emergency, and it is really a dog like this, that it is not very good.

I do not recall whether I voted for or against insulation credits in committee, but I do recall I did not like them very much. Sometimes I vote for something I do not like. If I had a chance to vote on it again, I would vote against it on those merits.

There is something in there for solar, however, let me repeat, there is only $1.2 billion in there for solar, but $4 billion for insulation. As my colleague from New Hampshire said, there is no problem, we are building new plants. If there is no problem, we do not have to give a credit for insulation.

I yield back the remainder of my time.

The PRESIDING OFFICER. Is all time yielded back?

Mr. HART. I yielded back my time.

The PRESIDING OFFICER. If all time is yielded back, the question is on agreeing to the amendment of the Senator from Alaska. The yeas and nays have been ordered. The clerk will call the roll.

The assistant legislative clerk called the roll.

Mr. CRANSTON. I announce that the Senator from South Dakota (Mr. ABOUREZK), the Senator from Minnesota (Mr. ANDERSON), the Senator from Mississippi (Mr. EASTLAND), and the Senator from Louisiana (Mr. JOHNSTON) are necessarily absent.

The result was announced—yeas 42, nays 54, as follows:

[Rollcall Vote No. 355 Leg.]

YEAS—42

Bartlett	Mark O.	Ribicoff
Bentsen	Hathaway	Roth
Byrd, Robert C.	Hayakawa	Schweiker
Case	Helms	Scott
Church	Laxalt	Sparkman
Cranston	Long	Stevens
Curtis	Lugar	Talmadge
Danforth	Mathias	Thurmond
Dole	McClure	Tower
Durkin	Melcher	Wallop
Ford	Moynihan	Weicker
Goldwater	Nunn	Williams
Gravel	Packwood	Zorinsky
Hansen	Percy	
Hatfield,	Randolph	

NAYS—54

Allen	Byrd,	Domenici
Baker	Harry F., Jr.	Eagleton
Bayh	Cannon	Garn
Bellmon	Chafee	Glenn
Biden	Chiles	Griffin
Brooke	Clark	Hart
Bumpers	Culver	Haskell
Burdick	DeConcini	Hatch

Hatfield, Paul G.	Leahy	Proxmire
Heinz	Magnuson	Riegle
Hodges	Matsunaga	Sarbanes
Hollings	McGovern	Sasser
Huddleston	McIntyre	Schmitt
Humphrey	Metzenbaum	Stafford
Inouye	Morgan	Stennis
Jackson	Muskie	Stevenson
Javits	Nelson	Stone
Kennedy	Pearson	Young
	Pell	

NOT VOTING—4

Abourezk	Eastland
Anderson	Johnston

So the amendment (UP No. 1757) was rejected.

Mr. HART. Mr. President, I move to reconsider the vote by which the amendment was rejected.

Mr. LONG. I move to lay that motion on the table.

The motion to lay on the table was agreed to.

Mr. LONG. Mr. President, it seems clear to me that the Senate wishes to accept the Hart amendment, so I ask unanimous consent that we dispense with the yeas and nays on the amendment.

The PRESIDING OFFICER (Mr. PAUL G. HATFIELD). The yeas and the nays have not been ordered on the amendment.

Mr. LONG. Then, I urge the Senator to let us accept the amendment on a voice vote and go on to the next one. I will vote for the amendment.

Mr. HART. Mr. President, will the Senator yield?

Mr. LONG. I yield.

Mr. HART. As Senator GRAVEL very carefully pointed out, a lot depends on the degree of intensity of the chairman's commitment and conviction on these matters.

Mr. CASE. You cannot change that. [Laughter.]

Mr. HART. I think a majority of the Senate, those of us who favor this position, would feel a lot better if we felt that, as the principal negotiator for us, the distinguished committee chairman and floor manager was prepared to make a strong argument on our behalf with our House colleagues.

I know there is no way to get an oath in blood. But all of us have had the experiences at one time or another of amendments being accepted and then somehow disappearing mysteriously in conference.

One of the arguments in favor of a record vote is clearly to put the Senate on record——

Mr. LONG. I will be glad to stipulate that the record vote would be unanimous. [Laughter.]

Mr. GRAVEL. I would second that motion.

Mr. HART. Will the distinguished committee chairman agree that he will not bring back a bill for Senate approval without the provisions in the Hart amendment in that report?

Mr. LONG. Mr. President, if the House wants to take the amendment, the House is going to take the amendment.

I have fought for everything that is in this amendment. In fact, I fought for more than this. I fought for a refundable tax credit in this area. As a matter of fact, that is why we are having difficulty getting as much in this area as I would like to see done about the subject and the Senate conferees generally would like to see done. We are for it.

Some things we cannot do. We are not the House of Representatives. We do not control those pretty independent people over there. Any time you think they are not independent, they always make it a point to prove to you that they are. I cannot assure the Senator that the House will accept the amendment.

Mr. HART. The issue is, how strongly will the Senator from Louisiana urge the House to accept this amendment?

Mr. LONG. For the life of me, I cannot see what difference a yea and nay vote makes. If so, let us order the yeas and nays.

Mr. HART. All the Senator has to say is that he will do his best to bring back a conference report that contains these provisions. That is all we are asking.

Mr. LONG. Mr. President, I know what my duty is as a conferee. The Senate has not named conferees yet. The Senate might not name me. If the Senator does not think I should be a conferee, he can ask that somebody else serve. I am just trying to expedite the adoption of the Senator's amendment.

Mr. HART. All the Senator has to do is to say the magic word.

Mr. GRAVEL. Since I am the prime author of this measure, the chances are that I will be on the conference, and I will do my best.

Mr. BUMPERS. Mr. President, we could have voted long since, during the time this colloquy has been going on.

Mr. LONG. I will ask the House to agree to the amendment. I am asking them on another bill—and more than the Senator has in the amendment.

I will put it this way: If we cannot bring this back on the energy bill, I would like to see it on this bill. If they take it, that is great. So far as I am concerned, they will take it. The Senator can address himself to the House of Representatives on the amendment. I favored this long before this amendment was offered. I favored it 2 years ago.

Mr. HART. The Senator from Colorado does not have the same persuasive powers and leverage that the Senator from Louisiana has. That is why I hope the Senator from Louisiana would exercise both on our behalf.

Mr. LONG. If the Senator's amendment is agreed to, it will be the best thing in the bill. [Laughter.]

So I am not worried about asking the House to take it.

Mr. HART. Mr. President, with that statement on the record, I move the adoption of the amendment.

The PRESIDING OFFICER. The question is on agreeing to the amendment.

The amendment was agreed to.

Mr. HART. Mr. President, I move to reconsider the vote by which the amendment was agreed to.

Mr. LONG. I move to lay that motion on the table.

The motion to lay on the table was agreed to.

● Mr. BARTLETT. Mr. President, today the Senate is taking an important step to assist charitable operations through the passage of H.R. 112. During both the 94th Congress and this Congress I have introduced legislation containing the same language, and I am very pleased to see the action of the Senate today.

In my own State of Oklahoma there are approximately 200 private charitable foundations with a wide array of beneficial purposes. They range from specific grants for student education to actual treatment of medical disabilities. Recently, I received information from some 34 of these foundations indicating that their annual taxes amounted to approximately $600,000. This may seem an insignificant figure when compared to the Federal budget, but when applied as direct assistance to individuals or local beneficiaries even a few thousand dollars can mean the difference between continued operation and failure.

The excise tax on private charities was designed to cover administrative costs of Government audits on foundation books. However, the present 4-percent tax can represent several hundred thousand dollars annually on large charities. Obviously, this is far in excess of the amount necessary to maintain annual audits.

The 2-percent tax provided in this bill will more than cover all administrative costs of supervising private foundations. They are fulfilling on a voluntary basis functions which Government would otherwise have to finance and perform.

A large number of my colleagues have been interested in this legislation for some time, and I would like to congratulate the members of the Finance Committee for reporting this legislation to the floor so that action can be taken on it before the end of the 95th Congress.●

The PRESIDING OFFICER. The bill is open to further amendment. If there be no further amendment to be proposed, the question is on the engrossment of the amendments and the third reading of the bill.

The amendments were ordered to be engrossed and the bill to be read a third time.

The bill was read the third time.

The PRESIDING OFFICER. The bill having been read the third time, the question is, Shall it pass?

The bill (H.R. 112) was passed.

Mr. LONG. Mr. President, I move to reconsider the vote by which the bill was passed.

Mr. CURTIS. I move to lay that motion on the table.

The motion to lay on the table was agreed to.

REVISION OF MISCELLANEOUS TIMING REQUIREMENTS OF THE REVENUE LAWS

Mr. LONG. Mr. President, I ask unanimous consent that the Senate proceed to the consideration of Calendar No. 728, H.R. 7320.

The PRESIDING OFFICER. The bill will be stated by title.

The assistant legislative clerk read as follows:

A bill (H.R. 7320) to revise miscellaneous timing requirements of the revenue laws, and for other purposes.

The PRESIDING OFFICER. Is there objection to the present consideration of the bill?

There being no objection, the Senate proceeded to consider the bill, which had been reported from the Committee on Finance with amendments.

Mr. LONG. Mr. President, H.R. 7320 contains amendments relating to certain timing requirements of the Federal tax laws. These amendments have been developed from a list of legislative recommendations submitted by the American Bar Association, the American Institute of Certified Public Accountants, and various other groups including State and local bar and accounting associations.

The bill contains provisions relating to the time payment of expenses owed to related parties when the time for payment falls on a Saturday, Sunday, or legal holiday; election of special corporate liquidation treatment for involuntary conversions; election of subchapter S status by a corporation; filing of unrelated business income tax returns for exempt organizations; determining the status of a taxpayer as a farmer or fisherman for estimated income tax purposes; claiming credits or refunds arising from carrybacks; and collection of the penalty for failure to pay over withholding taxes where a bond is furnished. In addition to these seven timing provisions, the bill provides a basis adjustment for property distributions received by a corporation where gain is recognized by the distributing corporation.

All witnesses, including representatives of the Treasury Department, who testified at the hearings on this bill recommended its adoption. As a result of the testimony received, the committee adopted several perfecting modifications to the provision relating to election of subchapter S status by a corporation.

It is estimated that these provisions of the bill will not have any significant revenue effect.

The committee also adopted an amendment to permit duty-free importation of boric acid, mineral wool, or glass fibers from any most-favored-nation beginning on the date of enactment of the bill and before June 30, 1979.

It is estimated that this provision—that is the provision to relieve this boric acid and mineral wool from customs—will result in a customs revenue loss of about $1.7 million.

Mr. President, I urge that H.R. 7320 be adopted.

Mr. CURTIS. Mr. President, this is a meritorious bill. I know of no objection to it, and I urge its adoption.

The PRESIDING OFFICER. The Clerk will state the first committee amendment.

The assistant legislative clerk read as follows:

On page 5, beginning with line 11, strike through and including line 21, and insert in lieu thereof the following:

"(c) WHEN AND HOW MADE.—

"(1) IN GENERAL.—An election under subsection (a) may be made by a small business corporation for any taxable year—

"(A) at any time during the preceding taxable year, or

"(B) at any time during the first 75 days of the taxable year.

"(2) TREATMENT OF CERTAIN LATE ELECTIONS.—If—

"(A) a small business corporation makes an election under subsection (a) for any taxable year, and

"(B) such election is made after the first 75 days of the taxable year and on or before the last day of such taxable year,

then such election shall be treated as having been made for the following taxable year.

"(3) MANNER OF MAKING ELECTIONS.—An election under subsection (a) shall be made in such manner as the Secretary shall prescribe by regulations.".

(b) TECHNICAL AMENDMENTS.—

(1) Section 1372(e)(1)(A) (relating to termination in the case of new shareholders) is amended to read as follows:

"(A) an election under subsection (a) made by a small business corporation shall terminate if any person who is not a shareholder in such corporation on the day on which the election was made becomes a shareholder in such corporation and affirmatively refuses (in such manner as the Secretary may by regulations prescribe) to consent to such election on or before the 60th day after the day on which he acquired the stock.".

(2) The last sentence of section 1372(a) (relating to eligibility for election by a small business corporation) is amended to read as follows: "Such election shall be valid only if all persons who are shareholders in such corporation on the day on which such election is made consent to such election.".

(3) Subparagraph (C) of section 1372(e)(1) is amended by inserting "(or, if later, the first taxable year for which such election would have taken effect)" after "in the corporation".

The PRESIDING OFFICER. Without objection, the amendment is considered and agreed to.

The clerk will state the second committee amendment.

The assistant legislative clerk read as follows:

On page 7, line 18, strike "(b)" and insert "(c)";

The PRESIDING OFFICER. Without objection, the amendment is agreed to.

Mr. PROXMIRE. Mr. President, will the manager of the bill yield?

Mr. LONG. I yield.

Mr. PROXMIRE. Will the manager explain? The first committee amendment sounded like a substantive amendment. Perhaps it is not.

Mr. LONG. The House bill provides a newly formed corporation may make the subchapter S election during the first 75 days of its first fiscal year rather than the 1-month period provided under present law. The committee modified this provision so that existing corporations may also make a subchapter S election during the first 75 days of its taxable year.

Mr. PROXMIRE. Is there a Treasury position on this amendment?

Mr. LONG. It is my understanding the Treasury supports this amendment.

Mr. PROXMIRE. Is there any revenue loss?

Mr. LONG. There is no revenue loss.

Mr. PROXMIRE. I thank the Senator.

Mr. LONG. This is more of an administrative type thing.

The PRESIDING OFFICER. Does the Senator ask unanimous consent that the remainder of the committee amendments be considered en bloc?

Mr. LONG. As I understand it, Mr. President, those are mainly renumbering of sections, and I ask unanimous consent that they be considered en bloc.

The PRESIDING OFFICER. Without objection, the remaining committee amendments are considered and agreed to en bloc.

The amendments are as follows:

On page 7, line 18, strike "amendment made by subsection (a)" and insert "amendments made by subsections (a) and (b)";

On page 7, line 23, strike "(c)" and insert "(d)";

On page 20, beginning with line 16, insert the following:

SEC. 10. TEMPORARY SUSPENSION OF DUTY ON IMPORTS OF INSULATION.

(a) IN GENERAL.—Subpart B of part 1 of the appendix to the Tariff Schedules of the United States (19 U.S.C. 1202) is amended by inserting after item 907.20 the following new item:

" 907.40	Boric acid (provided for in item 416.10, part 2B, schedule 4).....	Free	No change	On or before 6/30/79 ".

(b) Such subpart B is amended by inserting before item 911.00 the following new items:

" 909.10	Mineral wool, in bulk, or in batts, blankets, or similar forms, whether or not lined, backed, or supported with paper, paperboard, or similar materals (provided for in item 522.81, part 1J schedule 5).....	Free	No change	On or before 6/30/79
909.30	Glass fibers in bulk; glass fibers in the form of mats, batts, blankets, felts, pads, castings, and boards, all the foregoing, of a density not over 4 pounds per cubic foot, whether or not coated, impregnated, or bonded with glue, plastics, or other substances, or lined, backed, or supported with paper, paperboard, fabrics or similar materials, or with metal mesh or foil (provided for in item 540.71, part 3A, of schedule 5).	Free	No change	On or before 6/30/79 "

(c)(1) The rate of duty prescribed in rate column numbered 1 of the Tariff Schedules of the United States, as amended by this section, shall be considered to have been proclaimed by the President as necessary or appropriate to trade agreements to which the United States is a party, not as a statutory provisions enacted by the Congress.

(2) The amendments made by this section apply with respect to articles entered,

or withdrawn from warehouse, for consumption on or after the date of enactment of this Act.

The PRESIDING OFFICER. The Senator from Kansas.

UP AMENDMENT NO. 1728

(Purpose: Disregarding, for purpose of certain taxes imposed by the Internal Revenue Code of 1954 with respect to employees, certain changes since 1975 in the treatment of individuals as employees)

Mr. DOLE. Mr. President, I have an amendment at the desk and I ask for its immediate consideration.

The PRESIDING OFFICER. The amendment will be stated.

The legislative clerk read as follows:

The Senator from Kansas (Mr. DOLE) for himself, Mr. LUGAR, and Mr. DECONCINI proposes an unprinted amendment numbered 1728.

Mr. DOLE. Mr. President, I ask unanimous consent that the reading of the amendment be dispensed with.

The PRESIDING OFFICER. Without objection, it is so ordered.

The amendment is as follows:

At the appropriate place, insert the following new section:

SEC. . (a) In determining whether an individual is an employee for purposes of chapters 21, 23, and 24 of the Internal Revenue Code of 1954, the Internal Revenue Service shall not apply any changed position or any newly stated position which is inconsistent with a general audit position in effect prior to January 1, 1976, or which is inconsistent with a regulation or ruling in effect on December 31, 1975.

(b) Notwithstanding subsection (a), an individual shall not be treated as an employee of any person for purposes of chapters 21, 23, and 24 of the Internal Revenue Code of 1954 if such person, in good faith, consistently treated such individual or the class of individuals of which such individual is a member as independent contractors for such purposes. Such person shall be deemed to have acted in good faith only if—

(1) all Federal tax returns (including information returns) required to be filed by such person were filed on a basis consistent with such person's treatment of such individual or such class of individuals as independent contractors; and

(2) such individual or such class of individuals were treated by such person as independent contractors in reasonable reliance on any of the following:

(A) past Internal Revenue Service audit practice with respect to such person;

(B) published rulings or judicial precedent;

(C) recognized practice in the industry of which such person is a member; or

(D) long-standing treatment by such person of such individual or such class of individuals as independent contractors for employment tax purposes.

In no event shall such person be deemed to have acted in good faith if the treatment of such individual or such class of individuals as independent contractors would, on the basis of the pertinent facts and circumstances, constitute negligence, intentional disregard of rules and regulations, or fraud within the meaning of section 6653 of the Internal Revenue Code of 1954.

(c) The provisions of this Act shall apply in determining the employment status of individuals for—

(1) all calendar quarters for which, on the date of enactment of this Act, assessment of an underpayment of tax, or refund of an overpayment of tax, under chapters 21, 23, and 24 of the Internal Revenue Code of 1954 is not barred by the operation of any law or rule of law, and

(2) for the calendar quarter in which this Act is enacted and for all future calendar quarters until the end of the calendar year in which the Congress enacts a law terminating the future applicability of this Act.

Mr. DOLE. Mr. President, I hope we might dispose of this amendment very quickly.

Mr. President, this amendment adopted by the Senate Finance Committee by a vote of 14 to 1 is designed to protect the independent contractor status of taxpayers who have been treated consistently and in good faith as independent contractors. This amendment incorporates my original bill, S. 3007, and the subsequent modifications I introduced in committee.

This proposal is supported by a number of groups including the American Pulpwood Association, American Retail Federation, Direct Selling Association, National Association of Independent Insurers, National Association of Realtors, National Club Association, National Hairdressers and Cosmetologists Association, National Home Furnishings Association, National Home Improvement Council, National Oil Jobbers Council, National Small Business Association, Retail Floor Covering Institute, and Specialty Advertisers Association.

Mr. President, for many years, the common law has been relied upon to distinguish independent contractors from employees for tax purposes. As a result, the law in this area was widely considered to be both reasonable and clear, and taxpayers such as direct selling representatives, insurance agents, real estate salespersons, and service station operators were treated as independent contractors. Many other taxpayers also structured their economic affairs under what they believe was clearly the law.

Beginning in the early 1970's, however, the Internal Revenue Service began to rescind the longstanding rules in this area and to adopt new and harsh interpretations of the common law in audit procedures. This produced great confusion in what had been a reasonably well-defined area.

Assessments involving millions of dollars have been made or proposed, and several businesses have ceased operations as a result. Millions of income-earning opportunities are threatened. These adverse consequences were confirmed in recent testimony before the Subcommittee on Taxation and Debt Management where several witnesses testified to the devastating economic consequences to small business resulting from these retroactive assessments.

Mr. President, the widespread alarm resulting from the actions of the Internal Revenue Service was recognized by Congress, and the Internal Revenue Service was urged in the conference report accompanying the Tax Reform Act of 1976 to "not apply any changed position or any newly stated position which is inconsistent with a prior general audit position in this general subject area to past, as opposed to future, taxable years" until the completion of a study of the problem by the staff of the Joint Committee on Taxation. Despite this urging, testimony before the Subcommittee on Taxation and Debt Management made clear that the IRS has continued to rescind longstanding rules and to adopt new and harsh interpretations of the common law.

Mr. President, this issue is enormously important. The Commissioner of Internal Revenue recently has indicated that—

At the present time in two districts of one region alone, there are three potential assessments against taxpayers ranging from $6 million to $60 million, involving an insurance company, an oil jobber, and a direct sales company.

He has also stated that—

There are situations where assessments exceed a taxpayer's net worth by a considerable amount. Furthermore, testimony before the Committee on Finance Subcommittee on Taxation and Debt Management has indicated that taxpayers have already been driven out of business by IRS employment tax assessments based on reclassifying individuals as employees even though they had long been considered by all to be independent contractors. Given these dire circumstances, it would be wholly inequitable to continue for another year to subject taxpayers to the confusion and uncertainty which now exists in this area of the tax law.

Mr. President, I urge the Senate to adopt this amendment which has received large bipartisan support.

Mr. President, in addition to those Senators mentioned as original cosponsors, the Senator from Indiana (Mr. LUGAR) and the Senator from Arizona (Mr. DECONCINI), the following Senators have also cosponsored S. 3007: Senators CURTIS, MCCLURE, HATCH, CHURCH, TOWER, DOMENICI, HAYAKAWA, GRAVEL, EAGLETON, SCHMITT, THURMOND, NELSON, and HASKELL.

I only suggest that perhaps this might be an amendment that could be accepted by the committee.

Mr. PROXMIRE. Mr. President, will the Senator yield?

Mr. DOLE. I yield.

Mr. PROXMIRE. My understanding is that the Treasury does not oppose this amendment; is that right?

Mr. DOLE. It is my understanding that the Treasury does oppose the amendment.

Mr. PROXMIRE. The Treasury does oppose the amendment?

Mr. DOLE. Does oppose it, yes.

Mr. PROXMIRE. Why does the Treasury oppose it?

Mr. DOLE. They have another proposal which as I understand it might defer any further action for a period of 1 year. They have a freeze on assessments. They made their case before the Finance Committee. I might say to the distinguished Senator from Wisconsin, after hearing their presentation the committee voted 14 to 1 to adopt the amendment.

Mr. PROXMIRE. Can the Senator tell me if they oppose the amendment, because of a revenue loss in part?

Mr. DOLE. I do not think it is so much a revenue loss. As far as I know there are no figures on revenue loss.

Mr. LONG. The reason is that the Treasury would like to have a permanent solution for the independent contractor problem. They do not have a rec-

ommendation to make at this point, but we would think that the Treasury will be down next year with recommendations on how we should tax independent contractors.

Mr. PROXMIRE. The author of the bill indicated there is no estimate as to the Treasury loss.

Mr. DOLE. I might say I do not think there will be any loss as far as this Senator knows. I do not think they gave us any estimate. They were not certain there would be any loss.

Mr. PROXMIRE. Will the Senator tell us in his judgment or the judgment of the staff of the joint committee there would be a significant loss?

Mr. LONG. The Treasury, as I understand it, would have no objection to freezing the present situation, but they do not want a forgiveness of any past liability that the Treasury might assert until we have a permanent solution to this problem and obviously the taxpayers would like to know where they stand. Therefore, I think the attitude of the committee is that of the taxpayer that they would like to know where they stand.

The Treasury would like to hold out for a permanent solution to the problem.

Mr. PROXMIRE. I am sympathetic with that, and I think I would support the amendment, but I want to be sure the manager of the bill and the committee indicate they do not think there is a sufficient loss or if there is a loss.

Mr. CURTIS. Mr. President, will the Senator yield?

Mr. LONG. There is a long list of big cases in litigation right now, and I do not think anyone can predict how those cases will come out if we continue to litigate. In other words, you have situations all over the country where people have real estate agents and others who have been doing business as independent contractors. One can understand why the Treasury, for purposes of effective administration, would like to make employers do the withholding and do the bookkeeping so they can more effectively collect their money.

But, on the other hand, it is a great big burden on behalf of taxpayers to have to do all that, so you and I if we were in the real estate business and we had people working for us would much prefer not to fool around with all that and let them do their own accounting with Uncle Sam. But Treasury would like to make us regard those people, whom we choose to regard as independent contractors, as our employees so they can make us withhold and account for it and do the bookkeeping for the Treasury.

Mr. CURTIS. Mr. President, will the Senator yield?

Mr. PROXMIRE. Yes.

Mr. CURTIS. I believe this would not change the tax liability, the income tax, very much, if any. It is very burdensome from the standpoint of bookkeeping and withholding. Whether or not someone is an employee or an independent contractor would make a difference on the liability for social security taxes. An independent contractor pays social security taxes at 1½ times the employee rate. If he was an employee, both employer and employee would pay.

Keep in mind these are individuals who have been treated as independent contractors for years and years.

The raising of this question by the Treasury has to be shown in their financial statements, puts a cloud over their assets, and they have a difficult time to operate.

The Treasury suggests a partial stopgap, but it would still keep it open and be burdensome for the businessman.

What this would do would be to leave it open so that Congress could later consider the final solution of the Treasury but, in the meantime, it would relieve their business of the uncertainty during this interim period.

Mr. PROXMIRE. I thank the Senator. Let me just persist in one more question. As I understand it, the manager says there is no way you can tell what the loss will be. It depends on the outcome of litigation. Could the manager indicate what the outside figure might be so we would have some notion of how this could affect the Treasury? Will it be in tens of millions, hundreds of millions of dollars?

Mr. LONG. I say to the Senator we just do not have a figure. If I had it I would be glad to give it to the Senator, but we just do not have it.

This is an area that could involve a lot of people. If the Treasury were successful in what they would like to contend, I am frank to say that if they were successful, as they would like to be, the Congress would intervene on behalf of the taxpayers so that while they hope they raise a great deal of money, Congress would not let them do that it they were as successful as they hope to be. We cannot blame them for zealously trying to obtain every dollar they can from the public's fist. But when the taxpayer screams, beyond a certain point Congress gets into the act as in the case here.

● Mr. DECONCINI. Mr. President, Senator HASKELL and I introduced a bill, S. 3037, on May 4, which has a direct bearing on the problem addressed by the amendment now before us. The measure we introduced, however, is more narrowly drawn and focuses specifically upon certain recent IRS rulings affecting the real estate industry.

These rulings, 76–136 and 76–137, were designed to effect far-reaching changes in established policy regarding the occupational classification and tax treatment of real estate agents. The result was a sudden, unanticipated, and dramatic shift in the definition of "independent contractor" within the real estate industry. The changes envisioned by these rulings would have been severely disruptive even had they been limited to future tax years. But, IRS had the arrogance to make them retroactive as well. As a consequence, innumerable realty firms were abruptly faced with retroactive assessments for payroll taxes on individuals whom they had, in perfectly good faith, treated as independent contractors, not employees. Many of these businesses, had the IRS been able to carry out its intentions, would doubtless have been bankrupted, creating untold personal hardship, and promoting the structural concentration of what has traditionally been one of the most highly competitive sectors of the American free enterprise system.

That would have been genuinely tragic had it been allowed to occur. Fortunately, thanks to congressional opposition and initiatives like S. 3007 and S. 3037, the Treasury has apparently had second thoughts about the advisability of such an unprecedented reversal of longstanding policy and has announced its intention to rescind the two rulings in question. It has yet to do so, however, and there is presently no statutory barrier to another IRS attempt to fatten the Federal coffers by simply changing its regulations, regardless of the cost and unfairness to those affected.

I am sure that the Senator from Kansas would agree as, indeed, would every Member of this body, that the proper forum for the alteration of basic policy guidelines of this sort is the legislative process. For this reason, I believe it is imperative that the Congress enact a moratorium on IRS rulemaking in this area until a comprehensive legislative solution has been framed. That was, and is, the objective of S. 3037, insofar as the real estate industry is concerned. As I understand it, that is essentially the goal of S. 3007.

We must not stand idly by and permit IRS to make capricious and unwarranted changes in revenue policy. To do so, would be to acquiesce in yet another usurpation of the prerogatives of the legislative branch. I, therefore, urge my colleagues to add their support to ours and insure the adoption of this amendment.●

Mr. DOLE. Mr. President, I might just emphasize that we tried to determine whether there would be any loss, and we were told it would be insignificant. There are, of course, attempts by the IRS to recover. We know three cases that range from $3 million to $60 million, and I assume if they were successful in every case it would amount to some revenue gain.

But from what we were able to determine, the revenue impact would not be very significant.

It would seem to me that the amendment we propose would at least retain the status quo until Congress takes some action. That is all we are suggesting. It would alleviate the situation in two ways: First, it is going to stop the IRS from changing the audit procedures; and, second, we recognize the independent contractor status by definition. If he has been treated as an independent contractor in good faith based on his past record, we think that should continue.

It seemed to us in the committee, again by a margin of 14 to 1, after hearing the Treasury's opposition, that we ought to take this action. I suggest there would be no great revenue loss.

SEVERAL SENATORS. Vote. Vote.

The PRESIDING OFFICER. The question is on agreeing to the amendment.

The amendment was agreed to.

AMENDMENT NO. 3471

(Purpose: For the relief of Josée and René de Chambrun)

Mr. LONG. Mr. President, I send an amendment to the desk.

The PRESIDING OFFICER. The clerk will report.

The legislative clerk read as follows:

The Senator from Louisiana (Mr. LONG) proposes an amendment numbered 3471 for Mr. MATHIAS.

The amendment is as follows:

At the appropriate place, insert the following new section:

SEC. . For the purpose of determining the liability for tax of Josée or René de Chambrun, citizens of France, under chapter 12 of the Internal Revenue Code of 1954, and for the purpose of determining the liability for tax of the estate of the said Josée or René de Chambrun under chapter 11 of such Code, the Fondation Josée et René de Chambrun, Paris, France, shall be treated as if it were an organization described in sections 2522(b)(2) and 2106(a)(2)(A)(ii) of such Code, respectively.

Mr. LONG. Mr. President, this amendment is at the desk printed with my name on it. Actually this is a matter brought to our attention by the Senator from Maryland (Mr. MATHIAS). It deals with the foundation of Josee et Rene de Chambrun.

Under present law, Federal gift and estate taxes are imposed upon lifetime and death transfers by nonresident aliens with respect to property which is situated in the United States—sections 2501, 2511, and 2101–2108 of the Internal Revenue Code. For this purpose, nonresident aliens are allowed charitable deductions for transfers to domestic corporations which are organized and operated exclusively for religious, charitable, scientific, literary, or educational purposes, but not for transfers to foreign charities—sections 2106(a)(2) and 2522(b)(2) of the Code.

The rule which allows gift and estate tax deductions to nonresident aliens only for transfers to a domestic charity would disallow a deduction for transfers by a nonresident alien to the Foundation Josee et Rene de Chambrun. This foundation was created to preserve the home of General Lafayette, near Paris, along with his personal papers, belongings, and correspondence. Because the home of General Lafayette is located in France, it is not convenient for the foundation to be organized as a domestic corporation. However, the foundation, similar to many domestic charities, maintains property which is important to the history of this country. The foundation has qualified for income tax exemption in the United States.

The committee amendment would allow deductions for Federal gift and estate tax purposes to Josee and Rene de Chambrun and their estates for transfers to the Foundation Josee et Rene de Chambrun to the same extent as if the foundation were a domestic corporation.

The committee amendment would be effective for gifts made in calendar quarters, and for decedents dying, after the date of enactment.

Mr. CURTIS addressed the Chair.

The PRESIDING OFFICER. The Senator from Nebraska.

Mr. CURTIS. Under our gift and estate tax law if a citizen gives part or all of his property to a charitable organization, he will be entitled to a charitable deduction. It makes no difference whether the organization is a U.S. organization or a foreign organization, just so long as it is a legitimate charity under our standards. However, we have a slightly different rule in our law for nonresident aliens who give their U.S. assets to charity. These people can get a charitable deduction only if the property is given to a U.S. corporation. No one seems quite sure as to why there is this difference in the law, but it was probably an oversight.

Every Senator should be particularly interested in this legislation because of a French foundation which has been created to preserve the home of General LaFayette, near Paris, along with his personal papers, belongings, and correspondence. The foundation has been operating for nearly 30 years and is almost exclusively supported by gifts of a Mr. and Mrs. Chambrun who are nonresident aliens. It is their intention to leave their entire estate to the foundation. However, it is feared that the curious twist in our law will impose a tax and not leave enough for the estate to sufficiently endow the foundation.

I need not tell you about the contributions of General LaFayette to this country. This foundation will not only be a museum but will also provide a treasure trove for American historians and researchers.

This foundation is obviously well regarded and has already been recognized by the IRS as tax exempt for U.S. income tax purposes.

This legislation would make the Code consistent and apply the same rule for aliens and nonaliens alike.

Mr. President, I rise in support of the proposition. As I understand it, the home of General Lafayette outside of Paris contains his letters, his files, his memoranda, all of which constitute a great portion of the history of the United States because these letters were exchanged with the men of his time, men like George Washington, Hamilton, and all the others.

This change in the gift tax law is one to which the Treasury has no objection. They prefer to do it by treaty, but otherwise they favor the objective. They favor the tax consequences that this would bring about.

It is important to the history of the United States and it is also important that we do this by statute because treaties take a long time and they get involved in other things.

The PRESIDING OFFICER. The question is on agreeing to the amendment of the Senator from Louisiana.

The amendment was agreed to.

AMENDMENT NO. 3522

(Purpose: To amend the Internal Revenue Code of 1954 with respect to certain charitable contributions)

Mr. LONG. Mr. President, I send to the desk an amendment and ask that it be reported.

The PRESIDING OFFICER. The amendment will be stated.

The legislative clerk read as follows:

The Senator from Louisiana (Mr. LONG), proposes Amendment No. 3522.

The amendment is as follows:

At the appropriate place, insert the following new section:

SEC. . (a) Section 170(b)(1)(A)(iii) of the Internal Revenue Code of 1954 (relating to percentage limitations on charitable contributions) is amended by adding at the end thereof the following: "or an organization which on or before May 26, 1969 and continuously thereafter to the close of the taxable year, operated and maintained as its principal functional purpose facilities for the long-term care, comfort, maintenance, or education of permanently and totally disabled persons, elderly persons, needy widows, or children,".

(b) The amendment made by subsection (a) shall take effect on January 1, 1970.

Mr. LONG. Mr. President, this amendment was approved by the committee. It relates to the public charity status of certain long-term care organizations.

Under present tax law, a privately endowed long-term care organization—such as a convalescent home or orphanage—may not qualify as a public charity.

Public charities are not subject to the private foundation excise taxes. In general, the rules relating to income tax deductions by individuals for contributions to public charities or to private operating foundations are more favorable to the donor than the rules relating to the deductibility of contributions to private nonoperating foundations.

The committee amendment excludes from private foundation status an exempt organization which, on or before May 26, 1969, and continuously thereafter to the close of the taxable year, operates and maintains as its principal functional purpose facilities for the long term care, comfort, maintenance, or education of permanently and totally disabled persons, elderly persons, needy widows, or children. The amendment applies retroactively to January 1, 1970.

Mr. CURTIS. Mr. President, I support the amendment. I believe it is meritorious. It is just and fair, and I urge its adoption.

The PRESIDING OFFICER. The question is on agreeing to the amendment.

Mr. PROXMIRE. Mr. President, will the Senator indicate whether or not this amendment would include the Sand Springs Home and the Myron Stratton Home, those two foundations?

Mr. LONG. Yes.

Mr. CURTIS. The Sand Springs Home is an organization exempt from tax under section 501(c)(3), which is classified as a private foundation because of a large endowment. It is in no way controlled by the family which founded it in 1908, but rather by the Grand Lodge of the Oklahoma Masons.

The home operates a facility for the long-term care of needy widows and orphans assigned to it by the courts of the State of Oklahoma. Classification as a private foundation results in the diversion of substantial income to the payment of a 4-percent excise tax on investment income. More importantly, it requires the distribution of substantial amounts of income and principal each year, in excess of the operating needs of the fund, preventing the fund from setting aside money which may well be

needed for future capital needs of the home.

The amendment before us would solve the problem of the home—and of similarly situated orphanages, widows colonies, and homes for the aged—by including such facilities in the list of organizations exempt from the private foundation rules contained in code section 170(b)(1)(A)(iii). This amendment would accomplish its purpose in a simple, uncomplicated way by creating a separate functional classification exempt from private foundation rules. It would be administratively simple to determine whether an organization falls within the described functional classification or does not, and therefore it would be easy to determine which organizations qualify under the new provision. The functional classification approach is a consistent one because long-term care facilities have long-term obligations which require long-term planning and accumulation of capital. Since grantmaking charities have no such needs, it is unwise for the taxing statute to treat grantmaking charities and long-term care facilities in the same way. This principle was recognized in 1969 with respect to universities and hospitals, but probably through inadvertance, not to long-term care facilities.

Mr. PROXMIRE. Mr. President, I am very much concerned about this amendment. I have been told that these two foundations have been trying for 6 years to get out from under private foundation status.

The law makes a distinction between public charities—receiving financial support from a broad spectrum of the public—and private foundations—receiving financial support from endowments or private investments. The main distinctions are that private foundations have strict self-dealing rules to prevent principals from dealing between themselves as directors of the foundation and as individuals, prohibitions against excess business holdings, certain payout requirements to insure that income is paid out into the charitable stream each year, rules preventing jeopardy investments, etc. Also, the law imposes a 4-percent excise tax on private foundations to help pay for monitoring their activities.

Sand Springs Home and the Myron Stratton Home are two foundations with substantial investments in oil and gas and in real estate. They have been trying for 6 years, as I said, to get out from under private foundation status. They first argued that it is not the anti-self dealing rules they are concerned about but the payment of the excise tax and the—then—6-percent minimum payout rule applicable to private foundations.

The Ways and Means Committee originally had drafted a bill for these foundations that would reduce the 4-percent excise tax to 2 percent and cut the payout rate to two-thirds of what it had been. It did not pass.

Since then, a cut in the payout rate was approved for all private foundations—1976 act. A bill to reduce the excise tax to 2 percent was before the Senate today. It has, as I understand, passed earlier.

Obviously, the real purpose for the change is to get out from under the other requirements applicable to foundations.

As I understand it, these two homes, while they do do legitimate work for the elderly and the infirm, also have four to five times as much of their assets in real estate, oil, and gas, in dolomite, and in other activities, and while I would not charge that their work for the elderly and infirm is a cover, nevertheless this amendment permits them to escape, as I say, from the private foundation provisions of the law. No more than one quarter of their fund are invested in assets that are directly related to their exempt function.

As I understand, the lobbyists have lined up 26 other long-term care facilities who will benefit—presumably because of the elimination of the excise tax—obviously bootstrapping their support for the whole bill.

There is nothing wrong, now, with being a private foundation except you will pay a 2-percent excise tax to help IRS administer oversight since there is little other Federal accountability as to the management of these facilities. They do not have to go to the public for financial support. As a result of a lesser degree of public accountability, the Congress imposed certain restrictions in 1969 on private foundations.

Sand Springs had about $18 million in assets a few years ago. About three-fourths of the assets are invested in stock, oil, and gas, dolomite—about $5 million—and unimproved real estate.

Their investments were so extensive, they realized about $5 million in depreciation, depletion, and other writeoffs in 1971 according to their auditors report.

They will claim they are spending most of their income on operating the care faculty. But that is taxable income and does not include the cash generated from the huge tax writeoffs.

In addition, under the 1969 act, private foundations must divest themselves of certain wholely owned businesses or pay an excess business holdings tax. Sand Springs wants to avoid this requirement and retain control of these private enterprises.

The annual report which I have in my hand for 1976 for Sand Springs shows they had assets that year of more than $20 million.

Mr. LONG. Mr. President, some of the sponsors of the amendment are here, and I would like them to address themselves to the point that concerns the Senator.

We tried to work this matter out in the committee to satisfy the previous Treasury objection, and as I understand the Treasury has no objection to the bill as it has been modified. I would think some of those who are more familiar with this situation than the Senator from Louisiana, who were sponsors of the measure, might like to explain in more detail the merits of their position.

Mr. BARTLETT. Mr. President, I would say to my friend from Wisconsin that this amendment to the bill adds to the list of organizations exempt from private foundation rules; two institutions which operate and maintain facilities for the principal function of providing long-term care, comfort, maintenance, or education to indigent widows, elderly persons, children, and the permanently and totally disabled.

Now, if this home was operated by a civic club or a chamber of commerce or a labor union, it would have an exempt status, and I think it is just a matter of equity and justice that the Sand Springs Home, in providing this kind of care, should likewise enjoy a similar status.

Mr. PROXMIRE. Mr. President, if the Senator will yield, I do not understand why we should give an organization whose assets are obviously 80 percent invested in business a complete exemption from the private foundation provisions. Certain rules, such as self-dealing, excess, and business holdings should apply to them. It would seem to me is not right, not fair, and not equitable compared to other organizations which are subject to these rules.

Mr. BARTLETT. I think when you are talking about commercial enterprise, you are talking about their income, are you not?

Mr. PROXMIRE. Yes, indeed.

Mr. BARTLETT. Well, they operate from their income, and obviously if they did not have the income they would not be able to fund and operate this facility. It is providing very important care for widows and indigent children in our community.

Mr. PROXMIRE. Well, widows and cihldren are fine, but it would seem to me we ought to have some kind of private foundation restrictions apply to them.

But I pointed out a random year where three-fourths of the assets are invested in businesses and are not directly related to the care of the widows and others for whom this exemption is being pressed in the amendment.

Mr. BARTLETT. Well, I do not think that because they are not spending it right now, they might not spend it in the future. But it is very important to me to have them have the same tax status as someone else operating the same kind of program. I think the important thing here is that they provide this kind of care. They have been doing it for a long time, and I think that they plan to continue it forever. It is a long-range program, and I think that it is important that they do have proper financing, that would permit them to expand in the future.

Mr. PROXMIRE. May I ask the Senator why he cannot be satisfied with the bill that passed earlier, changing the tax from 4 to 2 percent? That seems to take care of the principal problem in most of these operations. It is true that they will not take care of the self-dealing and excess business holdings, but I think it would take care of the others.

Mr. LONG. First let me say that in regard to the tax on foundations from 4 to 2 percent, I voted against it in the committee. I am not interested in that part of it. But the committee reported it, and I was the only one in the committee who voted against it. I accommodated myself to the views of the majority of the committee and of the Senate.

But in this case, as I understand it, it

is true that a large portion of their assets are invested, but the income derived from those investments does go to support this home.

Mr. PROXMIRE. May I say to the Senator, we were informed earlier the Treasury either supported this or had no position. I am now informed that Treasury is definitely opposed to this. The office of the Assistant Secretary for Tax Policy has just informed us of that fact. We called them and they indicated that the Treasury is opposed to this, and I can see why they are.

Mr. LONG. In prior years they have been opposed to this. When this matter came up in the committee, the man who spoke for the Treasury sat there and nodded his head as though he agreed with it, and suggested the type of provision to cover this situation, and thus, I have to assume that they do not object to it.

Mr. PROXMIRE. This is not an assumption. We have the specific word. I will give the name of the man from Treasury, Dennis Drapkin. He says their position now is opposition to this amendment. They think it is wrong, that it is a mistake.

Mr. LONG. That man is far lower down in the hierarchy than Don Lubick, who is the Assistant Secretary for Tax Policy. Don Lubick sat there and worked with us in dealing with this situation. He is the man who should be speaking for the Treasury. He sat there and, as I took from his comments, was not opposed.

Mr. PROXMIRE. In view of the fact that there seems to be a conflict that we cannot reconcile at the moment, would the Senator agree to set aside this amendment and take it up on one of the later tax bills? He has four or five others coming up. It will be another hour or so before we finish. Perhaps we can get word from the Treasury on what their position is and be better informed when we decide what to do with the amendment. Would that be satisfactory?

Mr. LONG. Mr. President, I will withdraw the amendment.

The PRESIDING OFFICER. The amendment is withdrawn.

Several Senators addressed the Chair.

The PRESIDING OFFICER. The bill is open to further amendment. If there be no further amendment to be proposed, the question is on the engrossment of the amendments and the third reading of the bill.

The amendments were ordered to be engrossed and the bill to be read a third time.

The bill was read the third time.

The PRESIDING OFFICER. The bill having been read the third time, the question is, Shall it pass?

So the bill (H.R. 7320), as amended, was passed.

Mr. ROBERT C. BYRD. Mr. President, I move to reconsider the vote by which the bill was passed.

Mr. LONG. Mr. President, I move to lay that motion on the table.

The motion to lay on the table was agreed to.

REVOCATION OF ELECTION TO RECEIVE RETIRED PAY AS JUDGE OF TAX COURT

Mr. ROBERT C. BYRD. Mr. President, I ask that the Senate proceed to the consideration of Calendar No. 1033, H.R. 8811.

The PRESIDING OFFICER. The bill will be stated by title.

The legislative clerk read as follows:

A bill (H.R. 8811) to amend section 7447 of the Internal Revenue Code of 1954 with respect to the revocation of and election to receive retired pay as a judge of the tax court.

The PRESIDING OFFICER. Is there objection to the present consideration of the bill?

There being no objection, the Senate proceeded to consider the bill, which had been reported from the Committee on Finance.

Mr. LONG. Mr. President, H.R. 8811 amends the Internal Revenue Code to allow any Tax Court judge or former judge to revoke his or her election to come under the Tax Court retirement system. Such an individual then could attempt to qualify for civil service benefits.

Under present law, a Tax Court judge may be covered either by the civil service retirement system or the Tax Court retirement system. In order to be covered by the Tax Court system, the Tax Court judge must make an irrevocable election to be covered by it. Once the election has been made, the judge is forbidden to receive benefits under the civil service retirement system, regardless of whether he or she ever qualifies for Tax Court benefits, or otherwise would qualify for civil service retirement. As a result, if a judge elects to be covered by the Tax Court system but fails to serve long enough to qualify for Tax Court retirement benefits, that judge finds himself or herself excluded from both retirement systems.

The bill corrects this inequitable result. It allows a judge or former judge to revoke an election to be covered by the Tax Court retirement system at any time before becoming entitled to benefits. That individual then could attempt to qualify for civil service retirement benefits.

If the judge or former judge makes contributions to the civil service retirement fund that would have been required if the judge had been covered by Civil Service, then his or her service time as a Tax Court judge will be counted as creditable time for civil service retirement benefit purposes. Similar conforming amendments are made as to survivors' benefits. The bill, however, does not allow a person to receive both Tax Court and civil service retirement or survivors' benefits.

Mr. President, the bill corrects an inequity in present law. Both the Treasury Department and the Civil Service Commission have stated that they have no objection to the enactment of the bill. I urge the Senate to approve H.R. 8811.

The PRESIDING OFFICER. Are there amendments to the bill?

AMENDMENT NO. 3470

(Purpose: Treatment of prepaid legal service contributions for Federal insurance contributions act and Federal unemployment tax act taxes)

Mr. LONG. Mr. President, I send an amendment to the desk and ask for its immediate consideration.

The PRESIDING OFFICER. The amendment will be stated.

The legislative clerk read as follows:

The Senator from Louisiana (Mr. LONG) proposes an amendment numbered 3470.

Mr. LONG. Mr. President, I ask unanimous consent that further reading of the amendment be dispensed with.

The PRESIDING OFFICER. Without objection, it is so ordered.

The amendment is as follows:

At the appropriate place, insert the following new section:

SEC. . (a) Section 3306(b) of the Internal Revenue Code of 1954 (relating to the definition of wages for purposes of the Federal Unemployment Tax Act) is amended—

(1) by striking out "or" at the end of paragraph (10);

(2) by striking out the period at the end of paragraph (11) and inserting in lieu thereof "; or"; and

(3) by adding at the end thereof the following new paragraph:

"(12) any contribution, payment, or service, provided by an employer which may be excluded from the gr. ; income of an employee, his spouse, or his dependents, under the provisions of section 120 (relating to amounts received under qualified group legal services plans).".

(b) Section 3121(a) of such Code (relating to the definition of wages for purposes of the Federal Insurance Contributions Act) is amended—

(1) by striking out the period at the end of subparagraph (15) and inserting in lieu thereof "; or"; and

(2) by adding at the end thereof the following new paragraph:

"(16) any contribution, payment, or service, provided by an employer which may be excluded from the gross income of an employee, his spouse, or his dependents, under the provisions of section 120 (relating to amounts received under qualified group legal services plans).".

(c) Section 209 of the Social Security Act is amended—

(1) by striking out "or" at the end of subsection (n);

(2) by striking out the period at the end of subsection (o) and inserting in lieu thereof "; or"; and

(3) by inserting after subsection (o) and before the sentence beginning with "For purposes of this title, in the case of domestic service" the following new subsection:

"(p) Any contribution, payment, or service, provided by an employer which may be excluded from the gross income of an employee, his spouse, or his dependents, under the provisions of section 120 of the Internal Revenue Code of 1954 (relating to amounts received under qualified group legal services plans).".

(d) The amendments made by this section shall apply with respect to taxable years beginning after December 31, 1976.

Mr. LONG. Mr. President, I would like the record to show this amendment is offered on behalf of Senator MORGAN and Senator PACKWOOD.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. LONG. The committee amendment provides that any contributions, payments, or services which are excluded from an employee's gross income under the qualified group legal services plan also are excluded from wages for payroll tax purposes.

Under the Tax Reform Act of 1976 amounts contributed by an employer to a qualified group legal services plan for employees, as well as the value of any services received by an employee or any amount paid to an employee under the plan as reimbursement for legal services for the employee, his spouse, or his dependents, was excluded from an employee's gross income.

However, since the 1976 act did not expressly exclude these amounts from the definition of "wages" which are subject to payroll taxes under the Federal Insurance Contributions Act (FICA) and the Federal Unemployment Tax Act (FUTA), a question has arisen whether the excludable amounts are subject to FICA and FUTA payroll taxes.

The committee amendment provides that any contribution, payment, or service which is excludable from an employee's gross income under the qualified group legal services plan provisions also is to be excluded from wages for FICA and FUTA payroll tax purposes.

The PRESIDING OFFICER. The question is on agreeing to the amendment.

Without objection, the amendment is agreed to.

AMENDMENT NO. 3523

(Purpose: Relating to the treatment of an involuntary conversion of real property to which the special farm valuation provisions of the Federal estate tax apply)

Mr. LONG. Mr. President, on behalf of Senator DOLE, I send another amendment to the desk and ask for its immediate consideration.

The PRESIDING OFFICER. The amendment will be stated.

The legislative clerk read as follows:

The Senator from Louisiana (Mr. LONG), on behalf of Mr. DOLE, proposes an amendment numbered 3523.

Mr. LONG. Mr. President, I ask unanimous consent that the reading of the amendment be dispensed with.

The PRESIDING OFFICER. Without objection, it is so ordered.

The amendment is as follows:

At the appropriate place, insert the following new section:

SEC. . INVOLUNTARY CONVERSION OF SPECIALLY VALUED FARM, ETC., REAL PROPERTY.

(a) IN GENERAL.—Section 2032A of the Internal Revenue Code of 1954 (relating to valuation of certain farm, etc., real property) is amended by adding at the end the following new subsection:

"(h) SPECIAL RULES FOR INVOLUNTARY CONVERSION OF QUALIFIED REAL PROPERTY.—

"(1) TREATMENT OF CONVERTED PROPERTY.—

"(A) IN GENERAL.—If there is an involuntary conversion of an interest in qualified real property and the qualified heir makes an election under this subsection—

"(i) no tax shall be imposed by subsection (c) on such conversion if the cost of the qualified replacement property equals or exceeds the amount realized on such conversion, or

"(ii) if clause (i) does not apply, the amount of the tax imposed by subsection (c) on such conversion shall be the amount determined under subparagraph (B).

"(B) AMOUNT OF TAX WHERE THERE IS NOT COMPLETE REINVESTMENT.—The amount determined under this subparagraph with respect to any involuntary conversion is the amount of the tax which (but for this subsection) would have been imposed on such conversion reduced by an amount which—

"(i) bears the same ratio to such tax, as

"(ii) the cost of the qualified replacement property bears to the amount realized on the conversion.

"(2) TREATMENT OF REPLACEMENT PROPERTY.—For purposes of subsection (c)—

"(A) any qualified replacement property shall be treated in the same manner as if it were a portion of the interest in qualified real property which was involuntarily converted, except that with respect to such qualified replacement property the 15-year period under paragraph (1) of subsection (c) shall be extended by any period, beyond the 2-year period referred to in section 1033(a)(2)(B)(i), during which the qualified heir was allowed to replace the qualified real property,

"(B) any tax imposed by subsection (c) on the involuntary conversion shall be treated as a tax imposed on a partial disposition, and

"(C) paragraph (7) of subsection (c) shall be applied—

"(i) by not taking into account periods after the involuntary conversion and before the acquisition of the qualified replacement property, and

"(ii) by treating material participation with respect of the converted property as material participation with respect to the qualified replacement property.

"(3) DENINITIONS AND SPECIAL RULES.—For purposes of this subsection—

"(A) INVOLUNTARY CONVERSION.—The term 'involuntary conversion' means a compulsory or involuntary conversion within the meaning of section 1033.

"(B) QUALIFIED REPLACEMENT PROPERTY.—The term 'qualified replacement property' means—

"(i) in the case of an involuntary conversion described in section 1033(a)(1), any real property into which the qualified real property is converted, or

"(ii) in the case of an involuntary conversion described in section 1033(a)(2), any real property purchased by the qualified heir during the period specified in section 1033(a)(2)(B) for purposes of replacing the qualified real property.

Such term only includes property which is to be used for the qualified use set forth in subparagraph (A) or (B) of subsection (b)(2) under which the qualified real property qualified under subsection (a).

"(4) CERTAIN RULES MADE APPLICABLE.—The rules of the last sentence of section 1033(a)(2)(A) shall apply for purposes of paragraph (2)(B).

"(5) ELECTION.—Any election under this subsection shall be made at such time and in such manner as the Secretary may by regulations prescribe.".

(b) ADJUSTMENT OF BASIS.—Section 1016 of such Code (relating to adjustments to basis) is amended by redesignating subsection (c) as subsection (d) and by inserting after subsection (b) the following new subsection:

"(c) INCREASE IN BASIS IN THE CASE OF CERTAIN INVOLUNTARY CONVERSIONS.—

"(1) IN GENERAL.—If there is a compulsory or involuntary conversion (within the meaning of section 1033) of any property the basis of which is determined under section 1023 and an additional estate tax is imposed on such conversion under section 2032A(c), then the adjusted basis of such property shall be increased by an amount which bears the same ratio to such tax with respect to the conversion of that property as—

"(A) the net appreciation in value of such property, bears to

"(B) the excess of—

"(i) the value of such property for purposes of chapter 11 as determined with respect to the estate of the decedent without regard to section 2032A; over

"(ii) the value of such property for purposes of chapter 11 as determined with respect to the estate of the decedent with regard to section 2032A.

"(2) NET APPRECIATION IN VALUE.—For purposes of this subsection, the net appreciation in value of any property shall be determined in accordance with section 1023(f)(2) except that—

"(A) the adjusted basis taken into account shall be increased by any adjustment under section 1023,

"(B) the fair market value of such property shall be determined without regard to section 2032A, and

"(C) any net appreciation in value in excess of the amount determined under paragraph (1)(B) shall be disregarded.

"(3) TIME ADJUSTMENT MADE.—Any adjustment under paragraph (1) shall be deemed to have occurred immediately before the compulsory or involuntary conversion.".

(c) CONFORMING AMENDMENT.—Paragraph (1) of section 2032A(f) of such Code (relating to period of limitations) is amended by inserting "(or if later in the case of an involuntary conversion to which an election under subsection (h) applies, 3 years from the date the Secretary is notified of the replacement of the converted property or of an intention not to replace)" immediately before ", and".

(d) EFFECTIVE DATE.—The amendments made by this section shall apply to involuntary conversions after December 31, 1976.

Mr. LONG. Mr. President, under present law, certain real property used as a farm for farming purposes or in a closely held trade or business may be valued for Federal estate tax purposes by reference to its actual use—"special use valuation"—rather than at its fair market value determined on the basis of highest and best use.

To assure that special use valuation property continues to be used for farming or for other closely held business uses, a recapture rule is provided. In general, this rule results in recapture of the estate tax benefit of the special valuation if the heir disposes of the property or changes its use within 15 years of the death of the decedent—or, if earlier, prior to the death of the heir.

Under present law, this recapture rule applies to special use valuation property which is involuntarily converted—such as by condemnation—even if the proceeds of the conversion are reinvested in property used for the same special use.

The amendment provides that if an involuntary conversion of qualified real property takes place, no recapture of the estate tax benefit will occur if the property is replaced by other real property of at least equal value to be used for the same use. To the extent involuntarily converted property is not replaced, the recapture tax would be taken into account as a basis adjustment in deter-

mining gain or loss for income tax purposes in a manner similar to the adjustment made on account of estate taxes.

SPECIAL USE VALUATION PROPERTY

Mr. DOLE. Mr. President, the amendment submitted by the chairman relating to the involuntary conversion of special use valuation property is designed to correct an oversight in the Tax Reform Act of 1976. The amendment adopted by the committee incorporates the essential features of a bill I introduced, S. 3125, earlier this year.

INVOLUNTARY CONVERSION

Mr. President, the Tax Reform Act of 1976 provided that certain property used in farming or a closely held business could be held for estate tax purposes according to its current use rather than its best use. Special use valuation provides significant reduction in estate taxes for those estates which have a larger portion of the value tied up in nonliquid assets.

SPECIAL USE VALUATION

The legislation which I introduced on May 22 revises the income and estate tax treatment of property which, after an election has been made under the special use valuation rules, is involuntarily converted. In the past several years, farmers and small businesses have been inflicted with a harsh tax under the valuation rules because of involuntary conversions.

Under the current law, there is a tax recapture rule which insures that the special use valuation property will continue to be used in a manner consistent with the special use valuation, however, an involuntary conversion during the recapture period can produce an unwarranted tax result.

My proposal, incorporated in this committee amendment, provides that there shall be no recapture of the estate tax if like property of equal value and use replaces the involuntary converted property. If property of lesser value replaces the involuntary converted property, there is a proportionate recapture.

Mr. President, S. 3125, as is the amendment reported by the committee, is an immediate technical correction in the law. This provision has benefited from the cooperation of the Treasury Department and will eliminate an unfair and harsh tax result. I urge its immediate consideration by the House.

The PRESIDING OFFICER. The question is on agreeing to the amendment.

The amendment was agreed to.

The PRESIDING OFFICER. Are there further amendments?

If there be no further amendments to be proposed, the question is on the engrossment of the amendment and third reading of the bill.

The amendment was ordered to be engrossed and the bill to be read a third time.

The bill was read the third time and passed.

Mr. ROBERT C. BYRD. I move to reconsider the vote by which the bill was passed.

Mr. LONG. I move to lay that motion on the table.

NATIONAL COMMISSION ON UNEMPLOYMENT COMPENSATION

Mr. ROBERT C. BYRD. Mr. President, I call up Calendar Order No. 1024.

The PRESIDING OFFICER. The bill will be stated by title.

The legislative clerk read as follows:

A bill (H.R. 12232) to amend the Unemployment Compensation Amendments of 1976 with respect to the National Commission on Unemployment Compensation, and for other purposes.

The Senate proceeded to consider the bill, which had been reported from the Committee on Finance with an amendment to strike all after the enacting clause and insert the following:

SECTION 1. PAY OF MEMBERS OF THE NATIONAL COMMISSION ON UNEMPLOYMENT COMPENSATION

(a) GENERAL RULE.—Paragraph (1) of section 411(e) of the Unemployment Compensation Amendments of 1976 (relating to pay and travel expenses) is amended to read as follows:

"(1) PAY.—

"(A) IN GENERAL.—Members of the Commission who are not full-time officers or employees of the United States shall be paid compensation at a rate not to exceed the per diem equivalent of the rate for GS–18 of the General Schedule under section 5332 of title 5, United States Code, for each day (including traveltime) during which they are engaged in the performance of services for the Commission.

"(B) OFFICERS OR EMPLOYEES OF THE UNITED STATES.—Except as provided in paragraph (2), members of the Commission who are full-time officers or employees of the United States shall receive no additional pay on account of their service on the Commission.".

(b) TECHNICAL AMENDMENT.—Paragraph (2) of such section 411(e) is amended by striking out "section 5703(b)" and inserting in lieu thereof "section 5703".

(c) EFFECTIVE DATE.—The amendments made by this section shall apply with respect to services performed on or after October 1, 1978.

SEC. 2. DATES FOR THE SUBMISSION OF REPORTS BY THE NATIONAL COMMISSION ON UNEMPLOYMENT COMPENSATION

(a) INTERIM REPORTS.—Subsection (f) of section 411 of the Unemployment Compensation Amendments of 1976 (relating to interim report) is amended to read as follows:

"(f) INTERIM REPORTS.—The Commission shall transmit to the President and the Congress—

"(1) an initial interim report not later than November 15, 1978, and

"(2) a subsequent interim report not later than November 15, 1979.".

(b) FINAL REPORT.—Subsection (g) of such section 411 (relating to final report) is amended by striking out "July 1, 1979" and inserting in lieu thereof "March 15, 1980".

SEC. 3. EXEMPTION OF NATIONAL COMMISSION ON UNEMPLOYMENT COMPENSATION FROM REQUIREMENTS FOR OFFICE OF MANAGEMENT AND BUDGET CLEARANCE.

(a) EXEMPTION FROM CLEARANCE REQUIREMENTS.—Section 411 of the Unemployment Compensation Amendments of 1976 is amended by adding at the end thereof the following new subsection:

"(j) EXEMPTION FROM REQUIREMENTS FOR OFFICE OF MANAGEMENT AND BUDGET CLEARANCE.—

"(1) FEDERAL REPORTS ACT.—The requirements of chapter 35 of title 44, United States Code, shall not apply to the Commission.

"(2) REPORTS TO CONGRESS.—Any reports submitted to the Congress by the Commission shall be submitted directly to the Congress and shall not be subject to any requirements for clearance of reports by the Office of Management and Eudget.".

(b) EFFECTIVE DATE.—The amendment made by this section shall become effective on the date of the enactment of this Act.

Mr. LONG. Mr. President, in enacting the 1976 amendments to the unemployment compensation laws, the Congress identified a number of issues related to that program which may have to be acted on in the next several years but about which further information is needed. To study these issues, a national commission was created by the 1976 amendments with instruction to report back by the end of 1978. Several delays have been encountered in establishing this commission, however, with the result that it needs additional time to complete its studies. H.R. 12232 would extend the final reporting date for the commission to March 15, 1980, with interim reports being required as of November 15, 1978, and November 15, 1979. The bill would also provide for compensating the members of the commission at a rate not to exceed the GS–18 level for the time they actually spend on commission work, and it would exempt the commission from any requirements that it clear its actions with the Office of Management and Budget.

Solely because of a potential Budget Act problem, the Finance Committee amendment deletes two provisions of the House-passed bill which are not effective until 1980 and can, therefore, be acted on next year when the Budget Act problems would no longer exist. The provisions concern the relationship between unemployment benefits and pensions and the taxation of certain foreign farm workers.

Mr. JAVITS and Mr. EAGLETON addressed the Chair.

The PRESIDING OFFICER. The Senator from New York is recognized.

Mr. JAVITS. Mr. President, may I inquire of the manager of the bill whether any amendment is contemplated to this bill at this time?

Mr. EAGLETON. Yes; I have an amendment.

Mr. JAVITS. I should like to address myself to a question, and the Senator will interrupt me if I am dealing with a subject which he has in mind.

I should like to address myself to this question of the compensation for retirees' income as a deduction from unemployment compensation. Does the Senator's amendment affect that?

Mr. EAGLETON. No; it does not.

Mr. LONG. No: it does not.

Mr. JAVITS. Mr. President, the bill which Senator LONG has described extends the reporting deadline for the National Commission on Unemployment Compensation until March 15, 1980. As he has properly stated, the work of the

Commission is critically important and the extension of time is necessary to permit the Commission to develop a thorough and well-documented report.

The problem which arises is the fact that when the Commission was created, it was authorized to study a provision of the Federal unemployment insurance law which reduces unemployment benefits to persons who receive pensions or other retirement benefits by the amount of such benefits they receive, dollar for dollar. Because we were unsure of the impact that new provision might have on older workers, the 1976 amendments which created the National Commission, delayed the effective date of the retirement setoff until September 30, 1979 to allow the National Commission to study the impact of the provision before it went into effect. Earlier this year, Congress delayed the reporting date for the Commission from January 1, to July 1, 1979. At that time the effective date of the retiree's setoff was similarly postponed until March 30, 1980.

I am concerned that the Finance Committee's failure to include a further delay in the effective date of the retiree setoff provision—this new extension and the failure to provide for a delay of the retiree setoff provision will result in the Congress having only 15 days after the Commission makes its final report and the time when the setoff provision will become effective, because it is not further delayed here, as it was in the previous delay of the Commission's report.

The other body did not do that. The other body did include a comparable delay of the retiree setoff in order to accord with what was done before when this report was similarly delayed.

The House of Representaties, in considering this bill, H.R. 12232, included a provision further delaying implementation of the retiree setoff. Many workers of retirement age are compelled to find jobs because of the inadequacy of their pension benefits. For these workers, the wages they receive are necessary to provide themselves and their families with food, clothing, and shelter. Further, we know that older workers often have a far more difficult time finding new employment than younger workers.

The Commission is charged with making a careful study of the impact of this amendment on older workers. Congress should permit itself adequate time to act on the Commission's recommendations.

I had intended to offer an amendment restoring the House provision delaying implementation of the retiree's setoff. I refrain from doing so because I am aware that such an amendment could raise parliamentary questions under the Budget Act in the Senate.

Accordingly, I hope very much that the Senate conferees will consider sympathetically the House provision retaining the linkage between the Commission's reporting date and the effective date of the retiree setoff in view of the humanitarian and social as well as economic considerations which make this, it seems to me, a very just point, exactly as it was the last time that we extended the time for the Commission's report.

As I know Senator LONG's own attitude toward this matter, I hope, if he has any comment, that he could favor us with it.

Mr. LONG. Mr. President, we deleted this from the bill solely because it was subject to a point of order under the Budget Act—at least, some thought it might be. We felt that next year we would be able to take care of this matter and it would not be subject to a point of order at that time. So we intend to take care of it and I hope the Senator will direct our attention to it at that point. If we were able to do it now, we would do it. We were concerned that we might be subject to a point of order.

Mr. JAVITS. I thank the Senator very much.

AMENDMENT NO. 3473

(Purpose: Relating to certain social security taxes paid by the Jefferson County Mental Health Center)

Mr. LONG. Mr. President, on behalf of Senator HASKELL, I send an amendment to the desk and ask that it be stated.

The PRESIDING OFFICER. The amendment will be stated.

The assistant legislative clerk read as follows:

The Senator from Louisiana (Mr. LONG), proposes amendment numbered 3473.

At the end of the Act, add the following new section:

TREATMENT OF CERTAIN SOCIAL SECURITY TAXES AND RELATED MATTERS IN THE CASE OF THE JEFFERSON COUNTY MENTAL HEALTH CENTER

SEC. . (a) The waiver certificate filed by the Jefferson County Mental Health Center (hereinafter in this section referred to as the "health center"), Incorporated (taxpayer identification number 84-047417), under section 3121(k)(1)(A) of the Internal Revenue Code of 1954 (relating to waiver of exemption by certain organizations) shall (except as provided in subsection (e)) be deemed not to be effective in the case of any individual with respect to whom a repayment has been made which is considered, under subsection (b), as an overpayment of tax under section 6413(b) of such Code, for the period for which such individual received the wages (as defined in section 3121(a)) with respect to which such repayment was made.

(b) The Secretary of the Treasury or his delegate, upon proof reasonably satisfactory to him that repayment has been made prior to May 14, 1975, to any individual by the health center, of a sum representing the amount of taxes imposed on such individual under section 3101 of such Code (relating to rate of tax) and deducted and paid by the health center under section 3102 of such Code (relating to deduction of tax from wages) for any period beginning after December 31, 1971, and prior to May 14, 1975, shall consider such sum so repaid to such individual as an overpayment of tax under section 6413(b) of such Code (relating to overpayment of certain employment taxes) and shall approve a claim for a refund, credit, or adjustment filed by the health center prior to or within ninety days after the date of enactment of this Act, under section 6402 of such Code (relating to authority to make credits or refunds) or 6611(a) or (b)(2) of such Code (relating to interest on overpayments).

(c) Any period of limitations for filing a claim for credit or refund under section 6511 of such Code (relating to limitations on credit or refund) shall be waived with respect to any claim for refund, credit, or adjustment made by the health center under subsection (b). Section 6514 of such Code (relating to credits or refunds after a period of limitation) shall not apply to any such claim.

(d)(1) A certificate of waiver filed by the health center under section 3121(k)(1)(A) of such Code shall apply to any individual described in subsection (a) with respect to any period following the period (described in such subsection) which is applicable to such individual under such subsection.

(2) Notwithstanding the provisions of section 3121(k)(1)(B)(iii) of such Code, the health center may not elect to have such certificate of waiver apply to any individual described in subsection (a) with respect to the period (described in such subsection) which is applicable to such individual under such subsection.

(e)(1) In the adminstration of titles II and XVIII of the Social Security Act, the wages (as referred to in subsection (a)) received by an individual described in such section for the period (described in such subsection) which is applicable to such individual shall (except as is otherwise provided in paragraphs (2) and (3)) be deemed not to constitute wages (as defined in section 209 of such Act) for purposes of determining—

(A) entitlement to or amount of any insurance benefit payable to such individual or any person on the basis of the wages and self-employment income of such individual, or

(B) entitlement of such individual to benefits under title XVIII of such Act or entitlement of any other person to such benefits on the basis of wages and self-employment income of such individual.

(2) The provisions of paragraph (1) shall not be applicable in the case of any individual (described in subsection (a)) or any other person claiming any benefit referred to in paragraph (1) on the basis of the wages and self-employment income of such individual, if on or before the date of enactment of this Act, such individual has died or attained age 62, or if on such date such individual is under a disability (as defined in section 216(i) of the Social Security Act) which began prior to such date.

(3)(A) The provisions of paragraph (1) shall not be applicable to any individual who enters into an arrangement with the Secretary of the Treasury or his delegate for paying into the Treasury an amount equal to the sum repaid to him (as described in subsection (b)) by the health center.

(B) The Secretary of the Treasury shall by regulations prescribe the manner in which such an arrangement for payment by an individual shall be made. Any such arrangement shall afford the individual a reasonable time in which such payment shall be made and the amount and time of the installments which will be made toward such repayment, and shall contain appropriate conditions to protect the interests of the United States and to assure equitable treatment to the individual in the event that the individual fails fully to comply with the arrangement.

(C) The Secretary of the Treasury and the Secretary of Health, Education, and Welfare shall cooperate in assuring that, insofar as is practicable, each individual who is eligible to enter into an arrangement under this paragraph will be notified of that fact and given an adequate opportunity to enter into such an arrangement.

(f) Nothing in this section shall be construed to relieve the center of any liability for the payment of the taxes imposed by section 3111 of the Internal Revenue Code of 1954 with respect to any wages paid by it to any individual for any period.

Mr. LONG. Mr. President, at the direction of the Committee on Finance, I am offering an amendment which is designed to provide relief to the Jefferson

County (Colorado) Mental Health Center in connection with certain social security tax liabilities.

In 1975, the Jefferson County Mental Health Center in response to a survey initiated by the Internal Revenue Service was unable to find any indication that it had waived its immunity from social security taxes. As a result, the IRS directed the center to refund those taxes for the prior 3 years to any employees who did not elect to have their social security coverage continued. The center made the refund and applied to IRS to have the amount of those taxes repaid to it. At that point, the IRS discovered that a valid waiver of immunity had, in fact, been filed and that it was therefore unable to refund the taxes to the center. The center is seeking relief only for the employee share of the social security taxes involved and only for the period prior to the time when IRS notified the center that its previous instructions were in error. (This notification occurred on May 14, 1975, and the amount of employee taxes which had been refunded at that point was $74,128.)

The Finance Committee's Subcommittee on Taxation and Debt Management held a hearing on this proposal in October 1977. The administration witnesses indicated agreement that relief to the Jefferson County Mental Health Center is appropriate. However, the administration expressed concern over the possible loss of social security coverage for the affected employees and the possibility that they may not have made an informed choice in opting for the refund.

Under the committee amendment, the Secretary of the Treasury would be directed to refund to the Jefferson County Mental Health Center approximately $74,000 representing the employee social security taxes which it had refunded to its employees on the basis of the IRS misinformation. The wages on which those taxes were paid would not be used for determining social security eligibility or benefit amount. However, the affected employees would be given an opportunity to elect to restore the deleted coverage upon repayment of the refunded taxes. Such repayment could be made in installments over a reasonable period of time as determined by the Secretary of the Treasury. The Department of Health, Education, and Welfare would be required to make a reasonable good faith effort to contact the affected employees and to inform them of the consequences of their decision as to whether or not to repay the taxes. (The exact amount to be refunded to the center will be subject to verification by the Secretary of Treasury of the amount that the center repaid to its employees.)

The PRESIDING OFFICER. The question is on agreeing to the amendment.

Mr. EAGLETON. Mr. President, I have an unprinted amendment at the desk.

Mr. LONG. Let us dispose of this one first.

The amendment was agreed to.

Mr. EAGLETON. Does the distinguished chairman want to complete his series of amendments and then take mine?

Mr. LONG. If the Senator would be so kind.

UP AMENDMENT NO. 1729

(Purpose: Child Support Collection and Paternity Determination Services)

Mr. LONG. I would like to offer this amendment in behalf of the Senator from Georgia (Mr. TALMADGE).

The PRESIDING OFFICER. The amendment will be stated.

The legislative clerk read as follows:

The Senator from Louisiana (Mr. LONG) proposes an unprinted amendment numbered 1729:

At the end of the bill insert the following new section:

CHILD SUPPORT COLLECTION AND PATERNITY DETERMINATION SERVICES

SEC. . Section 455(a) of the Social Security Act is amended—

(1) by striking out the semicolon at the end of paragraph (2), and inserting in lieu of such semicolon a period, and

(2) by striking out all that follows paragraph (2).

Mr. LONG. Mr. President, this amendment has been approved by the committee.

CONTINUED FEDERAL MATCHING FOR NONWELFARE FAMILIES

Mr. President, the child support enforcement program, enacted at the end of the 94th Congress as title IV–D of the Social Security Act required each State to have a program of child support collection and paternity establishment services for both AFDC and non-AFDC families administered by a single and separate organizational unit within the State. The statute provided Federal matching of 75 percent for services to AFDC families on a permanent basis. However, matching for services to non-AFDC families was provided for 1 year, but has been extended through fiscal year 1978.

Mr. President, this matter was discussed in the Finance Committee and we believe the requirement that every State have a program of child support collection and paternity establishment services for families that are not receiving welfare is an essential component of the child support program. The obvious purpose of the requirement is to assure that abandoned families with children have access to child support services before they are forced to apply for welfare. It is the opinion of the committee, supported by the statements of many State child support administrators, that access to these services often means the difference between a family's reliance on welfare support and being supported by a legally responsible parent. Most of the families being served are marginally eligible for AFDC, and without services are likely to end up on the welfare rolls. The fact that these services are in demand and are benefiting families is evident from program statistics.

The new child support enforcement program has reported collections of over $2 billion for all families for the first 32 months of its operation. Of this amount, $987 million was for AFDC families and $1,015 million for families not on welfare. These collections were made at a cost of about 25 cents for each dollar collected.

Mr. President, the child support collections are also affecting the AFDC rolls. In June 1978, the number of AFDC recipients dropped to less than 10.6 million, the lowest number of recipients on the rolls since October 1971.

This reduction can certainly be attributable principally to the two programs which reduce or eliminate financial dependency on welfare. These are the child support enforcement program through collection of child support for all families and the work incentive program through placing AFDC recipients in private employment.

Mr. President, the existing programs of required services for non-AFDC families may flounder if Federal financing for the services is allowed to terminate. Also, Mr. President, States will be more willing to develop and expand the programs if they are convinced that Federal financing will be continued. In addition, it seems reasonable and fair to assist in the financing of a State program which is mandated by Federal law. For these reasons, my amendment would provide for Federal matching for services to non-AFDC families on a permanent basis.

The PRESIDING OFFICER. The question is on agreeing to the amendment of the Senator from Louisiana.

The amendment (UP No. 1729) was agreed to.

UP AMENDMENT NO. 1730

(Purpose: Relating to the date child support requirements become effective in the case of certain States)

Mr. EAGLETON. Mr. President, I have an unprinted amendment at the desk.

The PRESIDING OFFICER. The amendment will be stated.

The legislative clerk read as follows:

The Senator from Missouri (Mr. EAGLETON) proposes an unprinted amendment numbered 1730.

Mr. EAGLETON. Mr. President, I ask unanimous consent that further reading of the amendment be dispensed with.

The PRESIDING OFFICER. Without objection, it is so ordered.

The amendment is as follows:

At the proper place insert the following new section:

DATE CERTAIN CHILD SUPPORT REQUIREMENTS BECOME EFFECTIVE IN THE CASE OF CERTAIN STATES

SEC. . In the case of any State which established a child support program under part D of title IV of the Social Security Act which became effective on July 1, 1977, the provisions of sections 402(a)(26) and 402(a)(27) of such Act shall not be effective with respect to such State prior to such date, and, in applying the provisions of section 403(h) of such Act to such State the phrase thereof which reads "September 30, 1976 (but, in the case of the fiscal year beginning October 1, 1976, only considering the second, third, and fourth quarters thereof)" shall be deemed to read "September 30, 1977 (but, in the case of fiscal year beginning October 1, 1977, only considering the fourth quarter thereof)".

Mr. EAGLETON. Mr. President, my colleagues will recall that in 1975 Congress enacted the child support enforcement program (Public Law 93–647), which was primarily supported by Senators LONG, TALMADGE, NUNN, CURTIS, and HANSEN. The purpose of this pro-

gram is to establish a cooperative mechanism for the State and Federal Government to enforce support obligations owed by absent parents to their children by locating absent parents, establishing paternity when necessary and obtaining child support. This, the sponsors told us, would result in savings to the taxpayers, because the Federal and State governments would ultimately be required to pay out less in aid to dependent children benefits.

At the time of the debate on this legislation, many so-called experts predicted that the program would be a failure. These experts suggested that one of the main reasons absentee fathers do not make their payments is because they are penniless, and that to try to collect from them would be like trying to squeeze blood from a rock.

The program now is 3 years old. In those 3 years, the record has shown us that the experts were wrong, and that Senators LONG, TALMADGE, NUNN, CURTIS, and HANSEN were right. Health, Education, and Welfare Secretary Califano has termed the program "a success", and projects that we will collect more than $1 billion from absentee fathers in fiscal year 1978. In fiscal year 1977 child support collections by State and local governments increased to $818 million at a cost to government of about $259 million—in other words, more than $3 recovered by every dollar spent. This is truly an outstanding program.

In my own State of Missouri, the child support enforcement program got off to a slow start, but now is functioning with typical success. I will return to our initial problems in a moment, but first I would like to tell my colleagues a little about the record of this program in Missouri thus far.

The program went into full operation in my State on July 1, 1977. There now are seven child support field offices in Missouri, and the statewide staff numbers 145 persons. The early success of this program has been so overwhelming that the Missouri General Assembly has just authorized an additional 91 staff positions. Missouri has approximately 70,000 ADC families; we already have received more than 110,000 child support program assignments and referrals from ADC staff, and after just three quarters of operation in Missouri the program has more than 40,000 open cases. Since the beginning of the program we have collected approximately $1.6 million in delinquent payments, and we expect the next quarters' financial reports to show that the program now is financially self-sufficient. Furthermore, after only two quarters of operation, for every $1 the State of Missouri spent on this program, we received $2 in return. This remarkable record is bound to improve even more as the State gains in experience.

Missouri has a problem with this program, however. It is a historical problem which could end up costing my State about $5 million because we did not initiate the child support program until July 1977.

In 1976, passage of the necessary State enabling child support legislation looked like a sure thing. In his message to the State legislature in January of 1976, former Gov. Christopher Bond termed enactment of a child support enforcement program one of his top priorities. Leaders of both the State house of representatives and the State senate echoed the Governor's sentiment on this, and it looked like the bill would win quick approval in Jefferson City. However, the bill ran afoul of parliamentary maneuvering. Two senators—realizing that passage of the bill was crucial—decided to turn the child support legislation into a "Christmas tree bill," to use one of Senator LONG's favorite expressions. These two State legislators encumbered the bill with a number of nongermane amendments, amendments which made the bill unacceptable to a house-senate conference. When the State house deleted the nongermane amendments and sent the bill back to the senate on the last day of the legislative session, the two State senators filibustered the bill to death.

Needless to say, our State division of family services officials were shocked by this unexpected turn of events. The division already had prepared the policy manual and the statewide staffing and organizational plan for the program, and all was ready for implementation in April of 1976. However, with the authorizing legislation dead, and with the legislature out of session until 1977, there was nothing officially the division could do to bring Missouri into compliance and actually get the program underway. Nonetheless, in 1976 division officials were busy laying groundwork with prosecutors all across the State so that the child support program could be fully implemented as soon as the necessary State legislation was enacted in the 1977 legislative session.

In January of 1977 the legislature returned to Jefferson City, and Governor Teasdale repeated Governor Bond's call for speedy enactment of the child support enforcement program. Again, the leadership of each house of the general assembly included this legislation on its "must" list. This time, however, agreement was reached with the two filibustering senators of 1976, and the bill was enacted into law with an effective date of July 1, 1977.

The administrative machinery for the program had been ready to go for a year, and it thus took very little time for the division of family services to get our child support enforcement program operating at full speed. In fact, startup was so rapid and trouble-free that by the end of the first quarter of operation, cooperative agreements had been signed with all 114 counties and the city of St. Louis. Missouri may have been late in getting its program off of the ground, but once the wheels began to turn progress was very rapid. In fact, Missouri accomplished more during its first quarter of operation than some other States have accomplished to this day.

The problem Missouri faces does not arise out of our operation of the program, but rather out of our delay in getting the program started. As my colleagues are aware, the Department of HEW must conduct an audit of all State child support enforcement programs for the period January 1977, through September 1977. If a State's program is found to have been deficient during this period, HEW will be required to assess a 5-percent penalty against ADC Federal payments to the State. In Missouri's case, such a penalty would amount to about $5 million. Since Missouri's enabling legislation did not allow our program to go into effect until July 1977, it is possible that Missouri cannot successfully complete the audit and could suffer the penalty.

My unprinted amendment would exempt Missouri from the requirement of the January 1977, through September 1977, audit. That is what this amendment treats. As I have outlined to my colleagues, Missouri now has in operation one of the best child support enforcement programs in the country, and I think this is the result Congress wanted when we passed the title IV–D legislation. It would be unfair t penalize the people of my State for the obstructionist actions of the State senators in 1976—which prevented Missouri from getting into this program at the original target date—and I think such an action would be inconsistent with the spirit of Federal-State cooperation which motivates this program. I am hopeful that the Senator from Louisiana, the distinguished chairman of the Senate Finance Committee will agree with this reasoning, and will accept my unprinted amendment to H.R. 12232.

Therefore, I am hopeful the distinguished chairman of the Finance Committee will agree to this amendment and be able to accept same.

Mr. LONG. Mr. President, the amendment is meritorious. I hope the Senate will agree to it.

The PRESIDING OFFICER. The question is on agreeing to the amendment of the Senator from Missouri.

So the amendment (UP No. 1730) was agreed to.

Mr. EAGLETON. I thank my distinguished colleague.

Mr. ROBERT C. BYRD. Vote! Third reading!

The PRESIDING OFFICER. Are there further amendments?

If there be no further amendment to be proposed, the question is on agreeing to the commitee amendment in the nature of a substitute, as amended.

The committee amendment in the nature of a substitute, as amended, was agreed to.

The PRESIDING OFFICER. The question is on the engrossment of the committee amendment, as amended and the third reading of the bill.

The amendment was ordered to be engrossed, and the bill to be read a third time.

The bill was read a third time, and passed.

The title was amended so as to read:

An Act to amend the Unemployment Compensation Amendments of 1976 with respect to the National Commission on Unemployment Compensation.

Mr. ROBERT C. BYRD. Mr. President, I move to reconsider the vote by which the bill was passed.

Mr. LONG. I move to lay that motion on the table.

The motion to lay on the table was agreed to.

UNEMPLOYMENT COMPENSATION ELIGIBILITY PERIOD

Mr. ROBERT C. BYRD. Mr. President, I call up Calendar Order No. 1025.

The PRESIDING OFFICER. The bill will be stated by title.

The legislative clerk read as follows:

A bill (H.R. 12380) to amend the Federal-State Extended Unemployment Compensation Act of 1970, with respect to an individual's eligibility period for benefits under such act.

The PRESIDING OFFICER. Is there objection to the present consideration of the bill?

There being no objection, the Senate proceeded to consider the bill, which had been reported from the Committee on Finance.

Mr. LONG. Mr. President, in times of high unemployment, a Federal-State program of extended unemployment benefits goes into effect to provide additional payments to persons who have exhausted their regular State unemployment benefits. This extended program is now in force in five States. When the extended program was first enacted, it would not have been possible for the program to stay in effect in any State for more than a year or two. Consequently, there was no need to place a limit on how long an individual could retain his eligibility to draw the 13 weeks of benefits he might qualify for under this program. Because of changes in the law, however, the program now can stay in force in some States for many years. If an individual does not use up his entire 13 weeks of benefits, the State is forced to keep his case file open indefinitely even though there is very little chance that he will ever come back to claim the additional benefits.

H.R. 12380, as passed by the House and as reported without amendment by the Finance Committee, would place a reasonable limit on the time within which those 13 weeks of benefits must be used. This limit would be, in general, 3 years after the individual's period of unemployment began. The main result of the bill would be to allow States to discard records which they are now being forced to maintain without any good reason.

AMENDMENT NO. 3472

(Purpose: Relating to the retirement test under social security)

Mr. LONG. Mr. President, I send to the desk the committee amendment and I ask that this amendment be offered on behalf of Senator CURTIS of Nebraska.

The PRESIDING OFFICER. The amendment will be stated.

The legislative clerk read as follows:

The Senator from Louisiana (Mr. LONG), for Mr. CURTIS, proposes amendment No. 3472.

Mr. LONG. Mr. President, I ask unanimous consent that further reading of the amendment be dispensed with.

The PRESIDING OFFICER. Without objection, it is so ordered.

The amendment is as follows:

On page 7, after line 3, insert the following new section:

MODIFICATION OF CRITERIA RESPECTING SELF-EMPLOYMENT INCOME FOR PURPOSES OF SOCIAL SECURITY RETIREMENT TEST

SEC. 4. (a) Section 203(f)(5) of the Social Security Act is amended—

(1) in subparagraph (B)(1), by striking out "subparagraph (D)" and inserting in lieu thereof "subparagraphs (D) and (E)", and

(2) by adding after subparagraph (D) the following new subparagraph:

"(E) For purposes of this subsection, there shall be excluded from the gross income of any individual any amount received by him during any taxable year which ends after December 31, 1977, if—

"(i)(I) such amount constitutes net earnings from self-employment of such individual derived from his engagement in a trade or business which, if such trade or business were carried on exclusively by employees, the major portion of the services involved in the carrying out of such trade or business would constitute agricultural labor as defined in section 210(f), (II) such amount as is derived from the sale of agricultural or horticultural commodities (including livestock, bees, poultry, and fur-bearing animals and wildlife) produced prior to such taxable year in such trade or business, (III) during such taxable year such individual did not render any substantial services (as determined pursuant to methods and criteria which the Secretary shall by regulations prescribe) with respect to any trade or business described in clause (I), and (IV) no amount has been excluded from such individual's gross income pursuant to this clause (i) for any preceding taxable year; or

"(ii)(I) such amount is received, during or after the taxable year in which such individual attains age 65, as a renewal commission from a life insurance policy which was sold, in whole or in part, through such individual's own personal efforts prior to such taxable year, and (II) during such taxable year there was not sold, in whole or in part, through such individual's own personal efforts any new insurance policy on account of the sale of which such individual was or will in the future be paid any commission or other remuneration.".

TREATMENT OF CERTAIN INCOME FROM FARMING AND INSURANCE SALES UNDER THE SOCIAL SECURITY RETIREMENT TEST

Mr. LONG. Mr. President, I am offering an amendment to the bill to correct an anomalous situation which occurs in applying the social security retirement test to certain types of income from farming or from renewal commissions based on prior sales of insurance contracts. This amendment has been considered by the Committee on Finance, and the committee voted to direct that it be offered as an amendment to an appropriate House-passed bill. The amendment is necessary to correct an unintended result of the 1977 Social Security Amendments, which eliminated the monthly exception to the social security retirement test.

Under the former monthly exception, full social security benefits were payable for any month in which an individual had no significant employment or self-employment activity even if they would otherwise have been reduced because of his annual earnings. Without this monthly exception, some farmers and self-employed insurance agents will lose social security benefits even though they may be completely retired. This happens because they technically are considered to have self-employment income on the basis of proceeds from crops produced in a year before retirement or from renewal commissions on insurance policies sold before retirement.

Under the social security program, benefits are payable not on the basis of individual need as measured by an income test but as a matter of social insurance payable in relation to prior earnings upon the occurrence of specified events (disability, death, retirement in old age). The purpose of this provision of the social security law under which benefits are reduced for earnings above a certain amount is to serve as a test of whether one of those events—retirement in old age—has, in fact, occurred.

Since that provision is intended as a retirement test and not as a needs test, it is inappropriate to apply it in a manner which results in the reduction of benefits to persons who have actually completely retired but who continue to receive some of the fruits of their earlier labors. For this reason, the amendment modifies the treatment of two types of income. Under the amendment, there would be no reduction in benefits because of farm income from the sale of a crop produced in a prior year provided that, in the year in which the income is actually received, the retired farmer does not engage in any substantial farming activities. An individual could claim this exemption in only 1 year. The amendment also provides that social security benefits will not be reduced because of renewal premiums from prior-year sales of insurance if they are received after age 65 and in a year in which the individual is not engaged in selling insurance. This provision would apply to the self-employed insurance agents who actually made the sale and also to other individuals who qualify for such renewal premiums because of their contribution to the sales effort.

The costs of this amendment are estimated to be approximately $1 million to $2 million in each of the next 5 fiscal years. The amendment will have negligible impact on the long-range costs of the social security program.

Mr. CURTIS. Mr. President, I urge adoption by the Senate of amendment No. 3472, introduced by Senator LONG on behalf of the Finance Committee, which will redress a serious inequity which has arisen concerning the treatment of certain income of farmers and self-employed life insurance agents under social security.

Last December, as the Members will recall, as a part of the 1977 amendments to the Social Security Act, we changed—as a result of a floor amendment offered by the distinguished Senator from Florida (Mr. CHILES)—from a monthly test of retirement to an annual test. That is, previously we set certain monthly limits on income, and now we set an annual limit. Under the earlier test, it was possible for an individual regularly to group newly earned income into 1 month and still be eligible for social security in the other 11 months.

That amendment was very desirable, in my opinion, because we needed an improved test to determine when an individual truly was retired. We did not

mean, however, to have an adverse effect upon two groups which have come to our attention who share a common problem—certain farmers and self-employed life insurance agents. Though fully retired, they may receive income based upon activities in a prior year—in the case of a farmer, through the sale of a crop, and in the case of a self-employed life insurance agent, through the receipt of renewal commissions on policies written previously, before his retirement. The inequity in this situation is particularly acute, because a self-employed life insurance agent would have his renewal commissions treated as income subject to the annual retirement test, and a life insurance agent employed by a firm would not.

The real test as to whether someone is retired should depend upon a person's activity—whether he has quit working, and whether they no longer perform self-employment. The test should be when the work is performed, not when the money comes in.

Therefore, the amendment which I proposed in the Committee on Finance, and which the committee subsequently endorsed without opposition for inclusion in appropriate House-passed legislation, is very narrowly drawn and would exempt from the annual retirement test, on a one-time basis only for farmers and only if no other continuing sales of life insurance occur for self-employed life insurance agents, income from the sale of agricultural or horticultural commodities (in the case of farmers) or income from renewal commissions on life insurance policies (in the case of self-employed life insurance agents).

I emphasize that in both situations, the individuals indeed are retired and the income at issue was derived from earlier activity.

Mr. President, the practical situation is this: certain farmers retire. They quit working, quit the farm. But after they retired they sold some grain they raised the year before. Under this new test, that eliminated their chance to draw social security. Congress never intended that, and this amendment takes care of it.

The PRESIDING OFFICER (Mr. BUMPERS). The question is on agreeing to the amendment.

The amendment was agreed to.

UP AMENDMENT NO. 1731

(Purpose: To treat employment of United States citizens by the Roosevelt Campobello International Park Commission as employment under the Federal Unemployment Tax Act)

Mr. MUSKIE. Mr. President, I send an amendment to the desk.

The PRESIDING OFFICER. The amendment will be stated.

The assistant legislative clerk read as follows:

The Senator from Maine (Mr. MUSKIE) proposes an unprinted amendment numbered 1731.

Mr. MUSKIE. Mr. President, I ask unanimous consent that reading of the amendment be dispensed with.

The PRESIDING OFFICER. Without objection, it is so ordered.

The amendment is as follows:

On page 2, after line 3, insert the following:

SEC. 2. (a) For purposes of Chapter 23 of the Internal Revenue Code of 1954 (the Federal Unemployment Tax Act), service performed by a citizen of the United States as an employee of the Roosevelt Campobello International Park Commission shall be considered to be employment within the meaning of section 3306(c) of such Code.

(b) This section shall apply with respect to remuneration paid after December 31, 1978, for service performed after such date.

Mr. MUSKIE. Mr. President, this amendment would provide unemployment insurance coverage for U.S. citizen employees of the Roosevelt Campobello International Park Commission. The Roosevelt Campobello International Park was created in 1964 by a Canadian-American Treaty to commemorate and preserve the summer home of Franklin Delano Roosevelt on Campobello Island in New Brunswick, Canada. In accordance with the spirit of that agreement and the statutes which established the park, the Commission has a policy of equal opportunity in employment, compensation, and fringe benefits for both Canadian and American employees.

The Commission currently employs 13 U.S. residents. These employees are subject to U.S. social security taxes and are eligible for old age, survivors, and disability insurance benefits, as well as workmen's compensation. In nearly all ways they are treated as though they were employed on U.S. soil.

However, these U.S. citizens have been unable to secure unemployment insurance coverage in the United States.

This amendment would treat employment of U.S. citizens by the Roosevelt Campobello International Park Commission as employment under the Federal Unemployment Tax Act. The amendment would in turn permit the State of Maine to provide unemployment insurance coverage for these employees pursuant to title 26, section 1043(11)(G) of the Maine revised statutes.

This amendment would insure that United States and Canadian employees of the Commission are employed on an equal basis. It is supported by the Commission and is in accord with the agreement reached between the United States and Canadian Governments on this issue.

I might add, Mr. President, that this matter has been the subject of lengthy discussions between the U.S. Treasury Department and the Canadian Government.

It was the Treasury Department that suggested this amendment as a solution.

Mr. President, in this regard, I ask unanimous consent to have printed at the conclusion of my remarks a letter from Secretary Blumenthal.

The PRESIDING OFFICER. Without objection, it is so ordered.

(See exhibit 1.)

Mr. MUSKIE. Mr. President, I would like to express my appreciation to the Canadian Government and the U.S. Treasury Department for their assistance in resolving this matter. I would hope the distinguished floor manager would accept this amendment in order that the problem may be finally resolved.

EXHIBIT 1

THE SECRETARY OF THE TREASURY,
Washington, April 6, 1978.

Hon. EDMUND S. MUSKIE,
Chairman Roosevelt Campobello International Park Commission, U.S. Senate, Washington, D.C.

DEAR ED: On October 12, 1977, you wrote me concerning the unemployment insurance situation of the employees of the Roosevelt Campobello International Park Commission. On November 28, I wrote you concerning the results of our preliminary study of the problem, and stated that we would keep you informed of the progress of our further study. We have developed further ideas on ways to resolve this matter, and I thought it would be useful to communicate these to you before the Commission's upcoming meeting April 7–8.

As I indicated in my letter of November 28, it is our understanding that the Canadian Department of National Revenue has taken the position that the employees will be subject to Canadian unemployment insurance premiums until and unless the employees can be brought under unemployment insurance coverage in the United States. The question in light of this position is whether the employees can be brought within the coverage of either the Maine Employment Security Law or the Federal Unemployment Tax Act (FUTA).

We understand from the staff of the Commission that the Maine Employment Security Commission has taken the position that the employees of the Commission cannot be covered under Maine law.

FUTA presently covers services performed by an employee within the United States, services upon an American vessel or aircraft under a contract executed in the United States, and any service "performed after 1971 outside the United States (except in a contiguous country with which the United States has an agreement relating to unemployment compensation) by a citizen of the United States as an employee of an American employer . . ." An "American employer" is defined to include individual residents of the United States; corporations organized under the laws of a state or of the United States; trusts all of the trustees of which are United States residents; and partnerships two-thirds of the partners of which are United States residents.

The Commission employees' situation arguably fails to meet the definition of "employment" because the services are not performed for an "American employer." And in any event, this situation clearly fails to meet the definition because the services are performed "in a contiguous country with which the United States has an agreement relating to unemployment compensation."

It appears therefore that it would be necessary to amend FUTA to cover the Commission specifically. Extension to those employees could be accomplished by adding a provision at the end of section 3306(c) stating that "Notwithstanding any other provision of this subsection, service performed by a citizen of the United States as an employee of an international park commission established under Chapter 22 of Title 16 shall be deemed to be employment for purposes of this chapter." A copy of a draft bill that would accomplish this is enclosed.

I hope this answers the questions you raised in your October 12 letter. Please let us know if we may be of further assistance in this matter.

Sincerely,

W. MICHAEL BLUMENTHAL.

Enclosure.

Mr. LONG. Mr. President, I have not had the opportunity to discuss this amendment with the committee. How-

ever, I have discussed it with our committee staff, and I am of the opinion that the amendment is meritorious, and I have no objection to it. I will be happy to accept it, if the Senate will let me accept it.

Mr. MUSKIE. I thank my good friend, the distinguished floor manager, for his consideration.

The PRESIDING OFFICER. The question is on agreeing to the amendment.

The amendment was agreed to.

The PRESIDING OFFICER. The bill is open to further amendment. If there be no further amendment to be proposed, the question is on the engrossment of the amendments and the third reading of the bill.

The amendments were ordered to be engrossed and the bill to be read a third time.

The bill (H.R. 12380) was read a third time, and passed.

Mr. ROBERT C. BYRD. Mr. President, I move to reconsider the vote by which the bill was passed.

Mr. LONG. I move to lay that motion on the table.

The motion to lay on the table was agreed to.

EASTERN TELEPHONE SUPPLY & MANUFACTURING, INC.

Mr. ROBERT C. BYRD. Mr. President, I call up Calendar No. 1034.

The PRESIDING OFFICER (Mr. MORGAN). The bill will be stated by title.

The assistant legislative clerk read as follows:

A bill (H.R. 10161) for the relief of Eastern Telephone Supply & Manufacturing, Inc.

The Senate proceeded to consider the bill, which had been reported from the Committee on Finance with an amendment:

On page 2, beginning with line 7, insert the following:

SEC. 2. SUSPENSION OF DUTY ON NATURAL GRAPHITE.

(a) Item 909.01 of the Appendix to the Tariff Schedules of the United States (19 U.S.C. 1202) is amended by striking out "6/30/78" and inserting in lieu thereof "6/30/81".

(b) The amendment made by subsection (a) shall apply with respect to articles entered, or withdrawn from warehouse, for consumption after June 30, 1978.

(c) Upon request therefor filed with the customs officer concerned on or before the ninetieth day after the date of enactment of this Act, the entry of any article—

(1) which was made on or after June 30, 1978, and before the date of enactment of this Act, and

(2) with respect to which there would have been no duty if the amendment made by subsection (a) of this section applied to such entry

shall, notwithstanding the provisions of section 514 of the Tariff Act of 1930, or any other provisions of law, be liquidated or reliquidated as though such entry has been made on the date of enactment of this Act.

SEC. 3. SUSPENSION OF DUTY ON FREIGHT CARS.

(a) Subpart B of part 1 of the Appendix to the Tariff Schedules of the United States (19 U.S.C. 1202) is amended by adding, immediately after item 912.05, the following new item:

" 912.06	Assembled freight cars (provided for in item 690.15, subpart A, part 6, schedule 6).....	Free	No change	On or before 6/30/80".

(b) The amendment made by subsection (a) shall apply with respect to articles entered on or after the date of enactment of this Act if the contract for sale of the article is concluded before March 1, 1978, or after the date of enactment of this Act.

(c) Upon request therefor filed with the customs officer concerned on or before the ninetieth day after the date of enactment of this Act, the entry of any article—

(1) which was made on or after March 1, 1978, and before the date of enactment of this Act, and

(2) for which the contract for sale was concluded prior to March 1, 1978, and

(3) with respect to which there would have been no duty if the amendment made by subsection (a) applied to such entry

shall, notwithstanding the provisions of section 514 of the Tariff Act of 1930, or any other provisions of law, be liquidated or reliquidated as though such entry has been made on the date of enactment of this Act.

Mr. LONG. The first section of H.R. 10161 will provide Eastern Telephone Supply & Manufacturing, Inc., of Newport, R.I., the possibility of administrative and judicial review of alleged errors by the Customs Service. Although the Service agrees they made the errors, they refuse to review the case because Eastern did not file a timely protest in the correct form. In the peculiar circumstances of this case, the committee believes Eastern should be allowed to file a protest and get review.

Mr. President, the Senator from Rhode Island (Mr. PELL) came before the committee and made a very logical argument that these people should have their day in court.

Section 2 would continue duty-free entry of crude and natural graphite until June 30, 1981. Duties of graphite were suspended from October 21, 1975, to June 30, 1978. The annual revenue loss from section 2 will be about $57,000.

Section 3 would permit duty-free entry of assembled freight cars until June 30, 1980. The committee believes temporary elimination of the current 18-percent duty on assembled freight cars may help alleviate the current shortage of freight cars in the United States. The principle beneficiary of the section will be Mexico. The committee estimates the annual revenue loss of section 3 to be $6 million.

Mr. President, this is a good bill. It is not controversial. I recommend to the Senate that it approve H.R. 10161 as reported.

UNFAIR COMPETITION FROM SOVIET WATCHES

Mr. BUMPERS. Mr. President, I feel the tariff schedules of the United States have a loophole which now threatens the few remaining companies and workers still producing watches in the United United, and particularly the employees still producing watches in Arkansas.

We have long had a provision in our tariff schedules permitting the importation of watches from the Virgin Islands and our other insular possessions free of duty if they meet certain requirements for local content and do not exceed one-ninth of total U.S. watch consumption. This duty-free treatment was adopted to assist the economic development of our insular possessions.

Today, however, this exception to the normal tariff treatment of imported watches is being abused, particularly by watch assemblers in the Virgin Islands. They are purchasing virtually complete watches from State-controlled economies, performing a minor amount of work in the islands, and importing them duty free into the United States. They thus totally avoid the higher column 2 rates of our tariff schedules which it has long been the policy of the Congress to apply to countries to whom we do not extend most favored nation (MFN) treatment. They also avoid paying even the duty which watches from MFN countries must normally pay, and thus obtain a preference over normal trade with MFN countries.

But, far more important, they also threaten a struggling U.S. industry—the few domestic producers of watches. These products of controlled economies, coming here through a loophole, are retailing as low as $9.95, and possibly even lower. Thus, they drastically undercut even the least expensive U.S. watch now assembled in Little Rock which retails between $14.95 and $21.95. Moreover, these imported products are the higher-appeal, 17-jewel watches, whereas the Timex watches produced in Arkansas and Connecticut are basic, nonjewelled mechanical products.

Today these imports are apparently assembled primarily from components originating in the U.S.S.R. Watches from the U.S.S.R. are now increasingly penetrating markets of other countries, such as the United Kingdom and Canada, which apply MFN duties to imports from controlled economies. Tomorrow, watches from other state-controlled economies may also benefit from this loophole.

Failure to close this loophole clearly threatens the future production of the millions of Timex watches now assembled in the Continental United States and Puerto Rico. It also threatens the future of thousands of remaining workers in my State and in the State of Connecticut. They are the principal survivors of a once much larger industry. U.S. watch companies have disappeared one by one under the pressure of low-wage competition from abroad. Just 2 weeks ago, one of the other remaining famous names in American watchmaking, Bulova, announced it was closing its last U.S. plant. We must not permit a loophole to add still further competitive pressure on those jobs and plants which still survive.

We can prevent this unfair competition by requiring that watches and components originating in State-controlled economies pay the column 2 duty Congress intended they should pay. I am not suggesting we prohibit imports from them, providing they pay the proper

duty. But we should prevent them from taking advantage of a loophole to funnel artificially priced watches into our country duty free.

Mr. President, I originally intended to propose an amendment to this bill to back up the statement I just made and in support of it. But I have the agreement of the chairman of the subcommittee, Mr. RIBICOFF, that his staff and mine, and they are already working, will work out language to try to redress this problem and hopefully it will be done by the time we come back after the Labor Day recess. There are other tariff bills that I understand have been ordered reported, and perhaps that will be the proper time and it may be possible that the Finance Committee itself could adopt some language to close this loophole.

Obviously thousands of workers in my State have jobs that depend on this because the problem is not going to go away. As a matter of fact, it is going to become exacerbated unless something is done.

I thank the distinguished floor manager for allowing me to make this statement.

Mr. LONG. Mr. President, as the Senator so well stated, we know there is a problem here, and the chairman of the Subcommittee on International Trade, Mr. RIBICOFF, has asked for comments in writing on this subject, and when we know more about it we do expect to recommend action of the Senate.

I thank the Senator.

● Mr. JAVITS. Mr. President, I thank my distinguished colleague, the senior Senator from Louisiana, for his efforts in bringing to the floor this measure to permit temporary duty-free treatment for imports of assembled freight cars.

This measure will help relieve the severe shortage of railroad freight cars that has adversely affected the economies of many sections of the United States, including my own State of New York. It will assist in the revitalization of our rail transportation system, so important to a healthy economy.

By passage of this measure, the Congress is preventing the imposition of an 18-percent tariff. Such a tariff would increase the inflationary pressures that underlie our economy and would add an unnecessary trade barrier. Neither the administration nor the domestic industry objects to this bill because the demand for new cars is greater than the U.S. manufacturers can supply. Therefore, imposing a tariff makes no sense.

I have long been active in promoting economic development in Mexico through the United States-Mexico Quadripartite Commission. I am pleased that the Senate today is fostering economic development in Mexico while relieving a burden from the U.S. economy.●

The PRESIDING OFFICER (Mr. BUMPERS). The question is on agreeing to the committee amendment.

The committee amendment was agreed to.

The PRESIDING OFFICER. The question is on the engrossment of the committee amendment and third reading of the bill.

The amendment was ordered to be engrossed, and the bill to be read a third time.

The bill was read a third time.

The PRESIDING OFFICER. The bill having been read the third time, the question is, Shall it pass?

So the bill (H.R. 10161) was passed.

Mr. ROBERT C. BYRD. Mr. President, I move to reconsider the vote by which the bill was passed.

Mr. LONG. I move to lay that motion on the table.

The motion to lay on the table was agreed to.

The title was amended so as to read:

An Act for the relief of Eastern Telephone Supply and Manufacturing, Inc., and other matters.

EDUCATION AMENDMENTS OF 1978

Mr. ROBERT C. BYRD. Mr. President, I ask that the Chair again proceed to the consideration of the elementary and secondary education bill.

The PRESIDING OFFICER. The bill will be stated by title.

The assistant legislative clerk read as follows:

A bill (S. 1753) to extend the Elementary and Secondary Education Act of 1965, and for other purposes.

The Senate resumed the consideration of S. 1753.

UP AMENDMENT NO. 1722

The PRESIDING OFFICER. The pending amendment on that bill is UP amendment No. 1722.

Mr. CURTIS. Mr. President, I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The assistant legislative clerk proceeded to call the roll.

Mr. MORGAN. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. PROXMIRE. Mr. President, will the Senator yield briefly for a unanimous-consent request?

Mr. MORGAN. I yield to the Senator.

Mr. PROXMIRE. Mr. President, I ask unanimous consent that Mr. Larry Patton, of my staff, be accorded the privilege of the floor during debate on the education bill.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. MOYNIHAN. Mr. President, will the Senator yield for a unanimous-consent request? I ask unanimous consent that Elliott Abrams of my staff be given the privileges of the floor during the debate and votes on the pending legislation.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. HOLLINGS. Mr. President, we hope to have a vote on the pending amendment relative to title XII this evening. Gauging the feeling of my colleagues and the manager of the bill, I think we will not be lengthy about this. Incidentally, if it can be worked out, we have agreed with the Senator from Arizona to set this aside momentarily for an agreed-upon amendment if we got into this for a lengthy time.

Mr. ROBERT C. BYRD. Mr. President, will the Senator yield?

Mr. HOLLINGS. Yes.

Mr. ROBERT C. BYRD. It might be well if we can get the yeas and nays on the amendment so that Senators will be alerted that there is going to be a rollcall vote.

Mr. HOLLINGS. Mr. President, I ask for the yeas and nays on the amendment.

The PRESIDING OFFICER. Is there a sufficient second? There is a sufficient second.

The yeas and nays were ordered.

Mr. HOLLINGS. Mr. President, with respect to title XII, it is very direct. It is a frontal assignment of Federal grants to the private or in this case, since they are limited to elementary and secondary education, to the parochial schools of America. It goes right to the heart of the constitutional problem. Instead of trying to provide aid in a circuitous manner by saying, "Look, the intent is secular," if you will refer to the bill itself, you will see certain congressional findings on pages 318 and 319, and they find that a Federal program of grants is needed to assist the nonpublic schools.

Then there follows a direct authorization to make grants to the elementary and secondary schools.

So, rather than to state its purpose as being secular in purpose, they, in contrast, make it sectarian; and rather than saying it is not going to aid religion, for all intents and purposes they come now and say "That is our intent."

In fact, if you read the committee report, the only witness quoted is our friend Father Farrell of the Catholic Conference. It was not a hearing in depth with respect to the elementary and secondary schools or the private schools, or with respect to parochial aid. It was rather the Conference itself saying that they needed assistance, and the Senator from Rhode Island agreed with that need.

Instead of saying, as with the tuition tax credit on last week, that it did not involve the entanglement of church and State, in contrast this particular measure comes in and says, "We want to make sure it is entangled. We want to make sure it is bureaucratized, that we institute a bureaucracy for it." To make certain of that particular entanglement, they provide, under section 1203(a), that there shall be in the Office of Education an Office of Nonpublic Education to carry out the various provisions of the title, which office shall be headed by a deputy commissioner for nonpublic education, who shall be appointed by the Commissioner.

And if you refer to the Department of Health, Education, and Welfare's opinion as of June 23, which was earlier filed in this RECORD at the time we called up the amendment, you will see therefrom that the Department of HEW says that for the 18,000 nonpublic schools, it would take at least a staff of 80 persons to carry out the provisions involved.

So you can well understand the feeling of any Senator, after the strong debate and the many rollcalls extending over several days last week. Senators wonder why now we need consider this. The Elementary and Secondary Education Act,

which we support, contains the bypass provisions and the strengthening of the funds in title I for the disadvantaged, and there are some other beefed up portions of this bill, which we also support, and which are generally in the context of the Domenici amendment offered last week when we were winding up action on the tuition tax credits.

Why, after that, do they even come and propose this? The best I can tell at the present time, looking at the opinions, and from my check with the staff, is that this was an add-on at the end of the markup of the Human Resources Committee. Opinions were asked for by HEW, the Congressional Research Service, and the Attorney General's office of the Justice Department, and various Senators did reserve their right at that particular time to act separately on the floor.

Now let us look, for example, at the opinion, if you please, and follow immediately thereon and get into the general merits of the bill.

Earlier the Department of HEW, when it wrote, on June 23, stated that the Department would have to find it unconstitutional and unwise, and that it could not support this particular measure. In a memorandum prepared by the Congressional Research Service, David Ackerman, Legislative Attorney, there is a thorough discussion of the constitutionality of title XII. This memorandum finds the proposal unconstitutional and states changes that would enhance its constitutionality.

The Department of Justice, in a letter signed by John Harmon, Assistant Attorney General, Office of Legal Counsel, also, if you please, Mr. President, goes down the particular provisions, and then they go right into the unconstitutionality, where, in essence, they say "This is clearly more unconstitutional."

You and I know a thing is either constitutional or unconstitutional, but we have to use the comparative sense: more clearly unconstitutional.

It says, among other findings:

Based upon those decisions, it is our view that proposed Title XII fails to meet Establishment Clause standards in several respects. The principal constitutional flaw in the Title XII program is that it would provide grants directly to nonpublic schools. Although the Court has approved particular programs authorizing grants and loans to nonpublic school students and their parents, the Court has consistently indicated that direct grants to sectarian schools are constitutionally impermissible. See *e.g. Wolman* v. *Walter*, 433 U.S. at 253; *Lemon* v. *Kurtzman*, 403 U.S. at 621.

That is ground No. 1 of the Justice Department findings. Then the Department of Justice goes further:

Moreover, any program which authorizes direct government grants to sectarian schools raises serious problems of Church-State entanglement. Efforts by the Government to ensure secular use of the funds provided may result in the "comprehensive, discriminating, and continuing state surveillance" that the Establishment Clause prohibits. *Wolman* v. *Walter*, 433 U.S. at 254; *Lemon* v. *Kurtzman*, 403 U.S. at 619. Such a program also creates the potential for continuing political strife along religious lines. See, *e.g., Meek* v. *Pittenger*, 421 U.S. at 372.

So that is the second ground of entanglement, or, if you please, political strife along religious lines, which is the intent of all kinds of assistance in school fields that Congress tries to avoid. Then, going further, a third ground:

In addition, in those instances where the Court has sustained the grant or loan of materials and services, the statutory program has provided equal benefits to both public and private school students. See, *e.g., Meek* v. *Pittenger*, 421 U.S. at 360 and n. 8, 362 n. 12. Although the report of the Senate Committee on Human Resources refers to "equitable participation" of nonpublic school students, see S. Rep. No. 95-856, 95th Cong., 2d Sess. 87 (1978), portions of Title XII focus solely on aid to private schools without regard to whether public school students are entitled to receive equivalent materials and services.

Remember, on last week, when the tuition tax credit was first submitted to the tax committees, the attempt was to handle that concern in a balanced fashion by making no distinction, if you please, between public and nonpublic school students. But this measure makes a definite distinction.

Finally, and this is the fourth ground:

Finally, the guidance and counseling section of Title XII fails to observe the careful lines drawn by the Court with respect to those forms of aid, as it does not foreclose the possibility that these services may be provided on nonpublic school premises or by personnel employed by the nonpublic school or subject to its influence or control. *Wolman* v. *Walter*, 433 U.S. at 248; *Meek* v. *Pittenger*, 421 U.S. at 371-72.

Mr. PELL. Mr. President, will the Senator yield?

Mr. HOLLINGS. I will yield in just a minute. Let me complete these thoughts, if you please. It will take another 10 minutes or so.

Quoting still:

In short, our review of recent Supreme Court interpretations of the Establishment Clause indicates that the proposed Title XII program of direct grants to nonpublic schools, if challenged in the courts after enactment, would be held to be unconstitutional. I hope that our comments are helpful to you.

That is dated the 22d of August, or yesterday.

Now, Mr. President, I have sent to each of the Senators in my "Dear Colleague" letter a copy of Prof. Paul A. Freund's letter dated August 18, 1978, wherein he goes down the line in several respects, and in only one instance—that having to do with respect to the standardized tests and scoring services—does he find that it could pass the constitutional test. On each of the other six, he found it to be unconstitutional.

So, Mr. President, what are we doing here? What, with respect to the undesirability? What the Senator from Rhode Island as done, in essence, is say, apparently, "Look, if Senators MOYNIHAN and PACKWOOD are going to come along and get by some kind of aid on the tuition tax credit, we might as well go frontally and give it directly to the nonpublic schools."

In doing that, they fly right fully into the face of established and desired principles of Federal aid to education. From the very beginning, really, in 1965, and for the past 13 years, what we have done is try to protect the elementary and secondary school jurisdiction, with principal assistance from the locales in the States, and only give aid at the Federal level to public school or private school students on what? On, No. 1, a stated need.

In title I, the need was disadvantaged students. In title VII, it was under the bilingual provision. In the Vocational and Rehabilitation Act, it was section 504 for the handicapped children.

So in each particular case, the student was the one being granted that particular assistance on the basis of need, and the moneys were going to the very systems by way of a public entity. I think I should emphasize that. Today, the aid goes to the State of South Carolina, to Missouri, to New York, to Rhode Island, to the local educational agency. That has been the procedure in Human Resources Committee, in the Education Subcommittee that our distinguished colleague from Rhode Island has headed so well—the aid always going into the local educational agency to be distributed to the various entities by way of students and student need.

Now comes the Senator from Rhode Island, and he says:

We and the Congress have found the need for a particular school, for a particular set of schools.

And he characterizes them as nonpublic.

In trying to find that there is need in the nonpublic school area he eliminates general aid to the public school, giving aid only to the nonpublic. Of course, from the debate of last week we determined that the nonpublic schools were 90 percent parochial in this country.

It think it should be fixed in each Senator's mind that this is a radical departure from the congressional findings that we have had in all our hearings and approaches in trying to give assistance to school students, be they public or private, in the United States. The new approach says, "Here, let us give general aid. We are going to list all these particular categories."

That is how he proposes to do it: He picks them up one at a time. Evidently one of the staff lawyers tried to find the various decisions to approve various articles of aid, picking out textbooks, standardized tests, psychological testing, speech and hearing diagnostic services, transportation of a limited kind, and what have you.

But then you have to see how they did not do it in a constitutionally careful fashion because they did not change the original thrust. They stuck with that thrust by saying, "Yes, we are going to give it directly to the schools."

So it is as we go down each of the particular provisions in here. All we have to do is to allude to the various findings and decisions as determined by either HEW, the Library of Congress, the Department of Justice, or Professor Freund, and just refer to the first one. secular textbooks. In several cases the Supreme Court has upheld programs in which the State purchases and loans to nonpublic school

children such secular textbooks. They do cite Wolman against Walter and Meek against Pittenger, but they go on to state that in every such program ownership of the books has remained with the State.

The textbook program in title XII is different with schools owning the books under title XII now proposed by the Senator from Rhode Island.

Therefore, Professor Freund, Justice, HEW, and the Legislative Research Service have, of course, come down on the side of the principal opinion in Wolman against Walter that states this aid would be patently unconstitutional.

Again going to the next category listed under title XII, standardized tests and scoring cases, there are two cases concerning that particular item of aid, the Lemon case and the Wolman case. But if the public school system is in control—that is the particular finding in those cases, in the formulation, the execution, the evaluation of those standardized tests and the scoring services—if the public institution remains in control, in that case it would be held constitutional. Professor Freund finds that in that particular case he thinks it can pass that test and would be found constitutional. So does the Congressional Research Service legislative counsel. But even on that score the Justice Department finds differently.

Speech and hearing diagnostic services is next. In the Wolman case the particular persons doing the testing and administration were all employed by the State. The Court has made clear that the Government cannot subsidize the function of personnel likely to engage in religious proselytizing even when the subsidized function has been secular in nature, like secular teaching, guidance counseling, psychological services. The Court has perceived the danger that the personnel involved would become religious advocates because of the pervasively religious atmosphere of sectarian schools.

To go on even further, in Meek against Pittenger this has been true when personnel have been employed by the school itself, and when they have been public employees.

In Wolman against Walter, however, the court found it constitutionally permissible for public personnel to provide diagnostic speech and hearing services on the nonpublic school premises on the grounds that such functions are not closely related to the educational mission of the school, and that the relationship between the diagnostician and the child is limited in nature. However, in Wolman against Walter there were public employees, and under title XII the personnel necessarily would be hired by the sectarian school itself, and the testing presumably would be on the school premises, so it cannot pass constitutional muster there.

We go on to the fourth category of diagnostic psychological services on the nonpublic school premises.

Again, they are employed by the sectarian school, on their own sectarian school premises, and therefore this aid cannot pass constitutional muster.

Point 5, the guidance and counseling service. The objection there again is that it is on the premises and that off the premises it would be indicated the counseling would not be permissible for religious school students because hired by the sectarian body counseling off premises would then be jeopardized by being involved in the sectarian purposes of the school involved and cannot pass the constitutional muster.

On point 6, secular instructional materials and equipment in the Meek decision it was struck down. The loans were struck down because they were made directly to the sectarian school. So here is the same situation, directly to the sectarian schools. No if's, and's, or but's about it and under Wolman and also under Meek it would be set aside.

Finally, transportation cannot pass constitutional muster. The language in 1202(b) permits, of course, the side trips and the field trips, as said in the original decision which started in 1947 when Justice Black came out with his eloquent analysis of the intent of Jefferson in talking about a wall of separation between church and State. The limited transportation to and from the school was fine, but with field trips for sectarian purposes or otherwise it was held unconstitutional there, and again in the Meek decision and again in the Wolman decision.

So what we have is, generally speaking, is a measure to provide aids to the private schools, and all the while, the medium for giving the aid, the administration of the aid, the person employed to conduct the aid, and everything else, are all sectarian or private in purpose and therefore cannot pass constitutional muster. Additionally, it would be undesirable.

Why is it undesirable? We have a $500 million appropriation for this year under title XII and, for 5 years, of $2.5 billion. However, Mr. President, let us look at this very closely, because when the Senator from Maine (Mr. MUSKIE) was giving his budgetary comments, we did not want to interrupt at that particular time. We only have to look at the analysis given the Human Resources Committee back in June. It said that in the Pennsylvania program considered in Meek against Pittenger with $17,560,000 worth of materials—textbook and instruction materials—that was $44 per child. That programed out, for the 5 million nonpublic school students provided for under title XII or the Pell provision here, that would program out to $250 million just for that one item.

Looking again, according to the letter from HEW, they said, you look at the Ohio program under the Wolman case and you program that out for the 5 million schoolchildren for those items and you are looking at $875 million in expenditures.

I think it is reasonably accurate and conservative to say that the $500 million has been diminished by a factor of at least 3, or it would take three times the amount of aid to carry out the intentional aids given under the seven categories by the Senator from Rhode Island to the private schools. So, instead of $2.5 billion, we really have about $7.5 billion.

We are all public Senators, we are going home, and we get back to Maryland, for instance, and the voters are going to say, "We didn't send you up there to start running the private schools, but if you are going to start for the first time, giving general aid, if you can give it to them and they can spend it for all these particular categories, administered, and conducted, and audited by the private schools, and in fact, going to 90 percent parochial schools—if you are going to do that, then, heavens, give us general aid for the public schools.

"If Washington is not running a deficit, as we had heard, but, on the contrary, if they are finding extra moneys, then include us." And we have an additional $7.5 billion there.

So when you vote to balance that budget, as we just did on July 31, by an over two-thirds vote, and then you come back and wonder how did the budget get out of balance, look at this very innocent, well-intentioned, amendment that is just added on as a delightful little title at the end of a bill, by a man of experience and authority in the education field. What does he do? He gives 40 percent more to the private school than is going to be received by the public school student. Using the agreed-upon figure that Senator PELL and I both used in the debates last week of $128 for the public school student and the present amount of $60 for the private school student, we are going to give at least $100 more. I think it would be nearer $300. As I just pointed out, there is no question about it when you carry this provision out.

But let us keep it to the $100 estimate, that is $160 or 20 percent more, and he is going to be doubling what is now received by the private school student, but giving nothing more to the public school student.

Mr. President, the $2.5 billion is obviously a budget buster. We can go in again to the elements—I want to yield now before I complete my comments, because the distinguished Senator is waiting to ask questions or the Senator from Arizona to get in his amendment—whatever the manager of the bill desires. I can only say it is not just financially unsound and clearly unconstitutional itself. But, more than anything else, it is undesirable.

Looking at the hearing record, I find my colleague from Rhode Island mentioning that he could not find any character in the public schools. I am going to have to take exception to the distinguished Senator's comment. On page 260, as he examined the witness, Father Farrell, Senator PELL stated, and I quote:

> As you may have heard before, I am strongly of the view that the strength of our Nation is determined by the education and character of its people. The public schools pay scant attention to character; in fact, virtually zero.

Now, that is my distinguished colleague from Rhode Island.

To emphasize that, again, on page 261, he asked if there were any kind of statistics on jail population of the percentage of those who attended private schools

and parochial schools. So potentially, in the distinguished Senator's mind, you are a jailbird if you get into the public schools.

Going down further, he says:

That is one of the reasons why, as chairman of the subcommittee, I have always sought to do what I can to keep the private school system as healthy and as vigorous as possible, both because of the reliance being placed upon it in my State, and also, from a national viewpoint, there is an emphasis on character, character which you do not find in public schools.

Again, my distinguished friend finds, from a national viewpoint, there is an emphasis on character which you do not find in public schools.

Again, on page 262:

The important thing is that the maximum number of parochial schools exist in kindergarten and prekindergarten and at the grade school level. The character is invited on children when they are very young.

Again, finally, Senator PELL:

Does Catholic education go in for prekindergarten and kindergarten today? That also is where character is formed.

I take exception to that. I find, and I am sure that the Senator would agree with me, that there are honest students in both the private schools and in the public schools, so basically, honesty is adhered to in both levels. But we think in terms of the general educational attainment and understanding of us as American people, the experience that we have. Again, back to James Madison who said popular government without popular education would be a sham and a farce.

Herbert Spencer said:

Education has for its foundation the object and the formation of character.

Then, no better than James Russell Lowell:

It was in the making education not only common to all but, in some sense, compulsory in all, that the destiny of the free republic of America was practically set.

The very character I find in America is premised on public education, popular education, in the public school system. This is not in derogation or disparagement of private education or secular education. They do an outstanding job. I have, as I have stated before, had my children in both types of schools. I have supported both types of schools. I have been a member of a board of trustees of a public institution. I have been also a member of the board of trustees of a Lutheran institution—a parochial institution. There is no prejudice in this, no bigotry, as was charged. I can name particular Senators of the Catholic faith who voted against the tuition tax credit, who would not have stood for one second or voted as they did last week if they had found bigotry in our comments on that debate.

It is the desire, it is the function, it is the responsibility of Government, where we have limited funds and delegated responsibilities under the Constitution, that we do not go unconstitutional and start providing for the private schools, because if we provide for part of the private schools, then let us provide for all of them. If they desire the aid on the premise of the Senator from Rhode Island, in the small amount as he would see it, they deserve it in the total amount, as we would have to see it if we go that route.

If we go that route, we would have to go the entire route for public education. What we would have done is really destroy our school system, our basic public school system in this country, because we do not have the moneys and we do not have the leadership.

We have, further, a divisiveness within education in the struggle during the past 20 years. There have been many private schools, little academies, that have sprung up in the small towns in other parts of America. Now, in those small communities there is naturally only limited civic leadership, not just in education, but on all scores. When that leadership, that interest, and that tax funding support is fragmented and divided between the academy and public education, they are both suffering.

Now, we are getting the proper support it deserves and, heavens, if we come out with private school financing, then everyone, both the public school superintendent and board, the private school board and body, will say, "We have got manna from heaven, it's all coming from Washington."

They will lay down their arms, as it were. They will lay aside their interests and support. They will step down their particular leadership.

What we are going to have is a loss of what was originally intended by our distinguished friend from New York, and that was a diversity and a pluralism. That is found in public education, amongst 107,000 different schools, in over 16,000 different school boards, publicly elected.

Now, that element of bringing everybody together in our society, an open door policy, not selective, not saying, "Take an exam to come in," not saying "No, never, I must say you're bilingual and we don't have a bilingual student," not saying, "Handicapped? We would like to, but we're a ritzy private educational system, we just have not been able to get teachers to divide their attention and we can't provide for the handicapped," and "No, we are not going to take the discipline problem. We are just going to take the public moneys."

Take the poor down in the District of Columbia the Senator is referring to. We would be taxing him to do what? To slam a door in his face?

Now, you can tax, that is right. Those sending children to the private and parochial schools, those parents are paying public taxes. But they have the privilege, as we all in America have the privilege, to get into that public school system. The public school system's doors are open to all and they have the greatness of the American character and public education.

Now, I yield to the distinguished Senator from Arizona.

Mr. DECONCINI. Mr. President, I ask unanimous consent that Alan Parker, Michael Cox, Phil Shenk, and John Saxon, of the Select Committee on Indian Affairs; Pat Coleman of Senator HUMPHREYS staff; and Jim Moers of Senator MOYNIHAN's staff be granted privilege of the floor during the debate and voting on this matter.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. DECONCINI. Mr. President, I ask unanimous consent at this time that the pending amendment of the Senator from South Carolina be set aside for not to exceed 10 minutes to bring up the printed amendments offered by Senator ABOUREZK, Nos. 3519 and 3520.

The PRESIDING OFFICER. Is there objection?

Mr. DECONCINI, I ask the clerk to call up printed amendments Nos. 3519 and 3520.

The PRESIDING OFFICER. Does the Senator ask the amendments be considered en bloc?

Mr. DECONCINI. Yes; I do.

Mr. JAVITS. Mr. President, reserving the right to object, we generally like to hear the amendments before we consider them en bloc.

The PRESIDING OFFICER. Does the Senator from Arizona object to the Senator from New York hearing the amendments?

Mr. DECONCINI. I have no objection.

AMENDMENTS NOS. 3519 AND 3520

(Purpose of amendment 3519: To promote the attainment of equal education opportunities for Indians)

(Purpose of amendment 3520: To strengthen educational opportunities for Indian adults)

The PRESIDING OFFICER. The clerk will state the amendments.

The second assistant legislative clerk read as follows:

The Senator from Arizona (Mr. DECONCINI), on behalf of Senator ABOUREZK, proposes amendments numbered 3519 and 3520, en bloc.

Mr. JAVITS. I ask unanimous consent that further reading of the amendments be dispensed with.

The PRESIDING OFFICER. Without objection, it is so ordered.

The amendments are as follows:

AMENDMENT NO. 3519

On page 355, strike out lines 1 through 23.

On page 356, line 1, strike out "PART C" and insert "PART B",

On page 377, after line 16, insert the following new title:

TITLE V—INDIAN EDUCATION

"PART A—ASSISTANCE TO LOCAL EDUCATIONAL AGENCIES

"AMENDMENT TO PUBLIC LAW 874

"SEC. 501. (a) Effective with respect to fiscal years beginning on or after the date of enactment of this Act, section 3(d)(2) of the Act of September 30, 1950 (Public Law 874, Eighty-first Congress), is amended by adding at the end thereof the following new subparagraph:

"'(D) The amount of the entitlements of any local educational agency under this section for any fiscal year with respect to children who, while in attendance at such agency, resided on Indian lands, as described in clause (A) of section 403(1), shall be the amount determined under paragraph (1) with respect to such children for such fiscal year multiplied by 125 per centum.'.

"(b) Effective with respect to fiscal years beginning on or after the date of enactment

of this Act, section 5(a)(2) of the Act of September 30, 1950 (Public Law 874, Eighty-first Congress) is repealed and section 5(a)(1) of such Act is redesignated section 5(a).

"(c) Effective with respect to fiscal years beginning on or after the date of enactment of this Act, section 5(b) of the Act of September 30, 1950 (Public Law 874, Eighty-first Congress), is amended by designating the existing provisions as paragraph (1) and adding the following paragraph:

"'(2)(A) Payments of entitlements under section 3(d)(2)(D) of this Act shall be made only to local educational agencies which have, within one year of the date of enactment of this paragraph, or when local educational agencies are formed after such date of enactment, within one year of their formation, established such policies and procedures with respect to information received from the Indian parents and tribes as required by this paragraph and which have made assurances to the Commissioner, at such time and in such manner as shall be determined by regulation, that such policies and procedures have established. The Commissioner shall have the authority to waive this one-year limit for good cause, and in writing to the Indian parents and tribes.

"'(B) Each local educational agency shall establish such policies and procedures as are necessary to insure that—

"'(i) Indian children claimed under section 3(a) participate on an equal basis in the school program with all other children educated by the local educational agency;

"'(ii) applications, evaluations, and program plans are adequately disseminated to the tribes and parents of Indian children claimed under section 3(a); and

"'(iii) tribes and parents of Indian children claimed under section 3(a) are—

"'(I) afforded an opportunity to present their views with respect to the application, including the opportunity to make recommendations concerning the needs of their children and the ways by which they can assist their children in realizing the benefits to be derived from the educational programs assisted under this paragraph;

"'(II) actively consulted and involved in the planning and development of programs assisted under this paragraph; and

"'(III) afforded a general opportunity to present their overall views on the educational program and the degree of parental participation allowed.

"'(C)(i) Any tribe, or its designee, which has students in attendance at a local educational agency may file a written complaint with the Commissioner regarding any action of a local education agency taken pursuant to, or relevant to, the requirements of subparagraph (B) of this paragraph.

"(ii) Within ten working days from receipt of the complaint, the Commissioner shall—

"'(I) designate a time and place for a hearing into the matters relating to the complaint at a location in close proximity to the local educational agency involved, or, if the Commissioner determines there is good cause, at some other location convenient to both the tribe, or its designee, and the local educational agency;

"'(II) designate a hearing examiner to conduct the hearing; and

"'(III) notify the affected tribe or tribes and the local educational agency involved of the time, place, and nature of the hearing and send copies of the complaint to the local educational agency and the affected tribe or tribes.

"'(iii) The hearing shall be held within thirty days of the designation of a hearing examiner and shall be open to the public.

"(iv) The complaining tribe, or its designee, and the local educational agency shall be entitled to present evidence on matters relevant to the complaint and to make recommendations concerning the appropriate remedial actions. Each party to the hearing shall bear only its own costs in the proceeding.

"'(v) Within thirty days of the completion of the hearing, the hearing examiner shall, on the basis of the record, make written findings of fact and recommendations concerning appropriate remedial actions (if any) which should be taken. The hearing examiner's findings and recommendations, along with the hearing record, shall be forwarded to the Commissioner.

"'(vi) Within thirty days of his receipt of the findings, recommendations, and record, the Commissioner shall, on the basis of the record, make a written determination of the appropriate remedial action, if any, to be taken by the local educational agency, the schedule for completion of the remedial action, and the reasons for his decision.

"'(vii) Upon completion of his final determination, the Commissioner shall provide the complaining tribe, or its designee, and the local education agency with copies of the hearing record, the hearing examiner's findings and recommendations, and the Commissioner's final determination. The final determination of the Commissioner shall be subject to judicial review.

"'(viii) In all actions under this subparagraph, the Commissioner shall have discretion to consolidate complaints involving the same tribe or local educational agency.

"'(D) If the local educational agency rejects the determination of the Commissioner, or if the remedy required is not undertaken within the time established and the Commissioner determines that an extension of the time established will not effectively encourage the remedy required, the Commissioner shall immediately withhold payment of all moneys to which such local agency is entitled under section 3(d)(2)(D) until such time as the remedy required is undertaken, except where the complaining tribe or its designee formally requests that such funds be released to the local educational agency.

"'(E) This paragraph is based upon the special relationship between the Indian nations and the United States and nothing in it shall be deemed to relieve any State of any duty with respect to any citizens of that State.'.

"(d) Effective with respect to fiscal years beginning on or after the date of the enactment of this Act, section 5(c)(2) of the Act of September 30, 1950 (Public Law 874, Eighty-first Congress), is amended by redesignating clauses (B) through (F) as clauses (C) through (G) and by adding after clause (A) the following new clause:

"'(B) to each local educational agency which provides free public education for children who reside on Indian land, as described in clause (A) of section 403(1), which equals 75 per centum of the amount to which such agency is entitled under section 3(d)(2)(D);'.

"PART B—BUREAU OF INDIAN AFFAIRS PROGRAMS

"STANDARDS FOR THE BASIC EDUCATION OF INDIAN CHILDREN IN BUREAU OF INDIAN AFFAIRS SCHOOLS

"SEC. 511. (a) The Secretary, in consultation with the Assistant Secretary of Health, Education, and Welfare for Education, and in active consultation with Indian organizations and tribes, shall carry out or cause to be carried out by contract with an Indian organization such studies and surveys, making the fullest use possible of other existing studies, surveys, and plans, as are necessary to establish and revise standards for the basic education of Indian children attending Bureau schools and Indian controlled contract schools (hereinafter referred to as 'contract schools'). Such studies and surveys shall take into account factors such as academic needs, local cultural differences, type and level of language skills, geographical isolation and appropriate teacher-student ratios for such children, and shall be directed toward the attainment of equal educational opportunity for such children.

"(b)(1) Within fifteen months of the date of enactment of this Act, the Secretary shall propose minimum academic standards for the basic education of Indian children, and shall distribute such proposed standards to the tribes and publish such proposed standards in the Federal Register for the purpose of receiving comments from the tribes and other interested parties. Within eighteen months of the date of enactment of this Act, the Secretary shall establish final standards, distribute such standards to all the tribes and publish such standards in the Federal Register. The Secretary shall revise such standards periodically as necessary. Prior to any revision of such standards, the Secretary shall distribute such proposed revision to all the tribes, and publish such proposed revision in the Federal Register, for the purpose of receiving comments from the tribes and other interested parties.

"(2) Such standards shall apply to Bureau schools, and, subject to subsection (e), to contract schools, and may also serve as a model for educational programs for Indian children in public schools. In establishing and revising such standards, the Secretary shall take into account the special needs of Indian students, and shall place a special emphasis on the support and reinforcement of the specific cultural heritage of each tribe.

"(c) The Secretary shall provide alternative or modified standards in lieu of the standards established under subsection (b), where necessary, so that the programs of each school shall be in compliance with the minimum standards required for accreditation of schools in the State where the school is located.

"(d) A tribal governing body, or the local school board if so designated by the tribal governing body, shall have the local authority to waive, in part or in whole, the standards established under subsections (b) and (c), where such standards are deemed by such body to be inappropriate or ill-conceived, and shall also have the authority to revise such standards to take into account the specific needs of the tribe's children. Such revised standards shall be established by the Secretary unless specifically rejected by the Secretary for good cause and in writing to the affected tribes or local school board, which rejection shall be final and unreviewable.

"(e) The Secretary, through contracting procedures, shall assist school boards of contract schools in the implementation of the standards established under subsections (b) and (c), if the school boards request that such standards, in part or in whole, be implemented. The Secretary shall not refuse to enter into a contract with respect to any contract school on the basis of a failure to meet such standards. At the request of a contract school board, the Secretary shall provide alternative or modified standards for the standards established under subsections (b) and (c) to take into account the needs of the Indian children and the contract school.

"(f) Subject to subsections (d) and (e), the Secretary shall begin to implement the standards established under this section immediately upon the date of their establishment. Within one year of such date, and at each time thereafter that the annual budget request for Bureau educational services is presented, the Secretary shall submit to the appropriate committees of Congress a detailed plan to bring all Bureau and contract schools up to the level required by the applicable standards established under this section. Such plan shall include, but not be

limited to, detailed information on the status of each school's educational program in relation to the applicable standards established under this section, specific cost estimates for meeting such standards at each school, and specific time lines for bringing each school up to the level required by such standards.

"(g) There are hereby authorized to be appropriated such sums as may be necessary, for academic program costs, in order to bring all Bureau and contract schools up to the level required by the applicable standards established under this section.

"NATIONAL CRITERIA FOR DORMITORY SITUATIONS

"SEC. 512. (a) The Secretary, in consultation with the Assistant Secretary for Health, Education, and Welfare for Education, and in active consultation with Indian organizations and tribes, shall conduct or cause to be conducted by contract with an Indian organization, a study of the costs applicable to boarding arrangements for Indian students provided in Bureau and contract schools, for the purpose of establishing national criteria for such dormitory situations. Such criteria shall include requirements as to adult-child ratios, needs for counselors (including special needs related to off-reservation boarding arrangements), space, and privacy.

"(b) Within fifteen months of the date of enactment of this Act, the Secretary shall propose such criteria, and shall distribute such proposed criteria to the tribes and publish such proposed criteria in the Federal Register for the purpose of receiving comments from the tribes and other interested parties. Within eighteen months of the date of enactment of this Act, the Secretary shall establish final criteria, distribute such criteria to all the tribes, and publish such criteria in the Federal Register. The Secretary shall revise such criteria periodically as necessary. Prior to any revision of such criteria, the Secretary shall distribute such proposed revision to all the tribes, and publish such proposed revision in the Federal Register, for the purpose of receiving comments from the tribes and other interested parties.

"(c) The Secretary shall begin to implement the criteria established under this section immediately upon the date of their establishment. Within one year of such date, and at each time thereafter that the annual budget request for Bureau educational services is presented, the Secretary shall submit to the appropriate committees of Congress a detailed plan to bring all Bureau and contract boarding schools up to the criteria established under this section. Such plan shall include, but not be limited to, predictions for the relative need for each boarding school in the future, detailed information on the status of each school in relation to the criteria established under this section, specific cost estimates for meeting such criteria at each school, and specific time lines for bringing each school up to the level required by such criteria.

"(d) There are hereby authorized to be appropriated such sums as may be necessary in order to bring each school up to the level required by the criteria established under this section.

"REGULATIONS

"SEC. 513. The Secretary shall establish such regulations as are necessary to carry out sections 511 and 512 within eighteen months after the date of enactment of this Act.

"STUDIES

"SEC. 514. There are hereby authorized to be appropriated no more than $1,000,000 to carry out the studies conducted under section 511(a) and section 512(a).

"FACILITIES CONSTRUCTION

"SEC. 515. (a) The Secretary shall immediately begin to bring all schools, dormitories, and other facilities operated by the Bureau or under contract with the Bureau in connection with the education of Indian children into compliance with all applicable Federal, tribal, or State health and safety standards, whichever provide greater protection, and with section 504 of the Vocational Rehabilitation Act (29 U.S.C. 31), except that nothing in this section shall require termination of the operations of any facility which does not comply with such provisions and which is in use on the date of enactment of this Act.

"(b) Within one year of the date of enactment of this Act, and at each time thereafter that the annual budget request for Bureau educational services is presented, the Secretary shall submit to the appropriate committees of Congress a detailed plan to bring such facilities into compliance with such standards. Such plan shall include, but not be limited to, detailed information on the status of each facility's compliance with such standards, specific cost estimates for meeting such standards at each school, and specific time lines for bringing each school into compliance with such standards.

"(c) Within six months of the date of enactment of this Act, the Secretary shall submit to the appropriate committees of Congress, and publish in the Federal Register, the system used to establish priorities for school construction projects. At the time any budget request for school construction is presented, the Secretary shall publish in the Federal Register and submit with the budget request the current list of all school construction priorities.

"(d) There are hereby authorized to be appropriated such sums as may be necessary to carry out subsection (a).

"BUREAU OF INDIAN AFFAIRS EDUCATION FUNCTIONS

"SEC. 516. (a) The Secretary shall vest in the Assistant Secretary for Indian Affairs all functions with respect to formulation and establishment of policy and procedure, supervision of programs, and expenditure of Federal funds for the purpose of Indian education. Such functions may not be further delegated to an official other than a Deputy Assistant Secretary for Indian Affairs, or the Director of the Office of Indian Education Programs of the Bureau (hereinafter referred to as the 'Office') and shall be governed by the provisions of this Act, any other provision of law to the contrary notwithstanding. The Director of the Office may be authorized to redelegate such functions to personnel under his direction and supervision.

"(b) The Director of the Office shall direct and supervise the operations of all personnel involved with the provision of educational services by the Bureau. Nothing in this Act shall be construed to require the provision of separate support services for Indian education.

"(c) Education personnel located in Bureau agencies, who are under the direction and supervision of the Director of the Office in accordance with the first sentence of subsection (b), shall—

"(1) monitor and evaluate Bureau education programs, and

"(2) provide technical and coordinating assistance in areas such as procurement, contracting, budgeting, personnel, and curriculum.

However, in the case of boarding schools located off reservation operated by the Bureau, education personnel located in area offices of the Bureau shall provide such services, under the direction and supervision of the Director of the Office.

"(d) For the purpose of this section the term 'functions' includes powers and duties.

"IMPLEMENTATION

"SEC. 517. Within six months after the date of enactment of this Act, the Secretary shall establish and publish in the Federal Register the policies and procedures which are necessary to implement the transfer of functions made under section 516.

"ALLOTMENT FORMULA

"SEC. 518. (a) The Secretary shall establish, by regulation adopted in accordance with section 528, a formula for determining the minimum annual amount of funds necessary to sustain each Bureau or contract school. In establishing such formula, the Secretary shall consider—

"(1) the number of Indian students served and size of the school;

"(2) special cost factors, such as—

"(A) isolation of the school;

"(B) need for special staffing, transportation, or educational programs;

"(C) food and housing costs;

"(D) overhead costs associated with administering contracted education functions; and

"(E) maintenance and repair costs associated with the physical condition of the educational facilities;

"(3) the cost of providing academic services which are at least equivalent to those provided by public schools in the State in which the school is located;

"(4) the cost of bringing the school up to the level of the standards established under sections 511 and 512; and

"(5) such other relevant factors as the Secretary determines are appropriate.

"(b) Notwithstanding any other provisions of law, Federal funds appropriated for the general local operation of Bureau and contract schools, shall be allotted pro rata in accordance with the formula established under subsection (a), except that, in the case of any such school which is located in a school district of a local educational agency which receives from Federal funds under other provisions of law an average payment per Indian child attending such school in that district which is higher than the amount which would be received by such Bureau or contract school under such formula for each Indian child attending such school, the payment to be received by that school under this section for each such child shall be equal to such average payment for an Indian child in public school in that district.

"(c) Notwithstanding subsection (b), the Secretary may provide funds for the general local operation of Bureau and contract schools where necessitated by cases of emergencies or unforeseen contingencies not otherwise provided for under subsection (b). Whenever the Secretary makes funds available under this subsection, the Secretary shall report such action to the appropriate committees of Congress.

"UNIFORM DIRECT FUNDING AND SUPPORT

"SEC. 519. (a) Within six months after the date of enactment of this Act, the Secretary shall establish, by regulation adopted in accordance with section 528, a system for the direct funding and support of all Bureau and contract schools. Such system shall allot funds, in accordance with section 518, and shall provide each affected school with notification of its approximate allotment not later than the end of the school year preceding the year for which the allotment is to be made.

"(b)(1) In the case of all Bureau schools, allotted funds shall be expended on the basis of local financial plans which shall be prepared by the local school supervisor in active consultation with the local school board for each school, and the local school board for each school shall have the authority to ratify, reject, or amend such financial plan, and expenditures thereunder, and, on its own determination or in response to the supervisor of the school, to revise such financial plan to meet needs not foreseen at the time of preparation of the financial plan. The supervisor of the school may appeal any such action by the local school board to the superintendent for education of the Bureau agency, and the

superintendent may, for good cause and in writing to the local school board, overturn the action of the local school board.

"(2) A local school board shall have financial plan authority under paragraph (1) unless the tribe affected (or in the case of a school serving several tribes, all the affected tribes), by formal action of the tribal governing body, determines that such board shall not have such authority. In the case of such a determination, the tribal governing body (or in the case of a school serving several tribes, all the affected tribal governing bodies) shall have such authority.

"(c) In the exercise of its authority under this section, a local school board may request technical assistance and training from the Secretary, and he shall, to the greatest extent possible, provide such services, and make appropriate provisions in the budget of the Office for such services.

"POLICY FOR INDIAN CONTROL OF INDIAN EDUCATION

"SEC. 520. It shall be the policy of the Bureau, in carrying out the functions of the Bureau, to facilitate Indian control of Indian affairs in all matters relating to education.

"EDUCATIONAL PERSONNEL

"SEC. 521. (a)(1) Chapter 51, subchapter III of chapter 53, and chapter 63 of title 5, United States Code, relating to the appointment, promotion, removal, leave, and classification of civil service employees, shall not apply to educators or to education positions (as defined in subsection (m)).

"(2) Paragraph (1) shall take effect one year after the date of enactment of this Act.

"(b) Not later than the effective date of subsection (a)(2), the Secretary shall prescribe regulations to carry out this section. Such regulations shall govern—

"(1) the establishment of education positions,

"(2) the establishment of qualifications for educators,

"(3) the fixing of basic compensation for educators and education positions,

"(4) the appointment of educators,

"(5) the discharge of educators,

"(6) the entitlement of educators to compensation,

"(7) the payment of compensation to educators,

"(8) the conditions of employment of educators,

"(9) the length of the school year applicable to education positions described in subsection (m)(1)(A),

"(10) the leave system for educators, and

"(11) such other matters as may be appropriate.

"(c)(1) In prescribing regulations to govern the qualifications of educators, the Secretary shall require—

"(A)(i) that lists of qualified and interviewed applicants for education positions be maintained in each agency and area office of the Bureau from among individuals who have applied at the agency or area level for an education position or who have applied at the national level and have indicated in such application an interest in working at the agency or area level; and

"(ii) that a list of qualified and interviewed applicants for education positions be maintained in the Office from among individuals who have applied at the national level for an education position and who have expressed interest in working in an education position anywhere in the United States;

"(B) that a local school board shall have the authority to waive on a case-by-case basis, any formal education or degree qualifications established by regulation pursuant to subsection (b)(2), in order for a tribal member to be hired in an education position to teach courses on tribal culture and language and that subject to subsection (d)(2)(A), a determination by a school board that such a person be hired shall be followed by the supervisor; and

"(C) that it shall not be a prerequisite to the employment of an individual in an education position at the local level that such individual's name appear on the national list maintained pursuant to subsection (c)(1)(A)(ii) or that such individual has applied at the national level for an education position.

"(2) The Secretary may authorize the temporary employment in an education position of an individual who has not met the certification standards established pursuant to regulations, if the Secretary determines that failure to do so would result in that position remaining vacant.

"(d)(1) In prescribing regulations to govern the appointment of educators, the Secretary shall require—

"(A)(i) that educators employed in a school (other than the supervisor of the school) shall be hired by the supervisor of the school unless there are no qualified applicants available, in which case the vacant position shall be filled at the national level from the list maintained pursuant to subsection (c)(1)(A)(ii),

"(ii) each school supervisor shall be hired by the superintendent for education of the agency office of the Bureau in which the school is located, and

"(iii) educators employed in an agency office of the Bureau shall be hired by the superintendent for education of the agency office;

"(B) that before an individual is employed in an education position in a school by the supervisor of a school (or, with respect to the position of supervisor, by the appropriate agency superintendent for education), the local school board for the school shall be consulted, and that subject to subsection (d)(2), a determination by the school board that such individual should not be so employed shall be followed by the supervisor (or with respect to the position of supervisor, by the agency superintendent for education); and

"(C) that before an individual may be employed in an education position at the agency level, the appropriate agency school board shall be consulted, and that, subject to subsection (d)(3), a determination by such school board that such individual should or should not be employed shall be followed by the agency superintendent for education.

"(2)(A) The supervisor of a school may appeal to the appropriate agency superintendent for education any determination by the local school board for the school that an individual be employed, or not be employed, in an education position in the school other than that of supervisor. Upon such an appeal, the agency superintendent for education may, for good cause and in writing to the local board, overturn the determination of the local school board with respect to the employment of such individual.

"(B) The superintendent for education of an agency office of the Bureau may appeal to the Director of the Office any determination by the local school board for a school that an individual be employed, or not be employed, as the supervisor of the school. Upon such an appeal, the Director of the Office may, for good cause and in writing to the local school board, overturn the determination of the local school board with respect to the employment of such individual.

"(3) The superintendent for education of an agency office of the Bureau may appeal to the Director of the Office any determination by the agency school board that an individual be employed, or not be employed, in an education position in such agency office. Upon such an appeal, the Director of the Office may, for good cause and in writing to the agency school board, overturn the determination of the agency school board with respect to the employment of such individual.

"(4) Any individual who applies at the local level for an education position shall state on such individual's application whether or not such individual has applied at the national level for an education position in the Bureau. If such individual is employed at the local level, such individual's name shall immediately be forwarded to the Secretary, who shall, as soon as possibe but in no event in more than thirty days, ascertain the accuracy of the statement made by such individual pursuant to the first sentence of this subparagraph. If the individual's statement is found to have been false, such individual, at the Secretary's discretion, may be disciplined or discharged. If the individual had applied at the national level for an education position in the Bureau, the appointment of such individual at the local level shall be conditional for a period of ninety days, during which period the Secretary may appoint a more qualified individual (as determined by the Secretary) from the list maintained at the national level pursuant to subsection (c)(1)(A)(ii) to the position to which such individual was appointed.

"(5) Except as expressly provided, nothing in this section shall be construed as conferring upon local school boards, authority over, or control of, educators.

"(e)(1) In prescribing regulations to govern the discharge and conditions of employment of educators, the Secretary shall require—

"(A) that procedures be established for the rapid and equitable resolution of grievances of educators; and

"(B) that no educator may be discharged without notice of the reasons therefor and opportunity for a hearing under procedures that comport with the requirements of due process.

"(2) The supervisor of a Bureau school may discharge (subject to procedures established under subsection (e)(1)(B)) for cause (as determined under regulations prescribed by the Secretary) any educator employed in such school. Upon giving notice of proposed discharge to an educator, the supervisor involved shall immediately notify the local school board for the school of such action. A determination by the local school board that such educator not be discharged shall be followed by the supervisor. The supervisor shall have the right to appeal such action to the superintendent for education of the appropriate agency office of the Bureau. Upon such an appeal, the agency superintendent for education may, for good cause and in writing to the local school board, overturn the determination of the local school board with respect to the employment of such individual.

"(3) Each local school board for a Bureau school shall have the right (A) to recommend to the supervisor of such school that an educator employed in the school be discharged, and (B) to recommend to the superintendent of education of the appropriate agency office of the Bureau and to the Director of the Office, that the supervisor of the school be discharged.

"(f) Subject to the authority of the Civil Service Commission to determine finally the applicability of chapter 51 of title 5, United States Code, to specific positions and employees in the executive branch, the Secretary shall determine in accordance with subsection (a)(1) the applicability or inapplicability of such chapter to positions in the Bureau.

"(g)(1) The Secretary shall fix the basic compensation or annual salary rate for educators and education positions at rates comparable to the rates in effect under the General Schedule for individuals with comparable qualifications, and holding comparable positions, to whom chapter 51 is applicable.

"(2) Each educator employed in an education position in Alaska shall be paid a cost-of-living allowance equal to 25 per centum of the rate of basic compensation to which such educator is entitled.

"(3) The Secretary may pay a postdifferential not to exceed 25 per centum of the rate of basic compensation, on the basis of conditions of environment or work which warrant additional pay as a recruitment and retention incentive.

"(h) Any individual—

"(1) who on the date of enactment of this Act is holding a position which is determined under subsection (f) to be an education position and who elects under subsection (n)(2) to be covered under the provisions of this section, or

"(2) who is an employee of the Federal Government or the municipal government of the District of Columbia and is transferred, promoted, or reappointed, without break in service, from a position under a different leave system to an education position,

shall be credited for the purposes of the leave system provided under regulations prescribed pursuant to subsection (b)(10), with the annual and sick leave to his credit immediately before the effective date of such election, transfer, promotion, or reappointment.

"(i) Upon termination of employment with the Bureau, any annual leave remaining to the credit of an individual within the purview of this section shall be liquidated in accordance with sections 5551(a) and 6306 of title 5, United States Code, except that leave earned or included under regulations prescribed pursuant to subsection (b)(10) shall not be so liquidated.

"(j) In the case of any educator who is transferred, promoted, or reappointed, without break in service, to a position in the Federal Government under a different leave system, any remaining leave to the credit of such person earned or credited under the regulations prescribed pursuant to subsection (b)(10) shall be transferred to his credit in the employing agency on an adjusted basis in accordance with regulations which shall be prescribed by the Civil Service Commission.

"(k) An educator who voluntarily terminates employment with the Bureau before the expiration of the existing employment contract between such educator and the Bureau shall not be eligible to be employed in another education position in the Bureau during the remainder of the term of such contract.

"(1) In the case of any educator employed in an education position described in subsection (m)(1)(A) who—

"(1) is employed at the close of a school year,

"(2) agrees in writing to serve in such a position for the next school year, and

"(3) is employed in another position during the recess period immediately preceding such next school year, or during such recess period receives additional compensation referred to in subsection (g)(2) or (g)(3), section 5533 of title 5, United States Code, relating to dual compensation, shall not apply to such educator by reason of any such employment during a recess period for any such receipt of additional compensation.

"(m) For the purpose of this section—

"(1) The term 'education position' means a position in the Bureau the duties and responsibilities of which—

"(A) are performed on a school-year basis principally in a Bureau school and involve—

"(i) classroom or other instruction or the supervision or direction of classroom or other instruction;

"(ii) any activity (other than teaching) which requires academic credits in educational theory and practice equal to the academic credits in educational theory and practice required for a bachelor's degree in education from an accredited institution of higher education; or

"(iii) any activity in or related to the field of education notwithstanding that academic credits in educational theory and practice are not a formal requirement for the conduct of such activity; or

"(B) are performed at the agency level of the Bureau and involve the implementation of education-related programs other than the position of agency superintendent for education.

"(2) The term 'educator' means an individual whose services are required, or who is employed, in an education position.

"(n)(1) This section shall apply with respect to any individual hired after the effective date of subsection (a)(2) for employment in an education position and to the position in which such individual is employed. Subject to paragraph (2), the enactment of this Act shall not affect the continued employment of any individual employed immediately before the effective date of subsection (a)(2) in an education position, or such individual's right to receive the compensation attached to such position.

"(2) Any individual employed in an education position immediately before the effective date of subsection (a)(2) may, within five years of the date of enactment of this Act, make an irrevocable election to be covered under the provisions of this section.

"MANAGEMENT INFORMATION SYSTEM

"SEC. 522. The Secretary shall establish within the Bureau, within one year after the date of the enactment of this Act, a management information system, which shall provide information to all agency and area offices of the Bureau, and to the Office. Such information shall include but shall not be limited to—

"(1) student enrollment;
"(2) curriculum;
"(3) staff;
"(4) facilities;
"(5) community demographics; and
"(6) student assessment information.

"BUREAU EDUCATION POLICIES

"SEC. 523. Within one hundred and eighty days of the date of enactment of this Act, the Secretary shall develop, publish in the Federal Register, and submit to all agency and area offices of the Bureau, all tribal governments, and the appropriate committees of the Congress, a draft set of education policies, procedures, and practices for education-related action of the Bureau. The Secretary shall, within one year of the date of enactment of this Act, provide that such uniform policies, procedures, and practices shall be finalized and promulgated. Thereafter, such policies, procedures, and practices and their periodic revisions, shall serve as the foundation for future Bureau actions in education.

"UNIFORM EDUCATION PROCEDURES AND PRACTICES

"SEC. 524. The Secretary shall cause the various divisions of the Bureau to formulate uniform procedures and practices with respect to such concerns of those divisions as relate to education, and shall report such practices and procedures to the Congress.

"RECRUITMENT OF INDIAN EDUCATORS

"SEC. 525. The Secretary shall institute a policy for the recruitment of qualified Indian educators and a detailed plan to promote employees from within the Bureau. Such plan shall include opportunities for acquiring work experience prior to actual work assignment.

"ANNUAL REPORT

"SEC. 526. The Secretary shall submit to each appropriate committee of the Congress a detailed annual report on the state of education within the Bureau and any problems encountered in the field of education during the year. Such report shall contain suggestions for improving the Bureau educational system and increasing local Indian control of such system.

"RIGHTS OF INDIAN STUDENTS

"SEC. 527. Within six months of the date of enactment of this Act, the Secretary shall prescribe such rules and regulations as are necessary to insure the constitutional and civil rights of Indian students attending Bureau schools, including their right to privacy under the laws of the United States, their right to freedom of religion and expression and their right to due process in connection with disciplinary actions, suspensions, and expulsions.

"REGULATIONS

"SEC. 528. Regulations required to be adopted under sections 516 through 527 of this Act shall be deemed rules of general applicability prescribed for the administration of an applicable program for the purposes of section 431 of the General Education Provisions Act and shall be promulgated, submitted for congressional review, and take effect in accordance with the provisions of such section.

"DEFINITIONS

"SEC. 529. For the purpose of this title—

"(1) the term 'local educational agency' means a board of education or other legally constituted local school authority having administrative control and direction of free public education in a county, township, independent, or other school district located within a State, and includes any State agency which directly operates and maintains facilities for providing free public education;

"(2) the term 'Commissioner' means the Commissioner of Education;

"(3) the term 'Secretary' means the Secretary of the Interior;

"(4) the term 'Bureau' means the Bureau of Indian Affairs of the Department of the Interior;

"(5) the term 'local school board', when used with respect to a Bureau school, means a body, the members of which are appointed by the governing bodies of any affected tribes, or if so designated by such tribes, elected by the parents of the Indian children attending the school; and the number of such members shall be determined by the Secretary in consultation with such tribes;

"(6) the term 'agency school board', means a body, the members of which are appointed by the governing bodies of any affected tribes, or if so designated by such tribes, elected by the parents of the Indian students in Bureau schools under such agency; and the number of such members shall be determined by the Secretary in consultation with such tribes;

"(7) the term 'supervisor' means the individual in the position of ultimate authority at a Bureau school;

"(8) the term 'financial plan' means a plan of services to be provided by each Bureau school;

"(9) the term 'Indian organization' means any group, association, partnership, corporation, or other legal entity owned or controlled by a federally recognized Indian tribe or tribes, or a majority of whose members are members of federally recognized Indian tribes; and

"(10) The term 'tribe' means any Indian tribe, band, nation, or other organized group or community, including any Alaska Native village or regional or village corporation as defined in or established pursuant to the Alaska Native Claims Settlement Act (85 Stat. 688) which is recognized as eligible for the special programs and services provided by the United States to Indians because of their status as Indians.

"PART C—AMENDMENTS TO VARIOUS EDUCATION ACTS

"EXTENSION OF PROGRAMS FOR THE EDUCATION OF INDIAN CHILDREN

"SEC. 531. (a) Section 810(g) of the Elementary and Secondary Education Act of 1965 is amended by striking out 'July 1, 1978' and inserting in lieu thereof 'October 1, 1983'.

"(b) Section 303(a)(1) of the Act of Sep-

tember 30, 1950 (Public Law 874, Eighty-first Congress) as added by the Indian Education Act, is amended by striking out 'October 1, 1978' and inserting in lieu thereof 'October 1, 1983'.

"(c)(1) Section 422 of the Indian Education Act is amended by striking out 'each of the three succeeding fiscal years' and inserting in lieu thereof 'each of the succeeding fiscal years ending prior to October 1, 1983'.

"(2) Section 423(a) of such Act is amended by striking out 'each of the three succeeding fiscal years' and inserting in lieu thereof 'each of the succeeding fiscal years ending prior to October 1, 1983'.

"(3) Section 442(a) of such Act is amended by striking out 'October 1, 1978' and inserting in lieu thereof 'October 1, 1983'.

"CULTURALLY RELATED ACADEMIC NEEDS

"SEC. 532. (a) Section 302(a) of the Indian Elementary and Secondary School Assistance Act is amended—

"(1) by striking out 'special educational needs of Indian students' and inserting in lieu thereof 'special educational and culturally related academic needs of Indian students'; and

"(2) by striking out 'those special educational needs' and inserting in lieu thereof 'these special educational or culturally related academic needs, or both'.

"(b) Section 304 of such Act is amended by striking out 'special educational needs' each place it appears in paragraphs (1) and (2) and inserting in lieu thereof 'special educational or culturally related academic needs, or both'.

"DEMONSTRATION PROJECTS

"SEC. 533. Section 303 of the Indian Elementary and Secondary School Assistance Act is amended by adding at the end thereof the following new subsection:

"'(c) In addition to the sums appropriated for any fiscal year for grants to local educational agencies under this title, there is hereby authorized to be appropriated for any fiscal year an amount not in excess of 10 per centum of the amount appropriated for payments on the basis of entitlements computed under subsection (a) for that fiscal year, for the purpose of enabling the Commissioner to make grants on a competitive basis to local educational agencies to support demonstration projects and programs which are designed to plan for and improve education opportunities for Indian children, except that the Commissioner shall reserve a portion not to exceed 25 per centum of such funds to make grants for demonstration projects examining the special educational and culturally related academic needs that arise in school districts with high concentrations of Indian children.'.

"PARENT COMMITTEES

"SEC. 534. Section 305(b) of the Indian Elementary and Secondary School Assistance Act is amended—

"(1) by inserting '(including persons acting in loco parentis other than school administrators or officials)' after 'Indian children' in paragraph (2)(B)(i) and after 'children participating in the program' in paragraph (2)(B)(ii);

"(2) by inserting ', including the hiring of personnel,' after 'policies and procedures' in paragraph (2)(C); and

"(3) by striking out the period at the end of paragraph (2)(C) and inserting in lieu thereof a semicolon and by adding at the end thereof the following new paragraph:

"'(3) provides that the parent committee formed pursuant to paragraph (2)(B)(ii) will adopt and abide by reasonable bylaws for the conduct of the program for which assistance is sought.'.

"ALLOCATION ADJUSTMENTS

"SEC. 535. Section 307(b) of the Indian Elementary and Secondary School Assistance Act is amended to read as follows:

"'(b) In the case of any fiscal year in which the maximum amounts for which local educational agencies are eligible have been reduced under the first sentence of subsection (a), and in which additional funds have not been made available to pay in full the total of such maximum amounts under the second sentence of such subsection, the Commissioner may reallot, in such manner as he determines will best assist in advancing the purposes of this title, any amount awarded to a local education agency in excess of the amount to which it is entitled under section 303(a) and subsection (a) of this section, or any amount which the Commissioner determines, based upon estimates made by local education agencies, will not be needed by any such agency to carry out its approved project.'.

"TRIBAL SCHOOLS

"SEC. 536. Notwithstanding any other provisions of law, any Indian tribe or organization which is controlled or sanctioned by an Indian tribal government and which operates any school for the children of that tribe shall be deemed to be a local educational agency for purposes of section 303(a) of the Indian Elementary and Secondary School Assistance Act (title III of Public Law 874, Eighty-first Congress) if each such school, as determined by the Commissioner, operated by that tribe or organization provides its students an educational program which meets the standards established under section 111 for the basic education of Indian children, or is a school operated under contract by that tribe or organization in accordance with the provisions of the Indian Self-Determination and Education Assistance Act.

"AMENDMENTS TO TITLE VIII OF THE ELEMENTARY AND SECONDARY EDUCATION ACT OF 1965

"SEC. 537. (a) Section 810(c)(1)(E) of the Elementary and Secondary Education Act of 1965 is amended by inserting 'and gifted and talented Indian children' after 'handicapped'.

"(b)(1) Section 810(c)(1)(F) of the Elementary and Secondary Education Act of 1965 is amended to read as follows:

"'(F) early childhood programs, including kindergarten;'.

"(2)(A) Section 810(d) of the Elementary and Secondary Education Act of 1965 is amended—

"(i) by striking out 'children' in paragraphs (1) and (2) of such section and by inserting in lieu thereof 'students' each time it appears; and

"(ii) by inserting after 'teachers' a comma and the following: 'administrators'.

"(B) The section heading of section 810 of the Elementary and Secondary Education Act of 1965 is amended to read as follows:

"'IMPROVEMENT OF EDUCATIONAL OPPORTUNITIES FOR INDIAN STUDENTS'

"(c) Section 810(e) of the Elementary and Secondary Education Act of 1965 is amended to read as follows:

"(e)(1) The Commissioner is also authorized to make grants to and contracts with public agencies, State educational agencies in States in which more than five thousand Indian children are enrolled in public elementary and secondary schools, Indian tribes, Indian institutions, Indian organizations, or to make contracts with private institutions and organizations, to establish, on a regional basis, information centers to—

"'(A) evaluate programs assisted under this part, under the Indian Elementary and Secondary School Assistance Act, under section 316 of the Adult Education Act, and other Indian education programs in order to determine their effectiveness in meeting the special educational and culturally related academic needs of Indian children and to conduct research to determine those needs;

"'(B) provide technical assistance upon request to local educational agencies and Indian tribes, Indian organizations, Indian institutions, and parent committees created pursuant to section 305(b)(2)(B)(ii) of the Indian Elementary and Secondary School Assistance Act in evaluating and carrying out programs assisted under this part, under such Act, and under section 316 of the Adult Education Act through the provision of materials and personnel resources; and

"'(C) disseminate information upon request to the parties described in subparagraph (B) concerning all Federal education programs which affect the education of Indian children including information on successful models and programs designed to meet the special educational needs of Indian children.

"'(2) Grants or contracts made pursuant to this subsection may be made for a term not to exceed three years (renewable at the end of that period subject to the approval of the Commissioner) provided that provision is made to insure annual review of the projects.'.

"(d) Section 810(f) of the Elementary and Secondary Education Act of 1965 is amended by inserting '(1)' after '(f)', by redesignating clauses (1), (2), (3), and (4) as clauses (A), (B), (C), and (D) respectively, and by adding at the end thereof the following:

"'(2) The Commissioner shall not approve an application for a grant under subsection (e) of this section unless he is satisfied that the funds made available under that subsection will be so used as to supplement the level of funds from State, local, and other Federal sources that would, in the absence of Federal funds under this subsection, be made available by the State or local educational agency for the activities described in this subsection, and in no case will be used so as to supplant those funds.'.

"(e) Section 810(g) of the Elementary and Secondary Education Act of 1965 is amended by inserting '(1)' after '(g)' and by adding at the end thereof the following:

"'(2) For the purpose of making grants under subsection (e) of this section there are hereby authorized to be appropriated $8,000,000 for each of the fiscal years ending prior to October 1, 1983. The sum of the grants made to State educational agencies under subsection (e) of this section shall not exceed 15 per centum in any fiscal year of the sums appropriated for that year.'.

"(f) Section 306(a) of the Indian Elementary and Secondary School Assistance Act is amended by inserting 'estimated to be' after 'equal to the amount'.

"TEACHER TRAINING AND FELLOWSHIPS

"SEC. 538. (a) The first sentence of section 422(a) of the Indian Education Act is amended by striking out 'children' and inserting in lieu thereof 'people'.

"(b) Section 423(a) of the Indian Education Act is amended—

"(1) by striking out 'less than three, nor'; and

"(2) by striking out 'professional or graduate degree in engineering, medicine, law, business, forestry, and related field' and inserting in lieu thereof 'post-baccalaureate degree in medicine, law, education, and related fields or leading to an undergraduate or graduate degree in engineering, business administration, natural resources, and related fields.' ".

On page 20, in the table of contents, strike out part B and items section 321.

On page 20, in the table of contents, redesignate part C as part B.

On page 21, in the table of contents, insert after item section 409 the following:

"TITLE V—INDIAN EDUCATION

"PART A—ASSISTANCE TO LOCAL EDUCATIONAL AGENCIES

"Sec. 501. Amendment to Public Law 874.

"PART B—BUREAU OF INDIAN AFFAIRS PROGRAMS

"Sec. 511. Standards for the basic education of Indian children in Bureau of Indian Affairs schools.

"Sec. 512. National criteria for dormitory situations.
"Sec. 513. Regulations.
"Sec. 514. Studies.
"Sec. 515. Facilities construction.
"Sec. 516. Bureau of Indian Affairs education functions.
"Sec. 517. Implementation.
"Sec. 518. Allotment formula.
"Sec. 519. Uniform direct funding and support.
"Sec. 520. Policy for Indian control of Indian education.
"Sec. 521. Educational personnel.
"Sec. 522. Management information system.
"Sec. 523. Bureau education policies.
"Sec. 524. Uniform education procedures and practices.
"Sec. 525. Recruitment of Indian educators.
"Sec. 526. Annual report.
"Sec. 527. Rights of Indian students.
"Sec. 528. Regulations.
"Sec. 529. Definitions.

"PART C—AMENDMENTS TO VARIOUS EDUCATION ACTS

"Sec. 531. Extension of programs for the education of Indian children.
"Sec. 532. Culturally related academic needs.
"Sec. 533. Demonstration projects.
"Sec. 534. Parent committees.
"Sec. 535. Allocation adjustments.
"Sec. 536. Tribal schools.
"Sec. 537. Amendments to title VIII of the Elementary and Secondary Education Act of 1965.
"Sec. 538. Teacher training and fellowships."

AMENDMENT NO. 3520

On page 352, between lines 15 and 16, insert the following:

"SEC. 311. (a)(1) Section 314(a)(4) of the Act (as redesignated by section 307) is amended by striking out 'on Indian reservations' and inserting in lieu thereof 'among Indians'.

"(2) Section 314 of the Act (as redesignated by section 307) is amended by redesignating subsections (b), (c), and (d) as subsections (c), (d), and (e), respectively, and by inserting immediately after subsection (a) the following new subsection:

"(b) The Commissioner is also authorized to make grants to Indian tribes, Indian institutions, and Indian organizations to develop and establish educational services and programs specifically designed to improve educational opportunities for Indian adults.".

On page 352, line 16, strike out "SEC. 311." and insert in lieu thereof "(b)".

On page 352, line 16, strike out "(d)" and insert in lieu thereof "(e)".

Mr. JAVITS. Mr. President, may I ask if these are the amendments as printed?

Mr. DECONCINI. Yes; they are.

Mr. JAVITS. Fine. I thank the Senator. I have no objection to the consideration en bloc, Mr. President.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. DECONCINI. Mr. President, I ask unanimous consent that Senators BARTLETT, KENNEDY, CRANSTON, GOLDWATER, MARK O. HATFIELD, HART, and myself be added as cosponsors to these amendments.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. DECONCINI. Mr. President, these amendments have been drafted and consolidated as an additional title 5 to the bill. They are similar to what is now title XI of H.R. 15, the House companion bill to ESEA which passed last month.

Mr. President, these amendments address serious deficiences in the educational programs administered by the Departments of HEW and Interior for Indian people which have been repeatedly documented in study after study. By implementing these long-needed reforms and by providing direction and additional resources for these educational programs, we can take the steps necessary to realize the attainment of equal educational opportunity for all Indian children.

These amendments were submitted Monday, August 21, 1978, and were printed in full in the CONGRESSIONAL RECORD along with a section-by-section analysis. In addition, Senator BARTLETT and Senator ABOUREZK sent a Dear Colleague to all the Members of the Senate which contained the text of these amendments with additional background material.

UP AMENDMENT 1732

(Purpose: To minimize the negative effect on on-going instructional programs by withholding of impact aid payments, and to require a sixty day written notice prior to the dismissal of educational personnel)

Mr. DECONCINI. Mr. President, I send to the desk at this time two modifying amendments and ask that the amendment be modified. These have been cleared both with the managers and the ranking minority member. I urge my colleagues to support these amendments.

The PRESIDING OFFICER. Is there objection?

Mr. JAVITS. Reserving the right to object, Mr. President, we are trying to figure out now what is being done because, if I may be heard, it is a fact that the Abourezk amendments are printed, but my staff says it has had no notice of these two modifications. We need a minute to look them over. Therefore, may I ask Senator HOLLINGS, if he is here, if not, that we may have a quorum, if the Senator would just proceed, or withhold this unanimous consent until we can look at these.

The PRESIDING OFFICER. Does the Senator suggest the absence of a quorum?

Mr. JAVITS. I would think the Senator could go ahead. We do not want to take undue time, unless he wants to——

Mr. DECONCINI. I need no further time.

Mr. JAVITS. Mr. President, if it is agreeable to Senator DECONCINI, we will just take a minute. I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The second assistant legislative clerk proceeded to call the roll.

Mr. DECONCINI. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. DECONCINI. Mr. President, I ask that the amendment be considered at this time as modified.

The PRESIDING OFFICER. Is there objection to the modification? Without objection, it is so ordered.

The question is on agreeing to the amendment, as modified.

Mr. PELL. Mr. President, I have had a chance to go over this, and there is no objection on the majority side.

Mr. JAVITS. Mr. President, we are prepared to accept the Abourezk-Bartlett amendment. We have examined the modifications and find them not objectionable, as well.

The PRESIDING OFFICER. The question is on agreeing to the amendments, as modified.

The amendments, as modified, were agreed to.

The modifications are as follows:

MODIFICATIONS TO AMENDMENT NO. 3519

On page 6, line 25, strike "immediately", and on page 7, line 4, strike the period, and insert a colon and the following: "provided that the Commissioner may not withhold such moneys during the course of the school year if he determines that it would substantially disrupt the educational programs of the local educational agency.".

On page 25, after line 25, insert the following new subsection:

"(C) educators employed in Bureau schools shall be notified sixty days prior to the end of the school year whether their employment contract will be renewed for the coming year.".

Mr. DECONCINI. Mr. President, I thank the manager of the bill and the ranking minority member.

Mr. PELL. Mr. President, I ask unanimous consent that Sarah Turner and Carlton Betenbaugh, of the staff of Senator ALLEN, have the privilege of the floor.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. JAVITS. Mr. President, I make the same request for David Morse.

The PRESIDING OFFICER (Mr. LEAHY). Without objection, it is so ordered.

UP AMENDMENT NO. 1722

The question recurs on the unprinted amendment by the Senator from South Carolina (Mr. HOLLINGS).

Mr. HOLLINGS. Mr. President, I ask unanimous consent that the names of the Senator from Texas (Mr. BENTSEN) and the Senator from North Carolina (Mr. HELMS) be added as cosponsors of the amendment.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. PELL. Mr. President, I listened with great interest to the words of my friend from South Carolina.

I point out that this amendment was not the invention of one member of that committee. It actually was a committee amendment, approved by the whole committee.

It happens that title 12 could equally have been title I in lieu of title XII. We sought to do something to help youngsters in the private schools. In the country as a whole, 9 percent of our youngsters are being educated in nonpublic schools. In my own State, 15 percent are being educated in nonpublic schools.

Our political parties, at their conventions, made many pious statements of which we were reminded in the debate by the junior Senator from New York, to the effect that something should be done to help youngsters in nonpublic schools.

The pattern we followed in the com-

mittee was to seek only to do those things that were constitutional. Obviously, there are two sides to every question.

We believe that the tests were, one, that a proposal must have a secular purpose; two, its principal or primary effect must be one that neither advances nor inhibits religion; and, three, it must not foster an excessive government entanglement with religion.

We were very concerned that the aid we provided through title XII follow closely the decision in Wolman against Walter.

In Wolman, as all those who followed this case know, the Court said that purchasing textbooks for nonpublic schools was constitutional; that supplying standardized tests and scoring services to nonpublic schools was constitutional; that providing speech and hearing services and diagnostic psychological services to nonpublic schools was constitutional. So we had arguments that would indicate that these provisions were constitutional. On the other hand, other lawyers said they were not. For that reason, we added to title XII a provision for an expedited review of that title's constitutionality and a severability provision. Because, in the final analysis, the judgment of whether or not something is constitutional is not in one Senator's hands or in the Senate's hands. It is in the Court's hands.

This expedited review provision would mean that any questioning of the constitutionality of the provisions of title XII could be judged in the courts.

Touching for a moment on the point the Senator raised concerning character, I do stick to my guns. I would agree that you will find crooks emerging from nonpublic schools and you will find men of the finest character emerging from public schools. But on the average, I would say, particularly in the earlier grades, there is more emphasis on character in nonpublic schools than in public schools. I wish that were not the case.

With respect to building character, every one of our Founding Fathers, every signer of the Declaration, was educated in a nonpublic school.

I think the evidence would show that in the average nonpublic school there is a bit more emphasis on character than in the public schools. Maybe we can change that, and I would like to do it. But we are dealing with things as they are.

Mr. President, I think title XII is distinguishable from all of the most recent Supreme Court cases which hold that different types of aid programs to nonpublic schools are unconstitutional. And, I think the differences between title XII and these programs make title XII presumably constitutional.

The first of these most recent cases was decided in 1971. This was the case of *Lemon* v. *Kurtzman*, 403 U.S. 602. The Lemon case was a salary supplement case which considered State laws in Rhode Island and Pennsylvania. Rhode Island supplemented the salary of private school teachers who taught courses that were offered in the public schools. These teachers could not teach religion. The Pennsylvania statute allowed the purchase by the State of certain "secular educational services" from private schools, directly reimbursing those schools for salaries, textbooks, and instructional materials.

The Court found both of these statutes to be unconstitutional. They said the Rhode Island statute would bring about an excessive government entanglement with religion. They said a teacher who was under the control and discipline of a church-related school posed a serious problem to the separation of religious from purely secular aspects of the school; to assure that such a separation did occur would require continuing State surveillance and inspection of school and its activity, and this would result in entanglement.

The Court decided the Pennsylvania case on the entanglement theory also. Pennsylvania had a postaudit financial record inspection authority in the statute. Such an inspection procedure created an intimate and continuing relationship between the church and State, and thus entanglement. The Pennsylvania statute explicitly defined what the schools had to do with respect to the inspection. This fact raised the specter of entanglement.

Title XII can be definitely distinguished from both of these decisions. Unlike the Rhode Island statutes, title XII does not subsidize the salaries of nonpublic school teachers. Title XII does not pose an entanglement problem such as the Rhode Island statute posed.

And, title XII is distinguishable from the Pennsylvania law. The Pennsylvania statute caused the Court to fear that comprehensive measures of State surveillance into the affairs of the church-related school would follow the law. This was a fear of the Court, not only in the Lemon case, but in the case of *Walz* v. *Tax Commissioner*, 397 U.S. 664 (1970). The Court seemed to indicate in Lemon that a direct grant program to nonpublic schools would inevitably lead to entanglement. And, the postaudit record inspection powers of the Pennsylvania statute seemed to support the Court's fears. However, title XII has no such entanglement implication. In fact, every effort was made to remove any suggestion of entanglement.

It is also important to realize that the Court did not say in Lemon that direct aid to nonpublic schools was wrong per se. All the Court said was that the Pennsylvania statute in question had the potential of entanglement, and that the statute had the added defect of the postaudit procedure, which was strong evidence of potential entanglement. Title XII has no such defect.

The next set of cases were decided in 1973. Among these was the famous case of the *Committee for Public Education* v. *Nyquist*, 413 U.S. 756 (1973). The Nyquist case concerned a New York statute that provided three types of financial aid to nonpublic schools. First, the New York statute provided direct money grants to nonpublic schools for maintenance and repair of facilities and equipment to insure the health, welfare, and safety of the students. Second, it provided a tuition reimbursement plan for parents of nonpublic school children if the parents' income were less than $5,000. And, third, it provided tuition tax relief to parents not eligible for reimbursement.

The Court found all three provisions to be unconstitutional based on an advancement of religion theory. It said the inevitable effect of the maintenance and repair grants was to subsidize and advance the religious mission of sectarian schools. The facilities and equipment had no limit in their use, and could be used for religious as well as secular purposes. The Court also said that the tuition credit and reimbursement plans had the effect of providing financial support to nonpublic, sectarian institutions, and that the provisions had no restrictions to assure that their use would not advance religion.

Title XII does not have these problems. None of the assistance that would be provided under the act could be used to advance religion. The materials and equipment section of title XII has a requirement that such materials and equipment could not become affixed to the school facility, and had to be capable of being taken to and from school by the students. Thus, such materials and equipment could not be converted to a religious purpose. And, title XII does not have a tuition credit or reimbursement provision.

It is important to consider what the Court did not say in the Nyquist case, as well as what it did say. The Court did not say that public aid to nonpublic schools was unconstitutional per se. Although the Court did not decide Nyquist on the entanglement theory, it did discuss this theory. The Court said that any type of aid program to nonpublic schools carries with it a grave potential for entanglement in the broad sense of political strife over aid to religion. But, the Court went on to say that the prospect of such divisiveness may not alone warrant the invalidation of State laws that otherwise survive the careful scrutiny required in decisions concerning public aid to nonpublic schools. This admission by the Court implies that some aid programs to nonpublic schools are valid.

The most recent case of *Wolman* v. *Walter*, 97 S. Ct. 2593 (1977), seems to outline the kinds of aid that would be considered valid. And, title XII patterns its assistance on the Wolman case. Under Wolman, textbooks, testing services, speech, and hearing services, and diagnostic psychological services were all held to be constitutional. Title XII would provide transportation services to nonpublic school students to and from the school facility. This type of assistance has been upheld in a long series of cases from *Everson* v. *Board of Education*, 330 U.S. 1 (1947) through *Board of Education* v. *Allen*, 392 U.S. 236 (1968). In this series of cases, the Court has ruled that transportation, school lunches, public health services, and textbooks could all be constitutionally provided to nonpublic schools.

Title XII distinguishes itself from Wolman in its provision of guidance and counseling services and instructional ma-

terials and equipment. However, title XII is drafted in such a way that it should answer the Court's concern in these two areas. With respect to guidance and counseling, this provision is taken from title V, part A of the National Defense Education Act of 1958. The Supreme Court has never ruled that a Federal program providing guidance and counseling services to nonpublic schools is invalid. Also, title XII is tightly drafted to insure that the guidance and counseling services provided would be strictly secular, and could not be used for a religious purpose.

With respect to materials and equipment, the Court's concern in Wolman was that such materials and equipment would become a permanent part of the school facility, and as such, would be capable of being used to advance a religious purpose. Title XII should answer this concern. The only materials and equipment which could be purchased under title XII would be those that were incapable of being converted to a religious use and which could not be affixed to the nonpublic school facility. Also, these materials and equipment would have to be capable of being taken home from the school by the students. By drafting title XII in this manner, it will hopefully answer the concerns of the Court.

Thus, title XII is distinguishable from those cases which hold public aid to nonpublic schools invalid, while it is at the same time consistent with the Court's decision in the most recent case concerning this issue. Title XII patterns the aid it provides after the decision of Wolman versus Walter. This is the Supreme Court's last pronouncement in this area. And, since the Court has never ruled on the question of Federal aid to nonpublic schools, it is virtually impossible to predict what the Court will say with respect to any type of Federal program in this area. However, since title XII follows the Wolman guidelines, it has a presumption of constitutionality.

Also, it is important to point out that the issue of entanglement can be raised with any question of aid to nonpublic schools, whether that aid be in the form of tax credits, indirect aid through the student, or direct aid. We think we have taken all the steps necessary to avoid the entanglement issue with respect to title XII.

Mr. President, I yield the floor to the Senator from New York.

Mr. MOYNIHAN. I thank the distinguished chairman of the committee.

Mr. President, I support this important innovation in national educational policy, and I will speak—I hope it will not be at excessive length—to some of the earlier comments of our friend, the Senator from South Carolina.

Mr. President, we deal here with what is perhaps the last frontier of civil rights in this Nation. We do so at the beginning of a debate that very well will take up a generation.

It is characteristic of this beginning, as I suspect it has been of other such beginnings, that there are few Senators on the floor, with hardly anyone in the galleries, and what we say here will not be reported in the press nor much noted even among ourselves.

But I do think we should know that we have made a beginning in this Congress, for the first time in the history of this Republic, in debating these issues.

We stand at an intersection between a legacy of religious bigotry in this Nation and a new but increasingly formed tendency to what is perhaps best described as statism—the conviction that that which is not public is somehow suspect.

I am not surprised that there are few Senators present in the Chamber. I think that from the debates of the previous week we could describe the Senate as divided into roughly three parts.

About a third of the Senate cannot imagine that anything we say might be so. It is an impermeable prejudice on the point that does not even attain to the condition of doubt, and they do not come to listen to what they can imagine need not be heard.

There is another third which begins to fear that what we say might in fact be soundly based and does not wish to hear.

Then, lastly, I should think there is about a third of the Senate that commenced to see the nature of the arguments and the validity of some of them at least, and that is perhaps about the number of votes we will receive this evening.

But even though, I wish to restate some of the points I made earlier in the tuition tax credit debate in which the Senator from Rhode Island was generously supportive even though he could not actually associate himself with that particular form of support which he now promises he will do.

Mr. PELL. Mr. President, will the Senator yield?

Mr. MOYNIHAN. I am happy to yield.

Mr. PELL. I add that one of the reasons why I did not vote with the Senator from New York was because I had this as a position to which to fall back. But I believe that something must be done to help the private schools, and I must say that if this is rejected my sympathy for the plight of the private nonpublic school will still remain great and I will be very sympathetic to the tax credit approach, although as a whole I do not prefer the tax credit approach.

Mr. MOYNIHAN. I say the Senator has proven his sympathy and demonstrated his mastery of the subject in the legislation before us which comes not from him in an idiosyncratic manner but from that great committee over which he reports at this time, and it is an honor to this Chamber that he brought this legislation.

I wish to turn now to the comments which the Senator from South Carolina has offered and to say what he knows. I accept fully the good faith in which they are offered and the ability with which they are argued.

But to repeat our earlier assertion, his opposition is based upon the weakest possible argument in this area which is that recent Supreme Court decisions indicate that he would not be accepted by the Court.

I say that as with tuition tax credits. If this is sound educational policy, in our judgment we should endorse it and present it to the Court for decision because, Mr. President, the Supreme Court's decisions in this area now make no sense. They are erratic. They constitute fiat more than law.

It was a great understatement which Mr. Justice Powell said at the outset of his dissent in Wolman:

> Our decisions in this troubling area draw lines that often must seem arbitrary.

Well, arbitrary indeed they are.

The key decision in Wolman, and I ask such as may hear me just to listen to these words:

> In summary, we hold constitutional those portions of the Ohio statute authorizing the State to provide nonpublic school pupils with books.

Then I leave out a few other items.

> We hold unconstitutional those portions relating to instructional materials.

We are stolidly required by the Court to suppose that there is a constitutional distinction between textbooks and instructional materials. If Senators will believe that that is to be found in the first amendment, I suggest they will believe anything, and the Court made no effort to defend its distinction. It is perhaps as embarrassed by it as it should be.

Are we to assume in the face of this embarrassment, which the Justices themselves increasingly acknowledge, that we should not exercise a clear constitutional right to state in legislation what we believe to be constitutional and await the judgment of the Court in the matter?

During the last debate Senators may recall, some of them, the statement which Phillip Kurland offered in this matter when he said:

> These cases have not been decided on principle but rather on the personal predilections of the judges.

And he earlier stated:

> Anyone suggesting that the answer as a matter of constitutional law is clear one way or the other is either deluding or deluded.

Let me offer, in the hopes that there might be four Senators in this Chamber to hear me, two items.

In Wolman against Walter, the majority spoke of the necessity that any aid to nonpublic schools may not have, and I quote: The impermissible effect of advancing religion.

The impermissible effect of advancing religion? It sounds like something one can read on the wall in the state museum of atheism in Leningrad. It is an archaic notion.

I am not here suggesting that there is something horrible about atheists, not in the least. I am suggesting that that kind of notion, that the advancement of religion was the retardation of progress, is a 19th century idea already quaint in itself in no way reflecting the sensibilities of this anguished and uncertain age and culture in which we live.

It belongs in the glossary of the Scopes trial and not in the rhetoric and debate of the last quarter of the 20th century.

I give Senators another example, just an example.

In this decision in the Lemon case, Mr.

Justice Douglas, as brilliant and wonderful a man as we have had on the court in our time, cited as an argument against aid to nonpublic schools, to Catholic schools, a text from a passage from a book on Roman Catholicism by Mr. Boettner, Mr. Boettner who argues inter alia, as the judges say, that no Roman Catholic should be allowed to teach in the public schools. Such is the subversive nature of their doctrine.

But what is it subversive of? Mr. Boettner goes on at great length and says:

History, literature, geography, civics, and science are all given a Roman Catholic slant.

And then he says:

Their purpose is not so much to educate, but to indoctrinate and train, not to teach scripture truths and Americanism, but to make loyal Roman Catholics.

Mr. Justice Douglas asked us to believe that the failing of the Catholic schools is that they do not teach Scripture truths, meaning a particular mode of Scripture truths.

This belongs in the era of the debates over Darwin.

Mr. President, in the face of the intellectual demise of the Court's standards surely we should have the sense of authority in ourselves to do what we think is constitutional and await the Court.

I say to Senators that it is argued that this provision violates the Court's decisions in the area involved.

I suggest that these decisions are illogical, unpersuasive, arbitrary, and mutually inconsistent.

We are not bound to spare the Court yet another confrontation with its own embarrassing work in this area of constitutional law. Indeed, I would argue the contrary, that we are bound to make them face it again and again until they bring to those principles of logic and consistency which must underlie constitutional law if it is to earn our respect as well as it should our obedience.

I would remind this Chamber that we are today the only English-speaking nation in the world that does not freely provide public educational assistance to the public and the nonpublic schools alike. We are the only one. Nations which fully share our inheritance of the Reformation and the difficulties of subsequent centuries have put that all behind them. In Canada, Australia, New Zealand, Great Britain, and Ireland, the nonpublic schools receive, as a matter of right, pretty much the same or sometimes precisely the same public support as the government schools. We are dealing with an archaism in our thoughts, somehow intersecting with a growing feeling that that which government does not control may not be permitted.

That is precisely the animating principle of the HEW bureaucracy.

It will be a generation, I suspect—and the question may be moot by that time—before what we say is understood, what we have said here tonight is understood.

I hope the Senator from Rhode Island will be looked back upon as the first man to bring to the floor of the Senate an amendment to our basic Education Act calling for equity in these matters, as he has done.

I would remind him that in the previous couple of days we have had in the back of our Chamber large blowups of the Republican and Democratic platform commitments in another matter on civil rights or very near to civil rights. That is absent here because we are embarrassed by it, because we will not keep faith with the commitments we made.

But, Mr. President, this is an old Republic and, with the grace of God—if I may invoke that term without offending—we will be older yet and, perhaps, in time the equity and justice and the law of the case we made will come to be seen better than it is today.

I conclude by once again thanking the Senator from Rhode Island for his courage in this matter and his prophecy in this matter, that this day will one day be remembered.

Several Senators addressed the Chair.

The PRESIDING OFFICER. The Senator from Pennsylvania.

Mr. HEINZ. Mr. President, I have three amendments——

The PRESIDING OFFICER. There is an amendment pending.

Mr. HEINZ. I thank the Chair. I was not aware of it. I yield the floor.

Mr. HOLLINGS. What did the Senator say? We have an amendment pending and we have the yeas and nays. I think the Senator from Rhode Island and I——

Mr. PELL. I am prepared to vote. I thought the Senator wanted to speak on it.

The PRESIDING OFFICER. The question is on agreeing to the amendment on the amendment——

Mr. JAVITS addressed the Chair.

The PRESIDING OFFICER. The Senator from New York.

Mr. JAVITS. I shall be very brief, but I do want to say a word.

Mr. President, I shall vote with Senator PELL on title XII, and for this reason: It is a fact—I am too much of a lawyer to gild that lily—that there are constitutional questions as to the provisions, the detailed provisions, of title XII.

But let us remember we are going to conference in this matter and that title XII does not exist in the House bill and that, therefore, we will be able to work out the individual detailed applications of the use of $500 million, if that is the amount that the Senate finally authorizes here under this title.

I also point out that a section of title XII deals with an expedited consideration by the courts, recognizing the fact that this matter, some parts of it, may have to be submitted to the courts.

One of the reasons why I sought the floor and, as I say, I shall be very brief, is it has not been sufficiently noted that what title XII does is to back up other provisions of the bill. The fact is that throughout the bill there are provisions which materially firm up the proposition that nonpublic schools shall be entitled to participate in funds under ESEAA to the extent that the Constitution will allow.

That is spelled out in great detail under three categories: One, consultation is required between nonpublic and public school officials to insure that needs of nonpublic students are reflected in the design of the funding proposals; second, that there is assurance of alternative arrangements, passthroughs, and otherwise, for services to nonpublic students when the local educational agency is unwilling or unable through State law to comply with the requirements we put in the bill; and, third, that we establish procedures for nonpublic school representatives to achieve satisfactory resolution of their complaints by the process of complaint and hearing to the Commissioner of Education.

These are critically important changes. The fact is that nonpublic school students have not received their due, not that it is anybody's fault but just in the way matters have been set up under the ESEAA, and we propose that they should, and, therefore, title XII represents, as I say, notwithstanding its constitutional problems, a backup for the general actions taken in the rest of the bill.

Mr. President, in substantiation of that position, I ask unanimous consent that a table may be included as part of my remarks which show as to the various titles of the bill, other than title XII, the present law and the new requirements which are proposed by S. 1753, designed along the line which I have described.

There being no objection, the comparison was ordered to be printed in the RECORD, as follows:

PARTICIPATION OF NONPUBLIC SCHOOL STUDENTS IN MAJOR ESPA PROGRAMS

COMPARISON OF CURRENT LAW WITH S. 1753, EDUCATION AMENDMENTS OF 1978—Continued

Title I

Current Law	S. 1753
Requires LEA to extend Title I services to nonpublic students on equitable basis.	Requires equal expenditures (based on numbers and need) for nonpublic students.
Only 43 percent of Title I school districts serve nonpublic students.	All Title I districts should serve eligible nonpublic students.
2 percent of students served are nonpublic students.	Effect should be that closer to 10 percent of students served are nonpublic.
Nonpublic students served an average of 1 hour per week, compared with 5 hours per week for public school students.	Nonpublic students should receive 4 more hours of instruction per week.

COMPARISON OF CURRENT LAW WITH S. 1753, EDUCATION AMENDMENTS OF 1978—Continued

Title I

Current Law	S. 1753
State files assurances with U.S.O.E. re nonpublic school participation.	SEA files detailed plan for actively monitoring and enforcing nonpublic participation.
No comparable provision.	SEA must establish procedures for resolving complaints re insufficient nonpublic school participation.
When LEA fails to comply with law, U.S.O.E. must arrange by-pass of LEA to serve nonpublic students.	By-pass remains effective until U.S. Commissioner of Education determines LEA will provide required services.
Title I teachers travel to public schools; or nonpublic students transported with Title I funds to public school projects; or nonpublic students served in neutral site, such as mobile unit.	Continued.
LEA loans equipment and materials to nonpublic schools.	Continued.

Title IV

Current Law	S. 1753
IV–B: School libraries and learning resources	
Nonpublic students participate only when LEA receives funds.	If LEA not funded, nonpublic schools can receive services through alternative arrangements.
Nonpublic students often participate only to extent LEA program is suitable to their needs.	LEA must consult with nonpublic school officials to provide for nonpublic students in initial program design.
7% of funds go to nonpublic students.	Effect should be that closer to 10% of funds go to nonpublic students.
LEA loans books, instructional supplies, and equipment to nonpublic schools.	Continued.
IV–C: Innovation	
No comparable provision.	Funds can be used to diagnose learning problems and assess educational problems of nonpublic students.
Nonpublic students participate directly in innovative projects operated by LEA.	Continued.
Nonpublic teachers participate in staff training projects.	Continued.
IV–D: Guidance, counseling, testing	
Nonpublic students receive guidance and counseling from LEA staff and participate in testing programs.	Increased level of participation.
No comparable provision.	Incorporates provisions enacted in 1976 for in-service training for nonpublic school teachers and counselors.
IV–E: Gifted and talented	
Nonpublic students participate in small grants under Special Projects Act and to limited extent under Innovative Projects (IV–C).	Substantially expanded program requires equitable participation of nonpublic students.
No comparable provision.	LEA must consult with nonpublic school officials to provide for nonpublic students in program design.
Bilingual Education Act	
Estimated 6% of project students are nonpublic students.	Effect should be increased percentage to reflect number of eligible nonpublic students.
LEA required to serve nonpublic students whose educational needs are those addressed by LEA project.	If LEA fails to comply, U.S. Commissioner of Education may reduce LEA grant by amount needed to assess needs of nonpublic students and carry out program for them.
Nonpublic students attend classes in public school, or on neutral site; LEA may loan equipment and materials for life of project.	Continued.
LEA provides resource staff to aid nonpublic teachers; nonpublic teachers participate in training programs.	Continued.
Emergency School Aid Act	
Requires equitable participation of children, teachers, and other educational staff in nonpublic schools when such schools meet certain non-discrimination criteria and when their participation would help achieve ESAA purposes.	Continued.
Requires by-pass of LEA to provide services to nonpublic students and staff when LEA fails to provide for their appropriate participation or is prohibited by state law from doing so.	Continued.
Special Projects Act	
Provides only under special authority for programs for gifted and talented children that nonpublic students shall participate to extent consistent with their number.	Blanket provision applying to all programs under act requires LEA to consult with nonpublic school officials to provide for nonpublic students in program design.
Funding	
Current expenditures from above programs for nonpublic students estimated to be $175 million.	Nonpublic students comprise about 10% of total student population: should receive 10% of funds for above programs, or $350 million in FY '79.

DEFINITIONS

ESEA: Elementary and Secondary Education Act.

ESEA Title I: Aid for compensatory services to disadvantaged children.

ESEA Title IV–B: Aid for school library and learning resources.

ESEA Title IV–C: Aid for innovative programs and improvement of educational services.

ESEA Title IV–D: Aid for guidance, counseling, and testing.

ESEA Title IV–E: Aid for special programs for gifted and talented children.

Special Projects Act: Discretionary funds for a variety of programs, including metrics and arts education, career education, consumer education.

ESAA: Emergency School Aid Act: Aid for desegregating school districts to overcome the effects of discrimination on minority children.

U.S.O.E.: United States Office of Education.

S. 1753: Education Amendments of 1978: extends ESEA and other expiring education laws.

SEA: State Education Agency.

LEA: Local Education Agency.

Mr. JAVITS. I hope, Mr. President, for these reasons the Senate will sustain title XII.

Mr. HATCH. Mr. President, will the Senator yield for a unanimous-consent request? I ask unanimous consent that Mr. Mike Hammond, of Senator McCLURE's staff, be accorded the privileges of the floor.

The PRESIDING OFFICER. Without objection, it is so ordered.

Several Senators addressed the Chair.

The PRESIDING OFFICER. The Senator from Rhode Island.

Mr. PELL. Mr. President, I ask unanimous consent that Miss Jane Yanulis, of Senator DURKIN's staff, be granted the privileges of the floor.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. MATHIAS. Mr. President, I make the same request for Miss Jill Porter, of my staff.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. HOLLINGS. Mr. President, one word and then I will be prepared to yield.

The PRESIDING OFFICER. The Senator from South Carolina.

Mr. HOLLINGS. I think the senior Senator from New York, Mr. JAVITS, made two dangerous arguments. One, and I consider it a danger to my position if we put it in, he said title XII is not in the House bill, and if we go to conference we can knock it out. That is not a persuasive argument, but it disarms you and it denudes you and it says, "Well, this is not too bad, fellows. Let us give it a try."

The second thing is it is misleading in the context of title XII. Title XII, as the Senator does say, follows title I, IV and others, but there is nothing in title XII with respect to what we were talking about under the Domenici bypass or providing for the parochial and private schools the money due the parochial or private schools students.

Title I requires spending for education of nonpublic school children comparable sums consistent with their numbers and educational needs, and with that I concur.

Title IV requires the State to develop a plan for insuring equitable participation of nonpublic school students in all Federal programs. In that thrust, Senator from New York and Senator from Rhode Island, you and I, all three of us, are in agreement. We are not trying to deny parochial or private school students on the basis of need in the present program, and we commend you for its inclusion there in title I and title IV.

But let us not confuse that with title XII. Title XII is a direct grant to private schools with 90 percent of them parochial. It is undesirable, unconstitutional and fiscally unsound.

SEVERAL SENATORS. Vote! Vote!

The PRESIDING OFFICER. The question is on agreeing to the amendment of the Senator from South Carolina.

The yeas and nays have been ordered, and the clerk will call the roll.

The legislative clerk called the roll.

The PRESIDING OFFICER. (Mr. LEAHY). May we have order? It is becoming increasingly difficult for the clerk to hear Senators respond. I understand we are going to be here quite a bit longer; the distinguished majority leader seems to agree with that assessment. I think we could speed up proceedings if we could hear what is going on. The Chair respectfully requests Senators to refrain from conversations while the clerk reads the names of the Senators.

The clerk may proceed.

The call of the roll was resumed and concluded.

Mr. CRANSTON. I announce that the Senator from South Dakota (Mr. ABOUREZK), the Senator from Minnesota (Mr. ANDERSON), the Senator from Mississippi (Mr. EASTLAND), the Senator from Louisiana (Mr. JOHNSTON), the Senator from Louisiana (Mr. LONG), and the Senator from Alabama (Mr. SPARKMAN) are necessarily absent.

I further announce that, if present and voting, the Senator from Minnesota (Mr. ANDERSON) would vote "nay."

Mr. STEVENS. I announce that the Senator from Nevada (Mr. LAXALT), the Senator from Kansas (Mr. PEARSON), the Senator from Virginia (Mr. SCOTT), and the Senator from Connecticut (Mr. WEICKER) are necessarily absent.

The result was announced—yeas 60 nays 30, as follows:

[Rollcall Vote No. 356 Leg.]

YEAS—60

Allen	Eagleton	Magnuson
Baker	Garn	McGovern
Bartlett	Glenn	Metzenbaum
Bellmon	Goldwater	Morgan
Bentsen	Gravel	Muskie
Biden	Hansen	Nelson
Brooke	Hart	Nunn
Bumpers	Haskell	Proxmire
Burdick	Hatch	Randolph
Byrd, Harry F., Jr.	Hatfield, Mark O.	Riegle
Byrd, Robert C.	Hathaway	Sasser
Cannon	Helms	Schmitt
Chiles	Hodges	Stafford
Clark	Hollings	Stennis
Cranston	Huddleston	Stevens
Culver	Humphrey	Stevenson
Curtis	Inouye	Talmadge
DeConcini	Jackson	Thurmond
Dole	Kennedy	Tower
Domenici	Leahy	Young

NAYS—30

Bayh	Heinz	Percy
Case	Javits	Ribicoff
Chafee	Lugar	Roth
Church	Mathias	Sarbanes
Danforth	Matsunaga	Schweiker
Durkin	McClure	Stone
Ford	McIntyre	Wallop
Griffin	Melcher	Williams
Hatfield, Paul G.	Moynihan	Zorinsky
Hayakawa	Packwood	
	Pell	

NOT VOTING—10

Abourezk	Laxalt	Sparkman
Anderson	Long	Weicker
Eastland	Pearson	
Johnston	Scott	

So the amendment (UP No. 1722) was agreed to.

Mr. HOLLINGS. Mr. President, I move to reconsider the vote by which the amendment was agreed to.

Mr. HODGES. Mr. President, I move to lay that on the table.

The motion to lay on the table was agreed to.

Mr. ROBERT C. BYRD. Mr. President, I ask unanimous consent that any subsequent rollcall votes be limited to 10 minutes.

The PRESIDING OFFICER. Without objection, it is so ordered.

Under the previous order, the Senator from Utah (Mr. HATCH) is recognized to call up a series of amendments if he so wishes.

If the Senator will pause a moment, the Chair will try to achieve order in the Chamber.

Will the Senate be in order so the Senator from Utah can be heard?

The Senator from Utah.

Mr. HATCH. Mr. President, I ask unanimous consent that Alison Wiley, of Senator STONE's staff, be granted the privileges of the floor during the consideration of the pending legislation.

The PRESIDING OFFICER. Without objection, it is so ordered.

AMENDMENT NO. 3511

Mr. HATCH. Mr. President, I call up my amendment No. 3511 and ask for its immediate consideration.

The PRESIDING OFFICER. The amendment will be stated.

The legislative clerk read as follows:

The Senator from Utah (Mr. HATCH), for himself, Mr. BARTLETT, Mr. GARN, Mr. McCLURE, Mr. WALLOP, and Mr. ZORINSKY, proposes an amendment No. 3511.

Mr. HATCH. Mr. President, I ask unanimous consent that further reading of the amendment be dispensed with.

The PRESIDING OFFICER. Without objection, it is so ordered.

The amendment is as follows:

Page 377, after line 16, insert a new section as follows:

SEC. 410. Section 439 of the General Education Provisions Act (relating to "protection of pupil rights") is amended by inserting "(a)" after "439" and by adding at the end thereof a new subsection as follows:

"(b) No student shall be required, as a part of any applicable program—

"(1) to submit to psychiatric examination, testing, or treatment, or psychological examination, testing, or treatment, the primary purpose of which is other than achievement or aptitude testing as defined in this Act,

"(2) to reveal information about his personal or family life (other than personal or

family income information required by law to determine eligibility for participation in a program or for receiving financial assistance under such program), or

"(3) to participate in any project which involves surveying, analyzing, or evaluating the personal values, attitudes, or beliefs of the student, without the prior consent of the student (if the student is an adult or an emancipated minor), or in the case of an unemancipated minor, without the prior, written consent of a parent or guardian who has first been informed of the purpose of such examination, test, treatment, or information sought to be obtained.".

UP AMENDMENT NO. 1733

Mr. HATCH. Mr. President, I submit a modification to my amendment and ask that it be so modified.

The PRESIDING OFFICER. The Senator has such a right. The amendment is so modified.

The modification (UP amendment No. 1733) is as follows:

Page 377, after line 16, insert a new section as follows:

"SEC. 410. Section 439 of the General Education Provisions Act (relating to 'Protection of Pupil Rights') is amended by inserting '(a)' after '439' and by adding at the end thereof a new subsection as follows:

"(b) No student shall be required, as part of any applicable program, to submit to psychiatric examination, testing, or treatment, or psychological examination, testing, or treatment, in which the primary purpose is to reveal information concerning:

"(1) political affiliations;

"(2) mental and psychological problems potentially embarrassing to the student or his family;

"(3) sex behavior and attitudes;

"(4) illegal, anti-social, self-incriminating and demeaning behavior;

"(5) critical appraisals of other individuals with whom respondents have close family relationships;

"(6) legally recognized privileged and analogous relationships, such as those of lawyers, physicians, and ministers; or

"(7) income (other than that required by law to determine eligibility for participation in a program or for receiving financial assistance under such program),

without the prior consent of the student (if the student is an adult or emancipated minor), or in the case of unemancipated minor, without the prior written consent of the parent."

Mr. HATCH. Mr. President, on July 18, I distributed a letter to my colleagues explaining the reasons for and introducing the text of my amendment to the ESEA bill, an amendment requiring parental consent for nonscholastic and nonachievement oriented testing. I formally introduced the amendment last week, and I have requested this time in order to very briefly explain the urgency and, in my opinion, the wisdom of this proposal.

Before doing so, I want to sincerely thank my distinguished friends, those colleagues who have joined as original cosponsors of the parental consent amendment. Specificaly, I thank Senators BARTLETT, GARN, MCCLURE, THURMOND, TOWER, WALLOP and ZORINSKY. To Senator ZORINSKY, especially, we owe a special expression of gratitude for the earlier research work he has done in the education field, pioneer work which first brought cited problems in evaluation and testing before the public eye; certainly, pioneer work which calls for the kind of solution has have proposed in the parental consent proposal.

Our parental consent amendment takes into account the following. Much of the money authorized in particular titles of the ESEA go for very worthwhile and necessary forms of tests, medical surveys or other scholastic or aptitude examinations which are above reproach. In my own State of Utah, as I know is the case in Iowa and many other States, we have one of the most well developed and effective scholastic achievement testing programs ever developed for the elementary and secondary school grades.

But, while all the money authorized for programs for tests and examinations are well intended, there has been raised a tremendous outcry by parents, PTA officials and others who have written to my office in recent days and months, parents who have serious reservations about some of the nonscholastic or aptitude tests; the psychiatric probing and other nongermane, often "mind bending," surveys being conducted in elementary and secondary schools without the knowledge, much less the consent of the parents or guardians involved.

In Wisconsin, there is a program publicly funded in part by ESEA money, entitled "Future Directors of Family Planning in Wisconsin." It is a program providing so-called "preevaluation training" in sex education from kindergarten through 12th grade. The program provides all forms of contraception information, pregnancy, and abortion-referral education information and even services to persons as young as 10 years old without parental consent. Though originally set up as a condition for title X funding of State family planning programs under the auspices of the Department of HEW, with the endorsement of Planned Parenthood; the program certainly has not won the endorsement of the many parents and other citizens who protested the program last May 19 at a special meeting of the ad hoc committee which administers this so-called "education." And it certainly does not win my endorsement, and I would risk saying, does not win the endorsement—or so I hope—of a majority of us in this Chamber. Yet, this is one dramatic example of many, all too many which I will be prepared to present before my colleagues during the impending debate on ESEA. It is an abuse. It is a travesty. It is a betrayal of education's basic purpose. It is the kind of thing which our "parental consent" amendment would correct.

Simply stated, our amendment requires that before any elementary or secondary age child is subjected to psychiatric, behavior probing or other nonscholastic and nonaptitude testing; that there must first be obtained the written consent of the respective child's parent or guardian. Our amendment does not add to or subtract from any moneys. It does not presume to redirect any of the programs involved. It does not even say "beans" about the way HEW should be run.

Our amendment simply holds that before young children who, in many cases, have not learned to cross a street properly become subjected to sensitivity training or some other variant of Walden Three, that we should first have the written OK of their parents or guardian.

This whole problem came about when schools started becoming more concerned with children's attitudes, beliefs, and emotions rather than providing them with basic education. And what we have today is a situation where dramatically fewer young children can read, write, or count; but who have become wordly wise to stories about sex, and drugs, and violence.

This does not speak well for the long-term emotional stability of the child; and such implicit value changes which attend teaching very young children about drugs or sex, or which challenge their faith in their parents constitute the most vile threat to the American family unit. The techniques used to change young children's attitudes and values are an invasion of privacy in the first degree, especially in some of the innovative testing questions soliciting young children to pinpoint their father's or mother's faults, or in another ESEA-sponsored program which actually had the students of an elementary school class collectively put their parents on trial—following which the mother and father were always found guilty.

Certainly, this is a distortion of the purpose and legislative intent of ESEA. It is not what Congress intended when this legislation was first enacted, and I am sure that it is not on the minds of my colleagues now. Certainly, there are cases to be made for the contrary; and not all is bleak. I am thinking about the high quality of several scholastic achievement and aptitude programs which are now being administered in several States, including my home State of Utah. For these reasons and more, my amendment would exempt these scholastic achievement and aptitude tests. Again, what I am concerned with, as are my colleagues who have cosponsored the parental consent amendment, is not the monitoring of basic education, but of the behavior probing, the psychiatric games that are being played with many of our children. Certainly if a case is to be made for the psychiatric or behavior-probing tests, games, and surveys currently being conducted in many elementary and secondary schools; then those who favor such so-called innovative tests should not be shy in welcoming the explicit input of parents.

In summation, I believe that the parental consent amendment many of us have proposed can only work to improve the bill currently on the floor for consideration. Our amendment is the essence of reasonableness. We are not proposing to add to or subtract from any funding in the bill. We are not proposing to subtract from or, if you will, add another layer of fat to the bureaucracy. No one's ox stands to be gored. If some enterprising young educator or substitute teacher somewhere in one of the great elementary or secondary schools of our great Nation wants to set up shop in a school as a psychiatric clinic, all our

amendment presents in the way of a hurdle is a parents' consent. We simply want parents to know about it, and then say that it is OK.

The parental consent amendment has been endorsed by many groups or associations directly involved in school curriculum reform, including the National Council for Better Education, headquartered in Lawrence, Mass. It has also won the endorsement of the many parents and teachers who have written to my office, and I understand to several colleagues' offices; letters I did not solicit, but communications which testify to the popular urgency of this measure. I hope that the Senate will rise to the occasion, and again, I solicit the support of those remaining colleagues who have not yet expressed their preference to vote for our parental consent amendment.

Mr. President, at this time I ask unanimous consent that a copy of the letter sent to me on August 15, from the National Council for Better Education endorsing the parental consent amendment, be printed at this point in the RECORD.

There being no objection, the letter was ordered to be printed in the RECORD, as follows:

NATIONAL COUNCIL FOR BETTER EDUCATION,
Lawrence, Mass., August 15, 1978.

Dr. RONALD DOCKSAI,
U.S. Senate,
Washington, D.C.

DEAR DR. DOCKSAI: Please be advised of our support for your amendment to S 1753 which requires parental consent for any "innovative" testing or treatment in our classrooms. We see new evidence each day marking the sorry decline in scholastic achievement of our nations young people. These drops can be largely traced to the innovative programs that have permeated our public schools in recent years.

Yours truly,

RALPH WILBUR,
Director.

Mr. HATCH. Mr. President, it is my understanding that the distinguished managers of the bill are prepared to accept my amendment, for which I am very grateful. I understand that Senator HAYAKAWA has some remarks to present. Perhaps he could make them before the amendment is agreed to.

Mr. HAYAKAWA. If I may, Mr. President, I would like to say a few words in support of this amendment demanding parental consent before students are subjected to nonacademic tests, such as tests of attitude, tests of attitudes toward sex, and so on.

I would like to give a few words of explanation, if I may.

In recent years in colleges of education and schools of sociology and psychology, an educational heresy has flourished, a heresy that rejects the idea of education as the acquisition of knowledge and skills, as indoctrination of socially accepted values such as patriotism, courtesy or self-discipline.

The heresy of which I speak regards the fundamental task in education is therapy. Everyone, it is believed, is, to some extent, neurotic because of repression, inhibition, reaction formations, symbolic displacement, or whatever.

The PRESIDING OFFICER (Mr. HARRY F. BYRD, JR.). Will the Senator suspend until we have order in the Chamber?

Mr. HAYAKAWA. Everyone, therefore, needs diagnosis, to examine the extent and seriousness of his or her illness. Everyone, it hardly needs to be said, needs to be straightened out.

It shocks me, hearing Senator HATCH's description of the things he wants to guard us against in current educational practices, to learn how far things have come since I was a student and observer at the Menninger Psychiatric Clinic in Topeka, Kans., in the 1940's. At that time the clinic was a hotbed of Freudian orthodoxy. According to prevailing dogma, we were all sick. We all needed psychoanalytic treatment. It did one no good to look well-adjusted and mentally healthy. One's appearance of excellent mental health only proved to my psychoanalytic residents and friends that one's neuroses were especially deep, especially well-concealed, and especially difficult to heal.

Later I was a student under Count Alfred Korzybski, the founder of that mental and psychological discipline known as general semantics. I learned a lot from Korzybski. Indeed, it would not be going too far to say that he was one of the biggest influences in my intellectual development. But he and his followers also suffered from the same obsession; namely, that we are all sick and therefore we all needed diagnosis and treatment.

In the more than 40 years since my contacts with the Freudians and the general semanticists, there has been a huge spread of psychology. There are mass circulation magazines peddling one kind or other of pop psychology. Teachers' institutes buzz with talk of neurosis, resistance, adjustment, maladjustment, attitudinal change. On top of all this came the counterculture, spreading the doctrine that we live in a rotten, materialistic, repressive, sick society—and that it is the duty of the teacher or therapist to make the child or patient realize how enslaved the individual is by the norms of that sick society—and thus free him or her from those sick compulsions.

In this pop psychology the psychological problems described as complexes, inhibitions, reaction formation, transference, countertransference have all been simplified. The differences among them have been obliterated. They all fall under the convenient simple classification of "hangups." And the cure for hangups, as every teenager knows in this psychologically sophisticated age, is to "let it all hang out."

The vulgar psychologism of which my distinguished colleague from Utah complains manifests itself in the nonacademic testing and experiment to which all too many children are indeed subjected. To inquire into the sexual attitudes and beliefs of 8-year-olds, to probe into their psychic and emotional problems, real or imagined, rather than into the level of their intellectual achievements—these are serious invasions of privacy. And messing around with the psyches of young people does not stop with testing and inquiries. There are exercises in psychodrama, roleplaying, touch therapy, encounter groups, involving necessarily the searching and exploration of innumerable matters that are nobody's business except that of the child, the child's parent, or the family's physician or psychiatrist.

Senator HATCH's amendment mandating parental consent before students are subjected this kind of psychological and emotional probing and experiment is an extremely wise one. I strongly urge its acceptance.

Mr. PELL. Mr. President, the Senator has already convinced us of the worth of his amendment. We are very desirous of accepting the amendment.

Mr. HAYAKAWA. In that case, Mr. President, I just want to say that the popular psychology of today is the root of so much of this attitudinal testing, role playing, psychological games that go on in the classroom that have no academic significance whatsoever; therefore, to limit those instances of their use to places where parents have given their consent seems to me to be a very, very wise measure.

Mr. PELL. Mr. President, we have had an opportunity to look over the amendment. We think it is an excellent one. It was worked out between the minority staff and the majority and Senator HATCH. I recommend that we accept it.

Mr. JAVITS. Mr. President, the amendment is acceptable to us.

Mr. HATCH. I move that the amendment be agreed to.

The PRESIDING OFFICER. The question is on agreeing to the amendment (No. 3511), as modified.

The amendment as modified, was agreed to.

Mr. HATCH. I move to reconsider the vote by which the amendment was agreed to.

Mr. THURMOND. I move to lay that portion on the table.

The motion to lay on the table was agreed to.

UP AMENDMENT NO. 1734

(Purpose: To extend the Indochina Refugee Children Assistance Act of 1976, and the emergency adult education program for Indochina refugees)

Mr. HAYAKAWA. Mr. President, I call up an amendment which perfects my original amendment 3436. It is being cosponsored by Senators CRANSTON, HODGES, TOWER, MOYNIHAN, BARTLETT, JAVITS, and BUMPERS, and I ask for its immediate consideration.

The PRESIDING OFFICER. The amendment will be stated.

The assistant legislative clerk read as follows:

The Senator from California (Mr. HAYAKAWA), for himself, Mr. CRANSTON, Mr. HODGES, Mr. TOWER, Mr. MOYNIHAN, Mr. BARTLETT, Mr. JAVITS, and Mr. BUMPERS, proposes unprinted amendment numbered 1734.

Mr. ROBERT C. BYRD. Mr. President, I ask unanimous consent that further reading of the amendment be dispensed with.

The PRESIDING OFFICER. Without objection, it is so ordered.

The amendment is as follows:

On page 20, the table of contents is amended by inserting after item "Sec. 331" the following:

PART D—INDOCHINESE REFUGEE CHILDREN

Sec. 341. Extension of Program.

On page 20, in the table of contents, redesignate Sec. 312 as Sec. 313 and insert after item "Sec. 311." the following:

"Sec. 312. Indochina refugees."

On page 352, between lines 18 and 19, insert the following:

INDOCHINA REFUGEES

SEC. 312. Section 317(a) of the Act (as redesignated by section 307) is amended by striking out "1977" and inserting in lieu thereof "1983".

On page 352, line 20, strike out "Sec. 312." and insert in lieu thereof "Sec. 313.".

On page 357, between lines 4 and 5, insert the following new part:

PART D—INDOCHINESE REFUGEE CHILDREN EXTENSION OF PROGRAM

SEC. 341. (a) Section 201(a) of the Indochina Refugee Children Assistance Act of 1976 is amended by inserting after "1977" a comma and the following: ", and for the period beginning October 1, 1978, and ending September 30, 1983.".

(b)(1) Section 202(a) of such Act is amended by inserting after "1977" a comma and the following: "and for the period October 1, 1978, through September 30, 1983".

(2)(A) Section 202(b)(1) of such Act is amended by inserting after "1977" a comma and the following: "and for the fiscal year 1979 and for each succeeding fiscal year ending prior to October 1, 1983".

(B) Section 202(b)(A) of such Act is amended by inserting after "period" the following: "and during each such fiscal year".

(c) Section 204(a) of such Act is amended by inserting after "1977" a comma and the following: "and for the period October 1, 1978 through September 30, 1983".

(d) Section 208 of such Act is amended by inserting after "1977" a comma and the following: "and for the fiscal year 1979 and for each succeeding fiscal year ending prior to October 1, 1983".

(e) The heading of title II of such Act is amended to read as follows:

"TITLE II—PROGRAM FOR SUBSEQUENT FISCAL YEARS"

Mr. HAYAKAWA. Mr. President, since the fall of Saigon in April 1975, about 169,000 Southeast Asian refugees from Vietnam, Cambodia, and Laos have entered the United States seeking a new life. They left Indochina to escape political difficulties of the past three decades which have agonized and splintered their homeland. Now most of the refugees face a new and different set of problems in adjusting to a foreign land. In their efforts to settle down to life in the United States, they have been aided by the U.S. Government which has taken over this humanitarian responsibility as a result of the United States heavy involvement in the past war.

Mr. President, I should like to briefly trace the history of the various federally sponsored Indochinese refugee resettlement activities in the United States and to point out the need for continued Federal assistance to them for the next few years, especially to refugee children's education.

Most of the refugees in the first evacuation wave from Saigon came into this country through the U.S. processing system at four camps or reception centers Eglin Air Force Base, Fla.; Fort Chaffee, Ark.; Indian Town Gap, Pa.; and Camp Pendleton, Calif. At the camps they received health care, emergency survival courses on the English language and American society, and some vocational education. From the camps, the refugees were dispersed throughout the country through the untiring efforts of 10 voluntary resettlement agencies to settle down in local communities with volunteer sponsors.

Since these camps were closed at the end of 1975, many refugees came into the country directly from refugee camps in Thailand, Malaysia, and Hong Kong. These include "boat cases," those who escaped out of Vietnamese fishing boats, imperiling their lives on the high seas. In July 1977, President Carter asked Attorney General Griffin Bell to admit an additional 15,000 refugees into the country. This was followed by an entry allowance of an additional 7,000 in January 1978. And in June of the current year President Carter again authorized the admittance of an additional 25,000 refugees into the United States by May 1979. Therefore, since August 1977, approximately 17,500 more Indochinese refugees have come in, raising the number of Indochinese residing in the United States to nearly 170,000. Of the 170,000, it is estimated that approximately 40 percent, or 68,000 are children between the ages of 5 through 7. Moreover, Vice President MONDALE recently expressed the U.S. Government's intention to admit 15,000 to 20,000 yearly for several years from camps in Thailand. As more refugees reach U.S. shores, they continue to need initial social and financial assistance to become self-sufficient, fully functioning new residents and citizens.

Mr. President, the question of funding for the education of Indochinese refugee children is an important one, as they make up a significant 40 percent of the Indochinese refugee population in the United States. The elementary and secondary education programs provided for them under the Indochinese Refugee Children Assistance Act of 1976 (Public Law 94-405), the most recent round of funding for Indochinese children's education, will be closing on September 30 of this year. Public Law 95-145, the latest legislative action governing Indochinese refugees, made no provisions for assistance to refugee children's education. Supplementary educational services to the children are essential to enabling them to become fully participating members of American society and to catch up academically with their peers. The refugee children face cultural and linguistic barriers that do not or seldom confront native-born children. As more refugee children are expected in the country, funding is needed to maintain the educational services in each State to incoming students and also to those already settled.

Mr. PELL. Mr. President, I observe that we have had a chance to go over this amendment, too. Speaking for the majority side, at least, I recommend that we accept it.

Mr. JAVITS. Mr. President, I have supported comparable amendments before and this amendment is acceptable to me.

The PRESIDING OFFICER. The question is on agreeing to the amendment of the Senator from California.

The amendment was agreed to.

Mr. HATCH. I move to reconsider the vote by which the amendment was agreed to.

Mr. JAVITS. I move to lay that motion on the table.

The motion to lay on the table was agreed to.

AMENDMENT NO. 3510

Mr. HATCH. Mr. President, I call up my Amendment 3510 and ask for its immediate consideration.

The PRESIDING OFFICER. The amendment will be stated.

The second assistant legislative clerk read as follows:

The Senator from Utah (Mr. HATCH) proposes amendment No. 3510.

Mr. HATCH. Mr. President, I ask unanimous consent that further reading be dispensed with.

The PRESIDING OFFICER. Without objection, it is so ordered.

The amendment is as follows:

Page 377, after line 16, insert a new section as follows:

SEC. 410. Part C of the General Education Provisions Act is amended by inserting after section 439 a new section 440 as follows:

"STATEMENT OF EFFECT ON BASIC COGNITIVE SKILLS

"SEC. 440. (a) Each recipient of Federal funds (through grant, subgrant, contract, or subcontract) under any applicable program which is to be operated in or have an affect on elementary or secondary education shall include as a part of the application for such assistance a statement—

"(1) describing the intended effect (if any) on the improvement of basic cognitive skills of students, and

"(2) which sets forth a method of determining over a period of five years or the length of the program or project for which assistance is requested, whichever is longer, the affect of the program or project on the improvement of basic cognitive skills, and provides for making such determinations.

"(b) The Assistant Secretary shall maintain a file containing each such statement required under subsection (a), taken from the application, together with the results of any determinations of the affect of the program or project on the improvement of basic cognitive skills of students, which file shall be available for public inspection and the contents made available to committees of the Congress or to individual Members of Congress upon their request.

"(c) For the purpose of this section—

"(1) the term 'application' includes—

"(A) an application for a grant,

"(B) an offer to make a contract,

"(C) a State plan for the administration of such a program, and

"(D) any other methods for seeking Federal funds under any applicable program; and

"(2) the term 'basic cognitive skills' must include reading, written composition, and mathematical computation.".

Mr. HATCH. Mr. President, my amendment on cognitive skills is relatively sim-

ple, adding a new section to the General Education Provisions Act as included in S. 1753. As connoisseurs of this bill know, the General Education Provisions Act is designed to focus attention on Federal education programs and projects which are claimed to improve basic academic skills of elementary and secondary school students. My amendment would require that the application for each such program or project state whether or not the improvement of such skills is of the purpose of the activity for which the funds are requested, and that this application describe the intended effect of the program on such skills. It also requires, for all those programs or projects authorized in the act which are intended to improve basic skills, a study over 5 years to determine the actual effect of such activity. Finally, the statement in the application, and the results of the follow-up studies, would be made available to both the Congress and to the public once such information is compiled.

Mr. President, it is an open secret that the No. 1 problem our Nation faces in our elementary and secondary schools today is academic failure on a massive scale. This directly translates into unemployment; rising welfare costs, crime and all that which accompanies a continuous cycle of poverty.

Perhaps there are those who upon reflection on the dismal conditional and plummeting test scores of our Nation's elementary and secondary school children, conclude that we are suddenly confronted with a generation of dull, of unteachable and abnormal children. But most of us know that this is not the case. We know that fewer changes have occurred in family surroundings, in environment or in children's diet than in the kinds and level of programing of education by the Federal Government over the last two decades.

In light of this, it is particularly important that we "zero in" on these programs; that we identify what they are, and what they precisely do to improve students' performance in the basic skills of reading, writing, and mathematics; that we find out more revealing information about these projects and programs that are so often camouflaged in the ambiguous, brief annotated descriptions attached to each respective program section. I want to be very clear that it is not my intent to challenge the integrity or the competence of any of the educators or, as is too often the case, any noneducators responsible for putting together a whole or part of any of the programs I am here describing. I am simply trying to make a cogent case for the obvious, namely, that the designers of these programs are human. They are just people, and they can be wrong. And it is because they are fallible, that like all of us they can never be too removed from further comment or suggestion intended to improve the quality of a program. For this reason, especially, my amendment is offered in order to give a complete description and impact report of these various educational projects and programs coming under the ESEA titles so that this information can be made available to educators, to legislators, and to the taxpayers whom destiny has chosen to pay for all of this.

I have called this my "cognitive skills" amendment, doing so because it would provide the Congress and the public with the kind of information we need to redirect that area of our educational system dealing with the actual learning skills of students as defined in this act. My amendment poses no danger, clear, present, or otherwise, to the Department of HEW—saying this as if for 1 minute to assume that the Department of HEW would ever lose an hour of agency's sleep over anything done by mere mortals like Senators or Congressmen. In short, this amendment would redirect Federal educational legislation to get the most for the taxpayers' money, or if you will, more "bang for the buck" in improving performance in basic educational skills. Naturally, I feel it is a reasonable amendment, as are all my amendments.

In light of the hour, Mr. President, and while I believe in the principle of my amendment, I am going to withdraw it, and to speak very briefly on my final amendment, proposed as a substitute for ESEA Amendment No. 3509.

Mr. President, at this point, having made a record and because this other amendment has been accepted, I now withdraw this amendment.

The amendment was withdrawn.

AMENDMENT NO. 3509

Mr. HATCH. Mr. President, I call up my amendment No. 3509.

The PRESIDING OFFICER. The amendment will be stated.

The assistant legislative clerk read as follows:

The Senator from Utah (Mr. HATCH) proposes amendment numbered 3509.

Mr. HATCH. I ask unanimous consent that further reading of the amendment be dispensed with.

The PRESIDING OFFICER. Without objection, it is so ordered.

(Amendment No. 3509 was printed in the RECORD of August 17, 1978, at page S13645.)

Mr. HATCH. Mr. President, this proposal, which would be a substitute, would not affect either impact aid or title I moneys, both of which would remain "as is" in my bill. To be very clear on this, the moneys authorized for disadvantaged students in title I of ESEA as well as the impact aid formula provided in S. 1753 pursuant to Public Laws 94–815 and 874 would remain untouched.

What my amendment does achieve, however, if I did not withdraw it, is a saving of 4.5 million man-hours and an estimated millions of dollars spent annually in paperwork and reporting forms required of local and State school districts under the current ESEA bill. Much of my information is collected from the Department of HEW's own findings on the matter; specifically, the paperwork surveys they have most recently completed.

Last July, when the House version of the Elementary and Secondary School Act was considered on the floor of Congress as H.R. 15, my friend and one of the most distinguished and able members of the House Education and Labor Committee, JOHN ASHBROOK of Ohio, offered a bill substitute very similar to the one I offer here today. Though the form and some of the features of my bill are very different from Congressman ASHBROOK'S, and largely because of the difference in the composition of the House and Senate versions; the legislative intent is the same. This intent is predicated on the belief that the States rather than the Federal Government can more effectively, more economically and ought to properly direct elementary and secondary education programing.

It is constitutionally more proper that they do so, and by the money we will save by eliminating the needless and burdensome bureaucratic paperwork involved, we will be able to be true to the genuine purposes of the act without having to violate the spirit of proposition 13. As one who subscribed to proposition 13 before it became popular to do so, I am not foreign to the belief that people in Government can save otherwise unnecessary expenses if a genuine effort is made to do so. I hereby present before my colleagues such an effort, and I invite all of us to rise to the occasion.

Mr. President, because of the lateness of the hour and because I know all of my colleagues are interested in having final resolution of this matter this evening, I do withdraw my amendment.

The amendment was withdrawn.

UP AMENDMENT NO. 1735

(Purpose: To delete certain hold harmless provisions and to clarify provisions relating to handicapped children, and to exclude postal service real property under Public Law 874)

Mr. EAGLETON. Mr. President, I call up an unprinted amendment at the desk.

The PRESIDING OFFICER. The amendment will be stated.

The second assistant legislative clerk read as follows:

The Senator from Missouri (Mr. EAGLETON) for himself and Mr. CHAFEE, Mr. MAGNUSON, Mr. MUSKIE, and Mr. BELLMON, proposes UP amendment No. 1735.

Mr. EAGLETON. I ask unanimous consent that further reading be dispensed with.

The PRESIDING OFFICER. Without objection, it is so ordered.

The amendment is as follows:

On page 331, strike out lines 16 through 19.

On page 331, line 20, strike out "(2)" and insert in lieu thereof "(d)".

On page 331, line 24, before the period insert the following: ", and by striking out "90" and inserting in lieu thereof "75".

On page 332, strike out lines 1 through 3.

On page 332, strike out lines 13 through 22.

On page 332, line 25, strike out "SEC. 204." and insert "SEC. 203.".

On page 334, line 2, strike out "Sec. 205." and insert "Sec. 204.".

On page 334, line 6, strike out "Sec. 206." and insert "Sec. 205.".

On page 334, line 19, strike out "Sec. 207." and insert "Sec. 206.".

On page 334, line 23, strike out "Sec. 208." and insert "Sec. 207.".

On page 335, line 9, strike out "Sec. 209." and insert "Sec. 208.".

On page 337, line 6, strike out "Sec. 210." and insert "Sec. 209.".

On page 338, line 4, strike out "Sec. 211. (a)" and insert "Sec. 210.".

On page 338, strike lines 13 through 18.

On page 338, line 21, strike out "Sec. 212." and insert "Sec. 211.".

On page 339, line 2, strike out "Sec. 213." and insert "Sec. 212.".

On page 339, line 16, strike out "Sec. 214." and insert "Sec. 213.".

On page 20, in the Table of Contents, strike out item Sec. 203. and redesignate items Sec. 204. through 214 as items Sec. 203 through 214, respectively.

Mr. EAGLETON. Mr. President, I offer an amendment on behalf of myself and Senators CHAFEE, MAGNUSON, MUSKIE, and BELLMON, which would make three changes in the impact aid provisions of the bill before us, S. 1753, the Elementary and Secondary Education amendments. It would: First, eliminate two hold-harmless provisions adopted in 1974 and modify a third; second, reinstate current law with respect to payments for handicapped children of military personnel; and third, delete the expansion of eligibility to children whose parents work on federally owned postal properties.

Let me briefly review the history of the impact aid program. Enacted in 1950, its original purpose was to offset loss of the school district's tax base resulting from the presence of military installations. The original appropriation to meet what is, in my view, still a totally justifiable policy was less than $30 million. With every subsequent revision of the impact aid law, amendments to expand its coverage have been adopted, and the constituency for the program has grown proportionately. We now have a situation where all but three of the 435 congressional districts receive some form of impact aid—and the current appropriation level is $770 million.

Although every President since President Eisenhower has attempted to reform, and thus reduce the impact aid program, Congress turned a deaf ear for 14 years. Then, in 1974, Congress did adopt some major reforms. It eliminated eligibility for payments to children whose parents worked at a Federal installation in one State and lived in another State, children who in no way impacted on the school districts which actually provided the education in that the parents paid property tax, and the Federal property on which they worked would not have been a source of revenue to the district. Thus, the totally indefensible payments to Montgomery County, Md., and Fairfax, Va., for parents working in the District were eliminated.

Further, the 1974 Education Amendments reduced payments for children of civilian parents who worked outside of the county in which they lived and in which they paid property tax. Again, there is little justification for such payments since these children are not a burden on their school districts. Their parents pay property tax, and the Federal property would not be a source of revenue for the district even if it were tax-
the district's taxing jurisdiction.
able property, since it is located outside

In enacting these reforms, Congress included a "hold harmless" provision to reduce the impact of reduction in payments resulting from this 1974 reform. This is commonly known as hold harmless "C." Under current law districts whose "b" payments in fiscal year 1973 constituted 10 percent of its expenditures in that year receive 90 percent of the amount they would have received the previous year had not the reforms been enacted. In the case of other districts, the hold harmless payment was set at 80 percent of the amount for the preceding fiscal year. I believe these rates of hold harmless payments were justifiable in 1974, but they have been in effect for 4 years now. I would propose that we further reduce the hold harmless provision to 75 percent. This phase down of impact aid payments will continue in orderly transition without unduly jeopardizing a school district's budgetary planning.

The 1974 amendments also contained a general hold harmless provision, commonly known as hold harmless "A," to phase in any reductions in payments to districts resulting from the reform provisions. The payments under the hold harmless provision are very modest—approximately $2 million nationwide. The Committee bill proposes to extend this hold harmless for another 5 years. I see no justification for continuing it. Therefore, my amendment would eliminate this hold harmless provision.

The final revision I propose in the hold harmless provisions relates to the inclusion of public housing payments in the 1974 amendments. Although authorized in 1970, as a new category "C," payments were not made for public housing children until they were merged into category "B" in the 1974 amendments, and funded at 25 percent of entitlement. To offset losses to districts resulting from the public housing payments, a hold harmless D was included to give districts the amount they would have received if the funds for public housing payments had been available for other categories of eligible children. These payments do not offset real losses, and therefore, I propose that it be deleted.

The total savings of deletion of these three hold harmless provisions is $139 million in the next fiscal year.

The second item included in this amendment relates to the entitlement for handicapped children of military personnel. Current law sets the entitlement for these children at 150 percent of the regular entitlement for children of military personnel. S. 1753 proposes to increase the entitlement rate to their full educational costs, less funds provided under the Education for All Handicapped Children Act. In making the entire cost of educating these children a Federal responsibility, the bill establishes a policy inconsistent with the basic purpose of impact aid, to compensate for the loss of revenue to the district as a result of Federal activities, and the purpose of the Education for All Handicapped Children Act—to provide a share of the excess costs for handicapped children.

My amendment would reinstate current law to pay 150 percent of the entitlement for handicapped children of military personnel. This would continue to recognize the extra costs associated with these children, and would retain the policy of compensating districts for only the portion of such costs which are lost as a result of the Federal presence.

The final portion of my amendment deletes eligibility for children of employees of federally-owned postal facilities.

Initially, children of postal employees in regional postal facilities were covered under the act. From 1958 to 1966, postal employees were reinstated in a very limited way. Although firm figures are not available, the number of children of postal employees counted today is very, very small. Now the committee bill proposes that we significantly expand eligibility for all children of parents who work in federally-owned post offices at an estimated cost of $36 million. Mr. President, parents of these children do not live on postal property. They live on privately-owned property, and they pay real property tax. The Federal presence in the form of the postal facility does not impact on the school district, and I can find no justification for expansion of the program to a new class of eligible students.

Mr. President, deletion of the hold harmless provisions would reduce Federal payments by $139 million, but the amendment would not in any way effect the payments for children who actually impact on the district. The other two portions of the amendment would not reduce payments to any district. They simply delete further expansion of an already overloaded program.

Mr. President, my amendment is a modest reform to the impact aid program. In fact, even the impact aid lobby has agreed to these changes. The three parts of the amendment would produce a savings of $207 million in fiscal year 1979, and the remaining fiscal years authorized in the bill. At a time when we all recognize inflation as the primary concern of the taxpayer, I do not see how anyone could fail to support holding the line in these three areas of the impact aid program.

Mr. PELL. Mr. President, this is a very carefully constructed amendment.

Many Senators have been consulted about it. It works a fair balance and I believe it should be accepted. I would recommend to my colleagues that we do accept it.

Mr. JAVITS. Mr. President, I regret very deeply that this amendment eliminates postal service children. I made quite a fight for that in the committee. I believe it is eminently justified. It is a fact, it was eliminated in the House. It is a fact, Senator EAGLETON has consulted us.

I realize the situation in terms of voting. So I, too, most regretfully as to that provision, not as to the rest of it, am prepared to accept the amendment.

The PRESIDING OFFICER. The question is on agreeing to the amendment of the Senator from Missouri.

So the amendment (UP No. 1735) was agreed to.

Mr. EAGLETON. Mr. President, I move to reconsider the vote by which the amendment was agreed to.

Mr. ROBERT C. BYRD. I move to lay that motion on the table.

The motion to lay on the table was agreed to.

UP AMENDMENT NO. 1736

(Purpose: To prohibit restitution of payments already received by States in the administration of section 5 of Public Law 874, relating to State equalization programs)

Mr. DOLE. Mr. President, I send an unprinted amendment to the desk and ask for its immediate consideration.

I say, while the amendment is on the way to the desk, I think there are four amendments that can be resolved very quickly.

The PRESIDING OFFICER. The amendment will be stated.

The assistant legislative clerk read as follows:

The Senator from Kansas (Mr. DOLE) proposes an unprinted amendment numbered 1736.

Mr. DOLE. Mr. President, I ask unanimous consent that further reading of the amendment be dispensed with.

The PRESIDING OFFICER. Without objection, it is so ordered.

The amendment is as follows:

On page 340, between lines 2 and 3, insert the following new section:

STATE EQUALIZATION

SEC. 215. No State or local educational agency located therein shall, on the basis of non-compliance with standards established by regulations prescribed pursuant to section 5(d)(2) of the Act of September 30, 1950 (Public Law 874, Eighty-first Congress), be required to make restitution of funds distributed to local educational agencies under such Act for the 1977–1978 school year if such State has an equalization program which, for the 1978–1979 school year, complies with such standards.

On page 20, in the table of contents, after item 214 insert the following new item:

"Sec. 215. State equalization.".

Mr. DOLE. Mr. President, this amendment is identical to one which was unanimously adopted by the House during consideration of H.R. 15. The amendment addresses a serious problem which has developed in the State of Kansas.

The impact aid system was established by Congress to compensate those school systems which must absorb large amounts of federally related students without being able to impose property taxes on Federal property. The purpose of the system is to promote equity in school financial arrangements between affected and nonaffected areas.

Following amendments in the law made in the Education Amendments of 1974, the Office of Education in the Department of Health, Education, and Welfare took almost 3 years to promulgate new regulations concerning State equalization plans. The law, as enacted by Congress, allows States to partially consider Federal impact aid in determining the amount of State assistance for local school districts. The new regulations have finally established firm guidelines on the amount of impact aid which can be utilized in State equalization formulas.

BUREAUCRATIC DELAY CAUSED PROBLEMS

Mr. President, HEW took nearly 3 years to promulgate these regulations. The regulations became effective only on February 6 of this year. The Kansas legislature has acted with remarkable speed to change their State equalization law to meet the new Federal standards. A new Kansas law was passed in April of this year. The Department of HEW has by formal letter agreed that the new Kansas State law will meet all Federal requirements.

The problem is only with the current 1977–1978 school year. Because the regulations had not even been formally published when Kansas enacted its 1977–1978 School Budget Act, Kansas was unable to comply with the new Federal requirements. HEW now is demanding that Kansas return excess funds which were granted to the State under the impact aid program. Ignoring the fact that their delay is completely responsible for the situation in Kansas, HEW has turned down the requests by Kansas for a special exemption. It appears to the Senator from Kansas that officials in the office of education are unwilling to even give Kansas a fair hearing on this issue.

CONGRESSIONAL ACTION NEEDED

Mr. President, normally the Senator from Kansas does not believe that Congress should interfere with the administration of this type of Federal program. Normally, bureaucrats are not this insensitive to the problems that arise due to their own administrative incompetence. In a glaring example of bureaucratic highhandedness, the office of education is insisting that Kansas pay the price for HEW's own internal delays. This is unacceptable to the Senator from Kansas just as it was unacceptable to the House of Representatives.

This amendment does not address the intricacies of the impact aid formula or State equalization plans. The only issue before us is fairness. In fairness who should bear the cost for administrative delay, the Government or our constituents? The issue is whether the schoolchildren of Kansas should be denied educational opportunities during the next school year because of the internal delays in HEW. The issue is whether Congress should act when a Federal agency has procteded in an irresponsible manner.

The Senator from Kansas feels very strongly that this amendment should be adopted by the Senate to avoid any conflict in the conference committee on this legislation. I urge all Members of the Senate to help me in this attempt to control a bureaucratic excess and vote in favor of the pending amendment.

Mr. PELL. Mr. President, I am familiar with this amendment. It is deliberately drawn, narrowly and it would exempt Kansas from the requirements of restitution for expenses suffered through no fault of her own.

I recommend we accept the amendment.

Mr. JAVITS. Mr. President, we accept the amendment.

The PRESIDING OFFICER. The question is on agreeing to the amendment of the Senator from Kansas.

So the amendment (UP No. 1736) was agreed to.

UP AMENDMENT NO. 1737

(Purpose: To clarify provision relating to advances for State guarantee agencies for the State student loan program)

Mr. DOLE. Mr. President, I send an unprinted amendment to the desk on behalf of myself and the distinguished Senator from Minnesota (Mr. ANDERSON).

The PRESIDING OFFICER. The amendment will be stated.

The assistant legislative clerk read as follows:

The Senator from Kansas (Mr. DOLE), for himself and Mr. ANDERSON, proposes an unprinted amendment numbered 1737.

Mr. DOLE. Mr. President, I ask unanimous consent that further reading of the amendment be dispensed with.

The PRESIDING OFFICER. Without objection, it is so ordered.

The amendment is as follows:

On page 342, line 3, strike out "EXTENSION OF RELATED" and insert "REVISION OF OTHER".

On page 357, between lines 4 and 5, insert the following:

PART D—ADVANCES FOR STATE STUDENT LOAN GUARANTY PROGRAM

AMENDMENT FOR ADVANCES FOR RESERVED FUNDS OF STATE LOAN INSURANCE PROGRAMS

SEC. 341. (a) Section 422(c)(5) of the Higher Education Act of 1965 is amended by striking out "the effective date of this subsection" each place it appears in subparagraphs (A) and (B) and inserting in lieu thereof "the date of enactment of this subsection".

(b) The amendments made by the subsection (a) of this section shal take effect on October 1, 1977.

On page 20, in the table of contents, strike out title III and insert in lieu thereof the following:

"TITLE III—REVISION OF OTHER EDUCATION PROGRAMS"

On page 20, in the table of contents, after item Sec. 231 insert the following:

"PART D—ADVANCES FOR STATE STUDENT LOAN GUARANTY PROGRAM

"Sec. 341. Amendment for advances for reserved funds of state loan insurance programs.".

Mr. DOLE. Mr. President, my amendment is a very technical one, relating to Public Law 94–482, the Higher Education Act of 1976. I am pleased to have as a cosponsor the Senator from Minnesota (Mr. ANDERSON).

DESCRIPTION OF AMENDMENT

My amendment corrects a minor problem which occurred in the drafting of Public Law 94–482. It clarifies a provision relating to advances for State guarantee agencies for the student loan program. It sets the effective date of new agencies as the date of enactment of the law.

Public Law 94–482 designed to encourage States to establish new State agencies to deal with the student loan guarantee progam. Up until then, the Federal Office of Education had handled many States loan programs, as was the case with Kansas and Minnesota.

The 1976 law clearly intended to shift that responsibility from the Office of Education to the State and its designated agency. It was my understanding that Congress intended for the State to set up the guarantee agency after the law was enacted.

Some States did just that—most notably, Kansas and Minnesota. Within a few months after enactment, these two

States entered into negotiations with the U.S. Commissioner of Education to name their new State guarantee agencies.

PROBLEM

It was not until almost 1 year after these arrangements had been agreed to that the Office of Education noticed a technicality in the law. This technicality established the effective date of October 1, 1977, rather than the date of enactment, as had been previously supposed. Because the Kansas and Minnesota agencies came into existence after enactment—October 12, 1976—but before the effective date—October 1, 1977—the designated agencies could not qualify as new agencies.

This means that Kansas and Minnesota would not be eligible for Federal advances for reserve funds nor for certain administrative allowances which the 1976 law made available to new agencies.

SUPPORTED BY HOUSE AND ADMINISTRATION

The Senator from Kansas feels that there was no intention to deny new agency status to those agencies which came into existence after enactment of Public Law 94-482. The House Education and Labor Committee has twice accepted this provision—once as a separate bill, H.R. 10550, and once as an amendment to H.R. 11274, the Middle Income Student Assistance Act. Furthermore, in a recent letter to Senator WILLIAMS, Secretary Califano wrote that the administration is in support of S. 2479, a bill I had introduced previously to make this same change.

CONCLUSION

Mr. President, I believe it is apparent that this is a practical and needed amendment. It does not have widespread application, but it will have serious consequences to the States of Kansas and Minnesota. I urge my colleagues to consider favorably this amendment.

Mr. President, I think this has been cleared.

Mr. PELL. That is correct. The Senator from Kansas has cleared it with our staffs.

What it does is establish a joint agency with Kansas and Minnesota.

I recommend we accept it.

Mr. JAVITS. It is acceptable to us.

The PRESIDING OFFICER. The question is on agreeing to the amendment of the Senator from Kansas.

So the amendment (UP No. 1737) was agreed to.

UP AMENDMENT NO. 1738

(Purpose: To clarify the requirements with respect to participation of students from nonpublic schools in the bilingual program)

Mr. DOLE. Mr. President, I send an amendment to the desk on behalf of myself, the distinguished Senator from South Dakota (Mr. MCGOVERN), the distinguished Senator from New Mexico (Mr. DOMENICI), and the distinguished Senator from Texas (Mr. TOWER).

The PRESIDING OFFICER. The amendment will be stated.

The assistant legislative clerk read as follows:

The Senator from Kansas (Mr. DOLE), for himself, Mr. MCGOVERN, Mr. DOMENICI, and Mr. TOWER, proposes an unprinted amendment numbered 1738.

Mr. DOLE. Mr. President, I ask unanimous consent that further reading of the amendment be dispensed with.

The PRESIDING OFFICER. Without objection, it is so ordered.

The amendment is as follows:

On page 277, between lines 22 and 23, insert the following:

(2) (A) Section 721(b)(2)(C)(ii) of the Act is amended by striking out "whose educational needs are of the type" and inserting in lieu thereof "whose language and grade level are of a similar type".

On page 277, line 23, strike out "(2)" and insert in lieu thereof "(B)".

Mr. DOLE. Mr. President, my amendment is intended to clarify ambiguous language in current law regarding participation in bilingual education programs. I am pleased to have as cosponsors for this amendment the Senator from New Mexico (Mr. DOMENICI), the Senator from South Dakota (Mr. MCGOVERN), and the Senator from Texas (Mr. TOWER).

CURRENT LAW

S. 1753 now reads that children in nonprofit, nonpublic schools "whose educational needs are of the type" served by the bilingual demonstration programs may also participate in title VII projects. I believe this wording is excessively broad, and could seriously hamper the success of bilingual programs.

With this wording, any student in a nonprofit, nonpublic school in the service area may participate in the bilingual program, if such student is determined to be in need of bilingual education. The language is so encompassing that any student with bilingual needs is made eligible for services. As an example, this loose wording would allow with 11th grade students in a private school to demand participation in a demonstration project designed to instruct second graders in a public school.

DOLE AMENDMENT

In place of this broad language, my amendment would insert the qualifier, "whose language or languages and grade levels are of a similar type." This would be used to help determine which students in nonprofit, nonpublic schools should be served.

To understand the situation, one must realize that these bilingual education programs are demonstration projects. They are not formula grant programs designed to serve all children in a school system. Funding is awarded to proposals drawn up to serve students of a specified age, with specified language skills. It is unrealistic to expect any one program to serve any nonpublic school sudent in an area, simply because that student also has some type of educational need which a bilingual program is designed to address.

I would point out to my colleagues that my amendment still allows students in nonprofit, nonpublic schools to participate in a bilingual demonstration project, providing that their language skills and grade levels are similar to those being addressed by the bilingual project. I believe that my amendment is in keeping with the purpose of this section. It creates a more cohesive, manageable mandate with which to serve the bilingual needs of all children.

CONCLUSION

It is simply unrealistic to demand that one demonstration project be all things to all students. The result would be that no student is adequately served. Each individual project is targeted toward children of certain grade levels who lack various language skills. Students in nonprofit, nonpublic schools who fit the description of the targeted population should be served. But to include those students who may have bilingual needs not addressed by the project is unreasonable and unacceptable to the Senator from Kansas.

I believe my amendment clarifies the ambiguity of the bill's language, and I urge my colleagues to accept this substitute provision.

The purpose of the amendment is to narrow that definition. I hope the amendment might be accepted.

Mr. PELL. Mr. President, I had a chance to study the amendment which would require that nonpublic schools not hire teachers of languages different from the public schools in the same area.

It is a limited purpose. I think it makes sense. I think it is the only way the bilingual program can be run. I am very sympathetic to it.

I am interested in the reactions of my colleague from New York.

Mr. JAVITS addressed the Chair.

Mr. DOLE. If the Senator will yield for a moment, my amendment narrows the education. It does not deal with teachers. It just suggests, the wording I have, that any student in a nonprofit, nonpublic school, in the service area, under the present amendment, may participate in the bilingual program if such student is determined to be in need of bilingual education.

The language is so broad that any student with the bilingual needs is made eligible for services.

An example is where the 11th grade student in a private school demands participation in the demonstration projects in a public school.

It is only an effort to tighten it up, that is the only purpose of the amendment.

Mr. JAVITS. Mr. President, I have grave concern about the amendments running counter to the general purpose of the bill, which is to do as well as we can for nonpublic schools, because the effect of this amendment on our staff is to bring the nonpublic school to the position of a public school, even though they may wish to do better with whatever is available to them.

But in view of the fact that it is not a major proposition, and reserving my right to do whatever I can to work it out intelligently in conference, I am not going to impose any objection.

The PRESIDING OFFICER. The question is on agreeing to the amendment of the Senator from Kansas.

So the amendment (UP No. 1738) was agreed to.

UP AMENDMENT NO. 1739

(Purpose: To add cardiopulmonary resuscitation training to special health projects)

Mr. DOLE. Mr. President, I send the last amendment to the desk.

The PRESIDING OFFICER. The amendment will be stated.

The assistant legislative clerk read as follows:

The Senator from Kansas (Mr. DOLE) proposes an unprinted amendment numbered 1739.

Mr. DOLE. Mr. President, I ask unanimous consent that further reading of the amendment be dispensed with.

The PRESIDING OFFICER. Without objection, it is so ordered.

The amendment is as follows:

On page 157, between lines 5 and 6, insert the following:

"(7) cardiopulmonary resuscitation training;".

On page 157, line 6, strike out "(7)" and insert in lieu thereof "(8)".

On page 157, line 7, strike out "(8)" and insert in lieu thereof "(9)".

Mr. DOLE. Mr. President, in the past several years our citizens have learned that they can help themselves and others by applying skills traditionally reserved for the professionals of our society.

The concept of "self-help" is as old as America itself; our country grew as persons taught one another techniques for survival. Today self-help programs in health and illness are growing, in large part because of our need to supplement services of the health care providers. Ideally they will reduce the longitudinal cost of health care by reducing morbidity and mortality in populations at risk.

A good example of the consumer's interest in self-help programs is the growing support for developing cardiopulmonary resuscitation training programs, or CPR, as it is commonly known, to reduce mortality from the Nation's No. 1 killer—the heart attack.

The amendment I am offering will allow CPR training to be funded in secondary schools under the health amendments to S. 1753.

The Department of Health, Education, and Welfare has estimated that there are more than 1 million heart attacks in the United States each year, with approximately 650,000 proving fatal. More than one-half of these deaths—60 percent or almost 450,000—occur before the victim gets to a hospital, often while he or she is with family, friends, or near other bystanders. The American Heart Association estimates that as many as 200,000 of these lives could be saved each year if 1 out of every 5 people knew what to do before professional help arrived.

WHAT IS CPR? WHY CPR TRAINING?

CPR, or cardiopulmonary resuscitation, is a basic life support technique which trains people to recognize a cardiac emergency and initiate an approach to resuscitation which preserves circulation and ventilation. If started within 1 minute of an attack, CPR gives the victim a much better chance of recovery. It is also a useful technique for other emergencies affecting the heart, such as drowning, suffocation, choking, electric shock, and poisoning.

The American Heart Association and the American Red Cross, the two agencies most involved in the training and certifying of persons in the technique of CPR, estimate that 12 million Americans, or 5 percent of the total population of 218 million now know this technique. Ideally, however, they project that four times as many, or 50 million should master the technique to establish a national network capable of significantly reducing mortality from cardiac emergencies.

HOW CAN WE ESTABLISH A CPR NETWORK IN A MINIMAL AMOUNT OF TIME?

While in 1977 the American Heart Association instructed some 3 million people in the techniques of CPR, data clearly shows that to move toward a meaningful network of trained CPR personnel, we would reach the largest number of people in a minimum amount of time by turning concentrated attention to the secondary school systems. At present there are approximately 14 million students in grades 9 to 12, more than 6 percent of the total population. If all high school students were trained in CPR, this would almost double the percentage of Americans trained in this technique.

Both the American Heart Association and the American Red Cross agree that the education system would be a logical place for such a program. It provides three elements essential for teaching large numbers of people: Classrooms, storage for supplies and equipment, and access to visual aids. In addition, with such equipment available in the school systems, communities as a whole should benefit from greater accessibility to learning CPR technique, through adult education classes and similar programs.

PUBLIC SUPPORT OF SELF-HELP MOVEMENT

A June 1977 Gallup poll reported that a projected 51,000,000 people in the United States may prove interested in learning the technique of CPR. Of those who had heard or read about CPR, 80 percent felt that this training should be required before graduation from high school. Some States have already started. In Seattle, Wash., 1 of every 5 persons has been trained in CPR. What is the result? In the past 5 years, some 600 lives saved in Seattle have been attributed to persons trained in this program.

In Pennsylvania, a comprehensive training program has been introduced in the State's school system, providing for both teacher and student training. With minimum support, we could see such programs grow throughout the United States.

TIME AND COST ESTIMATES

In order to provide an incentive for more programs such as the two that I have mentioned, I introduce this amendment to encourage the country's high schools to begin to provide CPR training for their students. The cost estimate for training persons in CPR is approximately $30 per student, which includes the cost of purchase of equipment, instructor training, and basic CPR training for each student.

However, we anticipate the cost of the program would be considerably reduced by utilization of some of the 500,000 instructors in the United States already trained in CPR and by the sharing of equipment between numerous schools and agencies in a community.

PROFESSIONAL SUPPORT

The American Nurses Association, the American Red Cross, the American Heart Association, and the National Student Nurses Association support my amendment and stand ready to assist us in our effort. In a recent letter concerning my amendment, George M. Elsey, the president of the American National Red Cross, said:

The American Red Cross is deeply concerned that each year nearly 700,000 people die of heart attack . . . CPR training should be encouraged and made available to as large a segment of the American public as possible. This training would provide a vast number of potential "on the street" rescuers to aid in alleviating such tragedy."

Dr. George Austin, president of the American Heart Association, in indicating the support of his organization, said:

Although we have found great interest among school personnel, many of these programs have not been implemented for lack of funding.

MAJOR IMPLICATIONS OF THE PROGRAM

With the introduction of such a training program in the high schools of the Nation, the benefits we will see should prove substantial. We will have a cadre of our population with the knowledge necessary to make intelligent decisions in the face of a life and death situation. We should see a reduction in loss of lives from heart-related emergencies. Most of all, we will be providing a mechanism for our people to help each other. We in Congress have been touched by the fact that our own Members do not go unscathed by life crises and the need for help in the face of such crises. This is a program from which we can all benefit.

Mr. President, the amendment I am offering will not earmark money, but it will authorize participation in the health and education for the purpose of providing cardiopulmonary resuscitation training to high school students.

The floor managers indicate they would object to earmarking that money, but not to including it in one of the purposes.

That is all the amendment does. It is not the earmarking amendment. It simply says that is a program that has great merit.

It is a concept of self-help. It is a good example of interest in self-help programs.

We all know that we are dealing with the Nation's No. 1 killer, a heart attack.

It seems to me and others in the Health Subcommittee, of which I am a member, as well as the distinguished Senator from West Virginia (Mr. RANDOLPH), that the time to teach people how to cope with heart attacks is when they are in high school, when they can be trained as to what to do in the case of an emergency.

The amendment does not earmark any funds. I understand the objection to that.

Mr. RANDOLPH. Mr. President, will the Senator yield?

Mr. DOLE. I yield.

Mr. RANDOLPH. Mr. President, I commend the able Senator from Kansas for pointing up, in the closing minutes of this debate, a need which I think is

clearly understood by those of us who have worked in this particular area.

I hope it will be possible for the managers of the bill to accept the amendment under the clarification made by the Senator who has presented it.

I ask the Senator to include me as a cosponsor.

Mr. DOLE. Mr. President, I ask unanimous consent that the name of the Senator from West Virginia (Mr. RANDOLPH) be added as a cosponsor of the amendment.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. PELL. Mr. President, this is an excellent amendment. I often have wondered what happens to one who might have a heart attack in the street. Most people do not know this kind of resuscitation. With this amendment, it may mean that more people will know it, and we will have a better chance of survival in that case.

I recommend acceptance of the amendment.

Mr. JAVITS. Mr. President, the amendment which this amended is Senator CHAFEE's. We regard it as very creative. I have consulted with him, and so long as there is no earmarking, he sees no objection. So we accept the amendment.

The PRESIDING OFFICER. The question is on agreeing to the amendment.

The amendment was agreed to.

The PRESIDING OFFICER. The Senator from Washington (Mr. MAGNUSON).

Mr. CHAFEE. Mr. President, I have a brief amendment. I wonder if we could dispose of it first.

The PRESIDING OFFICER. The Chair just recognized the Senator from Washington.

Mr. MAGNUSON. I yield to the Senator from Rhode Island.

UP AMENDMENT NO. 1740

(Purpose: To assure coordination, planning health special projects)

Mr. CHAFEE. Mr. President, I send the amendment to the desk.

The PRESIDING OFFICER. The amendment will be stated.

The assistant legislative clerk read as follows:

The Senator from Rhode Island (Mr. CHAFEE) proposes an unprinted amendment numbered 1740.

Mr. CHAFEE. Mr. President, I ask unanimous consent that reading of the amendment be dispensed with.

The PRESIDING OFFICER. Without objection, it is so ordered.

The amendment is as follows:

On page 156, line 22, insert "(a)" after "Sec. 362.".

On page 157, between lines 8 and 9, insert the following: "(b) Prior to establishing final regulations for making grants under this part, the Commissioner shall consult with the Assistant Secretary of Health, Education, and Welfare for Health and the Surgeon General to assure coordination and nonduplication of effort.".

Mr. CHAFEE. Mr. President, this amendment deals with the very subject that the Senator from Kansas dealt with previously. It is a technical amendment to the health education provision of this act. It simply assures that there will be coordination between the Office of Education and the Public Health Service in planning these special health projects so that there will be no duplication of effort.

I have consulted with the floor managers, and they are in agreement with the amendment.

Mr. PELL. Mr. President, this is an excellent amendment, and I recommend that it be accepted.

Mr. JAVITS. Mr. President, the amendment is acceptable.

The PRESIDING OFFICER. The question is on agreeing to the amendment.

The amendment was agreed to.

UP AMENDMENT NO. 1741

Purpose: To strike out provisions relating to reservation of funds for section 116 relating to special incentive grants in States having compensatory education programs and section 117 relating to grants for local educational agencies in counties with especially high concentrations of children from low-income families

Mr. MAGNUSON. Mr. President, I send to the desk an amendment cosponsored by 32 Senators.

The PRESIDING OFFICER (Mr. MOYNIHAN). The amendment will be stated.

The assistant legislative clerk read as follows:

The Senator from Washington (Mr. MAGNUSON) proposes an unprinted amendment numbered 1741, for himself and Mr. MUSKIE, Mr. PROXMIRE, Mr. HOLLINGS, Mr. CHILES, Mr. BURDICK, Mr. BELLMON, Mr. DOMENICI, Mr. YOUNG, Mr. STEVENS, Mr. SASSER, Mr. ABOUREZK, Mr. SCHMITT, Mr. JACKSON, Mr. MORGAN, Mr. DECONCINI, Mr. HANSEN, Mr. BARTLETT, Mr. HUDDLESTON, Mr. ZORINSKY, Mr. STENNIS, Mr. PAUL G. HATFIELD, Mr. MELCHER, Mr. BUMPERS, Mr. HODGES, Mr. BAYH, and Mrs. ALLEN.

Mr. MAGNUSON. Mr. President, I ask unanimous consent that reading of the amendment be dispensed with.

The PRESIDING OFFICER. Without objection, it is so ordered.

The amendment is as follows:

On page 107, strike out lines 5 through 13.

On page 15, in the Table of Contents, strike out item "Sec. 194.".

Mr. MAGNUSON. Mr. President, I have a series of amendments I would like to call up at this time.

The first amendment would delete section 194 of the bill. Section 194 reserves the first $400 million appropriated for title I, education of the disadvantaged, for concentration grants, and requires that State compensatory education programs, once funded, must continue to be funded at least at the preceding year's level. It makes it mandatory, regardless of whether these programs are good or bad. I have no objection to these new program components. In fact, I support them. I have supported them in the Appropriations Committee over the past few years.

I do believe that the mandatory funding requirements would create problems for the Appropriations Committee. If this section stays in the bill, it would mandate an additional appropriation of at least $400 million for title I in fiscal 1979.

I hope the amendment will be accepted by the managers of the bill.

Mr. JAVITS. Mr. President, I am going to accept the amendment offered by the Senator from Washington (Mr. MAGNUSON), but I do wish to make one thing clear.

First, Senator MAGNUSON has stated that he approves of the concept which went into the committee's amendment, and his action represents the desire of the Appropriations Committee's freedom of action, with which we cannot disagree.

I believe it is important that the Senate be fully apprised of the committee's thinking when inserting section 194. The new concentration grants were designed to repair a very difficult problem in the title I program. Oversight and testimony in the Human Resources Committee demonstrated that the greatest single difficulty with title I was the fact that high concentrations of children in rural areas and children in urban areas were not receiving sufficient funds to make the title I program work effectively. The concentration factor is an attempt to compensate for the severe difficulties of title I children in areas where they are literally "concentrated" in large number. It is a proposal of relatively modest cost to compensate for the fact that title I remains several billion dollars below its full authorization.

The Human Resources Committee has experienced a mixture of success and disappointment in the results of spending decisions by the Congress. Some programs have done quite well while other meritorious programs are significantly underfunded. We recognize the difficulties facing any committee in dealing with spending decisions, and I appreciate greatly the tremendous workload and difficulties which the Appropriations Committee faces each year. They do a remarkable job.

I point out that the administration has requested the concentration grants and the State incentive program and has requested in fiscal 1979 the very $400 million appropriation to fully fund the concentration grants which the bill contains. So we endeavored to insure that these moneys would be given high priority.

I understand that Senator MAGNUSON, the chairman of the Appropriations Committee, as well as several senior members of the Budget Committee, are strongly inclined to favor the full $400 million spending in fiscal year 1979, and make appropriate allowances in the next supplemental appropriation and in the second concurrent budget resolution. This achieves the desire of the Human Resources Committee expressed in section 194 of S. 1753, that the new concentration grants would receive favorable treatment. We believe that section 194 does not force any appropriations. Rather, it simply puts a priority on the concentration grants. This is not an appropriation forcing device, rather it is simply a statement of Human Resources Committee views as to the principal importance of beginning the concentration grants program in 1979.

Based on the assurances of support from Senator MAGNUSON and others, I

am comfortable in accepting his amendment to strike 194 from this bill.

Mr. MAGNUSON. I appreciate that. They do have high priority in the Appropriations Committee.

I yield to the distinguished ranking minority member, the Senator from South Dakota (Mr. YOUNG), who will say the same.

Mr. YOUNG. Mr. President, I am very pleased to be a cosponsor of the amendments offered by my friend Mr. MAGNUSON, chairman of the Appropriations Committee.

These amendments would retain control by the Senate Appropriations Committee over certain appropriations for the Department of Health, Education, and Welfare.

It would place in excess of half-a-billion dollars back under congressional appropriations control.

Mr. President, I have long opposed back-door spending or the spending of any Federal funds which escape the review and control of the Appropriations Committee.

The Appropriations Committee can and does perform a necessary function by cutting back on funds for programs where there is waste or cutting appropriations for many functions of Government which are no longer necessary.

Agencies of the Federal Government which bypass the Appropriations Committee process in obtaining their funds can easily engage in wasteful, unnecessary, and even corrupt practices.

They can get far out of bounds on their spending before the Congress can act to curtail this type of spending.

At the present time at least two-thirds of the Labor/HEW appropriations bill is uncontrollable. By that I mean we on the Appropriations Committee have no alternative but to approve the funds mandated for various programs.

This means that any across-the-board percentage cut in appropriations must come out of that remaining percentage over which the Appropriations Committee can exercise control.

This amendment also directs that a study be done of the impact aid program. This is a program I have long supported. It has been of immense benefit to North Dakota schools.

The problem, however, is with the direction or lack of direction in the program. To mandate that only one of the several categories of impact assistance be funded at a particular level only acts to the detriment of the entire program. A thorough study is long overdue.

Mr. President, it is not just the Labor/HEW bill in which the funds of many programs are mandated. Of the approximately $500 billion in Federal spending, only about half is controllable by the Appropriations Committee.

If we are to achieve any degree of control over Federal spending, we cannot continue to endorse back-door spending.

Therefore, I very strongly support this amendment and urge its adoption.

Mr. MAGNUSON. Mr. President, I move the adoption of the amendment.

Mr. PELL. I recommend acceptance of the amendment.

The PRESIDING OFFICER. The question is on agreeing to the amendment.

Without objection, the amendment is agreed to.

Mr. MAGNUSON addressed the Chair.

The PRESIDING OFFICER. The Senator from Washington.

Mr. MAGNUSON. The Senator from Florida wishes to present a second amendment, and he is on his way here, but I wanted to ask one question of the Senator from Rhode Island and the Senator from New York: What is the price tag on this bill? How much have you authorized?

Mr. PELL. For 5 years the total amount is, I am informed—I have not added it up myself—$54 billion.

Mr. MAGNUSON. I think we should add it up if we know what we are going to do.

Mr. PELL. I will get an adding machine.

Mr. MAGNUSON. All right.

Mr. PELL. It is $52 billion.

Mr. MAGNUSON. Fifty-two billion dollars?

Mr. PELL. For 5 years.

Mr. MAGNUSON. I understand. And that is for 5 years?

Mr. PELL. It is about the best cost-benefit investment we can make in the education of our most important product, our young people.

Mr. MAGNUSON. Now, the Senator from Rhode Island need not discuss that with me. I understand how vitally important an investment education is, and I do not think anyone in the Senate does not understand that. But we do have to know what the price tag is.

Mr. PELL. Fifty-two billion dollars—$11 billion a year.

Mr. MAGNUSON. Fifty-two billion dollars.

Mr. MUSKIE. Mr. President, if the Senator will yield, the CBO has $55.1 billion on this bill.

Mr. MAGNUSON. Fifty-five billion?

Mr. MUSKIE. Fifty-five point 1 billion for 5 years.

Mr. PELL. I am informed that my figures are incorrect. I have not added them up myself, and $55 billion is apparently the correct figure.

Mr. MAGNUSON. I say to the Senator from Rhode Island, this is an authorization?

Mr. PELL. That is correct, a ceiling.

Mr. MAGNUSON. A ceiling. And if there were full funding it would cost us $55 billion?

Mr. PELL. But we hope for full funding as the Senator's generous heart will allow.

Mr. MAGNUSON. The Appropriations Committee will have a little bit to say about that. We have already begun the fiscal 1979 appropriations process. In the Labor-HEW bill, we have a very generous recommendation for education. We are recommending the highest level of funding for appropriations that we have ever had. Now we are asking to authorize, to commit ourselves to some extent, to $55 billion more. And I just wanted to warn the Senate, not for someone up here to write for the educators in the country, but for the ones who are here all the time in my office and in the Senator's office, that the Senate now says that you can have $55 billion.

They are not going to get all that, I do not think.

And I appreciate the Senator accepting these amendments and giving us some control over this matter. Some programs we are going to have to take a good long look at because they have outlived their usefulness. We may as well admit that. And as to some new innovative programs, there are a lot of them that are in this bill, and many are good ones. Maybe we should take out some and put some money into these new innovative programs that may accomplish a little more in the field of education.

We all know about education. We have been for it. I have been voting for education around here for a long, long time, and I have been putting money in appropriations bills, so much so that I have been vetoed five times over it. But I think the time has come when we have to re-evaluate some of these programs. There are so many in there. Some of them have to be looked at. I suppose some of them are going to end up being sort of pilot operations to find out whether they are going to work or whether they are contributing to the goals of improving the Nation's education. And I just wanted to make that statement because the $55 billion is the authorization for Federal educational assistance, is that correct?

Mr. PELL. That is correct.

Mr. MAGNUSON. Does the Senator not think some of these local people could pick up these tabs once in a while?

Mr. PELL. I think they feel pretty burdened already, but I get the message. I say this is maybe the ceiling so let us make that floor as high as we can, also.

Mr. MAGNUSON. I hope the Senator is not like a lawyer who sues for $10,000 and hopes he settles the case for $5,000 because that puts us in a little bad shape.

Mr. PELL. No; we hope for 9½.

Mr. MAGNUSON. Yes.

Mr. HARRY F. BYRD, JR. Mr. President, will the Senator from Rhode Island for a question?

Mr. MAGNUSON. I have the floor.

The PRESIDING OFFICER. The Senator from Washington has the floor.

Mr. HARRY F. BYRD, JR. Will the Senator from Washington yield to me to ask the Senator from Rhode Island a question?

Mr. MAGNUSON. I yield.

Mr. HARRY F. BYRD, JR. Mr. President, will the Senator from Rhode Island indicate the amount that will be authorized for fiscal 1979 under this proposal?

Mr. PELL. We are looking it up in the Congressional Budget Office. It is $11 billion.

Mr. HARRY F. BYRD, JR. Eleven billion dollars for fiscal 1979?

Mr. PELL. 1979, that is correct.

Mr. HARRY F. BYRD, JR. How does that compare with fiscal 1978? What was appropriated for fiscal 1978?

Mr. MAGNUSON. For all of education?

Mr. HARRY F. BYRD, JR. No.

Mr. PELL. I do not have those figures.

Mr. HARRY F. BYRD, JR. What is the current proposal?

Mr. MAGNUSON. I think in round figures it is a little over $11.4 billion already in the bill on the desk.

Mr. MUSKIE. Mr. President, will the Senator yield?

Mr. MAGNUSON. I yield. The Senator may have those figures. We gave them to him.

Mr. MUSKIE. I have the amount that was provided in the second concurrent budget resolution. That amount was $5.2 billion as compared to the $11.2 billion included in this bill. So if this bill were fully funded it would exceed the budget resolution by twice.

Mr. HARRY F. BYRD, JR. Is the Senator from Maine saying the proposal before the Senate now is double the amount approved by the first budget resolution?

Mr. MUSKIE. That is right. It is not unusual for these authorization bills especially in education to substantially exceed appropriations. That is why Senator MAGNUSON and Senator EAGLETON'S amendment are important. Their amendment will restore the discretion of the Appropriations Committee in determining the extent to which these amounts are appropriated.

Mr. HARRY F. BYRD, JR. But it does not change the total figure that is being authorized of $11 billion, as I understand.

Mr. MAGNUSON. It does not change the figure, no.

Mr. MUSKIE. No. But it does give the Appropriations Committee the discretion to decide how much to appropriate.

Mr. HARRY F. BYRD, JR. I think it is an important point being developed here that the bill before the Senate as recommended by the Human Resources Committee provides for double the amount approved in the first budget resolution.

Mr. MUSKIE. If it were fully funded.

Mr. MAGNUSON. That is correct.

Mr. HARRY F. BYRD, JR. The second question is, How does this $11 billion compare with the amount that was appropriated for similar functions of education for this fiscal 1978?

Mr. PELL. Mr. President, we do not have the appropriations figure here.

Mr. MAGNUSON. It is approximately $11 billion for all the education programs in HEW.

Mr. HARRY F. BYRD, JR. So it is a $2 billion increase.

Mr. PELL. This is an authorization.

Mr. HARRY F. BYRD, JR. This is an authorization.

Mr. PELL. This is what they think should be spent to do the job we are trying to do. We are not saying it will be spent. It is what we believe should be spent.

Mr. HARRY F. BYRD, JR. But it is a $2 billion increase.

Mr. MAGNUSON. Of course, I must say this is for all purposes in education. It is not just for title I that we are talking about now. It is for all federally assisted education programs.

Mr. HARRY F. BYRD, JR. It is not a comparable figure that the Senator from Washington is giving. It is not a comparable figure then.

Mr. MAGNUSON. We will get the exact figures, but I think for all purposes in the HEW bill that is on the desk we are around $11.4 billion.

Mr. HARRY F. BYRD, JR. And that compares with what?

Mr. MAGNUSON. That is for fiscal year 1979.

Mr. HARRY F. BYRD, JR. Is that comparable?

Mr. MAGNUSON. Yes.

Mr. PELL. Except for the year.

Mr. MAGNUSON. Yes.

Mr. HARRY F. BYRD, JR. Is that $9 billion comparable to the $11 billion that the Senator from Rhode Island is discussing?

Mr. PROXMIRE. Mr. President, will the Senator from Virginia yield?

It is not comparable, because, of course, the $11.4 billion includes the money for higher education.

Mr. MAGNUSON. That is right.

Mr. PROXMIRE. That is about half the amount.

Mr. MAGNUSON. That is right. It is for all educational purposes in HEW.

Mr. PROXMIRE. So if you compare it with $11 billion that is about twice as much, as the Senator from Maine has pointed out, 100 percent more.

Mr. MAGNUSON. That is right. I will put into the RECORD the exact figures, the division between higher education and elementary and secondary. For elementary and secondary education. We have $4.3 billion recommended for fiscal 1979.

Mr. HARRY F. BYRD, JR. We are not discussing higher education now. We are discussing elementary and secondary education, are we not?

Mr. PELL. The Senator is correct. This amount is about twice what has been appropriated and what we think should be spent to do the job.

Mr. HARRY F. BYRD, JR. So what your committee is asking the Senate to do then is to authorize twice as much money as is being spent in fiscal year 1978; is that correct?

Mr. PELL. That is correct.

Mr. HARRY F. BYRD, JR. I thank the Senator.

Mr. MAGNUSON. Mr. President, if the Senator will yield for just a moment, just for elementary and secondary education in the bill, the HEW bill, that has now been appropriated, is $4.3 billion.

Mr. HARRY F. BYRD, JR. Does that compare with the $11 billion in the bill now?

Mr. MAGNUSON. Yes, it compares in that $11 billion is much more than $4.3 billion.

Mr. HARRY F. BYRD, JR. What I am saying is instead of it being double this proposal is triple the amount that has been appropriated for fiscal 1978; is that right?

Mr. MAGNUSON. Pretty close to it.

Mr. HARRY F. BYRD, JR. I had hoped to vote for this bill, but I do not know whether I can vote for a bill tripling the amount of money authorized for 1 year, and the next year this will be tripled insofar as the authorization is concerned.

Mr. PELL. You are correct. I thought it was nearer double of what we should have spent, and the authorization for a year ago was, a year ago it was, between $9 billion and $10 billion. It is an increase.

Mr. MAGNUSON. This is an increase for all, all of the education programs at HEW.

Mr. HARRY F. BYRD, JR. Insofar as education is concerned, this provides for three times the amount of money that has been appropriated for the current year, is that correct? That is what I understood the Senator to say.

Mr. MAGNUSON. It authorizes.

Mr. PELL. It authorizes $11 billion.

Mr. MAGNUSON. The Senator is correct.

Mr. HARRY F. BYRD, JR. That is right. It authorizes three times as much money as was appropriated for the current year, is that correct?

Mr. PELL. Five times $3 billion is $15 billion. My understanding is it is about twice. Two times $5 billion is $10 billion or $11 billion.

Mr. HARRY F. BYRD, JR. The Senator from Washington stated it was a little over $4 billion appropriated for these items for fiscal 1978; is that correct?

Mr. MAGNUSON. That is correct, $4.3 billion.

Mr. HARRY F BYRD, JR. And this proposal is to authorize $11 billion?

Mr. MAGNUSON. That is what I understand. That is why I asked the Senator the question.

Mr. HARRY F. BYRD, JR. That is almost four times.

Mr. PELL. The figure of $3 billion-plus the Senator from Washington cited does not include impact aid, does not include the handicapped, and some other figures.

Mr. HARRY F. BYRD, JR. Then, to get it comparable, what would it be?

Mr. PELL. It would be about $5 billion.

Mr. MAGNUSON. It is not all for elementary and secondary. It includes other things; many equally important higher education programs are included in that figure.

Mr. HARRY F. BYRD, JR. So to get the comparable figure—

Mr. PELL. It is about double.

Mr. HARRY F. BYRD, JR. What the Senator from Rhode Island proposes——

Mr. MAGNUSON. No matter how you slice it, it is double anyway.

Mr. HARRY F. BYRD, JR. I think the Senator from Washington has rendered an important service to the Senate tonight. Certainly the Senator from Virginia did not realize that this proposal authorizes twice as much money as has been appropriated in this 1 year for fiscal 1978. It seems to me that is very unreasonable.

Mr. SARBANES. Mr. President, will the Senator from Virginia yield for a moment? Would the Senator from Washington yield?

Mr. MAGNUSON. Yes.

Mr. SARBANES. What is the authorization for this fiscal year for which these appropriation figures are being cited?

Mr. PELL. It is a little under $10 billion.

Mr. SARBANES. And the Senator is authorizing $11 billion. That is the comparison on the authorization, the gap between the authorization and the appropriation, which is a reasonable point. But I think it ought to be placed in the context of what the existing authorization is.

Mr. HARRY F. BYRD, JR. I think it should be placed in the context of what the appropriation is. That is what is costing the taxpayers the money, what the appropriation is.

Mr. SARBANES. That is within the control of the committee that is chaired by the Senator from Washington.

Mr. HARRY F. BYRD, JR. That is right. The higher the appropriation is——

Mr. SARBANES. I find it interesting that the authorization for this year is twice the appropriation, so the situation has not really changed very much for next year.

Mr. MAGNUSON. I am not going to argue with what the Appropriations Committee is going to do, but I merely want to say that if we appropriated all of the money that has been authorized by the Congress of the United States in all fields, including HEW, I still say that the U.S. marshal would go downtown and put a sign up on the Treasury saying, "This bank is broke. Come back after we go through bankruptcy."

What I was trying to point out when I asked for the price tag of how much it cost, was that authorizations have a great deal to do with appropriations.

They are not only ceilings but are directives, and we understand, and we take a good look at the wishes of the legislative committees that do this. I have been chairman of a legislative committee for many, many years.

Mr. HARRY F. BYRD, JR. Mr. President, will the Senator yield for a question?

Mr. MAGNUSON. I suppose I am just as guilty as everybody else. "This," I have said, "is only an authorization."

Mr. HARRY F. BYRD, JR. Will the Senator yield for a question?

Mr. MAGNUSON. Yes.

Mr. HARRY F. BYRD, JR. Does the Senator from Washington think it is reasonable to ask the Senate to authorize an appropriation double the amount that has been appropriated for the current fiscal year?

Mr. MAGNUSON. It is reasonable from their viewpoint, but it makes it a little difficult for the Appropriations Committee because then all of these programs have their own constituencies.

Mr. HARRY F. BYRD, JR. It makes it more difficult for the taxpayers, I might say.

Mr. MAGNUSON. Each of the programs have their own constituencies, so you do not appropriate as much as they think they are going to get. So we go home and catch the devil about that and the authorization committees can go scot-free. "We think we ought to have this amount." I have done it, and I am just as guilty. But I do now have the responsibility, the Senator from Maine and I, and what we are trying to do is to find out where we are going in this field.

Mr. HARRY F. BYRD, JR. We are going deep in the hole if we are going to authorize twice as much money for next year as you spend for this year.

Mr. MAGNUSON. That happens all the time.

Mr. PELL. Mr. President, if the Senator will yield——

Mr. HARRY F. BYRD, JR. It unfortunately does.

Mr. PELL. We have knocked out $500 million by the removal of title XII.

Mr. MAGNUSON. Yes, we knocked it out.

Mr. PELL. To the nonpublic schools. In addition to that, we knocked out $200 million as a result of the amendment of the Senator from Missouri and the Senator from Washington and others, and I believe the Senator——

Mr. MAGNUSON. I have an amendment to reduce it another $120 million.

Mr. PELL. Let us hear it.

Mr. MAGNUSON. I think that is what we ought to do.

Mr. PROXMIRE. Mr. President, will the Senator yield for just one more question? Is it not true this is still about 100 percent over the President's budget request? The President requested to be authorized, not appropriated, but authorized this year about $5 billion, and we are authorizing instead of that close to $11 billion?

Mr. MAGNUSON. I have a letter from the OMB which I ask unanimous consent be printed in the RECORD. The Senator is correct.

There being no objection, the letter was ordered to be printed in the RECORD, as follows:

EXECUTIVE OFFICE OF THE PRESIDENT,
Washington, D.C., August 23, 1978.

Hon. HARRISON A. WILLIAMS, Jr.,
Chairman, Committee on Human Resources, U.S. Senate, Washington, D.C.

DEAR MR. CHAIRMAN: In a separate letter to you the Administration expresses great concern about the Impact Aid provisions in S. 1753, the Education Amendments of 1978. The President regards a reduction of the program expansions above current law and the introduction of modest reforms in Impact Aid essential to a responsible level of Federal spending for education in S. 1753.

Unfortunately, S. 1753 authorizes unwarranted expansions of Impact Aid payments beyond the legitimate burden to districts resulting from the federal presence. S. 1753 adds $350 million of payments above the current services level for Impact Aid. The bill eliminates all the major reforms in Impact Aid which were instituted in 1974, and doubles the size of the mandatory Tier 2 payments from what they were only four years ago.

We support the efforts of the Senate Appropriations Committee to curtail Impact Aid payments for Fiscal Year 1979. Their action reflects this Administration's and the public's deep conviction that unwarranted federal spending cannot be tolerated.

We strongly support the Impact Aid and Title I amendments which we understand Senator Magnuson will offer on the floor of the Senate, with the support of Senator Muskie. These amendments will (a) return Impact Aid public housing payments to current law, (b) add discretionary authority for additional public housing payments independent of the Tier system, (c) mandate a study of Impact Aid, and (d) remove the inflexible funding provisions in Title I.

For the following reasons, we strongly support the Impact Aid and Title I amendments which Senator Magnuson intends to sponsor:

The Impact Aid Public Housing provisions in S. 1753 skew the federal education priorities away from large concentrations of poor children and toward school districts which qualify for other reasons.

Public housing payments are not proportionate to concentrations of poor children. Because the Impact Aid public housing formula reflects local housing policies, but not necessarily the large concentrations of poor children, the Impact Aid provisions of S. 1753 will benefit only 14 states compared to 35 states that would benefit from a similar amount of increased Title I funds.

In future years the inflexible funding provisions in Impact Aid, Title I State Incentive grants and Concentration grants virtually eliminate the choice of adding limited federal dollars to the basic Part A Title I program first, even though the basic program provides the greatest benefits to thirty five states and is targeted to low income children. (See the attached state by state analysis.)

The Impact Aid amendments return public housing payments to current law which allocates $79 million primarily to urban areas.

The Administration also supports the Impact Aid amendments which we understand will be introduced by Human Resources Committee members and others.

We hope you will join the Administration in working for passage of all the above amendments to Impact Aid and Title I.

S. 1753, as reported by the Committee, is not in accord with the program of the President.

Sincerely,

JAMES T. MCINTYRE, Jr.,
Director.

IMPACT AID ANALYSIS

1. Increased funding through Title I—Part A (Basic Program) provides greater gains to more states than increased funding through Impact Aid—Public Housing increases. The 35 gainers are states with large numbers of Title I-eligible children, but not necessarily large concentrations of public housing. Title I (Part A) is a better way than Impact Aid-Public Housing to distribute additional funds to low income children. (See Table 1.)

GAINERS (35)

Arizona, Arkansas, California, Colorado, Florida, Idaho, Indiana, Iowa, Kansas, Kentucky, Louisiana, Maine, Massachusetts, Michigan, Minnesota, Mississippi, Missouri, Montana, Nebraska, New Mexico, North Carolina, North Dakota, South Dakota, Oklahoma, Oregon, Rhode Island, South Carolina, Tennessee, Texas, Utah, Vermont, Washington, West Virginia, Wisconsin, Wyoming.

LOSERS (13)

Alabama, Georgia, Hawaii, Illinois, Maryland, Nevada, New Hampshire, New Jersey, New York, Ohio, Puerto Rico, Pennsylvania, Virginia.

NO CHANGE (2)

Alaska, Delaware.

Impact Aid current law plus increases in Title I—Part A benefits 35 states. Increases in public housing *only*, however, benefit 14 states.

S. 1753—EDUCATION AMENDMENTS OF 1978

TABLE 1.—FISCAL YEAR COMPARISON OF DISTRIBUTION OF $117,000,000 IN TIER II PUBLIC HOUSING (IMPACT AID) WITH $117,000,000 UNDER ESEA TITLE I BASIC LOCAL PROGRAM (PART A)

[In millions of dollars]

State	$117,000,000 basic title I program (1)	S. 1753 increase public housing (2)	Col. (1) minus col. (2) (3)
Total	117.24	117.24	0
Alabama	3.19	3.41	−.22
Alaska	.23	.20	+.03
Arizona	1.17	.27	+.90
Arkansas	1.81	.82	+.99
California	9.80	6.12	+3.68
Colorado	1.08	.83	+.25
Connecticut	1.03	1.65	−.62
Delaware	.30	.39	−.09
District of Columbia	.71	1.87	−1.16

S. 1753—EDUCATION AMENDMENTS OF 1978—Con.

TABLE 1.—FISCAL YEAR COMPARISON OF DISTRIBUTION OF $117,000,000 IN TIER II PUBLIC HOUSING (IMPACT AID) WITH $117,000,000 UNDER ESEA TITLE I BASIC LOCAL PROGRAM (PART A)—Continued

[In millions of dollars]

State	$117,000,000 basic title I program (1)	S. 1753 increase public housing (2)	Col. (1) minus col. (2) (3)
Florida	4.03	2.73	+1.30
Georgia	3.44	3.89	−.45
Hawaii	.42	.54	−.12
Idaho	.29	.08	+.21
Illinois	5.10	6.51	−1.41
Indiana	1.55	1.00	+.55
Iowa	1.12	.01	+1.11
Kansas	.92	.25	+.67
Kentucky	2.46	1.14	+1.32
Louisiana	3.62	2.45	+1.17
Maine	.45	.22	+.23
Maryland	2.04	2.32	−.28
Massachusetts	2.34	2.10	+.24
Michigan	4.75	1.31	+3.44
Minnesota	1.72	.78	+.94
Mississippi	3.04	.93	+2.11
Missouri	2.14	.87	+1.27
Montana	.40	0.00	+.40
Nebraska	.66	.22	+.44
Nevada	.15	.38	−.23
New Hampshire	.19	.40	−.21
New Jersey	3.09	5.02	−1.93
New Mexico	.99	.33	+.66
New York	11.64	31.90	−20.66
North Carolina	3.68	3.58	+.10
North Dakota	.33	.09	+.24
Ohio	3.61	4.23	−.62
Oklahoma	1.45	.53	+.92
Oregon	1.09	.25	+.84
Pennsylvania	5.53	7.15	−1.62
Rhode Island	.41	.46	−.05
South Carolina	2.42	.84	+1.58
South Dakota	.44	0	+.44
Tennessee	2.88	2.69	+.19
Texas	7.70	4.22	+3.48
Utah	.39	.07	+.32
Vermont	.19	.07	+.12
Virginia	2.80	3.00	−.20
Washington	1.36	.80	+.56
West Virginia	1.27	.35	+.92
Wisconsin	1.92	.53	+1.39
Wyoming	.17	.03	+.14

Note: 35 States gain under ESEA title I.

Source: HEW estimates.

2. Title I—Concentration is not a separate program; it is a supplemental payment to give needed additional support to areas with 20 percent or 5,000 Title I-eligible children. Concentration monies and Title I—Part A (Basic Program) monies are comingled and used for the same purpose at the school district level. A minimum payment of one quarter of one percent is allocated to each state through the Concentration provisions.

Increased funding for Title I Concentration benefits more states than increased funding for Impact Aid Public Housing. A total of 30 states gain if additional funds are added to Concentration compared to additional money for Impact Aid Public Housing. These same 30 states lose if you reduce Title I Concentration by $120 million it would take to fund Impact Aid Public Housing Tier II. (See table 2.)

Gainers (Trade-off of Concentration for Public Housing)

Alaska, Arizona, Arkansas, California, Florida, Idaho, Iowa, Kansas, Kentucky, Louisiana, Maine, Massachusetts, Michigan, Mississippi, Missouri, Montana, Nebraska, New Mexico, North Dakota, Oklahoma, Oregon, South Carolina, Texas, Utah, Vermont, Washington, West Virginia, Wisconsin, Wyoming, South Daokta.

NOTE.—For the same amount of money, the above states gain under Title I concentration, but lose under Impact Aid public housing.

TABLE 2.—FISCAL YEAR 1979 ESEA TITLE I CONCENTRATION GRANTS AT $400,000,000 COMPARED WITH CONCENTRATION GRANTS REDUCED TO $280,000,000 AND TIER II PUBLIC HOUSING AT $117,000,000

[In millions of dollars]

State	Concentration at $400,000,000 (1)	Concentration at $280,000,000 (2)	Tier II public housing at $117,000,000 (3)	Cols. (2)+(3) (4)	Difference of (1)−(4) (5)
Total	400.0	280.0	117.0	397.0	+3.0
Alabama	10.1	7.0	3.4	10.4	−.3
Alaska	1.0	.7	.2	.9	+.1
Arizona	4.2	2.9	.3	3.2	+1.0
Arkansas	4.9	3.4	.8	4.2	+.7
California	47.9	33.5	6.1	39.6	+8.3
Colorado	1.8	1.2	.8	2.0	−.2
Connecticut	4.0	2.8	1.6	4.4	−.4
Delaware	1.0	.7	.4	1.1	−.1
District of Columbia	3.9	2.7	1.9	4.6	−.7
Florida	13.5	9.5	2.7	12.2	+1.3
Georgia	9.1	6.4	3.9	10.3	−1.2
Hawaii	1.5	1.0	.5	1.5	0
Idaho	1.0	.7	.1	.8	+.2
Illinois	20.2	14.1	6.5	20.6	−.4
Indiana	2.2	1.5	1.0	2.5	−.3
Iowa	1.0	.7	0	.7	+.3
Kansas	1.0	.7	.2	.9	+.1
Kentucky	6.5	4.5	1.1	5.6	+.9
Louisiana	12.3	8.6	2.5	11.1	+1.2
Maine	1.0	.7	.2	.9	+.1
Maryland	6.5	4.5	2.3	6.8	−.3
Massachusetts	9.6	6.7	2.1	8.8	+.8
Michigan	17.7	12.4	1.3	13.7	+4.0
Minnesota	2.0	1.4	.8	2.2	−.2
Mississippi	10.4	7.3	.9	8.2	+2.2
Missouri	5.6	4.0	.9	4.9	+.7
Montana	1.0	.7	0	.7	+.3
Nebraska	1.0	.7	.2	.9	+.1
Nevada	1.0	.7	.4	1.1	−.1
New Hampshire	1.0	.7	.4	1.1	−.1
New Jersey	10.8	7.6	5.0	12.6	−1.8
New Mexico	2.6	1.8	.3	2.1	+.5
New York	58.0	40.6	31.9	72.5	−14.5
North Carolina	8.4	5.9	3.6	9.5	−1.1
North Dakota	1.0	.7	.1	.8	+.2
Ohio	9.5	6.7	4.2	10.9	−1.4
Oklahoma	3.2	2.2	.5	2.7	+.5
Oregon	1.5	1.1	.3	1.4	+.1
Pennsylvania	17.0	11.9	7.1	19.0	−2.0
Rhode Island	1.2	1.0	.5	1.5	−.3
South Carolina	6.7	4.7	.8	5.5	+1.2
South Dakota	1.0	.7	0	.7	+.3
Tennessee	5.5	6.0	2.7	8.7	−.2
Texas	26.9	18.8	4.2	23.0	+3.9
Utah	1.0	.7	.1	.8	+.2
Vermont	1.0	.7	.1	.8	+.2
Virginia	5.3	3.7	3.0	6.7	−1.4
Washington	3.1	2.2	.8	3.0	+.1
West Virginia	2.5	1.8	.3	2.1	+.4
Wisconsin	3.3	2.3	.5	2.8	+.5
Wyoming	1.0	.7	0	.7	+.3
Puerto Rico	21.5	15.1	6.7	21.8	−.3

Note: 30 States gain under concentration at $400,000,000 compared with concentration at $280,000,000 and tier II public housing at $117,000,000.

Source: CRS and HEW estimates.

Mr. PELL. Basically this is not the administration bill. They do not send it up.

Mr. PROXMIRE. But the amount is 100 percent over what the President asked for.

Mr. PELL. No.

Mr. HARRY F. BYRD, JR. I think it is an important point to establish.

The PRESIDING OFFICER. The Chair wishes to say that the Senate is not in order. Will the Senate please be in order and pay attention to the Senator from Washington.

UP AMENDMENT NO. 1742

(Purpose: To modify the provisions relating to minimum payments for State operated programs)

Mr. MAGNUSON. Mr. President, I submit an amendment with another 27 cosponsors, and I ask that it be considered.

The PRESIDING OFFICER. The clerk will report.

The assistant legislative clerk read as follows:

The Senator from Washington (Mr. MAGNUSON), for himself, Mr. MUSKIE, Mr. PROXMIRE, Mr. HOLLINGS, Mr. CHILES, Mr. BURDICK, Mr. BELLMON, Mr. DOMENICI, Mr. YOUNG, Mr. STEVENS, Mr. SASSER, Mr. ABOUREZK, Mr. SCHMITT, Mr. JACKSON, Mr. MORGAN, Mr. DECONCINI, Mr. HANSEN, Mr. BARTLETT, Mr. HUDDLESTON, Mr. ZORINSKY, Mr. STENNIS, Mr. HATFIELD of Montana, Mr. MELCHER, Mr. BUMPERS, Mr. HODGES, Mr. BAYH, Mrs. ALLEN, and Mrs. HUMPHREY proposes an unprinted amendment numbered 1742.

Mr. MAGNUSON. Mr. President, I ask unanimous consent that further reading of the amendment be dispensed with.

The PRESIDING OFFICER. Without objection, it is so ordered.

The amendment is as follows:

On page 85, strike out lines 2 through 15, and insert in lieu thereof the following:

"SEC. 157. For any fiscal year ending prior to October 1, 1983, no State shall receive an amount under subparts 1, 2, or 3 of this part which is less than 85 per centum of the amount paid to that State in the preceding fiscal year under that subpart, or under sections 121, 122, or 123 of this Act as in effect immediately preceding the enactment of this section, whichever the case may be.

Mr. MAGNUSON. Mr. President, this second amendment would allow for the adjustment of appropriations for educating institutionalized handicapped children. The amendment would allow the appropriations for this program to be reduced if the number of handicapped students in State institutions decreases. The handicapped children who leave State institutions would then be eligible for support under the education for the handicapped program.

This amendment will allow for the provision of services to all institutionalized handicapped children covered under title I. It will keep us from appropriating more funds than the program needs in any single year.

Mr. President, I move adoption of the amendment.

Mr. President, the Senator from Florida held a lot of the hearings on this matter. I yield to him.

Mr. CHILES. Mr. President, I just want to join in supporting the chairman of the Appropriations Committee in what he is talking about in this amendment. This amendment, which affects the payments to States for State-operated institutions for the handicapped, leaves in 100 percent entitlement funding based on the number of children served. It does reduce the hold-harmless provision from 100 percent to 85 percent. This provision keeps the funding from being adjusted from the 1974 level, even as the number of pupils served changes. No reduction in funding is required—but it is subject to the Appropriations Committee's action, and I think that is exactly what we should have. I support the distinguished chairman in that regard.

Mr. JAVITS. Mr. President, I am prepared to accept this amendment, because no handicapped child would have his funding reduced. It would only reduce funding in States whose actual count of handicapped children being served by State title I programs was reduced by more than 15 percent from the preceding year. I believe this solution is fair to those few States which have a significant drop in the number of handicapped children served through State title I programs.

Mr. MAGNUSON. We are all hopeful that we will work them out of this status as soon as possible.

Mr. JAVITS. I am ready to vote.

The PRESIDING OFFICER. The question is on agreeing to the amendment (UP No. 1742).

The amendment was agreed to.

UP AMENDMENT NO. 1743

(Purpose: To delete a requirement conditioning authorization of appropriations for title IV on a percent for part E)

Mr. MAGNUSON. Mr. President, I send another amendment to the desk and ask that it be stated.

The PRESIDING OFFICER. The amendment will be stated.

The assistant legislative clerk read as follows:

The Senator from Washington (Mr. MAGNUSON) proposes an unprinted amendment numbered 1743.

Mr. MAGNUSON. I ask unanimous consent that the reading of the amendment be dispensed with.

The PRESIDING OFFICER. Without objection, it is so ordered.

The amendment is as follows:

On page 179, strike out lines 22 through 26.

Mr. MAGNUSON. Mr. President, my third amendment would delete section 402(f), which requires that gifted and talented education must receive at least 5 percent of the total amount appropriated for title IV.

In other words, they are directing us to put in the 5 percent whether we believe it is necessary or not. If this requirement is not met, no funds are authorized to be appropriated for this title IV. This title includes good programs, many of them we have worked on and helped out over the years, such as school libraries, guidance and counseling, improvement of State and local education, the so-called consolidated programs. Other important education programs should not be jeopardized by this required entitlement for education of gifted and talented, or some other specific purpose. We will handle that and do very well; I have no apologies to make for the Appropriations Committee on the amount of money we give to these people on this program.

However, this trigger will be troublesome, because here it is mandatory. I might note that we double the funding for gifted and talented in the fiscal 1979 Labor-HEW bill. If we look at this program and think we should not double it, you make it mandatory on us to do it. Again, we support the gifted and talented program; we just want to make sure that this, like all other education programs is subject to appropriations. That is why some 35 Senators are cosponsoring the amendment to take that trigger out. That becomes a little part of the dialog we have just been talking about.

Mr. JAVITS. Mr. President, as for the dialog, I do not want to get into it, because it is late and everyone wants to get home, but it is a fact that not over 7 percent of the total support of the public school system of the United States comes from the Federal Government; so, although the figures sometimes sound big, it is not all that big a deal. The public school system, out of the backs of their taxpayers, are paying 93 percent.

Remember, that is 7 percent, in contrast with 7 percent—more than 13 times the number of billions of dollars we appropriate that Americans are paying through local governments for the education of their children.

Mr. MAGNUSON. I thought that the concept was that the public schools were a local matter.

Mr. JAVITS. They are local.

Mr. MAGNUSON. I have been around here when Federal aid to education was a bad word, because people around the country would say, "You are interfering with how we educate our kids, and that is a local matter."

I think they should pick up some of these tabs. The Federal Government is really in the red, and all the States are in the black. They ought to continue to pick up part of the tab for the education of the children. We should help as much as we can with these specialized Federal programs. And, we have been doing that.

Mr. JAVITS. You certainly have, Senator MAGNUSON.

Mr. MAGNUSON. Do not let anybody say we have not been doing it.

Mr. JAVITS. Oh, no, I would not say that.

Mr. MAGNUSON. As much as we can afford. We are in the red, and they are all in the black.

Mr. JAVITS. To come back to this gifted and talented matter, Mr. President, really, the amendment is a matter of principle that Senator MAGNUSON is putting up to us. Not that he objects to the program or the amount, but the 5-percent figure is what he objects to.

I am ready to accept the amendment, with this brief statement: First, I would like to thank Senator CHILES because of his efforts. This highly desirable program was doubled in the appropriation, and that was really essential, from 2½ percent to 5 percent. There are 2 million children out of 44 million in this country who are gifted and talented. It is an inestimable resource, and one of the nicest things I could ever do here was develop this particular program and see its success.

I might say, Mr. President, that I have every confidence that the Appropriations Committee fully recognizes the enormous leverage which exists in this program. I think it is very sad that the Office of Education was able to make only 14 grants in fiscal 1978 out of 16,000 local agencies of education. Senator CHILES and Senator MAGNUSON are going to help us do better, and I certainly would not stand in the way of what they feel that they on the Appropriations Committee should do to facilitate the action.

Mr. YOUNG. Mr. President, will the Senator from Washington yield?

Mr. MAGNUSON. I yield to the Senator from North Dakota.

Mr. YOUNG. Would the Senator agree that one of our principal concerns is that we are spending over $500 billion a year, and the Appropriations Committee has jurisdiction over only a little less than half of that amount? There are too many committees authorizing and spending money at the same time, so that there is little or no control over many of these funds. That is something we are concerned about. And this is what we are really arguing about tonight.

Mr. MAGNUSON. I certainly agree, Mr. President, I move the adoption of the amendment.

The PRESIDING OFFICER. The question is on agreeing to the amendment (UP No. 1743).

The amendment was agreed to.

UP AMENDMENT NO. 1744

(Purpose: To improve the funding structure of impact aid under Public Law 874)

Mr. MAGNUSON. Mr. President, I send to the desk a final amendment.

The PRESIDING OFFICER. The Senator from Washington is recognized.

Mr. MAGNUSON. I send to the desk a final amendment, again sponsored by some 27 Senators, and ask that it be reported.

The PRESIDING OFFICER. The amendment will be stated.

The legislative clerk read as follows:

The Senator from Washington (Mr. MAGNUSON), for himself, Mr. MUSKIE, Mr. PROXMIRE, Mr. HOLLINGS, Mr. CHILES, Mr. BURDICK, Mr. BELLMON, Mr. DOMENICI, Mr. YOUNG, Mr. STEVENS, Mr. SASSER, Mr. ABOUREZK, Mr. SCHMITT, Mr. JACKSON, Mr. MORGAN, Mr. DECONCINI, Mr. HANSEN, Mr. BARTLETT, Mr. HUDDLESTON, Mr. ZORINSKY, Mr. STENNIS, Mr. PAUL G. HATFIELD, Mr. MELCHER, Mr. BUMPERS, Mr. BAYH, Mrs. ALLEN, Mr. HODGES, and Mr. BENTSEN, proposes an unprinted amendment numbered 1744.

Mr. MAGNUSON. I ask unanimous consent that the reading of the amendment be dispensed with.

The PRESIDING OFFICER. Without objection, it is so ordered.

The amendment is as follows:

On page 331, between lines 15 and 16, insert the following:

(d) Section 5(e) of such Act is amended by striking out "1978" and inserting in lieu thereof "1983".

On page 331, line 16, strike out "(d)" and insert in lieu thereof "(e)".

On page 334, strike out lines 18 through 21, and insert in lieu thereof the following:

AUTHORIZATIONS FOR PUBLIC HOUSING CHILDREN

SEC. 207. Section 5(c) of the Act of September 30, 1950 (Public Law 874, Eighty-first Congress) is amended by adding at the end thereof the following new paragraph:

"There are authorized to be appropriated $120,000,000 for each fiscal year ending prior to October 1, 1982, to meet unsatisfied entitlements for children who reside on, or who reside with a parent employed on, property which is described in section 403(1)(C).".

On page 340, between lines 2 and 3, insert the following:

IMPACT AID STUDY

SEC. 215. (a) The President shall appoint a Commission on the Review of the Federal Impact Aid Program consisting of 10 members appointed by the Secretary.

(b) The Commission shall review and evaluate the administration and operation of the impact aid program under the Act of September 30, 1950 (Public Law 874, Eighty-first Congress) including—

(1) the equity of the present funding structure under Public Law 874,

(2) the relative benefit of the assistance for impact aid under Public Law 874 in view of increasing costs of the program and the limitation on the availability of funds, and

(3) the ways in which districts of local educational agencies which are Federally impacted can best be assisted in meeting their educational needs.

(c)(1) The Secretary of Health, Education, and Welfare shall assure that the Department of Health, Education, and Welfare provide full support and cooperation to the Commission appointed under this section.

(2) The provisions of part D of the General Education Provisions Act, not inconsistent with the provisions of this section, shall apply to the commission appointed under this section.

(3) This Commission shall closely coordinate its activities with activities of the Advisory Panel on Elementary and Secondary Education authorized under section 114 of this Act.

(d) The Commission shall prepare and submit to the President and to the Congress not later than December 1, 1979, a report on the review and evaluation required by this section, together with such recommendations, including recommendations for legislation relating to the authorization of the program and funding for the program, as the Commission deems appropriate.

On page 20, in the Table of Contents, strike out item Sec. 207 and insert the following:

"Sec. 207. Authorizations for public housing children.".

On page 20, in the Table of Contents, after the item Sec. 214 insert the following:

"Sec. 215. Impact aid study."

Mr. MAGNUSON. I will briefly explain what it does. This is an amendment I know that the committee has some doubts about, and we may have to have a rollcall on it. Does the Senator from New York wish a rollcall on this amendment?

Mr. JAVITS. I would like to hear the Senator.

Mr. MAGNUSON. I hope I am convincing enough that we will not need to have one.

The amendment has to do with impact aid. I have always been a strong supporter of impacted aid, but the program has just grown too fast. As a matter of fact, I say to my colleagues in the Senate that I am a little bit embarrassed about this, because I started the first impact aid. We were building a dam called the Grand Coulee Dam out in my State, and it was being built in a county that had nothing but sagebrush and jackrabbits. There was not a single taxable item in the county, and no schools.

Because it was a Federal project, we got started with impact aid to build a couple of schools for the kids of the workers that came there, the influx of workers.

But, as I say, it has grown too fast. We should make sure that the school districts which are affected by Federal programs, directly affected, are assisted. But this bill proposes to go far beyond that. The bill would add an additional $120 million in mandatory—again, mandatory—appropriations for public housing students.

Public housing is usually in an urban area. Usually public housing is surrounded by millions of dollars worth of real estate and buildings and has a tax base which is good.

I do not object to part of it, perhaps, but the amendment would leave the public housing provision as it currently stands, which is about $79 million, a reduction of $120 million. We are not taking money away from anyone. This money has not been appropriated.

The amendment would make it easier to add funds for public housing if Congress so decides, and if the Appropriations Committee so decides.

Under the amendment we can pull out some items and fund them separately, including public housing, or stop what is going on in some of the counties. I need not mention again the counties around Washington, D.C., where we have seen a tremendous amount of impact aid because there are Government workers here.

It was not intended that way. It does not affect class A students and it does not affect any students coming from people who work in military establishments.

Mr. McINTYRE. Will the Senator yield?

Mr. MAGNUSON. In just a moment.

The third type of impact aid would mandate a study of this program.

I do not know how to do it. It should be a legislative matter. Again, it has not been addressed by the legislative committees to change the rules. I need not cite what goes on in Fairfax County or Montgomery County. My own State is the recipient of a lot of impact aid. Some of it may not be for totally high priority items.

Mr. McINTYRE. Will the Senator yield?

Mr. MAGNUSON. In a moment.

We could go on.

The Senator's former colleague, Norris Cotton, and I have always been opposed to this.

I really want to assist the education of public housing students, and we should add money to the title I program where the money is specifically targeted to the education of the disadvantaged.

All this amendment does is move back to the present level the $79 million and the bill mandates that we go up another $120 million. This knocks a mandatory $120 million out of the bill.

I yield the floor.

Mr. McINTYRE. Does the Senator's amendment in any way affect the 3(a) student, the student who lives on the post with their parents and goes to public schools?

Mr. MAGNUSON. Not at all.

Mr. McINTYRE. I have an amendment on that subject.

Mr. MAGNUSON. They should be taken care of. It is that the abuses in this program have gone up to about $600 million in the bill for this program. There are 435 legislative districts in this country, or congressional districts, and 432 are in impact areas. I do not know what happened. There are 432 which receive impact aid based upon there being a Federal employee around somewhere.

I understand that they are starting to suggest that postal employees' schoolchildren can be used for the school district to get impact aid because they work for the Federal Government I think it is a time to put a stop to it, or at least hold it down and not have it mandatory. Let us take a look at it anyway.

(Mr. METZENBAUM assumed the chair.)

SEVERAL SENATORS. Vote!

Mr. JAVITS. Mr. President, I oppose this amendment. I know Senator MAGNUSON has been wonderful in many things, but I believe this is very unfair, taking it out of the hides of the children who come from public housing projects which are federally financed. We had a tremendous battle getting them in because the fact is that a big block of money goes to impact aid. Impact aid will be run in a different manner, we will soon see, when Senator MAGNUSON presents his amendment.

Mr. MAGNUSON. If the Senator will yield, we are not kicking out anybody. All we are doing is removing a mandate that we increase it by 150 percent. That is all.

Mr. JAVITS. The Senator is eliminating from tier 2 the public housing children, which means that the public housing children will only get 25 percent of what they would otherwise get if they were included in tier 2. They would get 57 percent. So the Senator's amendment is cutting out the U.S. public housing children in a way which is very discriminatory to them.

Mr. MAGNUSON. We are not going to make it discriminatory. We are going to take a look at it.

Mr. JAVITS. In the meantime, the amendment is cutting it out.

Mr. MAGNUSON. The Senator's public housing is surrounded by hundreds of millions of dollars of expensive real estate.

Mr. JAVITS. And the public housing is still there and those people are still there and still need help.

Mr. MAGNUSON. And 29 percent of this goes to the State of New York.

Mr. JAVITS. Not that I am conscious of.

Mr. MAGNUSON. That is the figure.

Mr. JAVITS. Concerning the whole impact aid program, Mr. President, if we are going to knock it out, knock it out.

Mr. MAGNUSON. I am not talking about that.

Mr. JAVITS. I understand. But the whole impact aid program was originally invented here for the purpose of looking after something which is no longer true. It is really aid to public schools now. As far as public housing was concerned it was the only way in which many communities in this country—and I am being brutally frank with the Senate—could get a look in on all this dough. It was the only way it could be done. Now if we are knocked out we are being discriminated against and the Senator is making it necessary for us to go after the whole impact aid program. I promise, we will. The big cities of the country may not do it tonight, but they will wake up and they will join me. They will knock it all out. That is what you are doing.

The minute you start monkeying around with this tier system, and the minute you knock a particular block of children out of it, you are inviting disaster for impact aid. Every administration has been against it, the Republicans and the Democrats, but they have had to live with it and tolerate it. I have, too, and every other big city Senator has had to live with it and tolerate it, and do his utmost to get a piece of the action.

I said I would be very frank with the Senate and I am being frank.

If you want to cut us out, OK, you may have the votes to do it, but I promise you that you will lose the whole program the minute you start to monkey with it. Sure, so many school districts are in it precisely for that reason. Everybody else wants a piece of the action, as long as there is going to be Federal aid to public schools with a big block of public money, just as I did and other Senators representing big cities. But if you tamper with it this way and knock these kids out, that is the end of the program. It may not be this year but it will be the next year or the year after that.

Mr. MAGNUSON. If I may——

Mr. JAVITS. I have not yielded, I say to the Senator. Let me finish.

Mr. MAGNUSON. But the Senator is getting emotional.

Mr. JAVITS. I am not a bit emotional but I am indignant. The quality of indignancy should not be mixed up with emotion. I can understand what the Senator is doing. I cannot understand why, but I can understand what he is doing. He is putting a ceiling on this. Every impact recipient better understand this.

This cuts the amount available for impact aid by about one-third. The Appropriations Committee does not have to appropriate all the money which is provided for impact aid, even without this amendment. But now, in addition to the discretion and the volition of the Appropriations Committee, a ceiling is put on it. So even if the Appropriations Committee wanted to give you the full amount which is provided. they could not do it because the ceiling, as I say, is one-third less than the allowable amount which the Appropriations Committee, with complete volition, could do if it wanted to.

Senator MAGNUSON is a very important and influential person. I am really very fond of him; I am devoted to him. But this is what is happening right here, tonight. I think the votes are here to accomplish it if the Senator presses his amendment, as I know he will. But I am just telling you what you are doing to a program which, by simple acceptance, has been accepted as a part of Federal aid to schools and everybody has some part of it. So we accept it and tolerate it. But when you begin to dismantle it, and this is the first move to do it, I promise you that you are going to have to answer to why these children and not those children, why these children and not the other children, and that tier system. The whole neat plan is going to begin to be very materially broken up.

Mr. MAGNUSON. This money does not knock out any children anyplace.

Mr. JAVITS. It knocks out these children in Federal public housing projects.

Mr. MAGNUSON. It does not knock them out.

Mr. JAVITS. It most assuredly does.

Mr. MAGNUSON. The school district of New York can take care of it; can they not?

Mr. JAVITS. No; they cannot.

Mr. MAGNUSON. Why not?

Mr. JAVITS. Because they do not have the money, any more than any other places in the country have the money.

Mr. MAGNUSON. That is not the point.

Mr. JAVITS. Well, it is. This is knocking out Federal aid.

Mr. MAGNUSON. It is not kids at all.

Mr. CHILES. Will the Senator yield?

Mr. MAGNUSON. Yes.

Mr. CHILES. My understanding is that what this amendment does is simply say that the amount of money, $180 million, this bill sets an authorization for an increase of $180 million, that increase to be in public housing. It says that $180 million, and only that portion, which is new, will be subject to an appropriation for the first time. Before that, we had formulas. They are locked in.

You have to appropriate on the basis of those formulas and everything we are talking about in this series of amendments tonight is to try to allow the Appropriations Committee, which is supposed to have that role—that is what it is supposed to be about—the ability to look at this as we look at the defense authorization, as we look at the authorization bills that come out of other authorizing committees, and say we can only fund so much of those this year.

This provides for an increase. It is an authorizing committee proposal. Most of the authorizing committees will come up as they reauthorize for increases. It simply says that this increase in the public housing field will have to be subject to the Appropriations Committee and subject to appropriation.

We realize that this is a complex subject. Most of us know that we have to do something about impact aid. We know that it has gotten out of control and we now have all but about three of the legislative districts in the entire country drawing impact aid. We do not know just how to get a handle on that now, so we are not even attempting to do that. We are saying that should be studied.

What we are saying is we authorize new and additional funds. For goodness sake, we say that is subject to an appropriation, as we should be doing with all authorizing measures. That is all, in effect, that this does.

Mr. JAVITS. Mr. President, if I may complete my argument.

Mr. MUSKIE. Will the Senator yield?

Mr. CHILES. I yield.

Mr. MUSKIE. I want to be sure I undestand accurately what the present situation is. This public housing money was not in tier 2 under current law. So if my understanding is correct, we are not cutting anything out of what anybody has now. We are amending a bill that proposes to put public housing in tier 2 where it is not presently found.

Am I not right?

Mr. JAVITS. That is correct.

Mr. MUSKIE. So, we are not cutting them out.

Mr. JAVITS. We are cutting them out in practical effect.

Mr. MUSKIE. We are cutting them out of this new authorization scheme.

Mr. JAVITS. While you are looking after everybody else. That is my argument.

Mr. MUSKIE. These other groups have been funded in tier 2 prior to this reauthorization bill.

Mr. JAVITS. Nonetheless, they are being looked after and the fact is that the fact that the public housing children—

Mr. MUSKIE. My point is this:

This represents an expansion with respect to the public housing students because they were never in tier 2 before. They were prepared for inclusion in this bill. You cannot appropriate in tier 2 until you have appropriated fully in tier 1. You cannot appropriate in tier 3 until you have appropriated fully in tier 2. This tier system has been devised to force that full funding for tier 1 and then for tier 2 before you can get to tier 3. By putting public housing students into tier 2, we are giving them a status they do not now have.

The second point I would like to make is that these payments to school districts for public housing students will not go to pay for the education of public housing students. The payments would go to the jurisdictions in which the public housing students are found and they will be used in those jurisdictions for the general education program.

Mr. JAVITS. I shall answer that in a minute. I yield to Senator EAGLETON.

Mr. EAGLETON. Mr. President, I know the hour is late, but like my colleague from New York (Mr. JAVITS), I think this is an important matter that merits at least a little attention. It was my amendment in 1970 that brought public housing students first into the impact formula; 1974 was the first time

funds were appropriated for the impact aid provision. As does the Senator from New York, I have an enormous respect for the chairman of the Senate Appropriations Committee. I have worked with him and I admire him and respect him greatly.

But, Mr. President, what he rails against tonight, a Federal judge in his home State or Federal officials living in Montgomery County, Md., and Montgomery County, Md., whose children are eligible for impact aid by reason thereof, those are the real evils of impact aid. Those are the evils that this body will not eliminate.

I will bet if I offered an amendment to do away with all of impact aid except "A" students—that is, students whose families live and work on base, and that is the true impaction, and that is the original intent of the bill—if I offered an amendment to restore it to what it was originally designed to be and what each of us in our own minds knows today it should be, I doubt if I would get four votes. I do not think I would get four. Maybe I ought to offer it to see how few I would get. I have a record on some of my amendments of getting less than double-digit support. Maybe this would be yet another one.

Some of us were looking at the impact aid formula and saw that Montgomery County was getting a ton of money for no good reason, and Fairfax County was getting a ton of money for no good reason. So all of this largesse was being spread around for, really, no good educational reason other than the fact that the formula grew. Some of us said, well, so what. What is the worst kind of an impaction insofar as a tax point of view that a city can have? The impaction of a public housing project, where there are no taxes paid and where, from giant highrise complexes, thousands of kids are thrust upon a school system.

My friend from Washington tells me that right outside of public housing are all these properties that can be taxed. Maybe Seattle is an affluent city. I daresay it is. But I will tell you, the St. Louis school system is dead broke and has a lot of housing projects in it. I will tell you the Kansas City, Mo., school system is dead broke and has a lot of housing projects in it.

Sure, Senator JAVITS speaks up for New York City. Does anybody have to take notice that New York City and its school system is financially bankrupt? It is. And part of that impaction and part of the reason for that bankruptcy is the fact that we have put public housing in mass concentrations in small numbers of urban centers, and then said, go ahead, see what you can do with these kids.

If we want really to purify impact aid, yes, strike it all except the "A" kids, those who live and work on base. That is what the bill was originally about. But if you are going to throw Montgomery County into it, and we have, and we do not have the guts to retrieve it, and if we are going to throw Fairfax into it and throw Beverly Hills into it, I say the Senator from New York is absolutely right.

The true impaction is the public housing impaction and that is where there is need for additional Federal money.

Mr. PELL addressed the Chair.

The PRESIDING OFFICER. The Senator from Rhode Island is recognized.

Mr. MAGNUSON. May I say to the Senator from Missouri that he is a distinguished Member——

Mr. PELL. I yield to the Senator from Washington.

Mr. MAGNUSON. I had the floor. I have the amendment.

Mr. PELL. I was just recognized. But I yield to the distinguished Senator from Washington.

Mr. MAGNUSON. In this process, you can submit an amendment for your problem and you may get my support. We just say the Appropriations Committee should take a look at it and not be mandated by this group. That is all.

Mr. PELL. Mr. President, I think the Senator from New York and the Senator from Missouri have articulated far more eloquently than I could the reasons why this amendment should be defeated.

I suggest we all know our own mind and we move to a vote. I will vote to accept it.

Mr. JAVITS. Mr. President, I ask for the yeas and nays.

The PRESIDING OFFICER. Is there a sufficient second? There is a sufficient second.

The yeas and nays were ordered.

Mr. ROBERT C. BYRD. Vote! Vote!

The PRESIDING OFFICER. The question is on agreeing to UP amendment No. 1744 of the Senator from Washington (Mr. MAGNUSON). The yeas and nays have been ordered and the clerk will call the roll.

The legislative clerk called the roll.

Mr. ROBERT C. BYRD. I announce that the Senator from Minnesota (Mr. ANDERSON), the Senator from Mississippi (Mr. EASTLAND), the Senator from Louisiana (Mr. JOHNSTON), the Senator from South Dakota (Mr. ABOUREZK), the Senator from Nevada (Mr. CANNON), the Senator from Iowa (Mr. CLARK), the Senator from California (Mr. CRANSTON), the Senator from Alaska (Mr. GRAVEL), the Senator from Louisiana (Mr. LONG), and the Senator from Alabama (Mr. SPARKMAN) are necessarily absent.

I further announce that, if present and voting, the Senator from Iowa (Mr. CLARK) would vote "yea."

Mr. STEVENS. I announce that the Senator from New Jersey (Mr. CASE), the Senator from Nebraska (Mr. CURTIS), the Senator from Arizona (Mr. GOLDWATER), the Senator from Nevada (Mr. LAXALT), the Senator from Kansas (Mr. PEARSON), and the Senator from Virginia (Mr. SCOTT) are necessarily absent.

The result was announced—yeas 62, nays 22, as follows:

[Rollcall Vote No. 357 Leg.]

YEAS—62

Allen	Byrd, Harry F., Jr.	Ford
Baker	Byrd, Robert C.	Garn
Bartlett	Chafee	Glenn
Bayh	Chiles	Griffin
Bellmon	Church	Hansen
Bentsen	Culver	Hart
Biden	DeConcini	Haskell
Brooke	Dole	Hatch
Bumpers	Domenici	Hatfield, Mark O.
Burdick	Hatfield, Paul G.	Magnuson
Hathaway	McClure	Sasser
Helms	McGovern	Schmitt
Hodges	Melcher	Stennis
Hollings	Morgan	Stevens
Huddleston	Muskie	Stone
Humphrey	Nelson	Talmadge
Inouye	Nunn	Thurmond
Jackson	Packwood	Tower
Leahy	Proxmire	Wallop
Lugar	Randolph	Young
	Roth	Zorinsky

NAYS—22

Danforth	Matsunaga	Sarbanes
Durkin	McIntyre	Schweiker
Eagleton	Metzenbaum	Stafford
Hayakawa	Moynihan	Stevenson
Heinz	Pell	Weicker
Javits	Percy	Williams
Kennedy	Ribicoff	
Mathias	Riegle	

NOT VOTING—16

Abourezk	Curtis	Long
Anderson	Eastland	Pearson
Cannon	Goldwater	Scott
Case	Gravel	Sparkman
Clark	Johnston	
Cranston	Laxalt	

So the amendment (UP No. 1744) was agreed to.

Mr. MAGNUSON. Mr. President, I move to reconsider the vote by which the amendment was agreed to.

Mr. YOUNG. I move to lay that motion on the table.

The motion to lay on the table was agreed to.

UP AMENDMENT NO. 1745

(Purpose: To establish a Commission on Proposals for the National Academy of Peace and Conflict Resolution)

Mr. MARK O. HATFIELD. Mr. President, I send an amendment to the desk.

The PRESIDING OFFICER (Mr. HASKELL). The amendment will be stated.

Mr. RANDOLPH. Mr. President, the Senate is not in order.

I am intensely interested, as a cosponsor of this amendment. I think we can handle it quickly, if the Members will listen to the able Senator who presents it.

The PRESIDING OFFICER. The Senate will be in order.

Mr. MARK O. HATFIELD. Mr. President, I ask unanimous consent that reading of the amendment be dispensed with.

Mr. ROBERT C. BYRD. Mr. President, will the Senator yield, without losing his right to the floor.

Mr. MARK O. HATFIELD. I yield.

PROCEDURE DISCUSSION

Mr. ROBERT C. BYRD. Could I ascertain how many more amendments there are?

Mr. MCINTYRE has one; Mr. HELMS has two; Mr. GLENN has one; Mr. MORGAN has three, Mr. EAGLETON has one; Mr. TOWER has one; Mr. DOMENICI has one; Mr. HEINZ has one; Mr. MELCHER has one.

How many of these will require rollcall votes? Mr. TOWER and Mr. HELMS. Are we sure they are going to require rollcall votes?

Let us get those out of the way first, if Members are willing, and have a voice vote on final passage, and let everybody else go home while we take up the amendments that will be accepted.

Is Senator HATFIELD going to ask for a yea and nay vote on his amendment?

Mr. MARK O. HATFIELD. No.

Mr. ROBERT C. BYRD. We will have a voice vote on final passage.

How many rollcalls really are going to be required?

JESSE, do you mean to say you are going to ask for a rollcall vote?

Mr. HELMS. Absolutely.

Mr. ROBERT C. BYRD. John, do you mean to say you are going to ask for a rollcall vote?

Mr. TOWER. Unless the committee is prepared to accept my amendment.

Mr. ROBERT C. BYRD. They might accept the amendment.

Mr. TOWER. I am trying to preserve the bilingual programs in my State.

Mr. ROBERT C. BYRD. Let us get the amendments that are going to require rollcall votes.

Mr. EAGLETON. Mine will.

Mr. ROBERT C. BYRD. And Mr. MORGAN will require a rollcall vote. Mr. HELMS will require a rollcall vote.

Mr. President, I ask that those Senators be recognized in that order: Mr. EAGLETON, Mr. MORGAN, Mr. HELMS, and Mr. TOWER.

Are all Senators, then, willing to have a voice vote on final passage?

Mr. WEICKER. Mr. President, I object. Reserving the right to object, I ask the distinguished majority leader why, when we are on a matter of this importance, we sit here, at this hour of the evening, dispensing with final passage votes, asking whether or not people are going to have rollcall votes?

Maybe there is a schedule to be met, but I think the substance of what we do is far more important than the form; and I would object to that request or any request that is made in the late hours of the evening with legislation that is as important as this is.

Mr. ROBERT C. BYRD. Every Senator is just as conscientious about his votes on this bill as is the Senator from Connecticut. If the Senator wants to take that attitude, that is alright with me.

Mr. President, I ask unanimous consent that after Mr. HATFIELD is recognized, Mr. EAGLETON be recognized, then Mr. MORGAN, then Mr. HELMS.

Mr. WEICKER. I object.

Mr. ROBERT C. BYRD. And then Mr. TOWER.

Mr. WEICKER. I object.

The PRESIDING OFFICER. Objection is heard.

Mr. ROBERT C. BYRD. I hope those Senators will seek recognition in that order.

Mr. McINTYRE. Mr. President, I ask unanimous consent that Marc Sheer and Jack Herney, of my staff, have the privilege of the floor.

The PRESIDING OFFICER. Without objection, it is so ordered.

The amendment of the Senator from Oregon will be stated.

Mr. MARK O. HATFIELD. I ask unanimous consent that reading be dispensed with.

The PRESIDING OFFICER. The clerk must report the amendment.

UP AMENDMENT NO. 1745

The second assistant legislative clerk read as follows:

The Senator from Oregon (Mr. MARK O. HATFIELD), on behalf of himself, Mr. RANDOLPH, and Mr. MATSUNAGA, proposes an unprinted amendment numbered 1745.

Mr. MARK O. HATFIELD. Mr. President, I ask unanimous consent that reading of the amendment be dispensed with.

The PRESIDING OFFICER. Without objection, it is so ordered.

The amendment is as follows:

At the end of the bill, add the following:

TITLE VI—NATIONAL ACADEMY OF PEACE AND CONFLICT RESOLUTION

ESTABLISHMENT

SEC. 501. There is established a commission to be known as the Commission on Proposals for the National Academy of Peace and Conflict Resolution.

DUTIES OF COMMISSION

SEC. 502. (a) The Commission shall undertake a study to consider—

(1) whether to establish a National Academy of Peace and Conflict Resolution;

(2) the size, cost, and location of an Academy;

(3) the effects which the establishment of an Academy would have on existing institutions of higher education;

(4) the relationship which would exist between an Academy and the Federal Government;

(5) the feasibility of making grants and providing other forms of assistance to existing institutions of higher education in lieu of, or in addition to, establishing an Academy; and

(6) alternative proposals, which may or may not include the establishment of an Academy, which would assist the Federal Government in accomplishing the goal of promoting peace.

(b) In conducting the study required by subsection (a), the Commission shall—

(1) review the theory and techniques of peaceful resolution of conflict between nations; and

(2) study existing institutions which assist in resolving conflict in the areas of international relations.

MEMBERSHIP

SEC. 503.(a) The Comimssion shall be composed of nine members as follows—

(1) three appointed by the President pro tempore of the Senate;

(2) three appointed by the Speaker of the House of Representatives; and

(3) three appointed by the President.

(b) Members shall be appointed for the life of the Commission.

(c) A vacancy in the Commission shall be filled in the manner in which the original appointment was made.

(d)(1) Except as provided in paragraph (2), members of the Commission each shall be entitled to receive the daily equivalent of the annual rate of basic pay in effect for grade GS–18 of the General Schedule (5 U.S.C. 5332) for each day during which they are engaged in the actual performance of the duties of the Commission.

(2) Members of the Commission who are full-time officers or employees of the United States or Members of the Congress shall receive no additional pay on account of their service on the Commission.

(3) While away from their homes or regular places of business in the performance of services for the Commission, members of the Commission shall be allowed travel expenses, including a per diem in lieu of subsistence, in the same manner as persons employed intermittently in the Government service are allowed expenses under section 5703(b) of title 5, United States Code.

(e) The Commission shall elect a Chairman and a Vice Chairman from among its members.

(f) Five members of the Commission shall constitute a quorum.

(g) The Commission shall meet at the call of the Chairman or a majority of its members.

DIRECTOR AND STAFF OF COMMISSION; EXPERTS AND CONSULTANTS

SEC. 504. (a) Subject to such rules as may be adopted by the Commission, the Chairman, without regard to the provisions of title 5, United States Code, governing appointments in the competitive service and without regard to the provisions of chapter 51 and subchapter III of chapter 53 of such title relating to classifications and General Schedule pay rates, shall have the power to—

(1) appoint a Director who shall be paid at a rate not to exceed the rate of basic pay in effect for level V of the Executive Schedule (5 U.S.C. 5316);

(2) appoint and fix the compensation of such staff personnel as he considers necessary; and

(3) procure temporary and intermittent services to the same extent as is authorized by section 3109(b) of title 5, United States Code.

(b) Upon request of the Commission, the head of any Federal agency is authorized to detail, on a reimbursable basis, any of the personnel of such agency to the Commission to assist it in carrying out its duties under this title.

POWERS OF COMMISSION

SEC. 505. (a) The Commission may, for the purpose of carrying out this title, hold such hearings, sit and act at such times and places, take such testimony, and receive such evidence as the Commission considers advisable. The Commission may administer oaths and affirmations to witnesses appearing before the Commission.

(b) When so authorized by the Commission, any member or agent of the Commission may take any action which the Commission is authorized to take by this section.

(c) The Commission may secure directly from any Federal agency information necessary to enable it to carry out this title. Upon request of the Chairman, the head of any such Federal agency shall furnish such information to the Commission.

REPORTS

SEC. 506. The Commission shall transmit to the President and to each House of the Congress such interim reports as it considers appropriate and shall transmit a final report to the President and to each House of the Congress not later than one year after the date on which appropriations first become available to carry out this title. The final report shall contain a detailed statement of the findings and conclusions of the Commission, together with its recommendations for such legislation as it considers appropriate.

TERMINATION

SEC. 507. The Commission shall cease to exist sixty days after transmitting its final report under section 606.

AUTHORIZATION OF APPROPRIATIONS

SEC. 508. There is authorized to be appropriated not to exceed $500,000 to carry out this title.

DEFINITIONS

SEC. 509. For purposes of this title—

(1) the term "Academy" means the National Academy of Peace and Conflict Resolution;

(2) the term "Chairman" means the Chairman of the Commission elected under section 603(e);

(3) the term "Commission" means the Commission on Proposals for the National Academy of Peace and Conflict Resolution; and

(4) the term "Federal agency" means any agency, department, or independent establishment in the executive branch of the Federal Government, including any Government corporation.

Mr. MARK O. HATFIELD. Mr. President, this amendment is probably very

timely, in that it proposes to establish a commission——

Mr. RANDOLPH. Mr. President, the Senate is not in order.

The PRESIDING OFFICER. The Senator is correct.

The Senate will be in order.

Mr. MARK O. HATFIELD. Mr. President, this amendment is probably very timely, in that it proposes the creation of a commission to study proposals for an academy of peace and conflict resolution.

This measure was passed by the Senate as S. 469, on June 17, 1977, after being reported favorably by both the Committee on Human Resources and the Committee on Foreign Relations.

In 1976, I attached an amendment of this type to the Higher Education Act of 1976. While the Senate adopted it, the House conferees prevailed in deleting it, on the grounds that House hearings had not been held. Those hearings have now been held, and Congress has had ample time to consider this first step in developing some type of peace academy.

Mr. President, to underscore the point about the relevance of this amendment to elementary and secondary education, I ask unanimous consent that a statement on this subject be printed in the RECORD.

There being no objection, the material was ordered to be printed in the RECORD, as follows:

CONFLICT RESOLUTION AND ELEMENTARY AND SECONDARY EDUCATION

Community disputes and social violence directly affect the quality of elementary and secondary education wherever they occur, and when conflict arises within local communities students, teachers and parents are adversely affected. Some education experts link the community conflict of the late 1960's with the alarming decline in college entrance examination scores.

As the levels of conflict and violence across America rose throughout the 60's, that rise was inevitably mirrored in our schools. When the sine wave of societal violence turned down in the middle 70's, there is evidence that levels of destructive behavior in elementary and secondary schools leveled out on a high plateau, rather than declining with the general trend.

The overall national problem can be summed up in the statistics that there are, at a minimum, 157,000 cases of crime, violence and disruption in American public schools in a typical month, less than one third of them reported to the police, and that one school out of twelve can be classified as seriously affected by its levels of conflict. In terms of the cost to our schools in property damage alone of this continuing chaos, the best estimates place the annual costs at around $200 million, but some estimates run as high as $600 million, if costs of security and preventive measures are included.

Personal theft is the most widespread crime in our schools, and while it may not appear to be directly related to the levels of conflict, it is the clearest indicator of the deterioration of the social contract, which breaks down in direct proportion to the rise in societal violence levels. In a typical month under current conditions, approximately one secondary school student out of nine will be subjected to personal loss by theft, a total of 2.4 million students, and that same month one out of eight secondary school teachers will be similarly victimized (128,000).

Direct physical violence is perhaps the most dramatic form of conflict which affects our schools, and in a normal month it impacts on one out of 75 secondary school students (280,000 students a month) and one out of 200 secondary school teachers (5,200 teachers per month). Only one attack out of 25 directed at students results in a need for medical attention, but the level for teachers is five times as high. While incidents of personal theft are equally distributed across school levels and locations, the incidence of violent attacks is higher in junior high schools and in urban areas. In city schools in New York alone 6,817 violent incidents were reported in the 1974–75 school year, and in 1975–76 this figure rose to 10,876, with 1976–77 estimates over the 12,000 mark. (N.Y. Times, July 13, 1977) Similarly, in New York City the high level of violence has resulted in a shift in jurisdiction in the handling of cases involving minors accused of assaulting public school teachers. These cases, formerly handled by the City's Law Department have been shifted to the City Corporation Counsel to "relieve the board's small legal services staff of the increasingly heavy volume of such cases." (N.Y. Times, December 31, 1977).

Robberies affect one out of every 200 secondary school students (112,000 students) each month, and one out of each 170 secondary school teachers (approximately 6,000 per month). Although the monetary amounts of these robberies are not normally high, often involving petty extortion on the student level, the destructive impact of such occurrences on the educational effectiveness of our school system is hard to exaggerate.

One of the major effects of this type of violence and anarchy in the public school system is the immediate effect it has on the attitude of the students subjected to it. Recent surveys indicate that some three million secondary school students avoid at least three locations in their schools because they are afraid of being subjected to violence in some areas, and at least half a million secondary students indicate they are afraid in school most of the time.

Nor are teachers immune to this type of psychological pressure. In a typical month, approximately 125,000 secondary teachers (12%) are threatened with physical harm, and about the same number admit to hesitating to confront misbehaving students for fear of physical harm. Half of our teachers report being subjected to verbal abuse in a normal month.

Obviously there is no way to quantify in monetary terms the long-term effects of such disruptions of our educational system, but even the most conservative standards of comparison indicate that any institution which could beneficially affect school violence would have immense claims to monetary benefits to society. How, indeed, can we evaluate in monetary terms the effects of marginal educational injury to millions of school children when those millions will comprise the decisionmaking mass of voters in our democratic system for decades into the future? In the words of Thomas Jefferson, "The basis of our government being the opinion of the people, the very first object should be to keep that right."

The Peace Academy, by dispersing across our society experts in conflict resolution would not only lower the level of conflict throughout that society but would proportionately diminish the levels of violence and crime in our schools, and in that aspect alone might prove the most cost-effective legislative achievement of our time. At its most expensive level of likely costs, the Peace Academy would cost no more than one fourth of the $200 million direct damage to our schools from student destruction, and it could have similarly beneficient effects in innumerable other areas—by lowering the expenditures of welfare agencies at all levels, rendering unnecessary further expansion of law enforcement agencies, and minimizing the burgeoning costs of trying to expand our court systems to meet the needs of the archaic adversary legal structures across the nation.

And eventually, as graduates of the Peace Academy trained in the new techniques and theory of conflict resolution became available across the country and around the world, we can even hope that there could result a gradually increasing stability in the international structure of the world community, which could make possible not only progress toward the age-old hope of world peace but a concomitant lowering in our defense needs and military expenditures. The cost-benefit ratio here is impossible to estimate, but the possibilities are obviously enormous, for the total annual budget of the Peace Academy would be less than one fifth of one day's expenditures of our military budget at next year's level.

*All statistics from the Safe School Study, Volume 1, published by The National Institute of Education of the Department of Health, Education and Welfare (February, 1978), except where otherwise noted.

Mr. MARK O. HATFIELD. Mr. President, I have discussed the amendment with the managers of the bill, Mr. PELL and Mr. JAVITS, and understand they have no objection to this measure previously passed by the Senate.

Mr. MATSUNAGA. Mr. President, will the Senator yield?

Mr. MARK O. HATFIELD. I am happy to yield to the Senator from Hawaii.

Mr. MATSUNAGA. Mr. President, as one of its cosponsors, I rise in support of the amendment offered by the distinguished Senator from Oregon (Mr. HATFIELD). As a cosponsor of the original bill S. 469, to establish a commission to study the feasibility of establishing an academy of peace and conflict resolution, along with the Senator from Oregon and the Senator from West Virginia (Mr. RANDOLPH), I strongly believe that this is an idea whose time has indeed come. This august body evidenced its wisdom when it passed that measure by unanimous agreement on June 17 of last year.

Mr. President, the academy of peace, which I do hope will come about as a result of the study by the proposed commission, will train the best and the brightest of our young people in the art of peace, just as many of our select youngsters are trained in the art of warfare in our military academies. The academy of peace would greatly contribute to national and international security needs through systematic study of the processes and methods of achieving peace, the training of specialists in the skills of mediation and conflict resolution, and by providing information to Government leaders in nonmilitary resolution of domestic and international conflict.

In another sense, the primary mission of the academy of peace would be to promote peace and social harmony at home and abroad. The students of the academy would be trained in the art of peace and it will be their responsibility to convince the American people, as well as the people of other nations, to learn to desire peace and work to maintain it.

Perhaps the Dutch philosopher Spinoza, three centuries ago, captured the subtleties of the word "peace" in one short sentence. He said:

Peace is not an absence of war, it is a virtue, a state of mind, a disposition for benevolence, confidence and justice.

It was Albert Einstein, whose genius was the catalyst for a revolution in scientific thought which later resulted in the atomic bomb, and who later became a renowned pacifist, who said:

Peace cannot be kept by force, it can only be achieved through understanding.

These men of great wisdom recognized the need for a citizenry educated in the art of peace. It will be the duty of the graduates of the peace academy to move throughout the United States and the world, training people in the art of peace and enhancing what Franklin Delano Roosevelt called "the ability of peoples of all kinds to live and work together in the same world, at peace."

Mr. President, the idea of establishing an academy of peace is not a new one. Since 1935, Congress has considered many legislative proposals designed to establish a peace office, institute, or academy. The idea can be tracked back in American history to the early days of the Republic, when George Washington spoke of the need for a "proper peace establishment" and Benjamin Rush urged the creation of a "peace office" within the Federal Government.

Mr. President, I am sure my colleagues will agree, that today, more than ever before, we as a Nation must make every effort to attain global peace and security. We live in a world which every day grows more and more interdependent. The proliferation of nuclear weapons, the increasing unrest in the underdeveloped Third World countries, and mounting international terrorism contributing toward a general increase in violence at local, national and international levels, makes the establishment of a national institution devoted to promoting peace and training people in nonviolent conflict resolution a matter of great importance to the United States.

Mr. President, as I have repeatedly declared since being elected to the Congress nearly 16 years ago, it is my fondest dream that my own beloved country, the United States of America, will become the first Nation on the face of this Earth to establish a national academy of peace, and hopefully, in the not-too-distant future, a Cabinet-level Department of Peace, dedicated solely to bringing about peace and brotherhood in this world which today is much too strewn with strife and violence. The appointment of a commission to study the various proposals for establishing a national academy of peace is a small but necessary first step in the attainment of this dream.

The beloved and inimitable Hubert H. Humphrey said it this way:

Conflict is inevitable . . . We must deal with it in a sensible and just way. The National Academy of Peace and Conflict Resolution is a vehicle to begin this movement in the right way. I commend to my colleagues the thoughtful consideration of this proposal, not just as a piece of legislation, but as a serious obligation.

Mr. President, I urge the adoption of the amendment offered by the Senator from Oregon.

Mr. MARK O. HATFIELD. I thank the Senator from Hawaii.

Mr. President, I yield to the Senator from West Virginia.

Mr. RANDOLPH. Mr. President, this is a very important matter. I realize that Members may forget that in the 94th Congress we had legislation of this type. It was not considered in the House because of a lack of time, but we have assurances from the other body that they will look with favor upon the proposed legislation as we will pass it in the next 2 or 3 minutes.

Some Senators may recall that I had the responsibility of offering this measure in the 94th Congress, and a cosponsor was Senator MARK O. HATFIELD, and another cosponsor was Senator MATSUNAGA.

We have revised it somewhat, but it is essentially what, in a sense, George Washington advocated more than two centuries ago. A reading of history will demonstrate that fact.

Over the past 5 years, America has enjoyed a state of relative peace with other nations. This pause in international conflicts has enabled us to turn our attention to crucial problems at home.

I am an earnest cosponsor and strongly support this modified legislation to create a commission to study the creation of a National Academy of Peace and Conflict resolution. It provides a methodology to resolve both domestic and international conflicts before they grow into large-scale confrontations.

Many Senators know that I introduced similar legislation as member of the U.S. House of Representatives 33 years ago.

Last year, I testified before the Senate Foreign Relations Committee on behalf of my bill S. 469, which would authorize a 1-year study by a blue-ribbon committee of citizens. The committee would examine various proposals to create a National Peace Academy or alternatives such as a core curriculum of peace studies.

In my testimony before the Senate Foreign Relations Committee, I stated:

If America does not provide positive leadership in keeping the peoples of the Earth together in peace, world chaos can certainly result.

These are identical to the words I had spoken in testimony on behalf of legislation I introduced on June 29, 1945. I have authored or cosponsored similar legislation in 11 sessions of Congress since that time.

I believed then—as I believe today—that solutions to major issues and problems exist through communications and mediative skills. These skills can be taught in an academic setting and applied at all levels of Government.

The objectives of a peace academy are ennobling. A nation schooled in the ways of peace is an ideal that, once attained, could be civilization's greatest achievement.

The idea of some affiliated agency of Government devoted to teaching and disseminating techniques toward peaceful resolution is as old as our country.

Legislative proposals to create an agency with primarily educational functions appeared before World War II. Between 1935 and 1939, the then Senator Matthew Neely of West Virginia proposed three separate pieces of legislation to create a Federal Department of Peace "which would be authorized to conduct a broad educational program designed to create and encourage a desire for peace."

The concept of teaching peace, mutual respect, and universal understanding is one which eludes many practical minds. We can conceive of the agonies of mass death and misery, but we have difficulty defining love in the human heart.

In the 94th Congress, the Senate approved a peace academy study proposal which I coauthored with the diligent Senator from Oregon (Mr. MARK O. HATFIELD) and the then Senator from Indiana, Vance Hartke. The House failed to act on it in the closing days of the session, but we have received assurances that action could be taken in the 95th Congress.

Mr. President, I am gratified to join with my friend and forceful advocate of using peaceful means to achieve the goals of civilization, MARK O. HATFIELD, and urge my colleagues to approve this legislation.

Mr. GLENN. Mr. President, will the Senator yield for a question

Mr. MARK O. HATFIELD. I yield.

Mr. GLENN. Can the Senator tell us how much money is involved in this?

Mr. MARK O. HATFIELD. It authorizes $500,000.

Mr. GLENN. For what period of time, and what would be the follow-on requirements to keep this institution under way?

Mr. MARK O. HATFIELD. It will depend upon the Commission. The first proposal was to establish an academy, and it had definitive programs and definitive curricula.

The Foreign Relations Committee and the Human Resources Committee suggested that, instead of moving ahead at this time to establish such an academy, we set up a Commission, let the Commission have a period of time for study, 2 years, and report back to Congress as to its findings.

At the time Congress would then have a definitive project before it to make a judgment on its merits. But because of the fact that there was a question raised as to what format and what kind of curriculum was decided, the Commission study was the best approach to achieve this objective.

Mr. GLENN. This $500,000 would be for the study?

Mr. MARK O. HATFIELD. Yes, only the study.

Mr. GLENN. I thank the Senator.

Mr. MARK O. HATFIELD. I yield to the Senator from Rhode Island.

The PRESIDING OFFICER. The Senator from Rhode Island.

Mr. PELL. Mr. President, this proposal has already passed the Senate not once but twice. It has been approved before. I think it has merit, and I recommend it be accepted.

Mr. JAVITS. Mr. President, one ques-

tion: Is it the way in which we worked out the details in the Foreign Relations Committee?

Mr. PELL. Yes; the Senator is correct.

Mr. JAVITS. If so it is acceptable.

Mr. PELL. It is a replica of the Foreign Relations Committee approach in setting forth the Commission rather than the Academy.

Mr. JAVITS. It is acceptable to me.

Mr. RANDOLPH. Mr. President, will the Senator yield?

Mr. JAVITS. I am happy to yield.

Mr. RANDOLPH. I commend Senator JAVITS of the Foreign Relations Committee who helped us last year to realize certain problems with an overlapping jurisdiction and with an interest on behalf of both of these committees. I want the RECORD to show that the Senator was very helpful.

Mr. JAVITS. The Senator is very kind. I thank him very much.

Mr. ROBERT C. BYRD. Vote.

The PRESIDING OFFICER. Without objection, the amendment is agreed to.

Mr. MARK O. HATFIELD. Mr. President, I move to reconsider the vote by which the amendment was agreed to.

Mr. RANDOLPH. I move to lay that motion on the table.

The motion to lay on the table was agreed to.

UP AMENDMENT NO. 1746

Mr. EAGLETON. Mr. President, I have an amendment at the desk and I ask for its immediate consideration.

The PRESIDING OFFICER. The amendment will be stated.

The assistant legislative clerk read as follows:

The Senator from Missouri (Mr. EAGLETON), for himself and Mr. BELLMON, proposes an unprinted amendment numbered 1746.

Mr. EAGLETON. Mr. President, I ask unanimous consent that the reading of the amendment be dispensed with.

The PRESIDING OFFICER. Without objection, it is so ordered.

The amendment is as follows:

On page 332, strike out lines 11 and 12 and insert in lieu thereof the following:
(b) Section 3(b)(2) of such Act is repealed.

Mr. EAGLETON. Mr. President, I ask for the yeas and the nays on the amendment.

The PRESIDING OFFICER. Is there a sufficient second?

There is a sufficient second.

The yeas and nays were ordered.

Mr. EAGLETON. Mr. President, this amendment is offered on behalf of myself and Senator BELLMON. It is a follow-on to the amendment offered by the Senator from Washington (Mr. MAGNUSON).

As I look around the Chamber and see many members of the Appropriations Committee, I know they can share with me the recollection of time and again during our Appropriations Committee markup on the HEW bill one or more of us will say, "My God, something has gone wrong with impact aid. Can't we get a handle on it?"

Then we will turn to each other and say, "Well, it isn't our fault. We are just humble servants on the Appropriations Committee. It is the fault of that authorizing committee, that Human Resources Committee. They ought to get their act together and reform this monster."

That is the kind of conversation and discussion that goes on in our committee.

This impact aid program, Mr. President, cries out for reform. I did not think it cried out for the kind of reform that was implicit in the Magnuson amendment, that is, to strip from impact aid not totally, but substantially, the only human face on the subject matter. They say it is the 10th anniversary of the Prague spring, and Prague was communism with a human face. One of the few human faces on impact aid was the public housing section; the only other human face is the section authorizing payments to A students. It is the A students, those whose parents live and work on a military base, which impact on a school district. Yes, they truly impact. And I submit public housing students truly impact.

Let me tell Senators which students do not truly impact on a school district and who are the recipients of impact aid today, and I see my good friend from Maryland here, Senator MATHIAS.

Mr. MATHIAS. I am here.

Mr. EAGLETON. Those are all of the doctors working at the NIH and living in Montgomery County, most of them, I daresay, in rather posh homes, somewhat similar to the kind of homes Senators live in, in Montgomery County. Montgomery County gets impact aid because of all of those doctors employed by the Federal Government out there.

I also refer to that Federal judge in Seattle. That school district apparently gets impact aid because of him.

I also refer to President Carter. The D.C. school system receives impact aid because President Carter lives in the District of Columbia and sends his daughter to an elementary school in the District.

So what the Eagleton-Bellmon amendment does is truly create the reform that the members of the Appropriations Committee year in and year out have been crying for but have not been able to get, they say, from the Human Resources Committee.

I happen to be a member of the Human Resources Committee. So every once in a while I carry the message from the Appropriations Committee to the Human Resources and say: "Yes, those guys on the spending committee want us to reform impact aid over here."

So here is our chance.

Now for those who like to keep budget scorecards so they can write home to their constituents about how many times they voted to cut the budget, here is the precise amount on this one. Here is what Senators will save—$374 million. So if Senators have been running a little light on budget-cutting amendments and wish to tip their average up a little bit here is a good one—$374 million.

Mr. ROBERT C. BYRD. Vote.

Mr. EAGLETON. That is my case, Mr. President.

Mr. ROBERT C. BYRD. Vote.

The PRESIDING OFFICER. The yeas and nays have been ordered.

Mr. ROBERT C. BYRD. Vote.

The PRESIDING OFFICER. Is there further comment?

Mr. MATHIAS. Mr. President, will the Senator tell us how we are going to work if we take all of the money away from the State of Maryland?

Mr. EAGLETON. If the Eagleton-Bellmon amendment is adopted all will remain will be the "A" students. We will strip it away of all of these embellishments that have been encrusted upon it in the last 20 years and will take away all of public housing—we took away most of that already—so let us take away all of that and take away the Montgomery County ripoff and all of these other ripoffs that all of us are sometimes even too ashamed to mention.

The PRESIDING OFFICER. The yeas and nays have been ordered.

Several Senators addressed the Chair.

The PRESIDING OFFICER. The Senator from Arkansas.

Mr. BUMPERS. Mr. President, I wish to say that I admire the Senator from Missouri for his courage in offering an amendment of this kind, obviously designed to bring some reform to the impact aid program.

But the most popular expression we heard after proposition 13 passed was that we were using a broad ax instead of a scalpel. I must say I will have to oppose the amendment of the Senator from Missouri because I think he is falling into the same trap.

I live in Montgomery County and the taxes out there are almost prohibitive. I saw in Parade magazine a couple Sundays ago that Montgomery County is the wealthiest county in the United States.

I think it is really ridiculous for the U.S. Government to be subsidizing the school districts in localities such as Fairfax County, Montgomery County, and Beverly Hills. This offends the conscience of every Senator present.

But I can tell my fellow Senators that in my State, which is a very poor State, ranking 48th or 47th in the amount of money spent per capita on our elementary and secondary schools, the Eagleton amendment would be devastating. The amendment would for example, penalize the school district of Gosnell which is almost 70 percent dependent on this kind of impact aid, both A and B. It would absolutely be devastating to a school district like that to eliminate categorically all part B impact aid.

Mr. EAGLETON. Mr. President, will the Senator yield 1 minute?

Mr. BUMPERS. I yield.

Mr. EAGLETON. Impact A remains. It says A and B. This eliminates B.

Mr. BUMPERS. I understand, but a good portion of their aid is B.

Mr. EAGLETON. Their A remains.

Mr. BUMPERS. I agree. We talked about this in the Appropriations Committee. Impact aid has just been running rampant. It has gotten completely out of hand and that which started out to be a very fine and noble idea has now gotten out of control and is terribly expensive. I will assist the Senator from Missouri in trying to design a formula that accomplishes the kind of reform he wants. I will not, however, support proposals which would decimate some

school districts that have, through no fault of their own become almost totally dependent on this kind of aid.

Mr. MATHIAS and Mr. PELL addressed the Chair.

The PRESIDING OFFICER. The Senator from Rhode Island.

Mr. PELL. Mr. President, I admire the purity and the intention of the Senator from Missouri, but I think this is an example of throwing out the baby with the bath water. I think we all may not be so pure. We all have the interests of our own communities.

I urge my colleagues not to support the amendment of the Senator from Missouri and urge we vote as soon as possible. I think we all know what we are going to do anyway.

Mr. MATHIAS. Mr. President, since the distinguished Senator from Missouri mentioned my name I feel obliged to take the Senate's time for just a minute to discuss this amendment. Obviously, I will oppose it because I think we ought to look at one of the examples that he gave us, and that is the example of President Carter.

Of course, he is a nice target to talk about as someone who is generating impact aid. Here is a man who is living in the White House, making a salary in six figures, so why should he be generating impact aid? It is a nice kind of example to use.

But I think we ought to say just a word about that because that example illustrates a policy in the interpretation of what impact aid is all about. It is a very good example from the point of view of a community that needs impact aid.

Sure, President Carter is living in a big house, a big white house, and it is on tax-free real estate. It is not generating a nickel of tax to the community in which it is located, as is the case with many other Federal facilities. They occupy real estate which would otherwise be paying taxes to the community and helping to support the schools.

President Carter makes a very big income, an income in six figures. But by the action of the Congress of the United States many of the people who get these big incomes, whether they live in the District of Columbia or in the great and historic Commonwealth of Virginia or in the Free State of Maryland, are exempt from paying many of the local taxes.

President Carter is in that situation, and I am not objecting to that, but it creates problems for the community where this kind of situation exists.

Mr. EAGLETON. Mr. President, will the Senator yield?

Mr. MATHIAS. So I would say where you have people who may be as conspicuous as the President by the size of their incomes and the luxury of their surroundings, it does not necessarily relieve the community of the kind of problems which impacted area aid was intended to solve.

Mr. EAGLETON. Mr. President, will the Senator yield for just one question, then we will vote on it? Would the Senator share with our colleagues, as he did in the Appropriations Committee markup session when we were discussing impact aid, the tearful story about the horrible devastation that NIH inflicts upon the improverished county of Montgomery County and how it really works a cruel hardship on the Montgomery County school system in having wealthy doctors living out there and sending their children to PS101?

The Senator shared that with us at the Appropriations Committee level. He talked about President Carter and focused on that one example I gave. How about those improverished rich doctors and the devastation they impose on the Senator's county?

[Laughter.]

Mr. MATHIAS. Well, I am very proud of the fact that the people of Montgomery County do have a high income level, but it is because there is a higher prevailing, average of more than one income worker in the family there than, I think, in any other community in the world. So there is some correlation between the industry and the work that is put into making the incomes which are reported as high.

But I think it would be very unfair to all of the people of Montgomery County to judge everyone by the standards of the highest income, just as I think it is very unfair to many poor counties in this country that funds will be lost as a result of this amendment and that are apparently being judged by the Senator from Missouri by the standard of President Carter at that day, high-income level.

Mr. McCLURE. Mr. President, I think it is unfair of us in this session tonight at this late hour to be picking on the President while he is off on a vacation floating down the river in Idaho.

[Laughter.]

Mr. EAGLETON. Another poor little State.

Mr. McCLURE. I understand the President is not impoverished, and I understand he is probably not paying his own way on this vacation trip, and I understand we are probably helping him on that vacation trip, and I do not want to get into all that.

But I want to tell you at the moment that it does not strike impact aid that Amy Carter may generate in her school district in spite of the fact that he is off playing right now because he is presumably living and working on Federal property and, therefore, she is a class A student and, therefore, generates the impact aid.

I would say to my friend from Maryland that this is hardly the time to remind us that Maryland is known as the Free State, because it certainly is not very free. We are paying a great deal to support Maryland, and I am not up here defending Montgomery County and the amount of money that they may generate, but let me tell you there are poorer school districts in every State of the Union that depend at least in part on the aid that is funneled into their districts as a result of the impact aid program.

This matter is of some concern to me and has been for a long while because I know the impact aid program has been subject to this criticism for years in that it puts an inordinate amount of money into some very wealthy school districts, and it does, and I share with my friend from Missouri the concern that it ought to be redirected, and I really believe it should be.

Stanford Research Institute a number of years ago made an indepth study of this program and that was their conclusion, as every other study has concluded. But they have said in every instance do not just repeal the program, replace it with one that targets the aid to the areas of need more precisely than does the present program.

I have testified before committees of Congress in both the House and the Senate in support of the reformation of the impact aid program because I think it does need to be changed. But I would agree with my friend from Arkansas that this is not the way to do it.

I understand the frustration that leads to the offering of this amendment, but I have talked to any number of school superintendents in my State who say that although it may be only about 5 percent of their budget it is the most important Federal assistance they get because it comes upon easy qualification forms. They simply fill out the form and submit it. It is a simple mathematical calculation. The money comes in to them without having had to hire the Federal office assistant to try to get the grant. It goes into their budget and they do not have a lot of criteria and guidelines as to how it must be spent.

There is no postaudit difficulty so far as they are concerned and it, therefore, is worth more money to them than the equal number of dollars generated through categorical aid programs.

I share with my friend from Missouri the determination that it ought to be changed, but this is not, in my judgment, the way to accomplish that change, and I will not support the amendment for that reason.

Mr. YOUNG. Mr. President, I will only take about a minute. No one has complained more than I about this bad situation with respect to class B students. I want to correct it, but I would not want my vote tonight, which will be "no," interpreted as not being aware of this situation and that it ought to be corrected.

Here we have been in session for about 13½ hours continuously, and I do not think this is the time of night and the way to correct a bad situation. So I am going to have to vote "no." But it is something that I believe represents a bad situation and must be corrected. However, this is not the way to do it.

The PRESIDING OFFICER. If there are no further Senators seeking recognition, the question is on agreeing to the amendment of the Senator from Missouri. The yeas and nays have been ordered, and the clerk will can the roll.

The legislative clerk called the roll.

Mr. CRANSTON. I announce that the Senator from South Dakota (Mr. ABOUREZK), the Senator from Minnesota (Mr. ANDERSON), the Senator from Mississippi (Mr. EASTLAND), the Senators from Louisiana (Mr. JOHNSTON and Mr. LONG), the Senator from Alabama (Mr. SPARKMAN),

the Senator from Mississippi (Mr. STENNIS), and the Senator from Georgia (Mr. TALMADGE) are necessarily absent.

Mr. STEVENS. I announce that the Senator from New Jersey (Mr. CASE), the Senator from Nebraska (Mr. CURTIS), the Senator from Arizona (Mr. GOLDWATER), the Senator from Nevada (Mr. LAXALT), the Senator from Kansas (Mr. PEARSON), and the Senator from Virginia (Mr. SCOTT) are necessarily absent.

The result was announced—yeas 20, nays 66, as follows:

[Rollcall Vote No. 358 Leg.]

YEAS—20

Bartlett	Eagleton	Metzenbaum
Bellmon	Glenn	Nelson
Byrd, Robert C.	Griffin	Packwood
Chafee	Hansen	Proxmire
Clark	Hollings	Stafford
Culver	Leahy	Wallop
Danforth	Lugar	

NAYS—66

Allen	Hatch	Morgan
Baker	Hatfield, Mark O.	Moynihan
Bayh	Hatfield, Paul G.	Muskie
Bentsen	Hathaway	Nunn
Biden	Hayakawa	Pell
Brooke	Heinz	Percy
Bumpers	Helms	Randolph
Burdick	Hodges	Ribicoff
Byrd, Harry F., Jr.	Huddleston	Riegle
Cannon	Humphrey	Roth
Chiles	Inouye	Sarbanes
Church	Jackson	Sasser
Cranston	Javits	Schmitt
DeConcini	Kennedy	Schweiker
Dole	Magnuson	Stevens
Domenici	Mathias	Stevenson
Durkin	Matsunaga	Stone
Ford	McClure	Thurmond
Garn	McGovern	Tower
Gravel	McIntyre	Weicker
Hart	Melcher	Williams
Haskell		Young
		Zorinsky

NOT VOTING—14

Abourezk	Goldwater	Scott
Anderson	Johnston	Sparkman
Case	Laxalt	Stennis
Curtis	Long	Talmadge
Eastland	Pearson	

So the amendment (UP No. 1746) was rejected.

Mr. ROBERT C. BYRD. Mr. President, I move to reconsider the vote by which the amendment was rejected.

Mr. PELL. I move to lay that motion on the table.

The motion to lay on the table was agreed to.

SCHEDULE DICUSSION

Mr. ROBERT C. BYRD. Mr. President, I believe there are three other amendments on which it was indicated rollcall votes would occur. I ask unanimous consent that there be a 30-minute time limitation on each of those amendments—40 minutes? A 40-minute time limitation, to be equally divided; that at 9 o'clock in the morning the Senate resume consideration of this bill; and that at that time the Senator from North Carolina (Mr. HELMS) be recognized to call up his amendment; that he be followed by Mr. MCINTYRE; that he be followed by Mr. TOWER; and that he be followed by Mr. MORGAN. Now we are talking about rollcall votes, after which the Senate will proceed to third reading and passage.

The PRESIDING OFFICER (Mr. BAYH). Is there objection?

Mr. HELMS. Reserving the right to object.

Mr. ROBERT C. BYRD. If Senators will pay attention, that is only putting over until tomorrow those amendments on which rollcall votes will be required. Amendments that are going to be accepted can be called up tonight. But amendments on which there will be rollcall votes, and I have named them, would go over until tomorrow with passage.

Mr. MORGAN. Mr. President, I object.

Mr. ROBERT C. BYRD. The Senator would like to have his amendment considered tonight?

Mr. MORGAN. To be perfectly honest, I have canceled several other engagements and I would like to do this tonight.

Mr. ROBERT C. BYRD. I ask unanimous consent that after the Senator from North Carolina calls up his amendment and gets a vote on it tonight, that the Senate go over until in the morning, at 9 o'clock, and that Mr. HELMS be recognized then to call up his amendment; that Mr. TOWER be recognized to call up his amendment, and Mr. MCINTYRE to call up his amendment, after which the Senate will go to third reading and passage.

Mr. HELMS. Reserving the right to object, I would be willing to debate my amendment tonight and vote on it in the morning.

Mr. ROBERT C. BYRD. That would be fine. If we can get Senator MORGAN's amendment out of the way with a rollcall tonight, any Senators who have amendments that can be accepted can stay and have their amendments accepted. Those Senators who have amendments on which they want rollcall votes, Mr. HELMS, Mr. MCINTYRE, and Mr. TOWER, would have in the morning and that would be followed by passage.

SEVERAL SENATORS. Reserving the right to object.

Mr. LEAHY. Would the leader be interested in a unanimous-consent request which would set a time certain before which there would be no rollcall votes in the morning?

Mr. ROBERT C. BYRD. We can have a final vote at 12 o'clock.

Mr. LEAHY. I mean so we would know when the first actual rollcall vote would occur.

Mr. ROBERT C. BYRD. If it is agreeable to those Senators involved in the amendments on which there will be no rollcall votes, we can start having the rollcall votes at 11 o'clock or 12 o'clock.

Mr. BAKER. Reserving the right to object, what times does the majority leader plan to come in in the morning?

Mr. ROBERT C. BYRD. Nine o'clock. There are three special orders.

Mr. BAKER. Mr. President, I think we have authority to vitiate those three special orders, so I wonder if the majority leader would consider advancing that to 9:30, in view of the late hour tonight.

Mr. ROBERT C. BYRD. Nine thirty will be fine.

Mr. BROOKE. Will the Senator yield? Can we have those three rollcall votes back-to-back after the time has expired on all three debates?

Mr. ROBERT C. BYRD. That would be agreeable with me if it would be agreeable with the sponsors of the amendments.

The PRESIDING OFFICER. Is there objection?

Mr. HOLLINGS. Reserving the right to object, if there is a noncontroversial amendment, can we agree on it before passage tomorrow?

Mr. ROBERT C. BYRD. We can do it tonight.

Mr. HOLLINGS. I am tired. I will call for a rollcall to get rid of it.

Mr. ROBERT C. BYRD. The Senator is tired——

Mr. HOLLINGS. Then I will object.

Mr. GLENN. Will this preclude bringing up amendments tomorrow on which we do not expect rollcall votes?

Mr. ROBERT C. BYRD. No.

Mr. GLENN. We could still bring up amendments tomorrow that would not require rollcall votes?

Mr. ROBERT C. BYRD. I hope Senators would not require any more rollcall votes tomorrow.

Mr. HARRY F. BYRD, JR. Reserving the right to object, does the unanimous-consent request preclude a Senator from bringing up an amendment tomorrow, other than those who have been named?

Mr. ROBERT C. BYRD. We hope any rollcall votes would be limited to those three tomorrow. The Senator can call up an amendment if he would not ask for a rollcall vote. Of course, if it requires a rollcall vote, nobody could deny it.

Mr. HARRY F. BYRD, JR. Suppose it was left at just the three?

Mr. ROBERT C. BYRD. Mr. President, I ask unanimous consent than the vote occur on passage at 1 o'clock p.m. tomorrow with paragraph 3 of rule XII waived and, hopefully, only those three amendments would require a rollcall vote. But if other Senators require them on their amendments, nobody can deny them.

The PRESIDING OFFICER. Is there objection?

Mr. HARRY F. BYRD, JR. Reserving the right to object, I want it understood that I can get a rollcall vote if I offer an amendment.

Mr. ROBERT C. BYRD. I thought I said that. I said no Senator could be denied a rollcall vote if he could get a sufficient show of hands.

Mr. HARRY F. BYRD, JR. Will the Senator from West Virginia include the amendment of the Senator from Virginia along with the other amendments?

Mr. ROBERT C. BYRD. The Senator from Virginia is included, Mr. President.

Mr. CHILES. Reserving the right to object, can we get an idea how long we are going to be here tonight on the rollcall?

Mr. ROBERT C. BYRD. Would the Senator be willing to limit his time?

Mr. MORGAN. Mr. President, reserving the right to object, this is a very complicated bill. Title II adds a completely new section that carries with it a $754 million authorization for the next 5 years. I had a hold on this bill, because my staff has been trying to work on some of these complicated sections, and it was vitiated without my knowledge. I am will-

ing to carry my amendment over until tomorrow but I am not willing to agree to any unanimous-consent agreement.

Mr. ROBERT C. BYRD. What was vitiated without the Senator's knowledge?

Mr. MORGAN. Because I had no knowledge until I was told the bill would be called up.

Mr. ROBERT C. BYRD. The Senator wrote to me on July 27 and I notified the Senator when the time had come when I felt we had to call the bill up.

Mr. MORGAN. I was not notified until after it was vitiated.

Mr. ROBERT C. BYRD. A hold does not hold forever.

Mr. MORGAN. It is a two-way street.

Mr. ROBERT C. BYRD. Of course it is. The Senator can object if he wants to.

Mr. MORGAN. Well, I am objecting.

Mr. ROBERT C. BYRD. Go ahead.

Mr. BAKER. Has the order been granted?

The PRESIDING OFFICER. Objection was heard.

The Chair recognizes the Senator from North Carolina.

Mr. MORGAN. Mr. President, I apologize to the Senate for inconvenience but I have tried to work on this matter, an important matter to me. It may not be to some of the others. I feel like it is something that we ought to consider.

Title II of this bill creates—Mr. President, may I have order?

Mr. McINTYRE. Can we have order, Mr. President?

The PRESIDING OFFICER. May we have order in the Senate, please?

UP AMENDMENT NO. 1747

(Purpose: To reduce the possibility of federal control over local school systems by striking the new "Basic Skills and Educational Proficiency Act")

Mr. MORGAN. Mr. President, I send an amendment to the desk and ask for its immediate consideration.

The PRESIDING OFFICER. The amendment will be stated.

The second assistant legislative clerk read as follows:

The Senator from North Carolina (Mr. MORGAN) proposes an unprinted amendment numbered 1747.

Beginning with page 116, line 9, strike all through page 132, line 11.

Mr. MORGAN. Mr. President, the amendment I have offered—Mr. President, may we have order?

The PRESIDING OFFICER. May we have order in the Chamber?

Mr. ROBERT C. BYRD. Did I understand the Senator was willing to go over until tomorrow on his amendment?

Mr. MORGAN. I am willing to go over until tomorrow but I am not willing to make any consent agreement as to the sequence in which it will be called up or a time limit.

Mr. BAKER. Will the Senator yield to me? I have been advised that the Senator from Texas (Mr. TOWER)—he will speak for himself.

Mr. TOWER. I am not prepared to agree to a time certain, Mr. President. To set a vote for 11 o'clock and have four amendments, coming in at 9 o'clock, necessarily precludes much in the way of debate on these amendments. I do not want to be proscribed.

Mr. ROBERT C. BYRD. How about the Senator from North Carolina? Is he willing to have a time limit on his amendment?

Mr. HELMS. Forty minutes.

Mr. ROBERT C. BYRD. Equally divided on the amendment?

Mr. HELMS. Yes.

Mr. ROBERT C. BYRD. Mr. President, I make that request.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. ROBERT C. BYRD. Is there any other Senator?

Mr. McINTYRE. Thirty minutes.

Mr. ROBERT C. BYRD. I ask unanimous consent that there be a time limitation on the amendment by Mr. McINTYRE of 30 minutes, equally divided in accordance with the usual form.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. ROBERT C. BYRD. Is there any other Senator willing to have a time limitation on his amendment?

Mr. BAKER. Mr. President, could I ask the Senator to yield?

Mr. ROBERT C. BYRD. I yield.

Mr. BAKER. Is the Senator asking for time limitations to be applicable tomorrow or just time limitations?

Mr. ROBERT C. BYRD. We are talking about tomorrow. Does the Senator from North Carolina want to go forward tonight or tomorrow?

Mr. MORGAN. It does not matter to me. I am willing to go over until tomorrow, but I am not willing to agree to a time for passage because that limits the time on this amendment and would limit the time on the other amendments. If the other Members want to agree to time limitations on their amendments, I have no objection. I do object to any time certain to vote on passage.

Mr. BROOKE. Does the Senator from North Carolina agree that the three Senators who agree to a time limitation can take their time after the special orders on tomorrow, then have rollcall votes on their amendments prior to the amendment that possibly will be offered by the Senator from Virginia (Mr. HARRY F. BYRD, JR.); then time will be given to the Senator from North Carolina without a time limitation; then the vote on his amendment before final passage?

Mr. MORGAN. I do not see any advantage to that.

Mr. GLENN. Will the Senator yield?

Mr. BROOKE. Yes.

Mr. GLENN. Will this still permit time tomorrow for those amendments not requiring rollcall votes?

Mr. BROOKE. Any other amendment coming in.

Will the majority leader consider that as a unanimous-consent request?

Mr. ROBERT C. BYRD. Yes.

Mr. BROOKE. I so offer it.

The PRESIDING OFFICER. Will someone please state what that unanimous-consent request is?

Mr. ROBERT C. BYRD. Mr. President, I have sought to complete the bill tonight and I did so at the request of Mr. PELL.

May we have order in the Senate?

The PRESIDING OFFICER. Let us have order, please.

Mr. ROBERT C. BYRD. I sought to finish action on the bill tonight, because Mr. PELL, who is manager of the bill, wanted to complete action, if at all possible, tonight. No one anticipated that the Senate would be going this late in order to complete action. I feel always that I should try to accommodate the managers of the bill. Senator PELL was here this morning early when called upon and, when the managers of a bill have stood here all day and they want to complete action, I feel it my duty, as the majority leader, to try to help them get through the bill.

There are other Senators here who, from time to time, have managed bills on this floor and who have asked me to go on and finish because they knew that if they waited until the next day, they would likely be on the bill the entire day. I think most Senators on this side of the aisle are in the very same position tonight that Senator PELL is in: They have asked me to go until they have finished. As majority leader, I have sought to support them.

It is obvious that we cannot finish this bill tonight unless we stay here another 2 or 3 hours. I had hoped we could complete action on this bill and on the CETA bill and on the other bills that are out of the Finance Committee, and possibly on Civil Service reform, without being in Saturday. But, as it appears now, the longer we go, the more the chances are that we shall have to be in on Saturday.

We may still be in on Monday of next week and on Tuesday, because the legislative holiday that was announced earlier this year was to begin at the close of business next Tuesday night. I have been striving to save the Senate from having to be in next Monday and Tuesday, even from having to be in this Saturday. That was the reason, plus the fact that the manager of the bill wanted to stay in until we could finish.

He is here. He is nodding his head in the affirmative that I have sought to wind up the action today. That, obviously, is not going to be done. That being the case, I have sought to try to work out the best agreement that I could in order to finish the bill as early as possible tomorrow.

It is all right with me, if you do not want to finish the bill tomorrow; that is all right with me; we shall just be in on Saturday. If we cannot complete our work, we shall be in on Monday and we shall be in on Tuesday. But I hope we can complete the action on this bill tomorrow at a reasonably early hour.

Therefore, Mr. President, I move that the Senate stand in recess until the hour of 9 o'clock——

Mr. EAGLETON. Will the leader withhold that?

Mr. ROBERT C. BYRD. Yes.

Mr. EAGLETON. Some of us have tidy-up amendments.

Mr. ROBERT C. BYRD. Mr. President, there will be no more rollcall votes tonight. Those Senators who have amendments that they want to have adopted on voice vote may stay and have that done.

Mr. MELCHER. Mr. President, I have

an amendment at the desk and I ask for its immediate consideration.

Mr. BAKER addressed the Chair.

The PRESIDING OFFICER. The Senate will be in order, please.

If the Senator from Montana will permit the Chair to make a contrary observation, he had previously recognized the Senator from North Carolina pending a series of unanimous-consent agreements. Does the Senator from North Carolina yield the floor?

Mr. MORGAN. Yes.

Mr. MELCHER. Mr. President, I have an amendment at the desk and I ask for its immediate consideration.

Mr. BAKER. Will the Senator from North Carolina yield to me for a moment?

The PRESIDING OFFICER. Does the Senator from North Carolina care to withdraw his amendment so another amendment may be made the pending order of business?

Mr. MORGAN. Mr. President, before I do, let me yield to the minority leader.

Mr. BAKER. I thank the Senator from North Carolina.

Mr. President, while there are still some Members here on the floor, if I could have the attention of the majority leader for just a moment, it appears now that there will be no more rollcall votes tonight, as I understand the announcement of the majority leader, and we will convene in the morning at 9 or 9:30?

Mr. ROBERT C. BYRD. Nine-thirty.

Mr. MORGAN. Mr. President, I withdraw my amendment and yield the floor.

The amendment was withdrawn.

The PRESIDING OFFICER. The Senator from Montana is recognized.

Mr. MELCHER. I yield to the Senator from California.

Mr. CRANSTON. Mr. President, I ask unanimous consent that the Senator be permitted to yield to me without losing the floor for a very brief colloquy with the managers of the bill.

The PRESIDING OFFICER. Without objection, it is so ordered.

EMERGENCY SCHOOL AID ACT EDUCATIONAL TELEVISION AND RADIO

Mr. CRANSTON. I should like to ask the managers of this bill a couple of questions.

Is it not true that the emergency school aid act educational television and radio program is continued under S. 1753?

Mr. PELL. That is correct.

Mr. CRANSTON. Will that not allow meritorious programs like Villa Alegre to continue?

Mr. PELL. Yes; it will.

Mr. CRANSTON. I should like to compliment the distinguished floor managers of this bill for retaining this valuable program. As they know, programs like Villa Allegre, which focus on the specific learning needs of children of linguistically different backgrounds, are extremely important due to the large and increasing numbers of these children in California and throughout the country.

I believe the Senator from New York concurs.

Mr. JAVITS. Yes; I concur. We need the program. It has won two competitions already. It is an excellent program. We have them and others have them, too, but this is certainly a very good program.

Mr. CRANSTON. I thank the Senators very, very much and I thank the Senator from Montana.

UP AMENDMENT NO. 1748

(Purpose: To assure that States do not require qualifying elections for heavily impacted school districts under Public Law 874.)

Mr. MELCHER. Mr. President, I have an amendment at the desk and I ask for its immediate consideration.

The PRESIDING OFFICER. The amendment will be stated.

The legislative clerk read as follows:

The Senator from Montana (Mr. MELCHER) proposes an unprinted amendment numbered 1748.

Mr. MELCHER. I ask unanimous consent that further reading be dispensed with.

The PRESIDING OFFICER. Without objection, it is so ordered.

The amendment is as follows:

On page 334, after line 25, insert the following:

(c) Section 3 of such Act is amended by adding at the end thereof the following new subsection:

"(g) Notwithstanding any other provisions of this Act no State may require that a vote of the qualified electors of a heavily impacted school district of a local educational agency be held to determine if such school district will spend the amounts to which the local educational agency is entitled under this Act.".

Mr. MELCHER. Mr. President, we have an unusual circumstance in our State where an old attorney general's opinion would require a school district to vote on impact funds in order to spend them. It is a totally unique situation, in my judgment, and I think it is unique in the experience of the managers of the bill and everybody else. I hope the amendment can be accepted, because this will correct that situation.

Mr. PELL. Mr. President, I have examined this amendment and believe it does apply to a very unique situation in Montana,

I recommend we do accept it.

Mr. JAVITS. Mr. President, the amendment is acceptable on this side.

The PRESIDING OFFICER. The question is on agreeing to the amendment of the Senator from Montana.

So the amendment (UP No. 1748) was agreed to.

Mr. MELCHER. Mr. President, I move to reconsider the vote by which the amendment was agreed to.

Mr. HEINZ. I move to lay that motion on the table.

The motion to lay on the table was agreed to.

Several Senators addressed the Chair.

UP AMENDMENT NO. 1749

(Purpose: To provide for an office of Non-Public Education)

Mr. PELL. Mr. President, on behalf of myself and Senator EAGLETON, I offer an amendment to create an Office of Non-public Education in the Office of Education.

This Office is necessary to coordinate the already existing program that assists students of nonpublic schools. This Office will also provide much needed visibility to these Federal efforts, and will provide a necessary focus for our current programs and for any new directions that we might pursue. This Office will also provide a voice in our Federal Government for the needs of nonpublic education.

Mr. President, I ask that the amendment be stated.

The PRESIDING OFFICER. The amendment will be stated.

The legislative clerk read as follows:

The Senator from Rhode Island (Mr. PELL) for himself and Mr. EAGLETON, proposes unprinted amendment numbered 1749.

The amendment is as follows:

On page 366, between lines 12 and 13, insert the following new section:

OFFICE OF NON-PUBLIC EDUCATION

SEC. 402. (a) Section 403 of the General Education Provision Act is amended by adding at the end thereof the following new subsection:

"(d)(1) There shall be, in the Office of Education, an Office of Non-Public Education to insure the maximum potential participation of nonpublic school students in all Federal educational programs for which such children are eligible.

"(2) The Office shall be headed by the Deputy Commissioner for Non-Public Education, who shall be appointed by the Commissioner.".

On page 366, line 14, strike out "Sec. 402." and insert "Sec. 403.".

On page 370, line 10, strike out "Sec. 403." and insert "Sec. 404.".

On page 371, line 10, strike out "Sec. 404." and insert "Sec. 405.".

On page 371, line 21, strike out "Sec. 405." and insert "Sec. 406.".

On page 372, line 15, strike out "Sec. 406." and insect "Sec. 407.".

On page 373, line 2, strike out "Sec. 407." and insert "Sec. 408.".

On page 374, line 17, strike out "Sec. 408." and insert "Sec. 409.".

On page 375, line 18, strike out "Sec. 409." and insert "Sec. 410.".

On page 20 and 21 in the Table of Contents insert after item Sec. 401 the following new item:

"SEC. 402. Office of Non-Public Education.".

Redesignate item Sec. 402 through item Sec. 409 as item Sec. 403 through item Sec. 410, respectively.

Mr. PELL. Mr. President, I yield to the Senator.

Mr. HOLLINGS. Mr. President, I want to join in this amendment and make at least this record for myself one more time and for the Department of HEW.

The fact of the matter is that we did support the Domenici amendment to the tuition tax credit bill last week that had the bypass provision in it. In this particular case, anything to help facilitate and accelerate the assistance due and owing private school students who participate in the varied title programs under the Elementary and Secondary Education Act, we want to join in.

I ask unanimous consent to have printed in the RECORD first, an update on bypasses; second, Secretary Califano's testimony relative to the private education programs in March of this year where he stated we must take all constitutionally appropriate steps to insure that private schoolchildren receive the funds they are due; third, a statement of the bypass provisions of S. 1753

and the Administration's efforts in this regard—which we support; fourth, the Commissioner of Education, Mr. Ernest Boyer's statement on administrative actions intended to make the bypass more effective; and, fifth, the guidelines for handling complaints from nonpublic schools.

I had intended originally to put that in as an amendment with the Senator from New Mexico. It is very similar to the one we had placed on the tuition tax credit bill. However upon the advice of the U.S. Catholic Conference, and others, we decided to forgo this effort since S. 1753 contains provisions to correct the problems.

So I am joining in Senator Pell's amendment and I ask unanimous consent this material be printed in the RECORD.

There being no objection, the material was ordered to be printed in the RECORD, as follows:

BY-PASS: AN UPDATE

TITLE IV-B

In FY 78 the following states had by-passes invoked—Missouri, Nebraska, Oklahoma.

In FY 79 there will be an investigation of Wisconsin plus the three states by-passed in FY 78 will continue to be by-passed.

TITLE IV-C

In FY 78 Missouri had a by-pass for one LEA which was Hazelwood.

TITLE I

Virginia had all LEAs (15 total) with complaints included in the state by-pass. These were LEAs which were eligible under the rule of 10 or more eligible private school children to be served in the school.

In Missouri a by-pass was implemented in 5 LEAs and letters of determination are going out (either in late FY 78 or early FY 79) to 9 more districts which have been found to have substantial failure in providing services. They will have an opportunity for a hearing which would probably be held in early FY 79.

In Wisconsin the decision has been announced to by-pass 8 districts. A hearing will be (if requested) in late FY 78 or early FY 79. If there is no hearing the by-passes will be implemented.

SEC. CALIFANO'S TESTIMONY OF MARCH 8, 1978 STATING THE ADMINISTRATION'S PROGRAMS FOR PRIVATE EDUCATION.

Private Schools.—President Carter is very concerned that, consistent with the Constitution, nonpublic school children receive their equitable share of funds provided under Federal elementary and secondary education programs. Although estimates in this area are quite rough due to poor record-keeping in the past, we estimate in Fiscal 1978 that private school students will receive between $100 and $250 million out of the $6 billion appropriated for Federal elementary and secondary programs. We also estimate that with appropriate legislative and administrative changes, nonpublic school students could receive from $100 to $250 million in additional funds in Fiscal 1979 and 1980—funds to which they are legally entitled.

We must take all constitutionally appropriate steps to ensure that private school children receive the funds that are their due—Providing money to private school students through existing programs—many of them based on well-defined educational needs—is a far superior way of ensuring the diversity of education in America than the shotgun approach of a tuition tax credit. A $500 tuition tax credit under consideration by the Congress would, if enacted into law, deliver a devastating blow the public school education in this country. It is indiscriminate, affecting rich and poor alike. And it is inequitable—the Congress would, if private school families received the full benefit of the credit and if they received their full share of existing Federal programs, by providing about four times as much money per private school student as it presently provides per public school student.

For each private elementary and secondary school student, the Congress would provide the $500 from the tax credit, plus the approximately $60 per student that private school students could receive under existing Federal programs—all this for private school students—compared with only $128 per pupil for public school students under existing Federal programs. The proposal, in short, stands the American tradition of public education on its head.

By contrast, to ensure equitable treatment of private school students consistent with sound constiutional interpretation we propose the following legislative changes:

In Title I, require that spending for educationally deprived nonpublic school children is comparable, consistent with their numbers and education need, to spending for public school children; require that new Title I funds distributed through the Targeting and State Incentive provisions are subject to the same equitable standard; require that State plans contain monitoring and enforcement provisions concerning participation of nonpublic school children.

In Title IV, require States to develop a plan for ensuring equitable participation of nonpublic school students in all Federal programs.

Strengthen and clarify the "by-pass" authority which the Federal government may use to provide constitutionally permissible services directly to nonpublic school students if the States and localities fail to discharge their statutory obligations.

In addition, we have also taken, or will take, administrative steps to fulfill the President's commitment to private education:

We will establish a new Office for Nonpublic Schools within the Office of Education. This Office will coordinate all Federal education programs which call for the participation of private school students, obtain information about the level of nonpublic student participation in federally funded education programs, and process complaints.

We have already established a much more precise and systematic complaint process.

We will make sure that qualified representatives of private schools are placed on educational advisory committees.

OFFICE OF PRIVATE SCHOOL SERVICES

Office for Non-Public Schools within the Office of Education. This office has been established. Presently recruiting for someone to head the office. Title of head will be Assistant Commissioner, Office of Private School Services. The office will have a staff of 4; the Assistant Commissioner will be a GS 15 or 16 and will report to the Executive Deputy Commissioner for Educational Programs.

The Proposal

Establish within the Office of Education a new Office for Nonpublic Schools. This Office will monitor and coordinate the provision of services to nonpublic school children under all Federal elementary and secondary education programs that call for the participation of such children. A major function of this Office will be to collect data on a systematic basis about the extent of actual participation of nonpublic school children in Federal programs, and to determine the degree to which those children are not being provided services to which they are entitled. The Office will also be responsible for processing complaints filed with the Office of Education about the expeditious resolution of thsee complaints. This Office will be established by administrative action.

Present Law

The participation of nonpublic school children in Federal elementary and secondary education programs is currently overseen primarily by the program office for each separate program.

Reasons for Recommendation

There is a need for sustained improvement in the administration of programs designed to benefit children in nonpublic schools. Efforts to evaluate and increase the degree of participation of nonpublic school children in Federal programs are currently handicapped by a serious lack of data about such participation. This Office can play a major new role in obtaining necessary data.

In addition, a speical Office, separate from each of the program offices, should be especially sensitive to the needs of children in nonpublic schools and effective in seeing that they receive the services they need. Because its central mission will be to ensure that statutory requirments providing for the equitable participation of such children are fulfilled, it should give greater force to administrative efforts designed to ensure that nonpublic school children receive their fair share of services under Federal programs.

BY-PASS: PROVISIONS OF S. 1753 AND ADMINISTRATIVE EFFORTS

AUGUST 7, 1978.

NOTE TO DR. LETITIA CHAMBERS

The Administration proposed several changes in the Elementary and Secondary Education legislation to ensure that children attending nonpublic schools receive their equitable share of the benefits of Federal programs consistent with the Constitution. The Administration intends to make a concerted effort to improve the performance of Federal education programs in delivering to nonpublic school children the services to which they are legally entitled.

Several recommended changes focused on strengthening or clarifying existing legal requirements—others were new requirements to ensure the private school children a fair share of the benefits. In his testimony, Secretary Califano stated the general legislative and administrative changes the Administration was proposing and undertaking. They are:

In Title I, require that spending for educationally deprived nonpublic school children is comparable, consistent with their numbers and educational need, to spending for public school children; require that new Title I funds distributed through the Targeting and State Incentive provisions are subject to the same equitable standard; require that State plans contain monitoring and enforcement provisions concerning participation of nonpublic school children.

In Title IV, require States to develop plans for ensuring equitable participation of nonpublic school students in all Federal programs.

Strengthen and clarify the "by-pass" authority which the Federal government may use to provide constitutionally permissible services directly to nonpublic school students if the States and localities fail to discharge their statutory obligations. This authority exists in Titles I and IV, and the Administration proposed its extension to ESAA and Title VII (Bilingual Education).

Establish a new Office for Private Education Services within the Office of Education. This Office will coordinate arrangements for private school students' participation in all Federal education programs which call for such participation, will obtain information on federally funded education programs, and will process complaints.

Make sure that qualified representatives of private schools are placed on educational advisory committees.

A systematic complaint process within OE has been established.

More specifically several sections of the

Elementary and Secondary Education legislation now pending in Congress (H.R. 15 and *S. 1753*) have incorporated the Administration's suggestions. They are cited below as they appear in S. 1753.

(a) State Monitoring and Enforcement Plan in Title I, Part C.—Language in Section 161(b)(4)(5) specifically directs the State to include in its plan for enforcement and monitoring of LEAs receiving Title I funds procedures for resolving complaints, including those by representatives of children enrolled in private schools. The SEA must describe its means of assuring local compliance with the plan, including requirements for equitable provision of services to children enrolled in private schools. (This appears in Section 121(a) in H.R. 15.) The Section also requires a State plan to include a regular schedule of visits to school districts. This type of monitoring schedule has never been required in Title I, nor have such specific enforcement activities been required in the State plan.

(b) Participation of Children Enrolled in Private Schools.—Language appears in both Title I and Title IV to ensure participation. Section 130(a) spells out the general requirements for the LEA to serve equitably those children attending nonpublic schools who are entitled to Title I services. (Section 40(a) in H.R. 15 is not the same in language but is similar in principle.) This section requires spending to be equal, consistent with the children's numbers and educational need, to the spending for public school children.

The language in Section 406 of Title IV also ensures equitable participation. In this provision SEAs are required to make arrangements in order that nonpublic school children are provided services and materials even if the local school district does not receive funds. If services and materials are not provided, the Commissioner has the option to implement the by-pass procedures.

(c) By-Pass Provisions.—Four by-pass provisions have been included in the pending legislation for Title I, Title IV, ESAA, and Bilingual Education. These ensure that services will be provided to nonpublic school children through contracts if the SEA and/or LEA does not provide the services for the eligible children. The Commissioner has the authority to enter into special agreements in order that the services are provided.

(d) Title IV State Plans.—Nonpublic school participation is ensured in Section 404(a)(3) through the set of assurances required in State plans. If a state certifies that it cannot legally serve the nonpublic school children, a by-pass would be implemented.

(e) Basic Skills and Educational Proficiency—Title II.—In this discretionary grants program Section 202(a)(1) "Applications" states that an award can only be made if in "designing the proposal for which application is made, the needs of children in nonprofit private elementary and secondary schools have been taken into account through consultation with private school officials. . . ." This guarantees children's opportunity for participation if local private school officials have any interest in the program.

Three administrative actions taken during the past year also indicate the Department's concern for services to non-public school children. It is the intent of the Office of Education to ensure that services are provided.

(a) Specific procedures have been implemented to speed up the review of complaints made by nonpublic school officials. A series of checks has been established to ensure that complaints do not get lost in the system.

(b) Both the Secretary and the Commissioner have announced plans to establish a new Office of Private Education Services within the Office of Education. A search for the staff has already begun, and position descriptions for staff include a description of the office's duties.

(c) During the past year the Office of Education has taken vigorous steps to implement by-passes in both Title I and Title IV. In Title I several states have received letters initiating actions, and other states have had by-passes implemented. Four have been implemented in Virginia and eleven are in process. Eight letters have been sent to districts in Wisconsin, and it is anticipated that the by-pass will be implemented during the next school year. Five have already been implemented in Missouri, and nine more are anticipated.

In Title IV the states of Nebraska, Oklahoma, and Missouri have had by-passes implemented for Part B.

The previous discussion concerning the enforcement of nonpublic school services through administrative actions and the language in pending legislation indicates the increased level of action on this issue in the Departemnt of Health, Education, and Welfare and the Office of Education. It has been the administration's position from its initial proposals to insure services to eligible children in nonpublic schools. The language in the pending legislation takes us much farther than ever before in guaranteeing these services, and the administrative actions now underway in the Office of Education will also help insure service in the future.

FRITZ EDELSTEIN,
Special Assistant to the Commissioner.

POLICY STATEMENT ON ADMINISTRATIVE ACTIONS INTENDED TO MAKE THE BYPASS MORE EFFECTIVE

(Statement By Ernest L. Boyer)

The policy of the U.S. Office of Education is to administer vigorously and effectively the Federal elementary and secondary education laws so that maximum program benefits reach children in both public and nonpublic schools on an equitable basis. The right of nonpublic school children to participate in a number of federally funded programs has been clearly established, and yet the record of delivery has been spotty. The United States Office of Education will not accept careless administration in this essential matter. Service to children in nonpublic schools can and must increase.

Some legislation carefully spells out the manner in which children in nonpublic schools are to be served while other legislation is less specific. While the laws refer to "equitable" treatment, even that word "equitable" has been differently interpreted. Because local public schools must arrange for delivery of Federal education services to nonpublic children, there sometimes exists difficulties, including legal barriers, to assure equitability. Accordingly, the Congress provided the Commissioner with an administrative remedy, called bypass, to serve nonpublic school children where local public schools are unable or unwilling to do so.

Since January of 1976, we have received an increasing number of nonpublic school complaints, more particularly, requests to invoke bypass. We have received charges from the nonpublic school community that OE has been dilatory in its responses. It is my intention to implement guidelines which will assure speedy and efficient resolution of those complaints.

Each manager in the U.S. Office of Education, who is responsible for programs which provide educational benefits for children, must know these procedures, practices them, and attempt to improve upon them. Each complainant must be answered immediately. The appropriate State education agency must be notified in a short period of time of the complaint. Clearances of draft letters for the Commissioner's signature must be handled on a priority basis. I believe that expeditious handling of correspondence on nonpublic school complaints will enhance our efforts to effect a timely and reasonable resolution to each complaint. Your cooperation in this effort is needed and I count upon you to help improve our performance in serving the nonpublic school children, as well as public school children.

TIGHTENED GUIDELINES FOR HANDLING COMPLAINTS FROM NON-PUBLIC SCHOOLS

NARRATIVE DESCRIPTION OF GUIDELINES

These guidelines apply to written complaints addressed to the U.S. Commissioner of Education concerning nonpublic school participation in Federal education programs. The objectives are:

(1) That the complainant receive an immediate response.

(2) That the appropriate SEA be notified of the complaint within a short period of time.

(3) That a reasonable resolution of the complaint be achieved in a timely manner.

The Deputy Commissioner has a more responsible role in these procedures in that he or she is to make the initial contacts following receipt of the complaint. A key is that the Deputy Commissioner appoint a person to follow the complaint until its resolution. This person should always know the status of the complaint and should insure prompt action.

Nonpublic Education Services, in the Educational Community Liaison Office, will have a responsible role in assisting where needed, to expedite drafts or to help in negotiations.

The Office of General Counsel is to be kept advised but it will be asked to clear only those drafts which require the Commissioner's signature.

These guidelines apply within USOE in handling written complaints which are addressed to the US Commissioner of Education from responsible nonpublic school representatives regarding the equitability of services to nonpublic school students in programs funded under the Federal education laws administered by the Office of Education. They have more specific application where the complaint requests a bypass.

The procedures to handle complaints are listed below. Following the procedures are standard requirements for all steps which involve the Office of General Counsel (OGC) and Nonpublic Educational Services (NPES), clearance.

1. Incoming letter controlled to appropriate Deputy Commissioner (usually BESE). Working days for task: 1.

2. Deputy Commissioner:

(a) Responds in writing to complainant acknowledging receipt of complaint and indicating that additional information and facts may be requested to assist in a staff study of the problem. Working days for task: 1–5.

(b) Designates OE person from the appropriate program office to follow up on the complaint until its resolution. This person is to arrange for the necessary technical assistance and to keep in touch with appropriate Bureau staff, OGC, and NPES, on developments regarding the complaint. Working days for task: 5–10.

(c) Notifies the appropriate Chief State School Officer in writing of the complaint—asks for information and facts. Working days for task: 5–10.

(d) The OE person designated for follow up is mentioned in the letter. A copy of the letter should be furnished to OGC and NPES. Allows 30 days for SEA to respond.* Working days for task: 30.

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*Under ESEA Title IV, the nonpublic school complaint must first go directly to the SEA—Title IV regulations 134.102. SEA has 60 days to respond to complainant.

3. If SEA notifies OE that complaint is resolved, and the Deputy Commissioner agrees, the Deputy will notify the complainant of the resolution. Working days for task: 3.

4. If SEA response does not provide sufficient data or information to resolve complaint, the Deputy Commissioner notifies the CSSO in writing of OE plans for on-site reviews. The Deputy Commissioner should advise OGC of the action planned. Appropriate LEA's and the complainant will also receive copies of the letter regarding on-site visits. Deputy Commissioner determines composition of on-site investigative team. Working days for task: 10.

5. OE conducts on-site investigation at designated LEA(s) and in consultation with SEA and LEA officials, and with nonpublic school representatives. OE looks into actual numbers of children eligible, the number served, the time, amount, and cost of services, the arrangements for the delivery of services, to help determine equitability or other pertinent facts. The OE visiting team prepares a report of its fact finding for submission to Deputy Commissioner. The team consults with OGC in the preparation of its report. (Note: the length of the investigation and the preparation of the report are affected by such things as the number of LEA(s) and the size of the program.) Working days for task: 10–30.

6. If OE report finds nonpublic school children are being served equitably, the Deputy Commissioner notifies the complainant and the SEA. Working days for task: 5.

7. If the OE report finds significant failure to serve nonpublic school children equitably, and the Deputy Commissioner and OGC concur, the Deputy Commissioner takes the following actions:

(a) Prepares draft letter for the Commissioner's signature to the CSSO reporting the findings of fact and giving notice of invoking bypass (copies to affected LEA(s) and complainant). Working days for task: 5–10.

(b) SEA and LEA(s) given 60 days to request hearing (applicable only where designated in the statute). Working days for task: 60:

(c) If on-site investigation uncovers significant failure to serve nonpublic school children equitably at the time the SEA plan is to be approved, the Deputy Commissioner should notify the Commissioner and recommend appropriate action which may * * *. Working days for task: 5.

(d) If the Commissioner agrees to such fund withholding, the Deputy Commissioner prepares a draft letter for the Commissioner's signature to the CSSO relative to fund withholding. Working days for task: 10–15.

All letters for the Commissioner's signature on either bypass or withholding of funds must be cleared by OGC.

8. If SEA or LEA asks for hearing, OGC takes the lead and works in conjunction with Deputy Commissioner and Director, Nonpublic Educational Services. (Hearing process not covered in these procedures.)

9. If SEA and/or LEA(s) do not ask for hearing, Deputy Commissioner prepares letter for Commissioner's signature of final notice of bypass and proceeding with request for proposal (RFP). Working days for task: 5–10.

Contracting procedures commence. (Applies only when bypass is authorized.)

Standard Requirements.—

A. Copies of the Deputy Commissioner's letters should be sent to OGC, NPES, SEA, LEA and if appropriate, to the complainant (include copy of incoming letters)

B. Designated program staff person should always be identified in initial letters to indicate availability for technical assistance to SEA and LEA, and arranging consultation with nonpublic school representatives. An account of the progress in handling the complainant will be kept by the designated OE person to insure that procedural time requirements are met. (Note: Both OGC and the Commissioner's Correspondence Unit maintain logs or controls of all draft letters on nonpublic school student participation).

C. OE Director of Nonpublic Educational Services will assist, if necessary, in drafting or reviewing letters, arranging consultations with nonpublics, and working with OE designated persons on complaints which may require a bypass or withholding of funds.

Mr. EAGLETON. Mr. President, I rise in support of the Pell-Eagleton amendment which would retain a provision of title XII which I believe has considerable merit, to wit, the establishment of an Office of Non-Public Education to be headed by a Deputy Commissioner. This office would have the responsibility to insure that nonpublic schoolchildren participate equitably in the various Federal educational programs for which they are eligible. Mr. President, I ask unanimous consent that a topical listing prepared by the Library of Congress of various Federal educational programs in which private elementary and secondary school students are eligible to participate be printed in the RECORD at the conclusion of my remarks.

I view the establishment of this office, with appropriate status of being headed by a Deputy Commissioner, to be central to carrying out the intent of Congress in 1965. Adoption of the Elementary and Secondary Education Act expressed clear congressional intent of providing nonpublic schoolchildren "equitable participation" in the new Federal program.

Although my State of Missouri has somewhat more stringent State constitutional restrictions on aid to nonpublic schoolchildren than other States, I believe the difficulties which have arisen in Missouri speak eloquently for the need for a special Office for Non-Public Education to insure that the law is upheld.

The first problem encountered in Missouri related to the title III program, supplementary educational activities and services. The Federal statute specifically provided that children attending nonpublic schools as well as children attending public schools should participate in the program. In addition, the Federal statute provided for an administrative mechanism, commonly known as a "bypass," by which the Federal Government could contract to make services available to nonpublic schoolchildren in those cases where there is a substantial failure on the part of the State to provide such equitable services or where a State is prohibited by law from so doing.

In Missouri, nonpublic schoolchildren were restricted in their participation in a title III reading deficiency clinic to before or after regular school hours or on Saturday. Thus, where a public schoolchild could receive reading deficiency diagnosis and a remedial prescription in a day and a half of intensive testing, a nonpublic schoolchild might have to come to the clinic as many as 8 separate days to receive the same service.

In March 1972, the U.S. Commissioner of Education was requested to invoke the "by-pass" in Missouri with regard to the title III program. In November of that year, the "by-pass" was invoked, the first time this authority had been used in the country.

Similarly, the title I program for aid to educationally disadvantaged children requires that nonpublic schoolchildren participate in remedial programs in an equitable manner. A similar "by-pass" provision is authorized. Again, a problem arose in Missouri. The State's plan for title I nonpublic school participation required remedial mathematics and reading courses at private schools to be held after school hours or on weekends.

A suit was brought by parents of nonpublic schoolchildren in the Kansas City area, asking the court to permit Federal funds for special remedial programs to be used to provide public schoolteachers for private schools during regular school hours.

This case wound its way up to the U.S. Supreme Court in 1974, at which time the Court ruled that the State must provide services to children in nonpublic schools that are comparable—but not necessarily identical—to those received by public schoolchildren. However, the Court left it up to Missouri courts to determine what types of comparable Federal remedial services can be provided to nonpublic schoolchildren.

In 1976, the U.S. Commissioner of Education again invoked the "by-pass" in Missouri, this time with respect to the title I funds in four school districts in the State.

I would point out that it has taken years of litigation to obtain some degree of equitable services to nonpublic schoolchildren in Missouri. It has taken 10 years since enactment of ESEA to resolve, and only partially resolve at that, the question of participation of nonpublic schoolchildren in Federal education programs. In my view, a highly visible Office for Non-Public Education in the U.S. Office of Education would facilitate enforcement of the provisions of the Elementary and Secondary Education Act of 1965 as they relate to nonpublic schoolchildren eligible for benefits and services. Had such an office been in place in prior years, I believe these Missouri matters could have been resolved more efficiently and more effectively.

Mr. JAVITS. Mr. President, I support the amendment and I ask unanimous consent that I may be named as a cosponsor.

The PRESIDING OFFICER. Without objection, it is so ordered.

The question is on agreeing to the amendment of the Senator from Rhode Island.

So the amendment (UP No. 1749) was agreed to.

UP AMENDMENT NO. 1750

(Purpose: To include educational institutions in the program to stimulate achievement in basic skills)

Mr. EAGLETON. Mr. President, I have an amendment.

The PRESIDING OFFICER. The amendment will be stated.

The legislative clerk read as follows:

The Senator from Missouri (Mr. EAGLETON), for himself and Mr. JAVITS, proposed an unprinted amendment numbered 1750.

Mr. EAGLETON. Mr. President, I ask unanimous consent that further reading of the amendment be dispensed with.

The PRESIDING OFFICER. Without objection, it is so ordered.

The amendment is as follows:

On page 123, strike line 18 and insert the following:

"INVOLVEMENT OF EDUCATIONAL AGENCIES AND PRIVATE ORGANIZATIONS".

On page 123, line 20, after the word "to" insert the following: "State and local educational agencies, institutions of higher education and,".

On page 124, line 7, after the "(2)" insert the following: "instructional programs and".

Mr. EAGLETON. Mr. President, I offer this amendment on behalf of myself and Senator JAVITS, which would amend title II, the basic skills authorization contained in the bill.

Section 209 of the bill is designed to provide authority to continue the reading academy programs currently authorized under title VII of the Education Amendments of 1974. As reported out of committee, the bill restricts eligibility for the program to private organizations. Although the private sector has contributed greatly to the reading program, many educational institutions have also undertaken reading academy programs.

This amendment simply broadens eligibility under section 209 to include educational agencies as well as private organizations, and clarifies the nature of programs eligible under the section.

Mr. JAVITS. I support the amendment. I think it is an excellent provision. I hope the Senate will adopt it.

Mr. MORGAN. Mr. President, this is a section I am interested in. I am not sure what the amendment does. Could I have a further explanation?

Mr. EAGLETON. I will elaborate, Mr. President, a little more. Section 209 of the bill is designed to provide authority to continue the reading academy programs currently authorized under title VII of the Education Amendments of 1974. As reported out of committee, the bill restricts eligibility for the program to private organizations. Although the private sector has contributed greatly to the reading program, many educational institutions have also undertaken reading academy programs.

As I say, this simply has eligibility under 209 to include educational agencies as well as private organizations and clarifies the nature of programs eligible under this section.

Mr. MORGAN. Mr. President, a parliamentary inquiry.

The PRESIDING OFFICER. The Senator will state it.

Mr. MORGAN. Would this amendment prevent my offering an amendment tomorrow to strike the entire section, including the portion amended by this amendment?

The PRESIDING OFFICER. The Chair informs the Senator from North Carolina he would not be precluded from offering the amendment to strike the entire provision since his amendment would be much broader than the amendment being offered by the Senator from Missouri.

Mr. MORGAN. I thank the Chair.

Mr. EAGLETON. Mr. President, I ask unanimous consent that the Senator from Michigan (Mr. RIEGLE) be added as a cosponsor.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. JAVITS. We are ready to vote.

The PRESIDING OFFICER. The question is on agreeing to the amendment of the Senator from Missouri.

So the amendment (UP No. 1750) was agreed to.

Mr. JAVITS. Mr. President, I move to reconsider the vote by which the amendment was agreed to.

Mr. EAGLETON. I move to lay that motion on the table.

The motion to lay on the table was agreed to.

Several Senators addressed the Chair.

AMENDMENT NO. 3518

Mr. GLENN. Mr. President, I call up my amendment and ask for its immediate consideration.

The PRESIDING OFFICER. The amendment will be stated.

The legislative clerk read as follows:

The Senator from Ohio (Mr. GLENN) proposes an amendment numbered 3518.

Mr. GLENN. Mr. President, I ask unanimous consent that further reading of the amendment be dispensed with.

The PRESIDING OFFICER. Without objection, it is so ordered.

The amendment is as follows:

On page 342, line 3, strike out "EXTENSION OF RELATED" and insert "REVISION OF OTHER".

On page 357, between lines 4 and 5, insert the following:

"PART D—TUITION TAX CREDIT; REDUCTION OF CREDIT

"REDUCTION OF CREDIT

"SEC. 341. The amount of the credit otherwise allowable under section 44C of the Internal Revenue Code of 1954 (relating to credit for tuition) shall be reduced by any amounts received with respect to any individual for any taxable year under subpart 1 or 2 of part A of title IV of the Higher Education Act of 1965 or any successor statute.".

On page 20, in the table of contents, strike out title III and insert in lieu thereof the following:

"TITLE III—REVISION OF OTHER EDUCATION PROGRAMS".

On page 20, in the table of contents, after item "Sec. 231." insert the following:

"PART D—TUITION TAX CREDIT; REDUCTION OF CREDIT

"Sec. 341. Reduction of credit.".

Mr. GLENN. Mr. President, the amendment which I now call up to S. 1753, the Elementary and Secondary Education Act amendments, would insure that individuals would not be permitted to unfairly benefit from several duplicative educational assistance programs. In short, it would insure that the tuition tax credit, which the Senate has just recently passed, be reduced by the amount of direct Federal higher educational grant assistance.

My amendment would have the same effect as a provision included in the Senate-passed tuition tax credit bill. However, since the House-passed tuition tax credit bill specifically provided that there not be an offset, it cannot be assumed that the Senate conferees will be successful in retaining that provision. With the Senate passage of both the tuition tax credit and the expanded college grant program, there would be an opportunity to double-dip if both bills are subsequently enacted without an offset provision. I believe that we must insure that double-dipping cannot take place. Therefore, I am offering my amendment in order to provide the Senate with an additional opportunity to enact an offset provision.

Mr. President, I have already discussed this with both floor managers. I believe it is acceptable.

Mr. PELL. The Senator is correct. We have discussed it. It is acceptable. I think it serves a very good purpose to avoid duplication and double dipping.

Mr. JAVITS. The amendment is acceptable.

Mr. THURMOND addressed the Chair.

Mr. GLENN. We are prepared to vote.

The PRESIDING OFFICER. The Senator from South Carolina.

Does the Senator from South Carolina wish to be heard on the pending amendment?

Mr. THURMOND. Not on the pending amendment.

The PRESIDING OFFICER. If the Senator will desist, we will proceed to vote.

Does any Senator wish to be heard on the pending amendment?

Mr. THURMOND. Mr. President, an inquiry: If I get the floor, do I have a right to speak on anything I want to?

The PRESIDING OFFICER. Yes; the Senator can speak.

Mr. GLENN. Will the Senator from South Carolina permit us to vote on this amendment?

Mr. THURMOND. I believe I have the floor, do I not?

Mr. GLENN. Mr. President, I have the floor.

Mr. THURMOND. All right, you get through and then I will get it.

Mr. GLENN. Mr. President, a parliamentary inquiry. Do I have the floor? I wish to vote on this amendment.

Mr. THURMOND. Mr. President, do I have the floor?

Mr. GLENN. Mr. President, a parliamentary inquiry. Do I have the floor or not?

The PRESIDING OFFICER. After the Senator from Ohio had offered his amendment and spoken on it, the Senator from New York spoke and the Senator from Rhode Island spoke. The Senator from Ohio no longer had the floor. The Senator from South Carolina sought recognition and obtained recognition. The Chair recognizes the Senator from South Carolina.

Mr. GLENN. Mr. President, a parliamentary inquiry.

The PRESIDING OFFICER. The Senator from South Carolina has the floor.

Mr. THURMOND. I will be glad to yield to the Senator from Ohio for an inquiry or something.

Mr. GLENN. Mr. President, all we are trying to do is to get a vote on this amendment before we proceed to another matter. My understanding is that the Chair asked the Senator from South Carolina whether he was going to speak

on this amendment, with a view to going ahead with the amendment.

The PRESIDING OFFICER. That was the intention of the Chair, in order to move ahead with the business of the Senate, but the Senator from South Carolina has been recognized and is entitled to speak if he chooses to do so.

Mr. THURMOND. And on any subject I wish, as I understand the rule.

The PRESIDING OFFICER. The Senator is correct.

Mr. THURMOND. I will not take more than 10 seconds. I could have been through by now if the Senator had not interrupted.

Mr. GLENN. We could have had a vote by now if the Senator from South Carolina had not interrupted.

Mr. THURMOND. I did not interrupt. I got the floor in my right. The Chair just said so.

(Mr. THURMOND's statement relating to Increases in FHA Rates is printed later in today's RECORD.)

The PRESIDING OFFICER. The question is on agreeing to the amendment offered by the Senator from Ohio.

The amendment was agreed to.

Mr. GLENN. I move to reconsider the vote by which the amendment was agreed to.

Mr. DURKIN. I move to lay that motion on the table.

The motion to lay on the table was agreed to.

Mr. DURKIN and Mr. HEINZ addressed the Chair.

UP AMENDMENT NO. 1751

(Purpose: To provide for school district and private school advisory council where there are fewer children of low-income families)

Mr. DURKIN. Mr. President, I send an amendment to the desk.

The PRESIDING OFFICER. The amendment will be stated.

The legislative clerk read as follows:

The Senator from New Hampshire (Mr. DURKIN), for himself and Mr. MCINTYRE, proposes an unprinted amendment numbered 1751.

Mr. HEINZ. Mr. President, a parliamentary inquiry.

Mr. DURKIN. Mr. President, I ask unanimous consent that reading of the amendment be dispensed with.

Mr. HEINZ. Mr. President, a parliamentary inquiry.

The PRESIDING OFFICER. Does the Senator from New Hampshire yield for the purpose of a parliamentary inquiry?

Mr. DURKIN. I yield without losing my right to the floor, for the purpose of a parliamentary inquiry.

Mr. HEINZ. I thank the Senator from New Hampshire for yielding.

Mr. President, my parliamentary inquiry is this: There have been a number of people seeking recognition, not just on that side of the floor but on this, for some time, and the Chair seems to have a stiff neck or something and keeps looking to the right.

The PRESIDING OFFICER. The Chair points out to the Senator from Pennsylvania that the last Senator who obtained recognition prior to the vote was from this side of the Chamber.

Mr. HEINZ. While an amendment was pending, Mr. President.

The PRESIDING OFFICER. That is correct, which I think was even a greater reflection on the consideration which the Chair is seeking to show to the Members of the Senate. The Chair is seeking to expedite the business of the Senate. The Chair understands the Senator's point. We are trying to move the business of the Senate. The Senator from New Hampshire has the floor, and an amendment is pending.

Unanimous consent has been obtained to dispense with the reading of the amendment.

The amendment is as follows:

On page 49, line 17, after the dash insert "(1)".

On page 49, line 18, strike out "(1)" and insert in lieu thereof "(A)".

On page 49, line 20, strike out "(2)" and insert in lieu thereof "(B)".

On page 49, line 23, strike out "(A)" and insert in lieu thereof "(i)".

On page 50, line 3, strike out "(B)" and insert in lieu thereof "(ii)".

On page 50, line 5, strike out "(C)" and insert in lieu thereof "(iii)".

On page 50, line 10, strike out "(D)" and insert in lieu thereof "(iv)".

On page 50, between lines 14 and 15, insert the following:

"(2) In the case of any school district of a local educational agency in which 100 or less students are served by programs assisted under this title, the local educational agency shall establish an advisory council for the school district which—

"(A) has a majority of members who are parents of the eligible children to be served; and

"(B) is composed of members elected by the parents in each district.

"(3) In the case of any project school in which 50 or less students who are served by programs assisted under this title, the local educational agency shall establish an advisory council for the project school which—

"(A) has a majority of members who are parents of the eligible children to be served; and

"(B) is composed of members elected by the parents in the attendance area of the project school.

Mr. DURKIN. Mr. President, I offer this amendment on behalf of my senior colleague (Mr. MCINTYRE) and myself.

Our amendment would revise the section of the bill which requires the establishment of parental advisory councils in each school district and each project school which receives title I funds.

The committee's bill requires each school district and project school, as a prerequisite to receiving title I funds, to establish a parental advisory council which consists of 10 members. three-quarters of whom are parents served by title I children. Although we applaud parental involvement in the educational process, we are concerned about the effect of the requirement that seven title I parents from each project school and district serve on a council.

In our State, as in many other States, the vast majority of the school districts are small and subsequently serve relatively few title I children. Many schools and districts serve fewer than 10 children under title I programs. It is obvious that it would be difficult if not impossible for those schools and districts to meet the parental advisory council requirements in the bill. And if these districts cannot meet the parental advisory council requirements, they will, of course, lose title I funding.

We propose to modify this provision to allow school districts which serve fewer than 100 title I students and project schools which serve fewer than 50 title I children to establish parental advisory councils without any requirement as to the number of parents who must serve.

Thus, although smaller school districts would therefore still be required to establish parental advisory councils, as under current law, those councils would only have to consist of a majority of parents of children served and would only have to be composed of members elected by parents in the school attendance area.

We believe that this amendment will insure that title I parents are involved in the education of their children without placing undue burdens on small school districts.

Mr. President, I would like to congratulate the Senator from Massachusetts (Mr. KENNEDY) for his efforts with respect to parental involvement in title I programs. I know that in committee he was heavily involved in improving the function of advisory councils and I also understand that he is willing to accept the modifications we propose.

I would urge the acceptance of the amendment by the floor managers.

Mr. President, I yield to my senior colleague.

Mr. MCINTYRE. Mr. President, I am happy to join my junior colleague in offering this amendment today. The title I program has been successful in our State of New Hampshire largely because of the active participation of parents. The Human Resources Committee, and Senator KENNEDY in particular, have recognized the importance of parental participation, and have included in S. 1753 minimum requirements for title I parent advisory committees.

However, these minimum requirements most likely could not be met by smaller communities. Our amendment alleviates this situation by allowing these communities to essentially continue their current practices. It is my understanding that this amendment is acceptable to Senator KENNEDY.

I want to thank Senator KENNEDY for his cooperation in this matter, and to congratulate him for his efforts to strengthen parental involvement. I believe our amendment is consistent with this intent, and I hope the distinguished floor managers will accept this amendment.

Mr. PELL. Mr. President, this amendment is acceptable to this side of the aisle.

Mr. STAFFORD. It is also acceptable to this side of the aisle.

The PRESIDING OFFICER. The question is on agreeing to the amendment.

The amendment was agreed to.

Mr. DURKIN. Mr. President, I move to reconsider the vote by which the amendment was agreed to.

Mr. McINTYRE. I move to lay that motion on the table.

The motion to lay on the table was agreed to.

Mr. HEINZ. Mr. President, I have three amendments to this bill—Nos. 3515, 3516, and 3517—which we have discussed with the committee. My understanding is that the committee has no objection to them. Since they are modest amendments, I ask that they be considered en bloc, unless there is objection.

Mr. JAVITS. Mr. President, could we hear the amendments? My staff tells me that they do not know, off the tops of their heads, what they are.

Mr. HEINZ. Let us have the clerk read the amendments one at a time.

Mr. JAVITS. Then the Senator can move to have them considered en bloc.

AMENDMENT NO. 3515

(Purpose: To provide authorization for energy conservation discretionary special projects)

Mr. HEINZ. Mr. President, I call up amendment No. 3515.

The PRESIDING OFFICER. The amendment will be stated.

The legislative clerk read as follows:

The Senator from Pennsylvania (Mr. HEINZ) proposes an amendment numbered 3515.

Mr. HEINZ. Mr. President, I ask unanimous consent that further reading of the amendment be dispensed with.

The PRESIDING OFFICER. Without objection, it is so ordered.

The amendment is as follows:

On page 134, between lines 15 and 16 insert the following:

"(c) The Commissioner is also authorized from the amount available for the purpose of this section, to make grants and enter into contracts for the development of curricula, and the disssemination of information relating to the improvement of teaching energy conservation to elementary and secondary school children and for the training of personnel to teach energy conservation to such children. In carrying out the provisions of this subsection, the Commissioner shall use to the maximum extent practicable materials developed by the Department of Energy, the Community Services Administration, and the Department of Housing and Urban Development.

On page 134, line 16, strike out "(c)" and insert in lieu thereof "(d)".

Mr. HEINZ. Mr. President, my first amendment, No. 3515 would permit the Commissioner of Education to make grants and let contracts for the development of energy conservation curricula and information for elementary and secondary schoolchildren. I believe this amendment will serve to ultimately instill in our children from a very early age, the importance of conserving our precious energy resources. As this amendment merely allows a new initiative to be funded with the Commissioner's discretionary moneys, no new sums are required to be authorized for implementation of this amendment.

Mr. PELL. Mr. President, these amendments have been discussed with our staff, and we are familiar with them.

I move acceptance of the amendment. I am a little puzzled. Are we considering them one by one or en bloc?

The PRESIDING OFFICER. Only one amendment is pending at the moment, No. 3515.

Mr. JAVITS. We accept the amendment.

The PRESIDING OFFICER. The question is on agreeing to the amendment.

The amendment was agreed to.

Mr. HEINZ. Mr. President, I move to reconsider the vote by which the amendment was agreed to.

Mr. JAVITS. I move to lay that motion on the table.

The motion to lay on the table was agreed to.

AMENDMENT NO. 3516

(Purpose: To assure quality radio and television programing in the emergency school aid program)

Mr. HEINZ. Mr. President, I call up amendment No. 3516.

The PRESIDING OFFICER. The amendment will be stated.

The legislative clerk read as follows:

The Senator from Pennsylvania (Mr. HEINZ) proposes an amendment numbered 3516.

Mr. HEINZ. Mr. President, I ask unanimous consent that reading of the amendment be dispensed with.

The PRESIDING OFFICER. Without objection, it is so ordered.

The amendment is as follows:

On page 262, line 16 insert "high quality" after the word "of".

On page 263, between lines 3 and 4, insert the following:

"(B) will assure the development of productions having a substantial artistic or educational significance;

On page 263, line 4, strike out "(B)" and insert in lieu thereof "(C)".

On page 263, line 6, strike out "(C)" and insert in lieu thereof "(D)".

Mr. HEINZ. Mr. President, my second amendment, No. 3516, is intended to insure that television programs developed under title VI, the Emergency School Aid Act, be of high quality. Considering that TV plays such a crucial role in shaping the emotional and intellectual development of our children in their every day lives, we have a duty to seek and stimulate the highest quality in TV developed and supported by the government on our children's behalf. I want to emphasize that this amendment is in no way intended to be a criticism of the programing already developed by the Office of Education. I believe the more than 400 hours of children's television programs already produced by OE have been a sincere effort to employ the most effective medium of instruction in this country in a positive and constructive fashion. I believe the addition of the words "high quality" to this section of the law will only serve to insure that this fine effort continues.

Mr. JAVITS. Mr. President, we have no objection on this side.

Mr. PELL. We have no objection.

The PRESIDING OFFICER. The question is on agreeing to the amendment.

The amendment was agreed to.

Mr. HEINZ. Mr. President, I move to reconsider the vote by which the amendment was agreed to.

Mr. JAVITS. I move to lay that motion on the table.

The motion to lay on the table was agreed to.

AMENDMENT NO. 3517

(Purpose: To assure nonpartisan independent judgment by members of advisory councils)

Mr. HEINZ. Mr. President, I call up amendment No. 3517.

The PRESIDING OFFICER. The amendment will be stated.

The legislative clerk read as follows:

The Senator from Pennsylvania (Mr. HEINZ) proposes an amendment numbered 3517.

Mr. HEINZ. Mr. President, I ask unanimous consent that reading of the amendment be dispensed with.

The PRESIDING OFFICER. Without objection, it is so ordered.

The amendment is as follows:

On page 228, line 14, after the period, insert the following: "Members shall be appointed without regard to political affiliation.."

On page 230, between lines 19 and 20, insert the following:

"(3) No member of the council shall evaluate any program or project if such member is associated with the program or project as a consultant, technical advisor, or in any other similar capacity.

On page 230, line 20, strike out "(3)" and insert in lieu thereof "(4)".

On page 231, line 1, strike out "(4)" and insert in lieu thereof "(5)".

On page 309, line 9, before the period insert a comma and the following: "without regard to political affiliation".

On page 310, between lines 9 and 10, insert the following new paragraph:

"(7) No member of the council shall evaluate any community education program if such member is associated with that program as a consultant, technical advisor, or in any other similar capacity.

Mr. HEINZ. Finally, Mr. President, amendment No. 3517 would apply to the National Advisory Council and the Community Education Advisory Council and would require:

First. That members shall be appointed without regard to political affiliation; and

Second. That no member of either council shall evaluate any program or project with which that member is associated as a consultant, technical advisor, or in any other similar capacity.

I would hope by this amendment to strengthen both these important advisory councils by assuring nonpartisan independent judgment by members and by limiting the possibility of any conflict-of-interest situation.

I understand that the committee has no objections to these three amendments.

Mr. JAVITS. Mr. President, I have one question: When the Senator says that members shall be appointed without regard to political affiliation, does that mean that they may not have some political affiliation?

Mr. HEINZ. Absolutely not. They may be Republicans, Democrats, Independents, Whigs.

Mr. JAVITS. Not appointed for that reason.

Mr. HEINZ. No.

Mr. JAVITS. I have no objection.

Mr. PELL. Mr. President, the National Council on College Education has never

had anybody appointed to it, to my great regret. I hope very much that some appointments will be made. I think the amendment is a good one.

Mr. HEINZ. I say to the Senator that this amendment does not guarantee anybody's appointment.

Mr. PELL. Anyone is better than no one. This council was left unfilled all these years by both Republican and Democratic administrations.

Mr. HEINZ. Perhaps there is some kind of a consensus.

The PRESIDING OFFICER. The question is on agreeing to the amendment.

The amendment was agreed to.

Mr. HEINZ. Mr. President, I move to reconsider the vote by which the amendment was agreed to.

Mr. JAVITS. I move to lay that motion on the table.

The motion to lay on the table was agreed to.

Mr. HEINZ. I thank the manager of the bill.

UP AMENDMENT NO. 1752

(Purpose: To improve the administration of the Education of the Handicapped Act)

Mr. WILLIAMS. Mr. President, I have an amendment at the desk and I ask for its immediate consideration.

The PRESIDING OFFICER. The amendment will be stated.

The assistant legislative clerk read as follows:

The Senator from New Jersey (Mr. WILLIAMS) proposes unprinted amendment numbered 1752.

Mr. WILLIAMS. Mr. President, I ask unanimous consent that the reading of the amendment be dispensed with.

The PRESIDING OFFICER. Without objection, it is so ordered.

The amendment is as follows:

On page 342, line 3, strike out "EXTENSION OF RELATED" and insert "REVISION OF OTHER".

On page 357, between lines 4 and 5, insert the following:

PART D—EDUCATION OF THE HANDICAPPED

TECHNICAL AMENDMENT

SEC. 341. Section 611(a)(3) of the Education of the Handicapped Act is amended by striking out "the average of the", and by striking out "October 1 and February 1" and inserting in lieu thereof "December 1".

(b) The amendments made by subsection (a) of this section shall take effect with respect to determinations made in fiscal year 1979 and thereafter.

On page 20, in the Table of Contents, strike out title III and insert in lieu thereof the following:

"TITLE III—REVISION OF OTHER EDUCATION PROGRAMS".

On page 20, in the Table of Contents, after item Sec. 231 insert the following:

"PART D—EDUCATION OF THE HANDICAPPED

"Sec. 341. Technical amendment.".

Mr. WILLIAMS. Mr. President, this technical amendment is designed to eliminate problems which have risen in counting children under the Education for All Handicapped Children Act. Currently, the act calls for two counts, on October 1 and February 1, which are averaged to provide a count which is used as the base for a State's annual allotment. The provision was included in the law to encourage localities to complete the identification, evaluation and placement of handicapped children at an early point in the school year. The first count on October 1 is so early in the school year that enrollments in programs are not adequately reported. This occurs, because a school cannot complete evaluations and write individual programs on all children who have just entered the school system. For example, in this school year the count of children in October was 170,000 less nationally than had been counted the previous spring. By spring, the count had increased by about 200,000 over last year's average and by 75,000 over the previous spring.

The net effect of the current provision is that the average of two counts does not adequately reflect the enrollment of handicapped children and deprives local schools of the support they might receive. Further, the second count of children is time-consuming, costly, and duplicative.

I might point out that while this amendment allows for handicapped children to be counted on December 1, it does not relieve State and local educational agencies of their responsibilities for providing an appropriate education to children between the ages of 3 to 18 by September 1, 1978, and ages 3 to 21 by September 1, 1980. Rather, it is the intent of this amendment to merely allow educational agencies to count these children later in the year.

By counting the children in December, rather than October 1, time will be provided to include children newly enrolled in the fall, individual education programs can be developed, and an accurate single count can be transmitted to Washington in time for Congress and the executive branch to make accurate budget and appropriations decisions.

Mr. PELL. This amendment has been discussed with the Senator from New Jersey and is most acceptable to me.

Mr. STAFFORD. Mr. President, the amendment is also acceptable to the minority.

Mr. WILLIAMS. I thank my colleagues.

The PRESIDING OFFICER. The question is on agreeing to the amendment of the Senator from New Jersey.

The amendment was agreed to.

Mr. WILLIAMS. Mr. President, I move to reconsider the vote by which the amendment was agreed to.

Mr. JAVITS. I move to lay that motion on the table.

The motion to lay on the table was agreed to.

The PRESIDING OFFICER. What is the pleasure of the Senate?

UP AMENDMENT NO. 1753

(Purpose: To require an education impact statement accompany new regulations)

Mr. HELMS. Mr. President, I have an unprinted amendment at the desk and I ask that it be stated.

The PRESIDING OFFICER. The amendment will be stated.

The second assistant legislative clerk read as follows:

The Senator from North Carolina (Mr. HELMS) proposes an unprinted amendment numbered 1753.

Mr. HELMS. Mr. President, I ask unanimous consent that the reading of the amendment be dispensed with.

The PRESIDING OFFICER. Without objection, it is so ordered.

The amendment is as follows:

On page 372, after line 26, insert the following new section:

REGULATIONS

SEC. 407. Section 431 of such Act is amended by adding at the end thereof the following new subsection:

"(h) Notwithstanding any other provision of law, no regulation affecting any educational agency or institution may become effective unless the Federal agency promulgating the regulation causes to be published in the Federal Register a copy of such proposed regulation together with an educational impact assessment statement which shall—

"(1) determine whether any information required to be transmitted under such regulation is already being gathered by or is available from any other agency or authority of the United States; and

"(2) assess the cost and time involved in complying with such regulation by the educational agencies or institutions which would be affected thereby.".

On page 373, line 2, strike out "Sec. 407." and insert in lieu thereof "Sec. 408.".

On page 374, line 17, strike out "Sec. 408." and insert in lieu thereof "Sec. 409.".

On page 375, line 18, strike out "Sec. 409." and insert in lieu thereof "Sec. 410.".

On page 21, in the table of contents, redesignate items 407 through 409 as items 408 through 410, respectively, and insert immediately after item "Sec. 406" the following:

"Sec. 407. Regulations.".

The PRESIDING OFFICER. The Chair inquires is this the amendment on which the Senator has agreed to a 40-minute time limit?

Mr. HELMS. I say to the Chair that it is not.

The PRESIDING OFFICER. It is not.

Mr. HELMS. It is amendment No. 1 that I submitted to the desk earlier this evening.

Mr. HELMS. Mr. President, the growth of Federal aid to education has been accompanied by a quantum growth in the burdens imposed upon the recipient institutions. Too often, HEW bureaucrats hand down regulations with no concept whatsoever of the amount of time, labor, and money the implementation of those regulations will take. Even when Federal grants are made for programs, a great deal of the supposed benefit is eaten up by the cost of preparing reports, or otherwise conforming to Federal regulations so as to be eligible for Federal money.

My amendment would require any Federal agency promulgating a regulation to publish in the Federal Register an educational impact assessment statement which would, first of all, force the bureaucrat issuing the order to find out ahead of time whether the information he is demanding is already available from another U.S. agency. This in itself would cut out a lot of unnecessary duplication.

Second, the bureaucrat would have to assess the time and cost involved to the institution in complying with the regulation.

Now I admit that after doing this, the bureaucrat could still go ahead and issue the regulations. But human beings can

be reasonable. I am sure that it just never occurs to many bureaucrats what the impact of their regulations will be. And if they see in black and white that their regulation is duplicative and unnecessary, or that it is extremely costly to the institution, using up scarce education dollars for nothing—then perhaps the regulation will not be issued, or it will be modified so that it is not so onerous.

Mr. President, I am aware that title IV, section 401 has a section entitled "Reduction of Paperwork." But if this is examined closely, all that it does is to institute another layer of bureaucracy, supposedly to reduce bureaucracy. It establishes a new bureaucrat with the imposing title of Deputy Assistant Secretary for Paperwork Coordination and Reduction. He is supposed to review all the requests for paperwork, and coordinate them. But nowhere is there any requirement for a precise estimate of the cost burden of specific regulations upon an institution or group of institutions affected. Without such a precise determination, and without a requirement for publication of that determination, there will never be any understanding of the burdens involved.

However, the burden of Government regulation falls heavily upon elementary and secondary schools. The red tape and paperwork that inevitably follows Federal regulations consumes thousands of hours of teachers' and administrators' time. The U.S. Office of Education estimated several years ago that it required the participants in its programs to complete 43.4 million data items and to spend about 2.2 million staff hours doing so. The Office of Education also estimated that State and local education agencies had to supply about 11.2 million data items, using about 700,000 staff hours.

It is no surprise then to learn that even after adjusting dollars for inflation, the actual cost of educating public school students since 1950 has gone up from $504 per pupil to $1,400 in 1976. In real dollars that is an increase of 180 percent. Without adjusting these dollar amounts for inflation the increase is approximately 1,000 percent.

Accordingly, the number of educational personnel has also increased dramatically to keep pace with increasing Federal demands. In 1950, there was 1 full-time school employee for every 19 students. Today, the ratio is 1 in 9. The greatest increase has been in nonteaching personnel—especially administrative personnel. Yet, the ratio of teachers to students has not increased nearly as fast. In 1950 there was 1 teacher for every 28 students. In 1976, the ratio was 1 teacher for 21 students. Although not all of the increase in the cost of education can be attributed to increasing Federal intervention in local schools, there is a striking parallel between Federal involvement and increased costs.

Last year, the National School Boards Association estimated that school districts spent an average of 1.1 minutes and 17 cents for each student simply to complete two forms requested by the Department of Health, Education, and Welfare. The NSBA estimated that completion of these forms alone required a total of 810,000 hours and more than $7 million.

In North Carolina all 145 local education agencies and each individual school in 117 of the 145 local education agencies were required to complete HEW form OS/CR 101 or 102. Mr. William Peek, assistant to the State superintendent of public instruction, has calculated that furnishing HEW with the information requested on these forms for a single year cost the taxpayers of North Carolina over a quarter of a million dollars. He also estimated that if one person was required to complete the reports for the State of North Carolina, it would take him over 14 years to do so.

Mr. Peek went on to explain in testimony before the House Committee on Education and Labor that a very considerable amount of the material requested in these reports was already included in other reports available to officials at HEW, especially in reports related to the Emergency School Aid Act and the Equal Employment Opportunity Act. He suggested that in the future, HEW Administrators be required to demonstrate the necessity for the information they request and that requests for information already in the possession of HEW be prohibited.

Mr. President, the Federal paperwork problem with which North Carolina educators struggle day after day is not an isolated incident. It is a national problem and a problem with requests for information regarding other aspects of education, including adult, vocational, technical education, and education for the handicapped.

Mr. President, often the cost of the paperwork involved in applying for a Federal grant exceeds the amount of the grant itself. For example, one school superintendent related how his district would have to spend at least $6,000 to apply for a $4,500 grant under the Indian Elementary and Secondary School Assistance Act. Often the receipt of Federal assistance subjects the school district to ever-increasing demands for information and other regulatory compliance procedures by HEW.

America's college and universities are also laboring under a staggering amount of federally required paperwork. Government demands upon collegiate institutions to gather, analyze, and transmit information in confusing and sometimes contradictory form is increasing each year. Federal bureaucrats are producing a constant flood of new and revised laws, regulations, and guidelines that often leave college administrators confused, frustrated, and exhausted. Today, Federal paperwork is measured by the pound, not the page. For example, one report from the University of North Carolina in Greensboro to the Office of Civil Rights weighed more than 12 pounds.

Recently, the Southern Association of Colleges and Schools studied the impact of Federal regulations on its members colleges. The report found that the cost of compliance with Federal regulations required some institutions to spend as much as 50 cents to administer every Federal dollar received. Others stated that they must spend more to comply with Federal regulations than they do to operate many academic departments. One college reported spending over $2 million in a single year merely to comply with various Federal requirements. The response of one administrator was typical:

> All of us agree that for the most part the ideas behind the regulations are good and worthy; the difficulty is that when bureaucrats begin to write regulations, they become extremely complicated and, in many instances, difficult to administer as well as expensive in time and effort. They are becoming so numerous that they involve a genuine encroachment on the freedom of action of the private colleges.

This destructive governmental interference with academic freedom is not peculiar to universities located in Southern States. Bureaucratic regulatory overkill is nationwide. Derek Bok, president of Harvard University, asserted recently that 60,000 hours of faculty time at Harvard were spent complying with Federal regulations during 1975. Administrators at North Carolina State University estimate that, during the same year, their faculty and staff spent at least 61,000 hours in complying with Federal regulations.

Change magazine recently estimated that the cost to institutions of higher education of federally mandated programs reached $2 billion in 1976. This $2 billion figure is shocking in itself, but the real cost to colleges is revealed when it is remembered that the total amount of voluntary private contributions to institutions of higher education that year was approximately $2 billion. Change also estimates that for every new bureaucrat added to oversee university compliance another 150 university administrators must be hired to keep up with the increased workload.

Terry Sanford, president of Duke University, observes that—

> The avalanche of recent Government regulations threatens to dominate campus management. At the present rate, it is not difficult to imagine a day when facilities and administrators spend all their time filling out Government forms. It is just preposterous. The regulators must be regulated.

Over 25 years ago, President Eisenhower warned that "the prospect of domination of the Nation's scholars by Federal Government, project allocation, and the power of money is ever present, and is gravely to be regarded." Today, American educators too often echo President Eisenhower's warning. Charles Saunders of the American Council on Education recently asked—

> Is regulation strangulation? The question aptly conveys our uneasy awareness that government legislation and court decisions are increasingly influencing the shape of higher education in America. . . . In practice, federal regulations too often impede and subvert the educational process by stifling diversity and imposing costly, burdensome, and unnecessary requirements.

During 1976, four private universities located in Washington, D.C.—American, Georgetown, Catholic, and George Washington—issued an unprecedented public

declaration of independence from Federal control resolving to—

. . . Affirm our intention to maintain institutional independence from any external intervention which threatens the integrity of our institutions, including refusal of Federal funds which carry such threats.

The cost of implementing Federal regulations adversely affects minority students as well. For example, at Duke University the cost per student of implementing federally mandated social programs has increased from $58 in 1968 to $451 in 1975. The cost of compliance has affected other private universities even more drastically. To take another example, the cost at Georgetown University has risen from only $16 per student in 1965 to $356 in 1975. This increase in the cost of attending college most affects minority and low-income students. These students can least afford any increase in the cost of attending school. Minority and low-income students are most dependent upon financial aid. The millions of dollars which are today spent implementing Federal regulations could be spent providing thousands of minority and low-income students with a college education.

A recent study by the American Council on Education of the cost of complying with Federal regulations at six institutions of higher learning in the United States found that the combined cost for only six colleges is approximately $10 million. And this $10 million figure does not include the cost of implementing those regulations which apply particularly to educational institutions under title IX of the Education Amendments of 1972 and the so-called Buckley amendment regarding student privacy. If the cost of these programs are also added, the cost per student would be much greater.

The cost of developing and implementing affirmative action and equal employment opportunity programs constitute a substantial share of the total cost of Federal regulation. The impact is substantial on both large State universities and small junior colleges. For example, at the University of Illinois, equal employment and affirmative action requirements consume 64 percent of all funds spent to comply with Federal mandates and at Miami-Dade Junior College, 40 percent of all compliance funds are used for that purpose. Simply developing an affirmative action plan can cost hundreds of thousands of dollars. For example, a single affirmative action plan cost $400,000 to develop at the University of California at Berkeley, while the one developed at the University of Michigan cost $350,000.

The total amount of money actually spent by such institutions to comply with all regulations usually runs into the million dollars. In 1975, the University of Illinois spent $1,302,545; Georgetown University spent $3,603,243; and Duke University spent $3,618,070. And according to the report of the American Council on Education, the cost impact of affirmative action programs "has only just begun to be felt."

Not only do compliance requirements cost millions of dollars, but they also divert existing resources from their intended purposes. At the University of North Carolina at Greensboro, compiling 10 reports required by HEW "swamped" the university's computer facilities. The director of institutional research recalled: All other uses of the computer stopped. For a 6-month period we did nothing but HEW reports.

Mr. President, my amendment would go a long way toward relieving this burden.

Mr. President, I understand from the distinguished manager of the bill that he feels that considerable headway has been made in the pending bill to take care of the paperwork burden. I wish to have his comment on what he perceives to be the extent of that headway.

Mr. PELL. Mr. President, we have taken some trouble in this bill to reduce the load of paperwork, to decrease the number of forms that have to be filled out, and generally speaking make for a less of a burden on the school officials, parents, teachers, and others.

So I think that a great deal of the purpose of the Senator from North Carolina has already been achieved in this bill.

Mr. HELMS. Mr. President, I thank the Senator.

I think the main difference is the thrust of the provision of the bill as compared with and contrasted to the pending amendment.

My amendment would require, and I read from the amendment:

Notwithstanding any other provision of law, no regulation affecting any educational agency or institution may become effective unless the Federal agency promulgating the regulation causes to be published in the Federal Register a copy of such proposed regulation together with an educational impact assessment statement which shall—

"(1) determine whether any information required to be transmitted under such regulation is already being gathered by or is available from any other agency or authority of the United States; and

"(2) assess the cost and time involved in complying with such regulation by the educational agencies or institutions which would be affected thereby.".

Mr. President, one of the differences is that there is no requirement in the bill that this information be published in the Federal Register.

I am perfectly willing to wait for 1 year and see how effective the Department is in cutting down the burden of paperwork on our institution.

But I say to the distinguished manager of the bill that if effective perceptible progress is not made by the Department of Health, Education, and Welfare then this Senator will be back next year to press for publication of this information as is required in the pending amendment.

So, with that understanding, Mr. President, I will not press the amendment and I withdraw it.

The PRESIDING OFFICER. The amendment is withdrawn.

UP AMENDMENT NO. 1754

(Subsequently numbered amendment No. 3538)

(Purpose: To revise the authority relating to special projetcs)

Mr. HELMS. Mr. President, I have another amendment at the desk and I ask that it be stated.

The PRESIDING OFFICER. The amendment will be stated.

The second assistant legislative clerk read as follows:

The Senator from North Carolina (Mr. HELMS) proposes unprinted amendment numbered 1754.

Mr. HELMS. Mr. President, I ask that the reading of the amendment be dispensed with.

The PRESIDING OFFICER. Without objection, it is so ordered.

The amendment is as follows:

On page 132, beginning with line 12, strike out through line 2 on page 174, and insert in lieu thereof the following:

REPEAL

SEC. 103. Title III of this Act is repealed.

On page 311, beginning with line 15, strike out through line 11 on page 318.

On page 318, line 13, strike out "Sec. 112." and insert in lieu thereof "Sec. 111.".

On page 324, line 12, strike out "Sec. 113." and insert in lieu thereof "Sec. 112.".

On page 326, line 18, strike out "Sec. 114." and insert in lieu thereof "Sec. 113.".

On page 357, between lines 4 and 5, insert the following:

PART D—SPECIAL PROJECTS

EXTENSION AND REVISION OF THE EDUCATION AMENDMENTS OF 1974

SEC. 341. (a)(1) The Education Amendments of 1974 are amended by striking "404" and "405" wherever they appear.

(2) The Education Amendments of 1974 are amended by striking "406", "407", "408", and "409" wherever they appear and inserting in lieu thereof "404", "405", "406", and "407", respectively.

(b) Effective September 30, 1979—

(1) Sections 402(b)(3) (B) and (C) of the Education Amendments of 1974,

(2) Section 404 of the Education Amendments of 1974, and

(3) Section 405 of the Education Amendments of 1974 are repealed.

(c)(1) Section 3(a) of the Special Projects Act is amended by striking out "June 30, 1978" and inserting in lieu thereof "September 30, 1983".

(2) Section 4(a)(1) of the Special Projects Act is amended to read as follows:

"SEC. 4. (a)(1) In order to enable the Commissioner to make contracts under section 3, there is authorized, subject to subsection (b), to be appropriated to the Office of Education $160,000,000 for the fiscal year 1979, $150,000,000 for fiscal year 1980, $140,000,000 for fiscal year 1981, $150,000,000 for fiscal year 1982, and $160,000,000 for fiscal year 1983.".

EXTENSION OF CONSUMERS' EDUCATION PROGRAMS

SEC. 342. Section 311(d) of the Elementary and Secondary Education Act of 1965 is amended by striking "July 1, 1978" and inserting in lieu thereof "October 1, 1983".

On page 18, in the table of contents, amend item sec. 103. to read as follows:

Sec. 103. Repeal.

On page 19, in the table of contents, strike out item Sec. 111. and items Sec. 1101. through Sec. 1108. and redesignate items Sec. 112. through Sec. 114. as items Sec. 111. through Sec. 113., respectively.

On page 20, in the table of contents, immediately after item Sec. 331., insert the following:

PART D—SPECIAL PROJECTS

Sec. 341. Revision of the Education Amendments of 1974.

Sec. 342. Extension of Consumer's Education Programs.

Mr. HELMS. Mr. President, this amendment would remove from the bill the new curricular programs of titles III

and XI and replace them with a simple extension of the current law.

The bottom line of this amendment, Mr. President, is that it will save taxpayers of this country approximately $240 million per year.

Presently, these Federal efforts in curriculum development are, with one exception, funded through a single program at 20 U.S.C. 1853. Contained in a chapter entitled "Consolidation of Education Programs," these projects have understandably never received priority attention from an Appropriations Subcommittee more concerned with functional illiteracy among high school graduates, school systems staggering over massive demographic trends, and pervasive segregation in our school systems.

As a result, only $45 million of the $200 million authorized for curricular redevelopment in 1978 was ever appropriated. Titles III and XI represent an effort by their drafters to remedy this Appropriations Committee inattention, if that is a proper description of it, by creating a proliferation of individual curriculum programs which could more effectively battle for scarce educational resources than a fewer number of constituencies.

Hence, in an era in which the Secretary of Health, Education, and Welfare estimates that 15 percent of high school graduates are functionally illiterate, we are told that we should spend $100 million over 5 years on a totally new program in health education, $40 million in a single year on a new program in biomedical education, and such sums as may be required for a new program in "population education" (which at best is redundant of current programs in environmental and ecological education and at worst would open the door to federally subsidized sex education in elementary schools).

It is little wonder that the administration has come out in opposition to all three of these new programs.

I want to emphasize that point that the administration, in effect, supports the amendment proposed by the Senator from North Carolina.

In addition to the creation of these new programs, however, the committee bill would also involve substantial increases in controversial programs already in existence. Authorizations for the "women's equity education" project, for instance, would rise from $30,000,000 to $80,000,000. The statutory mandate for this program provides for, among other things, "evaluation of textbooks," curricula, and other educational material.

Granting for a moment the fact that such a program is already in existence, it is even more interesting to note how the proponents of this funding increase intend to use the proposed 16-percent increase. A spokeswoman for HEW's Office of Civil Rights has told a member of my staff today, or since it is 1 minute past midnight so it was yesterday, that the money will be used to step up title IX compliance and consultative activities, and has threatened—let me repeat that word—threatened to demand a supplemental appropriation for title IX enforcement if money is not received under this bill.

Suffice it to say that this is not what most of us envision as the purpose of this legislation. Enforcement of title IX, however valid some may consider it to be, is not the purpose of an education act.

Mr. President, I urge the adoption of the amendment.

If the Senator will yield, if I may proceed for one moment further, I ask unanimous consent that an article published in the Washington Post on August 6 of this year entitled "Uncle Sam's Growing Clout in the Classroom" be printed in the RECORD at the conclusion of my remarks.

The PRESIDING OFFICER. Without objection, it is so ordered.

(See exhibit 1.)

Mr. HELMS. I thank the Chair.

If I may focus on one paragraph in particular from that article:

> Getting Federally sponsored research or curricula into the schools has long been among the more sensitive issues for Washington. Agencies already sponsor curricula in areas ranging from ethnicity to energy, vocational instruction to consumer education, bilingual studies to consumer education. While they cannot press the products on schools because of restraints on Federal influence, if few of the materials are used the Congress or the Office of Management and Budget tend to question the sense of the activity.

I thank the Chair.

EXHIBIT 1

UNCLE SAM'S GROWING CLOUT IN THE CLASSROOM—CREATING A NEW DEPARTMENT IS A BACKDOOR WAY TO ESTABLISH A U.S. RESPONSIBILITY FOR EDUCATION ITSELF

(By David W. Breneman and Noel Epstein)

With virtually no public debate over the central issue at stake, the Carter administration and the Congress are moving toward creating a federal department of education with the potential to transform the way education is governed in the United States.

Contrary to widespread belief, the proposed department is not chiefly an issue of reorganizing or consolidating federal education efforts, of increasing the time or money spent on education, or of deciding which existing agency should or should not be absorbed by a new department. Establishing a Cabinet-level department is a backdoor way of creating a national education policy, of breaking with the long tradition of a limited federal involvement in education and of virtually no federal responsibility for schools and colleges themselves.

As John Ryor, president of the National Education Association, which has been the driving force behind the department proposal, acknowledges, "Creating a department of education is, indeed, a profound step in which the federal government will be recognizing, for the first time, that it has a responsibility for education in and of itself."

Many people apparently are under the misapprehension that Washington already has something that might be called a national "education" policy. The Congress, after all, appropriated nearly $23 billion for this fiscal year to finance programs linked to education at the elementary, secondary and postsecondary levels. But the critical distinction that often gets lost is that these programs serve purposes only indirectly related to education.

The GI Bill, for example, was enacted after World War II to ease the transition of millions of servicemen returning to civilian life, to prevent the large-scale unemployment that might have occurred if no alternative to work had existed—not to aid education. The post-Sputnik programs supporting science education, teacher preparation and graduate education, enacted in the 1950s under the National Defense Education Act, were created as essential parts of the nation's defense effort—not to aid education.

The massive Elementary and Secondary Education Act of 1965, with its emhpasis on compensatory education for the disadvantaged, was basically a civil rights and income-redistribution measure, a centerpiece of the War on Poverty, and certainly not a measure to aid schools. It was enacted only after a historic constitutional debate resolved by aiming funds at poor children. Similarly, federal education programs for the handicapped, for children with English-language difficulties or for Indian education are essentially civil rights measures, of a piece with school desegregation and the money Washington provides to help students overcome the educational deprivation that results from segregated schooling.

The same holds at the higher education level, where student aid programs were created to increase educational opportunity for low-income students and not to provide general support for colleges and universities. Just as Congress has rejected the idea that it is responsible for the financial well-being of elementary and secondary schools or for general student achievement, so it has refused to provide direct institutional aid to colleges and universities, except in the limited case of helping mainly minority campuses under a "developing institutions" program.

In these and other instances—in Washington's role, for another major example, in supporting the nation's research efforts, whether for military, health or other ends—education is an instrument used to achieve a more fundamental federal purpose, and consequently there has never been a need for an education policy. Instead, there have been national security policies, antipoverty policies, civil rights policies, labor policies, child welfare policies, veterans' benefit and other policies, all drawing when necessary on educational institutions.

"A FUNDAMENTAL POLITICAL ACT"

It is thoroughly understandable, then, why these "education" programs are scattered across numerous federal agencies. They are scattered because they are, first and foremost, serving other established federal aims.

A reshuffling that attempts to draw some of these programs together under the organizing principle of education is a profound restatement of federal purposes and priorities and cannot be regarded merely as a move to correct organizational mistakes of the past.

Speaking last year at a conference on government reorganization, Rep. John Brademas (D-Ind.) made this point forcefully: ". . . too often reorganizers omit—some of them perhaps deliberately—an explicit recognition that reorganization of the executive branch . . . is not simply an exercise in improving the efficiency of government. . . .

"Reorganization is a fundamentally political act, not political in the partisan sense (although it may be) but political in that every organization—and every reorganization—means a distribution—or redistribution—of power and influence over the substance of policy . . ."

"Organization is not just management. It is policy, and in the American democratic system, policy is politics."

To create a department of education is, at heart, an exercise in policymaking, not in efficiency. Making education the defining element of a Cabinet-level department is essentially to authorize the creation of a federal policy for education itself.

This, it must be emphasized, does not mean that a Cabinet-level department would be designed to lead to federal "control" of education, as the NEA's Ryor and many others stress. "Control" is not, and never has been, the question, and it is of scarcely any value to add language to a department bill to prevent federal control. Indeed, it is redundant; existing law bars federal officials from exercising "any direction, supervision, or control

over the curriculum, program of instruction, administration, or personnel of any educational institution, school or school system . . ."

The question is how much federal influence there should be over education, how much say in education priorities, in standards and in other education decisions. This can be determined in many ways—where Washington puts its money and where it withholds funds, what requirements come with the money, what approaches to teaching it would like to see schools adopt for different students, to name some. Washington already exercises a large influence over the policies, conduct and organization of elementary, secondary and higher education without having federal officials burst into classrooms to impose a prescribed curriculum on unwitting students and teachers.

Indeed, that influence has burgeoned in the past decade as Washington has used the schools to achieve additional federal purposes. Whether this is viewed as good or bad obviously depends on one's view of each of the government's underlying political, social, economic or other aims. But the overall effect has been troubling some educators. Joseph Cronin, Illinois' superintendent of education, for example, has remarked that "slowly, inexorably and incrementally, the federal government is taking over education. Especially since 1965, the country has moved—almost every year—toward a national system of education."

EXCESSIVE EXPECTATIONS

It is this trend which a department of education is likely to accelerate. To understand this one need only listen to the sweeping remarks of Sen. Abraham Ribicoff (D-Conn.), chief sponsor of the Senate bill to create the department, in a recent interview with the NEA: "The whole system of education is dependent upon the leadership and commitment that the federal government takes. Only an increased federal priority to education can increase the American people's confidence in our educational system."

What can Ribicoff, himself a former secretary of health, education and welfare, mean in suggesting such a dramatic departure from existing federal policy? How does he propose that the federal government might make the "whole system of education" suddenly dependent on Washington's "leadership and commitment"?

The Senate bill hints at some potential ways. It states, for example, that one purpose is "to promote the quality and relevance of education to individual needs, including the assurance of an adequate skill level . . ." That could justify any manner of federal action. Who decides what is an "an adequate skill level"? Is Washington to establish minimum skill requirements? Are we talking about paving the way for a national test, a move proposed by Adm. Hyman Rickover but successfully thwarted thus far?

Those who set test questions, of course, in effect decide what is taught in the schools, or at least what a school's priorities should be. Parents, teachers, principals, school boards and the states may not agree with each other very often on these questions, but they presumably still think that they are their decisions to make, not Washington's.

Or consider another of the Senate bill's purposes. Washington is "to provide leadership in the support of research relating to human development and learning systems that complement education, with a greater emphasis on the practical application of such research," and to work with numerous others to "implement the findings of such research at the local level."

Getting federally sponsored research or curricula into the schools has long been among the more sensitive issues for Washington. Agencies already sponsor curricula in areas ranging from ethnicity to energy, vocational instruction to consumer education, bilingual studies to consumer education. While they cannot press the products on schools because of restraints on federal influence, if few of the materials are used the Congress or the Office of Management and Budget tend to question the sense of the activity.

This is one frustration, for example, of the Health, Education and Welfare Department's National Institute of Education, which sponsors research in a number of areas, including basic skills. Once the results are disseminated schools are free to ignore them, which is not infrequently the case. That has not helped NIE get funding from Congress.

Similarly, the National Science Foundation, which sponsors not only science and math but politically sensitive social science curricula, has become embroiled in controversies stemming from the same dilemma.

"In the early 1970s," writes the University of Maryland's Marjorie Gardner, "it became evident that the diffusion of the new curricula was not occuring spontaneously; that, in fact, the new programs were not being adopted by enough schools to satisfy the original goals . . ." Under pressure from both OMB and the White House, the foundation decided to pay for implementation only of courses it had sponsored. Following protests from several universities seeking money for non-NSF projects, the agency backed down.

Two years ago the foundation got into a much-publicized controversy over an elementary school social science curriculum it had promoted called "Man: A Course of Study." The course included material about one Arctic Eskimo culture's belief that, for others to survive, families sometimes must choose to let old people or female infants die. That disturbed some parents and conservative members of Congress and led to temporary suspension of all NSF curriculum development. The foundation now places less emphasis on getting specific courses into the schools.

It is not heavy-handed power-seeking by bureaucrats that leads to increased federal involvement in education, but these kinds of political pressures. The pressures have stemmed from public perceptions that there was yet another crisis in the schools and that Washington, which is not responsible for most of what happens in the classroom, should nonetheless do something about it. They have resulted from a desire to justify federal education spending.

The pressures also have come from groups that want their views or goals pressed in the schools. Many of the most intense education controversies have centered on civil rights issues such as affirmative action for faculty members at colleges and universities, battles against sex discrimination in classrooms, desegregation and bilingual education.

Indeed, fearing that the civil rights-labor coalition behind these and related drives might be fragmented if an education department is created, Rep. Shirley Chisholm (D-N.Y.) criticized the department plan before a House subcommittee last week. "Now, to thoughtlessly destroy these coalitions . . . in order to achieve the dubious goal of formation of a separate department of education appears foolhardy," she said.

Any broadening of the government's involvement in education, of course, potentially dilutes its concentration on poverty and minority concerns. This issue has been at the heart of past attempts to aim the major elementary and secondary aid program at students in general who are doing badly in school rather than just at children of poverty who need help, as at present, just as it is central to the fight over substituting wider college tuition-tax credits for student aid currently determined by economic need.

It is difficult to imagine how creation of a department, and the extravagant rhetoric of some department proponents, can fail to generate additional pressures for Washington involvement. If there is to be no increased federal role, what can be meant by an "increased federal priority to education" which alone can "increase Americans' confidence in our educational system"?

Some may suspect that higher "priority" really means higher budgets. The NEA, whose 1.8 million members make it the nation's second largest union, has long sought to expand the federal share of education outlays from the current 8 percent to 33 percent. But there is little reason to believe that creating a Cabinet-level department would unleash more federal funds.

As Pat Gwaltney, the OMB official most immediately in charge of the education department proposal, remarks, "We looked at the departments of Housing and Urban Development and Transportation and found that their budget increases did not exceed those of other domestic programs, that creation of a new department per se does not appear to result in increased federal funding."

Others may think that a separate education department would result in greater federal coordination. The reality, however, is that if programs now lodged for good reason in Defense, Agriculture, Interior and the NSF are brought together, as now proposed, it would only create the reverse problem of coordinating with the original agencies.

AN INVISIBLE ISSUE

Nobody questions the need to improve administration of existing programs involving education, but it is not evident why a new Cabinet-level department is required to do this. Virtually anything that might be done to advance Washington's highest-priority aim of assuring equal opportunity for the disadvantaged probably could be achieved with the existing HEW structure.

In higher education, two of the largest programs providing student aid—education benefits for veterans and for dependents of social security recipients—are not included in the proposed department, so there would be no change. Similarly, Washington's second broadest goal of supporting the nation's research effort, achieved through a multitude of grants and contracts to universities and research institutions, would not be affected at all.

Others believe what's needed is a Cabinet secretary who can devote more time to programs aimed at education. But it is hard to understand what this would accomplish if a secretary had little prospect of getting more money or significantly improving coordination and administration of existing programs with their built-in limitations.

So much attention has been given to these areas where so little seems likely to be accomplished, in fact, that there has been little recognition and hardly any public debate on the central issue of creating, for the first time, a national responsibility for education and putting in motion increased forces and expectations for central influence.

It is conceivable that specific and blunt language might be added to the department bills stating that their intent is not to alter the limited federal role in any way, but it is doubtful that would curb the pressures for increased federal influence that are bound to accompany a cabinet department.

It is easy to understand the Carter administration's desire for a legislative victory, and the education department looks like an easy one. But that political need does not justify an action that may be seen later as a serious mistake, launching the country in another unintended direction. A department is either a prescription for increased central influence over education or for excessive expectations that will only lead to more, not less, frustration.

The PRESIDING OFFICER. The Senator from Rhode Island.

Mr. PELL. Mr. President, this proposal strikes the new title which expands spe-

cial projects, such as metric education and arts education. It returns to the existing funding structure, which gives each program a statutory percentage of a single authorization.

What the committee bill does is authorize separate appropriations for each program, giving the Appropriations Committee the flexibility Senator MAGNUSON sought earlier this evening.

In addition to that, I can find no record of the administration's support of the amendment as it is being offered.

I send to the Senator a letter we received today from the administration in which there is no mention of this, and I would be interested to know from whence comes his statement that the administration supports this amendment.

Mr. HELMS. The information came from OMB, and it related to the elimination of the three programs, as I thought I made clear in my comment.

Mr. PELL. Right. Did they do it in letter form?

Mr. HELMS. No, in a telephone conversation.

Mr. PELL. They did the Senator a greater honor than they did me because they did not inform me as the manager of the bill that they objected to it.

Mr. HELMS. We made inquiry of them and, perhaps, that is the reason.

Mr. PELL. Mr. President, I ask unanimous consent that a letter to Senator WILLIAMS, the letter being dated August 23, 1978, from the Acting Secretary of Health, Education, and Welfare, be printed in the RECORD.

There being no objection, the letter was ordered to be printed in the RECORD, as follows:

WASHINGTON, D.C.,
August 23, 1978.

Hon. HARRISON A. WILLIAMS, Jr.,
Chairman, Committee on Human Resources, U.S. Senate, Washington, D.C.

DEAR MR. CHAIRMAN: As the Senate takes up S. 1753, the proposed Education Amendments of 1978, I would like to share with you the Administration's concerns about certain provisions in the bill.

We support the Committee bill on the major provisions of the Title I formula in the Elementary and Secondary Education Act. We have reservations about aspects of the funding mechanisms for the concentration and state incentive grant programs, insofar as those provisions mandate priorities in budgeting and appropriations.

We understand that members of the Human Resources Committee and others will offer a package amendment to bring the S. 1753 Impact Aid provisions closer to the Administration's position. We strongly support that package amendment.

As you know, the Impact Aid provisions in S. 1753 fail to reflect the modest reforms the Administration requested. They also liberalize both coverage and payments and repeal reforms approved in 1974 by your Committee.

The President's Education Budget for fiscal year 1979 demonstrated a firm commitment to support education. In fact, the 1979 budget request for elementary and secondary programs is up nearly $900 million over the fiscal 1978. This represents a 15 percent increase—the largest requested by a President is more than a decade.

But S. 1753 contains an unwarranted expansion of $350 million in the authorization for the Impact Aid program of assistance to school districts in areas affected by federal activities. For FY 1979, $1.183 billion in mandatory (Tier 2) funding would be required, which is a doubling in the size of this program in the four years since the last reauthorization.

In many school districts, federal activity is a legitimate burden warranting compensation. In far too many districts, however, payments are out of proportion to any genuine Federal burden and the Committee bill would make this situation even worse. Modest reforms enacted by the Congress in 1974 have been eliminated in S. 1753. For example, the Committee eliminated a provision of law, which first became effective in fiscal year 1978, requiring impacted districts to absorb the costs of the first few federal children counted for eligibility. Hold-harmless provisions which were designed only to phase in the 1974 reforms have been extended for another five years.

The Chairman and the Ranking Minority Member of the Senate Budget Committee, as well as the leadership of the House Education and Labor and Appropriations Committees in July, 1977, requested that HEW provide a study and review of the program. That report, in early 1978, presented Congress with comprehensive alternatives, reflected in the Administration's legislative proposals, which would have reduced authorization costs $76 million in 1979; these reforms were not adopted by the Committee.

Rather, the Committee expanded eligibility to school districts not previously eligible where no additional federal burden exists. For example, the Committee added eligibility for property owned by the U.S. Postal Service. In no sense can the continuing presence of a postal facility be considered a federal burden to a community or its schools. This provision, affecting half of all postal facilities, will cost $35 to $40 million outright. But beyond this cost, the bill adds tens of millions of additional dollars above currently available estimates because it will immediately make eligible several hundred school districts which now fall just below the minimum numbers of program-eligible children.

The President regards a rollback of the authorization increases above current law and the introduction of modest reforms in Impact Aid as essential to a responsible level of federal spending for education in S. 1753.

We are advised by the Office of Management and Budget that, as reported by the Committee, the enactment of S. 1753 would not be in accord with the program of the President.

Sincerely,

HALE CHAMPION,
Acting Secretary.

Mr. HELMS. Mr. President, I want a rollcall vote on this one tomorrow.

Mr. ROBERT C. BYRD. Is this the one you wanted to have a rollcall on tomorrow?

Mr. HELMS. Yes.

Mr. PELL. I appreciate the depth of the Senator's views in this, but I am compelled to recommend to my colleagues we should oppose this amendment as I believe it would harm the bill.

Mr. JAVITS. Mr. President, I am opposed to this amendent for two reasons: One, it is completely indiscriminate. It just simply strikes out a whole group of special projects. There are a number of Members of the Senate who are authors of the special projects and they certainly should be heard in respect of the validity of those projects.

The committee was convinced of their validity and accepted them. But beyond that—and this is something I realize that we are about to go out and there is no one here to listen really except those who are directly debating it—I would like to note, Mr. President, that this special projects provision was one of the most gifted things we have ever done in respect of education, because we set up a basket of experimental projects—we are always striving to do new and intelligent things in respect of this particular Federal aid, so we set up a concept of a basket of new initiatives in respect of elementary and secondary education, with the understanding that individual projects should be permitted to remain in that experimental basket for 5 years, and that at the end of that time or before they should either be discarded or they should become regular programs, because they have proved themselves.

The gifted and talented education program which we have been discussing today on occasion is one of those programs which has richly proved itself. Comparably I think it is to our credit, not to our debit, that we have added new experimental programs and rejected some of the old.

But the amendment would just strike out everything, and I consider this, as I say, one of the most gifted things we have ever done in education, and the general educational field feels the same way about it.

For all of those reasons, Mr. President, and I will go into the details more tomorrow, I very strongly oppose this amendment and I hope the Senate will not approve it.

The PRESIDING OFFICER. The Chair would inquire of the Senator from North Carolina whether the 40-minute time limit was applicable to this amendment.

Mr. HELMS. Yes, it is, Mr. President, and I am willing to yield back the remainder of my time.

Mr. PELL. I yield back the remainder of my time.

(Proceedings relative to the procedure for Thursday are printed later in today's RECORD.)

UP AMENDMENT NO. 1755

(Purpose: To assure that increases in eligibility for basic educational opportunity grants do not reduce the entitlements of individuals already eligible for such grants)

Mr. MORGAN. Mr. President, I have an unprinted amendment at the desk which I ask that the clerk report.

The PRESIDING OFFICER. Without objection, the amendment will be in order. There was an amendment pending at the desk. Without objection, the clerk will state the amendment of the Senator from North Carolina.

The legislative clerk read as follows:

The Senator from North Carolina (Mr. MORGAN) for himself and Mr. BELLMON, proposes an unprinted amendment numbered 1755.

Mr. MORGAN. Mr. President, I ask unanimous consent that further reading of the amendment be dispensed with.

The PRESIDING OFFICER. Without objection, it is so ordered.

The amendment is as follows:

On page 342, line 3, strike out "EXTENSION OF RELATED" and insert "REVISION OF OTHER".

On page 357, between lines 3 and 4, insert the following:

PART D—BASIC EDUCATIONAL OPPORTUNITY GRANTS

ASSESSMENT RATE DETERMINATION

SEC. 341. (a) If the College Opportunity Act of 1978 or a similar statute relating to the assessment rate to be applied to parental discretionary income is enacted, the Commissioner shall, for any academic year after academic year 1978–1979 for which appropriations exceed the amount appropriated for such academic year and funds available for payments under subpart 1 of part A of the Higher Education Act of 1965 are not sufficient to satisfy fully all entitlements under such subpart determined in accordance with the provisions of section 411(a)(3)(B)(iv) of the Higher Education Act of 1965, set the assessment rate to be applied to parental discretionary income at a level designed to assure that the aggregate of such payments are equal to the amount appropriated for such academic year in accordance with the provisions of the following sentence. Subject to the availability of appropriations the payments for students with a given effective family income minus the expected family contribution shall not be reduced below payments for students with the same effective family income minus the expected family contribution in the preceding academic year and subject to the availability of appropriations, students with an effective family income minus the expected family contribution at or below a level for which payments were made under such subpart in the preceding academic year will receive the full amount of their entitlements before payments are made to students with a higher effective family income.

(b) Except as provided in subsection (a) of this section for any academic year after 1978–1979 for which appropriations do not exceed the amount appropriated for academic year 1978–1979, the Commissioner shall set the assessment rate to be applied to parental discretionary income under such subpart 1 of part A of the Higher Education Act of 1965 as amended by the College Opportunity Act of 1978 at the same levels as were applied in academic year 1978–1979.

On page 20, in the Table of Contents, strike out "TITLE III" and insert in lieu thereof the following:

"TITLE III—REVISION OF OTHER EDUCATION PROGRAMS".

On page 20, in the Table of Contents, after item "Sec. 231." insert the following:

"PART D—BASIC EDUCATIONAL OPPORTUNITY GRANTS

"Sec. 341. Assessment rate determination.".

Mr. MORGAN. Mr. President, on behalf of Senator BELLMON and myself, I offer an amendment which I think will correct an inequity in the basic educational opportunity grants of the College Opportunity Act that we passed some few days ago.

Senators will recall that under that law, we increased the amount of money, or the earnings, that a family would be able to make and still have their children qualify for grants. But in the event that the Appropriations Committee does not appropriate sufficient money to fund all of those that would be eligible, then, under the law that we passed, those eligible would be reduced in the amount that they receive proportionately. That might very well mean that some of the poorer students who are now receiving funds might have their funds reduced.

I raised the question during the debate, and in a colloquy with the distinguished Senator from New York (Mr. JAVITS) we discussed the possibility of delaying an amendment to that bill and offering it on this bill.

What my amendment would do, Mr. President, is provide a save harmless clause for the students who are now receiving aid, by providing that in the event the program is not sufficiently funded to meet all of the requirements of the authorization of that act, that those who are now receiving it would receive at the present level, that is, they would not have their grants reduced in order to save money to make it available to students of higher income families.

Under present law, if the basic grants program is not fully funded, each eligible student's grant, regardless of his or her family's income, is proportionately reduced.

Last week, the Senate passed S. 2539, which, by lowering the expected family contribution rate, adds 1.5 million newly eligible students to the basic grants program.

In order to fully fund basic grants after S. 2539 is enacted, as I believe it will be, would require a 65-percent increase over fiscal 1978 appropriations. Now, I do not for a second believe that the Appropriations Committee will agree to such a huge increase.

So, what will happen if we get a smaller increase? As an example, let us examine the impact of a 30-percent increase in appropriations, which is still significant, and also three times the rate of increase in college costs in the last year.

Students from families with incomes below $5,000 annually will suffer a $141 loss; nearly 15 percent.

This money will be taken away from the very poorest of students so that we may provide an extra $294, on the average, to students with family incomes over $25,000, and an extra $379, again on the average, to students with family incomes between $20,000 and $25,000.

Students from families with incomes between $5,000 and $20,000 will receive an average grant increase between $90 and $170, compared with an increase, to repeat myself, of $300 to $380 for upper-middle-income students.

I have a chart here which, in more detail, explains the impact of present law, and ask unanimous consent that it be included in the RECORD at this point.

My amendment would introduce what can be described as a "hold harmless" into the basic grants program. Accordingly if the basic grants program is not fully funded, as expected, this amendment would require the Commissioner of Education to adjust the assessment rate applied to parental discretionary income in such a way that: first, students' awards at a given family level will not be reduced below what they were eligible to receive in the previous year; and second, (b) that students at lower income levels will receive their full entitlements and be served before higher income students.

This is a necessary amendment which will protect the neediest students, and give them more of a chance to obtain equal educational opportunities, with all the benefits that follow later in life.

I understand that this amendment has been accepted by the distinguished floor managers, Senators PELL and JAVITS, and would like to express my appreciation to them.

Fiscal year 1979 distribution of recipients and benefits under the College Opportunity Act (S. 2539) under different funding assumptions, academic year 1979–80

Income group	Current policy 1979	S. 2539		
		Under full funding ($3.3 billion) ($1,800 maximum award)	With only $1.9 billion appropriation ($1,000 maximum award)	With $2.6 billion appropriation ($1,400 maximum award)
0–5				
Number (thousands)	447	432	432	432
Dollars (millions)	448	469	298	396
Average award	1,002	1,086	647	861
5–10				
Number (thousands)	1,000	766	766	766
Dollars (millions)	805	881	550	746
Average award	805	1,150	718	974
10–15				
Number (thousands)	668	727	727	727
Dollars (millions)	479	736	416	582
Average award	717	1,012	572	801
15–20				
Number (thousands)	245	755	755	755
Dollars (millions)	117	633	337	477
Average award	478	838	446	632
20–25				
Number (thousands)	28	515	515	515
Dollars (millions)	7	296	143	208
Average award	25	575	278	404
25–				
Number (thousands)	0	452	452	452
Dollars (millions)	0	199	90	133
Average award	0	440	199	294
Totals				
Number (thousands)	2,170	3,647	3,647	3,647
Dollars (millions)	1,856	3,215	1,835	2,544
Average award	857	876	503	697

Mr. JAVITS. Mr. President, this is an amendment which Senator MORGAN offered after third reading on the College Opportunity Act, sponsored by Senator PELL and myself, and we have helped in its revision so that it conforms with the way in which the basic educational opportunity grant program functions.

I believe that it really carries out the true purpose and intent of a goal which I certainly share, that the most needy students shall not be cut out by inadequacy of appropriations or to bring about reductions to those who, we had the feeling, should have the first call in respect of this type of aid.

Mr. President, I am pleased that the Senator from North Carolina has been able to perfect his amendment so that it achieves the goal which we shared regarding the new operation of the basic grants program under provisions contained in S. 2539, which recently passed the Senate.

Mr. President, I believe it is very important that the administrative agency fully understand the purpose of this amendment. We do not intend to give blanket authority to the Commissioner of Education or anyone else to pick and choose among various students irrespective of their income and financial need as to who should receive basic grants. Rather, it is our intention in this amendment to assure that those students who would have received basic grants without the enactment of S. 2539 will not have their grant amounts reduced. It is my intention, and I understand that it is the intention of the Senator from North Carolina in offering the amendment, to maintain that principle. I understand this to be consistent with the desires of the present incumbent, Dr. Ernest Boyer, who came to the responsibilities of U.S. Commissioner of Education from my own State of New York. Dr. Boyer now serves with distinction at HEW, just as he previously distinguished himself as chancellor of the State University of New York. I know that the Commissioner of Education wishes to carry out this new authority in the way in which the Congress intends.

Mr. President, I am informed that the Senate Appropriations Committee, in their report on the fiscal year 1979 Labor/HEW appropriations bill, has expressed their strong interest in funding the basic educational opportunity grants program, so that currently eligible and newly eligible students under the provisions of S. 2539 would receive full basic grants. I am pleased at the strength of support of this important program. The administration has requested full funding for the basic grants program under the provisions of the College Opportunity Act. I hope that the actions of the Appropriations Committee on appropriation bills and the Budget Committee on the second budget resolution will be favorable to this appropriate expansion of the basic grants program.

Mr. President, in conclusion, I am prepared to accept the amendment from the Senator from North Carolina and I commend him for his initiative in assuring that an unintended effect of reducing the award level of some basic grants recipients will be avoided. Now that we have established the understanding that the Commissioner of Education will carry out the discretion given him under this amendment for the purposes intended, and that the Presidents' budget supplemental request of $1.4 billion additional for basic grants has strong support in the spending committees, I am pleased to accept this amendment.

I was prepared to accept the amendment then on the College Opportunity Act. I am prepared to accept it now. I think it is a sound amendment.

Mr. STEVENS. Mr. President, I shall not delay the proceedings, but having conducted some of the hearings in the Appropriations Committee on this matter, I hope the next time we address this issue, we get to the problem of the individual students who declare that they are a family in and of themselves, and thereby become eligible for the basic opportunity grants because they, as a family, have less than the amount stated.

I am not sure what the amendment of the Senator from North Carolina does to those people, but it seems to me that HEW has encouraged children—and I say that advisedly, having five of them—to disassociate themselves from their families in order to be considered a family unit individually, and therefore be eligible for basic opportunity grants. I hope the Senator's amendment does not blanket in those people in terms of eligibility, whereas others who have remained attached to their families would become ineligible because of this amendment.

Mr. MORGAN. Mr. President, I would say to the Senator, subject to the correction of Senator JAVITS, that I certainly do not think my amendment aggravates the situation any.

Mr. JAVITS. It does not change that at all. All this amendment does is change the eligibilities depending on the nature of their eligibility. As Senator STEVENS points out, this is an evil that will have to be addressed at a later time.

The PRESIDING OFFICER. The question is on agreeing to the amendment (UP No. 1755) of the Senator from North Carolina.

The amendment was agreed to.

UP AMENDMENT NO. 1756

(Purpose: To insure that the Bilingual Education program provides students with English proficiency)

Mr. MORGAN. Mr. President, I have another amendment at the desk and I ask for its immediate consideration.

The PRESIDING OFFICER. The amendment will be stated.

The legislative clerk read as follows:

The Senator from North Carolina (Mr. MORGAN) proposes an unprinted amendment numbered 1756.

On page 278, line 25, Strike ";" and insert in lieu thereof following: ": *Provided*, That if any child is enrolled in a bilingual program funded under this Act, for two years, that child shall have an individual evaluation establishing the need for continued services;".

Mr. MORGAN. Mr. President, this amendment restores language to the bill which is identical to the House bill with regard to bilingual education. As I have heard the distinguished Senator from New York say on the floor of this Senate many, many times, I think it is important that all children, all people—especially children in this country learn to speak English.

I think it is important for the unity of the country and it is also important for the children. If they do not learn to speak English, they will be effectively precluded from job opportunities, from college, et cetera.

What this amendment would do would say that if a child is in a bilingual program for 2 years, then that child would have an individual evaluation establishing his need for continued bilingual services.

In effect, what it says is that the child should be looked at after 2 years to see if he is making progress toward learning English. It would not in any way preclude from the program, as I understand it, any child. It would just say, "Take a look at him."

This amendment adds language identical to that in the House bill and is designed to insure that the Bilingual Education Act properly fulfills its most important function, a function which most Americans consider to be the only valid function. I do not believe this is a controversial amendment, and would hope that the distinguished floor managers can accept it.

All my amendment does is add a new criteria to the four major existing criteria for bilingual education programs. This new criteria requires that any child enrolled in such a program would be considered to have gained English proficiency, as defind in S. 1753, after 2 years in such a program.

These students would be considered competent to be taught in a regular English class, and transferred to such a class. Realizing, however, that all students with limited English abilities will not become proficient in 2 years, an escape clause is included in this amendment. If, through individual evaluation, it is established that the bilingual student does not have English proficiency, then the student would be allowed to continue in the bilingual education program.

My amendment would accomplish one very important objective. It would insure that bilingual education programs pay sufficient attention to the need to develop English proficiency in these disadvantaged students. At the present time, much too often existing bilingual education programs fail in this objective. They place too much emphasis on maintaining the child's native language and native culture. These are important enough objectives, but this works to the disadvantage of the program's main purpose, teaching English.

This works to the very serious disadvantage of these students, who are therefor unable to take as active and productive a part in society as possible. It works to the economic and social disadvantage

of these students, something I am sure none of the original sponsors of the Bilingual Education Act intended.

If, for example, these children fail to learn adequate English, they will find it very difficult to get into a decent college or university. They will certainly never get into a professional graduate school, nor will they ever be hired by a major corporation, nor hired by the Federal Government. They will never rise to any supervisory position in anything, for these all require fluent English. They will not be able to fully appreciate American culture or literature, and they will find it difficult to take part in social activities with Americans.

Furthermore, a bilingual education program that does not teach children adequate English: It is a waste of money.

Let me quote from testimony which Albert Shanker, president of the American Federation of Teachers, gave before the House Subcommittee on Elementary, Secondary, and Vocational Education on September 27, 1977: "The AFT has long taken the position that Federal and State bilingual efforts should be transitory in nature and designed to help non-English speaking children achieve enough skills in the English language so that they can participate in the regular school program." To do otherwise, "is a serious mistake and a waste of scarce dollars. Some groups see this program as an opportunity to fund a non-English school system, others as a method of establishing a bicultural school system. We would suggest the following approach. A time limit—possibly 2 years—should be established for the termination of services to any child in the program unless an individual evaluation is undertaken and the child is found to have need for" bilingual instruction.

This is exactly what my amendment does.

I accept that there is value in helping children to maintain their original language and culture. But that goal must be subjected to the more important goal of insuring that these children learn English.

I hope that all Senators will support this amendment.

Mr. PELL. Mr. President, this is an amendment that meets the problem some of us have seen where the youngster will be in the bilingual program and will stay in it for a long period of time without absorbing as much English as he might.

I think this will provide an incentive for the youngsters to learn the English language as well as preserving the knowledge of their own language and the pride in their own ethnic heritage. I would recommend that we accept it.

Mr. JAVITS. Mr. President, this amendment would not have been acceptable to me with a flat limitation of 2 years without regard to the capability of the child. But with the provision which Senator MORGAN has very properly added respecting an individual evaluation, it is acceptable.

The PRESIDING OFFICER. The question is on agreeing to the amendment.

The amendment was agreed to.

Mr. MORGAN. Mr. President, I move to reconsider the vote by which the amendment was agreed to.

Mr. JAVITS. Mr. President, I move to lay that motion on the table.

The motion to lay on the table was agreed to.

UP AMENDMENT NO. 1757

(Purpose: To make technical corrections)

Mr. PELL. Mr. President, I send an unprinted amendment to the desk and ask for its immediate consideration.

The PRESIDING OFFICER. The amendment will be stated.

The legislative clerk read as follows:

The Senator from Rhode Island (Mr. PELL) proposes an unprinted amendment numbered 1757.

Mr. PELL. I ask unanimous consent to dispense with further reading of the amendment.

The PRESIDING OFFICER. Without objection, it is so ordered.

The amendment is as follows:

On page 22, line 13, strike out "July 1, 1979" and insert in lieu thereof "October 1, 1978".

On page 36, line 1, strike out "section 192" and insert in lieu thereof "section 191".

On page 37, line 19, strike out "that" and insert in lieu thereof "this".

On page 41, strike out line 25, and insert in lieu thereof the following: "only if it also carries on such program or project in other".

On page 42, strike out line 25, and insert in lieu thereof the following: "tion (a) permitting children in lower ranked eligible school".

On page 61, strike out lines 8 through 14.

On page 62, line 2, strike out "Commission" and insert in lieu thereof "Commissioner".

On page 70, line 18, strike out "Commission" and insert in lieu thereof "Commissioner".

On page 73, line 25, after the period insert the following: "the provisions of this section shall take effect upon the date of enactment of the Education Amendments of 1978.

On page 74, line 12, strike out "155 and 156" and insert in lieu thereof "156 and 157".

On page 83, line 2, strike out "155 and 156" and insert in lieu thereof "156 and 157".

On page 85, line 8, insert "or 123" after "122".

On page 95, lines 3 and 4, strike out "and opportunity for a hearing to any State educational agency" and insert in lieu thereof "to any State educational agency and an opportunity for a hearing on the record".

On page 95, line 23, strike out "Pending the outcome of any proceedings under this subsection" and insert in lieu thereof "In the case of a substantial and continuing violation".

On page 116, strike out lines 6 through 8.

On page 121, line 25, strike out "their".

On page 123, line 3, strike out "above" and insert in lieu thereof "in clause (1) of this section".

On page 129, line 4, after "sums" insert "as may be necessary".

On page 131, line 18, strike out "nonprofit".

On page 132, line 13, strike out "this" and insert in lieu thereof "the".

On page 133, line 12, strike out "(2)".

On page 142, line 13, strike out "an" and insert in lieu thereof "and".

On page 142, line 19, strike out "(a)(1)".

On page 148, line 23, strike out "(A)" and insert in lieu thereof "(1)".

On page 148, line 25, strike out "(B)" and insert in lieu thereof "(2)".

On page 154, line 4, strike out "program" and insert in lieu thereof "programs".

On page 170, line 16, strike out the end quotation mark and the period the second time it appears.

On page 172, beginning with "such" on line 24, strike out through "necessary" on line 25, and insert in lieu thereof "$3,000,000".

On page 173, line 2, after the period insert end quotations marks and a period.

On page 174, lines 5 and 6, strike out "Elementary and Secondary Education Act of 1965" and insert in lieu thereof "Act".

On page 180, line 22, strike out "children" and insert in lieu thereof "children".

On page 184, line 14, strike out "and".

On page 185, line 7, after the semicolon, insert "and".

On page 185, line 13, strike out "and".

On page 187, line 21, strike out "(e)" and insert in lieu thereof "(g)".

On page 188, line 4, insert "the" after the words "for".

On page 192, line 11, strike out "Commission" and insert in lieu thereof "Commissioner".

On page 204, lines 14 and 15, strike out "Education Division" and insert in lieu thereof "Office of Education".

On page 209, line 6, insert "title I and title IV of" after "under".

On page 222, beginning with the comma in line 14 the first time it appears strike out through "activity" on line 16.

On page 223, line 23, insert "under" after "misapplied".

On page 242, line 7, after the comma, insert the following: "and".

On page 244, line 12, strike out "or" the first time it appears and insert in lieu thereof "of".

On page 248, line 5, strike out "an" and insert in lieu thereof "and".

On page 255, line 23, strike out "application" and insert in lieu thereof "applicant".

On page 264, line 3, strike out "(12)" and insert in lieu thereof "(8)".

On page 265, line 5, strike out "(12)" and insert in lieu thereof "(8)".

On page 268, line 19, strike out "part" and insert in lieu thereof "party".

On page 281, line 15, strike out "the" and insert in lieu thereof "this".

On page 282, strike out lines 6 and 7, and insert in lieu thereof the following: "is being made toward achieving the objectives of the program for which assistance has been made available".

On page 285, line 7, strike out "nonsecular" and insert in lieu thereof "nonsectarian".

On page 291, line 20, insert "of the Act" after "801".

On page 291, line 20, strike out "or" and insert in lieu thereof "and".

On page 291, line 22, insert "of the Act" after "801(j)".

On page 291, line 26, insert "of the Act" after "801(l)".

On page 292, line 1, insert "of the Act" after "808".

On page 301, line 12, strike out "cooperartive" and insert in lieu thereof "cooperative".

On page 309, line 2, strike out "public and private agencies organizations" and insert in lieu thereof "public agencies or private organizations".

On page 315, line 16, strike out "those purposes" and insert in lieu thereof "programs".

On page 318, line 13, strike out "(a)".

On page 319, line 25, after "schools" insert a comma.

On page 326, line 23, strike out "Commission" and insert in lieu thereof "Advisory Panel".

On page 332, line 11, after "(B)" insert "of such Act".

On page 339, beginning with the word "membership" on line 25, strike out through "daily" on line 2, page 340.

On page 340, line 13, strike out "3" and insert in lieu thereof "23".

On page 342, line 8, strike out "hereinafter" and insert in lieu thereof "hereafter in this title".

On page 350, line 23, strike out "(1)".

On page 351, line 5, insert "of the Act" after "311".

On page 355, line 13, strike out "422" and insert in lieu thereof "422 (c).

On page 360, line 3, strike out "palns" and insert in lieu thereof "plans".

On page 363, line 18, strike out the period and insert in lieu thereof a semicolon.

On page 364, line 4, strike out "man-hours" and insert in lieu thereof "hours".

On page 364, lines 20 and 21, strike out "no later than" and insert in lieu thereof "at least".

On page 375, line 4, strike out "and".

On page 375, line 6, strike out "and" the first time it appears.

On page 13, in the Table of Contents, item 117 is amended to read as follows:

"Sec. 117. Grants for local educational agencies in counties with especially high concentrations of children from low-income families.

On page 14, item 133 is amended to read as follows:

"Sec. 133. Schoolwide projects.

On page 15, at the end of item 198, insert end quotation marks and a period.

On page 15, at the end of item 222, insert end quotation marks and a period.

On page 17, at the end of item 393, insert end quotation marks and a period.

On page 17, at the end of item 453, insert end quotation marks and a period.

On page 18, at the end of item 531, insert end quotation marks and a period.

On page 18, item 611 is amended to read as follows:

"Sec. 611. Educational television and radio.

On page 18, at the end of item 618, insert end quotation marks and a period.

On page 19, at the end of item 1015, insert end quotation marks and a period.

On page 19, at the end of item 1108, insert end quotation marks and a period.

On page 19, strike out the quotation marks before "Sec. 112.".

On page 19, at the end of item 1207, insert end quotation marks and a period.

Mr. PELL. Mr. President, on behalf of the Committee on Human Resources, I offer an amendment making technical and conforming amendments to the printed version of S. 1753. In the main, they correct erroneous cross-references and typographical errors.

I ask their adoption.

The PRESIDING OFFICER. The question is on agreeing to the amendment.

The amendment was agreed to.

UP AMENDMENT NO. 1758

(Purpose: To provide for an accurate determination for counting children from low-income families for cancellation for direct loans)

Mr. PELL. Mr. President, I send an unprinted amendment to the desk and ask for its immediate consideration.

The PRESIDING OFFICER. The amendment will be stated.

The legislative clerk read as follows:

The Senator from Rhode Island (Mr. PELL) proposes an unprinted amendment No. 1758.

On page 342, line 3, strike out "EXTENSION OF RELATED" and insert "REVISION OF OTHER".

On page 357, between lines 3 and 4, insert the following:

PART D—DIRECT LOANS TO STUDENTS

CONFORMING AMENDMENT

SEC. 341. (a) Section 465(a)(2)(A) is amended by striking out "described in clause (A), (B), or (C) of section 103(a)(2) of title I of the Elementary and Secondary Education Act of 1965 (using a low-income factor of $3,000)" and inserting in lieu "counted under section 111(c) of the Elementary and Secondary Education Act of 1965".

(b) The amendment made by subsection (a) of this section shall be effective with respect to loans made after the date of enactment of this Act.

On page 20, in the table of contents, strike out title III and insert in lieu thereof the following:

"TITLE III—REVISION OF OTHER EDUCATION PROGRAMS"

On page 20,, in the table of contents, after item Sec. 231 insert the following:

"PART D—DIRECT LOANS TO STUDENTS

"Sec. 341. Conforming amendment.

Mr. PELL. Mr. President, it has been brought to my attention that the provisions of the national direct student loan program, relating to cancellation of indebtedness for teaching in title I schools, has never been conformed to the changes in the title I formula made in 1974. As a result, school districts are being required to rank their poverty schools on the basis of a $3,000 income factor. Schools do not have this data.

The amendment I propose will merely conform the loan cancellation provisions to existing law.

I urge its adoption.

The PRESIDING OFFICER. The question is on agreeing to the amendment.

The amendment was agreed to.

UP AMENDMENT NO. 1759

(Purpose: To reduce paperwork by eliminating unnecessary reports and studies and consolidating reports and studies and reducing the frequency of certain reporting dates)

Mr. PELL. Mr. President, I send an unprinted amendment to the desk and ask for its immediate consideration.

The PRESIDING OFFICER. The amendment will be stated.

The legislative clerk read as follows:

The Senator from Rhode Island (Mr. PELL) proposes an unprinted amendment numbered 1759.

The PRESIDING OFFICER. Without objection, further reading of the amendment is dispensed with.

The amendment is as follows:

On page 91, line 17, strike out "February 1 of each calendar year and insert in lieu thereof "February 1, 1980, 1982, and 1984".

On page 100, line 21, beginning with the word "not" strike out through "years" on line 26 and insert in lieu thereof the following: "in conjunction with the report required by section 183 (g), submit to the Congress a report concerning the enforcement of this title. The report submitted in 1982 and 1984".

On page 289, strike out lines 5 through 15 and insert in lieu thereof the following:

(5) Section 731(c) of the Act is amended—

(A) by striking "November 1, 1976, and February 1, 1978" and inserting instead "February 1, 1980, 1982, and 1984,";

(B) by striking out "and" at the end of clause (4), by striking out the period at the end of clause (5) and inserting instead "; and" and by adding after clause (5) the following new clause:

"(6) an estimate of the number of fellowships in the field of training teachers for bilingual education which will be necessary for the two succeeding fiscal years."; and

(C) by adding at the end of subsection (c) the following "The Commissioner shall conduct a study on the extent of the need for these programs in the Commonwealth of Puerto Rico, and shall report the results thereof, together with recommendations, to the President and Congress not later than 18 months after the enactment of the Education Amendments of 1978.".

On page 311, lines 22 and 23, strike out "at the end of the fiscal year" and insert in lieu thereof "not later than September 30, 1980, 1982, and 1984".

Mr. PELL. Mr. President, as I noted in my opening statement, one of the major thrusts of the committee bill is the reduction of unnecessary paperwork.

The amendment I propose would continue this approach by making a number of reports required of HEW to be submitted annually to be submitted every 2 years. This should cut down on the flow of paper, yet continue to provide the Congress with sufficient information to exercise its oversight function.

The amendment is supported by HEW.

I urge its adoption.

The PRESIDING OFFICER. The question is on agreeing to the amendment.

The amendment was agreed to.

UP AMENDMENT NO. 1760

(Purpose: To provide for one teacher center in each State in any fiscal year in which funds for Teacher Center Programs exceed $50,000)

Mr. PELL. Mr. President, I send an unprinted amendment to the desk and ask for its immediate consideration.

The PRESIDING OFFICER. The amendment will be stated.

The legislative clerk read as follow:

The Senator from Rhode Island (Mr. PELL) proposes an unprinted amendment numbered 1760.

The PRESIDING OFFICER. Without objection, further reading of the amendment will be dispensed with.

The amendment is as follows:

On page 356, beginning with "programs" on the line 12, strike out through "year" on line 13, and insert in lieu thereof the following: "each State shall receive grants sufficient to assure the establishment of one such teacher center in that State in such fiscal year.".

Mr. PELL. Mr. President, I have an amendment to the teacher center section of the bill providing that each State shall receive a grant sufficient to assure the establishment of at least one teacher center.

This is a very popular program, yet this year only 37 States received funding. My amendment would assure that in the future each State would receive at least one grant.

I hope my colleagues will accept this amendment.

Mr. JAVITS. Mr. President, this is an effort to give the 50 States what 37 States have today.

I wish to explain this, should any Member have any questions about it.

There are 37 States which now have teacher centers.

The effort of this amendment, and it is not a technical amendment, is to provide comparable teacher centers for the other 13 States. This amendment would cost, if it were fully appropriated, $10 million a year, and would assure that in the future every State would receive at least one grant.

If you operated strictly on the basis of pure efficiency, you would try to cover

States which did not have a teacher center by attendance at some other teacher center which was relatively close by.

I believe the nature of our educational systems, which are essentially State and local systems, is such that I could appreciate the desire of the Senator from a small State, to wit, Rhode Island, which has, as I remember it, 800,000 or 900,000 in population, as a matter of pride in the State and an effort to obtain some special excellence for the educational system of that State, wanting to have a teacher center of their own.

Mr. President, I believe the amounts involved, considering the total aggregate of what we are doing in respect of education matters at the Federal level, are not so great as to cause me to object to the amendment on that ground.

I can understand it.

It might be possible to save some of it by more efficient use of existing centers, but I think in the spirit of the Federal system, this amendment is understandable and, therefore, I have no objection to it.

The PRESIDING OFFICER. The question is on agreeing to the amendment.

The amendment was agreed to.

Mr. PELL. Mr. President, I thank my colleague from New York. His points are well taken.

I would add that of these four amendments I have offered, two are technical and two are substantive.

Mr. JAVITS. Would the Senator explain that other substantive amendment so Members may read about it tomorrow?

Mr. STEVENS. Mr. President, while the Senator from Rhode Island is preparing to do that, I wonder if we could get an agreement that there be no motion to reconsider these amendments. I think that the time is late and those people who might be interested in them ought to have a chance to consider them. They have been presented. I believe that the understanding that we had was that the amendments would be offered by the two Senators from North Carolina and then we would not proceed until tomorrow. I understand that the managers of the bill have a desire to get these amendments taken care of, but I do think those Members who went home thinking only those amendments would be called up should have a chance to examine the record and ask to reconsider if they desire to do so.

Mr. JAVITS. Will the Senator yield?

Mr. STEVENS. I am happy to yield.

Mr. JAVITS. My understanding was that the amendments which would not require rollcalls could be called up by any Member, but I do not think Senator PELL and I have any intention to seek to lock the door as far as any thoughts on these matters are concerned.

Mr. STEVENS. All I am asking is that there be no motion to reconsider tonight so those Members may read the record. May I ask the Chair, would a motion to reconsider be in order tomorrow after the recess, when we reconvene?

Mr. JAVITS. Mr. President, I ask unanimous consent that the motions to reconsider and to lay on the table may be in order when we reconvene on these particular four amendments.

The PRESIDING OFFICER. The Chair informs the Senator that such motions will be in order if an amendment were not pending without unanimous-consent request.

Mr. JAVITS. Of course. I thank the Chair.

I withdraw the request.

Mr. PELL. My memory is refreshed now. The other substantive amendment was the amendment that reduced the amount of paperwork that was required and stated that records that were required once a year would now be once every 2 years.

Mr. JAVITS. I thank my colleague.

STATEMENT IN OPPOSITION TO HOLLINGS AMENDMENT TO STRIKE TITLE 12

● Mr. PERCY. Mr. President, I oppose the amendment offered by Senator HOLLINGS to strike title 12 from S. 1753. Title 12 would provide direct grants to nonpublic schools for secular educational activities.

Title 12 would, I believe, provide constitutionally acceptable assistance to nonpublic schools. In Wolman against Walter, the Supreme Court ruled favorably on many of the provisions contained in title 12. Although I am sure that the constitutionality of this title will be challenged, I am persuaded that it would be upheld by the Court.

In addition, title 12 would not provide more assistance to private school students than would be provided to public school students. Moreover, the cost of title 12 is within the limits set by the Budget Committee.

Nonpublic schools are a vital component of our Nation's educational system. They provide a quality education to many of our children. As such, they deserve our support. Therefore, I will oppose the Hollings amendment.●

PROJECT SEED

● Mr. RIEGLE. Mr. President, I would like to draw my colleagues' attention to one particular program carried out under section 215 of this act. I refer to Project SEED—special elementary education for disadvantaged children, a program utilizing advanced mathematical concepts to teach disadvantaged children college-level mathematics.

The results of this program have been absolutely astonishing. Professional mathematicians and scientists participating in the project have had tremendous success in teaching these youngsters such topics as abstract reasoning, conceptually oriented mathematics, and arithmetical computational skills. Achievements in these areas have carried over to reading, language arts, and the students' overall attitude toward school and the educational process.

Project SEED is one of the success stories of our educational process. I strongly urge those of my colleagues who serve on the Appropriations Committee to continue their support for funding of Project SEED under this title, support which was reflected in January of last year when the committee praised Project SEED for "narrowing the achievement gap between minority and nonminority students." ●

● Mr. WILLIAMS. Mr. President, Senator MAGNUSON has indicated his strong interest in assuring the effective implementation of demonstratedly effective programs which move from a pilot testing stage into a phase where funds are distributed to the States on a formula basis to assist their school districts more broadly. He has indicated that these programs should stand on their merits in both the authorizing and the appropriations process. As chairman of an authorizing committee, of course, I stand in wholehearted agreement. Just how we are to develop the most effective tools for assuring such implementation remains to be seen, but I would like to mention one program to Senator MAGNUSON which illustrates some of the prospects and problems we face—community schools, a program in which he, as a cosponsor of the Community Schools and Community Education Act, title X of the bill before us, has great interest.

This measure is a device to build the capacity of local school districts to devote their facilities after school hours to community use. It also seeks to encourage collaboration between the schools and other human services agencies so that the quality of education can be improved.

The Community Schools Act, part of the Education Amendments of 1974, has been run at a flat level of approximately $3.5 million authorization for the past 4 years. From formal evaluations of the program and from virtually unlimited endorsements in the education field, the community schools program has been an unqualified success.

In the bill before us, S. 1753, the Committee on Human Resources recommends expansion of the program for 5 years, after which the program would be "sunset." Our objective is to build the capacity of school systems. At full funding of the $77 million authorized, we would still reach only about 20 percent of the Nation's school districts, but with the required budgeting, Federal and State planning for coordination and evaluation built into the provision, the Federal role should meet its objective. In order to assure that the Federal role phases out, the authorization for this measure, which is mainly grants in aid to the States, increases for 2 of the next 5 years and then reverts to its 1979 level.

The plan hinges heavily on an adequate level of funding to assist the States and localities to initiate and operate the program. Our authorization is not dependent upon set-asides—It is solely an authorization item. My question is what appropriation level can we expect to implement this program.

Mr. MAGNUSON. Mr. President, Senator WILLIAMS has posed an important issue about an important program.

Let me say at the outset that I am pleased to be a cosponsor of the community school and community education program. The State of Washington has greeted this measure with great enthusiasm, and I believe it promotes the coordination of our human resources programs.

I shall do everything in my power to assure the chairman of the authorizing committee that this measure will receive uppermost consideration as we an-

ticipate a supplemental appropriation bill to the 1979 budget. I wish I could assure the chairman of full funding for this important program. I cannot do so, but I can assure him that we will take every step possible to assure implementation of all the important provisions of title X. And I may support appropriations necessary to convert to a State grant program and for the funding of the planning, coordination, and evaluation provisions of this bill.

I think the idea of time-limited programs is a good one. Community schools is an idea with great appeal for many school districts. The evaluations to date show that even with their initial Federal funding removed due to budgetary constraints, a significant proportion of school districts maintained their local programs from State and local funds.

Mr. WILLIAMS. Mr. President, I thank the chairman of the Appropriations Committee for his remarks. And I look forward to working with him and with the members of the Appropriations Committee, in overseeing the effective implementation of this program.●

● Mr. BUMPERS. Mr. President, I would like to commend Senator PELL, the distinguished chairman of the Subcommittee on Education, for bringing to the Senate floor such a fine piece of legislation as S. 1753, the Education Amendments of 1978.

The centerpiece of this legislation is the title I program which is the major Federal program of aid to elementary and secondary education.

In this program the most controversial issue which the Senate faces each authorization year is the manner in which title I funds are distributed among the States and among local school districts. In my opinion, Senator PELL has shown tremendous leadership in the committee by artfully crafting a bill which brings about the fairest distribution of title I funds possible at this time. During mark-up on the bill I know that he had to contend with innumerable pressures from various regions of the country, education groups and local school districts. He has exhibited extremely able leadership by reporting a title I formula which equitably balances all of these interests and treats all regions of the country fairly.

I am concerned, however, about what might happen during the conference with the House on their companion bill, H.R. 15. In that bill there is a "tilting" of the distribution formula toward certain regions of the country to the disadvantage of the rest of the country.

It is my understanding that one part of the House formula would shift funds away from 29 States to benefit only 21 other States. This would be accomplished through the use of the survey of income and education (SIE) data.

That data was compiled during 1975 and was supposed to be an update of the 1970 census. However, it suffers from such inaccuracies, due to the small sample used in compiling the data, that the administration has recommended against its use.

In testimony presented to the Congress, as I understand, the administration stated that 15 States would show errors between 10 and 20 percent in the use of this data and that two States would have errors larger than 20 percent. The administration also stated that they could not say in advance nor can they say today which particular States have which errors. Therefore, it was recommended that this data not be used.

Unfortunately though, the House has decided to use that data in distributing a portion of the title I funds. I would hope that during the conference committee the House conferees will reconsider their decision and listen to the administration more carefully on the use of this inaccurate data.

At this time I would like to ask Senator PELL, who will be chairing the Senate conferees, his opinion of this data. I am especially concerned because 29 States could lose money if the Senate conferees were to agree to the House position.

Mr. PELL. I would like to assure the gentleman that I share the administration's opinion about the validity of the SIE data. I wish that the survey which produced this data could have been more comprehensive and better funded so that the data which resulted would have been more reliable. Unfortunately, this was not the case.

The Senator has my assurance that when we go to conference I will do the best that I can to explain to the House conferees the problems with this survey and urge them to reconsider their position. I, myself, do not believe that we should rely on such inaccurate data in distributing large sums of money which are involved in the title I program and will urge my colleagues on the conference committee to insist on the adoption of the Senate title I language.●

● Mr. CRANSTON. Mr. President, I wish to ask the distinguished floor manager and chairman of the Human Resources' Subcommittee on Education, a question related to the programs known as the "trio programs" conducted under the authority of section 417B of the Higher Education Act of 1965, as amended.

The "trio programs" consist of three separate programs: "talent search," "upward bound", and "special services for disadvantaged students." These programs are designed to provide services, through grants and contracts, in order to assist youths from low-income families who have academic potential, but who may lack adequate secondary school preparation, to enter, continue, or resume programs of postsecondary education.

As my colleagues may recall, in the second supplemental appropriations bill for fiscal year 1972, the Congress approved a specific set-aside for these programs for the purposes of providing services to Vietnam-era veterans. Although this set-aside was not continued in subsequent years, the Office of Education has continued to fund programs that provide these valuable services to veterans.

However, in 1976, the Office of Education established by regulation an age criterion for the programs. That is, youths are defined. by regulation, as those between ages 14 and 27.

This regulation severely curtails the participation of veterans of the Vietnam-era in the trio programs—20 percent of whom were discharged from the service with less than a high-school diploma—since many are now older than 27 years of age.

In fact, the average age of Vietnam-era veterans, based on VA statistics, is now nearly 32 years of age.

As the Senator from Rhode Island knows, he and I have both discussed this subject with the Senator from Minnesota (Mrs. HUMPHREY) who is most concerned about the problem.

On behalf of our colleague from Minnesota and myself, I would like to ask my distinguished colleague if he believes that there is any provision in the law that precludes the Office of Education from promulgating regulations that would permit educationally disadvantaged Vietnam-era veterans to participate in the "trio programs."

Mr. PELL. No, there is not.

Mr. CRANSTON. Does my colleague agree that it is congressional intent that educationally disadvantaged veterans of the Vietnam-era be served under this authority regardless of age?

Mr. PELL. That is my understanding.

Mr. CRANSTON. Would the chairman also agree that the Commissioner of Education should revise the "trio" regulations accordingly?

Mr. PELL. I think that would certainly be called for; I would urge it.

Mr. CRANSTON. I thank my friend from Rhode Island very much for taking the time to clarify this important issue at this time.●

ROUTINE MORNING BUSINESS

(Routine morning business transacted and additional statements submitted are as follows:)

MESSAGES FROM THE PRESIDENT

Messages from the President of the United States were communicated to the Senate by Mr. Chirdon, one of his secretaries.

EXECUTIVE MESSAGES REFERRED

As in executive session, the Presiding Officer laid before the Senate messages from the President of the United States submitting sundry nominations, which were referred to the appropriate committees.

(The nominations received today are printed at the end of the Senate proceedings.)

COMMUNICATIONS

The PRESIDING OFFICER laid before the Senate the following communications, together with accompanying reports, documents, and papers, which were referred as indicated:

EC-4227. A communication from the Acting Secretary of Health, Education, and Welfare, transmitting a draft of proposed legis-

lation to amend title II of the Social Security Act to make the monthly retirement test available in limited circumstances in the case of certain beneficiaries, to amend the technical requirements for entitlement to medicare, and for other purposes; to the Committee on Finance.

EC–4228. A communication from the Comptroller General of the United States, transmitting, pursuant to law, a list of reports of the General Accounting Office for the month of July 1978; to the Committee on Governmental Affairs.

EC–4229. A communication from the Comptroller General of the United States, transmitting, pursuant to law, a report entitled "Replacing Missing Supplemental Security Income Checks—Recipients Waiting Longer Than Necessary," August 22, 1978; to the Committee on Governmental Affairs.

EC–4230. A communication from the Comptroller General of the United States, transmitting, pursuant to law, a report entitled "Bank Robbery—The Federal Law Enforcement Role Should Be Reduced," August 18, 1978; to the Committee on Governmental Affairs.

EC–4231. A communication from the Secretary of the Interior, transmitting, pursuant to law, the annual report of the administration of the Federal Metal and Nonmetallic Mine Safety Act, Public Law 89–577, during calendar year 1977; to the Committee on Human Resources.

REPORTS OF COMMITTEES

The following reports of committees were submitted:

By Mr. MUSKIE, from the Committee on the Budget, without amendment:

S. Res. 532. A resolution waiving section 402(a) of the Congressional Budget Act of 1974 with respect to the consideration of S. 991 (Rept. No. 95–1139).

By Mr. CHILES, from the Committee on Governmental Affairs, with amendments:

H.R. 11318. An act to amend the Small Business Act and the Small Business Investment Act of 1958 (Rept. No. 95–1140).

By Mr. MUSKIE, from the Committee on Governmental Affairs, without amendment, unfavorably:

S. Res. 489. A resolution concerning disapproval of Reorganization Plan No. 3 (together with additional views) (Rept. No. 95–1141).

By Mr. STONE, from the Committee on Agriculture, Nutrition, and Forestry, without amendment:

S. 3447. An original bill to strengthen the economy of the United States through increased sales abroad of American agricultural products (Rept. No. 95–1142).

By Mr. WILLIAMS, from the Committee on Governmental Affairs and the Committee on Human Resources, jointly, with an amendment and an amendment to the title:

S. 517. A bill to authorize employees and agencies of the Government of the United States to experiment with flexible and compressed work schedules (Rept. No. 95–1143).

By Mr. NUNN, from the Committee on Armed Services, without amendment:

S. 3454. An original bill to amend the act of August 29, 1974 (88 Stat. 795; 10 U.S.C. 8202 note), relating to the authorized numbers for the grades of lieutenant colonel and colonel in the Air Force and to authorize the President to suspend certain provisions of law when he determines that the needs of the Armed Forces so require, and for other purposes (Rept. No. 95–1144).

EXECUTIVE REPORTS OF COMMITTEES

The following executive reports of committees were submitted:

By Mr. JACKSON, from the Committee on Energy and Natural Resources:

Ruth C. Clusen, of Wisconsin, to be an Assistant Secretary of Energy (Environment).

Roger A. Markle, of Utah, to be Director of the Bureau of Mines.

(The above nominations from the Committee on Energy and Natural Resources were reported with the recommendation that they be confirmed, subject to the nominees' commitment to respond to requests to appear and testify before any duly constituted committee of the Senate.)

● Mr. JACKSON. Mr. President, today the Committee on Energy and Natural Resources approved the nominations of Ruth C. Clusen to be Assistant Secretary of Energy for Environment and Roger A. Markle to be Director of the Bureau of Mines. I ask unanimous consent that each nominee's biography, statement to the committee and sworn financial statement be printed in the RECORD.

I also ask unanimous consent that a letter dated August 17, 1978, from Lynn R. Coleman, General Counsel of the Department of Energy, and a letter dated August 11, 1978, from Joan M. Davenport, Assistant Secretary of the Interior, regarding the nominees' compliance with the Department's conflict of interest provisions be printed in the RECORD.

There being no objection, the material was ordered to be printed in the RECORD, as follows:

BIOGRAPHICAL SUMMARY—RUTH C. CLUSEN

Ruth C. Clusen has had a distinguished career in public service and in dealing with national environmental concerns. A long time advocate of a global approach to environmental problems, she was a member of the U.S. delegation to the US-USSR Joint Committee on Environmental Protection in Moscow in 1974. Earlier, she participated in the UN Conference on Human Environment in Stockholm and was an international environmental consultant for the State Department. In June 1976, she was a member of the U.S. delegation to the UN Habitat Conference in Vancouver, Canada, an international effort to identify interrelated problems of community living.

Ruth Clusen has served as an environmental consultant to the Interior Department, the Conservation Foundation, the U.S. Chamber of Commerce and Wisconsin Department of Natural Resources. She is also a Director on the Board of the Joint Center for Urban Environmental Studies and has served four terms on EPA's Management Advisory Committee for the Municipal Construction Division. In 1976, she served on the Advisory Board of the National Science Foundation Science for Citizens program.

In her four year effort as national president of the League of Women Voters of the United States, Ruth Clusen has helped assure the League's leading role in environmental issues. Between 1966 and 1974, she chaired the League's Environmental Quality Committee. During this period, the League of Women Voters Education Fund conducted a successful series of land and water seminars built around river basin problems and financed by training grants from the U.S. Public Health Service, the Department of the Interior and the U.S. EPA. Later projects focused on air quality standards and solid waste management.

Under her leadership, League members have worked at the local, state and national level on such environmental problems as air and water pollution control, flood plain management, lake eutrophication, wetland preservation, land use and solid waste management. Between 1976 and 1977, the League's Education Fund worked with leagues in ten states to educate citizens and elected officials about the quality of their drinking water and the local impacts of Safe Drinking Water Act of 1974. During the same period, the Education Fund promoted public involvement in water quality planning and in source separation of solid waste.

In 1977, Ruth Clusen received the Natural Resources Council in America Award of Honor for outstanding accomplishments in the conservation of natural resources. She also received the National Wildlife Federation Award as International Conservationist of the Year for 1977.

In March 1977, she was appointed by President Carter to the National Commission on the Observance of International Women's Year (IWY), which was charged with leading 56 state and territorial women's meetings and the National Women's Conference held in Houston in November 1977. Ruth Clusen has been awarded honorary Doctor of Laws degrees by Colgate University in New York and Wayne State University in Michigan, and has received an honorary Doctor of Humanities degrees from St. Mary's College, Notre Dame, Indiana.

STATEMENT OF RUTH C. CLUSEN ASSISTANT SECRETARY DESIGNATE

Mr. Chairman, Members of the Senate Committee on Energy and Natural Resources:

I appreciate the opportunity to appear before you as the nominee of the President for the post of Assistant Secretary for Environment in the Department of Energy. I know that the Committee has a busy schedule, and I am pleased that you arranged my hearing at this time.

In my remarks today, I would like to comment first on my concept of the role of the Assistant Secretary for Environment in the Department of Energy, and then on my qualifications for this important position.

The mission of the Department of Energy is to develop and implement a strong national energy policy and related program in order to meet the present and future energy needs of the Nation. This policy and program must be consistent with overall national economic, environmental and social goals. The Assistant Secretary for Environment plays a major role in fulfilling the Department's mission. The Assistant Secretary serves as an independent voice within the Department, to assure incorporation of national environmental protection goals in formulating and implementing energy programs. At the same time, the Assistant Secretary must advance the goals of restoring, protecting and enhancing environmental quality, and assuring public health and safety. If the Department is to accomplish its mission, the environmental contributions to major policy and program decisions must be current, readily available for public scrutiny, and well integrated with other information. They must fully support major decisions. The balancing of environmental concerns with other technical and policy concerns is essential if the programs of the Department are to be responsive to national needs on a timely basis. The Assistant Secretary for Environment has the responsibility to monitor and keep close tabs on Departmental programs through the early identification of environmental, health and safety problems, recommendations of actions to correct deficiencies, and continuous analysis of potential environmental impacts and mitigating options.

In the development and commercialization of new technologies and implementation of energy policies, it is important that environmental considerations be taken into account very early in the planning and de-

sign phases and be reviewed continually during every step of the process. In this way, environmental and safety considerations become not a barrier, but a positive and credible force within the system. In this process, the Assistant Secretary for Environment provides independent perspective and discriminating support for Departmental activities. Without this kind of systematic approach, complicated problems, delays and unnecessary Environment should be viewed as an asset—assisting the Department in performing its mission in a responsible and timely way. The position cannot be carried out in either a passive or obstructionist manner. It must be organized to allow a judicious, open, and responsive approach to the difficult decisions which must be made by the Department if its goals are to be achieved.

What qualifications and experience do I bring to this challenging and important position? My nearly 25 years of public service have provided me with a set of skills and sensitivities of the type which I believe are essential for the position of Assistant Secretary for Environment. As President of a large national organization, The League of Women Voters of the United States, during the past 4 years, I have demonstrated my administrative and managerial abilities. Prior to this, I led the environmental activities of the League of Women Voters for 8 years. In both of these positions, I dealt with scientific and technical matters in depth and managed technical staff in both the energy, environmental and social disciplines. These responsibilities have provided me with a background in technological issues and energy-related projects as well as full knowledge and understanding of the legislative process, and interworkings of other Federal agencies, the private sector, and various trade associations, professional societies and scientific bodies required by the Assistant Secretary for Environment.

My national activities during the last 12 years, and in the State of Wisconsin for 4 years previous to that, have taught me how to effectively work with people who have conflicting opinions and still get the job done. At the national level, I have worked closely with members of Congress and their staff as well as with many key officials within the Executive Branch, to develop legislation in the public interest. I have travelled extensively throughout this entire country, as well as abroad in representing the League of Women Voters and as a U.S. delegate to international conferences on a broad range of issues. As an involved participant, these conferences and meetings created the opportunity for me to communicate complex issues to public audiences of diverse interests.

Mr. Chairman, in summary, I believe that my background in environmental and energy issues, and my strong commitment to energy-environmental problem-solving, plus my demonstrated ability to carry out administrative and managerial responsibilities, and my long-term participation in public forums, provides an adequate and positive base from which to perform successfully the functions of the Assistant Secretary for Environment in the Department of Energy.

I would like to assure the Committee of my willingness to be available to it or any other Congressional committee or member at any time or on any subject related to the responsibilities of the Assistant Secretary for Environment. I would be happy to now respond to any questions that you may have today.

DEPARTMENT OF ENERGY,
Washington, D.C., August 17, 1978.

Hon. HENRY M. JACKSON,
Chairman, Committee on Energy and Natural Resources, Washington, D.C.

DEAR MR. CHAIRMAN: This is in response to your request for an opinion as to the effect of the conflict of interest provisions contained in Title VI of the Department of Energy Organization Act (Pub. L. 95-91) on the financial holdings of Ruth C. Clusen, who has been nominated to be Assistant Secretary for Environment of the Department of Energy.

Section 602(a) of the Department of Energy Organization Act ("Act") prohibits supervisory employees of the Department of of Energy from knowingly receiving compensation from, holding any official relation with, owning the stocks or bonds of, or having any pecuniary interest in, any energy concern. "Energy concern," defined in Section 601(b) of the Act, is described in terms of entities "significantly engaged in the business" of a variety of activities related to energy production, distribution, sale, research and development, as well as entities engaged in such research and development functions pursuant to DOE-funded programs irrespective of whether they otherwise are engaged in such "business." The precise boundaries of that term are currently being explored. Nonetheless, it is possible to make some initial determinations with respect to identifying energy concerns within the meaning of the statute. A list of energy concerns required by Section 601(c)(1) of the Act was published on March 2, 1978.

As you know, a list of Mrs. Clusen's financial holdings has been provided to the Committee. None of her financial holdings appears on the published list and, hence, none is subject to divestiture in connection with her assuming the position of Assistant Secretary for Environment. As the energy concern list is revised, however, it may be determined in the future that some of Mrs. Clusen's holdings may have to be divested.

Mrs. Clusen's husband has several financial holdings which are energy concerns and appear on the published list. We have advised Mrs. Clusen that she should not participate as a government employee, personally and substantially, in any particular matter the outcome of which could have a direct and predictable effect on her husband's financial interest in these holdings.

If I can be of further assistance, please do not hesitate to contact me.

Sincerely,

LYNN R. COLEMAN,
General Counsel.

FINANCIAL STATEMENT

Provide a complete, current financial net worth statement which itemizes all assets (including bank accounts, real estate, securities, trusts, investments, and other financial holdings) and all liabilities (including debts, mortgages, loans, and other financial obligations) of yourself, your spouse, and other immediate members of your household.

ASSETS

Cash on hand and in banks, $53,600.
U.S. Government securities—add schedule, $7,000.
Listed securities—and schedule, attached.
Unlisted securities—add schedule, none.
Accounts and notes receivable:
Due from relatives and friends, none.
Due from others, none.
Real estate interest—add schedule, $18,100.
Personal property, 2 cars, $9,000.
Life insurance—cash value, $1,606.
Other assets—itemize:
See listing of stocks held by Donald Clausen (in his name) $187,148.
Total assets $276,454.

LIABILITIES

Notes payable to banks—secured, none.
Notes payable to banks—unsecured, none.
Notes payable to relatives, none.
Notes payable to others, none.
Accounts payable, none.
Unpaid income tax, none.
Other unpaid tax and interest, none.
Real estate mortgages payable—add schedule, none.
Chattel mortgages and other liens payable, none.
Other debts—itemize, none.

CONTINGENT LIABILITIES

As endorser, comaker or guarantor, on leases or contracts, legal claims, other, none.
Total liabilities, none.
Net worth, $276,454.

1. List sources, amounts and dates of all anticipated receipts from deferred income arrangements, stock options, uncompleted contracts and other future benefits which you expect to derive from previous business relationships, professional services and firm memberships or from former employers, clients, and customers, none.

2. Are any assets pledged? (Add schedule.) No.

3. Are you currently a party to any legal action? No.

4. Have you ever declared bankruptcy? No.

5. Has the Internal Revenue Service ever audited your Federal tax return? If so, what resulted from the audit? Yes, 1973; paid $285.18.

STATEMENT FOR COMPLETION BY PRESIDENTIAL NOMINEES

Name: Clusen, Ruth Chickering.
Position to which nominated: Assistant Secretary for Environment, Dept. of Energy.
Date of nomination: July 10, 1978.
Date of birth: June 11, 1922.
Place of birth: Bruce, Wis.
Marital status: Married.
Full name of spouse: Donald Ernest Clusen.
Name and ages of children: Elizabeth Ann Hettiger, age 23; and Kathryn Ruth Le Clair, age 29.
Education: Senior High School, 1934–38; graduated 1938.
University of Wisconsin, Eau Claire, 1938–41; 1944–45, B.S., 1945.
Employment record: List below all positions held since college, including the title and description of job, name of employer, location, and dates.
1974–78, President League of Women Voters of the U.S., 1730 M St. N.W.
1973–77, Consultant, Management Advisory Group, EPA. Washington.
1957–58, Teacher, Green Bay Public Schools.
1947–51, Teacher, Denmark, Wis., Public Schools.
1946–47, H. C. Prange Co., Green Bay, Personnel Administration.
1945–46, Teacher, Browning High School, Browning, Montana.
1943–44, Dept. of Commerce, Washington, Editing.
1942–43, Teacher, Public Schools, New Richmond, Wis.
1941–42, Teacher, Public Schools, Elava, Wis.
Honors and awards: List below all scholarships, fellowships, honorary degrees, military medals, honorary society memberships, and any other special recognitions for outstanding service or achievement.
Honorary L.L.D. Colgate University.
Honorary L.L.D. Wayne State University.
Honorary Dr. of Humanities, St. Mary's College, Notre Dame.
Woman of the Year in Politics and Government—Ladies Home Journal.
Grand Marnier Civic Achievement Award.
International Conservationist of the Year—National Wildlife Federation.
Civic Achievement Award—National Municipal League.
Environmental Award—Natural Resources Council.
Memberships: List below all memberships and offices held in professional, fraternal, business, scholarly, civic, charitable and other organizations.

League of Women Voters of the United States, President, from 1974–78.

League of Women Voters of the United States; Vice President and Environmental Chairman from 1966–74.

League of Women Voter of Wisconsin; President, from 1962–66.

First United Methodist Church, from 1961 to present.

Order of the Eastern Star; Worthy Matron, from 1955.

Published writings: List the titles, publishers and dates of any books, articles, or reports you have written.

During the time I served as Environmental chairman for the League of Women Voters and subsequently as president, I was responsible for the research, writing and publication of numerous pamphlets on all phases of environmental work. All such materials are copyrighted by the League without attribution to individual authors.

Qualifications: State fully your qualifications to serve in the position to which you have been named. See attached biography.

Future employment relationships:

1. Indicate whether you will sever all connections with your present employer, business firm, association or organization if you are confirmed by the Senate.

I expect to remain a member of the League of Women Voters.

2. As far as can be foreseen, state whether you have any plans after completing government service to resume employment, affiliation or practice with your current or any previous employer, business firm, association or organization. None.

3. Has anybody made you a commitment to a job after you leave government? No.

4. Do you expect to serve the full term for which you have been appointed? Yes.

Potential conflicts of interest:

1. Describe any financial arrangements or deferred compensation agreements or other continuing dealings with business associates, clients or customers who will be affected by policies which you will influence in the position to which you have been nominated.

I do not know of any.

2. List any investments, obligations, liabilities, or other relationships which might involve potential conflicts of interest with the position to which you have been nominated.

My husband holds stock which will be divested as necessary.

3. Describe any business relationship, dealing or financial transaction (other than tax-paying) which you have had during the last 10 years with the Federal Government, whether for yourself or relatives, on behalf of a client, or acting as an agent, that might in any way constitute or result in a possible conflict of interest with the position to which you have been nominated.

I know of none.

4. List and describe any lobbying activity during the past 10 years in which you have engaged for the purpose of directly or indirectly influencing the passage, defeat or modification of any legislation at the national level of government for the purpose of affecting the administration and execution of national law or public policy.

As a member of the national board of the League, and subsequently as president I had frequent contact with the national government as a lobbyist for the positions held by the organization.

5. Explain how you will resolve any potential conflict of interest that may be disclosed by your responses to the above items.

I know of none.

STOCKS HELD IN THE NAME OF DONALD ERNEST CLUSEN (SPOUSE)

[Shares and value]

American Telephone and Telegraph, 226, $14,238.

Convertible Preferred 34, 11, $715.

Broad St. Investment Corp., 921.972, $10,243.

Commonwealth Edison, 239, $6,453.

Consolidated Edison of New York, 50, $1,100.

Eaton & Howard Stock Fund, 828.923, $7,469.

Fidelity Fund, Inc., 961.450, $15,600.

General Foods, 200, $6,000.

General Motors, 315, $18,900.

Burlington Northern, 50 common—12 preferred, $984.

Putnam Investors Fund, Inc., 2562.429, $18,395.

Massachusetts Investors Trust, 491.539, $4,944.

Mirro Aluminum, 250, $3,240.

Nicor, 41 common—7 preferred, $1,537.

Raybestos Manhattan Inc., 130, $4,160.

Mobil Oil, 140, $8,320.

Union Pacific, 250, $12,500.

American Hospital Supply Corp., 1,500, $42,000.

Massachusetts Mutual Income Investors, 900, $10,350.

Total value: $187,148.

BIOGRAPHY—ROGER A. MARKLE, SALT LAKE CITY, UTAH

Education: MBA, University of Chicago, 1971; MS, Mine Management, Stanford University, 1965; and BS, Mining Engineering, University of Alaska, 1959.

Energy policy: 1977—Appointed by Utah's Governor Matheson to the Energy Conservation and Development Council and elected Vice Chairman.

Chairman, Interagency Task Force on Power Plant Siting.

1976—Appointed by Utah's Governor Rampton to the Blue Ribbon Joint Legislative Committee on Energy Policy and elected Chairman of the Drafting Subcommittee.

Professional:

1974 to Present: The Valley Camp Coal Company—President, Western Division.

1965–1974: Standard Oil Company (Indiana) and Subsidiaries—Manager, Mine Development; Exploration Manager; Manager, Mining Development; Assistant Coordinator, Mining; Senior Mining Engineer; and Project Manager.

1962–1964: University of Alaska—Instructor of Adult Education.

1958–1961: Alaska Mines & Minerals, Inc.—General Superintendent; Chief Mine Engineer; and Mill Superintendent.

1955–1958: Summer and weekend employment as underground miner for Anaconda Company, Umont Mining Company and Alaska Mines & Minerals, Inc.

Other: Registered Professional Engineer (Alaska) and President and Director, Utah Coal Operators Association.

Personal: Born 12/12/33; Height 6'2"; Weight 200 pounds; U.S. Navy Honorable Discharge, 1954; Married (wife Mary), no children.

STATEMENT OF ROGER A. MARKLE, PROPOSED NOMINEE TO BE DIRECTOR, BUREAU OF MINES, AUGUST 18, 1978

Mr. Chairman and distinguished members of the Senate Energy and Natural Resources Committee:

I am honored by the confidence which President Carter, Secretary Andrus, and Assistant Secretary Davenport have shown in me by nominating me for the position of Director, Bureau of Mines, and it is indeed a privilege to appear before your Committee this morning. My entire working career has been related to the many facets of the mineral industry and subject to your concurrence, I am looking forward to working with this Administration to enhance the Bureau's viability, productivity, and contribution toward national goals.

The Bureau has had a long and distinguished history since its establishment under the Organic Act in 1910, and throughout the years prior to the 1970s, Congress gave the Bureau significant new tasks and responsibilities. During the 1970s, however, the Bureau has been subjected to a series of reorganizations which have transferred substantial parts of its historic programs to other agencies. In 1973, for example, the regulatory and enforcement programs in the mine health and safety area were transferred to the new Mining Enforcement and Safety Administration within the Department of the Interior with the Bureau retaining the responsibility for mine health and safety research and development programs. Recently the Mining Enforcement and Safety Administration was transferred to the Department of Labor, however, the Bureau retains responsibility for mine health and safety research.

In 1974, the Bureau's responsibility for fossil fuel research and development was transferred to the Energy and Research Development Administration in the Department of the Interior with the Bureau retaining programs for fossil fuel production research and information collection and dissemination functions. The fossil fuel programs were subsequently transferred to the Department of Energy although the Bureau continues to retain the responsibility for fossil fuel mine health and safety research. Transfer of the mine safety regulation and fossil fuel production research programs from the Bureau to the Department of Labor and the Department of Energy has resulted in a number of organizational voids in the Bureau and at the same time increased the need and demand for interdepartmental management coordination since the basic responsibility for mining health and safety research remains with the Bureau. I have the highest regard for the technical capabilities of the Bureau's staff and am confident the Bureau can work closely with both the Department of Labor and the Department of Energy in research and development of safer mining technology. I am personally committed to the development of safer mining technology and believe that we can attain our national goals of increased fossil fuels production without compromising our goals for better mine safety.

A major challenge facing the nation today is the conservation and more efficient utilization of our scarce natural resources. The Bureau has for many years been actively conducting research to maximize recovery of our mineral resources, as well as in the development of waste recycling. World consumption of minerals is rising and will undoubtedly continue to do so as the world's populations strive to increase their standard of living. Our nation's continued economic health requires, indeed demands, that the supply of mineral resources remain adequate in the face of ever increasing competing demands for these limited resources. The long-term implications of alternative domestic and/or foreign policy options on minerals availability are not clearly understood and there is a need to develop, implement and refine a minerals policy analysis framework which can be used by policymakers now and in the future. The Bureau has the data base and inherent capability to undertake this task.

Secretary Andrus in his confirmation hearing stated to this Committee that we can and must make certain that our natural resources are developed or not developed for the benefit of everyone and through such use keep our Nation strong and our quality of life high. This is the challenge which faces us in developing the natural resources of the United States and I believe the Bureau of Mines is capable of helping the Nation meet the challenge.

Thank you Mr. Chairman.

WASHINGTON, D.C.,
August 11, 1978.

Hon. HENRY M. JACKSON,
Chairman, Energy and Natural Resources Committee, U.S. Senate, Washington, D.C.

DEAR MR. CHAIRMAN: Section 201(f) of P.L. 95-87, "Surface Mining Control and Reclamation Act of 1977," requires that no Federal employee performing any function or duty under P.L. 95-87 shall have a direct or indirect financial interest in underground or surface mining operations. As indicated in the financial disclosure document previously provided to you, Roger A. Markle, the President's nominee for the Director of the Bureau of Mines position, own a number of shares of Quaker State Oil Refining Company, a New York Stock Exchange listed corporation whose primary business is oil refining and marketing but also includes a relatively small coal producing subsidiary.

The Bureau of Mines Director has two limited functions, both of which are advisory and not regulatory in nature under P.L. 95-87:

(1) Title III—State Mining and Mineral Resources and Research Institutes, of P.L. 95-87, establishes an Advisory Committee on Mining and Mineral Research which is composed of nine people, including the Director of the Bureau of Mines. This advisory committee's sole function is to consult with and make recommendations to the Secretary of the Interior on all matters involving or related to mining and minerals resources research as provided in Title III.

(2) Title VIII—University Coal Research Laboratories, establishes an Advisory Council on Coal Research which is composed of 11 persons, including the Director of the Bureau of Mines. This advisory council's sole function is to advise the Administrator of ERDA on the general administration of the establishment of 10 coal research laboratories under Title VIII.

Neither of these advisory councils have control over any funds nor do they have any regulatory functions. However, to comply with the intent of the conflict of interest provisions of P.L. 95-87, I have directed that Mr. Markle sell his stockholdings in Quaker State Oil Refining Company within 12 months and that during this 12-month period the functions of the Director of the Bureau of Mines under P.L. 95-87 shall be performed by a Bureau of Mines employee designated by my office. This course of action has been reviewed and approved by the Department's Solicitor and White House Counsel, and I trust it will be acceptable to your Committee and the Senate.

Sincerely,

JOAN M. DAVENPORT,
Assistant Secretary of the Interior.

FINANCIAL STATEMENT

Provide a complete, current financial net worth statement which itemizes all assets (including bank accounts, real estate, securities, trusts, investments, and other financial holdings) and all liabilities (including debts, mortgages, loans, and other financial obligations) of yourself, your spouse, and other immediate members of your household.

ASSETS

Cash on hand and in banks, $58,700.
Listed securities—add schedule, $187,159.
Unlisted securities—add schedule, none.
Accounts and notes receivable:
Due from relatives and friends: None.
Due from others, none.
Real estate interests—add schedule, $255,500.
Personal property, $17,000.
Other assets—itemize:
Thrift Savings Plan, $19,850.
Individual Retirement Acct., $37,980.
Total assets, $576,189.

LIABILITIES

Notes payable to banks—secured, $17,750.
Notes payable to banks—unsecured, none.
Notes payable to relatives, none.
Notes payable to others, none.
Accounts payable, $300.
Unpaid income tax, none.
Other unpaid tax and interest, none.
Real estate mortgages payable—add schedule, $91,300.
Chattel mortgages and other liens payable, none.
Other debts—itemize: one.

CONTINGENT LIABILITIES

As endorser, comaker or guarantor, none.
On leases or contracts, none.
Legal Claims, none.
Other, none.
Total liabilities, $109,350.
Net worth, $466,839.

1. List sources, amounts and dates of all anticipated receipts from deferred income arrangements, stock options, uncompleted contracts and other future benefits which you expect to derive from previous business relationships, professional services and firm memberships or from former employers, clients, and customers:

I have a vested interest in a Standard Oil (Indiana) retirement plan payable at age 65 which amounts to approximately $326/month, and a vested interest in a Valley Camp Coal Company retirement plan payable at age 65 which amounts to approximately $125/month.

2. Are any assets pledged? (Add schedule):

1500 shares of Common Stock of Quaker State Oil Refining Corporation are pledged as security for a $17,750 loan from the 1st National Bank of Wheeling, West Virginia.

3. Are you currently a party to any legal action? No.

4. Have you ever declared bankruptcy? No.

5. Has the Internal Revenue Service ever audited your Federal tax return? If so, what resulted from the audit? Yes—no additional taxes or penalties.

AFFIDAVIT

District of Columbia, ss: Roger A. Markle, being duly sworn, hereby states that he has read and signed the foregoing Financial Statement and that the information provided therein is, to the best of his knowledge and belief, current, accurate, and complete.

ROGER A. MARKLE.

Subscribe and sworn before me this 26th day of July, 1978.

RICHARD R. LEE.
Notary Public.

My Commission expires April 14, 1982.

STATEMENT FOR COMPLETION BY PRESIDENTIAL NOMINEES

Name: Markle, Roger A.

Position to which nominated: Director, Bureau of Mines. Date of nomination: July 13, 1978.

Date of birth: 12 Dec. 1933. Place of birth: Sidney, Montana.

Marital status: Married. Full name of spouse: Mary F. Markle.

Name and ages of children: None.

Education:

Institution, dates attended, degrees received, and dates of degrees:

University of Chicago, 1969–71, MBA, and June 1971.

Stanford University, 1964–65, M.S., and June 1965.

University of Alaska, 1957–59, B.S., and May 1959.

Montana School of Mines, 1955–57.

Employment record: List below all positions held since college, including the title and description of job, name of employer, location, and dates:

1974 to Present: The Valley Camp Coal Company: President, Western Division—Salt Lake City, Utah.

1965–1974: Standard Oil Company (Indiana) and Subsidiaries:

Manager, Mine Development—Chicago, Illinois.

Assistant Coordinator, Mining—Chicago, Illinois.

Senior Mining Engineer—Denver, Colorado.

Project Manager—Anchorage, Alaska.

1962–1964: University of Alaska: Instructor of Adult Education—College, Alaska.

1958–1961: Alaska Mines & Minerals, Inc.:

General Superintendent—Red Devil, Alaska.

Chief Mine Engineer—Red Devil, Alaska.

Mill Superintendent—Red Devil, Alaska.

Honors and awards: List below all scholarships, fellowships, honorary degrees, military medals, honorary society memberships, and any other special recognitions for outstanding service or achievement: Scholarship—Stanford University and Scholarship—University of Alaska.

Memberships: List below all memberships and offices held in professional, fraternal, business, scholarly, civic, charitable and other organizations:

Organization, office held, and dates:

Utah Mental Health Association, Director 1977–78.

Utah Coal Operators Association, President and Director, 1974–78.

American Institute of Mining Engineers, Member, 1957–78.

State of Utah Energy Conservation & Development Council, Vice Chairman, 1977–78.

State of Utah Interagency Task Force on Power Plant Siting, Chairman, 1977–78.

Alta Club, none, 1975–78.

University Club, none, 1975–78.

Fort Douglas/Hidden Valley Country Club, none, 1976–78.

Published writings: List the titles, publishers and dates of any books, articles, or reports you have written: None.

Qualifications: State fully your qualifications to serve in the position to which you have been named (attach sheet) (See Attachment B).

Future employment relationships:

1. Indicate whether you will sever all connections with your present employer, business firm, association or organization if you are confirmed by the Senate: Yes.

2. As far as can be foreseen, state whether you have any plans after completing government service to resume employment, affiliation or practice with your current or any previous employer, business firm, association or organization: No.

3. Has anybody made you a commitment to a job after you leave government? No.

4. Do you expect to serve the full term for which you have been appointed? Yes.

Potential conflicts of interest:

1. Describe any financial arrangements or deferred compensation agreements or other continuing dealings with business associates, clients or customers who will be affected by policies which you will influence in the position to which you have been nominated: None.

2. List any investments, obligations, liabilities, or other relationships which might involve potential conflicts of interest with the position to which you have been nominated: Stockholding in Quaker State Oil Refining Company.

3. Describe any business relationship, dealing or financial transaction (other than tax-paying) which you have had during the last 10 years with the Federal Government, whether for yourself or relatives, on behalf of a client, or acting as an agent, that might in any way constitute or result in a possible conflict of interest with the position to which you have been nominated: None.

4. List and describe any lobbying activity during the past 10 years in which you have

engaged for the purpose of directly or indirectly influencing the passage, defeat or modification of any legislation at the national level of government or for the purpose of affecting the administration and execution of national law or public policy: None.

5. Explain how you will resolve any potential conflict of interest that may be disclosed by your responses to the above items: Blind trust or, if necessary, sale.

[Attachment A]

FINANCIAL STATEMENT—ATTACHED SCHEDULE

Listed securities: July 24, 1978, Market Value:	
500 shares—Addressograph common stock	$11,190
1,000 shares—Technicolor common stock	12,625
10,624 shares—Quaker State oil refining common stock	163,344
Total	187,159
Real estate interests:	
Home—1433 Chandler Drive, Salt Lake City, Utah	154,000
Rental Property—	
6700–20 West 38th, Denver, Colo. (store building)	60,000
440–50 South Owens, Denver, Colo. (double)	41,500
Total	255,500
Real estate mortgages payable:	
Walker Bank and Trust, Salt Lake City, Utah	79,200
Midland Savings, Denver, Colo	12,100
Total	91,300

[Attachment B]

BIOGRAPHY: ROGER A. MARKLE, 1433 CHANDLER DRIVE, SALT LAKE CITY, UTAH 84103—801–355–8516

Education: MBA, University of Chicago, 1971; MS, Mine Management, Stanford University, 1965; and BS, Mining Engineering, University of Alaska, 1959.

Energy policy: 1977—Appointed by Utah's Governor Matheson to the Energy Conservation and Development Council and elected Vice Chairman.

Chairman, Interagency Task Force on Power Plant Siting.

1976—Appointed by Utah's Governor Rampton to the Blue Ribbon Joint Legislative Committee on Energy Policy and elected Chairman of the Drafting Subcommittee.

Professional:

1974 to Present: The Valley Camp Coal Company: President, Western Division.

1965–74: Standard Oil Company (Indiana) and Subsidiaries: Manager, Mine Development; Exploration Manager; Manager, Mining Development; Assistant Coordinator, Mining; Senior Mining Engineer; and Project Manager.

1962–64: University of Alaska: Instructor of Adult Education.

1958–61: Alaska Mines & Minerals, Inc.: General Superintendent; Chief Mine Engineer; and Mill Superintendent.

1955–58: Summer and weekend employment as underground miner for Anaconda Company, Umont Mining Company and Alaska Mines & Minerals, Inc.

Other: Registered Professional Engineer (Alaska) and President and Director, Utah Coal Operators Association.

Personal: Born 12/12/33; Height 6'2"; Weight 200 pounds; U.S. Navy Honorable Discharge, 1954; Married (wife Mary), no children.●

INTRODUCTION OF BILLS AND JOINT RESOLUTIONS

The following bills and joint resolutions were introduced, read the first time and, by unanimous consent, the second time, and referred as indicated:

By Mr. DOMENICI (for himself, Mr. SCHMITT, Mr. GARN, Mr. DECONCINI, and Mr. HATCH):

S. 3446. A bill to authorize the President of the United States to present on behalf of the Congress a specially struck gold medal to Ben Abruzzo, Maxie Anderson, and Larry Newman. Considered and passed.

By Mr. STONE (from the Committee on Agriculture, Nutrition, and Forestry):

S. 3447. A bill to strengthen the economy of the United States through increased sales abroad of American agricultural products. Original bill reported and placed on the calendar.

By Mr. WILLIAMS:

S. 3448. A bill for the relief of Patsy J. Perry; to the Committee on the Judiciary.

By Mr. INOUYE:

S. 3449. A bill for relief of Mrs. Bernice Gouveia White and Mrs. Mildred Gouveia Castagno; to the Committee on the Judiciary.

By Mr. JAVITS (for himself, Mr. MUSKIE, and Mr. RIBICOFF):

S. 3450. A bill to amend the Privacy Act of 1974 to provide for the confidentiality of medical records, and for other purposes; to the Committee on Governmental Affairs.

By Mr. BAKER (for himself and Mr. SASSER):

S. 3451. A bill for the relief of Lance Industries, Incorporated; to the Committee on the Judiciary.

By Mr. BENTSEN:

S. 3452. A bill to designate the Federal Building located at 341 Pine Street, Abilene, Tex., the "Omar Burleson Federal Building"; to the Committee on Environment and Public Works.

By Mr. WALLOP (for himself, Mr. DOLE, Mr. PAUL G. HATFIELD, Mr. YOUNG, Mr. MELCHER, Mr. MCGOVERN, Mr. TOWER, Mr. LAXALT, Mr. BELLMON, Mr. HANSEN, and Mr. HART):

S. 3453. A bill to limit imports of feeder and slaughter cattle and to authorize a trade agreement for that purpose in lieu of statutory quotas; to the Committee on Finance.

By Mr. NUNN (for the Committee on Armed Services):

S. 3454. A bill to amend the act of August 29, 1974 (88 Stat. 795; 10 U.S.C. 8202 note), relating to the authorized numbers for the grades of lieutenant colonel and colonel in the Air Force and to authorize the President to suspend certain provisions of law when he determines that the needs of the Armed Forces so require, and for other purposes. Original bill reported and placed on the calendar.

By Mr. MATSUNAGA (for himself, Mr. ANDERSON, Mr. BENTSEN, Mr. CRANSTON, Mr. HATCH, Mr. PAUL G. HATFIELD, Mr. HODGES, Mr. MCGOVERN, Mr. MELCHER, Mr. METZENBAUM, Mr. WILLIAMS, and Mr. ZORINSKY):

S. 3455. A bill to amend the Internal Revenue Code of 1954 to allow a credit for contributions to the United States Olympic Committee; to the Committee on Finance.

STATEMENTS ON INTRODUCED BILLS AND JOINT RESOLUTIONS

By Mr. DOMENICI (for himself, Mr. SCHMITT, Mr. GARN, Mr. DECONCINI, and Mr. HATCH):

S. 3446. A bill to authorize the President of the United States to present on behalf of the Congress a specially struck gold medal to Ben Abruzzo, Maxie Anderson, and Larry Newman. Considered and passed.

(The remarks of Mr. DOMENICI when he introduced the bill appear elsewhere in today's proceedings.)

By Mr. JAVITS (for himself, Mr. MUSKIE, and Mr. RIBICOFF):

S. 3450. A bill to amend the Privacy Act of 1974 to provide for the confidentiality of medical records, and for other purposes; to the Committee on Governmental Affairs.

THE PRIVACY ACT AMENDMENTS OF 1978

● Mr. JAVITS. Mr. President, one of our most precious rights in a free society is our right to privacy—the right to be free from the inquisitive prying into our most personal affairs by those who are, for one reason or another, curious about us, but who do not have a right to know. This fundamental right, grounded in the Constitution, has been seriously eroded in recent years, until now, nearly every aspect of our lives is open to public viewing by those who have the persistence and desire to learn about us.

Last summer, the Privacy Protection Study Commission issued its report, "Personal Privacy in an Information Society." It identified a number of areas in which it thought legislation was necessary to halt the erosion of personal privacy, and strike the proper balance between the individual's expectation of confidentiality, and society's need to know certain information about each of us.

The bill I am introducing today seeks to address these concerns in one of the most sensitive areas of recordkeeping examined by the Commission—personal medical records. The Commission pointed out the unique nature of medical records, noting:

> The physician-patient relationship is an inherently intrusive one in that the patient who wants and needs medical care must grant the doctor virtually unconstrained discretion to delve into the details of his life and his person. As a practical matter, because so much information may be necessary for proper diagnosis and treatment, no area of inquiry is excluded. In addition to describing the details of his symptoms, the patient may be asked to reveal what he eats, how much he drinks or smokes, whether he uses drugs, how often he has sexual relations and with whom, whether he is depressed or anxious, where and how long he has worked, and perhaps what he does for recreation.

Traditionally, the family doctor learned much of this information about his patient by treating him or her over the years, and retained a good part of it in his memory. The family doctor's discretion was almost always sufficient to protect the patient's medical history from disclosure. Over the last three decades, however, the traditional doctor-patient relationship has been breaking down, and is gradually being replaced by a system whereby medical care is provided often by an impersonal institution, and payment for medical services is made by third parties. Such service-providing institutions, because they lack the extended personal relationship of the family doctor, require far more extensive written records about a patient's condition, in order properly to treat the individual. Simultaneously, the great advances in computer technology that we have seen over recent years have made the collection, maintenance, and dissemination of highly detailed personal medical information far easier than it has ever been before.

Not surprisingly, the existence of a large pool of confidential information about individuals has proved attractive to those who are outside the medical care relationship. Insurance companies, employers, the Government, researchers, and credit bureaus all have varying degrees of interest in obtaining access to the data. As the Privacy Protection Study Commission noted, it is "staggering—how many people besides the medical care providers who create a medical record have access to it." At the same time the subject of the records is almost always the one person denied access to them. Thus, he is often unaware of what is in his records, and to whom they are being disclosed.

This system has inevitably led to abuses, a number of which have been brought to my attention by the National Commission on the Confidentiality of Health Records, a privately funded group interested in health confidentiality problems, and other sources. The following are representative of the types of problems that have been encountered:

A railroad company employee was fired after his company learned he was an epileptic. Another person was mistakenly diagnosed as an epileptic. The mistaken diagnosis was placed in her records, and discovered by an insurance company, which then refused her application.

A couple was denied disability insurance when the insurance company learned they had previously had marital counseling provided by a local minister. With one denial, and the fear that "this information is forever available to any insurance company" the couple wants to "add a statement of our side" or to remove the information from any computerized information bank.

Nurses in a New York abortion clinic allegedly sold the names of patients to "pro-life" groups, which then would call the patients at home to "discuss" abortion.

An ex-psychiatric patient wants a divorce, but her husband threatens to use the newly learned information about her psychiatric condition against her in a child custody fight. The husband's father, a lawyer, had obtained the psychiatric information "through his own sources."

An individual who was briefly a patient in an Ohio mental institution 10 years ago was denied access to her records. She fears future discrimination in hiring, and feels she has a right to know what is in her files.

Security police in another Ohio mental health center follow the policy of citing or quoting directly from patient's records upon request of any law enforcement or related agency, such as the fire department.

A physician reports harassment by several representatives of an investigative reporting agency. The representatives wanted confidential medical information to be given over the telephone, refusing to first identify who they were working for or why they wanted the information.

Mr. President, there are many other examples of abuses of confidentiality that I could cite. The bill I am introducing here today is intended to help eliminate those abuses. But it is also intended to do more than that—it is intended to clarify the rights and obligations of the patient, the medical care provider and third parties with respect to such confidential information. As the medical care relationship continues to change and become less personalized, all parties should know how confidential medical information is to be treated.

The bill prohibits the disclosure of confidential information by medical care service providers, except as expressly authorized in the bill. Confidential information is defined broadly to include the fact that an individual is receiving or has sought medical care, and any information relating to that individual's treatment or attempt to secure treatment.

The "service providers" covered by the bill are defined to include non-Federal hospitals, nursing facilities, or intermediate care facilities that receive medicare or medicaid funds, or any other non-Federal facilities that receive such funds to which the Secretary of HEW may make the act or portions thereof, applicable by regulation. Also included are health maintenance organizations that receive loans, grants or contracts under the Public Health Service Act. Once an entity is covered by the bill, all of its patient records are covered, regardless of whether the individual patient involved had his or her expenses reimbursed by medicare or medicaid.

The bill does not apply to Federal entities. These are already covered under the Privacy Act of 1974. More time is necessary to evaluate the effect of that act on Federal medical care facilities before a decision is made on whether it is appropriate to subject them to special legislation.

Also I wish to make clear that the bill does not apply to recordkeeping by the single practitioner. To my knowledge, most of the abuses that have occurred have not been at this level, and I am very reluctant to impose Federal regulation on the family doctor unless and until a need to do so has been demonstrated.

The bill recognizes that there are certain instances when a patient may wish to authorize the disclosure of confidential information about himself. This is usually the case where the individual expects to obtain a benefit, such as reimbursement by an insurance company, in return for disclosure of certain information. Thus, the bill provides a procedure by which the patient may provide such consent. The consent must be in writing, and as specific as possible as to the nature of the data to be disclosed, the use to which it is to be put, and the persons who are to have access to it. Consent may be withdrawn at any time, and may not extend beyond 2 years.

The bill also recognizes that there are a limited number of situations where obtaining an individual's consent is impossible or impractical. The bill spells out those situations in detail, and provides safeguards against the redisclosure of confidential information by persons who receive such information.

The bill provides individuals who are aggrieved by an actual or attempted violation of the act with a cause of action in Federal district court for injunctive relief or monetary damages. Further, as in the 1974 Privacy Act, any person who knowingly and willfully violates this act, or requests or obtains information under false pretenses, is subject to criminal prosecution. Finally, the service provider must satisfy the Secretary of HEW that it is in substantial compliance with the act in order to continue to receive medicare or medicaid funds or funding under the Public Health Service Act.

One of the major problems with our current system of recordkeeping is that the patient is denied access to his own records, does not know what is in them when he consents to their disclosure, and has no way of correcting any inaccurate information they may contain. The bill rectifies this situation by providing the patient with the right to see any medical records the service provider maintains on him. If the patient disagrees with an aspect of the record, the bill would permit him to add, pursuant to regulations issued by the Secretary, a brief statement presenting his view of the disputed portion of the record. Whenever the disputed record is disclosed, it would have to be accompanied by the patient's version.

The bill follows the recommendation of the Privacy Protection Study Commission by recognizing that there may be some instances in which disclosure to the patient may, in the judgment of the health professional, harm the patient's condition. In such cases, the health professional may withhold the record from the patient. In such cases, however, the patient has the right to appoint a representative of his own choosing, who must be granted access to the records by the service provider.

Finally, the bill would preclude state and local governments from enacting or continuing in effect any laws or regulations that would provide the patient a lesser degree of protection than this legislation.

Mr. President, I believe legislation on this subject is both timely and necessary, and hope that this bill will, after due consideration, lead to such legislation. I recognize that many of the issues covered in this bill, particularly patient access to their own records, and circumstances under which disclosure without consent is appropriate, are the subject of widely divergent views. As the bill moves through the hearing process, I will carefully consider any suggestions or comments that might help improve it.

Mr. President, I ask unanimous consent that a section-by-section analysis of the bill be permitted in the RECORD.

There being no objection, the bill and analysis were ordered to be printed in the RECORD, as follows:

S. 3450

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That this Act may be cited as "The Privacy Act Amendments of 1978".

AMENDMENT TO THE PRIVACY ACT

SEC. 2. The Privacy Act of 1974 is amended by inserting at the end thereof the following:

"TITLE II—CONFIDENTIALITY OF MEDICAL RECORDS

FINDINGS AND PURPOSES

SEC. 201. (a) The Congress finds that—

(1) The right to privacy is a personal and fundamental right.

(2) Rapidly changing technology permits record keepers to compile and disseminate more detailed and highly personal information about individuals than ever before.

(3) The collection, maintenance, use, and dissemination of confidential information about individuals by private sector organizations can threaten the individual's right to privacy.

(4) The Report of the Privacy Protection Study Commission ("Report") established a need for the extension of statutory privacy protection to the relationship between patients and health care providers.

(5) The Report finds that the number of people other than the medical care provider who have access to individually identifiable medical records is very large, while the patient himself is often denied access to them.

(6) Testimony by the Privacy Protection Study Commission before the Senate Governmental Affairs Committee established that existing statutory protection of the right of privacy in the medical care relationship is inadequate.

(7) It is essential that individuals be able to exercise more direct control over confidential information, particularly since the availability of such information to third parties often affects the individual's ability to obtain employment, insurance, medical care and other important societal benefits.

(b) The purposes of this Act are to—

(1) clearly define the circumstance under which confidential medical information in individually identifiable form will be available, and to whom it will be available.

(2) provide procedures by which the subject of medical records may have access to those records, and may take steps to assure the fairness and objectivity of those records.

(3) carefully balance the legitimate need of certain governmental and private sector organizations for access to confidential information, with the individual's expectation of, and right to, the privacy of such information.

SCOPE

SEC. 202. All confidential information is subject to the provisions of this Act. Except as hereafter provided, or otherwise specifically required by law, no person subject to this Act shall, without the authorization of the patient:

(a) disclose or transmit any confidential information together with a patient identifier to any person, or

(b) disclose or transmit a patient identifier to any person, or

(c) disclose or transmit confidential information if the person disclosing or transmitting it has reason to believe that the recipient may have a patient identifier for such information.

DEFINITIONS

SEC. 203. (a) "Confidential information" means medical (including dental and mental health) data or information that reveals or contains:

(1) The fact that a person is or has been a patient;

(2) Information transmitted between the patient and service provider in the course of service provision, or the attempt to secure such service provision;

(3) Information relating to diagnosis, facts revealed in connection with the provision of services, or treatement, transmitted between members of the patient's family and the service provider;

(4) Information relating to diagnosis, facts revealed in connection with the provision of service, or treatment, transmitted between any of the persons specified in (a) (2) and (3) above, and persons who participate in the accomplishment of the objectives of diagnosis, fact-finding, or service under the supervision of, or in cooperation with, the service provider;

(5) Any diagnosis or opinions formed by the service provider regarding the patient's physical, mental or emotional condition;

(6) Any advice, instructions or prescriptions issued by the service provider in the course of diagnosis, treatment, or provision of other service;

(7) Any summary, resume or characterization of the substance, or any part of the information described in subsections (1) through (6) above.

(b) "Patient" means an individual who consults, is examined, interviewed, treated, or is otherwise served to some extent by a service provider, as hereinafter defined, with regard to medical, mental or emotional condition or social deprivation or dysfunction.

(c) "Patient identifier" means:

(1) the patient's name or other descriptive data from which a person might be reasonably anticipated to be able to identify such patient or be led to other data from which such patient might be recognized as the person described; or

(2) a code, number, or other means to be used to match the patient with any confidential information regarding him.

(d) "Person" means any natural person, corporation, association, partnership, and any state, local or federal government, or any agency or other party thereof, including a court.

(e) "Secretary" means the Secretary of Health, Education and Welfare.

(f) "Service provider" means:

(1) an entity, other than a federal entity, that (A) is a hospital, skilled nursing facility, or intermediate care facility, as defined for purposes of title XVIII or XIX of the Social Security Act, and (B) has been approved by the Secretary for participation in the program under title XVIII, or certified by a state agency for participation in a program under title XIX; and

(2) with respect to those provisions that the Secretary makes applicable to an entity by regulation, an entity, other than a federal entity, that (A) is an entity (other than an entity subject to subparagraph (1)) for which approval by the Secretary is required for participation in or coverage under the program under title XVIII, or for which certification by a state agency is required for participation in a program under title XIX, and (B) has been approved by the Secretary for participation in or coverage under the program under title XVIII, or certified by a state agency for participation in a program under title XIX; and

(3) with respect to those provisions the Secretary makes applicable by regulation, a Health Maintenance Organization, medical group, or individual practice association (as those terms are defined in Subchapter XI of the Public Health Service Act) that receives federal grants, loan guarantees or contracts pursuant to the provisions of that subchapter.

NOTIFICATION OF DISCLOSURES

SEC. 204. A service provider shall notify a patient in such form and manner as the Secretary may require, of the disclosures that may be made of confidential information concerning a patient without authorization of the patient and of the procedure by which the individual can learn of each kind of disclosure. The service provider shall make such notification (unless it cannot do so under the circumstances)—

(a) when it first records any confidential information concerning that patient;

(b) when it first provides services to a patient at least one year after it last provided services to that patient; and

(c) when it first provides services after the effective date of this Act.

AUTHORIZED DISCLOSURES

SEC. 205. (a) Consent may be given by a patient who is twelve years of age, or over, for the transmission or disclosure of confidential information. Such consent shall be: (1) in writing and signed by patient; (2) specific as to the nature and content of the information to be disclosed, who may disclose such information, and to whom such information may be transmitted or disclosed; (3) specific as to the use to which the transmitted or disclosed information may be put; and (4) specific as to the expiration date, which shall not exceed two years from the date the authorization was signed.

Such specifications shall constitute the limits of the authorization.

(b) (1) The patient may withdraw such consent at any time by written notice to the person authorized to receive such confidential information. (2) Upon receipt of such written notice, the person authorized to disclose shall promptly notify all persons in possession of said confidential information that consent to disclosure has been withdrawn.

(c) If the patient is under twelve (12) years of age or incompetent, consent may be given for the transmission or disclosure of confidential information by the patient's parents, guardian or legal representative.

(d) The service provider shall retain a copy of each consent form, and shall keep a permanent record of each disclosure made pursuant to such consent, including the nature of the data disclosed and to whom they were disclosed. The consent form and disclosure records shall be treated as part of the confidential record to which consent to disclosure applies.

DISCLOSURE WITHOUT AUTHORIZATION

SEC. 206. No disclosure or transmission of confidential information shall be made without consent, except in the following situations:

(a) to other individuals employed by or affiliated with the service provider, when and to the extent to which the performance of their duties requires that they have access to such information, provided that individuals receiving confidential information under this subsection shall not redisclose such information, except as authorized by this Act. For purposes of this subsection, (1) persons engaged in good faith in training programs with a service provider and their clinical supervisors shall be deemed to be employed by the service provider and may have access to such records and information to the extent reasonably required in their training and duties; however,

(2) individuals employed by the service provider who are involved in financial audit, preparation of bills or who are otherwise engaged in the collection of charges for services to a patient shall not, by virtue thereof alone, have access to confidential records and information, except with respect to names, addresses, and other information essential to the preparation and submission of bills and claims for payment of charges for services to a patient.

(b) (1) for purposes of audit and evaluation whether or not such audit or evaluation is required by statute, *Provided*, That the service provider notifies the individual who is the subject of the disclosed information that disclosure has been made, and to whom it has been made, *And provided further*, That the service provider retains a record of such disclosure.

(2) Any organization or agency designated under Federal law to perform such reviews or audits shall maintain the confidentiality of confidential information, shall not disclose such information except to the extent required by Federal law, and shall destroy the means by which patients can be identified in

such information, and records containing such information, at the earliest opportunity consistent with the requirements of Federal law.

(3) In the case of an audit or evaluation not specifically required by statute, the Secretary shall, by regulation, establish procedures to assure that adequate safeguards, including a program for removal or destruction of identifiers, are established by the user or recipient of confidential information to protect it from unauthorized disclosure.

(c) where a statute requires a service provider to report specific diagnoses to a Federal, State or local public health authority.

(d) where a statute requires a service provider to report specified items of information about an individual to Federal, State or local law enforcement officials.

(e) to the parent, guardian or legal custodian of a minor twelve (12) years of age or under, where the service provider determines that such disclosure is appropriate under the circumstances.

(f) (1) to medical or law enforcement personnel, when and to the extent necessary to meet a bona fide medical emergency, or

(2) if the patient is incapable of giving consent due to a bona fide medical emergency, to the immediate family or any other individual with whom the patient is known to have a responsible relationship, *Provided*, That the service provider notifies the individual who is the subject of the disclosed information that the disclosure has been made, and to whom it has been made, *And provided further*, That the service provider retains a record of such disclosures.

(3) For purposes of this section, "bona fide medical emergency" means any situation in which the health or safety of the patient or any other individual is in immediate danger.

(g) (1) to qualified personnel for use in a biomedical, epidemiologic, or health services research project, or a health statistics project, provided that the research plan shall first be submitted to, and approved by, an appropriate institutional review board, and by the director of the service provider or his designee. Qualified personnel granted access to confidential information may not identify, directly or indirectly, any individual patient in any report of such research project, or otherwise disclose patient identities in any manner, except to the extent authorized by subsection (f).

(2) For purposes of this subsection, the term "qualified personnel" means persons whose training and experience are appropriate to the nature and level of the work in which they are engaged and who, when working as part of an organization, are performing such work with adequate administrative safeguards against unauthorized disclosures.

(h) pursuant to an administrative or judicial summons or subpoena.

PRESCRIPTIONS

SEC. 207. Prescriptions for drugs shall be considered confidential information and subject to the provisions of this Act: *Provided, however*, That nothing in this Act shall be construed or limiting or interfering with State and Federal monitoring of the handling and dispensing of prescription drugs: *And provided further*, That the Secretary shall by regulation provide for access to prescriptions for purposes of research, under conditions that adequately safeguard from disclosure the identities of the patient and the service provider.

MANDATORY CAUTIONS

SEC. 208. (a) All non-oral disclosures of confidential information shall bear the following statement: "The protection of the confidentiality of information contained herein is required by Federal law, which provides for damages and penalties for violations. This material shall not be disclosed to anyone without consent or other authorization as provided for by law." A copy of the pertinent consent form specifying to whom and for what specific use such communication or record is disclosed or transmitted, or a statement setting forth any other statutory authorization for disclosure or transmittal and limitations imposed thereon, shall accompany all such non-oral disclosures. In cases of oral disclosure, the person disclosing confidential information shall inform the recipient that such information is confidential under Federal law.

(b) Service providers shall insure that all persons in their employ or under their supervision are aware of their responsibilities to maintain the confidentiality of information protected by this Act and of the existence of penalties and civil liabilities for violation of this Act.

CIVIL REMEDIES AND CRIMINAL PENALTIES

SEC. 209. (a) Any individual aggrieved by an actual or attempted violation of this Act may, without regard to the amount in controversy, bring a civil action in the district court for the district in which he or the alleged violator resides or in which such violation occurred, for appropriate relief, including temporary and permanent injunctions. Such aggrieved individual may also prove a cause of action for general or special damages, or both, reasonable attorney's fees, reimbursement for seasonable litigation costs and, in cases of willful or grossly negligent violations, punitive damages.

(b) Any person who (1) acting under false pretenses, knowingly and willfully requests or obtains confidential information concerning an individual from a service provider, or (2) knowingly and willfully violates any provision of this Act, shall be guilty of a misdemeanor, and upon conviction shall be fined not more than $10,000 or imprisoned for not more than one year or both.

(c) A service provider may not continue to receive federal funds, grants, loans or contracts in a program under title XVIII of XIX of the Social Security Act or Subchapter XI of the Public Health Service Act, unless such service provider provides adequate assurances and evidence, in such form as the Secretary may from time to time require, of its substantial compliance with this Act.

PATIENT ACCESS TO INFORMATION

SEC. 210. (a) Except as provided in subsection (c), upon request of a patient, a service provider shall, within thirty days following the request, allow the patient access to his full service record, for purposes of inspection and/or copying. The service provider may not impose a charge for permitting such an inspection, and may not impose more than a reasonable charge (in any event no greater than the charge imposed on third persons) for providing such a copy.

(b) The service provider shall in accordance with regulations promulgated by the Secretary, establish procedures which: (1) allow an individual to contest the accuracy, or completeness of confidential information pertaining to that individual; (2) allow confidential information to be corrected upon request of the individual when the service provider concurs in the proposed correction; (3) allow an individual who believes that the service provider maintains inaccurate or incomplete confidential information concerning him to add a statement to the record setting forth what he believes to be an accurate or complete version of that information. Such a statement shall become a permanent part of the service provider's medical record system, and shall be disclosed to any individual, agency or organization to which the disputed information has been or will be disclosed.

(c) If a service provider determines that disclosure to an individual of records pertaining to that individual's treatment or consultation for any medical condition would be detrimental to that individual, the service provider may refuse to disclose such information. Upon such refusal, the service provider shall advise the patient that the patient may appoint another individual of the patient's own choice as authorized representative to have access to the record. The service provider must provide the authorized representative access to the records, provided that the procedures specified in section 205 have been complied with.

(d) If the individual is under twelve (12) years of age, or as a consequence of physical or mental incapacity, shall have been placed under guardianship, his parent or duly appointed legal representative may exercise all the rights set forth in these subsections (a) through (c) on behalf of that individual.

PREEMPTION

SEC. 211. No state or political subdivision of a state may establish or continue in effect any law or regulation that is less stringent than the provisions of this Act.

EFFECTIVE DATE

SEC. 212. This Act shall take effect 180 days after enactment, and shall apply to all records maintained by service providers regardless of whether they were first maintained prior to the effective date of this Act.

SECTION-BY-SECTION ANALYSIS

Section 1 provides that the Act may be cited as the Privacy Act Amendments of 1978.

Section 2 adds a new Title II to the Privacy Act, entitled "Confidentiality of Medical Records."

Section 201 lists the Act's findings and purposes.

Section 202 provides that no person subject to the Act may release confidential information, as that term is defined in the Act, except as expressly authorized.

Section 203 contains the Act's definitions. Confidential information, which the Act is designed to protect, is defined as any medical information in individually identifiable form, that is transmitted to a service provider by a patient or the patient's family, or that is placed in the patient's records by the service provider.

This section also contains the definition of "service provider," which establishes the medical entities to which the Act will apply. Included in this definition are non-federal hospitals, nursing homes or intermediate care facilities that receive medicare or medicaid funds. Further, to the extent the Secretary of Health, Education and Welfare determines the Act should be applicable to other non-federal entities receiving medicare or medicaid funds, such as clinical laboratories, to Health Maintenance Organizations receiving grants, loan guarantees or contracts under the Public Health Service Act, he may make it applicable by regulation.

Section 204 requires a service provider to notify each patient of the disclosures that section 206 of the bill authorizes a service provider to make without patient consent. This notification is to be provided, in such form as the Secretary may require, the first time it maintains information on a patient, and on certain other specified occasions.

Section 205 provides the mechanism by which an individual over 12 years of age (or the parents or legal guardian of a minor under 12) may consent to the release of confidential information. Consent must be in writing and signed by the patient, specifically state the information that may be disclosed, and the identity of the individual(s) who may disclose it and to whom it may be disclosed. Consent may be withdrawn in writing at any time. Further, consent forms must be made part of the patient's permanent record.

Section 206 recognizes that there are a

limited number of situations in which consent to disclosure cannot be obtained, or is impractical, but where disclosure is nonetheless essential. Pursuant to this section, disclosure without consent may be made in any of the following situations:

1. Where disclosure to an individual employed by or affiliated with the service provider is necessary to carry out the individual's duties or for billing purposes; redisclosure by the recipient would be prohibited.

2. For purposes of audit and evaluation of the service provider, under safeguards against redisclosure specified in the bill.

3. Where a statute requires a service provider to report specific items of information, such a diagnoses of communicable diseases, or instances of child abuse, to public health or law enforcement personnel.

4. To the parent or guardian of a minor under 12 years of age where the service provider believes such disclosure appropriate.

5. Where a medical emergency exists presenting an immediate danger to the health and safety of the patient or any other individual exists, disclosure without consent is permissible, provided subsequent notification is provided to the individual whose records are released.

6. To qualified personnel for use in biomedical, epidemiologic, or health services research or statistics projects, provided that the persons to whom such information is released not redisclose it.

7. Pursuant to an administrative or judicial summons or subpoena.

Section 207 provides that prescriptions for drugs shall be treated as confidential information. However, nothing in the bill is intended to interfere with federal or state monitoring of prescription drugs, or access to prescriptions without identifying data, pursuant to regulations issued by the Secretary.

Section 208 provides that all written disclosures of confidential information be accompanied by a statement setting forth the statutory authorization for disclosure, and warning that unauthorized disclosure is punishable by law.

Section 209 contains the civil remedies and criminal penalties for violation of the Act. Persons aggrieved by an actual or attempted violation of the Act may bring a civil action for injunctive relief, or for monetary damages, in federal courts without regard to the minimum damages usually required to bring an action in federal court. The bill also provides for criminal penalties of up to $10,000 fine or one year in prison or both for persons who obtain confidential information under false pretenses, or who knowingly or willfully violate any provision of this Act. Finally, this section makes compliance with the Act a precondition for further federal assistance under the medicare and medicaid programs, and the Public Health Service Act.

Section 210 governs patient access to his or her own records. The service provider must permit the patient access to his or her own records for purposes of inspection and/or copying within 30 days of a request. The bill directs the Secretary to establish procedures permitting an individual to contest the accuracy of, and correct his or her own records. Where the service provider determines that disclosue of particular records to the patient would be harmful, it may withhold such records. However, in such cases, the patient may appoint an authorized representative who must be given access by the service provider, provided that the patient has executed the appropriate consent form.

In the case of minors under 12 years of age, all rights set forth in this section may be exercised by the minor's parent, guardian or legal representative.

Section 211 preempts less stringent state and local regulations.

Section 212 provides that the Act shall take effect 180 days after enactment, and apply to all records held by the service provider, regardless of whether the records were first maintained prior to the time of enactment of the law.●

● Mr. RIBICOFF. Mr. President, I am pleased to join my colleague Senator JAVITS in this legislation. We in the Governmental Affairs Committee have heard a great deal of testimony about individual privacy and about the need for greater protection of the right to privacy. The question of how best to protect the confidentiality of medical records is a complex one. None of us wants his medical record open to the public. Each of us wants the right to some privacy regarding his health and discussions with his family physician. The doctor-patient relationship depends on confidentiality. At the same time, we must be careful that confidentiality requirements are not written in such a way as to deny other legitimate needs. The Center for Disease Control must have access to records in its work in tracking and controlling epidemics. The National Institutes of Health requires some access for research purposes. Access may be necessary to find and contact individuals who have received radiation treatments which have since been found to be unsafe. The Occupational Safety and Health Administration must have access to worker health records. In all of these examples there is a defined goal. In none of these is the individual's health record made public.

Any legislation dealing with access to and privacy of medical records must balance these needs. The legislation introduced today can serve as a vehicle for congressional consideration of this question. We welcome comments on the particular provisions of the bill. It may be that changes are needed to strike the proper balance. However, it is important that we in the Congress consider the issue.●

By Mr. BENTSEN:

S. 3452. A bill to designate the Federal Building located at 341 Pine Street, Abilene, Texas, the "Omar Burleson Federal Building"; to the Committee on Environment and Public Works.

OMAR BURLESON FEDERAL BUILDING

● Mr. BENTSEN. Mr. President, with the retirement of OMAR BURLESON, the U.S. Congress will lose one of its most distinguished and effective Members.

OMAR BURLESON has served Texas and the Nation with distinction for over three decades. Throughout the postwar period he has stood as a force of reason, moderation, and achievement in the House of Representatives. People with the talent, dedication, and integrity of OMAR BURLESON are perhaps our scarcest national resource; they are difficult or impossible to replace.

Clearly, Mr. President, the United States Congress and the Texas delegation will miss the presence of OMAR BURLESON.

I well remember when OMAR BURLESON, a Navy veteran, former county judge, and former FBI agent, was elected to the 80th Congress. Two years later I followed him to the House of Representatives. OMAR became my friend and mentor. He was quick to share his knowledge and experience with a junior colleague.

Throughout the years it has been my privilege to work with OMAR BURLESON; first as a fellow Congressman, then as a Texas businessman, and now as a Senator. I have seen firsthand his outstanding work on the Budget and the Ways and Means Committees. I have been able to appreciate the services Congressman BURLESON has rendered to the people of his district and his State.

For more than 30 years, Mr. President, OMAR BURLESON has been a champion of the American farmer in the halls of Congress. He has fought long and hard on their behalf; he took on the tough battles, the ones that had to be waged, and more often than not he was successful.

OMAR BURLESON's record of achievement, his integrity, and sense of service constitute an enduring monument to what is finest and most noble in our representative form of Government.

Mr. President, OMAR BURLESON will be retiring to Abilene, Tex., where he will live among the people he has represented so effectively for so long. I am introducing legislation today to rename the Abilene Federal Building in honor of Congressman BURLESON. I believe this would be a fitting and most appropriate tribute to a truly distinguished career in public service, and I am hopeful that the legislation will be promptly enacted by the Congress.●

By Mr. WALLOP (for himself, Mr. DOLE, Mr. PAUL G. HATFIELD, Mr. YOUNG, Mr. MELCHER, Mr. MCGOVERN, Mr. TOWER, Mr. LAXALT, Mr. BELLMON, Mr. HANSEN, and Mr. HART):

S. 3453. A bill to limit imports of feeder and slaughter cattle and to authorize a trade agreement for that purpose in lieu of statutory quotas; to the Committee on Finance.

LIVE CATTLE IMPORT BILL

● Mr. WALLOP. Mr. President, today I am introducing a bill to help develop a workable solution to the problems created by live feeder and slaughter cattle imports from Canada and Mexico. There is a need to bring cattlemen from Canada, Mexico, and the United States together to achieve an agreement on live cattle imports acceptable to cattlemen in each country, better coordination of cattle movements and cooperation between the cattle producers of North America can be achieved through negotiation. A negotiated agreement could help bring stability to the cattle industry for American cattlemen as well as the producers of Mexico and Canada.

It is clear that in the absence of an agreement, American cattlemen bear the brunt of market disruptions caused by erratic live cattle imports. The number of live cattle imported each year has grown steadily from 379,000 in 1975 to over 1.1 million in 1977. These imports have significant impact on the cattle industry, particularly for those

producers near the Canadian and Mexican border. Perhaps more destructive than the increase in live cattle imports are the wide variations in imports from month to month. I ask unanimous consent that this chart indicating live cattle imports from Mexico be printed in the RECORD.

These figures illustrate how cow-calf operators can find themselves whiplashed by excessive fluctuations in imports. In the first calendar year 1976, imports from Mexico were 96,868 head, and in the second quarter they rose to over 120,000 head. In the third quarter cattle imports fell to only 6,117 head and then jumped to 269,000 head in the last quarter. Similar erratic fluctations occurred in 1977.

There being no objection, the table was ordered to be printed in the RECORD, as follows:

Feeder cattle imports from Mexico

Month	1976	1977	1978
January	52,079	77,694	73,562
February	18,601	37,604	70,854
March	26,188	44,618	48,355
April	25,404	29,411	67,895
May	53,638	27,925	78,440
June	41,297	56,069	38,432
July	4,413	13,896	
August	818	4,531	
September	936	3,817	
October	—	12,607	
November	65,851	123,046	
December	203,266	162,772	
Total	492,491	593,990	

Mr. WALLOP. Mr. President, segments of the cattle industry are hurt by live cattle imports, and these numbers demonstrate an intolerable degree of chaos in the cattle trade. The unregulated flow of cattle allows Mexico and Canada to use the United States as a dumping ground for excess production. The consequences of such destabilizing flows can only be harmful and reduce our producers' ability to supply the consumer with adequate supplies of high quality beef.

By encouraging a steady flow of cattle throughout the year, rather than allowing seasonal fluctuations in imports, the consumer will benefit. The same amount of live cattle can be imported each year, but a commitment to spread cattle imports evenly through each season will prevent the market disruptions that take our domestic producers out of business. The American consumer can benefit from steady supplies from abroad and a strong industry at home.

Mr. President, talking with cattlemen across the country has convinced me that the solution to this trade problem rests in a negotiated agreement between North American cattlemen. Cattlemen and their governments should negotiate an agreement on live cattle imports that assures stability for all producers and consumers. A negotiated agreement would permit continued cattle imports, but reduce radical fluctuations.

This bill will help achieve that goal by authorizing the President to enter into trade agreements with Mexico and Canada on live cattle imports. In order to encourage the President to take swift action, the legislation gives the President 1 year to negotiate a trade agreement before import quotas would go into effect. In lieu of a negotiated agreement, the bill places limits on feeder cattle imports based on historical averages and regulates the number of cattle imported within each calendar year. The entry of feeder cattle in any 1 calendar year would not exceed 110 percent of a sliding 5-year average. The bill would also limit cattle imports within each quarter of the calendar year to 30 percent of the annual entitlement. These two provisions would permit growth in live cattle imports, yet prevent wide fluctuations from month to month or from year to year. This formula could well be used as a guideline in negotiating a trade agreement between the United States and its North American neighbors.

Mr. President, I emphasize that this legislation does not mandate quota restraint on cattle imports from Canada and Mexico. The intent of this bill is to negotiate a workable agreement on live cattle imports that does no harm to the cattle industry of the United States, Canada, or Mexico. A negotiated agreement on live cattle would eliminate a source of irritation between North American cattlemen and end a chaotic trade situation. I urge the Senate to act quickly to pass this legislation.

Mr. President, I ask unanimous consent that the bill be printed in the RECORD.

There being no objection, the bill was ordered to be printed in the RECORD, as follows:

S. 3453

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,

SECTION 1. TRADE AGREEMENT AUTHORITY.

(a) The President is authorized to enter into one or more trade agreements with those foreign countries which export feeder and slaughter cattle to the United States under which each such country agrees to limit the quantity of such cattle exported by it to the United States during each calendar year and during each calendar quarter of a calendar year, based upon a representative period or periods of exports of such cattle to the United States by each such country, so as to stabilize imports of such cattle into the United States during each calendar year and each quarter thereof.

(b) Section 2(a) shall not apply during the one-year period beginning on the day after the date of the enactment of this Act. If, at the end of such one-year period, one or more trade agreements have been entered into under subsection (a) with all foreign countries which export feeder and slaughter cattle to the United States, and such trade agreement or agreements are in effect, section 2(a) shall not apply during any period during which such trade agreement or all such trade agreements remain in effect.

SEC. 2. LIMITATION ON IMPORTS.

(a)(1) Except as provided in section 1(b), the aggregate quantity of feeder and slaughter cattle (expressed in pounds) which may be imported into the United States during each calendar year, beginning with the calendar year 1979, shall not exceed 110 percent of the average quantity of such cattle imported during each of the five preceding calendar years.

(2) The aggregate quantity of feeder and slaughter cattle which may be imported into the United States during each calendar quarter of a calendar year shall not exceed 30 percent of the aggregate quantity of such cattle which may be imported during such calendar year under paragraph (1).

(b) As soon as possible after the beginning of each calendar year, the Secretary of the Treasury (hereafter in this section referred to as the "Secretary") shall determine the aggregate quantity of feeder and slaughter cattle that may be imported into the United States during such calendar year and during each quarter of such calendar year under this section. The Secretary shall have the aggregate quantities determined by him under this subsection for each calendar year and quarter thereof published in the Federal Register as soon as possible after such determinations are made.

(c) The Secretary shall allocate the aggregate quantity of feeder and slaughter cattle that may be imported into the United States during a calendar year under this section (as determined under subsection (b)) among supplying countries on the basis of the shares such countries supplied to the United States market during a representative period, except that due account may be given to special factors which have affected or may affect the trade in such cattle. The Secretary shall have such allocations printed in the Federal Register.

(d) The Secretary shall establish a system to provide an equitable distribution among importers of feeder and slaughter cattle of the aggregate quantity of such cattle which may be imported into the United States during a calendar year under this section.

(e)(1) The Secretary is authorized to prescribe such regulations as may be necessary to carry out this section.

(2) In carrying out his duties under this section, the Secretary shall consult with the Secretary of Agriculture.

SEC. 3. AUTHORIZATION OF APPROPRIATIONS

There are authorized to be appropriated for each fiscal year such sums as may be necessary to carry out this Act.

By Mr. MATSUNAGA (for himself, Mr. ANDERSON, Mr. BENTSEN, Mr. CRANSTON, Mr. HATCH, Mr. PAUL G. HATFIELD, Mr. HODGES, Mr. MCGOVERN, Mr. MELCHER, Mr. METZENBAUM, Mr. WILLIAMS, and Mr. ZORINSKY):

S. 3455. A bill to amend the Internal Revenue Code of 1954 to allow a credit for contributions to the U.S. Olympic Committee; to the Committee on Finance.

TAX CREDIT FOR CONTRIBUTIONS TO THE U.S. OLYMPIC COMMITTEE

● Mr. MATSUNAGA. Mr. President, I am today introducing a measure to provide a tax credit for contributions to the U.S. Olympic Committee. With the 1980 Olympic games rapidly approaching, there is considerable apprehension in this country over the adequate funding of our Nation's amateur sports program. The final report of the President's Commission on Olympic Sports, which was issued in January, 1977, stated in no uncertain terms that unless the United States adequately funded amateur sports, it will be unable to broaden its base of participation in international sports competition or continue to compete successfully in the Olympics.

In a larger sense, the President's Commission indicated that in order to strengthen and promote the entire amateur sports community in America, we must find ways to provide adequate and ongoing financial support. To achieve

these important goals, I am introducing with 12 cosponsors a measure which would encourage private contributions to the U.S. Olympic Committee.

Mr. President, one of the major findings of the President's Commission on Olympic Sports was that the U.S. amateur athletic community is fragmented, not bound by a common purpose or an effective coordinated system. According to the Commission's final report, no clear policy or direction in amateur sports, physical education, or physical fitness, has been maintained in this country. Moreover, the Commission emphasized that unless the amateur sports community becomes better organized, better coordinated, and better managed, there is little hope for additional financial support for amateur athletics, which is, of course, so very important if we are to reverse the trend of declining performances by U.S. amateur athletes.

In response to this stern warning, the Senate approved earlier this year what is without question the most important piece of sports legislation to come before the Congress in recent history—the Amateur Athletics Act of 1978. This legislation provides a structure for the amateur sports community to insure cooperation and interaction among sports organizations in order to increase amateur athletic opportunities for all Americans and maximize the performance of our athletes. Specifically, the bill restructures the U.S. Olympic Committee so that it can serve as the national coordinating body for the development of amateur athletics in this country and fulfill its responsibility for developing and selecting U.S. amateur representation in the Pan-American and Olympic games.

It must be emphasized, however, that the Senate-passed bill does not attempt to address the important question of long-term financing for the U.S. amateur sports community. As the President's Commission clearly stated, financing a coordinated amateur sports community is critical to the further development of amateur sports in this country, and, particularly, for our continued success in international sports competition.

According to the Commission, financial resources available at all levels of sports administration—local, State, regional, and national—are inadequate for the training and development of athletes, coaches, and officials; foster adequate competition; build and maintain facilities; and to insure professional administration and coordination of the amateur sports community. The Commission pointed to the fact that many colleges and high schools around the country are dropping particular sports or eliminating their entire sports programs as first steps in budget belt tightening, amateur athletes who participate in sports outside of the high school and college sports systems find it particularly difficult to find the financial assistance they need to train and compete.

Mr. President, the President's Commission recommended several ways to deal with the difficult problem of financing amateur athletics which are, in my judgment, consistent with our Nation's longstanding belief that the Federal Government should have only a limited role in funding amateur sports. One recommendation was the use of the Federal income tax form to provide an incentive for private individuals and institutions to contribute to amateur sports.

In response to that recommendation, I am introducing a bill which would provide U.S. taxpayers with a special incentive to contribute to amateur sports. My bill would establish a tax credit of 50 percent of the contributions made by taxpayers to the U.S. Olympic Committee. The maximum amount of a contribution to the Olympic Committee that would be eligible for the tax credit would be $50 for individual taxpayers and $100 in the case of a joint return.

In my judgment, a specific tax credit for Olympic contributions would be more visible to taxpayers than the present charitable deduction that can now be taken for contributions to the U.S. Olympic Committee and other amateur sports organizations. In addition, a tax credit would be more attractive to lower and middle income taxpayers, particularly for those who do not itemize, but rather take the standard deduction on their income tax returns.

I agree fully, Mr. President, with the report of the President's Commission on Olympic Sports which indicated that there is a well-spring of public support for our Olympic athletes and Olympic teams. Given the opportunity and the incentive, I am convinced that the American people would respond financially in order to broaden the opportunities of all Americans to participate in sports and to insure the continued excellence of U.S. athletes in world competition.

Mr. President, I am sure that my colleagues will agree that athletics have become an integral and vital factor in the social, physical, and moral fabric of American society. For many millions of Americans of all ages and backgrounds, participation in sports provides an inspirational stimulus that can have a positive impact on their everyday lives.

In a larger sense, sports can be considered a unifying force among peoples around the world. Indeed, athletic competition crosses language, political, and cultural barriers in a way very few other human endeavors can. Spectators, too, in every corner of the world find inspiration and enjoyment in sports. It is my hope that the continued advancement and growth of amateur sports everywhere will contribute significantly to peace and understanding among all peoples.

Mr. President, I urge my colleagues to give thoughtful consideration to my tax credit proposal for contributions to the U.S. Olympic Committee, which would not only support our U.S. Olympic program, but also insure the continued growth and development of all amateur sports in America.

Mr. President, I ask unanimous consent that the text of my bill be printed in the RECORD at this point.

There being no objection, the bill was ordered to be printed in the RECORD, as follows:

S. 3455

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That (a) subpart A of part IV of subchapter A of chapter 1 of the Internal Revenue Code of 1954 (relating to credits allowable against tax) is amended by inserting after section 44B the following new section:

"SEC. 44C. CONTRIBUTIONS TO THE UNITED STATES OLYMPIC COMMITTEE.

"(a) GENERAL RULE.—There shall be allowed as a credit against the tax imposed by this chapter for the taxable year an amount equal to one-half of the total amount of contributions to the United States Olympic Committee payment of which is made by the taxpayer within the taxable year.

"(b) LIMITATIONS.—

"(1) APPLICATION WITH OTHER CREDITS.—The credit allowed by subsection (a) shall not exceed the amount of tax imposed by this chapter for the taxable year reduced by the sum of the credits allowable under a section of this part having a lower number or letter designation than this section, other than the credits allowable by sections 31, 39, and 43.

"(2) VERIFICATION.—The credit allowed by subsection (a) shall be allowed, with respect to any contribution to the United States Olympic Committee, only if such contribuion is verified in such manner as the Secretary shall prescribe by regulations.

"(c) DEFINITIONS.—

"(1) United States Olympic Committee.—For purposes of this section, the term 'United States Olympic Committee' means the corporation incorporated by the Act entitled 'An Act to incorporate the United States Olympic Association', approved September 21, 1950 (36 U.S.C. 371 et seq.).

"(2) CONTRIBUTION.—For purposes of this section, the term 'contribution' means a contribution or gift of money.".

(b) Section 170(f) of such Code (relating to disallowance of deductions for charitable, etc., contributions and gifts in certain cases and special rules) is amended by inserting after paragraph (6) the following new paragraph:

"(7) CONTRIBUTIONS TO THE UNITED STATES OLYMPIC COMMITTEE.—For purposes of subsection (a), any contribution (as defined in section 44C(c)(2)) to the United States Olympic Committee (as defined in section 44C(c)(1)) shall not be considered a charitable contribution to the extent that such contribution has been taken into account in computing the credit allowed by section 44C (relating to credit for contributions to the United States Olympic Committee.".

(c) Section 6096(b) of such code (relating to designation of income tax payments to Presidential Election Campaign Fund) is amended by striking out "and 44B" and inserting in lieu thereof "44B, and 44C".

(d)(1) The table of sections for subpart A of part IV of subchapter A of chapter 1 of the Internal Revenue Code of 1954 is amended by inserting after the item relating to section 44B the following new item:

"Sec. 44C. Contributions to the United States Olympic Committee.".

(2) The table of sections for part VI of subchapter B of chapter 1 of such Code is amended by inserting after the item relating to section 191 the following new item:

"Sec. 192. Contributions to the United States Olympic Committee.".

Sec. 2. The amendments made by this Act shall apply with respect to contributions the payment of which is made after December 31, 1978, in taxable years beginning after such date.

ADDITIONAL COSPONSORS

S. 3330

At the request of Mr. CULVER, the Senator from Vermont (Mr. LEAHY) was added as a cosponsor of S. 3330, a bill to require regulatory agencies to consider alternative regulatory proposals in the promulgation of agency rules, regulations, and reporting requirements.

S. 3373

At the request of Mr. MCINTYRE, the Senator from Illinois (Mr. PERCY) and the Senator from Massachusetts (Mr. BROOKE) were added as cosponsors of S. 3373, a bill to authorize the Secretary of Defense to provide transportation to the Girl Scouts of the United States of America in connection with international world friendship events or troops on foreign soil meetings, and for other purposes.

S. 3408

At the request of Mr. INOUYE, the Senator from Texas (Mr. BENTSEN) was added as a cosponsor of S. 3408, a bill to provide for the development of aquaculture in the United States, and for other purposes.

S. 3419

At the request of Mr. CULVER, the Senator from Vermont (Mr. LEAHY) was added as a cosponsor of S. 3419, a bill to amend the Internal Revenue Code of 1954 to exclude from gross income a portion of payments made under certain Federal and State cost-sharing programs the primary purpose of which is conservation of soil and water resources, environmental protection or restoration, forest enhancement or the provision of wildlife habitat.

AMENDMENT NO. 1667

At the request of Mr. CULVER, the Senator from Iowa (Mr. CLARK), the Senator from Missouri (Mr. EAGLETON), and the Senator from Indiana (Mr. BAYH) were added as cosponsors of Amendment No. 1667 proposed to S. 3073, the Federal-Aid Highway Act of 1978, which increased the authorization for the special bridge replacement program to $525 million annually.

SENATE RESOLUTION 545—SUBMISSION OF A RESOLUTION TO REFER S. 3451 TO THE COMMISSIONER OF THE COURT OF CLAIMS

Mr. BAKER (for himself and Mr. SASSER) submitted the following resolution, which was referred to the Committee on the Judiciary:

S. RES. 545

Resolved, That S. 3451 entitled "A bill for the relief of Lance Industries, Incorporated", together with all accompanying papers, is hereby referred to the Chief Commissioner of the Court of Claims pursuant to sections 1492 and 2509 of title 28, United States Code, for further proceedings in accordance with applicable law.

AMENDMENTS SUBMITTED FOR PRINTING

CIVIL SERVICE REFORM ACT—S. 2640

AMENDMENT NO. 3533

(Ordered to be printed and to lie on the table.)

Mr. MATHIAS (for himself, Mr. STEVENS, Mr. RIBICOFF, and Mr. PERCY) submitted an amendment intended to be proposed by them, jointly, to S. 2640, a bill to reform the civil service laws.

EXCISE TAX ON CERTAIN TRUCKS, BUSES, TRACTORS, ETC.—H.R. 1337

AMENDMENT NO. 3534

(Ordered to be printed and to lie on the table.)

Mr. CRANSTON (for himself, Mr. SCHMITT, Mr. BUMPERS, and Mr. GRAVEL) submitted an amendment intended to be proposed by them, jointly, to H.R. 1337, an act to amend the Internal Revenue Code of 1954 with respect to excise tax on certain trucks, buses, tractors, and so forth.

● Mr. CRANSTON. Mr. President, I am submitting today an amendment to H.R. 1337, the truck excise tax bill, to provide equality for home brew beer with homemade wine in the eyes of the regulators at the Bureau of Alcohol, Tobacco, and Firearms.

I am pleased to have joining me as cosponsors the Senator from New Mexico (Mr. SCHMITT), the Senator from Arkansas (Mr. BUMPERS), and the Senator from Alaska (Mr. GRAVEL).

Under current law, only heads of households, after registering with Treasury, can produce up to 200 gallons of wine per year for family use without payment of tax. This means that a single individual who is not the head of a family cannot produce wine without being subject to tax and penalties.

Section 2 of H.R. 1337 eliminates this absurdity and allows any individual of legal age to buy alcoholic beverages to produce up to 100 gallons of wine or beer for personal and family use. The maximum amount is 200 gallons per year in a household.

The House bill also eliminates the registration requirement for home winemakers who produce less than the maximum amount. But it imposes a registration requirement for homebrewers. In other words, under the House bill, home winemakers need not register but homebrewers must register with the Bureau of Alcohol, Tobacco and Firearms or be subject to a $1,000 fine and 1 year in jail.

The House bill also limits the amount of beer a household may have on hand at any one time to 30 gallons.

My amendment would eliminate these discrepancies and provide equal treatment for homebrewers.

The amendment, like H.R. 2028, will permit the production of up to 200 gallons of homebrew beer annually, but it will also drop the registration requirement for homebrewers and lift the 30-gallon restriction on beer permitted to be on hand at any one time.

Treasury has indicated that the registration requirement for winemakers has been of little use to the Federal Government, and indeed, has proven burdensome to the public.

But Treasury expresses concern that removing the registration requirement for homebrewers might afford camouflage to illegal moonshine distilling operations.

According to BATF, this is the problem: after the homebrewer finishes brewing his homebrew beer there is a residue called mash left over. Furthermore, the mash is technically a "mash fit for distillation" and it is illegal to have it. But prosecutions for such an offense are quite rare and virtually impossible to sustain without strong corroborating evidence of a distilling capability on the part of the possessor and some showing of an intent to do so.

BATF does not arrest citizens merely for having a mash fit for distillation on the premises without any other evidence of illegal whiskeymaking. Prof. M. J. Lewis of the University of California at Davis, whose expertise is in malting and brewing science and who operates a pilot brewery and mash on the campus explained very clearly to me in a letter why this is so. I ask unanimous consent that his letter be printed at the end of my remarks.

According to Professor Lewis, virtually any combination of yeast and a sugary material is a mash fit for distillation. Baker's dough qualifies. Mixing of sugar and yeast is not evidence of an intent to distill. Obviously, BATF agents are not barging into bakeries and kitchens arresting persons as potential illegal distillers. BATF has not even arrested any of the thousands of technically illegal homebrewers because they know that neither the arrest nor the prosecution would be sustainable in any court.

As far as I have been able to learn, the present widespread practice of making beer at home has not led to increased illegal moonshine distilling operations.

I do not think BATF can make the case that removing a registration requirement for homebrewers of beer—a requirement which has never existed until proposed in H.R. 1337—will afford a safe haven for illegal whisky distillers.

I have examined elsewhere for the benefit of my colleagues the administrative make-work involved in BATF's current winemakers' registration program which the agency now proposes to shift over to homebrewers of beer.

I repeat again, with respect to legitimate law enforcement concerns, BATF has stated that the Agency has not the slightest interest in small-scale homebrewers and has not made any arrests of small-scale homebrewers since prohibition was repealed 44 years ago.

To go ahead with legislation requiring homebrewers to register is a foolish waste of everybody's time, energy, and money. BATF took a commonsense position with respect to home winemakers. The Bureau ought to accord equal treatment to homebrewers. My amendment assures that the Bureau will.

The amendment also eliminates the 30-gallon restriction. Beer must be aged to acquire an acceptable taste. Homebrew should be aged at least 2 months—meaning it should not even be tasted until 2 months from the day the yeast was pitched. And 3 months is better. Many homebrewers have multiple batches going and with the standard 3-month aging period, the 30-gallon limit would penalize them by reducing the amount of beer they would be allowed to make in a calendar year. The effect of such a limit would be to discourage

homebrewing and encourage the purchase of store beer.

Homebrewers brew home beer because domestic beer lacks the rich, malty taste they like. Homebrewers share a creative desire to concoct beer to their own personal taste. They also share a consumer's need to cook a tasty brew for the equivalent of 15 to 25 cents a quart.

My bill would permit them to enjoy these privileges, just as home winemakers do.

There being no objection, the letter was ordered to be printed in the RECORD, as follows:

DAVIS, CALIF.,
August 9, 1978.

Re bills S. 3191 and S. 2028; to authorize the home production of beer and wine.

Senator ALAN CRANSTON,
Senate Office Building,
Washington, D.C.

DEAR SENATOR CRANSTON: I am a Professor of Food Science at the University of California at Davis. My special expertise is in malting and brewing science, and for my research and teaching in this field I operate the only pilot brewery and malt house on a University Campus in the Western Hemisphere. As a private citizen, with this expertise, I wish to endorse your bill S. 3191 and/or your efforts to amend Senator Conable's bill S. 2028. Your approach is simple and fair and takes a little government out of peoples' lives.

A primary issue, raised by the ATF, is that a home brewer's mash could be used to produce moonshine whiskey and I shall address that issue only. I would be happy to discuss this matter in more detail and other issues with your staff if necessary.

(1) In my position I have met many hundreds of home brewers. Never has a home brewer enquired about distilling. The intent is not there.

(2) There is no evidence to support the theory that home brewers intend to engage in distilling.

(3) Though a brewer's mash is usually identifiably different in composition from a distiller's mash, it could be adapted to distilling. But also, a baker's dough could be adapted to distilling (by adding more water). The principle is the same in each case and the ingredients are similar. The intent is different.

(4) Potable distilled beverages can be produced from any sugar or starch-containing material such as grapes (brandy), sugar or molasses (rum) and potatoes (vodka). Possession of suitable raw materials for distilling is no evidence of intent to distill.

(5) The mixing of yeast and a sugary solution is not evidence of intent to distill. Home winemakers and home bakers mix yeast and sugar as do home brewers, yet only the intent of brewers is suspected by ATF.

(6) The intent to distill is clearly demonstrated only in possession of distilling equipment; the confrontation of such equipment is unmistakable and its intent unequivocal.

(7) The presence of hops in homebrewed beer could make a distilled produce unpalatable because certain aromatic hops constituents would concentrate detrimentally in the distilled alcohol.

SUMMARY

Because there are many sugary raw materials from which distillable material could be produced by fermentation, it is unfair and foolish to attempt to regulate one such raw material, the home brewer's mash. Such action is only logical if there is substantial evidence that homebrewers as a group do engage (not merely may engage) in illegal distilling.

Sincerely,

M. J. LEWIS,
Professor.●

ELEMENTARY AND SECONDARY EDUCATION AMENDMENTS—S. 1753

AMENDMENT NO. 3535

(Ordered to be printed and to lie on the table.)

Mr. TOWER submitted an amendment intended to be proposed by him to S. 1753, a bill to extend the Elementary and Secondary Education Act of 1965, and for other purposes.

AMENDMENT NO. 3536

Ordered to be printed and to lie on the table.)

Mr. McINTYRE (for himself and Mr. DURKIN) submitted an amendment intended to be proposed by them, jointly, to S. 1753, supra.

AMENDMENT NO. 3537

(Ordered to be printed and to lie on the table.)

Mr. MORGAN submitted an amendment intended to be proposed by him to S. 1753, supra.

AMENDMENT NO. 3538

(Ordered to be printed.)

Mr. HELMS proposed an amendment to S. 1753, supra.

COMPREHENSIVE EMPLOYMENT AND TRAINING ACT—S. 2570

AMENDMENT NO. 3539

(Ordered to be printed and to lie on the table.)

Mr. HELMS submitted an amendment intended to be proposed by him to S. 2570, a bill to amend the Comprehensive Employment and Training Act of 1973 to provide improved employment and training services, to extend the authorization, and for other purposes.

NOTICE OF HEARINGS

SUBCOMMITTEE ON AGRICULTURAL PRODUCTION, MARKETING, AND STABILIZATION OF PRICES

● Mr. STONE. Mr. President, I wish to announce that the chairman of the Agriculture Subcommittee on Agricultural Production, Marketing, and Stabilization of Prices, Senator HUDDLESTON, at my request, has scheduled 1 day of hearings in the State of Florida on pending legislation to amend the Federal Crop Insurance Act.

The hearings will be held on August 30, 1978. The morning hearing will be held in Gainesville, Fla., beginning at 9 a.m., at the Gainesville City Hall, in the Clarence O'Neal Auditorium, which is on the fourth floor. The address of the City Hall is 200 East University Avenue, Gainesville, Fla.

The afternoon session will be held in Lakeland, Fla., at 3 p.m., in the Florida Citrus Mutual Auditorium. The Citrus Mutual Building is located on the corner of Massachusetts and Orange Streets, Lakeland, Fla.

Testimony will be given by bankers, insurance representatives, and local farmers. Mr. Otto Johnson, Deputy Manager of the Federal Crop Insurance Corporation will explain the administration's proposal at each hearing.

Anyone who would like to testify should contact Mrs. Denise Alexander, at the Senate Agriculture, Nutrition, and Forestry Committee, at (202) 224–2035, or 322 Russell Senate Office Building, Washington, D.C. 20510.●

SUBCOMMITTEE ON PARKS AND RECREATION

● Mr. JACKSON. Mr. President, I wish to announce for the information of the Senate and the public, the scheduling of a public field hearing before the Parks and Recreation Subcommittee of the Energy and Natural Resources Committee.

The hearing is scheduled for Monday, August 28, 1978, beginning at 10 a.m. at the Court House in Wallace, Idaho. Testimony is invited on S. 3052, a bill to amend the Wild and Scenic Rivers Act by designating the St. Joe River in Idaho as a component of the National Wild and Scenic Rivers System.

For further information regarding the hearing, you may wish to contact Ms. Laura Beaty at 224–7144.

Those wishing to testify or who wish to submit a written statement for the record should write to the Subcommittee on Parks and Recreation, room 3106, Dirksen Senate Office Building, Washington, D.C. 20510.●

SUBCOMMITTEE ON INTERNATIONAL FINANCE

● Mr. STEVENSON. Mr. President, the Subcommittee on International Finance of the Committee on Banking, Housing, and Urban Affairs will hold hearings on Thursday, September 21 and Friday, September 22 on the use of export controls and export credits for foreign policy purposes. The hearings will begin at 10 a.m. each day in room 5302 of the Dirksen Senate Office Building. A description of the hearings was printed in the CONGRESSIONAL RECORD on August 17 at pages S13690–S13691. Persons interested in testifying or desiring additional information concerning the hearings should contact Robert W. Russell, counsel to the Subcommittee on International Finance, at (202) 224–0819.●

AUTHORITY FOR COMMITTEES TO MEET

SUBCOMMITTEE ON CRIMINAL LAWS AND PROCEDURES

Mr. ROBERT C. BYRD. Mr. President, this has been cleared with the minority. I ask unanimous consent that the Subcommittee on Criminal Laws and Procedures of the Committee on the Judiciary be authorized to meet during the session of the Senate today to conduct a hearing on LEAA—not spelled like the sister of Rachel.

The ACTING PRESIDENT pro tempore. Without objection, it is so ordered.

COMMITTEE ON ARMED SERVICES

Mr. PELL. Mr. President, I ask unanimous consent that the Committee on Armed Services be authorized to meet during the sessions of the Senate on Thursday, August 24, and Friday, August 25, to conduct hearings on Navy shipbuilding claims.

The PRESIDING OFFICER. Without objections, it is so ordered.

COMMITTEE ON ENVIRONMENT AND PUBLIC WORKS

Mr. PELL. Mr. President, I ask unanimous consent that the Committee on Environment and Public Works be au-

thorized to meet during the session of the Senate today to hold a markup session on the following legislation: H.R. 2329, Omnibus Fish and Wildlife Act; H.R. 8394, Refuge Revenue Sharing Act; S. 691, Central Valley Wildlife Habitat Act; S. 3337, deauthorization of the Cross-Florida Barge Canal; and Senate Joint Resolution 131 and H.R. 12112, name changes on lakes.

The PRESIDING OFFICER. Without objection, it is so ordered.

SELECT COMMITTEE ON INDIAN AFFAIRS

Mr. PELL. Mr. President, I ask unanimous consent that the Select Committee on Indian Affairs be authorized to meet during the session of the Senate today to mark up H.R. 10581, relating to moneys awarded to the Yakima Indians; S. 2587, relating to moneys awarded to the Mescalero Apaches; and bills S. 1081 through S. 1089, amending laws relating to the Osage Tribe in Oklahoma.

The PRESIDING OFFICER. Without objection, it is so ordered.

AVIATION SUBCOMMITTEE

Mr. PELL. Mr. President, I ask unanimous consent that the Aviation Subcommittee of the Committee on Commerce, Science and Transportation be authorized to meet during the session of the Senate today and Thursday, August 24, 1978, to hold a hearing on the International Air Transportation Competition Act of 1978.

The PRESIDING OFFICER. Without objection, it is so ordered.

ADDITIONAL STATEMENTS

ERA

● Mr. GARN. Mr. President, questions have been raised about my efforts to filibuster House Joint Resolution 638, the joint resolution recently passed by the House of Representatives which purports to extend the time for ratification of the equal rights amendment.

I will filibuster House Joint Resolution 638 until, and only until, two amendments are adopted. I have no desire to prevent the Senate from voting on the resolution itself. My only interests are in maintaining both the substance and the appearance of constitutional integrity and fair play.

The two amendments I am interested in would:

First. Allow States to rescind a prior ratification. Of course, no rescission would be effective after three-fourths of the States had ratified. But until that time, this amendment would allow the debate to continue fully and fairly in all States. Without this amendment, legislative debate during any extension period would be limited to those States that have not yet ratified. Therefore, a vote for rescission is a vote for fairness, full debate, and the independence of the people and their State legislatures.

Second. Require a two-thirds vote of the Senate to extend the ratification deadline. The equal rights amendment was proposed in 1972 by a two-thirds vote, yet in 1978 some think that it can be reproposed by a simple majority. That position has serious constitutional and procedural problems. For example, a resolution passed by a simple majority would not meet either the requirements for a constitutional amendment (which must be proposed by two-thirds of each House) nor a public law (which must be presented to the President). What would such a simple majority resolution be and what would be its effect? No one knows.

The filibuster on House Joint Resolution 638 has only one purpose: to guarantee constitutional integrity and fair play.

I expect to receive the support of Senators who favor the equal rights amendment and of those who oppose it. My efforts are not concerned with the merits of the proposed amendment—but with maintaining the stability and integrity of the amending process.

I also expect to receive the support of Senators favoring and opposing extension itself. In short, Senators with widely varying views will be supporting the amendments for rescission and a two-thirds vote because they recognize that the underlying issues are constitutional integrity and fair play.

The filibuster is designed to guarantee the success of the two amendments. After we have protected the integrity of the process and guaranteed fair play for both sides, I will be glad to see the Senate vote on extension. ●

ORGANIZATIONAL PROBLEMS OF FEDERAL RADIATION HEALTH AND SAFETY PROGRAMS

● Mr. RIBICOFF. Mr. President, the effectiveness of Federal programs to protect the public from radiation hazards is clearly a matter of widespread concern. At present, radiation health and safety is a particularly complex and varied field, involving a large number of Federal departments, commissions and agencies. The public rightfully expects an orchestrated Federal approach to these hazards.

I share that concern. Due to the many complexities that mark this field, our approach to these problems has been especially deliberate. Last December, pursuant to Senate Resolution 71, the committee published volume V of our Study on Federal Regulations, which discussed the need for more effective coordination of radiation programs.

As a principal finding, the study concluded that Federal radiation activities are at present scattered, sometimes inadequate, and certainly uncoordinated:

> Responsibility is scattered and uneven, resulting in jurisdictional disputes and regulatory confusion. Too many agencies are charged with administering too many laws. And nobody has the clear ability to overview the total situation, or the power to guide and coordinate that dispersed authority. As a result coordination is not always systematic, the extent of the risk is not fully understood, and some potentially significant hazards are not subject to any Federal controls at all. The field of radiation safety shows many of the deficiencies which typically mark a piecemeal approach to Federal regulation.

Our study recommended that legislative action was required to establish a central focus in the Federal Government to insure that radiation hazards were subject to coordinated controls at the national level. The study proposed the Environmental Protection Agency as the Federal agency for radiation safety.

Thereafter, we decided to solicit reactions on the study's findings and recommendations from informed and knowledgeable persons in the private sector. In a letter dated April 19, 1978, the views of a number of groups and individuals were solicited. The respondents represented wide and divergent interests and included professional associations, industry groups, labor unions, academicians, research institutes, public interest groups, and State regulators.

The letter requested comments and suggestions on the extent to which organizational problems exist in these regulatory activities, and possible remedies to assure more effective regulatory action. Although respondents were encouraged to present any ideas they might have, the letter mentioned two specific, possible reforms: establishment of a "lead agency" approach, and reactivation of the former Federal Radiation Council.

In all, we received 44 comments in response to our letter.

Mr. President, I believe the comments do make a significant contribution to a better understanding of what might be done to insure more effective coordination of Federal radiation health and safety programs. They provide a useful focus of the various organizational problems as well as the range of potential remedies, which will, I think, prove helpful to the development of legislation. Separately Senator GLENN, Senator PERCY, and myself are transmitting to you the full findings of the report, which is now available for public distribution.

At this point, I think it will be useful to just briefly summarize the major comments and ideas presented by respondents.

GENERAL AGREEMENT ON THE EXISTENCE OF SERIOUS ORGANIZATIONAL PROBLEMS

Respondents generally agreed that present Federal radiation safety programs are scattered, fragmented, and uncoordinated. Nearly all respondents indicated that there was a need for better coordination of those activities.

The responses are summarized in detail in our full report. Thus, only several examples need be cited here. For instance, on three occasions in the past 5 years, the Conference of Radiation Control Program Directors—the primary association of State regulators in this field—adopted resolutions calling for reform of the "significantly fragmented" Federal radiation programs, which result in "duplication, inefficiency, contradictions, and complexities in communication. . . ." In its letter, the conference indicated that it "fully concurs" that there "definitely is a lack of central focus" and "thoroughly agrees that there is a lack of coordination" in Federal radiation protection programs. That "lack of focus and coordination," according to the conference, is "seriously affecting" the performance of State programs on radiation. Many of the responses reflected those same concerns.

On the other hand, a few respondents stated that the organizational problems were not serious. For example, the American Medical Association evinced some caution in that regard:

> We believe that the mere fact that health and safety programs regarding radiation are

contained in various agencies does not signify that such dispersion of authority is inappropriate. . . . We believe that the interplay between various agencies concerned with the different aspects of radiation regulation can have a synergistic effect upon the overall performance of the Federal radiation safety efforts.

However, apparently AMA is not altogether satisfied with the present situation. As its response continued:

The American public is not well served . . . when federal agencies and departments engage in long-standing disputes over jurisdiction and authority. . . . We agree . . . that Congress should address areas of radiation safety involving inadequate coverage and duplication and improper overlap of authority. Duplication and overlap should be eliminated. We also believe that a mechanism should be established to work out a unified program. . . .

Respondents who commented on the serious nature of Federal organizational problems in this field included the following: American Academy of Dermatology; American Association of Physicists in Medicine; American Board of Health Physics; American College of Radiology; American Dental Association; American Industrial Hygiene Association; American Nuclear Society; American Osteopathic College of Radiology; American Public Health Association; American Radium Society; Battelle Pacific Northwest Laboratories; Melvin W. Carter, Director, Environmental Resources Center, Georgia Institute of Technology; John W. Gofman of the Committee for Nuclear Responsibility; Conference of Radiation Control Program Directors; Edison Electric Institute; Environmental Policy Center; Health Physics Society, State and Federal Legislation Committee; Health Physics Society; Irwin D. J. Bross of Roswell Park Memorial Institute; Karl Z. Morgan of Georgia Institute of Technology; National Council of Radiation Protection and Measurements; James V. Neal of the University of Michigan Medical School; Natural Resources Defense Council; The Radiological Society; Arch W. Templeton of the University of Kansas Medical Center; and the United Steelworkers of America.

SUPPORT FOR REACTIVATION OF A FEDERAL RADIATION COUNCIL

Twenty-six individuals and organizations endorsed the idea of a reactivated Federal radiation council as a coordinating body for radiation protection activities at the national level. Although several respondents provided the committee with detailed proposals in that regard, most of the comments were general in nature. Many of those commenting did suggest that the new council need not be a duplicate of its predecessor.

The comments provided by the Radiological Society, which is composed of some 10,000 scientists in the radiation field, are fairly representative of the statements made by council advocates. The Society viewed the new council as a body of coequals, who would thus be able to:

Address the problems . . . in a cooperative atmosphere with the public welfare, rather than internecine considerations, being of utmost importance. Deliberations would entail consideration of whether a hazard exists, which agency or agencies have jurisdiction in the field, what regulatory proposals would best answer the problem, uniformity of standards in all regulation, methods of enforcement, and the monitoring of enforcement performance.

For some respondents, the creation of a radiation council was suggested by the achievement and prestige of its predecessor. For example, the American Dental Association thought a council modeled after the FRC "could command the necessary respect and cooperation of the scientific community." In the same vein, the American Board of Health Physics stated:

The impeccable record of this council through the history of the nuclear industry has earned the respect and acceptance of the majority of the public and certainly knowledgeable members of the nuclear community.

But other respondents took sharp exception to that claim. Professor Morgan at Georgia Institute of Technology characterized the former FRC as "a very weak organization that was unable to take a stand." Still others, such as Prof. Thomas F. Mancuso of the University of Pittsburgh, opposed the FRC approach altogether:

I am strongly opposed to the creation of the equivalent of a Federal Radiation Council. I believe it is an illusion that either the problems will be resolved, or that there will be greater efficiency by creating a super agency.

And, Dr. Irwin D. J. Bross of the Roswell Park Memorial Institute opposed creation of something similar to the FRC and offered this advice:

What your committee must understand if it is to write worthwhile legislation is this "fact-of-life": What is called the "radiation protection community" has been the moving force in the twenty year cover-up of low-level radiation hazards and in blocking effective measures to protect the public health and safety. The only thing that the "radiation protection community" has protected is radiation technology—not human beings.

Respondents who favored reactivation of some form of Federal radiation council included the following: Alliance of America Insurers; American Academy of Dermatology; American Association of Physicists in Medicine; American Board of Health Physics; American College of Radiology; American Dental Association; American Industrial Hygiene Association; American Insurance Association; American Medical Association; American Nuclear Society; American Public Health Association; American Radium Society; Atomic Industrial Forum; Battelle Pacific Northwest Laboratories; Melvin W. Carter, Director, Environmental Resources Center, Georgia Institute of Technology; College of American Pathologists; Conference of Radiation Control Program Directors; Edison Electric Institute; Health Physics Society, State and Federal Legislation Committee; Health Physics Society; National Council on Radiation Protection and Measurements; National Electric Manufacturers Association; Radiation Research Society; the Radiological Society; Eugene L. Saenger of the University of Cincinnati; Society for Nuclear Medicine; and Lauriston S. Taylor.

OPPOSITION TO A SINGLE LEAD AGENCY APPROACH

The notion of a single lead agency in the field of radiation protection was not supported by respondents. Most of those who favored a council-approach also indicated opposition to designating any single agency as overall coordinator for radiation safety. In particular many respondents commented that the Environmental Protection Agency, which the study had proposed as the lead agency in this field, was not suitable for such added responsibility.

Only about six respondents favored strengthened powers for EPA over Federal radiation health and safety activities.

Reduced to essentials, respondents argued that the Federal programs in radiation health and safety were too broad and varied to be mastered effectively by any single existing agency. As the National Council on Radiation Protection and Measurements argued:

The NCRP is of the view that no single agency of the federal government can be reasonably expected to accept responsibility for all aspects of radiation safety legislation. The uses and associated problems are too diverse and the expertise needed to deal with them too varied . . . there are at least the EPA, DoE, NRC, HEW (NCI, BRH, and NIOSH), DoT, and OSHA, involved in some aspect of radiation legislation and use, usually in some unique way, each distinct from the function of the others . . . it is not inherently apparent to us that a lead agency concept could be expected to work given the complexity of most radiation problems.

It is also clear that some respondents' quite unfavorable viewpoint of the Environmental Protection Agency was part of their judgment on this approach. For example, a vice president of the American Insurance Association stated that his opinion in that regard was "based primarily on the lack of competence in this field displayed by EPA, as of this date"; and the American Dental Association put it this way—

There is no question that since 1970 the EPA has failed to effectively coordinate federal standards and regulatory efforts. . . . In addition, the EPA has been unable to attract and retain individuals with adequate expertise in the radiation measurement and protection area.

Arthur Tamplin of the Natural Resources Defense Council (who generally favored lead agency powers for EPA) was not impressed with the agency's achievements:

The present radiation protection program at EPA is submerged at a low administrative level. This, in addition to preventing it from having sufficient "clout", has caused it to be understaffed . . . (and) ineffectual.

Tamplin suggests that the status of radiation programs needs to be raised within EPA by creating a separate entity under its own assistant administrator.

However, there was some support for designation of the Environmental Protection Agency as the single lead authority. While noting that EPA's program had "narrowed and diminished significantly" over the past 6 years, the

Environmental Policy Center made that recommendation, on the condition that the Agency's programs be strengthened. Prof. Karl Z. Morgan at Georgia Institute of Technology agreed on this role for EPA, provided that steps be taken to "strengthen and enlarge its scientific stature in the field of ionizing radiation so that it is capable of doing the job properly." Prof. E. B. Lewis of the California Institute of Technology, in support of the lead agency authority, cited EPA's recently successful effort on guidelines in the field of medical and dental X-ray exposures of government personnel as demonstration of the agency's "competence" and "expertise."

OTHER SUGGESTED APPROACHES

In addition to a single lead agency approach and the notion of establishing a Federal radiation council, other proposals were made by respondents. Most of those suggestions involved variations of the previously named approaches, and included: designation of multiple lead agencies for certain major sectors of radiation on safety; and lead agency authority as part of the mandate of a new Federal radiation council. In addition, some respondents urged clarification of existing agency authority, and better use of interagency panels and agreements.

The drawbacks of selecting a single agency for all radiation coordination might be avoided, and the essential advantages of a "lead agency" approach realized, if several agencies were designated lead authorities for certain purposes. For example, some respondents argued that, in the field of medical uses of radiation, FDA's Bureau of Radiological Health was the most suitable candidate for lead agency status. So too, the United Steelworkers of America argued that for all workplace hazards, including those involving radiation exposure, the Occupational Safety and Health Administration should be the lead agency. Arthur Tamplin of the Natural Resources Defense Council in effect argued for a multiple lead agency approach. He divided radiation hazards into six categories—occupational, environmental, exposure from manufactured products, problems of radioactive waste, and transportation—and suggested "lead agencies" for each of those areas.

A second major variation was the notion of combining a council approach with lead agency powers. At least two variants of that hybrid approach are possible: a reactivated council could itself be designated the lead agency in this field; or alternately, the council could be granted the power to designate lead agencies in specific situations or for particular types of hazard. Thus—in the event of serious duplication, overlap, inconsistency or some other conflict—some respondents indicated that the council might have overview authority to either prompt action by the most appropriate agency, or to act as arbiter in determining which agency among several is best equipped to proceed. The American Public Health Association, American Association of Physicists in Medicine, and the American Radium Society each provided comments which generally appeared to favor this combined approach.

Finally, some respondents argued that existing problems would be remedied if Congress clarified existing agency jurisdictions, and there was more effective use of interagency panels and agreements. Those alternatives were mentioned by respondents, often in connection with endorsement of either the "lead agency" or "council" approach. For example, while supporting the notion of a revived FRC, the American Academy of Dermatology stated that a council was not enough and that "more clearly defined and . . . effective interagency liaison (should) be established by mandate from the Congress, where overlapping poses a serious problem." The American Medical Association, which was inclined toward an FRC approach, pointed out the benefits to be gained from mutual cooperation, "We believe that interagency coordination and cooperation can lead to prompt responses to important issues in a cogent unified fashion." In support, the AMA cited the recent joint agency efforts on ozone depletion. On the other hand, the American Industrial Hygiene Association and others noted the limitations of present efforts along that line.●

RADIATION SAFETY

● Mr. PERCY. Mr. President, I would like to take this opportunity to commend my colleague, Senator RIBICOFF, for inserting into the RECORD a summary of the responses received from members of the private sector regarding the effectiveness of Federal programs to protect the public from radiation hazards.

The risks of radiation exposure are a pervasive problem which has increased dramatically in recent years. While many of the technologies which utilize radiation are beneficial tools in areas such as medicine, safety, energy and the home, the potential dangers are serious and clearly demand responsible and effective Federal regulation.

While the diversity of radiation uses, health and safety standards have come under the regulatory jurisdiction of numerous Federal, State, and local agencies. The result has been serious overlap and fragmentation.

This compilation of comments will be extremely useful in our study of these organizational defects. With the detailed views of those who are involved in the different aspects of radiation usage, we will be better able to devise a means of effectively protecting the public from radiation hazards while providing clear guidance to those who must comply with radiation health and safety standards.●

TRIBUTE TO SENATE OFFICE OF CLASSIFIED NATIONAL SECURITY INFORMATION

● Mr. BAKER. Mr. President, last September the Senate established the Office of Classified National Security Information—the Senate's National Security Office. It is a facility where sensitive and highly classified documents can be stored and where Senate committees can hold classified meetings in absolute security. This office, operating under the able direction of George Murphy and his staff, has proven to be a valuable asset since its inception.

The transcript of the closed session of the Senate on the Panama Canal Treaties was sanitized in this office, as was a portion of the Senate debate on the sale of armaments to Egypt, Israel, and Saudi Arabia. The Senate Armed Services Committee, the Senate Appropriations Committee, and the Select Committees on Intelligence and Ethics are among those who have made effective use of this facility—as has the leadership.

In this connection, I was pleased to receive today a letter from the chairman and vice chairman of the Select Committee on Ethics expressing their appreciation for the services of the Office of Classified National Security Information. This letter underscores the utility of this office and its contribution to the U.S. Senate. I thank Senators STEVENSON and SCHMITT for their remarks and ask that their letter be printed in the RECORD in its entirety.

The letter follows:

U.S. SENATE,
SELECT COMMITTEE ON ETHICS,
Washington, D.C. August 22, 1978.

Hon. HOWARD H. BAKER, JR.,
Minority Leader, U.S. Senate,
Washington, D.C.

DEAR MR. MINORITY LEADER: We want you to know of our appreciation for the services and facilities of the Office of Classified National Security Information which were made available to the Ethics Committee during its recent investigation of leaks of classified information.

The unique features of the facilities enabled our staff to begin its work much more quickly and economically than would have been possible without the OCNSI. The Director, Mr. George Murphy, and his staff were most helpful in arranging for the use of their space for interviews, hearings and meetings, and in providing for the storage and disposition of documentary material. The OCNSI proved to be quite valuable in this project, as well as in additional projects still not completed.

Thank you for your cooperation and courtesies.

ADLAI E. STEVENSON III,
Chairman.
HARRISON H. SCHMITT,
Vice Chairman.●

MILITARY READINESS OF THE WESTERN ALLIANCE

● Mr. HARRY F. BYRD. JR. Mr. President, the weekly publication the Review of the News in its issue of August 2, 1978, published an exclusive interview with Congressman DAN DANIEL, Democrat of Virginia.

Congressman DANIEL is a former national commander of the American Legion, and currently chairman of the NATO Subcommittee of the House Armed Services Committee. He has just returned from a factfinding mission to France, the United Kingdom, Germany, the Netherlands, and Belgium, where he evaluated the military readiness of the Western Alliance.

I know Congressman DANIEL well, and served with him in the Virginia Legislature. He is an outstanding Congressman with courage, conviction, and character. He has a firm grasp of our Nation's defense needs and problems.

I ask to print the interview with Congressman DANIEL in the RECORD.

The interview follows:

EXCLUSIVE INTERVIEW WITH DAN DANIEL, DEMOCRAT OF VIRGINIA

(By John Rees)

Representative Dan Daniel, a leading Conservative Democrat, is now completing his fifth term in the Congress. A former National Commander of the American Legion, he entered the House in 1969 and is one of the foremost congressional authorities on national defense and N.A.T.O. European affairs have long been a specialty of Dan Daniel. Italy honored him with the Star of Italian Solidarity (First Class), and in 1960 France awarded him the Croix de Merite.

Congressman Daniel, who is Chairman of the N.A.T.O. Subcommittee of the House Armed Services Committee, has just returned from a fact-finding mission in France, the United Kingdom, Germany, the Netherlands, and Belgium, where he evaluated the military readiness of the Western Alliance. While in Europe the Virginia Congressman met with top defense policy-makers, with the heads of the Armed Forces, and with chief executives of key aerospace and electronics industries. And, of course, Mr. Daniel took every opportunity to visit with our own troops and their commanders in the field.

Q. Congressman Daniel, as Chairman of the N.A.T.O. Subcommittee you recently returned from an inspection tour in Western Europe. What major improvements need to be made in the N.A.T.O. Alliance to meet the current Warsaw Pact capability?

A. There are a number of them. Our Subcommittee has found virtually all parties anxious to sustain and improve the Alliance. But not unexpectedly, where more than a dozen nations are involved, there are vast differences in the interpretation as to how this should be done. Naturally there must be an ongoing update of capability, as new generations of weapons systems are brought into being and countermeasures are developed by our enemies.

Specifically, in the weapons and equipment area, we need improvements in secure voice and tactical communications systems, in target acquisition means so that N.A.T.O. weapons can be more effective, and in anti-armor munitions. Air defense must be strengthened, and at the same time command posts should be hardened. Finally, we should begin to produce and put in place binary chemical weapons. Our present posture invites enemy use of such weapons.

Each nation in the Alliance has its own political and economic considerations which must be recognized by all the others. This is healthy and natural. But there are areas where improvements can be made, primarily in developing a common defense doctrine and by working out existing "bugs" in command, control, and communications.

Q. Under what circumstances do you think the Soviet Union and the Warsaw Pact might invade Western Europe?

A. The Warsaw Pact nations will invade Western Europe when they have reasonable expectation that they enjoy a weapons superiority and that our political alliance is disintegrating or conditions elsewhere in the world have distracted members of the Alliance.

Q. Are there any new developments in the capabilities of the Warsaw Pact forces, particularly in such key areas as tanks and chemical and biological warfare?

A. There are a number of fairly recent developments that are significant. Russia has deployed the SA–8 air-defense missile, which upgrades its already formidable system; has deployed significant numbers of HIND-D helicopters, providing impressive ground support and posing a potential threat to Allied helicopter operations; and, has enhanced defensive chemical warfare capabilities, through improved decontamination equipment.

Thus, there is good and sufficient evidence that the Warsaw Pact nations intend, when the time is deemed appropriate, to use chemical and biological agents against the West. Their defense against such weapons is more than adequate to any threat we might offer; and, in fact, the only weapons against which they have no defense are those with Enhanced Radiation warheads—weapons we have not deployed. The greatest fear of some field commanders is a chemical and biological warfare attack. The most effective deterrent to this prospect is the production and deployment of the neutron warhead.

As for the present ratio of Warsaw Pact tanks and other armored equipment, forces in the East have vastly accelerated production and deployment. I personally know of no peaceful use for a tank, and can only conclude a serious intention by Soviet Russia and her allies to use them when they perceive that conditions warrant attack.

Q. Over the past year or so, our European allies have apprehended several highy placed Soviet spy rings working against N.A.T.O. What does this indicate about how the Soviets regard our military Alliance in Europe?

A. You do not waste time spying on a friend, or on an adversary who poses no threat. Obviously, the Soviets recognize the potential power that N.A.T.O. forces represent. For our part, there is an apprehension within the Alliance with respect not only to security leaks but also to terrorist attacks.

Q. In your visit to Western Europe, were you told from what area or under what circumstances terrorist attacks are expected?

A. There was considerable discussion on this issue and speculation by responsible sources indicates that Soviet and Warsaw Pact intelligence services have the responsibility for selection of sabotage targets and for preparing and facilitating the infiltration of sabotage teams into Western Europe. The activation of these sabotage teams is under the direct supervision of the Central Committee of the Soviet Communist Party.

The sabotage units are to be activated in times of crisis. It has been reported, again reliably, that they have been given special training in the political and geographical characteristics of their targets; and, when the time comes for them to be put in service the saboteurs would travel directly to "safe houses" or bases in their target areas where they will find their equipment waiting for them.

It can certainly be assumed that in the case of a popular uprising in a Warsaw Pact country bordering the West, or in the case of an invasion, these sabotage teams would be called into action.

Q. What do you see as the result of the recent signing of a friendship treaty between the U.S.S.R. and Turkey, once N.A.T.O.'s eastern anchor? Will you comment on U.S. handling of the dispute between Greece and Turkey?

A. It is obvious that Turkey is seeking to insure its own geographic interests, a not unreasonable approach given the sorry handling that ally has received at our hands. The significance of the recent visit by Prime Minister Ecevit of Turkey to the Soviet Union will depend in some measure on the attitude and actions of the United States Congress. I believe that the Administration is quite right in attempting to lift the Arms Embargo, and sincerely hope that the Congress will respond affirmatively. After four years, it is obvious that there are limits to what we can accomplish in the dispute between Greece and Turkey. It is time to get on with shoring up the vital southern flank of N.A.T.O. To do so will serve our national interest and enhance the prospects of an equitable solution of the Cyprus and Aegean problem. Clearly, N.A.T.O. needs both Greece and Turkey if it is to fulfill its mission of assuring peace.

Q. Congressman, if the danger of Warsaw Pact invasion of Western Europe is increasing, what are the roadblocks to standardization of N.A.T.O. equipment, and how far toward standardization should we go?

A. If there were a Warsaw Pact Invasion of Western Europe, I can assure you N.A.T.O.'s most serious problems would not be its variety of equipment but its lack of equipment, ammunition, and war reserve stocks to meet the threat. The present balance is such that neither standardization nor a three percent annual increase in Alliance defense budgets is going to solve the problem.

Besides, standardized equipment is not really necessary if Allied forces can fire the same ammunition, use the same fuel, and communicate with each other. Interoperability, rather than standardization, offers the quickest, cheapest, and surest means significantly to improve N.A.T.O.'s military posture vis-a-vis the Warsaw Pact. This was borne out time and again during the Subcommittee's survey trip to Europe, where we heard repeated observations that interoperability was a military objective while standardization was a political one. Of course, we should continue our efforts to strengthen the Alliance through cooperative efforts to standardize on systems where it makes sense both from a military and an economic point of view.

Q. Congressman Daniel, some Americans still regard Africa as an area of useless deserts and jungles and see no reason why America or N.A.T.O. should care about a Soviet takeover there. What is the strategic importance of Africa to the Free World?

A. It is impossible to overstate the strategic importance of Africa. Everyone knows that it supplies many raw materials needed for our national defense and for commercial purposes; but, more important, Soviet control of the Horn of Africa coupled with control of the southern portion of the Arabian Peninsula, permits Russia to stand like a Colossus astride our oil routes. This is a situation which leaves the whole of the Free World vulnerable. In short, Africa is the most strategic area of the world today. Our African policy, if we have one, is aggravating the problem.

Q. Reports in the foreign press indicate that East Germany is playing an increasing role in the Soviet plan to take control of central and southern Africa. Should this Warsaw Pact involvement in Africa be regarded as a mandate for N.A.T.O. concern in that area?

A. I do not see any cause for direct N.A.T.O. involvement in Africa. N.A.T.O. has its own mission, which is to protect the nations of the North Atlantic Alliance. To divert N.A.T.O. would be a serious mistake.

In all candor, our policy is difficult, if not impossible, to define. It is my belief that the purpose of our foreign policy should be to identify and advance the American interest in world affairs. The purpose of our defense policy should be to insure that interest in the event diplomacy fails. The cancellation of B–1 production, the deferred deployment

of our Enhanced Radiation warheads, limiting the range of our developing cruise missiles, and the suggestion that our fleet be assigned a secondary role while our adversary, the Soviet Union, enhances its capabilities in all these areas, has left the United States vulnerable to attack. Neither our foreign nor defense policy is clear. The confusion in the minds of the people and that of our allies is certainly understandable given the multitude of voices espousing our goals and intentions.

Q. Permit us to go briefly to domestic affairs, Congressman Daniel. You have been one of the leaders in Congress in opposing increasing governmental regulation. The bureaucrats always claim their pet regulations are needed to protect health and safety and so on, but these regulations are extremely expensive and add markedly to the price spiral. Will you comment?

A. According to a report from the Joint Economic Committee of Congress, government regulation alone will cost $102.7 billion nonproductive dollars in 1979. That's $471 for every man, woman, and child in our country. It is more than twice what the average family spent on medical care in 1976, more than half what was spent on food, according to the Department of Labor's annual "Family Budget." Much of the cost of all this regulation is reflected in the ever higher taxes that we pay, but a far greater amount is added to the higher prices we pay in the marketplace. While we all want a clean and safe living environment, there is a real question that we are buying more than we need at a price we can ill afford.

A balance must be struck between the legitimate functions of government and the requirements of our economy or we will rapidly follow other great countries into the quagmire of socialism where fear of risk is the controlling emotion, mediocrity is the ultimate goal, and the individual of free and independent spirit is considered the consummate enemy of the state.

Q. Congressman, you are regarded by many as one of our country's most responsible and able Conservative Democrats. Do you have any suggestions as to how Conservatives can more effectively assert themselves in the Democratic Party?

A. Conservatives can assert themselves in any political party by putting forth the effort required to participate actively in the political process. Most of the work which really counts originates at the grass-roots level. It is hard work and not very glamorous, but it is the only place to start. To change the character of a political party requires that such work be done. No one can do it for you.

Q. Do you see a Conservative trend in the country?

A. In the opinion poll, yes; at the voting poll, no. The American public continues to elect, in a majority of cases, those representatives who promise the most.

Q. Do you believe that voter concern about massive government spending and taxation, and about the weakened defense capability, could provoke a real change in the next elections?

A. Yes, indeed it could. Whether it will do so depends, to repeat, upon the amount of effort that conscientious voters are willing to exert. For more than a generation we have seen the erosion of individual liberties in the name of collective welfare. Insidiously, the tentacles of central government have insinuated themselves into American life, contaminating all they touch. But it must be remembered that no government program which carries the promise of payoffs from the pockets of federal taxpayers is imposed on recipients against their will. The business executive who accepts federal regulation rather than disturb his company's image, the state or local authority who decries government control with his hand stuck out to Washington for more, the labor leader who demands and secures benefits he well knows his employer is unable to sustain, the individual who accepts or applies for government funds, not because they are needed but because they are there—each of these has contributed in bringing our country to its present state. And each, if we are to turn things around, must sacrifice.

Unless and until that happens, our country has no future save that of becoming second-rate. I believe, however, that the American people recognize the imperative need to reverse the trend. I am a short-term pessimist and a long-term optimist. But I repeat: Those concerned about massive federal taxing and spending, those worried about our weakened defense capability, can do something now by going to work in the congressional elections. Grave issues are involved, and responsible candidates need your help.●

MARY RISTEAU, THE WOMAN OF FIRSTS

● Mr. MATHIAS. Mr. President, Maryland lost a very extraordinary citizen when Mary E. E. Risteau died recently. Known as the "woman of firsts," Miss Risteau was a pioneer in many political and social areas.

During the 1920's, Miss Risteau became Maryland's first woman legislator. As a Democrat, she served two terms in the Maryland House of Delegates and in 1934 chalked up another first by becoming the first woman to serve as a State senator.

Among the other trails she blazed was as the first woman appointed to be clerk of the Harford County Circuit Court in 1937 and as the first female State commissioner of loans in 1939. Mary Risteau was also one of the pioneers for women's rights and surprised many people by opposing prohibition.

It is said that "she was small in stature, but she sure could make her voice heard." We in Maryland will certainly miss that "voice."

So that my colleagues may know more about this remarkable woman, I ask that the obituary of Mary E. E. Risteau from the Baltimore News American be printed in the RECORD.

The article follows:

MARY RISTEAU, FIRST WOMAN IN STATE ASSEMBLY, AT 88

Services for Mary E. E. Risteau, Maryland's first woman legislator, were to be held today at the Kurtz Funeral Home in Jarrettsville.

Burial was to be in William Watters Memorial Methodist Cemetery in Cooperstown, near Jarrettsville.

Miss Risteau, who had been bedridden since May with a heart condition, died at her Harford County farm. She was 88.

After serving two terms in the House in the 1920s, Miss Risteau, a Democrat, in 1934 became the first woman to serve in the state Senate.

"She was small in stature, but she sure could make her voice heard," said a former state house reporter. "As far as she was concerned, she was one of the boys."

Miss Risteau was one of the pioneers for women's rights.

"Woman has ceased to be a rib and has become man's right hand," she said after election to the House of Delegates in 1921.

Still, she was far from being an activist.

"I put the soft pedal on the fact that I was a woman," she said during her first year in office. "That isn't the point at all. I made the (electoral) fight because I believed I could help the men get some of the things we need for schools."

She did, however, throw in an occasional jab at the men.

At a Democratic party convention in Philadelphia in 1936, she said, "the women in Maryland are so interested in the Democratic party that many of them travel all the way from western Maryland to the Eastern Shore to attend a one-day rally.

"Why, if the men of the state were as well organized as the women, we wouldn't have to apologize for a Republican governor," she said.

Republican Harry W. Nice was governor at the time.

Miss Risteau also surprised many of her colleagues when she came out against Prohibition. She fought to have alcoholic beverages legalized.

The woman who became known as "the woman of firsts" was appointed the first woman clerk of the Harford County Circuit Court in 1937. Two years later, she became state commissioner of loans, another first for a woman.●

INFLATION

● Mr. INOUYE. Mr. President, a distinguished former member of the House, and one-time Ambassador to Italy, the Honorable Clare Boothe Luce, recently prepared an article which appeared in the Honolulu Advertiser.

She writes about inflation, one of the most urgent domestic problems facing this country today. I found the article interesting and thought-provoking and want to take this opportunity to share it with my colleagues and the American public. I ask to have it printed in the RECORD.

The article follows:

WILL IT TAKE THE WRINGER OF DEPRESSION TO HALT RAIDS ON TREASURY?

(By Clare Boothe Luce)

Stan Ahn's short letter (7/10) zeroing in on "the real cause of inflation" is worth millions of the words our politicos have been spouting on the subject.

As he points out, inflation has not been caused by the legitimate demands on government of the relatively few "have-nots." It has been caused by the insatiable demands of millions of individual middle-class "want-more" voters, and want-more pressure groups for benefits and services that they have been, and still are, unwilling to pay for in taxes.

All the evidence of history is that democracies begin to collapse the day the voters make the discovery (with the help and support of stupid or irresponsible politicians) that they can successfully raid the national Treasury.

In every democracy where this "happy" discovery is made, the following things happen:

As more and more agencies are created to administer more and more "social welfare" programs, bureaucracy begins to grow and spread like the blob, and in the end, becomes more powerful than the elected branches of government. Today, as any honest congressman will tell you, our vast, unelected federal (and state) bureaucracy is the government.

One out of six Americans now works in some nonproductive government job.

As the politicians need the votes of these millions of entrenched bureaucrats and civil servants to get elected, they naturally voted to perpetuate their control. and to increase their pay and pensions.

Faced with huge deficits caused by soaring bureaucratic costs, and the steady public demand for increases in public services, benefits and cash transfer payments, the government is forced to choose between levying higher taxes on the middle-classes or printing funny money, i.e., inflating the currency.

It chooses inflation, because, as Ahn points out, raising taxes on the middle-classes, or cutting the programs and services which are essentially unearned supplements to their incomes is "unthinkable in today's social climate." This process of bankrupting the country is euphemistically known as "compassionate politics" and "social justice."

"Progressive taxation" becomes increasingly "progressive," falling heaviest (by popular consent), on business and corporate incomes. Business is unable to set aside enough monies, after taxation, for business expansion, capital investment, research and development, or even to borrow money for these purposes at reasonable and steady interest rates. So the growth rate of business slows down.

This taxing away of capital for expansion and investment produces the phenomenon of "stagflation"—or simultaneous depression and inflation. The result is fewer jobs for the young people who are entering the labor market. And so more costly government programs are required to handle the youth unemployment situation—and this requires more inflation.

As the voters slowly come to perceive that there is a relation between government deficits and depression-inflation, there is a great outcry for "economy in government," coupled, of course, with an even greater outcry against higher taxes on middle-class incomes. But when the political chips go down, it turns out that the only budgetary cuts that the politicians can make without losing middle-class, bureaucratic and pressure-group votes are in foreign and defense programs.

These are the least popular programs in all "peace-loving" democracies. The people are easily persuaded that foreign aid is a "bottomless pit"; that armaments are the cause of war; and that their militarists (unlike themselves) are selfish, greedy, and wasteful. The U.S. is spending only 6 per cent of its national income on defense. The Soviet Union with half our GNP, is spending 15 per cent on a massive military buildup, which makes the forces of Hitler look relatively feeble.

As the nation's steady loss of economic strength and military power is perceived by other countries, it begins to experience severe "foreign policy" problems. Its trade declines, together with the value of its currency (worsening its domestic situation). Allies begin to waiver. And in proportion as these allies themselves are following a similar democratic route to economic and military collapse, they become increasingly less reliable military partners.

Once-friendly small nations gravitate to stronger powers. Today the U.S. can no longer rely on more than a handful of votes among the 150 U.N. nations to support its foreign policies. The nation loses its diplomatic clout, and is forced to seek "accommodations" with its enemies. In President Carter's words, "We are being shoved around by the Soviet Union."

As inflation begins to devour the people's savings and the purchasing power of their wages and incomes, a mighty cry is raised for "wage and price controls." This is tried, and proves as effective as trying to put a lid on an active volcano.

The end is approaching: the country must, one way or another, go through the wringer of a bitter depression, and is lucky if, while it is doing so, it is not, in its weakened economic and military condition, attacked and beaten by its enemies.

All of which comes of believing that Washington is the "Tooth Fairy." ●

MEAT IMPORTS

● Mr. DOLE. Mr. President, on June 13, 21 Senators joined me in a colloquy protesting the President's decision to increase beef imports. We opposed the President's action at that time for a number of reasons.

Prior to the President's action cattlemen were making a profit for the first time in 3 years. It seemed fundamentally unfair to this Senator for the Government to interfere when cattlemen began to make a profit. Furthermore, my colleagues and I felt that action was very poorly timed. It came at a time when cattlemen were making crucial decisions about expanding the size of their herds. We predicted that this action could result in continued herd liquidation and prolonged higher beef prices in the next few years.

Mr. President, all too often the Federal Government takes action and never looks back at the consequences of that action. The August 29 issue of Esquire magazine contains an article by Geoffry Norman which takes such a look back at the impact of the increase in meat imports. Mr. President, this is an exceptionally well done article and it indicates that the objections my fellow Senators raised were well founded. I would, therefore, ask that it be printed in the RECORD, in the hope that we might learn from past mistakes.

The article follows:

AMERICAN BEEF! STEAKS ARE HIGH, BUT RANCHERS ARE DOWN

(By Geoffrey Norman)

At a meeting of the Colorado Cattlemen, in Lamar, a lanky man with leathery brown skin and thin unsmiling lips calls President Carter a son of a bitch in tones that let you know unmistakably that he still thinks these are fighting words. "We don't ask for a damn thing from the government except to be left alone. But just when we start to make some money for the first time in four years, Carter steps in and says no. He's nothing but a goddamned peanut farmer." From the way the man says this, you have to think that there is something suspect about peanut farming. That it is like hairdressing or something. That it isn't manly. "Peanuts are the most heavily subsidized crop in the country. Carter got rich off the government."

The man fairly represents the feelings of the cattlemen who are gathered in Lamar for meetings and speeches, a barbecue, and a show that features authentic Indian dancing. But just about everybody else in the country is made about beef, too—shoppers who watched the price jump 6.5 percent a month during the spring, restaurant owners, local butchers and grocers. At a small grocery back East, a friend proved to me with invoices and meat scales that he is losing a penny a pound on hamburger even before he takes out for his overhead—and he was getting complaints from agitated customers at that price.

But Americans love to eat beef. From the best steak houses in Manhattan—places with names like Frankie and Johnnie's, the Palm, and Christ Cella—to the steak houses with names like the Beef Barn or the Sirloin Saloon that you see in every self-respecting town or aspiring city to the budget places for families that only get out once a month for a meal and a movie—places where you get a rib eye, a baked potato, and a lettuce salad served cafeteria style for $5—Americans eat beef with a passion that is truly carnivorous. There are the billions of McDonald's and lesser hamburgers, all those chuck roasts, pot roasts, and rib roasts wrapped in cellophane in the supermarket meat counters; hamburgers charcoaled in backyards across the land. Americans eat 154.6 pounds of red meat a year for every man, woman, and child. Lately the figure has gone up sharply.

So when President Carter and his advisers decided to move against inflation, beef probably looked like the most natural target available. The price of beef, after all, was rising faster than most other prices. By lowering the price of beef, or at least slowing the rate of increase, Carter would be helping the consumer directly. Also, according to the press, this price decrease came at a time when President Carter was getting poor grades in the polls and was being urged to act more forcefully. So in June he took a simultaneously drastic and expedient step and allowed an increase in the quota of imported beef. It amounted to about 200 million pounds of New Zealand and Australian beef. But the impact on the beef market was profound. Consumers were alerted and began substituting other foods for beef. Producers, consequently, cut back. The price of live cattle dropped ten cents a pound—almost sixteen percent—in three weeks. It was a short-term victory for Carter and the consumer. But for cattlemen, it was a disaster.

Around the farms, feedlots, and ranches of eastern Colorado, there was a feeling of bilious resentment. Men who had gone humbly to the county banker for three straight years, taking out loans to keep small farms and ranches going until the price of beef went up again, felt betrayed. They knew they might have to get out of ranching altogether so that Carter might gain a temporary point or two at the polls and the spoiled shoppers in the city could have a free ride.

It is this knowledge—the certainty that ranchers will be forced off the land for the sake of votes—as much as anything, that feeds the resentment. The land is important to these men in a way, they feel, that nothing in this world is to a politician or to most city-dwelling consumers. They have made the land produce, and it has kept them and their families alive for generations. To be forced off, to see their kind of operation give way to huge corporate farms owned by mining and oil interests and operated at a cheerful loss for tax purposes and with no regard for the real values of ranching—this is almost too much to bear.

Keith Propst's house sits among some of the rare shade trees along the Platte River, in northeast Colorado. The trees were planted by his ancestors, who came to Colorado a few years after the Civil War had soured things for them back East. There were no trees at all when they arrived.

"Buffaloes," Propst says. "There were thousands of them back then. What they didn't eat, they trampled. There wasn't a tree, anywhere in the Great Plains."

Propst is president of the Colorado Farm Bureau, an organization that tries to get the best deal it can for farmers by keeping the government out of agriculture. Propst is fifty-three and has the weather-beaten face and the squint of a lifelong rancher. He also has a broad and engaging smile: Whereas most ranchers are tight-lipped and smile by

raising a corner of the mouth, Propst breaks out in teeth—one of them gold—when something strikes him funny or he recognizes a friend.

"I can show you the figures on paper," Propst says when I arrive. We sit in his living room, pleasantly furnished and cool in the heat of late June. Propst has scribbled columns of numbers and marginal notes on a sheet of paper that he holds in big hands and spreads out on the coffee table. It is a breakdown of his costs done just the way a grocery would do it, or a boutique, or a private university. "Here is what it costs me to feed a calf. This is for my overhead. Interest. Labor. Depreciation. Veterinary. Figure all of that in, and here is what I have to sell a steer for, live weight, just to break even." The figure is fifty-four cents a pound. About five cents more than he can get this morning on the market. Every time he sells a steer, he can lose $40.

"But maybe," Propst says, "you can get a better idea of what those numbers mean after we've taken a look around." So we climb into his Scout and drive out to the range.

There are eight windmills on Keith Propst's 10,000 acres of range. They turn monotonously in the steady Great Plains breeze that blows down from Wyoming, providing all the water for Propst's cow-calf operation, which is running at about 400 animals this year. He had planned to increase the herd, but after Carter's decision he is not sure he will.

"Twenty acres of this land will support one cow and her calf. Or maybe two and a half yearlings," he says. "So I could get it up to five hundred animals if the price was right. But it's hard. Politicians go with the votes. And all the votes are in town."

The land in question stretches out bleakly in every direction, relieved by a few folds and depressions and one long sand ridge that parallels the course of the river. The thin soil is held by sagebrush and yucca grass, which the cattle cannot eat, and by grama and bluestem grass, which they can. Besides Propst's cattle, the land supports rattlesnakes, jackrabbits, coyotes, and some mule deer. One hundred fifty miles to the west are the Rockies: Aspen and Vail and great forested peaks lush with conifers. When Propst's ancestors first arrived in Colorado, the Rockies were something just to get across. Now, the real money is up in those mountains.

"Get the gate, Koger."

Propst's son—eighteen years old, thin and straight as a pencil—climbs out of the Scout. He is dressed in cowboy boots, Levi's, and a T-shirt. It is the same outfit the kids in Denver are wearing.

Propst drives the Scout down a rutted trail to the first of the eight windmills. He is out here to check them and to get on with the breeding of his herd.

"We've got an AI program going out here, and we have to check the heifers just about every day."

AI is artificial insemination.

"We're breeding Simmentals. It's a European breed that has gotten popular over here in the last ten years. But you can't import animals directly from Europe. That's to keep out the hoof-and-mouth disease. So you import the semen. Then you artificially inseminate the heifer. Her calf will be a half-breed. You artificially inseminate that calf, and you get a three-quarter-breed. And so on until, theoretically, you've got a full-blooded Simmental."

There are seventy or eighty animals around the first windmill, which is paddling along faithfully, pumping water into a large holding tank. Three or four animals are drinking lazily from it; the others are idly grazing or simply standing in that cone of bovine indifference that is the expression of cows everywhere.

Propst points out half- and three-quarter-breed Simmentals. "See that bull over there?" he says pointing to a bulky animal that looks muzzled. "That's what we call a Gomer. His penis has been fixed so he can't actually breed a heifer. But he still has the urge, and he'll mount one when she is in heat. That muzzle has a paint roller in it so when a Gomer mounts a heifer, he leaves paint marks on her back. When we come out and find one with paint on her back, we know right away that she's ready to breed."

Propst drives the Scout around the herd, checking the heifers for paint marks. "I don't see any that are marked up. Do you, Koger?"

"Nope."

"Well let's go take care of that one we've got over in the corral."

The Scout lurches along the ruts, springs, and shocks, creaking with each bounce. A mile from the first windmill, Propst arrives at a small corral with a squeeze chute—a nervous heifer is pacing in one of the pens. Inside an equipment trailer, there is a large tank filled with liquid nitrogen to keep the Simmental bull semen a couple of hundred degrees below zero. Propst pulls a single vial from the tank and slowly thaws it in ice water. "I don't know how they figured this system out, but it works," he says. "You've got to keep it real cold until right before you use it. Then you warm it up just so much. Too much and you kill it."

When everything is ready, Propst and his son go back outside. Propst uses a leather surrey whip to force the skittish heifer down the narrow squeeze chute. The animal bolts.

"Damn. She acts like she's crazy."

Finally the heifer moves into the chute and down to the end where Propst's son springs a head gate and she is caught. She bellows and stomps, then quiets down.

Koger does the work. He raises the heifer's tail and forces his right arm, which is covered to the elbow in a sheet of clear plastic, far up the animal's dung-encrusted anal canal. With his hand, he massages her to make her receptive. Then with his left hand he runs a long, thin plastic tube up the vaginal opening, past the cervix. The valuable semen—it costs $15 to $25 a vial—will pass through this hollow plastic tube. The animal is still skittish. While Propst is paying attention to something else and before his son can force the semen through the tube, the animal bellows and sits down.

Propst's son tears the fouled plastic sheet from his arm in disgust and tries to prod the animal to her feet. The heifer only bellows.

"Here, let me help you," Propst says. "I didn't know you were having trouble." Propst stands by with a battery-powered prod in case the heifer should try to sit again, while his son repeats the procedure with his plastic-encased right arm and the plastic tube. This time, it takes. While his son returns the equipment to the trailer and makes some notes in a record book, Propst releases the panicked heifer. She will go back to the range to find the calf she bore in March; it will be weaned in the fall; and she will bear again in the spring. This is the first day in a cycle that keeps Keith Propst and his family on the land.

Farming is perhaps the least understood and appreciated of all the ways an American can go about making his living. Nobody understands things like parity and yields and acreage quotas—except the people who must understand them or go broke and the people who make the rules. American agriculture is so successful that for most consumers, food simply comes from the grocery store. It is always there, and when the price goes up, there doesn't seem to be any good reason for it. And since food is *the* essential, price increases lead to outrage. The fact that one farmer can produce enough to feed himself and fifty-six others and that the average American spends only eighteen percent of every dollar to eat doesn't make much difference, even though those figures are remarkable in this world. Unique.

But agriculture remains about as low in the interest and esteem of most Americans as . . . as what? Blue-collar workers are having their day in movies and books; coal miners were big not long ago; truck drivers and their radios have become a folk cliché. But it will probably never happen for farmers—not because what they do is too simple (what could be more simple than driving a truck?) but because it is too hard. And because, for the most part, it gets done so well.

Talking to Keith Propst and men like him, you learn about cow-calf operations; feedlots; backgrounders; speculators; champion breeders; breeds that started in England, India, France, and Switzerland. You learn the reasons why one farmer goes with Charolais and another with Angus and the thousands of variables that enter each equation.

Keith Propst's operation is a good place to start looking at cattle ranching because he does several things. The whole point of his operation and of the entire industry is to raise cattle to slaughter weight as efficiently as possible.

With Propst, it begins out on the range with a breeding herd more or less stationary in number. He can add heifers—and their calves—when he thinks the price will justify it.

The calves feed from the udder for about six months. "One of the reasons ranchers are high on Simmentals is that they are better milk producers than the English breeds. The Swiss use them as a combination beef producer and dairy cow. So the calf will be a little heavier when she's weaned. All calves lose a little at first when you wean them. They're bawling and looking for mother for three or four weeks. It's a real stressful time for them. So that little extra counts."

After the calf is weaned, it "goes to grass." This takes the animal from about 400 to about 600 pounds. It can be done on a range or pasture or field of cutover crops, which is the method Propst uses. His short yearlings (animals that have been weaned but aren't a year old yet) feed in his corn and sugar beet fields, then go back to the range until the steers weigh about 700 pounds and the heifers about 600. These yearlings are ready for the feedlot.

Virtually all beef cattle are "finished" in feedlots. Fed properly, a yearling can gain almost three pounds a day in a feedlot and reach slaughter weight in 120 to 150 days. The steers are ready at 1,100 to 1,200 pounds; the heifers, at 900 to 1,000.

There are several advantages to the feedlot, which is no more than a pen where a number of animals are crowded and fed a carefully balanced and very rich grain diet along with some mineral supplements. The animals eat and drink, sleep and defecate—nothing more, until they are ready to be shipped for slaughter. Because they are confined and inactive, they cannot burn many calories or manufacture any tough muscle. They gain good tender weight very fast.

Propst's feedlot is small: 1,500 animals. Some have come from his own breeding herd, and some he has bought from cow-calf operations as far away as Georgia.

There are lots that feed several thousand animals bought from cow-calf operations or from backgrounders who put weaned calves on grass for the few months it takes to get them up to sufficient weight for the feedlot. It is an age of specialization in all things. But Propst breeds his own cattle, fattens them in his own lot, and raises the food—mostly corn—for the lot on his 900 acres of irrigated land along the river valley. He buys additional cattle when he thinks the price will be right and the grain to feed them when its price is low.

Then comes the hard part, the aspect of ranching that makes it so tough. When

Propst's cycle is complete and when the animal that he has bred, weaned, grazed, and fattened reaches a slaughter weight almost three years after its conception—perhaps at the end of a plastic tube—Propst must sell. He cannot keep feeding the cow and waiting for a better price in a month or so. If the animal goes on eating and gaining weight, "it'll get all wastey. Too fat. The price will go down and it'll cost money to feed, besides."

Propst knows how much it has cost to bring the animal to slaughter weight, so he knows how much he is losing—or making—on each animal he sells. When every animal sells at a loss, there is only one thing to do: You cut losses by selling fewer animals—which means, ultimately, breeding fewer animals.

"This thing works in cycles, and it always has," Propst says, irritated that people can't see how simple it all is. "When the price is way up, everybody wants to be grazing a few steers. The big feedlots can't buy enough yearlings. So the cow-calf operations go to work and breed more animals because everybody wants them. Then pretty soon you've got a surplus. So the price falls, and everybody who was making money starts losing and wants out. The wheat farmer who was feeding sixty head when the price was up says, 'To hell with that beef stuff, I'm sticking with wheat.' So he doesn't buy any calves. The demand goes down and the cow-calf operators don't breed as much. Pretty soon the supply gets back down, and the price goes up again. That's the way it works. We're ready to take the three or four bad years if we can just count on that one good year to make up our losses. We'd like to make up a little for inflation, too. Just like everybody else."

It takes two hours to check the remaining windmills once the skittish heifer is bred. Propst drives the Scout across the hard scrabble terrain and explains the intricacies of his trade: when to breed; when to wean; when to castrate; salts and supplements; inoculations; machinery; weather.

"One of the things about this part of the country is that we have about as good a weather as you could want for cattle. It gets cold in the winter, but we don't see the snow they get up in some of those mountain pastures, where they have to fly in hay with a helicopter. That'll run your costs up for sure."

The Scout comes over a small ridge and below, in the shade of a bent and crippled old cottonwood tree, are eight mule deer. They are up quickly, moving across the range in single file.

"I used to hunt a little," Propst says. "But the season comes right at the busiest time for us, and I don't fool with deer hunting anymore. We do some duck hunting, though."

Propst checks the last windmill, then leaves the scrub range and drives back to the lush valley of the Platte River and home for lunch.

"There's another thing," he says as we drive along the riverbank. "The EPA [Environmental Protection Agency] has set a deadline for cleaning up the river. It's never been a fishing river. There's some fish in it, but it has always been used for farming. For irrigation. But the EPA says that if you take water out to irrigate, then it has got to go back in clean as it was when you took it out. And you can't do it.

"But that's what the EPA wants, and it'll just mean the end of farming in this valley. They keep extending the deadline. And we'll probably get an exemption through Congress. But you have to wonder if those people know anything about farming.

Lunch is a big hot meal, the kind that sends you away from the table, especially on a hot day, desperate for a nap: roast beef, squash, potatoes, a salad, ice cream. Nell Propst, a small woman—petite is the appropriate word, in her case—and a very gracious hostess, presides at the table and says grace. Koger and his twenty-year-old brother Joel and his sister Holly, seventeen, are there.

During lunch, I learn more about how much there is to farming. In addition to EPA and its water standards, farmers and ranchers these days must cope with the most ubiquitous and despised of all the regulatory agencies: Occupational Safety and Health Administration.

"You know what they say about farm animals?" Nell Propst asks. Her tone is a blend of indignation and wonder. "They say you can't have livestock within five hundred feet of a house. We've always had horses in the pasture right out behind the house. We like to have them there, so we can look at them and go out and ride them when we want to. Now it's illegal."

Keith Propst laughs, and laughs heartily. "I suppose the idea was to keep people from putting workers' shacks out in the middle of the same field where they were slopping pigs. But they don't say that. It's 'no animals within five hundred feet of any house,' and that's it."

"Well, what was that other one, Dad, the one about toilets out on the range?" Propst's son asks.

"Oh, they made some ruling about how nobody could work more than three or four hundred yards from a toilet. So I'd have to put those portable Johnnies all over ten thousand acres of land to be in compliance."

Propst laughs again. It is his most engaging characteristic. When he talks about things that usually turn a man's face into a mask of nearly unmanageable anger, Propst laughs. He probably figures that it is all he can do.

"The thing is," Propst says, "there are farmers around here who would go broke if they tried to do everything right. So they just figure on doing nothing right and hope they don't get caught. Either way, they go broke. It breeds disrespect all the way down when you have these rules that don't make any sense."

At a cattle auction and a slaughterhouse, there is more to learn. A weary man who buys live animals and sells cold slabs of beef over the phone says, "I don't know why Carter is picking on us. The price of everything else is allowed to go up two or three times. Beef isn't even essential. It's a discretionary item. If you don't want to pay the price of beef, you can eat chicken or fish or pork. You know what is essential for most people: a goddamned car. You don't have any choice about buying a car in this society. I need to have a car even if it means I've got to leave eight thousand dollars sitting out in the parking lot every day. Cars go up every year, and nobody says anything."

At the auction, Propst quietly guesses the final price of each lot before the bidding starts. He is usually right and never off by more than twenty-five or fifty cents.

"Those heifers have got a little pinkeye. They won't gain so well for a week or more. Won't get much for them." He guesses forty-three cents a pound, and they sell for forty-three and a quarter.

"Those steers will go for about fifty-nine. They're good yearlings, and some backgrounder can use them for cheap gain."

"That heifer is a little too wastey for its age—probably belonged to some kid who bucket-fed it."

Two hundred miles south, in Lamar, there is more to learn at the meeting of the Colorado Cattlemen: about the way the banks have carried ranchers for the last three years.

A banker who specializes in agricultural loans says that the small banks have already reached the limit. "They just couldn't use any more of their depositors' funds. So you are starting to see some bankruptcies. Some people, who are diversified, like Keith Propst, are going ahead, but very cautiously.

"There are smaller, less diversified operators who are selling," the banker continues. "Big corporate operations come in, and they seem to be able to smell a situation that is right for a sale. They are very tough: They know when a man is desperate, and they drive a hard bargain. But they pay cash.

"But they aren't really interested in the farming end of it. I was talking to one of their people the other day, and he said they were satisfied if the land appreciated and they could increase the capital value. They weren't in it for income.

"This spring there was some optimism in the air for the first time in three years. Both the bankers and the farmers were seeing a little daylight. Then Carter made that decision. It was the most demoralizing thing he could have done." The banker speaks with genuine regret. He knows these people and has seen them through hard times before. Like them, he hates to see the land taken over by big outside money.

Finally, there was the marker. It said more than anything else would about a way of life that men like Propst value and that is threatened by inflation and the expedient measures politicians have used to fight it.

At lunch, I asked if the house was on the same site as the original Propst settlement.

"Oh, you've got to show him the marker," Nell Propst said.

After lunch, full and sleepy, I went with Keith Propst to a small plot next to his front yard. There were two blue spruce growing there. "They got those in the mountains," he said. Then he showed me the centennial monument. It is almost five feet tall, cut from marble, and it sits on the site of the original Propst cabin, in Colorado. The inscription reads: "Michael V. Propst, Family Memorial."

This marker commemorates the centennial of the settlement of the Propst family on the South Platt River near Buffalo, Colorado, which is now Merino . . . Michael V. Propst and the other family members left Pickens County, Alabama, and arrived in this area on April 7, 1876. They came . . . to find land and to build homes. They developed cattle ranches, farms, and businesses. They helped establish schools, churches, irrigation systems, and communities. They served their nation in peace and war and left a legacy of love of country and faith in the future.

"We had a centennial celebration to dedicate it." Propst says, "My brothers came in from Florida and Michigan, and my sister came from Arizona. Nell has a degree in drama, and she wrote a play that we put on. The whole thing sort of moved you." ●

ELDERLY VICTIMS OF CRIME

● Mr. CULVER. Mr. President, the victimization of our Nation's elderly by serious crime is becoming more prevalent, visible, and a source of increasing concern. Congressmen PEPPER, ROYBAL, and HAMMERSCHMIDT—all members of the House Select Committee on Aging—are the authors of an informative article in today's Washington Post about the susceptibility of senior citizens to crime. The article, entitled "Older Americans: Vulnerable Targets for Crime," summarizes hearings the House Select Committee on Aging has held across the United States on the topic.

Not only are senior citizens particularly vulnerable to the threat of crime, but the loss of money and cost of medical treatment is also especially devastating to them. Because of their physical frailty, the elderly are often less able to defend themselves or escape from an

assault and are perhaps more likely to suffer serious injuries. Also, they are generally less mobile than younger individuals and frequently have to resort to public transportation for shopping or cashing their pension check. Because of their limited incomes, many elderly citizens live in older, possibly deteriorating, and crime-prone neighborhoods. Another major factor that makes retirees especially susceptible to crime victimization is the predictable arrival of their regular monthly social security or other pension checks. As the column illustrates, these factors and others combine to make senior citizens one of the most exposed and vulnerable groups for crime victimization.

The elderly often suffer more from crimes in terms of financial devastation and emotional trauma. For people living on limited incomes, who must continually struggle to cover basic necessities, the loss of even one monthly social security or other pension check can inflict untold hardships. Many have little or no savings and literally depend on each check for their very survival.

As chairman of the Senate Subcommittee on Juvenile Delinquency, I held a hearing last April on violent youth crime. One of the witnesses was an 83-year-old woman who had recently been the victim of a robbery and assault. Her account of the trauma and fear she suffered after the attack was tragic, but not, I am afraid, uncommon. The subcommittee also heard from a spokesperson for the National Council of Senior Citizens, who described the strong feelings of insecurity and isolation elderly victims of crime typically endure.

In addition to the many crime prevention and relief measures mentioned by the Congressmen in the following article, I might add one measure that many elderly can take immediately to help protect their monthly benefits. Arrangements can easily be made with one's bank and local federal office to have their monthly social security, supplemental security income (SSI), or veteran pension check deposited directly into an individual's checking account. Over 7 million social security, SSI, and veteran pension recipients currently use this system of direct deposits into their bank accounts, thereby reducing the chances of loss or theft of the check or cash and diminishing their vulnerability to crime.

Mr. President, I believed my colleagues will find this column useful, and I ask that it be printed in the RECORD.

The column follows:

OLDER AMERICANS: VULNERABLE TARGETS FOR CRIME

(By CLAUDE PEPPER, EDWARD R. ROYBAL, AND JOHN PAUL HAMMERSCHMIDT)

In Washington, a 61-year-old woman went with her 79-year-old husband to cash her Social Security check for $102; they returned home. According to police, three youths rushed into the couple's apartment, beat the woman—knocking her down and breaking her leg—and fled with the money.

In Miami, an 81-year-old blind poet was brutally murdered in a public-housing project for the elderly. The victim's hands were tied behind his back, and he was beaten to death. According to police, a teenager had climbed a tree next to the building where the man lived, jumped onto a ledge and pushed his way through a window into the apartment.

Such violent crimes, outrages against human decency, have been cited in numerous hearings held by the House Select Committee on Aging. Testimony received in Los Angeles, Indianapolis, New York City, Miami and Washington revealed that victimization of the elderly has become an alarmingly habitual pattern of behavior among many juvenile offenders.

Older Americans are an easy target for youthful vandals, muggers, thugs and punks. They are particularly vulnerable—frailer, on the average, than their younger counterparts. Decreased strength and stamina render older persons less able to defend themselves or to escape from threatening situations. They are also predictable: As a result of diminished income, many live in areas with high crime rates, where their victimizers are well aware of the date on which they will cash their Social Security or pension check and the forms of transportation they will use to do so.

Not only are the elderly frequently the targets of criminal activity; those who live in high-crime inner-city areas are often multiple victims of the same crime as well. Unfortunately, most older persons cannot pack up and move from the neighborhood as easily as younger people. As a result, many crimes go unreported and unpunished out of fear of reprisals and more trouble.

Clarence M. Kelley, then-director of the Federal Bureau of Investigation, told our subcommittee on housing and consumer interests that "psychologically, physically and financially, no group of citizens suffers more painful losses than our nation's elderly do at the hands of America's criminal predators." Others have testified to the fact that older bones break more easily and take longer to heal; the fear of a recurring attack is traumatic to many; and the loss of even a few dollars can be devastating for a person on a small pension. A report issued by the subcommittee concluded, on the basis of expert testimony and numerous victimization studies, that the elderly are "among all age groups, the most vulnerable to the effects of crime" and that "of all persons victimized, they suffer the most."

Awareness of the increased vulnerability to criminal behavior has a profound impact on the freedom of movement of older Americans. Some older persons fear crime so much they avoid leaving their homes at all, except for emergencies. This fear of crime was rated by senior citizens themselves in a major survey as the single most serious problem they faced—more serious than health or income or housing or loneliness.

The hearings indicated that a great deal more needs to be done to help the elderly, who lack resources, to avoid victimization or to deal with its aftermath. Programs should be devised that seek to increase the actual security of the elderly, both in their homes and in their communities, and reduce their chances of being victimized.

As a start, our amendment to the 1978 housing bill designates $12 million in housing assistance funds for anti-crime measures, such as security guards, television monitors and safer locks, doors and windows. Earmarking $12 million for crime prevention in public-housing projects for the elderly will demonstrate our commitment to the basic safety and security of the elderly and will result in positive action to protect them. We hope that this concern demonstrated in public housing will be translated into privately owned housing occupied by older people.

In exploring methods for reducing crime against the elderly, it is not enough, however, to simply provide security for the older persons in their homes. We must also provide the elderly with a sense of safety and security on the streets. The following programs should be developed to reduce street crime and the older person's fear of street crimes.

The elderly should be advised not to establish a predictable pattern of check cashing, not to carry large sums of money and not to travel alone on poorly lighted streets. They should learn to recognize confidence games, bunco schemes and medical quackery.

Community crime-prevention programs, such as escort services to assist the elderly to get to the store, to the doctor and the like and telephone reassurance programs to protect those who are isolated, ill or handicapped.

Innovative education and employment programs whereby truants and unemployed youths are reached before their frustration may manifest itself in crime.

Police training programs dealing with the needs of older persons, and sensitizing law-enforcement officers to the unique problems faced by older victims.

Finally, while those and other programs should help reduce crimes, methods for reducing the economic hardships of victimization should also be devised. Medicare covers only 38 percent of the medical expenses incurred by the elderly; many who are victimized are forced to stretch their already limited resources to pay for treatment of their injuries. Recognizing the economic plight of many victims, Congress passed a victim-compensation bill last year that would partially reimburse states with plans to assist victims of crime resulting in personal injury. That legislation is awaiting Senate approval. James Gregg, administrator of the Law Enforcement Assistance Administration, said that the cost of compensation for medical costs and pay losses would be "surprisingly low"—an estimated $261 million a year.

Congress should also enact legislation that would provide assistance to older victims of property loss. Dr. Wesley Skogan, associate professor of political science and urban affairs at Northwestern University, in testimony before our committee, concluded that "given their low incomes, even relatively small losses can impose great and perhaps permanent hardships on older persons."

We hope that many elderly people who have experienced a nightmare as victims of senseless crime will achieve their dream of growing old in peace and dignity.●

ADVERSE EFFECTS OF RISE IN MINIMUM WAGE

● Mr. HAYAKAWA. Mr. President, I would like to submit for the RECORD an article which appeared in the August 15 Wall Street Journal. This article, which deals with the adverse effects of a rise in the minimum wage level on young workers, was written by Paul Ingrassia, a staff reporter with the paper.

This article clarifies many of the thoughts I expressed during the Senate's consideration of legislation last year to raise the minimum wage. Many of the negative effects of raising the minimum wage that I discussed then have now become obvious. In fact, two major advisers to the President, Federal Reserve Board Chairman G. William Miller and Treasury Secretary W. Michael Blumenthal, have suggested that the next scheduled increase in the minimum wage, to $2.90 an hour in January of 1979, be postponed.

An increase in the minimum wage is not like an increase in welfare payments. Wages are paid on the basis of

the value of a worker's additions to a product or service that an individual wishes to purchase. Therefore, Government-directed increases in wages make it difficult, if not impossible, for business to hire inexperienced or less skilled workers. As a result, these workers become discouraged and cannot obtain jobs at all. This is one major reason why participation in the labor force and unemployment rates stay unsatisfactory even during good times, and why expensive public service jobs are proposed by the same legislators who caused the problems by increasing the minimum wage.

I have believed for a long time that young people need a chance to work. I have actually initiated legislation to allow for a youth differential in the minimum wage. Unfortunately, my efforts have been unsuccessful. I believe that part of the solution for the tremendous mass of unemployed young people would be to lower the minimum wage so as to help develop the creation of more entry level jobs. I do not have to explain to you how important it is for people to have a sense of personal worth and financial independence. Pocket money, as is provided with jobs for young people, is often necessary to allow them to behave normally in relation to their peers. This money allows him or her to go out with a friend, or to buy lunch in the cafeteria. Raising the minimum wage every year does little to help the young person looking for work. How many employers want to hire a young person with little or no work experience, who usually must learn on the job for $2.65 an hour? Some employers may, of course, but the small businessman cannot afford such high-priced, part-time, inexperienced help.

Now, I do not expect any great changes in our minimum wage laws. However, I wish to place this article in the RECORD for my colleagues to see and contemplate. I think it is important for them to realize how our actions affect the economy and the lives of all those young people who want, and deserve, to work.

Mr. President, I ask that this article be printed in the RECORD.

The article follows:

RISE IN MINIMUM WAGE SPURS SOME FIRMS TO CUT WORK HOURS AND HIRING OF YOUTHS

(By Paul Ingrassia)

LOMBARD, ILL.—Last summer Janet Straka started work at the Steak n Shake restaurant here in this Chicago suburb at 9 a.m. to get ready for the 10 o'clock opening.

But in January the federal minimum wage rose to $2.65 an hour from $2.30. Steak n Shake, seeking to blunt the impact, decided to open an hour later, since there were few early customers anyway. Steak n Shake also cut the opening waitress's preparation time to 30 minutes. So Miss Straka, a schoolteacher who works summers part-time at the hamburger chain, now starts work at 10:30 a.m., and her weekly earnings are down to about $36 from $40 last summer.

Her shortened workday shows one way in which the higher minimum wage is affecting employment in the U.S. There haven't been wholesale layoffs of low-wage workers, but some workers are putting in fewer hours on the job.

Another effect is that teen-agers, especially blacks, are having more trouble finding work as companies like Steak n Shake look for older, more-qualified workers likely to stay at a job longer. Hiring this type of worker is becoming easier because the combination of higher wages and more inflation is drawing more housewives and people like Miss Straka to work. The consumer also is affected; since last year, Steak n Shake's prices have risen 7%, partly because of higher costs of food, especially beef.

HOT DEBATE

Whether the minimum wage fuels unemployment and inflation has been hotly debated for years because its effects are so hard to isolate from other factors affecting the economy. Now the debate is heating up again. Federal Reserve Board Chairman G. William Miller and Treasury Secretary W. Michael Blumenthal both recently suggested that the next scheduled increase in the minimum wage, to $2.90 an hour in January, be postponed. Both cited the inflationary stimulus.

Their suggestion has drawn sharp retorts from both the AFL-CIO and Labor Secretary Ray Marshall. "No one cries inflation when interest rates on a car or house go up by half a point, but listen to them when the minimum wage is raised to the princely sum of $2.65 an hour," Mr. Marshall said recently. He also noted Labor Department figures showing that the economy added some 1.6 million jobs since December (including 150,000 jobs for teen-agers). "These new jobs are a telling answer to those who claim that the minimum-wage laws put people on the unemployment lines," Mr. Marshall concluded.

Most economists, though, do contend that higher wages lead to higher prices, unless workers' productivity rises proportionately. And they feel sure that minimum wage increases add to unemployment. "The question is how much they add," says Walter E. Williams, a Temple University economist who has studied the minimum wage for Congress's Joint Economic Committee. He says the increase in employment since December—and the drop in the nation's unemployment rate to the current 6.2% from 6.4%—would have been larger if the minimum wage hadn't risen. "The economy always adds some jobs during a period of growth," Mr. Williams observes.

The debate is more than academic. An estimated 4.6 million U.S. workers, more than 5% of the nation's work force, got a pay raise when the minimum wage was increased last January. In all, those workers are pocketing an extra $2 billion this year, and the Labor Department says 5.2 million workers will get another $2 billion next year when the $2.90 minimum takes effect. Beyond that, under a law passed last year, the hourly minimum is to rise to $3.10 in 1980 and to $3.35 in 1981. The increases also tend to raise wages of workers paid only slightly above the minimum and of low-wage workers not covered by the law (such as some farm workers and some household help).

The $79-billion-a-year fast-food and restaurant industry has plenty of minimum-wage workers, and it's clear that as the minimum increases, so do companies' efforts to cut the number of workers at a restaurant. Employes aren't flying out of restaurants like hamburgers off a grill, but productivity efforts are beginning to show results.

At the Lombard Steak n Shake, for instance, total employe hours worker each week actually trail a year ago, even though business is up. The amount of the decline varies from week to week, but total hours are generally down 10%. As well as opening an hour later, the restaurant is closing an hour earlier—at 11 p.m. during the week and at midnight on Fridays and Saturdays.

SOME SHORTCUTS

To reduce work hours further, the restaurant has taken some shortcuts. The waitresses used to mix powdered coffee creamer with water for cream pots on each table. Now the pots have been replaced by individual packets of liquid coffee creamer, which don't require preparation. Likewise, sugar pourers on the tables are being replaced by paper packets. The chain still hand-slices pickles lengthwise, but now it uses fewer pickles for garnish to reduce slicing time.

All these maneuvers have helped the Steak n Shake at Lombard. In the 24 weeks ended last week, the restaurant's labor costs rose only 5% from a year earlier, against an increase of more than 15% in the minimum wage.

Steak n Shake also is trying to hire older workers; because they generally are more productive and tend to stay on the job longer, they reduce hiring and training costs. The Lombard store's 37 employes now average 21 years of age; a year ago there were 39 employes, and the average age was 18. The Indianapolis-based company as a whole employs about one-third fewer teenagers than a year ago, Thomas R. Delph, vice president, says.

The higher minimum wage is helping Steak n Shake attract older workers. Ironically, so is the higher inflation rate, itself partly a product of minimum-wage increases. Housewife Jane Andrews, for example, hadn't worked for 10 years until she started as a Steak n Shake waitress last year. "You always say you're going back to work to get out of the house, but that extra money really helps," Mrs. Andrews says. "I know other women who are going back to work to help keep up with inflation."

YOUNG WORKERS HURT

As a result, job opportunities are reduced for teen-agers, who usually are less qualified than adults, and especially for black youths, who tend to be the least qualified. The unemployment rate in the 16-to-19 age bracket now stands at 16.3%, and for blacks of that age it is 37%. The minimum-wage law, Prof. Williams says, makes companies "less willing to hire and train the least-productive employee, which includes teen-agers and particuarly black teen-agers."

That's exactly what's happening in five Dairy Queen stores in Decatur, Ill. The owner, Stacy Smith, believes that students with higher grades tend to be better workers; so when the minimum wage went up, he raised his hiring requirements. He now looks for at least a "B" grade average. As a result, Mr. Smith says, fewer blacks qualify. This year only six of his 75 student workers are black, down from 10 of 75 a year ago.

Mr. Smith also has begun using another cost-cutting tool. By law, employers can get Labor Department permission to hire students to work up to 20 hours a week (more in the summer) at 85% of the minimum wage, provided that their work hours don't exceed 10% of a company's total. "I didn't see the need to take advantage of this before the minimum wage went up," Mr. Smith says.

RED LOBSTER'S CHANGES

Like Steak n Shake, General Mills Inc. has cut morning preparation time at its Red Lobster Inns. The restaurants still open at 11 a.m., but preparation now begins at 9 a.m. instead of 8 a.m. Red Lobster also cut restaurant crew meetings to twice a month from once a week; waitresses and waiters are paid to attend the meetings, where they can air gripes, learn new procedures and the like. In addition, Red Lobster thinned its supervisory staff to one supervisor for every four restaurants; each supervisor used to oversee only three inns.

Another company, International Multifoods Corp., has pared the work force 7% in its nine restaurants by combining jobs. Regular full-time employes now do some work such as preparing salads, that used to be handled by part-timers. So even though the minimum wage has risen—as have sales at the company's Boston Sea Party and T. Butcherblock restaurants—the restaurants' payroll costs are "about even" with last year, Multifoods says.

Some fast-food and restaurant companies are trying to change their hiring patterns. McDonald's Corp. is seeking to attract older workers to reduce crew turnover, but "it's too early for us to see any trends," a spokesman says. A similar move by Pillsbury Co.'s Burger King also hasn't been going on long enough to pass judgment.

SELF-SERVICE TREND

A trend to self-service restaurants is clear, however. Eliminating waiters and waitresses is especially important to employers because restaurants are faced with stiffer "tip-credit" requirements as well as the minimum-wage increase. Currently, restaurants must pay table help only half the minimum wage, and tips are credited with providing the other half. But next year, employers must pay table help 55% of the minimum wage, and in 1980 the requirement will rise to 60%.

General Mills says it is accelerating new openings of its self-service York Steak House resturants and slowing down Red Lobster openings (the company won't provide figures). Also, General Mills is testing a new beef and seafood restaurant called Hanahan's and designed around the self-service concept.

"Self-service is part of our strategic planning," says Eugene E. Woolley, executive vice president for restaurants. "It's a long-term effect of these minimum-wage increases." ●

NEW U.S. ANTITANK JET READY FOR DEPLOYMENT

● Mr. MATHIAS. Mr. President, Charles Corddry writing in yesterday's Baltimore Sun praises the A–10 close air support airplane in an article entitled "New U.S. Antitank Jet Ready for Deployment." The A–10 is assembled by Fairchild Industries in Maryland.

We can forgive Mr. Corddry for referring to the A–10 as "an ungainly looking crate," because he quite accurately points out that "it will have more capacity for destroying enemy tanks than anything now flying." It will be an important addition to the NATO response to the Warsaw Pact tank buildup.

Last summer when I visited General Haig at SHAPE Headquarters in Mons, Belgium, he indicated his strong support for the A–10. On August 15 of this year Gen. John Pauly, Commander in Chief, U.S. Air Force in Europe, issued a statement in which he reaffirmed:

The critical need for the early acquisition and deployment of the A–10 in sufficient numbers to provide immediate evidence of an improved conventional capability in Europe.

I commend Mr. Corddry's article to the attention of my colleagues and request that it be printed in the RECORD.

The article follows:

CAN EUROPE BE DEFENDED?—NEW ANTI-TANK JET READY FOR DEPLOYMENT

(By Charles W. Corddry)

Ramstein Air Base, West Germany—The United States Air Force in Europe, usually identified with sleek supersonic jets, is about to deploy an ungainly looking crate that it says quite simply will have more capacity for destroying Soviet tanks than anything now flying.

This new plane is the A–10, an armor-plated low-and-slow flyer that carries a packet of Maverick missiles with television and infra-red guidance to steer them into tank formations—the most worrisome Soviet threat to the forces of the Western alliance. The planes are assembled in Hagerstown by Fairchild Industries, Inc.

The A–10 is being cited just now as further evidence that the Air Force, which customarily operates at the leading edge of technology, is upholding its qualitative superiority over the Soviet air arm.

Besides the "tank-killer" airplane, which will enter European service in January, the Air Force has the clearly superior 1,650 mile-an-hour F–15 air combat fighter in squadrons in West Germany now and will receive the new F–16 in about two years.

The F–16, designed for both air combat and support of ground troops, also will serve with Belgian, Danish, Dutch and Norwegian air forces.

"We definitely have the edge in quality," says Gen. William J. Evans, though the Soviet air arm has made "remarkable increases" in bomb-carrying capacity, range and electronics.

General Evans has just retired as the commander of U.S. Air Forces in Europe and also of the allied North Atlantic Treaty Organization air forces in central Europe. He was succeeded by his former deputy, Gen. John Pauly.

What worries such commanders is the vision of lopsided numbers favoring the Warsaw Pact in a battle involving hundreds, perhaps thousands, of aircraft in the confined airspace over Europe, while massive Soviet tank formations press their attack on the ground.

General Evans calculates that Moscow and its Warsaw Pact allies have a 2½- or 3-to-1 advantage over the NATO forces in tactical aircraft. These include, for both sides, aircraft that would be engaged in both defensive and offensive roles.

The allied air headquarters here says the Warsaw Pact has more than 2,000 aircraft—more than half its total—assigned to attack roles against Western alliance targets.

The Soviet Flogger aircraft is rated first class for air combat and ground support, and the Fencer is said to be able to strike targets in Britain from bases in the western military districts of the Soviet Union.

Of course, the allies would get reinforcements quickly, mainly from the U.S., and General Evans estimates that in a week or less the ratio would be reduced to 3-to-2 in the Warsaw Pact's favor.

In present circumstances, given NATO's new determination to upgrade its military forces, General Evans shares the view widely heard in a NATO reporting tour, namely, that "we can keep on deterring" the Soviet Union from attacking Western Europe.

Besides the conventional force buildup to offset Soviet expansion, he notes, there must always be uncertainty in Kremlin minds over whether, or how fast, a conflict would turn nuclear.

If deterrence should fail and a conventional war should break out, leaders of allied air forces believe the alliance could deal with a Soviet air onslaught. This assumes fast reinforcement with high-quality aircraft like the F–15 and F–16 and, for supporting ground forces, the A–10.

The Warsaw Pact would have the advantages of numbers, the initiative, well-developed electronic measures for spoofing defense radars and a diversified assortment of surface-to-air missiles to protect their land forces and release aircraft for attack missions.

The West could count on qualitative superiority, newer aircraft across-the-board, what is generally regarded as much superior training to that of Warsaw Pact pilots following "canned scenarios," and highly advanced measures for warning and control of air battles.

And, as General Evans emphasizes, the numerical disparities could be adequately redressed fairly fast. "Quite a few" squadrons would arrive from the U.S. in 48 hours. Plans are in hand for dispersal over many Western European airfields.

The course of the air battle—how fast it could be taken to the foe—would depend importantly on the amount of warning of attack the West got and how swiftly political leaders ordered mobilization.

Plans are based on being able to move with as little as 48 hours' warning. If this were done successfully and ground forces moved forward to their fighting positions near the East-West border with all their combat equipment, air power could be concentrated on defense against the Warsaw Pact aircraft and on launching counterattacks in Eastern areas.

If the ground force movement were slowed, or ordered later than it should have been, a higher percentage of fighter planes would have to join the A–10 fleet (expected to number 100 by early next year), Army missile-armed helicopters and other arms in meeting tank thrusts.

Air counterattacks on other enemy areas would be delayed, as was the case with the Israeli forces in the 1973 Mideast war.

NATO's military commanders rate today's belts of antiaircraft missiles, through which attackers would have to fly, as "pretty bad for Soviet health," as an officer at headquarters near Brussels put it.

But with Soviet advances, this situation will change, and NATO's heads of government have ordered development of a new system that is likely to revolutionize air defenses in another decade. It probably will cost $25 billion.

The system will include jam-proof communications, radar sites hardened against bombing attack, positive means of distinguishing between friendly and enemy aircraft in confusing battle situations, airborne early-warning planes and better distribution of jet interceptors and antiaircraft missiles from northern Norway through central Europe to eastern Turkey.

This system is still being "invented," however, and the alliance must do with what it has and with piecemeal improvements well into the 1980's. ●

WORLD DEVELOPMENT REPORT, 1978

● Mr. MATHIAS. Mr. President, the World Bank has just issued an important statement entitled "World Development Report, 1978." This is intended as the first of a series of annual reports analyzing global economic development issues. It is a first-rate analysis of the problems and prospects facing the developing world today.

"World Development Report, 1978" begins on a note of optimism:

The past quarter century has seen great progress in the developing countries.

The balance of the report, however, is less hopeful:

About 800 million people still live in absolute poverty. These are people living at the very margin of existence—with inadequate food, shelter, education, and health care.

Each year we in Congress authorize and appropriate considerable sums for bilateral and multilateral assistance. We do so, because as responsible citizens of the world we cannot ignore the misfortunes of others. But all too often our debates on foreign aid ignore the human element. We talk of money, first-class airfare, and inflated salaries. These are proper issues of concern, but in the process of discussing them we forget what it means to be hungry, sick, or poor. We forget what it means to survive on

less than $250 per year. The average citizens in 34 countries of the world must do exactly that.

The World Bank report illuminates the problems facing developing countries and examines the avenues available for alleviating these problems. Development has two aims—economic growth and the alleviation of poverty.

Economic growth is to a substantial degree a function of trade and the availability of capital. To earn foreign exchange developing countries must export. When the developed world cuts back on imports, for whatever reason, the negative impact on developing countries can be serious.

But the harm is not just felt one way. The World Bank report points out that—

Developing countries purchase fully one-quarter of the total exports of industrialized countries.

In our own case, developing countries purchased approximately 35 percent of our total exports in 1977. Clearly, if their sources of foreign exchange are curtailed developing countries must cut back on their purchases of our exports.

External capital provides another vital source of foreign exchange necessary to the progress of the developing world. Private banks have been a major factor in the development efforts of a number of countries. Unfortunately, this source of funding has problems associated with it such as the relatively short maturities of commercial bank loans. For low-income countries in particular, official development assistance from government and multilateral sources is vital. Unfortunately, the World Bank points out that—

Resource transfers on concessional terms have fallen considerably short of expectations . . .

"Given the obstacles they face, elimination of absolute poverty in low-income countries by the end of this century seems impossible." This is a grim fact, but what the World Bank report points out is that we are not helpless. Progress can be made.

I ask request that the summary of the "World Development Report, 1978" be printed in the RECORD. I commend to all of my colleagues the full text of this important document.

The summary follows:

A WORLD BANK PUBLICATION SUMMARY—WORLD DEVELOPMENT REPORT, 1978

BACKGROUND OF THE STUDY

The past twenty-five years have seen substantial progress in developing countries. The rapid growth of incomes has been accompanied by a rapid expansion of educational systems, growing literacy, improvements in nutrition and health conditions, and increasing technological sophistication and structural changes, including an expanding industrial base and greater urbanization. Obviously, experience has varied. But the fact that some 800 million people are still in absolute poverty—with incomes too low to ensure adequate food or shelter, and without access to essential public services such as education or health care—is a stark measure of how much remains to be done. Development progress so far has been neither sufficiently fast nor sufficiently broadly based to reduce the numbers of people in absolute poverty. Even maintaining present rates of progress will require large increases in the flows of capital to developing countries, determined resistance to protectionist pressures against their exports, and vigorous efforts to raise the growth of agricultural productivity. On current projections, it is clear that absolute poverty will continue to be a massive problem for many decades.

This report is the first in a series of analytical reviews of development issues by the staff of the World Bank. Its coverage is therefore not intended to be exhaustive. It focuses on the acceleration of economic growth and the alleviation of poverty, giving particular attention to how the development of trade, the expansion of commercial lending, and aid are likely to affect the prospects of different groups of developing countries. The report does not seek to deal in detail with issues currently under active negotiation. The statistical annex to the report. World Development Indicators, is a compilation of selective economic and social data for 125 countries, designed for easy reference.

THE OBJECTIVES OF DEVELOPMENT

The obstacles developing countries face in accelerating progress differ in degree and in kind, as do the appropriate policy instruments. There is, however, a growing recognition that development strategies need to give equal prominence to two goals: accelerating economic growth and reducing poverty.

Rapid economic growth is fundamental to any development strategy, not only to keep pace with growth in population and to create employment for the growing labor force, but also to generate increased saving for investment. Particularly in the Low Income countries—countries with income per person lower than US$250 in 1976—substantial progress in reducing poverty will be impossible without faster growth. But growth alone is not enough. Because the poor tend to share less than proportionately in growth—since they have only limited access to productive assets, education, and employment—deliberate action is necessary in areas that affect the distribution of increases in income. These include the structure of economic incentives, the allocation of investments, and the creation of special institutions and programs to increase the productivity of the poor and their opportunities for employment.

The poor suffer not only from low incomes but also from inadequate access to public services essential to their health and productivity. Because many of these services, such as sanitation and safe water supply, cannot be privately purchased, extending the distribution of services must be an important element of strategies to alleviate poverty.

Though the main responsibility for successful development rests with the developing countries themselves, the measures that they can implement effectively and the rates of growth that they can achieve are influenced by external factors: the markets for their exports, the costs of imports, and the availability of international capital to help finance investments.

INTERNATIONAL POLICY ISSUES

Interdependence in the world economy is not new. But the nature of interaction between countries changes continually, and the emerging patterns of interdependence are perhaps not yet fully understood. In recent years, the prospect of growing instability in international grain markets and the rise in oil prices have indicated some of the more dramatic aspects of interdependence and have made more people aware of the importance of maintaining stable trading relationships in these vital commodities. But interdependence permeates many more aspects of international relations.

With their expanding industrial capacity, increasing numbers of developing countries are now involved in the rearrangement of international comparative advantage that has been a major source of economic growth for the industrialized countries over the past twenty-five years. The developing countries have become a substantial market for exports from the industrialized countries. By borrowing in international capital markets they have managed to sustain the growth of this market through the recent upheavals in the international economy. Their capacity to service debt depends on the foreign exchange earned by their exports, most of which are still sent to the industrialized countries. International migration of labor on a large scale and the growth of tourism have helped to reinforce the economic links between industrialized and developing countries.

The faltering pace of economic recovery in the industrialized countries and the growing uncertainty affecting international trade and capital movements make the international environment less favorable for progress in the developing countries than it has been for much of the past twenty-five years. Most observers agree that the industrialized economies will grow more slowly in the next decade than the rate of 5 percent a year that they maintained in the early 1970s. They continue to face inflationary pressures and imbalances in external payments, which have given their policies a deflationary bias. For this study, an average growth rate of 4.2 percent a year between 1975 and 1985 is projected for the group. The slowdown in their economic activity will be reflected in slower growth of international trade, and is one of the causes of a rise in protectionist pressures against imports from developing countries.

THE GROWTH OF PROTECTIONISM

Severe new restraints have been introduced on imports of textiles and clothing, the fastest growing categories of manufactured exports from developing countries. Other products of interest to developing countries are increasingly being affected.

How strongly the new barriers will affect the growth of developing countries' manufactured exports will depend in part on how strictly the quantitative restrictions are administered. It is possible that, in aggregate, these exports could continue to grow at the safe trend rate as in 1960–75, provided that the more advanced developing countries can speed their diversification out of textiles and clothing and into engineering products and other manufactures. The more restrictive the international trading conditions, however, the fewer the developing countries that will have enough flexibility to exploit the remaining opportunities for expanding manufactured exports. In a climate in which demands for protection in industrialized countries are more likely to be accepted, even protests by producers against the growth of imports can discourage developing countries from orienting investments toward export production.

For the industrialized countries, protectionism can be self-defeating in the long run. The liberalization of international trade, which has characterized the last twenty-five years, makes important contributions to the pace of growth in industrialized countries: it fosters an international division of labor that accelerates the upgrading of skills and labor producivity in industry, encouraging technological progress; it provides an inflow of manufactured articles at lower prices, thus increasing real purchasing power and reducing the inflationary pressures that inhibit the pursuit of growth through expansionary monetary and fiscal policies; and it stimulates growth in the developing countries, causing a further expansion in the markets for the industrialized countries' exports.

It is not worth paying the costs of reduced

growth and higher inflation to avoid the unemployment that may be caused by the growth of imports from developing countries. In the aggregate, the level of employment is affected far more by the growth of the economy as a whole than by imports from developing countries. Studies have also demonstrated that the employment preserved by protection against imports from developing countries is offset by the loss of employment in industries that export to these countries.

Furthermore, if the export earnings of the developing countries are reduced, the effects on their economic growth and on their demand for imports will be transmitted back to the industrialized countries, with adverse effects on employment in export industries. It is not widely recognized that the developing countries purchase fully one-quarter of the total exports of industrialized countries. The developing countries' import market has been one of the most buoyant elements of demand during the current recession and has helped to sustain production and employment in important export industries in industrialized countries. Limitations on imports from developing countries can be self-defeating because they put at risk much larger volumes of export production: exports from developing to industrialized countries were about US$26 billion (thousand million) in 1975, but the reverse flow of US$123 billion.

Such considerations cannot allay concern about particular firms or regions that have difficulty in withstanding competition from imports. These cases, however, call for special measures to smooth the process of adjustment, rather than broad protective measures that prevent adjustment.

The structural adjustments to shifts in international comparative advantage can be difficult and painful, but with adequate forward planning, measures can be devised to ease the transition and reduce its social costs. Most industrialized countries' efforts to facilitate adjustment are too limited at present. As the necessary basis for appropriate adjustment policies, a few have undertaken studies of the probable changes in their industrial structures. It would impart a desirable sense of urgency if governments were to commit themselves to formulating such policies and to agree to consult on their implementation in international forums.

Import barriers are common in the developing countries as well. Through these may be justified at an early stage of industrialization, their negative effects on industrial efficiency and growth become increasingly evident as countries advance in the development process.

As international specialization increases, active participation by developing countries in international trade discussions will become more and more important. In the past the main objective of the developing countries in international trade negotiations has been to acquire special tariff preferences. Analysis suggests that it is much more important to concentrate on resisting pressures for nontariff barriers to their imports. Their negotiating position would undoubtedly be strengthened and the protectionist pressures in industrialized countries more effectively addressed if nontariff barriers could be negotiated on the basis of reciprocal concessions from developing countries.

Trade among developing countries in manufactured goods has significant potential for growth: developing countries still obtain only about 15 percent of their manufactured imports from other developing countries. So far, most of the expansion of this trade has been based on preferential treatment in regional arrangements. Faster expansion will require a more general liberalization of imports, as well as changes in the structure of industrial incentives and measures to strengthen the institutions handling transport, communications, and export credit.

INTERNATIONAL CAPITAL FLOWS

Even if the earnings from trade expand steadily, the resources available to the developing countries must be supplemented by an adequate inflow of external capital. The poorer developing countries, whose capacity to service debt remains limited, must rely on Official Development Assistance (ODA) on highly concessional terms. Resources transfers on concessional terms have fallen considerably short of expectations, of need, and of the capacity to use them effectively. While ODA from members of the Organization of Petroleum Exporting Countries has increased significantly in recent years, that from the Development Assistance Committee of the OECD grew at an average rate of only 1.4 percent a year in 1960–75. The large South Asian countries were among the ones most adversely affected by the slow growth of these flows.

Net annual flows of ODA from the Development Assistance Committee are projected to grow from US$14 billion in 1975 to US$44 billion in 1985, with a gradually rising share of the total going to Low Income countries. This implies an increase of 5 percent a year in real terms, but one which would still fall far short of the internationally accepted target of 0.7 percent of donor countries GNP: the volume of ODA would rise only from 0.36 percent of donors' GNP in 1975 to 0.39 by 1985. Even this is unlikely to be achieved unless three large contributors—the United States, the Federal Republic of Germany and Japan—increase their commitments substantially. Statements in support of a larger aid effort have been made in all three countries, but they have yet to be translated into action.

International lending at market terms, from public and private sources, is of particular importance to the Middle Income countries—those developing countries with income per person of more than US$250 a year. This lending has grown rapidly in recent years, but there are problems in ensuring that it will continue to expand adequately in the next decade. Much of the private lending to developing countries comes from relatively few large commercial banks, most of them in the United States. Other banks' participation is growing, and it is important that this trend continue if the present constraints on the expansion of private lending are to be overcome.

Present prospects suggest there will be no general problem of debt-servicing capacity, even though individual developing countries might encounter short-term liquidity problems. The outlook for private lending depends on a mixture of fact and psychology. Some actions designed to ensure the stability of the banking system in the capital-exporting countries might, by causing abrupt changes in the availability of finance to the developing countries, trigger the very debt crises that they are intended to prevent.

Another source of instability is the fact that private loans to developing countries generally have short maturities, particularly compared with the gestation periods of the investments they finance. The projected increase in gross disbursements from private banks for 1975–85 is three times the increase in net disbursements. To extend the average maturity of private lending, measures would be desirable to improve developing countries' access to the long-term bond markets, as well as to increase the proportion of loans from official sources, which lend at market rates but with longer maturities. The latter will depend upon timely action to increase the capital base of the international lending institutions.

ELEMENTS OF DEVELOPMENT STRATEGY: MIDDLE INCOME COUNTRIES

The Middle Income countries are a heterogeneous group in their economic structure, development experience, and level of income per person, but in general their economic growth depends more closely than that of the Low Income countries on international economic conditions. The uncertain outlook for trade and capital flows will probably make it difficult for them to maintain their historical rates of growth. Most Middle Income countries are projected to grow more slowly in the next decade: at 5.9 percent a year between 1975 and 1985, compared with 6.4 percent annually in 1970–75 and their trend rate of 6.0 percent a year from 1960–75.

Maintaining rapid rates of growth will require efforts to sustain the growth of their export earnings, supplemented by measures to achieve a more broadly based expansion of domestic demand. This will require a more balanced growth strategy, including the acceleration of agricultural development. Greater priority will need to be given to investments in the physical infrastructure supporting agriculture, the creation of a more satisfactory set of incentives and relative prices, and much improved support services. Measures to preserve the growth of foreign-exchange earnings include raising export incentives, increasing the domestic value added in manufactured exports, and, particularly for the more advanced countries, diversifying those exports. Measures to further the growth of trade among developing countries will also be important.

Some of the major Middle Income countries have large external debt service obligations. For them, it is vital to preserve a stable climate for commercial capital flows to avert severe balance-of-payments problems and a sharp decline in their economic growth.

ELEMENTS OF STRATEGY: LOW INCOME COUNTRIES

In the Low Income countries of Asia and Sub-Saharan Africa, where the majority of the world's absolute poor live, more than three-fourths of the population depends on agriculture. The key to reducing the numbers in poverty is to accelerate the growth of agriculture, increasing productivity to raise the incomes and purchasing power of small and marginal farmers and creating employment for the landless. The growth of agriculture is also an important factor in industrial growth: a large part of consumer demand for industrial products depends on agricultural prosperity, and much of the manufacturing activity in these economies is based on agricultural raw materials.

The Low Income countries' agricultural potential is such that, with strenuous efforts to redirect their policies, they could almost double their rate of growth in this sector. If they can achieve this, their economies could grow at 5 percent a year in the period 1975–85, compared with the 3.1 percent annual rate of the previous fifteen years. The prospects of achieving such an acceleration vary among countries, because of differences in the availability of suitable technology and the potential for irrigation.

In parts of Asia where a large potential for irrigation can be tapped, agricultural output can be increased rapidly by stepping up investment in irrigation. Changes will be necessary in the administration and organization of agricultural support services to assure that information is disseminated broadly and quickly and that the services are responsive to the special needs of small farmers. In rainfed areas, too, there is considerable scope for progress with present knowledge. But in the drought-prone areas of Sub-Saharan Africa and Asia, major technological problems remain to be resolved if

sustained agricultural growth is to be achieved.

Measures to make crop cultivation more productive would need to be supplemented by dairying, poultry, and fisheries programs, which are particularly important in raising the incomes of the small and marginal farmers and the landless. But even if agriculture grows much faster than hitherto, underemployment will be a growing problem in Low Income Asia, calling for greater emphasis on creating nonfarm jobs in rural areas and systematic expansion of large-scale public works programs.

Strengthening rural and urban infrastructure to support these development efforts will be highly demanding of investment funds in industry as well as in agriculture. This will require efforts on a large scale to mobilize domestic resources, including the reform of taxation systems, introduction of realistic prices for public sector products and services, restraint in government consumption expenditures, and increased incentives for private saving. It is, however, extremely difficult to raise domestic saving at these countries' very low levels of income. With their limited capacity to service external debt, these countries urgently require increased flows of concessional assistance if necessary investments are to be made.

REDUCING ABSOLUTE POVERTY

A necessary condition for progress in reducing poverty is maintaining rapid economic growth, especially in the rural areas of Low Income countries where the majority of the poor live. But the elimination of absolute poverty by the end of this century seems impossible. Illustrative projections show that even if the trends projected above continue to the end of the century, about 17 percent of their populations would still be left in absolute poverty by the year 2000. With the rapid increases in population that now appear inevitable, this means 600 million people. Assumptions about future progress can, of course, be varied in innumerable ways. Nonetheless, it is disturbingly clear that absolute poverty will remain a problem of enormous dimensions at the end of this century.

Actions against poverty are urgent. In addition to accelerating the growth of their incomes, it is necessary that essential public services such as water and sanitation be made more accessible to the poor. In both the Middle Income and Low Income countries there is a good deal of scope for widening the distribution of essential public services within the same budgetary allocations: by adapting successful experiments in low-cost delivery systems, by using suitable technologies and design standards, and by relying more heavily on the participation and self-help efforts of the communities who are to benefit. Nonetheless, extending public services to the full population will require substantial additional investment in all kinds of infrastructure, followed by large increases in public expenditure to operate and maintain these systems.

If resources are not to be wasted, programs to improve the conditions of the poor need to have clearly defined objectives and realistic schedules for their implementation. Deep-seated traditions, weaknesses in administration, and opposition from affected groups can make it formidably difficult even for the most dedicated government to modify the patterns of economic growth or to alter the distribution of essential public services. If programs are conceived without clear targets, designs, and plans for their execution, it is difficult either to assign administrative responsibility for them or to evaluate the effectiveness of different approaches to alleviating poverty—and impossible to learn from experience. Success is far more likely if governments set themselves explicit targets for the growth of incomes of the poorest groups and for the extension of basic public services, and then monitor progress regularly.

No actions in the international sphere can substitute for vigorously implemented domestic policies that reach the poor. But unless the developing countries can be assured of continuing markets for their exports and expanded access to international capital on terms they can afford, the numbers of people in absolute poverty cannot be expected to decrease. It should be obvious that the industrialized countries too have a large stake in an international economy that supports the efforts of developing countries to sustain rapid growth and alleviate poverty as rapidly as possible.●

U.S. POLICY IN RHODESIA

● Mr. HEINZ. Mr. President, much of the debate on our Rhodesian policy has revolved around points which I believe to be extraneous to the central issue. That central issue is, simply, what is the best path to a peaceful transition to majority rule.

It is unfortunate, in my view, that so much of the public debate on Rhodesia has been taken up with implicit moral commentaries on the various parties there. We often hear statements about which group represents our real friends there, which group promises a system of government closest to our own, or which group is most popular with the other African nations, particularly the Front Line states.

These are important questions, Mr. President, but by focusing on them, we miss the most important issue—how to avoid violence as Rhodesia moves to majority rule, as move it must.

To its credit, the administration makes its case clear in this respect. The crux of its argument is that: First, our current policy is neutral between the Patriotic Front and the signers of the Salisbury Agreement; second, lifting sanctions would tilt our policy toward the latter, thereby causing, third, a decline in our hard-won credibility and influence in the Front Line states, and fourth, a hardening of the Patriotic Front's position, including an increase in violence and the possible seeking of outside sources of support.

This is a logical sequence, but let us examine each part of it carefully. First is the assertion that our policy has been neutral. Though that may be true in intent, there is no question that it is false in perception—in the United States and elsewhere. Our policy has given the clear impression that we oppose the internal settlement, both on the grounds of its nonviability as well as on the grounds of substantive inadequacy. Implicit in our policy is the suggestion that the settlement is in some way not good enough.

I well recognize the deficiencies of the agreement from our point of view—the effective continuation in power by the white minority, the disproportionate number of seats in Parliament reserved for whites, and the greater weight of a white vote compared to a black vote.

The agreement, however, is also not without strengths—most notably the granting of a universal franchise and the setting of a firm date for independence, before which elections will presumably take place. When placed in the context of Rhodesian politics over the past 10 years, this is progress indeed. In some respects, the most significant strength of this agreement is the simple fact that it exists at all. To anyone familiar with the reluctance of the Smith regime to make any significant concessions for so long, the mere fact of agreement cannot help but have some significance.

It is not my intention, however, to discuss the merits of the Salisbury Agreement, and neither should it be the administration's. Rather we should be talking about what course of action will lead to a peaceful transition of power to black rule. There seems no longer to be basic disagreement on the final goal, only on how to get there, and how soon. One area of disagreement, however, is on how long to continue the economic sanctions against Rhodesia.

Opponents of the immediate lifting of economic sanctions contend that the best way to get there lies in the pursuit of further negotiations pursuant to the Anglo-American Plan, possibly an All Parties Conference, so that the Patriotic Front can be brought into the process.

This, of course, has been our policy objective since the Carter administration came into office. Presently negotiations seem to have reached the fundamental obstacle of both sides supporting free elections but each side demanding control of the process by which those elections will occur. This is hardly an ennobling debate, but it is one which thus has eluded resolution. The administration asserts that it can be resolved, but it presents no evidence to that effect and proposes no real hope of breaking the logjam.

Action to lift sanctions, however, offers such a tactic. Recognizing the same stalemate, promises to add to the legitimacy and strength of the transition government, thereby increasing its support and pressuring the Patriotic Front to come to the table in a more conciliatory fashion.

This suggests that our current policy is in effect a self-fulfilling prophecy, that by considering the internal settlement nonviable, we thereby make it so; and if we were to provide support, even in symbolic terms, the settlement could become viable.

The administration argues that it is the Patriotic Front which makes the settlement nonviable, that lifting sanctions will serve only to harden their attitude, increase their intransigence, and encourage them to seek outside military assistance, possibly from the Cubans, and that the Front Line states will support the Patriotic Front in this regard, despite their awareness that the escalation of violence could ultimately turn against them.

In my view this sequence of events is by no means clear. It can reasonably be argued that the Patriotic Front already is intransigent and uninterested in a negotiated settlement and that the situation has already deteriorated into violence, all under the aegis of our current policy, for which the administration has sought the Senate to support.

From this perspective our policy serves

only to make the Patriotic Front look respective while it can continue to fight a guerrilla war which will escalate anyway, and our policy hinders the transition government in attracting whatever internal popular support it might be entitled to on the merits.

Thus, though our policy may be more attractive rhetorically to the Front Line states and other outsiders, it may well be having the effect of selling out the people of an independent Zimbabwe—the very people we are ostensibly trying to help—by making it impossible for them to freely choose a new government.

It would appear that the crux of the current disagreement between the Patriotic Front and the transition government revolves around different assessments of who is going to win the battle for popular support. Unsure of their ability to win a fair election, and/or divided personally behind various leaders who would like to win, all parties want to create an election structure that insures them victory, a victory which at present is uncertain for anyone. It should be clear from this that the real enemy of peace in Rhodesia is uncertainty. The longer the situation stalemates, the less the likelihood of successful agreement and the greater the possibility of increasing violence.

It ought to be in our interest to reduce this uncertainty and help end the paralysis in a way which assists the transition to black rule. Removal of sanctions would help this process, if only symbolically, by adding to the legitimacy of the transition government and helping provide it with an opportunity to seek popular support.

Such an approach, of course, may well be criticized for the same flaw in the administration's policy—an implicit approval of one side or the other, in this case of the internal settlement. That interpretation would not be accurate, in my case at least. I have already outlined my concerns about the Salisbury Agreement. I have also pointed out, however, that the settlement represents an agreement between widely differing parties, and that the black participants in it have previously been widely respected. That agreement deserves a chance. It goes without saying that had it been reached 8 years ago or 10 years ago it probably would have been welcomed by everyone. It is a sign of how difficult the situation has become that what would have been acceptable in the past is today bitterly controversial and the focus of much violence and death. Nonetheless, the agreement still deserves a chance, and it is up to us, among others, to see that it gets one.

It is clear that such a policy is not without cost. The main cost will be in our relations with other states, particularly the Front Line states, who have supported the Patriotic Front. I do not believe, however, that this policy will have an adverse effect within Rhodesia. At best it will assist the transition government in obtaining support in the country and persuade the Patriotic Front to come to terms. At worst it will not have those effects—the Patriotic Front will continue as it is now, and the situation will deteriorate further. Obviously this policy poses uncertainties, just as our current policy does, but it offers the hope of some progress where we seem to have made very little to date.

Finally, we should put such issues as the lifting of a sanctions in their proper context. If the economic sanctions, for example, were lifted we would not be recognizing the transition government. Neither would we be providing it with any significant material support, military or economic. I have yet to hear anyone pretend the lifting of sanctions for a period prior to the holding of elections will have any significant economic impact. Commercial relationships simply cannot be established that quickly, particularly when there remains the real possibility they will be shortly shut off again. What this action would do is take a small half step in the direction of giving the transition government some moral support, which to this Senator implies not so much moral approval of that government as the recognition that it has the most reasonable chance of successfully turning to majority rule without war.

The administration, to its discredit, portrays the lifting of sanctions in starker terms and thereby gives it a significance it does not deserve. It will not cause civil war in Rhodesia—as if there was not one there already—nor will it mean an irrevocable end to any good relations with progressive African States. Part of the process of maturing as a nation is perceiving one's interests in objective, nonrhetorical terms. I am confident that the African nations are moving as rapidly down that path as the rest of us, and in doing so would react to this action with restraint and the realization that our objectives have not changed any more than theirs have.

Mr. President, when the Senate considered the question of economic sanctions last month it approved the Case-Javits amendment which provided for the lifting of sanctions after free elections were held and after the transition government has agreed to attend an all-parties conference. This represents a step forward from the administration's policy because it lends a measure of support to the transition government and the internal settlement, while at the same time maintaining that additional progress is needed. On the other hand, by putting off the effective date of the lifting of sanctions and making such lifting contingent on certain developments, the amendment may actually increase the possibility of violence by encouraging the Patriotic Front to escalate its guerrilla activities to prevent elections from being held and sanctions from being lifted.

The net effect of the Case-Javits amendment, however, may well be positive in one respect—it may well produce some changes in attitude on the part of the administration with respect to its policy toward Rhodesia. Such changes, of course, would be quite significant. It is not my intention to signal unqualified American support for the Salisbury agreement, but rather to send a more moderate signal—that our policy does in fact intend to give the transition government a fair chance to make good on its commitments, and that we do not endorse a policy of violence and destruction in Rhodesia. To the extent that the Case-Javits amendment will send that signal, it deserves endorsement. But the President should be aware that there are many of us in Congress who would have preferred a more immediate lifting of sanctions and are prepared to continue advocating that position if the situation in Rhodesia continues to deteriorate.●

CONTINUING OPPRESSION OF SOVIET DISSIDENTS

● Mr. HEINZ. Mr. President, the tragic events of the past month in the Soviet Union have given us all cause for great sadness and outrage—sadness at the arbitrary sentences handed down to those on trial and outrage at a system that so determinedly violates basic human rights.

In the light of these recent examples of Soviet "justice," it is appropriate for us all to register our growing sense of alarm at these blatant and continued violations of basic human rights and freedoms.

One of my saddest experiences recently was greeting Avital Shcharansky soon after the sentencing of her husband. I was overcome with a profound feeling of sorrow for this heroic couple and for the many other people in the Soviet Union, whether Jews, Ukrainians, or members of other groups, who are being denied their legitimate personal rights and freedoms and are persecuted for seeking them.

Living in the United States where such fundamental principles of human existence as the freedom of thought, speech, religion, and press are the irrevocable underlying tenets of our Nation, we often overlook the reality that people in other nations are routinely denied these basic and cherished rights. Nothing provides a starker contrast between the United States and the Soviet Union than the sham trials we have witnessed. We all are saddened for Anatoly Shcharansky, for the further pain and misery he must bear in prison. We are saddened for Avital Shcharansky, for the further pain and grief she must now endure during this separation. We are saddened for the victims of the other recent trials and their families as well as for the countless other Soviet peoples who must endure fear and oppression every day of their lives.

But with our sadness must come outrage at the lies and mockeries that Moscow will continue to perpetrate as it suppresses free expression and the basic principles of human rights the Soviet Government promised to uphold when it signed the Helsinki Agreements. What credence can we give to a Soviet commitment to honor any treaty when it has not merely failed to live up to this one, but has flagrantly violated its most important elements. The Soviet Government has undertaken a deliberate attack on its citizens who have bravely and freely organized to monitor their country's compliance with human rights provisions of the 1975 Helsinki agreements. The Soviet Union has conducted a sys-

tematic campaign of jailing, banishment, and expulsion of the members of the Helsinki Watch Committee, culminating in the latest contrived trials and prearranged verdicts of Shcharansky, Ginsburg, Petkus, and others. It is tragic to realize that these people are being punished by their country solely for exercising their rights—rights formally acknowledged by their Government.

In response to this deteriorating situation, the United States and other nations have regularly brought their concerns to the attention of Soviet officials. These appeals have been ignored, and the situation in the Soviet Union has, if anything, gotten worse.

Under those circumstances, it is important for the administration to adopt a clear and decisive policy of response to these actions. To that end, I recommend that the President:

First, immediately suspend, for an indefinite period, export licensing and sale of all high technology items to the Soviet Union, including oil drilling equipment;

Second, require the licensing of all manufactured items, except those broadly available (90 percent of our exports to the Soviet Union are not now subject to licensing);

Third, permit only a congressionally accountable official (rather than a member of his own staff or the National Security Council) make any decision in export cases to the Soviet Union; and

Fourth, urge Japan and our NATO allies to adopt the same strictures on trade with the Soviet Union, thereby insuring that our efforts to use the export lever are not undermined.

Taken together, these measures represent a restrained effort to use the policy tools available to us to encourage the Soviet Government to live up to its international commitments. Control of export policy is a lever to be used only with the greatest care, as its use has adverse effects on American manufacturers as well as on the Soviet Union. That can be a price worth paying to further our human rights objectives, but we need to be very sure in advance that such a tactic will in fact achieve its intended goal. With respect to the Soviet Union, I believe that the careful use of such policy tools will indeed have the desired impact, and that the human rights violations or the Soviet Government are so serious and so important that a firm approach on our part is fully justified.

Thus far, the Soviet Union has proven itself an intransigent, hostile, Government unwilling to provide the most basic human rights to its citizens. People of good will in the United States have been speaking out in protest for a long time. It is time now to begin a more active, aggressive policy in support of these world wide principles.●

PROPOSED TAX CONVENTION WITH KOREA

● Mr. INOUYE. Mr. President, on June 29, along with all other Members of the Senate, I received a telegram from Mr. Paul Hall, president of the Seafarers International Union of North America (SIU) urging that the full Senate review article 10 of the proposed tax convention with Korea.

The SIU was concerned that article 10 of the proposed treaty provided another tax incentive for the construction and operation of foreign-flag vessels at the expense of the American maritime industry and the U.S. Treasury.

This issue had not been explored during committee consideration of the treaty, and as chairman of the Merchant Marine Subcommittee, I was concerned that the treaty might raise substantial issues as to whether it was consistent with our national shipping policy to establish and maintain a strong merchant fleet, built in America, owned by Americans, manned by American crews, and fully capable of serving our international economic, military, and political commitments under all foreseeable circumstances.

Accordingly, I wrote to the chairman and members of the Committee on Foreign Relations and the Secretary of the Treasury on July 12, expressing my concern.

On July 26, along with Senators ALLEN, MAGNUSON, and HOLLINGS, I wrote a second letter to Secretary Blumenthal again expressing concern over article 10, and requesting specific information on the policy implications of that article.

I shared a copy of Secretary Blumenthal's reply to our letter of July 26, with the SIU, and requested the union's comments on it.

By letter dated August 21, Mr. Hall replied that the SIU is willing to withdraw its objections to article 10 of the treaty in view of the Secretary's support for a strong U.S. merchant fleet, his bias against any tax measures favoring foreign over U.S.-flags, and his expressed view that the treaty change will benefit U.S.-flag carriers and will not create an incentive to U.S. residents to register their ships under a foreign flag.

Mr. President, I am not only pleased by the Secretary's assurance that article 10 will benefit U.S.-flag carriers, but I believe it is especially noteworthy that he is pledged to a strong U.S. merchant fleet and a tax policy that reflects that support.

Mr. President, at this point I would like to place in the RECORD copies of the letters to which I have referred.

The material follows:

JUNE 29, 1978.

Hon. DANIEL K. INOUYE,
U.S. Senate,
Washington, D.C.:

The Seafarers International Union of North America supports a strong United States merchant fleet. We are deeply concerned about the proposed tax convention with Korea.

Article 10 of the proposed treaty provides another tax incentive for the construction and operation of foreign-flag vessels, at the expense of the American maritime industry and the United States Treasury. Article 10 reverses United States tax treaty policy, which has traditionally provided that income from ships operated in international trade by American citizens benefits from the treaties only if the ships are registered in the United States. The proposed Korean tax treaty provides that foreign-flag ships owned by Americans qualify for Korean tax exemption. Thus, an additional tax incentive is created for American-owned, foreign-flag ships, a fleet whose primary reason for existence is tax avoidance.

This is the second time within a very few days the Senate has seen such language. A comparable provision appeared in the tax convention with the United Kingdom. The report of the Committee on Foreign Relations stated, at page 19, that the U.S.-U.K. treaty provisions were "not intended as a precedent for future U.S. treaty policy in this area." Yet a duplicate proposal appears in the U.S.-Korea treaty. No record exists justifying this policy change. In fact, in the words of a report prepared by the staff of the joint committee on taxation, this change in traditional tax treaty policy, "in effect, validates" the practice of American companies seeking foreign tax shelters for their shipping operations. It is exactly this practice, particularly the operation of Liberian-flag vessels, that has contributed to the decline of the American fleet, which is subject to the tax laws of the United States and contributes to the security and economic well-being of our Nation.

We strongly urge that the full Senate review article 10 of the proposed treaty and take the steps necessary to amend it so as not to create another tax incentive for the use of foreign vessels by United States citizens.

PAUL HALL, *President.*

U.S. SENATE,
Washington, D.C., July 12, 1978.

Hon. JOHN SPARKMAN,
Chairman, Senate Committee on Foreign Relations, Washington, D.C.

DEAR MR. CHAIRMAN: Within the past few days my Merchant Marine Subcommittee has received complaints regarding Article 10 of the proposed Tax Treaty with the Republic of Korea, which your Committee reported with a recommendation that the Senate give its advice and consent to ratification of the treaty.

Essentially the criticism is that Article 10 of the proposed treaty provides another tax incentive for the construction and operation of foreign-flag vessels, at the expense of the American maritime industry and the United States Treasury. Article 10, according to the critics, reverses United States tax treaty policy, which has traditionally provided that income from ships operated in international trade by American citizens benefits from the treaties only if the ships are registered in the United States. The proposed Korean Tax Treaty provides that foreign-flag ships owned by Americans qualify for Korean tax exemption. Thus, an additional tax incentive is created for American-owned, foreign-flag ships, a fleet whose primary reason for existence is tax avoidance.

As Chairman of the Merchant Marine Subcommittee, I believe Article 10 raises substantial issues as to whether it is consistent with our national shipping policy to establish and maintain a strong merchant fleet, built in America, owned by Americans, manned by American crews, and fully capable of serving our international economic, military and political commitments under all foreseeable circumstances.

This policy recognizes that even in times of peace, economic and political tensions and other unforeseen contingencies may seriously disrupt or distort traditional patterns of commercial intercourse in international trade routes. As such, it reflects the realization that an international power such as the United States cannot be dependent upon ocean transportation media owing al-

legiance to alien flags without threatening its national security.

Recently, the Chairman of the Board of Governors of the National Maritime Council stated that the Council believes "flags of convenience pose a potential threat to national security. While the U.S. has agreements with Honduras, Liberia and Panama stating that such ships will be returned to the U.S. in times of national emergency or war, there is doubt in some government places as to whether such an agreement is worth the paper it is written on."

To help assure these policy objectives are achieved the law provides for parity with foreign-flag crews and shipyard works, in the form of direct subsidies to private ship operators of U.S.-flag vessels operating on essential foreign trade routes, and for the construction of merchant ships to cover differentials in costs between American and foreign shipbuilders for private shipping companies' use on essential foreign trade routes. For fiscal year 1979, Congress has appropriated $157 million for ship construction subsidy program; and $262.8 million for operating differential subsidy program.

It would appear therefore that Article 10 may not only operate to frustrate the objectives of our national shipping policy, but in the process undermine the efficient use of nearly one-half billion dollars of Federal monies.

Standing alone I believe these issues are sufficiently serious to call into question the desirability of Article 10 in the national interest. The consequences are further exacerbated, however, because the viability of the American merchant marine is severely threatened by other factors such as Russian shipping interests which are luring business away from American liners by anticompetitive practices such as rate cutting.

Whereas, at the end of World War II the U.S.-flag merchant fleet ranked first in size among the national fleets of the world, today it ranks 10th.

Our nation's foreign trade—almost all of it—is carried on foreign-flag vessels. Less than 5 percent of our export-import commerce is transported on ships that fly the American flag, and only 2 percent of our dry bulk trade and less than 4 percent of our vital oil import trade are carried on American vessels.

For the foregoing reasons, I believe serious consideration should be given to amending Article 10 insofar as it reverses United States tax treaty policy which has traditionally provided that income from ships operated in international trade by American citizens benefits from the treaties only if the ships are registered in the United States.

In my judgment such consideration should more appropriately originate in your Committee, rather than through a reservation offered on the floor of the Senate when the Tax Treaty is being debated. Accordingly, I respectfully request that you ask unanimous consent that the Tax Convention with the Republic of Korea be recommitted to your Committee for expedited re-consideration of Article 10.

Aloha,

DANIEL K. INOUYE,
Chairman, Subcommittee on Merchant Marine and Tourism.

U.S. SENATE,
Washington, D.C., July 12, 1978.

Hon. W. MICHAEL BLUMENTHAL,
Secretary,
Department of the Treasury,
Washington, D.C.

DEAR SECRETARY BLUMENTHAL: I have requested the Chairman of the Senate Committee on Foreign Relations to have his Committee reconsider Article 10 of the proposed Tax Convention with the Republic of Korea, because of its potential adverse consequences for our national shipping policy.

Attached is a copy of my letter to Chairman Sparkman, and I would appreciate your views on the issues it raises.

Aloha,

DANIEL K. INOUYE,
Chairman, Subcommittee on Merchant Marine and Tourism.

U.S. SENATE,
Washington, D.C. July 26, 1978.

Hon. W. MICHAEL BLUMENTHAL,
Secretary,
Department of Treasury,
Washington, D.C.

DEAR MR. SECRETARY: It has come to our attention that the U.S.-Korea Tax Treaty now on the Senate calendar may represent a significant departure from past practice with respect to the taxation of American-owned, foreign-flag ships.

Article 10 of the proposed Treaty provides that foreign-flag ships owned by Americans will qualify for Korean tax exemption. This is contrary to the usual requirement in U.S. bi-lateral tax conventions that U.S.-owned ships be registered in the U.S. to qualify for tax exemption in the other country.

Our nation has witnessed the flight of U.S.-owned ships to foreign registry over the last several years. This loss to the U.S. Merchant Marine is caused in large part by tax shelters which encourage foreign-flag operations. Article 10 of the Korean tax treaty appears to create another tax incentive discouraging U.S.-flag registration.

We believe the Senate needs further information on the policy implications of Article 10 before it considers ratifying the U.S.-Korean Tax Convention. Therefore, we would appreciate your prompt response to the following questions:

(1) Does Article 10 represent a change in the traditional U.S. tax treaty policy favoring U.S. registration of U.S.-owned ships? Will it or similar language appear in later bi-lateral treaties?

(2) Has the Department of Treasury studied the maritime effect of deleting the U.S. registration requirement in bi-lateral tax treaties?

(3) How would Article 10 change the tax liability of U.S.-owned, foreign-flag vessels? Does this language lessen the incentive to register ships under the U.S. Flag?

Sincerely,

MARYON P. ALLEN,
ERNEST F. HOLLINGS,
WARREN G. MAGNUSON,
DANIEL K. INOUYE,
TED STEVENS,
U.S. Senators.

SECRETARY OF THE TREASURY,
Washington, D.C., August 16, 1978.

Hon. DANIEL K. INOUYE,
Washington, D.C.

DEAR DAN: This is in reply to your letter of July 26, 1978, concerning Article 10 of the proposed U.S.-Korea income tax treaty and in further reply to your letter of July 12, 1978, on the same subject. Your letter of July 26 raises three specific questions, and I will respond to each in turn.

(1) Does Article 10 represent a change in the traditional U.S. tax treaty policy favoring U.S. registration of U.S.-owned ships? Will it or similar language appear in later bi-lateral treaties?

Only a few of our earlier income tax treaties, such as those with Germany and New Zealand, do not contain a registry test, but a review of the shipping provision in the last few years led us to believe that the flag test in a tax treaty is generally unwise. The Administration supports a strong U.S. merchant fleet and does not want to take any tax measures favoring foreign over U.S. flags. But in our judgment, conditioning a treaty exemption on the use of a U.S.-flag does not reduce the attractiveness of foreign flags to U.S. shippers and can hurt some U.S. shippers unintentionally. The U.S. model income tax treaty published in May, 1976, was revised to delete the registry test, and the shipping provision in the U.S.-U.K. income tax treaty recently approved by the Senate does not contain such a test. Our revised approach is generally the one followed by other industrial countries, as reflected in the model income tax treaty published by the Organization for Economic Cooperation and Development (OECD).

(2) Has the Department of Treasury studied the maritime effect of deleting the U.S. registration requirement in bi-lateral tax treaties?

Yes. We do not believe that the elimination of the U.S. flag requirement will encourage the use of foreign flags by U.S. shippers for the reasons explained in answer to your third question.

(3) How would Article 10 change the tax liability of U.S.-owned, foreign flag vessels? Does this language lessen the incentive to register ships under the U.S. Flag?

Article 10 of the U.S.-Korea treaty will not affect the tax liability of U.S.-owned foreign flag vessels because, insofar as foreign flags of convenience are concerned, it simply confirms an exemption available under Korean law. A similar exemption exists in the statutory law of many other countries. But even if this were not the case, the treaty exemption would not lessen the incentive to register ships under the U.S. flag.

A treaty only applies to U.S. citizens and U.S. corporations. It does not benefit a Liberian, Panamanian, or any other foreign company even if the company is wholly owned by U.S. residents. U.S. residents who want to use foreign flags may have an incentive to incorporate in the foreign country to escape U.S. tax on the profits retained abroad. But by so incorporating, they give up benefits made available by our tax treaties to U.S. residents.

If a U.S. company is used instead, it will be subject to U.S. tax on its worldwide income, so the tax advantage of foreign incorporation is lost; and at the same time, it would not qualify for benefits to U.S. flag shipping, such as the capital construction fund, which require a U.S. flag. The United States will tax a U.S. citizen or company deriving income from shipping operations. The U.S. tax would be higher on profits from the use of foreign flag ships because the statutory tax benefits available are intended to benefit the U.S. flag merchant fleet.

Although inserting a U.S. flag test would not provide an incentive to U.S. registry, it could penalize U.S. shippers who occasionally use foreign flag vessels for legitimate reasons (and pay U.S. tax thereon). For example, some U.S. flag container ships are too large for many harbors and goods are transshipped from a regional center to various ports on smaller feeder vessels. Those vessels are used as available and may be of any flag. At least one country with which we have a treaty containing the flag test has threatened to deny the exemption entirely if the feeder ship flies a foreign flag, even if most of the voyage is on a U.S. flag ship. And of course, even if the exemption were available for the U.S. flag portion of a voyage, the foreign flag feeder operation would be outside the exemption's scope.

I hope this explanation helps clarify why, although we share your concern about the use of foreign registry by U.S. ship owners, we believe that omitting a flag requirement in tax treaties is desirable.

Sincerely,

W. MICHAEL BLUMENTHAL.

SEAFARERS INTERNATIONAL UNION
OF NORTH AMERICA,
Washington, D.C., Aug. 21, 1978.

Hon. DANIEL K. INOUYE,
U.S. Senate, Russell Senate Office Building, Washington, D.C.

DEAR SENATOR INOUYE: Thank you for sharing with me Secretary Blumenthal's response to your letter of July 26, 1978, concerning Article X of the proposed U.S.-Korea Income Tax Treaty.

I appreciate your leadership in clearing the air surrounding a substantial change in U.S. policy toward foreign flag registration.

We are pleased to note that Mr. Blumenthal, who will have responsibility for interpreting borderline cases under the treaty, "supports a strong U.S. merchant fleet and does not want ot take *any* tax measures favoring foreign over U.S. flags" (emphasis added). In view of that commitment and the Secretary's expressed view that the treaty change will benefit U.S. flag carriers and will not create an incentive to U.S. residents to register their ships under a foreign flag, the Seafarers International Union is willing to withdraw its objection to Article X of the Korean tax treaty.

Thank you once again for your continued interest in the well being of the U.S. flag merchant marine.

Sincerely yours,

PAUL HALL,
President.●

GOLD MEDALLION ACT—NUMISMATISTS ENDORSE BILL

● Mr. SCHMITT. Mr. President, on May 17 of this year, Grover C. Criswell, Jr., president of the American Numismatic Association (ANA), addressed the Subcommittee on Historic Preservation and Coinage of the House Committee on Banking, Finance, and Urban Affairs. Mr. Criswell was testifying on behalf of the ANA in favor of the Gold Medallion Act of 1978, a bill which I have cosponsored which would provide for the production and sale of nonmonetary 1 ounce and one-half ounce gold medallions.

Mr. Criswell's well-researched and carefully detailed statement points out that there are many reasons to support this legislation, and concludes that—

To not produce a gold medal or coin short-changes the American taxpayer, assists apartheid in South Africa, and denies to the citizens who deposited the gold in Fort Knox in the first instance the right to redeem their heritage.

Of particular note, this testimony includes a detailed history of gold in the United States, dating from the gold recall of 1933–34 to the present. This history, ably researched and authored by the ANA's legislative counsel, Mr. David Ganz, outlines the process whereby Americans were deprived of their gold and now are excluded from buying any of it back. With gold now being sold in 400-ounce bricks which cost about $80,000 apiece, "the very individuals who contributed most of the gold—the American people—are cut out by the high stakes."

Mr. President, hearings will soon be held by the Senate Banking Committee on this good measure. So that all Senators may have the ANA analysis, I ask that this statement be printed in the RECORD.

The statement follows:

ADDITIONAL STATEMENT SUBMITTED FOR THE RECORD BY GROVER C. CRISWELL, JR., PRESIDENT OF THE AMERICAN NUMISMATIC ASSOCIATION, AT A HEARING HELD IN WASHINGTON, D.C., BY THE SUBCOMMITTEE ON HISTORIC PRESERVATION AND COINAGE OF THE HOUSE COMMITTEE ON BANKING, FINANCE AND URBAN AFFAIRS, MAY 17, 1978

Mr. Chairman, Mr. Leach, and distinguished members of the Subcommittee on Historic Preservation and Coinage, at the hearings on the small-size dollar held on May 17, 1978, the question was asked of the American Numismatic Association what we thought of the possible issuance of gold medals or gold commemorative coins.

At that time, we gave a general response to the inquiry, endorsing it on the grounds that it would be of positive assistance to the balance of payments situation, would in effect deny a sales outlet for krugerrands to South Africa, and would give the government vast profit possibilities. Our legislative counsel, Mr. Ganz, requested leave to submit a more formal answer with accurate statistics and more elaborate facts, and by your kind permission, Mr. Chairman, we herewith present the same.

At present, there is approximately $11 billion in gold located in official American reserves. That figure is deceiving, however, since the government carries its gold reserves on the books at a rate of $42.22 an ounce, rather than the present market price of around $170 an ounce. So, in actuality, the United States has a commanding $40 billion bullion supply at its disposal.

The source of the present stockpile is surprising, for rather than coming from other central banks or from international transactions, a good portion of the reserves came from American citizens who patriotically turned in the gold coin that they had on hand during the gold recall of 1933–1934.

According to official records of the Treasury Department, most of the gold turned in by citizens following the Presidential mandate was initially set aside, and then melted into 400 ounce bars. In 1935, for example, Treasury records show that $784 million (face value) in double eagles (or $20 gold pieces) were melted by the Mint. The following year, $472 million of the same denomination were placed into the melting cauldrons. During the same two year time span, more than $150 million in eagles (or $10 gold pieces) were similarly melted by the Mint from gold turned in by obedient citizens obeying presidential directive.

All told, in fact, between 1934 and 1950, the Bureau of the Mint melted down in excess of $1.6 billion worth of gold coin, the large portion of which had been previously circulating. Had President Roosevelt not advocated passage of the Gold Reserve Act of 1934, much of this coin undoubtedly would have remained in private hands.

What the Gold Reserve Act of January 30, 1934 did was to mandate that "all right, title and interest . . . in any and to any and all gold coin and gold bullion shall pass to and are vested in the United States," and to thereafter mandate that "All gold coin of the United States shall be withdrawn from circulation." Rare and unusual collector coins were exempted from the proviso.

The gold coin withdrawn from circulation was compensated with paper currency; a $20 gold piece received a federal reserve note of comparable worth, though not real value. And, while the Government paid at the rate of $20.67 per ounce of gold bullion, which later moved upward to $34.45, the official price of gold was raised to $35 an ounce (causing a defacto devaluation of the dollar).

Gold coins, of course, have a bullion value separate and apart from their nominal face value or worth. So, for example, a double eagle which contains .9675 troy ounces of gold is worth considerably more than $20 if the price of gold rises to anything above $20.67 an ounce.

In essence, millions of Americans were being denied the profit which had accrued to the government as a result of the coinage recall. And today, the government is selling off the gold at a profit, in the process depriving the same individuals from repurchasing the gold that they put into the kitty.

Gold coin collected by the government was cast through melting into bars, and then, in 1937, shipped westward to Fort Knox for storage. Beginning several years ago, portions of the metallic reserve were sold off by the Treasury Department, "Dutch auction" style, to both keep the price of the metal stable on the international market, and also to try and help remove the status that gold enjoys as a lynchpin, or sorts, to the international monetary order.

Sale of the bullion was in 400 ounce increments, which corresponds to the average size of the bricks stored in Fort Knox. The cost of one such piece varied of course with the market price of gold, but, clearly, it was without the reach of most Americans. At $170 an ounce, near the current price, a $68,000 purchase is required to acquire the bullion.

Purchasers at the U.S. government sale, as well as at those conducted by the International Monetary Fund, have tended to be institutional investors and dealers in precious metal who thereafter presumably re-sell the metal in smaller incremental units for a profit, or simply store it against a future rise in value.

For the most part, however, the very individuals who contributed most of the gold—the American people—are cut out by the high stakes.

Between 1934 and January 1, 1975, Americans were formally prohibited by law from owning gold bullion and even coins that were without numismatic value. The arguments made by the Treasury Department and Federal Reserve officials who supported such a ban were that gold ownership by Americans would prove disruptive to the international monetary system and would tend to show that the nation was not committed to demonetization of the precious metal.

While still chairman of the Federal Reserve, Dr. Arthur Burns added in a letter to Rep. Wright Patman, then chairman of the Banking Committee, that he thought that substantial disruption of the balance of payments would result from any private gold ownership.

This notwithstanding, private gold ownership was passed as part of a legislative compromise and, in the time since then, Americans have proved to be just as interested in gold as their European counterparts—though none of the international monetary distress which has subsequently resulted can be traced to the American thirst for gold.

Despite this, all American gold sales have been aimed at the large bulk purchaser—and at the then-current market price for gold bullion. The result has been a loss to the taxpayer of substantial revenue and, perhaps more importantly, there has been a substantive adverse impact on the American balance of payments.

In the absence of a small-size coin or medal which the average citizen can acquire from domestic supply, most, rather than do without, have begun to purchase foreign gold coins. Last year, more than 1.6 million ounces of gold in coin form were imported into the United States. Of these, 1.1 million pieces were krugerrands, manufactured and marketed by the South African government.

These are the coins that we know, of record, to have been imported—and surely, there are many, many more. But using just these statistics, the amount of American dollars flowing abroad as a result must constitute the market price of gold plus eight

percent—the premium charged by the governments for purchase of "bullion" coins.

If the trend continues this year, those 1.1 million krugerrands sold in the United States would constitute over $200 million in American funds that is going abroad—and those funds would be utilized to help fund the apartheid government of South Africa.

Assuming that the krugerrand quotient remains a constant, and that other so-called bullion pieces increase, it is possible that $400 million in American funds would go abroad—all because the U.S. government does not want to strike gold medals, or coins, in small incremental units of one half, or one ounce.

Legislation designed to accomplish this purpose has already been introduced in both the House and the Senate, where Representatives Symms and Hansen of Idaho, and Senator Helms of North Carolina, have sponsored bills which would authorize and direct the Treasury Secretary to utilize small-size gold units if and when official sales take place. The ranking minority member of this subcommittee, Mr. Leach, has indicated that he basically supports this approach.

The rationale for the legislation in whatever form it ultimately takes is multifold. First, it addresses the balance of payments argument. Second, it has positive domestic economic effect, for the multiplier effect of spending dollars in this country, as opposed to abroad, is doubly beneficial. Third, it in effect denies $200 million or more per year in assistance to the South African government. Fourth, it returns the gold to the people who originally gave it to the government, namely, the American people. Finally, it raises substantially more revenue for the government than its own sales plan.

According to the Treasury plan, 1.8 million troy ounces of gold will be sold from American reserves. Assuming that the price of gold remains constant, this would mean a gain to the Treasury of $306 million.

If the same gold were refined and made into medals of one ounce and one-half ounce in weight, and a small premium charged over and above the free-market price of gold (perhaps five percent for the larger one ounce medal, and eight percent for the smaller, one-half ounce medal) the government would gain an additional $20 million in revenue over the course of the sale (provided that the price of gold remained at $170 an ounce. If the price rose, the profit would, of course, be even higher).

Some years ago, when there was talk of striking a bicentennial gold commemorative coin, Representative Philip Crane of Illinois calculated that the government could issue a gold coin of .13 troy ounces in golden weight for enormous profit. If just eight million ounces were allocated for such a coin which had a $50 face value (and which was sold at that rate), some 60 million pieces could be produced at a profit to the government of $1.5 billion.

Regardless of the decision arrived at, the government will in likelihood continue its gold sales. To not produce a gold medal or coin shortchanges the American taxpayer, assists apartheid in South Africa, and denies to the citizens who deposited the gold in Fort Knox in the first instance the right to redeem their heritage.

For these reasons, the American Numismatics Association gives its enthusiastic backing to the issuance of gold medals or gold commemorative coins, and urges the Subcommittee to do likewise.●

ILLEGAL ALIENS

● Mr. SCHMITT. Mr. President, recent hearings in the Congress and much public comment concerning the administration's illegal aliens policy proposals. With few exceptions, experts agree that these proposals will not work.

Employer sanctions will increase pressures toward discrimination against American minority citizens and will reduce employment opportunities through automation.

Amnesty, in whatever form, will only increase the incentives for aliens to enter this country in hopes of future amnesty.

Increased border enforcement will not significantly affect the flow of aliens, but will significantly increase the profit in the deplorable business—smuggling of aliens.

Recent research is beginning to show the specific nature of the short- and long-term features of this issue. One of the leaders in this research is Wayne A. Cornelius of MIT. I request that his recent paper from Migration Today for October 1977, entitled "Undocumented Immigration: A Critique of the Carter Administration's Policy Proposals," be printed in the RECORD.

The material follows:

UNDOCUMENTED IMMIGRATION: A CRITIQUE OF THE CARTER ADMINISTRATION'S POLICY PROPOSALS

(By Wayne A. Cornelius)

At one particularly difficult point in the protracted debate within the Carter Administration over immigration policy initiatives, President Carter reportedly complained to one of his senior aids: "It's more complicated than the SALT talks" (Newsweek, July 4, 1977, p. 16). To many who had been following the policy debate with increasing concern, this statement signaled the beginning of wisdom in the Administration's consideration of the issue of undocumented immigration. It provided a refreshing contrast to the public statements on this issue by numerous Administration officials in previous months: statements which indicated little awareness of the complexity of the undocumented immigration phenomenon, and an alarming degree of confidence in excessively simple "solutions". Typical of these pronouncements was Secretary of Labor Ray Marshall's remarks to a symposium on immigration and public policy held in Houston on April 16, 1977:

"We will not learn very much more about the broad contours—the nature of the problem. We know what the key questions are . . . only the dimensions of the problem may become more fully known . . . No issue other than energy has been studied as long and intensively in the Carter Administration [as undocumental immigration]."

Unfortunately, the policy package which eventually emerged from the Administration's "long and intensive" study is a disappointment. The Administration's proposals seem to disregard a large and growing body of independent research findings which contradict some of the central assumptions of these proposals. And the proposed remedies, if enacted into law by the Congress, will undoubtedly raise unrealistic expectations among the American people—expectations that cannot be met by the Administration's policies. The long-term implications of this eventual policy failure should be of great concern to all those who continue to hope for a rational and humane U.S. immigration policy. To the extent that the Administration's policies do not produce a significant, and swift, reduction in "the number of aliens attempting to enter the United States in violation of law"—as promised by the President, public "tolerance" for all forms of immigration may be seriously diminished.

The comments which follow are addressed primarily to the appropriateness and probable effectiveness of the Administration's proposed policies in dealing with the Mexican component of the flow of undocumented immigrants, which constitutes an estimated 60–65 percent of the total flow. It is, of course, the sharp increase in undocumented immigration from Mexico since 1970 which is cited most frequently as justification for a much more restrictive U.S. immigration policy. While there is some awareness among the Washington policy-making community of the importance of undocumented immigration from Caribbean nations and other principal source countries, the policy debate has been conducted largely within a Mexico-centered frame of reference.

The basic elements of the Administration's policy package include: 1) a law (the "Alien Employment Act of 1977") imposing civil penalties, and in some cases, federal district court injunctions upon U.S. employers who hire undocumented immigrants; 2) a doubling of the border enforcement effort by the U.S. Immigration and Naturalization Service (INS); and 3) two forms of amnesty (or "adjustment of status", the Administration's euphemism) for certain categories of undocumented immigrants (the "Alien Adjustment Act of 1977"). Those immigrants who entered the U.S. illegally prior to January 1, 1970, and who have maintained continuous residence in this country since then would be entitled to claim "permanent resident alien" status. Those who entered the U.S. between January 1, 1970, and January 1, 1977, and who have resided continuously in the U.S. since entry, could claim "temporary resident alien" status for a five-year period, during which they could not be deported, and could be legally employed, but would not be entitled to receive Medicaid benefits, Aid to Families with Dependent Children, Supplemental Security Income for the Aged, Blind, and Disabled, or Food Stamp benefits. All of these measures, with the exception of the expansion of the border patrol, are incorporated in two pieces of legislation (the "Alien Employment Act of 1977" and the "Alien Adjustment Act of 1977") submitted to Congress in late September. (The expansion of the border patrol can be accomplished with no new legislation.) The President has announced that this legislation will be sponsored in the House of Representatives by Congressmen Peter Rodino and Joshua Eilberg, and in the Senate by Senators James Eastland and Edward Kennedy.

A "NEEDED" POLICY?

Does undocumented immigration constitute a problem of such dimensions, so injurious to the American people, that it requires the kind of treatment prescribed by the Administration?

In his August 4 message to Congress, the President argues that undocumented immigrants "have displaced many American citizens from jobs, and placed an increased financial burden on many states and local governments". During the press briefing which followed the President's announcement of the policy proposals, Secretary of Labor Marshall added another element to the indictment of undocumented immigrants: because most of them are, allegedly, willing to work for less than the minimum wage, they depress wage scales for American workers.

In the same press briefing, however, Attorney General Griffin Bell admitted, "we don't know how many people we are dealing with, don't know the costs, don't know the impact on funds of the country, or anything else. It is just something that has never been assessed." Both he and Secretary Marshall went on to justify the Administration's scheme for compelling undocumented immigrants to identify themselves and register with the INS, within a one year period following enactment of the

"Alien Adjustment Act", to obtain temporary resident alien status as a means of collecting the data necessary to estimate the impact of undocumented aliens on the U.S. labor market and to approximate the social service costs of these migrants. The resulting "estimates" would then be used to decide what would be done with the immigrants who have registered, after their five-year nondeportable status expires; to deport them *en mass*, or to allow them to become permanent residents.

While the Attorney General's candor is worthy of applause, the policy-making approach which it implies is appalling. No other major policy affecting the livelihoods of millions of people, in this country and abroad, has been formulated on the basis of such inadequate supporting evidence. In fact, there is still no direct evidence that large numbers of American workers have been displaced by undocumented immigrants. The research which has been done thus far fails to support the notion of large-scale job displacement. There is not a single prominent economist in the country, outside of the government, who seems to believe that reducing the flow of undocumented aliens "will have a tremendous effect on unemployment among American workers", as Secretary Marshall claimed at the August 4 press briefing.

The Labor Secretary's argument about the depressing effect of undocumented immigrant labor on wage scales is also unproven; and his statement that most undocumented aliens receive less than the minimum wage is flatly contradicted by the results of at least four major studies, including one done for the Labor Department itself. That and the other studies found that fewer than one-fourth of all undocumented immigrants actually receive less than the official minimum wage.

Yet, what if the availability of undocumented migrant labor does tend to depress wage scales in certain sectors of the economy, in certain parts of the country? What benefits are likely to result from reducing or eliminating the immigrants' presence in these labor markets? Will depressed wage levels automatically rise, as the Administration suggests? It is necessary here to bear in mind the well-established fact that the majority of undocumented immigrants do not work for less than the minuimum wage. Apart from enforcing the minimum wage laws, which the federal government has already proven itself incapable of doing, what can government do to force wages upward to the level necessary to make the jobs now held by undocumented immigrants attractive to American workers? What is to prevent the firms involved from mechanizing, or from relocating themselves in another country where they will have access to a large supply of relatively low-cost labor? The migration of U.S. enterprises to Taiwan, Korean, the Mexican border states, and other areas has been occurring for more than a decade, and it is likely to be accelerated under the Administration's program, taking with them substantial numbers of jobs now held by American citizens. What is the net gain to the American work force?

There is also abundant evidence that the cost of social services consumed by undocumented immigrants, at least those from Mexico, is vastly exceeded by what they contribute to Social Security and federal income tax revenues. In most cases, they are paying for social services that they rarely, if ever, use. Some state and local governments in areas with high concentrations of undocumented immigrants may be bearing an unfair share of costs for such services as health care; this should be remedied through adjustments in federal revenue-sharing formulas, as the President has proposed. The notion, however, that undocumented aliens are taking out of the system far more than they contribute simply cannot be supported with existing data.

The White House itself has admitted that undocumented aliens "are not now a drain on public assistance programs paid for by taxpayers" ("Undocumented Aliens: Fact Sheet", Office of the White House Press Secretary, August 4, 1977, p. 8). Such statements are typical of the Administration's curiously ambivalent position on undocumented immigration: "Yes, it's a problem, and we have to do something about it," vs. "No, it's not a problem," or, "We really don't know enough about it to decide whether it is a problem."

There is, however, a case to be made for reducing undocumented immigration from Mexico although not for the reasons cited by the Administration as justifications for its policy.

The dependence of a very large segment of the Mexican population upon cash income earned in the United States is undesirable and too risky to those involved in this dependency relationship. Twice during the past 48 years, the U.S. has attempted to cut off employment opportunities for Mexicans in this country, during the "repatriation" campaign of 1929–30, and during "Operation Wetback" in 1953–54. We are now witnessing another concerted effort to restrict employment opportunities. This time, however, it is not the mass round-ups and deportations, used on previous occasions but a doubling of the border patrol and legislation prohibiting U.S. employers from hiring undocumented immigrants. As the Carter Administration admits (see below) there is still the possibility of mass deportations, five years after enactment of its proposals, depending on what the Administration and the Congress decide to do with those immigrants who register for the new, five-year temporary resident alien status.

AMNESTY, CARTER-STYLE

The Presidents proposals for "adjusting the status" of certain categories of undocumented immigrants have dominated media reports of the recently announced policy package, almost totally obscuring the punitive elements of the package (employer sanctions, stepped-up border enforcement). "Carter Seeks Amnesty for Millions of Illegal Aliens", or so the headlines would have the American public believe. In fact, the terms for adjustment of status set by the Administration will have the effect of limiting the number of undocumented immigrants who will actually benefit from this legislation to a relatively small minority of the total population of such immigrants.

The Administration, citing INS estimates, contends that about 765,000 undocumented aliens will be eligible for "permanent resident alien" status, since they have resided continuously in the U.S. for seven or more years (i.e., since January 1, 1970). The term "continuous residence" will be construed by the Attorney General so that "Temporary absences, without abandonment of residence in the United States, will not preclude establishment of the required [seven-year period of] continuous residence" ("Section-by-Section Analysis of the 'Alien Adjustment Act of 1977' ", The White House, September, 1977, p. 2). However, all available evidence indicates that the vast majority of undocumented immigrants from Mexico who have worked in the U.S. in recent decades are individuals who have not maintained continuous residence in this country for long periods of time. They are, rather, persons who have worked here for relatively short periods (normally 6 months or less per year), who returned after each period of U.S. employment to their homes in Mexico. Only the most affluent of these immigrants have been able to maintain rented housing in the U.S. during their periods of residence and employment in Mexico. This applies generally to the population of undocumented immigrants from Mexico, but particularly to those who "entered the U.S. on or before January 1, 1977", but after the January 1, 1970 cut-off date which will be used to determine eligibility for permanent resident alien status.

The Administration estimates that "as many as five million" of these more recent (post-1970) arrivals may be eligible to apply for five-year temporary resident alien status under its program. How many of these immigrants, however, are likely to claim "TRA" status, under the terms set by the Administration? It is naive to think that large numbers of undocumented immigrants will come out of hiding unless they have some powerful incentives for doing so. At the August 4, 1977, press briefing, Attorney General Bell was asked: "What happens to these temporary legal aliens after five years? Can they be deported?"

Bell: That is right. They could be. We hope to work out some plan to let them convert to permanent resident alien status. We cannot promise that because we don't know what we are talking about."

Question: What you are actually doing is freeing them from the fear of being deported for the next five years, and no more."

Bell: "[Yes.] And exploitation."

Question: "Will these people who are on nondeportable status begin to have to report their addresses annually, and if they do for a five-year period, aren't they running the risk that you will be able, at the end of five years, if you should decide to [deport] them, to target them very easily and go get them?"

Castillo: "Yes."

The White House "Section-by-Section Analysis of the [proposed] Alien Adjustment Act of 1977" states that "the granting of temporary status is necessary to preserve a decision on the final status of a large group of undocumented alien who have resided here for shorter periods of time, until more precise information about their number, location, family size and economic situation can be collected and reviewed." The "more precise information" referred to here will be provided by those undocumented immigrants who register with the INS in order to claim temporary resident alien status, during the one-year registration period following enactment of the proposed legislation. No one knows which way the decision to be made on the basis of these data will go. While the Administration ponders the matter, the police apparatus along the border will be doubled, making it more difficult and costly to re-enter the U.S. if the "temporary resident aliens" are eventually deported. As unidentified, nonregistered aliens having escaped the border patrol and now holding jobs in the interior of the country, they would run relatively little risk of being apprehended and deported during the next five years. Few of them have any sense of being exploited by their U.S. employers. Why should they choose to increase their future risk of deportation—when deportation five years from now might mean a permanent, one-way trip back to Mexico—by coming out of hiding and surrendering themselves to the INS? The Administration simply tells the undocumented immigrant: trust us". At the August 4 press briefing, Attorney Bell was asked: Given the situation that many of these people have been in, living illegally and in fear of the authorities, how do you expect to get any sizable number of people to register?"

Bell: "We hope they will have trust in our country. That is the only thing I know. They came here thinking we had a good country and maybe they will trust us."

Emplover Sanctions and Border Enforcement: "The Big Sticks."

Behind the liberal facade of the Administration's policy package, represented by the "adjustment of status" proposals, lie the punitive measures intended to stop the flow of undocumented immigrants into the U.S. The major policy instruments for this are: (1) a doubling of the number of border patrol agents, from about 2,000 at present to 4,000;

and (2) an employer sanctions law. The first question to be asked about these measures is will they work? Will they "markedly reduce the number of aliens attempting to enter the United States in violation of law", as the Administration claims? My answer and, I believe, that of most experts outside the government who have studied the phenomenon is negative.

Doubling or even tripling the number of border patrolmen, giving them sophisticated electronic detection equipment, helicopters and other kinds of hardware, will not affect the 35–40 percent of the immigrants who enter the U.S. legally on temporary, tourist or student visas, and then overstay their visas to work in the U.S. The vast majority of these "visa abusers" come from countries other than Mexico.

What about the Mexicans, however, who customarily "enter without inspection" along the southern border? Will stepped-up border enforcement deter them from attempting to enter? All the available evidence indicates that it will not. We may succeed in making it more difficult to enter the U.S. illegally, but the most likely effect of this will simply be to increase the profits of the commercial smugglers who assist undocumented aliens in crossing the border. In recent years, the smugglers' fees have ranged from about $150 to $250 per alien. There are reports that since the Administration's policy was announced in August, their price in some areas has jumped to $300–$400. Those who feel compelled to immigrate illegally will become more dependent on the professional smuggling operations, and they will be paying a higher price for their services. They will still try to raise the necessary funds by selling off more heads of livestock, going deeper into debt to their relatives and neighbors, or by any other means at their disposal. Going to the U.S. will simply represent a greater financial sacrifice for them.

The Administration proposes to establish an "anti-smuggling task force" to eliminate the smuggling rings. This task force, however, is unlikely to be much more effective in eliminating the smugglers of aliens than the federal government was in eliminating bootleggers during Prohibition. There are simply too many of them, too widely dispersed, too deeply entrenched, and too protected by local officials and private interests on both sides of the border. Most of the rings are based in Mexico, and the Mexican Government is unlikely to make the kind of massive police effort that would be necessary to eliminate them. They have their hands quite full just trying to curtail illicit drug traffic and other forms of contraband. It would be politically suicidal for any Mexican government to allow large numbers of U.S. law enforcement officials to operate on its territory, to restrict the emigration of its own citizens.

The other principal approach to reduce the flow of undocumented immigrants proposed by the Administration is through employer sanctions: a law prohibiting U.S. employers from hiring undocumented aliens. A civil penalty "not to exceed $1,000" would be imposed on each employer, for each undocumented alien who was in his employ on the effective date of the bill, or who was hired thereafter. The Administration's bill also provides for criminal sanctions to be imposed upon the worst offenders—employers who have "engaged in a pattern or practice of employing [undocumented] aliens". Injunctions against such employers would be sought from federal district courts, and "an employer who continues to hire undocumented aliens in violation of an injunction could be cited for contempt".

An employer sanctions law most probably cannot sharply reduce the number of employment opportunities for undocumented immigrants without a huge and costly enforcement apparatus. The Administration apparently expects substantial voluntary compliance with the law on the part of U.S. businessmen, to compensate for the absence of such an enforcement apparatus. As Secretary of Labor Marshall told the Houston symposium on immigration policy last April, "You can never have adequate police enforcement to enforce social legislation". Attorney General Bell expressed it in the August 4 press briefing: 'We are traveling on the assumption that Americans are law-abiding people . . . Once they realize it is now the law that you should not employ an undocumented alien, they will follow the law."

In fact, many of the employers who customarily hire undocumented immigrants will continue to do so. Legislation prohibiting it will simply drive the hiring underground. Small businesses (e.g., those having 25 or fewer employees, which hire half or more of the undocumented immigrants from Mexico) would be little affected by the proposed law, since the Administration proposes to concentrate its enforcement efforts on larger enterprises with a "pattern or practice" of hiring undocumented aliens. For many of these larger employers, thousand-dollar fines will become just another cost of doing business: a cost that will be borne primarily by the undocumented immigrant, who is likely to be paid less and receive fewer fringe benefits than before passage of the law. If you want to increase the exploitation of immigrant workers in this country, employer sanctions is probably the most effective way of doing it.

The costs of this legislation will also be borne by Hispanic citizens of this country, who will undoubtedly suffer greater job discrimination because of an employer sanctions law. The President calls such an outcome "intolerable", but it is unavoidable under legislation of this type. Those businessmen who are law-abiding and do not want to run the risk of hiring an undocumented alien are likely to follow the easiest course and simply discriminate against all Hispanic applicants for employment.

The Administration claims that its proposed enforcement strategy of going after the larger employers having a "pattern or practice" of hiring undocumented aliens will minimize job discrimination against Hispanic American citizens, since "those employers who may inadvertently hire an undocumented worker will not have to fear the imposition of sanctions under this bill" ("Section-by-Section Analysis of the Alien Employment Act of 1977", The White House, September, 1977, p. 1). Such assurances are unlikely, however, to offset the chilling effect of the legislation itself upon the hiring of Hispanic citizens. The Administration proposes to spend $4 million to publicize a law which will make it "unlawful for any employer to employ [undocumented] aliens", and specifies that "Any employer who violates this [law] shall be subject to a civil penalty of not more than $1,000 for each such alien in [his] employ . . ." The probable consequences of this legislation represent a giant step backward in civil rights for what is expected to be the nation's largest ethnic minority group by 1980.

It is unlikely that an employer sanctions law will have any significant deterrent effect on those who would seek employment illegally in the United States? This is very unlikely, and the reason is simple economic rationality on the part of the would-be undocumented immigrant. Employer compliance with the law, and government enforcement efforts, are likely to be uneven; as long as that situation prevails, the impoverished Mexican peasant will assume that the risk of his not finding a U.S. employer willing to hire him will still be considerably less than his risk of being unemployed or of having an inadequate income if he stayed in his home community. He will continue to migrate—legally, if opportunities exist and illegally, if they do not.

The crux of the matter is this: The flow of undocumented immigrants is likely to continue, as long as reasonably attractive alternatives to migrating to the U.S. do not exist in source countries, and as long as the number of opportunities for legal immigration by nationals of these countries remains as small as it is today. Any viable, long-term solution must be addressed primarily to these aspects of the problem. That is where the policy emphasis should be and not on police actions, or on efforts to restrict the demand for immigrant labor within the United States. Given the tremendous pressures for migration to the U.S. which currently exist, and will continue to exist in the foreseeable future, such measures are doomed to failure (certainly in the medium-to-long run, if not in the short-term). They do nothing to reduce the "push" factors within Mexico and other source countries which drive their people into the U.S. labor market.

The Mexican population continues to increase at a rate of nearly 3.5% per year, economic growth was virtually flat during the past year, and this year the Mexican Government hopes to achieve only a 2% increase in GNP. Open unemployment is running in the 9–15% range, and an additional 30–40% of the population is underemployed. Inflation in 1976 was over 30%; this year it is running at about 24–25%. The Mexican Government has borrowed to the limit of a ceiling imposed last year by the International Monetary Fund (IMF). To further complicate this situation, the drought that has affected large parts of the U.S. has now moved south into Mexico, affecting the most productive agricultural region in the country; and according to recent estimates, Mexico will have to spend more than one half billion dollars in food purchases abroad this year to make up for the resulting shortages.

The economic mess in Mexico is largely responsible for the sharp increase in illegal immigration since 1971. Whether induced by acts of God or by governmental mismanagement, it is a fact that must be recognized in any attempt to come to grips with the immigration problem. Full recovery from the current economic crisis, the most severe since the 1930s, will probably take at least 5–7 years, even with increased revenues from gas and oil exports; and at the end of that period there will still be an acute shortage of stable, reasonably well-paid employment opportunities within Mexico.

The recovery will be delayed, to the extent that the U.S. succeeds in restricting employment opportunities for Mexican workers. The Administration's amnesty or "adjustment of status" proposals would have the effect of limiting U.S. employment to those who were here before January 1, 1977, in addition to the insignificant numbers of Mexican who are legally admitted each year under the regular immigration quota and the H–2 temporary labor visa system. The Administration is attempting to freeze an ongoing social process, one which has been operating since the 1880s, often involving two or three generations of Mexican workers within the same families. The U.S. Government institutionalized that process through the "bracero" program of contract labor (which operated intermittently between 1942 and 1964), and our private sector has encouraged it to continue up to the present day.

SOME ALTERNATIVES

In the short-run, regardless of the restrictive measures that might be implemented, it is not reasonable to expect a significant reduction in the number of Mexicans who will attempt to enter the U.S. and seek employment. Indeed, large numbers of them will succeed in doing so. Under these circumstances, the best short-run approach would be to increase the number of opportunities to emigrate legally to the United States, on

a temporary basis. This could be accomplished most expeditiously through a program of temporary work visas, similar in concept to the "guest worker" programs adopted by several West European countries in the 1960s. Such a program could permit immigrant workers to be legally employed in the U.S. for a period of up to six months each year. This would not have to be a new "bracero" program, nor an expansion of the existing H–2 visa system, both of which require a prearranged contract between the immigrant worker and a particular U.S. employer, a feature which increases the danger of exploitation. Nor would this kind of temporary worker program have the effect of rewarding those who entered the U.S. illegally and have remained here for substantial periods of time, as the Administration's "adjustment of status" proposal would do. By issuing the visas through U.S. consulates in Mexico, on a first-come, first-served basis, it would provide legal immigration opportunities for those Mexicans whose economic and family base is still in Mexico, not in the U.S., and encourage them to maintain their base in Mexico. This kind of program would encourage the existing, temporary character of most Mexican migration to the U.S.—annual periods of employment of six months or less, after which the migrant customarily returns to his home community.

A program of this type, however, is only a stop-gap measure, designed to eliminate or reduce some of the worst consequences of the existing situation, in which the vast majority of Mexicans seeking work in the U.S. must do so illegally. It would do nothing to reduce the "push" factors within Mexico which fuel undocumented immigration. Perhaps the most effective and, ultimately, the least costly way of reducing these push factors would be to expand the existing program of integrated rural development which is being carried out cooperatively in Mexico by the World Bank, the Inter-American Development Bank, and the Mexican Government. Begun in 1975, this program concentrates on increasing employment opportunities through small-scale irrigation projects, labor-intensive rural public works projects, and small scale, labor-intensive rural industries. The program is staffed by more than 5,000 young technicians who work closely with peasants in their own communities; and they are getting results.

There is evidence from World Bank studies as well as my own research that the kinds of projects being carried out under this program can dramatically reduce rural outmigration; in fact, some communities have actually begun to attract migrants from surrounding areas. It is not necessary to completely wipe out the wage differential between the U.S. and Mexico. That would be impossible. Among a large sector of the rural population, emigration is seen as a necessary rather than a desirable alternative; they recognize that attempting to enter the U.S. illegally is a risk, and that all the cash they invest in it may be lost. They would prefer not to have to take that risk. Yet, it is necessary to get them out of traditional subsistence agriculture, dependent upon erratic rainfall and many other variables, and into either irrigated farming, or nonagricultural employment in small-scale industries, which provide more adequate and more stable sources of income. The World Bank/IDB/Mexican Government program is explicitly designed to do just this, at the relatively low cost of $2,000-$5,000 per job. The level of funding for this program, however, is currently far too low to have any significant, nationwide impact on emigration.

World Bank officials report that the Mexicans now have the administrative capacity to invest three times the amount of resources that is currently available for this program—in rough figures, a $600 million-per-year program rather than a $200 million-per-year program. It is now a question of capital, not of personnel or technology. The development banks provide half of the funding for the program; the other half comes from the Mexican federal government budget. There are strong indications that the Mexicans are anxious to expand the program to additional parts of the country, but they cannot do so without additional capital from the development banks, and without a relaxation of the ceiling imposed on Mexican government expenditures by the International Monetary Fund. The U.S. could take steps to relieve both of these constraints. It would require a substantial increase in our capital commitments to the World Bank and the Inter-American Development Bank, as well as an effort to have the additional Mexican government expenditures for this program exempted from the current IMF ceiling.

All available evidence indicates that a major expansion of this program, with investments targeted to those parts of Mexico which are the principal source areas for illegal migrants to the U.S., would have an important impact on the flow—probably within five years, and certainly over a 5-10-year period. This is probably the single most cost effective step we could take to reduce illegal immigration, especially when we consider the costs of the restrictive measures which the Administration has proposed, none of which are likely to have any appreciable, long-term impact on the flow.

The Administration's "preliminary estimates" of the cost of implementing its proposed employer sanctions law indicate an expenditure of $113 million during the first five years following enactment, including a one-time cost of $4 million for publicizing the new law, and annual costs for additional INS, judicial, and Social Security Administration employees. The Social Security Administration employees would be utilized to tighten up the issuance of Social Security Cards, to make "certain" that such cards are issued only to citizens and those aliens who are authorized to work in the U.S. The Social Security card will be designated as one of the "authorized identification documents" which an employer can require of job applicants, to defend himself against a charge of hiring undocumented aliens.

Issuing counterfeit-proof Social Security cards to the entire "legal" U.S. labor force—which the Administration does not propose to do at present, but which would be necessary for effective implementation of an employer sanction law—would probably cost at least $500 million. Many additional millions would be needed to computerize the issuance of birth certificates—the type of document which is most frequently offered as proof of U.S. citizenship in applying for a Social Security card—and otherwise to reduce the incidence of fraud in obtaining such certificates.

The addition of 2,000 new positions to the border patrol, as the Administration has proposed to Congress, would cost well over $200 million over a five-year period. Equipping the INS to process the anticipated number of applications for permanent and temporary alien resident status, under the Administration's "adjustment-of-status" program, will require an expenditure of more than $25.2 million (the Administration's own estimate), during the registration period for eligible immigrants. When all of this and other kinds of expenses likely to be incurred in implementing the policy package proposed by the Administration are added up, the cost during the first five years is likely to be over a billion dollars—for a program which fails to get at the root causes of the problem.

The Administration seems to have its priorities inverted. It seems preoccupied with dealing with the undocumented immigrants who are already here, as more-or-less permanent residents, rather than those who are likely to come in the future, in the absence of an adequate preventive strategy.

The development assistance component of the President's message to Congress is the weakest of all his proposals. Its three short paragraphs contain no specifics, no concrete commitments; and the President seems to dismiss the possibility that this approach to the problem can have any significant payoffs except in the very long run. The President's vague promise to "explore with source countries the means of providing [development] assistance" at some point in the future is unlikely to create a sense of urgency about this approach to the problem in the Congress or among the U.S. public. In fact, it was not even mentioned in most media reports on the policy announcement—a direct reflection of the low priority which the Administration seems to attach to this approach.

It is apparent that the Administration and the Congress have a political problem on their hands with regard to undocumented immigration. There is considerable public hysteria about the phenomenon, hysteria to which high-level members of the Carter Administration and preceding administrations have themselves contributed. The best approach to the political problem is not to propose remedies which raise unrealistic expectations among the American people. It is, rather, to make the public aware that there are no easy, quick, cheap solutions to the problems, real or imagined, posed by undocumented immigration. This migratory movement is too large, too complex, and has existed far too long to permit simple, painless solutions. Whether we like it or not, the flow of undocumented immigrants is likely to continue in the foreseeable future. Whether it increases or decreases will depend largely on whether adequate steps are taken to create attractive alternatives to migrating to the U.S., within Mexico and other source countries.●

INCREASES IN FHA RATES

Mr. THURMOND. Mr. President, a traditional part of the American dream has been the ownership of a home in which to live. Unfortunately, this dream is becoming increasingly difficult to achieve. HUD statistics tell us that between the years 1972 and 1976 the medium family income increased a little over 7 percent annually, while the cost of a new, one-family home increased about 10 percent. Even if, through saving and doing without, a family does manage to buy a home, the cost of home ownership—which includes utility bills, insurance, and normal repairs, et cetera—has increased an average of 8 percent annually.

With these rising costs in the private sector, the need for the Federal Government to hold down interest rates is almost imperative. For this reason, the

news that the Federal Housing Administration has increased its maximum interest rate to 9½ is distressing. This is the highest ever in the history of FHA and is the third such increase in a year.

Mr. President, on August 2 and 3, WSPA radio and television in Spartanburg, S.C., issued an editorial strongly in opposition to this increase by FHA. As is stated in the editorial, overspending is a major factor in rising interest rates. This cannot continue if this country is to ever have a balanced budget. Our financial future is getting bleaker every day and we must cut back or suffer the consequences.

Mr. President, I ask unanimous consent that this editorial be printed in the RECORD.

There being no objection, the editorial was ordered to be printed in the RECORD, as follows:

HIGH INTEREST

The increase of the interest rates for those seeking to buy a home is quite disturbing to a lot of people.

When a prospective home owner realizes he must pay out the cost of the home in interest within about ten years, the new 9½ percent rate can only have a depressive effect on new home construction.

Editor's Copy, of Orangeburg, has this to say on the subject:

The rate for Federal Housing Administration home loans was hiked again recently to a maximum of 9½ percent, the highest ever in the history of FHA.

This is a tragedy for young Americans seeking to own their own homes and a tragedy for America generally. The latest increase, the third in a year, is a direct result of overspending by the federal government, the Carter Administration and the Democratic-controlled Congress.

This excessive overspending is producing a budget deficit this fiscal year of sixty billion dollars, and as the government dips so heavily into the money market to borrow, the supply of money is reduced and interest rates rise.

Ironically, Democrats have traditionally claimed they are the party of low interest rates. But overspending is now catching up with them. President Carter, who was unhappy when the Federal Reserve Board recently hiked its prime lending rate, is directly responsible for the hikes.

His increased spending, breaking of a campaign pledge that he would balance the budget in four years, the hiring of 20,000 new federal employees, and additions to so many federal programs, have put the budget heavily in the red. This has produced today's tight money market, inflation and lack of confidence in the U.S. dollar and future, home and abroad.

CRS STUDY VERIFIES DR. ROBERTS' CONCLUSIONS

Mr. HATCH. Mr. President, last March an article appeared in Harper's magazine by Paul Craig Roberts titled "Disguising the Tax Burden." Dr. Roberts pointed out the dangers posed by "tax reform" to the after-tax incomes of all income groups and especially to the deductions and fringe benefits of middle- and lower-income groups. Dr. Roberts' article pointed out that the characterization of tax reform as a "soak the rich" scheme was inaccurate. He said:

The purpose of tax reform is to enlarge the tax base by redefining personal income to include fringe benefits and by reducing deductions. Enlarging the tax base will raise everyone's taxes, but it will have the most severe effect on middle income earners. The government is refashioning its tax net to catch those it pretends to protect.

Dr. Roberts pointed out that most of the benefits of deductions from income, such as social security and unemployment benefits, and from untaxed fringe benefits, such as pension contributions and medical benefits provided by employers, go to people who are not rich. He also pointed out that "it is not just the upper income taxpayers who are harmed by inflation" and that cutting taxes at the lower end does not protect people from being pushed by inflation into higher tax brackets that were not cut.

Dr. Roberts' article had considerable impact on the Congress and might have been one reason why "tax reform" did not go anywhere in this session of Congress. This did not please big spenders who might have viewed "tax reform" as a potential source of revenue or who might have hoped to translate demands for tax reduction into proposals for "tax reform," and in this way at least prevent an across the board tax cut. Neither did it please those Members of Congress who desire to reduce the powers of the tax committees. Regardless, as a recent report by the Library of Congress stated:

The article has received considerable attention in Congress, having been the subject of much Congressional discussion and interest and the object of several inquiries to the Congressional Research Service.

In response to the inquiries CRS prepared a study, much longer than the article, of the issues raised by Dr. Roberts. The CRS study provides substantial support and verification of the main points made by Dr. Roberts. This apparently was not understood by Mr. WRIGHT of the House of Representatives, who misread the CRS study to be a refutation of Dr. Roberts' article, perhaps because he also misread Dr. Roberts' article to be a special plea for "massive across the board tax reductions to save the rich from descent into poverty." Regardless, we are indebted to Mr. WRIGHT for putting the CRS study in the RECORD on August 4.

The CRS study begin by stating:

Professor Roberts has contributed a provocative stimulus to public examination of the Federal income tax. His observations provide, at least, a balancing corrective to much sensational reportage in recent years which may have created the erroneous impression that the upper income classes generally avoid taxation.

Much of this sensational reportage has originated in the House of Representatives itself.

The CRS study verifies the following main points made by Dr. Roberts. I quote from the CRS:

One, the characterization of tax reform as a soak the rich endeavor is inaccurate. . . . the loophole closing variety of tax reform usually represents an attempt to achieve a more comprehensive tax base by eliminating certain exclusions, exemptions, deductions, or credits.

Two, the richest one-fourth of American households—those with incomes of $17,000 a year or higher—took home 55.5 percent of the income in this country in 1977. After Federal income taxes, they still had 53.2 percent. This is so despite the fact that they paid 74.3 percent of all personal income taxes.

So one-fourth of the taxpayers with half of the income paid three-fourths of the incomes taxes in 1977. This not only verifies the facts presented by Dr. Roberts, it also shows that the trend he pointed out is continuing. The income tax burden is continuing to shift more and more to the middle and upper income groups. In 1975, the last year of Dr. Roberts' figures, the top one-fourth paid 72 percent of the personal income taxes.

Three, the percentage differences between adjusted gross income and taxable income is largest in the lowest income brackets.

Four, taxing the income value of pension and insurance employee benefits with no other tax adjustment would have the largest proportionate impact on the lower income brackets.

Five, when the tax returns of those taxpayers who itemize deductions are isolated, itemized deductions as a portion of adjusted gross income are higher in the lower income brackets.

Six, as a result of tax-flation, the income classes between $20,000 and $200,000 have experienced the largest real tax increases during this period.

Seldom has anything been put in the RECORD that turned out to be as accurate as the points made by Dr. Roberts. The Congress is certainly indebted to him for his efforts to overturn what the CRS calls the erroneous impressions about our tax system created by sensational reportage. It required courage to state the truth of the matter, because "tax reform" has become a highly emotional ideological issue for the left-wing, and the left-wing does not take kindly to having its myths exposed.

Neither do politicians whose efforts to build political spending constituencies have benefited by these myths. Even the CRS study, by the kinds of arguments and techniques that it goes on to employ, shows that its outcome was favorable to Dr. Roberts only because the facts are. Indeed, only a careful reader will notice that the CRS study does indeed support the facts as stated by Dr. Roberts.

With the existing distribution of power in the Congress and in the intellectual sector and with a request from the majority leader in the House for an analysis of Dr. Robert's article, CRS would indeed be unusual if it did not feel some obligation to attack Dr. Roberts. Unable to attack the facts as stated by Dr. Roberts, CRS resorted to drawing its own implications from selected facts and then attributing the implied position to Dr. Roberts as a means of attacking him. For example, CRS says that one fact, which Dr. Roberts states and which the CRS study does not challenge, "seems to

imply" that Dr. Roberts is advocating a "highly regressive" tax system. This is not the only instance in which "straw-man positions" are invented by the use of such terminology as "would appear to imply" and then attributed to Dr. Roberts.

It is by the use of such tactics as this that the CRS study mounts a feeble attack on Dr. Roberts' article. But perhaps because the analyst's heart was not really in the obligatory attack, the CRS study manages to let out startling information that greatly supports Dr. Roberts contention about how high taxes really are. The CRS study reveals that "given the present level of tax revenue," if the lower half of the taxpayers had to pay half of the personal income taxes, their tax obligations would exceed their entire incomes.

The CRS study also refutes those who claim that the personal income tax system in the United States is only progressive on paper, but not in result. The study states, and I quote:

Upper-income taxpayers pay more of the total tax bill than their portion of total income.

It is instructive to examine another instance where the CRS analyst assigns Dr. Roberts a position that he can then attack. Dr. Roberts points out the growth in the public sector relative to national income from 12 percent in 1929 to 42 percent in 1976. The CRS study, however, focuses on the Federal tax burden and uses the statistical trick known as "adverse selection" to organize data in 5-year averages from 1946–77 in order to cast doubt on Dr. Roberts' facts about the rising tax burden without actually challenging the information that he presents. Even so, however, the CRS data show that Federal individual income tax revenue as a percent of personal income increased 25 percent between 1946 and 1977—column 1, table 11 of the CRS study.

The CRS study also uses the "small base" statistical trick in column 7 of table 12.

The CRS study criticizes Dr. Roberts for using a hypothetical example, which CRS admits "is statistically correct," on the grounds that the example "offers little of relevance to understanding the actual system." The CRS, however, does not apply this criticism to itself. The CRS study proceeds to use hypothetical examples in which the actual distribution of the tax burden is compared to hypothetical distributions, which fall even more disproportionately on those who earn $30,000 and up, in order to "prove" that the upper income groups are gaining under the actual tax system compared to hypothetical examples.

The CRS study makes assertions about the intentions behind tax reform, which may reflect the CRS analyst's own views but not those of the actual policymakers. Analysts often confuse their idealistic constructions with the actual policy process.

The CRS study claims that—

Tax reform measures are usually combined with tax reductions in a single legislative package so that the net revenue impact of the bill is a reduction in tax receipts, not an increase.

This, of course, depends on how you measure it. For example, some believe that the Ways and Means bill, which passed the House in August 1978, is a tax cut. However, the "tax reduction" does not offset the rise in tax revenues from inflation and social security. It is a tax reduction only in the sense that taxes would otherwise rise by even more.

Also, whereas tax cuts might offset the aggregate impact of inflation or tax revenues, it does not mean that the effects are offset for each income class. The aggregate cut can be skewed toward the lower brackets and actually mean higher taxes for middle and upper income brackets. According to Mr. CONABLE, ranking member of the Committee on Ways and Means, this is what usually happens. Mr. CONABLE said that the August 1978 Ways and Means—

Tax bill is revolutionary. It does not take from one group of people through higher taxes to give to other people in lower taxes. It spreads its relief across various sectors in society in the same proportion in which they each bear the tax burden (August 10, 1978, 25425).

Yet, the CRS study asserts, erroneously, that Dr. Roberts' analysis, which points out those distributional implications, is "misleading." Curiously, in its concluding sentences the CRS study then switches to Dr. Roberts' side of the issue. I quote the final lines of the CRS study:

Thus, while the tax cuts have more than offset the aggregate impact of inflation on the tax system, they have not prevented an increase in the real tax burden on a wide range of upper-middle income classes. If one of the purposes of tax cuts is to offset proportionately the impact of inflation on taxpayers, a somewhat altered distributional pattern for future tax cuts will be necessary.

These conclusions of the CRS study are, of course, identical to the conclusions reached by Dr. Roberts.

In its analysis of Dr. Roberts' article, the CRS study does make several mistakes. For example, CRS confuses Dr. Roberts' discussion of deductions with his discussion of itemized deductions. Social security, for instance, is a deduction from taxable income, but it is not an itemized deduction. Whereas these CRS confusions may muddy the water a bit for an uncareful reader, the CRS study does support Dr. Roberts' conclusions in all the main particulars. Therefore, there is really no point in emphasizing this kind of mistake in the CRS study. CRS obviously could not endorse Dr. Roberts' article outright. The politics of the situation required some muddying of the water here and there to make it look like a critical report.

However, the CRS study does contain two fundamental errors of a more general nature that do not relate to Dr. Roberts' article. The CRS study fails to realize that nominal or purely inflated "capital gains" are not income and may even be capital losses. The CRS study constructs hypothetical tables which really only show that people would be even worse off if they had to pay taxes on capital losses and nominal gains. The CRS study, however, does not realize that this is the only conclusion that can be drawn from their hypothetical tables.

Dr. Martin Feldstein, professor of economics at Harvard and president of the National Bureau of Economic Research has found, for example, that—

In 1973 individuals paid capital gains taxes on more than $4.5 billion of nominal capital gains on corporate stock. If the costs of these shares are adjusted for the increases in the consumer price level since they were purchased, the $4.5 billion nominal gain becomes a real capital loss of nearly $1 billion.

I am sure that Dr. Roberts would not disagree with the CRS conclusion that people are even worse off when they have to pay taxes on capital losses.

The second fundamental and even more serious error made by the CRS study is the failure to differentiate between average and marginal tax rates. The CRS study emphasizes average tax rates, which it calls "effective tax rates." But average tax rates are not the effective rates in terms of the impact on incentives. The CRS study fails to realize, or to disclose, that the average tax rate can be kept constant by increasing the personal exemption and standard deduction and having higher marginal tax rates on additions to earnings.

The fundamental problem with our tax policy is that we have been keeping the average tax rate relatively constant by dropping people off the tax rolls at the lower end and pushing remaining taxpayers into higher marginal tax rates, which reduce their incentive to save, invest, and earn additional income. This fundamental problem is disguised by studies, such as the CRS study, which emphasize the aggregate offset to tax increases resulting from reforms and inflation without pointing out that the effect is to raise the tax rates on additions to earnings and, thereby, to increase disincentives throughout the economy.

In conclusion, although the CRS study contains errors, contradictions, and statistical tricks, and is far from perfect, it does provide substantial support and verification of the main points made by Dr. Roberts. As anyone can see, I am proud to have Dr. Roberts as a member of my staff even though he is in great demand by the private sector.

ORDER OF PROCEDURE

LEGISLATIVE SCHEDULE

Mr. BAKER. Could I ask the majority leader what he sees in prospect now, for tomorrow, say, and Friday, specifically whether or not he plans to try to finish this bill and return to the CETA bill and finish it, and what else, if anything, he anticipates we might do?

Mr. ROBERT C. BYRD. After finishing this bill tomorrow, we shall go back to the tax bills. Then we shall go to civil service reform. CETA can wait until last.

Mr. BAKER. Is it the majority leader's hope that we shall finish CETA and the civil service reform bill before we adjourn for the recess?

Mr. ROBERT C. BYRD. That will be my hope, before we go out for the holi-

day. There is a time agreement on the CETA bill.

Mr. BAKER. I thank the Senator.

Mr. McCLURE. Mr. President, will the Senator yield so I may ask a question of the majority leader?

Mr. BAKER. I yield.

Mr. McCLURE. Mr. President, I wonder if the majority leader could advise whether there will be a period for routine morning business on tomorrow?

Mr. ROBERT C. BYRD. There may be or may not be. I assume there will be, because we have been trying to arrange that every day.

Mr. McCLURE. I wonder if the Senator might accommodate the Senator from Idaho. I have a very brief statement that I should like to make tomorrow at the opening of the session.

Mr. ROBERT C. BYRD. The Senator will have that opportunity.

Mr. BAKER. I thank the Senator from North Carolina for yielding and I thank the majority leader.

ORDER FOR RECOGNITION OF SENATORS TOMORROW

Mr. ROBERT C. BYRD. Mr. President, I ask unanimous consent that Mr. HELMS be recognized tomorrow morning, after the order for recognition of Mr. TALMADGE which is now being entered. I ask unanimous consent that Mr. TALMADGE be recognized for not to exceed 15 minutes after the two leaders under the standing order tomorrow.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. ROBERT C. BYRD. Mr, President, I ask unanimous consent that Mr. HELMS then be recognized to call up his amendment or amendments.

Mr. HELMS. Two amendments.

Mr. ROBERT C. BYRD. Two amendments, one of which would not require a rollcall vote, I think.

Mr. HELMS. That is correct.

Mr. ROBERT C. BYRD. And that after Mr. HELMS is recognized to call up his amendments Mr. MORGAN be recognized to call up his one amendment.

Mr. MORGAN. I will have one amendment tomorrow.

Mr. ROBERT C. BYRD. That Mr. MORGAN be recognized to call up an amendment, on which there will be a rollcall vote.

The PRESIDING OFFICER. Without objection, it is so ordered.

ORDER FOR RECESS UNTIL 9:30 A.M. TOMORROW

Mr. ROBERT C. BYRD. Mr. President, I ask unanimous consent that when the Senate completes its business today it stand in recess until 9:30 a.m. tomorrow morning.

The PRESIDING OFFICER. Without objection, it is so ordered.

ORDER FOR THE RECOGNITION OF MR. MORGAN TOMORROW

Mr. ROBERT C. BYRD. Mr. President, I ask unanimous consent that the vote on the amendment by Mr. HELMS go over until tomorrow. I ask unanimous consent that tomorrow, when the Senate resumes consideration of this bill, Mr. MORGAN be recognized to call up his amendment, and that upon the expiration of that time—does the Senator want a vote then?

Mr. MORGAN. I would be willing to postpone it until such time as we can get agreement.

Mr. ROBERT C. BYRD. Very well. Then, Mr. President, I ask unanimous consent that Mr. MORGAN be recognized to call up his amendment in the morning when the Senate resumes its consideration of this measure, and at that time let us decide when the voting will start. It will be understood that the vote will occur—shall we go on with Mr. HELMS' amendment first? We can begin voting around 11 o'clock.

Mr. JAVITS. Mr. President, reserving the right to object, Members will come in cold. I think we ought to have 10 minutes to Senator HELMS and 5 minutes to us, or whatever.

Mr. ROBERT C. BYRD. All right.

Mr. STEVENS. Reserving the right to object, also, Mr. President, we have the problem that I have been requested to object to any specific time for votes tomorrow morning without conferring. We can work it out as soon as Mr. MORGAN starts talking about his amendment, but the problem is that the timing was left up in the air. It was 8, and then 9:30, and I do not think Senators know when rollcall votes will start. I am sure we can reach a time; as soon as the Senator from North Carolina has discussed his amendment we could reach a time certain to vote on it.

Mr. HELMS. How about no earlier than 11 o'clock?

Mr. STEVENS. I think we could agree to no votes before 11. I have no problem with that. It is the problem of when after that, that they might take place.

NO ROLLCALL VOTES BEFORE 11 A.M. TOMORROW

Mr. ROBERT C. BYRD. All right. Mr. President, I ask unanimous consent that no rollcall votes occur before the hour of 11 o'clock tomorrow morning.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. ROBERT C. BYRD. I ask unanimous consent that Mr. MORGAN be recognized upon the resumption of consideration of this bill tomorrow morning, to talk on his amendment.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. ROBERT C. BYRD. We will decide tomorrow morning precisely at what time the first vote will occur, and in what order they will occur; or we could agree to that now, if Mr. HELMS and Mr. MORGAN are agreeable we could determine what vote would occur first.

Mr. HELMS. I defer to my distinguished colleague.

Mr. MORGAN. I would hope Mr. Helms' amendment would be voted on first. That would give us a little more time.

Mr. ROBERT C. BYRD. All right. I ask unanimous consent that there be 10 minutes on Mr. HELMS' amendment, to be equally divided in accordance with the usual form, before the vote occurs on the amendment by Mr. HELMS; and that upon the disposition of the amendment by Mr. HELMS tomorrow, perhaps the Senator from North Carolina would like to have another 10 minutes at that time, to be equally divided, or 5 minutes, before a vote occurs thereon.

Mr. STEVENS. Mr. President, reserving the right to object, I understand Mr. MORGAN's amendment will be the first order of business after the session opens tomorrow?

Mr. ROBERT C. BYRD. That is right, except he wants a little audience here to hear him, and they are not likely to be here when he begins.

The PRESIDING OFFICER. Is there objection to the request of the Senator from West Virginia?

Mr. HELMS. Mr. President, I will be glad to accept that. I apologize to my colleague for neglecting to state that the distinguished Senator from North Carolina (Mr. MORGAN) is a cosponsor of the amendment we will be voting on tomorrow.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. ROBERT C. BYRD. Mr. President, the Senator from North Carolina (Mr. HELMS) is going to want the yeas and nays on his amendment. I ask for the yeas and nays.

The PRESIDING OFFICER. Is there a sufficient second? There is a sufficient second.

The yeas and nays were ordered.

Mr. ROBERT C. BYRD. I thank Senator MORGAN for his patience. He has a couple of amendments at the desk.

Mr. STEVENS. Does he want the yeas and nays on his amendment, too?

Mr. ROBERT C. BYRD. We can get them once we get a few Senators here in the morning.

RECESS UNTIL 9:30 A.M. TODAY

Mr. PELL. Mr. President, under the previous order, I move that the Senate recess until the hour of 9:30 this morning.

The motion was agreed to and at 12:33 a.m., the Senate recessed until 9:30 a.m. today, August 24, 1978.

NOMINATIONS

Executive nominations received by the Senate August 23, 1978:

NATIONAL LABOR RELATIONS BOARD

Howard Jenkins, Jr., of Maryland, to be a member of the National Labor Relations Board for the term expiring August 27, 1983. (Reappointment.)

IN THE NAVY

The following-named officer having been designated for commands and other duties of great importance and responsibility in the grade of vice admiral within the contemplation of title 10, United States Code, section 5231, for appointment while so serving as follows:

To be vice admiral

Rear Adm. David F. Emerson, U.S. Navy.

EXTENSIONS OF REMARKS

SENATE COMMITTEE MEETINGS

Title IV of the Senate Resolution 4, agreed to by the Senate on February 4, 1977, calls for establishment of a system for a computerized schedule of all meetings and hearings of Senate committees, subcommittees, joint committees, and committees of conference. This title requires all such committees to notify the Office of the Senate Daily Digest—designated by the Rules Committee—of the time, place, and purpose of all meetings when scheduled, and any cancellations or changes in meetings as they occur.

As an interim procedure until the computerization of this information becomes operational the Office of the Senate Daily Digest will prepare this information for printing in the Extensions of Remarks section of the CONGRESSIONAL RECORD on Monday and Wednesday of each week.

Any changes in committees scheduling will be indicated by placement of an asterisk to the left of the name of the unit conducting such meetings.

Meetings scheduled for Thursday, August 24, 1978, may be found in Daily Digest of today's RECORD.

MEETINGS SCHEDULED

AUGUST 25

8:00 a.m.
Energy and Natural Resources
To continue hearings on H.R. 13511, proposed Pacific Northwest Electric Power Planning Act.
3110 Dirksen Building

9:00 a.m.
Finance
To continue hearings on H.R. 13511, proposed leigslation to reduce income taxes.
2221 Dirken Building

Human Resources
To consider S. 2910, to establish programs to assist in preventing unwanted initial and repeat pregnancies among adolescents; S. 3116, to provide Federal assistance to States through formula and project grants for preventive health programs; and S. 3205 and 3309, to extend certain existing refugee assistance programs and to provide assistance to new refugees.
4232 Dirksen Building

9:30 a.m.
Judiciary
To hold hearings on the nominations of Theodore McMillian, of Missouri, to be U.S. circuit judge for the eighth circuit; Harold A. Baker, to be U.S. district judge for the eastern district of Illinois; Mariana R. Pfaelzer, to be U.S. district judge for the central district of California; Richard S. Arnold, to be U.S. district judge for the eastern and western districts of Arkansas; and Patricia J. E. Boyle and Julian A. Cook, Jr., each to be a U.S. district judge for the eastern district of Michigan.
2228 Dirksen Building

Rules and Administration
To consider further the nomination of John W. McGarry, of Massachusetts, to be a Member of the Federal Election Commission.
301 Russell Building

10:00 a.m.
Armed Services
To receive testimony on proposed action under P.L. 85-804, relating to settlement of Navy shipbuilding claims.
212 Russell Building

Banking, Housing, and Urban Affairs
To hold hearings on S. 2843, to provide for the striking of gold medallions, and on gold sales by the Department of the Treasury.
5302 Dirksen Building

AUGUST 28

9:30 a.m.
Finance
Taxation and Debt Management Subcommittee
To hold hearings on miscellaneous tax bills (H.R. 810, 4030, 5099, S. 2771, 1611, 3049, 3176, and 3345).
2221 Dirksen Building

10:00 a.m.
Judiciary
Administrative Practice and Procedure Subcommittee
To resume hearings on the FBI Charter as it concerns undercover operations.
2228 Dirksen Building

AUGUST 29

10:00 a.m.
Judiciary
Administrative Practice and Procedure Subcommittee
To resume hearings on the FBI Charter as it concerns undercover operations.
2228 Dirksen Building

2:00 p.m.
Commerce, Science, and Transportation
Merchant Marine and Tourism Subcommittee
To hold hearings on H.R. 6503, to provide for a just and reasonable rate of return or profit for common carriers by water in intercoastal commerce.
235 Russell Building

SEPTEMBER 6

2:00 p.m.
Commerce, Science, and Transportation
Merchant Marine and Tourism Subcommittee
To resume hearings on S. 2873, proposed Ocean Shipping Act.
235 Russell Building

SEPTEMBER 7

9:00 a.m.
Commerce, Science, and Transportation
To hold hearings on the following nominations to be Members of the Board of Directors of the U.S. Railway Association; W. K. Smith, of Minnesota, to be Chairman; Stanton P. Sender, of the District of Columbia; Nathaniel Welch, of Georgia; James E. Burke, of New Jersey; and Robert G. Flannery, of California.
6226 Dirksen Building

10:00 a.m.
Commerce, Science, and Transportation
To hold oversight hearings on the lengths of motor tractor trailers.
235 Russell Building

1:00 p.m.
Conferees
On H.R. 11445, authorizing funds for programs administered by the Small Business Administration.
EF-100, Capitol

SEPTEMBER 8

9:30 a.m.
*Commerce, Science, and Transportation
To hold hearings on S. 2970, proposed Truck Safety Act.
235 Russell Building

10:00 a.m.
Special on Aging
To resume oversight hearings on the implementation of P.L. 95-256, to increase from 65 to 70 years of age limit for retirement under the Age Discrimination in Employment Act.
5110 Dirksen Building

SEPTEMBER 14

10:00 a.m.
Judiciary
Administrative Practice and Procedure Subcommittee
To resume hearings on the FBI Charter and its overall policy.
2228 Dirksen Building

SEPTEMBER 19

9:00 a.m.
Judiciary
Constitution Subcommittee
To resume hearings on S. 1845, to prevent unwarranted invasions of privacy by prohibiting the use of polygraph type equipment for certain purposes.
6226 Dirksen Building

9:30 a.m.
Human Resources
Labor Subcommittee
To hold hearings on S. 3060, proposed National Workers' Compensation Standards Act.
4332 Dirksen Building

SEPTEMBER 20

9:30 a.m.
Human Resources
Labor Subcommittee
To continue hearings on S. 3060, proposed National Workers' Compensation Standards Act.
4232 Dirksen Building

SEPTEMBER 21

9:00 a.m.
Judiciary
Constitution Subcommittee
To resume hearings on S. 1845, to prevent unwarranted invasions of privacy by prohibiting the use of polygraph type equipment for certain purposes.
5110 Dirksen Building

SEPTEMBER 22

9:30 a.m.
Human Resources
Labor Subcommittee
To resume hearings on S. 3060, proposed National Workers' Compensation Standards Act.
4232 Dirksen Building

CANCELLATIONS

AUGUST 28

10:00 a.m.
Governmental Affairs
Permanent Subcommittee on Investigations
To resume hearings with regard to the widespread nature of arson-for-profit, including evidence of the role of organized crime.
3302 Dirksen Building

AUGUST 29

10:00 a.m.
Governmental Affairs
Permanent Subcommittee on Investigations
To continue hearings with regard to the widespread nature of arson-for-profit, including evidence of the role of organized crime.
3302 Dirksen Building

SENATE—*Thursday, August 24, 1978*

(Legislative day of Wednesday, August 16, 1978)

LOBBYISTS

The compilation by the Clerk of the House and the Secretary of the Senate of all new registrations and reports for the second calendar quarter of 1978, and reports for the first calendar quarter of 1978 received too late to be previously published, that were filed by persons engaged in lobbying activities, appears in this issue of the Congressional Record.

The Senate met at 9:30 a.m., on the expiration of the recess, and was called to order by Hon. DONALD W. RIEGLE, JR., a Senator from the State of Michigan.

PRAYER

The Reverend Dr. Robert B. Harriman, director, the Presbyterian Council for Chaplains and Military Personnel, Washington, D.C., offered the following prayer:

Let us pray.

Almighty and everlasting God, we pause to praise Thee for all those whose inheritance we now enjoy, passed to us enriched and enobled by the contributions of a great host of dedicated people in all walks of life. Persons both great and small are to be praised for efforts equal to their talents. And now we hold, in human hands, our precious heritage.

For these, whose decisions in this place shall affect the coming generations, we pray for a wisdom beyond their own. May they, with undiminished zeal, approach each challenge with courage and hope.

In their private lives, so limited by the demands of public service, may they pause to acknowledge Thy presence. Confessing before Thee the frailties which touch us all, may they be renewed by Thy forgiving love and directed by Thy Word into paths of righteousness and peace. To Thy protecting care we commend them and their families. And so would be our prayer for all these in Government who sacrifice so much of themselves for this Nation's future. Wilt Thou bless them and keep them faithful to Thy purpose. In Jesus' name we pray. Amen.

APPOINTMENT OF ACTING PRESIDENT PRO TEMPORE

The PRESIDING OFFICER. The clerk will please read a communication to the Senate from the President pro tempore (Mr. EASTLAND).

The assistant legislative clerk read the following letter:

U.S. SENATE,
PRESIDENT PRO TEMPORE,
Washington, D.C., August 24, 1978.

To the Senate:

Under the provisions of rule I, section 3 of the Standing Rules of the Senate, I hereby appoint the Honorable DONALD W. RIEGLE, JR., a Senator from the State of Michigan, to perform the duties of the Chair.

JAMES O. EASTLAND,
President pro tempore.

Mr. RIEGLE thereupon assumed the chair as Acting President pro tempore.

RECOGNITION OF LEADERSHIP

The ACTING PRESIDENT pro tempore. Under the previous order, the majority leader is recognized.

Mr. PELL addressed the Chair.

The ACTING PRESIDENT pro tempore. The Senator from Rhode Island.

THE JOURNAL

Mr. PELL. Mr. President, I ask unanimous consent that the Journal of the proceedings be approved to date.

The ACTING PRESIDENT pro tempore. Without objection, it is so ordered.

ORDER TO DISCHARGE COMMITTEE AND PLACE HOUSE JOINT RESOLUTION 1014 ON CALENDAR

Mr. PELL. Mr. President, I ask unanimous consent that the Committee on the Judiciary be discharged from further consideration of House Joint Resolution 1014, Days of Remembrance of Victims of Holocaust, and that the joint resolution be placed on the Calendar.

The ACTING PRESIDENT pro tempore. Without objection, it is so ordered.

ORDER TO REFER S. 3437 TO COMMITTEE ON FINANCE

Mr. PELL. Mr. President, I ask unanimous consent that at such time as S. 3437, drug smuggling, is reported by the Committee on the Judiciary, it be referred to the Committee on Finance for 30 days.

The ACTING PRESIDENT pro tempore. Without objection, it is so ordered.

DISTRICT OF COLUMBIA RETIREMENT REFORM ACT

Mr. ROBERT C. BYRD. Mr. President, I ask unanimous consent that the Senate proceed to the consideration of Calendar Order 799.

The ACTING PRESIDENT pro tempore. Without objection, it is so ordered.

The bill will be stated by title.

The assistant legislative clerk read as follows:

A bill (S. 2316) to establish an actuarially sound basis for financing retirement benefits for policemen, firemen, teachers, and judges of the District of Columbia and to make certain changes in such benefits.

The Senate proceeded to consider the bill which had been reported from the Committee on Governmental Affairs with an amendment in the nature of a substitute.

The ACTING PRESIDENT pro tempore. The question is on agreeing to the committee amendment in the nature of a substitute.

The committee amendment in the nature of a substitute was agreed to.

● Mr. EAGLETON. Mr. President, pension reform will give the District a system that will be fair to taxpayers and recipients alike. It will assure reasonable pensions at reasonable cost. Fundamentally, it provides for a system for police officers, firefighters and teachers that will be financially sound and can be sustained in the years to come. Additionally, it will eliminate abuses of disability retirements that have been so flagrant in the District and have skyrocketed costs. The present system is some $2 billion in the hole, and without reform would bankrupt the District. The pension system was set up years ago by the Federal Government, and it will share the cost of reform with the District. The Senate version calls for a Federal contribution of $80 million a year, the House version for $42 million. I am confident differences can be worked out in a Senate-House conference, and the bill will be signed into law in the next month or so.

Mr. ROBERT C. BYRD. Mr. President, I ask unanimous consent to have printed in the RECORD an excerpt from the report (No. 95–869), explaining the purposes of the measures.

There being no objection, the excerpt was ordered to be printed in the RECORD, as follows:

PURPOSE

The purposes of the bill S. 2316 are (1) to establish, with Federal financial assistance, separate retirement funds for police officers and firefighters, teachers, and judges of the District of Columbia in order to liquidate the Federal share of the unfunded liability accrued by pensions granted prior to transfer to the District's Home Rule government on January 2, 1975; (2) to establish a Retirement Board to manage the funds; (3) to provide actuarially sound management to protect the benefits of participants and beneficiaries under the plans; (4) to require the Retirement Board to comply with reporting and disclosure requirements similar to those found in the Employee Retirement Income Security Act of 1974 (ERISA) (Public Law 93–406, 88 Stat. 829); and (5) to provide disability retirement benefits which com-

pare with other cities and provide the annuitant a sufficient retirement allowance while keeping pension costs at a level the District can afford.

The bill does not affect active or retired members of the U.S. Park Police, Executive Protection Service, or Secret Service.

BACKGROUND OF PENSION SYSTEMS IN THE DISTRICT OF COLUMBIA

The policemen and firemen's relief fund was established by Congress in 1916 to pay for medical and hospital expenses of police and firefighters for service-connected injury or disease and retirement for permanent disability. The fund was financed from disciplinary fines on members, gifts or rewards to the Department, employee contributions of 1½ percent of salary, proceeds from sales of unclaimed property, and donations. And deficiencies in the fund were to be made up by the District Government.

In 1924, Congress approved an amendment to the 1916 act to increase employee contributions to 2½ percent and establish a formula for sharing expenses of 60 percent from District of Columbia revenues and 40 percent from Federal revenues. This formula was in effect until 1957 when the law was amended to reimburse the District for benefit payments that exceeded the amount deducted from employee salaries. Periodic increases in the employee contribution level has brought it to the current level of 7 percent of salary.

The fund established in 1916 was never invested, and in 1935, all moneys credited to the fund were put into the general revenues of the District. That practice remains in effect today, leaving the retirement system on a pay-as-you-go basis.

By way of contrast, Congress enacted the teachers retirement legislation in 1920 (act of Jan. 15, 1920) on a funded basis. Employee contributions varied yearly to correspond to salary changes but were not to exceed 8 percent of $1,500. The fund was administered and invested by the U.S. Treasury, which, in addition, made actuarial valuations every 3d year to show the financial condition of the fund.

In 1946, Congress placed the teachers retirement system on a basis similar to the Civil Service Retirement System (Public Law 79–624). The Treasury Department estimated the District of Columbia contributions to the fund, on an actuarial level percentage basis, to cover the normal cost accrued each year and to liquidate the accrued liability over a 20-year period.

The city's appropriation was calculated on this basis until 1968 when the District's Presidentially appointed Commissioners requested and were granted permission from the House Appropriations Committee to provide funds for only the normal cost accrued each year.

In 1970, Congress passed legislation (Public Law 91–263) to substitute this modified pay-as-you-go plan for the normal cost-plus interest formula specified in the 1946 Law (Public Law 79–624). The fund was frozen at the June 20, 1969, amount of $61.8 million and mandated to be maintained at that level or an amount equal to the employees equity in the fund, whichever is greater. If the funds were not sufficient to meet all obligations, the District was to make up the difference.

Concern for the adequacy of pay-as-you-go financing for police and fire pensions was not voiced until Senate hearings in 1957. Senator Alan Bible, the chairman of the Senate Committee on the District of Columbia, when told by the Director of General Administration on the District of Columbia that the Commissioners did not consider it a serious problem that the police and firemen had no fund, requested that a more thorough study of funding be conducted.

An attempted comparative study of 18 cities indicated a prevalence of pay-as-you-go funding, and an absence of actuarial studies of cost in most cities. Even when funding did exist, the trust funds were not maintained at a level to be considered funded on an actuarial basis.

The 1972 report of the organization of the Government of the District of Columbia (Nelson Commission) (established by Public Law 91–405) was very critical of the methods of financing the police and fire, and teachers retirement systems. It criticized the Congress for allowing the teachers system to move from a funded to an unfunded one and pointed out the difficulty in recognizing and providing for costs of a pay-as-you-go retirement system that fails to consider and provide for future expenditures. (H. Doc. 92–317).

NEED FOR LEGISLATION FUNDING

The committee finds that Congress established the District of Columbia police and firefighters, teachers, and judges pension plans and granted benefits, but failed to provide for adequate funding of these plans prior to granting home rule to the District in 1975. In addition, Congress mandated that the city hire an additional 2,000 police officers during the 1960's and early 1970's for a total authorization of 5,100—a force substantially larger than that for cities of comparable size.

As a result, for 1978, the unfunded liability of the police and firefighters retirement system is estimated at $1.464 billion, for teachers at $846 million, and for judges at $9.5 million—giving a total accrued unfunded liability of over $2.3 billion (assuming continuation of current benefit levels). During 1977, the unfunded liability increased by more than $140 million.

The police and firefighters pensions are paid out of general revenues of the District of Columbia on a pay-as-you-go basis. The teachers fund (congressionally mandated to be maintained at $61.5 million in face value) is so inadequate as to be considered unfunded. The same can be said of the judges $1.3 million fund. (See appendix A.)

Since the Federal Government created and had total responsibility for these pension systems until 1975, the committee believes it is the Federal responsibility to make annual payments to the retirement funds to amortize over a 25-year period that portion of the unfunded liability which results from costs for those who retired before the grant of home rule (Jan. 2, 1975). Based on the most recent actuarial valuations available, the committee determined the unfunded accrued liability for retirees as of the effective date of home rule, incorporating the cost savings anticipated under S. 2316. These amounts, given in column (1) of table 1, were then adjusted for interest payments to October 1, 1978 (column (2)). The annual payments required to amortize these liabilities were calculated on the basis of quarterly payments over 25 years, using the same interest rate assumption as in the actuarial valuations. The committee determined that these amortization payments, shown in column (3) of table 1, would properly discharge the Federal responsibility with respect to funding.

TABLE 1.—DETERMINATION OF FEDERAL AND DISTRICT FUNDING SHARES

[Dollar amounts in millions]

	Accrued liability (retirees)		Amortization payments for Federal share annual payment	District share accrued liability on Oct. 1, 1978 for all active and retired after Jan. 2, 1975
	On Jan. 2, 1975	Jan. 2, 1975, adjusted to Oct. 1, 1978		
	(1)	(2)	(3)	
Police and fire	$594.8	$740.0	$56.49	$521.3
Teachers	244.5	304.2	23.22	509.0
Judges	3.62	4.50	.34	7.3
Total	842.9	1,048.7	80.05	1,037.6

Note: See text for definitions. Interest rate assumption: 6 percent. Amortization payments in col. (3) assume 100 quarterly payments with the 1st payment on Oct. 1, 1978, and the last payment on July 1, 2003.

Source: Staff calculations based on Wyatt Co. and Treasury Department estimates.

Because the District is truly a national city, the Federal Government also has a responsibility to place the District on a viable financial basis so that it can assume the costs of future pension payments.

Pension costs for police and firefighters will be 55 percent of payroll in 1978, and under current law would exceed payroll by 1999. To pay more in retirement benefits than in active-duty salaries would be untenable for any city and impossible for the District because of its limited tax base. Nonetheless, as the Nation's Capital, the District must maintain large uniformed services and assure high professional standards through quality recruitment and stable and prudent compensation and retirement benefits. Essential to these objectives is the need for a reform of present systems to eliminate costly abuses and establish sound funding that will permit the District to sustain trained and skilled public services. The city must protect the 1.5 million persons who commute to the District daily, the numerous heads of state and visiting dignitaries, the millions of tourists who visit the Capital annually, and the delegations who come to Washington to petition their Government officials.

Also, the city's population has declined from 802,000 in 1950 to less than 700,000 today, resulting in a steadily decreasing tax base. Thirty percent of District revenues are budgeted for debt service, welfare payments, and federally mandated programs, and these budget items are rising at the rate of 4 percent a year.

To insure that adequate funds are available to pay the costs of those retiring after

1975, the District will pay net normal cost plus interest on its share of the unfunded liability; a transition period is mandated to prevent massive budget dislocations in the early years of the funding program. (Estimates of the District and Federal payments to the funds are given in table 2.) This will put the District on an actuarially sound financing schedule from the first year and assure adequate reserves by advance funding to meet future costs. A full discussion of funding issues will be found in appendix A.

The Federal payments authorized in S. 2316, the reforms in benefits and administration, and the funding program for the District leave the city on a sound financial basis—capable of meeting the personnel costs of the Nation's Capital well into the 21st century.

TABLE 2.—ESTIMATED FEDERAL AND DISTRICT OF COLUMBIA PAYMENTS INTO THE RETIREMENT FUNDS, 1979-2004

[Dollar amounts in millions]

Fiscal year	District of Columbia payments				Federal payments				District of Columbia plus Federal total
	Police and fire	Teachers' fund	Judges' fund	District of Columbia total	Police and fire	Teachers' fund	Judges' fund	Federal total	
1979	$50.9	$29.2	$0.9	$81.0	$56.5	$23.2	$0.3	$80	$161.0
1980	53.3	31.0	1.0	85.3	56.5	23.2	.3	80	165.3
1981	55.8	32.7	1.2	89.7	56.5	23.2	.3	80	169.7
1982	58.5	34.4	1.3	94.2	56.4	23.2	.3	80	174.2
1983	61.3	36.3	1.4	99.0	56.5	23.2	.3	80	179.0
1984	64.3	38.2	1.5	104.0	56.5	23.2	.3	80	184.0
1985	67.6	40.2	1.7	109.5	56.5	23.2	.3	80	189.5
1986	71.0	42.4	1.8	115.2	56.5	23.2	.3	80	195.2
1987	74.7	44.7	1.9	121.3	56.5	23.2	.3	80	201.3
1988	78.7	47.1	2.0	127.8	56.5	23.2	.3	80	207.8
1989	83.0	49.5	2.1	134.6	56.5	23.2	.3	80	214.6
1990	87.7	52.2	2.3	142.2	56.5	23.2	.3	80	222.2
1991	92.6	55.1	2.4	150.1	56.5	23.2	.3	80	230.1
1992	97.8	58.1	2.5	158.4	56.5	23.2	.3	80	238.4
1993	103.1	61.5	2.7	167.3	56.5	23.2	.3	80	247.3
1994	107.4	65.2	3.0	175.6	56.5	23.2	.3	80	255.6
1995	108.7	69.3	3.4	181.4	56.5	23.2	.3	80	261.4
1996	110.2	73.8	3.6	187.6	56.5	23.2	.3	80	267.6
1997	111.9	78.8	4.0	194.7	56.5	23.2	.3	80	274.7
1998	113.7	84.4	4.5	202.6	56.5	23.2	.3	80	282.6
1999	115.7	90.7	5.0	211.4	56.5	23.2	.3	80	291.4
2000	117.9	97.5	5.4	220.8	56.5	23.2	.3	80	300.8
2001	120.2	104.5	6.0	230.7	56.5	23.2	.3	80	310.7
2002	122.7	111.8	6.7	241.2	56.5	23.2	.3	80	231.2
2003	125.3	119.2	5.9	250.4	56.5	23.2	.3	80	330.4
2004	128.1	121.0	5.2	254.3	0	0	0	0	254.3

Note: Estimates based on S. 2316 as introduced. Committee amendment reduces District contribution to police and fire fund in later years. All District contributions are net of employee contributions. Committee staff estimates based on Wyatt Co. calculations.

DISABILITY RETIREMENTS

The legislation establishes strict standards for disability retirements, eliminating costly abuses that have added substantially to the rising cost of the pension system. Of the total number of retirees in 1969, 99 percent of firefighters and 98 percent of police were retired on disability. Between 1971 and 1975, disability retirements in other cities ranged between 15 and 46 percent. Disability retirements in the District for 1977 were 52 percent for police and 63 percent for firefighters.

Current law provides a line-of-duty disability retirement at 66⅔ to 70 percent of pay, regardless of the degree of injury or disease. The bill bases all disability retirements on a percentage of impairment, determined by medical experts, but guarantees a minimum annuity regardless of the extent of the injury. This reduces the incentive to apply for a 70 percent tax-free retirement for any injury or disease.

AGGRAVATION

Particularly vulnerable to abuse in current law is the aggravation clause, which allows a person who incurs an injury on duty or off duty, that is aggrevated by continued duty, to retire on full disability pay.

An analysis of disability requirements shows that in 1969, 85 percent of firefighters and 69 percent of police retired on "aggravation" of previous injuries. In calendar year 1977, 20 percent of the disability retirements were for aggravation during duty of a preexisting injury which alone was not sufficient for disability retirement.

The bill eliminates the aggravation clause except for aggravation of a previous on-duty injury if the member has submitted a report and documentation to the Board of Police and Fire Surgeons within 7 days of the injury.

Current law allows an annuitant to earn up to 80 percent of the current salary of his last-held position in each of two consecutive years before putting his disability pension into jeopardy. No pensioner has ever lost a penny of his annuity under this law, despite evidence of annuitants engaging in occupations requiring substantially similar physical conditioning. The bill changes this to 80 percent in any 1 year for those currently retired on disability. It also provides for administrative monitoring of disability annuitants and a reduction in annuity based on outside earnings beyond a certain level for those who retire on disability in the future. This creates a substantial cost savings by reducing the incentive to seek disability retirement if optional retirement is available.

COST-OF-LIVING INCREASES

Adjustments for police and firefighters annuities are currently tied to pay increases for the active forces. Retirees receive the same percentage increase as active members. City administrators are resistant to modernizing the grade steps and pay levels because the windfalls this would give to retirees would increase pension costs. To move from entry level to the highest advance requires an average of 16 years in the District of Columbia police system, considerably higher than comparable cities. Previous increases have generally reflected the actual rise in the Consumer Price Index (CPI) but in recent years, increases have begun to lag behind the cost-of-living. The bill removes this "equalization" clause and allows cost-of-living increases based on the Consumer Price Index.

Police and firefighter survivors annuities, and teachers and judges pensions are currently adjusted by a method formerly used by the Civil Service Commission, that this, based on a 3-percent increase in CPI for 3 consecutive months, plus a 1 percent add-on to compensate for the time lag. Since this "kicker" was compounded with each increase, the Library of Congress (issue brief no. IB76038) estimated that annuities adjusted by this method rose approximately one-third more than the actual cost-of-living.

The bill allows cost-of-living increases based on the Consumer Price Index for police and fire survivors annuities, and teachers and judges pensions.

SERVICE RETIREMENTS

Current law allows police officers and firefighters to retire after serving 20 years. Comparative data for other cities show that the District's age/service requirement for retirement is among the most generous in the country. According to the Wyatt Co. this costs the city 14 percent of payroll more than a requirement of 25 years of service at age 55. The bill increases the requirement to 25 years and age 55, with corresponding changes in the benefit formula, for new hires. A retiree would receive 2.5 percent for each year served up to 25 years of service, and then 3 percent for each additional year as an incentive so the District can retain experienced officers. The current maximum annuity of 80 percent of base salary is retained.

At present a retired police officer's or firefighter's annuity is based on an average of his highest 12 consecutive months pay. Comparisons with other cities show that most jurisdictions use the average highest 36 consecutive months salary as a base for pensions. The bill provides for using this "high 3 years" as a base period.

At present, a police officer or firefighter must serve a full 20 years in order to be eligible for any service retirement benefits. Those with less than 20 years who change jobs lose all rights to a pension based on employer contributions for those working years with little hope of accumulating additional creditable years in the new job which would provide a sufficient retirement income. The bill allows a deferred annuity (vesting) based on years of service at age 55, or actuarially reduced at age 50, for those with at least 5 years of service.

MAJOR PROVISIONS OF THE BILL

I. FUNDING

1. Establishes separate retirement funds for police officers and firefighters, teachers, and judges, but allows moneys to be commingled for investment purposes.

2. Establishes an 11-member Retirement Board to manage the funds, five appointed

by the city and six elected by active and retired employees.

3. Requires that these funds be maintained on an actuarially sound basis to provide proper financing of benefits as they come due.

4. Gives the Retirement Board fiduciary responsibility over the funds..

5. Requires the Retirement Board to comply with reporting and disclosure requirements similar to those imposed by the Employee Retirement Income Security Act of 1974 (ERISA).

6. Provides for Federal payments into each fund to help finance liabilities for retirement benefits accrued prior to home rule, the period during which Congress enacted and administered the retirement programs.

II. BENEFIT CHANGES FOR DISTRICT OF COLUMBIA METROPOLITAN POLICE OFFICERS AND FIREFIGHTERS

1. For current retirees, current employees, and new hires:

(a) Provides cost-of-living adjustments on March 1 and September 1, based on the Consumer Price Index, as in the civil service retirement system. (Currently, increases occur at the same times as and at the same percentage as active members.)

(b) Conforms the timing of cost-of-living adjustments to those of Federal retirees, and prorates prior adjustments for members retiring between the biannual increases.

(c) Requires annual medical and earnings statements of disability annuitants.

2. For current employees and new hires:

(a) Provides vesting in 5 years with the right to a deferred annuity at age 55.

(b) Increases survivor annuities to conform with civil service and social security practices.

(c) Disability retirements:

(i) Eliminates the aggravation clause for off-duty injuries and requires more strict accounting for aggravation claims for on-duty injuries.

(ii) Board of Surgeons will determine the percentage of impairment.

(iii) Retirement Board will determine the percentage of disability, taking into account the percentage of impairment, position held prior to injury, nature of injury, age of member, and other factors which may affect the member's capacity to earn in the disabled condition.

(iv) An annuitant will have his annuity reduced for certain outside income exceeding limits specified in the legislation, limits based on the member's salary at the time of retirement and the overall level of salaries of active members.

(v) A yearly medical statement by the Board of Surgeons or a doctor designated by them is mandatory. If a retiree fails to provide this information, his annuity will be suspended until he fulfills this requirement.

(vi) No annuitant injured on duty will receive less than 40 percent of final pay, and no annuitant injured off-duty will receive less than 30 percent of final pay.

3. For new hires:

(a) Bases pensions on 3 years average pay rather than last year's average pay.

(b) Changes eligibility for normal retirement to age 50 with 25 years service, rather than 20 years service with no age limit.

III. BENEFIT CHANGES FOR TEACHERS AND JUDGES

1. Repeals the 1-percent "kicker" on annuity adjustments and provides cost-of-living adjustments on March 1 and September 1 as in the civil service retirement system.

2. Restores a retired teacher's full annuity (if teacher has elected to receive a reduced amount in order to increase survivor's annuity) if the beneficiary dies before the teacher. (Conforms to recent civil service retirement changes.)

The ACTING PRESIDENT pro tempore. The question is on the engrossment and third reading of the bill.

The bill was ordered to be engrossed for a third reading and was read the third time.

Mr. ROBERT C. BYRD. Mr. President, I ask unanimous consent that the Senate proceed to the consideration of Calendar Order No. 954, H.R. 6536.

The ACTING PRESIDENT pro tempore. Without objection, it is so ordered. The bill will be stated by title.

The assistant legislative clerk read as follows:

A bill (H.R. 6536) to establish an actuarially sound basis for financing retirement benefits for policemen, firemen, teachers, and judges of the District of Columbia and to make certain changes in such benefits.

The ACTING PRESIDENT pro tempore. Without objection, the Senate will proceed immediately to the consideration of the bill.

Mr. ROBERT C. BYRD. Mr. President, I ask unanimous consent that all after the enacting clause be stricken and that the language of Senate bill S. 2316, as amended, be inserted in lieu thereof, that the bill be advanced to third reading, passed, and the motion to reconsider laid on the table.

The ACTING PRESIDENT pro tempore. Is there objection?

Mr. STEVENS. There is no objection.

The ACTING PRESIDENT pro tempore. Without objection, it is so ordered.

ORDER OF BUSINESS

Mr. ROBERT C. BYRD. Mr. President, I yield such portion of my time as the Senator from Wisconsin (Mr. PROXMIRE) may desire.

The ACTING PRESIDENT pro tempore. The Senator from Wisconsin is recognized.

Mr. PROXMIRE. I thank the majority leader.

THE HOLOCAUST: A "LIVING HISTORY" PROJECT

Mr. PROXMIRE. Mr. President, earlier this year the television program "Holocaust" caused a great stir in this country. For millions of Americans, "Holocaust" made the Nazi destruction of 6 million Jews a tangible, horrible reality, not just a sterile fact from some textbook.

But what purpose did "Holocaust" serve? Why should Americans be so forcibly reminded of this grim period in human history?

The answer, Mr. President, is a simple one—education. And by that I mean education in the most basic sense—gaining knowledge accumulated from the past to inform present actions and to weigh future decisions. Programs such as "Holocaust" are valuable because they educate us, help us to act intelligently and to make wise decisions.

Today I want to call the attention of the Senate to another commendable effort to educate Americans about the holocaust. Ms. Janice Steiber Rous, director of education at the Jewish Museum in New York, has created an education program for public high school students. The program accompanies an exhibition now at the museum called "Spiritual Resistance: Art from Concentration Camps, 1940–45." Ms. Rous and two others, all of them children of concentration camp survivors, spend 2 hours with groups of 30 to 50 students, most of them minority students from inner city schools. They show a film, accompany the students as they tour the exhibition, and, most importantly, give them a chance to talk with someone personally affected by the Nazi holocaust.

Well over a thousand students have participated, and close to 4 thousand more will see the exhibition before it leaves in November. Up to now their reactions have been very encouraging, even surprising. Students come to understand that all prejudice is wrong. They feel deep empathy for the Jews because of the wrongs inflicted on them out of prejudice.

Mr. President, Nazism has all but disappeared from the world, but prejudice and hatred remain. A generation has grown up only dimly aware of the potential of these two to explode into horrendous atrocity. Efforts such as those of the Jewish museum educate us to this potential atrocity. We learn that we must take whatever action we can to prevent abominations like the Nazi holocaust from occurring again.

But, some might say, what can we do? How can we prevent prejudice from leading to injustice, even to barbarism?

Mr. President, there is at least one step we can take. Right now. We can ratify the Genocide Convention. We can add our signature to those of 83 other countries that have declared genocide a punishable crime.

We owe great thanks to Janice Steiber Rous and to the many other Americans who have labored to make us aware of the dangerous potential of prejudice and hatred. We owe it to them, and to the world, to guard against this ominous threat by ratifying the Genocide Convention.

Mr. President, I ask that a copy of Ms. Rous' article in the September, 1978 issue of the Anti-Defamation League bulletin appear in the RECORD.

There being no objection, the article was ordered to be printed in the RECORD. as follows:

HOLOCAUST EDUCATION THROUGH CONCENTRATION CAMP ART

(By Janice Stieber Rous)

I am 28 years old, and the director of education at the Jewish Museum in New York. My father is a survivor of Dachau and Buchenwald. As I was growing up, I heard stories of his escape, his rebirth in America and his tremendous motivation and appreciа-

tion of being alive to enjoy his friends. With this background, one might think I would have no problem designing a Holocaust program for public school groups. Such was not the case.

In January, 1977, Joy Ungerleider-Mayerson, the Museum's director, asked me to design an education program for public high school students for the upcoming exhibition "Spiritual Resistance: Art from Concentration Camps, 1940–45." In truth, I was terrified by her request and backed away from it under the guise of being too busy.

"What if the kids don't care, what if they're apathetic? What if they're not sensitive to me and the pain my father went through? What if they don't understand or care that Hitler was determined to wipe the Jews off the face of the Earth? What if they tell us how angry they are at the Jews, that they hate Jewish landlords, and that all Jews are stingy?" And somewhere inside I was haunted by the question "How could it happen, and could it happen again?"

I forced myself to think about the educational issues of the Holocaust. Are there special questions to be asked or lessons to be learned?

On May 3, I met Miriam Novitch, the curator of the museum at Lohamei Hageta'ot (The Freedom Fighters Kibbutz) and the woman responsible for collecting the work in the exhibit. Her intensity and strong personal mission spoke to me in a way that touched my deepest feelings. She tells a story of her relationship with Yitzak Katzelnelson, a poet who buried his poems in milk bottles and who charged her with the mission to recount the heroism of the people in the camps. She tells of her desperation and desire to throw herself on the railroad tracks to end her misery, but how she remembered the message of Yitzak Katzelnelson, and determined to endure. At least I understood the meaning of Spiritual Resistance: to stay alive was to resist. I wondered, could I have endured such pain? During that one hour I knew why I had to teach the Holocaust and what I had to say.

On May 10, the program began. We greeted our first class, predominantly minority students from a public high school. We opened the program with a discussion of the television program "Holocaust," the first exposure to the Holocaust for some of the students. Many had been moved by the presentation. One student said: "After I saw 'Roots' I hated white people, but then I saw 'Holocaust' and I saw that the Jews had it even worse than us. They wouldn't even let you live." "They tried to eat your minds," said another. One student said "Didn't Hitler have a soft spot anywhere in his heart?"

Following the comments, everyone was asked to draw something. Although the students were at first hesitant and reserved, they drew some very poignant self-portraits. We were then able to make overt the relationship between inner feelings and how they are translated onto paper.

We went into the gallery together to view the drawings and paintings of the concentration camp victims.

Some of the students' remarks reflected their deep personal appreciation: "This was better than the TV program because it was real. The paintings and drawings were done by *real* people. You told us true stories." One black student said: "I never thought I could come to the Jewish Museum. I thought I'd feel left out, but now I could take anyone here and give them the same personal experience I had." One ninth-grader said: "I didn't want to come to the Museum today. I thought it would be a drag, but it was one of the best days of my life." Her friend responded with "You know, I feel sorry for those people (the Germans)—they had to hate. I hope the Jews don't hate. I hope they learned from them."

Mr. PROXMIRE. I thank the majority leader again, and I yield the floor, Mr. President.

ORDER TO INDEFINITELY POSTPONE, CALENDAR ORDER NO. 799—S. 2316

Mr. ROBERT C. BYRD. Mr. President, I ask unanimous consent that Calendar Order 799 be indefinitely postponed.

The ACTING PRESIDENT pro tempore. Without objection, it is so ordered.

RECOGNITION OF LEADERSHIP

The ACTING PRESIDENT pro tempore. Under the previous order, the minority leader is recognized.

Mr. STEVENS. Mr. President, I yielded my time to the Senator from Idaho (Mr. McCLURE), but I understand that the Senator from Georgia is ready to proceed, and I would prefer that he do so.

Mr. TALMADGE. I thank the distinguished minority leader.

THE NUMBERS GAME

Mr. TALMADGE. Mr. President, HEW has been circulating a widely quoted summary of alleged "savings" in hospital costs under the Kennedy and Nelson amendments to H.R. 5285, the committee-approved medicare and medicaid reimbursement reform provisions of the bill.

The thrust of the HEW effort is to show that savings under the committee bill, H.R. 5285, are miniscule compared with the two administration-backed amendments.

The committee provision is based upon a section in S. 1470 which I introduced, joined by 19 other Members of the Senate.

This numbers game appears to be a deliberate effort to compare apples with oranges.

This effort distorts, deceives, misleads, and appears to attack the credibility and integrity of the Committee on Finance.

Apparently—and this is hard to believe—HEW does not understand the difference between attempting to get a handle on how the Federal and State governments pay hospitals under medicare and medicaid and approaches designed to place price controls on all hospital revenues.

That is precisely the difference between the committee bill and the Kennedy and Nelson amendments.

The Finance Committee was not trying to save the world with this bill—only the taxpayers who pay for medicare and medicaid.

Under the committee bill, medicare and medicaid expenditures for hospital care would be significantly moderated.

Just for routine hospital costs alone, the bill would reduce projected Federal and State expenditures by more than $1 billion of accrued reductions during the first 5 years.

And the savings increase over the years.

Of the $1 billion, some $450 million of accrued savings occur during the fifth year of the program.

But these are savings on routine costs only.

We anticipate that by the second or third year we will be in a position to apply the new system of payment to ancillary costs as well.

Ancillary costs are those such as X-ray, laboratory, pharmacy, operating room, et cetera.

When those costs are incorporated, the Congressional Budget Office estimates annual medicare and medicaid savings should, after the first few years, reach billions of dollars annually.

And, none of these estimates of savings under the committee approach assume any change in hospital behavior.

We can reasonably expect such changes.

The reason is that high-cost hospitals will act to bring down their costs to levels which are fully reimbursed.

Other hospitals will act to moderate their costs so as to gain incentive payments or to avoid moving into the range where a portion of their costs are not reimbursable.

The effect of all of this will be to moderate the average costs of hospitals as they are recalculated each year.

This would occur as the high-cost institutions—those hospitals close to or above the penalty levels—moderated their costs thereby favorably affecting the average cost which is, after all, determined by calculating in both the higher and lower cost hospitals.

The proponents of the Kennedy and Nelson amendments seek to control all hospital revenues from whatever source.

Those proposals are not limited to medicare and medicaid reimbursement methods.

The difference between the committee and the other proposals can be readily made by illustration.

The committee provision is similar to the Federal Government as a purchaser of automobiles.

In that role, as a prudent buyer, the Government seeks to get the best price it can.

The other proposals, in contrast, do not talk about the Government getting the best deal possible in purchasing cars—but, instead, would apply price controls to the entire automobile industry.

That is the basic difference between the two approaches.

Thus, under the committee bill we seek to pay for hospital care, under medicare and medicaid, as a prudent buyer.

At the same time, we seek to use the purchasing power of medicare and medicaid to move the industry away from a reimbursement system that en-

courages spending to a system that encourages and rewards efficiency.

But, make no mistake about it, both the Kennedy and Nelson amendments impose price controls on hospitals.

Hospitals will be told how much revenue they can receive per admission.

If a hospital receives more than this amount, it would have to pay the Federal Government not only the excess, but half again as a penalty.

Proponents of the Kennedy and Nelson amendments speak of "savings" of $30 to $60 billion in a 5-year period.

Those are not savings—those are reductions in hospital income without regard to hospital efficiency or inefficiency or cuts in vitally-needed services.

In fact, the so-called savings could be lots more.

They might want to simply not allow any increases—or even just drop medicare and medicaid.

That might save them $200 billion.

The point is, Mr. President, what is the price of the "savings"?

PRIVILEGE OF THE FLOOR

Mr. STEVENS. Mr. President, I ask unanimous consent that Dave Martinez, of Senator TOWER's staff, have the privilege of the floor during the consideration of S. 1753.

The ACTING PRESIDENT pro tempore. Without objection, it is so ordered.

ROUTINE MORNING BUSINESS

Mr. ROBERT C. BYRD. Mr. President, I ask unanimous consent that there be a brief period for the transaction of routine morning business, not to last more than 10 minutes.

The ACTING PRESIDENT pro tempore. Without objection, it is so ordered.

Mr. ROBERT C. BYRD. Mr. President, I suggest the absence of a quorum.

The ACTING PRESIDENT pro tempore. The clerk will call the roll.

The assistant legislative clerk proceeded to call the roll.

Mr. ROBERT C. BYRD. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. STEVENS. Mr. President, I yield back the time of the minority leader.

CONCLUSION OF MORNING BUSINESS

The ACTING PRESIDENT pro tempore. Is there further morning business? If not, morning business is closed.

EDUCATION AMENDEMENTS OF 1978

The ACTING PRESIDENT pro tempore. Under the previous order, the Senate will resume consideration of the pending business, S. 1753, which will be stated by title.

The assistant legislative clerk read as follows:

A bill (S. 1753) to extend the Elementary and Secondary Education Act of 1965, and for other purposes.

The ACTING PRESIDENT pro tempore. Under the previous order, the Senator from North Carolina (Mr. MORGAN) is recognized to call up an amendment.

AMENDMENT NO. 3537

(Purpose: To reduce the possibility of Federal control over local school systems by striking the new Basic Skills and Educational Proficiency Act)

Mr. MORGAN. Mr. President, I call up my amendment which is at the desk.

The ACTING PRESIDENT pro tempore. The amendment will be stated.

The assistant legislative clerk read as follows:

The Senator from North Carolina (Mr. MORGAN) on behalf of himself and Mr. HELMS proposes an amendment numbered 3537:

Beginning with page 116, line 9, strike all through page 132, line 11.

Mr. STEVENS. Mr. President, will the Senator yield for an inquiry?

Mr. MORGAN. I am happy to yield.

Mr. STEVENS. Is there a time agreement on this amendment?

The ACTING PRESIDENT pro tempore. There is not a time agreement on this amendment.

Mr. STEVENS. I thank the Senator.

Mr. PELL. I wonder whether the Senator might be agreeable to a time agreement.

Mr. MORGAN. The Senator would not.

Mr. STEVENS. Mr. President, will the Senator yield for a unanimous-consent agreement?

Mr. MORGAN. I yield.

TIME LIMITATION AGREEMENT ON TOWER AMENDMENT

Mr. STEVENS. Mr. President, I ask unanimous consent that when the amendment to this bill is called up by Senator TOWER, there be a time limit of 1 hour, equally divided.

The ACTING PRESIDENT pro tempore. Without objection, it is so ordered.

Mr. STEVENS. I thank the Senator from North Carolina.

The ACTING PRESIDENT pro tempore. The Senator from North Carolina is recognized.

Mr. MORGAN. Mr. President, the amendment I have called up this morning strikes out all of section 102 of this bill.

As the distinguished Senator from Maine (Mr. MUSKIE), chairman of the Budget Committee, pointed out yesterday, most of the educational programs that are now in existence were commenced in the 1960's as a part of the so-called war on poverty under the belief that education would prevent one from being poor. Of course, these programs have grown from very modest programs in the 1960's to such an extent today that they take a substantial amount of our budget, and involve every educational agency throughout our Nation. Every local or educational board has been inundated with regulations, more regulations, and more regulations, and with lawsuits determining whether or not the programs were being administered in accordance with regulations of HEW.

I feel that the people in my State, and think I have traveled around the Nation enough to get the feeling of a lot of people around this country, that participation on the national level in education has grown enough, that it has taken away too much initiative from the local school boards, and that too much of the Federal dollars appropriated are wasted in administrative costs, in high salaries, and that not enough is actually helping the child.

Mr. President, I am concerned about the tremendous deficit that this Nation has been operating under since I have been in Congress and before I came to Congress.

I know that there are those who are not concerned about the deficit, who follow the economic philosophies and theories of those who say spend, spend, and spend; that that will fuel the economy and increase commerce and that everything will work out in the end.

I am no economist, but I have been around long enough to know that as long as our Government continues to spend far in excess of what it receives in taxes and is required to go out on the open market to borrow money in competition with local people, we are going to continue to have inflation.

If one will look at our record of inflation and record of deficit spending in this country in recent years, one will find that they run a parallel course, and nothing disturbs the people of this country more at the present time than the double-digit inflation that we now have. We are not going to do anything about it until we learn to live within our income.

Some of the programs that we enact we enact on the basis that this is only going to cost so many millions of dollars this year. It has become necessary that we look down the road beyond this year, as I have tried to do so in the amendment I am offering. According to the Congressional Budget Office, the program I am trying to strike will lead to, during the next 5 years, nearly $1 billion in new budget authority; $754 million is estimated to be the anticipated budget authority required to carry out the provisions of this program. They estimate that actual outlays will be $683 million, and this does not take into consideration what will happen over and beyond the 5-year period.

Mr. President, one of the difficulties that Congress has had in trying to bring spending under control is that we find that we have so little to work with, that so much of our national budget today is what we call uncontrollable. We know, of course, that part of that consists of social security benefits that have been provided in years past and which we have to pay; military and civilian re-

tirement; and programs similar to this one that have been enacted in the past that commit Congresses in the future to the expenditure of large sums of money.

So I feel very strongly about this program for this reason, but also for others.

One other word on inflation and this program: Another cause I think of inflation is that we have caused it to be a self-fulfilling prophecy. Time and time again in this Congress we will enact legislation calling for expenditures of certain sums of money and then provide in that legislation for escalation of costs because of anticipated inflation, and as we do this, it becomes a self-fulfilling prophecy. While that specific provision is not in this bill I read the clear implications in it.

Mr. President, I shall talk about my amendment. As the Members of the Senate are aware, section 102 would create a completely new title in the Elementary and Secondary Education Act which is to be cited as the Basic Skills and Educational Proficiency Act.

As I pointed out, this is a completely new section, new title, and a new program. I am afraid that so many of my colleagues feel that this bill is simply a reauthorization of existing programs, but it is not. It is important to know that.

Before I proceed further, I wonder if the distinguished floor manager of the bill will respond to a question.

The question is: What is the total authorization carried in the bill, as submitted by the educational committee?

Mr. PELL. Is the Senator talking about authorizations for this title?

Mr. MORGAN. No. For the whole bill.

Mr. PELL. My recollection is $55 billion for 5 years and $11 billion for the coming year.

Mr. MORGAN. The Senator is talking about $55 billion.

Mr. PELL. Billion not million.

Mr. MORGAN. Fifty-five billion dollars for this title?

Mr. PELL. No. The Senator asked me for the whole bill.

Mr. MORGAN. For the whole bill. What is the authorization?

Mr. PELL. The total authorization is $55 billion for 5 years, which as Senator JAVITS pointed out last night is about 7 percent of the cost of education of our school children.

Mr. MORGAN. About $55 billion for 5 years. Let me ask the distinguished Senator one question: Are there provisions in this bill that are mandatory, that would tend to usurp the responsibility of the Appropriations Committee?

Mr. PELL. No. But there are entitlements, if my recollection is correct, so that when people meet certain standards, they are entitled to the funds, provided those funds are available.

Mr. MORGAN. Would an entitlement take priority in the appropriations schedule?

Mr. PELL. To my regret, I am informed that there is nothing in this bill that cannot be reduced by the Appropriations Committee.

Mr. MORGAN. Then I am clear on my thinking now that there are no provisions in this bill which would mandate appropriations from Congress?

Mr. PELL. That is correct.

Mr. MORGAN. I thank my distinguished colleague.

So then, Mr. President, the bill itself carries an appropriation of about $11 billion next year, and over $55 billion over the next 5 years.

I think this amendment, the amendment that I offer, which strikes this new program, ought to be approved for three basic reasons: The Basic Skills and Educational Proficiency Act is expensive. It is not justified and, most importantly, it would inevitably increase Federal control over all aspects of our local public school system.

Let me elaborate. The new title II has been justified the Human Resources Committee in the following way, and I am quoting now from the committee report:

> The committee has adopted this new title because of its concern over the widespread belief that American students are no longer proficient in educational basics.

Supporting this contention, the committee reports on S. 1753 quotes Secretary Califano, and again I am quoting:

> Given the public concern about basic skills achievement, it is essential that the Federal Government have a broadly based authority to help States and localities develop improved ways of raising achievement not only in reading, but also in mathematics, and written and oral communication.

The objective of the committee and the Secretary of Health, Education, and Welfare in all of this is quite clear. Let me quote Mr. Califano again. As he told the Subcommittee on Elementary, Secondary and Vocational Education of the House Education and Labor Committee in the House on February 28, 1978:

> We seek to forge a new Federal-State partnership that encourages States and localities to carry out Federal priorities.

In effect, what he is saying is that—

> We seek to entice with the almighty dollar the local and State educational authorities to carry out what we conceive to be Federal priorities.

During the debates on the District of Columbia representation, it was noted time and time again that this is a federal government not a national government, although someone pointed out that we tend more and more every year toward a national government, that is, a national takeover of the prerogatives of the States.

I think that is exactly what the Secretary meant when he said:

> We want to encourage the States and the local authorities to carry out the priorities that we here in the Federal Government establish.

Not State and local priorities, not even the people's priorities, but the priorities of the Federal Government.

If we approve this title II, we would be establishing, in my opinion, a very dangerous precedent, one which I feel is totally intolerable and alien to the system of government that we have.

The committee, in defending this new title, also cites the fact that average scholastic aptitude test scores, both verbal and math, have been dropping over the last 15 years. Significantly, there is no attempt by the committee to prove that SAT scores have been declining because student achievement is lower nor do they attempt to demonstrate that the presumed lower student achievement is a result of the failure of local school districts to use adequate teaching methods.

So, based on an unproven assertion and some public concern, we are going to provide the Federal Government with a new broadly based authority to interfere in all aspects of what are still primarily locally controlled school systems.

I might add that nobody has asserted that the public is concerned with the failure of the Federal Government to act, as opposed to the failure of State and local school districts to take the necessary steps.

Title II as proposed by the committee comes in several parts. It would, according to estimates—estimates provided by the Congressional Budget Office—provide for $754 million in new budget authority over the next 5 years, and $683 million in new outlays.

Admittedly the present bill does not use these figures. It uses figures something like $47 million for this year.

Well, I had to look and turn to some place to try to find out how much we could anticipate involving the Federal Government in terms of dollars and cents over a period of time because I think we need to know that to vote intelligently on this piece of legislation. All too often we will vote on a new program carrying a reasonably small appropriation for the first year, without thinking of what it is going to do down the road. So I knew of no better place to turn to than the Congressional Budget Office. These are the figures they supplied to me. It might be a lot more, for four of the five authorizations in this title authorized "such sums as may be necessary." What does this amendment do? It establishes a series of discretionary grant programs whereby the Commissioner of Education will be able to hand out Federal money for programs relating to basic skills to whatever school districts he chooses or decides meet his criteria or standards.

Section 201 of this new title is just a statement of purpose, much of which sounds innocuous, except clause (2) and clause (3). They state that the purpose of this bill is "to encourage States to develop comprehensive and systematic plans for improving achievement in the basic skills," and "to provide financial assistance to State and local educational agencies for the development of programs in the basic skills."

Taken on its face it not only sounds innocuous, but also desirable. But we

all know the Federal Government never provides money for schools or programs such as this without strings attached. So it is a stated purpose of this bill to get Federal control over whatever Mr. Califano himself has called "the foundation of our public school systems."

Section 202 starts out with:

> The Secretary may make a grant or award a contract under this title only upon the submission of an application by an eligible entity at the time and in the form prescribed by the Secretary. Each such application shall provide assurances that—

And now I skip down to clauses (2) and (3)—

> procedures have been developed to evaluate the effectiveness of the proposed activity in achieving the purposes of this title, and that procedures have been developed for incorporating successful practices developed with assistance under this title into the regular instructional program.

We are supposed to be assured that Federal control will not be extended into local school systems.

(At this point Mr. HATHAWAY obtained the floor and called up an unprinted amendment (No. 1761). By unanimous consent the proceedings in connection therewith are printed at the conclusion of Mr. MORGAN's remarks.)

Mr. MORGAN. Mr. President, I was speaking concerning the effect this amendment would have on the control of local school units, and I was saying that under the provisions of the bill we are supposed to be assured that Federal control will not be extended into local school systems unless the local school system so desires, since a local or State educational agency would have to initiate the application.

Well, this sounds pretty good, but the assumption is wrong, I think, for two reasons.

First, as we all know from experience, Federal money is addictive to local and State governments, and they inevitably apply for all grants as fast as they can prepare the applications. Time and time again local officials in my State will ask for assistance for certain programs of the Federal Government, saying at the time:

> We really don't think these funds are being spent in the best interests of the people of this country, but if we don't spend them in our district some other district will.

So, as I say, Federal funds, we know, have become addictive to local and State governments.

Another reason why I think the assumption is wrong is that whether or not the local educational authority desires to let the Federal Government obtain some control over teaching of basic skills is irrelevant. It is the parents of the children who should be deciding whether or not the Federal Government becomes involved in this area, because, while the parents have considerable control over what their schools do, they have virtually no control over the actions of the Federal bureaucrats in Washington who administer the programs.

Then we come to section 205, entitled "Instruction in Basic Skills." Under this section, assistance shall be provided to public or nonprofit agencies or institutions for the purposes of "establishing learning goals and objectives for each school," for "the development of comprehensive programs to address the needs," and so forth.

So, the Federal Government will be providing money to schools to establish federally approved learning goals and objectives.

Section 206 orders HEW to "provide financial and technical assistance to State educational agencies that desire to develop and implement comprehensive statewide plans for improving the skills" of students in the basic skills. The same objections apply here that I have mentioned with regard to the earlier provisions. Apparently, however, the Federal Government will not be content with exerting control directly over only local educational authorities, but also over State agencies.

I will pass over section 207, which tells the schools to encourage parental involvement, but I do feel it will be ineffective in the face of the vastly increased Federal authority.

Section 208 intends to encourage schools to use technology in basic skills instruction. Here, we have an example of the Federal Government encouraging the use of a specific instructional technique which may be both expensive and unproven. It is exactly this type of provision which concerns me, and that is why I am offering this amendment. The use of technology will not reduce the number of teachers; it will simply add new educational costs at a time when we are trying to control our school budgets. And if, in some cases, it can lead to a reduction in costs by reducing the number of teachers, this may not altogether be desirable, for I find it difficult to believe that machines are the best substitute for personal attention required in elementary teaching.

Sections 209 through 212 deal with the collection and dissemination of information, order the National Institute of Education to conduct a survey of teachers, and require better program coordination. I do not object to these, Mr. President. Section 213 authorizes "such sums as may be necessary" to carry out the first 12 sections.

Section 214 is another problem. It authorizes the Secretary to enter into a contract with private nonprofit or public organizations or agencies to produce, acquire, and/or distribute books that meet standards set by the Federal Government. In other words, we will have federally approved textbooks. Total authorization for this section is $54 million for the 5 years.

Section 215 simply does not make any sense to me. It says that "the Commission is authorized to make grants to, and to enter into contracts with," various groups "for the conduct, in cooperation with one or more local educational agencies, of special programs for the teaching of standard mathematics to children eligible for services under this act through instruction in advanced mathematics by qualified instructors * * *."

What does "teaching standard mathematics through instruction in advanced mathematics" mean?

Mr. President, as to all of these provisions, I can just see the consultant firms waiting to be formed to carry out all these provisions, to get the Federal money to be appropriated under this section. It authorizes various nonprofit groups to carry out these programs. I can see retired educators now who are forming consultant groups, becoming specialists in the basic techniques, and so much of our money, rather than going to actually help the basic foundation portion of our present school system, being eaten up again in consultant fees and high salaries.

Then we come to part B of this new title. Section 221 authorizes the Commissioner to make grants to State or local educational agencies to implement educational proficiency standards as approved by the Commissioner. To quote:

> The educational proficiency plan shall contain a description of the educational proficiency standards established by the applicant for reading, writing, mathematics, and any other subject for which the Commissioner may require such standards.

Here we come to the heart of the matter. The Commissioner may require standards for any subject he chooses in which the school system is involved before providing a grant under this program. This is simply an intolerable intervention in local affairs.

Section 222 authorizes assistance to design and to administer achievement tests. This is a waste of money. Many school systems and States are now implementing achievement tests on their own; in fact I know of few that are not. And since they are already doing so, why should the Federal Government take control, at tremendous expense to the Federal taxpayer? In any case, the propriety of statewide achievement tests is a highly controversial subject, and each State, and local school agencies within States, should be free to decide whether or not to proceed with this, without the carrot of Federal money hanging over their heads.

I am also concerned with the implicit assumption underlying this title II that more Federal money and new programs will cure any problem, if it exists.

For far too long, we in Congress have felt we could solve any problem in this Nation by throwing money at it. I do not think we can solve this problem by throwing more and more money at it, any more than we have solved many of the others that we attempted to solve by throwing money at them.

Title II seems to assume that basic skills achievement is declining because we are not using new and different teaching methods, and because teachers cannot teach without Federal assistance.

I might respectfully suggest that maybe if we return to some of the tried and true teaching methods, the basic skills of some of the students in this country might improve.

It has gone down in recent years notwithstanding the tremendous amount of Federal dollars which have been poured into it.

If classroom achievement is declining, I would suggest that it is not for these reasons, but rather because of a serious and noticeable decline in classroom discipline. It used to be that when a student disrupted classroom procedures, he or she was thrown out of class, usually temporarily, but if he persisted he was not allowed to destroy the educational opportunities of all the other students. Admittedly, this step should be a last resort, but it does occasionally have to be taken. It did when I was in the public schools. It needs to be now, in my opinion, when my children are in public school. All too often a few are allowed to destroy the learning opportunity of the many. After all, students who are interested in learning have a right to be taught without disruption by other students.

Another reason relates to the policy of social promotions, which is one of the reasons, I believe, we are finding a decline in some of our achievement scores. It used to be that when a student did not perform adequately, say in fifth grade, he was not sent to the sixth grade. In the last decade, however, many educators, and even parents, have assumed that it was better for their children if they did not fail and, increasingly, students have been passed on to higher grades without adequate preparation.

One of the driving or motivating forces when I was a student was to make sure that I was promoted at the end of the year. We worked hard to achieve grades which would enable us to do that. It was demeaning to be held back. That was one of the things that motivated us to work harder, to do our work.

Therefore, we have increasingly found students in classes where they could not understand the material being taught. This does the student no good, for further learning will be inhibited, and it does the other students no good, for it tends to increase classroom disruption, and slow down the general learning process.

I am no expert on educational policy or child psychology, though I am a father, and was associated with my home school board for 25 years, which must give me some qualifications. I am perfectly willing to concede that other reasons have led to such delines in achievements as have occurred. If there are other reasons, they should be established before embarking on a $700 million program which will lead to increased Federal control over our school systems. We should not embark on such a program when we have no basis for believing that the proposal will help matters.

I can only reiterate my concerns. This program should be deleted from this bill for a number of reasons.

I am not sure just how many hearings were held on this matter, but those that we have been able to find certainly fail to offer the kind of justification that I think should be required before we embark on a two-thirds of a billion dollar program which shows no indication of ending in 5 years.

It lacks adequate justification, including no evidence that the program will deal with the presumed problem. It is expensive, estimated to cost at least $683 million over the next 5 years.

As Senator Dirksen used to say, a billion dollars here and a billion dollars there, and the first thing you know we have a $500 billion budget with a $60 billion deficit.

But, worst of all, it will lead, by design, to comprehensive Federal control over what is the foundation of our local school sytems. Public schools throughout this country provide a great diversity in education, and I think this diversity is good. Diversity encourages innovation and imagination in trying to meet the needs of the young people as those needs appear on the local scene. What might be necesary or desirable for the youngsters in the city of New York may not be desirable at all in a rural area of North Carolina or some other State.

Education in this country has been predominantly a local responsibility; parents were involved and generally served on local school boards or advisory committees. I think that is what has made our educational system as great as it is today. With all its faults, it is still a great system and one that stands out in the eyes of the world. But remove this system from local control, as we have already partially done, and as we seem to intend to do more and more in every Congress, where the local parents have no input, or feel they have no input and that it is futile or fruitless to involve themselves, and I think we will see a deterioration of the school system which we have not seen before.

I do not believe a single Senator wants to end this diversity, and that belief demands a vote in favor of this amendment.

Mr. President, I cannot speak for the Appropriations Committee because I am not on that committee. I cannot speak for the Budget Committee because I am not on that committee. I cannot speak for the Budget Committee which has been doing such a fine job to try to bring our spending in line with our revenue so that we may some day in the future end deficit spending and bring runaway inflation under control. But I rather suspect that these two committees would take a dim view of legislation creating an entirely new program at a time when we are trying to bring spending under control.

I would urge my colleagues to vote for this amendment to delete this section. If there is strong feeling on the committee that it is desirable, then let us set up hearings for next year and bring educators and parents from all across the Nation, after due notice has been given, as well as local and State officials, to testify about it, before we start this new program by simply stating that there has been a lot of concern about the decline in basic skills over the country, and that it seems desirable to do something about it.

I believe the exact words were that, "The committee has adopted this new title because of its concern over the widespread belief that achievement in basic skills are declining."

I say finally that the educational basics is the area in which I think our State and local officials have had, and do have, expertise, far more expertise than we can find in the halls of the HEW buildings here in Washington.

Again, Mr. President, I urge my colleagues to vote to delete this section. If, by chance, the amendment should be rejected, I hope that the Appropriations Committee and the Budget Committee will take note of what we had to say here this morning, and what others may have to say, and look further into it before embarking on this costly and expensive approach.

I yield the floor, Mr. President.

Mr. PELL. Mr. President, I have listened with interest to the arguments of the Senator from North Carolina. I recognize his sense of frustration at the growing Federal budget and the expansion of programs, but I think we ought to examine exactly what the amendment would do. It strikes out title II—Basic Skills. Part A of this amendment was proposed by the administration to meet one of the major problems facing American education today—the inability of our Nation's students to read, write, and compute.

When we think back to a few months ago, this was the No. 1 topic in our Nation. There was publicity in newspapers and magazines. The polls showed that our youngsters could finish high school and still not be able to handle the basic three "R's." I resolved about a year ago that this should be a priority item in our subcommittee and we treated it as a priority item, because no nation can be any stronger than the sum total of the education and the character of its people.

When one finds what those scores showed, a gradual slippage, we know we are going the wrong way and something has to be done to reverse that trend. I recognize the fact that one reason for the slippage is that more and more students who, in past decades, normally would not have been in school at all were counted in. Those students, coming from disadvantaged backgrounds, did not have the benefits at home that their peers had. By continuing in the school system, they may have brought the level down. Nevertheless, the average is, without question, declining; and something had to be done about it. This is our approach.

Part A of the title authorizes the Secretary of HEW to make grants and contracts with States and schools for pro-

grams to improve students' basic skills. While this is a new program, it replaces another program, the Reading Improvement Act, which was enacted in 1974. GAO analysis has shown that this program has not been effective in improving reading performance. For this reason, the committee bill does not extend this program. Rather, since the administration proposed a new approach to improving basic skills, the committee agreed to try this new approach.

Part B of the title authorizes aid to States seeking to establish educational proficiency standards in their schools. While I personally favor an approach where a nongovernmental commission established by the Federal Government establishes standards against which States could measure their students' progress, there was little sympathy in committee for this approach. Therefore, the committee bill authorizes grants to States and school districts to assist them in developing their own tests. I stress that participation in this program would be totally voluntary on the part of States and local educational agencies. The Secretary would have no authority to impose any tests or standards on States or schools.

While the Congressional Budget Office estimated that $69 million would be required for this title for 1979, unfortunately their estimate appears too high. The Department of Health, Education, and Welfare this morning provided me with a plan to spend $47 million in the first year of the program. I ask unanimous consent that this document be entered in the RECORD at this point.

There being no objection, the document was ordered to be printed in the RECORD, as follows:

[Attachment A]

EDUCATIONAL QUALITY AND DEMONSTRATION ACT BASIC SKILLS ACHIEVEMENT

PROPOSAL

This title would amend Title II of the Elementary and Secondary Education Act to establish a new discretionary grant program aimed at improving the achievement of individuals in reading, mathematics and written and oral communication. Under this program, the Secretary would be authorized to make grants to, and enter into contracts with, State and local educational agencies and other public and private agencies, organizations and institutions to carry out planning, research, development, demonstrations (including training of leadership personnel), evaluation, and dissemination. The Secretary would also provide, either directly or by means of grants or contracts, technical assistance related to the purposes of this title. Activities under this program would include:

Assistance for efforts designed to demonstrate improved instructional services in basic skills including diagnostic testing, comprehensive basic skills programs, projects for out-of-school youths, and short-term training programs;

Assistance in improving local efforts to test basic skills achievement, including disseminating information, training personnel to admnister tests, and developing improved tests;

Assistance to State educational agencies to develop and implement comprehensive Statewide plans for improving achievement in basic skills;

Support of demonstration activities designed to—

Help parents work with schools to improve the achievement of their youngsters;

Explore ways of involving the private sector in the delivery of instructional services and materials to school-age children, as in Reading is Fundamental;

Expand the variety and improve the quality of efforts by television, radio and other media to supply instructional programs for the school and the home.

BUDGET

The new Basic Skills authority will provide funding for planning, development, demonstration (including training), evaluation and dissemination activities. With a budget of $47 million, these activities would be funded in the following way:

Instruction in Basic Skills, $21 million.—This will include funding a limited number of demonstration programs at the school site level that attempted to combine resources from several Federal and non-Federal sources into coordinated efforts; technical assistance and information at all levels regarding promising and exemplary practices for instructing and managing basic skills programs, for diagnosing and testing students, for developing and implementing demonstrating comprehensive basic skills programs. This will also include funding of RIF which provides books at minimal costs to youngsters around the country.

Statewide Literacy Plans, $1 million.—Funds and technical assistance to States desiring to develop and implement Statewide plans for improving reading or basic skills in general.

Testing, $5 million.—Developing improved tests, providing information on useful tests, publicizing successful testing programs, organizing local and regional workshops.

Grants for Parental Participation, $6 million.—For material development, drop-in centers, development of programs for parental training.

Grants for Technology Development, $8 million.—To develop better programming, more supplementary material and for demonstration programs related to technology utilization.

Funds to the private sector to stimulate practices to improve reading or basic skills within and outside of the schools, $6 million.

COMPARISON WITH EXISTING PROGRAMS

The new Basic Skills authority will be an expanded Right to Read program which will include an authority for programs related to mathematics and will merge existing programs under Right to Read into a single part dealing with local demonstrations aimed at coordinating literacy efforts, and will establish a new part to provide information and technical assistance to States and to other programs dealing with basic skills.

The testing component of the new authority will constitute a new effort concentrating on providing information to the public on the use and value of certain tests, publicizing successful testing programs, organizing local and regional workshops and conferences and providing technical assistance to States and localities in solving particular problems they encounter in implementing testing efforts.

The parent involvement component of the authority is a new program that would provide grants to selected LEAS for parent involvement efforts to help their children learn basic skills and would support the development of educational materials, including workbooks, for the home.

The program linking education and technology is a new authority that would allow the Commissioner to make contracts and award grants, through a competitive process to private non-profit organizations and to LEAS.

RATIONALE

This title will extend the mandate of the National Reading Improvement Act to encompass mathematical and writing skills, though the primary emphasis would remain on reading. The purpose of this title will be to ensure that all individuals are able to comprehend written text, apply mathematical reasoning to the solution of problems, and to communicate ideas in writing clearly and effectively. Activities in this title will thus be geared at development of the most basic skills in the elementary grades, and on sustaining and building upon those skills in junior and senior high schools.

Specifically, the Title will be based on four parts:

1. Modified Right to Read Program.—Right to Read is a national effort for developing and improving the reading skills of all citizens. The Reading Improvement Act (under which Right to Read is authorized) will be modified to make it a more comprehensive program, a catalyst for coordinated literacy efforts, and a source of much needed technical assistance.

2. A New Effort in Testing and Basic Skills.—There is a general perception that recent declines in student test scores reflect an insufficient mastery of basic skills. Some of this perception is based on consumers' lack of information or misunderstanding of tests themselves—their appropriate purposes and uses, their limitations and shortcomings, their relationship to what is learned, cultural bias. Two basic purposes could be served by a targeted effort on testing: providing information to the public on the accountability of the school system, and disseminating information gained through research on widely-used tests.

3. Involving Parents in their Children's Learning.—Research findings increasingly reveal that parental tutoring of their own children contributes toward short- and long-term gains in students' scholastic achievement. In order to improve students' basic skills, legislation could be initiated that would promote voluntary parental involvement in their children's learning. The following types of activities would receive funding under such an authority:

Development and dissemination of materials that parents and children could use at home.

Meetings between teachers and individual parents in which the child's program is discussed.

Drop-in centers where parents and children can meet with educators to talk about learning activities for the home.

More formal programs of parent training focused around ways in which parents can complement the work of the school.

4. Linking Education and Technology.—Present trends show that, both in the home and in school, communications technologies are becoming an ever greater component of people's lives. The typical American television set is on eight hours a day and it is estimated that by the time the average child graduates from high school, 15,000 hours will have been spent watching television compared to 11,000 hours spent in school. Data from a recent study of television utilization in elementary and secondary schools throughout the nation show that over two-

thirds of the teachers have instructional television available in the classroom and that in these schools 85 percent of the teachers have indeed used instructional television. A recent study by the Corporation of Public Broadcasting and the National Center for Educational Statistics associates achievement in basic skills with amount of exposure to, and type of programing available over, educational television.

Since the most omnipotent educator increasingly becomes the media, it is necessary to produce valuable programming and to establish effective utilization. In order to stimulate high quality content of programs received by students in school, home and other locations, and in order to stimulate effective utilization of the media, contracts would be made, and grants awarded, through a competitive process:

To public and private non-profit organizations with expertise in education to:

Develop programs that will respond to national and local needs or that will present educational material in an innovative way or in a manner that will help students to learn the subject matter presented;

Develop, test and distribute print materials to supplement broadcast and non-broadcast electronic programs, in order to improve their educational utility in school and non-school environments;

Develop material for national distribution which previews television programs and provides teachers with materials ahead of TV showings to enable teachers to assign potentially valuable shows as homework or to plan pre- and post-viewing activities

To LEAs to make contracts:

For training teachers in how to relate broadcast material to classroom curricula and teachers, public and school librarians and parents to use non-broadcast technologies (particularly video discs) effectively;

For assisting teacher experimentation with new technological approaches to instruction.

IMPACT

The Basic Skills title would essentially constitute an expansion of the current Reading Improvement Act to allow for:

An authority for programs related to mathematics,

Support of local demonstration projects,

Support and technical assistance to States desiring to develop and implement Statewide programs for improving reading or basic skills in general,

Research and dissemination regarding tests and test use,

Outreach to the private sector to stimulate practices to improve reading or basic skills within and outside schools.

Because the Right to Read program currently funds a number of isolated activities and funding is quite limited, these widely scattered projects are unlikely to have much impact on skills around the country. Instead, it makes more sense to use Right to Read as a leverage for coordinating basic skills efforts by sponsoring the development of State plans and the creation of local programs that demonstrate the integration of funding from different sources. Furthermore, the new title will provide an opportunity to explore parental participation and technology development: support should be available for over 100 districts to undertake local demonstration projects. And, with an increased appropriation for Right to Read, technical assistance necessary to enhance instruction in basic skills and funds for literacy plans would be provided to every state.

Mr. PELL. Mr. President, when one considers that this replaces an existing program with an existing appropriations level of $27 million, what we are talking about here is, at least in the first year, an increase of $20 million to substitute a program which we hope will work for one that is an acknowledged failure.

As I said earlier, I think this is a rather meager approach to the problem of going back to basics, upon which our whole education is based. If we cannot do something to make sure that youngsters can read, write, and compute, we shall be not too effective in building a structure above that. I believe that the original estimates in the Congressional Budget Office report to the Human Resources Committee should be fulfilled. Apparently, the administration does not plan to do that; it plans to have a more meager approach. In any case, whatever we do in this direction, in my mind, is very important and very much to the good. I urge my colleagues to support the committee bill.

Mr. STAFFORD. Mr. President, I also, with reluctance, find myself in opposition to the amendment proposed by the distinguished Senator from North Carolina, and I do so with trepidation, because I know that taking on any former attorney general is a difficult and dangerous task. But I join the chairman of the subcommittee and the manager of the bill in opposition to the amendment and I shall try to be very brief in stating my reasons for doing so.

The point has not been made in complete detail, Mr. President, that the reason this title is in the bill this year is that, to some degree, it contains one or two elements of other parts of earlier legislation; but, basically, it is because the basic skills of learning in the country have been declining over the last 14 years. In New England, we think of them as reading, writing, and arithmetic. Aptitude tests across the country have indicated a substantial decline in oral communication, a substantial decline, I think, in reading skills, a substantial decline in mathematical proficiency. It has been to assist the States, not to try to direct them or to dictate curricular from Washington, but to assist the States in developing tests to ascertain how we can better develop the skills in reading, writing, and arithmetic in this country that the committee, in my opinion, has placed title II in the bill we are considering this morning.

I suggest, Mr. President, if the young American public are losing the ability to read, they will not have the ability to read our newspapers and national news magazines and even understand the rumors or what the news media say is going on in the country, let alone understand what actually may be occurring.

All of us understand the necessity in the household of knowing how much groceries cost. Our wives try to plan budgets for families from week to week. The checkbook should be balanced at least once a month. If we let the basic mathematical skills of the country decline too much, we shall simply find that the American public is unable to perform these very rudimentary requirements in daily family living. So it is important, Mr. President, that we see that the basic skills—reading, writing, arithmetic, and oral communication—in this country are maintained and improved.

I do not believe in government by polls, but I do note for the RECORD that a Gallup poll recently indicated that 83 percent of the public felt there should be more education in the basics in the U.S. educational systems, and 65 percent of the parents of America have been apprehensive that their children are not getting an adequate education in the basics in this country. It is to meet this feeling across the Nation, as well as the fact that aptitude tests have shown statistically a decline in the basics, that we have included this legislation in the bill which is before us this morning.

I am going to conclude, Mr. President, by pointing out that the committee wants to make it very plain that we are in no way attempting to dictate to State or local elements of government any aspect of precisely what should be in these tests or any attempt at control of curriculum across the country. In the committee report, it says specifically:

> In this vein, the Committee has proposed a new program of aid to the States to assist them in developing minimum competency standards. But the intention is clear: the Federal Government is not to specify certain minimum standards which the States must use, nor is the Federal government to require that certain tests must be used, nor is the receipt of Federal aid (except for this assistance)—

Under this specific title, and that is my interpretation, for it says in the committee report, "Except for this assistance"—

> to be conditioned on adopting minimum standards of competency. The Federal role is merely one of providing financial assistance to the States to encourage their own efforts in this area.

Mr. President, that appears in the committee report; that is the intent of the committee.

If the intent were otherwise, if this Senator believed some attempt were underway to control curricula at the State and local level, this Senator would not be able to support title II in the bill. But, as it is, I do, and I urge, with regret, the defeat of the amendment by the distinguished Senator from North Carolina.

I yield the floor.

Mr. MORGAN. Mr. President, my distinguished colleagues, both of whom I hold in high regard, have made my case for me. The distinguished Senator from Vermont, of course, as attorney general of his State, dealt with the State educational authorities and he is familiar with the local school authorities, and, I am sure he would concede that those in the State of Vermont are very competent and do a tremendous job.

The distinguished Senator from Rhode Island says that this is a new program except for the replacing of a reading improvement program, which the General Accounting Office held to be ineffective.

So they have taken a program that has already been determined to be ineffective and embellished it.

For the life of me, I cannot see any

substantial differences in it. They now say to us, "Let us expand this program."

The committee has not attempted, in my opinion, or as best I can learn, to demonstrate that this new program will deal with the problem any more effectively than did the reading improvement program.

The distinguished Senator from Rhode Island speaks of mandating Federal standards, but he says we did not do it in this case. We talked about it, I believe I understood him to say, but we decided against it.

Well, the mere talking of providing Federal standards scares me, as we are talking about matters that have historically and constitutionally been matters of local concern. But then, they almost did exactly the same thing. They said, "We are not going to mandate Federal standards but we will assist the States in prescribing and promulgating standards we approve of, and, if they do not do it, they are not going to get any money under this grant."

In words that said it again. It is the same thing, the Federal carrot dangling the money before them and then trying to create a national system with Federal Government standards.

Mr. President, the State board of education and the State superintendent of education in North Carolina, and the 100 school boards in that State, are surpassed by none in the Nation. I have complete confidence that they can develop programs, and are developing programs, to meet the need for new reading and writing and basic skills in the public schools of my State, and without Federal involvement.

Our young, dynamic Governor, recognized as a leader all over the Nation, made that a part of his campaign. That was his first program in the State legislature. I think that is where it ought to be, especially in these days when we in this Congress are not meeting our obligations to operate this country on a sound fiscal basis.

The distinguished Senator from Virginia (Mr. HARRY F. BYRD, JR.) is fond of illustrating just how much $1 billion really is. He usually does it by saying, "If you had started on the day Christ was born and had spent $1,000 every day for 1,978 years, you still would not have spent $1 billion."

If I can take his illustration in the terms of this year's deficit, Mr. President, if one had started on the day that Christ was born and had spent $75,000. and had spent $75,000 every day since then, he still would not have spent as much money as this Nation went in the hole last year.

Mr. President, it is not a case of the Federal Government printing money. It is a question of the Federal Government borrowing money.

One month last year, the Federal Government had to borrow $17.5 billion. I think I recall that the interest rate on bonds, short-term bonds, was 7.2 percent, or in that range.

As soon as the Federal Government began to do that, in the little town I live in, savers who had their money deposited in the local savings and loan, savings which were being used to build homes for local residents, began to make a run on that savings and loan, drawing their money from an account where we were paying them about 5¾-percent interest and putting it in Government bonds at about 7-percent interest.

That dried up the money that was available in that community for home building. That is what we are doing when we continue to spend and spend and spend.

This program would be bad enough because of the Federal control aspects, if that were all of it. But the cost is just unacceptable.

Mr. President, I do hope my colleagues will vote to delete this section and let us go back to the drawing board again, if the committee really feels that the States are not competent to handle this job.

Mr. President, unless someone else seeks recognition, I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The second assistant legislative clerk proceeded to call the roll.

Mr. PELL. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. MORGAN. Mr. President, if the Senator will yield, maybe we ought to get the yeas and nays.

Mr. PELL. Certainly.

Mr. MORGAN. I do not know if we can get them now, or not.

Mr. PELL. Mr. President, I ask for the yeas and nays on this.

The PRESIDING OFFICER. Is there a sufficient second? There is a sufficient second.

The yeas and nays were ordered.

PLANTING RICE, TREES AND EDUCATING PEOPLE

● Mrs. HUMPHREY. Mr. President, I wish to thank the Human Resources Committee for their support of my amendment to the Elementary and Secondary Education Act. I feel it is an important addition to that legislation. The purpose of the amendment is to establish college sponsored programs to educate and motivate economically disadvantaged students in their high school years. This legislation enables students to pursue further training and then careers in the biomedical professions.

We are all aware, and especially those of us who represent rural areas, of the critical shortage of doctors and other health professionals serving in rural communities and in poverty-stricken areas of our country's large urban centers. For instance, one report noted that in several districts in New York City, each containing approximately 20,000 residents, there were no private physicians who maintained practices in those communities. Except for the medicaid centers in those communities, the residents there have no health services directly available to them. Further, studies indicate that without health care there are higher incidents of infant mortality, malnutrition, alcohol addiction, and countless other diseases.

It is a fact that physicians cluster in the more affluent communities. However, we who are to consider the welfare of all people must address this critical problem and develop a solution which will bring health care to those individuals, who through no fault of their own, have highly inadequate health care now.

It may seem a dichotomy to quote a Chinese warlord at this time, but this was a wise man, and he obviously understood human nature. He is quoted as saying, "If your plan be for 1 year, plant rice; if your plan be for 100 years, plant trees; but if your plan be for 1,000 years, educate the people."

Therefore, we too must think in terms of many, many years; it is my hope that this legislation is a significant beginning for those individuals who are without opportunity and motivation to enter biomedical professions. They could find the encouragement through the benefits of this bill. Their education will be expanded to pursue a dream of becoming a paramedic, a doctor, nurse, dentist, a pharmacologist or any other medical profession they choose. It is also my hope that with succeeding in their chosen health field they will return to that area and serve in the communities where their families and friends live.

Graduate schools in the biomedical sciences would be encouraged to establish special after-school and summer study programs in the basic sciences, mathematics, and written comprehension for disadvantaged high school students. Ninth graders from economically disadvantaged backgrounds can begin participating in a project which would have at least 100 hours of classroom, laboratory, and field work experience in one or more of the biomedical sciences during the academic year. The program would continue throughout their high school years. They will receive counseling on the range of opportunities available upon completion of high school, college, and professional training.

Motivation does not compensate, however, for being poorly prepared for medical school. Having entered medical school, the chances of minority students completing medical courses are significantly less than for white students. In 1971, 9.7 percent of all black medical students in their first year had to repeat their course work, and 6.8 percent withdrew for academic or personal reasons, while only 2.6 percent of white students dropped out.

This amendment creating the biomedical studies program could substantially improve the opportunities of disadvantaged students in their preparation for a medical school experience. It guides these students toward premed studies in college and at the graduate school level.

Thus, let us not just plant only rice or trees; but rather let us plant the fer-

tile seeds of education for all our citizens and especially those who need a helping hand.●

Mr. MORGAN. Mr. President, I believe, under the previous order, the vote will come later.

The PRESIDING OFFICER. The Senator is correct.

Does any other Senator wish to speak now on the amendment offered by the Senator from North Carolina?

Mr. ROBERT C. BYRD. Mr. President, I believe it is now understood that the debate on the amendment by Senator MORGAN has ended, with the exception of 10 minutes, which will be equally divided. and which will transpire a little later today, just before the vote occurs on Mr. MORGAN'S amendment.

UP AMENDMENT NO. 1761

(Purpose: To clarify the purpose of the Advisory Panel on Financing Elementary and Secondary Education)

Mr. HATHAWAY. Mr. President, I send an amendment to the desk and ask for its immediate consideration.

The PRESIDING OFFICER. The clerk will report.

The legislative clerk read as follows:

The Senator from Maine (Mr. HATHAWAY) for himself and Mr. MOYNIHAN proposes an unprinted amendment numbered 1761.

Mr. HATHAWAY. Mr. President, I ask unanimous consent that further reading of the amendment be dispensed with.

The PRESIDING OFFICER. Without objection, it is so ordered.

The amendment is as follows:

On page 328, line 4, between "of" and "elementary" insert "public and nonpublic."

On page 328, line 7, between "of" and "elementary" insert "public and nonpublic."

On page 328, line 9, between "financing" and "elementary" insert "public and nonpublic."

On page 328, line 15, between "of" and "elementary" insert "public and nonpublic."

On page 329, line 2, delete the semicolon and insert ", and between public and nonpublic schools;"

On page 328, line 5, strike out the period and insert in lieu the following: "including nonpublic education to the extent permissible under the Constitution.".

On page 329, line 7, strike out "and".

On page 329, after line 7, insert the following:

"(3) nonpublic schools to the extent permissible under the Constitution; and".

On page 329, line 8, strike out "(3)", and insert "(4)".

Mr. HATHAWAY. Mr. President, the purpose of this amendment is simply to include nonpublic schools within section 114 of the bill which establishes a presidentially appointed advisory panel on the financing of elementary and secondary education, with the caveat that nothing will be done that will be unconstitutional. I am pleased to be supported in this effort by the Senator from New York (Mr. MOYNIHAN).

I understand the floor manager, as well as the minority manager, are in agreement with the amendment. So I will not say anything more.

Mr. PELL. Mr. President, the Senator is absolutely correct. We have discussed this amendment. It is an excellent amendment, and it tries to bring a little more equity to the nonpublic schools, for whom I have been fighting so hard and who, I think, have received a very raw deal indeed. I am delighted to accept the amendment.

● Mr. MOYNIHAN. Mr. President, section 114 of the committee bill establishes an Advisory Panel on Financing Elementary and Secondary Education. This is a familiar and worthwhile undertaking reminiscent of the President's Commission on School Finance which I helped establish in the early 1970's and which produced generally excellent research and useful recommendations.

I am confident that the committee intended that the work of the Advisory Panel would include every branch of elementary and secondary educational finance. This presumably includes the financing of schools run directly by governmental units and also schools operated under nongovernmental auspices. Our amendment simply seeks to make explicit that which the Department of Health, Education, and Welfare, left to its own devices, might choose to overlook, by indicating in the appropriate places in the committee bill that the work of the Panel is to include both public and nonpublic education.

Of particular importance, it seems to me, is the charge to the Panel to develop a procedure for collecting uniform data on the financing of elementary and secondary education. If anything was clear in our debates of last week, it was that the Department of Health, Education, and Welfare does an unexcusably poor job of gathering information on the condition of nongovernment schools.●

Mr. STAFFORD. Speaking for the minority, the Senator from New England has again brought sense this morning, and we are prepared to accept the amendment.

Mr. HATHAWAY. I want to thank both the Senator from Rhode Island and the Senator from Vermont.

The PRESIDING OFFICER. The question is on agreeing to the amendment of the Senator from Maine.

The amendment was agreed to.

Mr. HATHAWAY. Mr. President, I move to reconsider the vote by which the amendment was agreed to.

Mr. MORGAN. I move to lay that motion on the table.

The motion to lay on the table was agreed to.

Mr. ROBERT C. BYRD. I would hope that Mr. TOWER could come to the floor now and take up his amendment, on which there is a time agreement of not to exceed 1 hour. I also express the hope that any other Senators who have amendments will come to the floor and offer their amendments. The only amendments I know about——

The PRESIDING OFFICER. The Senator is advised that there is an order. The Senator from North Carolina (Mr. HELMS) is to be recognized.

Mr. ROBERT C. BYRD. I know about that order. Right now I am asking unanimous consent that that be kept in limbo for a moment. I am trying to get other Senators to the floor, so that we can get other votes lined up. Otherwise, we would have 10 minutes on that amendment and a vote. Mr. HELMS is not on the floor right now.

Mr. President, I ask unanimous consent that that may be waived temporarily, until we can get our bearings.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. ROBERT C. BYRD. Mr. President, I understand that Mr. TOWER is on his way to the Chamber. Therefore, I ask unanimous consent that he be recognized following the quorum call, which I now suggest.

The PRESIDING OFFICER. Without objection, it is so ordered.

The clerk will call the roll.

The legislative clerk proceeded to call the roll.

Mr. ROBERT C. BYRD. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. ROBERT C. BYRD. Mr. President, I ask unanimous consent that Mr. CHILES may be recognized to call up an amendment at this time, without prejudice to the amendments of Messrs. HELMS and MORGAN.

The PRESIDING OFFICER. Is there objection? The Chair hears none, and it is so ordered.

The Senator from Florida.

UP AMENDMENT NO. 1762

Mr. CHILES. Mr. President, I commend the committee for the emphasis it has given the paperwork burden on local education agencies in drafting the reauthorization of elementary and secondary programs. The committee has demonstrated its support for the spirit and intent of the general education provisions, section 401, and the Federal Reports Act. This bill represents real progress in the effort to reverse the redtape and paperwork trend.

The amendment I am submitting in the nature of a substitute to title IV, section 401, seeks to insure the paperwork oversight process conforms with the provisions of the Federal Reports Act.

Mr. President, I send to the desk an amendment in the nature of a substitute and ask for its immediate consideration.

The PRESIDING OFFICER. The amendment will be stated.

The legislative clerk read as follows:

The Senator from Florida (Mr. CHILES) on behalf of himself and Mr. HUDDLESTON, proposes an unprinted amendment numbered 1762.

Mr. CHILES. Mr. President, I ask unanimous consent that reading of the amendment be dispensed with.

The PRESIDING OFFICER. Without objection, it is so ordered.

The amendment is as follows:

Delete section 401 of title IV of S. 1753 and replace with the following language.

SEC. 401. (a) Section 402 of the General Education Provisions Act is amended by adding at the end thereof the following new subsection:

"(c)(1)(A)(i) In order to eliminate excessive detail and unnecessary and redundant information requests and to achieve the collection of information in the most efficient and effective possible manner, the Secretary shall coordinate the collection of information and data acquisition activities of all Federal agencies, (I) whenever the respond-

ents are primarily educational agencies or institutions, and (II) whenever the purpose of such activities is to request information needed for the management of or the formulation of policy related to Federal education programs or research or evaluation studies related to the implementation of Federal education programs.

"(ii) The Secretary shall appoint a Federal Education Data Acquisition Council consisting of three members representing the public and representatives of the major agencies which collect and use educational data, as designated by each such agency, including one representative each of the Office of Management and Budget and of the Office of Federal Statistical Policy and Standards. The members representing the public shall be appointed for nonrenewable terms. The Council shall advise and assist the Secretary with respect to the improvement, development, and coordination of Federal educational information and data acquisition activities.

"(B) For the purposes of this subsection, the term—

"(i) 'information' has the meaning given it by section 3502 of title 44, United States Code;

"(ii) 'Federal agency' has the meaning given it by section 3502 of title 44; and

"(iii) 'educational agency or institution' means any public or private agency or institution offering educational programs.

"(C) (i) The Secretary shall review and coordinate all collection of information and data acquisition activities described in paragraph (1) (A) (i) of this subsection, in accordance with procedures approved by the Federal Education Data Acquisition Council. Such procedures shall be designed in order to enable the Secretary to determine whether proposed collection of information and data acquisition activities are excessive in detail, unnecessary, redundant, ineffective, or excessively costly, and, if so, to advise the heads of the relevant Federal agencies.

"(ii) No collection of information or data acquisition activity subject to such procedures shall be subject to any other review, coordination, or approval procedure outside of the relevant Federal agency except as required by this subsection and by the rules and regulations established pursuant to section 3509 of title 44, United States Code.

"(iii) The procedures established by the Secretary shall include a review of plans for evaluations and for research when such plans are in their preliminary stages, in order to give advice to the heads of Federal agencies regarding the data acquisition aspects of such plans.

"(2) (A) The Secretary shall assist each Federal agency in performing the review and coordination required by this subsection and shall require of each agency a plan for each collection of information and data acquisition activity, which shall include—

"(i) a detailed justification of how information once collected will be used;

"(ii) the methods of analysis which will be applied to such data;

"(iii) the timetable for the dissemination of the collected data; and

"(iv) an estimate of the costs and man hours required by each educational agency or institution to complete the request and an estimate of costs to Federal agencies to collect, process and, analyze the information, based upon previous experience with similar data or upon a sample of respondents.

"(B) In performing the review and coordination required by this subsection, the Secretary shall assure that—

"(i) no information will be required of any educational agency or institution unless the plans for the acquisition of that information have been publicly announced by the February 15 preceding the beginning of the school year for which the information will be requested, unless there is an urgent need for this information or a very unusual circumstance exists regarding it;

"(ii) sampling techniques, instead of universal responses, will be used wherever possible with a special consideration being given to the burden being placed upon small school districts, colleges, and other educational agencies and institutions; and

"(iii) no request for information or data will be approved if such information or data exists in the same or a similar form in the automated indexing system required to be developed pursuant to paragraph (4).

"(C) Each educational agency or institution subject to a request under the collection of information and data acquisition activity and their representative organizations shall have an opportunity, during a thirty-day period, to comment to the Secretary on the collection of information and data acquisition activity. The exact data instruments for each proposed activity shall be available to the public upon request during this comment period.

"(D) No changes may be made in the plans for the acquisition of that information or data, except changes required as a result of the review described in this subsection, after such plans have been finally approved under this subsection, unless the changed plans go through the same approval process.

"(E) The Secretary may waive the requirements of this subsection for individual research and evaluation studies which are not designed for individual project monitoring or review, provided that—

"(i) the study shall be of a non-recurring nature;

"(ii) any educational agency or institution may choose whether or not to participate, and that any such decision shall not be used by any Federal agency for purposes of individual project monitoring or funding decisions;

"(iii) the man-hours necessary for educational agencies and institutions to respond to requests for information or data shall not be excessive, and the requests shall not be excessive in detail, unnecessary, redundant, ineffective, or excessively costly; and

"(iv) the Federal agency requesting information or data has announced the plans for the study in the Federal Register. The Secretary shall inform the relevant agency concerning the waiver decision within thirty days following such an announcement, or the study shall be deemed waived and may proceed. Any study waived under the provisions of this paragraph shall be subject to no other review than that of the agency requesting information or data from educational agencies or institutions.

"(F) Nothing in this subsection shall be construed to interfere with the enforcement of the provisions of the Civil Rights Act of 1964 or any other nondiscrimination provision of Federal law.

"(3) The Secretary shall, insofar as practicable, and in accordance with the provisions of this Act, provide educational agencies and institutions and other Federal agencies, pursuant to the requirement of subsection (f) (2) (A), with summaries of information collected and the data acquired by Federal agencies, unless such data were acquired on a confidential basis.

"(4) The Secretary shall, insofar as practicable—

"(A) develop standard definitions and terms consistent with those established by the Office of Federal Statistical Policy and Standards, Department of Commerce, to be used by all Federal agencies in dealing with education-related information and data acquisition requests;

"(B) develop an automated indexing system cataloging all available data;

"(C) establish uniform reporting dates among Federal agencies for the information and data acquisitions required after review under this section;

"(D) publish annually a listing of education data requests, by Federal agency and for the programs administered in the Education Division, publish a listing annually of each such program with its appropriation and with the data burden resulting from such programs; and

"(E) require the Federal agency proposing the collection of information or data acquisition activity to identify in its data instrument the legislative authority specifically requiring such collection, if any, and require the responding educational agency or institution to make the same identification if it in turn collects such information or data from other agencies or individuals.

"(5) The Secretary shall submit a report to the Congress whenever he determines it necessary, but no later than once every three years, describing the implementation of this subsection. Such report shall contain recommendations for amendments to Federal laws which in the opinion of the Secretary are imposing undue burdens on educational agencies and institutions, and such recommendations shall not be subject to any review by any Federal agency outside the Education Division.

"(6) (A) The Secretary is authorized to make grants from sums appropriated pursuant to this subsection to State educational agencies, including State agencies responsible for postsecondary education, for the development or improvement of educational management information systems.

"(B) Any such agency is eligible for a grant of funds under this subsection if—

"(i) the agency agrees to use such funds for the development or improvement of its educational management information system and agrees to coordinate to the extent practicable all data collection for Federal programs administered by the agency through such a system; and

"(ii) the agency agrees to provide funds to local educational agencies and institutions of higher education for the development of management information systems when such grants are deemed necessary by the agency.

"(7) For the purpose of carrying out this subsection—

"(A) there are authorized to be appropriated for salaries and expenses the sums of $600,000 for fiscal year 1979, $1,000,000 for fiscal year 1980, and $1,200,000 for each of the fiscal years 1981, 1982, and 1983.

"(B) there are authorized to be appropriated for grants under paragraph (6) the sums of $5,000,000 for fiscal year 1979, $25,000,000 for fiscal year 1980, and $50,000,000 for each of the fiscal years 1981, 1982, and 1983; and

"(C) the sums appropriated according to subparagraphs (A) and (B) shall be appropriated as separate line items.". (b) Section 406 of such Act is amended—

(1) by striking out subsection (g), and

(2) by redesignating subsection (h), and all references thereto, as subsection (g).

Mr. CHILES. Mr. President, I have discussed this amendment with the distinguished chairman, Mr. PELL. As I say, the amendment simply tries to clarify further the process of making sure that we are not creating excess paperwork and attempts to reduce some of the paperwork we find has gotten into the education process.

Mr. PELL. Mr. President, I commend the Senator from Florida (Mr. CHILES) for his efforts in behalf of reducing unnecessary Federal paperwork in education programs. He was the primary author of the existing paperwork reduction section which became part of the educa-

tion amendments of 1976. While much progress in paperwork reduction has been made under this amendment, through the National Center for Education Statistics, the problem is much bigger than just the Education Division of HEW. Many other Federal agencies also collect information and data from schools and colleges. To date, there has been no coordination of these requests.

The amendment, as modified by the Senator, would authorize the Secretary of Health, Education, and Welfare to serve as a coordinator of education data collection across the Federal Government. For the first time, schools and colleges would have the opportunity to know of all potential data requests with which they would have to comply within the year, and would have an orderly method of making their comments—and complaints—known. In discussing this amendment in committee, I expressed the hope that its provisions would substantially reduce the paper that now seems inevitably to accompany Federal education programs. Concern with such excessive paperwork was a major theme of the hearings of the Education Subcommittee on this legislation.

The Senator's modification of the committee amendment is intended to preserve its antipaperwork thrust, while assuring that the role of the Office of Management and Budget under the Federal Reports Act is not undercut.

I believe it to be a good amendment. and will to accept it.

Mr. STAFFORD. Mr. President, the minority also has had an opportunity for the committee to examine the Senator's amendment, and we join in commending him for efforts to reduce the paperwork that we know is of a tremendous burden to the educational systems of the country. On behalf of the minority we are prepared to recommend acceptance of the amendment.

Mr. ROBERT C. BYRD. Vote!

Mr. PELL. Vote!

The PRESIDING OFFICER. The question is on agreeing to the amendment.

The amendment was agreed to.

Mr. STAFFORD. Mr. President, I move to reconsider the vote by which the amendment was agreed to.

Mr. ROBERT C. BYRD. I move to lay that motion on the table.

The motion to lay on the table was agreed to.

Mr. ROBERT C. BYRD. Mr. President, I ask that Mr. McINTYRE now be recognized without prejudice to the amendments of Mr. HELMS and Mr. MORGAN.

The PRESIDING OFFICER. The Senator from New Hampshire is recognized.

AMENDMENT NO. 3536

(Purpose: To reduce the definition of a heavily impacted local educational agency from 25 to 20 percentum under section 3(d)(1)(A))

Mr. McINTYRE. Mr. President, I call up my amendment No. 3536 and ask that it be stated.

The PRESIDING OFFICER. The amendment will be stated.

The assistant legislative clerk read as follows:

The Senator from New Hampshire (Mr. McINTYRE), for himself and Mr. DURKIN, proposed an amendment numbered 3536.

Mr. McINTYRE. Mr. President, I ask unanimous consent that the reading of the amendment be dispensed with.

The PRESIDING OFFICER. Without objection, it is so ordered.

The amendment is as follows:

On page 332, between lines 24 and 25, insert the following:

"SEC. 204. (a) Section 3(d)(1)(A) of the Act of September 30, 1950 (Public Law 874, Eighty-first Congress) is amended by striking out '25 per centum' and inserting in lieu thereof '20 per centum' ".

On page 332, beginning with line 25, strike out through line 1 on page 333, and insert in lieu thereof the following: "(b) Section 3(d) of such Act is".

On page 333, line 8 strike out "(b)" and insert in lieu thereof "(c)".

The PRESIDING OFFICER. The Chair asks the Senator if this is the amendment on which there is to be a 30-minute time limitation.

Mr. McINTYRE. That is correct.

The PRESIDING OFFICER. The Chair thanks the Senator.

Mr. McINTYRE. Mr. President, the amendment I propose today along with my junior colleagues, seeks to address a serious financial problem faced by many communities throughout the Nation. This is typified by the case of Portsmouth, N.H., which is charged with the responsibility of educating the children of individuals attracted to the area because of intense Federal presence in the vicinity. This is particularly acute in the case of children of individuals who both live and work on Federal property. These so-called 3A students place a unique burden on the community because their parents live on Federal property and do not pay property taxes, and second, because the Federal Government property is exempt from local taxation. This leaves many communities with a significant additional burden on property taxpayers as they must make up the difference needed to educate the 3A students.

Thus, my junior colleague and I seek a reasonable change in the definition of a heavily impacted—or super 3A—district which would allow 100 percent funding through tier 2 where the impact of 3A students is 20 percent or more of enrollments. The Congressional Research Service estimates the nationwide cost to be $3.7 million, a modest price justified by the fact that the presence of these students is generated by a major local Federal activity. And, I might add, this will provide an extra measure of protection for hard-pressed property taxpayers in 21 States.

(Mrs. HUMPHREY assumed the chair.)

Mr. McINTYRE. Madam President, I ask unanimous consent that a survey of benefits distribution under the McIntyre-Durkin amendment be printed in the RECORD.

There being no objection, the survey was ordered to be printed in the RECORD, as follows:

TABLE I.—PUBLIC LAW 874 IMPACT AID AS AMENDED BY S. 1753 WITH "SUPER 3(a)" ELIGIBILITY REDUCED TO 20 PERCENT (FISCAL YEAR 1979)[1][2]

	S. 1753 with current law super 3(a) eligibility		S. 1753 with super 3(a) eligibility reduced to 20 percent	
	Payment through tier 2 (in thousands)	Number of super 3(a) districts	Payment through tier 2 (in thousands)	Number of super 3(a) districts
Alabama	$14,775	0	$14,775	0
Alaska	57,880	31	57,884	32
Arizona	32,456	32	32,518	34
Arkansas	5,195	1	5,195	1
California	110,308	23	110,874	30
Colorado	17,734	3	17,734	3
Connecticut	7,769	1	7,769	1
Delaware	1,015	0	1,015	0
District of Columbia	6,794	0	6,794	0
Florida	29,151	0	29,151	0
Georgia	18,169	0	18,169	0
Guam	3,809	0	3,809	0
Hawaii	16,241	0	16,241	0
Idaho	5,756	2	5,760	3
Illinois	23,922	5	23,976	6
Indiana	4,456	1	4,456	1
Iowa	847	0	847	0
Kansas	8,785	3	8,785	3
Kentucky	4,832	0	4,832	0
Louisiana	8,303	0	8,303	0
Maine	3,798	5	3,798	5
Maryland	30,382	0	30,382	0
Massachusetts	11,531	1	11,531	1
Michigan	9,903	3	9,921	5
Minnesota	5,528	2	5,528	2
Mississippi	$5,913	0	$6,150	1
Missouri	11,024	2	11,195	3
Montana	10,468	35	10,514	38
Nebraska	9,221	5	9,221	5
Nevada	6,101	1	6,101	1
New Hampshire	2,883	0	3,121	1
New Jersey	19,898	5	20,283	6
New Mexico	24,800	8	24,890	9
New York	74,894	1	74,894	1
North Carolina	16,663	0	16,663	0
North Dakota	7,763	15	7,958	18
Ohio	16,922	0	17,224	2
Oklahoma	20,164	36	20,519	55
Oregon	4,729	3	4,735	4
Pennsylvania	18,730	0	18,730	0
Puerto Rico	12,309	0	12,309	0
Rhode Island	2,722	0	2,817	1
South Carolina	12,164	0	12,164	0
South Dakota	8,276	9	8,349	17
Tennessee	12,523	0	12,523	0
Texas	49,323	5	49,710	9
Utah	10,493	2	10,493	2
Vermont	282	0	282	0
Virgin Islands	1,218	0	1,218	0
Virginia	50,591	2	50,591	2

Footnotes at end of table.

TABLE I.—PUBLIC LAW 874 IMPACT AID AS AMENDED BY S. 1753 WITH "SUPER 3(a)" ELIGIBILITY REDUCED TO 20 PERCENT (FISCAL YEAR 1979) [1] [2]—Continued

	S. 1753 with current law super 3(a) eligibility		S. 1753 with super 3(a) eligibility reduced to 20 percent	
	Payment through tier 2 (in thousands)	Number of super 3(a) districts	Payment through tier 2 (in thousands)	Number of super 3(a) districts
Washington	$24,745	11	$25,126	15
West Virginia	971	0	971	0
Wisconsin	3,823	3	3,831	4
Wyoming	$4,737	3	$4,737	3
Total	883,690	259	887,366	324

[1] Allocation estimates do not include additional payments for districts with 50 percent or more section 3 children, handicapped children who are placed in private institutions or section 3 children whose parents work on property owned by foreign governments or international organizations or the U.S. Postal Service.

[2] Public Law 874 impact aid, as amended by S. 1753, provides that a school district must receive full program funding for its eligible 3(a)(1), 3(a)(2), and 3(b)(3) children if the district's total average daily attendance (TADA) is comprised of at least 25 percent of section 3(a) children. Also, the 3(a)(1) entitlement is increased from 90 to 100 percent for these districts.

Mr. McINTYRE. Madam President, we refer here to the impact of children of parents who both live and work on Federal property. This is an instance of Federal impact which weighs most heavily on the local community. To cite from the committee report on this legislation—referring to the impact aid program—

Along with the companion school construction program under Public Law 81-815, this legislation is based on the assumption that Federal activities place a financial burden on school districts by reducing local tax revenues and by causing increases in the number of children to be educated.

The focus on our concern today is those districts which are heavily impacted by local Federal presence. Again, quoting from the committee report,

In general, such districts have substantially lower assessed valuations per pupil and higher student/teacher ratios. Most of these districts encompass military bases, which take up high percentages of property and bring large numbers of families into the districts.

In 1974, Congress sought to address this unfair situation by stipulating districts whose A students constituted 25 percent or more of their total enrollments would be paid 100 percent of their A entitlements through the second tier. I agreed with this approach as a fair means of compensating local school districts for additional students they must educate solely because of a major Federal presence.

However, recent cut-backs in the impact aid program dictate action today to restore a fair Federal contribution to local education costs of Federal children. With the elimination of eligibility of out-of-State B's, many communities face added burdens. This is particularly true in the case of Portsmouth, N.H., sandwiched between Pease Air Force Base and the Portsmouth Naval Shipyard. However, the shipyard is located in Kittery, Maine, and with the elimination of out-of-State B's, Portsmouth is faced with a double whammy of Federal impact, but is not entitled to Federal payment for the out-of-State B's—even though the shipyard is a few short yards across the Piscataqua River.

Add to this the fact that this community is impacted 21.7 percent by 3A's—largely through the Federal presence at Pease. To alleviate this situation in Portsmouth and other communities located throughout the Nation, Senator DURKIN and I propose to reduce the super 3A ratio from 25 percent to 20 percent. This is a modest step, costing only $3.7 million, and providing extra Federal help to 21 States.

Further, I believe this amendment is consistent with the general thrust of the committee report since the committee did recognize the "unusual reliance of heavily impacted districts on impact aid to support their education program. What is needed is a less stringent definition of heavily impacted A's to allow a more reasonable Federal contribution to the costs of education of children present because of a high concentration of Federal activity in an area. The amendment we offer today is a fair move in that direction. This is a nationwide problem that deserves our consideration.

Madam President, I ask unanimous consent that two letters written by me, including one cosigned by my junior colleague, to the distinguished chairmen of the Senate Human Resources and Appropriations Committees, be printed in the RECORD. These will offer further description of the problems detailed in my statement.

There being no objection, the letters were ordered to be printed in the RECORD, as follows:

MAY 3, 1978.

Hon. WARREN E. MAGNUSON,
Chairman, Senate Appropriations Committee, U.S. Senate, Washington, D.C.

DEAR MR. CHAIRMAN: In the very near future the Appropriations Committee will begin markup of the Labor-HEW Appropriations bill for this year. I would like to bring to your attention two matters which are of critical importance to my state.

Over the years the Congress has seldom given full funding for School Assistance in Federally Affected areas and instead funded only a portion of the entitlement for each category. I can well appreciate the desire for economy and strict accountability of funding which this action by the Committee represents. We all want to see that Federal dollars are wisely and carefully spent.

An equally commendable goal is the adequate funding of our educational institutions so that they are capable of offering the kind of programs necessary for a basic education. In New Hampshire, a portion of that minimal level of funding has been the impact aid funds which over the years may have represented a small portion of a school's total budget, but at the same time a very important part. Further inroads in that funding would seriously jeopardize the ability of many of our schools to offer quality education. The yearly fractional funding of impact aid means that schools must trim budgets, in some communities to a point where it is only inevitable that services to our students will suffer. It is for this reason that I strongly urge the Committee to fully fund the impact aid program this year.

It has also come to my attention that the Office of Education intends to withhold Hold Harmless A and D funding, under the pretext that the Appropriations Committee did not directly instruct Office of Education officials to make such payments. Such action would have a detrimental impact on several school districts in my state. Often those funds represent the margin between quality educational programs and mediocre ones. I do not believe any action by the Congress last year or this intended that those categories of impact aid should be withheld. I earnestly solicit your assistance, therefore, in instructing the Office of Education to fund the Hold Harmless A and D categories.

Thank you for your attention to these matters. I believe strongly that the modest amount of funding which these requests represent would not compromise fiscal responsibility and at the same time would certainly strengthen in a substantial way the education that we in New Hampshire are able to offer our children.

Sincerely,

THOMAS J. MCINTYRE, *U.S. Senator.*

MAY 5, 1978.

Hon. HARRISON A. WILLIAMS, JR.,
Chairman, Committee on Human Resources, U.S. Senate, Washington, D.C.

DEAR MR. CHAIRMAN: Today, you will be taking up several issues in the Human Resources Committee which are of particular interest to citizens of our State, many of whom have contacted us to express their vigorous opposition to proposed cuts in impact aid funding.

We are not myopic to the necessity of efficient utilization of Federal funding and we are also aware of much of the criticism that has been directed at this program. To be sure, some communities with substantial local support for educational programs receive additional funding from this program, the result being, in effect, that the Federal government and the American taxpayer subsidize the educational costs of communities which are fully able to support themselves. Yet we would argue that such inequities should not be used to justify wholesale curtailment of funds which are needed in other communities which are not so able to financially support educational programs.

In New Hampshire more than thirty communities receive impact aid funds. In some cases the percent of total budget represented by these funds is not great. In others they represent a sizeable fraction of total revenues. If the Committee were to adopt cuts such as those proposed by the Administration, many communities in New Hampshire would be severely affected and, regardless of how large or small their portion of such impact aid funding, every community would feel a fiancial strain. In the end, the individuals who would really suffer would not be New Hampshire taxpayers, but the children themselves.

We strongly urge the Committee to reject further erosion of the impact aid program. Further, we urge the Committee to consider increasing Category B funding to include students whose parents work at a Federal installation in another state from that in which the child's school district is located. Such actions by the Committee would be in the best interests of the school children of our State.

Again, we have full sympathy for the laudable goal of cost effectiveness and restructuring programs to insure justice and fairness. We also believe that these goals can be accomplished without unnecessarily burdening those communities which demonstrate a real and justified need for the impact aid program.

Sincerely,

THOMAS J. MCINTYRE,
U.S. Senator.
JOHN A. DURKIN,
U.S. Senator.

Mr. McINTYRE. Madam President, this is a matter of critical importance to thousands of property taxpayers throughout the land and I urge the Senate to adopt this amendment as a gesture of recognition of Federal responsibility in this area.

Madam President, I understand that due to some fine work by members of my staff, Senator DURKIN's staff and the staffs of the Human Resources and Appropriations Committees, there is generally no strong objection to this amendment.

Is that correct?

Mr. PELL. Madam President, the Senator from New Hampshire is correct. We have had a chance to examine this amendment. It seems to remedy an inequity. These heavily impacted 2A and 3A students are the ones for whom impacted aid originally was designed. It will cost $3.9 million, and I recommend we accept the excellent amendment of the Senator from New Hampshire.

Mr. McINTYRE. Madam President, I wish to ask the distinguished Senator from Rhode Island a question concerning what he just referred to. Last night we had a great deal of discussion upward, downward, and crosswise. We are talking here this morning, as the Senator just said, about the young students for whom impacted aid first came into being. So as far as this amendment is concerned, we do not have to worry about whether they are living off the post or not paying their fair share. This amendment is a prime example of where the need is necessary.

Mr. PELL. Exactly.

Mr. JAVITS. Madam President, the amendment proposes to reduce from 25 to 20 percent this requirement respecting the so-called "Super A" class of students to whom Senator MCINTYRE refers. What has bothered me about the proposed amendment is the fact that, though the amount involved is not all that great—as the Senator says it is somewhat under $4 million—it does come out of a pot and any such amount affects other tiers and other students, including students in the 50 States, or all the States that are concerned.

I understand that the figure in Portsmouth, N.H., is 23 percent and therefore the two Senators are under a need to bring the allowable level down to 20 percent, instead of a present 25 percent.

I am concerned about the fact that as we whittle down these percentages in order to suit a particular problem, such as the Senator identified, that process can go on and that it can extend to other jurisdictions which may want 19, 18, 17, or whatever percent suits them.

But as the matter stands it is de minimis; it is not a major problem which is presented in respect to impact aid, and so bearing in mind the realities of the situation, but being committed to stand for the Senate bill and the amendment which Senator MCINTYRE and his colleague will have in it, I am willing to take the amendment to conference. But I did want to state for the record our understanding of the situation, and I hope very much that it will not be taken as any precedent, and I am sure Senator MCINTYRE will agree with me, for some other areas or someone else who will want it down to 19 or 19¼ percent just to suit their situation.

So I join with Senator PELL in the acceptance of the amendment.

Mr. McINTYRE. I appreciate the remarks and the tremendous interest the Senator from New York has in this whole question of impacted aid, but I say that since this amendment deals with those young people—and property taxpayers—that were originally the cause for having impacted aid at all, that the answer to the Senator's question is not to look with some criticism on the amendment but to enlarge that pot that we are talking about.

So with my appreciation to the distinguished chairman of the Education Subcommittee and also appreciation to Senator MAGNUSON and members of the Appropriations Committee, I move the adoption of the amendment.

The PRESIDING OFFICER. Who yields time?

Mr. CHAFEE. Madam President, I would like to ask a couple of questions on somebody's time, if I might.

Mr. McINTYRE. I yield 5 minutes.

Mr. PELL. I am glad to yield 5 minutes to the Senator, my colleague.

Mr. CHAFEE. Madam President, I would just like to say—and this is a prelude to the question—we all know that this impact aid has developed into a real scandal in this country, and it has gone on and on and has grown and grown. I am on the Human Resources Committee where every effort to cut the impact aid was rejected, and, as a matter of fact, it was increased over what it presently is. Yesterday that was cut back somewhat, and I understand we are about back to where the current law is.

But now comes another one, and I find it hard to understand why, although these are, as I understand we are dealing with, A students, why, after everybody has had his hand deep in the impact aid situation, we are at this late date enlarging it even more.

It has been told to us that it is de minimis, it is only $4.9 million.

Well, I do not know whether it is or is not, because these things seem to grow; they are $4.9 million this year, and somebody else will find out about it, and it will grow a little more.

Can the Senator explain exactly what is the problem with his students and the basis for it?

Mr. McINTYRE. The purpose of this amendment is to make certain that impacted aid goes in 100 percent to that situation that is most deserving of it. As the distinguished chairman of the Subcommittee on Education has said, it is the reason and rationale of why we have impacted aid at all. That is when you have a situation of a family on a base, say, in Portsmouth, N.H., with three youngsters who go to school in the Portsmouth School District where the base is tax exempt by virtue of being U.S. property, and where the mother and father of these youngsters pay no taxes, and the burden is cast upon the taxpayers of the city of Portsmouth. Here is the very wellspring from which impacted aid came into being.

I am not discussing the problem of the B students, the Montgomery County situation. I am talking about the real essence of need.

Mr. CHAFEE. Yes. But that is the A situation, and that is why we have impact aid. What is the matter with what they are getting now?

Mr. McINTYRE. Ninety percent, and I think they should get 100 percent. If the Senator does not believe it, come to Portsmouth, N.H., and talk to the mayor of that city; talk to him about his problems.

Mr. CHAFEE. He would rather have the base moved?

Mr. McINTYRE. I beg pardon?

Mr. CHAFEE. He would rather have the base moved?

Mr. McINTYRE. Well, at some times they may be not so sure.

Mr. CHAFEE. Do I understand as to A students that now the maximum they receive is 90 percent?

Mr. McINTYRE. That is correct.

Mr. CHAFEE. And this would boost it to 100 percent?

Mr. McINTYRE. Yes; beyond the 90 percent of the 3A entitlement the taxpayers of Portsmouth now receive.

Mr. CHAFEE. This would move it to 100 percent?

Mr. McINTYRE. Yes.

Mr. CHAFEE. The Senator is saying it is only $4.9 million?

Mr. McINTYRE. $3.7 million nationwide.

Mr. CHAFEE. It is astonishing, I just cannot believe that. All the A students in this country are going from 90 to 100 percent, and it is only, less than, $4 million? In other words, the whole program is only 10 times that; only $40 million for the whole country for the A students?

Mr. PELL. No. This is reducing the number where they would be counted. Where the portion of the students have heretofore been 25 percent, we are now saying that it should apply where it is only 20 percent. So it does not apply across the country. In most areas there would be substantially more or less than 25 percent. This amendment makes the cutoff in lieu of 25 percent, 20 percent. The cost is $3.7 million, and the main impact would be in New Hampshire.

It is of benefit to our own State of Rhode Island but in a very small amount.

Mr. McINTYRE. Rhode Island receives only about $95,000 in addition.

Mr. CHAFEE. I do not know what the administration says about this. They were very upset in committee when we increased it and eliminated some of the so-called reforms that took place in 1974.

If the cutoff now is going to be 20 percent, why not make it 15? That will be next year.

Mr. DURKIN. Madam President, will the Senator yield?

Mr. McINTYRE. I am happy to yield to my junior colleague.

Mr. DURKIN. I thank my colleague.

Madam President, I would like to join with my colleague in offering this amendment to cure an inequity in the impact aid program. Our amendment would simply lower the percentage of "A" students which a school district must have before it receives 100 percent of its "A" impact aid entitlement with appropriations at the tier 2 level.

School districts are entitled to payments under the impact aid program if there are students in the district whose parents live and/or work on Federal property. Being entitled to funds, however, does not mean that a school district automatically receives payments. Rather, under current law, only those school districts which have 25 percent category "A" students are funded at 100 percent of their "A" entitlement. This is the so-called super "A" category.

Category "A" students are those whose parents live and work on Federal property. These are the students whose parents pay no taxes to the locality which must educate them. Lower percentages of category "A" students in a school system result in less than 100 percent reimbursement.

The presence of category "A" students in a school district places a significant financial burden on the local school district's budget. These towns must truly provide "free" public education to "A" students. The town loses tax revenues twice; once because of the presence of Federal property, but once again because no taxes are paid by the persons living there.

The Federal Government does not fully meet the burden placed on school districts with 20 percent category "A" students. An example of the hardship this can cause on a community is demonstrated by the situation in a city in my State, Portsmouth, N.H., which is planning to close three schools because it cannot afford to support those schools and the schools for students who live on Federal military installations. The Federal Government has not met its obligation to the Portsmouth School District by fully supporting the costs of educating the district's "A" children.

Our amendment will help solve this problem which is faced by many school districts throughout the country. It will require the Federal Government to meet its full obligation to school districts which have 20 percent category "A" students. In other words, if the impact aid program is funded through the tier 2 level, as it has been for many years, school districts with 20 percent "A" students will receive 100 percent of that "A" entitlement rather than the 90 percent they would receive under the current law.

The amendment would increase the cost of the program by a comparatively modest amount, $3.7 million, and those funds would be distributed to 65 additional districts in 21 States.

I urge its acceptance by the Senate.

Madam President, this has been a very real and substantial problem in the community of Portsmouth. Senator McINTYRE has been intimately involved in this program, and I commend him for coming up with a solution that not only solves the problem for Portsmouth, N.H., but solves the problem for a number of other States similarly situated as follows: Alaska, Arizona, California, Idaho, Illinois, Michigan, Missouri, Montana, New Jersey, New Mexico, North Dakota, Ohio, Oklahoma, Oregon, and Rhode Island will get an additional $95,000, South Dakota, Texas, Washington, and Wisconsin.

I yield back the remainder of my time and I thank the Senator.

Mr. CHAFEE. That is a bargain basement situation, I might say, all of those States for $4 million.

Mr. McINTYRE. I say to my friend from Rhode Island that not for every "A" student will the city be allowed to get additional funds. It is only where the impact of the "A" students exceeds 20 percent. So there is a real impact of this "A" type of student that I described, which is the fountainhead from which we started impact aid.

So if you have a community where you only have 5 percent of "A" students it does not apply to them. That is why the figure of $3.7 million seems unrealistic to the Senator.

The PRESIDING OFFICER. Who yields time?

Mr. McINTYRE. Unless something further is to be said, I move the adoption of the amendment. I yield back my time.

Mr. PELL. I yield back the remainder of my time.

The PRESIDING OFFICER. The question is on agreeing to the amendment of the Senator from New Hampshire.

The amendment was agreed to.

Mr. McINTYRE. Madam President, I move to reconsider the vote by which the amendment was agreed to.

Mr. DURKIN. I move to lay that motion on the table.

The motion to lay on the table was agreed to.

Mr. PELL. Madam President, I ask unanimous consent that Mr. Larry Patton of Senator PROXMIRE's staff be given the privileges of the floor during the consideration of this measure.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. ROBERT C. BYRD. Madam President, I ask unanimous consent that Mr. TOWER be recognized without prejudice to the agreement with respect to the amendments of Mr. HELMS and Mr. MORGAN.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. TOWER. Madam President, I ask unanimous consent that Mr. Dave Martinez and Mrs. Cindy Root of my staff be permitted access to the floor during the consideration and debate respecting this measure and the votes thereon.

The PRESIDING OFFICER. Without objection, it is so ordered.

ORDER RECOGNIZING MR. HARRY F. BYRD, JR., FOR 10 MINUTES BEFORE PASSAGE

Mr. ROBERT C. BYRD. Madam President, I ask unanimous consent that following third reading and before passage of the bill Mr. HARRY F. BYRD, JR., may be recognized for 10 minutes.

The PRESIDING OFFICER. Without objection, it is so ordered.

UP AMENDMENT NO. 1763

(Purpose.—To require notification of noncompliance with title VI of the Civil Service Rights Act of 1964 for eligibility under the Emergency School Aid Act)

Mr. TOWER. Madam President, I have an amendment at the desk that I call up and ask the clerk to state.

The PRESIDING OFFICER. The clerk will report.

The assistant legislative clerk read as follows:

The Senator from Texas (Mr. TOWER), for himself and Mr. DOMENICI, proposes an unprinted amendment numbered 1763:

On page 377, after line 16, insert the following new section:

NOTIFICATION OF NONCOMPLIANCE FOR ELIGIBILITY OF CERTAIN GRANTS

SEC. 410. The General Education Provisions Act is amended by inserting after section 440 the following new section:

"NOTIFICATION OF NONCOMPLIANCE FOR ELIGIBILITY OF CERTAIN GRANTS

"SEC. 440A. (a) Notwithstanding any other provision of Sec. 440 the Secretary shall notify each local educational agency which has notified the Secretary of its intention to apply for funds under the Emergency School Aid Act, whether or not it is found to be in noncompliance with title VI of the Civil Rights Act of 1964, or any other nondiscrimination provision of Federal law.

Mr. TOWER. Madam President, I ask unanimous consent that further reading of the amendment be dispensed with.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. TOWER. I did want the clerk to read through that portion since I had made there a change that was suggested by Senator JAVITS and his staff.

The amendment is as follows:

On page 377, after line 16, insert the following new section:

NOTIFICATION OF NONCOMPLIANCE FOR ELIGIBILITY OF CERTAIN GRANTS

SEC. 410. The General Education Provisions Act is amended by inserting after section 440 the following new section:

"NOTIFICATION OF NONCOMPLIANCE FOR ELIGIBILITY OF CERTAIN GRANTS

"SEC. 440A. (a) Notwithstanding any other provision of Sec. 440 the Secretary shall notify each local educational agency which has notified the Secretary of its intention to apply for funds under the Emergency School Aid Act, whether or not it is found to be in noncompliance with title VI of the Civil Rights Act of 1964, or any other nondiscrimination provision of Federal law, with respect to eligibility for the Emergency School Aid Act, not later than June 1 in the year before the fiscal year for which the Assistant Secretary is determining eligibility under the Emergency School Aid Act.

"(b) The notification required by subsection (a) of this section shall include in detail the relevant information on which the determination of noncompliance is based.".

On page 21, in the Table of Contents, insert after item Sec. 409 the following new item:

"Sec. 410. Notification of noncompliance for eligibility of certain grants.".

Mr. TOWER. Madam President, I yield myself such time as I may require.

Madam President, the delays caused by late notifications to school districts of ineligibility due to noncompliance

constitute an unfair and improper management of the resources that Congress has appropriated to HEW to serve the critical educational needs of deserving students.

My amendment will require HEW and the Office for Civil Rights to reexamine its central office and regional office coordination and communication processes and make whatever modifications are necessary to obtain maximum efficiency from their operations. In the process, I expect it to eliminate the confusion in the contradictory policy directions that often are taken by the Central and Regional Office for Civil Rights as well as the undue administrative and processing delays.

Madam President, the American people expect the school districts of our country to serve the quality educational needs of all children. At the same time, I am confident all Americans will find it fair and reasonable to expect that the Office for Civil Rights will operate in an efficient manner and thereby permit it to notify local educational agencies found in noncompliance with title VI of the Civil Rights Act of 1964, or any other nondiscriminatory provision of Federal law, of that fact with the full particulars 60 days prior to the new funding cycle.

In June of this year, the HEW Office for Civil Rights notified approximately 50 school districts in my State that all ESAA funding in the new funding period beginning July 1, 1978, was being cut off. The reason given in each case was that the applicant school district had been found in noncompliance with the Office for Civil Rights requirements established under the Civil Rights Act of 1964 and applicable decisions of the Supreme Court.

In my view, there is no justification for HEW or the Office of Education waiting until the very last moment to notify school districts in my State or anywhere in this country that no ESAA funds will be received.

Without exception, recipients of ESAA moneys are local educational agencies with enrollments of students who are in critical need of the services and opportunities for quality education which the ESAA program offers.

Madam President, these are socially and economically disadvantaged students. For the most part, they are ethnic minority students. In the majority they are Mexican-Americans.

My objective here, Madam President, is simply to provide adequate notice and to provide for informing these school districts of the reasons why they were found to be in noncompliance and allow them to correct the deficiencies.

I might add that in some of these school districts, the administrators are Mexican-Americans themselves, and they are the ones being held in noncompliance for discrimination against Mexican-Americans. If that is the case, I can assure you it is very, very unintentional.

I just want to allow for reasonable notice to these school districts, so they can proceed in an orderly way with the funding of their school programs. I believe this amendment is consistent with the thrust of the language in the committee report on Labor-HEW appropriations, which says, on page 131:

> Since local school administrators have indicated strong interest in making positive efforts to insure compliance and avoid situations which generate complaints, the Committee directs that the OCR undertake efforts to inform local education agencies of what constitutes compliance with nondiscrimination statutes in areas such as classroom composition by race and sex, adequate counseling for elective courses, athletic programs, barrier removal for the handicapped, et cetera.

I want to emphasize that I have no desire to throw any obstacles in the way of compliance with the civil rights proscriptions. Quite to the contrary, I think my record will show that I have worked for years to insure Mexican-Americans equal opportunity with others. Indeed, I think we have far to go yet to correct past discriminations and past neglect, and I would see nothing stand in the way of that process. I simply want the disadvantaged children who are supposed to benefit from these programs to have those benefits without being the victims of what sometimes is simply a bureaucratic snarl.

I have discussed this amendment with our distinguished colleague from New York (Mr. JAVITS). I have not had an opportunity to discuss it with my friend from Rhode Island (Mr. PELL), but it does seem, as I have revised it since the amendment was filed last night, to have met the objections then voiced, and I think it will be acceptable.

Mr. JAVITS. Madam President, from the time in opposition I yield myself 2 minutes.

The PRESIDING OFFICER. The Senator from New York.

Mr. JAVITS. Madam President, this is a good amendment. We have worked it out with Senator TOWER; he has been very cooperative. The period of notice has been extended, the broad sweep of exemptions from existing law has been made detailed and specific, and I hope very much that this amendment may be found agreeable to the majority, as it is on this side.

Mr. PELL. Madam President, this amendment is acceptable to the majority. It seems to be a good example of comity in working things out between the Senators involved.

Mr. TOWER. I thank my colleagues from Rhode Island and New York, and I especially want to thank Senator JAVITS' staff for the courtesies afforded my staff and me in working the matter out.

I yield back the remainder of my time.

Mr. JAVITS. I yield back the remainder of my time.

The PRESIDING OFFICER. All remaining time having been yielded back, the question is on agreeing to the amendment of the Senator from Texas.

The amendment was agreed to.

Mr. TOWER. I move to reconsider the vote by which the amendment was adopted.

Mr. JAVITS. I move to lay that motion on the table.

The motion to lay on the table was agreed to.

Mr. ROBERT C. BYRD. Madam President, I now ask that the Senator from North Carolina (Mr. HELMS) be recognized to resume the consideration of his amendment.

AMENDMENT NO. 3538

(Purpose: To revise the authority relating to special projects)

The PRESIDING OFFICER. Under the previous order, the Senate will now resume the consideration of the amendment (No. 3538) of the Senator from North Carolina (Mr. HELMS), on which there will be a time limitation of 10 minutes of debate, with the time to be equally divided.

The clerk will report the amendment.

The assistant legislative clerk read as follows:

> The Senator from North Carolina (Mr. HELMS), for himself and Mr. MORGAN, proposes an amendment numbered 3538.

The PRESIDING OFFICER. Who yields time?

Mr. HELM. Madam President, I ask unanimous consent that Dr. James P. Lucier of my staff be accorded the privileges of the floor during consideration of this measure and any votes thereon.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. HELMS. I thank the Chair. Madam President, I ask that I be advised when I have 1 minute remaining.

The PRESIDING OFFICER. The Chair will so advise the Senator.

Mr. HELMS. I thank the Chair.

Madam President, this amendment is very simple. And, incidentally, I want to thank my distinguished colleague from North Carolina (Mr. MORGAN) for his assistance with it and cosponsorship of it.

The Helms-Morgan amendment would simply restore current law with respect to special curricular projects, and would accomplish three objectives.

First, it would eliminate administration-opposed programs in health, education, biomedical education, and "population education." The Office of Management and Budget opposes the creation of these programs on the grounds that they are redundant of existent programs and overly expensive.

Second, our amendment would cut back the women's equity project to its current level of funding. S. 1753, unless this amendment is adopted, will increase that amount by 167 percent to a total cost of $80,000,000 a year.

Madam President, that is what will happen if this amendment is not adopted. This is almost twice the 1978 appropriation for all curricular programs combined.

We have been informed by a spokeswoman for the Office of Civil Rights that it intends to use the increased funding to help enforce and obtain compliance with title IX of the Civil Rights Act. With 15 percent of all high school graduates functionally illiterate, we simply cannot afford to secretly shift $320,000,000 of educational funding to efforts already authorized under other acts.

Third, our amendment would simplify the structure of titles III and XI of the bill. It would reconsolidate programs

and consequently remove some of the strain for higher appropriations.

Madam President, I reserve the remainder of my time.

The PRESIDING OFFICER. The Senator has 3 minutes remaining.

Mr. PELL. Mr. President, the amendment of the Senator from North Carolina would strike out the special projects title of the committee bill and replace it with basically the existing law concerning special projects. This would have two effects:

First. It would cut out valuable new programs proposed by the committee, such as corrections education and programs of biomedical education for minority group students.

Second. It would reinstate the funding pattern of existing law, which mandates a specified percentage for each special project out of a lump-sum appropriation. This is exactly the type of mandatory spending that Senator MAGNUSON opposed yesterday. The committee bill authorizes each program separately, allowing the flexibility the Budget and Appropriations Committee sought. This funding pattern should be sustained.

I urge my colleagues to support the committee bill.

Mr. JAVITS. Madam President, I yield myself 1 minute of the opposition time.

Madam President, this is one of the most gifted ideas we ever had, a basket of experimental educational projects. These are limited and circumscribed in terms of appropriations, with full freedom of action to the Appropriations Committee. If seasoned and proved right, which is something we rarely do in Government, then they could become permanent programs or, if not, be dropped. It is exactly what those who preach economy want in a governmental program.

Madam President, it has been creatively participated in by Senator KENNEDY, who is responsible for the law-related education section; by myself and Senator KENNEDY in respect of preparing low-income students for medical school; by Senator PELL on corrections education; and by those of my colleagues on the minority, Senator STAFFORD for population education and Senator CHAFEE for health education. I now yield 1 minute to Senator STAFFORD.

Mr. STAFFORD. I thank the distinguished Senator for yielding, Madam President.

I rise in opposition to the amendment of the Senator from North Carolina. I do think in particular that the popular education section, section K, is very important. It is designed to teach American youth, who are currently behind much of the world in understanding the problem, the implications of demographic developments in this country and around the world so that they can learn for themselves the consequences to themselves, their communities, their Nation, and the world of population changes in this period in which we have problems with respect to food, minerals, energy, and housing, just to name four. Understanding the future consequences of major changes in population is extremely important in trying to plan for a better world.

This provision, part K, is a counterpart of the provision which is in the House bill, and it is supported by the Presidential Commission on Population, the Federal Interagency Commission on Education, and, particularly, by the House Select Committee on Population.

I repeat, this provision is in the House bill. I urge defeat of the amendment of the Senator from North Carolina.

Mr. PELL. Madam President, I yield 1 minute to the Senator from Rhode Island and 1 minute to the Senator from Michigan.

Mr. CHAFEE. Madam President, this deals with health education. One of the real tragedies of our society is we spend literally millions and billions on taking care of people when they get sick, but we do not seem to have any programs designed anywhere in the U.S. Government to try and keep people healthy. This is the thrust, to educate the youngsters on keeping their health, eating decent foods, maintaining their physical fitness, staying away from drugs and abusive materials which are injurious to their health.

I just feel so strongly that this is the type of program which can yield tremendous savings to the Nation in the future. Let us keep the people out of the hospitals, teach them the way to stay healthy, and the whole Nation will be better off in the long run. For that reason I support the section as it emerged from the committee.

Mr. RIEGLE. I thank the Senator for yielding.

I think it is important to correct one misstatement made. The women's educational equity project does not authorize any interference with curriculums. It is not administered by the Office of Civil Rights, so any suggestions that OCR would be used to enforce compliance with title IX are false.

The Office of Education can only use it for voluntary programs.

It is significant that in that sense it is not coercive; it does not interfere with local school districts. They have to decide if they want to participate. I think that is a key point.

These programs are essential. At this point, a judgment to knock these out would seem to me to take us in exactly the wrong direction. I hope the Senate will choose to reject this amendment overwhelmingly.

Mr. BROOKE. Will the Senator yield 30 seconds?

Mr. PELL. I yield.

Mr. BROOKE. I have to speak against this amendment because I feel it would be very detrimental. I do not know if I can add to what the Senator from Michigan has said, the Senator from Vermont, or my friend from Rhode Island, but I hope this amendment is defeated.

The PRESIDING OFFICER. The time of the Senator has expired.

Mr. HELMS. Am I correct in my understanding, Madam President, that I have about 3 minutes remaining?

The PRESIDING OFFICER. The Senator is correct.

Mr. HELMS. I thank the Chair.

Madam President, I want to thank the Senator from Michigan for the legislative intent he has just made so clearly. If nothing else has been accomplished, his declarations are very valuable to this debate. I hope that in the coming months those who operate these programs will be attentive to what the Senator from Michigan has stated is the legislative intent. I thank him very much.

Madam President, my distinguished friend from New York said this is one of the most gifted ideas which has come along. It may be. The Senate is becoming more and more gifted in spending billions of dollars in excess of even what the administration says it can spend wisely. That is the "gifted" nature of this bill, and that is why Senator MORGAN and I have submitted this amendment—to cut down on the size of the "gift."

I ask unanimous consent that three explanations of the Carter administration's opposition to this excessive spending be printed in the RECORD at this point.

There being no objection, the information was ordered to be printed in the RECORD, as follows:

BIOMEDICAL SCIENCES

Explanation of amendment: The amendment would eliminate from the Special Projects Act a new program focused on preparing disadvantaged secondary students for training in the biomedical sciences. Reasons for opposing the new program are:

(1) It is narrowly focused on one field of professional development to the exclusion of other professions.

(2) There is no evidence that a Federal program is needed, or would be effective, in this area.

(3) The program is vastly overprescriptive by requiring local entities to adopt a particular training model, with requirements being imposed as to minimum numbers of hours on particular subjects, minimum numbers of participants and administrative arrangements. The program is a prime example of excessive Federal control of educational programs at the local level.

(4) Given expected budget constraints, there is unlikely to be sufficient funds available to implement the program.

(5) If a program of this type has merit, it should be implemented first as a demonstration under the Commissioner's discretionary authority in Special Projects.

HEALTH EDUCATION

Explanation of amendment: The amendment would delete from the Special Projects Act a new program focused on encouraging State and local education agencies to establish health education programs. Such a new Federal program is not needed because—

(1) health education is already a required part of the curriculum in most States;

(2) some Federal support for this activity is available through the Public Health Service Act;

(3) additional support, if warranted, could be provided as a discretionary activity under Special projects; and

(4) given expected budget constraints, funds are not likely to be available for a new program.

POPULATION EDUCATION

Explanation of amendment: The amendment would eliminate from the Special Projects Act a new program narrowly focused on implementing population education in elementary and secondary schools. Reasons for opposing the new program are:

(1) The concept of "population education" is extremely vague, and is not defined in the legislation.

(2) There is no demonstrated need for a Federal program to encourage developments in this field.

(3) Given expected budget constraints, sufficient funds are unlikely to be available to fund this program.

(4) This activity, if meritorious, could be undertaken within the Commissioner's discretionary authority in Special Projects.

Mr. HELMS. Let us summarize the Helms-Morgan amendment. It would do this: It would restore current law with respect to special federally funded curricular initiatives; it would cut by one-third the sixfold increase over last year's appropriations level—six times, Madam President, the appropriation level of last year is what is proposed in this bill—and, finally, this amendment simplifies multiple authorization for curricular programs by reconsolidating into a single section. I might add that last year's appropriation was $45 million. The level contemplated by this amendment is $200 million, and the bill level is $285 million. I contend that such sums so far in excess of last year are absolutely unnecessary and undesirable in view of the fact that the Federal deficit this year will be something in the neighborhood of $60 billion.

(Mr. ROBERT C. BYRD assumed the chair.)

Mr. HELMS. Mr. President, I yield back such time as I may have remaining. I yield the floor.

The PRESIDING OFFICER. The question is on agreeing to the amendment offered by the distinguished Senator from North Carolina (Mr. HELMS). The yeas and nays have been ordered. The clerk will call the roll.

The assistant legislative clerk called the roll.

Mr. CRANSTON. I announce that the Senator from South Dakota (Mr. ABOUREZK), the Senator from Minnesota (Mr. ANDERSON), the Senator from Mississippi (Mr. EASTLAND), the Senator from Hawaii (Mr. INOUYE), the Senator from Louisiana (Mr. JOHNSTON), the Senator from Hawaii (Mr. MATSUNAGA), and the Senator from Mississippi (Mr. STENNIS) are necessarily absent.

Mr. STEVENS. I announce that the Senator from Tennessee (Mr. BAKER), the Senator from New Mexico (Mr. DOMENICI), and the Senator from Nevada (Mr. LAXALT) are necessary absent.

The result was announced—yeas 25, nays 65, as follows:

[Rollcall Vote No. 359 Leg.]

YEAS—25

Bartlett	Griffin	Pearson
Bellmon	Hansen	Proxmire
Byrd, Harry F., Jr.	Hatch	Roth
Byrd, Robert C.	Hayakawa	Schmitt
Curtis	Helms	Scott
Dole	Lugar	Thurmond
Garn	McClure	Tower
Goldwater	Morgan	Wallop
	Nunn	

NAYS—65

Allen	Case	DeConcini
Bayh	Chafee	Durkin
Bentsen	Chiles	Eagleton
Biden	Church	Ford
Brooke	Clark	Glenn
Bumpers	Cranston	Gravel
Burdick	Culver	Hart
Cannon	Danforth	Haskell
Hatfield, Mark O.	Magnuson	Sarbanes
Hatfield, Paul G.	Mathias	Sasser
Hathaway	McGovern	Schweiker
Heinz	McIntyre	Sparkman
Hodges	Melcher	Stafford
Hollings	Metzenbaum	Stevens
Huddleston	Moynihan	Stevenson
Humphrey	Muskie	Stone
Jackson	Nelson	Talmadge
Javits	Packwood	Weicker
Kennedy	Pell	Williams
Leahy	Percy	Young
Long	Randolph	Zorinsky
	Ribicoff	
	Riegle	

NOT VOTING—10

Abourezk	Eastland	Matsunaga
Anderson	Inouye	Stennis
Baker	Johnston	
Domenici	Laxalt	

So the amendment (No. 3538) was rejected.

(Mrs. HUMPHREY assumed the chair.)

Mr. JAVITS. Madam President, I move to reconsider the vote by which the amendment was rejected.

Mr. STAFFORD. I move to lay that motion on the table.

The motion to lay on the table was agreed to.

The PRESIDING OFFICER. Under the previous order, the Senator from North Carolina is recognized to resume consideration of his amendment, on which there shall be 10 minutes of debate, with a vote thereon to follow.

The Senator from North Carolina.

Mr. MORGAN. Madam President, may we have order?

The PRESIDING OFFICER. The Senate will be in order. Senators will please take their conversations to the cloakroom.

AMENDMENT NO. 3537

Mr. MORGAN. Madam President, the amendment I offered last night and called up and debated this morning strikes section 102 of this act. Section 102 creates a completely new grants program designed to assist in the basic skills in the educational system.

The committee justified this new program by saying it was concerned about the widespread concern with regard to the inability of young people to read and write. We all are concerned about that, but just throwing money at it does not solve it. What this does is to create a system of grants.

Mr. President, the Senate is not in order.

The PRESIDING OFFICER (Mr. HUDDLESTON). The Senate is not in order. The Senate will be in order.

Mr. MORGAN. Mr. President, my amendment strikes a whole new grant program for basic skills. The grants program, according to the Congressional Budget Office, would lead to an outlay of $683 million during the first 5 years. It would require that a State set up federally approved standards if it is to get any of the funds under this program.

In other words, Mr. President, here is another case of the Federal Government dangling the carrot before State and local school authorities in order to take over the control of what the committee accurately described as the foundations of our public schools.

The only program that resembles this one that we have had before was the reading improvement program, which was established in 1974, was evaluated by the General Accounting Office, and was held to be ineffective. We say, in effect, that one program has been eliminated, but what we are really doing is just embellishing that program and paying more money.

I would be opposed to this program even if we had plenty of money, because I think basic skills can best be handled by local education authorities. What may be needed, or decided is needed, by HEW here in Washington may not be what the authorities in North Carolina think would be best. But even if they were desirable, we do not have the money. We cannot afford to continue to appropriate three-quarters of a billion dollars for everything and ever expect to balance the budget and bring inflation under control. I am concerned about this, and I feel sure that the Appropriations Committee will be concerned about it, as well as the Budget Committee. I do not think it is a time to start new programs.

Mr. President, I reserve the remainder of my time.

Mr. PELL. Mr. President, title II deals with improvement of basic skills on a totally voluntary basis. HEW would have absolutely no authority to impose tests or standards. The title would simply support States and school districts which wanted to undertake comprehensive programs to improve reading, writing, and math skills or to test their students' competency in basic skills.

It is a $47 million provision replacing an existing $27 million provision.

The estimate cited by the Senator from North Carolina of $69 million was the estimate that was given by the Congressional Budget Office. But the statement of the administration was that they wished to spend $47 million. It would replace the present program, which has not worked out, of $27 million. What it really does is to go after the problem that has plagued us all about which we know, and that is that we have youngsters going through school who wind up unable to read, write, or compute.

This matter received a great deal of publicity and attention about a year and half ago, and the committee sought to attack this problem. Title II represents the way we felt it could best be handled.

Mr. JAVITS. Mr. President, will the Senator yield?

Mr. PELL. I yield the remainder of my time to the Senator from New York.

Mr. JAVITS. Mr. President, Members should read pages 36 and 37 of the committee's report. The facts are horrendous about the actual illiteracy of many who graduate from high school.

A Gallup poll showed last year that 83 percent of the American people favor "a back to basics movement," and other surveys indicated that more than 65 percent of U.S. parents do not believe their children are receiving adequate instruction in basic skills.

It is true that you cannot throw money at a program; nor can you neglect a situation where the complaint is so wide-

spread about the basic skill effectiveness of American education with respect to the American child.

So we are trying to do something about it. Considering the size of the national educational effort, spending about $120 billion a year, this is throwing very little money at the problem. To make this money useful will take a lot of brains and a lot of efficiency; but without some money—like oil for a major machine—you are not going to be able to accomplish anything.

So far as leaving it exclusively to the local communities and States is concerned, we have done that. and look at where we are.

So we have to try to improve the situation, at least with some sense of initiative and drive and stimulation from here.

It seems to me that this sum of money, under $50 million, is a very modest amount for this very basic problem in the whole American educational system.

For those reasons, I think we would be pennywise and pound foolish to strike title II from the bill. We all know it is not going to make any difference in the appropriation figure, considering the order of magnitude which is involved. This program is perhaps as useful as any in this bill. I strongly urge it upon the Senate.

Mr. MORGAN. Mr. President, the bill calls for a $54 billion authorization and such other funds as may be authorized. I went to the Congressional Budget Office and asked them to tell me what this title would cost, and they said it would cost $754 million in budget authority over the next 5 years and a $683 million estimated outlay.

Where we get into trouble in these bills is that we make a very small appropriation in the year we enact them, and then Congress has to cope with it as part of an uncontrollable budget down the road. If we ever are going to balance the budget, we have to look beyond that.

Mr. President, I do not know of any better authority to go to than the Congressional Budget Office, and that is their figure. So, as the Senator from Missouri said last night, if we want to build our record of budget cutting, this is a good time to start, because we would be eliminating a program that I think will not be effective.

As the Senator from New York said, 83 percent of the people do want to go back to the basics. They want to go back to teaching the basics of reading and writing that we were taught. They want to get away from some of these programs that have been encouraged by Federal grants and Federal funds. At the same time, it will eliminate the need for the Senate to continue to appropriate a total of $683 million in the next 5 years—and the Lord only knows how much beyond that.

I hope we will vote to strike this. Then, if there is a real need for it, let us have some public hearings next year. It is no more than 5 months away. We should do this rather than create another program that will run forever. Once you create them, you just do not ever stop them.

I hope Senators will vote to strike this and send the committee back to the drafting board.

Mr. PELL. Mr. President, the $54 million cited by the Senator from North Carolina was the amount for the reading fundamentals program over a 5-year period.

The estimate of the Congressional Budget Office is exactly as the Senator said, $69 million, with the administration proposing to spend $47 million in the following calendar year. The $54 million figure cited by the Senator was for a 5-year period.

I hope the amendment will be defeated.

Mr. MAGNUSON. Mr. President, will the Senator yield?

Mr. PELL. I yield.

Mr. MAGNUSON. What is the percentage of the local contribution?

Mr. PELL. There are no provisions for matching funds in title II. It is a seed program which we would like to see taken on.

In general, as the Senator knows, the local contribution to the total cost of education is about 93 percent.

Mr. MAGNUSON. It is 93 percent of the total cost of education, about 92 percent really. But who is going to administer this program? Are we going to give it to the local people without a handle, or are they going to make a contribution? Obviously, it will not help all the schools all over the country unless this is a special Federal program.

Mr. PELL. The programs under title II will be administered by local people.

The PRESIDING OFFICER. The time of the Senator has expired.

The question is on agreeing to the amendment of the Senator from North Carolina. On this question the yeas and nays have been ordered, and the clerk will call the roll.

The legislative clerk called the roll.

Mr. CRANSTON. I announce that the Senator from Minnesota (Mr. ANDERSON), the Senator from Mississippi (Mr. EASTLAND), the Senator from Hawaii (Mr. INOUYE), the Senator from Louisiana (Mr. JOHNSTON), and the Senator from Louisiana (Mr. LONG) are necessarily absent.

Mr. STEVENS. I announce that the Senator from Tennessee (Mr. BAKER), the Senator from New Mexico (Mr. DOMENICI), and the Senator from Nevada (Mr. LAXALT) are necessarily absent.

The result was announced—yeas 30, nays 62, as follows:

[Rollcall Vote No. 360 Leg.]

YEAS—30

Bartlett	DeConcini	Nunn
Bellmon	Durkin	Proxmire
Bentsen	Glenn	Sasser
Bumpers	Goldwater	Schmitt
Byrd, Harry F., Jr.	Helms	Scott
	Hodges	Stennis
Byrd, Robert C.	Hollings	Talmadge
Chiles	Lugar	Wallop
Church	Magnuson	Young
Curtis	Morgan	
Danforth	Muskie	

NAYS—62

Abourezk	Eagleton	Hathaway
Allen	Ford	Hayakawa
Bayh	Garn	Heinz
Biden	Gravel	Huddleston
Brooke	Griffin	Humphrey
Burdick	Hansen	Jackson
Cannon	Hart	Javits
Case	Haskell	Kennedy
Chafee	Hatch	Leahy
Clark	Hatfield, Mark O.	Mathias
Cranston		Matsunaga
Culver	Hatfield, Paul G.	McClure
Dole		McGovern
McIntyre	Randolph	Stevenson
Melcher	Ribicoff	Stone
Metzenbaum	Riegle	Thurmond
Moynihan	Roth	Tower
Nelson	Sarbanes	Weicker
Packwood	Schweiker	Williams
Pearson	Sparkman	Zorinsky
Pell	Stafford	
Percy	Stevens	

NOT VOTING—8

Anderson	Eastland	Laxalt
Baker	Inouye	Long
Domenici	Johnston	

So the amendment (No. 3537) was rejected.

Mr. JAVITS. Mr. President, I move to reconsider the vote by which the amendment was rejected.

Mr. STAFFORD. I move to lay that motion on the table.

The motion to lay on the table was agreed to.

The PRESIDING OFFICER. The bill is now open for further amendment. The Senator from Oklahoma.

UP AMENDMENT NO. 1764

Mr. BELLMON. I send an amendment to the desk and ask that it be reported.

The PRESIDING OFFICER. The clerk will report.

The second assistant legislative clerk read as follows:

The Senator from Oklahoma (Mr. BELLMON) proposes an unprinted amendment numbered 1764.

The PRESIDING OFFICER. The Senate will be in order.

Mr. BELLMON. Mr. President, I ask unanimous consent that further reading of the amendment be dispensed with.

The PRESIDING OFFICER. Without objection, it is so ordered.

The amendment is as follows:

Strike section 5(c)(2) of Public Law 94-874.

Mr. BELLMON. Mr. President, I can explain very quickly what this amendment does.

Last night there was an effort made to strike out the funding for the so-called "B" students. That amendment by Senator EAGLETON and myself lost.

As the bill now stands, there is a provision for the continuation of the so-called tiered funding approach which says that before we can provide money for the "A" students in any "tier," we have to provide money for all other classes of students in the "tier."

This device is designed to force appropriations for all of the different kinds of payments that are authorized in the bill. It precludes an appropriations committee decision to reduce payments for out-of-county students, for instance, unless we are also willing to reduce payments for the "A" students whose parents live and work on Federal property.

Another example is that the first and second tiers must each be fully funded. Neither tier can be partially funded under the act as it is now written.

I supported an amendment last night, to require a study of funding in impact aid, to examine the distributional effects compared to the stated objects of this program. I see no reason to await the results of a study to eliminate this appropriations-forcing provision.

Mr. President, what this would do is simply strike out the tiered funding and

make it possible for Congress each year to determine the proper level of funding for the "A" and "B" students and for and others in the program. So it is a simple amendment; but it does have a profound effect on the bill.

I ask unanimous consent that the committee be authorized to make necessary technical and conforming corrections to comply with my amendment, if it is adopted.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. JAVITS. Mr. President, will the Senator yield?

Mr. BELLMON. I would be very happy to yield.

Mr. JAVITS. Mr. President, it seems to me this is quite consistent with what the Appropriations Committee was talking about. They very carefully cut out the tiers because impact aid is the sacred cow around here, and that is what I protested against last night.

We wanted a piece of the sacred cow, and if we were not going to get one, my inclination is personally—and I do not speak now for the minority, because that would be quite improper—but as one Senator I intend to support the Senator's amendment.

I think if the Appropriations Committee is going to be free to pick and choose, it ought to be free to pick and choose on impact aid, too. I believe that the indications we give about tier 1, tier 2, tier 3 are good indications, good guidelines, and I am sure they will pay a lot of attention to them.

But to be absolutely latched onto them in the sense that, as they say, they are forced to appropriate for tier 1 if they want to reach tier 2, that is exactly what Senator MAGNUSON was moving against. So I agree with him. If that is the way we are going to do it, let us do it right across the board, and I shall support the amendment.

Mr. PELL. Mr. President, I understand the vexation and aggravation of the Senator from New York with what happened yesterday on public housing. As he knows, I joined with him in opposing that amendment, but I believe that this amendment would be harmful. It would be very harmful to those communities which have many category B students, and it would give the Appropriations Committee carte blanche to pick and choose among the various tiers. The existing structure of the law provides school districts with a measure of certainty as to their impact aid payments for any school year. Eliminating the tier system would destroy this certainty. School districts would not be able to plan their budgets from one year to the next. I think that decisions regarding categories of eligible impact aid children, and priorities for funding among such categories, should really be the job of the authorizing committee.

For that reason, I will be compelled to vote against the amendment of the Senator from Oklahoma.

Mr. BELLMON. Mr. President, I ask for the yeas and nays on the amendment.

The PRESIDING OFFICER. Is there a sufficient second? There is a sufficient second.

The yeas and nays were ordered.

Mr. BELLMON. Before yielding back the remainder of my time, let me say that the statement just made by the distinguished Senator from Rhode Island, I feel, supports the position I have taken here, that is, that the Congress, not just the Appropriations Committee, but the whole Congress, should have the right every year to look at not only the spending levels for this program, but for other programs as well. One of the reasons why we find ourselves in such a financial bind is that we have locked in so many entitlement programs—or in this case tiered programs—that we do not have the flexibility we need to adjust the funding levels to the needs of the various programs as the years go by.

The PRESIDING OFFICER. The question is on agreeing to the amendment (UP No. 1764) of the Senator from Oklahoma (Mr. BELLMON). The yeas and nays have been ordered, and the clerk will call the roll.

The bill clerk called the roll.

Mr. CRANSTON. I announce that the Senator from Minnesota (Mr. ANDERSON), the Senator from Mississippi (Mr. EASTLAND), the Senator from Louisiana (Mr. JOHNSTON), the Senator from South Dakota (Mr. ABOUREZK), and the Senator from Mississippi (Mr. STENNIS) are necessarily absent.

Mr. STEVENS. I announce that the Senator from Tennessee (Mr. BAKER), the Senator from New Mexico (Mr. DOMENICI), and the Senator from Nevada (Mr. LAXALT) are necessarily absent.

The result was announced—yeas 57, nays 35, as follows:

[Rollcall Vote No. 361 Leg.]

YEAS—57

Allen	Glenn	Moynihan
Bartlett	Goldwater	Muskie
Bayh	Griffin	Nelson
Bellmon	Hansen	Packwood
Bentsen	Hart	Pearson
Bumpers	Hatch	Proxmire
Burdick	Hatfield,	Riegle
Byrd,	Mark O.	Sasser
Harry F., Jr.	Hayakawa	Schmitt
Byrd, Robert C.	Helms	Scott
Chafee	Hollings	Sparkman
Chiles	Huddleston	Stafford
Clark	Humphrey	Stevens
Cranston	Inouye	Stone
Culver	Javits	Talmadge
Danforth	Leahy	Thurmond
DeConcini	Lugar	Wallop
Eagleton	Magnuson	Weicker
Ford	McGovern	Young
Garn	Morgan	

NAYS—35

Biden	Hathaway	Nunn
Brooke	Heinz	Pell
Cannon	Hodges	Percy
Case	Jackson	Randolph
Church	Kennedy	Ribicoff
Curtis	Long	Roth
Dole	Mathias	Sarbanes
Durkin	Matsunaga	Schweiker
Gravel	McClure	Stevenson
Haskell	McIntyre	Tower
Hatfield,	Melcher	Williams
Paul G.	Metzenbaum	Zorinsky

NOT VOTING—8

Abourezk	Domenici	Laxalt
Anderson	Eastland	Stennis
Baker	Johnston	

So the amendment (UP No. 1764) was agreed to.

The PRESIDING OFFICER. The bill is open to further amendment. The Senator from Rhode Island.

Mr. PELL. Mr. President, I yield to the Senator from Alaska.

UP AMENDMENT NO. 1765

Mr. GRAVEL. Mr. President, I send an amendment to the desk and ask for its immediate consideration.

The PRESIDING OFFICER. The amendment will be stated.

The legislative clerk read as follows:

The Senator from Alaska (Mr. GRAVEL), for himself and Mr. ABOUREZK, Mr. MCGOVERN, Mr. STEVENS, and Mr. DOMENICI, proposes an unprinted amendment numbered 1765.

Mr. GRAVEL. Mr. President, I ask unanimous consent that further reading of the amendment be dispensed with.

The PRESIDING OFFICER. Without objection, it is so ordered.

The amendment is as follows:

At the appropriate place in the bill insert the following:

Section 703(a)(1) is amended by striking out "and" at the end of clause (A), by inserting "and" at the end of clause (B) and by inserting after Clause B the following new clause:

"(C) individuals who are American Indian and Alaskan Native, students and who come from environments where a language other than English has had a significant impact on their level of English language proficiency subject to such regulations as the Commissioner determined to be necessary;"

UP AMENDMENT NO. 1764—MOTIONS TO RECONSIDER AND TABLE

Mr. BELLMON. Mr. President, I move to reconsider the vote by which the last amendment was agreed to.

Mr. SCOTT. Mr. President, I move to lay that motion on the table.

Mr. ROBERT C. BYRD. Mr. President, I ask unanimous consent that it be in order to move to reconsider the vote by which the last amendment was agreed to.

The PRESIDING OFFICER. Is there objection? Without objection, it is so ordered.

Mr. BELLMON. Mr. President, I move to reconsider the vote by which the last amendment was agreed to.

Mr. SCOTT. Mr. President, I move to lay that motion on the table.

The motion to lay on the table was agreed to.

Mr. GRAVEL. Mr. President, the cosponsors of this amendment are Mr. ABOUREZK, Mr. MCGOVERN, Mr. STEVENS, and Mr. DOMENICI.

This amendment would very simply add a subsection that would extend the definition of limited English proficiency to include individuals who are American Indian and Alaskan Native students and who come from environments where a language other than English has had a significant impact on their level of English language proficiency.

Mr. PELL. Mr. President, we have had a chance to look over this amendment and have discussed it with the proponents. We think it is a good amendment and we are willing to accept it.

Mr. JAVITS. Is this in the bilingual program?

Mr. GRAVEL. Yes.

Mr. JAVITS. Are there adequate instructors in those native languages?

Mr. GRAVEL. Yes.

Mr. JAVITS. What does our staff say, I inquire of Senator PELL? In other

words, are we doing a vain thing here in writing this into the law?

Mr. PELL. I do not know and I do not think our staff knows if there are enough Alaskan natives to do the job, but this authorizes it. Obviously, if there are no instructors, there is no program.

Mr. JAVITS. Be it understood that if we take this into conference, we shall have to examine the pragmatic aspects of it. I have no objection to taking it into conference and it sounds like the right thing to do, but we shall have to discuss it with the Department.

I have no objection.

The PRESIDING OFFICER. The question is on agreeing to the amendment.

The amendment was agreed to.

● Mr. KENNEDY. Mr. President, I rise in support of S. 1753 as reported by the Committee on Human Resources, and urge my colleagues to pass it without major amendment. S. 1753 is indeed a landmark piece of legislation which I firmly believe will provide for a tremendous improvement in the delivery of educational services provided by Federal dollars.

I am particularly pleased with the provisions the committee has adopted for title I, the centerpiece of the Elementary and Secondary Education Act. Throughout the 12-year history of the title I program, Congress has demonstrated its concern about the educational barriers encountered by poor and disadvantaged children, and has demonstrated its continuing commitment to helping these children surmount these barriers. Moreover, we have consistently strengthened the title I mechanisms originally instituted to insure that the program will continue to focus on students with the greatest need for special assistance.

In developing the legislative provisions for title I, the committee was guided by the wealth of research and evaluative information which is now available concerning the program. In addition, the committee has been responsive to the broad range of concerns about title I raised by representatives of diverse interests. Our thorough consideration of these inputs has culminated in a bill which provides greater clarity and direction to assist administrators at the Federal, State, and local levels in implementing the title I program; and provides for greater program and fiscal accountability.

One aspect of the title I program that is of special interest to me is parental involvement. Parental involvement is one of the most viable and educationally sound components of title I. The role of parents in the title I program has been strengthened during the 12-year history of the program. In 1974, Congress amended title I to require the establishment of parent advisory councils to advise school districts in the planning, implementation, and evaluation of the program. In 1976, we added a requirement that parent advisory councils also be established at each school served by the title I program. While many school districts have been very supportive of parental involvement in all phases of title I, parent advisory councils in many other school districts have not been afforded the opportunity to function as the law intended.

Accordingly, the committee has adopted several amendments I introduced which will provide for greater unifomity in the procedures for establishing parent advisory councils, and will enhance the effectiveness of these councils. These amendments: First, establish a minimum size for school level advisory councils to insure adequate membership; second, provide for greater representation on councils for parents of program participants; third, provide for the election of members and officers to terms of sufficient duration to promote greater continuity of the councils; and fourth, stipulate that adequate training and information must be provided for council members so that they can acquire the knowledge and skills necessary to make them effective representatives of parents in the community and advisors to local school officials.

I have also offered two amendments which delegate to the U.S. Office of Education and the National Institute of Education further responsibility for promoting and facilitating parental involvement in title I. Pursuant to these amendments, the Commissioner of Education will sponsor regional workshops on parental involvement which will assist local title I officials in working more effectively with title I parents and parent advisory councils. In addition, the National Institute of Education will identify and develop model training programs for parents who serve on advisory councils. Through these two mechanisms, parents and administrators will be better able to work together cooperatively for the benefit of title I children.

Another concern I have about title I is the need for improved Federal administration and enforcement of the program.

To insure greater accountability for the Federal administration of the title I program, I have also offered an amendment which will require the Commissioner of Education to submit to Congress a biennial enforcement report concerning the compliance and enforcement activities of the Office of Education. The enforcement report will provide the information that is basic to the oversight of OE administration of title I.

An important issue related to title I which is addressed by S. 1753 is the need for continued compensatory services for pupils who formerly attended title I eligible schools but who no longer attend eligible schools because of reassignments or attendance area changes pursuant to desegregation plans. As many of my colleagues will recall, the Education Amendments of 1976 provided a special set-aside under the Emergency School Aid Act (ESAA) to provide compensatory services to students under such circumstances.

These funds will be available to school districts for the 1978–79 school year. To insure the continuation of special funds designated specifically for the purpose of providing compensatory services for students who are no longer receiving title I services as a result of a school district's implementation of a desegregation plan, I have offered an amendment to title VI of S. 1753, which authorizes an annual appropriation of $7.25 million for this purpose for the next 4 fiscal years. Moreover, additional appropriations are also authorized should the number of eligible students increase significantly in the future.

Mr. President, I am also pleased that S. 1753 adopted my amendment to include biomedical education which authorizes up to $40 million in grants to institutions of higher education to conduct partnership programs with area high schools.

Projects would provide after-school and summertime motivational encouragement and academic enrichment in the basic sciences, mathematics, and written comprehension and express for disadvantaged students from the 9th through 12th grades. As you know, there is a severe underrepresentation of minority and disadvantaged students in our Nation's medical schools. As a result, many disadvantaged communities have little access to quality health care.

Four years ago I was privileged to sponsor a demonstration of Project SEED for the Senate. At that time, a fifth grade class from a public school in Anacostia showed us that they were capable of doing mathematics that troubles many college graduates. The children had been taught for less than a week by Project SEED instructors, professional mathematicians and scientists, who teach high school and college level algebra on a daily basis to children from poverty and minority backgrounds. Because all students start at the same level in advanced mathematics and because the SEED instructors use a group discovery approach that encourages all students to participate, the children are successful no matter what their prior experience in mathematics has been. The program provides an ideal vehicle for assisting school districts in their desegregation efforts by providing an instructional setting in which students from different backgrounds interact and achieve together and in an academic subject. SEED also helps to overcome the effects of racial isolation by raising the achievement levels and self-confidence of minority students.

Following the demonstration, Senators MONDALE, TAFT, CRANSTON, BEALL, and I introduced an amendment which became section 708(a)(3) of the Emergency School Aid Act authorizing funding for mathematics programs such as SEED to assist school districts in carrying out the purposes of the act.

Gerald Klein, manager, Community and Urban Affairs for General Electric, wrote that—

> He regards SEED as the finest program of its kind ever developed, and dollar-for-dollar the best possible buy in supplemental educational programs.

The results which Project SEED has achieved in cities across the country during the past 3 years under ESAA

funding continue to demonstrate its effectiveness. Students from Browning, Mont., to Atlanta, Ga., and from Compton, Calif., to Boston in my own home State, gained 2 months in arithmetic achievement for each month in the program, regardless of their initial achievement levels—typically these students achieve at one-half to three-fourths the normal rate. This is an essential first step toward entry into scientific and technical jobs and careers, fields such as physics, engineering, and the biomedical sciences, that have been traditionally closed to students from minority and poverty backgrounds because of poor preparation in mathematics.

The program also has been successful in promoting the human relations goals of ESAA. I have received numerous letters from parents, teachers, administrators, and the students themselves, documenting the impact of the program in Boston. The comments of Mrs. Judy Fields, a teacher at the J. P. Timilty Middle School, are typical:

What Project SEED has been most successful in doing is uniting students in each class from different areas together as a class. Students from different parts of the city are becoming as a group more concerned with the lessons. And most important students are conversing with each other, aiding each other and questioning what they are learning as a group.

The SEED program also provides inservice for the regular classroom teachers who incorporate mathematics and methodology from the program into their own teaching.

Project SEED's success has implications for educational needs beyond those arising from the desegregation process. There is a growing concern about declining proficiency in the most fundamental skills—reading, writing, and mathematics. Programs, such as Project SEED, which demonstrate success in raising the achievement levels of the most profoundly educationally disadvantaged segments of our society, can serve as models for educational change, and as yardsticks by which other innovative programs must be measured.

It is with this in mind that the committee incorporated the language of our 1974 ESAA amendment into the administration's basic skills recommendations as section 215, special mathematics programs.

Mr. President, in reviewing title VII of ESEA, the Bilingual Education Act, the committee approved sevcral amendments that I feel strengthen the title and address the concerns expressed during the committee hearings.

Significant changes that were made include redefining of eligible participants. The term "children of limited English-speaking ability" has been changed to "children of limited English proficiency." I feel the new definition is less pejorative, proficiency is a more flexibile word and dropping the word "speaking" lessens the emphasis on verbal proficiency apart from reading and writing. An eligible participant is further defined as children who "have difficulty speaking, reading, writing, or understanding the English language at their appropriate age and grade levels. Children shall be considered to be proficient in English when they can speak, read, write and understand English at a level comparable to other children at their appropriate age and grade levels."

In response to a concern of parental lack of awareness of bilingual programs and goals, the committee added a new requirement that stipulates "parents of children particularly in a program of bilingual education, shall be informed of the institutional goals of the program and the progress of their children in such programs." This new requirement will enhance the parental involvement and provide the opportunity for heightened awareness of the bilingual program and its goals.

Under current law, 15 percent is earmarked for teacher training. The committee bill deletes this provision. A new provision mandates that the Commissioner determine that the applicant make "adequate provision for auxiliary and supplementary training programs in accordance with the relative training requirements of the statute."

In S. 1753, $20 million is authorized to carry out a strengthened research and development effort for 1979, and "such sums" for each year thereafter.

The committee bill also provides increased authcrizations for title VII from the current $160,000,000 for 1978 to $200 million for 1979, $250 million for 1980, and $50 million increments each year thereafter up to 1983's authorization of $400 million.

Mr. President, the committee's effort to strengthen title VII in my opinion will bolster the Federal effort in bilingual education and clearly indicate support for the students in need of bilingual services.

In closing, I wish to commend my colleagues on the Human Resources Committee for their excellent work. I strongly urge my other colleagues to unanimously endorse efforts of the committee.●

● Mr. HATHAWAY. Mr. President, I am pleased to support and cosponsor the pending bill which extends for 5 years a number of our most important Federal laws affecting elementary and secondary education—including the Elementary and Secondary Education Act, the Bilingual Education Act, the Emergency School Assistance Act, and impact aid, among others.

I am particularly gratified that the bill greatly simplifies and reduces paperwork burdens under title I of the ESEA, which since 1965 has formed the cornerstone of our Federal efforts to assist States and local educational agencies in meeting the needs of our disadvantaged children. Particularly helpful in this regard will be the policy manual to be made available to these officials.

Further, the bill contains a study to consider the possibility of allowing consolidated administration at the State level of a variety of Federal categorical grant programs, pursuant to the efforts of Senator DOMENICI and others. I shall look forward to reviewing the results of that study next year, and further considering proposals to reduce administrative burdens while preserving congressional intent.

The bill also establishes the gifted and talented program on a permanent basis. I was pleased to cosponsor the bill introduced by the Senator from New York (Mr. JAVITS) and to work for its inclusion in the pending omnibus measure.

The bill contains a number of improvements to the bilingual education program, which I have supported since its initiation in 1967.

In this regard, the bill includes the provisions of the Bilingual Education Equitable Distribution Act of 1978, which I introduced in April. This provides that in the consideration of inital grant application priority shall be given to underserved groups and regions, with a view toward equitable distribution throughout the Nation. Cited in the committee report as potentially eligible for this priority are Franco-Americans in New England. To further explain this amendment and its purposes, I would like to refer to the report language which states as follows:

The committee further agreed to amend the Bilingual Education Act with respect to procedures to be utilized in the evaluation of initial grant applications for assistance under that Act.

The amendment would require the Commissioner, in the consideration of initial applications from local educational agencies for bilingual education grant funds, to give priority to applications from such agencies located in geographical areas and proposing to assist children in need that have historically been underserved by programs of bilingual education. The amendment further requires that in approving such initial applications, the Commissioner shall to the extent feasible allocate funds in proportion to the geographical distribution of such children of limited English proficiency throughout the Nation with due regard for the ability of the local educational agency to carry out such a program, and the relative numbers of low income children sought to be benefitted.

The committee strongly believes that effective bilingual education programs ought to be implemented to benefit all children in need of such services throughout the Nation. At the same time, it is recognized that budget realities preculude this goal from being immediately realized through Federal programs. Currently 255,000 children are served by federally funded bilingual demonstration grants. This is far short of the need, however, since the Committee has received estimates of children who could benefit which range from 800,000 to 3.6 million. Thus, the shortfall in program resources to program need could be between 1 to 3 and 1 to 10.

Since it is not presently possible to establish federally assisted programs reaching all children in need of such assistance, the Committee believes that it is important to utilize scarce funds for demonstration programs and projects with a view toward stimulating interest and initiative among State and local educational agencies throughout the Nation which ultimately would lead to successful non-Federal programs.

The Office of Bilingual Education is urged to continue its efforts to provide technical assistance to local educational agencies interested in applying for such assistance, and is encouraged to engage in active outreach programs to stimulate such interest. The Committee also takes notice of the potential need for bilingual education programs among Franco-Americans and Portuguese-Americans in New England, for Spanish speaking persons of Caribbean origin through the

Northeast, and urges the Office of Bilingual Education to give appropriate attention to applications designed to meet this need.

The committee stresses that this amendment is not intended to be used as a basis for redistributing funds to favor one language group over another exclusive of need. Projects grants should continue to be awarded according to the degree of need for assistance and the quality of the existing projects or future project proposals. It is anticipated that increased funding for title VII in future years will enable the Commissioner to reach regions and groups which have historically been underserved.

Amendments requiring that the Federal bilingual program be staffed by individuals with experience in the field, and that instructional materials be upgraded should further strengthen this program.

Finally, an amendment to require that the Secretary submit to Congress by the end of 1981 a report on the procedures necessary to convert this program from a discretionary grant program to a formula grant program will be most helpful.

In this way Congress would be in a position to carefully consider such a proposal. At this point in time it is clear that there is a great unmet need for bilingual education. Currently 255,000 children are served by federally funded bilingual programs. But the estimated need ranges from 800,000 to 3.3 million for a shortfall of up to 10 to 1.

These factors were motivations behind my amendment to give priority in considering initial grants to areas and groups which have been underserved, and to move toward an equitable geographical distribution. As the committee report notes, there is an unmet need for such programs in New England among Franco-Americans, and this is particularly true in the State of Maine.

I look forward to this amendment providing momentum to meet all of these unmet needs.

The bill also contains the provisions of S. 2885, a bill I introduced in April to increase the authorization of funds for teacher centers and training programs to $100 million for the upcoming fiscal year, and to encourage statewide applications. These centers are vitally important to allow teachers to formulate curricula to meet the needs of their locality and to discuss alternative proposals with each other. The interest in this program is quite strong. The committee report points out that over 1,500 applications are pending but even if the program were fully funded at the current level of authorizations, only 400 could be funded. Under current appropriations, only 60 have been funded.

The bill also contains provisions establishing a 15-member advisory panel on the financing of elementary and secondary education. This panel would be charged with conducting a study of the financing prospects of public and private education over the next decade and the appropriate Federal role. It would be a high-ranking entity within the Department of Health, Education, and Welfare and its members would be appointed by the President.

I was pleased to propose this along with the Senator from Michigan (Mr. RIEGLE), and to have perfected it to include private education, along with the Senator from New York (Mr. MOYNIHAN).

Such an effort is vital to the future of our education policy. It has long been my view that education financing ought not to rely primarily on property taxes or sales taxes or other regressive mechanisms which hit those in the low- to middle-income range hardest, but rather should rely on progressively structured income taxes. I urge this panel to consider these and other issues.

The bill contains some very important provisions in the proposed new title II emphasizing basic skills. These provisions provide funds for States to formulate comprehensive plans to upgrade basic skills with greatest emphasis on oral and written communication skills and mathematics. It is strongly supported by the administration and I look forward to its successful implementation.

I do have a couple of concerns regarding this title. It allows for grants to States or local educational agencies, with a view toward fostering demonstration and experimentation. I would urge that where there has been a demonstrated success in a particular State and where the State has formulated a comprehensive plan, that funds be made available to the State to carry out that plan and channel funds to the local educational agencies within its borders.

It is for all the reasons which I have detailed here that I am pleased to give my support to this bill, and would also urge my colleagues to lend their support.●

EARLY CHILDHOOD PROGRAMS AND TRIO: ESEA AMENDMENTS

● Mrs. HUMPHREY. Mr. President, it had been my intention to call up amendments which focus on the critical needs of children in the early stages of their development. Since there are similar provisions in the House-passed version of this legislation, I believe the best course would be to accept these provisions in the House-Senate conference on the final bill.

These provisions establish specific authority for expanding vitally important early childhood and family education programs. These programs are based on the concept that learning begins at birth; and, that, while classroom instruction is important, early learning is crucial. They provide not only service, but also support to parents in educating their children.

My amendments would provide authority for special service components which provide educational and counseling services to parents of preschool children. They would also establish a means to identify potential barriers to learning and establish a referral service whereby eligible programs could tap into other sources of funding at the State, Federal, local, and private levels. In essence, these amendments establish a coordinated system for improving services to preschool children and their parents involved in developmental programs. It must be pointed out that these efforts are nonduplicative of those that other agencies such as Head Start or daycare perform.

I would also like to take this opportunity to thank Senator CLAIBORNE PELL, chairman of the Subcommittee on Education, Arts, and Humanities, and Senator ALAN CRANSTON, chairman of the Veterans' Affairs Committee, for raising the issue of extending the eligibility age of Vietnam veterans for participation in the veterans upward bound project. This revision, which I initially had recommended, is intended to reach those individuals who had dropped out of school, or those who had graduated but were not able to compete in postsecondary training.

Since this was a 9-month program, veterans upward bound was put under the Office of Education's TRIO program. The focus of the TRIO program is on disadvantaged youths. The TRIO program covers those who are aged 14 to 27.

We now find that there might be as many as 2 million Vietnam veterans who could participate in this program. What it means for them is a chance to finish their education, to have an opportunity for a better job, or a chance for their first job.

It has been determined by Senator PELL and Senator CRANSTON that the responsibility for advancing the age limitation for this program lies within the jurisdiction of HEW. They have urged that regulations be set forth which will change the age limit of TRIO. This seems an entirely reasonable approach, and I urge that HEW make this extension of age as soon as possible so that Vietnam veterans have the opportunity to participate in the veterans upward bound program.●

Mr. PELL. Mr. President, I ask for third reading.

The PRESIDING OFFICER. The bill is open to further amendment. If there be no further amendment to be proposed, the question is on agreeing to the committee amendment in the nature of a substitute, as amended.

The committee amendment in the nature of a substitute, as amended, was agreed to.

The PRESIDING OFFICER. The question is on the engrossment and third reading of the bill.

The bill was ordered to be engrossed for a third reading and was read the third time.

The PRESIDING OFFICER. Under the previous order, the Senator from Virginia has 10 minutes.

Mr. HARRY F. BYRD, JR. I yield to the Senator from West Virginia.

Mr. RANDOLPH. Mr. President, I am grateful to the distinguished Senator from Virginia.

As ranking majority member of the Subcommittee on Education, Arts, and Humanities of the Committee on Human Resources, it is a personal privilege to support our committee's reported bill, S 1753, the Elementary and Secondary Education Act Amendments of 1978.

I commend our colleague from Rhode Island (Mr. PELL) chairman of the subcommittee, and the Senator from New Jersey (Mr. WILLIAMS), the able chairman of the Committee on Human Resources, and the Senator from New York (Mr. JAVITS), our ranking minority mem-

ber, for their efforts in this reauthorization legislation to the Senate.

A positive vote for passage will insure that our children are given access to more effective, more responsive and more equitable educational opportunities. Our subcommittee, and its parent Committee on Human Resources, have long exercised strong leadership in fashioning necessary reforms to upgrade educational programs throughout our Nation.

We have reaffirmed our commitment to education for children from low-income families as provided in our simplified version of title I. In addition to the regular basic entitlements under title I for compensatory education, we have adopted incentives to encourage States to fund their own compensatory education programs, with $1 in Federal funds to match every $2 appropriated by the States. We have also adopted a new program of grants for counties with high concentrations of children from low-income families, with an authorization of $400 million.

A new title II provides assistance to States and local educational agencies for programs to assist in the improvement of the basic skills—reading, mathematics, and communications—both oral and written—the Basic Skills and Educational Proficiency Act. Our reforms of other titles, including bilingual education, the Emergency School Aid Act, Native American and minority students programs, education for the handicapped, State leadership, Ethnic Heritages Act, and women's educational equity programs, recognize the special role they contribute in providing extra resources to educational opportunity so vital to students from all segments of society.

I am especially gratified with new guidance and counseling authorities and the community schools title which allow schools to become an increasingly important part of the general community through matching those funds with moneys received under other community-based Federal programs.

In this measure we have strengthened programs already proven effective and improved programs which have experienced difficulties in the past. I commend those who gave us their counsel during public hearings on this legislation. These amendments are based on oral and written testimony submitted by witnesses from all walks of life—from the Secretary of HEW, Members of Congress, and national, State, and local leaders in the education community, all of whom regard education as a top domestic priority. Education has long been a major concern to me, and I have worked to provide not only access to, but quality in, education for all those who seek to learn. In this we underscore our commitment to stop future litanies concerning educational declines, of which we have heard and seen so much in the recent past.

Mr. President, I embrace this legislation and its implicit promise that new ways must be found, and will be implemented nationally, to teach children in such a manner as to prepare them for life and life's challenges.

During committee consideration of this bill, Mr. President, I cosponsored an amendment with Senator HAYAKAWA that was a modified version of S. 1780, introduced by Senators DOMENICI and BELLMON, which had 17 cosponsors in the Senate. S. 1780 proposed a 6-State demonstration project, to authorize the Commissioner of Education to certify a consolidated funding and accountability approach to education programs. It permitted States to operate their own programs free of the paperwork and redtape burdens currently imposed by Federal regulation. This measure was defeated in committee with a compromise to authorize and fund a study to determine the feasibility of S. 1780 as a demonstration effort in public education policy.

Since reporting this legislation, the committee staff has enlisted the services of the Educational Policy Research Institute of Washington, and the Congressional Research Service, both of which have presented acceptable outlines of their approach to analyze the potential impact of the consolidation proposal on education programs.

I have not taken part except very briefly in the debate on this legislation and the amendments that have been offered. I did have the privilege of working with the able chairman of our committee and also Mr. WILLIAMS and the helpful Senator from Rhode Island (Mr. PELL), the chairman of the subcommittee. I want to thank Senator JAVITS and others on this legislation, who fashioned it in the subcommittee and then in the full committee. It is an important legislative advance. It is creative, it is innovative; yet it is balanced and it strengthens the primary and secondary education program through amendments that were necessary to be passed this year.

Mr. HARRY F. BYRD, JR. I yield to the Senator from Massachusetts.

Mr. KENNEDY. Mr. President, Senator CRANSTON and I think it would be helpful to make a clarification regarding the deletion of the words "to progress effectively through the educational system" on page 275, section 704(i).

There are two points we would like to clarify on that change: first, that this deletion does not suggest that English language instruction is all that is needed; rather special instruction in basic subjects such as math and science are also critical as is continued emphasis on bilingual modes of instruction in title VII projects.

Second, the deletion does not in any way suggest that English language competence is an end in itself; rather, that competency is a means of the child's achieving his or her right to equal educational opportunity in the school system.

I think both of these points are clear from the full context of the provision in question. Does the distinguished floor manager agree?

Mr. PELL. I do agree. We have worked this colloquy out together. I believe the minority floor manager has a comment.

The PRESIDING OFFICER. The Chair advises that it will require unanimous consent to amend the bill after third reading.

Mr. KENNEDY. No; this is just legislative history, Mr. President.

Mr. JAVITS. Mr. President, respecting this particular question, I agree with the construction which is contained in the question. I should like to add this comment: We all realize that there is a certain tug of war as to when bilingual education is completed. Is it when the English language is reasonably learned, or is it when the capability of equal achievement in the whole education system has been attained? I believe that Senator MORGAN'S amendment has determined that issue, at least for the Senate version of the bill. That is a fair resolution; to wit, 2 years with an individual evaluation at the end of that time for the individual child.

I believe that the construction put upon this language, which was stated and requested by Senator KENNEDY, is entirely consistent with the total policy of the bill.

Mr. KENNEDY. I thank the Senator.

Mr. CRANSTON. May I briefly say that I fully share the concern of the Senator from Massachusetts. I appreciate the clarification by the manager of the bill.

Mr. KENNEDY. I thank the Senator from Virginia.

Mr. HARRY F. BYRD, JR. I yield to the distinguished Senator from Washington, Mr. President.

Mr. BELLMON. Will the Senator yield?

Mr. HARRY F. BYRD, JR. I yield to the Senator from Oklahoma.

THE EDUCATION AMENDMENTS OF 1978 (ESEA)

Mr. BELLMON. Mr. President, the effectiveness of programs under this legislation is the standard by which many will measure the Federal commitment to the future of our young people. Education is a bright flame that helps fuel the national social melting pot and the expectation of a better tomorrow which characterizes America. The Elementary and Secondary Education Act is the cornerstone of the Federal Government's commitment to improved education.

For the most part, the bill before us today promises to fulfill our commitment and offers a standard against which we should be proud to be measured. For example, S. 1753 is designed to provide assistance to students from economically disadvantaged families; and the new concentration grants program included in the bill will provide additional assistance to districts with particularly high proportions of students from economically disadvantaged families. Most of the districts which will receive assistance under the new compensatory program are either in large cities already facing financial crises or in depressed rural areas. These areas do not have the tax base to finance the extraordinary costs of educating their large disadvantaged student populations, particularly in this time of rapidly growing costs.

Further, I support other compensatory programs which will be funded under the proposed legislation. We must focus our resources on critical problem areas—those where the States and localities have proved unable or unwilling to deal adequately with educational challenges such as compensatory education and desegregation assistance.

Having praised certain aspects of the bill, I nevertheless have had several concerns and specific objections with the reported bill. One concern involves the

general spending levels for education. Mr. President, Federal expenditures for education increased 16 percent from fiscal year 1977 to 1978. If we stay within the targets established in the first concurrent resolution on the budget this year—which seems by no means certain—they will increase another 18 percent, from fiscal year 1978 to 1979. Mr. President, we are now raising Federal spending on education by more than $1.5 billion each year. And because we start each year from a larger base, unless we arrest the trend, we will be raising Federal spending over $3 billion annually within 5 years. Even with the improvements made in this bill over the last 24 hours, I am still concerned about education spending levels.

Mr. President, I had other specific objections to this bill which I am pleased to say have been addressed by the actions taken on this bill last night.

My specific objections with this bill fell into three categories: First, a major expansion of the impact aid program; second, a number of entitlement-like provisions designed to limit the discretion of the Appropriations Committee, and the Senate as a whole, in our annual reviews of competing priorities; and third, a major expansion of Federal assistance to private schools.

First, I was concerned that the committee's recommendations regarding impact aid simply did not recognize the discomfort with which many of us have watched this program grow like topsy. Secretary Califano has said that it has "become an annual rite of spring" for the administration to march up on Capitol Hill with proposed reforms in the impact aid program, and to come down again emptyhanded.

Indeed, the Carter administration proposed a series of reasonable "reforms" in the impact aid program this year. The Human Resources Committee, however, not only rejected out of hand the administration's proposed reforms, it recommended in the bill before us that we broaden eligibility to include children of postal workers, for instance, and that we expand the funding for this program.

I cosponsored the Eagleton amendment to delete expansion of impact aid to postal workers and otherwise limit expenditures in this program. I am pleased that my colleagues supported this amendment. Another feature of the impact aid proposal before us about which I am seriously concerned, Mr. President, is the continuation of the "tiered funding" approach. This device is designed to force appropriations for all of the different kinds of payments authorized in the bill. It precludes an Appropriations Committee decision to reduce payments for out of county "B" students, for instance, unless we are also willing to reduce payments for "A" students whose parents live and work on Federal property. Another example is that second "tiers" must be each fully funded, neither "tier" can be partially funded under the act. I supported an amendment to require a study of "tier funding" in impact aid to examine the distributional effects compared to the stated objectives of this program. Mr. EAGLETON and I failed in our attempt to eliminate payments for all but "A" students; but amendments adopted last night are a start toward bringing this program under control. My amendment would allow Congress to determine annually the proper level of appropriation.

My second basic objection, Mr. President, involved other provisions in the bill which constrain appropriations and budgetary control over funding levels and force minimum appropriations for specific programs. One such provision involved the concentration grants program. I support that program. I supported funding for the new concentration grants program during markup on the first concurrent resolution on the budget. But my concern for the integrity of the budget and appropriations processes is not limited to programs I do not like; it also extends to those programs I support. This bill reserved the first $400 million appropriated for title I for the new concentration grants. Unless the Appropriations Committee wanted to cut the regular program below current levels, they would have been required to fully fund this new program. I am gratified that we eliminated the mandatory minimum appropriations for this program.

Further, I applaud the Human Resources Committee's action in attempting to create inducements to States to set up their own compensatory education programs, Mr. President. I think the new program, proposed in this bill, to provide a Federal match for States which undertake to establish such programs is well conceived and certainly preferable to full Federal funding. But as the bill was presented to us, Mr. President, it required that once this program was funded, it would always have continued at the previous year's level. Again, I am pleased that the Senate eliminated this provision.

Another similar provision of the bill mandated minimum appropriations for the guidance, counseling and testing service to be funded under the act. We can properly ask, in view of these provisions, why the committee did not just recommend we mandate minimum appropriations for everything under the act? For that matter, why do not all committees do the same thing for all programs under their jurisdictions? Or why not go even farther, and simply mandate appropriations levels, period, for all programs, in all authorizing legislation? Then we could just disband the Appropriations Committee; and the Budget Committee's job would be reduced to an annual review of requirements under all existing legislation—and possible later requirements under proposed new legislation, much as we do in the entitlement programs now. I will tell you why not. If we continued in this fashion, there would be no hope, ever, for controlling Federal expenditures; and if you and I go home and tell our constituents that we have given up all hope of controlling Government expenditures, I can assure you, our constituents will eventually replace us here with a new group of Senators who are, at least, willing to try. I cosponsored an amendment to eliminate the new minimum funding provisions and spending triggers; and I am pleased that this amendment carried.

Finally, Mr. President my third objection involved the proposal for a major expansion of Federal assistance to private elementary and secondary schools. As much as I favor high quality education I simply cannot support this provision. Competition is a great thing. It is the very heart of our economic system. But competition with yourself is foolish. If our public schools are inadequate, let us improve them. No matter how fine our public schools are, there will always be people who choose to send their children to private institutions. Let them. But I cannot be a party to deliberately constructing parallel, duplicate systems, with the taxpayers' money, in the name of freedom of choice. The message from the taxpayers all over the country should be clear to all of us by now. They want less—not more; smaller—not larger; more efficient—not less efficient, government. In the face of all this sentiment, and in the face of commonsense, I cannot agree to systematically spending tax money to fund another system to compete with our public schools.

Mr. President, I wish to thank and congratulate the managers of the bill for their diligent efforts to improve existing programs and their cooperation with others concerned about education. While we did not always agree, their staff worked long and hard with other Senators and staff members to try to work out our differences. As my colleagues know, the managers were able to agree to many of the amendments, which I believe have made this a better bill—and because of the extremely complex nature of this legislation, their assistance was invaluable.

With the changes that have been made, I am pleased to support S. 1753, Mr. President, and I urge my colleagues to do likewise.

Mr. HARRY F. BYRD, JR. Mr. President, it is not pleasant elementary and secondary education authorization bill. Indeed, it is most unpleasant.

But the legislation before the Senate today would authorize to be appropriated for fiscal year 1979 an amount of public funds twice as great as the amount appropriated for the current fiscal year.

To me this is unreasonable.

In addition, the legislation provides for a substantial increase over 1979 for fiscal year 1980, and another substantial increase for fiscal year 1981, and another substantial increase for fiscal year 1982.

In addition, the bill before the Senate today further injects the Federal Government into the operation of the local public schools.

As the chairman of the Budget Committee noted last night, in reply to a question that I asked, the $11 billion the pending legislation authorizes to be appropriated for 1979, if fully funded, is double the amount approved by the first budget resolution a few months ago. That amount, as Senator MUSKIE noted was $5.2 billion.

I end by quoting a query I put last eve-

ning to the Senator from Rhode Island (Mr. PELL), floor manager of the pending legislation, as reported in the CONGRESSIONAL RECORD of August 23:

Mr. HARRY F. BYRD, JR.: So what your committee is asking the Senate to do is to authorize twice as much money as is being spent in fiscal 1978; is that correct?

Mr. PELL: That is correct.

I am not willing to vote to authorize for next year twice as much money as is being spent in the current year.

I shall vote against the pending legislation.

Mr. President, I ask for the yeas and nays.

The PRESIDING OFFICER. Is there a sufficient second? There is a sufficient second.

The yeas and nays were ordered.

Mr. SCOTT. Mr. President, I wish to associate myself with the remarks made by my distinguished friend and colleague from Virginia. There had been some indication a few minutes ago that this bill that might ultimately authorize as much as $50 billion——

Mr. HARRY F. BYRD, JR. $55 billion.

Mr. SCOTT. Fifty-five billion dollars—might be carried on a voice vote. I should say that any time any bill is before the Senate that involves $1 billion, we ought to have our name recorded for or against that bill.

I thank the distinguished Senator for yielding.

Mr. HARRY F. BYRD, JR. I thank my colleague.

Mr. JAVITS. Mr. President, just before we vote, while Members are here, I wish to note that this has been an absolutely monumental bill. It represents an unbelievable amount of labor and expertise by the Senate staff. I think while Members are here, we should give due credit to our staffs: on my own part, Gregory Fusco, Kristi Hanson, and David Morse; on the part of Senator PELL, Jean Frohlicher, Richard Jerue; for Senator WILLIAMS, Frank Zweig; for Senator STAFFORD, Sven Groennings; for Senator SCHWEIKER, Polly Gault; for Senator HATCH, Ron Docksai; for Senator CHAFEE, Nancy Barrow, and for Senator HAYAKAWA, John Backer.

I wish to again express my great appreciation and deep feeling of gratification for being able to work so constructively with Senator PELL and with the majority and minority leaders, and to thank Senator STAFFORD for the unusual cooperation he showed in respect to the management of this.

Mr. PELL. Mr. President, I thank the Senator from New York for his kind words.

I wish to add what a pleasure it has been to work with him and with Senator STAFFORD in bringing this bill to fruition.

I also thank, very much, indeed, the Senator from West Virginia (Mr. RANDOLPH) for all he has contributed, to this legislation. He is a devoted member of the Education Subcommittee, and his work in behalf of education is admired by all. He has greatly aided me in developing this legislation, and the subcommittee would have been at a loss without his knowledge, experience, and assistance.

I also want to acknowledge the help that the Senator from Maine, Mr. HATHAWAY, has been in the development of this legislation. He has offered many helpful suggestions during the Education Subcommittee's deliberations, and I am grateful for the support he has provided.

I also thank, tremendously, Jean Frohlicher and Richard Jerue of my staff, without whom I could not possibly have handled this bill.

I thank our colleagues, both majority and minority, for all their cooperation. I hope we will continue to enjoy that cooperation in what looks like a fairly feisty conference.

Mr. YOUNG. Mr. President, I ask the floor managers of this bill, how much of these funds being authorized are subject to appropriation; all of them or any part of them?

Mr. PELL. It is my understanding that every dollar is subject to appropriation.

Mr. ROBERT C. BYRD. Mr. President, S. 1753, the Education Amendments of 1978, extends for 5 years existing programs contained in the landmark legislation—the Elementary and Secondary Education Act of 1965 (ESEA). I say "landmark," Mr. President, because this act mandated for the very first time the Federal Government's commitment to providing educational opportunities to our Nation's disadvantaged and poor children—children who might otherwise have been denied the promise of learning to read and write simply because their families had not the financial means to send them to school, or the district they lived in was ill-equipped to provide adequate public education.

S. 1753 continues that commitment to providing educational opportunities—through the various programs contained in the bill—to children who come from low-income families. Moreover, that commitment has been improved and strengthened in this bill. Obsolete programs were eliminated. Duplicative programs were consolidated; others were simplified.

For this, we have to thank the distinguished Senator from Rhode Island and chairman of the Subcommittee on Education, Arts and Humanities of the Human Resources Committee (Mr. PELL). I commend him for his outstanding contribution to this all-important legislation. I also wish to commend the ranking member of the subcommittee (Mr. RANDOLPH), who has continued his untiring efforts on behalf of a better quality of education for our children. Chairman of the Subcommittee on Education, Arts and Humanities for 9 years, Senator PELL's expertise in the field of education is widely known; his dedication to the cause of providing disadvantaged youths the opportunity of an education is deeply respected.

I also want to thank Senator STAFFORD, the ranking minority member of the committee, as well as the other members of the subcommittee and the full Human Resources Committee for their contributions to the bill.

It was no easy task. The Elementary and Secondary Education Act of 1965 contains many programs which required close and careful examination. In his opening statement, Senator PELL expressed the hope that the bill eventually reported by the subcommittee would "articulate a sensible, rational, and simplified Federal educational policy." After 2 weeks of hearings during which the subcommittee received testimony from educators, school administrators, public officials, concerned citizens and parents—the whole spectrum of those in education—the subcommittee reported a bill which reflected the goals outlined by Mr. PELL in his opening remarks.

Title I of ESEA is the largest Federal program for elementary and secondary education. It now provides almost $2 billion for compensatory education programs in nearly 90 percent of the Nation's school districts—that is, 14,000 local educational agencies (LEA's). About 5 million children are participating in local title I projects.

Needless to say, a program of this magnitude can become complicated and difficult to administer over the years. The committee moved to correct these problems by simplifying and codifying the provisions contained in title I. Regulations and guidelines were simplified for easier understanding, and several substantive changes were made to facilitate smoother operation of the program.

We are all aware of the serious problem of declining test scores. We are continually confronted with situations where students graduate from elementary or high school and it is discovered that they cannot read, write, or count. S. 1753 strengthens Federal involvement in improving the quality of American education in a number of important ways. One example is title II, basic skills and educational proficiency, a new title which would provide assistance to States and local educational agencies for programs to assist in the improvement of the basic skills of reading, mathematics, and oral and written communication.

S. 1753 makes several changes in title VII, the bilingual education program to improve and strengthen the Federal bilingual effort.

Title X (community schools) authorizes a new program of assistance to community school programs.

These are just a few examples representative of the committee's commitment to thoroughly examine every program in the bill—clarify its intentions, simplify its requirements, and strengthen its objectives. That is why, Mr. President, we are considering today a bill which makes the Elementary and Secondary Education Act of 1965 more responsive to the educational needs of low-income children, making sure that they make sufficient progress in the basic skills of reading, writing, and arithmetic. It makes its easier for States and local education agencies to implement ESEA programs by reducing paperwork requirements and giving them greater flexibility to administer the programs.

Again, I applaud Senators PELL and JAVITS and the other members of the committee for the yeoman's task they performed on this bill. It will serve as the basis for Federal education policy for the next 5 years.

Year after year, they demonstrated their dedication, their skills, and great

knowledge of this subject matter. In my opinion, the Senate and the country are in their debt.

Again, I congratulate them.

Mr. PELL. I thank the majority leader for his very kind words. I appreciate them tremendously.

I also want to add a word of appreciation to the chairman of the full committee (Mr. WILLIAMS) who has been of such inestimable help in developing this bill. Mr. WILLIAMS is an able and distinguished supporter of education, and I thank him for the guidance and support he has given this legislation.

H.R. 15

Mr. President, I move that the Senate proceed to the consideration of H.R. 15, an act to extend and amend expiring elementary and secondary education programs.

The PRESIDING OFFICER (Mr. HODGES). The bill will be stated by title.

The assistant legislative clerk read as follows:

A bill (H.R. 15) to extend and amend expiring elementary and secondary education programs, and for other purposes.

The PRESIDING OFFICER. Without objection, the Senate will proceed immediately to the consideration of the bill.

Mr. PELL. Mr. President, I move to strike all after the enacting clause and insert in lieu thereof the text of S. 1753, as amended.

The PRESIDING OFFICER. The question is on agreeing to the motion of the Senator from Rhode Island.

The motion was agreed to.

The PRESIDING OFFICER. The question is on the engrossment of the amendment and the third reading of the bill.

The amendment was ordered to be engrossed and the bill to be read a third time.

The bill was read the third time.

Mr. PELL. Mr. President, I move passage of H.R. 15, as amended.

Mr. SCOTT addressed the Chair.

The PRESIDING OFFICER. The Senator from Virginia.

Mr. SCOTT. Mr. President, I do feel we should have the yeas and nays. They have been ordered to the other bill.

The PRESIDING OFFICER. Is there a sufficient second? There is a sufficient second.

The yeas and nays were ordered.

Mr. ROBERT C. BYRD. Mr. President, I ask unanimous consent the yeas and nays that were ordered on the Senate bill be vitiated.

The PRESIDING OFFICER. Without objection, it is so ordered.

The bill having been read the third time, the question is, Shall it pass?

On this question, the yeas and nays have been ordered, and the clerk will call the roll.

The assistant legislative clerk called the roll.

Mr. CRANSTON. I announce that the Senator from Minnesota (Mr. ANDERSON), the Senator from Mississippi (Mr. EASTLAND), the Senator from Louisiana (Mr. JOHNSTON), and the Senator from South Dakota (Mr. ABOUREZK) are necessarily absent.

I further announce that, if present and voting, the Senator from Minnesota (Mr. ANDERSON) would vote "yea."

Mr. STEVENS. I announce that the Senator from Tennessee (Mr. BAKER), the Senator from New Mexico (Mr. DOMENICI), and the Senator from Nevada (Mr. LAXALT) are necessarily absent.

The result was announced—yeas 86, nays 7, as follows:

[Rollcall Vote No. 362 Leg.]

YEAS—86

Allen	Hart	Muskie
Bartlett	Haskell	Nelson
Bayh	Hatch	Nunn
Bellmon	Hatfield, Mark O.	Packwood
Bentsen	Hatfield, Paul G.	Pearson
Biden	Hathaway	Pell
Brooke	Hayakawa	Percy
Bumpers	Heinz	Randolph
Burdick	Hodges	Ribicoff
Byrd, Robert C.	Hollings	Riegle
Cannon	Huddleston	Sarbanes
Case	Humphrey	Sasser
Chafee	Inouye	Schmitt
Chiles	Jackson	Schweiker
Church	Javits	Sparkman
Clark	Kennedy	Stafford
Cranston	Leahy	Stennis
Culver	Long	Stevens
Curtis	Lugar	Stevenson
Danforth	Magnuson	Stone
DeConcini	Mathias	Talmadge
Dole	Matsunaga	Thurmond
Durkin	McGovern	Tower
Eagleton	McIntyre	Wallop
Ford	Melcher	Weicker
Garn	Metzenbaum	Williams
Glenn	Morgan	Young
Gravel	Moynihan	Zorinsky
Griffin		
Hansen		

NAYS—7

Byrd, Harry F., Jr.	Helms	Roth
Goldwater	McClure	Scott
	Proxmire	

NOT VOTING—7

Abourezk	Domenici	Laxalt
Anderson	Eastland	
Baker	Johnston	

So the bill (H.R. 15), as amended, was passed.

Mr. JAVITS. Mr. President, I move to reconsider the vote by which the bill was passed.

Mr. PELL. I move to lay that motion on the table.

The motion to lay on the table was agreed to.

Mr. PELL. Mr. President, I ask unanimous consent that the Secretary of the Senate be authorized to make any necessary technical and clerical corrections in the engrossment of the Senate amendments to H.R. 15.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. PELL. Mr. President, I move that the Senate insist on its amendments and request a conference with the House of Representatives on the disagreeing votes thereon, and that the Chair be authorized to appoint conferees on the part of the Senate.

The motion was agreed to, and the Presiding Officer (Mr. HODGES) appointed Mr. PELL, Mr. RANDOLPH, Mr. KENNEDY, Mr. EAGLETON, Mr. WILLIAMS, Mr. STAFFORD, Mr. SCHWEIKER, Mr. HAYAKAWA, and Mr. JAVITS conferees on the part of the Senate.

Mr. PELL. Mr. President, I ask unanimous consent that S. 1753 be indefinitely postponed.

The PRESIDING OFFICER. Without objection, it is so ordered.

PRIVILEGE OF THE FLOOR—S. 2640

Mr. JAVITS. Mr. President, I ask unanimous consent on behalf of Senator STEVENS of Alaska that in connection with the consideration of the civil service reform bill Carl Flair and Jamie Cowan, of the Government Affairs Committee staff, be accorded the privilege of the floor.

The PRESIDING OFFICER. Without objection, it is so ordered.

CIVIL SERVICE REFORM ACT OF 1978

Mr. ROBERT C. BYRD. Mr. President, I ask unanimous consent that the Chair lay before the Senate calendar order No. 900.

The PRESIDING OFFICER. The bill will be stated by title.

The assistant legislative clerk read as follows:

A bill (S. 2640) to reform the civil service laws.

The PRESIDING OFFICER. Is there objection to the present consideration of the bill?

Mr. GRIFFIN. Mr. President, I object and call for the regular order.

Mr. ROBERT C. BYRD. Mr. President, what is the regular order?

The PRESIDING OFFICER. There is nothing before the Senate.

Mr. ROBERT C. BYRD. Mr. President, I ask unanimous consent that the Senate proceed to the consideration of the Civil Service Reform bill so that debate can be started. There is no time agreement on the bill whatsoever.

Mr. GRIFFIN. Mr. President, will the distinguished majority leader yield for a comment?

Mr. ROBERT C. BYRD. I yield.

Mr. GRIFFIN. I understand there is no agreement on this, and I had been under the impression that the CETA legislation was before the Senate and had been laid aside. Am I incorrect?

Mr. ROBERT C. BYRD. Just temporarily. It will be my intention——

Mr. GRIFFIN. If it was temporarily laid aside, is it not now the pending business?

Mr. ROBERT C. BYRD. No. There is an order.

The PRESIDING OFFICER. It is not.

Mr. ROBERT C. BYRD. I have an order authorizing me to go back to that and to several tax bills which I intend to go back to, but I wanted to get the civil service bill before the Senate and let the principals present their opening statements and probably during the afternoon go back to the tax bills.

Mr. GRIFFIN. When does the majority leader intend to finish the CETA legislation?

Mr. ROBERT C. BYRD. Before we go out. It could be today; it could be tomorrow.

Mr. GRIFFIN. Of course, he has a time agreement on the CETA legislation.

Mr. ROBERT C. BYRD. Yes.

Mr. GRIFFIN. And it could be handled and disposed of; whereas, as to the civil service legislation, where there is no time agreement, obviously it is going to be very difficult to dispose of that.

Mr. ROBERT C. BYRD. The Senator

has my assurance that the CETA bill will be called up either today or tomorrow and disposed of whether or not action is finished on civil service.

Mr. GRIFFIN. The Senator from Michigan is very concerned that the CETA legislation may not be handled and disposed of before Saturday.

Mr. ROBERT C. BYRD. The Senator has my assurance it will be because we have an agreement on that, and we have disposed of most of the amendments, I think, on it already.

Mr. GRIFFIN. I want to let the majority leader know that there is a good deal of feeling, at least from this Senator, that it would be well to get the CETA legislation and handle that as soon as possible, and I will cooperate if the majority leader has that intention, and I appreciate his expression.

Mr. ROBERT C. BYRD. The Senator has that assurance.

Mr. JAVITS. Mr. President, will the majority leader yield?

Mr. ROBERT C. BYRD. I yield.

Mr. JAVITS. I, too, am questioning. I will be in charge of that bill, and I am the ranking minority member of the subcommittee and the full committee, and we are fully ready. The majority leader has given me the same assurance and I shall rely on them, that this will be dealt with before we go out and that he will use every power and influence to see that it is before tomorrow night.

I appreciate the Senator's problems of Saturday, and I will be just as cooperative.

We were here until 1 a.m. this morning, and I am willing to be here until 1 a.m. Saturday morning so the Senator will be able to keep his engagement.

Mr. ROBERT C. BYRD. I will assure the Senator from Michigan with all of the power that I have that the measure will be disposed of before the close of business tomorrow.

Mr. GRIFFIN. It is very difficult to understand why the matter the Senator is about to go to could not be handled after the CETA legislation.

Mr. ROBERT C. BYRD. The reason is that I assured Mr. RIBICOFF and Mr. PERCY that we would at least get started on their bill today, and the Senator from Michigan has my assurance the Senate will go back to CETA because under the order I can go to that at any time. We will go back to that if not today, certainly tomorrow.

Mr. GRIFFIN. All right.

Mr. ROBERT C. BYRD. Mr. President, I thank the distinguished Senator from Michigan (Mr. GRIFFIN).

The PRESIDING OFFICER. The question is on agreeing to the request to proceed to the consideration of S. 2640.

There being no objection, the Senate proceeded to consider the bill, which had reported from the Committee on Governmental Affairs with an amendment in the nature of a substitute.

The PRESIDING OFFICER. The Senator from Connecticut.

Mr. RIBICOFF. Mr. President, I ask unanimous consent that the following staff members be granted the privilege of the floor during consideration and votes on S. 2640.

Richard Wegman, Paul Hoff, Paul Rosenthal, Claude Barfield and Claudia Ingram of the Governmental Affairs Committee staff; John Childers, Connie Evans, Kenneth Ackerman, Brian Conboy and Jackie Abelman of the minority staff; Brian Walsh of Senator CHILES' staff; Emily Eiselman of Senator EAGLETON'S staff; Knox Walkup, Cindy Anderson, Howard Orenstein, and Edwin Jayne of Senator SASSER'S staff; and Bill Motes of Senator CLARK'S staff.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. RIBICOFF. Mr. President, I ask unanimous consent that Senator CLARK be added as a cosponsor of S. 2640.

The PRESIDING OFFICER. Without objection, it is so ordered.

THE CIVIL SERVICE REFORM ACT OF 1978

Mr. RIBICOFF. Mr. President, today the Senate begins consideration of S. 2640, the Civil Service Reform Act of 1978. The changes in law which are proposed in S. 2640 will constitute the most comprehensive reform of the Federal civilian work force since passage of the Pendleton Act in 1883. Since that time, total civilian employment has increased from approximately 131,000 to almost 2.9 million employees. In 1977, the Federal civilian payroll amounted to over $46 billion, more than 11 percent of Federal outlays for that year. Despite the enormous growth in Federal employment and the accompanying increase in the laws and regulations governing the civil service, no systematic congressional review or revision of the system has been attempted in almost a century. S. 2640 is that long overdue, comprehensive reform.

The existing civil service system is the product of an earlier reform movement which arose in protest against the 19th century spoils system. The civil service system promised a work force in which employees were selected and advanced on the basis of competence rather than political or personal favoritism. Although that goal has largely been realized, there have still been assaults on the merit system. These assaults have taken place despite, and in some instances because of, the complicated rules and procedures that have developed over the last century.

Unfortunately, the complex rules that have emerged threaten to kill the merit principle itself. Since the Second Hoover Commission in the 1950's, complaints have been heard that existing procedures have become the refuge of the incompetent employee. The existing system impairs the ability of managers to effectively perform their program responsibilities. When incompetent and inefficient employees are allowed to stay on the rolls, it is the dedicated and competent employee who must increase his workload so that the public may be benefited. The morale of the best motivated employee is bound to suffer under such a system. Moreover, the system's rigid procedures—providing almost automatic pay increases for all employees—makes it as difficult to reward the outstanding public servant as it is to remove an incompetent employee.

It is the public which suffers from a system which neither permits managers to manage nor provides assurance against political abuse. It is the public which suffers when insufficient attention is given to the hiring, training, and advancement of people who manage the 20 or 30 percent of the income which people pay the Federal Government in taxes. It is the public which suffers when excellence is no more rewarded than mediocrity.

Federal employees, too, deserve a better civil service system. Federal employees are dedicated and hardworking but the civil service system serves now to unjustifiably tarnish the public image of these employees. Civil servants do not deserve a system in which both the excellent and poor employee march in lockstep through their careers.

Mr. President, we have an opportunity to create a civil service system that is worthy of the public and its confidence: One in which hiring, promotion, and pay is truly based on merit and one in which those who cannot or will not perform their jobs well will not perform at all for the Federal Government. This bill makes important changes so that our civil service will be more efficient and accountable.

At the same time, it adds in many ways to the protections against political abuse that now exist in the civil service system. Enactment of this bill will actually reduce the danger that the merit system will be undermined for political purposes.

I ask unanimous consent that there be included at the conclusion of my remarks a summary of some 18 different areas where this bill adds new protections against political abuse not now existing in law.

The PRESIDING OFFICER. Without objection, it is so ordered.

(See exhibit 1.)

Mr. RIBICOFF. Let me briefly list some of the most significant provisions of the bill. The bill—

Codifies, for the first time, merit system principles and prohibited personnel practices. Employees who commit prohibited personnel practices would be subject to disciplinary action;

Provides for an independent Merit Systems Protection Board and special counsel to adjudicate employee appeals and serve as the "watchdog" of the merit system;

Provides new protections for employees who disclose illegal or improper Government conduct;

Empowers a new Office of Personnel Management to supervise personnel management in the executive branch and delegate certain personnel authority to the agencies;

Establishes new performance appraisal systems and requires that decisions to advance, pay, or discipline employees be based on performance;

Creates new standards for dismissal based on unacceptable performance and streamlines the processes for dismissing and disciplining employees;

Creates a new Senior Executive Service where tenure, development, and rewards will be based on managerial accomplishment;

Authorizes the Office of Personnel Management to conduct research in public management and carry out demonstration projects that test new approaches to Federal personnel administration; and

Creates a statutory base for the improvement of labor-management relations, including the establishment in statute of the Federal Labor Relations Authority.

These proposals have been reviewed and debated extensively. The President's personnel management project conducted a 5-month study of the civil service system. The great majority of the 110 staff members of that project were career employees. The project staff held 17 public hearings throughout the United States in which approximately 7,000 individuals participated as part of the consultation process. Also, 800 organizations were contacted for comments on options papers. Many of the recommendations from the study were incorporated in S. 2640.

The Governmental Affairs Committee held 12 days of hearings, during which 86 individuals, representing 55 organizations, testified. The committee held seven markup sessions before ordering the bill reported to the full Senate.

During the course of these extensive deliberations, the committee was vitally concerned with providing adequate management flexibility while at the same time assuring that the civil service system and employees are protected against partisan political abuse and arbitrary actions. The bill accomplishes these objectives.

In sum, Mr. President, S. 2640 is a bill which the Congress and the American people can be proud of. It will help to restore merit to the merit system. The Government will be made more efficient and accountable. It is a reform that is long overdue. I urge the Senate to adopt S. 2640 without delay.

EXHIBIT 1

SUMMARY OF HOW S. 2640 INCREASES OVER PRESENT LAW THE PROTECTIONS AGAINST POLITICAL ABUSES

The following is a summary of 18 major areas in titles I, II, and IV of S. 2640 where the bill adds new protections—not now in current law—to prevent the merit system from being undermined by political abuses. In 14 of these areas, the protections were added or significantly strengthened by Committee amendments.

TITLE I—MERIT SYSTEM PRINCIPLES

Specifically, title I—

Establishes as a merit system principle that personnel action may not be taken on basis of political affiliation. The bill prohibits all Federal employees—including all political employees—from violating this principle. There is no statutory prohibition now against an agency taking a personnel action against an employee because of his political affiliation.

*Bars, as a prohibited personnel action, reprisal against any employee who discloses information about the employee's agency. The protections apply to information that may be embarrassing to political officials in the agency because it suggests violations of law, mismanagement, gross waste of funds, abuse of authority, or a substantial and specific danger to the public health or safety. Current law provides no similar protection for whistleblowers.

Charges the head of each agency with personal responsibility for seeing to it that no employee is the subject of a prohibited personnel practice motivated by political favoritism. Current law does not specifically hold the head of the agency responsible for actions by subordinates that undermine the merit system.

Directs GAO to conduct audits and review to assure agency compliance with the laws. The current civil service laws do not charge GAO with this responsibility.

TITLE II

Specifically, title II—

Creates a new 3-member Board, bipartisan in make-up, whose sole responsibility will be to enforce the merit system principle and the civil service laws generally. It will be free of any inconsistent responsibility to develop or manage personnel policies favored by the President and other political officials in the government. The responsibilities of the current Civil Service Commission for both the management of the civil service system, and adjudication of complaints against the way the system is implemented, create an irreconcilable conflict.

*Establishes set terms for both the Board members and the Director of OPM, and prohibits the President from removing Board members or the Director of OPM for political reasons, or for any other reason except for cause, that is, inefficiency, neglect of duty, or malfeasance in office. The present Civil Service Commission members are appointed by the President, for a set term, but they may be removed by the President at any time for any reason. Consequently the Commission is not a safe check against the broad discretionary powers the President has under the civil service laws to issue rules, and direct the management of the civil service system.

*Protects the independence of the Board from political pressures from the White House by allowing the Board to represent itself in any court, except the Supreme Court, free of Justice Department supervision; requires separate Senate confirmation of any effort by the President to replace the Chairman of the Board; prohibits OPM or the White House from affecting for political purposes the selection of the top staff hired by the Board; and assures direct access by Congress to the views and budget requests of the Board without OMB clearance. None of these provisions currently protect the independence and integrity of the Civil Service Commission.

*Directs the Board to hear and adjudicate complaints that the merit principles have been violated, including complaints that an employee has been discriminated against because of his political affiliation. The Board has the authority to issue and enforce any orders against agencies necessary to correct these practices. The current statutes do not give the Civil Service Commission comparable authority.

*Authorizes the Board to issue both preliminary and permanent stays where the political heads of agencies seek to coerce employees into engaging in political activities or to take reprisal against an employee because of his political activities, or because of the statements the employee makes about the activities of the agency. No comparable injunctive authority exists in current law to stay Hatch Act violations, or prevent reprisals against whistleblowers.

*Requires the Board to report to Congress annually on whether OPM policies and decisions are in accord with the merit system principles, including the prohibitions against political abuses, and authorizes the Board to conduct any additional, special studies it wants on such matters. The management policies of the Civil Service Commission are not subject now to any similar kind of independent evaluation.

*Creates a separate, independent Special Counsel who shall serve a four-year term, and who may not be removed by the President during the term except for inefficiency, neglect of duty, or malfeasance in office. No watchdog office like the Special Counsel exists under the present system.

*Authorizes the Special Counsel to initiate on his own, or in response to complaints, investigations of any violations of the laws protecting the merit system for political abuses. No comparable procedure exists in current law.

*Authorizes the Special Counsel to initiate, on his own initiative, actions before the Board to correct political practices or other violations of the merit system principles, or to discipline officials who violate the merit principles. No comparable procedure exists under current law.

*Provides that the Board may dismiss, suspend, fine, cut an employee's salary off, or otherwise discipline employees who are guilty of political abuses or otherwise violate the law. Except in the case of specific Hatch Act violations, the Civil Service Commission has no clear authority under current statute to impose such sanctions on government officials.

*Directs the Director of OPM to observe the provisions in the Administrative Procedure Act requiring public notice and comment before issuing any regulations. Current law does not require the Civil Service Commission to comply with the Administrative Procedure Act when issuing rules.

TITLE IV—SENIOR EXECUTIVE SERVICE

Any career appointee serving in the SES will be protected by the safeguards established in titles I and II. In addition, the IV specifically

Limits the number of top executive positions governmentwide, and in each agency, which may be filled on a political basis. Henceforth, no more than 10% of the top jobs in the government may be filled by noncareer, political appointees. Under current law the President directly, or through the Civil Service Commission, could make all these supergrade positions non-career jobs that could be filled on a political basis.

*Prohibits the agencies from hiring any career executives unless an independent qualification review board—staffed by a majority of career executives—certifies the executive's managerial qualifications. In the case of several thousand supergrade positions that will be largely filled by career appointees to the SES, the Civil Service Commission now has no way of assuring the merit qualifications of the career employees hired. Even in the case of career appointments to the remaining supergrade jobs, there now is no independent review process by independent experts comparable to the independent qualifications review boards established by the bill.

*Prohibits removal or reassignment of a career member of the SES within 120 days after the appointment of either a new agency head, or the political appointee who is the executive's immediate boss. Under present law a career executive may be reassigned at any time by political appointees in the agency.

Mr. RIBICOFF. Mr. President, I ask unanimous consent that Mr. Tom Polgar, of Senator MORGAN'S staff, be granted the privileges of the floor.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. RIBICOFF. Mr. President, I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The assistant legislative clerk proceeded to call the roll.

Mr. ROBERT C. BYRD. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

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*Provisions added or significantly strengthened in Committee.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. ROBERT C. BYRD. Mr. President, I would hope Senators who have amendments to this bill would come to the floor and offer those amendments so that they may be disposed of.

Mr. RIBICOFF. Mr. President, we are calling up those Senators who we know have amendments and asking them to come and present their amendments. Many of these amendments are acceptable to the manager of the bill, and my feeling is that if the Senators come to the floor the noncontroversial ones can be disposed of rather rapidly.

Mr. ROBERT C. BYRD. I thank the Senator.

Mr. RIBICOFF. Mr. President, I ask unanimous consent that Karen Minton of Senator BUMPERS' staff have the privileges of the floor.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. ROBERT C. BYRD. Mr. President, I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The assistant legislative clerk proceeded to call the roll.

Mr. GARN. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. GARN. I ask unanimous consent that Jeff Bingham of my staff be allowed the privileges of the floor during the debate and votes on this issue.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. GRIFFIN. Mr. President, I make a similar request with regard to Marc Steinberg of my staff.

The PRESIDING OFFICER. Without objection, it is so ordered.

The Senator from Indiana.

Mr. BAYH. I make a similar request for Fred Williams and Barbara Dixon of my staff.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. GRIFFIN. Mr. President, on behalf of two other Senators, I ask unanimous consent that similar privileges be granted for David Gogle of Senator LUGAR'S staff, and Joseph di Genova of Senator MATHIAS' staff.

The PRESIDING OFFICER. Without objection, it is so ordered.

The Senator from Illinois.

Mr. PERCY. Mr. President, the original Civil Service Act of 1883 embodies two basic principles of good government which still hold true today: first, that persons be chosen for positions of responsibility in the Federal Government on the basis of individual qualifications to do the job well; and, second, that the Federal executive bureaucracy be politically neutral, insulated from the destructive effects of partisan patronage manifested in the "spoils system" prevalent at that time.

In recent years, we have seen an erosion of both of these principles which lie at the heart of our system of government organization. Political assaults on the civil service, particularly during the last decade, have shown just how vulnerable the current system is to concerted attack by partisan forces. On the other hand, because of the maze of rules, regulations, legalese, and bureaucratese that has grown up around this system over past decades, the principle of "merit" has become largely replaced with incentives for mediocrity. A system where 95 percent of employees receive an annual performance rating of satisfactory and where 98 percent of employees receive periodic pay increases regardless of merit is certainly in need of reform. This is simply not credible to a single Member of this body that spends an important part of his or her office allowance on doing "case work" and trying to get decisions or action out of, too frequently, an unresponsive, insensitive, and lackadaisical bureaucracy.

If we really had, as indicated by the rating system, 95 percent of the 2 million employees under civil service who deserved a satisfactory rating and 98 percent who deserved periodic pay increases, if they really were competent, and really were doing those jobs, we would not need to spend the millions of dollars we do to redress the grievances of citizens, whether it be of veterans or of social security retirees whose payments are late, or whatever group it may be. The bureaucracy loads this city with lobbyists, loads this city with businessmen, loads this city with labor leaders, loads it with other people who simply cannot get decisions out of the bureaucracy and cannot get action. It is those kinds of costs that Congress is being blamed for. Congress is having mounting payrolls, and yet the unresponsiveness and unwillingness of that bureaucracy to face and solve their own problems is what creates the huge amount of mail, the huge number of phone calls, and the great number of visitors we have.

So no one can tell this body that 95 percent of all civil service workers should be rated as satisfactory in their jobs, when we see the poor job being done by the present bureacracy.

The legislation before the Senate today, S. 2640, the Civil Service Reform Act of 1978, is aimed at correcting both of the aforementioned problems. It represents the first comprehensive overhaul of this system in 95 years.

I wish, certainly, to pay tribute to my distinguished colleague with whom I have been privileged to work for so many years, the Senator from Connecticut (Mr. RIBICOFF), and a truly outstanding staff, for bringing this monumental piece of legislation to the floor at this time. Both of us pay tribute to the joint leadership for scheduling it this early, which will give us adequate time to debate the issue, but also time to complete the work. Also, we both wish to indicate the fine degree of cooperation we have had from President Carter, from the members of the White House Staff, and from Mr. Campbell, the chairman of the Civil Service Commission, who has worked very closely with us to bring forward a monumental piece of legislation which will be a giant forward step to improve the effectiveness of the Government. And I wish to commend not only our chairman but, as I know he would, I wish to commend every member of the Governmental Affairs Committee and every member of the minority and majority staffs that have worked so closely with us.

Mr. RIBICOFF. Mr. President, if the Senator will yield, I pay tribute to the distinguished Senator from Illinois, the ranking minority member. It is really a privilege to work with him on this important legislation.

Our efforts on the committee can truly be said to be bipartisan. I do not recall any major piece of legislation in which the committee has divided along partisan lines. We try to do a truly constructive piece of workmanship on every item of legislation we have before us.

We are truly fortunate in the members of the committee and in our committee staff, led by Mr. Wegman and Mr. Hoff on the majority side and, at the moment, Mr. Ken Ackerman on the minority side.

We have had truly magnificent cooperation from Mr. Campbell of the Commission, and from the President of the United States. I will have some comments to make when our distinguished colleague from Maryland (Mr. MATHIAS) introduces his amendment, because without the constructive effort and cooperation of the Senator from Maryland (Mr. MATHIAS) and the Senator from Alaska (Mr. STEVENS) we could not have achieved a well-rounded bill.

Senator MATHIAS and Senator STEVENS are truly the experts in this body on the entire civil service establishment. Both of those Senators have large numbers of civil servants in their jurisdictions. They are most sensitive and knowledgeable concerning all the problems of the civil service. We found that time and time again we called upon their knowledge and experience in helping us fashion a good bill.

There were some differences between the objectives that we thought were necessary and those of the Senator from Maryland and the Senator from Alaska; and yet, through careful work between ourselves and our respective staffs, I think we did fashion some constructive alternatives which are included in the amendments to be offered by the Senator from Maryland and the Senator from Alaska.

The ranking minority member, the Senator from Illinois (Mr. PERCY) and I consider it a privilege to cosponsor those amendments, because we do feel they add to the value of the legislation.

Mr. PERCY. I thank my distinguished colleague for his comments, and join with him in paying tribute to the assistant minority leader, the distinguished Senator from Alaska (Mr. STEVENS), who has worked valiantly with us over a period of many months to protect the interests of the Federal workers, but to do so consistent with what most of those workers want—a competent, highly respected civil service that will be a credit to this country.

I commend Senator MATHIAS' deep background, his compassion, his understanding, his concern for the rights of all individuals, not strictly those employed by the Federal Government—which we term the bureaucracy, but we do it many

times in the best sense of that term. Many civil servants are criticized because of the incompetence of some, the lackadaisical attitude of others, and the indecisiveness of others—those, we would hope, are in the minority. We must recognize that we need to protect the rights of those who are employed by the Federal Government, but that we also need to recognize outstanding service as well as that which is less than competent. We have balanced out a bill which, with the amendments, which I will be proud to support, offered by Senators MATHIAS and STEVENS, will be a bill than can serve and accomplish our major overall objective.

The Federal Government currently maintains a work force of some 2.8 million civilian employees at an annual payroll cost in excess of $46 billion. More than 2 million of these employees fall within the civil service merit system. Only if these individuals work to their fullest potential, only if our system of personnel management is structured to bring out the best in each of them, will government programs succeed. Government consists of people and quality government requires quality people performing quality work. A system in which rewards for exceptional performance are rare and subpar performance is rarely disciplined can only result in mediocre performance, and mediocre government. This is basic commonsense.

The problem with the present system is pointedly seen in one story related to the Governmental Affairs Committee by a high agency official. That official, in an attempt to improve agency productivity and identify problem areas, asked her personnel managers for an assessment of employee performance. The result—97 percent of the employees in that agency (EPA) were rated "satisfactory." Obviously, the current system is of no help to management in achieving one of the central purposes of evaluation—to improve agency performance.

The basic thrust of S. 2640 is threefold: First, to assure that an employee's career prospects are more directly tied to his or her performance; second, to provide management with greater flexibility to implement programs and policies mandated by the people; and third, to assure that merit principles and employee rights are tightly protected.

This is, of course, the obvious area in which Senators MATHIAS and STEVENS have been extraordinarily helpful.

The benefits of this legislation will flow, not only to the taxpayers who are sick to death of paying for waste and inefficiency; not only to the consumers of Government services who are equally frustrated from dealing with indifferent agency officials more concerned with their own institutional self-interests than the interests of the people that they serve; but also to the Government employees themselves who will now receive the benefits of excellence, and who will have a new pride in their careers as Government servants.

The protections built into this legislation against political abuse and derogation of employee rights are strong and significant. A new Merit Systems Protection Board and special counsel with authority to uncover and correct merit abuses, discipline violators, enforce employee protections, and objectively oversee new management flexibilities, encompass significant improvements over the present system under which the Civil Service Commission plays the roles of both administrator and watchdog. The inherent institutional conflicts of interests have detracted from both roles.

The Committee on Government Affairs has studied this legislation thoroughly, having conducted 12 days of public hearings at which 86 individual witnesses representing 55 organizations were heard from, in addition to the administration. In addition, I have conducted field hearings on this legislation in Rock Island, Springfield, East St. Louis, and Chicago, Ill. I commend S. 2640 to my colleagues.

Mr. President, I point out that the text of the bill before us extends from page 129 to page 322. The pending amendment before the Senate is the text of some 13 pages and inasmuch as Mr. Ken Ackerman of the Senate minority staff has prepared a brief summary of the Civil Service Reform Act of 1978, S. 2640, I ask unanimous consent that a brief summary of the bill be printed in the RECORD.

There being no objection, the summary was ordered to be printed in the RECORD, as follows:

BRIEF SUMMARY, CIVIL SERVICE REFORM ACT OF 1978—S. 2640

Title I establishes (1) Merit System Principles to govern all Federal personnel actions and (2) Prohibited Personnel Practices. Violation of Merit System Principles is a prohibited Personnel Practice.

MERIT PRINCIPLES

The Merit System Principles are:

1. Recruitment of qualified candidates for positions aimed at achieving a workforce from all segments of society, selection and advancement determined solely on merit after fair and open competition, equal opportunity;
2. No discrimination;
3. Equal pay for equal work, incentives for excellent performance;
4. High standard of integrity, conduct, concern for the public interest;
5. Efficiency and effectiveness in use of the Federal workforce;
6. Retention of employees based on adequacy of performance, inadequate performance should be corrected, unfit employees should be separated;
7. Training for employees;
8. Protection against arbitrary action, personal favoritism, partisan political coercion, prohibition against use of official authority to influence elections.

PROHIBITED PERSONNEL PRACTICES

The Prohibited Personnel Practices are:

1. No illegal discrimination;
2. No solicitation on consideration of recommendations unless based on personal knowledge or review of records and consisting of evaluation of competence, character, loyalty, or suitability;
3. No political coercion;
4. No willful deception or obstruction of the right of an individual to compete for a Federal job;
5. No influencing of persons to withdraw from competition for Federal positions so as to improve or injure employment prospects of any applicant;
6. No granting of any preference not authorized by law, rule, or regulation;
7. No nepotism;
8. No reprisals against whistleblowers;
9. No reprisals for use of appeal rights;
10. No violation of law, rule, regulation, or merit system principles.

An employee who commits a Prohibited Personnel Practice is subject to disciplinary action by the Merit Systems Protection Board, leading to penalties including reprimand, civil fine, removal, or disbarment from Federal employment for up to five years.

Title II reorganizes the Civil Service Commission and establishes rules for adverse actions against employees.

REORGANIZATION

The 95-year-old Civil Service Commission is abolished, and two new agencies are created in its place:

1. An Office of Personnel Management (OPM) headed by a single Director, appointed by the President, subject to Senate confirmation, for a 4 year term co-terminous with the President, removable by the President only for cause.

OPM would be the administrative arm of Federal personnel management, serve as Presidential policy advisor, would promulgate regulations, set policy, run research and development programs, implement rules and regulations, and would manage a centralized, innovative Federal personnel program.

All regulatory functions of OPM would be subject to the provisions of the Administrative Procedures Act, including public notice, comment on proposed regulations and open hearings. OPM would not be permitted to become involved in recommending political appointments to the President.

OPM would be authorized to *delegate* personnel functions, including competitive examining of applicants, to agency heads subject to various controls. The purpose of decentralization is to increase efficiency and reduce delay and "red tape" in personnel actions, such as promotions, hiring, and such.

2. A Merit Systems Protection Board (MSPB) composed of 3 members, appointed by the President, confirmed by the Senate, removable for cause only, serving 7 year, nonrenewable terms, no more than 2 members from the same political party. The MSPB will (a) hear appeals from agency personnel actions, including adverse actions; (b) hear and decide disciplinary cases against alleged violators of Prohibited Personnel Practices, and dispense penalties where changes are sustained; (c) grant stays to prevent reprisals against whistleblowers or political reprisals against employees; (d) order agencies to comply with its decisions, and enforce such compliance; (e) conduct studies of the merit system to ensure that merit principles are being respected, and (f) oversee the OPM.

To assure the independence of the MSPB, (a) its budget and legislative recommendations would be submitted directly to Congress; (b) it would be allowed to represent itself in court; (c) it would have access to records of OPM and agencies, and be authorized to issue subpoenas to individuals; (d) its personnel would not be subject to White House or OPM clearance; (e) plus the structural protections noted above.

The MSPB would have a Special Counsel appointed by the President, confirmed by the Senate, removable for cause, serving a 4-year term co-terminous with the President. The Special Counsel would (1) investigate alleged abuses of the merit system; (2) bring disciplinary actions against violators; (3) petition the MSPB to grant stays against reprisals against whistleblowers and victims of political reprisals; (4) refer information concerning abuses to relevant agencies, be authorized to require the agency to report on what action it has taken to solve the problem, and issue public reports on abuses; (5) refer whistleblower allegation to relevant agencies for investigation; and (6) investigate Hatch Act violations, withholding of information under the Freedom of Information Act, and discrimination.

Disciplinary sanctions against employees who commit Prohibited Personnel Practices may include removal, demotion, suspension, reprimand, civil fine up to $1,000, or debarment from Federal employment for up to five years. If the employee is a Presidential appointee confirmed by the Senate, however, the Special Counsel would refer his charges to the President.

Performance Appraisals.—Each agency would be required to establish systems for appraising the work of employees, and using the results of appraisals as the basis for promoting, demoting, training, reassigning, retaining, or separating employees. Performance standards would be communicated to employees at the beginning of each appraisal period. Employees would participate in establishing standards, would be assisted in getting their performance up to par, and those whose performance continues to be unacceptable would be subject to adverse actions.

RULES FOR ADVERSE ACTIONS

Two adverse action procedures are established by S. 2640, one for actions based on unacceptable performance (incompetence), the other for actions based on other cause (such as misconduct). In either case, the employee would be removable on 30 days notice stating reasons, have the right to respond, be represented by an attorney or other representative, and receive a written decision. Once removed, the employee could appeal the action to the MSPB where an evidentiary hearing would be guaranteed whereever a material issue of fact is in dispute. The difference between the two types of cases is in the burden of proof needed to sustain the agency action.

For actions based on unacceptable performance, the agency would have the initial burden to establish a reasonable basis on the record, subject to rebuttal by the employee, that the employee's performance was unacceptable, subject to affirmative defenses of discrimination, substantial procedual error, or other violation of law (including prohibited personnel practices). For actions based on other cause, the agency would have the burden of establishing substantial evidence on the record that the energy action promoted the efficiency of the service.

Adverse action decisions by MSP would be subject to judicial review in a United States Court of Appeals or Court Claims.

Title III allows agencies to use student volunteers where such use would not take jobs away from Civil Service employees; establish probation periods for employees; allow training programs; and make other changes.

Title V creates a Senior Executive Service (SES) consisting of Federal managers GS–16 throughout Executive Level IV, some 8,500–9,200 individuals. The SES would be a highly mobile corps of government executives who can easily be moved where needed, rewarded through bonuses, removed for less than satisfactory performance, and otherwise placed in a system where excellence can be rewarded while unsatisfactory performance can be eliminated.

To prevent politicization of the SES, no more than 10 percent of the SES governmentwide can consist of political appointees, nor can there be any more than 25 percent within any one agency or more than the pre-existing proportion of political appointees. Further, the SES would be subject to the full policing and disciplinary powers of the MSPB and its Special Counsel to assure against abuse.

Career appointees to SES would have their qualifications certified by Qualifications Review Boards, a majority of which must consist of career employees.

Removal for less than satisfactory performance would be tightly tied to performance Review Boards, would not be appealable to the MSPB, and employees so removed would be returned to the GS–15 level. Removals for other cause (such as misconduct) would be appealable to the MSPB, and require 30 days notice to the employee.

Pay for SES Executives would be set by the particular appointing authority within the agency, would be at one of five levels of pay within the GS–16 through Executive Level IV range set by the President, could be adjusted not less frequently than annually. A lowering in pay would not constitute an adverse action, as would a demotion for a non-SES employee.

Bonuses for SES executives would be limited to those who received at least a satisfactory rating on their performance appraisals, and would be subject to recommendations by Performance Review Boards. No more than 50 per cent of SES could receive bonuses of no more than 20 per cent of base salary during any one year. Other incentive awards would be authorized, including those for Meritorious Executives (no more than 5 per cent of SES—$2,500/year for five years) and Distinguished Executives (no more than 1 per cent of SES—$5,000/year for five years).

To protect against abuse of the bonus system and easy removal procedures, a written record would be kept by Performance Review Boards in arriving at their recommendations, a record which could later be used by the MSPB Special Counsel in investigating allegations of abuse.

For special needs, there would be authorized Limited Emergency Appointments (non-career-18 month limit) and Limited Term Appointments (non-career-3 year limit) for particular emergency, isolated situations.

Title V establishes a system of Merit Pay for Federal managers GS–13 through GS–15, (some 72,000 individuals). Decisions as to who would receive merit pay would be made by the agency. Merit pay would replace current quality step increases. No employee would have current salary decreased by this provision.

Title VI authorizes OPM to conduct research and demonstration projects to improve Federal personnel management policies and practices. Demonstration projects could involve up to 5,000 employees for up to 5 years, and, in creating experimental conditions, OPM would be authorized to waive certain provisions of Title 5, United States Code. To protect against abuse of this authority, S. 2640 specifies that the rules governing Merit Systems Principles and Prohibited Personnel Practices must be adhered to, Congress must be given 3 months prior notification, employees 6 months notification, the project Plan must be published in the Federal Register and subjected to public hearings, and employees or employee organizations must be given an opportunity to consult. Projects could not violate agency-union agreements.

Title VI also amends the Intergovernmental Personnel Act to provide that adherence to merit system principles by State and local governments may be a condition of receiving Federal grants.

Title VII concerns Federal labor-management relations, the manner in which the government deals with employee unions. Currently, some 58 per cent of all Federal Civil Service employees are represented by unions. A Federal Labor Relations Authority (FLRA) is created, consisting of 3 members, appointed by the President, subject to Senate confirmation, serving rotating 5 year terms. The FLRA would administer the Federal labor relations program, decide questions concerning appropriate units for representation, supervise elections, decide unfair labor practices, hear exceptions to arbitration awards, and decide other matters. The FLRA would be authorized to issue cease and desist orders, issue subpoenas, and require remedial actions.

The FRLA would have a General Counsel who would investigate and prosecute complaints of "unfair labor practices" before the FLRA.

Title VII codifies into statute Executive Order 11491 in that it authorizes employees to form and bargain collectively through unions over matters regarding working conditions in the Federal government. Specifically excluded from the scope of bargaining are agency budgets; mission; organization; security; hire, promotion, transfer, and removal of employees; maintenance of agency efficiency; method, means, and personnel of agency operations; and emergency operations. All parties are required to bargain in good faith, and unfair labor practices are specified for both agency management and labor.

Negotiated grievance procedures leading to binding arbitration are authorized, including arbitration of adverse actions against employees where the employee, at his or her option, chooses arbitration as an alternative to statutory appeals rights. Arbitration of adverse actions would be subject to the same burdens of proof as applicable to the MSPB for similar cases, and subject to similar court review. Arbitration of adverse actions is the single substantive departure of Title VII from E.O. 11491.

A Federal Service Impasses Panel is established to intervene where union-agency contract negotiations have broken down.

Mr. STEVENS. Mr. President, the civil service reform bill will produce extensive changes to the existing Federal personnel system. The three-member, bipartisan Civil Service Commission will be replaced by a single Director. This new Director, as head of the Office of Personnel Management, will have enormous authority to promulgate new rules, regulations, and policy with the power to implement. A second radical management change results in the creation of a Senior Executive Service. The reform bill will organize most of the top civil service managers into an executive group having separate procedures for pay, promotion, and separation. This Executive Service will consist of both career service employees and political appointees. The Office of Personnel Management which I mentioned will establish procedures and regulations for personnel administration of the Senior Executive Service.

My major concerns with Senate bill 2640 relate to the politicization of jobs which could result from these two major changes. Even with a bipartisan Civil Service Commission, several administrations have manipulated Federal personnel regulations for partisan reasons. The Office of Personnel Management could increase any administration's leverage in the pursuit of political goals. The Senior Executive Service expands that influence by grouping most agency supergrades under one system. These managers will be exposed to higher degrees of political influence in the name of efficiency and responsiveness.

For the purpose of confirming my reservations about the proposed civil service reform, I would like to review some significant events in the history of the civil service.

Mr. President, I shall present a study prepared by my staff entitled "Politics and the Federal Service."

I urge individuals interested in this legislation to reflect upon the review. It is important to put reform measures in perspective with what has happened in the past and with what might occur in the future. What is finally accomplished by this bill should generate lasting benefit without the need to make corrections every few years.

The Hoover Commission developed the substance of what has proved to be a lasting reform of civil service. I would like to discuss some of the considerations and conclusions of that Commission's findings.

THE HOOVER COMMISSION

On July 7, 1947, the 80th Congress approved Public Law 162, thereby establishing the Commission on Organization of the executive branch of the Government. The Commission became known as the First Hoover Commission. It was directed to investigate the structure of the executive branch and recommend ways of improving its efficiency, effectiveness, and accountability.

Between July of 1947 and May of 1949, 300 men and women worked for the Hoover Commission. Twenty-four task forces scrutinized each of the major functional areas of the Government and reported their findings and recommendations. The Commission then studied and evaluated the task force reports and issued a series of 19 reports to the Congress.

In a statement of purpose and principle, the Hoover Commission declared:

> There is perhaps no time in history when it has been more important to evaluate the effectiveness of the executive branch of the Government in carrying out the will of the Congress and the people. While we recognize that efficiency in itself is no guarantee of democratic government, the sobering fact remains that the highest ideals and aims of democracy can be thwarted through excessive administrative costs and through waste, disunity, apathy, irresponsibility, and other byproducts of inefficient government.
>
> The Commission's recommendations in total, therefore, are directed to the achievement of reforms which it hopes will bring about a more responsible and a more responsive government, a government that will act with dispatch, with greater internal coordination and harmony, with consistency of administrative policy, and economy of operation.

Thus, the fundamental objective of the First Hoover Commission was to determine methods of making the Federal Government more efficient. Ever since the establishment of the Civil Service Commission under the Pendleton Act of 1883, a conflict has existed between the desire for governmental efficiency and the need for political independence in the Federal service. Because the Senate now deliberates a bill which could unnecessarily sacrifice the political neutrality of the civil service to its improved efficiency, it is important to consider the personnel recommendations of the First Hoover Commission. For, despite the preoccupation of the Commission with improving the performance of the executive branch, it maintained a conscientious concern for preserving the integrity of the civil service.

The Commission argued that the Government had exceeded a limit in its size and complexity beyond which services could not be furnished without serious bottlenecks, delays, and confusion. It therefore urged that the form and functions of executive agencies be modified to implement the principle of decentralized administration under centralized control. However, in the consideration of personnel organizations, the Commission was particularly cautious.

It recommended that "recruitment, selection, and other processes of personnel administration be decentralized to the agencies under standards to be approved and enforced by the Civil Service Commission." In addition, the Civil Service Commission would have to develop unmistakably clear policies, establish standards of performance, and improve its systems of reporting and inspection to insure that its policies were carried out.

The Hoover Commission declared:

> The Civil Service Commission, as the central personnel agency of the government, should direct its efforts towards developing standards designed to secure economy and the uniform observance of government-wide policies governing civil rights, employee loyalty, veterans' preference, and the protection of the merit system. It must likewise give positive assistance to the agencies in introducing these standards, as well as conduct inspections to review the compliance of the agencies with established standards.

The Commission contended that decentralization would require "a realinement in the internal organization of the Civil Service Commission to secure more unified administration and to place greater emphasis upon standards, inspection, and information activities."

On considering restructuring the Civil Service Commission, the Hoover Commission warned that "the Government must impose upon itself many regulations and controls to fend off myriad pressures and influences which seek special privilege or gain, particularly for political reasons." It therefore rejected all single-administrator forms of organization and concentrated on organizational structures which would protect the merit system and at the same time provide the desirable benefits of single administration. It refused to propose any reorganization which would weaken the protective functions of or sacrifice the public confidence in a full-time, bipartisan commission of three members.

Accordingly, the Hoover Commission recommended that the bipartisan, three-member Commission form be retained but that the President designate one of the Commissioners as Chairman and vest in him full responsibility for administering the operating organization and program of the Commission. The Chairman's role, apart from that of the other Commissioners, was to be the principal point of contact between the President and the heads of operating agencies in all matters of civilian personnel management, both domestic and foreign, acting within the rules and regulations established by the full Commission.

The full Commission would be required, by majority action, to: prepare rules and regulations for consideration by the President; review and recommend new or revised legislation affecting Federal personnel management; promulgate rules and regulations to preserve and strengthen any phase of the merit system; investigate any phase of the merit system; and, establish appellate bodies, supervise their work, and act as court of final appeal.

Thus, while the Chairman would exercise authority to implement the rules and regulations of the civil service, the full Commission would retain its power and responsibility for establishing those rules and regulations. In addition, the Hoover Commission assigned to the Commissioners not designated as Chairman the duty of continuing the study of the nature, frequency, and source of abuses of the merit system in order to initiate steps to prevent their recurrence.

The first Hoover Commission acknowledged the threat to the merit system posed by its proposed concentration of authority in the Chairman of the Civil Service Commission. Consequently, it sustained a scrupulous concern for precluding political abuse.

The Commission reported shortcomings in the application of the merit system and urged its extension. It criticized improper exceptions from the competitive service and unwarranted political clearance of appointments and promotions. It exposed methods of undermining the purpose of the "rule of three" and suggested ways of preventing the subversion of the merit system.

With respect to the expansion of the competitive service, the Commission remarked:

> While much progress has been made over the years in bringing positions under the competitive service, further progress can still be made * * * The existence of a large block of "non-status" employees restricts career and promotion opportunities for the employees concerned and deprives the agencies in many cases of desirable flexibility in promoting and assigning employees.

The Hoover Commission believed that in a true career service, the employee could go as far as his ability and initiative and qualifications indicated, excepting only decisionmaking or confidential posts. It held:

> Top policy-making officials must and should be appointed by the President. But all employment activities below these levels, including some positions now in the exempt category, should be carried on within the framework of (the civil service system).

The Hoover Commission was anxious to ensure that its reorganization of the Civil Service Commission would not erode the integrity of the civil service. Accordingly, it decided that "in order to strengthen the application of the merit system under the proposed plan of decentralization, it is recommended that there be enacted into law * * * the prohibition against political favoritism in appointments which appears in the Tennessee Valley Authority Act of 1933." The TVA Act makes mandatory the removal of appointing officers exercising political favoritism in making appointments. The Hoover Commission assigned such importance to this requirement which it raised seven times, in seven separate places. Outlawing political favoritism appeared first on the list of steps to authorize the Commission's proposals in personnel management. It immediately followed the requirement that the recruiting, examining, and selection of personnel be handled in conformance with "reasonable economy and protection of the merit system."

The First Hoover Commission spent nearly 2 years considering many methods of improving the efficiency of the executive branch and evaluating each method with regard to its effects on the justice and integrity of the Government's performance. In the area of personnel management, where the streamlining of the Civil Service Commission threatened to undermine its political neutrality, the Hoover Commission was especially wary. The Commission warned in the conclusion of its report on personnel management:

> We desire to emphasize that the recommendations in this report, and the actions which may be taken as a result of the recommendations, are to be subject to just one test: namely, their ability to provide the United States Government * * * with men and women of unquestionable ability, integrity, and devotion to the common good.

The U.S. civil service faces the same difficult task in 1978 as it has in every year since 1883: to operate with dispatch while thwarting political manipulation. It is ill-advised to attempt a restructuring of the civil service without comprehensive consideration of both aspects of the mandate of the civil service system.

Our consideration of S. 2640 must focus on the basic need for apolitical management of the personnel system. We must not sacrifice an independent, public conscience in rulemaking to flexibility in management style. We must achieve a harmony between efficiency and effectiveness in the executive branch and merit and political neutrality in the Federal service.

We shall submit amendments to check the concentrated authority vested in the Office of Personnel Management. The Senate must act to insure that new Federal personnel rules and regulations are founded in the spirit of merit principles and protected from unwarranted political interference.

With the same concern, we must consider the unfavorable repercussions of a Senior Executive Service. There is reason to question the effect of this executive service on long-standing career managers of the Federal Government. Previous administrations have not hesitated to bend the personnel rules for promotion of political goals.

RECENT ADMINISTRATION HISTORIES

In our governmental system, Federal employees are intended to be protected from political influences which may mar the performance of their official duties. We need only to examine the history of our Government to find numerous examples of job politicization within the Federal service. A view of recent administrations and their interactions with the Civil Service Commission will show that with tightening legislative controls over governmental employment and managing policies, those who still wish to influence the Government's actions, beyond the point permitted by law, have resorted to ever more complex and secretive designs. Among others, Presidents Kennedy, Johnson, and Nixon made elaborate attempts to control politically useful sectors of our Government. The Civil Service Commission has had increasing difficulty withstanding the varied tactics employed by the administration in power to infiltrate the Commission's ranks and to guide its actions.

The determination and ingenuity, with which some of our administrations have tried to intervene in the lawful functioning of the Civil Service Commission, should give us insight into the considerations which must be addressed in reform legislation.

President Kennedy entered the White House after Republicans had occupied it for 8 years. He found himself surrounded by an administration which he felt was unsympathetic to his views. In order to get the best results possible out of his New Frontier program, he wanted to find ideological sympathizers to fill policymaking positions. Kennedy appointed his Special Assistant for Congressional Relations to "clear out the executive branch" of all persons whom he felt could not be trusted politically. With the help of the Departments and Agencies, the assignment was reportedly completed in 180 days.

During both the Kennedy and Johnson administrations, the patronage pressures of FDR's New Deal and Eisenhower's administration returned. In certain ways, President Johnson went further than Kennedy in an effort to restaff the executive branch. Johnson's Special Assistant in direct charge of the recruitment of ranking administration officials, the political clearance system at the White House, and the White House political control over personnel in the executive branch, simultaneously became the Chairman of the Civil Service Commission. A former staff member in charge of Democratic patronage matters for the House of Representatives' Democratic Caucus became the Vice Chairman of the Civil Service Commission. Together the two held a majority on the three-member Commission .

Furthermore, all nominees for executive level and supergrade positions in the Government were interviewed and cleared by the White House—before or at the same time that paperwork was submitted to the Civil Service Commission. In addition, "insurance" was obtained with respect to the loyal performance of the appointee by first positioning him or her under Limited Executive Assignment and then converting that person to career status a year later.

A final objective of the Johnson administration was to insure the continued loyalty of the bureaucracy to democratic programs and Johnson policies after takeover by the Nixon administration. This was accomplished through last minute appointments and reorganizations that placed political appointees within the career service.

The Nixon administration has been attributed with the "rape of the merit system." It was during these years that the "Federal Political Personnel Manual" was prepared. It is not clear how much of the program's design to subvert the merit system actually went into effect and what precise role the Civil Service Commission played. The various schemes developed, however, emphasize the vulnerability of the civil service at the hands of the President. The purpose of the manual was to politicize the executive branch; the document exposes the immense power available to an incumbent President to undercut civil service reform and to increase his own power.

"Grantsmanship" was practiced with such recognized patronage "resources" as jobs, contracts, grants, subsidies, the execution of Federal law, public relations offices, and the provision of domestic and international transportation. This process was made more effective by feeding money to "target areas" considered crucial to the election. For example, the General Services Administration was supposed to emphasize minority procurement "in those States and areas where there is a real opportunity to win some of the black vote."

According to one of Nixon's assistants, each governmental department was expected to draw up a plan to make governmental resources responsive to political needs. The White House would review each plan and insure compliance through the use of progress reports, evaluations, and followups. Nearly all the agencies drew up plans. Once a grant had been designated a "must," a White House coordinating group would determine the kind of grant appropriate. A local official would be informed as to what kind of grant application to submit and the White House would insure its acceptance.

The executive branch needed to control civil servants if it was to manipulate programs and, in some cases, violate the law. The manual outlined the establishment of a "political personnel office to insure political control of each department." It was to find an Assistant Secretary loyal to the President and a key budget official to create extra positions. In a reference form of this office, the applicant's name and his political desirability would be specified.

Besides recruitment, this office was also to reward loyal political employees by raising their grade. It was claimed that a "loyal classification specialist" could get any grade he asked for, on the other hand, the manual stated that the civil service system creates many hardships in the removal of politically undesirable employees from their posts. Instead of lowering the status or grades of these employees, the process of which required formal procedures, other methods were employed. One was to ask the employee to resign with a farewell luncheon and a positive recommendation. An uncooperative employee could later be forced out and "his employment references from the department and his permanent personnel record (would) not look the same as if he had accepted (the) offer."

A second method, the "Transfer Technique," suggested finding some geographical location such that the employee would rather resign than be transferred there. There was also the "Special Assignment" for the family man who did not enjoy traveling; he would be assigned a special evaluation project supposedly because of "special competence," but in fact to drive him into submission by keeping him on the road. Other un-

desirable employees could also be transferred to apparently meaningful, but essentially meaningless positions.

The Senate Watergate report summarized the effects of the incumbency-responsiveness program of the Nixon administration. These included flagrant abuses of Federal funding of minority and constituent groups stemming from the "improper involvement of campaign officials in Government decisionmaking." One example involved a Spanish-American official, of the Committee to Re-Elect the President, having the power to approve or disapprove grants to Spanish-speaking communities. Another showed campaign officials taking part in the selection process of money awards of GSA architectural and engineering design contracts. A special report procedure was established at GSA to facilitate the patronage effort.

Under Nixon was assembled a group of men who were determined to do everything possible to insure the President's reelection. Programs were evaluated in terms of contribution to the President's positive image and vote count. Most communications between the White House and the departments were verbal. No documents were to indicate White House involvement in any way. This would keep the President disassociated from any questionable program in case of a leak. A sort of filter system was created at the White House. Stanton Anderson became the initial White House contact point for any grant proposals. If action should be taken, Anderson would talk to Nixon's OMB aide on the issue. A plan for "Executive Branch reponsiveness" was drawn up in which all policy matters would be handled by the Domestic Council staff, and all operational matters by two of the President's Special Assistants. When questioned by James Hamilton late in 1973 as to whether the President was informed about the responsiveness program and whether he had approved it, Stanton Anderson said it "would not be the kind of thing they would tell him about."

What seemed to have been built up during the Nixon administration was the blueprint for an executive tyranny surrounded and protected by an army of ambitious men. Their web of influence, as indicated by the manual and other documents, had the potential to spread and control more and more of the civil service system. The full extent of the Nixon administration's actions is uncertain; it is likely we are all still feeling its effects in more ways than the widely publicized Watergate revelations have made apparent.

These experiences in past administrations establish the need to analyze carefully provisions of the bill which expose the career service to political interference. The Senior Executive Service was vulnerable to political manipulation as drafted by the administration. In my opinion, the bill under Senate consideration still lacks adequate safeguards for the career manager dedicated to public service. We have submitted amendments to allay these concerns.

My statement began with the identification of problems contained in the civil service reform bill. The balance of my comments should convince the Senate of a need to consider these problems seriously. My concerns with this legislation are founded in the reality of historical experience. That experience demands the Senate's consideration of the following established facts:

Previous studies of the civil service have established a fundamental need to maintain political independence in reform programs intending to improve the efficiency of the Federal personnel system.

The First Hoover Commission warned against weakening the protective function embodied in an independent rulemaking Civil Service Commission. Public confidence in the promulgation of Federal personnel rules must be preserved.

The Hoover Commission recommended decentralization but strongly advocated increasing controls and auditing when such changes were made.

The Hoover Commission recommended strengthening the merit system by minimizing noncareer appointments and prohibiting political favoritism in appointments.

My review of recent administrations has established the reality of ever present political threats to the Federal personnel system.

I recognize the need and commend the effort to make the civil service more efficient, responsive, and effective. But we must acknowledge the previous abuses and manipulations, for partisan purposes, of the civil service system. Even with its existing protections, the Civil Service Commission has constantly had to contend against improper political assaults on merit principles. Before we restructure these protections, we should reflect on the persistence and insatiability of partisan pressures and consider reform measures which preserve the principles of the civil service.

I want to emphasize that the patronage influences imposed in the past upon the Civil Service take no political form. They have appeared in Democratic and Republican administrations alike. The desire of a new President to use a broom and sweep the office clean has always emerged—always.

I think that those who say that we need civil service reform in order to protect the public merit commendation. Those who would allow civil service reform to bring about additional political pressures upon the 2.1 million people in this country who have entered the career Federal service should be restrained.

POLITICS AND THE FEDERAL SERVICE

Mr. President, the relationship between the Civil Service and politics has been a controversial issue and persistent problem throughout the history of the United States. The President has always needed a small group of executives politically sympathetic with him. Yet political partisanship has always infiltrated and influenced the large group of what should be independent civil servants. Though civil service reform efforts have restored merit to offices once distributed as spoils, they have never successfully rid the system of improper political interference. As we consider a bill which purposes to make the administration of the Civil Service more efficient and effective, we must reflect on the inefficiency and ineffectiveness inflicted on the Federal service by excessive executive authority. We must realize that unless we take adequate precautions against politicization, we will allow the Civil Service again to be used as a political treasure trove.

Article II, section 2, of the Constitution provides that the President "shall nominate, and by and with the advice and consent of the Senate, shall appoint Ambassadors, other public ministers and consuls, Judges of the Supreme Court, and all other officers of the United States, whose appointments are not herein otherwise provided for, and which shall be established by law: But the Congress may by law vest the appointment of such inferior officers, as they think proper, in the President alone, in the courts of law, or in the heads of departments."

The first Presidents desired to adhere to the principle of appointing on the basis of merit. George Washington wrote:

> I must be permitted, with the best lights I can obtain, and upon a general view of characters and circumstances to nominate such persons alone to offices, as in my judgment shall be the best qualified to discharge the functions of the departments to which they have been appointed.

Thomas Jefferson claimed that the only questions concerning a candidate should be: Is he honest? Is he capable? Is he faithful to the Constitution?

Nevertheless, Chief Executives yielded to the political and administrative expedience of making tenure of office contingent upon party loyalty. During the years while Washington was President, removals for political reasons were unknown. However, after Adams became President, he was urged at times to replace officials for party reasons and a few changes were made in which political differences played a role. With the inauguration of Jefferson in 1801, the Presidency passed from the Federalists to the Democratic-Republicans. Jefferson observed:

> Out of about six hundred officers named by the President there were six Republicans only when I came into office, and these were chiefly half-breeds.

He claimed:

> I had foreseen, years ago, that the first republican President who should come into office after all the places in the government had become exclusively occupied by federalists, would have a dreadful operation to perform. That the republicans would consent to a continuation of everything in federal hands, was not to be expected, because neither just nor politic. On him, then, was to devolve the office of an executioner.

The Civil Service Commission's history, "Biography of an Ideal," notes that the series of appointments made by Adams as a lame duck and the reaction of Jefferson to confronting a politically incompatible Federal service set in motion partisan patterns which culminated in the spoils system. Once the pendulum started swinging, it became increasingly difficult to stop.

The Tenure of Office Act, passed in 1820, facilitated the replacement of civil

servants. It specified a 4-year limit to many offices of indeterminate length. Jefferson, in a letter to Madison prompted by Monroe's signing the Tenure of Office Act, reviled the bill and eloquently outlined its implications:

(The Act) will keep in constant excitement all the hungry cormorants for office, render them as well as those in place, sycophants to their Senators, engaging these in eternal intrigue to turn out one and put in another, in cabals to stop work; and make of them what all executive directories become, mere sinks of corruption and faction. This must have been one of the midnight signatures of the President, when he had not time to consider, or even read the law.

An attempt at civil service reform was made in 1829. The Senate Select Committee on Executive Patronage, known as the Benton Committee, was created to "inquire into the expediency of reducing the Patronage of the Executive Government of the United States."

The committee observed that neither the jealous foresight of the authors of the Constitution nor any human sagacity could have foreseen, and placed a competent guard upon, every possible avenue to the abuse of power. It argued that because the appointing power, the President, was not an emanation of the popular will, he could not be trusted with the sole direction of the Federal service. The committee suggested six bills to govern appointments, but all six were tabled.

With Andrew Jackson's inauguration in 1829, the spoils system became a tradition openly practiced. Though Jackson did not introduce the theory of rotation in office or the use of patronage for political advantage, he did introduce the spoils system on a wider scale than his predecessors had and did carry it out openly rather than apologetically and quietly.

Rotation-in-office under Jackson helped to destroy the concept of property in office and to solve the problems of disability and superannuation in the civil service. Jackson stated:

I can not believe that more is lost by the long continuance of men in office than is generally gained by their experience.

However, the fundamental motivation for the implementation of widespread removal was its political desirability.

During Jackson's second term, Clay, Calhoun, and Webster led a series of debates attacking the patronage system. Clay warned:

Incumbents, feeling the instability of their situations, and knowing their liability to periodic removals, at short terms, without any regard to the manner in which they have executed their trust will be disposed to make the most of their uncertain officers while they have them, and hence we may expect immediate cases of fraud, predation, and corruption.

Nevertheless, the patronage system was to become ingrained, not excised.

It was a fundamental weakness of the civil service as established in the United States that when one party had begun to turn out its opponents, its successors were almost forced to do the same. The alternation in party control of the Presidency between 1840 and 1860 reinforced the pattern. The Whigs carried the 1840 election; the Democrats returned in 1844 only to be thrown out again in the election of 1848. The Whigs lost in 1852 and it was not until then that the Democrats were able to remain in office for two consecutive terms. They were defeated in 1860 by a new national party that had never held the Presidency. No sequence of events could have been more conducive to coerce party leaders to apply the doctrine of rotation. Thus, in the period between the administration of Andrew Jackson and Abraham Lincoln, the apogee of the spoils system was reached. Old traditions of respectability had passed away and the later spirit of reform had not arisen. The victors distributed the spoils and were unashamed. The Presidential election became a quadrennial contest, with the civil service as the prize.

Political abuses were flagrant and egregious. Julius Bing, an advocate of civil service reform, declared in 1868:

At present there is no organization save that of corruption; no system save that of chaos; no test of integrity save that of partisanship; no test of qualification save that of intrigue.

Seward, later to be Lincoln's Secretary of State, remarked in 1849:

The world seems almost divided into two classes: those who are going to California in search of gold, and those going to Washington in quest of office.

President Polk had conducted a series of removals more extensive than any before this, despite having succeeded a President who had filled many positions with their common adherents. And even Polk was repulsed by the depth of the desire for Federal jobs. He wrote in his diary:

The passion for office among members of Congress is very great, if not absolutely disruptable, and greatly embarrasses the operations of the Government. They create offices by their own votes and then seek to fill them themselves. I shall refuse to appoint them . . . because their appointment would be most corrupting in its tendency.

The effort to establish and insure the political neutrality of the civil service began in 1864 when Senator Sumner offered a bill which he described as providing for "the greater efficiency of the civil service." The Sumner bill was tabled; a similar bill introduced in 1865 by Representative Jenckes received no immediate action. However, in 1866 the House approved Jenckes' resolution to establish a select committee to investigate the civil service and suggest methods of improving it. Between 1867 and 1869, Jenckes offered four bills requiring open competitive examinations administered by a commission. The problems generated by politicization had become intolerable. Charles Eliot Norton declared in 1869:

The question seems to be now whether the policians,—"the men inside politics,"—will ruin the country, or the country take summary vengeance, by means of Jenckes' bill, upon them.

The civil service reform movement achieved its first major victory in 1871 during the closing moments of a lame-duck session. Congress passed a civil appropriations bill with a rider authorizing the President to prescribe rules for the election of qualified candidates and to employ people to conduct the investigation of the candidates.

President Grant exercised the authority provided him and appointed a seven-member commission. The Grant Commission prohibited political evaluation of candidates and promulgated four requirements: Competitive examinations for appointments, the "rule of three," a 6-month probationary period, and competitive examinations for promotion.

However, in 1875 Congress refused to appropriate funds for the Civil Service Commission. President Grant, having insisted that he would not maintain the civil service regulations without congressional support, terminated the civil service rules and regulations and abolished the examining boards. In spite of this suffocation the Grant Civil Service Commission left a legacy in both law and practice.

Public support for civil service reform swelled. Leagues formed to promote "reforms to remove the evils of patronage, favoritism, and partisan coercion from the civil service, and cause appointments, promotions, and removals to be made with due reference to character, merit, and economy."

As President, Hayes made repeated requests for reform legislation and revival of the Grant Commission. In his third annual message he made a particularly strong plea for reform:

The authority of appointment and removal is not a prerequisite, which may be used to aid a friend or reward a partisan, but is a trust, to be exercised in the public interest under all the sanctions which attend the obligation to apply the public funds only for public purposes.

In February 1881, Senator Pendleton reported, from the select committee to examine the several branches of the civil service, a bill providing for competitive examinations administered by a commission. The comittee report cited the repeated requests from Presidents Grant and Hayes for continued appropriations to the Civil Service Commission and pointed out that the pleas never met with congressional action. The report concluded:

It was therefore Congress, and not the Executive, which arrested the new system based on character, capacity, and common justice.

Ironically, the lame-duck session adjourned without considering the bill.

It took a tragedy to stimulate legislative action. James Garfield had declared:

The present (spoils) system . . . impairs the efficiency of the legislators; . . . it degrades the civil service; . . . it repels from the service those high and manly qualities which are so necessary to a pure and efficient administration; and finally, it debauches the public mind by holding up public office as the reward of mere party zeal.

On July 2, 1881, Garfield was assassinated by a disappointed office-seeker.

The public instinctively associated the President's murder with the spoils system. One reformer exclaimed:

On the myriad pages of our journals, of every section and class, the truth has been daily uttered in words of mingled anxiety, shame and detestation.

Late in 1881, Pendleton reintroduced

his civil service reform bill. The full Senate again took no action; but the Committee on Civil Service and Retrenchment issued a report suporting civil service reform and declaring:

In the discharge of (the appointing power), the highest of all executive functions, political influences and compensations have come to dominate and to subordinate all other considerations; and the distribution of official spoils has come to be the logical prerogative of political ascendancy.

Finally, in January of 1883, the Pendleton Act was passed by Congress and signed by President Arthur. The Pendleton Act established the three-member, bipartisan Civil Service Commission to enforce the merit system. It provided for competitive examinations and political neutrality and made tenure contingent upon satisfactory performance. It required a probationary period for the evaluation of appointees, the continuation of veterans' preference, and promotion on the basis of merit and competition.

One would expect that at the triumph of the reform movement, the motives of the supporters of the Civil Service Act would be pure and altruistic. In fact, much of the support for the bill was impelled by political considerations. The outlook for the Republican Party in 1884 was not promising; Republicans were filled with apprehension and Democrats with anticipation. Those who very shortly would be out of Congress were in a majority and controlled the Presidency. It would be advantageous for Republicans to make permanent the tenure of office-holding friends while supporting the reform their constituents so obviously desired. Republicans supported the Pendleton Act for two reasons: They could pose as reformers in 1884 and win back lost support and they could freeze Republicans in office behind civil service rules in case the Democrats won the election.

Though political pragmatism constituted the motives of some Members of Congress, it in no way compromised the longrun design of civil service reform. Indeed, during the two decades following the passage of the Pendleton Act, patronage itself effected the expansion of the merit system.

The principles of civil service reform advanced not because of further action by Congress, but because of Executive action. After 1883, Presidents had a general responsibility for personnel administration: Approval of the rules of the Civil Service Commission and extension of the merit system. The Executive Orders from 1883 to 1901 were almost wholly devoted to civil service matters. Ironically, Executive action stemmed more from a desire to place fellow members permanently in the civil service than from a wish to reform. The process involved placing political friends in a branch of the unclassified, or unreformed, service and extending the rules to cover it. Incumbents, when the civil service rules were extended to a new class of officers, were included within the protection of the civil service rules without the trial of an examination. Therefore, Presidents extended the classification to protect their party friends.

This process was hastened by the alternation of party control in the 1880's and 1890's, which led Presidents to make additions to the classified list every 4 years. During this period, Presidents entered office taking full advantage of their patronage prerogatives within the unclassified service, but left office with extensions of the merit system to their credit.

During the last two decades of the 19th century, the classified service expanded for political reasons. Meanwhile, Congress faced attempts to dissolve the Civil Service Commission. Seven bills to repeal the Pendleton Act were offered during Cleveland's first administration. Eight were introduced in Harrison's. Four were offered during Cleveland's second. In addition to outright rescission, attempts were made to starve the Civil Service Commission by curtailing its boards, and to specify fixed terms for all Government employees. Thus in its inception, the Civil Service Commission had to contend against legislative assaults and to expand primarily through the blanketing in of patronage appointees.

In 1903, Roosevelt revised and consolidated the civil service rules. Until 1903, the competitive service was identified by specifically enumerating the parts of the executive branch to which it applied. President Roosevelt defined the competitive service as all positions in the executive branch except those specifically exempted by Congress or the President. He thereby shifted the burden of specification from including positions to excluding them.

Excepting positions from the civil service rules became a customary practice. The most common antimerit system legislation following 1903 specifically exempted new or old positions from the requirements of the Pendleton Act. Such exemptions were made repeatedly.

Circumvention of the merit principles was accomplished even without legislation. Temporary employees could be hired without going through the civil service procedures. Thus temporary posts were ideally suited for the continuation of spoils practices.

The practice of exempting positions from civil service rules culminated in the early 1930's. The Great Depression and the change of administration in 1933 combined to encourage sweeping exceptions from civil service jurisdiction. Eighty percent of the civilian-occupied Federal positions were within the competitive service in 1932. Only 60 percent were within the service in 1936. During this period the excepted service grew by 200,000 positions or 160 percent.

Relief agencies were created outside of the requirements of the merit system. The expressed justification was that the agencies were temporary, but a fundamental motive was the desire to control a pool of patronage jobs. One Congressman declared:

We have had twelve long, lean and hungry years in this country . . . I may say I do hope and pray, adopting somewhat the spirit of old Andrew Jackson on these propositions of rewarding the faithful, inasmuch as we have so many faithful and so many deserving . . . that the rights and interests of really deserving Democrats will not be forgotten.

The reported circumvention of merit principles and practices generated protests within and outside the Government. While the number of positions excepted from civil service laws was increasing from 111,000 in 1932 to 309,000 in 1937, public interest in the extension and improvement of the merit system was increasing to a level unequaled since the Pendleton Act. The executive council of the National Federation of Federal Employees wrote President Roosevelt:

Democratic government cannot thrive when political considerations are the dominant factors in appointments to the federal service. Waste, maladministration, inefficiency, and corruption inevitably follow when a spoils policy is substituted for a sound civil service system under which men and women attain their positions through competitive examination and retain them through proved capacity.

The extension of the merit system was a major campaign issue in 1936. The platforms of both parties pledged support for expanding the coverage of the competitive service.

Between 1936 and 1940, Executive orders and laws reinforced the merit principles. President Roosevelt in 1936 revised the civil service rules to require that incumbents meet noncompetitive standards in order to acquire permanent status. In 1938, he extended the competitive service to include most of the exempted positions which he had the power to convert. The Hatch Act prohibiting active participation in politics by employees and officials of the executive branch was passed in 1939. In the next year, Congress passed the Ramspeck Act, which authorized the President to extend the classified service to cover almost all positions previously exempted by statute.

With respect to the development of the merit system, the outstanding characteristic of the emergency war years of the forties and early fifties was that the expansions and contractions of the civil service were contained within the classified service. Despite extensive delegation of examining authority to the employing agencies, merit system standards and practices were respected.

Nevertheless, patronage influences continued to impose themselves as they had in the past. The Second Hoover Commission in 1955 declared:

There has never been a clean break with the mid-nineteenth century patronage system . . . The merit system and the spoils system have continued to exist side by side . . . Until a clear-cut decision is made to get rid of patronage in the civil service and to concentrate political appointments in the area of political executives . . . , patronage will continue to affect both the efficiency and the prestige of the public service adversely.

Manipulation of the civil service for political ends has continued during recent administrations. President Johnson appointed his special assistant responsible for the White House recruitment and political clearance system to hold simultaneously the post of Civil Service Commission Chairman. He acquired a politically sympathetic majority on the Commission by appoint-

ing, as its Vice Chairman, a staff member in charge of patronage for the House Democratic Caucus. Though President Johnson had insured political sensitivity in the administration of the civil service, he further required that all nominees for executive level and supergrade positions be interviewed and cleared by the White House before the Civil Service Commission screening was initiated.

We have seen, and I reiterate to demonstrate that there is no politics in the statement I am making, that the Nixon administration attempted a vast subversion of the merit system. Agencies were instructed by the Federal Political Personnel Manual to appoint politically loyal candidates. Promotions and removals were to be made on the basis of partisan support. Transfers to force the employees were utilized in an especially ruthless manner.

Clearly, the civil service has had to struggle to serve the needs of the public while serving the interests of the Executive. It has been employed as a reservoir for political patronage while being a repository for public trust.

Senate bill 2640 still, in my opinion, threatens to efface the accomplishments made during 100 years of struggle against political manipulation of the civil service. I support making the civil service more efficient; I uphold making it more effective. But I am convinced that neither efficiency nor effectiveness will be attained unless politicization is precluded.

Mr. President, there is a series of amendments within this amendment. One deals with rule-posting requirements; another with the policy of career placement in the SES; another with OPM certification of appraisal systems; another with an advisory committee for the Director of the Office of Personnel Management; and another with the payment of attorneys' fees in arbitration.

I will make statements on these matters after the remarks of my distinguished colleague from Maryland.

I commend the managers of the bill, the Senator from Connecticut and the Senator from Illinois, for being patient with those of us who feel that we must persist in making certain that if we have reform it will not make the avenue into the career civil service the avenue of politics.

Mr. PERCY. Mr. President, I ask unanimous consent that Chris Brewster, of the staff of Senator DANFORTH, be granted the privileges of the floor during the discussion and votes on the pending bill.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. CRANSTON. Mr. President, I ask unanimous consent that Jon Steinberg, Bill Brew, Babette Polzer, Janice Orr, Jack Wickes, and John Pressly be granted the privileges of the floor throughout consideration of S. 2640 and S. 2570.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. MATHIAS. May I make the same request, Mr. President, for Peter Connolly, of Senator NELSON's staff?

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. STEVENS. Mr. President, I see that the Senator from Tennessee (Mr. SASSER) is on his feet and seeks recognition. He and I have worked together on these matters in a spirit of bipartisanship. I am most delighted to have the opportunity to participate with him on Senate bill 2640.

It is a necessity, I feel, for the Senate to have Members on both sides of the aisle who are willing to give their time to what often seems to be small, minor, or technical amendments, but which have far-reaching impact upon those people who serve the Federal Government in all times, through good times and times of crisis, with devotion to our system.

I want to say, with the two ranking members present, that I am delighted that we have had the assistance of my good friend from Tennessee, and to recognize him here as a participant on this bill.

Mr. RIBICOFF. Mr. President, if the Senator will yield, the distinguished Senator from Tennessee (Mr. SASSER), the chairman of the subcommittee which has the responsibility for Civil Service, has been invaluable to the entire committee. This is hard work. It is work that takes a great deal of time. The Senator from Tennessee has devoted himself to all these problems, and his contributions have been invaluable in the formulation of this legislation.

Mr. SASSER. Mr. President, let me first say that I am greatly indebted to the distinguished Senator from Alaska for the splendid spirit of cooperation he has displayed as the ranking minority member of the Civil Service Committee. He makes a tremendous contribution, and it is always a great pleasure to work with him; and I thank him for his kind and generous remarks.

Also to the distinguished manager of the bill, Mr. President, I wish to express my appreciation for his generous remarks and for his splendid assistance and guidance in getting this bill through the shoals of the committee and to the Senate floor today.

Mr. President, the Civil Service Reform Act of 1978, S. 2640, is one of the most important and historic pieces of legislation this Chamber will consider for many years.

Our civil service system is composed of over 2 million workers. It has grown tremendously in size and responsibility since 1883, when the Pendleton Act first established the civil service. Yet it has undergone no major revision for 95 years. We have had piecemeal change lumped on top of piecemeal change, sometimes without regard for how the overall system woull be affected.

Now, in 1978, we find the civil service to be the target of a great deal of criticism. It's time to make comprehensive changes in the way our Government's personnel system is operated. Not to make such changes is to encourage continued criticism of the system and to undermine further the morale of the Federal employees themselves.

THE SPOILS SYSTEM

The nature of the Federal personnel system has been constantly evolving through history. For our Nation's first century, entry into the Federal service was most often accomplished strictly on the basis of patronage. Patronage politics was a principal plank in the platform of a fellow Tennessean, Andrew Jackson, who believed that "to the victor goes the spoils." Jackson thought that all Federal employees should be politically loyal to the President, and that it was best to rotate citizens in and out of Federal jobs in order that an elite bureaucratic class not develop. Many Americans shared Jackson's views, which he succinctly defined in his first annual address in 1829:

> I cannot but believe that more is lost by the long continuance of men in office than is generally gained by their experience.

Although President Jackson was one of the few Presidents who loudly proclaimed the virtues of spoils, his successors continued the Jacksonian policy of rewarding the party faithful with Federal appointments.

PASSAGE OF THE PENDLETON ACT

History, however, and changing circumstances, demonstrated that the worst aspects of the spoils system outweighed the benefits. The spoils system had a debilitating effect in the long run on the efficiency of the Federal service.

In 1871, Congress, under pressure from a "good government" movement led by progressives in the electorate, sensed that the Nation was swinging to the idea that good government meant neutral and impartial government. Civil service reform became a rallying cry. This was a switch from the idea that government should at all levels reflect the character of those who won the last election—that in order to be responsive to the people, public officials had to be appointees of those whom the people elected.

The rejection of the spoils system and calls for civil service reform led to the popular acceptance of the "merit" concept for public employment. Politics was removed from the running of Government, both in the appointments process, where competitive examination replaced political connections, and in the day-to-day operation of the Federal service.

The "good government" movement culminated in 1883, after nearly a century of the spoils system and patronage politics, in the passage of the Pendleton Act, which established the merit system and created the Civil Service Commission. At that time, however, only 10.5 percent of the Federal workforce, or 13,780 employees, was included in the merit system.

Successive acts of Congress authorized Presidents to classify more and more positions in the Federal service under the merit system. And as Government continued to grow, the new positions, more often than not, were classified in the competitive service rather than as patronage. By 1904, when President Theodore Roosevelt took office, the percentage of the Federal workforce under the merit system had increased to 53, and the number of Federal employees in the competitive service had increased to 154,093. These numbers continued to increase to 83.1 percent and 2,430,144 employees in the competitive service in 1971, when the

Postal Reorganization Act was passed and a different merit personnel system was established for the postal service.

CHANGING NATURE OF COMMISSION

With the rapid expansion of Government services in the 1930's to cope with the effects of the Depression, the Government's personnel system became stretched and strained. On the one hand, the Civil Service Commission was evolving into the central personnel agency for the Federal Government. The transition from serving primarily as policeman to administrative leader of the Government personnel network was accompanied by a growing list of expanded functions for the Commission. By the mid-fifties, according to one report:

In addition to its historical responsibilities in examining, the Commission now had responsibilities under the Hatch Acts (1939 and 1940), and the Veterans' Preference Act (1944); as well as for position classification in both the departmental and field service (the Classification Act of 1949). It had responsibilities for Performance Rating (1950), for Incentive Awards (1954) and for the Group Life Insurance Act (1954), not to mention a number of other statutes, or a host of important responsibilities under Executive Order (such as in the area of employee suitability and loyalty).

And the period from 1958 to the present continued the trend. Just to name a few of the major bills among the 25 or so civil service measures passed by each Congress, there has been the Employees Training Act of 1958, the Federal Employees Health Benefits Act of 1959, the Federal Salary Reform Act of 1962, the Federal Pay Comparability Act of 1970 and the Intergovernmental Personnel Act of 1970.

CHANGING WORKFORCE—COLLECTIVE BARGAINING

Further, the Commission has had to deal with the ramifications at the Federal level of the rapid rise of unionization in public sector employment. With the decline of the notion of the sovereignty of the State in labor relations with public workers, labor organizations in government increased their efforts to improve relations with their employers. From 1949 to 1961, labor organizations of Federal workers pressed for legislation in Congress to authorize statutorily the concept of union recognition and bargaining among Federal employees. The Federal employee labor groups, which had been excluded from the National Labor Relations Act, pursuaded various Congressmen to introduce legislation on their behalf, and hearings were held in the 82d, 84th, and 86th Congresses.

The interest and pressures generated by these bills caused President Kennedy to appoint a task force to study employment management in the Federal service. The recommendations of the task force resulted in the eventual promulgation of Executive Order 10988, "Employee-Management Cooperation in the Federal Service," in 1962. Executive Order 10988 established the first formal labor-management relations system for Federal employees of the several agencies of the executive branch, although certain employees, such as those in the Tennessee Valley Authority, had for years operated under their own statutory collective bargaining law.

Today, combined with the rapid growth of the public employment and the changing nature of personnel administration, 58 percent of the Federal workforce is represented by exclusive bargaining agents in work-related areas, excluding pay and fringe benefits. The Civil Service Commission has had to adjust its functions accordingly, but without the benefit of any new laws or the guidance of congressional intent.

NEED FOR COMPREHENSIVE STRUCTURAL REFORM

It is not difficult, then, to see how massively the Federal personnel system has changed since the passage of the Pendleton Act in 1883. But the civil service laws have not adequately changed with the growth of the system. Modernization of public administration techniques, the greatly expanded role of the Civil Service Commission, and the increasing reality of a highly organized Federal work force have not been reflected in the civil service laws.

Attempts have been made to address these issues, yet no comprehensive reform bill has been seriously considered by Congress.

The first and second Hoover Commissions, which made detailed inquiries into the state of the civil service, submitted recommendations which were considered but never adopted. Among those recommendations was the suggestion that the functions of the Civil Service Commission be decentralized. It was felt that the Commission was taking on too many conflicting roles and that its functions should be narrowed.

One legislative initiative was made to respond to the issues raised by the Hoover Commissions and other recommendations of civil service experts. In 1958 and 1959, Senator Joseph Clark introduced legislation which, according to a report of the Post Office and Civil Service Committee:

Would establish an Office of Personnel Management in the Executive Office of the President and transfer to it those functions of the Civil Service Commission which comprise the positive leadership functions in the field of personnel administration now assigned to the Commission but more properly the function of the Chief Executive. The Civil Service Commission would retain those functions associated with its "watchdog" role as the protector of the merit system.

Hearings were held on the Clark bill, but no Senate action was ever taken. The Clark bill represented the last major congressional consideration of the Civil Service Commission until the 1970's, when merit abuses by the Nixon administration heightened congressional concern over the civil service laws and regulations.

The bill we have before us today, Mr. President, is finally a comprehensive effort to address the concerns that have been raised about the Federal personnel system over the past 95 years. We have found that there is not enough merit in the merit system, and yet at the same time there is not sufficient administrative flexibility to operate the Federal Government in an efficient and productive manner, consistent with the latest techniques in public administration. S. 2640 would address both of these problems by strengthening the protection against merit abuse and by giving greater flexibility to Government managers to run their programs for the benefit of the people without delay and redtape.

SUBCOMMITTEE AND COMMITTEE ACTION

Mr. President, as chairman of the Senate Subcommittee on Civil Service and General Services, and as a member of the Senate Committee on Governmental Affairs, I have had an ongoing concern that the civil service laws reflect the current state of the Federal work force; that they be fair to those who have chosen Government service as a career; and that they promote efficiency in administration.

In 1977, when the new Civil Service Commissioners, Dr. Campbell, Mr. Sugarman, and Ms. Poston, came before the committee to be confirmed, I raised many of the issues that are now addressed by this bill, S. 2640, today. I raised the subject of protection for civil servants from merit abuse. This subject particularly concerned me and concerned those who work for the Government, after repeated attempts by past administrations to use the civil service for partisan purposes.

I raised the question of the lack of opportunities in our Federal Government for women and minorities.

The Commissioners were asked at those hearings about the dual function of the Civil Service Commission, and whether those functions should be split.

I raised the question of lengthy and often-wasteful appeals procedures, which often did not help those who were in the right but allowed those who were in the wrong to tie up their superiors in mounds of paperwork and months of proceedings.

One of the most important questions in those confirmation hearings dealt with protections for whistleblowers.

I raise the issue that many Federal employees consider the current Executive order governing labor-management relations to be inadequate.

THE INK REPORT

The administration's response to these and other issues raised was, first of all, a comprehensive study of the entire Federal personnel system. The Federal personnel management project, conducted mainly by career civil servants, was a top-to-bottom review of every personnel law and regulation and their effect on the efficiency of the public service. This project was headed by Mr. Dwight Ink, a public administration expert.

The Ink project was an outgrowth not only of congressional concern, but also of President Carter's clear commitment to reorganization and reform of the civil service.

As a candidate, Jimmy Carter had repeatedly expressed his belief that the Federal Government was too big, too disorganized, and too unresponsive. In early 1976, candidate Carter said:

There is a pervasive tendency in government toward unrestrained growth in salaries, number of personnel, and expenditure of funds. This growth often bears little relationship to the actual need for government services. . . . The first piece of legislation I will send to Congress will initiate a complete

overhaul of our federal bureaucracy and budgeting systems. The second part, as a follow-up to the first, will initiate the reorganization of our federal bureaucratic structure. . . . The greatest need facing the United States today is for a well-managed structure of government—one that is simple, efficient and economical.

The Federal personnel management project issued study finding and option papers in installments throughout much of last year, and concluded its operations in November 1977.

The findings of the Ink report touched upon virtually every aspect of the Federal civil service system.

Among the hundreds of recommendations made were proposals to abolish the Civil Service Commission to create a new office of personnel management, to create an independent merit protection board, to create a senior executive service, to simplify Federal staffing procedures, to reform and streamline various Federal pay systems, to give agency managers more authority to recruit and examine, to provide for a system of financial incentives and bonuses, to reform the "rule of three" and other certification processes, and to provide greater promotion flexibility.

On December 19, 1977, President Carter gave his approval to the proposal to abolish the existing Civil Service Commission and create two new agencies in its place.

On March 2, 1978, the President sent his civil service reform message to Congress, stating:

The simple concept of a "merit system" has grown into a tangled web of complicated rules and regulations. Managers are weakened in their ability to reward the best and most talented people—and to fire those few who are unwilling to work.

The sad fact is that it is easier to promote and transfer incompetent employees than to get rid of them. It may take as long as three years merely to fire someone for just cause, and at the same time the protection of legitimate rights is a costly and time-consuming process for the employee.

You cannot run a farm that way, you cannot run a factory that way, and you certainly cannot run a government that way.

S. 2640

The bill we have before us here today, Mr. President, addresses these issues in a straightforward and comprehensive manner. When S. 2640 was submitted by the administration in March, it contained the following provisions:

Codification, for the first time, of basic merit principles governing the Federal personnel system, and specific identification of prohibited personnel practices which undermine the merit system;

Improved and streamlined procedures for deciding employee appeals;

New procedures for appraising employee performance, with less cumbersome procedures for taking corrective action on the basis of poor performance records;

Additional participation by agencies in the staffing process, with increased flexibility in hiring decisions;

Increased opportunities in Federal employment for disabled and Vietnam-era veterans and for minorities and women;

A Senior Executive Service to utilize the skills of the Nation's best public administrators and to give managers more flexibility and better rewards for outstanding performance;

An incentive pay plan for lower-level managers and supervisors at the GS–13 through GS–15 grade range which relates pay increases to the quality of their performance;

An authorization for research and demonstration projects aimed at experimenting with new personnel management techniques and improving the efficiency of the Federal service;

Statutory creation of an Office of Personnel Management, to be the administration's chief personnel bureau and to make policy decisions for the President on personnel matters; and

Statutory creation of a Merit Systems Protection Board, to hear appeals from employees against whom an adverse action has been taken, to give protection to Federal employees who disclose examples of Government wrongdoing, and to be the watchdog over merit abuses within the system.

These provisions were included in the bill in the following titles:

Title I, merit system principles.

Title II, civil service functions; performance appraisal; adverse actions.

Title III, staffing.

Title IV, senior executive service.

Title V, merit pay.

Title VI, research and demonstration authority.

On April 25, 1978, the President submitted as an amendment title VII, which would create an independent Federal Labor Relations Authority to administer the Federal labor relations program, and which would codify the existing Executive Order 11491, which now governs labor relations in the Federal sector.

The Civil Service Reform Act of 1978, S. 2640, was a companion to Reorganization Plan No. 2 of 1978, which seeks to abolish the Civil Service Commission and replace it with a single-headed Office of Personnel Management, a Merit Systems Protection Board, and a Federal Labor Relations Authority. The reorganization plan makes the major structural changes in the civil service system, while the legislation implements the policy changes President Carter feels are essential to reforming the Federal personnel system.

Mr. President, I would like at this time to highlight the major areas of reform addressed by this bill and to underscore why they are so essential to getting a handle on the bureaucracy, affording greater management flexibility, and insuring fair treatment and adequate rewards for Federal employees who do their jobs.

I. ABOLISHING THE CIVIL SERVICE COMMISSION AND REPLACING IT WITH AN OFFICE OF PERSONNEL MANAGEMENT AND A MERIT SYSTEMS PROTECTION BOARD

Nearly every witness who testified before the Committee on Governmental Affairs supported the concept of splitting the Civil Service Commission into an Office of Personnel Management and a Merit Systems Protection Board.

The Office of Personnel Management would be the primary agent advising the President and helping him carry out his duty to manage the Federal workforce. As noted earlier, it has been the feeling of public administrators going back to President Roosevelt's Committee on Administrative Management in 1937 that there should be a single-headed entity to direct the Federal personnel system. The concept has been discussed for decades and has been adopted extensively with success at the State and local government levels.

The Merit Systems Protection Board would have three members appointed by the President. It would, along with its Special Counsel, be responsible for safeguarding the effective operation of the merit principles in practice. The Board would decide cases brought to it by employees who feel they have been disciplined in a manner inconsistent with the merit principles or who bring to the attention of the Special Counsel other instances of Federal employees acting in violation of the merit principles.

A strong, independent Merit Protection Board was also endorsed by witnesses before the committee. It is obvious, in studying the merit abuses which were found to be prevalent in past administrations, that the current Civil Service Commission was not adequately carrying out its role as protector of the merit system.

The need to establish the adjudicatory and the personnel management functions of the Commission in two separate bodies was pointed out by the public administration experts who testified before the committee. Thus, it was felt not only that the functions of the Commission needed to be better defined, but that it should be done by removing the oftentimes conflicting nature of the Commission's duties. A simple reorganization of functions was felt to be insufficient. Instead, it is time in this bill for major structural reform of the civil service.

The General Accounting Office examined the dual nature of the Commission last year and recommended that Congress eleminate the conflicting roles of the Civil Service Commission as policymaker, prosecutor, judge, and employee protector.

I ask unanimous consent, Mr. President, that the testimony of other expert witnesses and interested groups before the committee on this issue be inserted in the RECORD at this point.

The material follows:

The American Society for Personnel Administration:

Dividing the Civil Service Commission into the Office of Personnel Management and the Merit System Protection Board would alleviate the conflicting roles the current Civil Service Commission is required to perform. . .

As a nation, we rely on our system of checks and balances. However, this system does not appear to exist in the current operation of the Civil Service system, but would be established under this proposal.

The National Academy of Public Administration:

We agree that a serious conflict does exist in the Civil Service Commission's responsibilities, that its personnel management and policing roles are fundamentally incompatible and should be performed by two different organizations.

National Civil Service League:

We strongly favor the replacement of the Civil Service Commission by (1) an Office

of Personnel Management and (2) a Merit Systems Protection Board.

The National Federation of Professional Organizations:

Our group is in accord with the stated purposes of S. 2640, which is to split the present Civil Service Commission into two organizations, the Office of Personnel Management, and the Merit Systems Protection Board. The Civil Service Commission has long been entrapped in conflict of interest, in attempting to be the adviser to agencies on personnel matters, and also the independent, impartial adjudicator of disputes between employees and their agencies.

American Civil Liberties Union:

We wholeheartedly support the division of the present Civil Service Commission into two independent agencies. One of our major objections to the present system is that the Commission serves as co-plaintiff, investigator, prosecutor and judge in personnel actions, insuring a management-oriented result in the majority of cases.

Committee for Economic Development:

The CED plan and the President's plan on termination of the Civil Service Commission, creation of the Office of Personnel Management and the creation of a Board ("Federal Public Service Board" or Merit System Protection Board") are nearly identical.

Common Cause:

The existing Civil Service Commission, serving as the primary personnel agency of the federal government, has a number of responsibilities which are so disparate and inconsistent that it is presently unable to fulfill any of them adequately . . .

Common Cause strongly supports the Administration's proposal to divide the existing Civil Service Commission into an Office of Personnel Management (OPM) and a Merit Systems Protection Board (MSPB).

International Personnel Management Association:

IPMA endorses the establishment of the Office of Personnel Management and the Merit Systems Protection Board. The inherently conflicting roles of the current Civil Service Commission have impaired its effectiveness and credibility.

Ralph Nader:

Structurally, the Civil Service Commission has two inherently contradictory roles, to be the top personnel manager of the federal government and to protect the non-political, competitive nature of civil service. The Commission has tilted toward the management role at the expense of the merit protector role. President Carter has recognized this role conflict and, in Reorganization Plan Number 2, has recommended splitting the Civil Service Commission. This proposal should have a positive impact and we endorse it.

Mr. SASSER. Mr. President, the proposed reorganization and restructuring of the Civil Service Commission is absolutely essential to assuring each President that he will be able to run the bureaucracy effectively and to assuring Federal employees that their job security will not be threatened by arbitrary actions based on political motivations.

II. PROTECTION FOR WHISTLEBLOWERS

I am pleased that this legislation addressed a long-standing deficiency in the civil service laws: that patriotic employees who bring examples of official wrongdoing to the public's attention have, in the past, enjoyed no meaningful protection against reprisals by their supervisors.

Mr. President, it should be public policy to encourage responsible whistleblowing rather than chill it. It is in the true nature of public service for an employee to blow the whistle on superiors who are misspending the taxpayers' dollars or who are breaking the law.

Nevertheless, we have seen too many examples in the past of Federal employees who found themselves fired, transferred, or deprived of meaningful work simply because they were brave enough to place the public interest ahead of their own personal career interest.

There is no reason, Mr. President, why an employee should have to risk his career and his family's financial stability for performing a public service.

Because of past examples of whistleblowers who suffered reprisals, legislation has been introduced to offer meaningful protection for employees who find themselves in such a situation. In particular, my distinguished colleagues, Senators ABOUREZK and LEAHY, have done outstanding work in this area. Also, Senator METZENBAUM has introduced legislation which is currently pending in the Judiciary Committee.

The Governmental Affairs Committee, after hearing considerable testimony highlighting the urgent need for whistleblower protection, considered each of these bills, together with the administration's proposal in S. 2640, as introduced. The committee's version of whistleblower protection is commendable for balancing the need for legitimate protections for whistleblowers and potential whistleblowers with the concern that Government not be endlessly tied up by unfounded complaints from employees with less-exalted motives.

The committee bill gives the Special Counsel of the Merit Systems Protection Board the power to step in and request a stay of any personnel action if he determines that such action is a reprisal against an employee who disclosed illegal or improper Government action. This is an important new statutory provision that goes much farther than ever before to protect whistleblowers.

The committee felt, however, that this bill should address only the personnel aspect of a whistleblower complaint. The resolution of the substance of the revelation of Government wrongdoing should be handled by the agency involved and by the President—not by the Special Counsel or the Merit Systems Protection Board.

I agree with the committee's decision to limit the whistleblower language in this bill to personnel actions. The committee has also recommended to the Senate legislation to establish office of inspector general in each of the agencies. These offices are the appropriate mechanism for investigating and correcting instances of official wrongdoing.

The whistleblower protections offered in S. 2640, as reported, are strong and meaningful, and I urge their adoption by the Senate.

III. CREATION OF A SENIOR EXECUTIVE SERVICE

One of the bill's most innovative reforms is the proposed creation of a new senior executive service.

While many people have expressed legitimate concerns that the senior executive service could be politicized, I believe that the bill adequately protects senior executives from improper political manipulation or coercion.

Except for the concerns about politicization, the concept of a senior executive service received broad bipartisan support from witnesses who testified before the committee. I, too, support the creation of a senior executive service.

The SES would accomplish the following important reforms:

Encourage mobility of senior executives among agencies;

Reward outstanding performance of career executives with additional compensation in the form of bonuses and status;

Provide flexibility to agency heads in the assignment of executives;

Provide opportunities for career executives to serve in higher level positions, including Presidential appointments, without losing their identification with the career service;

Provide for performance appraisals that meaningfully reflect both the executive's individual performance and his unit's success in carrying out its functions; and

Eliminate redtape and delay in the removal of executives whose performance is unsatisfactory or marginal.

Mr. President, the U.S. Government is the largest employer in the Nation. Its programs are far reaching, complex, and widely varied. They must be conducted with sensitivity to conflicting interests and under constant public and media attention, for they affect every citizen. To meet this responsibility requires an executive work force that is carefully chosen, well trained, well motivated, farsighted, able to respond to events, and able to achieve Presidential and congressional goals.

Nevertheless, no fully effective Government-wide system exists today for selecting, assigning, developing, advancing, rewarding, and managing the men and women who administer the hundreds of Federal programs that are vital to the Nation.

The Senior Executive Service is designed to provide such a system.

IV. STAFFING

One of the foremost problems identified in the Ink report of the Federal personnel management project was that there was insufficient flexibility in the staffing process. Since all staffing has been done through the Civil Service Commission, there too often are months of needless delay, mounds of redtape, and other administrative burdens associated simply with hiring one employee in one agency.

The reform proposal provides for delegation of selected personnel authority to departments and agencies. Any potential abuse stemming from increased agency personnel authority would be minimized by performance agreements between agencies and the Office of Personnel Management, reporting requirements, and followup evaluations. The OPM would have the authority to direct corrective action whenever the delegated agency authority is abused.

I am certain that millions of our citizens have encountered the months of unnecessary redtape and delay now as-

sociated with applying for a career position in the Federal Government. We doubtless lose thousands of highly qualified and competent individuals who forsake application for public service rather than undergo months of uncertainty and confusion. The reforms spelled out in S. 2640 should help to alleviate this problem.

V. MERIT PRINCIPLES AND PROHIBITED PERSONNEL PRACTICES

The civil service, thanks only to the honesty and patriotism of career Federal employees, has survived every attempt to undermine the merit system by those who have sought to use the civil service for partisan purposes.

This legislation, S. 2640, proposes to write into the statute the merit principles upon which our civil service is based. In addition, the bill would establish statutorily a set of prohibited personnel practices and would charge the Merit Systems Protection Board and the special counsel with enforcing the merit principles and the prohibited personnel practices. There would be a clear mandate from Congress that such violations are not to be tolerated in the future, and employees who are the victims of political manipulation will have statutory protection.

The codification of the merit principles is a long-needed step which I wholeheartedly endorse.

VI. PERFORMANCE APPRAISALS

Current law is inadequate to allow meaningful appraisals of the work of each employee. Under the current "outstanding," "satisfactory," and "unsatisfactory" scale of performance ratings, the reality is that over 90 percent of the ratings are grouped into the "satisfactory" category.

The current system renders performance appraisals almost meaningless, and certainly useless, in determining who should be dismissed for poor performance and who should be given raises for excellent performance. When nearly everyone is grouped together, there is no way to distinguish the marginal performers from the competent and motivated workers.

Further, under the current system, managers have incentives to rate all of their employees "satisfactory," the employee may appeal the rating, oftentimes tying up the supervisor in months of paperwork and proceedings. It is, quite honestly, simply much easier to rate everybody the same and get on with your work.

The performance appraisal problem is even further complicated by the effect which the "satisfactory" ratings have on a manager who attempts to discipline or fire an employee for incompetence. Most employees need only to point to their years of "satisfactory" ratings to contend that it is the manager, not the employee, who is the incompetent.

The bill gives authority to the agencies to develop better performance appraisal systems, with ratings being tied directly to job performance. In addition, the bill requires that performance evaluation be used as a basis for all decisions about rewarding, promoting, and retaining Federal employees.

VII. MERIT PAY

The Federal Government needs to move away from the concept that employees' pay should be raised each year simply because the employee is still on the payroll. Too often in the past, a large number of Federal employees have almost automatically received such "longevity" pay increases that were not tied to better performance or to an increase in responsibilities.

This legislation recognizes that Federal employees should be given pay increases on the basis of merit. Merit pay would be phased in an experiment with GS–13 to 15 and senior executive service employees. Limits would be placed on the number of employees each year who could be given merit increases, so that agency heads would be forced to make the tough decisions about which employees' performances should be rewarded and which should not be.

Under the bill, meaningful performance appraisals would be required, with an employee's pay tied to the result of the appraisal.

VIII. PROCEDURES FOR DISMISSALS AND APPEALS

One of the most widely-held impressions is that when a citizen enters the Civil Service, he receives, in effect, lifetime tenure and cannot be dismissed except under the most extraordinary circumstances. This impression feeds the public's perception of Federal employees as marginal workers who do enough each day to get by but who have no incentive to work hard.

Anyone who has observed the Civil Service knows that the overwhelming majority of Federal employees are hardworking and dedicated and do not fit the popular stereotype. However, it is true that the lengthy process for dismissing a Federal employee has meant in the past that many marginal workers were simply kept on the public payroll because it was not worth the trouble to the supervisor to fire such employees.

In this legislation, the procedure for dismissing an employee, and for the employee's appeals, are streamlined; protection is afforded employees from being arbitrarily dismissed, but employees who are incompetent cannot tie up the Federal personnel system in months of delay, paperwork, and unfounded appeals.

S. 2640 eliminates unnecessary layers of appeal and for the first time specifies the standards to be used by the adjudicatory agency in determining whether an adverse action should be upheld. Employees in collective bargaining units are also given the opportunity to choose, as an alternative to the statutory appeals route, mandatory arbitration of adverse action appeals.

I strongly support the new procedures for dismissals and appeals and believe that they will be helpful in countering the public's misconception that lazy Federal employees can never be fired for incompetence.

IX. RESEARCH AND DEMONSTRATION PROJECTS

One of the main reasons we are dealing with comprehensive civil service reform legislation today is that the Federal Government has been too slow to recognize, test, and implement new techniques in public administration. There should not, however, be another 95-year period before the Government alters its civil service system again.

This legislation recognizes that the Office of Personnel Management should be encouraged to experiment, wherever feasible, with new and better ways of managing the Government's human resources. Improved administration benefits the public and improves employee morale.

Title VI of the bill embodies the intent of Congress that continuing review with proper safeguards, of personnel techniques and systems is a vital aspect of civil service reform.

X. LABOR-MANAGEMENT RELATIONS

Since Federal employees were not included in the coverage of the National Labor Relations Act, it has been the goal of many employees and some in Congress to recognize the positive results of collective bargaining and extend such benefits to the Federal sector. Although some employees in certain agencies have statutory collective bargaining rights, no such right exists for the vast majority of Federal employees.

Currently, Federal labor relations are governed by Executive Order 11491, as amended. The Executive order establishes the right of Federal employees to belong to unions and establishes procedures for the recognition of bargaining units. But the Federal labor relations program continues to differ in substantive ways from that of the private sector.

For one, Federal employees are not allowed to strike. Also, exclusive representatives of Federal employees may not bargain over pay or fringe benefits. Further, there is no agency shop in the Federal Government; no employee must join or pay dues to a union in order to be a member of a bargaining unit.

This legislation does not in any way alter the unique role of public employees as it is applied to labor-management relations. The legislation continues to recognize that there must be certain differences between unions in the private sector and unions in the Federal sector.

However, S. 2640 does take the important step of establishing congressional control over the Federal labor relations program by essentially codifying the current Executive Order 11491. The bill addresses the fundamental reality that today's Federal work force is a highly unionized work force, and that there should be adequate mechanisms in the law to allow the Goverment to work cooperatively with employee representatives toward better productivity and improved employee morale.

To that end, the legislation, combined with Reorganization Plan No. 2 of 1978, establishes an independent Federal Labor Relations Authority, in which are consolidated the functions of the current Federal Labor Relations Council and the Assistant Secretary of Labor for Labor-Management Relations.

The FLRA will administer the Federal labor relations program, make policy decisions, supervise elections for exclusive representatives, hear and decide complaints of unfair labor practices, and oversee the machinery for the resolution of adverse action appeals through the arbitration process. There will be a gen-

eral counsel in the FLRA to investigate and bring before the FLRA complaints of unfair labor practices.

The FLRA is far preferable to the current labor relations structure in the Government, which is comprised totally of management officials. The independent nature of the FLRA will promote effective labor-management relations in the Federal sector.

CONCLUSION

Mr. President, to conclude my opening remarks on this legislation, I wish to praise the distinguished chairman of the Committee on Governmental Affairs, Senator RIBICOFF, for his outstanding work in moving this bill through committee. This legislation is representative of his fair and judicious approach to legislation in general, and, specifically, to matters affecting Federal personnel policies and procedures.

I know that Senator RIBICOFF is troubled, as I am, by the fact that many outstanding civil servants are frustrated in their attempts to serve the public in a professional and responsive manner. Over the years, the accumulation of laws and regulations, coupled with added layers of controls and procedures that were designed to remedy problems as they developed within the civil service system, have unfortunately become major obstacles to Government productivity and a shield for nonperformance.

If Congress fails in its duty to reform these outdated laws and procedures, we shall continue to see ineffective management, violations of merit principles and squandering of taxpayers' dollars.

This legislation is an historic step in returning merit to the merit system and restoring faith in the millions of men and women who serve the public at the Federal level.

Mr. JAVITS. Mr. President, last year when President Carter spoke with members of the Governmental Affairs Committee about his proposal to reform the Federal Civil Service, I was particularly impressed with the breadth and reach of his ideas. I was equally impressed with the serious substantive and political difficulties inherent in any such proposal precisely because they represented a fundamental reappraisal of a nearly 100-year old civil service system.

The bill before the Senate today is the product of a truly extraordinary effort to reach compromise and balance important interests. Those balances and compromises have been achieved, however, without detracting from the ambitious goals of the initial legislation. It is a strong bill which will strengthen and further promote a competent, nonpartisan civil service based upon the principle of merit.

S. 2640, in bringing about needed reforms, will improve the responsiveness and effectiveness of the Federal Government while assuring that public servants will be rewarded for merit and protected from bias, bureaucratic insensitivity, and political favoritism.

The bill will do that while giving greater authority to managers and supervisors and greater incentives to civil servants to achieve better performance. I wish to emphasize, however, that the necessary reforms which we present to the Senate today in S. 2640, should in no way call into question the essential fact that the overwhelming majority of Federal civil servants are dedicated, competent and well-motivated men and women.

Mr. President, Chairman RIBICOFF and Senator PERCY have managed this bill through many months of controversy and hard work as the committee sought to develop and resolve so many important and complex issues. They were joined by the extraordinarily talented Chairman of the Civil Service Commission, Alan Campbell, a constituent of mine and a distinguished former dean of the Maxwell School of Public Affairs at Syracuse University. I wish to commend the fine efforts of them and others on the committee and in the executive branch who contributed significantly to S. 2640.

In my judgment, the bill presents a comprehensive approach to reform of the civil service system. There are several provisions which I believe are particularly important:

First, I support separating the Civil Service Commission into a Merit Systems Protection Board and an Office of Personnel Management. There is no question that a serious conflict has existed in the Civil Service Commission's responsibilities, that its personnel management and policing roles are fundamentally incompatible and should be performed by two different offices. The independent Merit Systems Protection Board will be a strong merit "watchdog" and an employee protector, which is long overdue.

Second, the establishment of an Office of OPM should go a long way toward increasing flexibility in all levels of Government management. Currently, all personnel operations and actions are centralized in the CSC. This centralization is often the cause of delays in hiring, creates complex administrative procedures and excessive costs. The bill would authorize the President to delegate to the Director of OPM, who in turn would be permitted to delegate to agency heads, all personnel functions presently conducted solely within the CSC.

The bill also provides for new systems of appraising employee performance that will make it possible for agencies to do a better job of recognizing and rewarding good employees and of identifying and aiding those who are not performing at the level required. The bill further requires that these performance evaluations be used as a basis for all decisions about rewarding, promoting, and retaining Federal employees. At the same time, the bill improves employees rights in the area of adverse actions and appeals.

Most importantly, the bill provides a mechanism by which whistleblowers, those employees who disclose illegality in the Government, are fully protected from reprisals. The Special Counsel may petition the MSPB to suspend retaliatory actions against whistleblowers, and disciplinary action against violators of whistleblowers' rights also may be initiated by the Special Counsel.

I am particularly pleased that the bill creates a Senior Executive Service which is designed to create increased advancement opportunities to career executives. Career appointments will be made strictly on the basis of merit with most senior positions in grades GS16–Executive Level IV assigned to the SES. All too often I have seen talented people leave the Government when they have reached the top of the pay scale. I believe that the potential for bonuses and awards contained in the bill will not only help to keep civil servants but also to attract creative and experienced people from the private sector.

Third, I am pleased that the bill would create a new Federal Labor Relations Authority. Consolidating responsibility in FLRA should eliminate what is perceived by Federal employee unions and others as a conflict of interest in the existing Council. Its members consist of the Chairman of the Civil Service Commission, the Director of the Office of Management and Budget, and the Secretary of Labor—policymakers who are responsible primarily as top managers in the incumbent administration. S. 2640 will assure impartial adjudication of labor-management cases by providing for a new Board whose members are selected independently—nominated by the President and confirmed by the Senate—rather than by virtue of their service as Federal managers.

Establishment of the FLRA also will eliminate the existing fragmentation of authority between the Assistant Secretary of Labor for Labor-Management Relations and the Federal Labor Relations Council. The FLRA will have comprehensive jurisdiction in Federal labor-management relations. Merging the responsibility into a single agency will eliminate the need for continuous coordination between two separate agencies with differing and at least potentially conflicting mandates. This change should result in more effective policymaking and administration in this area of vital importance to both Federal employees and Federal managers, as well as the public at large.

S. 2640 also provides explicit statutory responsibilities for FLRA. The part-time Federal Labor Relations Council was established by Executive order. With approval of S. 2640, the intent of Congress regarding the functions and operations of Federal labor-management relations will be clearly established.

Mr. President, S. 2640 is indeed designed to promote the restoration of public faith in the effectiveness and productivity of our Government. It is designed to enhance public service and to make it a more challenging and attractive career choice for those currently in Federal employment and the thousands of others who will follow in the years ahead.

It is designed to give to the President and the heads of departments an opportunity to exercise greater leadership in the carrying out of Executive policy without endangering or compromising the rights of employees.

This legislation will achieve these basic objectives. It is my deep conviction that these reforms will serve to reinvigorate Federal service and bring about significant improvements in the delivery of

Federal services to the people of this country. I hope that the Senate will act expeditiously and favorably.

UP AMENDMENT NO. 1766

(Purpose: To strengthen procedural protections relating to preference eligibility for disabled veterans and for other purposes)

Mr. CRANSTON. Mr. President, I send an unprinted amendment to the desk and ask for its immediate consideration.

The PRESIDING OFFICER. The amendment will be stated.

The assistant legislative clerk read as follows:

The Senator from California (Mr. CRANSTON) proposes an unprinted amendment numbered 1766.

Mr. CRANSTON. Mr. President, I ask unanimous consent that further reading of the amendment be dispensed with.

The PRESIDING OFFICER. Without objection, it is so ordered.

The amendment is as follows:

On page 198, after line 25, insert the following new sections:

DEFINITIONS RELATING TO PREFERENCE ELIGIBLES

SEC. 305. (a) Section 2108 of title 5, United States Code, is amended by—

(1) amending paragraph (1) by—

(A) inserting "who is a veteran as defined in section 101(2) of title 38, United States Code, and" after "individual"; and

(B) striking out all below clause (B);

(2) amending paragraph (2) by—

(A) striking out all between "individual" and "and has" and inserting in lieu thereof "who is a veteran as defined in section 101(2) of title 38, United States Code, or who has performed active military, naval, or air service as defined in section 101(24) of such title 38";

(B) striking out the comma and inserting in lieu thereof "or" after "compensation";

(C) striking out "benefits, or pension" and inserting in lieu thereof "benefits"; and

(D) striking out "and" at the end thereof;

(3) amending paragraph (3) by—

(A) inserting a comma and "except as provided in paragraph (4) of this section," after "means";

(B) striking out "(A)" the second place it appears in clause (A);

(C) amending clause (B) to read as follows:

"(B) the unmarried widow or widower of a veteran as defined by paragraph (1) of this section, other than a widow or widower described in paragraph (3)(D) of this section;";

(D) amending clause (3)(D) to read as follows:

"(D) the unmarried widow or widower of a veteran as defined by paragraph (1) of this section who lost his or her life under honorable conditions while serving in the armed forces or who died as the result of a service-connected disability or disabilities or who, at the time of his or her death, when such death was not as a result of the willful misconduct of such veteran or such veteran's spouse, had a service-connected disability or disabilities rated as total;";

(E) striking out "(A)" in clause (F); and

(F) striking out the period at the end thereof and inserting in lieu thereof a semicolon; and

(4) adding at the end thereof the following new paragraphs:

"(4) except for purposes of chapter 75 of this title, 'preference eligible' does not include a retired member of the armed forces unless—

"(A) the individual is a disabled veteran; or

"(B) the individual retired below the rank of major or its equivalent; and

"(5) 'retired member of the armed forces' means a member or former member of the armed forces who is entitled, under statute, to retired, retirement, or retainer pay on account of service as such a member.".

(b) The amendments made to title 5, United States Code, by clauses (3)(A) and (4) of subsection (a) of this section shall take effect on October 1, 1980.

NONCOMPETITIVE APPOINTMENTS OF CERTAIN DISABLED VETERANS

SEC. 306. (a)(1) Chapter 31 of title 5, United States Code, is amended by adding at the end thereof the following new section:

"§ 3112. Disabled veterans; noncompetitive appointment

"Under such regulations as the Office of Personnel Management shall prescribe, an agency may make a noncompetitive appointment leading to conversion to career or career-conditional employment of a disabled veteran who has a service-connected disability rated at 30 percent or more on the basis of which such veteran is receiving compensation or disability retirement benefits because of a public statute administered by the Veterans' Administration or a military department.".

(2) The Director of the Office of Personnel Management shall include in the reports required by section 2014(d) of title 38, United States Code, the same type of information regarding the use of the authority provided in section 3112 of title 5, United States Code (as added by paragraph (1) of this subsection), as is required by such section 2014 with respect to the use of the authority to make veterans readjustment appointments.

(b) The analysis of chapter 31 of title 5, United States Code, is amended by adding at the end thereof the following new item:

"3112. Disabled veterans; noncompetitive appointment.".

EXAMINATION, CERTIFICATION, AND APPOINTMENT OF PREFERENCE ELIGIBLES

SEC. 307. (a)(1) Section 3305 of title 5, United States Code, is amended to read as follows:

"§ 3305. Competitive service; preference eligibles; applications

"On the application of a preference eligible, a competitive examination shall be held for any position for which there is an appropriate list of eligibles.".

(2) The item relating to section 3305 in the analysis of chapter 33 of title 5, United States Code, is amended to read as follows:

"3305. Competitive service; preference eligibles; applications.".

(b)(1) Section 3309 of title 5, United States Code, is amended to read as follows:

"§ 3309. Preference eligibles; examinations; additional credit for

"(a) A preference eligible who qualifies in an examination for entrance into the competitive service is entitled to additional points above the individual's earned rating, as follows:

"(1) a preference eligible under section 2108(3)(A) or (B) of this title—5 points; and

"(2) a preference eligible under section 2108(3)(C)–(G) of this title—10 points.

"(b) A preference eligible under section 2108(3)(C) of this title who has a service-connected disability rated at 10 percent or more and who has qualified in an examination for entrance into the competitive service shall be placed at the head of the list of eligibles, except that, in the case of scientific and professional positions in GS–9 or higher, such eligible shall be placed on the list of eligibles in the order of the eligible's rating, including points added under paragraph (2) of subsection (a) of this section. As to all competitive positions, the names of preference eligibles shall be entered ahead of the names of those who are not preference eligibles and who have the same rating.

"(c) If other rating systems are used, preference eligibles are entitled to comparable preference.".

(2) The item relating to section 3309 in the analysis of chapter 33 of title 5, United States Code, is amended to read as follows:

"3309. Preference eligibles; examinations; additional credit for.".

(c) Section 3312 of title 5, United States Code, is amended by—

(1) inserting "(a)" before "In", and striking out "Civil Service Commission" and inserting in lieu thereof "Office of Personnel Management";

(2) striking out "Commission" in clause (2) and inserting in lieu thereof "Office of Personnel Management"; and

(3) adding after subsection (a) (as designated by clause (1) of this subsection) the following new subsection:

"(b) If an examining agency determines that, on the basis of evidence before it, a preference eligible under section 2108(3)(C) is not able to fulfill the physical requirements of the position, the examining agency shall notify the Office of Personnel Management of such determination and, at the same time, such agency shall notify the preference eligible of the reasons for such determination and of the right to respond, within 15 days of the date of such notification, to the Office of Personnel Management. The Office of Personnel Management shall require a demonstration by the appointing authority that such notification was timely sent to the preference eligible's last known address and shall, prior to the selection of any other person for the position in question, make a final determination on the physical ability of the preference eligible to perform the duties of the position, taking into account any additional information provided in any such response. When the Office of Personnel Management has completed its review of the proposed disqualification on the basis of physical disability, it shall send its findings to the appointing authority and the preference eligible in question. The appointing authority shall comply with the findings of the Office of Personnel Management. The functions of the Office of Personnel Management under this subsection shall not be delegated to any other department, agency, or instrumentality.".

(d) Section 3314 of title 5, United States Code, is amended by striking out "Civil Service Commission" and inserting in lieu thereof "Office of Personnel Management", and by striking out "named by section 3313" and inserting in lieu thereof "established by section 3309".

(e) Section 3315 of title 5, United States Code, is amended by—

(1) striking out in the first sentence of subsection (a) "named by section 3313" and inserting in lieu thereof "established by section 3309";

(2) striking out in the second sentence of subsection (a) "Civil Service Commission" and inserting in lieu thereof "Office of Personnel Management"; and

(3) striking out in subsection (b) "Commission" and inserting in lieu thereof "Office of Personnel Management".

(f) Section 3318(b) of title 5, United States Code, is amended to read as follows:

"(b) If an appointing authority proposes to pass over a preference eligible on a certificate in order to select an individual who is not a preference eligible, such authority shall file written reasons with the Office of Personnel Management for passing over the preference eligible and, at the same time, such authority shall notify a preference eligible under section 2108(3)(C) (hereinafter in this section called "a disabled preference eligible") of the proposed passover and the reasons therefor and of the right to respond to such reasons, within 15 days of the date of such notification, to the Office of Personnel Management. The Office of Personnel

Management shall make the reasons presented by the appointing authority part of the record of the preference eligible and may require the submission of more detailed information from the appointing authority in support of the passover of the preference eligible. The Office of Personnel Management shall require a demonstration by the appointing authority that the passover notification was timely sent to the preference eligible's last known address and shall, prior to the selection of any other person for the position in question, determine the sufficiency or insufficiency of the reasons submitted by the appointing authority, taking into account any response received from the preference eligible. When the Office of Personnel Management has completed its review of the proposed passover, it shall send its findings to the appointing authority and the disabled preference eligible in question, if any. The appointing authority shall comply with the findings of the Office of Personnel Management. A preference eligible under section 2108(3)(A), (B), or (D)-(G), or such preference eligible's representative, shall be entitled, on request, to a copy of (1) the reasons submitted by the appointing authority in support of the proposed passover, and (2) the findings of the Office of Personnel Management. The functions of the Office of Personnel Management under this subsection shall not be delegated to any other department, agency, or instrumentality.".

(g) Chapter 33 of title 5, United States Code, is amended by—

(1) repealing section 3313; and

(2) amending the analysis therefor by striking out the item relating to such section 3313.

RETENTION PREFERENCE

SEC. 308. (a) Section 3502 of title 5, United States Code, is amended by striking out subsection (b) and inserting in lieu thereof the following new subsections:

"(b) A preference eligible under section 2108(3)(C) of this title who has a service-connected disability rated at 10 percent or more and whose performance meets a standard of adequacy under a performance appraisal system implemented under chapter 43 of this title is entitled to be retained in preference to other preference eligibles.

"(c) An employee who is entitled to retention preference and whose performance meets a standard of adequacy under a performance appraisal system implemented under chapter 43 of this title is entitled to be retained in preference to other competing employees.".

(b) Section 3503 of title 5, United States Code, is amended by striking out in subsections (a) and (b) "each preference eligible employed" and inserting in lieu thereof "each competing employee" both places it appears.

(c) Section 3504 of title 5, United States Code, is amended by—

(1) inserting "(a)" before "In" and striking out "Civil Service Commission" and inserting in lieu thereof "Office of Personnel Management";

(2) striking out "Commission" in clause (2) and inserting in lieu thereof "Office of Personnel Management"; and

(3) adding after subsection (a) (as designated by clause (1) of this subsection) the following new subsection:

"(b) If an examining agency determines that, on the basis of evidence before it, a preference eligible under section 2108(3)(C) is not able to fulfill the physical requirements of the position, the examining agency shall notify the Office of Personnel Management of such determination and, at the same time, such agency shall notify the preference eligible of the reasons for such determination and of the right to respond, within 15 days of the date of such notification, to the Office of Personnel Management. The Office of Personnel Management shall require a demonstration by the appointing authority that such notification was timely sent to the preference eligible's last known address and shall, prior to the selection of any other person for the position in question, make a final determination on the physical ability of the preference eligible to perform the duties of the position, taking into account any additional information provided in any such response. When the Office of Personnel Management has completed its review of the proposed disqualification on the basis of physical disability, it shall send its findings to the appointing authority and the preference eligible in question. The appointing authority shall comply with the findings of the Office of Personnel Management. The functions of the Office of Personnel Management under this subsection shall not be delegated to any other department, agency, or instrumentality.".

On page 261, line 4, strike out "or (B)" and insert in lieu thereof "(C)", and insert "(B) diminish in any way rights, procedures, and remedies available to preference eligibles under chapters 13, 21, 31, 33, 35, and 75 of this title, or" after "title,".

Mr. CRANSTON. Mr. President, the basic purpose of these amendments before us is to strengthen certain provisions in title 5, United States Code, relating to disabled preference eligibles.

As chairman of the Committee on Veterans' Affairs, I am very pleased that the Committee on Governmental Affairs, in connection with its consideration of the "Civil Service Reform Act," took action to maintain existing law with respect to veterans' preference. However, Mr. President, I have found certain aspects of the present law to be inadequate in protecting the rights of disabled preference eligibles—generally, veterans with service-connected disabilities. The main purpose of my amendments is to remedy that inadequacy.

The two areas of primary concern for disabled veterans which are addressed in these amendments are the waivers of physical requirements for both initial hiring and for reduction in force—RIF—procedures, and the passing over of a preference eligible to appoint a non-preference eligible. In each of these instances, the amendment would require the appointing authority to notify the disabled preference eligible of the reasons why such preference eligible was found unqualified for the position for which he or she applied. The disabled preference eligible would then have 15 days to respond to these findings. The Office of Personnel Management would make a decision on the appointing authority's findings, taking into account the response made by the disabled preference eligible, if any. Until a final decision is reached by OPM, the position in question would have to be held open. These authorities could not be delegated by OPM to any appointing authority.

Mr. President, the amendments would also give the Office of Personnel Management the authority to make noncompetitive appointments within the Federal civil service for any veteran who has a service-connected disability rated at 30 percent or more. This provision is derived from an administration proposal.

Further, the amendments provide that 10-point preference eligibles would have retention rights over 5-point preference eligibles. Veterans who were disabled during active duty for training would also be entitled to 10-point preference.

Other changes made in current law by my amendments, Mr. President, would provide—as proposed by the administration—for the elimination of veterans' preference for military personnel who retire after 20 years or more of service at field grade rank or above. Also, under the amendments, regardless of whether or not a competitive exam is closed, all preference eligibles would be entitled to take such an exam as long as a list of eligibles exists. Moreover, Mr. President, all preference rights, procedures, and remedies would be made applicable in demonstration projects conducted by the Office of Personnel Management as authorized by the amendments made in title VI of the reported bill.

Mr. President, these are the primary issues addressed in my amendments. I ask unanimous consent that a full explanation of the amendments and an analysis of changes that would be made in existing law be printed in the RECORD at the conclusion of my remarks.

The PRESIDING OFFICER. Without objection, it is so ordered.

(See exhibit 1.)

Mr. RIBICOFF. Mr. President, the amendment being offered by the distinguished Senator from California is a constructive one. It addresses a number of concerns raised by veterans organizations.

The amendment is acceptable to the manager of the bill.

Mr. PERCY. As far as the Senator from Illinois knows, there is no objection to the amendment on this side. Certainly, on behalf of the minority, we accept the amendment.

Mr. STEVENS. Mr. President, I hope my colleague will not do that too quickly.

Mr. PERCY. Mr. President, I am not aware of any objection, but we would certainly be happy to hear from the Senator from Alaska.

Mr. STEVENS. I do have a couple of questions of the Senator from California.

Does this mean that if a person was a pilot in World War II, a major, entered civil service, has never used civil service in any way so far, and faces a reduction in force, after passage of this bill he, for the first time, cannot call on his veteran's preference rights? It seems to me to be very sweeping, I will say to my friend from California.

Mr. CRANSTON. If a person such as you described was retired regularly after 20 years or more of service he would have until October 1, 1980, to take advantage of the present opportunities he has under the preference provisions of existing law.

Mr. STEVENS. That does not answer my question about those who were in service and who had 20 years. If a person entered the service in 1950, put in 20 years of service by 1970, went into the civil service in 1971 by competitive examination, and became a career civil servant, he has a preference now in terms of a RIF. He has never yet exercised any of the preference that was given to him from his service in World War II. Is this going to eliminate this?

Mr. CRANSTON. If the Senator will

yield, there is no RIF protection for those people under present law. The person such as you describe would be able to use the entry preference opportunities he now has—as many times as he is able—until October 1, 1980. But he presently has no RIF protection at all under title 5.

Mr. STEVENS. Then this is not taking away any of the existing or contractual rights of those veterans who entered in the past? All are prospective considerations as far as veterans preference is concerned? That is my understanding. Maybe the Senator from Maryland can correct me but I understood our understanding was that the application would be prospective and not retroactive. If the Senator is saying that anyone who enters the service——

Mr. CRANSTON. That is not exactly the effect of this amendment. He would have the preference entry opportunities until October 1, 1980.

Mr. STEVENS. What about his other veterans preference rights? Does this deal only with entrance preference?

Mr. CRANSTON. This deals only with entry. It does not affect any other rights he may have now.

Mr. STEVENS. And it is only those who enter after 20 years of service?

Mr. CRANSTON. That is correct, those who then retire and are at the field grade or above.

Mr. STEVENS. But you obtain field grade rather rapidly in wartime. Those people who had field grade during the Korean war or the Vietnam conflict and did not serve 20 years have the same rights as anyone else; is that correct?

Mr. CRANSTON. That is correct.

Mr. STEVENS. This means those who stayed in and made a career out of the military——

Mr. CRANSTON. Only those who retired would be affected.

Mr. STEVENS. Only those retired after 20 years?

Mr. CRANSTON. Right. Or more.

Mr. STEVENS. I thank the Senator.

I do not object.

Mr. CRANSTON. Mr. President, I have worked very closely with the distinguished chairman of the Committee on Governmental Affairs (Mr. RIBICOFF) and its able ranking minority member (Mr. PERCY), as well as the Civil Service Commission, on these amendments. The administration has indicated that it supports all of the changes made in existing law by these amendments, will support them through conference and does not oppose any of the other provisions in the amendment.

Mr. President, there is one other veterans item I would like to comment on. I note that the Senior Executive Service, to be established under title IV of the reported bill, would include certain top-level physicians in the VA's Department of Medicine and Surgery. This could result in a substantial threat to the quality of health care service to the Nation's veterans by impairing the attractiveness of VA service to such physicians and the effective management of such physicians by the VA. In light of these considerations, I have been assured by the Civil Service Commission both that they fully understand the unique nature of the special title 38 Department of Medicine and Surgery pay and personnel system and that, in view of this, if the Administrator of Veterans' Affairs were to request the President to grant a waiver—as permitted by the provision in the bill—of the inclusion of such DM & S physicians in the Executive Service Corps, that request will be given sympathetic consideration by the Civil Service Commission or its successor—the Office of Personnel Management—in making its recommendation to the President.

Mr. President, I ask unanimous consent that these amendments be considered en bloc and urge the Senate to adopt them.

The PRESIDING OFFICER (Mr. MOYNIHAN). The question is on agreeing to the amendments.

The amendments were agreed to.

EXHIBIT 1

EXPLANATION OF CRANSTON VETERANS AMENDMENT NO. 1766 TO S. 2640

The proposed amendment No. 1766 (actually two amendments) would add four additional sections to title III of the Civil Service reform bill, S. 2640, as reported by the Senate Governmental Affairs Committee, and amend new section 4703 of title VI of the bill.

New section 305 would amend current section 2108 of title 5, the definitional section dealing with veterans and eligibility for veterans preference. The clauses of this new section provide as follows:

Clause (1) would amend the definition of "veteran" in current section 2108(1) to incorporate the basic definition used in title 38 for purposes of eligibility to all VA benefits. The effect of the change would be to provide veterans preference to any veteran who received a discharge under other than honorable conditions but who subsequently received a favorable "character of discharge" determination from the VA holding that such discharge was under "conditions other than dishonorable." In this regard, it should be noted that all veterans who received upgraded discharges under the Carter or Ford special discharge review programs but the circumstances of whose discharges were, pursuant to P.L. 95–126, later determined by a naval or military discharge review board not to merit VA benefits, are entitled to preference under title 5. The incorporation of the title 38 definition would, with respect to all future preference eligibility determinations, render the VA the definitive interpreter of the meaning of "veteran" for this title 5 purpose and arbiter of whether any individual with a discharge under other than honorable conditions was discharged under "conditions other than dishonorable."

Clause (2) would amend the definition of "disabled veteran" in current section 2108(2) to (a) incorporate, as would clause (1) of this section, the basic definition of "veteran" used in title 38 for purposes of eligibility to all VA benefits, so as to provide veterans preference to any disabled veteran who received a discharge under other than honorable conditions, but who subsequently received a favorable "character of discharge" determination from the VA holding that such discharge was under "conditions other than dishonorable"; (b) include in that definition those individuals who suffered a service-connected disability while serving on active duty for training (such individuals are eligible for VA benefits); and (c) remove those who merely receive a non-service-connected VA pension from the category of "disabled veteran." The definitions in clauses (22) and (23) of section 101 of title 38 are incorporated by reference to clause (24).

Clause (3) would amend the definition of "preference eligible" in current section 2108 (3) (D) to subdivide the class in current law of "unmarried widow or widower of a veteran" so as to create a five-point preference group of such unmarried surviving spouses of veterans who died of non-service-connected causes and a second ten-point preference group that includes unmarried surviving spouses of those veterans who died either on active duty or of service-connected causes, or who were rated as 100-percent service-connected disabled at the time of their death.

Clause (4) would amend the definition of "preference eligible" in current section 2108 (3) by adding two new paragraphs designed to remove, as proposed by the Administration, individuals who retired from military service at the rank of major (or its equivalent) or above from eligibility for veterans preference unless such a person is a disabled veteran.

New section 306 would amend chapter 31 of title 5, to add a new section 3112 which authorizes noncompetitive appointments of disabled veterans with a service-connected disability rated by the VA or a military department at 30 percent or greater and for which the veteran is receiving compensation or disability retirement benefits from the VA or a military department. This provision is modeled on the Administration's initial proposal, but it is different in the degree of the service-connected disability required (30 percent versus 50 percent) and in its not including as eligible those who are enrolled in or who have successfully completed a job-related training program under chapter 31 of title 38. The Administration supports this modification.

New section 307 would amend various sections of chapter 33 of title 5, Examination, Selection and Appointment, relating to veterans preference.

Subsection (a) would amend current section 3305 to require that a competitive examination be given to a preference eligible, upon application by such eligible, for any position for which there is a list of eligibles. Current law provides this right only to 10-point preference eligibles and permits the reopening of an examination for any position to which an appointment has been made in the previous three years—a benefit of questionable value since, in most cases, the job would already be filled.

Subsection (b) would amend current section 3309 to bring together in one section provisions relating to the awarding of preference points and to the treatment of preference eligibles, including the placement of service-connected disabled veterans with a 10-percent or greater rating at the head of a list of eligibles. The new section 3309 would also include in subsection (b) a requirement that a comparable preference system be applied for preference eligibles if other rating systems are used.

Subsection (c) would amend current section 3312 to provide new protections for disabled veterans when they are denied a job on the basis of inability to fulfill the physical requirements of the position. These protections include a notice requirement, a requirement that the position not be filled until the disabled veteran has had the opportunity, within 15 days, to appeal the denial and have the appeal decided by the Office of Personnel Management, and a prohibition on the delegation of this responsibility by the Office of Personnel Management.

Subsection (d) would amend current section 3314 to make conforming changes to reflect the amendments which would be made to current section 3309 by subsections (b) and (c) of the new bill section.

Subsection (e) would make conforming amendments to current section 3315 which would be necessitated by the amendments which would be made by subsections (b) and (c) of the new bill section.

Subsection (f) would amend current section 3318 to provide new protections for disabled veterans (as redefined by new section 305(2) of the bill) when an agency proposes passovers of such veterans. The protections include a notice requirement, a requirement that the job not be filled until the disabled veteran has had the opportunity, within 15 days, to appeal the proposed passover and have the appeal decided by the Office of Personnel Management, and a prohibition on the delegation of this responsibility by the Office of Personnel Management.

Subsection (g) would repeal current section 3313, the content of which was placed in the new section 3309 by subsection (b) of the new bill section.

Subsection (h) would make conforming changes to the analysis for chapter 33 necessitated by the amendments which would be made by subsections (a) and (b) of the new bill section.

New section 308 would make amendments to chapter 35, Retention Preference, Restoration and Reemployment, to strengthen retention rights, especially for disabled veterans.

Subsection (a) would amend current section 3502 by adding two new subsections as follows:

New subsection (b) would provide that a service-connected disabled veteran whose performance meets a standard of adequacy under an appraisal system under chapter 43 shall be retained in preference to other preference eligibles. This is an entirely new protection.

New subsection (c) would generally codify existing practice under current subsection (b) by providing that a preference eligible whose performance meets a standard of adequacy under an appraisal system under chapter 43 shall be retained in preference to other competing employees.

Subsection (b) would substitute the phrase "each competing employee" for "each preference eligible employed" in each of the two subsections of current section 3503, "Transfer of functions". This is an Administration requested change designed to reflect actual practice when a function is transferred from one agency to another or one agency replaces another.

Subsection (c) woud amend current section 3504 to provide other new protections for disabled veterans during reduction-in-force situations. The new protections—identical to those that would obtain under new section 3312 (as it would be added by subsection (c) of new bill section 307) with respect to appointments would apply if an agency determines that a disabled veteran is unsuitable for retention on the basis of his or her ability to fulfill the physical requirements of a position. The protections include a notice requirement, a requirement that the position in question not be filled until the disabled veteran has had the opportunity, within 15 days, to appeal the decision and have the appeal decided by the Office of Personnel Management, and a prohibition on the delegation of this responsibility by the Office of Personnel Management.

The amendment to title VI of the bill would amend the proposed new section 4703 of title 5.

New section 4703 would provide that no demonstration project conducted by the Office of Personnel Management could diminish the rights, procedures or remedies available to preference eligibles under other specified chapters in title 5.

CHANGES IN EXISTING LAW MADE BY AMENDMENT NO. 1766 TO S. 2640 AS REPORTED

Changes in existing law made by the amendment are shown as follows (existing law proposed to be omitted is enclosed in brackets, new matter is printed in italic, existing law in which no change is proposed is shown in roman):

TITLE 5, UNITED STATES CODE—GOVERNMENT ORGANIZATION AND EMPLOYEES

* * * * *

PART III—EMPLOYEES

Subpart A—General Provisions

Chapter 21—DEFINITIONS

* * * * *

§ 2108. Veteran; disabled veteran; preference eligible

For the purpose of this title—

(1) "veteran" means an individual *who is a veteran as defined in section 101(2) of title 38, United States Code, and* who—

(A) served on active duty in the armed forces during a war, in a campaign or expedition for which a campaign badge has been authorized, or during the period beginning April 28, 1952, and ending July 1, 1955; or

(B) served on active duty as defined by section 101(21) of title 38 at any time in the armed forces for a period of more than 180 consecutive days any part of which occurred after January 31, 1955, and before the date of the enactment of the Veterans' Education and Employment Assistance Act of 1976, not including service under section 511(d) of title 10 pursuant to an enlistment in the Army National Guard or the Air National Guard or as a Reserve for service in the Army Reserve, Naval Reserve, Air Force Reserve, Marine Corps Reserve, or Coast Guard Reserve;

[and who has been separated from the armed forces under honorable conditions;]

(2) "disabled veteran" means an individual [who has served on active duty in the armed forces, has been separated therefrom under honorable conditions,] *who is a veteran as defined in section 101(2) of title 38, United States Code, or who has performed active military, naval, or air service as defined in section 101(24) of such title 38* and has established the present existence of a service-connected disability or is receiving compensation[,] *or* disability retirement benefits [, or pension] because of a public statute administered by the Veterans' Administration or a military department; [and]

(3) "preference eligible" means, *except as provided in paragraph (4) of this section,* [—]

(A) a veteran as defined by paragraph (1) [(A)] of this section;

[(B) a veteran as defined by paragraph (1)(B) of this section;]

(B) the unmarried widow or widower of a veteran as defined by paragraph (1) of this section, other than a widow or widower described in paragraph (3)(D) of this section;

(C) a disabled veteran;

(D) the unmarried widow or widower of a veteran as defined by paragraph (1)[(A)] of this [section;] *section who lost his or her life under honorable conditions while serving in the armed forces or who died as the result of a service-connected disability or disabilities or who, at the time of his or her death, when such death was not as a result of the willful misconduct of such veteran or such veteran's spouse, had a service-connected disability or disabilities rated as total;*

(E) the wife or husband of a service-connected disabled veteran if the veteran has been unable to qualify for any appointment in the civil service or in the government of the District of Columbia;

(F) the mother of an individual who lost his life under honorable conditions while serving in the armed forces during a period named by paragraph (1)[(A)] of this section, if—

(i) her husband is totally and permanently disabled;

(ii) she is widowed, divorced, or separated from the father and has not remarried; or

(iii) she has remarried but is widowed, divorced, or legally separated from her husband when preference is claimed; and

(G) the mother of a service-connected permanently and totally disabled veteran, if—

(i) her husband is totally and permanently disabled;

(ii) she is widowed, divorced, or separated from the father and has not remarried; or

(iii) she has remarried but is widowed, divorced, or legally separated from her husband when preference is claimed[.]*;*

(4) except for purposes of chapter 75 of this title, "preference eligible" does not include a retired member of the armed forces unless—

(A) the individual is a disabled veteran; or

(B) the individual retired below the rank of major or its equivalent; and

(5) "retired member of the armed forces" means a member or former member of the armed forces who is entitled, under statute, to retired, retirement, or retainer pay on account of service as such a member.

* * * * *

Subpart B—Employment and Retention

Chapter 31—AUTHORITY FOR EMPLOYMENT

Sec.

3101. General authority to employ.
3102. Employment of readers for blind employees.
3103. Employment at seat of Government only for services rendered.
3104. Employment of specially qualified scientific and professional personnel.
3105. Appointment of hearing examiners.
3106. Employment of attorneys; restrictions.
3107. Employment of publicity experts; restrictions.
3108. Employment of detective agencies; restrictions.
3109. Employment of experts and consultants; temporary or intermittent.
3110. Employment of relatives; restrictions.

* * * * *

3112. Disabled veterans; noncompetitive appointment.

* * * * *

§ 3112. Disabled veterans; noncompetitive appointment

Under such regulations as the Office of Personnel Management shall prescribe, an agency may make a noncompetitive appointment leading to conversion to career or career-conditional employment of a disabled veteran who has a service-connected disability rated at 30 percent or more on the basis of which such veteran is receiving compensation or disability retirement benefits because of a public statute administered by the Veterans' Administration or a military department.

Chapter 33—EXAMINATION, SELECTION, AND PLACEMENT

Subchapter I—Examination, Certification, and Appointment

SEC.

3301. Civil service; generally.
3302. Competitive service; rules.
3303. Competitive service; recommendations of Senators or Representatives.
3304. Competitive service; examinations.
3304a. Competitive service; career appointment after 3 years' temporary service.
3305. Competitive service; [examinations; when held.] *preference eligibles; applications.*
3306. Competitive service; departmental service; apportionment.
3307. Competitive service; maximum-age entrance requirements; exceptions.
3308. Competitive service; examinations; educational requirements prohibited; exceptions.
3309. Preference eligibles; examinations; additional [points] *credit* for.

3310. Preference eligibles; examinations; guards, elevator operators, messengers, and custodians.
3311. Preference eligibles; examinations; crediting experience.
3312. Preference eligibles; physical qualifications; waiver.
[3313. Competitive service; registers of eligibles.]
3314. Registers; preference eligibles who resigned.
3315. Registers; preference eligibles furloughed or separated.
3315a. Registers; individuals receiving compensation for work injuries.
3316. Preference eligibles; reinstatement.
3317. Competitive service; certification from registers.
3318. Competitive service; selection from certificates.
3319. Competitive service; selection; members of family restriction.
3320. Excepted service; government of the District of Columbia; selection.
3321. Competitive service; probation; period of.
3322. Competitive service; temporary appointments after age 70.
3323. Automatic separations; reappointment; reemployment of annuitants.
3324. Appointments at GS–16, 17, and 18.
3325. Appointments to scientific and professional positions.
3326. Appointments of retired members of the armed forces to positions in the Department of Defense.
3327. [Repealed.]

* * * * *

§ 3305. Competitive service; [examinations; when held] *preference eligibles; applications*

[(a) The Civil Service Commission shall hold examinations for the competitive service at least twice a year in each State and territory or possession of the United States where there are individuals to be examined.

[(b) The Commission shall hold an examination for a position to which an appointment has been made within the preceding 3 years, on the application of an individual who qualifies as a preference eligible under section 2108(3)(C)–(G) of this title. The examination shall be held during the quarter following the application.

On the application of a preference eligible, a competitive examination shall be held for any position for which there is an appropriate list of eligibles.

* * * * *

§ 3309. Preference eligibles; examinations; additional [points] *credit* for

[A preference eligible who receives a passing grade in an examination for entrance into the competitive service is entitled to additional points above his earned rating, as follows—

[(1) a preference eligible under section 2108(3)(C)–(G) of this title—10 points; and

[(2) a preference eligible under section 2108(3)(A) of this title—5 points.]

(a) A preference eligible who qualifies in an examination for entrance into the competitive service is entitled to additional points above the individual's earned rating, as follows:

(1) a preference eligible under section 2108(3)(A) or (B) of this title—5 points; and

(2) a preference eligible under section 2108(3)(C)–(G) of this title—10 points.

(b) A preference eligible under section 2108(3)(C) of this title who has a service-connected disability rated at 10 percent or more and who has qualified in an examination for entrance into the competitive service shall be placed at the head of the list of eligibles, except that, in the case of scientific and professional positions in GS–9 or higher, such eligible shall be placed on the list of eligibles in the order of the eligible's rating, including points added under paragraph (2) of subsection (a) of this section. As to all competitive positions, the names of preference eligibles shall be entered ahead of the names of those who are not preference eligibles and who have the same rating.

(c) If other rating systems are used, preference eligibles are entitled to comparable preference.

* * * * *

§ 3312. Preference eligibles; physical qualifications; waiver

(a) In determining qualifications of a preference eligible for examination for, appointment in, or reinstatement in the competitive service, the [Civil Service Commission] *Office of Personnel Management* or other examining agency shall waive—

(1) requirements as to age, height, and weight, unless the requirement is essential to the performance of the duties of the position; and

(2) physical requirements if, in the opinion of the [Commission] *Office of Personnel Management* or other examining agency after considering the recommendation of an accredited physician, the preference eligible is physically able to perform efficiently the duties of the position.

(b) If an examining agency determines that, on the basis of evidence before it, a preference eligible under section 2108(3)(C) is not able to fulfill the physical requirements of the position, the examining agency shall notify the Office of Personnel Management of such determination and, at the same time, such agency shall notify the preference eligible of the reasons for such determination and of the right to respond, within 15 days of the date of such notification, to the Office of Personnel Management. The Office of Personnel Management shall require a demonstration by the appointing authority that such notification was timely sent to the preference eligible's last known address and shall, prior to the selection of any other person for the position in question, make a final determination on the physical ability of the preference eligible to perform the duties of the position, taking into account any additional information provided in any such response. When the Office of Personnel Management has completed its review of the proposed disqualification on the basis of physical disability, it shall send its findings to the appointing authority and the preference eligible in question. The appointing authority shall comply with the findings of the Office of Personnel Management. The functions of the Office of Personnel Management under this subsection shall not be delegated to any other department, agency, or instrumentality.

[§ 3313. Competitive service; registers of eligibles

[The names of applicants who have qualified in examinations for the competitive service shall be entered on appropriate registers or lists of eligibles in the following order—

[(1) for scientific and professional positions in GS–9 or higher, in the order of their ratings, including points added under section 3309 of this title; and

[(2) for all other positions—

[(A) disabled veterans who have a compensable service-connected disability of 10 percent or more, in order of their ratings, including points added under section 3309 of this title; and

[(B) remaining applicants, in the order of their ratings, including points added under section 3309 of this title.

[The names of preference eligibles shall be entered ahead of others having the same rating.]

§ 3314. Registers; preference eligibles who resigned

A preference eligible who resigns, on request to the [Civil Service Commission,] *Office of Personnel Management*, is entitled to have his name placed again on all registers for which he may have been qualified, in the order [named by section 3313] *established by section 3309* of this title.

§ 3315. Registers; preference eligibles furloughed or separated

(a) A preference eligible who has been separated or furloughed without delinquency or misconduct, on request, is entitled to have his name placed on appropriate registers and employment lists for every position for which his qualifications have been established, in the order [named by section 3313] *established by section 3309* of this title. This subsection applies to registers and employment lists maintained by the [Civil Service Commission,] *Office of Personnel Management*, an Executive agency, or the government of the District of Columbia.

(b) The [Commission] *Office of Personnel Management* may declare a preference eligible who has been separated or furloughed without pay under section 7512 of this title to be entitled to the benefits of subsection (a) of this section.

* * * * *

§ 3318. Competitive service; selection from certificates

(a) The nominating or appointing authority shall select for appointment to each vacancy from the highest three eligibles available for appointment on the certificate furnished under section 3317(a) of this title, unless objection to one or more of the individuals certified is made to, and sustained by, the Civil Service Commission for proper and adequate reason under regulations prescribed by the Commission.

[(b) An appointing authority who passes over a preference eligible on a certificate and selects an individual who is not a preference eligible shall file written reasons with the Commission for passing over the preference eligible. The Commission shall make these reasons a part of the record of the preference eligible. The Commission may require the submission of more detailed information in support of the passing over of the preference eligible. The Commission shall determine the sufficiency or insufficiency of the reasons submitted and shall send its findings to the appointing authority. The appointing authority shall comply with the findings of the Commission. The preference eligible or his representative, on request, is entitled to a copy of—

[(1) the reasons submitted by the appointing authority; and

[(2) the findings of the Commission.]

(b) If an appointing authority proposes to pass over a preference eligible on a certificate in order to select an individual who is not a preference eligible, such authority shall file written reasons with the Office of Personnel Management for passing over the preference eligible and, at the same time, such authority shall notify a preference eligible under section 2108(3)(C) (hereinafter in this section called "a disabled preference eligible") of the proposed passover and the reasons therefor and of the right to respond to such reasons, within 15 days of the date of such notification, to the Office of Personnel Management. The Office of Personnel Management shall make the reasons presented by the appointing authority part of the record of the preference eligible and may require the submission of more detailed information from the appointing authority in support of the passover of the preference eligible. The Office of Personnel Management shall require a demonstration by the appointing authority that the passover notification was timely sent to the preference eligible's last known address and shall, prior to the selection of any other person for the position in question, determine the sufficiency or insufficiency of the reasons submitted by the appointing authority, taking into account any response

received from the preference eligible. When the Office of Personnel Management has completed its review of the proposed passover, it shall send its findings to the appointing authority and the disabled preference eligible in question, if any. The appointing authority shall comply with the findings of the Office of Personnel Management. A preference eligible under section 2108(3) (A), (B), or (D)–(G), or such preference eligible's representative, shall be entitled, on request, to a copy of (1) the reasons submitted by the appointing authority in support of the proposed passover, and (2) the findings of the Office of Personnel Management. The functions of the Office of Personnel Management under this subsection shall not be delegated to any other department, agency, or instrumentality.

(c) When three or more names of preference eligibles are on a reemployment list appropriate for the position to be filled, a nominating or appointing authority may appoint from a register of eligibles established after examination only an individual who qualifies as a preference eligible under section 2108(3) (C)–(G) of this title.

* * * * *

Chapter 35—RETENTION PREFERENCE, RESTORATION, AND REEMPLOYMENT

Subchapter I—Retention Preference

* * * * *

§ 3502. Order of retention

(a) The Civil Service Commission shall prescribe regulations for the release of competing employees in a reduction in force which give due effect to—

(1) tenure of employment;

(2) military preference, subject to section 3501(a) (3) of this title;

(3) length of service; and

(4) efficiency or performance ratings.

In computing length of service, a competing employee—

(A) who is not a retired member of a uniformed service is entitled to credit for the total length of time in service in the armed forces;

(B) who is a retired member of a uniformed service is entitled to credit for—

(i) the length of time in active service in the armed forces during a war, or in a campaign or expedition for which a campaign badge has been authorized; or

(ii) the total length of time in the active service in the armed forces if he is included under section 3501(a) (3) (A), (B), or (C) of this title; and

(C) who is an employee in or under the Department of Agriculture is entitled to credit for service rendered as an employee of a county committee established pursuant to section 590h(b) of title 16, or of a committee or an association of producers described in section 610(b) of title 7.

[(b) A preference eligible employee whose efficiency or performance rating is "good" or "satisfactory" or better than "good" or "satisfactory" is entitled to be retained in preference to other competing employees. A preference eligible employee whose efficiency or performance rating is below "good" or "satisfactory" is entitled to be retained in preference to competing nonpreference employees who have equal or lower efficiency or performance ratings.]

(b) A preference eligible under section 2108(3) (C) of this title who has a service-connected disability rate at 10 percent or more and whose performance meets a standard of adequacy under a performance appraisal system implemented under chapter 43 of this title is entitled to be retained in preference to other preference eligibles.

(c) An employee who is entitled to retention preference and whose performance meets a standard of adequacy under a performance appraisal system implemented under chapter 43 of this title is entitled to be retained in preference to other competing employees.

§ 3503. Transfer of functions

(a) When a function is transferred from one agency to another, each [preference eligible employed] *competing employee* in the function shall be transferred to the receiving agency for employment in a position for which he is qualified before the receiving agency may make an appointment from another source to that position.

(b) When one agency is replaced by another, each [preference eligible employed] *competing employee* in the agency to be replaced shall be transferred to the replacing agency for employment in a position for which he is qualified before the replacing agency may make an appointment from another source to that position.

§ 3504. Preference eligibles; retention; physical qualifications; waiver

(a) In determining qualifications of a preference eligible for retention in a position in the competitive service, an Executive agency, or the government of the District of Columbia, the [Civil Service Commission] *Office of Personnel Management* or other examining agency shall waive—

(1) requirements as to age, height, and weight, unless the requirement is essential to the performance of the duties of the position; and

(2) physical requirements if, in the opinion of the [Commission] *Office of Personnel Management* or other examining agency, after considering the recommendation of an accredited physician, the preference eligible is physically able to perform efficiently the duties of the position.

(b) If an examining agency determines that, on the basis of evidence before it, a preference eligible under section 2108(3) (C) is not able to fulfill the physical requirements of the position, the examining agency shall notify the Office of Personnel Management of such determination and, at the same time, such agency shall notify the preference eligible of the reasons for such determination and of the right to respond, within 15 days of the date of such notification, to the Office of Personnel Management. The Office of Personnel Management shall require a demonstration by the appointing authority that such notification was timely sent to the preference eligible's last known address and shall, prior to the selection of any other person for the position in question, make a final determination on the physical ability of the preference eligible to perform the duties of the position, taking into account any additional information provided in any such response. When the Office of Personnel Management has completed its review of the proposed disqualification on the basis of physical disability, it shall send its findings to the appointing authority and the preference eligible in question. The appointing authority shall comply with the findings of the Office of Personnel Management. The functions of the Office of Personnel Management under this subsection shall not be delegated to any other department, agency, or instrumentality.

* * * * *

UP AMENDMENT NO. 1767

(Purpose: To authorize the employment of reading assistants for blind employees and interpreters for deaf employees and for other purposes)

Mr. CRANSTON. Mr. President, I now send to the desk the second amendment and ask for its immediate consideration. This will take just a moment, I assure the Senator from Maryland.

The PRESIDING OFFICER. The amendment will be stated.

The second assistant legislative clerk read as follows:

The Senator from California (Mr. CRANSTON), for himself, Mr. WILLIAMS, Mr. JAVITS, Mr. RANDOLPH, and Mr. STAFFORD, proposes an unprinted amendment numbered 1767.

On page 196, between lines 7 and 8, insert the following new subsections:

(c) Chapter 31 of title 5, United States Code, is further amended by—

(1) amending section 3102 by—

(A) redesignating clause (4) of subsection (a) as clause (5) and striking out "and" at the end of clause (3) and inserting below such clause the following new clause (4):

"(4) 'deaf employee' means an individual employed by an agency who establishes, to the satisfaction of the appropriate authority of the agency concerned under regulations of the head of that agency, that he or she has a hearing impairment, either permanent or temporary, so severe or disabling that the employment of an interpreting assistant or assistants for the employee is necessary or desirable to enable such employee to perform their work.";

(B) amending subsection (b) by (i) inserting "and interpreting assistant or assistants for a deaf employee" after "or assistants for a blind employee", and (ii) amending the last sentence to read as follows:

"A reading assistant or an interpreting assistant, other than the one employed or assigned under subsection (d) of this section, may receive pay for their services by and from the blind or deaf employee or a nonprofit organization, without regard to section 209 of title 18."

(C) amending subsection (c) by inserting "or deaf" after "blind"; and

(D) inserting at the end thereof the following new subsection:

"(d) The head of each agency may also employ or assign, subject to section 209 of title 18 and to the provisions of this title governing appointment and chapter 51 and subchapter VIII of chapter 53 of this title governing classification and pay, such reading assistants for blind employees and such interpreting assistants for deaf employees as may be necessary to enable such employees to perform their work.";

(2) amending the analysis of chapter 31 by striking out the item relating to section 3102 and inserting in lieu thereof the following:

"3102. Employment of reading assistants for blind employees and interpreting assistants for deaf employees."; and

(3) amending the caption of section 3102 to read as follows:

"§ 3102. Employment of reading assistants for blind employees and interpreting assistants for deaf employees".

(d) Section 410(b)(1) of title 39, United States Code, is amended by inserting after "conduct of employees)" a comma and "3102 (employment of reading assistants for blind employees and interpreting assistants for deaf employees),".

On page 196, line 8, strike out (c) and insert in lieu thereof (e).

On page 197, line 9, strike out (d) and insert in lieu thereof (f).

On page 197, line 11, strike out (e) and insert in lieu thereof (g).

Mr. CRANSTON. Mr. President, joining me in offering this amendment are Senators WILLIAMS, JAVITS, RANDOLPH, and, I believe, STAFFORD. It is a simple amendment which has been worked out with the Civil Service Commission and the Committee on Governmental Affairs. The amendment, in part, clarifies a matter concerning the assignment of employees to be readers for blind employees. A recent decision by the General Accounting Office with respect to providing readers and interpreters for blind and deaf employees in training courses under the Government Employ-

ees' Training Act raised doubts as to the Federal Government's authority to hire or assign readers other than in connection with such training. The amendment we propose would clarify this by providing specific authority for the employment and assignment of readers for the blind. The proposed amendment would also expand current law to provide specific authority for the employment or assignment of interpreters for the deaf and, in addition, would specifically apply such authorizations to the Postal Service.

Mr. President, the administration agrees with the need for this amendment and favors its enactment. In this regard, I understand that Jule Sugarman, Vice Chairman of the Civil Service Commission, has, today, written to Senator RIBICOFF to this effect.

Mr. President, section 501 of the Rehabilitation Act of 1973 requires each department, agency, and instrumentality of the Federal Government—including the Postal Service and Postal Rate Commission—to submit to the Civil Service Commission an affirmative action program plan for the hiring, placement, and advancement of handicapped individuals in such department, agency, or instrumentality. Each year, the submitted plan is required to be updated by the submitting department, agency, or instrumentality and reviewed by the Civil Service Commission. The Commission, after such review, may approve the plan if it contains sufficient assurances, procedures, and commitments to assure adequate hiring, placement, and advancement opportunities for handicapped individuals within the submitting department, agency, or instrumentality.

In addition, Mr. President, section 7153 of title 5, United States Code, authorizes the President to prescribe rules which "shall prohibit, as nearly as conditions of good administration warrant, discrimination because of physical handicap in an Executive agency or in the competitive service with respect to a position the duties of which, in the opinion of the Civil Service Commission, can be performed efficiently by an individual with a physical handicap, except that the employment may not endanger the health or safety of the individual or others."

Mr. President, Congress has enunciated clearly our general goal that the Federal Government be a leader and an example with respect to the employment of handicapped individuals. At the time of passage of section 501 as part of the Rehabilitation Act of 1973, I stressed that the Federal Government should be "an equal opportunity employer." The amendment we are submitting today would assist us in reaching that goal with respect to handicapped individuals.

Currently, section 3102 of title 5, United States Code—initially enacted in Public Law 87–614—provides authority for the head of each agency to employ nonpaid readers for blind employees of the Federal Government without regard to provisions governing appointments in the competitive service. Contrary to the general prohibition against receiving salary from sources other than the Federal Government, subsection (b) of the section provides specifically that the reading assistant may be paid for his or her reading assistance services by the blind employee or a nonprofit organization. At the time of passage of Public Law 87–614, it was envisioned that readers would also serve on a voluntary basis. No comparable provision was included regarding the use of nonpaid employees as interpreters for deaf employees.

Mr. President, the limitation of section 3102 to "nonpaid employees" has restricted the ability of some Federal agencies to meet their section 501 obligations. As a result, during the past few months, a number of departments and agencies have written to the Commission with respect to readers. In this regard, I would like to insert in the RECORD a recent letter from the Honorable Elsa A. Porter, Assistant Secretary for Administration at the Department of Commerce, to the Honorable Alan Campbell, Chairman of the U.S. Civil Service Commission.

Mr. President, I ask unanimous consent that the text of that letter be printed in the RECORD at this point.

There being no objection, the letter was ordered to be printed in the RECORD, as follows:

U.S. DEPARTMENT OF COMMERCE,
THE ASSISTANT SECRETARY FOR ADMINISTRATION,
Washington, D.C., May 13, 1978.

Hon. ALAN K. CAMPBELL,
Chairman,
U.S. Civil Service Commission,
Washington, D.C.

DEAR CHAIRMAN CAMPBELL: As we implement the new appeals system for handicapped employees and applicants, my attention has been brought to the growing problem of providing readers for blind employees. At present agencies are authorized to assign regular employees the duty of reading on a part-time or as-needed basis or to appoint readers without compensation. Under the latter authorization, reading services are obtained either through unpaid volunteers or by individuals paid directly by the blind employees. None of these approaches is completely satisfactory, and I therefore propose that the Civil Service Commission initiate appropriate action to provide agencies the option of employing paid readers on a full-time, part-time, or when actually employed basis when justified by the employee's need and job functions. I see no real difference between providing paid reading assistance for the blind and providing secretarial or clerical assistance for any other employee.

The option I ask the Commission to consider could appropriately be accomplished through the establishment of a new Schedule A appointing authority. The existing mechanism for providing reading assistance would remain in effect and would be the preferred means of providing the assistance needed. The new authority would merely provide agencies with greater flexibility to meet the needs of their employees.

While I appreciate the traditional means of providing reading services, I feel they are inadequate to meet the needs of today and will greatly restrict our ability to respond to the challenges of tomorrow. The inadequacy of these means began to grow apparent with the advent of the Rehabilitation Act of 1973 (P.L. 93–112). Section 501 of the Act, as you know, requires Federal agencies to develop affirmative action plans for the hiring, placement, and advancement of handicapped persons. One result has been the expansion of employment opportunities for professionally trained blind persons. As one small example, this Department hired two blind attorneys. For them, immediate access to the written word is critical to the accomplishment of their duties.

Both employees, however, have faced constant problems obtaining the reading assistance they require. Their plight is shared by other blind employees in the Department and, I am certain, by visually impaired employees throughout the Federal government.

Do we not place an unfair burden on the blind by our inability to guarantee competent reading service when needed? Dependence on volunteers creates an aura of uncertainty both as to their availability when required and their familiarity with the kind of material they are reading. Readers of technical materials, for example, should ideally be somewhat knowledgeable about the subject matter in which they are reading in order to make it comprehensible to the blind. We cannot always be certain volunteers will have the proper backgrounds for this.

The competence of the reader is a minor problem compared to the difficulty of scheduling reading periods. Volunteers are not automatically available when needed, and agency employees likewise do not always find it easy to juggle their other work assignments in order to read to the blind at the time the service is necessary. It has been reported that on many occasions volunteers and/or agency employees have been available only when no reading was required and unavailable when it was. Conceivably, the unavailability of competent, timely reading assistance could adversely affect a blind employee's work performance to the extent that career advancement could not be justified. At the least this would appear to violate the requirements of Section 501 of the Rehabilitation Act. At most it might be grounds for a complaint under the new regulations.

The general policy of the Federal government is to become a model employer of handicapped individuals. This is specifically stated in Section 713.703 of the new Subpart G ("Prohibition Against Discrimination Because of a Physical or Mental Handicap") of the Commission's equal opportunity regulations. If agencies are to carry out this policy with respect to the blind, there must be greater flexibility than now possessed to meet and deal with the reading needs of the employees.

Section 713.704 of Subpart G discusses the topic of reasonable accommodations. The Section states in part:

(a) An agency shall make reasonable accommodation to the known physical or mental limitations of a qualified handicapped applicant or employee unless the agency can demonstrate that the accommodation would impose an undue hardship on the operation of its program.

(b) Reasonable accommodation may include . . . the provision of readers and interpreters, and other similar actions.

Item (c) provides guidance on determining whether a proposed accommodation would impose an undue hardship on the operation of the agency's programs. I feel that under whatever criteria are used, the authority I am proposing for giving agencies greater flexibility to meet the reading needs of the blind can only be seen as a means of carrying out the Commission's expressed policy with respect to the Federal government's role as a model employer and to the principle of reasonable accommodation.

On a peripheral note, I see evidence of increasing court-ordered accommodations for the handicapped. One precedent-setting decision was handed down last July when a Federal judge ordered Converse College in

South Carolina to pay for an interpreter for a deaf student. The judge ruled that the college's refusal to pay for interpreter services violated the regulations under Section 504 of the Rehabilitation Act. That Section states that no otherwise qualified handicapped individual shall, because of his handicap, be subjected to discrimination under any program receiving Federal financial assistance.

Section 504 does not address itself to the employment practice of Federal agencies, but Section 501, with its requirement for affirmative action to broaden employment and advancement opportunities for the handicapped, does. That section, together with the Commission's new regulations on prohibition of discrimination because of handicaps, the requirement to provide reasonable accommodation, and new court rulings, certainly justify the establishment of an appointing authority for reading assistants to the blind.

I fully recognize the great strides which are already being made to help the sightless. Use of special equipment like the Optacon and talking calculators is increasing, and new devices are under development. Braille materials, tapes and cassettes are appearing on a growing variety of topics. At the same time the blind are broading their own horizons and preparing themselves to enter new occupational fields.

The authority I propose is not seen as a panacea. Problems in fully accommodating all the needs of the blind will remain. The authority will at least assure agencies another means to be more directly involved in providing a needed service.

I hope the Commission will give prompt and thorough consideration to my proposal and look forward to your response.

Sincerely,

ELSA A. PORTER,
Assistant Secretary for Administration.

Mr. CRANSTON. Mr. President, Assistant Secretary Porter's letter graphically illustrates the limitations of section 3102. It is these limitations which the amendment we are submitting is designed to overcome, both with respect to the employment of blind individuals as well as deaf individuals.

Mr. President, in March of this year, the Civil Service Commission issued final regulations setting up procedures for processing complaints of discrimination based on physical or mental handicap (5 C.F.R. 713(G)). Included as part of those regulations are provisions that require agencies to make reasonable accommodations to the known physical or mental limitations of a qualified handicapped applicant or employee, unless the agency can demonstrate that the accommodation would impose an undue hardship on the operation of its program. Reasonable accommodation may include, but is not limited to, making facilities readily accessible to and usable by handicapped persons, job restructuring, part-time or modified work schedules, acquisition or modification of examinations, the provision of readers and interpreters, and other similar actions. The Commission's regulations on reasonable accommodations were based on the regulations issued by the Department of Labor for Federal contractors under section 503 of the Rehabilitation Act of 1973 and by the Department of HEW for Federal grant recipients under section 504 of the act.

Mr. President, the Federal Government must do no less than what it expects from the private sector with respect to affirmative action efforts in the employment of handicapped individuals.

Mr. President, our amendment would provide much-needed flexibility—a flexibility that should assist the Federal Government in the hiring and advancement of individuals handicapped by reason of sight or sound impairment. The amendment would not supplant existing authority; rather it would augment existing authority. It is a necessary step to assist us in meeting our responsibilities of promoting exemplary equal employment opportunity. I urge my colleagues to support it.

Mr. President, I ask unanimous consent that a short summary of the amendment, an analysis of changes which would be made by it in title 5, and the August 24 letter from the Civil Service Commission be printed in the RECORD at this point.

There being no objection, the summary was ordered to be printed in the RECORD, as follows:

SUMMARY AND ANALYSIS OF UNPRINTED AMENDMENT NO. 1767 REGARDING READERS FOR BLIND AND INTERPRETERS FOR DEAF EMPLOYEES

SUMMARY

The amendments would add to S. 2640 as reported new subsections (c) and (d) to section 301 to amend section 3102 of title 5, United States Code, and section 410 of title 39, United States Code, to:

(1) authorize the head of each agency to employ interpreting assistants to serve without Federal pay to assist any deaf employee (as defined in section 3102, as amended) of such agency in carrying out his or her job, and to permit such an interpreter to receive pay from the deaf individual or a nonprofit organization for such services;

(2) make specific that the assignment or employment of a paid employee as a reader for a blind or interpreter for a deaf employee does not constitute the provision of appropriate clerical or secretarial support for such employee;

(3) authorize agency heads to employ or assign as paid Federal employees readers for blind and interpreters for deaf employees; and

(4) make specific the application of the section 3102 authorities to the U.S. Postal Service.

ANALYSIS OF CHANGES MADE IN CURRENT LAW

Section 3102 would be amended by redesignating the caption to read as follows: "Employment of reading assistants for blind employees and interpreting assistants for deaf employees".

Subsection (a) would be amended by adding a new definition of deaf employee: An individual employed by an agency who satisfactorily establishes that he or she has a hearing impairment, either permanent or temporary or so severe or disabling that the employment of an interpreting assistant or assistants for such employee is necessary or desirable to enable such employee to perform his or her work.

Subsection (b) would be amended to include an interpreting assistant (or assistants) for a deaf employee as among those nonpaid employees whom the head of each agency is currently authorized to employ without regard to the competitive service and chapters 51 (relating to pay and allowances) and 53 (relating to pay rates and systems) provisions of title 5. In addition, subsection (b) would be amended to make specific that a reading or interpreting assistant (or assistants)—except for those employed or assigned under subsection (d) of section 3102 as amended—may be paid for their services by the blind or deaf employee or by a nonprofit organization without regard to section 209 of title 18 (relating to limitation on salaries of Federal Government employees being payable only by the United States).

Subsection (c) would be amended by making specific that the assignment or employment of a reading or interpreting assistant or assistants under section 3102 may not be held or considered to prevent or limit the assignment to the blind or deaf employee of appropriate clerical or secretarial assistance.

Section 3102 would be further amended by the insertion of a new subsection (d) authorizing the head of each agency to employ or assign, subject to section 209 of title 18 and chapter 51 and subchapter VIII of chapter 53 of this title relating to classification and pay, such reading assistants for blind employees and such interpreting assistants for deaf employees as may be necessary to enable such employees to perform their work.

The analysis of chapter 31 would be amended by redesignating the item relating to section 3102 to conform with the redesignated section heading.

Section 410(b)(1) of title 39 (relating to the specific applicability of certain statutory provisions to the Postal Service) would be amended to include section 3102 among the section so made applicable.

U.S. CIVIL SERVICE COMMISSION,
Washington, D.C., August 24, 1978.

Hon. ABRAHAM A. RIBICOFF,
Chairman, Committee on Governmental Affairs, U.S. Senate, Washington, D.C.

DEAR MR. CHAIRMAN: It is my understanding that Senator Cranston and others are proposing to introduce an amendment to section 3102 of title 5, United States Code, which essentially authorizes the employment of reading assistants for blind employees and interpreters for deaf employees.

In our view, the authorization to provide for these services is needed very much. Federal employers are required by law to exercise affirmative action in the hiring, placement, and advancement of handicapped persons. For the successful employment of blind and deaf persons, two of the most important accommodations are readers and interpreters. We have stated for some time that such services are allowable on an "as required basis" by other Federal employees, but experience shows that these services are often inadequate.

The real need is to convince managers that these are legitimate services and refusal to employ or promote deaf or blind individuals cannot be based upon a need for "extra" services. Senator Cranston's proposed amendment will be very helpful in overcoming these barriers and in assuring that the payment of these services is indeed legal. For these reasons, the Administration favors the amendment.

Sincerely yours,

JULE M. SUGARMAN,
Vice Chairman.

Mr. CRANSTON. Mr. President, the amendment is noncontroversial and I hope that it is acceptable to the floor managers of the pending measure.

● Mr. RANDOLPH. Mr. President, I am pleased to be a cosponsor of the amendment introduced by my good friend from California, Mr. CRANSTON. This amendment will aid blind Government employees and deaf Government employees by authorizing the employment of reading assistants and interpreting assistants, by authorizing the assignment of paid employees as reading or inter-

preting assistants, by authorizing the head of an agency to employ interpreting assistants to serve without pay, and by applying the provisions of section 3102 of the Civil Service Act to the Postal Department.

This amendment is similar to a bill I introduced in the 94th Congress, S. 1607. It was and is my strong conviction that it is time for the Government to realistically assist blind and deaf Federal employees so that they may have the same employment opportunities as other Americans. It is my feeling that this amendment will facilitate the employment of and advancement in employment of blind and deaf individuals in Federal service.

This amendment provides a flexible approach to meeting the reading and interpreting needs of blind individuals and deaf individuals. It must be remembered, however, that blind and deaf Americans have demonstrated that they have much to contribute, and there is no justification for requiring them to pay for their own reading assistants and interpreters. When S. 1607 was introduced, I emphasized that blind individuals and deaf individuals should not have to use their own funds, as is sometimes the case in Federal employment, to pay for reading assistants and interpreting assistants. Under this amendment, an agency will have available a variety of options for providing reading assistants and interpreting assistants to the blind employee and deaf employee, which will in no way require the blind or deaf individual to use his or her funds.

It is my feeling that it is important for the blind or deaf individual to be able to select an assistant with whom he or she can work most effectively. A blind or deaf individual's opportunity to select his or her reader or interpreter can contribute to a compatible working relationship and efficiency. While this amendment does not speak specifically on this point, the flexibility allows for the establishment of a policy regarding selection of reading assistants or interpreting assistants by the blind or deaf employee.

Mr. President, blind individuals and deaf individuals have much to contribute and will contribute even more if they are provided with the appropriate opportunities. This amendment will assist in the provision of those opportunities.●

Mr. RIBICOFF. Mr. President, the amendment of the distinguished Senator from California is acceptable to the manager of the bill.

Mr. PERCY. Mr. President, the amendment just offered by my distinguished colleague from California is, once again, a sound idea. It is acceptable. I know of no objection on this side.

Mr. CRANSTON. I thank the Senator very much.

I have now heard from Senator STAFFORD, and I ask unanimous consent that Senator STAFFORD may be added as a cosponsor and shown as such.

The PRESIDING OFFICER. Without objection, it is so ordered.

The question is on agreeing to the amendment.

The amendment was agreed to.

Mr. CRANSTON. Mr. President, I wish to express my thanks and appreciation to all the Senators and all those who helped us work this out. I also express by deep appreciation for the tremendous work Senator RIBICOFF and Senator PERCY have done in developing this bill. I think it will lead us to a more manageable, more responsible and responsive Federal Government, and I truly thank both of them for the work they and the other Senators have done.

I thank the Senator from Maryland for yielding to me.

Mr. MATHIAS. Mr. President, now that the Senate has undertaken consideration of S. 2640, the civil service reform bill, I wish to take this opportunity to commend my distinguished colleagues, the Senator from Connecticut (Mr. RIBICOFF), the chairman of the Governmental Affairs Committee and the Senator from Illinois (Mr. PERCY), the committee's ranking minority member for the serious and responsible work they have done on this important and essential legislation. The members of this committee labored long and for many hours to debate the issues and hear 12 days of testimony from 86 individuals representing 55 organizations.

That is just to give the Members of the Senate some concept of the scope of this work.

Mr. President, I have expressed some very strong views about this bill and its accompanying reorganization plan. While the committee has made major and substantial improvements in the bill, I think there is general agreement that there are several modifications that can and must be made on the floor.

The word "reform" always has a pleasing appeal. When it is associated with a project, there is a natural assumption that the project must be desirable and ought to be supported.

But good words like "reform" can be associated with programs which, though well motivated, are not carefully thought out.

This can have unfortunate results. Any real reform can be defeated. So even programs that are called reforms ought to be carefully examined. This is what we must do with this so-called civil service reform.

We have to be sure that the rough edges are smoothed off. We do not want to go back to the spoils system that existed in the days before civil service was instituted. We do not want to go back to raw political control of the Government, with Government employee upheavals at every election. We must keep these factors in mind while we are deciding how to reform the civil service.

When the committee first met to hear witnesses on the bill I expressed grave concerns that if the provisions of the bill were enacted there would be unbridled and unchecked discretion to politicize the civil service. The President had simply fallen short of his goal to provide Federal managers more discretion and flexibility in personnel management while at the same time assuring a civil service based on merit principles. I spoke specifically about the sweeping authority granted to the Director of the Office of Personnel Management. This Director would have the authority to make personnel policy for the Federal Government. There existed possibilities for manipulating the civil service for "personal or political favoritism" for personnel policy would be made by a single administrator serving at the pleasure of the President. I also pointed out that the bill neglected to give the public any opportunity to scrutinize the policymaking sessions of the OPM. Additionally, the proposed bill completely changed the examination system for Federal employees. It delegated authority to individual agencies rather than keeping that function with the Civil Service Commission. This meant a return to the pre-1965 era of civil service which was shot through with abuse, favoritism, delay, agency pressures and varying quality standards. Finally, the bill created a Senior Executive Service. This was first proposed by the second Hoover Commission back in 1955. The executives who will be included in this group have proven historically that they are the glue that holds the Government together during times of political transition or turmoil when the confidence of the American people in their Government must remain unshaken. Yet this bill granted authority to Presidential appointees to reassign, transfer, promote, and demote almost all top career executives and replace them with political or career appointees more to their liking.

Mr. President, the original proposal failed to recognize that Federal employees are, for the most part, dedicated, loyal men and women who work hard at their jobs. They want to be successful in their careers of public service. Very often they joined the civil service because of patriotic motives and deserve respect and dignity and security in their jobs.

The President's bill called for drastic firing capabilities. But we cannot be overzealous with our attempts to get rid of the deadwood. The President has said that in 1976, only 226 employees had been fired for incompetence and inefficiency. The President's figures were slightly in error. In fact, some 17,000 employees had been fired for cause in 1976. This indicates that the situation was not quite as bad as the President perceived it to be. Therefore, I do not think that the remedy should be quite as drastic as the President proposes. And this is one example—only one—of why we have to look carefully at the administration's civil service reform bill.

I concluded that the President's legislation could be salvaged, but only through amendments. So when the committee met to consider amendments to the bill, I sought to have several changes adopted. Senator STEVENS and I proposed modifications in the structure of the Office of Personnel Management that would provide bipartisan leadership. The changes would also limit the authority of this central personnel agency to conduct demonstration projects. The administration's bill granted authority to the OPM to conduct these projects for almost 5 years for upward of a quarter to a half million people, while setting

aside all civil service laws and important merit principles. Alterations in the examining process were suggested. Insuring the independence of the Merit Systems Protection Board and the Special Counsel was another goal. Lastly, these amendments called for important modifications regarding the burden of proof in adverse action cases against employees, providing basic protections to members of the Senior Executive Service and drastically curtailing opportunities for politicizing the Service.

These proposals met with mixed success, and as a result Senator STEVENS and I submitted Minority Views to the committee's report on this bill. Those views reiterated each of our concerns expressed during committee deliberations.

The distinguished chairman of the committee, Senator RIBICOFF offered several weeks ago to have his staff negotiate with Senator STEVENS' staff and my own to attempt to reach agreement on many of these issues. Senator PERCY's staff also participated in these talks. These sessions proved to be quite fruitful, for today I am pleased to report that Senators RIBICOFF, PERCY, STEVENS, and I have reached agreement to offer a joint amendment coordinated with the administration, that we believe adequately addresses most of the issues raised in the minority report. I assume that we will undertake consideration of this amendment later during the debate on this measure. There are other concerns that have not been addressed, however. The Senate must endeavor to make this a true "reform" package, smoothing its rough edges, while striking the proper balance between protection of merit principles and management flexibility.

AMENDMENT NO. 3533

(Purpose: Improving the protections afforded Federal employees)

Mr. MATHIAS. Mr. President, I call up amendment No. 3533.

The PRESIDING OFFICER. The amendment will be stated.

The legislative clerk read as follows:

The Senator from Maryland (Mr. MATHIAS), for himself, Mr. STEVENS, Mr. RIBICOFF, and Mr. PERCY, proposes an amendment numbered 3533.

Mr. MATHIAS. Mr. President, I ask unanimous consent that further reading of the amendment be dispensed with.

The PRESIDING OFFICER. Without objection, it is so ordered.

The amendment is as follows:

On page 152, line 6, strike out the end period and insert in lieu thereof a semicolon and "and".

On page 152, between lines 6 and 7, insert the following:

"(D) review, as provided in paragraph (6), rules and regulations of the Office of Personnel Management.".

On page 154, between lines 19 and 20, insert the following:

"(6)(A) At any time after the effective date of any rule or regulation issued by the Office of Personnel Management pursuant to section 1103(b) of this title, the Board shall review such rule or regulation upon—

"(i) its own motion;

"(ii) the petition of any interested person if the Board, in its sole discretion, grants such petition after consideration of it; or

"(iii) the filing of a written complaint by the Special Counsel.

"(B) In reviewing any rule or regulation pursuant to this paragraph the Board shall declare such rule or regulation invalid, in whole or in part, if it determines that—

"(i) such rule or regulation would, on its face, violate section 2302 of this title, including the prohibition against violating the merit system principles, if implemented by an agency, or

"(ii) such rule or regulation, as it has been implemented by agencies through personnel actions taken, or policies adopted in conformity therewith, violates section 2302 of this title, including such principles.

"(C) The Director of the Office of Personnel Management, and any agency implementing the rule or regulation under review in any proceeding conducted pursuant to this paragraph, shall have the right to participate in such proceeding. Any proceeding conducted by the Board pursuant to this paragraph shall be limited to determining the validity of the rule or regulation under review. The Board shall prohibit future agency compliance with any rule it determines to be invalid.".

On page 145, line 21, strike out "(b)" and insert in lieu thereof "(b)(1)".

On page 145, after line 25, insert the following:

"(2) If notice of a rule or regulation proposed by the Director is required by section 553 of this title, the Director shall insure that—

"(A) the proposed rule or regulation is posted in offices of Federal agencies maintaining copies of the Federal personnel regulations; and

"(B) to the extent the Director determines appropriate and practical, exclusive representatives of employees affected by such proposed rule or regulation and interested members of the public are notified of such proposed rule or regulation.".

On page 206, line 12, after "positions", insert "; number of career reserved positions".

On page 208, between lines 20 and 21, insert the following:

"(h)(1) Not later than one hundred and twenty days after the date of the enactment of the Civil Service Reform Act of 1978, and from time to time thereafter as the Director of the Office of Personnel Management finds appropriate, the Director of the Office of Personnel Management shall establish, by rule issued in accordance with section 1103(b) of this title, the number of positions out of the total number of positions in the Senior Executive Service, as authorized by this section or section 412 of such Act, that are to be career reserved positions. Except as provided in paragraph (2), the number of positions required by this subsection to be career reserved positions shall not be less than the number of positions which, prior to such date of enactment, were authorized to be filled only through competitive civil service appointment.

"(2) The Director of the Office of Personnel Management may, by rule, designate a number of career reserved positions which is less than the number required by paragraph (1) only if he determines it necessary to designate as a general position a position (other than a position described in the last sentence of section 3132(b) of this title) which—

"(A) involves policymaking responsibilities which require the advocacy or management of programs of the President and support of controversial aspects of such programs;

"(B) involves significant participation in the major political policies of the President; or

"(C) requires the executive to serve as a personal assistant of, or adviser to, a Presidential appointee or other key political figure.

The Director shall provide a full explanation for his determination in each case.

On page 212, between lines 1 and 2, in the item relating to section 3133, after "positions", insert "; number of career reserved positions".

On page 226, between lines 14 and 15, insert the following:

"(1) permit the accurate evaluation of job performance on the basis of criteria which are related to the position in question and specify the critical elements of the position;".

On page 226, line 15, strike out "(1)" and insert in lieu thereof "(2)".

On page 226, line 17, strike out "(2)" and insert in lieu thereof "(3)".

On page 226, line 19, strike out "(3)" and insert in lieu thereof "(4)".

On page 227, line 18, insert before "Upon" the following new sentence: "The Office of Personnel Management shall review each performance appraisal system developed by any agency under this section, and determine whether the performance appraisal system meets the requirements of this subchapter.".

On page 227, between lines 22 and 23, insert the following new subsection:

"(d) The Comptroller General shall from time to time review on a selected basis performance appraisal systems established under this section to determine the extent to which such system meets the requirements of this subchapter and shall periodically report its findings to the Office of Personnel Management and to Congress.

On page 201, strike out line 23, and insert in lieu thereof "prohibited personnel practices;".

On page 202, line 3, strike out "and".

On page 202, between lines 6 and 7, insert the following new paragraphs:

"(14) utilize career executives to fill positions in the Senior Executive Service to the greatest extent practicable consistent with the effective and efficient implementation of agency policies and responsibilities; and

"(15) provide for a professional management system that is guided by the public interest and free from improper political interference.".

On page 205, line 7, after the end period, insert the following new sentence: "Notwithstanding the provisions of any other law, any position to be designated as a Senior Executive Service position, except a position in the Executive Office of the President, which—

"(1) is under the Executive Schedule, or for which the rate of basic pay is determined by reference to the Executive Schedule, and

"(2) on the day before the date of the enactment of the Civil Service Reform Act of 1978 was specifically required by law, or was required under the provisions of section 2102 of this title, to be in the competitive service, shall be designated as a career reserved position, if the position entails direct responsibility to the public for the management or operation of particular government programs or functions.".

On page 146, line 21, after "service", insert ", except that the Director may not delegate open competitive examination authority with respect to positions whose requirements are common to agencies in the Federal Government other than in exceptional cases where the interests of economy and efficiency require it, and where such delegation will not weaken the application of the merit system principles.".

On page 307, beginning with line 18, strike out all through page 308, line 2, and insert the following:

"(i) Allocation of the costs of the arbitrator shall be governed by the collective-bargaining agreement. The collective-bargaining agreement may require payment by the agency which is a losing party to a proceeding before the arbitrator of reasonable at-

torney fees incurred by an employee who is the prevailing party if the arbitrator determines that payment is warranted on the grounds that the agency's action was taken in bad faith. If an employee is the prevailing party and the arbitrator's decision is based on a finding of discrimination prohibited by any law referred to in section 7701(h) of this title, attorney fees also may be awarded and shall be governed by the standards applicable under the Civil Rights Act of 1964, as amended (42 U.S.C. 2000e–5(k)).".

On page 308, line 13, after "section." insert the following: "The Authority may award attorney fees to an employee who is the prevailing party to an exception filed under this subsection, but only if it determines that payment by the agency is warranted on the grounds that the agency's action was taken in bad faith.".

On page 286, between lines 3 and 4, insert the following:

"§ 7205. Personnel Policy Advisory Committee

"(a) There is established, subject to the provisions of the Federal Advisory Committee Act, the Personnel Policy Advisory Committee (hereinafter in this section referred to as the 'Committee') which shall be composed of—

"(1) the Director of the Office of Personnel Management who shall serve as Chairman of the Committee;

"(2) the Secretary of Labor or his delegate;

"(3) five members appointed by the President from among individuals serving in Executive agencies and military departments in positions not less than the positions of Assistant Secretary or their equivalents;

"(4) one member appointed by the President from the Deputy and Associate Directors of the Office of Personnel Management; and

"(5) seven members appointed by the President who shall be officers of labor organizations representing employees in the Federal Government.

Appointments made under paragraph (5) shall reflect the relative numbers of the total Federal employees which are represented by such labor organizations, or affiliates thereof, except that no more than four members shall be from one such organization or its affiliates.

"(b) It shall be the function of the Committee to provide a forum for discussion by agency management and employee representatives of Federal personnel policy and regulations which affect more than one agency, and to make recommendations with respect to such policies and regulations.

"(c)(1) The Committee shall meet at the call of the Chairman but at least once quarterly. The Chairman shall notify each member of a proposed meeting at least fourteen days before it is to be held.

"(2) The Chairman shall prepare an agenda of topics for consideration by the Committee in any meeting and shall include such agenda in the notice sent under paragraph (1).

"(3) If one-third of the members present at a meeting vote to discuss an unscheduled topic, it shall be discussed.

"(d)(1) Recommendations of the Committee may be considered by the Office of Personnel Management in the formulation of Federal personnel policies and regulations.

"(2) Copies of the transcripts of the meetings of the Committee shall be sent to the Merit Systems Protection Board and the Federal Labor Relations Authority.

"(e)(1) Except as provided in paragraph (2), members of the Committee shall receive as compensation the daily equivalent of the annual rate of basic pay in effect for grade GS–18 for each day (including traveltime) during which they are engaged in the actual performance of duties vested in the Committee.

"(2) Members of the Committee who are full-time officers or employees of the United States shall receive no additional pay on account of their service on the Committee.

"(3) While away from their homes or regular places of business in the performance of service for the Committee, members of the Committee shall be allowed travel expenses, including per diem in lieu of subsistence, in the same manner as persons employed intermittently in the Government service are allowed expenses under section 5703 of this title.".

On page 271, between lines 2 and 3, after the item relating to section 7204, insert the following new item:

"7205. Personnel Policy Advisory Committee.".

Mr. HATCH. Will the Senator yield for a unanimous-consent request?

Mr. MATHIAS. I am glad to yield.

Mr. HATCH. Mr. President, I ask unanimous consent that Kristine Iverson of my staff and Robert Hunter of the staff of the Human Resources Committee be accorded the privilege of the floor throughout the debate on this measure and any votes thereon.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. MATHIAS. Mr. President, after this legislation had been reported by the Governmental Affairs Committee, Senator STEVENS and I made our objections known by submitting minority views to the report on the bill. Thereafter, we submitted several amendments to the legislation that reflected the serious nature of our concerns with this bill. Mr. RIBICOFF, the distinguished senior Senator from the State of Connecticut, and chairman of the Governmental Affairs Committee and Senator PERCY, the ranking minority member of the committee, agreed to begin sessions with Senator STEVENS and myself in an effort to satisfy or at least meet some of our concerns. I am pleased that these discussions have produced highly satisfactory results. After each of us had reached substantial agreement on these issues, our staffs met with representatives of the administration and reviewed with them the package that is now represented by this amendment.

Mr. President, the bill as reported by the committee does not provide sufficient checks on the policymaking powers of the Director of the Office of Personnel Management. Without some restrictions, the Director of the Office of Personnel Management, as a political appointee of the President, could issue rules which would politicize the civil service in violation of merit system principles.

This amendment provides that at any time after the effective date of any rule or regulation issued by the OPM the Board is directed to review the rule or regulation upon the filing of a written complaint by the special council. The Board in its discretion may review the regulation upon its own motion. The Board is further directed to consider the petition of any interested person, and may grant the petition in its sole discretion. The Board must declare the rule or regulation invalid if it finds that the rule or regulation, on its face, if implemented would constitute a prohibited personnel practice or violate merit system principles. The rule or regulation shall be declared invalid if, as implemented, through personnel actions taken or policies adopted in conformity therewith, violates merit system principles or constitutes a prohibited personnel practice.

Mr. President, this amendment draws a distinction between a regulation or rule prior to or after implementation. The authority given to the Board to invalidate rules or regulations prior to implementation reflects our concern that hundreds of civil servants and many agencies should not be placed in the unseemly position of acting upon a regulation or being affected thereby when it is obvious that implementation would amount to illegality. We—let me say, Mr. President, I think we must caution that this provision should never be interpreted to give a stamp of approval to any rule or regulation that the Board may not have considered.

The Board may act only after the effective date of the rule or regulation, for we feared that if the Board were required to act prior to the effective date, its silence or failure to act may be interpreted as a sign of approval or its signoff of the rule's validity under the law. Thus the Board is not limited as to when it may consider or review any rule or regulation, as long as it is after the rule's effective date.

I might further say, as a matter of legislative history, that the term "interested person" is not meant to be overly restrictive. Rather, it is designed to have the same meaning as that term is given in the context of the Administrative Procedure Act, and all the case law construing its meaning.

SENIOR EXECUTIVE SERVICE

Mr. President, there is a major danger in the provisions of the bill that create the senior executive service. Currently there are about 9,000 executive positions in the Federal service (aside from those filled by Presidential appointees). About 10 percent, or 900 of these, are designated as specific positions to be filled politically. The administration proposes to change this so that most of the 9,000 positions could be filled by political appointment, although at one time no more than 10 percent of all executive positions could be occupied by political appointees.

Once the impartiality and nonpartisanship of a career executive is no longer a requirement for filling these positions, the baser elements of human nature will flourish. Significant numbers of career people in positions in and just below the senior executive service will surely be encouraged to use their official discretion in subtle ways to serve partisan and special interests. Some unfortunately will probably succumb to the temptation in hopes of being looked on favorably as they seek entry into the senior executive service. Of course, with a career appointment, these individuals would not be part of the 10-percent limitation on the number of political appointees. They would remain career appointees—who have demonstrated their political reliability. In other words, it would be relatively easy to politicize far more than 10 percent of these positions in this service, particularly so because career execu-

tives could be reassigned and demoted without cause.

To satisfy ourselves that this scenario is not farfetched, we need only read the House Post Office and Civil Service Committee's "Final Report on Violations and Abuses of Merit Principles in Federal Employment." It reads:

Testifying in closed session before the Senate Select Committee, John Ehrlichman, Counsel to President Nixon for Domestic Policy, was asked if there was an interest to influence the career service in a partisan manner. Mr. Ehrlichman responded to Senate committee staff by saying, "It was an itch on our part to get friends in the departments rather than the people that we found there, but that was just a general ongoing desire on our part." The Committee Counsel asked if career positions as well as others were considered. "Sure . . .", was Mr. Ehrlichman's reply. The Committee Counsel asked how something such as this would be carried out, and Mr. Ehrlichman's response was, "By attrition essentially . . ."

It takes very little imagination to predict what would happen if Presidential appointees had the power to create attrition at will.

This amendment, which I am joined in by the distinguished Senator from Alaska, as well as by Senator RIBICOFF and Senator PERCY, will provide adequate safeguards against the possibilities for politically abusing the Senior Executive Service. We have proposed that within 120 days of the effective date of the Civil Service Reform Act, the Director of the Office of Personnel Management, by rule and in accordance with the rule and in accordance with the rulemaking provisions of the Administrative Procedure Act, must specify the number of positions in the Senior Executive Service that are to be career reserved positions. That number can be no less than the number of positions that can today be filled only through competitive civil service appointment. This means that the Director of the OPM will designate approximately 5,100 of the almost 9,000 positions in the Senior Executive Service that will be career reserved. The Director of the OPM is given the authority by our amendment to reduce the number of career reserved positions by designating them general positions. In order to do so, however, he must make a finding with respect to each such position he proposes to redesignate. He must find that the position: Involves policy making responsibilities which require the advocacy or management of programs of the President and support of controversial aspects of such programs; involves significant participation in the major political policies of the President; or requires the Executive to serve as a personal assistant of, or adviser to, a Presidential appointee or other key political figure. These criteria for designating positions as general reflect the view that any such redesignation should be considered to be motivated primarily by political considerations. These criteria that were established by Executive Order during the Eisenhower administration, and modified by the Johnson administration, provide a reasonable balance for management flexibility, protection against political and personal favoritism, and most important, the effective continuity of Government.

Mr. RIBICOFF. Mr. President, I commend the Senator from Alaska and the Senator from Maryland. They were very, very watchful watchdogs, and both the ranking minority member and myself feel that they have made a substantial contribution and have improved the bill.

We are very pleased to accept the Senator's amendment.

Mr. MATHIAS. Mr. President, the Senator from Connecticut is extremely kind and generous as he always is.

I know that the Senator from Alaska and I both share a sense of appreciation to him for his sentiments here as for his cooperation throughout the whole process.

Mr. President, I might just comment briefly on one aspect of the bill that we have not yet covered, and that is the question of competitive examinations.

The bill as it left the committee would authorize shifting from the central personnel agency to each individual agency the authority to examine applicants for jobs in that agency, and this, of course, was the practice in Civil Service prior to 1965, and those of us who were in Congress prior to 1965 will remember that there were many complaints that there was an uneven system, that there was a difference in the way applicants were being treated agency to agency, and in one part of the country to the other, and it was considered a great reform in 1965 that we centralized the system.

I personally think it would be a mistake to go back to the previous system and just one example of why it would be a mistake is included in a recent report of the Civil Service Commission which states that—

136,000 white collar jobs are overgraded.

And I think this overgrading can be traced in a great many of these cases to the fact that the agency managers pressure for the overgrading. They are pushing for this overgrading, and it is an example of what can happen when more of the recruiting activity is delegated to the agencies.

There are, of course, problems in the centralized system. The biggest one is that it takes too long to fill the jobs.

But the record seems to indicate that most of the delay is in the agencies, not in the area offices of the Commission, and steps can be taken to speed up that process and to make other improvements.

So, this amendment very briefly also prohibits the delegation of competitive examination authority for the positions common to agencies.

There may be delegation when the positions are unique to agencies or in extraordinary circumstances in the interests of economy and efficiency because, as the Senator from Alaska said, we are all interested in the most economic, the most efficient, and the most effective Government service that we can get. But I do not think we can reach that kind of a civil service if we are not very careful and very searching in the ways that we recruit people into the service.

Therefore, we suggest the prohibition of the delegation of competitive examinations be accepted under these extraordinary circumstances.

RULE POSTING REQUIREMENTS

Mr. STEVENS. Mr. President, this addition to the civil service reform bill will assure Federal workers an early notice of new rules and regulations enacted by the Office of Personnel Management. The provision requires a posting of these regulations in Federal offices maintaining copies of the Federal personnel regulations. The requirement will have the effect of advising concerned government employees at their general office location regardless of its remoteness to Washington, D.C.

This amendment is an improvement of the Administrative Procedure Act. The Procedure Act depends heavily on notification through the Federal Register. Such notification becomes less effective for the lower grades of government employees who are not accustomed to reviewing the Register regularly. This point is also valid in the smaller government installations found in many States.

This posting requirement is a straightforward attempt to notify all employees of new rules and regulations that will affect their jobs. The requirement includes notification of employee representatives. The process should promote a clear understanding of Federal regulations early in the implementation stage. Combined with new authorities of the Merit System Protection Board, adequate notification will promote merit principles and minimize questionable regulations which might result in prohibited personnel practices if implemented by the agency.

POLICY OF CAREER PLACEMENT IN THE SES

Mr. President, this amendment establishes two important principles in the administration of the Senior Executive Service.

One revision represents a policy statement advocating maximum utilization of career service employees. The reform bill authorizes a ceiling of 10 percent for the placement of political appointees. Ten percent should not become a goal of each administration. We hope the goal of placement in the Senior Executive Service will center on individual qualifications for Government service. Therefore, maximum placement of career employees will be in the best public interest.

The second change states a goal for the Senior Executive Service. I believe that statement is self-explanatory and self-supporting. The change establishes as Senior Executive Service policies: "goals for a professional management system and the necessity to assure career members protection from prohibited personnel practices."

CERTIFICATION OF APPRAISAL SYSTEMS

Mr. President, this revision to the reform bill will improve the quality of performance appraisal systems to be used in the Senior Executive Service. There can be few things of more importance to these executives than the technique of their evaluation.

The amendment will require the Office of Personnel Management to review all performance appraisal systems prior to implementation. This review will promote objective systems that will uniformly evaluate performance within the ex-

ecutive group regardless of the agency. One approving authority, the Office of Personnel Management, will assure adherence to merit principles in the development of all performance appraisal systems.

A second benefit of this amendment involves a statutory auditing role for the General Accounting Office. The GAO will perform representative audits of performance appraisal systems in the Senior Executive Service. The Comptroller General will issue reports periodically on the effectiveness of these appraisal systems.

ADVISORY COMMITTEE FOR THE DIRECTOR OF THE OFFICE OF PERSONNEL MANAGEMENT

This amendment establishing an advisory committee will fulfill one of the recommendations of the Personnel Management Project of the President's reorganization plan. Senate bill 2640 confines the scope of collective bargaining to those matters which properly belong within the purview of labor-management consultation. Specifically, it excludes matters governed by the policies and regulations of the Office of Personnel Management and the Merit Systems Protection Board. And it bars consideration of issues reserved as management rights: the determination of the agency's mission, budget, organization, and work force size and structure. These restraints are fully consistent with the objectives of providing administrative efficiency and protecting the public interest.

However, it is important that neither labor nor management be excluded from the process of developing rules and policies. Unions must work under central personnel management requirements. Agencies must administer them. Most importantly, both unions and agencies possess extensive knowledge of the general and the particular aspects of the substance of central management decisions. It is important that unions and agencies be provided a formal consultative role in the policymaking process.

While the central personnel agencies have frequently consulted with unions and agencies in the past, these were ad hoc processes initiated by the personnel agencies. There is no process which insures that consultation is systematic.

This amendment will establish a regular and structured conference procedure. It provides for Presidential appointment of a fifteen-member Personnel Policy Committee. The Director of the Office of Personnel Management will chair the committee, which will also include seven members from among the heads of executive agencies and military departments and seven members selected from unions, primarily on the basis of their relative size in representing Federal employees.

The Personnel Policy Committee will meet at least once a quarter. It will be able to consider all Federal personnel policies and regulations which affect more than one agency.

Ideally, the Personnel Policy Committee will provide a forum at which management and organized labor will offer, defend, and consider recommendations on Federal personnel policies and regulations. The amendment is designed to establish harmony between, first, the desire of unions and agencies to have a meaningful and systematic role in determining central personnel agency rules; and, second, the need of the central personnel agencies to achieve the effective execution of laws and Presidential directives.

In drawing on the insight and expertise of labor and management, the proposal will improve the efficiency and preserve the authority of Federal personnel management.

PAYMENT OF ATTORNEY FEES IN ARBITRATION

Mr. President, this revision provides for attorney fees incurred by an employee who is the prevailing party in an arbitration case. This amendment will be superseded by negotiated agreements where the agency and the representative of employees have agreed to alternative terms in a contract. The intent of this amendment is to provide a standard rule on such awards that is consistent with the provisions available to the Merit Systems Protection Board.

The arbitrator shall decide the award of such payments if the Agency's action is considered to have been taken in bad faith. The award should cover reasonable attorney fees and accepted court expense items such as filing fees and the cost of transcripts. It is our intention that these awards should reflect the actual costs incurred, realizing that costs in some States would be higher than others for the same case.

The provisions of this amendment are consistent with the accepted awards authorized in the statutory process of appeals. Title VII of the civil service reform bill provides the employees working within negotiated agreements to have a choice between the statutory appeals process or the terms of the contract. This amendment corrects an inequity that exists if the employee chooses arbitration.

The amendment authorizes the Federal Labor Relations Authority to grant attorney fees in the same manner described for the arbitrator. Obviously, some arbitration decisions will be appealed to this new Authority. The intention of this revision is to provide relief equivalent to the statutory process when the employee decided on arbitration. Such fees will include those appropriate costs which had been incurred in the arbitration process.

Mr. RIBICOFF. Mr. President, I ask unanimous consent that both the committee amendment in the nature of a substitute as amended and the amendments proposed by the Senator from Maryland, and others, be agreed to and as agreed to be considered original text for purposes of further amendment.

The PRESIDING OFFICER. Without objection, the committee amendment as amended, is agreed to.

Mr. PERCY. Mr. President, I concur that the amendment before us should be accepted as original text. This amendment which is the result of long and arduous negotiations of staffs representing Senator RIBICOFF, myself, Senators MATHIAS and STEVENS, was accepted by the administration in a meeting of four Senators with President Carter and Chairman Campbell, Chairman of the Civil Service Commission.

The purpose of the amendment is to address concerns that S. 2640 as reported from committee contain the potential for political abuse in the Federal bureaucracy.

The amendment addresses these fears while retaining the essential structure and thrust of the overall legislation. For instance, the Merit System Protection Board review procedure is drafted so as not to allow MSPB a role in policymaking, this area being reserved for OPM. It is simply a way to assure that OPM in implementing policy through regulations does not step over the line and commit prohibitive personnel actions which is the sole standard of review for striking regulations down.

The amendment is structured to allow MSPB to act any time after the effective date of the regulation, either before harm has been done, or in response to harm that has been done.

The purpose of the amendment is to assure against political manipulation of the senior executive service as well as to establish a presumption in favor of career reserve positions.

I find that the amendment which has been worked out is extraordinarily helpful and certainly incorporated as original text is acceptable to the Senator from Illinois.

Mr. LEAHY. I ask unanimous consent that David Julian of my staff have all privileges to the floor for today, during votes and debates.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. RIBICOFF. Mr. President, I make the same request in behalf of Jim Davidson, Terry Jolly, and Andy Conlin of Senator MUSKIE's staff.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. THURMOND. Mr. President, I ask unanimous consent that Eric Hultman of the Judiciary Committee staff be allowed on the floor during the debate and votes on S. 2640.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. MATHIAS. Mr. President, I ask unanimous consent that Mr. Fred Williams, of the staff of the distinguished Senator from Indiana (Mr. BAYH) be accorded the privilege of the floor during this debate.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. RIBICOFF. Mr. President, I also ask unanimous consent that George Kerr, of Senator MOYNIHAN's staff, be granted the privilege of the floor during the consideration and votes on S. 2640.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. RIBICOFF. Mr. President, I suggest the absence of a quorum.

The PRESIDING OFFICER. The Clerk will call the roll.

The second assistant legislative clerk proceeded to call the roll.

Mr. STEVENS. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. STEVENS. Mr. President, I would like to submit three amendments which have been discussed with the staff of the Committee on Governmental Affairs. The amendments are not complicated, and I feel they will improve some important aspects of the civil service reform bill. It is my desire to try to reach a quick decision on these revisions. Would that be acceptable to the manager of the bill at this time?

Mr. RIBICOFF. Yes, it would. I will say to the distinguished Senator from Alaska or ask are they the four amendments which have been submitted?

Mr. STEVENS. These are three amendments that we would like to treat individually, if we may.

Mr. RIBICOFF. I have no objection.

UP AMENDMENT NO. 1768

(Purpose: Providing for review of certain performance appraisal system)

Mr. STEVENS. I send the first amendment to the desk, Mr. President.

The PRESIDING OFFICER. The clerk will report.

The second assistant legislative clerk read as follows:

The Senator from Alaska (Mr. STEVENS) proposes an unprinted amendment numbered 1768.

Mr. STEVENS. Mr. President, I ask unanimous consent to dispense with further reading of the amendment.

The PRESIDING OFFICER. Without objection, it is so ordered.

The amendment is as follows:

On page 173, line 25, before "If" insert the following: "The Office of Personnel Management shall review each performance appraisal system developed by any agency under this section and determine whether the performance appraisal system meets the requirements of this subchapter.".

On page 174, between lines 6 and 7, insert the following:

"(c) The Comptroller General shall from time to time review on a selected basis performance appraisal systems established under this subchapter to determine the extent to which such system meets the requirements of this subchapter and shall periodically report its findings to the Office of Personnel Management and to Congress.

Mr. STEVENS. This amendment deals, Mr. President, with OPM review of performance appraisal systems.

S. 2640 permits agencies to develop new performance appraisal systems for the evaluation of employees. My amendment would require the Office of Personnel Management to review all the new appraisal systems.

The provision will insure compliance with merit principles and appropriate personnel standards.

Existing performance ratings in the civil service fail to measure the relative merits of employees. The rating system is a burden that withdraws more in effort than it returns in efficiency or morale. Performance appraisals must be conducted uniformly, efficiently, and objectively. They should tell the employee what management thinks of his present contribution and his future prospects.

They should help mangement to utilize its employees more fully.

My amendment will insure central approval of all new appraisal systems. In addition, my proposal will require an audit of Federal personnel appraisal systems by the General Accounting Office. Congress would then receive periodic reports from the Comptroller General concerning the results of such an audit.

I am hopeful that the managers will accept this amendment as it is offered.

Mr. RIBICOFF. Mr. President, the amendment is acceptable to the manager and the administration as well.

Mr. PERCY. Mr. President, I would like to ask the distinguished Senator from Alaska to yield for a question. In the opening statement of the Senator from Illinois he made reference to the fact that the appraisal system in the Federal Government today just seems to be a terrible waste of time. I would throw the whole thing out kit and kaboodle. If you take 2 million people and ask for a performance evaluation of them, and year after year you get 95 percent of them just rated satisfactory, there just are not that many good people in the private sector or wherever they may be.

Does the Senator's suggested amendment in any way improve that situation or have any effect upon it so that we really have an appraisal system that will, a performance that will, really be meaningful? In a grade system inside schools you grade people against one another for performance from top to bottom many times. Is there anything in the Senator's amendment that would have any effect on that whatsoever, in view of the present system which the Senator from Illinois has criticized?

Mr. STEVENS. Mr. President, I would like to respond to the Senator from Illinois by saying that the first amendment deals with the centralization of the performance appraisal systems through a review by OPM.

My second amendment will require the establishment of objective criteria in the development of the systems.

The bill already permits the development of new performance appraisal systems. We would like to have those systems approved by OPM so that one agency is not developing a step backward while another one is developing a step forward.

The second amendment will give OPM the right to establish what are objective criteria for these performance appraisal systems.

I commented in my statement that I believe, having served in the civil service system, that the present review is a tremendous amount of paperwork which achieves very little for the management or for the employees.

We are trying to develop, and the bill instructs the agency to develop, new performance appraisal systems. But we think they ought to be coordinated. That is what this amendment will do.

The next one will set up important guidelines for the development of such systems.

Mr. PERCY. As I understand the amendment, there is an audit procedure for this policy control that is being introduced, where the Comptroller General will report periodically to Congress on the performance of the civil service and how OPM is responding to this amendment.

Mr. STEVENS. That is right. We feel the GAO ought to be able to look from outside the OPM and the civil service system, determine whether these new performance appraisal systems are working, and periodically give the committees of Congress a report on what the OPM has done to carry out the authorization to develop new performance appraisal systems. GAO will, in effect, evaluate the effectiveness of those new systems.

Mr. PERCY. The Senator from Illinois finds the amendment—in fact, all three amendments when we get to each, acceptable, and very much in the spirit of what the Senator from Illinois hoped to accomplish.

The Senator from Illinois has not worked in the civil service, but has had civil servants, while serving in the U.S. Navy, working for him, and has seen the rigidity of that system years and years ago.

The Senator from Illinois has had testimony directly given to him throughout the State of Illinois and in hearings here in Washington as to the rigidity of the system and the lack of effectiveness of performance ratings, so that the Senator commends his distinguished colleague for these amendments.

As part of the legislative history, the Senator from Illinois would request that the Comptroller General make careful audits of the so-called quality control that is now being introduced, in order to evaluate the system's fairness and general administrative suitability, so that when we look at performance appraisals of individuals, we can have them in such a way that we can take into account promotions that should be received, awards that should be received, and removals that should be made.

That is the essence of the system. But when you get a report that 95 percent of all the employees of the Federal civil service are satisfactory, where do you begin then? There simply is no real basis for that, and I commend our distinguished colleague for giving us the opportunity to point out the necessity of having a performance appraisal system for employees that is far more effective than we have under our present civil service system.

Mr. STEVENS. I thank my colleague.

Mr. President, I ask unanimous consent that my amendment be printed in the RECORD at this point. I ask unanimous consent that I may offer the second amendment so that the two amendments may be considered en bloc, inasmuch as they deal with the same subject.

The PRESIDING OFFICER. Without objection, it is so ordered.

The amendment (UP No. 1768) is as follows:

On page 173, line 25, before "If" insert the following: "The Office of Personnel Management shall review each performance appraisal system developed by any agency under this section and determine whether the performance appraisal system meets the requirements of this subchapter.".

On page 174, between lines 6 and 7, insert the following:

"(c) The Comptroller General shall from time to time review on a selected basis per-

formance appraisal systems established under this subchapter to determine the extent to which such system meets the requirements of this subchapter and shall periodically report its findings to the Office of Personnel Management and to Congress.

UP AMENDMENT NO. 1769

(Purpose: Requires identification of critical elements in the evaluation of job performance)

Mr. STEVENS. Mr. President, I send the second amendment to the desk.

The PRESIDING OFFICER. The amendment will be stated.

The bill clerk read as follows:

The Senator from Alaska (Mr. STEVENS) proposes an unprinted amendment numbered 1769.

Mr. STEVENS. I ask unanimous consent that further reading of the amendment be waived.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. STEVENS. I ask that the amendment be printed in the RECORD at the conclusion of these remarks outlining its effect.

The PRESIDING OFFICER. Without objection, it is so ordered.

(See exhibit 1.)

Mr. STEVENS. Mr. President, I wish to submit an amendment to establish objective criteria in the development of performance appraisal systems. Senate bill 2640 requires agencies to develop new appraisal systems to evaluate the performance of all employees affected by the legislation. These systems for employee evaluation will be even more significant than current applications. Personnel actions including removal have been strengthened by a streamlining of the appeals process. The basis for adverse action will be even more clearly centered on the employees' performance appraisal.

The appraisal systems currently used in civil service have been widely criticized. The fact that practically all evaluations result in a satisfactory rating is a symptom of the problem. The current system lacks some specific standards to meet the goals of personnel evaluation required in the civil service reform bill.

The reform bill requires agencies to develop new performance appraisal systems consistent with criteria to be established by the Office of Personnel Management. Yet the bill is silent on establishing one criterion of the greatest importance. Critical elements of the position must be clearly stated as basis for performance evaluation. Critical elements should be defined as those specific skill levels, responsibilities, or individual actions which will be evaluated in performance appraisal.

My amendment requires performance appraisal systems to identify the critical elements of a position. The employee must know the specific criteria which will be used in his evaluation. This amendment clearly states that intention.

Mr. President, I am hopeful that since we have considered these two amendments together, the managers of the bill will accept them en bloc.

EXHIBIT 1

Mr. STEVENS' amendment (UP No. 1769) is as follows:

On page 169, line 24, after "system", insert the following: "which permit the accurate evaluation of job performance on the basis of criteria which are related to the position in question and specify the critical elements of the position".

Mr. RIBICOFF. Mr. President, as manager of the bill, I am willing to accept the amendments of the Senator from Alaska. I understand that the amendments are satisfactory to Senator PERCY as well.

Mr. STEVENS. I move, then, that the amendments be agreed to en bloc.

The PRESIDING OFFICER. The question is on agreeing, en bloc, to the amendments (UP No. 1768 and UP No. 1769) of the Senator from Alaska (Mr. STEVENS).

The amendments, en bloc, were agreed to.

UP AMENDMENT NO. 1770

(Purpose: To minimize Federal involvement in State and local government personnel matters)

Mr. STEVENS. Mr. President, I have a third amendment, which I send to the desk.

The PRESIDING OFFICER. The amendment will be stated.

The bill clerk read as follows:

The Senator from Alaska (Mr. STEVENS) offers an unprinted amendment numbered 1770.

Mr. STEVENS. I ask unanimous consent that further reading of the amendment be dispensed with.

The PRESIDING OFFICER. Without objection, it is so ordered.

The amendment is as follows:

On page 265, line 22, after the word "and" insert the following: "such standards shall be prescribed in such a manner as to minimize Federal intervention in State and local personnel administration and".

Mr. STEVENS. Mr. President, I am offering this amendment to reduce Federal involvement in State and local personnel administration. Senate bill 2640 currently permits Federal agencies to require, as a condition of participation in assistance programs, systems of personnel administration consistent with personnel standards prescribed by the Office of Personnel Management. These standards will apply specifically to the positions involved in carrying out the assistance programs.

Adherence to merit principles is desirable in all personnel systems, whether Federal, State, or local. But the imposition of other Federal personnel standards on State and local governments is often inappropriate.

Federal intervention in State and local personnel administration interferes with State sovereignty. The power to govern State and local employees is a right which properly belongs to State and local governments. Such power is indispensable to the separate and independent existence of these jurisdictions.

This amendment will require that the personnel standards, prescribed by the Office of Personnel Management and governing individuals administering assistance programs, be designed to minimize Federal intervention in State and local personnel administration. Its purpose is to limit the authority of the Office of Personnel Management in establishing rules governing employees outside of the Federal system. The amendment will improve the administration and execution of Federal assistance programs and protect the right of State and local authorities to govern their own employees.

I hope, again, that the managers of the bill will find this injunction, which requires that particular OPM standards shall be prescribed in such a manner as to minimize Federal intervention in State and local personnel administration, acceptable to them.

Mr. RIBICOFF. Mr. President, the amendment of the Senator from Alaska is acceptable to the manager of the bill, and also to the ranking minority member (Mr. PERCY).

Mr. STEVENS. Mr. President, I ask unanimous consent that the amendment be printed in the RECORD following my remarks, and I move its adoption.

The PRESIDING OFFICER. Without objection, it is so ordered. The question is on agreeing to the amendment.

The amendment was agreed to.

Mr. STEVENS' amendment (UP No. 1770) is as follows:

On page 265, line 22, after the word "and" insert the following: "such standards shall be prescribed in such a manner as to minimize Federal intervention in State and local personnel administration and".

The PRESIDING OFFICER (Mrs. HUMPHREY). The Senator from Illinois.

UP AMENDMENT NO. 1771

(Purpose: Allowing the Board to make a finding in cases of prohibited personnel practices involving Presidential appointees)

Mr. PERCY. Madam President, I send an unprinted amendment to the desk and ask for its immediate consideration.

The PRESIDING OFFICER. The amendment will be stated.

The assistant legislative clerk read as follows:

The Senator from Illinois (Mr. PERCY) proposes an unprinted amendment numbered 1771.

Mr. PERCY. Madam President, I ask unanimous consent that further reading of the amendment be dispensed with.

The PRESIDING OFFICER. Without objection, it is so ordered.

The amendment is as follows:

On page 162, strike out lines 18 through 20, and insert in lieu thereof the following: "(1) If the Special Counsel determines, after any investigation under this section of any prohibited personnel".

On page 163, strike out lines 5 through 11.

On page 163, strike out lines 16 through 20, and insert in lieu thereof "Systems Protection Board.".

On page 165, line 14, strike out "Any" and insert in lieu thereof "(a) Except as provided in subsection (b), any".

On page 166, line 9, strike out the end quotation marks and the end period.

On page 166, between lines 9 and 10, insert the following:

"(b) In the case of an employee in a confidential, policy-making, policy-determining, or policy-advocating position who was appointed by the President, by and with the advice and consent of the Senate, such employee shall be entitled to the hearing provided in subsection (a) but the Board shall issue no final order in such case. The Board shall transmit to the President, and make available to the public, its findings and recommendations for disciplinary action in such case.".

Mr. PERCY. Madam President, the Governmental Affairs Committee put much effort into developing this civil service reform bill to absolutely insure against any form of destructive political manipulation of the Federal bureaucracy. We have provided for a strong Merit Systems Protection Board and Special Counsel, firm protections for "whistleblowers," controls on political use of the Senior Executive Service, firm merit principles and prohibited personnel actions, all aimed in this direction.

One weakness in this area, however, remains. This concerns an exemption in the legislation under which Presidential appointees, those individuals appointed by the President and confirmed by the Senate to fill the highest positions in Government, about 900 individuals in all, are provided a special immunity from responsibility for wrongful actions.

My amendment is intended to plug this final loophole.

Title II of S. 2640 provides that any Government official who commits a "prohibited personnel practice" can be brought before the Merit Systems Protection Board on charges of abuse. If the Board finds the charges substantiated, it may impose disciplinary penalties ranging from reprimand to suspension to removal to civil fines to disbarment from Federal service for a period of up to 5 years.

The provision, however, specifically excludes Presidential appointees from this enforcement authority. If the special counsel comes across evidence that a Presidential appointee has abused the merit system, all he can do is to report his finding to the President. Not only is the MSPB denied the ability to impose sanctions—it is not even given an opportunity to judge whether the charges have a basis. The President is thus presented with unproven allegations, the official has no chance to attempt to clear his name, and the lines of responsibility for wrongful actions are left thoroughly blurred.

While it is true that, constitutionally, only a President can remove one of his appointees, and that good policy might dictate allowing the President to be the final judge of what discipline short of removal is best suited, a system under which a finding of guilt or innocence is never made would leave even the most well-intentioned President in a difficult situation, having no independent finding upon which to base his decision.

My amendment would remedy the problem by allowing the MSPB to hear charges of merit abuse brought against Presidential appointees and make a public finding on those charges, both as to whether the allegations are true and a recommendation as to what discipline is proper. It would then be up to the President to decide, at his own discretion, whether action is to be taken.

S. 2640 provides broad grants of management flexibility and administrative powers to agency heads. Presidential appointees, particularly under the Senior Executive Service. Without this type of authority, the MSPB would be in no position to effectively police against abuses under the new system.

We have worked long and hard over past years to eliminate what is often a double standard of justice in this country under which the powerless bear the full brunt of law, while the powerful go free. Surely, we do not want to institutionalize such a double standard of justice into the civil service system.

I urge adoption of my amendment.

Mr. RIBICOFF. Madam President, Senator CHILES, who had opposed this amendment and prevailed in the committee seven to six, should be given the opportunity of presenting the opposite point of view. I supported in committee the position of the distinguished Senator from Illinois.

Mr. PERCY. Madam President, if the Senator will yield, the staff of the Senator from Illinois has notified Senator CHILES that the amendment is pending now and we have not had word back yet. Certainly, I want to give every opportunity to the distinguished Senator from Florida to comment on the amendment.

Mr. RIBICOFF. I suggest the absence of a quorum while we try to get Senator CHILES.

Mr. PERCY. Also, I think Senator MATHIAS wishes to speak on the amendment. He has been advised also that the amendment is pending.

The PRESIDING OFFICER. Does the Senator from Connecticut suggest the absence of a quorum?

Mr. RIBICOFF. I suggest the absence of a quorum, yes.

The assistant legislative clerk proceeded to call the roll.

Mr. MATHIAS. Madam President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. MATHIAS. I ask unanimous consent that Cynthia Gulley of the staff of the distinguished Senator from Wyoming (Mr. WALLOP) may have the privilege of the floor during this debate. I make a similar request on behalf of Betty McKay of the staff of the Senator from California (Mr. HAYAKAWA).

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. MATHIAS. I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The assistant legislative clerk proceeded to call the roll.

Mr. MATHIAS. Madam President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. MATHIAS. Madam President, I ask unanimous consent that Mr. Michael Jones of the staff of the Senator from Massachusetts (Mr. BROOKE) may be permitted the privilege of the floor during this debate.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. MATHIAS. I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The assistant legislative clerk proceeded to call the roll.

Mr. RIBICOFF. Madam President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. PERCY. Madam President, the distinguished Senator from Maryland (Mr. MATHIAS) and the Senator from Illinois have discussed the pending amendment and the point has been made, and I think aptly so, that what we should do is attempt in every way possible to have an evenhanded approach toward the presidential and nonpresidential appointments, taking into account that by the amendment the ultimate decision is to be made by the President in a case of presidential appointees.

In the wording of the amendment, as it now stands, it provides that "The Board shall transmit to the President and make available to the public its findings and recommendations."

The Senator from Illinois asks unanimous consent to modify the wording of the amendment to strike out the words "and make available to the public," and substitute the words "to the appropriate committees of the Senate." In some cases there may be more than one committee that has jurisdiction.

I so make such unanimous-consent request.

The PRESIDING OFFICER (Mr. SPARKMAN). The Senator has a right to modify his amendment. The unanimous consent is not required.

The amendment is so modified.

The amendment, as modified, is as follows:

On page 162, strike out lines 18 through 20, and insert in lieu thereof the following:

"(i) If the Special Counsel determines, after any investigation under this section of any prohibited personnel".

On page 163, strike out lines 5 through 11.

On page 163, strike out lines 16 through 20, and insert in lieu thereof "Systems Protection Board.".

On page 165, line 14, strike out "Any" and insert in lieu thereof "(a) Except as provided in subsection (b), any".

On page 166, line 9, strike out the end quotation marks and the end period.

On page 166, between lines 9 and 10, insert the following:

"(b) In the case of an employee in a confidential, policy-making, policy-determining, or policy-advocating position who was appointed by the President, by and with the advice and consent of the Senate, such employee shall be entitled to the hearing provided in subsection (a) but the Board shall issue no final order in such case. The Board shall transmit to the President, and to the appropriate Committees of the Senate, its findings and recommendations for disciplinary action in such case.".

Mr. PERCY. The purpose of this modification in the amendment is simply, first, to treat non-Presidential appointees and Presidential appointees the same with respect to making public the findings and recommendations. They should be handled exactly on the same basis.

But the Senate should have the ability to act and in the advice and consent authority that it has from the Constitu-

tion should know whether an appointee by the President, confirmed by the Senate based, generally speaking, upon the recommendation of the appropriate Senate committee with oversight authority, should know when charges have been made against a presidential appointee.

The wording of the amendment simply provides that the MSPB hear charges of merit abuse brought against presidential appointees.

The Senator from Illinois wishes to point out that this is not a charge that is made by an individual. This would be a charge made by the special counsel and only by the special counsel, and it would only be for a personnel abuse, and prohibited personnel practices are clearly defined in this legislation.

It could not be just an indiscriminate charge. It would have to be a charge that there has been either illegal discrimination; or solicitation in consideration of recommendations unless based on personal knowledge or a review of the record consisting of an evaluation of competence, character, loyalty, or suitability; or a charge of political coercion; or a charge of willfull deception or obstruction of the right of an individual to compete for a Federal job; or a charge of influencing a person to withdraw from competition for Federal positions so as to improve or injure employment prospects of any applicant; or a charge by the special counsel of granting of any preference not authorized by law, rule or regulation; a charge of nepotism; reprisals against whistle blowers; reprisals for use of appellate rights; or a charge of violation of law, rule, regulation, or merit system principles.

These charges cannot be lightly made. They would have been thoroughly investigated by the special counsel. He would have made such charges only after having adequate evidence that there is a reasonable basis for those allegations.

And then the amendment simply provides that when a Presidential appointee is involved that the MSPB shall have an opportunity to have a hearing exactly as with any other charge against any other civil servant in a supervisory capacity and to make a determination and a recommendation that those determinations and recommendations shall be sent to the President. In accordance with the terms of the Percy amendment it is at the President's discretion and the President's sole discretion as to whether action of any kind shall be taken.

But when the President is dealing with some, at the present time, 900 Presidential appointees, he would have available to him a proven procedure that is applicable to all civil servants. That would give him the benefit of that proven system so that he would then have available to him all of the facts taken in the same procedure which is applicable to other Federal supervisory employees, and would enable the President to make a determination as to what should be done.

Also, of course, the appropriate committee of the Senate would be given such information and could advise and counsel with the President in this particular case.

The Senator from Illinois brings to the attention of his colleagues a situation we have faced, and I mention it only because it has been in the headlines of the newspapers all across the country, involving GSA. Certainly this is a matter that should and must be dealt with as effectively as possible, and should there be such instances involving possibly a Presidential appointee, then it would seem to the Senator from Illinois that a system of fairness should prevail, and there should be a procedure that would be followed.

Surely I think that we, as the Senator said in his opening comments, have worked long and hard over past years to eliminate what is often a double standard of justice in this country under which the powerless bear the full brunt of law while the powerful go free. Surely we do not want to institutionalize such a double standard of justice into the civil service system.

It is for this reason that the Senator from Illinois offers the pending amendment which, I believe, would be an improvement in the bill before the Senate, S. 2640.

Mr. CHILES addressed the Chair.

The PRESIDING OFFICER. The Senator from Florida.

Mr. CHILES. Mr. President, this matter in a slightly different form was presented to the Committee on Governmental Affairs and discussed in the Committee on Governmental Affairs. The committee, after deliberation on it, decided to delete this and to change this provision and provided, as in the bill now, that in the case of an employee in a confidential, policymaking policy-determining or policy-advocating position, who was appointed by the President, by and with the advice and consent of the Senate, that such complaint and statement and any response by the employee to such complaint shall be presented to the President in lieu of the board or administrative law judge referred to in paragraph (1) of this subsection.

I think to understand this we really need to try to determine what we are seeking to do in this civil service reform. What we need to determine is what the role of the special counsel is going to be, what the role of the merit board is, what the duties and responsibilities of the President are.

First, we are talking about civil service employees. That is what this bill is all about. When we talk about a special counsel who is going to provide protection for whistleblowers, we are talking about a special counsel who is going to prosecute people in the civil service system, the civil service employees against whom charges are brought before the Merit Board so we will know we can have faith and confidence in the civil service system.

But what we really are talking about and what we are dealing with here are civil service employees.

When we start talking about presidential appointees, we are talking about people now who are in that category who are appointed not out of the ranks of the registry, not after taking competitive examinations, people who do not have tenure, people who serve at the pleasure of the President of the United States, and when the President changes they change, and if the President wants to change them, they change, and these employees do not have the normal protections of the civil service employees nor are they normally brought before the Merit Board for disciplinary response because they are the charges of the President of the United States.

One reason, and a very strong reason, why I resist this is because I do not think you take away or you should take away from the President the responsibility for knowing that he is the one who must discipline his appointees; he is the one who is responsible for their misconduct, and I do not think we should put a buffer between the President and that responsibility.

Under provisions now, any charges referred to the special counsel, he can investigate those charges, he can report his findings, together with his investigations, together with those charges, to the President, and they become the responsibility of the President. That is where the responsibility should rest. It should not go to a merit board which is going to determine whether it thinks the President should do this or that, and the board sends its recommendations to the President and the President, according to this amendment, does not have to follow the recommendations. So you are not adding anything really to it because he does not have to follow the recommendations. He could say, "Well, the merit board looked at this and they took care of it, so I am free of the responsibility."

I do not think he should be free, if he has a Haldeman, an Ehrlichman, if he has somoene else, who is doing something wrong, I think he should have the responsibility, and it is a political responsibility, it is his political appointment, and that responsibility should rest clearly with him.

On the other side, I think we want to be careful that we do not stop the Government from operating. If we go into a situation in which we are going to require a trial now before the merit board, the merit board ought to be protecting those civil service employees; the merit board ought to be weeding out those civil service employees who are not doing their job. It is civil service reform we are talking about, and it is the civil service system that needs looking after. That is what the public wants us to do. But we are going to give them an additional charge. We are going to give them a charge where, if the speical counsel decides one of the Presidential appointees is doing something bad, they are going to sit as the judge over that case and they are going to listen to that case, and then they are to report their findings to the President.

I just see no real reason for it. If we are accomplishing anything, we are making it public, and if an employee is charged, that charge goes to the President, it goes to the press at the same time. People know, and it is up to the President to determine what he is going to do about that charge, and that polit-

ical responsibility should rest solely with him.

On that basis, it seems to me we would be much better off to keep it that way and to keep that focus clearly on the President and not dilute it by putting some merit system in the middle and giving them something else to do which takes them away from their duties, their primary duties, of being the overseers of the civil service system itself.

Mr. SASSER. Mr. President, will the Senator from Florida yield?

Mr. CHILES. I yield.

Mr. SASSER. I ask unanimous consent that Mr. Alvi From of the Subcommittee on Intergovernmental Relations be allowed the privileges of the floor.

The PRESIDING OFFICER (Mr. HART). Without objection, it is so ordered.

Mr. SASSER. Mr. President, will the Senator from Florida yield further?

Mr. CHILES. I yield.

Mr. SASSER. Mr. President, I rise to agree with the distinguished Senator from Florida. This issue, which has been raised, was fully debated in the committee consideration of this bill, and I share the concerns of the Senator from Florida that the President of the United States should be solely responsible for the discipline of his own appointees.

Another consideration which I think is raised by this amendment of the distinguished Senator from Illinois is simply a question of whether or not such a statutory provision would be constitutional.

A Justice Department opinion given the Committee on Governmental Affairs recognizes that there is some uncertainty, as a matter of fact considerable uncertainty, on this issue. This body ought to be careful, Mr. President, about inviting disputes on constitutional grounds.

Second, a statutory discipline procedure could delay or thwart a President's desire for summary discipline of an appointee whose conduct was inconsistent—I emphasize that, was inconsistent—with the merit system, and that prospect to the Senator from Tennessee is, frankly, very disturbing.

However, I believe the strongest argument is the one which has been so ably made by the distinguished Senator from Florida, and that is in favor of the provisions that are now present in the committee bill rather than those in favor of the amendment; that is, we must hold the President responsible for the actions of his personal advisers and his personal appointees, and to pass that responsibility off, even in this limited way, to a merit board or any other authority, merely gives the President an excuse or could give a President the excuse for not disciplining his closest advisers.

I find, Mr. President, that in this legislative body there still appears to the Senator from Tennessee to be a Watergate hangover. This hangover appears to manifest itself in efforts of the legislative branch, on occasion, to take from the executive branch that which should be the executive branch's natural prerogative, and in some cases those prerogatives which are given the executive branch by the Constitution of the United States.

I believe fully that the executive branch and the President should be responsible to the American people and responsible to the legislative branch of the Government. But in making them responsible, I do not think we are acting in the best interests of this country, or that it is good public policy, to dilute the authority of the President of the United States to discipline and manage those whom he—or she—would appoint to high office in the Government of this country.

I yield back the remainder of my time.

Mr. CHILES. I yield the floor.

The PRESIDING OFFICER (Mrs. ALLEN). The question is on agreeing to the amendment.

Mr. PERCY. Madam President, I wish to comment very briefly, and then I am prepared for a vote. Since we apparently do have a difference on this issue, I would ask for the yeas and nays.

The PRESIDING OFFICER. Is there a sufficient second? There is a sufficient second.

The yeas and nays were ordered.

Mr PERCY. First, the Senator from Illinois would like to make it eminently clear that the Special Counsel is an appointee of the President, and it is only the charges made by the Special Counsel of the Merit System Protection Board that we are involved with. If that special counsel, a Presidential appointee, after investigation, makes charges against a Presidential appointee, then there may be a hearing before the Merit System Protection Board.

In the case of a non-Presidential appointee, the finding of the Merit System Protection Board is binding; the case ends there. In the case of a Presidential appointee, the Merit System Protection Board merely transmits to the President and to the appropriate committees of the Senate its findings and a recomendation, but the decision is entirely in the hands of the President of the United States.

Perhaps a comparable case—the parallel is not exact, of course, but when the President appoints an Attorney General, and that Presidential appointee makes charges against an individual in the Government who happens to be a Presidential appointee, he is not restricted at all. That individual is not above the law, and he must obey the law; and if the Attorney General and the Justice Department wish to take action, they certainly can.

In this case, the categories of charges are extremely limited. They must constitute a merit abuse, and they must be certain specific abuses as outlined by the Senator from Illinois.

So it would seem to me that by working with the distinguished Senator from Maryland, who fully supports this amendment, we have found a mechanism to help the President, because the tendency is, as we all know, in the real world in which we live, that when a new administration is being put together, the President, his advisers, and the campaign staff have to draw upon people who have worked with them, whom they have gotten to know in the campaign in one context. They take people up out of one activity of life and put them, many times, into an entirely new activity, and we are all well aware of the fact that we have today serving in Government people who have been in the private sector, who, for the first time, have assumed a government role.

Certainly the President cannot be expected, or the White House staff cannot be expected, to be a watchdog over everything that 900 people do.

All the Senator from Illinois is trying to do is provide a procedure because of that, because of the known abuses and the great problems we have, and the fact that we do find an erosion of confidence in government. It used to be that we looked upon the Federal Government as an area where there was little abuse of the kind that we had experienced in local politics. You would expect to see hanky-panky in the sheriff's office, but you would not expect to see problems with the FBI. You would to see problems in the State legislature of one State or another, but you very seldom ever did in the Congress of the United States. You might expect to see, in some local financial agency or in a State government, problems of conflicts of interest or payoffs or kickbacks, but you would not expect to see it in the General Services Administration of the United States of America.

But all of us, within the last 12 months, have seen that Congress is not immune, the FBI is not held guiltless in some of its activities because of the charges that have been made, and certainly the present Civil Service administration has not been immune from the kind of problems that we have encountered at other levels of government.

This is merely to say that the public's erosion of confidence in the Federal Government must be arrested, and we have to take steps to see that we do not have a double standard, with one standard applying to most officials in positions of responsibility, but making immune 900 of the most powerful positions in the executive branch of the Government.

I should think the President would welcome and look forward to having the feeling that, a general counsel, appointed by him, confirmed by the Senate, through the Merit System Protection Board, once he had a basis for feeling that there had been violations of these particular areas, nepotism, illegal discrimination, et cetera, that he would have the protection that could be offered to his office, if charges were made by the special counsel, the Merit Systems Protection Board would have a hearing and have its findings sent to the President for his final and ultimate determination.

The Senator from Illinois is quite prepared to vote on the amendment, unless there are further comments.

Mr. CHILES. Mr. President, I would like to comment briefly. There was an allusion that this might be similar to the Attorney General being able to prosecute charges against any Presidential appointee.

There is a distinct difference there. The Attorney General is charged with being sort of the chief prosecutor of all crimes. He is not over civil service employees; he is not over a class of people.

His job, of course, is to be the chief law enforcement officer of the United States, for and against all of its citizens.

We are now dealing with the Merit Protection Board, which is to oversee and to look over charges for and against employees under civil service. That is a class of people; it is not all citizens, so there is a distinct difference in that regard.

As I pointed out earlier, it is my feeling that we are reaching a point here where we should allow the merit protection system to work its judgment for and against employees that are covered by the civil service. We should allow the special counsel to protect the whistleblower bringing charges against a wrongdoer under the civil service.

We are dealing with a class of people who are given special protections, protection against firing, protection against layoff. They also have to pass a merit exam to get that employment. We are taking them out of the old political system.

But we decided in the wisdom of many, many Congresses, and many past actions, that we will allow a President to appoint a certain number of appointees who are political appointees. At the same time, we make him directly responsible for those appointees. I think we need to continue that responsibility. I think it is very important that we continue that responsibility, that we do not set up a buffer that says, "You are going to allow the merit system to look in between."

We do not give the special counsel these additional responsibilities.

If charges are made, and it is covered in this bill, if charges are made against one of these Presidential appointees, the special counsel who can look into those charges would report his findings to the President, and those findings are made public. We allow the public spotlight to determine whether the President handles those charges correctly or not. I think it is that political responsibility that is the strongest kind of force we could have to have the President act properly. At the same time, I would not relieve him of that responsibility at all.

Under the circumstances, Madam President, I move to table the amendment of the Senator from Illinois, and and I ask for the yeas and nays.

The PRESIDING OFFICER. Is there a sufficient second? There is a sufficient second.

The yeas and nays were ordered.

The PRESIDING OFFICER. The question is on agreeing to the motion to lay on the table the amendment of the Senator from Illinois. The yeas and nays have been ordered and the clerk will call the roll.

The second assistant legislative clerk called the roll.

Mr. CRANSTON. I announce that the Senator from South Dakota (Mr. ABOUREZK), the Senator from Minnesota (Mr. ANDERSON), the Senator from Mississippi (Mr. EASTLAND), the Senator from North Carolina (Mr. MORGAN), and the Senator from Louisiana (Mr. JOHNSTON) are necessarily absent.

I further announce that, if present and voting, the Senator from North Carolina (Mr. MORGAN) would vote "yea."

Mr. STEVENS. I announce that the Senator from Tennessee (Mr. BAKER), the Senator from New Mexico (Mr. DOMENICI), the Senator from Nevada (Mr. LAXALT), and the Senator from New Mexico (Mr. SCHMITT) are necessarily absent.

The result was announced—yeas 60, nays 31, as follows:

[Rollcall Vote No. 363 Leg.]

YEAS—60

Allen	Glenn	Metzenbaum
Bayh	Gravel	Moynihan
Bentsen	Hart	Muskie
Biden	Hatfield, Mark O.	Nelson
Bumpers	Hatfield, Paul G.	Nunn
Burdick	Hathaway	Packwood
Byrd, Harry F., Jr.	Hodges	Pearson
Byrd, Robert C.	Hollings	Pell
Cannon	Huddleston	Proxmire
Chiles	Humphrey	Randolph
Church	Inouye	Ribicoff
Clark	Jackson	Riegle
Cranston	Kennedy	Sarbanes
Culver	Leahy	Sasser
Danforth	Long	Sparkman
DeConcini	Magnuson	Stennis
Durkin	Matsunaga	Stevenson
Eagleton	McGovern	Stone
Ford	Melcher	Thurmond
Garn		Williams
		Zorinsky

NAYS—31

Bartlett	Hatch	Schweiker
Bellmon	Hayakawa	Scott
Brooke	Heinz	Stafford
Case	Helms	Stevens
Chafee	Javits	Talmadge
Curtis	Lugar	Tower
Dole	Mathias	Wallop
Goldwater	McClure	Weicker
Griffin	McIntyre	Young
Hansen	Percy	
Haskell	Roth	

NOT VOTING—9

Abourezk	Domenici	Laxalt
Anderson	Eastland	Morgan
Baker	Johnston	Schmitt

So the motion to lay on the table UP amendment No. 1771 was agreed to.

Mr. CHILES. Madam President, I move to reconsider the vote by which the motion to table was agreed to.

Mr. EAGLETON. I move to lay that motion on the table.

The motion to lay on the table was agreed to.

Several Senators addressed the Chair.

The PRESIDING OFFICER. The Senator from Vermont.

Mr. LEAHY. I will yield for unanimous-consent requests.

Mr. HEINZ. Madam President, I ask unanimous consent that Pam Haynes of my staff be granted privilege of the floor during consideration of this.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. EAGLETON. Madam President, I ask unanimous consent that Emily Eiselman and Sally Brian be granted privilege of the floor during the pendency of this measure, as well as the tariff and tax bills.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. PELL. Madam President, I ask unanimous consent that William Young and John Rich of the Foreign Relations Committee staff be granted privilege of the floor.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. GLENN. Madam President, the same request for Walker Nolan of my staff.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. STONE. Madam President, the same request for Craig Wolfson of my staff.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. BUMPERS. Madam President, the same request for Karen Minton of my staff.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. WALLOP. Madam President, the same request for Cynthia Gulley of my staff.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. DECONCINI. Madam President, the same request for Shirley Wilson.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. HARRY F. BYRD, JR. Madam President, the same request for Joan O'Neal.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. NUNN. Madam President, the same request for Robert Carragher.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. LEAHY. Madam President, the same request for Jeff Petrich of Senator DURKIN's staff and, for the duration of the day, Michael Choukas of my staff.

The PRESIDING OFFICER. Without objection, it is so ordered.

UP AMENDMENT NO. 1772

(Purpose: To protect whistleblowers within the Federal Government)

The PRESIDING OFFICER. The amendment will be stated.

The legislative clerk read as follows:

The Senator from Vermont (Mr. LEAHY) proposes an unprinted amendment numbered 1772.

Mr. LEAHY. Madam President, I ask unanimous consent that further reading of the amendment be dispensed with.

The PRESIDING OFFICER. Without objection, it is so ordered.

The amendment is as follows:

Page 158, line 22, strike "(j)" and insert in lieu thereof "(i)".

Page 158, line 25, strike "(J) (2)" and insert in lieu thereof "(i) (2)".

Strike page 159, line 12 through page 161, line 14, and insert in lieu thereof the following new subsection:

"(e) (1) The Special Counsel may receive information, the disclosure of which is not specifically prohibited by statute or Executive Order 11652, or any related amendments thereto, concerning the existence of any activity which appears to constitute a violation of law, rule, or regulation, or mismanagement, gross waste of funds, abuse of authority, or a substantial and specific danger to the public health or safety. In such cases, the Special Counsel shall not disclose the identity of the person who disclosed the information without the consent of such person, unless the Special Counsel determines that such disclosure is unavoidable.

"(2) (A) Whenever the Special Counsel receives information of the type described in paragraph (1) of this subsection, the Special Counsel shall promptly transmit such information to the appropriate agency head.

(B) If, within fifteen days after the receipt of such information, the Special Counsel determines that there is a substantial likelihood that the information discloses a violation of law, rule, or regulation, or mismanagement, gross waste of funds, abuse of

authority, or a substantial and specific danger to the public health or safety, the Special counsel may require the agency head to conduct an investigation and submit a written report within sixty days after the day on which the information is transmitted to the agency head or within such longer period of time as agreed to in writing by the Special Counsel: *Provided, however,* That the Special Counsel may require an agency head to conduct an investigation and submit a written report only where the information was transmitted to the Special Counsel by a present or past employee or applicant for employment in the agency which the allegation concerns.

"(3) Any report required under subparagraph (2)(B) of this subsection shall be reviewed and personally signed by the agency head and shall include—

"(A) a summary of the information with respect to which the investigation was initiated;

"(B) a description of the conduct of the investigation;

"(C) a summary of the findings of the investigation;

"(D) a listing of any violation or apparent violation of any law, rule, or regulation found during the course of the investigation; and

"(E) a description of any corrective action taken or planned as a result of the investigation, such as—

"(i) changes in agency rules, regulations or practices;

"(ii) restoration of any aggrieved employee;

"(iii) disciplinary action against any employee; and

"(iv) referral to the Attorney General of any evidence of criminal violation.

Any such report shall be sent to the Congress, to the President, and to the Special Counsel for transmittal to the complainant. Whenever the Special Counsel does not receive the report of the agency head within the time prescribed in subparagraph (2)(B) of this subsection, the Special Counsel may transmit a copy of the information which was transmitted to the agency head to the President and to the Congress together with a statement noting the failure of the agency head to file the required report.

"(4) Whenever the Special Counsel transmits any information to the agency head under subparagraph (2)(A) of this subsection, but does not require an investigation under subparagraph (2)(B) of this subsection, the agency head shall, within a reasonable time after the information was transmitted, inform the Special Counsel, in writing, of what action has been, or is to be taken and when such action will be completed. The Special Counsel shall inform the complainant of the report of the agency head.

The Special Counsel shall maintain and make available to the public a list of noncriminal matters referred to agency heads under paragraph (2) of this subsection together with the reports submitted by the heads of agencies; Provided, however, that nothing in this paragraph shall permit the public disclosure of any information the disclosure of which is specifically prohibited by statute or Executive Order 11652 or any related amendments thereto.

"(5) If, during the course of any investigation, the Special Counsel or the agency head determines that there is reasonable cause to believe that a criminal violation by an employee has occurred, such official shall promptly report such determination to the Attorney General and shall submit a copy of such report to the Director of the Office of Personnel Management and to the Director of the Office of Management and Budget."

Page 161, line 15, strike "(g)(1)" and insert in lieu thereof "(f)(1)".

Page 162, line 13, strike "(h)" and insert in lieu thereof "(g)".

Page 162, line 18, strike "(i)(1)" and insert in lieu thereof "(h)(1)".

Page 163, line 12, strike "(j)(1)" and insert in lieu thereof "(i)(1)".

Page 163, line 17, strike "(i)(2)" and insert in lieu thereof "(h)(2)".

Page 163, line 20, strike "(i)(2)" and insert in lieu thereof "(h)(2)".

Page 164, line 4, strike "(k)" and insert in lieu thereof "(j)".

Page 164, line 10, strike "(l)" and insert in lieu thereof "(k)".

Page 164, line 16, strike "(m)" and insert in lieu thereof "(l)".

Page 164, line 20, strike "(n)" and insert in lieu thereof "(m)".

Page 164, line 24, strike "(o)" and insert in lieu thereof "(n)".

Page 165, line 6, strike "(d), (e), (i) or (j)" and insert in lieu thereof "(d), (e), (h) or (i)".

Mr. LEAHY. Madam President, the amendment I have sent up is very similar to the amendment that was there before with some changes. It is a whistle-blowing amendment.

The amendment collapses two subsections of section 1206—subsection (e), concerning special counsel discovery of illegality, and subsection (f), dealing with special counsel referral of the substance of whistle-blower complaints—into a single new subsection (e).

Under the provisions of this amendment, the special counsel is authorized to receive allegations of violations of law, rule, or regulation, mismanagement, gross waste of funds, abuse of authority, or substantial and specific dangers to the public health or safety. All such allegations must be promptly transmitted to the head of the agency which the allegations concern. The identity of the complainant should not be disclosed by the special counsel except where it is unavoidable. In those cases, however, where the special counsel finds, within 15 days, that there is a substantial likelihood that the allegation is true, the special counsel can order an agency investigation. However, the special counsel can insist on an agency investigation only when the complainant is a present or recent past employee or applicant for employment in the department which the allegation concerns.

In "substantial likelihood" cases, the agency can conduct whatever type of investigation which, in its discretion, it determines to be appropriate. The agency must, however, report back to the Special Counsel, to the President, and to the Congress within a fixed time—60 days unless the Special Counsel extends—on the conduct and findings of the investigation. The Special Counsel transmits his copy of the report of the agency head to the individual who made the allegation, so that his identity need never be revealed. Where the agency head fails to report back within the fixed time, the Special Counsel may send the original allegation to the President and the Congress with a statement noting the failure of the agency head to respond.

In cases other than "substantial likelihood" cases, the agency head is under an obligation to inform the Special Counsel, within a reasonable time, of what action has been taken or is planned. Where the allegation is frivilous on its face, it would be appropriate for the agency head to inform the Special Counsel that no investigation has been conducted nor is planned. The Special Counsel informs the individual who made the allegation of what the agency head reports.

The Special Counsel is required to keep a public log of all noncriminal referrals and the reports of the agency heads about these referrals. This public log will not contain any classified or statutorily protected information.

Whenever the Special Counsel or the agency head finds evidence of criminal wrongdoing by an employee, they are under an obligation to report that information to the Attorney General and to the Directors of OPM and OMB.

The Leahy whistleblowing amendment will not change who can report allegations to the Special Counsel. It will not affect in any way the number of complaints which the Special Counsel is likely to receive. All of the provisions are identical to the language which was reported from the Senate Government Affairs Committee.

The Leahy amendment will also not change the protection from reprisals which are provided for in the committee bill.

When an agency conducts an investigation in response to a substantial liklihood request from the Special Counsel, a report of that investigation will be forwarded to the President, the Congress, and the Special Counsel. The Special Counsel will not review or comment on the report. He or she will provide the original whistleblower with a copy of the agency report. This will complete the circle since the whistleblower went to the Special Counsel to be assured, whenever possible, of anonymity. The President and the Congress can decide what, if any, action they consider appropriate having received the report.

Madam President, this matter has come up somewhat earlier than we expected. I should note that a Dear Colleague letter in support of this amendment was to have been circulated this afternoon. I would like to share that Dear Colleague letter and list our cosponsors:

COMMITTEE ON APPROPRIATIONS,
Washington, D.C., August 24, 1978.

DEAR COLLEAGUE: When the Senate considers S. 2640, the Civil Service Reform Act, we intend to offer an amendment to strengthen the whistleblower protections. This proposal will assure that the charges raised by whistleblowers—those federal employees who disclose illegality, waste, abuse, or dangers to public health or safety—are fully investigated. We ask you to join with us in establishing a mechanism for the handling of whistleblower complaints which will result in the systematic weeding out of wronged from the federal service.

The Governmental Affairs Committee strengthened the protections accorded federal employees who go public with evidence of illegality, mismanagement, waste of funds, or dangers to public health or safety. The Committee should be praised for its efforts to safeguard the free speech rights of federal employees. We do not believe, however, that the committee went far enough.

Although employees are free, under the committee's bill, to publicly disclose impropriety, no dissent channel is established so that employees can seek internal resolu-

tion of allegations. Our amendment seeks to assure that employees have a safe place to go outside their agency where their allegations will be taken seriously. We hope to encourage employees to give the government the first crack at cleaning its own house before igniting the glare of publicity to force correction. We do not want to limit the employees' rights to speak out when they see wrongdoing; we do want to assure them that the government has a commitment to eliminating the wrongdoing.

The amendment would empower the Special Counsel of the Merit System Protection Board to receive complaints of violations of law, rule, or regulation, mismanagement, gross waste of funds, abuse of authority, or substantial and specific dangers to the public health or safety. The Special Counsel would protect the employee by preserving his or her anonymity. All complaints would be forwarded to the head of the agency involved, but for those complaints with a substantial likelihood of validity the Special Counsel could order a sixty day agency investigation. The agency would report on its findings to the President, so he could exercise his executive responsibilities; to the Congress, so it could fulfill oversight obligations; and to the Special Counsel, so he could transmit the report to the employee who filed the complaint.

Hence, the Special Counsel serves first and foremost as the protector of employees' rights and as a conduit to prevent reprisals and to help agencies purge wrongdoing. The Special Counsel is not set up as an all-powerful overseer: He lacks any power to investigate or to review the investigation of an agency. Rather, we assume that authorizing the President and the Congress to review agency reports will force agencies to take corrective action.

Adoption of this amendment will vindicate the Code of Ethics for Government Service, established by Congress twenty years ago, which demands that all federal employees "Uphold the Constitution, laws, and legal regulation of the United States and all governments therein and never be a party to their evasion" and "Expose corruption wherever discovered." Under our amendment, an employee can fulfill these obligations without putting his or her job and career on the line. In fact, an employee could force agency self-correction without ever going public, under this amendment.

Our amendment creates a systematic method of eliminating various forms of wrongdoing from the federal government. Historically, changes are made only after a scandal is disclosed. This method of rooting out corruption is hit or miss, scatter-shot. The amendment allows for selfcleaning to take place on a regular, continual basis. If vigilant government workers are around, illegalities need no longer swell and fester for years before discovery. Mismanagement, abuse, and waste of funds can be promptly discovered and corrected with the help of dedicated federal employees. In the long run, we are certain that this early discovery and rectification will result in more efficient, less bloated government. Isn't the message we have been getting from the country in the last few months precisely this—that people want an honest and efficient government that works?

Finally, this amendment can assure that the type of over politicization which some fear will result from S. 2640 is nipped in the bud. Disclosure can call a halt to a President misusing agency personnel to perform campaign work or to advance certain favored special interests. This amendment provides the counterweight to the increased management flexibility provided for in the Civil Service Reform Bill.

We seek your cosponsorship and support on our amendment. If you need additional information or have any questions please contact David Julyan (x42398).

Sincerely,

Bob Dole, William Proxmire, Edward M. Kennedy, Charles H. Percy, Robert T. Stafford, Claiborne Pell, James Abourezk, Howard Metzenbaum, Patrick J. Leahy, Muriel Humphrey, Dennis DeConcini, Richard Lugar, Dick Clark, Donald Riegle, Henry Bellmon, John Melcher, and Orrin Hatch.

Mr. RIBICOFF. Will the Senator yield?

Mr. LEAHY. Certainly.

Mr. RIBICOFF. Madam President, I want to take this opportunity to extend praise to the distinguished Senator from Vermont for his early and hard work to protect whistleblowers.

The committee's action in strengthening the protection of whistleblowers came primarily because of the work that the Senator from Vermont and the Senator from Minnesota (Mrs. HUMPHREY) contributed.

I do believe that this amendment improves the protection for whistleblowers.

I want to commend the Senator from Vermont and, as manager of the bill, I am more than pleased to accept the amendment of the Senator from Vermont.

Mr. LEAHY. I thank the Senator.

Mr. METZENBAUM. Madam President, I rise to support the amendment of my distinguished colleague from Vermont (Mr. LEAHY). He has worked diligently in the development of his own legislation to provide greater protections for whistleblowers. I commend him for his efforts in this area. I, too, submitted a bill to this Congress which would have provided judicial remedies for Federal employees who suffer reprisals after exposing illegal or wasteful governmental activities. My work in this area convinces me that the amendment now offered by my colleague from Vermont would establish the best possible mechanism for protecting whistleblowers. It would allow the special counsel of the Merit Protection Board to order an investigation of allegations of illegal conduct or gross waste in the Federal Government without revealing the name of the complaining employee. This approach would protect whistleblowers from reprisals while exposing deficiencies in the way the Government and its employees operate.

I am sure there are a number of Federal employees today who would speak out about abuses of authority if it were not for the real danger that they would be subjected to harassment, financial loss, or damage to their careers. The country needs conscientious civil servants who care enough to criticize deficiencies and want to improve the Federal Government's ability to meet its obligations to the citizenry. Providing remedies to employees only after some overzealous superior has acted to discipline outspokenness is nct the answer. The costs are too great even when the whistleblower eventually prevails. Ernest Fitzgerald, and those who have helped him, spent over half a million dollars to gain job reinstatement after Fitzgerald disclosed a $2 billion cost overrun in the C–5A program. And, I am certain that such financial hardship does not compare to the enormous psychological costs to employees who are the objects of reprisals.

Federal agencies and departments will benefit from this amendment, because they will be able to cure waste, mismanagement, violations of law, and dangers to health and safety without the glare of publicity that can accompany whistleblowing. If appropriate governmental bodies fail to act to solve such problems, the Congress and the President will be alerted so they can initiate the necessary reforms.

I commend my good friend from Vermont for this innovative approach to protecting whistleblowers when they reveal governmental dificiencies and to encouraging the most effective and efficient Federal bureaucracy possible.

Mr. LEAHY. Madam President, I appreciate the comments of the Senator from Ohio. I appreciate very much the comments of the distinguished Senator, the chairman (Mr. RIBICOFF).

I might say that Senator RIBICOFF has been in the forefront of this effort long before I came to the U.S. Senate. It would have been impossible for me to have put together this amendment without his help and diligence, the help of the ranking minority member (Mr. PERCY), and the others I have named here today. We all have worked very closely together.

I might say, also, that Senator CHILES, who has shown a great deal of interest in this matter, has worked closely with us today. The final bill is a result of the cooperation among Senator RIBICOFF, Senator PERCY, Senator CHILES, Senator HUMPHREY, myself, and others. We have a bill on which we all agree.

I yield to the Senator from Illinois.

Mr. PERCY. Madam President, as a cosponsor of the Leahy amendment, the Senator from Illinois knows of no objection on this side of the aisle, and the amendment is acceptable.

I commend my distinguished colleague for his leadership in this area.

Mr. LEAHY. I understand the committee is going to accept this amendment, and I am perfectly willing to yield back the remainder of my time.

The PRESIDING OFFICER. There is no time limitation.

● Mr. KENNEDY. Madam President, I rise to express my strong support for the amendment offered by the distinguished Senator from Vermont. In doing so I would also like to commend Senators RIBICOFF and PERCY, as well as the Governmental Affairs Committee as a whole, for their work on this important and timely legislation.

The whistle-blower provisions of this bill, if coupled with the Leahy amendment, will be just what the public and the Congress want—and what the bureaucracy needs—for this proposal is clearly in line with the message that we have been receiving from an angry public: We have had too much waste in Government; we have had too much ineptitude in Government; we have had too much inefficiency in Government; and we have even had too much corruption in Government. And we do not need new

ranks of bureaucrats to clean up what others have messed up. We merely need to provide protection and incentives, for those presently in public service, to bring to light—and to rectify—lawlessness and waste in Government.

For whistle-blowing will be amply staffed by our existing army of the conscientious and dedicated Government employees—those who are committed enough, professional enough, and patriotic enough to "blow the whistle" on corruption, waste or illegality that they see around them. That is why I express strong support for S. 2640 and its protection for Government employee whistleblowers.

But insuring that the alarm is sounded. and insuring that the employee is indeed protected, is only the first step in the process. For the true purpose of whistleblowing is not the public recognition of the dedicated employee, but the correction of Government wrongdoing, the saving of taxpayer's money, and the prosecution of the corrupt.

Some provision must therefore be made to follow up on substantial allegations of waste or wrongdoing, while screening out frivolous or unfounded accusations. This is exactly what our amendment accomplishes.

If after a period of 15 days, under this proposal, the Special Counsel finds a substantial likelihood that an allegation is true, he can require that the head of the relevant agency conduct an investigation and submit a report on that investigation within 60 days. To insure that an agency does not attempt to whitewash an in-house scandal, the amendment explicitly spells out what that report must include, including substantiation of the charges, corrective measures, disciplinary actions, et cetera.

Any report not deemed adequate will be transmitted to the Congress and the President, thereby opening further incentives for correction of any wrongdoing.

In turn, the Special Counsel would act as a filtering process that would screen out frivolous or self-serving accusations by eliminating cases during the initial 15-day investigatory period. The amendment goes further to provide an opportunity for the agency to exonerate itself of baseless charges and to correct and eliminate any internal waste or corruption within its own house. The amendment thus allows the agency the opportunity of an internal investigation. Only if the agency refuses to undertake an investigation, or their investigation proves inadequate, does the glare of publicity come into play. Of course, throughout this process the identity of the whistleblower is kept confidential, unless the Special Counsel determines that he has acted in bad faith.

I have been a firm believer in the benefits of "whistleblowers" since I introduced the first whistle-blower legislation in 1971. I chaired hearings before the Subcommittee on Administrative Practice and Procedure where we heard dozens of witnesses recount stories of transfer, demotion, harassment, and retaliation in return for telling the public the truth. I am more than happy to see the fruits of these efforts today.

All but the most simplistic of sloganeers know that our Federal agencies are not "faceless bureaucracies," but that they are instead made up of individuals who are professional, honest, and hard working. We must maximize the contributions that conscientious public servants can have to good government and increased economy. We must provide our civil servants with an impartial "dissent channel" to which they can direct reports of corruption or waste. We must provide them with the protection that they deserve for speaking out. And we must make the most of their courage and honesty by providing a follow-through mechanism that will correct the wrongs that are disclosed. Let us achieve all of these worthy purposes, by supporting S. 2640, the civil service reform bill, and Senator LEAHY's amendment.●

Mr. RIBICOFF. As I said, Madam President, the amendment is acceptable to the manager of the bill and the ranking minority member.

The PRESIDING OFFICER. The question is on agreeing to the amendment.

The amendment was agreed to.

Mr. LEAHY. Madam President, I move to reconsider the vote by which the amendment was agreed to.

Mr. RIBICOFF. I move to lay that motion on the table.

The motion to lay on the table was agreed to.

The PRESIDING OFFICER. The bill is open to further amendment.

● Mr. DOLE. Mr. President, as an original cosponsor of this amendment, I am pleased to rise in support of this long-needed protection.

Mr. President, this amendment will provide Federal employees an opportunity to speak out when they witness governmental waste, inefficiency, and illegality, without fear of reprisal.

WHISTLEBLOWER PROTECTION

Mr. President, one of the most important aspects of this amendment is the encouragement of Federal employees to disclose illegality, waste, abuse, or dangers to public health or safety, without the fear of reprisal. As we all know, Federal employees who have been aware of wrongdoings have not felt comfortable or safe in complaining within their own agencies. Unfortunately, those who have and have been punished for their whistleblowing, clearly points to the need for a separate, independent agency to receive and process these allegations in a safe, confidential, and in a expeditious manner.

WHISTLE BLOWING: LET US PROTECT ITS USEFULNESS

Mr. President, while I wholeheartedly endorse the concept behind this amendment, that is, to encourage Federal employees to disclose acts of governmental wrongdoings, and to protect the employees—the whistle blower—from retaliation, I want to make it very clear that this is not an open invitation to any disgruntled Federal employee or misinformed citizen to make false allegations of wrongdoings by a Federal agency.

Mr. President, in this regard, our amendment would empower the special council of the Merit System Protection Board to receive complaints of governmental wrongdoings. The special council would protect the employee by preserving his or her anonymity. It is my understanding that all the complaints would be forwarded to the head of the agency involved, and that for those complaints with a substantial likelihood of validity, the special council could order a 60-day agency investigation. The agency would then report on its findings to the President, enabling him to exercise Executive responsibility to the Congress so it could fulfill oversight obligations; and to the special counsel so he could transmit the report to the employee who filed the complaint.

Mr. President, I believe that the American people will be the prime beneficiaries if this amendment is adopted. The American people are entitled to the best Government and the best officials their tax dollars pay for.●

AMENDMENT NO. 3514, AS MODIFIED

Mr. PELL. Madam President, I call up my printed amendment and ask that it be stated and modified as indicated.

The PRESIDING OFFICER. The amendment, as modified, will be stated.

The legislative clerk read as follows:

The Senator from Rhode Island (Mr. PELL) proposes an amendment numbered 3514.

The amendment, as modified, is as follows:

On page 133, line 21, immediately before the semicolon, insert ", Foreign Service officers of the United States".

On page 167, after line 7, insert the following new section:

"§ 1208 Exception for Foreign Service officers

"This chapter shall not apply to Foreign Service officers of the United States.".

On page 175, line 15, strike out ", and" and insert in lieu thereof: "; or",

"(D) an individual who is a Foreign Service officer of the United States; and".

On page 178, line 14, strike out the period and insert in lieu thereof: "; or",

"(5) who is a Foreign Service officer of the United States.".

On page 203, line 2, immediately after "position", insert: "(other than a Foreign Service officer of the United States)".

On page 203, line 17, strike out "Except for a position in the Foreign Service" and capitalize "the" immediately after the deleted phrase.

On page 258, line 13, immediately after "individual" insert "(other than a Foreign Service officer of the United States)".

Mr. PELL. Mr. President, this amendment is cosponsored by Senators GLENN and JAVITS. I ask unanimous consent that their names be added as cosponsors.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. PELL. Madam President, what this amendment does as modified—am I correct in saying that it is modified?

The PRESIDING OFFICER. It is modified.

Mr. PELL. Madam President, this amendment, as modified, exempts from the civil service reform bill the Foreign Service officers, who are a small group with their own personnel system, their own grievance procedures, their own

selection-out system, a system that does not apply to the CIA or the FBI.

The PRESIDING OFFICER. Will the Senator suspend?

The Senate will be in order. The galleries will please be quiet.

Mr. PELL. Madam President, this bill would make a fundamental change in the Foreign Service career personnel system and would reduce the authority of the Secretary of State to administer the system. These are not changes that should be made lightly, without full consideration, and I do not believe they have received such consideration. Certainly the Foreign Relations Committee has not had an opportunity to hold hearings on this bill.

Accordingly I propose this amendment to exempt Foreign Service personnel from several provisions of this bill to avoid possible inadvertent long-term damage to the Foreign Service.

This is the civil service reform bill. The fundamental problems addressed by this bill are related primarily to the Government-wide civil service system administered by the Civil Service Commission. The employees involved are in the general schedule—GS—pay system.

There is no need to cover the Foreign Service under this bill, because it has its own set of statutory merit principles, very similar to those in this bill. It is administered by the Secretary of State independently from the Government-wide civil service, general schedule system. It has its own legislated grievance system—the only such system in the Government of which I am aware. Foreign Service employees with a grievance can appeal to the independent Foreign Service Grievance Board and get a fair hearing. That Board is set up to deal with the problems that may arise in the context of the Foreign Service requirement to live and work abroad for a substantial part of one's career.

It is not necessary for Foreign Service personnel to have a separate avenue of appeal to the proposed Merit Systems Protection Board. Neither is it necessary to give the Board and its special counsel authority to investigate merit violations in the Foreign Service system, nor authority to stay an adverse Foreign Service personnel action. To do so would be to duplicate existing appeal rights and related investigatory authority—the exact opposite of the much advertised streamlining purpose of this civil service reform bill.

Madam President, the fundamental change in the Foreign Service personnel system about which I spoke at the outset could result from the inclusion of Foreign Service personnel under the proposed Senior Executive Service that would be established by title IV of this bill.

Title IV adapts principles applicable to the Foreign Service and military systems from their founding—and, of course, the military is not covered in any way by this bill. These principles are the rank-in-person rather than rank-in-position pay system and transferability at the convenience of the Government rather than the individual.

The Senior Executive Service would provide a rank-in-person system which allows flexible assignments, but only at the senior level and covering all agencies. This program is fundamentally incompatible with the existing personnel structure of the Foreign Service, which operates on a rank-in-person system with mobility among jobs throughout an entire career.

The pursuit of our national objectives in the areas of foreign policy requires a Foreign Service system which trains people in diplomacy throughout their careers, and which can retain those individuals in the Foreign Service in senior positions. The career concept of the Foreign Service also depends upon the availability of senior positions for those personnel who spend their professional lives developing the necessary skills and attributes to fill them. Those senior level jobs are an integral part of the total Foreign Service personnel system and should not be treated differently.

Foreign Service officers are hired not to fill a particular post, but for their long-term career potential. They are promoted by merit from rank to rank as they grow in experience. The system is disciplined, and characterized by frequent transfers from job to job and country to country; it is designed not just to insure that necessary tasks are performed, but to develop leaders through increasing challenges. The system prepares and screens the best officers for service at ambassadorial and other high levels.

I note that the intelligence services which also have their own career personnel systems in the Excepted Service are exempted from the Senior Executive Service, and I support that position. My amendment would add the Foreign Service of the United States to the list of personnel systems and agencies to be exempted from title IV of the civil service reform bill and from other titles and sections of this bill that would lead to duplication or that would be potentially harmful to the Nation's ability to effectively carry out its foreign policies and programs.

The effect of these amendments will be to maintain the present, separate legislative base for the modern Foreign Service of the United States which the Congress has taken great care to preserve over the years since the passage of the Rogers Act of 1924 and more recently the Foreign Service Act of 1946.

In the Foreign Service Act of 1946, Congress introduced a new personnel structure to replenish the war-depleted ranks of the Foreign Service "through entry at the bottom on the basis of competitive examination and advancement by merit to positions of command." * The almost military tone of that passage from the report indicates that the congressional authors had in mind a highly disciplined, tightly unified service running clear to the top positions in our foreign affairs activities.

The necessity for such a disciplined and unified service is no less strong today. Unless the civil service reform bill is amended, the Foreign Service would face the same problem that would confront the military services if their senior ranks above colonel and captain were put into a separate organization. A disciplined service has to be a unified service. The congressional founders of the Foreign Service saw that, and my amendments will serve to keep intact the structure which they considered so important to conduct of our foreign relations.

For those reasons, it seems sensible that this amendment should be accepted.

I have been in conversation with the manager of the bill and the ranking minority comanager of the bill, and they have indicated some support.

Mr. RIBICOFF. Madam President, the amendment of the distinguished Senator from Rhode Island is acceptable to the manager of the bill.

Mr. PERCY. Madam President, the distinguished Senator from Rhode Island, I think, is the only member of the U.S Senate who has served in the Foreign Service and we look to him for guidance and counsel many times. I find the amendment acceptable, and I know of no objection.

Mr. GOLDWATER. Madam President, if the Senator will yield, I really do not understand what this amendment does. Will the Senator explain it?

Mr. PELL. It gives the Foreign Service officer corps, who have their own personnel system, their own grievance procedure system, their own promotion system, based on promotion up or selection out—very like the military—the same exemption that the CIA, the FBI, and the military services enjoy under the bill as drafted.

Mr. GOLDWATER. In other words, to put them under Civil Service?

Mr. PELL. No, just the opposite.

Mr. GOLDWATER. They are taken out?

Mr. PELL. It keeps them as they are, as a separate service. This does not apply to the secretaries and staff people who would be under the system. It applies only to people who have commissions signed by the President or the Secretary of State as Foreign Service officers.

Mr. GOLDWATER. I see no objection. They are far better protected than any people under civil service.

The PRESIDING OFFICER. The question is on agreeing to the amendment, as modified.

The amendment, as modified, was agreed to.

Mr. PELL. Madam President, I move to reconsider the vote by which the amendment was agreed to.

Mr. GLENN. I move to lay that motion on the table.

The motion to lay on the table was agreed to.

The PRESIDING OFFICER. Is there further amendment?

Mr. RIBICOFF. I think the Senator from Pennsylvania has an amendment.

The PRESIDING OFFICER. The Senator from Pennsylvania.

Mr. METZENBAUM. Madam President, will the Senator yield for a unanimous-consent request?

Mr. HEINZ. I yield.

Mr. METZENBAUM. Madam Presi-

*HR Rep. No. 2508, 79th Cong., 2nd Session (1946)

dent, I ask unanimous consent that Marc Asch and Ellen Bloom have the privilege of the floor during the consideration of this measure.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. GOLDWATER. Madam President, will the Senator yield for a comment?

Mr. HEINZ. I yield.

Mr. GOLDWATER. Madam President, I have listened to these requests for staff members to be on the floor. I have made the interesting observation that there are more staff members on the floor than elected Senators of the United States. Maybe we had better include the Senators under Civil Service and let the staff take the floor.

[Laughter.]

The PRESIDING OFFICER. Is the Chair supposed to comment?

[Laughter.]

The Senator from Pennsylvania.

UP AMENDMENT NO. 1773

(Purpose: Placing restrictions on dual pay for retired military members serving as civilian employees of the Government)

Mr. HEINZ. Madam President, I send to the desk an amendment on behalf of myself, Senator EAGLETON, and Senator PERCY.

The PRESIDING OFFICER. The amendment will be stated.

The second assistant legislative clerk read as follows:

The Senator from Pennsylvania (Mr. HEINZ) proposes an unprinted amendment numbered 1773.

Mr. HEINZ. Madam President, I ask unanimous consent that reading of the amendment be dispensed with.

The PRESIDING OFFICER. Without objection, it is so ordered.

The amendment is as follows:

On page 198, after line 25, insert the following:

DUAL PAY FOR RETIRED MEMBERS OF THE UNIFORMED SERVICES

SEC. 305. (a) Section 5532 of title 5, United States Code, is amended—

(1) in subsection (b)—

(A) by inserting after "entitled" the following: ", except as provided in subsection (c),"; and

(B) by striking out "or retirement" each place it appears;

(2) by inserting after subsection (b) the following new subsection:

"(c)(1) If any member or former member is receiving retired pay and is employed in a position the annual rate of basic pay for which, when combined with the member's annual rate of retired pay (reduced, in the case of a retired officer of a regular component of a uniformed service, by an amount equal to the annual rate of the reduction under subsection (b) of this section), exceeds the rate of basic pay then currently paid for level V of the Executive Schedule, such member's pay for such employment shall be reduced by an amount computed under paragraph (2). The amounts of the reduction shall be deposited to the general fund of the Treasury of the United States.

"(2) The amount of each reduction under paragraph (1) for any pay period in connection with employment in a position shall be equal to the retired pay allocable to the pay period (reduced, in the case of such an officer, by an amount equal to the amount of the reduction under subsection (b) of this section for such period), except that the amount of the reduction may not result in the amount payable for the pay period, when combined with the retired pay allocable to the pay period (as so reduced in any such case), being at a rate less than the rate of basic pay then currently paid for level V of the Executive Schedule.";

(3) by redesignating subsection (c) as subsection (d);

(4) in subsection (d), as so redesignated—

(A) by striking out "subsection (b) of";

(B) by striking out "or retirement";

(C) by striking out "a retired officer of a regular component of a uniformed service" and inserting in lieu thereof "a member or former member receiving retired pay"; and

(D) in paragraph (1), by striking out "whose retirement was" and inserting in lieu thereof "whose retired pay is computed, in whole or in part,"; and

(5) by striking out subsection (d), as in effect before the effective date on this subsection.

(b)(1) The heading for section 5532 of title 5, United States Code, is amended to read as follows:

"§ 5532. Employment of retired members of the uniformed services; reduction in pay".

(2) The item relating to section 5532 in the analysis for chapter 55 of title 5, United States Code, is amended to read as follows:

"5532. Employment of retired members of the uniformed services; reduction in pay.".

(c) Section 5531 of title 5, United States Code, is amended—

(1) by striking out "and" at the end of paragraph (1);

(2) by striking out the period at the end of paragraph (2) and inserting in lieu thereof a semicolon; and

(3) by adding at the end thereof the following new paragraphs:

"(3) 'member' has the meaning given such term by section 101(23) of title 37; and

"(4) 'retired pay' means—

"(A) retired pay, as defined in section 8311(3) of this title, determined without regard to subparagraphs (A) through (D) of such section 8311(3); or

"(B) a pension or compensation paid under laws administered by the Veterans' Administration after a waiver of retired pay pursuant to section 3105 of title 38.".

(d) The amendments made by this section shall apply only with respect to pay periods beginning after the effective date of this Act and only with respect to members who first become eligible for retired pay (as defined in section 5531(3) of title 5, United States Code (as amended by this section), after the effective date of this Act except that the provisions of section 5532(b), as amended by this Act, shall apply to any officer of a regular component of a uniformed service irrespective of the date he became eligible for retired pay.

Mr. HEINZ. Madam President, the purpose of this amendment is to place certain restrictions on dual pay for retired military members serving as civilian employees of the Government at the highest levels.

What our amendment does is to address the problem of double dippers—namely, those military retirees collecting pensions who are employed by and are earning salaries from the Federal Government.

Currently, only retired regular military officers have their total earnings limited. Any such retiree who is employed by a Federal agency will have his military pension reduced by approximately $4,000 plus one-half of the remainder. This is current law. But because this applies only to retired regular officers—and exceptions are permitted among even these—we currently have thousands of military retirees who are simultaneously getting paid twice by the Federal Government.

This spring, the House of Representatives held extensive hearings on the problem of dual compensation, and we were shocked to learn that, as a result of our dual compensation law, there are nonetheless more than 200 retirees earning a combined income of between $60,000 and $80,000 annually, paid for by the Federal Government, and that means taxpayers. There are another estimated 2,500 retirees earning an average of $48,000.

The amendment that Senator EAGLETON, Senator PERCY, and I are proposing will limit the total combined income for all military retirees, except those disabled in combat, to the pay limit of Executive Level 5, which currently is $47,500. It will extend to Reserve officers and enlisted personnel and those who could be excepted under current law.

My amendment would be prospective—I emphasize that—and would not penalize any of those retirees currently employed by the Federal Government in civilian capacities.

The House version of the Civil Service Reform Act, H.R. 1128, contains a similar provision, which provision is estimated by the Congressional Budget Office to save approximately $56 million over the next 5 years.

Madam President, this amendment is an extremely modest but nonetheless necessary and reasonable first step in addressing the complex issues of dual compensation.

I feel that the issue as a whole needs a great deal more further study and deep consideration, so that more extensive resolutions to this problem can be examined and considered by Congress; but there should be no doubt in our minds that it is not in the national interest to have at Executive Level V, at the Deputy Assistant Secretary level, at a policy level or position, somebody who would be identified as a double dipper, paid for at taxpayer expense.

Madam President, it is my understanding that the administration has no objection to this amendment.

Indeed we have attempted to work closely with them. I am tempted to say that they support it, but I cannot say that simply because I have not had the opportunity this afternoon to discuss with them personally their support. But my understanding is that they did support the House amendment and that this amendment actually does a somewhat better job from the administration's point of view than does the House amendment.

Mr. GOLDWATER. Madam President, will the Senator yield to me?

Mr. GLENN. Madam President, will the Senator yield for a question?

Mr. HEINZ. Let me first yield to the Senator from Arizona and then I will be happy to yield to my good friend from Ohio.

Mr. GOLDWATER. Madam President, I understand what my friend from Pennsylvania is getting at, and I really think it is time we take a proper long look at this so-called double dipping.

If the Senator wants to include me I can be included and so can many Members of this body and the other body.

But all of the attention is focused on the former man in uniform. One-tenth of 1 percent of the people employed by the Federal Government were formerly officers of the military. Most of these people were enlisted men making very low salaries who now have an opportunity, because of their experience, to make a little more money than their retired pay.

I am not complaining about the Senator's efforts to look into the double dipping, so called, of the military man, but I wish to raise the question about the former Members of Congress who have been important members of committees who go to work in big law firms in Washington and draw down fees that are very exorbitant mostly because of their former association with, say, the Interior Committee or the Judiciary Committee, or who have many friends left on committees on the Hill to whom they can go and get favors.

While that does not come under the same classification, I am getting a little sick and tired of hearing the man in uniform kicked around because he has the expertise, he has the know-how, that certain agencies of Government have to have and they cannot find it anyplace else. Yet at the same time we allow, without any comment, former colleagues of ours on retired pay to take jobs with foreign countries, to take jobs representing giant concerns, where they can use their influence with former friends in Congress to accomplish things.

So I suggest to my friend from Pennsylvania that when he resumes the study of so-called double dipping that we get into this whole field. I say I think we are wrong in attacking the man in uniform or former man in uniform who just because he happens to have gathered knowledge while he was on duty and knowledge that has to be used by the Government is going to be penalized because people look rather shabbily at the man who was in the service of his country.

I hope that when the Senator resumes his studies next year, we cover the whole field including the man in civilian clothes along with the man in uniform.

Mr. HEINZ. Let me say to my good friend from Arizona that I think he makes an excellent point.

First, as a former man in uniform, a former enlisted man, a former member of the Air Force Reserve, and I think the Senator from Arizona still can claim that he is an active member of the Air Force Reserve—maybe he is now retired—but let me say that I share the sentiments about our military myself. I am the stepson of a retired career military officer. My stepfather went to Pensacola and Annapolis, and served in the Navy for 20 years and worked very hard for the Federal Government in that capacity. I have nothing but the highest respect for our men in uniform, and I know the Senator from Arizona is well aware of that.

I happen also to be the only Vietnam veteran in this Chamber. I did not actually fight in Vietnam. I did not go there. But I served in our Armed Forces during that period.

I think the Senator is correct that this is a broad issue. Indeed, this is the reason that we have a commission that has been asked to study this in some detail; namely, the President's Commission on Military Compensation, and it is our hope that that commission will finish its work shortly.

This amendment, I point out once again, is prospective in its application. It will not hurt a single Federal employee, even those who might be earning $80,000 from their combined pay and pension. We do not touch those people, and we do not intend to because that would be breaking a contract implied, I believe, that we have, and we will in no way touch, even prospectively, any of our disabled military, and I hope that the Senator from Arizona feels that the amendment is wise and just in that regard.

I thank my friend.

Mr. GLENN. Madam President, will the Senator yield for a question?

Mr. GOLDWATER. The Senator is not making it retroactive.

Mr. HEINZ. The Senator is entirely correct. We are not making it retroactive.

Mr. GOLDWATER. That is good.

Mr. GLENN. Madam President, will the Senator yield for a question?

Mr. HEINZ. I am very pleased to yield to the Senator from Ohio.

Mr. GLENN. I thank the Senator from Pennsylvania.

On page 5 of the amendment I note that that whole section says, "* * * after effective date of this Act, except that the provisions of section 5532(b), as amended, by this Act, shall apply to any officer of a regular component of a uniformed service irrespective of the date he became eligible for retired pay."

Can the Senator illuminate a little for me what section 5532(b) is?

Mr. HEINZ. Section 5532(b) is the existing civil service law, and it is not the intention of this amendment to change the existing civil service law at all, and it does not.

The section that the Senator from Ohio refers to is to ensure that we do not repeal section 5532(b) through any action that we take here. It is the existing law.

Mr. GLENN. Is it the one where a retired regular officer comes to the Senate, he loses under existing law about a fourth or a third of his retirement pay? Is that the part that is affected here that would continue the same way?

Mr. HEINZ. I regret that I do not have the civil service code in front of me. I could tell the Senator, though, how it reads. Essentially, it says that if you have a pension and are a Federal employee, you will be entitled to your retirement benefit and retirement pay—what is it—approximately $4,000—it is $2,000 adjusted by the cost of living since that law was enacted, which is quite a while ago, plus one-half of the remainder of your retired pay. I do not know, I have to say to the Senator, whether that is the section that the Senator is referring to, but that is what the section does.

Mr. GLENN. This will not change existing law, then?

Mr. HEINZ. This will not change existing law in any way.

Mr. GLENN. I wish to add that I favor the prospective aspects of this, but I also associate my remarks or my views very much with those of the Senator from Arizona, Senator GOLDWATER, in this regard. I think this double-dipping thing is looked at wrongly by a lot of people compared to the views that were held by regular officers of the vintage in which I was in in the military for 23 years.

We looked at it as deferred pay. We gave up some of our pay at that time. At that time we were receiving what was looked at then, and I am sure would be considered now, as substandard pay compared to our compatriots who were in the civilian business world and holding comparable jobs in industry.

I was offered about 2½ times once what my military pay was to go on the outside. If I had done that it would not have taken in the same kind of retirement benefits, and I was quite happy to stay where I was at the reduced pay level with the idea that when I retired it was a good retirement. It was deferred pay, and that is the way I looked at it.

I was earning that, I was earning every nickel of it at the time, and willing to take the reduced salary at the time in order to have this guaranteed income later on when I might retire.

That is the way all people looked at it at that time. We were happy to accept that.

Pay scales in the interim period drastically changed in the military, and I have no objection at all to going forward here henceforth with a different arrangement that people know about when they get in, it is part of their contract with their Government, their Government lives up to it, and that is it.

But if we would do anything that was retroactive, I think we would be breaking faith with people who put up with lesser pay at that time. My kids did with lesser things than I might have been able to buy for them at that time, and my family, because I was willing to accept this deferred pay concept.

I want to explain this because I think a lot of people believe that somehow there is a big ripoff occurring here. I ask the Senator from Pennsylvania if this study should be of all different aspects of double-dipping, whether it comes from retired Members of Congress who may

come back into a different Government position and still have retirement benefits here, whether it occurs by some of the examples mentioned by the Senator from Arizona a few moments ago, why are we pushing this particular area right now to get it through in this bill when we have a big study coming up that should address the whole thing?

A second question would be: To my knowledge there has never been any extensive hearing conducted on this as to what the different groups of people should be who would be considered in this, and I am very happy to see this go forward, let me make that very, very clear. I am happy to see a study of this go forward that would encompass the whole problem of double-dipping and not just addressing it in this one specific area which has been beaten to death over the past couple of years, until the military are supposed to look as though they were big crooks, conning the Government out of something they never earned, when they in fact devoted their lives to the service of their country. All they are asking is that the original contract be lived up to. That is a minimum.

I would be happy to support a very thorough investigation of the whole double-dipping situation if we would go forward with it affecting Congressmen and other people who have been in Government service, other people who have come into Government, if we study the whole thing of double compensation and take it up as a unit.

I would be happy to support it and would be happy to appear as a witness and be happy to participate in such debate and in such hearing.

But to take it up on one little narrow issue that just hits at the military, when we do have a big study coming up, is a bit premature.

Mr. HEINZ. Let me respond to the Senator. First, I agree wholly with the sentiment expressed by the Senator, and I think the question he asked, namely, why do we want to address this very narrow range, this very narrow category, at this time is a perfectly good question.

What is the reason we are addressing this narrow range? First, let us ask the question why are we looking only at military people. Well, there are only two groups of people who can be affected by this legislation: civil servants, because this is the Civil Service Act we are dealing with, and the military people.

As a practical matter, I know of no retired civil servants who have gone into the military. It is pretty hard to get in at age 45, just like it is any place else.

Mr. GLENN. I would agree that probably not too many of them can.

Mr. HEINZ. So we cannot look at it, I say to my friend from Ohio, as civil servants going into the military. That leaves only one thing, the military going into civil service. We cannot help it, it is just the way life works.

Why the particular range of salaries? Well, this happens to be executive level 5. These are policymaking jobs in the U.S. Government, executive level 5, and up—which includes people who make policy for the military, for the civil service, for the Defense Department, for veterans, for health care.

The President himself, both in his campaign and since, has taken a very hard line against double dipping, and this simply conforms to making sure that in the future nobody comes aboard into those policymaking level positions who is going to be considered, no matter how you slice it, a double-dipper.

If there are any double dippers in those policy-level jobs we are not going to hurt them, as this is something that is prospective and will only affect those people who would have, as I say, a combined compensation of $47,500, that is, equivalent to executive level 5 compensation.

Mr. GLENN. Mr. President, if the Senator will yield, if we are addressing this double dipping problem, should we not say and/or Congressmen, Members of Congress, who are eligible for retirement and leave the Congress and go into a Government position with their retirement pay intact? They are probably worse double-dippers than most military because the retirement pay of Congress is very liberal.

Mr. RIBICOFF. Mr. President, will the Senator yield?

Mr. HEINZ. If I may just respond, as the Senator well knows, the point he is making is extremely well taken. Congress is not subject, as he knows, to the civil service laws. Congress is not subject to EEOC, Congress is not subject to the child labor law; Congress is not subject to a lot of things. I think the Senator understands—and I wish it were otherwise—that he and I believe together that what is good for the goose is good for the gander, and I know the Senator joins me in that.

But I think the Senator also knows, without my having to say so, that this is a civil service law, and that is why, as the Senator I am sure knows, it will not apply to Congressmen.

Mr. GLENN. That is true, but the problem——

Mr. RIBICOFF. Mr. President, will the Senator yield?

Mr. HEINZ. I will be happy to yield.

Mr. RIBICOFF. The committee held 12 days of hearings with 86 individuals representing 55 organizations. In addition, Senator PERCY and I wrote to about 90 experts in public administration and personnel administration. What bothers me, as the manager of this bill, is the fact that we had no discussion or comment directed in any way to the problem we are now discussing under this amendment.

It is important. I think the Senator from Arizona (Mr. GOLDWATER) and the Senator from Ohio (Mr. GLENN) have raised very important points. The question comes with the study commission: Are we obligated to go into all phases of double dipping and not just the question of those in the military?

I have discussed this with the Senator from Tennessee (Mr. SASSER), who is chairman of the Subcommittee on Civil Service, and I have asked him whether he would be willing, at the beginning of next year to conduct full hearings on this, and all these problems, so that we can address it intelligently and have an answer to the Senator from Arizona (Mr. GOLDWATER) and the Senator from Ohio (Mr. GLENN), which I do not think we have here. With all the work we have done on civil service reform, we in no way touched upon this most important field.

I feel that we do not have the necessary information to make an intelligent judgment on this matter. So I personally am reluctant to approve this amendment without having hearings. There were no direct discussions in committee and in the markup. We held 7 days of markup. There was a tangential discussion, if my memory serves me right, in which the Senator from Ohio made some comment, but there was no direct discussion, if my memory serves me right, on anything approaching the Heinz-Eagleton amendment.

I think there is a vacuum here. This is a very important point, raised by the distinguished Senator from Pennsylvania.

Mr. HEINZ. Mr. President, if the Senator will yield——

Mr. RIBICOFF. You have the floor.

Mr. HEINZ. I do not dispute in any way the Senator's characterization of our discussion, but that is not to say that this issue has not been discussed year in and year out, on many occasions, both on the floor of this body and the floor of the House of Representatives, over in the committees of Congress, and downtown.

Indeed, this amendment has been discussed with the administration and with the civil service people. It conforms to their suggestions and to what they feel they can accept, and it conforms, most importantly, I think, to a standard that was adopted in the House of Representatives. I am referring to the Schroeder amendment which was adopted in committee after discussion over there.

Just because this idea was not invented in our committee—and I would be the first to give full credit to Representative SCHROEDER for having taken the initiative on this—I do not think we should reject it. I would hope that the committee would see fit to accept the amendment.

Mr. GLENN. Mr. President, will the Senator yield?

Mr. HEINZ. I yield.

Mr. GLENN. I would agree with the floor manager. I think it is great that we are considering this. But just as an example, do we have any figures on the number of people affected?

Mr. HEINZ. Yes, we do.

Mr. GLENN. Do we have figures on the dollar savings?

Mr. HEINZ. Yes, we do.

Mr. GLENN. Do we have figures on how the public has been misled?

Mr. HEINZ. Yes, we do.

Mr. GLENN. I have not seen any figures or heard any testimony on that.

Mr. HEINZ. We have exact figures on the number of retired people employed

by the Federal Government, the number of retired military employed by the Federal Government, with exact statistics on their income.

We do not have any consensus, but we have statements of policy from the administration on what they want.

Mr. GLENN. We have never, as the Senate, held hearings on this, as we do on every other subject, is that not correct?

Mr. HEINZ. I cannot speak for the Senator from Ohio, but this is not the first time I have been involved in the subject.

Mr. GLENN. I know of no hearings we have had on this double dipping since I have been in the Senate. Perhaps there have been some I was not aware of.

Mr. HEINZ. I am not in a position to dispute what the Senator says.

The PRESIDING OFFICER. (Mr. BAYH). Does the Senator yield the floor?

Mr. HEINZ. I yield the floor.

Mr. EAGLETON. Mr. President, let me address a few remarks, if I may, to the exchange between the Senator from Ohio and the Senator from Pennsylvania.

First of all, as to the context in which Senator HEINZ and I raise this amendment, it was raised in the first place by Mrs. SCHROEDER on the House side. It is part of the House bill. The best estimate is that it will be in the House bill that goes to conference. So the issue will be joined, one way or the other.

Mrs. SCHROEDER, in the draft of her amendment, proposes to repeal the one section of existing law with reference to "double dipping."

Let me tell you what the law says. It is called the Dual Compensation Act. Here is approximately what it says: Assume you retire from the military, and your military retirement pay is, let us say, $20,000. Assume then you go to work, often the very next day, often at the very same desk, often using the same parking lot. The only difference is that one day you are called "colonel" and the next day you are called "mister."

Now let us assume your civilian salary the next day is $30,000. You get $20,000 in retired pay, and $30,000 in new civilian salary.

Existing law says that is not right. So what does existing law do about it? Existing law says that the first $4,300 of your retirement pay, you keep that and next, you keep half the difference between the $4,300 and what your retirement pay would have been had you not gone to work in a civilian capacity for the Federal Government.

Thus, under my hypothesis, a fellow who would have been entitled to $20,000 retirement pay would get $4,300 off the top, and half of $15,700, plus his $30,000 new salary.

Senator HEINZ and I did not invent that law. This is no stab in the back, no insult, no violation of contract. This is what is on the law books today.

Mrs. SCHROEDER, with her amendment, repealed the one existing law on the books.

Now, why is there concern about this question of double dipping and retired pay? I think the reason there is great concern about it, Mr. President, is that if we permit this military pension business to linger and malinger, as it has for decades, then one of these days it will bankrupt even the incredibly wealthy Pentagon.

Ten years ago, retired pay, out of the defense budget, was $1 billion. Ten years ago, $1 billion; that was the total annual payment for pensions out of the Pentagon to retirees.

Do you know what it is today—$10 billion? In a decade it has gone from $1 billion to $10 billion. And do you know what actuarial experts say it will be by 1995—$34 billion? That is what it will be.

Now, we hear people say, "You know, we ought to start thinking about doing something about it, but this is not the right time."

"Now is not the right time," it is said. Thirty years from now it might be the right time, but not now. Do you know how many Presidential and departmental study commissions there have been in recent years to "study" this question of dual compensation, double dipping, retired pay, and the like? Five. Five commissions, either commissioned by the President of the United States or by the Secretary of Defense, the most recent one being called the Zwick Commission. What are we told after each of these commissions makes its report? "Study it further," we are told "Study, study, study, but never act." That is what we are constantly advised to do. "Double dipping," as an amendment, was raised on a Defense Appropriation bill some years ago, and it was said to those who offered the amendment at that time, "Now is not the right time." It was offered a year later and it was said to those who offered that amendment, "Now is not the right time." Never is it the right time.

This is not a question, Mr. President, of trying to be punitive or petulant or peevish, or to punish anyone. This is a question that, if it constantly remains unsolved, I repeat, one of these days it will bankrupt the Pentagon.

This is the first, halting, "tip of the iceberg" attempt to focus some attention on this issue. What brought it to a head—I do not have the newspaper clip with me, but what brought it to a head was a front page news article in one of the newspapers which showed a fellow holding up his two paychecks, one his retired pay and the other his newest civilian paycheck and the total annual aggregate was, I think, was some $80,000. Mrs. SCHROEDER and others thought that was not a very good system of compensation, to pay somebody $40,000 in retirement, and the next day move him one desk over to keep doing the same thing, and pay him an additional $40,000. That was an imperfect way to do the public's business, some of us believed.

Now, what about Congress? I would be delighted to see an amendment that said any former Member of Congress, if he takes another Government job, postpones his pension or retirement until such time as he gives up that second Government job. If he wants to take a second Government job as a member of the Cabinet, or, as a janitor in some building, or whatever he wants to do, that is fine; let him take the job.

But do not let him draw his Government pension at the same time he is drawing a new Government salary.

That is quite proper, as far as I am concerned.

All we are talking about in the Heinz-Eagleton amendment is retired Regular military officers who get the next Government job usually with the Pentagon. There are 5,000 currently in such a capacity; that is, 5,000 retired Regular military officers receiving a second Government paycheck for a subsequent Government job.

The Heinz-Eagleton amendment simply says:

> If the sum aggregate of the retired Government paycheck you receive and the new Government paycheck you are about to receive exceeds $47,500, that is too much. You cap it out at $47,500.

As I have said, it is a tip of the iceberg situation we have before us. But it would demonstrate, if adopted, that this Congress is about at its outer limit of tolerance insofar as this retired military pay, "double dipping" business is concerned.

Mr. GOLDWATER. Will the Senator yield?

Mr. EAGLETON. I yield.

Mr. GOLDWATER. Mr. President, it is not easy for me to oppose this amendment. I agree with the Senator from Missouri that we will never get anything done in this field until we start.

To bring this into a sharper focus and probably a little more shaky focus, if we were not to take in another man in uniform starting this very second, before the last man had died we would have paid out $400 billion. Is the man in uniform to blame? No.

I have to separate today from yesterday. When I first went into the military, the bright rung on the ladder that faced us was that silver one at the top that said, "You can retire with compensation that you did not pay for." And during those days when a second lieutenant was paid $115 a month, that was very attractive. I think this is what we have been running into, the terrific impact of retirees to whom the American people promised retirement pay.

I am happy to say that under Senator NUNN sometime next year we are going to hear some greatly improved approaches to this whole retirement problem, approaches that I am sure the military will want to see, which will be more in line with the civil service concept under which we operate.

I repeat, my objection is that we constantly harass the poor guy in uniform who had nothing to do with this. This was somebody's idea probably 100 years ago to entice men into uniform.

I want to take a look at my own situation because as a so-called double

dipper who is a former reserve officer, we have I do not know how many in this Congress, though there are quite a few. This was long ago in the last days of President Truman when they put the reserve officer on the same footing as the regular as far as time went.

When I first went on duty in 1930 as a reservist, every 2 days I served as a reservist counted as a full day, or 1 day for pay purposes. This was changed in the late 1940's to give equal time for reservists. Had I been in a capacity where I could have assisted by a vote, I would have voted against it, because I have never believed that a man in the reserve who only spends time on duty when he is called to active duty or his weekends or summers, which in my case amounted to 37 years of which probably 7 years was served on active duty—I do not think I should be treated as an equal to a man on regular status.

I looked into this because I have had people raise all kinds of hell with me for double dipping. So I asked the Air Force what would happen if I asked them to stop sending me my monthly check for retirement. They said, "It would cause a lot of trouble. First of all, have you ever told a computer to stop doing anything?"

I said, "Well, let us say that you do it."

They said, "Fine, here you retire from politics and you will have to pay income on the whole ball of wax."

If I have no other income than the income when retiring from the Senate, without that retired pay as major general I will be back for food stamps or something.

I am not arguing with what the Senator wants to do. Something has to be done. I do not want to join the argument that maybe we better wait. Maybe we have waited too long.

But I want to be sure that when we take a step that we look at the man who served in this body or the other body, or served in some capacity in the Federal Government, who now is employed at great benefit to our country. Where would we have been without George Marshall, without Jim Gavin, without Maxwell Taylor? I could go on down the list of great men we have gotten out of the military who went to work for our Government. Under the concepts now advocated by some members of the press in the East we would never have had the services of those men unless they said, "Well, I just felt so strong in my heart that I want to serve my country that I will do it for nothing." We do not have many of those come along.

I am not going to stand in opposition to this amendment. I just wanted to speak my little piece on it in defense of the man in uniform who catches a lot of hell on this when he should not.

Mr. EAGLETON. I want to say, Mr. President, the Senator from Arizona has spoken well as he always does, with candor and sincerity. I think he has stated his viewpoint in a very able and forthright way.

Mr. President, as far as I am concerned, I have said about all I intend to say on our amendment. Perhaps Senator HEINZ would like to close on the amendment.

Mr. HEINZ. I thank my colleague from Missouri. I think he has made an excellent case for the amendment we jointly offer.

Just so there is no misunderstanding among any of our colleagues here in the Chamber, I want to reemphasize once again the very modest effect of this amendment. It is prospective; it is not retroactive. It only applies to those at the $47,500 level. If you took all the retired regular officers—all of them—who are now employed in the Federal Government at whatever level of pay, they would total all of 5,164 people.

That is fewer than 4 percent of the total retired personnel.

I just want to emphasize, as I say, that this is a very modest step. I say to my good friend from Arizona that I stand foursquare with him. It is not my intention to pick, in any way, shape, or form, on the military or my retired navy stepfather, or anybody like that.

This is a civil service bill. This matter is germane to the bill. Indeed, it is unlikely that we are going to have another civil service reform bill in Lord knows how many years. Indeed, this bill has been much too long coming to Congress.

I do not say that with any disrespect to the Senator from Connecticut or the Senator from Illinois. They have worked wonders in bringing this bill to us. It is not their fault that we have not been able to produce a civil service reform bill years before this.

Mr. GLENN. Will the Senator yield for a question?

Mr. HEINZ. I am happy to yield.

Mr. GLENN. I wonder if the Senator would accept changing this, since we are concerned with Government expenditures. I agree completely with the Senator from Missouri on the magnitude with which this has grown. I certainly grant that military considerations are not the biggest part of this thing, but I wonder if the Senator from Pennsylvania would consider modifying this to include a limitation on anyone accepting a Government job who has previously held any Government job, from whatever source. This would not limit it just to retired regular officers, which is a very narrow categorization.

In other words, if we really want to get at this double dipping problem, would he accept an amendment, which I am sure we could draw up in a few moments here, which would really take on this double dipping problem? We would take it on and set this limitation the Senator imposes, that it be from whatever source previous service was, whether military, whether previous civil service, coming back into the Cabinet—whatever the limitation is. It would not narrowly restrict this to the group the Senator proposes in this amendment.

Mr. EAGLETON. That would be an excellent amendment, because that is basically what is present law. If you retire from the civil service and you decide to go back to work within the civil service, there is more or less, a dollar-for-dollar offset between the retirement pay and the new earned pay. The existing Dual Compensation Act as well as the proposed Heinz-Eagleton amendment permits $4,300 of retired military pay plus half the difference between $4,300 and the full amount.

The Senator does not want, I take it, to do what is done with respect to civilians and knock them out entirely with a dollar-for-dollar offset?

Mr. GLENN. No, because I think the military, in general, has had a lower pay scale than civil service employees with comparable responsibilities.

Would the Senator accept congressional limitations, for example, if there are congressional retirees who come back into the civil service from whatever area? Why should they be paid twice if regular officer military retirees are not?

Mr. HEINZ. It seems to me the Senator's problems, as I understand it, are already addressed by current law.

Mr. EAGLETON. If the Senator will yield, I should like to read three sentences into the RECORD from the report, "Dual Compensation Paid to Retired Uniformed Services' Personnel in Federal Civilian Positions." It is from the Subcommittee on Investigations of the Committee on Post Office and Civil Service of the House of Representatives, dated April 3, 1978:

REEMPLOYED ANNUITANTS

Civil service annuitants who retire from civilian positions are not barred from reemployment in the Federal service because of their retired status. If an annuitant becomes reemployed in an appointive or elective position in the Federal Government subject to the Civil Service retirement system, the salary in that position is usually reduced by the amount of annuity paid. The reduction in civilian salary is * * *

So there is the dollar-for-dollar offset. Under the Heinz-Eagleton amendment, there is not a dollar-for-dollar offset. It keeps the so-called Dual Compensation Act on the books as it is which is more generous to retired military officers.

Mr. President, I ask for the yeas and nays on the amendment.

The PRESIDING OFFICER. The yeas and nays have been requested. Is there a sufficient second? There is a sufficient second.

The yeas and nays were ordered.

The PRESIDING OFFICER. Is there further discussion?

Mr. GLENN. Mr. President, I move to lay the amendment on the table and ask for the yeas and nays.

The PRESIDING OFFICER. Is there a sufficient second? There is a sufficient second.

The yeas and nays were ordered.

The PRESIDING OFFICER. The question is on agreeing to the motion to lay the amendment on the table. The yeas and nays have been requested. The clerk will call the roll.

The assistant legislative clerk called the roll.

Mr. GOLDWATER (when his name was called). Present.

Mr. CRANSTON. I announce that the Senator from South Dakota (Mr. ABOUREZK), the Senator from Minnesota (Mr. ANDERSON), the Senator from Mississippi (Mr. EASTLAND), the Senator from Alaska (Mr. GRAVEL), and the Senator from Louisiana (Mr. JOHNSTON) are necessarily absent.

Mr. STEVENS. I announce that the Senator from Tennessee (Mr. BAKER), the Senator from New Mexico (Mr. DOMENICI), the Senator from Nevada (Mr. LAXALT), and the Senator from New Mexico (Mr. SCHMITT) are necessarily absent.

The result was announced—yeas 32, nays 58, as follows:

[Rollcall Vote No. 364 Leg.]

YEAS—32

Allen	Hathaway	Sarbanes
Bumpers	Hollings	Sparkman
Byrd, Harry F., Jr.	Huddleston	Stennis
	Humphrey	Stevens
Byrd, Robert C.	Inouye	Stevenson
Cannon	Jackson	Stone
Chiles	Long	Talmadge
Clark	Mathias	Young
Culver	Matsunaga	
Durkin	McIntyre	
Glenn	Moynihan	
Hatfield, Mark O.	Nunn	
	Ribicoff	

NAYS—58

Bartlett	Hart	Nelson
Bayh	Haskell	Packwood
Bellmon	Hatch	Pearson
Bentsen	Hatfield, Paul G.	Pell
Biden		Percy
Brooke	Hayakawa	Proxmire
Burdick	Heinz	Randolph
Case	Helms	Riegle
Chafee	Hodges	Roth
Church	Javits	Sasser
Cranston	Kennedy	Schweiker
Curtis	Leahy	Scott
Danforth	Lugar	Stafford
DeConcini	Magnuson	Thurmond
Dole	McClure	Tower
Eagleton	McGovern	Wallop
Ford	Melcher	Weicker
Garn	Metzenbaum	Williams
Griffin	Morgan	Zorinsky
Hansen	Muskie	

ANSWERED "PRESENT"—1

Goldwater

NOT VOTING—9

Abourezk	Domenici	Johnston
Anderson	Eastland	Laxalt
Baker	Gravel	Schmitt

So the motion to lay on the table UP amendment No. 1773 was rejected.

Mr. HEINZ. Mr. President, I move to reconsider the vote by which the motion to lay on the table was rejected.

Mr. EAGLETON. I move to lay that motion on the table.

The motion to lay on the table was agreed to.

The PRESIDING OFFICER. The question is on agreeing to the amendment of the Senator from Pennsylvania. On this question the yeas and nays have been ordered.

Mr. HEINZ. Mr. President, I ask unanimous consent that the order for the yeas and nays on my amendment be vitiated.

The PRESIDING OFFICER. Is there objection? The Chair hears none, and it is so ordered.

The question is on agreeing to the amendment.

The amendment was agreed to.

Mr. RIBICOFF. Mr. President, I move to reconsider the vote by which the amendment was agreed to.

Mr. RANDOLPH. I move to lay that motion on the table.

The motion to lay on the table was agreed to.

UP AMENDMENT NO 1774

Mr. HATCH. Mr. President, I send to the desk an unprinted amendment.

The PRESIDING OFFICER. The amendment will be stated.

The legislative clerk read as follows:

The Senator from Utah (Mr. HATCH) proposes an unprinted amendment numbered 1774.

Mr. HATCH. Mr. President, I ask unanimous consent that reading of the amendment be dispensed with.

The PRESIDING OFFICER. Without objection, it is so ordered.

The amendment is as follows:

On page 8, strike lines 17–25.
On page 9, strike lines 1–25.
On page 10, strike lines 1–25.
On page 11, strike lines 1–4.

Mr. ROBERT C. BYRD. Mr. President, will the Senator yield briefly?

Mr. HATCH. I yield.

Mr. ROBERT C. BYRD. Mr. President, it is my understanding that the managers of the bill may be prepared to accept this amendment.

Mr. HATCH. The managers have indicated that they would accept it. Senator MATHIAS and Senator STEVENS have indicated that they would accept it. It is not controversial, so far as I know, and there is no reason to debate it.

Mr. RIBICOFF. There are a few amendments being offered by the Senator from Utah which we have discussed, and I am ready to accept the series of amendments being offered by the Senator from Utah. I am uncertain about any other amendments.

Mr. STEVENS. I shall offer the one we have discussed with the Senator's staff, and I shall not offer the other.

Mr. RIBICOFF. During the discussion, we will go into the other amendment. I am not sure which one that is.

Mr. ROBERT C. BYRD. Mr. STEVENS has one amendment. Are there other amendments? Only the amendment by Mr. STEVENS after the amendments by Mr. HATCH.

Mr. STEVENS. Senator DOLE has an amendment.

Mr. ROBERT C. BYRD. Mr. President, I ask for the yeas and nays on final passage.

The PRESIDING OFFICER. Is there a sufficient second? There is a sufficient second.

The yeas and nays were ordered.

The PRESIDING OFFICER. The Senate will be in order.

Mr. HATCH. Mr. President, are the floor managers willing to accept the amendment I have just sent to the desk? As I understand it, they have accepted the amendment.

Mr. RIBICOFF. It is accepted by the manager of the bill.

The PRESIDING OFFICER. The question is on agreeing to the amendment.

The amendment was agreed to.

Mr. HATCH. Mr. President, I move to reconsider the vote by which the amendment was agreed to.

Mr. RIBICOFF. I move to lay the motion on the table.

The motion to lay on the table was agreed to.

UP AMENDMENT NO. 1775

(Purposes: (1) To insure secret ballot elections under all circumstances prior to imposing a bargaining obligation on any agency. (2) To decertify any exclusive representative who fails to take action to prevent or stop a strike, work stoppage, slowdown, or picketing of any agency. (3) To protect the employee's right to hear both sides of union representation arguments so long as no threats, force or promise of benefit are involved)

Mr. HATCH. Mr. President, I send three unprinted amendments to the desk.

The PRESIDING OFFICER. Does the Senator request that they be considered en bloc?

Mr. HATCH. Yes. I ask unanimous consent that they be considered en bloc.

The PRESIDING OFFICER. Without objection, it is so ordered.

The amendments will be stated.

The legislative clerk read as follows:

The Senator from Utah (Mr. HATCH) proposes three unprinted amendments numbered 1775.

Mr. HATCH. Mr. President, I ask unanimous consent that reading of the amendments be dispensed with.

The PRESIDING OFFICER. Without objection, it is so ordered.

The amendments are as follows:

On page 296, line 8, after the word "chapter" delete the period and substitute a semicolon and then add the following new proviso,

"*Provided*, That nothing in this chapter shall be construed as requiring an agency to negotiate in good faith with any labor organization certified after the enactment of this Act until a representative of its employees has been determined by means of a secret ballot election conducted in accordance with the provisions of this chapter. This proviso shall not be construed to bar a consolidation of units without an election.

On page 301, line 3, add the following new subparagraph,

"(e) Any labor organization which has violated section 7216(b)(4)(B) shall, upon an appropriate finding by the authority of such violation, have its exclusive recognition status revoked and it shall cease immediately to be legally entitled and obligated to represent employees in the unit."

On page 298, line 16, add the following new subparagraph,

"(f) The expression of any personal views, argument, opinion or the making of any statement shall not (i) constitute or be evidence of an unfair labor practice under any of the provisions of this chapter, or (ii) constitute grounds for, or evidence justifying, setting aside the results of any election conducted under any provisions of this chapter, if such expression contains no threat of reprisal or force or promise of benefit.".

Mr. HATCH. Mr. President, these amendments also are acceptable to the managers of the bill, and I move their adoption.

Mr. BELLMON. Mr. President, may we have a brief explanation of what these amendments do?

Mr. HATCH. Mr. President, the first amendment deals with title VII and provides that no new labor organization which comes into being after the enactment of this act can achieve collective bargaining rights unless a majority of the employees in an appropriate unit vote for the union via a secret ballot election. This amendment preserves the sanctity of the employee making a free choice through a secret ballot election and only through that process which is the proven method of guaranteeing a fair and unfettered employee choice. That is amendment No. 1.

That is amendment No. 1.

No. 2; The second amendment also deals with title VII and provides for the decertification of any labor organization which is found by the authority to have condoned, by failing to take appropriate action to prevent any strike, work stoppage, or slowdown by employees. I believe the public interest demands that we take the legal authority away from any union which abrogates its responsibility to remedy unlawful employee actions. This act creates rights and duties on the part of both collective bargaining participants, and I feel this is a minimum obligation the union should assume or risk losing its legal bargaining status.

The third amendment: The last amendment protects the employee's right to hear both sides of union representation arguments so long as no threat, force, or promise of benefit are involved. Employees should be able to hear, and digest, any personal views, arguments, opinions, or other statements about the union situation whether by the union agents or the agency's managers and supervisors without an unfair labor practice being found or an election set aside based upon the expression of views. We have the added protection here that the views must be fair and not contain threats, force, or any promises of benefit for the employee involved.

I commend the three amendments offered en bloc to the attention of the floor managers and I believe they are willing to agree to them, and they have been run by the administration, they agree to them, and I believe that they are very good amendments which will enhance this bill, especially title VII.

Mr. JAVITS. Mr. President, I ask the managers of the bill, because they have been handling the bill, and I am a member of the same committee—these are labor amendments—what is their rationale for accepting each amendment, and have they consulted with the administration and is the administration willing?

Mr. RIBICOFF. May I say that there was consultation between the Senator from Utah and Mr. Campbell, as I understand it, and the staffs.

Mr. HATCH. That is correct.

Mr. RIBICOFF. Mr. Campbell, the chairman of the Civil Service Commission, worked out the language with the Senator from Utah.

Mr. HATCH. Mr. President, will the Senator yield for a slight additional explanation.

Mr. RIBICOFF. I yield.

Mr. HATCH. We have revamped a number of amendments which I brought to the attention of Mr. Campbell and the civil service people and their aides and staffs, and we revamped them in accordance with their recommendations and desires, and I believe the amendments are in good order.

Mr. JAVITS. So the managers are not prepared to explain the rationale; they are simply relying upon the fact that these amendments have been accepted by the Civil Service Commission; is that correct? The Civil Service Commission is the employer, for practical purposes, is it not? Has any effort been made to get labor's view on these amendments?

Mr. RIBICOFF. Personally, I did not discuss this with labor. I do not feel it is incumbent upon me personally, as a U.S. Senator, to discuss something with labor or with management. It was worked out with the Civil Service Commission after a series of conferences. I was busy in the Chamber with the entire bill, and I was willing to accept this. I will be candid with my distinguished colleague from New York.

Mr. JAVITS. All right. I just wanted to get the ground rules. I am not trying to find any fault with the managers at all. I will get to the merits in just a minute. But I did first want to find out how the managers felt and their reasons.

Mr. PERCY. Mr. President, will the Senator yield for a question on this?

Mr. JAVITS. I yield to the Senator.

Mr. PERCY. Obviously you cannot touch base with everyone, I am sure this could have been run by some additional people. But in looking at the amendments and considering that the distinguished Senator from Utah brought in a rather bulky package of amendments today, I think that what has been sifted out gets right down to the heart of some of his concerns.

The first, as I understand it, would be to decertify any union found to be involved in a strike—that is an illegal action against the Government and that appeared on the surface at least to be reasonable; to insure a secret ballot in all union elections, and that should be, I would think, something the unions would want to preserve; and to see that there is a full opportunity to insure the expression of personal or dissenting views in union campaigns.

Mr. HATCH. Mr. President, will the Senator yield?

Mr. PERCY. I am happy to yield.

Mr. HATCH. This also protects both the unions and the civil service people because it allows the consolidation to take place. As I understand it, there are some 3,500 different unions, and it protects their right to consolidate and protects them prospectively and retrospectively in this matter.

Mr. PERCY. As the Senator from Illinois mentioned many times during the debate on the labor reform bill, it is our duty in Congress to protect the rights of the individual.

As I interpret these amendments, they do go to the heart of protecting individuals. I should think that responsible labor leadership would support them. But the Senator from Illinois will admit that time pressure has been so great this afternoon with the intention of the leadership to finish this bill and have final passage voted by 5 o'clock—we are now 1 hour and 5 minutes behind that—but if there are serious reservations about them, we will certainly do the best we can to check it out to be certain we looked at every aspect of it.

Mr. JAVITS. Mr. President, the purpose of my taking the floor is because I am the ranking minority member of the Labor Committee, a committee of which Senator HATCH is a member, and his views on union organization are as well known as mine.

Mr. HATCH. That is correct.

Mr. JAVITS. Therefore, it is my duty to examine them carefully and find out what is the rationale, to decide whether I wish to agree or to oppose. But before I do that, because the Senators are my friends, and I have great faith in them, and they are handling this bill, I wanted to find out the basis on which they were taking them, and now they have told me.

Mr. President, I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The second assistant legislative clerk proceeded to call the roll.

Mr. ROBERT C. BYRD. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER (Mr. STEVENSON). Without objection——

Mr. METZENBAUM. I object.

The PRESIDING OFFICER. Objection is heard.

Mr. ROBERT C. BYRD. I just want to make an announcement.

Mr. METZENBAUM. I withdraw my objection.

ORDER OF PROCEDURE TONIGHT

Mr. ROBERT C. BYRD. Mr. President, it is hoped that the Senate can complete action on this bill this evening without having to stay late and, if that is possible and achievable, then the Senate will go out until 9 o'clock tomorrow morning. On tomorrow the Senate will take up the CETA bill and the remaining tax bills. So I hope that all Senators will cooperate and work together to complete action on this bill this evening and, if possible, hopefully it will not be too late and, as I say, the Senate will go out.

Mr. METZENBAUM. Mr. President, the three amendments that have been offered are matters of major concern, as I see it, and I am just taking the time in order to see if I can find out exactly what they do provide. It is for that reason that I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The second assistant legislative clerk proceeded to call the roll.

Mr. BELLMON. Mr. President, I ask

unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. METZENBAUM. Mr. President, reserving the right to object, and I will not object, as I understand it, the Sentaor wishes to raise a point having nothing to do with the Hatch amendments?

Mr. BELLMON. That is correct.

Mr. President, I would like to call the attention of the distinguished floor manager of the bill to section 3591 on page 222 of the bill. This is the section that deals with removal from the senior executive service, and I would like to ask a question or two in order to be better informed about how the removal procedure would operate.

As I understand the language of the bill, if a person has been serving in the senior executive service, and there is a desire on the part of the executive branch to remove the person from the position, if the removal occurs within 1 year of the appointment it can be done without any difficulty whatsoever. All that is necessary is for the notice to be given to the senior executive service member, and that member then goes back to his original position without any problem.

Mr. RIBICOFF. May I respond to the distinguished Senator from Oklahoma by saying that a senior executive service employee with career status may be reinstated to any senior executive service position if he has completed the probationary period, which is 1 year.

However, if he left the senior executive service for either misconduct, neglect of duty, malfeasance or for less than fully successful performance, then he could not. But in the absence of those provisions he could go back to his career position.

Mr. BELLMON. Mr. President, if the Senator will let me raise another question, as I understand, one of the main objectives of this bill is to provide the executive branch with greater flexibility in filling the key decisionmaking positions in Government. It is an objective that I strongly endorse. But, it seems to me, if a member of the civil service agrees to an appointment in the senior executive service that it is not necessarily desirable to require the executive branch to have to make a case that this person is then guilty of misconduct, neglect of duty, or malfeasance in order to replace that person or send that person back to his permanent civil service rating, and that we think this unnecessarily damaging to the civil servants who may only be—when the executive branch may desire to make a change. Perhaps the person has been doing good work but the executive branch feels other persons can do better. How flexible is this procedure?

Mr. RIBICOFF. I think he gets more protection than at the present time. Now he may be removed from the civil service and he is out entirely.

But here, if he is removed from the senior executive service and there was no misconduct or malfeasance, he can go back to the career service, to the job that he had before, on the same level.

Mr. BELLMON. Let us assume the person does not necessarily want to leave the senior executive service.

Mr. RIBICOFF. Well, he could come back provided there was not misconduct or less than fully successful performance. If there was misconduct or malfeasance, he may be removed, after he has a hearing and goes through all the disciplinary proceedings.

Mr. BELLMON. Let me take a possible case. Let us assume that President Carter appoints a person from the civil service to the senior executive service, and when President Carter leaves office in 1980 or 1984, the new President decides that he wants a different person put in that position. Is it necessary, then, for the new President or the new administration to charge this member of the senior executive service with less than fully successful performance or misconduct, neglect of duty, or malfeasance, and if such charges are made, does this then force the member of the senior executive service to go into court to defend his reputation?

Mr. RIBICOFF. He does not have to charge misconduct. He can remove that person from the position he has within the senior executive service to another position within the senior executive service. The employee would have a career in the senior executive service, but there would be flexibility to move him within the agency. He could not be moved involuntarily from one department or agency to another or out of the senior executive service. He would be protected to be in that higher echelon of employees.

Mr. BELLMON. Then this really only gives the executive branch flexibility one time; there will be a chance to appoint a good many people to these senior executive services one time, but from then on they will be more or less locked in?

Mr. RIBICOFF. They are not locked in the particular position, but they can remain in the senior executive service, provided they do the job and are not guilty of misconduct or perform unsatisfactorily. There is the senior executive service, and they can be shifted within their agency, but you cannot force them out of that senior executive service.

Mr. BELLMON. Except for malfeasance, misconduct, and these other things?

Mr. RIBICOFF. And if it were done for partisan political purposes, it would be a prohibited personnel practice.

Mr. BELLMON. I think the distinguished Senator from Connecticut will agree with me that sometimes it is a good thing to give the executive branch some flexibility to bring people into these decisionmaking slots, and then, if they do not perform necessarily as well as they might, even though they are not guilty of misconduct, neglect of duty, or malfeasance, be able to move them out or put them back where they came from.

Mr. RIBICOFF. Well, they can do it today, of course. If they do not successfully perform their jobs, they could be removed. But again, there would have to be proof of unsatisfactory performance. If they are removed, they go back into a GS–15 position in the civil service. They retain their standing in the career service.

Mr. BELLMON. I believe the distinguished Senator from Connecticut will agree that at the present time it is practically impossible to remove someone from civil service without a lengthy court proceeding, and very often those proceedings fail and people have to be reinstated with backpay.

Mr. RIBICOFF. That is one of the reasons for this bill, because for all practical purposes today, you cannot remove anybody from Government employment, no matter how bad he is. Here we are trying to make it easier to keep the good ones and get rid of the bad ones.

Mr. BELLMON. But it seems to me section 3591 sets up a procedure that will lead to the same result as is the current experience.

Mr. RIBICOFF. Well, he can be removed. Under section 3591 he can be removed, first, during the 1-year probationary period, or for less than fully successful executive performance, or for neglect of duty, misconduct, or malfeasance. So there is an opportunity to remove someone if he does not do his job, if he does not perform successfully, or if he is guilty of neglect of duty or misconduct.

During the 5-year period, if he has two unsatisfactory annual ratings he is out of the Senior Executive Service; or if he gets three less than fully successful annual ratings in the 5-year period he is out. So it is easier to get rid of somebody than it is at the present time. At the present time it is almost impossible to remove employees for unsatisfactory performance. But under this bill there are these ratings that must show satisfactory performance in order to stay.

Mr. BELLMON. If a new administration came into office, theoretically, at least, they could give every one of the members of the Senior Executive Service an unfavorable rating for 2 years in a row, and those people would all be——

Mr. RIBICOFF. No; they could not just give it. There are standards as to what constitutes an unsatisfactory or less than satisfactory rating. If a person is discharged and he feels that is less than just, he has a right to appeal.

Mr. BELLMON. So that may set in action the same kind of appeal process that we have under the present law.

Mr. RIBICOFF. The appeals process is somewhat different under the bill. If it is a career employee whose performance is being reviewed, he has to have a majority of fellow career employees on the rating board. So it is not just Presidential appointees; it is career employees who are rating their fellow employees.

Mr. BELLMON. Would the Senator object if we worked out some language to make the removal less complicated, and so that it does not require the

destruction of a career service employee's character in order to get him out of the senior executive service and back into the position from which he came?

Mr. RIBICOFF. We tried to work this out with the distinguished Senator from Alaska. I think we were able to achieve it in the Mathias-Stevens amendment. During the continuation of the quorum call, we will be able to call your attention to the Stevens-Mathias amendment, which may have taken care of the situation that concerns the Senator from Oklahoma. If the quorum call continues, we will go over that with you, to see if we have not achieved what you desire.

Mr. YOUNG. Mr. President, could I ask one question?

Mr. RIBICOFF. Yes.

Mr. YOUNG. If a career civil service employee refuses to be transferred, what recourse does he have? He can be fired for refusing a transfer, can he?

Mr. RIBICOFF. If he is transferred and refuses to do it, he cannot stay in the senior executive service.

Mr. YOUNG. He cannot be fired for that?

Mr. RIBICOFF. He can be voluntarily transferred from HEW to Commerce or Labor, or from HEW to Agriculture or Interior.

Mr. YOUNG. But if he refuses any of these transfers, is that grounds for being fired?

Mr. RIBICOFF. I would say yes. He is out.

Mr. YOUNG. He can be fired?

Mr. RIBICOFF. That is what is the situation at the present time. That is the case at the present time, yes.

Mr. YOUNG. I have one further question. What recourse would he have if he is fired? What recourse would he have to the Civil Service Board of Appeals?

Mr. RIBICOFF. He has full appeal rights.

Mr. YOUNG. Full appeal rights?

Mr. RIBICOFF. To the Merit System Protection Board.

Mr. YOUNG. Thank you.

Mr. MATSUNAGA. Mr. President, I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The second assistant legislative clerk proceeded to call the roll.

Mr. JAVITS. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. JAVITS. Mr. President, do I understand that the amendments of Senator HATCH are now pending?

The PRESIDING OFFICER. The Senator is correct.

Mr. JAVITS. Has there been a consolidation of them?

Mr. HATCH. I have moved that they be considered en bloc.

Mr. JAVITS. Mr. President, are they divisible?

The PRESIDING OFFICER. The amendments are not divisible because they are to be considered en bloc, by unanimous consent.

Mr. JAVITS. I thank the Chair.

Mr. President, my first question would be addressed to the Senator from Utah as follows: The amendment which relates to the choice for the representative of the employees by means of a secret ballot election, that, as I understand it, would make it necessary to have a secret ballot election before there could be certification. That is a change in existing law or practice. Otherwise, there could be a certification on some other evidence of representation or on the volition of the United States. In short, is the effect of the amendment to require a secret ballot election where it otherwise might not be necessary as a matter of law to have one?

Mr. HATCH. As I understand it, the bill provides——

Mr. JAVITS. I cannot hear the Senator. Will he use his microphone?

Mr. HATCH. As I understand it, the bill itself provides for certification by a secret ballot election. What this amendment does is reinforce that, plus it does so prospectively, so that no organization which presently represents any of the civil service employees would be decertified by this amendment.

Mr. JAVITS. Decertified? In other words, this would only apply to future certification?

Mr. HATCH. That is what I understand.

Mr. JAVITS. How does it change existing law?

Mr. HATCH. As I understand it, the same way that the bill does. That is by requiring a secret ballot election. Under existing law the two sides can get together and alleviate the secret ballot election. This mandates the secret ballot election in all civil service certification.

Mr. JAVITS. That is right. The two sides could get together and dispense with the election, but this would require such an election.

Mr. HATCH. That is right, and this is for the protection of the employees who work in civil service.

Mr. JAVITS. And is prospective in its operation?

Mr. HATCH. That is correct.

Mr. JAVITS. Mr. President, speaking for myself alone, I personally see no objection. It is a change in the law and it does make a difference, but I do not think it makes so much of a difference that I would care to disturb the existing understanding between the managers of the bill and my colleague.

Mr. MATSUNAGA. Will the Senator from New York yield?

Mr. JAVITS. I yield.

Mr. MATSUNAGA. Mr. President, as I read the amendment being discussed by the Senator from New York and the Senator from Utah, it requires an additional election, after a union has been certified, to choose a representative of the employees, such as a business agent, by a secret ballot election before the agency may deal with that representative of the employees. Is my interpretation correct?

Mr. HATCH. On a prospective basis, that is true. In other words, in the future the employees will be protected by the mandated secret ballot election with regard to Federal civil service employees. This is an employee's right that we want to protect. That really does not hurt the union, so far as I am concerned.

Mr. MATSUNAGA. So that in the event a union has been certified by secret ballot, if that union is to send a business agent to deal with the agency, that union must hold a second election to elect the business agent who is sent to deal with the agency?

Mr. HATCH. No, upon the effective date of this act, all duly certified unions representing civil service employees which have been certified up to that time, whether or not by secret ballot, will be preserved. But after the duly effective date of this act, from that time forward, all elections certifying the union will have to be secret-ballot elections. So the Senator is incorrect.

Mr. MATSUNAGA. That is already in the law, is it not?

Mr. HATCH. No.

Mr. MATSUNAGA. My question, I suppose, is directed to the meaning of the term "representative of its employees" as shown in the Senator's amendment.

Mr. HATCH. That is right.

Mr. MATSUNAGA. What does that refer to? Does that refer to the union or to the business agent of the union?

Mr. HATCH. That refers to the union.

Mr. MATSUNAGA. It refers to the union?

Mr. HATCH. Right.

Mr. MATSUNAGA. That clarifies it.

Mr. HATCH. It preserves the union's representative status.

Mr. MATSUNAGA. So as I understand it, there is no requirement for election by a secret ballot of a business agent sent by the union?

Mr. HATCH. That is right. In other words, it is not a requirement for a secret ballot to choose the union agent, only the union, as the representative of the employees.

Mr. MATSUNAGA. I thank the Senator.

Mr. WILLIAMS. Will the Senator yield?

Mr. JAVITS. May I ask one other thing? Then I shall yield to the Senator.

I think quite inadvertently, the Senator's amendment said "Nothing in this chapter shall be construed as requiring an agency to negotiate in good faith." I am sure the Senator did not mean that entitles him to negotiate in bad faith?

Mr. HATCH. No, certainly.

Mr. JAVITS. I wonder if he would strike the words "in good faith". I do not think the Senator had any such intention, but it could be so read.

Mr. HATCH. I ask unanimous consent that the amendment be modified in that manner.

The PRESIDING OFFICER. The Senator has that right.

The amendment was modified.

Mr. WILLIAMS. Mr. President, I should like to make an observation. The Senator from New York said he was speaking only for himself in agreeing that this amendment was acceptable to him. I speak for the Labor Committee, and for myself, quite frankly, I did not know of this amendment until almost

literally minutes ago. Recognizing the substantial distinctions between private sector collective bargaining, it seems to me that in the context of public sector unionism, the proposal that before a union must be bargained with it must be certified in a secret ballot election is not an unreasonable one and I am prepared to vote for it.

Mr. HATCH. I thank my distinguished friend.

I assumed when I brought these amendments up that they were acceptable and I was asked to expedite it to the extent that I could, so I tried. I am happy to have had this colloquy at this time. I shall be happy to answer any other questions.

Mr. JAVITS. Moving now to the next amendment, the so-called free speech amendment, that troubles me for this reason, and I shall communicate my concern to the Senator and he will give me his views and his explanation. It is a fact that we consider the Federal Government in this bill as an employer, but it is also the Federal Government.

Mr. HATCH. That is true.

Mr. JAVITS. And you cannot strike against the Federal Government, so, if you work for the Federal Government, you give up something. You may strike illegally, as the postal workers are threatening to do, but that is true of any law. It can be broken and punishment and reaction must follow.

The United States has laws favoring union organization or, at least making it possible under the propriety of law.

Is it not a fact that, under this free speech amendment, an individual manager, speaking personally, could say that he does not like unions and he does not think they are a very good idea and he does not think that they will do anybody who joins them any good. That would still be within the purview of this amendment, would it not?

Mr. HATCH. That is correct.

Mr. JAVITS. Because it does not include a threat of reprisal or force or promise of benefit.

Mr. HATCH. That is right. In other words, he may express his personal good-faith opinion, but he cannot express a threat of reprisal or force or promise of benefit, which is the present law. But he may tell what he personally feels without fear of an unfair labor practice charge.

Mr. JAVITS. Would that privilege, as the Senator describes it, also apply to an employee of the Federal Government, who could say to the other employees, "I think he is all wet?"

Mr. HATCH. No question about it.

Mr. JAVITS. "Notwithstanding that he is the manager, he is a hired hand just like the rest of us and does not know what he is talking about," et cetera. He can be just as vehement and just as strong.

Mr. HATCH. Just like the rest of them.

Mr. JAVITS. Just so long as it contains no fear of reprisal or threat.

Mr. HATCH. Under the present law, as the Senator knows, the employee can do that, even if it threatens reprisal, but the employer cannot. I think in the enlightened Federal Government of today, this is not an undue exercise of free speech by the manager or the employee.

Mr. JAVITS. Of course, the manager is also a Government employee; he is not the owner of his own business. I think it is quite different.

I am not saying that I find this so offensive and I do not think at this stage that it interferes with what I know.

May I explain that, and say I am really sorry that I felt duty bound to pick this up. Everything seemed to be going so well and smoothly between the managers. But I am sure the Senator, like myself, when he has a duty and he sees it, simply cannot suppress it.

Mr. HATCH. Will the Senator yield on that?

Mr. JAVITS. Of course.

Mr. HATCH. I appreciate the Senator's bringing up his concerns on these amendments. I assumed, when talking to both floor managers, who are, as the Senator knows, both very distinguished Senators on this floor and have reviewed this matter, but more particularly, in talking to the representatives of the civil service, including the top man of the civil service, and, I felt, a labor representative as well, that this matter had been covered. I am glad that we are able to have this colloquy. Certainly, I was not trying to put these forth without the Senator's having the opportunity of seeing them, and would not try that, as the distinguished Sentaor from New York knows.

I do appreciate this colloquy at this point because, if there are any misunderstandings or difficulties, I want to clear them up.

Mr. JAVITS. I just managed a very complicated bill on the floor and I know that there are at least a dozen Senators who would have a right to complain because I did not consult them about this or that or the other. I realize the problems and I understand them fully.

Mr. RIBICOFF. Mr. President, I deeply regret that the distinguished Senator had other duties, because we had our hands full on the floor. We did rely on the Civil Service Commission and the staff to work it out.

I think it should be pointed out that it is my understanding, on the freedom of speech and expression amendment, the employees and union officials clearly can comment as well as somebody representing the agency.

Mr. HATCH. No question about it.

Mr. RIBICOFF. Employes and union officials have the same freedom of speech.

Mr. HATCH. Will the Senator yield to me to make one more comment about that?

Mr. RIBICOFF. Yes.

Mr. HATCH. The difference between this and present law is that this provision for free speech allows anybody to speak freely about the collective bargaining process as long as it does not involve threats of reprisal or force or promise of benefit. Under pesent law, the only ones who basically can do that with impunity happen to be the union oganizer, not even the employees. So what this does is correct, and I think allow, anybody in good faith, as long as they are not threatening a reprisal or force or promising a benefit, to speak freely what is in their minds.

Mr. JAVITS. There is one thing that is different, I say to the Senator. It probably can be worked out in conference, but I should like to call it to his attention.

He has used at the end of this amendment a different catechism than has been used elsewhere in the bill. Just so long as we are clear on his intention, I do not think it will cause us any headaches, but I should like to point this out.

If we look back at 7216(a) (1) and (2), we see that it is an unfair labor practice for an agency—and here is where the catechism comes in—to interfere with, restrain, or coerce an employee in connection with the exercise of rights assured by this chapter or to encourage or discourage membership in any labor organization by discrimination in regard to hiring, tenure, promotion, or other conditions of employment.

Therefore, it might have been better if the end of the amendment said, "if such expression is not in violation of section 7216(a) (1) and (2)."

The Senator might just study that.

Mr. HATCH. I certainly will.

Mr. JAVITS. Then he would have a consistency of expression as to exactly what he had in mind.

Mr. HATCH. I do not have any problem because we are talking about the right of individual expression and not of the right of the agency.

Now, if the agency comes down and threatens or, in this case, encourages or discourages any labor organization, I think it would apply, I would agree.

Mr. JAVITS. It just said, "encourage or discourage," and says "by discrimination."

The Senator does not expect——

Mr. HATCH. I do not expect that.

Mr. JAVITS. That is why I say what I do. Look it over, study it, not this minute.

Mr. HATCH. As long as the rights of individual managers—I think I do not mean by this the individual manager who expresses his own belief or opinion, then since he works for the agency his actions are imputed under agency law to the agency.

I do not intend my amendment to forbid his personal right of expression.

Mr. JAVITS. It may be giving him in that regard, because the language is different, although its purpose and meaning are the same——

Mr. HATCH. Yes, but I would not want to have this construed, anyway, because it would make it meaningless, the free speech amendment, when he speaks from his own standpoint, he binds the agency, so it violates this rule.

Mr. JAVITS. Does the Senator feel the words "no threat or reprisal, or force or promise of benefit" are any different than——

Mr. HATCH. No. Those words apply even to the individual. Even my amendment. But I do not want, as it says in 7216(a)(2), that it should be an unfair labor practice for an agency to encourage or discourage membership in any

labor organization by discrimination in regard to hiring, tenure, promotion——

Mr. JAVITS. The Senator does not want the individual manager to do that, either, does he?

Mr. HATCH. Not representing the agency, but I want him to have the right of free speech, otherwise.

Mr. JAVITS. Well, a fellow is a manager, he is the boss in the particular agency. If he is going to discriminate in regard to hiring, tenure, or promotion, or others, I think the Senator goes a lot further than there is any reason for going in order to give him freedom of expression.

Mr. HATCH. I do not believe my amendment permits him to discriminate in any way.

On the other hand, I also do not intend this amendment to mean because he expresses his own viewpoint with regard to whether or not a union is good or bad that it is imputed under agency rules to involve the agency itself.

Mr. JAVITS. Let us break it down——

Mr. HATCH. The agency may have a standard that their managers have to comply with, and that standard may very well say they cannot speak ill of the unions, regardless.

Mr. JAVITS. What concerns me is the Senator may have a conflict between his amendment and section 7216, depending on who is the manager.

The normal rules of agency may apply to him.

Mr. HATCH. I say I do not want them to apply to him with regard to the expressions made in good faith.

Mr. JAVITS. But they may apply and, if so, it would be the agency guilty of the unfair labor practice if the rules of agency designated him as the agent.

That is why I suggested that language, because I do not think the Senator's language means anything different than what is already contained.

But for the purpose of this discussion, if the Senator feels he cannot do that, what I would like to ask the Senator is the following.

Mr. HATCH. Yes.

Mr. JAVITS. Does he intend that in this amendment, that is, the personal views, argument, opinion, or the making of any statement by the individual, that those views, argument, opinion, or the making of any statement shall be equivalent to interfering with restraining or coercing an employee in connection with the exercise of rights assured by this chapter, or encouraging or discouraging membership in any labor organization by discrimination in regard to hiring, tenure, promotion, or other conditions of employment?

Mr. HATCH. The language in my amendment does not permit that.

Mr. JAVITS. All right. We agree on that.

Mr. HATCH. We agree on that.

Mr. JAVITS. We will worry about the language.

Mr. HATCH. Right. I believe the conferees could change that.

Mr. JAVITS. So much for the free speech amendment.

Mr. HATCH. But let me add this, that I want the free speech provisions to enable any member of the civil service management to speak his own mind freely, without it being imputed to the agency, thus involving these technical rules and causing the agency to be guilty of an unfair labor practice.

Mr. JAVITS. Would the Senator consider that? In view of his intent, adding to the end of the amendment the following:

Such expression contains no threat of reprisal or force or promise of benefit and is not made under coerceive conditions.

Mr. HATCH. Yes, that is fine.

Mr. JAVITS. All right.

Mr. HATCH. I would accept that language.

Mr. President, I move that my amendment be modified to accept that particular language.

Mr. JAVITS. I will send the modification to the desk.

Mr. HATCH. I do move the modification.

The PRESIDING OFFICER. The Senator has the right.

The amendment is so modified.

Mr. JAVITS. Mr. President, the last amendment—I apologize to the Senate for the time, but I think we are making very good progress in this matter.

I would like to point out to the Senator that in respect to decertification of a labor organization, which is a very lethal remedy——

Mr. HATCH. It certainly is.

Mr. JAVITS. The Senator knows that.

At the same time, the Senator is absolutely right that the matter which he is seeking to redress is a very strong and important Federal right, and I think it is important enough so that I ought to read to the Senate what section 7216 (b) (4) (B) says.

Mr. HATCH. Right.

Mr. JAVITS. It says:

Condone any activity described in subparagraph (A) by failing to take action to prevent or stop it.

Let me read (A) because that is what is referred to:

(A) Call or participate in, a strike, work stoppage, slowdown, or picketing of an agency in a labor-management dispute if such picketing interferes or reasonably threatens to interfere with an agency's operations.

May I ask as a first question, why did the Senator not include (A), why just (B), just as a question of curiosity?

Mr. HATCH. Because (B) does by implication include (A).

Mr. JAVITS. In other words, the Senator intends to include (A)?

Mr. HATCH. Yes; there is no question about it.

Mr. JAVITS. And the condoning of course, is the more inclusive.

Mr. HATCH. Yes; to make it even more clear, the authority is the labor authority provided for pursuant to this act. If that authority says they have condoned this type activity, then when the union itself has an affirmative duty in the public interest not to have such activity, then this remedy does and should come into play.

Mr. JAVITS. As a practical matter, Mr. President, the Senator goes on in his amendment to say, "upon an appropriate finding by the authorities"——

Mr. HATCH. By the authority.

Mr. JAVITS. Authority.

Mr. HATCH. Meaning the authority in this bill.

Mr. JAVITS. The authority in this bill of such a violation.

The Senator will agree, will he not?

Mr. HATCH. That is the Federal labor relations authority provided in this bill.

Mr. JAVITS. The Senator will agree that this being a drastic remedy, there could be a lot of argument about the facts and the merits.

Mr. HATCH. I certainly do agree.

Mr. JAVITS. Is there any procedure—and I have not examined this closely, and I am sure the Senator has, and that is why I ask this—is there any procedure with relation to a finding? Is there a notice, a hearing, an opportnuity to contest the facts?

The Senator says in his amendment that upon an appropriate finding by the authorty, its exclusive recognition status is revoked and it shall cease immediately to be legally entitled and obligated to represent employees. That is a pretty drastic remedy. Has the Senator any procedure of notice or hearing or appeal or some procedure which is involved in such a drastic remedy?

Mr. HATCH. Yes; pursuant to this particular bill, there would be notice of an unfair labor practice that would be litigated. If it is found to be unfair and the condoning has taken place, the offending union would be decertified.

Mr. JAVITS. Can the Senator key us to these procedure sections, notice and hearing, which relate to the issue, the words "appropriate finding"? I beg the Senator to help me in that, because, as I say, he undoubtedly has checked this out closely.

Mr. HATCH. Does the manager of the bill know exactly where that provision is? He may be able to assist us in that regard. I think it begins on page 271. I think it is paragraph 7216.

Mr. JAVITS. What page is that?

Mr. HATCH. 7216 starts on page 295.

So it would be pursuant to the unfair labor practices section, as I understand it, in the committee bill which we are considering at the present time.

Mr. JAVITS. So when the Senator speaks——

Mr. HATCH. Probably also 7233, although I am not positive of that.

Mr. JAVITS. When the Senator speaks of "appropriate finding," the Senator incorporates by reference the procedure of 7216?

Mr. HATCH. The whole chapter 72 on the Federal service management relations chapter, which starts on 7201, up through 7205.

Mr. JAVITS. In other words, the whole procedure chapter.

Mr. HATCH. That is right—as defined in the bill.

Mr. JAVITS. Is it not the fact, also, that whether or not the word "immediately" belongs will depend upon the outcome of that proceeding?

Mr. HATCH. That is correct.

Mr. JAVITS. So that we really need it or do not need it.

Mr. HATCH. There would have to be a justicable decision, with all the rights accorded to both sides.

Mr. JAVITS. And that decision would determine the time of its effectiveness and the procedure?

Mr. HATCH. That is right. If that procedure is appealed, there has to be an ultimate decision that determines the immediate effect.

Mr. JAVITS. By using the word "immediately"—which I hope the Senator ultimately will decide against—the Senator is not trying either to abbreviate or increase that time?

Mr. HATCH. No. We do not want to be unfair to any labor organization with this amendment, so "immediately" refers to the finding of an unfair labor practice, meaning condoning the illegal activities provided for under this bill.

I think it is going to be up to the labor authority to determine whether that immediate effect takes effect upon the finding, even though there may be an appeal.

Mr. JAVITS. Yes.

Mr. HATCH. Or whether it will not take effect until there be a final resolution of the matter, which may be in the Supreme Court of the United States.

Mr. JAVITS. Would not the Senator agree with me that under the expression he gives the words "appropriate finding" and the word "immediately," it really is not necessary, because it may be immediate and it may not? It depends upon the determination, the rules, the procedures, of the authority? All I am trying to avoid is to add or subtract anything that the Senator has incorporated by reference.

Mr. HATCH. Why do we not change the language this way, to satisfy the Senator:

and it shall cease, upon such finding, to be legally entitled and obligated to represent employees in the union.

Mr. JAVITS. That is all right. Do not do it yet, though.

Mr. President, for the moment, I should like to yield the floor, because I see that Senator METZENBAUM is anxious to be heard on this matter.

The PRESIDING OFFICER (Mr. STONE). The Senator from Ohio is recognized.

Mr. METZENBAUM. Mr. President, will the Senator from Utah yield for a question?

Mr. JAVITS. I have yielded the floor.

Mr. HATCH. I will be happy to answer any questions.

Mr. METZENBAUM. Will the Senator from Utah tell me whether in private practice, with respect to employers, there is any situation which is comparable to that just provided for under his section (b), which provides that where a labor union condones any activity described in paragraph (a), that labor union may be decertified?

All the Senator provides here is that under paragraph (b), if the labor union fails to take action to prevent or stop certain procedures as provided for under paragraph (a), then, whether immediate or otherwise, you have decertification. Is it not a fact that a private labor organization—when I say private, I mean a private employer——

Mr. HATCH. The Senator is talking about the private sector?

Mr. METZENBAUM. Yes.

All that would occur under those circumstances is that the union would be found guilty of an unfair labor practice; but there is no procedure and the courts have not ruled, even in some cases which were very flagrant with respect even to discriminatory practices, where the union has been decertified. Is that not a fact?

Mr. HATCH. Let me answer the question this way:

Even in the private sector, which is distinguishable here, there is no law which says a union cannot strike. They have the right to strike in the private sector. In the public sector, they do not have the right to strike. Yet, we are finding all kinds of threats to strike all over the country, which could cause chaos.

My amendment may resolve that. But there are some situations. I can think of one cursorily in which a union, even under the private sector, can be decertified for certain activity, and that is where it practices racial discrimination. It can be decertified even in the private sector, under that circumstance, and there may be others.

Mr. METZENBAUM. The courts have not held in accordance with the statement just made by the Senator from Utah, as I understand it. I think the case is Handy Andy, or something like that.

The fact is that merely for condoning a strike, even if the union has agreed by contract not to strike, or condoning picketing, or a slowdown, or a work stoppage, unions do not become decertified in the private sector.

My question is, Why does the Senator go to the extreme that he goes in this case in order to decertify the union and cause it to lose its parking rights?

Mr. HATCH. Because the union, by becoming a decertified union in the public sector, has as its basic tenet the obligation and affirmative duty to act in the public interest, too. Since the law says that a union cannot strike—which is the present law, irrespective of what is being done here in civil service reform—the union has an obligation not to promote or encourage a strike.

The reason why I believe this provision is not extreme but a provision which is needed is that presently we are being faced with all kinds of threats of strikes on the part of public-sector employees, and even some of their union leaders, in violation of the law, in violation of their affirmative duty not to do so.

As Senator JAVITS pointed out, I am trying to prevent that, thus putting some teeth in the law, so that they will have to think twice before they advocate in any way abridgement of their affirmative duty not to strike in the public sector.

To be honest with Senators, they will have all of their rights protected, as Senator JAVITS in his characteristic fashion has so amply pointed out, by formal litigation proceedings which may under certain circumstances go to the Supreme Court of the United States, but this puts some teeth into that particular provision. And that is the purpose of it.

Mr. METZENBAUM. Mr. President, I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The assistant legislative clerk proceeded to call the roll.

Mr. JAVITS. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. JAVITS. Mr. President, I wonder whether the Senator from Utah would mind if momentarily his amendments are set aside so that Senator HEINZ may offer an amendment which I gather will be accepted and then immediately resume on the amendments of the Senator.

I make that unanimous-consent request.

The PRESIDING OFFICER. Without objection, it is so ordered.

The Senator from Pennsylvania.

Mr. HEINZ. Mr. President, of course, I say to the managers of the bill, Senator RIBICOFF and Senator PERCY, how much I admire the excellent job they have done on this legislation, not only here in the Chamber but in our Governmental Affairs Committee.

Mr. President, before discussing this amendment, I reiterate my support for S. 2640 and commend my colleagues on the Governmental Affairs Committee for their long and careful consideration of the civil service reform legislation and the civil service reorganization proposal. More than a year has been spent by the administration and Congress in closely analyzing the many problems of the civil service system and weighing various solutions to them. After this amount of effort, we have a responsibility to insure that the bill we pass will truly address these problems. It is clear that our civil service system is in dire need of reform; the Federal bureaucracy has become a labyrinth of redtape duplicated and unnecessary work, and lack of responsiveness to the needs of the American people. The public today is frustrated at the size and cost of Government; it is frustrated at its inefficiency, and frustrated at its inability to provide the services they are paying for with their taxes. Not only is the public dissatisfied, but civil servants are frustrated with the amount of redtape and bureaucratic barriers which prevent them from effectively performing their jobs as public servants.

Reforming this system on the basis of sound management principles, enabling "managers to manage", and streamlining the existing maze of rules and regulations which control Federal personnel management is certainly a meritorious goal. I am, however, deeply concerned that S. 2640, as reported from the Governmental Affairs Committee, falls short of ensuring that these goals will be met. The problem of size and cost of this bureaucracy is not adequately addressed. "Streamlining" the existing bureaucracy should make it smaller and more cost effective; it should not increase its size and cost. The amendment I am proposing will partially address this inconsistency and ensure that this legislation will more truly be a reform measure.

Inherent in S. 2640 and in the reorganization plan, which will soon go into effect, is an increase in the number of top level appointed positions in the civil service system and an increase in the cost of these top level positions. Currently,

the civil service is controlled by the Civil Service Commission. This presidentially appointed, three-member commission is headed by a chairman, and includes the vice chairman and third Commission member.

CIVIL SERVICE COMMISSION

Chairman—Executive Level III, $52,500.

Vice Chairman—Executive Level IV, $50,000.

Member—Executive Level IV, $50,000.

The reorganization and reform proposals will abolish the Civil Service Commission and replace it with an Office of Personnel Management and a Merit System Protections Board to assume the personnel management and judicial responsibilities currently held by the Civil Service Commission, repectively. The creation of these two new agencies will not only increase the number of top level management positions from 3 to 11, it will also increase the executive levels of those positions. This increases bureaucracy; it will also increase its cost by the additional positions and the upgrading of these positions.

OFFICE OF PERSONNEL MANAGEMENT

Director—executive level II, $57,500.

Deputy Director—executive level III, $52,500.

Associate directors (five)—executive level IV, $50,000.

MERIT SYSTEMS PROTECTION BOARD

Chairman—executive level III, $52,-500.

Vice Chairman—executive level VI, $50,000.

Member—executive level IV, $50,000.

Special Counsel to the MSPB—executive level IV, $50,000.

These positions alone will add an additional $417,500 in salaries for top level appointees. This figure does not include the cost of assistants and secretaries which will almost certainly accompany them.

In addition, Mr. President, the creation of the Federal Labor Relations Authority will also create new top level slots in the bureaucracy. The responsibilities of the Chairman, two Members and General Counsel have until now been held by personnel in the Civil Service Commission, the Department of Labor and the Office of Management and Budget. These were not previously full-time responsibilities for any single members of those agencies. The new Federal Labor Relations Authority positions will be:

FEDERAL LABOR RELATIONS AUTHORITY

Chairman—executive level II, $52,500.

Members (two)—executive level IV, $50,000.

To more effectively implement Federal personnel policy it may in fact be necessary to separate responsibilities currently held by the Civil Service Commission, creating two new agencies, and to create permanent full-time positions to direct Federal labor relations; however, I feel it is an unnecessary expenditure of taxpayers dollars to elevate these positions to the proposed levels. The remainder of my amendment would, therefore, reduce each of the proposed new positions by one executive level. This would result in an annual savings of an estimated $132,500, or 18.5 percent, of the current salary levels in the bill.

In sum, Mr. President, we are seeing a so-called reform proposal transpose what are 3 full-time positions and 3 very much part-time jobs into a total of 13 top level full-time positions, all at a higher pay level than currently. While it is tempting to try to restructure and prune back this proliferation of top level political appointees, my amendment only seeks to cut the pay of these positions by one level, thus preventing the pay inflation in the bill.

UP AMENDMENT NO. 1776

(Purpose: Reducing the level of compensation of officers and members of OPM, MSPB and FLRA)

Mr. HEINZ. Mr. President, I send to the desk my unprinted amendment and ask for its immediate consideration.

The PRESIDING OFFICER. The clerk will report.

The assistant legislative clerk read as follows:

The Senator from Pennsylvania (Mr. HEINZ) proposes an unprinted amendment numbered 1776.

Mr. HEINZ. Mr. President, I ask unanimous consent that further reading of the amendment be dispensed with.

The PRESIDING OFFICER. Without objection, it is so ordered.

The amendment is as follows:

On page 147, strike out lines 10 through 22, and insert in lieu thereof the following:

(b)(1) Section 5314 of title 5, United States Code, is amended by inserting at the end thereof the following new paragraph:

"(67) Director of the Office of Personnel Management.".

(2) Section 5315 of such title is amended by inserting at the end thereof the following new paragraph:

"(122) Deputy Director of the Office of Personnel Management.".

(3) Section 5316 of such title is amended by inserting at the end thereof the following new paragraph:

"(144) Associate Directors of the Office of Personnel Management (5).".

On page 166, strike out lines 10 through 23 and insert in lieu thereof the following:

(b)(1) Section 5315 of title 5, United States Code, is amended by adding at the end thereof the following new paragraph:

"(123) Chairman of the Merit Systems Protection Board.".

(2) Section 5316 of such title is amended by adding at the end thereof the following new paragraphs:

"(145) Members, Merit Systems Protection Board.

"(146) Special Counsel of the Merit Systems Protection Board.".

(3)(A) Paragraph (17) of section 5314 of such title is hereby repealed.

(B) Paragraph (66) of section 5315 of such title is hereby repealed.

(C) Paragraph (99) of section 5316 of such title is hereby repealed.

On page 316, strike out lines 4 through 15, and insert in lieu thereof the following:

(f) Section 5315 of title 5, United States Code, is amended by adding at the end thereof the following new paragraph:

"(124) Chairperson, Federal Labor Relations Authority.".

(g) Section 5316 of title 5, United States Code, is amended by adding at the end thereof the following new paragraph:

"(147) Members, Federal Labor Relations Authority (2).".

On page 281, line 6, strike out "Senate." and insert in lieu thereof the following: "Senate, and shall be paid at an annual rate of basic pay equal to the maximum annual rate of basic pay currently paid, from time to time, under the General Schedule.".

Mr. HEINZ. I would be pleased to respond to questions.

Mr. RIBICOFF. Mr. President, we have had an explanation of the amendment by the distinguished Senator from Pennsylvania. He makes his point and he makes it well. His amendment is acceptable to the manager of the bill.

Mr. PERCY. Mr. President, I find the amendment acceptable and I know of no opposition on this side.

The PRESIDING OFFICER. The question is on agreeing to the amendment of the Senator from Pennsylvania.

The amendment was agreed to.

Mr. HEINZ. I would just like to thank the managers of the bill.

I very much appreciate their acceptance of the amendment.

Mr. President, I move to reconsider the vote by which the amendment was agreed to.

Mr. RIBICOFF. I move to lay that motion on the table.

The motion to lay on the table was agreed to.

Mr. RIBICOFF. Mr. President, if I may have the attention of the distinguished Senator from Ohio (Mr. METZENBAUM), the Senator from New York (Senator JAVITS), and the Senator from Utah (Senator GARN). I do appreciate the concern of the distinguished Senator from New York and the Senator from Ohio. Unfortunately, they were not on the floor in the early part of the afternoon. During the day the distinguished Senator from Utah presented this amendment to us in advance of a series of amendments.

The distinguished Senator from Illinois (Senator PERCY) and I were busily engaged in explaining this bill and handling amendments. It was my suggestion that the Senator from Utah and our staffs meet with Mr. Campbell, the Chairman of the Civil Service Commission, and the staff of the executive branch to try to work out a series of amendments that would be consistent with the thrust of S. 2640.

The amendments of the Senator from Utah were volumninous. Although the philosophy of the Senator from Utah certainly differs basically from that of the Senator from New York and the Senator from Ohio and myself—and I will let the Senator from Illinois speak for himself—the Senator from Utah was completely cooperative in trying to work out a series of accommodations, and the Senator from Utah came back after meeting with the administration and our staffs with these amendments.

I can understand the concern of the Senator from New York and the Senator from Ohio. At no time was the Senator from Utah trying to pull a fast one on anyone. This was carefully crafted and worked out with Mr. Campbell and his staff in the Vice President's office. We felt that in the sense of accommodation they worked it out.

I do feel, with the colloquy that took place between the Senator from New

York and the Senator from Utah, that some of the fuzziness or misunderstanding was clarified, and I do believe both the Senator from New York and the Senator from Ohio have rendered a public service to all of us on this legislation.

I want to make it perfectly clear that the Senator from Utah was most cooperative in trying to work out a very knotty problem.

Mr. HATCH. I thank the distinguished Senator.

Mr. PERCY. Mr. President, I will just be a moment. I should like to reiterate also what my distinguished colleague, Senator RIBICOFF, has indicated. From the outset of the day until now we have worked with the Senator from Utah. I did participate in some of the meetings with Chairman Campbell and members of the White House staff in the Vice President's office, and considering what we started with and what we now have there has been a remarkable change and a spirit of cooperation.

Once again we are deeply indebted to the distinguished Senator from New York for raising the question, for taking every word in these amendments to clarify what they mean, what the impact might be and what the implications might be for changing and modifying some of that wording accepted by the Senator from Utah, and also by establishing legislative history we can certainly get the intent and purpose of these amendments.

Under no condition or under no circumstances are we trying, basically trying, to change the thrust and direction here, but certainly in looking after the interests of workers throughout the country, as the distinguished Senator from New York always has, we must take into account that there are mixed feelings on all these issues with Government workers as well.

But the managers of the bill have tried the best they could to work out the most practical solution. The Senator from Illinois wants to express appreciation again to the Senator from Utah for his cooperation and to the distinguished Senator from New York for the extraordinary service he has rendered now in helping to clarify these matters that have been of concern to him and to our distinguished colleague from Ohio (Mr. METZENBAUM).

Mr. MATSUNAGA. Mr. President, pursuant to the response of the Senator from Utah to questions put to him earlier, in order to clarify the first amendment of the three, which he has offered, I propose an amendment to change in the second line of the proviso, the words "a representative of its employees" to "such labor organization." I have discussed this matter with the Senator from Utah, and he has indicated a willingness to accept my amendment as a modification to his first amendment.

I now yield to the Senator from Utah for that purpose.

Mr. HATCH. Mr. President, if the Senator will yield to me, I will yield to the distinguished Senator from New York so that he can have the floor and then he will yield and I will make the modifications.

Mr. JAVITS. Mr. President, I stirred this up and I hope to be able to be here when it is finished. I wish immediately to thank my colleague, Senator MATSUNAGA, and my colleague, Senator METZENBAUM, for giving this matter their close attention, and it has been very helpful, but my purpose was only to clarify, not to, if possible, interfere with the actions taken by my completely trusted colleagues, to wit, the managers of the bill, and Senator HATCH. He had not the remotest idea but that this matter was thoroughly cleared in every way that it should be, and I repeat I mentioned before and I say again, simply being on the floor and having some experience in labor matters and feeling it my duty to read things and to ask questions if I am in doubt, I carried out my responsibility.

I am pleased that things have ended up in concord, and I beg the Senator from Utah to believe that there is not the remotest question I think in anybody's mind on the floor that his conduct as a Senator was absolutely impeccable.

Mr. HATCH. I thank the distinguished Senator from New York. I always appreciate his good cooperation and his conduct, and I can truthfully say I thought everything had been cleared. I would certainly not present any amendment without having it cleared, and especially when we had had it cleared with the administration and the leaders of the bill, as is the usual case. I tried to be accommodating in having this language meet the needs of the Senators here, and I believe the distinguished Senator from New York, the distinguished Senator from Hawaii, the distinguished Senator from Ohio and, of course, my very revered chairman of the Governmental Affairs Committee have all added to the colloquy which, I think, has made this quite clear.

So let me make some modifications which I think will resolve the conflicts but still not denigrate the purpose of my amendments, which are acceptable to me.

Let us start with the first amendment, which was with regard to the secret ballot election. To accommodate the distinguished Senator from New York, we have already moved that the words "in good faith" be stricken, and that has been accepted, to the best of my knowledge. If not, then I so move.

The PRESIDING OFFICER (Mr. HART). The amendment has been so modified.

Mr. HATCH. To accommodate the distinguished Senator from Hawaii, although "a representative of its employees" is a series of legal terms of art in labor law, and since "labor organization" is utilized throughout this particular bill, we will strike "a representative of its employees," and substitute in lieu thereof "such labor organization," and I so move.

The PRESIDING OFFICER. The Senator has that right, and the amendment is so modified.

Mr. HATCH. I offer this amendment.

Mr. MATSUNAGA. If the Senator from Utah will yield, I thank him for his willingness to make the modifications I have suggested. Since he has accepted my proposed amendments and the modifications suggested by the Senator from New York, I can now lend him my support.

Mr. RIBICOFF. The modifications are acceptable to the manager of the bill.

Mr. HATCH. Since the modifications are acceptable to the manager of the bill, I move the amendment be adopted.

The PRESIDING OFFICER. The question is on agreeing to the amendment as modified.

Mr. METZENBAUM. Has the amendment not been accepted?

Mr. JAVITS. Mr. President, a parliamentary inquiry.

The PRESIDING OFFICER. The Senator will state it.

Mr. JAVITS. Is it not a fact that only one vote is required on all three amendments, but that they may be separately modified? That is the privilege of the Senator, is it not?

The PRESIDING OFFICER. The Senator is correct.

Mr. HATCH. Then I will present all the amendments and move they be adopted en bloc, the second amendment with the changes we have agreed to. It has to do with explicit recognition standards. He have stricken the word "immediate" and inserted in lieu thereof "upon such findings." Is there anything else we added?

Mr. JAVITS. We added something we sent to the desk on a yellow sheet, did we not? No; that is on free speech.

Mr. HATCH. I move that particular change. It may have been moved, but I move it again.

The PRESIDING OFFICER. The Senator has the right to modify his amendment.

Mr. HATCH. As to the third amendment, with regard to free speech and the rights of free speech, at the conclusion of the amendment we have stricken the period and have added "or unduly coercive conditions," and I move that modification.

The PRESIDING OFFICER. The modification has been made.

Mr. HATCH. As I understand it, the managers of the bill have accepted all three of these amendments en bloc.

Mr. METZENBAUM. Mr. President, will the Senator yield?

Mr. HATCH. Excuse me; Senator METZENBAUM also had another modification. I am sorry, Senator, I forgot yours.

With regard to the exclusive recognition amendment, we should add the words "after any labor organization which" and then add the words "willfully and intentionally by omission or commission has violated" and I move those additional changes.

Mr. METZENBAUM. Mr. President——

The PRESIDING OFFICER. The Senator has the right to modify his amendments.

Mr. METZENBAUM. Will the Senator from Utah yield for a minute?

Mr. HATCH. I am happy to yield for 1 minute.

Mr. METZENBAUM. I appreciate very much the cooperation of the Senator from Utah. It makes the amendment less objectionable than it was. I do not wish to indicate support for the amendment, but rather than delay the debate this

evening, I am pleased with his spirit of cooperation and am willing to accept this amendment as the basis from which to go forward at this point.

Mr. HATCH. I thank the Senator from Ohio for his cooperation, and I now move the adoption of the amendments, en bloc.

The PRESIDING OFFICER. Will the Senator from Utah send his amendments to the desk, so that there is no question about them?

Mr. HATCH. Could I ask that my aide and Senator METZENBAUM work these out? I do not have them written out. We will work them out at the desk. Is that acceptable to everyone?

Mr. MATSUNAGA. I have them written out.

Mr. METZENBAUM. I think it is pretty much agreed that we are really only inserting the language "wilfully or intentionally, by omission or commission."

The PRESIDING OFFICER. The question is on the adoption of the amendments, as modified, en bloc.

The amendments, as modified, were agreed to en bloc.

Mr. HATCH. I move to reconsider the vote by which the amendments were agreed to.

Mr. JAVITS. I move to lay that motion on the table.

The motion to lay on the table was agreed to.

Several Senators addressed the Chair.

Mr. HATCH. Mr. President, I wish to finish with my amendments.

The PRESIDING OFFICER. The Senator from Kansas is recognized.

Mr. DOLE. I yield to the Senator from Utah.

UP AMENDMENT NO. 1777

(Purposes: (1) To separate the reporting requirement from the MSPB and vest it with an independent agency. (2) To reduce the expense of an SES executive on a paid sabbatical. (3) Clarifies the manner in which the Director of the Office of Personnel Management may intervene in a proceeding of the MSPB)

Mr. HATCH. Mr. President, I send three unprinted amendments to the desk and ask for their immediate consideration.

The PRESIDING OFFICER. The clerk will report.

The assistant legislative clerk read as follows:

The Senator from Utah (Mr. HATCH) proposes unprinted amendments, en bloc, numbered 1777. On page 141, add, following after line 21—

Mr. HATCH. I ask unanimous consent that further reading of the amendments be dispensed with.

The PRESIDING OFFICER. Without objection, it is so ordered. The Chair wishes to inform the Senator from Utah that for the amendments to be considered en bloc would require unanimous consent.

Mr. JAVITS. Could we hear them all first?

Mr. HATCH. Yes.

Mr. JAVITS. Let us hear them all read, and then ask unanimous consent.

Mr. HATCH. That will be fine.

The assistant legislative clerk read as follows:

On page 141, add the following after line 21:

"(b) The General Accounting Office shall prepare and submit an annual report to the President and the Congress on the activities of the MSPB which shall include a description of significant actions taken by the Board to carry out its functions under this title. The report shall also review the activities of the Office of Personnel Management, including an analysis of whether or not the actions of the Office of Personnel Management are in accord with merit system principles and free from prohibited personnel practices."

On page 220, strike lines 11 through 23 and insert in lieu thereof the following:

"(d) An agency head may grant leave with half pay and full benefits to a career executive for a sabbatical period not exceeding twelve months or full pay and full benefits for six months to permit such person to engage in study or uncompensated work experience which will contribute to the individual's development and effectiveness. A sabbatical leave may not be granted more than once in a ten-year period. An individual, to be eligible for a sabbatical leave, must have completed at least seven years of Federal service in a position with a level of duties and responsibilities equivalent to the Senior Executive Service and at least two of which were as a member of the Senior Executive Service."

On page 153, line 24, strike the words "intervene in any such proceeding" and insert in lieu thereof "appear as a party or send a representative to any hearing called under paragraph (2)(C), present written briefs and other relevant material".

On page 153, line 25, strike the words "intervene" and insert in lieu thereof "participate".

On page 154, line 2, insert the following immediately after the period "Nothing in this title shall be construed to mean the OPM shall be permitted to interfere with the independence decison-making of the MSPB."

The PRESIDING OFFICER. Does the Senator from Utah wish to——

Mr. HATCH. I ask unanimous consent that the amendments be considered en bloc.

The PRESIDING OFFICER. Is there objection? Without objection, it is so ordered. The Senator from Utah.

Mr. HATCH. Mr. President, the original language of the bill mandated a report to Congress prepared by the Merit System Protection Board, the MSPB mentioned in the amendment, on the "state of civil service," including analysis of whether the actions of the Office of Personnel Management have been in accord with merit principles.

I felt at the outset that this assessment should be performed by an independent agency, one apart from the executive branch or the civil service structure.

The managers of the legislation, however, have presented a better idea, which is two reports, one by the MSPB and one by GAO. In this way, all viewpoints and data will be stated. We in Congress, as well as the President, will be able to effectively evaluate our new reforms.

So that is the purpose for amendment No. 1.

Amendment No. 2 is an amendment which will change the policy with regard to sabbatical periods to a period not exceeding 12 months—well, half-pay for 12 months, with full benefits for the 12 months, or with full pay and full benefits for 6 months, and the employee has the right to make the choice in those matters.

I believe it is a very good compromise and an effective change in the bill. I also believe that the managers have agreed to accept this particular amendment.

The third one is an amendment which clarifies the manner in which the Director of the Office of Personnel Management may intervene in a proceeding before the MSPB. I believe the managers of the bill are prepared to take these amendments.

Mr. RIBICOFF. I will also point out that these amendments have been carefully gone over with the administration and have their approval. The amendment is acceptable to the manager of the bill.

Mr. HATCH. Mr. President, I move the adoption of the amendment.

The PRESIDING OFFICER. The question is on agreeing to the amendment.

The amendment was agreed to.

Mr. HATCH. Mr. President, I move to reconsider the vote by which the amendment was agreed to.

Mr. RIBICOFF. Mr. President, I move to lay that motion on the table.

The motion to lay on the table was agreed to.

Mr. HATCH. I compliment the distinguished managers of this bill for their cooperative efforts and the aid and counsel they have given me throughout what I did not expect to be a lengthy time with these amendments but which has been, I believe, an effective time. I hope we have been able to assist them in the preparation of their bill.

UP AMENDMENT NO. 1778

(Purpose: Eliminating an inequity in computing annuities of Federal law enforcement officers or firefighters)

Mr. DOLE. Mr. President, I send an amendment to the desk and ask for its immediate consideration.

The PRESIDING OFFICER. The amendment will be stated.

The assistant legislative clerk read as follows:

The Senator from Kansas (Mr. DOLE) proposes an unprinted amendment numbered 1778.

Mr. DOLE. Mr. President, I ask unanimous consent that further reading of the amendment be dispensed with.

The PRESIDING OFFICER. Without objection, it is so ordered.

The amendment is as follows:

On page 198, after line 25, insert the following new section:

COMPUTATION OF CERTAIN ANNUITIES

SEC. 305. (a) Section 8339(d) of title 5, United States Code, is amended by inserting "(1)" immediately after "(d)" and by adding at the end thereof the following new paragraph:

"(2) The annuity of an employee retiring under this subchapter with at least 5 years but less than 20 years of service as a law enforcement officer or firefighter, or any combination thereof, is computed under subsection (a) of this section, except that the annuity of such employee is computed with respect to the service of such employee as a law enforcement officer or firefighter, or any combination thereof, by multiplying 2½ percent of his average pay by the years of that service.".

(b) Section 8339(h) of such title is amended by striking out "section 8336(d)" and inserting in lieu thereof: "section 8336 (d)(1)".

(c) The amendments made by this section shall apply with respect to individuals who become entitled to receive an annuity on or after the effective date of this Act.

Mr. DOLE. Mr. President, the amendment I am offering at this time was originally introduced as Senate bill S. 565 during February of 1977. At that time, I pointed out that the legislation is intended to correct an oversight in Public Law 93–350, which was enacted by the 93d Congress. That measure was the result of efforts by Senators PERCY and JAVITS, as well as others. The bill, S. 565, was referred to the Government Affairs Committee. However, in the intervening year and a half, no hearings have been held, and no action has been taken to report the measure to the Senate. For that reason, I have chosen to bring the proposal to the attention of my colleagues in this manner.

ANNUITY COMPUTATION FORMULA

Mr. President, during the 93d Congress, we gave our approval to a bill, H.R. 9281—later enacted as Public Law 93–530—to provide Federal law enforcement and firefighting personnel a special 2½-percent retirement computation formula in recognition of the special, hazardous duty service which they perform. In doing so, however, we failed to recognize the substantial inequity that would result from premising the incentive credit on a full 20 years of service in such capacity.

In order to correct that oversight, I have proposed this amendment, to extend appropriate annuity credit to retiring Federal employees who have at least 5 years' service as law enforcement or firefighter personnel, but who have not completed 20 years. This would be consistent with the full credit given congressional employees under the higher 2½-percent formula after they have served 5 years (5 U.S.C.A. 8339(b)). As the law now stands, Government employees who have performed "hazardous duties" for fewer than 20 years are penalized merely because they fail to reach the magic benefit line. Even though they were exposed to the same dangers, subjected to the same perils, and employed in the same high risk endeavors for our Nation, they receive no recognition if, for one reason or another, they choose or are compelled to leave such service 1 day before their 20 years are up.

SUPPORT FOR AMENDMENT

This legislation has been endorsed by the International Association of Chiefs of Police, Inc., and has been praised by the Federal Criminal Investigators Association, the National Treasury Employees Union, and the Society of Former Special Agents of the FBI.

AN EQUITABLE ARRANGEMENT

Although the Civil Service Commission is on record as opposing preferential computation formulas as a reward for particular kinds of service, it seems to me that as long as the current law provides for such treatment, all those entitled should receive it. If they do not, we are going to find ourselves in the business of suppressing lateral movement of these types of Government employees, as well as discouraging the initial recruitment of qualified personnel who may not wish to commit themselves for a full 20 years in such a demanding profession.

In addition to the recruitment argument, it is my belief that the change I am proposing could also operate to help retain qualified and experienced personnel within the Government by encouraging them to stay in, or return to, civil service rather than the private sector. Too often, now, for example, a firefighter or law enforcement officer who has put in perhaps 10 years of service and decides that it is not in his own or his family's best interest to continue for another 10 years, would have just as much motivation to go to private industry as to another Government agency.

It seems to me that 5 years is a reasonable minimum to expect of a career-oriented professional and that, in many instances, we are promoting morale problems and indifference among 15- to 20-year agents who are "putting in their time" simply because of the leverage being held over them by the 20-year requirement. Again, I think we could have a much more dedicated, effective, and inspired contingent of Federal officers if they knew they could transfer at any time from a hazardous position and still receive full credit for the period spent in that position when they eventually qualify for Government retirement.

Since the amendment I am proposing would become effective upon enactment, any problem of recomputation for those already retired would be avoided. Moreover, Federal service retirement computations are done on an individual basis anyway, and no additional administrative burden would be imposed.

Any measure designed to eliminate an existing inequity should, Mr. President, receive the sympathetic consideration of this body. I hope my colleagues will support this adjustment in the annuity computation formula for Federal hazardous-duty employees.

Mr. President, I ask unanimous consent that a letter from Glen R. Murphy, director, Bureau of Governmental Relations and Legal Counsel, International Association of Chiefs of Police, Inc., dated July 28, 1977; a letter from James L. McGovern, president, Society of Former Special Agents of the Federal Bureau of Investigation, dated May 23, 1977; and a letter from Frank J. Scodari, national secretary, Federal Criminal Investigators Association, dated March 16, 1977, be printed in the RECORD at this point.

There being no objection, the letters were ordered to be printed in the RECORD, as follows:

JULY 28, 1977.

Senator ROBERT J. DOLE,
Dirksen Senate Office Building,
Washington, D.C.

DEAR MR. DOLE: I would like to express to you, on behalf of the International Association of Chiefs of Police, our Association's support of S. 565, a bill introduced by you dealing with the computation of annuities for federal law enforcement officers and firefighters.

I might note that the International Association of Chiefs of Police, a nonprofit organization, has been serving the law enforcement profession and the public interest by advancing the art of police science since 1893. Its staff of 110 police consultants, attorneys and educators develops and disseminates improved administrative, technical, and operational practices and promotes their use in police work. Its aims are to foster police cooperation and the exchange of information and experience among police administrators throughout the world; to bring about recruitment and training of qualified persons; and to encourage adherence of all police officers to high professional standards of performance and conduct. IACP is the world's leading association of police executives with approximately 11,500 members representing 64 nations of the world.

The IACP is appreciative of the efforts being made to eliminate the existing inequities in the computation of annuities under title 5 of the U.S. Code. Please be advised of our continued support for this pending legislation, and do not hesitate to call on me if I can be of any assistance in assuring passage of the bill.

Sincerely,

GLEN R. MURPHY,
Director, Bureau of Governmental Relations and Legal Counsel.

ATLANTA, GA.,
May 23, 1977.

Senator BOB DOLE,
Senate Office Building,
Washington, D.C.

DEAR SENATOR DOLE: The membership of the Society of Former Special Agents of the F.B.I. join me in expressing our appreciation to you for your interest in retirement benefit legislation affecting Federal law enforcement officers.

We are aware that your pending bill does not alter the provisions of Public Law 93–350 and appreciate your statement that you would have no objection to expanding those hearings which may be held on S. 565 during the 95th Congress so as to include provision for retroactive consideration of P.L. 93–350.

Sincerely,

JAMES L. MCGOVERN,
President.

WEST HEMPSTEAD, N.Y.,
March 16, 1977.

Hon. ROBERT DOLE,
U.S. Senate,
Washington, D.C.

DEAR SENATOR DOLE: Thank you for your letter regarding bill S. 565 which you recently introduced in the United States Senate.

Please be assured that this Association is keenly interested in having the bill passed and we will lend every assistance possible towards this goal. . . .

We appreciate your interest in seeking legislation that is beneficial and equitable for all Federal Criminal Investigators.

Very truly yours,

FRANK J. SCODARI,
National Secretary.

Mr. RIBICOFF. Mr. President, this amendment is acceptable to the managers of the bill.

The PRESIDING OFFICER. The question is on agreeing to the amendment.

The amendment was agreed to.

Mr. GARN. Mr. President, my objection to the House civil service reform bill is simply because they have the Hatch Act provisions attached to it. On numerous occasions I have talked to both the distinguished majority manager of the bill and the minority manager of the bill and they have agreed with my concern. So the Senate bill does not have any Hatch Act provisions in it. The House bill does. That bill has not passed the House.

My concern is what the actions of the

managers of this bill would be in conference if there were attached in conference the Hatch Act provisions.

Mr. RIBICOFF. Mr. President, may I respond as manager of this bill and chairman of the Governmental Affairs Committee?

Personally, I am opposed to changing the Hatch Act as it now exists. I have been consistent in opposition to any changes.

Also, there is no room for amending S. 2640 for the Hatch Act.

It is my personal view that to do so would negate all we are trying to achieve in S. 2640.

The Senator from Utah has my personal assurance that, the Senate not having put into S. 2640 an amendment in which the Hatch Act is changed, under no circumstances would I sign a conference report and bring back a conference report to this body which contained a change in the present Hatch Act.

Mr. GARN. I thank the distinguished Senator from Connecticut.

Mr. PERCY. I would like to advise that I have now put on the record a number of times the position of the Senator from Illinois on this matter. I took the position with the majority manager that if there was an attempt to put the Hatch Act amendment on his bill, it would kill the civil service reform bill. I have clearly indicated that I oppose such measure.

As minority floor manager of the civil service reform bill, I would refuse to sign a conference report which incorporated such a provision.

There will not be any such amendment, obviously, in this bill in the Senate. We have tried to send as unmistakable and as clear a message as possible to our colleagues in the House that it would be an exercise in futility to attempt to add it in the House.

This bill should be a civil service reform bill, period. Everything that we have attempted to do to depoliticize the civil service might be undone by Hatch Act changes, and certainly there would be absolutely no possibility of getting any such bill through the Congress this year.

I give my colleague as strong an assurance as any Senator can that this Senator would resist every attempt to have the Hatch Act reform provision added to this bill. It simply will not be done.

Mr. GARN. I thank my distinguished colleagues for their very definite and precise reassurances. On the basis of those reassurances, I intend to vote for the bill.

Mr. PERCY. I would like to say that my distinguished Illinois colleague, Congressman DERWINSKI, feels just as strong about this matter and has been working to reason with his colleagues in the House not to in any way impede or encumber, holdup or make impossible, the passage of civil service reform, which is a matter of high priority on both sides of the aisle, with both the Congress and the President of the United States.

Mr. SCOTT. Mr. President, I wonder when we are going to have a final vote. I told my wife I would leave here at 7:30. If we are going to have a vote right now, I want to vote. But if not, I am going to have to leave.

Mr. RIBICOFF. The Senator from Alaska has a final amendment and then we will go to third reading and vote on passage, if we can have the cooperation of the other Members of the Senate.

AMENDMENT NO. 3416

(Purpose: To provide for judicial review of Federal Labor Relations Authority unfair labor practice decisions)

Mr. STEVENS. Mr. President, I call up my amendment No. 3416 and ask for its immediate consideration.

The PRESIDING OFFICER. The amendment will be stated.

The assistant legislative clerk read as follows:

The Senator from Alaska (Mr. STEVENS) proposes an amendment numbered 3416.

Mr. STEVENS. Mr. President, I ask unanimous consent that reading of the amendment be dispensed with.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. STEVENS. Mr. President, I send a modification of the amendment to the desk.

The PRESIDING OFFICER. The modification will be stated.

Mr. STEVENS. Mr. President, I ask unanimous consent that the reading of the modification be dispensed with.

The PRESIDING OFFICER. Without objection, it is so ordered.

The amendment as modified, is as follows:

On page 285, line 20, after "title," insert "and except as provided in section 7216(f) of this title,".

On page 298, between lines 16 and 17, insert the following:

"(f)(1) Any employee or agency adversely affected or aggrieved by a final order or decision of the Authority with respect to a matter raised as an unfair labor practice under this section, or with respect to an exception filed to any arbitrator's award under section 7221(j) of this title which involves an unfair labor practice complaint, may obtain judicial review of such an order or decision.

"(2) In review of a final decision or order under paragraph (1), the agency or the labor organization involved in the unfair labor practice complaint shall be the named respondent, except that the Authority shall have the right to appear in the court proceeding if it determines, in its sole discretion, that the appeal may raise questions of substantial interest to it. Except as provided in section 518 of title 28, relating to litigation before the Supreme Court, attorneys designated by the Authority may appear for the Authority, and represent the Authority in any civil action brought in connection with any function carried out by the Authority pursuant to this title or as otherwise authorized by law."

"(3) A petition to review a final order or decision of the Authority shall be filed in the Court of Claims or a United States Court of Appeals as provided in chapters 91 and 158, respectively, of title 28 and shall be filed within 30 days after the date the petitioner received notice of the final decision or order of the Board.

"(4) The court shall review the administrative record for the purpose of determining whether the findings were arbitrary or capricious, and not in accordance with law, and whether the procedures required by statutes and regulations were followed. The findings of the Authority are conclusive if supported by substantial evidence in the administrative record. If the court determines that further evidence is necessary, it shall remand the case to the Authority which, after such further proceedings as may be required, may modify its findings, and shall file with the court the record of such proceedings. The findings of the Authority are conclusive if supported by substantial evidence in the administrative record as supplemented.".

On page 308, line 13, after "section" insert "and under section 7216(f) of this title".

On page 316 between lines 15 and 16, insert the following:

"(i) Section 2342 of title 28, United States Code, as amended by section 206 of this Act, is amended—

"(1) by striking out 'and' at the end of paragraph (5),

"(2) by striking out the period at the end of paragraph (6) and inserting in lieu thereof '; and'; and

"(3) by adding at the end thereof the following new paragraph:

"'(7) all final orders of the Federal Labor Relations Authority made reviewable by section 7216(f) of title 5.'".

Mr. STEVENS. Mr. President, an employee aggrieved by a decision of the Merit System Protection Board is entitled to judicial review. Also, one who receives an adverse decision from the National Labor Relations Board has access to judicial review. However, presently S. 2640 fails to provide comparable review for decisions by the Federal Labor Relations Authority. This gives a body under the control of the President untenable authority.

Adverse actions, unacceptable performance appraisals, and discrimination complaints, among others, are appealable to the Merit Systems Protection Board, whether they proceed through negotiated grievance procedures under the labor section of the bill or through the normal appellate route. Such decisions by the Merit System Protection Board are appealable. Unfair labor practice decisions by the Federal Labor Relations Authority are not appealable, however, because the Federal Labor Relations Authority decisions are not subject to judicial review. Unfair labor practice complaints can be serious as complaints labeled adverse actions. So why should one board be subjected to judicial scrutiny while the other is not?

What is even more compelling is that decisions by the National Labor Relations Board are subject to judicial review. An unfair labor practice is basically the same, whether it is brought before the Federal Labor Relations Authority or the National Labor Relations Board. The only difference is in one case the employer is the Government, in the other it is private industry.

Mr. President, my amendment will provide for judicial review of Federal Labor Relations Authority decisions as they concern unfair labor practices. The review will be similar to that of the Merit System Protection Board's and the National Labor Relation Board's. The Federal Labor Relations Authority decisions will be subjected to the same substantial evidence standard of review.

Mr. President, judicial review is at the core of our Nation's beginnings and future.

Mr. RIBICOFF. Mr. President, the amendment of the Senator from Alaska is acceptable to the managers of the bill.

I commend and thank the Senator from Alaska for his cooperation throughout the entire consideration of this legislation in the committee, in markup, and on the floor.

Mr. PERCY. I would like to add my voice of appreciation to that, Mr. President. I know of no objection to the amendment. The amendment is acceptable on this side.

Mr. STEVENS. Mr. President, I move adoption of the amendment, as modified.

The PRESIDING OFFICER. The question is on agreeing to the amendment, as modified.

The amendment, as modified, was agreed to.

Mr. BAYH. Mr. President, I support this legislation enthusiastically because I think it is important for us to find every humanly possible way to make our governmental service more efficient. I think it is possible for us to build on the strength and the dedication of the tens of thousands of dedicated public servants, to award merits, and yet see that those who are not meritorious are removed from the public service.

Mr. President, I am concerned about only one feature of this bill and feel compelled to call it to the Senate's attention.

The language in the Senate bill differs from the House version regarding the EEOC jurisdiction in the adjudication of discrimination cases. In the Senate version EEOC must share jurisdiction with the Merit System Protection Board.

It it necessary that the difference be closely examined in conference and that the House language be viewed as the better approach to this problem, in my judgment.

I point out that under the plan supported and originally submitted by the Carter administration the President felt that the administration was joined by the civil rights organizations in feeling that the discrimination complaints should be handled by the Equal Employment Opportunities Commission. I do not think any Member of this body wants civil service reform to be viewed as an effort to shortcut and lessen our efforts to wipe out the last vestiges of discrimination in public service.

With that in mind, I hope that the Senate conferees will consider again their position on this bill, and if at all possible, yield to the House of Representatives because I feel that is the position which gives us the best chance to fight against discrimination with all that it means.

Mr. THURMOND. Mr. President, I rise in support of S. 2640, the Civil Service Reform Act of 1978.

Efforts to reform the civil service system have been under consideration since the days of the Hoover administration. Administrations of both parties have sought to achieve a civil service system that is both accountable to the public through its elected leaders, but protected from the pressures and potential abuses of the political spoils system.

Unfortunately, over the years the civil service system has become weighted down with complicated and inflexible rules and procedures that have prevented merit principles to be maintained. It is the taxpayers of this country that suffer from this situation. When managers are unable to get dedicated and competent employees to perform the Government's work, the public is adversely affected. The need for an efficient and competent civil service is long overdue.

Mr. President, the overall thurst of S. 2640 is sound. It recognizes that an efficient and accountable civil service will improve services to the public, while insulating Federal employees from the political spoils system that plagued the Federal service in its early days.

There are major features of the bill that I believe will lead to definite improvements in the civil service. First, the bill separates the relationship of Federal employees. There is created an office of personnel management to supervise personnel management in the executive branch.

Second, it creates an independent merit systems protection board and special counsel to adjudicate employee appeals and protect the merit system.

Third, a Federal labor relations authority is established that would seek to improve labor-management relations by providing procedures for resolving grievances and defining unfair labor practices, exclusive recognition and employee rights.

Fourth, the bill creates a senior executive service which embodies a new structure for selecting, developing, and managing top-level Federal executives. This is an important feature since it would provide incentives to top-level employees and give them an opportunity to be rewarded for work well done. It is a voluntary service for no more than 9,200 persons, but an excellent tool for attracting and keeping top-flight people in the service of the Federal Government.

Finally, Mr. President, this bill streamlines the processes for dismissing and disciplining Federal employees, which in my opinion is necessary in order to have a civil service capable of adequately serving the American people.

Mr. President, there are two aspects of this bill which are of special importance to me. The first is the exclusion of certain employees from the coverage of civil service laws and regulations.

Several section of S. 2640 specifically exclude employees of the Federal Bureau of Investigation, the Central Intelligence Committee, and other intelligence-gathering and investigatory agencies of the Government. These employees are now excluded from civil service coverage, and they should remain so.

These people are excluded for proper reasons. The security of our country is at stake and to allow employees to act without fear of disciplinary action or dismissal would seriously impair the ability of our Government to carry out its intelligence gathering and investigative responsibilities. In addition, with the so-called whistleblower protections in this bill, the threat of other and numerous "Pentagon Papers" situations would increase if CIA, FBI and other national security-related employees were covered by civil service laws and regulations. Exclusion of these employees from the bill would insure that these situations could not arise in the future in great numbers.

Mr. President, the other area of concern to me is the elimination of the veterans' preference in the hiring and promotion of Federal civil service employees. I support the provisions of the bill as currently drafted and would be opposed to any effort to eliminate the current preference given our Nations' veterans in civil service employment.

This legislation is badly needed and deserves the support of my colleagues.

THE CRANSTON AMENDMENTS

Mr. SASSER. Mr. President, the distinguished Senator from California, the chairman of the Veterans' Affairs Committee (Mr. CRANSTON) earlier today offered a number of amendments to this bill, among them a provision to strengthen the procedural protections relating to preference eligibility for disabled veterans. I wish to voice my strong support for that provision as well as for the others submitted by Senator CRANSTON.

The veterans of our wars, especially those who become disabled during the course of their service to the Nation, are owed a sincere debt of gratitude by all our citizens. In the contest of civil service reform and Federal employment, we can express that thanks in at least one way by extending the benefits and protections already provided to veterans who apply for Government positions. For instance, one amendment would insure that disabled veterans who are denied jobs on the basis of inability to fulfill the physical requirements of the positions, will be notified and have an opportunity to appeal that denial. Another would authorize noncompetitive appointments for disabled veterans with service-connected disability of 30 percent or greater.

I wish to express my own thanks to the distinguished chairman of the Government Affairs Committee and to Senator CRANSTON for recognizing the opportunity to correct these inequities and to further provide for those citizens who have served in the Armed Forces.

CIVIL SERVICE REFORM IS OVERDUE

● Mr. BIDEN. Mr. President, I am pleased that the President's proposal for civil service reform has come to the floor for action by the full Senate.

Although to the average person on the street, much of the bill is seemingly concerned with technical and procedural changes in personnel and management policies, in fact this legislation will impact on the very quality of Government itself.

Public services are only as good as the people who are responsible for delivering them.

And that is what I think this bill will do, improve the responsiveness and quality of Federal Government employees.

The provision of high-quality public services rests on three things: The quality of people we recruit into the Government; the effectiveness of sound management and incentives for motivating good employee performance.

On the whole, I believe that the merit system has provided the Federal Government with reasonable, well-qualified candidates for public service.

The Government attracts many intelligent, dedicated men and women into its service each year.

We have made and must continue to make progress in recruiting qualified women and minority group members into all levels of Government policymaking.

There are still attitudinal and procedural barriers to the advancement of women, blacks, and other minority groups into middle and upper level management positions.

We must renew our commitment to overcoming these barriers.

At the same time, we must also recognize our special debt to those who fought in our Nation's service, particularly disabled veterans and Vietnam war veterans.

The Vietnam war was the longest and most divisive war fought by this country in over 100 years.

The scars and memories of that war still linger on.

We must insure that there is an adequate period for Vietnam war vets to readjust.

For those who were disabled during our Nation's recent conflicts, there can never be complete readjustment.

The loss of a limb or of an eye can never be completely overcome.

Too many young men have been forced by these disabilities to abandon earlier plans for the future and turn to other pursuits within their physical capabilities.

We must insure that opportunities remain available to disabled veterans in the Federal Government.

I believe that the separation of the Civil Service Commission into an Office of Personnel Management and a Merit Systems Protection Board, envisioned in this bill, is a sound move.

Increasingly the flexibility of recruitment decisionmaking to separate agencies, I believe, will enhance the ability of agencies to hire persons capable of carrying out the tasks entrusted to the agency.

The Merit System Protection Board will be responsible for insuring that agencies do not discriminate against women, blacks, minorities, or any other groups.

The Board would also be charged with protecting the rights of agency employees.

We must see to it that the system promotes effective management.

The Federal Government has been woefully slow in adopting management tools which could increase protection.

Title VI of the Civil Service Reform Act allows Federal agencies to experiment on a limited basis with various management and organizational changes which could enhance the delivery of services.

While managers should not experiment for the sake of experimentation, Government agencies should not retain outmoded and inadequate procedures simply because it is inconvenient to change.

Finally, the most important part of civil service reform must be to motivate good employee performance.

And it is in this area that the civil service system is most in need of improvement.

One of the most irritating and detrimental aspects of the present civil service system is the inability of managers to remove or transfer personnel who are obviously incompetent or who allow personal problems, like alcoholism, to interfere with their job performance.

Under existing procedures it is very difficult, if not impossible to fire these employees, because of the length and complexity of the appeals process.

So what happens?

The employee is either given nothing to do or is shoved off to some other division of the agency.

The employee becomes so embittered that he or she detracts from the performance of the agency and lowers the morale of other staff members.

The result is more "deadwood" on the Government payroll.

However, that does not mean that the agency can and should ride roughshod over employee rights.

The burden of proof should be upon the agency to prove that an employee is not performing his or her tasks.

The agency should also consider alternatives to outright dismissal of the employee.

Such alternatives might include job or personal counseling where alcoholism or personal problems interfere with the employee's productivity.

Another disincentive to good employee performance is the regularity which pay raises and promotions are given in the Federal Government.

Once you get on the payroll, promotions come as a matter of course, not necessarily because you deserve it.

It almost has gotten to the point where you have to actively try to not get the increase.

So I think there is a need to establish an incentive system where outstanding performances are rewarded.

That does not mean that I favor withholding cost-of-living increases because some GS–5 only processes 298 claims in 1 year as opposed to an average of 300.

But we do need a better way to reward the GS–5 employee who processed 400 claims a year.

After reviewing this legislation, I find the concept of a senior executive service reward based on performance evaluations interesting.

I certainly believe that employees at the GS–16 level and above do have a primary responsibility to insure that executive policy is carried out in their agency.

If they strongly believe that a particular directive is incorrect policy then I think they should be willing to resign rather than attempt to subvert the directive by covert means.

My major concern with this performance evaluation concept is who is going to be doing the evaluating and upon what criteria are senior executives going to be evaluated?

This is one area which is inadequately spelled out in the bill.

I do not believe that a purely political criteria is adequate.

There must be some substantive criteria available upon which to judge performance.

I do not think it is proper to create a mentality in the upper echelons of our civil service where "to get along, is to go along."

This would tend to reduce the quality of higher level employees and create a cadre of political hacks.

For this reason, I would like to see a little more guidance for performance review of the senior executive concept in this bill.

In conclusion, Mr. President, the time is long overdue that the Federal Government adopt widely accepted management techniques which any large organization interested in efficient operation would find logical.

The recruitment of high quality personnel and the establishment of effective management practices and employee performance incentives are closely related.

Strengthening each component will strengthen the overall effectiveness of the Civil Service.

And most important, it will allow the Federal Government to provide services to Americans on a fairer, more efficient, and compassionate basis.

This is what I believe civil service reform is all about and I intend to vote in favor of this bill. I urge my colleagues to support this legislation.●

● Mr. GLENN. I support and have cosponsored the civil service reform bill as it is reported by the committee and believe it to be, on the whole, an excellent proposal. I disagree, however, with a major feature of the bill: its apportionment of administrative authority relating to employment discrimination involving Federal workers.

The committee bill would create a procedure under which differences between the Equal Employment Opportunity Commission and the Merit System Protection Board on Employment discrimination questions would be resolved by the Court of Appeals. As the committee report states, "neither agency should have the authority to overrule the view of the other," and, when the matter is certified to the Court of Appeals, neither "agency should be considered as appealing the action of the other."

An alternative procedure, which I urged the committee to adopt but which it rejected, would allow both the MSPB and the EEOC to rule on such discrimination questions in a manner similar to that provided by the committee but would designate the EEOC as the final authority at the administrative level on such questions. Under this procedure, which was originally proposed by the administration, the EEOC would review the MSPB's actions insofar as they related to discrimination and render a decision which could be implemented immediately and, if reviewed, treated by the court with the deference normally accorded to final agency actions.

The basic difference between the two approaches lies in the respective answers they give to the question: Which agency

should be the final administrative authority on issues of alleged employment discrimination in the Federal work force? The committee's answer is that such final authority should be shared—although the extent of the sharing is ambiguous—between the MSPB and the EEOC. My approach would place that authority clearly in the EEOC.

The case for the latter approach rests on the proposition that the EEC is the Federal Government's central repository of sensitivity and expertise on employment discrimination matters. It is the administrative agency that has the responsibility at the Federal level for considering employment discrimination disputes arising in the private sector. I see no reason why, where discrimination disputes involve the employment practices of a Federal agency, the final administrative authority relating to those disputes ought not also to be centralized in the EEOC.

From the beginning three basic arguments have been made against this approach: that it would damage the independence of the MSPB by subjecting its decisions on certain questions to review by an executive branch agency; that the combination of adjudicatory and advocacy functions within the EEOC would be undesirable; and that such an approach would be administratively unworkable. I am not persuaded by these arguments.

With respect to the first, this committee and the Congress on several occasions have permitted an excutive agency to override an independent regulatory commission on questions which were considered best left to the executive branch. Precedents can be found in the existing Presidential override authority of the Civil Aeronautics Board and the International Trade Commission; and in the Department of Energy Organization Act and the Nuclear Nonproliferation Act of 1978, both of which were considered earlier in this Congress by this committee.

It is not the case, as it sometimes has been argued, that the executive branch may exercise these override authorities only in the foreign policy area. Under the DOE Organization Act, the DOE may veto FERC decisions on "energy actions" and other domestic matters specified in the act.

On the second and third of the arguments put forward, I can see no difference between the committee's approach and the one I support in the extent to which they are subject to the concerns raised. Apart from that, I believe those concerns to be minor at worst.

It is my hope therefore that the committee's action on this matter will be reversed in conference and that the House version will prevail.●

The PRESIDING OFFICER. The bill is open to further amendment. If there be no further amendment to be proposed, the question is on the engrossment and third reading of the bill.

The bill was ordered to be engrossed for a third reading, and was read the third time.

Mr. RIBICOFF. Mr. President, I ask for the yeas and nays on final passage.

The PRESIDING OFFICER. The yeas and nays have already been ordered.

The bill having been read the third time, the question is, Shall the bill pass?

The clerk will call the roll.

Mr. ROBERT C. BYRD. Mr. President, there will be no further rollcall votes tonight.

The second assistant legislative clerk called the roll.

Mr. CRANSTON. I announce that the Senator from South Dakota (Mr. ABOUREZK), the Senator from Minnesota (Mr. ANDERSON), the Senator from Delaware (Mr. BIDEN), the Senator from Mississippi (Mr. EASTLAND), the Senator from Alaska (Mr. GRAVEL), the Senator from Louisiana (Mr. JOHNSTON), and the Senator from South Dakota (Mr. McGOVERN) are necessarily absent.

Mr. STEVENS. I announce that the Senator from Tennessee (Mr. BAKER), the Senator from New Mexico (Mr. DOMENICI), the Senator from Arizona (Mr. GOLDWATER), the Senator from Nevada (Mr. LAXALT), and the Senator from New Mexico (Mr. SCHMITT) are necessarily absent.

The result was announced—yeas 87, nays 1, as follows:

[Rollcall Vote No. 365 Leg.]

YEAS—87

Allen	Hart	Moynihan
Bartlett	Haskell	Muskie
Bayh	Hatch	Nelson
Bellmon	Hatfield,	Nunn
Bentsen	Mark O.	Packwood
Brooke	Hatfield,	Pearson
Bumpers	Paul G.	Pell
Burdick	Hathaway	Percy
Byrd,	Hayakawa	Proxmire
Harry F., Jr.	Heinz	Randolph
Byrd, Robert C.	Helms	Ribicoff
Cannon	Hodges	Riegle
Case	Hollings	Roth
Chafee	Huddleston	Sarbanes
Chiles	Humphrey	Sasser
Church	Inouye	Schweiker
Clark	Jackson	Sparkman
Cranston	Javits	Stafford
Culver	Kennedy	Stennis
Curtis	Leahy	Stevens
Danforth	Long	Stevenson
DeConcini	Lugar	Stone
Dole	Magnuson	Talmadge
Durkin	Mathias	Thurmond
Eagleton	Matsunaga	Tower
Ford	McClure	Wallop
Garn	McIntyre	Weicker
Glenn	Melcher	Williams
Griffin	Metzenbaum	Young
Hansen	Morgan	Zorinsky

NAYS—1

Scott

NOT VOTING—12

Abourezk	Domenici	Johnston
Anderson	Eastland	Laxalt
Baker	Goldwater	McGovern
Biden	Gravel	Schmitt

So the bill (S. 2640), as amended, was passed.

Mr. RIBICOFF. Mr. President, I move to reconsider the vote by which the bill was passed.

Mr. PERCY. I move to lay that motion on the table.

The motion to lay on the table was agreed to.

Mr. RIBICOFF. Mr. President, I ask unanimous consent that the Secretary of the Senate be authorized to make technical and clerical corrections in the engrossment of S. 2640.

The PRESIDING OFFICER (Mr. CLARK). Without objection, it is so ordered.

Mr. ROBERT C. BYRD addressed the Chair.

The PRESIDING OFFICER. The Senator from West Virginia.

Mr. ROBERT C. BYRD. Mr. President, the Civil Service Reform Act of 1978, which the Senate has passed today is, without doubt, one of the most important pieces of legislation to have confronted us in the 95th Congress. It is truly landmark legislation. For this bill represents the first comprehensive overhaul of the civil service system in 95 years.

One of the great complaints of the citizens of this country over the past several years has been the feeling that their Government has become so vast and unwieldy as to no longer be responsive to their needs. They have come to regard their Government as impersonal and inefficient—composed of faceless individuals who loaf more than work.

This impression of the Federal worker is simply untrue and does him a great injustice. Of course, some of these workers do fail to give a full day's work for a day's pay—just as in any institution. But your average Federal worker is certainly fully as dedicated as his counterpart in private industry.

To the extent that this false impression of the Federal worker has been created and to the extent that the Federal Government has, indeed, become unresponsive to the needs of the people of this country, these things are due in large measure to a civil service system that no longer functions in the manner in which originally anticipated. Although laudably intended to provide a work force in which employees were selected and advanced on the basis of competence rather than political or personal favoritism, the inflexible structures that have developed over the years as a result of a patchwork of statutes and rules built up over almost a century threaten to asphyxiate the merit principle itself.

There are four major areas of concern about the civil service system that were originally voiced by the Second Hoover Commission in the late 1940's and that still remain valid today. First, there is insufficient incentive and reward for encouraging high productivity and competence in the Federal work force. Second, bureaucratic procedures delay even the most elementary personnel actions, including decisions to hire and promote employees. Third, it is difficult and time consuming to fire employees whose work is unsatisfactory. Finally, the Civil Service Commission provides inadequate protection against partisan political abuse of the merit system.

The bill that the Senate has passed today will be a giant step toward resolving these concerns.

Through the creation of the Senior Executive Service, the mandating of performance appraisal systems, and the establishment of a bonus pay system, ample incentives and rewards are provided for exemplary employee performance.

The decentralization of major personnel management procedures and the increased ability provided to agency heads to reassign senior managers to positions where they may be more effective will serve to streamline personnel procedures.

The elimination of unnecessary review, the establishment of time limits for processing cases and the establishment of new standards for disciplining employees guilty of unacceptable performance will render more effective the procedures for dismissing employees who do not perform as they should.

The creation of a Merit Systems Protection Board, the establishment of a special counsel of the Merit Board and the codification of merit principles and prohibited personnel practices will protect the integrity of the merit system.

In sum, the bill that we have passed today will make major strides toward the goal of insuring the people of this country an efficient and effective Government where reward and promotion are based upon merit rather than partisan politics. It will go a long way toward strengthening the faith of the citizens of this country in their Government.

Mr. President, this legislation would never have come before the Senate but for the diligence and long hours of hard work and skillful labors of the distinguished Senator from Connecticut and chairman of the Governmental Affairs Committee, Mr. RIBICOFF. This great effort on behalf of what was a very controversial piece of legislation has resulted in its passage so easily today. His dedication and willingness to work for what he believes in are well known and have been amply evidenced again.

Great credit must also be given to the distinguished Senator from Illinois (Mr. PERCY), the ranking member of the Governmental Affairs Committee, for his efforts on behalf of this bill as well. He, too, has worked hard for and can take pride in its passage.

The people of this Nation owe both of these men a great debt of gratitude.

I have once again witnessed the exemplary skill and dedication, and the ability to work together, that have been so often manifested by these two Senators, Mr. RIBICOFF and Mr. PERCY.

The Senate is in their debt.

I am personally grateful to both, and the country will be well served by their labors today.

Mr. RIBICOFF. Mr. President, will the majority leader yield?

Mr. ROBERT C. BYRD. I yield.

Mr. RIBICOFF. Mr. President, I take this opportunity to thank the majority leader for his gracious comments. My thanks, too, for his understanding and consideration of the requests of the distinguished Senator from Illinois and myself to try to schedule this measure before the recess.

This, indeed, is one of the most important measures that this body has passed during this session. It became very important in the closing days, when the Calendar is so crowded and so many measures seek the attention of the majority leader. He was courteous and thoughtful in scheduling this bill today.

Again, not only do I appreciate his comments about my colleague, the Senator from Illinois. I do not know how a chairman could expect or hope for a ranking minority member to be the equal of Senator PERCY. We have worked together, our staffs have worked together, we tried to take these measures on a nonpartisan basis and work them out for the benefit of the Senate and the entire country.

I think this vote today, of 87 to 1, is a tribute to the President of the United States. It is a tribute to Mr. Campbell, and Mr. Sugarman, Chairman and Vice Chairman of the Civil Service Commission, and the other members of the administration who worked on this legislation. It is a tribute to Senator PERCY and the entire membership of the Governmental Affairs Committee.

Every member, both Democrat and Republican, of that committee worked completely cooperatively. They gave it their attention. Their staffs are outstanding.

Again, my thanks to the majority leader and Senator PERCY and, of course, Senator JAVITS, who always is in there pitching.

Also, I call attention to the Senator from Tennessee (Mr. SASSER). While he sits in the rear of this Chamber, he is the chairman of the subcommittee that has the responsibility for civil service legislation. This legislation could not have been achieved and accomplished without his expression of support. He chaired hearing after hearing. In markup, he was a tower of strength. We are fortunate to have the Senator from Tennessee (Mr. SASSER) as a member of our committee in chairing this most important subcommittee.

I also wish to thank the following staff members of our committee for the outstanding efforts on behalf of this legislation:

Richard Wegman, Paul Hoff, Paul Rosenthal, Claude Barfield, and Claudia Ingram of the Governmental Affairs Committee staff; John Childers, Ken Ackerman, and Connie Evans of the minority staff; Knox Walkup, Cindy Anderson, Ed Jayne, and Howard Orenstein of the Civil Service Subcommittee; Carl Fait and Jamie Cowan of Senator STEVENS' staff; Riley Temple of Senator MATHIAS' staff; Brian Conboy and Jackie Abelman of Senator JAVITS' staff; Brian Walsh of Senator CHILES' staff; Emily Eiselman of Senator EAGLETON's staff; Tom Cator of Senator HUMPHREY's staff, and Pamela Haynes of Senator HEINZ' staff.

Mr. PERCY. Mr. President, I have said many times that people in the business community with whom I have worked for many years have said, "Will you ever get any satisfaction in the Senate? Isn't it just frustrating in Washington?" Every time we have brought to a successful conclusion a major piece of legislation throughout the course of the years, I feel that that piece of legislation probably will do more good for more people than another 25 years in business might.

Never in my career have I ever had the privilege and pleasure of working with a colleague such as Senator RIBICOFF. With his sense of decency, his sense of dedication, his tremendous accomplishment, and his immense capacity for work, he could run General Motors, he could run Ford, he could run Chrysler, and he could run them on time and on schedule. That is the way he runs the Governmental Affairs Committee.

The ranking minority member, the Senator from Illinois, attempts always to be in his seat, ready to go, precisely on time. We probably are one of the few committees that tries to stay on time.

Both of us are deeply indebted to our distinguished majority leader, who, together with Senator BAKER, has on occasion probably gotten somewhat weary of talking to Senator RIBICOFF and Senator PERCY about civil service reform; because, as the distinguished Senator from Connecticut indicated, they do have many items of priority, and every committee chairman and every ranking minority member feels that his legislation is the most important and must be done now.

Every commitment made to us has been fulfilled. In scheduling this matter, the distinguished majority leader and the distinguished minority leader, Senator BAKER, have known that it not only is terribly important to those of us in Congress to see that we have a responsive civil service but also very important to the President of the United States.

The President, without hesitation, with tremendous courage and great foresight, has pioneered in this area. He has worked closely with the Chairman of the Civil Service Commission, Chairman Alan Campbell. Together, they have been sufficiently responsive to the individual needs and feelings of Members of the Senate so that their flexibility has made possible this achievement tonight.

I express my deep gratitude to the distinguished majority leader for his words. They mean a great deal to the Senator from Illinois. Speaking as one member of the minority, it is an honor and privilege and a pleasure to work with my distinguished colleague as leader of the U.S. Senate on the majority side. He provides a great deal of inspiration to all of us who want to see a sense of accomplishment and he is backed up ably by our beloved and distinguished colleague from California Senator CRANSTON.

The members of our committee, who have worked so tirelessly on this legislation, all of whom we have mentioned previously today, deserve great credit.

I yield to the majority leader.

Mr. ROBERT C. BYRD. Mr. President, both the distinguished chairman and the distinguished ranking minority member have been very gracious in their comments. It is characteristic of them.

I also take this occasion to express appreciation to Mr. MATHIAS and Mr. STEVENS for the dedication they gave to this work. They worked with the chairman and the ranking minority member in dealing with a great many problems. It is because they were able to work together and resolve many of these problems before the bill was even called up that it was made possible for the bill to pass the Senate.

I am glad the distinguished chairman has called attention to the services of the very able Senator from Tennessee (Mr. SASSER). I have noted how this new Senator has gone about his work. He is self-effacing. He works quietly but effec-

tively and with great dedication. I see in Senator SASSER one of the developing strong Senators in this institution.

He gives any job that is handed to him his best, and he makes a little job big. He distinguished himself by this kind of dedication and by the excellence of the product he brings to the floor. Also, he cooperates well with the leadership.

I take this opportunity to express my thanks to him, as the chairman has done, for the quiet but very dedicated and effective work he has done in making this accomplishment today possible.

Mr. PERCY. Mr. President, I yield to my distinguished colleague from Tennessee. I know the Senator from Indiana wishes to obtain the floor, but I believe the Senator from Tennessee would like to make a comment in this colloquy. Then, after I ask for a unanimous-consent request, I will be happy to yield the floor to Senator BAYH, who has been waiting patiently.

Mr. SASSER. I thank the distinguished Senator from Illinois for yielding.

Mr. President, I thank the able and distinguished majority leader for the kind and generous remarks he has directed toward this Senator this evening. With the help of the majority leader and with the capable and farsighted leadership of the chairman of the Governmental Affairs Committee, the distinguished Senator from Connecticut, and with the able cooperation and able leadership of the ranking minority member of the Governmental Affairs Committee, the distinguished Senator from Illinois, we have produced this evening a significant piece of legislation. We have grappled with a very difficult problem and have done it very well.

I am very hopeful that what we have done in this legislation and what we have produced this evening will be the opening salvo in making the civil service and the Government service of this country more responsive to the constituency it serves.

I thank the distinguished Senator for yielding.

Mr. PERCY. Mr. President, the Senator from Illinois will yield for a final concluding comment by the distinguished Senator from Maryland.

Mr. MATHIAS. I will forego that pleasure for the moment.

Mr. PERCY. Mr. President, the Senator from Illinois wishes to say that this bill would not have been possible without the devotion and dedication of our distinguished colleague from Maryland, who has truly done a momentous job in balancing out the interests of the people of this country with the interests of the Federal employees.

The PRESIDING OFFICER. The Chair recognizes the Senator from Indiana.

Mr. BAYH. Mr. President, I add my commendations to the distinguished Senator from Connecticut and the distinguished Senator from Illinois and my friends from Maryland and Tennessee, and all of those who were responsible for the passage of this very important piece of legislation.

ROUTINE MORNING BUSINESS

Mr. ROBERT C. BYRD. Mr. President, I ask unanimous consent that there be a period for the transaction of routine morning business with Senators allowed to speak up to 10 minutes each.

The PRESIDING OFFICER. Without objection, it is so ordered.

MESSAGES FROM THE PRESIDENT

Messages from the President of the United States were communicated to the Senate by Mr. Chirdon, one of his secretaries.

EXECUTIVE MESSAGE REFERRED

As in executive session, the Presiding Officer laid before the Senate a message from the President of the United States submitting the nomination of Stanford G. Rose, of the District of Columbia, to be Commissioner of Social Security of the Department of Health, Education, and Welfare, which was referred to the Committee on Finance.

COMMUNICATIONS

The PRESIDING OFFICER laid before the Senate the following communications, together with accompanying reports, documents, and papers, which were referred as indicated:

EC–4232. A communication from the Commander, Naval Sea Systems Command, Department of the Navy, reporting, pursuant to law, on the claim of Boland Marine & Manufacturing Co., Inc., New Orleans, La., against the United States; to the Committee on Appropriations.

EC–4233. A communication from the Assistant Secretary of Defense (Comptroller), reporting, pursuant to law, on the value of property, supplies, and commodities provided by the Berlin Magistrate, and under German Offset Agreement for the quarter April 1, 1978, through June 30, 1978; to the Committee on Appropriations.

EC–4234. A communication from the Comptroller General of the United States, transmitting, pursuant to law, a report entitled "U.S. Foreign Relations and Multinational Corporations: What's the Connection?" August 23, 1978; to the Committee on Governmental Affairs.

EC–4235. A communication from the Comptroller General of the United States, transmitting, pursuant to law, a report entitled "Progress and Problems in Improving the Availability of Primary Care Providers in Underserved Areas," August 22, 1978; to the Committee on Governmental Affairs.

EC–4236. A communication from the Deputy Assistant Secretary of Defense (Administration), transmitting, pursuant to law, a report on a new system of records identified as A1014.08cDAAG, entitled "College Transcript Registry System"; to the Committee on Governmental Affairs.

EC–4237. A communication from the Deputy Assistant Secretary of Defense (Administration), transmitting, pursuant to law, a report on a new system of records identified as A0714.06cDASG, entitled "AMEDD Personnel Management System"; to the Committee on Governmental Affairs.

EC–4238. A secret communication from the Acting Comptroller General of the United States, transmitting, pursuant to law, a report on the numerous uncertainties that exist in the Air Force GBU–15 program on short and long range air-to-ground glide weapons; to the Committee on Governmental Affairs.

EC–4239. A communication from the Acting Assistant Legal Adviser for Treaty Affairs, Department of State, transmitting, pursuant to law, international agreements other than treaties entered into by the United States within sixty days after the execution thereof; to the Committee on Foreign Relations.

EC–4240. A communication from the Chief Commissioner, U.S. Court of Claims, transmitting, pursuant to law, a report and findings of the Trial Commissioner, dated November 21, 1977, in Sperling & Schwartz, Inc. v. the United States, Cong. Ref. 1–74, and a report of the Review Panel dated July 20, 1978; to the Committee on the Judiciary.

REPORTS OF COMMITTEES

The following reports of committees were submitted:

By Mr. EAGLETON, from the Committee on Governmental Affairs, without amendment:

H.R. 7814. An act to authorize Federal agencies to experiment with flexible and compressed employee work schedules.

H.R. 10126. An act to amend title 5, United States Code to establish a program to increase part-time career employment within the Civil Service.

By Mr. SPARKMAN, from the Committee on Foreign Relations, without amendment:

S.J. Res. 154. A joint resolution authorizing the President to invite the States of the Union and foreign nations to participate in the International Petroleum Exposition to be held at Tulsa, Okla., from September 10, 1979, through September 13, 1979 (Rept. No. 95–1145).

S. Res. 546. An original resolution waiving section 402(a) of the Congressional Budget Act of 1974 with respect to the consideration of S. 3161. Referred to the Committee on the Budget.

By Mr. SPARKMAN, from the Committee on Foreign Relations, with an amendment:

S. 3161. A bill to provide for a National Commission on the International Year of the Child, and for other purposes (Rept. No. 95–1146).

By Mr. SPARKMAN, from the Committee on Foreign Relations, with amendments:

S.J. Res. 111. A joint resolution to authorize participation by the United States in parliamentary conferences with Japan (Rept. No. 95–1147).

By Mr. ROBERT C. BYRD, from the Committee on the Judiciary, without amendment:

H.R. 2952. An act for the relief of M/Sgt. William E. Boone, U.S. Army, retired (Rept. No. 95–1148).

H.R. 7162. An act for the relief of Stephanie Johnson (Rept. No. 95–1149).

H.J. Res. 773. A joint resolution authorizing and requesting the President of the United States to issue a proclamation designating the 7 calendar days beginning September 17, 1978, as "National Port Week" (Rept. No. 95–1150).

By Mr. DOLE, from the Committee on Agriculture, Nutrition, and Forestry, without amendment:

S. 3460. An original bill to authorize the Secretary of Agriculture to purchase and distribute food as needed to assist other nations meet urgent humanitarian and other food needs, and to authorize owners of 1977 crop sugar to advance the maturity date on price support loans, and for other purposes (Rept. No. 95–1151).

EXECUTIVE REPORTS OF COMMITTEES

The following executive reports of committees were submitted:

By Mr. WILLIAMS, from the Committee on Human Resources:

The following-named persons to be Members of the Federal Mine Safety and Health Review Commission:

Jerome R. Waldie, of Maryland;
Richard V. Backley, of Virginia;
Marian Pearlman Nease, of Maryland;
Frank F. Jestrab, of North Dakota; and
A. E. Lawson, of Pennsylvania.

(The above nominations from the Committee on Human Resources were reported with the recommendation that they be confirmed, subject to the nominees' commitment to respond to requests to appear and testify before any duly constituted committee of the Senate.)

INTRODUCTION OF BILLS AND JOINT RESOLUTIONS

The following bills and joint resolutions were introduced, read the first time and, by unanimous consent, the second time, and referred as indicated:

By Mr. TALMADGE (by request):

S. 3456. A bill to amend the Federal Seed Act; to the Committee on Agriculture, Nutrition, and Forestry.

By Mr. HART:

S. 3457. A bill to amend the Communications Act of 1934 in order to require that licensees keep a public record of requests for broadcast time with respect to propositions and questions in State and local elections; to the Committee on Commerce, Science, and Transportation.

By Mr. SASSER:

S. 3458. A bill for the relief of the Memphis-Plough Community Foundation of Memphis, Tenn.; to the Committee on Finance.

By Mr. TOWER:

S. 3459. A bill to establish a Citizens Commission on Economic Regulatory Oversight to study Federal economic regulation and recommend the elimination of unnecessary regulatory agencies and laws, and for other purposes; to the Committee on Governmental Affairs.

By Mr. DOLE (from the Committee on Agriculture, Nutrition and Forestry):

S. 3460. A bill to authorize the Secretary of Agriculture to purchase and distribute food as needed to assist other nations meet urgent humanitarian and other food needs, and to authorize owners of 1977 crop sugar to advance the maturity date on price support loans, and for other purposes. Original bill reported and placed on the calendar.

By Mr. BROOKE:

S. 3461. A bill to extend the authority for the flexible regulation of interest rates on deposits and accounts in depository institutions and to provide that there shall be no differential with respect to transaction accounts; to the Committee on Banking, Housing, and Urban Affairs.

S. 3462. A bill to provide for the maintenance of reserves by member banks through certificates of deposits issued by the Federal Reserve Banks and to reduce and restructure reserve requirements; to the Committee on Banking, Housing, and Urban Affairs.

STATEMENTS ON INTRODUCED BILLS AND JOINT RESOLUTIONS

By Mr. TALMADGE (by request):

S. 3456. A bill to amend the Federal Seed Act; to the Committee on Agriculture, Nutrition, and Forestry.

FEDERAL SEED ACT

● Mr. TALMADGE. Mr. President, I am introducing this bill at the request of the administration. The bill would amend the Federal Seed Act to clarify existing requirements, strengthen existing practices, and repeal obsolete requirements of the act.

One particular provision of significance in this bill would redefine the term "variety" in line with modern concepts of plant breeding so that it would be more clearly understood by plant breeders, seedsmen, regulatory officials and others. No additional appropriations would be required by enactment of this bill.

Mr. President, I ask unanimous consent that the bill and a section-by-section analysis be printed in the RECORD.

There being no objection, the bill and analysis was ordered to be printed in the RECORD, as follows:

S. 3456

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That the Federal Seed Act is amended as follows:

(a) Section 101(a)(9)(B) of the Act is amended to read as follows:

"(B) For the purpose of title III, the term 'noxious-weed seeds' means the seeds or bulblets of any kind which after investigation the Secretary of Agriculture prescribes by regulation to be prohibited because the species (i) is perennial and difficult to eradicate once established, (ii) is parasitic, (iii) harbors diseases or insects which constitute a menace to crops, or (iv) is not common in the United States but would constitute a potential menace if introduced.".

(b) Section 101(a)(12) of the Act is amended to read as follows:

"(12) The term 'variety' means a subdivision of a kind which is distinct, uniform, and stable; 'distinct' in the sense that the variety clearly differs by one or more identifiable morphological, physiological, or other characteristics (which may include those evidenced by processing or product characteristics, such as milling and baking characteristics of wheat) as to which a difference in genealogy may contribute evidence, from all prior varieties of public knowledge; 'uniform' in the sense that any variations are describable and predictable; and 'stable' in the sense that the variety when reproduced or reconstituted will remain unchanged with regard to its essential and distinctive characteristics within a reasonable degree of reliability commensurate with that of varieties of the same category in which the same method of plant breeding is employed.".

(c) Section 101(a)(13) of the Act is hereby repealed.

(d) Section 101(a)(17) of the Act is amended to read as follows:

"(17) The term 'pure-live seed' means the product of the percentage of germination (plus the hard seeds or dormant seeds, if present) and the percentage of pure seed, divided by 100.".

(e) Section 201(a)(4) of the Act is amended to read as follows:

"(4) Percentage by weight of weed seeds, including noxious-weed seeds. The percentage of weed seeds shall not exceed the percentage allowed for shipment, movement, or sale by the law of the State into which the seed is offered for transportation or transported;".

(f) Section 201(b) of the Act is amended to read as follows:

"(b) Any vegetable seeds, for seeding purposes, in containers, unless each container bears a label giving the following information in accordance with rules and regulations prescribed under section 402 of this Act:

"(1) The name of each kind and variety of seed, and if two or more kinds or varieties are present, the percentage of each. In the case any such component is a hybrid seed, it shall be designated as hybrid on the label. Any portion of nonhybrid seed resulting from uncontrolled pollination in hybrid production need not be labeled as a variety name but shall be labeled as to kind and, if not labeled as to variety, the statement 'Variety Not Stated';

"(2) The name and address of—

"(A) The person who transports, or delivers for transportation, said seed in interstate commerce, or

"(B) The person to whom the seed is sold or shipped for resale, together with a code designation approved by the Secretary of Agriculture, under rules and regulations prescribed under section 402 of this Act, indicating the person who transports or delivers for transportation said seed in interstate commerce;

"(3) For containers of less than 1 pound of seed that germinates less than the standard last established by the Secretary of Agriculture as provided under section 403 of this Act—

"(A) For each named kind and variety of seed—

"(i) The percentage of germination, exclusive of hard seeds;

"(ii) The percentage of hard seeds, if present;

"(iii) The calendar month and year the test was completed to determine such percentages;

"(B) The words 'Below Standard'; and

"(4) For containers of 1 pound or more of seed—

"(A) The lot number of other identification;

"(B) For each named kind and variety of seed—

"(i) The percentage of germination, exclusive of hard seeds;

"(ii) The percentage of hard seeds, if present;

"(iii) The calendar months and year the test was completed to determine such percentages; and

"(C) Kind of noxious-weed seeds and the rate of occurrence of each, which rate shall be expressed in accordance with and shall not exceed the rate allowed for shipment, movement, or sale of such noxious-weed seeds by the law and regulations of the State into which the seed is offered for transportation or transported or in accordance with the rules and regulations of the Secretary of Agriculture, when under the provisions of section 101(a)(9)(iii), he shall determine that weeds other than those designated by State requirements are noxious.".

(g) Section 201(i) of the Act is amended to read as follows:

"(i) Any agricultural seeds or mixture thereof, or any vegetable seeds or mixture thereof, for seeding purposes, that have been treated and bear or contain a toxic substance in an amount considered unsafe within the meaning of the Federal Food, Drug, and Cosmetic Act to humans or other vertebrate animals unless the seeds are colored in a distinctive manner as the Secretary of Health, Education, and Welfare prescribes by regula-

tion, and unless each container bears a label giving the following information and statements in accordance with rules and regulations prescribed under section 402 of this Act:

"(1) A word or statement indicating that the seeds have been treated;

"(2) The commonly accepted coined, chemical (generic), or abbreviated chemical name of any substance used in such treatment; and

"(3) An appropriate cautionary statement approved by the Secretary of Agriculture as adequate for the protection of the public, such as, 'Do not use for food or feed or oil purposes': *Provided*, That the cautionary statement for highly toxic substances, as defined in the rules and regulations, shall be a representation of a skull and crossbones and a statement, such as 'This seed has been treated with POISON', in red letters on a background of distinctly contrasting color.".

(h) Section 201(j)(2)(A) of the Act is amended to read as follows:

"(A) Percentage by weight of weed seeds, including noxious-weed seeds. The percentage of weed seeds shall not exceed the percentage allowed for shipment, movement, or sale under the law of the State into which the seed is offered for transportation or transported;".

(i) Section 202 of the Act is amended to read as follows:

"SEC. 202. All persons transporting or delivering for transportation in interstate commerce agricultural or vegetable seeds subject to this Act shall keep for a period of 3 years a complete record, including samples of each lot of seed handled, of (a) purchases, sales, cleaning, conditioning, treatment, bulking, blending, storage, and labeling; (b) analyses, tests, or examinations for purity, including varietal purity, germination, and weed seeds; and (c) declarations or other records of origin, kind, and variety, so that seed may be correctly labeled and so that the seed may be traced from the grower to the consumer. The Secretary of Agriculture, or his duly authorized agents, shall have the right to inspect such records for the purpose of the effective administration of this Act.".

(j) Section 203 of the Act is amended by adding a new subsection as follows:

"(f) The labeling requirements of sections 201(a), (b), and (j) shall not apply to seed in containers when shipped between wholly-owned branches or subsidiaries of the same wholesale seed company if the invoice or other records accompanying and pertaining to such seed bear the various statements required under sections 201(a), (b), and (j), and if the containers bear the lot number or other identification.".

(k) Section 301(a)(2) of the Act is amended to read as follows:

"(2) screenings of any seed subject to this Act except that this shall not apply to screenings of seeds determined by the Secretary of Agriculture to be useful for other than seeding purposes and which are not imported for seed purposes and are declared not for seeding purposes;".

(l) Section 301(a)(5) of the Act is amended to read as follows:

"(5) any agricultural seeds or mixture thereof, or any vegetable seeds or mixture thereof, for seeding purposes, that have been treated and bear or contain a substance in an amount considered unsafe within the meaning of the Federal Food, Drug, and Cosmetic Act to humans or other vertebrate animals unless such seeds are colored in a distinctive manner as the Secretary of Health, Education, and Welfare prescribes by regulations, and unless each container bears a label giving the following information and statements in accordance with rules and regulations prescribed under section 402 of this Act.

"(A) A word or statement indicating that the seeds have been treated;

"(B) The commonly accepted coined, chemical (generic), or abbreviated chemical name of any substance used in such treatment; and

"(C) An appropriate cautionary statement approved by the Secretary of Agriculture as adequate for the protection of the public such as, 'Do not use for food or feed or oil purposes': *Provided*, That the cautionary statement are highly toxic substances, as defined in the rules and regulations, shall be a representation of a skull and crossbones and a statement, such as 'This seed has been treated with POISON', in red letters on a background of distinctly contrasting color.".

(m) Section 302(d)(3) of the Act is amended to read as follows:

"(3) when seed not meeting the pure-live seed requirements of section 304 of this title will not be sold within the United States and will be used for seeding purposes only by or for the importer or consignee: *Provided*, That the importer or consignee files a statement in accordance with the rules and regulations prescribed under section 402 of this Act certifying that such seed will be used only for seeding purposes by or for the importer or consignee.".

(n) Section 302(e) of the Act is amended to read as follows:

"(e) The provisions of this title requiring certain seeds to be stained shall not apply when such seed will not be sold within the United States and will be used for seeding purposes only by or for the importer or consignee: *Provided*, That the importer or consignee files a statement in accordance with the rules and regulations prescribed under section 402 of this Act certifying that such seed will be used for seeding purposes only by or for the importer or consignee.".

(o) Section 303 of the Act is hereby repealed.

(p) Section 402(c) of the Act is amended to read as follows:

"(c) Prior to the promulgation of any rule or regulation under this Act, due notice shall be given by publication in the Federal Register of intention to promulgate, and interested persons shall be given not less than 30 calendar days to submit data, views, and arguments thereon, in writing, or to request a public hearing. Upon request and a showing of good cause by an interested party, a public hearing shall be held, and announcement thereof shall be published in the Federal Register not less than 30 days prior to the hearing. If a public hearing is held, no rule or regulation may be promulgated until after such hearing. Any rule or regulation shall become effective on the date fixed in the promulgation, which date shall be not less than 30 days after publication in the Federal Register, and may be amended or revoked in the manner provided for its promulgation.".

(q) Section 406(b) of the Act is amended to read as follows:

"(b) Any person who violates any provision of this Act or the rules and regulations made and promulgated thereunder shall forfeit to the United States a sum of not more than $1,000 for each violation, which forfeiture shall be recoverable in a civil suit brought in the name of the United States."

(r) Section 501(a) of the Act is amended to read as follows:

"(a) It shall be unlawful in the United States or in interstate or foreign commerce to sell or offer for sale or advertise by variety name seed not certified by an official seed certifying agency when it is a variety for which a certificate of protection issued under the Plant Variety Protection Act specifies sale only as a class of certified seed: *Provided*, That seed from a certified lot may be labeled as to variety name when used in a mixture by, or with the approval of, the owner of the variety.".

SEC. 2. This Act shall become effective 90 days after enactment.

SECTION-BY-SECTION ANALYSIS

SECTION 1

Section 1 of the bill would clarify existing requirements, strengthen existing practices, and repeal obsolete requirements of the Federal Seed Act.

Subsection (a) would delete the list of noxious-weed seeds from the Act and authorize the Secretary to establish by regulation the kinds of weed seeds that would be considered noxious when occurring in imported seed. The Secretary now has authority to add kinds to the list included in the Act but not to remove kinds from the list. The present list of noxious-weed seeds would be adopted in the regulations, together with an additional 15 to 20 kinds which are known to be noxious in other countries, do not occur in this country, and will be named in the regulations under the Federal Noxious Weed Act.

Subsection (b) would make the definition of "variety" correspond with the definition in the Plant Variety Protection Act. This provision would not materially change the meaning of the term. A more specific and more uniform definition is needed for use in determining whether new products of plant breeding constitute new varieties.

Subsection (c) would delete the existing definition of "type" and permit the use of any "type" designations that are not false and misleading. Examples of type designations that may be useful are "hard red winter type wheat", "double-cut type red clover", and "winter hardy type alfalfa". Since the Federal Seed Act was enacted in 1939, labeling as to type has become less common and labeling as to variety has become common in the marketing of agricultural seed.

Subsection (d) would broaden the definition of "pure-live seed" so it would be applicable to interstate shipments. Labeling of interstate shipments as to pure-live seed is not required, but the term is used in the marketing of native rangegrasses to indicate quality.

Subsection (e) would prohibit the shipment of agricultural seed into a State if the seed contains weed seeds in excess of the percentage permitted by the seed law of that State.

Subsection (f) would reorganize the current labeling requirements for vegetable seeds into a simple, more orderly arrangement. It would also exempt the labeling as to variety name the nonhybrid seed in hybrid seed. Such nonhybrid seed may not be a "variety" as that term is defined, or it may not be feasible to determine the name or names of the nonhybrid seed. Showing the presence of the nonhybrid seed is necessary to inform the buyer of the components. This provision would also require labeling the rate of occurrence of noxious-weed seeds in vegetable seeds, or would prohibit certain noxious-weed seeds, in packages of one pound or more, the same as it required of agricultural seeds.

Subsection (g) would remove, with respect to interstate commerce, the requirement for labeling treated seed when the seed bears only nontoxic amounts of substances (or no substance at all) and is within the tolerances recognized by the Food and Drug Administration for food or feed, and would add a requirement for coloring the seed a distinctive color if the seed does bear a harmful substance to prevent use as food or feed.

Subsection (h) would prohibit the shipment of lawn and turf seed mixtures into a State if the mixtures contain weed seeds in excess of the percentage permitted by the laws of that State.

Subsection (i) would reword the section to make clear that all handlers of seeds sub-

ject to the Act are required to keep a complete record of each lot of agricultural or vegetable seed handled.

Subsection (j) would add a new subsection to exempt from the detailed labeling requirements seed shipped between branches of the same wholesale seed company.

Subsection (k) would delete the kinds of screenings that are exempt from the Act and authorize the Secretary of Agriculture to establish by regulation the kinds of screenings which are exempt; that is, the kinds that can be imported for other than seeding purposes. One of the purposes of prohibiting screenings is to preclude their use in adulterating seed for planting purposes. Screenings of most of the "food" seeds now are exempt. This provision would also permit the Secretary to exempt all screenings of seeds declared for food, feed, or industrial purposes.

Subsection (l) would remove, with respect to foreign commerce, the requirement for labeling treated seed when the seed bears only nontoxic amounts of substances (or no substance at all) and is within the tolerances recognized by the Food and Drug Administration for food or feed, and would add a requirement for coloring the seed a distinctive color if the seed does bear a harmful substance to prevent use as food or feed.

Subsection (m) would permit importers to foreign commerce, the requirement for regard to the pure-live seed requirements.

Subsection (n) would permit importers to import seed for their own use without regard to the staining requirements.

Subsection (o) would delete a section of the Act which is obsolete. Mixtures can now be imported if declared as mixtures; and when not so declared, an amended declaration is all that is needed for admission.

Subsection (p) would require that before a rule or regulation is promulgated, interested persons shall be given an opportunity to present views in writing or orally or to request a public hearing. The Act now requires a public hearing even for minor promulgations to which there is no objection.

Subsection (q) would change the amount of forfeitures from "not less than $25 or more than $500," to "not more than $1,000" so that forfeitures could be more consistent with the extent of the violation.

Subsection (r) would extend the present prohibition that applies only to the "sale" of seed when the certificate of Plant Variety Protection specifies sale by variety name only as a class of certified seed, to include seeds "offered for sale or advertised".

SECTION 2

Section 2 of the bill provides that the provisions are to become effective 90 days after enactment.●

By Mr. HART:

S. 3457. A bill to amend the Communications Act of 1934 in order to require that licensees keep a public record of requests for broadcast time with respect to propositions and questions in State and local elections; to the Committee on Commerce, Science, and Transportation.

POLITICAL COMMUNICATIONS DISCLOSURE

● Mr. HART. Mr. President, on April 26, 1978, the Supreme Court upheld the right of corporations to make expenditures to express their views on political issues. In First National Bank of Boston against Bellotti, the Court, divided 5 to 4, ruled unconstitutional a Massachusetts statute prohibiting expenditures by corporations for the purpose of influencing a vote on referendum proposals. The Court found that:

There was no showing that the relative voice of corporations has been overwhelming or even significant in influencing referenda in Massachusetts.

The Supreme Court's decision raises the possibility that not only corporations, but also comparable entities—labor unions, associations, partnerships—will become even more deeply involved financially than they are now in elective politics. The decision is troubling because corporations are, after all, quite different from human beings. As the Washington Post noted in an editorial following the Supreme Court's decision, corporations are not minds that formulate ideas, or even voices that freely express them. Rather, in a political debate, corporations serve as megaphones for the views of those who own or control them.

Mr. President, in more and more States it is becoming common practice for controversial issues to be put directly to voters in the form of initiatives or referendums. Such referendums may relate to nuclear power plant construction, nonreturnable bottles, utility ratemaking rules, and so forth. In the great majority of cases, citizen groups which have petitioned for the ballot measures have been overwhelmingly defeated. In many cases it seems clear that expensive corporate and industry advertising campaigns directly affected the outcome of the balloting.

It might seem apparent that massive corporate spending will influence public opinion and voting behavior during referenda elections, but the Supreme Court's decision underscores the need for most data and public information on this subject. Since corporations may now spend freely to influence voter behavior on noncandidate ballot issues, it is more important than ever that there be meaningful disclosure requirements regarding those expenditures. Disclosure becomes one of the few effective means of guaranteeing full public awareness of such corporate political activity.

Legislation which I am introducing today will require every licensee of the Federal Communications Commission to keep, and permit public inspection of, requests for broadcast time made in behalf of or in relation to any proposition, referendum, or ballot question in any State or local election. The legislation specifies that the public record must include information showing the origin of the request, the disposition made by the licensee of the request, and, if the request is granted, the amount charged for the broadcast or broadcasts, and the number and time of day of such broadcasts. Federal Communications Commission regulations already require every licensee to keep and permit public inspection of advertising contracts relating to electoral candidates. My bill, extending this rule to noncandidate ballot questions, is merely the sound and logical next step in efforts to insure a fair and open political process.

Since the great bulk of advertising during State and local ballot questions is conducted through television and radio, the disclosure requirements mandated by this legislation will play an important role in guaranteeing all interested parties the information necessary to examine and respond to the serious imbalance that exists in access to the media between citizen groups and well-financed industry interests. The information which these disclosure requirements will yield will enable both the legislative and judicial branch more carefully to consider the impact of disproportionate spending on State and local referenda.

The electoral process is, of course, at the heart of our democratic system. When political advertising by corporations for the purpose of influencing State and local referendum elections almost totally dominates the media, such expenditures seriously threaten the first amendment's objective of insuring a free and vigorous exchange of ideas. The courts and the Congress have long recognized the need to guard against corporate domination of the political process. The legislation I introduce today is important if our ideal of a democratic society is to become a reality for all Americans.●

By Mr. TOWER:

S. 3459. A bill to establish a Citizens Commission on Economic Regulatory Oversight to study Federal economic regulation and recommend the elimination of unnecessary regulatory agencies and laws, and for other purposes; to the Committee on Governmental Affairs.

CITIZENS COMMISSION ON ECONOMIC REGULATORY OVERSIGHT ACT OF 1978

Mr. TOWER. Mr. President, I am today introducing a bill to provide a way for the citizens of our country to have a direct voice in the elimination of unnecessary regulatory agencies and oppressive laws. As Edmund Burke told the citizens at Bristol:

BAD LAWS ARE THE WORST SORT OF TYRANNY

The bill would establish a Commission of distinguished citizens from outside Government to review Federal economic regulatory agencies and laws and to recommend to Congress the elimination of those agencies, laws, and regulations which are no longer needed because either their goals have been achieved or circumstances have changed. The emphasis of the Commission would be to go to the people to find the answers. It would be required that the Commission hold town hall meetings in different sections of the country to receive testimony from citizens on the need to eliminate specific regulatory areas. The Commission would also be required to establish a hotline for citizens to register complaints with the Commission. The Commission would be required to make a tentative report on agencies, laws, and regulations to be eliminated in 1 year and a final report in 18 months. Members of the Commission would be appointed by the President and the majority and minority leaders of the House and Senate.

THE COST OF GOVERNMENT REGULATION

Americans' daily lives and work are subject to a huge and growing web of government edicts.

The magnitude of the burden may be seen from a recent study which revealed that the burden imposed on the Ameri-

can economy by Federal regulatory activities in 1976 totaled $66.1 billion. This estimate comprises $3.2 billion in administrative expenditures and $62.9 billion in compliance costs. A comparison breakdown shows this to be the equivalent to: 4 percent of the gross national product; $307 per person living in the United States; 18 percent of the Federal budget; twice the amount that the Federal Government spends on health; 74 percent of the amount devoted to national defense; over one-third of all private investment in new plants and equipment; nor does there appear any surcease in this activity.

Funds allocated in the 1978 Federal budget for regulation total $3.8 billion, an 85-percent increase over the fiscal 1974 figure of $2 billion, which does not take into account compliance costs. A confidential report submitted by the Council on Wage and Price stability to the administration's economic policy group warns that additional costs to U.S. business and the consumer of regulations coming up before the Federal agencies next year could be as high as $35 billion.

Ultimately the cost of Government regulation comes out of the pocket of the consumer and the taxpayer.

Figures contained in a study compiled for the Joint Economic Committee of Congress reveal that the U.S. motorist paid an increase on average of $666 in 1978 for a new car due to federally mandated safety and environmental features. The same report cited Federal, State, and local government regulatory requirements as adding between $1,500 and $2,500 to the cost of a typical new house.

Small business is disproportionately hard hit by paperwork as well as other types of Government regulation. The Commission on Federal Paperwork reports that 5 million small businesses spend $15–$20 billion, or an average of over $3,000 each on Federal paperwork. This is compounded by the fact that most small businesses simply do not have the high-paid legal and accounting staffs to assist in compliance and the completion of these forms.

Too often it costs small business more to comply with regulations than it does larger firms. A good example may be seen in the National Labor Relations Board elections. Figures contained in the Joint Economic Committee study reveal that the cost per employee of an NLRB election for a small firm averages $134.60 whereas large firms with over 1,000 employees have a unit cost of $101.60.

In too many cases, regulation is either counterproductive or has unexpected side effects.

Take for example the Davis-Bacon Act which was established in 1931 to shield local labor on Federal construction projects from the competition of the lower wage rate of nonlocal labor. The major and most obvious disadvantage of this legislation has been to prevent the Government from minimizing costs. It prevents the Government from accepting the lowest bid if the "prevailing wages" are not paid by the contractor. It has been estimated that these additional costs exceed half a billion dollars a year.

Another case of outmoded and counterproductive legislation may be seen in the 24-year-old system of Federal regulation of interstate natural gas. The artificially low Federal price ceilings, together with the excessive delays and regulatory redtape, have succeeded only in discouraging production of gas supplies and crating shortages. This should be contrasted with the unregulated intrastate natural gas markets. Particularly in Texas, which have enjoyed the benefits and security of adequate supplies of this critically important fuel.

Look for a moment at the minimum wage law. This well-intentioned but misdirected legislation has as its purpose the protection of workers. Yet it has priced hundreds of thousands of people out of the labor markets. One increase alone has been shown to have reduced teenage employment by 225,000 with a disproportionately large impact on nonwhite youths. Other victims have been numerous small firms unable to meet the increased costs imposed by the law.

THE GROWTH OF ECONOMIC REGULATION

It would be instructive to look for a moment at the growth of economic regulation in the United States and attempts at reform.

Economic regulation probably began in the United States in 1789, when a Government agency was established to regulate the duties collected on imported goods. Acronyms began to be used in 1887, with the establishment of the Interstate Commerce Commission (ICC). In 1906, the Food and Drug Act produced a regulatory agency to protect public health. The Great Depression produced the Civil Aeronautics Board, the Federal Communications Commission, the Federal Maritime Commission, the Federal Power Commission, the Securities and Exchange Commission, and so forth. This traditional pattern was for Congress to establish a specialized administrative agency to address specific economic problems.

In the 1960's, regulation took a new turn, seeking primarily to meet social objectives rather than economic needs. Thus, the Equal Employment Opportunity Commission, the Occupational Safety and Health Administration, the Environmental Protection Agency, the Consumer Product Safety Commission, and other such agencies were created.

After almost 200 years of effort, we have created a labyrinth of regulatory agencies that affect every aspect of American life. Paradoxically, major criticisms of the complexity and authority of the regulatory maze were first voiced during the New Deal. At that time, President Franklin Roosevelt established the President's Committee on Administrative Management (the Brownlow Committee), the report of which concludes that the independent regulatory commissions constitute a serious and increasing problem.

The report stated that they obstruct effective overall management in the executive branch of the Government and hinder coordination of policy. Two Hoover Commissions studied the organization of the executive branch under Presidents Truman and Eisenhower. President Kennedy, prior to his inauguration, commissioned James M. Landis to report on the regulatory agencies.

In 1964, President Johnson established the Administrative Conference of the United States to reform the regulatory process, and President Nixon established the President's Advisory Council on Executive Organization (the Ash Council) in 1969.

President Ford took steps toward reform in several areas, and president Carter made regulatory reform a major issue in his Presidential campaign.

The area has not been neglected by Congress. An excellent study on Federal regulatory reforms was completed in 1977 by the Senate Committee on Government Operations and the House Subcommittee on Oversight and Investigations made its comprehensive report a year earlier. One of the best efforts in the area may be seen in the recently issued exposure draft of the American Bar Association's commission on law and the economy.

WHY PAST EFFORTS TO ELIMINATE REGULATION HAVE FAILED

Although there have been numerous commissions and task forces studying and making recommendations for regulatory reform, none of these have had the mandate of coming in with a shopping list of agencies and laws to be eliminated. Many of their recommendations are for a reshuffling of existing agencies. What is really needed is the elimination of unnecessary regulation.

Although there is a broad conscensus that regulation is imperfect and that there is a need for substantive reform, little has been done in the area of elimination of regulation. The truth of the matter is that both this Congress and the Carter administration on balance have increased rather than decreased regulation over the past year. Observers in the area attribute several factors to the failure for national action in this area.

First, the major benefactors—the consumers and taxpayers—are largely unaware of their stake in the outcome of the elimination of outmoded regulation and obsolete agencies and bureaus. On the other hand, those who stand to lose are small but well organized. They are the congressional committees having the oversight responsibility for the agencies, the bureaucrats who administer the laws and regulations, and the groups who benefit from the regulation. Consequently, it is not surprising that the congressional committees and the executive branch have done little in the way of eliminating regulations or agencies. What is really needed is an outside group of impartial citizens who can weigh the costs and benefits of regulations and make recommendations for strengthening or eliminating the laws and the agencies. The Citizens Committee to be established by my bill would go to the people on this issue to fulfill that need.

FUNCTIONS OF THE COMMISSION

The primary role of the Commission is to study and evaluate the functioning of the independent economic regulatory agencies and economic regulation generally. The focus of this study is to be on:

Whether, and to what extent, Federal laws and regulations which provide economic regulation and which have been in effect for 5 years or more accomplish their intended goals in light of the economic and judicial costs which they generate, including estimates of the increase in the cost to the consumer of housing, food, transportatino, and consumer products;

Which regulatory agencies, due to changed conditions or achievement of intended goals, are no longer needed;

Which regulatory agencies need to be strengthened or altered due to changed conditions; and

Whether economic and tax incentives or penalties may be substituted as alternatives to Federal rules, regulations, and standards.

In order that the Commission can complete its work in a timely fashion, it is anticipated that its research efforts will commence where the many excellent reports of Congress and Commissions have left off. Prior work need not be duplicated. The primary effort of the Commission should be on its public hearings in an attempt to develop a national consensus on the appropriate role of the Government in the market.

ALTERNATIVES TO REGULATION

An important role of the Commission is to look at alternatives to classical regulation.

First, it is intended that the Commission analyze the desirability of relying on the competitive marketplace to provide the greatest economic benefit to the American consumer. The early initiatives now being taken in the airline industry give a strong indication that both the consumer and the industry benefit from deregulation. Looking at natural gas regulation, one finds that the nonregulated intrastate markets fare better than the regulated intrastate markets.

Where the market factors are demonstrated to be unable to perform the needed regulatory function and Government intervention in some form appears necessary, the Commission is to look at alternatives to classical regulation. For example, economists have urged that taxes be used to aid in controlling certain kinds of pollution in lieu of regulatory standard setting.

In some instances, the Commission may find that there are areas where classical regulation is needed but outmoded. Most observers feel that safety standards are needed for food and drugs but that these must be updated to keep pace with modern technology.

Mr. President, the piecemeal remedies and incremental intrusion of the heavy hand of Government into our daily lives and work are destroying individual incentives which are the wellspring of economic growth. Immediate steps need to be taken to unravel the hodgepodge of Government bureaus which daily churn out edicts costly to the American consumer and oppressive to the small business firms.

I urge the support of this body for the Citizens Commission on Economic Regulatory Oversight to provide the citizens of this country a clearer voice in the control of their destinies.

Mr. President, I ask unanimous consent that the bill be printed in the RECORD at this point.

There being no objection, the bill was ordered to be printed in the RECORD, as follows:

S. 3459

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That this Act may be cited as the "Citizens Commission on Economic Regulatory Oversight Act of 1978".

ESTABLISHMENT OF COMMISSION

SEC. 2. There is established a Commission to be known as the Citizens Commission on Economic Regulatory Oversight (hereinafter referred to in this Act as the "Commission").

MEMBERSHIP

SEC. 3. (a) The Commission shall be composed of 12 members appointed, from among distinguished citizens not employed in a full-time capacity by the United States, as follows:

(1) 2 members shall be appointed by the President of the Senate and 2 by the Minority Leader of the Senate,

(2) 2 members shall be appointed by the Speaker of the House of Representatives and 2 by the Minority Leader of the House of Representatives, and

(3) 4 members shall be appointed by the President.

(b) Any vacancy occuring in the membership of the Commission shall not affect its powers, and shall be filled in the same manner as in the case of the original appointment.

(c) Five members of the Commission shall constitute a quorum for the transaction of its business, but the Commission may provide for the taking of testimony and the receiving of evidence at hearings at which there are present not less than three members of the Commission.

(d) The members of the Commission shall elect a Chairman and a Vice Chairman from among its members. It is the duty of the Vice Chairman to serve in the absence of the Chairman and carry out his duties and responsibilities.

(e) The members of the Commission shall be appointed not later than 3 months after the date of the enactment of this Act. If the members of the Commission have not been appointed within the above period, the Commission shall begin to transact business as soon as five members have been appointed and shall have all the powers and authority to act as if the full membership had been appointed.

FUNCTIONS

SEC. 4 (a) It shall be the duty of the Commission to study and evaluate the functioning of the independent economic regulatory agencies in the United States, as well as economic regulation generally, and to present administrative and legislative recommendations to Congress.

(b) In carrying out its duties under subsection (a), the Commission shall conduct a study and analysis—

(1) of whether, and to what extent, Federal laws and regulations which provide economic regulation and which have been in effect for five years or more accomplish their intended goals in light of the economic and judicial costs which they generate, including estimates of the increase in the cost to the consumer of housing, food, transportation and consumer products;

(2) to determine which regulatory agencies, due to changed conditions or achievement of intended goals, are no longer needed;

(3) to determine which regulatory agencies need to be strengthened or altered due to changed conditions; and

(4) of economic and tax incentives or penalties as alternatives to federal rules, regulations and standards.

(c) In carrying out its duties under this section, the Commission shall present to Congress an interim report one year after the time allotted for appointment of members as provided in section 3(e), and shall submit to the President and to the Congress a final report of its findings and recommendations not later than 18 months after the appointment of members pursuant to section 3(e). The Commission shall cease to exist 60 days after its final report is submitted. The Commission shall not be required to obtain the clearance of any Federal agency prior to the submission of any interim or final report.

(d) In carrying out its functions, the Commission shall conduct town hall meetings in different sections of the country to learn the views of citizens of local communities on the topics of inquiry. These meetings may be conducted simultaneously in different sections of the counrty.

(e) In carrying out its functions, the Commission shall establish a toll free telephone number which may be used by citizens to express their views on the topics of inquiry.

POWERS OF THE COMMISSION

SEC. 5. (a) The Commission or, on the authorization of the Commission, any subcommittee or member thereof, may, for the purpose of carrying out the provisions of this Act, hold such hearings and sit and act at such times and places, administer such oaths, and require, by subpena or otherwise, the attendance and testimony of such witnesses and the production of such books, records, correspondence, memoranda, papers, and documents as the Commission or such subcommittee or member may deem advisable.

(b) (1) Subpenas shall be issued under the signature of the Chairman or any member of the Commission designated by him and shall be served by any person designated by the Chairman or any Members. Any member of the Commission may administer oaths or affirmation to witnesses appearing before the Commission.

(2) The provisions of section 1821 of title 28, United States Code, shall apply to witnesses summoned to appear at any such hearing. The per diem and mileage allowances to witnesses summoned under authority conferred by this section shall be paid from funds appropriated to the Commission.

(3) Any person who willfully neglects or refuses to qualify as a witness, or to testify, or to produce any evidence in obedience to any subpena duly issued under the authority of this section shall be fined not more than $500, or imprisoned for not more than 6 months, or both. Upon the certification by the Chairman of the Commission of the facts concerning any such willful disobedience by any person to the United States Attorney for any judicial district in which such person resides or is found, such attorney may proceed by information for the prosecution of such person for such offense.

(c) The Commission may acquire directly from the head of any department, agency, independent instrumentality, or other authority of the executive branch of the Government, available information which the Commission considers useful in the discharge of its duties. Each department, agency, and independent instrumentality, and any other authority of the executive branch of the Government, shall cooperate with the Commission and furnish all information requested by the Commission to the extent permitted by law.

ADMINISTRATIVE PROVISIONS

SEC. 6. (a) Subject to such rules and regulations as may be adopted by the Commission, the Commission is authorized—

(1) to appoint and fix the compensation of an Executive Director, and such additional personnel as it deems necessary to enable the Commission to carry out its functions, without regard to the provisions of title 5, United States Code, governing appointments in the competitive service, and without regard to chapter 51 and subchapter III of chapter 53 of such title relating to classification in General Schedule pay rates, but—

(A) in the case of the Executive Director, at a rate equal to that for level V of the Executive Schedule under section 5316 of title 5, United States Code; and

(B) in the case of all other personnel, at rates not in excess of the maximum rate for GS–18 of the General Schedule under section 5332 of such title; and

(2) to procure temporary and intermittent services to the same extent as is authorized by section 3109 of title 5, United States Code.

(b)(1) The Commission is authorized to enter into agreements with the General Services Administration for procurement of necessary financial and administrative services, for which payment shall be made by reimbursement from funds of the Commission in such amounts as may be agreed upon by the Chairman and the Administrator of General Services.

(2) The Commission is authorized to make grants and enter into contracts for the conduct of research and studies which will assist it in performing its duties under this Act and all such grants and contracts shall be subject to the time limitations imposed upon the Commission by this Act.

(c)(1) Any Federal employee subject to the civil service laws, rules, and regulations may be detailed to the Commission, and such detail shall be without interruption or loss of civil service status or privilege.

(2) Any staff member of any committee of the Senate or of any committee of the House of Representatives may be detailed to serve on the staff of the Commission by the chairman of the respective committee. Any staff member so detailed shall serve on the staff of the Commission without additional compensation except that such staff member may receive such reimbursement of expenses incurred as the Commission may authorize.

COMPENSATION OF MEMBERS

SEC. 7. (a) The Chairman of the Commission shall receive compensation at a rate equal to the daily rate prescribed for level III of the Executive Schedule under section 5314 of title 5, United States Code, and the Vice Chairman shall receive compensation at a rate equal to the daily rate prescribed for level IV of the Executive Schedule under section 5315 of title 5, United States Code, for each day the Chairman or Vice Chairman is engaged in the performance of the duties vested in the Commission.

(b) All other members of the Commission who are not officers or employees of the Federal Government shall receive compensation at the rate of $200 for each day such member is engaged in the performance of the duties vested in the Commission.

(c) All members of the Commission shall be reimbursed for travel, subsistence, and other necessary expenses incurred in connection with their activities as members of the Commission.

AUTHORIZATION OF APPROPRIATIONS

SEC. 8. There are authorized to be appropriated such sums as may be necessary to carry out the provisions of this Act.

By Mr. BROOKE:

S. 3461. A bill to extend the authority for the flexible regulation of interest rates on deposits and accounts in depository institutions and to provide that there shall be no differential with respect to transaction accounts; to the Committee on Banking, Housing, and Urban Affairs.

S. 3462. A bill to provide for the maintenance of reserves by member banks through certificates of deposits issued by the Federal Reserve Banks and to reduce and restructure reserve requirements; to the Committee on Banking, Housing, and Urban Affairs.

FINANCIAL INSTITUTIONS LEGISLATION

● Mr. BROOKE. Mr. President, on December 15, 1978, authority for the flexible regulation of interest rates on deposits and accounts in depository institutions will expire, and legislation to extend such authority will have to be considered before the Congress adjourns sine die. On other occasions I have expressed my reservations regarding the long range utility of interest rate controls, and I am pleased that the administration has undertaken a review of what are commonly called the Regulation Q ceilings.

I understand that proposals have been made in the House of Representatives to extend Regulation Q authority for 3 years. For my part, I feel that an extention beyond the end of the next Congress is not desirable inasmuch as a longer extension would reduce the likelihood that the recommendations of the administration task force on interest rate ceilings, which should be available within a year, will receive timely consideration.

I am today introducing legislation to extend interest rate setting authority for 2 years, until December 15, 1980. And I am including in this bill a provision which would remove the interest rate differential on time and savings accounts which can be automatically accessed by a third party payment account. This latter provision will promote greater competitive balance among institutions, and it is consistent with the treatment of NOW accounts in New England. I ask unanimous consent that the bill be printed immediately following my remarks.

I hope that the Senate Banking Committee will hold a markup session on this bill in the near future so that we can be prepared to go to conference with the House of Representatives before the end of next month.

A second issue which should be formally considered by the Banking Committee before adjournment is the accelerating decline in membership of the Federal Reserve System.

Since 1970, 430 member banks have withdrawn from the system, resulting in a significant decrease in the amount of commercial bank deposits against which reserves are held at the Federal Reserve. The decline in Federal Reserve membership is of primary concern because it adversely affects the Federal Reserve's ability to achieve monetary policy objectives.

Member banks now are seriously disadvantaged by maintaining substantial noninterest earning reserves. Nonmember financial institutions generally are allowed to hold reserves in the form of low risk, but nonetheless, interest earning assets. The competitive disadvantage to member banks is apparent in the consistently lower average profits of member banks compared to nonmember banks.

This unequal treatment has become particularly important in recent years. First, persistent inflation and generally high interest rates have increased the cost, in lost interest earnings, from keeping reserves with the Federal Reserve System. Second, competition in banking has increased dramatically, especially through the growth of the savings industry and credit unions. I would add that this heightened competition is, to some degree, a direct result of congressional action encouraging formation of these competing financial institutions. I am not suggesting that competition should be curtailed. We must recognize, however, that our actions have increased the attention which financial institutions must give to earnings on all assets, including reserves.

A number of proposals to deal with the Fed membership problem are being considered. These include:

The July 10 proposal of the Federal Reserve Board under which it would reduce reserve requirements for member banks, impose charges for Federal Reserve System services, and either directly pay limited interest on reserves or impose "universal reserve requirements" on all financial institutions with more than $5 million of deposits in transaction accounts. This proposal has been introduced by Senator PROXMIRE as S. 3304 with two changes: First, to explicitly authorize interest payments on reserves and, second, to require charges for Fed services by July 1980.

The proposal of Congressman REUSS in H.R. 13847 which would modify the definition of bank liabilities subject to reserve requirements and would impose a flat uniform reserve requirement set by the Federal Reserve Board between 5½ and 6½ percent on all reservable liabilities in excess of $100 million whether of member or nonmember banks. This $100 million exemption would be indexed to allow for future inflation and growth in the economy.

Finally, the Federal Reserve has proposed modifications to H.R. 13847 which would establish separate reserve requirements on two categories of deposits. Demand and savings deposits in excess of $25 million held by any commercial bank would be subject to a reserve requirement which would range between 7 and 9 percent. Time deposits in excess of $25 million would be subject to reserve requirements set by the Fed at 1 to 6 percent for those with maturities of less than 6 months and at 1 to 3 percent for those with maturities greater than 6 months. No inflation indexing would apply to the $25 million exemptions under the Fed proposal.

Each of these proposals has advantages and disadvantages, but in my opinion each of them may also encounter such significant opposition as to make resolution of the Federal Reserve membership problem unlikely in the near future. But the erosion of Fed membership is a serious and growing problem in New England

and elsewhere in the country, and I think that Congress should consider this issue on a prompt basis. I would hope that when the Senate Banking Committee meets to consider the extension of regulation Q authority next month, it would also consider pending proposals to deal with the Federal Reserve membership problem.

In this regard, I am introducing for discussion purposes a bill which would attempt to resolve the Fed membership problem by providing member banks with an opportunity to cover their reserve obligations by the purchase of certificates of deposit issued by the Federal Reserve Bank in each Federal Reserve district. These certificates would bear interest at a rate ½ percent below the average return on the Federal Reserve System portfolio and it is expected that interest would be payable quarterly. To insure that the funds represented by the certificates remain subject to the Federal Reserve's direct control, they could not be sold or otherwise transferred by a member bank to other than the Federal Reserve Bank which issued the certificate. Since the certificates would be issued by a Reserve Bank, they would of course not be subject to statutory or regulatory provisions applicable to deposits held by member banks, such as interest rate controls or prepayment penalties.

Providing certificates of deposit to members banks will lessen the burden of Fed membership while permitting the Federal Reserve to maintain control over reserve balances.

The present structure of Federal Reserve reserve ratios generally provides lower reserve requirements for smaller member banks. The principal rationale for this is that the larger member banks utilize the presently free Federal Reserve services to a much greater degree than smaller institutions. Although required reserve ratios are currently structured to provide compensation to the Federal Reserve for the services it provides, I believe that with the Federel Reserve's adoption of explicit pricing for services there will be no need to maintain reserve ratios which differentiate among different sized banks. Thus, the bill I am introducing today would require the Federal Reserve to set reserve ratios which are uniform for all member banks.

The principal objection which is likely to be raised to this bill is that it will result in a loss of revenues to the Treasury, since the current earnings on noninterest bearing reserves accrue to the Treasury. From this perspective, noninterest bearing reserves amount to little more than a hidden tax on some of the Nations' banks. We must remember, though, that the Treasury has no claim granted by Congress to take these funds from the banking system. Furthermore, continued erosion of membership is reducing the Reserve System's payments to the Treasury.

However, I do not discount the significance of the potential revenue loss to the Treasury under this bill. It could net out to nearly $500 million after new tax receipts and revenue from explicit Federal Reserve pricing of services are taken into account. But I would note that the administration has testified that losses to the Treasury of up to $350 million are acceptable to solve the membership problem. The approach embodied in the bill which I introduce today would involve only $150 million in greater losses and avoids the complications in the Federal Reserve Board's interest on reserve proposal of choosing the appropriate rate of interest for reserves and of justifying different rates for different sized institutions.

Mr. President, I would ask unanimous consent that the text of this bill be printed in the RECORD immediately following my remarks.

Finally, Mr. President, I would note that the House of Representatives is currently considering H.R. 13471, the Financial Institutions Regulatory Act of 1978, which is a counterpart to S. 71, the Financial Institutions Supervisory Act Amendments of 1977, which passed the Senate a year ago. I hope that the House will act on this bill before Congress adjourns.

However, I must note that the House bill contains a number of titles on which neither the Senate nor the Senate Banking Committee has yet taken final action. These include:

1. Titles VI and VII—Changes in Bank Control: provide for review of changes in control of a Federally supervised bank, bank holding company, or savings and loan by the appropriate financial institutions regulatory agency.

Senate: No bill, hearings, or mark-up.

2. Title VIII—Correspondent Accounts: prohibits preferential treatment in the granting of loans to insiders where correspondent relationships exist.

Senate: No bill, no mark-up. Committee hearings in September 1977 on overdrafts and correspondent banking practices (outgrowth of Bert Lance's bank dealings).

3. Title IX—Disclosure of Material Facts: requires every Federally supervised bank to file with the appropriate bank regulatory agency annual reports containing a list of major stockholders and executive officers and the aggregate amount of loans to such persons, their affiliated companies, and political or campaign committees which are controlled by or will benefit such persons.

Senate: No bill, hearings, or mark-up.

4. Title X—Federal Financial Institutions Examination Council: establishes an examination council composed of top officials of the FDIC, Federal Reserve Board, the Comptroller of the Currency, and the National Credit Union Administration. The Council would develop uniform standards for examination of financial institutions and improve coordination among the agencies on a variety of supervisory matters.

Senate: S. 711, Federal Bank Examination Council bill, Committee hearings on September 16, and 19, 1977; no mark-up session.

5. Title XI—Right to Financial Privacy: gives individuals notice of and an opportunity to challenge Federal government agency requests for their bank records. Access to individual bank records would be governed by the procedures provided in this title and would help ensure that the customer knows who is looking at his records.

Senate: S. 2096, Financial Privacy bill, Committee hearings held on April 18, 20 and May 17, 1978, no mark-up session.

6. Title XIII—Holding Companies: prohibits bank holding companies from selling other than credit-related life and disability insurance. Bank holding companies in communities of less than 5,000 people and holding companies with less than $50 million in assets would be exempt.

Senate: S. 72, Competition in Banking bill (restrictions on a holding company's growth and on its insurance and other nonbanking activities); Committee hearings on March 7, 8 and June 16, 1978; no mark-up session.

S. 3087 and S. 3215, bank holding company insurance activities; no hearings or mark-up sessions.

7. Title XIV—Amendments to the National Banking Laws: repeals the 6 percent dividend limitation on preferred stock offered by national banks and provides the Comptroller with various new powers, including the authority to revoke a national bank's trust powers, to delegate his statutory powers, and to declare national bank holidays when a Governor of a State declares a State bank holiday.

Senate: No bill, hearings, or mark-up sessions.

8. Title XV—Termination of Closed Receivership Fund: provides a procedure under which the Comptroller may terminate the National Bank Closed Receivership Fund which operated prior to the establishment of the FDIC in the 1930's.

Senate: No bill, hearings or mark-up sessions.

9. Title XVII—Regulation Simplification: requires the Federal financial institutions supervisory agencies to review and streamline their regulations.

Senate: No bill, hearings, or mark-up sessions.

10. Title XVIII—Alternative Mortgage Instruments: allows federally chartered thrift institutions to offer alternative mortgage instruments in those States which allow them for State-chartered institutions.

Senate: Committee oversight hearings regarding alternative mortgage instruments held on October 6 and 7, 1977 and on August 21 and 22, 1978.

S. 70, a bill to authorize alternative mortgage instruments; no mark-up sessions.

S. Con. Res. 9, Concurrent Resolution that the Federal Home Loan Bank Board should authorize the use of a wide variety of mortgage instruments; no mark-up sessions.

S. 2455, a bill to authorize reverse annuity mortgages; no mark-up sessions.

11. Title XIX—Prohibition on Credit Card Surcharges: makes permanent the prohibition against charging an extra fee for a consumer who chooses to use a credit card to pay for goods or services. A temporary prohibition enacted 2 years ago on a test basis expires on February 1, 1979.

Senate: No bill, hearings, or markup sessions.

Many of these titles are, I believe, meritorious, and perhaps they should be accepted in conference with the House. However, I feel that members of the Senate Banking Committee should be given an opportunity to consider them. I would hope that when the committee meets to consider an extension of regulation Q authority and the Federal Reserve membership proposals, Members would take the opportunity to express their views on those titles which have not yet been considered by the Senate.

There being no objection, the bills were ordered to be printed in the RECORD, as follows:

S. 3461

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,

SECTION 1. Section 7 of the Act of September 21, 1966 (Public Law 89-597), is amended by striking out "December 15, 1978" and inserting in lieu thereof "December 15, 1980".

SEC. 2. Section 102 of Public Law 94-200 (12 U.S.C. 461 note) is amended by inserting at the end thereof the following new subsection:

"(c) In any State where any provision of State or Federal law authorizes any savings and loan, building and loan, or homestead association (including any cooperative bank) the deposits or accounts of which are insured by the Federal Savings and Loan Insurance Corporation or any mutual savings bank, as defined in section 3(f) of the Federal Deposit Insurance Act (12 U.S.C. 1813 (f)), to offer any third party-payment account, there shall be no interest rate differential between (1) banks (other than savings banks) the deposits of which are insured by the Federal Deposit Insurance Corporation and (2) savings and loan, building and loan, or homestead associations (including cooperative banks) the deposits or accounts of which are insured by the Federal Savings and Loan Insurance Corporation or mutual savings banks, as defined in section 3(f) of the Federal Deposit Insurance Act (12 U.S.C. 1813(f)), on savings accounts from which automatic transfers to third-party payment accounts may be made pursuant to the prearranged agreement of depositors or accountholders. Notwithstanding any of the provisions of subsection (b) of this section, the maximum rate of interest payable on such accounts shall be the rate which banks (other than mutual savings banks) insured by the Federal Deposit Insurance Corporation may pay on such accounts."

S. 3462

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,

SECTION 1. The last sentence of subsection (b) of section 19 of the Federal Reserve Act (12 U.S.C. 461) is designated as paragraph (5) and that part of subsection (b) that precedes that sentence is amended to read as follows:

"(b)(1) Every member bank shall maintain reserves against its demand deposits in such average ratio, not less than 3 per centum nor more than 10 per centum, as shall be determined by the Board.

(2) Every member bank shall maintain reserves against its savings deposits from which transfers to third parties may be made in such average ratio, not less than 2 per centum nor more than 7 per centum, as shall be determined by the Board.

(3) Every member bank shall maintain reserves against its time and savings deposits other than those referred to in paragraph (2), in such average ratio, not less than 1 per centum nor more than 7 per centum, as shall be determined by the Board.

(4) In setting the reserve ratios under paragraphs (1) through (3) of this subsection, the Board shall establish uniform ratios applicable to all member banks."

Sec. 2. Section 19(c) of the Federal Reserve Act (12 U.S.C. 461) is amended to read as follows:

"(c) Reserves held by any depository institution to meet the requirements imposed pursuant to subsection (b) of this section shall be in the form of

(1) balances maintained for such purpose by such institution at a Federal Reserve Bank, and

(2) the currency and coin held by such institution.

Reserve balances maintained at a Federal Reserve Bank may be used, in their entirety, to purchase certificates of deposits which shall be issued for such purpose by the appropriate Federal Reserve Bank. Such certificates, with interest payable at a rate ½ percent below the average return on the Federal Reserve System portfolio, shall be nontransferable and non-assignable.

ADDITIONAL COSPONSORS

S. 2640

At the request of Mr. RIBICOFF, the Senator from Iowa (Mr. CLARK) was added as a cosponsor of S. 2640, a bill to reform the civil service laws.

S. 2865

At the request of Mr. NELSON, the Senator from Illinois (Mr. PERCY) was added as a cosponsor of S. 2865, a bill to amend the Internal Revenue Code of 1954 to provide a more equitable estate tax treatment of joint interests in farm and closely held business property.

S. 3345

At the request of Mr. NELSON, the Senator from Nebraska (Mr. CURTIS) was added as a cosponsor of S. 3345, a bill to amend the Internal Revenue Code of 1954 with respect to the tax treatment of small business investment companies electing to be taxed as regulated investment companies.

S. 3419

At the request of Mr. CULVER, the Senator from New Mexico (Mr. SCHMITT) was added as a cosponsor of S. 3419, a bill to amend the Internal Revenue Code of 1954 to exclude from gross income a portion of payments made under certain Federal and State cost-sharing programs the primary purpose of which is conservation of soil and water resources, environmental protection or restoration, forest enhancement, or the provision of wildlife habitat.

AMENDMENT NO. 3441

At the request of Mr. RANDOLPH, the Senator from Maryland (Mr. MATHIAS) and the Senator from Minnesota (Mrs. HUMPHREY) were added as cosponsors of Amendment No. 3441 intended to be proposed to S. 2600, the Rehabilitation, Comprehensive Services and Developmental Disabilities Act of 1978.

SENATE RESOLUTION 526

At the request of Mr. DOLE, the Senator from New York (Mr. MOYNIHAN) and the Senator from Florida (Mr. STONE) were added as cosponsors of Senate Resolution 526, commemorating the 10th anniversary of the Soviet invasion of Czechoslovakia.

SENATE RESOLUTION 546—ORIGINAL RESOLUTION REPORTED WAIVING CONGRESSIONAL BUDGET ACT

Mr. SPARKMAN, from the Committee on Foreign Relations, reported the following original resolution, which was referred to the Committee on the Budget:

S. RES. 546

Resolved, That pursuant to section 402(c) of the Congressional Budget Act of 1974, the provisions of section 402(a) of such Act are waived with respect to the consideration of S. 3161. Such waiver is necessary to allow the authorization of $1,360,000 in funds for the National Commission on the International Year of the Child, without fiscal year limitations.

Compliance with section 402(a) of the Congressional Budget Act of 1974 was not possible by the May 15, 1978, deadline, because there had been inadequate time for the newly created National Commission to formulate its plans, programs and budget. Further, the proposed legislation was not submitted by the Administration as a request until May 26, 1978.

The effect of defeating consideration of this authorization will be to handicap programs and activities of the National Commission and to curtail U.S. participation as a national entity in the United Nations International Year of the Child.

The desired authorization will not delay the appropriation process and could be accommodated in a supplemental appropriation.

This authorization is sufficiently small that it will not significantly affect the congressional budget.

SENATE RESOLUTION 547—SUBMISSION OF A RESOLUTION RELATING TO PRESERVATION AND RESTORATION OF RHODES TAVERN

Mrs. HUMPHREY (for herself, Mr. ANDERSON, Mr. HAYAKAWA, Mr. LEAHY, Mr. MATHIAS, and Mr. MATSUNAGA) submitted the following resolution, which was referred to the Committee on Energy and Natural Resources:

S. RES. 547

Whereas Rhodes Tavern, which dates back to 1799, is the oldest building between the White House and the Capitol and the last remaining example of 18th century commercial architecture in the central compass of Washington and is threatened with destruction;

Whereas Rhodes Tavern is the only building to remain on the inaugural route from the day that President Thomas Jefferson began the tradition of the Inaugural Parade;

Whereas Rhodes Tavern is known to have served as the headquarters for the British commanders during the burning of the White House and the Treasury in 1814;

Whereas Senators Daniel Webster and Thomas Hart Benton, and Presidents Andrew Jackson, Martin Van Buren, John Tyler, Theodore Roosevelt, William Howard Taft, and Woodrow Wilson were all associated with Rhodes Tavern in the course of their careers; and

Whereas the 179-year-old tavern is of unquestionable historic value to the Nation and the American people: Now, therefore, be it

Resolved, That the Senate expresses its strong interest and concern in the preservation and restoration, for the benefit and inspiration of present and future generations of Americans, of Rhodes Tavern, a building of unique historical significance located in the District of Columbia near the White House, opposite the Treasury Department Building at the northeast corner of 15th and F Streets, N.W.; and encourages every effort to be made by the National Trust for Historic Preservation, the Commission of Fine Arts, the District of Columbia Historic Preservation Office, the Mayor of the District of Columbia, and the Council of the District of Columbia for the preservation of Rhodes Tavern and its restoration to its original condition, or as near thereto as possible.

SEC. 2. The Secretary of the Senate shall transmit copies of this resolution to the National Trust for Historic Preservation, the Commission of Fine Arts, the District of Columbia Historic Preservation Office, the Mayor of the District of Columbia, and the Council of the District of Columbia.

HISTORIC RHODES TAVERN THREATENED

● Mrs. HUMPHREY. Mr. President, it has come to my attention that a building

in Washington, D.C., which ought to be preserved as a part of our national heritage is in danger of destruction.

It is not just another building whose passing need not concern us. I found the story of this particular building of such interest that I am today introducing a Senate resolution which I hope will contribute significantly to the movement to restore the building that is known as Rhodes Tavern.

Rhodes Tavern, which dates back to 1799, is the oldest building between the Capitol and the White House and very likely the last remaining example of 18th century architecture in the central compass of Washington. Located at 15th and F Streets, it is the only building to remain on the inaugural route from the day that President Thomas Jefferson began the tradition of the inaugural parade.

In August 1814, the British commanders took Rhodes Tavern for their headquarters during the burning of the President's House and the Treasury. Senators Daniel Webster and Thomas Hart Benton, and Presidents Andrew Jackson, Martin van Buren, John Tyler, Theodore Roosevelt, William Howard Taft, and Woodrow Wilson were all associated with enterprises at Rhodes Tavern during the course of their careers. The 179-year-old tavern building may be destroyed to make way for a $55 million office and shopping complex. Also threatened by this development along 15th Street are the graceful Beaux-Arts-style Keith-Albee theater and National Metropolitan Bank Buildings which face the Treasury Building and form a graceful complement to its classic architecture.

Currently, preservation groups and the Citizens Committee to Save Historic Rhodes Tavern are actively engaged in identifying and stimulating public support for the restoration of Rhodes Tavern. I find it difficult to believe that, after spending millions of Federal dollars in the past few years to preserve the ceremonial character of Pennsylvania Avenue, we should lose the only building that has witnessed every one of its ceremonies—Rhodes Tavern.

I urge my colleagues to take a personal interest in the preservation of Rhodes Tavern, a building of unique historical significance.

Mr. President, I ask unanimous consent that two Washington Post articles by Anne H. Oman detailing the history and current dilemma of Rhodes Tavern and a brief history by Richard Squires be printed in the RECORD.

There being no objection, the material was ordered to be printed in the RECORD, as follows:

HISTORY OF TAVERN THE FOCUS OF MOVE TO SAVE IT

(By Anne H. Oman)

A newly formed committee dedicated to saving Rhodes Tavern last week kicked off its campaign to preserve the city's oldest surviving commercial structure with an inventive bit of public relations.

Members of the Citizens Committee to Save Rhodes Tavern, aware that a large group would be touring Decatur House and Lafayette Square as part of National Historic Preservation Week, milled about the square and buttonholed people to tell them about the tavern. By the end of the afternoon, tavern supporters had rerouted about 50 of the visitors to a tour of their own.

The demolition of the tavern has been proposed by the Oliver Carr Company, which plans to build a $40-million, shopping-hotel-office mall in the block bounded by 14th, 15th, F and G streets.

"I was on one side of the room asking a lot of questions, and (James and Grano) were on the other side of the room asking a lot of questions," said Linder. "After the meeting we looked at each other and decided to form the committee."

The committee, with a nucleus of eight people, hopes to attract support by showing the building to the public and telling them about its history, according to Linder. A reception, open to the public, will be held at 6:30 p.m. May 17 at the historic tavern at 15th and F streets.

One day last week, Grano took visitors on walking tours. Richard Squires, who rented the building's upper two floors as an artist's studio, showed visitors through the tavern and passed out pamphlets describing its history.

"I moved in here in 1974, got interested in the tavern and started doing historical research on it at the Columbia Historical Society," said Squires, who uses the studio to build wooden sculptures. "We're now standing in the part that was added in 1945, on the land that was originally a garden."

The original building, constructed between 1799 and 1801, was a hotel run by William Rhodes. Frequented by people active in civic affairs, the hotel was a meeting place for the Orphans Court and a polling place in the first municipal election June 7, 1802. About 1810, the F Street frontage was converted to stores one of which was run by Roger Weightman, the eighth mayor of Washington. In 1814, the Bank of the Metropolis, of which Andrew Jackson was a stockholder bought the building and set up its headquarters there.

The same year, two British officers, General Ross and Admiral Cockburn, took over the building for their headquarters when the British invaded Washington. Mrs. Barbara Suter, who ran the tavern on the second floor of the building, later recalled serving the two commanders a dinner of roast chicken as their troops burned the White House.

". . . Admiral Cockburn, blowing out the candles, said he preferred the light of the burning Presidential Palace and Treasury," she wrote, whose conflagration hard by illumined the room, outshining the pale moonlight, also beaming in all its silver radiance."

In 1840, the banking firm of Corcoran and Riggs, the forerunner of the Riggs National Bank, was set up in the building. Since that time a variety of shops have occupied the lower floor. From 1909 to 1914, the second and third floors were used by the National Press Club.

The building, now on the National Register of Historic Places, originally had a large wing fronting on 15th Street; the wing was demolished during the 1950's.

"Carr says it will cost $1.5 million to save this building—but that figure includes reproducing the wing that was torn down," said Squires. "But just to renovate the existing building and turn it into a restaurant would cost under half a million and would soon pay for itself. With the history of the place and its beautiful views of the city, it would be very popular."

"We hope to get an architect working on design alternatives," said James.

In March, the Fine Arts Commission, which reviews demolition and building permits for buildings near important federal installations, decided it would not require Carr to save the tavern. The commission, however, ruled that Carr must save two other landmark buildings in the block—the Albee-Keith Theater Building and the Metropolitan Bank Building. The decisions are only advisory, but the District government invariably follows this advice.

The District's State Historic Preservation officer has ordered a 180-day period of negotiations before any of the buildings can be demolished. The Joint Committee on Landmarks is holding a series of negotiations with representatives of the Carr Company, preservation groups and interested citizens. The newly formed Citizens Committee to Save Historic Rhodes Tavern is participating in the negotiations.

DEVELOPER OFFERS DELAY ON TAVERN DECISION

(By Anne H. Oman)

Groups trying to save the historic Rhodes Tavern from the wrecker's ball will have an additional year for their efforts if the city accepts a new proposal from developer Oliver Carr.

The 177-year-old tavern building is located at 15th and F Streets NW, and is part of the Garfinkel block where Carr plans to build a $40 million hotel, office, and shopping complex. As things now stand, Carr could obtain a permit to demolish the tavern building in October. That is when a current 180-day demolition delay would expire.

Carr's proposal calls for suspending negotiations on the fate of the tavern building until he begins work on the first phase of the two-phase project. The first phase, scheduled to begin in April, covers the northern half of the block between 14th and 15th streets and F and G streets. The tavern building is on the south side of the block.

Included in the first phase are two other historic landmark buildings—the Albee Building and the Metropolitan Bank Building. Carr says he intends to save the facades of the two buildings and incorporate them in the new complex if the city provides the financial assistance necessary.

The fate of the tavern building has been under discussion for the past two months during negotiations among representatives of the city, Carr and community groups.

"There is a need to focus attention first," Carr wrote in a letter to State Historic Preservation Officer Lorenzo Jacobs, "on that portion of the project that is to be developed initially, rather than confronting all of the preservation questions at one time. . . ."

Carr said that he would agree to the one-year delay in the negotiations on the Rhodes Tavern if the city, in return, would agree to come up with $1.5 million in benefits, including property tax relief, historic preservation grants and the waiver of alley closing fees.

Carr has previously offered to absorb $2 million in costs to help preserve the facades of the Albee and Metropolitan Bank buildings along 15th Street. The total cost of preserving the facades is estimated by Carr at $3.5 million.

Carr company officials say it would take an additional $1 million to $2 million to save the existing Rhodes building or $4.3 million to reproduce the original Rhodes building, part of which was demolished in the 1950s.

"This gives us more time to identify support for the Rhodes," said a spokesman for the Citizens Committee to Save Historic Rhodes Tavern. "Giving more time does take the pressure off, and we worry about declining interest, but we won't decrease our efforts to inform the public."

Leila Smith, who has represented the Don't Tear It Down organization in the negotiations, said that Carr's proposal "creates confusion and leaves many questions unanswered. It sounds as if there might be some difficulty designing the rest of the block when we don't know what's going to happen to the tavern. And new legislation may be needed to provide the tax relief that Carr is seeking, tax relief for people who preserve low-rise commercial structures like the Rhodes."

Thomas Lodge, chairman of Advisory Neighborhood Council 2C, called Carr's proposal "a good idea. It gives the Rhodes Tavern people another year and it will concentrate efforts on the other two buildings. We have to find the money to save them by October."

Jacobs commented that he is "now studying Mr. Carr's proposals as to whether they can be implemented." Jacobs plans to respond to Carr's letter this week, according to his press secretary, Steve Johnson.

RHODES TAVERN AND THE HISTORY OF WASHINGTON, D.C.

(By Richard Squires)

Many cities on the Eastern Seaboard are blessed with ancient public taverns, where the history of the nation is understood as a continuing and lively enterprise, governed by the inclination of great and small men to come to terms amid an atmosphere of food and drink. Fraunces Tavern is the notable example in New York City, as is City Tavern in Philadelphia. The only candidate for this distinction in Washington is Rhodes Tavern, located since the founding days of the Capital on the other side of the Treasury Building from the White House. It is scheduled to be destroyed in November of this year.

The cornerstone of Rhodes Tavern was laid in 1799, making it the oldest building to remain between the White House and the Capitol, and that area's last remaining example of 18th Century architecture. It is the only building to remain along Pennsylvania Avenue from the day that President Thomas Jefferson first began the tradition of the Inaugural Parade in March 1805.

William Rhodes was one of the Federal City's first businessmen, establishing a tavern in the Little Hotel, next door to the present Rhodes Tavern, as early as 1796. George Washington visited this tavern on 18 December 1798. About 1800 Mr. Rhodes relocated in larger quarters next door, in the present tavern, just in time to greet the administration of President John Adams, moving down to Washington from New York City. With the Capitol and Presidential Palace still under construction, the tavern quickly became a kind of unofficial city hall to the fledgling town, where courts and city councilmen held session, and political parties met to work out their affairs.

In April 1814 General John Van Ness founded the Bank of the Metropolis in part of Rhodes Tavern, the second bank to open in Washington, and soon to be the city's largest. Van Ness, a boyhood friend of Martin Van Buren, was a congressman from New York and ultimately mayor of Washington. General Andrew Jackson was numbered among the bank's original stockholders. On the bank's opening day, General Jackson was fighting the British in Pensacola, Florida.

With Napoleon's abdication in April 1814, the British Army was finally free for combined assaults on Washington and New Orleans in a final attempt to win the War of 1812. In August 1814 the British Command took Rhodes Tavern—Bank of the Metropolis for its headquarters during its invasion of Washington. Setting the Capitol, the Presidential Palace, and the Treasury aflame, Admiral Sir George Cockburn rode into the main room of the tavern on a mule, and dismounting, introduced himself to the startled innkeeper as "the much abused Cockburn, come to sup with you, madam." The company of officers retired to a dining room and ate a dinner of roast chicken, "for which Cockburn, blowing out the candles, said he preferred the light of the burning Presidential Palace and Treasury, whose conflagration hard by illuminated the room, outshining the pale moonlight, also beaming in all its silver radiance." Cockburn's reward for the success of this expedition came in 1815, when he was made Governor of Saint Helena Island, and custodian of Emperor Napoleon Bonaparte.

General Jackson revenged the nation with a stunning victory at the Battle of New Orleans in January 1815, three weeks after the signing of the Treaty of Ghent. Two of the most lasting effects of this war surely came from the burning of the Presidential Palace and the elevation of Andrew Jackson in the public eye. When the reconstruction of the Palace was completed with a final coat of paint, it soon took on a new name—the White House—and its previous association with the royal tradition of England was lost forever. Within a dozen years the dropping of property qualifications prepared the nation for its first fully democratic vote, and its subsequent election of President Andrew Jackson.

The central drama of Jackson's Presidency was his battle to destroy Nicholas Biddle and the Bank of the United States, and the exclusive aristocracy of wealth which he believed they represented. The climax of the Bank War came in 1833, when Jackson pulled the Government's deposits from the B.U.S. and placed them in certain selected "Pet Banks". The Bank of the Metropolis at Rhodes Tavern, a solid friend of the administration, was named the sole depository of Federal funds in Washington, D.C.

With the sudden addition of nearly $1 Million in Government money, the Bank of the Metropolis found that it had outgrown Rhodes Tavern, and left the building in 1836. Its offices were quickly taken by an ambitious young financier named W. W. Corcoran, who understood the value of locating opposite the Treasury at a time when the Government needed private bankers to fill the void caused by the collapse of the Bank of the United States. Philadelphia, having lost political control of the country Washington, now lost financial control of the country to New York, and entered a period of decline from which it has yet to recover. On Wall Street, especially at the Democratic Merchant's Bank and Bank of America, the birth of the Washington-New York political-finance axis was met with whoops of joy, tempered somewhat by the memory of the destruction of Nicholas Biddle in the hands of the politicians. To forestall the repetition of such a calamity, Wall Street engaged the services of Corcoran, whose capitalization amounted to only $2500, but whose contacts included every living President, many of them on intimate terms. As the representative of Wall Street to the U.S. Treasury, and the President's frequent envoy to New York, Corcoran effected a marriage of politics and finance from the rooms of Rhodes Tavern that changed his time. The fortune he acquired through the good offices of Presidents Tyler, Polk, Buchanan, and Senators Daniel Webster and Thomas Hart Benton, was put to good use in the construction of the Washington Monument and the Renwick Gallery. He was Washington's leading citizen of the 19th Century. The firm of Corcoran and Riggs, founded at Rhodes Tavern in 1840 and now known simply as Riggs, was the city's largest bank when it left the tavern in 1845. It remains so today.

The Reconstruction Era and the Gilded Age which followed brought the corruption of almost every public office. James A. Garfield a classics professor turned politician, who was often found immersed in Horace on the Senate floor, received the nomination by a fluke and found himself the President in 1881, promising to reinstate the noble stripe of leadership that had been the ensign of our early years. In May 1881 a disappointed office seeker named Charles Guiteau walked into a gun shop on the ground floor of Rhodes Tavern and tested the revolvers, finally settling on a costly model with a pearl handle, feeling it would look the best in a museum. After stalking the President on Lafayette Square and the White House grounds for the next three weeks, he finally caught Garfield in the railroad station, shooting the President fatally, twice in the back. On the gallows Guiteau sang out, "I have saved my party and my land! Glory Hallelujh!", as the rope was snapped.

The age of free capitalism finally felt the reins in the Progressive Era of Roosevelt, Taft and Wilson, supported by a new brand of independent, investigative writing which Roosevelt dubbed "muckraking" journalism. The National Press Club, the Capital's leading association for the Fourth Estate, was founded in 1908 and had its second home in the upper stories of Rhodes Tavern from 1909–1914. Presidents Theodore Roosevelt, William Howard Taft, and Woodrow Wilson were all members of the Press Club during its years at Rhodes Tavern. President Taft visited the club on the eve of his Inauguration in 1909, and throughout his term in office was a frequent visitor of the club, conveniently located on the path of his weekend strolls in the neighborhood. Woodrow Wilson was a member of the club while still President of Princeton University.

The election of 1912 pitted the three club members against each other for the Nation's highest honor: Wilson for the Democrats, Taft for the Republicans, and Roosevelt for the renegade Bull Moose. All three spoke for their respective platforms at Rhodes Tavern, and were in turn subjected to "interpretative" skits by the lampooning membership. The windows of Rhodes Tavern, considered the best on the parade route, were offered to the public at an average of $1000 apiece for the Inaugural Parade of Taft and Wilson in 1909 and 1913. Sarah Bernhardt was among the many celebrities who visited the Press Club, appearing as an honored guest in 1914.

Fences were constructed to surround the White House during World War I, beginning a process of progressively augmented isolation that has left recent Presidents so removed from the life of the city that they might as well be living in Spokane.

In the days of Henry Adams and Daniel Webster, it was common practice for the President to stroll from home to home in the neighborhood, visting the Ministers, Justices, and Senators who naturally tried to live as close as possible to the seat of power. It was L'Enfant's clear intent to make the Presidential Palace the central residence in town. With everyone of fashion long since emigrated to the older streets of Georgetown, the transition of the White House from home among homes to bureaucratic and electroni, nerve center is now fairly complete.

No one but the President lives in the neighborhood now, and he is increasingly surrounded by office buildings that belie the fact that people lived there in the past, and preclude the chance for people of the future to reestablish the design. The old homes of Lafayette Square, long abandoned by society, were nearly destroyed to make office buildings in 1962. President and Mrs. John F. Kennedy, who knew the buildings from walks in the neighborhood, entreated that they be saved, and so they were. He was, however, the last President to take a stroll beyond the White House grounds.

In this light it is possible to see how an ancient Georgian building with a history that reflects so many of the greatest men of the Republic, can yet be held so easily expendable. The White House and the Capitol are the focal points for the axis around which the city of Washington was built, and the recent decline of the area between them should not blind us to the fact that the history, geometry, and business of the city are all directed to this part of town. People come to Washington to get a sense of what this city has meant to the nation over the whole course of its existence. The more we can tie in to the quest for our national

roots, the more likely they will be to stay longer or come more often.

In a very real sense, history is Washington's stock-in-trade, and we should be diligent in keeping up our inventory and keeping it in good condition. Demolition of buildings of beauty and significance, or even a simple charm that people have grown to love, or of flourishing neighborhoods with local color and activity is often a drastic form of surgery that can prove fatal to the streets, neighborhoods, and ultimately the cities involved.

Rhodes Tavern is Washington's oldest commercial building, continuously active and self-supporting for the past 178 years. It presently houses a newsstand, souvenir shop, fruit stand, coffee shop, and art conservation lab. Its tenants include people of African, English, Irish, Japanese, Jewish, and Palestinian descent. It remains one of the more colorful and charming buildings in the city.

A visit to the National Archives will reveal dozens of photographs and prints depicting the triumphant march of Presidents past the windows of Rhodes Tavern. After spending millions of Federal dollars in the past few years to preserve the ceremonial character of Pennsylvania Avenue, it is difficult to believe that we should lose the only building that has witnessed every one of its ceremonies—Rhodes Tavern.●

AUTHORITY FOR COMMITTEES TO MEET

COMMITTEE ON ENERGY AND NATURAL RESOURCES

Mr. ROBERT C. BYRD. Mr. President, I ask unanimous consent that the Energy and Natural Resources Committee be authorized to meet during the session of the Senate today to consider S. 3418, the Pacific Northwest electric power bill.

The ACTING PRESIDENT pro tempore. Without objection, it is so ordered.

COMMITTEE ON HUMAN RESOURCES

Mr. ROBERT C. BYRD. Mr. President, I ask unanimous consent that the Committee on Human Resources be authorized to meet during the session of the Senate on Friday, August 25, 1978 to hold a markup session on the following legislation: S. 2910, the Adolescent Health Services and Pregnancy Prevention and Care Act; S. 3115, Disease Prevention and Health Promotion Act.

The ACTING PRESIDENT pro tempore. Without objection, it is so ordered.

ADDITIONAL STATEMENTS

SECRETARY BROWN SUPPORTS SALT AND IMPROVED READINESS

● Mr. CULVER. Mr. President, in an address to the American Legion national convention on August 22, our able and articulate Secretary of Defense, Harold Brown, spoke about America's current strengths and the measures necessary to preserve our security in the future.

Noting that our overall strength compared to the Soviet Union depends on more than military forces, Secretary Brown declared that "we outstrip the Soviets in nearly every category"—including economic strength and productivity, political stability and cohesion, technological skill, the appeal of our way of life and our international policies, and our national will. "It is only on the military side that their society has been able to rival us," he said.

In order to maintain a military balance, the United States has been improving and modernizing our own forces. Both now and in the future, we shall maintain a devastating strategic nuclear force. As Secretary Brown assured his audience:

Right now, even after a Soviet surprise attack, we could deliver literally thousands of thermonuclear weapons to targets in the Soviet Union. Despite the improving Soviet offensive and defensive forces, that capability of ours is not going to decline in the future. It is going to increase.

Secretary Brown strongly endorsed arms control agreements as "another and complementary way of dealing with Soviet military efforts." He listed three important advantages of carefully drawn and verifiable agreements:

They can make the achievement of future advantages even more unlikely, while allowing current vulnerabilities to be removed.

They can make future structures more predictable and lower the need for extreme conservatism in our defense planning.

They can contribute to a healthier political environment, an environment in which still further restraints can be imposed on both sides according to the principle of equivalence.

Although most press attention centered on Secretary Brown's statement that we are studying mobile ICBM systems, it is important to note that he linked that option to SALT. "Any mobile ICBM basing system," he said, "would, of course, have to be fully consistent with all provisions—including verification provisions—of a strategic arms limitation agreement." That comment wisely and properly recognizes that mobile ICBM systems can enhance our security only if they are part of a constrained and verifiable arms control regime, one which prevents the U.S.S.R. from making such massive and secret missile deployments as to overwhelm and nullify our own mobile system.

Mr. President, with regard to our conventional forces, Secretary Brown echoed a theme I have made repeatedly since coming to the Senate and joining the Armed Services Committee. He called combat readiness "the most effective counter to the Soviet military threat." He noted that:

Spending money on spare parts, unit training, and field exercises may not grab the headlines. But considering the investment we already are making in hardware, that is the right way at the right time to neutralize the Soviet buildup.

This renewed stress on readiness—with dollars added to do the job—is one of this administration's most important changes and improvements in our defense posture.

Mr. President, I ask that the full text of Secretary Brown's address be printed in the RECORD.

The address follows:

Commander Smith, Distinguished Guests, Ladies and Gentlemen:

It is an honor to speak before this opening session of your Sixtieth Annual National Convention. Discussing defense issues with any audience of American citizens is always a valuable opportunity. But being here with the American Legion is particularly helpful—and challenging. You are well informed and have strong views, views that deserve particular respect because of your own sacrifices in the uniform of our country.

I want to talk with you today about how we are working to assure our military security—both by building balanced and fully adequate armed forces of the kind we most need, and by seeking arms control agreements consistent with the interests of this country.

There is a great deal I don't need to tell this audience. The American Legion already knows that the first duty of government is defense. The Legion already recognizes that, without a sufficient defense, none of our liberties is secure. The President and we in the Defense Department have that same view. We have acted and will act accordingly. President Carter and I intend to do all in our power to see that the defense needs of this country are fully met.

It is for precisely that reason that last week President Carter sent back to the Congress without his approval a defense procurement bill which would have weakened our defense—by taking $2 billion from high priority defense needs in order to pay for one nuclear-powered aircraft carrier. The President and I support the full amount of the Defense budget of $126 billion which he requested. We want no Congressional cut to be made from it. But we do want that money spent wisely, and spent where it is most needed.

The nuclear aircraft carrier costs nearly a billion dollars more than would a future non-nuclear carrier. We plan to build carriers in the future, but we do not need to build this one now at the expense of more urgent needs. And we do not need to add $1 billion to the price tag.

The President is asking the Congress that in the coming year, instead of building a $2 billion carrier with a nuclear power plant, that great amount of money be applied to more urgent needs like the following:

$800 million for helicopters, combat vehicles, and ammunition for the Army.

$200 million for airlift, electronic warfare equipment, and modern electronically guided ordnance for all the services.

Half a billion dollars to upgrade the readiness of all our Armed Forces, by providing spare parts, ship overhauls, training, communications and logistical support.

Several hundred million dollars more for research and development.

More construction of modern general purpose naval ships. For instance, we could build next year two new guided missile frigates, three antisubmarine warfare ships, and a fleet oiler—all for less than one-third the cost of a nuclear-powered carrier.

The President's action is one to enhance our defense, and it certainly is not anti-Navy. We have the strongest Navy in the world, and we intend to keep it that way. We need to have balanced forces to meet all our defense needs, including particularly the need for our forces that are in Europe or are oriented for combat there to combine with the forces of our NATO allies to counter the steady Soviet buildup. The Navy itself needs to bring the ship construction program into balance. It must stop the drift of the past ten years toward a Navy of fewer and fewer ships, each of which costs more and more to build. No ship, no matter how costly and capable, can be in more than one place at a time. We want to keep ours the world's strongest Navy—not to build the world's most expensive ship.

Let me turn now to a broader look at where we stand in the world, and how it shapes our defense decisions.

I should note first, of course, that the overall relative strength of the United States and the Soviet Union depends on more than military forces alone—although those forces are a necessary and crucial element. The total balance includes many parts—economic strength and productivity, political stability and cohesion, our technological skill, the appeal of our way of life and our international policies, and our national will. In these overall terms, there is no doubt in my mind that the United States is the most powerful country in the world. We outstrip the Soviets in nearly every category I have mentioned. It is only on the military side that their society has been able to rival us. But the fact that they have turned so much of their effort to military activities is serious, and has to be troubling to us. We need to do what is necessary to keep a military balance, as well as favorable overall balance of national power.

I noted a moment ago that we are urging the Congress to keep our Defense budget for next year at the full amount the President requested in January. We have also pledged, along with our NATO allies, to increase our defense effort in real terms, after allowing for inflation, with a goal of about three per cent increase per year.

Why are we making this effort to increase our defense? In deciding just how many defense dollars we need, we have to start by looking at the military efforts and capabilities of the Soviet Union. I have examined those Soviet capabilities carefully, with the help and advice of the Joint Chiefs of Staff. They and I meet at least once a week, and I meet daily with General Jones, the Chairman of the Joint Chiefs of Staff. We consider frequently what responses the United States should make to growth in Soviet military power.

We find that the Soviets have been engaged in a substantial military buildup for nearly twenty years. Over that period they have increased their military expenditures by about four per cent each year in real terms, compounded, year in and year out. And their buildup is continuing.

But that does not mean that we and our allies have been sitting on our hands, or that we have suddenly become inferior to the Warsaw Pact. We are not. And it does not mean that, as we continue to improve our forces, we should make them a carbon copy of the Soviet posture, or that we should plan forces simply to match certain Soviet capabilities.

The Soviets must wrestle with a number of problems that we do not now have, especially with respect to China. Their planning has to take into account a difficult geography and a harsh climate—though they do have the advantage of internal lines of communication. They lack willing and effective allies. Our planning should neither forget their burdens, nor assume we have the same problems—we have problems, but ours are different.

Thus, simple comparisons of Soviet and American forces are only the beginning of understanding our military needs. In planning our forces, we need to be careful not to be misled by such comparisons.

Take the case of our strategic nuclear posture. With the warheads we already deploy, we can target all significant military objectives in the Soviet Union, even after undergoing a first strike by the Soviets. Our basic offensive strength, in other words, is adequate today. But as strategic forces have grown more sophisticated in both the Soviet Union and the United States, the requirements of deterrence have become more demanding: not necessarily in terms of missile throw-weight, or megatonnage, or warheads—the sorts of measures one often hears about—but rather in other dimensions.

For example, control and the ability to withhold some offensive forces—to be able to attack some targets and spare others at a particular phase of combat—may be as important as rapid reaction against the entire enemy target system. As a consequence, our offense needs improved communications, command and control, even though such capability tends to be ignored in most simple comparisons of Soviet and American strategic capabilities.

Age also often is ignored in simple comparisons, and some of our offensive forces are growing old. Also, some—particularly the ICBM component—are becoming more vulnerable than is desirable from the standpoint of flexibility, even though we might decide to use those forces under attack before they were destroyed.

We have not been idle in the face of these needs. Aging of the force is being brought under control. The modernization of the submarine and bomber forces—with the Trident missile and with cruise missiles—is well under way. We are moving toward development of a new and more sophisticated ICBM. And we are continuing to examine possible replacements for our B–52 bombers.

We are giving equal priority to our other strategic force needs, even though they are less visible and do not lend themselves to simple, numerical comparisons with Soviet capabilities:

Our warning systems are being improved.

We are developing increased accuracy for all our missiles—ballistic and cruise.

We are upgrading our communications and ability to use those communications selectively.

New warheads soon will be deployed, and advanced avionics systems for our bombers are being tested.

Right now, even after a Soviet surprise attack, we could deliver literally thousands of thermonuclear weapons to targets in the Soviet Union. Despite the improving Soviet offensive and defensive forces, that capability of ours is not going to decline in the future. It is going to increase.

In response to the potential threat new Soviet ICBMs pose to our ICBMs, I have asked the military services and the Joint Chiefs of Staff to consider a number of options to enhance the survivability of that leg of our nuclear deterrence triad—a triad which is composed of bombers and cruise missiles, submarine-launched ballistic missiles, and inter-continental land-based missiles. A number of mobile ICBM basing concepts are being evaluated, including some involving alternate launch points for each missile. This concept envisions moving missiles and their launchers among multiple sites which might themselves be hardened, thus substantially complicating Soviet targeting of our deterrent.

No decision has been made whether or not to deploy mobile ICBM systems, like the alternate launch point system (or multiple aim point system, as it is sometimes called) that I just mentioned. Nor have we decided which particular concept we would implement, if we were to elect to deploy a mobile ICBM system. The current and projected capabilities of our strategic forces give us time to study thoroughly questions of technical feasibility, military effectiveness and cost prior to making decisions about deploying mobile ICBMs.

Any mobile ICBM basing system would, of course, have to be fully consistent with all provisions—including verification provisions—of a strategic arms limitation agreement. The United States will not deploy a mobile ICBM system that would not permit adequate verification of the number of launchers deployed, and other provisions of the agreement. You may be confident that we will insist that any Soviet system meet the same verification standards.

The parts of the joint draft text of the SALT II agreement that have already been agreed allow deployment of mobile ICBM systems of the types we are considering. The draft agreement explicitly permits deployment of mobile ICBM launchers during its term, after the expiration of an interim protocol period which would end well before mobile ICBM systems would be ready for deployment.

I know that some of you are concerned about SALT. I want to assure you that no SALT agreement will be signed unless it is in the interest of the United States to sign it. That means particularly that it must not undermine our military security. An acceptable strategic arms limitation agreement is not going to weaken the U.S. second-strike capability that I have described. We will retain our assurance—and the Soviets will know—that we can deliver such a devastating second-strike blow. And that will remain true despite the current Soviet civil defense program.

Let me turn finally to conventional forces. Here detailed comparisons count even more than in strategic forces. Despite the growth in Soviet theater capabilities, we and our allies already have bought and are paying for the land, naval, and air forces needed to protect our interests in the world. Despite our global responsibilities, we already are well equipped to deal with contingencies that allow ample time for readying and deploying our forces. If NATO could be sure of a month or more to set up its defenses, for example, I doubt that any Soviet marshal would recommend an attack on Western Europe.

Unfortunately, however, we and our allies no longer can count on having that kind of time. The Soviet theater forces have changed most significantly, not in numbers, but in their ability to wage short, intense, nonnuclear campaigns using large, modernized forces, with relatively little advance preparation. In consequence, as General Haig, the Supreme Allied Commander in Europe, recently observed, surprise attack has become more feasible. Our needs have changed accordingly: not toward larger forces, but toward higher combat-readiness, greater short-run sustainability, improved interoperability with allies, and more long-range mobility for the forces we already have.

Don't misunderstand me; I recognize the need for modern weapons. We need improved equipment. But our modern weapons must be fully effective. Therefore, the members of our Armed Forces must be able to maintain them, adequately train on them, and get them into a combat theater before our defenses are overrun.

Combat effectiveness depends on many factors. We must keep the size of our forces, their modernization, their readiness (including their mobility) and their sustainability, in balance—especially when the incentives for surprise attack and short, intense campaigns have gone up. Spending money on spare parts, unit training, and field exercises may not grab the headlines. But considering the investment we already are making in hardware, that is the right way at the right time to neutralize the Soviet buildup. That is what the President had in mind, as I said earlier, when he sent the Defense Authorization Bill back to the Congress last week, with a request to put our dollars where they will provide us the greatest protection from the Soviet military effort.

An adequately and properly balanced Defense budget, then, is one way we assure our security against the Soviet military threat. It is a necessary way, but it is not the only one. Although some may still be skeptical about arms control agreements—and it is a particular responsibility of mine not to be gullible about them—such agreements are another and complementary way of dealing with Soviet military efforts. The interests of the Soviet Union and the United States clearly

diverge in many respects. But the Soviets understand that, as long as we remain strong—and I intend that we will—direct conflict with the United States and its friends could quickly lead to disaster. At a minimum, they share our interest in avoiding such a conflict. And there are other problems of mutual concern on which communication remains necessary and cooperation should be possible. We cannot afford to ignore those possibilities.

I say that because the interests of the United States are best advanced under conditions of peace and orderly change. We need as much stability and predictability as we can manage in our internal relations, consistent with national security. U.S. and allied arms buildups offer one way of obtaining security, stability, and predictability; arms control provides another. What mix of the two works best depends on the circumstances.

As matters now stand, we are well positioned for further competition and an arms buildup. But that is not our preferred path, if we can obtain security, stability, and predictability through precise, equitable, and verifiable arms control. In that case we prefer agreed restraints and reductions to competition and buildups. As a nation, we have no vested interest in arms races.

Our preference for restraint is bound to be especially strong where nuclear forces are concerned. I say this for several reasons. Nuclear weapons represent the only real threat to the survival of the United States and, for that matter, to that of the Soviet Union. Those weapons could destroy in hours all that the two nations have built over centuries.

Both the United States and the Soviet Union already deploy nuclear forces capable of this kind of destruction. As a consequence, it is increasingly unlikely that further buildups by one side will yield a meaningful advantage, providing that the other side takes prudent countermeasures. This is so even though civil defense or exotic technologies may continue to create the illusion of potential advantage.

This is not to say that agreements to limit strategic or other armaments can solve all problems, remove all grounds for fear and suspicion, or bring all competition to a complete halt. But carefully drawn agreements—backed by verification of compliance with them—can accomplish a great deal.

They can make the achievement of future advantage even more unlikely, while allowing current vulnerabilities to be removed.

They can make future structures more predictable and lower the need for extreme conservatism in our defense planning.

They can contribute to a healthier political environment, an environment in which still further restraints can be imposed on both sides according to the principle of equivalence.

I do not see any immediate prospect of achieving a mutual end to competition in military strength. A reasonable objective today is to maintain the modest momentum toward arms control. But arms control as such, I can assure you, is not our sole or even principal objective in SALT. What we want, what we insist on, is that the security of the United States and its allies be at least as assured with a SALT agreement as without it. If an agreement does not meet that test, it will not be signed. If it does, it will be.

But with or without SALT, our Defense programs will—in the main—have to continue. As we proceed with them, the issue is not whether to have as much defense as we need to protect our domestic and foreign interests. Nobody should doubt the absolute priority of that requirement. To the extent that there is an issue, it is over what, in detail, constitutes the necessary defense.

Experts can argue for hours—my own time is heavily involved in such considerations—about how important, absolutely or relatively, it is to add a seventeenth Army division, a twenty-seventh fighter-attack wing, or a thirteenth attack carrier. The fact of the matter is that, with the force structure we already have, individual changes of that order are not going to make much difference to our overall military effectiveness. But changes in our ability to maintain, move, supply, and operate professionally the weapons already in our inventories can make all the difference in the world in our effectiveness, and in our deterrent power. You can recall your own military experiences. You probably remember the difficulties of performing your mission when weapons and equipment were not in adequate supply, or not functioning properly, or down for lack of spare parts.

The President and I want fully effective forces. The competition from the Soviet Union demands it. Real readiness to fight is the most effective counter to the Soviet military threat. Our resources must be spent to assure effectiveness for the kinds of conflicts that are the most likely now and in the foreseeable future. We must not drift back toward the old strategy of sacrificing immediate readiness but counting on a long time for mobilization—a strategy that was barely feasible in the 1930s. Today we do not have luxury of time, and combat-readiness and quick response are what we need. As Secretary of Defense, I with the concurrence of the President intend to shape and provide for our forces to meet those very real requirements. You are a group who because of those very real requirements can understand this. I hope I will have your support.

In closing, let me add that there is another and more fundamental reason why priority should go to combat-readiness, assuring the immediate fighting capability of our people in uniform. It is that only people—professionally trained people with high morale—can make our weapons work. Even pushbuttons have to be pushed.

As the Legion knows better than most, people are the greatest asset we have in defense. Technologically, we have a comparative advantage over the Soviet Union. But it is not nearly as great as the advantage we obtain from being a free people. The Soviets may be able to close the gap in weapons production and to narrow the gap in military technology. They will never come close to the spirit, the dedication, and the initiative of the men and women in the Armed Forces of the United States.

You, our veterans, gave us the margin necessary to victory in the past. The men and women of our Armed Forces today offer us the opportunity for the same decisive margin. As long as I am Secretary of Defense, I intend to make the most of it. I hope to have your support in doing so.

Thank you.●

ERA EXTENSION

● Mr. GARN. Mr. President, Grover Rees III, a New Orleans attorney, has written a very helpful article on the problems involved with extending the time for ratification of a constitutional amendment. Mr. Rees' article appeared in the August 18, 1978, edition of National Review.

Mr. Rees' research and analysis are very helpful, of course. But one of the most enlightening aspects of his article is the spirit in which it is written. Mr. Rees asks us to consider the rules not as they apply to ERA, but as they would apply to the constitutional amendment we would most like to see adopted and the amendment we most fear. Then, to apply the same rules to both situations.

As Mr. Rees says about the current controversy over an extension—

Do not think in terms of the ERA. Instead, think of your very favorite proposed constitutional amendment. Then imagine the constitutional change you fear the most. Examine the several alternative constructions of the technical rules on the amendment process provided in the Constitution itself, keeping in mind that the same rules will apply to the good and the bad proposals. That's what the Framers did when they designed the process.

Mr. President, it is my sincere hope that when the Senate considers House Joint Resolution 638 to extend the time for ratification of the equal rights amendment that each Senator will bear this important fact in mind: that we are dealing with a procedure for the proposal, consideration, and possible ratification of good and bad amendments alike, and that the actions taken by this body during the next several weeks will establish a precedent that may last for decades.

I trust that we will act accordingly.

I ask that Mr. Rees' article be printed in the RECORD.

The article follows:

WHEN THE VOTING SHOULD HAVE STOPPED

(By Grover Rees III)

When Congress proposed the Equal Rights Amendment in 1972, the proposing resolution stated the amendment would become part of the Constitution "when ratified by the legislatures of three-fourths of the several states within seven years from the date of its submission . . ." Those seven years will be over next March. However, Congress and several state legislatures are now considering actions that would create serious doubt, among legal scholars as well as the general public, about what is part of the Constitution and what is not.

Ratifications by 38 state legislatures are necessary for final passage. To date, 35 legislatures have ratified; of these, four have passed resolutions purporting to rescind their ratifications. Congress, meanwhile, is considering a resolution (already passed by the House Judiciary Committee) to extend for another 39 months the period in which states may ratify. In March, we will all—those of us who wish to know for sure what the Constitution says—find ourselves in one of the following situations:

1. Assuming that Congress does not attempt to extend the deadline, and that fewer than three additional states ratify the ERA, the legal situation will be clear. The ERA will be "dead," in the limited sense that the 1972 resolution with its 35 ratifications will be null. ERA supporters say they'll get Congress to re-propose the amendment; opponents say they're not worried.

2. If Congress declares the deadline extended, and if by March fewer than three more states have ratified, the effect of the congressional extension will be unclear. Some ERA supporters argue that all prior ratifications—even by states that later rescinded—will remain valid. Another view is that Congress cannot "carry forward" the prior ratifications, and that 38 new ratifications would be needed. Finally, a few legal scholars take the view that extension is valid, but only if states are permitted to rescind their ratifications. Under this view, the ERA would need six or seven more states. Prognosis: at least 39 more months of uncertainty.

3. If Congress passes no extension resolution, but at least four (but fewer than seven) more states ratify by the March deadline, then the ERA will become law only if the four rescissions are ineffective.

4. If exactly three additional states ratify (assuming, again, no congressional extension), then whether the ERA is part of the Constitution will depend on the rescission issue and on the delightfully arcane question whether Kentucky's lieutenant governor could legally veto a rescission resolution passed by the legislature (the governor was out of the state). Governors have never exercised a role in the ratifying process, since the Constitution provides that state legislatures or conventions—not "states"—ratify amendments, and the Supreme Court has held that a state may not restrict its legislature's ratifying function.

There are other permutations, partaking of the juridical elements of one or more of the above. Don't worry about them. Instead, join me in a brief review of a few legal principles, gleaned from the debate over the adoption of the federal Constitution and from the few occasions on which the Supreme Court has construed the formula for constitutional amendment.

A caveat: Do not think in terms of the ERA. Instead, think of your very favorite proposed constitutional amendment. Then imagine the constitutional change you fear the most. Examine the several alternative constructions of the technical rules on the amendment process provided in the Constitution itself, keeping in mind that the same rules will apply to the good and the bad proposals. That's what the Framers did when they designed the process.

Speaking logically, not historically, the rescission controversy seems artificial. Article V of the Constitution, which provides for amendments, is silent on rescission. The general rule is that states are sovereign: a legislature can do anything not prohibited by the federal or state constitution. In particular, legislatures can undo what they have done. They regularly reconsider and repeal their own prior enactments.

If there is a genuine question about the validity of state rescissions, it is created by a sordid and better-forgotten bit of American history. In 1868, three-fourths of the legislatures had ratified the Fourteenth Amendment; Ohio and New Jersey, however, had rescinded before the last state had ratified. Nevertheless, both houses of Congress passed a resolution declaring the amendment to be part of the Constitution.

The Senate passed the resolution without debate and without a roll-call vote. The House debated only for a minute or two, rejecting a request that the Judiciary Committee consider the resolution. (It was almost referred to the Joint Committee on Reconstruction, but the House opted instead to pass it without any committee consideration whatever.) This was the Reconstruction Congress, and the members who voted—in a near-perfect party-line vote—that Ohio and New Jersey could not rescind were, virtually man for man, those who five months earlier had voted to impeach Andrew Johnson for refusing to obey unconstitutional orders.

A few thoughts on the 1868 resolution. First, it was not framed as a general statement on the right to rescind. Indeed, debate revealed more support for the proposition that these particular rescissions were invalid because the Democratic legislatures of Ohio and New Jersey did not truly represent the citizens of those states. Moreover, up to that moment in history nobody had suggested that Congress had any power over the amending process except to propose amendments and to designate the mode of ratification. The only prior controversy over the validity of an amendment—the Eleventh, in 1798—had been settled by the Supreme Court. The attempt by the Reconstruction Congress to judge whether its own proposal had been duly ratified can best be explained in light of the felt necessities of the time: this Congress not only impeached Johnson, it also proudly regarded several states as "conquered territory" and ruled them accordingly.

Most important, the Reconstruction resolution was never tested in court, not even implicity. On the very day of its passage, Georgia ratified the Fourteenth Amendment, bringing the total to three-fourths without Ohio and New Jersey, and rendering the rescission issue irrelevant. In 1939, three members of the Supreme Court referred to the congressional action, with apparent approval; but the reference was unnecessary to the Court's decision, and was therefore a mere expression of personal opinion.

It should be stressed that the Reconstruction resolution is moot: if the Supreme Court should recognize the validity of the ERA rescissions, it will not be compelled, either logically or practically, to raise questions about the validity of the Fourteenth or any other existing amendment.

Except for the 1868 resolution, with its endorsement by three Justices in 1939, the history of the amending process tends to support the right to rescind. The Constitutional Convention debates reveal the attitude that amendment should be possible only when a broad consensus exists: that a substantial minority of states should be able to block changes favored by a majority, and that frequent amendment would be undesirable. In *The Federalist* No. 85, Hamilton argued that the amending process would ensure that "the will of the requisite number" should prevail; amendment would be possible only when three-fourths of the states "were united in the desire of a particular amendment." Obviously, no state that has rescinded is "united in the desire" with a state that later ratifies. No consensus is achieved.

The Supreme Court has recognized contemporaneous consensus, and not just the formality of a certain number of isolated legislative acts, as necessary for ratification. Consensus was the basis for the Court's holding that an amendment must be ratified within a "reasonable time" to become part of the Constitution: state ratifications must be "sufficiently contemporaneous . . . to reflect the will of the people in all sections at relatively the same period." The "reasonable time" doctrine is based on the mere *possibility* that a ratifying state would lose its enthusiasm for an amendment after a few years. With even more reason, a state that has positively indicated its lack of support for an amendment cannot be counted as part of a consensus.

Not only logic and history, but also fairness, requires a state's right to rescind. It is universally recognized that a state legislature, having rejected an amendment, can later ratify it. To allow such reconsideration of a negative judgment, but not of a positive one, would give those who want to change the Constitution an unlimited opportunity to bounce back from defeat, while denying the same right to those who prefer to keep the Constitution as it is. Does anybody think the Framers intended such a result?

Opponents of the right to rescind—aside from invoking with reverence the two shaky precedents mentioned above—advance two principal arguments:

First, we desperately need the ERA. The women of America have worked so hard and so long that a defeat on this issue would prove that The System Does Not Work.

Second, it is the act of ratification that counts. Once a state has ratified, it has no more power over an amendment. Under this view, if 37 states had ratified in a flurry of enthusiasm for a new proposal, and every ratifying state had later rescinded, any one state could still bind the nation by ratifying, consensus or no consensus. There are, then, two views of the amending process: the consensus theory and the sacramental act theory.

The mind's eye pictures Bella Abzug standing astride the nation with a great sack. Now she plucks up Connecticut, now Indiana, now little Delaware. Each time she bags a new state, a frisky Tennessee or Idaho scrambles out of the sack, only to be jammed back inside. Two views of the amending process: the consensus and the "Gotcha!" theory.

Since Congress can propose a new ERA whenever it chooses, identical to the old but with a new time limit, it could presumably achieve the same result by extending the 1972 resolution for 39 more months. But what effect will this have on states that have already ratified?

Advocates of extension insist that the time limit is a mere procedural matter, and that Congress has the implied power to change it at will, holding onto the prior ratifications. Opponents point to the fact that each ratifying state voted on a specific resolution; which contained the seven-year time limit. Approval of the ERA thus limited—in effect, a statement that "We're for it if 37 other states will ratify within seven years"—cannot be equated with unconditional approval.

Extension supporters place great weight on the location of the seven-year language in the ERA resolution. They generally admit that if the time limitation were in the text of the amendment itself, Congress could not extend without releasing the previously ratifying states. The seven-year limit on the ERA, however, is not in the body of the amendment, but in the preamble. Therefore, the argument goes, in changing the time limit Congress is not tampering with the amendment itself, which is all the states ever voted on.

This technical contention elevates form over substance, ignoring what really happened in the ratifying process. Each state received from Congress a copy of the entire resolution, including the preamble with the seven-year time limit. The whole package was on the bargaining table when the states agreed to ratify.

At a House subcommittee hearing on extension, ERA advocates ridiculed the notion that legislatures actually relied on the time limit and would have opposed the amendment had they thought the limit might be extended. Any doubt about legislative intent, however, has been resolved by the careful research of Professor Jules Gerard of Washington University Law School, who has examined the actual resolutions by which the states ratified the ERA. Professor Gerard reveals that of 35 such resolutions, 26 expressly mention the time limit.

To circumvent this argument, extension proponents invoke the sacramental act theory, arguing that no matter what a legislature thought it was ratifying, it actually did ratify whatever it was that Congress proposed. Like Isaac, a legislature may have been tricked into giving its blessing to a resolution it never loved; but a blessing is a blessing. Gotcha.

Assuming for the sake of argument that state legislative intent is irrelevant, the key inquiry becomes whether the Congress that proposed the ERA intended for the time limit to be subject to change. It did not. The Senate hotly debated the question of a time limit, with several members indicating they could not support an amendment that might be "lingering in limbo for an indefinite number of years." The time limit was inserted on a roll-call vote, with the principal ERA sponsors on the losing side. But why was the limitation put into the preamble, rather than the text?

Several prior amendments did include the time limitation in the body of the amendment itself. Every amendment since the Twenty-Third, however, has had a time limit in the preamble, like the ERA. Extension supporters argue that the switch was in-

tended to make the time limit a procedural detail, not a substantive part of the amendment immune to extension. But there is proof positive to the contrary.

Early proposed drafts of the Twenty-Third Amendment included the time limit in the text. At the request of its author, however, the amendment was rewritten by Professor Noel Dowling, perhaps the most respected constitutional scholar of his time. He had this to say:

"The seven-year limitation is put in the resolution rather than in the text of the amendment. There is no doubt about the power of Congress to put it there; and it will be equally effective. The usual way, to be sure, has been to write the limitation into the amendment; but we hope such an unnecessary cluttering up of the Constitution can be ended." [Emphasis added.]

In other words, the change was purely stylistic. A time limit has no business actually becoming part of the Constitution, since it has outlived its usefulness at the moment the last state ratifies. It was placed in the preamble as a step toward a more elegant Constitution, not a more powerful Congress. A time limit in the preamble was intended to have the same legal effect as a time limit in the text: to be reliable, predictable, tamper-proof.

Extension and rescission are technically unrelated issues. Several scholars have suggested, however, that if Congress extends the deadline, it will be necessary to allow states to rescind. This is more a fairness argument than a legal theory, but as a fairness argument it is compelling. A ten-year deadline would give amendment supporters at least ten chances in most states. Nine rejections followed by one acceptance would put the state squarely in the pro-ERA column. Meanwhile, state legislatures that ratified back in 1972 might be hating themselves for it, and passing annual resolutions rescinding and deploring the ERA, to no avail. Professor Charles Black of Yale Law School, a strong ERA supporter, calls it a "silly lobster-trap." But the House Judiciary Committee is not impressed: in considering the extension resolution, it rejected an amendment acknowledging the states' right to rescind.

The case for congressional power to extend the deadline and bind previously ratifying states, like the case against a state's right to rescind, is so weak that supporters seldom argue the merits. Rather, they assert that matters of constitutional amending procedure are "political questions," in which the Supreme Court will allow judgments of Congress to stand, right or wrong. By the same token, a few zealous ERA supporters are frankly urging Congress to forget the legal niceties and to treat votes on extension and rescission as votes for or against the ERA.

The "political-questions doctrine" originated as a view that the text of the Constitution forbade the courts to review certain actions of the Legislative and Executive branches. The best example is the provision that each house of Congress shall be "the sole judge" of its members' qualifications. In this matter, Congress is said to act as a *court*, and no other court can review its decisions. The political-questions doctrine gradually expanded to include a few areas (notably foreign policy) where there was no clear constitutional mandate for the courts to keep out, but where judicial intervention was regarded as impractical or dangerous.

In 1939 the Supreme Court held in *Coleman* v. *Miller* that some, but not all, matters of amendment procedure are political questions. Four judges stated flatly that the text of Article V commits adjudication of amendment questions to Congress; but they quoted no such language, and in fact there is none. Three others argued that, as a practical matter, Congress is the best judge of certain facts, and so the courts will not interfere. These three judges were the ones who approved the Reconstruction resolution. They did not indicate how courts should decide which congressional judgments to let stand and which to review; indeed, the decision was widely criticized as internally inconsistent.

Coleman would probably be decided differently by the Supreme Court today. The scope of the political-questions doctrine has narrowed considerably. In 1969, Representative Adam Clayton Powell sued the Speaker of the House, asserting that he had been illegally expelled from Congress. The Supreme Court took the case and declared Powell entitled to his seat, despite the explicit provision in the Constitution that Congress is "the sole judge." Since *Powell* v. *McCormack*, scholars have been asking whether there is really anything left of the political-questions doctrine.

Even those who disapprove of *Powell* should welcome its effect on those areas where there is *no* textual commitment of a judicial matter to Congress. Just as the courts ought to leave legislating up to the legislature, it is proper for Congress to leave adjudication to the courts.

John Marshall pointed out that the Supreme Court's first duty is "to say what the law is." The first step in observing that duty is to say what the Constitution contains.

It has been suggested that the Supreme Court has an institutional conflict of interest in matters of amending procedure, because some amendments might limit the Court's power. Congress, however, has a twofold conflict: first, amendments frequently limit or expand congressional power; second, Congress already has a role in the amending process, that of proponent. The ERA spectacle now unfolding is an illustration: Congress proposes the ERA, then votes to extend the time limit on its proposal, then passes a resolution "judging" ratifying states to be bound by the extension, and also "judges" the constitutionality of state rescissions. It's 1978: do you know where your Constitution is?

The impact of declaring amendment procedure to be a political question would extend far beyond the ERA controversy. A model in which the limited role of Congress is boot-strapped into that of general overseer of the amending process—sitting as a "court" in judgment of the success or failure of its own proposals, and free to disregard the clear intentions of the other protagonists—would do unique violence to federalism and to the separation of powers.

A political question, by definition, is one on which Congress cando anything it wishes, no matter how extreme, and be immune from judicial review. Congress could, for instance, propose an amendment on Monday, then pass a resolution on Tuesday "judging" its proposal to have been ratified by 38 states. Everyone could see the congressional resolution was a lie; but the Supreme Court, if it accepted this as a "political question" on which it was powerless to rule, would have to apply the Constitution thus rewritten.

Of course it's unlikely that Congress would pursue the political-questions doctrine to its logical extreme. Nevertheless, at every turn there will be voices urging Congress to disregard legal niceties, to regard procedural votes as expressions of support or opposition to the amendment of the hour. At its best, the Constitution protects the rights of racial, religious, sectional, and other minorities. To entrust the ultimate power over its amendment to a single institution—a highly political, majoritarian, federal-level institution—would be to trust that institution with those rights.

Greasing the skids for the ERA will set a precedent for future amendments which, Professor Black reminds us, could "change the Presidency to a committee of three, hobble the treaty power, make the federal judiciary elective, repeal the Fourth Amendment, make Catholics ineligible for office, and move the national capital to Topeka."

No thoughtful person, liberal or conservative, ERA supporter or opponent, will let his feelings about a particular amendment color his judgment about who shall wield, for all time, the power to rewrite the Constitution.

In response to ERA opponents' entreaties not to "change the rules in the middle of the game," Congressman Barbara Jordan recently replied, with righteous indignation, "This is no game!" She's right. It's a Republic, if we can keep it.●

OVER 750,000 OPPOSE NUCLEAR POWER

● Mr. GRAVEL. Mr. President, I am delighted to report to Congress that an organization dedicated to banning unsafe, unnecessary, uneconomic nuclear fission power has received support, in writing, from over 750,000 Americans.

The Task Force Against Nuclear Pollution, Inc. (P.O. Box 1817, Washington, D.C. 20013) now has over 750,000 signatures on the following, or similar, "Clean Energy Petition," which is endorsed by Ralph Nader:

I petition my representatives in government to sponsor and actively support legislation to: (1) foster wide use of solar (including wind) power NOW, and (2) phase out operation of nuclear powerplants as quickly as possible.

Mr. President, the task force's growing number of petitions is only one indication of the growing number of Americans who are saying "no" to nuclear power. For example, on June 24, 1978, about 25,000 people came to the anti-nuclear rally in Seabrook, N.H. Contrary to some press reports, the participants did not come just to have a good time near the sea; the rally was held in the middle of a dusty garbage dump infested with mosquitoes. The depth of understanding of the nuclear problem exhibited by the people at the rally was remarkable, and even surprised some of the speakers.

When I began having severe reservations about nuclear power several years ago, there was almost no evidence that my opinion was shared by many Americans. But thanks to relentless efforts by what was at first a small number of concerned citizens, the message is finally reaching more and more people: Nuclear powerplants, which each year can produce as much radioactive garbage as 1,000 Hiroshima bombs per powerplant, represent a unique and unmanageable hazard to present and future generations. And further, they are an unmanageable economic burden and are completely unnecessary since all our legitimate energy demands can be met through non-nuclear fission energy sources, like solar energy.

Mr. President, so that my colleagues may see the extent of concern over the nuclear power issue across the country, I submit the August 1978, report of the task force, which lists by congressional district the number of signed petitions, to be printed in the RECORD.

TASK FORCE AGAINST NUCLEAR POLLUTION
REPORT OF AUGUST, 1978

(Representatives listed by last name by Congressional District; those in CAPITAL letters are sponsors of nuclear power mora-

torium legislation. UN: Unidentified by district)

Alabama

1. Edwards	162
2. Dickinson	229
3. Nichols	457
4. Bevill	123
5. Flippo	650
6. Buchanan	508
7. Flowers	574
UN	18
Total	2,271

Alaska

At Large—Young	417

Arizona

1. Rhodes	529
2. Udall	1,226
3. Stump	305
4. Rudd	252
UN	4,539
Total	6,949

Arkansas

1. Alexander	183
2. Tucker	437
3. Hammerschmidt	2,570
4. Thornton	193
UN	44
Total	3,427

California

1. Johnson	1,684
2. Clausen	4,339
3. Moss	2,456
4. Leggett	734
5. Burton (John)	2,935
6. Burton (Phillip)	2,140
7. Miller	976
8. DELLUMS	5,486
9. STARK	766
10. Edwards	778
11. RYAN	862
12. McCloskey	234
13. Mineta	848
14. McFall	1,753
15. Sisk	1,584
16. Panetta	5,410
17. Krebs	2,672
18. Vacant	261
19. Lagomarsino	2,283
20. Goldwater	1,244
21. Corman	611
22. Moorhead	709
23. Beilenson	2,467
24. Waxman	3,936
25. ROYBAL	625
26. Rousselot	764
27. Dornan	2,651
28. Burke	815
29. Hawkins	128
30. Danielson	292
31. Wilson (Charles)	298
32. Anderson	583
33. Clawson	689
34. Hannaford	838
35. Lloyd	599
36. Brown	394
37. Pettis	619
38. Patterson	292
39. Wiggins	613
40. Badham	2,350
41. Wilson (Bob)	1,604
42. Van Deerlin	700
43. Burgener	1,476
UN	1,004
Total	64,502

Colorado

1. Schroeder	1,459
2. Wirth	222
3. Evans	756
4. Johnson	1,343
5. Armstrong	518
UN	181
Total	4,479

Connecticut

1. Cotter	1,810
2. Dodd	3,940
3. Giaimo	3,093
4. McKinney	2,577
5. Sarasin	1,891
6. Moffett	1,699
UN	1,942
Total	16,952

District of Columbia

At Large—Fauntroy	2,205

Delaware

At Large—Evans	7,243

Florida

1. Sikes	253
2. Fuqua	1,680
3. Bennett	157
4. Chappell	407
5. Kelly	289
6. Young	501
7. Gibbons	248
8. Ireland	488
9. Frey	193
10. Bafalis	730
11. Rogers	1,122
12. Burke	358
13. Lehman	452
14. Pepper	448
15. Fascell	1,176
UN	151
Total	8,653

Georgia

1. Ginn	287
2. Mathis	72
3. Brinkley	501
4. Levitas	1,458
5. Fowler	68
6. Flynt	176
7. McDonald	260
8. Evans	201
9. Jenkins	695
10. Barnard	551
UN	551
Total	4,820

Hawaii

1. Heftel	800
2. Akaka	298
Total	1,098

Idaho

1. Symms	700
2. Hansen	319
UN	2
Total	1,021

Illinois

1. Metcalfe	91
2. Murphy	14
3. Russo	65
4. Derwinski	846
5. Fary	8
6. Hyde	548
7. Collins	23
8. Rostenkowski	30
9. Yates	303
10. Mikva	1,727
11. Annunzio	28
12. Crane	1,071
13. McClory	861
14. Erlenborn	487
15. Corcoran	1,560
16. Anderson	914
17. O'Brien	295
18. Michel	137
19. Railsback	431
20. Findley	516
21. Madigan	1,743
22. Shipley	216
23. Price	386
24. Simon	852
UN	3,629
Total	16,781

Indiana

1. Benjamin	230
2. Fithian	444
3. Brademas	1,121
4. Quayle	386
5. Hillis	219
6. Evans	111
7. Myers	1,905
8. Cornwell	247
9. Hamilton	842
10. Sharp	483
11. Jacobs	162
UN	394
Total	6,544

Iowa

1. Leach	3,632
2. Blouin	1,567
3. Grassley	628
4. Smith	2,424
5. Harkin	1,083
6. Bedell	323
UN	70
Total	9,817

Kansas

1. Sebelius	1,694
2. Keys	853
3. Winn	1,007
4. Glickman	2,718
5. Skubitz	1,505
UN	108
Total	7,885

Kentucky

1. Hubbard	172
2. Natcher	392
3. Mazzoli	1,060
4. Snyder	219
5. Carter	377
6. Breckinridge	541
7. Perkins	139
UN	20
Total	2,920

Louisiana

1. Livingston	474
2. Boggs	935
3. Treen	98
4. Waggonner	677
5. Huckaby	44
6. Moore	824
7. Breaux	307
8. Long	178
UN	16
Total	3,553

Maine

1. Emery	2,350
2. Cohen	1,936
UN	28
Total	4,418

Maryland

1. Bauman	631
2. Long	336
3. Mikulski	27
4. Holt	601
5. Spellman	906
6. Byron	425
7. Mitchell	147
8. Steers	1,853
UN	1,431
Total	6,357

Massachusetts

1. Conte	12,166
2. Boland	2,471
3. Early	1,528
4. Drinan	978
5. Tsongas	1,972
6. Harrington	2,325
7. Markey	372
8. O'Neill	1,361
9. Moakley	457
10. Heckler	2,056
11. Burke	492
12. Studds	1,771
UN	3,971
Total	31,920

Michigan

1. Conyers	386
2. Pursell	1,585
3. Brown	681
4. Stockman	618
5. Sawyer	395
6. Carr	749
7. Kildee	205
8. Traxler	366
9. Vander Jagt	388
10 Cederberg	514
11. Ruppe	668
12. Bonior	316
13. Diggs	313
14. Nedzi	464
15. Ford	360
16. Dingell	323
17. Brodhead	629
18. Blanchard	540
19. Broomfield	744
UN	23
Total	10,267

Minnesota

1 Quie	671
2. Hagedorn	713
3. Frenzel	149
4. Vento	1,721
5. Fraser	2,519
6. NOLAN	411
7. Stangeland	453
8. Oberstar	382
UN	77
Total	7,096

Mississippi

1. Whitten	53
2. Bowen	79
3. Montgomery	24
4. Cochran	204
5. Lott	444
UN	3
Total	807

Missouri

1. Clay	711
2. Young	410
3. Gephardt	632
4. Skelton	895
5. Bolling	355
6. Coleman	568
7. Taylor	523
8. Ichord	2,600
9. Volkmer	468
10. Burlison	131
UN	124
Total	7,417

Montana

1. Baucus	608
2. Marlenee	329
UN	3
Total	940

Nebraska

1. Thone	511
2. Cavanaugh	215
3. Smith	146
Total	872

Nevada

At Large—Santini	590

New Hampshire

1. D'Amours	4,562
2. Cleveland	3,472
UN	4,011
Total	12,045

New Jersey

1. Florio	1,587
2. Hughes	5,205
3. Howard	1,673
4. Thompson	1,342
5. Fenwick	3,424
6. Forsythe	2,213
7. Maguire	3,156
8. Roe	1,298
9. Hollenbeck	1,816
10. Rodino	1,198
11. Minish	2,020
12. Rinaldo	1,730
13. Meyner	1,348
14. Le Fante	1,636
15. Patten	1,820
UN	1,072
Total	32,574

New Mexico

1. Lujan	4,192
2. Runnels	323
UN	844
Total	5,359

New York

1. Pike	6147
2. Downey	1881
3. Ambro	3346
4. Lent	2334
5. Wydler	2336
6. Wolff	1647
7. Addabbo	34
8. Rosenthal	103
9. Delaney	31
10. Biaggi	103
11. Scheuer	284
12. Chisholm	19
13. Solarz	58
14. Richmond	41
15. Zeferetti	45
16. Holtzman	37
17. Murphy	1896
18. Green	2941
19. Rangel	1744
20. Weiss	3337
21. Garcia	17
22. Bingham	22
23. Caputo	2980
24. Ottinger	4307
25. Fish	12310
26. Gilman	3377
27. McHugh	12307
28. Stratton	2534
29. Pattison	8932
30. McEwen	6495
31. Mitchell	1629
32. Hanley	4007
33. Walsh	3203
34. Horton	2295
35. Conable	1208
36. LaFalce	6093
37. Nowak	3738
38. Kemp	2288
39. Lundine	2616
UN	10544
Total	119,266

North Carolina

1. Jones	609
2. Fountain	3032
3. Whitley	448
4. Andrews	4449
5. Neal	1347
6. Preyer	732
7. Rose	276
8. Hefner	832
9. Martin	798
10. Broyhill	499
11. Gudger	2769
UN	16
Total	15,807

North Dakota

At Large—Andrews	328

Ohio

1. Gradison	1,263
2. Luken	953
3. Whalen	449
4. Guyer	223
5. Latta	409
6. Harsha	274
7. Brown	591
8. Kindness	168
9. Ashley	1,322
10. Miller	456
11. Stanton	746
12. Devine	445
13. Pease	591
14. Seiberling	2,054
15. Wylie	436
16. Regula	360
17. Ashbrook	350
18. Applegate	174
19. Carney	635
20. Oakar	348
21. Stokes	237
22. Vanik	1,381
23. Mottl	741
UN	683
Total	15,289

Oklahoma

1. Jones	2,269
2. Risenhoover	1,662
3. Watkins	506
4. Steed	967
5. Edwards	584
6. English	92
UN	99
Total	6,171

Oregon

1. AuCoin	6,322
2. Ullman	1,296
3. Duncan	1,695
4. Weaver	6,530
UN	119
Total	15,962

Pennsylvania

1. Meyers	1,039
2. Nix	1,523
3. Lederer	713
4. Eilberg	925
5. Schulze	1,304
6. Yatron	707
7. Edgar	1,160
8. Kostmayer	1,888
9. Shuster	430
10. McDade	3,526
11. Flood	5,925
12. Murtha	870
13. Coughlin	1,218
14. Moorhead	54
15. Rooney	2,137
16. Walker	2,151
17. Ertel	1,912
18. Walgren	120
19. Goodling	1,863
20. Gaydos	209
21. Dent	176
22. Murphy	255
23. Ammerman	1,317
24. Marks	657
25. Myers	340
UN	1,304
Total	33,453

Puerto Rico

At Large—Corrada	11

Rhode Island

1. St Germain	3,789
2. Beard	7,151
UN	50
Total	10,990

South Carolina

1. Davis	301
2. Spence	920
3. Derrick	940
4. Mann	385
5. Holland	549
6. Jenrette	70
Total	3,165

South Dakota

1. Pressler	142
2. Abdnor	94
Total	236

Tennessee

1. Quillen	377
2. Duncan	544
3. Lloyd	422
4. Gore	2,969
5. Vacant	6,905

Tennessee—Continued

6. Beard	924
7. Jones	107
8. Ford	70
UN	226
Total	12,544

Texas

1. Hall	96
2. Wilson	165
3. Collins	587
4. Roberts	159
5. Mattox	409
6. Teague	259
7. Archer	478
8. Eckhardt	12
9. Brooks	188
10. Pickle	6,584
11. Poage	245
12. Wright	220
13. Hightower	49
14. Young	76
15. de la Garza	451
16. White	98
17. Burleson	140
18. Jordan	227
19. Mahon	82
20. Gonzalez	1,748
21. Krueger	834
22. Gammage	185
23. Kazen	593
24. Milford	792
UN	2,723
Total	17,400

Utah

1. McKay	632
2. Marriott	1,006
Total	1,638

Vermont

At Large—Jeffords	7,831

Virginia

1. Trible	557
2. Whitehurst	732
3. Satterfield	369
4. Daniel (Robert)	606
5. Daniel (Dan)	167
6. Butler	267
7. Robinson	1,608
8. Harris	1,028
9. Wampler	559
10. Fisher	1,942
UN	150
Total	7,732

Washington

1. Pritchard	3,662
2. Meeds	4,615
3. Bonker	7,014
4. McCormack	1,338
5. Foley	606
6. Dicks	1,709
7. Cunningham	2,779
UN	715
Total	22,438

West Virginia

1. Mollohan	327
2. Staggers	963
3. Slack	485
4. Rahall	166
UN	3
Total	1,944

Wisconsin

1. Aspin	320
2. Kastenmeier	6,215
3. Baldus	7,041
4. Zablocki	543
5. Reuss	1,281
6. Steiger	1,704
7. Obey	13,493
8. Cornell	2,169
9. Kasten	2,143
UN	48
Total	34,957

Wyoming

At Large—Roncalio	259

Nationwide total: 619,620.

NOTE.—As of August 10, 1978, over 135,000 additional petitions are unsorted by District due to lack of funds to hire sorters.●

WMAL EDITORIAL ON CETA

● Mr. CURTIS. Mr. President, last Monday morning, it was my privilege to hear an editorial over radio station WMAL, here in Washington, concerning the CETA program. I believe it merits the attention of the Congress.

Every time a Government agency wastes money or allows the money to be used in a manner that is not consistent with the intent of the legislation, great damage is done. It lessens the confidence of the taxpayers in their Government, and it can lead to a total ending of some activities which have the possibility of doing good. I commend this editorial to my colleagues.

Mr. President, I wish to submit the editorial for printing in the RECORD.

The editorial follows:

WMAL EDITORIAL

I'm Andy Ockershausen, executive vice-president, with a WMAL radio opinion.

The Comprehensive Employment and Training Act or CETA started out five years ago as a ray of hope to millions of unemployed Americans. It was a shot in the arm for our staggering unemployment picture, but gradually the remedy produced an even greater disease—bigger government.

As was disclosed in the Washington metropolitan area, municipalities are using CETA funds to hire people to fatten local government operations. All the blame for this cannot be placed on local officials. There were enough loopholes in the national legislation to permit the abuses which resulted. That's why we support the measures now being discussed in Congress and suggest a further step. CETA funds should be used exclusively for the training of the hard-core unemployed and the youth that are bulging our jobless rolls. The best way to do this is in the form of direct grants to the private sector. Get government at any level out of the training process.

Let's get this money to the people who know how to use it—and that is private industry.●

PRELIMINARY NOTIFICATION PROPOSED ARMS SALES

● Mr. SPARKMAN. Mr. President, section 36(b) of the Arms Export Control Act requires that Congress receive advance notification of proposed arms sales under that act in excess of $25 million, or in the case of major defense equipment as defined in the act, those in excess of $7 million. Upon receipt of such notification, the Congress has 30 calendar days during which the sale may be prohibited by means of a concurrent resolution. The provision stipulates that, in the Senate, the notification of proposed sale shall be sent to the chairman of the Foreign Relations Committee.

Pursuant to an informal understanding, the Department of Defense has agreed to provide the committee with a preliminary notification 20 days before transmittal of the official notification. The official notification will be printed in the RECORD at the conclusion of my remarks in accordance with previous practice.

I wish to inform Members of the Senate that two such notifications were received on August 23, 1978.

Interested Senators may inquire as to the details of these preliminary notifications at the offices of the Committee on Foreign Relations, room S–116 in the Capitol.

The official notifications follow:

DEFENSE SECURITY ASSISTANCE AGENCY,
Washington, D.C., August 23, 1978.

DR. HANS BINNENDIJK,
Professional Staff Member, Subcommittee on Foreign Assistance, Committee on Foreign Relations, U.S. Senate, Washington, D.C.

DEAR DR. BINNENDIJK: By letter dated 18 February 1976, the Director, Defense Security Assistance Agency, indicated that you would be advised of possible transmittals to Congress of information as required by Section 36(b) of the Arms Export Control Act. At the instruction of the Department of State, I wish to provide the following advance notification.

The Department of State is considering an offer to a European country tentatively estimated to cost in excess of $25 million.

Sincerely,

ERICH F. VON MARBOD,
Acting Director, Defense Security Assistance Agency.

DEFENSE SECURITY ASSISTANCE AGENCY,
Washington, D.C., August 23, 1978.

DR. HANS BINNENDIJK,
Professional Staff Member, Subcommittee on Foreign Assistance, Committee on Foreign Relations, U.S. Senate, Washington, D.C.

DEAR DR. BINNENDIJK: By letter dated 18 February 1976, the Director, Defense Security Assistance Agency, indicated that you would be advised of possible transmittals to Congress of information as required by Section 36(b) of the Arms Export Control Act. At the instruction of the Department of State, I wish to provide the following advance notification.

The Department of State is considering an offer to a Near Eastern country tentatively estimated to cost in excess of $25 million.

Sincerely,

ERICH F. VON MARBOD,
Acting Director, Defense Security Assistance Agency.●

PROPOSED ARMS SALES

● Mr. SPARKMAN. Mr. President, section 36(b) of the Arms Export Control Act requires that Congress receive advance notification of proposed arms sales under that act in excess of $25 million or, in the case of major defense equipment as defined in the act, those in excess of $7 million. Upon such notification, the Congress has 30 calendar days during which the sale may be prohibited by means of a concurrent resolution. The provision stipulates that, in the Senate, the notification of proposed sale shall be sent to the chairman of the Foreign Relations Committee.

In keeping with my intention to see that such information is immediately available to the full Senate, I ask to have

printed in the RECORD at this point the two notifications I have just received.

The notifications follow:

DEFENSE SECURITY ASSISTANCE AGENCY,
Washington, D.C., August 17, 1978.

In reply refer to: I-6002/78ct.
Hon. JOHN J. SPARKMAN,
Chairman, Committee on Foreign Relations, U.S. Senate, Washington, D.C.

DEAR MR. CHAIRMAN: Pursuant to the reporting requirements of Section 36(b) of the Arms Export Control Act, we are forwarding herewith, Transmittal No. 78-81, concerning the Department of the Air Force's proposed Letter of Offer to Saudi Arabia for other than major defense equipment, as defined in the International Traffic in Arms Regulations (ITAR), estimated to cost $1,300 million. Shortly after this letter is delivered to your office, we plan to notify the news media.

Sincerely,
ERICH F. VON MARBOD,
Acting Director,
Defense Security Assistance Agency.

Attachments.

[Transmittal No. 78-81]

NOTICE OF PROPOSED ISSUANCE OF LETTER OF OFFER PURSUANT TO SECTION 36(b) OF THE ARMS EXPORT CONTROL ACT

(i) Prospective Purchaser: Saudi Arabia.
(ii) Total Estimated Value:

[In millions]

Major defense equipment*	0
Other	$1,300
Total	1,300

*As included in the U.S. Munitions List, a part of the International Traffic in Arms Regulations (ITAR).

(iii) Description of Articles or Services Offered: Three (3) year continuation of aircraft maintenance, training and support services provided through US Air Force contract with private industry under the code name of PEACE HAWK program. In addition, the program involves modification and expansion of some existing Saudi Air Force facilities and construction of a small number of new.**

(iv) Military Department: Air Force.

(v) Sales Commission, Fee, etc. Paid, Offered or Agreed to be Paid: None.

(vi) Date Report Delivered to Congress: August 17, 1978.

DEFENSE SECURITY ASSISTANCE AGENCY,
Washington, D.C., August 17, 1978.

In reply refer to: I-4922/78ct.
Hon. JOHN J. SPARKMAN,
Chairman, Committee on Foreign Relations, U.S. Senate, Washington, D.C.

DEAR MR. CHAIRMAN: Pursuant to the reporting requirements of Section 36(b) of the Arms Export Control Act, we are forwarding herewith, Transmittal No. 78-95, concerning the Department of the Army's proposed Letter of Offer to Saudi Arabia for major defense equipment, as defined in the International Traffic in Arms Regulations (ITAR), estimated to cost $173.5 million and support costs of $46.5 million for a total estimated cost of $220 million. Shortly after this letter is delivered to your office, we plan to notify the news media.

Sincerely,
ERICH F. VON MARBOD,
Acting Director,
Defense Security Assistance Agency.

Attachments.

**Facilities.

[Transmittal No. 78-95]

NOTICE OF PROPOSED ISSUANCE OF LETTER OF OFFER PURSUANT TO SECTION 36(b) OF THE ARMS EXPORT CONTROL ACT

(i) Prospective Purchaser: Saudi Arabia.
(ii) Total Estimated Value:

[In millions]

Major defense equipment*	$173.5
Other	46.5
Total	220.0

*As included in the U.S. Munitions List, a part of the International Traffic in Arms Regulations (ITAR).

(iii) Description of Articles or Services Offered: This notification includes phase one of the follow-on program which is to train and equip one logistics battalion and to maintain the readiness of the four battalions modernized in the original program Saudi Arabian National Guard (SANG) Modernization.**

(iv) Military Department: Army.

(v) Sales Commission, Fee, etc. Paid, Offered or Agreed to the Paid: None.

(vi) Date Report Delivered to Congress: August 17, 1978.

**Program.●

AN AMERICAN DIPLOMATIC OPPORTUNITY

● Mr. HEINZ. Mr. President, "Members of Congress for Peace Through Law," a bipartisan group of my colleagues in the House and the Senate, has recently issued a report on the status of American-Vietnamese relations—and their impact and interrelation with the foreign policy goals of China and the Soviet Union.

I wou'd like to commend to the critical reading of all my Senate colleagues this report entitled: "Vietnam and China: An American Diplomatic Opportunity," and ask that it be printed in the RECORD.

The report follows:

VIETNAM AND CHINA: AN AMERICAN DIPLOMATIC OPPORTUNITY

Allowing the "China Card" global strategy to shape American diplomatic relations with Vietnam may cause the United States to miss a crucial opportunity to lessen Soviet influence in Indochina and to strengthen peace and stability in Southeast Asia.

A cross roads in American policy in the Far East has been reached. Since the end of the Indochina War, the situation in the region has changed dramatically. New political alignments have emerged. The primary conflict in the Far East today is no longer between communist and non-communist states as it was during the 1950's and 1960's. The primary conflict is between China and Vietnam, who are fighting Southeast Asia's new cold war. This realignment presents both dangers and opportunities for American diplomacy.

The danger is that the United States will drift into a de facto alignment with China against Vietnam which could, in turn, force Vietnam into an exclusive alliance with the Soviet Union. This could lead to a long-term Soviet military presence in Southeast Asia and to greater insecurities for the member states of the Association of South East Asian Nations (ASEAN).

The opportunity, on the other hand, arises from the Vietnamese willingness to turn to the United States as the alternative to a dependency relationship with the Soviet Union. Vietnam now seems prepared to work toward closer diplomatic and economic cooperation with the United States as a means of maintaining its independence from both the Soviet Union and China. The question facing Congress and the Administration is whether to provide this alternative to Vietnam.

American-Vietnamese diplomatic relations and a Vietnam equidistant from the superpowers could be the keystone for a more peaceful and stable political order in a Southeast Asia where both Soviet and Chinese influence would be lessened and where the development of each nation could be determined by internal policies rather than external pressures. American influence in the region would increase.

These dramatic changes call for a creative American diplomacy in a region marked by some of the worst American diplomatic blunders in our history. But the Carter Administration has not yet developed a clear-cut policy toward Southeast Asia in general or Vietnam in particular.

Why has this region been moved to the back burner? The absence of a policy may represent a failure to appreciate the full significance of our relations with Vietnam for the future of the entire region. Another explanation may be the domestic political constraints concerning post-war relations. But there are, as well, some disturbing questions which must be raised: Are we letting the Chinese determine our policy for us? Are we recognizing a Chinese "sphere of influence" in the region?

The United States does not now appear to appreciate either the dangers or the opportunities The issue is not whether the U.S. should normalize relations with Peking. Rather, the issue is whether by rushing into China's arms the U.S. will forfeit its potential for influence on the mainland of Southeast Asia and give its de facto approval to Chinese policies which destabilize the old Indochina area. The unfortunate irony may be that the very Soviet influence which the "China card" global strategy is designed to ward off will be increased in Southeast Asia by a shortsighted play of the card, vis-a-vis our relations with Vietnam.

HISTORICAL BACKGROUND: UNITED STATES-VIETNAM POST-WAR RELATIONS

When the war in Vietnam finally ended in April, 1975, the U.S. adopted a policy of hostility and isolation toward Vietnam. Secretary of State Kissinger indicated that Hanoi should be punished for its use of military force to defeat the Thieu government, and refused either diplomatic recognition or trade. The continuation of the trade embargo with the North and its extension to South Vietnam after the war constituted a clear sanction, even though the Executive Branch explained its action as a "wait and see" policy. He opposed Vietnamese membership in the United Nations. Although Hanoi offered to negotiate with the U.S. on post-war relations, Kissinger refused even that much diplomatic contact. The Carter Administration ended these openly hostile policies, stopped vetoing Vietnamese membership in the UN, and offered to exchange Ambassadors without preconditions, although it maintained the trade embargo intact.

On its side, Hanoi began the postwar period demanding postwar reconstruction aid as a condition for diplomatic relations. But after a series of three meetings with U.S. diplomats in Paris in May, June and December, 1977, the Vietnamese were realistic enough to recognize that such a condition was impossible to fulfill given the political atmosphere in Congress. Congress had been willing to lift the trade embargo to improve prospects for an M.I.A. accounting but post-war aid was out of the question. The Vietnamese are now indicating a desire to negotiate with the U.S. a formula which would advance U.S.-Vietnamese relations without reconstruction aid. The open military conflict with Cambodia and the tensions with China have accelerated Vietnamese interest in normalization of relations with the U.S. Deputy Foreign Minister Phan Hien declared recently in Japan that Vietnam is now ready

to begin diplomatic relations with the U.S. without preconditions.

While diplomacy of post-war relations has been entangled in the politics of the war itself, the impact of the China connection on post-war prospects was already visible in Kissinger's attitudes. Kissinger's thinking about post-war relations with Vietnam was very much colored by the whole China link. Understandably, Kissinger saw post-war relations with Vietnam as distinctly secondary to relations with China. But to achieve his China policy, he was willing to foster the growth of China-Vietnam tensions. By withholding an American alternative from Vietnam, he apparently sought to increase China's paranoia about the Soviet's role in Vietnam.

Kissinger had noted as early as 1972, in background press briefings, that the Chinese had indicated a desire for the U.S. to keep its bases in Thailand and the Philippines as a counterweight to the Soviets. He assumed that China would be worried about a unified Vietnam without the U.S. counterweight and that, as a result, China would be motivated to pursue "parallel interests" (i.e. oppose Soviet influence in Southeast Asia) with the United States. Less than one week after the Saigon government was defeated, Kissinger said China "now has 40 million Vietnamese on its border who do not exactly suffer from lack of confidence in themselves," and he suggested that Peking, as a result of its appraisal of this new balance of power, would want to continue normalizing relations with the United States. He also hoped that China would normalize relations with Thailand, strengthen ties with the non-communist Southwest Asian countries and become a force for stability in the region.

This brief review of Kissinger's policy indicates that the "China card" was a prominent feature in America's diplomatic hand throughout the post-war diplomacy. What appears to have changed is that it has become the dominant theme of American diplomatic strategy.

RELATIONS BETWEEN CHINA AND VIETMAM

China and Vietnam have had a tradition of national conflicts. But the primary tensions which now divide them can be traced to the schism in the international communist movement. As far back as 1963, the Chinese tried to persuade the Vietnamese to sign their statement creating a new international communist order which would exclude the Soviet Union. The Vietnamese refused, even though they harbored serious policy disagreements with the Soviet Union and shared certain ideological principles with China. (Similarly, Vietnam later withheld support for Soviet-inspired efforts to read China out of the international communist movement.) China's fears must have increased as the Vietnamese drew closer to the Soviet Union in their quest for military and economic aid during the war against the United States.

Throughout the war, the Chinese apparently were concerned about the potential consequences of a Vietnamese military victory. They opposed a Vietnamese diplomatic settlement early in the war out of fear that the Soviet Union would have a strong influence on the settlement. Many diplomatic observers in the 1965–68 period commented correctly that the "Chinese are willing to fight until the last Vietnamese."

A key turning point came in 1969–70. The Chinese leadership adopted a position advocated by Mao since the mid-1960's that the Soviet Union posed a greater danger to China than the United States. The Russian invasion of Czechoslovakia in August, 1968, and the Sino-Soviet border clashes in March, 1969, had bolstered Mao's line of argument as did the quiet signals emanating from the new Nixon administration that it was interested in improving ties with China. The Chinese were seeking to counter the Soviet Union by opening ties to the U.S. The U.S. hoped that the new relationship with China would exacerbate Sino-Soviet differences and, at the same time, prevent any direct Soviet action against China. This new strategic equation, Washington hoped, would give the U.S. greater leverage with both of Hanoi's main allies and arms suppliers to obtain their help in pressuring North Vietnam to accept U.S. terms.

The Nixon Administration pressed the Chinese to slow the flow of arms to Vietnam and to help find a settlement short of victory for the revolutionary movements in Indochina. The Chinese apparently were responsive to the Nixon request. China opposed the Vietnamese Spring Offensive in 1972 and advised the Vietnamese to pursue a long-term, low level, low cost guerilla war. To the Chinese, a Vietnamese military offensive meant greater military reliance on the Soviet Union as well as greater Vietnamese economic and political indebtedness to the Soviets. However, Vietnam apparently did not accept this Chinese advice and continued to conduct the war on its own terms.

During the war, China could not make known its serious differences with Vietnam nor openly attack Soviet influence in Vietnam. But once the war ended, China took a more aggressive stance, insisting that Vietnam drop its relations with the Soviet Union in order to be accepted as a fully friendly nation. An early manifestation of the new attitude was the Chinese reaction to the disputed islands in the South China Sea, the Paracels and the Spratleys. In December, 1975, a Chinese Communist newspaper in Hong Kong reprinted a People's Republic of China newspaper editorial on the Chinese claims to the islands, along with an editorial accusing the Soviet Union of trying to "stir up" Vietnam against China by backing the Vietnamese claims to the islands. Vietnamese offers to negotiate on the disputed islands brought no reply from the Chinese, who regard it as a non-negotiable issue.

The status of ethnic Chinese in Vietnam is another major issue of contention. Recent events appear to have all the earmarks of a major Chinese polemical campaign against Vietnam and the Soviet Union.

In 1955, the Chinese and Vietnamese communist parties signed an agreement which permitted the Hoa (Chinese origin) people in North Vietnam to choose either to become full Vietnamese citizens or to remain as resident foreigners; most became Vietnamese citizens of Chinese origin. However, this agreement did not extend to South Vietnam, which was ruled by the Diem regime. Diem used coercive measures to force Chinese residents to become Vietnamese and even issued an edict stating that all children of Chinese parents born in Vietnam were to be South Vietnamese citizens. After the war, all the citizens of the old regime automatically became citizens of reunified Vietnam.

The Chinese in Saigon historically have constituted an economically powerful group of rich merchants, businessmen, and middle traders. On March 23, Vietnam's government announced the abolition of "capitalist commerce" in the south. These and subsequent decrees fell most harshly on the Chinese merchant community and it appears that the manner in which the reforms were implemented at the local level by Vietnamese cadres caused some panic. These reforms seem little different, however, from those enforced by other socialist governments, including China after its revolution.

Normally, a dispute of this type involving ethnic residents would be negotiated by the two countries. But what appears most significant in this case is the element of anti-Soviet propaganda which the Chinese inject into the issue. A pro-Chinese Hong Kong newspaper stated in May, for example, that the USSR had instigated Vietnam to expel large numbers of ethnic Chinese from Vietnam and it claimed that Moscow has "pushed Vietnam into an anti-China road." The head of Peking's office for overseas Chinese affairs told a delegation of Japanese politicians in early June that "the Soviet Union is behind the expulsion of Chinese residents from Vietnam . . . Vietnam listens to the Russians on everything these days." *Newsweek* correctly analyzed the problem when it stated "the refugee issue was basically a sideshow; the real problem was China's fear that Vietnam and the Soviet Union were in league to dominate Southeast Asia." (July 3, 1978)

It appears that China is using the issue of the Chinese exodus from Vietnam, whatever its origins, as a means of discrediting Vietnam internationally and as a pretext for making clear moves in the direction of an open break. On May 19, the Chinese announced the withdrawal of aid to Vietnam, which amounts to several hundred million dollars over 5 years and involves at least 72 economic development projects. In May the Chinese ordered three Vietnamese consulates in China to close. In June, China withdrew its nearly 1800 technicians from Vietnam. China's ambassador to Vietnam, Chen Chi-fang, was recalled.

There are also reports of military preparations on the Chinese-Vietnamese border, border clashes and increasing possibilities of armed conflict.

The post-war border conflict between Vietnam and Kampuchea (Cambodia) has roots not only in traditional ethnic rivalries but in the Chinese-Soviet rivalry and in the factional disputes within the Cambodian communist party. Apparently there have been two distinct factions within the community party of Cambodia at least since the nearly 1960's. One favored cooperation with Vietnam while the other faction strongly opposed it, fearing that such cooperation would deny this faction effective control over the party apparatus and lead to Vietnamese domination of the party. The anti-Vietnam faction, led by Pol Pot, won and now rules Cambodia. Many of the Cambodian officials and intellectuals which the regime has been accused of eliminating were members of the pro-Vietnam faction.

The Pol Pot faction, which had allied itself with China during the 1970–75 war, apparently made a critical decision during the war that Cambodia would not cooperate with Vietnam when the war ended. Henceforth, Cambodia would take a distant and unfriendly stance toward Vietnam and would turn to China for material aid to carry out this policy, which included using unilateral force on territorial issues.

The Cambodian government has publicly admitted that it attacked the islands of Phu Quoc and Tho Chu within days of the end of the war. The Vietnamese retaliated by seizing temporarily islands which had been controlled by Cambodia in the Gulf of Thailand. These problems were then negotiated in 1975 and resolved to the apparent satisfaction of both sides. The Cambodians gave up their claims to the Vietnamese islands and the Vietnamese gave up their claims to the Cambodian islands.

The origins of the Vietnamese-Cambodian fighting along the border are obscure, but the diplomatic efforts to resolve the problems are relatively clear. In May, 1976, the two sides met in Hanoi to prepare for higher-level negotiations on the border conflict. Both sides agreed that a 1 to 100,000 scale map printed by the Geographical Service of Indochina, would serve as a basis for the delimi-

tation of the land border between the two countries. But the Cambodians broke off the preparatory talks and refused to go ahead with any further negotiations on the border. It appears to be well established that at the beginning of 1977, Cambodian forces launched stepped-up attacks on Vietnamese settlements in the border area. In June, 1977, the Vietnamese offered once more to undertake high-level negotiations with Cambodia to resolve the problem, but Cambodia replied that they would discuss it only after "a period of time until the situation returns to normal, without further border conflicts." This was of course a refusal to negotiate at all, since it was precisely because of border clashes that the talks were necessary.

Troops along the entire length of the Vietnamese-Cambodian border in late September, 1977, which apparently led the Vietnamese to begin preparations for a major military move into Cambodia, aimed at forcing the Cambodians to reassess their policy. Instead the Vietnamese military response led to the open airing of the seriousness of the conflict by Cambodia, and the beginning of vituperative propaganda by both sides. Cambodia refused Vietnam's offer in February to pull its forces back five miles from the existing border and begin negotiations if the Cambodians would do the same. At the same time, the Cambodians began to use 130mm long-range artillery to devastate the capitals in at least three Vietnamese provinces adjoining the Cambodian border.

The Vietnamese apparently have now responded with moves to encourage Cambodian refugee military groups dedicated to overthrowing the Pol Pot government. Unless there is a major initiative from outside, therefore, the conflict appears not only unresolvable but capable of escalating still further, with potentially serious consequences in terms of Chinese and Soviet involvement.

The anti-Vietnam faction of Cambodian party leader Pol Pot could not have attacked Vietnam without active political and material support from China. China is reputed to have 1,000 military advisors in Cambodia and has supplied the Cambodian military with long-range artillery, tanks, recoiless rifles, heavy mortars and anti-tank weapons, and other military aid since 1975. At the very least, it can be said to a practical certainty that China has done nothing to discourage the Cambodians from assuming a very strong military posture on the border with Vietnam.

Chinese policy of support for Cambodia appears to be a part of its overall anti-Soviet strategy in the Far East: to isolate Vietnam in Southeast Asia while, at the same time, encouraging Cambodia and Thailand to normalize relations; to encourage the U.S. to maintain its bases in Thailand (which the Vietnamese opposed) despite Thai opposition; and to cement ties with ASEAN states. Clearly, polarization between Vietnam and Cambodia serves Chinese interests.

The Chinese view of Vietnam reflects an obsession with the influence of the Soviet Union which is strangely reminiscent of the U.S. attitude during the 1950's Cold War: "if you're not with us, you're against us." China seems to view the world with a rigid and distorted vision which sees overweaning Soviet influence in any country which has economic or military ties with the Soviet Union or is not explicitly anti-Soviet. The ironic outcome of such a rigid and obsessive Chinese attitude may be to mistake potential friends for enemies and to bring into being the very Soviet influence it wants to avoid.

THE AMERICAN OPPORTUNITY

The conflicts between Vietnam, China and Cambodia have had two major implications for Vietnamese policy. First, Vietnam now perceives China as the main threat to its security. It sees China as a threat because of China's policy to treat it as an adjunct of the Soviet Union. Business Week was not underestimating when it stated: "The escalation of propaganda and implied threats by Peking against the Vietnamese regime have created a crisis for Hanoi." (June 19, 1978)

Second, the Vietnamese have responded by recognizing that it is even more urgent than before to develop a cooperative relationship with the United States as a basic element of their security policy.

The combination of these two responses constitutes the opportunity for American diplomacy in the region.

It seems almost inevitable that Vietnam must react to the increased Chinese pressure in the north and from the Cambodians in the south by securing military, political and economic counterweights. One source is the Soviet Union. Vietnam is almost certainly to appeal to the Soviet Union for greater support in order to neutralize the increased Chinese pressure. Chinese allegations of Soviet missile or naval bases in Vietnam have been dismissed as without foundation by American intelligence officials. However, Vietnamese requests for some tangible symbol of Soviet deterrence against Chinese military pressures would seem a serious possibility if the pressures continue to build.

Economic conditions are equally significant. Vietnam faces drastic economic hardships in the wake of its wartime destruction. The devastation is compounded by rice shortfalls caused by unusually severe droughts in 1976–77. The loss of Chinese aid—as much as $500 million over 1976–80—and the withdrawal of Chinese technicians will compound the problems. The continuing border strife with Cambodia will drain manpower and resources away from the civilian reconstruction effort. The unfortunate consequence of these pressures may be to make economic transformation in southern Vietnam more harsh than would otherwise be the case.

The Vietnamese must find replacements for the lost Chinese aid in the form of both project and commodity assistance. The Soviet Union already is giving approximately $3 billion for the 1976–80 5-year plan out of a total of $4.2 billion from all socialist countries. Western and multilateral aid to Vietnam joined the Council for Mutual Economic Assistance (COMECON), the Eastern bloc's equivalent of the Common Market.

In our view, there is a strong danger that a mechanistic playing of the "China card" will create all types of pressure on Vietnam to strengthen its tries to the Soviet Union which could diminish its own independence and increase big-power tensions in the region. Increased Vietnamese dependence on the Soviet Union would be contrary to both American policy interests and the interest of peace and stability in the region.

There are two major consequences of these pressures for American policymakers to consider. First, we may be entering the formative period for an era of international relations in Southeast Asia comparable to the Cold War in which certain alignments were maintained for two decades (i.e. SEATO 1954–75). It should be an important objective of American policy to use whatever influence we may have to prevent the hardening of the new alignments as we have described them.

Second, it should not be forgotten by U.S. policymakers that the Vietnamese would be entering into this new dependency reluctantly. They don't regard the Soviet interests are not necessarily co-extensive with their own. They remember the failure of the Soviet Union to provide sufficiently strong diplomatic support in the mid-1950's to force the implementation of the political provisions of the Geneva Accords of 1954. They also remember that the Soviet Union sold them out diplomatically when President Nixon was received in Moscow at detente's summit while the U.S. was bombing northern Vietnam and mining Haiphong harbor.

This distrust of Soviet motives fits well with the Vietnamese preference for an equidistant relationship among the great powers. As noted by *Business Week*, "Maintaining a balance between Moscow and Peking has always been a fundamental tenet of the Vietnamese Communists." (June 19, 1978). It is this balance which is now threatened.

The opportunity for American diplomacy today is to restore this balance. The U.S. could help maintain a long-term system of peace and stability in Southeast Asia based in part on the ability of Vietnam to maintain its independence from all the great powers. American and Vietnamese interests overlap to the extent that we wish to minimize Soviet dominance, stabilize the region, and at the same time avoid Chinese hegemony over the mainland of Southeast Asia. In the present circumstances, the way to achieve these objectives is to present to Vietnam an alternative source of diplomatic and commercial relations against both the Soviet Union and China. Diplomatic and economic relations with the U.S. would give the Vietnamese additional room to maintain an independent stance equidistant from all the great powers.

Our failure to take advantage of this opportunity would be unfortunate for American diplomacy. Thus far, U.S. diplomatic signals provide no grounds for the Vietnamese to believe that America intends to offer a new relationship as an alternative to a closer reliance on the Soviet Union.

The first cluster of signals has been an implicit if not explicit American acquiescence in China's campaign against Vietnam. This cluster involves:

*the absence of any effort by the U.S. to restrain China or urge a negotiated settlement;

*the endorsement in China by National Security Advisor Brzezinski of the pursuit of "parallel interests" with China in the context of implicit approval of China's position on the Cambodia-Vietnam issue.

National Security Advisor Brzezinski's toast on May 20 at the welcoming banquet in Peking was evidently a signal to the Chinese that the U.S. was sympathetic to its views on the future of Southeast Asia. "Asia needs stability, respect for frontiers, freedom from foreign intervention, for peaceful development," he said. "In many of these areas, we can enhance the cause of peace through consultations and, where appropriate, through parallel pursuit of our similar objectives.

This banquet toast, couched in diplomatic language, certainly encouraged the Chinese to feel that they had U.S.-backing for their policy of arming the Cambodians and thus encouraging a rejection of negotiations for a settlement of the Cambodia-Vietnamese War. The visit to Peking and the toast were signals that the U.S. would support the Chinese interest. According to columnists Evans and Novak, "The U.S. team (to China) was particularly impressed with Chinese recitation of Soviet machinations in unified Vietnam". (June 22, 1978)

It is easy for American officials to plead "no influence" over Chinese policy. Given its passive stance toward Indochina in the past three years, the U.S. has indeed lost much of its political influence. However, we are far from having no influence. In the context of the "parallel interests" which the U.S. proclaims with China, the U.S. has not only the right but the obligation to make known its views where these differ from China's. This is certainly done on the Taiwan and Korean issues; it should also be done on Vietnam. Indeed, the absence of any American intention to dominate the region or to threaten any of the Southeast Asian states should actually lend weight to our views in Chinese eyes.

The second cluster concerns the U.S. response to the direct negotiations between the U.S. and Vietnam in Paris on the normalization of relations. The Vietnamese now have dropped their insistence on a promise of postwar reconstruction aid as a precondition for progress toward normalization of relations with the U.S. U.S. diplomatic officials are aware of this clear change of attitude by Vietnam. The Vietnamese now suggest that a lifting of the trade embargo would be a sufficient indication of an end to U.S. hostility, with the possibility of aid to be discussed subsequently in the context of normal bilateral negotiations. This represents a major shift toward the American position of removing post-war normalization from the diplomatic framework of the Paris Agreement on Ending the War.

Above all, this new Vietnamese attitude removes the outstanding domestic political obstacle in the U.S., since a lifting of the trade embargo in the context of normalization of relations is a far less emotional issue in Congress than was the reparations issue. In contrast to Congressional restrictions imposed recently on direct and indirect U.S. financial aid to Vietnam, Congress actually voted to conditionally lift the trade embargo in 1976 only to have it vetoed by President Ford.

Since normalization remains the official goal of American policy, we believe this new Vietnamese position creates enough common ground for our negotiators at the next round of negotiations to respond affirmatively and to make real progress. By responding affirmatively, we would make clear that our desire for normalization has not been cooled by the decision to play the "China card" in big power relations. Prospects for successful negotiations were improved by recent "goodwill gestures" by the Vietnamese, including the successful visit of a delegation of Vietnamese specialists to the MIA identification center in Hawaii and their letter to Senator Kennedy approving the reuniting of American citizen children holding U.S. passports with their families in the United States.

A NEW AMERICAN DIPLOMACY

We believe that conditions are ripe for a new American diplomacy in Southeast Asia. We should move now to take advantage of the opportunity open to us—and forestall the dangers that might freeze the region's disturbing new alignments for the next generation. Just as we have responded recently to events in Africa by opening a line of communication with Angola, despite our ideological differences, we should similarly move to establish diplomatic communication with Vietnam.

It may seem ironic that we, who strongly opposed the Vietnam War, are now calling for a renewed American interest in the area. American diplomacy can have a constructive impact—but without military intervention or an intent to dominate. We can and should use our influence wisely.

Justification for this new diplomacy begins with the change in the domestic political equation based on the Vietnamese willingness to drop their insistence on post-war aid as a precondition for normalized relations with our country. It now seems politically feasible for an American President to defend normalization on this new basis in exchange for the real and immediate gains for our interests in Southeast Asia.

A second major issue is whether a new American policy of relations with Vietnam would obstruct normalization of our relations with China.

In our view, such a policy toward Vietnam is not contradictory to normalizing relations with China. First, it does not violate any of the 5 principles embodied in the Shanghai Communique, which are the basis for further development of normal relations between the United States and China.

Secondly, normalizing relations with Vietnam does not appear to contradict U.S. policy principles, enunciated by Dr. Brzezinski in Peking recently, that the U.S. approaches relations with China on the basis of "three fundamental beliefs . . . that friendship between the United States and the People's Republic of China is vital and beneficial to world peace; that a secure and strong China is in America's interest; that a powerful, confident and globally engaged United States is in China's interest."

A new Vietnam policy could even further these objectives. It could help stabilize events and reduce the intensification of existing conflicts in the Southeast Asian area. The present policy contains the seeds of intensified military confrontations. Also, it would be a vivid demonstration of American interest in the area and a symbol of our unwillingness to write off the newly independent states to Soviet domination.

The American role in Southeast Asia is another major issue. While we have no major national interests which should lead us to commit military forces in the area, we should not underestimate the importance of an American role to help stabilize Southeast Asia. There already has been a degree of normalization between Vietnam and Southeast Asian nations. But the major influence on the attitudes of Southeast Asian countries towards unified Vietnam will be the American attitude.

Normalized relations between the U.S. and Vietnam would promote a further degree of Vietnamese cooperation and accommodation with the ASEAN countries which would contribute to stability. Similarly, it is important that Vietnam no longer view the United States as a threat to its society. If Vietnam continues to view the U.S. as part of a cabal with China against Vietnam, it may not be possible for accommodation to occur between Vietnam and U.S.-supported states in the region. The main remaining obstacle to close, stable and friendly relations between Vietnam and the ASEAN nations is the lingering fear of American ill-will and bad intentions towards Vietnam. If Vietnam fears the U.S. will use non-communist and anti-communist Southeast Asian states to pressure Vietnam in a hostile manner, then tensions may rise needlessly.

It should be noted that American intelligence analysts agree that Vietnam has rejected the role of supplier or motivator for revolutionary movements in Southeast Asia. The massive stockpiles of U.S. arms captured at the end of the war have not been given or sold to insurgent movements in other states, as had been feared. Vietnam seems to have rejected this policy, in part because the communist parties of Thailand, Malaysia, Indonesia and the Philippines are, as a whole, more sympathetic to China than to the Soviet Union. Vietnam appears to prefer conservative governments which are closer to the U.S. than Chinese-oriented insurgencies, and continues to regard the issue of independence vs. foreign intervention/domination as the central problem in the region rather than the problem of the free market vs. socialism.

As noted by a prominent analyst of Southeast Asian politics, the Vietnamese—

". . . have adopted a conciliatory posture toward their non-communist neighbors. Interviews with a cross-section of military and civilian leaders in all five ASEAN countries conducted during October–November 1977 indicate that Hanoi's efforts have eased regional anxieties about Vietnam's intentions. Approximately 65 interviews with senior foreign ministry officials, military leaders, politicians, journalists, businessmen, academic specialists, and foreign diplomats make it abundantly clear that Vietnam's neighbors do not, at present, feel threatened by Hanoi.

"Earlier fears that the victorious Vietnamese would give a major boost to their communist compatriots elsewhere in Southeast Asia have not materialized.

"The central point is this: if the United States has an interest in the stability and security of Southeast Asia, then it has an interest in persuading Hanoi that its conciliatory policy of seeking cooperative relationships with non-communist states is viable. The normalization of U.S. relations with Vietnam could well be important, if not decisive, in determining whether Hanoi deems its conciliatory policy a success." (Franklin B. Weinstein, *U.S.-Vietnam Relations and the Security of Southeast Asia*, Foreign Affairs, July, 1978, pp. 846–853.)

American links with Vietnam should be established now so as to minimize the future danger that changing conditions would place the Vietnamese more at odds with the Southeast Asian countries.

The opportunity we have in Southeast Asia may not remain open for long, and may not come again for a long time. Taking advantage of the opportunity requires us to act—both to dispel the impression of supporting China against Vietnam and to make a positive diplomatic response to the new Vietnamese offer for normalization. We cannot let the rigid application of the "China card" strategic policy vis-a-vis the Soviet Union blind us to an opportunity to reduce Soviet influence, strengthen an independent tendency in a difficult region and enhance prospects for peace and stability in Southeast Asia for the next generation.●

EDUCATION AMENDMENTS OF 1978—STUDENT LOANS

● Mr. DOLE. Mr. President, the Senator from Minnesota (Mr. ANDERSON) was a cosponsor to amendment No. 1737 to S. 1753, the Education Amendments of 1978. This amendment corrected a technical flaw in the student loan guaranty program under the Higher Education Act, and set the effective date of new loan agencies as the date of enactment. The Senate accepted my amendment.

The Senator from Minnesota (Mr. ANDERSON) was necessarily absent at the time this amendment was considered, but he requested that his statement be reprinted in the RECORD. I ask that his statement be printed in the RECORD, and that in the permanent RECORD, it appear under floor debate on the amendment.●

The statement follows:

STATEMENT BY MR. ANDERSON ON STUDENT LOANS

Mr. ANDERSON. I am pleased to join with Senator DOLE in cosponsoring an amendment to the elementary and secondary education amendments which will allow student loan recipients in Minnesota and Kansas to receive the same assistance as students in other States under the guaranteed student loan program.

Because of a provision in the Education Amendments of 1976, a State guarantee agency established prior to October 1, 1977, does not qualify as a new guarantee agency for purposes of Federal assistance. The Higher Education Assistance Foundation, which serves both Minnesota and Kansas, is the only agency in this category in the country. Without a technical amendment to change the effective date of the 1976 amendments to allow guarantee agency programs initiated between October 1, 1977, to participate, Minnesota and

Kansas will not benefit from the assistance for new agencies provided by the amendments. Failure to receive the assistance for new guarantee agencies will mean that students in these two States will pay higher guarantee premiums for a longer period of time than would otherwise be necessary.

For this reason, I urge my colleagues to adopt this amendment, which simply makes a technical adjustment in the law insuring that students from Minnesota and Kansas are not unfairly penalized.

CONSUMERS AND FOOD POLICY IN NORTH AMERICA

● Mr. BAYH. Mr. President, I would like to share with my colleagues recent remarks by Assistant Secretary of Agriculture Carol Tucker Foreman to the American Agriculture Economics Association and the Canadian Agricultural Economics Society in Blacksburg, Va.

As we all know, the quality and safety of our food supply has been the subject of increasing attention in recent years, and public discussion and debate will likely continue.

Advances in science and technology now enable us to secure with increasing sophistication information on the effects of chemicals and preservatives in our food supply and their potential hazards. And with increasing frequency we are finding that there are enormous economic and social tradeoffs as those charged with making our food supply safe and nutritious go about their job.

Recent reports on the potential health hazards posed by sodium nitrite, used in curing about 70 percent of the pork products on the market illustrate clearly the need for further research on the economic effects of regulation. We know, for instance, that a total ban of nitrite would cause tremendous economic hardship to a large portion of the Nation's farm economy, but specific facts and data on the impact of various regulatory actions in regard to nitrite are lacking.

Ms. Foreman, in her remarks, documents the need for increased research regarding the impact of Government regulation on the affected industries in the food producing, processing, and distribution cycle. We certainly need additional information. I ask that her remarks be printed in the RECORD.

The statement follows:

CONSUMERS AND FOOD POLICY IN NORTH AMERICA

Anything more than a cursory look at our more successful agricultural policies will demonstrate that they have usually been based on the economic and policy research of people such as you. I applaud your past successes. But I come before you today to ask you to help forge new successes: to turn more of your talents to public policy and social science research in the food and nutrition fields.

We meet at an exciting time for you and your profession. I feel relatively certain that none of you chose agricultural economics as a vocation in the fond hope that you would wind up as lead editorials in the New York Times or the Wall Street Journal. The Economics Journal, maybe. Not Wall Street's.

But you may have been wrong. Food is news today. And two interesting and important things are happening right now—both of which involve you.

First, the traditional debate over "agricultural" policy has been expanded into a debate over food and nutrition policy. We are no longer concerned only with the mechanisms for producing, processing and distributing food, and what kinds of economic returns are available to producers, processors and distributors. Within the past few years the traditional agricultural arena has been enlarged to include a debate over food composition, nutritional values, chemical additives, and costs to consumers. And these new issues may have an enormous impact on the economy of production, processing, and distribution.

Second, we have reached a point in our national life when the people of this country, while still willing to use government action to attack a wide variety of problems, are quite rightly unwilling to tolerate unforeseen, unintended and unfortunate consequences of those actions. We are, it seems to me, in desperate search of competence in government.

Both of these developments are of enormous importance to your profession. You, in turn, can play a crucial role in resolving the problems which they present.

First, let's look at the debate over a food and nutrition policy. It's interesting that it is a debate. Does anyone, anywhere raise food for its own sake? Of because the plants look so pretty popping out of fields? We produce, process, package and market food so that people will buy it, eat it, and be nourished by it. In food, more clearly than any other sphere of the economic world, the consumer is the sole end of production.

But, until recently, government food policy has tended to be overwhelmingly concerned with increasing production, improving processing and enhancing distribution. These are good and worthwhile aims. At one time they were the only things we needed to be concerned about. Now they ignore some very current problems. Let me outline some of the most pressing.

We have for years used chemicals at various points in the food system to increase production, retard spoilage and preserve foods. They seemed a stunningly successful solution to those problems. Now they are presenting problems themselves as we learn that some of the same chemicals, which had such beneficial effects on food, treat the human body rather less kindly.

We have become so dependent upon food processing and upon nationwide food distribution systems that the farm value of production bears little relationship to final costs of food.

Although millions of Americans still are unable to get enough to eat without assistance, for millions of others nutritional problems are a result of consuming too much food.

For those who simply cannot afford an adequate diet, nutrition research and education and food safety regulations are irrelevant.

Another problem area is the dramatic change in American lifestyles over the past 15 years. Educators and nutritionists alike are becoming increasingly concerned about the capability of consumers to make food choice decisions that provide nutritionally sound diets.

Finally, government policies encourage certain kinds of production and marketing and discourage others through support prices, research, and regulation. But we know little about the impact of these programs on nutrition and on consumer prices. Government must deal with these problems. The goal that I would seek is the development of policies that will provide an adequate supply of safe, high quality and nutritious food at reasonable prices, while providing a reasonable return on investment to those who produce and distribute food, and assuring some assistance to those at home and abroad who cannot afford an adequate diet even at reasonable prices.

Obviously, no one program will achieve this goal. It requires a mixture of public and private action. Perhaps more than anything it requires wise, rational, well thought out public policies. Which brings me to my second point—the need for competence in government action. You and your professional cohorts hold important keys to competency in government action.

When I look back over some of the issues I have wrestled with since entering the government 18 months ago, the potential for your influence and the need for your expertise is overwhelming. The gaps created by their absence are sometimes appalling.

For example, in food assistance programs, one of the very first issues that confronted us was the debate over President Carter's welfare reform program and whether food stamps should be "cashed out."

We know that food stamps account for about $6 billion a year in federal tax dollars, going to some 16 million people each month. However, with the exception of the work done by my long-time friend, Sylvia Lane, we have little research on the impact of the food stamp program. We have little information on the impact of "cash out" on the nutritional well-being of food stamp families; on the total purchase of food; or on the prices received by farmers.

There isn't much research on school feeding programs either. To a greater and greater degree, schools want processed foods. They don't want whole chickens. They want precut, pre-breaded, pre-cooked frozen chickens because that reduces labor costs for the school. But what impact does that have on the producer? What impact does it have on the budget of the program at the federal level and the state level? What impact does it have on the nutritional adequacy of the school lunch?

Let's talk about superdonut and its friends. There is a perfect example of the need for your expertise. The superdonut is a formulated grain-fruit product. It is used in the school breakfast program to take the place of both the cereal-bread and vegetable-fruit portions of the breakfast. Usually a school must serve a 3-component meal. With this product, only two components are necessary. But, there is no fruit in the grain-fruit product. It is a donut or cupcake fortified with vitamins and iron. It is also high in sugar and fat.

It was originally introduced in order to encourage schools with no cafeteria facilities to take part in the breakfast program. But, we now know that most of the schools which use it have cafeterias. It is a convenient way to save money on school breakfast. But its use means that vitamin C manufactured in a laboratory is substituting for vitamin C manufactured by a citrus farmer. Further, the superdonut may be teaching children that a sugary, high-fat product is an appropriate item to have for a nutritious breakfast. Surely, it increases the child's sugar and fat consumption. These are unintended, unanticipated and unfortunate results of a government action taken to resolve one problem. It didn't resolve that problem. It created potential new ones. The problems could have been and should have been avoided. They might have been if there had been adequate analysis before we started to use them. We never had any kind of analysis until it was done by Bill Boehm and his staff last year.

Is the superdonut a trivial issue? It is typical of child nutrition problems and child nutrition programs cost $3.5 billion per year.

Let's take another example. No issue has been more hotly debated in the agricultural community over the past couple of years than the Senate Nutrition Committee's dietary goals. Nutritionists are debating the scientific validity of the goals. Cattle producers

are screaming that the goals portend their economic ruin. Do they?

I don't know. You haven't told me. I'm not aware that you have written about the potential economic impact on cattlemen if consumers follow the guidelines, and you haven't analyzed whether cattlemen might gain economically from less grain feeding. You haven't written about whether the production of leaner cattle would reduce consumer prices; reduce imports of lean beef, or any of the other myriad possible results. You haven't analyzed the costs to society of time lost from work as a result of diseases that may be diet-related.

Every time new nutritional and dietary information comes to light, tremors run through the affected industry—understandably so. Egg producers, or hog raisers, or cattle feeders are told the government is out to get them and that they are going to be driven out of business. Their very natural reaction is to attempt to refute the scientific data or prevent any attempt to act on it. That's normal and natural. It may also be the wrong reaction in terms of national health. But worst of all, it may be a great waste of energy. Perhaps the recommended changes will not cause great economic dislocation. We won't know if we don't have the research. Even if change must come, public policy can be shaped to reduce the burdens of that change—if we have research and analysis that will provide policy options.

Let me turn for a moment to regulatory decisions and the absence of economic data on which to base our actions. Nitrite is a good example. The USDA and the meat industry have known for 10 years that the sodium nitrite used in curing meat is implicated in the formation of cancer-causing nitrosamines. We know that this causes the meat to be adulterated under the definition in the Meat Inspection Act. The impact on the industry and the public may be very great. But I cannot find any economic or policy research, except a little done by the affected industry, on the extent of that impact, or on policy strategies that will help us comply with the law and reduce the impact on the industry and the public.

I believe strongly that we must act to protect the public health through vigorous enforcement of food safety laws. When the evidence is clear and strong, I am not much persuaded when the economic health of an industry is used as an argument against an action to protect the physical well-being of the public.

However, we can and should choose the public policy alternative which reduces the economic impact, or at least spreads it as broadly and equitably as possible. To do so requires development of policy alternatives based on economic research data.

These problems aren't going to go away. They're going to increase and in the absence of solid research it will be increasingly difficult to make good policy judgments.

Two years ago your former president, Ken Farrell, gave an address to this association in which he urged you to expand your vision of your field. He chided you then for failing to address the most important policy problems in the food system. I frequently seem to follow Ken's lead and so I guess much of what I've said today has the ring of "Amen, Brother." Not without reason. I read your Journal from time to time. And I have looked in vain for results of research relevant to the new food agenda. Perhaps you have expanded your research and analysis projects since Ken's speech, but I must confess I have seen little evidence of it. I was pleased to see some items on your agenda here. I hope you would agree that a 2-year gestation period is long enough.

In the past and even today you might plead that you've lacked sufficient funds to do this work. It is a legitimate complaint. Secretary Bob Bergland, Howard Hjort, Ken Farrell and even I are working to end that.

The USDA's $5 million competitive grants program for human nutrition research includes for the first time a category for funding studies relating to the social science aspects of nutrition. In addition, the Secretary has noted the need to devote increased resources to the various agencies within USDA responsible for economic research and policy analysis of food and nutrition related issues. Clearly, we are committed to do more than has been done in the past to free money for research on such issues.

Recently, Secretary Bergland announced as a goal of the Department of Agriculture to "improve the analytical capabilities in order to determine the cost effectiveness of nutrition research, education, distribution, food safety and quality of regulations and other nutrition programs; as well as the agricultural pricing and stabilization programs as they affect food an nutrition policy within USDA."

Now, you know we need you and you know we're willing to come up with some money. Next comes my "wish list" of the research we need. I hope you will consider devoting resources to some of the following areas.

First, we need to know a lot more than we do about the intricate web of factors which make people decide what to eat. Singly, and in combination, we should evaluate the influence of education, income, race, religion, sex, age, advertising, labeling, and lifestyles on food choice decisions. We should also determine how all these factors and resulting choices relate to health and to farm income. It would also be useful to identify the relationship between the consumer demand for nutrients and the demand for marketing services. Conceptual developments in this area are as old as your profession, but we haven't gotten much beyond a conceptual understanding.

This research can provide the foundation for policy analyses and evaluations of federal programs in nutrition education, food labeling and food quality regulation. It would also help us understand the nutrition-related consequences of federal agricultural production, marketing and income stabilization programs.

Some nutritionists contend that food industry practices, including advertising, are important factors in nutritional decline. In large measure these industry practices are a reflection of, and are encouraged by, technological changes in food processing and retailing. We badly need economic research to evaluate the extent to which these changes actually result in lower per unit costs for consumers. What good is all this technological advance if consumers do not benefit through lower costs?

Economists have long recognized the important trade-off between technical and pricing efficiency. Now we need research to document the magnitude of the relationship. Fritz Mueller and his colleagues believe the effect of inadequate competition in retail food markets is substantial "monopoly overcharges." Others point out the weaknesses of these studies. We must get beyond the point-counterpoint stage.

Research in this area must also deal directly with the economic consequences of such practices as the use of universal product code (UPC) and electronic funds transfer (EFT), vitamin fortification and the proliferation of packaging. It must also deal with the costs and benefits of economic regulation on industry practices. Backhaul regulations would appear to be an obvious case in point.

The third item on my agenda would be analyses to determine the impact of food safety regulations. Surely you can sense that one of the most frustrating aspects of my job at USDA has been the lack of research on the economic impact of various food safety alternatives. Research of this type could help us ease the burden of changing government policies on food system participants.

The fourth item, research in food quality, is probably the one most familiar to agricultural economists. Most of the present food grades and standards are products of the agricultural establishment. But are they meaningful to today's consumers? Do they even know what the grades mean? Evaluation of present regulations is badly needed and I cannot encourage too strongly the initiation of such research.

Finally, it is essential that we know more about how our various domestic food assistance programs actually contribute to nutrition and to farm income, other than encouraging the consumption of surplus products.

"Cash-out" of food stamps appears to be postponed at least for now, but Congress did pass legislation last September to eliminate the purchase requirement for food stamps, and to extend its benefits to an estimated 3 million more needy people.

In addition to the school breakfast and lunch programs, the Women, Infants, Children (WIC) food program has perhaps the greatest potential to use food and nutrition to improve health. It provides prescription food packages to vulnerable persons at nutritional risk during the most critical phase of human growth and development—that is, to pregnant women, nursing mothers and young children.

WIC legislation was not part of the Food and Agriculture Act of 1977, but amendments are pending now in the Congress. It is important that we research the nutritional contributions of all these programs because they affect people who cannot afford an adequate diet, and because they are taxpayer-supported. I don't have to tell you that we need to get the most of our government's money.

That's a pretty hefty agenda. I present it to you because I believe agricultural economists have the tools and the training to resolve many of these complex issues. Or, at the very least, to shed light rather than heat on them.

To do so will, of course, require an investment of human capital. You'll have to learn as much about food and nutrition programs as you already know about commodity prices, income supports, and marketing order programs. But you'll be playing a very large role in a very important decision-making process.

I ask you to seize the moment. If you do not, the work will be relegated to analysts who know little or nothing about agriculture. I don't want that to happen, and I don't think you do either. But surely you understand that we will decide and we will act. The absence of good data to help resolve a problem doesn't make the problem go away.

We in government who carry a responsibility for human nutrition do not like to pull and tug at the scientific community. We would much rather follow you. John Dewey once wrote that "every great advance in science has issued from a new audacity of imagination." Or one could simply say, "Behold the turtle, he makes progress by sticking his neck out."

I hope you will help us proceed in a more rational fashion to deal with food and nutrition issues.●

AFRICA AFTER KENYATTA

● Mr. BAYH. Mr. President, the United States has lost a firm friend committed to peace, justice, and progress with the death of President Jomo Kenyatta of Kenya. For 15 years, President Kenyatta

was a force for these high principles through constructive change in East Africa. People the world over join with the 14 million Kenyans in mourning the loss of a great leader and good man.

I think my colleagues would agree that because Jomo Kenyatta was a giant in the independence movement of his country he has earned a special place in the hearts of our countrymen as well who share a similar heritage. In addition, Kenya's orderly internal economic development and mature conduct in foreign affairs bear the unmistakable imprint of President Kenyatta's steady hand. Let us hope for the people of Kenya, the other nations of Africa and all the world that the good which men do will indeed live after them. If this is the case, then Jomo Kenyatta's legacy is a bright one filled with promise and hope.

Today I read with interest an editorial appearing in the Christian Science Monitor underlining what an outstanding example President Kenyatta established for the rest of Africa to follow. At this time, I ask that this article be printed in the RECORD. In the spirit of "Harambee" we must assist the people of Kenya in renewing our dedication to high goals which President Kenyatta worked so hard to achieve.

AFRICA AFTER KENYATTA

Jomo Kenyatta proved it could be done—that a white-controlled African colony could become a black-controlled African nation without eliminating the whites or turning into tyranny. Kenya's degree of success gives hope that even the tough transition period in southern Africa can have an outcome without the predicted continuing strife. It will require a renewed dedication to the idea of "Harambee" ("let's all pull together"), which the passing of President Kenyatta has recalled as the climactic appeal in so many of his speeches.

Earlier this month it was encouraging to get a report from Zambia that Namibian revolutionary forces were already seeking to include whites in plans for moderation in Namibia (South-West Africa) when the independence process is complete. An official of SWAPO (South-West Africa People's Organization) said, "If we win power, our first interest will be to keep commerce and industry functioning." An expected appeal to whites in the first election campaign would be: "You are welcome in the new state. We want and need you if you are prepared to share our aspirations."

President Kenyatta's Kenya showed that such working with whites was possible. There are said to be twice as many whites in Kenya now as there were at the time of independence. Not only racial but tribal animosities appear to have been muted in a functioning mixed society.

Not that Kenya no longer has problems to solve. A "neocolonial" black elite has risen paralleling the white elite. Economic growth has not been matched by genuine national development. There is maldistribution of resources. Charges of corruption and repression keep coming up.

A test of how soundly Kenyatta built will be how well the country proceeds without him. But the fact remains that, after the bloody independence struggles in which Kenyatta was allegedly involved, a degeneration into chaos was avoided.

In the Rhodesian turmoil now there are reports of the black nationalist guerrilla forces in conflict with each other. There are predictions of power struggles among black factions. Many whites are giving up and leaving the country.

The memorials to Mr. Kenyatta recall that he was confronted with parties in conflict in the early days of independence. But he combined with severity a willingness to forgive and forget, to form coalitions, to stress the pulling together signified by "Harambee."

Of course, each region, each country, of Africa has its particular combination of challenges. Otherwise more of the 1960s wave of independent nations would be more stable and successful in the Kenya sense.

But the Kenyatta legacy cannot be ignored. The newly independent lands—and those where freedom is now so prominent on the horizon—would do well to learn more from him than from the Mobutus or, worse, the Amins.●

THE RAFSHOON VETO

● Mr. HAYAKAWA. Mr. President, I was dismayed by the President's recent veto of the fiscal year 1979 Military Procurement Authorization bill. The President expressed his disappointment with the Congress for its overwhelming support of a fifth nuclear-powered aircraft carrier. I am one of the many Members that supports this carrier. The administration-supported CVV (conventionally powered medium-size carrier) could only carry about two-thirds as many aircraft as the *Nimitz* class. If it were certain to be less expensive, the CVV might be a good choice—current cost is estimated at $1.5 billion, compared to $2.1 billion for the *Nimitz*. However, the *Nimitz* price tag includes a 13-year fuel supply and it is a proven design, the cost of which can be estimated accurately, while the CVV is a new design which is likely to have large costs overruns. Consequently, the CVV could end up costing as much as the *Nimitz*. Since only one more large carrier of any type is planned, I feel the more prudent choice would be to go with the *Nimitz* class carrier.

Today's Wall Street Journal has an editorial entitled "The Rafshoon Veto" which provides an excellent discussion of the President's veto. I think that the points made concerning the distinction between authorization and appropriation and those made concerning the pursuit of cosmetic politics are well taken. I, therefore, ask that this article be printed in the RECORD.

The editorial follows:

THE RAFSHOON VETO

President Carter's veto of the defense procurement authorization is everywhere interpreted as part of a new "get tough" act, the practical incarnation of media adviser Gerald Rafshoon's efforts to massage the President's sagging poll ratings. The veto would have helped Mr. Carter's competency rating more if he had not clouded the issue in monumental confusion, including confusion about what the bill he vetoed actually contained.

To cut through the clouds, it's necessary to keep in mind two simple facts. First: while Mr. Carter objects to the congressional decision to spend $2 billion on a nuclear aircraft carrier, his administration has already announced plans to include a large oil-burning carrier in its next budget request. The whole issue is, merely, this year or next year, and conventional or nuclear? Second: There is a difference between authorization bills, which set programs, and appropriations bills, defense procurement authorization. The Pentagon appropriations bill has not yet been completed by Congress.

This elemental parliamentary distinction was entirely overlooked in Mr. Carter's charge that Congress is building the carrier by "diverting funds away from far more important defense needs." Among the congressional items to which he objected, for example, was a supposed cut of $500 million in military operational funds. But operational funds are not dealt with in the defense procurement bill; if this was the President's problem, he vetoed the wrong bill.

Doing the President one better, Defense Secretary Brown complained that Congress had killed three anti-submarine ships. There is a dispute over the appropriations for these ships, with the House on one side and the Senate on the other. But whatever the eventual appropriation, the ships were included in the defense procurement bill. Secretary Brown complains about Congress killing ships that were in fact in the bill his chief just vetoed.

Now, within the context of the procurement authorization, it's true that despite $1.9 billion for the aircraft carrier, the congressional total was close to the President's original request. About half of the funds came from rather ordinary changes: the Army reporting it would not spend money on its new XM–1 tank as fast as it originally thought; Congress's decision that it could both save money and improve the NATO tank force faster by upgrading more existing M60A1 tanks and producing fewer new M60A3 tanks than contemplated in the original administration request.

The other half of the carrier money came from funds originally requested for the Trident submarine program, but which cannot be spent in this year's bill because of delays. With the Trident program delayed, and with the administration poised to order up a new carrier next year, Congress is merely saying, let's use this idle money and get the carrier started now.

There remains the issue of what kind of carrier. In passing, it should be noted that in light of the latest studies it is far from clear that large carriers are especially vulnerable. They can sustain hits from Soviet cruise missiles that would atomize small carriers, which have their magazines above water line. Large ships also make sense in light of electronic battlefield management, which promises a defense capable of shooting down attacking missiles. But this debate is beside the immediate point, since the White House has requested no small carriers. Indeed, the bill Mr. Carter vetoed provided more research funding for small carriers than he requested.

It is also unclear that oil-powered carriers save money. They are cheaper to build, but more expensive to fuel. Over the lifetime of a ship, it is difficult to see much difference in total cost. Congress prefers the nuclear carrier because it has better performance, being unencumbered by a train of tankers to refuel it every few days. The administration prefers a conventional carrier, saving money on construction now but spending more on operations later. And over this difference the President is willing to veto the entire procurement bill, inviting further controversy and delay that may hinder the improvements on which he and Congress agree.

In order to escalate this minor quarrel to veto proportions, President Carter launched an attack on Congress that seriously distorts the record. Sen. Stennis rose on the floor to complain, in what is for him strong language, of the administration's "false facts." The Senator was too much of a gentleman to say it, but we will: This is not a case of the Congress being soft on national security, but of the President dallying with defense in pursuit of cosmetic politics. The defense procurement bill was vetoed not because of any large difference on substance, but because it was the first bill to come along after Mr. Rafshoon whispered in the President's ear that he could look "strong" by vetoing something.●

NEW PROGRAMS TO HARNESS ENERGY FROM FORESTS, FARMS

● Mr. BAYH. Mr. President, last month I had the honor and privilege of talking with Judd Buchanan, Canadian Minister of Public Works and of State Science and Technology, about Canadian and American efforts to stimulate use of renewable energy sources. As a followup to this conversation, Mr. Buchanan forwarded me some information on Canadian efforts to develop energy from Canada's vast natural resources.

Mr. President, last week I inserted a Wall Street Journal article into the RECORD on Brazil's efforts in this area. I ask that the information on Canadian efforts also be made a part of the RECORD, so that my colleagues and others around the country can familiarize themselves with them.

The material follows:

NEW PROGRAMS TO HARNESS ENERGY FROM FORESTS, FARMS

(Prepared by Canadian Ministry of Energy, Mines and Resources)

New Federal government programs will encourage large-scale development of energy from the forests and other forms of organic material, or biomass, as a substitute for oil, gas and even electricity.

The programs are as follows:

Forest Industry Renewable Energy Program (FIRE).—$143 million for the forest industry to use wood wastes as a fuel source instead of oil or gas. The program covers the period 1978–1985. Fuel savings will be important; job-creation in areas of high unemployment will be substantial. In the longer term, investment of this kind should allow forest industry expansion as a producer of energy and chemical byproducts for home and export markets.

Biomass Energy Loan Guarantees.—Federal government guarantees for loans, worth a total of $150 million to assist in establishing electrical generating facilities using biomass as the energy source. This approach will encourage groups of industries, in cooperation with nearby communities and possibly provincial electrical utilities, to combine efforts on a local level to use wastes for electrical generation. Terms of the program will especially encourage co-generation of electricity and heat.

Expanded Research, Development and Demonstration.—Approximately $40 million will be available from the Federal Government between 1978 and 1984 to help fund research projects and demonstrations of innovative techniques such as biomass plantations and the conversion of biomass to liquid fuels or chemicals. Federal-provincial cost-sharing will be the preferred approach to demonstration activities.

The ready availability of inexpensive oil and gas in the postwar era slowed the use by the forest industry of its own wastes for fuel. Now all that has changed, and the mill wastes and forest residues are being looked on as a pollution problem that can be turned into a solution to soaring energy costs.

Recent assessments have shown that the unused potential in existing logging and milling wastes alone is very substantial, even though 3.5 per cent of Canada's primary energy production—twice that of nuclear energy—now comes from wood wastes. Mill wastes and slash remaining after forest logging operations have an energy potential equal to 2½ times the annual production of the $2 billion Syncrude plant in the Alberta oil sands.

The potential is very much larger if species unsuited to commercial logging operations are harvested along with merchantable species.

In the short term, the forest industry, with the new federal assistance, will be able to step up sharply its use of mill and other wastes. By 1985, biomass could provide 7 per cent of the nation's primary energy—double its current contribution. Our goal is to make the forest industry—Canada's largest—energy self-sufficient as soon as possible.

Federal assistance under the FIRE program will be particularly useful for relatively small forestry operations, who may now find substitution of wood for other fuels attractive but who could encounter difficulties with financing new equipment purchases.

The financial assistance to be provided under the new program will make this less of a problem. Subject to Parliamentary approval, federal contributions will be available to cover 20% of the approved capital cost of certain classes of equipment used to burn, gasify or otherwise make use of the energy content of wood wastes.

New equipment orders will substantially increase business for Canadian based forest equipment manufacturers.

As a result of the program, an estimated 24,000 man-years of employment will be created across the country between now and 1984.

In addition to the federal contribution, private investment by the industry is expected to be about $950 million. Fuel-cost savings should be an important benefit to the industry over the long term. There will also be pollution-control benefits, with the reduction of abandoned wastes, and better forest management practices.

With other fuels increasing rapidly in price, reliance on local wood resources as a source of electricity has become attractive in some regions, for example interior British Columbia, Northern Ontario and Quebec.

In B.C., there are a number of locations where plants with a generating capacity of 50 MW or more would be feasible. Collectively, the identifiable B.C. potential, at present prices, is in excess of 400 MW, and the resulting electricity would be competitive with other sources.

In order to encourage this utility approach, a federal loan guarantee will be provided for the first such project to be undertaken in any province.

With the agreement of the provincial government, a loan guarantee will be provided for up to 50 per cent of the approved capital cost for a biomass-based electrical generation facility. An even more extensive guarantee (66⅔ per cent of the capital cost) will be provided if a project is to achieve the high efficiencies associated with the joint production, or cogeneration, or electricity and heat—either for industrial uses or community district heating.

This type of loan guarantee has proved itself effective in encouraging the construction of nuclear generating plants.

Large-scale growth of biomass energy will require adaptation of a variety of known techniques to Canadian conditions and the development and introduction of new techniques.

An expanded research and development effort will be supported by the federal government.

An estimated $30 million will be allocated for this purpose by the federal government between 1978 and 1983, with further funds available on a cost-sharing basis with the provinces and private industry for the expensive but crucial demonstration phases.

Direct use of wood as an industrial source of heat can be accomplished with a number of different types of equipment. Modified or new designs can expand the potential for wood use in pulp and paper production and other phases of the forest industry. Funding is to be provided on a shared-cost basis for innovative projects to demonstrate this potential.

Conversion of wood to a gas is another process with a wide range of actual and potential applications. The basic process involves applying heat to wood with a deficiency of oxygen. This resulting gas is relatively low in energy but is adequate for some industrial requirements and power generation.

An upgraded gas can also be produced for use in more sophisticated conversion processes. These include production of substitute natural gas and methanol or other synthetic fuels.

These synthetic liquids are capable of becoming a source of fuel for motor vehicles, but continuing research will be required, concerning compatibility of fuels with various engines, safe handling, blending with petroleum fuels and other points.

In future, extensive development of these high-quality products may also be undertaken to provide an alternative feedstock for the chemical industry, which now relies on petroleum for essential hydrocarbons. The potential for wood-based chemical production will be explored as part of the continuing research effort.●

DAN BREWSTER

● Mr. McGOVERN. Mr. President, in today's Washington Post there appeared an article on one of our former colleagues, Senator Daniel Brewster of Maryland. Dan Brewster and I came to the Senate at the same time. He has been my friend ever since. His strong voice and leadership are sorely missed in the Senate, and he is remembered with respect and affection.

I ask that the article be printed in the RECORD as follows:

[From the Washington Post, Aug. 24, 1978]

THE FALL AND RISE OF DAN BREWSTER: LIFE CLOSE TO THE LAND

(By Michael Kernan)

Wasn't it Scott Fitzgerald who said there are no second acts in American lives?

Dan Brewster leaned back from the newspaper-covered picnic table on the lawn between the pool and his sprawling country house. His hands clear up to the wrist were freckled with green sauce from the crabs he was eating. One eye always on his wandering 7-month-old daughter Danielle Lynn, he was listening to a report on a sick colt. Its temperature was down to 100 now, he was told. Great. This morning he'd given it a shot of penicillin.

Farther down the table his teen-age stepdaughter was arguing with her friends about whether to go see "Revenge of the Pink Panther" or "Foul Play," and his third wife, Judy Lynn, was trying to get everyone to move to the patio because the string beans were ready ("picked this afternon") and the corn and fried chicken, and besides it was thundering and Rabbit the near-Labrador was getting frantic.

Those who knew him before say Daniel Baugh Brewster is a different person today. Born to wealth, tall and handsome, he was president of his class in college, captain of the football team, at 19 the youngest officer in the entire Marine Corps, at 26 one of the youngest Maryland state legislators ever, a U.S. Senator at 39 . . . people called him the Golden Boy.

"It all came so easily," he said.

And in 1968 it all came to pieces.

The drinking got out of control. He lost an election to his old college friend Charles McC. Mathias. He was divorced, nearly died the following year after an alcoholic collapse. And then there was the federal in-

dictment, "something I didn't understand and still don't understand." In any case, it broke his career.

"Alcohol began to be a problem in the Wallace campaign of '64," he said, going back to the time when he ran in the Maryland primary for president as a stand-in for Lyndon Johnson to test George Wallace's strength. It was a hard race. He barely won.

For the next four years, though there were long periods of sobriety, the drinking gradually took over. He tried every dodge he could think of: not before 5 p.m., not after 5 p.m., only in Washington, only in Maryland, only at meals, never at meals, and so on.

By 1969, after the defeat for re-election to the Senate—Republican Mathias used a slogan that hurt by its very diffidence, "Reason for Change"—Brewster was "drinking with a vengeance," as he put it.

He didn't get really turned around until 1973.

"First you have to admit to yourself that you're powerless over alcohol. It's a drug, and the alcoholic is an addict, it's as simple as that. You turn over your life to it, and then you go step by step. It's not instantaneous, you don't achieve independence in one day. In my own case I came back [to the sanitarium] several times. I got my master's and doctor's degrees. It took a long time to ruin what seemed a promising career, and it takes a long time to rebuild a life."

Dan Brewster says he has learned to roll with the punches and accept life on its terms. This from a compulsive achiever who won his first 12 elections, from the House of Delegates in 1950, the year he got out of law school, to the Senate in '62. . . .

He was the oldest of six, and his father died when he was 10. Raised in comfort on a beautifully appointed farm in Maryland fox-hunting country, inheritor of the Baugh Chemical fortune, he waltzed through St. Paul's School, started at Princeton and when war came enlisted in the Marines as a private.

Next thing he knew, he was an officer leading assault teams onto Pacific beaches, collecting seven wounds and a chestful of medals (on Okinawa his Raider unit was point for the initial attack and he personally, his own personal body, was point for the unit), coming home a captain. He retired a colonel in the reserves in 1972.

"The Marine years were my most formative years," he said. "I went in a sheltered kid, and at 21, I was a company commander. I came out of the war with a very different sense of values: I was interested in civil rights, politics. Really admired FDR. I joined the American Veterans Committee for awhile. Things happen fast in a war. You stop being a schoolboy in a hell of a hurry."

The military experience influenced his thinking in another way too: For years he was the most hawkish of hawks on Vietnam. "Let's face it, I was always a hawk. I wanted to go in there and do the thing right if we were going to do it at all. Even drop the bomb."

This was, he added, the greatest mistake he ever made on a public issue in his decade in Congress.

"I went over and saw the soldiers, I was given the tour, and I saw that people were getting killed because we didn't have an all-out commitment there. I used to say, if it was worth doing. . . . The fact is, it wasn't worth doing in the first place. Being a world leader doesn't mean you should police the whole world too."

But the issues of world affairs can seem abstract to a man living close to the earth. (And he does that, even if it is a model 150-acre spread. He helped fence it himself, and he works with the horses and handles the veterinary chores. Horses have always been part of his life.)

Brewster says he no longer has ambitions to run for major political office, though some day "it may cross my mind," he admitted with a reflective, gentle smile, to come back to the Maryland legislature as a farmer, to work on the things that concern farmers.

Of course he still keeps in touch, is consulted informally by ex-colleagues, maintains political contact of a sort through the alcoholism commission, to which he was appointed two years ago by Gov. Mandel.

Does he miss the Senate?

"No. No more than I miss the Marines. I think about it sometimes, I remember it all right. But I don't miss it. Life goes on. As a young man I was forever thinking of tomorrow. Then with my defeat and illness I thought only of the past. Idealism turned into ambition which turned into alcoholism."

He blames alcohol, by the way, for his drift into a situation that led to his indictment in 1969 on charges of taking a bribe from a mail-order house, Spiegel Inc., for a vote on postal-rate legislation. Six years later, the original charge reduced to accepting an illegal gratuity of $4,500, Brewster pleaded no contest and was fined $10,000. From the beginning he had denied ever taking a bribe; his lawyers contended that one of his own aides had fabricated the charges.

Today, Dan Brewster lives in the present.

"Each day is a new adventure," he said. "I like simple things, and now I have time for 'em: riding—I ride every day, it's my main exercise—and jogging and tennis, the garden, working at the stables. In the old days my appointments secretary ran my life. Now I do stuff that wouldn't even have made her list."

Last week he helped Judy can beans and tomatoes. Twice a week they go to cattle auctions (he has 70 head), and every now and then they slip away to the track to watch their 2-year-old, Early Double, race.

Two and a half days a week he counsels and lectures on alcoholism at a nearby veterans' hospital, helps with its detoxification program, leads group therapy, runs an informal legal clinic. The job pays $100 a week.

He also heads the Governor's Advisory Council on Alcoholism—"I see it as part of my recovery"—and works with a quarter-way house in Baltimore. At St. John's Episcopal Church, where is a vestryman, he serves on a committee dealing with alcoholism.

He is proud of his trim shape. This spring he dieted down to 185 pounds, which looks just fine on his large-boned, 6–3 frame, and he came in third in the rudgged My Lady's Manor point-to-point steeplechase. He had won that race 30 years ago.

"I tell you, it felt great. Racing at 55 against 20-year-olds."

He is discovering the joys of being old-shoe. He sold the other farm where he held the big political clambakes, impersonal as a PR-man's smile, and in fact no liquor at all is served at his place in the white-fence countryside west of Baltimore.

There are always children around: his own younger son Gerry, 21, and Judy's two, Krista and Kurt Aarsand, 17 and 15, and their friends, and of course the baby, who goes everywhere with them and who now cruised imperturbably through the house and across the lawns, tasting things.

It was time to move to the covered porch. Unceremoniously, Brewster dipped a pail of water from the pool and washed his hands. A crack of thunder made everyone jump, and the big concern was getting Rabbit into the house because she is terrified of thunder and has been known to jump through screen doors in panic. After the fried chicken and beans and corn there would be home-made chocolate-chip ice cream.

He watched the first big drops splatter on the flagstones. "I'm a happy man," he said.●

DECLINE OF THE DOLLAR AND U.S. FOOD EXPORTS

● Mr. BAYH. Mr. President, we have all noted with due concern the decline of the American dollar on the Japanese yen market. While some have pointed to the dampening impact which this process has had on Japanese exports to this country, it has also contributed to making sales of U.S. agricultural commodities in Japan even more difficult. Coupled with restrictive Japanese import policies, the decline of the dollar has made it more expensive for the average Japanese household to buy oranges grown in California, a loaf of bread made from wheat harvested in Kansas or a box of corn flakes the principal ingredient for which was raised in Indiana.

A recent article in the Christian Science Monitor explaining how "Japanese Quotas Work Against U.S. Food Import" provided a clear presentation of the present problem American food exporters face. With a multilateral trade agreement anticipated for consideration next year by the Congress, I believe that we should begin to review the issues raised in the Monitor article. For that reason, I ask that this article be printed in the RECORD.

The article follows:

[From the Christian Science Monitor, Aug. 22, 1978]

BEHIND THE YEN-DOLLAR TUG OF WAR—JAPANESE QUOTAS WORK AGAINST U.S. FOOD IMPORT

(By Norman Sklarewitz)

These days, American tourists in Japan find current food prices as fascinating as the country's ancient cultural heritage. The decline in the value of the U.S. dollar has pushed grocery price tags to record heights.

Checking the cost of fruits, vegetables, and other items of daily household use and then comparing them with the same products back home is a particular source of astonishment to visitors and painful dismay to residents.

For example, shoppers going to neighborhood supermarkets find these prices: five peaches, 950 yen, or at the 192 yen to $1 U.S. exchange rate $4.95; one American honeydew melon, 1,630 yen ($8.48); a can of American fruit juice, 285 yen ($1.48); a 10-ounce jar of instant coffee, 1,390 yen ($7.23); or a can of vegetable soup, 230 yen ($1.19).

Those prices are important to people other than foreigners living in Japan; they play a role in U.S. export deficits. Japan has traditionally been one of the leading markets for U.S. agricultural products. This year, the value of American foodstuffs sold to Japan is expected to hit $4 billion for the first time.

FOOD SALES ENCOURAGED

Last year, the value of American farm exports to Japan was $3.8 billion. That volume represented some 16 percent of total U.S. agricultural exports worldwide. So it is important to American farmers and ranchers that the Japanese continue to buy their commodities. If, however, food prices continue to rise, the market could be threatened or at least kept from expanding as the population warrants.

American trade negotiators are currently trying to increase the volume and variety of American food products permitted into Japan. That effort comes as part of a general effort by the U.S. and Japan to correct the current trade imbalance between the two countries. At midyear, Japan had sold some $10 billion more worth of its goods than it imported from the U.S.

If Japan eased some on its long-standing restrictions against agricultural imports, experts argue, at least some of that trade surplus would be reduced. In addition, increased availability of goods on the marketplace would logically help drive down retail prices.

What concerns American exporters are official Japanese quotas and semi-official prac-

tices which work to limit U.S. agricultural sales. For example, Japan rigidly limits imports of fresh oranges. For years, the quota of 15,000 metric tons was imposed on the argument that Tokyo had to protect the interest of its own farmers who grow mikan-mandarin oranges.

Under heavy U.S. pressures this past January, however, Japan finally increased the quota three times. While this seems large enough a spokesman for Sunkist Growers, Inc., in Los Angeles, figures out the new volume works out to about 2½ more oranges per person per year here.

"There's so little fruit going into Japan that even with the increase, only a small number of oranges is involved," says Bob Harz, a Sunkist marketing expert.

It is not just foreigners who have to pay those steep prices, of course. The Japanese housewife on a budget is being asked to pay the yen equivalent of 75 cents for one orange. And if a tourist should decide to order a glass of fresh-squeezed orange juice in a hotel restaurant for breakfast, he will get a check for close to $4.50.

The high prices are not all going to support American exporters. A 40-pound carton of top-quality oranges is landed in Yokohama for around $14. But the Japanese have a complicated distribution system that involves layer upon layer of middlemen. As a result, the price of that same carton can easily rise to the equivalent of $66, or some 400 percent, by the time it is sold at retail.

OTHER APPLICATIONS

The same situation prevails with other U.S. products such as wheat. Sales here, too, are limited by stiff marketing markups and controls set by the Japanese Government. These tie the market price of imported wheat to the country's rice subsidy program. In other words, U.S. wheat that may be landed in Japan at $3.25 a bushel is immediately marked up by the Japanese to $8 a bushel; the difference supports subsidies to rice farmers. Not surprising, then, a small loaf of white sandwich bread in Tokyo sells for around $1.34.

Beef is another example of how Japanese import restrictions and a single distribution system combine to limit supplies and guarantee high profit margins. A surcharge on about 95 percent of all imported beef permits domestic beef producers who have high unit costs to be sure that imported beef, which may come in cheap, does not compete with them at retail. First, there is a 25 percent duty on all imported beef and then a surcharge of nearly $6.40 per pound. As a result: hamburger patties are around $3.25 a pound; a T-bone steak is around $11.40 a pound and tenderloin or strip-loin steaks are higher. Prices like those effectively limit sales to a comparatively small market of very affluent Japanese.

"If we had complete import liberalization of the 19 agricultural items now under some sort of Japanese controls, we could sell some $500 million more worth of American agricultural products to Japan in from three to five years," says one U.S. Embassy source here.●

FEEDING THE MONSTER

● Mr. GOLDWATER. Mr. President, the Institute for Socioeconomic Studies, a nonprofit foundation in White Plains, N.Y., has published "An Inventory of Federal Income Transfer Programs"—the first such comprehensive research effort. This 220-page volume lists 182 separate programs costing $250 billion of the $360 billion in taxes collected by the Federal Government in fiscal 1977. The Arizona Republic, a newspaper highly regarded in my home State and nationally, has commented editorially on the complexity of current welfare programs. In its editorial, it declares that the Institute report "defines the root of the (welfare) problem." I ask that this editorial be printed in the RECORD.

The editorial follows:

[From the Arizona Republic, Apr. 24, 1978]

FEEDING THE MONSTER

So monstrous has become the federal government's Erector set complex of welfare programs that it defines comprehension.

It is so monstrous it is unmanageable.

The Secretary of Health, Education, and Welfare, Joseph A. Califano Jr., only recently revealed that of the $147 billion spent by HEW last year—more than 35 percent of total federal budget—upwards of $7 billion (five cents on every dollar) was misused or misspent through mismanagement and fraud.

Medicaid—a health-care program Arizona thankfully never has funded—was the largest source of abuse. Of all Medicaid funds spent, upwards of $2.6 billion was illegal or fraudulent, or about 27 cents of every dollar.

To his credit, Califano has begun a crackdown. Using computers to track recipients of HEW funds, Califano's department has turned up tens of thousands of health professionals and recipients who have been siphoning off tax dollars illegally.

Now comes a team of researchers from the Institute for Socioeconomic Studies and Pace University Graduate School of Business with a report which defines the root of the problem.

There simply are so many separate federal programs and agencies involved in welfare, the government has lost track of who is spending what on whom.

The report, "An Inventory of Federal Income Transfer Programs," lists 182 separate programs for income maintenance and poverty prevention.

But the most astonishing finding of the study, according to co-author Dr. William J. Lawrence, is that federal welfare costs now claim 69 percent of all the tax income taken in by the U.S. Treasury.

Of the $360 billion in taxes collected in fiscal 1977, the report says that $250 billion went to the 182 programs.

To meet other non-welfare obligations, the federal government used the remaining $110 billion in tax income and had to borrow billions of other dollars to meet the budget.

Except for HEW's welfare crackdown to recover a billion misspent here and a billion misspent there, there is no sign that Washington has the stomach to reduce the scope of its handouts.

What lies ahead is a continuation of the spending scenario—expansion of existing programs, and introduction of new ones. If President Carter and Congress go along with Sen. Edward Kennedy's national health insurance proposals, today's spending will seem almost painless.

The only way for Washington, and thus the taxpayers, can end this raid on the nation's income is to give up the idea that it can be a savior to those who say they are in need.●

CONFLAGRATION DAY—AUGUST 24, 1814

● Mrs. HUMPHREY. Mr. President, Rear Adm. Sir George Cockburn, Knight Commander of the Bath, his troops, musicians and camp followers will return to Washington for the first time in 164 years to help save the old tavern where the British ate roast chicken as Washington burned in the War of 1812.

The Citizen's Committee to Save the Historic Rhodes Tavern is recreating the British invasion of Washington at noon today, August 24, with a march down Pennsylvania Avenue.

The Rhodes Tavern, 15th and F Streets NW, the oldest commercial structure in Washington and the only building on Pennsylvania Avenue to have witnessed all the inaugural parades since Thomas Jefferson, is scheduled to be torn down to make room for a shopping mall. The building dates from 1799.

I am pleased that Senators ANDERSON, HAYAKAWA, LEAHY, MATHIAS, and MATSUNAGA have joined me today in introducing a resolution relating to the preservation and restoration of this unique historical structure. Rhodes Tavern is the only building to remain between the White House and the Capitol from the founding days of Washington. To suggest that we destroy the oldest building on the city's principal thoroughfare is an idea that would garner dim applause in Boston or Savannah or any city with an active understanding of the past.

I would like to encourage my colleagues to act swiftly to pass this resolution. I do not see the Rhodes Tavern as merely another building whose time has gone, but rather as a visual link between the city's difficult formative years and the present. The Rhodes Tavern has long been associated with personages, institutions, and events of both national and local significance.

Mr. President, the incident of the British dining in Rhodes Tavern, while the White House and other public buildings burned in 1814, is only one small segment of the rich history of this building. I would, however, like to share with my colleagues an informative and enjoyable account of the British invasion of Washington which emphasizes the role Rhodes Tavern played in our Nation's history. I ask that the brief history of "Conflagration Day—August 24, 1814" by Robert Gair be printed in the RECORD.

The material follows:

CONFLAGRATION DAY—AUGUST 24, 1814

(By Robert Gair)

On a golden summer evening one hundred sixty-four years ago, Rear Admiral Sir George Cockburn, KCB, rode into Washington, D.C.—and into American history—on the back of a mule.

Like many people who come to this town, he was looking for fame and fortune—the fame that would come to the British Officer who captured the capital of the United States, and the fortune in booty the city fathers could be expected to offer up in return for sparing Washington from destruction.

Earlier in the afternoon, British troops under Cockburn and General Robert Ross had routed the American army in the nearby battle of Bladensburg, Maryland. It was a terrible defeat. Poorly trained and led, the U.S. forces disintegrated. Hundreds of people from Washington and Georgetown had gone out to watch the fight in carriages, on horseback and on foot, and these same crowds, mixed with stragglers from the battle, stampeded back through town when it became apparent that all was lost.

An eyewitness said later that he saw the Secretary of War in full flight, followed by crowds of gentlemen on horseback, one of whom loudly bawled out as they came on, "Fly, fly, the ruffians are at hand. If you can-

not get away yourselves, for God's sake send off your wives and daughters, for the ruffians are at hand."

London-born Cockburn, the leader of the "ruffians," was one of the youngest admirals in the history of the British Navy. He built his reputation on ruthless ambition, but he is best remembered in America for his twisted sense of humor. His "frolics" or raids on the coastal towns of the Chesapeake Bay during the previous year had earned him the title of "Harlequin of Havoc." The Boston "Gazette" went so far as to call him a "disgrace to England and the human race."

Cockburn never planned to sack the city or burn any of its buildings. He rode into town under a white flag with the 21st Royal Scots Fusileers and rocket batteries which would later be used in the siege of Baltimore. He expected to be met by government officials who would be disposed to make a liberal donation of their money to save the city.

Washington in 1814 had a population of about 8000, but Cockburn found the city almost empty. The citizens had fled in such haste that warm meals still steamed on dining room tables all over town.

Instead of a parley to talk surrender terms and prize money, the British were greeted by a volley of shots from the Sewell House at the corner of Second and Constitution, NE. Bullets shot Ross' horse under him (third that day), killed one soldier and wounded three others. These were the only shots fired in defense of the city, and nobody ever found out who provided the greeting.

Cockburn and Ross argued for awhile about what to do next. Cockburn urged burning the entire city. Ross consented to burning public buildings. They started with the Capitol and worked their way down Pennsylvania Avenue. American congressmen later related that Cockburn began this pyromaniacal night by mounting the speaker's chair in the House of Representatives and putting the question to the assembled redcoats: "Shall this harbor of Yankee democracy be burned? All for it will say, Aye!"

Picking up a bookseller they found in the Rhodes Tavern at 15th and F Streets to act as guide, the small British party went on to the President's house. There Cockburn discovered Dolley Madison's three o'clock dinner, uncleared by household servants in the confusion of the afternoon's panic. Cockburn counted covers for forty, and after taking a short tour of the mansion, sat down with his officers to a cold buffet.

"We found supper all ready," wrote one British officer, "which was sufficiently cooked without more fire, and which many of us speedily consumed, and drank some very good wine also." Cockburn drank a toast to James Madison's health, and then ordered furniture piled up in the drawing room for a bonfire. By the summer of 1814, Cockburn had become an artist at setting fires, and a blaze soon raged which swept up the Jefferson staircase and poured skyward through the roof in a conflagration seen for thirty miles.

Delighted with his visit to what he called "Jimmy's Palace," Cockburn rode back over to the Rhodes Tavern to eat the dinner he had ordered before reaching the White House. The sacking of Washington had become a moveable feast.

Mrs. Suter, the innkeeper in the Tavern, killed some chickens she found in the yard, dressed and roasted them, and warmed some bread. The Admiral rode partly into the tavern on his mule and introduced himself as "the much abused Admiral Cockburn." Mrs. Suter recognized one of his staff as a spy she had seen in the Tavern only a few nights earlier.

Blowing out the table's candles, Cockburn jovially told his companions that he preferred to eat by the light of the burning White House and Treasury Building, which by that time was also wrapped in flames.

As the British dined in the captured city, the Americans made do as best they could in the surrounding countryside. Dolley Madison was riding through the dark of an approaching rainstorm in search of her husband. James Madison was trying to evade capture by British patrols. James Monroe was scouring the countryside in search of troops to cut off the British retreat to their ships, while Washington's citizens "spent the night gazing on fires and lamenting the disgrace of their city."

When the storm finally broke near midnight, Cockburn retired to "the coarse luxury of lust in a brothel."

The British left the next day in another rainstorm, fearful of massive American reprisals. But before leaving, Cockburn burned a few more buildings, exploded the city's arsenal, and ransacked the office of the city's major newspaper, the "National Intelligencer." He warned the troops to be especially sure to destroy all the letter "c"s in the type boxes so that his name could not be defamed after he left town.

The British then returned to their ships under cover of darkness, which were moored 40 miles from Washington on the Patuxent River in Maryland. Cockburn went on to earn a footnote in history as the British officer who escorted Napoleon Bonaparte to his final exile on St. Helena Island. Legend says that the Corsican Emperor and the Harlequin of Havoc became fast friends.●

UNITED STATES-JAPAN TRADE

● Mr. ROTH. Mr. President, over the past year I have spoken out frequently on the need to rectify the United States-Japan trade imbalance.

So far this year, the imbalance in dollar terms is even worse than last year's. The U.S. trade deficit against Japan is expected to be about $12 billion in 1978 compared to $9 billion in 1977. Japan's global trade surplus may reach $24 billion for Japan's fiscal year 1978, compared to $20 billion in fiscal year 1977.

It is important to recognize, however, that in volume terms the quantity of Japan's exports to the United States and worldwide has decreased. According to an article in this week's Economist, MITI is estimating a 10-percent decline in the volume of Japan's exports this fiscal year, even though the value of those exports is increasing. This drop stems from several causes—Japan's efforts to restrain exports, limitations on imports of Japanese goods placed by the United States and other trading partners, and the appreciation of the yen which has made Japanese products more expensive.

Since it is the volume of exports and imports that is most closely related to jobs, the drop in the volume of imports from Japan is good news to American workers.

In Japan, however, the Government will be under considerable political and economic pressure to ease its export restraints. As long as Japan's current account is in surplus, this would be unacceptable to the United States and, I believe, to Japan's other major customers. Despite the drop in the volume of Japanese exports, it is essential to reach equilibrium in value terms.

I have repeatedly said to my Japanese friends that the best way to rectify the trade balance is for Japan to increase its imports of American-made products. In the short term, this can be done on an emergency basis. I have suggested many times that Japan undertake emergency imports of American agricultural goods, either for storage or food aid programs, and I regret that this and other suggested emergency import programs have not been implemented.

As a long-term solution to the problem it is essential that Japan reduce import barriers. Japan continues to have one of the most heavily protected domestic economies in the developed world. In the manufacturing area, for example, this had limited Japan's imports of manufactured goods relative to domestic consumption to half that of the United States and other industrial countries.

Increased Japanese imports from the United States are the best means of correcting the trade imbalance from both the American and Japanese points of view. It would create more jobs in the United States and help Japan not only by providing a wider range and volume of consumer goods and raw materials, but also by partly avoiding the economic difficulties caused by the present contraction in the volume of Japanese exports.

I submit for the RECORD an article entitled "Down Is Up," which was published in the Economist on August 19, 1978.

The article follows:

DOWN IS UP

As the yen rises, Japan is earning more dollars from its exports but exporting less. Overseas sales were down in volume 2.7 percent in April–June, and 8 percent in July from a year earlier. New export contracts of Japanese trading companies were 30 percent down (in yen terms) in June. The ministry of international trade and industry (Miti) is worried. Mr. Toshio Komoto, Miti's boss, reckons a possible 10 percent drop in export volume over the full fiscal year may reduce expected gnp growth from 7 percent to 6 percent. Rather than that, he says, Miti may lift its informal controls on exports by eight key industries (steel, cars, ships, etc.) as early as October.

In fact, Miti's "guidance" has had little to do with lower car sales in America or steel sales in Europe. Nobody is quite sure how much of the export decline is due to the rise of the yen, but the best guess is most, if not all. Miti is therefore unlikely to lift its controls abruptly. That would irk Japan's trading partners as long as Japan continues to run massive surpluses. The eight industries it has kept an eye on since May all show signs of flagging exports. Miti reckons sales of motorcycles, copying machines, cameras and wrist-watches may all decline by about 10 percent this year, and the outlook is uniformly bleak on the four main items:

Ships. In July ship exports were down 55 percent on a year earlier. Japan's shipyards exported 8.5m gross registered tonnes in 1977, and reckoned (optimistically) on a 5.4m grt in 1978. The forecast has now been revised downward to 4.5m.

Cars. Miti informally set a ceiling of 4.56m cars to be exported in 1978. Carmakers were pretty much on target in April–June with exports of 1.19m cars, but in July for the first time car exports fell below the year-ago level. Miti reckons export volume will fall far short of the ceiling, even if dollar earnings on exports to America rise by a quarter (as they did in July).

Steel. With over a dozen blast furnaces idle, Japan's steel industry hoped to contain

the drop in exports in 1978 to 6 percent (from 34.3m tonnes to 32m). Between April and June, shipments were down 10 percent on a year ago, and the industry now reckons it will be lucky to export 30m tonnes this year. In the American market, where steelmakers are having to charge well above the "trigger" prices now that the yen has strengthened, exports in July were nearly 27 percent below a year ago in yen terms, i.e, practically flat in dollar terms.

Television sets. Miti reckons colour television exports to America will be down sharply, well below levels stipulated in the voluntary restraint agreement. Worldwide shipments are expected to fall from 9m units in 1977 to 8.5m in 1978. Volume was down 7 percent in July.

The story in dollars is rather different. Miti officials talk of a current surplus of perhaps $18 billion in 1978 (compared with $14 billion in fiscal 1977 to last March) i.e., triple what Japan was promising the Americans last January. The trade surplus could exceed $24 billion ($20.4 billion last year). Miti wants to cut the surplus by "emergency" imports of now-cheap raw materials and aeroplanes. The government has given the green light for Japan's Eximbank to help finance up to $4 billion of such imports, and Mr. Komoto suggested last week the target be lifted to $12½ billion. This seems preposterous, certainly in fiscal 1978. In practice, virtually no "emergency" imports have yet come in. Big companies are not willing to stockpile many more raw materials than they need.

In July Japan had a $2.7 billion trade surplus on exports of $8.15 billion (which grew 15 percent in dollar terms even while falling in volume). The current-account surplus was $2 billion.●

ARGENTINA

● Mr. HOLLINGS. Mr. President, last year I had the opportunity to chair a Senate delegation visit to several Latin-American countries, including Argentina. What we saw in Argentina was an effort to put the pieces back together again. You will recall that when Mrs. Peron's regime was deposed, the country was only a short distance from total civil collapse. And it was against this background that General Videla's government began its work. Our conclusion was that if Argentina is to make a go of it over the long run, it will be because not just government—but business leaders, labor leaders, and academic leaders—face squarely the decisions which must be made.

The United States cannot, of course, save the day for Argentina nor chart that nation's course. But it can offer encouragement, and it can work quietly to help the Argentine overcome some of its difficulties.

Sad to report, the record of the administration in dealing with Argentina has not been good. Recently I received a letter from Mr. Julio Werthein, who I had the opportunity to meet and talk with during my visit. He reports on what has been happening since that time, and his conclusions do not provide encouraging reading. The administration, the State Department in particular, and the Ex-Im Bank have been throwing up roadblocks instead of tearing down obstacles, and in the process we are only opening the doors to others whose interests in the Argentine are inimical to us. I hope we will wake up to the reality of the situation before it is too late, because here is a country of intrinsic importance, destined to play a far greater role on the world scene in the years ahead. Here, too, is a nation of great potential weight as a friend and ally.

Mr. President, I ask unanimous consent that the letter be printed in today's edition of the RECORD, and I urge all my colleagues to study it and to ponder the implications of the wrongheaded policy our Government has been practicing in its relations with Argentina.

The letter follows:

JULIO WERTHEIN,
Buenos Aires, Argentina, August 3, 1978.

Hon. Senator ERNEST F. HOLLINGS,
Washington, D.C.

DEAR SENATOR: I had the privilege of meeting you during your visit last year to Argentina and at the Embassy we discussed the relationship between our two countries.

I had hopes to see the relationship between our countries improving, but everything looks to the contrary. The problems go further than the eye could see, and this may be part of an organized plan with big roots that you must take into consideration.

The enclosed picture will probably give some thoughts, and should be shown to the champions of Human rights defenders.

Argentina has been a steady friend of USA but since the arrival of President Carter to the White House, we are being pushed to become orientated towards countries whose ideas do not conform to the Americanism which has been part of the Monroe declaration. I must say that your Ambassador here is doing his best, but is not receiving the necessary help from your State Department.

Import Export Bank is punishing American Companies, not authorizing credits for Argentina. i.e. Export of Turbines to Yacireta Apipe, by Allis-Chalmers. Boeing Airplanes to Argentine Airlines, etc. etc.

The State Department is blocking the export of Spare parts to the Argentine Navy. Navy planes are grounded and UNITAS operation will be held without the participation of Argentina.

I will only mention that the turbines for SALTO GRANDE had been furnished by the Russians and in the case of Yacireta Apipe will probably happen the same. Do Americans realize the influx of "TECHNICIANS" to cooperate in that job??? In one side you are fighting Russians, in the other you are pushing your friends in their arms. WHAT IS THE GAME???

With kindest regards and in the hope to see you soon again in our country, I remain

Sincerely yours,

JULIO WERTHEIN.●

A TOUCHING POEM TO THE UNKNOWN SOLDIER

● Mr. CRANSTON. Mr. President, I recently received a very touching and sensitive poem dedicated to the "Unknown Soldier." It was written by a fellow Californian, Mr. Alex Hyman of Los Angeles, and I would like to share it with my colleagues in the Congress.

Mr. President, I ask that the full text of the poem be printed in the RECORD.

THE UNKNOWN SOLDIER

(By Alex Hyman)

They destroyed my body but my soul lives on in another form;
I am waiting to be reborn.
As I wait to enter my new world through this door,
I pray to God we have no more wars.
Here I lie in Arlington with my comrades who have fallen from mortal wounds, but I was very special: I was placed in a tomb.
Once a year they think of me and say to themselves,
"Who in God's heaven could he be?
Was he a friend or foe?"
No one will ever know.
They placed what was left of me in this tomb,
Only God knows that I came from my mother's womb.
Many tears have been shed for my wounds that bled—here I lie in eternal rest.
They placed a wreath of flowers and inscribed a marble stone and lit the eternal light upon my grave:
This is *my country's* greatest *honor* for the life I gave.
Once a year it is read, *here lies the Unknown Soldier, known only to God.*●

THE SOUTH

● Mr. HOLLINGS. Mr. President, it has become very popular these days for the political pundits and the sociologists to speak of the "New South" and the "Sunbelt" as though the Southern States of the Republic had suddenly, and almost by accident, been born again.

We natives of the South have a different perspective entirely, knowing as we do that there has been nothing accidental about the progress we have made in so many areas.

The South, and my State of South Carolina in particular, enjoys a new prosperity because of the dedication and hard work of its people. I cannot think of a better example of this than my good friend George Phinney down in Laurens County, S.C.

George took over as chairman of the Laurens County Development Board 20 years ago. At that time, Laurens County had not had a new industry locate there in 26 years. But George Phinney took time away from his family and from his own business, because he cared about his community, and when he finally retired from that position on July 1 of this year, he could point to a remarkable record of achievement.

George's story is really the story of my entire State. Many would argue that we have a long way to go, but we have certainly come a long way already, and the credit for that must go to people like George Phinney who have worked in the trenches for years and years.

George's hometown newspaper, The Laurens County Advertiser, detailed his accomplishments in an editorial of August 21, and I ask that it be printed in the RECORD for the benefit of my colleagues.

The editorial follows:

RECOGNITION DUE

When George Phinney took over as chairman of the Laurens County Development Board some 20 years ago, Laurens County had not had a new industry in 26 years.

He went to work on American Lava of Chattanooga, then a subsidiary of 3M, to get them to build a plant in Laurens. Phinney and other business leaders contacted American Lava people over a period of two years, sometimes spending one day a month, sometimes three or four days a week.

"I'll believe it when I see it," some people said about the plant. After about two years when American Lava built a small

plant and hired 65 people, those same folks said "It won't amount to anything."

Today the little plant with 65 employees has become two plants of the 3M Technical Ceramics Products Division and is one of the country's largest plants.

That broke the ice and soon the Gilliland Plant came. This was followed by the Clinton Bearings Plant of the Torrington Company, our largest industry. Then Ascoe Felts located in Clinton, the Benjamin F. Shaw Plant in Laurens, St. Joe Paper Company, then Josten's, and the latest industry is Hackney & Sons of the northwestern edge of the county. And of course there is Tavern Sportswear, and possibly others that we have missed.

During the past 20 years there have been between three and four thousand new jobs created, with plant investment of between $30 and $40 million dollars, and that's a conservative figure.

Phinney retired as chairman of the Laurens County Development Board July 1, and he says that "I don't know of anything I have enjoyed any more."

But just because he has retired as chairman doesn't mean that he isn't going to continue working to help the county. "Only today," he said one day last week, "representatives of an industry that has been looking at Laurens for over two years were in my office, and the prospects are very bright for their bringing their industry, a completely diversified one, to Laurens.

"I believe Laurens County has as much to offer new industry as any part of the United States. And it has always been my philosophy of life that every human being should at least have the opportunity to secure a good job with good pay."

Although he has had help from others, Phinney has always been the leader in getting new industry. But it was taking too much of his time from his own business, Southern Research and Development Corporation, to which he plans to devote more of his time.

A lion's share of the credit for Laurens County's growth in the past 20 years is due Phinney and he is to be commended for his long service which was given at great sacrifice of money and time away from his family.●

CAPITAL PUNISHMENT

Mr. THURMOND. Mr. President, on July 31, 1978, an editorial was broadcasted by the Spartan Radiocasting Company of Spartanburg, S.C., urging the reinstatment of the death penalty.

The contents of this editorial are so informative that I was prompted to bring it to the attention of my colleagues.

Many of our citizens have become victims of murder and other horrendous crimes. Yet, since 1967 there has been only one execution in this country.

Even though the U.S. Supreme Court has decided that the death penalty for murder is constitutional, *Gregg* v. *Georgia*, 428 U.S. 153 (1976), legislators are hesitant in enacting legislation to reinstate capital punishment. I have cosponsored legislation, S. 1382, to reinstate capital punishment on the Federal level.

Mr. President, I ask unanimous consent that this editorial be printed in the RECORD.

There being no objection, the editorial was ordered to be printed in the RECORD, as follows:

CAPITAL PUNISHMENT

One of the victims in the wave of kidnapping and terror that has spread over Italy in recent months was asked on television recently how law and order could be restored to the Italian people. His reply was brief and to the point: "Reinstate capital punishment."

Cold-blooded murder and atrocious crime of all kinds has been spreading so fast in the United States that unfortunately it is becoming almost an accepted way of life in the world's greatest democracy.

Recently six persons in an Oklahoma City steak house at closing time were robbed, then herded into a walk-in freezer and killed one by one with a bullet through the head. Four of the victims were teen-agers working during the summer months to have money to continue their high school education in the fall. A few years ago, this would have been sensational headline news throughout the entire nation, and the people would have been greatly aroused.

Yet this "horrendous crime" hardly made the front pages, because cold-blooded murder has become so commonplace throughout the country.

If the two gunmen who committed this outrageous crime against society are apprehended, convicted by a jury of their peers, and given the death sentence, a great hue and cry will go up from certain quarters in this country against sending the two men to the electric chair or gallows.

The Supreme Court has enunciated such fuzzy decisions on how and when the death penalty can apply, rather than leaving the punishment for murder to the states where it belongs, that publicly and privately paid lawyers can tie up the trial and conviction of criminals in the courts for months. Then the focus of the public is so centered on taking the lives of murderers that the victims, like the poor six who died in that steak house locker, are all but forgotten.

In every state there are cold-blooded murderers, similar to those who committed the Oklahoma City crime, waiting on death row. Already many have been turned back on society, and in many states there continues a reluctance to invoke capital punishment, even though the Supreme Court has ruled it constitutional under certain conditions.

WSPA believes with the Italian victim that unless capital punishment is reinstated, and done soon, murder and terrorism will increase. Nothing would stop these kinds of crime more quickly than letting this element in society know once and for all that they will forfeit their own lives if they kill and butcher their fellowman.

WALL STREET JOURNAL EDITORIAL ON CARTER VETO OF MILITARY BILL

Mr. THURMOND. Mr. President, there appeared in the Wall Street Journal today an editorial entitled "The Rafshoon Veto" in which the merits of the Presidential veto of the military authorization bill are discussed.

As one Senator who is greatly disturbed about this veto, I certainly view with alarm the charges in this editorial that the President struck down this bill merely to enhance his image.

This is a major bill we are talking about. It took months to develop it in committee, on the floor, and in conference. The administration had its say when it was first submitted, and during each step of the legislative process. I do not think the President's preference for a conventional aircraft carrier over a nuclear carrier was anywhere near sufficient reason to veto this legislation.

Now this editorial from a highly respected newspaper claims the main thrust of the veto is to make the President look strong by casting a veto on which he feels confident of winning the one-third vote necessary to sustain it. If this is the reasoning behind this veto, I cannot believe the House and the Senate are ready to play such games when so much important legislation is piled up here in the Congress. The President himself is calling upon Congress to get various bills out, yet he has added greatly to the workload for what the Wall Street Journal calls promotion of his new "get tough" image.

Mr. President, I ask unanimous consent that this editorial be printed in the RECORD.

There being no objection, the editorial was ordered to be printed in the RECORD, as follows:

[From the Wall Street Journal, Aug. 24, 1978]

THE RAFSHOON VETO

President Carter's veto of the defense procurement authorization is everywhere interpreted as part of a new "get tough" act, the practical incarnation of media adviser Gerald Rafshoon's efforts to massage the President's sagging poll ratings. The veto would have helped Mr. Carter's competency rating more if he had not clouded the issue in monumental confusion, including confusion about what the bill he vetoed actually contained.

To cut through the clouds, it's necessary to keep in mind two simple facts. First: while Mr. Carter objects to the congressional decision to spend $2 billion on a nuclear aircraft carrier, his administration has already announced plans to include a large oil-burning carrier in its budget request. The whole issue is, merely, this year or next year, and conventional or nuclear? Second: There is a difference between authorization bills, which set programs, and appropriations bills, which spend money. Mr. Carter vetoed the defense procurement authorization. The Pentagon appropriations bill has not yet been completed by Congress.

This elemental parliamentary distinction was entirely overlooked in Mr. Carter's charge that Congress is building the carrier by "diverting funds away from far more important defense needs." Among the congressional items to which he objected, for example, was a supposed cut of $500 million in military operational funds. But operational funds are not dealt with in the defense procurement bill; if this was the President's problem, he vetoed the wrong bill.

Doing the President one better, Defense Secretary Brown complained that Congress had killed three antisubmarine ships. There is a dispute over the appropriations for these ships, with the House on one side and the Senate on the other. But whatever the eventual appropriation, the ships were included in the defense procurement bill. Secretary Brown complains about Congress killing ships that were in fact in the bill his chief just vetoed.

Now, within the context of the procurement authorization, it's true that despite $1.9 billion for the aircraft carrier, the congressional total was close to the President's original request. About half of the funds came from rather ordinary changes: the Army reporting it could not spend money on its new XM-1 tank as fast as it originally

thought: Congress's decision that it could both save money and improve the NATO tank force faster by upgrading more existing M60A1 tanks and producing fewer new M60A3 tanks than contemplated in the original administration request.

The other half of the carrier money came from funds originally requested for the Trident submarine program, but which cannot be spent in this year's bill because of delays. With the Trident program delayed, and with the administration poised to order up a new carrier next year, Congress is merely saying, let's use this idle money and get the carrier started now.

There remains the issue of what kind of carrier. In passing, it should be noted that in light of the latest studies it is far from clear that large carriers are especially vulnerable. They can sustain hits from Soviet cruise missiles that would atomize small carriers, which have their magazines above water line. Large ships also make sense in light of electronic battlefield management, which promises a defense capable of shooting down attacking missiles. But this debate is beside the immediate point, since the White House has requested no small carriers. Indeed, the bill Mr. Carter vetoed provided more research funding for small carriers than he requested.

It is also unclear that oil-powered carriers save money. They are cheaper to build, but more expensive to fuel. Over the lifetime of a ship, it is difficult to see much difference in total cost. Congress prefers the nuclear carrier because it has better performance, being unencumbered by a train of tankers to refuel it every few days. The administration prefers a conventional carrier, saving money on construction now but spending more on operations later. And over this difference the President is willing to veto the entire procurement bill, inviting further controversy and delay that may hinder the improvements on which he and Congress agree.

In order to escalate this minor quarrel to veto proportions, President Carter launched an attack on Congress that seriously distorts the record. Sen. Stennis rose on the floor to complain, in what is for him strong language, of the administration's "false facts." The Senator was too much of a gentleman to say it, but we will: This is not a case of the Congress being soft on national security, but of the President dallying with defense in pursuit of cosmetic politics. The defense procurement bill was vetoed not because of any large difference on substance, but because it was the first bill to come along after Mr. Rafshoon whispered in the President's ear that he could look "strong" by vetoing something.

CONFERENCE REPORT ON NATURAL GAS PRICING BILL

Mr. TOWER. Mr. President, the Senate will soon begin debate on the conference committee report on the natural gas pricing bill. This compromise bill, the Natural Gas Policy Act of 1978, is the product which has emerged after many months and many long hours of deliberation in the conference committee.

It has, of course, not been easy to fashion a natural gas plan which a majority of the House and Senate conferees were willing to sign. The House and Senate bills were as different from each other as night is different from day, and represented totally divergent philosophies. I know that the Senate conferees in particular have labored long and very hard to complete what has been a very difficult job and to bring the decades-old natural gas pricing controversy to a satisfactory resolution.

I commend the Senate conferees for their efforts. However, having said that much, Mr. President, I must also say that I am constrained to oppose the conference committee report and to oppose it vigorously. It is my considered judgment that final approval of this compromise natural gas bill would not serve the national interest, nor would it be in the interest of Texas gas consumers or producers.

I have been an active participant in the repeated efforts to remove Federal controls on the wellhead price of natural gas sold into the interstate market. I sponsored deregulation bills in 1970, 1971, and 1973, and I cosponsored the deregulation amendments adopted by the Senate in 1975 and 1977. My support for deregulation has stemmed from my long-held conviction that the present system of Federal regulation has succeeded only in encouraging wasteful use of gas while discouraging the exploration and production efforts necessary to add to existing supplies. I therefore believe that enactment of natural gas legislation can be justified only if it will contribute substantially toward the achievement of unregulated, market-determined gas pricing at an early date. The pending natural gas compromise cannot meet that test, in my estimation.

It is true that the conference bill would permit natural gas producers to receive somewhat higher wellhead prices than those permitted for natural gas sold into the interstate market under currently applicable Federal price ceilings. It would also hold out at least the hope of an eventual removal of price controls from certain categories of gas production. In my estimation, however, the proposal is not designed to serve the long-term best interests of the Nation. The bill will not substantially increase the Nation's supply of natural gas, but it will clearly lead to increased Federal regulation.

Because it has been so amply demonstrated that excessive Federal Government regulation has been the principal cause of our current natural gas supply problems, I believe the goal of natural gas pricing legislation must be to achieve unregulated, market-determined pricing for gas at an early date. Enactment of the current gas pricing compromise can be justified only if it will substantially contribute to the achievement of that goal. I must conclude that it will not achieve that goal.

From a national perspective, I believe that proposed natural gas legislation must be judged in relation to its ability to achieve three major objectives: First, the legislation must provide some reasonable promise of adding significantly to the overall nationwide supply of natural gas, not simply shifting around existing supplies. Second, the burdens and benefits of any new law should be borne equitably, to the greatest extent possible. Third, natural gas legislation must minimize Federal control and maximize economic freedom.

Unless these goals are achieved, it is unlikely that any new legislation can contribute significantly to the long-term best interests of the Nation. It is my judgment that the conference bill cannot pass the test of acceptability when measured against these criteria. It will ultimately lead to increased Federal control but will not materially increase gas supply. Further, the conference committee economic analysis has indicated quite plainly that the costs and benefits of the bill will not be distributed equally among regions and classes of consumers.

Even the administration's own analysis, which would have to be considered optimistic, suggests that the compromise would elicit only a modest increase in overall supply. The bill cannot significantly increase incentives in the interstate market, and the extension of controls will create disincentives to expanded production in what are now the major intrastate markets.

It is apparent that the bill is designed not to add to overall supply but rather to shift current shortages around in the markets. To perpetuate the current national shortage in this manner is to continue to rely on OPEC oil and imported liquefied natural gas, at prices well in excess of those which are allowed our domestic energy producers.

From my perspective as a proponent of deregulation, it could be said that in one sense enactment of the conference bill would be a step in the right direction. The bill does—however timidly—appear to endorse the concept of deregulation. It would provide for an increase in ceiling prices now applicable to natural gas sold in the interstate market, and there is widespread recognition of the fact that current controlled prices are inadequate to assure a sufficient supply. Compared to the prices that interstate gas consumers now pay, this proposal would mean somewhat higher prices.

I feel compelled to emphasize, however, that higher gas prices are not an end in themselves, but only a means to an end. Higher prices for natural gas serve a justifiable purpose only to the extent they achieve their proper economic function—that is, to increase the supply of gas while encouraging its most efficient use. An unregulated gas market permits prices to perform that function. but this bill is not designed to achieve an unregulated market.

This conference committee bill provides for a dramatic increase in the scope of Federal regulation and yet it is my conviction that Federal regulation has caused the present problem. Clearly, the prospect of deregulation in this bill is little more than an illusion.

The natural gas conference report would continue an expanded scheme of Federal controls for at least 6 more years and would extend the ugly hand of Federal regulation for the first time to intrastate natural gas. This, despite the fact that on the whole the now unregulated intrastate market, particularly in Texas, has been and continues to be a model of how the economic marketplace can work if permitted to do so.

In contrast, the conference committee bill would create a regulatory maze of

staggering complexity. Sheila Hollis, the Federal Energy Regulatory Commission's Director of Enforcement, has said that, at best,

> Such legislation would require lengthy litigation—including in all likelihood a number of supreme court decisions—before the meaning of the pricing provisions is reasonably settled. Some uncertainty is inherent in passing any piece of new legislation, but the proposed bill is so marred by such uncertainties that it will be literally impossible to administer.

In her August 14, 1978 memorandum to the chairman of FERC, Director Hollis concluded that:

> The proposal is so complex, ambiguous, and contradictory that it would be virtually impossible for this commission to enforce it in a conscientious and equitable manner.

Although it is quite true that changes were made in the bill subsequent to the Hollis memo, the basic problems which led the FERC director to reach her conclusions remain in the conference committee bill. These problems will result in delays and uncertainties in addition to those already present under current law, with FERC now wading through thousands of backlogged cases.

Clearly, the compromise would result in less price certainty than under current law, with pricing determinations being subject to FERC review, remand, reversal, and court appeal.

The bill's numerous and arbitrary pricing categories would mean that exploration and production decisions would increasingly be based on considerations of regulatory gamesmanship, rather than on considerations of geology and economics.

The almost unbelievable complexity and ambiguity involved in the conference bill would make it virtually impossible for producers to avoid serious compliance problems, and the penalties for noncompliance contained in the bill are quite severe.

Enactment of this bill would mean that gas producers, and especially independents, will be hit over the head with the stick of regulation for a minimum of 6 more years, with the prospect that the carrot of deregulation will then be taken away.

For intrastate gas consumers, most of whom are in Texas, it would mean paying billions of dollars more for substantially less natural gas. Yet rather than resulting in any significant additions to the Nation's overall gas supply, this bill would indeed have a chilling effect on gas exploration and production efforts.

Mr. President, the natural gas conference committee bill is a bad bill, plain and simple. It is a compromise crafted ever so carefully with just one goal in mind. That goal is to get a bill, any bill, which a majority of each House of Congress will approve for the signature of the President. However it may soothe the conscience of some—who more than anything else want to be able to declare that they have supported a natural gas bill—this bill does not deserve the support of the Senate.

SEATTLE ANTIARSON CAMPAIGN A NATIONAL MODEL

Mr. MAGNUSON. Mr. President, we are witnessing in this country a growing concern about the crime of arson. Numerous suggestions are made as to how we might succeed in focusing greater public attention on this crime, which accounts for thousands of injuries and deaths together with well over $1 billion in property loss in this country each year.

The most successful local effort combating arson has been developed in Seattle, Wash. Under the direction of Seattle fire chief, Frank Hansen, a broad cross section of the community has cooperated to reduce incidents of arson, at relatively little cost to taxpayers.

A recent article from the Washington Post of July 28, 1978 is entitled "In Seattle if You Start a Fire You Are Going To Get Caught."

Mr. President, I ask unanimous consent that this excellent article on the Seattle arson prevention program be printed in the RECORD at this point.

There being on objection, the article was ordered to be printed in the RECORD, as follows:

IN SEATTLE "IF YOU START A FIRE, YOU'RE GOING TO GET CAUGHT"

(By Neal R. Peirce)

SEATTLE.—While headlines proclaim that arson is spreading like a prairie fire, this city has demonstrated how concerted action can dramatically reduce arson incidents and the losses to property—and often life—that go with it.

Only a handful of other cities—among them Houston, Los Angeles, New York's South Bronx, Boston and Lynn, Mass.—have launched anti-arson compaigns in any way comparable to Seattle's. But the formula, explains City Councilman Randy Revelle, is deceptively simple:

"Make arson a priority crime. Establish a specialized arson unit within the fire department; combine its investigative work with that of the police department. Provide arson investigations training—that's absolutely critical. And involve local insurance companies and the media in anti-arson campaigns."

Richard Hargett, commander of "Marshal 5," the Seattle Fire Department's arson unit, says that by 1975 arson had become "the most serious problem facing the fire forces." Between 1971 and 1974, losses in Seattle had soared from $621,000 to $3.2 million. It was feared they would hit $4.4 million in 1975.

But with its new program, Seattle reduced fire losses to $2.6 million in 1975. Last year the figure was down to only $1.7 million and will probably be less in 1978. Arson incidents went down while arrests and convictions went up: In 1974, there were 622 arson incidents, with only 73 arrests; last year, incidents were down to 518, arrests up to 217, and 196 of those arrests resulted in convictions.

Seattle's turnaround stands in stark contrast to the epidemic-like spread of arson nationwide. The insurance industry estimates that national losses last year were close to $4 billion, up from only $634 million in 1975 and a mere $68 million a decade before. Arson accounts for 40 percent of all property losses, the insurers believe, and now kills about 1,000 people a year and injures 10,000 more.

How did Seattle turn the table on the arsonists?

The credit begins with Fire Chief Frank Hansen, who reasoned that the causes of arson were so complex that no single "cure would work. So he persuaded then-mayor Wes Uhlman to set up a task force including representatives of the city fire and police departments, the mayor and city council, the county prosecutor, Seattle Chamber of Commerce and the state's insurance council.

Early on, the task force discovered arsonists had good reason to believe they would get away with it. Nationally, for every 100 cases of known or suspected arson, only nine persons are arrested, only two are convicted and seldom is anyone actually jailed. The reason: Arson is difficult to detect because incriminating evidence such as fingerprints, is often destroyed in the fire.

But Hansen publicly laid down the guantlet to would-be arsonists. Many city and private agencies would be watching them, he said. "From now on, if you start a fire, you're, going to get caught. And when you're caught, you're going to jail."

Delivering on that promise required tackling a problem that has plagued effective anti-arson work everywhere: lack of cooperation between police and fire departments. Typically both agencies claim authority, but neither gives arson proper attention or manpower.

Fire fighters rarely have the investigative skills to solve the more sophisticated cases, and police find arson "unglamorous" compared with robbery and murder. Jurisdictional confusion means neither department pursues arson to the point of prosecution.

Hansen solved the problem by convincing the police to give the fire department authority over arson from initial investigation through prosecution. But he persuaded the police to assign to the fire department two detectives to assist in investigations. Police/fire department tensions melted away; today, police and fire fighters share tips on arson and other crimes and the police often back up the fire department with assistance in surveillance and stakeouts and use of police helicopters, district patrol cars and communications systems.

Training for all arson-squad members includes basic law-enforcement techniques and sophisticated crime labwork. The Marshal 5 squad investigates all fires causing over $1,000 damage, and can crack seemingly insolvable arson cases. "Arsonists tend to believe they have destroyed all traces of their crime in the flames; what they fail to realize and what gives us the edge is that the very ashes that are left are where we find our clues," says Inspector Jack Higham.

The motives for arson are several: A business competitor or a disgruntled employee or even a shunned lover may seek revenge. A burglar or a murderer may try to cover up another crime. A child playing with matches may be mentally retarded or making a bid for attention. A would-be "hero" may set fires to receive accolades for discovering them. "Arson is just another means of assault." Hargett says. "It's less risky—there's no face-to-face conflict. The chances of being identified are almost nil."

Finally, there's arson for profit by financially troubled businessmen or homeowners seeking to collect insurance money. Despite the publicity surrounding such events as the arrest of 33 "respected" Bostonians in an arson ring last year, the number of fraud fires is actually small. But the dollar losses are great.

Seattle attacked the motives one by one. Since 50 percent of Seattle fires were set by juveniles, reaching them was a top priority. A United Way agency was hired to counsel children who displayed an "unusual" interest in fire; the fire department created an "arson rat" as the symbol of arsonists and received

more than 5,000 entries in a campaign to name him. The winning entry: "Sinder Sid."

Neighborhoods and business districts with high arson rates were identified; each night between 11 p.m. and 3 a.m. fire fighters travel through them in highly visible vehicles, clearly marked "Community Fire Alert/Arson Patrol." The patrol operates on tips from private citizens, employees of failing businesses, or health and liquor inspectors who may learn that a bar or restaurant owner is contemplating arson. "If we've been given a tip a building might burn or see four garbage-can fires in a small area, it's often a way for us to catch arsonists and put out a fire quickly," Hargett says. The presence of vehicles with red lights on top and spotlights make some residents nervous, "but we want everyone to know they're there," he adds.

Insurance companies agreed to withhold payment of large-loss fire claims when the policyholders may have been responsible. And the benefits of the Seattle effort spread statewide when the insurance industry set up a $5,000 pot to reward "secret witnesses" and underwrote a statewide toll-free arson hotline. The program is particularly valuable to small towns where residents often don't know who to call to report information, or are afraid of being traced.

Finally, Seattle newspapers and television stations cooperated in a long-term publicity campaign about the arson problem and the success of investigations. A four-week television series on arson produced by a local station even won an award for investigative reporting.

But the cost to the taxpayers of the entire Seattle effort is only $100,000 a year. It's an investment even the most ferocicus taxpayers' association might find worthwhile.

Mr. MAGNUSON. Mr. President, the National Fire Prevention and Control Administration, which is looked to for Federal leadership and cooperation by local authorities in the arson area, has been directed by the Senate to utilize a minimum of $1,000,000 during fiscal year 1979 on antiarson programs. I sincerely hope that the NFPCA will closely study the Seattle antiarson program as a model for other communities still suffering from the vicious crime of arson.

PROSPECT OF REFORM SLASHES AIR FARES AND INCREASES AIRLINE PROFITS

Mr. PERCY. Mr. President, on April 19, 1978, the Senate passed the Air Transportation Regulatory Reform Act of 1978 which, if enacted into law, will significantly and permanently reduce the amount of Government interference in the airline industry. The mere likelihood of less regulation, added to the earlier prodigious efforts at reform of Civil Aeronautics Board Chairman Alfred Kahn, has created a dramatic boom in air travel.

Millions of Americans are taking advantage of new lower fares offered by airlines—fares brought on by enhanced competition in the airline industry. Last year airlines carried a record 240 million passengers. This year's figures are already showing an enormous 14 percent increase in ridership over that record-breaking year.

Air travel has suddenly become an attractive alternative to many Americans who were never able to afford the earlier fares. In a few short months, the so-called American "jet-set" has come to include middle income families with several children, young married couples, elderly citizens on fixed incomes, and blue collar workers. The ability of more and more Americans to visit distant loved ones and far-off vacation spots is fulfilling one of the great popular dreams of our highly-mobile society.

But the air traveler is not the only beneficiary of the new competitive environment. Travel by air diverts people from using less energy-inefficient automobiles, thereby conserving our scarce natural resources. Regulation also encourages competition among different forms of transportation: bus and rail fares are bound to come down thanks to the new lower air fares. And the burgeoning ridership demands on all forms of transportation will undoubtedly provide a significant economic shot in the arm for the entire transportation industry.

Recent reports have indicated that the sudden increase in air travel has created some unusual strains on the market. Busy phones at reservation centers and long lines at airline terminals have created a certain amount of inconvenience for air travelers. Some airlines are introducing an average of one new low fare a day, and it has become difficult for agents to stay abreast of the changes.

But the history of American enterprise, and this great industry in particular, has shown that when new markets open, well-managed firms will be ready to respond. I am confident that the inconvenience and delays are only temporary and that passenger services will return to their usual high quality after the summer rush.

Mr. President, to illustrate the significant national impact of our recent efforts into regulatory reform, I ask unanimous consent that a sampling of recent articles on this subject from such widely read newspapers and magazines as the Wall Street Journal, Dun's Review, the Chicago Tribune and Chicago Sun-Times, the New York Times, and the Washington Star be entered in the RECORD.

There being no objection, the articles were ordered to be printed in the RECORD, as follows:

[From the Chicago Tribune, July 7, 1978]

THE DISINTEGRATION OF IATA

The International Air Transport Association, the OPEC of the airways, is apparently crumbling, for which we shed no tears. The cartel voted this week to let its members set their own fares on competitive routes without forfeiting their IATA membership. The primary reason for IATA's existence has been to protect its members from competition from one another.

The rigidity of cartel-set fares that the international airlines once found so reassuringly comfortable has quickly turned into a handicap now that free competition is lapping at their departure lounges. They could live with competition as long as it was limited to charter carriers under special conditions. But something funny happened when Freddie Laker invaded the field with his no-frills and no-reservations Laker Airways "Skytrain," offering round trip service from London to New York for about $380 less than the IATA economy class fare.

Mr. Laker did not have to work about violating IATA's rules because his British line is not a member. But his action has forced a half-dozen member lines to break ranks and offer standby New York to London fares of $299. This month Pan American is offering a temporary promotional fare of only $149 from Boston to Amsterdam. And now comes KLM, the Dutch air line, with a proposal to fly a passenger across the ocean for only one guilder [44 cents] if he happens to be on hand when a charter flight is leaving with empty seats.

Mr. Laker has always said that there is a great big market out there waiting to be served by free competition, a market made up of people on both sides of the ocean who would gladly fly overseas if they could only afford it. He gave them something that they could afford.

And now that the established carriers have responded with cut-rate fares of their own, what has happened? Trans-Atlantic traffic is soaring toward a record. Pan Am, TWA, and British Airways are each flying 20 percent more passengers across the Atlantic than last year. And of course the Laker "Skytrain" is filled to capacity almost every day.

Surprising? It may be to stick-in-the-mud backers of IATA and other price-supporting cartels [including, until recently, our own Civil Aeronautics Board]. But it shouldn't be. The lower the fares, the more ordinary people can afford to fly; and the more people fly, the more eagerly carriers will compete to attract them. And the better business is likely to be.

The same thing is being demonstrated in the domestic market since the CAB—under the Ford and Carter administrations—began moving toward the deregulation of air fares.

Credit for this free market, pro-consumer, anti-inflation revolution in air fares goes partly to the Ford and Carter administrations, but perhaps most of all to Freddie Laker, who with some help from the United States government, battled both IATA and the British government [which owns British Airways] to make his Skytrain a reality.

[From the Wall Street Journal, July 3, 1978]

NEW DESTINATION FOR PAN AM

(By Albert R. Karr)

WASHINGTON.—As the award ceremony began to wind down, the honored guest, Civil Aeronautics Board Chairman Alfred Kahn, was getting restless. He told his hosts he would have to hurry off, explaining cheerily: "I have to go back and destroy the airline industry."

The remark typifies Mr. Kahn's breezy manner, but it reflects more than that. In office only a year, the CAB chief has started to strip away his agency's regulation of airline fares and routes; the board has approved big discounts on many flights and has turned more generous in granting new routes. The deregulation pace will soon accelerate—with plans afoot to let airlines slash basic fares as much as 50% without CAB approval and to let them expand onto new routes with little restriction. Eventually, Mr. Kahn envisions free-swinging competition for routes, along with further bargain-fare innovations and an absence of CAB control.

This upheaval at the CAB is part of a current Washington pattern: Chairmen of other regulatory agencies appointed by Jimmy Carter are also acting to promote competition and protect consumers. But Mr. Kahn is moving more boldly than his fellow regulators—and sending tremors through the airline industry.

Though a few airline executives appear to be growing reconciled to Kahn-style deregulation, others have warned that removal of CAB regulation, on which they have relied for protection against too much competition, could destroy or at least badly batter their

industry. Delta Air Lines, in a major challenge to the board, is suing the CAB in a federal court on the ground that the agency is abdicating its responsibilities.

The Kahn deregulation crusade ignores the need for a "sound air transport system" to serve national defense and other public interests, says Thomas Taylor, a Trans-World Airlines vice president.

Mr. Kahn scoffs at such concerns. He predicts that less regulation will mean not only more competition but lower fares, more travel and fatter airline profits. "If I thought that having more competition in the industry, increased flying, more planes, more pilots and more markets is in conflict with our national defense, or with energy considerations, I'd confront that problem," Mr. Kahn says. "But I see no conflict."

If Mr. Kahn's attitude is unusual among government regulators, so is his background. The 60-year-old chairman combines the expertise of an economist with that of a regulator. He taught regulatory and antitrust economics at Cornell University for 30 years and headed New York State's Public Service Commission from 1974 to 1977.

A BLUNT SPEAKER

He also comes equipped with a keen intellect and a ready, self-depreciating wit. During one board meeting, he asked colleagues: "What's wrong with my logic—other than it's dishonest?" In the same meeting, he told agency staffers they could start drafting a CAB order, as they had the "sense" of the board's view; "there may not be any sense but you have it," he added.

The chairman often shows a penchant for blunt speaking. At one CAB meeting, where he backed a new low-fare policy for U.S.-British travel, a veteran CAB staff man warned, "You have just destroyed the North Atlantic fare structure." To which the chairman replied: "That's a good afternoon's work."

On another occasion, irritated by demands that Pan American World Airways was making on the board, he commented at a CAB meeting that he was inclined to tell Pan Am "to get to hell." At the next meeting, feeling compelled to soften the remark, he quipped that Pan Am had called to thank him for granting it an intriguing new route.

IN THE ROCKING CHAIR

Beyond a doubt, the Kahn style is informal. Conferring with a secretary, the chairman braces himself at an angle to her desk and begins doing minipushups. During an interview with a visitor, he takes off his shoes and begins rocking in an old-style wooden rocking chair.

Clearly, he enjoys being CAB chairman. And just as clearly, he is the star performer among the heads of federal agencies that regulate economic activity.

When the President and his staff looked for nominees to those posts last year, they sought movers-and-shakers who would encourage more competition, try to roll back regulation and put consumer interests first. Now that the new chairmen have been on the job about a year, that plan has "largely worked out," says Stuart Eizenstat, Mr. Carter's top domestic-policy adviser.

The Carter selections are generally more activist than their predecessors, as well as more knowledgeable about regulation and about Congress, which keeps a close eye on the regulators. Five of the 1977 choices to head major regulatory agencies came from Capitol Hill staff jobs. One, Michael Pertschuk of the Federal Trade Commission, says he and his counterparts keep "more distance from the regulated." As for promoting competition, the new chairmen are "certainly more sensitive to the kinds of concerns that we have than previous chairmen," says Joe Sims, a deputy assistant attorney general for antitrust.

As an example, Daniel O'Neal, head of the Interstate Commerce Commission, has been trying to roll back some ICC regulation of truck service. He also has been cracking down on fleecing of customers by household-goods carriers that illegally boost reported weights of loads hauled—and their charges to customers.

FTC Chairman Pertschuk, for his part, has advocated a "humanistic" approach to antitrust enforcement, urging consideration of the effects of industrial concentration on jobs and communities. He has also pushed for curbs on television advertising aimed at children, and the FTC has just come out with the first of a series of rules on trade practices; this one will allow eyeglass advertising in all states and permit customers to use their prescriptions to shop for glasses, to help bring prices down.

Chairman Richard Dashbach of the Federal Maritime Commission, though an avid supporter of the U.S. merchant marine and a firm foe of deregulation, has adopted some competition-minded positions that have angered ocean shipping operators. Under his lead, the commission rejected without a hearing a plan in which seven North Atlantic rate-setting conferences would join together in a "super-conference" with more concentrated power over shipping rates. Afterward, the industry "went bananas," Mr. Dashbach says.

And Charles Curtis, chairman of the Federal Energy Regulatory Commission, has sometimes taken tougher stances than his predecessors toward the natural-gas industry. In one instance, his commission refused to let producers pass along to consumers the cost of the planned Alaska gas pipeline.

There isn't a sharp turnabout at all the agencies. Consumer advocate Ralph Nader and others have castigated Mr. Curtis as too deferential, on a few occasions, to regulated industries. ICC Chairman O'Neal lacks Mr. Kahn's zeal for deregulation and has less faith that the marketplace is superior to government controls. Two other chairmen, Harold Williams of the Securities and Exchange Commission and Charles Ferris of the Federal Communications Commission, appear to favor some deregulation but seem reluctant to change the status quo in any hurry.

FIGHTING INFLATION

But even though Mr. Nader finds some of the chairmen disappointing, he rates them, all in all, as "significantly better" than their predecessors. At the U.S. Chamber of Commerce, chief economist Jack Carlson applauds the group's general support for deregulation. He doesn't like their accompanying appetite for consumer protection.

Among these Carter-appointed regulators, CAB Chairman Kahn stands out as the superstar because he has been able to do a lot in little time. He has taken advantage of momentum that was building for airline deregulation when he took command and, in doing so, has emerged as a more effective inflation-fighter than most in Washington. The fare cuts approved under his regime have brought the average air fare below year-ago levels, while retail prices generally have risen nearly 7 percent.

The CAB's plans would allow much deeper fare cuts. Perhaps just as important, they would let new airlines start flying and existing ones expand onto more routes with hardly any restraint. The board wouldn't worry about such questions as whether a new entrant would grab business from another airline.

The plan reflects Mr. Kahn's view that the key to airline competition is the prospect of new entries into a market. Without it, he says, airlines don't compete with prices but with costly offers of additional flights, more flight attendants and fancier foods.

Mr. Kahn hopes to make competition so wide-open that large and widespread fare increases would be impossible, even under some future restriction-minded CAB. Saying that the board has lately swung 180 degrees from an airline-protection policy, Mr. Kahn recently reminded Congress that the CAB could some day turn another 180 degrees, right back to protection. He urged enactment of pending deregulation legislation to "make sure this whirling dervish ends up facing in the direction you want it to face."

OPPONENTS MAY SUE

The legislation would help head off legal challenges to the board's deregulation moves—challenges that appear probable. Associates say Mr. Kahn lets his lawyers tell him what he can't legally do only when he is convinced they're right. Speaking of the CAB's route-policy plans, he himself says, "I don't give a damn about the legal aspects." He really means that he cares about the legalities only when they're forced on him.

Critics in the airline industry insist that the chairman is flouting the 1938 act that created the Civil Aeronautics Board. They say the law requires the agency to select specific carriers for specific routes, picking only those that can provide the necessary service. The airlines are likely to fight Mr. Kahn's route-entry approach in court.

Apart from any legal challenge, aviation executives are accusing him of failing to give due consideration to this unprecedented plan. Arthur Kelly, president of Western Airlines, says Mr. Kahn is "trying to do too much too fast" and thus threatening harm to "a lot of fragile segments" of the industry.

Within the government, too, the Kahn approach arouses some concern. The FTC says the CAB should proceed cautiously in easing route entry to avoid letting large carriers extend their hold on aviation, in the short run, during a free-for-all route scramble. Even Nahum Litt, the CAB's own chief administrative-law judge, has warned Mr. Kahn that the board is acting in haste. He is especially wary of plans to scrap trial-type oral hearings in many cases to speed up decisions.

ONE-SIDED STAFF?

Critics also say that Mr. Kahn listens too much to the deregulation-minded staff he has brought to the board and that it lacks dissenting voices. The chairman concedes his staffers are "all on one side" of the regulation issue, but he says it is his job to raise doubts about his own ideas and theirs.

The new low-fare plans that airlines are coming up with are "answering most of my doubts" about deregulation, Mr. Kahn says. Still, he confesses to some worries. One is that charter carriers will be hurt as scheduled airlines are freed to slash fares. Another concern is how to protect a new, small airline wanting to start an innovative service from fierce competition by existing carriers.

These worries don't mean he is backing off from deregulation, however. "I just admit, Hamlet-like, to some concern," the CAB chief says.

Despite his misgivings, Mr. Kahn can clearly see where he would like to move—toward eventual abolition of the agency he heads. The board's basic functions of awarding routes and approving fares offend him. He concludes: "I don't see any need for a CAB, quite apart from the fact that I have tenure at Cornell and don't need a job."

DISCOUNT AIR FARES PROVE TO BE A REAL HIT

[From the Washington Star, July 7, 1978]

(By Brian Murchison)

For 19 hours a day, seven days a week, 24 shifts of sales agents handle the phones at the United Airlines Reservation Center in McLean, Va.

But that still hasn't been enough to handle the volume of callers who are often shopping

for "Super Saver" tickets and other discount fares.

More than 20,000 people a day have been calling the reservations center, according to Willie Davis, supervisor of reservations sales. Eighty percent or more of the callers are waiting as long as 10, 20 or 30 minutes to get through.

"One man said he watched an entire baseball game on television while he waited for us to answer his call," said Diane Fleming, one of the 341 sales agents taking phone calls at the reservation center.

Fleming said that another man resorted to asking for a reservation by letter because "he'd given up trying to get us on the phone."

There aren't enough phones or sales agents at United, or any of the other airlines, it seems, to take care of the demand these days.

Tens of thousands of people either want to purchase one of the highly publicized new discount fares, have been detoured because of the Northwest Airline strike, or simply want to fly off for summer vacation during the traditional peak of the travel season.

The lower fares are the result of the Civil Aeronautics Board opening up competition among domestic airlines, which has inspired the companies to offer a marketbasket of bargains. The Carter administration is also moving to liberalize international air fares, also likely to create new bargains for travelers going overseas.

"With a board that is certainly working under a mandate from the White House to deregulate the industry by letting management decide fare levels, every fare is being accepted," said William Jackman, assistant vice president for public relations at the Air Transport Association. "You could almost call it a deregulated atmosphere now."

When a caller does get through, according to Gill Periroth, manager of public relations for Eastern Airlines, the conversation often lasts another 10 or 15 minutes while the agent explains the conditions that must be met for each discount fare, or lists the various fares possible for travel between two points.

As one agent put it, "We average one fare change a day, so you can see how confusing it is for everybody."

For example, between Washington and New York there are now 19 possible discount fares, ranging in price from $106 to $40 round-trip.

Braniff International currently leads the scramble for cheapest Washington to New York flight. A customer may jet out of National or Dulles aboard Braniff for $40 round-trip to New York or Newark on any of seven daily non-stop flights.

Dubbed the "Small Potatoes" fare, the lower coach rates will become effective July 15. Only a few of the cheaper seats will be available with each flight, but customers flying "Small Potatoes" will be entitled to all of the services that normally accompany regular coach fare.

In the current fare derby, price depends on the customer's departure date, length of stay, length of time left before departure date, whether the customer plans to travel at night or during the day, whether the customer is a senior citizen, a foreigner, a member of the military, a member of the job corps, a child, or fits into some other special category.

The Super Saver Fare at United is available only for customers who make their reservations 30 days in advance and plan to stay a minimum of seven days and a maximum of 45 days. There are different Super Saver rates, ranging from 30 to 50 percent reductions, for flights during the week, on the weekend, at day and night, for children and adults.

The fine print in advertisements also points out that the airlines "allocate only those seats for discount sale which have been traditionally unsold, therefore insuring adequate space for full-fare demand."

Only a limited number of Super Saver seats, then, are available, and Chuck Kinzie, a reservation manager at the United center in McLean, said that the number ranges from 5 to 35 percent of the total seats on the flight.

There are also about 30 possible fares for flights from Washington to Miami, ranging in price from $268 for a round-trip first-class ticket, to a $103 excursion fare requiring a 30-day advanced booking and traveling at night.

For flights from Washington to Los Angeles, there are about 20 fares, ranging from the first-class round-trip seat at $538, to the $207 night coach, midweek, 30-day advance booking, seven-day minimum stay flight.

As one consumer who spent a half-hour trying to get through to Eastern Airlines last week put it, "They've got fares for every kind of person and trip except for someone who's got green hair and wants to spend a month on Mars."

Travel agents are also feeling the pressure of constantly ringing phone calls and the need to be up on all the latest fares.

Faralyn Leighton, an agent with Global Travel in Rosslyn, says, "It's been an old woman's nightmare. You dial, dial, and dial for a good 20 minutes most of the time," Leighton said. "Then you get a recording which repeats itself 12 times until the poor recording itself gets tired. Then you're put on hold, and sometimes the circuits overload and you get thrown off."

Leighton also finds herself explaining legal points to her clients. Types of fares are often advertised before they are actually approved by the CAB, Leighton said. "This makes it tough on us, because we're the ones who have to tell the people that a particular fare isn't ready yet, hasn't been approved. We tell them to read the small print in the ads."

A typical comment made by irritated customers to agents picking up phones at the McLean center is that United Airlines "ought to hire more than two or three clerks to man the phones." Sales agent Fleming said that "when I tell them that there are 1,002 of agents working here, they're shocked, and they start to understand what we're up against."

Kinzie, the United reservations manager, said there has been a 27 percent increase this year in calls coming into the McLean center. "We were only forecasting a 2 percent rise in calls this year."

Kinzie added that he has had to hire 95 new sales agents since January, and that he expects to add 20 more before the summer is over. United has hired agents for its other reservations centers for a total of about 300 new hires in recent months.

The hiring surge has not been confined to United. In May, Delta Airlines added 400 reservation agents to its central office because "average talk time is up anywhere from 2 to 40 percent," according to J. A. Cooper, senior vice president of Delta.

Eastern has added about 800 agents since January. Periroth said that even those additions "haven't kept us on top of our standard of answering calls within a few seconds."

Continental has hired about 310 agents since March, and TWA says its sales staff has increased by "the hundreds."

The McLean reservation center, which is the third-largest United Airlines center in the country, gets calls from throughout the mid-Atlantic region: Washington, Baltimore, Richmond, Norfolk, Newport News, Allentown, Philadelphia, parts of Ohio, and all of Maryland and Virginia. Kinzie predicts a 25 percent increase this year in passengers flying United from this region.

Even when agents have mastered the rules of the most popular discount fares, they still can't relax. Newly approved fares come in from the airlines each day, keeping the agents under constant pressure to absorb and remember new information.

Between 7 and 8 p.m. on a recent weekday, the United center in McLean received 500 calls. Only 34 percent were answered within 20 seconds, the goal set by United officials.

"The rest probably took between 10 and 20 minutes to answer," Logan said. No more than 2,000 of the 20,000 calls each day are answered within 20 seconds, he estimated.

Flying fever is rampant, despite the difficulty in getting in touch with the airlines. Jackman, of the Air Transport Association, said the airlines are carrying 75,000 more people a day this year than they did last year, or two million more passengers each month.

[From the Chicago Sun-Times, July 9, 1978]

AIRLINE TRAVEL SOARING AS FARES TOPPLE

(By Dennis Byrne)

"Let's fly instead."

More people are doing it these days, and it could signal a major change in how Americans get from here to there.

Record numbers of travelers are heading for the airport. They include families who usually would load the family into the car for a 300-mile vacation trip. Others, instead of leaving the driving to the bus driver, are flying the friendly skies. And regular fliers, such as businessmen, are doing more of it.

People who never have flown before also are trying it, prompting one airline to put out a press release explaining to the neophytes that those "bumps, thumps, groans and squeals" they hear on a plane are normal and no cause for alarm.

The airport is beginning to look more like a bus terminal, with backpackers and "ma and pa and their six little rug rats" waiting for a flight, according to one observer.

The big shift to air travel has astonished even the most optimistic airline executives and stockholders. But it has given travel agents, reservation clerks, airport administrators and seasoned business travelers a huge headache.

Experts thank the wave of discount fares, which can cut the cost of flying in half, and a healthy economy for the increases in airline passengers. Just how long the trend will last is anyone's guess.

For now, the airlines are basking in the figures: More than 3 million passengers flew during the Fourth of July weekend, making it the busiest in aviation history. Domestic revenue-passenger traffic for all airlines was up 14.3 per cent in the first five months of the year compared with the same period in 1977.

At Chicago's O'Hare Airport, volume grew 10.8 per cent in the first five months compared with the same 1977 period. From January to June this year, 18.8 million passengers passed through the airport.

And records are falling with increasing frequency. Take Chicago-based United Airlines, billed as the free world's largest carrier. It recently became the first U.S. airline to carry more than a million passengers and to fly more than 1 billion revenue-passenger miles in a single week. On June 30, the Friday before the Independence Day weekend, United recorded 29,655 boardings at O'Hare, an all-time record. While August usually is the busiest month, United in June already had broken its own systemwide record for the number of daily passenger boardings three times and the record for revenue passenger miles five times.

But not everyone is delighted. Try to phone

an airline reservations desk and you'll probably get a busy signal or a recorded message advising patience until a clerk can come on the line. Because of the confusing array of discount plans—more than a score just between Chicago and New York—the phones are tied up by prospective passengers who are trying to get a clear explanation or who are just shopping around. United, for example, has 444 more reservation clerks and 362 more customer service representatives than it did a year ago to handle the load.

At the airport, parking and the long check-in and baggage lines have become serious problems. Regular flyers, especially businessmen, are bristling not only at the fact that they are not eligible for many discount fares, but also at unaccustomed delays.

"We're seeing an increase in late-hour traveling," O'Hare manager John Carr said. "There's the gypsy backpacker, the folks in blue jeans and what not, standing around and waiting for a flight or sleeping in the corners. We do 60 per cent of the housekeeping between 10 p.m. and 6 a.m., but now with all these bodies around, it's a problem."

"Then you have Mickey the Mope, with nothing to do, and he discovers the employes' washrooms in the basement level," Carr said. Because of the hanky-panky that has been discovered, those washrooms have been locked at 6 p.m. In the meantime, the increased crowds have forced the airport to plan on enlarging its public washrooms.

Also to cope with the crowds, plans are being made to add a second cafeteria. A phone number was established to give travelers information on the parking situation at the airport.

"The volume is good, but the bottom line doesn't look too good. We have to work three to four times as hard as before," said Francis Goranin, president of Vega International Travel Service, 201 N. Wells. "First, it's hard to get ahold of the airlines (for flight information and bookings). Then we have to explain to the client that even if (an airline) says its (bargain fare) has no restrictions, there are some because only so many seats are available on each flight. So we go back and forth between the client and the airline. Then we may have to try a different airline," Goranin said.

"Then you get very unhappy clients because they go to the airport and have to wait a very long time," he said. Goranin said he is advising his customers to arrive 90 minutes before flight time and to try to choose a plane that has a carry-on luggage cabinet. "Take a relatively small suitcase and go immediately to the gate. And if you come too late, you might be bounced. Oh, yes, it's legal—the airline still has a right to oversell."

Increased volume does not necessarily produce more profits for travel agents, he said. Lower fares mean that the agents with their 7-to-8 per cent commission take in less money on each sale. That may explain why a group of travel agents spent part of a recent Chicago meeting making up derisive names for the promotional fares, such as "Go-For-Broke Fares," "Super Ripoff Fares," "Take-It-Or-Leave-It Fares" and "Welfare Fares." A local aviation official was even less subtle, calling one of the plans "Chicken-fares."

Not too long ago, most airlines took a dim view of such fares. But they could not be ignored when huge United Airlines urged government deregulation of the airlines, including fare policies. At the same time, deregulation legislation began looking promising in Congress and the Civil Aeronautics Administration under the new free-wheeling chairman Alfred Kahn decided to espouse a more free-market approach to airline regulation.

The result has been a confusing array of fare plans, with discounts ranging from 20 per cent to 50 per cent depending on the day of the week, time of day and length of stay at the destination. The wave even has swept overseas, where the ultimate cheap fare reportedly is being offered by a Dutch tour operator—an unfilled charter seat on a standby basis for one guilder, about 45 cents.

But the airline industry is taking it all very seriously. Revival of Midway Airport rests on a proposal for cutrate fares that attract persons who normally would drive to other Midwest cities. For instance, while the cost of driving to Detroit is estimated between $33 and $38.60, the fares proposed by the airlines would range from $15 to $32, compared with the standard $41 for a coach seat.

Howard Putnam, United's group vice president for marketing services, said he did not think there "will ever be one simple discount fare, just as there is no one price to buy a television set." The wide variety of plans, he said, allows the tailoring of fares to individual needs. Others point out that the restrictions permit the lower fares because they put passengers in seats that otherwise would have been unoccupied.

But Putnam and Ken Paneral, an analyst for the Chicago's Becker Securities, said the lower fares are not solely responsible for the record number of air travelers. They pointed to an improved "economic environment" and increased disposable income, enabling businessmen and vacationers to take deferred trips.

Putnam said his statistics show a healthy increase in business travel. The median income of the air traveler is $29,500, compared with $27,300 a year ago. He says there is "nothing to prove that we've stimulated a whole new group of travelers. . . . I think that will be the case when we get new figures."

Paneral had a word of caution, though, about the high-flying optimism launched by the increased revenue and passenger figures. At same point it no longer will be profitable to keep cutting fares. The airlines will run out of empty seats to offer at a cut-rate fare and they will have to decide whether to cut into their regular full-fare revenues. They can, of course, buy more planes, but that's a huge capital investment, cutting into profits.

On the other hand, they could raise fares. But now that everyone, including politicians, the consumers, legislators and even the CAB, are on the free market bandwagon, such a move would be hard to swallow. "It will get very interesting," Paneral said.

[From the New York Times, July 3, 1978]

AIR TRAVEL REACHES NEW HEIGHT—CUT-RATE FARES CREDITED WITH PASSENGER SURGE

(By Winston Williams)

Tens of thousands of passengers are crowding the nation's airports over the long holiday weekend, in what many airline experts say is the busiest travel period in American aviation history. For the last year, traffic on United States-flag carriers, spurred largely by a proliferation of cut-rate fares, has surged.

In 1977, a record 240 million passengers boarded planes in the United States, and this year the air-travel pace is running 14 percent higher. Some air carriers expect summer business to improve 20 percent over last year's levels.

Airline executives are pleased with the boom, although some of them are expressing concern over higher costs and the impact of lower fares on profits. Still, they say, conditions have improved markedly since the pre-1977 days when the industry suffered from the double impact of costly fuel and low passenger traffic. The current trend, they add, is helping profits more than it is hurting them, partly because a new class of traveler is flying these days, even if he is buying tickets at bargain prices.

"The lines are longer and the planes are fuller," said Robert Crandall, senior vice president of American Airlines. "We're becoming more like a mass transportation business and less like a customized service."

Passengers by the thousands are taking advantage of the new cut-rate fares. A Queens postal worker who wandered from counter to counter in the airline ticket office on 42d Street the other day, said he had trouble getting through to the airlines on the phone, so he decided to spend his lunch hour at the ticket office shopping for bargain fares to Disneyland. "I don't mind going a little out of my way for these prices," he said.

PROSPERITY AND PROBLEMS

With prosperity have come problems. Passengers like the Queens postal worker are finding it harder to make reservations by phone. They are also encountering longer lines at the check-in counter and more frequent flight delays. Overworked flight attendants and information clerks often are wearing half the usual smile. Hustling skycaps are more impatient with pleas for information.

For their part, the airlines seem divided over the wisdom of cutting rates. Some carriers are characterizing the new policy, fostered by the Civil Aeronautics Board, as "routes for rates." Last week, T.W.A. asked the board's permission to raise rates on its London-to-New York route, contending that the fares were hurting profitability. It said the fares were creating new administrative costs and were not producing enough new traffic to fully offset the added costs.

Lufthansa, the German airline, asserted that fare-cutting by American companies over the Atlantic was "irresponsible" and could have damaging effects on all international airlines.

PROFITS RECOVERING RAPIDLY

Profits are recovering rapidly from the lows reached in 1976. In the first quarter of this year the airlines led American industry in profits growth, reporting earnings of $98 million, ar. 80 percent increase over the previous year. That performance followed a 34 percent improvement for 1977, when industry earnings totaled $754 million. But that was before the heavy rate-cutting began.

The traffic boom comes at a time when the airlines need to spend billions of dollars to modernize their aging fleets, and complicates planning because no one knows whether the growth will continue or traffic will decline if the economy turns down next year as some economists expect. Mr. Crandall of American predicted that the traffic growth rate would decline to 4 percent next year from its current double-digit rate.

And, there are losers in the air boom—mainly the charter operators, who say that the scheduled airlines, with their new low fares, are diverting traffic from the charters. The charter operaters contend that the scheduled carriers will raise fares again when competition from charters has been eliminated.

The metamorphosis of the airline industry has been fostered in part by Alfred Kahn, the activist chairman of the C.A.B. who has encouraged greater competition among the airlines by granting new routes to carriers that promise lower fares. During the late 1960's, when the last such traffic surge occurred, the carriers were bringing jumbo jets into service, making the per seat cost of flying more economical.

The ascendancy of marketing experts to the top of domestic airlines also has fostered the maze of new fares, some more than 50 percent lower than economy-class fares. Hardly a day passes without an airline announcing a new promotional fare or an application for a new route. So-called "sales" are becoming an acceptable way of doing business in the airline industry.

For example, Pan American World Airways, which was recently awarded the right to fly from Boston to Amsterdam, initiated a 30-day opening "sale" of a $149 round trip, the cheapest available fare to Europe. On July 14, the carrier's "no-reservations" fare goes up to $279, still cheaper than the $299 standby fares available between London and New York on scheduled airlines, but more than the $246 "no frills" fare offered by Laker Airways on the same route.

"The response tops anything we ever expected," says a Pan Am spokesman. Travelers have been flying, driving and hitchhiking to Boston's Logan Airport from points around the country to take advantage of the fare. Lines are so long that many prospective passengers wait as long as five days before getting a seat.

Similarly, United says it has had an "overwhelming" response to its introductory fares to various destinations from Kansas City, Mo., the site of a new "mini-hub" the carrier is establishing in its system (considered by some an audacious move since Kansas City is the operating home of Trans World Airways).

Much of the traveling public has found the changing lines on route maps and the variety of "conditional" fares to be confusing. There are 21 different fares, for instance, between New York and Chicago. Some disgruntled travel agents say they spend an inordinate amount of time sorting out cheap fares for customers, and then collect reduced commissions.

Passengers who deal directly with the airlines by telephone often get repeated busy signals before a recording announces that "all lines are busy now" and says the wait could be as long as five minutes.

An increase in the volume of calls is only one reason for the delay. Reservations clerks also concede they have trouble keeping abreast of the changes, and many customers are demanding that all cut-rate possibilities be checked. Comparison shopping among the different carriers is also common and helps overload the systems.

After the wait and the shopping, passengers are frequently told a fare is not available on the desired flight. Airline executives acknowledge that few of the discounts are available on popular flights. Their strategy, they say, is to fill up seats on flights that traditionally have empty seats. Using computer systems, airline planners allot a specific number of discount seats to each flight.

The unavailability of bargain seats has outraged some customers and prompted Gerald H. Trautman, the chairman of the Greyhound Corporation, to denounce the fare cuts and their advertisements as a fraud. Mr. Kahn of the C.A.B. warned the airlines earlier this year that the board would be vigilant against "bait-and-switch" tactics. For their part, airline executives say many cut-rate seats go begging and are available if passengers keep their plans flexible.

Congestion at airports and crowded aircraft are evoking complaints from the airlines' traditional customers, with business travelers the most vocal critics. They have trouble, they say, making last-minute reservations, and find it hard to prepare for meetings during flights because of distractions created by the new breed of flier—described in a recent United survey as a 44-year-old with an annual income of less than $23,500. The same survey found that females, blue-collar workers and infrequent travelers are flying more often, often to visit relatives.

Other seasoned travelers echo the complaints of businessmen. Recently, for example, Carey Anthony, headmaster of a junior high school in Nassau, the Bahamas, stood anxiously at an Eastern Air Lines departure gate wondering whether he and his wife and their four children would be able to get on board a late-evening flight to Orlando, Fla.

Mr. Anthony, himself a former flight engineer for British Airways, travels frequently on the discounts his wife receives as an airline employee. He had hurriedly changed an earlier plan to take his family to London after El Al said it was canceling its London stopover because the plane was filled with passengers bound for Israel.

As Mr. Anthony bemoaned the disappearance of "cologne in the restrooms and champaigne in the cabin," an agent called out his name and told him only one seat was available. Leaving the airport for a hotel, he grumbled, "This has never happened in the 10 years we've been traveling as a family."

THE AIRLINES: FLYING HIGH

(By Thomas J. Murray)

"This summer, every major airport in the country will be like a zoo," predicts Robert Six, the outspoken chairman of Continental Airlines. "Passengers are going to find the crowds so dense and delays so annoying, they'll be hopping mad. And airline personnel will be harassed and overworked like never before."

If Six's scenario materializes, air travel will be a frustrating experience for millions of vacationers. But for the nation's airlines, it will be one more confirmation of their remarkable turnaround in the past two years. Like the fabled Phoenix, the airlines have emerged from the ashes and are flying high again. From a disastrous earnings loss of $84 million in 1975, the eleven major trunk lines set a new profits record of $608 million last year, and flew more passengers—240 million—than ever before. Even perennial big losers like Pan American, Trans World Airlines and Eastern made big gains. Indeed, 1977 was the first year since 1967 that all the major carriers were in the black.

Of course, the airlines have had profitable years before and then crashed. But most industry leaders believe that this upsurge is different and that the good times will continue.

Getting off to a good start this year, the traditionally weak off-season first quarter was profitable for the first time in a decade, with overall industry earnings of $73 million on a surprisingly strong 14% gain in passengers. For such carriers as United, Continental and Western, it was the best first quarter in history. And barring any unforeseen events, Wall Street analysts, who only a few months ago were predicting an earnings decline for the year, are now forecasting another record performance. They expect the carriers to earn $700 million or more on a 10%-or-better rise in traffic.

Helping mightily to pump up the profits is the fact that, for the first time in years, the airlines are running close to full capacity. The industry's load factor (the percentage of available seats filled), its most important yardstick of profitability, is currently up four points over last year to an average 60%, the highest level since 1967. And with little new plane capacity planned for the next five years, analysts expect load factors to remain high. (Airlines consider an average load factor of a little above 60% to be practical full capacity because they fly at all hours of the day and night. Since most passengers want to fly at the most desirable times, light night loads lower the percentage even though day flights may be full.)

One major reason for the high load factors is the healthy state of the economy. Airline traffic is closely aligned with the pace of real Gross National Product, and during the past two years rising employment and expanding disposable income have released a huge pent-up demand for travel stemming from the last recession. Even more important is the recent proliferation of discount fares, which attracted millions of Americans to air travel for the first time. With few exceptions, these heavily promoted special deals have succeeded beyond the airlines' wildest expectations.

Ironically, the discount fares would never have happened if it hadn't been for pressure from Washington to increase price and route competition in the industry. A controversial bill to sharply reduce the federal regulations that govern the airlines is currently making its way through Congress. And even without such legislation, the Civil Aeronautics Board in mid-1976 gave the carriers permission to offer discount rates of up to 45 percent on regular fares.

Afraid that discount tickets would cut heavily into full-fare business, most of the carriers at first resisted the pressure to lower prices. And one early cut-rate plan, the "No Frills' flights introduced by National Airlines on its Florida-New York route and later adopted by competitors Delta and Eastern, was unprofitable from the beginning.

Then early last year, American Airlines introduced its "Super-Saver" plan, which offers discounts of 45 percent to passengers who book seats thirty days in advance and stay at their destination for a minimum of seven days. The other airlines quickly joined the bandwagon with similar programs on a wide variety of routes. And this year, Continental and Western heated up the competition by eliminating all requirements on advance reservations and minimum stays.

PACKING THEM IN

So far at least, the airlines' fears that they would lose money on discounts have proved groundless. In this year's unexpectedly profitable first quarter, not only did millions of unanticipated passengers flock after the cheap rates, but the volume of full-fare passengers held up, and probably even increased over last year. In the airline industry, the key to improving profitability is to fill more seats per plane-mile flown; as a rule, it costs a carrier almost the same to run a flight full or half empty. So packing more people into every flight, even at discount prices, lowers operating costs by spreading them out over a much broader base.

On some routes, the low fares have meant the difference between red and black ink. TWA, for example, had been losing heavily on its Chicago-Los Angeles run before launching its "Super Coach" fare last year, and now claims that it is in the black. On Western's Los Angeles-Florida route, which lost $3 million in 1977, the load factor rose to 53 percent this spring from 32 percent last year, and the company started making a profit in May.

Starting this month, the airlines can slice fares another 5%. But despite the early successes, not all industry leaders are convinced that the low fares will prove beneficial in the long run. Such chief executives as American's Albert V. Casey and United's Richard J. Ferris still fear that they may eventually divert many regular-fare passengers and eat into profits. "If that should happen," says Ferris, "they will be cut back sharply and used more selectively."

On the other hand, Ferris also sees the possibility that as more and more people take to flying, ongoing passenger traffic might increase to the point that discount fares will no longer be necessary on a wide scale. "If they create so much demand that load factors are consistently bumping up against full capacity," he says, "they are likely to be reduced in line with normal market forces."

To cash in on the passenger boom and raise load factors even higher, most of the airlines are increasing the seating density of their planes. United, for instance, has just completed a total reconfiguration of its planes, raising the number of seats an average 5%. And at Continental, the lounge on its DC-10s has been eliminated, allowing the company to expand seating 28%, from 203 to 259, on every aircraft. According to Bob Six, the expanded seating is the equiv-

alent of adding four new DC–10s, a saving in capital outlays of $130 million. The carriers are also buying new planes with denser seating. United is currently taking delivery of 46 new B–727s with 134 seats, versus the 128 in its existing fleet. And Continental is getting ten B–727s with ten more seats.

To be sure, even high load factors have not yet significantly boosted airline profit margins. Last year, the average return was only 3.5%, compared with an average 4% for all industries. As one of the highest-cost industries in the nation, the airlines are strapped by two big expense items: labor, which constitutes roughly 40% of its operating costs; and fuel, which has more than tripled in cost during the past five years and eats up 20 cents of every dollar of revenue. On top of that, more than half the eleven trunk lines are still flying many aging planes, which have inefficient seating capacity, eat up too much fuel and cannot meet the government's new pollution and noise standards.

As a result, it is estimated that at least 75% of the nearly 2,000 commercial planes in the U.S. fleet will have to be replaced through the 1980s. A few carriers, such as Delta, Northwest, National and Continental, have kept pace with changing needs and will not require massive replacements. But United, for example, will require some 300 new planes, American close to 200.

BOEING VS. AIRBUS

Beginning about 1982, the airlines are expected to shell out a whopping $60 billion for new jets—versus the $24 billion they spent in the 1960s and 1970s. The biggest question in the industry is which of the new-generation planes will be selected and how they will be financed. As the carriers learned after their last splurge in the early 1970s, many of the planes they bought proved to be either too big or too small for their most heavily traveled routes. The largest of the narrow-bodied jets in use, the B–707 and DC–8, carry up to 180 passengers, while the wide-bodied B–747, DC–10 and L–1011 carry more than 250. The next time around, the airlines figure they will need a new plane with 200 seats, an 1,800-to-2,000-mile range and, of course, sharp reductions in fuel consumption.

Boeing has designed a family of planes tailored to these specifications. Its proposed twin-engine 767 is in the wide-cabin configuration that has become popular with the public and will carry 180 to 200 passengers. Boeing claims it will also save up to 40% in fuel costs over current narrow-bodied jets. Boeing's major competition in the new-plane stakes is the B–10 Airbus being planned by Airbus Industrie, a French-German consortium, and is similar in size and range.

Both United and American are expected to decide on either the 767 or the B–10 in the next few months. The final decision will turn on a number of factors, says United's Ferris, including not only the technology but the costs of operating the planes and the financing terms offered to buy them. The new jets are expetced to cost at least one-third more than their predecessors, and the Europeans are currently considered to have an edge in the kind of financing offered. This year, for example, Airbus Industrie got a $778 million order for 23 of its current big jet, the A–300, from financially strapped Eastern Airlines. Airbus agreed to lease four of the planes to the carrier at marginal cost and is picking up part of the interest costs in tandem with General Electric, which makes the engines. "With the resources of their governments behind them," says Ferris, "the Europeans can offer easier terms as of now."

But Boeing is counting on the reputation of its planes for high quality and performance to give it the lion's share of the new business. "Moreover," says one industry analyst, "it is unlikely that many of the airlines will risk the political head that would surely result from major purchases abroad. With the balance of payments in such terrible shape, the odds are growing that we'll see more 'Buy American' sentiment in the industry."

HEALTHIER BALANCE SHEETS

Perhaps surprisingly, most of the airlines are in pretty good financial shape as they gear up for the 1980s. With relatively few plane purchases in the past six years, the once-horrific balance sheets have become nearly healthy. The eleven carriers reduced their long-term debt by nearly $1 billion to $4.4 billion in 1977, and improved their average debt-equity ratio to 45–55 at the end of the year from 58-42 in 1975.

Some of the airlines will have to take on extra debt this year due to a new regulation requiring them to capitalize their leased aircraft on the balance sheet. Still, the long-term debt load is considered bearable, and the carriers are expected to continue reducing their debt substantially over the next few years when capital outlays will continue to be relatively light.

In fact, the airlines are beginning to be able to raise money again for the first time in years. To finance plane purchases in the past year, Braniff raised $240 million from a common-stock offering and bank loans, and American raised $95 million through a preferred-stock offering. Industry analysts believe that more sources, including the insurance companies, will open up over the next five years.

One plus for the future, say observers, is that the airlines seem to have learned from the mistakes of the past and will make their new plane purchases in far more orderly and efficient fashion this time around. "Most of us were flying by the seats of our pants seven or eight years ago," says one chief executive. But I think we've all learned that this is a business and that the bottom line is what really counts."

The carriers are also working hard to get a handle on their spiraling operating and labor costs. Besides boosting seating density, they are making an effort to reduce the number of flights on unprofitable routes. TWA, for one, has made its Chicago-Los Angeles route profitable for the first time by cutting the number of daily flights from five to two and taking two big L–1011s off the run.

To keep a lid on personnel, Continental, for example, says it is planning no more than its normal summer increment in hiring despite the anticipated surge in business. And United, the biggest employer with 5,400 pilots and 7,400 flight attendants, has just completed a total rescheduling of its system that is expected to sharply reduce the very costly layover time between flights.

Fuel costs, of course, are largely beyond the airlines' control. And for every penny-per-gallon increase in fuel, expenses for the eleven trunk lines rise $100 million. After tripling in the three-and-a-half years following the 1973 oil embargo, fuel cost increases have slowed to an annual rate of about 12% recently. The airlines hope to keep annual increases to no more than 15% over the next few years, and then are counting on the next generation of aircraft to help reduce the burden.

The one shadow overhanging the industry is the deregulation bill, which recently passed the Senate and is now under consideration in the House. The bill would allow the airlines to add new routes and permit new carriers to enter the business without CAB approval.

The industry is split on the issue. Such smaller carriers as Western and Braniff are adamently opposed to deregulation, while United and Pan American are supporting it. The antis fear that the bigger carriers would swamp the smaller ones with price wars and unfair competition, forcing them out of business or into a merger in order to survive. The proponents, on the other hand, contend that the freedom to choose new routes and drop unprofitable ones would be healthy for the business.

The chances for passage of the deregulation bill appear to be strong. Even some of its opponents seem resigned to its passage, possibly this year and almost certainly by 1979. Moreover, the CAB made an unprecedented move to relax its strict regulation of routes a few weeks ago. After months of considering which airlines should be awarded new routes between Oakland, California, and other cities, it suggested, in effect, that the carriers fight it out among themselves. According to the CAB's proposal, a total of fifteen new routes could be established from Oakland, and any airline would be allowed to enter new routes without the board's approval.

GREATER EFFICIENCY?

Some industry analysts believe that a merger movement is on the way with or without deregulation. The burden of paying for new planes in the 1980s, they say, could be too much for weaker lines such as National. And a number of analysts agree with Robert Joedicke of Lehman Brothers, Kuhn, Loeb Inc., who says: "Properly conceived, mergers could produce a more efficient airline system."

The opening gun may have been fired several weeks ago when Continental and Western announced that they have begun merger talks again. The two Los Angeles-based carriers have long felt that consolidation of their routes—Continental's are mostly East-West, Western's North-South—would create a much stronger single airline, and they came within a hair-breadth of merging in 1970.

But despite the problems deregulation could bring, most airline chiefs are optimistic about the future. The basic economic factors affecting air travel have so improved, they say, that the industry is entering a new era of mass transportation. Even if the economy should falter or discount fares have to be rolled back, they believe that many of the new passengers they have attracted for the first time will continue flying, allowing the carriers to maintain their healthy load factors. Equally important, they expect to reap long-term benefits from their own operational economies. "We haven't completely eliminated the ups and downs that have plagued us," says United's Ferris. "But in the future we expect them to be much more moderate."

THE FORECAST: FLYING HIGHER

Profits for the major U.S. airlines are expected to set another record this year—rising to at least 15% to an estimated $700 million. According to analysts' projections, most of the carriers should share in that improvement. Lower earnings are forecast for Northwest, which was hit by a pilots' strike in May. American is also expected to be down slightly after a loss of $7 million in the first quarter. (American was hit by a huge increase in its fuel bill after the termination of a low-cost contract, and the severe winter weather forced it to cancel more than 2,000 flights.) National is expected to have a huge gain as it continues its comeback from two lengthy strikes.

Earnings per share

Company	1977	1978 est.	Percent change
American	$2.54	$2.50	−1.6
Braniff	1.82	2.30	+26.4
Continental	1.77	2.20*	+24.3
Delta	5.86	6.00	+2.4
Eastern	1.73	2.25	+30.1
National	0.35	2.10	+500.0
Northwest	4.29	3.85	−10.3
Pan American	0.83	1.65	+98.8
TWA	3.83	5.25	+37.1
United	3.72*	5.75	+54.6
Western	1.09	2.50**	+129.4

*Excluding extraordinary gain of $1.32 a share for Continental in 1978 and $1.82 for United in 1977.

**Including $1.28 a share from change in accounting methods. Estimates based on analysts' projections.

JAPAN'S EXPORTS AND OURS

Mr. PERCY. Mr. President, we have heard a great deal this spring about the administration's efforts to expand our exports. The President directed the formation of an interagency export policy task force, for example, giving many businesses the impression that the Federal Government was about to take exports seriously.

Unfortunately we have heard very little of this group since its formation and have been led to believe that its recommendations for export expansion are gathering dust on the President's desk. Some press reports indicated that the task force has recommended retention of DISC—the Domestic International Sales Corporation—provision of the tax laws. It is one of the very few incentives for export we now have, but the President had recommended elimination of it in his tax message earlier this year. In short, the chances for the hard-hitting export program we need seem slim indeed.

What is more, an August 1978 National Journal report on our export position pointed out that:

Between 1974 and 1977, the U.S. share of total OECD exports dropped from 18.5 percent to 16.8 percent—a postwar low—and the share in most major markets dropped, too.

The following chart, from the National Journal article, is very revealing about our long-term slide as an exporter:

U.S. exports to major markets (U.S. share of OECD exports)

[In percent]

	1974	1977
Japan	52.4	48.2
European community	11.0	9.8
Developing countries	27.2	24.6
Communist countries	12.4	8.4

Mr. President, these figures reveal that our slowdown in exporting is attributable to more than just the temporary faster rate of economic recovery in the United States. Our faster growth rate has pulled in more imports in recent months than our major trading partners have been able to buy from us. One clue as to why we have not kept pace was presented in an August 4 Chicago Tribune editorial which I would like to insert for the benefit of my colleagues.

The Tribune editorial shows that our trade partners—especially Japan—are "driven" to export because of the amount of resources imported. We should be mounting the same effort here and I hope the President acts on the export policy task force's recommendations soon.

Mr. President, I ask unanimous consent that the editorial be printed in the RECORD.

There being no objection, the editorial was ordered to be printed in the RECORD, as follows:

A CLOSER LOOK AT JAPAN'S EXPORTS

It's enough to make one bow toward the Orient. The latest six-month figures show our trade deficit with Japan was $6.3 billion, double that of a year earlier. We're reminded of the Japanese auto maker's slogan: "We are *driven*!" The double meaning of the Datsun motto applies to Japan itself. Its products are driven, snapped on, clicked, and buttoned up—by purchasers of cars, stereos, cameras, and clothes, here and abroad.

From advanced electronics to basic steel, Japanese business—in close cooperation with the Japanese government—tailors excellent products for foreign markets which are cultivated with the diligence of a people who are—well—driven. As a result, the Japanese are now the undisputed champions in the global trade-surplus sweepstakes, ahead even of the West Germans.

The surpluses and deficits

[January–June, 1978; in billions of dollars]

Japan	14.2
West Germany	11.2
Canada	1.4
France	0.2
United Kingdom	−1.5
United States	−16.3

In view of the Japanese success as traders, it's surprising to see figures, showing them next to last among big industrial nations in the importance of exports to the national economy.

Dependence on exports

[Exports as percentage of gross domestic product, 1977]

Ireland	48.9
Belgium, Luxembourg	46.8
Netherlands	41.5
Denmark	23.3
United Kingdom	23.3
Italy	23.2
West Germany	22.9
France	16.8
Japan	11.8
United States	6.5

These figures seem to imply that Japan is much less dependent on foreign trade than Europe. Does that account for President Carter's apparent belief that the Japanese can afford to stifle exports voluntarily and to eat up more imports, as he called on them to do at the London economic summit last year and in Bonn this year?

We hope not, because the figures are woefully misleading. We asked the European Economic Community [Common Market] office in Washington to subtract from the figure the value of exports by Common Market nations to each other. The resulting ratios are very similar to Japan's.

Dependence on exports

[Eliminating trade within the Common Market; 1977 percentages of GDP]

United Kingdom	14.8
Belgium, Luxembourg	13.5
Denmark	13.0
West Germany	12.6
Italy	12.4
Netherlands	12.2
Common Market	11.9
Ireland	11.2
France	8.3

This is understandable because the nine Common Market countries trade among themselves through their Customs Union almost as freely as the 50 American states trade with each other.

With respect to exports to the rest of the world Europe differs little from Japan; only the U.S. ranks well below all of them.

The Japanese have a special reason to feel "driven" when it comes to exports. Unlike the Americans and Europeans, Japan has to import practically all its raw materials and energy. It has to pay for these things by selling its products to the rest of the world.

So the Japanese aren't going to roll over and play dead when it comes to export competition. This is worth remembering, because Mr. Carter's domestic policy advisor, Stuart Eizenstat, was quoted recently as saying the government's plan to raise U.S. exports by $15 billion in five years rates a low priority in the administration. If that is correct, then Mr. Eizenstat deserves a gold medal—from the Japanese ministry of trade.

CAPTIVE NATIONS

Mr. PERCY. Mr. President, recently in Chicago the Polish-Hungarian World Federation and Affiliates, under the leadership of my good friend Dr. Karol Ripa, adopted a resolution of support for the captive nations of Europe. The resolution further called on the United States and the United Nations to reaffirm commitments to the peoples of these nations. It asked the United Nations to take proper steps in planning for free elections in these nations now dominated by a foreign power.

The resolution also appealed to the President and to local governments to appoint more members of ethnic groups to high positions. It stated that ethnic Americans are underrepresented in public office and in executive positions in business.

Finally it urged the leaders and members of ethnic groups to unite to oppose communism at home and abroad.

In another resolution the Federation called for an end to discrimination against Hungarians living in Transylvania so that the Romanians and Hungarians may work out their destinies in mutual understanding.

I appreciate the opportunity to bring these positions to the attention of my colleagues.

DOLLAR FALLS, CONGRESS FIDDLES

Mr. PERCY. Mr. President, I would like to bring to the attention of my colleagues an editorial which appeared on August 17, in the Chicago Sun-Times.

The article focuses on an issue of current nationwide concern: inflation. Careless Government spending is one cause of inflation which Congress must rigorously address. As ranking minority member of the Government Affairs Committee, I have consistently sought to streamline the operations of our Federal Government's regulatory agencies, and to eliminate unnecessary programs.

Another important, and potentially expanding, source of inflation is our Nation's dependence upon foreign oil. To combat this source of inflation, it is imperative that we devote greater effort to the exploration, extraction, and broader utilization of domestic fossil fuels.

While we must encourage the further development of our oil and coal resources, it is essential that we look beyond these conventional technologies. In evaluating new technologies, however, we must be wary of apparent panaceas. Over the past three decades, we have pumped billions of Federal dollars into the civilian nuclear power program. Many people within and outside of Government expected nuclear power to fill the supply vacuum created by dwindling fossil fuel supplies. As it has turned out, nuclear fission is likely to fall short of this hope because of technical difficulties, unresolved safety questions, and poor economics.

We must continue to work to resolve the problems associated with nuclear fission, and we can guardedly hope that nuclear fusion—still an infant technology—may someday become a safe and economical energy producer. However, we would be foolish to stake our energy future on these technologies.

Less risky, potentially more economical energy sources include the wind, the sun, and products of the sun such as forest and crop debris. Federal incentives for these promising technologies are essential. On March 13 of this year, I introduced the Small Scale Energy Technology Programs Reorganization Act. In response to this bill, the Department of Energy is in the process of creating an Office of Small Scale Technology, and has expanded its small grants program.

A final aspect of a sound U.S. energy policy is conservation. Many European countries have discovered that energy efficiency can contribute to, rather than detract from, a high standard of living. The Alliance to Save Energy, which the late Senator Humphrey and I started last fall, is one attempt to encourage conservation here in America.

Mr. President, I ask unanimous consent that the article, "Dollar Falls, Congress Fiddles," be printed in the RECORD.

There being no objection, the editorial was ordered to be printed in the RECORD, as follows:

DOLLAR FALLS, CONGRESS FIDDLES

Suppose this country got its economic house in order tomorrow. It stopped inflation. It ended its trade deficit. Would the dollar turn from its sickly green to a robust green of good health and renewed value?

Ask 10 experts, and you'll get 10 different opinions. Yet the concensus is a cautious yes: The dollar's slide to postwar record lows—it plunged a shocking 4 percent against the Swiss franc Monday alone—would stop and its value would rise.

But several things must occur to slow down inflation, much less stop it, and to reduce record-high trade deficits. For example, Congress and the public must do more about needless spending (one aspect of rising prices) and energy waste (one aspect of the trade deficit, since America imports almost half the oil it uses, and misuses).

In other words, don't hold your breath waiting for the economy to get well.

For example, Congress still insists on spending needless billions for nuclear aircraft carriers. Never mind that they're outmoded; never mind inflation. But we've mentioned all that before.

Now Congress may sink a modest aspect of President Carter's energy bill—a compromise to deregulate natural gas by stages until 1985. Yet without positive action on energy, this country's reliance on foreign supplies increases, imports increase and—not balanced by increased exports—the trade deficit increases.

Carter has said the "energy crisis is an invisible crisis, which grows steadily worse—even when it is not in the news." He told a press conference last week that the public still doesn't realize how oil imports weaken the dollar's value.

That's a big part of the problem. An understanding public would be an angry public. And an angry public wouldn't tolerate Congress' virtual inaction on energy steps Carter proposed a year and a half ago.

Maybe a public that often drives to the corner drug store and too often shuns public transportation (in the Chicago area, drivers wrongly believe driving is cheaper than L, bus and train service) is counting on things like Princeton University's "breakthrough" on nuclear fusion to bring cheap, abundant energy; or counting on natural gas discoveries in the Baltimore Canyon, 100 miles off the East Coast. That's a mistake.

Fusion power is decades away, if at all. Princeton scientists spoke too soon. And the amounts of offshore gas are unknown. The only sure energy bet is ending energy waste.

If not, see how far the dollar can drop.

THE COSTS OF FEDERAL REGULATION ARE TOO HIGH

Mr. PERCY. Mr. President, on August 12 the National Journal carried a very informative article on regulatory reform, entitled "Carter's Assault on the Costs of Regulation." The article was written by Timothy B. Clark.

Regulatory agencies pay a surprisingly large role in our everyday lives. They regulate virtually everything from television to toys, to trading on the stock market. For the consumers and industries affected, the actions of a particular regulatory agency are sometimes as important as the actions of Congress or the President.

National Journal, which was commended in a recent Wall Street Journal editorial for taking "an uncommon interest in how our Government actually works," underscores in this article the importance of regulatory reform—and the difficulty of enacting it. Special interests are often well-funded, noisy, and powerful. They are only sometimes right. The essence of statesmanship is to look past the clamors of the special interests to the needs of the public interest. And the public interest requires objective assessment of costs and benefits, apart from whose ox is being gored.

Where the public interest is the goal, regulatory reform produces dramatic success stories. Recent airline reform efforts have led to much lower prices, more passengers, and higher profits. In short, everything is turning out exactly as reformers promised.

Most regulation has yet to be reformed. The special interests maintain their reign in some sectors. Meanwhile, every year, according to authoritative estimates, Federal regulation costs the economy from $60 to possibly in excess of $100 billion.

It is time to scrutinize all of Federal regulation. To the extent practicable, we must strive to better assess proposed and existing regulations and determine whether the costs are indeed outweighed by the benefits. I say this with full awareness that it can be exceedingly difficult to calculate the vital benefits of health, safety, and environmental regulation. But that does not mean that we should not make the effort. We should—making improvements in what is admittedly an imprecise art as we go along.

Mr. President, because of the timeliness and thoroughness of Mr. Clark's National Journal article, I ask unanimous consent that it may be printed in the RECORD.

There being no objection, the article was ordered to be printed in the RECORD, as follows:

[From the National Journal, Aug. 12, 1978]

CARTER'S ASSAULT ON THE COSTS OF REGULATION

(By Timothy B. Clark)

If President Carter seriously expects to cut down on the inflationary consequences of federal regulation, he will have to endure the outrage of important constituent groups, hostility from congressional powers, resistance from the bureaucracy—and a very long wait.

The first three problems may be tolerable, though progressively less so as the 1980 election draws closer. But the last may be a political impossibility. Before Carter reaps any benefits from his efforts, he will antagonize a lot of interest groups.

For reform in the growth industry of federal regulation is a long-term proposition. A noticeable reduction in the rate of inflation directly attributable to changes in the regulatory process will not be achieved in the short term—in fact, the volume of federal regulation and its cost to the economy are virtually certain to grow in the decade ahead.

But if the changes Carter has made in the regulatory process are not likely to reduce the cost of living, they may well provoke controversy by producing a bias within the Administration against federal regulation.

Already, a coalition of labor and environmental groups has complained to Carter that his new regulatory review process represents "a serious threat to . . . the environmental, labor and consumer protection movements." At the same time, the Business Roundtable and other business groups have praised the President for instituting the new process.

Carter's assault on the inflationary impact of regulation got off the ground this spring, when the President became directly involved in a decision on standards to protect textile workers against "brown lung" caused by exposure to cotton dust. The dispute pitted the Labor Department and its Occupational Safety and Health Administration (OSHA) against the President's economic advisers, led by Charles L. Schultze, chairman of the Council of Economic Advisers (CEA).

A compromise was struck between Labor, whose chief concern was safety for the workers, and Schultze, who feared the cost of the proposed regulation. Even if the highly publicized flap, is soon forgotten, the controversy illustrated both the willingness of Carter to become personally involved in regulatory issues and the potential of the new process he has instituted to bring those issues to his attention.

The cotton dust case focused public attention for the first time on the Regulatory Analysis Review Group created by the Administration late last year to improve the quality of the analysis of proposed regulations that will have a significant impact on the economy.

Chaired by the CEA, the group intends to play a formal role in the rule-making process on major regulations. As demonstrated by the cotton dust case, it will also provide a mechanism for less formal involvement of Administration economic aides and the President himself.

Because the regulatory review group intends to examine no more than 10 or 20 regulations a year, it hopes to set examples for the agencies to follow with regulations that escape White House review.

The group represents one effort to implement the executive order that Carter signed on March 23 to ensure more thorough analysis of the consequences of proposed regulations. Agencies must prepare semiannual agendas of regulations under consideration, conduct early economic analyses of proposed regulations, provide for more public participation in rule making and regularly identify existing regulations for review. The order applies to executive branch departments and agencies but not to the independent regulatory agencies.

Among forthcoming regulations likely to go to the Regulatory Analysis Review Group are the following, according to those close to the operations of the group:

Environmental Protection Agency regulations governing the kind of technology new coal-fired power plants must install to reduce air pollution and setting new air quality standards for lead;

Interior Department regulations on reclamation of lands ravaged by strip mining;

Agriculture Department decisions on price supports for major commodities—wheat, feed grains and cotton;

Transportation Department rules on auto safety and fuel efficiency. Already under review is a proposed regulation, costing $2.8 billion, on access for the handicapped to public transit;

Energy Department regulations on conversion of power and industrial facilities from oil and natural gas to coal, and proposals for mandatory efficiency standards for equipment;

A Council on Environmental Quality proposal to make major exports subject to a requirement for preparation of environmental impact statements;

A variety of Labor Department issues, most notably OSHA's attempt to establish a general framework for regulating cancer-causing substances in the workplace. The regulatory review group, in its first formal comment, has criticized OSHA's economic analysis on control of exposure to the chemical acrylonitrile;

Treasury Department regulations on treatment of the handicapped under the revenue sharing program.

REGULATION AND INFLATION

By itself, Carter's regulatory reform effort can hardly make a dent in the double-digit inflation that has returned in recent months. But the President hopes his campaign will symbolize his determination to do everything in his power to control inflation, and he is doing his best to publicize it.

"We must cut inflationary costs which private industry bears as a result of government regulations," he said in his April 11 speech on inflation. "I am determined to eliminate unnecessary regulations and to ensure that future regulations do not impose unnecessary costs to the American economy."

It sounds simple: reduce the costs of regulation borne by industry, and industry will cut the costs of the goods and services it provides to the public. However, it may not be so simple.

There is no question that the costs imposed by regulation on the private sector have multiplied in recent years, although estimating the actual costs is a very imprecise science.

The most widely cited figures are those of Murray L. Weidenbaum, director of the Center for the Study of American Business at Washington University in St. Louis, and his associate, Robert DeFino. They estimate that in fiscal 1979, the cost of complying with the regulations of 41 federal agencies will total $98 billion—and Weidenbaum says his estimate is probably understated.

A recent analysis by Warren B. Buhler, former director of the defunct Federal Paperwork Commission, concludes that the total cost of complying with federal regulations will probably approach $200 billion in fiscal 1979.

Estimates of the cost of future regulations range even higher. James Miller, in a report submitted to OSHA for the Vistron Corp., calculated that the cost to business of controlling the 1,500 substances identified by the government as possible cancer-causing agents could conceivably reach $400 billion a year—or 20 per cent of the nation's current gross national product.

The truth is that no one knows how much regulation costs. And though it's not clear that reliable estimates can ever be made, the Commerce Department is trying to develop a "regulatory budget" that would show the costs to the economy of regulations issued by all government agencies. Such a budget might possibly be used to allocate costs among programs and agencies—allowing, for example, an increase of 5 percent for OSHA in a given year. OSHA then would have to set priorities and consider costs more carefully.

Clearly, federal regulation has had an enormous impact on business. Edward F. Denison, a senior fellow at the Brookings Institution, estimated that pollution abatement requirements and health and safety regulations (as well as a rise in crime) have cut productivity by half a percentage point—a significant number in light of the fact that over-all productivity has been rising by only about 2 per cent annually in recent years.

Barry P. Bosworth, director of the Council on Wage and Price Stability, calculates that regulation contributes as much as three-quarters of a percentage point annually to the increase in the consumer price index, and that compensatory increases (as in wages and prices) "double the original impact within two years."

But unfortunately for Carter, there may not be much the President can do to reduce the impact of regulation on business. Most regulations are required by law, and Congress is not showing any signs of cutting back on the number of laws requiring federal regulation. In fact, the departments and agencies will have to promulgate many more regulations just to comply with recently enacted laws.

For example, current air quality standards for new power plants would cost electricity consumers some $36 billion from 1983 to 1990. To comply with changes enacted in 1977 in the Clean Air Act, the EPA staff has proposed new standards that would cost, according to the Energy Department, an additional $26 billion to $37 billion. The Council on Environmental Quality estimated last December that requirements imposed since 1970 would add $290 billion in the decade beginning in 1976 to the cost of the total federal pollution control effort.

Another very expensive regulation in the works is OSHA's proposal for noise control. The proposed standards would cost an estimated $18.5 billion in capital costs and billions more in annual operating costs.

Thus Carter can hardly hope to reduce federal regulation on his own authority. As one Administration official said, the changes that Carter has adopted in the regulation-making process are "simply not credible as a tool against inflation."

Simon Lazarus, who is in charge of regulatory reform on the White House Domestic Policy Staff, said the greater benefit of the Administration's attempts to restrain inflation through regulation will lie in their symbolic value.

"No one is silly enough to pretend that these efforts will affect the consumer price index by half a point," Lazarus said. But in an Administration "which is not contemplating mandatory [wage and price] controls," he said, "we are trying hard to show that government is doing what it can to restrain inflation, and so to convince the private sector, which is responsible for most of the inflation, to restrain itself."

CONTROLLING REGULATION

Carter is not the first President to worry about the mounting cost of regulation, nor the first to attempt to make the regulatory agencies pay more attention to the economic consequences of their actions.

After two "inflation summit conferences," President Ford in November 1974 issued an executive order to require agencies to prepare inflation impact statements for all major regulations. Just before leaving office, at the end of 1976, Ford extended the life of inflation impact statements, changing their name to "economic impact statements." Carter's new executive order requiring "regulatory analyses" is the latest extension of the idea.

During the Ford Administration, agencies typically prepared impact statements for major regulations after proposals already had been developed. Thus the analyses became tools to justify the course of action the agency had already decided to take.

Carter, with his Executive Order 12044, is seeking to force the agencies to weigh regulatory alternatives earlier in the process, and unlike Ford, he is asking for a review of regulations already on the books.

As a first step in implementing the new order, agencies were required to publish descriptions of their procedures for developing regulations. Forty agencies complied, filling 240 pages of the *Federal Register* with 235,000 words. Another 26 agencies claimed they were exempt from the order because they issue few regulations. Public comments are being received on the agencies' submissions, and final procedures are due to be published by Sept. 15.

The Regulatory Analysis Review Group, created by Carter to implement the executive order, is chaired by CEA chairman Schultze, who has assigned day-to-day responsibility to CEA member William D. Nordhaus. The group includes the principal economic and regulatory agencies of the government. The economic members are the CEA, the Office of Management and Budget (OMB) and the Commerce, Labor and Treasury Departments. Regulatory members are the Agriculture, Energy, Health, Education and Welfare, Housing and Urban Development, Interior, Justice and Transportation Departments and the EPA.

The group intends to review 10 to 20 regulations each year, with the issues picked by an executive committee whose members are the CEA, OMB and two other agencies.

Nordhaus said the group has no formal agenda of regulations to be reviewed, though it is aware of major regulations under development in the agencies. As a matter of process, however, regulations are not considered for review until they are formally proposed by the agencies.

Once an issue is chosen for review, the Council on Wage and Price Stability prepares a report focusing on the economic consequences of the proposed regulation. In most cases, recommendations apparently will not be made, but the analysis will be entered into the agency's record before the comment period is closed.

If, however, Schultze determines that the wage-price council review militates strongly for a course of action that is contrary to the agency's intentions, he can press his case with the agency head and, as a last resort, take the issue to Carter.

COTTON DUST

The full regulatory review process, including selection of a regulation shortly after it is proposed and the development of a formal comment by the Council on Wage and Price Stability, has been used only once, in OSHA's acrylonitrile case.

But the regulatory review group, on a more informal basis, has brought about changes in some other regulations. The most controversial case concerned cotton dust.

Unions representing some 600,000 textile workers have been trying for better than a decade to force companies to reduce exposure to the dust, which, according to Labor Department estimates, already has afflicted some 35,000 people with a respiratory illness called byssinosis, or "brown lung."

With a cotton dust regulation in the offing, textile executives were among the heaviest contributors to Richard M. Nixon's 1972 reelection campaign, and OSHA pledged that, as an aid to Nixon's campaign, "no highly controversial standards, i.e. cotton dust, will be proposed by OSHA."

In 1975, in response to a union court suit, OSHA proposed a cotton dust standard estimated to cost industry some $2.7 billion in capital investment. Predictably, the companies protested, and the case continued under Labor Department review until final standards were published on June 23, 1978. During the review, OSHA modified its proposed standard and cut costs; the final regulation is estimated by the Labor Department to cost $656 million in capital investment and $206 million in annual expenditures.

Schultze became interested in the issue late in the review process. Though OSHA had promised a federal judge it would publish a standard by May 31, Schultze told the Regulatory Analysis Review Group in a May 2 memo that because of Carter's concern about inflation, "it is important to ensure that any new regulations do not impose unnecessary or uneconomic costs on American industry." He said he and Robert S. Strauss, the President's inflation counselor, would like the standard delayed to make time for a study of "its likely economic impact."

OSHA's proposal relied on installation by industry of engineering controls within factories, but in a May 18 memo, the wage-price council said that $125 million in compliance costs could be saved by greater reliance on medical surveillance and heavier use of respirators, Schultze, with the President's consent, told Labor Secretary Ray Marshall that revisions in the standard were desirable.

This produced a blast from Marshall; in a five-page memo to the President, he directly challenged the right of CEA and the wage-price council to delay enforcement of the cotton dust standard and said that delay "will cause a major political upheaval among such groups as textile unions, the AFL–CIO, the Brown Lung Association, public interest groups and Congress."

Carter and Vice President Walter F. Mondale met on June 7 with Schultze, Marshall and other Administration officials. Backtracking from his earlier stand, Carter decided essentially to support the Labor Department, although two changes were made in the OSHA proposal. A firm, four-year timetable for compliance was established (instead of leaving the deadlines to OSHA) and the regulations were amended to permit the normal OSHA procedure of allowing variances if alternatives to engineering controls could achieve the same health benefits.

Although both industry and labor are challenging the cotton dust standard in the courts, Carter seems pleased by it. In a June 8 statement, he said a solution had been found "to control this threat to the health of the workers in textile mills, but with a greatly reduced over-all cost."

OTHER CASES

The Regulatory Analysis Review Group also played a role in modifying standards issued June 13 by EPA to limit increases of air pollution in clean air areas of the country.

Following the provisions of 1977 legislation, the agency last November proposed rules that would have required new or modified pollution sources to install the best available pollution control technology if their emissions would exceed 100 tons per year without pollution controls. Some 4,000 new sources per year were to be affected.

Nordhaus and Bosworth took an early interest in the case, holding meetings and exchanging memos with EPA officials during the first half of this year.

Partly as a result of their efforts, EPA moved to exempt any source that would emit less than 50 tons of pollutants with a lesser degree of control. This cut the number of sources to 1,600 per year.

CEA wanted to restrict the standards further, so that only 900 new sources would be subject to the stringent requirements. But EPA administrator Douglas M. Costle argued against this step in a meeting with Schultze (during which he cited other concessions EPA had made to CEA), and Schultze decided not to take the issue to the President.

The formal review process has been applied so far only to an OSHA proposal to regulate worker exposure to acrylonitrile, a chemical that produces cancerous growths in animals and probably humans as well.

E. I. du Pont de Nemours & Co. and three other companies produced 1.5 billion pounds of the chemical in 1976, and according to OSHA, 5,130 workers inhale the substance. It is used in the manufacture of dozens of products, including clothing and brake linings.

In its published proposal, OSHA asked for comments on three possible ceilings that could be set on exposure to acrylonitrile: 2 parts per million parts of air, 1 part per million and 0.2 parts per million. An economic impact statement filed with the proposal estimated capital costs to the companies at $109 million for the first, $198 million for the second and $698 million for the third.

On May 22, Bosworth, on behalf of the Regulatory Analysis Review Group, sent OSHA a review of the agency's economic analysis of the proposed regulation.

The review asked how regulations should be set when the gains—in this case, the reduced risk of cancer—cannot be definitely quantified. Criticizing OSHA for failing to undertake a risk assessment, the review estimated it would cost $4 million to prevent a single cancer death under OSHA's least stringent standard, $29 million under the middle standard and $170 million under the strictest standard. The latter, said the review, seemed too high.

The review took issue with OSHA's official position that estimates of risk reductions are not necessary so long as some risks can be reduced, and that exposure to risk should be reduced to the lowest level feasible. "Simply knowing that the lower the permissible exposure level, the lower the risk of cancer, is not information enough on which to base a standard unless it is intended to eliminate immediately all risks regardless of the consequences. Although as a long-range goal this may describe the intend of the OSHA act, as an operational procedure it is empty, since in order to eliminate all risks forthwith, industry would have to shut down."

The regulatory review group also addressed an issue that frequently arises in OSHA cases: the merits of mandated engineering technologies as opposed to so-called performance standards. In general, the economic advisers favor the latter, on the grounds that if industry is told it must perform up to a given level, it will find the most cost-efficient way to do so.

OSHA, by contrast, traditionally has favored specific standards dictating engineering controls. With cotton dust, acrylonitrile and other substances, industries might be able to meet performance standards (limiting worker exposure) by providing personal respiratory devices to their employees—a step often less costly than redesigning the workplace but one that is fiercely resisted by OSHA and by organized labor.

Whether the acrylonitrile review will have an impact on OSHA's decision cannot be predicted; the final regulations will not be published for several weeks.

In late June, the Regulatory Analysis Review Group chose a second issue for formal consideration: a Transportation Department draft regulation to make public transportation accessible to people in wheelchairs. The group questioned whether the most efficient way to meet this goal was to install elevators in existing subway stations at a cost of $1.8 billion, as the department suggested.

OPPOSITION

The regulatory review process has encountered suspicion and hostility from environmental and labor groups, the bureaucracy and some Members of Congress.

On Aug. 3, 31 organizations sent a letter to Carter calling for elimination of the regulatory review program on the grounds that it "threatens important commitments you have made to the health and welfare of the American people, with little or no effect on inflation or government efficiency." Signatories included representatives of the Natural Resources Defense Council Inc., the AFL–CIO, the United Auto Workers, the United Mineworkers of America, the United Steelworkers of America, the Environmental Defense Fund Inc. and the Sierra Club.

From the agencies, particularly EPA, has come a defense of regulatory programs. In an April 27 speech, Costle said that although a recent study by Chase Econometrics had concluded that EPA programs add 0.3 to 0.4 percentage points a year to the consumer price index (CPI), "an estimated increase in the CPI does not mean that environmental regulations are inflationary. The CPI ignores improvements to public health, reduced property damage, increased crop yields, etc., that result from pollution control spending." If the CPI measured these "savings to the consumer, then pollution control spending would not appear inflationary," Costle said.

Deputy EPA administrator Barbara Blum, in July 26 congressional testimony, said EPA "would prefer that they [the Regulatory Analysis Review Group] work with us earlier in the future on selected regulations to gain a fuller understanding of the constraints and tradeoffs and to suggest alternatives when they are less likely to delay final decisions on our regulations."

Others in EPA worry about the possibility that the regulatory review program could be abused. Assistant administrator William Drayton Jr. recalled that the last Administration had created a "quality of life" review program in OMB, which he said had been used to "muzzle" EPA and to "suggest that economic interests had a special access and could come in and influence the agency's decisions."

"For us," said Drayton, "regulatory independence is absolutely imperative, and it is entirely inappropriate to have any group with special access." He said that while it was unlikely, "we could slip back and have an arrogant, imperial White House trying to dictate our responsibilities."

At the Labor Department's OSHA, worries about the review program are at least as strong. Marshall's explosion over Schultze's intervention in the cotton dust case was one indicator.

In defense of their regulations, agency spokesmen cite the OSHA law, which requires that workplace hazards be reduced to the lowest level technically and economically feasible. OSHA has long resisted the kind of cost-benefit analysis favored by White House economists on grounds that it is impossible to calculate the benefits. "How do you quantify the benefits of saving a human life, or preventing the loss of a limb?" asked Charles B. Knapp, a special assistant to Marshall.

Knapp said that the department viewed the regulatory review program "with no fear" but that he hoped the program would turn out to be "more supportive and less adversarial. If it turns out to be combat over every regulation, that will be a problem."

In Congress, Members seem to guard the regulatory programs they enacted as fiercely as they do spending programs. When Carter published a draft of his new executive order last November, he proposed to apply it not only to agencies reporting to him but also to the independent regulatory agencies. This provoked a hands-off letter from 13 senior Senators, and the proposal was dropped from the final order.

In reaction to the cotton dust controversy, 16 members of the House Education and Labor Committee on June 7 sent a letter to Carter saying that White House intervention "threatened to undermine the basic procedures" mandated by Congress in the OSHA statute.

Rep. Paul G. Rogers, D-Fla., a leading congressional health expert, on June 14 asked the General Accounting Office to investigate whether the regulatory review group was acting legally and whether it was adequately assessing "the potential impact on inflation of failure to undertake maximum feasible efforts to prevent . . . 'environmentally-related' diseases."

Yet other Members are worried about the proliferation of regulation. Their concern is reflected in the increasing tendency of Congress to add amendments to bills providing for legislative vetoes of agency rules.

In the Senate, two committees have approved a "sunset" bill (S 2) authored by Sen. Edmund S. Muskie, D-Maine, requiring periodic review of spending programs. If it comes to the floor, Sen. Charles H. Percy, R-Ill., will try to add a requirement for regular "sunset" reviews of regulatory agencies.

OUTLOOK

The regulatory review program is likely to generate more controversy and attract increased public attention. It also could cut some regulatory costs. Nordhaus estimates potential savings could amount to a few billion dollars a year, though others working with the program say that is optimistic.

But the review group, with small staff resources and a commitment to examine only 10 to 20 regulations a year, cannot by itself hope to make a major dent in the costs of regulation.

Agencies in 1975 considered some 10,000 regulations and actually issued more than 7,000, and the trend does not seem to be moderating appreciably. Nordhaus estimates the prospective costs of regulations to be issued under existing laws at $20 billion to $50 billion "over the next few years."

The main hope for more cost-effective regulation lies in persuading agencies to take the President's executive order seriously, with the review group setting examples for them to follow. But that will be a long and difficult task. "It's a feudal war, fought with tunnels and trenches," said one OMB official.

And Nordhaus said. "We're not going to turn the beast around in a year. It'll take a decade, assuming we can do it."

But Nordhaus emphasized the Administration's intention to make the necessary effort, saying the program has the full support of the President, the Vice President and "the major officers of the government."

CHALLENGES FACING THE PRESIDENT'S COMMISSION ON THE COAL INDUSTRY

Mr. PERCY. Mr. President, on May 26, in remarks at Charleston, W. Va., President Carter announced the formation of a Commission to determine the state of the coal industry. This Commission, which will be composed of 13 members representing the coal management, labor, the general public, the administration, and both Houses of Congress, will be responsible for outlining some of the challenges currently confronting the industry and to offer some suggestions for future comprehensive coal policy. I am pleased to serve on his Commission together with my distinguished colleagues, Senator JENNINGS RANDOLPH of West Virginia and Senator WALTER HUDDLESTON of Kentucky.

Many of the Members of this Chamber come from coal-producing States and have a responsibility to maintain a sound and healthy coal mining industry both in their respective States and in the Nation. My colleagues from these States have likewise become acutely aware of the National, regional, and local problems that have plagued the industry. Some of these problems are not new. Labor and social unrest, in the Eastern coal producing States has plagued the coal industry for decades. Even today, legal battles are being fought for the right to organize miners in some parts of the country. In areas where the coal miners are collectively represented, interruptions in the supply of coal have become almost as regular as clockwork every 3 years with the expiration of the contract. Only recently, the mine operators and labor representatives settled the longest coal strike in our Nation's history—a 103-day interruption which could have severely affected much of the Eastern half of the United States. Because of this interruption, as of July 3, 1978, coal production was approximately 18.7 percent below that for the same period in 1977. This represents a reduction of almost 67 million tons of coal that was lost to the Nation's utilities, its steel plants and to coal exports. The effects of the coal strike were not only felt by the power companies, but by the striking miners themselves and particularly the primary coal carrying railroads that loaded almost 449,000 fewer coal cars during the first 6 months of 1978 than during the same period of 1977.

In addition to the hardships experienced by unemployed miners and their families, miners who have long since retired and are dependent upon benefits generated from coal production for food, clothing, and particularly medicine were likewise affected. Many of these recipients are disabled from black-lung disease.

The industry has also been faced with declining productivity in the underground mines for the past several years. According to industry statistics, the average output per person, in tons-per-man-day has fallen from 18.02 short tons in 1971 to 14.74 in 1975. Although the increased labor costs resulting from these declines can be passed through in most steam-coal contracts, losses in productivity are ultimately reflected in higher electricity bills. In the metallurgical coal industry, however, increases in production costs oftentimes must be directly absorbed by the produced. The combination of increasing variable costs and escalating transportation charges for U.S. metallurgical coal overseas has caused some of our principal importers to switch to lower quality but lower cost Australian "met" coal. Just recently, my distinguished colleague from West Virginia, Senator ROBERT BYRD, discussed declining exports of U.S. metallurgical coal to Japan with officials of that government.

Even when metallurgical coal is consumed domestically, lower productivity and resulting higher production costs must ultimately be passed through to the price of steel, which is losing its competitive edge in world markets.

Although surface mine operators can produce more coal per man-day, their costs have also increased with the passage of the Surface Mining Control and Reclamation Act of 1977.

Because of the site specificity of surface mining operations it is virtually impossible to determine an average cost increase resulting from the passage of the law. It is reasonable to assume, however, that most of the operators, especially the smaller ones, in the mountainous coal-producing regions of the country will experience cost increases in complying with the new law and its regulation. Many surface mine operators have become outspoken concerning what they term the overzealousness of the new Office of Surface Mining in implementing regulations that go beyond the letter and intent of the Surface Mining Act, and have challenged some of the more stringent regulations in court.

Surface mine operators in the Western United States have also had their problems. A great percentage of the coal in the Northern Great Plains is relatively low in sulfur content, by weight, and the major portion of these reserves are extremely thick—some in beds up to 100 feet in thickness. The ability to develop this otherwise very desirable resource has been frustrated by a confusing pattern of ownership among Federal, State, and private interests, and by an Interior Department moratorium on long-term leasing since early in 1971. Presently, to comply with a 1977 Federal district court ruling, the Department of the Interior is preparing a new environmental impact statement to evaluate the need for new long-term leasing and to determine its potential regional effects.

Furthermore, with the passage of the Clean Air Act Amendments of 1977 and their associated regulations, serious questions have arisen concerning the continued economic desirability of shipping low-sulfur western coal to eastern markets. If the Environmental Protection Agency intends to require the scrubbing of powerplant emissions regardless of the sulfur content of the coal, many utility officials may conclude that the economics suggest burning higher-energy eastern coal.

These are just a few of the challenges which must be met by the coal mining industry. Others include such things as increasing the carrying capacity of the railroads and barge transportation systems in the United States; improving underground and surface mining technology in order to permit the recovery of

deeper and thinner seams of coal without further adversely affecting the productivity rates; enhancing the image of coal mining in order to attract the talent that will be needed to nearly double our output by 1985 or 1990; determining the most desirable locations for the development of an energy resource that is competing with other land uses such as housing and agricultural development; and generating sufficient amounts of capital and equipment necessary to enable the mining industry to produce coal in quantities sufficient to alleviate our dependence on foreign energy sources.

In order to help the Commission launch its study, I have requested the Congressional Research Service to prepare a background report for the members which will provide them with a comprehensive picture of the coal mining industry as it is today, along with information related to some of the challenges facing the industry that I have briefly discussed above. I am confident that the CRS treatment of this crucial issue will help the Commission members examine the challenges confronting the industry and to offer the appropriate recommendations for solutions. In particular, I want to thank Mr. Duane Thompson and Mr. Dave Gusbee of CRS for the tremendous cooperation and responsiveness they are evidencing.

I ask unanimous consent that the text of my letter to Mr. Gilbert Gude, the Director of the Congressional Research Service, be printed in the RECORD.

There being no objection, the letter was ordered to be printed in the RECORD, as follows:

U.S. SENATE,
Washington, D.C., July 10, 1978.

Mr. GILBERT GUDE,
Director,
Congressional Research Service,
Library of Congress,
Washington, D.C.

DEAR GIL: On May 26, 1978, Preident Carter announced the formation of a Presidential Commission to review and report on the condition of the Nation's coal industry. The Commission created by the Executive Order will consist of thirteen members representing coal-industry management, labor, the general public, the House of Representatives, the Senate, and the Departments of Labor and Energy. During its year-long existence, it will be responsible for a comprehensive review of the industry with emphasis on its general economic health, collective bargaining issues, socio-economic effects of increasing coal production, the development of new mining technology, and the impact of recent Federal regulations on the mining industry. The final report of the Commission may include other subjects as deemed appropriate.

I am pleased that Vice President Mondale has named me as one of the three Senate representatives to the Commission. As you know, Illinois has considerable coal deposits underlaying most of our State. The value of coal produced during 1977 amounted to approximately $1 billion, a figure representing almost sixty percent of the total value of minerals produced in Illinois during the year. Like so many other coal-producing states, however, Illinois has experienced problems that the President's Commission should address during its investigations.

In order to prepare myself and to provide my fellow members on the Commission with sufficient information for the job ahead, I would appreciate the Congressional Research Service preparing a background study outlining some of the problems confronting the industry. The study should be structured around the five subject areas listed in the Executive Order, although other pertinent issues and information can be included along with any suggestions for possible legislative action in the 96th Congress.

On Friday, June 23, Mr. Christopher Palmer of the staff of the Governmental Affairs Committee, at my request, discussed the possibility of CRS assistance with Duane Thompson, a mines and mining analyst in the Environment and Natural Resources Division Mr. Palmer has indicated that Mr. Thompson was not only enthusiastic about the work of the Commission but also about the potential contribution that the Research Service could make by providing a back ground report for the group. I am equally confident that your staff can provide the Commission with a thorough understanding of the problems and challenges confronting the coal mining industry.

I would greatly appreciate approval of this request so that Mr. Thompson and Mr. Palmer can arrange a planning session. I would need the background study ready for distribution to the Chairman and members at the first meeting of the Commission in October. If you or your staff have any questions, please contact Mr. Palmer or me. Thanking you in advance, I remain.

Sincerely yours,

CHARLES H. PERCY,
U.S. Senator.

SALT

Mr. MATHIAS. Mr. President I have a brief statement to make to the Senate on behalf of the distinguished Senator from Kansas (Mr. PEARSON), the distinguished Senator from Massachusetts (Mr. BROOKE), the distinguished Senator from Oregon (Mr. MARK O. HATFIELD), the distinguished Senator from Colorado (Mr. HART), and the distinguished Senator from Oregon (Mr. PACKWOOD), and, of course, on my own behalf.

Mr. President, yesterday in New York City Paul Warnke, Director of the Arms Control and Disarmament Agency, was asked whether the administration was considering the possibility of bringing a SALT agreement before Congress in other than treaty form. Mr. Warnke confirmed that the decision on whether to bring SALT to the Hill as a treaty or as an executive agreement "remains open."

The administration has decided to publicly state what has been the subject of a great deal of private discussion between the executive branch and Members of the Senate. A number of Senators have made the point privately to senior members of the administration that not to bring SALT to Congress in treaty form would be a serious mistake. It would bring into question the constitutional responsibilities of the U.S. Senate. It would be viewed as an effort to circumvent the clear and established procedures which lie at the very root of our federal system.

We have opposed heretofore any administration consideration of alternatives to the treaty route. We wish to reiterate publicly our continued opposition to such consideration.

Mr. CRANSTON. Mr. President, will the Senator yield?

Mr. MATHIAS. I am happy to yield to the Senator from California.

Mr. CRANSTON. Mr. President, I join with the distinguished Senator from Maryland in his statement, and I applaud him for bringing this matter to the attention of the Senate.

It became known to those of us following SALT a little while ago that the administration was keeping open the option of submitting the protocol and the treaty re SALT I or both to this body as executive agreements or as treaties, perhaps one one way, one the other, perhaps both as executive agreements or perhaps both as treaties.

It is tempting to try to reduce the number of votes that are necessary to pass something through this body and an executive agreement would only need 60 for cloture and then 51 for passage; whereas 67 would be required to pass a treaty if all Senators were present and voting.

After thinking this over with care and discussing this with a number of my colleagues, I came to the conclusion personally that it would be quite unwise for any part of the SALT agreements to be submitted to this body as an executive agreement rather than a treaty.

(Mr. SASSER assumed the chair.)

Mr. CRANSTON. I think it is generally known within the Senate that a number of us who are deeply interested in SALT, and who are committed to the concept of arms control and arms limitations, and arms reductions are meeting regularly to acquaint ourselves with the issues in SALT so that we will be prepared to judge whatever agreement is ultimately submitted to this body intelligently and knowledgeably. If we find it is an agreement that we can support we will be equipped to support it steadfastly and strongly.

This is a group comprising one-fifth of the Senate, Democrats and Republicans, liberals and conservatives. We are not committed to any particular SALT agreement. We reserve judgment until an agreement is negotiated with the Soviet Union and submitted to this body, and until that is done and until we have examined it, we do not know whether we will support that particular agreement. We hope an agreement will be submitted to the Senate that we can support.

I polled all the members of that group not too many days ago to ascertain their views on this issue of treaty versus executive agreement. It was almost unanimous within this group that it would be a great error for the administration to submit any SALT agreement as anything other than a treaty. Some members felt so strongly that they said they might not be able to support even a good agreement if it came as an executive agreement.

It plainly would inject a wholly new and separate issue into our deliberations on the SALT matters if it came to us as an executive agreement rather than a treaty. I believe it would very badly jeopardize the success here of considering any such agreement with a favorable outcome no matter how good that agreement might be.

As a matter of fact, I feel that the administration might just as well not sub-

mit an agreement to this body if it submitted it in the form of an executive agreement. I think its fate would be foreordained and it would go down to defeat.

After polling this group and finding that only one member was uncertain—he did not favor the executive route, he just wanted to think it over—but that all others strongly opposed it, Senator CHURCH and I—he also is a member of this group—called the administration and made plain our views and the views of this group. They have been transmitted to the President, I am certain, and I just want to reiterate very strongly the views of many Senators on both sides of the aisle that it would be exceedingly unwise for the administration to submit any part of the SALT agreement as anything other than a treaty.

It would diminish, it would seemingly diminish, the importance of the agreement if it was submitted as an executive agreement rather than a treaty. I think probably no matter more important than arms limitation and SALT will be considered by the Senate during the time I am in this body, nothing more related to the ultimate survival and security of our Nation. Anything that solemn and that significant should certainly come to us in the form of a treaty since it involves the signature and the adherence to the agreement of people in another land.

Mr. CLARK. Mr. President, will the Senator yield?

Mr. MATHIAS. I am happy to yield.

Mr. CLARK. I would like to join with my two colleagues in encouraging the President to give second thoughts to sending this agreement, international agreement, here as a treaty. I think it is obvious that that is its appropriate role, and I think the Senator from California's description of the historical recent events that have occurred is very helpful.

It seems to me that any reading of the Constitution makes clear this point. Article II, section 2, paragraph 2, states:

He shall have Power, by and with the Advice and Consent of the Senate, to make Treaties, provided two-thirds of the Senators present concur.

There is no provision even in the Constitution for international agreements. Obviously, the historical development of this country has been such that we have seen more and more international agreements sent up to the Senate and the House as executive agreements, and important agreements increasingly seem to be sent up as agreements, whereas rather insignificant agreements, dealing with international shrimp agreements, for example, are now sent up as treaties.

So one could argue, I suppose, the President's authority, constitutional authority, to send this very important agreement to the Congress, which form it would take. But it does seem to me it would make a complete mockery of the Constitution, article II, section 2, if we were to have an international agreement as significant as this one and yet say, "This is not really important enough an agreement to be considered as a treaty."

If this is not important enough, then it seems to me there is absolutely no limit and no meaning to this part of the Constitution.

I would just like to say further that with this historical trend in mind about 2 years ago I introduced a resolution that was referred to the Committee on Foreign Relations which would require a point of order in the Senate to lie against any money bill if the Senate had expressed itself by Senate resolution in favor of an international agreement being considered as a treaty.

We had hearings on that subject, and we decided at that time not to push it forward.

This year, in consideration of the foreign aid authorization bill, Senator GLENN and I joined in that same effort, and the Senate committee indeed adopted that provision. It failed by a relatively close margin to succeed in the Senate.

But I would point out what was pointed out by the opponents of that resolution at that time, that at any time the Senate can simply pass a resolution saying that a point of order would lie against any money bill to implement that treaty. So that that option is open to this body. One would hope that that would not be necessary. But I think it ought to be clear to those who make the decision that that option is open to the Senate, and then there would be no way in which an international agreement could really be implemented without the Senate's approval.

So I think—I would hope, at any rate—that the President would recognize the Senate's view. Not only are his strong supporters of a meaningful agreement in agreement on this point, I think, but if there is a single Member of the United States Senate who does not believe that this kind of agreement ought to be sent to this body as a treaty, I have not heard that man or woman speak up. I think it is one issue on which we are very united.

An agreement of that magnitude and this significance, this importance, certainly ought to come before the Senate and receive the Senate's advice and consent as required by the Constitution.

I thank the Senator for yielding.

Mr. MATHIAS. I thank the Senator from Iowa and the Senator from California. I think both of them have made a very essential point, and one that the administration is certain to listen to.

In addition, with all the serious consideration that every Member of the Senate would give to an agreement, in whatever form it came to the Senate, we would add the very serious problem of the procedural approach if it came as other than a treaty.

As the Senator from Iowa and the Senator from California pointed out, this is the constitutional route; it is the only way to go.

Mr. CRANSTON. Mr. President, I would like to point out one of the difficulties of going the route of submitting part of the agreement as an executive agreement and part as a treaty, which is one of the options the administration apparently is keeping open.

The Soviets would likely assume we were putting into the executive agreement the parts we would like to get out of most easily if we decided we did not like them, and putting into the treaty the parts we did not mind being bound by.

I think this would greatly increase the difficulty of the negotiations with the Soviet Union. They would have some of the same temptations on their part, and that might work out to our disadvantage.

Rather plainly the administration also would seek to put into the executive agreement those parts that would be most difficult in passing the Senate, and put into the treaty those parts where there would be virtual unanimity, if anything like that could be achieved.

There are all sorts of pitfalls with this route. I understand all the temptations, and I strongly urge the administration to heed these words in the Senate from people dedicated to the concept of arms control.

I know the administration, the President, Secretary Vance, and others want an effective SALT treaty, an effective SALT agreement.

I urge them to take to heart, to weigh very seriously, the words spoken today on the Senate floor on this subject.

CONSIDERATION OF CERTAIN MEASURES ON THE CALENDAR

Mr. ROBERT C. BYRD. Mr. President, there are, I believe, three measures on the calendar which have been cleared for action by unanimous consent. The distinguished acting Republican leader is here; I believe there are five measures.

I ask unanimous consent that the Senate proceed to the consideration of Calendar Order Nos. 1047, 1049, 1053, 1056, and 1057.

The PRESIDING OFFICER. Without objection, it is so ordered.

MARITIME MEDALS

The bill (H.R. 13235) for the relief of James Thomas Lantz, Jr., David D. Bulkley, and Arthur J. Abshire, was considered, ordered to a third reading, read the third time, and passed.

Mr. ROBERT C. BYRD. Mr. President, I ask unanimous consent to have printed in the RECORD an excerpt from the report (No. 95-1128), explaining the purposes of the measure.

There being no objection, the excerpt was ordered to be printed in the RECORD, as follows:

PURPOSE OF THE BILL

The purpose of H.R. 13235 is to authorize the issuance to the individuals named in the bill of the enumerated decorations and indicia of service in full recognition of their service in the U.S. merchant marine during World War II.

BACKGROUND AND NEED

The U.S.-flag merchant marine has been aptly termed America's fourth arm of defense. During World War I the U.S. merchant marine lost more men than the U.S. Navy, and in World War II, the merchant marine lost a greater percentage of its members to hostile enemy action than did any of the Armed Forces.

A grateful Government gave recognition to their service by means of various decorations and indicia of service. Public Law 524, 77th Congress (56 Stat. 217), Public Law 52, 78th Congress (57 Stat. 81), and certain Executive orders authorized the Maritime Commission and the Administrator of the War Shipping Administration (the predecessor of the Maritime Administration of the Department of Commerce) to issue citations, medals, and decorations to merchants seamen, and plaques to ships. These honors were given mainly for bravery under combat conditions. Public Law 524 was expressly repealed and the operation of Public Law 52 was terminated by the act of July 25, 1947 (61 Stat. 450). Public Law 698, 79th Congress (60 Stat. 960), authorized issuance of medals and honorable discharge buttons to seamen for war zone service on Government-owned and operated vessels in World War II, and to any seaman entitled to receive a certificate of substantially continuous service under Public Law 87, 78th Congress (58 Stat. 162). The operation of these laws was also terminated by the act of July 25, 1947 (61 Stat. 450), and the Maritime Administration has revoked all general orders based on these statutes, effective June 30, 1954 (Federal Register, March 31, 1954, vol. 19, p. 1763).

Were these statutes still in effect, the individuals named in H.R. 13235 would have been eligible to receive the decorations and indicia of service set forth in the bill.

CARL ALBERT INDIAN HEALTH FACILITY

The bill (S. 3184) to designate the Indian Health Facility in Ada, Okla., the "Carl Albert Indian Health Facility," was considered, ordered to be engrossed for a third reading, read the third time, and passed, as follows:

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That the Indian Health Facility located at 1001 North Country Club Road, Ada, Oklahoma, shall hereafter be known and designated as the "Carl Albert Indian Health Facility".

SEC. 2. Any reference in law, map, regulation, document, record, or other paper of the United States to such facility shall be held to be reference to the "Carl Albert Indian Health Facility".

Mr. ROBERT C. BYRD. Mr. President, I ask unanimous consent to have printed in the RECORD an excerpt from the report (No. 95–1130), explaining the purposes of the measure.

There being no objection, the excerpt was ordered to be printed in the RECORD, as follows:

PURPOSE

S. 3184, as referred, would designate the Indian Health facility in Ada, Okla., the "Carl Albert Indian Health Facility."

BACKGROUND

On March 17, 1978, the Chickasaw Nation of Oklahoma adopted a resolution requesting that the comprehensive Indian Health Care Facility located in Ada, Okla., be named in honor of Hon. Carl Albert in appreciation for his friendship and service to the Chickasaw Nation.

Speaker Albert was instrumental in securing the funds necessary to construct the health care facility which will provide complete health services to primarily the Chickasaw Indians.

THE AMERICAN EPHEMERIS AND NAUTICAL ALMANAC

The bill (H.R. 3532) to amend chapter 639 of title 10, United States Code, to enable the Secretary of the Navy to change the name of a publication of the Naval Observatory providing data for navigators and astronomers, was considered, ordered to a third reading, read the third time, and passed.

Mr. ROBERT C. BYRD. Mr. President, I ask unanimous consent to have printed in the RECORD an excerpt from the report (No. 95–1134), explaining the purposes of the measure.

There being no objection, the excerpt was ordered to be printed in the RECORD, as follows:

PURPOSE OF THE LEGISLATION

The purpose of the legislation is to remove the requirement that the publication in which the Secretary of the Navy makes available data for navigators and astronomers be entitled "The American Ephemeris and Nautical Almanac." Removal of this requirement would allow the Secretary to administratively change the name of this publication.

BACKGROUND

Current law was adopted in 1912 when the advantages of international cooperation in the exchange of astronomical data were recognized. The principal nations involved in the exchange of astronomical data at that time, the United States, France, Germany, Great Britain, and Spain, each published an "ephemeris," which is an orderly collection of information relating to the assigned places of celestial bodies at regular intervals. In the statute, the publication is entitled, "American Ephemeris and Nautical Almanic." H.R. 3532 would enable the Secretary of the Navy to change the name of the publication by striking the words "in the American Ephemeris and Nautical Almanac" from section 7396(a) of title 10, United States Code.

The Department of the Navy believes that the name of the publication, imposed by statute, is no longer appropriate. The ephemeris offices of several nations currently contribute data included in the publication. Elimination of the word "American" in the title of the publication would encourage those nations to further participate in the preparation of the annual volumes. The single printing of the volumes in this country could then be distributed and used in other countries. The use of the name of one country in the title of a publication being prepared and used in several countries does not appear to be appropriate.

Additionally, there is continuing confusion between two separate publications of the Naval Obserbatory, "The Nautical Almanac" and "The American Ephemeris and Nautical Almanac." Because of the similarity of titles, it is incorrectly concluded that the two are the same, or that there is direct duplication between them. The Naval Observatory regards the solution to this problem as an ancillary benefit of the passage of H.R. 3532.

The Secretary of the Navy proposes to change the name to "Astronomical Ephemeris."

TRANSPORTATION FOR GIRL SCOUTS OF AMERICA

The Senate proceeded to consider the bill (S. 3373) to amend title 10, United States Code, to authorize the Secretary of Defense to provide transportation to the Girl Scouts of the United States of America in connection with international world, friendship events, or troops on foreign soil meetings, and for other purposes, which had been reported from the Committee on Armed Services with amendments as follows:

On page 2, line 3, strike "reurn" and insert "return,"

On page 2, line 7, strike "an international world friendship event or troops on foreign soil" and insert "any International World Friendship Event or Troops on Foreign Soil";

On page 2, line 13, after "(2)" insert "United States citizen";

So as to make the bill read:

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That chapter 151 of title 10, United States Code, is amended by adding after section 2544 the following new section:

"§ 2545. Transportation services: international Girl Scout events

"(a) The Secretary of Defense is authorized, under such regulations as he may prescribe, to provide, without expense to the United States Government, transportation from the United States or military commands overseas, and return, on vessels of the Military Sealift Command or aircraft of the Military Airlift Command for (1) those Girl Scouts and officials certified by the Girl Scouts of the United States of America as representing the Girl Scouts of the United States of America at any International World Friendship Event or Troops on Foreign Soil meeting which is endorsed and approved by the National Board of Directors of the Girl Scouts of the United States of America and is conducted outside of the United States, (2) United States citizen delegates coming from outside of the United States to triennial meetings of the National Council of the Girl Scouts of the United States of America, and (3) the equipment and property of such Girl Scouts and officials, to the extent that such transportation will not interfere with the requirements of military operations.

"(b) Before furnishing any transportation under subsection (a), the Secretary of Defense shall take from the Girl Scouts of the United States of America a good and sufficient bond for the reimbursement to the United States by the Girl Scouts of the United States of America, of the actual costs of transportation furnished under subsection (a).

"(c) Amounts paid to the United States to reimburse it for the actual costs of transportation furnished under subsection (a) shall be credited to the current aplicable appropriations or funds to which such costs were charged and shall be available for the same purposes as such appropriations or funds.".

SEC. 2. The table of sections at the beginning of chapter 151 of title 10, United States Code, is amended by adding after the item relating to section 2544 the following new item:

"2545. Transportation services: international Girl Scout events.".

The amendments were agreed to.

The bill was ordered to be engrossed for a third reading, read the third time, and passed.

The title was amended so as to read:

A bill to amend title 10, United States Code, to authorize the Secretary of Defense to provide transportation to the Girl Scouts of the United States of America in connection with International World Friendship Events or Troops on Foreign Soil meetings, and for other purposes.

Mr. ROBERT C. BYRD. Mr. President, I ask unanimous consent to have printed in the RECORD an excerpt from the report (No. 95–1137), explaining the purposes of the measure.

There being no objection, the excerpt was ordered to be printed in the RECORD, as follows:

PURPOSE OF BILL

The purpose of this legislation is to provide permanent authority for the Secretary of Defense to provide transportation on mili-

tary aircraft or vessels to the Girl Scouts of the United States of America to attend international world friendship events or troops on foreign soil meetings. The use of this transportation will be for international travel only. This transportation will be provided to Girl Scouts, and officials certified by the Girl Scouts of the United States of America as representing the Girl Scouts at international world friendship events or troops on foreign soil meetings.

Transportation will be furnished to the extent that it does not interfere with the requirements of military operations. It will be provided at no expense to the U.S. Government. The legislation requires that before furnishing transportation, the Girl Scouts of the United States of America shall furnish to the Secretary of Defense a good and sufficient bond for reimbursement to the United States for the actual cost of the transportation. The reimbursement shall be credited to the applicable appropriations or funds to which such costs were charged.

BACKGROUND

Public Law 92-249, enacted on March 10, 1972, gave the Secretary of Defense the permanent authority to provide transportation, to lend certain equipment and other services to the Boy Scouts of America in connection with the Boy Scout jamborees. The Congress had passed enabling legislation providing for the loan of equipment and provision of services for seven previous jamborees. The committee foresaw no circumstances under which such loan of equipment and provision of services would not continue to be appropriate. In Public Law 92-249, a permanent authorization was established to obviate the need for periodically enacting such legislation.

IMPROVEMENTS IN THE SURVIVOR BENEFIT PROGRAM FOR RETIRED MILITARY PERSONNEL

The Senate proceeded to consider the bill (H.R. 3702) to amend title 10, United States Code, to make certain changes in the retired serviceman's family protection plan and the survivor benefit plan as authorized by chapter 73 of that title, and for other purposes, which had been reported from the Committee on Armed Services with an amendment to strike all after the enacting clause and insert the following:

TITLE I—ANNUITIES UNDER SURVIVOR BENTFIT PLAN

DEFINITION OF BASE AMOUNT

SEC. 101. Section 1447 (2) of title 10, United States Code, is amended to read as follows:

"(2) 'Base amount' means—

"(A) in the case of a person who dies after becoming entitled to retired or retainer pay, the amount of monthly retired or retainer pay to which the person—

"(i) was entitled when he became eligible for that pay; or

"(ii) later became entitled by being advanced on the retired list, performing active duty, or being transferred from the temporary disability retired list to the permanent disability retired list;

"(B) in the case of a person who would have become eligible for retired pay under chapter 67 of this title but for the fact that he died before becoming sixty years of age, the amount of retired pay for which the person would have been eligible—

"(i) if he had been sixty years of age on the date of his death, for purposes of an annuity to become effective on the day after his death in accordance with a designation made under section 1448(e) of this title, or

"(ii) upon becoming sixty years of age (if he had lived to that age), for purposes of an annuity to become effective on the sixtieth anniversary of his birth in accordance with a designation made under section 1448(e) of this title; or

"(C) any amount which is less than the amount otherwise applicable under clause (A) or (B) with respect to an annuity provided under the Plan and which is designated by the person providing the annuity on or before (i) the first day for which he becomes eligible for retired or retainer pay, in the case of a person who elects to provide an annuity by virtue of eligibility under section 1448(a)(1)(A) of this title, or (ii) the end of the ninety-day period beginning on the date on which he receives the notification required by section 1331(d) of this title that he has completed the years of service required for eligibility for retired pay under chapter 67 of this title, in the case of a person who elects to provide an annuity by virtue of eligibility under section 1448(a)(1)(B) of this title, but not less than $300;

as increased from time to time under section 1401a of this title.".

APPLICATION OF SURVIVOR BENEFIT PLAN

SEC. 102. (a) Subsection (a) of section 1448 of title 10, United States Code, is amended to read as follows:

"(a)(1) The program established by this subchapter shall be known as the Survivor Benefit Plan. The following persons are eligible to participate in the Plan:

"(A) Persons entitled to retired or retainer pay.

"(B) Persons who would be eligible for retired pay under chapter 67 of this title but for the fact that they are under sixty years of age.

"(2) The Plan applies—

"(A) to a person who is eligible to participate in the Plan under paragraph (1)(A) and who is married or has a dependent child when he becomes entitled to retired or retainer pay, unless he elects not to participate in the Plan before the first day for which he is eligible for that pay, and

"(B) to a person who (i) is eligible to participate in the Plan under paragraph (1)(B), (ii) is married or has a dependent child when he is notified under section 1331(d) of this title that he has completed the years of service required for eligibility for retired pay under chapter 67 of this title, and (iii) elects to participate in the Plan (and makes a designation under subsection (e)) before the end of the ninety-day period beginning on the date he receives such notification.

A person described in subclauses (i) and (ii) of clause (B) who does not elect to participate in the Plan before the end of the ninety-day period referred to in such clause shall remain eligible, upon reaching sixty years of age and otherwise becoming entitled to retired pay, to participate in the Plan in accordance with eligibility under paragraph (1)(A).

"(3)(A) If a person who is eligible under paragraph (1)(A) to participate in the Plan who is married elects not to participate in the Plan at the maximum levels, or elects to provide an annuity for a dependent child but not for his spouse, that person's spouse shall be notified of that election.

"(B) If a person who is eligible under paragraph (1)(B) to participate in the Plan and who is married does not elect to participate in the Plan at the maximum level, or elect to provide an annuity for a dependent child but not for his spouse, that person's spouse shall be notified of that action.

"(4)(A) An election under paragraph (2)(A) not to participate in the Plan is irrevocable if not revoked before the date on which the person first becomes entitled to retired or retainer pay.

"(B) An election under paragraph (2)(B) to participate in the Plan is irrevocable if not revoked before the end of the ninety-day period referred to in such paragraph.

"(5) A person who is not married when he becomes eligible to participate in the Plan but who later marries or acquires a dependent child, may elect to participate in the Plan, but his election must be written, signed by him, and received by the Secretary concerned within one year after he marries or acquires that dependent child. Such an election may not be revoked. His election is effective as of the first day of the first calendar month following the month in which his election is received by the Secretary concerned. In the case of a person who is eligible to participate in the Plan under paragraph (1)(B), such an election shall include a designation under subsection (e).".

(b) susbection (b) of such section is amended—

(1) by striking out "entitled to retired or retainer pay" and inserting in lieu thereof "eligible to participate in the Plan"; and

(2) by adding at the end thereof the following new sentence: "In the case of a person who is eligible to participate in the Plan under subsection (a)(1)(B), such an election shall include a designation under subsection (e).".

(c) Such section is further amended by adding at the end thereof the following new subsection:

"(e) In any case in which an election to participate in the Plan provides for a designation under this subsection, the person making the election shall designate whether, in the event he dies before becoming sixty years of age, the annuity provided shall become effective on the day after the date of his death or on the sixtieth anniversary of his birth.".

PAYMENT OF ANNUITY

SEC. 103. Section 1450 of title 10, United States Code, is amended—

(1) by inserting "(or on such other day as he may provide under subsection (j))" in subsection (a) after "of this title applies" the first time such words appear therein; and

(2) by adding at the end thereof the following new subsections:

"(j) An annuity elected by any person eligible to participate in the Plan by virtue of section 1448(a)(1)(B) shall be effective in accordance with the designation made by such person under section 1448(e).

"(k) Where the annuity has been adjusted under subsection (c) of this section and there is no entitlement to compensation under section 411(a) of title 38, due to remarriage of the spouse after reaching age sixty, such annuity shall be readjusted to the rate of entitlement existing prior to the adjustment under subsection (c) of this section if the amount of any refund made under subsection (e) of this section is repaid.".

AMOUNT OF ANNUITY

SEC. 104. (a) The first sentence of subsection (a) of section 1451 of title 10, United States Code, is amended to read as follows: "The monthly annuity payable to a widow, widower, or dependent child who is entitled under section 1450(a) of this title to an annuity shall be—

"(1) 55 percent of the base amount, if the annuity is provided under eligibility to provide an annuity under section 1448(a)(1)(A) of this title, or

"(2) a lesser percentage (determined by the Secretary of Defense in accordance with subsection (d)) of the base amount, if the annuity is provided under eligibility to provide an annuity under section 1448(a)(1)(B) of this title.".

(b) The last sentence of subsection (a) of section 1451 of such title is amended to read as follows: "For the purpose of the preceding sentence, a widow or widower shall not be considered as entitled to a benefit under subchapter II of chapter 7 of title 42 to the extent that such benefit has been offset by deductions under section 403 of title 42 on account of work.".

(c) Subsection (b) of such section is amended to read as follows:

"(b) The monthly annuity payable under section 1450(a)(4) of this title shall be—

"(1) 55 percent of the retired or retainer pay of the person who elected to provide that annuity after the reduction in such pay in accordance with section 1452(c) of this title, if the annuity is provided by a person eligible to participate in the Plan by virtue of section 1448(a)(1)(A) of this title, or

"(2) a lesser percentage (determined by the Secretary of Defense in accordance with subsection (d)) of the retired pay of the person who elected to provide that annuity after the reduction in such pay in accordance with section 1452(c) of this title, if the annuity is provided by a person eligible to participate in the Plan by virtue of section 1448(a)(1)(B) of this title.

A person who provides an annuity which is determined in accordance with clause (2) and who dies before becoming sixty years of age and is otherwise entitled to retired pay shall be considered to have been entitled to retired pay, for the purpose of such clause, at the time of his death, and the retired pay of such person for the purpose of such clause shall be computed on the basis of the rates of basic pay in effect on the date on which the annuity is to become effective in accordance with the designation of such person under section 1448(e) of this title.".

(d) Such section is further amended by adding at the end thereof the following new subsection:

"(d) The percentage to be applied by the Secretary of Defense in determining the amount of an annuity under subsection (a)(2) or (b)(2) shall be 55 percent reduced by such amount as the Secretary shall by regulation prescribe, taking into consideration the age of the person electing to provide the annuity at the time of such election, the difference in age between such person and the beneficiary of the annuity, whether such person provided for the annuity to become effective (in the event he died before becoming sixty years of age) on the day after his death or on the sixtieth anniversary of his birth, appropriate group annuity tables, and such other factors as the Secretary considers relevant.".

SEC. 105. Section 4 of the Act entitled "An Act to amend chapter 73 of title 10, United States Code, to establish a Survivor Benefit Plan, and for other purposes", approved September 21, 1972 (Public Law 92-425), is amended—

(a) by striking out "$2,100" in subsections (a)(3) and (b) and inserting in lieu thereof "$2,340"; and

(b) by adding at the end thereof the following new subsection:

"(c) If at any time after the date of the enactment of this subsection the maximum annual income limitation provided for in section 541(b) of title 38, United States Code, is increased by any amount, the maximum annual income limitation set forth in subsection (a)(3) of this section and the dollar figure set forth in the first sentence of subsection (b) of this section (relating to the computation of annuities payable under this section) shall be increased by a like amount effective on the date on which any such increase with respect to such section 541(b) first takes effect.".

REDUCTION IN RETIRED PAY

SEC. 106. (a) The first sentence of subsection (a) of section 1452 of title 10, United States Code, is amended by striking out "shall be reduced each month" and all that follows in such sentence and inserting in lieu thereof "shall be reduced each month—

"(1) by an amount equal to 2½ percent of the first $300 of the base amount plus 10 percent of the remainder of the base amount, if the person is providing an annuity under eligibility to provide an annuity under section 1448(a)(1)(A) of this title; or

"(2) by an amount prescribed under regulations of the Secretary of Defense, if the person elects an annuity by virtue of eligibility under section 1448(a)(1)(B).".

(b) Subsection (c) of such section is amended to read as follows:

"(c) The retired or retainer pay of a person who has elected to provide an annuity to a person designated by him under section 1450(a)(4) of this title shall be reduced—

"(1) in the case of a person who elects to provide an annuity by virtue of eligibility under section 1448(a)(1)(A) of this title, by 10 percent plus 5 percent for each full five years the individual designated is younger than that person; or

"(2) in the case of a person who elects to provide an annuity by virtue of eligibility under section 1448(a)(1)(B) of this title, by an amount prescribed under regulations of the Secretary of Defense.

However, the total reduction under clause (1) may not exceed 40 percent. The reduction in retired or retainer pay prescribed by this section shall continue during the lifetime of the person designated under section 1450(a)(4) of this title or until the person receiving retired or retainer pay changes his election under section 1450(f) of this title.".

NOTIFICATION

SEC. 106. Section 1331(d) of title 10, United States Code, is amended by adding at the end thereof the following new sentence: "Such notice shall include notification of the elections available to such person under the Survivor Benefit Plan established under subchapter II of chapter 73 of this title and the effects of such elections.".

TECHNICAL AND CONFORMING AMENDMENTS

SEC. 107. (a) The first sentence of section 1449 of title 10, United States Code, is amended by striking out "the first sentence of subsection (a), or subsection (b)," and inserting in lieu thereof "subsection (a)(2) or (b)".

(b) Section 1450(d) of such title is amended by striking out "section 8339(i)" and inserting in lieu thereof "section 8339(j)".

(c) Section 1450(f) of such title is amended by striking out "the last three sentences of section 1448(a)" and inserting in lieu thereof "section 1448(a)(5)".

TRANSITION

SEC. 108. With respect to any individual who—

(1) is eligible for retired pay under chapter 67 of title 10, United States Code, on the date of the enactment of this Act but for the fact that such individual is under sixty years of age, or

(2) receives, before the end of the nine-month period beginning on the date of the enactment of this Act, a notification that such individual has completed the years of service required for eligibility for such retired pay,

the ninety-day period referred to in section 1447(2)(C) of title 10, United States Code (as amended by section 101 of this Act), and in sections 1448(a)(2) and 1448(a)(4)(B) of title 10, United States Code (as amended by section 102(a) of this Act), shall be considered to end at the end of the one-year period beginning on the date of the enactment of this Act.

EFFECTIVE DATES

SEC. 109. (a) Except as provided by subsection (b), the provisions of this title and the amendments made by this title shall take effect on October 1, 1978, or the date of the enactment of this Act, whichever is later, and shall apply to annuities payable by virtue of such amendments for months beginning on or after such date.

(b) The amendment made by section 106 shall apply to notifications under section 1331(d) of title 10, United States Code, on and after the date of the enactment of this Act.

TITLE II—MEDICAL AND DENTAL CARE

SEC. 201. (a) Section 1076 of title 10, United States Code, is amended by (1) redesignating subsection (c) and (d) as subsections (d) and (e), respectively, and (2) adding after subsection (b) a new subsection (c) as follows:

"(c) Under joint regulations to be prescribed by the Secretary of Defense and the Secretary of Health, Education, and Welfare, a department of a member or former member who—

"(1) is deceased,

"(2) had, prior to his death, completed the years of service required for eligibility for retired pay under chapter 67 of this title but had not, because of age, become entitled to such pay, and

"(3) had elected, prior to death, to participate in the Survivor Benefit Plan provided for under subchapter II of chapter 73 of this title,

may, upon request, on or after the date on which such member or former member would have become entitled to retired pay under chapter 67 of this title had such member or former member attained sixty years of age and made timely application for such retired pay, be given the medical and dental care prescribed in section 1077 of this title in facilities of the uniformed services, subject to the availability of space and facilities and the capabilites of the medical and dental staff.".

(b) Section 1086(c)(1) of such title is amended to read as follows:

"(1) Persons covered by sections 1074(b) and 1076 (b) and (c) of this title, except persons covered by section 1072(2)(F) of this title.".

(c) The first sentence of section 1087 of such title is amended by inserting "and (c)" after "1076(b)".

SEC. 202. The amendment made by section 201 shall become effective on October 1, 1978, or the date of the enactment of this Act, whichever is later.

TITLE III—RETIRED SERVICEMEN'S FAMILY PROTECTION PLAN

SEC. 301. (a) Section 1434(a) of title 10, United States Code, is amended by—

(1) striking out "or remarries" in clause (1) and inserting in lieu thereof "or the spouse remarries prior to age sixty"; and

(2) striking out "or remarriage of that spouse" in clause (3) and inserting in lieu thereof "of that spouse or the remarriage of that spouse prior to age sixty".

(b) Section 1434 of title 10, United States Code, is further amended by adding at the end thereof a new subsection as follows:

(c) Whenever retired or retainer pay is increased under section 1401(a) of this title, each annuity that is payable under this subchapter on the day before the effective date of that increase to a spouse or child of a member who died on or before March 20, 1974, shall be increased at the same time by the same total per centum.".

SEC. 302. Each annuity that is payable under subchapter I of chapter 73 of title 10, United States Code, on the day before the date of enactment of this Act to a spouse or child of a member of the uniformed services who died on or before March 20, 1974, shall be increased effective as of the first day of the first calendar month following the month in which this Act is enacted, or as of October 1, 1978, whichever is later, by the total per centum that retired or retainer pay has been increased under section 1401a of that title since September 21, 1972.

SEC. 303. No benefits shall accrue to any person by virtue of the enactment of this Act for any period prior to the first day of

the first calendar month following the month in which this Act is enacted or prior to October 1, 1978, whichever is later.

The amendment was agreed to.

The amendment was ordered to be engrossed and the bill to be read a third time.

The bill was read the third time, and passed.

Mr. ROBERT C. BYRD. Mr. President, I ask unanimous consent to have printed in the RECORD an excerpt from the report (No. 95–1138), explaining the purposes of the measure.

There being no objection, the excerpt was ordered to be printed in the RECORD, as follows:

PROVISIONS IN HOUSE VERSION OF H.R. 3702 ACCEPTED BY COMMITTEE

There were a number of provisions in the House version of H.R. 3702 which the committee accepted. These were: (1) cost-of-living adjustments of certain annuities under the retired serviceman's family protection plan (RSFPP); (2) reinstatement of survivor benefit plan (SBP) payments to widows whose dependency and indemnity compensation (DIC) payments are terminated upon remarriage after age 60; (3) elimination of the social security offset under the survivor benefit plan for working widows or widowers who do not receive social security because of their income.

Cost-of-living adjustments for retired serviceman's family protection plan (RSFPP) annuitants

The retired serviceman's family protection plan (RSFPP) was established in 1953. Under RSFPP a retired member could elect to cover a surviving spouse and/or children up to 50 percent of the member's retired pay. It was an actuarially sound plan, that is, at no cost to the Government. RSFPP was complex with specific rules of election and definitions of beneficiaries. Only 15 percent of eligible retirees elected coverage under RSFPP. Benefit payments to widows and children were specific dollar amounts which were fixed over the life of the annuity. Because RSFPP was not indexed to the cost of living, inflation has seriously eroded the purchasing power of the fixed amount paid to RSFPP annuitants.

The committee bill authorizes increases in RSFPP annuities for the survivors of retired members who died on or before March 20, 1974—the last date on which retired members could elect to participate in the current survivor benefit plan (SBP). In addition to providing future increases, the bill authorizes annuities to be increased effective October 1, 1978, or the first day of the month after the date of enactment whichever is later, by the percentage by which retired pay has been increased since September 21, 1972, the date of establishment of the survivor benefit plan.

Reinstatement of survivor benefit plan (SBP) payments to a surviving spouse whose dependency and indemnity compensation benefits are terminated on remarriage after age 60

Under present law, SBP payments to surviving spouses who remarry before age 60 are terminated. If remarriage is after age 60, these payments continue. In the case of a retiree whose death is service connected, the widow or widower receives dependency and indemnity compensation (DIC) from the Veterans' Administration. If that compensation exceeds the SBP payments to which the survivor is entitled, he or she can receive DIC payments only and receive a refund of the deductions from the deceased retiree's retired pay. If the DIC is less than the SBP payment, the survivor receives the full DIC payment and, in addition, the amount of SBP benefits which exceeds the DIC payment along with a refund of the proportionate amount of the deductions from the deceased retiree's retired pay.

Unlike the SBP law, the law governing payment of DIC does not permit continued payment to the widow or widower who remarries after age 60. Accordingly, the DIC payments terminate with remarriage after age 60. Having received a refund of either all, or part of, the deductions from the deceased retiree's retired pay, the widow or widower is not entitled to the full SBP payment to which he or she would have been entitled if the deceased retiree's death had not been service connected. The committee bill would reinstate the full SBP payment to which the surviving spouse would otherwise be entitled subject to repayment of the refund of the deductions from the deceased retiree's retired pay which was received.

Elimination of social security offset under the survivor benefit plan (SBP) for working widows or widowers

Under current law when survivors of military personnel who are receiving payments under the survivor benefit plan become eligible for social security, the payment under the survivor benefit plan is reduced by 100 percent of any social security benefits attributable to the retiree's earnings while on military service.

The committee bill would eliminate the offset of social security under the SBP where the widow or widower works and thereby does not receive all or a portion of their social security payments. The committee bill provides that a working widow or widower shall not be considered entitled to a social security benefit to the extent that such benefit has been offset by deductions on account of work. The committee intends that a working widow or widower will only have an offset of the SBP annuity to the extent that the full social security annuity is reduced by working. For example, if a widow or widower were to lose 80 percent of the full social security benefit (the amount that would be received if he or she did not work) as a result of wages or salaries earned, then the widow or widower would receive an offset in the SBP annuity of 20 percent of the amount determined to be attributable to her husband's military service, or stated differently, 20 percent of the amount that would be offset if he or she did not work.

PROVISIONS NOT IN HOUSE VERSION OF H.R. 3702 ACCEPTED BY COMMITTEE

Minimum income guarantee for certain widows

The 1972 survivor benefit plan (SBP) law provided for a guaranteed minimum annual income for certain needy widows whose husbands died prior to September 21, 1972 without being able to elect into the survivor benefit plan. To qualify in 1972 for the minimum annual income, a widow must (1) have been entitled to a VA non-service-connected death pension and (2) have had less than $1,400 annual income from other sources (other than the VA death pension). The Department of Defense supplemented the widow's income up to the $1,400 and she was then also eligible for a VA death pension annuity. Public Law 94–496, enacted October 14, 1976, increased the $1,400 to the current $2,100 and the committee bill would increase this amount to $2,340. The committee bill also provides that the $2,340 would be increased at the same time and by a like amount as the VA's non-service-connected death pension annual income limitation under 38 U.S.C. 541(b) is increased.

Benefits for remarried retired serviceman's family protection plan (RSFPP) annuitants

Under current law, annuities paid under retired serviceman's family protection plan are terminated upon remarriage regardless of age. When the current service benefit plan law was enacted in 1972 it terminated annuities when remarriage occurred before age 60 but continued them if the remarriage occurred at age 60 or after. The committee, therefore, adopted a provision to conform the retired serviceman's family protection plan law to the current service benefit plan law and permit retired serviceman's family protection plan annuities to continue upon remarriage after age 60.

Survivor benefit plan for reservists

Under current law, a reservist who reaches age 60 may elect to participate in the current survivor benefit plan for military retirees on the same basis as any other retiree entitled to retired pay. In other words, if the member elects to provide survivor coverage after age 60, his monthly retired pay is reduced by 2½ percent of the first $300 plus 10 percent of any portion over $300. The member must make the election to participate at the time he begins to draw his retired pay. The survivor benefit payable at the time of his death is 55 percent of his retired pay.

Should the reservist die before reaching age 60, however, the survivor is not eligible for any benefit from the survivor benefit plan. This is true even though the reservist had completed 20 years of satisfactory service and had become entitled to retired pay at age 60.

Survivor program for reservists in committee bill

The committee had pending before it three bills (S. 2856, S. 1996, and the House-passed H.R. 11797) that would change the survivor benefit program for reservists. S. 2856 (introduced by Senator Morgan) and the House-passed bill H.R. 11797 are similar in substance so the committee used the text of these bills as the basis for its recommendation for changes in the survivor program for reservists.

The committee bill is designed to provide survivor protection to the spouse, spouse and children, children alone, or persons with an insurable interest of reservists who have completed 20 years of satisfactory Federal service but who have not yet reached age 60.

Compared to the current SBP law, the Committe's survivor program for reservists provides two additional options for coverage. Each reservist will be required to make an election upon completing 20 years of creditable service. Reservists will be notified of the options available to them under the survivor benefit plan at that time. They will have 3 months from receipt of notification to elect in writing one of the three options available to them.

Options available to reservist under committee bill

The retirement-eligible reservist has the following options:

(1) No change from the current survivor benefit plan.—The member can decline to make an election for or against survivor benefit plan coverage until attaining age 60. Consequently, there would be no coverage in the years between becoming retirement eligible and attaining 60 years of age; and coverage for the time beyond age 60 would remain subject to the retiree's election upon becoming entitled to retired pay. At that time the provisions of the SBP as they currently exist would apply.

(2) First new option.—A survivor annuity payable on the date the member would have attained age 60 if he dies before age 60, or on the date of his death if he dies on or after that date.

(3) Second new option.—A survivor annuity payable on the date of the member's death whether before or after age 60.

Election to participate

A positive election in writing is required if the reservist wishes coverage under either

of the two new options. If no election is made by the reservist within the 3 months following notification, the member is presumed to have elected not to make an election until age 60. An election not to participate during the interim period, at the maximum level, requires that the spouse be notified. It is the intent of the committee that a concentrated effort be made to insure that the spouse of the reservist is made aware of the provisions of the plan in a timely manner so that a joint decision can be reached before the 3-month period expires. The election to participate under either of the new options is irrevocable as long as there remains an eligible beneficiary. The committee bill permits a reservist to discontinue coverage should there no longer be an eligible beneficiary. This is similar to the provision in the current SBP. In addition, if the member's original beneficiary becomes ineligible and a second beneficiary is obtained, the member would be permitted to rejoin the plan within one year. The costs under the plan would be revised to reflect this most recent election. A member with no beneficiaries upon completion of 20 years of service, who later acquires a beneficiary, would be given a year to join the plan. Reservists who have completed 20 years of creditable service before the bill is enacted would be given a year in which to elect into the plan. The committee intends that the Department of Defense will make every reasonable effort to locate and notify retirement-eligible reservists of their options under the new survivor benefit plan.

Cost to participants

The cost of providing additional coverage under the new options in the committee's bill before age 60 is shared entirely by those individuals potentially benefiting from the coverage. The cost to the retiree will be in the form of an additional reduction above the standard contribution of 2½ percent of the first $300 of retired pay plus 10 percent of the remainder. The cost to the survivor will be in the form of a reduction applied to the 55 percent of the retired pay normally received.

The amount of these reductions will be based on an actuarial calculation using a specified group annuity table and discount rate, the member's age at election, the difference in age and sex of the survivor, and the option elected. The percentage reduction will be computed at the time of the member's election and based on the actuarial charges in effect at that time. The committee expects the Department of Defense to consult with the committee prior to initially implementation and any subsequent changes to the actuarial charges. The committee bill does not extend eligibility to survivors of members who die before the date of enactment. The committee bill authorizes medical benefits to survivors of reservists (who select either of the new survivor options) as provided for in current law; that is, at such time as the reservist reaches age 60 or would have reached age 60.

Cost estimates of committee's survivor program for reservists

The Congressional Budget Office estimates an increase in outlays of $494 million between fiscal year 1979–2000, including estimated inflation, for the cost of the committee's survivor program for reservists. The committee fully intends, however, that this program be actuarially sound, that is, at no cost to the Government. The committee is informed by the Department of Defense that the committee's program for reservists will be actuarially sound and that actuarial charges to survivors and reservists who live beyond age 60 will pay after the year 2000 for the outlays initially incurred as a result of initial "start-up costs" for survivors who become eligible for coverage during the early years of the program. The committee directs the Department of Defense to review regularly the actuarial reduction factors for both the immediate and deferred options so as to assure the actuarial soundness of the plan. A recent analysis of the cost of the program indicates that only modest changes in the currently prepared reduction factors may be necessary to make the program actuarially sound.

PROVISIONS IN H.R. 3702 NOT ACCEPTED BY THE COMMITTEE

There were a number of provisions in the House version of H.R. 3702 which the committee deferred action on. These were: (1) reduction of the social security offset under the survivor benefit plan from 100 to 50 percent, (2) change in the method of calculating the reduction of military retired pay for members covered under the survivor benefit plan (cost to the retiree), (3) elimination of the social security offset under the survivor benefit plan when the widow has one dependent, (4) elimination of the social security offset when the widow is collecting social security based on her own earnings, (5) elimination of the social security offset for certain reservists who serve on active duty for less than 30 continuous days and who receive a refund of social security taxes withheld for those periods.

Reduction in social security offset from 100 to 50 percent

Under the current survivor benefit plan, the payments by the Department of Defense to widows are reduced at age 62 by an amount equal to 100 percent of the amount of social security benefits to which she is entitled based on her husband's military service.

The committee recommends against a change in the social security offset under the survivor benefit plan pending a thorough study of the current military survivor benefit plan. The committee is concerned that there is no actuarial data and analysis to support a change in the offset at this time. The Congressional Budget Office estimates a total cumulative cost of $6.1 billion between fiscal years 1979 and 2000 for changing the offset of social security from 100 to 50 percent. An increase in Government outlays of $6.1 billion for fiscal year 1979–2000 should require more careful actuarial and other types of analyses than currently available.

Change in formula for calculating retiree's cost under survivor benefit plan

The House version of H.R. 3702 provides in law for a change in how the reduction in military retired pay will be calculated for those participating in the SBP to make it conform identically to the formula used for the Federal civil service survivor plan. The Congressional Budget Office estimates a total cumulative cost of $3.5 billion between fiscal years 1979 and 2000 for making the military SBP identical to the civil service plan in the method of calculating cost to the member. The committee was concerned with this significant cost to make the two survivor plans identical in one area when the military and civil service retirement plans are significantly different in a number of areas:
average years of service, average age at retirement, average years in retirement, average lifetime retired pay and contributions to the retirement system. These differences make a comparison of the military and civil service retirement programs difficult at best and suggests that any attempt to equate the two systems in any one particular area may not be appropriate. The committee would prefer to have a sound actuarial basis provided for making a change of this kind.

Elimination of social security offset where there is one independent child

When a military retiree dies, leaving a widow and one or more children, a social security benefit is payable to the mother and to each dependent child. Under the survivor benefit plan, if there is only one child, an amount equal to the amount of social security "mother's benefit" payable based solely on the member's military service is "offset" against the survivor benefit plan payment. If there is more than one dependent child there is no offset. The committee does not have sufficient actuarial or other evidence at this time to justify a change in the offset for a widow with one dependent child particularly considering the potential cost implications.

Elimination of offset for widows or widowers collecting social security on their earnings

The current survivor benefit plan requires an offset in the surviving spouse's annuity at age 62 even though he or she may be receiving social security benefits based on his or her own earnings and not on the basis of the deceased retiree's military service. The committee did not approve this provision and recommends that the Department of Defense develop more reliable cost data on this provision.

Elimination of the social security offset for widows or widowers of certain reservists

The House version of H.R. 3702 contained a provision which eliminated the social security offset under the survivor benefit plan for the widow or widowers of a reservist whose only active service consisted of periods of active duty of 30 or less continuous days for which periods the reservist received a refund of social security taxes because he or she had maximum social security coverage from private employment. The committee was concerned that this group of reservists was not a distinct group. Some reservists had periods of active duty of 30 days or more but in many of their years of reserve service had the maximum taxable wages in their civilian employment. This provision would also ignore regular members who had substantial civilian covered wages and who received a refund for excess social security taxes in some years of military service. The committee was also concerned that this provision would cause selective consideration of civilian wages for certain reservists. Moreover, such a change would fail to recognize the government contribution in social security taxes on the military covered wages of these reservists.

Committee requirement for Department of Defense study on survivor benefit plan

The committee requests the Secretary of Defense to undertake a study of the current military survivor benefit plan and report his findings to the committee no later than February 1, 1979. The study should include, but not be limited to, the following:

A statement of policy by the Department of Defense as to the goals of the Survivor Benefit Plan in terms of participation, cost to the member and to the Government, the rationale for this policy, and the recommended changes in law to accomplish it.

An actuarially based analysis of the survivor benefit plan, including net outlay estimates, benefit payments, expected reductions in retired pay under the current survivor benefit plan, and with a 50 percent offset of social security and change in the method of calculating retired pay deductions as provided for in the House version of H.R. 3702. The analysis should include the effect on benefit payments, reductions in retired

pay, and net outlays of increased participation in the survivor benefit plan.

An actuarial analysis of the cost of officers and enlisted personnel of the survivor benefit plan and the cost to the Government under the current survivor benefit plan and with the changes provided for in the House version of H.R. 3702.

An actuarial analysis of how the current survivor benefit plan impacts on the unfunded liability of the military retirement system and how the provisions in the House version of H.R. 3702 impact on this unfunded liability.

A comparison between the current survivor programs for military and civilian service retirees in terms of what portion of each program is paid for by the retirees. A similar comparison should also be provided based on the House version of H.R. 3702.

The committee recommends that the opinions of independent actuaries be reflected in this analysis.

Mr. ROBERT C. BYRD. Mr. President, I ask unanimous consent that it be in order to move, en bloc, to reconsider the votes by which the various measures were passed.

The PRESIDING OFFICER (Mr. CLARK). Without objection, it is so ordered. The motion is in order.

Mr. ROBERT C. BYRD. I so move.

Mr. STEVENS. I move to lay that motion on the table.

The motion to lay on the table was agreed to.

THE OLDER AMERICANS PROGRAMS

Mr. CRANSTON. Mr. President, I would like to speak about S. 2850, the proposed "Older Americans Act of 1978," as reported from the Committee on Human Resources. As the ranking majority member of the Subcommittee on Aging, I am most concerned and involved with programs and projects with respect to elderly individuals. At my request, my colleague from Missouri, Mr. EAGLETON, announced that I would be inserting into the RECORD a statement on S. 2850, as reported.

GENERAL BACKGROUND

Mr. President, it has been 5 years since Congress authorized, as part of the Older Americans Act, the creation of a national network of area agencies on aging to plan, coordinate, and develop a wide variety of services for elderly individuals. Area agencies—AAA—are designed to serve as the focal point on aging for their planning and service area—PSA—and to develop a comprehensive and coordinated system of services for older persons within their PSA. Since the enactment of the 1973 amendments, 563 area agencies have been established covering 90 percent of the eligible elderly population. Approximately 11 million individual community services are provided annually through the network. In my home State of California, approximately 88.4 percent of the elderly population lives in counties served by AAA's. The remainder live in counties where title III funding comes directly from the State for particular services.

Mr. President, testimony presented by Secretary Califano before the House Select Education Subcommittee of the Committee on Education and Labor last March reveals the importance of long and short-range planning and program development with respect to aging and the value of evaluating current efforts. He said:

In 1960, 9.2 percent of our population, or 16.5 million people, were 65 or older. Today, that older group has grown to 10.05 of our population: 22.4 million people. Looking ahead to the year 2035, we can predict that nearly one-fifth of the population, or more than 55 million people, will be 65 and over. Today, 38 percent of the elderly are over 75 years of age. By the year 2030, that figure may be nearly one-half of the elderly population.

The reauthorization of the Older Americans Act provides a pertinent opportunity for evaluation of the AAA network. After 5 years, sufficient time has passed to enable us to determine whether, and to what extent, the AAA approach is working as intended. Senator EAGLETON, chairman of the Subcommittee on Aging, and Senator CHAFEE, the ranking minority member, along with their staffs, have worked hard on this reauthorization, and their efforts should be applauded.

GOALS

Mr. President, in order to evaluate whether, and to what extent, the older American programs are working, I believe it is important to discuss the gages by which such programs should be measured. We must not fail to remember that these programs are intended to serve older individuals—people who have served this country for many years. I believe that of uppermost importance in the evaluation of the older Americans programs—and, indeed, all such programs—is whether they further the Nation's goal of assuring that each and every American has the opportunity to live their life in dignity, and whether the programs do so effectively, equitably, expeditiously, efficiently, and compassionately—and with a minimum of red-tape, regulation, and paperwork.

Mr. President, we all realize there are limitations on the amount of Federal money available for meeting the goals I have outlined. Recognizing such limitations, and, in conjunction with the overall goals of the Older Americans Act, I believe that it is necessary to make hard decisions on priorities for the funds available. In this regard, I direct my colleagues' attention to the following findings of the California Department of Aging in their recently developed long-range plan on aging, adopted early this spring:

While the California Department of Aging is committed to improving the quality of life for all older Californians, because of limitations in funds and other resources, its efforts must be focused on the portion of the elderly population determined most "at risk" of premature or unnecessary institutionalization. This is in keeping with its mission under the Older Americans Act to secure and maintain maximum independence and dignity in a home environment for older persons capable of self-care with appropriate supportive services. The factors contributing to an older person's being considered "at risk" can be generally summarized as poverty, physical, or psychological impairment, and social isolation. These factors are inter-related and intercausal and are present predominantly among the minority elderly, elderly women, and the frail elderly.

Mr. President, in 1975, approximately 512,000 elderly Californians—aged 65 and over—had incomes in the near-poor or poor range. This represents approximately 25 percent of all Californians aged 65 and older. California's share of the Nation's elderly poor as counted by the Census Bureau is 6.4 percent.

The long-range report revealed that members of ethnic minority groups are more than twice as likely than white individuals to live in poverty. In addition, not only are elderly minority persons more likely to live in poverty but, as I will discuss in greater detail later in this statement, they are also less likely to receive the benefits and services that would alleviate their poverty. Elderly women have about half of the income of elderly men, and they are twice as likely as men to living alone. The long-range plan reports:

Older single women are among the poorest persons in our society. While about 15 percent of all persons aged 65 and over live below the poverty threshhold set by the Census Bureau, 32 percent of all single women have incomes below this level and 50 percent have incomes below the "near-poverty" threshhold.

Finally, Mr. President, with respect to "frail elderly", I recall that Secretary Califano described these individuals as those whose ability to function in the ordinary business world and daily living has become limited because of poor health, disability, or senility. The Secretary estimated that 3½ to 4½ million people fall within the classification of "frail elderly." Said Secretary Califano, "We can expect that an increasingly older population will mean a greater incidence of disability and isolation."

Mr. President, I believe that when we examine S. 2850 as reported, and the provisions included as part of that measure, we should do so in light of the elderly population we are trying to serve, the goals we are trying to attain, and, importantly, the particular needs of those categories of older individuals who, it seems to me, are in need of special consideration with respect to our efforts in this area.

CONSOLIDATION

Mr. President, the reported bill is an ambitious undertaking designed to consolidate administratively under the AAA network three Older American Act legislative thrusts—social services, multipurpose senior centers, and nutrition programs. I believe that consolidations of these three titles within one administrative framework should result in a more efficient and effective administration of the Older American programs and should strengthen the capacity and effectiveness of local area agencies on aging. As my colleagues are aware, currently, title III programs—social services—are generally administered by area agencies, title V programs—multipur-

pose senior centers—are operated by the Commissioner on Aging, and title VII programs—nutrition programs—are administered by the States.

The general success of the AAA network has made it possible to give serious consideration to consolidation at this time. In California, currently, more than 80 nutrition projects are being operated under title VII throughout the State with most of them being conducted in PSA's in which AAA's have been designated. The California's long-range plan on aging emphasizes:

Many AAA's have developed specialized knowledge of the needs and resources in their PSA's as well as specialized knowledge of administration of aging projects, and may be qualified to administer a coordinated, efficient, and effective title VIII program within their PSA.

The long-range plan recommended that—

the CDA (California Department of Aging) shall transfer direct responsibility for title VII nutrition project administration to area agencies on aging.

Mr. President, I do not take lightly the consolidation of title VII and title III to be administered by the AAA network. It is a major step. On the whole, title VII projects have done an admirable job in attempting to meet the nutritional needs of elderly citizens. However, the advantages of consolidating responsibility for the multipurpose senior centers and the nutrition programs along with the social services within the AAA network will, in my judgment, outweigh the disadvantages. Under S. 2850, as reported, accountability for the responsive, expeditious, and efficient operation of such programs will reside in a direct chain-of-command from area agencies through the States to the Commissioner on Aging.

Although we are shifting responsibility for the operation of title VII programs from the States to AAA's—and derivately back to the States—I believe that it would be unfortunate and unwise if AAA's do not take into account and give special consideration to the special talents and abilities of current title VII grantees.

OTHER ADMINISTRATIVE PROVISIONS

There are a number of other administrative provisions contained in the measure which I believe should be highlighted. With respect to accountability, the bill would make specific the responsibility of the Commissioner to advise, consult, and cooperate with Federal agencies or departments administering programs designed to serve older individuals. This change would revise the existing requirement of Federal agency cooperation by reassigning to the Commissioner on Aging the burden for assuring coordinated interagency dealings. In addition, a paperwork reduction requirement is included, at my suggestion, derived from Senator DOMENICI's bill, S. 2609. The Commissioner would be authorized to request only such information as the Commissioner deems essential to carry out the purposes and provisions of the Older Americans Act. In this regard, the reduction of the frequency of submission of State and area plans should also facilitate the ability of States and area agencies to concentrate on pooling, coordinating, and delivering services. Under the committee bill, State plans would be submitted every 2 years, rather than every year as presently required. These provisions, in conjunction with other administrative changes included in the reported bill, Mr. President, should result in a reduction of paperwork and a more streamlined administrative structure, better able to serve the needs of older Americans.

INTRASTATE FORMULA

Mr. President, the reported measure includes a number of changes which affect States and the manner in which States administer Older American programs. One very important change would require States, for the first time, to develop a formula, in accordance with guidelines issued by the Commissioner, taking into account the best available statistics on the geographical distribution of individuals aged 60 and older in the State, the incidence of such low-income individuals, and the number of individuals who are members of minority groups. I emphasize that the committee report—No. 95–855—to accompany S. 2850 stresses that Older Americans Act "social services delivery has never been a poverty program in the sense that its benefits were provided solely to poor persons or that a means test was employed." This amendment would not change the intent of or the operation of the Older Americans Act in that regard. However, as I indicated earlier, there are segments of elderly individuals whose needs are particularly striking and to whom special consideration should be given. When we are attempting to plan programs designed to address needs, especially when we have limited funds available, I believe that special efforts to target assistance on meeting those most in need should be taken. The inclusion of low-income and minority aged for purposes of intrastate formula distribution is a desirable step in the direction of assuring that segments of the elderly population with the most striking needs are given the maximum opportunity to participate in and benefit from programs under the act.

Under the committee bill, States would be required to publish the intrastate formula for review and comment. This requirement should provide the opportunity for interested individuals and organizations to become involved in the process for allocating these funds. Another important provision in the bill designed to assure that interested individuals and organizations have the opportunity to participate in the State's aging efforts is the requirement that State agencies provide an opportunity for a hearing, upon request, to any area agency on aging submitting a plan, to any provider of services under such plan, and to any applicant to provide services under such a plan.

AAA DESIGNATION

Mr. Presient, another aspect of the measure affecting relationships between a State and AAA's involves the consideration of applications of certain cities to become AAA's. My colleagues are aware that title III of the Older Americans Act is primarily a State-run program. Under the committee bill, States, subject to the act's limitations, generally, are the final arbiters on AAA applications submitted by general purpose local governments. Currently, cities and towns are denied AAA designation by States for a variety of reasons. In most instances, such a denial can be very frustrating to the involved city's efforts to provide the best possible service—as they see it—to its older Americans. However, I believe that an effective system of comprehensive and coordinated planning responsibilities for older American services with a State requires that States must generally have authority for determining the focal points for service delivery.

Mr. President, recently, the city of Long Beach sought and was denied AAA designation by the State of California. I recognize and appreciate the State's position—just as I appreciate and understand the city of Long Beach's position. The amendment offered on the floor by the Senator from New Mexico, Mr. DOMENICI, with respect to providing an opportunity for appeal to the Commissioner for general purpose local governments which are otherwise eligible, but whose applications for AAA designation have been denied by the State, would provide a solution—albeit, not a perfect one. I would expect, however, that the Commissioner, in making these determinations, would do so in view of the aims and goals of the approved State plan within which the appellant city is located.

STATE ADMINISTRATIVE EXPENSES

Mr. President, during consideration of Older Americans Act legislation this year, a great deal of concern was expressed concerning the availability of moneys for the administration by States of State programs. I believe that consolidation of the three titles and the extension of the period of time for submission of plans should alleviate somewhat the concerns expressed to us that insufficient funds are provided for State administration.

However, I realize the importance of providing sufficient administrative funds. For example, S. 2850 as reported would require the State-designated aging agency "to serve as an effective and visible advocate for the elderly by reviewing and commenting upon all State plans, budgets, and policies which affect the elderly and providing technical assistance to any agency, organization, association, or individual representing the needs of the elderly." Such duties, while benefiting older individuals, do not increase the amount of administrative funds under the formula in present law. In addition to such advocacy and technical assistance responsibilities, the State agency must oversee the operation

of older American programs within its jurisdiction generally. Additionally, pooling, coordinating, and serving as focal points for delivery of services can result in greater administrative expenditures than would generally be required for provision of services.

In recognition of these problems, Mr. President, we included in the 1975 amendments to the Older Americans Act a mechanism for relieving the costs of the administrative burden on States. Specifically, a provision was included as part of those amendments for providing additional administrative funds to an applying State for the administration of its plan. To date, only three States have so applied. Such limited use of this mechanism could be interpreted in at least two ways—one, that the States' administrative burdens are not sufficient to warrant application for additional administrative funds; or, two, that the procedures established are so rigorous or inequitable as to inhibit any such application. In either instance, I will be examining with care the further operation of this section in order to determine whether, or to what extent, changes are needed.

In addition, under the committee bill, the minimum amount allowed for administration of State plans would be increased. This, of course, would also result in an overall reduction in the amount available for other than minimum-allocation States when the funds appropriated are allocated on the basis of the population. In this regard, we have been assured by the subcommittee chairman that, at the time appropriations for the Older Americans Act are considered, the effect of this increase for the 7 minimum States, on the 43 nonminimum States will be brought to the attention of appropriate members of the Subcommittee on Labor and HEW of the Committee on Appropriations.

PUBLIC MATCH AMENDMENT

Mr. President, I was pleased to join with the Senator from New York, Mr. JAVITS, in offering an amendment to reinstate the currently required State-and-local-public-agency funding match provision. Under current law, of the amounts provided by States or local public agencies to match the Federal Government's share, 25 percent must be from State and local public sources. Under S. 2850 as reported, the public sources share of the match would have been increased to 50 percent in order to increase the minimum level of State and local public involvement.

Whatever the source of dollars used by State and local public agencies to match Federal dollars, the important consideration is the provision of assistance to eligible older Americans. I believe that requiring an increase in the current level of such public involvement would be unwise at this time. The current 25 percent match assures State and local public involvement. If a State or local public agency undertakes efforts to generate or involve the private sector in older American programs, these efforts should not be penalized—rather, they should be encouraged.

FUTURE MANPOWER NEEDS

Mr. President, I would like to draw attention to provisions in the reported measure relating to title IV of the act. Currently, title IV is, in part, designed to improve the quality of services and help meet critical shortages of adequately trained personnel for programs in the field of aging. The Commissioner on Aging is required to appraise the Nation's existing and future personnel needs in the field of aging at all levels and in all types of programs, and evaluate the adequacies of the Nation's efforts to meet those needs.

Mr. President, at the turn of the century, the U.S. Census calculated that 4 of every 100 persons living in our country were 65 years of age or older. By 1978, the proportion had more than doubled. More than 10 of every 100 persons in the United States today are at least 65 years of age. Because of these and prospective changes in our society, we must examine how we are going to meet the needs of our older population today, and, especially in light of "the graying of America," how we are going to meet the needs of our older population in the future. In addition, as I discussed previously, aged minority group members have generally had more aging problems than generally besets older Americans. In July, 1977, there were 32,856 persons aged 60 or over in our country—of that figure approximately 9.3 percent were aged minority group Americans. Hence, I want to focus special attention on the amendment to title IV which I proposed with respect to future personnel and minority group needs which would require the Commissioner to "assess future national personnel needs with respect to the aging with special emphasis on the needs of aged minority group individuals the need for the training of minority group individuals to meet such needs." This provision should be an important one in terms of meeting tomorrow's needs among all elderly individuals, especially minority group elderly.

WHITE HOUSE CONFERENCE—AGING RESEARCH

Mr. President, the committee bill cites—at my suggestion—as a reason for the convening of the 1981 White House Conference on Aging, the great need for a national policy with respect to increasing, coordinating, and expediting medical and other appropriate research directed at determining the causes of the aging process. The measure also specifically directs that the Director of the National Institute on Aging shall have a major role in planning and conducting the conference. In addition, researchers on problems with the elderly and the process of the aging are included in the groups of individuals who are to be participants in the conference.

I proposed these involvements because I am convinced that research in the aging process can lead to findings which will enable older individuals to live happier, productive, and more dignified lives, and add more—and quality—years to our lives. I have become increasingly concerned that sufficient emphasis has not been placed on the support of basic biomedical research, and I am convinced that a greater emphasis—such as will be provided by the White House Conference on Aging—will have a real payoff for medical advances with respect to the aging process generally, both in the long and short runs.

Among those areas with the greatest potential for unlocking the basic mysteries of the aging process are:

Immunology.—Research in the immune system, including the effect of antioxidants on the decline of the immune response with age.

Nutrition.—Research on nutrition and aging, and the importance of nutrition research to the maintenance of health and the prevention of disease in the aging adult.

Pharmacology.—Studies of drug absorption, distribution, metabolism, and excretion in the aging, as compared to, younger individual.

Endocrinology.—Research into the association between osteoporosis and hormones secreted by the parathyroid.

Neurosciences.—Study of organic brain diseases that cause major disabilities and institutionalization among the elderly.

Mr. President, the emphasis on this research into the aging process in the provisions for a 1981 White House Conference on Aging will be a major step. Research into the aging process can have major implications for biomedical research generally. Research in the aging process does not focus principally on specific diseases, but rather on genetic controls and the time-dependent mechanisms that cause progressive changes in the body—changes that are likely to set the stage for the onset of disease as well as of the aging process. The results of our research efforts, as well as the result of the attention given to the White House Conference on Aging, may help us find the key to causes of such major crippling and killing diseases as diabetes, multiple sclerosis, arthritis, and so many others.

The inclusion of research in the White House Conference on Aging and the major role given to the Director of the National Institute on Aging on the conduct of planning for the Conference is designed to insure that these important issues will be given appropriate attention. Such inclusion should assist the development of a national policy to increase, coordinate, and expedite medical and other appropriate research directed at determining the causes of the aging process.

ADDITIONAL KEY PROVISIONS

Mr. President, there are a number of other aspects of the committee bill which I believe are worthy of mention. The requirement that 50 percent of the AAA's service expenditures are to be expended on transportation—access—in-home, and legal services should facilitate greater efforts in those three important

areas. There are limited amounts of Federal funds available for AAA services. We must recognize that we can do only so many jobs well—and so many need to be done. These three priorities are all services of utmost importance. Concentration on these areas should provide greater opportunity for elderly individuals, particularly those individuals in need of special consideration, to receive needed services, while still allowing local communities to tailor services to local needs with the other half of the service funds. The special provisions for legal services should play a key role in assuring that elderly individuals are able to obtain, in a coordinated, cost-effective fashion, the benefits to which they are entitled under law. The new ombudsman program should be an important tool in assuring that institutionalized older Americans are assisted appropriately. Institutionalized persons are very vulnerable. The amendments regarding ombudsman projects should provide a mechanism for protecting these vulnerable individuals and assuring that they receive appropriate care and attention. The improvements in the nutrition program—including the extension of eligibility for Meals-on-Wheels to homebound handicapped individuals—are also noteworthy and should assure continuation of these important and worthwhile programs.

SUMMARY

In sum, Mr. President, I believe that S. 2850 will go a long way toward assuring that each and every American has the opportunity to live his or her life in dignity and that programs designed to accomplish that goal will be operated and administered more effectively and responsively. In addition, I believe that those segments of the elderly population in need of special consideration will be benefited by the changes made.

I would like to express my appreciation to Chairman EAGLETON, Senator CHAFEE, and their hard working staffs—particularly Marcia McCord and Steve Roling—for their fine and creative efforts in putting together the committee bill and guiding it through the Senate, and for their cooperation with me and my staff on numerous issues. I look forward to working with my colleagues at a conference on this measure.

THE SHAPE OF NEW CHILD-CARE LEGISLATION

Mr. CRANSTON. Mr. President, the Subcommittee on Child and Human Development, which I am privileged to chair, recently completed a series of four hearings on the subject of child-care and child-development programs. The purpose of these hearings was to solicit the comments of parents, child-care providers, and others concerned with the welfare of children about the need for Federal legislation in the child-care area and how best to shape such legislation. These hearings were, I believe, extremely helpful to me and to the other members of the subcommittee, and I wanted to share today with my colleagues some of the data and thoughts emerging from those hearings. Before discussing the testimony, I would like to describe some of the dimensions of the child-care picture that led to the decision to hold hearings.

The need for adequate child-care services in this country has been documented time and again. Statistics released by the U.S. Department of Labor in March of 1977 indicate that a majority—51 percent—of the mothers of children under the age of 18 work outside of the home. Most of these working mothers have entered the labor force for reasons of financial necessity, and two-thirds work full time. These statistics also indicate that 41 percent of the mothers with children under the age of 6 are in the labor force.

In the terms of the numbers of children involved, these statistics translate to 6.4 million children under the age of 6 whose mothers work and 22.4 million children from 6 to 17 whose mothers work. Yet, there are only 1.6 million licensed child-care openings, including center-based and family-based child care, available throughout the Nation, according to 1976 data from HEW—enough to cover only 25 percent of the children under 6 whose mothers work. Many witnesses at our hearing concluded from this data that substantial numbers of children are left in inadequate care, shuffled from one care arrangement to another, or simply left alone while the mother is at work.

The President's Commission on Mental Health discussed the need for more child care programs in its recently issued report:

With the growing number of working mothers—51 percent of the mothers of school-age children are employed, and many mothers work in order to meet subsistence needs—many families urgently need more and better daycare for their children. There are not enough programs available. A variety of child-care options should be explored. Research has shown that child-care programs that focus on emotional and cognitive development can help to promote positive mental health. The Commission therefore recommends increases in the number of Project Headstart and developmental day-care programs, so that within a reasonable period of time all children needing these and similar programs can have them available. Special attention should be paid to ensuring the inclusion of additional handicapped, rural, and migrant children. Such programs should be culturally acceptable to parents and the communities . . . The Commission specifically recommends that the Administration for Children, Youth, and Families in the Department of Health, Education, and Welfare design a flexible program that supports a variety of child-care arrangements, with adequate provision for evaluation. The Commission also recommends that the Department of Health, Education, and Welfare support programs to recruit and train caretakers at all educational levels and from a wide variety of age, ethnic, and socio-cultural groups.

Although the need for more child care seems clear, the solution has not been easy to come by. Several attempts have been made in Congress over the last 8 years to enact comprehensive child-care legislation. In 1971, we passed such a bill, but it was vetoed by President Nixon. In 1975, hearings were held in both Houses of Congress on similar legislation, the proposed Child and Family Services Act, introduced by former Senator Mondale and Congressman BRADEMAS, but no action was taken on that legislation in either body.

Today, it appears that the need for child-care legislation is even greater than it was 8 years ago. Although the Federal Government already provides support—either directly through social services programs funded through title XX of the Social Security Act which are targeted toward welfare recipients and poor families, or indirectly through tax credits which benefit primarily middle- and upper-income families—large numbers of low-income, working families receive little or no assistance from these programs. Many families, struggling to stay in the work force and off welfare, are simply unable to find reasonable quality child care at prices they can afford in the present marketplace. Some families are able to find neighbors or relatives to take care of the children—and many of these arrangements are adequate. Many others, however, are forced to leave their children alone or in unsafe or unhealthy situations.

NEED FOR MORE PROGRAMS

Mr. President, the strongest theme to emerge from the hearings held by the subcommittee was the need for more child-care programs. Witness after witness told of the difficulties that parents face in trying to find good child care that they can afford, of the long waiting lists for all types of child-care programs, and of the lack of funds to start new programs or to expand existing ones. I would like to give you some examples.

In the Chinatown community in San Francisco, there are 3,000 preschool children in need of child-care services, but only 10 percent of these can be served by existing programs. In Sonoma County, Calif., there are approximately 20.000 low-income children in need of child care but only 5,000 licensed slots for all children in the county, regardless of income. The children's center program in the Hayward school district in California has a waiting list of 400 children for its after-school program.

In response to questions I asked at our hearing about what is happening to these 400 children on the waiting list in the Hayward community, I was told by the supervisor of this program that there were no other programs providing after-school care for the low-income families served by the school district program. Where these children were is simply unknown. A survey done by the Childcare Switchboard of child-care needs in San Francisco found that the 52 children's centers run by the San Francisco school district were all full and had a combined waiting list of 1,600 children. The 25 other publicly funded programs in the city had a total of 12 openings. As Patty Siegel, director of the Switchboard, put it:

It is depressing to talk to 60 parents a day and know that three-quarters of them are

not going to be able to find the child care they want.

The Switchboard's counterpart across the Bay in Oakland—called BANANAS because parents who are trying to find child care are usually "going bananas"—reports a similar demand and a similar lack of facilities.

In case anyone thinks that California is unusual in this respect, I would like to note that we had witnesses at the hearings from all parts of the country—from Arizona, Colorado, Connecticut, Florida, Kansas, Maryland, New Jersey, New York, Pennsylvania, Virginia, and Washington. The subcommittee also received written testimony from numerous other States.

The story is the same everywhere, Mr. President. In Newark, N.J., the waiting list for the title XX funded child-care centers is 3,000 children—at one neighborhood center the waiting list is triple the number of spaces in the center—and this figure does not include the parents who are so discouraged by the length of the waiting list that they do not complete an application. The families that are turned away must pay $25 to $50 per child per week for non-subsidized care out of take-home pay that averages $125 per week. In Colorado, eligibility for title XX child-care programs has been limited to single parents earning less than 60 percent of the median family income, but even so there are 24,000 children eligible while the State's capacity in the title XX programs is 8,000.

CHILDREN ON WAITING LISTS

Mr. President, many of my colleagues may be wondering what is happening to all of the children whose families are on waiting lists for the existing child-care programs. I have been asking this question consistently throughout the hearings. I am still asking it. The truth is, we do not really know where most of these children are, who is taking care of them, or what kind of care they are receiving. Some of the answers to these questions are, however, truly alarming. Ms. Jeanne Ellis, director of the Child Care Center of Stamford, Conn., did a survey of the 139 children on the waiting list for her center and reported the following five actual cases in her testimony before the subcommittee:

1. The parent returned the child to her native country because she needed day care, couldn't find it, and had to work. Parent and child are separated.

2. Another parent was able to talk her neighbor and her maternal grandmother into sharing the day care duties. Child does not have consistent caregiver.

3. One put her child in an expensive, lower-quality, for-profit center. Child gets poor care, parent poor bargain.

4. One wanted "respite" because she was undergoing psychiatric treatment. She got no day care and she's still having mental problems. Parent's future is dim.

5. One stayed home and went on welfare. Another willing worker is added to the millions on the welfare rolls.

Ms. Ellis subsequently provided the subcommittee with a breakdown of the rest of the 134 children on the waiting list: 64 were receiving care by friends of the family, neighbors, private babysitters; 29 were enrolled in expensive, for-profit centers; 35 remained at home, with the parents either remaining unemployed or going on welfare; and 6 were relocated out of the State to reside with relatives who provided child care, resulting in the separation of parent and child.

This summary does not, however touch on one of the most distressing phenomenon—no care. Although we do not know where all of the children not in licensed child-care programs are, we do know that many do not receive any care at all. Statistics from the Census Bureau on the kind of child care used by parents show that there are at least 20,000 children aged three to six caring for themselves while their mothers work. There are another 1.8 million children aged 6 to 13 caring for themselves after school—and sometimes for younger siblings as well. These figures—particularly those for preschool children—probably grossly underestimate the actual number of children caring for themselves since—as Bill Pierce of the Child Welfare League noted in his testimony before the subcommittee—parents are reluctant to admit that they leave a young child alone. The President's Commission on Mental Health made special mention of these "latch-key" children in its report:

Two-thirds of the children estimated to need day care are of school age. According to the Bureau of the Census, there are nearly two million "latch-key" children who come home to an empty house each day. It seems more than coincidental that the rise in the number of "latch-key" children has been accompanied by an increase in school vandalism, adolescent alcoholism, and juvenile participation in serious crime (now 45 percent of the serious crime committed).

Mr. President, I want to stress here the enormous costs—social as well as economic—which this increase in school vandalism, adolescent alcoholism, and juvenile delinquency generates. Each of us, I am sure, shares a deep concern about the increasing problem of juvenile delinquency. Yet, with a small investment in after-school programs, these children can be provided the supervision and direction needed in the hours before their parents return from work, and our over-all costs resulting from vandalism and juvenile crime can be greatly reduced. Society in general, as well as these children and their families, will benefit greatly in the long run.

These statistics, coupled with what we know about the limited number of licensed arrangements in comparison with the number of children in need of child care, suggest that many parents are forced—out of necessity—to leave their children either unsupervised or in otherwise inappropriate situations. The social consequences of these arrangements, as the President's Commission suggests, are multiple and almost always unfortunate.

WOMEN WORK OUT OF FINANCIAL NECESSARY

Mr. President, many who testified stressed the fact that most women work for the same reasons that men do: financial necessity. Their incomes may be the only one the family has—as with the 9.7 million single parents in this country—or their income may make the difference between poverty and a decent living. Marian Wright Edelman, director of the Children's Defense Fund, noted in her testimony to the subcommittee that in 1974 almost 2 million families with incomes over $5,000 were kept there by the wife's income and that 4.5 million families with earnings over $10,000 were kept above the poverty line by the wife's income. According to Ms. Edelman, in single parent families headed by women, the average income is $7,513 if the mother works and $3,794 if she does not.

I could go on and on with these statistics, but I think that the point has been made. There is a pressing need for more child-care programs in this country—although exactly how many more, no one can say. There will be those who say that we do not know enough in the child-care area to act, that we need more research. I do not agree. Although it is true that we do not know everything, we do know enough to move forward with legislation that addresses some of the needs that we know about and that will help us uncover the answers we are presently lacking about the full dimension of the problem.

In her testimony before the subcommittee, on February 20, 1978, Arabella Martinez, Assistant Secretary for Human Development Services in HEW, expressed this same point. She presented an overview of what research in the area of child development tells us about children and their needs and then continued:

I have chosen to emphasize what we know about the development of young children, not because I believe that only professionals can rear children, or that research provides the answers to everything we do, but because I am very conscious of how often we hear that we cannot act until we have the evidence. To a much larger degree than many recognize, I believe we do have the evidence. Not to make all of the decisions we will want to make in the years ahead, not to specify the details of exactly what does or does not work, but to move in the right directions. We will never have a neat equation which spells out how many parts of professional training or units of affection, to how many staff, to how large a nutrition component will equal optimal child care. Child care involves children, and their needs are as individualized as their particular personalities and the circumstances of their families' lives. It is not for us to dictate to families or communities precisely what we might think is best for them. But we do know, with some assurance and the wealth of scholarly and practical research that has been contributed by many thoughtful, caring individuals over the years, what children need in the most basic terms, and what harms children—in equally basic terms. At the very least, we should build on what we know to be good, and do our best to avoid what we know to be harmful.

Ultimately, I find myself agreeing in large measure with the sentiment expressed by Dr. Kenneth Kenniston, who directed the Carnegie Council on Children, when he said: "The call for 'more research' is a common academic reaction to conflicts in the area of child and family policy. This book, Child Care in the Family, clearly implies that research is only a necessary beginning. In the end, a better society for children requires not just more knowledge, but a commitment to change."

SUGGESTIONS FOR LEGISLATION

I would like to turn now to some of the suggestions that the witnesses made con-

cerning the shape Federal legislation should take in this area.

Mr. President, when I began the hearings, I outlined the following five questions to which I felt the hearings should help us find answers. These are not simple questions—and they are ones on which there will continue to be a wide variety of opinions—but they are questions that are central to the development of a comprehensive child-care policy in this country.

First, what constitutes quality child care and what can we do to bring about such quality in our child-care programs?

Second, what are the special needs of different groups for child care, and how can legislation provide for the diversity of programs required to meet those needs?

Third, what types of supportive services, such as information and referral agencies, are necessary to assist families in finding the type of child care and services that meet their individual needs?

Fourth, what is the relationship of child care to employment—both to the employment of parents whose children are in the program and to the employment of those who care for children?

Fifth, how do we assure that the programs will be cost effective and still provide care within reasonable limits of quality?

QUALITY IN CHILD CARE PROGRAMS

Mr. President, in discussing the question of what constitutes quality child care and what we can do to bring about the quality in our child-care programs, the witnesses made four main points.

Federal minimum standards: First, the witnesses expressed strong support for having Federal regulations tied to Federal money. Almost all of the witnesses felt that the Federal Government has not only the right but also the responsibility to set standards for child care purchased with Federal dollars. In general, the witnesses thought that the Federal interagency day care requirements (FIDCR) were appropriate, basically sound, and beneficial to children. Witnesses indicated concern that the same requirements are not applied to all programs receiving Federal funds.

For example, in California, and many other States, child care paid for under the income-disregard provision of the AFDC program is completely unregulated. Witnesses also expressed concern that some States have been able to ignore the intent of the Congress that the FIDCR apply to care supported under title XX of the Social Security Act by substituting State dollars for Federal ones in the child-care area—and using the released Federal dollars to support other social services—thus being able to apply State standards that allow fewer staff members for a given number of children. Many of the witnesses who operated child-care programs testified that the ratios specified in the FIDCR were good ones, and that they wanted to have the funds to be able to hire staff to meet these ratios.

The general support for FIDCR expressed by the various witnesses has also been expressed by HEW in its recently released report to Congress on the appropriateness of FIDCR. The HEW report concluded that regulation of federally supported day care is appropriate and suggested that consideration be given to extending revised FIDCR to all child care supported with Federal funds. It also concluded that the current FIDCR should be rewritten, based on 10 years of experience, to improve their ability to protect the well-being of children. HEW has already announced its intention to develop new FIDCR provisions and has indicated that it will be seeking wide public input in the development of these new provisions. Hopefully, this process will result in the development of standards that are feasible and will promote the quality of care each of us wants for all children.

Importance of licensing: Mr. President, the second main point that was made by a number of witnesses in addressing the question of quality concerned the importance of State and local licensing. Although most States have licensing procedures on their books, a number of them have failed to provide sufficient funds to inspect the child-care programs in their States—some have never appropriated any money at all. In some cases, State licensing codes are too restrictive in areas not really related to the quality of care—for example, specifying the dimensions of windows—and this keeps a number of providers—mainly family day-care providers—from seeking to be licensed. No one is exactly sure what percentage of family day-care homes are licensed nationwide, but estimates are that it is only 2 to 3 percent. Bill Pierce, executive director of the Child Welfare League, described the current child-care situation as an underground one:

> There are a substantial amount of children of working parents who are somewhere, we don't know where. The Census won't tell us because few parents will admit they have their child in a custodial warehouse or overcrowded, unlicensed home, or that they are alone or in the care of a young brother or sister. Licensing people cannot tell us because policy-makers somehow have failed to see the wisdom of spending for licensing child-care providers. Yet, they license others who provide services of a less important nature, like eating places and haircutting establishments. . . . The children are floating in an unsupervised limbo while . . . two and a half billion tax dollars somehow swirl about them. The accountability is virtually nil, and there has been absolutely no response to repeated requests from the League that the Federal Government try and find out what's happening to the children. Instead, we are fed myths, guesses, and hopes—not facts.

Clearly, Mr. President, we need to develop the kind of mechanisms that will give us the answers to these questions and that will assure some minimum forms of accountability where Federal funds are involved in child-care programs.

At the same time, it is important to make sure that licensing requirements or standards are reasonable and do not result in needless redtape or overregulation. Many of the informal child-care arrangements that presently exist—between neighbors or friends—are perfectly adequate and precisely what some parents want for their children. These informal situations are not generally licensed now and should not face licensing requirements in the future. A careful balance obviously needs to be achieved between promoting licensing as a mechanism for protecting the welfare of children on the one hand, and interfering with informal and acceptable arrangements for child care on the other. These decisions, of course, must be made at the local and State level—not the Federal.

No magic recipes: Mr. President, the third main point that was made about quality in child care programs was that there are no magic recipes that will automatically insure quality. Although licensing should help protect children from harmful or detrimental situations, it does not guarantee quality. Even the FIDCR, which set much more comprehensive standards, can only set the stage for quality—they cannot insure it. Ultimately, the quality of a child-care program depends on the people involved. Because the child-care provider is such a crucial element in the quality question, the witnesses stressed the need to provide adequate training and support for child-care workers. As Arlyce Currie, testifying on behalf of a special advisory board of the California State Department of Health, said:

> The bottom line in providing quality care is that a provider is doing what she or he wants to be doing. As it stands now, many people go into child care because they have no options of earning a living. Some want to do it and many don't. People should have access to employment or security so they don't find themselves taking care of children because there is no other way to survive. Child care should not be seen as a cottage industry for the poor. Somehow the present licensing system or the current certification procedures, which are ostensibly there to obtain and maintain quality, don't do the job. What happens is that people who do child care suffer isolation, low prestige, and insufficient benefits. Those who genuinely want to be with children and care for them 40 or 50 hours a week burn out fast.

Mr. President, many witnesses pointed out the irony that even though our children are our Nation's future, the job of caring for them is accorded low status and even lower pay.

Importance of parental involvement: Finally, Mr. President, most of the witnesses noted that parental involvement is related to quality in a number of ways. First, there was a feeling that parents are good arbitrators of quality in child-care programs. One witness noted that a parent can almost always tell whether a child wants to go back to the program and that this is, in itself, a good indicator of quality. Several witnesses said that parents should be involved in setting standards for licensing and in monitoring programs for compliance. Nearly all agreed that it was important to involve parents in the process of planning to meet child-care needs.

The witnesses also testified that parental involvement in a program generally contributed to the quality. It is my belief that the social, emotional, and intellectual development that occurs during childhood—and especially during the preschool years—can best be enhanced

if there is a close involvement between the child-care or child-development program—the planning and operation of it—and the family. In this connection, I would like to note that the Headstart program has been successful in its high degree of parental involvement.

NEED FOR DIVERSITY

I would like to turn now to the issue of diversity, Mr. President. Almost without exception the witnesses at our hearings stressed the need for a pluralistic child-care system that would allow parents a range of alternatives from which they could choose the program that was best for themselves and their child.

Special needs children: As the witnesses testified, it became clear that two kinds of diversity are required. First, there must be child-care programs that will meet the special child-care needs of different groups of children. We had witnesses who represented a number of programs designed to serve such needs, and I would like to present a few highlights of their testimony.

Eleanor Clement from Continuing Development, a migrant child-care program in San Jose, Calif., testified about the special requirements of programs serving migrant children: long hours—beginning at 5 or 6 in the morning—during the peak season; extra funds for start-up and closing costs every year; bilingual staff with a knowledge of migrant culture; health and social services components that can do followup with families in a way that community agencies cannot; and Federal regulations that will promote consistency of care when the migrant children cross State lines.

Stephen Park, the director of Rural Community Child Care in Ukiah, Calif., spoke on the special problems in rural areas: isolation and distance between areas; the seasonal nature of employment and unemployment; the inappropriateness of many governmental regulations for rural areas; and a lack of other resources for programs to draw on.

Ms. Judith Lewis from the Family Developmental Center in San Francisco, Calif., testified about the special needs of school-age parents; support and education for parenthood; guidance in setting and pursuing career goals; mature role models to help them deal with the problems involved in their own growth as well as that of their infants; and child-care programs in close proximity to their high schools. Ms. Lewis also addressed the special requirements of programs for infants; staffing by stable caregivers assigned to the same infants every day; appropriate attention to nutritional needs; staff relief during breaks and lunch periods; and a lower child-staff ratio than programs for older children.

Ruth Yee, of the Chinatown Community Children's Center, in San Francisco, spoke about the needs of children from families in which English is not the dominant language; bilingual staff members who respect and understand the children's primary language and culture; mechanisms to ease the transition to public school; programs to teach the English language; and a high degree of parental involvement.

Judith Lewis also testified about the requirements of programs for handicapped children; specific teacher training; support and education for the parents to help them understand and deal with their child's handicap; modified equipment and facilities; and funds for consultations with specialists such as occupational, physical, and speech therapists.

GIVING FAMILIES OPTIONS

Mr. President, in addition to addressing the special child-care needs of different groups of children, the witnesses talked about the importance of a second kind of diversity; providing families with a range of program types from which to choose. They noted that there are families who prefer center care and those who prefer family day care. Among those with a preference for center care, some prefer centers in their neighborhoods; others prefer centers at or near their worksites. Different families want different types of program emphasis—for example, programs stressing school readiness or those giving more importance to social skills and interaction. Some parents prefer church-sponsored programs; others do not.

The witnesses at our hearings almost uniformly stressed that these choices should be made by parents and that their options should not be limited by what kind of a program is eligible for subsidy. Even within families, the needs of different children may vary. One witness in San Francisco testified that her two preschool children needed the structure of a center-based program while her infant needed the home-like atmosphere of a family day-care program.

Unfortunately, although her low income qualified her for a subsidy for child care, that subsidy was available only for center care. Rather than quit work and go on welfare, she borrowed money from friends to pay for family day care 3 days a week and took the child with her to work or left him with friends the other 2 days. During the course of her testimony, she noted that next year her oldest child will be in school and she will have a whole new set of child care problems to solve.

Actually, Mr. President, to a certain extent, the kind of diversity that the witnesses are talking about already exists—at least for middle-income families. Our task in developing legislation is to devise ways to support and encourage this diversity and to increase the range of options for families who are unable, because of financial constraints to share these options.

During the February 20 hearing at which the representatives of the administration testified, Dr. Blandina Cardenas, Commissioner of the Administration for Children, Youth, and Families of the Department of Health, Education, and Welfare, talked about the ways in which Federal assistance can support and nurture the pluralistic philosophies in child care that already exist in our country. Dr. Cardenas noted that one of the keys to supporting the many diverse cultural and ethnic traditions regarding child care is to provide the financial assistance necessary to make parental choice feasible:

> I have found that where there is little choice in terms of the availability of services to a parent who, in fact, has no alternative but to go to the day care center that is there, and who, in fact, does not have access to the kinds of resources that would help them fashion a more ideal day care situation or one more conducive to their own cultural beliefs and attitudes, that, in fact, that danger [lack of pluralism] is heightened. It is the lack of availability of child care which puts the parents in a more vulnerable position in terms of the day care that is available.

Mr. President, I strongly share the view that a fundamental way to try to assure that a family's child-care arrangements are appropriate to the child's needs and consistent with the parent's values is to encourage the development of a range of program types and models. Meaningful choice, however, rests ultimately on an adequate supply, and until that is available, families will be unable to find the kind of care that meets their individual needs.

INFORMATION AND REFERRAL PROGRAMS

Mr. President, I would like to turn now to the third of our areas of focus for the child-care hearings—the role of supportive services such as information and referral programs. At both of the hearings in California, we received testimony from people involved with information and referral—also called resource and referral—programs. I was very impressed with the range of services offered by these programs, services not only to parents but also to child-care providers and to State and local agencies.

According to Betty Cohen of BANANAS, an information and referral program, Berkeley, Calif., the services of information and referral programs go far beyond simply giving parents a list of child-care programs. They include helping parents figure out what they want from a child-care program, giving them a chance to discuss their feelings about going to work and leaving their child with another caretaker, providing referrals to other much needed family services, and answering parents' questions on everything from infant car seats to organizing cooperative babysitting services.

For child-care providers, Mr. President, the information and referral program serves as a resource center providing information on such subjects as possible sources of funding, where to purchase supplies, and State and local regulations. It gives providers a chance to talk to each other and to share their experiences. Sometimes the information and referral programs serve as sponsors for family day-care homes who want to participate in the child-care food program. If someone wants to start a child-care program, the information and referral agency can use the information that they have gathered comparing child-care needs and programs in various neighborhoods to suggest an appropriate location.

Information and referral programs can also provide services to State and local agencies trying to meet child-care needs by documenting for them not only the need for additional child-care services, but also the type of services that are desired—part-time or full-time, infant care or care for older children, family day care or center care. This information allows these agencies to plan for child-care services in a community and to assess the progress that is being made toward meeting the community's needs.

Finally, I think information and referral programs are absolutely essential to offering parents the option of child care through other than center-based models. Without some network for letting parents know, for example, of family day-care homes in their neighborhoods, parents are often faced with very difficult tasks in locating these options. These agencies thus can provide invaluable services in helping parents find the kind of care arrangements they truly want for their children.

CHILD CARE AND EMPLOYMENT

Mr. President, I come now to the fourth area of focus of our child-care hearings: The relationship of child care to the employment of parents and to the employment of child-care workers. I will talk first about the testimony presented concerning the relationship between parental employment and child care.

NOTCH EFFECT

Mr. President, one of the main concerns of those who addressed themselves to the relationship between child care and employment was that the current child-care programs funded under title XX of the Social Security Act, as well as the child-care services made available to people in CETA and WIN programs, often operate so that once a person moves off welfare and out of the training program, that person does not get the necessary assistance needed in child care and working becomes a disadvantage for them.

Persons in low-paying jobs who are receiving subsidized child care under title XX may have to stay in those jobs rather than taking promotions, or raises since, once they are near the cutoff point, an increase in salary of just a few dollars may mean an increase in child-care costs of $35 to $50 per week per child. The witnesses suggested that a sliding fee scale under which parents pay an increasing share of their child-care expenses as their income increases would not only eliminate the problem of this "notch effect," but would also provide a mix of economic levels in each child-care program.

EFFECT OF CHILD CARE ON EARNING POWER

Mr. President, several witnesses pointed out that the availability of child care has an effect on the earning power of women.

For example, Joe Breiteneicher, of the Employment Law Center in San Francisco, testified:

. . . [the] paucity of child care services has a direct and depressing impact on the workforce mobility of poor women, who traditionally have been consigned low-wage, dead-end jobs. The lack of positive child care alternatives means that women are unable to move to a job which may have better pay or the opportunity for career training, because any change in the work schedule may upset child care arrangements which were already tenuous. In addition, minority women are forced to take jobs close to their ghetto homes in order to be near children left alone or with older youths. The work they manage to find is generally less remunerative and fulfilling than that which is available in the overall labor market. Thus, the absence of child care resources contributes directly to the continuation of poverty for those who are working mightily just to keep their heads above water.

OTHER EMPLOYMENT CONCERNS

Mr. President, another way in which employment and child care are related is that the hours of a parent's employment determine the hours during which child care is needed. Several witnesses pointed out that there are many parents whose working hours may not be the same as the hours most child-care programs are open. For those who work night or evening shifts the only options may be in-home care or a 24-hour child-care program. At one of our hearings we heard from the director of one such program: Ms. Annie Green of the Small Fry Center in Los Angeles. Although this center is providing an essential service to its community that is not available elsewhere, it has not been able to obtain a secure source of funding and is constantly threatened with extinction.

Our witnesses pointed out that employers—as well as parents and children—benefit from having good child care available and affordable since a lack of child-care facilities may have an adverse effect on worker morale and productivity. If a mother is constantly worrying about her child, trying to solve minor crises over the phone, and missing days of work when her makeshift child-care arrangements fall through, she is not able to do her best at her job. Recognizing this, a number of employers have helped support child-care programs. Russell Yoas and Donald Shearer of the Baltimore Regional Joint Board, Health and Welfare Fund, Amalgamated Clothing and Textile Workers Union, testified about the ACTWU's program of child-care centers supported jointly by the union, the employer, and the participating parents. This highly successful program has been expanding since its foundation in 1968 and now serves over 1,000 children. Workplace or onsite child care is an option which needs to be encouraged and supported.

Mr. President, I have spoken before about my interest and concern for the on-site child care programs that have been established in a number of Federal agencies. I think these programs provide valuable services—both to the employees and the agencies involved. On May 9, the Office of Management and Budget held a hearing on proposed regulations that would seriously damage these programs. I sincerely hope that there will be continued leadership on the part of Federal Government in supporting these programs.

CHILD CARE EMPOYEES

Mr. President, our witnesses noted that the expansion of child-care services has the potential to provide employment for thousands of people. They stressed, however, that because the quality of a program depends so much on the people involved, child-care workers must be given adequate emotional, social, and physical support. Sue Brock, of the California children's lobby, gave the following response when I asked what effect paying inadequate wages to child-care providers had on the quality of child care:

Well, most people care for children between 10 and 12 hours a day. If they are on food stamps because they don't make enough money and if they don't have any relief from their job, and if they don't have any training linked into it, they get very tired and often they get very bitter. They are not really the kind of people you want working with your children.

There was general agreement among the witnesses that providing adequate support for child-care workers would mean at a minimum insuring that the following were made available to them:

First, adequate pay; second, employment benefits such as health insurance, leave time, and retirement plans; third, adequate preservice and in-service training; and fourth, opportunities to improve their skills and move into positions of increasing responsibility.

COST-EFFECTIVENESS

Mr. President, I turn now to the fifth and last area of focus for our hearings: Cost-effectiveness. I would like to note that this term made a number of our witnesses uneasy. Dr. Vivian Weinstein, chairperson of California's Governor's Advisory Committee on Child Development Programs, began her testimony this way:

When I hear the phrase "cost-effectiveness" applied to child care services, I really shudder because in this context, cost-effective has only one meaning, and that's cheap. Cheap applied to the needs of the young children generally results in . . . much higher costs later on—unemployment and crime and untold cost in human misery and the waste of human potential.

This notion—that short-term savings achieved by providing low-quality care with too few staff members per child, inadequate pay for child-care workers, or a lack of supportive services for parents results in much higher human and social service costs later—was echoed by most of the witnesses. Real cost effectiveness, the witnesses suggested, could be achieved by the following activities:

First, reducing duplication of effort by comprehensive, long-range planning and by coordinating programs funded under different auspices.

Second, eliminating conflicting requirements and regulations imposed on child-care programs by different agencies and different levels of government agencies.

Third, utilizing resources such as the Department of Housing and Urban Development in the rehabilitation or construction of child-care facilities.

Fourth, increasing the involvement of local government officials.

Fifth, coordinating child-care services with other Federal, state and local programs, such as CETA, and eliminating the Federal and State regulations that hamper this kind of coordination.

Sixth, using community facilities in the training of child care workers.

Seventh, staffing child-care programs with

a range of personnel, from professionals with more academic credentials to paraprofessionals with field-based training.

Eighth, providing information and referral services.

Ninth, utilizing all resources, both public and private.

At a time when we are increasingly concerned about the cost of all government programs, cost-effectiveness is clearly an important factor that must be addressed in any new Federal legislative approach. In many ways, child-care programs are among the most cost effective of social service programs because they permit parents to get out and earn their living, rather than collect welfare. Quality child care is also a long-term investment in the future. Our children are far too valuable to society to place in jeopardy. Nevertheless, the taxpayer is entitled to know that Government funds are utilized in appropriate, cost-effective ways.

THOUGHTS ON LEGISLATION

Mr. President, I hope that this brief overview of the testimony presented at the subcommittee's 4 days of hearings on child care and child development has given my colleagues some idea of the dimensions of the child-care problems in our country and the issues that must be addressed in legislation designed to begin resolving these problems.

When I announced the hearings last fall, I indicated that I planned to draft and introduce new child-care legislation and that I would draw upon the testimony presented at the hearings and later submitted for the record in preparing this legislation. Although I am still reviewing this testimony and considering the legislative options, there are some basic principles that I believe should be followed which I would like to share with my colleagues now.

PURPOSE

Mr. President, the purpose of the legislation must be to make child care more available and affordable for low-income, working parents who are not receiving child-care services through other programs who cannot afford not to work. Families in this group should be given priority for services, and fees should be charged on a sliding scale based on income. Utilization of sliding fee scales can also promote economic diversity in child care programs and help avoid segregation of low-income children in particular programs.

STATE ROLE

In order to insure both effective planning and coordination and responsiveness to local needs and conditions, I believe that State governments must be involved as principal agents for planning and coordination of the program. Past legislative efforts in this area have sometimes sought to establish administrative structures outside of State and local government units. This approach can be costly and result in the diversion of much needed funds for child care into the establishment of new bureaucratic structures. I believe there is a great need to work in partnership with existing agencies to meet these critical needs.

The approach I am developing would distribute funds through the States in accordance with the respective populations of the groups most in need of child care assistance.

The States would be required to assess their child care needs and to devise a plan to meet those needs. The State plan to be submitted would cover areas such as:

First, provisions to assess and seek to meet the need for services for such groups as preschool children, and school-age children, up to age 14, with special provisions for services to migrant children, handicapped children, bilingual or non-English-speaking children, and other groups with special needs;

Second, coordination by State and/or local governments of all child-care programs receiving government subsidies including those funded under title XX of the Social Security Act;

Third, support for some reasonable form of licensing by State and/or local governments for all child care except care in a child's own home or care by a relative or in a very informal, non-commercial neighborhood setting;

Fourth, provision for information and referral sevices;

Fifth, training and certification of child-care workers;

Sixth, establishing mechanisms for data collection and evaluation;

Seventh, establishing linkages between child-care programs and other family services such as health and nutritional services; and

Eighth, parental involvement in State and local planning and oversight activities.

By utilizing State governments as a primary mechanism for channeling funds to the program level, I believe we can best achieve the kind of comprehensive and cohesive system of services that is needed. This is particularly vital to attaining linkages with other services—such as health and nutritional services.

Mr. President, I would like to expand on several of the provisions which are critical to this legislation.

LEGISLATIVE PROVISIONS RELATING TO THE QUALITY OF CHILD CARE PROGRAMS

In order to insure quality in our child-care programs, I think that the legislation should include the following four provisions:

First, it should require that programs meet Federal standards in order to receive Federal funds. The Department of Health, Education, and Welfare has announced its intention to develop new requirements. I was pleased to note HEW's plans for broad public participation in this effort. I believe that, by building on the strengths of the current FIDCR and dealing creatively with some of the problems therein, a set of regulations can be developed that will be appropriate to the needs of children and families.

Hopefully, these new requirements will provide for quality standards, yet allow flexibility to meet different needs of different groups of children in different settings.

Second, the legislation should provide ways to help States improve their own licensing procedures. In some cases, this will mean simply providing funds to allow them to increase the number of inspectors; in other cases, it may mean giving them technical assistance in the development of licensing provisions that will promote quality child care. Great care, however, must be taken so that licensing procedures are reasonable, and so that over-burdensome requirements are not established which will result in needless redtape and actually reduce child-care availability. Licensing, under any circumstances, must remain a State or local responsibility, not a Federal one.

Third, the legislation should include provisions for insuring good working conditions, adequate pay, and appropriate training for child-care workers.

Fourth, it must provide opportunities for parent involvement in the programs themselves, in setting standards and, at all levels of Government, in working out plans to meet child-care needs. I believe that it is absolutely essential that parents be given meaningful opportunities for full involvement at all levels in child-care programs.

TYPE OF SERVICES AND ELIGIBLE PROVIDERS

Mr. President, because families have a variety of child-care needs and preferences, the legislation should promote as wide a range of child-care alternatives as possible. It must, therefore, encompass all types of child-care arrangements—full day and part-day, center-based and home-based, neighborhood and worksite—and allow participation of all programs that are licensed and meet basic quality standards. Each local community must have flexibility, however, in determining what types of child-care arrangements are needed in that particular community. It may not be necessary—or appropriate—for each community to offer the entire range of child-care programs, but each community must be free to explore the entire range of options. Only with such a pluralistic system can parents make their choices about child-care programs on the basis of what is best for their children and themselves, rather than on the basis of eligibility for subsidies.

To achieve a diversity of arrangements, we must allow for a diversity of sponsorships. All types of groups—school districts, community nonprofit groups, employers, churches, proprietary centers, unions—should be eligible to participate in some fashion. No group should be arbitrarily excluded or given exclusive control. At the same time, new funding mechanisms such as vendor or voucher approaches should be options for States to explore in attempting to find effective avenues for stimulating a variety of child-care options.

I think it is important to stress here that parents want different things for their children—not all parents want center-based care, particularly for young children and infants. In the past, perhaps too much emphasis has been placed on the center-based model as the primary vehicle for Federal support. The hearings produced data on the wide range of child-care programs that presently exist. Some of these—for example, child-care centers with satellite family day-care homes—provide unique and innovative methods of meeting the child-

care needs of families and communities. I believe we must support this diversity.

RELATIONSHIP TO OTHER PROGRAMS

Mr. President, in order to insure that funds provided under the new legislation are used to supplement, not supplant, existing Federal child-care moneys, the bill should include provisions to maintain the current level of Federal expenditures in this area. In addition, States would be required to coordinate—or provide for local governmental units to do so—the child-care programs funded under different authorities and to coordinate, to the maximum extent feasible, child-care programs with programs providing other services to children and families.

DEMONSTRATION AND TRAINING PROJECTS

Mr. President, in addition to the funds provided to the States, I plan to include a special grant program to support innovative demonstration programs in areas such as care for children whose parents work nights or care for children who are sick. These necessary services often get lost in the demand for "ordinary" child care, and the lack of experience with providing them makes them difficult to establish and maintain. Similarly, some funds should be provided for training and technical assistance programs.

EVALUATION AND ASSESSMENT OF NEED

Mr. President, I consider it vitally important that any new legislation in this area contain very specific provisions that will enable both Congress and the public to assess how funds are being expended and what progress States are making toward helping families in real need of assistance. I believe that the fact that we do not know what is happening to the children on waiting lists and in unlicensed care is simply unacceptable. At the same time, we canot afford to wait until all the data are collected and the whereabouts of each child is known before we move forward in an area where additional support is clearly warranted. We know enough to make a start—perhaps a cautious and measured start—but certainly a significant beginning.

Gwen Morgan, professor of early childhood education at Wheelock College and a recognized expert in the field of child care, has written an excellent review of child-care policy. One of her principal recommendations is that we stop trying to predict the exact demand for child-care services before moving forward:

> Recently we have seen a somewhat ridiculous debate between those who see the need for daycare as the difference between the number of children of working mothers and the number of children in formal daycare arrangements, *versus* those who look at the data on what working parents are doing with their children and conclude that no new daycare is needed. Obviously the truth lies between these two extremes . . .
>
> There is no absolute number which represents the final, future demand for child daycare. It depends. It depends on the fluctuations of the economy; demand will be greater at some times than others. It depends on the types of jobs available. If and when part-time jobs are available in ready supply the pattern of daycare demand will be different. It depends on the type of income maintenance available, how adequate it is for meeting survival needs of families and how adequate it is for meeting the needs for self-respect among adults and the needs children have to look up to the role models in their parents. It depends on the quality of the daycare and how well it matches consumer needs and expectations in its location.
>
> If we postpone daycare decisions until we can predict all these factors, or have made firm and final policy in all these areas, we are going to wait forever. There is no one final policy which will describe the way things are supposed to be. Any society, like any living organism, is in constant interaction with the people and things in the environment, constantly changing goals as conditions change. This dynamic change is the constant; it is the way things are supposed to be. We are not evolving toward some correct fixed condition; the evolution and change itself is the condition we will forever be addressing in our policy.
>
> There is no absolute number representing daycare demand, any more than there is an absolute daycare cost. The only way to plan daycare is to plan incrementally, in small steps, in the directions of consumer demand. . . .
>
> We know families need daycare, and they need it now. We know the demand will not produce a runaway service, but will be modest.
>
> Sensible policy would be to increase daycare, within a fixed appropriation, but with broad eligibility, with improved support systems in the form of training and consultation, both to centers and homes. It appears from consumer studies that we need a modest increase in the number of children in centers, over time perhaps double what we now have, but a much smaller increase now; and we need better support for the family daycare homes.
>
> The delivery system should be flexible enough to shift as patterns of consumer demand shift. The best indicator of consumer preferences would be what consumers choose, given options. It is time to provide these options.

NONINTERFERENCE WITH FAMILIES

Mr. President, I want to emphasize that the legislation I am proposing would in no way interfere with the role and responsibilities of parents in raising and caring for their children. The family is and must continue to be the primary influence upon children, and it is absolutely critical that any Federal legislation proposed recognize—and, indeed, reinforce—this principle. The legislation I am proposing will make assistance available to parents who request help in finding child care for their children while they work to support their families. I think it is important to stress that participation in any of the child-care programs supported by this legislation would be strictly at the option of the parent. It is not intended to, nor will it, set up governmental agencies or anyone else to intervene in any of the decisions parents make about how they want to rear their children, nor will it provide any agencies—public or private—with any basis for interfering with child-rearing decisions parents may make.

Mr. President, both by making it absolutely clear that participation in any program supported by this legislation is totally voluntary, and by providing parents who seek assistance the right to choose among a variety of options the type of child care they want for their children, as well as providing for meaningful roles for parents in the setting of policy and planning for child-care programs at the local and State levels, I believe we make it truly possible for parents to make the decisions and choices about how they want their children cared for while they work.

Mr. President, I also want to stress the fact that by providing additional Federal assistance for families in need of child-care services for their children, we are providing the kind of assistance which holds families together. The testimony presented at our hearings describing children being separated from their parents and sent to other States to live when child care was not available in their community provides a dramatic illustration of how families can actually be broken up when adequate child care is not available. The incredible stress and strains placed upon working parents when they are unable to find reliable child care also contributes to family disintegration. Child-care services for families that need them both support families and help them to function and stay together.

ADMINISTRATION SUPPORT

Mr. President, just a month before he was elected President, Jimmy Carter told the National Women's Agenda Conference in Chevy Chase, Md., that he was "committed to join in developing a comprehensive child-care program which will help fund State and local programs and provide subsidies or scaled fees for employed mothers from low- and moderate-income families." President Carter further observed that "adequate child care services are just as essential to the children of mothers who work as food, shelter, and clothing."

At our fourth hearing last February, Arabella Martinez, HEW Assistant Secretary for Human Development Services, and Blandina Cardenas, HEW Commissioner for the Administration for Children, Youth, and Families, shared with us the views and concerns of the administration in the area of child care. Before their testimony, Secretary Califano advised me that the administration was not yet prepared to discuss specific legislative initiatives in this area. However, their testimony was very positive, and I look forward to working closely and constructively with the administration in the coming months as we move forward in meeting President Carter's commitment to join in the development of a comprehensive child-care program.

OTHER GROUPS

Mr. President, child care is not a conservative versus liberal issue. I can foresee a broad coalition of groups from all over our society—from business and labor, from the right and the left—united behind this effort to provide decent options for working parents and their children so that we can hold families together. Just this past weekend I stressed the need for moderate, careful Federal leadership in this area at a meeting of the American Legion Children and Youth Committee during the American Legion National Convention in New Orleans. My remarks were very well received. I look forward to working with many groups on this issue. We clearly do not know all

the answers at the Federal level. In fact, no one does. HEW stressed this in our February hearing. What we do now know is enough to get started, provide a blue print for planning, action, data gathering, and a prudent expansion of programs and arrangements.

CONCLUSION

Mr. President, the subcommittee has received letters from all over the country encouraging us to move forward with Federal child-care legislation and expressing support for our efforts. One of the most moving pleas for child-care assistance came from a woman who was unable to attend our first hearing, because she could not afford a babysitter. She wrote:

To decrease expenses for child care, I work a p.m. shift and my husband works a day shift. I drop the children off at 2:30 p.m. and he picks them up at 5:30 p.m. I am half asleep when he leaves before seven in the morning and he is asleep when I return home a little before midnight. This is a terrible way to live, but we cannot afford to spend $400 per month for child care. If we had that much extra money, I wouldn't be working in the first place.

I am sure that most of my colleagues have received inquiries about plans for Federal legislation in this area, and I want to assure them that I am giving the issue high priority and will be drafting legislation to carry out the foregoing specifications during the coming months. If possible, I plan to introduce the legislation before the end of this Congress, and to reintroduce it—with appropriate revisions based on suggestions—at the outset of the 96th Congress. Consideration of this legislation will be the top priority for the Subcommittee on Child and Human Development in the next Congress.

Mr. President, I hope that this legislation will be received by all those interested in this area as a new beginning toward enactment of comprehensive child-care legislation. I also hope that a constructive dialog will be stimulated around this legislation so that our goals can be achieved in the foreseeable future.

EXECUTIVE SESSION—TAX CONVENTION WITH THE REPUBLIC OF KOREA

Mr. ROBERT C. BYRD. Mr. President, I ask unanimous consent that the Senate go into executive session for the purpose of calling up the tax convention with the Republic of Korea, Executive P, 94th Congress, 2d session.

The PRESIDING OFFICER. Is there objection?

There being no objection, the Senate, as in Committee of the Whole, proceeded to consider Executive P, 94th Congress, 2d session, the tax convention with the Republic of Korea.

Mr. ROBERT C. BYRD. I ask unanimous consent that the treaty be considered as having passed through its various parliamentary stages up to and including the presentation of the resolution of ratification.

The PRESIDING OFFICER. Is there objection?

Mr. STEVENS. Reserving the right to object, there will be time for comments on that when the majority leader calls it up?

Mr. ROBERT C. BYRD. Yes.

Mr. STEVENS. I am not going to ask for a vote on it, but I do want to raise my reservation that I voiced before about one provision in it which concerns what I consider to be a tax break.

Mr. ROBERT C. BYRD. Would the Senator prefer that I not make this request tonight?

Mr. STEVENS. No, I know of no objection to taking it up. I just want to make sure I have an opportunity to make those remarks.

The PRESIDING OFFICER. Without objection, the protocol will be considered to have passed through its various parliamentary stages, up to and including the presentation of the resolution of ratification, which the clerk will state.

The assistant legislative clerk read as follows:

Resolved, (two-thirds of the Senators present concurring therein), That the Senate advise and consent to the ratification of the Convention between the United States of America and the Republic of Korea for the Avoidance of Double Taxation and the Prevention of Fiscal Evasion with respect to Taxes on Income and the Encouragement of International Trade and Investment, signed at Seoul June 4, 1976, together with a related Exchange of Notes (Executive P, 94th Congress, second session).

The PRESIDING OFFICER. The Chair will state that the resolution of ratification will be debatable.

Mr. ROBERT C. BYRD. Mr. President, there will be a rollcall vote on that tax convention. It could occur tomorrow, or it could occur when we return from the recess, but I assure the distinguished acting Republican leader that it will not be until such time as he is present.

ORDER FOR RECESS UNTIL 8:15 A.M. TOMORROW

Mr. ROBERT C. BYRD. Mr. President, I ask unanimous consent that when the Senate completes its business today, it stand in recess until 8:15 a.m. tomorrow.

The PRESIDING OFFICER. Without objection, it is so ordered.

ORDER FOR RECOGNITION OF SENATORS McGOVERN, DOLE, STENNIS, ROBERT C. BYRD, STEVENS, AND SASSER TOMORROW

Mr. ROBERT C. BYRD. Mr. President, I ask unanimous consent that after the two leaders have been recognized under the standing order tomorrow, the Senator from South Dakota (Mr. McGOVERN) and the Senator from Kansas (Mr. DOLE) be recognized, each for not to exceed 15 minutes, and that they be followed by Mr. STENNIS, Mr. ROBERT C. BYRD, Mr. STEVENS, and Mr. SASSER, each for not to exceed 15 minutes.

I have named these other Senators because Mr. STENNIS will want an hour, and by unanimous consent, I ask that the orders for the recognition of Mr. ROBERT C. BYRD, Mr. STEVENS, and Mr. SASSER be transferred to the control of Mr. STENNIS tomorrow morning.

The PRESIDING OFFICER. Without objection, it is so ordered.

PROGRAM

Mr. ROBERT C. BYRD. It will be my intent, Mr. President, at the completion of those orders, under the order previously entered, to ask that the Chair lay before the Senate the CETA bill. For the information of the Senate, the action of the Senate tomorrow on the CETA bill will complete the action on that bill, I trust, and then the Senate will proceed to the consideration of the other tax bills for which the order has already been entered.

Any other measures that have been cleared for action will be taken up, hopefully the Senate can complete all this work tomorrow; it may take a few extra hours, but if it can be completed, we can then recess for the Labor Day holiday.

SENATE LEGISLATIVE ACHIEVEMENTS, JANUARY 19 TO AUGUST 25, 1978

Mr. ROBERT C. BYRD. Mr. President, the No. 1 priority for the 95th Congress has been the enactment of a comprehensive national energy program, the five components of which were passed and sent to conference during the first session. Senate and House conferees have worked diligently and under extreme duress since then to reach agreement on the many facets of this program which will affect all aspects of the Nation's well-being at home and abroad. On July 18, the Senate agreed to the first component of the package to be reported from conference, the coal utilization bill, which requires utilities and major industries to burn more plentiful domestic coal instead of oil and natural gas. Conference agreement has also been reached on the public utility rate reform measure and on all but one provision of the conservation policy bill. Just last week, a major breakthrough was reached by conferees on the controversial issue of natural gas pricing, a matter no Congress has been able to agree on since 1958. I am increasingly hopeful that the many months of work on this legislation will culminate in the enactment this fall of the first comprehensive national energy program in history which will serve the Nation into the next decade.

Already written into law this year is an authorization of $75 million for loans and loan guarantees to small businesses to encourage the design, manufacture, marketing, and installation of solar technologies and energy conservation practices. We have sent to the President for his signature a military construction authorization bill which requires the incorporation of solar energy systems in all new military family housing and in at least 25 percent of all other new military facilities that are put under design. Earlier this week we cleared legislation establishing a policy for the development

of oil and natural gas on the Outer Continental Shelf. This measure, which represents 5 years of effort by the Congress in opposition to previous administrations, strikes a balance between oil and gas development and potentially adverse economic, social, and environmental impacts that accompany it. These are but the most recent measures which the Congress has agreed upon dealing with the energy problem. We have long recognized the need for a comprehensive energy policy and have enacted 100 energy-related pieces of legislation since 1969.

With regard to the other related priority concern of this Congress—the state of the economy—we need only compare the economy today with what it was when we began our work in January of last year.

The gross national product is up by 7½ percent;

Disposable income is up by more than 5 percent per capita;

Farm income is up more than 35 percent per farm;

Unemployment has dramatically declined over the past 19 months from 7.4 to 6.2 percent; and

Housing starts are up 21 percent.

These measured improvements in the Nation's economy bear witness to our enactment of the economic stimulus jobs legislation last year, and Congress should be proud of its part in bringing about this recovery.

Since submission of the President's budget request in January, the Congress has demonstrated fiscal restraint which has been reflected in the sizable budget cuts made by the Congress in the first budget resolution and by the further cuts proposed by the Senate Budget Committee in the second concurrent resolution. In the budget resolution we will consider in early September, Federal outlays and budget authority will each be cut by approximately $10 billion while the deficit will be pared down by about $18 billion.

In the area of international affairs, the Senate has given the President strong support. We have squarely faced several extremely controversial and unpopular foreign policy initiatives this year. Most notable of these was the approval of ratification of the Panama Canal treaties which had been under negotiation for 14 years. The careful examination Senators gave the treaties resulted in essential clarifications of the American right to defend the canal and to have priority passage through the canal in an emergency. While their ratification has improved our relations with Latin America and smaller countries throughout the world, support for the treaties was extremely unpopular in some quarters. Many Senators showed immense courage in voting for ratification of the Panama Canal treaties when a majority of their constituents vociferously opposed them.

The President's Mideast arms sales to Egypt, Israel, and Saudi Arabia and the lifting of the Turkish arms embargo exemplify two other important and controversial administration initiatives which the Congress supported. They illustrate the cooperation between the two branches of Government which is all too often overlooked. The Congress and the President sometimes differ on the means of achieving mutual objectives, for they both bear the responsibility to the American people to do what they believe is in the best interest of the Nation. Differences of approach will always exist, especially when seeking to enact complex legislation on over 100 proposals sent to the Congress. I would note, however, that notwithstanding all the talk of conflict between the executive and legislative branches, President Carter has vetoed only 5 measures while our last President had vetoed 46 bills during his first 20 months in office and Presidents Kennedy and Johnson had each vetoed 11 bills during a similar period of time.

Among other important legislation enacted by the 95th Congress are the following:

The most significant and far-reaching farm credit legislation since 1961 to help farmers cope with both economic and natural disasters;

An increase in the minimum wage over the next 4 years to insure low-paid workers a decent living;

A refinancing of the social security system to make it solvent into the next century for Americans living in retirement now and in the future;

The creation of a Cabinet-level Department of Energy to insure effective management of energy functions of the Federal Government;

New York City financial assistance in the form of Federal guarantees of up to $1.65 billion over the next 4 years;

Nuclear nonproliferation legislation which will lessen the spread of nuclear materials and technology while improving the framework for international cooperation; and

Reestablishment of the President's authority for 3 years to submit to Congress plans to reorganize executive branch agencies, an authority he has exercised by the submission of six reorganization plans, four of which have already become effective.

In addition, the Senate debated and passed a codification of Federal criminal law and an airline deregulation bill which, although not yet enacted by the House, has already stimulated reduced airfares. We have sent the President a proposed amendment to the Constitution granting the District of Columbia full voting representation in the House and Senate. We passed legislation to alleviate the financial burden borne by middle class Americans with children in college. Today, we passed the most comprehensive reform of the civil service laws in almost 100 years. The Senate has completed debate on a 2-year $16 billion highway construction and safety bill which will hasten the completion of remaining segments of the interstate highway system. We have also passed numerous reauthorizations of existing programs ranging from elementary and secondary education assistance to veterans pensions. A more complete listing of these measures is contained in a report prepared by the staff of the Democratic policy committee.

I ask unanimous consent that this report and related material concerning the work of the Senate be inserted at this point in the RECORD.

FISCAL YEAR 1979 BUDGET

[In millions of dollars]

	President Carter's January budget	1st budget resolution	President's midsession review	2d budget resolution amendment—P/H	Senate Budget Committee amendment
Budget authority	$568, 172	$568, 850	$571. 4	$561, 019	$557. 7
Outlays	500, 174	498, 800	496. 6	489, 790	489. 5
Deficit	60, 586	50, 900	48. 5	39, 790	42. 3

1979 APPROPRIATIONS CUTS BY SENATE

[Dollar amounts in millions[1]]

Department	Budget request considered	Senate passed amount	Amount cut	Percent cut
Transportation	$9, 296	[1] $8, 802	—$494	3. 32
Legislative	1, 144	[1] 1, 118	—26	2. 27
Interior	12, 831	11, 566	—1, 265	9. 86
Treasury	9, 206	8, 837	—369	4. 01
Military construction	4, 253	[1] 3, 881	—372	8. 75
Public works	11, 040	[1] 10, 160	—880	7. 97
State, Justice, Commerce	8, 660	8, 435	—224	2. 59
Agriculture	23, 090	23, 366	+274	—1. 18
HUD	69, 518	67, 657	—1, 861	2. 68
District of Columbia	460	[1] 225	—235	51. 09

[1] Amount agreed to in conference.

There being no objection, the material was ordered to be printed in the RECORD, as follows:

MAJOR LEGISLATION SUMMARY, 95TH CONGRESS—2D SESSION, AUGUST 24, 1978

Agricultural Credit: Amends the Consolidated Farm and Rural Development Act in order to improve Federal agricultural assistance programs; extends eligibility for farm real estate and operating loans under this act to family farms, corporations and partnerships; increases the lending limits for farm real estate and operating loans under the act; authorizes a new economic emergency loan program for established farmers, ranchers or domestic agricultural corporations and partnerships; and extends and amends the Emergency Livestock Credit Act of 1974 to enable the Secretary to make new loan guarantees for an additional year. H.R. 11504—Public Law 95-334, approved August 4, 1978. (146)

Agricultural Emergency Act: Amends the Food and Agricultural Act of 1977 to give the Secretary of Agriculture discretionary authority to increase the target prices for wheat, feed grains and upland cotton for the 1978 through 1981 crops whenever a set-aside program is in effect for one or more of these crops; if the target price is increased for any commodity for which a set-aside is in effect, allows the Secretary to increase the target price for any other commodity in such amounts as he determines necessary for the effective operation of the program; makes technical changes in the formula contained

in the 1977 Farm Act for computing the loan level for upland cotton, and sets a minimum loan level of 48 cents per pound regardless of the formula for the 1978–81 crops; increases the borrowing authority of the Commodity Credit Corporation from $14.5 to $25 billion, effective October 1, 1978; and provides that the Secretary may permit the acreage set-aside or diverted from the production of a commodity to be devoted to the production of any other commodity for the conversion into gasohol if the Secretary determines that such production is desirable in order to provide an adequate supply of gasohol and will not adversely affect farm income. H.R. 6782—Public Law 95–279, approved May 15, 1978. (72,85)

Airline Deregulation: Sets forth U.S. policy to develop an air transportation system which places increased reliance on market competition, with safeguards against unfair or predatory practice or decreases in services to smaller communities; revises current standards governing entry application for interstate and overseas scheduled air transportation to promote competition by directing the Civil Aeronautics Board (CAB) to authorize proposed air transportation entries unless it determines that such transportation is not consistent with the public convenience and necessity, thereby negating current policy whereby a proposed new service must be "required" by the public convenience and necessity; establishes a graduated automatic entry program by allowing existing carriers to enter one new route a year for the first two years and two new routes a year thereafter without CAB approval; provides a five-year adjustment period to the automatic entry program during which carriers may place a limited number of their routes outside automatic entry and during which subsidized and smaller carriers will be protected by limiting the number of their unprotected routes; contains provisions throughout the bill requiring expedient action on all applications, complaints, and other matters filed before the CAB; and creates a new section of the Federal Aviation Act to insure surveillance of safety standards throughout the transitional period of reform. S. 2493—Passed Senate April 19, 1978. (146)

Child Nutrition: Makes permanent the child care food program that currently provides meals for 676,000 children in day care centers; makes certain changes designed to improve the means by which the Secretary of Agriculture assists States in providing nonprofit food srevice programs for children in institutions providing child care; and extends the special supplemental food program for women, infants, and children (WIC) for four years with changes designed to improve the means by which the Secretary assists States in providing nutritious supplemental foods to pregnant, postpartum, and breastfeeding women, and to infants and children, who are determined to be a "nutritional risk" because of inadequate nutrition and inadequate income. S. 3085—Passed Senate July 21, 1978. (236)

Coal Conversion: Prohibits certain new electric power plants and major fuel burning installations (MFBI's) from using natural gas or petroleum as their primary energy source except for fuel required for startup testing, flame stabilization, feedstock uses and direct-fire uses; requires existing electric powerplants and MFBI's capable of using coal to cease using nautral gas as their primary energy source after January 1, 1990, and not to increase the proportional use of natural gas before that date, with certain exemptions; prohibits the use of petroleum by new MFBI's with certain exemptions. H.R. 5146—Passed House July 18, 1977; Passed Senate amended September 8, 1977; Senate agreed to conference report July 18, 1978. (*356,219)

Commodity Futures Trading Commission: Extends for six years through fiscal 1984 the authorization for the Commodity Futures Trading Commission and makes significant changes in the Act to strengthen the regulation of the nation's $1.1 trillion commodity futures industry. S. 2391—Passed Senate July 12, 1978. (210)

Criminal Code Reform: Creates for the first time a systematic, consistent and comprehensive Federal criminal code to remedy the hodgepodge that now exists, by replacing title 18 with a "Federal Criminal Code"; creates a Sentencing Commission to establish guidelines to govern the imposition of sentences for all Federal offenses, taking into consideration factors relating to the purposes of sentencing (deterrance, protection of the public, assurance of just punishment and rehabilitation), the characteristics of the offender, and the aggravating and mitigating circumstances of the offense; provides for a penalty structure of consistent penalties for conduct of a similar nature or seriousness; provides for appellate review of a sentence by appeal of the defendant if it exceeds the maximum guideline for such a crime or by the government if it is less than the minimum; provides that the maximum term of imprisonment established by the Commission shall not exceed the minimum by more than 25 percent; requires the Commission in promulgating guidelines to consider atlernatives to incarceration for nonviolent first offenders; allows pretrial detention of an individual charged with a serious crime such as murder, rape, armed kidnapping, drug trafficking, and armed robbery; reduces the present 79 different terms to define states of mind to four: international, knowing, reckless, or negligent; applies sex offenses without discrimination to both men and women and includes forcible sodomy in the definition of rape; provides that rape by means of force, threats of imminent serious injury, kidnapping or drugs will be punishable even where the victim is married to the offender; eliminates corroboration of a victim's testimony; prohibits defense or grading distinction based upon the promiscuity of the victim and severely restricts inquiry into the prior sexual conduct of the victim; expands the offense of kidnapping to include a case in which one holds his own child for ransom, as a hostage, or with similar criminal intent; provides that simple possession of more than 100 grams (about 1 pound) of an opiate (which retails for at least $4,000) is made a more serious offense than a simple possession of other drugs; makes possession of 30 grams (about one ounce) or less of marijuana subject to prosecution by summons rather than arrest, reduces the penalties and has liberal provisions for expungement of the record of conviction; and contains provisions regarding wiretapping, racketeering, white collar crimes, among others. S. 1437—Passed Senate January 30, 1978. (21)

Dam Inspection and Safety: Seeks to develop on-going programs that will reduce the likelihood of dam failure by encouraging the development and maintenance among the states of dam safety programs, and by gradually reducing the Corps of Engineers' role of inspecting non-Federally owned dams. S. 2444 and S. 2437—Passed Senate June 6, 1978. (VV)

Dam Safety: Provides permanent authority for the Secretary of the Interior to undertake actions deemed necessary to insure the safety of dams and related facilities under the jurisdiction of the Bureau of Reclamation; and authorizes up to $100 million to carry out the safety of dams program, with a proviso that the obligation of funds shall be conditioned upon the Secretary having submitted a report to Congress finding that the proposed works are required for the safety of dams. S. 2820—Passed Senate July 28, 1978. (259)

D.C. Voting Representation: Proposes an amendment to the Constitution which must be ratified to be valid as part of the Constitution by three-fourths of the States within seven years, to provide representation of the District of Columbia in the U.S. House of Representatives and the Senate; permits the District to participate fully in the electoral college; and extends to the people of the District the right to participate in the ratification process of proposed amendments to the Constitution. H.J. Res. 554—Public Law 95– , approved 1978. (350)

Diplomatic Immunity: Compliments the 1961 Vienna Convention on Diplomatic Relations which entered into force with respect to the United States on December 13, 1972; codifies the privileges and immunities provisions of the Vienna Convention as the sole U.S. law on the subject; repeals a 1790 statute barring suits against diplomats and their servants, which has been construed to create full immunity for these individuals and is in conflict with the 1961 Vienna Convention on Diplomatic Relations; states specifically that the provisions of the Convention shall apply to nonratifying nations; permits the President to extend, on a reciprocal basis, more favorable or less favorable treatment than the Convention specifies to members of missions, their families and diplomatic couriers; requires foreign diplomats in the United States to carry auto liability insurance against risks arising from the operation of automobiles, vessels, or aircraft in the United States at a level to be established by the Executive; creates, as a matter of Federal law, a substantive right of an injured or damaged party to proceed directly against the insurance company where the insured diplomat enjoys immunity from suit; and makes certain conforming amendments to the Judiciary Code. H.R. 7819—Passed House July 27, 1977; Passed Senate amended August 17, 1978. (VV)

Domestic Violence: Provides for Federal support and stimulation of state, local and community activities to prevent domestic violence, to assist the victims of domestic violence, and to coordinate Federal programs and activities pertaining to domestic violence; authorizes therefore $30 million for each of fiscal years 1979 through 1983; and specifies that 85 percent of the funds authorized annually shall be used for grants, 8 percent for operation of the HEW center on domestic violence and regional support centers, and 7 percent for research of which at least half shall be transferred to the Alcohol, Drug Abuse, and Mental Health Administration for research to be conducted by institutes within the administration. S. 2759—Passed Senate August 1, 1978. (VV)

Education Tuition Tax Credit: Provides a Federal income tax credit for certain educational expenses paid by an individual for himself, his spouse, or his dependents. The benefits provided by the bill will become effective in two stages. Beginning August 1, 1978, individuals will be entitled to claim a credit in an amount equal to 50 percent of tuition and fees with a maximum credit of $250 per student for expenses in an undergraduate college or a post-secondary vocational school. H.R. 12050—Passed House June 1, 1978; Passed Senate amended August 15, 1978; Senate requested conference August 15, 1978.

Endangered Species: Amends the Endangered Species Act of 1973 to establish an Endangered Species Interagency Committee to review Federal projects which have come into irresolvable conflict between the Act's mandate to protect and manage endangered and threatened species and other legitimate national goals and priorities, such as providing energy, economic development and other benefits to the American people, and to determine if the project should be completed, modified or terminated. S. 2899—Passed Senate July 19, 1978. (225)

First Budget Resolution, 1979: Recommends 1979 total estimated revenues of $447.9 billion, budget outlays of $498.8 billion, budget deficit of $50.9 billion, budget authority of $568.85 billion, and public debt level of $849.1 billion as compared to the President's recommendations of $439.6 billion in estimated revenues, $500.2 billion in budget outlays, $60.6 billion in budget deficits, $568.2 billion in budget authority, and $867.5 billion as the public debt level. S. Con. Res. 80—Action completed May 17, 1978. (140)

Foreign Development Assistance: Authorizes $1.7 billion (which reflects a 5 percent across-the-board decrease agreed to during Senate floor debate) for fiscal year 1979, for bilateral development assistance, international disaster assistance programs, operating expenses for the United States Agency for International Development (AID) and voluntary U.S. contributions to international organizations; amends the Foreign Assistance Act of 1961 to improve the coordination and administration of U.S. development-related policies and programs; and prohibits the use of funds for any form of aid, either monetary payment or by the sale or transfer of any goods of any nature to the Socialist Republic of Vietnam, Cambodia, Uganda, or Cuba or to any country which allows, supports, or encourages acts of terrorism. H.R. 12222—Passed House May 15, 1978; Passed Senate amended June 26, 1978; In conference. (177)

Foreign Intelligence Surveillance: Requires that all foreign intelligence electronic surveillance within the United States, as well as some overseas interceptions, be subject to a judicial warrant requirement based on the probable cause; prohibits the dissemination of information concerning U.S. persons which does not relate to national defense, foreign affairs, or the terrorist, sabotage or clandestine activities of a foreign power; sets limits on the dissemination of information relating solely to national defense or foreign affairs; requires certification, from an appropriate executive branch official, that any information sought by the surveillance is related to, and in the case of surveillance of a U.S. person is necessary to the national defense, the national security, or the successful conduct of the foreign affairs of the United States; allows the court to approve electronic surveillance for foreign intelligence purposes for a period of 90 days or, in the case of a foreign government, faction, or entity openly controlled by a foreign government, for a period of up to 1 year; permits emergency surveillance without a court order in limited circumstances, but provides that a court order must be obtained within 24 hours of the initiation of any emergency surveillance; and sets forth civil and criminal sanctions for violations of the bill's provisions. S. 1566—Passed Senate April 20, 1978. (128)

Foreign Security Assistance: Authorizes $2,886,400,000 for seven programs which constitute the fiscal 1979 international security assistance program; authorizes $133.5 million for grant military assistance to Portugal, Spain, Jordan and the Philippines; authorizes military assistance advisory groups for 14 countries in fiscal 1979, and further limits the activities of such groups; provides for the lifting of U.S. sanctions against Rhodesia if the government in Salisbury has made a good faith effort to negotiate with all parties and a new government, chosen by free elections, has been installed; repeals the limited embargo on arms sales to Turkey but requires that future requests for military or economic assistance, credits or arms sales to Turkey, Greece or Cyprus must support a solution to the situation in Cyprus as certified by the President to Congress; authorizes a foreign military sales credit program for fiscal 1979 of $2 billion, including $1 billion for Israel and $275 million for the Republic of Korea. S. 3075—Passed Senate July 26, 1978; Passed House amended August 2, 1978; House requested conference August 2, 1978. (254)

Higher Education Grants and Loans: Amends the Higher Education Act of 1965 to improve the basic educational opportunity grants programs and to make significant changes in the guaranteed student loan program in order to make college affordable once again for middle-income families; expands the basic educational opportunity grants program so that families with incomes of $25,000 instead of the present cutoff at $13,000, and one child in college will be eligible for a basic grant which will result in eligibility of an additional 1.5 million students; removes the cap from the guaranteed student loan program and permits any qualified family or person to borrow from private lenders funds for education which would be amortized and repaid through the private loan market with 100 percent payment guarantees by the Federal government. S. 2539—Passed Senate August 16, 1978. (324)

Housing and Community Development: Authorizes $30 billion in fiscal 1979 to extend the basic housing and community development programs conducted by the Department of Housing and Urban Development and the Farmers Home Administration; authorizes a major expansion of the section 312 rehabilitation loans and the urban homesteading programs with important changes designed to increase the effectiveness of these programs. S. 3084—Passed Senate July 20, 1978; Passed House amended July 25, 1978; In conference. (234)

Indian Claims Settlement in Rhode Island: Authorizes $43.5 million for the purchase of private settlement lands by the Federal government on behalf of the Narragansett Tribe as provided in the settlement agreement. S. 3153—Passed Senate July 21, 1978. (VV)

International Monetary Fund: Amends the Bretton Woods Agreement Act to authorize the United States to participate in a Supplementary Financing Facility of the International Monetary Fund (known as the Witteveen Facility) which shall make financial resources available to nations with serious balance-of-payments problems; authorizes the U.S. Department of Treasury to make available approximately $1.7 billion to the Witteveen Facility as the U.S. contribution, which is about 17 percent of the overall initial total; directs the U.S. Executive Director to oppose any Witteveen Facility loans to Cambodia, Uganda, and any nation which provides aid or assistance to terrorists or hijackers; directs the President to impose a trade embargo on Ugandan products until he certifies that the Ugandan government has ceased committing gross violations of human rights; and mandates a balanced Federal budget beginning in fiscal 1982. H.R. 9214—Passed House February 23, 1978; Passed Senate amended July 31, 1978. (271)

Mental Health—Biomedical Research—Family Planning: Extends for one year funding for Community Mental Health Centers which will provide community out-patient mental health care to over 2.3 million persons in 1978 while a thorough review of the program is undertaken; establishes a Presidential Commission for the Protection of Human Subjects in Federal Research; increases substantially authorizations for family planning and population research to expand the availability of voluntary family planning services emphasizing such services for sexually active adolescents and to increase research in contraceptives. S. 2450—Passed Senate June 26, 1978; S. 2522—Passed Senate June 7, 1978. (VV)

Middle East Arms Sales: States the objections of the Congress to the President's proposed sale of fifty F–5 aircraft to Egypt, fifteen F–15 aircraft and seventy-five F–16 aircraft to Israel, and sixty F–15 aircraft to Saudi Arabia. S. Con. Res. 86—Senate rejected disapproval resolution May 15, 1978. (161)

Military Construction Authorization: Authorizes $4 billion for fiscal 1979 for construction and other related authority for the military departments, and the Office of the Secretary of Defense within and outside the United States; requires the incorporation of optimum solar systems in all new military family housing and in 25 percent of all new facilities placed under design and provides the necessary authorities for the Department of Defense to develop geothermal resources and purchase public utility services from resources other than nuclear or fossil; and makes a substantial reduction in the administration's request for construction in Europe. H.R. 12602—Public Law 95– , approved 1978. (VV)

Military Procurement: Authorizes $36.957 billion during the fiscal year 1979, for procurement of aircraft, missiles, naval vessels, tracked combat vehicles, torpedoes, and other weapons and research, development, test, and evaluation for the Armed Forces, and to prescribe the authorized personnel strength for each active duty component and the Selected Reserve of each Reserve component of the Armed Forces and of civilian personnel of the Department of Defense, to authorize the military training student loads; and to authorize funds for civil defense. H.R. 10929—Vetoed August 18, 1978; House vote to override on September 7, 1978. (203)

National Consumer Cooperative Bank: Establishes a National Consumer Cooperative Bank with authority to make up to $1.09 billion in subsidized loans and guarantees to eligible non-profit consumer cooperatives; creates the Office of Self-Help Development and Technical Assistance within the Bank, with the purpose of providing technical assistance for consumer cooperatives; and makes self-help funds available for fledgling cooperatives in inner-city areas and among the poor and elderly. H.R. 2777—Public Law 95–351, approved August 20, 1978. (216)

National Historic Trails: Establishes within the national trail system a new category of National Historic Trails and designates the Oregon Trail, the Mormon Pioneer Trails, the Lewis and Clark Trail and the Iditarod Trail as the first such trails. H.R. 6900—Passed House April 3, 1978; Passed Senate amended July 24, 1978. (VV)

New York City Loan: Provides additional financial assistance to New York City over the next four years in the form of long-term Federal guarantees of New York City Securities of up to $1.6 billion through June 30, 1982; seeks to provide a basis for New York City to work out all of its remaining financial problems over the four-year period in order to bring its budget into balance in accordance with generally accepted accounting principles, to restructure its debt and lengthen maturities, to reenter the credit markets through sales of its own notes and bonds, and to end its dependence on Federal financial assistance. H.R. 12426—Public Law 95–339, approved August 8, 1978. (197)

Nuclear Non-Proliferation: Establishes a more effective framework for international cooperation to encourage development of peaceful nuclear activities to meet energy needs and to assure that export by any nation of nuclear materials and technology does not contribute to proliferation; authorizes the United States to take such actions as are required to insure that it can act reliably in licensing the export of nuclear reactors and fuel to nations which share our non-proliferation policies; provides incentives to other nations to join in non-proliferation activities and to ratify the Nuclear Non-Proliferation Treaty; and sets forth effective controls by

the United States over its exports of nuclear materials, equipment and technology. H.R. 8638—Public Law 95-242, approved March 10, 1978. (30)

Oil Shale Commercialization: Establishes a program within the Department of Energy for the purpose of testing the commercial, environmental and social viability of various oil shale technologies using the "GOCO" concept whereby the Federal government would supply all funds and a private corporation would contract to perform the construction and operation of the facilities; authorizes $1.4 million in fiscal year 1979 for the establishment of the program; and provides that nothing in the bill shall be construed as affecting in any way state law or regulations dealing with control of water and water rights. S. 419—Passed Senate June 27, 1978. (177)

Older Americans: Continues for an additional two years, until September 30, 1981, authorizations for programs conducted under the Older Americans Act of 1965; consolidates the existing titles III, State and Community Services, V, Multipurpose Senior Centers, and VII, Nutrition Services into a single title for the purpose of administration; establishes three priorities of (1) services associated with access, (2) in-home services, and (3) legal services, requiring that at least 50 percent of each area agency on aging allocation be directed to these three categories; authorizes a White House Conference on Aging in 1981; and mandates a study on racial and ethnic discrimination in Federal programs for the elderly to be conducted by the U.S. Commission on Civil Rights. H.R. 12255—Passed House May 15, 1978; Passed Senate amended July 24, 1978; In conference. (243)

Panama Canal Neutrality Treaty: Establishes a permanent regime of neutrality in order that both in time of peace and in time of war the Canal shall remain secure and open to peaceful transit;

Provides that Panama and the U.S. agree to maintain the regime of neutrality beginning in the year 2000 which shall be maintained in order that the Canal shall remain permanently neutral and applies the same regime to any other international waterway that may be built in Panama; by amendment, provides that each country shall, in accordance with their respective constitutional processes, defend the Canal against any threat to the regime of neutrality and consequently shall have the right to defend the Canal against any threat or aggression but this shall not be interpreted as a right of intervention into the internal affairs of Panama or against the territorial integrity or political independence of Panama; provides that beginning in the year 2000 Panama alone shall operate the Canal and maintain all military forces and installations within Panama's territory; provides, as a condition to the resolution, that notwithstanding these provisions, if the Canal is closed or its operation is interferred with, the U.S. and Panama may unilaterally take steps they deem necessary to reopen the Canal or restore its operation, including the use of military forces in Panama;

Provides as a condition that nothing in the Treaty shall preclude Panama and the U.S. from making, in accordance with their respective constitutional processes, any agreement to facilitate their responsibility to defend the Canal including an agreement for continued U.S. military presence in Panama;

Provides that the war and auxiliary vessels of the U.S. and Panama shall have the right to transit the Canal expeditiously; by amendment, states that this expeditious transit shall include the right to go to the head of the line of vessels in order to transit the Canal rapidly in case of need or emergency; provides as a reservation that such need or emergency shall be determined by the nation operating the vessel;

Provides before the Treaty can go into force that the U.S. and Panama must negotiate an agreement under which the American Battle Monuments Commission would administer the American Sector of the Corozal Cemetery and makes provision for the transfer of the remains of other Americans buried at Mount Hope Cemetery.

Contains as a reservation a prohibition on economic assistance, military grant assistance, security supporting assistance, foreign military sales credits or international military education and training to Panama; and provides that all amendments, reservations, understandings, declarations and other statements incorporated by the Senate in its resolutions of ratification be included in the instrument of ratification exchanged with the government of Panama. Ex. N, 95th-1st—Resolution of Ratification agreed to March 17, 1978. (66)

Panama Canal Treaty: Terminates prior United States-Panama treaty relationships concerning the Canal and establishes a partnership arrangement for the operation, maintenance and defense of the Panama Canal by the United States and Panama through December 31, 1999; provides that the treaty enter into force simultaneously with the Neutrality Treaty, six months from the date of exchange of instruments of ratification; by reservation, provides that exchange of the instruments of ratification shall not be effective prior to March 31, 1979, and the treaties shall not enter into force prior to October 1, 1979, unless implementing legislation has been enacted before March 31, 1979;

Grants to the U.S. the rights to manage, operate and maintain the canal including the right to establish and collect tolls; provides operation and maintenance of the Canal through a new United States government agency, the Panama Canal Commission, which will replace the Panama Canal Company and the Canal Zone Government and which will be supervised by a board of nine members, five Americans and four Panamanians; requires the Commission to reimburse Panama $10 million semiannually for costs incurred by Panama in providing various public services in the canal operating area and in certain housing areas; by an understanding, requires the U.S. and Panama in providing various public services in the canal operating area and in certain housing areas; by an understanding, requires the U.S. and Panama to agree on specific levels and quality of services to be provided by Panama for the $10 million annual payment for services which are essential to the effective functioning of the canal, to examine the cost of services every three years and to resubmit any disagreement between the United States and Panama to a binding independent audit;

Grants the U.S. the primary responsibility for the protection and defense of the canal for the duration of the treaty; by reservation, provides that the right to intervene militarily in Panama to keep the canal open and operating (pursuant to the DeConcini condition to the resolution of ratification of the Neutrality Treaty) shall not have as its purpose or be interpreted as a right of intervention into the internal affairs of Panama or interference with its independence or sovereign integrity; provides for the establishment of a Combined Board comprised of an equal number of senior military representatives from the two countries to facilitate planning and cooperation between the armed forces of both;

Provides that Panama and the U.S. study jointly the feasibility of a sea-level canal and enter into negotiations for its construction in the event that it is determined that such a facility is necessary; prohibits, for the duration of the treaty, construction of a canal except in accordance with the provisions of this treaty or as the U.S. and Panama may otherwise agree; prohibits the U.S. from negotiating with other countries for the right to construct an interoceanic canal on any other route during the life of the treaty; provides as a reservation that the instruments of ratification to be exchanged shall include provisions whereby each party agrees to waive these two prohibitions;

Upon entry into force, transfers to Panama all right, title and interest which the U.S. may have in real property and non-removable improvements located in areas not reserved for U.S. use under the treaty; provides that upon termination of the treaty, Panama will assume total responsibility for the Panama Canal which shall be turned over in operating condition free of liens and debts;

Provides that Panama receive payments to be derived from canal operating revenues as "a just and equitable return on the national resources which it has dedicated to" the Panama Canal as follows: (a) a share of tolls amounting to 30 cents per Panama Canal ton of shipping transiting the canal; (b) a fixed amount of $10 million per year; and (c) an additional sum of up to $10 million per year if the Canal operating revenues yield a surplus over expenditures including other payments made under the treaty; by reservation, provides that any accumulated unpaid balance under item (c) at the termination of the treaty shall be payable only to the extent of any operating surplus in the last year of the treaty's duration and that nothing shall be construed as obligating the U.S. to pay any unpaid balance and that no U.S. Treasury funds may be used for any of the above three payments without statutory authorization; and by amendment to the resolution of ratification, requires the Panama Canal Commission to reimburse the U.S. for interest on funds or other assets directly invested by the U.S. Commission or its predecessor Panama Canal Corporation. Ex. N, 95th-1st—Resolution of Ratification agreed to April 18, 1978. (119)

Petroleum Marketing Practices: Establishes minimum Federal standards governing the termination and nonrenewal of gas station franchises. H.R. 130—Public Law 95-297, approved June 19, 1978. (159)

Redwood National Park Expansion: Increases the authorized acreage of the Redwood National Park by approximately 48,000 acres to bring the total acreage to 106,000; designates an additional 30,000 acres as a "park protection zone" which the Secretary of Interior, following notice to the appropriate Congressional committees, may acquire upon a finding that failure to acquire all or a portion of the land could result in physical damage to the park resources, and contains provisions designed to protect persons adversely affected by the park expansion. S. 1976—PubliLaw 95-250, approved March 27, 1978. (24, 73)

Small Business Energy Loans: Authorizes the Small Business Administration to make direct immediate participation and guaranteed loans to certain small businesses that manufacture or market renewable energy equipment or conservation equipment or firms which provide professional engineering or achitectural services which conserve energy or apply renewable energy measures as their main objective. H.R. 11713—Public Law 95-315 approved July 4, 1978. (VV)

Veterans Benefits: Provides an improved and more equitable pension program for needy wartime veterans who are disabled by reason of non-service-connected disability or who are 65 years of age or older and for the needy surviving spouses and children of wartime veterans. H.R. 10173—Passed House

June 28, 1978; Passed Senate July 31, 1978. (263)

Provides a 7.3 percent cost-of-living increase in veterans' disability compensation and dependency and indemnity compensation (DIC); extends entitlement to service-connected disability compensation to U.S. citizens who served in the armed forces of an allied nation during World War II; raises to $200 per month the special pension rate payable to Congressional Medal of Honor recipients; and call for a report by March 1, 1979, on issues relating to the adequacy, compensation awards to and health care needs of former prisoners of war. H.R. 11886—Passed House June 28, 1978; Passed Senate amended August 7, 1978. (VV)

Increases the maximum grants for qualified veterans to acquire specially adapted housing and the maximum loan guaranty entitlement for the purchase of a home and extends such entitlements to Vietnam veterans; makes various improvements in the VA mobile home loan program; establishes a program of grants to assist states in establishing, improving, maintaining and expanding veterans' cemeteries; calls for an on-going review of the VA education default rate; and permits the Administrator to limit eligibility for education loans and to reduce the loan repayment period for certain types of loans. H.R. 12078—Passed House July 17, 1978; Passed Senate amended August 7, 1978. (VV)

Water Resources Projects—Waterway User Fee: Authorizes $2.4 billion for certain public works for improvement of navigation on U.S. inland waters and sundry water resources projects in 34 states; for such purposes as floor control, water supply and beach restoration; includes authorization of $421 million for replacement of locks and dam 26 at Alton, Illinois, on the Mississippi River with a new dam and a single 1,200-foot lock; imposes a fuel tax of four cents per gallon on shallow-draft commercial vessels that use the inland waterways which will begin in 1982 or when construction begins on locksand dam 26, whichever is sooner, and increase to 12 cents eight years later; and directs the Secretaries of Commerce and Transportation jointly to understake a study regarding the impact of fuel taxes on inland waterway users or alternative or supplemental charges and to report findings and recommendations to Congress within three years. H.R. 8309—Passed House October 13, 1977; Passed Senate amended May 4, 1978; Senate requested conference May 4, 1978. (153)

White House Personnel Authorization: Provides for the first time a 5-year authorization for the employment of personnel, employment of experts and consultants, expenses, maintenance and operation of the White House Office and the Executive Residence at the White House, the executive duties and responsibilities of the Vice President, the Domestic Policy Staff and the Office of Administration. H.R. 11003—Passed House April 13, 1978; Passed Senate amended July 16, 19; In conference. (VW)

AUGUST 24, 1978.

ENERGY-RELATED LEGISLATION, 1969–77

91st Congress (1969–1970) (5).—

1. Public Law 91–158, Interstate Oil Compact Commission, 2-Year Extension, S.J. Res. 54.

2. Public Law 91–173, Coal Mine Health and Safety Act of 1969, S. 2917.

3. Public Law 91–245, Oil and Gas Leases, S. 1193.

4. Public Law 91–581, Geothermal Steam Act of 1970, S. 368.

5. Public Law 91–631, National Mines and Minerals Policy Act, S. 719.

92nd Congress (1971–1972) (7).—

6. Public Law 92–84, Atomic Energy Commission Authorization, 1972, H.R. 9388.

7. Public Law 92–307, Temporary Operating Licenses for Nuclear Powerplants, H.R. 14655.

8. Public Law 92–314, Atomic Energy Commission Appropriations, 1973, S. 3607.

9. Public Law 92–401, Natural Gas Pipeline Safety Act of 1968, H.R. 5065.

10. Public Law 92–500, Federal Water Pollution Control Act Amendments of 1972, S. 2770.

11. Public Law 92–583, Coastal Zone Management Act of 1972, S. 3507.

12. S. Res. 45, to establish the Senate National Fuels and Energy Policy Study Group.

93rd Congress (1973–1974) (43).—

13. Public Law 93–28, Economic Stabilization Act Amendments of 1973; Voluntary Petroleum Allocation, S. 398.

14. Public Law 93–60, AEC Authorization, S. 1994.

15. Public Law 93–74, NASA Authorization, H.R. 7528.

16. Public Law 93–87, Federal-Aid Highway Act, S. 502.

17. Public Law 93–88, Euratom Corporation Act of 1958 Amendments, S. 1993.

18. Public Law 93–119, Oil Pollution Act Amendments, H.R. 5451.

19. Public Law 93–153, Mineral Leasing Act of 1920, Amendments, and Trans-Alaska Oil Pipeline Authorization, S. 1081.

20. Public Law 93–159, Emergency Petroleum Allocation Act of 1973, S. 1570.

21. Public Law 93–182, Emergency Daylight Saving Time Energy Conservation Act of 1973, H.R. 11324.

22. Public Law 93–208, G.I. Bill Benefits During Energy Crisis, S. 2794.

23. Public Law 93–239, Highway Speed Limit Reduction, H.R. 11372.

24. Public Law 93–245, Supplemental Appropriations; Naval Petroleum Reserves, H.R. 11576.

25. Public Law 93–248, Intervention on the High Seas Act, S. 1070.

26. Public Law 93–249, Fuel Cost Pass-Through for Truckers, S.J. Res. 185.

27. Public Law 93–275, Federal Energy Administration, H.R. 11793.

28. Public Law 93–276, AEC Authorization Act, S. 3292.

29. Public Law 93–316, NASA Authorization Act, H.R. 13998.

30. Public Law 93–319, Energy Supply and Environmental Coordination Act of 1974, H.R. 14368.

31. Public Law 93–322, Special Energy Research and Development Appropriations for 1975, H.R. 14434.

32. Public Law 93–377, AEC Omnibus Legislation of 1974, S. 3669.

33. Public Law 93–383, Housing and Community Development Act, S. 3066.

34. Public Law 93–385, Aid to Energy Affected Small Businesses, S. 3331.

35. Public Law 93–403, Natural Gase Pipeline Safety Act, as amended, Additional Appropriations, H.R. 15205.

36. Public Law 93–409, Solar Heating and Cooling Demonstration Act of 1974, H.R. 11864.

37. Public Law 93–410, Geothermal Energy Research, Development, and Demonstration Act, H.R. 14920.

38. Public Law 93–426, Defense Production Act of 1950, two-year extension, S. 3270.

39. Public Law 93–434, Emergency Daylight Saving Time Energy Conservation Act of 1973, Amendments, H.R. 16102.

40. Public Law 93–438, Energy Reorganization Act of 1974, H.R. 11510.

41. Public Law 93–454, Federal Columbia River Transmission System, S. 3362.

42. Public Law 93–473, Solar Energy Research, Development and Demonstration Act of 1974, S. 3234.

43. Public Law 93–482, Duty Free Entry of Methanol for use as Fuel, H.R. 11251.

44. Public Law 93–485, International Nuclear Cooperation Act, S. 3698.

45. Public Law 43–496, National Railroad Passenger Corporation, H.R. 15427.

46. Public Law 93–511, Emergency Petroleum Allocation Act of 1973 Extension, H.R. 16757.

47. Public Law 93–514, Nuclear Information Annual Report, S. 3802.

48. Public Law 93–522, Sequoia National Park Hydroelectric Project, H.J. Res. 444.

49. Public Law 93–577, Federal Nonnuclear Energy Research and Development Act of 1975, S. 1283.

50. Public Law 93–627, Deep Water Ports Act, H.R. 10701.

51. Public Law 93–643, Federal-Aid Highway Act Amendments of 1975—Fuel Exports to U.S.S.R., S. 3934.

52. Public Law 93–646, Export-Import Bank Act Amendments, H.R. 15977.

53. S. Res. 138, National Consumer Effort to Save Gas.

54. S. Res. 249, Oil Price Increase.

55. S. Res. 279, Washington Energy Conference.

94th Congress (1975–1976) (23).—

56. Public Law 94–12, Tax Reduction Act of 1975; Repeal of Depletion Allowance, H.R. 2166.

57. Public Law 94–18, Nuclear Regulatory Commission Authorization, S. 994.

58. Public Law 94–79, Nuclear Regulatory Commission Authorization, S. 1716.

59. Public Law 94–139, TVA Bonding Authority, H.R. 9472.

60. Public Law 94–163, Energy Policy and Conservation Act, S. 622.

61. Public Law 94–180, Public Works—ERDA Appropriations 1976, H.R. 8122.

62. Public Law 94–187, ERDA Authorization 1976, H.R. 3474.

63. Public Law 94–197, Nuclear Accident Indemnity, H.R. 8631.

64. Public Law 94–227, International Petroleum Exposition, S.J. Res. 59.

65. Public Law 94–258, Naval Petroleum Reserves Production Act of 1976, H.R. 49.

66. Public Law 94–269, ERDA Supplemental Authorization, 1976, S. 3108.

67. Public Law 94–291, Nuclear Regulatory Commission Authorization, S. 3107.

68. Public Law 94–332, Federal Energy Administration Extension, S. 3625.

69. Public Law 94–355, Public Works—ERDA Appropriations, 1977, H.R. 14236.

70. Public Law 94–364, Motor Vehicle Information and Cost Savings Act, S. 1518.

71. Public Law 94–370, Coastal Zone Management Act Amendments, State grants, S. 586.

72. Public Law 94–377, Federal Coal Leasing Amendments Act, S. 391.

73. Public Law 94–385, Energy Conservation and Production, H.R. 12169.

74. Public Law 94–413, Electric and Hybrid Vehicle Research, Development and Demonstration Act of 1976, H.R. 8800.

75. Public Law 94–422, Land and Water Conservation Fund Act, S. 327.

76. Public Law 94–477, Natural Gas Pipeline Safety, H.R. 12168.

77. Public Law 94–493, Interstate Oil and Gas Compact, S.J. Res. 126.

78. Public Law 94–586, Alaskan Gas Transportation, S. 3521.

95th Congress (1977–1978) (22).—

79. Public Law 95–2, Natural Gas Emergency, S. 474.

80. Public Law 95–3, Urgent Power Supplemental Appropriations, H.J. Res. 227.

81. Public Law 95–36, Deepwater Ports, S. 891.

82. Public Law 95–39, ERDA Nonnuclear Authorization, 1977, S. 36.

83. Public Law 95–52, Export Control Administration, H.R. 5840.

84. Public Law 95–70, FEA Authorization, S. 1468.

85. Public Law 95–87, Stripmining Reclamation, H.R. 2.

86. Public Law 95–91, Department of Energy, S. 826.

87. Public Law 95–95, Clean Air, H.R. 6161.

88. Public Law 95–96, Public Works—Energy Research Appropriations, 1978, H.R. 7553.

89. Public Law 95–158, Alcan Pipeline, H.J. Res. 621.

90. Public Law 95-164, Mine Safety, S. 717.
91. Public Law 95-183, ERDA Nuclear Authorization, S. 1339.
92. Public Law 95-236, Radiation Exposure, S. 266.
93. Public Law 95-238, ERDA Nuclear/Nonnuclear Authorization, S. 1340.
94. Public Law 95-242, Nuclear Nonproliferation, H.R. 8638.
95. Public Law 95-279, Emergency Agricultural Act—Gasahol Program, H.R. 6782.
96. Public Law 95-297, Petroleum Marketing Practices, H.R. 130.
97. Public Law 95-315, Small Business Energy Loans, H.R. 11713.
98. Public Law 95-343, Stripmining Program Authorizations, S. 2463.
99. Public Law 95- , Military Construction Authorization, 1979—Solar, Geothermal and Utility Systems Programs, H.R. 12602.
100. Public Law 95- , Outer Continental Shelf, S. 9.

ENERGY MEASURES, 95TH CONGRESS, AUGUST 24, 1978

Enacted.—(23):
Alcan Pipeline (H.J. Res. 621, P.L. 95-158).
Clean Air (H.R. 6161, P.L. 95-95).
Deepwater Ports Extension (H.R. 6401, P.L. 95-36).
Department of Energy (S. 826, P.L. 95-91).
Emergency Agricultural Act—Gasohol Program (H.R. 6782, P.L. 95-279).
ERDA Nonnuclear Authorization, 1977 (S. 36, P.L. 95-39).
ERDA Nuclear Authorization (S. 1339, P.L. 95-183).
ERDA Nuclear/Nonnuclear Authorization—Civilian (S. 1340, P.L. 95-238).
Export Control—Arab Boycott (H.R. 5840, P.L. 95-52).
FEA Authorization (S. 1468, P.L. 95-70).
Military Construction Authorization, 1979—Solar, Geothermal and Utility Systems Programs (H.R. 12602, P.L. 95-).
Mine Safety (S. 717, P.L. 95-164).
Natural Gas Emergency (S. 474, P.L. 95-2).
Nuclear Nonproliferation Act (H.R. 8638, P.L. 95-242).
Outer Continental Shelf (S. 9, P.L. 95-).
Petroleum Marketing Practices (H.R. 130, P.L. 95-297).
Public Works—Energy Research Appropriations, 1978 (H.R. 7553, P.L. 95-96).
Radiation Exposure (S. 266, P.L. 95-236).
Small Business Energy Loans (H.R. 11713, P.L. 95-315).
Strategic Petroleum Reserve Plan No. 1 (S. Res. 429—S. agreed to disapproval resolution).
Stripmining (H.R. 2, P.L. 95-87).
Stripmining Program Authorization (S. 2463, P.L. 95-343).
Urgent Power Supplemental Appropriations, 1977 (H.J. Res. 227, P.L. 95-3).
In conference.—(11):
Agricultural Appropriations, 1979—Energy Conservation Programs (H.R. 13125).
Coal Conversion (H.R. 5146—S. agreed to July 18, 1973).
Energy Conservation (H.R. 5037).
Energy Taxation (H.R. 5263).
HUD Authorization—Solar and Home Insulation Programs (S. 3084).
Interior Appropriations, 1979—Energy Production, Supply, and Regulation Programs (H.R. 12932).
International Development Assistance—Bilateral Assistance for Energy Resource Development (H.R. 12222).
Natural Gas Pricing (H.R. 5289—Conf. rept. filed)
Public Utility Rate Reform (H.R. 4018).
Public Works Energy Research Appropriations, 1979—Energy Research Projects (H.R. 12928—Conf. rept. filed).
Water Resource Projects—Waterway User Fee—Fuel Use Taxes (H.R. 8309—H. conferees not named).
Passed Senate, not House.—(9):
Alaska Pipeline Destruction (S. 1496).
Educational Institution Energy Savings Grants (S. 701—Provisions are now in energy conservation bill).
Endangered Species—Possible exemptions for certain energy supply projects (S. 2899).
ERDA Nuclear Authorization—Civilian/Military (S. 1341).
ERDA Synthetic Fuel Loan Guarantee Program (S. 37).
Natural Gas Pipeline Safety (S. 1895).
Oil Shale Commercialization (S. 419).
Pipeline Destruction (S. 1502).
Rate Discrimination (S. 2249).
Vetoed.—(1):
ERDA Nuclear/Nonnuclear—Civilian (S. 1811—Contained Clinch River—enacted as P.L. 95-238).

RECESS UNTIL 8:15 A.M. TOMORROW

Mr. ROBERT C. BYRD. Mr. President, if there be no further business to come before the Senate, I move, in accordance with the previous order, that the Senate stand in recess until the hour of 8:15 tomorrow morning.

The motion was agreed to; and at 8:49 p.m. the Senate recessed until tomorrow, Friday, August 25, 1978, at 8:15 a.m.

NOMINATIONS

Executive nominations received by the Senate August 24, 1978:

SOCIAL SECURITY ADMINISTRATION

Stanford G. Ross, of the District of Columbia, to be Commissioner of Social Security of the Department of Health, Education, and Welfare, vice James B. Cardwell.

HOUSE OF REPRESENTATIVES—*Thursday, August 24, 1978*

REGULATION OF LOBBYING ACT

In compliance with Public Law 601, 79th Congress, title III, Regulation of Lobbying Act, section 308(b), which provides as follows:

(b) All information required to be filed under the provisions of this section with the Clerk of the House of Representatives and the Secretary of the Senate shall be compiled by said Clerk and Secretary, acting jointly, as soon as practicable after the close of the calendar quarter with respect to which such information is filed and shall be printed in the CONGRESSIONAL RECORD.

The Clerk of the House of Representatives and the Secretary of the Senate jointly submit their report of the compilation required by said law and have included all registrations and quarterly reports received.

REGISTRATIONS*

*All alphanumeric characters and monetary amounts refer to receipts and expenditures on page 2, paragraphs D and E of the Quarterly Report Form.

The following registrations were submitted for the third calendar quarter 1978:

(NOTE.—The form used for report is reproduced below. In the interest of economy in the RECORD, questions are not repeated, only the essential answers are printed, and are indicated by their respective letter and number.)

FILE ONE COPY WITH THE SECRETARY OF THE SENATE AND FILE TWO COPIES WITH THE CLERK OF THE HOUSE OF REPRESENTATIVES:

This page (page 1) is designed to supply identifying data; and page 2 (on the back of this page) deals with financial data.

PLACE AN "X" BELOW THE APPROPRIATE LETTER OR FIGURE IN THE BOX AT THE RIGHT OF THE "REPORT" HEADING BELOW:

"PRELIMINARY" REPORT ("Registration"): To "register," place an "X" below the letter "P" and fill out page 1 only.

"QUARTERLY" REPORT: To indicate which one of the four calendar quarters is covered by this Report, place an "X" below the appropriate figure. Fill out both page 1 and page 2 and as many additional pages as may be required. The first additional page should be numbered as page "3," and the rest of such pages should be "4," "5," "6," etc. Preparation and filing in accordance with instructions will accomplish compliance with all quarterly reporting requirements of the Act.

Year: 19_____

REPORT

PURSUANT TO FEDERAL REGULATION OF LOBBYING ACT

	QUARTER			
P	1st	2d	3d	4th
(Mark one square only)				

NOTE ON ITEM "A".—(a) IN GENERAL. This "Report" form may be used by either an organization or an individual, as follows:

(i) "Employee".—To file as an "employee", state (in Item "B") the name, address, and nature of business of the "employer". (If the "employee" is a firm [such as a law firm or public relations firm], partners and salaried staff members of such firm may join in filing a Report as an "employee".)

(ii) "Employer".—To file as an "employer", write "None" in answer to Item "B".

(b) SEPARATE REPORTS. An agent or employee should not attempt to combine his Report with the employer's Report:

(i) Employers subject to the Act must file separate Reports and are not relieved of this requirement merely because Reports are filed by their agents or employees.

(ii) Employees subject to the Act must file separate Reports and are not relieved of this requirement merely because Reports are filed by their employers.

A. ORGANIZATION OR INDIVIDUAL FILING:

1. State name, address, and nature of business.

2. If this Report is for an Employer, list names of agents or employees who will file Reports for this Quarter.

NOTE ON ITEM "B".—*Reports by Agents or Employees.* An employee is to file, each quarter, as many Reports as he has employers, except that: (a) If a particular undertaking is jointly financed by a group of employers, the group is to be considered as one employer, but all members of the group are to be named, and the contribution of each member is to be specified; (b) if the work is done in the interest of one person but payment therefor is made by another, a single Report—naming both persons as "employers"—is to be filed each quarter.

B. EMPLOYER.—State name, address, and nature of business. If there is no employer, write "None."

NOTE ON ITEM "C".—(a) The expression "in connection with legislative interests," as used in this Report, means "in connection with attempting, directly or indirectly, to influence the passage or defeat of legislation." "The term 'legislation' means bills, resolutions, amendments, nominations, and other matters pending or proposed in either House of Congress, and includes any other matter which may be the subject of action by either House"—§ 302(e).

(b) Before undertaking any activities in connection with legislative interests, organizations and individuals subject to the Lobbying Act are required to file a "Preliminary" Report (Registration).

(c) After beginning such activities, they must file a "Quarterly" Report at the end of each calendar quarter in which they have either received or expended anything of value in connection with legislative interests.

C. LEGISLATIVE INTERESTS, AND PUBLICATIONS in connection therewith:

1. State approximately how long legislative interests are to continue. If receipts and expenditures in connection with legislative interests have terminated, ☐ place an "X" in the box at the left, so that this Office will no longer expect to receive Reports.

2. State the general legislative interests of the person filing and set forth the *specific* legislative interests by reciting: (a) Short titles of statutes and bills; (b) House and Senate numbers of bills, where known; (c) citations of statutes, where known; (d) whether for or against such statutes and bills.

3. In the case of those publications which the person filing has caused to be issued or distributed in connection with legislative interests, set forth: (a) Description, (b) quantity distributed; (c) date of distribution, (d) name of printer or publisher (if publications were paid for by person filing) or name of donor (if publications were received as a gift).

(Answer items 1, 2, and 3 in the space below. Attach additional pages if more space is needed)

4. If this is a "Preliminary" Report (Registration) rather than a "Quarterly" Report, state below what the nature and amount of anticipated expenses will be; and if for an agent or employee, state also what the daily, monthly, or annual rate of compensation is to be. If this is a "Quarterly" Report, disregard this item "C4" and fill out item "D" and "E" on the back of this page. Do not attempt to combine a "Preliminary" Report (Registration) with a "Quarterly" Report.

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A. Gordon H. Fry, 3251 Old Lee Highway, Suite 501, Fairfax, Va. 22030.
B. National Limestone Institute, Inc., Suite 501, 3251 Old Lee Highway, Fairfax, Va. 22030.

A. Diane Fuchs, Public Citizen's Tay Refor Research Group, 133 C Street SE., Washington, D.C. 20003.
B. Public Citizen's Tax Reform Research Group, 133 C Street SE., Washington, D.C. 20003.

A. G–4 Children's Coalition, 7309 Delfield Street, Chevy Chase, Md. 20015.

A. Gadsby & Hannah, 60 State Street, Boston, Mass. 02109.

A. Gardner, Carton & Douglas, 1120 Connecticut Avenue NW., Washington, D.C. 20036.
B. Elmer W. Kneip, 911 West Fulton Street, Chicago, Ill. 60607.

A. Gardner, Carton & Douglas, 1120 Connecticut Avenue NW., Washington, D.C. 20036.
B. Sealed Power Corp., 2001 Sanford Street, Muskegon, Mich. 49443.

A. Robert L. Gardner, Alter Co., Box 3708. Davenport, Iowa 52808.
B. Alter Co., Box 3708, Davenport, Iowa 52808.

A. James J. Garry, New York Coffee and Sugar Exchange, Inc., No. 4 World Trade Center, New York, N.Y. 10048.
B. New York Coffee and Sugar Exchange Inc., No. 4 World Trade Center, New York, N.Y. 10048.

A. Morton A. Geller, The First National Bank of Boston, 100 Federal Street, Boston, Mass. 02110.
B. The First National Bank of Boston, 100 Federal Street, Boston, Mass. 02110.

A. Michael Gildea, 815 16th Street NW., Washington, D.C. 20006.
B. American Federation of Labor and Congress of Industrial Organizations, 815 16th Street NW., Washington, D.C. 20006.

A. John E. Giles, 1600 I Street NW., Washington, D.C. 20006.
B. Motion Picture Association of America, Inc., 1600 I Street NW., Washington, D.C. 20006.

A. Ginsburg, Feldman & Bress, 1700 Pennsylvania Avenue NW., Washington, D.C. 20006.
B. P & O Falco, Inc., Shreveport, La.; True Oil Purchasing Co., Casper, Wyo.; Western Crude Oil, Inc., Denver, Colo.

A. Peter Ginsberg, Consumer Federation of America, 1012 14th Street NW., Washington, D.C. 20005.
B. Consumer Federation of America, 1012 14th Street NW., Washington, D.C. 20005.

A. Jonah Gitlitz, 1225 Connecticut Avenue, NW., No. 401, Washington, D.C. 20036.
B. American Advertising Federation, 1225 Connecticut Avenue NW., No. 401, Washington, D.C. 20036.

A. Robert Glavin, American Hospital Association, 444 North Capitol Street NW., No. 500, Washington, D.C. 20001.
B. American Hospital Association, 840 North Lake Shore Drive, Chicago, Ill. 60611.

A. Thomas V. Glynn, Battle, Fowler, Jaffin, Pierce & Kheel, 280 Park Avenue, New York, N.Y. 10017.
B. State Troopers Fraternal Association of New Jersey, Inc., 30 Newport Drive, Howell, N.J. 07731.

A. Godfrey Associates, Inc., 918 16th Street NW., S–500, Washington, D.C. 20006.
B. Patton, Boggs & Blow, 1200 17th Street NW., Washington, D.C. 20036.

A. Howard S. Goldberg, DGA International, Inc., 1225 19th Street NW., Washington, D.C. 20036.
B. DGA International, Inc., 1225 19th Street NW., Washington, D.C. 20036 (for Airbus Industrie, Avenue Lucien Servanty, 31700 Blagnac, France).

A. John F. Grant, Printing Industries of America, Inc., 1730 North Lynn Street, Arlington, Va. 22209.
B. Printing Industries of America, Inc., 1730 North Lynn Street, Arlington, Va. 22209.

A. Great Western Sugar Co., P.O. Box 5308, Denver, Colo. 80217.

A. John T. Grupenhoff, No. 208, 6410 Rockledge Drive, Bethesda, Md. 20034.
B. American Academy of Dermatology, 820 Davis Street, Evanston, Ill. 60201.

A. John T. Grupenhoff, No. 208, 6410 Rockledge Drive, Bethesda, Md. 20034.
B. American Gastroenterological Association, c/o Charles Slack, Inc., Thorofare, N.J. 08086.

A. Marjorie Guthrie, Committee To Combat Huntington's Disease, 250 West 57th Street, New York, N.Y. 10019.

A. Peter H. Hahn, 918 16th Street NW., No. 501, Washington, D.C. 20006.
B. Chromalloy American Corp., 120 South Central Avenue, St. Louis, Mo. 63105.

A. Martin Ryan Haley & Associates, Inc., 1511 K Street NW., Washington, D.C. 20005.
B. Agri-Business Inc., 11411 Rendezvous, San Antonio, Tex. 38180.

A. Martin Ryan Haley & Associates, Inc., 1511 K Street NW., Washington, D.C. 20005.
B. Federal Express Corp., AMF Box 30167, Memphis, Tenn. 38180.

A. Martin Ryan Haley & Associates, Inc., 1511 K Street NW., Washington, D.C. 20005.
B. M&M/MARS Division of MARS, Inc., High Street, Hackettstown, N.J. 07840.

A. Martin Ryan Haley & Associates, Inc., 1511 K Street NW., Washington, D.C. 20005.
B. Tobacco Tax Council, P.O. Box 8269, 5407 Patterson Avenue, Richmond, Va. 23226.

A. Martin Ryan Haley & Associates, Inc., 1511 K Street NW., Washington, D.C. 20005.
B. Yandell & Hiller, Inc., 2805 Fort Worth National Building, Fort Worth, Tex. 76102.

A. HALT, Inc., 10 E Street SE., Washington, D.C. 20003.

A. Martha Hardee, 4311 Cedar Springs, Dallas, Tex. 75219.
B. Doctors for the Equal Rights Amendment, P.O. Box 19531, Dallas, Tex. 75219.

A. Michael T. Harrigan, Suite 701, 2033 M Street NW., Washington, D.C. 20036.
B. U.S. Olympic Committee, 57 Park Avenue, New York, N.Y. 10017.

A. Robert L. Harris, Aluminum Association, 818 Connecticut Avenue NW., Washington, D.C. 20006.
B. Aluminum Association, 818 Connecticut Avenue NW., Washington, D.C. 20006.

A. Charles D. Hartman, National Council of Farmer Cooperatives, 1129 20th Street NW., Washington, D.C. 20036.
B. National Council of Farmer Cooperatives, 1129 20th Street NW., Washington, D.C. 20036.

A. Paul T. Hasse, 10 E Street SE., Washington, D.C.
B. HALT, Inc. 10 E Street SE., Washington, D.C. 20003.

A. Mary W. Haught, Sun Co., Inc., 1800 K Street NW., Suite 820, Washington, D.C. 20006.
B. Sun Co., Inc., 100 Matsonford Road, Radnor, Pa. 19087.

A. Henkel & Lamon, 2500 Peachtree Center, Cain Tower, 229 Peachtree Street NE., Atlanta, Ga. 30303.
B. National Association of Pension Consultants & Administrators, Inc., 151 Ellis Street NE., Atlanta, Ga. 30303.

A. Herick, Allen & Davis, 1701 K Street NW., No. 706, Washington, D.C. 20006.
B. Amusement & Music Operators Association, 35 East Wacker Drive, Suite 1940, Chicago, Ill. 60601.

A. Dave Hill, American Farm Bureau Federation, 425 13th Street NW., Washington, D.C. 20004.
B. American Farm Bureau Federation, 225 Touhy Avenue, Park Ridge, Ill.

A. Bertram E. Hirsch, 76–17 250 Street, Bellerose, N.Y. 11426.
B. Sisseton-Wahpeton Sioux Tribe, Sisseton, S. Dak.

A. Sheila K. Hixson, 1101 17th Street NW., Washington, D.C. 20036.
B. American Dental Association, 1101 17th Street NW., Washington, D.C. 20036.

A. Gerald Hogan, Consumer Federation of America, 1012 14th Street NW., Washington, D.C. 20005.
B. Consumer Federation of America, 1012 14th Street NW., Washington, D.C. 20005.

A. Hogan & Hartson, 815 Connecticut Avenue, Washington, D.C. 20006.
B. Champlin Petroleum Co., P.O. Box 9365, Fort Worth, Tex. 76107.

A. Holland & Knight, P.O. Box 1288, Tampa, Fla. 33601.
B. Sikes Corp., 608 Prospect, Lakeland, Fla. 33802.

A. Holt International Children's Services, Inc., Holt Adoption Program, Inc., P.O. Box 2420, Eugene, Oreg. 97402.

A. Houdaille Industries, Inc., 1 Financial Plaza, Fort Lauderdale, Fla. 33394.

A. Hudson & Leftwich, 1101 15th Street NW., No. 806, Washington, D.C. 20005.
B. Kansas City, Mo.

A. Hudson & Leftwich, 1101 15th Street NW., No. 806, Washington, D.C. 20005.
B. City of Detroit, Mich.

A. Lawrence H. Hunt, Jr., Sidley & Austin, 1 First National Plaza, Chicago, Ill. 60603.
B. Heinold Commodities, Inc., 222 South Riverside Plaza, Chicago, Ill. 60606 and Conti-Commodity Services, Inc., 141 West Jackson Boulevard, Chicago, Ill. 60604.

A. Celia Hunter, The Wilderness Society, 1901 Pennsylvania Avenue NW., Washington, D.C. 20006.
B. The Wilderness Society, 1901 Pennsylvania Avenue NW., Washington, D.C. 20006.

A. Randy Huwa, 2030 M Street NW., Washington, D.C. 20036.
B. Common Cause, 2030 M Street NW., Washington, D.C. 20036.

A. International Management Consultants, Ltd., 1155 15th Street NW., Washington, D.C.
B. Swaziland Sugar Association, P.O. Box 445, Mbabane, Swaziland.

A. James K. Jackson, Baker, Hostetler, Frost & Towers, 818 Connecticut Avenue NW., Washington, D.C. 20006.
B. Sun Co., Inc., 100 Matsonford Road, Radnor, Pa. 19087.

A. Scott M. Jackson, 1155 15th Street NW., No. 713, Washington, D.C. 20005.
B. American Consulting Engineers Council, 1155 15th Street NW., No. 713, Washington, D.C. 20005.

A. T. Destry Jarvis, 529 Tennessee Avenue, Alexandria, Va. 22305.
B. National Parks and Conservation Association, 1701 18th Street NW., Washington, D.C. 20009.

A. Linda Jenckes, 1750 K Street NW., Washington, D.C. 20006.
B. Health Insurance Association of America, Inc., 1750 K Street NW., Washington, D.C.; 919 Third Avenue, New York, N.Y.; 332 South Michigan Avenue, Chicago, Ill.

A. Robert K. Jenkins, Jr., National Board of Young Men's Christian Associations, 1666 Connecticut Avenue NW., Washington, D.C.
B. National Board of Young Men's Christian Associations, 291 Broadway, New York, N.Y. 10007.

A. Billy B. Johnson, P.O. Box 24764, Seattle, Wash. 98109.
B. The 13th Regional Corp., P.O. Box 24764, Seattle, Wash. 98109.

A. David H. Johnson, Mississippi Petroleum Council, 215 Lamar Life Building, P.O. Box 42, Jackson, Miss. 39205.
B. American Petroleum Institute, 2101 L Street NW., Washington, D.C. 20037.

A. Johnson, Hoar & Co., Inc., 1220 19th Street NW., Suite 201, Washington, D.C. 20036.
B. Allstate Insurance Co., c/o Van Ness, Feldman & Sutcliffe, 1220 19th Street NW., Suite 500, Washington, D.C. 20036.

A. Jerome Johnson, Box 9158, Amarillo, Tex. 79105.
B. Outdoor Advertising Association of America, Inc., 1660 L Street NW., Suite 215–16, Washington, D.C. 20036.

A. Karen Johnson, 1841 Ontario Place NW., No. 4, Washington, D.C. 20009.
B. Women's Lobby, 201 Massachusetts Avenue NE., Washington, D.C. 20002.

A. Spencer A. Johnson, Paperboard Packaging Council, 1800 K Street NW., Suite 600, Washington, D.C. 20006.
B. Paperboard Packaging Council, 1800 K Street NW., Suite 600, Washington, D.C. 20006.

A. John W. Johnstone, Jr., Airco Alloys, 3801 Highland Avenue, Niagara Falls, N.Y. 14305.
B. Airco Alloys, 3801 Highland Avenue, Niagara Falls, N.Y. 14305.

A. Jones, Day, Reavis & Pogue, 1100 Connecticut Avenue NW., Suite 1200, Washington, D.C. 20036.
B. Associated Gas Distributors, 1100 Connecticut Avenue NW., Suite 1200, Washington, D.C. 20036.

A. William R. Joyce, Jr., Vance & Joyce, Suite 520, 1701 Pennsylvania Avenue NW., Washington, D.C. 20006.
B. Vance & Joyce, Suite 520, 1701 Pennsylvania Avenue NW., Washington, D.C. 20006.

A. Irving K. Kaler, Kaler, Lefkoff, Pike & Fox, Suite 2101, 100 Colony Square, 1175 Peachtree NE., Atlanta, Ga. 30361.
B. Outdoor Advertising Association of America, Inc., 1660 L Street NW., Suite 215–16, Washington, D.C. 20036.

A. Candace Sue Kasper, 4525 Sylvester No. 207, Dallas, Tex. 75219.
B. Doctors for the Equal Rights Amendment, P.O. Box 19531, Dallas, Tex. 75219.

A. Kristina Kiehl, 8720 Milford Avenue, Silver Spring, Md. 20910.
B. Women's Lobby, Inc., 201 Massachusetts Avenue NE., Washington, D.C. 20003.

A. Gibson Kingren, Group Health Association of America, Inc., 1717 Massachusetts Avenue NW., No. 701, Washington, D.C. 20036.
B. Group Health Association of America, Inc., 1717 Massachusetts Avenue NW., Washington, D.C. 20036.

A. Arthur E. Klauser, Dow Corning Corp., 1800 M Street NW., Suite 710 South, Washington, D.C. 20036.
B. Dow Corning Corp., Midland, Mich. 48640.

A. Christiann L. Klein, National Organization for Women, 425 13th Street NW., Washington, D.C. 20004.
B. National Organization for Women, 425 13th Street NW., Washington, D.C. 20004.

A. Keith LeVern Kline, 330 Pennsylvania Avenue SE., Washington, D.C. 20003.
B. Sierra Club, 530 Bush Street, San Francisco, Calif. 94108.

A. Bart Koehler, The Wilderness Society, Box 1184, Cheyenne, Wyo.
B. The Wilderness Society, 1901 Pennsylvania Avenue NW., Washington, D.C. 20006.

A. Louis C. Kramp & Associates, 1819 H Street NW., Washington, D.C. 20006.
B. Servicemaster Industries, Inc., 2300 Warrenville Road, Downers Grove, Ill. 60515.

A. Raymond R. Krause, 1700 Pennsylvania Avenue NW., Washington, D.C. 20006.
B. Pfizer, Inc., 235 East 42d Street, New York, N.Y. 10017.

A. Krivit & Krivit, 101 Duddington Place SE., Washington, D.C. 20003.
B. City of Camden, N.J.; City of Bridgeport, Conn.; Gloucester County, N.J.; and CETA-Hudson County Consortium.

A. L. Wayne Krug, 461 South Boylston Street, Los Angeles, Calif. 90017.
B. Union Oil Co. of California, 461 South Boylston Street, Los Angeles, Calif. 90017.

A. Philip A. Lacovara, Hughes, Hubbard & Reed, 1660 L Street NW., Washington, D.C. 20036.
B. Pfizer, Inc., 1700 Pennsylvania Avenue NW., Washington, D.C. 20006.

A. Walter B. Laessig, 1101 17th Street NW., Suite 700, Washington, D.C. 20036.
B. National Association of Real Estate Investment Trusts, 1101 17th Street, Suite 700, Washington, D.C. 20036.

A. Thomas M. Landin, 1150 Connecticut Avenue NW., Suite 310, Washington, D.C. 20036.
B. SmithKline Corp., 1500 Spring Garden Street, Philadelphia, Pa. 19101.

A. Duncan Lane, Jr., 1231 25th Street N.W., Washington, D.C. 20037.
B. Bureau of National Affairs, Inc., 1231 25th Street NW., Washington, D.C. 20037.

A. Lawrence C. Laser, Cities Service Co., 1660 L Street NW., Suite 207, Washington, D.C. 20036.
B. Cities Service Co., 1660 L Street NW., Suite 207, Washington, D.C. 20036.

A. Terry R. Lash, 2345 Yale Street, Palo Alto, Calif. 94306.
B. Natural Resources Defense Council, Inc., 2345 Yale Street, Palo Alto, Calif. 94306.

A. John W. League, c/o Tom B. Cunningham, Sr., Rural Route No. 5, Darlington, S.C. 29532.
B. National Association of Farmer Elected Committeemen, c/o Tom B. Cunningham, Sr., Rural Route No. 5, Darlington, S.C. 29532.

A. Richard A. Leahy, David L. Babson & Co., Inc., 1 Boston Place, Boston, Mass. 02108.
B. Investment Counsel Association of America, Inc., 127 East 59th Street, New York, N.Y. 10022.

A. Will E. Leonard, 900 17th Street NW., Suite 714, Washington, D.C. 20006.
B. Universal Leaf Tobacco Co., Inc., Hamilton Street at Broad, Richmond, Va. 23260.

A. Richard L. Lesher, Chamber of Commerce of the United States, 1615 H Street NW., Washington, D.C. 20062.
B. Chamber of Commerce of the United States, 1615 H Street NW., Washington, D.C. 20062.

A. Gilbert B. Lessenco, Wilner & Scheiner, 2021 L Street NW., Washington, D.C. 20036.
B. General Mills, Inc., 9200 Wayzata Boulevard, Minneapolis, Minn. 55440.

A. Leva, Hawes, Symington, Martin & Oppenheimer, 815 Connecticut Avenue NW., Washington, D.C. 20006.
B. Committee of Producers of High Carbon Ferrochromium.

A. Leva, Hawes, Symington, Martin & Oppenheimer, 815 Connecticut Avenue NW., Washington, D.C.

B. Glass Packaging Institute, 1800 K Street NW., Washington, D.C. 20006.

A. William C. Lienesch, 4927 Manitoba Drive, Alexandria, Va. 22312.
B. National Parks and Conservation Association, 1701 18th Street NW., Washington, D.C. 20009.

A. Eric D. Lindeman, 3251 Old Lee Highway, Suite 501, Fairfax, Va. 22030.
B. National Limestone Institute, Inc., Suite 501, 3251 Old Lee Highway, Fairfax, Va. 22030.

A. Linton, Mields, Reisler & Cotton, 1015 18th Street NW., Suite 200, Washington, D.C. 20036.
B. The Metropolitan District, Hartford Plaza, P.O. Box 800, Hartford, Conn. 06101.

A. Charles B. Lipsen, Cramer, Visser, Lipsen & Smith, 475 L'Enfant Plaza SW., Suite 4100, Washington, D.C. 20024.
B. Cramer, Visser, Lipsen & Smith (for Institute of Signage Research, 541 University Avenue, Palo Alto, Calif. 94301), 475 L'Enfant Plaza SW., Suite 4100, Washington, D.C. 20024.

A. Livestock Marketing Association, 4900 Oak Street, Kansas City, Mo. 64112.

A. Alan G. Macdonald, Suite 700, 1025 Connecticut Avenue NW., Washington, D.C. 20036.
B. Gulf Oil Corp., P.O. Box 1166, Pittsburgh, Pa. 15230.

A. Pamela MacEwan, 311 Maryland Avenue NE., No. 3, Washington, D.C. 20002.
B. Women's Lobby, Inc., 201 Massachusetts Avenue NE., Washington, D.C. 20002.

A. A. Everette MacIntyre, Room 710, 1900 L Street NW., Washington, D.C. 20036.
B. Grocery Manufacturers of America, Inc., 1425 K Street NW., Suite 900, Washington, D.C. 20005.

A. James M. MacLeod, 101 Pleasant Street SW., Vienna, Va. 22180.

A. James B. Magnor, National Airlines, Inc., 1025 Connecticut Avenue NW., Washington, D.C. 20036.
B. National Airlines, Inc., P.O. Box 592055 AMF, Miami, Fla. 33159.

A. W. Terry Maguire, National Newspaper Association, 1627 K Street NW., Washington, D.C. 20006.
B. National Newspaper Association, 1627 K Street NW., Suite 400, Washington, D.C. 20006.

A. Marine Engineers' Beneficial Association, AFL–CIO, District No. 1, Pacific Coast District, 444 North Capitol Street, Suite 800, Washington, D.C. 20001.

A. Ernest C. Marty, 1/40 Waters Road, Cremorne 2090, Australia.
B. Amalgamated Wireless (Australasia) Ltd., 32 York Street, Sydney, Australia.

A. Judith Marty, 1/40 Waters Road, Cremore 2090, Australia.
B. Amalgamated Wireless (Aust'Asia) Ltd., 32 York Street, Sydney 2000, Australia.

A. Margaret H. Mason, National Organization for Women, 425 13th Street NW., Washington, D.C. 20004.
B. National Organization for Women, 415 13th Street NW., Washington, D.C. 20004.

A. William F. Massmann, Dr. Pepper Co., P.O. Box 225086, Dallas, Tex. 75265.
B. Dr. Pepper Co., P.O. Box 225086, Dallas, Tex. 75265.

A. Robert E. Mayer, States Steamship Co., 320 California Street, San Francisco, Calif. 94104.
B. States Steamship Co., 320 California Street, San Francisco, Calif. 94104.

A. Mays, Valentine, Davenport & Moore, 910 17th Street NW., Washington, D.C. 20006.
B. Grocery Manufacturers of America, Suite 900, 1425 K Street NW., Washington, D.C. 20005.

A. John A. McCahill, 2033 M Street NW., Suite 701, Washington, D.C. 20036.
B. United States Olympic Committee, 57 Park Avenue, New York, N.Y. 10017.

A. McClure & Trotter, 1100 Connecticut Avenue NW., Suite 600, Washington, D.C. 20036.
B. Allied Capital Corp., 1625 I Street NW., Suite 603, Washington, D.C. 20006.

A. Francis O. McDermott, 1750 K Street NW., Suite 1110, Washington, D.C. 20006.
B. Bal Cor Co., 10024 Skokie Boulevard, Skokie, Ill. 60077.

A. Francis O. McDermott, 1750 K Street NW., Suite 1110, Washington, D.C. 20006.
B. JMB Realty Corp., 875 North Michigan Avenue, Suite 3804, Chicago, Ill. 60611.

A. James M. McGarry, Jr., 1750 K Street NW., Washington, D.C. 20006.
B. Eaton Associates, Inc., 1750 K Street NW., Washington, D.C. 20006.

A. Ruth G. McGill, 5437 Druid Lane, Dallas, Tex. 75209.
B. Doctors for the Equal Rights Amendment (E.R.A.), P.O. Box 19531, Dallas, Tex. 75219.

A. Jerome J. McGrath, Interstate Natural Gas Association of America, 1660 L Street NW., Suite 601, Washington, D.C. 20036.
B. Interstate Natural Gas Association of America, 1660 L Street NW., Suite 601, Washington, D.C. 20036.

A. Walter McHugh, American Hospital Association, 444 North Capitol Street NW., No. 500, Washington, D.C.
B. American Hospital Association, 840 North Lake Shore Drive, Chicago, Ill. 60611.

A. Michael R. McLeod, 1776 F Street NW., Suite 108, Washington, D.C. 20006.
B. Florida Sugar Cane League, Inc., P.O. Box 1148, Clewiston, Fla. 33440.

A. Michael R. McLeod, 1776 F Street NW., No. 108, Washington, D.C. 20006.
B. National Cattlemen's Association, 1001 Lincoln Street, Denver, Colo. 80201.

A. Michael R. McLeod, 1776 F Street NW., No. 108, Washington, D.C. 20006.
B. United Egg Producers, 3951 Snapfinger Parkway, Suite 580, Decatur, Ga. 30032.

A. Paula V. McMartin, Physicians National Housestaff Association, 1625 L Street NW., Washington, D.C. 20016.
B. Physicians National Housestaff Association, 1625 L Street NW., Washington, D.C. 20016.

A. McNutt, Dudley, Easterwood & Losch, 910 17th Street NW., Washington, D.C. 20006.
B. Northville Industries Corp., Suite 4C01, 1 Huntington Quadrangle, Huntington Station, N.Y. 11746; and Port of Galveston (Galveston Wharves), P.O. Box 328, Galveston, Tex.

A. Robert McVicker, 2421 Cavendish Drive, Alexandria, Va. 22308.
B. Kollsman Instrument Co., Division of Sun Chemical Corp., Daniel Webster Highway South, Merrimack, N.H. 03054.

A. Meat Price Investigators Association, P.O. Box 66, Des Moines, Iowa 50301.

A. Harold Mercer, Airco Alloys, 3801 Highland Avenue, Niagara Falls, N.Y. 14305.
B. Airco Alloys, 3801 Highland Avenue, Niagara Falls, N.Y. 14305.

A. Edward L. Merrigan, 6000 Connecticut Avenue, Washington, D.C. 20015.
B. National Council of Farmer Cooperatives, 1129 20th Street NW., Washington, D.C. 20006.

A. Charles J. Micoleau, 1 Canal Plaza, Portland, Maine 04112.
B. Pfizer, Inc., 1700 Pennsylvania Avenue NW., Washington, D.C. 20006.

A. Joy Midman, National Association of Private Psychatric Hospitals, 1701 K Street NW., No. 1205, Washington, D.C. 20006.
B. National Association of Private Psychiatric Hospitals, 1701 K Street NW., No. 1205, Washington, D.C. 20006.

A. Miller & Chevalier, 1700 Pennsylvania Avenue NW., Washington, D.C. 20006.
B. DECQ Committee, P.O. Box 5551, Beverly Hills, Calif. 90210.

A. Miller & Chevalier, 1700 Pennsylvania Avenue NW., Washington, D.C. 20006.
B. Lockheed Corp., Burbank, Calif. 91520.

A. R. Eric Miller, 1620 I Street NW., Suite 703, Washington, D.C. 20006.
B. Bechtel Corp., 1620 I Street NW., Suite 703, Washington, D.C. 20006.

A. Millman Broder and Curtis, 1730 M Street NW., Suite 908, Washington, D.C. 20036.
B. American Brotherhood for the Blind, 524 Fourth Street, Des Moines, Iowa 50309.

A. Edward J. Milne, Jr., 1140 Connecticut Avenue NW., Washington, D.C. 20036.
B. National Association of Electric Cos., 1140 Connecticut Avenue NW., Room 1010, Washington, D.C. 20036.

A. Donald Craig Mitchell, 1601 F Street Anchorage, Alaska 99501; 510 A Street, Washington, D.C. 20002.
B. Alaska Federation of Natives, 550 West Eighth Avenue, Anchorage, Alaska 99501.

A. Phillip W. Moery, 612 East Capitol, No. 2, Washington, D.C. 20003.
B. Surrey, Karasik & Morse, 1156 15th Street NW., Washington, D.C. 20005 (for Westway Trading Corp.).

A. Moss, Frink & Franklin, Watergate Six Hundred, Suite 480, Washington, D.C. 20037.
B. KUTV, Inc., 179 Social Hall Avenue, Salt Lake City, Utah 84111.

A. Moss, Frink & Franklin, Watergate Six Hundred, Suite 480, Washington, D.C. 20037.
B. Ogden Standard-Examiner, P.O. Box 951, Ogden, Utah 84402.

A. Moss Frink & Franklin, Watergate Six Hundred, Suite 480, Washington, D.C. 20037
B. Radwaste Management Group, 1800 M Street NW., Washington, D.C. 20036.

A. Moss Frink & Franklin, Watergate Six Hundred, Suite 480, Washington, D.C. 20037.
B. Sunsat Energy Council, Watergate Six Hundred, Suite 480, Washington, D.C. 20037.

A. Motor Vehicle Manufacturers Association of the United States, Inc., 300 New Center Building, Detroit, Mich. 48202.

A. Nicholas Mottern, R.F.D. Millwood, Va. 22646.
B. Food Policy Center, 538 Seventh Street SE., Washington, D.C. 20003.

A. Perry Moyle, The Wilderness Society, 518½ Main Street, Grand Junction, Colo. 81501.

B. The Wilderness Society, 1901 Pennsylvania Avenue NW., Washington, D.C. 20006.

A. Murdoch & Walsh, P.O. Box 949, Wilmington, Del. 19899.

B. The Group, Inc., Box 949, Wilmington, Del. 19899.

A. Daniel Patrick Murphy, II, SAMA, 1140 Connecticut Avenue NW., No. 610, Washington, D.C. 20036.

B. Scientific Apparatus Makers Association (SAMA), 1140 Connecticut Avenue NW., No. 610, Washington, D.C. 20036.

A. Edward E. Murray, 854 National Press Building, Washington, D.C. 20045.

B. National Pleasure Boat Owners Association, 325 Pennsylvania Avenue SE., Washington, D.C. 20003.

A. National Association of Pension Consultants & Administrators, Inc., 151 Ellis Street, Atlanta, Ga. 30303.

A. National Association of Real Estate Association of Real Estate Investment Trusts, 1101 17th Street NW., Washington, D.C. 20036.

A. National Committee For Citizens In Education, Suite 410, Wilde Lake Village Green, Columbia, Md. 21044.

A. National Newspaper Association, 1627 K Street NW., Suite 400, Washington, D.C. 20006.

A. National Organization for Women, 425 13th Street NW., Washington, D.C.

A. New England Fish Co., Pier 89, Seattle, Wash. 98119.

A. John B. Nicholson, 1101 17th Street NW., Suite 700, Washington, D.C. 20036.

B. National Association of Real Estate Investment Trusts. 1101 17th Street, Suite 700, Washington, D.C. 20036.

A. Stewart E. Niles, Jones, Walker, Waechter, Poitevent Carrere, and Denegre, 225 Baronne Street, New Orleans, La.

B. Shipbuilders Council of America, 600 New Hampshire Avenue NW., Washington, D.C. 20037.

A. 19th Pro-Life Congressional District Action Committee, c/o Norbert H. Riegel, 409 North Third Street, Lompoc, Calif. 93436.

A. Franklin W. Nutter, 1025 Connecticut Avenue NW., Washington, D.C. 20036.

B. Reinsurance Association of America, 1025 Connecticut Avenue NW., Washington, D.C. 20036.

A. Mary Eileen O'Brien. Dow Corning Corp., 1800 M Street NW., Suite 710 South, Washington, D.C. 20036.

B. Dow Corning Corp., Midland, Mich. 48640.

A. O'Connor & Hannan, 1747 Pennsylvania Avenue NW., Suite 600, Washington, D.C. 20006.

B. National Association of Independent Lumbermen, 1747 Pennsylvania Avenue NW., Suite 600, Washington, D.C. 20006.

A. Leonard F. O'Connor, The First National Bank of Boston, 100 Federal Street, Boston, Mass. 02110.

B. The First National Bank of Boston, 100 Federal Street, Boston, Mass. 02110.

A. John F. O'Neal, Law Offices of John F. O'Neal, 600 New Hampshire Avenue NW., Suite 952, Washington, D.C. 20037.

B. International Precious Metals Corp., 6451 North Federal Highway No. 1101, Fort Lauderdale, Fla. 33308.

A. J. Denis O'Toole, American Bankers Association, 1120 Connecticut Avenue NW., Washington, D.C. 20036.

B. American Bankers Association, 1120 Connecticut Avenue NW., Washington, D.C. 20036.

A. Pacific Seafood Processors Association, 1600 South Jackson Street, Seattle, Wash. 98144.

A. Scootch Pankonin, 1010 16th Street NW., Suite 700, Washington, D.C. 20036.

B. Inland Forest Resource Council, 320 Savings Center Building, Missoula, Mont. 59801.

A. Scootch Pankonin, 1010 16th Street NW., Suite 700, Washington, D.C. 20515.

B. Slurry Transport Association, 490 L'Enfant Plaza East SW., Suite 3210, Washington, D.C. 20024.

A. Carl A. Parker, 449 Stadium Road, Port Arthur, Tex.

B. Government of Republic of Liberia, Monrovia, Liberia.

A. Lynn Parker, Food Research and Action Center, 2011 I Street NW., Suite 700, Washington, D.C. 20006.

B. Food Research and Action Center, 2011 I Street NW., Suite 700, Washington, D.C.

A. Pass 1010 Committee, Suite 310, 165 West 46th Street, New York, N.Y. 10036.

A. Patton, Boggs & Blow, 1200 17th Street NW., Washington, D.C. 20036.

B. General Mills Corp., 9200 Wayzata Boulevard, Minneapolis, Minn. 55426.

A. Patton, Boggs & Blow, 1200 17th Street NW., Washington, D.C. 20036.

B. Pillsbury Corp., 608 Second Avenue South, Minneapolis, Minn. 55402.

A. Patton, Boggs & Blow, 1200 17th Street NW., Washington, D.C. 20036.

B. St. Joe Minerals Corp., 1730 Rhode Island Avenue NW., Suite 911, Washington, D.C. 20036.

A. Steve Payne, The Wilderness Society, P.O. Box 3187, Duluth, Minn. 55803.

B. The Wilderness Society, 1901 Pennsylvania Avenue NW., Washington, D.C. 20006.

A. Peabody, Rivlin, Lambert & Meyers, 1150 Connecticut Avenue NW., Washington, D.C. 20036.

B. Tuna Research Foundation, 1101 17th Street NW., Washington, D.C. 20036.

A. Pendleton & McLaughlin, 888 17th Street NW., Suite 700, Washington, D.C. 20006.

B. Canned & Cooked Meat Importers' Association, 888 17th Street NW., Suite 700, Washington, D.C. 20006.

A. John P. Perrin, 1611 North Kent Street, Suite 803A, Arlington, Va. 22209.

B. American Osteopathic Association, 1611 North Kent Street Suite 803A, Arlington, Va. 22209.

A. Physicians National Housestaff Association, 1625 L Street NW., Washington, D.C. 20036.

A. Pierce, Atwood, Scribner, Allen, Smith & Lancaster, 1 Monument Square, Portland, Maine 04101.

B. Great Northern Paper Co., 75 Prospect Street, Stamford, Conn. 06901; Dead River Co., 55 Broadway, Bangor, Maine 04401; Baskahegan Co., c/o Milliken & Co., 1045 Sixth Avenue, New York, N.Y. 10018.

A. Grace Pierce, The Wilderness Society, 1901 Pennsylvania Avenue NW., Washington, D.C.

B. The Wilderness Society, 1901 Pennsylvania Avenue NW., Washington, D.C. 20006.

A. Pierson, Ball & Dowd, 1200 18th Street N.W., Washington, D.C. 20036.

B. American Institute of Certified Public Accountants, 1620 I Street NW., Washington, D.C. 20006.

A. Pierson, Ball & Dowd, 1200 18th Street NW., Washington, D.C. 20036.

B. Grocery Manufacturers of America, Inc., 1425 K Street NW., Washington, D.C. 20005.

A. Pierson, Ball & Dowd, 1200 18th Street NW., Washington, D.C. 20036.

B. Securities Industry Association, 490 L'Enfant Plaza East SW., Washington, D.C. 20024.

A. Pierson, Semmes, Crolius, & Finley, 1054 31st Street NW., Washington, D.C. 20007.

B. Independent Refiners' Association of California, 900 Wilshire Boulevard, Los Angeles, Calif. 90048.

A. Rena S. Pies, 1611 North Kent Street, Arlington, Va. 22209.

B. American Footwear Industries Association, 1611 North Kent Street, Arlington, Va. 22209.

A. Robert N. Pitner, 1205 National Press Building, Washington, D.C. 20045.

A. City of Pontiac, Pontiac, Mich.

A. Garry C. Porter, 11356 Southeast Black Road, Olalla, Wash. 98359.

B. The Boeing Co., P.O. Box 3707, Seattle, Wash. 98124.

A. Preston, Thorgrimson, Ellis, Holman & Fletcher, 1776 F Street NW., Suite 201, Washington, D.C. 20006.

B. Citronelle-Mobile Gathering, Inc., 717 First Southern Federal Tower, Mobile, Ala. 36616.

A. Preston, Thorgrimson, Ellis, Holman & Fletcher, 1776 F Street NW., Suite 201, Washington, D.C. 20006.

B. Moore McCormack Resources, Inc., 1 Landmark Square, Stamford, Conn.

A. Preston, Thorgrimson, Ellis, Holman & Fletcher, 1776 F Street NW., Suite 201, Washington, D.C. 20006.

B. Seatrain Lines, Inc., 1 Chase Manhattan Plaza, New York, N.Y. 10005.

A. Preston, Thorgrimson, Ellis, Holman & Fletcher, 1776 F Street NW., Suite 201, Washington, D.C. 20006.

B. Transportation Institute, 923 15th Street NW., Washington, D.C. 20005.

A. Patricia Pride, Financial Accounting Standards Board, 1100 17th Street NW., Washington, D.C. 20036.

B. Financial Accounting Standards Board, High Ridge Park, Stamford, Conn. 06905.

A. Pro-Life/Congressional District 11, P.O. Box 727, San Carlos, Calif. 94070.

A. Robert N. Pyle, Independent Bakers Association, P.O. Box 3731, Washington, D.C. 20007.
B. Independent Bakers Association, P.O. Box 3731, Washington, D.C. 20007.

A. Wm. J. Randall, Suite 821, 1515 Jefferson Davis Highway, Arlington, Va. 22202.
B. United States Railway Association; city of Independence, Mo.; Peoples Republic of Benin.

A. Lola Redford, 1125 Fifth Avenue, New York, N.Y. 10028.
B. Consumer Action Now, 317 Pennsylvania Avenue SE., Washington, D.C. 20003.

A. John H. Reed, 444 North Capitol Street NW., Washington, D.C. 20001.
B. Associated Builders and Contractors, Inc., 444 North Capitol Street NW., No. 409, Washington, D.C. 20001.

A. Anne Regenstein, 2920 Upton Street NW., Washington, D.C.
B. Women's Lobby, Inc., 201 Massachusetts Avenue SE., Washington, D.C.

A. Murray P. Reiser, 73 Tremont Street, Boston, Mass. 02108.
B. Edward Blankstein, Inc., Research Park, Princeton, N.J.

A. Grace Ellen Rice, American Farm Bureau Federation, 425 13th Street NW., Washington, D.C. 20004.
B. American Farm Bureau Federation, 225 Touhy Avenue, Park Ridge, Ill.

A. John P. Richardson, National Association of Arab Americans, 1825 Connecticut Avenue NW., No. 211, Washington, D.C. 20009.
B. National Association of Arab Americans, 1825 Connecticut Avenue NW., No. 211, Washington, D.C. 20009.

A. Cary Ridder, 317 Pennsylvania Avenue SE., Washington, D.C. 20003.
B. Environmental Policy Center, 317 Pennsylvania Avenue SE., Washington, D.C. 20003.

A. Paula Roberts, Food Research and Action Center, 2011 I Street, NW., Suite 700, Washington, D.C. 20006.
B. Food Research and Action Center, 2011 I Street, NW., Suite 700, Washington, D.C. 20006.

A. Margaret Rogers, Printing Industries of America, Inc., 1730 North Lynn Street, Arlington, Va. 22209.
B. Printing Industries of America, Inc., 1730 North Lynn Street, Arlington, Va. 22209.

A. Rogers & Wells, 1666 K Street NW., Washington, D.C. 20006.
B. Squibb Corp., 40 West 57 Street, New York, N.Y. 10019.

A. Rogers & Wells, 1666 K Street NW., Washington, D.C. 20006.
B. Teachers Insurance and Annuity Association/College Retirement Equities Fund, 730 Third Avenue, New York, N.Y. 10017.

A. Alan J. Roth, Spiegel & McDiarmid, 2600 Virginia Avenue NW., Washington, D.C. 20037.
B. Fort Pierce Utilities Authority of the city of Fort Pierce, Gainesville-Aluchua County Regional Electric Water and Sewer Utilities; Sebring Utilities Commission, cities of Homestead, Kissmmee, Lakeland, Starke, Tallahassee, Fla.

A. Donald M. Rubel, 3889 North 30th Street, Arlington, Va. 22207.

A. Michael Sandifer, Food Research and Action Center, 2011 I Street NW., Suite 700, Washington, D.C. 20006.
B. Food Research and Action Center, 2011 I Street, NW., Suite 700, Washington, D.C. 20006.

A. Herbert Y. Schandler, 475 L'Enfant Plaza SW., Suite 4400, Washington, D.C. 20024.
B. American League for International Security Assistance, Inc., 475 L'Enfant Plaza SW., Suite 4400, Washington, D.C. 20024.

A. Kenneth I. Schaner, Leva, Hawes, Symington, Martin & Oppenheimer, 815 Connecticut Avenue NW., Washington, D.C. 20006.
B. Leva, Hawes, Symington, Martin & Oppenheimer, 1700 K Street NW., Suite 605, Washington, D.C. (for National Association for Hospital Development).

A. Jay T. Scheck, Jr., Ford Motor Co., 815 Connecticut Avenue NW., Washington, D.C. 20006.
B. Ford Motor Co., The American Road, Dearborn, Mich. 48121.

A. Denise Schlener, The Wilderness Society, 1901 Pennsylvania Avenue NW., Washington, D.C. 20006.
B. The Wilderness Society, 1901 Pennsylvania Avenue NW., Washington, D.C. 20006.

A. Anne Schmitt, 10601 Wise Owl Way, Great Falls, Va. 22066.
B. Women's Lobby, 201 Massachusetts Avenue NE., Washington, D.C. 20002.

A. Andy Schneider, National Health Law Program, Inc., 1200 15th Street NW., Room 503, Washington, D.C. 20005.
B. The National Health Law Program, Inc., 2401 Main Street, Santa Monica, Calif. 90405.

A. John M. Schobel, Jr., New York Coffee & Sugar Exchange, Inc., 4 World Trade Center, New York, N.Y. 10048.
B. New York Coffee & Sugar Exchange, Inc., 4 World Trade Center, New York, N.Y. 10048.

A. Peter Scholes, The Wilderness Society, 1901 Pennsylvania Avenue NW., Washington, D.C. 20006.
B. The Wilderness Society, 1901 Pennsylvania Avenue NW., Washington, D.C. 20006.

A. Deborah K. Sease, The Wilderness Society, 1901 Pennsylvania Avenue NW., Washington, D.C. 20006.
B. The Wilderness Society, 1901 Pennsylvania Avenue NW., Washington, D.C. 20006.

A. David Seldner, 1155 15th Street NW., No. 713, Washington, D.C. 20005.
B. American Consulting Engineers Council, 1155 15th Street NW., No. 713, Washington, D.C. 20005.

A. Stanley E. Senner, SR Box 30481, Fairbanks, Alaska 99701.
B. The Wilderness Society, 1901 Pennsylvania Avenue NW., Washington, D.C. 20006.

A. Servicemaster Industries, Inc., 2300 Warrenville Road, Downers Grove, Ill. 60515.

A. Barbara J. Shailor, 1300 Connecticut Avenue NW., Washington, D.C. 20036.
B. International Association of Machinists & Aerospace Workers, 1300 Connecticut Avenue NW., Washington, D.C. 20036.

A. David C. Sharman, 1100 17th Street NW., Suite 1000, Washington, D.C. 20036.
B. U-Haul International, Inc., 2727 North Central Avenue, Phoenix, Ariz. 85004.

A. John H. Sharon, 1800 M Street NW., Washington, D.C. 20036.
B. Mauritius Sugar Syndicate, Mauritius Chamber of Agriculture, Plantation House, Place d'Armes, Port Louis, Mauritius.

A. Shaw, Pittman, Potts & Trowbridge, 1800 M Street NW., Washington, D.C. 20036.
B. American Childrens' Citizenship Rights League (ACCRL), 157 Route du Grand-Lancy, 1213 ONEX, Geneva, Switzerland and Samuel Cummings, P.O. Box 88, Monte Carlo, Monaco.

A. Shaw, Pittman, Potts & Trowbridge, 1800 M Street NW., Washington, D.C. 20036.
B. Emerson Electric Co., 8100 Florissant, St. Louis, Mo. 63136.

A. Dale Sherwin, 888 17th Street NW., 902, Washington, D.C. 20006.
B. A. E. Staley Manufacturing Co., 2200 Eldorado Street, Decatur. Ill. 62525.

A. Mark A. Siegel, 12614 Laurie Drive, Silver Spring, Md. 20904.
B. Tadco Enterprises, 1625 I Street NW., Suite 1009, Washington, D.C. 20006.

A. David A. Skedgell, American Gas Association, 1515 Wilson Boulevard, Arlington, Va. 22209.
B. American Gas Association, 1515 Wilson Boulevard, Arlington, Va. 22209.

A. William J. Skinner, 815 15th Street NW., Washington, D.C. 20005.
B. American Association of Colleges of Pharmacy, 4630 Montgomery Avenue, Bethesda, Md. 20014.

A. William J. Skinner, 815 15th Street NW., Washington, D.C. 20005.
B. U.S. Pharmacopeial Convention, Inc., 12601 Twinbrook Parkway, Rockville, Md. 20852.

A. Douglas J. Smith, Cramer, Visser, Lipsen & Smith, 475 L'Enfant Plaza SW., Suite 410, Washington, D.C. 20024.
B. Cramer, Vissar, Lipsen & Smith (for Institute of Signage Research, 541 University Avenue, Palo Alto, Calif. 94301), 475 L'Enfant Plaza SW., Suite 4100, Washington, D.C. 20024.

A. Randall D. Snodgrass, The Wilderness Society, 3110 Maple Drive, Suite 407, Atlanta, Ga. 30305.
B. The Wilderness Society, 1901 Pennsylvania Avenue NW., Washington, D.C. 20006.

A. Snyder & Ball Associates, Inc., 1600 Wilson Boulevard, No. 720, Arlington, Va. 22209.
B. Gould, Inc., 10 Gould Center, Rolling Meadows, Ill. 60008.

A. Janice N. Somers, National Federation of Independent Business.
B. National Federation of Independent Business, 490 L'Enfant Plaza East SW., Suite 3206, Washington, D.C. 20024.

A. Caren C. Steadman, 316 Pennsylvania Avenue SE., Washington, D.C.
B. American Conservative Union, 316 Pennsylvania Avenue SE., No. 400, Washington, D.C. 20003.

A. Steptoe & Johnson, 1250 Connecticut Avenue NW., Washington, D.C. 20036.
B. Robert College of Istanbul, Turkey, 380 Madison Avenue, New York, N.Y. 10017.

A. Elliot J. Stern, American Health Planning Association, 2560 Huntington Avenue, Suite 305, Alexandria, Va. 22303.
B. American Health Planning Association, 2560 Huntington Avenue, Suite 305, Alexandria, Va. 22303.

A. Art Stewart, P.O. Box 5308, Denver, Colo. 80217.
B. Great Western Sugar Co., P.O. Box 5308, Denver, Colo. 80217.

A. Stroock & Stroock & Lavan, 1150 17th Street NW., Washington, D.C. 20036.
B. Patsy Perry, 70 Glen Cove Road, Roslyn Heights, N.Y.

A. Sullivan & Cromwell, 125 Broad Street, New York, N.Y. 10004; 1775 Pennsylvania Avenue NW., Washington, D.C. 20006.
B. Investment Company Institute, 1775 K Street NW., Washington, D.C. 20006.

A. Surrey, Karasik & Morse, 1156 15th Street NW., Washington, D.C. 20005.

A. Surrey, Karasik & Morse, 1156 15th Street NW., Suite 1200, Washington, D.C. 20005.
B. Westway Trading Corp., 464 Hudson Terrace, Englewood Cliffs, N.J. 07632.

A. Sutherland, Asbill & Brennan, 1666 K Street NW., Washington, D.C. 20006.
B. The Lincoln National Life Insurance Co., 1300 South Clinton Street, Fort Wayne, Ind. 46801.

A. Sutherland, Asbill & Brennan, 1666 K Street NW., Washington, D.C. 20006.
B. Estate of Cartter Lupton, c/o Miller & Martin, Volunteer State Life Building, Chattanooga, Tenn. 37402.

A. Sutherland, Asbill & Brennan, 1666 K Street NW., Washington, D.C. 20006.
B. The Northwestern Mutual Life Insurance Co., 720 East Wisconsin Avenue, Milwaukee, Wis. 53202.

A. Sutherland, Asbill & Brennan, 3100 First National Bank Tower, Atlanta, Ga. 30303 and 1666 K Street NW., Washington, D.C. 20006.
B. Oglethorpe Electric Membership Corp., 3951 Snapfinger Parkway, Decatur, Ga. 30035.

A. Rosemarie Sweeney, 1659 32d Street NW., Washington, D.C. 20007.
B. American Osteopathic Association, 1611 North Kent Street, Suite 803A, Arlington, Va. 22209.

A. Robert Taft, Jr., 1150 Connecticut Avenue NW., Washington, D.C. 20036.
B. Taft, Stettinius & Hollister, Dixie Terminal Building, Cincinnati, Ohio 45202 and Capitol Hill Hospital, c/o Williamson, 1701 K Street NW., Washington, D.C. 20006.

A. Robert Taft, Jr., 1150 Connecticut Avenue NW., Washington, D.C. 20036.
B. Taft, Stettinius & Hollister, Dixie Terminal Building, Cincinnati, Ohio 45202 and Grocery Manufacturers of America, Inc., 1425 K Street NW., Washington, D.C. 20005.

A. Angelo Tarallo, Airco, Inc., 85 Chestnut Ridge Road, Montvale, N.J. 07645.
B. Airco, Inc., 85 Chestnut Ridge Road, Montvale, N.J. 07645.

A. Robert P. Terzian, 1140 Connecticut Avenue NW., Suite 1010, Washington, D.C. 20036.
B. National Association of Electric Cos., 1140 Connecticut Avenue NW., Suite 1010, Washington, D.C. 20036.

A. 34th Pro-Life Congressional District Action Committee, 4158 Quigley Avenue, Lakewood, Calif. 90713.

A. 32d Congressional District Action Committee, 1245 Ash Bridge Avenue, Harbor City, Calif. 90710.

A. Robert L. Thomas, National Association of Private Psychiatric Hospitals, 1701 K Street NW., No. 1205, Washington, D.C., 20006.
B. National Association of Private Psychiatric Hospitals, 1701 K Street NW., No. 1205, Washington, D.C. 20006.

A. Timmons & Co., Inc., 1776 F Street NW., Washington, D.C. 20006.
B. Major League Baseball, 75 Rockefeller Plaza, New York, N.Y. 10019.

A. Transportation Institute, 923 15th Street NW., Washington, D.C. 20005.

A. Paula C. Treat, National Home Furnishings Association, 1025 Vermont Avenue NW., Washington, D.C. 20005.
B. National Home Furnishings Association, 405 Merchandise Mart, Chicago, Ill. 60654.

A. 22d Congressional District Action Committee, 724 Andover Drive, Burbank, Calif. 91504.

A. G. John Tysse, Chamber of Commerce of the United States, 1615 H Street NW., Washington, D.C. 20062.
B. Chamber of Commerce of the United States, 1615 H Street NW., Washington, D.C. 20062.

A. United Effort Trust, 1430 K Street NW., Washington, D.C. 20005.

A. U.S. Merchant Marine Academy Alumni Association, Inc. (Kings Point Fund, Inc.), Kings Point, N.Y. 11024.

A. Van Ness, Feldman & Sutcliffe, 1220 19th Street NW., Suite 550, Washington, D.C. 20036.
B. Delaware & Hudson Railway Co., Albany, N.Y. 12207.

A. Van Ness, Feldman & Sutcliffe, 1220 19th Street NW., Suite 500, Washington, D.C. 20036.
B. Huntington's Disease Coalition, 250 West 57th Street, New York, N.Y. 10019.

A. Vance & Joyce, Suite 520, 1701 Pennsylvania Avenue NW., Washington, D.C. 20006.
B. Embassy of Bolivia, 3014 Massachusetts Avenue NW., Washington, D.C. 20008.

A. Sheldon B. Vance, Vance & Joyce, Suite 520, 1701 Pennsylvania Avenue NW., Washington, D.C. 20006.
B. Vance & Joyce, Suite 520, 1701 Pennsylvania Avenue NW., Washington, D.C. 20006.

A. Larry R. Veselka, 1701 Pennsylvania Avenue NW., Washington, D.C. 20006.
B. Vinson & Elkins, 1701 Pennsylvania Avenue NW., Washington, D.C. 20006 (for Bunker Hunt).

A. Wakefield Washington Associates, Inc., 1129 20th Street NW., Washington, D.C. 20036.
B. National Distillers & Chemical Corp., 99 Park Avenue, New York, N.Y. 10016.

A. Johanna H. Wald, 2345 Yale Street, Palo Alto, Calif. 94306.
B. Natural Resources Defense Council, Inc., 2345 Yale Street, Palo Alto, Calif. 94306.

A. Jerome R. Waldie, 100 Indiana Avenue NW., Washington, D.C. 20001.
B. Mineral King District Association, P.O. Box 205, Three Rivers, Calif. 93271.

A. Charls E. Walker Associates, Inc., 1730 Pennsylvania Avenue NW., Washington, D.C. 20006.
B. Getty Oil Co., 3810 Wilshire Boulevard, Los Angeles, Calif. 90010.

A. Charls E. Walker Associates, Inc., 1730 Pennsylvania Avenue NW., Washington, D.C. 20006.
B. ITT, 320 Park Avenue, New York, N.Y. 10022.

A. Don Wallace Associates, Inc., 1707 L Street NW., Suite 540, Washington, D.C. 20036.
B. American Sugar Cane League of the U.S.A., Inc., 416 Whitney Building, New Orleans, La. 70130.

A. Don Wallace Associates, Inc., 1707 L Street NW., Suite 540, Washington, D.C. 20036.
B. American Textile Machinery Association, 1730 M Street NW., Suite 804, Washington, D.C. 20036.

A. John E. Ward, 182 Soundview Avenue, White Plains, N.Y., 10606.
B. Meat Importers Council of America, Inc., 1 Penn Plaza, New York, N.Y. 10001.

A. William J. Way, General Motors Corp., 1660 L Street NW., Washington, D.C. 20036.
B. General Motors Corp., 3044 West Grand Boulevard, Detroit, Mich. 48202.

A. Webster & Sheffield, 1 Rockefeller Plaza, New York, N.Y. 10020 and 1750 New York Avenue NW., Suite 830, Washington, D.C. 20006.
B. City of Northglen, 10701 Melody Drive, Suite 313, Northglen, Colo. 80234.

A. Fred W. Wegner, National Retired Teachers Association/American Association of Retired Persons, 1909 K Street NW., Washington, D.C. 20049.
B. National Retired Teachers Association/American Association of Retired Persons, 1909 K Street NW., Washington, D.C. 20049.

A. W. R. Werner, CertainTeed Corp., 1627 K Street NW., Suite 610, Washington, D.C. 20006.
B. CertainTeed Corp., P.O. Box 860, Valley Forge, Pa. 19482.

A. Phyllis West, National Organization for Women, 425 13th Street NW., Washington, D.C. 20004.
B. National Organization for Women, 425 13th Street NW., Washington, D.C. 20004.

A. Williams & Connolly, 1000 Hill Building, Washington, D.C. 20006.
B. CBS, Inc., 800 M Street NW., Washington, D.C.

A. Williams & Jensen, 1130 17th Street NW., Washington, D.C. 20036.
B. American Quasar Petroleum Co., 2500 Fort Worth National Bank Building, Fort Worth, Tex. 76102.

A. Williams & Jensen, 1130 17th Street NW., Washington, D.C. 20036.
B. Litton Industries, 360 North Crescent Drive, Beverly Hills, Calif. 90210.

A. Williams & Jensen, 1130 17th Street NW., Washington, D.C. 20036.
B. The Pillsbury Co., 608 Second Avenue South, Minneapolis, Minn. 55402.

A. Lee Williams, American Retail Federation, 1616 H Street NW., Washington, D.C. 20006.
B. American Retail Federation, 1616 H Street NW., Washington, D.C. 20006.

A. Thomas C. Williams, 1776 K Street NW., Washington, D.C. 20006.

B. Norfolk & Western Railway Co., P.O. Box 23652, L'Enfant Plaza Station, Washington, D.C. 20024.

A. Allen W. Wills, Memorex Corp., 1970 Chain Bridge Road, McLean, Va. 22102.

B. Memorex Corp., San Tomas at Central Expressway, Santa Clara, Calif. 95052.

A. Winner/Wagner & Associates, Inc., 6535 Wilshire Boulevard, Los Angeles, Calif.

B. Rockwell International, Space Division, 12214 Lakewood Boulevard, Downey, Calif.

A. Karen Winterbottom, 1611 North Kent Street, 803–A, Arlington, Va. 22209.

B. American Osteopathic Association, 1611 North Kent Street, 803–A, Arlington, Va. 22209.

A. Jane Wishner, 2030 M Street NW., Washington, D.C. 20036.

B. Common Cause, 2030 M Street NW., Washington, D.C. 20036.

A. Herman C. Witthaus, General Motors Corp., 1660 L Street NW., Washington, D.C. 20036.

B. General Motors Corp., 3044 West Grand Boulevard, Detroit, Mich. 48202.

A. Carolyn Woolley, 5323 41st Avenue NW., Washington, D.C. 20115.

B. Women's Lobby, 201 Massachusetts Avenue, NE., Washington, D.C.

A. P. Melanie Woolston, 20A Seventh Street, SE., Washington, D.C. 20003.

B. Self-Determination for D.C., 2030 M Street NW., Washington, D.C. 20036.

A. John L. Zorack, Cook & Henderson, 1735 K Street NW., Washington, D.C. 20006.

B. Resource Associates of Alaska, 3230 Airport Way, Fairbanks, Alaska 99701.

A. John L. Zorack, Cook & Henderson, 1735 K Street NW., Washington, D.C. 20006.

B. Time-Critical Shipment Committee.

A. Frances Zwenig, Food Research and Action Center, 2011 I Street NW., Suite 700, Washington, D.C. 20006.

B. Food Research and Action Center, 2011 I Street NW., Suite 700, Washington, D.C. 20006.

QUARTERLY REPORTS*

*All alphanumeric characters and monetary amounts refer to receipts and expenditures on page 2, paragraphs D and E of the Quarterly Report Form.

The following quarterly reports were submitted for the first calendar quarter 1973:

(NOTE.—The form used for registration is reproduced below. In the interest of economy in the RECORD, questions are not repeated, only the essential answers are printed, and are indicated by their respective letter and number.)

FILE ONE COPY WITH THE SECRETARY OF THE SENATE AND FILE TWO COPIES WITH THE CLERK OF THE HOUSE OF REPRESENTATIVES:

This page (page 1) is designed to supply identifying data; and page 2 (on the back of this page) deals with financial data.

PLACE AN "X" BELOW THE APPROPRIATE LETTER OR FIGURE IN THE BOX AT THE RIGHT OF THE "REPORT" HEADING BELOW:

"PRELIMINARY" REPORT ("Registration"): To "register," place an "X" below the letter "P" and fill out page 1 only.

"QUARTERLY" REPORT: To indicate which one of the four calendar quarters is covered by this Report, place an "X" below the appropriate figure. Fill out both page 1 and page 2 and as many additional pages as may be required. The first additional page should be numbered as page "3," and the rest of such pages should be "4," "5," "6," etc. Preparation and filing in accordance with instructions will accomplish compliance with all quarterly reporting requirements of the Act.

Year: 19_____

REPORT

PURSUANT TO FEDERAL REGULATION OF LOBBYING ACT

P	QUARTER			
	1st	2d	3d	4th
(Mark one square only)				

NOTE ON ITEM "A".—(a) IN GENERAL. This "Report" form may be used by either an organization or an individual, as follows:
(i) "Employee".—To file as an "employee", state (in Item "B") the name, address, and nature of business of the "employer". (If the "employee" is a firm [such as a law firm or public relations firm], partners and salaried staff members of such firm may join in filing a Report as an "employee".)
(ii) "Employer".—To file as an "employer", write "None" in answer to Item "B".
(b) SEPARATE REPORTS. An agent or employee should not attempt to combine his Report with the employer's Report:
(i) Employers subject to the Act must file separate Reports and are not relieved of this requirement merely because Reports are filed by their agents or employees.
(ii) Employees subject to the Act must file separate Reports and are not relieved of this requirement merely because Reports are filed by their employers.

A. ORGANIZATION OR INDIVIDUAL FILING:
1. State name, address, and nature of business.

2. If this Report is for an Employer, list names of agents or employees who will file Reports for this Quarter.

NOTE ON ITEM "B".—*Reports by Agents or Employees.* An employee is to file, each quarter, as many Reports as he has employers, except that: (a) If a particular undertaking is jointly financed by a group of employers, the group is to be considered as one employer, but all members of the group are to be named, and the contribution of each member is to be specified; (b) if the work is done in the interest of one person but payment therefor is made by another, a single Report—naming both persons as "employers"—is to be filed each quarter.

B. EMPLOYER.—State name, address, and nature of business. If there is no employer, write "None."

NOTE ON ITEM "C".—(a) The expression "in connection with legislative interests," as used in this Report, means "in connection with attempting, directly or indirectly, to influence the passage or defeat of legislation." "The term 'legislation' means bills, resolutions, amendments, nominations, and other matters pending or proposed in either House of Congress, and includes any other matter which may be the subject of action by either House"—§ 302(e).
(b) Before undertaking any activities in connection with legislative interests, organizations and individuals subject to the Lobbying Act are required to file a "Preliminary" Report (Registration).
(c) After beginning such activities, they must file a "Quarterly" Report at the end of each calendar quarter in which they have either received or expended anything of value in connection with legislative interests.

C. LEGISLATIVE INTERESTS, AND PUBLICATIONS in connection therewith:

1. State approximately how long legislative interests are to continue. If receipts and expenditures in connection with legislative interests have terminated, ☐ place an "X" in the box at the left, so that this Office will no longer expect to receive Reports.

2. State the general legislative interests of the person filing and set forth the *specific* legislative interests by reciting: (a) Short titles of statutes and bills; (b) House and Senate numbers of bills, where known; (c) citations of statutes, where known; (d) whether for or against such statutes and bills.

3. In the case of those publications which the person filing has caused to be issued or distributed in connection with legislative interests, set forth: (a) Description, (b) quantity distributed; (c) date of distribution, (d) name of printer or publisher (if publications were paid for by person filing) or name of donor (if publications were received as a gift).

(Answer items 1, 2, and 3 in the space below. Attach additional pages if more space is needed)

4. If this is a "Preliminary" Report (Registration) rather than a "Quarterly" Report, state below what the nature and amount of anticipated expenses will be; and if for an agent or employee, state also what the daily, monthly, or annual rate of compensation is to be. If this is a "Quarterly" Report, disregard this item "C4" and fill out item "D" and "E" on the back of this page. Do not attempt to combine a "Preliminary" Report (Registration) with a "Quarterly" Report.

AFFIDAVIT

[Omitted in printing]

PAGE 1

COPIES WITH THE CLERK OF THE HOUSE OF REPRESENTATIVES:

NOTE ON ITEM "D."—(a) *In General.* The term "contribution" includes *anything of value.* When an organization or individual uses printed or duplicated matter in a campaign attempting to influence legislation, money received by such organization or individual—for such printed or duplicated matter—is a "contribution." "The term 'contribution' includes a gift, subscription, loan, advance, or deposit of money, or anything of value, and includes a contract, promise, or agreement, whether or not legally enforceable, to make a contribution"—Section 302(a) of the Lobbying Act.

(b) IF THIS REPORT IS FOR AN EMPLOYER.—(i) *In General.* Item "D" is designed for the reporting of all receipts from which expenditures are made, or will be made, in accordance with legislative interests.

(ii) *Receipts of Business Firms and Individuals.*—A business firm (or individual) which is subject to the Lobbying Act by reason of expenditures which it makes in attempting to influence legislation—but which has no funds to expend except those which are available in the ordinary course of operating a business not connected in any way with the influencing of legislation—will have no receipts to report, even though it does have expenditures to report.

(iii) *Receipts of Multipurpose Organizations.*—Some organizations do not receive any funds which are to be expended solely for the purpose of attempting to influence legislation. Such organizations make such expenditures out of a general fund raised by dues, assessments, or other contributions. The percentage of the general fund which is used for such expenditures indicates the percentage of dues, assessments, or other contributions which may be considered to have been paid for that purpose. Therefore, in reporting receipts, such organizations may specify what that percentage is, and report their dues, assessments, and other contributions on that basis. However, each contributor of $500 or more is to be listed, regardless of whether the contribution was made solely for legislative purposes.

(c) IF THIS REPORT IS FOR AN AGENT OR EMPLOYEE.—(i) *In General.* In the case of many employees, all receipts will come under Items "D 5" (received for services) and "D 12" (expense money and reimbursements). In the absence of a clear statement to the contrary, it will be presumed that your employer is to reimburse you for all expenditures which you make in connection with legislative interests.

(ii) *Employer as Contributor of $500 or More.*—When your contribution from your employer (in the form of salary, fee, etc.) amounts to $500 or more, it is not necessary to report such contribution under "D 13" and "D 14," since the amount has already been reported under "D 5," and the name of the "employer" has been given under Item "B" on page 1 of this report.

D. RECEIPTS (INCLUDING CONTRIBUTIONS AND LOANS):

Fill in every blank. If the answer to any numbered item is "None," write "None" in the space following the number.

Receipts (other than loans)

1. $_____Dues and assessments
2. $_____Gifts of money or anything of value
3. $_____Printed or duplicated matter received as a gift
4. $_____Receipts from sale of printed or duplicated matter
5. $_____Received for services (e.g., salary, fee, etc.)
6. $_____TOTAL for this Quarter (Add items "1" through "5")
7. $_____Received during previous Quarters of calendar year
8. $_____TOTAL from Jan. 1 through this Quarter (Add "6" and "7")

Loans Received

"The term 'contribution' includes a . . . *loan* . . ."—Sec. 302(a).

9. $_____TOTAL now owed to others on account of loans
10. $_____Borrowed from others during this Quarter
11. $_____Repaid to others during this Quarter
12. $_____"Expense money" and Reimbursements received this Quarter

Contributors of $500 or more (from Jan. 1 through this Quarter)

13. Have there been such contributors?

Please answer "yes" or "no": _____

14. In the case of each contributor whose contributions (including loans) during the "period" from January 1 through the last days of this Quarter total $500 or more:

Attach hereto plain sheets of paper, approximately the size of this page, tabulate data under the headings "Amount" and "Name and Address of Contributor"; and indicate whether the last day of the period is March 31, June 30, September 30, or December 31. Prepare such tabulation in accordance with the following example:

Amount	*Name and Address of Contributor*
	(*"Period"* from Jan. 1 through _____, 19____)
$1,500.00	John Doe, 1621 Blank Bldg., New York, N.Y.
$1,785.00	The Roe Corporation, 2511 Doe Bldg., Chicago, Ill.
$3,285.00	TOTAL

NOTE ON ITEM "E".—(a) *In General.* "The term 'expenditure' includes a payment, distribution, loan, advance, deposit, or gift of money or anything of value, and includes a contract, promise, or agreement, whether or not legally enforceable, to make an expenditure"—Section 302(b) of the Lobbying Act.

(b) IF THIS REPORT IS FOR AN AGENT OR EMPLOYEE. In the case of many employees, all expenditures will come under telephone and telegraph (Item "E 6") and travel, food, lodging, and entertainment (Item "E 7").

E. EXPENDITURES (INCLUDING LOANS) in connection with legislative interests:

Fill in every blank. If the answer to any numbered item is "None," write "None" in the spaces following the number.

Expenditures (other than loans)

1. $_____Public relations and advertising services
2. $_____Wages, salaries, fees, commissions (other than item "1")
3. $_____Gifts or contributions made during Quarter
4. $_____Printed or duplicated matter, including distribution cost
5. $_____Office overhead (rent, supplies, utilities, etc.)
6. $_____Telephone and telegraph
7. $_____Travel, food, lodging, and entertainment
8. $_____All other expenditures
9. $_____TOTAL for this Quarter (Add "1" through "8")
10. $_____Expended during previous Quarters of calendar year
11. $_____TOTAL from January 1 through this Quarter (Add "9" and "10")

Loans Made to Others

"The term 'expenditure' includes a . . . *loan* . . ."—Sec. 302(b).

12. $_____TOTAL now owed to person filing
13. $_____Lent to others during this Quarter
14. $_____Repayment received during this Quarter

15. Recipients of Expenditures of $10 or More

In the case of expenditures made during this Quarter by, or on behalf of the person filing: Attach plain sheets of paper approximately the size of this page and tabulate data as to expenditures under the following heading: "Amount," "Date or Dates," "Name and Address of Recipient," "Purpose." Prepare such tabulation in accordance with the following example:

Amount	*Date or Dates—Name and Address of Recipient—Purpose*
$1,750.00	7-11: Roe Printing Co., 3214 Blank Ave., St. Louis, Mo.—Printing and mailing circulars on the "Marshbanks Bill."
$2,400.00	7-15, 8-15, 9-15: Britten & Blaten, 3127 Gremlin Bldg., Washington, D.C.—Public relations service at $800.00 per month.
$4,150.00	TOTAL

A. Robert J. Aagre, Chamber of Commerce of the United States, 1615 H Street NW., Washington, D.C. 20062.
B. Chamber of Commerce of the United States, 1615 H Street NW., Washington, D.C. 20062.
E. (9) $236.10.

A. Bruce Adams, 2030 M Street NW., Washington, D.C. 20036.
B. Common Cause, 2030 M Street NW., Washington, D.C. 20036.
D. (6) $6,524.97.

A. John J. Adams, Suite 1060, 1730 Pennsylvania Avenue NW., Washington, D.C. 20006.
B. Ethyl Corp., 330 South Fourth Street, Richmond, Va.

A. John J. Adams, Suite 1060, 1730 Pennsylvania Avenue NW., Washington, D.C. 20006.
B. VEPCO, 7th and Franklin Streets, Richmond, Va.

A. Thomas L. Adams, Jr., Republic Steel Corp., 1101 15th Street NW., Washington, D.C. 20005.
B. Republic Steel Corp., Republic Building, Cleveland, Ohio 44101.

A. The Adherence Group, 21 West Street, New York, N.Y. 10006.
D. (6) $1,275. E. (9) $1,275.

A. Terrance M. Adlhock, 1775 K Street NW., Suite 310, Washington, D.C. 20006.
B. El Paso Natural Gas Co., P.O. Box 1492, El Paso, Tex. 79978.
D. (6) $2,700. E. (9) $293.40.

A. Advisors, Inc., 229 Pennsylvania Avenue SE., Washington, D.C. 20003.
B. Electric Data Systems Corp., 7171 Forest Lane, Dallas, Tex. 75230.
E. (9) $40.

A. Aerospace Industries Association of America, Inc., 1725 DeSales Street NW., Washington, D.C. 20036.
D. (6) $11,783.57. E. (9) $11,783.57.

A. AFL–CIO Maritime Committee, 100 Indiana Avenue NW., Washington, D.C. 20001.
D. (6) $4,100. E. (9) $5,099.04.

A. Donald G. Agger, DGA International, Inc., 1225 19th Street NW., Washington, D.C. 20036.
B. DGA International, Inc., 1225 19th Street NW., Washington, D.C. (for Aerospatiale, 37 Boulevard de Montmorency, 75016 Paris, France).

A. Alan P. Agle, P.O. Box 946, Buckingham, Pa. 18912.
B. Buckingham Township, Buckingham, Pa.
E. (9) $170.16.

A. Air Products & Chemicals, Inc., P.O. Box 538, Allentown, Pa. 18105.
E. (9) $77.25.

A. Air Transport Association of America, 1709 New York Avenue NW., Washington, D.C. 20006.
D. (6) $16,215.47. E. (9) $16,215.27.

A. Aircraft Owners & Pilots Association, P.O. Box 5800, Washington, D.C. 20014.
E. (9) $4,740.97.

A. Randolf H. Aires, 1211 Connecticut Avenue, NW., Suite 802, Washington, D.C. 20036.
B. Sears, Roebuck & Co., Sears Tower, Chicago, Ill. 60684.
D. (6) $1,450. E. (9) $156.26.

A. G. Colburn Aker, Hill & Knowlton, Inc., 1425 K Street NW., Washington, D.C. 20005.
B. Hill & Knowlton, Inc., 633 Third Avenue, New York, N.Y. 10017.

A. Akin, Gump, Hauer & Feld, 1100 Madison Office Building, 1155 15th Street NW., Washington, D.C. 20005.
B. American Collectors Association, Inc., 4040 West 70th Street, Minneapolis, Minn. 55435.

A. Akin, Gump, Hauer & Feld, 1100 Madison Office Building, 1155 15th Street NW., Washington, D.C. 20005.
B. American Polygraphs Association, 3701 West Alabama, Suite 330, Houston, Tex. 77027.

A. Akin, Gump, Hauer & Feld, 1100 Madison Office Building, 1155 15th Street NW., Washington, D.C. 20005.
B. Beacon Oil Co., P.O. Box 466, Hanford, Calif. 93230.

A. Akin, Gump, Hauer & Feld, 1100 Madison Office Building, 1155 15th Street NW., Washington, D.C. 20005.
B. Coastal States Gas Producing Co., 5 Greenway Plaza East, Houston, Tex. 77046.
D. (6) $6,500. E. (9) $200.

A. Akin, Gump, Hauer & Feld, 1100 Madison Office Building, 1155 15th Street NW., Washington, D.C. 20005.
B. E & J Gallo Winery, P.O. Box 1130, Modesto, Calif. 95353.
D. (6) $5,000.

A. Akin, Gump, Hauer & Feld, 1100 Madison Office Building, 1155 15th Street NW., Washington, D.C. 20005.
B. Haskins & Sells, 1114 Avenue of the Americas, New York, N.Y. 10036.
D. (6) $1,200.

A. Akin, Gump, Hauer & Feld, 1100 Madison Office Building, 1155 15th Street NW., Washington, D.C. 20005.
B. Northwest Alaskan Pipeline Co., 1730 Pennsylvania Avenue NW., Washington, D.C. 20006.
D. (6) $4,000.

A. Akin, Gump, Hauer & Feld, 1100 Madison Office Building, 1155 15th Street NW., Washington, D.C. 20005.
B. Northwest Pipeline Corp., 314 East Second South, Salt Lake City, Utah 84111.
D. (6) $1,000.

A. Akin, Gump, Hauer & Feld, 1100 Madison Office Building, 1155 15th Street NW., Washington, D.C. 20005.
B. Sun Co., Inc., 1608 Walnut Street, Philadelphia, Pa. 19103.
D. (6) $6,000.

A. Akin, Gump, Hauer & Feld, 1100 Madison Office Building, 1155 15th Street NW., Washington, D.C. 20005.
B. Sun Pipe Line Co., P.O. Box 2039, Tulsa, Okla. 74102.
D. (6) $250. E. (9) $23.20.

A. Akin, Gump, Hauer & Feld, 1100 Madison Office Building, 1155 15th Street NW., Washington, D.C. 20005.
B. United Refining Co., P.O. Box 780, Warren, Pa. 16365.

A. Akin, Gump, Hauer & Feld, 1100 Madison Office Building, 1155 15th Street NW., Washington, D.C. 20005.
B. Vickers Petroleum Corp., P.O. Box 2240, Wichita, Kans. 67201.
D. (6) $2,500. E. (9) $200.

A. Alaska Coalition, Inc., 620 C Street SE., Washington, D.C. 20003.
D. (6) $55,131.12. E. (9) $42,973.81.

A. Alaska Fund, Inc., 810 18th Street NW., Washington, D.C. 20006.
D. (6) $78,434.49. E. (9) $96,444.62.

A. Alcalde, Henderson, O'Bannon & Kline, 1911 North Fort Myer Drive, No. 1207, Rosslyn, Va.
B. Air Sunshine, 1129 Simonton Street, Key West, Fla.
D. (6) $250.

A. Alcalde, Henderson, O'Bannon & Kline, 1911 North Fort Myer Drive, Suite 1207, Rosslyn, Va. 22209.
B. Associated Industries of Florida, 203 South Adams Street, Tallahassee, Fla. 32302.

A. Alcalde, Henderson, O'Bannon & Kline, 1911 North Fort Myer Drive, Suite 1207, Rosslyn, Va. 22209.
B. Association of Local Transport Airlines, 1801 K Street NW., Suite 803, Washington, D.C. 20006.
D. (6) $8,565.

A. Alcalde, Henderson, O'Bannon & Kline, 1911 North Fort Myer Drive, Suite 1207, Rosslyn, Va. 22209.
B. Computer Sciences Corp., 1616 North Fort Myer Drive, Arlington, Va. 22209.
D. (6) $3,000.

A. Alcalde, Henderson, O'Bannon & Kline, 1911 North Fort Myer Drive, Suite 1207, Rosslyn, Va. 22209.
B. The Continental Group, Inc., 633 Third Avenue, New York, N.Y. 10017.
D. (6) $1,000.

A. Alcalde, Henderson, O'Bannon & Kline, 1911 North Fort Myer Drive, Suite 1207, Rosslyn, Va. 22209.
B. Tampa Electric Co., P.O. Box 111, Tampa, Fla. 33601.
D. (6) $1,500.

A. Alcalde, Henderson, O'Bannon & Kline, 1911 North Fort Myer Drive, Suite 1207, Rosslyn, Va. 22209.
B. Tampa Port Authority, P.O. Box 2192, Tampa, Fla. 33601.
D. (6) $3,600.

A. Alcalde, Henderson, O'Bannon & Kline, 1911 North Fort Myer Drive, Suite 1207, Rosslyn, Va. 22209.
B. Jim Walter Corp., P.O. Box 22601, Tampa, Fla. 33622.
D. (6) $3,000.

A. Alderson, Ondov, Leonard & Sween, 105 East Oakland Avenue, Austin, Minn. 55912.
B. The Hormel Foundation, Austin, Minn. 55912.

A. G. Kenneth Aldrich, National Association of Manufacturers, 222 South Prospect Avenue, Park Ridge, Ill. 60068.
B. National Association of Manufacturers, 1776 F Street NW., Washington, D.C. 20006.
D. (6) $225.

A. Willis W. Alexander, American Bankers Association, 1120 Connecticut Avenue NW., Washington, D.C. 20036.
B. American Bankers Association, 1120 Connecticut Avenue NW., Washington, D.C. 20036.
D. (6) $1,875. E. (9) $4,660.48.

A. Maxton M. Allcox, 400 First Street NW., Room 801, Washington, D.C. 20001.
B. Brotherhood of Maintenance of Way Employes, 12050 Woodward Avenue, Detroit, Mich. 48203.
D. (6) $5,625.

A. Alliance of American Insurers, 20 North Wacker Drive, Chicago, Ill. 60606.
E. (9) $15,755.

A. Ricardo R. Alvarado, 6108 Fort Hunt Road, Alexandria, Va. 22307.
B. Lockheed Corp., P.O. Box 551, Burbank, Calif. 91520.
D. (6) $2,340. E. (9) $925.20.

A. Robert Alvarez, 317 Pennsylvania Avenue SE., Washington, D.C. 20003.
B. Environmental Policy Center, 317 Pennsylvania Avenue SE., Washington, D.C. 20003.
D. (6) $450.

A. Amalgamated Transit Union, AFL–CIO, 5025 Wisconsin Avenue NW., Washington, D.C. 20210.

A. Amalgamated Transit Union, National Capital Local 689, 100 Indiana Avenue NW., No. 403, Washington, D.C. 20001.

A. American Academy of Family Physicians, 1740 West 92d Street, Kansas City, Mo. 64114; Suite 2970, 475 L'Enfant Plaza West SW., Washington, D.C. 20024.
D. (6) $1,133.36. E. (9) $1,133.36.

A. American Association of Meat Processors, 224 East High Street, Elizabethtown, Pa. 17022.
D. (6) $79.12.

A. American Automobile Association, 8111 Gatehouse Road, Falls Church, Va. 22042.

A. American Bankers Association, 1120 Connecticut Avenue NW., Washington, D.C. 20036.
D. (6) $32,528.16. E (9) $32,528.16.

A. American Council for Capital Formation, 1425 K Street NW., Suite 1007, Washington, D.C. 20005
D. (6) $5,350. E. (9) $4,074.74.

A. American Council of Life Insurance, Inc., 1850 K Street NW., Washington, D.C. 20006.
D. (6) $2,490. E. (9) $1,614.

A. American Dental Association, 211 East Chicago Avenue, Chicago, Ill. 60611.
D. (6) $12,734.91. E. (9) $12,734.91.

A. American Farm Bureau Federation, 225 Touhy Avenue, Park Ridge, Ill. 60068; 425 13th Street NW., Washington, D.C. 20004.
D. (6) $55,006. E. (9) $55,006.

A. American Federation of Labor and Congress of Industrial Organizations, 815 16th Street NW., Washington, D.C. 20006.
E. (9) $110,766.26.

A. American Feed Manufacturers Association, 1701 North Fort Myer Drive, Arlington, Va. 22209.
D. (6) $2,666.55. E. (9) $2,666.55.

A. American Frozen Food Institute, 1700 Old Meadow Road, McLean, Va. 22101.
D. (6) $166,457.50. E. (9) $550.

A. American Gas Association, 1515 Wilson Boulevard, Arlington, Va. 22209.
D. (6) $12,215.54. E. (9) $12,215.54.

A. American Hellenic Institute, Public Affairs Committee, Inc., 1730 K Street NW., Washington, D.C. 20006.
D. (6) $750. E. (9) $1,125.43.

A. American Honey Producers Association, P.O. Box 368, Minco, Okla. 73059.
D. (6) $7,925. E. (9) $3,703.11.

A. American Hotel & Motel Association, 838 Seventh Avenue, New York, N.Y. 10019.
D. (6) $11,188.38. E. (9) $5,526.46.

A. American Institute of Merchant Shipping, 1625 K Street NW., Washington, D.C. 20006.
E. (9) $1,882.12.

A. American Insurance Association, 85 John Street, New York, N.Y. 10038.
D. (6) $57,815.25. E. (9) $57,815.25.

A. American Land Title Association, 1828 L Street NW., Washington, D.C. 20036.
E. (9) $4,517.

A. American League for International Security Assistance, Suite 4400, 475 L'Enfant Plaza SW., Washington, D.C. 20024.
D. (6) $9,181.62. E. (9) $9,181.62.

A. American Library Association, 50 East Huron Street, Chicago, Ill. 60611.
D. (6) $587.20. E. (9) $4,504.83.

A. American Meat Institute, P.O. Box 3556, Washington, D.C. 20007. (1600 Wilson Boulevard, Arlington, Va.)
E. (9) $6,381.17.

A. American Medical Association, 535 North Dearborn Street, Chicago, Ill. 60610.
D. (6) $2,732.50. E. (9) $34,947.01.

A. American Nuclear Energy Council, 1750 K Street NW., Suite 300, Washington, D.C.
D. (6) $111,058.48. E. (9) $28,928.80.

A. American Nurses' Association, 2420 Pershing Road, Kansas City, Mo. 64108.
D. (6) $7,404.85. E. (9) $7,404.85.

A. American Optometric Association, c/o Dr. Wendell D. Waldie, 3111 Aloma, Wichita, Kans. 67211.
D. (6) $1,616.49. E. (9) $1,616,49.

A. American Paper Institute, Inc., 260 Madison Avenue, New York, N.Y. 10016.
E. (9) $565.99.

A. American Petroleum Institute, 2101 L Street NW., Washington, D.C. 20037.
D. (6) $50,916. E. (9) $164,354.

A. American Physical Therapy Association, 1156 15th Street NW., Washington, D.C. 20005.
D. (6) $7,653.16. E. (9) $7,653.16.

A. American Plywood Association, 1119 A Street, Tacoma, Wash. 98401.

A. American Podiatry Association, 20 Chevy Chase Circle, Washington, D.C. 20015.
E. (9) $13,891.47.

A. American Postal Workers Union, AFL–CIO, 817 14th Street NW., Washington, D.C. 20005.
D. (6) $2,471,224.67. E. (9) $112,510.02.

A. American Pulpwood Association, 1619 Massachusetts Avenue NW., Washington, D.C. 20036.

A. American Seed Trade Association, 1030 15th Street NW., Suite 964, Washington, D.C. 20005.
E. (9) $3,000.

A. American Short Line Railroad Association, 2000 Massachusetts Avenue NW., Washington, D.C. 20036.
D. (6) $995.89. E. (9) $995.89.

A. American Surveys, Embassy Square, Suite 901, 2000 N Street NW., Washington, D.C. 20036.
B. National Customs Brokers & Forwarders Association of America, Inc., 1 World Trade Center, Suite 1109, New York, N.Y. 10048.
D. (6) $273.23. E. (9) $138.46.

A. American Textile Manufacturers Institute, Inc., Wachovia Center, 400 South Tryon Street, Charlotte, N.C. 28285.
D. (6) $30,184.99. E. (9) $30,184.99.

A. American Trucking Associations, Inc., 1616 P Street NW., Washington, D.C. 20036.
D. (6) $10,290.06. E. (9) $69,699.60.

A. American Veterinary Medical Association, 1522 K Street, NW., No. 828, Washington, D.C. 20005.
D. (6) $50. E. (9) $125.

A. The American Waterways Operators, Inc., 1600 Wilson Boulevard, Suite 1101, Arlington, Va. 22209.
D. (6) $2,468.81. E. (9) $2,555.57.

A. Americans for Alaska, Inc., P.O. Box 50, Riderwood, Md. 21139.
D. (6) $41,335. E. (9) $39,059.

A. Gwen A. Anderson, American Sign & Indicator Corp., 1220 19th Street, Washington, D.C. 20036.
B. American Sign and Indicator Corp., 2310 Fancher Way, P.O. Drawer 272", Spokane, Wash. 99220.
D. (6) $1,500. E. (9) $413.08.

A. Anderson, Pendleton, McMahon, Peet & Donovan, 1000 16th Street NW., Suite 701, Washington, D.C. 20036.
B. Embassy of Chile, 1732 Massachusetts Avenue, NW., Washington, D.C. 20036.
D.(6) $4,166. E. (9) $40.06.

A. Robert L. Anderson, Deere & Co., John Deere Road, Moline, Ill. 61265.
B. Deere & Co., John Deere Road, Moline, Ill. 61265.

A. Stanton D. Anderson, 1156 15th Street NW., Washington D.C. 20005.
B. Surrey, Karasik & Morse, 1156 15th Street NW., Washington, D.C. 20005.

A. Wm. C. Anderson, 1101 16th Street NW., Washington, D,C. 20036.
B. Independent Petroleum Association of America, 1101 16th Street NW., Washington, D.C. 20036.
E. (9) $24.45.

A. Emmet Andrews, American Postal Workers Union, AFL–CIO, 817 14th Street NW., Washington, D.C. 20005.
B. American Postal Workers Union, AFL–CIO, 817 14th Street NW., Washington, D.C. 20005.
D. (6) $7,363.90.

A. Robert C. Angel, 1000 Connecticut Avenue, NW., Washington, D.C. 20036.
B. U.S.-Japan Trade Council, 1000 Connecticut Avenue, NW., Washington, D.C. 20036.
D. (6) $300.

A. Jack R. Angell, United Gas Pipe Line Co., 1101 17th Street NW., Washington, D.C. 20036.
B. United Gas Pipe Line Co., P.O. Box 1478, Houston, Tex. 77001.
D. (6) $1,584. E. (9) $38.50.

A. Scott P. Anger, 1200 18th Street NW., Suite 607, Washington, D.C. 20036.
B. American Petroleum Refiners Association, 1200 18th Street NW., Suite 607, Washington, D.C. 20036.
D. (6) $150.

A. C. Stephen Angle, Marathon Oil Co., 1800 M Street NW., Suite 975, Washington, D.C. 20036.
B. Marathon Oil Co., Findley, Ohio 45840.
E. (9) $273.12.

A. J. Donald Annett, 1050 17th Street NW., No. 500, Washington, D.C. 20036.
B. Texaco, Inc., 2000 Westchester Avenue, White Plains, N.Y. 10650.
D. (6) $200.

A. APA Co., 400 First Street N., Washington, D.C. 20001.
B. University of Health Sciences/The Chicago Medical School, 2020 West Ogden Avenue, Chicago, Ill. 60612.
D. (6) $750.

A. John Archer, American Automobile Association, 8111 Gatehouse Road, Falls Church, Va. 22042.
B. American Automobile Association, 8111 Gatehouse Road, Falls Church, Va. 22042.

A. Arnold & Porter, 1229 19th Street NW., Washington, D.C. 20036.
B. The Kroger Co., 1014 Vine Street, Cincinnati, Ohio 45201.
D. (6) $3,011.09. E. (9) $235.27.

A. Arnold & Porter, 1229 19th Street, NW., Washington, D.C. 20036.
B. MFA Mutual Insurance Co., 1817 West Broadway, Columbia, Mo. 65201.
E. (9) $1.35.

A. Maureen Aspin, 2030 M Street NW., Washington, D.C. 20036.
B. Common Cause, 2030 M Street NW., Washington, D.C. 20036.
D. (6) $4,375. E. (9) $152.25.

A. Associated Credit Bureaus, Inc., 6767 Southwest Freeway, Houston, Tex. 77074.
E. (9) $201.05.

A. Associated Employers, Inc., 6009 Rittiman Plaza, San Antonio, Tex. 78218.

A. Associated Third Class Mail Users, Suite 607, 1725 K Street NW., Washington, D.C. 20006.
D. (6) $600. E. (9) $600.

A. Association for the Advancement of Invention & Innovation, Suite 301, 1911 Jefferson Davis Highway, Arlington, Va. 22202.
D. (6) $3,902. E. (9) $2,577.98.

A. Association for the Improvement of the Mississippi River, c/o Ramsay D. Potts, Shaw Pittman, 1800 M Street NW., Washington, D.C. 20036.
E. (9) $2,018.60.

A. Association of American Publishers, 1707 L Street NW., Suite 480, Washington, D.C. 20036.
D. (6) $5,363.11. E. (9) $5,363.11.

A. Association of American Railroads, American Railroads Building (211), 1920 L Street NW., Washington, D.C. 20036.
D. (6) $24,841.38. E. (9) $24,841.38.

A. Association of American Veterinary Medical Colleges, 1522 K Street NW., No. 828, Washington, D.C. 20005.
D. (6) $50. E. (9) $45.

A. Association of Maximum Service Telecasters, Inc., 1735 DeSales Street NW., Washington, D.C. 20036.

A. The Association of Trial Lawyers of America, 1050 31st Street NW., Washington, D.C. 20007.
D. (6) $8,070. E. (9) $ 8,070.

A. Carl E. Atkinson, United States Steel Corp., 818 Connecticut Avenue NW., Washington, D.C. 20006.
B. United States Steel Corp., 600 Grant Street, Pittsburgh, Pa. 15230.
D. (6) $350. E. (9) $516.10.

A. Atlantic Richfield Co., 515 South Flower Street, Los Angeles, Calif. 90071.
E. (9) $3,875.22.

A. Allan Auger, P.O. Box 5308, Denver, Colo. 80217.
B. Great Western Sugar Co., P.O. Box 5308, Denver, Colo. 80217.
D. (6) $800. E. (9) $252.

A. John D. Austin, Jr., American Mining Congress, 1100 Ring Building, Washington, D.C.
B. American Mining Congress, 1100 Ring Building, Washington, D.C.

A. John S. Autry, John-Minville Corp., 1025 Connecticut Avenue NW., Suite 214, Washington, D.C. 20036.
B. Johns-Manville Corp., P.O. Box 5108, Denver, Colo. 80217.
D. (6) $1,000. E. (9) $1,200.

A. Avon Products, Inc., 9 West 57th Street, New York, N.Y. 10019.
E. (9) $372.

A. Walter C. Ayers, Virginia Petroleum Industries, 1809 Staples Mill Road, Richmond, Va. 23230.
B. American Petroleum Institute, 2101 L Street NW., Washington, D.C. 20037.
D. (6) $150. E. (9) $71.49.

A. Craig H. Baab, American Bar Association, 1800 M Street NW., Washington, D.C. 20036.
B. American Bar Association, 1155 East 60th Street, Chicago, Ill. 60637.
D. (6) $600. E. (9) $100.

A. Carl E. Bagge, Coal Building, Washington, D.C. 20036.
B. National Coal Association, Coal Building, Washington, D.C. 20036.
D. (6) $1,900. E. (9) $281.

A. Charles W. Bailey, 8316 Arlington Boulevard, Suite 600, Fairfax, Va. 22038.
B. National Right to Work Committee, 8316 Arlington Boulevard, Suite 600, Fairfax, Va. 22038.

A. George F. Bailey, Jr., Alabama Railroad Association, P.O. Box 21, Montgomery, Ala. 36101.
B. Alabama Railroad Association, P.O. Box 21, Montgomery, Ala. 36101.

A. William W. Bailey, 1700 Pennsylvania Avenue NW., Washington, D.C. 20006.
B. The Proprietary Association, 1700 Pennsylvania Avenue NW., Washington, D.C. 20006.
D. (6) $6,000. E. (9) $123.80.

A. David L. Baird, Jr., 1025 Connecticut Avenue NW., Suite 1014, Washington, D.C. 20036.
B. Exxon Corp., 1251 Avenue of the Americas, New York, N.Y.
E. (9) $281.18.

A. Baker & Botts, 1701 Pennsylvania Avenue NW., Washington, D.C. 20006.
B. Houston Lighting & Power Co., P.O. Box 1700, Houston, Tex. 77001.

A. Baker & Botts, 1701 Pennsylvania Avenue NW., Washington, D.C. 20006.
B. Pennzoil Co., Pennzoil Place, P.O. Box 2967, Houston, Tex. 77002.

A. Baker & Daniels, 1800 M Street NW., Washington, D.C. 20036.
B. Independent Refiners Association of America, 1220 19th Street NW., Washington, D.C. 20036.
D. (6) $200.

A. Donald Baldwin, Donald Baldwin Associates, Suite 906, 1625 I Street NW., Washington, D.C. 20006.
B. National Taxpayers Union, 325 Pennsylvania Avenue SE., Washington, D.C. 20003.
D. (6) $3,600.

A. Jacqueline Balk-Tusa, 1625 I Street NW., No. 809, Washington, D.C. 20006.
B. Boise Cascade Corp., 1625 I Street NW., Washington, D.C. 20006.
D. (6) $9,123.

A. Michael Baly III, American Gas Association, 1515 Wilson Boulevard, Arlington, Va. 22209.
B. American Gas Association, 1515 Wilson Boulevard, Arlington, Va. 22209.
D. (6) $2,800. E. (9) $360.02.

A. Robert D. Bannister, National Association of Realtors, 925 15th Street NW., Washington, D.C. 20005.
B. National Association of Realtors, 925 15th Street NW., Washington, D.C. 20005; 430 North Michigan Avenue, Chicago, Ill. 60601.
D. (6) $2,406.25. E. (9) $296.34.

A. Will G. Barber, 1300 American Bank Tower, Austin, Tex. 78701.
B. Texas Medical Association, 1801 North Lamar Boulevard, Austin, Tex. 78701.
D. (6) $250. E. (9) $80.

A. Wayne B. Bardsley, Investment Company Institute, 1775 K Street NW., Washington, D.C. 20006.
B. Investment Company Institute, 1775 K Street NW., Washington, D.C. 20006.

A. Robert O. Barker, 801 Northland Towers West, Southfield, Mich. 48075.
B. National Association of Manufacturers, 1776 F Street NW., Washington, D.C. 20006.
D. (6) $1,500. E. (9) $687.97.

A. Thomas H. Barksdale, Jr., 2101 L Street NW., Washington, D.C. 20037.
B. American Petroleum Institute, 2101 L Street NW., Washington, D.C. 20037.
D. (6) $7,000. E. (9) $780.

A. Barnes, Richardson & Colburn, 1819 H Street NW., Suite 600, Washington, D.C. 20006.
B. American Importers Association, 420 Lexington Avenue, New York, N.Y. 10016.
E. (9) $1,924.32.

A. Barnes, Richardson & Colburn, 1819 H Street NW., Washington, D.C. 20006.
B. Meat Importers Council of America, 1 Penn Plaza, New York, N.Y. 10001.
D. (6) $500. E. (9) $500.

A. Larry P. Barnett, Air Transport Association of America, 1709 New York Avenue NW., Washington, D.C. 20006.
B. Air Transport Association of America, 1709 New York Avenue NW., Washington, D.C. 20006.
D. (6) $1,875. E. (9) $166.55.

A. Richard L. Barr, Iowa Railway Association, 620 Capital City Bank Building, Des Moines, Iowa 50309.
B. Iowa Railway Association, 620 Capital City Bank Building, Des Moines, Iowa 50309.

A. Barrett Smith Schapiro Simon & Armstrong, 26 Broadway, Suite 1400, New York, N.Y. 10004.
B. New York Cocoa Exchange, Inc., and New York Cocoa Clearing Association, Inc., 127 John Street, New York, N.Y. 10038.
D. (6) $217. E. (9) $1.07.

A. Barrett Smith Schapiro Simon & Armstrong, 26 Broadway, Suite 1400,, New York, N.Y., 10004.
B. New York Coffee and Sugar Exchange, Inc. and New York Coffee and Sugar Clearing Association, Inc., Four World Trade Center, New York, N.Y. 10048.
D. (6) $1,200. E. (9) $516.89.

A. Robert W. Barrie, General Electric Co., 777 14th Street NW., Washington, D.C. 20005.
B. General Electric Co., 3135 Easton Turnpike, Fairfield, Conn. 06431.
D. (6) $2,500. E. (9) $500.

A. David S. Barrows, 1201 Southwest 12th, Portland, Oreg. 97205.
B. Association of Oregon and California Land Grant Counties, Douglas County Court House, Roseburg, Oreg. 97470.
D. (6) $1,200. E. (9) $642.96.

A. James P. Bass, 1101 17th Street NW., Washington, D.C. 20036.
B. American Airlines, Inc., 1101 17th Street NW., Washington, D.C. 20036.
D. (6) $950. E. (9) $85.

A. Robert E. Bates, Jr., 1100 Connecticut Avenue NW., Washington, D.C. 20036.
B. Mobil Oil Corp., 150 East 42d Street, New York, N.Y. 10017.
D. (6) $1,125.

A. Laurie C. Battle, 1709 New York Avenue NW., Suite 801, Washington, D.C. 20006.
B. United States League of Savings Associations, 111 East Wacker Drive, Chicago, Ill.
D. (6) $3,031.25.

A. John F. Battles, Massachusetts Petroleum Council, 11 Beacon Street, Boston, Mass. 02108.
B. American Petroleum Institute, 2101 L Street NW., Washington, D.C. 20037.
D. (6) $425. E. (9) $331.

A. Batzell, Nunn & Bode, 1523 L Street NW., Washington, D.C. 20005.
B. Independent Terminal Operators Association, 1523 L Street NW., Washington, D.C. 20005.
D. (6) $1,376.50.

A. Batzell, Nunn & Bode, 1523 L Street NW., Washington, D.C. 20005.
B. Joc Oil Inc., Olympic Tower, 645 Fifth Avenue, New York, N.Y. 10022.
D. (6) $2,336.25.

A. Batzell, Nunn & Bode, 1523 L Street NW., Washington, D.C. 20005.
B. Mt. Airy Refining Co., International Energy Building, 256 North Belt East, Suite 150, Houston, Tex. 77060.
D. (6) $3,640.

A. Gary L. Bauer, Direct Mail/Marketing Association, 1730 K Street NW., Suite 905, Washington, D.C. 20006.
B. Direct Mail/Marketing Association, 6 East 43d Street, New York, N.Y.
D. (6) $4,000. E. (9) $100.

A. Richard H. Bauer, 1025 Connecticut Avenue N.W., No. 1014, Washington, D.C. 20036.
B. Exxon Corp., 1251 Avenue of the Americas, New York, N.Y.
E. (9) $611.03.

A. Sadie R. Baulch, National Forest Products Association, 1619 Massachusetts Avenue, NW., Washington, D.C. 20036.
B. National Forest Products Association. 1619 Massachusetts Avenue NW., Washington, D.C. 20036.
D. (6) $780.

A. Marvella Bayh, American Cancer Society, Inc., 1875 Connecticut Avenue No. 1018, Washington, D.C.
B. American Cancer Society, 777 Third Avenue, New York, N.Y. 10017.
D. (6) $605. E. (9) $3,487.69.

A. Tina Marts Beach, General Electric Co., 777 14th Street NW., Washington, D.C.
B. General Electric Co., 3135 Easton Turnpike, Fairfield, Conn.
D. (6) $25.

A. Bruce A. Beam, Appalachian Power Co., 40 Franklin Road SW., Roanoke, Va. 24011.
B. Appalachian Power Co., 40 Franklin Road SW., Roanoke, Va. 24011.
D. (6) $1,009.80. E. (9) $804.25.

A. John E. Bearer, 1001 Broad Street, Johnstown, Pa. 15907.
B. GPU Service Corp., 260 Cherry Hill Road, Parsippany, N.J. 07054.
D. (6) $2,755.16. E. (9) $2,341.85.

A. Donald S. Beattie, Railway Labor Executives' Association, 400 First Street NW., Washington, D.C. 20001.
B. Railway Labor Executives Association, 400 First Street NW., Washington, D.C. 20001.
D. (6) $2,651.08

A. Christine T. Beatty, 1730 Rhode Island Avenue NW., Suite 911, Washington, D.C. 20036.
B. St. Joe Minerals Corp., 250 Park Avenue, New York, N.Y. 10017.
D. (6) $2,410.

A. Robert J. Becker, Joint Council of Allergy and Immunology, 401 East Prospect Avenue, Suite 210, Mount Prospect, Ill., 60056; 229 North Hammes Avenue, Joliet, Ill., 60435.
B. Joint Council of Allergy and Immunology, 401 East Prospect Avenue, Suite 210, Mount Prospect, Ill. 60056.

A. Alexander B. Bell, 9618 Cottrell Terrace, Silver Spring, Md. 20903.
B. United Association of Journeymen and Apprentices of the Plumbing and Pipe Fitting Industry of the United States and Canada, 901 Massachusetts Avenue NW., Washington, D.C. 20001.
D. (6) $3,750. E. (9) $196.15.

A. C. Thomas Bendorf, 1620 I Street NW., Washington, D.C. 20006.
B. The Association of Trial Lawyers of America, 1050 31st Street NW., Washington, D.C. 20007.
D. (6) $3,000. E. (9) $100.

A. C. Robert Benedict, 603 Pennsylvania Avenue SE., Washington, D.C. 20003.
B. American Osteopathic Hospital Association, 930 Busse Highway, Park Ridge, Ill. 60068.
D. (6) $480. E. (9) $155.

A. Bruce Benefield, TRW, Inc., 2030 M Street NW., No. 800, Washington, D.C. 20036.
B. TRW, Inc., Suite 800, 2030 M Street NW., Washington, D.C. 20036
D. (6) $1,000.

A. Kenneth U. Benjamin, Jr., American Medical Association, 1776 K Street NW., Washington, D.C. 20006.
B. American Medical Association, 535 Dearborn Street, Chicago, Ill. 60610.
D. (6) $2,887.50. E. (9) $652.

A. James M. Bennett, Jos. Schlitz Brewing Co., 235 West Galena, Milwaukee, Wis. 53201.
B. Jos. Schlitz Brewing Co., 235 West Galena, Milwaukee, Wis. 53201.
D. (6) $600. E. (9) $300.

A. William C. Bennett, Jr., 1025 Connecticut Avenue NW., Washington, D.C. 20036.
B. Atlantic Richfield Co., 515 South Flower Street, Los Angeles, Calif. 90071.
D. (6) $405.

A. Walter L. Benning, 14901 Ritchie Road, Centreville, Va. 22020.
B. Manufactured Housing Institute, 1745 Jefferson Davis Highway, Arlington, Va. 22202.
D. (6) $2,100. E. (9) $750.

A. David Berick, 317 Pennsylvania Ave. SE., Washington, D.C. 20003.
B. Environmental Policy Center, 317 Pennsylvania Ave. SE., Washington, D.C. 20003.
D. (6) $393.75.

A. Berman and Associates, 1776 K Street NW., Washington, D.C. 20006.
B. CNA, CNA Plaza, Chicago, Ill. 60685.
D. (6) $1,500.

A. Berman and Associates, 1776 K Street NW., Washington, D.C. 20006.
B. Dutcher Industries, 7617 Convoy Court, San Diego, Calif. 92111.
D. (6) $3,000.

A. Berman and Associates, 1776 K Street NW., Washington, D.C. 20006.
B. Loews Corp., 666 Fifth Avenue, New York, N.Y. 10019.
D. (6) $3,000.

A. Berman and Associates, 1776 K Street NW., Washington, D.C. 20006.
B. Unicare Services, Inc., 105 West Michigan Street, Milwaukee, Wis. 53203.
D. (6) $1,250.

A. Berman and Associates, 1776 K Street NW., Washington, D.C. 20006.
B. Warner Communications, Inc., 75 Rockefeller Plaza, New York, N.Y. 10019.
D. (6) $10,000.

A. William R. Berman, American Automobile Association, 8111 Gatehouse Road, Falls Church, Va. 22042.
B. American Automobile Association, 8111 Gatehouse Road, Falls Church, Va. 22042.

A. Arthur S. Berner, Inexco Oil Co., Suite 1900, 1100 Milam Building, Houston, Tex. 77002.
B. Inexco Oil Co., 1100 Milam Building, Suite 1900, Houston, Tex. 77002.

A. Berry, Epstein, Sandstrom & Blatchford, 1700 Pennsylvania Avenue NW., Washington, D.C. 20006.
B. Constructora Nacinal de Carros de Ferrocarril, S.A., Av. Universidad y Miguel Laurent, Mexico 12, D.F.
D. (6) $2,000.

A. Berry, Epstein, Sandstrom & Blatchford, 1700 Pennsylvania Avenue NW., Washington, D.C. 20006.
B. East-West Trade Council, 1700 Pennsylvania Avenue NW., Washington, D.C. 20006.
D. (6) $4,800. E. (9) $95.34.

A. Berry, Epstein, Sandstrom & Blatchford, 1700 Pennsylvania Avenue NW., Washington, D.C. 20006.
B. Energy Consumers and Producers Association, Petroleum Plaza, Box 1726, Seminole, Okla. 74868.
D. (6) $2,502.

A. Berry, Epstein, Sandstrom & Blatchford, 1700 Pennsylvania Avenue NW., Washington, D.C. 20006.
B. Great Western Sugar Co., P.O. Box 5308, Denver, Colo. 80217.
D. (6) $15,900. E. (9) $1,308.70.

A. Berry, Epstein, Sandstrom & Blatchford, 1700 Pennsylvania Avenue NW., Washington, D.C. 20006.
B. National Pest Control Association, 8150 Leesburg Pike, Vienna, Va.
D. (6) $1,406.25. E. (9) $41.60.

A. Berry, Epstein, Sandstrom & Blatchford, 1700 Pennsylvania Avenue NW., Washington, D.C. 20006.
B. Orkin Exterminating Co., Inc., 2170 Peidmont Road NE., Atlanta, Ga. 30324.

A. Max N. Berry, Berry, Epstein, Sandstrom & Blatchford, 1700 Pennsylvania Avenue NW., Washington, D.C. 20006.
B. Committee to Assure the Availability of Casein, 1700 Pennsylvania Avenue NW., Washington, D.C. 20006.
D. (6) $2,000.

A. Robert A. Best, 475 L'Enfant Plaza SW., Suite 4400, Washington, D.C. 20024.
B. American League for International Security Assistance, Inc., 474 L'Enfant Plaza SW., Suite 4400, Washington, D.C. 20024.
D. (6) $1,500. E. (9) $250.68.

A. Robert A. Best, 475 L'Enfant Plaza SW., Suite 4400, Washington, D.C. 20024.
B. TADCO Enterprise, Inc.. 1625 I Street NW., Washington, D.C. 20006, and Archer-Daniels-Midland Co., Decatur, Ill. 62525.
D. (6) $600. E. (9) $1,079.80.

A. Robert L. Bevan, American Bankers Association, 1120 Connecticut Avenue NW., Washington, D.C. 20036.
B. American Bankers Association, 1120 Connecticut Avenue NW., Washington, D.C. 20036.
D. (6) $1,140. E. (9) $67.93.

A. Beveridge Fairbanks & Diamond, One Farragut Square South, Washington, D.C. 20006.
B. Alaska Movers Association, 10777 Main Street, Suite 205, Bellevue, Wash. 98004.

A. Beveridge, Fairbanks & Diamond, One Farragut Square South, Washington, D.C. 20006.
B. International Paper, Inc., 1620 I Street NW., Suite 700, Washington, D.C. 20006.

A. Beveridge, Fairbanks & Diamond, One Farragut Square South, Washington, D.C. 20006.
B. Moving and Storage Association of Hawaii, P.O. Box 17865, Honolulu, Hawaii 96817.

A. Beveridge, Fairbanks & Diamond, One Farragut Square South, Washington, D.C. 20006.
B. New England Fish Co., Pier 89, Seattle, Wash. 98119.
D. (6) $900.

A. Beveridge, Fairbanks & Diamond, One Farragut Square South, Washington, D.C. 20006.
B. New England Power Co., 20 Turnpike Road, Westborough, Mass. 01581.
D. (6) $2,850.

A. Beveridge, Fairbanks & Diamond, One Farragut Square South, Washington, D.C. 20006.
B. The Society of Plastics, Inc., 1150 17th Street NW., Suite 1000, Washington, D.C. 20036.

A. Beveridge, Fairbanks & Diamond, One Farragut Square South, Washington, D.C. 20006.
B. SoGen Swiss International Corp., 20 Broad Street, New York, N.Y. 10005.

A. Beveridge, Fairbanks & Diamond, One Farragut Square South, Washington, D.C. 20006.
B. Union Seas, c/o The Corporation Trust Inc., 25 South Charles Street, Baltimore, Md. 21201.

A. Eileen M. Biermann, 512 Washington Building, Washington, D.C. 20005.
B. National Association of Small Business Investment Co., 512 Washington Building, Washington, D.C. 20005.
D. (6) $550.

A. Andrew J. Biemiller, AFL–CIO, 815 16th Street NW., Washington, D.C. 20006.
B. American Federation of Labor and Congress of Industrial Organizations, 815 16th Street NW., Washington, D.C. 20006.
D. (6) $12,103.

A. Walter J. Bierwagen, 5025 Wisconsin Avenue NW., Washington, D.C. 20016.
B. Amalgamated Transit Union, AFL–CIO, 5025 Wisconsin Avenue NW., Washington, D.C. 20016.

A. Thomas E. Biery, 1101 16th Street NW., Washington, D.C. 20036.
B. Independent Petroleum Association of America, 1101 16th Street NW., Washington, D.C. 20036.
E. (9) $22.50.

A. Billig, Sher & Jones, 2033 K Street NW., Washington, D.C. 20006.
B. The Adherence Group, 21 West Street, New York, N.Y. 10006.
D. (6) $1,250. E. (9) $25.

A. Birch, Horton, Bittner & Monroe, 4400 Jenifer Street, NW., Suite 300, Washington, D.C. 20015.
B. Calista Corp., 516 Denali Street, Anchorage, Alaska 99501.

A. Birch, Horton, Bittner & Monroe, 4400 Jenifer Street, NW., Suite 300, Washington, D.C. 20015.
B. Coastal States Gas Corp., 5 Greenway Plaza East, Houston, Tex. 77046.

A. Birch, Horton, Bittner & Monroe, 4400 Jenifer Street, NW., Suite 300, Washington, D.C. 20015.
B. Columbia Gas System Service Corp., 20 Montchanin Road, Wilmington, Del. 19807.

A. Birch, Horton, Bittner & Monroe, 4400 Jenifer Street, NW., Suite 300, Washington, D.C. 20015.
B. General Teamsters Local 959, State of Alaska, 1200 Airport Heights Road, Anchorage, Alaska 99504.

A. Birch, Horton, Bittner & Monroe, 4400 Jenifer Street, NW., Suite 300, Washington, D.C. 20015.
B. Global Seafoods, Inc., 1 Canal Plaza, Portland, Maine 04111.

A. Birch, Horton, Bittner & Monroe, 4400 Jenifer Street, NW., Suite 300, Washington, D.C. 20015.
B. Steerling Council for Alaska Lands, 1016 West Sixth Avenue, Suite B, Anchorage, Alaska 99501.

A. Birch, Horton, Bittner & Monroe, 4400 Jenifer Street, NW., Suite 300, Washington, D.C. 20015.
B. Westinghouse Electric Corp., 1801 K Street NW., Washington, D.C. 20008.

A. Robert J. Bird, 1140 Connecticut Avenue, NW., No. 804, Washington, D.C. 20036.
B. Occidental Life Insurance Co., 12th and Hill, Los Angeles, Calif. 90054.

A. Robert J. Bird, 1140 Connecticut Avenue, NW., No. 804, Washington, D.C. 20036.
B. The Paul Revere Corp., Worcester, Mass. 01608.

A. John L. Birkinbine, Jr., National Association of Manufacturers, 222 South Prospect Avenue, Park Ridge, Ill. 60068.
B. National Association of Manufacturers, 1776 F Street NW., Washington, D.C. 20006.
D. (6) $225.

A. C. Thomason Bishop III, National Association of Manufacturers, 1719 Route 10, Parsippany, N.J. 07054.
B. National Association of Manufacturers, 1776 F Street NW., Washington, D.C. 20006.

A. Neal R. Bjornson, National Milk Producers Federation, 30 F Street NW., Washington. D.C. 20001.
B. National Milk Producers Federation, 30 F Street NW., Washington, D.C. 20001.

A. Brent Blackwelder, 317 Pennsylvania Avenue SE., Washington, D.C. 20003.
B. Environmental Policy Center, 317 Pennsylvania Avenue SE., Washington, D.C. 20003.
D. (6) $2,799.99.

A. Steven H. Blackwell, 2626 Pennsylvania Avenue NW., Washington, D.C. 20037.
B. National Telephone Cooperative Association, 2626 Pennsylvania Avenue NW., Washington, D.C. 20037.
D. (6) $200.

A. Donna C. Blair, 1025 Connecticut Avenue NW., Washington, D.C. 20036.
B. Atlantic Richfield Co., 515 South Flower Street, Los Angeles, Calif. 90017.
D. (6) $240. E. (9) $124.60.

A. Richard W. Blake, 1776 K Street NW., No. 900, Washington, D.C. 20006.
B. American Sugarbeet Growers Association, 1776 K Street NW., No. 900, Washington, D.C. 20006.
D. (6) $540.

A. Robert W. Blanchette, Alston, Miller & Gaines, 1800 M Street, NW., Suite 1000, Washington, D.C. 20036.
B. Agri-Businessmen, Inc., 141 West Jackson Boulevard, Suite 1245, Chicago, Ill.

A. Robert W. Blanchette, Alston, Miller & Gaines, 1800 M Street, NW., Suite 1000, Washington, D.C. 20036.
B. Board of Trade Clearing Corp., 141 West Jackson Boulevard, Chicago, Ill. 60604.
D. (6) $462. E. (9) $160.75.

A. Kenneth T. Blaylock, American Federation of Government Employees, 1325 Massachusetts Avenue NW., Washington, D.C. 20005.
B. American Federation of Government Employees, 1325 Massachusetts Avenue NW., Washington, D.C. 20005.
D. (6) $16,929.50. E. (9) $2,884.33.

A. Michael M. Blevins, National Society of Professional Engineers, 2029 K Street NW., Washington, D.C. 20006.
B. National Society of Professional Engineers, 2029 K Street NW., Washington, D.C. 20006.
D. (6) $1,250.

A. Richard W. Bliss, National Association of Electric Cos., 1140 Connecticut Avenue NW., Suite 1010, Washington, D.C. 20036.
B. National Association of Electric Cos., 1140 Connecticut Avenue NW., Suite 1010, Washington, D.C. 20036.
D. (6) $480. E. (9) $27.

A. Jerald Blizin, Hill and Knowlton, Inc., 1425 K Street NW., Washington, D.C. 20005.
B. Hill and Knowlton, Inc., 633 Third Avenue, New York, N.Y. 10017.

A. L. Thomas Block, Irving Trust Co., One Wall Street, New York, N.Y. 10015.
B. Irving Trust Co., One Wall Street, New York, N.Y. 10015.
D. (6) $400. E. (9) $325.

A. Robert J. Bolger, National Association of Chain Drug Stores, Inc., 1911 Jefferson Davis Highway, Suite 504, Arlington, Va. 22202.
B. National Association of Chain Drug Stores, Inc., 1911 Jefferson Davis Highway, Suite 504, Arlington, Va. 22202.
D. (6) $1,650.

A. Mark Bloomfield, American Council for Capital Formation, 1425 K Street NW., Suite 1007, Washington, D.C. 20005.
B. American Council for Capital Formation, 1425 K Street NW., Washington, D.C. 20005.
D. (6) $1,400.

A. Mark Andrew Bloomfield, 1661 Crescent Place NW., No. 309, Washington, D.C. 20009.
B. American Electronics Association, 2600 El Camino Real, Palo Alto, Calif. 94306.
D. (6) $3,000. E. (9) $50.75.

A. Jack A. Blum, 1015 18th Street NW., Washington, D.C. 20036.
B. Independent Gasoline Marketers Council, 1015 18th Street NW., Suite 408, Washington, D.C 20036.
D. (6) $10,000. E. (9) $10,747.05.

A. Jared O. Blum, 1730 M Street NW., Suite 610, Washington, D.C. 20036.
B. Direct Selling Association, 1730 M Street NW., Suite 610, Washington, D.C. 20036.
D. (6) $900. E. (9) $73.98.

A. Blum, Parker & Nash, 1015 18th Street NW., No. 408, Washington, D.C. 20036.
B New York Mercantile Exchange, 4 World Trade Center, New York, 10048.

A. Wayne F. Boan, National Association of Manufacturers, 8320 Gulf Freeway, Suite 243, Houston, Tex. 77017.
B. National Association of Manufacturers, 1776 F Street NW., Washington, D.C. 20006.
D. (6) $1,300.

A. Seth M. Bodner, 1101 15th Street NW., Suite 803, Washington, D.C. 20005.
B. Lead-Zinc Producers Committee, 1101 15th Street NW., Suite 803, Washington, D.C. 20005.
D. (6) $1,500.

A. Becky Bogard, 2000 Florida Avenue NW., Washington, D.C. 20009.
B. National Rural Electric Cooperative Association, 2000 Florida Avenue NW., Washington, D.C. 20009.
D. (6) $193.50.

A. Christie K. Bohner, 900 17th Street NW., No. 1016, Washington, D.C. 20006.
B. Kaiser Steel Corp., 900 17th Street NW., No. 1016, Washington, D.C. 20006.
D. (6) $500. E. (9) $740.

A. Patricia M. Boinski, 1025 Connecticut Avenue NW., Washington, D.C. 20036.
B. Atlantic Richfield Co., 515 South Flower Street, Los Angeles, Calif. 90071.
D. (6) $16.40. E. (9) $6.

A. A. Dewey Bond, American Meat Institute, P.O. Box 3556, Washington, D.C. 20007.
B. American Meat Institute, P.O. Box 3556, Washington, D.C. 20007 (1600 Wilson Boulevard, Arlington, Va.).
D. (6) $500. E. (9) $22.

A. L. H. Bonin, Jr., 1025 Connecticut Avenue NW., Suite 700, Washington, D.C. 20036.
B. Gulf Oil Corp., Pittsburgh, Pa. 15230.
D. (6) $2,400. E. (9) $350.

A. Jay Bonitt, 300 Maryland Avenue NE., Washington, D.C. 20002.
B. The Bendix Corp., 300 Maryland Avenue NE., Washington, D.C. 20002.
D. (6) $425.

A. Sharon Lee Bonitt, Shell Oil Co., 1025 Connecticut Avenue NW., Washington, D.C. 20036.
B. Shell Oil Co., 1 Shell Plaza, P.O. Box 2463, Houston, Tex. 77001.
D. (6) $500.

A. Edward T. Borda, 1625 I Street NW., Suite 1023, Washington, D.C. 20006.
B. Association of General Merchandise Chains, Inc., 1625 I Street NW., Suite 1023, Washington, D.C. 20006.
D. (6) $4,000. E. (9) $320.

A. Charles G. Botsford, 1730 M Street NW., Suite 609, Washington, D.C. 20036.

A. Frank J. Bowden, Jr., Associated Petroleum Industries of Pennsylvania, P.O. Box 925, Harrisburg, Pa. 17108.
B. American Petroleum Institute, 2101 L Street NW., Washington, D.C. 20037.

A. David W. Bowers, 1801 K Street NW., Suite 1201, Washington, D.C. 20006.
B. United States Independent Telephone Association, 1801 K Street NW., Suite 1201, Washington, D.C. 20006.
D. (6) $1,000.

A. Robert R. Bowers, West Virginia Petroleum Council, Suite 714, Atlas Building, Charleston, W. Va. 25301.
B. American Petroleum Institute, 2101 L Street NW., Washington, D.C. 20037.
D. (6) $540. E. (9) $530.

A. T. L. Bowes, IPO, Inc., Route 2, Box 183AB, Leesburg, Va. 22075.
B. IPO, Inc., 1800 K Street NW., Washington, D.C. 20006.
D. (6) $200.

A. Edward L. Bowley, American Postal Workers Union AFL–CIO, 817 14th Street NW., Washington, D.C. 20005.
B. American Postal Workers Union, AFL–CIO, 817 14th Street NW., Washington, D.C. 20005.
D. (6) $10,614.60. E. (9) $6,293.94.

A. Randal R. Bowman, 1600 Rhode Island Avenue NW., Washington, D.C. 20036.
B. National Rifle Association of America, 1600 Rhode Island Avenue NW., Washington, D.C. 20036.
D. (6) $500. E. (9) $13.66.

A. Francis J. Boyd, Jr., 3251 Old Lee Highway, Suite 501, Fairfax, Va. 22030.
B. National Limestone Institute, Inc., 3251 Old Lee Highway, Suite 501, Fairfax, Va. 22030.
E. (9) $30.16.

A. John G. Boyd, 1801 K Street NW., Washington, D.C. 20006.
B. International Business Machines, Old Orchard Road, Armonk, NY 10504.
D. (6) $576. E. (9) $96.16.

A. Sheila H. Boykin, National Health Law Program, Inc., 1200 15th Street NW., Room 503, Washington, D.C. 20005.
B. The National Health Law Program, Inc., 2401 Main Street, Santa Monica, Calif. 90405.
D. (6) $2,205. E. (9) $1,148.21.

A. Robert E. Bradford, 1750 K Street NW., Washington, D.C. 20006.
B. Food Marketing Institute, 1750 K Street NW., Washington, D.C. 20006.
D. (6) $2,000.

A. Frank W. Bradley, Chevron, U.S.A., Inc., 1700 K Street NW., Washington, D.C. 20006.
B. Chevron, U.S.A., Inc., a subsidiary of Standard Oil Co. of California, 1700 K Street NW., Washington, D.C. 20006.
E. (9) $100.

A. Wayne W. Bradley, American Medical Association, 535 North Dearborn Street, Chicago, Ill. 60610.
B. American Medical Association, 535 North Dearborn Street, Chicago, Ill. 60610.
D. (6) $500. E. (9) $10.73.

A. Charles N. Brady, American Automobile Association, 8111 Gatehouse Road, Falls Church, Va. 22042.
B. American Automobile Association, 8111 Gatehouse Road, Falls Church, Va. 22042.

A. Charles G. Bragg, P.O. Box 12285, Memphis, Tenn. 38112.
B. National Cotton Council of America, P.O. Box 12285, Memphis, Tenn. 38112.
D. (6) $2,110.77. E. (9) $284.81.

A. Raymond F. Bragg, Jr., American Petroleum Refiners Association, 1200 18th Street NW., Suite 607, Washington, D.C. 20036.
B. American Petroleum Refiners Association, 1200 18th Street NW., Suite 607, Washington, D.C. 20036.
D. (6) $100.

A. David C. Branand, American Mining Congress, 1100 Ring Building, Washington, D.C.
B. American Mining Congress, 1100 Ring Building, Washington, D.C.

A. Robert M. Brandon, Public Citizen's Tax Reform Research Group, 133 C Street SE., Washington, D.C. 20003.
B. Public Citizen's Tax Reform Research Group, 133 C Street SE., Washington, D.C. 20003.
D. (6) $2,062.50.

A. John Henry Brebbia, Alston, Miller & Gaines, 1800 M Street NW., Suite 1000, Washington, D.C. 20036.
B. Board of Trade Clearing Corp., 141 West Jackson Boulevard, Chicago, Ill. 60604.
D. (6) $1,500. E. (9) $160.75.

A. Jerome J. Breiter, 1800 K Street NW., Washington, D.C. 20006.
B. Hercules Inc., 910 Market Street, Wilmington, Del. 19899.
D. (6) $482. E. (9) $57.

A. Edward J. Brenner, Suite 301, 1911 Jefferson Davis Highway, Arlington, Va. 22202.
B. Association for the Advancement of Invention & Innovation, Suite 301, 1911 Jefferson Davis Highway, Arlington, Va. 22202.

A. Claude S. Brinegar, 461 South Boylston Street, Los Angeles, Calif. 90017.
B. Union Oil Co. of California, 461 South Boylston Street, Los Angeles, Calif. 90017.
E. (9) $122.28.

A. Wally Briscoe, National Cable Television Association, Inc., 918 16th Street NW., Washington, D.C. 20006.
B. National Cable Television Association, Inc., 918 16th Street NW., Washington, D.C. 20006.
D. (6) $1,031.

A. David A. Brody, Anti-Defamation League of B'nai B'rith, 1640 Rhode Island Avenue NW., Washington, D.C. 20036.

B. Anti-Defamation League of B'nai B'rith, 315 Lexington Avenue, New York, N.Y. 10016.
D. (6) $1,425.

A. Michael D. Bromberg, 1101 17th Street NW., Suite 310, Washington, D.C. 20036.
B. Federation of American Hospitals, 1101 17th Street NW., Suite 310, Washington, D.C. 20036.
D. (6) $4,500.

A. Dale E. Brooks, Chevron, U.S.A., Inc., 1700 K Street NW., Washington, D.C. 20006.
B. Chevron, U.S.A., Inc., a subsidiary of Standard Oil Co. of California, 1700 K Street NW., Washington, D.C. 20006.
D. (6) $100. E. (9) $60.

A. Phillip W. Brooks, Volunteer State Oil Committee, 19th Floor, Third National Bank Building, Nashville, Tenn. 37219.
B. American Petroleum Institute, 2101 L Street NW., Washington, D.C. 20037.
D. (6) $250. E. (9) $516.04.

A. Donald G. Brotzman, Rubber Manufacturers Association, 1901 Pennsylvania Avenue NW., Washington, D.C. 20006.
B. Rubber Manufacturers Association, 1901 Pennsylvania NW., Washington, D.C. 20006.
D. (6) $8,000. E. (9) $40.

A. David S. J. Brown, 1101 17th Street NW., Suite 604, Washington, D.C. 20036.
B. Monsanto Co., 800 North Lindbergh Boulevard, St. Louis, Missouri 63166.
D. (6) $450. E. (9) $115.17.

A. Dennis E. Brown, 2 Militia Dr., Lexington, Mass. 02173.
B. National Association of Manufacturers, 1776 F Street NW., Washington, D.C. 20006.
D. (6) $225.

A. Donald K. Brown, 1127 11th Street, Suite 618, Sacramento, Calif. 95814.
B. Summa Corp., P.O. Box 14000, Las Vegas, Nev. 89156.

A. Gary Brown, 1101 17th Street NW., Suite 700, Washington, D.C. 20036.
B. National Association of Real Estate Investment Trusts, 1101 17th Street, Suite 700, Washington, D.C. 20036.

A. Howard C. Brown, Jr., 9618 Carriage Road, Kensington, Md. 20795.
B. Centar Associates, 369 Passiac Avenue, Fairfield, N.J. 07006.
D. (6) $200. E. (9) $190.

A. Howard C. Brown, Jr., 9618 Carriage Road, Kensington, Md. 20795.
B. National Association of Life Sciences, 9200 Leesburg Turnpike, Vienna, Va. 22180.
D. (6) $100.

A. J. D. Brown, American Public Power Association, 2600 Virginia Avenue, NW., Washington, D.C. 20037.
B. American Public Power Association, 2600 Virginia Avenue NW., Washington, D.C. 20037.
D. (6) $350.

A. Karen H. Brown, 1750 K Street NW., Washington, D.C. 20006.
B. Food Marketing Institute, 1750 K Street NW., Washington, D.C. 20006.
D. (6) $500.

A. Michael F. Brown, 919 18th Street NW., Washington, D.C. 20006.
B. American Frozen Food Institute, 1700 Old Meadow Road, McLean, Va. 22101.
D. (6) $200.

A. Vincent D. Brown, Nebraska Petroleum Council, 334 South 13th Street, P.O. Box 95063, Lincoln, Nebr. 68509.
B. American Petroleum Institute, 2101 L Street NW., Washington, D.C. 20037.

A. William E. Brown, Ford Motor Co., 815 Connecticut Avenue NW., Washington, D.C. 20006.
B. Ford Motor Co., Dearborn, Mich.
D. (6) $140. E. (9) $62.16.

A. Stanley R. Browne, 1701 Pennsylvania Avenue NW., Suite 210, Washington, D.C. 20006.
B. E. I. du Pont de Nemours & Co., 1007 Market Street, Wilmington, Del. 19898.
D. (6) $275. E. (9) $6.50.

A. Brownstein, Zeidman & Schomer, 1025 Connecticut Avenue NW., Suite 900, Washington, D.C. 20036.
B. Holiday Inns, Inc., 3742 Lamar Avenue, Memphis, Tenn. 38118.

A. Brownstein, Zeidman & Schomer, 1025 Connecticut Avenue NW., Suite 900, Washington, D.C. 20036.
B. International Foodservice Manufacturers Association, 875 North Michigan Avenue, Chicago, Ill. 60611.

A. Brownstein, Zeidman & Schomer, 1025 Connecticut Avenue NW., Washington, D.C. 20036.
B. International Franchise Association, 7315 Wisconsin Avenue, Bethesda, Md. 20014.

A. Brownstein, Zeidman & Schomer, 1025 Connecticut Avenue NW., Suite 900, Washington, D.C. 20036.
B. Mortgage Guaranty Insurance Corp., MGIC Plaza, Milwaukee, Wis. 53201.

A. Brownstein, Zeidman & Schomer, 1025 Connecticut Avenue NW., Suite 900, Washington, D.C. 20036.
B. New York State Urban Development Corp., 1345 Avenue of the Americas, New York, N.Y. 10019.

A. John R. Bruch, P.O. Box 5000, Cleveland, Ohio 44101.
B. The Cleveland Electric Illuminating Co., P.O. Box 5000, Cleveland, Ohio 44101.
D. (6) $1,800. E. (9) $290.83.

A. Jacqueline M. Brunell, American Nurses' Association, 1030 15th Street NW., Washington, D.C. 20005.
B. American Nurses' Association, 2420 Pershing Road, Kansas City, Mo.
D. (6) $2,132. E. (9) $47.50.

A. Fred J. Bruner, Indiana & Michigan Electric Co., 2101 Spy Run Avenue, Fort Wayne, Ind. 46801.
B. Indiana & Michigan Electric Co., 2101 Spy Run Avenue, Fort Wayne, Ind. 46801.
D. (6) $1,819.85. E. (9) $2,054.08.

A. Paul A. Brunkow, 1776 F Street NW., Washington, D.C. 20006.
B. National Association of Manufacturers, 1776 F Street NW., Washington, D.C. 20006.
D. (6) $1,300.

A. Michael E. Brunner, American Meat Institute, P.O. Box 3556, Washington, D.C. 20007.
B. American Meat Institute, P.O. Box 3556, Washington, D.C. 20007 (1600 Wilson Boulevard, Arlington, Va.).
D. (6) $3,000. E. (9) $257.

A. J. Charles Bruse, 1700 Pennsylvania Avenue NW., Suite 750, Washington, D.C. 20006.
B. Allstate Enterprises, Inc., Allstate Plaza, Northbrook, Ill. 60062.

A. J. Charles Bruse, 1700 Pennsylvania Avenue NW., Suite 750, Washington, D.C. 20006.
B. Allstate Insurance Cos., Allstate Plaza, Northbrook, Ill. 60062.

A. Margaret H. Bryant, 1730 Pennsylvania Avenue NW., Suite 1111, Washington, D.C. 20006.
B. American Natural Service Co., 1730 Pennsylvania Avenue NW., Suite 1111, Washington, D.C. 20006.
D. (6) $250. E. (9) $25.

A. Philip N. Buckminster, 1100 Connecticut Avenue NW., Washington, D.C. 20036.
B. Chrysler Corp., 12000 Lynn Townsend Drive, Highland Park, Mich.
D. (6) $2,000. E. (9) $276.78.

A. Robert D. Buehler, 1800 K Street NW., Suite 929, Washington, D.C. 20006.
B. B. F. Goodrich Co., Akron, Ohio 44318.
D. (6) $400.

A. David J. Burch, 1101 15th Street NW., Washington, D.C. 20005.
B. National Constructors Association, 1101 15th Street NW., Suite 1000, Washington, D.C. 20005.

A. Norman D. Burch, 1775 K Street NW., Washington, D.C. 20006.
B. College of American Pathologists, 7400 North Skokie Boulevard, Skokie, Ill. 60076.
D. (6) $3,375. E. (9) $88.26.

A. David G. Burden, 200 East Randolph Drive, Chicago, Ill. 60601.
B. Standard Oil Co., 200 East Randolph Drive, Chicago, Ill. 60601.

A. William J. Burhop, Air Transport Association of America, 1709 New York Avenue NW., Washington, D.C. 20006.
B. Air Transport Association of America, 1709 New York Avenue NW., Washington, D.C. 20006.
D. (6) $1,875. E. (9) $116.44.

A. J. J. Burke, Jr., 40 East Broadway, Butte, Mont. 59701.
B. The Montana Power Co., Butte, Mont. 59701.
E. (9) $71.47.

A. Burley and Dark Leaf Tobacco Export Association, 1100 17th Street NW., Suite 306, Washington, D.C. 20036.
D. (6) $1,771.48. E. (9) $797.05.

A. Phillip C. Burnett, 1918 North Parkway, Memphis, Tenn. 38112.
B. National Cotton Council of America, P.O. Box 12285, Memphis, Tenn. 38112.
D. (6) $415.38. E. (9) $44.

A. Charles S. Burns, Phelps Dodge Corp., 1620 I Street NW., Washington, D.C. 20006.
B. Phelps Dodge Corp., 300 Park Avenue, New York, N.Y. 10022.
D. (6) $1,200.

A. Gerrie Bjornson Burns, 1800 K Street NW., Suite 929, Washington, D.C. 20006.
B. B. F. Goodrich Co., Akron, Ohio 44318.
D. (6) $100.

A. B. Kent Burton, American Trucking Associations, Inc., 1616 P Street NW., Washington, D.C. 20036.
B. American Trucking Association, Inc., 1616 P Street NW., Washington, D.C. 20036.
D. (6) $6,000. E. (9) $627.56.

A. John M. Burzio, Hydeman, Mason & Goodell, 1220 19th Street NW., Washington, D.C. 20037.
B. The Bureau of National Affairs, Inc., 1231 25th Street NW., Washington, D.C. 20037.

A. John M. Burzio, Hydeman, Mason & Goodell, 1220 19th Street NW., Washington, D.C. 20036.

B. Magazine Publishers Association, Inc., Magazine Center, 575 Lexington Avenue, New York, N.Y. 10022.
D. (6) $565.15.

A. Nicholas J. Bush, Suite 1014, 1025 Connecticut Avenue NW., Washington, D.C. 20036.
B. Exxon Corp., 1251 Avenue of the Americas, New York, N.Y.
E. (9) $260.

A. Business Executives Move for New National Priorities, 901 North Howard Street, Baltimore, Md. 21218.
D. (6) $628. E. (9) $1,044.99.

A. James J. Butera, 1709 New York Avenue NW., Washington, D.C. 20006.
B. National Association of Mutual Savings Banks, 200 Park Avenue, New York, N.Y. 10017.
D. (6) $2,250. E. (9) $214.29.

A. Butler, Binion, Rice, Cook & Knapp, 818 Connecticut Avenue NW., Washington, D.C. 20006.
B. Inexco Oil Co., 1100 Milam Building, Suite 1900, Houston, Tex. 77002.

A. Michael F. Butler, Andrews, Kurth, Campbell & Jones, 1700 Pennsylvania Avenue NW., Washington, D.C. 20006.
B. Grocery Manufacturers of America, 1425 K Street NW., Washington, D.C. 20005.
D. (6) $250. E. (9) $10.

A. John W. Byrnes, Foley, Lardner, Hollabaugh & Jacobs, 1775 Pennsylvania Avenue NW., Washington, D.C. 20006.
B. Foley, Lardner, Hollabaugh & Jacobs (for American Family Mutual Insurance Co.), 1775 Pennsylvania Avenue NW., Washington, D.C. 20006.

A. John W. Byrnes, Foley, Lardner, Hollabaugh & Jacobs, 1775 Pennsylvania Avenue NW., Washington, D.C. 20006.
B. Foley, Lardner, Hollabaugh & Jacobs (for Cabot Corp.), 1775 Pennsylvania Avenue NW., Washington, D.C. 20006.

A. John W. Byrnes, Foley, Lardner, Hollabaugh & Jacobs, 1775 Pennsylvania Avenue NW., Washington, D.C. 20006.
B. Foley, Lardner, Hollabaugh & Jacobs (for Fort Howard Paper Co.), 1775 Pennsylvania Avenue NW., Washington, D.C. 20006.

A. John W. Byrnes, Foley, Lardner, Hollabaugh & Jacobs, 1775 Pennsylvania Avenue NW., Washington, D.C. 20006.
B. Foley, Lardner, Hollabaugh & Jacobs (for Insurance Association of Connecticut), 1775 Pennsylvania Avenue NW., Washington, D.C. 20006.

A. John W. Byrnes, Foley, Lardner, Hollabaugh & Jacobs, 1775 Pennsylvania Avenue NW., Washington, D.C. 20006.
B. Foley, Lardner, Hollabaugh & Jacobs (for Johnson Controls, Inc.), 1775 Pennsylvania Avenue NW., Washington, D.C. 20006.

A. Cable, McDaniel, Bowie & Bond, 900 Blaustein Building, Baltimore, Md. 21201.
B. Crown Central Petroleum Corp., 1 North Charles Street, P.O. Box 1168, Baltimore, Md. 21203.

A. Cadwalader, Wickersham & Taft, 11 Dupont Circle NW., Suite 450, Washington, D.C. 20036.
B. Amex Commodities Exchange, Inc., 86 Trinity Place, New York, N.Y. 10006.
D. (6) $1,545.66. E. (9) $15.

A. Cadwalader, Wickersham & Taft, 11 Dupont Circle NW., Suite 450, Washington, D.C. 20036.
B. Associated Metals & Minerals Corp., 30 Rockefeller Plaza, New York, N.Y. 10020.
D. (6) $1,064.48. E. (9) $47.50.

A. Cadwalader, Wickersham & Taft, 11 Dupont Circle NW., Suite 450, Washington, D.C. 20036.
B. Mocatta Metals Corp., 25 Broad Street, New York, N.Y. 10004.
D. (6) $6,741.86. E. (9) $37.50.

A. Morrison G. Cain, American Speech & Hearing Association, 10801 Rockville Pike, Rockville, Md. 20852.
B. American Speech & Hearing Association, 10801 Rockville Pike, Rockville, Md. 20852.
D. (6) $4,564.50.

A. Alan Caldwell, 1825 K Street NW., Washington, D.C. 20006.
B. Del Monte Corp., 1 Market Plaza, San Francisco, Calif. 94119.
D. (6) $1,000. E. (9) $50.

A. C. Richard Calkins, 1619 Massachusetts Avenue NW., Washington, D.C. 20036.
B. American Paper Institute, Inc., 260 Madison Avenue, New York, N.Y. 10016.

A. F. Patricia Callahan, 1211 Connecticut Avenue NW., No. 802, Washington, D.C. 20036.
B. Sears, Roebuck & Co., Sears Tower, Chicago, Ill. 60684.
D. (6) $560. E. (9) $55.50.

A. Peter E. Callanan, 1100 Connecticut Avenue NW., Washington, D.C. 20036.
B. Honeywell, Inc., Honeywell Plaza, Minneapolis, Minn. 55408.
D. (6) $450. E. (9) $290.

A. Gordon L. Calvert, Box 34–531, Washington, D.C. 20034.
B. Commercial Collection Agency Section, Commercial Law League of America, 222 West Adams Street, Chicago, Ill. 60606.
D. (6) $1,000. E. (9) $18.66.

A. Victoria Calvert, 919 18th Street NW., Washington, D.C. 20006.
B. American Frozen Food Institute, 1700 Old Meadow Road, McLean, Va. 22101.
D. (6) $50.

A. Donald L. Calvin, New York Stock Exchange, Inc., 11 Wall Street, New York, N.Y. 10005.
B. New York Stock Exchange, Inc., 11 Wall Street, New York, N.Y. 10005.

A. C. R. Campbell, Jr., Suite 900, 1120 Connecticut Avenue NW., Washington, D.C. 20036.
B. General Telephone & Electronics Corp., 1 Stamford Forum, Stamford, Conn. 06904.
D. (6) $500. E. (9) $219.50.

A. Carl C. Campbell, 1030 15th Street NW., Suite 700, Washington, D.C. 20005.
B. National Cotton Council of America, P.O. Box 12285, Memphis, Tenn. 38112.
D. (6) $476.54.

A. Jerry L. Campbell, Tennessee Valley Public Power Association, 415 Pioneer Building, Chattanooga, Tenn. 37402.
B. Tennessee Valley Public Power Association, 415 Pioneer Building, Chattanooga, Tenn. 37402.

A. Can Manufacturers Institute, 1625 Massachusetts Avenue NW., Washington, D.C. 20036.
E. (9) $300.

A. Alyce D. Canaday, Pacific Power & Light Co., 918 16th Street NW., Washington, D.C. 20006.
B. Pacific Power & Light Co., Public Service Building, Portland, Oreg. 97204.
D. (6) $400. E. (9) $332.79.

A. David A. Caney, The American Institute of Architects, 1735 New York Avenue NW., Washington, D.C. 20006.
B. The American Institute of Architects, 1735 New York Avenue NW., Washington, D.C. 20006.
D. (6) $5,337.50. E. (9) $431.67.

A. David L. Cantor, National Association of Electric Cos., 1140 Connecticut Avenue NW., Room 1010, Washington, D.C. 20036.
B. National Association of Electric Cos., 1140 Connecticut Avenue NW., Room 1010, Washington, D.C. 20036.
D. (6) $500. E. (9) $90.

A. Marvin H. Caplan, Industrial Union Department, AFL–CIO, 815 16th Street NW., Washington, D.C. 20006.
B. Industrial Union Department, AFL–CIO, 815 16th Street NW., Washington, D.C. 20006.
D. (6) $4,946.50. E. (9) $132.05.

A. Caplin & Drysdale, 1101 17th Street NW., Washington, D.C. 20036.
B. Association of American Publishers, 1 Park Avenue, New York, N Y. 10016.
D. (6) $10,462.43. E. (9) $49.89.

A. Caplin & Drysdale, 1101 17th Street NW., Washington, D.C. 20036.
B. Council on Foundations, Inc., 888 Seventh Avenue, New York, N.Y. 10019.
D. (6) $2,119.07. E. (9) $12.76.

A. Caplin & Drysdale, 1101 17th Street NW., Washington, D.C. 20036.
B. Salomon Bros., 1 New York Plaza, New York, N.Y. 10004.
E. (9) $25.

A. Ronald A. Capone, Kirlin, Campbell & Keating, 1150 Connecticut Avenue NW., No. 800, Washington, D.C. 20036.
B. Council of European & Japanese National Shipowners' Association, 17/18 Bury Street, London, EC3A 5AH, England.
D. (6) $7,000. E. (9) $527.69.

A. Milton F. Capps, 196 Sweet Wood Circle, Columbia, S.C. 29210.
B. J. Crawford Cook, Inc., 2218 Terrace Way, Columbia, S.C. 29205; Cook, Ruef, Spann & Weiser, Inc., 1735 St. Julian Place, Columbia, S.C. 29204.

A. Charles E. Capron, 2401 Calvert Street NW., Suite 905, Washington, D.C. 20008.
E. (9) $112.

A. Norval E. Carey, 2021 K Street NW., Washington, D.C. 20006.
B. General Atomic Co., San Diego, Calif.
D. (6) $1,000. E. (9) $375.

A. Charles R. Carlisle, 1730 Rhode Island Avenue NW., Suite 911, Washington, D.C. 20036.
B. St. Joe Minerals Corp., 250 Park Avenue, New York, N.Y. 10017.
D. (6) $9,360. E. (9) $50.16.

A. Peter Carlson, 317 Pennsylvania Avenue SE., Washington, D.C. 20003.
B. Environmental Policy Center, 317 Pennsylvania Avenue SE., Washington, D.C. 20003.
D. (6) $1,200.

A. Chapin Carpenter, Jr., Magazine Publishers Association, Inc., 1629 K Street NW., No. 603, Washington, D.C. 20006.
B. Magazine Publishers Association, Inc., 575 Lexington Avenue, New York, N.Y. 10022.
D. (6) $1,500. E. (9) $236.64.

A. Jack Carpenter, American Mining Congress, 1100 Ring Building, Washington, D.C. 20036.
B. American Mining Congress, 1100 Ring Building, Washington, D.C.
D. (6) $149.35. E. (9) $59.80.

A. L. C. Carpenter, Midcontinent Farmers Association, 201 South Seventh Street, Columbia, Mo. 65201.
B. Midcontinent Farmers Association, 201 South Seventh Street, Columbia, Mo. 65201.
D. (6) $5,299.32. E. (9) $1,414.90.

A. John R. Carson, 20 Chevy Chase Circle, Washington, D.C. 20015.
B. American Podiatry Association, 20 Chevy Chase Circle, Washington, D.C. 20015.
D. (6) $8,000.

A. Charles S. Carter, National Association of Electric Cos., 1140 Connecticut Avenue NW., Washington, D.C. 20036.
B. National Association of Electric Cos., 1140 Connecticut Avenue NW., Washington, D.C. 20036.
D. (6) $195. E. (9) $22.

A. Joseph L. Carter, Jr., Association of American Railroads, 40 Ivy Street SE., Washington, D.C. 20003.
B. Association of American Railroads, 1920 L Street NW., Washington, D.C. 20036.
D. (6) $277.50. E. (9) $105.51.

A. James P. Carty, National Association of Manufacturers, 1776 F Street NW., Washington, D.C. 20006.
B. National Association of Manufacturers, 1776 F Street NW., Washington, D.C. 20006.
D. (6) $385.

A. Ann M. Case, Phelps Dodge Corp., 1620 I Street NW., Washington, D.C. 20006.
B. Phelps Dodge Corp., 300 Park Avenue, New York, N.Y. 10022.
D. (6) $150.

A. John S. Casey, 207 Duke Drive, Heflin, Ala. 36264.
B. Alabama Railroad Association, P.O. Box 21, Montgomery, Ala. 36101.

A. Casey, Lane & Mittendorf, 815 Connecticut Avenue, Suite 802, Washington, D.C. 20006.
B. Independent Gas Producers Committee, 2601 Northwest Expressway, Oklahoma City, Okla. 73112.
E. (9) $160.47.

A. Casey, Lane & Mittendorf, 815 Connecticut Avenue NW., Suite 802, Washington, D.C. 20006.
B. Kansas Delaware Tribe of Indians, Inc., 1909 Aladdin, Norman, Okla. 73609.
E. (9) $285.38.

A. Casey, Lane & Mittendorf, 815 Connecticut Avenue NW., Suite 802, Washington, D.C. 20006.
B. Slurry Transport Association, 490 L'Enfant Plaza East, Suite 320, Washington, D.C. 20024.
D. (6) $5,386.25. E. (9) $595.75.

A. Casey, Lane & Mittendorf, 815 Connecticut Avenue NW., Suite 802, Washington, D.C. 20006.
B. Texas Oil & Gas Corp., 2700 Union Fidelity Tower, Dallas, Tex. 75201.
D. (6) $14,910. E. (9) $220.78.

A. Casey, Lane & Mittendorf, 815 Connecticut Avenue NW., Suite 802, Washington, D.C. 20006.
B. Wabanex Energy Corp., Ltd., 759 Victoria Square, Montreal, Quebec H2Y 2K4, Canada.
D. (6) $1,252.50. E. (9) $712.19.

A. James B. Cash, Jr., American Bankers Association, 1120 Connecticut Avenue NW., Washington, D.C. 20036.
B. American Bankers Association, 1120 Connecticut Avenue NW., Washington, D.C. 20036.
D. (6) $3,000 E. (9) $23.75.

A. Allen R. Caskie, American Council of Life Insurance, Inc., 1850 K Street NW., Washington, D.C. 20006.
B. American Council of Life Insurance, Inc., 1850 K Street NW., Washington, D.C. 20006.
D. (6) $172. E. (9) $230.

A. Eugene I. Casraiss, Jr., United Automobile, Aerospace & Agricultural Implement Workers of America, 1125 15th Street NW., Washington, D.C. 20005.
B. International Union, United Automobile, Aerospace & Agricultural Implement Workers of America, 8000 East Jefferson Avenue, Detroit, Mich. 48214.
D. (6) $6,512.94. E. (9) $930.37.

A. John J. Castellani, National Association of Manufacturers, 1776 F Street NW., Washington, D.C. 20006.
B. National Association of Manufacturers, 1776 F Street NW., Washington, D.C. 20006.
D. (6) $165. E. (9) $7.80.

A. Rita L. Castle, Caterpillar Tractor Co., 100 Northeast Adams Street, Peoria, Ill. 61629.
B. Caterpillar Tractor Co., 100 Northeast Adams Street, Peoria, Ill. 61629.

A. Philip T. Cavanaugh, Chevron, U.S.A., Inc., 1700 K Street NW., Washington, D.C. 20006.
B. Chevron, U.S.A., Inc., a subsidiary of Standard Oil Co. of California, 1700 K Street NW., Washington, D.C. 20006.
D. (6) $300. E. (9) $180.

A. Frank R. Cawley, Agricultural Publishers Association, Inc., P.O. Box 2351, Falls Church, Va., 22042.
B. Agricultural Publishers Association, Inc. P.O. Box 2351, Falls Church, Va. 22042.

A. Dorothy D. Cecelski, 2030 M Street NW., Washington, D.C. 20036.
B. Common Cause, 2030 M Street NW., Washington, D.C. 20036.
D. (6) $4,312.50.

A. Owen R. Chaffee, 203 Yoakum Parkway, No. 1012, Alexandria, Va. 22304.
B. Manufactured Housing Institute, 1745 Jefferson Davis Highway, Arlington, Va. 22202.
D. (6) $2,400. E. (9) $500.

A. Chain Saw Manufacturers Association, 1015 18th Street NW., Suite 403, Washington, D.C. 20036.

A. R. S. Chamberlin, Dow Chemical, U.S.A., 1800 M Street NW., Suite 700 South, Washington, D.C. 20036.
B. The Dow Chemical Co., Midland, Mich., 48640.
D. $1,000. E. (9) $680.

A. Jerry L. Chambers, 2322 Casswell Drive, Bethel Park, Pa. 15102.
B. National Association of Manufacturers, 1776 F Street NW., Washington, D.C. 20006.
D. (6) $1,000.

A. Steven M. Champlin, Suite 931, 1346 Connecticut Avenue NW., Washington, D.C. 20036.
B. Vietnam Veteran Coalition, Inc., Suite 931 1346 Connecticut Avenue NW., Washington, D.C. 20036.
D. (6) $245.47.

A. J. W. Chandler, York Division, Borg-Warner Corp., 1101 17th Street NW., Washington, D.C. 20036.
B. York Division, Borg-Warner Corp., South Richland Avenue, York, Pa.
E. (9) $26.50.

A. William C. Chapman, 1660 L Street NW., Washington, D.C. 20036.

B. General Motors Corp, 3044 West Grand Boulevard, Detroit, Mich.
D. (6) $3,000. E. (9) $5,260.10.

A. Seymour M. Chase, 1250 Connecticut Avenue, Washington, D.C. 20036.
B. American Subscription Television, Inc., et al.
D. (6) $400.

A. Leslie Cheek III, Crum and Forster Corp., 1120 Connecticut Avenue NW., Suite 1142, Washington, D.C. 20036.
B. Crum and Forster Corp., Madison Avenue at Canfield Road, P.O. Box 2387, Morristown, N.J. 07960.
D. (6) $12,500. E. (9) $1,300.

A. Jane H. Cheever, The First National Bank of Boston, 100 Federal Street, Boston, Mass. 02110.
B. The First National Bank of Boston, 100 Federal Street, Boston, Mass. 02110.
D. (6) $244. E. (9) $386.44.

A. Chemical Specialties Manufacturers Association, 1001 Connecticut Avenue NW., Washington, D.C. 20036.
D. (6) $474.35. E. (9) $474.35.

A. Chemtex Fibers, Inc, 850 Third Avenue, New York, N.Y., 10022.

A. Chester, Saxbe, Hoffman & Willcox, 8 East Broad Street, Columbus, Ohio 43215.
B. Cox, Langford & Brown, 21 Dupont Circle, Washington, D.C. (for National Collegiate Athletic Association, U.S. Highway 50 and Null Avenue, P.O. Box 1902, Shawnee Mission, Kans. 66222).

A. Phillip R. Chisholm, National Oil Jobbers Council, Inc., 1707 H Street NW., 11th Floor, Washington, D.C. 20006.
B. National Oil Jobbers Council, Inc., 1707 H Street NW., 11th Floor, Washington, D.C. 20006.
D. (6) $6,125. (9) $771.

A. Hal M. Christensen, 1101 17th Street NW., Washington D.C. 20036.
B. American Dental Association, 1101 17th Street NW., Washington, D.C. 20036.
D. (6) $3,000.

A. James M. Christian, Potomac Electric Power Co., 1900 Pennsylvania Avenue NW., Washington D.C. 20068.
B. Potomac Electric Power Co., 1900 Pennsylvania Avenue NW., Washington, D.C.

A. James Ciarroccki, 1025 Connecticut Avenue NW., Washington, D.C. 20036.
B. Natural Gas Supply Committee, 1025 Connecticut Avenue NW., Washington, D.C. 20036.
D. (6) $862.51. E. (9) $185.06.

A. Cigar Association of America, Inc., 1120 19th Street NW., Washington, D.C. 20036.
E. (9) $55.

A. Citizens Committee for the Right to Keep and Bear Arms, 1601 114th SE., No. 151, Bellevue, Wash. 98004.
D. (6) $327,829.25. E. (9) $219,128.11.

A. Citizens for Government Fairness, P.O. Box 1336, Brawley, Calif. 92227.
D. (6) $12,509. E. (9) $92,415.81.

A. Citizens for Tax Reform in 1978, Inc., 1730 Pennsylvania Avenue, Suite 230, N.W., Washington, D.C. 20006.
D. (6) $16,211. E. (9) $12,456.34.

A. Bob Clark & Associates, Suite 1905 400 Madison Street, Alexandria, Va. 22314.
B. Ryder System, Inc., P.O. Box 520816, Miami, Fla.
D. (6) $750. E. (9) $50.

A. Earl W. Clark, 100 Indiana Avenue NW., Washington, D.C. 20001.
B. Labor-Management Maritime Committee, 100 Indiana Avenue NW., Washington, D.C. 20001.
D. (6) $3,039. E. (9) $18.

A. James W. Clark, Jr., American Optometric Association 1730 M Street NW., Washington, D.C. 20036.
B. American Optometric Association, c/o Dr. Wendell D. Waldie, 3111 Aloma, Wichita, Kan. 67211.
D. (6) $702. E. (9) $761.37.

A. Kimball Clark, Association of American Railroads, 40 Ivy Street SE., Washington, D.C. 20003.
B. Association of American Railroads, 1920 L Street NW., Washington, D.C. 20036.
D. (6) $312.17. E. (9) $261.

A. Richard W. Clark, 2030 M Street NW., Washington, D.C. 20036.
B. Common Cause, 2030 M Street NW., Washington, D.C. 20036.
D. (6) $2,750.01. E. (9) $238.85.

A. Thomas R. Clark, General Electric Co., 777 14th Street NW., Washington, D.C. 20005.
B. General Electric Co., 777 14th Street NW., Washington, D.C. 20005.
D. (6) $178.72.

A. Vernon A. Clark, 1660 L Street NW., Suite 215–16, Washington, D.C. 20036.
B. Outdoor Advertising Association of America, Inc., 1660 L Street NW., Suite 215–16, Washington, D.C. 20036.
D. (6) $550. E. (9) $749.

A. Donald M. Clarke, Manufacturing Chemists Association, 1825 Connecticut Avenue NW., Washington, D.C. 20009.
B. Manufacturing Chemists Association, Inc., 1825 Connecticut Avenue NW., Washington, D.C. 20009.
D. (6) $300. E. (9) $150.

A. Wade P. Clarke, Jr., Deere & Co., John Deere Road, Moline, Ill. 61265.
B. Deere & Co., John Deere Road, Moline, Ill. 61265.
D. (6) $245. E. (9) $483.

A. Clay Pipe Industry Depletion Committee, P.O. Box 6, Pittsburg, Kans. 66762.

A. Jacob Clayman, 815 16th Street NW., Washington, D.C. 20006.
B. Industrial Union Department, AFL–CIO, 815 16th Street NW., Washington, D.C. 20006.
D. (6) $1,375.

A. Cleary, Gottlieb, Steen & Hamilton, 1250 Connecticut Avenue NW., Washington, D.C. 20036.
B. Synthetic Organic Chemical Manufacturers Association, 1075 Central Park Avenue, Scarsdale, N.Y. 10533.

A. Cleary, Gottlieb, Steen & Hamilton, 1250 Connecticut Avenue NW., Suite 400, Washington, D.C. 20036.
B. Time-Critical Shipment Committee.

A. Earle C. Clements, 1776 K Street NW., Washington, D.C. 20006.
B. The Tobacco Institute, Inc., 1776 K Street NW., Washington, D.C. 20006.
D. (6) $25. E. (9) $25.

A. Franklin Clements, United Mine Workers of America, 900 15th Street NW., Washington, D.C. 20005.
B. United Mine Workers of America, 900 15th Street NW., Washington, D.C. 20005.
D. (6) $1,808.68.

A. Ronald D. Clements, 1140 Connecticut Avenue NW., Suite 1010, Washington, D.C. 20036.
B. National Association of Electric Cos., 1140 Connecticut Avenue NW., Suite 1010, Washington, D.C. 20036.
D. (6) $195. E. (9) $51.

A. Clifford, Glass, McIlwain & Finney, 815 Connecticut Avenue NW., Washington, D.C. 20006.
B. American Electric Power Co., Inc., 2 Broadway, New York, N.Y. 10004.
D. (6) $1,125. E. (9) $399.65.

A. Clifford, Glass, McIlwain & Finney, 815 Connecticut Avenue NW., Washington, D.C. 20006.
B. Australian Meat & Live-Stock Corp., One World Trade Center, New York, N.Y. 10048.
D. (6) $400. E. (9) $112.32.

A. Clifford, Glass, McIlwain & Finney, 815 Connecticut Avenue NW., Washington, D.C. 20006.
B. Avco Corp., 750 Third Avenue, New York, N.Y. 10017.

A. Clifford, Glass, McIlwain & Finney, 815 Connecticut Avenue, NW., Washington, D.C. 20006.
B. Joint Corporate Committee on Cuban Claims, c/o Lone Star Industries, Inc., P.O. Box 5050, Greenwich, Conn. 06830.
D. (6) $900. E. (9) $270.

A. Clifford Glass, McIlwain & Finney, 815 Connecticut Avenue NW., Washington, D.C. 20006.
B. New York Cocoa Exchange, Inc. and New York Cocoa Clearing Association, Inc., 127 John Street, New York, N.Y.; New York Coffee & Sugar Exchange, Inc., 79 Pine Street, New York, N.Y.; Commodity Exchange, Inc., 81 Broad Street, New York, N.Y.
D. $2,920. E. (9) $739.50.

A. Clifford, Glass, McIlwain & Finney, 815 Connecticut Avenue NW., Washington, D.C. 20006.
B. Warner-Lambert Co., 201 Tabor Road, Morris Plains, N.J. 07950.

A. CNA Financial Corp., CNA Plaza, Chicago, Ill. 60685.
E. (9) $1,500.

A. Coalition of Automotive Associations, 1825 K Street NW., Suite 1103, Washington, D.C. 20006.

A. Thomas B. Coates, c/o Connecticut Petroleum Council, 410 Asylum Street, Hartford, Conn. 06103.
B. American Petroleum Institute, 2101 L Street NW., Washington, D.C. 20037.
D. (6) $450. E. (9) $500.

A. The Coca-Cola Bottlers' Association, 166 16th Street NW., Atlanta, Ga. 30318.

A. The Coca-Cola Co., P.O. Drawer 1734, Atlanta, Ga. 30301.
E. (9) $2,964.41.

A. Lynn Coddington, 317 Pennsylvania Avenue SE., Washington, D.C. 20003.
B. Environmental Policy Center, 317 Pennsylvania Avenue SE., Washington, D.C. 20003.
D. (6) $5,499.99. E. (9) $46.15.

A. John J. Coffey, Suite 638, 2101 L Street NW., Washington, D.C. 20037.
B. Western Oil and Gas Association, 727 West Seventh Street, Suite 850, Los Angeles, Calif. 90017.
D. (6) $825.

A. Jeffery Cohelan, Group Health Association of America, Inc., 1717 Massachusetts Avenue NW., No. 701, Washington, D.C. 20036.
B. Group Health Association of America, Inc., 1717 Massachusetts Avenue NW., No. 701, Washington, D.C. 20036.
D. (6) $4,549.98.

A. David Cohen, 2030 M Street NW., Washington, D.C. 20036.
B. Common Cause, 2030 M Street NW., Washington, D.C. 20036.
D. (6) $11,749.98. E. (9) $553.48.

A. Thomas Cohen, 2030 M Street NW., Washington, D.C. 20036.
B. Common Cause, 2030 M Street NW., Washington, D.C. 20036.
D. (6) $3,600.

A. Cohen & Uretz, 1775 K Street NW., Washington, D.C. 20006.
B. Estate of Sylvia S. Buring, 1837 Harbor Avenue, Memphis, Tenn. 38113.
E. (9) $40.17.

A. Marcus Cohn, Cohn and Marks, 1920 L Street NW., Washington, D.C. 20036.
B. Wometco Enterprises, Inc., P.O. Box 2440, Miami, Fla. 33128.
D. (6) $500.

A. Cole, Corrette & Bradfield, 1200 17th Street NW.. Washington, D.C. 20036.
B. Chase Manhattan Bank N.A., One Chase Manhattan Plaza, New York, N.Y. 10015.
D. (6) $4,113.20. E. (9) $201.

A. E. William Cole, Jr., 461 South Boylston Street, Los Angeles, Calif. 90017.
B. Union Oil Co. of California, 461 South Boylston Street, Los Angeles, Calif. 90017.
D. (6) $600. E. (9) $200.

A. Eleanor Cole, UBA, Inc., 1800 M Street NW., Suite 460 South, Washington, D.C. 20036.
B. UBA, Inc., 1800 M Street NW., Suite 460 South, Washington, D.C. 20036.
D. (6) $1,000. E. (9)$1,000.

A. Ken W. Cole, Security Life Building, Denver, Colo. 80202.
B Standard Oil Co. (Indiana), 200 East Randolph Drive, Chicago, Ill. 60601.
D. (6) $485. E. (9) $1,182.05.

A. R. Michael Cole, 2030 M Street NW., Washington, D.C. 20036.
B. Common Cause, 2030 M Street NW., Washington, D.C. 20036.
D. (6) $7,750.02. E. (9) $102.20.

A. Robert E. Cole, 1660 L Street NW., Washington, D.C.
B. General Motors Corp., 1660 L Street NW., Washington, D.C.
D. (6) $2,500. E. (9) $3,407.81.

A. Stacey W. Cole, New Hampshire Petroleum Council, 23 School Street, Concord, N.H. 03301.
B. American Petroleum Institute, 2101 L Street NW., Washington, D.C. 20037.
D. (6) $258.46. E. (9) $188.62.

A. Coles & Goertner, 1000 Connecticut Avenue NW., Washington, D.C. 20036.
B. Crown Central Petroleum Corp., One North Charles Street, Baltimore, Md. 21203.

A William J. Colley, 1200 17th Street NW., Washington. D.C. 20036.
B. Cardio Pulmonary Contractors Association, 1200 17th Street NW., Washington, D.C. 20036.
D. (6) $6,000.

A. William J. Colley, 1200 17th Street NW., Washington, D.C. 20036.
B. College of American Pathologists, 7400 North Skokie Boulevard, Skokie, Ill. 60076.

A. William J. Colley, 1200 17th Street NW., Washington, D.C. 20036.
B. National Pharmaceutical Alliance, P.O. Box 13547, St. Petersburg, Fla. 33733.
D. (6) $7,500.

A. William J. Colley, 1200 17th Street NW., Washington, D.C. 20036.
B. Patton, Boggs & Blow, 1200 17th Street NW., Washington, D.C. 20036 (for Ad Hoc 602 Committee).
D. (6) $750.

A. William J. Colley, 1200 17th Street NW., Washington, D.C. 20036.
B. Patton, Boggs & Blow, 1200 17th Street NW., Washington, D.C. 20036 (for Air Products and Chemical Co.).

A. William J. Colley, 1200 17th Street NW., Washington, D.C. 20036.
B. Patton, Boggs & Blow, 1200 17th Street NW., Washington, D.C. 20036 (for American Guild of Authors and Composers).

A. William J. Colley, 1200 17th Street NW., Washington, D.C 20036.
B. Patton, Boggs & Blow, 1200 17th Street NW., Washington, D.C. 20036 (for American Imported Automobile Dealers Association).

A. William J. Colley, 1200 17th Street NW., Washington, D.C 20036.
B. Patton, Boggs & Blow, 1200 17th Street NW., Washington, D.C. 20036 (for American Maritime Association).

A. William J. Colley, 1200 17th Street NW., Washington, D.C. 20036.
B. Patton, Boggs & Blow, 1200 17th Street NW., Washington, D.C. 20036 (for American Society of Association Executives).

A. William J. Colley, 1200 17th Street NW., Washington, D.C 20036.
B. Patton, Boggs & Blow, 1200 17th Street NW., Washington, D.C. 20036 (for Boating Industry Association).
D. (6) $2,500.

A. William J. Colley, 1200 17th Street NW., Washington, D.C. 20036.
B. Patton, Boggs & Blow, 1200 17th Street NW., Washington, D.C. 20036 (for Chicago Roundtable).

A. William J. Colley, 1200 17th Street NW., Washington, D.C. 20036.
B. Patton, Boggs & Blow, 1200 17th Street NW., Washington, D.C. 20036 (for Chicago Board Options Exchange).

A. William J. Colley, 1200 17th Street NW., Washington, D.C. 20036.
B. Patton, Boggs & Blow, 1200 17th Street NW., Washington, D.C. 20036 (for Committee Concerned With Safe Banking Act).

A. William J. Colley, 1200 17th Street NW., Washington, D.C. 20036.
B. Patton, Boggs & Blow, 1200 17th Street NW., Washington, D.C. 20036 (for Computer Sciences Corp.).

A. William J. Colley, 1200 17th Street NW., Washington, D.C. 20036.
B. Patton, Boggs & Blow, 1200 17th Street NW., Washington, D.C. 20036 (for Council of State Chambers of Commerce).

A. William J. Colley, 1200 17th Street NW., Washington, D.C. 20036.
B. Patton, Boggs & Blow, 1200 17th Street NW., Washington, D.C. 20036 (for Energy Advances).

A. William J. Colley, 1200 17th Street NW., Washington, D.C. 20036.
B. Patton, Boggs & Blow, 1200 17th Street NW., Washington, D.C. 20036 (for Independent U.S. Tanker Owners).

A. William J. Colley, 1200 17th Street NW., Washington, D.C. 20036.
B. Patton, Boggs & Blow, 1200 17th Street NW., Washington, D.C. 20036 (for Machinery Dealers National Association).

A. William J. Colley, 1200 17th Street NW., Washington, D.C. 20036.
B. Patton, Boggs & Blow, 1200 17th Street NW., Washington, D.C. 20036 (for Marathon Oil).

A. William J. Colley, 1200 17th Street NW., Washington, D.C. 20036.
B. Patton, Boggs & Blow, 1200 17th Street NW., Washington, D.C. 20036 (for Mars, Inc.).

A. William J. Colley, 1200 17th Street NW., Washington, D.C. 20036.
B. Patton, Boggs & Blow, 1200 17th Street NW., Washington, D.C. 20036 (for National Association of Engine and Boat Manufacturing).

A. William J. Colley, 1200 17th Street NW., Washington, D.C. 20036.
B. Patton, Boggs & Blow, 1200 17th Street NW., Washington, D.C. 20036 (for Reading Co.).

A. William J. Colley, 1200 17th Street NW., Washington, D.C 20036.
B. Patton, Boggs & Blow, 1200 17th Street NW., Washington, D.C. 20036 (for Redwood Industry Park Committee).

A. William J. Colley, 1200 17th Street NW., Washington, D.C. 20036.
B. Patton, Boggs & Blow, 1200 17th Street NW., Washington, D.C. 20036 (for State of Louisiana).

A. William J. Colley, 1200 17th Street NW., Washington, D.C. 20036.
B. Patton, Boggs & Blow, 1200 17th Street NW., Washington, D.C. 20036 (for Uncle Ben's Foods).

A. Collier, Shannon, Rill, Edwards & Scott, 1055 Thomas Jefferson Street NW., Suite 308, Washington, D.C. 20007.
B. Ad Hoc Committee For a Fair Natural Gas Policy, 1055 Thomas Jefferson Street NW., Washington, D.C. 20007.
E. (9) $288.50.

A. Collier, Shannon, Rill, Edwards & Scott, 1055 Thomas Jefferson Street NW., Washington, D.C. 20007.
B. American Feed Manufacturers Association, 1701 North Fort Myer Drive, Arlington, Va. 22209.
D. (6) $370.

A. Collier, Shannon, Rill, Edwards & Scott, 1055 Thomas Jefferson Street NW., Suite 308, Washington, D.C. 20007.
B. American Footwear Industries Association, Inc., 1611 North Kent Street, Arlington, Va. 22209.
D. (6) $500. E. (9) $475.

A. Collier, Shannon, Rill, Edwards & Scott, 1055 Thomas Jefferson Street NW., Suite 308, Washington, D.C. 20007.
B. Bicycle Manufacturers Association of America, Inc., 1101 15th Street N.W., Washington, D.C. 20005.
D. (6) $500. E. (9) $100.

A. Collier, Shannon, Rill, Edwards & Scott, 1055 Thomas Jefferson Street NW., Washington, D.C. 20007.
B. Can Manufacturers Institute, 1625 Massachusetts Avenue NW., Washington, D.C. 20036.

A. Collier, Shannon, Rill, Edwards & Scott, 1055 Thomas Jefferson Street NW., Suite 308, Washington, D.C. 20007.
B. Food Marketing Institute, 1750 K Street NW., Washington, D.C. 20006.
D. (6) $1,000.

A. Collier, Shannon, Rill, Edwards & Scott, 1055 Thomas Jefferson Street NW., Washington, D.C. 20007.
B. National Broiler Council, 1155 15th Street NW., Washington, D.C. 20005.
D. (6) $450.

A. Collier, Shannon, Rill, Edwards & Scott, 1055 Thomas Jefferson Street NW., No. 308, Washington, D.C. 20007.
B. Tool and Stainless Steel Industry Committee, 1055 Thomas Jefferson Street NW., Washington, D.C. 20007.
D. (6) $1,250. E. (9) $525.

A. Bruce Collins, National Cable Television Association, Inc., 918 16th Street NW., Washington, D.C. 20006.
B. National Cable Television Association, Inc., 918 16th Street NW., Washington, D.C. 20006.
D. (6) $1,562. E. (9) $245.

A. Robert B. Collyer, UBA, Inc., 1800 M Street NW., Suite 460 South, Washington, D.C. 20036.
B. UBA, Inc., 1800 M Street NW., Suite 460 South, Washington, D.C. 20036.
D. (6) $1,000. E. (9) $1,000.

A. Colorado Railroad Association, 420 Denver Club Building, Denver, Colo. 80202.

A. Committee for a Uniform Investment Tax Credit, 1050 17th Street NW, Suite 1112, Washington, D.C. 20036.
D. (6) $66,000. E. (9) $9,375.

A. Capital Formation Through Dividend Reinvestment, 1800 M Street NW., Suite 700 North, Washington, D.C. 20036.
D. (6) $300. E. (9) $300.

A. Committee for Consumers No-Fault, 1220 19th Street NW., Suite 500, Washington, D.C. 20036.
D. (6) $22,435. E. (9) $17,997.63.

A. Committee for Ratification of the Panama Canal Treaties, Inc., 2021 L Street, NW., No. 405, Washington, D.C. 20036.
D. (6) $167. E. (9) $6,204.20.

A. Committee of Americans for the Canal Treaties, 1019 19th Street NW., Washington, D.C. 20036.
D. (6) $20,000. E. (9) $35,402.99.

A. Committee of Urban Program Universities, Suite 802, 11 Dupont Circle, Washington, D.C. 20036.
D. (6) $21,000. E. (9) $8,482.15.

A Committee to Assure the Availability of Casein, 1700 Pennsylvania Avenue NW., Washington, D.C. 20006.
D. (6) $15,150. E. (9) $2,000.

A. Committee To Save the Panama Canal, P.O. Box 2549, Reston, Va. 22090.
D. (6) $4,957. E. (9) $17,284.

A. Common Cause, 2030 M Street NW., Washington, D.C. 20036.
D. (6) $1,062,435.57. E. (9) $367,122.86.

A. Lance Compa, 917 15th Street NW., Washington, D.C. 20005.

B. United Electrical, Radio and Machine Workers of America, 11 East 51st Street, New York, N.Y. 10022.
D. (6) $3,744. E. (9) $390.

A. Computer & Communications Industry Association, 1500 Wilson Boulevard, Suite 512, Arlington, Va. 22209.
D. (6) $93,500. E. (9) $12,926.

A. Stephen R. Conafay, 1700 Pennsylvania Avenue NW., Washington, D.C. 20006.
B. Pfizer, Inc., 235 East 42d Street, New York, N.Y. 10017.
D. (6) $330. E. (9) $390.

A. Congress Watch, 133 C Street SE., Washington, D.C. 20003.
D. (6) $3,250.

A. Connecticut Bankers Association, 100 Constitution Plaza, Suite 956, Hartford, Conn. 06103.

A. Robert J. Conner, Chrysler Corp., 1100 Connecticut Avenue NW., Washington, D.C. 20036.
B. Chrysler Corp., 12000 Lynn Townsend Drive, Highland Park, Mich.
D. (6) $500. E. (9) $615.58.

A. Stephen N. Conner, Route 1, Box 165, Easton, Md. 21601.
B. Ministry of Foreign Affairs, Kingdom of Saudi Arabia, care of Royal Embassy of Saudi Arabia, 1520 18th Street NW., Washington, D.C.
E. (9) $25,734.39.

A. Albert J. Conners, Air Force Sergeants Association, Inc., 1608 Pittsfield Lane, Bowie, Md. 20715.
B. Air Force Sergeants Association, Inc., 4235 28th Avenue, Marlow Heights, Md. 20031.

A. John J. Connolly, The American Waterways Operators, Inc., 1600 Wilson Boulevard, Suite 1101, Arlington, Va. 22209.
B. The American Waterways Operators, Inc., 1600 Wilson Boulevard, Suite 1101, Arlington, Va. 22209.
D. (6) $2,000.

A. Jerry C. Connors, American Automobile Association, 8111 Gatehouse Road, Falls Church, Va. 22042.
B. American Automobile Association, 8111 Gatehouse Road, Falls Church, Va. 22042.

A. Consolidated Natural Gas Service Co., Inc., Four Gateway Center, Pittsburgh, Pa. 15222.

A. Contract Carrier Conference of American Trucking Associations, Inc., 1730 Rhode Island Avenue NW., Washington, D.C. 20036.
D. (6) $250.

A. Constructora Nacional de Carros de Ferrocarril, S.A. (Mexican Association of Railroad Car Manufacturers), Av. Universidad y Miguel Laurent, Mexico 12, D.F.
E. (9) $2,000.

A. Dana Contratto, Suite 700, 1800 M Street NW., Washington, D.C. 20036.
B. Associated Gas Distributors, 1800 M Street NW., Washington, D.C. 20036.

A. Bernard J. Conway, 211 East Chicago Avenue, Chicago, Ill. 60611.
B. American Dental Association, 211 East Chicago Avenue, Chicago, Ill. 60611.
D. (6) $2,600.

A. Charles F. Cook, American Mining Congress, 1100 Ring Building, Washington, D.C. 20036.
B. American Mining Congress, 1100 Ring Building, Washington, D.C. 20036.
D. (6) $562.16. E. (9) $32.85.

A. Cook & Franke, 660 East Mason Street, Milwaukee, Wis. 53202.
B. M. & I. Marshall & Ilsley Bank, 770 North Water Street, Milwaukee, Wis. 53202.

A. Frederick N. Cook, Vermont Petroleum Association, P.O. Box 566, Montpelier, Vt. 05602.
B. American Petroleum Institute, 2101 L Street NW., Washington, D.C. 20037.
D. (6) $450.

A. Cook & Henderson, 1735 K Street, NW., Suite 200, Washington, D.C. 20006.
B. Aleutian/Pribilof Islands Association Inc., 1689 C Street, Anchorage, Alaska 99501.
D. (6) $6,000.

A. Cook & Henderson, 1735 K Street, NW., Suite 200, Washington, D.C. 20006.
B. Consolidated Natural Gas Co., Four Gateway Center, Pittsburgh, Pa. 15222.
D. (6) $6,800.

A. Cook & Henderson, 1735 K Street NW., Suite 200, Washington, D.C. 20006.
B. Food Distributors Task Force, 1750 K Street NW., Suite 700, Washington, D.C. 20006.
D. (6) $9,000. E. (9) $60.65.

A. Cook & Henderson, 1735 K Street NW., Suite 200, Washington, D.C. 20006.
B. Texas Gas Transmission Corp., 3800 Frederica Street, Owensboro, Ky. 42301.
D. (6) $3,600. E. (9) $34.85.

A. Cook & Henderson, 1735 K Street NW., Suite 200, Washington, D.C. 20006.
B. The Tobacco Institute, 1776 K Street NW., Washington, D.C. 20006.
D. (6) $2,800. E. (9) $15.94.

A. J. Crawford Cook, P.O. Box 5845, Columbia, S.C. 29250.
B. J. Crawford Cook, Inc., 2218 Terrace Way, Columbia, S.C. 29205; Cook, Ruef, Spann & Weiser, Inc., 1735 St. Julian Place, Columbia, S.C. 29204.

A. Robert M. Cook, Livestock Marketing Association, 4900 Oak Street, Kansas City, Mo. 64112.
B. Livestock Marketing Association, 4900 Oak Street, Kansas City, Mo. 64112.
E. (9) $1,640.58.

A. Charles E. Cooke, 1801 K Street NW., Suite 1041, Washington, D.C. 20006.
B. Southern California Edison Co., P.O. Box 800, Rosemead, Calif. 91770.
D. (6) $200. E. (9) $50.

A. Eileen D. Cooke, American Library Association, 110 Maryland Avenue NE., Suite 101, Box 54, Washington, D.C. 20002.
B. American Library Association, 50 East Huron Street, Chicago, Ill. 60611.
D. (6) $849.

A. Edward Cooper, 1600 I Street NW., Washington, D.C. 20006.
B. Motion Picture Association of America, Inc., 1600 I Street NW., Washington, D.C. 20006.

A. Jesse D. Cooper, North Dakota Petroleum Council, P.O. Box 1395, Bismarck, N. Dak. 58501.
B. American Petroleum Institute, 2101 L Street NW., Washington, D.C. 20037.
D. (6) $130. E. (9) $281.62.

A. Joshua W. Cooper, 626 South Lee Street, Alexandria, Va. 22314.
B. Portsmouth-Kittery Armed Services Committee, Inc., Box 1123, Portsmouth, N.H. 03801.
D. (6) $1,250. E. (9) $526.01.

A. Mitchell J. Cooper, 1001 Connecticut Avenue NW., Washington, D.C. 20036.
B. Footwear Division, Rubber Manufacturers Association, 1901 Pennsylvania Avenue NW., Washington, D.C. 20006.
D. (6) $10,500. E. (9) $4.

A. Mitchell J. Cooper, 1001 Connecticut Avenue NW., Washington, D.C. 20036.
B. Council of Forest Industries, 1055 West Hastings Street, Vancouver 1, Canada.
D. (6) $3,000.

A. Cooperative League of the U.S.A., 1828 L Street NW., Suite 1100, Washington, D.C. 20036.
D. (6) $5,500. E. (9) $761.

A. Darrell Coovers, National Association of Independent Insurers, 1625 I Street NW., Suite 1001, Washington, D.C. 20006.
B. National Association of Independent Insurers, 2600 River Road, Des Plaines, Ill. 60018.
D. (6) $2,000. E. (9) $286.

A. Paul Corbin, 1028 Connecticut Avenue, NW., Suite 516, Washington, D.C. 20036.
B. Pontchartrain State Bank, P.O. 73768, Metairie, La. 70003.
D. (6) $3,750.

A. Bennett J. Corn, New York Coffee and Sugar Exchange, Inc., Four World Trade Center, New York, N.Y. 10048.
B. New York Coffee and Sugar Exchange, Inc., Four World Trade Center, New York, N.Y. 10048.
D. (6) $1,454.48. E. (9) $1,953.30.

A. William R. Corson, 1707 H Street NW., Washington, D.C. 20006.
B. Penthouse International, Ltd., 1707 H Street NW., Washington, D.C. 20006.
D. (6) $8,750. E. (9) $6,505.

A. R. H. Cory, 1510 American Bank Tower, Austin, Tex. 78701.
B. Central and South West Services, Inc., 1510 American Bank Tower, Austin, Tex. 78701.
D. (6) $318.75. E. (9) $92.80.

A. John E. Cosgrove, Public Employee Department, AFL–CIO, 815 16th Street NW., Washington, D.C. 20006.
B. Public Employee Department, AFL–CIO, 815 16th Street NW., Washington, D.C. 20006.
D. (6) $9,407.19.

A. David Cosson, 2626 Pennsylvania Avenue NW., Washington, D.C. 20037.
B. National Telephone Cooperative Association, 2626 Pennsylvania Avenue NW., Washington, D.C. 20037.
D. (6) $1,440.

A. Michael E. Costello, 1660 L Street NW., Suite 901, Washington, D.C. 20036.
B. Texas Eastern Transmission Corp., P.O. Box 2521, Houston, Tex. 77001.
E. (9) $309.19.

A. Carol Coston, 2030 M Street NW., Washington, D.C. 20036.
B. Common Cause, 2030 M Street NW., Washington, D.C. 20036.

A. Daniel T. Coughlin, Jos. Schlitz Brewing Co., 235 West Galena, Milwaukee, Wis. 53201.
B. Jos. Schlitz Brewing Co., 235 West Galena, Milwaukee, Wis. 53201.
D. (6) $1,000. E. (9) $480.93.

A. Council for a Livable World, 100 Maryland Avenue NE., Washington, D.C. 20002.
D. (6) $30,379.99. E. (9) $30,300.98.

A. Council for Inter-American Security, 305 Fourth Street NE., Washington, D.C. 20002.
D. (6) $20,820. E. (9) $23,441.

A. Council of State Chambers of Commerce, 1028 Connecticut Avenue NW., Washington, D.C. 20036.
D. (6) $860.80. E. (9) 808.41.

A. Douglas Couttee, Active Ballot Club Department, Retail Clerks International Union, AFL–CIO, 1775 K Street NW., Washington, D.C. 20006.
B. Retail Clerks International Union, AFL–CIO, 1775 K Street NW., Washington, D.C. 20006.
D. (6) $8,706.23. E. (9) $2,347.14.

A. John A. Couture, National Forest Products Association, 1619 Massachusetts Avenue NW., Washington, D.C. 20036.
B. National Forest Products Association, 1619 Massachusetts Avenue NW., Washington, D.C. 20036.
D. (6) $825. E. (9) $315.80.

A. Covington & Burling, 888 16th Street NW., Washington, D.C. 20006.
B. American Association of Oral and Maxillofacial Surgeons, 211 East Chicago Avenue, Chicago, Ill. 60611.
D. (6) $21,300. E. (9) $503.08.

A. Covington & Burling, 888 16th Street NW., Washington, D.C. 20006
B. Anchor National Life Insurance Co., Camelback at 22d Street, Phoenix, Ariz. 85016.
E. (9) $197.63.

A. Covington & Burling, 888 16th Street NW., Washington, D.C. 20006.
B. Delmarva Poultry Industry, Inc., R.D. No. 2, Box 47, Georgetown, Del. 19947.
E. (9) $80.19.

A. Covington & Burling, 888 16th Street NW., Washington, D.C. 20006.
B. Hugo Neu, 380 Madison Avenue, New York, N.Y. 10017; and Hugo Neu & Sons, Inc., 380 Madison Avenue, New York, N.Y. 10017.
E. (9) $36.40.

A. Covington & Burling, 888 16th Street NW., Washington, D.C. 20006.
B. Interbank Card Association, 888 Seventh Avenue, New York, N.Y. 10019.
E. (9) $12.

A. Covington & Burling, 888 16th Street NW., Washington, D.C. 20006.
B. Investment Company Institute, 1775 K Street NW., Washington, D.C. 20006.
E. (9) $121.33.

A. Covington & Burling, 888 16th Street NW., Washington, D.C. 20006.
B. Irving Trust Co., One Wall Street, New York, N.Y. 10015.
E. (9) $313.68.

A. Covington & Burling, 888 16th Street NW., Washington, D.C. 20006.
B. National Committee for Limited Profit Housing, c/o HHH Construction Corp., 515 Madison Avenue, New York, N.Y. 10022.

A. Covington & Burling, 888 16th Street NW., Washington, D.C. 20006.
B. National Federation of Independent Business, 921 Washington Building, Washington, D.C. 20005.

A. Covington & Burling, 888 16th Street NW,. Washington, D.C. 20006.
B Perdue, Inc., P.O. Box 1537, Salisbury, Md. 21801.
E (9) $55.05.

A. Covington & Burling, 888 16th Street NW., Washington, D.C. 20006.
B. Pyramid Ventures Group, Inc., P.O. Box 1671 Morgan City, La. 70380.

A. Covington & Burling, 888 16th Street NW., Washington, D.C. 20006.
B. The Superior Oil Co. P.O. Box 1521, Houston, Tex. 77001.

A. Eugene S. Cowen, 9024 Willow Valley Drive, Potomac, Md. 20854.
B. American Broadcasting Co., 1150 17th Street NW., Washington, D.C. 20036.
D (6) $180.

A. Carol A. Cowgill, American Academy of Family Physicians, 475 L'Enfant Plaza West SW., Suite 2970, Washington, D.C. 20024.
B. American Academy of Family Physicians, 1740 West 92d Street, Kansas City, Mo. 64114.
D. (6) $757.35. E. (9) $83.68.

A. C. Bryan Cox, P.O. Box 139, Kansas City, Mo. 64141.
B. Kansas City Life Insurance Co., P.O. Box 139, Kansas City, Mo. 64141.
D. (6) $120. E. (9) $547.48.

A. Cox, Langford & Brown, 21 Dupont Circle NW., Washington, D.C. 20036.
B. American Society of Anesthesiologists, 515 Busse Highway, Park Ridge, Ill 60068.
E. (9) $640.70.

A. Cox, Langford & Brown, 21 Dupont Circle NW., Washington, D.C. 20036.
B. National Collegiate Athletic Association, U.S. Highway 50 and Nall Avenue, P.O. Box 1906, Shawnee Mission, Kans. 66222.
D. (6) $6,077.74. E. (9) $52.50.

A. William J. Cox, 1707 L Street NW., Washington, D.C. 20036.
B. National Committee for a Human Life Amendment, Inc., 1707 L Street NW., Washington, D.C. 20036.
D. (6) $9,237.06. E. (9) $3,190.26.

A. Judith Lynne Crain, 1745 Jefferson Davis Highway, Arlington, Va. 22202.
B. Manufactured Housing Institute, 1745 Jefferson Davis Highway, Arlington, Va. 22202.

A. Cramer, Visser, Lipsen & Smith, 475 L'Enfant Plaza SW., Suite 4100, Washington, D.C. 20024.
B. American Sign and Indicator Corp., North 2310 Fancher Way, Spokane, Wash. 99206.
D. (6) $5,556.36. E. (9) $5,556.36.

A. Cramer, Visser, Lipsen & Smith, 475 L'Enfant Plaza SW., Suite 4100, Washington, D.C. 20024.
B. Government of Nicaragua.
D. (6) $10,800. E. (9) $10,800.

A. Cramer, Visser, Lipsen & Smith, 475 L'Enfant Plaza SW., Suite 4100, Washington, D.C. 20024.
B. Institute of Signage Research, 541 University Avenue, Palo Alto, Calif. 94301.
D. (6) $3,000. E. (9) $3,000.

A. Cramer, Visser, Lipsen & Smith, 475 L'Enfant Plaza SW., Suite 4100, Washington, D.C. 20024.
B. Norman, Lawrence, Patterson & Farrell, 211 East 43d Street, New York, N.Y. 10017.
D. (6) $5,149.35. E. (9) 5,149.35.

A. William D Crawford, 400 First Street N.W., Washington, D.C. 20001.
B. Brotherhood of Railway Carmen of the United States and Canada, 4929 Main Street, Kansas City, Mo. 64112.
D. (6) $1,470.

A. Willilam P. Crewe, 1600 Rhode Island Avenue NW., Washington, D.C. 20036.
B. National Rifle Association, 1600 Rhode Island Avenue NW., Washington, D.C.
D. (6) $550.

A. P. H. Croft, American Short Line Railroad Association, 2000 Massachusetts Avenue NW., Washington, D.C. 20036.
B. American Short Line Railroad Association, 2000 Massachusetts Avenue NW., Washington, D.C. 20036.
D. (6) $1,149.99.

A. Donald A. Crosier, c/o Nebraska Petroleum Council, 334 South 13th Street, P.O. 95063, Lincoln, Nebr. 68509.
B. American Petroleum Institute, 2101 L Street NW., Washington, D.C. 20037.

A. H. C. Crotty, Brotherhod of Maintenance of Way Employes, 12050 Woodward Avenue, Detroit, Mich. 48203.
B. Brotherhood of Maintenance of Way Employes, 12050 Woodward Avenue, Detroit, Mich. 48203.

A. Bobby E. Crow, P.O. Box 683, Houston, Tex. 77001.
B. Columbia Gulf Transmission Co., P.O. Box 683, Houston, Tex. 77001.
D. (6) $1,508.35. E. (9) $1,969.23.

A. Jack A. Crowder, American Textile Manufacturers Institute, Inc., Suite 1001, 1150 17th Street NW., Washington, D.C. 20036.
B. American Textile Manufacturers Institute, 400 South Tryon Street, Suite 2124, Charlotte, N.C. 28285.
D. (6) $2,000. E. (9) $91.35.

A. George D. Crowley, Jr., Shaw, Pittman, Potts, & Trowbridge, 1800 M Street NW., Washington, D.C. 20036.
B. Marlene C. McGuirl, 3416 P Street NW., Washington, D.C. 20007.
E. (9) $33.40.

A. James M. Cubie, New Directions, 2021 L Street NW., Washington, D.C. 20036.
B. New Directions, 2021 L Street NW., Washington, D.C. 20036.
D. (6) $2,798.40.

A. Richard D. Cudahy, Suite 701, 1050 17th Street NW., Washington, D.C. 20036.
B. Central and South West Corp., P.O. Box 1631, Wilmington, Del. 19899.
D. (6) $100. E. (9) $5.

A. Barry M. Cullen, 1620 I Street NW., No. 700, Washington, D.C. 20006.
B. International Paper Co., 1620 I Street NW., No. 700, Washington, D.C. 20006.
D. (6) $100. E. (9) $55.

A. Frank Cummings, 1140 Connecticut Avenue NW., Washington, D.C. 20036.
B. The Institute of Electrical and Electronics Engineers, Inc., 345 East 47th Street, New York, N.Y. 10022.
D. (6) $3,200.

A. John T. Curran, Laborers' International Union of North America, AFL–CIO, 905 16th Street NW., Washington, D.C. 20006.
B. Laborers' International Union of North America, AFL–CIO, 905 16th Street NW., Washington, D.C. 20006.
D. (6) $10,977.27. E. (9) $2,891.91.

A. Curtis, Mallet-Prevost, Colt & Mosle, 100 Wall Street, New York, N.Y. 10005.
B. U.S. Trust Co. of New York, 45 Wall Street. New York, N.Y. 10005.
D. (6) $3,090.94. E. (9) $90.53.

A. Everett E. Cutter, Oregon Railroad Association, 620 South West Fifth Avenue Building, Suite 912, Portland, Oreg. 97204.

B. Oregon Railroad Association, 620 Southwest Fifth Avenue Building, Suite 912, Portland, Oreg. 97204.

A. William K. Dabaghi, American Bankers Association, 1120 Connecticut Avenue NW., Washington, D.C. 20036.
B. American Bankers Association, 1120 Connecticut Avenue NW., Washington, D.C. 20036.
D. (6) $950. E. (9) $273.22.

A. William Kay Daines, American Retail Federation, 1616 H Street NW., Washington, D.C. 20006.
B. American Retail Federation, 1616 H Street NW., Washington, D.C. 20006.
D. (6) $275. E. (9) $30.25.

A. Thomas A. Daly, National Soft Drink Association, 1101 16th Street NW., Washington, D.C. 20036.
B. National Soft Drink Association, 1101 16th Street NW., Washington, D.C. 20036.

A. Damon Corp., 115 Fourth Avenue, Needham Heights, Mass. 02194.

A. Tracy Danese, P.O. Box 529100, Miami, Fla. 33152.
B. Florida Power & Light Co., P.O. Box 529100, Miami, Fla. 33152.
D. (6) $784. E. (9) $4,777.39.

A. John E. Daniel, 1619 Massachusetts Avenue NW., Washington, D.C. 20036.
B. American Paper Institute, Inc., 260 Madison Avenue, New York, N.Y. 10016.

A. Daniels, Houlihan & Palmeter, 1819 H Street NW., Washington, D.C. 20006.
B. Industrial Fasteners Group, American Importers Association, 420 Lexington Avenue, New York, N.Y. 10017.
E. (9) $401.54.

A. David S. Danielson, American Optometric Association, 1730 M Street NW., Washington. D.C. 20036.
B. American Optometric Association, c/o Dr. Wendell D. Waldie, 3111 Aloma, Wichita, Kans. 67211.
D. (6) $165.20. E. (9) $198.79.

A. William H. Darden, 1620 I Street NW., Washington, D.C. 20006.
B. Reynolds Metals Co., 6601 West Broad Street, Richmond, Va. 23261.
D. (6) $750. E. (9) $30.

A. Thomas Roger Dart, Alabama Petroleum Council, 660 Adams Avenue, Suite 188, Montgomery, Ala. 36104.
B. American Petroleum Institute, 2101 L Street NW., Washington, D.C. 20037.
D. (6) $430. E. (9) $453.77.

A. John C. Datt, American Farm Bureau Federation, 425 13th Street NW., Washington, D.C. 20004.
B. American Farm Bureau Federation, 225 Touhy Avenue, Park Ridge, Ill.
D. (6) $5,625. E. (9) $151.83.

A. Joseph Dauksys, Rubber Manufacturers Association, 1901 Pennsylvania Avenue NW., Washington, D.C. 20006.
B. Rubber Manufacturers Association, 1901 Pennsylvania Avenue NW., Washington, D.C. 20006.

A. Clarence Davan, P.O. Box 5308, Denver, Colo. 80217.
B. Great Western Sugar Co., P. O. Box 5308, Denver, Colo. 80217.
D. (6) $3,200. E. (9) $2,561.51.

A. John B. Davenport, Jr., 2000 Florida Avenue NW., Washington, D.C. 20009.
B. National Rural Electric Cooperative Association, 2000 Florida Avenue NW., Washington, D.C. 20009.
D. (6) $210.36.

A. Daniel I. Davidson, Spiegel & McDiarmid, 2600 Virginia Avenue NW., Washington, D.C. 20037.
B. Northern California Power Agency (770 Kiely Boulevard, Santa Clara, Calif. 95051, cities of Alameda, Biggs, Gridley, Healdsburg, Lodi, Lompoc, Palo Alto, Redding, Roseville, Santa Clara, Ukiah, Calif., and associate member, Plumas-Sierra Rural Electric Cooperative).

A. Charles W. Davis, 1 First National Plaza, No. 5200, Chicago, Ill. 60603.
B. First Chicago Corp., 1 First National Plaza, Chicago, Ill. 60670.

A. Charles W. Davis, 1 First National Plaza, No. 5200, Chicago, Ill. 60603.
B. Inland Steel Co., 30 West Monroe Street, Chicago, Ill. 60603.

A. Charles W. Davis, 1 First National Plaza, No. 5200, Chicago, Ill. 60603.
B. National Association of Independent Insurers, 2600 River Road, Des Plaines, Ill. 60018.
D. (6) $215.

A. Charles W. Davis, 1 First National Plaza, No. 5200, Chicago, Ill. 60603.
B. Northwest Industries, Inc., 6300 Sears Tower, Chicago, Ill. 60606.

A. Charles W. Davis, 1 First National Plaza, No. 5200, Chicago, Ill. 60603.
B. Peoples Gas Co., 122 South Michigan Avenue, Chicago, Ill. 60603.
D. (6) $2,370.

A. Charles W. Davis, 1 First National Plaza, No. 5200, Chicago, Ill. 60603.
B. Sears, Roebuck & Co., Sears Tower, Chicago, Ill. 60684.

A. Charles W. Davis, 1 First National Plaza, No. 5200, Chicago, Ill. 60603.
B. Trans Union Corp., 90 Half Day Road, Lincolnshire, Ill. 60015.
D. (6) $130.

A. David R. Davis, Indiana Petroleum Council, 714 Harrison Building, Indianapolis, Ind. 46204.
B. American Petroleum Institute, 2101 L Street NW., Washington, D.C. 20037.

A. Edward M. Davis, American Nuclear Energy Council, 1750 K Street NW., Suite 300, Washington, D.C.
B. American Nuclear Energy Council, 1750 K Street NW., Suite 300, Washington, D.C.
D. (6) $2,415. E. (9) $69.20.

A. George R. Davis, Amalgamated Transit Union, Local 689, 100 Indiana Avenue NW., No. 403, Washington, D.C. 20001.
B. Amalgamated Transit Union, National Capital, Local 689, 100 Indiana Avenue NW., No. 403, Washington, D.C. 20001.

A. Kenneth E. Davis, 1025 Connecticut Avenue NW., No. 202, Washington, D.C. 20036.
B. Rohm & Haas Co., Independence Mall West, Philadelphia, Pa. 19105.
D. (6) $500. E. (9) $100.

A. Ovid R. Davis, the Coca-Cola Co., P.O. Drawer 1734, Atlanta, Ga. 30301.
B. The Coca-Cola Co., P.O. Drawer 1734, Atlanta, Ga. 30301.
D. (6) $350. E. (9) $517.

A. R. Hilton Davis, Chamber of Commerce of the U.S.A., 1615 H Street NW., Washington, D.C. 20062.
B. Chamber of Commerce of the U.S.A., 1615 H Street NW., Washington, D.C. 20062.

A. Robert W. Davis, Ford Motor Co., 815 Connecticut Avenue NW., Washington, D.C. 20006.
B. Ford Motor Co., Dearborn, Mich.
D. (6) $1,300. E. (9) $771.

A. Walter L. Davis, Retail Clerks International Union, AFL–CIO, 1775 K Street NW., Washington, D.C. 20006.
B. Retail Clerks International Union, AFL–CIO, 1775 K Street NW., Washington, D.C. 20006.
D. (6) $750.

A. William Lee Davis, 299 Park Avenue, New York, N.Y. 10017.
B. Westvaco, 299 Park Avenue, New York, N.Y. 10017.

A. J. Edward Day, 21 Dupont Circle NW., Washington, D.C. 20036.
B. Associated Third Class Mail Users, 1725 K Street NW., Washington, D.C. 20006.

A. J. Edward Day, 21 Dupont Circle NW., Washington, D.C. 20036.
B. Electronic Industries Association, Consumer Electronics Group, 2001 I Street NW., Washington, D.C. 20006.

A. John Russell Deane III, 1825 K Street NW., Suite 1103, Washington, D.C. 20006.
B. Coalition of Automotive Associations, 1825 K Street NW., Suite 1103, Washington, D.C. 20006.

A. John Russell Deane III, 1825 K Street NW., Suite 1103, Washington, D.C. 20006.
B. Specialty Equipment Manufacturers Association, 11001 East Valley Mall, Suite 204, El Monte, Calif. 91731.

A. Gaston de Bearn, Hoffmann-La Roche, Inc., 1775 K Street NW., No. 300, Washington, D.C. 20006.
B. Hoffmann-La Roche, Inc., 340 Kingsland Street, Nutley, N.J. 07110.

A. Debevoise & Liberman, Suite 700, 806 15th Street NW., Washington, D.C. 20005.
B. Aetna Life & Casualty, 151 Farmington Avenue, Hartford, Conn. 06156.
D. (6) $3,400.

A. Tony T. Dechant, 1012 14th Street NW., Washington, D.C. 20005.
B. The Farmers' Educational and Co-Operative Union of America (National Farmers Union), Denver, Colo. 80251; 1012 14th Street NW., Washington, D.C. 20005.
D. (6) $5,000. E. (9) $201.70.

A. W. M. Decker, Association of American Veterinary Medical Colleges, 1522 K Street NW., Suite 828, Washington, D.C. 20005.
B. Association of American Veterinary Medical Colleges, 1522 K Street NW., No. 828, Washington, D.C. 20005.
D. (6) $45.

A. Catharine B. Deely, 1730 M Street NW., Washington, D.C. 20036.
B. The League of Women Voters of the United States, 1730 M Street NW., Washington, D.C. 20036.
D. (6) $775.40.

A. DeHart & Broide, Inc., 1505 22d Street NW., Washington, D.C. 20037.
B. Council on Foundations, 888 Seventh Avenue, New York, N.Y. 10019.

A. DeHart & Broide, Inc., 1505 22d Street NW., Washington, D.C. 20037.
B. Kansas City Southern Industries, Inc., 114 West 11th Street, Kansas City, Mo. 64105.
D. (6) $220. E. (9) $7.40.

A. DeHart & Broide, Inc., 1505 22d Street NW., Washington, D.C. 20037.
B. Recording Industry Association of America, Inc., One East 57th Street, New York, N.Y. 10022.
D. (6) $1,600. E. (9) $463.65.

A. deKieffer & Associates, 1055 Thomas Jefferson Street W., Washington, D.C. 20007.
B. Bureau of National and International Communications, Private Bag X152, Pretoria, 0001, Republic of South Africa.
D. (6) $7,472.87. E. (9) $15,159.52.

A. DeLaney & Patrick, 1801 K Street NW., Suite 1104, Washington, D.C. 20006.
B. Cargill Inc., P.O. Box 9300, Minneapolis, Minn. 55440.
D. (6) $5,953.85.

A. DeLaney & Patrick, 1801 K Street NW., Suite 1104, Washington, D.C. 20006.
B. Continental Grain Co., 277 Park Avenue, New York, N.Y. 10017.
D. (6) $952.88.

A. DeLaney & Patrick, 1801 K Street NW., Suite 1104, Washington, D.C. 20006.
B. Dynamic Instrument Corp., 933 Long Island Parkway, Hauppauge, N.Y. 11787.
D. (6) $624.13.

A. DeLaney & Patrick, 1801 K Street NW., Suite 1104, Washington, D.C. 20006.
B. Trade Adjustment Assistance Coordinating Committee.
D. (6) $6,000.

A. John L. Delano, Montana Railroad Association, Box 1172, Helena, Mont. 59601.
B. Montana Railroad Association, Box 1172, Helena, Mont. 59601.

A. Myra J. DeLapp, 1901 L Street NW., Suite 702, Washington, D.C. 20036.
B. Security Pacific National Bank, 333 South Hope Street, Los Angeles, Calif. 90071.
D. (6) $621.50. E. (9) $142.85.

A. Ray Denison, 815 16th Street NW., Washington, D.C.
B. American Federation of Labor and Congress of Industrial Organizations, 815 16th Street NW., Washington, D.C.
D. (6) $9,945. E. (9) $390.66.

A. John H. Denman, Missouri Oil Council, 428 East Capitol, Suite 203, Jefferson City, Mo. 65101.
B. American Petroleum Institute, 2101 L Street NW., Washington, D.C. 20037.
D. (6) $277.

A. Daniel B. Denning, 1025 Connecticut Avenue NW., No. 700, Washington, D.C. 20036.
B. Gulf Oil Corp., P.O. Box 1166, Pittsburgh, Pa. 15230.
D. (6) $2,572.50. E. (9) $347.70.

A. Wells Denyes, Eastman Chemical Products, Inc., 500 12th Street SW., Washington, D.C. 20024.
B. Eastman Chemical Products, Inc., P.O. Box 431, Kingsport, Tenn. 37662.
D. (6) $30.

A. Desautels Associates, Inc., 1725 K Street NW., Suite 811, Washington, D.C. 20006.
B. Flavor & Extract Manufacturers Association of the United States, 900 17th Street NW., Washington, D.C. 20006.
D. (6) $900.

A. Desautels Associates, Inc., 1725 K Street NW., Suite 811, Washington, D.C. 20006.
B. Merrill Lynch, Pierce, Fenner & Smith, Inc., 1 Liberty Plaza, New York, N.Y. 10006.
D. (6) $2,000.

A. Dennis Devaney, 1750 K Street NW., Washington, D.C. 20006.
B. Food Marketing Institute, 1750 K Street NW., Washington, D.C. 20006.
D. (6) $1,500.

A. John M. Devaney, The American Institute of Architects, 1735 New York Avenue NW., Washington, D.C. 20006.
B. The American Institute of Architects, 1735 New York Avenue NW., Washington, D.C. 20006.
D. (6) $4,143.75.

A. James T. Devine, Leonard, Cohen, Gettings & Sher, Suite 550, 1700 Pennsylvania Avenue NW., Washington, D.C. 20006.
B. Rosenthal & Co., Chicago, Ill.
D. (6) $1,500. E. (9) $45.

A. R. Daniel Devlin, Trans World Airlines, Inc., 1000 16th Street NW., Washington, D.C. 20036.
B. Trans World Airlines, Inc., 605 Third Avenue, New York, N.Y. 10016.
D. (6) $275.

A. DGA International, Inc., 1225 19th Street NW., Washington, D.C. 20036.
B. Airbus Industrie, Avenue Lucien Servanty, 31700 Blagnac, France.
D. (6) $885. E. (9) $48,066.78.

A. DGA International, Inc., 1225 19th Street NW., Washington, D.C. 20036.
B. Krauss-Maffei AG, Krauss-Maffei-Strasse 2, 8000 Munich, Federal Republic of Germany.
D. (6) $154. E. (9) $557.65.

A. DGA International, Inc., 1225 19th Street NW., Washington, D.C. 20036.
B. Societe Nationale Industrielle Aerospatiale, 37 Boulevard de Montmorency, 75016 Paris, France.

A. DGA International, Inc., 1225 19th Street NW., Washington, D.C. 20036
B. Thomson-CSF, Division Equipements Avioniques, 178 Boulevard Gabriel Péri, 92240 Malakoff, France.

A. John M. Dickerman, John Dickerman & Associates, Inc., 1730 Rhode Island Avenue NW., Washington, D.C. 20036.
B. National Lumber & Building Material Dealers Association, 1990 M Street NW., Suite 350, Washington, D.C. 20036.
D. (6) $6,000. E. $359.42.

A. John R. Dierker, 1150 17th Street NW., Washington, D.C. 20036.
B. McDonnell Douglas Corp., P.O. Box 516, St. Louis, Mo. 63166.
D. (6) $300. E. (9) $213.60.

A. Paula A. Dilley, Marathon Oil Co., 1800 M Street NW., Suite 975, Washington, D.C. 20036.
B. Marathon Oil Co., Findlay, Ohio 45840.

A. Timothy V. A. Dillon, 1850 K Street NW., Washington, D.C., 20006.
B. Westlands Water District, P.O. Box 5222, Fresno, Calif. 93755.
D. (6) $4,244.44. E. (9) $494.44.

A. Michael F. Dineen, Lumbermen's Mutual Casualty Co., Suite 206, 600 Pennsylvania Avenue SE., Washington, D.C. 20003.
B. Lumbermen's Mutual Casualty Co., Long Grove, Ill. 60049.
D. (6) $1,800.

A. Direct Selling Association, 1730 M Street NW., Washington, D.C. 20036.
E. (9) $9,631.13.

A Harley M. Dirks, American Medical Association, 1776 K Street NW., Washington, D.C. 20006.
B. American Medical Association, 535 North Dearborn Street, Chicago, Ill. 60610.
D. (6) $2,887.50. E. (9) $815.

A. Disabled American Veterans, 3725 Alexandria Pike, Cold Spring, Ky. 41076.
D. (6) $63,863.28. E. (9) $63,863.28.

A. Norman L Dobyns, Cutler-Hammer, Inc., 1660 L Street NW., No. 912, Washington, D.C. 20036.
B. Cutter-Hammer, Inc., 4201 N. 27th Street, Milwaukee, Wis. 53216.
E. (9) $175.

A. James F. Doherty, Group Health Association of America, Inc., 1717 Massachusetts Avenue NW., No. 701, Washington, D.C. 20036.
B. Group Health Association of America, Inc., 1717 Massachusetts Avenue NW., No. 701, Washington, D.C. 20036.
D. (6.) $9,375.

A. John D. Doherty, Jr., 900 17th Street NW., Washington, D.C. 20006.
B. The Chase Manhattan Bank, National Association, 1 Chase Manhattan Plaza, New York, N.Y. 10015.
D. (6.) $140. E. (9.) $50.20.

A. Robert C. Dolan, National Association of Electric Co's., 1140 Connecticut Avenue NW., Suite 1010, Washington, D.C. 20036.
B. National Association of Electric Co's., 1140 Connecticut Avenue NW., Suite 1010, Washington, D.C. 20036.
D. (6.) $140. E. (9.) $48.

A. Hollis M. Dole, 1025 Connecticut Avenue NW., Washington, D.C. 20036.
B. Atlantic Richfield Co., 515 South Flower Street, Los Angeles, Calif. 90071.
D. (6) $950. E. (9) $88.82.

A. David P. Dolgen, Seafarers International Union, 815 16th Street NW., Suite 510, Washington, D.C. 20006.
B. Seafarers International Union, 815 16th Street NW., Suite 510, Washington, D.C. 20006.
D. (6) $3,500. E. (9) $933.94.

A. Richard M. Donaldson, 1700 Guildhall Building, Cleveland, Ohio 44115.
B. The Standard Oil Co. (Ohio), Guildhall Building, Cleveland, Ohio 44115.

A. Francis X. Dooley, 525 School Street SW., Washington, D.C.
B. American Road & Transportation Builders Association, 525 School Street SW., Washington, D.C. 20024.
D. (6) $2,500. E. (9) $39.50.

A. James A. Dorsch, 1750 K Street NW., Washington, D.C.
B. Health Insurance Association of America, Inc., 1750 K Street NW., Washington, D.C.; 919 Third Avenue, New York, N.Y., 332 S Michigan Avenue, Chicago, Ill.
D. (6) $210.94. E. (9) $35.79.

A. Charlene Dougherty, 1525 18th Street NW., Washington, D.C. 20036.
B. Environmental Defense Fund, 1525 18th Street NW., Washington, D.C. 20036.
E. (9) $3,311.82.

A. Dow, Lohnes & Abertson, 1125 Connecticut Avenue NW., Washington, D.C. 20036.
B. Univest Corp., 777 East Wisconsin Avenue, Milwaukee, Wis. 53202.
D. (6) $231.50. E. (9) $87.50.

A. Richard Morgan Downey, American Speech & Hearing Association, 10801 Rockville Pike, Rockville, Md. 20852.
B. American Speech & Hearing Association, 10801 Rockville Pike, Rockville, Md. 20852.
E. (9) $35.

A. Robert H. Doyle, 1120 Connecticut Avenue NW., No. 310, Washington, D.C. 20036.
B. National Association of Military Widows, P.O. Box 254, Coronado, Calif. 92118.
D. (6) $600.

A. Robert H. Doyle, 1120 Connecticut Avenue NW., No. 310, Washington, D.C. 20036.
B. Water Quality Association, 477 East Butterfield Road, Lombard, Ill. 60148.
D. (6) $200.

A. Nancy Drabble, 133 C Street SE., Washington, D.C. 20003.
B. Congress Watch, 133 C Street SE., Washington, D.C. 20003.
D. (6) $2,750.

A. James E. Drake, American Medical Association, 1776 K Street NW., Washington, D.C. 20006.
B. American Medical Association, 535 North Dearborn Street, Chicago, Ill. 60610.
D. (6) $2,984.85. E. (9) $599.

A. R. Larry Drake, Consumers Power Co., 212 West Michigan Avenue, Jackson, Mich. 49201.
B. Consumers Power Co., 212 West Michigan Avenue, Jackson, Mich. 49201.

A. Andrew Drance, Room 402, 2020 North 14th Street, Arlington, Va. 22201.
B. Media General, Inc., 333 East Grace Street, Richmond, Va. 23219.
D. (6) $116.66. E. (9) $48.97.

A. Thomas E. Drumm, Jr., 1730 Rhode Island Avenue NW., Washington, D.C. 20036.
B. Macmillan, Inc., 1730 Rhode Island Avenue NW., Washington, D.C. 20036.
D. (6) $400. E. (9) $3,830.

A. Franklin B. Dryden, 1776 K Street NW., Washington, D.C. 20006.
B. The Tobacco Institute, 1776 K Street NW., Washington, D.C. 20006.
D. (6) $200. E. (9) $100.

A. Lawrence M. Dubin, 1 First National Plaza, No. 5200, Chicago, Ill. 60603.
B. Peoples Gas Co., 122 South Michigan Avenue, Chicago, Ill. 60603.
D. (6) $2,370.

A. Evelyn Dubrow, International Ladies' Garment Workers' Union, 1710 Broadway, New York City, N.Y. 10019.
B. International Ladies' Garment Workers' Union, 1710 Broadway, New York City, N.Y. 10019.
D. (6) $5,904.60. E. (9) $4,014.05.

A. Morgan D. Dubrow, 2000 Florida Avenue NW., Washington, D.C. 20009.
B. National Rural Electric Cooperative Association, 2000 Florida Avenue NW., Washington, D.C. 20009.
D. (6) $130.

A. Ann Anderson Duff, NL Industries, Inc., 1150 Connecticut Avenue NW., Washington, D.C. 20036.
B. NL Industries, Inc., 1230 Avenue of the Americas, New York, N.Y. 10020.
D. (6) $1,000.

A. Michael J. Duff, National Paint & Coatings Association, Inc., 1500 Rhode Island Avenue NW., Washington, D.C. 20005.
B. National Paint & Coatings Association, Inc., 1500 Rhode Island Avenue NW., Washington, D.C. 20005.
D. (6) $1,000. E. (9) $46.18.

A. Francis J. Duggan, Association of American Railroads, 40 Ivy Street SE., Washington, D.C. 20003.
B. Association of American Railroads, 1920 L Street NW., Washington, D.C. 20036.
D. (6) $166.47. E. (9) $285.43.

A. Jeffrey M. Duke, 260 Madison Avenue, New York, N.Y. 10016.
B. American Paper Institute, Inc., 260 Madison Avenue, New York, N.Y. 10016.
E. (9) $300.

A. William E. Duke, 1025 Connecticut Avenue NW., Washington, D.C. 20036.
B. Atlantic Richfield Co., 515 South Flower Street, Los Angeles, Calif. 90071.
D. (6) $800. E. (9) $420.

A. Mervin E. Dullum, 1629 K Street NW., Room 204, Washington, D.C. 20006.
B. Delta Air Lines, Inc., Hartsfield Atlanta International Airport, Atlanta, Ga. 30320.
D. (6) $200. E. (9) $510.30.

A. M. L. DuMars, 2000 Florida Avenue NW., Washington, D.C. 20009.
B. National Rural Electric Cooperative Association, 2000 Florida Avenue NW., Washington, D.C. 20009.
D. (6) $60.

A. Duncan, Brown, Weinberg & Palmer, 1775 Pennsylvania Avenue NW., Suite 1200, Washington, D.C. 20006.
B. East Bay Regional Park District, 11500 Skyline Boulevard, Oakland, Calif. 94169.

A. Duncan, Brown, Weinberg & Palmer, 1775 Pennsylvania Avenue NW., Suite 1200, Washington, D.C. 20006.
B. Iva May Harvey, Route 7, Box 117, Blythe, Calif. 92225.
D. (6) $75.

A. Duncan, Brown, Weinberg & Palmer, 1775 Pennsylvania Avenue NW., Suite 1200, Washington, D.C. 20006.
B. Huron-Clinton Metropolitan Authority, 3050 Penobscot, Detroit, Mich. 48226.

A. Duncan, Brown, Weinberg & Palmer, 1775 Pennsylvania Avenue NW., Suite 1200, Washington, D.C. 20006.
B. Kenai Native Association, Inc., P.O. Box 1210, Wildwood, Kenai, Alaska.

A. Duncan, Brown, Weinberg & Palmer, 1775 Pennsylvania Avenue NW., Suite 1200, Washington, D.C. 20006.
B. Koniag, Inc., P.O. Box 746, Kodiak, Alaska.
D. (6) $175. E. (9) $10.25.

A. Duncan, Brown, Weinberg & Palmer, 1775 Pennsylvania Avenue NW., Suite 1200, Washington, D.C. 20006.
B. Mid-West Consumers' Association, Inc., P.O. Box 5089, Evergreen, Colo. 80439.

A. Duncan, Brown, Weinberg & Palmer, 1775 Pennsylvania Avenue NW., Suite 1200, Washington, D.C. 20006.
B. Shee Atika, Inc., Box 578, Edgecombe, Alaska 99835.

A. Duncan, Brown, Weinberg & Palmer, 1775 Pennsylvania Avenue NW., Suite 1200, Washington, D.C. 20006.
B. Western Railroad Association, 222 South Riverside Plaza, Room 1200, Chicago, Ill. 60606.

A. Douglas G. Dunn, Northern Natural Gas Co., 1133 15th Street NW., Washington, D.C. 20005.
B. Northern Natural Gas Co., 2223 Dodge Street, Omaha, Nebr. 68102.
D. (6) $1,500.

A. Mari Lee Dunn, American Council for Capital Formation, 1425 K Street NW., Suite 1007, Washington, D.C. 20005.
B. American Council for Capital Formation, 1425 K Street NW., Washington, D.C. 20005.
D. (6) $160.

A. Dunnells, Duvall & Porter, 1220 19th Street NW., Washington, D.C.
B. United Action for Animals, Inc., 205 East 42d Street, New York, N.Y.
D. (6) $500. E. (9) $5.

A. James A. Dupree, Ford Motor Co., 815 Connecticut Avenue NW., Washington, D.C. 2C006.
B. Ford Motor Co., Dearborn, Mich. 48121.
D. (6) $2,250. E. (9) $1,252.

A. Joseph L. Duran, The First National Bank of Boston, 100 Federal Street, Boston, Mass. 02110.
B. The First National Bank of Boston, 100 Federal Street, Boston, Mass. 02110.
D. (6) $1,882.40. E. (9) $1,294.43.

A. Dutcher Industries, 7617 Convoy Court, San Diego, Calif. 92111.
E. (9) $3,000.

A. Frederick G. Dutton, Suite 505, 1140 Connecticut Avenue NW., Washington, D.C. 20036.
E. (9) $4,300.

A. L. L. Duxbury, Burlington Northern, Inc., Suite 506, 2000 L Street NW., Washington, D.C. 20036.
D. (6) $2,000. E. (9) $674.45.

A. Henry I. Dworshak, American Mining Congress, 1100 Ring Building, Washington, D.C.
B. American Mining Congress, 1100 Ring Building, Washington, D.C.

A. Jean F. Dye, 12700 Lake Avenue, Lakewood, Ohio 44107.
B. National Congress of Parents & Teachers, 700 North Rush Street, Chicago, Ill. 60611.
E. (9) $1,823.61.

A. Jack D. Early, The Madison Building, Suite 514, 1155 15th Street NW., Washington, D.C. 20005.
B. National Agricultural Chemicals Association, The Madison Building, Suite 514, 1155 15th Street NW., Washington, D.C. 20005.
D. (6) $250. E. (9) $24.75.

A. Roy W. Easley, Association of Maximum Service Telecasters, Inc., 1735 DeSales Street NW., Washington, D.C. 20036.
B. Association of Maximum Service Telecasters, Inc., 1735 DeSales Street NW., Washington, D.C. 20036.

A. East-West Trade Council, 1700 Pennsylvania Avenue NW., Washington, D.C. 20006.
D. (6) $3,395. E. (9) $0.41.

A. George H. Eatman, American Gas Association, 1515 Wilson Boulevard, Arlington, Va. 22209.
B. American Gas Association, 1515 Wilson Boulevard, Arlington, Va. 22209.
D. (6) $2,800. E. (9) $352.21.

A. John Eazarsky, Phelps Dodge Corp., 1620 I Street NW., Washington, D.C. 20006.
B. Phelps Dodge Corp., 300 Park Avenue, New York, N.Y. 10022.
D. (6) $150.

A. Donald R. Ebe, 1800 K Street NW., Suite 800, Washington, D.C. 20006.
B. The Goodyear Tire & Rubber Co., Akron, Ohio 44316.
D. (6) $1,500.

A. Robert E. Ebel, ENSERCH Corp., 1025 Connecticut Avenue NW., Suite 1206, Washington, D.C. 20036.
B. ENSERCH Corp., 301 South Harwood Street, Dallas, Tex. 75201.
D. (6) $1,450. E. (9) $815.

A. N. Boyd Ecker, 1100 Connecticut Avenue NW., Washington, D.C. 20036.
B. Mobil Oil Corp., 150 East 42d Street, New York, N.Y. 10017.
D. (6) $1,500. E. (9) $30.30.

A. Daniel J. Edelman, Inc., 1730 Pennsylvania Avenue NW., No. 460, Washington, D.C. 20006.
B. American Seat Belt Council, 271 North Avenue, New Rochelle, N.Y. 10701.
D. (6) $14,000. E. (9) $608.67.

A. Daniel J. Edelman, Inc., 1730 Pennsylvania Avenue NW., Washington, D.C. 20006.
B. EMI Medical, Inc., 3605 Woodhead Drive, Northbrook, Ill. 60062.
D. (6) $500. E. (9) $15.

A. Daniel J. Edelman, Inc., 1730 Pennsylvania Avenue NW., Suite 460, Washington, D.C. 20006.
B. Manufactured Housing Institute, 1745 Jefferson Davis Highway, Suite 511, Arlington, Va. 20202.

A. Daniel J. Edelman, Inc., 1730 Pennsylvania Avenue NW., Washington, D.C. 20006.
B. National Insulation Contractors Association, 1120 19th Street NW., Suite 405, Washington, D.C. 20036.

A. Daniel J. Edelman, Inc., 1730 Pennsylvania Avenue NW., Suite 460, Washington, D.C. 20006.
B. National Utility Contractors Association, 815 15th Street NW., Suite 838, Washington, D.C. 20005.
D. (6) $500. E. (9) $211.03.

A. Edelman International Corp., 1730 Pennsylvania Avenue NW., No. 460, Washington, D.C. 20006.
B. DGA International, 1225 19th Street N.W., Washington, D.C. 20036 (for Airbus Industrie Avenue Lucien Servanty, 31700 Elagnac (Toulouse), France).
D. (6) $45,000. E. (9) $1,611.19.

A. Edelman International Corp., 1730 Pennsylvania Avenue NW., Washington, D.C. 20006.
B. Republic of Turkey/Embassy of Turkey, 1606 23d Street NW., Washington, D.C. 20008.
D. (6) $23,300. E. (9) $19,750.36.

A. William R. Edgar, 1025 Connecticut Avenue NW., Suite 517, Washington, D.C. 20036.
B. General Aviation Manufacturers Association, 1025 Connecticut Avenue NW., Suite 517, Washington, D.C. 20036.
D. (6) $2,218.75.

A. Arthur B. Edgeworth, Jr., 1709 New York Avenue NW., Suite 801, Washington, D.C. 20006.
B. United States League of Savings Associations, 111 East Wacker Drive, Chicago, Ill.
D. (6) $3,750.

A. Ed Edmondson, P.O. Box 11, Muskogee, Okla. 74401.
B. Cherokee Nation, P.O. Box 119, Tahlequah, Okla. 74464.
D. (6) $5,375. E. (9) $1,258.12.

A. Ed Edmondson, P.O. Box 11, Muskogee, Okla. 74401.
B. Oklahoma Association of Electric Cooperatives, P.O. Box 11047, Oklahoma City, Okla. 73111.
D. (6) $1,850. E. (9) $402.06.

A. J. Rodney Edwards, 260 Madison Avenue, New York, N.Y. 10016.
B. Amercan Paper Institute, Inc., 260 Madison Avenue, New York, N.Y. 10016.
E. (9) $232.24.

A. Jonathan W. Edwards, 507 Second Street NE., Washington, D.C. 20002.
B. Blue Ribbon Sports, 8285 Southwest Nimbus Avenue, Suite 115, Beaverton, Oreg. 97005.

A. Jonathan W. Edwards, 507 Second Street NE., Washington, D.C. 20002.
B. The Confederated Tribes of Warm Springs, Warm Springs, Oreg. 97761.

A. Jonathan W. Edwards, 507 Second Street NE., Washington, D.C. 20002.
B. The Navajo Nation, Window Rock, Ariz. 86515.

A. Jonathan W. Edwards, 507 Second Street NE., Washington, D.C. 20002.
B. Portland General Electric Co., 121 Southwest Salmon Street, Portland, Oreg. 97204.

A. Macon T. Edwards, 1030 15th Street NW., Suite 700, Washington, D.C. 20005.
B. National Cotton Council of America, P.O. Box 12285, Memphis, Tenn. 38112.
D. (6) $1,200. E. (9) $37.02.

A. H. Brent Egbert, 1800 K Street NW., Suite 920, Washington, D.C. 20006.
B. BankAmerica Corp., Bank of America Center, San Francisco, Calif.
D. (6) $923.58. E. (9) $1,075.61.

A. Charles E. Ehrhart, 1800 K Street NW., Suite 924, Washington, D.C. 20006.
B. Ralston Purina Co., Checkerboard Square, St. Louis, Mo. 63188.
D. (6) $400. E. (9) $134.

A. J. C. B. Ehringhaus, Jr., 1776 K Street NW., Washington, D.C. 20006.
B. The Tobacco Institute, 1776 K Street NW., Washington, D.C. 20006.
D. (6) $175.

A. Adelaide K. Eisenmann, 607 G Street SW., Washington, D.C. 20024.
B. Panamanian Committee for Human Rights, P.O. Box 570843, Miami, Fla. 33157.

A. Richard Eisenmainn, 607 G Street SW., Washington, D.C. 20024.
B. Panamanian Committee for Human Rights, P.O. Box 570843, Miami, Florida 33157.
E. (9) $206.85.

A. George K. Eliades, Society of American Wood Preservers, Inc., 1401 Wilson Boulevard, Arlington, Va. 22209.
B. Society of American Wood Preservers, Inc., 1401 Wilson Boulevard, Suite 205, Arlington, Va. 22209.
D. (6) $320. E. (9) $660.

A. J. Burton Eller, Jr., 425 13th Street NW., Suite 1020, Washington, D.C. 20004.
B. National Cattlemen's Association, 1001 Lincoln Street, Denver, Colo. 80203.
D. (6) $1,000.

A. Charles W. Elliott, Wisconsin Petroleum Council, 25 West Main Street, Room 703, Madison, Wis. 53703.
B. American Petroleum Institute, 2101 L Street NW., Washington, D.C. 20037.

A. John Doyle Elliott, 5500 Quincy Street, Hyattsville, Md. 20784.

A. Kimberly A. Elliott, 444 North Capitol Street, NW., Suite 409, Washington, D.C. 20001.
B. Associated Builders and Contractors, Inc., 444 North Capitol Street, NW., Suite 409, Washington, D.C. 20001.
D. (6) $3,620. E. (9) $300.

A. Ruth Bowdey Elliott, 5500 Quincy Street, Hyattsville, Md. 20784.
D. (6) $714.21. E. (9) $365.07.

A. Dorothy A. Ellsworth, 1300 Connecticut Avenue, NW., Washington, D.C. 20036.
B. International Association of Machinists and Aerospace Workers, 1300 Connecticut Avenue NW., Washington, D.C. 20036.
D. (6) $4,057.50. E. (9) $634.

A. Law offices of Northcutt Ely, Watergate 600 Building, Washington, D.C. 20037.
B. Associated Electric Cooperative, Inc., Springfield, Mo. 65801.
D. (6) $5,570.

A. Law offices of Northcutt Ely, Watergate 600 Building, Washington, D.C. 20037.
B. Ocean Mining Associates, Gloucester Point, Va.
D. (6) $6,000.

A. Emerson Electric Co., c/o Ramsay D. Potts, 1800 M Street, NW., Washington, D.C. 20036.
E. (9) $4,384.10.

A. Employers Insurance of Wausau, 2000 Westwood Drive, Wausau, Wis. 54401.

A. Lowell J. Endahl, 2000 Florida Avenue NW., Washington, D.C. 20009.
B. National Rural Electric Cooperative Association, 2000 Florida Avenue NW., Washington, D.C. 20009.
D. (6) $235.

A. Energy Action Educational Foundation, 1523 L Street NW., Washington, D.C. 20005.
E. (9) $2,405.59.

A. Energy Consumer and Producer Associate, Petroleum Plaza, Box 1726, Seminole, Okla. 74868.
D. (6) $10,000. E. (9) $21.51.

A. Gertrude Engel, 2450 Virginia Avenue NW., Washington, D.C. 20037.
B. York Barbell Co., York, Pa. 17405.
D. (6) $1,800. E. (9) $507.47.

A. Ralph Engel, 1001 Connecticut Avenue NW., Suite 1120, Washington, D.C. 20036.
B. Chemical Specialties Manufacturers Association, 1001 Connecticut Avenue NW., Washington, D.C. 20036.

A. Steven L. Engelberg, Suite 404, 2033 M Street NW., Washington, D.C. 20036.
B. American Association of Marriage and Family Counselors, 225 Yale Avenue, Claremont, Calif. 91711.
D. (6) $12,600. E. (9) $178.91.

A. James R. Enyart, 1101 17th Street NW., Suite 604, Washington, D.C. 20036.
B. Monsanto Co., 800 North Lindbergh Boulevard, St. Louis, Mo. 63166.
D. (6) $500. E. (9) $59.14.

A. John M. Erskine, Jr., P.O. Box 3092, Houston, Tex. 77001.

B. Standard Oil Co. (Indiana), P.O. Box 3092, Houston, Tex. 77001.
D. (6) $1,272. E. (9) $839.44.

A. George T. Esherick, United States Steel Corp., 818 Connecticut Avenue NW., Washington, D.C. 20006.
B. United States Steel Corp., 600 Grant Street, Pittsburgh, Pa. 15230.
D. (6) $90. E. (9) $37.

A. Thomas E. Esterly, American Trucking Associations, Inc., 1616 P Street NW., Washington, D.C. 20036.
B. American Trucking Associations, Inc., 1616 P Street NW., Washington, D.C. 20036.
D. (6) $6,000. E. (9) $628.91.

A. John T. Estes, 1150 Connecticut Avenue NW., No. 700, Washington, D.C. 20036.
B. Allied Chemical Corp., P.O. Box 3000–R, Morristown, N.J. 07960.
D. (6) $2,000. E. (9) $218.26.

A. David C. Evans, 1150 Connecticut Avenue NW., Suite 900, Washington, D.C. 20036.
B. Brick Institute of America, 1750 Old Meadow Road, McLean, Va. 22101.

A. Joseph O. Evans, 4401 Lee Highway, Apt. 21, Arlington, Va. 22207.

A. Robert D. Evans, American Bar Association, 1800 M Street NW., Washington, D.C. 20036.
B. American Bar Association, 1155 East 60th Street, Chicago, Ill. 60637.
D. (6) $400. E. (9) $50.

A. William J. Evans, 1800 K Street NW., Suite 900, Washington, D.C. 20006.
B. Pan American World Airways, Inc., Suite 900, 1800 K Street NW., Washington, D.C. 20006.
E. (9) $94.70.

A. Fawn K. Evenson, 1611 North Kent Street, Arlington, Va. 22209.
B. American Footwear Industries Association, 1611 North Kent Street, Arlington, Va. 22209.
D. (6) $400. E. (9) $164.70.

A. Robert R. Fahs, Cargill, Inc., 1050 17th Street NW., 12th floor, Washington, D.C. 20036.
B. Cargill, Inc., P.O. Box 9300, Minneapolis, Minn 55440.
D. (6) $2,500. E. (9) $45.10.

A. Robert J. Falasca, American Seed Trade Association, 1030 15th Street NW., Suite 964, Washington, D.C. 20005.
B. American Seed Trade Association, 1030 15th Street NW., Suite 964, Washington, D.C. 20005.

A. Edward Falck, Edward Falck & Co., 1625 I Street NW., Washington, D.C. 20006.
B. Delhi International Oil Corp., 3500 First International Building, Dallas, Tex. 75270.
D. (6) $600. E. (9) $119.

A. Thomas B. Farley II, 2101 L Street NW., Washington, D.C. 20037.
B. American Petroleum Institute, 2101 L Street NW., Washington, D.C. 20037.
D. (6) $3,220. E. (9) $135.65.

A. The Farmers' Educational & Cooperative Union of America (National Farmers Union), Denver, Colo. 80251; 1012 14th Street NW., Washington, D.C. 20005.
D. (6) $181,012. E. (9) $54,398.27.

A. John W. Farquhar, Food Marketing Institute, 1750 K Street NW., Washington, D.C. 20006.
B. Food Marketing Institute, 1750 K Street NW., Washington, D.C. 20006.
D. (6) $1,500.

A. Dolores L. Farr, American Nurses' Association, 1030 15th Street NW., Washington, D.C.
B. American Nurses' Association, 2420 Pershing Road, Kansas City, Mo. 64108.
D. (6) $2,503. E. (9) $119.60.

A. R. Roy Fausset, 1050 17th Street NW., No. 301, Washington, D.C. 20036.
B. Freeport Minerals Co., 200 Park Avenue, New York, N.Y. 10017.
D. (6) $300.

A. Clinton B. Fawcett, Coastal States Gas Corp., 5 Greenway Plaza East, Houston, Tex. 77046.
B. Coastal States Gas Corp., 5 Greenway Plaza East, Houston, Tex. 77046.
D. (6) $1,375. E. (9) $80.

A. Peter J. Fearey, 215 Market Street, No. 930, San Francisco, Calif. 94105.
B. California Council for Environmental & Economic Balance, 215 Market Street, No. 930, San Francisco, Calif. 94105.

A. Federation of American Controlled Shipping, 17 Battery Place North, New York, N.Y. 10004.
D. (6) $1,070.04. E. (9) $1,070.04.

A. Federation of American Hospitals, 1101 17th Street NW., Suite 310, Washington, D.C. 20036.
D. (6) $7,650. E. (9) $7,650.

A. Federation of American Scientists, 307 Massachusetts Avenue NE., Washington, D.C. 20002.
E. (9) $2,641.33.

A. Arthur S. Fefferman, American Council of Life Insurance, Inc., 1850 K Street NW., Washington, D.C. 20006.
B. American Council of Life Insurance, Inc., 1850 K Street NW., Washington, D.C. 20006.
D. (6) $150. E. (9) $170.

A. Andrew Feinstein, 133 C Street SE., Washington, D.C. 20003.
B. Congress Watch, 133 C Street SE., Washington, D.C. 20003.
D. (6) $3,250.

A. John W. Feist, 900 17th Street NW., No. 1016, Washington, D.C. 20006.
B. Kaiser Steel Corp., 900 17th Street NW., No. 1016, Washington, D.C. 20006.
D. (6) $923.

A. Stuart F. Feldman, Suite 931, 1346 Connecticut Avenue NW., Washington, D.C. 20036.
B. Vietnam Veteran Coalition, Inc., Suite 931, 1346 Connecticut Avenue NW., Washington, D.C. 20036.
D. (6) $1,544.13. E. (9) $702.57.

A. Stuart F. Feldstein, National Cable Television Association, Inc., 918 16th Street NW., Washington, D.C. 20006.
B. National Cable Television Association, Inc., 918 16th Street NW., Washington, D.C. 20006.
D. (6) $2,250.

A. Kenneth E. Feltman, National Association of Manufacturers, 1776 F Street NW., Washington, D.C. 20006.
B. National Association of Manufacturers, 1776 F Street NW., Washington, D.C. 20006.
D. (6) $400.

A. Jack Ferguson Associates, 513 A Street SE., Washington, D.C. 20003.
B. Northwest Pipeline Co., P.O. Box 1526, Salt Lake, Utah 84110.
D. (6) $6,450. E. (9) $4,156.

A. Jack Ferguson Associates, 513 A Street SE., Washington, D.C. 20003.
B. State of Alaska, Department of Revenue and the Multi-State Tax Commission, Pouch 5, Juneau, Alaska.
E. (9) $973.

A. Jack Ferguson Associates, 513 A Street SE., Washington, D.C. 20003.
B. U.S. Borax & Chemical Co., 3075 Wilshire Boulevard, Los Angeles, Calif. 90010.
D. (6) $1,000. E. (9) $1,938.

A. James H. Ferguson, 1625 I Street NW., Suite 926, Washington, D.C. 20006.
B. American Society for Personnel Administration, 19 Church Street, Berea, Ohio 44017.
D. (6) $5,000. E. (9) $800.

A. John L. Festa, 1619 Massachusetts Avenue NW., Washington, D.C. 20036.
B. American Paper Institute, Inc., 260 Madison Avenue, New York, N.Y. 10016.

A. C. H. Fields, American Farm Bureau Federation, 425 13th Street NW., Washington, D.C. 20004.
B. American Farm Bureau Federation, 225 Touhy Avenue, Park Ridge, Ill.
D. (6) $3,841. E. (9) $103.72.

A. Manuel D. Fierro, Pharmaceutical Manufacturers Association, 1155 15th Street NW., Washington, D.C. 20005.
B. Pharmaceutical Manufacturers Association, 1155 15th Street NW., Washington, D.C. 20005.

A. Herbert A. Fierst, 610 Ring Building, 1200 18th Street NW., Washington, D.C. 20036.
B. Council of Forest Industries of British Columbia, 1500/1055 West Hastings Street, Vancouver V6E 2H1, British Columbia, Canada.
D. (6) $9,999.99. E. (9) $625.

A. Matthew P. Fink, Investment Company Institute, 1775 K Street NW., Washington, D.C. 20006.
B. Investment Company Institute, 1775 K Street NW., Washington, D.C. 20006.
D. (6) $130.50. E. (9) $46.76.

A. Thomas D. Finnigan, Union Carbide Corp., 1730 Pennsylvania Avenue NW., Washington, D.C. 20006.
B. Union Carbide Corp., 270 Park Avenue, New York, N.Y. 10017.
E. (9) $135.35.

A. Firearms Lobby of America, 325 Pennsylvania Avenue SE., Washington, D.C. 20003.
D. (6) $12,658.90. E. (9) $21,297.92.

A. The First National Bank of Boston, 100 Federal Street, Boston, Mass. 02110.
E. (9) $13,670.05.

A. First National Boston Corp., 100 Federal Street, Boston, Mass. 02110.

A. Richard L. Fischer, 1000 16th Street NW., Washington, D.C. 20036.
B. Standard Oil Co. (Indiana), 200 East Randolph Drive, Chicago, Ill. 60601.
D. (6) $204. E. (9) $29.

A. Mary Clare Fitzgerald, 1800 K Street NW., Suite 920, Washington, D.C. 20006.
B. BankAmerica Corp., Bank of America Center, San Francisco, Calif.
D. (6) $601. E. (9) $1,047.70.

A. Margaret Fitzgerald-Bare, 2030 M Street NW., Washington, D.C. 20036.
B. Common Cause, 2030 M Street NW., Washington, D.C. 20036.
D. (6) $3,843.75.

A. Hilliard J. Fjord, 602 Main Street, Cincinnati, Ohio 45202.

B. The Ohio River Co., 580 Walnut Street, Cincinnati, Ohio 45202.
D. (6) $3,000. E. (9) $485.46.

A. Susan Garber Flack, American Retail Federation, 1616 H Street NW., Washington, D.C. 20006.
B. American Retail Federation, 1616 K Street NW., Washington, D.C. 20006.
D. (6) $2,000. E. (9) $250.

A. James J. Flanagan, New England Power Service Co., 20 Turnpike Road, Westborough, Mass. 01581.
B. New England Power Service Co., 20 Turnpike Road, Westborough, Mass. 01581.
D. (6) $2,573.76. E. (9) $1,419.42.

A. C. D. Fleet, Jr., 681 Lafayette, Denver, Colo. 80218.
B. Hunt International Resources Corp., 3500 First National Bank Building, Dallas, Tex. 75102.
E. (9) $9,616.80.

A. C. D. Fleet, Jr., 681 Lafayette, Denver, Colo. 80218.
B. N. B. Hunt, 2500 First National Bank Building, Dallas, Tex. 75102.
E. (9) $3,742.25.

A. Charles D. Fleishman, 20 North Wacker Drive, Chicago, Ill. 60606.
B. American Fishing Tackle Manufacturers Association, 20 North Wacker Drive, Chicago, Ill. 60606.
D. (6) $1,725. E. (9) $4,715.29.

A. Ronald L. Floor, American Textile Manufacturers Institute, Inc., 1150 17th Street NW., Suite 1001, Washington, D.C. 20036.
B. American Textile Manufacturers Institute, Suite 2124, 400 South Tryon Street, Charlotte, N.C. 28285.
D. (6) $650. E. (9) $53.80.

A. James F. Flug, 2904 Brandywine Street NW., Washington, D.C. 20008.
B. Energy Action Educational Foundation, 1523 L Street NW., Washington, D.C. 20005.
D. (6) $1,349.08.

A. Robert P. Fogarty, 3499 Ridgewood Drive, Columbus, Ohio 43220.
B. National Association of Manufacturers, 1776 F Street NW., Washington, D.C. 20006.
D. (6) $1,000.

A. Foley, Lardner, Hollabaugh & Jacobs, 1775 Pennsylvania Avenue NW., Washington, D.C. 20006.
B. American Family Mutual Insurance Co., 3099 East Washington Avenue, Box 7430, Madison, Wis. 53707.
D. (6) $3,378. E. (9) $13.88.

A. Foley, Lardner, Hollabaugh & Jacobs, 1775 Pennsylvania Avenue NW., Washington, D.C. 20006.
B. Cabot Corp., and subsidiaries, 125 High Street, Boston, Mass. 02110.
D. (6) $7,790. E. (9) $24.79.

A. Foley, Lardner, Hollabaugh & Jacobs, 1775 Pennsylvania Avenue NW., Washington, D.C. 20006.
B. Fort Howard Paper Co., 1919 South Broadway Green Bay, Wis. 54305.
D. (6) $555.

A. Foley, Lardner, Hollabaugh & Jacobs, 1775 Pennsylvania Avenue NW., Washington, D.C. 20006.
B. Insurance Association of Connecticut, 60 Washington Street, Hartford, Conn. 06106.
D. (6) $4,025. E. (9) $12.04.

A. Foley, Lardner, Hollabaugh & Jacobs, 1775 Pennsylvania Avenue NW., Washington, D.C. 20006.
B. Johnson Controls, Inc., 507 East Michigan Street, P.O. Box 423, Milwaukee, Wis. 53201.

A. Food & Beverage Trades Department, AFL–CIO, 815 16th Street NW., Washington, D.C. 20006.
D. (6) $6,917.45. E. (9) $6,917.45.

A. Food Marketing Institute, 1750 K Street NW., Washington, D.C. 20006.
D. (6) $7,000. E. (9) $7,000.

A. Food Policy Center, 538 Seventh Street SE., Washington, D.C. 20003.
E. (9) $28,486.88.

A. Food Research & Action Center, Inc., 2011 I Street NW., Suite 700, Washington, D.C. 20006.
D. (6) $15,125. E. (9) $15,020.59.

A. Gordon Forbes, 203 Hanover Building, 480 Cedar Street, St. Paul, Minn. 55101.
B. Minnesota Railroads Association, 203 Hanover Building, 480 Cedar Street, St. Paul, Minn. 55101.
D. (6) $500. E. (9) $999.95.

A. James W. Foristel, American Association of Ophthalmology, 1100 17th Street NW., Washington, D.C. 20036.
B. American Association of Ophthalmology, 1100 17th Street NW., Washington, D.C. 20036.
D. (6) $5,000.

A. John S. Forsythe, American Council of Life Insurance, Inc., 1850 K Street NW., Washington, D.C. 20006.
B. American Council of Life Insurance, Inc., 1850 K Street NW., Washington, D.C. 20006.
D. (6) $400. E. (9) $230.

A. David H. Foster, 1025 Connecticut Avenue NW., Washington, D.C. 20036.
B. Natural Gas Supply Committee, 1025 Connecticut Avenue NW., Washington, D.C. 20036.
D. (6) $2,775.01. E. (9) $592.12.

A. Ebert E. Fournace, Ohio Power Co., 301 Cleveland Avenue SW., Canton, Ohio 44702.
B. Ohio Power Co., 301 Cleveland Avenue SW., Canton, Ohio 44702; a subsidiary of American Electric Power Co., Inc., 2 Broadway, New York, N.Y. 10004.
D. (6) $192. E. (9) $309.43.

A. Albert A. Fox, Jr., Suite 700, 1150 Connecticut Avenue NW., Washington, D.C. 20036.
B. Allied Chemical Corp., P.O. Box 3000–R, Morristown, N.J. 07960
D. (6) $680. E. (9) $206.50.

A. John G. Fox, American Telephone and Telegraph Co., 2000 L Street NW., Washington, D.C. 20036.
B. American Telephone & Telegraph Co., 195 Broadway, New York, N.Y. 10007.
D. (6) $172.

A. Joe H. Foy, Houston Natural Gas Corp., P.O. Box 1188, Houston, Tex. 77001.
B. Houston Natural Gas Corp., P.O. Box 1188, Houston Tex. 77001.

A. Joseph L. Fraites, New York Coffee & Sugar Exchange Inc., 4 World Trade Center, New York, N.Y. 10048.
B. New York Coffee & Sugar Exchange, Inc., 4 World Trade Center, New York, N.Y. 10048.

A. William H. G. France, National Motorsports Committee of ACCUS, Suite 302, 1735 K. Street NW., Washington, D.C. 20006.
B. National Motorsports Committee of ACCUS, Suite 302, 1735 K Street NW., Washington, D.C. 20006.

A. Harley Frankel, 1520 New Hampshire Avenue NW., Washington, D.C. 20036.
B. Children's Defense Fund of the Washington Research Project, Inc.
D. (6) $3,118.38.

A. Walter L. Frankland, Jr., 1717 K Street NW., Washington, D.C. 20006.
B. Silver Users Association, 1717 K Street NW., Washington, D.C. 20006.
D. (6) $937.50. E. (9) $90.62.

A. Frank C. Frantz, 3917 Livingston Street NW., Washington, D.C. 20015.
B. Greater Southeast Community Hospital, 1310 Southern Avenue SE, Washington, D.C. 20032.
D. (6) $3,750. E. (9) $48.75.

A. Fraser Associates, Inc., 1800 K Street NW., Suite 1006, Washington, D.C. 20006.
B. Chamber of Commerce of the United States; National Association of Manufacturers; Associated General Contractors.
D. (6) $385. E. (9) $40.

A. Fraser Associates, 1800 K Street NW. Suite 1006, Washington, D.C. 20006.
B. Committee of Americans for the Canal Treaties, Inc., 1019 19th Street NW., Suite 1120, Washington, D.C. 20036.
D. (6) $300. E. (9) $83.50.

A. Harry L. Freeman, Sr., American Express Co., 1700 K Street NW., Washington, D.C. 20006.
B. American Express Co., American Express Plaza, New York, N.Y. 10004.

A. James O. Freeman, 1709 New York Avenue NW., Suite 801, Washington, D.C. 20006.
B. United States League of Savings Associations, 111 East Wacker Drive, Chicago, Ill.
D. (6) $2,300. E. (9) $62.50.

A. Paul A. Freeman, 2626 Pennsylvania Avenue NW., Washington, D.C. 20037.
B. National Telephone Cooperative Association, 2626 Pennsylvania Avenue NW., Washington. D.C. 20037.
D. (6) $850.

A. Pamela B. Freer, International Ladies' Garment Workrs' Union, 1710 Broadway, New York City, N.Y. 10019.
B. International Ladies' Garment Workers' Union, 1710 Broadway, New York City, N.Y. 10019.
D. (6) $3,750.11. E. (9) $189.30.

A. David T. French, American Bakers Association, Suite 850, 2020 K Street NW., Washington, D.C. 20006.
B. American Bakers Association, Suite 850, 2020 K Street NW., Washington, D.C. 20006.
D. (6) $63. E. (9) $3.25.

A. Verrick O. French, National Retail Merchants Association, 1000 Connecticut Avenue NW., No. 700, Washington, D.C. 20036.
B. National Retail Merchants Association, 100 West 31st Street, New York, N.Y. 10001.
D. (6) $650. E. (9) $30.

A. Annette P. Fribourg, 1776 F Street NW., Washington, D.C. 20006.
B. National Association of Manufacturers, 1776 F Street NW., Washington, D.C. 20006.

A. George L. Frick, Delaware Oil Men's Association, 20 East Division Street, Dover, Del. 19901.
B. American Petroleum Institute, 2101 L Street NW., Washington, D.C. 20037.

A. Susan Fridy, 30 F Street NW., Washington, D.C. 20001.
B. National Milk Producers Federation, 30 F Street NW., Washington, D.C. 20001.
D. (6) $1,170.

A. Fried, Frank, Harris, Shriver & Kampelman, 600 New Hampshire Avenue NW., Washington, D.C. 20037.
B. Cheyenne River Sioux Tribe, Box 100, Eagle Butte, S. Dak. 57625.
E. (9) $22.95.

A. Fried, Frank, Harris, Shriver & Kampelman, 600 New Hampshire Avenue NW., Washington, D.C. 20037.
B. Metlakatla Indian Community, P.O. Box 8, Metlakatla, Alaska 99926.
D. (6) $899. E. (9) $19.10.

A. Fried, Frank, Harris, Shriver & Kampelman, 600 New Hampshire Avenue NW., Washington, D.C. 20037.
B. The Nez Perce Tribe, Lapwai, Idaho.
D. (6) $300. E. (9) $11.60.

A. Fried, Frank, Harris, Shriver & Kampelman, 600 New Hampshire Avenue NW., Washington, D.C. 20037.
B. The Oglala Sioux Tribe of the Pine Ridge Reservation, Pine Ridge, S. Dak. 57770.
E. (9) $94.40.

A. Fried, Frank, Harris, Shriver & Kampelman, 600 New Hampshire Avenue NW., Washington, D.C. 20037.
B. Pueblo of Laguna, Laguna, N. Mex.
D. (6) $1,180. E. (9) $32.98.

A. Fried, Frank, Harris, Shriver & Kampelman, 600 New Hampshire Avenue NW., Washington, D.C. 20037.
B. Rosebud Sioux Tribe, Rosebud, S. Dak.
D. (6) $856. E. (9) $2.10.

A. Fried, Frank, Harris, Shriver & Kampelman, Suite 1000, 600 New Hampshire Avenue NW., Washington, D.C. 20037.
B. Schenley Industries, Inc., 888 Seventh Avenue, New York, N.Y. 10019.

A. Fried, Frank, Harris, Shriver & Kampelman, 600 New Hampshire Avenue NW., Washington, D.C. 20037.
B. The Seneca Nation of Indians, Box 231, Salamanca, N.Y. 14779.
E. (9) $19.75.

A. Philip P. Friedlander, Jr., 1343 L Street NW., Washington, D.C. 20005.
B. National Tire Dealers & Retreaders Association, Inc., 1343 L Street NW., Washington, D.C. 20005.
D. (6) $1,000.

A. Gay H. Friedmann, 1150 Connecticut Avenue NW., Suite 717, Washington, D.C. 20036.
B. Southern California Gas Co., 720 West Eighth Street, M.L. 1208, Los Angeles, Calif. 90017.
D. (6) $2,187.50. E. (9) $268.77.

A. Owen V. Frisby, 900 17th Street NW., Washington, D.C. 20006.
B. The Chase Manhattan Bank, National Association, 1 Chase Manhattan Plaza, New York, N.Y. 10015.
D. (6) $819. E. (9) $3,503.48.

A. Charles H. Fritzel, National Association of Independent Insurers, 1625 I Street NW., Suite 1001, Washington, D.C. 20006.
B. National Association of Independent insurers, 2600 River Road, Des Plaines, Ill. 60018.
D. (6) $1,500. E. (9) $200.

A. Cornelius F. Froeb, Cities Service Co., 1660 L Street NW., Suite 207, Washington, D.C. 20036.
B. Cities Service Co., 1660 L Street NW., Suite 207, Washington, D.C. 20036.
D. (6) $60.

A. E. Douglas Frost, American Bus Association, 1025 Connecticut Avenue NW., Suite 308, Washington, D.C. 20036.
B. American Bus Association, 1025 Connecticut Avenue NW., Suite 308, Washington, D.C. 20036.
D. (6) $1,232.05. E. (9) $1,232.05.

A. Gordon H. Fry, 3251 Old Lee Highway, Suite 501, Fairfax, Va. 22030.
B. National Limestone Institute, Inc., 3251 Old Lee Highway, Suite 501, Fairfax, Va. 22030.
E. (9) $12.11.

A. Rosann Fuhrman, Retail Store Employees Union, Local No. 400, 7801 Old Branch Avenue, Clinton, Md. 20735.
B. Retail Store Employees Union, Local No. 400, 7801 Old Branch Avenue, Clinton, Md. 20735.
D. (6) $5,200. E. (9) $1,126.79.

A. Full Employment Action Council, 815 15th Street NW., Washington, D.C. 20005.
D. (6) $19,000. E. (9) $35,594.60.

A. David C. Fullarton, 2626 Pennsylvania Avenue NW., Washington, D.C. 20037.
B. National Telephone Cooperative Association, 2626 Pennsylvania Avenue NW., Washington, D.C. 20037.
D. (6) $625.

A. Ronald K. Fuller, 1150 Connecticut Avenue NW., Suite 517, Washington, D.C. 20036.
B. San Diego Gas & Electric Co., 101 Ash Street, San Diego, Calif. 92112.
D. (6) $4,800. E. (9) $357.

A. G-4 Children's Coalition, 7309 Delfield Street, Chevy Chase, Md. 20015.
D. (6) $1,100.

A. Terry Gabrielson, 490 L'Enfant Plaza, No. 3202, Washington, D.C. 20024.
B. Transcontinental Gas Pipe Line Corp., 2700 South Post Oak Road, Houston, Tex. 77001.
D. (6) $450.

A. James E. Gaffigan, American Hotel and Motel Association, 777 14th Street NW., Washington, D.C. 20005.
B. American Hotel and Motel Association, 888 Seventh Avenue, New York, N.Y. 10019.
D. (6) $735. E. (9) $246.26.

A. Mark J. Gallagher, National Committee for a Human Life Amendment, Inc., 1707 L Street NW., Washington, D.C. 20036.
B. National Committee for a Human Life Amendment, Inc., 1707 L Street NW., Washington, D.C. 20036.
D. $8,052.17. E. (9) $234.35.

A. Robert M. Gants, National Constructors Association, 1101 15th Street NW., Washington, D.C. 20005.
B. National Constructors Association, 1101 15th Street NW., Suite 100, Washington, D.C. 20005.
D. (6) $3,000. E. (9) $1,388.55.

A. M. D. Garber, Jr., Phillips Petroleum Co., 2101 L Street NW., Sixth Floor, Washington, D.C. 20037.
B. Phillips Petroleum Co., Bartlesville, Okla. 74004.

A. Terry D. Garcia, Committee for Ratification of the Panama Canal Treaties, Inc., 2021 L Street NW., No. 405, Washington, D.C. 20036.
B. Committee for Ratification of the Panama Canal Treaties, Inc., 2021 L Street NW., Suite 405, Washington, D.C. 20036.

A. Terry D. Garcia, New Directions, 2021 L Street, NW., No. 405, Washintgon, D.C. 20036.
B. New Directions, 2021 L Street NW., No. 405, Washington, D.C. 20036.
D. (6) $3,749.38.

A. Gardner, Carton & Douglas, 1120 Connecticut Avenue NW., Washington, D.C. 20036.
B. Elmer W. Kneip, 911 West Fulton Street, Chicago, Ill. 60607.
D. (6) $525. E. (9) $0.60.

A. Gardner, Carton & Douglas, 1120 Connecticut Avenue NW., Washington, D.C. 20036.
B. Sealed Power Corp., 2001 Sanford Street, Muskegon, Mich. 49443.
D. (6) $187.50. E. (9) $2.95.

A. John W. Gardner, 2030 M Street NW., Washington, D.C. 20036.
B. Common Cause, 2030 M Street NW., Washington, D.C. 20036.
D. (6) $4,000.02. E. (9) $189.99.

A. Wendell P. Gardner, Jr., 1211 Connecticut Avenue NW., No. 802, Washington, D.C. 20036.
B. Sears, Roebuck and Co., Sears Tower, Chicago, Ill. 60684.
D. (6) $500. E. (9) $37.45.

A. James J. Garry, New York Coffee and Sugar Exchange, Inc., Four World Trade Center, New York, N.Y. 10048.
B. New York Coffee and Sugar Exchange, Inc., Four World Trade Center, New York, N.Y. 10048.
E. (9) $227.70.

A. Eleanor Garst, 4840 MacArthur Boulevard NW., Washington, D.C. 20007.
B. National Council for a World Peace Tax Fund, 2111 Florida Avenue NW., Washington, D.C. 20008.
D. (6) $217.64.

A. Gas Appliance Manufacturers Association, Inc., 1901 North Fort Myer Drive, Arlington, Va. 22209.
E. (9) $75.

A. Lillian B. Gaskin, American Bar Association, 1800 M Street NW., Washington, D.C. 20036.
B. American Bar Association, 1155 East 60th Street, Chicago, Ill. 60637.
D. (6) $600. E. (9) $100.

A. Philip Gasteyer, United States League of Savings Association, 1709 New York Avenue NW., Suite 801, Washington, D.C. 20006.
B. United States League of Savings Associations, 111 East Wacker Drive, Chicago, Ill.
D. (6) $4,000.

A. Margaret L. Gehres, Chamber of Commerce of the United States, 1615 H Street NW., Washington, D.C. 20062.
B. Chamber of Commerce of the United States, 1615 H Street N.W., Washington, D.C. 20062.
E. (9) $129.59.

A. Morton A. Geller, The First National Bank of Boston, 100 Federal Street, Boston, Mass. 02110.
B. The First National Bank of Boston, 100 Federal Street, Boston, Mass. 02110.
D. (6) $3,612. E. (9) $1,627.70.

A. General Aviation Manufacturers Association, 1025 Connecticut Avenue NW., Suite 517, Washington, D.C. 20036.
E. (9) $2,593.75

A. Joseph G. Gerard, Ford Motor Co., 815 Connecticut Avenue NW., Washington, D.C. 20006.
B. Ford Motor Co., Dearborn, Mich.
D. (6) $750. E. (9) $874.

A. Donald H. Gerrish, Suite 850, 2020 K Street NW., Washington, D.C. 20006.
B. American Bakers Association, Suite 850, 2020 K Street NW., Washington, D.C. 20006.
D. (6) $103.75. E. (9) $7.15.

A. Getty Oil Co., 3810 Wilshire Boulevard, Los Angeles, Calif. 90010.
E. (9) $27,108.69.

A. William T. Gibb III, American Council of Life Insurance, Inc., 1850 K Street NW., Washington, D.C. 20006.
B. American Council of Life Insurance, Inc., 1850 K Street NW., Washington, D.C. 20006.
D. (6) $470. E. (9) $200.

A. Wayne Gibbens, Mid-Continent Oil & Association, 1800 K Street NW., Washington, D.C. 20006.
B. Mid-Continent Oil & Gas Association, 1111 Thompson Building, Tulsa, Okla. 74103.
D. (6) $1,600. E. (9) $100.

A. Anne Marie Gibbons, American Public Power Association, 2600 Virginia Avenue NW., Suite 212, Washington, D.C. 20037.
B. American Public Power Association, 2600 Virginia Avenue NW., Suite 212, Washington, D.C. 20037.
D. (6) $400.

A. William L. Gifford, General Electric Co., 777 14th Street NW., Washington, D.C. 20005.
B General Electric Co., Fairfield, Conn. 06431.

A. John E. Giles, 1600 I Street NW., Washington, D.C. 20006.
B. Motion Picture Association of America, Inc., 1600 I Street NW., Washington, D.C. 20006.

A. Mark W. Gillaspie, Houston Natural Gas Corp., P.O. Box 1188, Houston, Tex. 77001.
B. Houston Natural Gas Corp., P.O. Box 1188, Houston, Tex. 77001.

A. James T. Gillice, Alliance of American Insurers, 1776 F Street NW., Washington, D.C. 20006.
B. Alliance of American Insurers, 20 North Wacker Drive, Chicago, Ill., 60606.
D. (6) $1,425. E. (9) $230.

A. Michael J. Giuffrida, 1469 Quail Hollow Road, Harrisburg, Pa. 17112.
B. National Frozen Food Association, Inc., 1 Chocolate Avenue, P.O. Box 398, Hershey, Pa. 17033.
D. (6) $175.50. E. (9) $340.22.

A. Dave Givens, Tennessee Railroad Association, 916 Nashville Trust Building, Nashville, Tenn. 37201.
B. Class I Railroads in Tennessee.

A. Vernie R. Glasson, American Farm Bureau Federation, 425 13th Street NW., Washington, D.C. 20004.
B. American Farm Bureau Federation, 225 Touhy Avenue, Park Ridge, Ill.
D. (6) $3,875. E. (9) $93.45.

A. George L. Gleason, American Nuclear Energy Council, 1750 K Street NW., Suite 300, Washington, D.C.
B. American Nuclear Energy Council, 1750 K Street NW., Suite 300, Washington, D.C.
D. (6) $1,000. E. (9) $76.45.

A. John P. Gleason, Brick Institute of America, 1750 Old Meadow Road, McLean, Va. 22102.
B. Brick Institute of America, 1750 Old Meadow Road, McLean, Va. 22102.
D. (6) $1,793. E. (9) $1,793.

A. Elmer G. Gleske, 1629 K Street NW., Suite 400, Washington, D.C. 20006.
B. Flight Safety International, Inc., Marine Air Terminal, LaGuardia Airport, Flushing, N.Y. 11371.
D. (6) $769. E. (9) $73.02.

A. George T. Glover. National Association of Electric Cos., 1140 Connecticut Avenue NW., Washington, D.C. 20036.
B. National Association of Electric Cos., 1140 Connecticut Avenue NW., Washington, D.C. 20036.
D. (6) $115. E. (9) $23.

A. Godfrey Associates, Inc., 918 16th Street NW., S–500, Washington, D.C. 20006.
E. (9) $602.30.

A. Godfrey Associates, Inc., 918 16th Street NW., S–500, Washington, D.C. 20006.
B. Patton, Boggs & Blow, 1200 17th Street NW., Washington, D.C. 20036.
E. (9) $311.99.

A. Horace D. Godfrey, 918 16th Street, NW., S–500, Washington, D.C. 20006.
B. Godfrey Associates, Inc., 918 16th Street, NW., S–500, Washington, D.C. 20006.
D. (6) $3,000. E. (9) $914.29.

A. Patrick L. Godfrey, National Association of Manufacturers, 601 North Vermont Avenue, Los Angeles, Calif. 90004.
B. National Association of Manufacturers, 1776 F Street, NW., Washington, D.C. 20006.
D. (6) $1,400.

A. Harvey S. Gold, Velsicol Chemical Corp., 910 17th Street NW., Suite 1000, Washington, D.C. 20006.
B. Velsicol Chemical Corp., 341 East Ohio Street, Chicago, Ill., 60611.

A. Howard S. Goldberg, DGA International, Inc., 1225 19th Street NW., Washington, D.C. 20036.
B. DGA International, Inc., 1225 19th Street NW., Washington, D.C. 20036 (for Aerospatiale, 37 Boulevard de Montmorency, 75016 Paris, France).

A. Howard S. Goldberg, DGA International Inc., 1225 19th Street, NW., Washington, D.C. 20036.
B. DGA, International Inc., 1225 19th Street NW., Washington, D.C. 20036 (for Airbus Industrie, Avenue Lucien Servanty, 31700 Blagnac, France.
D. (6) $27.18. E. (9) $15.

A. Carl Goldfield, American Public Power Association, 2600 Virginia Avenue, NW., Suite 212, Washington, D.C. 20037.
B. American Public Power Association, 2600 Virginia Avenue, NW., Washington, D.C. 20037.
D. (6) $1,500. E. (9) $12.

A. William M. Goldstein, Morgan, Lewis & Bockius, 1800 M Street NW., Suite 700 North, Washington, D.C. 20036.
B. Committee for Capital Formation Through Dividend Reinvestment, 1800 M Street NW., Suite 700 North, Washington, D.C. 20036.
D. (6) $200.

A. Ruth Gonze, American Public Power Association, 2600 Virginia Avenue, NW., Washington, D.C. 20037.
B. American Public Power Association, 2600 Virginia Avenue NW., Washington, D.C. 20037.
D. (6) $600.

A. Don A. Goodall, 1625 I Street, NW., Suite 401, Washington, D.C. 20006.
B. American Cyanamid Co., Wayne, N.J. 07470.
D. (6) $90. E. (9) $13.

A. Charles E. Goodell, DGA International, Inc., 1225 19th Street, NW., Washington, D.C. 20036.
B. DGA International, Inc., 1225 19th Street NW., Washington, D.C. 20036 (for Aerospatiale, 37 Boulevard de Montmorency, 75016 Paris, France).

A. Charles E. Goodell, DGA International, Inc., 1225 19th Street NW., Washington, D.C. 20036.
B. DGA International, Inc., 1225 19th Street NW., Washington, D.C. 20036 (for Krauss-Maffei AG, Krauss-Maffei-Strasse 2, 8000 Munich, FRG).

A. Vance V. Goodfellow, 307 Fourth Avenue South, P.O. Box 15047, Minneapolis, Minn. 55415.
B. Crop Quality Council, 307 Fourth Avenue South, P.O. Box 15047, Minneapolis, Minn. 55415.
D. (6) $8,081.25.

A. Vivian Goodier, National Cable Television Association, Inc., 918 16th Street NW., Washington, D.C. 20006.
B. National Cable Television Association, Inc., 918 16th Street NW., Washington, D.C. 20006.
D. (6) $425. E. (9) $216.

A. Bruce G. Goodman, Damon Corp., 115 Fourth Avenue, Needham Heights, Mass. 02194.
B. Damon Corp., 115 Fourth Avenue, Needham Heights, Mass. 02194.

A. Robert F. Goodwin, Meredith Corp., 1850 K Street NW., Suite 275, Washington, D.C. 20006.
B. Meredith Corp., 1850 K Street NW., Suite 275, Washington, D.C. 20006.
E. (9) $72.40.

A. Sara Ann Gordon, 1155 15th Street NW., No. 713, Washington, D.C. 20005.
B. American Consulting Engineers Council, 1155 15th Street NW., No. 713, Washington, D.C. 20005.
D. (6) $1,000. E. (9) $75.

A. Frederick D. Goss, 2626 Pennsylvania Avenue NW., Washington, D.C. 20037.
B. National Telephone Cooperative Association, 2626 Pennsylvania Avenue NW., Washington, D.C. 20037.
D. (6) $950.

A. Gould, Reichert & Strauss, 2613 Carew Tower, Cincinnati, Ohio 45202.
B. Francis J. Rorke, Box 1336, Cristobal, CZ, et al.
E. (9) $328.17.

A. Carl F. Graham, Amway Corp., 7575 East Fulton Road, Ada, Mich. 49355.
B. Amway Corp., 7575 East Fulton Road, Ada, Mich. 49355.

A. Lawrence T. Graham, American Hotel and Motel Association, 777 14th Street NW., Washington, D.C. 20005.
B. American Hotel and Motel Association, 888 Seventh Avenue, New York, N.Y. 10019.
D. (6) $735. E. (9) $93.13.

A. Allan Grant, American Farm Bureau Federation, 225 Touhy Avenue, Park Ridge, Ill. 60068.
B. American Farm Bureau Federation, 225 Touhy Avenue, Park Ridge, Ill., 60068.
D. (6) $1,500.

A. Wm. W. Grant, Utah International, Inc., 1150 Connecticut Avenue NW., Suite 710, Washington, D.C. 20036.
B. Utah International, Inc., 550 California Street, San Francisco, Calif. 94104.
E. (9) $1,208.97.

A. James A. Gray, 7901 Westpark Drive, McLean, Va. 22102.
B. National Machine Tool Builders' Association, 7901 Westpark Drive, McLean, 22102.
D. (6) $1,131. E. (9) $25.

A. Martha W. Gray, Independent Petroleum Association of America, 1101 16th Street NW., Washington, D.C. 20036.
B. Independent Petroleum Association of America, 1101 16th Street NW., Washington, D.C. 20036.
E. (9) $10.15.

A. Robert Keith Gray, 1425 K Street NW., Washington, D.C. 20005.
B. Hill and Knowlton, Inc., 633 Third Avenue, New York, N.Y. 10017.

A. Samuel A. Grayson, Union Pacific Railroad, 611 Idaho Building, 216 North Eighth Street, Boise, Idaho 83702.
B. Union Pacific Railroad, 1416 Dodge Street, Omaha, Nebr. 68179.

A. The Great Atlantic & Pacific Tea Co., Inc., 2 Paragon Drive, Montvale, N.J. 07645.
E. (9) $2,900.

A. Great Western Sugar Co., P.O. Box 5308, Denver, Colo. 80217.
E. (9) $30,101.87.

A. Donald R. Greeley, 1101 17th Street NW., Suite 603, Washington, D.C. 20036.
B. Celanese Corp., 1211 Avenue of the Americas, New York, N.Y. 10036.
D. (6) $625. E. (9) $163.58.

A. Edward M. Green, American Mining Congress, 1100 Ring Building, Washington, D.C.
B. American Mining Congress, 1100 Ring Building, Washington, D.C.

A. Mark Green, 133 C Street SE., Washington, D.C. 20003.
B. Congress Watch, 133 C Street SE., Washington, D.C. 20003.
D. (6) $4,250.

A. Howard Greenberg, 7426 Arrowood Road, Bethesda, Md. 20034.
B. Public Timber Purchasers Group, 1214 Oregon Bank Building, Portland, Oreg. 97204.
D. (6) $4,500.

A. Margit S. Greenspon, 2626 Pennsylvania Avenue NW., Washington, D.C. 20037.
B. National Telephone Cooperative Association, 2626 Pennsylvania Avenue NW., Washington, D.C. 20037.
D. (6) $1,250.

A. Dale W. Greenwood, Washington Railroad Association, 302 Hoge Building, Seattle, Wash. 98104.
B. Washington Railroad Association, 302 Hoge Building, Seattle, Wash. 98104.

A. Saunders Gregg, Entex, Inc., P.O. Box 2628, Houston, Tex. 77001.
D. (6) $3,500. E. (9) $2,335.

A. William G. Greif, 1155 15th Street NW., Washington, D.C. 20005.
B. Bristol-Myers Co., 345 Park Avenue, New York, N.Y. 10022.
D. (6) $9,000. E. (9) $55.83.

A. Lori Gribbin, 1025 Connecticut Avenue NW., No. 202, Washington, D.C. 20036.
B. Rohm and Hass Co., Independence Mall West, Philadelphia, Pa. 19105.
D. (6) $500. E. (9) $100.

A. Roger F. Griffin, 1620 I Street NW., Suite 703, Washington, D.C. 20006.
B. Bechtel Corp., 1620 I Street NW., Suite 703, Washington, D.C. 20006.

A. Robert J. Grimm, 9 West 57th Street, New York, N.Y., 10019.
B. Avon Products, Inc., 9 West 57th Street, New York, N.Y. 10019.
D. (6) $100. E. (9) $137.

A. Grocery Manufacturers of America, Inc., 1010 Wisconsin Avenue NW., Suite 800, Washington, D.C. 20007.

A. Frank N. Grossman, Santa Fe Industries, Inc., Suite 840, 1100 Connecticut Avenue, NW., Washington, D.C. 20036.
B. Santa Fe Industries, Inc., 224 South Michigan Avenue, Chicago, Ill. 60604.
D. (6) $1,500. E. (9) $300.

A. James J. Gudinas, American Automobile Association, 8111 Gatehouse Road, Falls Church, Va. 22042.
B. American Automobile Association, 8111 Gatehouse Road, Falls Church, Va. 22042.

A. Kenneth J. Guido, 2030 M Street NW., Washington, D.C. 20036.
B. Common Cause, 2030 M Street NW., Washington, D.C. 20036.
D. (6) $800.01.

A. Gun Owners of America, Inc., 455 Capitol Mall, Suite 315, Sacramento, Calif. 95814.
D. (6) $17,766.50. E. (9) $46,881.77.

A. Thomas M. Gunn, P.O. Box 516, St. Louis, Mo. 63166.
B. McDonnell Douglas Corp., P.O. Box 516, St. Louis, Mo. 63166.
D. (6) $200. E. (9) $110.

A. Marjorie Guthrie, 250 West 57th Street, New York, N.Y. 10019.

A. C. James Hackett, American Plywood Association, 1119 A Street, Tacoma, Wash. 98401.
B. American Plywood Association, 1119 A Street, Tacoma, Wash. 98401.

A. Craig Hackler, RR 1, Box 177–5, Kearneysville, W. Va. 25430.
B. Independent Consultants, Inc., 1120 Connecticut Avenue NW., No. 1128, Washington, D.C. 20036.
D. (6) $500.

A. Loyd Hackler, American Retail Federation, 1616 H Street NW., Washington, D.C. 20006.
B. American Retail Federation, 1616 H Street NW., Washington, D.C. 20006.
D. (6) $2,000. E. (9) $295.

A. Paul R. Haerle, Thelen, Marrin, Johnson & Bridges, Two Embarcadero Center, Room 2200, San Francisco, Calif. 94111.
B. Energy Transportation Systems, Inc., P.O. Box 3965, San Francisco, Calif. 94119.
E. (9) $1,097.73.

A. Charles T. Hagel, Firestone Tire & Rubber Co., 1730 K Street NW., Washington, D.C. 20006.
B. Firestone Tire & Rubber Co., 1200 Firestone Parkway, Akron, Ohio 44317.
D. (6) $3,750. E. (9) $360.

A. Peter H. Hahn, 918 16th Street NW., No. 501, Washington, D.C. 20006.
B. Chromalloy American Corp., 120 South Central Avenue, St. Louis, Mo. 63105.
D. (6) $1,000. E. (9) $275.

A. Thomas F. Hairston, 461 South Boylston Street, Los Angeles, Calif. 90017.
B. Union Oil Co. of California, 461 South Boylston Street, Los Angeles, Calif. 90017.
E. (9) $193.07.

A. Hall, Estill, Hardwick, Gable, Collingsworth & Nelson, 1701 Pennsylvania Avenue NW., Suite 404, Washington, D.C. 20006.
B. The Williams Companies, 1 Williams Center, Tulsa, Okla. 74101.

A. Joseph Halow, North American Export Grain Association, Inc., 1800 M Street NW., Washington, D.C. 20036.
B. North American Export Grain Association, Inc., 1800 M Street NW., Washington, D.C. 20036.
D. (6) $17,125.

A. Jerald V. Halvorsen, Allied-General Nuclear Services, 2120 L Street NW., Suite 245, Washington, D.C. 20037.
B. Allied-General Nuclear Services, P.O. Box 847, Barnwell, S.C. 29812.

A. Hamel, Park, McCabe & Saunders, 1776 F Street NW., Washington, D.C. 20006.
B. Belize Sugar Industries, Ltd., Belize City, Belize.
E. (9) $582.79.

A. Hamel, Park, McCabe & Saunders, 1776 F Street NW., Suite 400, Washington, D.C. 20006.
B. Central Bank for Cooperatives and associated district banks, P.O. Box 17389, Denver, Colo. 80217.

A. Hamel, Park, McCabe & Saunders, 1776 F Street NW., Washington, D.C. 20006.
B. Government of Republic of Panama, Compania Azucarera La Estrella, S.A., and Azucarera Nacional, S.A., Panama City, Panama.
E. (9) $549.59.

A. Hamel, Park, McCabe & Saunders, 1776 F Street NW., Washington, D.C. 20006.
B. National Wool Growers Association, 600 Crandall Building, Salt Lake City, Utah 84101.
E. (9) $190.01.

A. Hamel, Park, McCabe & Saunder, 1776 F Street NW., Washington, D.C. 20006.
B. Sociedad Agircola e Industrial San Carlos, S.A., Compania Azucarera Valdez, S.A., Azucarera Tropical Americana, S.A., Tababuela Industrial Azucarera, S.A., Ecuador.

A. Hamel, Park, McCabe & Saunders, 1776 F Street NW., Washington, D.C. 20006.
B. Sugar Association of the Caribbean, Port of Spain, Trinidad.
D. (6) $8,807.84. E. (9) $44.05.

A. Hamel, Park, McCabe & Saunders, 1776 F Street NW., Washington, D.C. 20006.
B. United Student Aid Funds, Inc., 200 East 42 Street, New York, N.Y. 10017.

A. Philip W. Hamilton, 1901 L Street NW., Washington, D.C. 20036.
B. Wilson E. Hamilton & Associates, Inc., 1901 L Street NW., Washington, D.C. 20036 (for the National Labor-Management Foundation, Louisville, Ky.).
E. (9) $134.95.

A. Thomas A. Hammer, American Farm Bureau Federation, 425 13th Street NW., Washington, D.C. 20004.
B. American Farm Bureau Federation, 225 Touhy Avenue, Park Ridge, Ill.
D. (6) $3,750. E. (9) $72.44.

A. Patricia L. Hanahan, 1155 15th Street NW., Washington, D.C. 20005.

B. Bristol-Myers Co., 345 Park Avenue, New York, N.Y. 10022.
D. (6) $470.

A. Christopher G. Hankin, 3251 Old Lee Highway, Suite 501, Fairfax, Va. 22030.
B. National Limestone Institute, Inc., 3251 Old Lee Highway, Suite 501, Fairfax, Va. 22030.
E. (9) $28.45.

A. George J. Hanks, Jr., Union Carbide Corp., 1730 Pennsylvania Avenue NW., Washington, D.C. 20006.
B. Union Carbide Corp., 270 Park Avenue, New York, N.Y. 10017.
E. (9) $31.35.

A. Erling Hansen, Group Health Association of America, Inc., 1717 Massachusetts Avenue NW., No. 701, Washington, D.C. 20036.
B. Group Health Association of America, Inc., 1717 Massachusetts Avenue NW., No. 701, Washington, D.C. 20036.
D. (6) $2,899.52.

A. Peter J. Hapworth, 1850 K Street NW., Suite 850, Washington, D.C. 20006.
B. National Restaurant Association, 1850 K Street NW., Washington, D.C. 20006; 1 IBM Plaza, Suite 2600, Chicago, Ill. 60611.
D. (6) $625. E. (9) $53.95.

A. Chester L. Harding, Jr., 2 Militia Drive, Lexington, Mass. 02173.
B. National Association of Manufacturers, 1776 F Street NW., Washington, D.C. 20006.
D. (6) $225.

A. William E. Hardman, 9300 Livingston Road, Washington, D.C. 20022.
B. National Tool, Die & Precision Machining Association, 9300 Livingston Road, Washington, D.C. 20022.

A. Eugene J. Hardy, 1776 F Street NW., Washington, D.C. 20006.
B. National Association of Manufacturers, 1776 F Street NW., Washington, D.C. 20006.
D. (6) $2,500. E. (9) $12.30.

A. Andrew E. Hare, 8316 Arlington Boulevard, Suite 600, Fairfax, Va. 22038.
B. National Right to Work Committee, 8316 Arlington Boulevard, Suite 600, Fairfax, Va. 22038.
D. (6) $700. E. (9) $484.

A. Bryce N. Harlow, 1801 K Street NW., Washington, D.C. 20006.
B. The Procter & Gamble Manufacturing Co., 301 East Sixth Street, Cincinnati, Ohio 45202.
D. (6) $75.

A. Donald L. Harlow, Air Force Sergeants Association, Inc., 310 Riley Street, Falls Church, Va. 22046.
B. Air Force Sergeants Association, 4235 28th Avenue, Marlow Heights, Md. 20031.

A. William B. Harman, Jr., American Council of Life Insurance, Inc., 1850 K Street NW., Washington, D.C. 20006.
B. American Council of Life Insurance, Inc., 1850 K Street NW., Washington, D.C. 20006.
D. (6) $60. E. (9) $9.

A. C. Wayne Harmon, 1025 Connecticut Avenue NW., Suite 700, Washington, D.C. 20036.
B. Gulf Oil Corp., P.O. Box 1166, Pittsburgh, Pa. 15230.
D. (6) $550. E. (9) $275.

A. Saul J. Harris, 1140 Connecticut Avenue NW., Washington, D.C. 20036.
B. National Association of Electric Cos., 1140 Connecticut Avenue NW., Washington, D.C. 20036.
D. (6) $380. E. (9) $4.

A. Jim Harrison, Committee of Urban Program Universities, Suite 802, 11 Dupont Circle, Washington, D.C.
B. Committee of Urban Program Universities, Suite 802, 11 Dupont Circle, Washington, D.C.
D. (6) $5,000. E. (9) $218.

A. William C. Hart, 1625 I Street NW., Washington, D.C. 20006.
B. Columbia Gas System Service Corp., 20 Montchanin Road, Wilmington, Del. 19807.
D. (6) $325.50. E. (9) $165.50.

A. Hartford Fire Insurance Co., Hartford Plaza, Hartford, Conn. 06115.
E. (9) $7,100.

A. Wayne Hartke, Cliffside Corp., Watergate 600, Suite 700, Washington, D.C. 20037.
B. Cliffside Corp., Watergate 600, Suite 700, Washington, D.C. 20037.
E. (9) $155.

A. David A. Hartquist, Collier, Shannon, Rill, Edwards & Scott, 1055 Thomas Jefferson Street NW., Washington, D.C. 20007.
B. United States Fastener Manufacturing Group, 1505 East Ohio Building, 1717 East 9th Street, Cleveland, Ohio 44114.
E. (9) $2,100.

A. Mary W. Haught, Sun Co., Inc., 1800 K Street NW., Suite 820, Washington, D.C. 20006.
B. Sun Co., Inc., 100 Matsonford Road, Radnor, Pa. 19087.
D. (6) $2,000. E. (9) $275.

A. Charles W. Havens III, Reinsurance Association of America, 1025 Connecticut Avenue NW., Washington, D.C. 20036.
B. Reinsurance Association of America, 1025 Connecticut Avenue NW., No. 512, Washington, D.C. 20036.
E. (9) $25.

A. Sidney G. Hawkes, The Mead Corp., 1000 Connecticut Avenue NW., Washington, D.C. 20036.
B. The Mead Corp., Mead World Headquarters, Courthouse Plaza NE., Dayton, Ohio 45463.
D. (6) $1,250.

A. John H. Hawkins, Jr., Alabama Power Co., 600 North 18th Street, Birmingham, Ala. 35291.
B. Alabama Power Co., 600 North 18th Street, Birmingham, Ala. 35291.
D. (6) $8,814. E. (9) $8,060.81.

A. Paul M. Hawkins, 1750 K Street NW., Washington, D.C.
B. Health Insurance Association of America, Inc., 1750 K Street NW., Washington, D.C.; 919 Third Avenue, New York, N.Y.; 332 South Michigan Avenue, Chicago, Ill.
D. (6) $217.75. E. (9) $11.95.

A. Bruce R. Hawley, American Farm Bureau Federation, 425 13th Street, Washington, D.C.
B. American Farm Bureau Federation, 225 Touhy Avenue, Park Ridge, Ill.
D. (6) $3,500. E. (9) $77.

A. Health Insurance Association of America, Inc., 1750 K Street NW., Washington, D.C.
D. (6) $13,811.20. E. (9) $13,811.20.

A. Patrick B. Healy, National Milk Producers Federation, 30 F Street NW., Washington, D.C. 20001.
B. National Milk Producers Federation, 30 F Street NW., Washington, D.C. 20001.
D. (6) $487.50.

A. Heavy & Specialized Carriers Conference, 1155 16th Street NW., Washington, D.C. 20036.
E. (9) $250.

A. William H. Hecht, 1776 K Street NW., No. 1200, Washington, D.C. 20006.
B. The Tobacco Institute, 1776 K Street NW., No. 1200, Washington, D.C. 20006.
D. (6) $1,620. E. (9) $650.

A Robert E. Heggestad, 5151 North 14th Street, Arlington, Va. 22202.
B. Manufactured Housing Institute, 1745 Jefferson Davis Highway, Arlington, Va. 22202.

A. John F. Heilman, Disabled American Veterans, 807 Maine Avenue SW., Washington, D.C. 20024.
B. Disabled American Veterans, 3725 Alexandria Pike, Cold Spring, Ky. 41076.
D. (6) $8,554. E. (9) $50.

A. Spencer H. Heine, Montgomery Ward & Co., Inc., 1100 Connecticut Avenue NW., No. 530, Washington, D.C. 20036.
B. Montgomery Ward & Co., Inc., 535 West Chicago Avenue, Chicago, Ill. 60671.
D. (6) $181. E. (9) $150.

A. Daniel R. Helmick, 1625 I Street NW., Room 301, Washington, D.C. 20006.
B. Columbia Gas Distribution Cos., 99 North Front Street, Columbus, Ohio 43215.
D. (6) $7,125. E. (9) $2,462.02.

A. Phil D. Helmig, 410 East College Street, Roswell, N. Mex. 88201.
B. Atlantic Richfield Co., 515 South Flower Street, Los Angeles, Calif. 90071.

A. Douglas F. Henderson, Rocky Mountain Oil & Gas Association, 345 Petroleum Club Building, Denver, Colo. 80202.
B. Rocky Mountain Oil & Gas Association, 345 Petroleum Club Building, Denver, Colo. 80202.
D. (6) $50. E. (9) $827.34.

A. Richard Dean Henderson, Private Truck Council of America, Inc., 1101 17th Street NW,. Washington, D.C. 20036.
B. Private Truck Council of America, Inc., 1101 17th Street NW., No. 1008, Washington, D.C. 20036.

A. Henkel & Lamon, 229 Peachtree Street NE., Suite 2500, Atlanta, Ga. 30303.
B. The National Association of Pension Consultants & Administrators, Inc., 151 Ellis Street NE., Atlanta, Ga. 30303.
D. (6) $6,246.50.

A. Edmund P. Hennelly, 150 East 42d Street, New York, N.Y. 10017.
B. Mobil Oil Corp., 150 East 42d Street, New York, N.Y. 10017.
D. (6) $1,500. E. (9) $353.10.

A. Thomas M. Hennessy, 1701 Pennsylvania Avenue NW., Washington, D.C. 20006.
B. Getty Oil Co., 3810 Wilshire Boulevard, Los Angeles, Calif. 90010.
D. (6) $14,654.50. E. (9) $1,854.41.

A. George F. Hennrikus, Jr., 1625 I Street NW., Washington, D.C.
B. The Retired Officers Association, 1625 I Street NW., Washington, D.C. 20006.
D. (6) $3,578.

A. Donald A. Henriksen, 515 South Flower Street, Los Angeles, Calif. 90071.
B. Altantic Richfield Co., 515 South Flower Street, Los Angeles, Calif. 90071.

A. Hercules Inc., 910 Market Street, Wilmington, Del. 19899.
E. (9) $6,612.

A. Jack E. Herington, 1801 K Street NW., Suite 1201, Washington, D.C. 20006.
B. United States Independent Telephone Association, 1801 K Street NW., Suite 1201, Washington, D.C. 20006.
D. (6) $500.

A. Carolyn A. Herr, 2000 Florida Avenue NW., Washington, D.C. 20009.
B. National Rural Electric Cooperative Association, 2000 Florida Avenue NW., Washington, D.C. 20009.
D. (6) $100.

A. Herrick, Allen & Davis, 1701 K Street NW., Suite 706, Washington, D.C. 20006.
B. Amusement & Music Operators Association, 35 East Wacker Drive, Suite 1940, Chicago, Ill. 60601.
D. (6) $416.74. E. (9) $97.64.

A. Esther Herst, 510 C Street NE., Washington, D.C. 20002.
B. National Committee Against Repressive Legislation, 1250 Wilshire Boulevard, Los Angeles, Calif. 90017.
D. (6) $2,730. E. (9) $2,612.48.

A. Elena Hess, 3705 Porter Street NW., Washington, D.C. 20016.
B. Self-Determination for District of Columbia, Room 300, 2030 M Street NW., Washington, D.C. 20036.
D. (6) $5,000. E. (9) $61.44.

A. Ted A. Heydinger, Chamber of Commerce of the United States, 1615 H Street NW, Washington, D.C. 20062.
B. Chamber of Commerce of the United States, 1615 H Street NW., Washington, D.C. 20062.
E. (9) $171.80.

A. Andrew I. Hickey, Jr., Federal National Mortgage Association, 1133 15th Street NW., Washington, D.C. 20005.
B. Federal National Mortgage Association, 1133 15th Street NW., Washington, D.C. 20005.
D. (6) $13,575. E. (9) $888.01.

A. Frederic W. Hickman, 1 First National Plaza, No. 5200, Chicago, Ill. 60603.
B. First Chicago Corp., 1 First National Plaza, Chicago, Ill. 60670.

A. Frederic W. Hickman, 1 First National Plaza, No. 5200, Chicago, Ill. 60603.
B. Northwest Industries, Inc., 6300 Sears Tower, Chicago, Ill. 60606.

A. Frederic W. Hickman, 1 First National Plaza, No. 5200, Chicago, Ill. 60603.
B. Peoples Gas Co., 122 South Michigan Avenue, Chicago, Ill. 60603.
D. (6) $2,370.

A. Frederic W. Hickman, 1 First National Plaza, No. 5200, Chicago, Ill. 60603.
B. Trans Union Corp., 90 Half Day Road, Lincolnshire, Ill. 60015.
D. (6) $130.

A. Paul T. Hicks, c/o Rhode Island Petroleum Association, 154 Francis Street, Providence, R.I. 02903.
B. American Petroleum Institute, 2101 L Street NW., Washington, D.C. 20037.
D. (6) $100. E. (9) $55.

A. J. Thomas Higginbotham, Mellon Bank, N.A., Pittsburgh, Pa. 15230.
B. Mellon Bank, N.A. and Mellon National Corp., Mellon Square, Pittsburgh, Pa. 15230.
D. (6) $2,000. E. (9) $1,618.18.

A. Dave Hill, American Farm Bureau Federation, 425 13th Street NW., Washington, D.C. 20004.
B. American Farm Bureau Federation, 225 Touhy Avenue. Park Ridge, Ill.
D. (6) $1,401. E. (9) $14.70.

A. Gerald "Jerry" Hill, 6 Executive Park Drive, Atlanta, Ga. 30329.
B. Standard Oil Co. (Indiana), 200 East Randolph Drive, Chicago, Ill. 60601.
D. (6) $241.52. E. (9) $247.52.

A. J. Eldred Hill, Jr., UBA, Inc., 1800 M Street NW., Suite 460 South, Washington, D.C. 20036.
B. UBA, Inc., 1800 M Street NW., Suite 460 South, Washington, D.C. 20036.
D. (6) $2,000. E. (9) $2,000.

A. E. Joseph Hillings, National Airlines, Inc., 1025 Connecticut Avenue NW., Washington, D.C. 20036.
B. National Airlines, Inc., P.O. Box 592055 AMF, Miami, Fla. 33159.
D. (6) $1,100. E. (9) $50.

A. Kathryn Hilton, National Cable Television Association, Inc., 918 16th Street NW., Washington, D.C. 20006.
B. National Cable Television Association, Inc., 918 16th Street NW., Washington, D.C. 20006.
D. (6) $1,687. E. (9) $21.

A. Joe Hinson, National Forest Products Association, 1619 Massachusetts Avenue NW., Washington, D.C.
B. National Forest Products Association, 1619 Massachusetts Avenue NW., Washington, D.C. 20036.
D. (6) $3,750. E. (9) $75.

A. Bertram E. Hirsch, 76–17 250 Street, Bellerose, N.Y. 11426.
B. Fallon Paiute and Shoshone Tribes, Fallon, Nev.
E. (9) $166.

A. Janet L. Hirshberg, 2626 Pennsylvania Avenue NW., Washington, D.C. 20037.
B. National Telephone Cooperative Association, 2626 Pennsylvania Avenue NW., Washington, D.C. 20037.
D. (6) $650.

A. Robert Hitzhusen, American Farm Bureau Federation, 425 13th Street NW., Washington, D.C. 20004.
B. American Farm Bureau Federation, 225 Touhy Avenue, Park Ridge, Ill.
D. (6) $3,186. E. (9) $42.75.

A. Lawrence S. Hobart, American Public Power Association, 2600 Virginia Avenue NW., Washington, D.C. 20037.
B. American Public Power Association, 2600 Virginia Avenue NW., Washington, D.C.
D. (6) $1,200.

A. Claude E. Hobbs, Westinghouse Electric Corp., 1801 K Street NW., Washington, D.C. 20006.
B. Westinghouse Electric Corp., Westinghouse Building, Gateway Center, Pittsburgh, Pa. 15222.
D. (6) $1,100. E. (9) $475.

A. Ralph D. Hodges, Jr., National Forest Products Association, 1619 Massachusetts Avenue NW., Washington, D.C.
B. National Forest Products Association, 1619 Massachusetts Avenue NW., Washington, D.C. 20036.
E. (9) $1,578.19.

A. Howard E. Hoelter, Illinois Petroleum Council, P.O. Box 5034, Springfield, Ill. 62705.
B. American Petroleum Institute, 2101 L Street NW., Washington, D.C. 20037.

A. Lawrence S. Hoffheimer, 6845 Elm Street, Suite 511, McLean, Va. 22101.
B. American Group Practice Association, 20 South Quaker Lane, Alexandria, Va. 22314.
D. (6) $5,000. E. (9) $850.

A. Ellen S. Hoffman, 1520 New Hampshire Avenue NW., Washington, D.C. 20036.
B. Children's Defense Fund of the Washington Research Project, Inc.
D. (6) $417.30. E. (9) $482.20.

A. Herbert E. Hoffman, American Bar Association, 1800 M Street NW., Washington, D.C. 20036.
B. American Bar Association, 1155 East 60th Street, Chicago, Ill. 60637.
D. (6) $400. E. (9) $50.

A. Hogan & Hartson, 815 Connecticut Avenue NW., Washington, D.C. 20006.
B. Council of European and Japanese National Shipowners' Association, 17/18 Bury Street, London EC3A 5AH, England.

A. Hogan & Hartson, 815 Connecticut Avenue NW., Washington, D.C. 20006.
B. Direct Selling Association, 1730 M Street NW., Washington, D.C. 20036.
D. (6) $5,000.

A. Hogan & Hartson, 815 Connecticut Avenue NW., Washington, D.C. 20006.
B. Energy Transportation Systems, Inc., 50 Beale Street, San Francisco, Calif. 94119.
D. (6) $315.

A. Hogan & Hartson, 815 Connecticut Avenue NW., Washington, D.C. 20006.
B. National Rehabilitation Association, 1522 K Street NW., Washington, D.C.
D. (6) $143.75. E. (9) $1.30.

A. Hogan & Hartson, 815 Connecticut Avenue NW., Washington, D.C. 20006.
B. Schrader Stoves, Inc., Energy Alternatives, Inc., J N J Enterprises, Inc., c/o Fisher Stoves International, Inc., P.O. Box 10605, Eugene, Oreg. 97440.

A. Robert L. Holding, Association of Home Appliance Manufacturers, 1901 L Street NW., Suite 720, Washington, D.C. 20036.
B. Association of Home Appliance Manufacturers, 20 North Wacker Drive, Chicago, Ill.

A. Henry W. Holling, Caterpillar Tractor Co., 100 Northeast Adams Street, Peoria, Ill. 61629.
B. Caterpillar Tractor Co., 100 Northeast Adams Street, Peoria, Ill. 61629.
D. (6) $575. E. (9) $393.

A. Wendell M. Holloway, Ford Motor Co., 815 Connecticut Avenue NW., Washington, D.C. 20006.
B. Ford Motor Co., Dearborn, Mich.
D. (6) $2,799.99. E. (9) $2,171.40.

A. J. K. Holman, Consolidation Coal Co., 1130 17th Street NW., Washington, D.C. 20036.
B. Consolidation Coal Co., Consol Plaza, Pittsburgh, Pa. 15241.
D. (6) $1,250.

A. Thomas D. Holman, Alliance of American Insurers, 1776 F Street NW., Washington, D.C. 20006.
B. Alliance of American Insurers, 20 North Wacker Drive, Chicago, Ill. 60606.
D. (6) $1,825. E. (9) $275.

A. Eric Holmes, Jr., Petroleum Council of Georgia, 230 Peachtree Street NW., Suite 1500, Atlanta, Ga. 30303.
B. American Petroleum Institute, 2101 L Street NW., Washington, D.C. 20037.

A. Lee B. Holmes, 1709 New York Avenue NW., Suite 801, Washington, D.C. 20006.
B. United States League of Savings Associations, 111 East Wacker Drive, Chicago, Ill. 60606.
D. (6) $5,075.

A. Peter E. Holmes, General Electric Co., 777 14th Street NW., Washington, D.C. 20005.
B. General Electric Co., 3135 Easton Turnpike, Fairfield, Conn. 06431.
D. (6) $1,250.

A. Richard C. Holmquist, American Mining Congress, 1100 Ring Building, Washington, D.C.
B. American Mining Congress, 1100 Ring Building, Washington, D.C.

A. John W. Holton, American Banker's Association, 1120 Connecticut Avenue NW., Washington, D.C. 20036.
B. American Banker's Association, 1120 Connecticut Avenue NW., Washington, D.C. 20036.
D. (6) $2,000. E. (9) $68.50.

A. The Hormel Foundation, Austin, Minn. 55912.

A. Michael E. Horrell, American Nuclear Energy Council, 1750 K Street NW., Suite 300, Washington, D.C.
B. American Nuclear Energy Council, 1750 K Street NW., Suite 300, Washington, D.C.
D. (6) $1,300. E. (9) $40.11.

A. John F. Horty, National Council of Community Hospitals, 815 Connecticut Avenue, Suite 206, Washington, D.C. 20006.
B. National Council of Community Hospitals, 815 Connecticut Avenue NW., Suite 206, Washington, D.C. 20006.
E. (9) $2,687.85.

A. Houger, Garvey & Schubert, 1725 K Street NW., No. 303, Washington, D.C. 20006.
B. American Pyrotechnics Association, 407 Campus Avenue, Chestertown, Md. 21620.
D. (6) $1,147.50. E. (9) $360.60.

A. Thomas B. House, 1700 Old Meadow Road, McLean, Va. 22102.
B. American Frozen Food Institute, 1700 Old Meadow Road, McLean, Va. 22102.
D. (6) $750.

A. Mary Greer Houston, 1901 L Street NW., Suite 711, Washington, D.C. 20036.
B. Wilson E. Hamilton & Associates, Inc., 1901 L Street NW., Washington, D.C., (for Farm Labor Research Committee).
D. (6) $250.

A. Houston Natural Gas Corp., P.O. Box 1188, Houston, Tex. 77001.
E. (9) $17,800.02.

A. C. T. Hoversten, 209 West 53d Street, Western Springs, Ill. 60558.
B. National Advertising Co., 6850 South Harlem, Bedford Park, Ill. 60501.

A. Howell Corp., 800 Houston Natural Gas Building, Houston, Tex. 77002.

A. Joe L. Howell, 1700 Pennsylvania Avenue NW., Suite 750, Washington, D.C. 20006.
B. Allstate Enterprises, Inc., Allstate Plaza, Northbrook, Ill. 60062.

A. Joe L. Howell, 1700 Pennsylvania Avenue NW., Suite 750, Washington, D.C. 20006.
B. Allstate Insurance Cos.', Allstate Plaza, Northbrook, Ill. 60062.

A. Paul N. Howell, Howell Corp., 800 Houston Natural Gas Building, Houston, Tex. 77002.
B. Howell Corp., 800 Houston Natural Gas Building, Houston, Tex. 77002.

A. John B. Howerton, ASARCO Inc., 1730 Rhode Island Avenue NW., Suite 206, Washington, D.C. 20036.
B. ASARCO Inc., 120 Broadway, New York, N.Y. 10005.
D. (6) $1,500.

A. Tony R. Huerta, National Association of Letter Carriers, 100 Indiana Avenue NW., Washington, D.C. 20001.
B. National Association of Letter Carriers, 100 Indiana Avenue NW., Washington, D.C. 20001.
D. (6) $4,197.05.

A. David Emery Hughes, Union Mutual Life Insurance Co., 2211 Congress Street, Portland, Maine 04112.
B. Union Mutual Life Insurance Co., 2211 Congress Street, Portland, Maine 04112.

A. William G. Hughes, National Association of Federal Veterinarians, Suite 836, 1522 K Street NW., Washington, D.C. 20005.
B. National Association of Federal Veterinarians, Suite 836, 1522 K Street NW., Washington, D.C. 20005.
D. (6) $52.52.

A. David C. Hull, 1030 15th Street NW., Suite 700, Washington, D.C. 20005.
B. National Cotton Council of America, P.O. Box 12285, Memphis, Tenn. 38112.
D. (6) $452.50. E. (9) $1.18.

A. William J. Hull, Ohio Valley Improvement Association, Inc., 401 Carew Tower, Cincinnati, Ohio.
B. Ohio Valley Improvement Association, Inc.

A. David J. Humphreys, Paulson & Humphreys, 5272 River Road, Suite 400, Washington, D.C. 20016.
B. Recreation Vehicle Industry Association, P.O. Box 204, 14650 Lee Road, Chantilly, Va. 22021.
D. (6) $19,800.

A. Keith R. Hundley, 1625 I Street NW., Suite 902, Washington, D.C. 20006.
B. Weyerhaeuser Co., Tacoma, Wash. 98401.
D. (6) $200. E. (9) $83.47.

A. Burt H. Hunley, Chevron, U.S.A., Inc., 1700 K Street NW., Suite 1204, Washington, D.C. 20006.
B. Chevron, U.S.A., Inc., a subsidiary of the Standard Oil Co. of California, 1700 K Street NW., Suite 1204, Washington, D.C. 20006.
D. (6) $150. E. (9) $75.

A. Acacia G. Hunt, 2020 K Street NW., Suite 850, Washington, D.C.
B. American Bakers Association, Suite 850, 2020 K Street NW., Washington, D.C. 20006.
D. (6) $180. E. (9) $6.70.

A. Hunt International Resources Corp., 3500 First National Bank Building, Dallas, Tex. 75102.
E. (9) $6,000.

A. N. B. Hunt, 2500 First National Bank Building, Dallas, Tex. 75102.
E. (9) $5,000.

A. Richard M. Hunt, NL Industries, Inc., Suite 1009, Connecticut Building, 1150 Connecticut Avenue NW., Washington, D.C. 20036.
B. NL Industries, Inc., 1230 Avenue of the Americas, New York, N.Y. 10020.
D. (6) $2,000.

A. Robert C. Hunt, 1010 Wisconsin Avenue NW., Suite 800, Washington, D.C. 20007.
B. Grocery Manufacturers of America, 1010 Wisconsin Avenue NW., Suite 800, Washington, D.C. 20007.
D. (6) $89.05.

A. Milton F. Huntington, c/o Maine Petroleum Association, 283 Water Street, Augusta, Maine 04330.
B. American Petroleum Institute, 2101 L Street NW., Washington, D.C. 20037.
D. (6) $96.

A. James L. Huntley, Active Ballot Club Department, Retail Clerks International Union, AFL–CIO, 1775 K Street NW., Washington, D.C. 20006.
B. Retail Clerks International Union, AFL–CIO, 1775 K Street NW., Washington, D.C. 20006.
D. (6) $8,889.92. E. (9) $2,079.49.

A. B. Melvin Hurwitz, Coastal States Gas Corp., 1015 18th Street NW., S–610, Washington, D.C. 20036.
B. Coastal States Gas Corp., 5 Greenway Plaza East, Houston, Tex. 77046.
D. (6) $1,200. E. (9) $60.

A. John F. Hussey, 1101 17th Street NW., Suite 604, Washington, D.C. 20036.
B. Monsanto Co, 800 North Lindbergh Boulevard, St. Louis, Mo. 63166.
D. (6) $500. E. (9) $274.79.

A. Dewey M. Hutchins, Eastman Kodak Co., 500 12th Street NW., Washington, D.C. 20024.
B. Eastman Kodak Co., 343 State Street, Rochester, N.Y. 14650.
D. (6) $375. E. (9) $110.

A. Philip A. Hutchinson, Jr., Volkswagen Manufacturing Corp. of America, 475 L'Enfant Plaza SW., Suite 2450, Washington, D.C. 20024.
B. Volkswagen Manufacturing Corp. of America, 7111 East 11 Mile Road, Warren, Mich. 48092.
D. (6) $250.

A. Philip A. Hutchinson, Jr., Volkswagen of America, Inc., 475 L'Enfant Plaza SW., Suite 2450, Washington, D.C. 20024.
B. Volkswagen of America, Inc., 818 Sylvan Avenue, Englewood Cliffs, N.J. 07632.
D. (6) $250. E. (9) $50.

A. Randy Huwa, 2030 M Street NW., Washington, D.C. 20036.
B. Common Cause, 2030 M Street NW., Washington, D.C. 20036.
D. (6) $3,300.

A. Lee M. Hydeman, Hydeman, Mason & Goodell, 1220 19th Street NW., Washington, D.C. 20036.
B. Continental Air Lines, Inc., Los Angeles International Airport, Los Angeles, Calif. 90009.
E. (9) $100.

A. David C. Hyer, c/o Ohio Petroleum Council, 88 East Broad Street, Columbus, Ohio 43215.
B. American Petroleum Institute, 2101 L Street NW., Washington, D.C. 20037.

A. Frank N. Ikard, 2101 L Street NW., Washington, D.C. 20037.
B. American Petroleum Institute, 2101 L Street NW., Washington, D.C. 20037.
D. (6) $3,750. E. (9) $1,603.

A. Atilla S. Ilkson, National Association of Realtors, 925 15th Street NW., Washington, D.C. 20005.
B. National Association of Realtors, 430 North Michigan Avenue, Chicago, Ill. 60611; 925 15th Street NW., Washington, D.C. 20005.
D. (6) $2,000. E. (9) $133.55.

A. Independent Consultants, Inc., 1120 Connecticut Avenue NW., No. 1128, Washington, D.C. 20036.
D. (6) $500.

A. Independent Data Communications Manufacturers Association, Inc., 1735 New York Avenue NW., Washington, D.C. 20006.
D. (6) $589. E. (9) $589.

A. Independent Insurance Agents of America, Inc., 85 John Street, New York, N.Y. 10038.
E. (9) $14,094.44.

A. Independent Local Newspaper Association, 1050 17th Street NW., Washington, D.C. 20036.
D. (6) $7,500. E. (9) $7,500.

A. Independent U.S. Tanker Owners' Committee, 1612 K Street NW., Suite 510, Washington, D.C. 20006.
E. (9) $250.

A. Industrial Union Department, AFL–CIO, 815 16th Street NW., Washington, D.C. 20006.
D. (6) $13,565.10. E. (9) $13,565.10.

A. G. Conley Ingram, Citizens & Southern National Bank Building, 35 Broad Street, Atlanta, Ga. 30303.
B. Board of Trade Clearing Corp., 141 West Jackson Building, Chicago, Ill. 60604.
D. (6) $5,460.

A. Intellectual Property Owners, Inc., 1800 K Street NW., Washington, D.C. 20006.
D. (6) $200.

A. Interlake, Inc., 2015 Spring Road, Oak Brook, Ill. 60521.
E. (9) $10,469.65.

A. International Association of Machinists and Aerospace Workers, 1300 Connecticut Avenue NW., Washington, D.C. 20036.
E. (9) $11,181.97.

A. International Brotherhood of Painters and Allied Trades, 1750 New York Avenue NW., Washington, D.C. 20006.
E. (9) $1,528.40.

A. International Brotherhood of Teamsters, 25 Louisiana Avenue NW., Washington, D.C. 20001.
E. (9) $25,154.54.

A. International Union, United Automobile, Aerospace & Agricultural Implement Workers of America, 8000 East Jefferson, Detroit, Mich. 48214.
D. (6) $192,559. E. (9) $192,559.

A. Investment Company Institute, 1775 K Street NW., Washingtin, D.C. 20006.
E. (9) $2,985.86.

A. Investment Counsel Association of America, Inc., 127 East 59th Street, New York, N.Y. 10022.
E. (9) $735.30.

A. Iron Ore Lessors Association, Inc., 1500 First National Bank Building, Saint Paul, Minn. 55101.
D. (6) $14,191.75. E. (9) $7,910.56.

A. William A Irvine, 1725 K Street NW., Suite 607, Washington, D.C. 20006.
B. Associated Third Class Mail Users, 1725 K Street NW., Suite 607, Washington, D.C. 20006.
D. (6) $600.

A. John D. Isaacs, Council for a Livable World, 100 Maryland Avenue NE., Washington, D.C. 20002.
B. Council for a Livable World, 100 Maryland Avenue NE., Washington, D.C. 20002.
D. (6) $4,197.39. E. (9) $47.17.

A. Joseph S. Ives, 2000 Florida Avenue NW., Washington, D.C. 20009.
B. National Rural Electric Cooperative Association, 2000 Florida Avenue NW, Washington, D.C. 20009.
D. (6) $130.

A. Robert A. Jablon, Spiegel & McDiarmid, 2600 Virginia Avenue NW., Washington, D.C. 20037.
B. Fort Pierce Utilities Authority of the city of Fort Pierce; Gainesville-Alachua County Regional Electric Water & Sewer Utilities; Sebring Utilities Commission, cities of Homestead, Kissimmee, Lakeland, Starke, Tallahassee, Fla., et al.
E. (9) $380.

A. Glenn Jackson, 644 Massachusetts Avenue NE., Apt. 507, Washington, D.C. 20002.
B. National Taxpayers Union, 325 Pennsylvania Avenue SE., Washington, D.C. 20003.
D. (6) $1,920. E. (9) $500.

A. Mary Jo Jacobi, National Association of Manufacturers, 1776 F Street NW., Washington, D.C. 20006.
B. National Association of Manufacturers, 1776 F Street NW., Washington, D.C. 20006.
D. (6) $258.

A. Walter Jaenicke, National Forest Products Association, 1619 Massachusetts Avenue NW., Washington, D.C. 20036.
B. National Forest Products Association, 1619 Massachusetts Avenue NW., Washington, D.C. 20036.
D. (6) $2,775. E. (9) $50.

A. E. A. Jaenke, 1735 I Street NW., Suite 610, Washington, D.C. 20006.
B. E. A. Jaenke & Associates, 1735 I Street NW., Suite 610, Washington, D.C. 20006.
D. (6) $1,500.

A. E. A. Jaenke & Associates, Inc., 1735 I Street NW., Washington, D.C. 20006.
B. The Cooperative League of the U.S.A., 1828 L Street NW., Washington, D.C. 20036.
D. (6) $500.

A. E. A. Jaenke & Associates, 1735 I Street NW., Suite 610, Washington, D.C. 20006.
B. Land O'Lakes, Inc., 614 McKinley Place, Minneapolis, Minn. 55413.
D. (6) $500.

A. E. A. Jaenke & Associates, Inc., 1735 I Street NW., Washington, D.C. 20006.
B. Midcontinent Farmers Association, Columbia, Mo. 65201.
D. (6) $500.

A. Evie Jarvis, National Forest Products Association, 1619 Massachusetts Avenue NW., Washington, D.C. 20036.
B. National Forest Products Association, 1619 Massachusetts Avenue NW., Washington, D.C. 20036.
D. (6) $81.

A. Joseph A. Jeffrey, American Mining Congress, 1100 Ring Building, Washington, D.C. 20036.
B. American Mining Congress, 1100 Ring Building, Washington, D.C. 20036.
D. (6) $274.70.

A. Joseph S. Jenckes, Abbott Laboratories, 1730 M Street NW., No. 808, Washington, D.C. 20036.
B. Abbott Laboratories, Abbott Park, North Chicago, Ill. 60064.
E. (9) $224.

A. Linda Jenckes, 1730 Pennsylvania Avenue NW., No. 220, Washington, D.C. 20006.
B. Blue Shield Association, 211 East Chicago Avenue, Chicago, Ill. 60611.

A. James Courtney Jennings, Hill & Knowlton, Inc., 1425 K Street NW., Washington, D.C. 20005.
B. Hill & Knowlton, Inc., 633 Third Avenue, New York, N.Y. 10017.

A. Jennings, Strouss & Salmon, 111 West Monroe, Phoenix, Ariz. 85003.
B. Shamrock Foods Co., 2228 North Black Canyon, Phoenix, Ariz. 85009.

A. W. Pat Jennings, Slurry Transport Association, 490 L'Enfant Plaza East SW., Suite 3210, Washington, D.C. 20024.
B. Slurry Transport Association, 490 L'Enfant Plaza East SW., Suite 3210, Washington, D.C. 20024.
D. (6) $4,400.

A. Chris L. Jensen, Florida Petroleum Council, 111 North Gadsden Street, Tallahassee, Fla. 32301.
B. American Petroleum Institute, 2101 L Street NW., Washington, D.C. 20037.
D. (6) $472.50. E. (9) $760.84.

A. A. W. Jessup, 1025 Connecticut Avenue NW., No. 1014, Washington, D.C. 20036.
B. Exxon Corp., 1251 Avenue of the Americas, New York, N.Y. 10020.
E. (9) $92.

A. Guy E. Jester, 2150 Kienlen Avenue, St. Louis, Mo. 63121.
B. Association for the Improvement of the Mississippi River, 10 Broadway, St. Louis, Mo. 63102.

A. Charles E. Joeckel, Jr., Disabled American Veterans, 807 Maine Avenue SW., Washington, D.C. 20024.
B. Disabled American Veterans, 3725 Alexandria Pike, Cold Spring, Ky. 41076.
D. (6) $4,872. E. (9) $100.

A. Ronald P. Johnsen, Columbia Gas System Service Corp., 1625 I Street NW., Suite 301, Washington, D.C. 20006.
B. Columbia Gas System Service Corp., 20 Montchanin Road, Wilmington, Del. 19807.
D. (6) $175. E. (9) $149.80.

A. Bob Johnson, National Cable Television Association, Inc., 918 16th Street NW., Washington, D.C. 20006.
B. National Cable Television Association, Inc., 918 16th Street NW., Washington, D.C. 20006.
D. (6) $2,234. E. (9) $193.

A. Calvin P. Johnson, 1750 K Street NW., Washington, D.C. 20006.
B. Health Insurance Association of America, Inc., 1750 K Street NW., Washington, D.C. 919 Third Avenue, New York N.Y.; 332 South Michigan Avenue, Chicago, Ill.
D. (6) $323. E. (9) $219.87.

A. H. Bradley Johnson, American Mining Congress, 1100 Ring Building, Washington, D.C. 20036.
B. American Mining Congress, 1100 Ring Building, Washington, D.C. 20036.

A. Johnson, Hoar & Co., Inc., 1220 19th Street NW., Suite 201, Washington, D.C. 20036.
B. Allstate Insurance, Co., c/o Van Ness, Feldman & Sutcliffe, 1220 19th Street NW., Suite 500, Washington, D.C. 20036.
D. (6) $237.19. E. (9) $203.25.

A. Johnson, Hoar & Co., Inc., 1220 19th Street NW., Suite 201, Washington, D.C. 20036.
B. Committee for Consumers No-Fault, c/o Van Ness, Feldman & Sutcliffe, 1220 19th Street NW., Suite 500, Washington, D.C. 20036.
D. (6) $623.36. E. (9) $578.83.

A. Jess Johnson, Jr., Shell Oil Co., 1025 Connecticut Avenue NW., Washington, D.C. 20036.

B. Shell Oil Co., One Shell Plaza, P.O. Box 2463, Houston, Tex. 77001.
D. (6) $500.

A. John B. Johnson, Alabama Petroleum Council, 660 Adams Avenue, Suite 188, Montgomery, Ala. 36104.
B. American Petroleum Institute, 2101 L Street NW., Washington, D.C. 20037.
D. (6) $991.25. E. (9) $379.15.

A. John Paul Johnson, 1025 Connecticut Avenue NW., Washington, D.C. 20036.
B. Natural Gas Supply Committee, 1025 Connecticut Avenue NW., Washington, D.C. 20036.
D. (6) $10,091.28. E. (9) $648.45.

A. Rady A. Johnson, 1000 16th Street NW., Washington, D.C. 20036.
B. Standard Oil Co. (Indiana), 200 East Randolph Drive, Chicago, Ill. 60601.
D. (6) $1,860. E. (9) $99.

A. Reuben L. Johnson, 1012 14th Street NW., Washington, D.C. 20005.
B. The Farmer's Educational and Co-Operative Union of America, Denver, Colo. 80251; 1012 14th Street NW., Washington, D.C. 20005.
D. (6) $7,753.87. E. (9) $257.93.

A. Richard W. Johnson, Jr., 110 Maryland Avenue NE., Box 43, Washington, D.C. 20002.
B. Non-Commissioned Officers Association of the U.S.A. (NCOA), P.O. Box 2268, San Antonio, Tex. 78298.
D. (6) $2,888.68. E. (9) $354.99.

A. Spencer A. Johnson, Paperboard Packaging Council, 1800 K Street NW., Suite 600, Washington, D.C. 20006.
B. Paperboard Packaging Council, 1800 K Street NW., Suite 600, Washington, D.C. 20006.
D. (6) $225.

A. Stanley L. Johnson, Texaco, Inc., 1050 17th Street NW., Washington, D.C. 20036.
B. Texaco, Inc., 2000 Westchester Avenue, White Plains, N.Y. 10650.
D. (6) $50.

A. William Johnson, Consumers Power Co., 1150 Connecticut Avenue NW., Washington, D.C. 20036.
B. Consumers Power Co., 212 West Michigan Avenue, Jackson, Mich. 49201.
D. (6) $600. E. (9) $193.52.

A. James D. Johnston, General Motors Corp., 1660 L Street NW., Washington, D.C. 20036.
B. General Motors Corp., 3044 West Grand Boulevard, Detroit, Mich. 48202.
D. (6) $3,600. E. (9) $2,012.22.

A. Joint Corporate Committee on Cuban Claims, c/o Lone Star Industries, Inc., P.O. Box 5050, Greenwich, Conn. 06830.
D. (6) $19,250. E. (9) $1,170.

A. Allan R. Jones, American Trucking Associations, Inc., 1616 P Street NW., Washington, D.C. 20036.
B. American Trucking Associations, Inc., 1616 P Street NW., Washington, D.C. 20036.
D. (6) $6,000. E. (9) $2,043.31.

A. Jones, Day, Reavis & Pogue, 1100 Connecticut Avenue NW., Washington, D.C. 20036.
B. Avon Products, Inc., 9 West 57th Street, New York, N.Y. 10019.
D. (6) $125. E. (9) $10.

A. Jones, Day, Reavis & Pogue, 1100 Connecticut Avenue NW., Washington, D.C. 20036.
B. Pacific Southwest Airlines, 3225 North Harbor Drive, San Diego, Calif. 92101.

A. James E. Jones, Jr., Alliance of American Insurers, 1776 F Street NW., Washington, D.C. 20006.
B. Alliance of American Insurers, 20 North Wacker Drive, Chicago, Ill. 60606.
D. (6) $1,850. E. (9) $230.

A. L. Dan Jones, Independent Petroleum Association of America, 1101 16th Street NW., Washington, D.C. 20036.
B. Independent Petroleum Association of America, 1101 16th Street NW., Washington, D.C. 20036.
E. (9) $16.65.

A. Phillip W. Jones, Railway Progress Institute, 700 North Fairfax Street, Alexandria, Va. 22314.
B. Railway Progress Institute, 700 North Fairfax Street, Alexandria, Va. 22314.
D. (6) $270.83.

A. Randall T. Jones, 1030 15th Street NW., Suite 700, Washington, D.C.
B. National Cotton Council of America, P.O. Box 12285, Memphis, Tenn. 38112.
D. (6) $500. E. (9) $97.83.

A. Thomas E. Jones, Dow Chemical U.S.A., 1800 M Street NW., Suite 700 South, Washington, D.C. 20036.
B. The Dow Chemical Co., Midland, Mich. 48640.
D. (6) $375. E. (9) $250.

A. Donald L. Jordan, Alliance of American Insurers, 1776 F Street NW., Washington, D.C. 20006.
B. Alliance of American Insurers, 20 North Wacker Drive, Chicago, Ill. 60606.
D. (6) $2,350. E. (9) $165.

A. James V. Jordan III, P.O. Box 2563, Birmingham, Ala. 35202.
B. Southern Natural Gas Co., P.O. Box 2563, Birmingham, Ala. 35202.

A. Jeffrey H. Joseph, Chamber of Commerce of the United States, 1615 H Street NW., Washington, D.C. 20062.
B. Chamber of Commerce of the United States, 1615 H Street NW., Washington, D.C. 20062.

A. Thomas M. Joyce, 1120 19th Street NW., Suite 503, Washington, D.C. 20036.
B. Independent Insurance Agents of America, Inc., 85 John Street, New York, N.Y. 10038.
D. (6) $4,937.37. E. (9) $200.

A. Ardon B. Judd, Jr., 1100 Connecticut Avenue NW., Suite 310, Washington, D.C. 20036.
B. Dresser Industries, Inc., 1100 Connecticut Avenue NW., Suite 310, Washington, D.C. 20036.

A. James N. Juliana, 1750 New York Avenue NW., Suite 340, Washington, D.C. 20006.
B. Braniff International, Exchange Park, Dallas, Tex. 75235.
D. (6) $481.11.

A. Robert E. Juliano, Hotel and Restaurant Employees and Bartenders International Union, 1666 K Street NW., Washington, D.C. 20006.
B. Hotel and Restaurant Employees and Bartenders International Union, 120 East Fourth Street, Suite 1300, Cincinnati, Ohio 45202.
D. (6) $9,999.96. E. (9) $5,801.86.

A. Ann P. Kahn, National Congress of Parents & Teachers, 9202 Ponce Place, Fairfax, Va. 22030.
B. National Congress of Parents & Teachers, 700 North Rush Street, Chicago, Ill. 60611.
E. (9) $19.95.

A. Donald J. Kaniewski, Laborers' International Union of N.A., AFL–CIO, 905 16th Street NW., Washington, D.C. 20006.
B. Laborers' International Union of N.A., AFL–CIO, 905 16th Street NW., Washington, D.C. 20006.
D. (6) $4,749.99. E. (9) $1,433.17.

A. Charles W. Karcher, 1780 Guildhall, Cleveland, Ohio 44115.
B. The Standard Oil Co. (Ohio), Midland Building, Cleveland, Ohio 44115.
E. (9) $10.56.

A. Gene Karpinski, 133 C Street SE., Washington, D.C. 20003.
B. Congress Watch, 133 C Street SE., Washington, D.C. 20003.
D. (6) $2,750.

A. Joseph E. Karth, 475 L'Enfant Plaza SW., Suite 4400, Washington, D.C. 20024.
B. American League for International Security Assistance, Inc., (ALISA) 475 L'Enfant Plaza SW., Suite 4400, Washington, D.C. 20024.
D. (6) $4,800. E. (9) $532.94.

A. Joseph E. Karth, Suite 4400, 475 L'Enfant Plaza SW., Washington, D.C. 20024.
B. General Electric Co., 777 14th Street NW., Washington, D.C. 20005.
D. (6) $3,000. E. (9) $675.

A. Joseph E. Karth, 475 L'Enfant Plaza SW., Suite 4400, Washington, D.C. 20024.
B. Special Committee for U.S. Exports, 1666 K Street NW., Washington, D.C. 20005.
D. (6) $4,500. E. (9) $1,947.50.

A. Joseph E. Karth, 475 L'Enfant Plaza SW., Suite 4400, Washington, D.C. 20024.
B. TADCO Enterprises, Inc., 1625 I Street NW., Washington, D.C. 20006 and Archer Daniels Midland, Decatur, Ill. 62525.
D. (6) $1,200.

A. Linda E. Katz, 3350 Huntley Square Drive, T–2, Temple Hills, Md. 20031.
B. Chicago, Rock Island & Pacific RR. Co., 332 South Michigan Avenue, Chicago, Ill. 60604.
D. (6) $5,000. E. (9) $570.12.

A. Kathryn Kavanagh, Common Cause, 2030 M Street NW., Washington, D.C. 20036.
B. Common Cause, 2030 M Street NW., Washington, D.C. 20036.
D. (6) $3,000.

A. William J. Keating, 725 15th Street NW., Washington, D.C. 20005.
B. National Grain & Feed Association, P.O. Box 28328, Washington, D.C. 20005.
D. (6) $34. E. (9) $34.

A. Keck, Cushman, Mahin & Cate, 8300 Sears Tower, 233 South Wacker Drive, Chicago, Ill. 60606.
B. Schwinn Bicycle Co., 1856 North Kostner Avenue, Chicago, Ill. 60639.
D. (6) $910. E. (9) $15.

A. Howard B. Keck, the Superior Oil Co., 555 South Flower Street, Los Angeles, Calif. 90071.
B. The Superior Oil Co., 555 South Flower Street, Los Angeles, Calif. 90071.
E. (9) $300.

A. W. M. Keck, Jr., 1801 Avenue of the Stars, Suite 1110, Los Angeles, Calif. 90067.
E. (9) $275.

A. Patricia Keefer, Common Cause, 2030 M Street NW., Washington, D.C. 20036.
B. Common Cause, 2030 M Street NW., Washington, D.C. 20036.
D. (6) $6,200.01.

A. David C. Keehn, Air Products & Chemicals, Inc., 1800 K Street NW., Suite 1016, Washington, D.C. 20006.
B. Air Products & Chemicals, Inc., P.O. Box 538, Allentown, Pa. 18105.
D. (6) $33.75.

A. Jefferson D. Keith, 8150 Leesburg Pike, Suite 1100, Vienna, Va. 22180.
B. National Pest Control Association, 8150 Leesburg Pike, Suite 1100, Vienna, Va. 22180.
D. (6) $500.

A. John B. Kelley, 1025 Connecticut Avenue NW., Suite 1200, Washington, D.C. 20036.
B. Avco Corp., 1275 King Street, Greenwich, Conn. 06830.
D. (6) $1,500.

A. Ty Kelley, National Association of Chain Drug Stores, Inc., 1911 Jefferson Davis Highway, Suite 504, Arlington, Va. 22202.
B. National Association of Chain Drug Stores, Inc., 1911 Jefferson Davis Highway, Suite 504, Arlington, Va. 22202.
D. (6) $1,500.

A. Stephen S. Kellner, 1001 Connecticut Avenue NW., Suite 1120, Washington, D.C. 20036.
B. Chemical Specialties Manufacturers Association, 1001 Connecticut Avenue NW., Suite 1120, Washington, D.C. 20036.
D. (6) $412.25. E. (9) $62.10

A. Carol A. Kelly, American Textile Manufacturers Institute, Inc., 1150 17th Street NW., Suite 1001, Washington, D.C. 20036.
B. American Textile Manufacturers Institute, 400 South Tryon Street, Suite 2124, Charlotte, N.C. 28285.
D. (6) $2,440. E. (9) $223.31

A. Harold V. Kelly, 1101 15th Street NW., Washington, D.C. 20005.
B. Republic Steel Corp., Republic Building, Cleveland, Ohio 44101.

A. John J. Kelly, United Mine Workers of America, 900 15th Street NW., Washington, D.C. 20005.
B. United Mine Workers of America, 900 15th Street NW., Washington, D.C. 20005.
D. (6) $1,598.50.

A. John T. Kelly, Pharmaceutical Manufacturers Association, 1155 15th Street NW., Washington, D.C. 20005.
B. Pharmaceutical Manufacturers Association, 1155 15th Street NW., Washington, D.C. 20005.

A. Robert F. Kelly, 1701 Pennsylvania Avenue NW., Washington, D.C. 20006.
B. E. I. duPont de Nemours & Co., 1007 Market Street, Wilmington, Del. 19698.

A. Thomas J. Kenan, 1000 Fidelity Plaza, Oklahoma City, Okla. 73102.
B. Cocquina Oil Corp., P.O. Box 2690, Midland, Tex.
E. (9) $423.85.

A. William J. Kendrick, Air Products & Chemicals, Inc., 1800 K Street NW., Suite 1016, Washington, D.C. 20006.
B. Air Products & Chemicals, Inc., P.O. Box 538, Allentown, Pa. 18105.
D. (6) $43.50.

A. Jeremiah J. Kenney, Jr., Union Carbide Corp., 1730 Pennsylvania Avenue NW., Washington, D.C. 20006.
B. Union Carbide Corp., 1730 Pennsylvania Avenue NW., Washington, D.C. 20006.
E. (9) $362.85.

A. Robert T. Kenney, Texaco, Inc., 1050 17th Street NW., Washington, D.C. 20036.
B. Texaco, Inc., 2000 Westchester Avenue, White Plains, N.Y. 10650.

A. Kenyon & Kenyon, Reilly, Carr & Chapin, 59 Maiden Lane, New York, N.Y. 10038.
B. Estate of Bert N. Adams, et al.
E. (9) $5.

A. Robert M. Ketchel, General Electric Co., 777 14th Street NW., Washington, D.C. 20005.
B. General Electric Co., 777 14th Street NW., Washington, D.C. 20005.

A. Carl F. Kettler, Air Transport Association of America, 1709 New York Avenue NW., Washington, D.C. 20006.
D. (6) $2,000. E. (9) $902.42.

A. William S. Kies, 1750 K Street NW., Washington, D.C. 20006.
B. Food Marketing Institute, 1750 K Street NW., Washington, D.C. 20006.
D. (6) $500.

A. Richard H. Kimberly, Kimberly-Clark Corp., 3390 Peachtree Road NE., Executive Suite, Atlanta, Ga. 30326.
B. Kimberly-Clark Corp., North Lake Street, Neenah, Wis. 54956.
D. (6) $80.45. E. (9) $1,232.69.

A. Timothy J. Kincaid, Alston, Miller & Gaines, 1800 M Street NW., Suite 1000, Washington, D.C. 20036.
B. Board of Trade Clearing Corp., 141 West Jackson Boulevard, Chicago, Ill. 60604.
D. (6) $842. E. (9) $20.

A. Charles L. King, American Council of Life Insurance, Inc., 1850 K Street, NW., Washington, D.C. 20006.
B. American Council of Life Insurance, 1850 K Street NW., Washington, D.C. 20006.
D. (6) $180. E. (9) $230.

A. Gibson Kingren, Group Health Association of America, Inc., 1717 Massachusetts Avenue NW., No. 701, Washington, D.C. 20036.
B. Group Health Association of America, Inc., 1717 Massachusetts Avenue NW., No. 701, Washington, D.C. 20036.
D. (6) $9,000.

A. John M. Kinnaird, American Trucking Associations, Inc., 1616 P Street NW., Washington, D.C. 20036.
B. American Trucking Associations, Inc., 1616 P Street NW., Washington, D.C. 20036.
D. (6) $7,500. E. (9) $1,662.20.

A. Irvin M. Kipnes, Kipnes & Associates, 7909 Old Falls Road, McLean, Va. 22102.
B. John L. Harmer, 7135 J Bar B Drive, Roseville, Calif. 95678.
D. (6) $30,000. E. (9) $1,697.92.

A. Alan G. Kirk II, Potomac Electric Power Co., 1900 Pennsylvania Avenue NW., Washington, D.C. 20068.
B. Potomac Electric Power Co., 1900 Pennsylvania Avenue NW., Washington, D.C. 20068.

A. Kirkland & Ellis, 1776 K Street NW., Washington, D.C. 20006.
B. Grocery Manufacturers of America, Inc., 1425 K Street NW., Washington, D.C. 20005.

A. Saul B. Klaman, National Association of Mutual Savings Banks, 200 Park Avenue, New York N.Y. 10017.
B. National Association of Mutual Savings Banks, 200 Park Avenue, New York, N.Y. 10017.
D. (6) $676.93.

A. Richard P. Kleeman, Association of American Publishers, Inc., 1707 L Street NW., No. 480, Washington, D.C. 20036.
B. Association of American Publishers, Inc., 1707 L Street NW., Suite 480, Washington, D.C. 20036.

A. Richard A. Kline, 1150 17th Street NW., Suite 609, Washington, D.C.
B. Council of Active Independent Oil & Gas Producers, 1150 17th Street NW., Suite 609, Washington, D.C. 20036.
D. (6) $3,437.

A. S. Lee Kling, 812 Bluespring Lane, St. Louis, Mo. 63131.
B. Committee of Americans for the Canal Treaties, Inc., 1019 19th Street NW., Suite 1120, Washington, D.C. 20036.

A. John J. Klocko III, 1701 Pennsylvania Avenue NW., Washington, D.C. 20006.
B. E. I. du Pont de Nemours & Co., 1007 Market Street, Wilmington, Del. 19898.

A. Gary D. Knight, Chamber of Commerce of the United States, 1615 H Street NW., Washington, D.C. 20062.
B. Chamber of Commerce of the United States, 1615 H Street NW., Washington, D.C. 20062.
E. (9) $25.

A. Keith R. Knoblock, American Mining Congress, 1100 Ring Building, Washington, D.C.
B. American Mining Congress, 1100 Ring Building, Washington, D.C. 20036.
D. (6) $126.59. E. (9) $4.50.

A. John C. Knott, Burlington Northern, Inc., Burlington Northern Station, Casper, Wyo. 82601.
B. Burlington Northern, Inc., 176 East Fifth Street, St. Paul, Minn. 55101.

A. C. Neal Knox, 1600 Rhode Island Avenue NW., Washington, D.C. 20036.
B. National Rifle Association of America, 1600 Rhode Island Avenue NW., Washington, D.C. 20036.
D. (6) $1,125.

A. John S. Knox, Jr., 166 16th Street NW., Atlanta, Ga. 30318.
B. The Coca-Cola Bottlers' Association, 166 16th Street NW., Atlanta, Ga. 30318.

A. Philip M. Knox, Jr., 1211 Connecticut Avenue NW., Suite 802, Washington, D.C. 20036.
B. Sears, Roebuck & Co., Sears Tower, Chicago, Ill. 60684.

A. Ruth E. Kobell, 1012 14th Street NW., Washington, D.C. 20005.
B. The Farmers Educational and Co-Operative Union of America, Denver, Colo. 80251; 1012 14th Street NW., Washington, D.C.
D. (6) $3,876.98. E. (9) $224.82.

A. Bradley R. Koch, 2000 Florida Avenue NW., Washington, D.C. 20009.
B. National Rural Electric Cooperative Association, 2000 Florida Avenue NW., Washington, D.C. 20009.
D. (6) $126.50.

A. George W. Koch, 1010 Wisconsin Avenue NW., Washintgon, D.C. 20007.
B. Grocery Manufacturers of America, Inc., 1010 Wisconsin Avenue NW., Washington, D.C. 20007.

A. Robert M. Koch, 3251 Old Lee Highway, Suite 501, Fairfax, Va. 22030.
B. National Limestone Institute, Inc., 3251 Old Lee Highway, Suite 501, Fairfax, Va. 22030.
E. (9) $49.08.

A. Horace R. Kornegay, Suite 1200 1776 K Street NW., Washington, D.C. 20006.
B. The Tobacco Institute, Inc., 1776 K Street NW., Washington, D.C. 20006.
D. (6) $500. E. (9) $150.

A. Michael J. Kowalsky, Cigar Association of America, Inc., 1120 19th Street NW., Washington, D.C. 20036.
B. Cigar Association of America, Inc., 1120 19th Street NW., Washington, D.C. 20036.
D. (6) $9,253.86. E. (9) $22.35.

A. Mylio S. Kraja, The American Legion, 1608 K Street NW., Washington, D.C.
B. The American Legion, 700 North Pennsylvania Street, Indianapolis, Ind.
D. (6) $6,795. E. (9) $734.52.

A. Amos Kramer, Kansas Petroleum Council, 8th and Jackson Streets, Suite 1414, Topeka, Kans. 66612.
B. American Petroleum Institute, 2101 L Street NW., Washington, D.C. 20037.
D. (6) $282.50. E. (9) $396.39.

A. Stephen W. Kraus, American Council of Life Insurance, Inc., 1850 K Street NW., Washington, D.C. 20006.
B. American Council of Life Insurance, Inc., 1850 K Street NW., Washington, D.C. 20006.
D. (6) $100.

A. Raymond R. Krause, 1700 Pennsylvania Avenue NW., Washington, D.C. 20006.
B. Pfizer, Inc., 235 East 42d Street, New York, N.Y. 10017.
D. (6) $75.

A. Lawrence E. Kreider, Conference of State Bank Supervisors, 1015 18th Street NW., Washington, D.C. 20036.
B. Conference of State Bank Supervisors, 1015 18th Street NW., Washington, D.C. 20036.

A. Anthony L. Kucera, The American Waterways Operators, Inc., 1600 Wilson Boulevard, Suite 1101, Arlington, Va. 22209.
B. The American Waterways Operators, Inc., 1600 Wilson Boulevard, Suite 1101, Arlington, Va. 22209.
D. (6) $200.

A. Lloyd R. Kuhn, Aerospace Industries Association, 1725 DeSales Street NW., Washington, D.C. 20036.
B. Aerospace Industries Association of America, Inc., 1725 DeSales Street NW., Washington, D.C. 20036.
D. (6) $10,500. E. (9) $1,165.74.

A. Thomas R. Kuhn, American Nuclear Energy Council, 1750 K Street NW., Suite 300, Washington, D.C.
B. American Nuclear Energy Council, 1750 K Street NW., Suite 300, Washington, D.C.
D. (6) $1,548.75. E. (9) $214.46.

A. Robert J. Kukla, 500 Thames Parkway, No. 2D, Park Ridge, Ill. 60068.
B. Citizens Committee for the Right to Keep and Bear Arms, 1601 114th SE., Suite 151, Bellevue, Wash. 98004.
D. (6) $3,000.

A. Daniel M. Kush, CertainTeed Corp., 1627 K Street NW., Suite 610, Washington, D.C. 20006.
B. CertainTeed Corp., P.O. Box 860, Valley Forge, Pa. 19482.
E. (9) $47.45.

A. Kutak Rock & Huie, 1156 15th Street NW., Suite 701, Washington, D.C. 20005.
B. Citibank, 399 Park Avenue, New York, N.Y. 10043.
D. (6) $1,500. E. (9) $190.59.

A. Kutak Rock & Huie, 1650 Farnam Street, Omaha, Neb. 68102.
B. E. F. Hutton & Co., Inc., 1 Battery Park Plaza, New York, N.Y. 10004.
D. (6) $1,120. E. (9) $865.85.

A. Labor Bureau of Middle West, 1200 15th Street NW., Washington, D.C. 20005; 11 South LaSalle Street, Chicago, Ill. 60603.

A. Labor-Management Maritime Committee, 100 Indiana Avenue NW., Washington, D.C. 20001.
D. (6) $12,304. E. (9) $6,307.

A. Laborers' International Union of North America, 905 16th Street NW., Washington, D.C. 20006.
E. (9) $22,751.72.

A. Philip A. Lacovara, Hughes, Hubbard & Reed, 1660 L Street NW., Washington, D.C. 20036.
B. Bristol-Myers Co., 1155 15th Street NW., Washington, D.C. 20005.
D. (6) $780. E. (9) $8.

A. Philip A. Lacovara, Hughes, Hubbard & Reed, 1660 L Street NW., Washington, D.C. 20036.
B. Merck & Co., Inc., P.O. Box 2000, Rahway, N.J. 07065.
D. (6) $650.

A. Philip A. Lacovara, Hughes, Hubbard & Reed, 1660 L Street NW., Washington, D.C. 20036.
B. Pfizer, Inc., 1700 Pennsylvania Avenue NW., Washington, D.C. 20006.
D. (6) $1,300. E. (9) $15.

A Walter B. Laessig, 1101 17th Street NW., Suite 700, Washington, D.C. 20036.
B. National Association of Real Estate Investment Trusts, Inc., 1101 17th Street, Suite 700, Washington, D.C. 20036.
D. (6) $435. E. (9) $30.15.

A. Sarah M. Laird, 1730 M Street NW., Washington, D.C. 20036.
B. The League of Women Voters of the United States, 1730 M Street NW., Washington, D.C. 20036.
D. (6) $980. E. (9) $5,670.60.

A. Lake Carriers' Association, 1411 Rockefeller Building, Cleveland, Ohio 44113.

A. David W. Landsidle, 2 Militia Drive, Lexington, Mass. 02173.
B. National Association of Manufacturers, 1776 F Street NW., Washington, D.C. 20006.
D. (6) $225.

A Karl S. Landstrom, 510 North Edison Street, Arlington, Va. 22205.
B. Geothermal Resources International, Inc., 4676 Admiralty Way, Suite 603, Marina del Ray, Calif. 90291.
D. (6) $750.00.

A. Lane & Edson, Suite 400 South, 1800 M Street NW., Washington, D.C. 20036.
B. National Leased Housing Association, Suite 400 South, 1800 M Street NW., Washington, D.C. 20036.
D. (6) $450.

A. James J. LaPenta, Jr., Laborers' International Union of North America, AFL–CIO, 905 16th Street NW., Washington, D.C. 20006.
B. Laborers' International Union of North America, AFL–CIO, 905 16th Street NW., Washington, D.C. 20006.
E. (9) $824.38.

A. J. Stephen Larkin, 1620 I Street NW., Washington, D.C.
B. International Paper Co., 1620 I Street NW., Suite 700, Washington, D.C. 20006.
D. (6) $300. E. (9) $50.

A. Lucille Larkin, National Cable Television Association, Inc., 918 16th Street NW., Washington, D.C. 20006.
B. National Cable Television Association, Inc., 918 16th Street NW., Washington, D.C. 20006.
D. (6) $82.50.

A. Reed E. Larson, 8316 Arlington Boulevard, Suite 600, Fairfax, Va. 22038.
B. National Right to Work Committee, 8316 Arlington Boulevard, Suite 600, Fairfax, Va. 22038.
D. (6) $90.

A. Glenn T. Lashley, American Automobile Association, Wheaton Plaza North Building, Silver Spring, Md. 20902.
B. American Automobile Association, 8111 Gatehouse Road, Falls Church, Va. 22042.

A. Theodore A. Lattanzio, 1600 Rhode Island Avenue NW., Washington, D.C. 20036.
B. National Rifle Association, 1600 Rhode Island Avenue NW., Washington, D.C. 20036.
D. (6) $200. E. (9) $16.

A. Louis F. Laun, 260 Madison Avenue, New York, N.Y. 10016.
B. American Paper Institute, Inc., 260 Madison Avenue, New York, N.Y. 10016.

A. George H. Lawrence, American Gas Association, 1515 Wilson Boulevard, Arlington, Va. 22209.
B. American Gas Association, 1515 Wilson Boulevard Arlington, Va. 22209.
D. (6) $200.

A. Lead-Zinc Producers Committee, 1101 15th Street NW., Suite 803, Washington, D.C. 20005.
D. (6) $1,328.

A. Alice V. Leaderman, 1140 Connecticut Avenue NW., Washington, D.C. 20036.
B. Scientific Apparatus Makers Association 1140 Connecticut Avenue NW., Washington, D.C. 20036.
D. (6) $230.

A. Richard A. Leahy, David L. Babson & Co., Inc., 1 Boston Place, Boston, Mass. 02108.
B. Investment Counsel Association of America, Inc., 127 East 59th Street, New York, N.Y. 10022.

A. John I. Le Berre, 900 17th Street NW., Washington, D.C. 20006.
B. Kaiser Aluminium and Chemical Corp., 900 17th Street NW., Washington, D.C.
D. (6) $200. E. (9) $500.

A. Michael L. Lehrman, 301 2 Cortland Place NW, Washington, D.C. 20008.
B. The Plessey Co. Ltd., Ilford, Essex, England.

A. Robert J. Leigh, 2626 Pennsylvania Avenue NW., Washington, D.C. 20037.
B. National Telephone Cooperative Association, 2626 Pennsylvania Avenue NW., Washington, D.C. 20037.

A. Leighton & Conklin, 2033 M Street NW., Suite 800, Washington, D.C. 20036.
B. The Clorox Co., 1221 Broadway, Oakand, Calif. 44612.

A. Leighton & Conklin, 2033 M Street NW., Suite 800, Washington, D.C. 20036.
B. Grocery Manufacturers of America, Inc., 1425 K Street NW., Suite 900, Washington, D.C. 20005.

A. Lynette B. Lenard, 1800 M Street NW., Suite 700S, Washington, D.C. 20036.
B. The Dow Chemical Co., Midland, Mich. 48640.
D. (6) $1,000. E. (9) $236.25.

A. Earl T. Leonard, Jr., The Coca-Cola Co., P.O. Drawer 1734, Atlanta, Ga. 30301.
B. The Coca-Cola Co., P.O. Drawer 1734, Atlanta, Ga. 30301.
D. (6) $750. E. (9) $1,347.41.

A. Lloyd Leonard, 1730 M Street NW., Washington, D.C. 20036.
B. The League of Women Voters of the United States, 1730 M Street NW., Washington, D.C. 20036.
D. (6) $723.40.

A. Steven H. Lesnik, Lumbermens Mutual Casualty Co., Long Grove, Ill. 60049.
B. Lumbermens Mutual Casualty Co., Long Grove, Ill. 60049.
D. (6) $300.

A. Gilbert B. Lessenco, Wilner & Scheiner, 2021 L Street NW., Washington, D.C. 20036.
B. General Mills, Inc., 9200 Wayzata Boulevard, Minneapolis, Minn. 55440.
D. (6) $1,650.

A. Leva, Hawes, Symington, Martin & Oppenheimer, 815 Connecticut Avenue NW., Washington, D.C. 20006.
B. Consolidated Edison Co. of New York, Inc., 4 Irving Place, New York, N.Y. 10003.

A. Leva, Hawes, Symington, Martin & Oppenheimer, 815 Connecticut Avenue NW., Washington, D.C. 20006.
B. Cooperative for American Relief Everywhere, Inc., 660 First Avenue, New York, N.Y. 10016.
D. (6) $70.

A. Leva, Hawes, Symington, Martin & Oppenheimer, 815 Connecticut Avenue NW., Washington, D.C. 20006.
B. General Electric Co., Gas Turbine Division, 1 River Road, Building 500, Room 228, Schenectady, N.Y. 12345.

A. Leva, Hawes, Symington, Martin & Oppenheimer, 815 Connecticut Avenue NW., Washington, D.C. 20006.
B. Glass Packaging Institute, 1800 K Street NW., Washington, D.C. 20006.
D. (6) $300.

A. Leva, Hawes, Symington, Martin & Oppenheimer, 815 Connecticut Avenue NW., Washington, D.C. 20006.
B. National Beer Wholesalers' Association of America, 5205 Leesburg Pike, Falls Church, Va. 22401.
E. (9) $277.30.

A. Leva, Hawes, Symington, Martin & Oppenheimer, 815 Connecticut Avenue NW., Washington, D.C. 20006.
B. National Council of Community Hospitals, 815 Connecticut Avenue NW., Washington, D.C. 20006.
D. (6) $1,035.

A. Morris J. Levin, 1050 17th Street NW., Washington, D.C. 20036.
B. Association of American Railroads, American Railroad Building, Washington, D.C.
D. (6) $1,000.

A. Morris J. Levin, 1050 17th Street NW., Washington, D.C. 20036.
B. Independent Local Newspaper Association, Suite 240, 1050 17th Street NW., Washington, D.C. 20036.
D. (6) $7,500.

A. Harry LeVine, Jr., General Electric Co., 777 14th Street NW., Washington, D.C.
B. General Electric Co., 3135 Easton Turnpike, Fairfield, Conn.
D. (6) $65.

A. Roger N. Levy, 1120 19th Street NW., Suite 503, Washington, D.C. 20036.
B. Independent Insurance Agents of America, Inc., 85 John Street, New York, N.Y. 10038.
D. (6) $4,937.37. E. (9) $200.

A. Tamar Lewin, Common Cause, 2030 M Street NW., Washington, D.C. 20036.
B. Common Cause, 2030 M Street NW., Washington, D.C. 20036.
D. (6) $3,379.38.

A. Robert G. Lewis, 1012 14th Street NW., Washington, D.C. 20005.
B. The Farmers' Educational and Co-Operative Union of America, Denver, Colo. 80251; 1012 14th Street NW., Washington, D.C. 20005.
D. (6) $2,181.73. E. (9) $75.34.

A. Stuart A. Lewis, 1800 M Street NW., Suite 1010, Washington, D.C. 20036.
B. Association of Reserve City Bankers, 1800 M Street NW., Suite 1010, Washington, D.C. 20036.
D. (6) $200.

A. Walter R. Lewis, Jr., National Association of Manufacturers, 1719 Route 10, Parsippany, N.J. 07054.
B. National Association of Manufacturers, 1776 F Street NW., Washington, D.C. 20006.
D. (6) $212.50.

A. Herbert Liebenson, National Small Business Association, 1604 K Street NW., Washington, D.C. 20006.
B. National Small Business Association, 1604 K Street NW., Washington, D.C. 20006.
D. (6) $4,500. E. (9) $1,200.

A. Herbert Liebenson, Small Business Legislative Council, 1604 K Street NW., Washington, D.C. 20006.
B. Small Business Legislative Council, 1604 K Street NW., Washington, D.C. 20006.
D. (6) $4,500. E. (9) $1,200.

A. Russell B. Light, 955 L'Enfant Plaza North SW., Washington, D.C. 20024.
B. The Boeing Co., P.O. Box 3707, Seattle, Washington 98124.
D. (6) $375. E. (9) $72.43.

A. Charles W. Linderman, Slurry Transport Association, 490 L'Enfant Plaza East SW., Suite 3210, Washington, D.C. 20024.
B. Slurry Transport Association, 490 L'Enfant Plaza East SW., Suite 3210, Washington, D.C. 20024.
D. (6) $500.

A. Lester W. Lindow, Association of Maximum Service Telecasters, Inc., 1735 DeSales Street NW., Washington, D.C. 20036.
B. Association of Maximum Service Telecasters, Inc., 1735 DeSales Street NW., Washington, D.C. 20036.

A. Linton, Mields, Reisler & Cotton, 1015 18th Street NW., Suite 200, Washington, D.C. 20036.
B. County of Baltimore, 111 West Chesapeake Avenue, Towson, Md. 21204.
D. (6) $1,200. E. (9) $124.21.

A. Linton, Mields, Reisler & Cotton, 1015 18th Street NW., Suite 200, Washington, D.C. 20036.
B. Lake Superior District Power Co., 101 West Second Street, Ashland, Wis. 54806.
D. (6) $524.92. E. (9) $36.69.

A. Linton, Mields, Reisler & Cotton, 1015 18th Street NW., Suite 200, Washington, D.C. 20036.
B. Madison Gas & Electric Co., 100 North Fairchild Street, Box 1231, Madison, Wis. 53701.
D. (6) $1,164.65. E. (9) $81.43.

A. Linton, Mields, Reisler & Cotton, 1015 18th Street NW., Suite 200, Washington, D.C. 20036.
B. The Metropolitan District, Hartford Plaza, P.O. Box 800, Hartford, Conn. 06101.
D. (6) $4,075. E. (9) $162.08.

A. Linton, Mields, Reisler & Cotton, 1015 18th Street NW., Suite 200, Washington, D.C 20036.
B. Northern States Power Co., 100 North Barstow Street, Eau Claire, Wis. 54701.
D. (6) $1,574.43. E. (9) $110.07.

A. Linton, Mields, Reisler & Cotton, 1015 18th Street NW., Suite 200, Washington, D.C. 20036.
B. State of Oregon, Department of Transportation, Transportation Building, Salem, Oreg. 97310.
D. (6) $6,000.

A. Linton, Mields, Reisler & Cotton, 1015 18th Street NW., Suite 200, Washington, D.C. 20036.
B. Superior Water, Light & Power Co., 1230 Tower Avenue, Superior, Wis. 54880.
D. (6) $315.54. E. (9) $22.06.

A. Linton, Mields, Reisler & Cotton, 1015 18th Street NW., Suite 200, Washington, D.C. 20036.
B. Wayne County Board of Commissioners, 706 City County Building, Detroit, Mich. 48226.
D. (6) $7,500. E. (9) $702.01.

A. Linton, Mields, Reisler & Cotton, 1015 18th Street NW., Suite 200, Washington, D.C. 20036.
B. Wisconsin Electric Power Co., 231 West Michigan, Milwaukee, Wis. 53201.
D. (6) $5,107. E. (9) $357.32.

A. Linton, Mields, Reisler & Cotton, 1015 18th Street NW., Suite 200, Washington, D.C. 20036.
B. Wisconsin Power & Light Co., Madison, Wis. 53701.
D. (6) $2,185.70. E. (9) $152.80.

A. Linton, Mields, Reisler & Cotton, 1015 18th Street NW., Suite 200, Washington, D.C. 20036.
B. Wisconsin Public Service Corp., P.O. Box 700, Green Bay, Wis. 54305.
D. (6) $2,112,66. E. (9) $147.70.

A. Ron M. Linton, 1015 18th Street NW., Suite 200, Washington, D.C. 20036.
B. The Metropolitan Sanitary District of Greater Chicago, 100 East Erie Street, Chicago, Ill. 60611.
D. (6) $8,946.08. E. (9) $915.77.

A. Ron M. Linton, 1015 18th Street NW., Suite 200, Washington, D.C. 20036.
B. Radwaste Management Group, 1800 M Street NW., Washington, D.C. 20036.
D. (6) $20,447.45. E. (9) $186.19.

A. Ron M. Linton, 1015 18th Street NW., Suite 200, Washington, D.C. 20036.
B. State of Illinois, Department of Transportation, Division of Water Resources, 2300 South Dirksen Parkway, Springfield, Ill. 62764.
D. (6) $2,887.50. E. (9) $346.97.

A. Ron M. Linton, 1015 18th Street NW., Suite 200, Washington, D.C. 20036.

B. State of Illinois, Department of Transportation, 2300 South Dirksen Parkway, Springfield, Ill. 62764.
D. (6) $10,050. E. (9) $2,257.17.

A. Charles B. Lipsen, 475 L'Enfant Plaza SW., Suite 4100, Washington, D.C. 20024.
B. Cramer, Visser, Lipsen & Smith (for American Sign & Indicator Corp., North 2310 Fancher Way, Spokane, Wash. 99206), 475 L'Enfant Plaza SW., Suite 4100, Washington, D.C. 20024.

A. Charles B. Lipsen, 475 L'Enfant Plaza SW., Suite 4100, Washington, D.C. 20024.
B. Cramer, Visser, Lipsen & Smith (for Government of Nicaragua), 475 L'Enfant Plaza SW., Suite 4100, Washington, D.C. 20024.

A. Charles B. Lipsen, Cramer, Visser, Lipsen & Smith, 475 L'Enfant Plaza SW., Suite 4100, Washington, D.C. 20024.
B. Cramer, Visser, Lipsen & Smith (for Institute of Signage Research, 541 University Avenue, Palo Alto, Calif. 94301), 475 L'Enfant Plaza SW., Suite 4100, Washington, D.C. 20024.

A. Charles B. Lipsen, 475 L'Enfant Plaza SW., Washington, D.C. 20024.
B. Norman, Lawrence, Patterson & Farrell, 211 East 43d Street, New York, N.Y. 10017 and Cramer, Visser, Lipsen & Smith, 475 L'Enfant Plaza SW., Suite 4100, Washington, D.C. 20024.

A. Charles B. Lipsen, Cramer, Visser, Lipsen & Smith, 475 L'Enfant Plaza, No. 4100, Washington, D.C. 20024.
B. U.S. and Overseas Employees Tax Fairness Committee, 1101 15th Street NW., Suite 1000, Washington, D.C. 20005.
D. (6) $11,409.89.

A. Robert G. Litschert, National Association of Electric Cos., 1140 Connecticut Avenue, NW., Washington, D.C. 20036.
B. National Association of Electric Cos., 1140 Connecticut Avenue NW., Room 1010, Washington, D.C. 20036.
D. (6) $280. E. (9) $21.

A. Andrew Litsky, National Cable Television Association, Inc., 918 16th Street NW., Washington, D.C. 20006.
B. National Cable Television Association, Inc., 918 16th Street, NW., Washington, D.C. 20006.
D. (6) $1,169.

A. E. F. Livaudais, Jr., 1025 Connecticut Avenue, NW., Washington, D.C. 20036.
B. Atlantic Richfield Co., 515 South Flower Street, Los Angeles, Calif., 90071.
D. (6) $400. E. (9) $95.

A. Livestock Marketing Association, 4900 Oak Street, Kansas City, Mo. 64112.
E. (9) $9,501.20.

A. H. Richard Lloyd, Jr., General Electric Co., 777 14th Street, NW., Washington, D.C. 20005.
B. General Electric Co., 777 14th Street, NW., Washington, D.C. 20005.
D. (6) $44.05.

A. James T. Lloyd, Hydeman, Mason & Goodell, 1220 19th Street NW., Washington, D.C. 20036.
B. Continental Airlines, Inc., Los Angeles International Airport, Los Angeles, Calif. 90009.

A. Harold D. Loden, American Seed Trade Association, 1030 15th Street, NW., Suite 964, Washington, D.C. 20005.
B. American Seed Trade Association, 1030 15th Street, NW., Suite 964, Washington, D.C. 20005.
D. (6) $2,000.

A. Robert H. Loeffler, Suite 701, 1050 17th Street, NW., Washington, D.C. 20036.
B. State of Alaska Attorney General's Office, Department of Law, Pouch K, State Capitol Building, Juneau, Alaska 99811.
D. (6) $6,506.25. E. (9) $152.

A. Loews Corp., 666 Fifth Avenue, New York, N.Y. 10019.
E. (9) $3,000.

A. Law Offices of Sheldon I. London, 1725 DeSales Street, NW., Suite 401, Washington. D.C. 20036.
B. American Hardware Manufacturers Association, 117 East Palatine Road, Palatine, Ill. 60067.
D. (6) $1,500.

A. Robert W. Long, American Mining Congress, 1100 Ring Building, Washington, D.C. 20036.
B. American Mining Congress, 1100 Ring Building, Washington, D.C. 20036.
D. (6) $71.43. E. (9) $2.50.

A. Loomis, Owen, Fellman & Coleman, 2020 K Street NW., Washington, D.C. 20006.
B. Association of Bituminous Contractors, 2020 K Street NW., Washington, D.C. 20006.

A. Loomis, Owen, Fellman & Coleman, 2020 K Street NW., Washington, D.C. 20006.
B. Classroom Publishers Association, 2020 K Street NW., Washington, D.C. 20006.

A. Loomis, Owen, Fellman & Coleman, 2020 K Street NW., Washington, D.C. 20006.
B. Industrial Diamond Association, 59 East Main Street, Moorestown, N.J. 08057.

A. Loomis, Owen, Fellman & Coleman, 2020 K Street NW., Washington, D.C. 20006.
B. Linen Supply Association of America, 1250 East Hallandale Beach Boulevard, Hallandale, Fla. 33009.

A. Loomis, Owen, Fellman & Coleman, 2020 K Street NW., Washington, D.C. 20006.
B. National Association of Casualty & Surety Agents, 5225 Wisconsin Avenue NW., Washington, D.C. 20016.

A. Loomis, Owen, Fellman & Coleman, 2020 K Street NW., Washington, D.C. 20006.
B. National Association of Manufacturers, 1776 F Street NW., Washington, D.C. 20006.

A. Loomis, Owen, Fellman & Coleman, 2020 K Street NW., Washington, D.C. 20006.
B. Optical Manufacturers Association, 1901 North Fort Myer Drive, Arlington, Va. 22209.

A. Christopher LoPiano, United Mine Workers of America, 900 15th Street NW., Washington, D.C. 20005.
B. United Mine Workers of America, 900 15th Street NW., Washington, D.C. 20005.
D. (6) $1,067.90. E. (9) $12.95.

A. Edward J. Lord, The American Legion, 1608 K Street NW., Washington, D.C.
B. The American Legion, 700 North Pennsylvania Street, Indianapolis, Ind.
D. (6) $4,242. E. (9) $335.12.

A. Philip J. Loree, 17 Battery Place North, New York, N.Y. 10004.
B. Federation of American Controlled Shipping, 17 Battery Place North, New York N.Y. 10004.
D. (6) $200.

A. Judith A. Lorenson, 1960 Lake Clay Drive, Chesterfield, Mo. 63017.
B. Chromalloy American Corp., 120 South Central Avenue, St. Louis, Mo. 63105.
D. (6) $7,500. E. (9) $840.53.

A. Herschel C. Loveless, 7523 17th Street NW., Washington, D.C. 20012.
B. Chromalloy American Corp., 120 South Central Avenue, St. Louis, Mo. 63105.

A. James F. Lovett, 1801 K Street NW., Washington, D.C. 20006.
B. Westinghouse Electric Corp., Westinghouse Building, Gateway Center, Pittsburgh, Pa. 15222.
D. (6) $1,000. E. (9) $200.

A. James P. Low, American Society of Association Executives, 1101 16th Street NW., Washington, D.C. 20036.
B. American Society of Association Executives, 1101 16th Street NW., Washington, D.C. 20036.

A. Robert C. Lower, 1200 Citizens & Southern National Bank Building, 35 Broad Street, Atlanta, Ga. 30303.
D. (6) $1,849.

A. Robert C. Lower, 1200 Citizens & Southern National Bank Building, 35 Broad Street, Atlanta, Ga. 30303.
B. Rosenthal & Co., 141 West Jackson Boulevard, Chicago, Ill. 60604.
D. (6) $2,445.

A. Gerald M. Lowrie, American Bankers Association, 1120 Connecticut Avenue NW., Washington, D.C. 20036.
B. American Bankers Association, 1120 Connecticut Avenue NW., Washington, D.C. 20036.
D. (6) $2,000. E. (9) $918.46.

A. Freddie H. Lucas, General Motors Corp., 1660 L Street NW., Washington, D.C. 20036.
B. General Motors Corp., 3044 West Grand Boulevard, Detroit, Mich.
D. (6) $3,000. E. (9) $1,438.63.

A. John S. Lucas, Jr., National Association of Manufacturers, 1776 F Street NW., Washington, D.C. 20006.
B. National Association of Manufacturers, 1776 F Street NW., Washington, D.C. 20006.
D. (6) $335. E. (9) $50.

A. Lumbermens Mutual Casualty Co., Long Grove, Ill. 60049.
E. (9) $3,050.

A. Milton F. Lunch, National Society of Professional Engineers, 2029 K Street NW., Washington, D.C. 20006.
B. National Society of Professional Engineers, 2029 K Street NW., Washington, D.C. 20006.
D. (6) $1,000.

A. Christian J. Lund, 1125 15th Street NW., Washington, D.C. 20006.
B. United Technologies Corp., United Technologies Building, Hartford, Conn. 06101; 1125 15th Street NW., Washington, D.C. 20005.
D. (6) $10,000. E. (9) $1,736.79.

A. Lund Levin & O'Brien, 1625 I Street NW., Washington, D.C. 20006.
B. Federation of American Controlled Shipping, 17 Battery Place North, New York, N.Y. 10004.
E. (9) $4.31.

A. Lund Levin & O'Brien, 1625 I Street NW., Washington, D.C. 20006.

B. National Product Liability Council, Box 11111, Cincinnati, Ohio 45211.
D. (6) $250.

A. Lund Levin & O'Brien, 1625 I Street NW., Washington, D.C. 20006.
B. Pennsylvania Power & Light Co., 2 North Ninth Street, Allentown, Pa. 18101.
D. (6) $750. E. (9) $152.28.

A. Lund Levin & O'Brien, 1625 I Street NW., Washington, D.C. 20006.
B. Shanghai Power Co., 100 West 10th Street, Wilmington, Del. 19801.
D. (6) $120.

A. James H. Lynch, Jr., American Federation of Government Employees, 1325 Massachusetts Avenue NW., Washington, D.C. 20005.
B. American Federation of Government Employees, 1325 Massachusetts Avenue NW., Washington, D.C. 20005.
D. (6) $9,109.10. E. (9) $12,775.59.

A. Richard Lyng, American Meat Institute, P.O. Box 3556, Washington, D.C. 20007.
B. American Meat Institute, P.O. Box-3556, Washington, D.C. 20007 (1600 Wilson Boulevard, Arlington, Va.).
D. (6) $500.

A. Douglas E. MacArthur, P.O. Box 626, Bridgeton, Mo. 63044.
B. Zantop International Airlines, Inc., Willow Run Airport, Ypsilanti, Mich. 48197.
D. (6) $1,200. E. (9) $1,936.

A. Alan G. MacDonald, 1025 Connecticut Avenue NW., Washington, D.C. 20036.
B. Gulf Oil Corp., P.O. Box 1166, Pittsburgh, Pa. 15230.
D. (6) $2,000.

A. A. Everette MacIntyre, Room 710, 1900 L Street NW., Washington, D.C. 20036.
B. Grocery Manufacturers of America, Inc., 1010 Wisconsin Avenue NW., Suite 800, Washington, D.C. 20007.
D. (6) $5,300. E. (9) $1,500.

A. James E. Mack, National Association of Mirror Manufacturers, 5101 Wisconsin Avenue, Suite 504, Washington, D.C. 20016.
B. National Association of Mirror Manufacturers, 5101 Wisconsin Avenue, Suite 504, Washington, D.C. 20016.
D. (6) $7,500. E. (9) $395.90.

A. James E. Mack, National Confectioners Association, 5101 Wisconsin Avenue, Suite 506, Washington, D.C. 20016.
B. National Confectioners, 36 South Wabash Avenue, Chicago, Ill. 60603.
D. (6) $17,000. E. (9) $1,497.98.

A. James E. Mack, Peanut Butter Manufacturers and Nut Salters Association, 5101 Wisconsin Avenue, Suite 504, Washington, D.C. 20016.
B. Peanut Butter Manufacturers and Nut Salters Association, 5101 Wisconsin Avenue, Suite 504, Washington, D.C. 20016.
D. (6) $9,499.98. E. (9) $635.50.

A. James H. Mack, 7901 Westpark Drive, McLean, Va. 22102.
B. National Machine Tool Builders' Association, 7901 Westpark Drive, McLean, Va. 22102.
D. (6) $822. E. (9) $500.

A. Duncan H. Mackenzie, 3019 Goat Hill Road, Bel Air, Md. 21014.
D. (6) $210. E. (9) $227.54.

A. John P. Mackey, Ad Hoc Committee in Defense of Life, Inc., 810 National Press Building, Washington, D.C. 20045.
B. Ad Hoc Committee in Defense of Life, Inc., 150 East 35th Street, New York, N.Y. 10016.
D. (6) $4,327.50. E. (9) $8,556.68.

A. Thomas J. Mader, Common Cause, 2030 M Street NW., Washington, D.C. 20036.
B. Common Cause, 2030 M Street NW., Washington, D.C. 20036.
D. (6) $46.50. E. (9) $35.

A. John R. Maguire, 10612 Runaway Lane, Great Falls, Va. 22066.
B. Manufactured Housing Institute, 1745 Jefferson Davis Highway, Arlington, Va. 22202.
D. (6) $500.

A. John F. Mahoney, American Medical Association, 1776 K Street NW., Washington, D.C. 20006.
B. American Medical Association, 535 North Dearborn Street, Chicago, Ill. 60610.
D. (6) $3,610.44. E. (9) $791.

A. Michael C. Maibach, Caterpillar Tractor Co., 100 Northeast Adams Street, Peoria, Ill. 61629.
B. Caterpillar Tractor Co., 100 Northeast Adams Street, Peoria, Ill. 61629.
D. (6) $400. E. (9) $622.40.

A. Robert L. Maier, 900 17th Street NW., Washington, D.C. 20006.
B. Kaiser Aluminum and Chemical Corp., 900 17th Street NW., Washington, D.C. 20006.
D. (6) $180. E. (9) $6.

A. Andre Maisonpierre, Alliance of American Insurers, 1776 F Street NW., Washington, D.C. 20006.
B. Alliance of American Insurers, 20 North Wacker Drive, Chicago, Ill. 60606.
D. (6) $965. E. (9) $205.

A. J. Wilson Malloy, Jr., Eastman Chemical Products, Inc., 500 12th Street SW., Washington, D.C. 20024.
B. Eastman Chemical Products, Inc., P.O. Box 431, Kingsport, Tenn. 37662.
D. (6) $700. E. (9) $70.89.

A. The Management Group, 1211 Connecticut Avenue NW., Suite 403, Washington, D.C. 20036.
B. United States Industrial Council, P.O Box 2686, Nashville, Tenn. 37219.
D. (6) $1,500.

A. Carter Manasco, 5932 Chesterbrook Road, McLean, Va. 22101.
B. National Coal Association, 1130 17th Street NW., Washington, D.C. 22036.
D. (6) $9,000. E. (9) $72.85.

A. Mike Manatos, 1801 K Street NW., Suite 230, Washington, D.C. 20006.
B. The Procter & Gamble Manufacturing Co., 301 East Sixth Street, Cincinnati, Ohio 45202.
D. (6) $20.

A. Forbes Mann, 1155 15th Street NW., No. 1004, Washington, D.C. 20005.
B. The LTV Corp., 1525 Elm Street, Dallas, Tex. 75222.
D. (6) $2,000. E. (9) $550.

A. Manufactured Housing Institute, 1745 Jeff Davis Highway, Arlington, Va. 22202.
D. (6) $8,250. E. (9) $8,250.

A. Manufacturing Chemists Association, Inc., 1825 Connecticut Avenue NW., Washington, D.C. 20009.
D. (6) $5,000. E. (9) $3,000.

A. Dallace E. Marable, N.A.M., 1776 F Street NW., Washington, D.C. 20006.
B. National Association of Manufacturers, 1776 F Street NW., Washington, D.C. 20006.
D. (6) $1,050. E. (9) $31.35.

A. March for Life, Inc., P.O. Box 2950, Washington, D.C. 20013.
D. (6) $5,238.21. E. (9) $6,070.90.

A. Charles T. Marck, 1800 M Street NW., Suite 700 South, Washington, D.C. 20036.
B. The Dow Chemical Co., Midland, Mich. 48640.
D. (6) $1,000. E. (9) $250.

A. Ralph J. Marlatt, Professional Insurance Agents, 400 North Washington Street, Alexandria, Va. 22314.
B. Professional Insurance Agents, 400 North Washington Street, Alexandria, Va. 22314.
D. (6) $300. E. (9) $900.

A. Jack D. Maroney, 1300 American Bank Tower, Austin, Tex. 78701.
B. Texas Medical Association, 1801 North Lamar Boulevard, Austin, Tex. 78701.
D. (6) $250. E. (9) $50.

A. John O. Marsh, Jr., Barr Building, Washington, D.C. 20006.
B. Committee of Americans for the Canal Treaties, Inc. (COACT), 1019 19th Street NW., Suite 1120, Washington, D.C. 20036.

A. M. & I. Marshall & Ilsley Bank, 770 North Water Street, Milwaukee, Wis. 53202.

A. J. Paull Marshall, Association of American Railroads, 40 Ivy Street SE., Washington, D.C. 20003.
B. Association of American Railroads, 1920 L Street NW., Washington, D.C. 20036.
D. (6) $675. E. (9) $348.75.

A. David O. Martin, Kimberly-Clark Corp., North Lake Street, Neenah, Wis., 54956.
B. Kimberly-Clark Corp., North Lake Street, Neenah, Wis., 54956.
D. (6) $435. E. (9) $270.

A. Katherine E. Martin, Association of American Railroads, 40 Ivy Street SE., Washington, D.C. 20003.
B. Association of American Railroads, 1920 L Street NW., Washington, D.C. 20036.
D. (6) $95.82. E. (9) $90.

A. Thomas A. Martin, 2101 L Street NW., Washington, D.C. 20037.
B. American Petroleum Institute, 2101 L Street NW., Washington, D.C. 20037.
D. (6) $500. E. (9) $200.

A. Joseph J. Martyak, American Gas Association, 1515 Wilson Boulevard, Arlington, Va. 22209.
B. American Gas Association, 1515 Wilson Boulevard, Arlington, Va. 22209.
D. (6) $2,800. E. (9) $632.61.

A. Maryland Savings-Share Insurance Corp., 901 North Howard Street, Baltimore, Md. 21201.
E. (9) $43.99.

A. Mike M. Masaoka, Suite 520, the Farragut Building, 900 17th Street NW., Washington, D.C. 20006.
B. American Japanese Trade Committee, Suite 520, 900 17th Street NW., Washington, D.C. 20006.

A. Mike M. Masaoka, Association on Japanese Textile Imports, Inc., Suite 520, the Farragut Building, 900 17th Street NW., Washington, D.C. 20006.
B. Association on Japanese Textile Imports, Inc., 551 Fifth Avenue, New York, N.Y. 10017.
D. (6) $250.

A. Mike M. Masaoka, Suite 520, the Farragut Building, 900 17th Street NW., Washington, D.C. 20006.
B. Nisei Lobby, Suite 520, the Farragut Building, 900 17th Street NW., Washington, D.C. 20006.

A. Mike M. Masaoka, Masaoka-Ishi-awa & Associates, Inc., Suite 520, 900 17th Street NW., Washington, D.C. 20006.
B. West Mexico Vegetable Distributors Association, P.O. Box 848, Nogales, Ariz. 85621.
D. (6) $500.

A. Paul J. Mason, American Council of Life Insurance, Inc., 1850 K Street NW., Washington, D.C. 20006.
B. American Council of Life Insurance, Inc., 1850 K Street NW., Washington, D.C. 20006.

A. Cliff Massa III, National Association of Manufacturers, 1776 F Street NW., Washington, D.C., 20006.
B. National Association of Manufacturers, 1776 F Street NW., Washington, D.C. 20006.
D. (6) $250.

A. Robert A. Matthews, Railway Progress Institute, 700 North Fairfax Street, Alexandria, Va. 22314.
B. Railway Progress Institute, 700 North Fairfax Street, Alexandria, Va. 22314.
D. (6) $541.66.

A. Joanne E. Mattiace, 1211 Connecticut Avenue NW., No. 802, Washington, D.C. 20036.
B. Sears, Roebuck & Co., Sears Tower, Chicago, Ill. 60684.
D. (6) $175. E. (9) $45.

A. Robert R. Mattson, Standard Oil Co., (Indiana), 200 East Randolph Drive, Mail Code 6402, Chicago, Ill. 60601.
B. Standard Oil Co. (Indiana), 200 East Randolph Drive, Chicago, Ill. 60601.
D. (6) $300. E. (9) $409.

A. C. V. and R. V. Maudlin, 1111 E Street NW., Washington, D.C. 20004.
B. Georgia Power Co., 270 Peachtree Street, Atlanta, Ga.

A. C. V. and R. V. Maudlin, 1111 E Street NW., Washington, D.C. 20004.
B. Joint Government Liaison Committee, 1111 E Street NW., Washington, D.C. 20004.

A. Anthony F. Mauriello, New York State Petroleum Council, 551 Fifth Avenue, New York, N.Y. 10017.
B. American Petroleum Institute, 2101 L Street NW., Washington, D.C. 20037.

A. Thomas H. Maxedon, Kentucky Petroleum Council, 4010 Dupont Circle, Suite 469, Louisville, Ky. 40207.
B. American Petroleum Institute, 2101 L Street NW., Washington, D.C. 20037.
D. (6) $162.50. E. (9) $85.66.

A. Albert E. May, Council of American-Flag Ship Operators, 1625 K Street NW., Washington, D.C. 20006.
B. Council of American-Flag Ship Operators, 1625 K Street NW., Washington, D.C. 20006.
D. (6) $463. E. (9) $13.39.

A. Harold R. Mayberry, Jr., Chamber of Commerce of the United States, 1615 H Street NW., Washington, D.C. 20062.
B. Chamber of Commerce of the United States, 1615 H Street NW., Washington, D.C. 20062.
E. (9) $25.

A. Arnold Mayer, Amalgamated Meat Cutters & Butcher Workmen of North America (AFL–CIO), 100 Indiana Avenue NW., Room 502, Washington, D.C. 20001.
B. Amalgamated Meat Cutters & Butcher Workmen of North America (AFL–CIO), 2800 North Sheridan Road, Chicago, Ill. 60657.
D. (6) $9,623. E. (9) $560.

A. Mayer, Brown & Platt, 888 17th Street NW., Washington, D.C. 20006.
B. Aerospace Industries Association of America, Inc., 1725 De Sales Street NW., Washington, D.C. 20036.

A. Mayer, Brown & Platt, 888 17th Street NW., Washington, D.C. 20006.
B. The ERISA Industry Committee, Suite 1201, 1750 Pennsylvania Avenue, NW., Washington, D.C. 20006.
D. (6) $143.75. E. (9) $1.

A. Mayer, Brown & Platt, 888 17th Street NW., Washington, D.C. 20006.
B. Nokota Co., P.O. Box 1633, Bismarck, N.D. 58501.

A. Robert E. Meyer, States Steamship Co., 320 California Street, San Francisco, Calif. 94104.
B. States Steamship Co., 320 California Street, San Francisco, Calif. 94104.
E. (9) $452.

A. Mays, Valentine, Davenport & Moore, 910 17th Street NW., Washington, D.C. 20006.
B. Grocery Manufacturers of America, 1425 K Street NW., Washington, D.C. 20005.
D. (6) $1,136.

A. Mays, Valentine, Davenport & Moore, 910 17th Street NW., Suite 301, Washington, D.C. 20006.
B. Trans Union Corp., 90 Half Day Road, Lincolnshire, Ill. 60015.
D. (6) $1,700.

A. Richard F. McAdoo, 1901 L Street NW., Suite 702, Washington, D.C. 20036.
B. Security Pacific National Bank, 333 South Hope Street, Los Angeles, Calif. 90071.
D. (6) $957.50. E. (9) $168.54.

A. William J. McAuliffe, Jr., American Land Title Association, 1828 L Street NW., Washington, D.C. 20036.
B. American Land Title Association, 1828 L Street NW., Washington, D.C. 20036.
D. (6) $575.

A. Ann McBride, Common Cause, 2030 M Street NW., Washington, D.C. 20036.
B. Common Cause, 2030 M Street NW., Washington, D.C. 20036.
D. (6) $6,750. E. (9) $105.

A. William C. McCamant, 1725 K Street NW., Washington, D..C. 20006.
D. (6) $300.

A. McCandless & Barrett, 1707 H Street NW, Washington, D.C. 20006.
B. Transamerica Insurance Corp. of California (Occidental Life), Occidental Center, Hill and Olive at 12th Street, Los Angeles, Calif. 90015.
D. (6) $7,031.25. E. (9) $1,761.93.

A. John A. McCart, Public Employee Department, AFL–CIO, 815 16th Street NW., Washington, D.C. 20006.
B. Public Employee Department, AFL–CIO, 815 16th Street NW., Washington, D.C. 20006.
D. (6) $2,248.96.

A. McCarty & Noone, 490 L'Enfant Plaza East, Suite 3306, Washington, D.C. 20024.
B. American Medical Technologists, 710 Higgins Road, Park Ridge, Ill. 60068.
D. (6) $540. E. (9) $9.26.

A. Alfred R. McCauley, 1629 K Street NW., Washington, D.C. 20006.
B. Lonza, Inc., 22–10 Route 208, Fair Lawn, N.J. 07410.

A. McClure & Trotter, 1100 Connecticut Avenue NW., Suite 600, Washington, D.C. 20036.
B. Allied Capital Corp., 1625 I Street NW., Suite 603, Washington, D.C. 20006.
E. (9) $7.38.

A. McClure & Trotter, 1100 Connecticut Avenue NW., Suite 600, Washington, D.C. 20036.
B. Avon Products, Inc., Nine West 57th Street, New York, N.Y. 10019.
E. (9) $65.83.

A. McClure & Trotter, 1100 Connecticut Avenue NW., Suite 600, Washington, D.C. 20036.
B. Cities Service Co., Box 300, Tulsa, Okla. 74102.
E. (9) $295.59.

A. McClure & Trotter, 1100 Connecticut Avenue NW., Suite 600, Washington, D.C. 20036.
B. The Coca-Cola Co., P.O. 1734, Atlanta, Ga. 30301.
E. (9) $90.81.

A. McClure & Trotter, 1100 Connecticut Avenue NW., Suite 600, Washington, D.C. 20036.
B. Gulf & Western Industries, Inc., One Gulf & Western Plaza, New York, N.Y. 10023.
E. (9) $199.82.

A. McClure & Trotter, 1100 Connecticut Avenue NW., Suite 600, Washington, D.C. 20036.
B. Mobil Oil Corp., 150 East 42d Street, New York, N.Y. 10017.
E. (9) $111.16.

A. McClure & Trotter, 1100 Connecticut Avenue NW., Suite 600, Washington, D.C. 20036.
B. Tidewater Marine Service, Inc., 3308 Tulane Avenue, New Orleans, La.

A. McClure & Trotter, 1100 Connecticut Avenue NW., Suite 600, Washington, D.C. 20036.
B. United Artists Corp., 729 Seventh Avenue, New York, N.Y. 10019.

A. McClure & Trotter, 1100 Connecticut Avenue NW., Suite 600, Washington, D.C. 20036.
B. United States Fastener Manufacturing Group, 1505 East Ohio Building, Cleveland, Ohio 44114.

A. Linda A. McCorkle, Blum, Parker & Nash, 1015 18th Street NW., Washington, D.C. 20036.
B. Independent Gasoline Marketers Council, 1015 18th Street NW., Washington, D.C. 20036.

A. William T. McCormick, Jr., American Gas Association, 1515 Wilson Boulevard, Arlington, Va. 22209.
B. American Gas Association, 1515 Wilson Boulevard, Arlington, Va. 22209.
D. (6) $500.

A. Robert E. McCoy, Suite 1014, 1025 Connecticut Avenue NW., Washington, D.C. 20036.
B. Exxon Corp., 1251 Avenue of the Americas, New York, N.Y.

A. Bruce A. McCrodden, 1050 17th Street N.W., Suite 650, Washington, D.C. 20036.
B. The Standard Oil Co. (Ohio), Midland Building, Cleveland, Ohio 44115.
D. (6) $130.

A. E. L. McCulloch, Brotherhood of Locomotive Engineers, 819 Railway Labor Building, 400 First Street NW., Washington, D.C. 20001.

B. Brotherhood of Locomotive Engineers, Engineers Building, Cleveland, Ohio 44114.
D. (6) $284.60. E. (9) $81.50.

A. Albert L. McDermott, American Hotel and Motel Association, 777 14th Street NW., Washington, D.C. 20005.
B. American Hotel and Motel Association, 888 Seventh Avenue, New York, N.Y. 10019.
D. (6) $1,442.57. E. (9) $691.94.

A. Jack McDonald, 6845 Elm Street, No. 512, McLean, Va. 22101.
B. Jack McDonald Associates, 6845 Elm Street, No. 512, McLean Va. 22101 (for Union Oil Co., P.O. Box 7600, Los Angeles, Calif. 90051).
D. (6) $4,000.

A. Jack McDonald Associates, 6845 Elm Street, No. 512, McLean, Va. 22101.
B. Northrop Corp., 1800 Century Park East, Los Angeles, Calif. 90067.
D. (6) $4,500. E. (9) $2,450.

A. Jack McDonald Associates, 6845 Elm Street, No. 512, McLean, Va. 22101.
B. Union Oil Co., P.O. Box 7600, Los Angeles, Calif. 90051.
D. (6) $10,000. E. (9) $6,500.

A. James McDonald, 6845 Elm Street, No. 512, McLean, Va. 22101.
B. Jack McDonald Associates, 6845 Elm Street, No. 512, McLean, Va. 22101 (for Northrop Corp., 1800 Century Park East, Los Angeles, Calif. 90067).
D. (6) $2,250.

A. James McDonald, 6845 Elm Street, No. 512, McLean, Va. 22101.
B. Jack McDonald Associates, 6845 Elm Street, No. 512, McLean, Va. 22101 (for Union Oil Co., P.O. Box 7600, Los Angeles, Calif. 90051).
D. (6) $2,000.

A. Michael D. McDonald, Maryland Petroleum Association, 60 West Street, Annapolis, Md. 21401.
B. American Petroleum Institute, 2101 L Street NW., Washington, D.C. 21401.
D. (6) $100.

A. Joseph A. McElwain, 40 East Broadway, Butte, Mont. 59701.
B. The Montana Power Co., Butte, Mont. 59701.
E. (9) $292.35.

A. Thomas H. McGannon, Chemtex Fibers, Inc., 850 Third Avenue, New York, N.Y. 10022.
B. Chemtex Fibers, Inc., 850 Third Avenue, New York, N.Y. 10022.

A. J. Raymond McGlaughlin, Brotherhood of Maintenance of Way Employes, 400 First Street NW., Room 801, Washington, D.C. 20001.
B. Brotherhood of Maintenance of Way Employes, 12050 Woodward Avenue, Detroit, Mich. 48203.
D. (6) $9,674.10.

A. Robert M. McGlotten, AFL–CIO, 815 16th Street NW., Washington, D.C. 20006.
B. American Federation of Labor and Congress of Industrial Organizations, 815 16th Street NW., Washington, D.C. 20006.
D. (6) $10,871. E. (9) $826.60.

A. Joseph B. McGrath, National Forest Products Association, 1619 Massachusetts Avenue NW., Washington, D.C. 20036.
B. National Forest Products Association, 1619 Massachusetts Avenue NW., Washington, D.C. 20036.
D. (6) $7,875. E. (9) $3,400.

A. F. Howard McGuigan, AFL–CIO, 815 16th Street NW., Washington, D.C. 20006.
B. American Federation of Labor and Congress of Industrial Organizations, 815 16th Street NW., Washington, D.C. 20006.
D. (6) $10,094.50. E. (9) $407.68.

A. Peter McGuire, National Association of Retired and Veteran Railway Employees, Inc., 400 First Street NW., Washington, D.C. 20001.
B. National Association of Retired and Veteran Railway Employees, Inc., P.O. Box 6060, Kansas City, Kans. 66106; Hotel and Restaurant Employees and Bartenders International Union, 1666 K Street NW., Washington, D.C. 20006; International Conference of Police Association, 1239 Pennsylvania Avenue SE., Washington, D.C. 20003.
D. (6) $900. E. (9) $350.

A. Marlene C. McGuirl, 3416 P Street NW., Washington, D.C. 20007.

A. Clarence M. McIntosh, Jr., Railway Labor Executives Association, 400 First Street NW., Washington, D.C. 20001.
B. Railway Labor Executives' Association, 400 First Street NW., Washington, D.C. 20001.
D. (6) $1,045.39.

A. Lyn R. McIntosh, American Nuclear Energy Council, 1750 K Street NW., Suite 300, Washington, D.C.
B. American Nuclear Energy Council, 1750 K Street NW., Suite 300, Washington, D.C.
D. (6) $1,375. E. (9) $201.57.

A Robert S. McIntyre, Public Citizen's Tax Reform Research Group, 133 C Street SE., Washington, D.C. 20003.
B. Public Citizen's Tax Reform Research Group, 133 C Street SE., Washington, D.C. 20003.
D. (6) $937.50.

A. William F. McKenna, 1800 M Street NW., Washington, D.C. 20036.
B. Silver, Freedman, Housley & Taff, 1800 M Street, NW., Washington, D.C. 20036.

A. C. A. "Mack" McKinney, 110 Maryland Avenue NE., Box 43, Washington, D.C. 20002.
B. National Headquarters, Marine Corps League, 933 North Monroe Street, Suite 321, Arlington, Va. 22201.
E. (9) $23.

A. C. A. "Mack" McKinney, 110 Maryland Avenue NE., Box 43, Washington, D.C. 20002.
B. Non-Commissioned Officers Association of the U.S.A. (NCOA), P.O. Box 2268, San Antonio, Tex. 78298.
D. (6) $4,875.74. E. (9) $5,582.22.

A. John S. McLees, Chamber of Commerce of the United States, 1615 H Street NW., Washington, D.C. 20062.
B. Chamber of Commerce of the United States, 1615 H Street NW., Washington, D.C. 20062.
E. (9) $300.

A. William F. McManus, General Electric Co., 777 14th Street NW., Washington, D.C. 20005.
B. General Electric Co., Easton Turnpike, Fairfield, Conn. 06431.
D. (6) $690. E. (9) $370.

A. Paula V. McMartin, Physicians National Housestaff Association, 1625 L Street NW., Washington, D.C. 20016.
B. Physicians National Housestaff Association, 1625 L Street NW., Washington, D.C. 20016.
D. (6) $3,500. E. (9) $13.85.

A. C. W. McMillan, 425 13th Street NW., Suite 1020, Washington, D.C. 20004.
B. National Cattlemen's Association, 1001 Lincoln Street, Denver, Colo. 80203.
D. (6) $1,500.

A. McNutt, Dudley, Easterwood & Losch, 910 17th Street NW., Washington, D.C. 20006.
B. American Dredging Co., 12 South 12th Street, Philadelphia, Pa. 19107, et al.
D. (6) $21,000. E. (9) $3,564.87.

A. McNutt, Dudley, Easterwood & Losch, 910 17th Street NW., Washington, D.C. 20006.
B. Republic of Turkey, 1606 23d Street NW., Washington, D.C. 20008.
D. (6) $6,300. E. (9) $1,112.63.

A. George G. Mead, American Trucking Associations, Inc., 1616 P Street NW., Washington, D.C. 20036.
B. American Trucking Associations, Inc., 1616 P Street NW., Washington, D.C. 20036.
D. (6) $6,000. E. (9) $1,400.02.

A. Joseph J. Meder, Interlake, Inc., 1050 17th Street NW., No. 1160, Washington, D.C. 20036.
B. Interlake, Inc., Commerce Plaza, 2015 Spring Road, Oak Brook, Ill. 60521.
D. (6) $6,840. E. (9) $538.15.

A. David O. Meeker, The American Institute of Architects, 1735 New York Avenue NW., Washington, D.C. 20006.
B. The American Institute of Architects, 1735 New York Avenue NW., Washington, D.C. 20006.
D. (6) $1,500. E. (9) $1,000.

A. Carl J. Megel, American Federation of Teachers, AFL–CIO, 11 Dupont Circle NW., Washington, D.C. 20036.
B. American Federation of Teachers, 11 Dupont Circle NW., Washington, D.C. 20036.
D. (6) $8,135. E. (9) $300.

A. William H. Megonnell, National Association of Electric Cos., 1140 Connecticut Avenue NW., Washington, D.C. 20036.
B. National Association of Electric Cos., 1140 Connecticut Avenue NW., Washington, D.C. 20036.
D. (6) $105. E. (9) $1.

A. Kenneth A. Meiklejohn, AFL–CIO, 815 16th Street NW., Washington, D.C.
B. American Federation of Labor and Congress of Industrial Organizations, 815 16th Street NW., Washington, D.C.
D. (6) $10,094.50.

A. Frederick A. Meister, Jr., 1611 North Kent Street, Arlington, Va. 22209.
B. American Footwear Industries Association, Inc., 1611 North Kent Street, Arlington, Va. 22209.
D. (6) $270. E. (9) $250.

A. R. Otto Meletzke, American Council of Life Insurance, Inc., 1850 K Street NW., Washington, D.C. 20006.
B. American Council of Life Insurance, Inc., 1850 K Street NW., Washington, D.C. 20006.
D. (6) $58. E. (9) $230.

A. Marilee Menard, National Broiler Council, 1155 15th Street NW., Washington, D.C. 20005.
B. National Broiler Council, 1155 15th Street NW., Washington, D.C. 20005.
D. (6) $600.

A. Ellis E. Meredith, American Apparel Manufacturers Association, Inc., 1611 North Kent Street, Arlington, Va. 22209.

B. American Apparel Manufacturers Association, Inc., 1611 North Kent Street, Arlington, Va. 22209.
E. (9) $849.20.

A. Ralph J. Merigliano, National Association of Letter Carriers, 100 Indiana Avenue NW., Washington, D.C. 20001.
B. National Association of Letter Carriers, 100 Indiana Avenue NW., Washington, D.C. 20001.
D. (6) $4,439.96.

A. Harold E. Mesirow, Hydeman, Mason & Goodell, 1220 19th Street NW., Washington, D.C. 20036.
B. Stencel Aero Engineering Corp., P.O. Box 5836, Asheville, N.C. 28803.

A. Tanya K. Metaksa, 1600 Rhode Island Avenue NW., Washington, D.C. 20036.
B. National Rifle Association, 1600 Rhode Island Avenue NW., Washington, D.C. 20036.
D. (6) $500. E. (9) $131.09

A. Nancy S. Metler, 1750 K Street NW., Suite 300, Washington, D.C.
B. American Nuclear Energy Council, 1750 K Street NW., Suite 300, Washington, D.C.

A. Metzger, Shadyac & Schwarz, 1 Farragut Square South, Washington, D.C. 20006.
B. Melex, U.S.A., Inc., 1201 Front Street, Raleigh, N.C. 27609.
D. (6) $375.

A. M. Barry Meyer, Aluminum Association, 818 Connecticut Avenue NW., Washington, D.C. 20006.
B. Aluminum Association, 818 Connecticut Avenue NW., Washington, D.C. 20006.
D. (6) $250. E. (9) $50.

A. Ronald A. Mitchieli, 425 13th Street NW., Suite 1020, Washington, D.C. 20004.
B. National Cattlemen's Association, 1001 Lincoln Street, Denver, Colo. 80203.
D. (6) $1,000.

A Mid-Continent Oil & Gas Association, 1111 Thompson Building, Tulsa, Okla. 74103.
D. (6) $3,491.61. E. (9) $2,101.65.

A. Roy H. Millenson, Association of American Publishers, 1707 L Street NW., Room 480, Washington, D.C. 20036.
B Association of American Publishers, 1707 L Street N.W., Room 480, Washington, D.C. 20036.
D. (6) $1,850. E. (9) $130.

A. A. Stanley Miller, 910 16th Street, Room 302, Washington, D.C. 20006.
B. Federation of American Controlled Shipping, 17 Battery Place North, New York, N.Y. 10004.
D. (6) $200.

A. Miller, Cassidy, Larroca & Lewin, 2555 M Street NW., Suite 500, Washington, D.C. 20037.
B. American Motors Corp., 14250 Plymouth Road, Detroit, Mich. 48232.

A. Miller & Chevalier, 1700 Pennsylvania Avenue NW., Washington, D.C. 20006.
B. Hercules Inc., 910 Market Street, Wilmington, Del. 19899.
D. (6) $4,180.

A. Miller & Chevalier, 1700 Pennsylvania Avenue NW., Washington, D.C. 20006.
B. IDS Life Insurance Co., IDS Tower, Minneapolis, Minn. 55402.
D. (6) $7,110.

A. Miller & Chevalier, 1700 Pennsylvania Avenue NW., Washington, D.C. 20006.
B. Lockheed Corp., Burbank, Calif. 91520.
D. (6) $5,125.

A. Dale Miller, 377 Mayflower Hotel, Washington, D.C. 20036.
B. Gulf Intracoastal Canal Association, Houston, Tex.
D (6) $262.50. E. (9) $33.69.

A. Dale Miller, 377 Mayflower Hotel, Washington, D.C. 20036.
B. Texasgulf, Inc., Stamford, Conn.
D. (6) $450. E. (9) $471.32.

A. Joe D. Miller, 535 North Dearborn Street, Chicago, Ill. 60610.
B. American Medical Association, 535 North Dearborn Street, Chicago, Ill. 60610.

A. Kirk Miller, American Farm Bureau Federation, 425 13th Street NW., Washington, D.C. 20004.
B. American Farm Bureau Federation, 225 Touhy Avenue, Park Ridge, Ill.
D. (6) $3,375. E. (9) $36.60.

A. Luman G. Miller, Oregon Railroad Association, 620 Southwest Fifth Avenue Building, Suite 912, Portland, Oreg. 97204.
B. Oregon Railroad Association,620 Southwest Fifth Avenue Building, Suite 912, Portland, Oreg. 97204.

A. R. Eric Miller, 1620 I Street NW., Suite 703, Washington, D.C. 20006.
B. Bechtel Corp., 1620 I Street NW., Suite 703, Washington, D.C. 20006.

A. William P. Miller, Jr., American Society of Mechanical Engineers, 2029 K Street NW., Washington, D.C. 20006.
B. American Society of Mechanical Engineers, 345 East 47th Street, New York, N.Y. 10017.
E. (9) $172.26.

A. Millman Broder & Curtis, 1730 M Street NW., Suite 908, Washington, D.C. 20036.
B. American Brotherhood for the Blind, 524 Fourth Street, Des Moines, Iowa 50309.
D. (6) $3,600. E. (9) $361.02.

A. Millman Broder & Curtis, 1730 M Street NW., Suite 908, Washington, D.C. 20036.
B. National Council of Senior Citizens, 1511 K Street NW., Washington, D.C. 20005.
D. (6) $4,500. E. (9) $1,678.70.

A. John F. Mills, 1776 K Street NW., Washington, D.C. 20006.
B. The Tobacco Institute, Inc., 1776 K Street NW., Washington, D.C. 20006.
D. (6) $1,200. E. (9) $180.

A. Linda F. Mills, 1629 K Street NW., Suite 300, Washington. D.C. 20006.
B. General Mills, Inc., P.O. Box 1113, Minneapolis, Minn. 55440.
D. (6) $300. E. (9) $450.

A. Edward J. Milne, 1140 Connecticut Avenue NW., Room 1010, Washington, D.C. 20036.
B. National Association of Electric Cos., 1140 Connecticut Avenue NW., Room 1010, Washington, D.C. 20036.
D. (6) $313. E. (9) $9.

A. Stephan M. Minikes, Butler, Binion, Rice, Cook & Knapp, 818 Connecticut Avenue NW., Washington, D.C. 20006.
B. Seatrain Lines, Inc., 1 Chase Manhattan Plaza, New York, N.Y. 10005.

A. Charles W. Mitchell, 7915 Sherwood Road, Ruxton, Md. 21204.
B. Americans for Alaska, P.O. Box 50, Riderwood, Md. 21139.
D. (6) $3,000. E. (9) $254.15.

A. Clarence Mitchell, NAACP, 733 15th Street NW., Suite 410, Washington, D.C. 20005.
B. National Association for the Advancement of Colored People, 1790 Broadway, New York, N.Y. 10019.
D. (6) $4,000.

A. Thomas F. Mitchell, Georgia-Pacific Corp., 1735 I Street NW., Washington, D.C. 20006.
B. Georgia-Pacific Corp., 900 Southwest Fifth Avenue, Portland, Oreg. 97204.
E. (9) $315.

A. Richard Mizrack, 270 Madison Avenue, New York, N.Y. 10016.
B. Wolf Haldenstein, Alder, Freeman & Herz, 270 Madison Avenue, New York, N.Y. 1006 (for Fallek-Lankro Corp., Tuscaloosa, Ala.)
D. (6) $300. E. (9) $82.

A. Stacey J. Mobley, 1701 Pennsylvania Avenue NW., Washington, D.C. 20006.
B. E. I. du Pont de Nemours & Co., 1007 Market Street, Wilmington, Del. 19898.

A. Phillip W. Moery, 612 East Capitol Street, No. 2, Washington, D.C. 20003.
B. Surrey, Karasik & Morse, 1156 15th Street NW., Washington, D.C. 20005.
D. (6) $354. E. (9) $41.

A. George Moffett, 1606 34th Street NW., Washington, D.C. 20007.
B. Committee of Americans for the Canal Treaties, Inc. (COACT), 1019 19th Street NW., Washington, D.C. 20036.
D. (6) $2,362.08. E. (9) $1,659.72.

A. Robert M. Moliter, General Electric Co., 777 14th Street NW., Washington, D.C. 20005.
B. General Electric Co., 3135 Easton Turnpike, Fairfield, Conn. 06431.
D. (6) $96.

A. John S. Monagan, Whitman & Ransom, 1730 Pennsylvania Avenue NW., Suite 1010, Washington, D.C. 20006.
B. Connecticut Bankers Association, 100 Constitution Plaza, Suite 956, Hartford, Conn.

A. John O. Mongoven, 6934 Stoneybrooke Lane, Alexandria, Va. 22306.
B. Committee of Americans for the Canal Treaties, Inc. (COACT), 1019 19th Street NW., Suite 1120, Washington, D.C. 20036.
D. (6) $1,500.

A. Montgomery Ward & Co., Inc., 1100 Connecticut Avenue NW., No. 530, Washington, D.C. 20036.
B. Montgomery Ward & Co., Inc., 535 West Chicago Avenue, Chicago, Ill. 60671.
D. (6) $338.50. E. (9) $150.

A. G. Merrill Moody, Association of American Railroads, 40 Ivy Street SE., Washington, D.C. 20003.
B. Association of American Railroads, 1920 L Street NW., Washington, D.C. 20036.
D. (6) $487.49. E. (9) $86.35.

A. Alan J. Moore, The Atchison, Topeka & Santa Fe Railway Co., Suite 840, 1100 Connecticut Avenue NW., Washington, D.C. 20036.
B. The Atchison, Topeka & Santa Fe Railway Co., 80 East Jackson Boulevard, Chicago, Ill. 60604.
D. (6) $1,000. E. (9) $150.

A. Clarence W. Moore, 407 Lincoln Road, Miami Beach, Fla. 33139; Barr Building 912, 910 17th Street NW., Washington, D.C. 20006.
B. National Barrel & Drum Association, 1028 Connecticut Avenue NW., Washington, D.C. 20036.
D. (6) $1,250.

A. L. Calvin Moore, Oil, Chemical & Atomic Workers International Union, 1126 16th Street NW., Washington, D.C. 20036.
B. Oil, Chemical & Atomic Workers International Union, 1636 Champa Street, Denver, Colo. 80201.
D. (6) $3,575. E. (9) $318.50.

A. Powell A. Moore, 1155 15th Street NW., Suite 424, Washington, D.C. 20005.
B. Mondakota Gas Co., P.O. Box 224, Billings, Mont. 59103.

A. Powell A. Moore, 1155 15th Street NW., Suite 424, Washington, D.C.
B. Southern Natural Gas Co., P.O. Box 2563, Birmingham, Ala. 35202.
D. (6) $1,495.

A. E. Joyce Morgan, American Mining Congress, 1100 Ring Building, Washington, D.C.
B. American Mining Congress, 1100 Ring Building, Washington, D.C.

A. Earl J. Morgan, 1150 17th Street NW., Washington, D.C. 20036.
B. McDonnell Douglas Corp., P.O. Box 516, St. Louis, Mo. 63166.
D. (6) $270. E. (9) $110.

A. Morgan, Lewis & Bockius, 1800 M Street NW., Suite 700 North, Washington, D.C. 20036.
B. Committee for Capital Formation Through Dividend Reinvestment, 1800 M Street NW., Suite 700 North, Washington, D.C. 20036.
D. (6) $300. E. (9) $200.

A. Morison, Murphy, Abrams & Haddock, 1776 K Street NW., Suite 900, Washington, D.C. 20006.
B. The Sperry & Hutchinson Co., 330 Madison Avenue, New York, N.Y. 10017.

A. Stephen C. Morrisette, NC Petroleum Council, P.O. Box 167, Raleigh, N.C. 27602.
B. American Petroleum Institute, 2101 L Street NW., Washington, D.C. 20037.

A. Alan B. Morrison, Public Citizen, Inc., Suite 700, 2000 P Street NW., Washington, D.C. 20036.
B. Public Citizen, Inc., P.O. Box 19404, Washington, D.C. 20036.
D. (6) $135. E. (9) $135.

A. Lynn E. Mote, Northern Natural Gas Co., 1133 15th Street NW., Suite 503, Washington, D.C. 20005.
B. Northern Natural Gas Co., 2223 Dodge Street, Omaha, Nebr. 68102.
D. (6) $2,000.

A. Walter L. Mote, Rocky Mountain Oil & Gas Association, 1155 15th Street NW., Suite 314, Washington, D.C. 20005.
B. Rocky Mountain Oil & Gas Association, 345 Petroleum Club Building, Denver, Colo. 80202.

A. David Moulton, Congress Watch, 133 C Street SE., Washington, D.C. 20003.
B. Congress Watch, 133 C Street SE., Washington, D.C. 20003.
D. (6) $2,000.

A. Roger L. Mozingo, The Tobacco Institute, 1776 K Street NW., Washington, D.C. 20006.
B. The Tobacco Institute, 1776 K Street NW., Washington, D.C. 20006.
D. (6) $130.

A. Karen Mulhauser, 825 15th Street NW., Washington, D.C. 20005.
B. National Abortion Rights Action League, 825 15th Street NW., Washington, D.C. 20005.
D. (6) $237.69.

A. Michael S. Mulkey, National Association of Manufacturers, 1776 F Street NW., Washington, D.C. 20006.
B. National Association of Manufacturers, 1776 F Street NW., Washington, D.C. 20006.

A. William G. Mullen, National Newspaper Association, 1627 K Street NW., Suite 400, Washington, D.C. 20006.
B. National Newspaper Association, 1627 K Street NW., Suite 400, Washington, D.C. 20006.
D. (6) $11,250.

A. Robert M. Mulligan, 910 17th Street NW., Washington, D.C. 20006.
B. International Association of Ice Cream Manufacturers & Milk Industry Foundation, 910 17th Street NW., Washington, D.C. 20006.

A. Mullin, Connor & Rhyne, P.C., 1000 Connecticut Avenue, Washington, D.C. 20036.
B. Alberto de la Vega-Ripol, 804 Garching, Konigsbergerstr. 2, West Germany.
E. (9) $32.57.

A. Tracy Mullin, National Retail Merchants Association, 1000 Connecticut Avenue NW., No. 700, Washington, D.C. 20036.
B. National Retail Merchants Association, 100 West 31st Street, New York, N.Y. 10001.
D. (6) $400. E. (9) $30.

A. Robert J. Mullins, 1012 14th Street NW., Washington, D.C. 20005.
B. The Farmers' Educational & Co-Operative Union of America, Denver, Colo. 80251; 1012 14th Street NW., Washington, D.C. 20005.
D. (6) $3,876.98. E. (9) $33.51.

A. Anne G. Murphy, 3415 South Stafford Street, Arlington, Va. 22206.
B. Public Broadcasting Service, 475 L'Enfant Plaza SW., Washington, D.C. 20024.
D. (6) $9,490. E. (9) $184.95.

A. Beverly Murphy, National Cable Television Association, Inc., 918 16th Street NW., Washington, D.C. 20006.
B. National Cable Television Association, Inc., 918 16th Street NW., Washintgon, D.C. 20006.
D. (6) $237.

A. William T. Murphy, Jr., 1730 Pennsylvania Avenue NW., Suite 1111, Washington, D.C. 20006.
B. American Natural Service Co., 1730 Pennsylvania Avenue NW., Suite 1111, Washington, D.C. 20006.
D. (6) $2,500. E. (9) $1,200.

A. D. Michael Murray, 1120 Connecticut Avenue NW., No. 1128, Washington, D.C. 20036
B. Chicago, Milwaukee, St. Paul & Pacific RR., 516 West Jackson Boulevard, Chicago, Ill. 60606.
D. (6) $300. E. (9) $76

A. D. Michael Murray, 1120 Connecticut Avenue NW., No. 1128, Washington, D.C. 20036.
B. The Cleveland-Cliffs Iron Co., 1460 Union Commerce Building, Cleveland, Ohio 44115.
D. (6) $150. E. (9) $25.

A. D. Michael Murray, 1120 Connecticut Avenue NW., No. 1128, Washington, D.C. 20036.
B Freeport Minerals Co., 161 East 42d Street, New York, N.Y. 10017.
D. (6) $200. E. (9) $40.

A. D. Michael Murray, 1120 Connecticut Avenue NW., No. 1128, Washington, D.C. 20036.
B. Iron Ore Lessors Association, Inc., 1500 First National Bank Building, St. Paul, Minn. 55101.
D. (6) $150.

A. D. Michael Murray, 1120 Connecticut Avenue NW., No. 1128, Washington, D.C. 20036.
B. LTV Corp., P.O. Box 5003, Dallas, Tex. 75222.
D. (6) $200.

A. D. Michael Murray, 1120 Connecticut Avenue NW., No. 1128, Washington, D.C. 20036.
B. National Association of Industrial & Office Parks, 1901 Fort Myer Drive, No. 1100, Arlington, Va. 22209.
D. (6) $250. E. (9) $105.

A. D. Michael Murray, 1120 Connecticut Avenue NW., No. 1128, Washington, D.C. 20036.
B. National Council of Coal Lessors, 1130 17th Street NW., Washington, D.C. 20035.
D. (6) $150. E. (9) $45.

A. William E. Murray, 2000 Florida Avenue NW., Washington, D.C. 20009.
B. National Rural Electric Cooperative Association, 2000 Florida Avenue NW., Washington, D.C. 20009.
D. (6) $170.50.

A. Harold D. Muth, 1600 Wilson Boulevard, Suite 1101, Arlington, Va. 22209.
B. The American Waterways Operators, Inc., 1600 Wilson Boulevard, Suite 1101, Arlington, Va. 22209.
D. (6) $300.

A. Fred J. Mutz, 1120 Connecticut Avenue NW., Washington, D.C. 20036.
B. American Bankers Association, 1120 Connecticut Avenue NW., Washington, D.C. 20036.
D. (6) $2,500. E. (9) $159.90.

A. Gary D. Myers, The Fertilizer Institute, 1015 18th Street NW., Washington, D.C. 20036.
B. The Fertilizer Institute, 1015 18th Street NW., Washington, D.C. 20036.
D. (6) $500. E. (9) $235.74.

A. Daniel Nachtigal, Morgan, Lewis & Bockius, Suite 700 North, 1800 M Street NW., Washington, D.C. 20036.
B. Committee For Capital Formation Through Dividend Reinvestment, Suite 700 North, 1800 M Street NW., Washington, D.C. 20036.

A. Gerald P. Nagy, National Home Furnishings Association, 1025 Vermont Avenue NW., Washington, D.C. 20005.
B. National Home Furnishings Association, 405 Merchandise Mart, Chicago, Ill. 60654.
D. (6) $300.

A. John J. Nangle, National Association of Independent Insurers, 1625 I Street NW., Suite 1001, Washington, D.C. 20006.
B. National Association of Independent Insurers, 2600 River Road, Des Plaines, Ill. 60018.
D. (6) $250.

A. Raymond Nathan, 5025 Garfield Street NW., Washington, D.C. 20016.
B. American Ethical Union, 2 West 64th Street, New York, N.Y. 10023.
D. (6) $750. E. (9) $353.93.

A. National Abortion Rights Action League, 825 15th Street NW., Washington, D.C. 20005.
D. (6) $170,365.23. E. (9) $20,457.45.

A. National Agricultural Chemicals Association, 1155 15th Street NW., Washington, D.C. 20005.
D. (6) $274.75. E. (9) $274.75.

A. National Association for Humane Legislation, Inc., 675 Pinellas Point Drive South, St. Petersburg, Fla. 33705.
D. (6) $35.92.

A. National Association of Chain Drug Stores, Inc., 1911 Jefferson Davis Highway, Suite 504, Arlington, Va. 22202.
E. (9) $3,326.78.

A. National Association of Electric Cos., 1140 Connecticut Avenue NW., Suite 1010, Washington, D.C. 20036.
D. (6) $9,237. E. (9) $9,376.

A. National Association of Federal Veterinarians, Suite 836, 1522 K Street NW., Washington, D.C. 20005.
E. (9) $111.64.

A. National Association of Furniture Manufacturers, 8401 Connecticut Avenue, Suite 911, Washington, D.C. 20015.
D. (6) $1,750. E. (9) $1,230.

A. National Association of Letter Carriers, 100 Indiana Avenue NW., Washington, D.C. 20001.
D. (6) $1,555,974.05. E. (9) $108,685.79.

A. National Association of Manufacturers, 1776 F Street NW., Washington, D.C.
D. (6) $80,091.80. E. (9) $80,091.80.

A. National Association of Mutual Insurance Cos., 7931 Castleway Drive, Indianapolis, Ind. 46250.

A. National Association of Mutual Savings Banks, 200 Park Avenue, New York, N.Y. 10017.
D. (6) $9,553.18. E. (9) $9,553.18.

A. National Association of Pension Consultants and Administrators, Inc., 151 Ellis Street NE., Atlanta, Ga. 30303.
D. (6) $2,150. E. (9) $7,017.31.

A. National Association of Real Estate Investment Trusts, Inc., 1101 17th Street, No. 700, Washington, D.C. 20036.
D. (6) $1,800. E. (9) $1,797.94.

A. National Association of Realtors, 430 North Michigan Avenue, Chicago, Ill., 925 15th Street NW., Washington, D.C.
E. (9) $29,348.11.

A. National Association of Wheat Growers, 1030 15th Street NW., Suite 1030, Washington, D.C. 20005.
D. (6) $17,458.15. E. (9) $7,156.71.

A. National Audio-Visual Association, Inc., 3150 Spring Street, Fairfax, Va. 22031.
D. (6) $24,339.28. E. (9) $8,076.96.

A. National Broiler Council, 1155 15th Street NW., Washington, D.C. 20005.
D. (6) $1,650. E. (9) $1,650.

A. National Business Aircraft Association, One Farragut Square South, Washington, D.C. 20006.
E. (9) $11.25.

A. National Cable Television Association, Inc., 918 16th Street NW., Washington, D.C. 20006.
D. (6) $14,699.50. E. (9) $16,136.50.

A. National Cattlemen's Association, 1001 Lincoln Street, Denver, Colo. 80203.
E. (9) $4,040.

A. National Citizens Communications Lobby, P.O. Box 19101, Washington, D.C. 20036.
D. (6) $2,980. E. (9) $2,809.10.

A. National Associated Businessmen, Inc., 1000 Connecticut Avenue NW., Washington, D.C. 20036.
D. (6) $1,555.75. E. (9) $1,094.09.

A. National Coal Association, Coal Building, Washington, D.C. 20036.
D. (6) $877,784.91. E. (9) $6,648.61.

A. National Committee Against Repressive Legislation, 1250 Wilshire Boulevard, Los Angeles, Calif. 90017.
D. (6) $3,454.73. E. (9) $6,965.92.

A. National Committee for a Human Life Amendment, Inc., 1707 L Street NW., No. 400, Washington, D.C. 20036.
D. (6) $57,097.66. E. (9) $13,972.30.

A. National Committee for Research in Neurological and Communicative Disorders, 927 National Press Building, Washington, D.C. 20045.
D. (6) $1,350. E. (9) $2,991.52.

A. National Cotton Council of America, P.O. Box 12285, Memphis, Tenn. 38112.
D. (6) $23,129.59. E. (9) $23,129.59.

A. National Council for a Responsible Firearms Policy, Inc., 1028 Connecticut Avenue NW., Washington, D.C. 20036.
D. (6) $167. E. (9) $320.

A. National Council for a World Peace Tax Fund. 2111 Florida Avenue NW., Washington, D.C. 20008.
D. (6) $9,502.42. E. (9) $11,336.05.

A. National Electrical Manufacturers Association, 2101 L Street NW., Washington, D.C. 20037.
D. (6) $3,239.05. E. (9) $3,239.05.

A. National Federation of Licensed Practical Nurses, 888 Seventh Avenue, New York, N.Y. 10019.
D. (6) $1,645. E. (9) $1,645.

A. National Forest Products Association, 1619 Massachusetts Avenue NW., Washington, D.C. 20036.
D. (6) $24,029.99. E. (9) $24,029.99.

A. National Grain and Feed Association, 725 15th Street NW., Washington, D.C. 20005.
E. (9) $50.

A. National Guard Association of the United States, 1 Massachusetts Avenue NW., Washington, D.C. 20001.
D. (6) $2,540.20. E. (9) $2,494.31.

A. National Home Furnishings Association, 405 Merchandise Mart, Chicago, Ill. 60654.
E. (9) $482.41.

A. National Housing Conference, Inc., 1126 16th Street NW., Washington, D.C. 20036.
D. (6) $52,058.26. E. (9) $54,937.44.

A. National Leased Housing Association, Suite 400 South, 1800 M Street NW., Washington, D.C. 20036.
D. (6) $450. E. (9) $450.

A. National Limestone Institute, Inc., 3251 Old Lee Highway, Suite 501, Fairfax, Va. 22030.
D. (6) $6,472.39. E. (9) $6,472.39.

A. National Milk Producers Federation, 30 F Street NW., Washington, D.C. 20001.
D. (6) $5,907.45. E. (9) $5,907.45.

A. National Motorsports Committee of ACCUS, Suite 302, 1735 K Street NW., Washington, D.C. 20006.
E. (9) $156.59.

A. National Oil Jobbers Council, Inc., 1707 H Street NW., 11th Floor, Washington, D.C. 20006.
D. (6) $127,641.77. E. (9) $66,192.64.

A. National Organization for the Reform of Marijuana Laws, 2317 M Street NW., Washington, D.C. 20037.
D. (6) $90,535. E. (9) $121,705.

A. National Pest Control Association, 8150 Leesburg Pike, Suite 1100, Vienna, Va. 22180.
D. (6) $6,300. E. (9) $5,798.70.

A. National Rehabilitation Association, 1522 K Street NW., Washington, D.C. 20005.
E. (9) $5,200.

A. National Retail Merchants Association, 100 West 31st Street, New York, N.Y. 10001.
D. (6) $200. E. (9) $3,340.

A. National Right to Work Committee, 8316 Arlington Boulevard, Suite 600, Fairfax, Va. 20038.
D. (6) $4,736. E. (9) $4,736.

A. National Rural Electric Cooperative Association, 2000 Florida Avenue NW., Washington, D.C. 20009.
E. (9) $4,997.87.

A. National Security Traders Association, Inc., 55 Broad Street, New York, N.Y. 10004.
E. (9) $1,875.

A. National Small Business Association, 1604 K Street NW., Washington, D.C. 20006.
D. (6) $5,000. E. (9) $2,600.

A. National Small Business Index, Rural Route 1, Aitkin, Minn. 56431.

A. National Society of Professional Engineers, 2029 K Street NW., Washington, D.C. 20006.
D. (6) $12,500. E. (9) $12,200.

A. National Soft Drink Association, 1101 16th Street NW., Washington, D.C. 20036.
E. (9) $164.12.

A. National Solid Wastes Management Association, 1120 Connecticut Avenue NW., No. 930, Washington, D.C. 20036.

A. National Telephone Cooperative Association, 2626 Pennsylvania Avenue NW., Washington, D.C. 20037.
E. (9) $5,965.

A. National Tire Dealers and Retreaders Association, 1343 L Street NW., Washington, D.C. 20005.
D. (6) $1,000. E. (9) $1,000.

A. Natural Gas Supply Committee, 1025 Connecticut Avenue NW., No. 505, Washington, D.C. 20036.
D. (6) $56,750. E. (9) $19,085.13.

A. Nazario & Ortiz-Daliot, 1522 K Street NW., Suite 410, Washington, D.C. 20005.
B. The Puerto Rico Mayors Association, 1510 Ponce de León Avenue, Santurce, P.R. 00909.
E. (9) $4.

A. Alexander W. Neale, Jr., Conference of State Bank Supervisors, 1015 18th Street NW., Washington, D.C. 20036.
B. Conference of State Bank Supervisors, 1015 18th Street NW., Washington, D.C. 20036.
D. (6) $2,762. E. (9) $7,439.85.

A. Alan M. Nedry, 1801 K Street NW., Suite 1041, Washington, D.C. 20006.
B. Southern California Edison Co., P.O. Box 800, Rosemead, Calif. 91770.
D. (6) $350. E. (9) $200.

A. Louis J. Nelson III, National Association of Manufacturers, 1776 F Street NW., Washington, D.C. 20006.
B. National Association of Manufacturers, 1776 F Street NW., Washington, D.C. 20006
D. (6) $925.

A. Mark D. Nelson, 1701 Pennsylvania Avenue NW., Washington, D.C. 20006.
B. E. I. du Pont de Nemours & Co., 1007 Market Street, Wilmington, Del. 19898.

A. Robert W. Nelson, 2000 Florida Avenue NW., Washington, D.C. 20009.
B. National Rural Electric Cooperative Association, 2000 Florida Avenue NW., Washington, D.C. 20009.
D. (6) $160.

A. NETWORK, 1029 Vermont Avenue NW., No. 650, Washington, D.C. 20005.
D. (6) $17,390.83. E. (9) $16,364.73.

A. Robert B. Neville, National Restaurant Association, 1850 K Street NW., Suite 850, Washington, D.C. 20006.
B. National Restaurant Association, 1850 K Street NW., Washington, D.C.; One IBM Plaza, Suite 2600, Chicago, Ill.
D. (6) $5,400. E. (9) $9,758.02.

A. Louis H. Nevins, 1709 New York Avenue NW., Suite 200, Washington, D.C. 20006.
B. National Association of Mutual Savings Banks, 200 Park Avenue, New York, N.Y. 10017.
D. (6) $3,250. E. (9) $899.86.

A. New England Fish Co., Pier 89, Seattle, Wash. 98119.
D. (6) $2,124. E. (9) $1,548.

A. Kathryn L. Newman, 1101 15th Street NW., Washington, D.C. 20005.
B. Republic Steel Corp., Republic Building, Cleveland, Ohio 44101.

A. Thomas E. Newman, National Association of Manufacturers, 1719 Route 10, Parsippany, N.J. 07054.
B. National Association of Manufacturers, 1776 F Street NW., Washington, D.C. 20006.
D. (6) $250.

A. New York Committee of International Committee of Passenger Lines, 25 Broadway, New York, N.Y. 10004.
D. (6) $31,500. E. (9) $24,996.

A. Charles E. Nichols, 101 Constitution Avenue NW., Washington, D.C. 20001.
B. United Brotherhood of Carpenters and Joiners of America, 101 Constitution Avenue NW., Washington, D.C. 20001.
D. (6) $1,987.31. E. (9) $527.93.

A. F. Clayton Nicholson, Box 15, Route 1, Henryville, Pa. 18332.
B. Northern Helex Co., 2223 Dodge Street, Omaha, Nebr. 68102.
D. (6) $2,225. E. (9) $668.

A. Donald R. Niemi, Caterpillar Tractor Co., 100 Northeast Adams Street, Peoria, Ill. 61629.
B. Caterpillar Tractor Co., 100 Northeast Adams Street, Peoria, Ill. 61629.
D. (6) $1,300. E. (9) $1,128.85.

A. Patrick J. Nilan, American Postal Workers Union, AFL–CIO, 817 14th Street NW., Washington, D.C. 20005.
B. American Postal Workers Union, AFL–CIO, 817 14th Street NW., Washington, D.C. 20005.
D. (6) $11,439.95. E. (9) $7,356.94.

A. 19th Pro-Life Congressional District Action Committee, 409 North Third Street, Lompoc, Calif. 93436.
E. (9) $13.93.

A. Nan Fielding Nixon, 309 Fourth Street SE., Apt. 7, Washington, D.C. 20003.
B. Office of Government and Community Affairs, et al., Grays Hall 16, Harvard University, Cambridge, Mass.
D. (6) $6,600. E. (9) $930.05.

A. NL Industries, Inc., 1230 Avenue of the Americas, New York, N.Y. 10020.
E. (9) $3,000.

A. H. Christopher Nolde, National Soft Drink Association, 1101 16th Street NW., Washington, D.C. 20036.
B. National Soft Drink Association, 1101 16th Street NW., Washington, D.C. 20036.

A. Charles M. Noone, 490 L'Enfant Plaza East, No. 3306, Washington, D.C. 20024.
B. National Association of Small Business Investment Co., 512 Washington Building, Washington, D.C. 20005.
D. (6) $1,500. E. (9) $379.44.

A. Richard B. Norment IV, 2 Militia Drive, Lexington, Mass. 02173.
B. National Association of Manufacturers, 1776 F Street NW., Washington, D.C. 20006.
D. (6) $475.

A. North American Export Grain Association, Inc., 1800 M Street NW., Washington, D.C. 20036.
E. (9) $17,125.

A. Northeast Utilities Service Co., Selden Street, Berlin, Conn.
E. (9) $2,271.02.

A. N.O.S.I. ("Not One Square Inch"), 4082 Howard Street, Los Alamitos, Calif. 90720.
E. (9) $50.04.

A. Seward P. Nyman, 20 Chevy Chase Circle, Washington, D.C. 20015.
B. American Podiatry Association, 20 Chevy Chase Circle, Washington, D.C. 20015.
D. (6) $850.

A. Mary E. Oakes, 1800 K Street NW., Washington, D.C. 20006.
B. Hercules Inc., 910 Market Street, Wilmington, Del. 19899.
D. (6) $618. E. (9) $111.

A. Coleman C. O'Brien, United States League of Savings Associations, 1709 New York Avenue NW., Suite 801, Washington, D.C. 20006.
B. United States League of Savings Associations, 111 East Wacker Drive, Chicago, Ill.
D. (6) $3,000. E. (9) $52.65.

A. John F. O'Brien, Connecticut Petroleum Council, 410 Asylum Street, Hartford, Conn. 06103.
B. American Petroleum Institute, 2101 L Street NW., Washington, D.C. 20037.

A. Raymond V. O'Brien, International Telephone & Telegraph Corp., 1707 L Street NW., Suite 200, Washington, D.C. 20036.
B. International Telephone & Telegraph Corp., 320 Park Avenue, New York, N.Y. 10022.
D. (6) $200. E. (9) $30.

A. W. Brice O'Brien, American Mining Congress, 1100 Ring Building, Washington, D.C.
B. American Mining Congress, 1100 Ring Building, Washington, D.C.
D. (6) $436.20. E. (9) $25.

A. G. H. Ochenrider, Grumman Aerospace Corp., 1600 Wilson Boulevard, Arlington, Va. 22209.
B. Grumman Aerospace Corp., Bethpage, N.Y. 11714.
D. (6) $2,500. E. (9) $1,100.

A. William B. O'Connell, 111 East Wacker Drive, Chicago, Ill. 60601.
B. United States League of Savings Associations, 111 East Wacker Drive, Chicago, Ill. 60601.
D. (6) $1,450. E. (9) $487.44.

A. O'Connor & Hannan, 1747 Pennsylvania Avenue NW., Suite 600, Washington, D.C. 20006.
B. American Clinical Laboratory Association, 1747 Pennsylvania Avenue NW., Suite 600, Washington, D.C. 20006.
D. (6) $3,500. E. (9) $196.13.

A. O'Connor & Hannan, 1747 Pennsylvania Avenue NW., Washington, D.C. 20006.
B. American Institute of Certified Public Accountants, 1620 I Street NW., Washington, D.C. 20006.
D. (6) $3,670.44. E. (9) $355.84.

A. O'Connor & Hannan, 1747 Pennsylvania Avenue NW., Washington, D.C. 20006.
B. American Public Transit Association, 1100 17th Street NW., Washington, D.C. 20036.
D. (6) $3,750. E. (9) $333.20.

A. O'Connor & Hannan, 1747 Pennsylvania Avenue NW., Washington, D.C. 20006.
B. American Retail Federation, 1616 H Street NW., Washington, D.C. 20006.

A. O'Connor & Hannan, 1747 Pennsylvania Avenue NW., Washington, D.C. 20006.
B. Association of General Merchandise Chains, 1625 I Street NW., Suite 1022, Washington, D.C. 20006.

A. O'Connor & Hannan, 1747 Pennsylvania Avenue NW., Washington, D.C. 20006.
B. Hennepin County, 2300 Government Center, Minneapolis, Minn. 55487.
D. (6) $10,412.50. E. (9) $1,040.

A. O'Connor & Hannan, 1747 Pennsylvania Avenue NW., Washington, D.C. 20006.
B. Hospital Financing Study Group, New York, N.Y.
D. (6) $2,500. E. (9) $466.27.

A. O'Connor & Hannan, 1747 Pennsylvania Avenue NW., Washington, D.C. 20006.
B. Minneapolis City Council, 307 City Hall, Minneapolis, Minn. 55415.
D. (6) $10,282.50. E. (9) $1,023.

A. O'Connor & Hannan, 1747 Pennsylvania Avenue NW., Washington, D.C. 20006.
B. National Association of Personnel Consultants, 1835 K Street NW., Washington, D.C. 20006.
D. (6) $750.

A. O'Connor & Hannan, 1747 Pennsylvania Avenue NW., Washington, D.C. 20006.
B. National Committee for Quality Health Care, New York, N.Y.,
D. (6) $1,000. E. (9) $250.

A. O'Connor & Hannan, 1747 Pennsylvania Avenue NW., Washington, D.C. 20006.
B. National Retail Merchants Association, 1000 Connecticut Avenue NW., Washington, D.C. 20036.

A. O'Connor & Hannan, 1747 Pennsylvania Avenue NW., Washington, D.C. 20006.

B. John Nuveen & Co., Inc., 209 South LaSalle Street, Chicago, Ill. 60604.

A. O'Connor & Hannan, 1747 Pennsylvania Avenue NW., Washington, D.C. 20006.
B. Securities Industry Association, 490 L'Enfant Plaza East SW., Washington, D.C. 20024.
D. (6) $3,333.33. E. (9) $389.06.

A. L. L. O'Connor, 20 North Wacker Drive, Chicago, Ill. 60606.
B. Profit Sharing Council of America, 20 North Wacker Drive, Chicago, Ill. 60606.

A. Robert C. Odle, Jr., International Paper Co., 1620 I Street NW., No. 700, Washington, D.C. 20006.
B. International Paper Co., 1620 I Street NW., Suite 700, Washington, D.C. 20006.
D. (6) $400. E. (9) $100.

A. John A. O'Donnell, 1001 Connecticut Avenue NW., No. 716, Washington, D.C. 20036.
B. Philippine Sugar Commission.
D. (6) $3,000. E. (9) $250.

A. Neil H. Offen, 1730 M Street NW., Washington, D.C. 20036.
B. Direct Seling Association, 1730 M Street NW., Washington, D.C. 20036.
D. (6) $3,400. E. (9) $257.15.

A. Kathleen L. O'Flaherty, American Bankers Association, 1120 Connecticut Avenue NW., Washington, D.C. 20036.
B. American Bankers Association, 1120 Connecticut Avenue NW., Washington, D.C. 20036.
D. (6) $175. E. (9) $12.

A. Jane O'Grady, AFL–CIO, 815 16th Street NW., Washington, D.C.
B. American Federation of Labor and Congress of Industrial Organizations, 815 16th Street NW., Washington, D.C.
D. (6) $9,154.30.

A. Bartley O'Hara, 25 Louisiana Avenue NW., Washington, D.C. 20001.
B. International Brotherhood of Teamsters, 25 Louisiana Avenue NW., Washington, D.C. 20001.
D. (6) $8,025.

A. James G. O'Hara, Patton, Boggs & Blow, 1200 17th Street NW., Washington, D.C. 20036.
B. American Federation of Teachers, 11 Dupont Circle NW., Washington, D.C. 20036.
D. (6) $62.50.

A. James G. O'Hara, Patton, Boggs & Blow, 1200 17th Street NW., Washington, D.C. 20036.
B. General Motors Corp., 1660 L Street NW., Washington, D.C. 20036.
D. (6) $437.50.

A. Alvin E. Oliver, 725 15th Street NW., Washington, D.C. 20005.
B. National Grain & Feed Association, P.O. Box 28328, Washington, D.C. 20005.

A. Nancy J. Olson, Johns-Manville Corp., 1025 Connecticut Avenue NW., Suite 214, Washington, D.C. 20036.
B. Johns-Manville Corp., P.O. Box 5108, Denver, Colo. 80217.
D. (6) $400. E. (9) $500.

A. Roy E. Olson, 260 Madison Avenue, New York, N.Y. 10016.
B. American Paper Institute, Inc., 260 Madison Avenue, New York, N.Y. 10016.

A. George C. P. Olsson, 25 Clifford Road, Plymouth, Mass. 02360.
B. Ocean Spray Cranberries, Inc., Plymouth, Mass. 02360.
D. (6) $337.50.

A. Olwine, Connelly, Chase, O'Donnell & Weyher, 299 Park Avenue, New York, N.Y. 10017.
B. U.S. Industries, Inc., 250 Park Avenue, New York, N.Y. 10017.
D. (6) $2,520. E. (9) $232.14.

A. Samuel Omasta, 3251 Old Lee Highway, Suite 501, Fairfax, Va. 22030.
B. National Limestone Institute, Inc., 3251 Old Lee Highway, Suite 501, Fairfax, Va. 22030.
E. (9) $36.80.

A. R. E. Omohundro, National Association of Federal Veterinarians, Suite 836, 1522 K Street NW., Washington, D.C. 20005.
B. National Association of Federal Veterinarians, Suite 836, 1522 K Street NW., Washington, D.C. 20005.
D. (6) $59.12.

A. Hugh L. O'Neill, 324 North Pitt Street, Alexandria, Va. 22314.
B. Committee of Americans for the Canal Treaties, Inc., 1019 19th Street NW., Suite 1120, Washington, D.C. 20036.
D. (6) $1,500.

A. Townes Osborn, National Citizens Communications Lobby, 1028 Connecticut Avenue, Washington, D.C. 20036.
B. National Citizens Communications Lobby, 1028 Connecticut Avenue, Suite 918, Washington, D.C. 20036.

A. Roland A. Quellette General Motors Corp., 1660 L Street NW., Suite 501, Washington, D.C. 20036.
B. General Motors Corp., 3044 West Grand Boulevard, Detroit, Mich.
D. (6) $3,600. E. (9) $5,322.55.

A. Outdoor Power Equipment Institute, Inc., 1901 L Street NW., Suite 700, Washington, D.C. 20036.

A. J. Allen Overton, Jr., American Mining Congress, 1100 Ring Building, Washington, D.C.
B. American Mining Congress, 1100 Ring Building, Washington, D.C.
D. (6) $700.61. E. (9) $82.75.

A. William H. Owens, Jr., 1101 17th Street NW., Washington, D.C. 20036.
B. American Dental Association, 1101 17th Street NW, Washington, D.C. 20036.
D. (6) $1,000.

A. Raymond S. Page, Jr., Mill Creek Terrace, Gladwyne, Pa. 19035.
B. Campbell Soup Co., Campbell Place, Camden, N.J. 08101.

A. Henry S. Palau, 1625 I Street NW., Washington, D.C. 20006.
B. The Retired Officers Association, 1625 I Street NW., Washington, D.C. 20006.
D. (6) $547.

A. Fred Panzer, 1776 K Street NW., Washington, D.C. 20006.
B. The Tobacco Institute, Inc., 1776 K Street NW., No. 1200, Washington, D.C. 20006.
D. (6) $480. E. (9) $350.

A. Paperboard Packaging Council, 1800 K Street NW., Suite 600, Washington, D.C. 20006.
E. (9) $412.40.

A. G. Oliver Papps, New Jersey Petroleum Council, 170 West State Street, Trenton, N.J. 08608.
B. American Petroleum Institute, 2101 L Street NW., Washington, D.C. 20037.
D. (6) $10.

A. Herschell E. Parent, Arkansas Petroleum Council, 302 Commercial National Bank Building, Little Rock, Ark. 72201.
B. American Petroleum Institute, 2101 L Street NW., Washington, D.C. 20037.
E. (9) $9.20.

A. Joel B. Paris, III, P.O. Box 28031, Atlanta, Ga. 30328.
B. Northrop Corp., 1701 North Fort Myer Drive, Suite 208, Arlington, Va. 22209.

A. Tom E. Paro, Association of Maximum Service Telecasters, Inc., 1735 DeSales Street N.W., Washington, D.C. 20036.
B. Association of Maximum Service Telecasters, Inc., 1735 DeSales Street NW., Washington, D.C. 20036.

A. Robert D. Partridge, 2000 Florida Avenue NW., Washington, D.C. 20009.
B. National Rural Electric Cooperative Association, 2000 Florida Avenue NW., Washington, D.C. 20009.
D. (6) $312.32.

A. Nicholas D. Pasco, 600 New Hampshire Avenue NW., Suite 420, Washington, D.C. 20037.
B. Shipbuilders Council of America, 600 New Hampshire Avenue NW., Suite 420, Washington, D.C. 20037.
D. (6) $800. E. (9) $225.

A. Howard G. Paster, United Automobile, Aerospace & Agricultural Implement Workers of America, 1125 15th Street NW., Washington, D.C. 20005.
B. International Union, United Automobile, Aerospace & Agricultural Implement Workers of America, 8000 East Jefferson Avenue, Detroit, Mich. 48214.
D. (6) $10,959.36. E. (9) $933.28.

A. Richard M. Patterson, 1800 M Street NW., Suite 700S, Washington, D.C. 20036.
B. The Dow Chemical Co., Midland, Mich. 48640.
D. (6) $500. E. (9) $239.50.

A. William H. Patterson, General Electric Co., 777 14th Street NW., Washington, D.C.
B. General Electric Co., 777 14th Street NW., Washington, D.C.
D. (6) $115.

A. Kenton Pattie, National Audio-Visual Association, Inc., 3150 Spring Street, Fairfax, Va. 22031.
B. National Audio-Visual Association, Inc., 3150 Spring Street, Fairfax Va. 22031.
D. (6) $2,512.25.

A. Patton, Boggs & Blow, 1200 17th Street NW., Washington, D.C. 20036.
D. (6) $13,975.

A. Patton, Boggs & Blow, 1200 17th Street NW., Washington, D.C. 20036.
B. Ad Hoc Committee on Section 602, 1101 16th Street NW., Suite 300, Washington, D.C. 20006.
D. (6) $450. E. (9) $360.

A. Patton, Boggs & Blow, 1200 17th Street NW., Washington, D.C. 20036.
B. Ad Hoc Committee of Zonal Electric Heating Manufacturers, 150 Avenue L, Newark, N.J. 07101.

A. Patton, Boggs & Blow, 1200 17th Street NW., Washington, D.C. 20036.

B. Air Products & Chemicals, Inc., P.O. Box 538, Allentown, Pa. 18105.
D. (6) $57.50. E. (9) $25.

A. Patton, Boggs & Blow, 1200 17th Street NW., Washington, D.C. 20036.
B. Alyeska Pipeline Service Corp., P.O. Box 576, Bellevue, Wash. 98004.

A. Patton, Boggs & Blow, 1200 17th Street NW., Washington, D.C. 20036.
B. American Guild of Authors and Composers, 50 West 57th Street, New York, N.Y. 10019.

A. Patton, Boggs & Blow, 1200 17th Street NW., Washington, D.C. 20036.
B. American Imported Automobile Dealers Association, 1129 20th Street NW., Washington, D.C. 20036.
D. (6) $240.

A. Patton, Boggs & Blow, 1200 17th Street NW., Washington, D.C. 20036.
B. American Maritime Association, 17 Battery Place, New York, N.Y. 10004.

A. Patton, Boggs & Blow, 1200 17th Street NW., Washington, D.C. 20036.
B. American Retail Federation, 1616 H Street NW., Washington, D.C. 20006.
D. (6) $1,400. E. (9) $11.

A. Patton, Boggs & Blow, 1200 17th Street NW., Washington, D.C. 20036.
B. American Society of Association Executives, 1101 16th Street NW., Washington, D.C. 20036.
D. (6) $680. E. (9) $10.

A. Patton, Boggs & Blow, 1200 17th Street NW., Washington, D.C. 20036.
B. AMFAC, Inc., 700 Bishop Street, Honolulu, Hawaii 96801.

A. Patton, Boggs & Blow, 1200 17th Street NW., Washington, D.C. 20036.
B. Armco Steel Corp., General Offices, Middletown, Ohio 45042.
D. (6) $1,060.

A. Patton, Boggs & Blow, 1200 17th Street NW., Washington, D.C. 20036.
B. Association of General Merchandise Chains, 1625 I Street NW., Washington, D.C. 20006.
D. (6) $200.

A. Patton, Boggs & Blow, 1200 17th Street NW., Washington, D.C. 20036.
B. Association of Oil Pipelines, 1725 K Street, Washington, D.C. 20006.

A. Patton, Boggs & Blow, 1200 17th Street NW., Washington, D.C. 20036.
B. Association of Trial Lawyers of America, 20 Garden Street, Cambridge, Mass. 02138.
D. (6) $4,500. E. (9) $189.

A. Patton, Boggs & Blow, 1200 17th Street NW., Washington, D.C. 20036.
B. Bath Iron Works Corp., 700 Washington Street, Bath, Maine 04530.

A. Patton, Boggs & Blow, 1200 17th Street NW., Washington, D.C. 20036.
B. Boating Industry Association, 401 North Michigan Avenue, Chicago, Ill. 60601; National Association of Engine & Boat Manufacturers, P.O. Box 5555, Grand Central Station, New York, N.Y. 10017.
D. (6) $815.95. E. (9) $2,520.

A. Patton, Boggs & Blow, 1200 17th Street NW., Washington, D.C. 20036.
B. The Business Roundtable, 1801 K Street NW., Washington, D.C. 20006.

A. Patton, Boggs & Blow, 1200 17th Street NW., Washington, D.C. 20036.
B. Central American Sugar Council, 1200 17 Street NW., Washington, D.C. 20036.

A. Patton, Boggs & Blow, 1200 17th Street NW., Washington, D.C. 20036.
B. Chicago Board Options Exchange, LaSalle at Jackson, Chicago, Ill. 60604.
D. (6) $520.

A. Patton, Boggs & Blow, 1200 17th Street NW., Washington, D.C. 20036.
B. Chippewa-Cree Tribe, Rocky Boy Reservation, Box Elder, Mont. 59521.

A. Patton, Boggs & Blow, 1200 17th Street NW., Washington, D.C. 20036.
B. City of Birmingham, City Hall, Birmingham, Ala. 35203.

A. Patton, Boggs & Blow, 1200 17th Street NW., Washington, D.C. 20036.
B. Committee Concerned with the Safe Banking Act, 5500 Veterans Memorial Boulevard, Metairie, La. 70003.
D. (6) $1,100. E. (9) $305.80.

A. Patton, Boggs & Blow, 1200 17th Street NW., Washington, D.C. 20036.
B. Council of State Chambers of Commerce, 1028 Connecticut Avenue NW., Suite 1018, Washington, D.C. 20036.
D. (6) $530. E. (9) $25.

A. Patton, Boggs & Blow, 1200 17th Street NW., Washington, D.C. 20036.
B. Donaldson, Lufkin & Jenrette, Inc., 140 Broadway, New York, N.Y. 10005.

A. Patton, Boggs & Blow, 1200 17th Street NW., Washington, D.C. 20036.
B. Federal Pacific Electric Co., 150 Avenue L, Newark, N.J. 07101.

A. Patton, Boggs & Blow, 1200 17th Street NW., Washington, D.C. 20036.
B. Frontier Spar Corp., P.O. Box 235, Salem, Ky. 42078.

A. Patton, Boggs & Blow, 1200 17th Street NW., Washington, D.C. 20036.
B. General Mills Corp., 9200 Wayzata Boulevard, Minneapolis, Minn. 55426.
D. (6) $515.

A. Patton, Boggs & Blow, 1200 17th Street NW., Washington, D.C. 20036.
B. Hobby Industry of America, 200 Fifth Avenue, New York, N.Y. 10010.

A. Patton, Boggs & Blow, 1200 17th Street NW., Washington, D.C. 20036.
B. Independent U.S. Tanker Owners Committee, 1612 K Street NW., Suite 510, Washington, D.C. 20006.

A. Patton, Boggs & Blow, 1200 17th Street NW., Washington, D.C. 20036.
B. Institute of Electrical & Electronics Engineers, 2029 K Street NW., Washington, D.C. 20006.
D. (6) $62.50.

A. Patton, Boggs & Blow, 1200 17th Street NW., Washington, D.C. 20036.
B. Institute of Scrap Iron & Steel, Inc., 1729 H Street NW., Washington, D.C. 20006.

A. Patton, Boggs & Blow, 1200 17th Street, NW., Washington, D.C. 20036.
B. Landmark Services, Inc., 900 Ohio Drive SW., Washington, D.C. 20024.

A. Patton, Boggs & Blow, 1200 17th Street, NW., Washington, D.C. 20036.
B. Lane, Powell, Moss & Miller, 1700 Washington Building, Seattle, Wash. 98101.
D. (6) $57.50.

A. Patton, Boggs & Blow, 1200 17th Street, NW., Washington, D.C. 20036.
B. Lehman Bro., 1 William Street, New York, N.Y. 10000.

A. Patton, Boggs & Blow, 1200 17th Street NW., Washington, D.C. 20036.
B. LOOP, Inc., 1010 Common Street, 350 Bank of New Orleans Building, New Orleans, La. 70112.
D. (6) $1,605. E. (9) $10.

A. Patton, Boggs & Blow, 1200 17th Street NW., Washington, D.C. 20036.
B. Louisiana-Pacific Corp., 1300 Southwest Fifth Avenue, Portland, Oreg. 97201.
D. (6) $2,875.

A. Patton, Boggs & Blow, 1200 17th Street, NW., Washington, D.C. 20036.
B. Machinery Dealers National Association, 1400 20th Street, NW., Washington, D.C. 20036.
D. (6) $150.

A. Patton, Boggs & Blow, 1200 17th Street NW., Washington, D.C. 20036.
B. Marathon Oil Co., 539 South Main Street, Findlay, Ohio 45840.
D. (6) $900. E. (9.) $11.25.

A. Patton, Boggs & Blow, 1200 17th Street, NW., Washington, D.C. 20036.
B. Mars, Inc., 1651 Old Meadow Road, McLean, Va. 22101.
D. (6) $4,855. E. (9) $6,150.

A. Patton, Boggs & Blow, 1200 17th Street NW., Washington, D.C. 20036.
B. Mocatta Metals Corp., 35 Broad Street, New York, N.Y. 10004.
D. (6) $1,800. E. (9) $3,736.50.

A. Patton, Boggs & Blow, 1200 17th Street NW., Washington, D.C. 20036.
B. National Medical Care, Inc., 560 Sylvan Avenue, Englewood Cliff, N.J. 07632.

A. Patton, Boggs & Blow, 1200 17th Street NW., Washington, D.C. 20036.
B. National Retail Merchants Association, 1000 Connecticut Avenue NW., Washington, D.C. 20036.
D. (6) $200.

A. Patton, Boggs & Blow, 1200 17th Street NW., Washington, D.C. 20036.
B. New Process Co., 220 Hickory Street, Warren, Pa. 17365.
D. (6) $2,000.

A. Patton, Boggs & Blow, 1200 17th Street NW., Washington, D.C. 20036.
B. Northwest Pipeline Corp., 315 East 200 South, Salt Lake City, Utah 84111.
D. (6) $9,607.50. E. (9) $137.60.

A. Patton, Boggs & Blow, 1200 17th Street NW., Washington, D.C. 20036.
B. Ocean Minerals Co., 465 North Bernardo, Mountain View, Calif. 94040.
D. (6) $1,912.50. E. (9) $40.

A. Patton, Boggs & Blow, 1200 17th Street NW., Washington, D.C. 20036.
B. Pepsico, Inc., Purchase, N.Y. 10577.
D. (6) $345.

A. Patton, Boggs & Blow, 1200 17th Street NW., Washington, D.C. 20036.
B. Jack Philip & Son, Inc., 724 Dupont Plaza Center, Miami, Fla. 33131.
D. (6) $500. E. (9) $582.31.

A. Patton, Boggs & Blow. 1200 17th Street NW., Washington, D.C. 20036.
B. Pillsbury Corp., 608 Second Avenue South, Minneapolis, Minn. 55402.
D. (6) $515.

A. Patton, Boggs & Blow, 1200 17th Street NW., Washington, D.C. 20036.
B. Pryotechnical Signal Manufacturers Association, Inc., 1730 K Street NW., Suite 1300, Washington, D.C. 20006.
D. (6) $1,150. E. (9) $2,625.

A. Patton, Boggs & Blow, 1200 17th Street NW., Washington, D.C. 20036.
B. Ralston Purina Co., Checkerboard Square, St. Louis, Mo. 63188.

A. Patton, Boggs & Blow, 1200 17th Street NW., Washington, D.C. 20036.
B. Reader's Digest Association, Inc., Pleasantville, N.Y. 10570.
D. (6) $4,000.

A. Patton, Boggs & Blow, 1200 17th Street NW., Washington, D.C. 20036.
B. Redwood Industry Park Committee, 2750 Sand Hill Road, Menlo Park, Calif. 94205.
D. (6) $1,437.50. E. (9) $93.65.

A. Patton, Boggs & Blow, 1200 17th Street NW., Washington, D.C. 20036.
B. St. Joe Minerals Corp., 1730 Rhode Island Avenue NW., Suite 911, Washington, D.C. 20036.
D. (6) $937.50.

A. Patton, Boggs & Blow, 1200 17th Street NW., Washington, D.C. 20036.
B. State of Louisiana, Department of Conservation, P.O. Box 44275, Baton Rouge, La. 70804.
D. (6) $750.

A. Patton, Boggs & Blow, 1200 17th Street NW., Washington, D.C. 20036.
B. Tax Corp. of America, 2441 Honolulu Avenue, Montrose, Calif. 91020.

A. Patton, Boggs & Blow, 1200 17th Street NW., Washington, D.C. 20036.
B. Todd Shipyards Corp., 1 State Street Plaza, New York, N.Y. 10004.

A. Patton, Boggs & Blow, 1200 17th Street NW., Washington, D.C. 20036.
B. United Plant Guard Workers of America, 25510 Kelly Road, Roseville, Mich. 48066.
D. (6) $250.

A. Patton, Boggs & Blow, 1200 17th Street NW., Washington, D.C. 20036.
B. Virgin Islands Manufacturers & Importers Association, Inc., c/o Thomas Travis, 1290 Avenue of the Americas, New York, N.Y. 10019.
D. (6) $250.

A. Barbara Jo Pease, Shell Oil Co., 1025 Connecticut Avenue NW., Suite 200, Washington, D.C. 20036.
B. Shell Oil Co., P.O. Box 2463, Houston, Tex. 77001.
D. (6) $500.

A. Pennsylvania Power & Light Co., 2 North Ninth Street, Allentown, Pa. 18101.
E. (9) $902.28.

A. Gregory M. Pensabene, Santa Fe Industries, Inc., Suite 840, 1100 Connecticut Avenue NW., Washington, D.C. 20036.
B. Santa Fe Industries, Inc., 224 South Michigan Avenue, Chicago, Ill. 60604.
D. (6) $1,000. E. (9) $150.

A. Victor J. Perini, Jr., 1776 Massachusetts Avenue NW., Washington, D.C. 20036.
B. Highway Users Federation for Safety & Mobility, 1776 Massachusetts Avenue NW., Washington, D.C. 20036.
D. (6) $150. E. (9) $7.60.

A. J. Carter Perkins, Shell Oil Co., Suite 200, 1025 Connecticut Avenue NW., Washington, D.C. 20036.
B. Shell Oil Co., 1 Shell Plaza, P.O. Box 2463, Houston, Tex. 77001.
D. (6) $1,000.

A. Tony Perkins, 2000 Florida Avenue NW., Washington, D.C. 20009.
B. National Rural Electric Cooperative Association, 2000 Florida Avenue NW., Washington, D.C. 20009.
D. (6) $100.

B. American Public Transit Association, 1100 17th Street NW., Washington, D.C. 20036.
American Public Transit Association, 1100 17th Street NW., Washington, D.C. 20036.
D. (6) $2,100. E. (9) $3,829.16.

A. Tom E. Persky, 8150 Leesburg Pike, Suite 1100, Vienna, Va. 22180.
B. National Pest Control Association, 8150 Leesburg Pike, Suite 1100, Vienna, Va. 22180.
D. (6) $2,500.

A. John Joseph Pesch, 1701 North Fort Myer Drive, Suite 1208, Arlington, Va. 22209.
B. Northrop Corp., 1701 North Fort Myer Drive, Suite 1208, Arlington, Va. 22209.
D. (6) $7,500. E. (9) $3,124.96.

A. Kenneth Peterson, 815 16th Street NW., Washington, D.C. 20006.
B. American Federation of Labor and Congress of Industrial Organizations, 815 16th Street NW., Washington, D.C. 20006.
D. (6) $10,094.50. E. (9) $211.84.

A. Mary B. Peterson, General Motors Corp., 1660 L Street NW., Washington, D.C.
B. General Motors Corp., 3044 West Grand Boulevard, Detroit, Mich. 48202.
D. (6) $3,000. E. (9) $1,706.31.

A. Paul F. Petrus, 1100 Connecticut Avenue NW., Washington, D.C. 20036.
B. Mobil Oil Corp., 150 East 42d Street, New York, N.Y. 10017.
D. (6) $1,200.

A. John Pfiieger, Time, Inc., 888 16th NW., Washington, D.C.
B. Time, Inc., Time and Life Building, Rockefeller Center, New York, N.Y. 10020.
D. (6) $1,700. E. (9) $550.

A. Pharmaceutical Manufacturers Association, 1155 15th Street NW., Washington, D.C. 20005.

A. John P. Philbin, 1100 Connecticut Avenue NW., Washington, D.C. 20036.
B. Mobil Oil Corp., 150 East 42d Street, New York, N.Y. 10017.
D. (6) $1,500.

A. Barbara F. Phillips, 1620 I Street NW., Washington, D.C. 20006.
B. Energy Transportation Systems, Inc., P.O. Box 3965, San Francisco, Calif. 94119.
D. (6) $80.80. E. (9) $141.10.

A. Scott H. Phillips, Howell Corp., 800 Houston Natural Gas Building, Houston, Tex. 77002.
B. Howell Corp., 800 Houston Natural Gas Building, Houston, Tex. 77002.

A. Physicians National Housestaff Association, 1625 L Street NW., Washington, D.C. 20036.
E. (9) $3,917.85.

A. Sam Pickard, 1101 17th Street NW., Suite 604, Washington, D.C. 20036.
B. Monsanto Co., 800 North Lindbergh Boulevard, St. Louis, Mo. 63166.
D. (6) $500. E. (9) $57.48.

A. Ace Pickens, 1300 American Bank Tower, Austin, Tex. 78701.
B. Texas Medical Association, 1801 North Lamar Boulevard, Austin, Tex. 78701.
D. (6) $250. E. (9) $111.

A. Wilhelm Pickens, 1600 Rhode Island Avenue NW., Washington, D.C. 20036.
B. National Rifle Association, 1600 Rhode Island Avenue NW., Washington, D.C. 20036.
D. (6) $750. E. (9) $41.49.

A. Pierce, Atwood, Scribner, Allen, Smith & Lancaster, One Monument Square, Portland, Maine 04101.
B. Great Northern Paper Co., et al., 75 Prospect Street, Stamford, Conn. 06901.
E. (9) $8.

A. Pierson, Ball & Dowd, 1200 18th Street NW., Washington, D.C. 20036.
B. Satellite Business Systems, 8003 Westpark Drive, McLean, Va. 22101.
D. (6) $2,500.

A. Pierson Semmes Crolius and Finley, 1054 31st Street NW., Washington, D.C. 20007.
B. American Land Title Association, 1828 L Street NW., Washington, D.C. 20036.
D. (6) $3,180. E. (9) $122.72.

A. Pierson Semmes Crolius and Finley, 1054 31st Street NW., Washington, D.C. 20007.
B. Edgington Oil Co., 2400 East Artesia Boulevard, Long Beach, Calif. 90805.
D. (6) $105. E. (9) $5.27.

A. Plains Cotton Growers, Inc., P.O. Box 3640, Lubbock, Tex. 79452.
D. (6) $55,574.73. E. (9) $1,350.

A. E. Rogers Pleasants, 1701 Pennsylvania Avenue NW., Suite 210, Washington, D.C. 20006.
B. E. I. du Pont de Nemours and Co., 1007 Market Street, Wilmington, Del. 19898.
D. (6) $60. E. (9) $2.25.

A. Michael M. Pocost, New York State Petroleum Council, 551 Fifth Avenue, New York, N.Y. 10017.
B. American Petroleum Institute, 2101 L Street NW., Washington, D.C. 20037.

A. Frances A. Pollak, 1800 K Street NW., Suite 800, Washington, D.C. 20006.
B. The Goodyear Tire & Rubber Co., Akron, Ohio 44316.
D. (6) $1,000.

A. Population Resource Center, Inc., 622 Third Avenue, New York, N.Y. 10017.
D. (6) $764. E. (9) $3,729.

A. S. J. Poray-Tucholski, 15257 East Cedar Springs Drive, Whittier, Calif. 90603; P.O. Box 1681, Whittier, Calif. 90609.
B. Bermejo River Project Development Association.

A. Everett O. Post, National Association of Service Contractors, 1511 K Street NW., Washington, D.C. 20005.
B. National Association of Service Contractors, 1511 K Street NW., Washington, D.C. 20005.
D. (6) $250. E. (9) $14.05.

A. Alonzo M. Poteet, Veterans of Foreign Wars of the United States, 200 Maryland Avenue NE., Washington, D.C. 20002.
B. Veterans of Foreign Wars of the United States.
D. (6) $2,500.

A. Edmond A. Potter, NCR Corp., 2301 Research Boulevard, Rockville, Md. 20850.
B. NCR Corp., 1700 South Patterson Boulevard, Dayton, Ohio 45479.
D. (6) $8,150. E. (9) $2,100.

A. Potter International, Inc., 900 17th Street NW., Suite 300, Washington, D.C. 20006.
B. Rockwell International, Inc., 600 Grant Street, Pittsburgh, Pa. 15219.
D. (6) $5,000.

A. Potter International, Inc., 900 17th Street NW., Suite 300, Washington, D.C. 20006.
B. Rohr Industries, Inc., P.O. Box 23000, San Diego, Calif. 92123.
D. (6) $4,500.

A. Potter International, Inc., 900 17th Street NW., Suite 300, Washington, D.C. 20006.
B. Western Shipbuilding Association, P.O. Box 3976, San Francisco, Calif. 94119.
D. (6) $3,000.

A. Ramsay D. Potts, Shaw, Pittman, Potts & Trowbridge, 1800 M Street NW., Washington, D.C. 20036.
B. Investment Company Institute, 1775 K Street NW., Washington, D.C. 20006.
D. (6) $2,625. E. (9) $5.70.

A. Richard M. Powell, International Association of Refrigerated Warehouses, 7315 Wisconsin Avenue, Washington, D.C. 20014.
B. International Association of Refrigerated Warehouses, 7315 Wisconsin Avenue, Washington, D.C. 20014.

A. Robert D. Powell, Suite 401, 734 15th Street NW., Washington, D.C. 20005.
B. National Business Aircraft Association, 1 Farragut Square South, Washington, D.C. 20006.

A. Carlton H. Power, 1918 North Parkway, Memphis, Tenn. 38112.
B. National Cotton Council of America, P.O. Box 12285, Memphis, Tenn. 38112.
D. (6) $462.50.

A. John J. Power, 101 Constitution Avenue NW., Washington, D.C. 20001.
B. United Brotherhood of Carpenters and Joiners of America, 101 Constitution Avenue NW., Washington, D.C. 20001.
D. (6) $4,002.71. E. (9) $425.71.

A. Graydon R. Powers, Jr., 1140 Connecticut Avenue NW., Washington, D.C. 20036.
B. Scientific Apparatus Makers Association, 1140 Connecticut Avenue NW., Washington, D.C. 20036.
D. (6) $200.

A. William C. Prather, United States League of Savings Associations, 111 East Wacker Drive, Chicago, Ill. 60601.
B. United States League of Savings Associations, 111 East Wacker Drive, Chicago, Ill. 60601.
D. (6) $678.

A. James T. Prendergast, 250 East 87th Street, New York, N.Y. 10028.
B. Staff Builders, Inc., 122 East 42d Street, New York, N.Y. 10028.

A. William B. Prendergast, Distilled Spirits Council of the United States, 1300 Pennsylvania Building, Washington, D.C. 20004.
B. Distilled Spirits Council of the United States, 1300 Pennsylvania Building, Washington, D.C. 20004.
D. (6) $750.

A. Dan Prescott, Mid-Continent Oil and Gas Association, 1800 K Street NW., Washington, D.C. 20006.
B. Mid-Continent Oil and Gas Association, 1111 Thompson Building, Tulsa, Okla. 74103.
D. (6) $165.

A. Lloyd T. Preslar, DGA International, Inc., 1225 19th Street NW., Washington, D.C. 20036.
B. DGA International, Inc., 1225 19th Street NW., Washington, D.C. 20036 (for Aerospatiale, 37 Boulevard de Montmorency, 75016 Paris, France).

A. Lloyd T. Preslar, DGA International, Inc., 1225 19th Street NW., Washington, D.C. 20036.
B. DGA International, Inc., 1225 19th Street NW., Washington, D.C. 20036 (for Airbus Industrie, Avenue Lucien Servanty, 31700 Blagnac, France).
D. (6) $57.75.

A. Paul F. Preston, National Association of Realtors, 925 15th Street NW., Washington, D.C. 20005.
B. National Association of Realtors, 925 15th Street NW., Washington, D.C. 20005.
D. (6) $2,125. E. (9) $45.20.

A. Preston, Thorgrimson, Ellis, Holman & Fletcher, 1776 F Street NW., Washington, D.C. 20006.
B. Tennessee Gas Pipeline Co., P.O. Box 2510, Houston, Tex. 77001.
D. (6) $6,953.50.

A. Preston, Thorgrimson, Ellis, Holman & Fletcher, 1776 F Street NW., Washington, D.C. 20006.
B. Wometco Enterprises, Inc., 306 North Miami Avenue, Miami, Fla. 33128.
D. (6) $390.

A. Forrest J. Prettyman, 730 15th Street NW., Washington, D.C. 20005.
B. Association of Bank Holding Co., 730 15th Street NW., Washington, D.C. 20005.
D. (6) $625.

A. Patricia Pride, Financial Accounting Standards Board, 1100 17th Street NW., Washington, D.C. 20036.
B. Financial Accounting Standards Board, High Ridge Park, Stamford, Conn. 06905.
D. (6) $247.34. E. (9) $67.18.

A. Arnold J. Prima, Jr., The American Institute of Architects, 1735 New York Avenue NW., Washington, D.C. 20006.
B. The American Institute of Architects, 1735 New York Avenue NW., Washington, D.C. 20006.
D. (6) $1,200.

A. Jerry C. Pritchett, Mechanical Contractors Association of America, Inc., 5530 Wisconsin Avenue, Suite 750, Washington, D.C. 20015.
B. Mechanical Contractors Association of America, Inc., 5530 Wisconsin Avenue, Suite 750, Washington, D.C. 20015.

A. Pro-Life Congressional District 11, P.O. Box 727, San Carlos, Calif. 94070.
D. (6) $1,096.40. E. (9) $82.59.

A. Profit Sharing Council of America, 20 North Wacker Drive, Chicago, Ill. 60606.

A. The Proprietary Association, 1700 Pennsylvania Avenue NW., Washington, D.C.
E. (9) $6,123.80.

A. Jerry Z. Pruzan, Atlantic Richfield Co., 1025 Connecticut Avenue NW., Washington, D.C. 20036.
B. Atlantic Richfield Co., 515 South Flower Street, Los Angeles, Calif. 90071.
D. (6) $300. E. (9) $30.

A. Public Citizen's Tax Reform Research Group, 133 C Street SE., Washington, D.C. 20003.
D. (6) $3,485.66. E. (9) $3,485.66.

A. Public Employee Department, AFL–CIO, 815 16th Street NW., Washington, D.C. 20006.
D. (6) $29,110.14. E. (9) $34,551.50.

A. Philip N. Pulizzi, Jr., 1776 F Street NW., Washington, D.C. 20006.
B. National Association of Manufacturers, 1776 F Street NW., Washington, D.C. 20006.
D. (6) $400.

A. David E. Pullen, Johns-Manville Corp., 1025 Connecticut Avenue NW., Suite 214, Washington, D.C. 20036.
B. Johns-Manville Corp., P.O. Box 5108, Denver, Colo. 80217.
D. (6) $600. E. (9) $700.

A. Earle W. Putnam, 5025 Wisconsin Avenue NW., Washington, D.C. 20016.
B. Amalgamated Transit Union, 5025 Wisconsin Avenue NW., Washington, D.C. 20016.

A. Robert N. Pyle, P.O. Box 3731, Washington, D.C. 20007.
B. Independent Bakers Associations, P.O. Box 3731, Washington, D.C. 20007.
D. (6) $3,000.

A. Clifford H. Raber, McDonald's Corp., 1 McDonald's Plaza, Oak Brook, Ill. 60521.
B. McDonald's Corp., 1 McDonald's Plaza, Oak Brook, Ill. 60521.
E. (9) $291.08.

A. Alex Radin, American Public Power, 2600 Virginia Avenue NW., Washington, D.C. 20037.
B.. American Public Power Association, 2600 Virginia Avenue NW., Washington, D.C. 20037.
D. (6) $636.68.

A. Radioactive Waste Management Corp, c/o Shaw, Pittman, Potts & Trowbridge, 1800 M Street NW., Washington, D.C. 20036.
D. (6) $34,584.59. E. (9) $34,584.59.

A. Richard W. Rahn, American Council for Capital Formation, 1425 K Street NW., Suite 1007, Washington, D.C. 20005.
B. American Council for Capital Formation, 1425 K Street NW., Washington, D.C.
D. (6) $1,425.

A. Railway Labor Executives' Association, 400 First Street NW., Washington, D.C. 20001.
D. (6) $28,800. E. (9) $28,800.

A. Railway Progress Institute, 700 North Fairfax Street, Alexandria, Va. 22314.

A. Gretchen P. Ralph, 303 Kimry Moor, Fayetteville, N.Y. 13203.
B. National Committee for Symphony Orchestra Support, 1100 17th Street NW., Suite 313, Washington, D.C. 20036.
D. (6) $10,500. E. (9) $792.44.

A. William J. Randall, Suite 821, 1515 Jefferson Davis Highway, Arlington, Va. 22202.
B. United States Railway Association; City of Independence, Mo.; Peoples Republic of Benin, West Africa.
D. (6) $4,500. E. (9) $748.

A. R. Ray Randlett, 1150 Connecticut Avenue NW., Suite 700, Washington, D.C. 20036.
B. Allied Chemical Corp., P.O. Box 3000–R, Morristown, N.J. 07960.
D. (6) $547. E. (9) $60.34.

A. Arthur G. Randol III, American Nuclear Energy Council, 1750 K Street NW., Suite 300, Washington, D.C.
B. American Nuclear Energy Council, 1750 K Street NW., Suite 300, Washington, D.C.
D. (6) $3,250. E. (9) $128.42.

A. Jerry F. Rapp, Bristol-Myers Co., 1155 15th Street NW., Suite 606, Washington, D.C. 20005.
B. Bristol-Myers Co., 345 Park Avenue, New York, N.Y. 10022.
D. (6) $750.

A. D. Michael Rappoport, Salt River Project, P.O. Box 1980, Phoenix Ariz. 85001.
B. Salt River Project, P.O. Box 1980, Phoenix, Ariz. 85001.
D. (6) $2,405.15. E. (9) $2,464.18.

A. G. J. Rauschenbach, Comsat, 950 L'Enfant Plaza SW., Washington, D.C. 20024.
B. Communications Satellite Corp., 950 L'Enfant Plaza SW., Washington, D.C. 20024.
D. (6) $2,000. E. (9) $985.

A. Susan E. Recce, 1600 Rhode Island Avenue NW., Washington, D.C. 20036.
B. National Rifle Association, 1600 Rhode Island Avenue NW., Washington, D.C. 20036.
D. (6) $505. E. (9) $53.78.

A. Dwight C. Reed, National Soft Drink Association, 1101 16th Street NW., Washington, D.C. 20036.
B. National Soft Drink Association, 1101 16th Street NW., Washington, D.C. 20036.
D. (6) $63.11.

A. John H. Reed, 444 North Capitol Street NW., Suite 409, Washington, D.C. 20001.
B. Associated Builders & Contractors, Inc., 444 North Capitol Street NW., Suite 409, Washington, D.C. 20001.
D. (6) $7,500. E. (9) $600.

A. Jerry Rees, National Association of Wheat Growers, 1030 15th Street NW., No. 1030, Washington, D.C.
B. National Association of Wheat Growers, 1030 15th Street, No. 1030, Washington, D.C. 20005.
D. (6) $1543.32. E. (9) $200.

A. Thomas M. Rees, 1025 Connecticut Avenue NW., Suite 914, Washington, D.C. 20036.
B. American Constituency Overseas, George E. Fishcher Associates, 2152 Du Pont Drive, 106, Irvine, Calif., 92715.

A. Thomas M. Rees, 1025 Connecticut Avenue NW., Suite 914, Washington, D.C. 20036.
B. California Savings & Loan League, 9800 South Sepulveda Boulevard, Los Angeles, Calif. 90045.

A. Thomas M. Rees, 1025 Connecticut Avenue NW., Suite 914, Washington, D.C. 20036.
B. Fluor Corp., 1627 K Street NW., Washington, D.C. 20006.

A. Thomas M. Rees, 1025 Connecticut Avenue NW., Suite 914, Washington, D.C. 20036.
B. Imperial Resources Association, P.O. Box 119, Brawley, Calif. 92227.

A. Robert S. Reese, Jr., American Trucking Associations, Inc., 1616 P Street NW., Washington, D.C. 20036.
B. American Trucking Associations, Inc., 1616 P Street NW., Washington, D.C. 20036.
D. (6) $6,000. E. (9) $1,997.87.

A. Reid & Priest, 1701 K Street NW., Washington, D.C. 20006.
B. National Association of Electric Companies, 1140 Connecticut Avenue NW., Suite 1010, Washington, D.C. 20036.
D. (6) $169. E. (9) $1.65.

A. Murray P. Reiser, 73 Tremont Street, Boston, Mass. 02108.
B. Edward Blankstein, Inc., Research Park, Princeton, N.J. 08540.
D. (6) $2,414.

A. W. W. Renfroe, 69 Fountain Place, Frankfort, Ky. 40601.
B. Kentucky Railroad Association, 69 Fountain Place, Frankfort, Ky. 40601.

A. Diane Rennert, 1707 L Street NW., Washington, D.C. 20036.
B. Association of American Publishers, 1707 L Street NW., Washington, D.C. 20036.
D. (6) $950. E. (9) $401.23.

A. Jamie Replogle, 1101 16th Street NW., Washington, D.C. 20036.
B. Independent Petroleum Association of America, 1101 16th Street NW., Washington, D.C. 20036.
E. (9) $10.55.

A. Research to Prevent Blindness, Inc., 598 Madison Avenue, New York, N.Y. 10022.
E. (9) $1,268.87.

A. The Retired Officers Association, 1625 I Street NW., Washington, D.C. 20006.
D. (6) $5,268.

A. John H. Reurs, 25 Broadway, New York, N.Y. 10004.
B. New York Committee of International Committee of Passenger Lines, 25 Broadway, New York, N.Y. 10004.
D. (6) $9,375. E. (9) $700.

A. James J. Reynolds, American Institute of Merchant Shipping, 1625 K Street NW., Washington, D.C. 20006.
B. American Institute of Merchant Shipping, 1625 K Street NW., Washington, D.C. 20006.
D. (6) $1,875. E. (9) $7.12.

A. Nancy C. Reynolds, 300 Maryland Avenue NE., Washington, D.C. 20002.
B. The Bendix Corp., 300 Maryland Avenue NE., Washington, D.C. 20002.
D. (6) $975.

A. Austin T. Rhoads, 910 17th Street NW., Washington, D.C. 20006.
B. International Association of Ice Cream Manufacturers & Milk Industry Foundation, 910 17th Street NW., Washington, D.C. 20006.

A. C. Brewster Rhoads, Jr., Bell Telephone Co. of Pennsylvania, 1 Parkway, 15th Floor, Philadelphia, Pa. 19102.
B. The Bell Telephone Co. of Pennsylvania, 1 Parkway, Philadelphia, Pa. 19102.
D. (6) $90. E. (9) $208.96.

A. Kent Rhodes, The Reader's Digest Association, Inc., Pleasantville, N.Y. 10570.
B. Reader's Digest Association, Inc., Pleasantville, N.Y. 10570.
D. (6) $2,500.

A. M. Lee Rice, 277 Park Avenue, New York, N.Y. 10017.
B. Ogden Corp., 277 Park Avenue, New York, N.Y. 10017.

A. Theron J. Rice, Continental Oil Co., 1130 17th Street NW., No. 400, Washington, D.C. 20036.
B. Continental Oil Co., High Ridge Park, Stamford, Conn. 06904.

A. Alan H. Richardson, American Public Power Association, 2600 Virginia Avenue NW., Washington, D.C. 20037.
B. American Public Power Association, 2600 Virginia Avenue NW., Washington, D.C. 20037.
D. (6) $750.

A. Sheffield C. Richey, Jr., 7901 Westpark Drive, McLean, Va. 22102.
B. National Machine Tool Builders' Association, 7901 Westpark Drive, McLean, Va. 22102.
D. (6) $375. E. (9) $250.

A. Cary Ridder, 317 Pennsylvania Avenue SE., Washington, D.C. 20003.
B. Environmental Policy Center, 317 Pennsylvania Avenue SE., Washington, D.C. 20003.
D. (6) $460.

A. Peter S. Ridley, 1600 Rhode Island Avenue NW., Washington, D.C. 20036.
B. National Rifle Association of America, 1600 Rhode Island Avenue NW., Washington, D.C. 20036.
D. (6) $525.

A. E. Philip Riggin, The American Legion, National Legislative Commission, 1608 K Street NW., Washington, D.C.
B. The American Legion, 700 North Pennsylvania Street, Indianapolis, Ind.
D. (6) $3,747. E. (9) $177.28.

A. Morris A. Riley, American Medical Association, 1776 K Street NW., Washington, D.C. 20006.
B. American Medical Association, 535 North Dearborn Street, Chicago, Ill. 60610.
D. (6) $2,025. E. (9) $217.

A. John S. Rippey, 730 15th Street NW., Washington, D.C. 20005.
B. Association of Bank Holding Cos., 730 15th Street NW., Washington, D.C. 20005.
D. (6) $562.50. E. (9) $46.85.

A. Carol A. Risher, Association of American Publishers, 1707 L Street NW., Washington, D.C. 20036.
B. Association of American Publishers, 1707 L Street NW., Washington, D.C. 20036.
D. (6) $1,000. E. (9) $550.

A, Nancy J. Risque, Suite 650, 1050 17th Street NW., Washington, D.C. 20036.
B. The Standard Oil Co., Ohio, Midland Building, Cleveland, Ohio 44115.

A. James E. Ritchie, 1776 F Street NW., Washington, D.C. 20006.
B. Gaming Industry Association of Nevada, Inc., 1 East First Street, No. 1007, Reno, Nev. 89501.
D. (6) $1,667. E. (9) $716.03.

A. James E. Ritchie, 1776 F Street NW., Washington, D.C. 20006.
B. National Association of Off-Track Betting, P.O. Box 446, Batavia, N.Y. 14020.
D. (6) $3,500. E. (9) $3,335.56.

A. James E. Ritchie, 1776 F Street NW., Washington, D.C. 20006.
B. Nevada Resort Association, 932 East Sahara Avenue, Las Vegas, Nev. 89104.
D. (6) $3,333. E. (9) $1,408.61.

A. Stark Ritchie, American Petroleum Institute, 2101 L Street NW., Washington, D.C. 20037.
B. American Petroleum Institute, 2101 L Street NW., Washington, D.C. 20037.

A. George W. Ritter, 3914 King Arthur Road, Annandale, Va. 22003.
B. Alton Box Board Co., Alton, Ill. 62002.
D. (6) $6,250. E. (9) $1,281.

A. Paul H. Robbins, National Society of Professional Engineers, 2029 K Street NW., Washington, D.C. 20006.
B. National Society of Professional Engineers, 2029 K Street NW., Washington, D.C. 20006.
D. (6) $1,500.

A. Perry A. Roberts, Emerson Electric Co., c/o Ramsay D. Potts, 1800 M Street NW., Washington, D.C. 20036.
B. Emerson Electric Co., 8100 Florissant, St. Louis, Mo. 63136.
E. (9) $633.45.

A. William S. Roberts, National Rural Electric Cooperative Association, 2000 Florida Avenue NW., Washington, D.C. 20009.
B. National Rural Electric Cooperative Association, 2000 Florida Avenue NW., Washington, D.C. 20009.
D. (6) $70.

A. Hope E. Robertson, 317 Pennsylvania Avenue SE., Washington, D.C. 20003.
B. Environmental Policy Center, 317 Pennsylvania Avenue SE., Washington, D.C. 20003.
D. (6) $3,000.

A. Charles A. Robinson, Jr., 2000 Florida Avenue NW., Washington, D.C. 20009.
B. National Rural Electric Cooperative Association, 2000 Florida Avenue NW., Washington, D.C. 20009.
D. (6) $227.52.

A. John K. Robinson, Chamber of Commerce of the United States, 1615 H Street NW., Washington, D.C.
B. Chamber of Commerce of the United States, 1615 H Street NW., Washington, D.C.
E. (9) $50.

A. Katherine Robinson, American Paper Institute, Inc., 1619 Massachusetts Avenue NW., Washington, D.C. 20036.
B. American Paper Institute, Inc., 260 Madison Avenue, New York, N.Y. 10016.

A. Antoinette K. Roche, 2021 K Street NW., Suite 709, Washington, D.C. 20006.
B. General Atomic Co., San Diego, Calif.
D. (6) $500. E. (9) $25.

A. Thomas G. Roderick, 1101 16th Street NW., No. 400, Washington, D.C. 20036.
B. Consolidated Natural Gas Service Co, Inc., 4 Gateway Center, Pittsburgh, Pa. 15222.

A. John F. Rodgers, 1140 Connecticut Avenue NW., Washington, D.C. 20036.
B. Scientific Apparatus Makers Association, 1140 Connecticut Avenue NW., Washington, D.C. 20036.
D. (6) $300.

A. Robert Rodriguez, Common Cause, 2030 M Street NW., Washington, D.C. 20036.
B. Common Cause, 2030 M Street NW., Washington, D.C. 20036.
D. (6) $3,399.99.

A. Mitch Rofsky, 133 C Street SE., Washington, D.C. 20003.
B. Congress Watch, 133 C Street SE., Washington, D.C. 20003.
D. (6) $3,250.

A. Donald L. Rogers, 730 15th Street NW., Washington, D.C. 20005.
B. Association of Bank Holding Cos., 730 15th Street NW., Washington, D.C. 20005.
D. (6) $1,187.50.

A. Frank W. Rogers, 2101 L Street NW., Suite 635, Washington, D.C. 20037.
B. American Petroleum Institute, 2101 L Street NW., Washington, D.C. 20037.
D. (6) $2,300.

A. Frank W. Rogers, 313 Cambridge Road, Alexandria, Va. 22314.
B. Vetco Offshore Industries, Inc., 5808 Telephone Road, Suite 201, Ventura, Calif. 93003.
D. (6) $200.

A. Terrence L. Rogers, American Federation of Government Employees, 1325 Massachusetts Avenue NW., Washington, D.C. 20005.
B. American Federation of Government Employees, 1325 Massachusetts Avenue NW., Washington, D.C. 20005.
D. (6) $5,889.80. E. (9) $153.22.

A. Rogers & Wells, 1666 K Street NW., Washington, D.C. 20006.
B. Martina Navratilova, Dallas, Tex.
D. (6) $1,500.

A. Martin H. Rogol, 239 10th Street SE., Washington, D.C. 20003.
B. Food Policy Center, 538 7th Street SE., Washington, D.C. 20003.
D. (6) $7,000.02.

A. Richard A. Rohrbach, 1625 I Street NW., No. 809, Washington, D.C. 20006.
B. Boise Cascade Corp., 1625 I Street NW., No. 809, Washington, D.C. 20006.
D. (6) $15,000.

A. John F. Rolph III, American Bankers Association, 1120 Connecticut Avenue NW., Washington, D.C. 20036.
B. American Bankers Association, 1120 Connecticut Avenue NW., Washington, D.C. 20036.
D. (6) $2,000.

A. Kenneth S. Rolston, Jr., 1619 Massachusetts Avenue NW., Washington, D.C. 20036.
B. American Pulpwood Association, 1619 Massachusetts Avenue NW., Washington, D.C. 20036.

A. Nicholas Roomy, Jr., Appalachian Power Co., P.O. Box 1986, Charleston, W. Va. 25327.
B. Appalachian Power Co., P.O. Box 1986, Charleston, W. Va. 25327 (subsidiary of American Electric Power Co., Inc., 2 Broadway, New York, N.Y. 10004).
D. (6) $230.76. E. (9) $185.76.

A. Kevin M. Rooney, Long Island Lighting Co., 250 Old Country Road, Mineola, N.Y. 11501.
B. Long Island Lighting Co., 250 Old Country Road, Mineola, N.Y. 11501.
D. (6) $1,125. E. (9) $3,754.50.

A. James C. Rosapepe, 101 North Columbus Street No. 400, Alexandria, Va. 22314.
B. Rosapepe & Associates, 101 North Columbus Street, No. 400, Alexandria, Va. 22314 (for Interfaith Center on Corporate Responsibility, New York, N.Y. 10027).
D. (6) $675. E. (9) $180.15.

A. Walda W. Roseman, National Public Radio, 2025 M Street NW., Washington, D.C. 20036.
B. National Public Radio, 2025 M Street NW., Washington, D.C.
D. (6) $9,000. E. (9) $173.21.

A. Larry M. Rosenstein, American Council of Life Insurance, Inc., 1850 K Street NW., Washington, D.C. 20006.
B. American Council of Life Isurance, Inc., 1850 K Street NW., Washington, D.C. 20006.
D. (6) $100. E. (9) $25.

A. Seymour N. Ross, DGA International, Inc., 1225 19th Street NW., Washington, D.C. 20036.
B. DGA International, Inc., 1225 19th Street NW., Washington, D.C. 20036 (for Thompson-CSF (AVS), 178 Boulevard Gabriel Peri, 92240 Malakoff, France).

A. William F. Ross, South Carolina Petroleum Council, 716 Keenan Building, Columbia, S.C. 29201.
B. American Petroleum Institute, 2101 L Street NW., Washington, D.C. 20037.
D. (6) $265. E. (9) $530.85.

A. Alan J. Roth, Spiegel & McDiarmid, 2600 Virginia Avenue NW., Washington, D.C. 20037.
B. Fort Pierce Utilities Authority of the city of Fort Pierce, Gainesville-Alachua County Regional Electric Water & Sewer Utilities, Sebring Utilities Commission, cities of Homestead, Kissimmee, Lakeland, Starke, Tallahassee, Fla., et al.
E. (9) $540.

A. Edwin Rothschild, 1696 Westwind Way, McLean, Va. 22101.
B. Energy Action Educational Foundation, 1523 L Street NW., Washington, D.C. 20005.
D. (6) $99.45.

A. Donald D. Rounds, South Dakota Petroleum Council, P.O. Box 669, Pierre, S. Dak. 57501.
B. American Petroleum Institute, 2101 L Street NW., Washington, D.C. 20037.
D. (6) $435.50. E. (9) $651.36.

A. William C. Rountree, Suite 650, 1050 17th Street NW., Washington, D.C. 20036.
B. The Standard Oil Co. (Ohio), Midland Building, Cleveland, Ohio 44115.
E. (9) $2,022.

A. Rouss & O'Rourke, Lawyers Building, 231 East Vermijo, Colorado Springs, Colo. 60903.
B. Union Nacional de Productores de Azucar, S.A. de C.V. (UNPASA) Balderas 36, Mexico, D.F., Mexico.
D. (6) $1,700. E. (9) $2,299.27.

A. John W. Rowland, 5025 Wisconsin Avenue NW., Washington, D.C. 20016.
B. Amalgamated Transit Union, AFL–CIO, 5025 Wisconsin Avenue NW., Washington, D.C. 20016.

A. Kathryn Coe Royce, 1600 Rhode Island Avenue NW., Washington, D.C. 20036.
B. National Rifle Association of America, 1600 Rhode Island Avenue NW., Washington, D.C. 20036.
D. (6) $505. E. (9) $75.30.

A. Donald M. Rubel, 3889 North 30th Street, Arlington, Va. 22207.
D. (6) $175. E. (9) $108.89.

A. James S. Rubin, 1150 Connecticut Avenue NW., Suite 700, Washington, D.C. 20036.
B. Allied Chemical Corp., P.O. Box 3000–R, Morristown, N.J. 07960.
D. (6) $234. E. (9) $22.

A. Leonard H. Ruppert, New Jersey Petrolem Council, 170 West State Street, Trenton, N.J. 08608.
B. American Petroleum Institute, 2101 L Street NW., Washington, D.C. 20037.

A. Perry A. Russ, Society of American Florists & Ornamental Horticulturists, 901 North Washington Street, Alexandria, Va. 22314.
B. Society of American Florists & Ornamental Horticulturists, 901 North Washington Street, Alexandria, Va. 22314.

A. Albert R. Russell, P.O. Box 12285, Memphis, Tenn. 38112.
B. National Cotton Council of America, P.O. Box 12285, Memphis, Tenn. 38112.
D. (6) $2,824.32. E. (9) $255.75.

A. Robert M. Russell, 2170 Piedmont Road NE., Atlanta, Ga. 30324.

B. Orkin Exterminating Co., 2170 Piedmont Road NE., Atlanta, Ga. 30324.
D. (6) $420.

A. Wally Rustad, 2000 Florida Avenue NW., Washington, D.C. 20009.
B. National Rural Electric Cooperative Association, 2000 Florida Avenue NW., Washington, D.C. 20009.
D. (6) $100.

A. J. T. Rutherford & Associates, Inc., 1660 L Street NW., No. 514, Washington, D.C. 20036.
B. American Association of Bioanalysts/ International Society of Clinical Laboratory Technicians, 800 Ambassador Building, St. Louis, Mo.
D. (6) $500. E. (9) $1,278.36.

A. J. T. Rutherford & Associates, Inc., 1660 L Street NW., No. 514, Washington, D.C. 20036.
B. American College of Radiology, 20 North Wacker Drive, Chicago, Ill. 60606.
D. (6) $750. E. (9) $1,366.07.

A. J. T. Rutherford & Associates, Inc., 1660 L Street NW., No. 514, Washington, D.C. 20036.
B. American Optometric Association, 1730 M. Street NW., Washington, D.C. 20036.
D. (6) $750. E. (9) $1,965.10.

A. John F. Ryan, International Telephone & Telegraph Corp., 1707 L Street NW., Suite 200, Washington, D.C. 20036.
B. International Telephone & Telegraph Corp., 320 Park Avenue, New York, N.Y. 10022.
D. (6) $514. E. (9) $27.

A. Joseph P. Saba, 1156 15th Street NW., Washington, D.C. 20005.
B. Surrey, Karasik & Morse, 1156 15th Street NW., Washington, D.C. 20005.

A. Fred J. Sacco, N.J. Petroleum Council, 170 West State Street, Trenton, N.J. 08608.
B. American Petroleum Institute, 2101 L Street NW., Washington, D.C. 20037.
D. (6) $175.

A. Frank P. Sanders, 815 Connecticut Avenue, NW., Washington, D.C.
B. The Signal Companies, Inc., 9665 Wilshire Boulevard, Beverly Hills, Calif. 90212.
D. (6) $300.

A. Frank P. Sanders, 815 Connecticut Avenue NW., Washington, D.C.
B. Flying Tiger Lines, Inc., Los Angeles International Airport, Los Angeles, Calif.
D. (6) $300.

A. Charles E. Sandler, 2101 L Street NW., Washington, D.C. 20037.
B. American Petroleum Institute, 2101 L Street NW., Washington, D.C. 20037.
D. (6) $5,000.

A. Sandler & Travis, 330 Madison Avenue, Suite 2850, New York, N.Y. 10017; 444 Brickell Avenue, Suite 905, Miami, Fla. 33131.
B. Virgin Islands Manufacturers & Importers Association, P.O. Box Q, Kings Hill Post Office, Christiansted, Virgin Islands 00850.
D. (6) $5,854.91. E.(9) $4,158.18.

A. Peter G. Sandlund, Room 400—919 18th Street NW., Washington, D.C. 20006.
B. Council of European & Japanese National Shipowners' Associations, 17/18 Bury Street, London EC3A 5AH, England.
D. (6) $300.

A. Harold B. Say, 916 Prince St., Alexandria, Va. 22314.
B. Veterans of World War I of the U.S.A., Inc., 916 Prince St., Alexandria, Va. 223314.
D. (6) $525.

A. Thomas T. Scambos, DGA International, Inc., 1225 19th Street NW., Washington, D.C. 20036.
B. DGA International, Inc., 1225 19th Street, NW., Washington, D.C. 20036 (for Krauss-Maffei AG, Krauss-Maffei-Strasse 2, 8000 Munich, FRG).
D. (6) $76.92.

A. Thomas T. Scambos, DGA International, Inc., 1225 19th Street NW., Washington, D.C. 20036.
B. DGA International, 1225 19th Street NW., Washington, D.C. 20036 (for Thomson-CSF(AVS), 178 Boulevard, Gabriel Peri, 92240 Malakoff, France).

A. Henry Schacht, California Canners & Growers, 3100 Ferry Building, San Francisco, Calif. 94106.
B. California Canners & Growers, 3100 Ferry Building, San Francisco, Calif. 94106.
D. (6) $3,125. E. (9) $2,414.52.

A. Herbert Y. Schandler, 475 L'Enfant Plaza SW., Suite 4440, Washington, D.C. 20024.
B. American League for International Security Assistance, Inc., 475 L'Enfant Plaza SW., Suite 4400, Washington, D.C. 20024.
D. (6) $2,000.

A. Lois M. Schell, National Association of Manufacturers, 222 South Prospect Avenue, Park Ridge, Ill. 60068.
B. National Association of Manufacturers, 1776 F Street NW., Washington, D.C. 20006.
D. (6) $170.

A. Jacques T. Schlenger, 1800 Mercantile Bank & Trust Building, 2 Hopkins Plaza, Baltimore, Md. 21202.
B. Maryland Savings-Share Insurance Corp., 901 North Howard Street, Baltimore, Md. 21201.
E. (9) $43.99.

A. Stephen I. Schlossberg, 1125 15th Street NW., Suite 600, Washington, D.C. 20005.
B. International Union, United Automobile, Aerospace, and Agricultural Implement Workers of America, 8000 East Jefferson Avenue, Detroit, Mich.
D. (6) $10,959.36. E. (9) $1,845.34.

A. Allan D. Schlosser, 1000 Connecticut Avenue NW., Washington, D.C. 20036.
B. United States-Japan Trade Council, 1000 Connecticut Avenue NW., Washington, D.C. 20036.
D. (6) $400.

A. Richard M. Schmidt, Jr., 1920 L Street NW., Suite 700, Washington, D.C.
B. Association of American Publishers, Inc., 1707 L Street NW., Suite 480, Washington, D.C. 20036.
D. (6) $500.

A. Robert L. Schmidt, National Cable Television Association, Inc., 918 16th Street NW., Washington, D.C. 20006.
B. National Cable Television Association, Inc., 918 16th Street NW., Washington, D.C. 20006.
D. (6) $227. E. (9) $95.

A. Terry L. Schmidt, Terry L. Schmidt Associates, Inc., 1701 Pennsylvania Avenue NW., Washington, D.C. 20006.
B. American College of Emergency Physicians, 3900 Capitol City Boulevard, Lansing, Mich. 48906.
D. (6) $900.

A. Andy Schneider, National Health Law Problem, Inc., 1200 15th Street NW., Room 503, Washington, D.C. 20005.
B. The National Health Law Program, Inc., 2401 Main Street, Santa Monica, Calif. 90405.
D. (6) $4,250. E. (9) $1,148.21.

A. Mahlon C. Schneider, Green Giant Co., Hazeltine Gates, Chaska, Minn. 55318.
B. Green Giant Co., Hazeltine Gates, Chaska, Minn. 55318.
D. (6) $250. E. (9) $387.40.

A. John M. Schobel, Jr., New York Coffee and Sugar Exchange, Inc., Four World Trade Center, New York, N.Y. 10048.
B. New York Coffee and Sugar Exchange, Inc., Four World Trade Center, New York, N.Y. 10048.
D. (6) $814.35. E. (9) $1,197.10.

A. Michael M. Schoor, National Society of Professional Engineers, 2029 K Street NW., Washington, D.C. 20006.
B. National Society of Professional Engineers, 2029 K Street NW., Washington, D.C. 20006.
D. (6) $2,500.

A. Anthony Schopp, Machinery Dealers National Association, 1110 Spring Street, Silver Spring, Md. 20910.
B. Machinery Dealers National Association, 1110 Spring Street, Silver Spring, Md. 20910.

A. A. Kolbet Schrichte, 1850 K Street NW., Suite 850, Washington, D.C. 20006.
B. National Restaurant Association, 1850 K Street NW., Washington, D.C. 20006; One IBM Plaza, Suite 2600, Chicago, Ill. 60611.
D. (6) $1,325. E. (9) $26.70.

A. N. Donald Schroeder, Maryland Petroleum Association, 60 West Street, Annapolis, Md. 21401.
B. American Petroleum Institute, 2101 L Street NW., Washington, D.C. 20037.
D. (6) $80.

A. Stanley W. Schroeder, Gas Appliance Manufacturers Association, Inc., 1901 North Fort Myer Drive, Arlington, Va. 22209.
B. Gas Appliance Manufacturers Association, Inc., 1901 North Fort Myer Drive, Arlington, Va. 22209.
E. (9) $75.

A. Kathy Schroeher, 2030 M Street NW., Washington, D.C. 20036.
B. Common Cause, 2030 M Street NW., Washington, D.C. 20036.
D. (6) $4,275.03.

A. Lauren Kim Schryver, 1619 Massachusetts Avenue, NW., Washington, D.C. 20036.
B. American Paper Institute, Inc., 260 Madison Avenue, New York, N.Y. 10016.

A. Robert L. Schulz, c/o Iowa Petroleum Council, 1012 Fleming Building, Des Moines, Iowa 50309.
B. American Petroleum Institute, 2101 L Street NW., Washington, D.C. 20037.

A. Donald H. Schwab, Veterans of Foreign Wars of the United States, 200 Maryland Avenue NE., Washington, D.C. 20002.
B. Veterans of Foreign Wars of the United States, 200 Maryland Avenue NE., Washington, D.C.
D. (6) $3,750. E. (9) $227.95.

A. Evi Schwartz, P.O. Box H, Tuscaloosa, Ala. 35401.
B. Falek-Lankro Corp., P.O. Box H, Tuscaloosa, Ala. 35401.

A. Harold B. Scoggins, Jr., Independent Petroleum Association of America, 1106 16th Street NW., Washington, D.C. 20036.
B. Independent Petroleum Association of America, 1106 16th Street NW., Washington, D.C. 20036.
E. (9) $39.08.

A. Earl W. Sears, P.O. Box 12285, Memphis, Tenn. 38112.

B. National Cotton Council of America, P.O. Box 12285, Memphis, Tenn. 38112.
D. (6) $2,109.38. E. (9) $263.22.

A. Pamela Sederholm, 1730 Rhode Island Avenue NW., No. 213, Washington, D.C. 20036.
B. Brown & Root, Inc., 1730 Rhode Island Avenue NW., No. 213, Washington, D.C. 20036.
D. (6) $1,400. E. (9) $250.

A. Ronald C. Seeley, 701 Fairview, Milford, Mich. 48042.
B. Estate of Bert N. Adams, et al.
E. (9) $161.55.

A. Self-Determination for D.C., Room 300—2030 M Street NW., Washington, D.C. 20036.
D. (6) $13,731. E. (9) $8,064.92.

A. Stanton P. Sender, 1211 Connecticut Avenue NW., Washington, D.C. 20036.
B. Sears, Roebuck and Co., Sears Tower, Chicago, Ill. 60684.
D. (6) $300. E. (9) $17.

A. Seven Months Session for Congress, 7201 Wood Hollow Drive, No. 337, Austin, Tex. 78731.
E. (9) $386.

A. Seventh Pro-Life Congressional District Action Committee, 2735 Ivy Street, Tampa, Fla., 33607.
D. (6) $65.

A. J. Richard Sewell, 1701 K Street NW., Suite 503, Washington, D.C. 20006.
B. Florida Power & Light Co., P.O. Box 529100, Miami, Fla. 33152.
D. (6) $1,202. E. (9) $395.02.

A. Leo Seybold, Air Transport Association of America, 1709 New York Avenue NW., Washington, D.C. 20006.
B. Air Transport Association of America, 1709 New York Avenue NW., Washington, D.C. 20006.
D. (6) $1,700. E. (9) $58.75.

A. Seyfarth, Shaw, Fairweather & Geraldson, 1800 M Street NW., Washington, D.C. 20036.
B. Dresser Industries, Inc., P.O. Box 718, Dallas, Tex. 75221.

A. Seyfarth, Shaw, Fairweather & Geraldson, 1800 M Street NW., Wahington, D.C. 20036.
B. Trans-Union Corp., 90 Half Day Road, Lincolnshire, Ill. 60015.

A. Robert L. Shafer, 1700 Pennsylvania Avenue NW., Washington, D.C. 20006.
B. Pfizer Inc., 235 East 42d Street, New York, N.Y. 10017.
D. (6) $550. E. (9) $660.

A. James M. Shamberger, Reinsurance Association of America, 1025 Connecticut Avenue NW., No. 512, Washington, D.C. 20030.
B. Reinsurance Association of America. 1025 Connecticut Avenue NW., No. 512, Washington, D.C.
E. (9) $25.

A. Shamrock Foods Co., 2228 North Black Canyon, Phoenix, Ariz., 85009.

A. Lloyd D. Shand, 1101 17th Street NW., Washington, D.C. 20036.
B. Monsanto Co., 800 North Lindbergh Boulevard, St. Louis, Mo. 63166.
D. (6) $55.

A. Harry D. Shapiro, 1800 Mercantile Bank & Trust Building, Two Hopkins Plaza, Baltimore, Md. 21201.
B. Maryland Savings-Share Insurance Corp., 901 North Howard Street; Baltimore, Md. 21201.
E. (9) $43.99.

A. John J. Sharkey, 1629 K Street NW., Room No. 204, Washington, D.C. 20006.
B. Delta Air Lines, Inc., Hartsfield Atlanta International Airport, Atlanta, Ga. 30320.
D. (6) $922.50. E. (9) $3,112.25.

A. Luther W. Shaw, 1625 I Street NW., Suite 827, Washington, D.C. 20006.
B. Paluszek & Leslie Associates, 1500 Broadway, New York, N.Y. 10036.
E. (9) $51.63.

A. Shaw, Pittman, Potts & Trowbridge, c/o Ramsay D. Potts, 1800 M Street NW., Washington, D.C. 20036.
B. Association for the Improvement of the Mississippi River, 10 Broadway, St. Louis, Mo. 63102.
D. (6) $2,007. E. (9) $11.60.

A. Shaw, Pittman, Potts & Trowbridge, c/o Ramsay D. Potts, 1800 M Street NW., Washington, D.C. 20036.
B. Emerson Electric Co., 8100 Florissant, St. Louis, Mo. 63136.
D. (6) $3,284.25. E. (9) $4.

A. Shaw, Pittman, Potts & Trowbridge, 1800 M. Street NW., Washington, D.C. 20036.
B. Institute of Foreign Bankers, 95 Wall Street, New York, N.Y. 10005.
E. (9) $349.10.

A. Shaw, Pittman, Potts & Trowbridge c/o Ramsay D. Potts, 1800 M Street NW., Washington, D.C. 20036.
B. Investment Counsel Association of America, Inc., 127 East 59th Street, New York, N.Y. 10022.
D. (6) $733. E. (9) $2.30.

A. Shaw, Pittman, Potts & Trowbridge c/o Ramsay D. Potts, 1800 M Street NW., Washington, D.C. 20036.
B. National Committee on Locks & Dams 26, 1129 20th Street NW., Washington, D.C. 20036.
D. (6) $1,500. E. (9) $4.20.

A. Shaw, Pittman, Potts & Trowbridge, 1800 M. Street NW., Washington, D.C. 20036.
B. Radioactive Waste Management Group, c/o Shaw, Pittman, Potts & Trowbridge, 1800 M Street NW., Washington, D.C. 20036.
D. (6) $3,428,42.

A. John J. Sheehan, United Steelworkers of America, 815 16th Street NW., Suite 706, Washington, D.C. 20006.
B. United Steelworkers of America, 5 Gateway Center, Pittsburgh, Pa. 15222.
D. (6) $8,744.15. E. (9) $5,050.68.

A. Spencer C. Sheldon, 1025 Connecticut Avenue NW., Suite 700, Washington, D.C. 20036.
B. Gulf Oil Corp., P.O. Box 1166, Pittsburgh, Pa. 15230.
D. (6) $375. E. (9) $38.75.

A. Norman R. Sherlock, American Bus Asciation, 1025 Connecticut Avenue NW., Suite 308, Washington, D.C. 20036.
B. American Bus Association, 1025 Connecticut Avenue NW., Suite 308, Washington, D.C. 20036.
D. (6) $1,373.24. E. (9) $1,621.01.

A. Morris Shipley, 1629 K Street NW., Room No. 204, Washington, D.C. 20006.
B. Delta Air Lines, Inc., Hartsfield Atlanta International Airport, Atlanta, Ga., 30320.
D. (6) $800. E. (9) $500.88.

A. Harvey A. Shipman, 2021 K Street NW., Suite 700, Washington, D.C. 20006.
B. Penn Central Transportation Co., 1700 Market Street, Philadelphia, Pa. 19103.
D. (6) $250. E. (9) $475.

A. Fred B. Shippee, American Apparel Manufacturers Association, 1611 North Kent Street, Suite 800, Arlington, Va. 22209.
B. American Apparel Manufacturers Association, 1611 North Kent Street, Suite 800, Arlington, Va. 22209.

A. W. Ray Shockley, American Textile Manufacturers Institute, Inc., 1150 17th Street NW., Suite 1001, Washington, D.C. 20036.
B. American Textile Manufacturers Institute, 400 South Tryon Street, No. 2124, Charlotte, N.C. 28285.
D. (6) $2,550. E. (9) $29.78.

A. Scott Shotwell, National Forest Products Association, 1619 Massachusetts Avenue NW., Washington, D.C.
B. National Forest Products Association, 1619 Massachusetts Avenue NW., Washington, D.C. 20036.
D. (6) $2,475. E. (9) 50.

A. Lawrence E. Siegel, 1101 16th Street NW., Washington, D.C. 20036.
B. Independent Petroleum Association of America, 1101 16th Street NW., Washington, D.C. 20036.
D. (6) $3,000. E. (9) $93.21.

A. Richard H. Siemsen, c/o Ramsay D. Potts (Shaw Pittman et al.) 1800 M Street NW., Washington, D.C. 20036.
B. Emerson Electric Co., 8100 Florissant, St. Louis, Mo. 63136.
E. (9) $462.40.

A. Bernard H. Sieracki, Illinois Petroleum Council, 200 East Randolph Drive, Suite 7209, Chicago, Ill. 60601.
B. American Petroleum Institute, 2101 L Street NW., Washington, D.C. 20037.

A. Karen Sikkema, 461 South Boylston Street, Los Angeles, Calif. 90017.
B. Union Oil Co. of California, 461 South Boylston Street, Los Angeles, Calif. 90017.
D. (6) $212.10. E. (9) $2,042.

A. David Silver, Investment Company Institute, 1775 K Street NW., Washington, D.C. 20006.
B. Investment Co. Institute, 1775 K Street NW., Washington, D.C. 20006.
D. (6) $75. E. (9) $34.90.

A. Silver Users Association, 1717 K Street NW., Washington, D.C. 20006.
D. (6) $600. E. (9) $1,866.26.

A. Talmadge E. Simpkins, 100 Indiana Avenue NW., Washington, D.C. 20001.
B. AFL–CIO Maritime Committee, 100 Indiana Avenue NW., Washington, D.C. 20001.
D. (6) $240. E. (9) $349.27.

A. Talmadge E. Simpkins, 100 Indiana Avenue NW., Washington, D.C. 20001.
B. Labor-Management Maritime Committee, 100 Indiana Avenue NW., Washington, D.C. 20001.
D. (6) $3,039. E. (9) $18.

A. Robert C. Singer, The Soap & Detergent Association, 475 Park Avenue South at 32d Street, New York, N.Y. 10016.
B. The Soap & Detergent Association, 475 Park Avenue South at 32d Street, New York, N.Y. 10016.

A. Barney J. Skladany, Jr., 1100 Connecticut Avenue NW., Washington, D.C. 20036.
B. Mobil Oil Corp., 150 East 42d Street, New York, N.Y. 10017.
D. (6) $1,125.

A. Carstens Slack, Phillips Petroleum Co., 1825 K Street NW., Washington, D.C. 20006.
B. Phillips Petroleum Co., Bartlesville, Okla. 74004.

A. F. Slatinshek & Associates, Inc., 218 North Lee Street, Alexandria, Va. 22314.
B. Grumman Aerospace Corp., Bethpage, N.Y. 11714; United Technolcgies Corp., 1125 15th Street NW., Washington, D.C. 20005; General Dynamics Corp., Pierre LacLede Center, St. Louis, Mo. 63105.
D. (6) $550.

A. William Jay Slosberg, 7205 Brennon Avenue, Chevy Chase, Md. 20015.
B. Committee of Americans for the Canal Treaties, Inc. 1019 19th Street NW., Suite 1120, Washington, D.C. 20036.
D. (6) $2,368.05.

A. Slurry Transport Association, 490 L'Enfant Plaza East SW., Suite 3210, Washington, D.C. 20024.
D. (6) $16,000. E. (9) $9,338.34.

A. Small Producers for Energy Independence, Suite 970, Fourth Financial Center, Wichita, Kans. 67202.
D. (6) $91,816.96. E. (9) $4,780.71.

A. Stephen K. Small, Suite 3212, 490 L'Enfant Plaza East SW., Washington, D.C. 20024.
B. Securities Industry Association, 490 L'Enfant Plaza East SW., Washington, D.C. 20024.
D. (6) $711. E. (9) $75.

A. Donald E. Smiley, 1025 Connecticut Avenue NW., Suite 1014, Washington, D.C. 20036.
B. Exxon Corp., 1251 Avenue of the Americas, New York, N.Y.
E. (9) $758.21.

A. Arthur J. Smith, Shell Oil Co., 1025 Connecticut Avenue NW., Suite 200, Washington, D.C. 20036.
B. Shell Oil Co., P.O. Box 2463, Houston, Tex. 77001.
D. (6) $500.

A. Smith, Barney Real Estate Corp., 1345 Avenue of the Americas, New York, N.Y. 10019.
E. (9) $2,306.

A. Douglas J. Smith, 475 L'Enfant Plaza SW., Suite 4100, Washington, D.C. 20024.
B. Cramer, Visser, Lipsen & Smith, 475 L'Enfant Plaza SW., Suite 4100, Washington, D.C. 20024 (for American Sign & Indicator Corp., North 2310 Fancher Way, Spokane, Wash. 99206).

A. Douglas J. Smith, 475 L'Enfant Plaza SW., Suite 4100, Washington, D.C. 20024.
B. Cramer, Visser, Lipsen & Smith, 475 L'Enfant Plaza SW., Suite 4100, Washington, D.C. 20024 (for Institute of Signage Research, 541 University Avenue, Palo Alto, Calif. 94301).

A. J. Kenneth Smith, Sun Co., Inc., 1800 K Street NW., Suite 820, Washington, D.C. 20006.
B. Sun Co., Inc., 100 Matsonford Road, Radnor, Pa. 19087.
D. (6) $6,500. E. (9) $1,450.

A. Michael P. Smith, The New York State Bankers Association, 485 Lexington Avenue, New York, N.Y. 10017.
B. New York State Bankers Association, 485 Lexington Avenue, New York, N.Y. 10017.
D. (6) $500. E. (9) $722.

A. Robert Bland Smith, Jr., American Council of Life Insurance, Inc., 1850 K Street NW., Washington, D.C. 20006.
B. American Council of Life Insurance, Inc., 1850 K Street NW., Washington, D.C. 20006.
D. (6) $450. E. (9) $230.

A. Robert Wm. Smith, Railway Progress Institute, 700 North Fairfax Street, Alexandria, Va. 22314.
B. Railway Progress Institute, 700 North Fairfax Street, Alexandria, Va. 22314.

A. William H. Smith, American Bankers Association, 1120 Connecticut Avenue NW., Washington, D.C. 20036.
B. American Bankers Association, 1120 Connecticut Avenue NW., Washington, D.C. 20036.

A. Wayne H. Smithey, Ford Motor Co., 815 Connecticut Avenue NW., Washington, D.C. 20006.
B. Ford Motor Co., 815 Connecticut Avenue NW., Washington, D.C. 20006.
D. (6) $2,500. E. (9) $1,020.10.

A. Arthur V. Smyth, 1625 I Street NW., Washington, D.C. 20006.
B. Weyerhaeuser Co., Tacoma, Wash. 98401.
D. (6) $3,000. E. (9) $95.25.

A. Frank B. Snodgrass, 1100 17th Street NW., Suite 306, Washington, D.C. 20036.
B. Burley and Dark Leaf Tobacco Export Association, 1100 17th Street NW., Suite 306, Washington, D.C. 20036.
D. (6) $797.05.

A. John M. Snow, 8401 Connecticut Avenue NW., Washington, D.C. 20015.
B. National Association of Furniture Manufacturers, 8401 Connecticut Avenue, Suite 911, Washington, D.C. 20015.
D. (6) $500. E. (9) $30.

A. Snyder & Ball Associations, Inc., 1600 Wilson Boulevard, No. 720, Arlington, Va. 22209.
B. Gould, Inc., 10 Gould Center, Rolling Meadows, Ill. 60008.
D. (6) $75.

A. John M. Snyder, 600 Pennsylvania Avenue SE., Suite 205, Washington, D.C. 20003.
B. Citizens Committee for the Right To Keep and Bear Arms, Bellefield Office Park, 1601 114th SE., Suite 151, Bellevue, Wash. 98004.
D. (6) $5,100.

A. Keith Snyder, 1346 Connecticut Avenue NW., Suite 610, Washington, D.C. 20036.
B. Association of Northeastern Veterans Counseling Organizations, 84 Fifth Avenue, New York, N.Y. 10011.
D. (6) $300. E. (9) $2.10.

A. Society for Animal Protective Legislation, P.O. Box 3719, Georgetown Station, Washington, D.C. 20007.
D. (6) $13,466.72. E. (9) $15,036.67.

A. Edmund T. Sommer, Jr., Council of American-Flag Ship Operators, 1625 K Street NW., Washington, D.C. 20006.
B. Council of American-Flag Ship Operators, 1625 K Street NW., Washington, D.C. 20006.
D. (6) $165. E. (9) $12.25.

A. S. L. Sommer & Associates, Inc., 1800 North Kent Street, Arlington, Va. 22209.
B. Northrop Corp., 1701 North Fort Myer Drive, Suite 1208, Arlington, Va. 22209.
D. (6) $15,000. E. (9) $14,168.68.

A. Shelby E. Southard, 1828 L Street NW., Suite 1100, Washington, D.C. 20036.
B. Cooperative League of the U.S.A., 1828 L Street NW., Suite 1100, Washington, D.C. 20036.
D. (6) $5,500. E. (9) $761.

A. Souther, Spaulding, Kinsey, Williamson & Schwabe, 1200 Standard Plaza, Portland, Oreg. 97204.
B. National Forest Products Association, 1619 Massachusetts Avenue NW., Washington, D.C.
E. (9) $1,530.85.

A. Rodney K. Spackman, National Association of Manufacturers, 601 North Vermont Avenue, Los Angeles, Calif. 90004.
B. National Association of Manufacturers, 1776 F Street NW., Washington, D.C. 20006.
D. (6) $800.

A. Girardeau A. Spann, Public Citizen, Inc., 2000 P Street NW., Suite 700, Washington, D.C. 20036.
B. Public Citizen, Inc., Box 19404, Washington, D.C. 20036.
D. (6) $360.

A. Larry M. Speakes, Hill & Knowlton, Inc., 1425 K Street NW., No. 1000, Washington, D.C. 20005.
B. Hill & Knowlton, Inc., 633 Third Avenue, New York, N.Y. 10017.

A. Philip J. Spear, 8150 Leesburg Pike, Suite 1100, Vienna, Va. 22180.
B. National Pest Control Association, 8150 Leesburg Pike, Suite 1100, Vienna, Va.
D. (6) $250.

A. Frank J. Specht, Schenley Distillers, Inc., 1725 DeSales Street NW., Washington, D.C. 20036.
B. Schenley Distillers, Inc., 888 Seventh Avenue, New York, N.Y. 10019.

A. Specialty Equipment Manufacturers Association, 11001 East Valley Mall, Suite 204, El Monte, Calif. 91731.

A. John F. Speer, Jr., 1105 Barr Building, Washington, D.C. 20006.
B. International Association of Ice Cream Manufacturers & Milk Industry Foundation, 1105 Barr Building, Washington, D.C. 20006.

A. William C. Spence, P.O. Box 683, Houston, Tex. 77001.
B. Columbia Gulf Transmission Co., P.O. Box 683, Houston, Tex. 77001.
D. (6) $600. E. (9) $564.14.

A. George Spiegel, Spiegel & McDiarmid, 2600 Virginia Avenue NW., Washington, D.C. 20037.
B. Northern California Power Agency (770 Kiely Boulevard, Santa Clara, Calif. 95051), cities of Alameda, Biggs, Gridley, Healdsburg, Lodi, Lompoc, Palo Alto, Redding, Roseville, Santa Clara, Ukiah, Calif. and associate member, Plumas-Sierra Rural Electric Cooperative.

A. Spiegel & McDiarmid, 2600 Virginia Avenue NW., Washington, D.C. 20037.
B. Northern California Power Agency, et al.
D. (6) $6,379.87.

A. Larry N. Spiller, 1155 15th Street NW., No. 713, Washington, D.C. 20005.
B. American Consulting Engineers Council, 1155 15th Street NW., No. 713, Washington, D.C. 20005.
D. (6) $1,850. E. (9) $75.

A. Joseph L. Spilman, Jr., 2101 L Street NW., Washington, D.C. 20037.
B. American Petroleum Institute, 2101 L Street NW., Washington, D.C. 20037.
D. (6) $483. E. (9) $100.

A. Earl C. Spurrier, 1101 17th Street NW., Suite 604, Washington, D.C. 20036.
B. Monsanto Co., 800 North Lindbergh Boulevard, St. Louis, Mo. 63166.
D. (6) $160.

A. Squibb Corp., 40 West 57th Street, New York, N.Y. 10019.
E. (9) $378.

A. Staff Builders, Inc., 122 East 42d Street, New York, N.Y. 10017.

A. Lynn E. Stalbaum, National Milk Producers Federation, 30 F Street NW., Washington, D.C. 20001.
B. National Milk Producers Federation, 30 F Street NW., Washington, D.C. 20001.
D. (6) $2,000. E. (9) $91.70.

A. The Standard Oil Co. (Ohio), Midland Building, Cleveland, Ohio 44115.
E. (9) $2,162.56.

A. David P. Stang, Suite 601, 1629 K Street NW., Washington, D.C. 20006.
B. J. Ray McDermott & Co., Inc., 1010 Common Street, New Orleans, La.
D. (6) $144.56.

A. David P. Stang, Suite 601, 1629 K Street NW., Washington, D.C. 20006.
B. National Ocean Industries Association, 1100 17th Street NW., Washington, D.C. 20036.
D. (6) $382.16. E. (9) $200.

A. David P. Stang, Suite 601, 1629 K Street NW., Washington, D.C. 20006.
B. Ocean Minerals Co., P.O. Box 4531, Mountain View, Calif. 94040.
D. (6) $34.65.

A. David P. Stang, Suite 601, 1629 K Street NW., Washington, D.C. 20006.
B. Fred J. Russell, P.O. Box 54228, Los Angeles, Calif. 90054.

A. Melvin L. Stark, 1707 L Street NW., Suite 321, Washington, D.C. 20036.
B. Hartford Insurance Group, Hartford, Conn.
D. (6) $6,000.

A. Walter M. Starke, P.O. Box 2563, Birmingham, Ala. 35202.
B. Southern Natural Gas Co., P.O. Box 2563, Birmingham, Ala. 35202.
D. (6) $603.12. E. (9) $1,592.81.

A. State & Federal Associates, Inc., 1101 15th Street NW., Suite 205, Washington, D.C. 20005.
B. National Association of Convenience Stores, 5205 Leesburg Pike, Suite 305, Falls Church, Va. 22041.
D. (6) $5,908.35.

A. State & Federal Associates, Inc., 1101 15th Street NW., Suite 205, Washington, D.C. 20005.
B. Potato Chip/Snack Food Association, 5205 Leesburg Pike, Baileys Crossroads, Va. 22041.

A. State & Federal Associates, Inc., 1101 15th Street NW., Suite 205, Washington, D.C. 20005.
B. Schering-Plough Corp., Galloping Hill Road, Kenilworth, N.J. 07033.
D. (6) $5,736.68. E. (9) $57.90.

A. Leon P. Stavrou, 1730 K Street NW., Washington, D.C. 20006.
B. American Hellenic Institute Public Affairs Committee, Inc., 1730 K Street NW., Suite 903, Washington, D.C. 20006.
D. (6) $48.

A. Randolph J. Stayin, 1150 Connecticut Avenue NW., Washington, D.C.
B. Taft, Stettinius & Hollister, Dixie Terminal Building, Cincinnati, Ohio 45202 and American Hospital Association, 444 North Capitol Street, Washington, D.C. 20001.

A. Randolph J. Stayin, 1150 Connecticut Avenue NW., Washington, D.C.
B. Taft, Stettinius & Hollister, Dixie Terminal Building, Cincinnati, Ohio 45202 and Special Committee for Workplace Product Liability Reform, 1150 Connecticut Avenue NW., Washington, D.C. 20036.

A. E. H. Stearns, American Petroleum Institute, 2101 L Street NW., Washington, D.C. 20037.
B. American Petroleum Institute, 2101 L Street NW., Washington, D.C. 20037.

A. Theodore P. Stein, 2030 M Street NW., Washington, D.C. 20036.
B. Common Cause, 2030 M Street NW., Washington, D.C. 20036.
D. (6) $3,375. E. (9) $226.26.

A. David J. Steinberg, National Council for a Responsible Firearms Policy, Inc., 1028 Connecticut Avenue NW., Washington, D.C. 20036.
B. National Council for a Responsible Firearms Policy, Inc., 1028 Connecticut Avenue NW., Washington, D.C. 20036.

A. Steptoe & Johnson, 1250 Connecticut Avenue NW., Washington, D.C. 20036.
B. Robert College of Istanbul, Turkey, 380 Madison Avenue, New York, N.Y. 10017.
D. (6) $75. E. (9) $2.

A. Karen L. Stevens, 512 Washington Building, Washington, D.C. 20005.
B. National Association of Small Business Investment Co., 512 Washington Building, Washington, D.C. 20005.
D. (6) $500.

A. Art Stewart, P.O. Box 5308, Denver, Colo. 80217.
B. Great Western Sugar Co., P.O. Box 5308, Denver, Colo. 80217.
D. (6) $1,100. E. (9) $620.20.

A. Margaret Stewart, R.F.D. 5, Box 109, Piedmont, Ala. 36272.

A. Robert B. Stewart, 1701 Pennsylvania Avenue NW., Washington, D.C. 20006.
B. Getty Oil Co., 3810 Wilshire Boulevard, Los Angeles, Calif. 90010.
D. (6) $3,475.20. E. (9) $199.14.

A. Edward W. Stimpson, 1025 Connecticut Avenue NW., Suite 517, Washington, D.C. 20036.
B. General Aviation Manufacturers Association, 1025 Connecticut Avenue NW., Suite 517, Washington, D.C. 20036.
D. (6) $375.

A. Kenneth F. Stinger, American Trucking Associations, Inc., 1616 P Street NW., Washington, D.C. 20036.
B. American Trucking Associations Inc., 1616 P Street NW., Washington, D.C. 20036.
D. (6) $6,000. E. (9) $634.77.

A. Stephen A. Stitle, 1901 L Street NW., No. 705, Washington, D.C. 20036.
B. Eli Lilly & Co., 307 East McCarty Street, Indianapolis, Ind. 46206.
D. (6) $3,000. E. (9) $150.

A. Richard Boyle Storey, Suite 2B, 1750 Old Meadow Road, McLean, Va. 22101.
B. International Military Club Executives' Association, 1750 Old Meadow Road, Suite 2B, McLean, Va. 22101.

A. William M. Stover, Manufacturing Chemists Association, Inc., 1825 Connecticut Avenue NW., Washington, D.C. 20009.
B. Manufacturing Chemists Association, Inc., 1825 Connecticut Avenue NW., Washington, D.C. 20009.
D. (6) $1,000. E. (9) $100.

A. John D. Stringer, Alliance of American Insurers, 1776 F Street NW., Washington, D.C. 20006.
B. Alliance of American Insurers, 20 North Wacker Drive, Chicago, Ill. 60606.
D. (6) $2,520. E. (9) $365.

A. George W. Strong, Houston Natural Gas Corp., P.O. Box 1188, Houston, Tex. 77001.
B. Houston Natural Gas Corp., P.O. Box 1188, Houston, Tex. 77001.
D. (6) $1,749. E. (9) $1,223.

A. Stroock, Stroock & Lavan, 1150 17th Street NW., Washington, D.C. 20036.
B. J. Aron & Co., Inc., 160 Water Street, New York, N.Y.
E. (9) $296.19.

A. Stroock, Stroock & Lavan, 61 Broadway, New York, N.Y. 10006; 1150 17th Street NW., Suite 600, Washington, D.C. 20036.
B. Bank Hapoalim B.M., 50 Rothschild Boulevard, Tel Aviv, Israel.
E. (9) $170.

A. Stroock, Stroock & Lavan, 1150 17th Street NW., Washington, D.C. 20036.
B. Commonwealth of Puerto Rico, Office of Commonwealth of Puerto Rico, 1625 Massachusetts Avenue NW., Washington, D.C. 20036.
E. (9) $14.36.

A. Stroock, Stroock & Lavan, 1150 17th Street NW., Washington, D.C. 20036.
B. Tris Indemnity Corporate Group, 1150 17th Street NW., No. 600, Washington, D.C. 20036.
D. (6) $1,200. E. (9) $82.52.

A. R. Keith Stroup, 2317 M Street NW., Washington, D.C. 20037.
B. National Organization for the Reform of Marijuana Laws, 2317 M Street NW., Washington, D.C. 20037.
D. (6) $5,366.06.

A. Norman Strunk, 111 East Wacker Drive, Chicago, Ill. 60601.
B. United States League of Savings Association, 111 East Wacker Drive, Chicago, Ill. 60601.
D. (6) $3,347. E. (9) $264.90.

A. Walter B. Stults, 512 Washington Building, Washington, D.C. 20005.
B. National Association of Small Business Investment Cos., 512 Washington Building, Washington, D.C. 20005.
D. (6) $4,000.

A. Eugene F. Sturgeon, 182 Crater Lane, Kensington, Conn.
B. Northeast Utilities Service Co., Selden Street, Berlin, Conn.
D. (6) $1,128.03. E. (9) $1,142.99.

A. Sullivan & Cromwell, 125 Broad Street, New York, N.Y. 10004.
B. General Electric Credit Corp., 260 Long Ridge Road, Stamford, Conn. 06902.
D. (6) $2,000.

A. Harold R. Sullivan, 1750 K Street NW., Washington, D.C. 20006.
B. Food Marketing Insitute, 1750 K Street NW., Washington, D.C. 20006.
D. (6) $1,500.

A. Roger H. Sullivan, Hawaiian Sugar Planters' Association, 723 Investment Building, Washington, D.C. 20005.
B. Hawaiian Sugar Planters' Association, Aiea, Hawaii 96701.
E. (9) $81.85.

A. Surrey, Karasik & Morse, 1156 15th Street NW., Washington, D.C. 20005.
B. Westway Trading Corp., 464 Hudson Terrace, Englewood Cliffs, N.J. 07632.
D. (6) $395. E. (9) $395.

A. Sutherland, Asbill & Brennan, 1666 K Street NW., Washington, D.C.

B. Carnegie Corporation of New York, 437 Madison Avenue, New York, N.Y. 10022.
D. (6) $500. E. (9) $15.

A. Sutherland, Asbill & Brennan, 1666 K Street NW., Washington, D.C. 20006 and 3100 First National Bank Tower, Atlanta, Ga. 30303.
B. The Coca-Cola Bottlers' Association, 166 16th Street NW., Atlanta, Ga.

A. Sutherland, Asbill & Brennan, 1666 K Street NW., Washington, D.C. 20006.
B. Equifax, Inc., P.O. Box 4081, Atlanta, Ga. 30302.
D. (6) $5,000. E. (9) $300.

A. Sutherland, Asbill & Brennan, 1666 K Street NW., Washington, D.C. 20006.
B. Massachusetts Mutual Life Insurance Co., 1295 State Street, Springfield, Mass. 01111.
D. (6) $500. E. (9) $2.50.

A. Sutherland, Asbill & Brennan, 1666 K Street NW., Washington, D.C. 20006.
B. Mutual of Omaha Insurance Co., Dodge at 33d Street, Omaha, Nebr. 68131.
D. (6) $10,000. E. (9) $1,000.

A. Sutherland, Asbill & Brennan, 3100 First National Bank Tower, Atlanta, Ga. 30303 and 1666 K Street, Washington, D.C. 20006.
B. Oglethorpe Electric Membership Corp., 3951 Snapfinger Parkway, Decatur, Ga. 30035.
D. (6) $480. E. (9) $26.50.

A. Glenn A. Swanson, Independent Bankers Association of America, 1625 Massachusetts Avenue NW., Suite 203, Washington, D.C. 20036.
B. Independent Bankers Association of America, Sauk Centre, Minn. 56378.
D. (6) $64,794.08. E. (9) $18,122.83.

A. Irving W. Swanson, Harris Corp., 11212 Farmland Drive, Rockville, Md. 20852.
B. Harris Corp., 2600 Virginia NW., Washington, D.C. 20037.
D. (6) $12,256.40. E. (9) $780.96.

A. Noble J. Swearingen, American Lung Association, 101 2d Street NE., Washington, D.C. 20002.
B. American Lung Association, 1740 Broadway, New York, N.Y. 10019.
D. (6) $1,000.

A. David A. Sweeney, 25 Louisiana Avenue NW., Washington, D.C. 20001.
B. International Brotherhood of Teamsters, 25 Louisiana Avenue NW., Washington, D.C. 20001.
D. (6) $10,031.25.

A. John R. Sweeney, 800 Solar Building, 1000 16th Street NW., Washington, D.C. 20036.
B. Bethlehem Steel Corp., Bethlehem Pa. 18016.
D. (6) $260. E. (9) $185.40.

A. Richard Preston Swigart, 1660 L Street NW., Suite 201, Washington, D.C. 20036.
B. American Can Co., American Lane, Greenwich, Conn. 06830.
E. (9) $431.50.

A. Robert Taft, Jr., 1150 Connecticut Avenue NW., Washington, D.C. 20036.
B. Taft, Stettinius & Hollister, Dixie Terminal Building, Cincinnati, Ohio 45202 (for American Hospital Association, 444 North Capitol Street, Washington, D.C. 20001.
D. (6) $4,950. E. (9) $236.75.

A. Robert Taft, Jr., 1150 Connecticut Avenue NW., Washington, D.C. 20036.
B. Taft, Stettinius & Hollister, Dixie Terminal Building, Cincinnati, Ohio 45202 (for Capitol Hill Hospital. c/o Williamson, 1701 K Street NW., Washington, D.C. 20006).

A. Robert Taft, Jr., 1150 Connecticut Avenue NW., Washington, D.C. 20036.
B. Taft, Stettinius & Hollister, Dixie Terminal Building, Cincinnati, Ohio 45202 (for Family Leisure Centers, Inc., 1906 Highland Avenue, Cincinnati, Ohio 45219).
D. (6) $885.

A. Robert Taft, Jr., 1150 Connecticut Avenue NW., Washington, D.C. 20036.
B. Taft, Stettinius & Hollister, Dixie Terminal Building, Cincinnati, Ohio 45202 (for Grocery Manufacturers of America, Inc., 1010 Wisconsin Avenue NW., No. 800, Washington, D.C. 20007).
D. (6) $2,007.

A. Robert Taft, Jr., 1150 Connecticut Avenue NW., Washington, D.C. 20036.
B. Taft, Stettinius & Hollister, Dixie Terminal Building, Cincinnati, Ohio 45202 (for Sisters of Charity of Cincinnati, Ohio).

A. Robert Taft, Jr., 1150 Connecticut Avenue NW., Washington, D.C. 20036.
B. Taft, Stettinius & Hollister, Dixie Terminal Building, Cincinnati, Ohio 45202 (for Special Committee for Workplace Product Liability Reform, 1150 Connecticut Avenue NW., Washington, D.C. 20036).

A. Robert Taft, Jr., 1150 Connecticut Avenue NW., Washington, D.C. 20036.
B. Taft, Stettinius & Hollister, Dixie Terminal Building, Cincinnati, Ohio 45202 (for Taft Broadcasting Co., 1906 Highland Avenue, Cincinnati, Ohio 45219).
D. (6) $10,578.

A. Robert Taft, Jr., 1150 Connecticut Avenue NW., Washington, D.C. 20036.
B. Taft, Stettinius & Hollister, Dixie Terminal Building, Cincinnati, Ohio 45202 (for Werner Von Clemm, New York, N.Y.).
D. (6) $1,500.

A. Burt L. Talcott, American Consulting Engineers Council, 1155 15th Street NW., No. 713, Washington, D.C. 20005.
B. American Consulting Engineers Council, 1155 15th Street NW., No. 713, Washington, D.C. 20005.
D. (6) $2,000. E. (9) $100.

A. H. William Tanaka, d.b.a. Tanaka Walders & Ritger, 1819 H Street NW., Washington, D.C. 20006.
B. The Fasteners Institute of Japan, Kikai Shinko Building 3–5–8, Shiba Koen, Minato-ku, Tokyo, Japan; and Japan Machinery Exporters Association, 21–15, Shiba Koen, Minato-ku, Tokyo, Japan.
D. (6) $6,500. E. (9) $549.78.

A. Susan Tannenbaum, 2030 M Street NW., Washington, D.C. 20036.
B. Common Cause, 2030 M Street NW., Washington, D.C. 20036.
D. (6) $6,000.02. E. (9) $76.25.

A. Norman Wilson Tanner, Jr., 1660 L Street NW., Suite 215–16, Washington, D.C. 20036.
B. Outdoor Advertising Association of America, Inc., 1660 L Street NW., Suite 215–16, Washington, D.C. 20036.
D. (6) $112. E. (9) $11.

A. William M. Tartikoff, Investment Company Institute, 1775 K Street NW., Washington, D.C. 20006.
B. Investment Company Institute, 1775 K Street NW., Washington, D.C. 20006.
D. (6) $68.

A. Clayton C. Taylor, McDonald's Corp., One McDonald's Plaza, Oak Brook, Ill. 60521.
B. McDonald's Corp., One McDonald's Plaza, Oak Brook, Ill. 60521.
E. (9) $225.55.

A. Darold W. Taylor, 1130 17th Street NW., Washington, D.C. 20036.
B. National Clay Pipe Institute, P.O. Box 310, 350 Terra Cotta Avenue, Crystal Lake, Ill. 60014.
D. (6) $150.

A. David K. Taylor, Jr., 1100 Connecticut Avenue NW., No. 620, Washington, D.C. 20036.
B. Mobil Oil Corp., 150 East 42d Street, New York, N.Y. 10017.
D. (6) $375.

A. Sid Taylor, National Taxpayers Union, 325 Pennsylvania Avenue SE., Washington, D.C. 20003.
B. National Taxpayers Union, 325 Pennsylvania Avenue SE., Washington, D.C. 20003.
D. (6) $1,200. E. (9) $349.

A. William K. Tell, Jr., 1050 17th Street NW., Washington, D.C. 20036.
B. Texaco, Inc., 2000 Westchester Avenue, White Plains, N.Y. 10650.
D. (6) $550.

A. Paul Tendler, 2020 K Street NW., Suite 420, Washington, D.C. 20006.
B. Paul Tendler Associates, 2020 K Street NW., Suite 420, Washington, D.C. 20006 (for the National Federation of Licensed Practical Nurses).
D. (6) $1,500. E. (9) $1,645.

A. Robert P. Terzian, National Association of Electric Cos., 1140 Connecticut Avenue NW., Suite 1010, Washington, D.C. 20036.
B. National Association of Electric Cos., 1140 Connecticut Avenue NW., Suite 1010, Washington, D.C. 20036.
D. (6) $53. E. (9) $16.

A. Thevenot, Murray & Scheer, 1120 Connecticut Avenue NW., No. 1128, Washington, D.C. 20036.
B. National Association of Stevedores, 919 18th Street NW., Washington, D.C. 20006.
D. (6) $500.

A. Craig G. Thibaudeau, 3251 Old Lee Highway, Suite 501, Fairfax, Va. 22030.
B. National Limestone Institute, Inc., 3251 Old Lee Highway, Suite 501, Fairfax, Va. 22030.
E. (9) $17.24.

A. 13th Congressional District Action Committee, 7370 Pegasus Way, San Jose, Calif. 95139.
D. (6) $242. E. (9) $330.90.

A. 38th Pro-Life Congressional District Action Committee, 83 Thistle Lea, Williamsville, N.Y. 14221.
E. (9) $15.

A. 35th Congressional District Action Committee, Box 1, Chaffee, N.Y. 14030.
E. (9) $2.50.

A. 39th Congressional District Action Committee, Rural Delivery 2, Allegany, N.Y. 14706.
D. (6) $15. E. (9) $30.27.

A. John W. Thomas, 1522 K Street NW., No. 828, Washington, D.C. 20005.
B. American Veterinary Medical Association, 1522 K Street NW., No. 828, Washington, D.C. 20005.
D. (6) $30.

A. John W. Thomas, Association of American Veterinary Medical Colleges, 1522 K Street NW., No. 828, Washington, D.C. 20005.
B. Association of American Veterinary Medical Colleges, 1522 K Street NW., No. 828, Washington, D.C. 20005.

A. Stephen M. Thomas, Council for a Livable World, 100 Maryland Avenue NE., Washington, D.C. 20002.

B. Council for a Livable World, 100 Maryland Avenue NE., Washington, D.C. 20002.
D. (6) $2,420.25.

A. Jerry P. Thompson, 1300 Connecticut Avenue N.W., Washington, D.C. 20036.
B. International Association of Machinists & Aerospace Workers, 1300 Connecticut Avenue NW., Washington, D.C. 20036.
D. (6) $4,192.75. E. (9) $337.20.

A. Kenneth W. Thompson, Interstate Natural Gas Association of America, 1660 L Street NW., Suite 601, Washington, D.C. 20036.
B. Interstate Natural Gas Association of America, 1660 L Street NW., Suite 601, Washington, D.C. 20036.
D. (6) $300.

A. Melissa A. Thompson, Population Resource Center, Inc., 110 Maryland Avenue NE., Washington, D.C. 20002.
B. Population Resource Center, Inc., 622 Third Avenue, New York, N.Y. 10017.
D. (6) $2,616. E. (9) $1,113.

A. Roger G. Thompson, Kentucky Power Co., 15th Street and Carter Avenue, Ashland, Ky. 41101.
B. Kentucky Power Co., 15th Street and Carter Avenue, Ashland, Ky. 41101.
D. (6) $150. E. (9) $503.78.

A. Terence Hastings Thorn, American Gas Association, 1515 Wilson Boulevard, Arlington, Va. 22209.
B. American Gas Association, 1515 Wilson Boulevard, Arlington, Va. 22209.
D. (6) $525. E. (9) $246.

A. Robert T. Thornburg, Minnesota Petroleum Council, 1020 Northern Federal Building, St. Paul, Minn. 55102.
B. American Petroleum Institute, 2101 L Street NW., Washington, D.C. 20037.
D. (6) $475. E. (9) $1,086.20.

A. Gil Thurm, National Association of Realtors, 925 15th Street NW., Washington, D.C. 20005.
B. National Association of Realtors, 430 North Michigan Street, Chicago, Ill. 60611; 925 15th Street NW., Washington, D.C. 20005.
D. (6) $1,500. E. (9) $219.95.

A. Cyrus C. Tichenor III, 1050 17th Street NW., Suite 1104, Washington, D.C. 20036.
B. A. H. Robins Co., Inc., 1407 Cummings Drive, Richmond, Va. 23220.
D. (6) $6,000. E. (9) $9,362.80.

A. Paul J. Tierney, 1100 17th Street NW., Suite 1107, Washington, D.C. 20036.
B. Transportation Association of America, 1100 17th Street NW., Suite 1107, Washington, D.C. 20036.

A. Wallace Tillman, 2000 Florida Avenue NW., Washington, D.C. 20009.
B. National Rural Electric Cooperative Association, 2000 Florida Avenue NW., Washington, D.C. 20009.
D. (6) $180.

A. Timmons & Co., Inc., 1776 F Street NW., Washington, D.C. 20006.
B. American Inland Waterways Committee, 7733 Forsyth Boulevard, St Louis, Mo. 63105.
D. (6) $210.

A. Timmons & Co., Inc., 1776 F Street NW., Washington, D.C. 20006.
B. American Petroleum Institute, 2101 L Street NW., Washington, D.C. 20037.
D. (6) $156.

A. Timmons & Co., Inc., 1776 F Street NW., Washington, D.C. 20006.
B. The Association of Trial Lawyers of America, 1050 31st Street NW., Washington, D.C. 20007.
D. (6) $140.

A. Timmons & Co., Inc., 1776 F Street NW., Washington, D.C. 20006.
B. Baxter Travenol Laboratories, Inc., 1 Baxter Parkway, Deerfield, Ill. 60015.
D. (6) $70.

A. Timmons and Co., Inc., 1776 F Street NW., Washington, D.C. 20006.
B. H. J. Heinz Co., P.O. Box 57, Pittsburgh, Pa. 15230.
D. (6) $140.

A. Timmons & Co., Inc., 1776 F Street NW., Washington, D.C. 20006.
B. Middle South Services, Inc., Box 61000, New Orleans, La. 70161.
D. (6) $105.

A. Timmons and Co., Inc., 1776 F Street NW., Washington, D.C. 20006.
B. National Rifle Association of America, 1600 Rhode Island Avenue NW., Washington, D.C. 20036.
D. (6) $175.

A. Timmons and Co., Inc., 1776 F Street NW., Washington, D.C. 20006.
B. Northrop Corp., 1800 Century Park East, Los Angeles, Calif. 90067.
D. (6) $140.

A. Timmons and Co., Inc., 1776 F Street NW., Washington, D.C. 20006.
B. G. D. Searle & Co., P.O. Box 1045, Skokie, Ill. 60076.
D. (6) $105.

A. Timmons and Co., Inc., 1776 F Street NW., Washington, D.C. 20006.
B. Standard Oil Co. of Indiana, 1000 16th Street NW., Washington, D.C. 20036.
D. (6) $105.

A. Michael L. Tiner, Active Ballot Club Department, Retail Clerks International Union, AFL–CIO, 1775 K Street NW., Washington, D.C. 20006.
B. Retail Clerks International Union, AFL–CIO, 1775 K Street NW., Washington, D.C. 20006.
D. (6) $6,454.76. E. (9) $788.78.

A. E. Linwood Tipton, 910 17th Street NW., Washington, D.C. 20006.
B. International Association of Ice Cream Manufacturers and Milk Industry Foundation, 910 17th Street NW., Washington, D.C. 20006.
E. (9) $523.28.

A. Tobacco Associates, Inc., 1101 17th Street NW., Suite 912, Washington, D.C. 20036.
E. (9) $2,526.

A. James R. Tobin, Becton Dickinson and Co., Rutherford, N.J. 07070.
B. Becton Dickinson and Co., Rutherford, N.J. 07070.
D. (6) $2,000. E. (9) $200.

A. H. Willis Tobler, 1735 I Street NW., Washington, D.C. 20006.
B. E. A. Jænke & Associates, Inc., 1735 I Street NW., Suite 610, Washington, D.C. 20006.
D. (6) $750.

A. Warren D. Toburen, Cities Service Co., 1660 L Street NW., Suite 207, Washington, D.C. 20036.
B. Cities Service Co., 1660 L Street NW., Suite 207, Washington, D.C. 20036.
D. (6) $171.

A. David G. Todd, American Mining Congress, 1100 Ring Building, Washington, D.C.
B. American Mining Congress, 1100 Ring Building, Washington, D.C.

A. David R. Toll, National Association of Electric Cos., 1140 Connecticut Avenue NW., Washington, D.C. 20036.
B. National Association of Electric Cos., 1140 Connecticut Avenue NW., No. 1010, Washington, D.C. 20036.
D. (6) $728. E. (9) $35.

A. William R. Tolley, Jr., 2600 Virginia Avenue NW., Eighth Floor, Washington, D.C. 20037.
B. Harris Corp., 55 Public Square, Cleveland, Ohio 44113.
E. (9) $289.32.

A. Howard A. Topel, 1000 Connecticut Avenue, Washington, D.C. 20036.
B. Mullin, Connor and Rhyne, 1000 Connecticut Avenue, Washington, D.C. 20036 (for Alberto de la Vega-Ripol, 804 Garching, Konigsbergerstr. 2, W. Germany).
D. (6) $20.34.

A. John M. Torbet, 1745 Jefferson Davis Highway, Arlington, Va. 22202.
B. Rockwell International, 1745 Jefferson Davis Highway, Arlington, Va. 22202.
D. (6) $32.25. E. (9) $386.64.

A. Jay C. Townley, 715 South Harvey, Oak Park, Ill. 60304.
B. Schwinn Bicycle Co., 1856 North Kostner Avenue, Chicago, Ill. 60639.
D. (6) $127.63. E. (9) $23.

A. John P. Tracey, 1801 K Street NW., Suite 1201, Washington, D.C. 20006.
B. United States Independent Telephone Association, 1801 K Street NW., Suite 1201, Washington, D.C. 20006.
D. (6) $1,000.

A. Transportation Association of America, 1100 17th Street NW., Suite 1107, Washington, D.C. 20036.

A. R. S. Tribbe, Trans World Airlines, Inc., 1000 16th Street NW., Washington, D.C. 20036.
B. Trans World Airlines, Inc., 605 Third Avenue, New York, N.Y. 10016.
D. (6) $312.

A. Paul E. Trimble, Lake Carriers' Association, 1411 Rockefeller Building, Cleveland, Ohio 44113.
B. Lake Carriers' Association, 1411 Rockefeller Building, Cleveland, Ohio 44113.

A. Glenwood S. Troop, Jr., 1709 New York Avenue NW., Suite 801, Washington, D.C. 20006.
B. United States League of Savings Associations, 111 East Wacker Drive, Chicago, Ill.
D. (6) $8,500. E. (9) $153.

A. George G. Troutman, General Electric Co., 777 14th Street NW., Washington, D.C. 20005.
B. General Electric Co., 3135 Easton Turnpike, Fairfield, Conn.
D. (6) $300.

A. Jerry R. Tucker, United Automobile, Aerospace and Agricultural Implement Workers of America, 1125 15th Street NW., Washington, D.C. 20005.
B. International Union, United Automobile, Aerospace and Agricultural Implement Workers of America, 8000 East Jefferson Avenue, Detroit, Mich. 48214.
D. (6) $6,587.94. E. (9) $682.61.

A. Bruce H. Turnbull, National Retail Merchants Association, 1000 Connecticut Avenue NW., No. 700, Washington, D.C. 20036.
B. National Retail Merchants Association, 100 West 31st Street, New York, N.Y. 10001.
D. (6) $500. E. (9) $30.

A. Richard F. Turney, 1725 K Street NW., Washington, D.C. 20006.
B. Courtney & McCamant, 1725 K Street NW., Washington, D.C. 20006.
D. (6) $300.

A. Shela C. Turpin, American Bankers Association, 1120 Connecticut Avenue NW., Washington, D.C. 20036.
B. American Bankers Association, 1120 Connecticut Avenue NW., Washington, D.C. 20036.
D. (6) $1,200. E. (9) $530.

A. 12th Congressional District Action Committee, 2372 Lida Drive, Mountain View, Calif. 94043.
D. (6) $94.20. E. (9) $9.56.

A. Joan E. Twiggs, 1730 M Street NW., Washington, D.C. 20036.
B. The League of Women Voters of the United States, 1730 M Street NW., Washington, D.C. 20036.
D. (6) $624.80.

A. Stewart L. Udall, Duncan, Brown, Weinberg & Palmer, 1775 Pennsylvania Avenue NW., Suite 1200, Washington, D.C. 20006.
B. The Alaska Federation of Natives, Inc., 550 West Eighth Street, Anchorage, Alaska 99501.
D. (6) $1,600.

A. Stewart L. Udall, Duncan, Brown, Weinberg & Palmer, 1775 Pennsylvania Avenue NW., Suite 1200, Washington, D.C. 20006.
B. The Aloha Association, Suite 572, Alex Young Building, Honolulu, Hawaii 96813.

A. Stewart L. Udall, Duncan, Brown, Weinberg & Palmer, 1775 Pennsylvania Avenue NW., Suite 1200, Washington, D.C. 20006.
B. Foothills Pipe Lines (Yukon) Ltd., Suite 212, Tower A, 320 Queen Street, Ottawa, Ontario, Canada KIRSA 3.

A. Jerry G. Udell, American Retail Federation, 1616 H Street NW., Washington, D.C. 20006.
B. American Retail Federation, 1616 H Street NW., Washington, D.C. 20006.
D. (6) $100. E. (9) $50.

A. Wayne R. Underwood, American Seed Trade Association, 1030 15th Street NW., Washington, D.C. 20005.
B. American Seed Trade Association, 1030 15th Street, No. 964, Washington, D.C. 20005.

A. Joseph Uehlein, Industrial Union Department, AFL–CIO, 815 16th Street NW., Washington, D.C. 20006.
B. Industrial Union Department, AFL–CIO, 815 16th Street NW., Washington, D.C. 20006.
D. (6) $1,408. E. (9) $73.60.

A. Union Mutual Life Insurance Co., 2211 Congress Street, Portland, Maine 04112.

A. United Action for Animals, Inc., 205 East 42d Street, New York, N.Y. 10017.
D. (6) $500. E. (9) $500.

A. United Brotherhood of Carpenters & Joiners of America, 101 Constitution Avenue NW., Washington, D.C. 20001.
E. (9) $6,943.66.

A. United Egg Producers, 3951 Snapfinger Parkway, Suite 580, Decatur, Ga. 30035.
D. (6) $1,200.

A. United Gas Pipe Line Co., P.O. Box 1478, Houston, Tex. 77001.
E. (9) $2,518.90.

A. United Mine Workers of America, 900 15th Street NW., Washington, D.C. 20005.
E. (9) $5,039.76.

A. U.S. Cane Sugar Refiners' Association, 1001 Connecticut Avenue, Washington, D.C. 20036.
E. (9) $461.

A. United States-Japan Trade Council, 1000 Connecticut Avenue NW., Washington. D.C. 20036.
D. (6) $820. E. (9) $820.

A. United States League of Savings Associations, 111 East Wacker Drive, Chicago, Ill.
E. (9) $88,187.26.

A. U.S. Maritime Committee, Inc., 600 New Hampshire Avenue NW., Washington, D.C.
D. (6) $4,250. E. (9) $22,636.82.

A. U.S. Overseas Employees Tax Fairness Committee, 1101 15th Street NW., Suite 1000, Washington, D.C. 20005.
D. (6) $51,930.88. E. (9) $68,765.62.

A. Lloyd N. Unsell, Independent Petroleum Association of America, 1101 16th Street NW., Washington, D.C. 20036.
B. Independent Petroleum Association of America, 1101 16th Street NW., Washington, D.C. 20036.
E. (9) $18.75.

A. Howard S. Useem, 1101 16th Street NW., Washington, D.C. 20036.
B. Independent Petroleum Association of America, 1101 16th Street NW., Washington, D.C. 20036.
E. (9) $25.

A. Lynn Kay Utzinger, Cities Service Co., 1660 L Street NW., Suite 207, Washington, D.C. 20036.
B. Cities Service Co., 1660 L Street NW., Suite 207, Washington, D.C. 20036.
D. (6) $87.

A. J. Joseph Vacca, National Association of Letter Carriers, 100 Indiana Avenue NW., Washington, D.C. 20001.
B. National Association of Letter Carriers, 100 Indiana Avenue NW., Washington, D.C. 20001.
D. (6) $2,862.44.

A. Jack J. Valenti, 1600 I Street NW., Washington, D.C. 20006.
B. Motion Picture Association of America, Inc., 1600 I Street NW., Washington, D.C. 20006.

A. Francis R. Valeo, 818 18th Street NW., Washington, D.C. 20006.
B. United Nations University, D.C., 1180 U.N., New York, N.Y.
D. (6) $3,087.26. E. (9) $2,006.35.

A. Nicholas L. Van Nelson, 1619 Massachusetts Avenue NW., Washington, D.C. 20036.
B. American Paper Institute, Inc., 260 Madison Avenue, New York, N.Y. 10016.

A. Van Ness, Feldman & Sutcliffe, 1220 19th Street NW., Suite 500, Washington, D.C. 20036.
B. Allstate Insurance, Allstate Plaza, Northbrook, Ill. 60062.
D. (6) $100. E. (9) $40.

A. Van Ness, Feldman & Sutcliffe, 1220 19th Street NW., Suite 500, Washington, D.C. 20036.

B. American Institute for Certified Public Accountants, 1620 I Street NW., Washington, D.C. 20006.
D. (6) $270. E. (9) $5.50.

A. Van Ness, Feldman & Sutcliffe, 1220 19th Street NW., Suite 500, Washington, D.C. 20036.
B. Arctic Slope Regional Corp., Barrow, Alaska.
D. (6) $130. E. (9) $71.

A. Van Ness, Feldman & Sutcliffe, 1220 19th Street NW., Suite 500, Washington, D.C. 20036.
B. Association of Local Transport Airlines, 1801 K Street NW., Washington, D.C. 20006.
D. (6) $1,250. E. (9) $9.

A. Van Ness, Feldman & Sutcliffe, 1220 19th Street NW., Suite 500, Washington, D.C. 20036.
B. Basin, Inc., P.O. Box 2297, Midland, Tex. 79702.
D. (6) $400. E. (9) $197.30.

A. Van Ness, Feldman & Sutcliffe, 1220 19th Street NW., Suite 500, Washington, D.C. 20036.
B. Car and Truck Renting & Leasing Association, 1725 K Street NW., Washington, D.C. 20006.
D. (6) $1,000. E. (9) $146.35.

A. Van Ness, Feldman & Sutcliffe, 1220 19th Street NW., Suite 500, Washington, D.C. 20036.
B. Central & Southwest Corp., P.O. Box 1631, Wilmington, Del. 19899.
D. (6) $60. E. (9) $44.

A. Van Ness, Feldman & Sutcliffe, 1220 19th Street NW., Suite 500, Washington, D.C. 20036.
B. Delaware & Hudson Railway Co., Albany, N.Y. 12207.
D. (6) $200. E. (9) $8.

A. Van Ness, Feldman & Sutcliffe, 1220 19th Street NW., Suite 500, Washington, D.C. 20036.
B. Huntington's Disease Coalition, 250 West 57th Street, New York, N.Y. 10019.
E. (9) $222.59.

A. Van Ness, Feldman & Sutcliffe, 1220 19th Street NW., Suite 500, Washington, D.C. 20036.
B. North Slope Borough, P.O. Box 69, Barrow, Alaska 99723.
D. (6) $870. E. (9) $114.25.

A. Van Ness, Feldman & Sutcliffe, 1220 19th Street NW., Suite 500, Washington, D.C. 20036.
B. Northern Tier Pipeline Co., P.O. Box 5568, 1776 Lincoln Street, Denver, Colo. 80217.
D. (6) $550. E. (9) $170.

A. Van Ness, Feldman & Sutcliffe, 1220 19th Street NW., Suite 500, Washington, D.C. 20036.
B. Palm Beach-Broward Farmers Committee for Legislative Action, P.O. Box 396, Boynton Beach, Fla. 33435.
D. (6) $120. E. (9) $22.

A. Van Ness, Feldman & Sutcliffe, 1220 19th Street NW., Suite 500, Washington, D.C. 20036.
B. Republic Geothermal, Inc., 11823 East Slauson Avenue, Suite 1, Santa Fe Springs, Calif. 90670.
D. (6) $110. E. (9) $25.10.

A. Van Ness, Feldman & Sutcliffe, 1220 19th Street NW., Suite 500, Washington, D.C. 20036.

B. South Florida Tomato & Vegetable Growers Association, P.O. Drawer B.B., Homestead, Fla. 33030.
D. (6) $120. E. (9) $22.

A. Van Ness, Feldman & Sutcliffe, 1220 19th Street NW., Suite 500, Washington, D.C. 20036.
B. South West Winter Vegetable Growers Association, P.O. Box 1670, Immokalee, Fla. 33934.
D. (6) $120. E. (9) $23.

A. Van Ness, Feldman & Sutcliffe, 1220 19th Street NW., Suite 500, Washington, D.C. 20036.
B. TOSCO Corp., 10100 Santa Monica Boulevard, Los Angeles, Calif. 90067.

A. Van Ness, Feldman & Sutcliffe, 1220 19th Street NW., Suite 500, Washington, D.C. 20036.
B. Wheelabrator-Frye Inc., Liberty Lane, Hampton, N.H. 03842.
D. (6) $580. E. (9) $56.80.

A. H. Stewart Van Scoyoc, 1701 Pennsylvania Avenue NW., Suite 210, Washington, D.C. 20006.
B. E. I. du Pont de Nemours & Co., 1007 Market Street, Wilmington, Del. 19898.
D. (6) $155. E. (9) $32.

A. Lois W. Van Valkenburgh, 3512 Halcyon Drive, Alexandria, Va. 22305.
B. Citizens Committee for UNICEF, 110 Maryland Avenue NE., Washington, D.C. 20002.
D. (6) $448. E. (9) $11.50.

A. John A. Vance, Pacific Gas & Electric Co., 1050 17th Street NW., No. 1180, Washington, D.C. 20036.
B. Pacific Gas & Electric Co., 77 Beale Street, San Francisco, Calif. 94106.
D. (6) $1,530. E. (9) $2,642.01.

A. Velsicol Chemical Corp., 341 East Ohio Street, Chicago, Ill. 60611.

A. Jerry T. Verkler, P.O. Box 2521, Houston, Tex. 77001.
B. Texas Eastern Transmission Corp., P.O. Box 2521, Houston, Tex. 77001.
E. (9) $84.30.

A. Verner, Liipfert, Bernhard & McPherson, 1660 L Street NW., Washington, D.C. 20036.
B. Pan American World Airways, Inc., Pan American Building, New York, N.Y. 10017.
D. (6) $9,912.19 E. (9) $651.61.

A. Verner, Liipfert, Bernhard & McPherson, 1660 L Street NW., Washington, D.C. 20036.
B. Small Producers for Energy Independence, Suite 970, Fourth Financial Center, Wichita, Kans. 67202.
D. (6) $1,085. E. (9) $158.71.

A. Verner, Liipfert, Bernhard & McPherson, 1660 L Street NW., Washington, D.C. 20036.
B. Texas International Airlines, P.O. Box 12788, Houston, Tex. 77017.
D. (6) $3,857.50 E. (9) $27.49.

A. Richard E. Vernor, American Council of Life Insurance, Inc., 1850 K Street NW., Washington, D.C. 20006.
B. American Council of Life Insurance, Inc., 1850 K Street NW., Washington, D.C. 20006.
D. (6) $350. E. (9) $60.

A. Larry R. Veselka, 1701 Pennsylvania Avenue NW., Washington, D.C. 20006.
B. Vinson & Elkins, 1701 Pennsylvania Avenue NW., Washington, D.C. 20006 (for Bunker Hunt).

A. Larry R. Veselka, 1701 Pennsylvania Avenue NW., Washington, D.C. 20006.
B. Vinson & Elkins, 1701 Pennsylvania Avenue NW., Washington, D.C. 20006 (for Houston Natural Gas).
D. (6) $14,445. E. (9) $383.02.

A. Larry R. Veselka, 1701 Pennsylvania Avenue NW., Washington, D.C. 20006.
B. Vinson & Elkins, 1701 Pennsylvania Avenue NW., Washington, D.C. 20006 (for Texas Eastern Transmission Corp.).
D. (6) $2,520.

A. R. Eric Vige', Cities Service Co., 1660 L Street NW., Suite 207, Washington, D.C. 20036.
B. Cities Service Co., 1660 L Street NW., Suite 207, Washington, D.C. 20036.

A. Rudolph A. Vignone, 1800 K Street NW., Suite 800, Washington, D.C. 20006.
B. The Goodyear Tire & Rubber Co., Akron, Ohio 44316.
D. (6) $2,500.

A. Walter D. Vinyard, Jr., American Insurance Association, 1025 Connecticut Avenue NW., Suite 415, Washington, D.C. 20036.
B. American Insurance Association, 1025 Connecticut Avenue NW., Suite 415, Washington, D.C. 20036.
D. (6) $1,500. E. (9) $250.

A. Virgin Islands Manufacturers & Importers Association, P.O. Box Q, Kings Hill Post Office, Christiansted, V.I. 00850.
D. (6) $8,005.29. E. (9) $8,005.29.

A. Andrew Vitali, Jr., 2101 L Street NW., Washington, D.C. 20037.
B. American Petroleum Institute, 2101 L Street NW., Washington, D.C. 20037.
D. (6) $6,000. E. (9) $700.

A. Volkswagen Manufacturing Corp. of America, 7111 East 11 Mile Road, Warren, Mich. 48092.
E. (9) $300.

A. Volkswagen of America, Inc., 818 Sylvan Avenue, Englewood Cliffs, N.J. 07632.
E. (9) $325.

A. Betty Vorhies, United Egg Producers, 705 National Press Building, Washington, D.C. 20045.
B. United Egg Producers, 3951 Snapfinger Parkway, Suite 580, Decatur, Ga. 30035.
D. (6) $1,200.

A. Joseph S. Wager, Sellers, Conner & Cuneo, 1625 K Street NW., Washington, D.C. 20006.
B. Zantop International Airlines, Inc., Willow Run Airport, Ypsilanti, Mich. 48197.
D. (6) $1,224. E. (9) $43.

A. Robert J. Wager, 2020 K Street NW., Washington, D.C.
B. American Bakers Association, Suite 850, 2020 K Street NW., Washington, D.C. 20006.
D. (6) $1,620.31. E. (9) $9.70.

A. Herbert R. Waite, The First National Bank of Boston, 100 Federal Street, Boston, Mass. 02110.
B. The First National Bank of Boston, 100 Federal Street, Boston, Mass. 02110.
D. (6) $2,125. E. (9) $2,498.08.

A. Wald, Harkrader & Ross, 1320 19th Street NW., Washington, D.C. 20036.
B. Chemtex Fibers, Inc., 850 Third Avenue, New York, N.Y. 10022.

A. Robert E. Waldron, c/o Associated Petroleum Industries of Michigan, 930 Michigan National Tower, P.O. Box 10070, Lansing, Mich. 48901.
B. American Petroleum Institute, 2101 L Street NW., Washington, D.C. 20037.
D. (6) $451.25. E. (9) $617.79.

A. E. F. Waldrop, Jr., Association of American Railroads, 40 Ivy Street SE., Washington, D.C. 20003.
B. Association of American Railroads, 1920 L Street NW., Washington, D.C. 20036.
D. (6) $877.50.

A. Charls E. Walker Associates, Inc., 1730 Pennsylvania Avenue NW., Washington, D.C. 20006.
B. Allegheny Airlines, Inc., Washington National Airport, Washington, D.C. 20001.
D. (6) $250.

A. Charls E. Walker Associates, Inc., 1730 Pennsylvania Avenue NW., Washington, D.C. 20006.
B. Allen Products Company, Inc., P.O. Box 2187, Rural Delivery No. 3, Allentown, Pa. 18001.

A. Charls E. Walker Associates, Inc., 1730 Pennsylvania Avenue NW., Washington, D.C. 20006.
B. Aluminum Company of America, Washington, D.C. 20006.
D. (6) $1,000.

A. Charls E. Walker Associates, Inc., 1730 Pennsylvania Avenue NW., Washington, D.C. 20006.
B. Amax, Inc., et al.

A. Charls E. Walker Associates, Inc., 1730 Pennsylvania Avenue NW., Washington, D.C 20006.
B. American Airlines, Inc., 633 Third Avenue, New York, N.Y. 10017.
D. (6) $500.

A. Charls E. Walker Associates, Inc., 1730 Pennsylvania Avenue NW., Washington, D.C. 20006.
B. Bechtel Corp., 1620 I Street NW., Washington, D.C. 20006.
D. (6) $625.

A. Charls E. Walker Associates, Inc., 1730 Pennsylvania Avenue NW., Washington, D.C. 20006.
B. Bethlehem Steel Corp., Bethlehem, Pa., 18016.
D. (6) $1,000.

A. Charls E. Walker Associates, Inc., 1730 Pennsylvania Avenue NW., Washington, D.C. 20006.
B. The Business Roundtable, 1801 K Street NW., Washington, D.C. 20006.

A. Charls E. Walker Associates, Inc., 1730 Pennsylvania Avenue NW., Washington, D.C. 20006.
B. Dresser Industries, Inc., 1100 Connecticut Avenue NW., Room 310, Washington, D.C. 20036.
D. (6) $625.

A. Charls E. Walker Associates, Inc., 1730 Pennsylvania Avenue NW., Washington, D.C. 20006.
B. Eastern Air Lines, Inc., 10 Rockefeller Plaza, New York, N.Y. 10020.
D. (6) $500.

A. Charls E. Walker Associates, Inc., 1730 Pennsylvania Avenue NW., Washington, D.C. 20006.
B. E. I. du Pont de Nemours & Co., Wilmington, Del. 19898.
D. (6) $1,000.

A. Charls E. Walker Associates, Inc., 1730 Pennsylvania Avenue NW., Washington, D.C. 20006.

B. Fluor Engineers and Constructors, Inc., 3333 Michelson Drive, Irvine, Calif. 92730.
D. (6) $625.

A. Charls E. Walker Associates, Inc., 1730 Pennsylvania Avenue NW., Washington, D.C. 20006.
B. Ford Motor Co., The American Road, Dearborn, Mich. 48121.
D. (6) $1,000.

A. Charls E. Walker Associates, Inc., 1730 Pennsylvania Avenue NW., Washington, D.C. 20006.
B. General Electric Co., Washington, D.C. 20005.
D. (6) $1,000.

A. Charls E. Walker Associates, Inc., 1730 Pennsylvania Avenue NW., Washington, D.C. 20006.
B. Getty Oil Co., 3810 Wilshire Boulevard, Los Angeles, Calif. 90010.
D. (6) $500.

A. Charls E. Walker Associates, Inc., 1730 Pennsylvania Avenue NW., Washington, D.C. 20006.
B. The Goodyear Tire & Rubber Co., 1800 K Street NW., Washington, D.C. 20006.
D. (6) $1,000.

A. Charls E. Walker Associates, Inc., 1730 Pennsylvania Avenue NW., Washington, D.C. 20006.
B. Hughes Airwest, San Francisco International Airport, San Francisco, Calif. 94128.
D. (6) $250.

A. Charls E. Walker Associates, Inc., 1730 Pennsylvania Avenue NW., Washington, D.C. 20006.
B. International Paper Co., 1620 I Street NW., Suite 700, Washington, D.C. 20006.
D. (6) $1,000.

A. Charls E. Walker Associates, Inc., 1730 Pennsylvania Avenue NW., Washington, D.C. 20006.
B. ITT, 320 Park Avenue, New York, N.Y. 10022.
D. (6) $500.

A. Charls E. Walker Associates, Inc., 1730 Pennsylvania Avenue NW., Washington, D.C. 20006.
B. Lone Star Steel Co., 2200 West Mockingbird Lane, Dallas, Tex. 75215.
D. (6) $833.33.

A. Charls E. Walker Associates, Inc., 1730 Pennsylvania Avenue NW., Washington, D.C. 20006.
B. Magma Power Co., 631 South Witmer Street, Los Angeles, Calif. 90017.

A. Charls E. Walker Associates, Inc., 1730 Pennsylvania Avenue NW., Washington, D.C. 20006.
B. McCulloch Oil Corp., 10880 Wilshire Boulevard, Los Angeles, Calif. 90024.

A. Charls E. Walker Associates, Inc., 1730 Pennsylvania Avenue NW., Washington, D.C. 20006.
B. National Bankers Association, 490 L'Enfant Plaza East SW., Washington, D.C. 20024.
D. (6) $250.

A. Charls E. Walker Associates, Inc., 1730 Pennsylvania Avenue NW., Washington, D.C. 20006.
B. Owens-Illinois, Inc., Owens-Illinois Building, P.O. Box 1035, Toledo, Ohio 43666.
D. (6) $1,000.

A. Charls E. Walker Associates, Inc., 1730 Pennsylvania Avenue NW., Washington, D.C. 20006.
B. Pan American World Airways, Inc., Pan Am Building, New York, N.Y. 10017.
D. (6) $500.

A. Charls E. Walker Associates, Inc., 1730 Pennsylvania Avenue NW., Washington, D.C. 20006.
B. Piedmont Airlines, Smith Reynolds Airport, Winston-Salem, N.C. 27102.
D. (6) $250.

A. Charls E. Walker Associates, Inc., 1730 Pennsylvania Avenue NW., Washington, D.C. 20006.
B. Procter & Gamble, Cincinnati, Ohio 45201.
D. (6) $1,000.

A. Charls E. Walker Associates, Inc., 1730 Pennsylvania Avenue NW., Washington, D.C. 20006.
B. Pullman-Kellogg, Division of Pullman, Inc., 1300 Three Greenway Plaza East, Houston, Tex. 77046.
D. (6) $625.

A. Charls E. Walker Associates, Inc., 1730 Pennsylvania Avenue NW., Washington, D.C. 20006.
B. Trans Union Corp., 90 Half Day Road, Lincolnshire, Ill. 60015.

A. Charls E. Walker Associates, Inc., 1730 Pennsylvania Avenue NW., Washington, D.C. 20006.
B. Trans World Airlines, Inc., 605 Third Avenue, New York, N.Y. 10016.
D. (6) $500.

A. Charls E. Walker Associates, Inc., 1730 Pennsylvania Avenue NW., Washington, D.C. 20006.
B. Union Carbide Corp., 270 Park Avenue, New York, N.Y. 10017.
D. (6) $1,000.

A. Charls E. Walker Associates, Inc., 1730 Pennsylvania Avenue NW., Washington, D.C. 20006.
B. Union Oil Company of California, 461 South Boylston, Los Angeles, Calif. 90017.

A. Charls E. Walker Associates, Inc., 1730 Pennsylvania Avenue NW., Washington, D.C. 20006.
B. United Air Lines, Inc., P.O. Box 66100, Chicago, Ill. 60666.
D. (6) $500.

A. Elaine Nogay Walker, 1625 Massachusetts Avenue NW., Washington, D.C. 20036.
B. Can Manufacturers Institute, 1625 Massachusetts Avenue NW., Washington, D.C. 20036.
D. (6) $200. E. (9) $25.

A. Warren W. Walkley, General Electric Co., 777 14th Street NW., Washington, D.C. 20005.
B. General Electric Co., 777 14th Street NW., Washington, D.C. 20005.
D. (6) $4.

A. R. Duffy Wall, 1050 17th Street NW., No. 301, Washington, D.C. 20036.
B. Freeport Minerals Co., 200 Park Avenue, New York, N.Y. 10017.
D. (6) $240.

A. Carl S. Wallace, 1800 K Street NW., Suite 614, Washington, D.C. 20006.
B. Purolator, Inc., 255 Old New Brunswick Road, Piscataway, N.J. 08854.
D. (6) $160.44.

A. Don Wallace Associates, Inc., 1707 L Street NW., Suite 540, Washington, D.C. 20036.
B. American Sugar Cane League of the U.S.A., Inc., 416 Whitney Building, New Orleans, La., 70130.
D. (6) $5,000. E. (9) $5,631.08.

A. Don Wallace Associates, Inc., 1707 L Street NW., Suite 540, Washington, D.C. 20036.
B. American Textile Machinery Association, 1730 M Street NW., Suite 804, Washington, D.C. 20036.
D. (6) $1,800. E. (9) $ 2,520.30.

A. Don Wallace Associates, Inc., 1707 L Street NW., Suite 540, Washington, D.C. 20036.
B. Cotton Warehouse Association of America, 1707 L Street NW., Suite 540, Washington, D.C. 20036.
D. (6) $9,375. E. (9) $10,236.44.

A. Raymond C. Wallace, 5025 Wisconsin Avenue NW., Washington, D.C. 20016.
B. Amalgamated Transit Union, AFL–CIO, 5025 Wisconsin Avenue NW., Washington, D.C. 20016.

A. Lionel L. Wallenrod, 260 Madison Avenue, New York, N.Y. 10016.
B. American Paper Institutes, Inc., 260 Madison Avenue, New York, N.Y. 10016.

A. J. W. Walsh, Brotherhood of Railroad Signalmen, 400 First Street NW., Washington, D.C. 20001.
B. Brotherhood of Railroad Signalmen, 601 W. Golf Road, Mount Prospect, Ill. 60056.
D. (6) $350.

A. Bonnie B. Wan, Montgomery Ward & Co., Inc., 1100 Connecticut Avenue NW., No. 530, Washington, D.C. 20036.
B. Montgomery Ward & Co., Inc., 535 W. Chicago Avenue, Chicago, Ill. 60671.
D. (6) $157.50. E. (9) $150.

A. John F. Wanamaker, 1625 I Street NW., Washington, D.C.
B. The Retired Officers Association, 1625 I Street NW., Washington, D.C. 20006.
D. (6) $1,143.

A. Alan S. Ward, 818 Connecticut Avenue NW., Washington, D.C. 20006.
B. Baker, Hostetler, Frost & Towers, 818 Connecticut Avenue NW., Washington, D.C. 20006 (for The Soap and Detergent Association, 475 Park Avenue South at 32d Street, New York, N.Y. 10016).

A. Jack Ware, 2101 L Street NW., Washington, D.C. 20037.
B. American Petroleum Institute, 2101 L Street NW., Washington, D.C. 20037.
D. (6) $5,980. E. (9) $111.10.

A. Michael O. Ware, Continental Oil Co., 1130 17th Street NW., Washington, D.C. 20035.
B. Continental Oil Co., High Ridge Park, Stamford, Conn. 06904.
D. (6) $800.

A. Peter F. Warker, TRW Inc., 2030 M Street NW., Washington, D.C. 20036.
B. TRW Inc., 23555 Euclid Avenue, Cleveland, Ohio 44117.
D. (6) $850. E. (9) $130.

A. Michael G. Wasserman, 1200 Citizens and Southern National Bank Building, 35 Broad Street, Atlanta, Ga. 30303.
B. Board of Trade Clearing Corp., 141 W. Jackson Boulevard, Chicago, Ill. 60604.

A. Nan Waterman, 2030 M Street NW., Washington, D.C. 20036.
B. Common Cause, 2030 M Street NW., Washington, D.C. 20036.
D. (6) $5,250. E. (9) $739.85.

A. George A. Watson, 1612 K Street NW., Suite 800, Washington, D.C. 20006.
B. The Ferroalloys Association, 1612 K Street NW., Suite 800, Washington, D.C. 20006.
E. (9) $1,500.

A. Ralph J. Watson, 1745 Jefferson Davis Highway, Arlington, Va. 22202.
B. Rockwell International, 1745 Jefferson Davis Highway, Arlington, Va. 22202.
D. (6) $495. E. (9) $171.20.

A. George B. Watts, National Broiler Council, 1155 Fifteenth Street NW., Washington, D.C. 20005.
B. National Broiler Council, 1155 Fifteenth Street NW., Washington, D.C. 20005.
D. (6) $600.

A. James L. Watts, 512 Washington Building, Washington, D.C. 20005.
B. National Association of Small Business Investment Companies, 512 Washington Building, Washington, D.C. 20005.
D. (6) $3,400.

A. William J. Way, General Motors Corp., 1660 L Street NW., Washington, D.C. 20036.
B. General Motors Corp., 3044 West Grand Boulevard, Detroit, Mich. 48202.
D. (6) $2,500. E. (9) $345.80.

A. Raymond J. Weatherly, 1745 Jefferson Davis Highway, Arlington, Va. 22202.
B. Manufactured Housing Institute, 1745 Jefferson Davis Highway, Arlington, Va. 22202.
D. (6) $1,500. E. (9) $500.

A. William H. Weatherspoon, N.C. Petroleum Council, P.O. Box 167, Raleigh, N.C. 27602.
B. American Petroleum Institute, 2101 L Street NW., Washington, D.C. 20037.
D. (6) $350. E. (9) $239.78.

A. Douglas M. Webb, 1025 Connecticut Avenue NW., No. 1014, Washington, D.C. 20036.
B. Exxon Corp., 1251 Avenue of the Americas, New York, N.Y. 10019.

A. Webster & Chamberlain, 1747 Pennsylvania Avenue NW., Washington, D.C. 20006.
B. American Society of Radiologic Technologists, 500 North Michigan Avenue, Suite 836, Chicago, Ill. 60611.
D. (6) $1,500.

A. Webster & Chamberlain, 1747 Pennsylvania Avenue NW., Washington, D.C. 20006.
B. Associated Credit Bureaus, 6767 Southwest Freeway, Houston, Tex.

A. Webster & Chamberlain, 1747 Pennsylvania Avenue NW., Washington, D.C. 20006.
B. National Club Association, 1129 20th Street NW., Washington, D.C.
D. (6) $425.

A. Webster & Chamberlain, 1741 Pennsylvania Avenue NW., Washington, D.C. 20006.
B. National Sporting Goods, 717 North Michigan Avenue, Chicago, Ill. 60611.
D. (6) $350.

A. Webster & Chamberlain, 1747 Pennsylvania Avenue NW., Washington, D.C. 20006.
B. Sand Springs Home, c/o E. J. Doerner, 1200 Atlas Life Building, Tulsa, Okla.
D. (6) $2,150.

A. Webster & Chamberlain, 1747 Pennsylvania Avenue NW., Washington, D.C. 20006.
B. Truck Body and Equipment Association, Inc., Suite 1220, 5530 Wisconsin Avenue NW., Washington, D.C.

A. Webster & Sheffield, 1750 New York Avenue, NW., Washington, D.C. 20006.
B. National Conference of Bankruptcy Judges c/o Webster & Sheffield, 1750 New York Avenue, NW., Washington, D.C. 20006.
D. (6) $3,750. E. (9) $349.75.

A. Webster & Sheffield, One Rockefeller Plaza, New York, N.Y. 10020.
B. Smith, Barney Real Estate Corp., 1345 Avenue of the Americas, New York, N.Y. 10019.
D. (6) $2,306. E. (9) $555.

A. Joan Weinstock, American Optometric Association, 1730 M Street NW., Washington, D.C. 20036.
B. American Optometric Association, c/o Dr. Wendell D. Waldie, 3111 Aloma, Wichita, Kans. 67211.
D. (6) $570.90. E. (9) $481.33.

A. Weisman, Celler, Spett, Modlin & Wertheimer, 1025 Connecticut Avenue NW., Suite 317, Washington, D.C. 20036.
B. Beneficial Management Corp., 200 South Street, Morristown, N.J. 07960.
D. (6) $2,000.

A. Weisman, Celler, Spett, Modlin & Wertheimer, 1025 Connecticut Avenue NW., Suite 317, Washington, D.C. 20036.
B. National Football League Players Association, 1300 Connecticut Avenue NW., Washington, D.C. 20036.
D. (6) $2,000.

A. Arnold H. Weiss, Arent, Fox, Kintner, Plotkin & Kahn, 1815 H Street NW., Washington, D.C.
B. Constructora Nacional de Carros de Ferrocarril, S.A., Paseo de la Reforma, 369, Mexico 5, D.F., Mexico.
D. (6) $1,500.

A. Morton N. Weiss, National Security Traders Association, 55 Broad Street, New York, N.Y. 10004.
B. National Security Traders Association, Inc., 55 Broad Street, New York, N.Y. 10004.
D. (6) $1,875. E. (9) $100.

A. Dennis W. Weissman, 1725 DeSales Street NW., Suite 403, Washington, D.C. 20036.
B. American Society for Medical Technology, 1725 DeSales Street NW., Suite 403, Washington, D.C. 20036.
D. (6) $1,350. E. (9) $150.

A. L. H. Wells, Shell Oil Co., 1025 Connecticut Avenue NW., Suite 200, Washington, D.C. 20036.
B. Shell Oil Co., P.O. Box 2463, Houston, Tex. 77001.
D. (6) $500.

A. Carol Werner, 825 15th Street NW., Washington, D.C. 20005.
B. National Abortion Rights Action League, 825 15th Street NW., Washington, D.C. 20005.
D. (6) $3,990.48.

A. W. R. Werner, CertainTeed Corp., 1627 K Street NW., Suite 610, Washington, D.C. 20006.
B. CertainTeed Corp., P.O. Box 860, Valley Forge, Pa. 19482.
D. (6) $650. E. (9) $170.

A. Fred Wertheimer, 2030 M Street NW., Washington, D.C. 20036.
B. Common Cause, 2030 M Street NW., Washington, D.C. 20036.
D. (6) $10,500. E. (9) $343.36.

A. West Mexico Vegetable Distributors Association, P.O. Box 848, Nogales, Ariz. 85621.
E. (9) $500.

A. Harry H. Westbay III, 1625 I Street NW., Suite 805, Washington, D.C. 20006.
B. St. Regis Paper Co., 150 East 42d Street, New York, N.Y. 10017.
D. (6) $1,200. E. (9) $600.

A. Harvey J Wexler, Continental Airlines, Inc., 1050 17th Street NW., Washington, D.C. 20036.
B. Continental Airlines, Inc., International Airport, Los Angeles, Calif. 90009.
D. (6) $2,000. E. (9) $1,000.

A. Brian B. Whalen, International Harvester, 401 N. Michigan Avenue, Chicago, Ill. 60611.
B. International Harvester, 401 N. Michigan Avenue, Chicago, Ill. 60611.
D. (6) $2,500. E. (9) $1,276.25.

A. Clyde A. Wheeler, Jr., 1800 K Street NW., Suite 820, Washington, D.C. 20006.
B. Sun Co., Inc., 100 Matsonford Road, Radnor, Pa. 19087.
D. (6) $14,000. E. (9) $2,625.

A. Edwin M. Wheeler, The Fertilizer Institute, 1015 18th Street NW., Washington, D.C. 20036.
B. The Fertilizer Institute, 1015 18th Street NW., Washington, D.C. 20036.
E. (9) $25.

A. Thomas E. Wheeler, National Cable Television Association, Inc., 918 16th Street NW., Washington, D.C. 20006.
B. National Cable Television Association, Inc., 918 16th Street NW., Washington, D.C. 20006.
D. (6) $995. E. (9) $650.

A. White & Case, 1747 Pennsylvania Avenue NW., Washington, D.C.
B. The Presbyterian Hospital in the City of New York, 622 West 168th Street, New York, N.Y.

A. Donald F. White, American Retail Federation, 1616 H Street NW., Washington, D.C. 20006.
B. American Retail Federation, 1616 H Street NW., Washington, D.C. 20006.
D. (6) $1,250. E. (9) $100.

A. John C. White, Private Truck Council of America, Inc., 1101 17th Street NW., Washington, D.C. 20036.
B. Private Truck Council of America, Inc., 1101 17th Street NW., No. 1008, Washington, D.C. 20036.

A. John S. White, Marathon Oil Co., 1800 M Street NW., Suite 975, Washington, D.C. 20036.
B. Marathon Oil Co., Findlay, Ohio 45840.
E. (9) $650.34.

A. Alton W. Whitehouse, Jr., 1750 Midland Building, Cleveland, Ohio 44115.
B. The Standard Oil Co. (Ohio), Midland Building, Cleveland, Ohio 44115.

A. Louis M. Whitlock, Beker Industries Corp., P.O. Box 396, Carlsbad, N. Mex. 88220.
B. Beker Industries Corp., 124 West Putnam Avenue, Greenwich Conn. 06830.

A. Wickham, Craft & Cihlar, 1050 17th Street NW., Suite 1100, Washington, D.C. 20036.
B. Allegheny Airlines, National Airport, Washington, D.C. 20001.
D. (6) $40.

A. Wickham, Craft & Cihlar, 1050 17th Street NW., Suite 1100, Washington, D.C. 20036.
B. American Airlines, 633 3d Avenue, New York, N.Y. 10017.
D. (6) $40.

A. Wickham, Craft & Cihlar, 1050 17th Street NW., Suite 1100, Washington, D.C. 20036.
B. Committee for a Uniform Investment Tax Credit, 1050 17th Street NW., Suite 1112, Washington, D.C. 20036.
D. (6) $1,500.

A. Wickham, Craft & Cihlar, 1050 17th Street NW., Suite 1100, Washington, D.C. 20036.
B. Congaree Limited Partnership, 222 West Adams Street, Suite 821, Chicago, Ill. 60606.

A. Wickham, Craft & Cihlar, 1050 17th Street NW., Suite 1100, Washington, D.C. 20036.
B. Eastern Air Lines, Miami International Airport, Miami, Fla. 33148.
D. (6) $40.

A. Wickham, Craft & Cihlar, 1050 17th Street NW., Suite 1100, Washington, D.C. 20036.
B. Encyclopaedia Britannica, Inc., 425 Michigan Avenue, Chicago, Ill. 60611.
D. (6) $200.

A. Wickham, Craft & Cihlar, 1050 17th Street NW., Suite 1100, Washington, D.C. 20036.
B. Hughes Air West, San Francisco International Airport, San Francisco, Calif. 44128.
D. (6) $40.

A. Wickham, Craft & Cihlar, 1050 17th Street NW., Suite 1100, Washington, D.C. 20036.
B. Pan American World Airways, Pan Am Building, New York, N.Y. 10017.
D. $40.

A. Wickham, Craft & Cihlar, 1050 17th Street NW., Suite 1100, Washington, D.C. 20036.
B. Piedmont Airlines, Smith Reynolds Airport, Winston Salem, N.C. 27102.
D. (6) $40.

A. Wickham, Craft & Cihlar, 1050 17th Street NW., Suite 1100, Washington, D.C. 20036.
B. Ryder System, Inc., 3600 Northwest, 82d Avenue, Miami, Fla. 33166.

A. Wickham, Craft & Cihlar, 1050 17th Street NW., Suite 1100, Washington, D.C. 20036.
B. Trans World Airlines, 605 Third Avenue, New York, N.Y. 10016.
D. (6) $40.

A. Wickham, Craft & Cihlar, 1050 17th Street NW., Suite 1100, Washington, D.C. 20036.
B. United Airlines, Inc., P.O. Box 66100, Chicago, Ill. 60666.
D. (6) $40.

A. Leonard M. Wickliffe, 1801 K Street NW., Suite 221, Washington, D.C. 20006.
B. California Railroad Association, 1127 11th Street, Suite 242, Sacramento, Calif. 95814.
D. (6) $11,000.01. E. (9) $3,783.79.

A. Richard J. Wiechmann, 1619 Massachusetts Avenue NW., Washington, D.C. 20036.
B. American Paper Institute, Inc., 260 Madison Avenue, New York, N.Y. 10016.

A. Jerry C. Wilkerson, 7315 Wisconsin Avenue, Washington, D.C. 20014.
B. International Franchise Association, 7315 Wisconsin Avenue, Washington, D.C. 20014.
D. (6) $1,171. E. (9) $1,417.54.

A. Wilkinson, Cragun & Barker, 1735 New York Avenue NW., Washington, D.C. 20006.
B. American Society of Travel Agents, Inc., 711 5th Avenue, New York, N.Y. 10022.
E. (9) $2,331.88.

A. Wilkinson, Cragun & Barker, 1735 New York Avenue NW., Washington, D.C. 20006.
B. Arapahoe Tribe of Indians, Fort Washakie, Wyo.
E. (9) $293.98.

A. Wilkinson, Cragun & Barker, 1735 New York Avenue NW., Washington, D.C. 20006.
B. Association of Data Processing Service Organizations, Inc., 210 Summit Avenue, Montvale, N.J. 07645.

A. Wilkinson, Cragun & Barker, 1735 New York Avenue NW., Washington, D.C. 20006.
B. Bonneville International Corp., 36 South State Street, Salt Lake City, Utah.
E. (9) $741.44.

A. Wilkinson, Cragun & Barker, 1735 New York Avenue NW., Washington, D.C. 20006.
B. Brigham Young University, Provo, Utah.
E. (9) $2.82.

A. Wilkinson, Cragun & Barker, 1735 New York Avenue NW., Washington, D.C. 20006.
B. The Church of Jesus Christ of Latter-Day Saints, 10 East North Temple, Salt Lake, Utah.
E. (9) $53.72.

A. Wilkinson, Cragun & Barker, 1735 New York Avenue NW., Washington, D.C. 20006.
B. College Placement Council, Inc., 65 Elizabeth Street, Bethlehem, Pa.
E. (9) $434.86.

A. Wilkinson, Cragun & Barker, 1735 New York Avenue NW., Washington, D.C. 20006.
B. Confederated Salish and Kootenai Tribes of the Flathead Reservation, Mont.
E. (9) $515.81.

A. Wilkinson, Cragun & Barker, 1735 New York Avenue NW., Washington, D.C. 20006.
B. The Hoopa Valley Tribe, P.O. Box 817, Hoopa, Calif.
E. (9) $128.95.

A. Wilkinson, Cragun & Barker, 1735 New York Avenue NW., Washington, D.C. 20006.
B. Independent Data Communications Manufacturers Association, Inc., 1735 New York Avenue NW., Washington, D.C. 20006.
D. (6) $580. E. (9) $9.

A. Wilkinson, Cragun & Barker, 1735 New York Avenue NW., Washington, D.C. 20006.
B. Independent Insurance Agents of America, 85 John Street, New York, N.Y. 10038.
D. (6) $3,714. E. (9) $204.

A. Wilkinson, Cragun & Barker, 1735 New York Avenue NW., Washington, D.C. 20006.
B. Nana Regional Corp., Inc., Box 49, Kotzebue, Alaska 99752.
E. (9) $24.

A. Wilkinson, Cragun & Barker, 1735 New York Avenue NW., Washington, D.C. 20006.
B. State of Hawaii, Department of Regulatory Agencies, P.O. Box 531, Honolulu, Hawaii.
D. (6) $427.50. E. (9) $20.

A. Wilkinson, Cragun & Barker, 1735 New York Avenue NW., Washington, D.C. 20006.
B. The Three Affiliated Tribes of the Fort Berthold Reservation, New Town, N. Dak.
E. (9) $235.24.

A. Wilmer, Cutler & Pickering, 1666 K Street NW., Washington, D.C. 20006.
B. The Business Roundtable, 1801 K Street NW., Washington D.C. 20006.
D. (6) $450.

A. Williams & Connolly, 1000 Hill Building, Washington, D.C. 20006.
B. Business Roundtable, 405 Lexington Avenue, New York, N.Y. 10017.
D. (6) $145. E. (9) $145.

A. Williams & Connolly, 1000 Hill Building, Washington, D.C. 20006.
B. CBS, Inc., 1800 M Street NW., Washington, D.C. 20036.

A. Williams & Connolly, 1000 Hill Building, Washington, D.C. 20006.
B. Federal National Mortgage Association, 1133 15th Street NW., Washington, D.C. 20005.

A. Harry D. Williams, 1025 Connecticut Avenue NW., Suite 507, Washington, D.C. 20036.
B. Ashland Oil, Inc., P.O. Box 391, Ashland, Ky. 41101.
D. (6) $2,000.

A. Lee Williams, American Retail Federation, 1616 H Street NW., Washington, D.C. 20006.
B. American Retail Federation, 1616 H Street NW., Washington, D.C. 20006.
D. (6) $1,600. E. (9) $135.

A. Lucinda L. Williams, 1101 17th Street NW., Suite 310, Washington, D.C. 20036.
B. Federation of American Hospitals, 1101 17th Street NW., Suite 310, Washington, D.C. 20036.
D. (6) $3,150.

A. Williams, Myers & Quiggle, 888 17th Street NW., Washington, D.C. 20006.
B. Church Alliance for Clarification of ERISA, c/o Mr. Gary S. Nash, 511 North Akard Building, Suite 311, Dallas, Tex. 75201.
D. (6) $15,750. E. (9) $251.31.

A. Bertram C. Willis, International Telephone & Telegraph Corp., 1707 L Street NW., Suite 200, Washington, D.C. 20036.
B. International Telephone & Telegraph Corp., 320 Park Avenue, New York, N.Y. 10022.
D. (6) $130. E. (9) $18.

A. Allen W. Wills, Memorex Corp., 1970 Chain Bridge Road, McLean, Va. 22102.
B. Memorex Corp., San Tomas at Central Expressway, Santa Clara, Calif. 95052.
D. (6) $8,124. E. (9) $550.

A. George S. Wills, 7914 Sherwood Road, Ruxton, Md. 21204.
B. Americans for Alaska, P.O. Box 50, Riderwood, Md. 21139.
D. (6) $4,690. E.(9) $2,673.48.

A. Charles D. Wilson, 1619 Massachusetts Avenue NW., Washington, D.C. 20036.
B. American Paper Institute, Inc., 260 Madison Avenue, New York, N.Y. 10016.
E. (9) $33.75.

A. Henry T. Wilson, 1750 New York Avenue NW., Washington, D.C. 20006.
B. International Brotherhood of Painters and Allied Trades, 1750 New York Avenue NW., Washington, D.C. 20006.
D. (6) $913.50.

A. Winston P. Wilson, 523 North Forrest Street, Forrest City, Ark. 72335.

B. Northrop Corp., 1701 North Fort Myer Drive, Suite 1208, Arlington, Va. 22209.
D. (6) $5,800. E. (9) $2,350.

A. Albert Winchester, 2030 M Street NW., Washington, D.C. 20036.
B. Common Cause, 2030 M Street NW., Washington, D.C. 20036.
D. (6) $3,187.50.

A. Joseph B. Winkelmann, 925 15th Street NW., Washington, D.C. 20005.
B. National Association of Realtors, Government Affairs Office, 925 15th Street NW., Washington, D.C. 20005.
D. (6) $1,500. E. (9) $1,230.19.

A. Winston & Strawn, 1730 Pennsylvania Avenue NW., No. 1040, Washington, D.C. 20006.
B. Atlanta/LaSalle Corp., 150 South Wacker Street, Chicago, Ill. 60600.
D. (6) $65.

A. Winston & Strawn, 1730 Pennsylvania Avenue NW., No. 1040, Washington, D.C. 20006.
B. Building Owners & Managers Association International, 1221 Massachusetts Avenue NW., Washington, D.C. 20005.
E. (9) $18.

A. Winston & Strawn, 1730 Pennsylvania Avenue NW., No. 1040, Washington, D.C. 20006.
B. Gould, Inc., 8550 Bryn Mawr Avenue, Chicago, Ill. 60631.

A. Winston & Strawn, 1730 Pennsylvania Avenue NW., No. 1040, Washington, D.C. 20006.
B. International Council of Shopping Centers, 665 Fifth Avenue, New York, N.Y. 10022.
D. (6) $65. E. (9) $24.

A. Winston & Strawn, 1730 Pennsylvania Avenue NW., No. 1040, Washington, D.C. 20006.
B. New England Petroleum Corp., 825 Third Avenue, New York, N.Y. 10022.
D. (6) $180. E. (9) $11.

A. Mark E. Winter, American Land Title Association, 1828 L Street NW., Washington, D.C. 20036.
B. American Land Title Association, 1828 L Street NW., Washington, D.C. 20036.
D. (6) $3,000.

A. Jane Wishner, 2030 M Street NW., Washington, D.C. 20036.
B. Common Cause, 2030 M Street NW., Washington, D.C. 20036.
D. (6) $2,400.

A. Richard F. Witherall, Colorado Railroad Association, 420 Denver Club Building, Denver, Colo. 80202.
B. Colorado Railroad Association, 420 Denver Club Building, Denver, Colo.

A. Glenn P. Witte, 1105 Barr Building, Washington, D.C. 20006.
B. International Association of Ice Cream Manufacturers and Milk Industry Foundation, 1105 Barr Building, Washington, D.C. 20006.

A. H. C. Witthaus, General Motors Corp., 1660 L Street NW., Suite 501, Washington, D.C. 20036.
B. General Motors Corp., 3044 West Grand Boulevard, Detroit, Mich. 48202.
D. (6) $3,000. E. (9) $1,044.93.

A. Erving Wolf, Inexco Oil Co., Suite 1900, 1100 Milam Building, Houston, Tex. 77002.
B. Inexco Oil Co., Suite 1900, 1100 Milam Building, Houston, Tex. 77002.
E. (9) $205.

A. Wolf, Haldenstein, Adler, Freeman, & Herz, 270 Madison Avenue, New York, N.Y. 10016.
B. Fallek-Lankro Corp., P.O. Box H, Tuscaloosa, Ala.
D. (6) $100. E. (9) $332.02.

A. James E. Wolf, The Trane Co., 2020 14th Street North, Arlington, Va. 22201.
B. The Trane Co., 3600 Pammel Creek Road, LaCrosse, Wis. 54601.
D. (6) $1,000. E. (9) $28.80.

A. Don Womack, 1150 Connecticut Avenue NW., Suite 1013, Washington, D.C. 20036.
B. Texas Utilities Services, Inc., 2001 Bryan Tower, Dallas, Tex. 75201.
D. (6) $1,687. E. (9) $160.19.

A. Diane Woodruff, Committee of Urban Program Universities, Suite 802, 11 Dupont Circle, Washington, D.C. 20036.
B. Committee of Urban Program Universities, Suite 802, 11 Dupont Circle, Washington, D.C. 20036.
D. (6) $1,875. E. (9) $75.50.

A. M. Alan Woods, DGA International, Inc., 1225 19th Street NW., Washington, D.C.
B. DGA International, Inc., 1225 19th Street NW., Washington, D.C. 20036. (For Airbus Industrie, Avenue Lucien Servanty, 31700 Blagnac, France).
D. (6) $101.83. E. (9) $6.40.

A. M. Alan Woods, DGA International, Inc., 1225 19th Street NW., Washington, D.C. 20036.
B. DGA International, Inc. 1225 19th Street NW., Washington, D.C. 20036 (For Thomson-CSF (AVS) 178 Boulevard Gabriel Peri, 92240 Malakoff, France).

A. William E. Woods, National Association of Retail Druggists, 1750 K Street NW., Washington, D.C. 20006.
B. National Association of Retail Druggists, 1750 K Street NW., Washington, D.C. 20006.
D. (6) $750. E. (9) $150.

A. Perry W. Woofter, 2101 L Street NW., Washington, D.C. 20037.
B. American Petroleum Institute, 2101 L Street NW., Washington, D.C. 20037.
D. (6) $5,000. E. (9) $185.

A. Paige Wooldridge, Box 1006, Bluefield, W. Va. 24701.
B. National Council of Coal Lessors, Inc., 1130 17th Street NW., Suite 230, Washington, D.C. 20036.
D. (6) $7,500. E. (9) $966.64.

A. Melanie Woolston, 20 A Seventh Street SE., Washington, D.C. 20003.
B. Self-Determination for the District of Columbia, Room 300, 2030 M Street NW., Washington, D.C. 20036.
D. (6) $2,625.

A. Ronald L. Wooten, American Mining Congress, 1100 Ring Building, Washington, D.C. 20036.
B. American Mining Congress, 1100 Ring Building, Washington, D.C.

A. George M. Worden, Hill & Knowlton, Inc., 1425 K Street NW., Washington, D.C. 20005.
B. Hill & Knowlton, Inc., 633 Third Avenue, New York, N.Y.

A. W. Robert Worley, 1546 Farnell Court, Apt. 3, Decatur, Ga. 30033.
B. Georgia Power Co., 270 Peachtree Street NW., Atlanta, Ga. 30302.
D. (6) $2,960. E. (9) $4,420.64.

A. Edward E. Wright, Muir & Stolper, 1819 H Street NW., Washington, D.C. 20006.
B. G-4 Childrens' Coalition, 7309 Delfield Street, Chevy Chase, Md. 20015.
E. (9) $15.08.

A. Franklin L. Wright, Jr., 1709 New York Avenue NW., Suite 200, Washington, D.C. 20006.
B. National Association of Mutual Savings Banks, 200 Park Avenue, New York, N.Y. 10017.
D. (6) $1,937.50. E (9) $95.84.

A. Wyman, Bautzer, Rothman & Kuchel, Suite 1140, the Watergate 600, 600 New Hampshire Avenue NW., Washington, D.C. 20037.
B. Petersen Publishing Co., 8490 Sunset Boulevard, Los Angeles, Calif. 90060.
D. (6) $250.

A. John Yarmola, Seafarers International Union of North America, 815 16th Street NW., Suite 510, Washington, D.C. 20006.
B. Seafarers International Union of North America, 815 16th Street NW., Suite 510, Washington, D.C. 20006.
D. (6) $2,500. E. (9) $343.04.

A. Edward R. Yawn, American Farm Bureau Federation, 425 13th Street NW., Washington, D.C. 20004.
B. American Farm Bureau Federation, 225 Touhy Avenue, Park Ridge, Ill.
D. (6) $3,500. E. (9) $212.91.

A. A. Steven Young, National Small Business Association, 1604 K Street NW., Washington, D.C. 20006.
B. National Small Business Association 1604 K Street NW., Washington, D.C. 20006.
D. (6) $1,500. E. (9) $200.

A. Kenneth Young, 815 16th Street NW., Washington, D.C.
B. American Federation of Labor and Congress of Industrial Organizations, 815 16th Street NW., Washington, D.C.
D. (6) $10,998. E. (9) $482.33.

A. Reynolds Young, American Bankers Association, 1120 Connecticut Avenue NW., Washington, D.C. 20036.
B. American Bankers Association, 1120 Connecticut Avenue NW., Washington, D.C. 20036.
D. (6) $1,100. E. (9) $550.

A. Eugene A. Yourch, 17 Battery Place North, New York, N.Y. 10004.
B. Federation of American Controlled Shipping, 17 Battery Place North, New York, N.Y. 10004.
D. (6) $200.

A. Donald Zahn, 8316 Arlington Boulevard, Suite 600, Fairfax, Va. 22038.
B. National Right to Work Committee, 8316 Arlington Boulevard, Suite 600, Fairfax, Va. 22038.
D. (6) $420. E. (9) $164.

A. Lynn Zakupowsky, General Electric Co., 777 14th Street NW., Washington, D.C. 20005.
B. General Electric Co., 3135 Easton Turnpike, Fairfield, Conn. 06431.
D. (6) $500.

A. John S. Zapp, American Medical Association, 1776 K Street NW., Washington, D.C. 20006.
B. American Medical Association, 535 North Dearborn Street, Chicago, Ill. 60610.
D. (6) $3,870. E. (9) $484.

A. Thomas K. Zaucha, 1800 M Street NW., Suite 645-S, Washington, D.C. 20036.
B. The Great Atlantic & Pacific Tea Co., Inc., 2 Paragon Drive, Montvale, N.J. 07645.
D. (6) $2,000.

A. John L. Zorack, Cook & Henderson, 1735 K Street NW., Washington, D.C. 20006.

B. Allegheny Airlines, Washington National Airport 20001.

D. (6) $4,500. E. (9) $420.

A. John L. Zorack, Cook & Henderson, 1735 K Street NW., Washington, D.C. 20006.

B. Frontier Airlines, 1776 K Street NW., Washington, D.C. 20006.

D. (6) $4,500. E. (9) $420.

A. John L. Zorack, Cook & Henderson, 1735 K Street NW., Washington, D.C., 20006.

B. Pan American World Airways, 1800 K Street NW., Suite 900, Washington, D.C. 20006.

D. (6) $3,000. E. (9) $538.37.

A. Barry Zorthian, Time, Inc., 888 16th NW., Washington, D.C.

B. Time, Inc., Time and Life Building, Rockefeller Center, New York, N.Y. 10020.

D. (6) $2,950. E. (9) $900.

A. Charles O. Zuver, American Bankers Association, 1120 Connecticut Avenue NW., Washington, D.C. 20036.

B. American Bankers Association, 1120 Connecticut Avenue NW., Washington, D.C. 20036.

D. (6) $3,500. E. (9) $92.92.

A. Frances Zwenig, 133 C Street SE., Washington, D.C. 20003.

B. Congress Watch, 133 C Street SE., Washington, D.C. 20003.

D. (6) $2,750.

QUARTERLY REPORTS*

*All alphanumeric characters and monetary amounts refer to receipts and expenditures on page 2, paragraphs D and E of the Quarterly Report Form.

The following quarterly reports were submitted for the second calendar quarter 1974:

(NOTE.—The form used for report is reproduced below. In the interest of economy in the RECORD, questions are not repeated, only the essential answers are printed, and are indicated by their respective letter and number.)

FILE ONE COPY WITH THE SECRETARY OF THE SENATE AND FILE TWO COPIES WITH THE CLERK OF THE HOUSE OF REPRESENTATIVES:

This page (page 1) is designed to supply identifying data; and page 2 (on the back of this page) deals with financial data.

PLACE AN "X" BELOW THE APPROPRIATE LETTER OR FIGURE IN THE BOX AT THE RIGHT OF THE "REPORT" HEADING BELOW:

"PRELIMINARY" REPORT ("Registration"): To "register," place an "X" below the letter "P" and fill out page 1 only.

"QUARTERLY" REPORT: To indicate which one of the four calendar quarters is covered by this Report, place an "X" below the appropriate figure. Fill out both page 1 and page 2 and as many additional pages as may be required. The first additional page should be numbered as page "3," and the rest of such pages should be "4," "5," "6," etc. Preparation and filing in accordance with instructions will accomplish compliance with all quarterly reporting requirements of the Act.

Year: 19_____

REPORT

PURSUANT TO FEDERAL REGULATION OF LOBBYING ACT

P	QUARTER			
	1st	2d	3d	4th
(Mark one square only)				

NOTE ON ITEM "A".—(a) IN GENERAL. This "Report" form may be used by either an organization or an individual, as follows:
(i) "Employee".—To file as an "employee", state (in Item "B") the name, address, and nature of business of the "employer". (If the "employee" is a firm [such as a law firm or public relations firm], partners and salaried staff members of such firm may join in filing a Report as an "employee".)
(ii) "Employer".—To file as an "employer", write "None" in answer to Item "B".
(b) SEPARATE REPORTS. An agent or employee should not attempt to combine his Report with the employer's Report:
(i) Employers subject to the Act must file separate Reports and are not relieved of this requirement merely because Reports are filed by their agents or employees.
(ii) Employees subject to the Act must file separate Reports and are not relieved of this requirement merely because Reports are filed by their employers.

A. ORGANIZATION OR INDIVIDUAL FILING:
1. State name, address, and nature of business.

2. If this Report is for an Employer, list names of agents or employees who will file Reports for this Quarter.

NOTE ON ITEM "B".—*Reports by Agents or Employees.* An employee is to file, each quarter, as many Reports as he has employers, except that: (a) If a particular undertaking is jointly financed by a group of employers, the group is to be considered as one employer, but all members of the group are to be named, and the contribution of each member is to be specified; (b) if the work is done in the interest of one person but payment therefor is made by another, a single Report—naming both persons as "employers"—is to be filed each quarter.

B. EMPLOYER.—State name, address, and nature of business. If there is no employer, write "None."

NOTE ON ITEM "C".—(a) The expression "in connection with legislative interests," as used in this Report, means "in connection with attempting, directly or indirectly, to influence the passage or defeat of legislation." "The term 'legislation' means bills, resolutions, amendments, nominations, and other matters pending or proposed in either House of Congress, and includes any other matter which may be the subject of action by either House"—§ 302(e).
(b) Before undertaking any activities in connection with legislative interests, organizations and individuals subject to the Lobbying Act are required to file a "Preliminary" Report (Registration).
(c) After beginning such activities, they must file a "Quarterly" Report at the end of each calendar quarter in which they have either received or expended anything of value in connection with legislative interests.

C. LEGISLATIVE INTERESTS, AND PUBLICATIONS in connection therewith:

1. State approximately how long legislative interests are to continue. If receipts and expenditures in connection with legislative interests have terminated, ☐ place an "X" in the box at the left, so that this Office will no longer expect to receive Reports.

2. State the general legislative interests of the person filing and set forth the *specific* legislative interests by reciting: (a) Short titles of statutes and bills; (b) House and Senate numbers of bills, where known; (c) citations of statutes, where known; (d) whether for or against such statutes and bills.

3. In the case of those publications which the person filing has caused to be issued or distributed in connection with legislative interests, set forth: (a) Description, (b) quantity distributed; (c) date of distribution, (d) name of printer or publisher (if publications were paid for by person filing) or name of donor (if publications were received as a gift).

(Answer items 1, 2, and 3 in the space below. Attach additional pages if more space is needed)

4. If this is a "Preliminary" Report (Registration) rather than a "Quarterly" Report, state below what the nature and amount of anticipated expenses will be; and if for an agent or employee, state also what the daily, monthly, or annual rate of compensation is to be. If this is a "Quarterly" Report, disregard this item "C4" and fill out item "D" and "E" on the back of this page. Do not attempt to combine a "Preliminary" Report (Registration) with a "Quarterly" Report.

AFFIDAVIT

[Omitted in printing]

PAGE 1

A. Albert E. Abrahams, National Association of Realtors, 925 15th Street NW., Washington, D.C. 20005.
B. National Association of Realtors, 430 North Michigan Avenue, Chicago, Ill., 60611 and 925 15th Street NW., Washington, D.C. 20005.
D. (6) $3,875. E. (9) $829.38.

A. ACLI International Inc., 110 Wall Street, New York, N.Y. 10005.
E. (9) $1,090.

A. John J. Adams, Suite 1060, 1730 Pennsylvania Avenue NW., Washington, D.C. 20006.
B. Ethyl Corp., 330 South Fourth Street, Richmond, Va.

A. John J. Adams, Suite 1060, 1730 Pennsylvania Avenue NW., Washington, D.C. 20006.
B. Vepco, Seventh and Franklin Streets, Richmond, Va.
D. (6) $80.

A. Ad Hoc Committee of Concerned Parents, P.O. Box 343, Lexington, Mass. 02173.
D. (6) $2,396.78. E. (9) $1,978.60.

A. Alaska Coalition, 620 C Street SE., Washington, D.C. 20003.

D. (6) $11,170.80. E. (9) $7,842.41.

A. Anne Genevieve Allen, Rockwell International, International Airport, Los Angeles, Calif. 90009.
B. Rockwell International, International Airport, Los Angeles, Calif. 90009.
D. (6) $335.94. E. (9) $613.21.

A. American Arts Alliance, 424 C Street NE., Washington, D.C. 20002.
D. (6) $25,414.23. E. (9) $42,925.66.

A. American Automobile Association, 8111 Gatehouse Road, Falls Church, Va. 22042.

A. American Federation of State, County, and Municipal Employees, AFL–CIO, 1625 L Street NW., Washington, D.C.
E. (9) $37,318.04.

A. American Hospital Association, 840 North Lake Shore Drive, Chicago, Ill. 60611.
D. (6) $22,762.27. E. (9) $22,762.27.

A. American Israel Public Affairs Committee, 444 North Capitol Street NW., No. 412, Washington, D.C. 20001.
D. (6) $63,725. E. (9) $41,150.67.

A. American Maritime Association, 17 Battery Place North, New York, N.Y. 10004; 1612 K St. NW., Washington, D.C. 20004.
E. (9) $311.90.

A. American Meat Institute, P.O. Box 3556, Washington, D.C. 20007 (1600 Wilson Boulevard, Arlington, Va.).
E. (9) $21.10.

A. American-Nicaraguan Council, 475 L'Enfant Plaza SW., Suite 4110, Washington, D.C. 20024.
D. (6) $8,121.44. E. (9) $8,121.44.

A. American Parents Committee, 1346 Connecticut Avenue NW., Washington, D.C. 20036.
D. (6) $3,875.

A. Americans for Democratic Action, 1411 K Street NW., No. 850, Washington, D.C. 20005.
D. (6) $65,970.27 E. (9) $8,783.79.

A. Morris J. Amitay, 444 North Capitol Street NW., No. 412, Washington, D.C. 20001.
B. American Israel Public Affairs Committee, 444 North Capitol Street NW., No. 412, Washington, D.C. 20001.
D. (6) $6,874.98.

A. J. L. Anderson, Time Inc., 888 16th Street NW., Washington, D.C. 20006.
B. Time Inc., Time & Life Building, Rockefeller Center, New York City, N.Y.
D. (6) $2,500. E. (9) $950.

A. Jack R. Angell, United Gas Pipe Line Co., 1101 17th Street NW., Washington, D.C. 20036.
B. United Gas Pipe Line Co., P.O. Box 1478, Houston, Tex. 22001.
D. (6) $1,320. E. (9) $32.

A. J. Donald Annett, 1050 17th Street NW., No. 500, Washington, D.C. 20036.
B. Texaco Inc., 2000 Westchester Avenue, White Plains, N.Y. 10650.
D. (6) $200.

A. Linda M. Anzalone, Chamber of Commerce of the United States, 1615 H Street NW., Washington, D.C. 20062.
B. Chamber of Commerce of the United States, 1615 H Street NW., Washington, D.C.
E. (9) $25.

A. APA Co., 400 First Street NW., Washington, D.C. 20001.
B. University of Health Sciences/The Chicago Medical School, 2020 West Ogden Avenue, Chicago, Ill. 60612.
D. (6) $750.

A. John Archer, American Automobile Association, 8111 Gatehouse Road, Falls Church, Va. 22042.
B. American Automobile Association, 8111 Gatehouse Road, Falls Church, Va. 22042.

A. John Christian Archer, 1730 Rhode Island Avenue NW., No. 213, Washington, D.C. 20036.
B. Brown & Root, Inc., 1730 Rhode Island Avenue NW., No. 213, Washington, D.C. 20036.
D. (6) $1300. E. (9) $550.

A. Roy A. Archibald, National Education Association, 1705 Murchison Drive, Burlingame, Calif. 94010.
B. National Education Association, 1201 16th Street NW., Washington, D.C. 20036.
D. (6) $3,282.42. E. (9) $100.

A. Arnold & Porter, 1229 19th Street NW., Washington, D.C. 20036.
B. Commissioner of Baseball, 15 West 51st Street, New York, N.Y. 10019.
D. (6) $1,230. E. (9) $38.

A. Arnold & Porter, 1229 19th Street NW., Washington, D.C. 20036.
B. Price Waterhouse & Co., 1259 Avenue of the Americas, New York, N.Y. 10020.

A. Arnold & Porter, 1229 19th Street NW., Washington, D.C. 20036.
B. Recording Industry Association of America, Inc., 1 East 57th Street, New York, N.Y. 10022.
D. (6) $575. E. (9) $94.

A. Arnold & Porter. 1229 19th Street NW., Washington. D.C. 20036.
B. State Farm Mutual Automobile Insurance Co.. One State Farm Plaza, Bloomington. Ill. 61701.
D. (6) $3,352. E. (9) $198.

A. Arnold & Porter. 1229 19th Street NW., Washington. D.C. 20036.
B. West Mexico Vegetable Distributors Association. P.O. Box 848. Nogales. Ariz.
D. (6) $12,609.29. E. (9) $1,102.66.

A. Association for the Advancement of Invention and Innovation. Suite 301, 1911 Jefferson Davis Highway. Arlington, Va. 22202.
D. (6) $3,175. E. (9) $3,482.25.

A. Associated Credit Bureaus, Inc., 6767 Southwest Freeway, Houston, Tex. 77074.
E. (9) $335.32.
A. Association of Data Processing Service Organizations, Inc., 210 Summit Avenue, Montvale, N.J. 07645.
D. (6) $473,869.

A. Association of Independent Corrugated Converters, 2530 Crawford Avenue, Evanston, Ill. 60201.
D. (6) $7,500. E. (9) $9,822.10.

A. Association of Oil Pipe Lines, 1725 K Street NW., Washington, D.C. 20006.
E. (9) $1,220.37.

A. The Association of Trial Lawyers of America, 1050 31st Street NW., Washington, D.C. 20007.
D. (6) $7,050. E. (9) $7,050.

A. Aviation Consumer Action Project, P.O. Box 19029, Washington, D.C. 20036.
E. (9) $70.

A. Charles W. Bailey, 8316 Arlington Boulevard, Suite 600, Fairfax, Va. 22038.
B. National Right to Work Committee, 8316 Arlington Boulevard, Suite 600, Fairfax, Va. 22038.

A. Emil F. Baker, 1303 New Hampshire Avenue NW., Washington, D.C. 20036.
B. Fleet Reserve Association, 1303 New Hampshire Avenue NW., Washington, D.C. 20036.

A. John H. Barnard, Jr., 803 Ironbark Place, Orinda, Calif. 94563.
B. Bechtel Corp., 50 Beale Street, P.O. Box 3965, San Francisco, Calif. 94119.

A. Barnes, Richardson & Colburn, 1819 H Street NW., Washington, D.C. 20006.
B. Meat Importers Council of America, 1 Penn Plaza, New York, N.Y. 10001.

A. James C. Barr, National Association of Federal Credit Unions, 1156 15th Street NW., Suite 329, Washington, D.C. 20005.
B. National Association of Federal Credit Unions, 1156 15th Street NW., Suite 329, Washington, D.C. 20005.
D. (6) $300. E. (9) $60.45.

A. Davis M. Batson, 1155 15th Street NW., Suite 611, Washington, D.C. 20005.
B. Ethyl Corp., 1155 15th Street NW., Suite 611, Washington, D.C. 20005.
D. (6) $600.

A. Lucius D. Battle, Communications Satellite Corp., 950 L'Enfant Plaza SW., Washington, D.C. 20024.
B. Communications Satellite Corp., 950 L'Enfant Plaza SW., Washington, D.C. 20024.
D. (6) $160. E. (9) $5.

A. Sadie R. Baulch, National Forest Products Association, 1619 Massachusetts Avenue NW., Washington, D.C. 20036.
B. National Forest Products Association, 1619 Massachusetts Avenue NW., Washington, D.C. 20036.

A. Robert J. Becker, Joint Council of Allergy and Immunology, 401 East Prospect Avenue, Suite 210, Mount Prospect, Ill. 60056; 229 North Hammes Avenue, Joliet, Ill. 60435.
B. Joint Council of Allergy and Immunology, 401 East Prospect Avenue, Suite 210, Mount Prospect, Ill. 60056; 229 North Hammes Avenue, Joliet, Ill. 60435.

A. Walter L. Benning, 14901 Ritchie Road, Centreville, Va. 22020.

B. Manufactured Housing Institute, 1745 Jefferson Davis Highway, Suite 511, Arlington, Va. 22202.
D. (6) $2,500. E. (9) $1,000.

A. Randolph C. Berkeley, National Association for Uniformed Services, 6200 Lakeview Drive, Falls Church, Va. 22041.
B. National Association for Uniformed Services, 956 North Monroe Street, Arlington, Va. 22201.
D. (6) $790.

A. Ellen Berman, Energy Policy Task Force of Consumer Federation of America, 1012 14th Street NW., Washington, D.C. 20005.
B. Energy Policy Task Force of Consumer Federation of America, 1012 14th Street NW., Washington, D.C. 20005.
D. (6) $1,350. E. (9) $75.

A. William R. Berman, American Automobile Association, 8111 Gatehouse Road, Falls Church, Va. 22042.
B. American Automobile Association, 8111 Gatehouse Road, Falls Church, Va. 22042.

A. George K. Bernstein, 1730 K Street NW., Washington, D.C. 20006.
B. American Insurance Association, 1025 Connecticut Avenue NW., Washington, D.C. 20036.
D. (6) $18,825. E. (9) $5,625.

A. Charles L. Binsted, National Congress for Petroleum Retailers, Inc., No. 201, 2021 K Street NW., Washington, D.C. 20006.
B. National Congress of Petroleum Retailers, 2021 K Street NW., No. 201, Washington, D.C. 20006.
D. (6) $1,554. E. (9) $1,575.

A. Robert Bird, 1629 K Street NW., Suite 300, Washington, D.C. 20006.
B. General Mills, Inc., P.O. Box 1113, Minneapolis, Minn. 55440.
D. (6) $500. E. (9) $600.

A. Robert J. Bird, 1140 Connecticut Avenue NW., No. 804, Washington, D.C. 20036.
B. Occidental Life Insurance Co., 12th and Hill, Los Angeles, Calif. 90054.

A. Robert J. Bird, 1140 Connecticut Avenue NW., No. 804, Washington, D.C. 20036.
B. The Paul Revere Corp., Worcester, Mass. 01608.

A. H. Radford Bishop, Robert H. Kellen Co., 64 Perimeter Center East, Atlanta, Ga. 30346.
B. Robert H. Kellen Co., 64 Perimeter Center East, Atlanta, Ga. 30346 for Calorie Control Council, 64 Perimeter Center East, Atlanta, Ga. 30346.
D. (6) $200.

A. Carolyn Bode, 2941 28th Street NW., Washington, D.C. 20008.
B. Women's Lobby, Inc., 201 Massachusetts Avenue NE., Washington, D.C. 20002.
D. (6) $1,430.

A. A. Dewey Bond, American Meat Institute, P.O. Box 3556, Washington, D.C. 20007.
B. American Meat Institute, P.O. Box 3556, Washington, D.C. 20007; 1600 Wilson Boulevard, Arlington, Va.
D. (6) $500. E. (9) $25.

A. Bonneville Associates, Inc., 747 East South Temple, Suite 111, Salt Lake City, Utah 84103.
B. Western Regional Council, P.O. Box 8144, Salt Lake City, Utah 84108.
E. (9) $344.34.

A. Edward T. Borda, 1625 I Street NW., Suite 1023, Washington, D.C. 20006.
B. Association of General Merchandise Chains, 1625 I Street NW., Suite 1023, Washington, D.C. 20006.
D. (6) $4,000. E. (9) $290.

A. G. Stewart Boswell, American Textile Manufacturers Institute, Inc., Suite 1001, 1150 17th Street NW., Washington, D.C. 20036.
B. American Textile Manufacturers Institute, Suite 2124, South Tryon Street, Charlotte, N.C. 28285.
D. (6) $1,836. E. (9) $269.99.

A. Mary M. Bourdette, 733 15th Street NW., Washington, D.C. 20005.
B. Legal Services Corp., 733 15th Street NW., Washington, D.C. 20005.
D. (6) $137.44. E. (9) $20.

A. Rodney A. Bower, International Federation of Professional and Technical Engineers, AFL–CIO, 1126 16th Street NW., Washington, D.C. 20036.
B. International Federation of Professional and Technical Engineers, AFL–CIO, 1126 16th Street NW., Washington, D.C. 20036.
D. (6) $625. E. (9) $100.

A. Edward Bowman. c/o Tom B. Cunningham, Sr., Rural Route No. 5, Darlington, S.C. 29532.
B. National Association of Farmer Elected Committeemen, c/o Tom B. Cunningham, Sr., Rural Route No. 5, Darlington, S.C. 29532.
E. (9) $67.58.

A. Boyden, Kennedy, Romney & Howard, 1000 Kennecott Building, Salt Lake City, Utah 84133.
B. The Zuni Indian Tribe, Zuni, N. Mex.
E. (9) $1,612.09.

A. Gene M. Bradley, 955 L'Enfant Plaza North SW., Washington, D.C. 20024.
B. The Boeing Co., P.O. Box 3707, Seattle, Wash. 98124.
D. (6) $400. E. (9) $380.

A. Charles N. Brady, American Automobile Association, 8111 Gatehouse Road, Falls Church, Va. 22042.
B. American Automobile Association, 8111 Gatehouse Road, Falls Church, Va. 22042.

A. Charles G. Bragg, P.O. Box 12285, Memphis, Tenn. 38112.
B. National Cotton Council of America, P.O. Box 12285, Memphis, Tenn. 38112.
D. (6) $1,055.38. E. (9) $200.85.

A. S. Gail Bramblett, National Education Association, 1201 16th Street NW., Washington, D.C. 20036.
B. National Education Association, 1201 16th Street NW., Washington, D.C. 20036.
D. (6) $3,867.80. E. (9) $295.84.

A. Bregman, Abell, Solter & Kay, 1900 L Street NW., Suite 610, Washington, D.C. 20036.
B. The Air Transport Association of America, 1709 New York Avenue NW., Washington, D.C. 20036.
D. (6) $800. E. (9) $50.

A. Bregman, Abell, Solter & Kay, 1900 L Street NW., Suite 610, Washington, D.C. 20036.
B. The Car and Truck Renting and Leasing Association, 1725 K Street NW., Suite 408, Washington, D.C. 20006.
D. (6) $500. E. (9) $150.

A. Bregman, Abell, Solter & Kay, 1900 L Street NW., Suite 610, Washington, D.C. 20036.
B. Trans World Airlines, Inc., 1000 16th Street NW., Washington, D.C. 20036.
D. (6) $1,250. E. (9) $100.

A. Bregman, Abell, Solter & Kay, 1900 L Street NW., Suite 610, Washington, D.C. 20036.
B. The Washington Psychiatric Society, 1700 18th Street NW., Washington, D.C. 20009.
D. (6) $500. E. (9) $75.

A. Edward J. Brenner, Suite 301, 1911 Jefferson Davis Highway, Arlington, Va. 22202.
B. Association for the Advancement of Invention and Innovation, Suite 301, 1911 Jefferson Davis Highway, Arlington, Va. 22202.

A. Bill Brier, National Council of Farmer Cooperatives, 1129 20th Street NW., Washington, D.C. 20036.
B. National Council of Farmer Cooperatives, 1129 20th Street NW., Washington, D.C. 20036.
D. (6) $1,366. E. (9) $56.

A. Claude S. Brinegar, 461 South Boylston Street, Los Angeles, Calif. 90017.
B. Union Oil Co. of California, 461 South Boylston Street, Los Angeles, Calif. 90017.
D. (6) $600. E. (9) $166.05.

A. Belva B. Brissett, 1771 N Street NW., Washington, D.C. 20036.
B. National Association of Broadcasters, 1771 N Street NW., Washington, D.C. 20036.
D. (6) $1,406.25. E. (9) $288.

A. John B. Brock, Quintana Refinery Co., P.O. Box 3331, Houston, Tex. 77001.
B. Quintana Refinery Co., P.O. Box 3331, Houston, Tex. 77001.

A. Brotherhood of Railway and Steamship Clerks, Freight Handlers, Express and Station Employes, 815 16th Street NW., Washington, D.C. 20006.
B. Brotherhood of Railway, Airline and Steamship Clerks, Freight Handlers, Express and Station Employes, 6300 River Road, Rosemont, Ill. 60018.
D. (6) $35,000.80. E. (9) $35,000.80.

A. Gary A. Brown, 1101 17th Street NW., Suite 700, Washington, D.C. 20036.
B. National Association of Real Estate Investment Trusts, 1101 17th Street NW., Suite 700, Washington, D.C. 20036.
D. (6) $60.

A. Michael E. Brunner, American Meat Institute, P.O. Box 3556, Washington, D.C. 20007.
B. American Meat Institute, P.O. Box 3556, Washington, D.C. 20007; 1600 Wilson Boulevard, Arlington, Va.
D. (6) $3,000. E. (9) $675.

A. David A. Bunn, 1211 Connecticut Avenue NW., No. 406, Washington, D.C. 20036.
B. Magazine Publishers Association, 575 Lexington Avenue, New York, N.Y. 10022.
D. $4,000. E. (9) $300.

A. David A. Bunn, Parcel Shippers Association, 1211 Connecticut Avenue NW., Washington, D.C. 20036.
B. Parcel Shippers Association, 1211 Connecticut Avenue NW., Washington, D.C. 20036.
D. (6) $1,000. E. (9) $700.

A. George J. Burger, National Federation of Independent Business, 150 West 20th Avenue, San Mateo, Calif. 94403.
B. National Federation of Independent Business, 150 West 20th Avenue, San Mateo, Calif. 94403.
D. (6) $1,000. E. (9) $700.

A. Thomas G. Burke, 1625 I Street NW., Suite 1023, Washington, D.C. 20006.

B. Association of General Merchandise Chains, Inc., 1625 I Street NW., Suite 1023, Washington, D.C. 20006.
D. (6) $2,000. E. (9) $250.

A. David G. Burney, United States Tuna Foundation, 525 B Street, Suite 2290, San Diego, Calif. 92101.
B. United States Tuna Foundation, 525 B Street, Suite 2290, San Diego, Calif. 92101.
D. (6) $6,000. E. (9) $3,000.

A. Calorie Control Council, 64 Perimeter Center East, Atlanta, Ga. 30346.
E. (9) $21,080.

A. Arthur E. Cameron, 918 16th Street NW., Suite 406, Washington, D.C. 20006.
B. LFE Corp., 1601 Trapelo Road, Waltham, Mass. 02154; Eagle Signal Corp., 8004 Cameron Road, Austin, Tex. 78753; Safetran Systems Corp., 7721 National Turnpike, Louisville, Ky. 40214.
D. (6) $4,625.

A. Arthur E. Cameron, 918 16th Street NW., Suite 406, Washington, D.C. 20006.
B. Prismo Universal Corp., et al., Four Research Place, Rockville, Md. 20850.
D. (6) $4,874.

A. Bruce P. Cameron, Americans for Democratic Action, 1411 K Street NW., No. 850, Washington, D.C. 20005.
D. (6) $1,250.02.

A. Charles Argyll Campbell, Chamber of Commerce of the United States, 1615 H Street NW., Washington, D.C. 20062.
B. Chamber of Commerce of the United States, 1615 H Street NW., Washington, D.C. 20062.
E. (9) $300.50.

A. John E. Campbell, American Hospital Association, 444 North Capitol Street NW., No. 500, Washington, D.C. 20001.
B. American Hospital Association, 840 North Lake Shore Drive, Chicago, Ill. 60611.

A. Can Manufacturers Institute, 1625 Massachusetts Avenue NW., Washington, D.C. 20036.
E. (9) $200.

A. Caplin & Drysdale, 1101 17th Street NW., Washington, D.C. 20036.
B. Association of American Publishers, Mass Market Paperback Book Division.
E. (9) $6.80.

A. Ross Capon, National Association of Railroad Passengers, 417 New Jersey Avenue SE., Washington, D.C. 20003.
B. National Association of Railroad Passengers, 417 New Jersey Avenue SE., Washington, D.C. 20003.
D. (6) $3,975.01.

A. Richard M. Carrigan, National Education Association, 1201 16th Street NW., Washington, D.C. 20036.
B. National Education Association, 1201 16th Street NW., Washington, D.C. 20036.
D. (6) $4,953.30 E. (9) $337.83.

A. Eugene I. Casraiss, Jr., United Automobile, Aerospace & Agricultural Implement Workers of America, 1125 15th Street NW., Washington, D.C. 20005.
B. International Union, United Automobile, Aerospace & Agricultural Implement Workers of America, 8000 East Jefferson Avenue, Detroit, Mich. 48214.
D. (6) $7,531.87. E. (9) $493.88.

A. Catholics for a Free Choice, 201 Massachusetts Avenue NE., No. 105, Washington, D.C. 20002.
D. (6) $1,270.20 E. (9) $4,990.88.

A. Owen R. Chaffee, 203 Yoakum Parkway, No. 1012, Alexandria, Va. 22304.
B. Manufactured Housing Institute, 1745 Jefferson Davis Highway, Arlington, Va. 22202.
D. (6) $3,500. E. (9) $500.

A. R. S. Chamberlin, Dow Chemical, U.S.A., 1800 M Street NW., Suite 700 South, Washington, D.C. 20036.
B. The Dow Chemical Co., Midland, Mich. 48640.
D. (6) $900. E. (9) $750.

A. David Chatfield, Credit Union National Association, Inc., 1730 Rhode Island Avenue NW., Washington, D.C. 20036.
B. Credit Union National Association, Inc., 1617 Sherman Avenue, Madison, Wis.
D. (6) $1,520. E. (9) $150.

A. Chugach Electric Association, Inc., P.O. Box 3518, Anchorage, Alaska 99501.
E. (9) $6,178.81.

A. Julia Churchman, Preservation Action, 2101 L Street NW., Washington, D.C. 20037.
B. Preservation Action, 2101 L Street NW., Washington, D.C. 20037.
D. (6) $251.84.

A. Citizens for Management of Alaska Lands, Inc., P.O. Box 3256, Anchorage, Alaska 99510.
D. (6) $177,883.50. E. (9) $118,852.65.

A. Anne Harrison Clark, 10564 Jason Lane, Columbia, Md. 21044.
B. National Consumers League, 1028 Connecticut Avenue NW., Washington, D.C. 20036.
D. (6) $424.99.

A. Kathleen Ann Clarken, National Federation of Independent Business, 490 L'Enfant Plaza East SW., Suite 3206, Washington, D.C. 20024.
B. National Federation of Independent Business, 490 L'Enfant Plaza East SW., Suite 3206, Washington, D.C. 20024.
D. (6) $400.

A. Charles M. Clusen, 330 Pennsylvania Avenue SE., Washington, D.C. 20003.
B. Sierra Club, 530 Bush Street, San Francisco, Calif. 94108.
D. (6) $6,500. E. $144.18.

A. CNA Financial Corp., CNA Plaza, Chicago, Ill., 60685.
E. (9) $2,500.

A. Coalition on American Rivers, P.O. Box 2667, Station A, Champaign, Ill. 61820.
D. (6) $7,582.38. E. (9) $3,856.38.

A. The Coca-Cola Bottlers' Association, 166 16th Street NW., Atlanta, Ga. 30318.

A. Jerry S. Cohen, Suite 708, 1776 K Street NW., Washington, D.C. 20006.
B. National Congress of Petroleum Retailers, Suite 301, 2021 K Street NW., Washington, D.C.
D. (6) $3,000.

A. Rhea L. Cohen, 10 Greendale Place, Greenbelt, Md. 20770.
B. Sierra Club, 330 Pennsylvania Avenue SE., Washington, D.C. 20003.
D. (6) $4,625. E. (9) $57.

A. Robert E. Cole, 1660 L Street NW., Washington, D.C.
B. General Motors Corp., 1660 L Street NW., Washington, D.C.
D. (6) $2,500. E. (9) $3,264.40.

A. Frank Collins, Oil, Chemical & Atomic Workers International Union, 1126 16th Street NW., Washington, D.C. 20036.
B. Oil, Chemical & Atomic Workers International Union, 1636 Champa Street, Denver, Colo. 80201.
D. (6) $2,000. E. (9) $225.

A. George R. Collins, IUE–AFL–CIO, 1126 16th Street NW., Washington, D.C. 20036.
B. International Union of Electrical, Radio & Machine Workers, AFL–CIO, 1126 16th Street NW., Washington, D.C. 20036.
D. (6) $600. E. (9) $300.

A. Committee for 806.30 and 807, Inc., 1611 North Kent Street, Suite 800, Arlington, Va. 22209.
D. (6) $14,500. E. (9) $8,863.63.

A. Committee for Humane Legislation, Inc., 2101 L Street NW., Washington, D.C., 20037; 11 West 60th Street, New York City, N.Y. 10023.
D. (6) $27,032.50. E. (9) $46,367.70.

A. Committee For Public Advocacy, Suite 925, 1346 Connecticut Avenue NW., Washington, D.C. 20036.
D. (6) $35.71. E. (9) $97.13.

A Computer & Communications Industry Association, 1500 Wilson Boulevard, Suite 512, Arlington, Va. 22209.
D. (6) $97,968. E. (9) $13,312.

A. Connecticut Bankers Association, 100 Constitution Plaza, Suite 956, Hartford, Conn. 06103.

A. Donald L. Connors, Tyler, Reynolds & Craig, One Boston Place, Boston, Mass. 02108.
B. Electro Signal Laboratory, Inc., 1022 Hingham Street, Rockland, Mass. 02370.
D. (6) $200.

A. Jerry C. Connors, American Automobile Association, 8111 Gatehouse Road, Falls Church, Va. 22042.
B. American Automobile Association, 8111 Gatehouse Road, Falls Church, Va. 22042.

A. Consumer Action Now, 317 Pennsylvania Avenue SE., Washington, D.C. 20003.
D. (6) $4,588.81. E. (9) $5,557.48.

A. Consumer Federation of America, 1012 14th Street NW., Washington, D.C. 20005.
D. (6) $10,144. E. (9) $13,560.02.

A. Contract Carrier Conference of American Trucking Associations, Inc., 1730 Rhode Island Avenue NW., No. 801, Washington, D.C. 20036.
D. (6) $5,500.

A. Paul Corbin, 1028 Connecticut Avenue NW., Suite 516, Washington, D.C. 20036.
B. Pontchartrain State Bank, Metairie, La. 20033.
D. (6) $5,000.

A. Patrick H. Corcoran, Association of Oil Pipe Lines, 1725 K Street NW., Washington, D.C. 20006.
B. Association of Oil Pipe Lines, 1725 K Street NW., Washington, D.C. 20006.
E. (9) $1,220.37.

A. Glen S. Corso, National Association of Home Builders of the United States, 15th and M Streets NW., Washington, D.C. 20005.
B. National Association of Home Builders of the United States, 15th and M Streets NW., Washington, D.C. 20005.
D. (6) $5,166.24. E. (9) $424.11.

A. The Cosmetic, Toiletry & Fragrance Association, Inc., 1133 15th Street NW., Suite 1200, Washington, D.C. 20005.
D. (6) $2,050. E. (9) $2,050.

A. John A. Couture, National Forest Products Association, 1619 Massachusetts Avenue NW., Washington, D.C. 20036.
B. National Forest Products Association, 1619 Massachusetts Avenue NW., Washington, D.C. 2003[e].
D. (6) $825. E. (9) $100.

A. Kenneth A. Cox, 1150 17th Street NW., Washington, D.C. 20036.
B. MCI Communications Corp, 1150 17th Street NW., Washington, D.C. 20036.
D. (6) $2,039.87. E. (9) $5.64.

A. Cox, Smith, Smith, Hale & Guenther Inc., 500 National Bank of Commerce Building, San Antonio, Tex. 78205.
B. Sanchez-O'Brien Petroleum Group and the National Association of Independent Gas Producers, 500 National Bank of Commerce Building, San Antonio, Tex. 78205.
D. (6) $125. E. (9) $3.30.

A. Judith Lynne Crain, 1745 Jefferson Davis Highway, Arlington, Va. 22202.
B. Manufactured Housing Institute, 1745 Jefferson Davis Highway, Arlington, Va. 22202.
D. (6) $825.

A. Cramer, Viser, Lipsen & Smith, 475 L'Enfant Plaza SW., Suite 4100, Washington, D.C. 20024.
B. The American Nicaraguan Council, 475 L'Enfant Plaza SW., Suite 4110, Washington, D.C.

A. Cramer, Visser, Lipsen & Smith, 475 L'Enfant Plaza SW., Suite 4100, Washington, D.C. 20024.
B. American Sign & Indicator Corp., North 2310 Fancher Way, Spokane, Wash. 99206.
D. (6) $5,433.94. E. (9) $5,433.94.

A. Cramer, Visser, Lipsen & Smith, 475 L'Enfant Plaza SW., Suite 4100, Washington, D.C. 20024.
B. Government of Nicaragua, Managua, Nicaragua.
D. (6) $12,184.76. E. (9) $12,184.76.

A. Cramer, Visser, Lipsen & Smith, 475 L'Enfant Plaza SW., Suite 4100, Washington, D.C. 20024.
B. Norman, Lawrence, Patterson & Farrell, 211 East 43d Street, New York, N.Y. 10017.
D. (6) $3,333.15. (9) $3,333.15.

A. Roger C. Crampton, Cornell Law School, Ithaca, N.Y. 14850.
B. Legal Service Corp., 733 15th Street NW., Washington, D.C. 20005.
D. (6) $180. (9) $132.96.

A. Credit Union National Association, Inc., 1617 Sherman Avenue, Madison, Wis.
D. (6) $10,755. E. (9) $1,225.

A. Joseph M. Cribben, 6900 Valley Brook Drive, Falls Church, Va. 22042.
B. United Association of Journeymen and Apprentices of the Plumbing & Pipe Fitting Industry of the United States and Canada, 901 Massachusetts Avenue NW., Washington, D.C. 20001.
D. (6) $1,750. E. (9) $34.33.

A. Thomas G. Crikelair, National Association of Railroad Passengers, 417 New Jersey Avenue SE., Washington, D.C. 20003.
B. National Association of Railroad Passengers, 417 New Jersey Avenue SE., Washington, D.C. 20003.
D. (6) $3,180.06.

A. Richard E. Cristol, 64 Perimeter Center East, Atlanta, Ga. 30346.
B. Robert H. Kellen Co., 64 Perimeter Center East, Atlanta, Ga. 30346 for Calorie Control Council, 64 Perimeter Center East, Atlanta, Ga. 30346.
D. (6) $200.

A. Barry M. Cullen, 1620 I Street NW., No. 700, Washington, D.C. 20006.
B. International Paper Co, 1620 I Street NW., No. 700, Washington, D.C. 20006.
D. (6) $100. E. (9) $50

A. Culp, Dwyer, Guterson & Grader, 1300 Hoge Building, Seattle, Wash. 98104.
B. Pacific Northwest Utilities Conference Committee, 27 North Wenatchee Avenue, Wenatchee, Wash. 98801.
D. (6) $7,650. E. (9) $3,071.54.

A. William E. Cumberland, Mortgage Bankers Association of America, 1125 15th Street NW., Washington, D.C. 20005.
B. Mortgage Bankers Association of America, 1125 15th Street NW., Washington, D.C. 20005.
D. (6) $488. E. (9) $1,868.

A. Frank Cummings, 1140 Connecticut Avenue NW., Washington, D.C., 20036.
B. The Institute of Electrical & Electronics Engineers, Inc., 345 East 47th Street, New York, N.Y. 10022.
D. (6) $5,890.

A. Tom B. Cunningham, Rural Route 5, Darlington, S.C. 29532.
B. National Association of Farmer Elected Committeemen, c/o Tom B. Cunningham, Sr., Route 5, Darlington, S.C. 29532.
E. (9) $127.50.

A. Robert J. Cushman, National Association of Home Builders of the United States, 15th and M Streets NW., Washington, D.C. 20005.
B. National Association of Home Builders of the United States, 15th and M Streets NW., Washington, D.C. 20005.
D. (6) $3,025. E. (9) $526.01.

A. Jay B. Cutler, American Psychiatric Association, Suite 802, 2033 M Street NW., Washington, D.C. 20036.
B. American Psychiatric Association, 1700 18th Street NW., Washington, D.C. 20009.
D. (6) $3,278. E. (9) $1,991.62.

A. Mimi Cutler, 1346 Connecticut Avenue NW., Washington, D.C. 20036.
B. Aviation Consumer Action Project, P.O. Box 19029, Washington, D.C. 20036.
D. (6) $60.

A. John M. Damgard, ACLI International, Inc., 888 17th Street NW., Washington, D.C. 20006.
B. ACLI International, Inc., 110 Wall Street, New York, N.Y., 10005.
D. (6) $1,000.

A. Daniels, Houlihan & Palmeter, 1819 H. Street NW., Washington, D.C. 20006.
B. American Importers Association, 420 Lexington Avenue, New York, N.Y. 10017.
D. (6) $3,000. E. (9) $532.35.

A. Daniels, Houlihan & Palmeter, 1819 H. Street NW., Washington, D.C. 20006.
B. Associacao Brasileira de Produtores de Fero Ligas "ABRAFE", Grupo 1305, Rio de Jeniero, Brazil.
E. (9) $26.60.

A. Richard C. Darling, 1156 15th Street NW., Washington, D.C., 20005.
B. J. C. Penney Co., Inc., 1301 Avenue of the Americas, New York, N.Y.
D. (6) $3,009.60. E. (9) $1,710.

A. Kenneth E. Davis, 1025 Connecticut Avenue NW., No. 202, Washington, D.C. 20036.
B. Rohm and Haas Co., Independence Mall West, Philadelphia, Pa. 19105.
D. (6) $500. E. (9) $100.

A. Dawson, Riddell, Taylor, Davis & Holroyd, 723 Washington Building, Washington, D.C. 20005.
B. Air Transport Association, 1709 New York Avenue NW., Washington, D.C. 20005.
D. (6) $6,000.

A. Dawson, Riddell, Taylor, Davis & Holroyd, 723 Washington Building, Washington, D.C. 20005.
B. Beneficial Finance Co., Morristown, N.J. 07960.
D. (6) $3,000.

A. Dawson, Riddell, Taylor, Davis & Holroyd, 723 Washington Building, Washington, D.C. 20005.
B. C.I.T. Financial Corp., 650 Madison Avenue, New York, N.Y. 10022.

A. Dawson, Riddell, Taylor, Davis & Holroyd, 723 Washington Building, Washington, D.C. 20005.
B. Consumer Credit Insurance Association, 307 North Michigan Avenue, Chicago, Ill. 60601.

A. Dawson, Riddell, Taylor, Davis & Holroyd, 723 Washington Building, Washington, D.C. 20005.
B. U.S. Brewers Association, Inc., 1750 K Street NW., Washington, D.C. 20006.
D. (6) $25,000.

A. Deaver & Hannaford, Inc., 2030 M Street NW., No. 403, Washington, D.C. 20036.
B. National Venture Capital Association, 2030 M Street NW., No. 403, Washington, D.C. 20036.
D. (6) $7,500. E. (9) $1,166.01.

A. deKieffer and Associates, 1055 Thomas Jefferson Street NW., Washington, D.C. 20007.
B. Department of Information, Private Bag X152, Pretoria 001, Republic of South Africa.
D. (6) $9,717.57. E. (9) $16,862.66.

A. Garry J. DeLoss, 317 Pennsylvania Avenue SE., Washington, D.C. 20003.
B. Environmental Policy Center, 317 Pennsylvania Avenue SE., Washington, D.C. 20003.
D. (6) $3,249.99.

A. Ray Denison, AFL–CIO, 815 16th Street NW., Washington, D.C.
B. American Federation of Labor and Congress of Industrial Organizations, 815 16th Street NW., Washington, D.C.
D. (6) $9,945. E. (9) $435.98.

A. Charles J. DiBona, 2101 L Street NW., Washington, D.C. 20037.
B. American Petroleum Institute, 2101 L Street NW., Washington, D.C. 20037.

A. DK Consultants, Inc., 918 16th Street, Suite 402, Washington, D.C. 20006.
B. Aberrant Behavior Center, 1250 Dallas Federal Savings Tower, Dallas, Tex. 74225.
D. (6) $719.29. E. (9) $719.29.

A. Domestic Wildcatters Association, 900 First City National Bank Building, Houston, Tex. 77002.
D. (6) $45,000. E. (9) $11,527.36.

A. Charlene Dougherty, 1525 18th Street NW., Washington, D.C. 20036.
B. Environmental Defense Fund, 1525 18th Street NW., Washington, D.C. 20036.
D. (6) $12.50. E. (9) $5,344.43.

A. H. Eugene Douglas, Memorex Corp., 1970 Chain Bridge Road, McLean, Va. 22101.
B. Memorex Corp., San Tomas at Central Expressway, Santa Clara, Calif. 95052.
D. (6) $8,124. E. (9) $314.

A. Sally L. Douglas, National Federation of Independent Business, 490 L'Enfant Plaza East SW., Suite 3206, Washington, D.C. 20024.
B. National Federation of Independent Business, 490 L'Efant Plaza East SW., Suite 3206, Washington, D.C. 20024.
D. (6) $400.

A. Thomas E. Drum, Jr., 1730 Rhode Island Avenue NW., Washington, D.C. 20036.
B. Macmillan, Inc., 1730 Rhode Island Avenue NW., Washington, D.C. 20036.
D. (6) $400. E. (9) $330.

A. W. H. Drushel, Jr., 2100 First City National Bank Building, Houston, Tex. 77002.
B. Vinson & Elkins, 2100 First City National Bank Building, Houston, Tex. 77002 (for Quintana Petroleum Corp., 601 Jefferson Street, Houston, Tex. 77002).
D. (6) $5,800.

A. William DuChessi, 815 16th Street, NW., Washington, D.C. 20006.
B. Amalgamated Clothing & Textile Workers Union, 99 University Place, New York, N.Y. 10003.
D. (6) $4,404.79. E. $100.

A. Michael J. Duff, National Paint & Coatings Association, Inc., 1500 Rhode Island Avenue NW., Washington, D.C. 20005.
B. National Paint & Coatings Association, Inc., 1500 Rhode Island Avenue NW., Washington, D.C. 20005.
D. (6) $1,000. E. (9) $43.02.

A. Duncan, Brown, Weinberg & Palmer, 1775 Pennsylvania Avenue NW., Suite 1200, Washington, D.C. 20006.
B. Alaska Federation of Natives, 550 West Eighth Street, Anchorage, Alaska 99503.
D. (6) $1,100.

A. Duncan, Brown, Weinberg & Palmer, 1775 Pennsylvania Avenue NW., Suite 1200, Washington, D.C. 20006
B. Foothills Pipe Lines (Yukon) Ltd., Suite 1212, Tower A. 320 Queen Street, Ottawa, Canada, KIRSA 3.

A. John H. Dunne, International Federation of Professional and Technical Engineers, AFL–CIO, 1126 16th Street NW., Washington, D.C. 20036.
B. International Federation of Professional and Technical Engineers, AFL–CIO, 1126 16th Street NW., Washington, D.C. 20036.
D. (6) $600. E. (9) $100.

A. David F. Dunning, 64 Perimeter Center East, Atlanta, Ga. 30346.
B. Robert H. Kellen Co., 64 Perimeter Center East, Atlanta, Ga. 30346 (for Calorie Control Council, 64 Perimeter Center East, Atlanta, Ga. 30346).
D. (6) $3,950.

A. William E. Dutcher, Independent Gas Producers' Committee, 2601 Northwest Expressway, Suite 300, Oklahoma City, Okla. 73112.
B. Independent Gas Producers' Committee, Suite 300, 2601 Northwest Expressway, Oklahoma City, Okla. 73112.
D. (6) $7,000. E. (9) $5,840.77.

A. Edelman International Corp., 1730 Pennsylvania Avenue NW., Washington, D.C. 20006.
B. Republic of Turkey/Embassy of Turkey, 1606 23d Street NW., Washington, D.C. 20008.
D. (6) $24,300. E. (9) $13,980.96.

A. Charles E. Ehrhart, 1800 K Street NW., Suite 924, Washington, D.C. 20006.
B. Ralston Purina Co., Checkerboard Square, St. Louis, Mo. 63188.
D. (6) $400. E. (9) $134.

A. Thomas Ehrlich, 733 15th Street NW., Washington, D.C. 20005.
B. Legal Services Corp., 733 15th Street NW., Washington, D.C. 20005.
D. (6) $97.44.

A. Adelaide K. Eisenmann, 607 G Street SW., Washington, D.C. 20024.
B. Panamanian Committee for Human Rights, Box 570843, Miami, Fla. 33157.

A. Richard Eisenmann, 607 G Street SW., Washington, D.C. 20024.
B. Panamanian Committee for Human Rights, Box 570843, Miami, Fla. 33157.
E. (9) $881.82.

A. Doreen Eisinger, 1619 Massachusetts Avenue NW., Washington, D.C. 20036.
B. American Paper Institute, Inc., 260 Madison Avenue, New York, N.Y. 10016.

A. Jonathan P. Ela, Sierra Club, 444 West Main, Madison, Wis. 53703.
B. Sierra Club, 530 Bush Street, San Francisco, Calif. 94108.
D. (6) $2,887.50 E. (9) $588.64.

A. Roy Elson, 1771 N Street NW., Washington, D.C. 20036.
B. National Association of Broadcasters, 1771 N Street NW., Washington, D.C. 20036.
D. (6) $4,200. E. (9) $587.50.

A. John W. Emeigh, National Rural Letter Carriers' Association, 1750 Pennsylvania Avenue NW., Washington, D.C.
B. National Rural Letter Carriers' Association, 1750 Pennsylvania Avenue NW., Washington, D.C.

A. Emergency Committee for American Trade, 1211 Connecticut Avenue NW., Washington, D.C. 20036.
D. (6) $3,184.88. E. (9) $5,352.20.

A. Steven L. Engelberg, Suite 404, 2033 M Street NW., Washington, D.C. 20036.
B. American Association of Marriage and Family Counselors, 225 Yale Avenue, Claremont, Calif. 91711.
D. (6) $3,600. E. (9) $141.23.

A. M. Dale Ensign, Husky Oil Co., 1800 M Street NW., Suite 295, Washington, D.C. 20036.
B. Husky Oil Co., P.O. Box 380, Cody, Wyo. 82414.
E. (9) $679.44.

A. Jerry N. Ervin, Quintana Refinery Co., P.O. Box 3331, Houston, Tex. 77001.
B. Quintana Refinery Co., P.O. Box 3331, Houston, Tex. 77001.

A. Donald H. Estey, Jr., Hospital Association of New York State, 15 Computer Drive, West, Albany, N.Y. 12205.
B. Hospital Association of New York State, 15 Computer Drive West, Albany, N.Y. 12205.
D. (6) $900. E. (9) $470.03.

A. Ethyl Corp., 1155 15th Street NW., No. 611, Washington, D.C. 20005.
E. (9) $600.

A. Brock Evans, Sierra Club, 330 Pennsylvania Avenue SE., Washington, D.C. 20003.
B. Sierra Club, 530 Bush Street, San Francisco, Calif. 94108.
D. (6) $8,600. E. (9) $127.

A. Edward Falck, Edward Falck & Co., 1625 I Street NW., Washington, D.C. 20006.
B. Delhi International Oil Corp., 3500 First International Building, Dallas, Tex. 75270.
D. (6) $3,319. E. (9) $407.

A. Richard H. Fay, 1150 Connecticut Avenue NW., Suite 900, Washington, D.C. 20036.
B. Peoples Drug Stores, et al., 6315 Bren Mar Drive, Alexandria, Va. 22312.
D. (6) $5,000.

A. Federal Express Corp., AMF Box 30167, Memphis, Tenn. 38130.
E. (9) $82,424.17.

A. Joseph D. Feeney, 222 South Riverside Plaza, Chicago, Ill. 60606.
B. Western Railroad Association, 222 South Riverside Plaza, Suite 1200, Chicago, Ill. 60606.
D. (6) $2,708.29.

A. Stuart F. Feldman, Suite 925, 1346 Connecticut Avenue NW., Washington, D.C. 20036.
B. Committee For Public Advocacy, Suite 925, 1346 Connecticut Avenue NW., Washington, D.C. 20036.

A. Stuart F. Feldman, Suite 925, 1346 Connecticut Avenue NW., Washington, D.C. 20036.
B. Vietnam Veteran Coalition, Inc., Suite 925, 1346 Connecticut Avenue NW., Washington, D.C. 20036.
D. (6) $530. E. (9) $30.

A. Leon Felix, Jr., National Education Association, 1419 Joan Drive, Palatine, Ill. 60067.
B. National Education Association, 1201 16th Street NW., Washington, D.C. 20036.
D. (6) $3,282.42. E. (9) $75.

A. Bernard Fensterwald, Jr., 2101 L Street NW., Suite 203, Washington, D.C. 20037.
B. Committee for Humane Legislation, Inc., 11 West 60th Street, New York, N.Y. 10023.
D. (6) $6,000. E. (9) $1,034.49.

A. Bernard Fensterwald, Jr., 2101 L Street NW., Suite 203, Washington, D.C. 20037.
B. National Nutritional Foods Association, 7727 South Painter Avenue, Whittier, Calif. 90602.
D. (6) $1,833.32. E. (9) $388.74.

A. Theodora Fine, American Psychiatric Association, 2033 M Street NW., Suite 802, Washington, D.C. 20036.
B. American Psychiatric Association, 1700 18th Street NW., Washington, D.C. 20009.
D. (6) $1,438. E. (9) $615.52.

A. James H. Fitzpatrick, Hospital Association of New York State, 15 Computer Drive West, Albany, N.Y. 12205.
B. Hospital Association of New York State, 15 Computer Drive West, Albany, N.Y.
D. (6) $170. E. (9) $28.

A. Dave Foreman, The Wilderness Society, 1901 Pennsylvania Avenue NW., Washington, D.C. 20006.
B. The Wilderness Society, 1901 Pennsylvania Avenue NW., Washington, D.C. 20006.
D. (6) $226.89.

A. Forest Farmers Association, P.O. Box 95385, Atlanta, Ga. 30347.

A. J. Dee Frankfourth, 620 C Street SE., Washington, D.C. 20003.
B. Alaska Coalition, 620 C Street SE., Washington, D.C. 20003.
D. (6) $1,246.26. E. (9) $113.74.

A. Donald A. Frederick, National Council of Farmer Cooperatives, 1129 20th Street NW., Washington, D.C. 20036.

B. National Council of Farmer Cooperatives, 1129 20th Street NW., Washington, D.C. 20036.
D. (6) $366. E. (9) $17.

A. Robert M. Frederick, the National Grange, 1616 H Street NW., Washington, D.C. 20006.
B. The National Grange, 1616 H Street NW., Washington, D.C. 20006.
D. (6) $7,222.50.

A. Burton D. Fretz, 806 15th Street NW., Washington, D.C. 20005.
B. Migrant Legal Action Program, Inc., 806 15th Street NW., Washington, D.C. 20005.
D. (6) $3,059.47. E. (9) $9.20.

A. Greg Friberg, 918 16th Street NW., No. 402, Washington, D.C. 20006.
B. DK Consultants, Inc., 918 16th Street NW., 402, Washington, D.C. 20006.

A. Marie Louise P. Friendly, Preservation Action, 2101 L Street NW., Washington, D.C. 20037.
B. Preservation Action, 2101 L Street NW., Washington, D.C. 20037.
D. (6) $165.39.

A. Sharon Frink, Zero Population Growth, Inc., 1346 Connecticut Avenue NW., Washington, D.C. 20036.
B. Zero Population Growth, Inc., 1346 Connecticut Avenue NW., Washington, D.C. 20036.
D. (6) $74.

A. Robert D. Fritz, Brotherhood of Railway, Airline & Steamship Clerks, Freight Handlers, Express & Station Employes, 815 16th Street NW., Washington, D.C. 20006.
B. Brotherhood of Railway, Airline & Steamship Clerks, Freight Handlers, Express & Station Employes, 6300 River Road, Rosemont, Ill. 60018.
D. (6) $1,360. E. (9) $2,550.

A. E. Douglas Frost, American Bus Association, 1025 Connecticut Avenue NW., Suite 308, Washington, D.C. 20036.
B. American Bus Association, 1025 Connecticut Avenue NW., Suite 308, Washington, D.C. 20036.
D. (6) $962.81. E. (9) $962.81.

A. Full Employment Action Council, 815 15th Street NW., Washington, D.C. 20005.
D. (6) $41,310. E. (9) $38,102.05.

A. Norman S. Gaines, 1150 Connecticut Avenue NW., Suite 805, Washington, D.C. 20036.
B. RJR Industries, Inc., P.O. Box 2959, Winston-Salem, N.C. 27102.
D. (6) $556.04. E. (9) $20.39.

A. Terry D. Garcia, New Directions, 2021 L Street NW., No. 405, Washington, D.C. 20036.
B. New Directions, 2021 L Street NW., No. 405, Washington, D.C. 20036.
D. (6) $2,127.21.

A. Eleanor Garst, 4840 MacArthur Boulevard, NW., Washington, D.C. 20007.
B. National Council for a World Peace Tax Fund, 2111 Florida Avenue NW., Washington, D.C. 20008.
D. (6) $748.99.

A. Leo J. Gehrig, American Hospital Association, 444 North Capitol Street NW., No. 500, Washington, D.C. 20001.
B. American Hospital Association, 840 North Lake Shore Drive, Chicago, Ill. 60611.
D. (6) $2,031.54. E. (9) $424.65.

A. Robert C. Gelardi, 64 Perimeter Center East, Atlanta, Ga. 30346.
B. Robert H. Kellen Co., 64 Perimeter Center East, Atlanta, Ga. 30346 (for Calorie Control Council, 64 Perimeter Center East, Atlanta, Ga. 30346).
D. (6) $800.

A. Louis Gerber, Communications Workers of America, 1925 K Street NW., Washington, D.C. 20006.
B. Communications Workers of America, 1925 K Street NW., Washington, D.C. 20006.
D. (6) $3,635.49. E. (9) $3,709.77.

A. Jonathan Carl Gibson, 330 Pennsylvania Avenue SE., Washington, D.C. 20003.
B. Sierra Club, 530 Bush Street, San Francisco, Calif. 94108.
D. (6) $3,033.07.

A. Arthur P. Gildea, Holiday Park East, Room 428-432, 801-B West Eighth Street, Cincinnati, Ohio 45203.
B. Brewery & Soft Drink Workers Conference, U.S.A. and Canada, 1400 Renaissance Drive, Suite 406, Park Ridge, Ill. 60068.

A. Martin J. Gleason, 1625 L Street NW., Washington, D.C. 20036.
B. American Federation of State, County, & Municipal Employees, AFL-CIO, 1625 L Street NW., Washington, D.C. 20036.
D. (6) $10,000. E. (9) $100.

A. Richard C. Gohla, 6525 Belcrest Road, Hyattsville, Md. 20782.
B. Retail Bakers of America, Presidential Building, Suite 250, 6525 Belcrest Road, Hyattsville, Md. 20782.

A. Lloyd L. Golding, National Association of Truck Stop Operators, Inc., 700 North Fairfax Street No. 505, Alexandria, Va. 22314.
B. National Association of Truck Stop Operators, Inc., 700 North Fairfax Street, No. 505, Alexandria, Va. 22314.
D. (6) $1,180.

A. Michael E. Goldman, Suite 1101, 1730 K Street NW., Washington, D.C. 20006.
B. National Treasury Employees Union, Suite 1101, 1730 K Street NW., Washington, D.C. 20006.
D. (6) $1691.20. E. (9) $654.54.

A. Neil B. Goldstein, Sierra Club, 800 Second Avenue, New York, N.Y. 10017.
B. Sierra Club, 530 Bush Street, San Francisco, Calif. 94108.
D. (6) $5,280.50. E. (9) $842.10.

A. Frank D. Gorham III, 1150 Connecticut Avenue NW., Suite 805, Washington, D.C. 20036.
B. RJR Industries, Inc., P.O. Box 2959, Winston-Salem, N.C. 27102.
D. (6) $463.74. E. (9) $72.59.

A. Donald E. Graham, National Council of Farmer Cooperatives, 1129 20th Street NW., Washington, D.C. 20036.
B. National Council of Farmer Cooperatives, 1129 20th Street NW., Washington, D.C. 20036.
D. (6) $3,167. E. (9) $11.

A. James W. Green, National Education Association, 1201 16th Street NW., Washington, D.C. 20036.
B. National Education Association, 1201 16th Street N.W., Washington, D.C. 20036.
D. (6) $5,572.20. E. (9) $437.22.

A. P. Michael Greenwald, American Hospital Association, 444 North Capitol Street NW., No. 500, Washington, D.C. 20001.
B. American Hospital Association, 840 North Lake Shore Drive, Chicago, Ill. 60611.
D. (6) $651.65.

A. Lori Gribbin, 1025 Connecticut Avenue NW., No. 202, Washington, D.C. 20036.
B. Rohm & Haas Co., Independence Mall West, Philadelphia, Pa. 19105.
D. (6) $500. E. (9) $100.

A. Harold H. Griffin, 1050 17th Street NW., No. 320, Washington, D.C. 20036.
B. Family Health Program, Inc., 2925 North Palo Verde Avenue, Long Beach, Calif. 90815.
D. (6) $2,437. E. (9) $176.82.

A. Group Health Association of America, Inc., 1717 Massachusetts Avenue NW., No. 701, Washington, D.C. 20036.
D. (6) $43,421.79. E. (9) $43,421.79.

A. James J. Gudinas, American Automobile Association, 8111 Gatehouse Road, Falls Church, Va. 22042.
B. American Automobile Association, 8111 Gatehouse Road, Falls Church, Va. 22042.

A. C. James Hackett, American Plywood Association, 1119 A Street, Tacoma, Wash. 98401.
B. American Plywood Association, 1119 A Street, Tacoma, Wash. 98401.

A. Charles T. Hagel, The Firestone Tire & Rubber Co., 1730 K Street NW., Suite 915, Washington, D.C. 20006.
B. Firestone Tire & Rubber Co., 1200 Firestone Parkway, Akron, Ohio 44317.
D. (6) $3,750. E. (9) $360.

A. Harry L. Hall, National Multiple Sclerosis Society, 6845 Elm Street, McLean, Va. 22101.
B. National Multiple Sclerosis Society, 205 East 42d Street, New York, N.Y. 10017.
D. (6) $3,750.

A. Hamel, Park, McCabe & Saunders, 1776 F Street NW., Washington, D.C. 20006.
B. Belize Sugar Industries, Limited, Belize City, Belize Central America.
E. (9) $222.28.

A. Hamel, Park, McCabe & Saunders, 1776 F Street NW., Washington, D.C. 20006.
B. Government of Republic of Panama, Compania Azucarera La Estrella, S.A., and Azucarera Nacional, S.A., Panama City, Panama.
E. (9) $135.19.

A. Hamel, Park, McCabe & Saunders, 1776 F Street NW., Washington, D.C. 20006.
B. National Wool Growers Association, 600 Crandall Building, Salt Lake City, Utah 84101.
D. (6) $3,000. E. (9) $61.31.

A. Hamel, Park, McCabe & Saunders, 1776 F Street NW., Washington, D.C. 20006.
B. Sociedad Agricola e Industrial San Carlos, S.A., Compania Azucarera Valdez, S.A., Azucarera Tropical Americana, S.A., Tababuela Industrial Azucarera, C.A., Ecuador.

A. Hamel, Park, McCabe & Saunders, 1776 F Street NW., Washington, D.C. 20006.
B. Sugar Association of the Carribbean, Port of Spain, Trinidad.
D. (6) $8,848.10. E. (9) $503.51.

A. Robert N. Hampton, National Council of Farmer Cooperatives, 1129 20th Street NW., Washington, D.C. 20036.
B. National Council of Farmer Cooperatives, 1129 20th Street NW., Washington, D.C. 20036.
D. (6) $1,682. E. (9) $48.

A. Donald K. Hanes, National Council of Farmer Cooperatives, 1129 20th Street NW., Washington, D.C. 20036.

B. National Council of Farmer Cooperatives, 1129 20th Street NW., Washington, D.C.
D. (6) $98. E. (9) $5.

A. Andrew E. Hare, 8316 Arlington Boulevard, Suite 600, Fairfax, Va. 22038.
B. National Right to Work Committee, 8316 Arlington Boulevard, Suite 600, Fairfax, Va. 22038.
D. (6) $781. E. (9) $331.

A. Robert E. Harman, National Education Association, 1201 16th Street NW., Washington, D.C. 20036.
B. National Education Association, 1201 16th Street NW., Washington, D.C. 20036.
D. (6) $3,922.20. E. (9) $75.

A. John L. Harmer, 10 East South Temple Street, No. 696, Salt Lake City, Utah 84111.
D. (6) $62,700. E. (9) $61,450.

A. Kay Harrold, 825 15th Street NW., Washington, D.C. 20005.
B. National Abortion Rights Action League, 825 15th Street NW., Washington, D.C. 20005.
D. (6) $173.09.

A. William C. Hart, 1625 I Street NW., Washington, D.C. 20006.
B. Columbia Gas System Service Corp., 20 Montchanin Road, Wilmington, Del. 19807.
D. (6) $325.50. E. (9) $165.50.

A. Clifford J. Harvision, National Tank Truck Carriers, Inc., 1616 P Street NW., Washington, D.C. 20036.
B. National Tank Truck Carriers, Inc., 1616 P Street NW., Washington, D.C. 20036.

A. Michael M. Hash, American Hospital Association, 444 North Capitol Street NW., No. 500, Washington, D.C. 20001.
B. American Hospital Association, 840 North Lake Shore Drive, Chicago, Ill. 60611.
D. (6) $2,033.08. E. (9) $140.10.

A. Health Research Group, 2000 P Street NW., Suite 708, Washington, D.C. 20036.
D. (6) $550.30. E. (9) $550.30.

A. Heavy & Specialized Carriers Conference, 1155 16th Street NW., Washington, D.C. 20036.
E. (9) $250.

A. Edward D. Heffernan, 1125 15th Street NW., Washington, D.C. 20005.
B. Cast Iron Pipe Research Association, Oak Brook, Ill.

A. Edward D. Heffernan, 1125 15th Street NW,. Washington, D.C. 20005.
B. Citizen's for Management of Alaska Lands (CMAL), Anchorage, Alaska.
D. (6) $6,000.

A. Robert H. Hefner III, 2601 NW. Expressway, Suite 300, Oklahoma City, Okla. 73112.
B. Independent Gas Producers' Committee, Suite 300, 2601 NW. Expressway, Oklahoma City, Okla. 73112.
E. (9) $628.

A. Robert E. Heggestad, 5151 N. 14th Street, Arlington, Va. 22202.
B. Manufactured Housing Institute, 1745 Jefferson Davis Highway, Suite 511, Arlington, Va. 22202.

A. Daniel R. Helmick, 1625 I Street NW., Room 301, Washington, D.C. 20006.
B. Columbia Gas Distribution Company, 99 North Front Street, Columbus, Ohio 43215.
D. (6) $7,125. E. (9) $2,305.21.

A. Harry V. Helton, 1800 SW. First Street, Suite 520, Portland, Oreg. 97201.
B. Reynolds Metals Co., 6601 West Broad Street, Richmond, Va. 23261.

A. C. Dayle Henington, Chicago Mercantile Exchange, 444 West Jackson Boulevard, Washington, D.C. 20006.
B. Chicago Mercantile Exchange, 444 West Jackson Boulevard, Chicago, Ill. 60606.
D. (6) $2,000. E. (9) $1,186.82.

A. William E. Hibbs, Georgetown Station/P.O. Box 3554, Washington, D.C. 20007.
B. The National Ecumenical-Coalition, Inc., Georgetown Station/P.O. Box 3554, Washington, D.C. 20007.

A. Janet E. Hieber, 317 Pennsylvania Avenue SE., Washington, D.C. 20003.
B. Environmental Policy Center, 317 Pennsylvania Avenue SE., Washington, D.C. 20003.
D. (6) $3,000.

A. Stuart L. Hill, 12010 Devilwood Drive, Potomac, Md. 20854.
B. Bechtel Inc., 50 Beale Street, P.O. Box 3965, San Francisco, Calif. 94119.
E. (9) $593.11.

A. E. Joseph Hillings, National Airlines, Inc., 1025 Connecticut Avenue NW., Washington, D.C. 20036.
B. National Airlines, Inc., P.O. Box 592055 AMF, Miami, Fla. 33159.
D. (6) $1,100. E. (9) $50.

A. Stephen Hiniker, 620 C Street SE., Washington, D.C. 20003.
B. Alaska Coalition, 620 C Street SE., Washington, D.C. 20003.
D. (6) $1,080.84.

A. Joe Hinson, National Forest Products Association, 1619 Massachusetts Avenue NW., Washington, D.C. 20036.
B. National Forest Products Association, 1619 Massachusetts Avenue NW., Washington, D.C. 20036.
D. (6) $1,250.

A. Ralph D. Hodges, Jr., National Forest Products Association, 1619 Massachusetts Avenue NW., Washington, D.C. 20036.
B. National Forest Products Association, 1619 Massachusetts Avenue NW., Washington, D.C. 20036.
E. (9) $6,075.

A. Charles L. Hoebel, Carrier Corp., Suite 510—1025 Connecticut Avenue NW., Washington, D.C. 20036.
B. Carrier Corp., Carrier Tower—Box 4800, Syracuse, N.Y. 13221.
D. (6) $2,817. E. (9) $684.

A. Glen D. Hofer, National Council of Farmer Cooperatives, 1129 20th Street NW., Washington, D.C. 20036.
B. National Council of Farmer Cooperatives, 1129 20th Street NW., Washington, D.C. 20036.
D. (6) $616. E. (9) $527.

A. Austin B. Hogan, Jr., American Hospital Association, 444 North Capitol Street NW., No. 500, Washington, D.C.
B. American Hospital Association, 840 North Lake Shore Drive, Chicago, Ill. 60611.
D. (6) $1,123.17. E. (9) $396.88.

A. Gerald Hogan, 1012 14th Street NW., Washington, D.C.
B. Consumer Federation of America, 1012 14th Street NW., Washington, D.C. 20005.
D. (6) $113. E. (9) $20.

A. Hogan & Hartson, 815 Connecticut Avenue, Washington, D.C. 20006.
B. Cravens Wanlass Corp., 1442 Irvine Boulevard, Suite 101, Tustin, Calif. 92680.
E. (9) $6,150.

A. Hogan & Hartson, 815 Connecticut Avenue, Washington, D.C. 20006.
B. National Rehabilitation Association, 1522 K Street NW., Washington, D.C.

A. Holiday Inns, Inc., 3742 Lamar Avenue, Memphis, Tenn. 38118.
E. (9) $1,860.

A. Douglass C. Horstman, 1612 K Street NW., Suite 906, Washington, D.C. 20006.
B. Maytag Co. and Northern Textile Association.
D. (6) $6,000. E. (9) $2,000.

A. Hospital Association of New York State, 15 Computer Drive West, Albany, N.Y. 12205.
D. (6) $3,760.62. E. (9) $3,569.58.

A. C. T. Hoversten, 209 West 53d Street, Western Springs, Ill. 60558.
B. National Advertising Co., 6850 South Harlem Avenue, Bedford Park, Argo, Po, Ill. 60501.

A. Arthur L. Howard, 1100 H Street NW., Washington, D.C. 20080.
B. Washington Gas Light Co., 1100 H Street NW., Washington, D.C. 20080.
D. (6) $37.95.

A. Thomas Howarth, 1625 L Street NW., Washington, D.C. 20036.
B. American Federation of State, County and Municipal Employees, AFL–CIO, 1625 L Street NW., Washington, D.C. 20036.
D. (6) $4,348. E. (9) $149.15.

A. Linda Hudak, Consumer Federation of America, 1012–14th Street NW., Suite 901, Washington, D.C. 20005.
B. Consumer Federation of America 1012 14th Street NW., Suite 901, Washington, D.C. 20005.

A. Edward L. Huie, Suite 415, Wheaton Plaza North, Wheaton, Md. 20902.
B. National Association of Air Traffic Specialists, Inc., Suite 415, Wheaton Plaza North, Wheaton, Md. 20902.
D. (6) $5,085. E. (9) $331.39.

A. William J. Hull, Ohio Valley Improvement, Association, Inc., 401 Carew Tower, Cincinnati, Ohio 45202.
B. Ohio Valley Improvement Association, Inc., 401 Carew Tower, Cincinnati, Ohio 45202.

A. Gregory A. Humphrey, American Federation of Teachers, AFL–CIO, 11 Dupont Circle NW., Washington, D.C. 20036.
B. American Federation of Teachers, AFL–CIO, 11 Dupont Circle NW., Washington, D.C. 20036.
D. (6) $8,188.50. E. (9) $430.

A. David J. Humphreys, Paulson and Humphreys, 5272 River Road, Suite 400, Washington, D.C. 20016.
B. Recreation Vehicle Industry Association, P.O. Box 204, 14650 Lee Road, Chantilly, Va. 22021.
D. (6) $19,800.

A. Celia M. Hunter, The Wilderness Society, 1901 Pennsylvania Avenue NW., Washington, D.C. 20006.
B. The Wilderness Society, 1901 Pennsylvania Avenue NW., Washington, D.C. 20006.

A. Gerard F. Hurley, Suite 602, 1129 20th Street NW., Washington, D.C. 20036.

B. National Club Association, Suite 602, 1129 20th Street NW., Washington, D.C. 20036.
D. (6) $2,000. E. (9) $12,100.

A. Philip A. Hutchinson, Jr., Volkswagen Manufacturing Corp. of America, 475 L'Enfant Plaza SW., Suite 2450, Washington, D.C. 20024.
B. Volkswagen Manufacturing Corp. of America, 7111 East 11 Mile Road, Warren, Mich. 48090.
D. (6) $250.

A. Philip A. Hutchinson, Jr., Volkswagen of America, Inc., 475 L'Enfant Plaza SW., Suite 2450, Washington, D.C. 20024.
B. Volkswagen of America, Inc., 818 Sylvan Avenue, Englewood Cliffs, N.J. 07632.
D. (6) $250. E. (9) $50.

A. Independent Gas Producers' Committee, Suite 300, 2601 Northwest Expressway, Oklahoma City, Okla. 73112.
D. (6) $24,100. E. (9) $21,056.77.

A. Independent U.S. Tanker Owners' Committee, 1612 K Street NW., Suite 510, Washington, D.C. 20006.

A. Institute of Foreign Bankers, 489 Fifth Avenue, New York, N.Y.
D. (6) $2,321.07. E. (9) $16,303.74.

A. Interlake, Inc., 2015 Spring Road, Oak Brook, Ill. 60521.
E. (9) $10,519.24.

A. International Brotherhood of Painters & Allied Trades, 1750 New York Avenue, NW., Washington, D.C. 20006.
E. (9) $1,346.64.

A. International Union, United Automobile, Aerospace & Agricultural Implement Workers of America, UAW, 8000 East Jefferson, Detroit, Mich. 48214.
D. (6) $192,912. E. (9) $192.912.

A. David L. Ivey, National Parking Association, 1101 17th Street NW., Washington, D.C. 20036.
B. National Parking Association, 1101 17th Street NW., Washington, D.C. 20036.
D. (6) $3,000.

A. Glenn Jackson, 644 Massachusetts Avenue NE., No. 507, Washington, D.C. 20002.
B. National Taxpayers Union, 325 Pennsylvania Avenue SE., Washington, D.C. 20003.
D. (6) $2,704.

A. Walter Jaenicke, National Forest Products Association, 1619 Massachusetts Avenue NW., Washington, D.C.
B. National Forest Products Association, 1619 Massachusetts Avenue NW., Washington, D.C. 20036.
D. (6) $925.

A. Evie Jarvis, National Forest Products Association, 1619 Massachusetts Avenue NW., Washington, D.C.
B. National Forest Products Association, 1619 Massachusetts Avenue NW., Washington, D.C. 20036.
D. (6) $50.

A. Philip F. Jehle, 1150 Connecticut Avenue NW., Suite 310, Washington, D.C. 20036.
B. Smith Kline Corp., 1500 Spring Garden Street, Philadelphia, Pa. 19101.
D. (6) $1,000. E. (9) $950.

A. Walter W. John, Organization of Professional Employees of the U.S. Department of Agriculture, Room 1247–S Building, Washington, D.C. 20250.
B. Organization of Professional Employees of USDA, Room 1247–S Building, Washington, D.C. 20250.
D. (6) $300.

A. Ronald P. Johnsen, Columbia Gas System Service Corp., 1625 I Street NW., Suite 301, Washington, D.C. 20006.
B. Columbia Gas Service System Service Corp., 20 Montchanin Road, Wilmington, Del. 19807.
D. (6) $175. E. (9) $154.71.

A. Bruce T. Johnson, Mortgage Bankers Association of America, 1125 15th Street NW., Washington, D.C. 20005.
B. Mortgage Bankers Association of America, 1125 15th Street NW., Washington, D.C. 20005.
D. (6) $3,750. E. (9) $6,284.

A. Nicholas Johnson, 1028 Connecticut Avenue NW., Washington, D.C. 20036.
B. National Citizens Communications Lobby, P.O. Box 19101, Washington, D.C. 20036.

A. Stuart H. Johnson, Jr., 910 17th Street NW., Washington, D.C. 20006.
B. New York Dock Railway, 334 Furman Street, Brooklyn, N.Y.

A. Wilson S. Johnson, National Federation of Independent Business, 150 West 20th Avenue, San Mateo, Calif. 94403.
B. National Federation of Independent Business, 150 West 20th Avenue, San Mateo, Calif. 94403.
D. (6) $500. E. (9) $300.

A. Joint Corporate Committee on Cuban Claims, c/o Lone Star Industries, Inc., P.O. Box 5050, Greenwich, Conn. 06830.
D. (6) $200. E. (9) $1,170.

A. Thomas E. Jones, Dow Chemical, U.S.A., 1800 M Street NW., Suite 700 South, Washington, D.C. 20036.
B. The Dow Chemical Co., Midland, Mich. 48640.
D. (6) $375. E. (9) $250.

A. Robert E. Juliano, Hotel & Restaurant Employees & Bartenders International Union, 1666 K Street NW., Washington, D.C. 20006.
B. Hotel & Restaurant Employees & Bartenders International Union, 120 East Fourth Street, Suite 1300, Cincinnati, Ohio 45202.
D. (6) $9,696.96. (9) $7,233.30.

A. H. Richard Kahler, 1850 K Street NW., Suite 925. Washington, D.C. 20006.
B. Caterpillar Tractor Co., 100 Northeast Adams Street, Peoria, Ill. 61629.
D. (6) $2,500. (9) $2,375.50.

A. Gary Paul Kane, National Association of Home Builders of the United States, 15th and M Streets NW., Washington, D.C. 20005.
B. National Association of the Home Builders of the United States, 15th and M Streets NW., Washington, D.C. 20005.
D. (6) $3,976.82. E. (9) $54.77.

A. Elizabeth R. Kaplan, 620 C Street SE., Washington, D.C. 20003.
B. Friends of the Earth, 620 C Street SE., Washington, D.C. 20003.
D. (6) $1,800.

A. Alan H. Kaufman, 205 Mount Auburn Street, Cambridge, Mass. 02138.
B. SEDCO, Inc., 1901 North Akard Street, Dallas, Tex. 75210.
D. (6) $6,000. E. (9) $417.54.

A. Robert H. Kellen, 64 Perimeter Center East, Atlanta, Ga.
B. Robert H. Kellen, Co., 64 Perimeter Center East, Atlanta, Ga. 30346 (for Calorie Control Council, 64 Perimeter Center East, Atlanta, Ga. 30346).

A. George J. Kelly, 1700 Pennsylvania Avenue NW., Washington, D.C.
B. Blue Cross Association and Blue Shield Association, 840 North Lake Shore Drive, Chicago, Ill. 60611.
D. (6) $2,500. E. (9) $700.

A. James J. Kennedy, Jr., Brotherhood of Railway, Airline & Steamship Clerks, Freight Handlers, Express & Station Employes, 815 16th Street NW., Washington, D.C. 20006.
B. Brotherhood of Railway, Airline & Steamship Clerks, Freight Handlers, Express & Station Employes, 6300 River Road, Rosemont, Ill. 60018.
D. (6) $7,000. E. (9) $8,520.80.

A. William F. Kennedy, General Electric Co., Fairfield, Conn. 06431.
B. General Electric Co., Fairfield, Conn. 06431.

A. Kenyon & Kenyon, Reilly, Carr & Chapin, 59 Maiden Lane, New York, N.Y. 10038.
B. Estate of Bert N. Adams, et al.
E. (9) $5.

A. Kristina Kiehl, 8720 Milford Avenue, Silver Spring, Md. 20910.
B. Women's Lobby, Inc., 201 Massachusetts Avenue NE., Washington, D.C. 20002.
D. (6) $1,430.

A. G. Jack King, Washington National Airport, Washington, D.C.
B. Allegheny Airlines, Inc., Washington National Airport, Washington, D.C. 20001.
D. (6) $1,000. E. (9) $50.50.

A. John M. Kinn, 934 Jaysmith Street, Great Falls, Va. 22066.
B. The Institute of Electrical & Electronics Engineers, Inc., 2029 K Street NW., Washington, D.C. 20006.
D. (6) $2,500. E. (9) $280.

A. Terrence H. Klasky, Independent Bankers Association of America, 1625 Massachusetts Avenue NW., Suite 203, Washington, D.C. 20036.
B. Independent Bankers Association of America, 1168 South Main, Sauk Centre, Minn. 56378.
E. (9) $300.

A. Roger Klein, 1 World Trade Center, Suite 5271, New York, N.Y. 10048.
B. Public Securities Association, 1 World Trade Center, New York, N.Y. 10048.
D. (6) $5,429.

A. Allie C. Kleinpeter, Jr., Louisiana Bankers Association, 666 North Street, P.O. Box 2871, Baton Rouge, La. 70821.
B. Louisiana Bankers Association, P.O. Box 2871, 666 North Street, Baton Rouge, La. 70821.
D. (6) $500. E. (9) $74.08.

A. John J. Klocko III, 1701 Pennsylvania Avenue NW., Washington, D.C. 20006.
B. E. I. du Pont de Nemours & Co., 1007 Market Street, Wilmington, Del. 19898.

A. John S. Knox, Jr., 166 16th Street NW., Atlanta, Ga. 30318.
B. The Coca-Cola Bottler's Association, 166 16th Street NW., Atlanta, Ga. 30318.

A. Bart Koehler, The Wilderness Society, P.O. Box 1184, Cheyenne, Wyo.
B. The Wilderness Society, 1901 Pennsylvania Avenue NW., Washington, D.C. 20006.
D. (6) $807.84.

A. Robert L. Koob, Koob Associates, 1155 15th Street NW., Suite 311, Washington, D.C. 20005.
B. Morton-Norwich Products, Inc., 110 North Wacker Drive, Chicago, Ill. 60606.
D. (6) $3,750. E. (9) $878.50.

A. Robert L. Koob, Koob Associates, 1155 15th Street NW., Suite 311, Washington, D.C. 20005.
B. Resilient Floor Covering Institute, 1030 15th Street NW., Suite 350, Washington, D.C. 20005.
D. (6) $1,050. E. (9) $509.75.

A. William G. Kopit, Epstein & Becker, Suite 730, 1900 M Street NW., Washington, D.C. 20036.
B. American Association of Professional Standards Review Organizations, 1900 M Street NW., Washington, D.C. 20036.
D. (6) $3,000. E. (9) $40.

A. Louis C. Kramp & Associates, 1819 H Street NW., Washington, D.C. 20006.
B. Holiday Inns, Inc., 1819 H Street NW., Washington, D.C. 20006.
D. (6) $1,860. E. (9) $1,860.

A. Louis C. Kramp & Associates, 1819 H Street NW., Washington, D.C. 20006.
B. National Association of Homes for Children, 200 South Tryon Street, Suite 1500, Charlotte, N.C. 28202.
D. (6) $300. E. (9) $300.

A. James S. Krzyminski, National Council of Farmer Cooperatives, 1129 20th Street NW., Washington, D.C. 20036.
B. National Council of Farmer Cooperatives, 1129 20th Street NW., Washington, D.C. 20036.
D. (6) $991. E.(9) $73.

A. Joseph A. Kuchler, American Hospital Association, 444 North Capitol Street NW., No. 500, Washington, D.C. 20001.
B. American Hospital Association, 840 North Lake Shore Drive, Chicago, Ill. 60611.
D. (6) $1,024.98. E. (9) $47.10.

A. Dan Kuykendall, 918 16th Street NW., No 402, Washington, D.C. 20006.
B. DK Consultants, Inc., 918 16th Street, No. 402, Washington, D.C. 20006.

A. Dan Kuykendall, 918 16th Street NW., No. 402, Washington, D.C. 20006.
B. Southern Furniture Manufacturers Association, 918 16th Street NW., No. 402, Washington, D.C. 20006.
D. (6) $21,817.12. E. (9) $21,817.12.

A. Walter B. Laessig, 1101 17th Street NW., Suite 700, Washington, D.C. 20036.
B. National Association of Real Estate Investment Trusts, Inc., 1101 17th Street, Suite 700, Washington, D.C. 20036.
D. (6) $435. E. (9) $28.50.

A. Ralph D. B. Laime, National Education Association, 3140 Valley Lane, Falls Church, Va. 22044.
B. National Education Association, 1201 16th Street NW., Washington, D.C. 20036.
D. (6) $3,282.42. E. (9) $75.

A. David R. Lambert, The National Grange, 1616 H Street NW., Washington, D.C. 20006.
B. The National Grange, 1616 H Street NW., Washington, D.C. 20006.
D. (6) $4,000.

A. Clifford LaPlante, 955 L'Enfant Plaza North SW., Washington, D.C. 20024.
B. The Boeing Co., P.O. Box 3707, Seattle, Wash. 98124.
D. (6) $950. E. (9) $340.40.

A. Reed E. Larson, 8316 Arlington Boulevard, Suite 600, Fairfax, Va. 22038.
B. National Right To Work Committee, 8316 Arlington Boulevard, Suite 600, Fairfax, Va. 22038.
D. (6) $80. E. (9) $10.

A. Robert B. Laurents, National Association for Uniformed Services, 7205 Reservoir Road, Springfield, Va. 22150.
B. National Association for Uniformed Services, 956 North Monroe Street, Arlington, Va. 22201.
D. (6) $1,475.

A. Susannah Lawrence, 4452 Farraday Place NW., Washington, D.C. 20016.
B. Consumer Action Now, 317 Pennsylvania Avenue SE., Washington, D.C. 20003.
D. (6) $13,200. E. (9) $51.

A. Dale Lestina, National Education Association, 1201 16th Street NW., Washington, D.C. 20036.
B. National Education Association, 1201 16th Street NW., Washington, D.C. 20036.
D. (6) $4,876.50. E. (9) $191.20.

A. Joseph A. Letorney, National Education Association, 112 Union Street, S. Weymouth, Mass. 02190.
B. National Education Association, 1201 16th Street NW., Washington, D.C. 20036.
D. (6) $3,336.90. E. (9) $75.

A. Leva, Hawes, Symington, Martin & Oppenheimer, 815 Connecticut Avenue NW., Washington, D.C. 20006.
B. Commonwealth Edison Co., One First National Plaza, Chicago, Ill.
D. (6) $9,893.75. E. (9) $106.40.

A. Stuart A. Lewis, 1800 M Street NW., Suite 1010, Washington, D.C. 20036.
B. Association of Reserve City Bankers, 1800 M Street NW., Suite 1010, Washington, D.C. 20036.
D. (6) $200.

A. Liberty Lobby, Inc., 130 3d Street SE., Washington, D.C. 20003.
D. (6) $63,659.07. E. (9) $63,034.63.

A. Jonathan Lindley, Credit Union National Association, Inc., 1730 Rhode Island Avenue, NW., Washington, D.C. 20036.
B. Credit Union National Association, Inc., 1617 Sherman Avenue, Madison, Wis.
D. (6) $3,600. E. (9) $200.

A. Charles B. Lipsen, Cramer, Visser, Lipsen & Smith, 475 L'Enfant Plaza SW., Washington, D.C.
B. The American-Nicaraguan Council, 475 L'Enfant Plaza SW., Suite 4110, Washington, D.C.

A. Charles B. Lipsen, Cramer, Visser, Lipsen & Smith, 475 L'Enfant Plaza SW., Suite 4100, Washington, D.C. 20024.
B. Cramer, Visser, Lipsen & Smith, 475 L'Enfant Plaza SW., Suite 4100, Washington, D.C. 20024 (for American Sign & Indicator Corp., North 2310 Fancher Way, Spokane, Wash. 99206).

A. Charles B. Lipsen, Cramer, Visser, Lipsen & Smith, 475 L'Enfant Plaza SW., Suite 4100, Washington, D.C. 20024.
B. Government of Nicaragua, Managua, Nicaragua.

A. Charles B. Lipsen, Cramer, Visser, Lipsen & Smith, 475 L'Enfant Plaza SW., Suite 4100, Washington, D.C. 20024.
B. Norman, Lawrence, Patterson and Farrell, 211 East 43rd Street, New York, N.Y. 10017.

A. Charles B. Lipsen, Cramer, Haber, Becker, Suite 475, L'Enfant Plaza SW., Washington, D.C.
B. U.S. & Overseas Employees Tax Fairness Committee, 1101 15th Street NW., Suite 1000, Washington, D.C. 20005.
D. (6) $9,652.64.

A. Nils Lofgren, Motor Vehicle Manufacturers Association of the U.S., Inc., 1909 K Street NW., Washington, D.C. 48202.
B. Motor Vehicle Manufacturers Association of the U.S., Inc., 320 New Center Building, Detroit, Mich. 48202.
D. (6) $300.

A. J. Patrick Logue, American Hospital Association, 444 North Capitol Street NW., No. 500, Washington, D.C. 20001.
B. American Hospital Association, 840 North Lake Shore Drive, Chicago, Ill. 60611.
D. (6) $934.34. E. (9) $7.69.

A. Lucas, Friedman & Mann, 1028 Connecticut Avenue NW., Washington, D.C. 20036.
B. Coushatta Tribe of Louisiana, c/o Ernest Sickey, Tribal Chairman, Elton, La. 70532.

A. Lucas, Friedman & Mann, 1028 Connecticut Avenue NW., Washington, D.C. 20036.
B. NcMamara Construction of Manitoba, Ltd., 255 Consumers Road, Willowdale, Ontario.

A. William F. Ludlam, Sr., P.O. Box 5282, Virginia Beach, Va. 23455.
B. ARBA Licensees Association, P.O. Box 10, Cocoa Beach, Fla. 32931.
E. (9) $385.

A. C. Lance Lujan, National Education Association, 1201–16th Street, NW., Washington, D.C. 20036.
B. National Education Association, 1201–16th Street NW., Washington, D.C. 20036.
D. (6) $4,876.50. E. (9) $171.50.

A. Richard Lyng, American Meat Institute, P.O. Box 3556, Washington, D.C. 20007.
B. American Meat Institute, P.O. Box 3556, Washington, D.C. 20007 (1600 Wilson Boulevard, Arlington, Va.).
D. (6) $500.

A. James E. Lyons, International Federation of Professional and Technical Engineers, AFL–CIO, 1126 16th Street NW., Washington, D.C. 20036.
B. International Federation of Professional and Technical Engineers, AFL–CIO, 1126 16th Street NW., Washington, D.C. 20036.
D. (6) $435. E. (9) $200.

A. Douglas E. MacArthur, P.O. Box 10162, St. Louis, Mo. 63145.
B. Zantop International Airlines, Willow Run Airport, Ypsilanti, Mich. 48197.
D. (6) $1,200. E. (9) $2,596.46.

A. Timothy MacCarthy, Motor Vehicle Manufacturers Association of the United States, Inc., 1909 K Street NW., Washington, D.C. 20006.
B. Motor Vehicle Manufacturers Association of the United States, Inc., 320 New Center Building, Detroit, Mich. 48202.
D. (6) $270.

A. Pamela MacEwan, 311 Maryland Avenue NE., No. 3, Washington, D.C. 20002.
B. Women's Lobby, Inc., 201 Massachusetts Avenue NE., Washington, D.C. 20002.

A. John R. Maguire, 10612 Runaway Lane, Great Falls, Va. 22066.
B. Manufactured Housing Institute, 1745 Jefferson Davis Highway, Suite 511, Arlington, Va. 22202.
D. (6) $500.

A. Manufactured Housing Institute, 1745 Jefferson Davis Highway, Arlington, Va. 22202.
D. (6) $11,075. E. (9) $11,075.

A. R. V. Mariani, Brotherhood of Railway, Airline & Steamship Clerks, Freight Handlers, Express & Station Employes, 815 16th Street NW., Washington, D.C. 20006.
B. Brotherhood of Railway, Airline & Steamship Clerks, Freight Handlers, Express & Station Employes, 6300 River Road, Rosemont, Ill. 60018.
D. (6) $1,120. E. (9) $2,100.

A. David J. Markey, 1771 N Street NW., Washington, D.C. 20036.
B. National Association of Broadcasters, 1771 N Street NW., Washington, D.C. 20036.
D. (6) $2,000. E. (9) $456.

A. Lawrence D. Markley, P.O. Box 3518, Anchorage, Alaska 99501.
B. Chugach Electric Association, Inc., P.O. Box 3518, Anchorage, Alaska 99501.
D. (6) $3,099.28. E. (9) $3,079.53.

A. John C. Marlin, P.O. Box 2667, Station A, Champaign, Ill. 61820.
B. Coalition on American Rivers, P.O Box 2667, Station A, Champaign, Ill. 61820.
D. (6) $2,505. E. (9) $57.45.

A. C. Travis Marshall, 1776 K Street NW., Washington, D.C. 20006.
B. Motorola, Inc., 1776 K Street NW., Washington, D.C. 20006.
D. (6) $1,000. E. (9) $165.

A. Martin, Whitfield, Smith & Bebchick, 1701 Pennsylvania Avenue NW., Washington, D.C. 20006.
B. Alaska International Air, Inc., P.O. Box 60029, Fairbanks International Airport, Fairbanks, Alaska 99701.
D. (6) $3,375. E. (9) $50.

A. Reynaldo L. Martinez, National Education Association, 1330 Gaylord Street, Suite 707, Denver, Colo. 80206.
B. National Education Association, 1201 16th Street NW., Washington, D.C. 20036.
D. (6) $3,282.42. E. (9) $100.

A. C. V. & R. V. Maudlin, 1111 E Street NW., Washington, D.C. 20004.
B. Georgia Power Co., 270 Peachtree Street, Atlanta, Ga.

A. C. V. & R. V. Maudlin, 1111 E Street NW., Washington, D.C.
B. Joint Government Liaison Committee, 1111 E Street NW., Washington, D.C. 20004.

A. Charles H. Mauzy, National Education Association, P.O. Box 7308, Reynolda Station, Winston Salem, N.C. 27109.
B. National Education Association, 1201 16th Street NW., Washington, D.C. 20036.
D. (6) $3,282.42. E. (9) $75.

A. Mayer, Brown & Platt, 888 17th Street NW., Washington, D.C. 20006.
B. Nokota Co., P.O. Box 1633, Bismark, N. Dak. 58501.

A. J. R. McAlpin, 815 Connecticut Avenue NW., Washington, D.C. 20006.
B. Armco Steel Corp., 815 Connecticut Avenue NW., Washington, D.C. 20006.
D. (6) $600. E. (9) $285.

A. F. Stephen McArthur, 444 North Capitol Street NW., No. 412, Washington, D.C. 20001.
B. American Israel Public Affairs Committee, 444 North Capitol Street NW., No. 412, Washington, D.C. 20001.
D. (6) $4,500.

A. John F. McClelland, National Association of Retired Federal Employees, 1533 New Hampshire Avenue NW., Washington, D.C. 20036.
B. National Association of Retired Federal Employees, 1533 New Hampshire Avenue NW., Washington, D.C. 20036.
D. (6) $1,170. E. (9) $6.50.

A. Melanie Wirken McClintock, Zero Population Growth, Inc., 1346 Connecticut Avenue NW., Washington, D.C. 20036.
B. Zero Population Growth, Inc., 1346 Connecticut Avenue NW., Washington, D.C. 20036.

A. Phyllis McClure, 806 15th Street NW., No. 940, Washington, D.C. 20006.
B. NAACP Legal Defense and Educational Fund, Inc., 806 15th Street NW., Washington, D.C. 20006.
D. (6) $485. E. (9) $30.

A. E. T. McDonald, Brotherhood of Railway, Airline & Steamship Clerks, Freight Handlers, Express & Station Employes, 815 16th Street NW., Washington, D.C. 20006.
B. Brotherhood of Railway, Airline & Steamship Clerks, Freight Handlers, Express & Station Employes, 6300 River Road, Rosemont, Ill. 60018.
D (6) $1,760. E. (9) $3,300.

A. Stanley J. McFarland, National Education Association, 1201 16th Street, NW., Washington, D.C. 20036.
B. National Education Association, 1201 16th Street NW., Washington, D.C. 20036.
D. (6) $6,975. E. (9) $773.83.

A. Robert M. McGlotten, 815 16th Street NW., Washington, D.C.
B. American Federation of Labor and Congress of Industrial Organizations, Washington, D.C. 815 16th Street NW.
D. (6) $9,945. E. (9) $510.80.

A. Joseph B. McGrath, National Forest Products Association, 1619 Massachusetts Avenue, NW., Washington, D.C., 20036.
B. National Forest Products Association, 1619 Massachusetts Avenue NW., Washington, D.C. 20036.
D. $7,875. E. (9) $250.

A. F. Howard McGuigan 815 16th Street N.W., Washington, D.C.
B. American Federation of Labor and Congress of Industrial Organizations, 815 16th Street NW., Washington, D.C.
D. (6) $9,945. E. (9) $496.08.

A. Peter E. McGuire, National Association of Retired & Veteran Railway Employees, Inc., 400 First Street NW., Washington, D.C. 20001.
B. National Association of Retired & Veteran Railway Employees, Inc., P.O. Box 6060, Kansas City, Kans. 66106; Hotel & Restaurant Employees & Bartenders Union, 1666 K Street NW., Washington, D.C. 20006; International Conference of Police Association 1239 Pennsylvania Avenue SE., Washington, D.C. 20003.
D. (6) $900. E. (9) $350.

A. Phil A. McKeaney, American Federation of Teachers, AFL–CIO, 11 Dupont Circle NW., Washington, D.C. 20036.
B. American Federation of Teachers, 11 Dupont Circle, NW., Washington, D.C. 20036.
D. (6) $5,830.02. E. (9) $401.13.

A. James D. McKevitt, 1747 Pennsylvania Avenue NW., Washington, D.C. 20006.
B. National Association of Women's & Children's Apparel Salesmen, 515 Peachtree, Palisades Building, Atlanta, Ga. 30309.
D. (6) $2,000. E. (9) $55.

A. James D. McKevitt, National Federation of Independent Business, 490 L'Enfant Plaza East SW., Suite 3206, Washington, D.C. 20024.
B. National Federation of Independent Business, 490 L'Enfant Plaza East SW., Suite 3206, Washington, D.C. 20024.
D. (6) $3,500. E. (9) $60.

A. Ronald E. McWilliams, 955 L'Enfant Plaza North SW., Washington, D.C. 20024.
B. The Boeing Co., P.O. Box 3707, Seattle, Wash. 98124.
D. (6) $172.80. E. (9) $32.50.

A. Carl J. Megel, American Federation of Teachers, AFL–CIO, 11 Dupont Circle NW., Washington, D.C. 20036.
B. American Federation of Teachers, 11 Dupont Circle NW., Washington, D.C. 20036.
D. (6) $8,135. E. (9) $300.

A Kenneth A Meiklejohn, AFL–CIO, 815 16th Street NW., Washington, D.C. 20006.
B. American Federation of Labor and Congress of Industrial Organizations, 815 16th Street NW., Washington, D.C. 20006.
D. (6) $9,945

A. Nanine Meiklejohn, 1625 L Street NW., Washington, D.C. 20036.
B. American Federation of State, County & Municipal Employees, AFL–CIO, 1625 L Street NW., Washington, D.C. 20036.
D. (6) $6,803. E. (9) $150.69.

A. Ellis E. Meredith, American Apparel Manufacturers Association, Inc., 1611 North Kent Street, Arlington, Va. 22209.
B. American Apparel Manufacturers Association, Inc., 1611 North Kent Street, Arlington, Va. 22209.
E. (9) $658.65.

A. Charles L. Merin, National Association of Retired Federal Employees, 1533 New Hampshire Avenue NW., Washington, D.C. 20036.
B. National Association of Retired Federal Employees, 1533 New Hampshire Avenue NW., Washington, D.C. 20036.
D. (6) $950. E. (9) $62.

A. Migrant Legal Action Program, Inc., 806 15th Street NW., Washington, D.C. 20005.
E. (9) $9,097.37.

A. Miller & Chevalier, 1700 Pennsylvania Avenue NW., Washington, D.C. 20006.
B. Lockheed Corp., Burbank, Calif. 91520.
D. (6) $4,400.

A. Deborah Imle Miller, National Association of Home Builders of the United States, 15th and M Streets NW., Washington, D.C. 20005.
B. National Association of Home Builders of the United States, 15th and M Streets NW., Washington, D.C. 20005.
D. (6) $1,625. E. (9) $71.72.

A. Clarence Mitchell, NAACP, 733 15th Street NW., Suite 410, Washington, D.C. 20005.
B. National Association for the Advancement of Colored People, 1790 Broadway, New York, N.Y. 10019.
D. (6) $4,000.

A. John S. Monagan, Whitman & Ransom, 1730 Pennsylvania Avenue NW., Suite 1010, Washington, D.C. 20006.
B. Connecticut Bankers Association, 100 Constitution Plaza, Suite 956, Hartford, Conn. 06103.

A. Michael Monroney, TRW, Inc., 2030 M Street NW., Suite 800, Washington, D.C. 20036.
B. TRW, Inc., 23555 Euclid Avenue, Cleveland, Ohio 44117.
D. (6) $1,000.

A. April D. Moore, 1867 California Street NW., Washington, D.C. 20009.
B. National Consumers League, 1028 Connecticut Avenue NW., Suite 522, Washington, D.C. 20036.
D. (6) $45.

A. L. Calvin Moore, Oil, Chemical & Atomic Workers International Union, 1126 16th Street NW., Washington, D.C. 20036.
B. Oil, Chemical & Atomic Workers International Union, 1636 Champa Street, Denver, Colo. 80201.
D. (6) $3,575. E. (9) $318.50.

A. Alan B. Morrison, Public Citizen, Inc., Suite 700, 2000 P Street NW., Washington, D.C. 20036.
B. Public Citizen, Inc., P.O. Box 19404, Washington, D.C. 20036.
D. (6) $165. E. (9) $165.

A. Moss, Frink & Franklin, Watergate 600, Suite 480, Washington, D.C. 20037.
B. American Federation of Government Employees, 1325 Massachusetts Avenue NW., Washington, D.C. 20005.

A. Moss, Frink & Franklin, Watergate 600, Suite 480, Washington, D.C. 20037.
B. District of Columbia Federation of Musicians, Local 161-710, 5020 Wisconsin Avenue NW., Washington, D.C. 20016.

A. Moss, Frink & Franklin, Watergate 600, Suite 480, Washington, D.C. 20037.
B. Kellogg Co., 235 Porter Street, Battle Creek, Mich. 49016.

A. Moss, Frink & Franklin, Watergate 600, Suite 480, Washington, D.C. 20037.
B. Radwaste Management Group, 1800 M Street NW., Washington, D.C. 20036.

A. Moss, Frink & Franklin, Watergate 600, Suite 480, Washington, D.C. 20037.
B. Steering Council for Alaska Lands, 1016 West Sixth Avenue, Suite B, Anchorage, Alaska 99501.
D. (6) $2,300. E. (9) $32.25.

A. Moss, Frink & Franklin, Watergate 600, Suite 480, Washington, D.C. 20037.
B. Thiokol Corp., P.O. Box 1000, Newtown, Pa. 18940.

A. Moss, Frink & Franklin, Watergate 600, Suite 480, Washington, D.C. 20037.
B. United Parcel Service of America, Inc., Greenwich Office Park 5, Greenwich, Conn. 06830.

A. Moss, Frink & Franklin, Watergate 600, Suite 480, Washington, D.C. 20037.
B. Utah Power & Light Co., 1407 West North Temple Street, Salt Lake City, Utah 84101.

A. John J. Motley, National Federation of Independent Business, 490 L'Enfant Plaza East SW., Suite 3206, Washington, D.C. 20024.
B. National Federation of Independent Business, 490 L'Enfant Plaza East SW., Suite 3206, Washington, D.C. 20024.
D. (6) $2,250. E. (9) $375.

A. Perry Moyle, The Wilderness Society, 518½ Main Street, Grand Junction, Colo. 81501.
B. The Wilderness Society, 1901 Pennsylvania Avenue NW., Washington, D.C. 20006.
D. (6) $386.25. E. (9) $119.25.

A. Robert O. Muller, 17 Stoneywell Court, Dix Hills, N.Y. 11746.
B. Vietnam Veteran Coalition, Inc., Suite 925, 1346 Connecticut Avenue NW., Washington, D.C. 20036.
D. (6) $200.

A. Daniel J. Mundy, Building and Construction Trades Department, 815 16th Street NW., Suite 603, Washington, D.C. 20006.
B. Building and Construction Trades Department, 815 16th Street NW., Suite 603, Washington, D.C. 20006.
D. (6) $7,874.88. E. (9) $2,249.69.

A. Rosemary Griffin Murray, 1800 K Street NW., Suite 900, Washington, D.C. 20006.
B. Pan American World Airways, Inc., Suite 900, 1800 K Street NW., Washington, D.C. 20006.
E. (9) $703.23.

A. George E. Myers, Credit Union National Association, Inc., 1730 Rhode Island Avenue NW., Washington, D.C. 20036.
B. Credit Union National Association, Inc., 1617 Sherman Avenue, Madison, Wis.
D. (6) $1,200. E. (9) $300.

A. J. Walter Myers, Jr., Forest Farmers Association, P.O. Box 95385, Atlanta, Ga. 30347.
B. Forest Farmers Association, P.O. Box 95385, Atlanta, Ga. 30347.

A. Kenneth D. Naden, National Council of Farmer Cooperatives, 1129 20th Street NW., Washington, D.C. 20036.
B. National Council of Farmer Cooperatives, 1129 20th Street NW., Washington, D.C. 20036.
D. (6) $1,917. E. (9) $118.

A. National Associated Businessmen, Inc., 1100 Connecticut Avenue NW., Washington, D.C. 20036.
D. (6) $1,200.40. E. (9) $1,200.40.

A. National Association for the Advancement of Colored People, 1790 Broadway, New York, N.Y. 10019.
D. (6) $23,735. E. (9) $22,604.

A. National Association for Uniformed Services, 956 North Monroe Street, Arlington, Va. 22201.
D. (6) $46,465.91. E. (9) $7,162.98.

A. National Association of Air Traffic Specialists, Inc., Suite 415, Wheaton Plaza North, Wheaton, Md. 20902.
D. (6) $97,121.50. E. (9) $5,416.39.

A. National Association of Farmer Elected Committeemen, c/o Tom B. Cunningham, Sr., Rural Route 5, Darlington, S.C. 29532.
D. (6) $2,098.50. E. (9) $2,098.90.

A. National Association of Home Builders of the United States, 15th and M Streets NW., Washington, D.C. 20005.
D. (6) $79,879.68. E. (9) $77,937.38.

A. National Association of Homes for Children, 200 South Tryon Street, Suite 1500, Charlotte, N.C. 28202.
E. (9) $300.

A. National Association of Margarine Manufacturers, 1725 K Street NW., Suite 1202, Washington, D.C. 20006.

A. National Association of Railroad Passengers, 417 New Jersey Avenue SE., Washington, D.C. 20003.
D. (6) $27,067.85. E. (9) $22,828.70.

A. National Association of Real Estate Investment Trusts, Inc., 1101 17th Street, No. 700, Washington, D.C. 20036.
D. (6) $1,650. E. (9) $1,654.

A. National Association of Realtors, 430 North Michigan Avenue, Chicago, Ill.; 925 15th Street NW., Washington, D.C.
E. (9) $24,028.21.

A. National Association of Retired Federal Employees, 1533 New Hampshire Avenue NW., Washington, D.C.
D. (6) $10,369.20. E. (9) $10,369.20.

A. National Association of Truck Stop Operators, Inc., 700 North Fairfax Street, No. 505, Alexandria, Va. 22314.
D. (6) $14,598.92. E. (9) $14,598.92.

A. National Cable Television Association, Inc., 918 16th Street NW., Washington, D.C. 20006.
D. (6) $14,699.50. E. (9) $15,011.50.

A. National Committee for Symphony Orchestra Support, 1100 17th Street NW., Suite 313, Washington, D.C. 20036.
D. (6) $8,589.74. E. (9) $25,425.32.

A. National Council of Agricultural Employers, 1425 H Street NW., 237 Southern Building, Washington, D.C.
D. (6) $56,000. E. (9) $2,628.

A. National Council of Farmer Cooperatives, 1129 20th Street NW., Washington, D.C. 200036.
D. (6) $87,848. E. (9) $94,747.

A. National Counsel Associates, Inc., 421 New Jersey Avenue SE., Washington, D.C. 20003.
B. American Paratransit Institute, Inc., 1747 Pennsylvania Avenue, Suite 1000, Washington, D.C. 20006.
D. (6) $23,825. E. (9) $791.18.

A. National Counsel Associates, Inc., 421 New Jersey Avenue SE., Washington, D.C. 20003.
B. Belco Petroleum Corp., 1 Dag Hammarskjold Plaza, New York, N.Y. 10017.
D. (6) $3,150. E. (9) $102.59.

A. National Counsel Associates, Inc., 421 New Jersey Avenue SE., Washington, D.C. 20003.
B. Cenco Instruments, 2600 South Kostner Avenue, Chicago, Ill.
D. (6) $8,250. E. (9) $56.67.

A. National Counsel Associates, Inc., 421 New Jersey Avenue SE., Washington, D.C. 20003.
B. North American Telephone Association, 1030 15th Street NW., Washington, D.C. 20036.
D. (6) $24,193.84. E. (9) $2,753.73.

A. National Counsel Associates, Inc., 421 New Jersey Avenue SE., Washington, D.C. 20003.
B. Trailways, Inc., 1500 Jackson Street, Dallas, Tex. 75201.
D. (6) $20,830. E. (9) $1,297.23.

A. The National Ecumenical Coalition, Inc., Georgetown Station, P.O. Box 3554, Washington, D.C. 20007.

A. National Education Association, 1201 16th Street NW., Washington, D.C. 20036.
D. (6) $67,906.39. E. (9) $15,089.72.

A. The National Federation of Business and Professional Women's Clubs, Inc., 2012 Massachusetts Avenue NW., Washington, D.C. 20036.
D. (6) $40,048.17. E. (9) $4,673.40.

A. National Federation of Independent Business, 490 L'Enfant Plaza SW., Washington, D.C. 20024.
B. National Federation of Independent Business, 150 West 20th Avenue, San Mateo, Calif. 94403.
D. (6) $52,528. E. (9) $52,528.

A. National Forest Products Association, 1619 Massachusetts Avenue NW., Washington, D.C. 20036.
D. (6) $18,225. E. (9) $18,225.

A. The National Grange, 1616 H Street, NW., Washington, D.C. 20006.
D. (6) $114,652.11. E. (9) $18,097.50.

A. National Hairdressers and Cosmetologists Association, 3510 Olive Street, St. Louis, Mo. 63103.
D. (6) $1,546.62.

A. National Organization for the Reform of Marijuana Laws, 2317 M. Street NW., Washington, D.C. 20037.
D. (6) $54,545.40. E. (9) $113,600.61.

A. National Parking Association, 1101 17th Street NW., Washington, D.C. 20036.
E. (9) $3,745.77.

A. National Rifle Association, 1600 Rhode Island Avenue NW., Washington, D.C. 20036.
D. (6) $8,000. E. (9) $53,336.75.

A. National Right to Life Committee, Inc., No. 341, National Press Building, 529 14th Street NW., Washington, D.C. 20005.
D. (6) $11,500. E. (9) $10,900.

A. National Right to Work Committee, 8316 Arlington Boulevard, Suite 600, Fairfax, Va. 22038.
D. (6) $3,461. E. (9) $3,531.

A. National Tax Equality Association, 1000 Connecticut Avenue NW., Washington, D.C. 20036.
D. (6) $12,004.22. E. (9) $5,659.71.

A. National Taxpayers Union, 10 E Street SE., Washington, D.C. 20003.
D. (6) $21,253.56. E. (9) $10,472.35.

A. National Water Resources Association, 955 L'Enfant Plaza North SW., Suite 1202, Washington, D.C. 20024.
D. (6) $16,649. E. (9) $11,243.15.

A. National Woman's Christian Temperance Union, 1730 Chicago Avenue, Evanston, Ill. 60201.
D. (6) $2,563.50. E. (9) $2,834.56.

A. New Directions, 2021 L Street NW., Washington, D.C.
D. (6) $119,340.79. E. (9) $52,051.06.

A. Harold Frank Newman, 900 17th Street NW., Washington, D.C. 20006.
B. Kaiser Foundation Health Plan, Inc.
D. (6) $8,562.01. E. (9) $1,500.

A. Robert W. Nolan, 1303 New Hampshire Avenue NW., Washington, D.C. 20036.
B. Fleet Reserve Association, 1303 New Hampshire Avenue NW., Washington, D.C. 20036.
D. (6) $100.

A. Julia J. Norrell, National Association of Home Builders of the United States, 15th and M Streets NW., Washington, D.C. 20005.
B. National Association of Home Builders of the United States, 15th and M Streets NW., Washington, D.C. 20005.
D. (6) $5,437.49. E. (9) $1,114.39.

A. North American Telephone Association, Inc., 1030 15th Street NW., Washington, D.C. 20005.
D. (6) $24,193.84. E. (9) $2,753.73.

A. Frank Northcutt, Southwest Homefurnishings Association, 7139 Hunters Ridge Drive, Dallas, Tex. 75248.
B. Southwest Homefurnishings Association, 4313 North Central Expressway, Dallas, Tex. 75205.

A. William B. O'Connell, 111 East Wacker Drive, Chicago, Ill. 60601.
B. United States League of Savings Associations, 111 East Wacker Drive, Chicago, Ill. 60601.
D. (6) $1,450. E. (9) $1,253.18.

A. Therese S. Ogle, 825 15th Street NW., Washington, D.C. 20005.
B. National Abortion Rights Action League, 825 15th Street NW., Washington, D.C. 20005.
D. (6) $2,500.

A. Jane O'Grady, AFL–CIO, 815 16th Street NW., Washington, D.C.
B. American Federation of Labor and Congress of Industrial Organizations, 815 16th Street NW., Washington, D.C.
D. (6) $8,755.50. E. (9) $64.60.

A. John F. O'Neal, Law Offices of John F. O'Neal, 600 New Hampshire Avenue NW., Suite 952, Washington, D.C. 20037.
B. Commodity Exchange Inc., Four World Trade Center, S. East Plaza Building, New York, N.Y. 10048.
D. (6) $8,467.50.

A. John F. O'Neal, Law Offices of John F. O'Neal, 600 New Hampshire Avenue NW., Suite 952, Washington, D.C. 20037.
B. Wheat & Wheat Foods Foundation, 14 East Jackson Boulevard, No. 1010, Chicago, Ill. 60604.
D. (6) $2,685.

A. Organization of Professional Employees of the Department of Agriculture, Room 1247–S Building, Department of Agriculture, Washington, D.C. 20250.
D. (6) $1,473.48. E. (9) $565.25.

A. Kathleen F. O'Reilly, 1012 14th Street NW., Washington, D.C. 20005.
B. Consumer Federation of America, 1012 14th Street NW., Washington, D.C. 20005.
D. (6) $5,084.60. E. (9) $800.

A. Francis J. O'Rourke, Ad Hoc Committee of Concerned Parents, 75 Federal Street, Suite 600, Boston, Mass. 02110.
B. Ad Hoc Committee of Concerned Parents, P.O. Box 343, Lexington, Mass. 02173.
D. (6) $4,500. E. (9) $412.95.

A. J. Denis O'Toole, National Association of Home Builders of the United States, 15th and M Streets NW., Washington, D.C. 20005.
B. National Association of Home Builders of the United States, 15th and M Streets NW., Washington, D.C. 20005.
D. (6) $7,656.26. E. (9) $1,864.24.

A. Pacific Northwest Utilities Conference Committee, 327 North Wenatchee Avenue, Wenatchee, Wash.
D. (6) $15,141. E. (9) $11,506.50.

A. Gerard Paul Panaro, 6525 Belcrest Road, Hyattsville, Md. 20782.
B. Retail Bakers of America, 6525 Belcrest Road, Hyattsville, Md.
D. (6) $50.

A. Scootch Pankonin, 1010 16th Street NW., Suite 700, Washington, D.C. 20036.
B. Inland Forest Resource Council, 320 Savings Center Building, Missoula, Mont. 59801.
D. (6) $2,850. E. (9) $160.12.

A. Scootch Pankonin, 1010 16th Street NW., Suite 700, Washington, D.C. 20036.
B. Slurry Transport Association, 490 L'Enfant Plaza East SW., Suite 3210, Washington, D.C. 20024.

A. Lew M. Paramore, Mo-Ark Basins Flood Control and Conservation Association, P.O. Box 1160, Kansas City, Kans. 66117.
B. Mo-Ark Basins Flood Control & Conservation Association, P.O. Box 1160, Kansas City, Kans. 66117.

A. Paraplegia Cure Research, 100 Maryland Avenue NE., Washington, D.C. 20002.
D. (6) $550.39. E. (9) $413.01.

A. Judy E. Park, National Association of Retired Federal Employees, 1533 New Hampshire Avenue NW., Washington, D.C. 20036.
B. National Association of Retired Federal Employees, 1533 New Hampshire Avenue NW., Washington, D.C. 20036.
D. (6) $1,200. E. (9) $40.70.

A. Kimberly C. Parker, National Treasury Employees Union, 1730 K Street NW., Suite 1101, Washington, D.C. 20006.
B. National Treasury Employees Union, 1730 K Street NW., Suite 1101, Washington, D.C. 20006.
D. (6) $3,881.60. E. (9) $333.44.

A. Steve Payne, The Wilderness Society, P.O. Box 3187, Duluth, Minn. 55803.
B. The Wilderness Society, 1901 Pennsylvania Avenue NW., Washington, D.C. 20006.
D. (6) $274.06. E. (9) $286.88.

A. Richard A. Paysor, 274 Falling Leaves Court, Creve Coeur, Mo. 63141.
B. Chromalloy American Corp., 120 South Central, St. Louis, Mo. 63105.

A. Edmund J. Perret II, American Psychiatric Association, 2033 M. Street NW., Suite 802, Washington, D.C. 20036.
D. (6) $913. E. (9) $571.16.

A. John Joseph Pesch, 1701 North Fort Myer Drive, Suite 1208, Arlington, Va. 22209.
B. Northrop Corp., 1701 North Fort Myer Drive, Suite 1208. Arlington, Va. 22209.
D. (6) $7,083. E. (9) $2,366.55.

A. Kenneth Peterson, AFL–CIO, 815 16th Street NW., Washington, D.C. 20006.
B. American Federation of Labor and Congress of Industrial Organizations, 815 16th Street NW., Washington, D.C. 20006.
D. (6) $9,945. E. (9) $83.33.

A. John Pflieger, Time Inc., 888–16th NW., Washington, D.C.
B. Time Inc., Time & Life Building, Rockefeller Center, N.Y. 10020.
D. (6) $1,700. E. (9) $550.

A. Grace Pierce, The Wilderness Society, 1901 Pennsylvania Avenue NW., Washington, D.C. 20006.
B. The Wilderness Society, 1901 Pennsylvania Avenue NW., Washington, D.C. 20006.
D. (6) $841.22 E. (9) $19.25.

A. Paul E. Pierce, National Association of Truck Stop Operators, Inc., 700 North Fairfax Street, No. 505, Alexandria, Va. 22314.
B. National Association of Truck Stop Operators, Inc., 700 North Fairfax Street, North 505, Alexandria, Va.
D. (6) $3,249.99.

A. Grant C. Pinney, 730 North Balsom Street, Ridgecrest, Calif. 93555.
B. Sierra Sands Unified School District, 730 North Balsam Street, Ridgecrest, Calif. 93555.

A. Rafe Pomerance, 620 C Street SE., Washington, D.C. 20003.
B. Friends of the Earth, 620 C Street SE., Washington, D.C. 20003.
D. (6) $2,640.

A. Judith A. Pond, 1800 K Street NW., Suite 924, Washington, D.C. 20006.
B. Ralston Purina Co., Checkerboard Square, St. Louis, Mo. 63188.
D. (6) $200. E. (9) $104.

A. Population Resource Center, Inc., 622 Third Avenue, New York, N.Y. 10017.
D. (6) $5,712. E. (9) $3,472.

A. Joan Porte, 4201 South 31st Street, No. 326, Arlington, Va. 22206.
B. Consumer Action Now, 317 Pennsylvania Avenue SE., Washington, D.C. 20003.
D. (6) $960.

A. A. Frank Portmann III, AMAX Coal Co., 105 South Meridian Street, Indianapolis, Ind. 46225.
B. AMAX Coal Co., 105 South Meridian Street, Indianapolis, Ind. 46225.
E. (9) $149.

A. Richard M. Powell, International Association of Refrigerated Warehouses, 7315 Wisconsin Avenue, Washington, D.C. 20014.
B. International Association of Refrigerated Warehouses, 7315 Wisconsin Avenue, Washington, D.C. 20014.
E. (9) $135.

A. Prather Seeger Doolittle & Farmer, 1101 Sixteenth Street NW., Washington, D.C. 20036.
B. Bankers' Association for Foreign Trade, 1101 Sixteenth Street NW., Washington, D.C. 20036.
D. (6) $4,000.

A. Prather Seeger Doolittle & Farmer, 1101 Sixteenth Street NW., Washington, D.C. 20036.
B. The First National Bank of Chicago, One First National Plaza, Chicago, Ill. 60670.
D. (6) $500.

A. Paul F. Preston, National Association of Realtors, 925 15th Street NW., Washington, D.C. 20005.
B. National Association of Realtors, 925 15th Street NW., Washington, D.C. 20005.
D. (6) $2,125. E. (9) $39.14.

A. Pro-Life Congressional District Action Committee IN–2, 926 South 10th Street, Lafayette, Ind. 47905.
E. (9) $23.26.

A. Public Securities Association, One World Trade Center, New York, N.Y. 10048.
D. (6) $445,750. E. (9) $59,147.

A. Public Timber Purchasers Group, 1214 Oregon Bank Building, Portland, Oreg. 97204.
D. (6) $25,500. E. (9) $7,409.

A. Purcell & Nelson, 1776 F Street NW., Washington, D.C. 20006.
B. The Business Roundtable, 405 Lexington Avenue, New York, N.Y. 10017.

A. Howard Pyle III, 1150 Connecticut Avenue NW., Suite 805, Washington, D.C. 20036.
B. R. J. Reynolds Industries, Inc., P.O. Box 2959, Winston-Salem, N.C. 27102.
D. (6) $285.71. E. (9) $9.89.

A. Quintana Refinery Co., P.O. Box 3331, Houston, Tex. 77001.

A. Clifford H. Raber, One McDonald's Plaza, Oak Brook, Ill. 60521.
B. McDonald's Corp., One McDonald's Plaza, Oak Brook, Ill. 60521.
E. (9) $29.47.

A. Radioactive Waste Management Group, c/o Shaw, Pittman, Potts & Trowbridge, 1800 M Street NW., Washington, D.C. 20036.
D. (6) $18,294.83. E. (9) $18,294.83.

A. Ragan & Mason, 900 17th Street NW., The Farragut Building, Washington, D.C.
B. American Shipbuilding Co., Bond Court Building, Room 911, 1300 East Ninth Street, Cleveland, Ohio.
D. (6) $1,000.

A. Ragan & Mason, 900 17th Street NW., The Farragut Building, Washington, D.C.
B. Bechtel Corp., 141 Battery Street, San Francisco, Calif.

A. Ragan & Mason, 900 17th Street NW., The Farragut Building, Washington, D.C.
B. Bermuda Department of Tourism, Hamilton, Bermuda.
D. (6) $1,666. E. (9) $51.80.

A. Ragan & Mason, 900 17th Street NW., The Farragut Building, Washington, D.C.
B. First Colony Farms, Route 1, Box 130, Creswell, N.C.
D. (6) $1,000.

A. Ragan & Mason, 900 17th Street NW., The Farragut Building, Washington, D.C.
B. Glass Packaging Institute, 1800 K Street NW., Washington, D.C.
D. (6) $6,000.

A. Ragan & Mason, 900 17th Street NW., The Farragut Building, Washington, D.C.
B. Greater Cleveland Growth Association, 600 Union Commerce Building, Cleveland, Ohio.
D. (6) $6,000.

A. Ragan & Mason, 900 17th Street NW., The Farragut Building, Washington, D.C.
B. Gulf Oil Corp., P.O. Box 1166, Pittsburgh, Pa.
D. (6) $2,000. E. (9) $0.20.

A. Ragan & Mason, 900 17th Street NW., The Farragut Building, Washington, D.C.
B. The Harris Corp., 55 Public Square, Cleveland, Ohio.
D. (6) $2,000.

A. Ragan & Mason, 900 17th Street NW., The Farragut Building, Washington, D.C.
B. National Bulk Carriers, Inc., 1345 Avenue of the Americas, New York, N.Y.
D. (6) $4,500.

A. Ragan & Mason, 900 17th Street NW., The Farragut Building, Washington, D.C.
B. National Ski Areas Association, 61 South Main Street, West Hartford, Conn.
D. (6) $1,500.

A. Ragan & Mason, 900 17th Street NW., The Farragut Building, Washington, D.C.
B. New York Yankees, Flushing Medes, Corona Park, Flushing, N.Y.
D. (6) $2,000.

A. Ragan & Mason, 900 17th Street NW., The Farragut Building, Washington, D.C.
B. Ohio Board of Regents, 30 East Broad Street, Columbus, Ohio.

A. Ragan & Mason, 900 17th Street NW., The Farragut Building, Washington, D.C.
B. Princess Hotels International (a division of National Bulk Carriers, Inc.), 1345 Avenue of the Americas, New York, N.Y.
D. (6) $3,000.

A. Ragan & Mason, 900 17th Street NW., The Farragut Building, Washington, D.C.
B. R. J. Reynolds Industries, Inc., 401 North Main Street, Winston-Salem, N.C.
D. (6) $1,000.

A. Ragan & Mason, 900 17th Street NW., The Farragut Building, Washington, D.C.
B. Sea-Land Service, Inc., P.O. Box 900, Edison, N.J.
D. (6) $5,000. E. (9) $44.10.

A. Ragan & Mason, 900 17th Street NW., The Farragut Building, Washington, D.C.
B. Seacoast Products, Inc., Box D, Port Monmouth, N.J.

A. Ragan & Mason, 900 17th Street NW., The Farragut Building, Washington, D.C.
B. Security Pacific Leasing Corp., 333 South Hope Street, Los Angeles, Calif.

A. Ragan & Mason, 900 17th Street NW., The Farragut Building, Washington, D.C.
B. Security Pacific National Bank, 333 South Hope Street, Los Angeles, Calif.
D. (6) $2,000.

A. Ragan & Mason, 900 17th Street NW., The Farragut Building, Washington, D.C.
B. Stimson Lumber Co. and Miller Redwood Co., 315 Pacific Building, Portland, Oreg.
D. (6) $125.

A. Gretchen P. Ralph, 303 Kimry Moor, Fayetteville, N.Y. 13066.
B. National Committee for Symphony Orchestra Support (NCSOS), 1100 17th Street NW., Suite 313, Washington, D.C. 20036.
D. (6) $10,500. E. (9) $963.16.

A. Sydney C. Reagan, 6815 Prestonshire, Dallas, Tex. 75225.
B. Southwestern Peanut Shellers Association, 6815 Prestonshire, Dallas, Tex. 75225.
D. (6) $150.

A. Patricia S. Record, Midwest Office, Sierra Club, 444 West Main, Madison, Wis. 53703.
B. Sierra Club, 530 Bush Street, San Francisco, Calif. 94108.
D. (6) $2,887.50. E. (9) $588.64.

A. Recording Industry Association of America, Inc., One East 57th Street, New York, N.Y. 10022.
D. (6) $777,331.93. E. (9) $91,241.76.

A. Recreation Vehicle Industry Association, P. O. Box 204, 14650 Lee Road, Chantilly, Va. 22021.
E. (9) $19,800.

A. Lola Redford, 1125 Fifth Avenue, New York, N.Y. 10028.
B. Consumer Action Now, 317 Pennsylvania Avenue SE., Washington, D.C. 20003.

A. J. Ronald Reeves, Allegheny Airlines, Inc., Washington National Airport, Washington, D.C. 20001.
B. Allegheny Airlines, Inc., Washington National Airport, Washington, D.C. 20001.
D. (6) $2,000. E. (9) $103.83.

A. John T. Reggitts, Jr., Rural Delivery No. 2, Boonton Avenue, Boonton, N.J. 07005.

A. Harry O. Reinsch, 1310 Jones Street, Apt. 902, San Francisco, Calif. 94109.
B. Bechtel Power Corp., 50 Beale Street, P.O. Box 3965, San Francisco, Calif. 94119.

A. Mark Reis, 620 C Street SE., Washington, D.C. 20003.
B. Friends of the Earth, 620 C Street SE., Washington, D.C. 20003.
D. (6) $1,775.

A. Research to Prevent Blindness, Inc., 598 Madison Avenue, New York, N.Y. 10022.
E. (9) $898.64.

A. Reserve Officers Association of U.S., One Constitution Avenue NE., Washington, D.C. 20002.
D. (6) $1,787.56. E. (9) $2,336.11.

A. Edmund B. Rice, American Hospital Association, 444 North Capitol Street NW., No. 500, Washington, D.C. 20001.
B. American Hospital Association, 840 North Lake Shore Drive, Chicago, Ill. 60611.
D. (6) $577.95.

A. M. Lee Rice, 277 Park Avenue, New York, N.Y. 10017.
B. Ogden Corp., 277 Park Avenue, New York, N.Y. 10017.

A. K. O. Richardson, Brotherhood of Railway, Airline & Steamship Clerks, Freight Handlers, Express & Station Employes, 815 16th Street NW., Washington, D.C. 20006.
B. Brotherhood of Railway, Airline & Steamship Clerks, Freight Handlers, Express & Station Employes, 6300 River Road, Rosemont, Ill. 60018.
D. (6) $1,280. E. (9) $2,400.

A. Russell W. Richardson, Lear Siegler, Inc., Suite 1002, 1911 Jefferson Davis Highway, Arlington, Va. 22202.
B. Lear Siegler, Inc., 3171 South Bundy Drive, Santa Monica, Calif. 90406.
D. (6) $30. E. (9) $10.50.

A. James W. Riddell, 723 Washington Building, Washington, D.C. 20005.
B. The Kellogg Co., Battle Creek, Mich.

A. James W. Riddell, 723 Washington Building, Washington, D.C. 20005.
B. W. K. Kellogg Foundation, Battle Creek, Mich.

A. James W. Riddell, 723 Washington Building, Washington, D.C. 20005.
B. Volume Footwear Retailers of America, 51 East 42d Street, New York, N.Y. 10017.

A. Peter S. Ridley, 1600 Rhode Island Avenue NW., Washington, D.C. 20036.
B. National Rifle Association of America, 1600 Rhode Island Avenue NW., Washington, D.C. 20036.
D. (6) $525.

A. Mark J. Riedy, Mortgage Bankers Association of America, 1125 15th Street NW., Washington, D.C. 20005.
B. Mortgage Bankers Association of America, 1125 15th Street NW., Washington, D.C. 20005.
D. (6) $1,875. E. (9) $8,215.

A. Siert F. Riepma, 1725 K Street NW., Suite 1202, Washington, D.C. 20006.
B. National Association of Margarine Manufacturers, 1725 K Street NW., Suite 1202, Washington, D.C. 20006.

A. RJR Industries, Inc., 401 North Main Street, Winston-Salem, N.C. 27101.
E. (9) $1,929.62.

A. Ronn Robinson, National Education Association, P.O. Box 558, Mercer Island, Wash. 98040.
B. National Education Association, 1201 16th Street NW., Washington, D.C. 20036.
D. (6) $3,282.42. E. (9) $100.

A. Ted V. Rodgers, Suite 304, 1000 Connecticut Avenue NW., Washington, D.C. 20036.
B. Nationwide Insurance Companies & Affiliates, 246 North High Street, Columbus, Ohio 43216.
D. (6) $2,500.

A. Bruce N. Rogers, National Association of Home Builders of the United States, 15th & M Streets NW., Washington, D.C. 20005.
B. National Association of Home Builders of the United States, 15th and M Streets NW., Washington, D.C. 20005.
D. (6) $4,312.67. E. (9) $647.32.

A. James C. Rosapepe, Rosapepe & Associates, 101 N. Columbus Street, No. 400, Alexandria, Va. 22314.
B. Rosapepe & Associates, 101 N. Columbus Street, No. 400, Alexandria, Va. 22314 (for Interfaith Center on Corporate Responsibility, New York, N.Y. 10027).
D. (6) $960. E. (9) $77.76.

A. Albert B. Rosenbaum III, National Tank Truck Carriers, Inc., 1616 P Street NW., Washington, D.C. 20036.
B. National Tank Truck Carriers, Inc., 1616 P Street NW., Washington, D.C. 20036.

A. Harry N. Rosenfield, 1735 DeSales Street NW., Washington, D.C. 20036.
B. American Chiropractic Association, 2200 Grand Avenue, Des Moines, Iowa 50312.
D. (6) $1,500. E. (9) $173.

A. Robert M. Russell, 2170 Piedmont Road, NE., Atlanta, Ga. 30324.
B. Orkin Exterminating Co., 2170 Piedmont Road NE., Atlanta, Ga. 30324.
D. (6) $261.

A. Sheryl P. Rutledge, 1100 H Street NW., Washington, D.C. 20080.
B. Washington Gas Light Co., 1100 H Street NW., Washington, D.C. 20080.
D. (6) $846.84. E. (9) $309.10.

A. Jennifer Sauve, National Association of Home Builders of the United States, 15th and M Streets NW., Washington, D.C. 20005.
B. National Association of Home Builders of the United States, 15th and M Streets NW., Washington, D.C. 20005.
D. (6) $5,484.38. E. (9) $642.18.

A. Frank J. Scaduto, 1750 New York Avenue NW., Washington, D.C. 20006.
B. Sheet Metal Workers' International Association, 1750 New York Avenue NW., Washington, D.C. 20006.
D. (6) $5,800.

A. Henry Schacht, California Canners and Growers, 3100 Ferry Building, San Francisco, Calif. 94106.
B. California Canners and Growers, 3100 Ferry Building, San Francisco, Calif. 94106.
D. (6) $2,850. E. (9) $951.04.

A. Denise Schlener, The Wilderness Society, 1901 Pennsylvania Avenue NW., Washington, D.C. 20006.
B. The Wilderness Society, 1901 Pennsylvania Avenue NW., Washington, D.C. 20006.
D. (6) $706.16. E. (9) $41.76.

A. Robert L. Schmidt, National Cable Television Association, 918 16th Street NW., Washington, D.C. 20006.
B. National Cable Television Association, Inc., 918 16th Street NW., Washington, D.C. 20006.
D. (6) $227. E. (9) $236.

A. Terry L. Schmidt, Terry L. Schmidt Associates, Inc., 1701 Pennsylvania Avenue NW., Washington, D.C. 20006.
B. American College of Emergency Physicians, 3900 Capitol City Boulevard, Lansing, Mich. 48906.
D. (6) $900.

A. Ann Elizabeth Schmitt, 10601 Wise Owl Way, Great Falls, Va. 22060.
B. Women's Lobby, Inc., 201 Massachusetts Avenue NE., Washington, D.C. 20002.
D. (6) $770.

A. Peter Scholes, The Wilderness Society, 1901 Pennsylvania Avenue NW., Washington, D.C. 20006.
B. The Wilderness Society, 1901 Pennsylvania Avenue NW., Washington, D.C. 20006.
D. (6) $400.21. E. (9) $36.70.

A. John W. Scott, National Grange, 1616 H Street NW., Washington, D.C. 20006.
B. The National Grange, 1616 H Street NW., Washington, D.C. 20006.
D. (6) $6,875.

A. Seafarers International Union of North America, 675 Fourth Avenue, Brooklyn, N.Y.
E. (9) $2,620.49.

A. Deborah Sease, The Wilderness Society. 1901 Pennsylvania Avenue NW., Washington, D.C. 20006.
B. The Wilderness Society, 1901 Pennsylvania Avenue NW., Washington, D.C. 20006.
D. (6) 220.17. E. (9) $15.85.

A. Ronald C. Seeley, 701 Fairview, Milford, Mich. 48042.
B. Estate of Bert N. Adams, 1461 West 16th Place, Yuma, Ariz. 85364; et al.
E. (9) $273.10.

A. Stanley E. Senner, SR Box 30481, Fairbanks, Alaska 99701.
B. The Wilderness Society, 1901 Pennsylvania Avenue NW., Washington, D.C. 20006.
D. (6) $291.40. E. (9) $367.72.

A. Seven Months Session for Congress, 7201 Wood Hollow Drive, No. 337, Austin, Tex. 78731.
E. (9) $389.75.

A. Yvonne L. Shafer, National Education Association, c/o Classroom Teachers of Dallas, 3816 San Jacinto Street, Dallas, Tex. 75204.
B. National Education Association, 1201 16th Street NW., Washington, D.C. 20036.
D. (6) $2,932.10. E. (9) $100.

A. Kathleen Dillon Sheekey, Consumer Federation of America, 1012 14th Street NW., Washington, D.C. 20005.
B. Consumer Federation of America, 1012 14th Street NW., Washington, D.C. 20005.
D. (6) $1,753.85. E. (9) $211.90.

A. John P. Sheffey, National Association for Uniformed Services, 956 North Monroe Street, Arlington, Va. 22201.
B. National Association for Uniformed Services, 956 North Monroe Street, Arlington, Va. 22201.
D. (6) $1,125.

A. Jowanda Shelton, 2101 L Street NW., Washington, D.C. 20037.
B. Committee for Humane Legislation, Inc., 11 West 60th Street, New York, N.Y. 10023.
D. (6) $5,100.

A. Norman R. Sherlock, American Bus Association, 1025 Connecticut Avenue NW., Suite 308, Washington, D.C. 20036.
B. American Bus Association, 1025 Connecticut Avenue NW., Washington, D.C. 20036.
D. (6) $1,246.77. E. (9) $1,246.77.

A. Russell L. Shipley, Jr., 1430 K Street NW., Suite 1000, Washington, D.C. 20005.
B. National Candy Wholesalers Association, Inc., 1430 K Street NW., Suite 1000, Washington, D.C. 20005.
D. (6) $40.

A. Fred B. Shippee, American Apparel Manufacturers Association, 1611 North Kent Street, Suite 800, Arlington, Va. 22209.
B. American Apparel Manufacturers Association, 1611 North Kent Street, Suite 800, Arlington, Va. 22209.

A. Scott Shotwell, National Forest Products Association, 1619 Massachusetts Avenue NW., Washington, D.C. 20036.
B. National Forest Products Association, 1619 Massachusetts Aveune NW., Washington, D.C. 20036.
D. (6) $825. E. (9) $50.

A. Mark S. Sigurski, 1776 K Street NW., Suite 200, Washington, D.C. 20006.
B. Motorola, Inc., 1776 K Street NW., Suite 200, Washington, D.C. 20006.
D. (6) $400. E. (9) $200.

A. Silverstein and Mullens, 1776 K Street NW., Washington, D.C. 20006.
B. Bristol-Myers Co., 345 Park Avenue, New York, N.Y. 10002.

A. Silverstein and Mullens, 1776 K Street NW., Washington, D.C. 20006.
B. Champion International Corp., One Landmark Square, Stamford, Conn. 06921.

A. Silverstein and Mullens, 1776 K Street NW., Washington, D.C. 20006.
B. Federal National Mortgage Association, 1133 15th Street NW., Washington, D.C. 20005.

A. Silverstein and Mullens, 1776 K Street NW., Washington, D.C. 20006.
B. General American Transportation Co., 120 South Riverside Plaza, Chicago, Ill. 60606.

A. Silverstein and Mullens, 1776 K Street NW., Washington, D.C. 20006.
B. Music Corporation of America, Inc., 100 Universal City Plaza, Universal City, Calif. 91608.

A. Silverstein and Mullens, 1776 K Street NW., Washington, D.C. 20006.
B. National Association of Home Builders, 15th and M Street NW., Washington, D.C.

A. Silverstein and Mullens, 1776 K Street NW., Washington, D.C. 20006.
B. National Savings and Loan League, 1200 17th Street NW., Washington, D.C. 20036.

A. Silverstein and Mullens, 1776 K Street NW., Washington, D.C. 20006.
B. Ogden Transportation Corp., 277 Park Avenue, New York, N.Y. 10017.

A. Thomas K. Singer, 900 17th Street NW., Washington, D.C. 20006.
B. Kaiser Aluminum and Chemical Corp., 900 17th Street NW., Washington, D.C. 20006.
D. (6) $598.50.

A. Richard L. Sinnott and Co., 888 17th Street NW., Suite 212, Washington, D.C. 20006.
B. Citizens for Management of Alaska Lands, P.O. Box 3256 DT, Anchorage, Alaska 99510.
D. (6) $1,500.

A. Richard L. Sinnott & Co., 888 17th Street NW., Suite 212, Washington, D.C. 20006.
B. Port of Oakland, Oakland, Calif.
D. (6) $1,250.

A. Marcus W. Sisk, Jr., 1775 K Street NW., Suite 220, Washington, D.C. 20006.
B. American Bankers Association, 2020 K Street NW., Washington, D.C. 20006.
D. (6) $883.33 E. (9) $11.68.

A. Marcus W. Sisk, Jr., 1775 K Street NW., Washington, D.C. 20006.
B. Tosco Corp., 10100 Santa Monica Boulevard, Los Angeles, Calif. 90067.
D. (6) $1,600. E. (9) $62.

A. Hall Sisson, Communications Workers of America, 1925 K Street NW., Washington, D.C. 20006.
B. Communications Workers of America, 1925 K Street NW., Washington, D.C. 20006.
D. (6) $3,635.49. E. (9) $3,715.27.

A. Stephen L. Skardon, Jr., National Association of Retired Federal Employees, 1533 New Hampshire Avenue NW., Washington, D.C. 20036.
B. National Association of Retired Federal Employees, 1533 New Hampshire Avenue NW., Washington, D.C. 20036.
D. (6) $900. E. (9) $65.

A. Jonathan W. Sloat, 1425 K Street NW., Suite 900, Washington, D.C. 20005.
B. Grocery Manufacturers of America, Inc., 1425 K Street NW., Suite 900, Washington, D.C. 20005.

A. Smathers, Symington & Herlong, 1700 K Street NW., Washington, D.C. 20006.
B. American Horse Council, 1700 K Street NW., Washington, D.C. 20006.
D. (6) $5,500. E. (9) $823.92.

A. Smathers, Symington & Herlong, 1700 K Street NW., No. 400, Washington, D.C. 20006.
B. American Inland Waterway Committee, 7733 Forsyth Boulevard, St. Louis, Mo. 63105.
D. (6) $3,750. E. (9) $1,063.05.

A. Smathers, Symington & Herlong, 1700 K Street NW., Washington, D.C. 20006.
B. The Arthritis Foundation, 422 C Street NW., Washington, D.C.
D. (6) $5,000. E. $9.15.

A. Smathers, Symington & Herlong, 1700 K Street NW., Washington, D.C. 20006.
B. Pennzoil Co., Houston, Tex. 77001.
D. (6) $6,000. E. (9) $11.18.

A. Robert G. Smerko, G. D. Searle & Co., Suite 320, 1750 Pennsylania Avenue NW., Washington, D.C. 20006.
B. G. D. Searle & Co., Box 1045, Skokie, Ill.

A. John G. Smillie, 900 17th Street NW., Washington, D.C. 20006.
B. Permanente Medical Group.
D. (6) $19,710. E. (9) $379.

A. Cathy Smith, 620 C Street SE., Washington, D.C. 20003.
B. Friends of the Earth, 620 C Street SE., Washington, D.C. 20003.
D. (6) $1,950.

A. Douglas J. Smith, Cramer, Visser, Lipsen & Smith, 475 L'Enfant Plaza SW., Suite 4100, Washington, D.C. 20024.
B. Cramer, Visser, Lipsen & Smith, 475 L'Enfant Plaza SW., Washington, D.C. 20024 (for American Sign and Indicator Corp., North 2310 Fancher Way, Spokane, Wash. 99208).

A. Elizabeth M. Smith, 815 16th Street NW., Room 310, Washington, D.C. 20006.
B. Amalgamated Clothing and Textile Workers Union, 15 Union Square, New York, N.Y. 10003.
D. (6) $6,000. E. (9) $148.75.

A. Robert F. Smith, 8316 Arlington Boulevard, Suite 600, Fairfax, Va. 22038.
B. National Right to Work Committee, 8316 Arlington Boulevard, Suite 600, Fairfax, Va. 22038.
D. (6) $155. E. (9) $35.

A. Talbott C. Smith, Chamber of Commerce of the United States, 1615 H Street NW., Washington, D.C. 20062.
B. Chamber of Commerce of the United States, 1615 H Street NW., Washington, D.C. 20062.
E. (9) $25.

A. Randall G. Snodgrass, The Wilderness Society, 3110 Maple Drive, Suite 407, Atlanta, Ga. 30305.
B. The Wilderness Society, 1901 Pennsylvania Avenue NW., Washington, D.C. 20006.
D. (6) $48.29. E. (9) $314.62.

A. Janice N. Somers, 490 L'Enfant Plaza East, SW., No. 3206, Washington, D.C. 20024.
B. National Federation of Independent Business, 490 L'Enfant Plaze East, SW., No. 3206, Washington, D.C. 20024.
D. (6) $400.

A. Julius P. Sommer, 5803 Callaway Street, 7K, Rego Park, Queens, N.Y. 11368.
E. (9) $85.

A. S. L. Sommer & Associates, Inc., 1800 North Kent Street, Arlington, Va. 22209.
B. Northrop Corp., 1701 North Fort Myer Drive, Suite 1208, Arlington, Va. 22209.
D. (6) $15,000. E. (9) $12,369.35.

A. Southwest Homefurnishings Association, 4313 North Central Expressway, Dallas, Tex. 75205.

A. Southwestern Peanut Shellers Association, 6815 Prestonshire, Dallas, Tex. 75225.
D. (6) $150. E. (9) $150.

A. David E. Stahl, National Association of Home Builders of the United States, 15th and M Streets NW., Washington, D.C. 20005.
B. National Association of Home Builders of the United States, 15th and M Streets NW., Washington, D.C. 20005.
D. (6) $2,877.50. E. (9) $38.71.

A. Gloria Starks, National Education Association, 1201 16th Street NW., Washington, D.C. 20036.
B. National Education Association, 1201 16th Street NW., Washington, D.C. 20036.
D. (6) $3,616.95. E. (9) $227.90.

A. Elliot J. Stern, American Health Planning Association, 2560 Huntington Avenue, Suite 305, Alexandria, Va. 22303.
B. American Health Planning Association, 2560 Huntington Avenue, Suite 305, Alexandria, Va. 22303.
D. (6) $14,386. E. (9) $14,386.

A. Sarah Jane Stewart, 825 15th Street NW., Washington, D.C. 20005.
B. National Abortion Rights Action League, 825 15th Street NW., Washington, D.C. 20005.
D. (6) $300.

A. Travis B. Stewart, Hoffman-La Roche, Inc., 1775 K Street NW., Washington, D.C. 20006.
B. Hoffmann-La Roche, Inc., 340 Kingsland Street, Nutley, N.J. 07110.
D. (6) $1,000. E. (9) $250.

A. Richard Boyle Storey, Suite 2B, 1750 Old Meadow Road, McLean, Va. 22101.
B. International Military Club Executives' Association, 1750 Old Meadow Road, Suite 2B, McLean, Va. 22101.

A. Richard B. Straus, 444 North Capitol Street NW., No. 412, Washington, D.C. 20001.
B. American Israel Public Affairs Committee, 444 North Capitol Street NW., No. 412, Washington, D.C. 20001.
D. (6) $7,099.98.

A. R. Keith Stroup, 2317 M Street NW., Washington, D.C. 20037.
B. NORML, 2317 M Street NW., Washington, D.C. 20037.
D. (6) $5,522.79.

A. Sullivan & Worcester, 1025 Connecticut Avenue NW., Washington, D.C. 20036.
B. Deutsche Bank AG, Grosse Gallus, Strasse 10–14, 6 Frankfurt (Main), West Germany.
D. (6) $27,062.50. E. (9) $59.61.

A. Sullivan & Worchester, 1025 Connecticut Avenue NW., Washington, D.C. 20036.
B. Marion Laboratories, Inc., 10236 Bunker Ridge Road, Kansas City, Mo. 64137.
D. (6) $10,735. E. (9) $65.27.

A. Sutherland, Asbill & Brennan, 1666 K Street NW., Washington, D.C. 20006.
B. American Industrial Clay and Georgia Kaolin Division of Yara Engineering Corp., 511 Westminster Avenue, Elizabeth, N.J. 07207.
D. (6) $1,000. E. (9) $210.

A. Sutherland, Asbill & Brennan, 1666 K Street NW., Washington, D.C. 20006.
B. Anglo-American Clays Corp., P.O. Box 471, Sandersville, Ga. 31082.
D. (6) $1,000. E. (9) $210.

A. Sutherland, Asbill & Brennan, 1666 K Street NW., Washington, D.C. 20006 and 3100 First National Bank Tower, Atlanta, Ga. 30303.
B. The Coca-Cola Bottlers' Association, 166 16th Street NW., Atlanta, Ga.

A. Sutherland, Asbill & Brennan, 1666 K Street NW., Washington, D.C. 20006.
B. Engelhard Minerals & Chemicals Corp., 299 Park Avenue, New York, N.Y. 10017.
D. (6) $1,000. E. (9) $210.

A. Sutherland, Asbill & Brennan, 1666 K Street NW., Washington, D.C. 20006.
B. Equifax Inc., Post Office Box 4081, Atlanta, Ga. 30302.
D. (6) $5,000. E. (9) $250.

A. Sutherland, Asbill & Brennan, 1666 K Street NW., Washington, D.C. 20006.
B. Freeport Kaolin Division of Freeport Minerals Co., 161 East 42d Street, New York, N.Y. 10017.
D. (6) $1,000. E. (9) $210.

A. Sutherland, Asbill & Brennan, 1666 K Street NW., Washington, D.C. 20006.
B. J. M. Huber Corp, Thornall Street, Edison, N.J. 08817.
D. (6) $1,000. E. (9) $210.

A. Sutherland, Asbill & Brennan, 1666 K Street NW., Washington, D.C. 20006.
B. Mullite Company of America, Andersonville, Ga. 31711.
D. (6) $1,000. E. (9) $210.

A. Sutherland, Asbill & Brennan, 1666 K Street NW., Washington, D.C. 20006.
B. Mutual of Omaha Insurance Co., Dodge at 33d Street, Omaha, Nebr. 68131.
D. (6) $7,500. E. (9) $500.
A. Sutherland, Asbill & Brennan, 3100 First National Bank Tower, Atlanta, Ga. 30303; and 1666 K Street NW., Washington, D.C. 20006.
B. Oglethorpe Electric Membership Corp., 3951 Snapfinger Parkway, Decatur, Ga. 30035.
E. (9) $49.

A. Sutherland, Asbill & Brennan, 1666 K Street NW., Washington, D.C. 20006.
B. Thiele Kaolin Co., Kaolin Road, Sandersville, Ga. 31082.
D. (6) $1,000. E. (9) $210.

A. Frank S. Swain, National Federation of of Independent Business, 490 L'Enfant Plaza East SW., Suite 3206, Washington, D.C. 20024.
B. National Federation of Independent Business, 490 L'Enfant Plaza East SW., Suite 3206, Washington, D.C. 20024.
D. (6) $2,250. E. (9) $205.37.

A. Glenn A. Swanson, Independent Bankers Association of America, 1625 Massachusetts Avenue NW., Washington, D.C. 20036.
B. Independent Bankers Association of America, Sauk Centre, Minn. 56378.
D. (6) $67,227.14. E. (9) $19,824.80.

A. John R. Sweeney, 800 Solar Building, 1000 16th Street NW., Washington, D.C. 20036.
B. Bethlehem Steel Corp., Bethlehem, Pa. 18016.
D. (6) $200. E. (9) $96.25.

A. Swerdloff Associates, Inc., 18 West 10th Street, New York, N.Y. 10011.
B. Coalition for New York, Inc./Coalition to Save New York, Inc., 230 Park Avenue, New York, N.Y. 10017.

A. Robert D. Swezey, Jr., 1150 17th Street NW., Washington, D.C. 20036.
B. MCI Communications Corp., 1150 17th Street NW., Washington, D.C. 20036.
D. (6) $2,653.28. E. (9) $63.34.

A. Swift & Swift, 1100 17th Street NW., Washington, D.C. 20036.
B. IU International, 1500 Walnut Street, Philadelphia, Pa. 19102.
D. (6) $1,500.

A. Taxation with Representation, 2369 North Taylor Street, Arlington, Va. 22207.
D. (6) $29,979.48. E. (9) $55,624.47.

A. Clayton C. Taylor, 1 McDonald's Plaza, Oak Brook, Ill. 60521.
B. McDonald's Corp., 1 McDonald's Plaza, Oak Brook, Ill. 60521.
E. (9) $25.05.

A. Tennessee Gas Pipeline Co., P.O. Box 2511, Houston, Tex. 77001.
E. (9) $115.

A. 13th Congressional District Action Committee, 22273 Bahl Street, Cupertino, Calif. 95014.
D. (6) $314. E. (9) $281.40.

A. Melissa A. Thompson, Population Resource Center, 110 Maryland Avenue NE., Washington, D.C. 20002.
B. Population Resource Center, Inc., 622 Third Avenue, New York, N.Y., 10017.
D. (6) $2,215. E. (9) $1,257.

A. Drew V. Tidwell, Consumer Bankers Association, 1725 K Street NW., Suite 1410, Washington, D.C. 20006.
B. Consumer Bankers Association, 1725 K Street NW., Suite 1410, Washington, D.C. 20006.
D. (6) $2,000. E. (9) $3,454.28.

A. Patrick Tobin, International Longshoremen's & Warehousemen's Union, 417 Fourth Street SW., Washington, D.C. 20001.
B. International Longshoremen's & Warehousemen's Union, 1188 Franklin Street, San Francisco, Calif. 94109.
D. (6) $4,680.

A. William D. Toohey, 1100 Connecticut Avenue NW., Washington, D.C. 20036.
B. Discover America Travel Organizations, Inc., 1100 Connecticut Avenue NW., Washington, D.C. 20036.
D. (6) $1,942.

A. Joseph P. Trainor, Brotherhood of Railway, Airline & Steamship Clerks, Freight Handlers, Express & Station Employees, 815 16th Street NW., Washington, D.C. 20006.
B. Brotherhood of Railway, Airline & Steamship Clerks, Freight Handlers, Express & Station Employees, 6300 River Road, Rosemont, Ill. 60018.
D. (6) $6,750. E. (9) $8,990.34.

A. Jerry R. Tucker, United Automobile, Aerospace & Agricultural Implement Workers of America (UAW), 1125 15th Street NW., Washington, D.C. 20005.
B. International Union, United Automobile, Aerospace & Agricultural Implement Workers of America (UAW), 8000 East Jefferson Avenue, Detroit, Mich. 48214.
D. (6) $7,531.87. E. (9) $1,210.72.

A. Jerry G. Udell, American Retail Federation, 1616 H Street NW., Washington, D.C. 20006.
B. American Retail Federation, 1616 H Street NW., Washington, D.C. 20006.
D. (6) $100. E. (9) $50.

A. Union Mutual Life Insurance Co., 2211 Congress Street, Portland, Maine 04112.
A. United Gas Pipe Line Co., P.O. Box 1478, Houston, Tex. 77001.

A. U.S. Merchant Marine Academy, Alumni Association, Inc. (Kings Point Fund, Inc.), Kings Point, N.Y. 11024.
E. (9) $1,250.

A. Vincent Usera, CUNA, Inc., 1730 Rhode Island Avenue NW., Washington, D.C. 20036.
B. Credit Union National Association, Inc., 1617 Sherman Avenue, Madison, Wis.
D. (6) $1,035. E. (9) $175.

A. R. Dick Vander Woude, National Education Association, 1718 Yahara Place, Madison, Wis. 53704.
B. National Education Association, 1201 16th Street NW., Washington, D.C. 20036.
D. (6) $3,282.42. E. (9) $75.

A. Vietnam Veteran Coalition, Inc., Suite 925, 1346 Connecticut Avenue NW., Washington, D.C. 20036.
D. (6) $21,000. E. (9) $760.

A. David K. Voight, National Federation of Independent Business, 490 L'Enfant Plaza East SW., Suite 3206, Washington, D.C. 20024.
B. National Federation of Independent Business, 490 L'Enfant Plaza East SW., Suite 3206, Washington, D.C. 20024.
D. (6) $2,250. E. (9) $425.

A. Volkswagen Manufacturing Corp. of America, 7111 East 11 Mile Road, Warren, Mich. 48090.
E. (9) $300.

A. Volkswagen of America, Inc., 818 Sylvan Avenue, Englewood Cliffs, N.J. 07632.
E. (9) $325.

A. Vorys, Sater, Seymour & Pease, 1800 M Street NW., Suite 800 South, Washington, D.C. 20036.
B. International Agricultural Development Service, 1133 Avenue of the Americas, New York, N.Y. 10036.
E. (9) $97.32.

A. Jerome R. Waldie, 100 Indiana Avenue, Washington, D.C. 20001.
B. Alameda Naval Employees' Association, Alameda Naval Air Station, Alameda, Calif. 94501.
D. (6) $625. E. (9) $164.30.

A. Jerome R. Waldie, 100 Indiana Avenue, Washington, D.C. 20001.
B. American Association of Independent News Distributors, 25 Kearney Street, Suite 300, San Francisco, Calif.
D. (6) $665. E. (9) $125.

A. Jerome R. Waldie, 100 Indiana Avenue, Washington, D.C. 20001.
B. American League of Anglers, 75 Rockefeller Plaza, No. 1705, New York, N.Y. 10019.
D. (6) $1,000. E. (9) $257.82.

A. Jerome R. Waldie, 100 Indiana Avenue, Washington, D.C. 20001.
B. Contra Costa County Water Agency, Administration Building, Martinez, Calif. 94553.
D. (6) $2,000. E. (9) $171.28.

A. Jerome R. Waldie, 100 Indiana Avenue, Washington, D.C. 20001.
B. Friends of the Earth, 124 Spear Street, San Francisco, Calif. 94105.
D. (6) $150. E. (9) $115.

A. Jerome R. Waldie, 100 Indiana Avenue NW., Washington, D.C. 20001.
B. Mineral King District Association, P.O. Box 205, Three Rivers, Calif. 93271.
D. (6) $750. E. (9) $1,974.40.

A. Jerome R. Waldie, 100 Indiana Avenue NW., Washington, D.C. 20001.
B. National Association of Letter Carriers, 100 Indiana Avenue NW., Washington, D.C. 20001.
D. (6) $8,899.88 E. (9) $926.03

A. Jerome R. Waldie, 100 Indiana Avenue NW., Washington, D.C. 20001.
B. National Council of Bureau of Indian Affairs and Indian Health Service Locals, 540 N Street NW., Washington, D.C. 20024.
E. (9) $20.

A. Jerome R. Waldie, 100 Indiana Avenue NW., Washington, D.C. 20001.
B. National Franchise Association Coalition, P.O. Box 366, Fox Lake, Ill. 60020.
D. (6) $2,000. E. (9) $142.99.

A. Jerome R. Waldie, 100 Indiana Avenue NW., Washington, D.C. 20001.
B. Task Force One, Federal Employees' Organization, Point Mugu, Calif.
D. (6) $700. E. (9) $64.25.

A. Leonard F. Walentynowicz, 4970 Sentinel Drive, Apartment 301, Summer, Md. 20016.
B. Polish American Congress, 1200 North Ashland Avenue, Chicago, Ill. 60622.
D. (6) $3,750. E. (9) $418.80.

A. Demelt E. Walker, Credit Union National Association, Inc., 1730 Rhode Island Avenue NW., Washington, D.C. 20036.
B. Credit Union National Association, Inc., 1617 Sherman Avenue, Madison, Wis.
D. (6) $1,350. E. (9) $100.

A. Elaine Nogay Walker, 1625 Massachusetts Avenue NW., Washington, D.C. 20036.
B. Can Manufacturers Institute, 1625 Massachusetts Avenue NW., Washington, D.C. 20036.
D. (6) $200. E. (9) $24.

A. Alan S. Ward, 818 Connecticut Avenue NW., Washington, D.C. 20006.
B. Baker, Hostetler, Frost & Towers, 818 Connecticut Avenue NW., Washington, D.C. 20006 for the Soap & Detergent Association 475 Park Avenue South at 32d Street, New York, N.Y. 10016.

A. Carol Ann Ward, National Federation of Independent Business, 490 L'Enfant Plaza East SW., Suite 3206, Washington, D.C. 20024.
B. National Federation of Independent Business, 490 L'Enfant Plaza East SW., Suite 3206, Washington, D.C. 20024.
D. (6) $400.

A. Gregg Ward, SMACNA, 8224 Old Courthouse Road, Vienna, Va. 22180.
B. Sheet Metal & Air Conditioning Contractors' National Association, Inc., 8224 Old Courthouse Road, Vienna, Va. 22180.
D. (6) $800.

A. Warner Communications, Inc., 75 Rockefeller Plaza, New York, N.Y. 10019.
E. (9) $12,000.

A. Washington Gas Light Co., 1100 H Street NW., Washington, D.C. 20080.
E. (9) $1,193.89.

A. Washington State NARAL, P.O. Box 15549, Seattle, Wash. 98115.
D. (6) $2,665.08. E. (9) $3,670.97.

A. Raymond J. Weatherly, 1745 Jefferson Davis Highway, Arlington, VA. 22202.
B. Manufactured Housing Institute, 1745 Jefferson Davis Highway, Arlington, Va. 22202.
D. (6) $1,500. E. (9) $750.

A. Webster & Sheffield, One Rockefeller Plaza, New York, N.Y. 10020.
B. Smith, Barney Real Estate Corp. (a wholly owned subsidiary of Smith Barney, Harris Upham & Co., Inc.), 1345 Avenue of the Americas, New York, N.Y. 10019.
D. (6) $1,624. E. (9) $603.

A. Paul S. Weller, Jr., National Council of Farmer Cooperatives, 1129 20th Street NW., Washington, D.C. 20036.
B. National Council of Farmer Cooperatives, 1129 20th Street NW., Washington, D.C. 20036.
D. (6) $4,397. E. (9) $201.

A. William B. Welsh, 1625 L Street NW., Washington, D.C. 20036.
B. American Federation of State, County & Municipal Employees, AFL–CIO, 1625 L Street NW., Washington, D.C. 20036.
D. (6) $12,716. E. (9) $100.

A. Carol Werner, 825 15th Street NW., Washington, D.C. 20005.
B. National Abortion Rights Action League, 825 15th Street NW., Washington, D.C. 20005.
D. (6) $3,508.34.

A. Western Railroad Association, 222 South Riverside Plaza, Room 1200, Chicago, Ill. 60606.
D. (6) $8,942.75. E. (9) $8,942.75.

A. Evelyn J. White, 2301 Market Street, Philadelphia, Pa. 19101.
B. Philadelphia Electric Co., 2301 Market Street, Philadelphia, Pa. 19101.
E. (9) $28.35.

A. Rebecca Wilcox, 900 17th Street NW., Washington, D.C. 20006.
B. Kaiser Foundation Health Plan, Inc.
D. (6) $8,000.

A. Thomas D. Wilcox, 919 18th Street NW., Washington, D.C. 20006.
B. National Association of Stevedores, 919 18th Street NW., Washington, D.C. 20006.

A. Sandra L. Willett, 3023 Dumbarton Avenue NW., Washington, D.C. 20007.
B. National Consumers League, 1028 Connecticut Avenue NW., Washington, D.C. 20036.
D. (6) $2,000.

A. Williams & Connolly, 1000 Hill Building, Washington. D.C. 20006.
B. Federal National Mortgage Association, 1133 15th Street NW., Washington, D.C. 20006.

A. Williams & Connolly, 1000 Hill Building, Washington, D.C. 20006.
B. State of Maine, Office of the Governor, Augusta, Maine 04333.

A. Williams & Jensen, 1130 17th Street NW., Washington, D.C. 20036.
B. American Medicorp, Inc., 111 Presidential Boulevard, Bala Cynwyd, Pa.

A. Williams & Jensen, 1130 17th Street NW., Washington, D.C. 20036.
B. American Physical Therapy Association, 1156 15th Street NW., Washington, D.C. 20005.

A. Williams & Jensen, 1130 17th Street NW., Washington, D.C. 20036.
B. The Association of Family Farmers, 1130 17th Street NW., Washington, D.C. 20036.
D. (6) $600. E. (9) $60.

A. Williams & Jensen, 1130 17th Street NW., Washington, D.C. 20036.
B. Bangor Punta Operations, Inc., One Greenwich Plaza, Greenwich, Conn. 06830.

A. Williams & Jensen, 1130 17th Street NW., Washington, D.C. 20036.
B. Blyth, Eastman, Dillon & Co., Inc., McGraw-Hill Building, 1221 Avenue of the Americas, New York, N.Y. 10020.

A. Williams & Jensen, 1130 17th Street NW., Washington, D.C. 20036.
B. C. Brewer & Co., Ltd., P.O. Box 1826, Honolulu, Hawaii 96801.

A. Williams & Jensen, 1130 17th Street NW., Washington, D.C. 20036.
B. Brown & Root, Inc., Box 3, Houston, Tex. 77001.

A. Williams & Jensen, 1130 17th Street NW., Washington, D.C. 20036.
B. Domestic Petroleum Council, 1130 17th Street NW., Washington, D.C. 20036.
D. (6) $500. E. (9) $50.

A. Williams & Jensen, 1130 17th Street NW., Washington, D.C. 20036.
B. Estee Lauder, Inc., 767 Fifth Avenue, New York, N.Y. 10022.

A. Williams & Jensen, 1130 17th Street NW., Washington, D.C. 20036.
B. Federal Express Corp., AMF Box 30167, Memphis, Tenn. 38180.

A. Williams & Jensen, 1130 17th Street NW., Washington, D.C. 20036.
B. Institute for Due Process for Financial Institutions, 1130 17th Street NW., Washington, D.C. 20036.

A. Williams & Jensen, 1130 17th Street NW., Washington, D.C. 20036.
B. IU International Management Corp., 1500 Walnut Street, Philadelphia, Pa. 19102.
D. (6) $200. E. (9) $20.

A. Williams & Jensen, 1130 17th Street NW., Washington, D.C. 20036.
B. Krause Milling Co., P.O. Box 1156, Milwaukee, Wis. 53201.
D. (6) $30.

A. Williams & Jensen, 1130 17th Street NW., Washington, D.C. 20036.
B. The Louisiana Land & Exploration Co., P.O. Box 60350, New Orleans, La. 70160.
D. (6) $500. E. (9) $50.

A. Williams & Jensen, 1130 17th Street NW., Washington, D.C. 20036.
B. Martin Ryan Haley & Associates, Inc., 40 Central Park South, New York, N.Y. 10019.

A. Williams & Jensen, 1130 17th Street NW., Washington, D.C. 20036.
B. National Association of Water Cos., Box 387, Washington, D.C. 20044.
D. (6) $100. E. (9) $10.

A. Williams & Jensen, 1130 17th Street NW., Washington, D.C. 20036.
B. Nationwide Insurance Co., 1 Nationwide Plaza, Columbus, Ohio 43216.
D. (6) $600. E. (9) $60.

A. Williams & Jensen, 1130 17th Street NW., Washington, D.C. 20036.
B. Northrop Corp., 1800 Century Park East, Los Angeles, Calif. 90067.
D. (6) $200. E. (9) $20.

A. Williams & Jensen, 1130 17th Street NW., Washington, D.C. 20036.
B. The Superior Oil Co., First City National Bank Building, Houston, Tex. 77002.

A. Williams & Jensen, 1130 17th Street NW., Washington, D.C. 20036.
B. Texas County Irrigation & Water Resources Association, 118 West Sixth Street, Guymon, Oklahoma. 73942.
E. (9) $15.

A. Wade S. Williams, 1620 I Street NW., Washington, D.C. 20006.
B. American Institute of Certified Public Accountants, 1211 Avenue of the Americas, New York, N.Y. 10036.

A. Peters Willson, Zero Population Growth, Inc., 1346 Connecticut Avenue, NW., Washington, D.C. 20036.
B. Zero Population Growth, Inc., 1346 Connecticut Avenue, NW., Washington, D.C. 20036.
D. (6) $851. E. (9) $45.

A. Henry T. Wilson, 1750 New York Avenue NW., Washington, D.C. 20006.
B. International Brotherhood of Painters and Allied Trades, 1750 New York Avenue NW., Washington, D.C. 20006.
D. (6) $913.50.

A. Winston P. Wilson, 523 North Forrest Street, Forrest City, Ark. 72335.
B. Northrop Corp., 1701 North Fort Myer Drive, Suite 1208, Arlington, Va. 22209.
D. (6) $5,800. E. (9) $2,350.

A. James R. Winnie, Cities Service Gas Co., P.O. Box 25128, Oklahoma City, Okla. 73125.
B. Cities Service Gas Co., P.O. Box 25128, Oklahoma City, Okla. 73125.

A. Richard F. Witherall, Colorado Railroad Association, 420 Denver Club Building, Denver, Colo. 80202.
B. Colorado Railroad Association, 420 Denver Club Building, Denver, Colo. 80202.
E. (9) $2,886.

A. Frank R. Wolf, 1901 North Moore Street, Suite 804, Arlington, Va. 22209.
B. Gerber Products Co., 445 State Street, Fremont, Mich. 49412.
D. (6) $600.

A. Frank R. Wolf, 1901 North Moore Street, Suite 804, Arlington, Va. 22209.
B. National Farm & Power Equipment Dealers Association, 10877 Watson Road, St. Louis, Mo. 63127.
10877 Watson Road, St. Louis, Mo. 63127.
D. (6) $600.

A. Sidney M. Wolfe, 2000 P Street NW., Suite 708, Washington, D.C. 20036.
B. Health Research Group, 2000 P Street NW., Suite 708, Washington, D.C. 20036.

A. Irwin Wolkstein, American Hospital Association, 444 North Capitol Street NW., No. 500, Washington, D.C. 20001.
B. American Hospital Association, 840 North Lake Shore Drive, Chicago, Ill. 60611.
D. (6) $490.88. E. (9) $97.10.

A. Kenneth Wollack, 444 North Capitol Street NW., No. 412, Washington, D.C. 20001.
B. American Israel Public Affairs Committee, 444 North Capitol Street NW., No. 412, Washington, D.C. 20001.
D. (6) $8,250.

A. Burton C. Wood, Mortgage Bankers Association of America, 1125 15th Street NW., Washington, D.C. 20005.
B. Mortage Bankers Association of America, 1125 15th Street NW., Washington, D.C. 20005.
D. (6) $5,938. E. (9) $24,002.

A. Merle E. Wood, Marion Laboratories, Inc., 10236 Bunker Ridge Road, Kansas City, Mo. 64137.
B. Ewing M. Kauffman, Marion Laboratories, Inc., 10236 Bunker Ridge Road, Kansas City, Mo. 64137.
D. (6) $375. E. (9) $593.

A. Merle E. Wood, Marion Laboratories, Inc., 10236 Bunker Ridge Road, Kansas City, Mo. 64137.
B. Marion Laboratories, Inc., 10236 Bunker Ridge Road, Kansas City, Mo. 64137.
D. (6) $500. E. (9) $1,107.10.

A. William E. Woods, National Association of Retail Druggists, 1750 K Street NW., Washington, D.C. 20006.
B. National Association of Retail Druggists, 1750 K Street NW., Washington, D.C. 20006.
D. (6) $750. E. (9) $150.

A. Paige Wooldridge, Box 1006, Bluefield, W. Va. 24701.
B. National Council of Coal Lessors, Inc., 1130 17th Street NW., Suite 230, Washington, D.C. 20036.
D. (6) $7,500. E. (9) $426.66.

A. World Federalist Political Education Committee, 600 Valley Road, Wayne, N.J. 07470.
D. (6) $14,005.79. E. (9) $9,531.57.

A. Donald Yarborough, Paraplegia Cure Research, 100 Maryland Avenue NE., Washington, D.C. 20002.
B. Paraplegia Cure Research, 100 Maryland Avenue NE., Washington, D.C. 20002.
D. (6) $240.

A. Jack Yelverton, 1303 New Hampshire Avenue NW., Washington, D.C. 20036.
B. Fleet Reserve Association, 1303 New Hampshire Avenue NW., Washington, D.C. 20036.

A. Kenneth Young, AFL–CIO, 815 16th Street NW., Washington, D.C.
B. American Federation of Labor and Congress of Industrial Organizations, 815 16th Street NW., Washington, D.C.
D. (6) $10,998. E. (9) $278.86.

A. Donald Zahn, 8316 Arlington Boulevard, Suite 600, Fairfax, Va. 22038.
B. National Right to Work Committee, 8316 Arlington Boulevard, Suite 600, Fairfax, Va. 22038.
D. (6) $445. E. (9) $130.

A. Edison R. Zayas, National Federation of Independent Business, 490 L'Enfant Plaza East SW., Suite 3206, Washington, D.C. 20024.
B. National Federation of Independent Business, 490 L'Enfant Plaza East SW., Suite 3206, Washington, D.C. 20024.
D. (6) $2,250. E. (9) $75.

A. Donald P. Zeifang, 1771 N Street NW., Washington, D.C. 20036.
B. National Association of Broadcasters, 1771 N Street NW., Washington, D.C. 20036.
D. (6) $3,000. E. (9) $268.

A. Zero Population Growth, Inc., 1346 Connecticut Avenue NW., Washington, D.C. 20036.
D. (6) $1,111. E. (9) $3,081.

A. Ziontz, Pirtle, Morisset, Ernstoff & Chestnut, 208 Pioneer Building, 600 First Avenue, Seattle, Wash. 98104.
B. Confederated Tribes of the Colville Indian Reservation, P.O. Box 150, Nespelem, Wash. 99155.
E. (9) $1,538.91.

A. Ziontz, Pirtle, Morisset, Ernstoff & Chestnut, 208 Pioneer Building, 600 First Avenue, Seattle, Wash. 98104.
B. Lummi Tribe of Indians, 2616 Kwina Road, Bellingham, Wash. 98225.
E. (9) $1,411.31.

A. Ziontz, Pirtle, Morisset, Ernstoff & Chestnut, 208 Pioneer Building, 600 First Avenue, Seattle, Wash. 98104.
B. Makah Indian Tribe, P.O. Box 115, Neah Bay, Wash. 98357.
E. (9) $1,498.30.

A. Ziontz, Pirtle, Morisset, Ernstoff & Chestnut, 208 Pioneer Building, 600 First Avenue, Seattle, Wash. 98104.
B. Metlakatla Indian Community, P.O. Box 8, Metlakatla, Alaska 99926.

A. Ziontz, Pirtle, Morisset, Ernstoff & Chestnut, 208 Pioneer Building, 600 First Avenue, Seattle, Washington 98104.
B. Northern Cheyenne Indian Tribe, P.O. Box 128, Lame Deer, Mont. 59043.
E. (9) $2.05.

A. Ziontz, Pirtle, Morisset, Ernstoff & Chestnut, 208 Pioneer Building, 600 First Avenue, Seattle, Wash. 98104.
B. Quileute Indian Tribe, P.O. Box 279, LaPush, Wash. 98350.

A. Ziontz, Pirtle, Morisset, Ernstoff & Chestnut, 208 Pioneer Building, 600 First Avenue, Seattle, Wash. 98104.
B. Suquamish Indian Tribe, P.O. Box 556, Suquamish, Wash. 98392.

A. John L. Zorack, Cook & Henderson, 1735 K Street NW., Washington, D.C. 20006.
B. Federal Express Corp., AMF Box 30167, Memphis, Tenn. 38130.
D. (6) $1,500. E. (9) $220.

A. John L. Zorack, Cook & Henderson, 1735 K Street NW., Washington, D.C. 20006.
B. Pan American World Airways, 1800 K Street NW., Suite 900, Washington, D.C. 20006.
D. (6) $3,000. E. (9) $180.

A. Barry Zorthian, Time Inc., 888 16th Street NW., Washington, D.C.
B. Time Inc., Time & Life Building, Rockefeller Center, New York, N.Y. 10020.
D. (6) $2,950. E. (9) $900.